

8th February 2023

Dear valued shareholder,

The Great Australian Exodus: Could the last guy turn the lights off on the way out

January 2023 saw the full fury of a two-and-a-half-year cabin fever thrown into reverse. 1 in 20 Aussies were overseas in January. Our cohort skews younger and wealthier so we had even greater exposure to this exodus. Our recent patient survey showed that 1 out of 6 of our patients who responded were overseas in January. This peripatetic phenomenon explains why total transactions for January came in a little softer at 93,114 with most of the softness coming from med-certs and live consults.

One other contributor to this was a reformatting of our web pages for SEO and SEM purposes. Google takes a few weeks to digest these changes and there's typically a temporary drop off in digital traffic while this happens. We expect to fully reap the benefits of these changes in the coming months.

The recent travel flurry has introduced the concept of an 'international health passport' to our product development team. We have access to doctors in international jurisdictions and are in the process of leveraging this network to provide peace of mind for the Aussie traveller. A critical need and a huge opportunity!

We are excited to be a part of the national conversation currently taking place about digital health, particularly asynchronous care. Whilst our modelling demonstrates no impact to profitability if the asynchronous guidelines change, we nevertheless believe that curtailing this model of care is a regressive step and is detrimental to patients. To that end, many of our 100+ doctors have made submissions to the medical board in support of asynchronous care and we have also encouraged our patients to do the same. I'm sure many of you have benefited from our platform at a time of need and I would encourage you to make supportive submissions (medboardconsultation@ahpra.gov.au). I've attached my own submission to this circular. Feel free to draw any inspiration from it.

I'm terribly excited about 2023. We doubled volumes in 2022. I'm confident that, with some of the new partnerships Richard will speak to and renewed marketing efforts, we will do the same this year. After all, *"history should be judged not by its fidelity to the past, but by its fidelity to the present and future"* (Nietzsche).

Dr Asher Freilich
CEO
Warmest Regards,



Dr Asher Freilich
CEO
InstantScripts Pty Ltd

COO Update

Performance

I certainly was one of those Australians who used January as a chance to escape overseas. But fortunately for InstantScripts I returned home with a chest infection that required antibiotics.

Total transactions for January were down 13% to 93,044 with reduced volume in telehealth consults, down 25%, and medical certificates, down 12%. Feedback from industry participants indicated that the market for primary healthcare contracted in January with less patients in Australia and less sickness from those that were.

While there is an element of seasonality to telehealth consults and medical certificates, demand for prescriptions for chronic conditions will always be more consistent. Pleasingly, express prescriptions were only down 2% on our record month in December. Increased marketing on pathology referrals and specialist referrals proved to be highly effective, increasing transactions by 40% in January.

Marketing

For those patients who did choose domestic travel over international travel, we ran an eye-catching campaign on trains, light-rail, and trams in city centres and billboards on main arterials from capital cities. These campaigns focused on travel-related scenarios that promoted express prescriptions.



Television has consistently helped us build brand and audience to our website. We will be back in February and March with sponsorship of Married at First Sight to reinforce our brand with our core demographic of 35–45 year-old females.

Regulation

The Medical Board of Australia provided a Christmas surprise to the industry by releasing a draft consultation paper on telehealth. The Medical Board stated that it does not support asynchronous healthcare unless the patient and doctor have previously had a phone conversation. While this may appear relatively minor, this guideline will increase costs and decrease convenience for patients.

InstantScripts has partnered with the Australian Patients Association and their Ambassador of Health Reform, Dr Nick Coatsworth, to make a joint submission to the Medical Board. Our key points are that the Medical Board's proposal (i) has significant detrimental impact on Australians; (ii) lacks evidence to support its decision; and (iii) misses an opportunity to define safeguards and limitations. You can review our joint-submission to the Medical Board by clicking [here](#).

Best regards,



Richard Skimin
COO
InstantScripts Pty Ltd

Appendix 1: Transactions Chart

