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Investor Presentation

Acquisition of ExtraMed

Kate Quirke, Group Managing Director

15 April 2021

Executive Summary

Executing upon stated objectives with the aim of becoming a leading global healthcare organisation

1 Acquisition of ExtraMed Limited

- Acquisition of ExtraMed, leading UK provider of patient flow management software
- 9 NHS Trusts (6 new for Alcidion) all with recurring annual licence contracts
- Partner to build UK's 1st Digital Control Centre
- FY22 F/cast annual revenue contribution of A$2.7M from existing contracts, generating positive EBITDA (A$0.5m) and cash flow
- Acquisition price of £5.3M (A$9.6M[1]) cash, representing ~3.6x FY22 F/cast revenue contribution

2 Preferred Supplier – Major Australian contract

- Selected, as part of a Consortium, as preferred provider for major healthcare IT project to capture data and support clinical decision making across the Australian Defence Force
- Alcidion to provide Longitudinal Health Record via its Miya Precision product
- ~$21M **potential** TCV over 5.5 years
- Subject to final negotiations and Commonwealth funding approvals, final contracts expected in Q4 calendar year 2021

3 Capital Raising

- $17.9m capital raise by way of a Placement, to be followed by a Share Purchase Plan
- Funds used to fund ExtraMed acquisition and growth/working capital
- Cash position as of 31 March 2021 of $15.3M (pre-raise)

1. AUD / GBP of $0.55

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Strong Organic Growth + Outlook

Strong organic growth + ExtraMed acquisition continue to accelerate Alcidion's recurring revenue profile, positioning the Company to be breakeven in FY2022

4 Continuing Organic Sales Momentum

- Contracted revenue for FY2021 stands at $24.7m at Q3 FY2021[1], adding $3.0m over the quarter ($21.7M at Q2 FY2021)
  - $15.9m recurring revenue with $8.8m non-recurring
  - Increase over Q2 FY2021 driven by recent contract wins with Te Manawa Taki DHBs (OPENeP) in NZ and East Lancashire (Patientrack and Smartpage) in UK

5 Outlook

- Acquisition expands NHS presence to 27 Trusts (21 current + 6 new ExtraMed) or ~19% of target Acute NHS market[2]
  - New ExtraMed customers provide potential opportunities to implement the Miya Solution
- Alcidion is well positioned to achieve its goal of breakeven in FY2022
- Sales pipeline and traction in UK market accelerating driven by:
  - Health IT procurement progressively returning to pre-COVID levels
  - Key Miya and Patientrack reference sites in all geographies
  - Increasing Smartpage Uptake

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1. Excludes any contribution from ExtraMed
2. Based on ~145 applicable Acute (Hospital) NHS Trusts; excluded from this figure are community, mental health and ambulance services Trusts which are less applicable (at least in the near term) to Alcidion's growth plans

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ExtraMed Overview

ExtraMed Snapshot

Long-standing UK market leader in patient flow, addressing key pain-points for hospital administrative staff

Business Overview

- Leading UK provider with a 20+ year track record providing patient flow management software
  - Able to be overlayed on top of legacy hospital systems
- Replaces manual processes with an intuitive digital solution giving frontline staff real, actionable visibility of patient flow in hospitals
  - Improving hospital workflow becoming increasingly critical as NHS hospitals face overcrowding and resource constraints (highlighted by COVID-19 outbreak)
- Long-standing customer relationships with 9 NHS Trusts
- 11 highly experienced IT and development healthcare professionals

Pro Forma FY22 Forecast Contribution to Alcidion

- FY22 pro forma contribution based on existing ExtraMed contracts

A$2.7m	A$0.5m	Positive
FY22 F/cast Revenue	FY22 F/cast EBITDA	Cash Flow

Key Acquisition Terms

- Purchase price of £5.3m (A$9.6m[1]), on a cash free / debt free basis with 100% of Purchase price paid upfront in cash
- Sufficient working capital remains in ExtraMed to ensure self-funding without requirement for Alcidion to contribute capital

1. AUD / GBP of $0.55

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Established value with key NHS Trusts

Value Proposition for Hospitals

1 Releases staff time for patient Care

Improves handover and information sharing, providing better visibility of patient flow to increase efficiency, improve patient care and release staff time

2 Visibility of the whole patient journey

Easily integrated with third-party services and systems ensuring visibility and communication across the whole patient journey, before admission, within hospital and into the social care system

3 Saves time and improves accuracy

Optimises patient journeys by integrating and sharing patient data in real-time allowing staff to update, access and share information about a patient's location, needs, and discharge status at any time

4 Interactive whiteboards make it easy

Interactive whiteboards give clinical staff an at-a-glance view of inpatient and virtual wards, empowering frontline staff to make decisions and manage patient care in the appropriate setting

ExtraMed Customer Overview

- 9 customers; all except one have been customer for >3.5 years

3 Existing

- NHS Bolton NHS Foundation Trust
- NHS University Hospitals of Derby and Burton NHS Foundation Trust
- NHS East Lancashire Hospitals NHS Trust

6 New Customers for Alcidion

- NHS Bedford Hospital NHS Trust
- NHS Medway NHS Foundation Trust
- NHS University Hospitals Coventry and Warwickshire NHS Trust
- NHS Salisbury NHS Foundation Trust
- NHS Salford Care Organisation Northern Care Alliance NHS Group
- NHS East Cheshire NHS Trust

- **Salford (Northern Care Alliance)**, major recent customer win & part (sub-contractor) of larger IT project undertaken by Hitachi
- Contract is to build the UK's first 'Digital Control Centre', a fully integrated digital transformation of care processes

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Acquisition Rationale

Aligned with Alcidion's criteria for acquisitions

1 Expanding UK customer base	• Access to 9 long-standing customers, with Alcidion currently having no presence with 6 customers • Expands UK market presence to 27 Trusts, implying an indicative market share of ~19%[1] • Provides further touchpoints / reference sites from which Alcidion can up/cross sell its suite of products
2 Opportunity to expand into emerging 'digital command centre'	• Opportunity to broaden sub-contractor relationship with Hitachi, who are the lead contractor in a large-scale, healthcare IT project to build UK's 1st 'Digital Control Centre', a fully integrated digital transformation of care processes • Digital Command Centre is to be deployed at Salford Royal, part of the Northern Care Alliance (4 hospital group) • Access to valuable IP to evolve Miya Precision positioning within the Digital Command Centre
3 Further builds upon UK Team	• 11 highly skilled IT and development healthcare professionals with a strong understanding of UK hospital workflow and major existing 'pain points' • Long-standing professional relationships with several NHS Trusts (current customers and via industry networks)
4 Strengthens overall position in UK market	• Strengthens Alcidion's patient flow offering, now firmly holding a market leading position with a long-standing and well-accepted platform designed for UK market • Removes competitor from future patient flow opportunities • Prevents larger competitors from acquiring to improve their offering and subsequently compete in this area

1. Based on ~145 applicable Acute (Hospital) NHS Trusts; excluded from this figure are community, mental health and ambulance services Trusts which are less applicable (at least in the near term) to Alcidion's growth plans

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Strong Organic Growth

Continuing to build sales momentum in Q3 FY2021

Contracted revenue for FY2021 stands at $24.7m at Q3[1], adding $3.0m over the Qtr. ($21.7M at Q2 FY2021)

UK Contracts & Extensions

- **East Lancashire:** 5-year, $2.2M TCV for Patientrack and Smartpage to be deployed at all 5 hospital sites
- **Guy's and St Thomas':** Smartpage
- **Queen Victoria Hospital:** Smartpage
- **Isle of Man:** Smartpage
- **Dartford and Gravesham:** Add on Miya Memory module

ANZ Contracts & Extensions

- **Te Manawa Taki DHBs (NZ):** First strategic implementation of OPENeP in South Hemisphere
  - Initial pilot project with TCV of $0.6M over ~6-7 months, which if successful would be rolled out to up to 5 DHBs covered by the contract
- **Murrumbidgee LHD:** Six-month extension to Miya licence agreement until panel is in place

1. Excludes any contribution from ExtraMed

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Preferred supplier for potential $21M contract

Australian Government
Department of Defence

Preferred party to major Australian Defence Force contract

- Alcidion selected, as part of a Consortium, as preferred provider for major healthcare IT project to capture data and support clinical decision making across the Australian Defence Force
  - Consortium led by a global IT and engineering consulting firm with clients across multiple sectors in government, including Defence
- Alcidion to provide Longitudinal Health Record via its Miya Precision product aggregating the data from Consortium partners and other systems
- Subject to final negotiations and Commonwealth funding approvals, final contracts expected in Q4 CY2021, with commencement to begin thereafter
- Significant validation of Alcidion Miya platform and providing a reference site for other potential state / federal contracts
- Approx. $21M potential Total Contract Value (TCV) over 5.5 years
  - Consists of recurring licence fees and implementation fees

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Capital Raising

Capital Raising – Details

Transaction Overview	
Offer size	A$17.9m, reflecting the issue of approximately 55.8 million shares
Offer Type	• Placement to raise A$15.36m via the issue of approximately 48.0 million fully paid ordinary shares; and • Share Purchase Plan[1] to raise A$2.5m via the issue of approximately 7.8 million fully paid ordinary shares *(collectively, the 'Offer')* • New ordinary shares to be issued under Alcidion's existing Placement capacity per ASX Listing Rules 7.1
Offer Price	A$0.32 per new share, representing a discount of: • 5.9% to the last close price on 13 April 2021 of A$0.34; • 6.7% to 5-day VWAP of $0.343; and • 2.3% to 10-day VWAP of $0.328
Ranking	All new shares issued under the Offer will rank equally with existing Alcidion shares
Use of Funds	ExtraMed acquisition ($9.6m), growth / working capital and costs of the transaction ($8.3m)
Lead Manager	Henslow Pty Ltd

1. Further information regarding the SPP will be provided in the SPP booklet

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Capital Raising – Indicative Timetable[1]

Key Events	Key Dates
Trading halt (before market open)	Wednesday, 14 April 2021
Placement bookbuild	14 April 2021
Record date for SPP	7:00pm (AEST) Wednesday, 14 April 2021
Announcement of the Placement + Trading halt lifted (before market open)	Thursday, 15 April 2021
Settlement of Placement & SPP Opens	Thursday, 22 April 2021
Allotment and normal trading of Placement Shares	Friday, 23 April 2021
SPP offer closing date	Wednesday, 5 May 2021
Announcement of SPP Results	Monday, 10 May 2021
Allotment of SPP Shares	Friday, 14 May 2021

1. This timetable is indicative only and is subject to change. Alcidion may alter the dates above, to withdraw or vary the Offer, or to accept applications for SPP Shares that are received after the SPP closing date, in each case at Alcidion's absolute discretion, subject to the ASX Listing Rules and the Corporations Act. All references to time are to Melbourne time.

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Key Risks

1) Share market

On completion of the Placement, the New Shares may trade on ASX at higher or lower prices than the issue price. Investors who decide to sell their New Shares after the Placement may not receive the amount of their original investment. The price at which the New Shares trade on 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.

2) Dependence on general economic conditions

The operating and financial performance of Alcidion is influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates and exchange rates, access to debt and capital markets and government fiscal, monetary and regulatory policies.

A prolonged deterioration in general economic conditions could be expected to have a materially adverse impact on Alcidion's business or financial condition. Changes to laws and regulations or accounting standards which apply to Alcidion from time to time could adversely impact Alcidion's earnings and financial performance. The Directors make no forecast in regard to the future demand for Alcidion's products and services.

3) Acquisition risk

Alcidion undertook a due diligence process in respect of ExtraMed, which relied in part on the review of financial and other information (including unaudited financial information) concerning the business and corporate structure of ExtraMed, which was provided to Alcidion by the vendors of ExtraMed. 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. Similarly, the Alcidion has prepared (and made assumptions in the preparation of) the financial information relating to ExtraMed (on a stand-alone basis and also with Alcidion post-acquisition of ExtraMed) included in this presentation from financial and other information (including unaudited financial information) provided by the vendors of ExtraMed. Alcidion is unable to verify the accuracy, reliability or completeness of all of this information. If any of the data or information provided to and relied upon by Alcidion in its due diligence process and its preparation of this presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of ExtraMed and the combined group may be materially different to the financial position and performance expected by Alcidion and reflected in this presentation.

Furthermore, there is a risk that 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 the Alcidion identified a number of risks associated with ExtraMed, 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 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.

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Key Risks

4) Regulatory risk

The Company operates in a highly regulated market both in Australia and internationally. Success can be impacted by changes to the regulatory environment. The Company continues to monitor changes and proposed changes to the regulatory environment to which it is exposed. Changes to government policy, law or regulations, or the introduction of new regulatory regimes may lead to an increase in operational costs and may have a materially adverse effect on the operations, financial performance and prospects of the Company.

5) Litigation Risk

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.

6) Competition and new technologies

The industry in which Alcidion is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While Alcidion undertakes all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of its business.

7) Risk of shareholder dilution

Alcidion may in the future elect to issue new shares or engage in capital raising to fund ongoing working capital requirements of Alcidion or acquisitions that Alcidion may decide to make. While Alcidion will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period, Shareholders at the time may be diluted as a result of such issues of shares and capital raisings.

8) Ability to retain or attract key personnel

The loss of key members of the management team or members of the sales and development teams, or any delay in their replacement, may adversely affect Alcidion's ability to implement its strategies and may also adversely affect Alcidion's future financial performance. 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. Competition for qualified employees in Alcidion's industry is intense.

9) Speculative investment

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 Placement. Therefore, the shares to be issued pursuant to the Placement 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 Placement.

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