ALCIDION

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Business Update – Q2 FY22
Positive results in a challenging environment

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Q2 FY22 Financial Highlights

Positive operating cash flow & signed largest ever contract . . .

$23.3M Contract Signed

In Consortium led by Leidos Australia, to deliver Healthcare IT for Commonwealth of Australia

+$1.5M Operating Cashflow

Driven by $9.9M Q2 cash receipts

Total YTD cash receipts $16.4M

$27.7M New Sales

$6.2M to be recognised in FY22

Acquired Silverlink PAS software

Positioning Alcidion to become cloud-native, modern, modular Electronic Patient Record provider

$27.1M Contracted Revenue

To be recognised in FY22

Up 25% on PCP[1]

Includes $3.8M from Silverlink
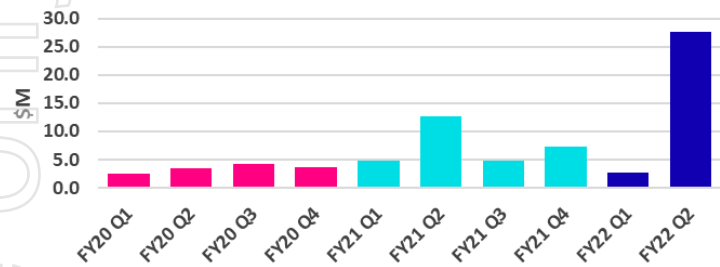
$1.9M scheduled renewal revenue expected to convert

$18.9M Cash Balance

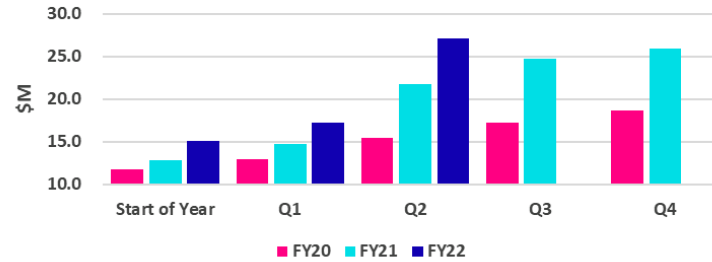As at December 31 2022

1. PCP = Prior Corresponding Period

Q2 Trends

Quarterly new sales

- Sold $27.7M of new sales in Q2 with $6.2M to be recognised in FY22

- Comprises $15.4M of recurring revenue & $12.3M of non-recurring revenue

- Includes $23.3M initial contract value for Health IT Project for Commonwealth of Australia

Contracted revenue to be recognised in year

- At Q2 end, contracted revenue able to be recognised in FY22 was $27.1M
  - $23.3M organic revenue & $3.8M of Silverlink revenue
  - Represents 25% increase on pcp
- Contracted revenue only includes revenue from current signed contracts

Quarterly cash receipts
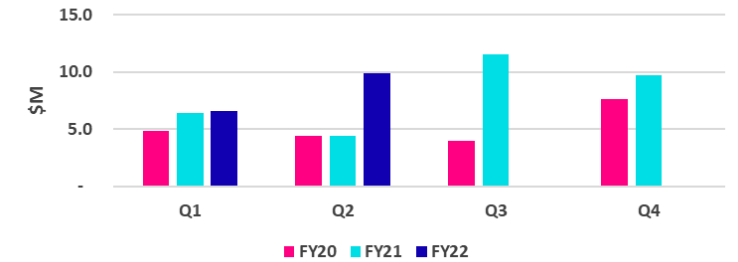
- Generated positive operating cashflow of $1.5M for quarter
- Cash receipts from customers in Q2 were $9.9M, 125% increase on pcp
- Resulted in total cash receipts of $16.4M, 52% higher than same time in previous year

Q2 FY22 Operational Highlights

Leidos Contract

- Signed largest ever contract, as part of a Consortium led by Leidos Australia, to deliver key capability for a Healthcare IT project for the Commonwealth of Australia
- Further potential to take up Miya Observations & Miya Assessments
- $23.3M TCV over 6 years & options to renew up to 15 years creates possible TCV of approximately $50.0M

Silverlink Acquisition

- In December 2021, Alcidion acquired Silverlink, one of the largest & few remaining specialist Patient Administration System (PAS) providers servicing UK NHS market.
- Acquisition provides Alcidion with core PAS capability, expanding overall product offering & positioning Alcidion to offer a cloud-native, modern, modular Electronic Patient Record (EPR) to rival major global vendors
- In addition, expands company's UK presence to 38 NHS Trusts, ~26% market presence, while also expanding addressable market

Additional Contract Wins

- Three-year contract with Sydney Local Health District for Miya Precision to support rpavirtual operations
- First ExtraMed contract since acquisition for Queen's Hospital Burton for Inpatient Flow Manager
- Extension of three years for Royal Derby Hospital for Inpatient Flow Manager

Outlook

Near-term Sales Outlook

- Contracted revenue for FY22 of $27.1M at 31 December 2021 (includes $3.8M from Silverlink)

  - Further $1.9M of scheduled renewal revenue expected to be converted to contracted revenue & recognised in FY22

- Pipeline continues to develop with new Miya Precision opportunities progressing further through contract negotiation stage

  - Further cross sell opportunities related to recent acquisitions (ExtraMed & Silverlink)

- 2nd half historically a strong period for new sales, particularly in UK as coincides with end of their financial year (31 March)

  - Pressure on healthcare systems driven by accelerating COVID figures impacting speed (not willingness) of decision making / negotiation for major contracts

Silverlink Opportunity

- Acquired Silverlink in December 2021, expanding overall product offering & ability to offer modular, cloud-native EPR/EMR platform

  - Expands market presence & overall customer TAM

- Initial feedback from customers (& broader industry) very positive, facilitating significant cross / up sell potential to existing customers

  - Several new conversations underway with prospective customers about broader modular EPR offering

Questions . . .

Please enter your questions using the Zoom Q&A function