

11 February 2020

Australian Securities Exchange
20 Bridge Street,
Sydney NSW 2000

Investor roadshow presentation and business update

Melbourne, Victoria – Alcidion Group Limited (ASX: ALC) today advises it has released the attached investor presentation and business update, which will be presented to investors this week by Managing Director Kate Quirke.

Highlights from the presentation include:

- Two contracts signed in Q3 since the release of the Appendix 4C, adding a further \$1 million of sold revenue to be recognised in FY2020
- An increasing market opportunity showing continued investment in digital health across Alcidion's current markets and details of Alcidion's expansion strategy
- Update on Q3 activities, including the planned launch of Miya MEMRe in the UK

Alcidion Managing Director Kate Quirke will be meeting with investors in Sydney and Melbourne from Tuesday 11th February to Thursday 13th February 2020.

ENDS

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About Alcidion

Alcidion Limited (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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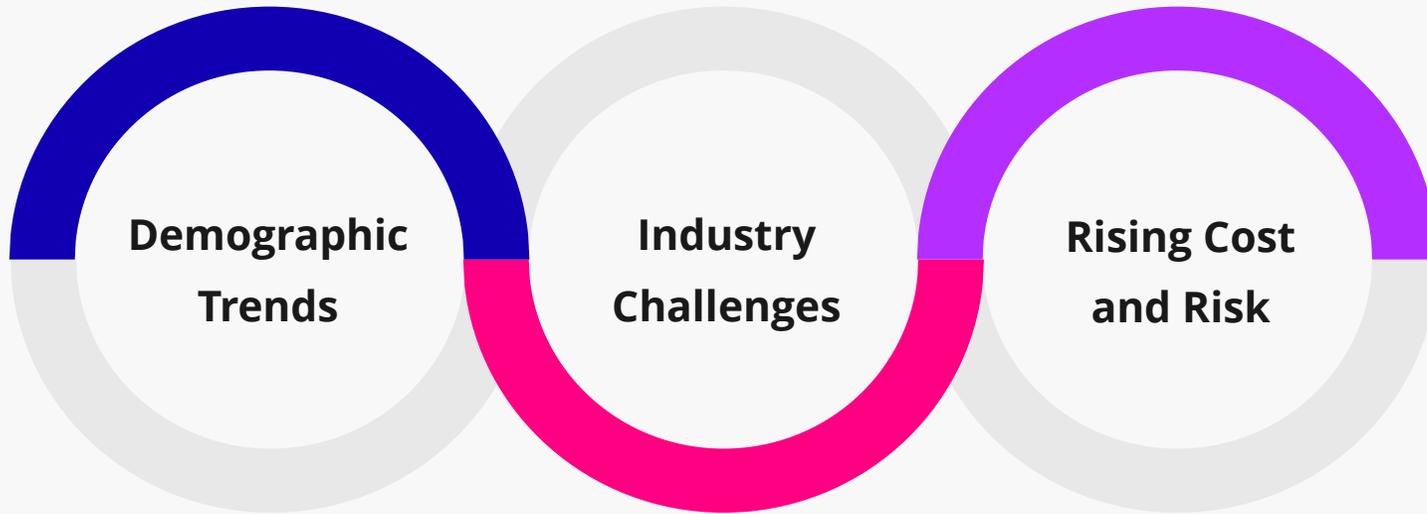
Investor Presentation

Leading the digital transformation of healthcare

Kate Quirke, Group Managing Director
February 2020

Challenges facing healthcare providers

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- Ageing population
- Rise in chronic disease

- Disenfranchised workforce
- Budget pressure

- Increasing penalties for unsafe care and poor outcomes

Healthcare providers must adopt technology to improve patient outcomes and deliver efficiencies to meet demand

Big single solution EMR is not the answer - care team productivity can drop by 20-30%

US\$1TR

Cost of preventable errors per annum, globally

1 in 4

Australian patients who stay overnight will develop a hospital-acquired complication

\$4.1B

Cost to the Australian public sector of hospital-acquired complications in FY18, representing 8.9% of hospital expenditure

3rd

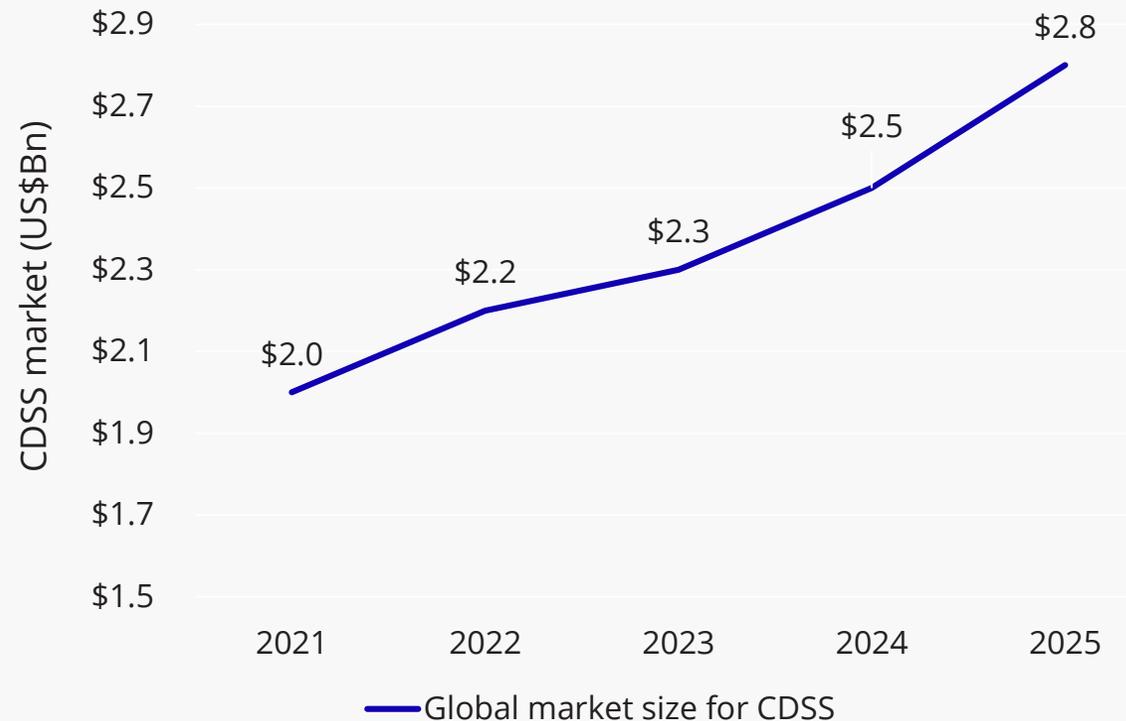
Adverse events in hospital are 3rd leading cause of death in the US

Global market for clinical decision support systems to grow rapidly

Clinical decision support systems (CDSS) provide clinicians and staff with timely information at the point of care, to help inform decisions about patient care

- CDSS market to rise 39% over five years to US\$2.8 billion*
- Knowledge-based CDSS products to grow to US\$2.4bn (40.7%) by 2025, vs non-knowledge-based CDSS products (17.2%)
- 400,000 lives lost globally due to medical errors, with \$1 trillion annual financial burden on hospitals globally. This has led to a growing emphasis on adopting CDSS technology
- Strong opportunity for Alcidion to capitalise on this market growth, funds raised to scale-up business and technology

GLOBAL FORECAST GROWTH OF THE CDSS MARKET



*BIS Research (2019). *Global Clinical Decision Support Systems (CDSS) Market, Analysis and Forecast 2019-2028*. BIS Research.

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Our Solution

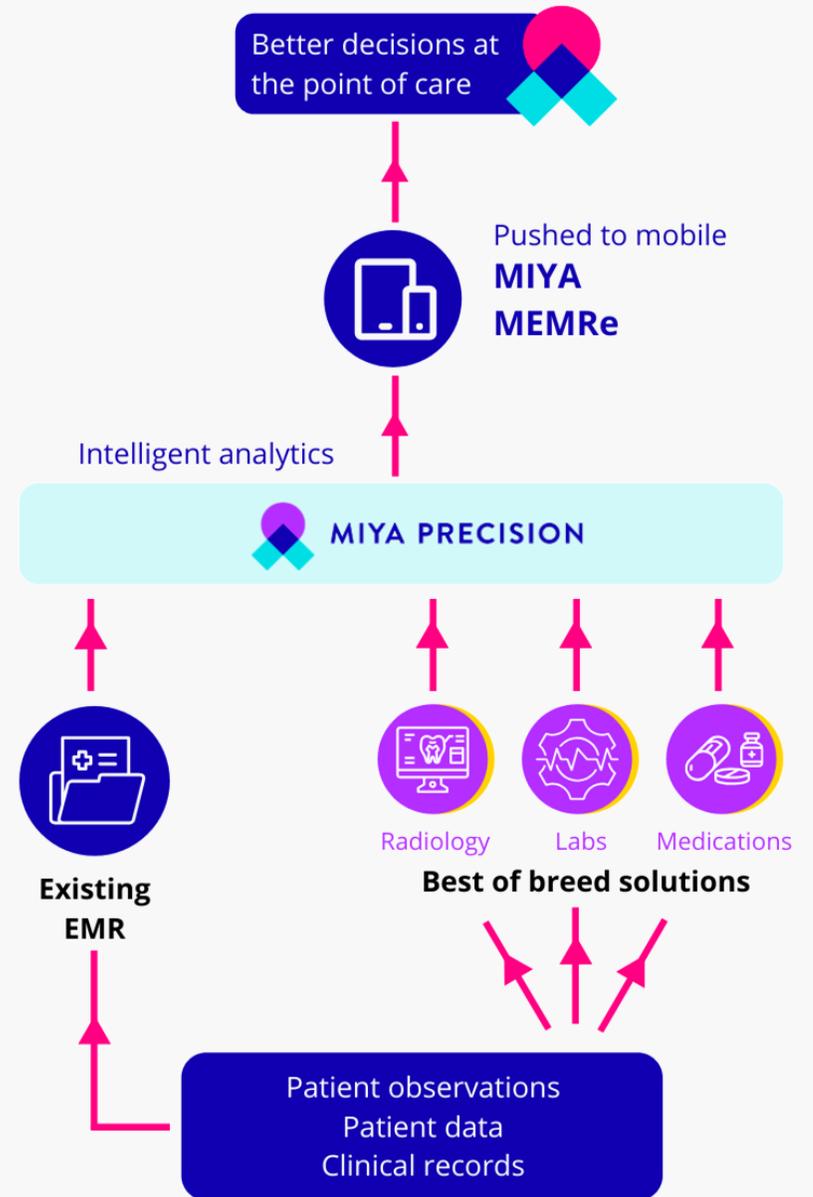
Our unique technology platform

The problem with an EMR

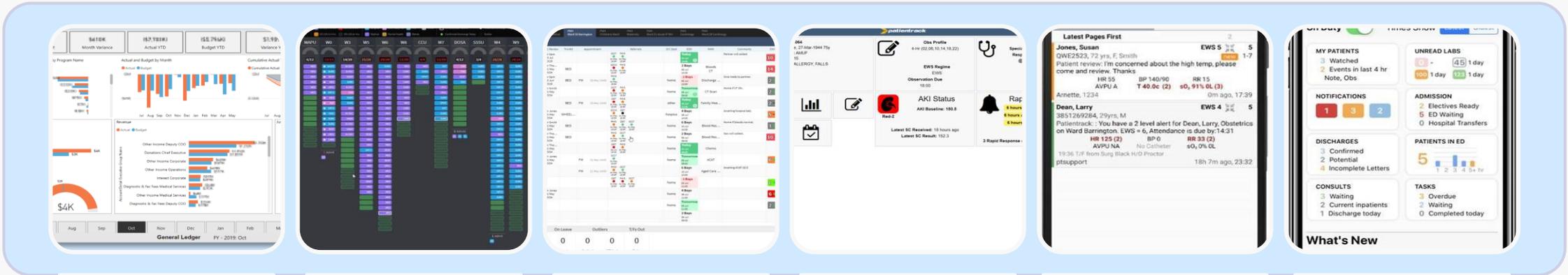
- EMR systems were designed as data repositories & do not support scalable real-time Clinical Decision Support (CDS) & automation that can improve clinical productivity
- While EMRs have improved many aspects of clinical care, they have also taken a toll on clinical productivity

Our point of difference

- A **real-time**, clinical decision support system (CDSS) platform providing **smart infrastructure for healthcare**
- **Next-generation CDSS** able to support a high volume of algorithms and respond to changes in patient status
- Customisable dashboards and workflow automation **improves productivity** and ensures **critical information is easily accessible**
- **Integrates with existing EMRs** or can leapfrog EMRs and integrate **best-of-breed solutions**



Our solutions improve the delivery of healthcare



Management Dashboards
 Consolidates real-time data from multiple systems presented clearly to support decision making

Operational Dashboards
 Real-time overview & insights to organisation-wide status, pressure points & resource utilisation

Patient Flow & Access
 Patient status summarising clinical indicators, resource availability & enabling streamlined care

Clinical Documentation
 Observations & assessments captured at point of care, providing real-time notification of patient status & deterioration

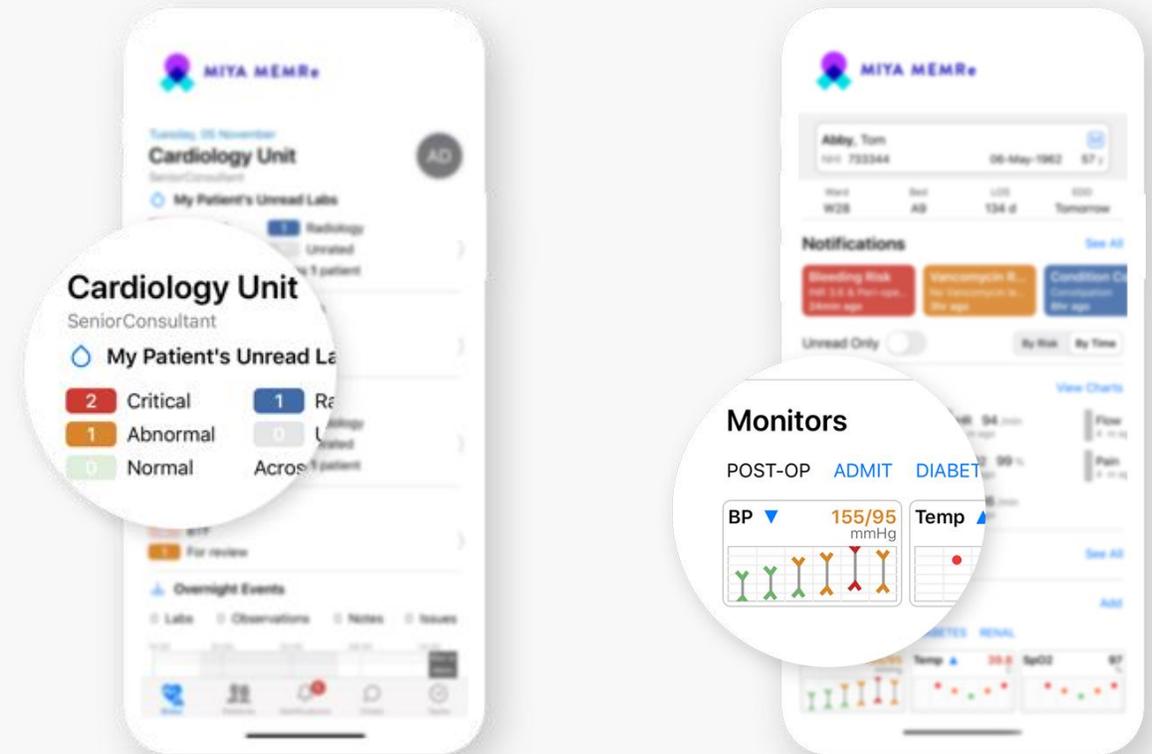
Clinical Communication
 Secure messaging between clinicians to support ease of communication, clinical workflow & task management

Clinician Mobility
 Streamlined mobile access to patient status updates & notification of critical changes in patient condition

Focused Services
 Product implementation, health systems integration, data analytics and 24x7 support services

Introducing Miya MEMRe: Mobile EMR + CDSS

- First locally developed fully-mobile EMR solution, offering the full benefits of Miya Precision on mobile devices
- CDS risk rated information – clinicians can quickly see emerging risk as well as outstanding tasks
- All information accessible within a few taps
- Uses Miya Precision Natural Language Processing (NLP) and based on the open FHIR standard
- Targeted and tailorable alerts/notifications at a care giver's fingertips



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Product demonstration



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Capitalising on a significant market opportunity



Heavy investment in digital health across all markets

Matt Hancock announces new programme to help NHS trusts go digital



Hancock says tech revolution must include the 'whole NHS – not just the leading trusts'

Written by Sam Trendall on 19 December 2019 in News

Health secretary uses first speech since election to ramp up rhetoric on digital and data and reveal plan for 'digital aspirant' programme

NHSX to mandate minimum technology spend for trusts

Recent guidelines for NHSX sets out plans to define spending levels required so organisations can achieve digital aims

JAN 31

NHSX building a digital-ready NHS workforce

Australia launches new program to equip nurses and midwives with digital health skills

Queensland govt hunts for first ever digital chief

The UK is a large market opportunity

Current state of play

- Early adopter of new technology, less EMR penetration, hybrid approach, including best of breed
- Favourable operating environment post-election, with investments promised by policymakers to support the entire NHS achieve digital maturity
- Existing Patienttrack base provides solid footing for cross-sell

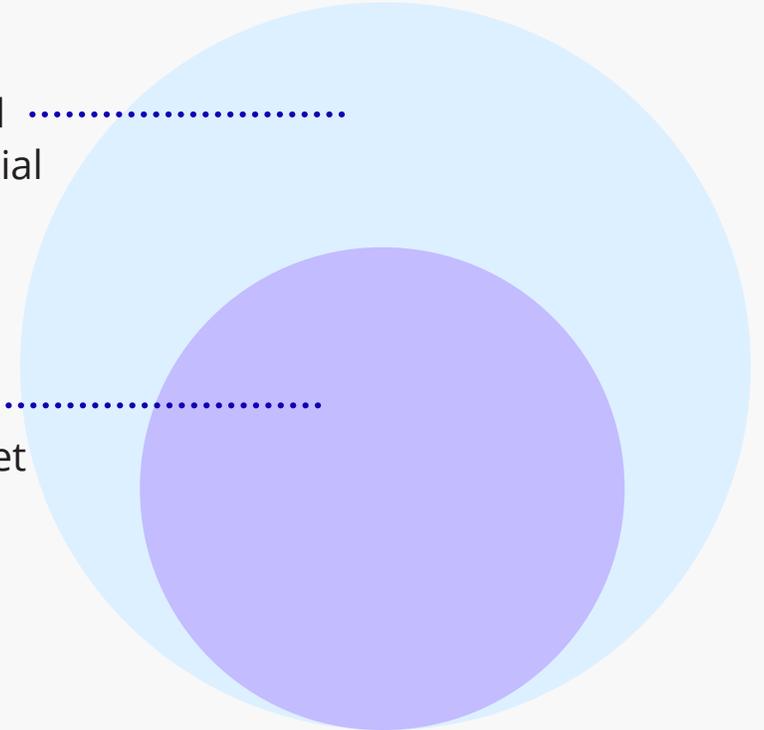
Forecast growth of CDSS market in the UK (to 2025)



Total market potential for all products and services over 5 years

\$1.1Bn total market potential in UK for all products and services

\$586M Alcidion's target accessible market in UK, adjusted for achievability

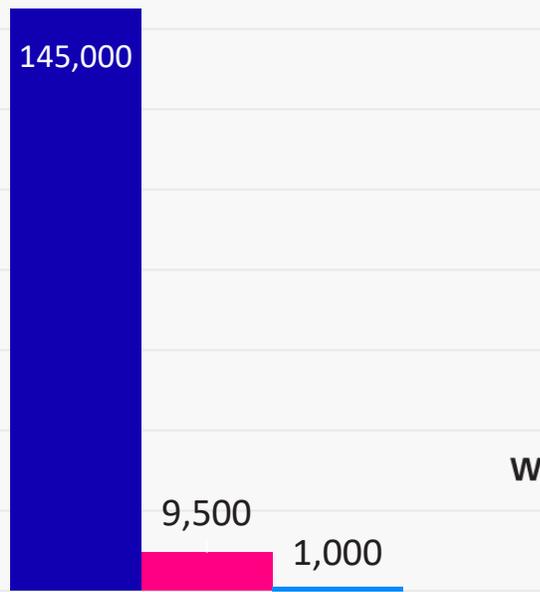


UK growth strategy

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Current market presence

17 NHS Trusts
35 hospitals



■ Total UK beds available
■ Beds using Patienttrack
■ Beds using Miya

Key reference sites



- Dartford and Gravesham NHS Trust
- Manchester University NHS Foundation Trust
- Bolton NHS Foundation Trust
- George Eliot Hospital NHS Trust
- Western Sussex Hospitals NHS Foundation Trust
- Taunton and Somerset NHS Foundation Trust
- Basildon and Thurrock University Hospitals NHS Foundation Trust
- Fife NHS

Expansion strategy

- Scale up marketing function and sales force across the UK region, with new GM appointed in Q2 and several planned sales staff appointments
- Dual strategy - leapfrog integrated EMR and add value to existing EMR implementations
- Focus on penetration and growth through replacement of paper and pagers as per NHSX strategy
- Offer a smart healthcare platform for interoperability
- Commercially launch Miya MEMRe to UK market in Q3 FY2020 to capitalise on shifting healthcare environment and market demand for mobile best of breed solutions

Australia – ready for expansion

Current state of play

- EMR penetration in public sector is high: 60-70% of hospitals (beds) covered by part or all EMR
- Hospital spending rising by 4.2% per annum
- Market for clinical decision support to grow an average of 14.1% year-on-year to 2028

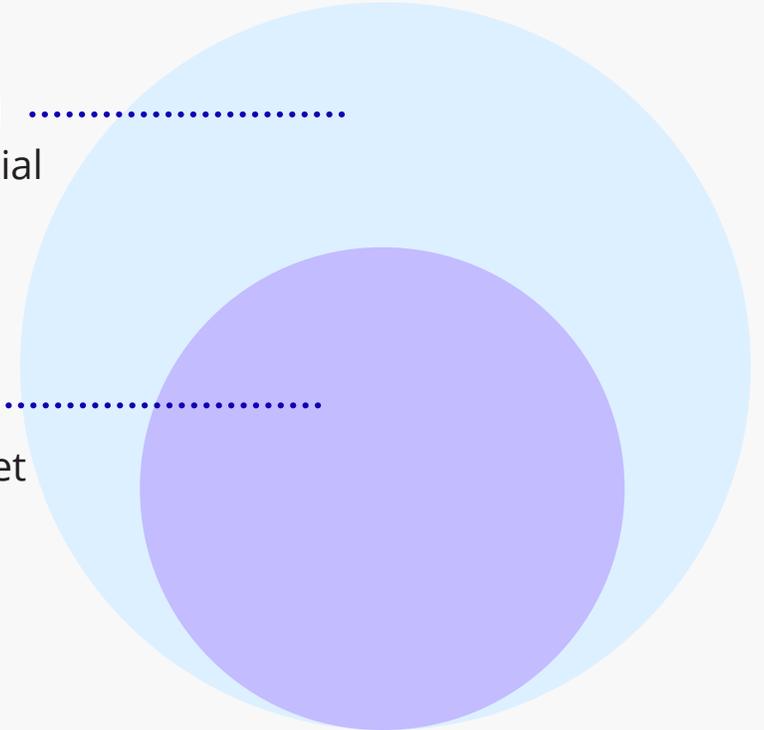
Forecast growth of CDSS market in Australia (to 2025)



Total market potential for all products and services over 5 years

\$450M total market potential in AU for all products and services

\$240M Alcidion's target accessible market in AU, adjusted for achievability

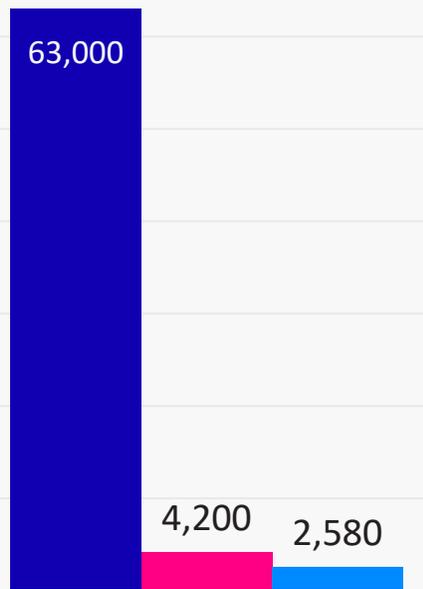


Australia growth strategy

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Current market presence

23 customers
94 hospitals



- Total AU beds available
- Beds using Patienttrack
- Beds using Miya

Key reference sites



- ACT Government | ACT Health
- Queensland Government | Queensland Health
- Victoria State Government | Health and Human Services
- NORTHERN TERRITORY GOVERNMENT
- Healthscope
- NSW GOVERNMENT | Health Murrumbidgee Local Health District
- NSW GOVERNMENT | eHealth
- AlfredHealth
- the women's hospital

Expansion strategy

- Add value to existing EMR investment through mobile EMR and clinical decision support
- Offer alternative to EMR by interoperability and enhance 'best of breed'
- Use results from recently completed Proof of Concept (PoC) for Miya MEMRe to drive adoption of the platform in pilot sites, as well as progress across key sites.
- Scale up marketing and sales function across the ANZ region, with new staff appointments
- Use data analytics services to build clinical data warehouses as platform for decision support software
- Target integration services at strategically important initiatives

NZ market leader in patient observations, solid base for growth

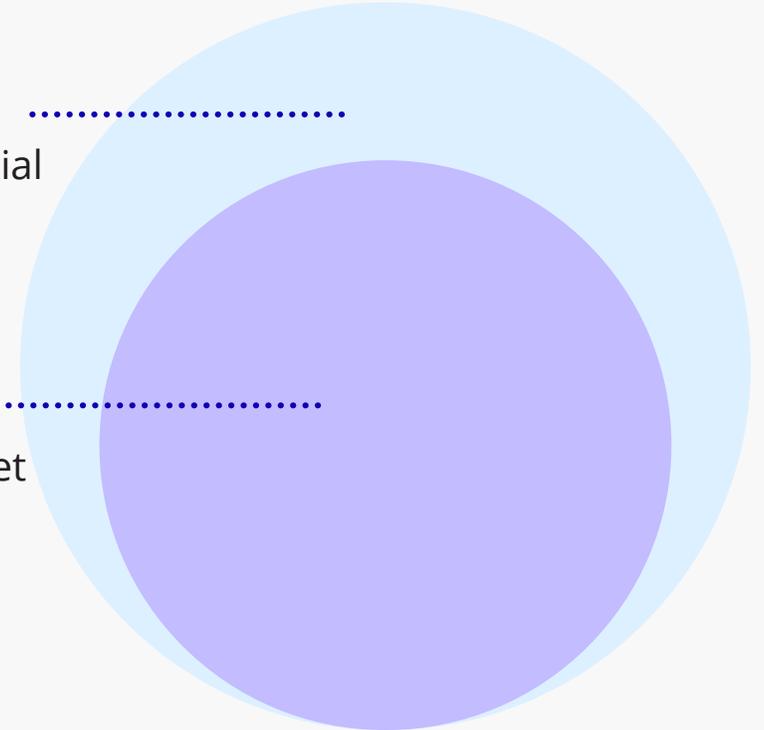
Current state of play

- Best of breed more commonly used over integrated EMR
- Patientrack clear market leader for patient observations in South Island District Health Boards and Northern Region with 40% of the market
- Miya Precision implemented across Mid Central DHB
- Continued interest in Smartpage

Total market potential for all products and services over 5 years

\$75M total market potential in NZ for all products and services

\$42M Alcidion's target accessible market in NZ, adjusted for achievability

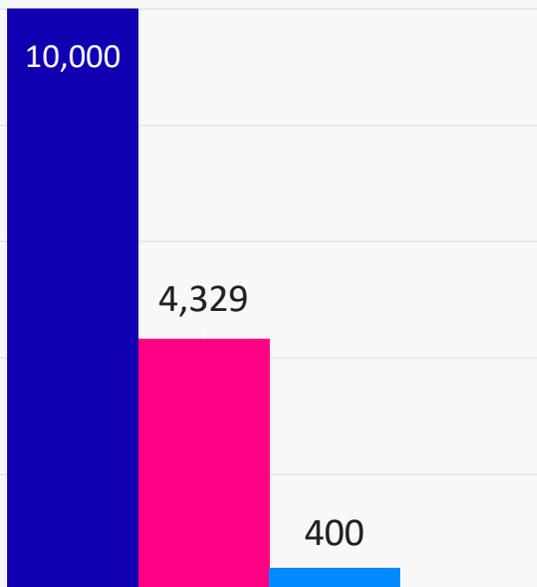


New Zealand growth strategy

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Current market presence

12 District Health Boards
28 hospitals



- Total NZ public beds available
- Beds using Patienttrack
- Beds using Miya

Key reference sites



Southern District Health Board
Piki Te Ora



Waitemata
District Health Board
Best Care for Everyone



Nelson Marlborough Health
TE WAIORA



Canterbury
District Health Board
Te Poari Hauora o Waitaha



COUNTIES MANUKAU HEALTH



MIDCENTRAL DISTRICT HEALTH BOARD
Te Pae Hauora o Ruahine o Taranaki

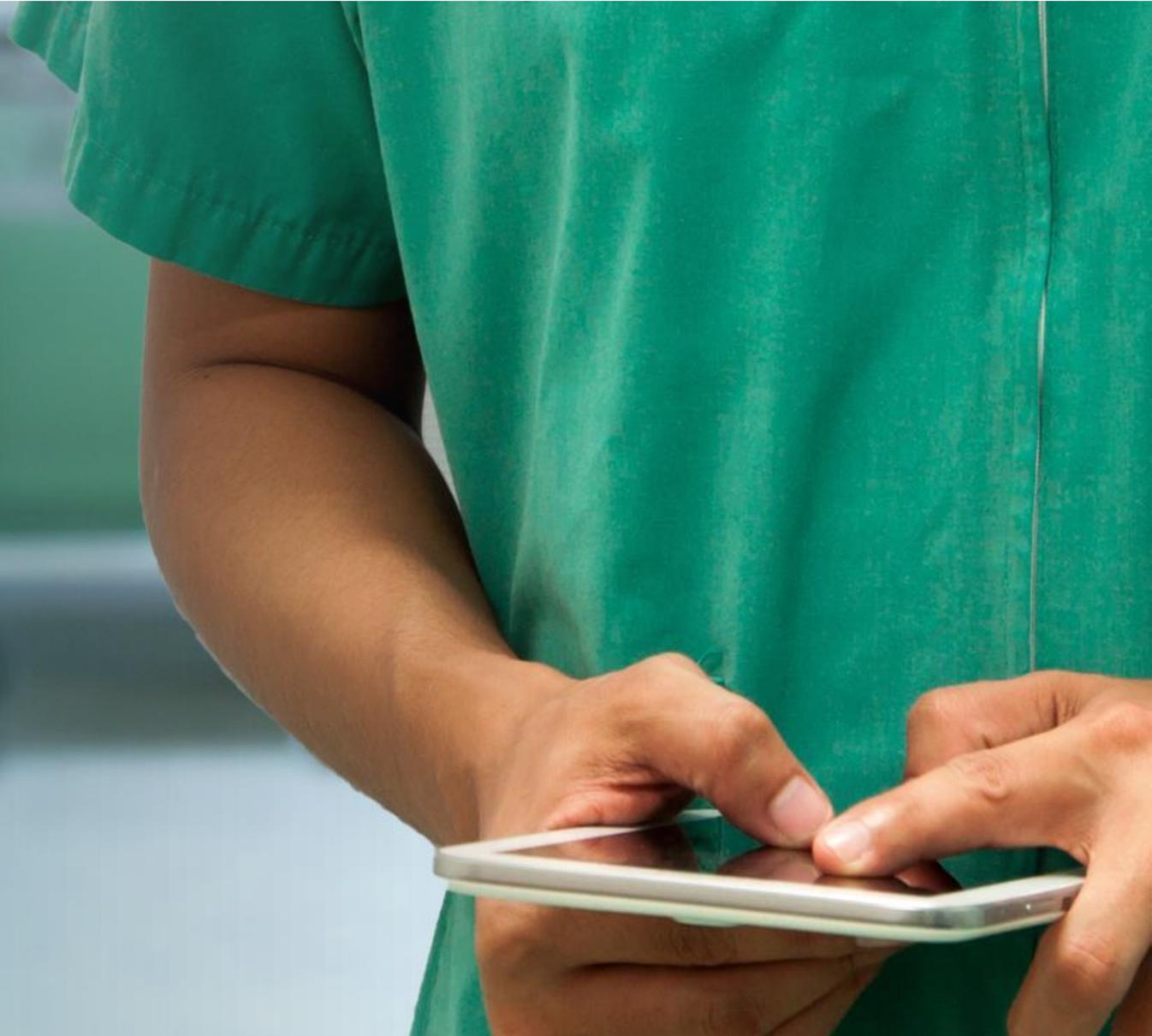
Expansion strategy

- Offer an alternative to an integrated EMR
- Provide the base for an interoperability platform to support their best of breed approach
- Scale up marketing and sales function across ANZ region, with new staff appointments
- Opportunity to provide additional capabilities to existing Patienttrack sites through Miya and Smartpage
- Create a strategic partnership to demonstrate Alcidion full suite capabilities



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Investing to accelerate growth



\$16.2m raised to accelerate growth and strategic expansion

- Successful institutional placement in November 2019, bringing several new cornerstone investors onboard
- Funds to be invested in sales and marketing and on scaling the business to capitalise on a rapidly improving global market for digital healthcare
- Substantial scaling of existing sales and delivery capability and potential acquisition

Accelerate growth in existing markets

Scale existing business

Geographical expansion

Further develop out of hospital care

Add distribution channels

Alcidion's growth strategy

Accelerate the ANZ Business

- Strengthen sales and marketing capabilities to demonstrate value of our platform to existing EMR solutions in public sector
- Leverage PoCs, reference sites as well as integration and data analytics services

Scale up the business to meet growth

- Investments in Miya Precision platform and strengthening Alcidion's ability to deploy Miya Precision
- Strengthened cash reserves
- Investments in sales, marketing and clinical support resources to underpin market adoption
- Enhance Group support services across Marketing, IT, People and Finance

Accelerating UK growth

- Significantly enhance sales capability
- Miya Precision / MEMRe marketing campaign
- Leverage new reference sites
- Explore expansion opportunities via acquisition

Enter new geography

- Currently analysing markets
- Canada, Singapore, Scandinavia are early possibilities
- This may be via channel partnership, direct entry or acquisition

Investment in growth and expansion underway in Q2

Alcidion made a solid start to FY2020 with strong sales and several investments made to scale up the business.



MARKETING & SALES

- Appointment of UK General Manager for Sales and Business Development
- Appointment of ANZ Southern Region Sales Executive
- Appointed GM for ANZ Sales to start end of Q3



PRODUCT DEVELOPMENT

- Developments to keep Alcidion's platform ahead of competitor products, including key capabilities for mobile platform.
- Trial concluded with Wagga Wagga Base Hospital
- Commercial launch of Miya Precision and Miya MEMRe, exhibited at three conferences in Q2 FY2020



STRATEGIC EXPANSION

- Initial exploratory work for new markets commenced, with support from Austrade engagement

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Financial Performance

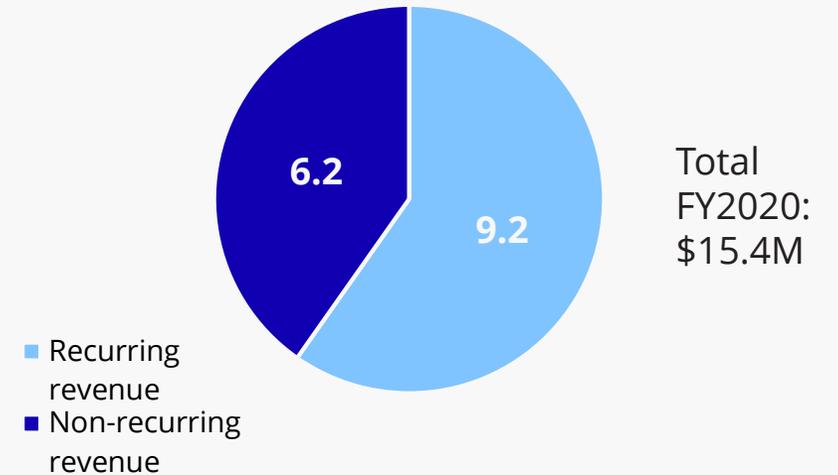


Q2 FY2020 highlights

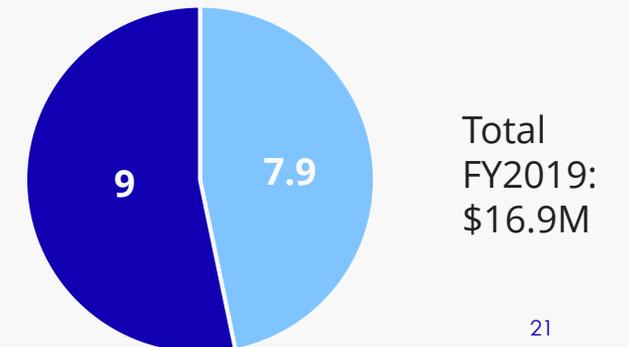
- \$15.4M revenue currently able to be recognised in FY2020 (vs \$16.9M total revenue for FY2019); Total sold revenue of \$37.2M out to FY2025
- Recurring revenue in Q2 FY2020 increased by 22.7% versus Q2 FY2019
- Strengthened cash reserves of \$17.2M including available cash and \$7M on term deposit
- New contracts sold in Q2 totaled \$3.5M, of which \$2.1M revenue will be recognised in FY2020
- Contract signed with Taunton and Somerset NHS Foundation Trust for Patienttrack, Alcidion's first Global Digital Exemplar customer
- First contract signed for Better's OPENeP with Dartford and Gravesham NHS Foundation Trust
- Go-lives include Miya Precision at ACT Health and five Patienttrack sites in the UK, demonstrating our ability to rapidly deliver positive outcomes from customer investment

\$15.4M revenue already contracted to be recognised in FY2020

FY2020 Revenue Contracted as at H1 (\$M)



FY2019 Revenue (\$M)



Q3 Business update

CONTRACT WINS

- Two contracts signed in January 2020 with Calvary Health Care and eHealth NSW, adding a further \$1M to the \$15.4M FY2020 sold revenue reported at end of Q2
- Alcidion will implement our data warehouse at Calvary Healthcare across all their sites
- eHealth NSW has signed an extension to the child health record to complete the development phase
- Strong pipeline leading into financial year ends for UK, AU and NZ healthcare providers

CONTINUED UK INVESTMENT PLANNED IN H2

- Miya MEMRe to launch in the UK, will be showcased with other Alcidion products at Digital Health Rewired Conference, 3-4 March 2020
- Marketing campaign planned in the UK in Q3 to support Miya Precision and the launch of MEMRe
- Three UK sales staff hires planned in Q3 FY20

PLANNED INVESTMENT IN GROUP INFRASTRUCTURE

- Staff appointments planned in H2 to support ongoing growth of the Alcidion Group. Areas include IT, marketing, people and culture
- GM Sales for ANZ has been appointed

INNOVATION PROOF OF CONCEPT WITH eHEALTH NSW

- Work continues on finalising the evaluation report
- Murrumbidgee LHD continues to use Miya Precision and Miya MEMRe

Well-placed to be a leader in digital transformation of healthcare

- Healthcare providers globally are turning to smart technology to improve patient outcomes and productivity
- Proven product suite with recent enhancement: *'Miya MEMRe'*
- Market opportunity across three existing markets exceeds \$1 billion and is growing rapidly
- Strong foothold already exists:
 - UK an 'early adopter of technology in healthcare' supported by government signaling substantially increased investment in supporting NHS to achieve digital maturity, multiple NHS Trust clients represent existing reference sites
 - ANZ – Well placed for further expansion, trial recently completed trial in Wagga Base
- Strengthened balance sheet provides platform to invest in organic growth and potential for acquisitions
- Solid start to FY2020, with strategic contract wins, continued uptake of our technology, and platform go-lives providing important reference sites for Alcidion

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