



Citadel expands best-of-breed eHealth capabilities with acquisition of Charm Health

Canberra, Australia – 4 September, 2017 – The Citadel Group Limited (ASX: CGL) is pleased to advise that it has entered into a definitive agreement to acquire Charm Health International Pty Ltd and its subsidiaries (Charm Health) as part of expanding its e-health offerings.

Headquartered in Brisbane, Charm Health (www.charmhealth.com.au) is Australia's leading supplier of specialist oncology e-health systems, with its solutions used by leading public and private health providers of cancer care. Its flagship software, CHARM™, provides:

- comprehensive multi-site functionality that manages all clinical and administrative aspects of a patient's cancer care
- a single oncology electronic medical record, with real-time access to patient information by every member of the care team shared across multiple locations
- enhanced clinical and prescriptive decision support
- solutions to critical inefficiencies in cancer care, such as complex medication management and multi-disciplinary resource coordination.

Commenting on the acquisition, Citadel's Executive Deputy Chairman, Dr Miles Jakeman, said: "Cancer care is a growing and complex area of medicine requiring multiple forms of treatment over increasingly extended periods of time. Last year alone, there were approximately 130,000 new cancer cases diagnosed in Australia, with new cases expected to grow by 70% globally over the next two decades. CHARM is a best-of-breed solution that can help improve care and survival rates, as well as reduce the burden on our health care system."

Citadel's CEO Darren Stanley said: "Citadel's acquisition of Charm Health is strategically aligned with our ambitions in the growing e-health sector. We are excited to work with the Charm Health team to deliver even greater innovation and value to our public and private customers as we continue to expand Citadel's connected e-health programs."

Consideration for the acquisition comprises an upfront payment of \$8.2 million. This represents an acquisition multiple of approximately 6 times FY17 proforma EBITDA. Additional payments will be made for agreed over-performance, staggered over the two years following completion.

"Citadel has a strong history of successfully identifying, acquiring and integrating IP-laden Australian businesses. This acquisition strategically augments Citadel's e-health capabilities, particularly in the areas of on-premise and cloud-based oncology information management solutions. It also expands Citadel's health clientele to include large private sector health providers. We are confident that under Citadel's management and channel strategy we can position Charm Health's solutions to an enhanced range of domestic and international health clients, just as we have successfully done with Kapish," said Mr Stanley.

Gary Lakin, CEO of Charm Health said: "Having grown Charm Health to be the leading Australian oncology e-health solutions business, we're delighted to become part of Citadel to drive the business through its next growth phase. There is a strong cultural fit between the two organisations, and Charm Health's people and clients will benefit from being part of the Citadel Group through enhanced cloud-based services and further innovation."



Citadel's Board of Directors and Charm's Operating Committee have unanimously approved the acquisition. It is subject to customary conditions precedent, and is expected to complete by mid-September 2017.

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About The Citadel Group Limited

Citadel specialises in managing information management in complex environments through integrating know-how, systems and people to provide information on an anywhere-anytime basis. We are a leader in the development and delivery of managed service solutions to government and the private sector.

The majority of Citadel Group's revenues are derived from long term managed services, and software-as-a-service solutions.

For further information please visit www.citadelgroup.com.au