

31 October 2024

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Q1 FY25 Quarterly Activities Report

Melbourne, Australia – Alcidion Group Limited (ASX: ALC) (**Alcidion** or **Company**) today releases its Appendix 4C for the quarter ended 30 September 2024 (Q1 FY25).

Highlights:

- Q1 new TCV sales of \$5.2M with \$2.0M revenue expected to be recognised in FY25
 - Signed \$4.0M, five-year contract with Hume Rural Health Alliance (Aus) for use of Miya Precision as an enterprise digital platform with a focus on patient flow and virtual care
- Sold and renewal revenue for FY25 of \$28.5M at end of Q1 (excludes North Cumbria contract contribution)
- Q1 cash receipts of \$6.3M with an operating cash outflow of (\$3.9M), as expected
 - Q1 typically Alcidion's softest quarter for cash receipts
 - Staff cash costs of \$6.5M, a decrease of \$2.0M compared to pcp (Q1'24: \$8.5M)
- Cash balance of \$7.9M and no debt as of 30 September 2024
- Maintaining target of EBITDA positive in FY25, with run-rate EBITDA breakeven revenue of ~\$36.0M

Alcidion Group Managing Director Kate Quirke said, "In July we entered an exciting new partnership with Hume Rural Health Alliance (HRHA) providing digital support to 15 hospitals across this rural region of Victoria. The contract, with a TCV of \$4.0M over 5 years, is for use of Miya Precision as an enterprise digital platform across multiple sites in regional Victoria with an initial focus on patient flow and virtual care. This project has progressed at pace and when it goes live fully in November it will represent the fastest ever roll out of the Miya Precision platform, and a great opportunity to support connected care across a rural region."

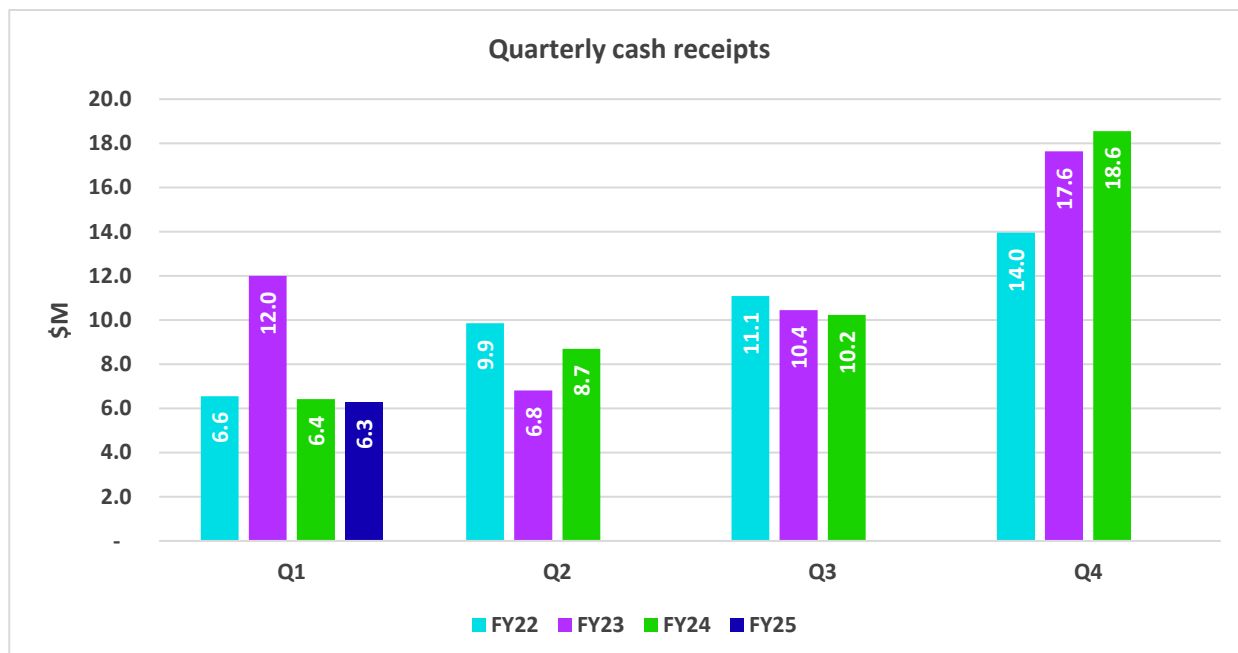
"The ANZ market presents material near term opportunities for Alcidion, as evidenced by HRHA. We expect additional opportunities to move through the pipeline in the coming months reflecting the strength of Miya Precision in supporting key challenges facing healthcare today. The UK market continues to present significant opportunity for Alcidion and the North Cumbria contract finalisation is progressing positively. We welcome news from the UK Governments first budget committing £2B investment into digital technology for the NHS."

"Financially, Q1 performed as expected with an operating cash outflow of \$3.9M, in what is historically our softest quarter for customer receipts and therefore cashflows. This reflects a significant improvement over Q1 last year primarily due to the reduction in our cost base which occurred early in H2 FY24. Q2 operating cash flow is expected to be materially improved compared to Q1, reflecting stronger customer invoicing."

Financial Update

Alcidion generated Q1 new sales of \$5.2M with approximately \$2.0M expected to be recognised as revenue in FY25. Q1 new sales comprised 88% recurring product revenue and 12% non-recurring services (primarily product implementation) revenue.

Cash receipts from customers in Q1 were \$6.3M with operating cash outflow of (\$3.9M), a \$4.2M improvement over Q1 FY24.



As noted in item 6 of the Company's Appendix 4C, payments made to related parties and their associates totalled \$0.27M for the quarter. These payments relate solely to Director's remuneration.

Outlook

At the end of Q1, Alcidion had \$28.5M of contracted and scheduled renewal revenue to be recognised over the course of FY25. This does not include any revenue from the North Cumbria contract which we would expect to recognise in the second half of the financial year.

Q2 operating cash flow is expected to materially improve in comparison to Q1 driven by an uplift in existing customer invoicing and the benefits of the re-aligned cost base.

Alcidion confirms it is targeting to be EBITDA positive in FY25, with run-rate EBITDA breakeven revenue of approximately \$36.0M.

Alcidion continues to see increased market activity, as it has done over the past 6 months, with opportunities progressing into the selection stage of the procurement cycle.

The Company has approximately \$130M of contract and renewal revenue from FY25 to FY29 able to be recognised which represents significant long-term value.

Investor Webcast

Alcidion Group Managing Director Kate Quirke will host a webcast with investors via Zoom on Thursday, 31 October 2024 at 1:30pm Australian Eastern Daylight Time (AEDT).

To register for the webcast, please follow this link:

https://us02web.zoom.us/webinar/register/WN_nhdnPXExSaq9I1VPahNyqA#/registration

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

For further information, please contact:

Investor Relations

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About Alcidion

Alcidion Group Limited 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 400 hospitals and 87 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")

30 September 2024

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	6,281	6,281
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(974)	(974)
(c) advertising and marketing	(173)	(173)
(d) leased assets	-	-
(e) staff costs	(6,477)	(6,477)
(f) administration and corporate costs	(931)	(931)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	33	33
1.5 Interest and other costs of finance paid	(22)	(22)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST received/(paid)	(1,600)	(1,600)
1.9 Net cash from / (used in) operating activities	(3,863)	(3,863)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	(10)	(10)
(j) investments	-	-
(k) intellectual property	-	-
(l) 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	(10)	(10)

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 (Payment for principal portion of lease liabilities)	(171)	(171)
3.10	Net cash from / (used in) financing activities	(171)	(171)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,798	11,798
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,863)	(3,863)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10)	(10)

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)	(171)	(171)
4.5	Effect of movement in exchange rates on cash held	191	191
4.6	Cash and cash equivalents at end of period	7,945	7,945

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	7,403	7,403
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (TDs)	542	542
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,945	7,945

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	265
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>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	150	46
7.4	Total financing facilities	150	46
7.5	Unused financing facilities available at quarter end		104
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. WBC corporate credit card facility secured against cash on deposit, interest charged at 14.25% on overdue accounts		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,863)
8.2	Cash and cash equivalents at quarter end (item 4.6)	7,945
8.3	Unused finance facilities available at quarter end (item 7.5)	104
8.4	Total available funding (item 8.2 + item 8.3)	8,049
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.1
	<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: 31 October 2024

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.