

ASX Announcement 30 August 2023

1ST Group (ASX:1ST) 1ST Group FY23 Preliminary Full Year Results

FINANCIAL HIGHLIGHTS

- Total Receipts from Customers in FY23 were \$7.8M versus \$6.0M in FY22. An increase of 29%.
- Revenue of \$3.4M in H2 FY23 from \$3.1M in H1 FY23. An increase of \$0.3M or 9.7%.
- Operating loss of \$0.9M in H2 FY23 from \$3.4M in H1 FY23. A reduction of \$2.5M or 74%.
- Operating expenses of \$4.4M in H2 FY23 from \$6.5M in H1 FY23. A reduction of \$2.1M or 32%.
- Increased Debt Facilities to \$8.4M, which can be converted to equity at the company's discretion.
- As announced on 20 March 2023, the company also raised \$985K, by way of a placement to Mr Plummer.

STRATEGY PROGRESS

- A strategic restructure was completed, which has increased revenue and funded further investment in Visionflex, whilst cutting operating expenses and strengthening the balance sheet, with a significant reduction in MyHealth1st aged account payables.
- The sale of MyHealth1st (MH1) for \$1.25M to Healthshare Pty Ltd was completed on 30 June. The Group has received the initial instalment of \$0.75M with the remaining portion of the purchase price (final payment of \$0.5M) now projected to be received in Q2 FY24
- The decision to merge with Visionflex and subsequently sell the MH1 part of the business has helped the company replace stagnant revenues with growing revenues and strip out significant costs at the same time.
- Notably, Visionflex achieved revenue of \$2.6m in FY23, surpassing the \$2.1m MH1 revenue that is no longer attributed to the group, from FY24 onwards.
- Visionflex's ProEX Virtual Care Software received substantial orders in H2 FY23, achieving its largest sales quarter in the company's history, and its more recently announced initial order from WAPHN for \$1.1M.
- The Group remains dedicated to its forward-looking strategy, which was initially unveiled in the half-year report. This strategy emphasises the prioritisation of investment in Visionflex's continued Australian expansion and international growth opportunities.

FINANCIAL RESULTS *(Unaudited)*

	30 June 2023	30 June 2022
	\$	\$
Revenue from continuing operations	4,468,171	2,706,250
Interest revenue calculated using the effective interest method	1,478	9
Expenses		
Changes in inventories	32,428	-
Raw materials and consumables used	-1,094,133	-
Advertising and marketing expenses	-264,210	-111,207
Professional and consulting fees	-732,624	-304,980
Operations and administration expenses	-2,375,726	-2,169,776
Employee benefits expense	-3,585,384	-2,172,719
Depreciation and amortisation expense	-26,618	-12,918
Impairment of assets	-	-3,150,195
Loss on disposal of assets	-10,962	-
Finance costs	-308,010	-175,770
Loss before income tax benefit/(expense) from continuing operations	-3,895,590	-5,391,306
Income tax benefit/(expense)	616,219	-12,072
Loss after income tax benefit/(expense) from continuing operations	-3,279,371	-5,403,378
Profit/(loss) after income tax expense from discontinued operations	-376,286	-1,485,191
Loss after income tax benefit/(expense) for the year attributable to the owners of 1ST Group Limited	-3,655,657	-6,888,569

Revenue from continuing operations of \$4.5m was \$1.8m (65%) higher than in the prior corresponding period. Revenue includes \$2.6m of Visionflex revenue compared to \$255k in the prior corresponding period after the business was acquired on 17 June 2022.

BOARD COMMENTS

The second half of FY23 saw the positive impact of the strategic restructure that was undertaken during the first half. In addition to the reduced operating losses, the group has also increased revenue, while investing in Visionflex and reducing MyHealth1st aged account payables.

The successful divestment of MyHealth1st and improved trading 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 ProEX Virtual Care Software into Primary Healthcare Networks (PHNs), Residential Aged Care Facilities (RACFs) and Aboriginal Health Organisations (AHOs). Visionflex continues to demonstrate its value as innovative and trusted partners in the transition to virtual and hybrid healthcare. Further opportunities with large health providers are progressing with a strong pipeline of orders that is expected to continue into FY24.

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 has provided the opportunity for focused investment in product development and revenue growth to achieve sustainable profitability in the longer term.

1ST 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.

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