

1stAvailable announces FY2016 results

Foundations laid for strong growth in year ahead

HIGHLIGHTS

- Revenues increased from \$0.3m in FY2015 to \$2.0m in FY2016, driven both by new sales and by the full year impact of the Company's acquisitions of GObookings, Clinic Connect and DocAppointments late in FY2015.
- Group Monthly Recurring Revenue (MRR) increased 55% to \$177k, representing \$2.1m of recurring annual revenue, which excludes variable revenue that typically ranges between \$500k and \$750k per annum
- A number of significant commercial deals signed during the financial year have seen 1stAvailable expand in the Australian dental and optical markets
- Strong cash position of \$6.6m at 30 June 2016 with no debt
- Strong start to FY17 with the acquisition of OzDocsOnline, new commercial agreements and partnerships which should see increased business momentum in the year ahead

1st Available Limited (**ASX: 1ST**) ('**The Company**', '**1stAvailable**', or '**1ST**'), the Australian online health services community platform that simplifies and facilitates digital interaction between health service stakeholders, enhancing consumer choice, access and outcomes is pleased to announce its results for the twelve months ended 30 June 2016.

Overview

FY16 was a year of consolidation and growth for the Company. The Company's three new acquired businesses GObookings, Clinic Connect and DocAppointments were fully integrated by October 2015 and in addition, the Company signed a number of new blue chip customers in both its Corporate & Government and Private Practice businesses which drove increases in Group MRR and appointment books by 55% and 51% respectively.

Strong consumer response to the 1stAvailable platform saw the Company exceed 4 million appointments booked in early June, growing by 1 million appointments in just 9 months.

The Company also launched a number of new products towards the end of the year, such as Self Check-In Apps, Kiosks, Patient Clipboard Apps, Recalls and Feedback apps, all of which are designed to drive new additional revenues from both existing and new customers during FY17.

Private Practice

In Private Practice the Company signed a new commercial agreement with the dental arm of leading Australian healthcare group, Primary Health Care and also added over 60 optical stores as clients. These achievements enabled 1stAvailable to expand in the Australian dental and optical markets, both strategic markets for the Company. These agreements had minor impacts on the financial performance of the group in FY16, however are expected to have a greater impact in FY17.

During FY16 1stAvailable signed an exclusive partnership with the Australian Traditional Medicine Society (ATMS), which provides 1stAvailable with a significantly broader distribution channel and access to 11,000 ATMS members. The Company's partnership strategy continued its momentum in July with the signing of an exclusive partnership with the Australian Veterinary Association (AVA).

Corporate & Government

During the financial year, positive momentum continued in the Company's Corporate & Government business, with the division signing a number of new clients across a number of industry verticals including Pharmacy, State and Local government agencies and retail. Of particular note is the Company's rapid expansion into the Pharmacy market capturing almost 40% of this market, up from 5%.

Financial and Operational Results

AUD \$'000s	FY16	FY15	Change (%)
Revenue	1,989	301	561
Operating expenses	<u>(4,660)</u>	<u>(2,175)</u>	<u>114</u>
Operating loss before non-recurring and non-cash items	(2,671)	(1,874)	43
Non-cash expenses			
Share-based payments	(379)	(591)	(36)
Impairment of assets	(1,059)	-	NM
Depreciation and amortisation expenses	(1,493)	(477)	213
Transaction costs on initial public offering	-	(726)	NM
Finance costs	<u>(28)</u>	<u>(108)</u>	<u>(75)</u>
Net loss before tax benefit	(5,630)	(3,776)	49
Income tax benefit	<u>608</u>	<u>434</u>	<u>40</u>
Net loss after tax benefit	(5,022)	(3,342)	50

NM = No meaningful figure

KPIs \$'000s	FY16	FY15	Change (%)
Monthly Recurring Revenue (MRR)			
Private Practice	91	52	75
Corporate and Government	<u>86</u>	<u>62</u>	<u>39</u>
Group MRR	177	114	55
Appointment Books			
Private Practice	3,178	2,280	39
Corporate and Government	<u>4,746</u>	<u>2,970</u>	<u>60</u>
Total	7,924	5,250	51

Revenue increased to \$2.0m from \$0.3m in the prior corresponding period, driven by the signing of new commercial agreements, as well as the full year impact of the acquisitions of GObookings, Clinic Connect and DocAppointments made in the previous financial year.

The Operating loss before non-recurring and non-cash expenses was \$2.7m, an increase of 43% and was affected by:

- Higher employee benefits expense as a result of consolidating the activities of the 3 acquired businesses and additional expenses in technology and management personnel totalling \$1.3m
- Additional operations and administration expenses, including hosting and other website costs from the 3 acquired businesses, as well as costs associated with being a public company totalling \$1.0m
- Initial marketing and advertising investments of \$0.2m

Non-cash items were impacted by:

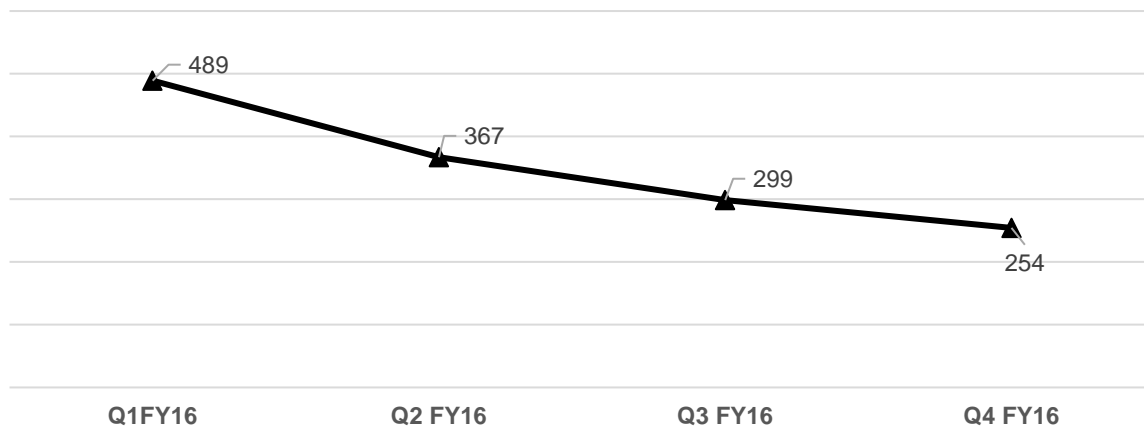
- Impairment of assets of \$1.1m, representing goodwill impairment and write off of historical technology capitalisation in the Private Practice Cash Generating Unit (CGU)
- Higher depreciation and amortisation expenses representing the full year expense of customer contracts and intellectual property associated with the GObookings, Clinic Connect and DocAppointments acquisitions, as well as higher amortisation charges from reducing the useful economic life of the technology platform from 5 years to 3 years

Cash flow

1stAvailable took the opportunity to strengthen its cash position by completing two capital raisings during the financial year: a placement to raise A\$1.2 million (before costs) in November; and then a placement and non-renounceable rights issue in June, which raised a further A\$6.35 million (before costs). The completion of the rights issue took the Company's cash balance to \$6.6m as at 30 June 2015.

1stAvailable's average monthly cash burn has continued to improve over the last 4 quarters from \$489k to \$254k, as a result of new sales revenue and operational efficiencies.

Average monthly cash burn per quarter in \$000s



Strategic priorities and outlook

1stAvailable has continued its strong growth momentum into FY17, with the Company announcing it has entered into an Agreement to acquire online appointment booking group OzDocsOnline (subject to due-diligence), enabling 1stAvailable to grow its service offering for GPs and allowing it to cross sell new additional services to patients, as well as increase engagement in this core customer group.

In addition, 1stAvailable also expanded into the lucrative pet-care market through an exclusive three-year distribution partnership with the Australian Veterinary Association (AVA), which will see the promotion of 1stAvailable's online services and booking platform to AVA professional members.

These two milestones, along with the new optical clients and the Primary Health Care dental agreement, are expected to bolster the Company's revenue generation in the months ahead.

Supported by strong consumer adoption of its platforms, the Company will continue to pursue new channels to market through industry partnerships and new corporate sales, as well as launch new products. Together, these are key drivers of accelerated business momentum in our selected markets.

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About 1stAvailable Limited - www.1stavailable.com.au

1stAvailable's vision is to build Australia's leading online health services community through a platform that simplifies and facilitates interaction between all health services stakeholders, enhancing consumer choice, access and outcomes. 1stAvailable's solutions deliver a convenient, easy to use, online search and appointment booking service, for the healthcare, corporate and government markets. 1stAvailable.com.au is a community website portal and suite of mobile apps that enables patients to book their appointments with their preferred healthcare provider online, 24 hours a day, 7 days a week from any internet-connected device such as a smartphone, tablet or personal computer. Through our healthcare solutions, we enable early intervention, support continuity of care and encourage good patient choices. We are passionate about improving patient care and healthcare practice and doctor productivity.