

26 October 2021

Australian Securities Exchange
20 Bridge Street,
Sydney NSW 2000

Q1 FY22 Quarterly Activities Report

Melbourne, Australia – Alcidion Group Limited ('Alcidion' or the 'Company') today releases its Appendix 4C for the quarter ended 30 September 2021 (Q1 FY22) and a business update detailing its operational highlights.

Highlights:

- New contracted revenue sold in Q1 of \$2.7M - with \$2.4M of that to be recognised in FY22
- Total contracted revenue to be recognised in FY22 stands at \$17.2m at the end of Q1 - up 17% on prior year Q1. With a further \$2.2M of scheduled renewal revenue expected to be converted to contracted revenue over the course of the year
- Cash receipts of \$6.6M, an increase of 2.3% on the prior corresponding period (pcp)
- Strong cash balance of \$21.5M as at 30 September 2021
- Since the end of the quarter a further \$3.1M of revenue has been sold, this includes significant contracts with Queen's Hospital Burton (ExtraMed) and Sydney Local Health District (Miya Precision, virtual care) and a 3-year extension for support and maintenance with Royal Derby Hospital (ExtraMed)

Alcidion's Managing Director Kate Quirke said, "Alcidion has continued to build on the momentum of FY21, adding \$2.7M of new contracted revenue, including renewals, during what is historically the slowest quarter of the year, resulting in contracted revenue at the end of Q1 of \$17.2M".

"Our pipeline continues to develop with several sizable opportunities now entering the contract negotiation stage which has provided a heightened optimism about the broader opportunity for Alcidion, particularly in the UK market. We are increasingly seeing the potential to cross and up sell our products to existing customers."

"We do however remain cognisant that COVID-19 continues to pose a challenge for healthcare providers worldwide resulting in longer lead times for contract completion."

"Subsequent to the end of the quarter, we won a new contract in the UK for the ExtraMed patient flow platform at Queen's Hospital Burton, which is the first new ExtraMed contract we have won following the acquisition in April 2021 and a cross-sell validation as Burton is a current user of Patientrack."

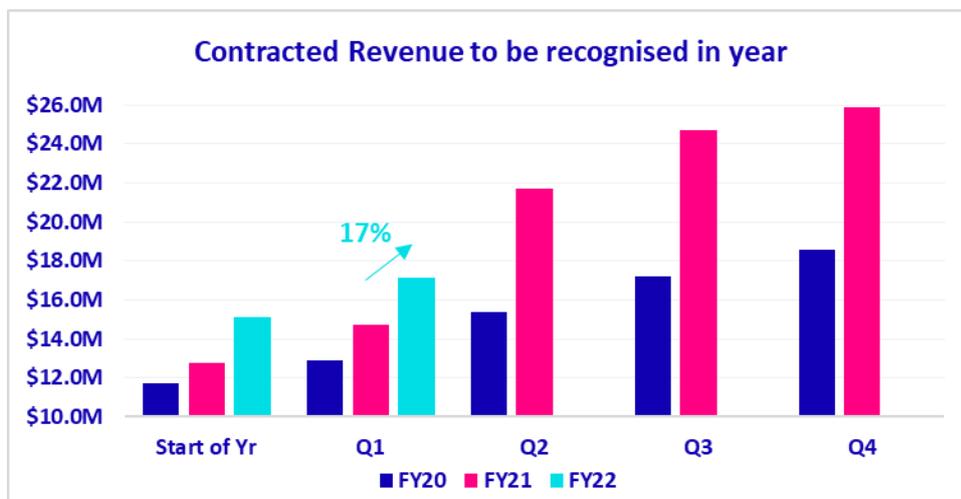
"Following a competitive tender process, we won a new contract with Sydney Local Health District, an important reference site for Alcidion, for the use of Miya Precision in supporting virtual care monitoring along with the roll-out of Alcidion patient care app Miya Care. This is the first deployment of Miya Care, and we are excited by the potential this addition of patient entered information brings to the quality of data available to clinicians."

“As announced in April, Alcidion was selected, as part of a Consortium, as the preferred provider for major health IT project across the Australian Defence Force. The contract is expected to be finalised before the end of the year, with the project commencing promptly thereafter.”

Financial update

Building on Q4 FY21 momentum, Alcidion added \$2.7M of new contracted revenue (including renewals) in Q1, of which \$2.4M will be recognised in FY22.

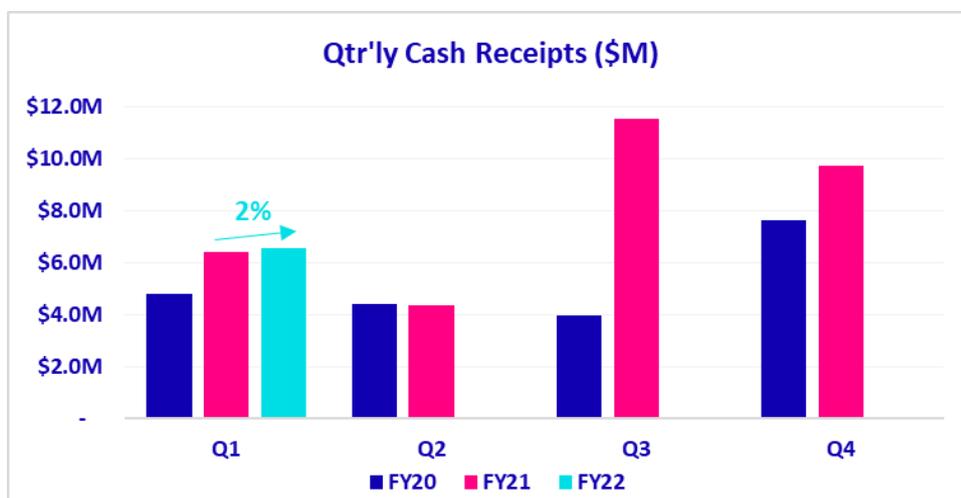
At the end of Q1, contracted revenue able to be recognised in FY22 was \$17.2M, representing a 17% increase on the same period last year. Contracted revenue only includes revenue (both recurring and non-recurring) from current signed contracts. It does not include the revenue from contracts that will renew during the next twelve months or are yet to be signed.



The \$17.2M in contracted revenue is split into \$12.2M of recurring revenue and \$5.0M of non-recurring revenue.

Cash receipts in Q1 were \$6.6M, a 2.3% increase on pcp. The Company had an operating cash outflow of \$3.4M, this reflects the full quarter impact of new hires in H2 FY21 coupled with the payment of FY21 staff bonuses in August (accrued for in FY21 results) and large net GST/VAT payments of \$1.3M driven by strong FY21 Q4 receipts.

Alcidion experiences a level of seasonality in its cash flows with Q3 and Q4 historically being the strongest cash collection months. However, it should be noted that one of the major drivers of cash flow is contract wins which could occur at any point during the year.



The Company retains a strong cash position with \$21.5M cash as at 30 September 2021.

As noted in item 6 of the Company's Appendix 4C, payments made to related parties and their associates totalled \$264k for the quarter. The payments relate to Directors' remuneration.

Business update

New contracts wins and extensions

After the end of Q1, Alcidion signed three strategically significant contracts with a total TCV of \$3.1M, of which \$0.9M will be recognised in the current year.

The first, is a new three-year contract valued at \$630k with Queen's Hospital Burton in the UK for ExtraMed's Inpatient Flow Manager (IPFM), the first new contract win following the acquisition of ExtraMed in April 2021. Queen's Hospital Burton is part of the University Hospitals of Derby and Burton NHS Foundation Trust, one of the largest NHS trusts in the UK.

IPFM is patient flow management software that enables frontline staff to make informed decisions based on real-time visibility of patient flow. The signing of this agreement follows positive results from use at Royal Derby Hospital where staff have successfully reduced lengths of stay and enhanced care for patients.

The second, a new three-year contract with Sydney Local Health District, having a TCV of approximately \$1.8M, for the use of Miya Precision in supporting virtual care initially of acute diverticulitis patients via rpavirtual. Miya Precision will be the platform supporting virtual care across Sydney Local Health District capturing information from integrated devices along with patient entered information from Miya Care.

Sydney Local Health District provides a key reference site for Alcidion, highlighting the functionality of Miya Precision to be used in virtual care monitoring across hospitals in Australia. Miya Precision will enable innovative and scalable models of care to be eventually introduced for a broad range of patient cohorts with other chronic conditions both in hospital settings and the community.

The third, a \$640k 3-year contract extension for ExtraMed's IPFM Licence and support with Royal Derby Hospital. As indicated this hospital is the sister to Queen's Hospital Burton and have documented success in reducing length of stay using the IPFM solution. The further extension of their licence and support agreement confirms the positive impact this solution is having on patient care.

Board Updates

During the quarter, the Company appointed Ms Victoria Weekes and Mr Daniel Sharp to the Alcidion Board as Independent Non-Executive Directors.

The appointment of both Ms Weekes and Mr Sharp demonstrates the Company's ability to attract high calibre Directors to its Board and positions Alcidion strongly as it continues to deliver on its growth strategy following the achievement of multiple strategic milestones in 2021.

Investor webcast

Alcidion Managing Director Kate Quirke will host an audio webcast with investors via Zoom [this morning at 11:00am](#) Australian Eastern Daylight Time (AEDT).

To register for the webcast, please follow this link:

https://us02web.zoom.us/webinar/register/WN_B7L5A7ELRJuDQ4UUxDpnOg

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

-- ENDS --



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

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About Alcidion Group Limited (ASX:ALC)

Alcidion Group Limited (Alcidion) has a simple purpose: 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.

www.alcidion.com

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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 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	6,554	6,554
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(592)	(592)
(c) advertising and marketing	(116)	(116)
(d) leased assets	(21)	(21)
(e) staff costs	(5,952)	(5,952)
(f) administration and corporate costs	(1,941)	(1,941)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	10
1.5 Interest and other costs of finance paid	(10)	(10)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST received/(paid)	(1,341)	(1,341)
1.9 Net cash from / (used in) operating activities	(3,409)	(3,409)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(188)	(188)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(188)	(188)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	25,027	25,027
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,409)	(3,409)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(188)	(188)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	92	92
4.6	Cash and cash equivalents at end of period	21,522	21,522

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	21,218	24,750
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	304	277
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	21,522	25,027

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	(264)
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>		

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

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	10	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	10	-
7.5 Unused financing facilities available at quarter end		10
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.	
	Credit standby arrangements:	
	- Corporate MasterCard credit cards of \$10,000 provided by CBA at 14.55% secured over assets.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,409)
8.2 Cash and cash equivalents at quarter end (item 4.6)	21,522
8.3 Unused finance facilities available at quarter end (item 7.5)	10
8.4 Total available funding (item 8.2 + item 8.3)	21,532
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6
<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: 26 Oct 2021

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.