Beamtree Holdings Limited (ASX: BMT)
ASX Announcement

Sydney, 4th November 2024

Q1 FY25 Trading Update, Continuing Growth

Beamtree Holdings Limited ("**Beamtree**" or "**the Company**" or "the Group") (ASX: BMT), a leading provider of AI decision support and data insights solutions for the healthcare sector, is pleased to release a trading and operational update for the first quarter to 30 September 2024 ("Q1" or "Q1 FY25") of the current financial year to 30 June 2025 ("FY25").

Q1 FY25 Trading Highlights:
Beamtree continues to perform in line with previously disclosed FY25 outlook guidance including delivery of revenue growth of +20% for FY25 with improved profitability delivering positive cash generation by the end of FY25. The sales pipeline for the Company continues to mature and is forecast to support the delivery of our FY25 financial targets and the longer-term target of $60m ARR by the end of 2026.

Key highlights for Q1 FY25 were:

- Group revenue growth of 16% for Q1 FY25 with more than two-thirds of this revenue driven by recurring revenue growth.

- Group recurring revenue growth was 12.4% versus 11.0% for the prior corresponding period ("pcp"). The value of recurring revenue growth increased by 21% Q1 FY25 versus Q1 FY24.

- International revenue growth year to date was more than 35% as the business continues to expand its footprint in target overseas markets (the UK, Canada and the Kingdom of Saudi Arabia ("KSA")).

- Operating cost growth of 6% year on year compared to 18% for Q1 FY24 with the cost growth primarily driven by ongoing investment in products and people driven capabilities.

- Operating loss of $0.2m in Q1 FY25 versus a loss of $0.8m in Q1 FY24 driven by the increase in recurring revenue growth and disciplined cost management. We expect to deliver a break-even position for the six months to 31 December 2024.

- Reduced capitalised software development spend by 40% to ~$0.6m as the large investment projects of FY24 were completed in early Q1 FY25.

- Cash at 30 September 2024 was $4.3m versus $5.0m at 30 June 2024, with the cash outflow broadly relating to capitalised software investment in Q1. Operating cashflow for Q1 was break even compared to a $2.8m operating cash outflow in Q1 FY24.

- Significant customer and operational achievements in Q1 FY25 include:

  o Strategically important contract wins in the KSA" for our coding product with recurring revenue of ~$1m.

  o Launch of our new Integrated Coding Platform ("ICP") in KSA in October 2024. Targeting the first customer for ICP in KSA within the next 6 months which will deliver +$0.5m ARR. Total market opportunity for ICP in KSA is estimated to be +$10m.

  o Confirmed award of two contracts to deliver a second phase proof of concept for an autonomous coding solution using RippleDown, our AI decision support software.

Better has no limit

o   Signing of a new RippleDown customer contract in the UK which will provide a second reference site in this key market. Abbott relationship remains on track with an update to be provided at the end of Q2.

o   Go live of our major new analytics platform for the Health Roundtable in Australia with discussions continuing with The NHS Confederation to explore the formation of an NHS analytics and knowledge network in the UK, leveraging this new platform and Beamtree's experience of managing the Health Roundtable network in ANZ.

Outlook

Beamtree continues to have a strong pipeline of opportunities across all its markets and products with this pipeline maturing and supporting the expected acceleration in recurring revenue growth in 2025. The Company reaffirms expected revenue growth of +20% for FY25.

The Company will continue to focus on delivering profitable growth and carefully managing its cost base and product investment to support overseas expansion and the long-term aim of delivering annual recurring revenue of $60m by the end of 2026.

Authorised for release by the Chair of the Board.

For further information, please email investor@beamtree.com.au

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About Beamtree

A leading provider of AI decision support and data insights solutions, Beamtree supports healthcare providers globally. They believe in creating a better future for health by turning data into insights and action through automation. They help solve real-world problems in healthcare by developing smart tools that aim to improve patient outcomes. Their solutions and services offer customers an unrivalled range of analytics across four key product segments:

- **Diagnostic Technology**: Enabling the effective delivery of diagnostic services as they underpin the future of health and personalised medicine. Product: RippleDown

- **Clinical Decision Support:** Combining human and artificial expertise together to enhance decisions that improve care, value and experience. Product: Ansoff Deterioration Index

- **Coding Assistance and Data Quality**: Digitising and automating workflows with data, classification, coding & technical expertise to improve information standardisation, quality and timeliness. Products: PICQ, RISQ, Integrated Coding Platform.

- **Analytics and Knowledge Networks**: Combining data analytics solutions with peer-to-peer alliances that accelerate innovation and knowledge diffusion.