



<b>Company</b>	<b>ProMedicus Limited</b>
<b>Code</b>	<b>PME</b>
<b>Meeting</b>	<b>AGM</b>
<b>Date</b>	<b>25 November 2020</b>
<b>Venue</b>	<b>Virtual Meeting</b>
<b>Monitor</b>	<b>Stewart Burn and Don Pitkethly</b>

<b>Number attendees at meeting</b>	135 comprising 98 guests, 35 shareholders and 2 third party proxies
<b>Number of holdings represented by ASA</b>	67
<b>Value of proxies</b>	\$3.8m
<b>Number of shares represented by ASA</b>	121k (places us outside top 20 shareholders)
<b>Market capitalisation</b>	\$3.3b
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre-AGM Meeting?</b>	Yes, with Sam Hupert and Clayton Hatch

### **What a great image!!!**

Promedicus (a specialist medical diagnostic imaging company) continues to go from strength to strength, with this year being a record year, despite the impact of COVID. Another strong year is expected next year as examination numbers return to normal and new clients come on board.

The meeting was opened by Peter Kemper who introduced the meeting saying he looked forward to the return of physical meetings. He said the company had enjoyed another successful year with each market contributing strongly to the result. He noted that Visage had enabled many clients to move seamlessly to remote image analysis, which had not been achievable previously. The strategic directions are currently being assessed and will be reset before the end of the calendar year. Some new contracts were announced in North America, including Ohio State University (November 2019); Nines (December 2019), NorthWestern Memorial HealthCare (June 2019). Since the end of the financial year they announced contract wins with NYU Langone Health (September 2020); and Ludwig Maximillians University of Munich (October 2020). They also renewed the Zwanger Pesiri contract for a further five year. Each contract will make a major contribution to revenue and new opportunities are being explored with a strong pipeline in place.

Great presentation by Sam Hupert who gave some background on Promedius (PME) and its products. PME now have offices in Melbourne, Berlin and San Diego. They have two products Visage RIS and Visage 7. USA is now the major contributor of income, but all regions continue to grow, with recurring revenue continuing to grow. He thinks with EBIT margins plateauing around 53% that future growth will come from new contracts. Business is tracking ahead of budget at the moment with the second half expected to be very strong as client activities resume, 3 new clients come on board and potential new sales. He gave a rundown on the impact of COVID, with volumes down 75% at one stage, but volumes are now back to normal, with some catchup anticipated. PME claims to be the undisputed market leader with 7 out of the top 20 providers in USA using PME technology. They are expecting more sales in Europe on the back of a contract with LNU Klincum. New opportunities have been identified in last 12 weeks and they are pleased with both the quality and quantity of the pipeline. With regards to the growth strategy, they are looking at opportunities in Artificial Intelligence (AI) with the AI accelerator, OneViewer which addresses opportunities for diagnostic imaging outside radiology as well as Visage 7 workflow manager. He mentioned Visage in the cloud, which will allow cloud deployment of Visage 7 which he believes this will open up new markets. Some of these ideas will be explored through a new R&D hub being set up in NYC with NYU Langone.

The reports can be found [here](#)

Peter Kemper chaired his virtual meeting well, was inclusive and answered all questions.

There were a number questions regarding potential for expansion of visage to private practices in Australia, pricing of contracts, lost contracts and new contracts, .

The election of Deena Schiff and the re-election of Anthony Hall and Leigh Farrell were overwhelmingly approved (99.7%, 89.3% and 99.6% respectively), as were the remuneration report (97.2%) and approval of the nonexecutive remuneration (98%). In each of these cases the ASA voted in favour.

We asked questions regarding the Victorian Stroke Telemedicine Program, the high levels of cash currently held and the plans for this cash, progress regarding the breast density algorithms and we commended them on increasing their level of dividend. Re cash levels, it was stated that it is an issue that the board is currently looking at, to enable a suitable return on the cash levels to be generated, they expect to be able to advise in this area by midyear 2021.