

27 July 2022

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Q4 FY22 Quarterly Activities Report

Melbourne, Australia – Alcidion Group Limited (‘Alcidion’ or the ‘Company’) today releases its Appendix 4C for the quarter ended 30 June 2022 (Q4 FY22) and a business update detailing operational highlights.

Highlights:

- FY22Q4 positive operating cashflow of \$3.3M
 - Record quarterly cash receipts of \$14.0M
- FY22 full year positive operating cashflow of \$1.0M
 - FY22 operating cashflow of \$3.1M, excluding one-off M&A costs of \$2.1M
 - FY22 cash receipts of \$41.4M, up 29% on pcp (prior corresponding period)
- Unaudited FY22 revenue of \$34.0M, up 31% on pcp
- FY22 new sales with Total Contract Value (TCV) of \$57.7M, up 96% on pcp
 - New TCV sales in Q4 of \$14.8M, with \$2.7M recognised in FY22
- Positive unaudited underlying FY22 EBITDA (excluding M&A costs)
- Opening balance of contracted revenue to be recognised in FY23 of \$28.3M, up 87% on pcp
 - Further \$2.9M of scheduled renewal revenue expected to be recognised in FY23
- Cash balance of \$17.3M at 30 June 2022

Alcidion Group Managing Director Kate Quirke said, “Alcidion brings FY22 to a close with an outstanding final quarter delivering record cash receipts, which has not only resulted in positive operating cashflow for the quarter but also for the full year FY22”.

“During the quarter we signed several new customers in the Australian and UK markets and signed contracts to upgrade a number of strategic, long-term customers to the latest Miya Precision platform. We continue to demonstrate the value proposition we provide customers via our products and solutions enhanced by the capabilities of our technical services team.”

“Alcidion’s continued growth in the face of a challenging external business environment is driven not only by large scale (announced) contracts but also by several smaller contracts which cumulatively contribute meaningfully throughout the year, delivering record new sales for FY22 with TCV of \$57.7M. Some of these new contracts are with customers where we are deploying the first modules of the Miya Precision platform into important and well recognised digital health leaders, such as the recent contract with Alfred Health for Miya Flow.”

“We head into the new financial year with \$31.2M of contracted and expected renewal revenue, which when combined with our continually maturing pipeline both in ANZ and UK positions Alcidion for continued strong and profitable growth in FY23.”

Business Update

Alcidion signed several strategic contracts during the quarter which contributed to new sales with a TCV of \$14.8M, the second highest quarter recorded to date, and to a record year of new sales for the year with a TCV of \$57.7M. This included:

- A new 5-year contract with Northern Territory Health to upgrade to the latest release of Miya Precision. The upgraded solution will be facilitated by deployment of flexible electronic journey boards, integrated bed management, hospital operations command centre capability and dedicated emergency department functionality. This extends a long-standing relationship with the Northern Territory.
- A 5-year contract with Western Health Victoria to upgrade the previous Miya version to Miya Precision including integration to the Western Health EMR platform, which continues a 16-year partnership. The upgrade will also result in the move of the solution to full cloud deployment in the Alcidion Cloud.
- A new 5-year contract with Alfred Health to implement the Miya Flow module of Miya Precision. The Miya Flow solution was selected via a competitive tender process to support improvement of the flow of inpatient care across the Alfred's three hospitals. It will include integration to the Cerner EMR and existing patient administration system.
- A 5-year contract with East Lancashire Hospitals NHS Trust to implement the Miya Flow module, an upgrade from ExtraMed Inpatient Flow Manager (IPFM) which has been used for almost a decade. The agreement is the first customer upgrade from IPFM to Miya Flow following Alcidion's purchase of ExtraMed in April 2021. This deployment will be the first deployment of Miya Flow integrated with the Cerner EMR in the UK.
- An extension of the management services Alcidion provide for the eHealth NSW Enterprise Service Bus (ESB) for a further 12 months. The ESB provides integration for state-wide systems provisioned by eHealth.
- Extension of Herefordshire and Worcestershire Health and Care Trust's relationship with Alcidion through procurement of the Patienttrack module to support their requirement to electronically record patient observations. The critical patient data collected in this module will appear in the recently procured Miya Flow solution.
- An ongoing relationship progressed with Calvary Health Care spanning their 14 hospitals and extensive aged care services across Australia to establish a comprehensive enterprise data warehouse and develop specialised clinical and business reporting services.

We also confirmed in May the formal announcement of Alcidion's role in the Leidos Consortium for the delivery of a health knowledge management system to support the delivery of healthcare services across the Australian Defence Force. The total contract value to Alcidion is \$23.3M over the initial six-year term.

Financial Update

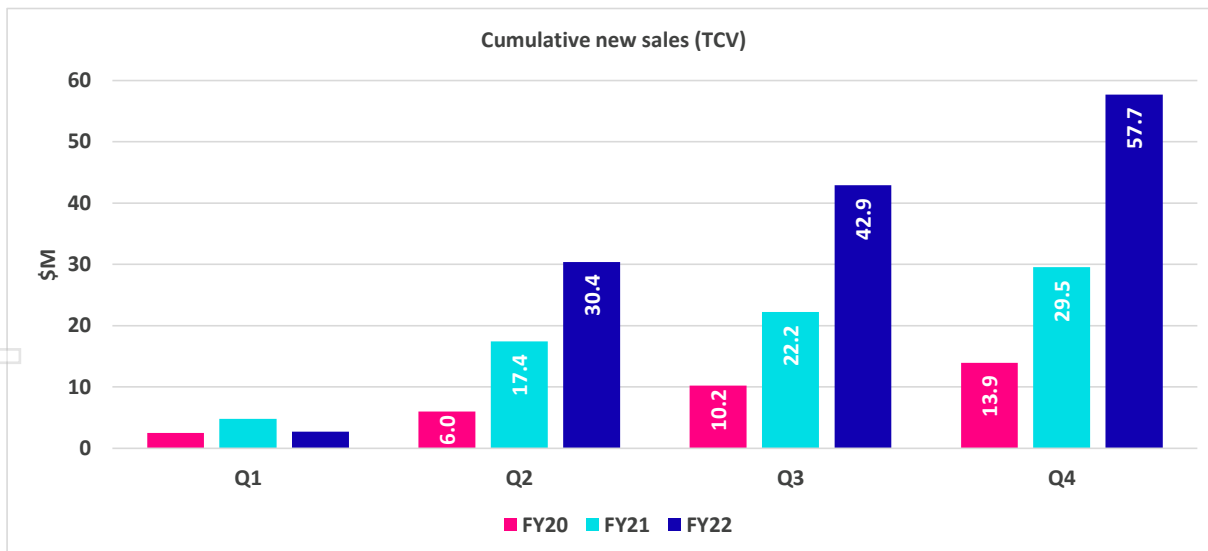
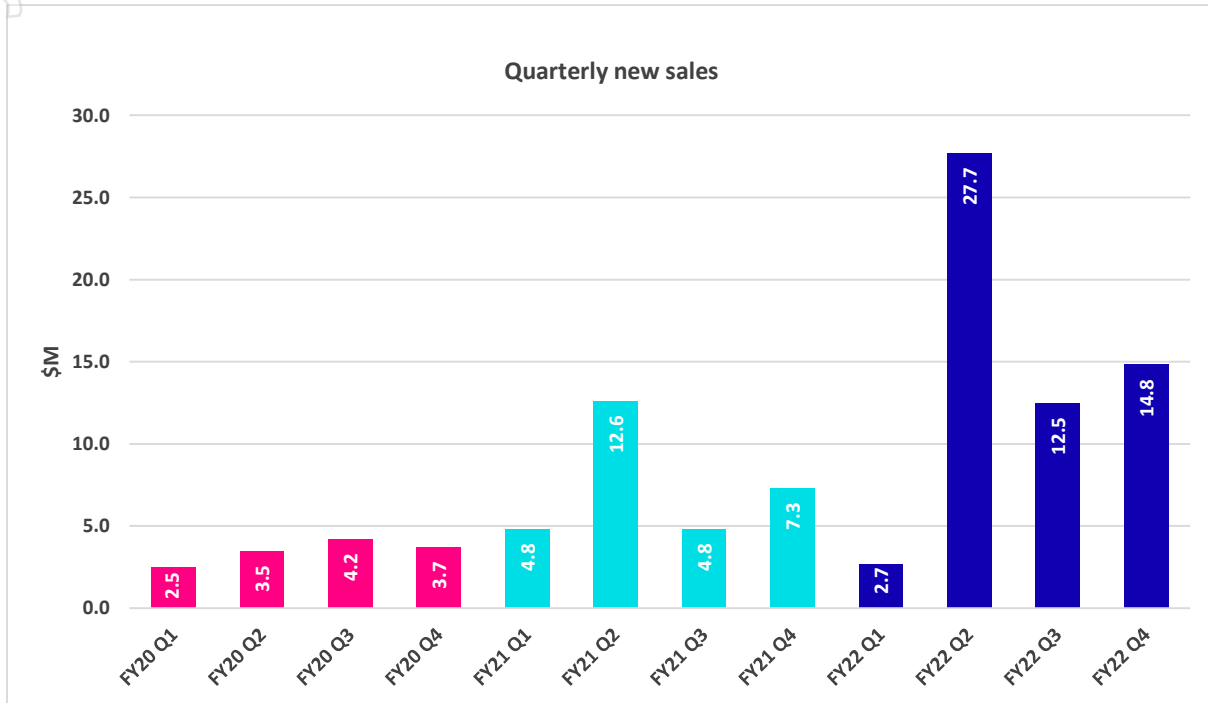
Based on current unaudited results, Alcidion is expected to report FY22 revenue of at least \$34.0M, a 31% increase on pcp, including \$4.3M of Silverlink revenue.

The contracted revenue split of products, product implementation and services for FY22 is as follows:

A\$M	Products	Product Imp	Services	Total
Recurring	23.0	-	-	23.0
Non-recurring	-	6.3	4.7	11.0
Total	23.0	6.3	4.7	34.0

FY22 underlying EBITDA (excluding M&A costs) will be positive, with further information related to margin and costs to be provided in the full year results to be released in late August 2022.

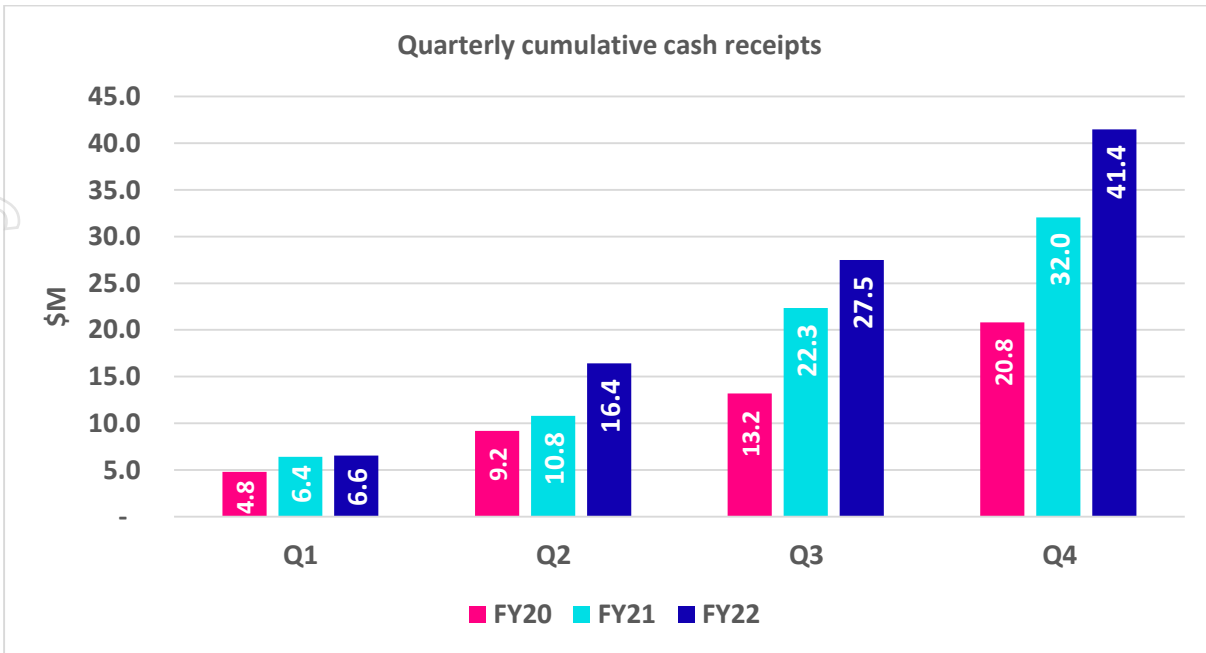
During Q4 FY22, Alcidion generated \$14.8M of new sales (second highest quarter recorded to date), with approximately \$2.7M recognised in FY22. In FY22, Alcidion delivered total new sales with TCV of \$57.7M, which is 96% up on pcp.



The Company reported positive operating cashflow of \$3.3M for Q4, resulting in a full year FY22 positive operating cashflow of \$1.0M.

Excluding one-off M&A costs of \$2.1M, the full year operating cash flow was \$3.1M.

Cash receipts from customers in Q4 were \$14.0M, the highest quarter of receipts recorded to date. Total YTD cash receipts of \$41.4M is 29% ahead of cumulative cash receipts at the same time in the prior year of \$32.0M.

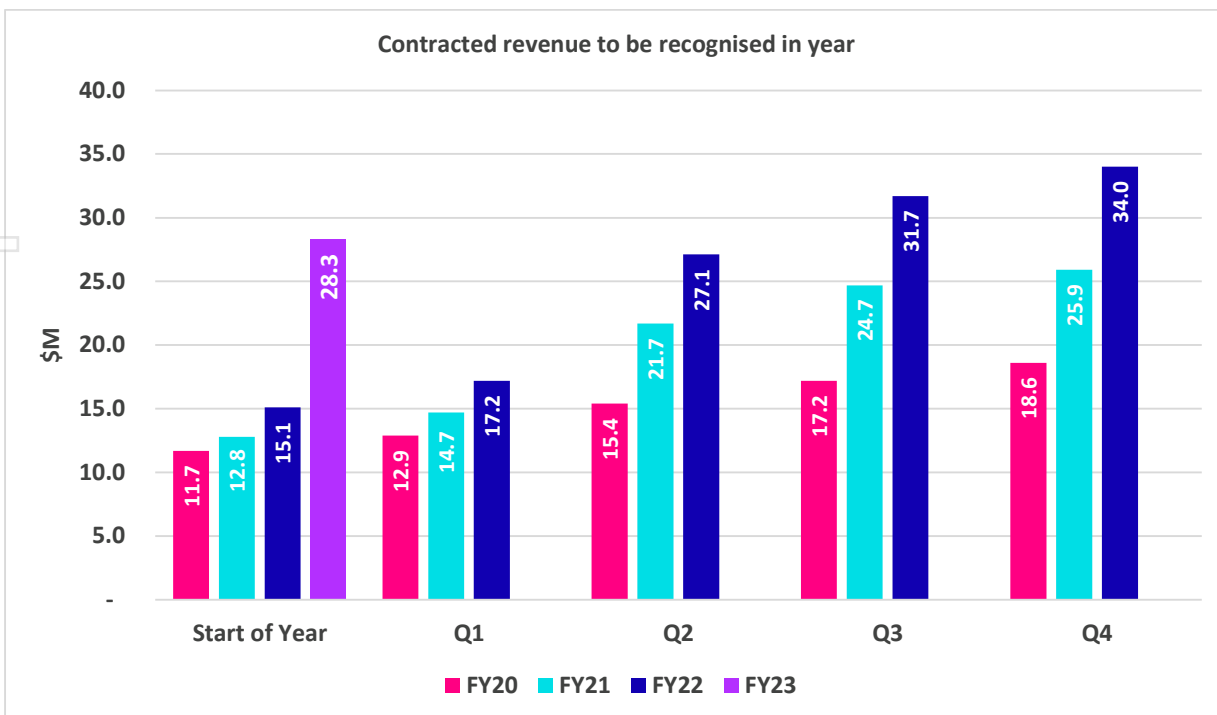


The Company's cash balance was \$17.3M as at 30 June 2022, with no debt.

As noted in item 6 of the Company's 4C, payments made to related parties and their associates totalled \$280k for the quarter. The payments relate to Directors' remuneration.

Outlook

Alcidion begins FY23 in a strong position with \$28.3M of contracted revenue to be recognised in FY23, up 87% on pcp. The Company has a further \$2.9M of scheduled renewal revenue (existing customers renewing current subscriptions and license periods) which is expected to be converted to contracted revenue over the course of FY23.



Investor Webcast

Alcidion Group Managing Director Kate Quirke will host an audio webcast with investors via Zoom this morning at 11:00am Australian Eastern Standard Time (AEST).

To register for the webcast, please follow this link:

https://us06web.zoom.us/webinar/register/WN_mzmtG2o_S1SUan4lef_Unw

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

ENDS

Authorised for ASX release by the Board of Directors of Alcidion Group Limited

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About Alcidion

Alcidion Group Limited (Alcidion) has a simple purpose, that is, to transform healthcare with proactive, smart, intuitive technology solutions that improve the efficiency and quality of patient care in healthcare organisations, worldwide.

Alcidion offers a complementary set of software products and technical services that create a unique offering in the global healthcare market. Based on the flagship product, Miya Precision, the solutions aggregate meaningful information to centralised dashboards, support interoperability, facilitate communication and task management in clinical and operational settings and deliver Clinical Decision Support at the point of care; all in support of Alcidion's mission to improve patient outcomes.

Since listing on the ASX in 2011, Alcidion has acquired multiple healthcare IT companies and expanded its foothold in the UK, Australia, and New Zealand to now service over 300 hospitals and 60 healthcare organisations, with further geographical expansion planned.

With over 20 years of healthcare experience, Alcidion brings together the very best in technology and market knowledge to deliver solutions that make healthcare better for everyone.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ALCIDION GROUP LIMITED

ABN

77 143 142 410

Quarter ended ("current quarter")

30 Jun 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	13,960	41,449
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(2,736)	(4,834)
(c) advertising and marketing	(127)	(664)
(d) leased assets	(7)	(63)
(e) staff costs	(6,077)	(24,010)
(f) administration and corporate costs	(1,005)	(7,651)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	24
1.5 Interest and other costs of finance paid	(20)	(68)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST received/(paid)	(683)	(3,187)
1.9 Net cash from / (used in) operating activities	3,310	996
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(2,969)	(59,432)
(c) property, plant and equipment	(102)	(348)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(3,071)	(59,780)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	55,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(108)	(3,058)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Payment for principal portion of lease liabilities)	(154)	(573)
3.10	Net cash from / (used in) financing activities	(262)	51,369

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,472	25,027
4.2	Net cash from / (used in) operating activities (item 1.9 above)	3,310	996
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,071)	(59,780)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(262)	51,369
4.5	Effect of movement in exchange rates on cash held	(110)	(273)
4.6	Cash and cash equivalents at end of period	17,339	17,339

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	17,018	17,161
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	321	311
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	17,339	17,472

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(280)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	3,310
8.2 Cash and cash equivalents at quarter end (item 4.6)	17,339
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	17,339
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2022

Authorised by: The Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.