



ALCIDION

Webinar Presentation

FY22 Full Year Results

30 August 2022



Alcidion – a Snapshot

- **Alcidion's purpose** is to transform healthcare with smart, intuitive technology solutions that improve the efficiency & quality of patient care in healthcare organisations, worldwide
- Focus on providing tools to clinicians to enable a proactive (rather than reactive) approach to patient care
- Complementary set of software products (driven by the flagship, Miya Precision) & technical services create a differentiated offering in global healthcare market

401

Hospitals
Across UK, AUS & NZ

87

Healthcare Organisations
Partnering with ALC

65K

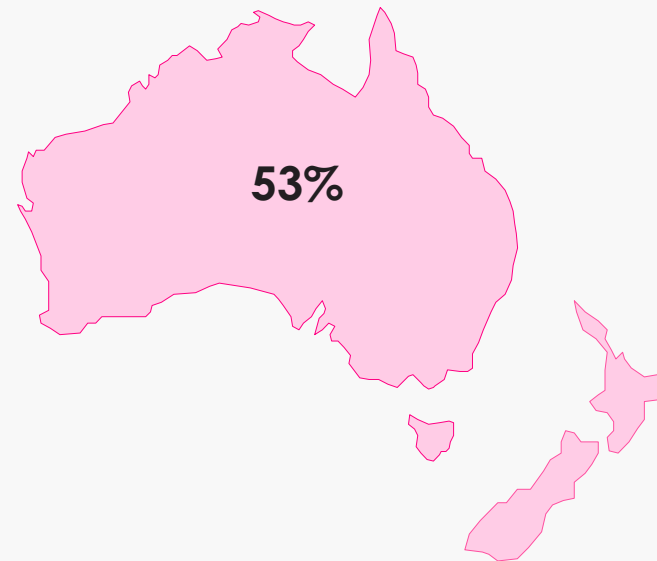
Beds
Using ALC technology

\$34.4M

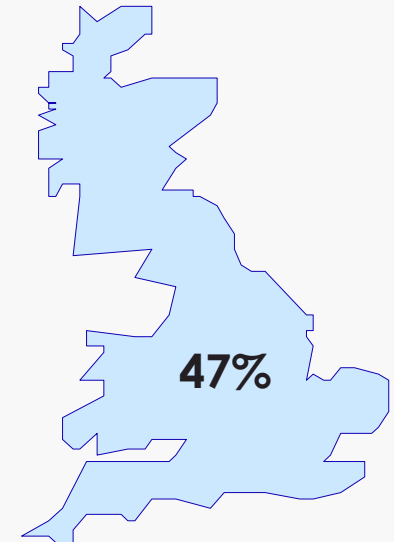
FY22 **Revenue**

Alcidion Operates in 2 Geographies (% FY22 Revenue)

ANZ



UK



FY22 Summary

FY22 – Financial Highlights¹

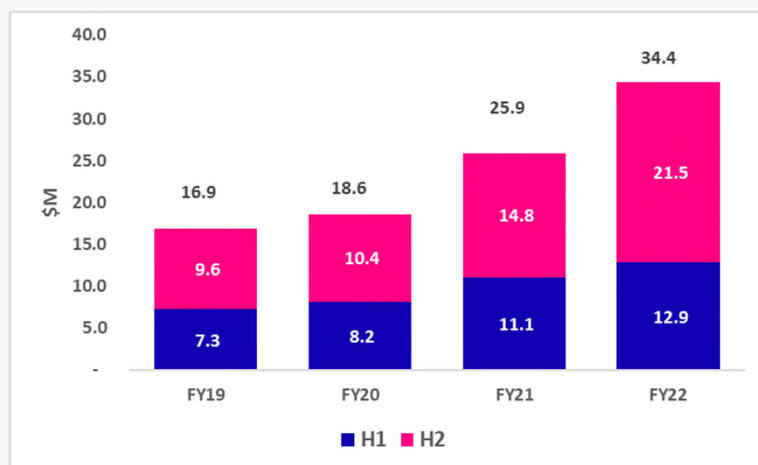
Strong performance in key financial metrics and record sold revenue heading into FY23

| | | | |
|--------------------------------|------------------------|---------------------------------|-------------------------|
| Revenue | \$34.4M ↑ 33% | Recurring Revenue | \$23.3M ↑ 42% |
| Gross Margin | 85.8% ↓ 2.5pts | Sold Revenue for FY23 | \$28.3M ↑ 87% |
| Underlying EBITDA ² | \$0.9M ↑ \$0.4M | FY22 TCV ³ new sales | \$57.7M ↑ 96% |
| Operating Cashflow | \$1.0M ↓ \$0.5M | Cash | \$17.3M ↓ \$7.7M |

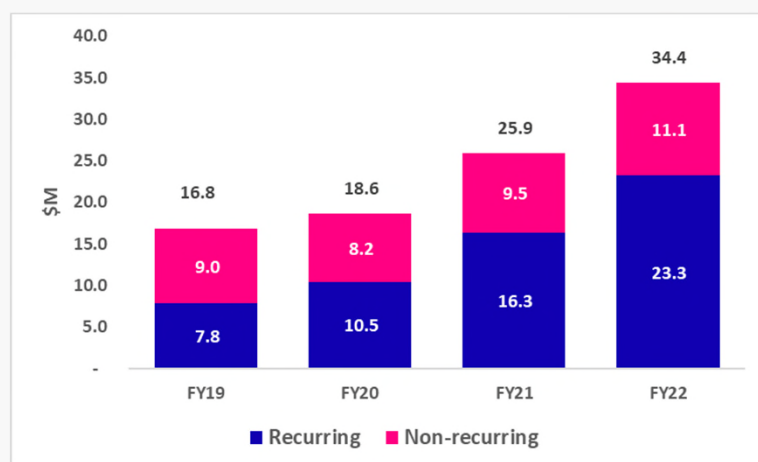
1. Comparisons are to prior corresponding period (FY21)
2. Underlying EBITDA excludes share based payments & M&A costs
3. TCV = Total Contract Value

FY22 - Revenue

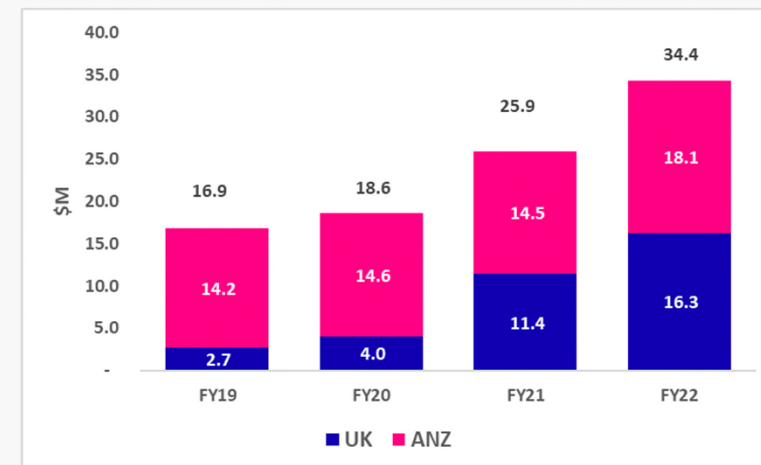
Half-on-half revenue



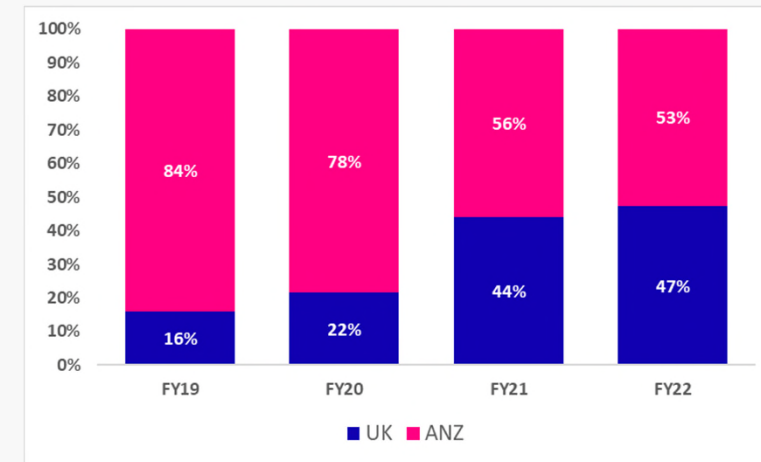
Recurring / non-recurring revenue



Revenue by region



% Revenue by region



Profit & Loss

| Profit & loss (\$000) | FY22 | FY21 | % change |
|------------------------------|-----------------|-----------------|-------------|
| Recurring revenue | 23,274 | 16,343 | 42% |
| Non-recurring revenue | 11,081 | 9,539 | 16% |
| Total revenue | 34,355 | 25,882 | 33% |
| Direct costs | (4,862) | (3,018) | 61% |
| Gross profit | 29,493 | 22,864 | 29% |
| Gross profit % | 85.8% | 88.3% | 2.5% |
| Salaries & wages | (23,614) | (18,659) | 27% |
| Marketing | (577) | (573) | 1% |
| Professional fees | (1,100) | (938) | 17% |
| Other operating expenses | (3,346) | (2,459) | 36% |
| Operating expenses | (28,637) | (22,629) | 27% |
| Other income | - | 275 | NC |
| Underlying EBITDA | 856 | 510 | 68% |
| M&A costs | (2,136) | (769) | 178% |
| Share based payments expense | (328) | (227) | 44% |
| EBITDA (loss) | (1,608) | (486) | 231% |
| Depreciation & Amortisation | (2,256) | (457) | 394% |
| EBIT | (3,864) | (943) | 310% |

Key Comments

- Record FY22 revenue of \$34.4m, up 33% on FY21

| A\$M | Products | Product Imp | Services | Total |
|---------------|-------------|-------------|------------|-------------|
| Recurring | 23.3 | - | - | 23.3 |
| Non-recurring | - | 6.3 | 4.8 | 11.1 |
| Total | 23.3 | 6.3 | 4.8 | 34.4 |

- Gross Profit increased 29% to \$29.5M
 - Slight decrease in margin due to product mix
- Increase in staff costs consistent with strategy of scaling resourcing, particularly in the UK, to take advantage of emerging opportunities
 - Further increases expected in FY23, due to full-year impact of H2 FY22 hires and Silverlink staff costs and planned new hires not yet recruited
- Underlying EBITDA of \$0.9M, \$0.4M improvement versus prior year
 - \$2.1M M&A expenses relate to the acquisition of Silverlink
- Increase in Amortisation relates to acquired intangible in Silverlink and ExtraMed

Balance Sheet

| Balance sheet (\$'000) | FY22 | FY21 |
|----------------------------------|----------------|---------------|
| Cash & cash equivalents | 17,339 | 25,027 |
| Trade & other receivables | 7,251 | 4,114 |
| Other assets | 1,672 | 1,206 |
| Current assets | 26,262 | 30,347 |
| Plant & equipment | 638 | 371 |
| Intangible assets | 98,824 | 27,489 |
| ROU assets | 2,630 | 178 |
| Total assets | 128,354 | 58,385 |
| Trade & other payables | 5,227 | 2,919 |
| Employee provisions | 2,516 | 2,774 |
| Unearned revenue | 12,906 | 7,107 |
| Contingent consideration | 2,638 | - |
| Other current liabilities | 1,104 | 199 |
| Total current liabilities | 24,391 | 12,999 |
| Provision & other liabilities | 2,009 | 164 |
| Deferred tax liabilities | 7,999 | - |
| Total liabilities | 34,399 | 13,163 |
| Net assets | 93,955 | 45,222 |

Key Comments

- Strong balance sheet with \$17.3M cash and no debt
- Unearned revenue of \$12.9M (up \$5.8M) reflects revenue invoiced in advance of products/services being delivered
 - The increase includes income in advance acquired with Silverlink
 - Revenue is recognised in accordance with AASB 15 (revenue from contracts with customers)
- Material increase in Intangible assets as result of the acquisition of Silverlink
- Contingent consideration relates to the second tranche of the Silverlink deferred consideration – the first tranche having been settled in H2

Cash Flow

| Cash flow (\$000) | FY22 | FY21 |
|--|-----------------|----------------|
| Receipts from customers | 41,449 | 32,046 |
| Payments to suppliers & employees | (40,275) | (30,510) |
| Interest received | 24 | 12 |
| Finance costs | (68) | (3) |
| Income tax paid | (134) | - |
| Cash flows from operating activities | 996 | 1,545 |
| Payment for PP&E | (311) | (313) |
| Acquisition of business, net of cash acquired | (59,432) | (9,530) |
| Cash (used) for investing activities | (59,743) | (9,843) |
| Net proceeds for issues of equity securities | 51,942 | 17,502 |
| Payment for principal portion of lease liabilities | (609) | (270) |
| Cash from financing activities | 51,333 | 17,232 |
| Net (decrease)/increase in cash & cash equivalents | (7,414) | 8,934 |
| Cash & cash equivalents opening balance | 25,027 | 15,948 |
| Effects of exchange rate changes | (274) | 145 |
| Cash & cash equivalents closing balance | 17,339 | 25,027 |

Key Comments

- Record \$41.4M receipts from customers, a \$9.4M (29%) increase on FY21
- Positive operating cashflow of \$1.0m
- Low capital requirements with \$0.3m spent on PP&E
- Lease liability payments reflect the accounting for leases under AASB 16 Leases
- \$51.9M (net of costs) raised in December via placement and entitlement offer

FY22 Corporate Summary

Executed key operational and corporate strategies which underpin future growth profile

Silverlink acquisition

- In December 2021, acquired Silverlink PCS, one of last few remaining PAS¹ providers servicing UK NHS
 - 12 long-standing NHS Trusts (11 new for Alcidion) with 95% recurring revenue
 - All operational & HR functions integrated with Alcidion with product upgrades to cloud & integration with Miya Precision platform progressing in order of customer priority
-

Leadership

- Florian Stroehle joined as Director of Strategy & Business Development
 - Dr Paul Deffley joined as UK Chief Medical Officer
 - Steve Leggett appointed as UK Head of Strategic Markets
 - Victoria Weekes & Daniel Sharp appointed as NED from 1 September 2021
 - Nick Dignam resigned from Board on 17 November 2021
-

New & renewed contracts

- Signed several new & renewal contracts in FY22 – with TCV of \$57.7M, up 96% up on FY21
- In UK market, at least one product in 39 NHS Trusts or approximately 27% of all acute NHS sites
- At least one product in 20 of 42 ICS in UK - several touchpoints to leverage potential future ICS level partnerships
- Modular approach to implementing the Miya Precision platform continued to resonate with customers (i.e. Miya Flow) [9](#)

1. PAS =Patient Administration System

FY22 – New & Renewed Contracts

United Kingdom

- **Queen's Hospital Burton: South Tees NHS Hospitals:** New three-year contract for ExtraMed's IPFM, first new contract win following ExtraMed acquisition
- **Royal Derby Hospital:** Three-year contract extension, ExtraMed's IPFM licence & support
- **NHS Tayside:** Five-year agreement to implement Miya Observations and Assessments
- **Herefordshire and Worcestershire Health and Care NHS Trust:** Five-year agreement to implement Miya Flow - first NHS community trust to procure Alcidion's flow technology
- **Dartford & Gravesham NHS Trust:** Five-year agreement to include new module of Miya Precision, Miya Emergency, along with resale of Provation's anaesthesia module
- **Moorfields Eye Hospital** and **Liverpool Heart and Chest Hospital:** First two renewals for Silverlink PCS
- **East Lancashire NHS Trust:** Five-year contract to implement Miya Flow, overlaying Cerner's Millennium EPR

Australia

- **Leidos Australia:** Awarded contract to deliver key capability for Healthcare IT project for Australian Defence Force
- **Sydney Local Health District:** New three-year contract for Miya Precision to support virtual care of acute diverticulitis patients by rpavirtual. SLHD to be key reference site for Alcidion, highlighting capability of Miya Precision to support virtual care & remote patient monitoring
- **Northern Territory Health:** Agreement to upgrade from earlier version of Miya to current Miya Precision platform, continuing 13-year partnership
- **Alfred Health:** Five-year contract to implement Miya Flow across Alfred Health's three hospitals & integration with Cerner EMR & existing PAS

Starting FY23 with a strong contracted revenue base

Key Comments

- \$28.3M of contracted revenue to be recognised in FY23, 87% higher than at same time last year
- Further \$2.9M of scheduled renewal, expected to be converted to contracted revenue over FY23

Key Growth Drivers:



New Contract Wins

New contract wins build on long-term TCV while validating product offering



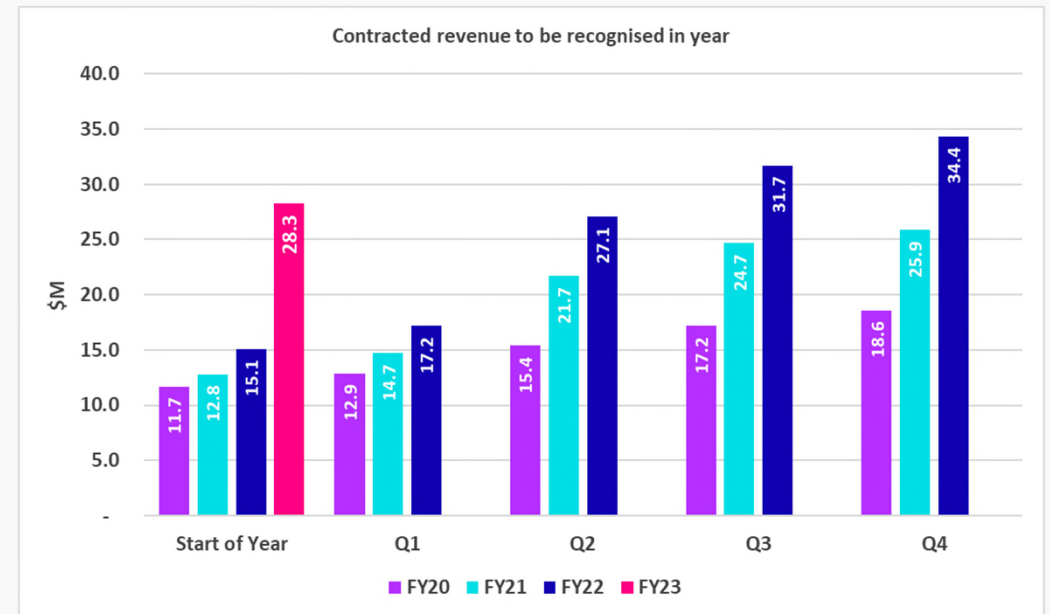
Contract Up-Sell

Adding new modules (services) to existing customers



Contract Renewals

Renewal of contracts at term end to continue recurring revenue streams



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