

Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Date: 5th September 2018

Alcidion to Present at Investor Briefings

Alcidion Group Limited (ASX:ALC) today announced that it will present at Investor Briefings 5th – 7th September 2018 in Melbourne and Sydney.

CEO Ms. Kate Quirke and Executive Chairman Mr. Ray Blight will present on behalf of Alcidion. Updating the group on the latest developments within the company as a listed company.

A copy of the presentation is included as an Appendix to this announcement.

ENDS

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About Alcidion

Alcidion Group Limited (ASX:ALC) has a simple purpose: to make healthcare better with smart, intuitive solutions that meet the needs of hospital and allied healthcare, worldwide. The Group consists of three healthcare software companies; Alcidion Corporation, Patientrack and Smartpage, and MKM Health, an IT solutions and services provider. Each company brings a complementary set of products and skills 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. With over 25 years of combined healthcare experience, the Alcidion Group of companies 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

Creating a leader in healthcare analytics

September 2018



Creating a leader in healthcare analytics



Safe, efficient and cost-effective patient care powered by real-time healthcare analytics

- Clinical risk and avoidable errors are a MAJOR healthcare issue, exacerbated by disparate legacy IT systems, and manual communication tools
- Despite increasing volumes of digital data; many hospitals still lack the tools to consolidate & quickly interpret relevant information
- Alcidion has a powerful suite of solutions that consolidates data, in real-time, alerting the clinicians to potential risks, so they can make BETTER, FASTER decisions for safe, efficient and cost effective patient care
- Transformative MKM Health and Patientrack acquisitions now complete delivering immediate revenue uplift and providing a strong platform for growth
 - Combined revenue of ~\$13 million (on a FY2017 pro-forma basis) with multiple annuity revenue streams
 - Large, diversified customer base across Australia, UK and New Zealand to deliver operational and financial benefits
 - Significantly strengthened systems integration and specialised healthcare IT services offering
 - Powerful combination of proven technology and healthcare IT systems expertise a key differentiator
 - Proven sales and go-to market capabilities and strong customer relationships to drive revenue growth
- Ms Kate Quirke appointed CEO & Executive Director; Mr Ray Blight continuing as Executive Chairman

Company Snapshot



Capital Structure

Ordinary Shares on issue	805.7m
Share price (3 month VWAP Jun-Aug 2018)	5.0 cents
Market Capitalisation	\$40.3m
Net Cash (30/6/18)	\$2.9m
Enterprise Value	\$37.4m

Top Shareholders

Name	Shares Held	% of Shares on issue
Dr. Malcolm Pradhan	134.6m	16.7%
Ray Blight	94.8m	11.8%
BSPE Medical Technology Pty Ltd (Blue Sky)	84.9m	10.6%
Caledonia Nominees Pty Ltd (Donald Kennedy – Patientrack)	42.8m	5.3%
Isle of Wight Pty Ltd (Colin Mackinnon – MKM Health)	42.8m	5.3%
Top 20 Holders	532.2m	66.1%

Share Price / Volume History (last 12 months)



Board

Name	Position
Ray Blight	Executive Chairman
Kate Quirke	Executive Director
Dr. Malcolm Pradhan	Executive Director
Nick Dignam	Non-Executive Director
Geoff Rohrsheim	Non-Executive Director
Rebecca Wilson	Non-Executive Director

SOURCE: Iress; S&P Capital IQ

Complementary technology + trusted expertise

Miya

- Real-time healthcare analytics technology
- Consolidates data from disparate IT systems
- Alerts clinicians to risk
- Next generation investment, AI and cloud based platform
- Multiple products delivering safety, productivity and reduced revenue leakage

patientrack

- Highly complementary to Miya platform
- Patient safety & workflow software product
- Digital & mobile bedside solution capturing vital signs, early warning scores and clinical responses
- 10,000 licensed beds served to date across 40 hospitals in AU, NZ and UK
- Data set comprised of 500m patient vital signs increasing value of Miya AI capabilities

smartpage

- A leading clinical messaging solution
- Smartphone enabled technology, replacing legacy communication systems
- Three modules – clinical, orderly, emergency
- Solves common communication issues for emergency, after-hours staff and orderlies

mkm health

- Established provider of IT solutions and services working exclusively in health
- Specialized health IT advisory, implementation and integration projects
- Experts in data management & analytics, integration & operability, managed services
- 2.5x revenue growth over past five years

Healthcare analytics: A rapid growth market



Clinical risk & avoidable errors are a major healthcare issue

- Current health IT requires care team to PULL data from repositories – this deluges staff with masses of data and masks the critical intelligence needed for fast quality decisions
- Patient data is going digital, driven globally by Government spending, creating a massive need for high-quality healthcare analytics technology that makes data meaningful
- ~\$40 billion spent in US in digitising patient data via EHR and other systems, in accordance with the US Patient Protection & Affordable Care Act
- UK Government has allocated £4 billion to transition the National Health Service into a paperless environment
- Clinical Decision Support System Market to grow at 21.5% p.a between 2013-2018 (*Source : IndustryARC*) – this is the market Alcidion operates within
- Alcidion's systems provide a critical line of defence against avoidable errors, helping hospitals to improve patient outcomes and more efficiently manage resources



Competitive Advantage

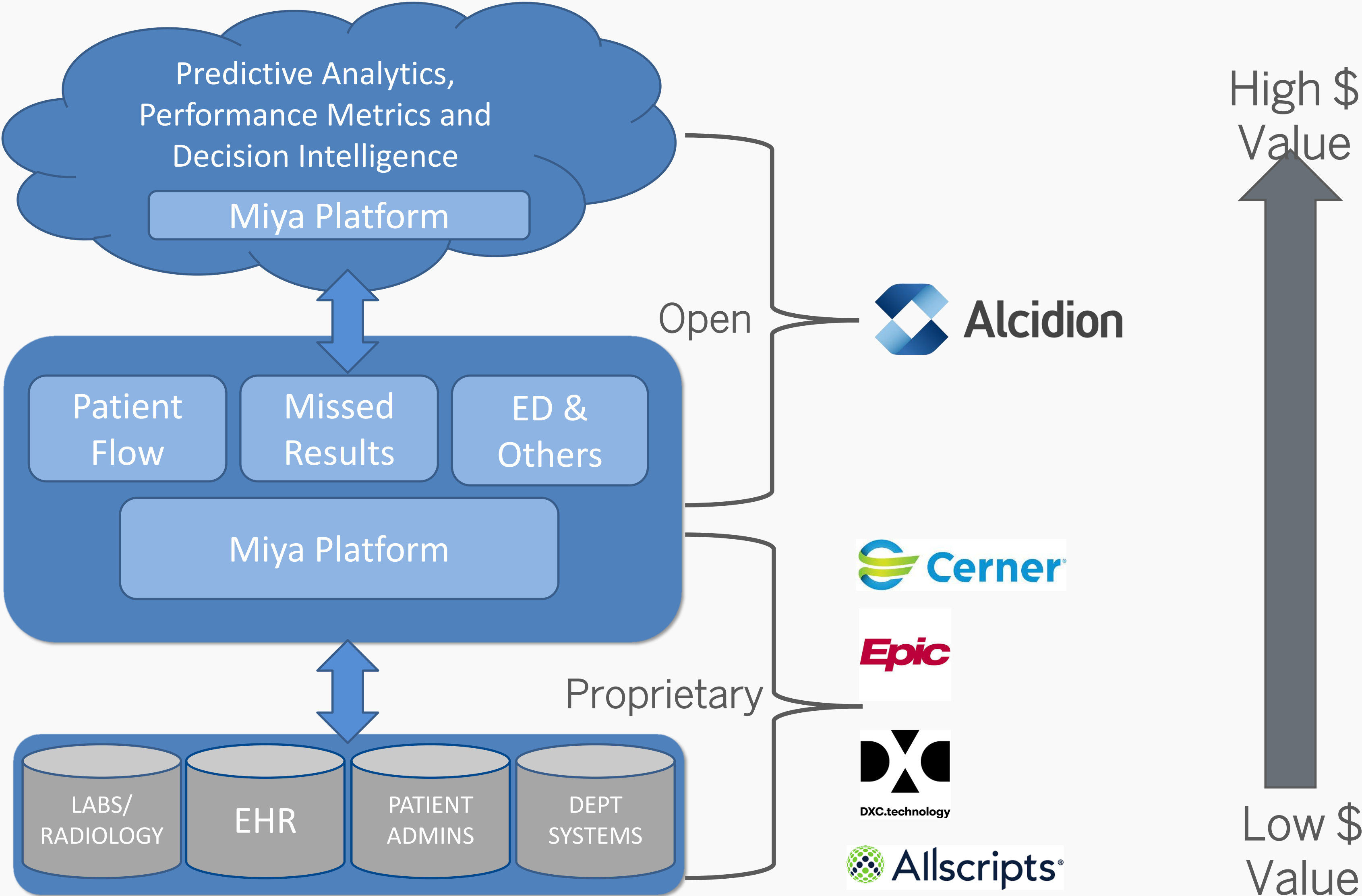


Next Generation Applications

Analytics and Outcome Layer

Process and Presentation Layer

Data Layer



Alcidion's Miya platform



Healthcare analytics that solve clinical problems in real-time

- Differentiated healthcare analytics platform that :
 - Brings together all of a patients vital information and journey through hospital
 - Integrates with all major hospital IT systems to simplify extensive volumes of data
 - Provides “higher value” risk predictor analytics and decision support for healthcare providers – through predictive analytics and AI capabilities based on an extensive and valuable data set
- Consolidates and extends customer’s existing data investments (other vendors)
- Multiple product modules to meet a range of clinical workflow and business process needs including Patient Flow, Revenue and Reimbursement Manager, and specialty specific metrics
- Clinical workflows focused on reducing avoidable errors and injury
- Business workflows focused on improving business process improvement - cost, productivity & revenue



Patienttrack overview



Leading digital healthcare solution, highly complementary to Alcidion's Miya product suite

- Best-in-class patient safety software, developed with clinicians and evolved over eight years in market
- A complete digital and mobile bedside patient data collection solution which improves patient safety, quality and efficiency of care in one easy-to-use application
- Real time data to the right person, at the right time at the point of care
- Captures Early Warning Scores (EWS), clinical responses to EWS and assessment protocols

"Any clinician can instantly see the profiles of the sickest patients in the hospital. Patienttrack has helped us introduce some of the biggest and most immediate changes in clinical practice I have ever seen"

Dr Gavin Simpson, Critical Care Consultant, NHS Fife Scotland

40

acute hospitals using Patienttrack solution in proven deployments across UK & ANZ

10,000

licenced beds served to date

20,000

active users

500

Million
vital signs analysed

25

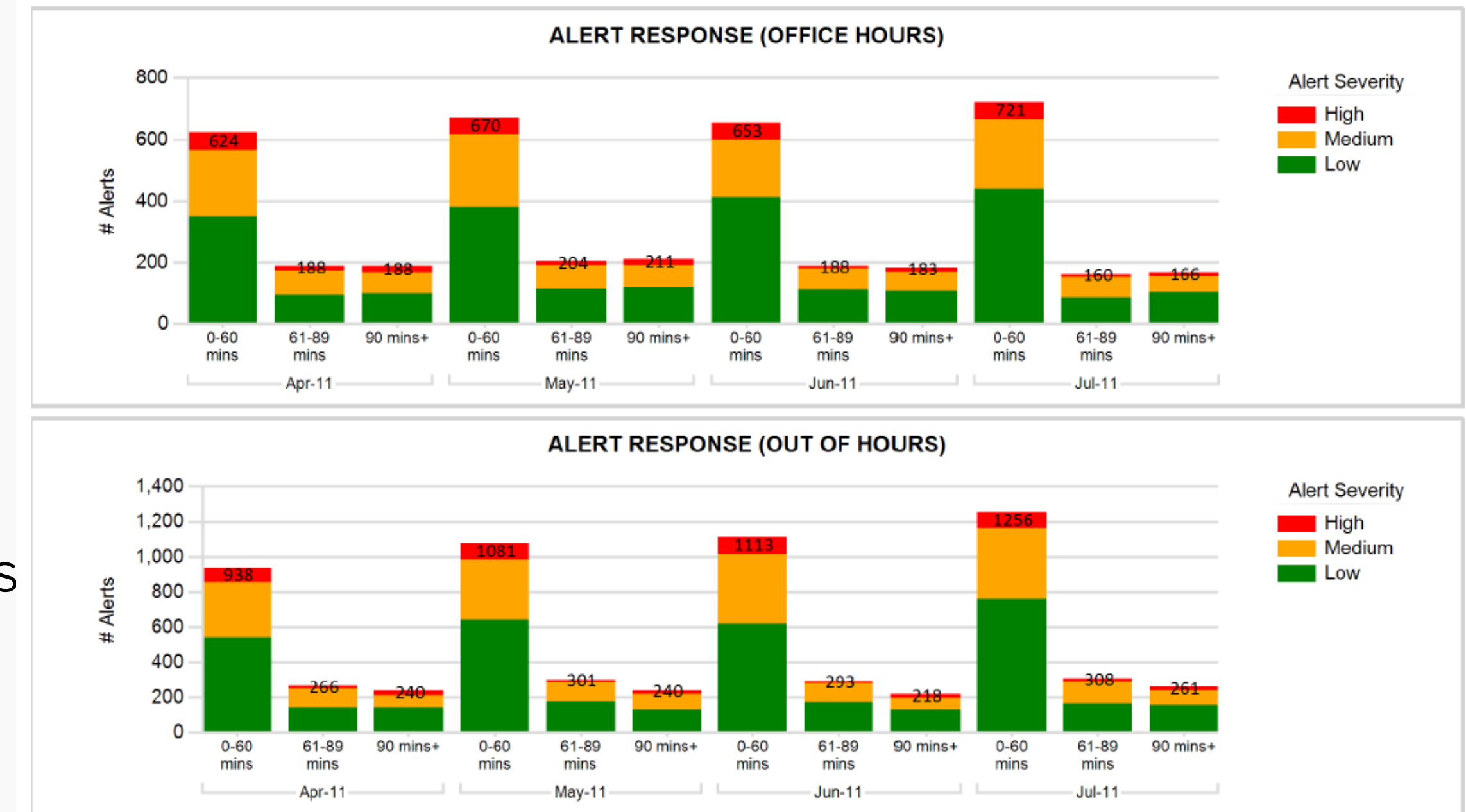
Immediate and near-term opportunities

Why do customers use Patienttrack?



In multiple clinical trials Patienttrack delivered dramatic results in improved patient outcomes & economic benefits

- Hospital length-of-stay reduced by 20%
- 80% reduction in cardiac arrests
- High risk admissions to ICU fell from over 10% to under 5%
- Saved thousands of hours after seeing a two-third reduction in time spent performing observations
- Early intervention in deteriorating patients improved significantly reducing wastage of care team time and resources
- Calls to the medical emergency team reduced by one-fifth



*Jones S, Mullaly M, Ingleby S et al. Bedside electronic capture of clinical observations and automated clinical alerts to improve compliance with an Early Warning Score Protocol. *Crit Care Resusc* 2011;13(2):83-8

*Achieving Digital Excellence in the NHS. A Strategic Analysis of Digital Transformation Projects in the NHS. March 2017

Market Opportunity – AU, NZ, UK

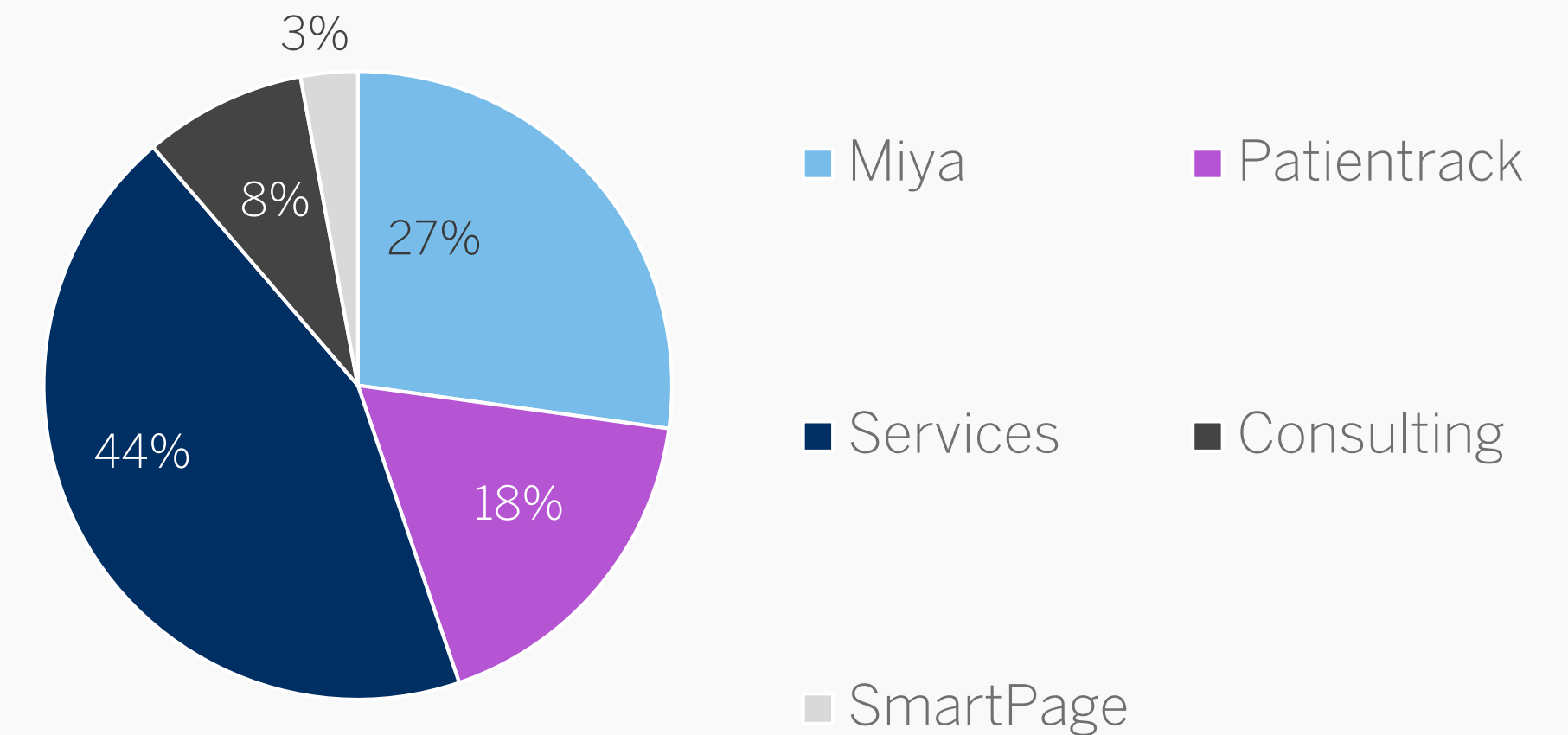


- International expansion initially focused on AU, NZ and UK where we have existing customer base and opportunity to cross-sell
- Market adoption remains at an early stage of growth with strong global growth drivers including need to eliminate preventable in-patient deaths and avoidable cardiac arrests
- In 2016, the number of hospital beds across these regions:
 - 145,000 in UK & Ireland
 - 700,000 in Europe
 - 62,000 in Australia and New Zealand

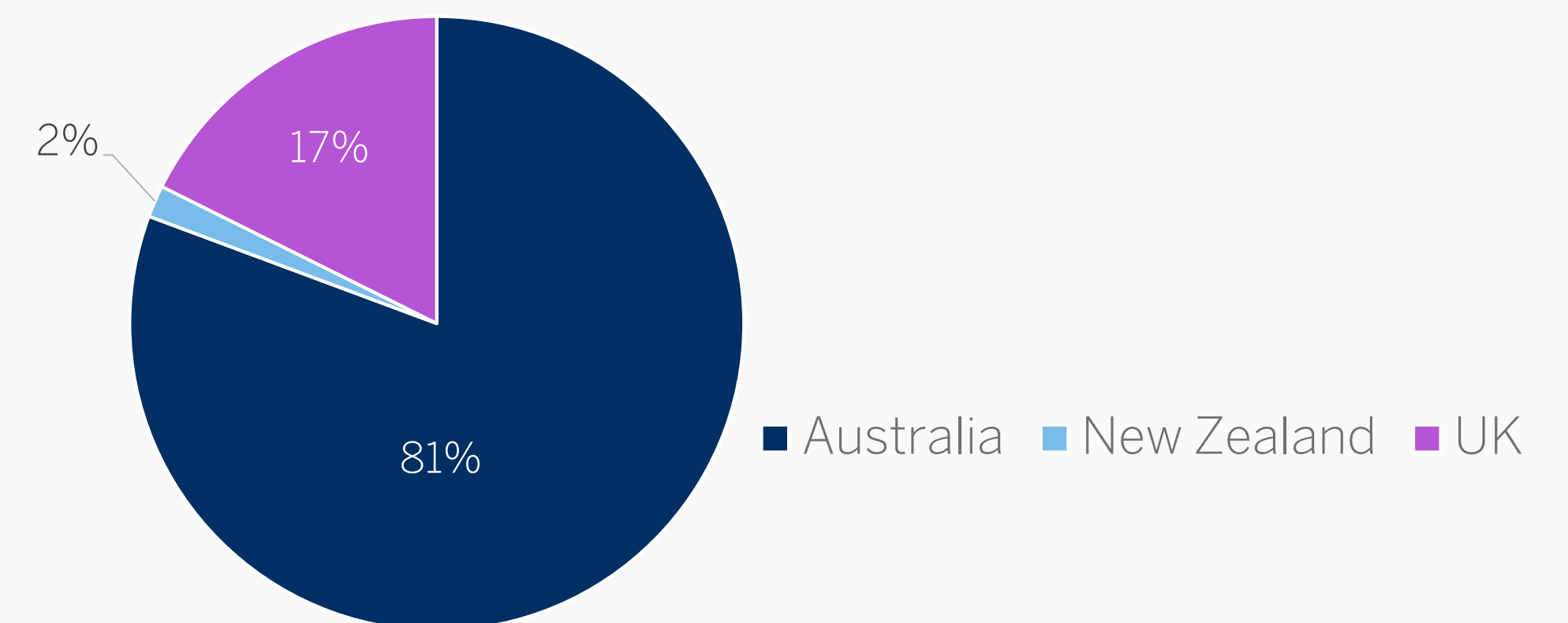
Source: OECD, UK Department of Health, Australian Institute for Health & Welfare, Health USA

Europe includes Germany, France, Italy, Netherlands, Sweden & Switzerland

Revenue profile – by product (FY2017 pro forma)



Revenue profile – by geography (FY2017 pro forma)



source – management estimates

Diverse client base



Department of Health



Financial profile



- Alcidion has reported its FY2018 results
 - does not include MKM Health/Patientrack acquisition (given completion date of 2 July 2018)
 - includes a 5 month contribution from Oncall Systems (acquired in February 2018)
- On a pro-forma basis, Alcidion Group revenue is estimated to be more than \$13 million (based on FY2017 financials)
- In FY2019 Alcidion Group expects to:
 - significantly grow revenues (MKM Health / Patientrack have historically delivered revenue growth of ~20% p.a over the past four financial years)
 - improve operating cash flows, with a smoother quarterly cash flow profile given the significantly enhanced group operations and diversified client base (with at least a 2.0x increase in annuity revenues expected)
 - manage the cost base to work towards profitability

FY2018 – Alcidion reported (excl. MKM & Patientrack)	\$M
Revenue	3.1
R&D tax rebate	1.0
Less cost of sales	(1.3)
Gross profit	2.9
Net loss after tax	(2.1)
Net operating cash outflow	(1.8)
Cash on hand	2.9

Integration update: Alcidion & MKM Health



Integration activity focus on cross-sell of highly differentiated product suite

- Leveraging existing customer base and creating cross-sell opportunities a key pillar of short-term growth strategy
- Building integrated demonstration environments
- Cross training sales and marketing personnel in ANZ and UK underway
- Several active tenders in market for combined product set, geographically dispersed
- Final stages of go-live preparation at Mid Central DHB
- Commenced ACT Health project for combined product implementation on Cloud

Recent contract wins & extensions announced to the ASX



Supporting revenue growth



MKM Health / Patientrack have signed additional contracts worth \$1.85M since the acquisition was announced



\$600K



\$48K



\$55K



\$64K



\$60K



\$148K



\$228K



\$64K



\$360K



\$84K



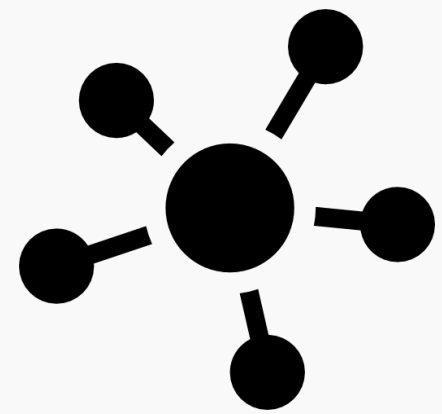
\$54K



\$88K

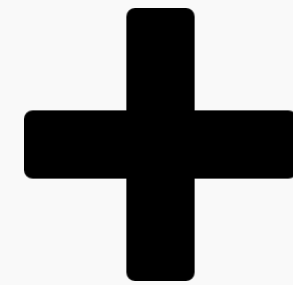
Growth strategy

Focus on building long term contracts and annuity revenues



Realise synergies from MKM Health acquisition

- Integrate key MKM Health sales & marketing personnel
- Leverage established relationships in AU and NZ – cross sell opportunities and shorter procurement cycles
- Utilise success of key reference sites



Leverage enhanced product and service value proposition

- Launch integrated Patientrack and Miya PatientFlow product offering
- Leverage enhanced customer proposition with expanded product and services offering



Continue to lead with new cloud based, analytics solutions

- New analytics & advanced metrics products to be launched in 2018
- Exploring additional point-of-care product offering
- Complementary cloud based product offering



Drive international growth

- Expand international customer base to begin cross-selling of Miya products into UK market
- Leverage strong NHS relationships & invest in UK sales and marketing team
- Establish partnerships in other regions, including APAC

Why Invest in Alcidion Group



- ✓ Innovative and proven healthcare analytics technology platform as well as market leading specialised healthcare IT systems integration and services – together represent a differentiated market proposition
- ✓ Valuable data play. Size of data set creates ability to offer a leading “real-time” decision intelligence system that highlights risk and helps to prevent avoidable errors in a clinical setting
- ✓ Operating in the fast growth and massive global health IT market
- ✓ Alcidion Group now has significantly enhanced operational and financial scale – customer base and critical mass
- ✓ Proven sales and marketing track record of MKM Health team expected to be a powerful driver of revenue growth
- ✓ Attractive outlook for FY2019. Continued focus on integration of businesses, launch of new products / extensions and cross-selling opportunities across larger customer base
- ✓ Pathway to cash flow generation and profitability

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