



# Placement - Institutional Investment

**1st Group Limited (ASX: 1ST)**, the Australian digital health group, is pleased to announce it has obtained commitments from institutional, sophisticated and professional investors for a placement (“Placement”) of 69,230,769 fully paid ordinary shares (“Placement Shares”) that will raise approximately \$4,500,000 before costs.

The Placement was oversubscribed with excess funds committed exceeding \$4,500,000, which resulted in a scale back.

By utilising the Company’s placement capacity in accordance with ASX L.R 7.1. and L.R. 7.1A, the new shares issued under the Placement will rank pari passu with existing ordinary shares. Specifically, 33,692,156 shares will be issued under ASX Listing Rule 7.1 and 35,538,613 shares will be issued under ASX Listing Rule 7.1A.

Participants in the Placement include new and existing institutional and high net worth investors and do not include any related parties. The Placement Shares will be issued on or around 18 December, 2019.

Funds raised under the Placement will be used to support 1st Group’s growth strategy including additional sales and marketing capabilities, technology development, working capital requirements and other general corporate purposes.

Morgans Corporate was the Lead Manager to the Placement.

Commenting on the capital raise, CEO Klaus Bartosch said, “We are delighted with the strong support shown by existing and new investors for 1st Group. This raise was initiated by institutional investor interest and reflects the confidence in our growth strategy and market opportunities. With our recent announcements we enter 2020 with momentum.”

The issue price of \$0.065 per share was an 11% discount to the last price prior to trading halt.

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**About 1st Group Limited**

1st Group is an ASX listed digital health group building Australia's leading health services portal, MyHealth1st.com.au, Australia's online pet service portal PetYeti.com.au and corporate and government solutions platform GoBookings.com. These integrated platforms provide an easy to use online search and appointment booking service and offer a range of value-added apps and services that facilitate digital patient and customer engagement. We improve lives by connecting consumers to a variety of healthcare services and information anytime, anywhere, so they can get well sooner and stay well longer. To find out more visit [1stGrp.com](http://1stGrp.com), [MyHealth1st.com.au](http://MyHealth1st.com.au), [PetYeti.com.au](http://PetYeti.com.au) and [GoBookings.com](http://GoBookings.com).

APPENDIX

Our Portals and Web Widgets

Our Solutions in Action

Any device, anytime, at multiple online sources

MyHealth1st website practice directory

MyHealth1st booking widget on customer website

PetYeti website practice directory

PetYeti booking widget on customer website

Multiple Growth Options

<p><b>Increase No. Sites</b></p> <p>Organic site growth from: Customer acquisition strategies Referrals Industry consolidation Corporate and industry partners</p>	<p><b>Upsell</b></p> <p>Significant upsell potential to the existing customer base exists. Current add-on products include Self Check-In, easyRecall and easyFeedback. 1ST has the technology, expertise and networks to expand into new health segments.</p>	<p><b>Bookings Per Site</b></p> <p>Structural shift to online bookings is a key organic growth driver. Direct marketing also promotes bookings. Cross sell between modalities and brands.</p>	<p><b>Monetising Networks</b></p> <p>Potential to monetise the customer network is significant (eg. 3rd party advertising such as health insurance).</p>	<p><b>Acquisitions</b></p> <p>A number of potential acquisition opportunities exist.</p>
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Key Investment Considerations

<p><b>Visible Path to Break-Even Cashflows</b></p> <ul style="list-style-type: none"> <li>Revenue growth momentum</li> <li>Directionally positive KPIs</li> <li>Costs stabilised</li> </ul>	<p><b>Large Addressable Markets &gt; \$1.9B</b></p> <ul style="list-style-type: none"> <li>Online health services bookings market is &gt; \$1.9b</li> <li>Includes online appointments, add-on products and services, and advertising</li> </ul>	<p><b>Multiple Growth Drivers</b></p> <ul style="list-style-type: none"> <li>Acquire new customers as they increase their online presence and digital profile through multiple products, including online appointments</li> <li>Upsell revenues as customers purchase additional products &amp; services</li> <li>Booking migration from offline to online increases patient interaction points and monetization opportunities driving broader consumer engagement, cross-sell patients to other services, including PetYeti</li> </ul>
<p><b>Strong Recent Momentum</b></p> <ul style="list-style-type: none"> <li>Significant quarter on quarter revenue growth</li> </ul>	<p><b>Significant Upsell Revenue Potential</b></p> <ul style="list-style-type: none"> <li>Upsell revenues are rising off a low penetration base</li> <li>Significant existing upsell customer opportunity</li> <li>Upsell consumer users to complementary services</li> </ul>	<p><b>Experienced Management Team</b></p> <ul style="list-style-type: none"> <li>Experienced leadership team</li> <li>Significant online experience – SEEK, HotelClub, Concur, Wotif.com, Realstate.com.au and others</li> </ul>