



ShareCafe Presentation

April 2023

Constant Care, Everywhere

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Company Overview

AN AUSTRALIAN COMPANY WITH A FOCUS ON HEALTH AND AGED CARE

CARETEQ has developed a comprehensive SaaS-based solution and is an early mover in the rapidly growing Assistive Living Technology sector.



SaaS Based Solutions

Solutions targeting acute, aged, disability and home care sectors



Strong Value Proposition

Peace of mind for users, family and care givers



Devices

Suite of devices for monitoring activity, safety and medication adherence that connect to cloud-based Sofihub platform



Medication Adherence

Provides RMMRs* & QUM* to some of the nation's largest aged care providers, as well as HMRs*



Assisted Living

Intuitive and enterprise level central dashboard to manage and control a comprehensive range of Assistive Living Technology solutions



Digitising Medication Management

Assisting in the transition of paper-based to electric medication records

Market Matrix*

CARETEQ (ASX: CTQ) listed on the Australian Securities Exchange on 10 Jan 2022





Market Cap	\$6.8m
Cash (as of 31 Dec 2022)	\$3.6m
Enterprise Value (EV)	\$3.2m
Share Price (52wk range)	5.5¢ - 13¢
Shares Held by Top 20	62.5%
No. of Shares on Issue	123.6m
EV to FY22 Sales	0.73x

*Data as of 18 April 2023

*RMMR: Residential Medication Management Review, QUM: Quality Use of Medicines, HMR: Home Medicines Review

Business Model

DEFENSIVE GROWTH BUSINESS

Category	Assistive Living Tech	Medication Management	
Solution		Joint Venture  + 	
Description	Cloud-based platform that connects a range of smart sensors (e.g. falls detection, smart monitoring, etc)	Provides medication management services (Residential Medication Management Reviews. Quality Use of Medicine and Home Medication Reviews)	Digital medication management solution
Revenue Model	Hardware sales & recurring subscription revenue *Hardware sales are correlated to subscriptions but may be “bundled” with subscriptions for some clients, which means reported hardware sales may decline in the period even when active users are increasing.	Contractual revenue (3-year avg)	Recurring revenue (Charged per bed/ patient per month)
Target Markets	Disability & Aged Care (in-home or Registered Aged Care Facilities)	Residential Aged Care Facilities	
	Security	General Practitioners	
	Lone Worker	In-Home Care	
	Domestic violence		
	*Buyers may get government subsidies/grants (e.g., NDIS)		

Medication Management JV

STRATEGIC BENEFITS FOR CARETEQ

Careteq has merged its Ward MM business with Mederev in a JV (via non-cash transaction) to create one of Australia's largest Medication Management Businesses in Australia* that will benefit significantly from **greater economies of scale** and **cross-selling opportunities**.

Careteq will have a 55% controlling stake and majority representation on the board of the JV.

*Announced to the ASX on 5 April 2023

The transaction is forecast to:



Improve profitability & productivity of Careteq

- Operating efficiencies circa +35% (from improved utilisation rates, no. of reviews per pharmacist, access to improved IT Solutions)
- JV forecast to generate annual EBITDA of \$1.5-2M in 12 to 18 months (Ward MM FY22 EBITDA: \$370K)
- JV to deliver additional revenue growth of \$0.5-1M a year (compared with Ward MM and Mederev being standalone entities) and will be profitable from Year 1



Increase cross-selling opportunities

- Careteq has direct access to an additional ~22K aged care beds to sell Sofihub and Strong Care solutions (+67% to ~55K beds total)
- Mederev has 200+ new aged care client organisations across seven Australian states and territories

Strong Care & Ward MM

SYNERGISTIC GROWTH

STRONG CARE

Digital Medication Management System

- Strong Care has secured 3 Registered Aged Care Facility clients since its launch in August 2022
- Submitted 8 proposals with another 37 opportunities in its sales pipeline
- Most Registered Aged Care Facilities are still using paper-based systems
- The federal government is providing grants to Registered Aged Care Facilities to make the transition by Dec 2024

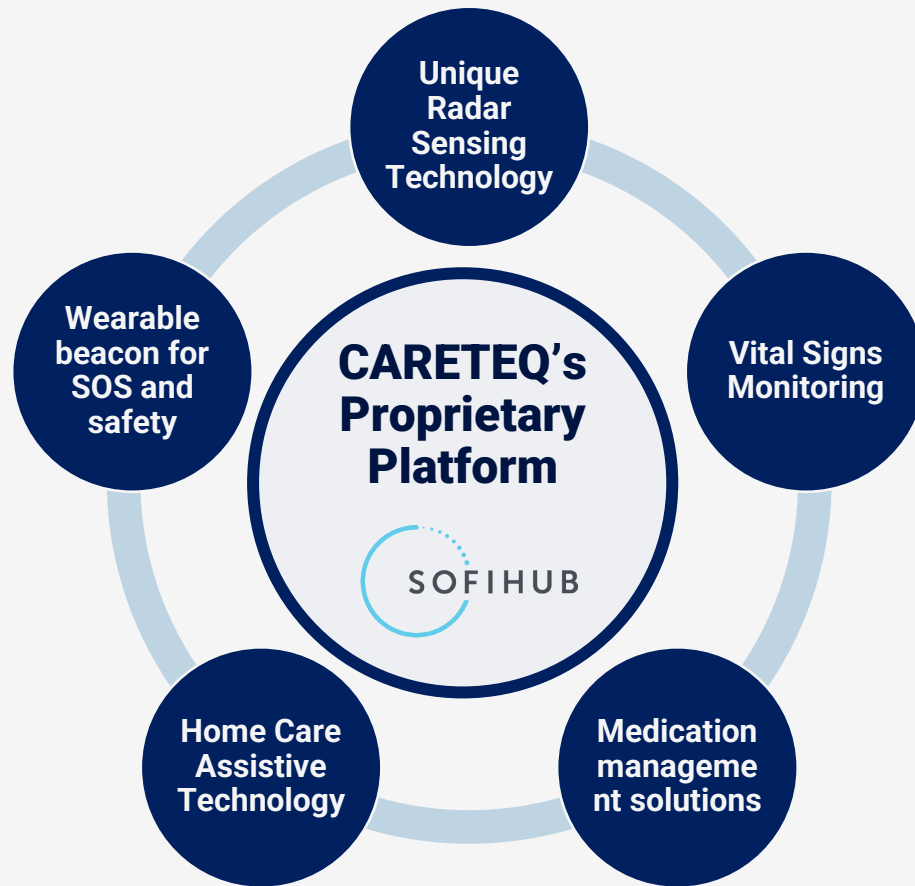


Medication Management Services

- JV is a key contributor to the Group's 1HFY23 revenue growth
- The combined entity is one of Australia's largest medication management service providers
- Regulations, government initiatives and ageing population provide growth platform for JV and Strong Care
- JV gives CARETEQ unparalleled access to leading Registered Aged Care Facilities to cross-sell Strong Care

The Sofihub Ecosystem

CLOUD-BASED PLATFORM + SMART SENSORS



Careteq's exclusive range of devices/sensors:



TEQ-Secure



TEQ-Home



TEQ-FallsAlert



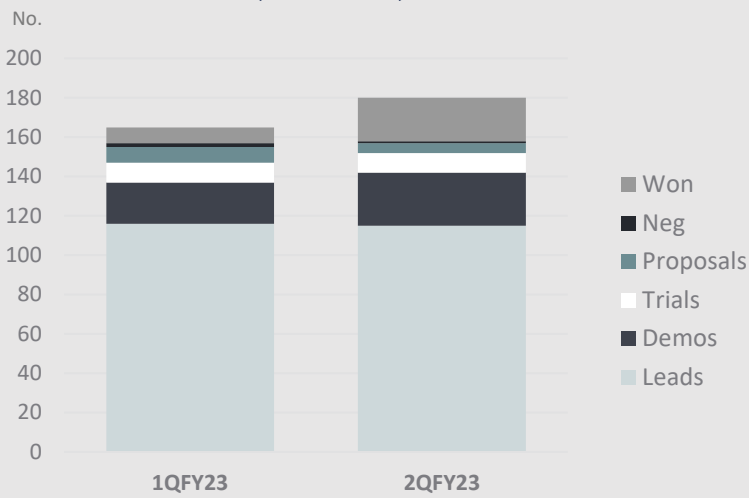
TEQ-Light

- Scalable AI-enabled SaaS platform that enables big data capture and enhanced granularity
- Constant real-time stream of multiple data variables delivering broad detail on activities and occurrences
- Can be accessed through various devices including computer, laptop, tablet and smartphone
- Seamless integration with CARETEQ's hardware, providing users and loved ones an out-of-the-box solution
- Sticky and growing subscriber base with high switching costs
- Low churn of 1.8% that is more than offset by new subscribers to the platform
- TEQ-Light (latest hardware offering), which plugs into a wall socket for monitoring, communications and medication reminders, is attracting keen interest from potential clients

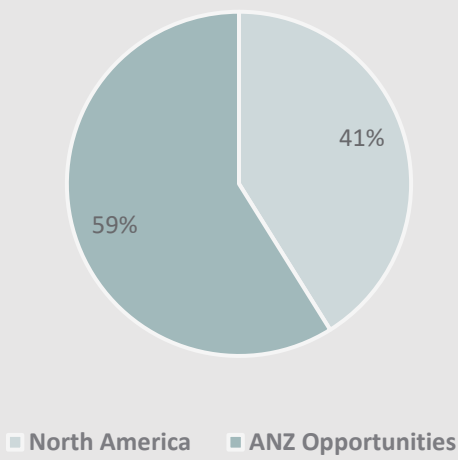
SofiHub Continues to Gain Traction

POSITIVE GROWTH OUTLOOK

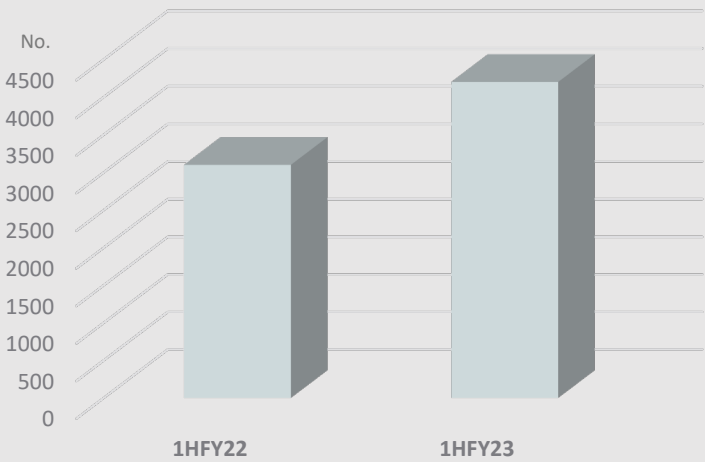
Growing Pipeline & Accelerating Conversions
(US & Aus)



Sales Pipeline by Geography



Number of SofiHub Subscribers



Active users increased by ~33% and is expected to grow further based on strong sales pipeline

Benefiting from macro tailwinds (e.g. staff/funding shortage, quality of care challenges, ageing demographics and trend towards in-home care)

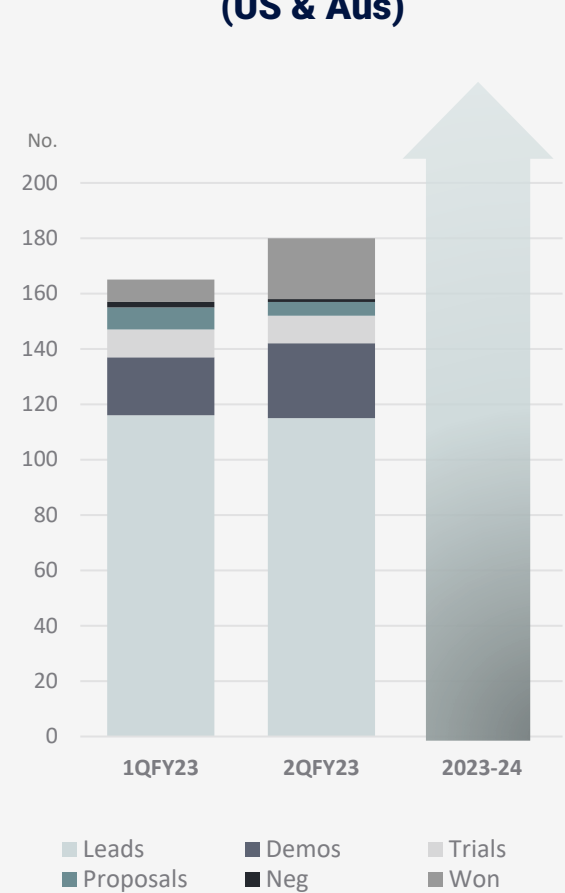
“Sticky” subscribers due to switching costs and “network” effect (convenience of having one central system)

Converting just one lead to binding sales may significantly grow Careteq’s subscriber base due to size of many potential clients in the pipeline

SofiHub Approaching Inflection Point

CONTRACT WINS & LONG REVENUE TAIL

Growing Pipeline & Accelerating Conversions (US & Aus)



- Pipeline continues to grow with number of revenue generating active partners for SofiHub jumping to 34 in April (2QFY23: 22, 1QFY23: 8)
- 8 of the 34 revenue generating contracts are from the U.S. market
- There are currently 18 trials running – 11 in the U.S. and 7 in Australia
- Several current clients operate multiple facilities or supply to very large organisations
- Careteq will reach breakeven at operating level with 15K SofiHub subscriptions and ARPU of A\$10/mth (current subs >4.2K)
- Limited B2C sales due to high cost of customer acquisition

U.S. Customer Snapshot

ON THE CUSP OF MAJOR CONTRACTS



An example of how Careteq is targeting significant growth opportunities through B2B partners

Careteq secured a contract with a leading US distributor to Aged Care facilities in North America

The distributor introduced Careteq to one of the largest independent and assisted living organisations in North America

A successful trial of TEQ-Secure was undertaken by this organisation with 40,000 residents in >380 communities

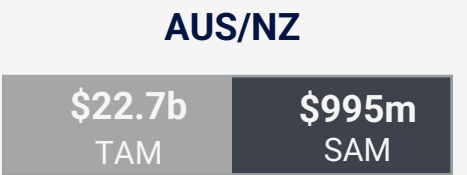
A contract is currently being negotiated between the parties (targeting an ARPU of US\$10/mth)

>\$7M
Annual Sales
Opportunity

More Room for Sales Pipeline to Expand

DISRUPTING THE AGED & DISABILITY CARE SECTORS

- CARETEQ’s Assistive Living Technology platform and solutions are gaining momentum in Australia and the US
- Increasing need to improve the standard of care for the elderly and disabled, chronic staff shortages and funding blowouts are driving demand



TAM: Total Addressable Market



SAM: Serviceable Available Market



Elderly Care

There are approximately 1 million **elderly Australians** receiving either **home care or home support** under the **CHSP**¹

Aged Care

There are **217,145 beds in residential care** services across 3,000 facilities.

Disability Care

4.4m Aussies living with disabilities (18% of population)²

Accident Rehab

160,000 Australians aged 15-64 have a head injury, stroke or acquired brain injury and 223,000 cases of hospitalised injury due to falls³

¹ Australian Institute of Health and Welfare, ROACA summary, 2019-20
² <https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release>
³ <https://www.abs.gov.au/articles/disability-and-labour-force>
⁴ <https://www.globenewswire.com/news-release/2021/07/15/2263455/0/en/Global-Disabled-and-Elderly-Assistive-Technology-Market-to-Reach-32-Billion-by-2026.html>

Additional Growth Opportunities

NEW MEDIUM-TERM DRIVERS



Domestic Violence

- Working with SiTa Foundation in the US combating domestic violence
- Scheduled to commence trials with innovative wearable device utilising the Sofihub platform in CY23
- ~10m Americans adults face domestic violence a year and domestic violence hotlines get >19,000 calls a day



Lone Worker Market

- Initial sales of TEQ-Secure safety pendants via existing channel partner
- Early customers include Transport Accident Commission (TAC) and Department of Health
- Global lone worker safety market growing at 12.5% CAGR to hit US\$2.3bn by 2030¹



Hospital-in-the-Home

- Hospital-in-the-Home is growing rapidly in Australia and presents a new significant opportunity for CARETEQ
- CARETEQ is in discussions with prominent healthcare groups within Australia
- Global market estimated at US\$362bn in 2022 & growing at 8% CAGR (2023-2030)²

1) <https://www.reportlinker.com/p06169073/Emergency-Services-for-Lone-Worker-s-Safety-Market-Research-Report-by-Type-by-Component-by-Deployment-by-Region-Global-Forecast-to-Cumulative-Impact-of-COVID-19.html>

2) <https://www.grandviewresearch.com/industry-analysis/home-healthcare-industry>

Positive Outlook

FOR FY2023



Growth

1H FY23 revenue up 36% and EBITDA jumped 39% over PCP



Growth Options

Multiple near-term growth drivers (including new markets) to build scale in Australia and internationally



Momentum

More growth expected as fundamentals for Company has never been stronger



Prospective Customers

SofiHub subscriber growth jumped ~33% to >4.2k and strong pipeline points to further accelerated growth



Disruption

Aged and disability care ripe for technological disruption



Macro Tailwinds

Operating in fast growing sector that's benefiting from several macro tailwinds



Deep Experience in Health Care

BOARD DIRECTORS



Mark Simari

Executive Chairman

Over 15 years' Board experience in a diverse range of organisations

Former Managing Director and Co-Founder of Paragon Care (ASX: PGC) (between 2008 and 2018). He was instrumental in Paragon Care becoming one of the largest independent healthcare suppliers in Australian and New Zealand market

Extensive experience in finance, investment, equity capital markets and M&A



Alex Boyd

Executive Director / COO

Over two decades of experience in operations, procurement and resource management, concentrating on developing technology solutions.

International executive with a background running transformation and growth programs for blue chip companies in multiple sectors

Held senior roles at Shell (LON: RDSA), Parsons, Inc. (NYSE: PSN) and Idox Plc (LON: IDOX)



Brett Cheong

Non-Executive Director

Over 40 years of background experience within the healthcare industry at all levels of management.

Founder and Managing Director of Axishealth Pty Ltd for 9 years including the role of Marketing Manager.

Extensive management skills focusing on Sales & Marketing, Product Design & Development, Manufacturing and International product sourcing



Stephen Munday

Non-Executive Director

Over 40 years business experience in Australia and North America including Chief Financial Officer & Company Secretary positions in several listed companies.

Extensive experience in marketing, business development, supply management, commercial management, financial management, change management, compliance and governance.

Previously Chief Financial Officer of Paragon Care Limited

THANK YOU

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