

Quarterly Update

For the quarter to 30 June 2021

Q4 Summary

- Q4 revenue of \$1.5m, up 13.5% on Q3
- Annual Recurring Revenue (ARR) of \$5.93m, up from \$5.45m or 9% PCP
- Cash receipts for the quarter were \$1.6m, up from \$1.3m in Q3 FY21 or 23%
- Exceptional costs in the quarter, related to previous board actions and their exit
- WA Health Vaccine Connect contract completed successfully

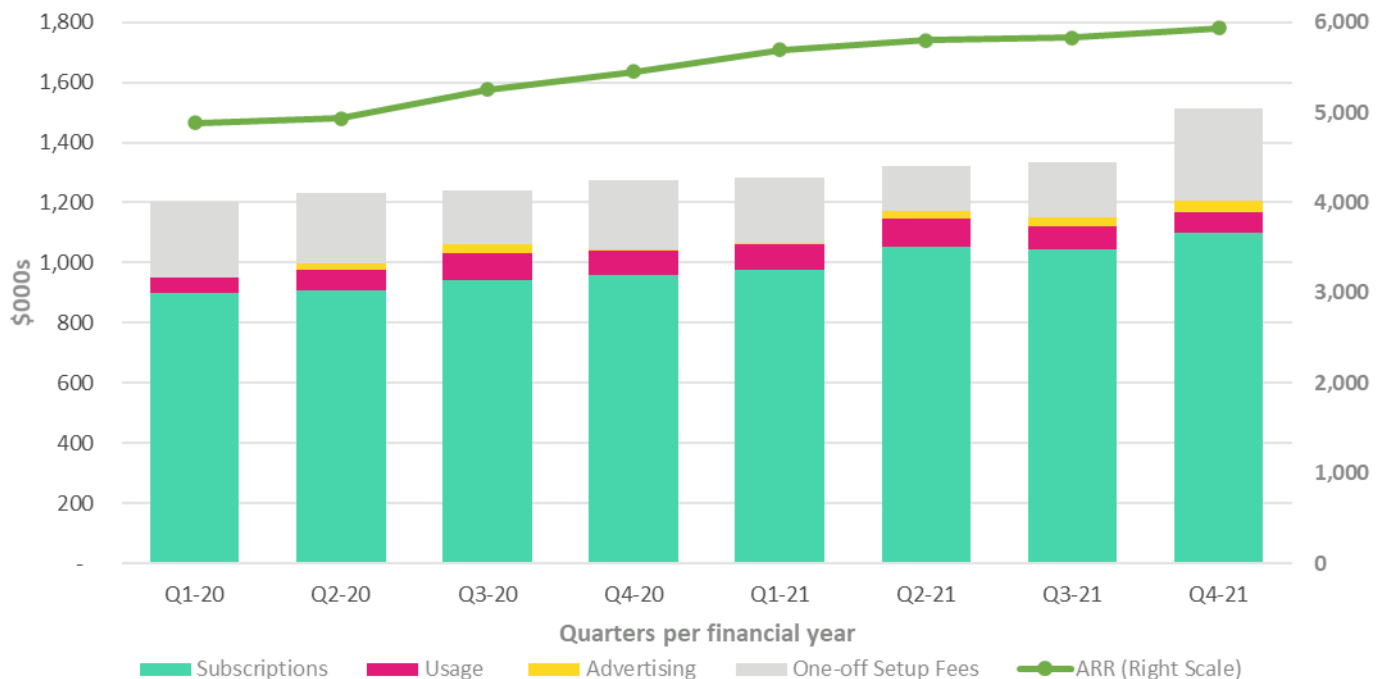
1st Group Limited (ASX: 1ST), the Australian digital health group, today announced its results for the quarter ended 30 June 2021. Results presented for the quarter are unaudited.

Klaus Bartosch, Co-Founder and Managing Director commented, *“we are pleased to announce our results for Q4. There are several drivers of the revenue growth, including a major Vaccine Connect contract with WA Health which commenced in Feb 2021 and was completed successfully in Q4 on schedule; a late sales recovery in Q4 with excellent progress with onboarding new practices; and St Vincent’s Health and Cabrini Health expansions, as well as a new agreement with ResMed for their sleep centres with Phase 1 going live in Q1.*

We continued to mature our major partnerships - in particular our strategic engagements with Openpay, Afterpay and now also Latitude Pay, which are expected to accelerate in FY22.

We prudently restructured our cost base towards the end of Q2 FY21 to reduce cash burn and accelerate our path to cash flow breakeven. We will continue to expand our leadership in the Allied and Specialist markets and deliver increased value from the consumer interactions on our platforms for our clients and shareholders.”

Quarterly Revenue and ARR



ARR is the value of all recurring monthly revenues at the end the quarter normalised to a one-year period. ARR includes all revenue streams that reliably recur on a monthly basis.

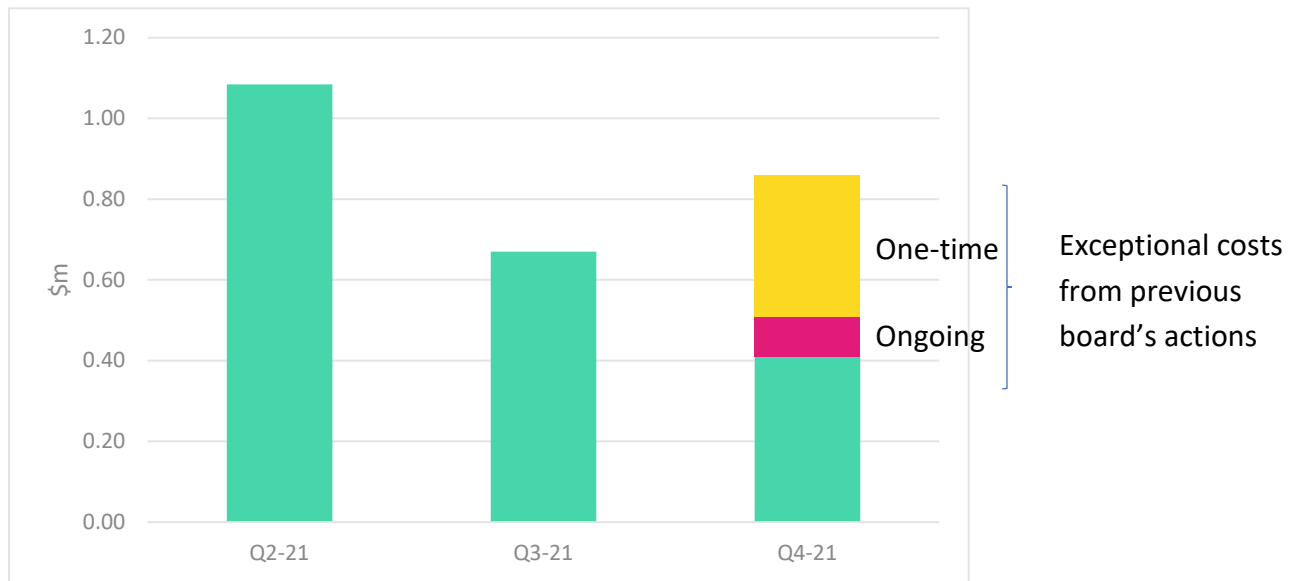
| OVERVIEW | Q4FY21 | Q3FY21 | Q4FY20 |
|-----------------------|----------|----------|----------|
| Subscription Fees | \$1,100k | \$1,045k | \$959k |
| Advertising Revenue | \$37k | \$29k | \$3k |
| Usage Fees | \$70k | \$77k | \$83k |
| One-off or Setup Fees | \$306k | \$183k | \$230k |
| Total Revenue | \$1,514k | \$1,334k | \$1,273k |

Net Cash Flows

Cash receipts for the quarter were \$1.6m, up 23% from \$1.3m in Q3 FY21. Cash payments in the quarter were \$2.46m, compared to \$2.39m in Q4 FY20. Quarterly net operating cash outflow was \$0.86m.

The exceptional costs incurred by the previous board in Q4 relate to additional CEO costs, redundancy and staff exit costs, out of cycle bonus, and various professional costs and unexpected board exit payments related to the board changes. In addition, more than \$100k per quarter in ongoing additional costs were implemented by the previous board and the Interim CEO which are being reviewed.

Cash burn trend highlights with normalised Q4 result:



During the quarter, \$294k in payments were made to related parties and their associates, being wages for the CEO/Managing Director, payments for the interim CEO and independent Directors and Chair remuneration including superannuation. Available funds are \$0.99m (comprising cash at bank as of 30 June 2021 of \$0.24m and \$0.75m in undrawn loan facility).

As set out in section 8 of the Appendix 4C, at this time, the Board does not see an immediate need to seek to increase available funds.

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 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, MyHealth1st.com.au, PetYeti.com.au and GoBookings.com.