

22 October 2020

ASX Announcement

IMEXHS SUCCESSFULLY COMPLETES \$8.3M CAPITAL RAISING

Highlights

- Successful completion of \$8.3 million placement
- Addition of several new high-quality institutional investors to the register
- Net proceeds used to strengthen balance sheet and accelerate growth into new markets
- Expected to fund operations through to EBITDA breakeven

IMEXHS Limited (**IMEXHS** or the **Company**) (ASX: IME), a leading international imaging Software-as-a-Service (SaaS) and ancillary service provider, announces that it has received commitments from institutional and sophisticated investors to raise gross proceeds of approximately \$8.3 million.

The placement, which was managed by Morgans Corporate Limited, was well supported with strong demand from new and existing institutional and sophisticated shareholders. Under the placement, IMEXHS will issue 276m new ordinary shares (**Shares**) at an issue price of 3.0 cents per Share. The Shares will be issued without shareholder approval under the Company's available placement capacity per ASX Listing Rules 7.1 and 7.1A.

Net proceeds from the placement will be used to strengthen the Company's balance sheet and drive future growth with a focus on:

- Accelerating expansion into the new markets of USA, Brazil and Australia through increased marketing and sales;
- Advancing product development through:
 - increasing AI functionality including image algorithms, tools and additional 3rd party integrations;
 - development of the Alula Market Place - a pathology marketplace workflow platform providing genetic diagnostics, logistics management and second opinion process;
 - expansion into other verticals including gastrology and other specialist platforms where IMEXHS has a first mover advantage.

It is anticipated that the placement proceeds together with revenue generated from the business will enable the Company to reach EBITDA breakeven by the end of CY21. Further information is contained in the investor presentation released to the market today.

Commenting on the placement, IMEXHS Chairman Mr Doug Flynn said: "We are delighted with the strong support we have received from our existing shareholders and welcome our new investors to

the register. The success of the placement is a strong endorsement of our investment program and growth opportunities for the business.”

IMEXHS Founder and CEO Dr German Arango said: “We are very excited about the growth prospects for the Company particularly around our expansion into the USA, Brazil and Australia. This funding allows us to accelerate our penetration into these regions with our leading SaaS products including our disruptive Aquila in the Cloud product offering.

“Since its release in May this year, Aquila in the Cloud has gained rapid customer traction as it provides a low cost solution for small to mid-size customers who, until now, have not been able to afford the on-premise solutions available from other providers. This underserved segment represents c80% of the total US market creating a significant opportunity for IMEXHS’s innovative medical imaging solutions.”

Settlement of the placement is expected on Thursday, 29 October 2020 and allotment and trading of new Shares on Friday, 30 October 2020.

As previously announced to the market, the Company is seeking approval at its Extraordinary General Meeting on 30 October 2020 for a consolidation of its share capital on the basis of 1 Share for every 50 Shares held on the record date for the consolidation. Assuming that the resolution is approved by shareholders at the General Meeting, the new Shares issued under the Placement will be consolidated in the same manner as all other Shares on issue.

Authorised for release by the board of IMEXHS Limited.

-ENDS-

For more information, please contact:

Media and Investor Relations

Françoise Dixon, Citadel-MAGNUS

E: fdixon@citadelmagnus.com

T: +61 412 292 977

Business Inquiries

Reena Minhas – CFO & Company Secretary IMEXHS

E: enquiries@imexhs.com.au

T: +61 (0)2-9030-0040

About IMEXHS

IMEXHS Limited [ASX: IME] is a leading imaging Software-as-a-Service (SaaS) and ancillary solutions provider with over 120 customers on recurring contracts in over 250 sites, and distributors in 15 countries. Founded in 2012, IMEXHS is known for its innovation in the imaging services market, offering flexible and scalable imaging solutions via its HIRUKO branded suite of solutions for next generation Picture Archiving and Communications System (PACS) and integrated medical imaging systems (including a Radiology Information System (RIS), a Cardiology Information System (CIS) and an Anatomical Pathology Laboratory Information System (APLIS)). The HIRUKO™ system is 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 is configured for the future and enhances patient outcomes. For more information, visit www.imexhs.com

IMEXHS Limited ABN 60 096 687 839

Imaging Experts and Healthcare Services Pty Ltd ABN 18 624 772 756

122 O’Riordan Street, Mascot NSW 2020

Tel: +61 2 9030 0040

Forward looking statements

This announcement contains forward looking statements. All statements that address events or developments that IMEXHS expects or anticipate will or may occur in the future and guidance on financial performance are forward looking statements. These forward looking statements are based on the Board or management's beliefs and expectations based on information currently available to the Board and management. The Company believes that these forward looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward looking statements which are inherently uncertain. IMEXHS does not undertake any obligation to publicly update or revise any forward looking statements whether as a result of new information, future events or otherwise except as required by law or the ASX Listing Rules. Forward looking statements are subject to certain risks and uncertainties, many of which are outside its control that could cause actual results, events and developments to differ materially from IMEXHS' historical experience, or its present expectations or projections.