

27 July 2023

Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

## Q4 FY23 Quarterly Activities Report

**Melbourne, Australia** – Alcidion Group Limited (‘Alcidion’ or the ‘Company’) today releases its Appendix 4C for the quarter ended 30 June 2023 (Q4 FY23).

### Highlights:

- Q4 FY23 positive operating cashflow of \$6.0M, up 81.8% on pcp (prior corresponding period)
  - Record quarterly cash receipts of \$17.6M, up 25.7% on pcp
- FY23 full-year positive operating cashflow of \$0.2M
  - FY23 cash receipts of \$46.9M, up 13.2% on pcp
- Q4 FY23 new sales of \$7.3M
  - FY23 new sales of \$29.9M with \$9.9M recognised in FY23
  - Demonstrating momentum of modular product upsell strategy
- Renewal contract agreement signed with two existing Patient Care System (PCS) customers who were acquired as part of the Silverlink acquisition, the fourth contract renewal since the acquisition of Silverlink, triggering the final earnout payment
- FY23 revenue (unaudited) expected to be around \$40.0M
- Opening contracted and renewal revenue to be recognised in FY24 of \$33.7M
- Cash balance of \$14.6M as at 30 June 2023 (\$11.1M at 31 March), with no debt

**Alcidion Group Managing Director Kate Quirke said**, “Achieving \$7.3M in new sales and \$6.0M of positive operating cash flow is a testament to the strength of the Alcidion business and the successful execution of our growth strategy. In Q4, we enjoyed module sales to both new and existing customers. Additionally, there were several contracts signed with existing customers for ongoing service delivery. The combination of these sales demonstrates the resilience of our business and the commercial value being delivered on a long-term and sustainable basis.”

“Our ability to lock-in and have the surety of contracted revenue for many years ahead puts us in a strong position to focus our resources on new customer opportunities, remain agile, and capitalise on market dynamics. Additionally, our ability to leverage our technology to generate data and work closely with our customers to identify and cater to their evolving needs is key to further strengthening our customer relationships and steepening our growth trajectory.”

“With a purpose to free clinician time to provide care, it is rewarding to receive feedback from customers who say their doctors have realised savings of at least one hour per day in reduced administrative burden since implementing our software, as was recently relayed by South Tees Hospital NHS Foundation Trust.”

“Ultimately, these are the outcomes that validate our products and provide important references for other customers to consider our solutions, contributing to our expanding pipeline, and influencing our confidence

in opportunities for Alcidion in FY24. This is despite the previously reported delays in the implementation of the NHS Frontline Digitisation Program, which continues to move more slowly than expected.”

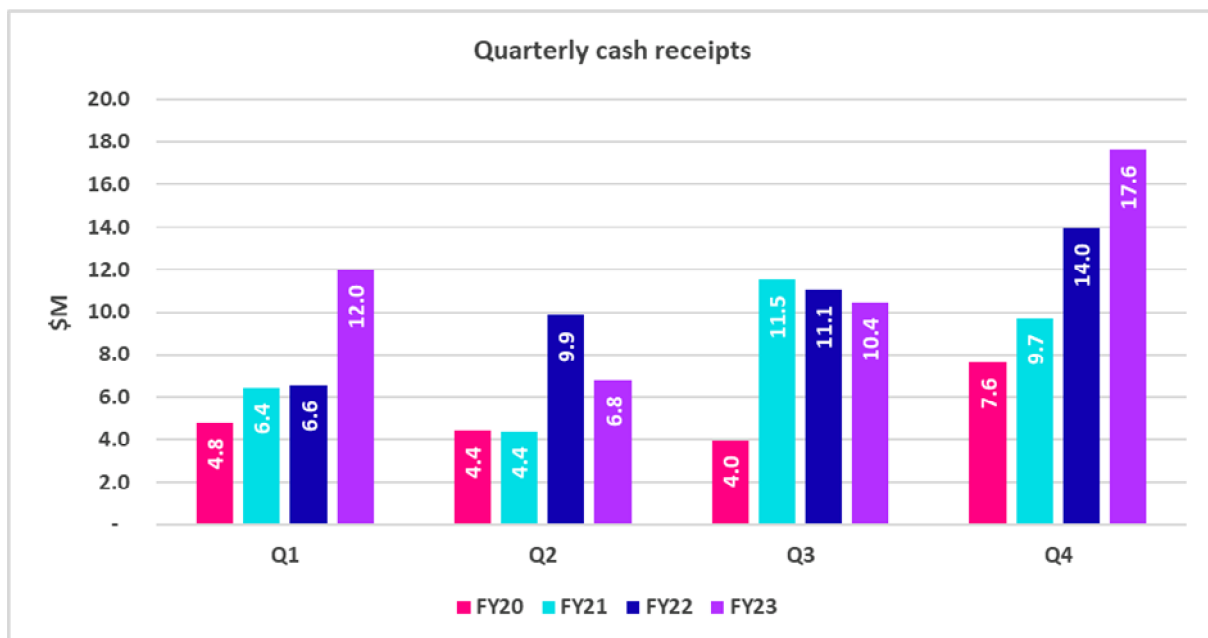
“We head into the new financial year with \$33.7M in contracted and renewal revenue to be recognised in FY24 and I am confident in our ability to continue delivering accelerated growth as we capitalise on global market tailwinds.”

## Financial Update

Alcidion generated Q4 new sales of \$7.3M, with approximately \$2.3M being recognised in FY23. New sales for FY23 were \$29.9M, with approximately \$9.9M being recognised over the course of the year.

FY23 revenue (unaudited) is expected to be around \$40.0M, up ~16.0% on pcp. Approximately 70% represents recurring product revenue with the remaining 30% relating to Services revenue which includes product implementation and technical services.

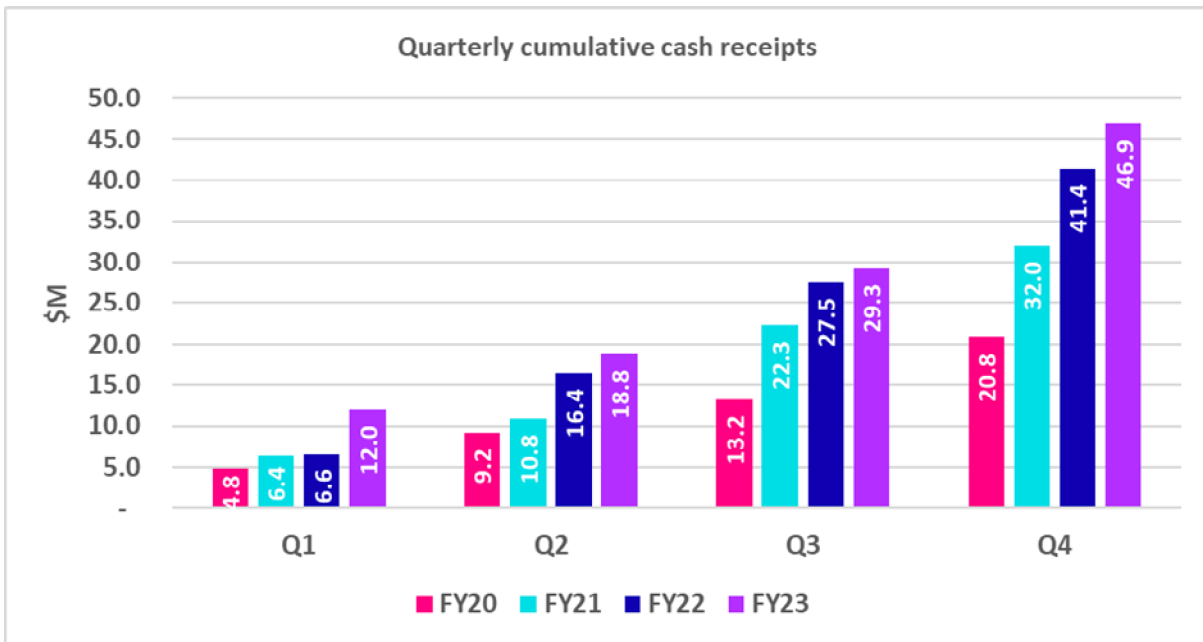
In Q4, Alcidion reported customer receipts of \$17.6M, the highest quarterly receipts in the Company’s history, up 25.7% on pcp. The strong cash receipts, across both the quarter and full year, highlights Alcidion’s ability to convert revenue into cash.



The record Q4 receipts resulted in Q4 positive operating cashflow of \$6.0M, also a record for Alcidion, and subsequently contributed to positive full year FY23 operating cashflow of \$0.2M.

The Company’s cash balance was \$14.6M as at 30 June 2023, with no debt. The cash balance includes the final payment of £1.5M (A\$2.7M) in the earn-out structure related to the Silverlink acquisition which was paid from existing cash reserves during the quarter.

As noted in item 6 of the Company’s 4C, payments made to related parties and their associates totalled \$0.28M for the quarter. The payments relate mostly to Directors’ remuneration.



## Subsequent to quarter end

In a move to improve patient outcomes through reducing hospital wait time and decreasing pressure on staff, Alcidion has formed a strategic partnership with Olinqua, a market leader in hospital automation. Together they have launched Miya Central which is designed to identify operational inefficiencies, make data-driven decisions and drive continuous improvement. Miya Central’s analytical capability will target access block and ramping, patient flow and length of stay and discharge management and readmittance. The establishment of a hospital operations centre, or ‘command centre’ is an emerging and increasing critical priority for health leaders in Australia and globally. The affordability and simplified deployment of Miya Central makes it accessible to all Australian hospitals.

## Outlook

Alcidion enters FY24 with \$33.7M of contracted and scheduled renewal revenue expected to be recognised as revenue over the course of the year.

Alcidion continues to engage with new and existing customers against a backdrop of increasing referenceability, particularly in the UK market where Alcidion is well positioned with a strong balance sheet, established management and track record, to take advantage of new contract opportunities.

## Investor Webcast

Alcidion Group Managing Director Kate Quirke will host a 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\\_4l0z6idsT4aO7RMXwbG9dQ](https://us06web.zoom.us/webinar/register/WN_4l0z6idsT4aO7RMXwbG9dQ)

*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:

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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 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 June 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	17,636	46,901
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,763)	(5,632)
(c) advertising and marketing	(185)	(830)
(d) leased assets	(7)	(28)
(e) staff costs	(7,775)	(29,256)
(f) administration and corporate costs	(1,116)	(6,326)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	33	111
1.5 Interest and other costs of finance paid	(23)	(115)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST received/(paid)	(844)	(4,656)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>5,956</b>	<b>169</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	(2,687)	(2,687)
(i) property, plant and equipment	(53)	(454)
(j) investments	-	-
(k) intellectual property	-	-
(l) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,740)</b>	<b>(3,141)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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)	(159)	(616)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(159)</b>	<b>(616)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	11,087	17,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	5,956	169
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,740)	(3,141)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(159)	(616)
4.5	Effect of movement in exchange rates on cash held	497	890
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>14,641</b>	<b>14,641</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	14,068	10,513
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	573	574
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>14,641</b>	<b>11,087</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(276)
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.*

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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)	150	16
<b>7.4 Total financing facilities</b>	<b>150</b>	<b>16</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>134</b>
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		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	5,956
8.2 Cash and cash equivalents at quarter end (item 4.6)	14,641
8.3 Unused finance facilities available at quarter end (item 7.5)	134
8.4 Total available funding (item 8.2 + item 8.3)	14,775
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
<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: <b>N/A</b>	
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: <b>N/A</b>	
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: <b>N/A</b>	
<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: 27 July 2023

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.