



A LEADING ENTERPRISE IMAGING SOFTWARE PROVIDER FOR HEALTHCARE

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FY20 RESULTS

27 August 2020

Approved for Release to ASX by Board of Directors

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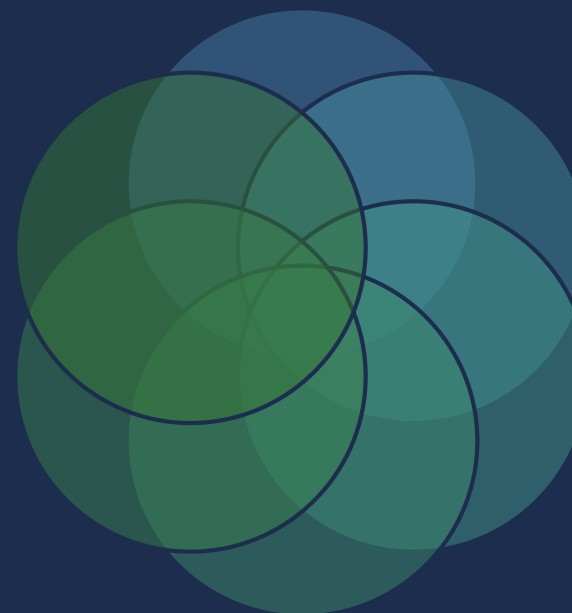
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MACH7 GLOBAL ENTERPRISE IMAGING LEADER



COMPLETE ENTERPRISE IMAGING PLATFORM

- eUnity enterprise viewer (front-end)
- Mach7 Platform with VNA and workflows (back-end)



ASX:M7T

- Market Cap \$245M
(235m shares
on issue)

GLOBAL MARKET

- >US\$3BN

GLOBAL CUSTOMER BASE

- North America
- Asia
- Qatar
- Europe

SOFTWARE DELIVERY

- On-premise
- Cloud (subscription only)

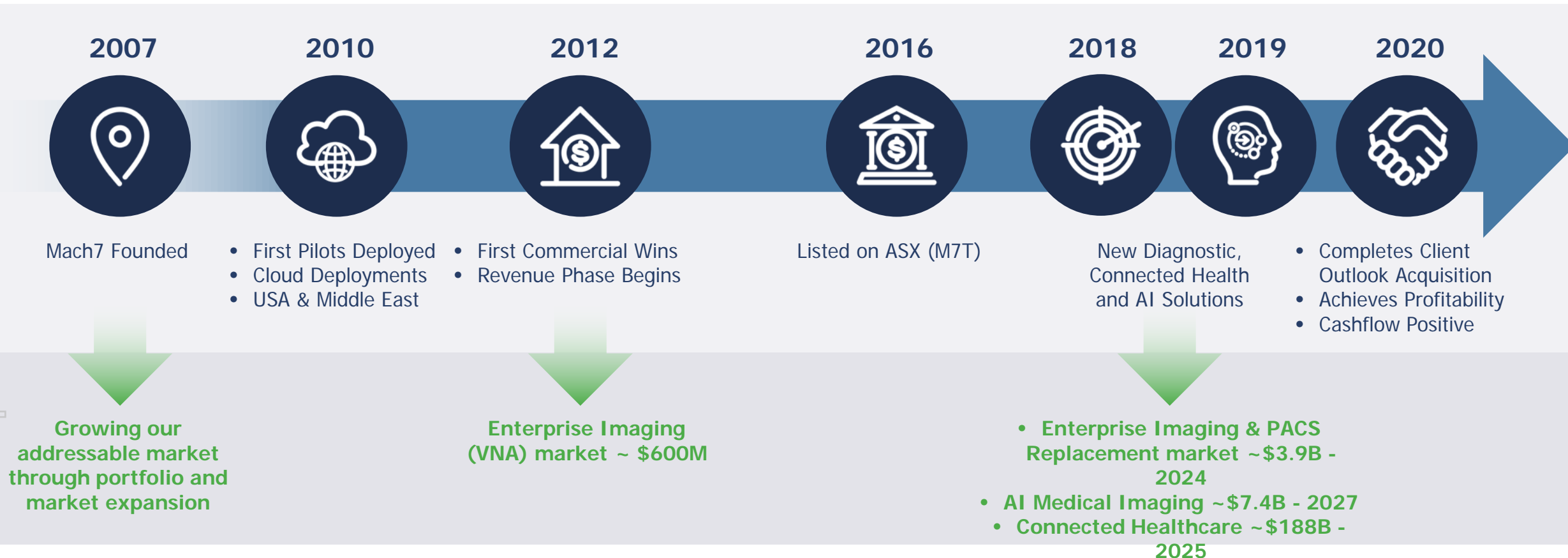
REVENUE MODEL

- SAAS (eUnity)
- Capital Sales (Mach7)
- Strong Growth
(102% FY20)



MACH7 GROWTH PATH

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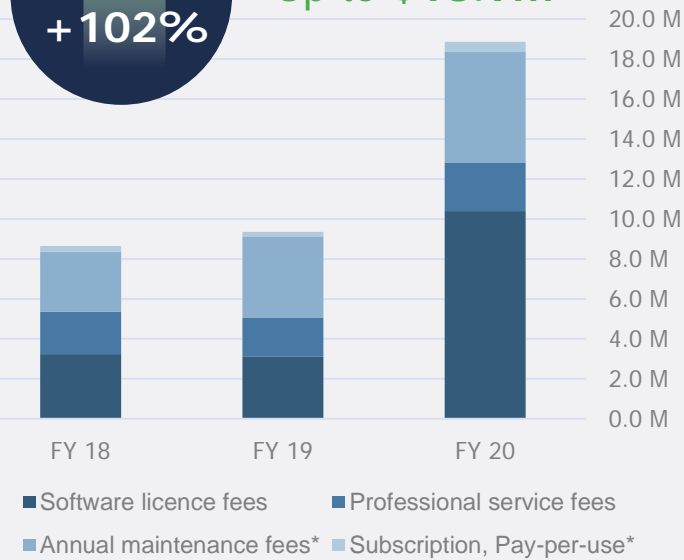


FINANCIAL HIGHLIGHTS – FY20

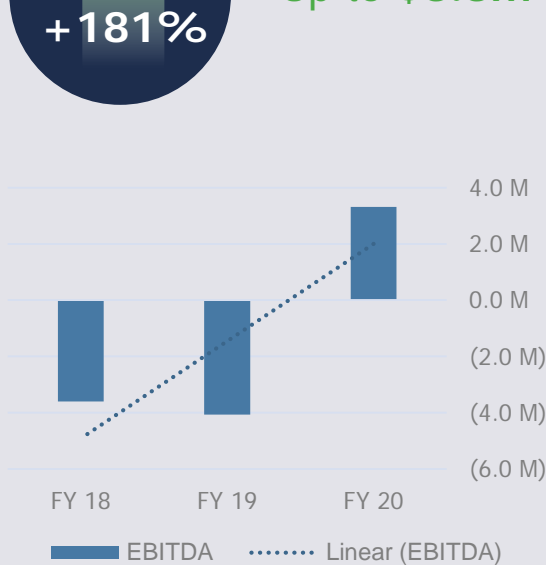
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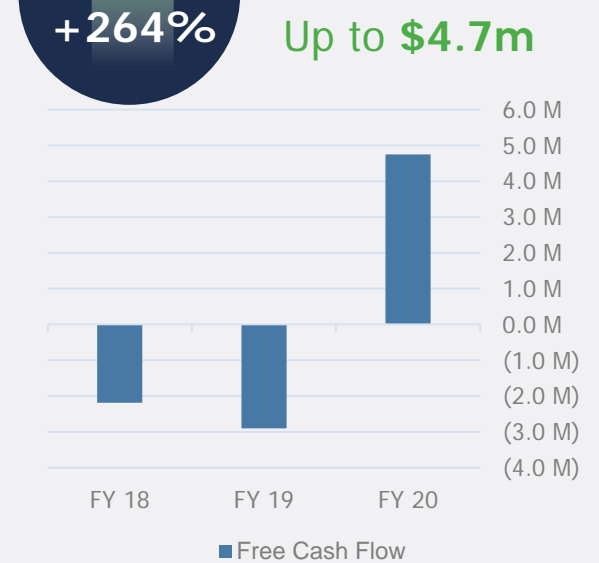
REVENUES
Up to **\$18.9m**



EBITDA
Up to **\$3.3m**



POSITIVE FREE CASH FLOW
Up to **\$4.7m**

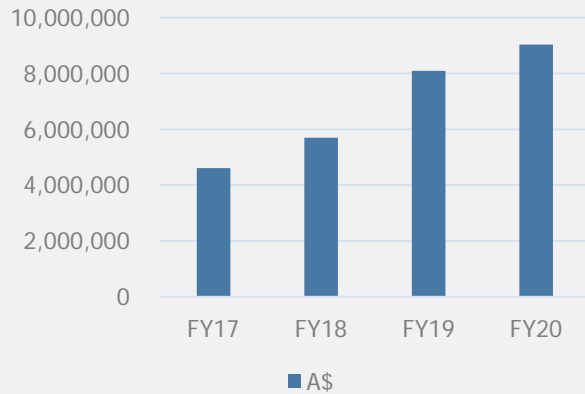


FINANCIAL HIGHLIGHTS – FY20

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CARR
(Contracted Annual
Recurring Revenue)
Up to **\$9m**



SALES ORDERS (FYV)
Up to **\$13.3m**



BUSINESS HIGHLIGHTS – FY20

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BUSINESS FURTHER DE-RISKED

- **QUALITY:** Profitability and positive free cashflow for first time
- **FINANCIAL STABILITY:** Cash reserves \$15+M (post-acquisition)
- Recurring revenue of \$6M FY20 covering 50% of operating expenses (excl. one-offs)



ACQUISITION OF CLIENT OUTLOOK, INC.

- Acquired Canadian-based enterprise viewing company, Client Outlook on 13 July 2020
- Purchase price is \$40.9M (cash), + \$1.6M (est.) for working capital/net debt
- Included in FY20 results are \$765k of one-off acquisition-related costs



ENHANCED LEADERSHIP CAPABILITY

- Rob Bazzani joins the Board of Directors – ex KPMG Partner
- First full year result under CEO/MD Mike Lampron (appointed March 2019)



PRODUCT INNOVATION

- First of it's kind Cardiology Integration with Epic Cupid
- Continued enhancement of Diagnostic Workflow
- Introduction of Universal Worklist Chat features to include physician collaboration
- First full-scale Cloud deployment

UPDATE ON CLIENT OUTLOOK/MACH7 INTEGRATION

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	IMMEDIATE INTEGRATION	SYNERGIES	OPTIMIZATION	TRANSFORMATION
OBJECTIVE	<i>"One Mach7"</i>	<i>Identify AU\$2M in cost consolidation opportunities</i>	<i>Improve how we do Business</i>	<i>Transform our Business</i>
WHAT WE'VE ACHIEVED	<ul style="list-style-type: none"> Integrated Sales, Marketing, HR, Legal, most of IT, Product, Engineering, R&D, Service and Support 	<ul style="list-style-type: none"> Future-state org structure designed Overlapping costs 90% identified Identified IT systems and processes to consolidate 	<ul style="list-style-type: none"> Redesigned sales process Cross-product training 	<ul style="list-style-type: none"> Identified key transformation projects
WHAT'S LEFT TO COMPLETE	<ul style="list-style-type: none"> 100% complete 	<ul style="list-style-type: none"> Execute IT systems consolidation Implement org changes and reduce overlapping costs 	<ul style="list-style-type: none"> Highlight our new value proposition Streamline marketing collateral Disciplined Delivery Process 	<ul style="list-style-type: none"> Execute long-term systems transformation Continue refining our vision for the future (products, markets, levels of service and support) Execute transformation projects



CUSTOMERS – FY20

NEW AND EXPANDED GLOBAL CUSTOMER DEALS

Sales orders of **\$13.3M** (first year value “FYV”), with **\$2.2M** of contracted annual recurring revenue, including:

-  Advocate Aurora Healthcare
 -  Strategic Radiology Teleradiology
 -  Adventist Health Tulare
 -  Hospital Authority (HK) purchases license for 2M procedures + eUnity server licenses
 -  St. Teresa's
 -  Hamad Medical Centre (Qatar) (new 5 year support agreement)
- 24 sales orders to existing customer base

SUCCESSFUL CUSTOMER DEPLOYMENTS

Nine (9) successful customer deployments, contributing **\$2.0M** (p.a.) in annual recurring revenue commencing FY20 (\$1M recognised in FY20), including:



COVID-19 UPDATE

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DEMAND FOR MACH7 SOFTWARE CONTINUES

- Expected pent-up demand for software that will assist with enterprise integration and consolidation of imaging platforms
- Sales pipeline has been stable since pandemic started

SALES CYCLE HAS LENGTHENED SINCE MAR 2020

- COVID-19 has created tremendous short-term impacts on the healthcare industry. Revenue for hospitals, Independent Delivery Networks (IDNs) and private practices is down, although the actual percentage of revenue loss varies greatly across healthcare providers
- This temporary loss of revenue is driving a pause in the buying market for new projects
- This is lengthening the sales cycle for Mach7's enterprise imaging platform and Mach7 expects the sales cycle to be longer than usual for at least through the rest of this fiscal year, and likely into Q1 of FY21

NEW MARKET OPPORTUNITY FOR MACH7 SOFTWARE ARISES

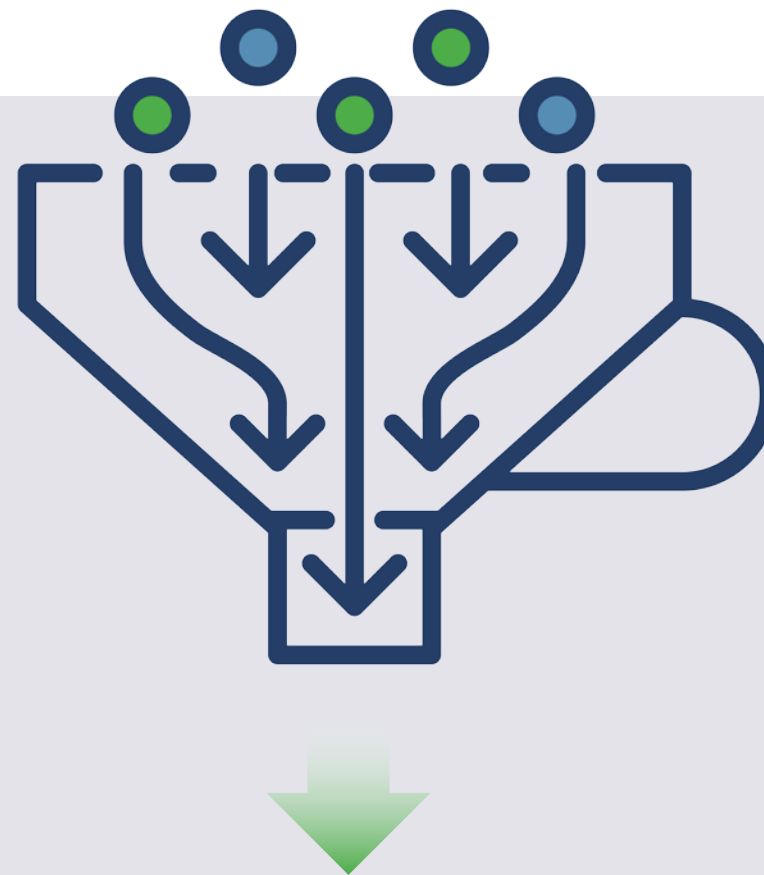
- The need for hospitals to invest in Business Continuity services and the ability for clinicians to perform work from home has become more acute than ever
- The Mach7 software solution is uniquely positioned, both in functionality and in interoperability capabilities, to provide clinicians with cutting edge technology for remote diagnostic reading



SALES PIPELINE

Sales pipeline remains strong (despite COVID-19)

- 8 x Active RFP's. Since last investor presentation (May 2020):
 - ✓ 1 x Won (HMC US\$2.75M support contract)
 - ✓ 0 x Lost
- 2 x RFP's "Vendor of Choice" to be awarded by December 2020



PRODUCT SUITE



VENDOR NEUTRAL ARCHIVE (VNA)

- Single platform enables customer to integrate all Clinical Imaging to Enterprise Applications
- Reduce storage costs by consolidating storage
- Supports storage of all DICOM and non-DICOM to provide complete patient picture
- Configurable system monitoring w/ proactive alerting



COMMUNICATION WORKFLOW ENGINE (CWE)

- Graphical UI means no vendor interaction for rules creation
- Enable telemedicine and teleservices image routing and management
- Solve departmental workflow challenges that enhance modality and visualization solution investments



UNIVERSAL WORKLIST

- Enables Radiologists to read images from anywhere
- Custom worklist creation at the individual user level drives increased productivity
- Weighted relevant priors to drive greater efficiency with fewer clicks
- HTML5-based, enables integration with preferred systems



eUNITY VIEWER

- One zero footprint viewing platform for all users & devices
- Strong integration capability for speed, flexibility, & performance
- Enables remote work with laptops and mobile devices
- Industry's first and only zero-footprint viewing **and** integration platform

OUR 12-MONTH PLAN

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INTEGRATE

- All Sales and Marketing functions working from the same CRM
- All customer facing departments on a single system
- Optimization and Transformational projects completed



CUSTOMER FOCUS

- New leader in place Brenda Rankin to lead all customer efforts
- Focus on the Delivery model and speed to deploy our major product suites
- Build on our proven ability to deliver value, and, the success of our customers
- Change in focus from IT driven deployment process to the delivery of clinically driven results



INNOVATE

- Release of v12 which will be a new design of our Management Studio
- Release of Real Time Analytics
- Further intelligence to our API integration features that allow for AI integration.
- Mobile Workflow Enhancements



FY21 AND BEYOND

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WELL POSITIONED FOR FURTHER REVENUE GROWTH

- Recent entry into the PACS market with full enterprise imaging product suite – Mach7 + eUnity
- Sales & Marketing teams recently strengthened with 2 x VP hires
- \$15+ million cash at bank (post-acquisition) and debt free



FOCUSED ON DELIVERING PROFITABLE GROWTH

- Continue strong double-digit revenue growth
- Grow EBITDA (FY20 \$3.3M)
- Continue to deliver positive free cash flow



INVESTMENT THESIS

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PROVEN TECH

- Established Global Customer Base
- IP 100% Owned

STRONG FINANCIALS

- High Proportion of Recurring Revenue
- High (>80%) gross margins

MED-TECH-THEMATIC

- No obvious ASX alternative for pure exposure to Enterprise Imaging
- Disruptive Technology

LARGE ADDRESSABLE MARKET

- \$3B and growing EI Market

QUALITY BUSINESS

- Profitable and free cash flow positive
- High growth
- Recurring revenue covers 50% of expenses today
- Substantially de-risked in the last 18 months

PENDING CATALYSTS

- Complete integration of Client Outlook
- Customer deployments
- Customer wins
- Continued high growth

THANK YOU

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A NEW ERA IN ENTERPRISE IMAGING
INNOVATION AND INDEPENDENCE