



14 November 2019

Australian Securities Exchange
20 Bridge Street,
Sydney NSW 2000

Alcidion AGM – Chair’s Address

Good morning fellow shareholders,

It's with pleasure that I welcome you to Alcidion's Annual General Meeting – our first held in Melbourne and my first as Chair.

I'd like to acknowledge my fellow directors who are present in the room – Kate Quirke our Managing Director, Ray Blight, Nick Dignam, Simon Chamberlain and via phone Malcolm Pradhan.

Before we get into the formal business of the meeting – I'd like to take a few minutes reflecting on our success over the last year and to consider the substantial opportunity ahead of us.

Having worked with innovative fast growth companies for much of my career, the investment proposition for Alcidion was clear to me when I first considered joining this board. The thematic is compelling: a growing ageing population, healthcare systems around the world under duress, and healthcare professionals challenged with patient complexity and exponential expectations on their time. Intervention is not an option, it's a necessity if we are to meet this massive demand and maintain responsive medical care.

What transcends this opportunity for us as a company is the benefit to the patient at the centre of this care. We started out with a clear purpose to partner with our hospital customers for better, safer care. And if we improve patient outcomes we know this has a positive flow on effect to workforce and operational improvements and efficiencies. All these things are good for Australia's healthcare system and those around the world.

This time last year we spoke of the promise that bringing four companies together, Alcidion with its Miya platform; Australia's leading health IT services business MKM Health; Patientrack; and Oncall, to create a health IT business that had the potential for rapid growth and I'm pleased to report on the substantial progress made.

Following these strategic acquisitions, which were completed in July 2018, we have successfully integrated all four businesses from an operational, product and brand perspective. This in itself was a key achievement and occurred on time and within budget. More importantly we have rapidly identified and executed the first sale of our fully integrated product suite at Dartford and Gravesham Trust in the UK and anticipate more to come.

We signed an important reseller agreement with NextGate which opens a new customer network, and just recently we initiated our first project with Healthscope.

We launched a proof of concept project with eHealth NSW for our Miya Precision platform, and we're currently rolling out our mobile EMR which truly becomes the pocket resource for all healthcare professionals.

Today we have an installed base of more than 215 hospitals and 30,000 beds and we've grown in each of our markets.

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Financially we're in a stronger position: We've demonstrated that we can grow revenue, achieving 33% growth on the group pro forma and we had our first year of positive operating cash-flow.

I want to pause and acknowledge the achievements of Kate and her team, and the successful execution of the strategy that has led us here today.

But we don't intend to stand-still, and nor do our customers expect this. While the potential of technology to transform healthcare is not a new concept, we believe we are now reaching the tipping point where the demand for technology like ours is gaining pace, underpinned by the increase in available patient data in a digital format.

The challenges that have plagued healthcare for years are not easing:

- Preventable errors remain a leading cause of death, and globally the cost of this is estimated at US\$1 trillion annually;
- Hospitals are having to become more accountable, face financial penalties and are operating in tightening regulatory environments;
- The ageing population and rise of chronic disease continues to increase pressure on the systems, many of which are already under great stress;
- And the workforce – doctors and nurses – are increasingly disenfranchised.

While the challenges themselves aren't new, the pressures they create are growing. But the real shift – and the one that is giving us great confidence at Alcidion - is that healthcare providers are now increasingly embracing technology to help solve these problems. Clinical decision support is forecast to experience substantial adoption, and regarded as a critical component of both healthcare delivery, as well as regulatory compliance.

Alcidion has demonstrated it has a highly attractive and differentiated platform, and we are well-positioned to capitalise on this growing market opportunity.

Earlier this month the growth potential for Alcidion was validated with Australian top tier institutions investing \$16.2 million through an Institutional Placement. The funds allow us to accelerate the scale of our business globally starting with expanding our existing markets. We will also be identifying opportunities through partners or acquisition to enter new markets over the coming years.

With the addition of these investors, we now have a more balanced share register which we believe will benefit all shareholders over the coming years. We were in the fortunate position of being able to raise sufficient capital in the Placement with an excess of demand which we had to scale back.

The board did not take the decision lightly to only proceed with this Placement. On balance we decided not to proceed with an SPP for a number of reasons including a consideration of the Placement price in relation to close price, the considerable additional costs and the substantial hold an SPP may have placed on the share price at 18 cents for more than a month as it was completed.

We appreciate the support of our retail investors – many of whom we know have supported Alcidion from the early days.

In conclusion, I would like to thank our Board of Directors and in particular Ray Blight, who stood down as Chairman in August 2019, as part of a planned transition.

It's an exciting time for the Company, and we look forward to keeping you updated on future news as we continue to address the evolving needs of healthcare.

Thank you.

ENDS

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About Alcidion

Alcidion Limited (ASX:ALC) has a simple purpose: to transform healthcare with smart, intuitive technology solutions that meet the needs of hospital and allied healthcare, worldwide. It offers a complementary set of software products and services that create a unique offering in the global healthcare market; solutions that support interoperability, allow communication and task management, and deliver clinical decision support at the point of care to improve patient outcomes. In 2017 Alcidion acquired Oncall System and its Smartpage clinical communication system. In 2018 it acquired the Patientrack bedside patient monitoring software and MKM Health, an IT solutions and services provider. These offerings now operate under the Alcidion brand. With over 25 years of combined healthcare experience, Alcidion brings together the very best in technology and market knowledge to deliver solutions that make healthcare better for everyone.

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