

24 August 2021

Australian Securities Exchange  
20 Bridge Street,  
Sydney NSW 2000

## **FY21 Full Year Results and Annual Report**

***Alcidion delivers record results and starts FY22 in strong revenue position***

### **Highlights:**

- **Record revenue for FY21 of \$25.9M, up 39% on FY20 (\$18.6M)**
- **Recurring revenue increased to \$16.3M, up 56% on FY20**
- **EBITDA loss of \$0.5M, improvement of \$3.4M on FY20**
- **Positive Underlying EBITDA (excludes M&A advisory & share based payments) of \$0.5M**
- **Positive operating cashflow of \$1.5M, an improvement of \$3.6M on FY20**
- **Well capitalised with cash reserves of \$25.0M poised for further growth in FY22**
- **Entering FY22 with strong pipeline of business and \$15.1M of contracted revenue already signed, 18% higher than at same time last year**

**Melbourne, Australia** – Alcidion (ASX: ALC) has today released its audited full year results and Annual Report to Shareholders for the Financial Year ended 30 June 2021 (FY21).

### **Financials**

Alcidion has delivered an exceptional year of growth, resulting in record full year revenue of \$25.9M, up 39% on the prior year. Notably, the recurring revenue base increased significantly to \$16.3M, up 56% on the previous financial year.

This year of growth was achieved through executing an accelerated growth plan to capture the growing UK market. Aligned with this growth focus is an M&A strategy which resulted in the acquisition of ExtraMed, adding new customers and capabilities in the UK market and establishing Alcidion as a leader for Patient Flow. The record revenue result consisted of milestone contracts achieved across all three of our geographical markets (AU, NZ, UK).

Gross Profit margin of 88.3% reflects an improvement of 2.4% (FY20: 85.9%), driven by accelerated growth in recurring revenue (licence fees and maintenance & subscription fees).

An increase in staff costs was consistent with the strategy of scaling resourcing, particularly in the UK, to take advantage of emerging opportunities. Alcidion expects a further increase in staff costs in FY22, with full-year impact of H2 FY21 hires along with planned new hires not yet recruited.

The Company reported an EBITDA loss of \$0.5M reflecting continued emphasis on investing in scaling the business for growth. The underlying EBITDA (after removing share-based payments and M&A costs) was positive \$0.5M.

Alcidion delivered positive operating cashflow for FY21 of \$1.5m, an improvement of \$3.6m on FY20 and ends the financial year with a strong cash balance of \$25.0M.

<b>Profit &amp; Loss (\$000)</b>	<b>FY21</b>	<b>FY20</b>	<b>% Change</b>
Recurring	16,343	10,458	56%
Non-recurring	9,539	8,150	17%
<b>Total Revenue</b>	<b>25,882</b>	<b>18,608</b>	<b>39%</b>
Cost of Sales	(3,018)	(2,621)	(15%)
<b>Gross Profit</b>	<b>22,864</b>	<b>15,987</b>	<b>43%</b>
<i>Gross Profit margin %</i>	<i>88.3%</i>	<i>85.9%</i>	
Salaries & wages	(18,659)	(15,652)	(19%)
Marketing	(573)	(560)	(2%)
Professional fees	(938)	(902)	(4%)
Other operating expenses	(2,459)	(2,721)	10%
<b>Operating Expenses</b>	<b>(22,629)</b>	<b>(19,835)</b>	<b>(14%)</b>
Other Income	275	6	na
<b>Underlying Operating EBITDA</b>	<b>510</b>	<b>(3,842)</b>	<b>na</b>
M&A advisory	(769)	-	na
Share based payments expense	(227)	-	na
<b>EBITDA</b>	<b>(486)</b>	<b>(3,842)</b>	<b>na</b>
Depreciation & Amortisation	(457)	(247)	na
<b>EBIT</b>	<b>(943)</b>	<b>(4,089)</b>	<b>na</b>

All this was managed despite the challenging circumstances that continue as healthcare systems work within the constraints of COVID-19.

### Operations

In keeping with the stated aim of scaling the company for growth, Alcidion continued to invest in their people adding key roles into the corporate structure in the areas of General Counsel, People Place and Culture and Information Technology. In June 2021, Alcidion appointed Matt Gepp to the role of CFO. These functions were all previously performed by Colin MacKinnon in the role of Chief Operating Officer (COO)

Following the recent management hires to increase resourcing capability across several financial and operational areas, Colin MacKinnon (COO), will step down on 30 September 2021, and the COO role will be made redundant.

Colin was a founder of the MKM Health business, acquired by Alcidion in 2018, and since that period has been a key part of the senior management team. The Board of Alcidion would like to thank Colin for his significant contribution to the business over the past three years.

### Forward Outlook

Looking to FY22, Alcidion is set to continue sales growth across all regions, scaling the organisation through investment in our people to support the Company's strategy to become a global leader in healthcare technology.

The Company has entered FY22 in a strong position, with \$15.1M of sold revenue already contracted to be recognised in FY22, 18% higher than at a similar time last year, and a healthy sales pipeline.

Alcidion has a further \$2.9M of scheduled renewal revenue (existing customers renewing current subscription and licence periods), which is expected to be converted to contracted revenue over FY22.

Operationally, Alcidion will continue to execute on its strategy to accelerate growth, focused on increasing share in its three existing markets, the United Kingdom, Australia and New Zealand.

Investments are being made in expanding UK and ANZ sales and marketing capabilities, improving product management, expanding product development, scaling up Group infrastructure and investment in people – all needed to support growth.

Kate Quirke, Managing Director, said, “We have a tremendous growth opportunity ahead of us in the new financial year as Alcidion builds on the record-breaking momentum created in FY21. This will be achieved by accelerating sales across all regions.

“With nearly 40% growth in the past 12 months, we have secured greater market share across Australia, New Zealand and the United Kingdom, and signed important new contracts that have provided us with a solid foundation going into the new financial year. We have pre-sold contracted revenue and scheduled renewals for FY22 of approximately \$18M as well as an established strong sales pipeline out to FY26.”

“While COVID-19 continues to present challenges, it has also served to underline the important role that Alcidion’s solutions can play in helping healthcare providers to have a cohesive view of data, risks and resources, enabling them to make informed decisions quickly and drive better outcomes for patients.”

“Specific to the UK market, our growth will also be derived from the country’s focus to leverage Digital Aspirant programs and as we realise benefit from being listed on the Procurement Frameworks.”

“Looking locally to the ANZ region, the focus in digital healthcare is on virtual care, achieving greater return on existing EMR investment and a need to improve patient flow throughout the healthcare system looking at logistics and efficiency. All of which align to Alcidion’s solution focus.”

“Across all markets, Alcidion will continue to focus on the opportunity for Miya Precision with existing customers, ensure we are well placed with the emerging opportunities in our current markets and look to move into adjacent markets – as we continue to deliver our strategy of becoming a global leader in healthcare technology.”

#### **Investor webcast**

Alcidion Managing Director Kate Quirke and Chief Financial Officer Matthew Gepp will host a webcast via Zoom today at **2:00pm Australian Eastern Standard Time (AEST)**.

Investors are invited to register for the webcast at the following link:  
[https://us02web.zoom.us/webinar/register/WN\\_AJn4iU-WTUq4lvhdIMPKeA](https://us02web.zoom.us/webinar/register/WN_AJn4iU-WTUq4lvhdIMPKeA)

*Registered participants will receive a confirmation email containing the Zoom access link and alternative phone dial-in details.*

**ENDS**

For further information, please contact:

**Evonne Grosso**

WE Communications

M: +61 450 603 182

[egrosso@we-worldwide.com](mailto:egrosso@we-worldwide.com)

**About Alcidion Group Limited (ASX:ALC)**

Alcidion Group Limited (Alcidion) has a simple purpose: 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 300 hospitals and 60 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.

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

© Alcidion Group Limited 2021. Alcidion, Miya Precision, Patienttrack and Smartpage are registered trademarks. All other brands and product names and trademarks are the registered property of their respective companies.

This announcement is authorised for release by the Board of Directors of Alcidion Group Limited.