



# **Accelerated Non-renounceable Entitlement Offer**

**Retail offer booklet**

**Alcidion Group Ltd**  
ACN 143 142 410

1 for 10.5 accelerated non-renounceable entitlement offer of new fully paid ordinary shares in the Company at a price of \$0.25 per New Share.

**Underwritten by Henslow Pty Ltd and Canaccord Genuity (Australia) Limited**

**Not for distribution or release in the United States**

**This is an important document which is accompanied by a personalised entitlement and acceptance form and both should be read in their entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser or the share registry if you have any questions.**

**Retail Entitlement Offer closes at 5.00pm (Sydney time) on 23 December 2021 (unless extended). Valid applications must be received before that time.**



## Important notices

This Retail Offer Booklet is dated 14 December 2021 and relates to the Retail Entitlement Offer which is part of the Entitlement Offer by the Company to raise approximately \$25m.

The Retail Entitlement Offer is made pursuant to section 708AA of the Corporations Act (Corporations Act) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Retail Offer Booklet is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the Company and the Entitlement Offer prior to deciding whether to accept your Entitlement and/or apply for Additional Shares including the Company's announcements on ASX.

## Not financial product advice

The information contained in this Retail Offer Booklet is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that you read this Retail Offer Booklet carefully and in full before deciding whether to accept your entitlement and/or apply for Additional Shares. In considering an investment in the Company, you should consider the risks that could affect the financial performance or position of the Company. You should carefully consider these risks in the light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest. Some of the risks that should be considered by prospective investors are set out in Section 3. There may be risk factors in addition to these that should be considered in the light of your personal circumstances.

No person named in this Retail Offer Booklet, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the New Shares.

No person is authorised to give any information or make any representation in connection with the Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied on as having been authorised by the Company or the directors of the Company (**Directors**).

Eligible Retail Shareholders should carefully read and follow the instructions in Section 1 and on the personalised Entitlement and Acceptance Form when making the decision whether to accept your Entitlement (or to apply for Additional New Shares).

## Obtaining a copy of this Retail Offer Booklet

Eligible Retail Shareholders will receive a copy of this Retail Offer Booklet together with an accompanying personalised Entitlement and Acceptance Form. Eligible Retail Shareholders in Australia and New Zealand can also obtain a copy of this Retail Offer Booklet (free of charge) during the Retail Entitlement Offer period from the Company's website at [www.alcidion.com](http://www.alcidion.com) or by calling the Share Registry on

1300 556 161 (from within Australia) or +61 3 9415 4000 (from outside of Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday during the Retail Entitlement Offer period. Shareholders in other jurisdictions (including the United States), or who are, or are acting for the account or benefit of, a person in the United States are not entitled to access the electronic version of this Retail Offer Booklet. Eligible Retail Shareholders who access the electronic version of this Retail Offer Booklet on the Company's website should ensure they download and read the entire Retail Offer Booklet. The electronic version of the Retail Offer Booklet on the Company's website will not include a personalised Entitlement and Acceptance Form.

## Statements of past performance

Past performance and pro forma financial information included in this Retail Offer Booklet is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past Share price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future Share price performance. The historical information about the Company included in this Retail Offer Booklet is, or is based on, information that has previously been released to the market.

Investors should also be aware that certain financial data included in this Retail Offer Booklet may be 'non-IFRS financial information' under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios (if any) included in this Retail Offer Booklet.

## Forward looking statements

This Retail Offer Booklet contains forward looking statements which are identified by words such as *'may'*, *'could'*, *'believes'*, *'estimates'*, *'expects'*, *'intends'* and other similar words that involve risks and uncertainties. Any forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Accordingly, such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Retail Offer Booklet will actually occur and prospective investors are cautioned against placing undue reliance on these forward-looking statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in Section 3, as well as the other information in this Retail Offer Booklet.

The Company has no intention to update or revise forward looking statements, regardless of whether new information, future events or any other factors affect the information contained in this Retail Offer Booklet, except where required by law.

### **Underwriters**

The Underwriters have acted as joint lead managers, brokers, bookrunners and underwriters to the Offer (including the Retail Entitlement Offer). None of the Underwriters, their respective affiliates or related bodies corporate (as defined in the Corporations Act) nor any director, officer, partner nor agent of an Underwriter, affiliate or related body corporate (**Underwriting Parties**), nor any other advisor of the Company or any person named in this Retail Offer Booklet (other than the Company) have authorised, permitted or caused the issue or lodgement, submission dispatch or provision of this Retail Offer Booklet or any other related material and the Underwriting Parties do not make or purport to make, and have not authorised, approved or verified, any statement (including any forward looking statement) in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them.

The Underwriters will receive fees and expenses for acting as joint lead managers and underwriters to the Offer. The Underwriting Parties may from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from, the Company.

### **No cooling-off period**

No cooling off rights apply to applications submitted under the Retail Entitlement Offer.

### **No entitlements trading**

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange nor can they be privately transferred.

### **Photographs and diagrams**

Any photographs and diagrams used in this Retail Offer Booklet that do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown in them endorses this Retail Offer Booklet or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Retail Offer Booklet are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Retail Offer Booklet.

### **Company website**

Any references to documents included on the Company's website at [www.alcidion.com](http://www.alcidion.com) are for convenience only, and none of the documents or other information available on the Company's website are incorporated herein by reference.

### **Defined terms and time**

Capitalised terms and abbreviations used in this Retail Offer Booklet have the meanings given to them in the Glossary. Unless otherwise stated or implied, references to times in this Retail Offer Booklet are to Sydney, Australia time.

### **Disclaimer**

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Retail Offer Booklet.

As set out in Section 1, it is expected that the New Shares will be quoted on ASX. The Company, the Underwriters and the Share Registry (in each case, as defined below) disclaim all liability, whether in negligence or otherwise, to persons who trade New Shares before receiving their holding statements.

### **Selling restrictions**

This Retail Offer Booklet does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares, or the Entitlement Offer, or to otherwise permit an offering of New Shares, in any jurisdiction outside Australia and New Zealand. The distribution of this Retail Offer Booklet outside Australia and New Zealand may be restricted by law and persons who come into possession of this Retail Offer Booklet outside Australia or New Zealand 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, the New Shares or Additional New Shares, if any have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States unless the New Shares and Additional New Shares, if any are registered under the US Securities Act, or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

For further detail please see Section 4.4.

### **Privacy**

By filling out the personalised Entitlement and Acceptance Form to apply for New Shares (and Additional New Shares, if applicable), you are providing personal information to the Company through the Company's securities registry, Computershare Investor Services Pty Ltd which is contracted by the Company to manage applications. The Company, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the personalised Entitlement and Acceptance Form, the Company and the Share Registry may not be able to process or accept your application.

Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The members, agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Company's issued securities and for associated actions.

The information contained in the Company's register of members must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register of members is also used to facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its members) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the corporate directory set out on the last page of this Retail Offer Booklet.

## Key Entitlement Offer Dates

Event	Date
Announcement of Entitlement Offer	7 December 2021
Institutional Entitlement Offer opens	7 December 2021
Institutional Entitlement Offer closes	8 December 2021
Shares recommence trading ex-entitlement on ASX	9 December 2021
Record Date for the Retail Entitlement Offer	9 December 2021
Institutional Entitlement Offer settlement date	14 December 2021
Retail Entitlement Offer opens	14 December 2021
Despatch of Offer Documents to Eligible Retail Shareholders	14 December 2021
Issue and quotation of New Shares under Institutional Entitlement Offer	15 December 2021
Retail Entitlement Offer closes	23 December 2021
Announcement of results of Retail Entitlement Offer	29 December 2021
Settlement of New Shares issued under Retail Entitlement Offer	31 December 2021
Issue of New Shares under the Retail Entitlement Offer	4 January 2022
Quotation of New Shares under the Retail Entitlement Offer	5 January 2021

Dates and times in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney time. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer without prior notice, including extending the Entitlement Offer or accepting late Applications, either generally or in particular cases, or to withdraw the Entitlement Offer without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. The commencement of quotation of New Shares is subject to confirmation from ASX.

### Enquiries

Before making a decision about investing in the Retail Entitlement Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs. If you have any questions on how to:

1. complete your personalised entitlement and acceptance form; or
2. take up the New Shares offered to you under the Entitlement Offer, either in full or in part; or
3. take up your full Entitlement and apply for Additional New Shares,

please call the Share Registry between 8.30am and 5.00pm (Sydney time) Monday to Friday during the period from and including the date on which the Retail Entitlement Offer opens until and including the date on which it closes:

Within Australia: 1300 556 161

Outside Australia: +61 3 9415 4000

If you have the Securityholder Reference Number or Holder Identification Number for your holding(s), you can apply via the online Application website at <https://alcoffer.thereachagency.com> or download a replacement form from the Share Registry's secure website at [www.investorcentre.com/au](http://www.investorcentre.com/au).

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14 December 2021

Dear Shareholder,

On behalf of the Company, I invite you to participate in a 1:10.5 accelerated non-renounceable entitlement offer of New Shares in the Company at an Offer Price of \$0.25 per New Share.

### **Offer**

The Entitlement Offer forms part of the equity raising announced by the Company of 7 December 2021. The Entitlement Offer is being conducted in conjunction with a placement of ordinary shares to institutional investors (**Placement**) to raise in aggregate approximately \$55 million.

The Entitlement Offer comprises:

- an institutional component (**Institutional Entitlement Offer**); and
- a retail component (**Retail Entitlement Offer**).

The Institutional Entitlement Offer is expected to be completed on 15 December 2021 and is expected to raise gross proceeds of approximately \$13.4 million.

The Retail Entitlement Offer is expected to raise gross proceeds of \$11.6 million.

This Retail Offer Booklet relates to the Retail Entitlement Offer and the New Shares to be issued under it. The Offer Price of \$0.25 per New Share under the Retail Entitlement Offer is the same issue price paid by institutional investors under the Institutional Entitlement Offer. New Shares issued under either component of the Entitlement Offer will rank equally with existing Shares.

The Offer is underwritten by the Underwriters.

### **Use of Funds**

As announced on 7 December 2021, the Company has entered into a binding agreement to acquire 100% of Silverlink PCS Software Ltd (**Silverlink**).

The net funds raised from the Placement and the Entitlement Offer will be used to fund the acquisition of Silverlink and associated costs of the transaction.

### **Details of Acquisition**

Details of the Silverlink acquisition are set out in Section 3.

### **Details of your Entitlement**

Eligible Shareholders are entitled to subscribe for 1 New Shares for every 10.5 existing Shares held at 7.00pm (Sydney time) on 9 December 2021.

Eligible Retail Shareholders may also apply for Additional New Shares at the Offer Price in excess of their Entitlement. Additional New Shares will only be allocated to Eligible Retail Shareholders if available and if and to the extent that the Company so determines, in its absolute discretion. The Company may elect to scale-back Applications for Additional New Shares in its absolute discretion.

Details of how to apply for your Entitlement (and Additional New Shares if applicable) are set out in section 1.10.

### **Further information**

Further information on the Retail Entitlement Offer is detailed in this Retail Offer Booklet. You should read the entirety of this Retail Offer Booklet carefully before deciding whether to participate in the Entitlement Offer. An investment in the Company and the New Shares, is speculative and subject to a range of risks, which are more fully detailed in Section 3. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

On behalf of the Directors and management team of the Company, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rebecca Wilson', written in a cursive style.

Rebecca Wilson  
Chair



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## **1. Details of the Retail Entitlement Offer and how to apply**

### **1.1 The Retail Entitlement Offer**

Eligible Retail Shareholders (as defined in Section 1.8) are being offered the opportunity to subscribe for 1 New Shares for every 10.5 existing Shares held at 7.00pm (Sydney time) on 9 December 2021, at the Offer Price of \$0.25 per New Share.

Eligible Retail Shareholders may also apply for New Shares in excess of their Entitlement under the Shortfall Facility up to a maximum of 100% of their Entitlement (**Additional New Shares**). The allocation of any Additional New Shares will be limited to the extent that there are sufficient New Shares available from Eligible Retail Shareholders who do not take up their full Entitlement. Additional New Shares will be allocated by the Company, in its absolute discretion.

New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and will rank equally with existing Shares on issue.

Please consider the Retail Entitlement Offer in the light of your particular investment objectives and circumstances.

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. Refer to the risks set out in Section 3 for further details on the risks associated with an investment in the Company. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

### **1.2 Your Entitlement**

Your Entitlement is set out in the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 10.5 existing Shares you held as at the Record Date. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

If you decide to take up all or part of your Entitlement, or apply for Additional New Shares, please refer to the personalised Entitlement and Acceptance Form and apply for New Shares (and Additional New Shares, if applicable) pursuant to the instructions set out on the personalised Entitlement and Acceptance Form.

Any fractional entitlements will be rounded up to the next whole number.

The Company reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders or persons claiming to be Eligible Retail Shareholders if their claims prove to be incorrect or overstated or if they fail to provide information to substantiate their claims.

### **1.3 Scale Back**

The Company reserves the right (in its absolute discretion) to allocate fewer, or no, Additional New Shares than an Eligible Shareholder applies for under the Retail Entitlement Offer,

including, without limitation, in the event that the Retail Entitlement Offer is oversubscribed at its absolute and sole discretion (**Scale Back**).

If there is a Scale Back, you may receive less than the parcel of Additional New Shares for which you applied. If a Scale Back produces a fractional number of shares when applied to your parcel, the number of New Shares you will be issued will be rounded down to the nearest whole number of Additional New Shares. In the event of a Scale Back, the difference between the Application Monies received by the Company, and the amount equal to the number of New Shares that will be issued to you multiplied by the \$0.25 (25 cents), will be refunded to you without interest.

#### 1.4 Nominees

The Retail Entitlement Offer is only being made to Eligible Retail Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares (e.g. for the purposes of determining whether any such persons may participate in the Retail Entitlement Offer).

Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compliant with applicable foreign laws. Any person that is in the United States with a holding through a nominee may not participate in the Retail Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be in the United States.

The Company assumes no obligation to advise you on any foreign laws.

#### 1.5 No Rights Trading

There will be no trading of rights on ASX and you may not dispose of your rights to subscribe for New Shares under the Entitlement Offer to any other party.

#### 1.6 Risks

As with any securities investment, there are risks associated with investing in the Company. Having regard to the risks applicable to the Company and its business, Eligible Retail Shareholders should be aware that an investment in the New Shares offered under this Retail Offer Booklet should be considered speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Retail Offer Booklet in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 3) and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

#### 1.7 Options available to you

If you are an Eligible Retail Shareholder, you may take any one of the following options:

<b>Option</b>	<b>Action</b>
<b>Take up all of your Entitlement</b>	If you take up and pay for all of your Entitlement in accordance with the instructions below, before the close of the Retail Entitlement Offer, you will be issued your New Shares on 4 January 2022.
<b>Do nothing</b>	If you take no action or your Application is not supported by cleared funds, your entitlement will lapse. You should note that if you allow all

	or part of your Entitlement to lapse, then your percentage holding in the Company will be diluted by your non-participation in the Retail Entitlement Offer. Entitlements will not be able to be traded on ASX or another financial market, or otherwise privately transferred.
<b>Take up part of your Entitlement and allow the balance to lapse</b>	If you elect to take up and pay for part of your Entitlement in accordance with the instructions below, before the close of the Retail Entitlement Offer, you will be issued New Shares with respect to that part of your Entitlement on 4 January 2022. The balance of your Entitlement will lapse.
<b>Take up all of your Entitlement and also apply for Additional New Shares in excess of your Entitlement</b>	If you take up and pay for all your Entitlement, before the close of the Retail Entitlement Offer, you will be issued your New Shares on 4 January 2022. If you apply for Additional New Shares in excess of your Entitlement, subject to Additional New Shares being available and the Company's discretion to scale-back your allocation of Additional New Shares, you will also be issued with these Additional New Shares on 4 January 2022. The Company's decision on the number of Additional New Shares to be allocated to you will be final. Other than to the extent that Additional New Shares are issued to you, any surplus Application Monies received for more than your Entitlement will be refunded after the close of the Retail Entitlement Offer following the allotment of the New Shares. Refunds will be made by sending a cheque in the post to the address the Company records on its share register unless your nominated bank account has been provided to the Share Registry, in which case the refund will be paid by direct credit. No interest will be paid to Eligible Retail Shareholders on any Application Monies received or refunded (wholly or partially).

## 1.8 Eligible Retail Shareholders

The Retail Entitlement Offer is only available to Eligible Retail Shareholders, who are those holders of Shares who:

- 1.8.1 are registered as a holder of Shares as at the Record Date;
- 1.8.2 have an address on the Company share register in Australia or New Zealand as at the Record Date;
- 1.8.3 are not in the United States and are not a person in the United States or acting for the account or benefit of US Persons, to that extent;
- 1.8.4 did not receive an offer (other than as nominee) under the Institutional Entitlement Offer and were not treated as an ineligible institutional Shareholder under the Institutional Entitlement Offer; and
- 1.8.5 are eligible under all applicable laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification.

Retail Shareholders who do not satisfy each of these criteria (other than those who received an offer under the Institutional Entitlement Offer) are Ineligible Retail Shareholders. See Section 1.9 for further details on Ineligible Foreign Shareholders.

The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any Shareholder in other foreign jurisdictions (subject to compliance with applicable laws).

The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder and is therefore able to participate in the Retail Entitlement Offer, or an Ineligible Retail Shareholder and is therefore unable to participate in the Retail Entitlement Offer. The Company disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

The Retail Entitlement Offer is not being extended to any Shareholders outside Australia and New Zealand. By making a payment by BPAY, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional Shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

## **1.9 Ineligible Foreign Shareholders**

The Company has decided that it is unreasonable to make offers under the Retail Entitlement Offer to investors who are holders of Shares and who have registered addresses outside Australia and New Zealand (**Ineligible Foreign Shareholders**), having regard to the number of such holders in those places and the number and value of New Shares that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places. As a result, these Shareholders will not be able to participate in the Offer.

## **1.10 How to apply**

If you decide to take up all or part of your Entitlement, or take up all of your Entitlement and also apply for Additional New Shares in excess of your Entitlement, please pay your Application Monies via BPAY.

The Company will treat you as applying for as many New Shares as your payment will pay for in full up to your full Entitlement. Amounts received by the Company in excess of your full Entitlement (**Excess Amount**), will be treated as an application for as many Additional New Shares as your Excess Amount will pay for in full (up to a maximum of 100% of your entitlement), subject to any scale-back that the Company may determine to implement in its absolute discretion in respect of Additional New Shares.

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, being 5.00pm (Sydney time) on 23 December 2021. Payment methods:

### **1.10.1 Payment by BPAY**

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique Customer Reference Number (**CRN**)). You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions. Please note that should you choose to pay by BPAY:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Monies.

When completing your BPAY payment, please make sure to use the specific biller code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e. where you have multiple holdings), please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements when paying by BPAY, you will be deemed to have taken up your Entitlement and applied for Additional New Shares over and above your Entitlement on that holding to which that CRN applies and your applications in respect of your other CRNs will be deemed to have been rejected and will lapse.

Should you choose to pay by BPAY it is your responsibility to ensure that your BPAY payment is received by the Share Registry by no later than 5.00pm (Sydney time) on 23 December 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. The Company takes no responsibility for any failure to receive Application Monies or payment by BPAY before the Retail Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

If you are a New Zealand shareholder and you are unable to pay by BPAY please refer to the Electronic Funds Transfer payment details on the Offer Application website or phone the Shareholder Information Line on +61 3 9415 4000 for alternate payment arrangements.

#### 1.10.2 **Confirmation of your Application and managing your holding**

You may access information on your holding, including your Record Date balance and the issue of New Shares or Additional New Shares from this Entitlement Offer, and manage the standing instructions the Share Registry records on your holding on the share registry website <https://www-au.computershare.com/Investor/#Home>.

To participate in the Retail Entitlement Offer, your payment must be received no later than the close of Retail the Entitlement Offer, being 5.00pm (Sydney time) on 23 December 2021.

Entitlement and Acceptance Forms and Application Monies will not be accepted at the Company's corporate offices, or other offices of the Share Registry.

### 1.11 **ASX quotation and trading**

The Company will apply for quotation of the New Shares on ASX within seven days of the date of this Retail Offer Booklet. While the Company is not aware of any reason why quotation would be denied, there is no assurance that the application will be granted. If quotation is not granted, New Shares under the Retail Entitlement Offer will not be issued and Application Monies will be refunded to applicants without interest.

The fact that ASX may grant quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company, or the New Shares issued under the Entitlement Offer.

It is expected that the quotation and trading of New Shares issued under the Retail Entitlement Offer will commence on or about 5 January 2022 (on a normal settlement basis).

Confirmation of issue of New Shares is expected to be sent in accordance with ASX Listing Rules. It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving their confirmation of issue will do so at their own risk. The Company, the Share Registry and the Underwriters disclaim all liability in tort (including negligence), statute or otherwise, to any person who trades in New Shares before receiving their confirmation of issue, whether on the basis of a confirmation of issue provided by the Company, the Share Registry or the Underwriters, or otherwise.

#### **1.12 CHES**

The New Shares will participate from the date of commencement of quotation in the Clearing House Electronic Sub-register System (**CHES**), operated by ASX Settlement Pty Limited. These securities must be held in uncertificated form (i.e. no certificate will be issued) on the CHES sub-register under sponsorship of a sponsoring participant (usually a broker) or on the issuer-sponsored sub-register. Arrangements can be made at any subsequent time following quotation to convert your holdings from the issuer-sponsored sub-register to the CHES sub-register under sponsorship of a sponsoring participant or vice versa, by contacting your sponsoring participant.

#### **1.13 No withdrawal or cooling-off rights**

You cannot withdraw your Application once it has been accepted. Cooling-off rights do not apply to an investment in New Shares.

The Company reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New Shares to Eligible Retail Shareholders, in which case the Company will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

#### **1.14 Warranties made on acceptance of the Entitlement Offer**

By completing your personalised Entitlement and Acceptance Form and making a payment by BPAY you will be deemed to have acknowledged, represented and warranted that you, and each person on whose account you are acting:

- 1.14.1 acknowledge that you have fully read and understood both this Retail Offer Booklet and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Retail Offer Booklet and the Entitlement and Acceptance Form;
- 1.14.2 agree to be bound by the terms of the Entitlement Offer, the provisions of this Retail Offer Booklet and the Constitution;
- 1.14.3 authorise the Company to register you as the holder(s) of New Shares issued to you;
- 1.14.4 declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- 1.14.5 declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- 1.14.6 acknowledge that once the Company receives your Entitlement and Acceptance Form or any payment of Application Monies via BPAY, you may not withdraw your Application or funds provided except as allowed by law;

- 1.14.7 agree to apply for and be issued with up to the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY, including, in each case, any Additional New Shares, at the Offer Price per share;
- 1.14.8 authorise the Company, the Underwriters, the Share Registry and any of their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your Entitlement and Acceptance Form;
- 1.14.9 declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- 1.14.10 acknowledge that the information contained in this Retail Offer Booklet and your Entitlement and Acceptance Form is not investment advice or financial product advice nor have they been prepared taking into account your investment objectives, financial circumstances or particular needs or circumstances.
- 1.14.11 acknowledge that this Retail Offer Booklet and your Entitlement and Acceptance Form is not a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- 1.14.12 acknowledge that you have read and understood risks set out in Section 3 and that investments in the Company are subject to a high degree of risk;
- 1.14.13 acknowledge that none of the Company, the Underwriters, or their respective related bodies corporate, affiliates or respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantee the performance of the Company, nor do they guarantee the repayment of capital;
- 1.14.14 agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;
- 1.14.15 authorise the Company to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- 1.14.16 represent and warrant (for the benefit of the Company, the Underwriters and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, and that you are not an Eligible Institutional Shareholder under the Institutional Entitlement Offer;
- 1.14.17 represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares (or Additional New Shares); and
- 1.14.18 represent and warrant that your acceptance of the Entitlement Offer does not breach any laws in a jurisdiction outside Australia or New Zealand.

By completing your personalised Entitlement and Acceptance Form and making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that you are an Eligible Retail Shareholder (as defined in the '*Additional information*' section) or otherwise eligible to participate in the Entitlement Offer and:

- 1.14.19 you and each person on whose account you are acting are not in the United States and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements or New Shares under the Entitlement Offer and under any applicable laws and regulations;
- 1.14.20 the Entitlements and New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia, and New Zealand, and, accordingly, the Entitlements may not be taken up, and the New Shares may not be offered, sold or otherwise transferred, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
- 1.14.21 you and each person on whose account you are acting have not and will not send any materials relating to the Entitlement Offer to any person in the United States;
- 1.14.22 if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular way transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- 1.14.23 if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.



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## 2. Purpose and Effect of the Entitlement Offer

### 2.1 Use of proceeds

The Entitlement Offer forms part of the equity raising announced by the Company of 7 December 2021. The Entitlement Offer is being conducted in conjunction with an underwritten placement of ordinary shares to institutional investors (**Placement**) to raise in aggregate approximately \$55 million.

The Entitlement Offer comprises:

- an institutional component (**Institutional Entitlement Offer**); and
- a retail component (**Retail Entitlement Offer**).

The Institutional Entitlement Offer is expected to be completed on 15 December 2021 and is expected to raise gross proceeds of approximately \$13.4 million.

The Retail Entitlement Offer is expected to raise gross proceeds of approximately \$11.6 million.

The proceeds from the Placement and Entitlement Offer will be used to fund the acquisition of Silverlink and the associated costs of the transaction.

### 2.2 Capital structure

A table setting out the effect of the Entitlement Offer on the capital structure of the Company is set out below:

	As at the Record Date	New Shares to be issued as a result of the Offer*	On completion of the Offer (fully diluted)*
Ordinary shares	1,048,069,052	220,000,000	1,268,069,052
Options/Rights	9,671,530	9,671,530	9,671,530

\* **Note:** - Subject to rounding

### 2.3 Effect on control

Eligible Retail Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted.

If all Entitlements are accepted by Eligible Shareholders to the full extent, then the Entitlement Offer will not result in any material change to the control of the Company.

Further, the Offer is not expected to have a material impact on the control of the Company. Specifically, the Company does not expect any Shareholder to hold more than 20% after completion of the Offer.

## **2.4 Risks**

There are a number of risks associated with an investment in the Company which may affect its financial performance, financial position, cash flows, growth prospects and share price. The key risk factors are set out in Section 3.

## **2.5 Reporting and disclosure obligations**

The Company is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require ASX to be notified periodically and on a continuous basis of information about specific events and matters as they arise for the purpose of ASX making the information available to the financial market operated by it.

In particular, the Company has an obligation under ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information concerning the Company, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of the Company's securities. The Company is also required to prepare and lodge with ASIC and ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report.

## **2.6 Rights and liabilities attaching to Shares**

Immediately after issue and allotment, the New Shares will be fully paid Shares and will rank *pari passu* with the Shares currently on issue.

Detailed provisions relating to the rights attaching to the New Shares are set out in the Company's Constitution and the Corporations Act. A copy of the Company's Constitution can be inspected during office hours at the registered office of the Company and Shareholders have the right to obtain a copy of the Company's Constitution, free of charge.

The rights attaching to Shares may be varied with the approval of Shareholders, by special resolution at a general meeting.

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### 3. ASX Announcement and Investment Risks

#### 3.1 ASX announcement – details of Acquisition

Details of the Silverlink acquisition, as contained in the Company's ASX announcement dated 7 December 2021 are as follows.

##### **Acquisition of Silverlink**

Founded in 1994, Silverlink is one of the last remaining specialist PAS providers servicing the UK NHS market, with their flagship product, Patient Case System (**PCS**).

PCS is recognised as being a flexible, cost-effective PAS that can easily integrate with other clinical systems to support a 'specialist modular system' approach, enabling the benefits of a full EPR without single supplier lock-in.

Silverlink has long-standing customer relationships with 12 NHS Trusts with 11 of those NHS Trusts being new for Alcidion, and one an existing user of Miya Observations and Assessments. All customers have been using Silverlink for over 5 years, with an average remaining contract term of 3 years.

The addition of 11 new Trusts expands Alcidion's market penetration to 38 Trusts representing approximately 26% market presence across the 'acute' NHS market.

Approximately 95% of Silverlink's revenue is recurring with Silverlink management forecasting FY22 revenue (30 April year-end) of A\$7.8M and EBITDA of A\$4.8m.

The acquisition price for Silverlink is £30.0m (A\$55.5m<sup>1</sup>) upfront in cash, with a further £3.0m (A\$5.6m<sup>1</sup>) subject to earn-out based on successful renewal of select customers prior to 31 March 2024. At completion of the transaction, appropriate net working capital and net debt adjustments will also be made as is customary for a transaction of this nature.

(1. AUD/GBP of 0.54)

Completion of the transaction is expected to occur on or around 15 December 2021.

Further details of the Acquisition can be found in section 3 below and in the Investor Presentation lodged with the ASX on 7 December 2021.

##### **Strategic Rationale**

A PAS is the foundation of hospital IT systems and one of the first software solutions widely deployed in healthcare. A PAS captures all non-clinical information used in the daily management of a hospital including registrations, admissions, bed occupancy and discharge. It holds the key data for administration and reporting of hospital activity.

Given the limited resources (particularly in the public sector), coupled with a hesitation from hospital administrators to adopt new or unproven solutions, there has been minimal evolution of PAS software in the last 10+ years resulting in legacy architecture and technology. As a result, the market is ready for a 'trusted' provider with a track record to evolve a specialist PAS solution into the modern era EPR.

Silverlink provides Alcidion with a PAS capability, the foundational data store for healthcare, thereby expanding the overall product offering, which when combined with our Miya Precision clinical platform, provides a strategic pathway to developing a cloud-native, modern and modular EPR solution.

As a result, Alcidion's addressable market expands allowing us to respond to opportunities across a wider spectrum of healthcare digital requirements. This includes having a solution that addresses a greater proportion of electronic patient record requirements.

With approximately 60+ UK Trusts, including several existing customers, needing to modernise their existing PAS software over the next 5 years, the broadened product suite enables increased opportunity to expand Alcidion's offering to existing customers who have one or more of our solutions.

The acquisition aligns with the UK Health Services (**NHS**) stated digital transformation strategy of openness, modularity, modern and cloud-native EPRs, along with demonstrating further credibility to potential customers around Alcidion's intent to hold a market leading position in the healthcare software market. The opportunity is further supported by the UK funding program, with £2.1B confirmed for NHS IT upgrades and digital improvements announced in the recent UK budget.

Other information about Silverlink is contained in the Company's Investor Presentation lodged with the ASX on 7 December 2021.

### 3.2 Investment risks

Risks of investing in the Company are contained in the Investor Presentation release lodged with the ASX on 7 December 2021. These are also set out below:

#### Key Risks – Specific

Risk	Description
<b>Funding Risk</b>	The Company has entered into an underwriting agreement with Henslow Pty Ltd and Canaccord Genuity (Australia) Limited (the "Underwriters") under which the Underwriters have agreed to fully underwrite the Offer, subject to the terms and conditions of the underwriting agreement. The Underwriters' obligation to underwrite the Entitlement Offer is conditional on certain customary matters. Additionally, if certain events occur, the Underwriters may terminate the underwriting agreement. See section 4.7 below for details. If the underwriting agreement is terminated, the Company will not be able to complete the Acquisition, unless it can source alternative funding to meet its obligations under the Share Purchase Agreement. That alternative funding could be on less favourable terms.
<b>Due Diligence &amp; Acquisition risk</b>	Despite making reasonable efforts, Alcidion has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data.  Furthermore, there is a risk that the due diligence conducted has not identified issues that would have been material to the decision to enter into the acquisition. A material adverse issue that was not identified prior to entry into the acquisition could have an adverse impact on the financial performance or operations of Alcidion. As is usual in the conduct of acquisitions, the due diligence process undertaken by Alcidion identified a number of risks associated with Silverlink, which Alcidion had to evaluate and manage. The mechanisms used by Alcidion to manage these risks included, in certain circumstances, the acceptance of the risk as tolerable on commercial grounds such as materiality. There is a risk that the approach taken by Alcidion may be insufficient to mitigate the risk, or that

	<p>the materiality of these risks may have been underestimated or unforeseen, and hence they may have a material adverse impact on Alcidion's operations, earnings and financial position.</p>
<p><b>Future earnings may not be as expected</b></p>	<p>The Company has undertaken a financial and business analysis of Silverlink to determine its attractiveness to the Company and whether to pursue the Acquisition. It is possible that such analysis, and the best estimate assumptions made by the Company, draw conclusions and forecasts in relation to guidance and synergy statements that are inaccurate, or which will not be realised in due course. To the extent that the actual results achieved by Silverlink are different than those anticipated, or any unforeseen difficulties emerge in integrating Silverlink, there is a risk that the profitability and future earnings of the operations of Silverlink and the Group may differ (including in a materially adverse way) from the performance as described in this presentation.</p>
<p><b>Integration Risk</b></p>	<p>The Acquisition involves the integration of the Silverlink business, which has previously operated independently to Alcidion. Consequently, there is a risk that the integration of the Silverlink business may be more complex than currently anticipated. The integration could also encounter unexpected costs, challenges or issues, or take longer than expected, divert management's attention from other areas of Alcidion's business or not deliver the expected benefits. This may affect Alcidion's operating and financial performance.</p>
<p><b>Alcidion operates in a competitive industry</b></p>	<p>The enterprise healthcare software industry, particularly for PAS and ERP solutions is subject to competition based on factors including price, service, quality, performance standards, information security, innovation and the ability to provide customers with an appropriate range of reliable and tailored services in a timely manner.</p> <p>Additionally, a number of participants are, or may, target entry into the industry with new and innovative products aimed at the industry. New entrants to the industry may offer more competitive prices for products due to a range of factors, including if they have greater financial resources than Alcidion, which may enable them to offer products at more competitive prices while they establish their business. New entrants may also compete against Alcidion with cheaper products that have less functionality than Alcidion's offering.</p>
<p><b>Alcidion is loss making</b></p>	<p>Alcidion has historically focused on developing its platform and product and growing its customer base via the recruitment of sales, delivery, development, marketing and governance staff. While revenue has grown over the past several years, recruitment has contributed to an increase in the cost base, resulting in Net Profits After Tax ("NPAT") losses. NPAT losses may continue, resulting in the need to raise further capital with potential for share dilution and reputational damage.</p>
<p><b>Medical device legal and regulatory risks</b></p>	<p>Alcidion's software is designed to support decisions made by its customers and their clinicians and is not designed to make those decisions. Changes to regulatory regimes in target markets may expand the scope for clinical software to be regulated as a medical device, increasing Alcidion's regulatory compliance costs and/or impeding product</p>

	development. Customers or their patients could seek damages on the basis that death or permanent injury had arisen due to Alcidion software.
<b>Ability to retain or attract key personnel</b>	Competition for qualified staff in Alcidion's industry is intense and reduced access to overseas staff has resulted in wage pressures, particularly for software development staff. Alcidion's performance and future success depends on its continuing ability to identify, hire, develop, motivate and retain highly skilled personnel for all areas of the organisation.
<b>Security breach, system disruption and data privacy</b>	Alcidion's products involve the storage and transmission of customers' personal, confidential and proprietary information. Alcidion and its customers are dependent on the performance, reliability and availability of Alcidion's technology platforms, data centres and global communications systems, including servers, the internet, data centre hosting services and the cloud environments in which Alcidion provides its products. There is a risk of financial loss and reputational damage where these systems are adversely affected by security data breaches or by any disruption, failure, service outages or data corruption from computer viruses, malware or cyber attacks and insurance policies are unlikely to cover the full amount of related claims that may arise.
<b>Reliance on third party IT suppliers</b>	Alcidion relies on a number of third-party suppliers and partners to maintain and support its products, overall customer offering, its telecommunications facilities and its hosting infrastructure. Termination of the contracts with these third parties or significant disruption to their services could adversely impact Alcidion's financial performance.
<b>Foreign exchange</b>	A significant proportion of Alcidion's revenues, costs and expenses are incurred in foreign currencies, whereas Alcidion reports in Australian dollars. Alcidion is therefore subject to foreign currency fluctuations, which may materially affect its financial position and operating results.

**Key Risks – General**

<b>Risk</b>	<b>Description</b>
<b>COVID-19 pandemic</b>	<p>The global economy, including each of the markets in which Alcidion operates, is in the midst of a pandemic relating to the novel coronavirus now known as COVID-19. The pandemic has led to the adoption of unprecedented preventative measures by Governments and other authorities. Events related to COVID-19 have also resulted in significant market falls and volatility.</p> <p>There is a high degree of uncertainty as to the future impacts of the COVID-19 pandemic and future Government responses to the pandemic, especially if there are further developments in the spread of COVID-19. There is also a high degree of uncertainty as to the economic impact of the COVID-19 pandemic and the likelihood of an Australian and a global</p>

	<p>recession of uncertain duration and severity. The COVID-19 pandemic and the associated preventative measures have affected and will continue to adversely affect consumer behavior and business activity levels and cause sudden and significant changes and volatility in regional and global economic conditions and financial markets. The impact of these factors may have a material adverse impact on Alcidion's trading and financial performance.</p>
<b>Investment risk</b>	<p>Factors affecting the price at which Alcidion shares are traded on the ASX could include domestic and international economic conditions. General movements in local and international stock markets, exchange rates, prevailing economic conditions, investor sentiment and interest rates could all affect the market price of Alcidion's shares. These risks apply generally to any investment on the stock market. In addition, the prices of a listed entity's securities are affected by factors that might be unrelated to its operating performance, such as general market sentiment.</p>
<b>Litigation risk</b>	<p>Alcidion may in the ordinary course of business become involved in litigation, claims and disputes (for example, with suppliers or customers). Any litigation, claim or dispute could be costly and damaging to Alcidion's reputation and business relationships, which could have an adverse effect on its financial performance and industry standing.</p>
<b>Share Market &amp; Trading Illiquidity</b>	<p>On completion of the Offer, the New Shares may trade on the ASX at higher or lower prices than the issue price. Investors who decide to sell their New Shares after the Offer may not receive the amount of their original investment. The price at which the New Shares trade on the ASX may be affected by the financial performance of Alcidion and by external factors over which the Directors and Alcidion have no control. These factors include movements on international share and commodity markets, local interest rates and exchange rates, domestic and international economic conditions, government taxation, market supply and demand and other legal, regulatory or policy changes. Investors should consider the historical volatility of Australian and overseas share markets. The Directors make no forecast regarding the strength of the equity and share markets in Australia and throughout the world.</p> <p>Alcidion makes no guarantee that there will be an active market in the Shares listed on the ASX. There may be relatively few potential buyers or sellers of shares on the ASX at any time. This may increase the volatility of the market price of Alcidion shares. It may also affect the prevailing market price at which investors are able to sell shares. This may result in investors receiving a market price that is less or more than the price that investors paid.</p>
<b>Global economic conditions</b>	<p>Alcidion is dependent on global economic conditions and the global economic outlook, and on the economic conditions and outlook in its key markets and the enterprise healthcare software market generally. Economic conditions may be affected by levels of business and hospital spending, inflation, interest rates, consumer confidence, access to debt and capital markets and government fiscal, monetary and regulatory</p>

	<p>policies. A prolonged downturn in general economic conditions may have a material adverse impact on Alcidion's trading and financial performance.</p>
<p><b>Changes in laws, regulations and accounting standards</b></p>	<p>Alcidion is subject to local laws and regulations in each of the jurisdictions in which it operates (including taxation, copyright and privacy legislation). From time to time, changes of the laws and regulations may require Alcidion to obtain additional approvals and/or licences that may significantly increase compliance costs and restrict Alcidion's activities. Any changes to taxation laws, regulations or policies in jurisdictions in which Alcidion operates may also adversely affect returns. Any changes to accounting standards may affect the future measurement and recognition of key income statement and balance sheet items. Such changes could materially and adversely affect the financial performance and position reported in Alcidion's financial statements.</p>
<p><b>Speculative investment</b></p>	<p>The above list of risk factors ought not to be taken as exhaustive of the risks faced by Alcidion or by investors in Alcidion. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Alcidion and the value of the securities offered under the Offer. Therefore, the shares to be issued pursuant to the Offer carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. Potential investors should consider that an investment in Alcidion is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to the Offer.</p>



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## **4. Additional Information**

### **4.1 Not investment advice or financial product advice**

The information in this Retail Offer Booklet is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances. The Company is not licensed to (and does not) provide financial product advice in respect of the New Shares or Additional New Shares.

The information in this Retail Offer Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New Shares or Additional New Shares, you should consider whether they are a suitable investment for you in the light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of Shares the subject of the Retail Entitlement Offer. If, after reading this Retail Offer Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser.

### **4.2 Past performance**

Past performance and pro-forma historical financial information given in this Retail Offer Booklet is provided for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. The historical information in this Retail Offer Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

### **4.3 Notice to nominees and custodians**

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter in respect of the Retail Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their entitlement or not), institutional Shareholders who were treated as ineligible institutional investors under the Institutional Entitlement Offer and Ineligible Retail Shareholders.

### **4.4 Foreign jurisdictions**

The Retail Entitlement Offer is only being extended to Shareholders with a registered address in Australia and New Zealand. This document (and the accompanying Entitlement and Acceptance Form) does not constitute an offer of securities in the Company in any jurisdiction in which such an offer would be illegal.

The distribution of this document (and the accompanying Entitlement and Acceptance Form) (including electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this information, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

To the extent that a Shareholder holds Shares on behalf of another person outside Australia or New Zealand, it is that Shareholder's responsibility to ensure that any acceptance complies with all applicable foreign laws.

## **New Zealand**

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This Retail Offer Booklet has been prepared in accordance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all of the information that a product disclosure statement under New Zealand law is required to contain.

## **United States**

Neither this document nor the Entitlement and Acceptance Form constitutes an offer of securities in the United States or to, or for the account or benefit of any US person.

The New Shares (and Additional Shares, as applicable) to be issued under the Retail Entitlement Offer have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States.

In order to comply with the relevant securities laws, the New Shares (and Additional Shares, as applicable) to be issued under the Retail Entitlement Offer may not be offered to Shareholders located in the United States or to Shareholders who are, or who are acting for the account or benefit of, US persons.

### **4.5 Governing law**

The information in this Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Retail Entitlement Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the law applicable in Victoria, Australia. Each Shareholder who applies for New Shares and Additional New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

### **4.6 Taxation**

You should be aware that there may be taxation implications associated with participating in the Retail Entitlement Offer and receiving New Shares (and Additional Shares).

The Company does not consider it appropriate to give shareholders advice regarding the taxation consequences of subscribing for New Shares (and Additional Shares) under the Retail Entitlement Offer. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shares.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares (and Additional New Shares) under this Retail Offer Booklet.

### **4.7 Underwriters**

The Company has entered into an underwriting agreement dated 7 December 2021 with the Underwriters (**Underwriting Agreement**) under which the Underwriters have been appointed as joint lead managers, brokers and bookrunners of the Offer. The Underwriters have also been appointed as underwriters of the Offer.

The Underwriters will receive fees under the Underwriting Agreement as described in the Appendix 3B released to ASX on 8 December 2021.

Further details of the Underwriting Agreement are contained in the Investor Presentation release lodged with the ASX on 7 December 2021. These are also set out below:

The Company entered into an offer management and underwriting agreement with the Joint Lead Managers in respect of the Equity Capital Raising on 7 December 2021 (“Underwriting Agreement”).

The Underwriter’s obligations under the Underwriting Agreement, including to manage the Equity Capital Raising and underwrite the Entitlement Offer, are conditional on certain matters, including the merger agreement for the Acquisition not being materially breached or terminated. If certain conditions are not satisfied, or certain events occur, the Underwriters may terminate the Underwriting Agreement. Termination of the Underwriting Agreement by both Underwriters would have an adverse impact on the total amount of proceeds that could be raised under the Equity Capital Raising and therefore on the ability of the Company to undertake the Acquisition.

The events which may trigger termination of the Underwriting Agreement include (but are not limited to) the following:

- the Company ceases to be admitted to the official list of ASX or its shares are suspended from trading on ASX (other than as contemplated by the Underwriting Agreement), or cease to be quoted on ASX;
- any member of the Group becomes insolvent, or there is an act or omission which is likely to result in a member of the Group becoming insolvent;
- a change in the chief executive officer, chief financial officer or chairman occurs;
- a director or the chief executive officer or chief financial officer of the Company is charged with an indictable offence or fraudulent conduct, or any director of the Company is disqualified from managing a corporation;
- the Company is prevented from issuing any shares under the Equity Capital Raising in accordance with the ASX Listing Rules, applicable laws, a government agency or an order of a court of competent jurisdiction;
- if the S&P/ASX Small Ordinaries Index closes for two consecutive business days during the Entitlement Offer, or, closes on the business day prior to the Institutional Settlement Date or the Retail Settlement Date, at a level that is 10.0% or more below its level as at the close of trading on the business day before the date of the Underwriting Agreement;
- the merger agreement for the Acquisition is terminated, rescinded, avoided or repudiated, varied in a way that is adverse to the Company, or breached in a material respect by a party to it;
- the Placement does not complete in accordance with its terms;
- unconditional approval is refused or not granted for official quotation of the new shares by ASX;
- certain delays in the timetable for the Equity Capital Raising;
- there are certain defects in a cleansing notice for the Equity Capital Raising where the defect is materially adverse from the point of view of an investor;
- any statement in any of the Equity Capital Raising documents is or becomes false, misleading or deceptive or likely to mislead or deceive; - there occurs an adverse new circumstance that arises after certain Equity Capital Raising materials were given to ASX

that would have been required to be included in certain Equity Capital Raising materials (or otherwise to have been included in material previously disclosed to ASX) if it had arisen before certain Equity Capital Raising materials were given to ASX;

- the occurrence of any market disruption events, including (1) a general moratorium on commercial banking activities in certain countries or a disruption in commercial banking or security settlement or clearance services in any of those countries; (2) a suspension or material limitation in trading in securities generally on certain securities exchanges; (3) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in certain countries or any change or development involving a prospective adverse change in any of those conditions or markets;
- hostilities not presently existing at the date of the Underwriting Agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of certain countries or a major terrorist act is perpetrated anywhere in the world.

The ability of an Underwriter to terminate the Underwriting Agreement in respect of some of the termination events will depend on whether in the reasonable opinion of that Underwriter, the event:

- has or is likely to have a material adverse effect on the success of the Equity Capital Raising, or on the ability of the Underwriters to market or settle the Equity Capital Raising; or
- has given or is likely to give rise to a contravention by, or liability of, the Underwriters under, any applicable law.

If an Underwriter terminates, the Company will not be obliged to pay that Underwriter any fees which are not payable or accrued prior to the date of termination.

For details of the fees payable to the Underwriters, see the Appendix 3B released to ASX on or around 7 December 2021.

The Company also gives certain representations, warranties and undertakings to the Underwriters. The Company also gives an indemnity to the Underwriters and their respective indemnified parties subject to certain carve-outs.

## 5. Glossary

<b>Term</b>	<b>Meaning</b>
<b>Additional New Shares</b>	Has the meaning given in Section 1.1.
<b>Applicant</b>	An Eligible Retail Shareholder who validly applies for New Shares (and, if applicable, Additional New Shares) under the Retail Entitlement Offer in accordance with the Retail Offer Booklet.
<b>Application</b>	An application made on a personalised Entitlement and Acceptance Form to apply for New Shares (and, if applicable, Additional New Shares) under the Retail Entitlement Offer in accordance with this Retail Offer Booklet.
<b>Application Monies</b>	Money submitted by Applicants under the Entitlement Offer.
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited (ABN 98 008 624 691), or the financial market operated by it, as the context requires
<b>ASX Listing Rules</b>	The official listing rules of ASX, as amended or waived from time to time
<b>ASX Settlement</b>	ASX Settlement Pty Limited (ABN 49 008 504 532)
<b>AUD, A\$, \$ or Australian dollar or cent</b>	The lawful currency of the Commonwealth of Australia
<b>Australian Accounting Standards</b>	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group Interpretations
<b>Board</b>	The board of directors of the Company from time to time
<b>CHESS</b>	Clearing House Electronic Subregister System operated in accordance with the Corporations Act
<b>Company</b>	Alcidion Group Limited ACN 143 142 410
<b>Constitution</b>	The constitution of the Company
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)
<b>CRN</b>	Customer Reference Number
<b>Director or Directors</b>	A member of the Board from time to time
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortisation
<b>Eligible Retail Shareholders</b>	Retail Shareholders who with a registered address in Australia or New Zealand as at the Record Date and who otherwise satisfy the eligibility criteria under Section 1.8
<b>Eligible Institutional Shareholders</b>	Institutional Shareholders who (i) if they are in Australia are either a sophisticated investor or a professional investor within the meaning of section 708(8) or 708(11) of the Corporations Act, respectively or (ii) if they are outside of Australia they otherwise satisfy the applicable criteria in certain jurisdictions
<b>Entitlement</b>	The number of New Shares that an Eligible Retail Shareholder is entitled to apply for under the Retail Entitlement Offer, as determined by the number of Shares held by that Eligible Retail Shareholder on the Record Date

<b>Entitlement and Acceptance Form</b>	The relevant personalised form accompanying this Retail Offer Booklet which Eligible Retail Shareholders may use to apply for New Shares (and, if applicable, Additional New Shares)
<b>Entitlement Offer</b>	The accelerated non-renounceable entitlement offer of New Shares in the Company in the ratio of 1 New Share for every 10.5 Shares held on the Record Date.
<b>HIN</b>	Holder Identification Number
<b>IFRS</b>	International Financial Reporting Standards
<b>Ineligible Foreign Shareholders</b>	Retail Shareholders who are in the United States or have registered addresses outside Australia and New Zealand.
<b>Ineligible Retail Shareholders</b>	Retail Shareholders who do not satisfy each of the criteria under section 1.8 including Ineligible Foreign Shareholders.
<b>Institutional Allotment Date</b>	The allotment date of the New Shares issued under the Institutional Entitlement Offer
<b>Institutional Entitlement Offer</b>	The institutional component of the Entitlement Offer
<b>Institutional Offer Proceeds</b>	All proceeds received under the Institutional Entitlement Offer
<b>Investor Presentation</b>	The investor presentation announcement lodged with the ASX on 7 December 2021.
<b>New Share</b>	The fully paid ordinary shares in the Company offered under either component of the Entitlement Offer which will rank equally with existing Shares from the date of issue (and includes any Additional New Shares issued)
<b>Offer</b>	the Placement and the Entitlement Offer
<b>Offer Price</b>	The price payable for a New Share (or Additional New Share, if applicable) under the Retail Entitlement Offer, being A\$0.25 per New Share
<b>Placement</b>	the underwritten placement of Shares to institutional investors in conjunction with the Institutional Entitlement Offer to raise approximately \$30 million.
<b>Record Date</b>	The record date for the Retail Entitlement Offer, being 7.00pm (Sydney time) on 9 December 2021
<b>Retail Allotment Date</b>	4 January 2022
<b>Retail Entitlement Offer</b>	The retail component of the Entitlement Offer
<b>Retail Offer Proceeds</b>	All proceeds received under the Retail Entitlement Offer
<b>Share</b>	A fully paid ordinary share in the Company
<b>Shareholder</b>	The registered holder of a Share
<b>Shareholding</b>	The number and value of Share(s) held in the Company
<b>Share Registry</b>	Computershare Investor Services Pty Ltd ACN 078 279 277
<b>SRN</b>	Security Reference Number
<b>Underwriters</b>	Henslow Pty Ltd and Canaccord Genuity (Australia) Limited
<b>U.S. Securities Act</b>	United States Securities Act of 1933, as amended

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## Corporate directory

### Registered office

Level 4, 96-100 Albert Road  
South Melbourne VIC 3205

### Directors

Kate Quirke – Managing Director and CEO  
Rebecca Jayne Wilson – Non-Executive Chair  
Malcolm Pradhan – Chief Medical Officer and Executive Director  
Simon Chamberlain - Non-Executive Director  
Victoria Weekes – Non-Executive Director  
Daniel Sharp – Non-Executive Director

### Company corporate office phone

+61 3 8060 6177

### Website

[www.alcidion.com](http://www.alcidion.com)

### Stock exchange listing

Company's Shares are listed on ASX (code 'ALC')

### Underwriters

Henslow  
Level 7  
333 Collins Street  
Melbourne Vic 3000

Canaccord Genuity  
Level 15  
333 Collins Street  
Melbourne Vic 3000

### Australian legal adviser

Maddocks  
Level 25, 727 Collins Street  
Melbourne VIC 3008

### Share Registry

Computershare Investor Services Pty Ltd  
Level 5, 115 Grenfell Street  
Adelaide SA 5000

### Offer information line

Australia 1300 556 161 International +61 3 9415 4000

Open 8.30am to 5.00pm (Sydney time) Monday to Friday (during the Entitlement Offer period)



# ALCIDION

ABN 77 143 142 410

## For all enquiries:

### Phone:



(within Australia) 1300 556 161  
(outside Australia) +61 3 9415 4000

### Web:



[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

ALC

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

## Make your payment:



See overleaf for details of the Offer and how to make your payment

## Accelerated Non-Renounceable Rights Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (Sydney time) Thursday 23 December 2021**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

### Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Retail Offer Booklet dated 14 December 2021.

### Payment method

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment.

**Note:** Payment by cheque or cash is not accepted. Funds cannot be debited directly from your account.

**Turn over for details of the Offer →**

Alcidion Group Limited Accelerated Non-Renounceable Rights Issue  
Payment must be received by 5:00pm (Sydney time) Thursday 23 December 2021

© Registered to **BPAY** Pty Limited ABN 69 079 137 518




# Entitlement and Acceptance Form

X 9999999991

IND

## STEP 1 Registration Name & Offer Details

 For your security keep your SRN/  
HIN confidential.

**Registration Name:** MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

Entitlement No: 12345678

**Offer Details:** Existing shares entitled to participate as at  
9 December 2021:

Entitlement to New Shares  
on a 1 for 10.5 basis:

Amount payable on full acceptance  
at \$0.25 per New Share:

4,000

1

\$0.01

\*You may only apply for additional New Shares under the Shortfall Facility if you have applied for your full Entitlement. The maximum number of additional New Shares for which you may apply for is 100% of your Entitlement.

## STEP 2 Make Your Payment by 5:00pm (Sydney time) Thursday 23 December 2021

Make your payment via **BPAY** either online or by phone with your bank using the payment details below.

### BPAY



Billers Code: 372078  
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your  
payment from your cheque or savings account.

### BPAY

Neither Computershare Investor Services Pty Limited (CIS) nor Alcidion Group Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible Shareholders should use the customer reference number shown on this Application Form when making a BPAY payment.

### Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuers (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at [www.computershare.com/au/privacy-policies](http://www.computershare.com/au/privacy-policies).

## Alcidion Group Limited Acceptance Payment Details

Entitlement taken up:

Number of additional New  
Shares applied for:

Amount enclosed at \$0.25 per  
New Share:

A\$



Entitlement No: 12345678  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000



BPAY is the most efficient and secure form of payment. Your BPAY payment details are shown above.