

ASX/Media Release

6 June 2019

Global Healthcare Technology Company PKS Holdings Limited Lists on ASX

- Completion of \$20.9 million capital raising (which includes oversubscriptions of approximately \$1.5 million) with Bell Potter Securities and Shaw and Partners Limited as Joint Lead Managers.
- PKS is a healthcare technology business that provides a proprietary Clinical Decision Support system – RippleDown – which automates the human decision-making process in healthcare organisations.
- Strong financial profile with 80% recurring earnings, EBITDA margins of 54% in FY2018¹ and a cash balance at listing of approximately \$4.2 million to fund further growth.

The Company is admitted to the Official List of ASX with a market capitalisation of \$24.2 million based on an issue price of \$0.20 per share. PKS has 121,141,000 fully paid ordinary shares on issue at listing.

A Profitable Business

PKS provides a proprietary Clinical Decision Support system (**CDS**) called “RippleDown” which automates the human decision-making process within healthcare organisations based on rules set within the organisation by domain experts.

PKS commercialises its technology directly with customers as well as through its major channel partners - Thermo Fisher, Philips and Abbott. PKS has a strong financial profile with 80% recurring earnings and EBITDA margins of 54% in FY2018¹. PKS generates strong cashflow and has a cash balance of \$4.2 million to fund further growth.

Update on Operations

PKS’ channel partners are currently pursuing approximately 250 opportunities. The Company’s major channel partner, Abbott, is currently adding around one new account per month, with potential to accelerate. PKS and Abbott are negotiating an extension agreement whereby PKS is proposing to invest more into the relationship and in return will receive a higher licence income.

The Company’s focus will be to strongly grow through various platforms:

- Direct – Several promising new business opportunities are currently being progressed directly. Further to this, PKS will be expanding its own sales team in Australia, covering Australia, New

Zealand and Asia and in the US, the world's largest pathology market being around 100 times the size of the Australian market.

- Indirect – Through further investments in the technology itself as well as in the trial phase with new customers, PKS will focus on the growth through its channel partners and sees this as the key to achieving accelerated growth at scale.
- Pricing – PKS will use contract renewals to negotiate pricing that is representative of value that customers get from our software.
- Expansion – PKS will expand beyond the healthcare segment it has traditionally focused on, being pathology, into the much larger hospital market.
- Acquisition – The Company will look at complementary and accretive M&A opportunities to accelerate growth and scale.

Experienced Board and Management

PKS has an experienced management team and industry Board with extensive healthcare and technology experience.

Ronald van der Pluijm has joined PKS as Managing Director and Chief Executive Officer. He has a successful track record in building and growing operational companies through business development, partnerships and licensing and M&A resulting in strong sales and profit growth.

The Company is pleased that Chairman Mike Hill will also be joined on the Board by Andrew Gray, a proven software technology investor Neil Broekhuizen, Joint Chief Executive of Ironbridge Capital; and Paul Williams, former Chief Information Officer at Healthscope Ltd.

PKS is also in the process of forming an Advisory Board to enhance the capabilities of management and the company in accelerating the global growth strategy. Conversations are well progressed with industry leading executives from the healthcare, technology and investment sectors and we look forward to updating the market in the coming weeks with further details.

Managing Director and Chief Executive Officer, Ronald van der Pluijm, commented, "PKS' growth opportunities - establishing our own business development team, expanding beyond pathology into hospitals and working closer with our channel partners - are enormous. As many of the healthcare technology companies have limited global reach relative to PKS's global platform, we also see opportunities for acquisitions."

1. Excludes costs of being a listed entity



For More Information

Please contact: Ronald Van der Pluijm

r.vanderpluijm@pks.com.au

+61 2 8313 9990