

29 April 2022

## ASX ANNOUNCEMENT

### 2022 Q1 Activity Report and Appendix 4C

#### Highlights

- Q1 FY22 revenue of \$4.7m<sup>1</sup>, up 89% vs pcp<sup>2</sup> and up 39% on a like-for-like basis excluding the incremental revenue from the RIMAB acquisition; up 88% on a constant currency basis<sup>3</sup>
- Recurring revenue generated in Q1 was \$4.6m, up 104% vs pcp and up 103% on a constant currency basis
- Underlying Q1 FY22 EBITDA<sup>4</sup> loss of (\$0.2m) up \$0.6m versus pcp of (\$0.8m)
- Annualised Recurring Revenue (ARR)<sup>4</sup> of \$21.5m, up 95% vs pcp; up 94% on a constant currency basis.
- Closing cash balance of \$2.9m at 31 March 2022
- Continued sales momentum for IMEXHS Cloud (formerly Aquila in the Cloud) standardised radiology solution with an expected combined ARR of \$2.7m from 117 signed contracts as of 31 March and 125 deals closed to 26 April
- Entered Thai market, with FDA registration, an international software distribution agreement with BJC Healthcare Company and the first IMEXHS Cloud order
- Signed five new Partners from three different countries and signed Crowd IT as a Master Distributor in Australia

**IMEXHS Limited (ASX: IME)** (“IMEXHS” or “the Company”) today provides its quarterly cash flow and activities summary for the period ended 31 March 2022. IMEXHS is an innovative provider of cloud-based medical imaging software and radiology services across 15 countries.

IMEXHS CEO Dr German Arango said, “Revenue in the first quarter of FY22 was the same as a seasonally strong Q4 due to our high rate of recurring revenue (99% this quarter). On the software side, we are seeing solid quarter over quarter growth in recurring revenue through higher volume usage, optimisation of the on-boarding process and adoption of the technology. Radiology services recurring revenue demonstrated even stronger growth due to higher volumes and three new contract wins.

<sup>1</sup> Unaudited financial information

<sup>2</sup> Previous corresponding period; includes RIMAB acquisition from 5 October 2021

<sup>3</sup> Constant currency basis assumes FY21 results are converted at the average foreign exchange rate for FY20. This removes the impact of changes in currency rates and allows comparison of IMEXHS’s underlying operating performance.

<sup>4</sup> Underlying EBITDA excludes the impact of FX, share based payments and transactions costs for the RIMAB acquisition in FY21

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“The Company is also focused on reaching profitability and cash flow breakeven with synergies and efficiencies gained with the acquisition of RIMAB, and initiatives made to optimising processes and the organisational structure. Further initiatives to reach these goals is outlined in our FY22 outlook update announcement.”

## March Quarter Financial Summary

### Revenue

Q1 FY22 revenue of \$4.7m was up 89% vs pcp and up 88% on constant currency basis.

Recurring revenue of \$4.6m was up 104% vs pcp and up 103% higher on a constant currency basis, representing 99% of total revenue in the March quarter.

The fourth quarter revenue from radiology services was \$3.4m. Revenue growth came through new contract wins and increased volumes from existing customers.

### Operational Metrics

Key operational metrics showed strong growth in Q1 FY22 compared to Q1 FY21:

- IMEXHS Enterprise and IMEXHS Cloud installed in 12 new sites, with a total of 398 installations worldwide by Q1 FY22.
- Software solutions were actively used by 2,577 radiologists, a 20% increase on Q1 FY21 (2,142 radiologists).
- IMEXHS’s Enterprise Imaging Platform stored 1.4 petabytes of data in the cloud and processed over 161 million images for the quarter (over 2 million studies), a 17% increase on Q1 FY21, for a grand total of over 1.6 billion images since the inception of the Company.
- Over 525,700 people entered IMEXHS’s patient portal over 667,900 times for an average of 1.3x visits per user, which was a 29% increase on Q1 FY21.
- Radiologist team now totals 110 and the number of reported imaging studies is more than 275,000 for Q1, a 26% increase on pcp.

### Annualised Recurring Revenue

ARR of \$21.5m, was up 95% vs pcp and 94% higher on a constant currency basis. This consisted of \$14.1m (\$13.1m as at 31 Dec-21) from Radiology services and \$7.4m (\$7.1m as at 31 Dec-21) from Software. The software ARR includes \$2.7m from 117 active Aquila in the Cloud contracts. The increase in ARR reflects increasing volumes in radiology services and new contract wins in both customised solutions and the standardised software product offering.

Chart 1 shows ARR that is currently billing as well as ARR which is yet to commence billing.

#### Headquarter Australia

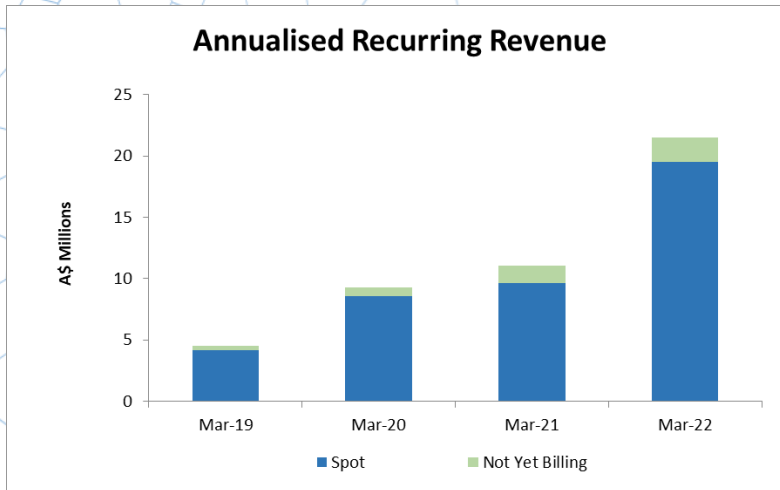
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### Q1 FY22 Cashflow Summary

At 31 March 2022, IMEXHS held cash and cash equivalents of \$2.9m, compared with \$4.2m at 31 December 2021.

Cash receipts for Q1 FY22 were lower than expected at \$3.5m resulting in net cash used in operating activities of \$0.7m.

At the end of the quarter Trade Receivables<sup>5</sup> were of \$8.8m, an increase of \$2.0m from year-end. This was partially offset by an increase in Trade Payables<sup>5</sup> of \$0.9m, leaving the forward collection of receivables adding net cash in future quarters. After reviewing overdue receivables, we do not believe there are any unprovided credit risks.

### Sales and Market Update

#### *IMEXHS Enterprise*

IMEXHS Enterprise continues to perform well with a notable new sale in the quarter being Clinica Colombia Cali entering into a Software as a Service (SaaS) contract with \$171,700 in ARR and a three-year initial term. The Company's Enterprise Imaging Platform will be deployed across two hospitals, Clinica Colombia Cali and Clinica Cristo Rey. IMEXHS Enterprise will replace a legacy PACS system and 24TB of data will be migrated to IMEXHS Enterprise integrating with the customer's Hospital Information System (HIS).

#### *IMEXHS Cloud (previously Aquila in the Cloud)*

IMEXHS Cloud, the Company's standardised cloud-based radiology solution targeted at small and medium-sized customers, continued to generate significant interest in the market throughout Q1 FY22. The Company now has 125 active IMEXHS Cloud customers since the product launched in May 2020. During the quarter,

<sup>5</sup> Unaudited financial information

the Company signed a new customer in Australia with a total of five customers. In addition, two notable Cloud contracts were signed in Latin America with Semedic Medical Centres, in Ecuador and Foianini Hospital, in Bolivia.

### *Partners Program*

During the March quarter, IMEXHS continued to expand its Partners network both in terms of the overall number and geographical footprint. A further five partners joined the Partners Program bringing the total number to 34. Of the new Partners, one is located on Thailand, two in Mexico and two in Colombia.

In Colombia, one of the new Partners has over 30 years of experience distributing medical supplies and over 300 customers.

In Australia, IMEXHS appointed Crowd IT as its master distributor. Crowd IT provides managed IT services and support to the SME market and was founded by a former corporate tech support team and healthcare systems consultants. Crowd IT will provide the Company's Partners and customers in Australia with local support.

### *New Markets*

On January 20th, IMEXHS announced it had received approval from Thailand's Food and Drug Administration (FDA) for its imaging software suite. The Company also announced it had signed an international software distribution agreement with BJC Healthcare Company, Berli Jucker Group's medical division. IMEXHS received its first IMEXHS Cloud order from BJC for the Siriraj Hospital's Mobile Stroke Unit in Bangkok. The Siriraj Hospital is Thailand's oldest and largest hospital and receives over 3 million patient visits per year.

### *Radiology services*

The main business model for radiology services is the outsourcing of imaging facilities, which represents a very attractive offer to hospitals in the LATAM region and allows our team to deliver a high-quality service through the integration of technology and highly trained Radiologists practice.

Record revenue growth came through 3 new contracts, the incorporation of nuclear medicine in our portfolio and an increase of 15% in volume from existing customers.

A key development is the provision of Nuclear Medicine to Colsubsidio through a new contract with an ARR of \$200,000. Through this capability we will also provide nuclear medicine services to new customers Synlab, Worker's Clinic and Fucs/Bayer with additional ARR of \$210,000.

### *Product and Software Updates during Q1 FY22:*

Progress has been made during the quarter with new product and software releases as follows:

#### *IMEXHS Cloud*

In Q1 FY22 IMEXHS formally launched IMEXHS Cloud. It extended AIC product offering into a more compelling cloud-based medical imaging platform, which seamlessly integrates its entire product portfolio and grants the access from customers and partners to more complex functionalities or extensions, like AI, advance postprocessing, etc, through a marketplace. This will enable greater access for customers and partners to the software and enhances the adoption of the technology and purchasing process ('make it easier').

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### *IMEXHS Enterprise*

IMEXHS Enterprise offers all the functionalities of the standardised Cloud product with the addition of sophisticated modules and tools for efficient integration into complex Healthcare ecosystems and to fulfil the expectations of the university hospitals.

Enterprise Imaging embodies the concept of creating a cloud-based image-centred workflow manager that adapts to the different needs of medical professionals in any “ology” (radiology, cardiology, etc) enabling the Company to cater to the needs of each specific practice. This module strengthens the product offering to the Company’s Enterprise customers.

### *Components of IMEXHS Cloud and Enterprise*

#### *AQUILA v4.0*

During the quarter, IMEXHS released new features and performed several improvements on its core radiology product – AQUILA:

- Addition of Medical Record Number, to improve compliance with HIPPA regulations
- New integration with Synapse (medical billing for the Australian market)
- Improvement on agenda/scheduling of appointments
- New patient demographics editor
- Dynamic custom forms support
- Checkout process controls using interoperability workflows
- New module for registration of critical cases
- New endocrinology option in data for PET studies.

#### *Universal Viewer v6.1*

During the quarter, IMEXHS released new features and performed several improvements on its Universal Viewer which allows business managers and radiology professionals to obtain statistics on the performance of key parameters:

- Major technological update. New authentication, and authorization based on Auth0
- New Oblique MPR tool
- Improved integration with third party Cognitive and mammography AI tools
- Seamless integration and authentication with IMEXHS Cloud.

#### *IMEXHS Portal v2.0*

During the quarter, IMEXHS released new features and performed several improvements on its Patient Portal:

- Major technological update, migration of backend technology to improve performance
- New tool for sharing the study report
- Additional improvements on the look and feel
- Interoperability support
- Role change in the drop-down menu.

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### Listing Rule 4.7C3

In Item 6 of the Appendix 4C cash flow report for the quarter, payments to Related Parties of approximately \$156,000 comprises:

- \$154,000 of Director remuneration to executive and non-executive directors; and
- \$2,000 in expenses for office space and IT services to CrossPoint Telecommunications Pty Ltd, a related party of Mr Carlos Palacio.

Authorised for release by the Board of IMEXHS Limited.

**-ENDS-**

**For more information, please contact:**

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#### **About IMEXHS**

*IMEXHS Limited (ASX: IME) is an innovative provider of medical imaging software and radiology services in 15 countries including Colombia, the US and Australia. Founded in 2012, IMEXHS develops software as a service (SaaS) imaging solutions that includes a Picture Archiving and Communications System (PACS), a Radiology Information System (RIS), a Cardiology Information System (CIS) and an Anatomical Pathology Laboratory Information System (APLIS). Its solutions are completely cloud-based, vendor neutral and zero footprint, with no need for installed software. The IMEXHS products are designed to increase productivity and save money for end users, with a scalable platform that enhances patient outcomes. For more information, [visit www.imexhs.com](http://www.imexhs.com)*

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity		
IMEXHS LIMITED		
ABN	Quarter ended ("current quarter")	
60 096 687 839	31 Mar 2022	
Consolidated statement of cash flows	Current quarter	Year to date (3 months)
	\$A'000	\$A'000
<b>1 Cash flows from operating activities</b>		
1.1 Receipts from customers	3,523	3,523
1.2 Payments for	-	-
(a) research and development	(63)	(63)
(b) product manufacturing and operating costs	(896)	(896)
(c) advertising and marketing	(26)	(26)
(d) leased assets	-	-
(e) staff costs	(2,363)	(2,363)
(f) administration and corporate costs	(602)	(602)
1.3 Dividends received	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(25)	(25)
1.6 Income taxes paid	(329)	(329)
1.7 Government grants and tax incentives	-	-
1.8 Other - indirect taxes	80	80
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(700)</b>	<b>(700)</b>
<b>2 Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(106)	(106)
(d) investments	-	-
(e) intellectual property	(341)	(341)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	1	1
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(446)</b>	<b>(446)</b>

<b>3</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(183)	(183)
3.7	Transaction costs related to loans and borrowings	(14)	(14)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(5)	(5)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(202)</b>	<b>(202)</b>
<b>4</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,186	4,186
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(700)	(700)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(446)	(446)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(202)	(202)
4.5	Effect of movement in exchange rates on cash held	58	58
	Other (provide details if material)	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,896</b>	<b>2,896</b>
<b>5</b>	<b>Reconciliation of cash and cash equivalents</b>	<b>Current quarter</b>	<b>Previous quarter</b>
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>\$A'000</b>	<b>\$A'000</b>
5.1	Bank balances	2,838	3,918
5.2	Call deposits	58	268
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,896</b>	<b>4,186</b>
<b>6</b>	<b>Payments to related parties of the entity and their associates</b>		<b>Current quarter</b>
			<b>\$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1		156
6.2	Aggregate amount of payments to related parties and their associates included in item 2		
	Note: payments received from related parties and their associates included in item 1 amounts to:		-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.			



<b>Financing facilities</b>		<b>Total facility amount at quarter end</b>	<b>Amount drawn at quarter end</b>		
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		<b>\$A'000</b>	<b>\$A'000</b>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>					
7.1	Loan facilities	2,350	2,350		
7.2	Credit standby arrangements	-	-		
7.3	Other (please specify)	-	-		
7.4	<b>Total financing facilities</b>	<b>2,350</b>	<b>2,350</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		-		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.				
	<u>Lender</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Total facility</u>	<u>Amount drawn</u>
	<u>Unsecured</u>				
	Banco Itau	6.9	Jul-22	12	12
	Quartz Financial Services	15.7	Sep-22	207	207
	Banco Colpatria	18.4	Mar-23	41	41
	Credito Progression	16.9	Mar-23	216	216
	Banco Coomeva	7.2	Mar-23	104	104
	Banco de Bogota CR0786	9.8	May-23	139	139
	Banco Davivienda	9.7	Dec-23	284	284
	Banco Itau	6.5	Mar-24	251	251
	Banco de Bogota CR 7045	17.8	Mar-24	6	6
	Banco Davivienda	6.1	Oct-24	249	249
	Velez Porto Enrique	28.5	Jun-25	62	62
	Fabio Rave	22.9	Jul-25	64	64
	PHV Group S.A.S	28.5	Aug-25	65	65
	Banco Davivienda	9.4	Oct-25	650	650

<b>8</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(700)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,896
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,896
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>4.14</b>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
	8.6 1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: n/a	
	8.6 2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: n/a	
	8.6 3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: n/a	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

**Date: 29 April 2022**

**Authorised by: The Board of IMEXHS LIMITED**

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the *[name of board committee – eg Audit and Risk Committee]*". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.