

27 April 2023

Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Q3 FY23 Quarterly Activities Report

Melbourne, Australia – Alcidion Group Limited (‘Alcidion’ or the ‘Company’) today releases its Appendix 4C for the quarter ended 31 March 2023 (Q3 FY23).

Q3 Highlights:

- Q3 new sales of \$4.0M, with \$2.1M recognisable in FY23
- FY23 contracted revenue at end of Q3 of \$36.0M, with a further \$0.5M of scheduled renewal revenue expected to be converted to contracted revenue in FY23
- Signed new and renewal contracts with NHS and ANZ Health agencies
- Q3 cash receipts of \$10.4M with a small negative operating cashflow of \$0.8M
- Cash balance of \$11.1M as at 31 March 2023, with no debt
- Based on current debtor balance and already signed contracts, Q4 is expected to be the strongest quarter for cash receipts this year
- Current cash balance alongside contracted revenue ensures Alcidion will not require any further capital to fund operations
- Customer interest and engagement remains very strong and the increasing referenceability of our Miya solutions maintains our confidence in the outlook for Alcidion

Alcidion Group Managing Director Kate Quirke said, “We are excited to build upon our NHS customer relationships with the addition of further modules to their Miya suite. Our ability to build out the capability of the Miya platform for customers through additional modules provides further referenceability and validation of the benefits of our modular EPR strategy.”

“During the quarter Alcidion also signed new and renewal contracts across Australia and New Zealand. One of which was the first new contract in New Zealand since the structural changes to health services in that country and covers the use of Smartpage at a new health service for Alcidion.”

“We are very comfortable with our ability to support ongoing operations with current cash levels and we remain confident that Q4 will have a positive operating cash flow based on current debtors balance and Q4 invoicing.”

“The NHS EPR procurement program is one of the largest of its kind. While sales cycles have extended as a result, our current, qualified pipeline is the largest it has ever been by commercial value and number of opportunities.”

“We continue to see strong validation of the strategy that resulted in the Silverlink acquisition. In addition to the existing Silverlink contracts renewing, Alcidion’s ability post-acquisition to demonstrate its Patient Administration System capability has allowed Alcidion to bid into the NHS EPR opportunities.”

“We remain very confident about the outlook for Alcidion. However, with current delays in procurement outside of Alcidion’s control, these timing delays may have an impact on revenue that will be able to be recognised in this financial year and as such we may not deliver a positive EBITDA for FY23 as intended. With the strongest pipeline in our history, the outlook for Alcidion remains positive. While there are several

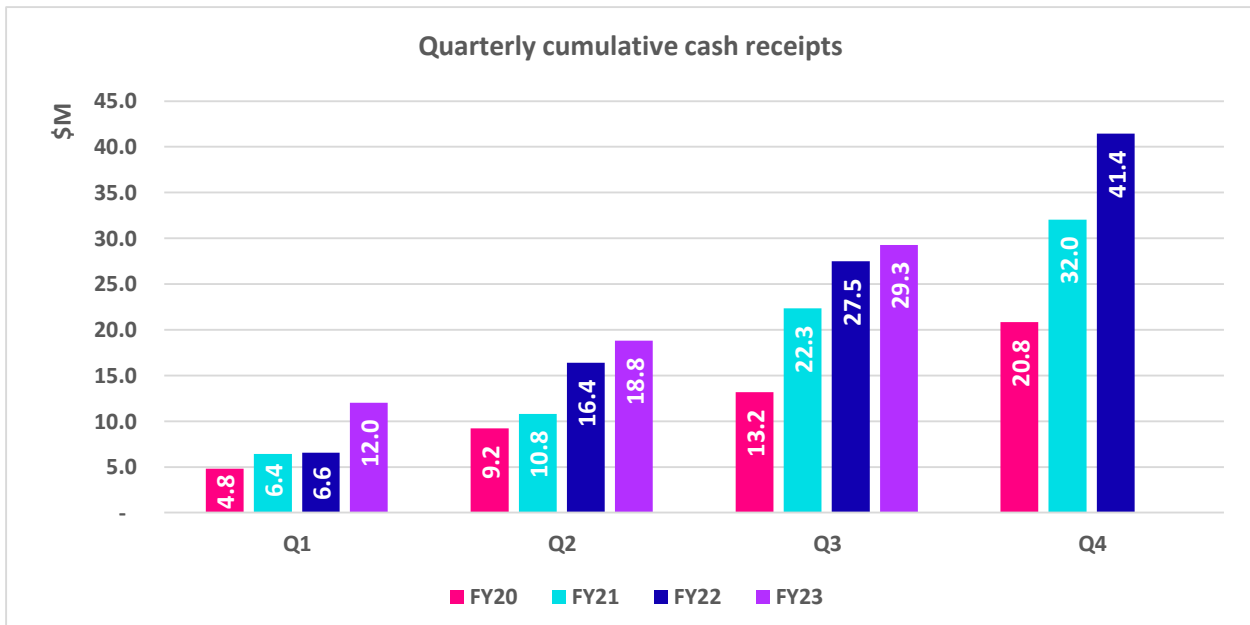
opportunities progressing positively through the pipeline, the impact of a longer sales cycle may challenge the achievement of a positive EBITDA result in FY23, which we consider to be a short-term timing impact.

Financial Update

Alcidion generated Q3 new sales with TCV of \$4.0M. The Company expects approximately \$2.1M of Q3 new sales TCV to be recognised as revenue in FY23.

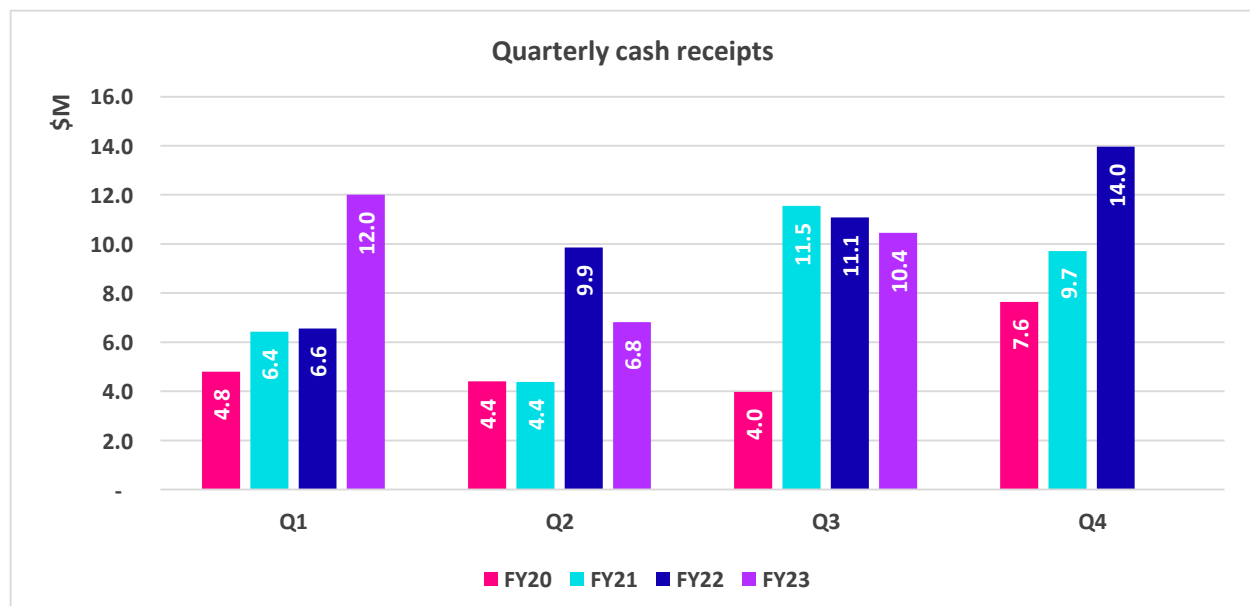
The new sales comprised \$2.7M (67%) of recurring Product revenue and \$1.3M (33%) of non-recurring Services revenue which includes product implementation.

In Q3, Alcidion reported customers receipts of \$10.4M, with a negative operating cashflow of \$0.8M.



The Company generated cash receipts for YTD (9 months) FY23 of \$29.3M, up 7% on the same period last year, and illustrative of the strong conversion ability of the Company being able to turn revenue into cash.

We expect cash receipts in Q4 to follow a similar growth trend to previous years.



The Company's cash balance was \$11.1M as at 31 March 2023, with no debt. The company remains confident that it will not require access to new capital to fund operations.

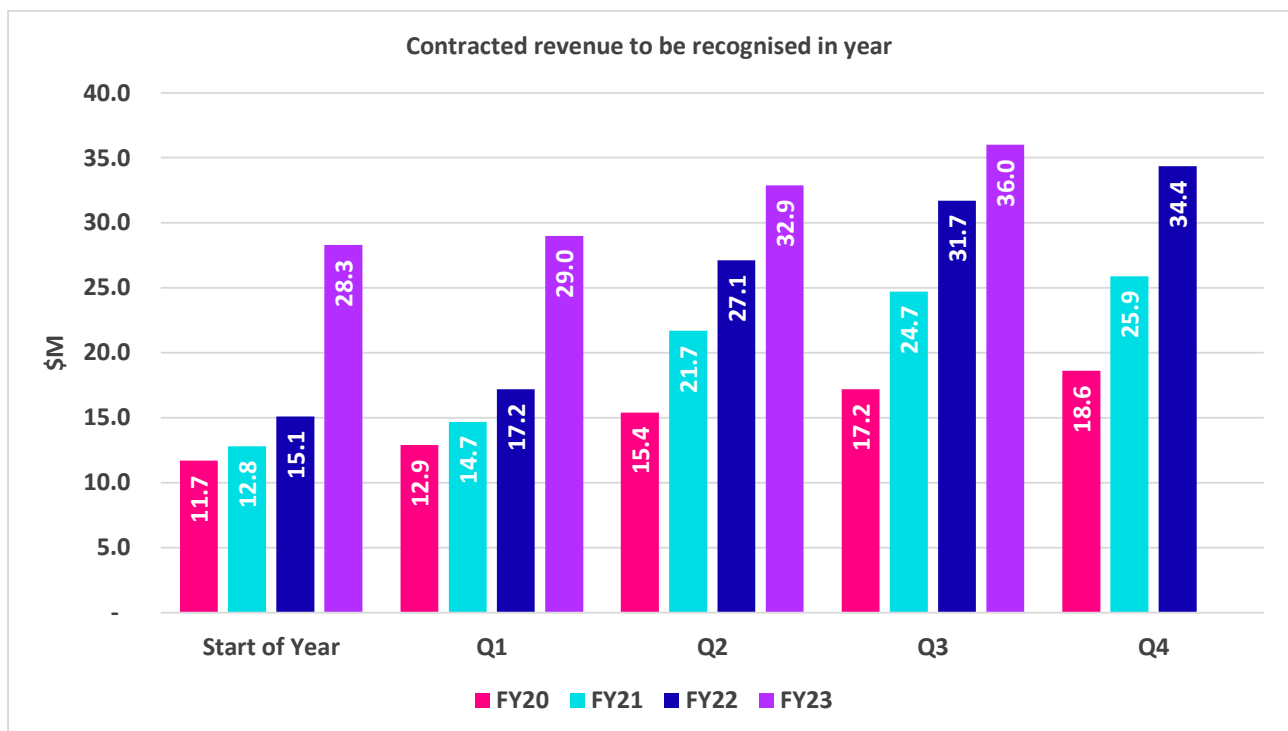
As noted in item 6 of the Company's 4C, payments made to related parties and their associates totalled \$220,000 for the quarter. The payments relate mostly to Director's remuneration.

Outlook

At the end of Q3, Alcidion had \$36.0M of contracted revenue expected to be recognised in FY23 with a further \$0.5M of scheduled renewal revenue from existing customers which is expected to be converted to contracted revenue in FY23.

Based on the current debtor balance and already signed contracts, Q4 is forecast to be the highest quarter for cash receipts this year, and when coupled with a stable cost base, is expected to result in positive Q4 operating cashflow which will improve the overall cash position.

The level of engagement with prospective customers continues to remain high and the increasing referenceability of our Miya solutions continues to add to our confidence in the outlook for Alcidion.



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_Xy6nccpQSo6AoEvMxS0l5A#/registration

Registered participants will receive an email containing the Zoom access link and phone dial-in details.

ENDS

Authorised for ASX release by the Board of Directors of Alcidion Group Limited

For further information, please contact:

Hannah Howlett

WE Communications

hhowlett@we-worldwide.com

investor@alcidion.com

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.

© Alcidion Group Limited 2023

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")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	10,446	29,265
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,222)	(3,869)
(c) advertising and marketing	(238)	(645)
(d) leased assets	(7)	(21)
(e) staff costs	(7,011)	(21,481)
(f) administration and corporate costs	(1,872)	(5,210)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	35	78
1.5 Interest and other costs of finance paid	(28)	(92)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST received/(paid)	(935)	(3,812)
1.9 Net cash from / (used in) operating activities	(832)	(5,787)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	(108)	(401)
(j) investments	-	-
(k) intellectual property	-	-
(l) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(108)	(401)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Payment for principal portion of lease liabilities)	(154)	(457)
3.10	Net cash from / (used in) financing activities	(154)	(457)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,868	17,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(832)	(5,787)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(108)	(401)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(154)	(457)
4.5	Effect of movement in exchange rates on cash held	313	393
4.6	Cash and cash equivalents at end of period	11,087	11,087

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,513	11,571
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	574	297
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	11,087	11,868

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(220)
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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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	53
7.4 Total financing facilities	150	53
7.5 Unused financing facilities available at quarter end		97
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
WBC corporate credit card facility secured against cash on deposit, interest charged at 14.25% on overdue accounts		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(832)
8.2 Cash and cash equivalents at quarter end (item 4.6)	11,087
8.3 Unused finance facilities available at quarter end (item 7.5)	97
8.4 Total available funding (item 8.2 + item 8.3)	11,184
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	13.4
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 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.