Webinar Presentation

FY21 Full Year Results

24 August 2021

Alcidion helps healthcare organisations harness the power of technology to create a clinically relevant environment with digitally enabled care...

"Making the right thing to do, the easiest thing to do"

ALCIDION

FY21 – Financial Summary

Strong growth in all key financial metrics and record sold revenue heading into FY22

Revenue	$25.9m	↑ 39%[1]	Recurring Revenue	$16.3m	↑ 56%	
Sold Revenue For FY22	$15.1m	↑ 18%	Gross Margin	88.3%	↑ 2.4pts	Improvement on FY20 (85.9%)
EBITDA (Loss)	($0.5m)	↑ $3.4m	Underlying EBITDA[2]	$0.5m	↑ $4.4m	
Operating Cashflow	$1.5m	↑ $3.6m	Cash	$25.0m	↑ $9.1m	

1. Compared to the prior corresponding period (FY20)
2. Underlying EBITDA excludes share based payments and M&A costs

ALCIDION

FY21 – Contracts Summary

Milestone contracts across all three geographical regions; focus now on accelerating contract wins

United Kingdom	• **South Tees NHS Hospitals:** (incl extension) 2^{nd} Miya Precision deployment in UK • **NHSX Clinical Communications Procurement Framework:** Smartpage inclusion - 5 wins to date • **Lanarkshire NHS:** 3^{rd} largest health board in Scotland • **East Lancashire NHS:** 5 hospitals for Patientrack & Smartpage
Australia	• **Murrumbidgee LHD:** Miya Precision & Miya Memory (key reference site • **Sydney LHD:** Miya Precision to support virtual care (key reference site) • **ACT Health:** Extension of long-standing technical support contract • **Western Health:** Miya Platform renewal (long standing customer)
New Zealand	• **Te Manawa Taki DHBs:** Pilot of Better Meds & Patientrack larger rollout potential
ADF Contract (announced but not signed)	• Selected as preferred provider (as part of Consortium) for major health IT project across Australian Defence Force • Potential TCV of ~$21M over initial 5.5 years, subject to contract finalisation and government approvals in Q2 FY22

ALCIDION

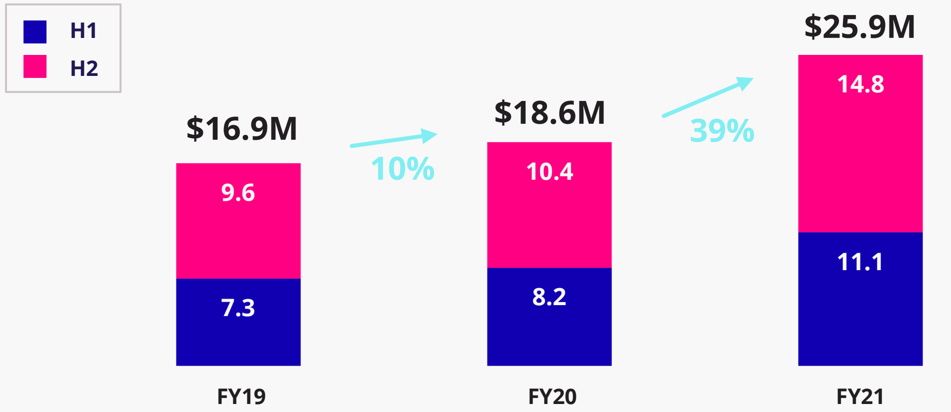
FY21 – Corporate Summary

Executed key operational and corporate strategies which underpin future growth profile

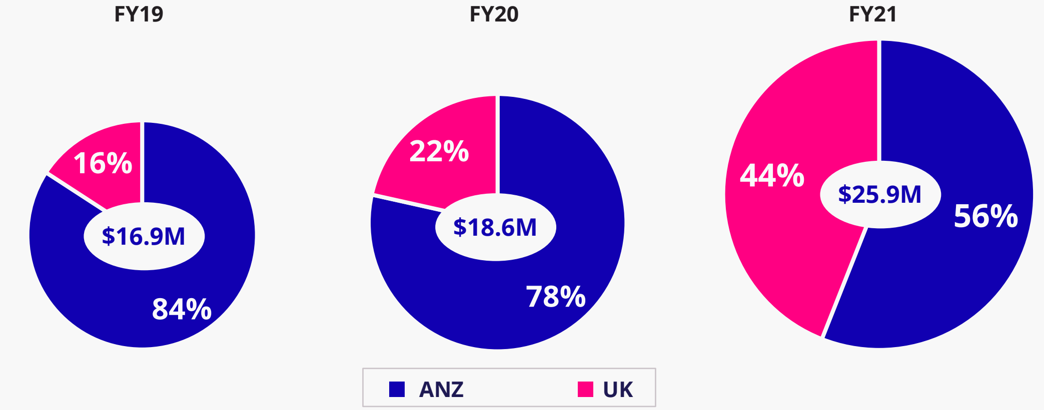
ExtraMed Acquisition	• In April 2021, acquired ExtraMed, a leading UK provider of patient flow management software • 9 NHS Trusts, 6 new for Alcidion; increasing number of NHS Trusts with Alcidion product implemented to 27 • ExtraMed awarded sub-contract as part of £25m large-scale IT project with lead contractor, Hitachi; initial contract focused on Salford, with potential for expansion to other hospitals in Northern Care Alliance
Personnel	• Lynette Ousby promoted to the role of UK Managing Director In November 2020 • Matthew Gepp appointed CFO in June 2021, as part of planned growth objectives • Victoria Weekes appointed as NED and Chair of the Audit & Risk Committee (ARC) from 1 September 2021 • Daniel Sharp appointed as NED from 1 September 2021 • New appointments replace Raymond Blight (resigned 30 June 2021) and Nick Dignam (resigning at AGM)
Corporate	• In September 2020 Alcidion formally launched Miya Precision in the UK market • Successfully raised $18.4M (before costs) via Placement & Share Purchase Plan in April ‘21

FY21 - Financial Dashboard

Revenue



Revenue by region



EBITDA

ALCIDION

Profit & Loss

Profit & Loss ($000)	FY21	FY20	% Change
Recurring	16,343	10,458	56%
Non-recurring	9,539	8,150	17%
Total Revenue	**25,882**	**18,608**	**39%**
Cost of Sales	(3,018)	(2,621)	(15%)
Gross Profit	**22,864**	**15,987**	**43%**
Gross Profit margin %	*88.3%*	*85.9%*	
Salaries & wages	(18,659)	(15,652)	(19%)
Marketing	(573)	(560)	(2%)
Professional fees	(938)	(902)	(4%)
Other operating expenses	(2,459)	(2,721)	10%
Operating Expenses	**(22,629)**	**(19,835)**	**(14%)**
Other Income	275	6	na
Underlying Operating EBITDA	**510**	**(3,842)**	**na**
M&A advisory	(769)	-	na
Share based payments expense	(227)	-	na
EBITDA	**(486)**	**(3,842)**	**na**
Depreciation & Amortisation	(457)	(247)	na
EBIT	**(943)**	**(4,089)**	**na**

Key Comments

- Record FY21 revenue of $25.9m, up 39% on FY20 ($18.6m)
  - Recurring revenue of $16.3m, up 56% on FY20 ($10.5m)
  - H2 FY21 revenue of $14.8m, up 42% on H1 FY20 ($10.4m)
- Gross Profit margin improved 2.4 points to 88.3%
  - driven by accelerated growth in recurring revenue (licence fees and maintenance & subscription fees)
- Increase in staff costs consistent with strategy of scaling resourcing, particularly in the UK, to take advantage of emerging opportunities
  - Further increases expected in FY22, with full-year impact of H2 FY21 hires and planned new hires not yet recruited
- Underlying EBITDA of $0.5m, material improvement versus loss of $3.8m in FY20
- M&A expenses relating to ExtraMed acquisition and other M&A activity

1. Maintenance & Service fees

Balance Sheet

Balance Sheet ($000)	FY21	FY20	% Change
Cash & equivalents	25,027	15,948	57%
Trade and other receivables	4,114	3,833	7%
Other assets - prepayments	1,206	445	171%
Current Assets	**30,347**	**20,226**	**50%**
Plant & Equipment	371	241	54%
Intangibles	27,489	17,402	58%
Other	178	1,565	(89%)
Total Assets	**58,385**	**39,434**	**48%**
Trade & other payables	2,919	2,127	37%
Employee provisions	2,774	2,371	17%
Income in advance	7,107	4,734	50%
Lease Liabilities/tax payable	199	176	13%
Current Liabilities	**12,999**	**9,408**	**38%**
Provisions & other liabilities	164	289	(43%)
Total Liabilities	**13,163**	**9,697**	**36%**
Net Assets	**45,222**	**29,737**	**52%**

Key Comments

- Strong balance sheet with $25.0m cash and no debt
  - Raised $17.5m (net of costs) via heavily over subscribed Placement & SPP in April ‘21
- $9.9m goodwill provisionally recognised in intangible assets from the acquisition of ExtraMed which was acquired for $9.5m in April ‘21
- Income in advance of $7.1m (up $2.4m) reflects revenue invoiced in advance of products/services being delivered
  - The increase includes income in advance acquired with ExtraMed
  - Revenue is recognised in accordance with AASB 15 (revenue from contracts with customers)
- Historically, Alcidion’s cash receipts are strongest in Q3 and Q4. Working capital is sufficiently strong to absorb quarterly fluctuations

ALCIDION

Cash Flow

Cash Flows ($000)	FY21	FY20	% Change
Receipts from customers	32,046	20,543	56%
Payments to suppliers & employees	(30,510)	(22,630)	35%
Interest received	12	74	(84%)
Finance costs	(3)	(4)	(25%)
Operating Cashflows	**1,545**	**(2,017)**	**na**
Payments for plant & equipment	(313)	(124)	152%
Acquisition of business, net of cash acquired	(9,530)	-	na
Contingent consideration - Oncall Systems	-	(238)	na
Investing Cashflows	**(9,843)**	**(362)**	**na**
Net of proceeds from issues of equity securities	17,502	15,362	14%
Payment for principal portion of lease liabilities	(270)	(176)	53%
Repayments of borrowings	-	(31)	na
Financing Cashflows	**17,232**	**15,155**	**14%**
Net increase in cash and cash equivalents	**8,934**	**12,776**	**(30%)**
Cash & equivalents the beginning of the year	15,948	3,172	403%
Effect of exchange rate changes	145	-	na
Cash & equivalents at year end	**25,027**	**15,948**	**57%**

Key Comments

- Record $32.0m receipts from customers, an $11.5m (56%) increase on FY20
- Positive operating cashflow of $1.5m, an improvement of $3.6m on FY20
- Low capital requirements with only $0.3m spent on acquisition of assets
- Lease liability payments reflect the accounting for leases under AASB 16 Leases

Personnel

Core team largely in place to deliver on growth strategy, albeit COVID has slowed hiring in some areas

Leadership

- Appointed Matthew Gepp as CFO, effective from June 2021, as part of planned growth objectives
- Lynette Ousby promoted to the role of UK Managing Director
- As of 1 September 2021, appointed Victoria Weekes as NED and Chair of the Audit & Risk Committee (ARC)
- As of 1 September 2021, appointed Daniel Sharp as NED
- Colin MacKinnon to step down as COO from Sept 30, 2021

Core Team

- Over the past 12 months, Alcidion have increased their headcount from 115 to 142 across UK, Australia & NZ
  - UK team hiring focus on clinical product specialists; work closely with clinicians on benefits of Alcidion
  - AUS & NZ hiring focus has been on expanding capability in IT and cyber security support

COVID impact on Personnel hiring

- Although well progressed on scaling up resources to deliver upon Alcidion's growth strategy; the Company was delayed in the hiring of some key positions throughout H2'21 largely due to COVID impacts
- The full-year impact of new hires late in H2 will be realised in FY22, along with the planned new hiring of personnel delayed from FY21 which will be progressing in H1'22

ALCIDION

UK NHSX – Acceleration of the Digital Strategy

NHS X

- NHSX: joint unit of NHS England and the Department of Health and Social Care, supporting local NHS and care organisations to:
  - Digitise their services
  - Connect the health & social care systems through technology
  - Transform delivery of patient care in hospital, community & home

Digital Aspirant programs[1]

- NHSX initiated funding programs aimed at raising the digital maturity across the NHS to ensure a set of core capabilities
  - In 2020, 27 Trusts received up to £6M each
  - In 2021, 32 Trusts received funding from £250K to £6M
- NHS Trusts can select from a **framework of approved suppliers**

Core Pillars of the Digital Strategy (EPR Strategy)

Openness	Ability to integrate with other platforms and systems already in place
Mobility	Ability to use the platform across hospital locations without extensive implementation
Modular	Ability to apply some or all modules depending on existing infrastructure
Ecosystems	Enhance other technologies to unify and streamline a hospitals digital capability

MIYA PRECISION

1. https://www.nhsx.nhs.uk/key-tools-and-info/digital-aspirants/

ANZ – Favourable changing landscapes

Australia

Virtual Care & Remote Monitoring

- Heightened focus (expedited by COVID) on virtual care & remote monitoring driven by patient benefits and cost savings:
  - NSW Virtual Care Accelerator Panel **(Alcidion appointed)**
  - Victorian “Better at Home Program” funding

Improving return on EMR investment

- Post substantial investment in EMR roll-out (over past 20 years) focus now shifting to realising the anticipated economic value and clinical benefit:
  - Access data to inform improved clinical decision support
  - Align with clinical workflows & clinical expectations (e.g. mobility)
  - Engage patients with tailored digital solutions
  - Establish digital oversight to provide visibility/tools to manage patient flow and resource allocation

New Zealand

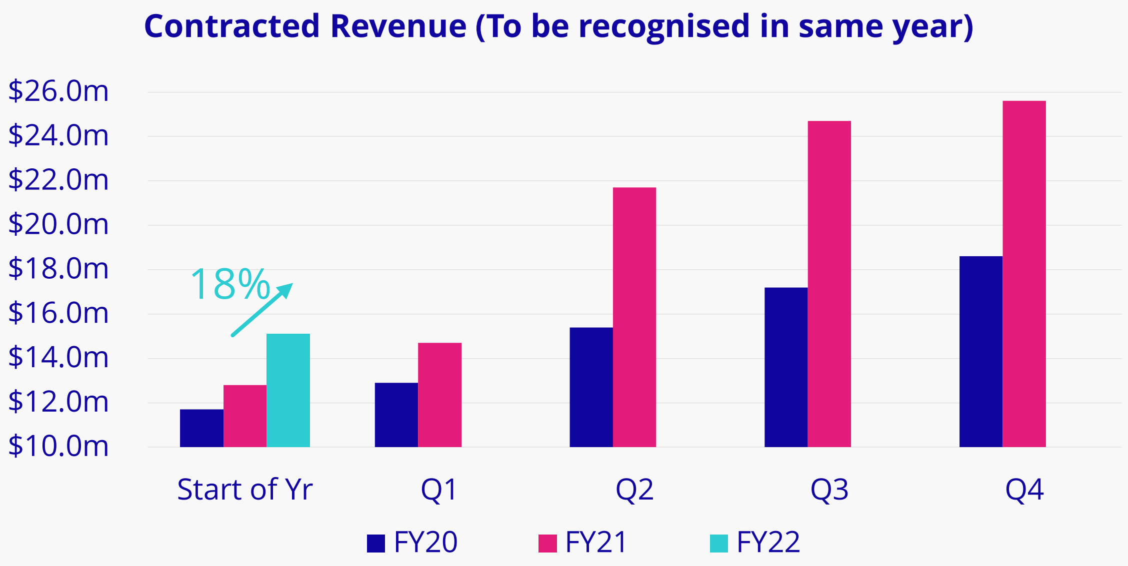
Centralising Health Decisions and Spending

- NZ Government will consolidate all 20 District Health Boards (DHBs) and create a single health organisation, to centralise fragmented healthcare system and end “postcode lottery” of care
  - Aligned national strategy rather than disparate individual DHBs
  - Streamline procurement process
- Government to create a national health organisation (similar to NHS in UK), and Māori Health Authority with spending power, and new Public Health Authority to centralise public health work
- Aiming to implement by July 2022

FY22 – Starting with a strong recurring base

Key Comments

- $15.1M of contracted revenue to be recognised in FY22, 18% higher than at similar time last year
- Further $2.9M of scheduled renewal revenue (existing customers renewing current subscription and licence periods), which is expected to be converted to contracted revenue over FY22
- Contracted revenue includes revenue from current signed contracts
  - Potential ADF contract value is not included in the contracted revenue
- Contracted revenue builds over the year as existing contracts are renewed and new contracts are signed



1. Alcidion defines recurring revenue as contracted subscription fees, product licence fees, annual support and maintenance and other multi-year service contracts

ALCIDION

Growth Focus in FY22

Accelerating sales across all regions in line with strategy to become a global leader in healthcare technology

1. **All Markets:** Upsell Miya Precision (or other modules) to existing Alcidion customers
2. **All:** Win new Miya Precision installs
3. **UK:** Listed on Procurement Frameworks (to leverage Digital Aspirant programs)
4. **AUS:** Increased focus on Virtual Care and Remote Monitoring
5. **NZ:** Opportunities arising from consolidation of DHBs
6. **All:** Strategic Acquisitions – aligned to criteria of improving NHS traction, expanding product offering, financially accretive

ALCIDION

Disclaimer

The information contained in this document (“Document”) has been prepared by Alcidion Group Limited ACN 143 142 410 (referred to as “Alcidion” or “Company”). This Document is current as at the date of this Document and should be read in conjunction with other Alcidion periodic and continuous disclosure announcements filed with the Australian Securities Exchange (ASX), available at www.asx.com.au.

The information in this Document is not intended to form the basis of any investment decision in relation to the Company or its assets and should not be considered as a recommendation to the Recipient to acquire securities in the Company. This Document is not a prospectus, profile statement or disclosure document and does not constitute an offer or invitation to acquire securities or otherwise invest in the Company, and no agreement to subscribe for securities will be entered into on the basis of this Document.

No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted by the Company, any of their respective officers, servants, agents or advisers (collectively “Limited Parties”) as to or in relation to the accuracy, reasonableness, completeness or reliability of the information in this Document or any other written or oral information made available to any Recipients or their advisers. Any liability therefore is hereby expressly disclaimed. In particular, no representation or warranty is given as to the achievability or reasonableness of any future projections, management estimates or plans, prospects, returns or forecasts.

To the fullest extent permitted by law, the Limited Parties will not have any responsibility or liability for any loss or damage (whether foreseeable or not), however arising (including as a result of negligence), in relation to or in connection with the provision of this Document, the Recipient’s or any other person’s purported reliance on this Document, the failure to provide information of which any of the Limited Parties becomes aware or any errors in or omissions from this Document.

None of the Limited Parties makes or gives any representation, warranty or guarantee, express or implied, that the information in this Document is accurate, current, reliable or complete, has been or will be audited or independently verified, or that reasonable care has been taken in compiling, preparing or furnishing it. Various statements in this Document constitute statements relating to intentions, future acts and events including forecast financial information (“Forward Looking Statements”). Forward Looking Statements involve subjective judgment and analysis, known and unknown risks, uncertainties and other important factors that may cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein. The Limited Parties do not make or give any representation, warranty or guarantee, express or implied, that any Forward Looking Statements will be achieved or proven correct, or that any assumptions or projections on which the Forward Looking Statements are based are reasonable. No historical financial information, forecast financial information, estimates or projections contained in this Document or any other financial information derived from that information, can be relied upon as a promise or representation, as to the past, present or the future. Past performance is not necessarily a guide to future likelihood of achievement or reasonableness of any Forward Looking Statement, forecast financial information or other forecast.

The Limited Parties do not undertake any obligation to (and expressly disclaim any obligation to) provide the Recipients with access to any additional information or to correct any inaccuracies herein which may become apparent or to disseminate any updates or revisions to any Forward Looking Statements in this Document to reflect any change in expectations in relation to any such statements or any change in events, conditions or circumstances on which any such statement is based.

This document also contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Alcidion's business and markets. Such information is generally based on independent market and industry data or research. The Alcidion has not independently verified, and cannot give any assurances as to the accuracy and completeness of the information sourced from market and industry data or research contained herein. Accordingly, the accuracy and completeness of such information is not guaranteed. There is no assurance that any of the forecasts or projections contained in the independent market and industry data or research will be achieved. Forecasts and projections involve risks and uncertainties and are subject to change based on various factors. You should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions.

Neither the receipt of this Document by any person nor any information contained in it or supplied with it or subsequently communicated to any person in connection with a proposed investment in the Company constitutes, or is to be taken as constituting, the giving of investment or financial product advice (or any other advice) to any such person. Each such person should make their own independent assessment of the merits or otherwise of investing in the Company and should seek their own professional advice in respect of any future investment opportunity and not act on the basis of any matter contained in this Document. In providing this Document, the Company has not considered the objectives, financial position, taxation situation or other needs of any particular Recipient.

The distribution of this document in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this document who are not in Australia, should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Non-IFRS financial measures

Recipients should note that certain financial data included in this Document is not recognised under the AAS and is classified as ‘non-IFRS financial information’ under Regulatory Guide 230 ‘Disclosing non-IFRS financial information’ published by ASIC. The Company believes that this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of Alcidion. The non-IFRS financial measures do not have standardised meanings under AAS, and therefore may not be comparable with similarly titled measures presented by other entities, nor should these be interpreted as an alternative to other financial measures determined in accordance with AAS. Investors are cautioned not to place undue reliance on any non-IFRS financial information, ratios and metrics included in this Document.

ALCIDION