

15 April 2021

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Acquisition of ExtraMed, Strong Organic Growth and \$17.9M Capital Raise

Highlights:

- Acquired ExtraMed Ltd, a leading UK provider of patient flow management software with nine NHS Trusts, six of which are new customers for Alcidion
- Expands UK presence to 27 NHS Trusts, implying a market share of ~19% of NHS 'acute' Trusts
- Complements and strengthens current patient flow offering, with Alcidion now holding a market leading position with a well-accepted platform designed for the UK market
- Acquisition Purchase Price of £5.3M (A\$9.6M¹) cash, representing ~3.6x FY22 forecast revenue
- Firm commitment to raise \$15.4M via an institutional placement, to be followed by a share purchase plan (SPP) to raise approximately \$2.5m from existing shareholders
- Strong organic growth with contracted revenue (excluding ExtraMed) for FY21 now expected to be \$24.7M, with \$3M added during Q3 FY21 (\$15.9M recurring + \$8.8M non-recurring)
- **Investor webinar to be held at 9:30am AEST Thursday 15th April (details below)**

Melbourne, Australia – Alcidion Group Limited (ASX:ALC) is pleased to announce the acquisition of ExtraMed Ltd (ExtraMed), provide an update on strong organic growth and release details of a \$17.9m capital raise.

Acquisition of ExtraMed

Alcidion has acquired ExtraMed, a leading UK NHS provider with a 20+ years track record specialising in providing patient flow management software that helps frontline staff make informed decisions based on real-time visibility of patient flow.

The acquisition will see Alcidion become the leader in the UK market for patient flow, adding nine NHS Trusts, six of which are new to Alcidion. This will increase the Company's overall presence to 27 NHS Trusts, representing a market share of ~19% of the NHS acute care market, and providing further touchpoints from which to cross-sell the broader Alcidion product suite.

Furthermore, ExtraMed, in partnership with Hitachi Consulting (as the lead contractor), has signed a large-scale healthcare IT contract to build the UK's first fully integrated hospital-wide Digital Command Centre for initial deployment at Salford Royal NHS which is part of the four hospital Northern Care Alliance NHS Group. The partnership will also provide opportunities for Alcidion to position Miya Precision within the emerging Digital Command Centre offering.

ExtraMed is forecast to contribute, based solely on existing contracts, FY22 revenue of \$2.7M, generating EBITDA of \$0.5M and positive cash flow.

Alcidion has acquired ExtraMed for £5.3M (A\$9.6M¹) on a cash free / debt free basis, with the entire consideration paid up front, in cash.

ExtraMed's Patient flow software – a well-accepted platform designed for the UK market - is complementary to the Miya Precision suite, being already integrated to Miya Observations at two Trusts and soon to be integrated at a third. The acquisition creates new cross-sell opportunities for Alcidion, as ExtraMed's customers will benefit from the ability to access an integrated digital platform

that supports decision making, resource management, patient observation and clinical communication. Similar to the Alcidion suite, the ExtraMed patient flow software is able to be overlaid on top of legacy hospital systems.

Kate Quirke, Managing Director of the Alcidion Group said, "This acquisition significantly strengthens our position in the UK and signals our commitment to this very important market. We are delighted to welcome the highly experienced ExtraMed team of 11 staff, as well as new customers, as we continue to transform the delivery of healthcare with smart technology solutions.

"In combining our customer bases and the established solutions of ExtraMed and Patienttrack alongside Miya Precision, we are creating a strong competitive advantage and the opportunity for further growth as we look to introduce our Miya product range to these new customers. The combination of our technologies, staff and customers establishes Alcidion as the UK market leader for patient flow and as a foundation platform for digital command centres."

Lynette Ousby, UK Managing Director for Alcidion, said: "Bringing ExtraMed and its team of experts in patient flow into the Alcidion Group is a fantastic opportunity to further enhance how we work with hospitals across the UK. The combination of our capabilities and our expanding partner network opens up exciting possibilities as we continue to grow our offering to help NHS hospitals and integrated care systems that want to advance digital maturity by complementing and orchestrating their existing systems.

"Existing ExtraMed customers will benefit from the knowledge and experience we have in developing and delivering technological systems that improve patient care, while current Alcidion customers may take advantage of the expertise ExtraMed has in patient flow, in ensuring that each patient journey through the hospital from pre-admission to post-discharge is optimised.

Susan Say, Managing Director of ExtraMed, said: "The Alcidion Group is a perfect home for ExtraMed, as we join a clinically driven organisation with a strong history grounded in patient safety and digital innovation. We look forward to expanding what we can do for our existing customers and other hospitals in the NHS."

Strong March Quarter (Q3 FY21) sales momentum

Strong sales momentum has continued in Q3 FY21 with Alcidion Group contracted revenue (excluding Q4 revenue from ExtraMed) to be recognised in FY21 of \$24.7M, with \$3.0M added during the quarter, driven by a number of contract extensions in the UK, Australia and New Zealand. This now exceeds the full year revenue for FY20 of \$18.6M by 33%.

In a separate ASX announcement released today, Alcidion announced that it has been selected as a preferred supplier, as part of a consortium, for a major healthcare IT project to maintain personal health records and support clinical decision making across the Australian Defence Force in all care settings. The initial total contract value to Alcidion of this opportunity is \$21M over a 5.5 year period.

\$17.9M Capital Raise

Institutional Placement

Alcidion announced it has firm undertakings to raise \$15.4M via an institutional placement of new fully paid ordinary shares to existing and new institutional and professional investors.

Funds raised will be allocated to restoring cash reserves following the purchase of ExtraMed (including associated transaction costs) and ensuring Alcidion has sufficient investment funds and working capital to continue its growth strategy.

The institutional placement will result in the issue of approximately 48.0 million Shares at an issue price of \$0.32 per Share representing:

- 5.9% discount to the last close price on 13 April 2021 of \$0.34; and
- 6.7% discount to the 5-day VWAP of \$0.343; and
- 2.3% discount to the 10-day VWAP of \$0.328.

Shares issued under the institutional placement will rank equally with existing shares on issue and are expected to be allotted on 23 April 2021. The institutional placement was conducted utilising the Company's available placement capacity pursuant to ASX Listing Rule 7.1A and therefore does not require shareholder approval.

Henslow Pty Ltd acted as Financial Advisor to the acquisition and Lead Manager to the raise, with Bell Potter Securities Ltd acting as Co-Manager.

Share Purchase Plan

Following completion of the institutional placement, Alcidion's existing eligible shareholders will be given the opportunity to subscribe for Shares at the same offer price as the institutional placement of \$0.32 per Share for a maximum of \$30,000 per shareholder.

The SPP aims to raise approximately \$2.5M by the issue of approximately 7.8 million shares. An eligible shareholder is any shareholder recorded on the Alcidion share register at 7.00 pm AEST on Wednesday, 14 April 2021 with a registered address in Australia or New Zealand.

Alcidion reserves the right to close the SPP early and scale back applications at its absolute and sole discretion should the total demand exceed \$2.5M. When determining the amount (if any) by which to scale back a SPP application, Alcidion may consider a number of factors, including the size of an applicant's shareholding in the Company after the SPP record date, the movement in shareholding between the record date and the closing date of the SPP and the date on which an application was made with earlier applications given precedence.

Further information will be sent to eligible retail shareholders in a booklet (Share Purchase Plan Booklet) expected to be lodged with ASX and dispatched on or around Thursday, 22 April 2021.

The SPP Booklet and the accompanying application form (Application Form) will contain instructions on how to apply. Shareholders should consider the SPP Booklet in full before deciding whether to participate in the SPP. New Shares issued under the SPP will rank equally with existing Shares on issue on the date of allotment (per the timetable below). Shareholder approval is not required for the issue of Shares under the SPP.

Key Dates

| Event | Date |
|--|--------------------------|
| Record Date for SPP (7.00pm Melbourne time) | Wednesday, 14 April 2021 |
| Announcement Date for Placement and SPP | Thursday, 15 April 2021 |
| Settlement of Placement Shares | Thursday, 22 April 2021 |
| SPP offer Opens | Thursday, 22 April 2021 |
| Allotment and normal trading of Placement Shares | Friday, 23 April 2021 |
| SPP offer closing date | Wednesday, 5 May 2021 |
| Results of SPP announced | Monday, 10 May 2021 |
| Allotment of SPP Shares | Friday, 14 May 2021 |

The dates in the table above are indicative only and Alcidion may amend this timetable. Alcidion may also withdraw the offer of Shares under the SPP at any time before the allotment date in its absolute discretion.

Investor Webinar at 9:30am AEST, Thursday 15th April

Investors are invited to join a live video webcast and Q&A hosted by Alcidion Managing Director Kate Quirke this morning at 9:30am Australian Eastern Standard Time (AEST).

To register for the webcast, please follow this link:

https://us02web.zoom.us/webinar/register/WN_dw4JlGesSeuA6tyZp4aA3A

Registered participants will receive a confirmation email containing the Zoom access link and alternative phone dial-in details.

1 Exchange rate calculated at AUD / GBP of \$0.55

ENDS

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About Alcidion

Alcidion (ASX:ALC) has a simple purpose: to transform healthcare with smart, intuitive technology solutions that meet the needs of hospital and allied healthcare, worldwide. It offers a complementary set of software products and services that create a unique offering in the global healthcare market; solutions that support interoperability, allow communication and task management, and deliver clinical decision support at the point of care to improve patient outcomes. In 2017 Alcidion acquired Oncall System and its Smartpage clinical communication system. In 2018 it acquired the Patientrack bedside patient monitoring software and MKM Health, an IT solutions and services provider. These offerings now operate under the Alcidion brand. With over 25 years of combined healthcare experience, Alcidion brings together the very best in technology and market knowledge to deliver solutions that make healthcare better for everyone.

www.alcidion.com

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This announcement is authorised for release by the Board of Directors of Alcidion Group Limited.