

# Quarterly Update

For the quarter to 30 June 2022

## Significant strategic wins for the quarter

- Visionflex acquisition completed with shareholder approval received on 16 June
- \$2.5m placement secured on completion of the Visionflex acquisition
- Strengthened Executive Team with the appointment of **Joshua Munday** as Chief Revenue Officer
- **Brook Adcock**, founder of Adcock Private Equity and a seasoned technology investor, and **John Nantes**, experienced Company Director and adviser to Adcock Private Equity, joined the Board

## Q4 Financial Summary

- Q4 revenue of \$1.54m, up 36% on Q3. Includes Visionflex for the period 17 to 30 June
- Strong sales in 2H have started to roll into production, this will continue into FY23
- Receipts from customers for the quarter were \$1.88m, up 33% from \$1.41m in Q3 FY22. Includes Visionflex for the period 17 to 30 June
- Cash burn reduced by 55% to \$0.34m. Includes Visionflex for the period 17 to 30 June

**1st Group Limited (ASX: 1ST)**, the Australian digital health group today released its Appendix 4C Quarterly Report for the three months ended 30 June 2022 (Q4 FY22).

On 25 January 2022, 1st Group announced it would acquire Visionflex Pty Ltd, a leading Australian telehealth solutions company with a growing international distribution network. The Company received Shareholder approval on 16 June, and then completed the acquisition. On completion, the Company also made a \$2.5m placement to Adcock Private Equity.

The acquisition of Visionflex brings substantial operational, financial and strategic benefits to both businesses and synergies for the merged entity.

This transaction allows the Company to coordinate the appointment bookings between patients and providers and provide the actual video (or telephone) conferencing connection. By using the Visionflex software and diagnostic devices the Company will raise the level of care capability considerably, to standards being sought by all areas of government and medical service providers.

Visionflex revenue for the period 17 to 30 June 2022 was \$285k, comprised mainly of telehealth medical hardware device sales reflecting a good start to the combined group's revenue streams.

In addition, substantial orders received in the end of year period for delivery post 30 June will contribute towards revenue growth in 1H FY23.

The company strengthened its Executive Team with the appointment of Joshua Munday to the new role of Chief Revenue Officer, responsible for group Sales and Marketing functions for the company. A dedicated CRO has been implemented to accelerate growth and broaden the opportunities for the Company. Mr Munday has 15 years of financial services and healthcare experience working in organisations such as American Express, Investec Bank and most recently as the Co-Founder and Chief Growth officer of healthcare lender Credabl. Mr Munday is an experienced sales and marketing executive and brings extensive experience in managing strategic partnerships with healthcare organisations.

## Quarterly Revenue



Revenue	Q4FY21	Q3FY22	Q4FY22	Change QoQ
Subscription Fees	\$1,100k	\$947k	\$895k	-5%
Advertising Revenue	\$37k	\$28k	\$144k	+414%
Usage Fees	\$70k	\$98k	\$75k	-23%
One-off or Setup Fees	\$306k	\$61k	\$143k	+134%
Hardware Sales (Visionflex)	N/A	N/A	\$285k	n/a
<b>Total Revenue</b>	<b>\$1,514k</b>	<b>\$1,134k</b>	<b>\$1,542k</b>	<b>+36%</b>

Due to the enhanced revenue mix of 1st Group, which now also includes hardware sales, ARR (Annual Recurring Revenue) no longer provides investors with a meaningful or complete view of likely future revenues. Hence, we have now removed that from our reporting. We continue, however, to break out the critical components of our multi-source revenues, to assist with understanding the business.

## Net Operating Cash Flows

1st Group (excluding Visionflex) receipts from customers for the quarter were \$1.59m, up 13% from \$1.41m in Q3 FY22.

Operating cash payments in the quarter were \$1.88m compared to \$2.16m in Q3 FY22.

Quarterly operating cash outflow (before Visionflex) was \$0.28m compared to \$0.75m in the prior quarter.

During the quarter, \$104k in payments were made to related parties and their associates, being wages for the CEO/Managing Director, and independent Director and Chair remuneration including superannuation.

Stephe Wilks, Chair, said *“the Board is looking forward to working with Klaus, management and our great team to deliver on what is an exciting time for the Company. The coming period represents a significant change to the business, with additional talent and new capabilities to offer customers - providing the foundations for stronger growth. While there is a lot of work ahead to maximise the synergies, develop the product roadmap and increase the pipeline, the team is excited and already pushing forward!”*

This announcement has been approved for release by the Board of Directors.

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### About 1st Group Ltd

1st Group is an ASX listed digital health group building Australia’s leading health services marketplace, MyHealth1st.com.au, Australia’s online pet service marketplace PetYeti.com.au and corporate, government solutions platform GoBookings.com and world class telehealth platform Visionflex. 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, MyHealth1st.com.au, PetYeti.com.au, GoBookings.com and Visionflex.com