



**ALCIDION**

# Bell Potter Healthcare Conference Presentation

November 2021



*Alcidion helps healthcare organisations harness the power of technology to create a clinically relevant environment with digitally enabled care...*

***“Making the right thing to do, the easiest thing to do”***



# Alcidion – a Snapshot

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

## 336

**Hospitals**  
Across UK, AUS & NZ

## 73

**Healthcare Organisations**  
Partnering with ALC

## 58K

**Beds**  
Using ALC technology

## 1.3B

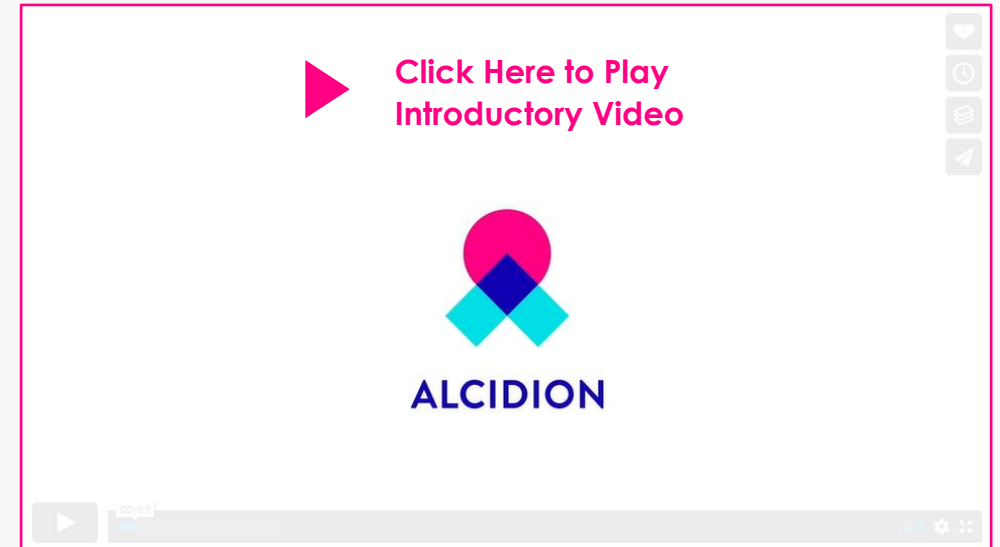
**Observations**  
recorded

## 25M

**Alerts generated**

## \$25.9M

**Revenue in FY21**



## Alcidion operates in 2 Key Geographies

	UK	AUS & NZ
<b>FY21 Revenue %</b>	44%	56%

# Product Proposition

## Challenges

### Patient Safety

Real-time critical notifications to clinicians reduce cognitive load to minimise clinical risk & prevent poor patient outcomes

### Patient Flow

Clinical indicators & resource availability enabling streamlined care based on consolidated real-time data from multiple systems

### Clinical Productivity

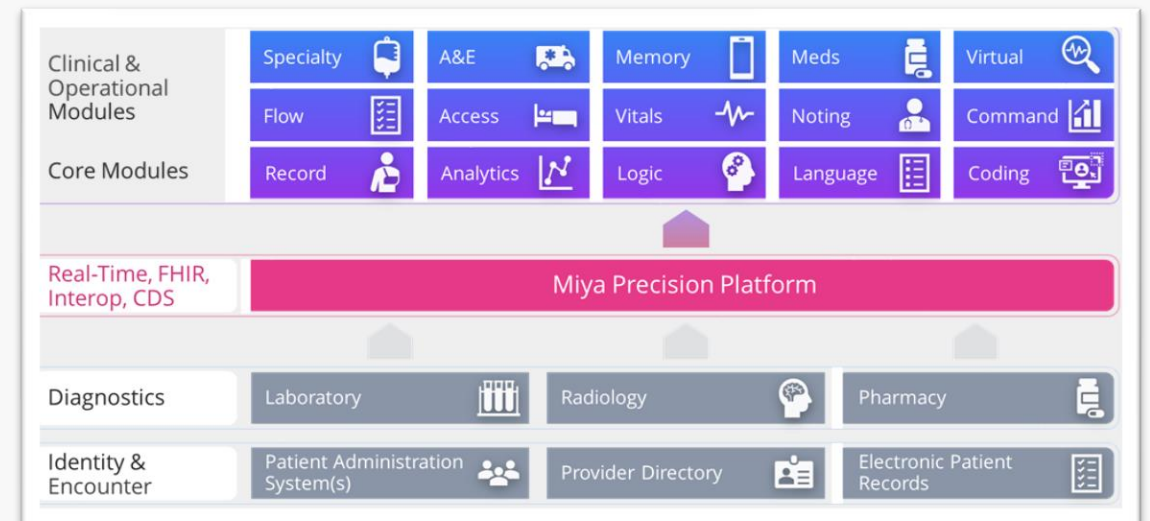
Command Centre capability supported by clinical mobility & communication aligned with workflows improving utilisation

### Virtual Care (Out of Hospital)

Flexible scalable FHIR based platform to quickly adapt to requirements for new approaches to care delivery

## Approach

- Unlock value in existing IT investments using open standards with modular approach
- Layer real-time, smart infrastructure on top of transactional systems
- Apply effective clinical decision support



# Miya Precision - 100% cloud deployable platform



**South Tees Hospitals**  
NHS Foundation Trust

## Miya Precision in the Cloud

- 100% cloud native and deployable
- Full scope of functionality available
- Improved performance, management and maintenance compared to on-premise deployment
- Streamlined and rapid upgrade process
- Securely separated customer environments
- Scale advantages of the cloud
- Suitable for any size and scope of deployment

## CASE STUDY

- First meeting with South Tees IT team in March 2020
- Contract signed eight months later in November 2020
- All meetings conducted virtually, with minimal on-site presence prior to contract signing
- 100% cloud deployed

**Largest  
Trust**

In Tees Valley in UK

**1,000+**

Hospital beds

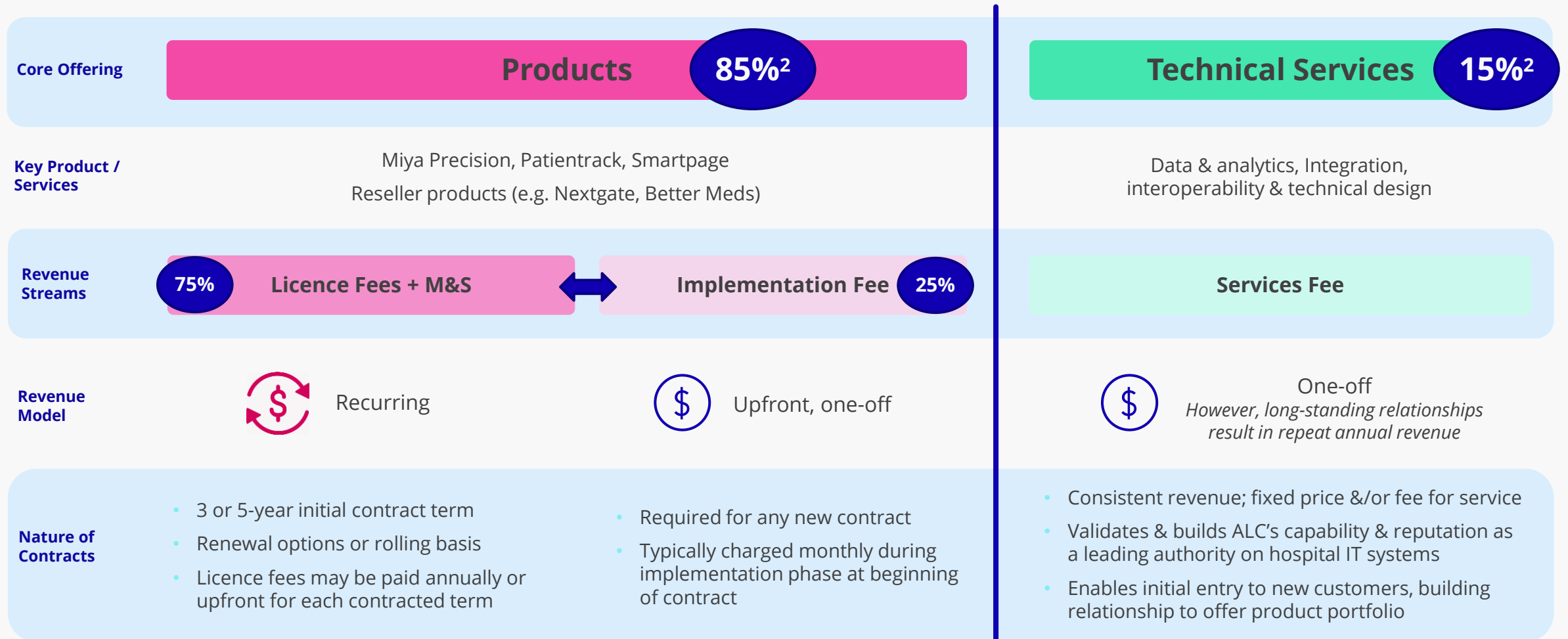
**~9,000**

Clinical & operational staff



# Summary of Revenue Breakdown

Licence + M&S<sup>1</sup> recurring revenue underpin future growth, supported by implementation & service fees benefiting current cash flow



1. M&S = Maintenance & Support

2. Approximate percentage of FY21 revenue; may vary quarter to quarter

# Market Dynamics

# UK NHSX – Acceleration of the Digital Strategy

 NHS<sup>x</sup>

- NHSX: joint unit of NHS England and the Department of Health and Social Care, supporting local NHS and care organisations to:
  - Digitise their services
  - Connect the health & social care systems through technology
  - Transform delivery of patient care in hospital, community & home

## Digital Aspirant programs<sup>1</sup>

- NHSX initiated funding programs aimed at raising the digital maturity across the NHS to ensure a set of core capabilities
  - In 2020, 27 Trusts received up to £6m each
  - In 2021, 32 Trusts received funding from £250k to £6m
- NHS Trusts can select from a **framework of approved suppliers**

## Core Pillars of the Digital Strategy (EPR Strategy)

### Openness

Ability to integrate with other platforms and systems already in place

### Mobility

Ability to use the platform across hospital locations without extensive implementation

### Modular

Ability to apply some or all modules depending on existing infrastructure

### Ecosystems

Enhance other technologies to unify and streamline a hospital's digital capability



MIYA PRECISION

1. <https://www.nhsx.nhs.uk/key-tools-and-info/digital-aspirants/>



# ANZ – Favourable changing landscapes

## Australia

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### Virtual Care & Remote Monitoring

- Heightened focus (expedited by COVID) on virtual care & remote monitoring driven by patient benefits and cost savings:
  - NSW Virtual Care Accelerator Panel (**Alcidion appointed**)
  - Victorian “Better at Home Program” funding

### Improving return on EMR investment

- Post substantial investment in EMR roll-out (over past 20 years) focus now shifting to realising the anticipated economic value and clinical benefit:
  - Access data to inform improved clinical decision support
  - Align with clinical workflows & clinical expectations (e.g. mobility)
  - Engage patients with tailored digital solutions
  - Establish digital oversight to provide visibility/tools to manage patient flow and resource allocation

## New Zealand

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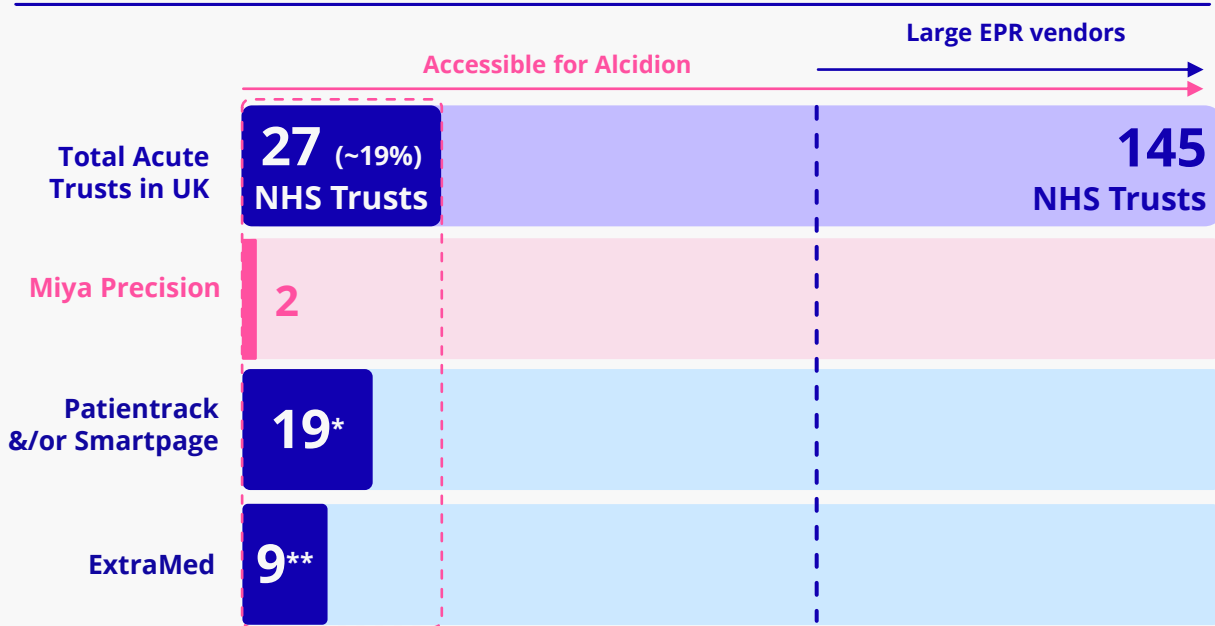
### Centralising Health Decisions and Spending

- NZ Government will consolidate all 20 District Health Boards (DHBs) and create a single health organisation, to centralise fragmented healthcare system and end “postcode lottery” of care
  - Aligned national strategy rather than disparate individual DHBs
  - Streamline procurement process
- Government to create a national health organisation (similar to NHS in UK), and Māori Health Authority with spending power, and new Public Health Authority to centralise public health work
- Aiming to implement by July 2022

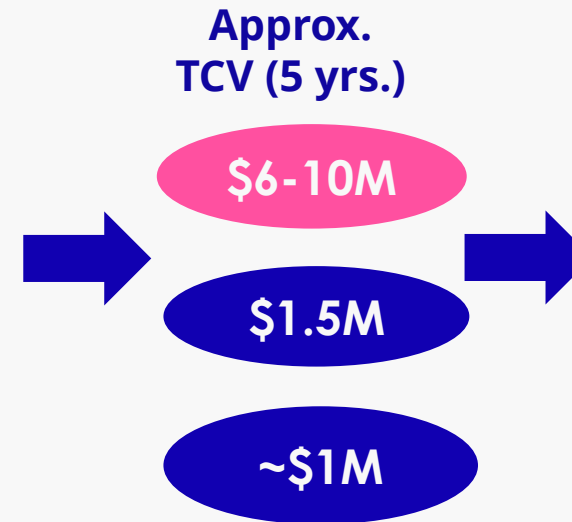
# UK - Market Penetration

Material revenue increase driven by product module upsell, along with new customer wins

## Alcidion NHS penetration in UK Market



## Contract Size



## Upside Potential

- Material revenue increase (6x-10x) by upselling **Miya Precision** to **ONLY** existing customers
- Further opportunity to win new Trusts as only ~19% mkt share (across all products)

## ICS - The Future of the NHS



- Foothold is strong base to upsell to 36% and target the other 64%

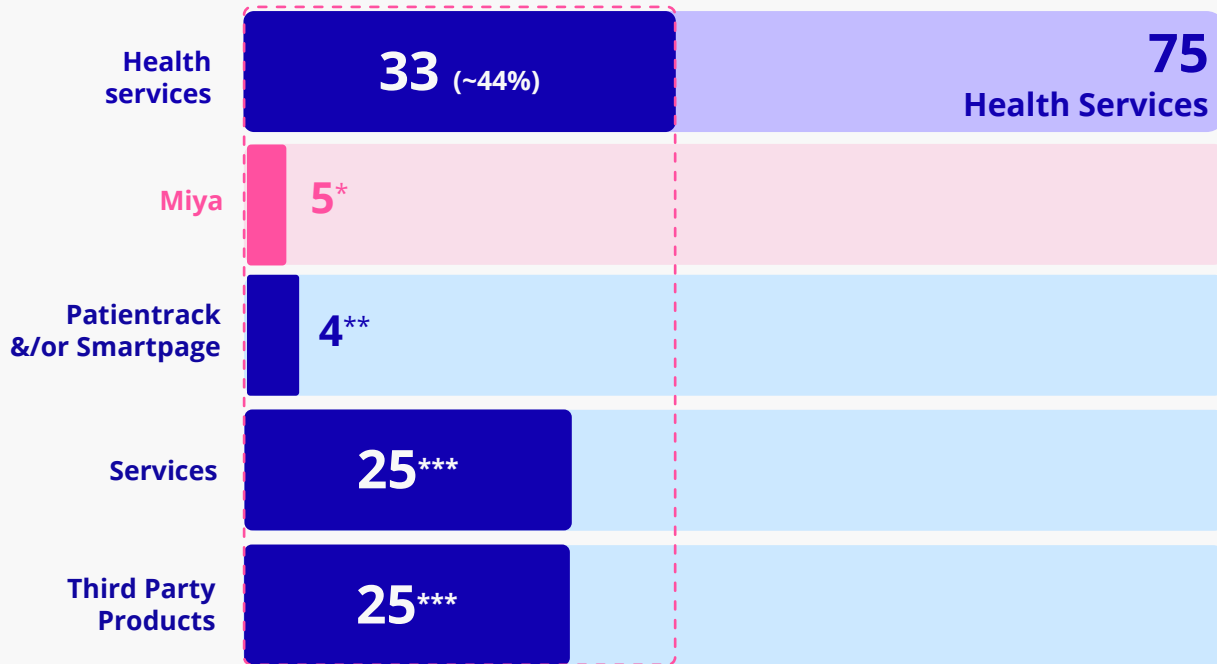
\* Includes duplicative sites with Miya Precision

\*\* Includes duplicative sites with Patienttrack

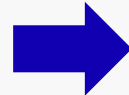
# Australia - Market Penetration

Strong relationships incorporating trusted services & product offering provide foundation for expansion

## Alcidion penetration in AUS Market



## Growth Focus



- 1 Established technical services offering holding relationships with gov't and hospital groups provides channel to product cross-sell
- 2 Market focus on Virtual Care & Remote Monitoring, evidenced by major gov't initiatives:
  - NSW Health Virtual Accelerator Program
  - Victorian Better at Home Program

**Alcidion well placed with Miya Precision given work with Sydney LHD (rpavirtual) & Murrumbidgee LHD**
- 3 Broadening opportunity with private hospital groups to deploy Miya Precision solution who are less likely to implement large EMR vendors

\* Includes Murrumbidgee LHD and Sydney LHD who only have Miya Memory / rpavirtual

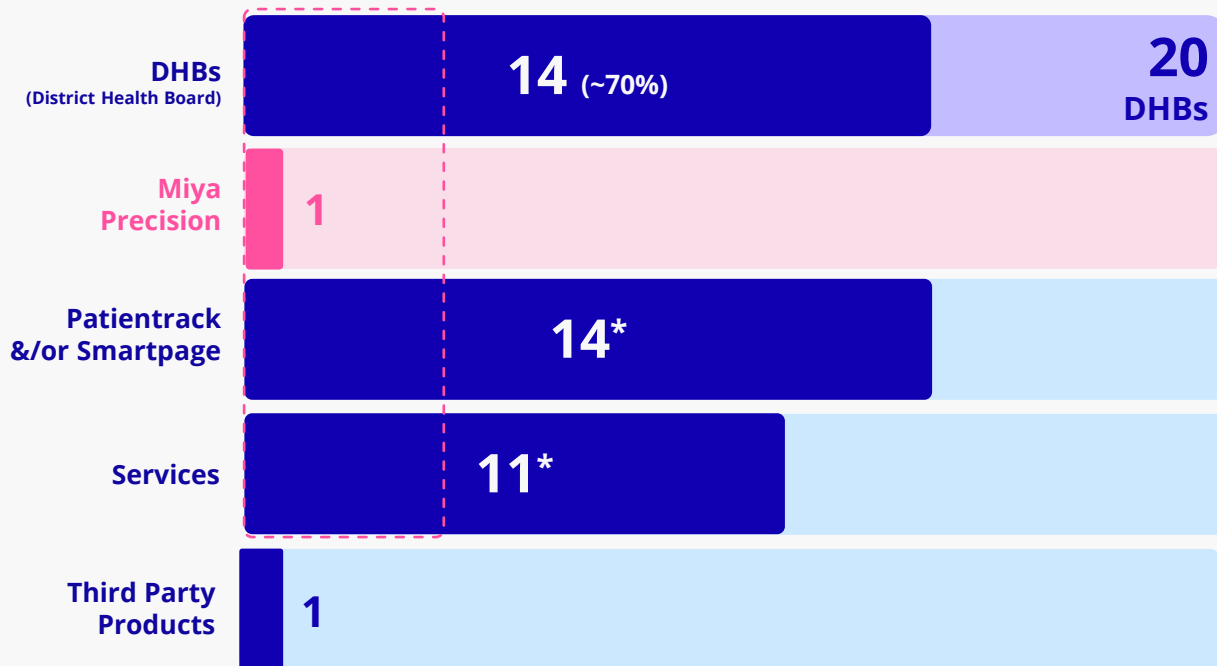
\*\* Includes duplicative sites with Miya Precision

\*\*\* Includes duplicative sites with Miya Precision, Patienttrack and Smartpage

# Current NZ Market Penetration

Continuing to hold strong market position whilst progressing Te Manawa Taki pilot project

## Alcidion penetration in NZ Market



## Key NZ Contracts & Growth Focus

- **Te Manawa Taki DHBs:** First strategic implementation of Better Meds in Southern 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
- **Patienttrack** - a market leader for patient observations in South Island & Northern Region DHBs, with best of breed solutions more commonly used over EMRs
  - Integration & interoperability a key driver

\* Includes duplicative sites with Patienttrack, Smartpage and Services

# FY21 Summary

# FY21 – Financial Summary

Strong growth in all key financial metrics and record sold revenue heading into FY22

<b>Revenue</b> <b>\$25.9M</b> ↑ 39% <sup>1</sup>	<b>Recurring Revenue</b> <b>\$16.3M</b> ↑ 56%
<b>Sold Revenue For FY22</b> <b>\$15.1M</b> ↑ 18%	<b>Gross Margin</b> <b>88.3%</b> ↑ 2.4pts Improvement on FY20 (85.9%)
<b>EBITDA (Loss)</b> <b>(\$0.5M)</b> ↑ \$3.4M	<b>Underlying EBITDA<sup>2</sup></b> <b>\$0.5M</b> ↑ \$4.4M
<b>Operating Cashflow</b> <b>\$1.5M</b> ↑ \$3.6M	<b>Cash</b> <b>\$25.0M</b> ↑ \$9.1M

1. Compared to the prior corresponding period (FY20)  
 2. Underlying EBITDA excludes share based payments and M&A costs

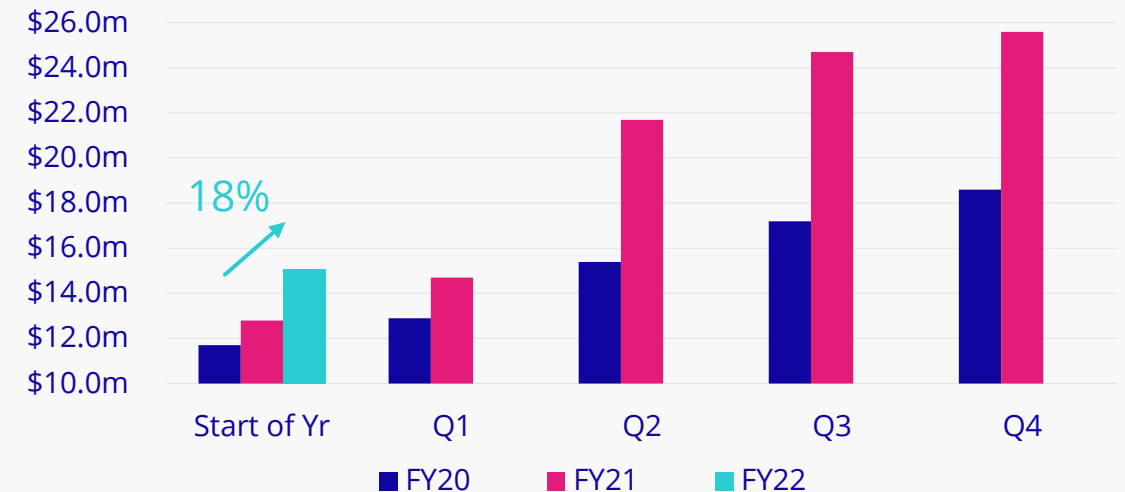
# Outlook

# FY22 – Starting with a strong recurring base

## Key Comments

- \$15.1M of contracted revenue to be recognised in FY22, 18% higher than at similar time last year
- 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
- Contracted revenue includes revenue from current signed contracts
  - Potential ADF contract value is not included in the contracted revenue
- Contracted revenue builds over the year as existing contracts are renewed and new contracts are signed

Contracted Revenue (To be recognised in same year)





# Growth Focus in FY22

Accelerating sales across all regions in line with strategy to become a global leader in healthcare technology

**1** All Markets: Upsell Miya Precision (or other modules) to existing Alcidion customers

**2** All: Win new Miya Precision installs

**3** UK: Listed on Procurement Frameworks (to leverage Digital Aspirant programs)

**4** AUS: Increased focus on Virtual Care and Remote Monitoring

**5** NZ: Opportunities arising from consolidation of DHBs

**6** All: Strategic Acquisitions – aligned to criteria of improving NHS traction, expanding product offering, financially accretive

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