

27 April 2022

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Q3 FY22 Quarterly Activities Report

Melbourne, Australia – Alcidion Group Limited ('Alcidion' or the 'Company') today releases its Appendix 4C for the quarter ended 31 March 2022 (Q3 FY22) and a business update detailing operational highlights.

Highlights:

- Q3 operating cash outflow of \$0.4M - positive inflow of \$1.6M after excluding the settlement of M&A costs related to the Silverlink acquisition
- New sales TCV in Q3 totalled \$12.5M with \$4.3M expected to be recognised in FY22
- YTD (as at end of Q3) new sales TCV of \$42.9M, 93% up on the prior corresponding period (PCP) with \$12.9M able to be recognised in FY22
- At the end of Q3, contracted revenue expected to be recognised in FY22 stands at \$31.7M (including \$4.4M from Silverlink) - up 28% on the PCP and 22% ahead of FY21 full year revenue of \$25.9M
- A further \$1.0M of scheduled renewal revenue is expected to be converted to recognised revenue in Q4
- Two contracts (NT Health and East Lancashire), signed subsequent to the end of Q3 with a TCV of \$6.4M, are not included in the above figures and are illustrative of a mature pipeline of opportunities in ANZ and the UK
- Cash balance of \$17.5M at 31 March 2022

Alcidion Group Managing Director Kate Quirke said, "Alcidion has had a very strong quarter delivering positive operating cash flow in Q3 of \$1.6M after excluding settlement of one-off M&A costs. During the quarter Alcidion announced new contract wins and renewals with UK customers including new Miya Precision customers, upsell of additional modules to existing customers, renewal of Silverlink contracts and subsequent to the quarter end, an upgrade of an ExtraMed customer to Miya Flow. These new contracts demonstrate the benefits of the recent acquisitions alongside our growth strategy.

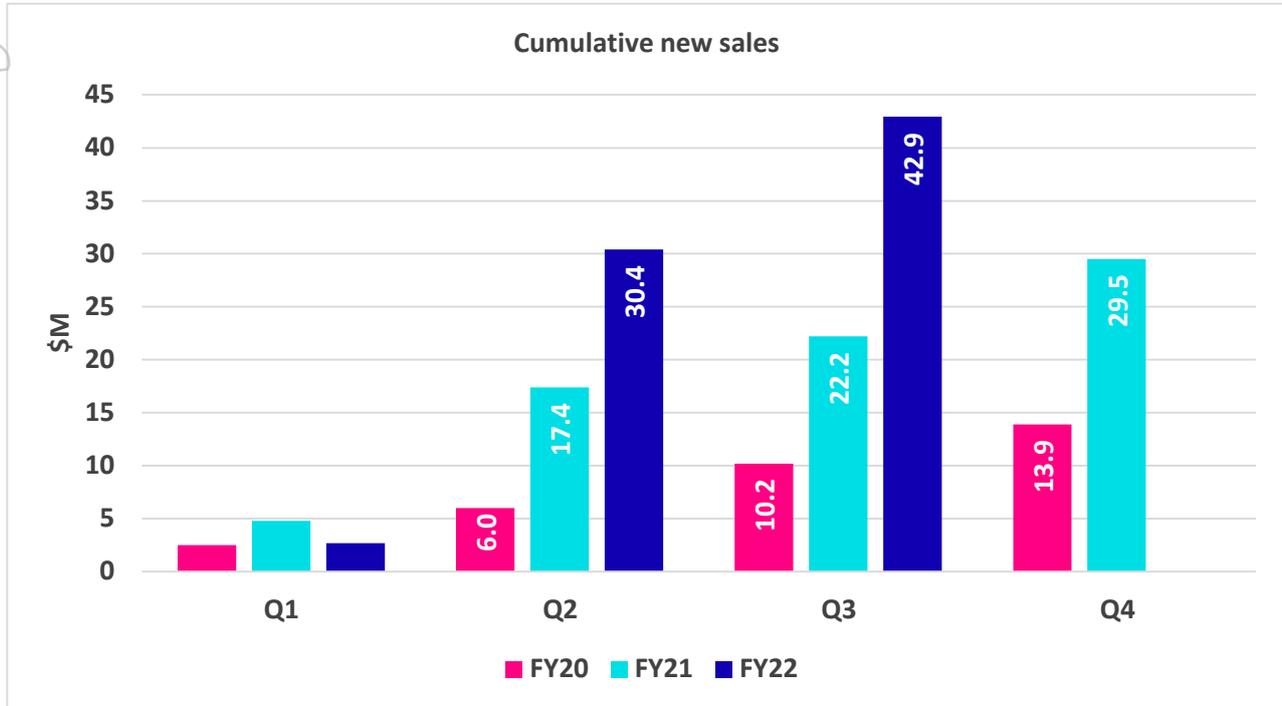
In Australia, we entered into a new \$5.0M, 5-year agreement to upgrade Northern Territory Health to Miya Precision with options to add additional modules over time. This active start to the calendar year demonstrates Alcidion is executing its strategy to attract new customers, upsell additional modules and upgrade existing customers to Miya Precision, as evidenced by these recent contract wins".

Financial Update

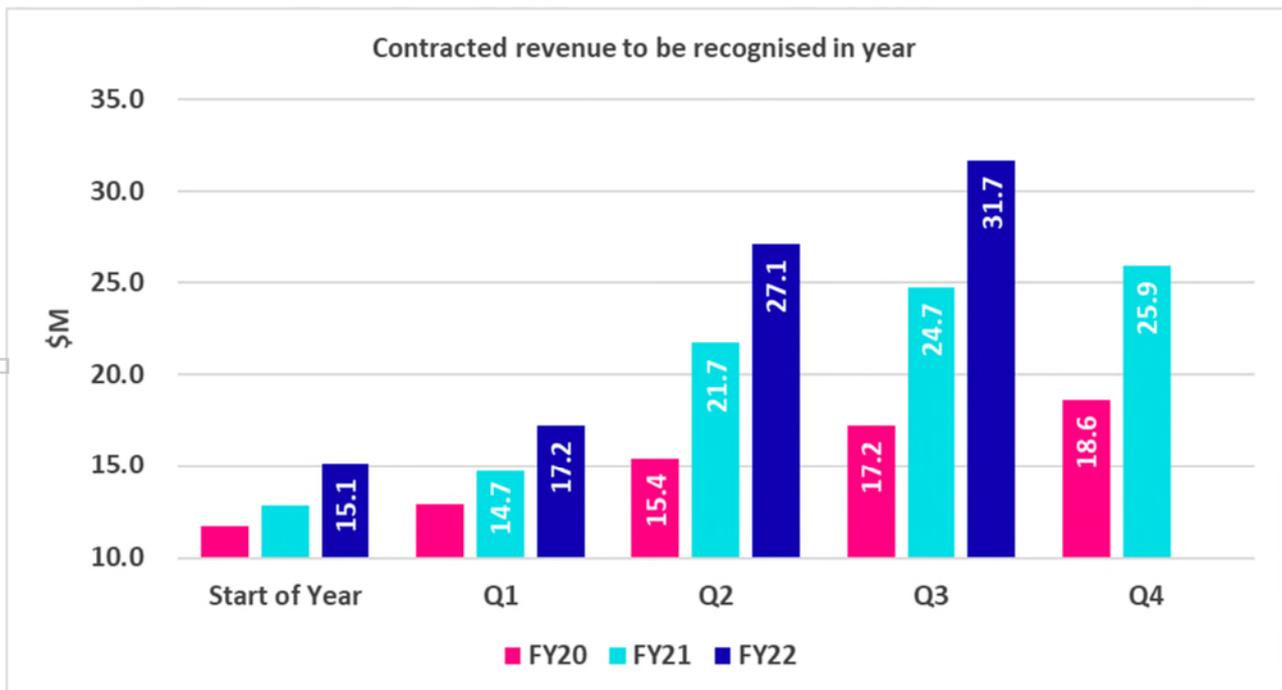
Alcidion made \$12.5M of new sales in Q3, with \$4.3M able to be recognised in FY22. New sales comprised \$9.2M (74%) of recurring Product revenue and \$3.3M (26%) of non-recurring Services revenue (which includes product implementation).

FY22 YTD (as at end of Q3) new sales is \$42.9M, 93% up on cumulative new sales at the same time last year. 62% of new sales relate to recurring Product revenue and 38% to non-recurring Services revenue.

Illustrating the breadth and maturity of the sales pipeline in ANZ and the UK, Alcidion signed two new contracts subsequent to the end of Q3 with a TCV of \$6.4M. These sales are not reflected in the Q3 figures disclosed above.



At the end of Q3, contracted revenue able to be recognised in FY22 is \$31.7M, up 28% on the PCP (including \$4.4M contribution from Silverlink), and 22% ahead of FY21 sales of \$25.9M.



The contracted revenue split between products, product implementation and services as at end of Q3 is as follows:

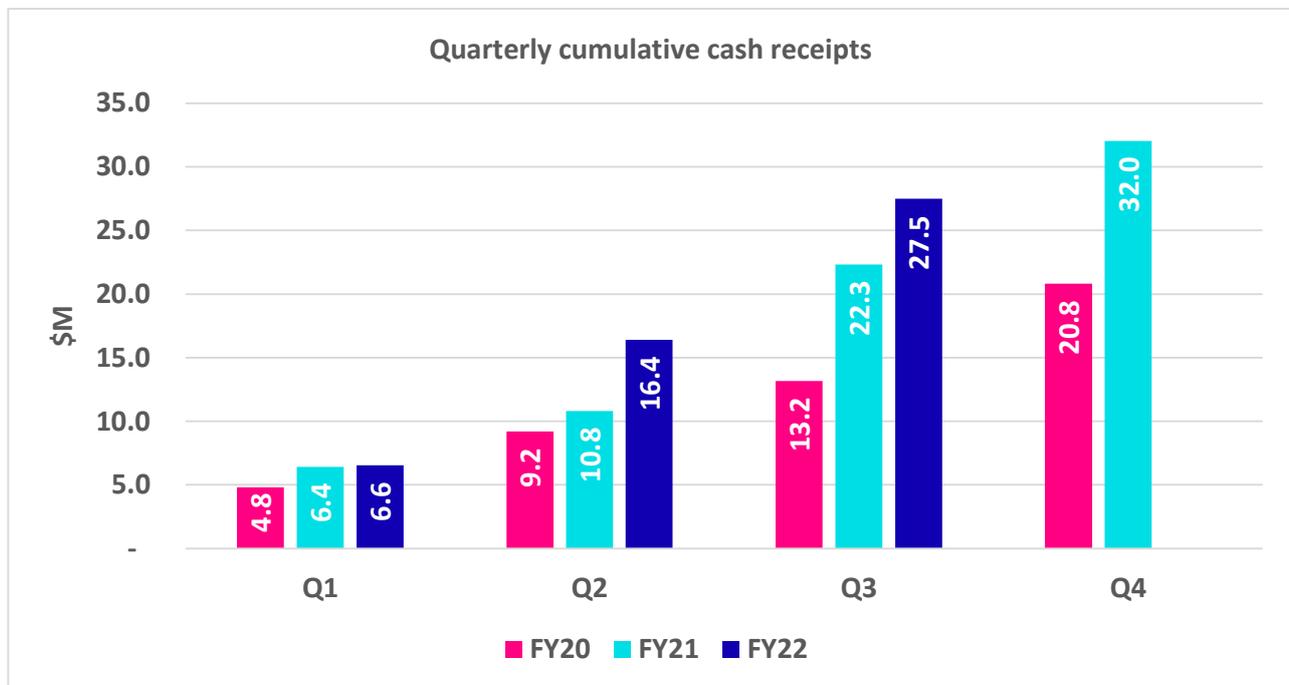
A\$M	Products	Product Imp	Services	Total
Recurring	21.7	-	-	21.7
Non-recurring	-	6.0	4.0	10.0
Total	21.7	6.0	4.0	31.7

A further \$1.0M of scheduled renewal revenue is expected to be converted to contracted revenue over the remaining course of FY22.

Q3 operating cash outflow was \$0.4M, however, when excluding the settlement of H1 M&A costs related to the Silverlink acquisition, Alcidion generated +\$1.6M of operating cash flow.

YTD operating cash flow at the end of Q3 was negative \$2.3M, however, Alcidion is YTD operating cash flow breakeven when excluding the settlement of M&A costs related to the Silverlink acquisition incurred in H1.

Cash receipts from customers in Q3 were \$11.1M, which was the highest quarter of receipts this financial year. Total YTD cash receipts of \$27.5M is 23% ahead of cumulative cash receipts at the same time in the prior year of \$22.3M.



The Company's cash balance was \$17.5M as at 31 March 2022, noting that subsequent to the end of the quarter, A\$2.6m was paid to the Silverlink vendors in relation to the first of two earn out conditions being met.

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.

Business Update

During Q3, Alcidion signed several significant contracts including:

- A 5-year, \$1.9M TCV contract with NHS Tayside (Scotland) to implement the Miya Observations and Assessments modules of Miya Precision. The contract expands Alcidion's UK market presence to 39 sites (27%), with at least one Alcidion product. NHS Tayside is the third health board in Scotland to implement Miya Observations and Assessments, following the successful delivery of Miya Observations at NHS Lanarkshire and NHS Fife continuing to validate the benefits of our products.

- A 5-year contract, with a TCV of \$1.35M with Herefordshire and Worcestershire Health and Care NHS Trust to implement the Miya Flow module of Miya Precision. This is the first community trust, and one of NHS England's mental health global digital exemplars, to procure Alcidion's flow technology following the impact seen in acute hospitals through improved visibility for staff enabling timely care for patients.
- A 5-year expanded contract with Dartford and Gravesham NHS Trust (TCV of \$3.0M) to procure Miya Emergency, a new Miya Precision module, together with resale of new partner Provation's anaesthetics module. Provation is highly complementary to Alcidion's partner network, with their Provation® iPro anaesthesia information management system. The agreement expands Alcidion's relationship with Dartford and Gravesham; the first trust to implement Miya Precision in the UK in March 2019 and now the first to implement Miya Emergency; and
- Renewals with two existing Silverlink customers, Moorfields Eye Hospital and Liverpool Heart and Chest Hospital for use of the Silverlink Patient Care System (PCS). They have a combined TCV of \$2.8M over 3 years and provide further validation of Silverlink's long-standing customer relationships delivering stable recurring revenue.

Following the end of the quarter, Alcidion also signed and announced:

- 5-year contract with a TCV of \$1.43M, with East Lancashire Hospitals NHS Trust to implement the Miya Flow module, an upgrade to the existing ExtraMed Inpatient Flow Manager (IPFM) which has been used at East Lancashire for almost a decade. This represents the first customer upgrade from ExtraMed's IPFM to Miya Flow following Alcidion's purchase of ExtraMed in April 2021. Miya Flow will overlay Cerner's Millennium EPR to support clinical staff and streamline the patient journey, highlighting Alcidion's interoperability with other technology providers; and
- a new 5-year contract with NT Health with a TCV of \$5.0M to upgrade to Miya Precision and deploy the Miya Flow, Access and Command modules across the 5 main hospitals in the Northern Territory. The upgraded solution will support NT Health's patient flow and bed management between major hospitals and satellites. This will be facilitated by deployment of flexible electronic journey boards, integrated bed management, hospital operations command centre capability and dedicated emergency department functionality using the Fast Healthcare Interoperability (FHIR) event-based Miya Precision Platform.

Staff appointments

During the quarter, Alcidion announced three key staff appointments, two based in the UK and one in ANZ, with all three positions focused on accelerating market growth.

In March 2022, the Company announced the appointment of Florian Stroehle as Director of Strategy and Business Development. Florian will be based in Alcidion's Auckland Office and will lead new business development across Australia and New Zealand and new markets.

Alcidion also welcomed Steve Leggett as UK Head of Strategic Markets who will be focussed on the opportunity for EPR deployments in the UK along with appointment of Dr Paul Deffley as UK Chief Medical Officer who will help oversee and support the growth of the UK business.

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_Yy2Ysd9CSt2nQIPCOhAZRQ

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")

31 Mar 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	11,083	27,489
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(861)	(2,098)
(c) advertising and marketing	(223)	(537)
(d) leased assets	(10)	(56)
(e) staff costs	(6,119)	(17,933)
(f) administration and corporate costs	(3,511)	(6,646)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	19
1.5 Interest and other costs of finance paid	(21)	(48)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST received/(paid)	(793)	(2,504)
1.9 Net cash from / (used in) operating activities	(449)	(2,314)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:	-	-
(a) entities		
(b) businesses	-	(56,463)
(c) property, plant and equipment	(86)	(246)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(86)	(56,709)

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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(727)	(2,950)
3.8	Dividends paid	-	-
3.9	Other (Payment for principal portion of lease liabilities)	-	(419)
3.10	Net cash from / (used in) financing activities	(727)	51,631

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	18,938	25,027
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(449)	(2,314)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(86)	(56,709)

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(727)	51,631
4.5	Effect of movement in exchange rates on cash held	(204)	(163)
4.6	Cash and cash equivalents at end of period	17,472	17,472

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	17,161	18,634
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	311	304
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	17,472	18,938

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	-

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.

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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. 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)	(449)
8.2 Cash and cash equivalents at quarter end (item 4.6)	17,472
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	17,472
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	38
<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>	

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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 April 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.