1stGroup

AGM Investor Presentation

Australia's leading, trusted, high growth digital health platform

14 November 2018

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This document is dated 14 November 2018.

1stGroup

1st Group – Company Overview

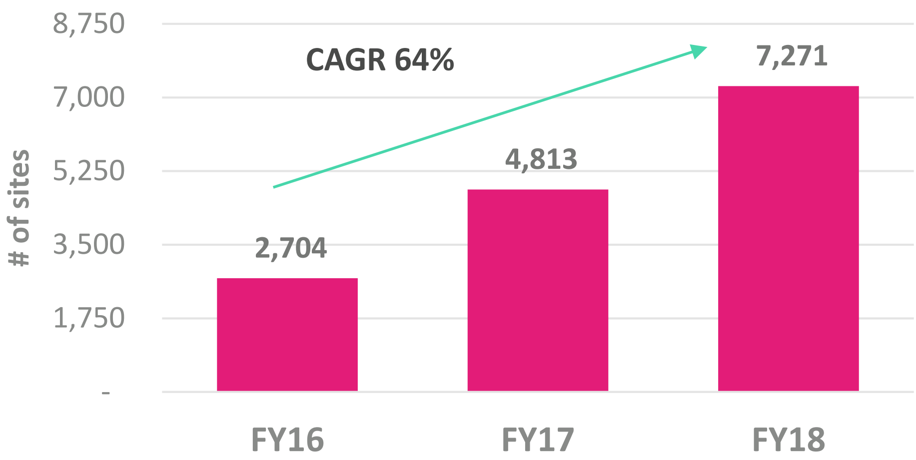
- 1st Group (1st) supplies a convenient, easy to use, integrated technology platform to enable online search and appointment booking services to the healthcare services industry. 1st also offer a range of value added apps and online services that facilitate enhanced customer experience and engagement, improving retention and lifetime customer value.
- Patients can book their healthcare appointments with their preferred healthcare provider through MyHealth1st service online, 24 hours a day, 7 days a week from any internet-connected device such as a smartphone, tablet or personal computer.
- Healthcare is one of the last antiquated "paper based" sectors. **50 million appointments** are still booked by telephone in private practices in Australia **each month**. <u>1st solves this problem.</u>
- 1st has developed proprietary, scalable technology platforms that have already been used to book 7.5 million appointments, supporting over 7,300 sites (practices/locations) across Australia and New Zealand

1st Group – FY18 Achievements and Milestones

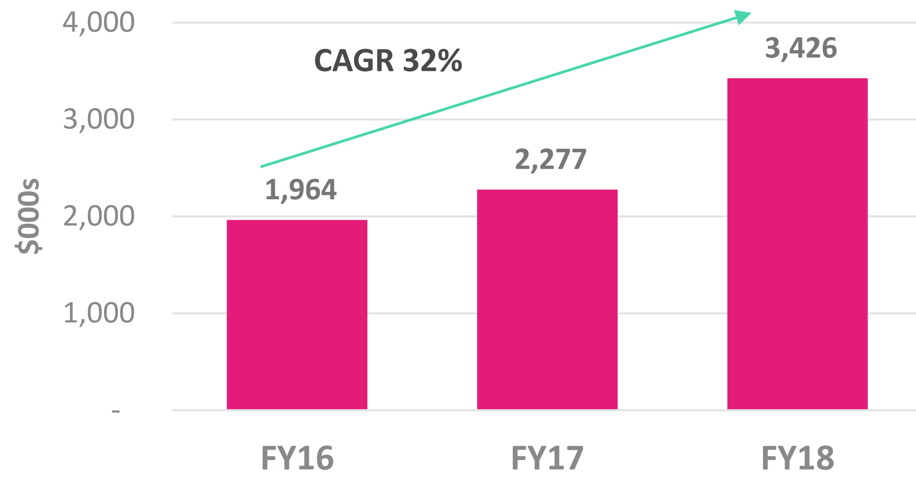
- 1st has demonstrated fast market leadership in Australia in selected key verticals:
  - ✓ independent optometry
  - ✓ Pharmacy, and
  - ✓ vet/pet services – supporting the other family members
- Building high quality recurring subscription revenues with scope to upsell complementary products driving multiple revenue streams
- Growth Metrics:
  - ✓ Annualised Contract Revenue (ACV) growth 43% CAGR,
  - ✓ Site growth of 64% CAGR
  - ✓ Customer Retention Rate of 91%
  - ✓ **Maiden ACV guidance provided for H1 FY19, of between $4.6m - $5.1m**
- Highly experienced team with deep expertise in building and monetising online platforms
- Large Total Addressable Market (TAM) runway for growth across subscription, usage and advertising revenue - underpins multi-year growth

3 Year financials and drivers

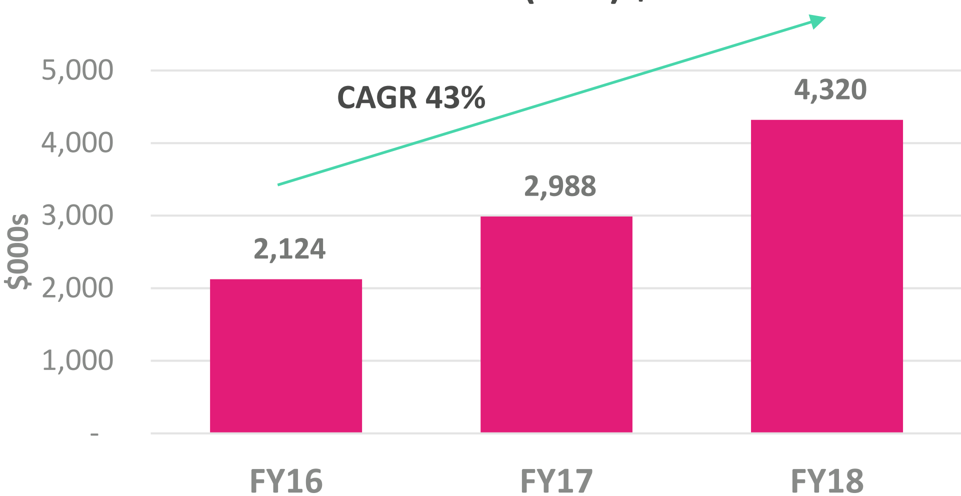
Number of sites



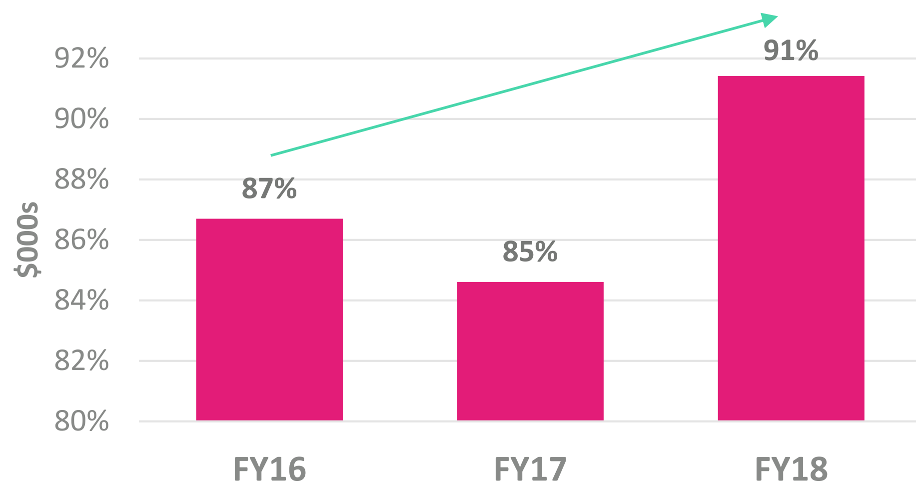
Revenue $000s



Annualised Contract Value (ACV) $000s



Annual Customer Retention Rate



1stGroup

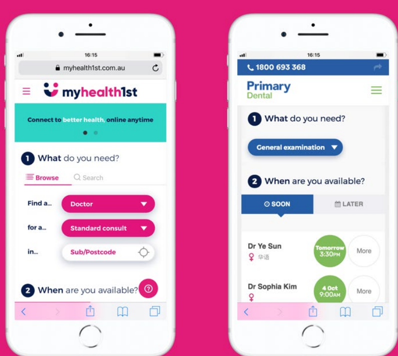
The Digital Patient Journey – Current Product Suite

Connect & Book →

onlineappointments

MyHealth1st launched Q4 FY12

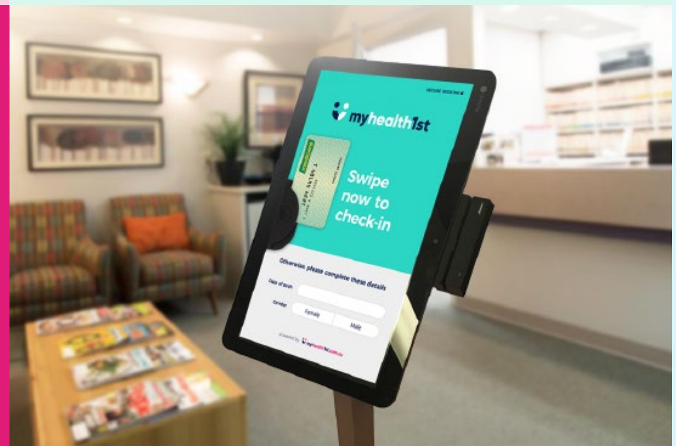
PetYeti version launched Q3 FY17
(Subscription Fees)



Practice Efficiency →

easycheck-ins

Launched Q2, FY18
(Subscription Fees)



Continuity & Retention

easyrecall

Launched Q3, FY17
(Usage/Transactional Fees)

easyfeedback

Launched Q3, FY17
(Usage/Transactional Fees)

1stinsights

Reporting – Launched Q3, FY17
(Subscription Fees)

Patient Engagement/Advertising

Patient/Practice centered promotions. Launched Q2, FY18 (Advertising Fees)

Connecting consumers to better healthcare

1ST Group's product suite vastly improves the entire consumer experience, thereby creating loyalty to the practitioner, improving retention rates and enhancing lifetime customer value creation

MyHealth1st

Problem

50m appointments still booked by telephone each month in Australia

Complex, dated and inefficient patient management systems

Difficulties in finding, selecting and booking local healthcare services

Poor collaboration between healthcare providers

Google is an unreliable source of health content

onlineappointments

easyrecall

easyfeedback

easycheck-ins

1stinsights

my

Solution

Works seamlessly with existing patient management systems

A convenient, easy to use, online healthcare booking platform

Simplifies interaction between all health service stakeholders

MyHealthTV is trusted, engaging and informative healthcare content

Platform Overview

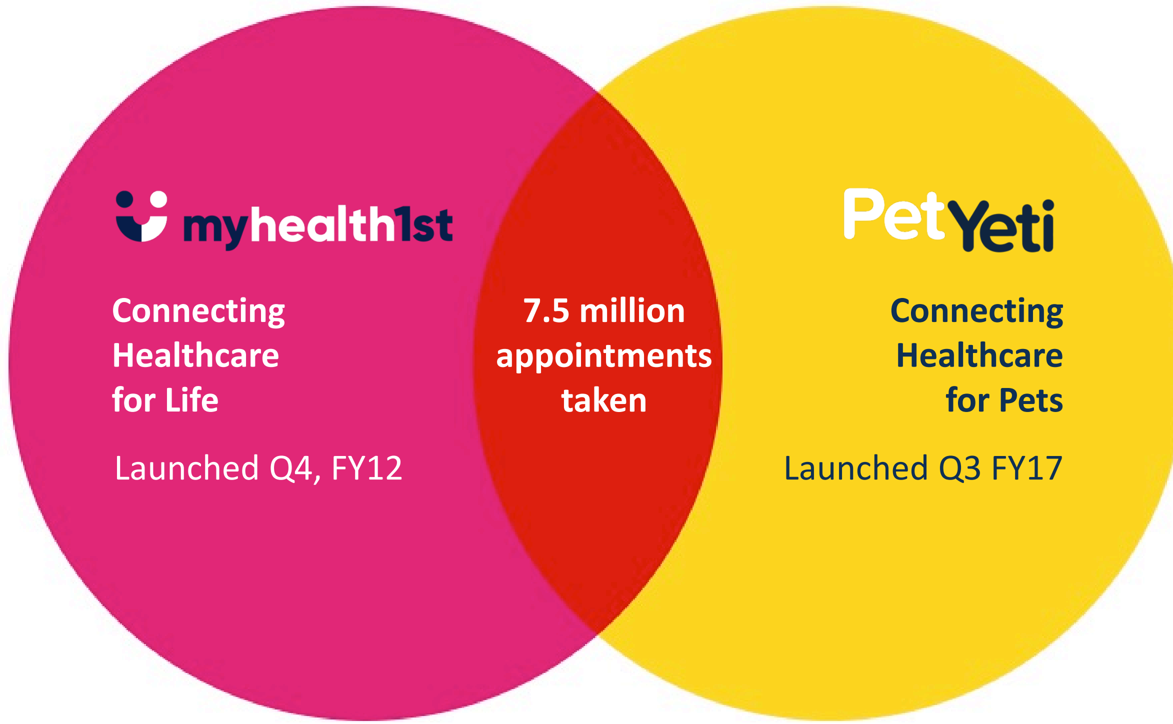
1st Group platforms integrate with around 45 existing Practice Management Software (PMS) systems, providing coverage of approximately 95% GP, 45% dental, 75% specialist and 75% allied healthcare services markets.

Total number of our customers' sites

4,813 sites as of June 2017

7,271 sites as of June 2018

Connecting healthcare for all family members

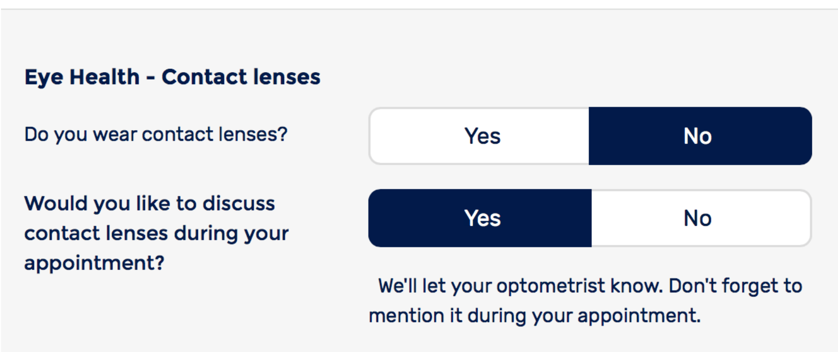


Advertising: Engaging & Informing Patients

1ST Group focusses on qualified advertising that improves patient education and health literacy

- Helping health care practitioners/practices improve the patient experience and education at every stage of their healthcare journeys
- The right promotions at the right moment for profitable, meaningful and high-value engagement
- Partnering with Australia's most trusted health content creator, Tonic Health Media, providing an alternative to ill-informed patients using Google to self diagnose
- **Successful example:** Contact lens campaign pilot in Q2 FY18; involved select optometry practices who opted in. Demonstrated that the MyHealth1st platform could lift adoption by up to 500%, improved patient understanding of the benefits of contact lenses, engaging any patient with an appointment with an Optometrist no matter how they booked
- Campaigns utilise comprehensive suite of 1st Group products and services for optimum results

Example online booking ad component



Guiding Values & Principles

- Patient data privacy
- Security
- Opt-in
- Transparency
- Supports the interests of practices
- Improves patient healthcare literacy
- Trusted content

Revenue Model & Addressable Market

1st Group has multiple revenue sources. Historically driven by online appointment booking subscription fees. Now the growth focus is on upselling customers to additional value added products.

$1.9B Total Addressable Market (TAM)

One-off Fees

Setup, training & customisation

Subscription Fees
(Monthly Recurring Revenue)

$240m TAM

Online bookings, EasyCheck-in Kiosk, EasyFeedback

Advertising/Patient Education

>$500m TAM

Patient engagement

Usage Fees

>$1,200m TAM

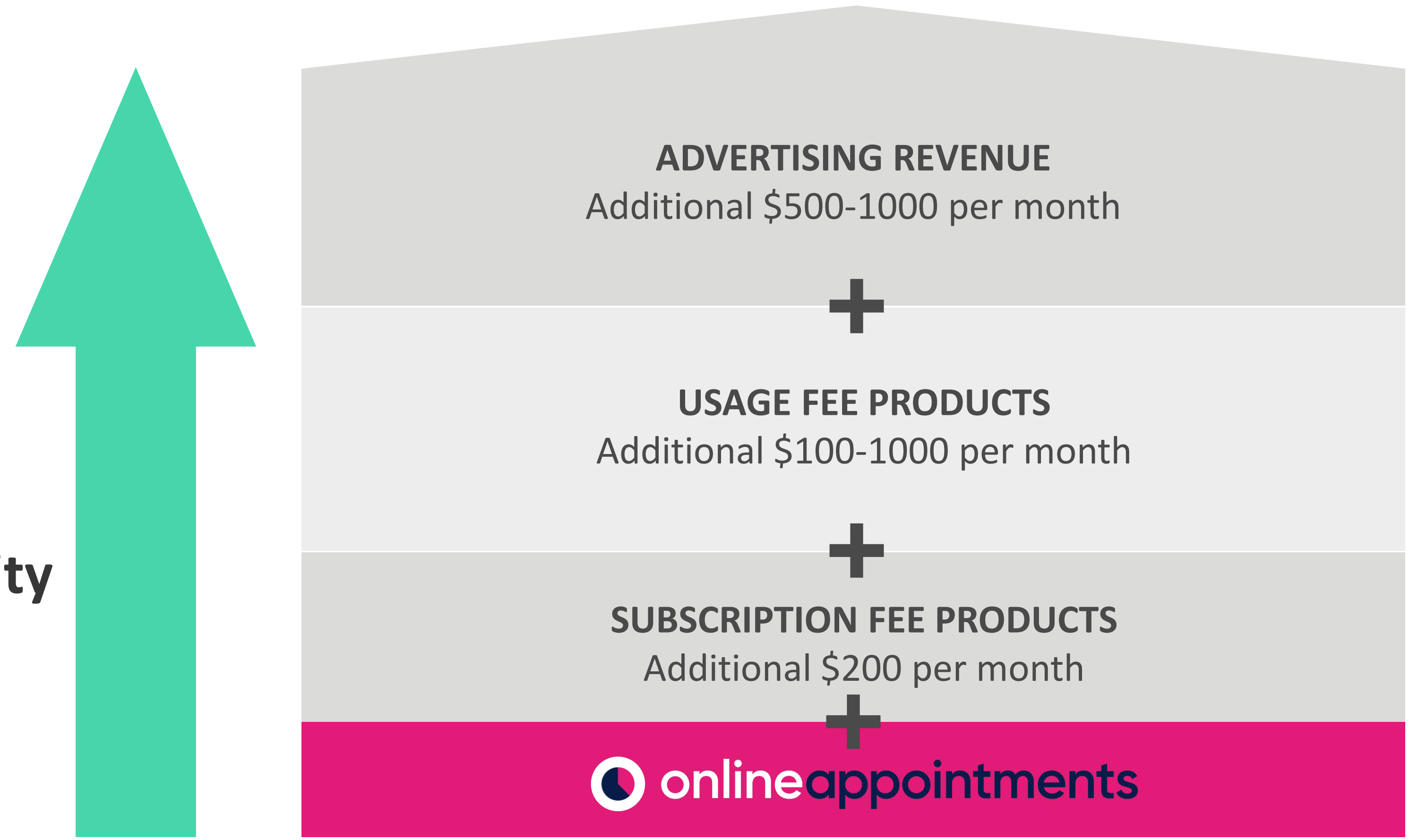
EasyRecalls, SMS, booking fees

TAM sources: A calculation based on available provider and practice numbers drawn from the Government agency APRHA, and industry association published numbers across all available healthcare services, including natural therapies, and based on existing 1st Group product fee structures

Upsell additional products to increase revenue per site

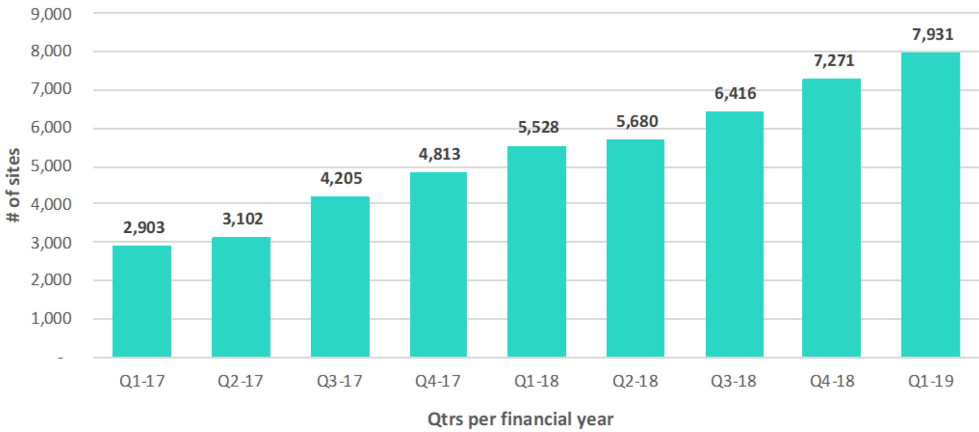
For every $100 per month in online appointment subscription revenue, we can generate $800 -$2000 per month in additional revenue from upselling customers to value added products and services

Site Upsell Opportunity

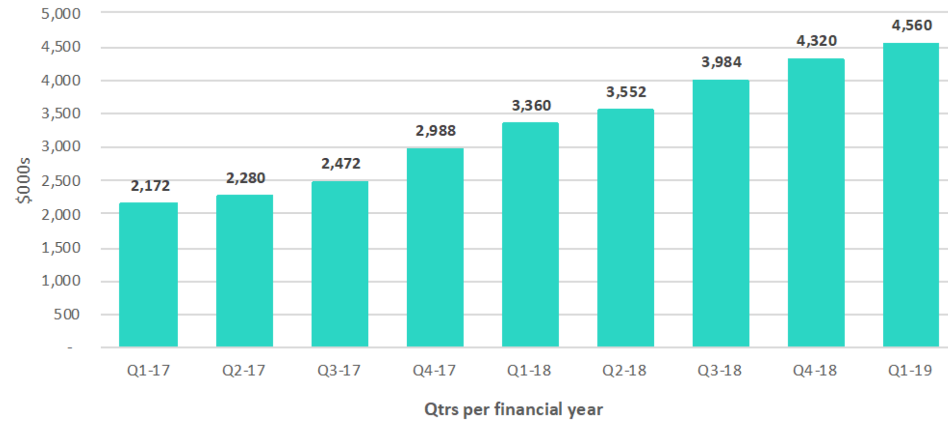


Growth metrics: Site Acquisition, ACV Growth, Strong Retention and Upsell

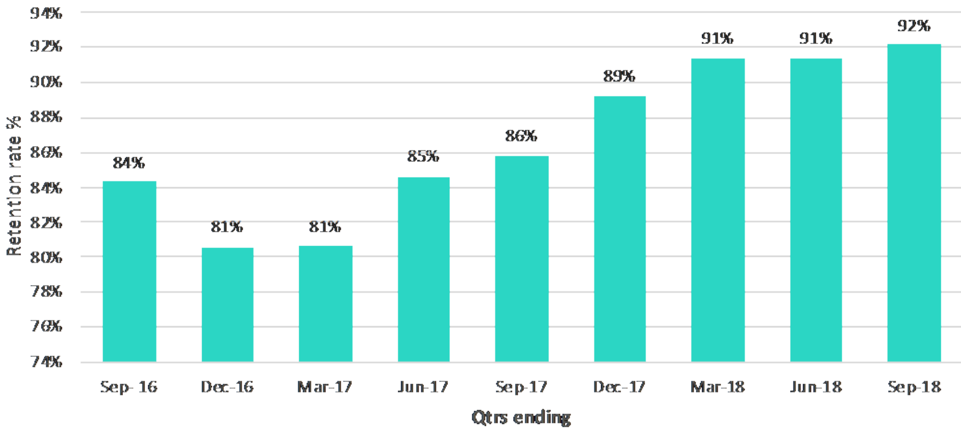
Number of sites



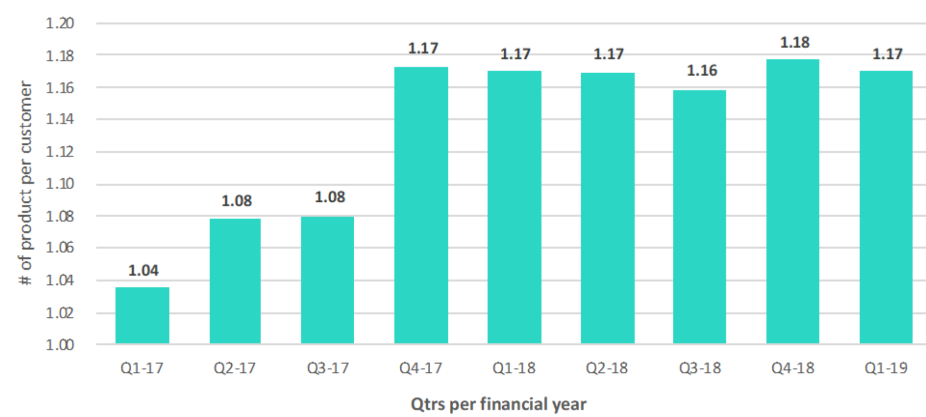
Annualised Contract Value (ACV) $000s



Annual Customer Retention Rate



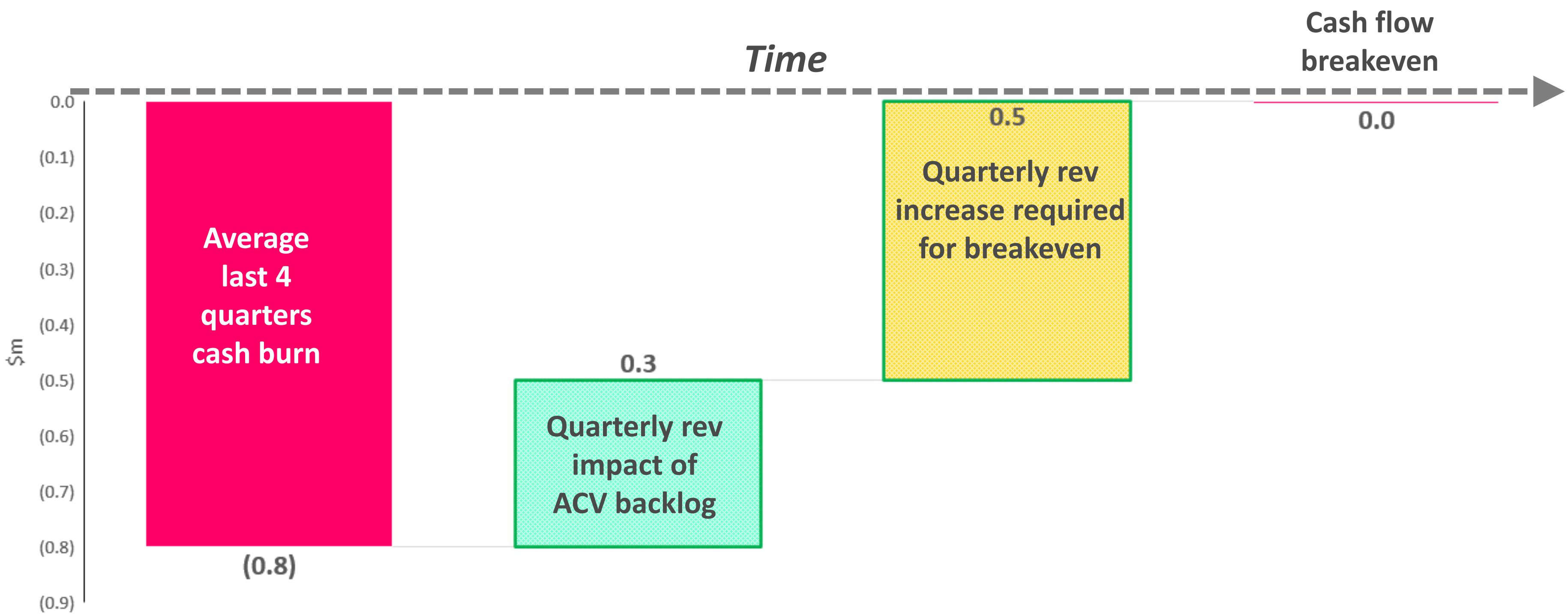
Products per Customer Site



Clear path to cashflow breakeven

Continued growth of sites, ACV, and upsell of additional products together with onboarding of current contracts already sold provides a clear path to cashflow breakeven

- ACV backlog (signed contracts not yet onboarded) at September 30 FY19 was $1.2m (or $0.3m revenue per quarter)
- ACV CAGR to FY18 is 43%
- ACV at September 30 FY19 was $4.56m
- Maiden ACV guidance provided for H1 FY19, of between $4.6m - $5.1m
- Note ACV does not include additional revenue from growth in usage and advertising fees



Customers Who Have Chosen Us 1st

Optometry
~1,200 sites (60%)
Est. TAM 2,000 sites
TAM: $20m PA

- HCF Eyecare
- ProVision
- EyecarePlus
- George & Matilda Eyecare
- opticalwarehouse
- Prevue eyewear
- nib eyecare centre
- RJK Optometry

Pharmacy
~2,500 sites (63%)
Est. TAM 4,000 sites
TAM: $20m PA

- TerryWhite Chemmart
- priceline pharmacy
- Soul Pattinson Chemist
- Amcal+
- Chemist Works
- Good Price Pharmacy Warehouse
- Pharmacist Advice

Vet/Pet Services
~500 sites (10%)
Est. TAM 5,000 sites
TAM: $40m PA

- Greencross Vets
- Petbarn
- nvc National Veterinary Care
- pet stock
- VET Sorrento Animal Hospital
- Burvale Heights Vet Hospital
- doyalson animal hospital

Other Sectors
GP, Dental, Allied, Specialists, Hospitals, Gov, Corp. etc
~3,100 sites | Estimated TAM 140,000 sites
TAM: $1.82b PA

- UHG connecting business & healthcare
- SMG Health
- superpartners
- Australian Unity
- BreastScreen Queensland
- HCA Healthcare Australia
- Olympic Park Sports Medicine Centre
- nib
- Primary Dental
- aspen corporate health
- SunDoctors Skin Cancer Clinics
- Benestar Be your best you
- medicross medical
- Ramsay Health Care
- PacificSmiles Dental

Multiple Growth Options

Increase No. Sites

Organic site growth from:

Customer acquisition strategies

Referrals

Industry consolidation

Corporate and industry partners

Upsell

Significant upsell potential to the existing customer base exists.

Current add-on products include Self Check-In, EasyRecalls and EasyFeedback.

1ST has the technology, expertise and networks to expand into new health segments.

Bookings Per Site

Structural shift to online bookings is a key organic growth driver.

Direct marketing also promotes bookings.

Cross sell between modalities and brands.

Advertising

Helping health care practitioners/practices improve the patient experience and education at every stage of their healthcare journey

Acquisitions

A number of potential acquisition opportunities exist.

1stGroup

 • Address: Level 2, 2-12 Foveaux Street, Surry Hills NSW 2010

Key Execution Priorities

Accelerate Growth

Accelerate further growth into markets we dominate

Upsell Customers

Upsell existing customers to new products and services

Improve On-boarding

Improve new customer on-boarding to reduce time to revenue

New Zealand Expansion

Expand operations in New Zealand market

Advertising Opportunities

Identify new advertising opportunities that leverage 1stGroup's unique market positions, technology and approach to patient education

Thank you

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