

ASX Announcement 26 July 2023

**1ST Group (ASX:1ST) Strengthens balance sheet, significantly reduces overheads, delivers record increases in customer receipts, and has 23 quarters of funding.**

## KEY HIGHLIGHTS

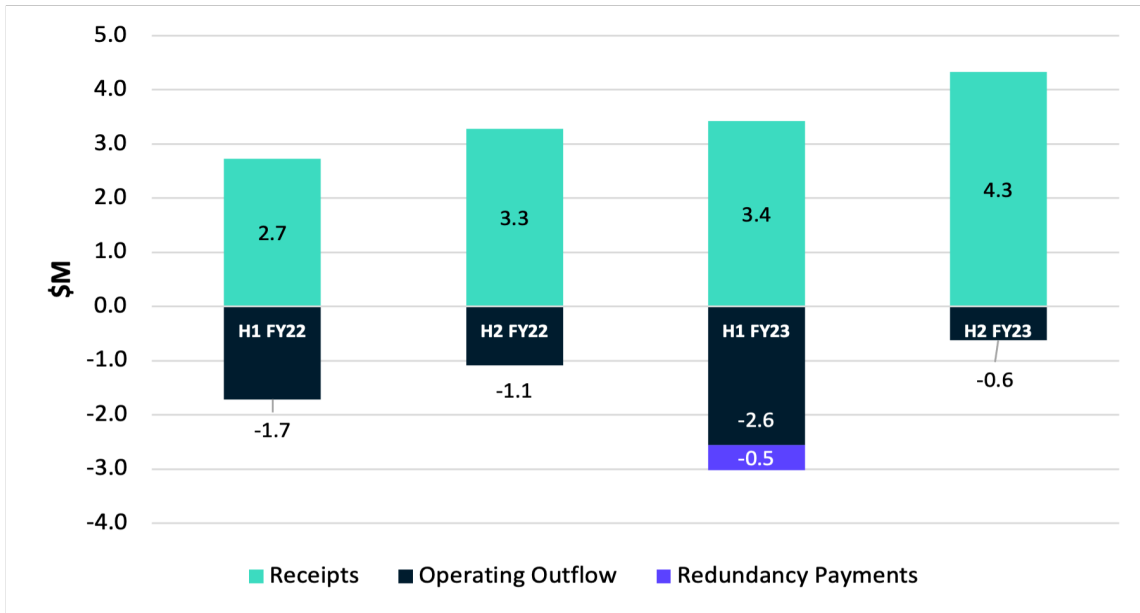
- The completion of our strategic restructure delivered record customer receipts, significantly lower overheads, and a much-strengthened balance sheet in Q4.
- In accordance with the group's forward-looking strategy announced in the half year report, 1ST Group completed the sale of MyHealth1st (MH1) for \$1.25M to Healthshare Pty Ltd on 30 June. Funds from the MH1 sale will provide further capital to support the ongoing growth of Visionflex and GoBookings. Final payment is expected in Q1 24.
- It is pleasing to note that \$842K of Visionflex revenue (and approximately \$1.2M of increasing Visionflex revenue next quarter), already surpasses the \$484k of MH1 revenue that is no longer attributed to the group, from next quarter onwards. This follows the divestment of MH1.
- Our Virtual Healthcare Platform, ProEX Net, continued to win significant business in the Australian Primary Healthcare Network (PHN), Aged Care segments and Aboriginal Health Organisations (AHO), with Q4 Orders of \$1,760k, being the largest quarter in the company's history. Approximately \$910k of these orders will be reflected as customer receipts in the following quarter getting it off to a great start.
- Recruitment is underway for a new Chief Operating Officer and Chief Financial Officer in Q1FY24, as part of a revamped leadership team focused on continued Australian expansion and international growth opportunities.
- The Appendix 4C shows **23 quarters of funding** available.

## FINANCIAL HIGHLIGHTS

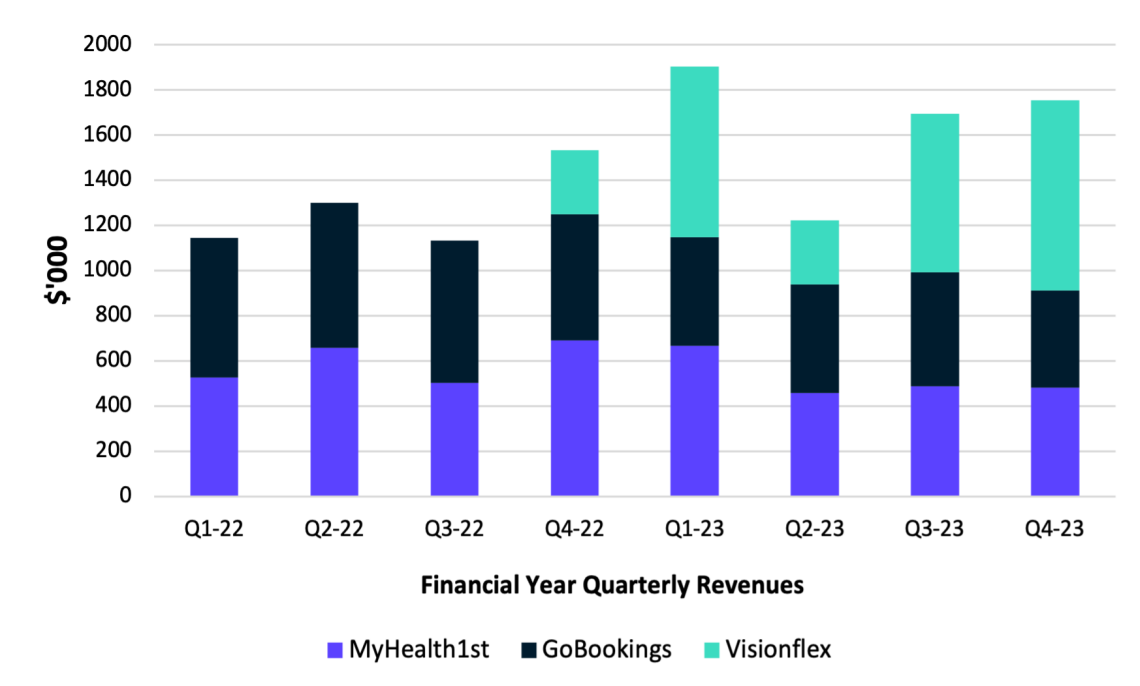
- Record Q4 FY23 customer receipts of \$2.44M compared to \$1.89M in Q3 FY23.
- Net cash outflow in Q4 FY23 reduced to \$165K from \$459K in Q3 FY23. **A reduction of \$294k or 64%,**
- Net cash outflow in H2 FY23 reduced to \$624k from \$3,024K in H1 FY23. **A reduction of \$2,400K or 79.4%.**
- Q4 Visionflex revenue of \$842K, **an increase of \$141K or 20%**, from \$701K in Q3.
- Q4 Visionflex Orders of \$1,760k, with \$901k of orders to be shipped and reflected in Q1 FY24.
- \$750k of sale proceeds for the completed sale of the MyHealth1st were received by June 30, recognised as other income. The final \$500k of sale proceeds is expected to be received before 31 August 2023.

- During the quarter, \$152k in payments were made to related parties and their associates, being wages for the CEO, independent Director and Chair remuneration including superannuation.

### HALF YEAR COMPARISON



### QUARTERLY REVENUE BREAKDOWN



## BOARD COMMENTS

The successful divestment of MyHealth1st and our latest results represents another important milestone in our strategy to create a focused and profitable healthcare organisation that is well placed to capture market share in a fast growing, global market of hybrid health.

The board is encouraged by the continued expansion of Visionflex's Virtual Healthcare Platform into the Primary Healthcare Networks (PHN), Aged Care segments and Aboriginal Health Organisations (AHO) with a strong pipeline of orders that is expected to continue into the H1 FY24.

We have made some important announcements in recent months and are making good progress on initial Visionflex sales to large health providers which have the opportunity to broaden into more significant volumes over time.

The Board would like to thank all shareholders for their support and patience as we have defined and executed the renewed strategy. Our recapitalisation of the business from major investors provides the opportunity for focused investment in product development and revenue growth in order to achieve sustainable profitability in the longer term.

The Board Chair, Chris Whitehead notes "Joshua was tasked with delivering a restructure of the previous group, significantly lowering overheads, divesting of MyHealth1st and increasing revenue in Visionflex. He has done an exceptional job in achieving those objectives in a short period of time and has successfully repositioned the company for growth. His focus is now on a rebrand of the group and revamping the senior leadership team".

## 1<sup>ST</sup> GROUP BUSINESS SUMMARY

1ST (ASX:1ST) is a healthcare technology group currently consisting of the following three businesses:

- Visionflex,
- GoBookings, and
- PetYeti.

A brief description of each business follows.

### **Visionflex**

Visionflex is a global virtual healthcare platform that enables medical professionals to diagnose, monitor and treat patients over a secure, private network. To date, Visionflex has advanced the care of patients in segments including the primary healthcare networks, aged care, aboriginal health organisations, hospitals, corrective services, and the resource sectors.

### **GoBookings**

GoBookings is a SaaS booking platform specialising in cloud-based, enterprise level, rules-based appointments, and resource booking with 24/7 Internet access.

### **PetYeti**

PetYeti is an online appointment booking platform focused on animal health. The SaaS booking platform helps animal owners and vets to easily connect online across Australia and New Zealand.

For more information, please contact:

**Joshua Munday – CEO**

E: [jmunday@1stgrp.com](mailto:jmunday@1stgrp.com)

W: <https://www.1stgrp.com>

*This announcement was approved for release by the 1ST Group Board of Directors*