Advisory note

Physitrack Group

202X-06-03

LIND RESEARCH

Disclaimer

Except as indicated otherwise, this presentation is current as of the date on the cover, incomplete, and subject to change. It is provided for general informational purposes only and is not an offer or solicitation to buy or sell securities or enter any managed account arrangement with Lind Research.

Investments involve risk, including potential capital loss. Past performance does not predict future results. This presentation is exclusively for qualified investors and is not intended for public distribution.

Opinions and information expressed herein are those of Lind Research as of the presentation date and may change without notice. Lind Research has no obligation to update the data or opinions provided. This presentation may lack complete information necessary to evaluate the discussed companies or securities.

Information herein does not constitute financial, legal, tax, or investment advice, nor is it a recommendation to buy or sell securities. Lind Research is not providing advisory services through this presentation. Information is based on publicly available data, including regulatory filings and third-party sources. Lind Research acknowledges that nonpublic information may exist that could materially impact these analyses and conclusions.

Lind Research, its affiliates, clients, partners, and personnel may hold positions in companies discussed. Additionally, Lind Research may engage or be engaged by companies discussed herein in an advisory role aimed at pursuing value-creating opportunities, which may include compensation.

Lind Research has neither sought nor obtained third-party consent for referenced materials, nor compensated third parties for their information.

No express or implied representations or warranties regarding the accuracy, reliability, or completeness of information herein are provided. Lind Research disclaims all related liability. Securities discussed may not trade at implied prices, and no assurances are given regarding such prices.

Forward-looking statements, estimates, and projections included herein involve significant assumptions and uncertainties. Actual outcomes may differ materially. Lind Research disclaims any obligation to update forward-looking statements for future events or changes.

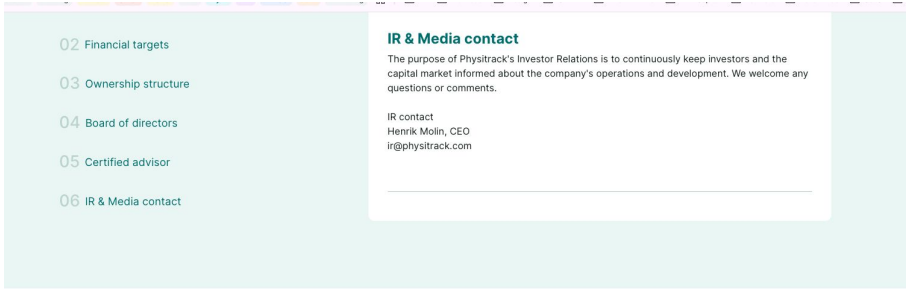
By accessing this presentation, you acknowledge and agree to this disclaimer.

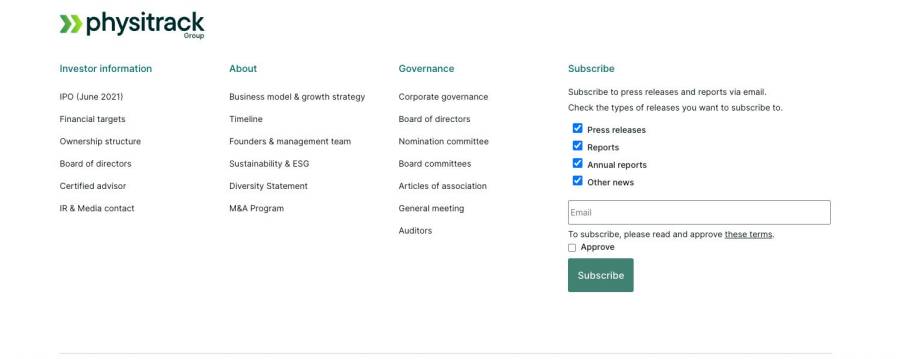
What is IR?

- ➔ IR is not about making something that is bad look good. It's about making it easy for potential investors to understand your business.
- ➔ Most investors have a very short attention span, they spend less than 1 minute to gauge investmentabillity and mostly read headlines. Reports, press releases and data needs to be easy to find and understand.
- ➔ Physitrack is a quality business with large potential. Current valuation indicates that investors does not understand that.
- ➔ What is especially apparent is that the market does not understand the underlying quality and stability of Lifecare or the potential of Wellness.
  - ◆ Therefore, a focus should be to show information in a structured way for each segment.

Discoverability at the IR website

Little information on the IR page



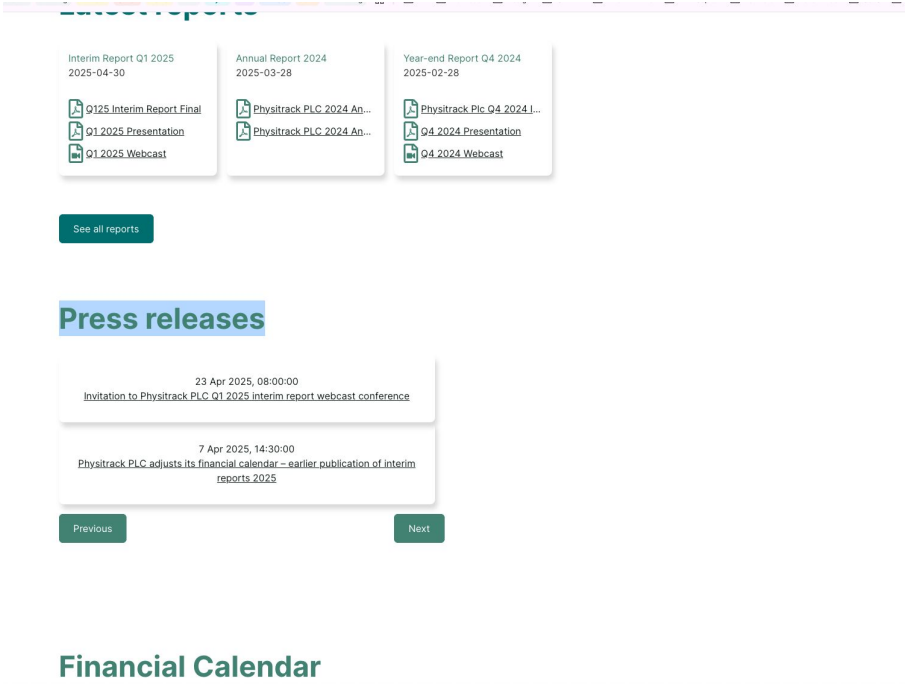


➔ Most investors start by search company name + investor relations. For Physitrack what you find in the result at the top is: https://www.physitrackgroup.com/investor-information

- ◆ Here one can't find reports or press releases. You have to click the logo and go to the group homepage, then scroll down.
  - **Suggestion**: The site needs a larger revamp, but in the meantime have a header navigation to the reports section etc. Also included in footer navigation.

Discoverability at the IR website

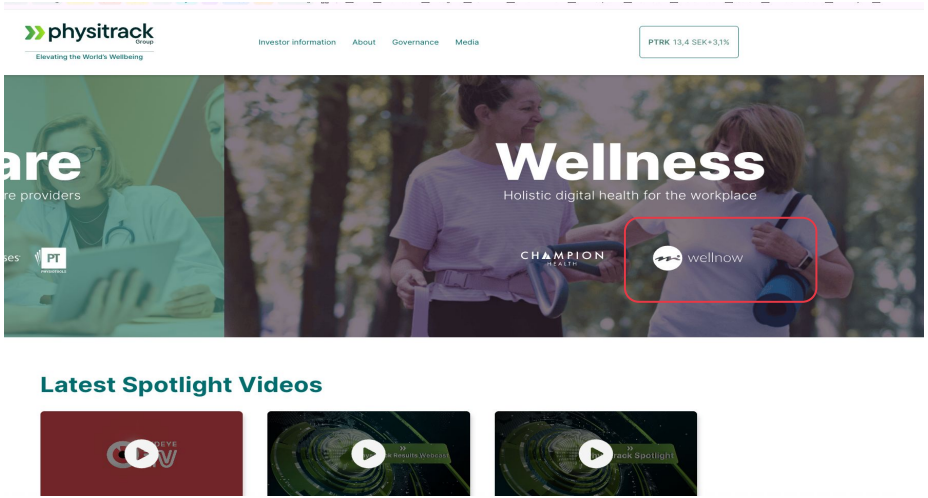
No press release page



- ➔ There is no great way to view all historic press releases.
  - ◆ **Suggestion**: Add a view all button and a separate page for press releases.
- ➔ Many companies have a prepared excel/csv file for download. This could be a great addition

Discoverability at the IR website

Remove Wellnow mentions



Wellnow is still mentioned on the IR page. Making it confusing.

Change internal and external focus from EBITDA to Cash flow and ROCE

We think EBITDA is a poor measurement of underlying earnings power due to CapEx dependence.

- Cash used in investing activities totalled EUR 3.5m, compared to EUR 5.1m in the previous year. Excluding deferred consideration payments of EUR 1.6m in the prior year, investments in the platform was flat year on year.

Profit margins

Physitrack targets and EBITDA margin of 40-45% in the medium term, with potential short term margin contractions due to acquisitions impacting margins negatively.

Return on Capital	2021	2022	2023	2024	2025E	2026E	2027E
Non-current Asset	€17.2m	€37.7m	€34.3m	€26.4m	€23.2m	€22.8m	€22.3m
Net Working Capital	-€1.5m	-€3.4m	-€1.8m	-€1.6m	-€1.4m	-€1.4m	-€1.5m
Capital Employed	€15.7m	€34.3m	€32.4m	€24.8m	€21.8m	€21.5m	€20.9m
Godwill	€14.4m	€27.2m	€23.9m	€17.9m	€14.9m	€14.9m	€14.9m
Adj. Capital Employed	€1.3m	€7.1m	€8.6m	€6.9m	€6.9m	€6.6m	€6.0m
Capital turnover	6.2x	1.8x	1.7x	2.3x	2.2x	2.6x	3.1x
Adj. EBIT	€1.2m	€1.8m	€0.8m	€0.4m	€1.3m	€2.2m	€2.6m
% margin	15%	14%	6%	2%	8%	13%	14%
Adj. ROCE	**92%**	**25%**	**10%**	**6%**	**18%**	**34%**	**44%**

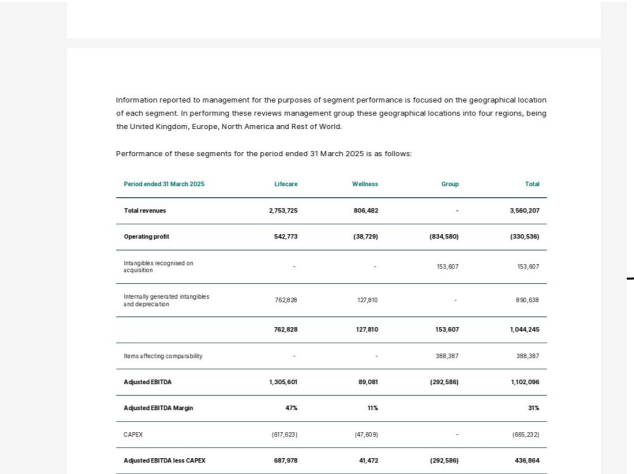
- **Few CapEx comments**: PTRK is rather CapEx heavy, with significant intangible investments into development. However, the comments on the trends are few, this should be improved.
- **EBITDA is not cash flow:** Change company targets on EBITDA to EBITDA less CapEx, EBIT or even better
- **ROCE**: Like in the research report, start including discussion on ROCE/ROIC. Maybe even state a goal on it.

Report structure

YTD numbers per segment

Financial Review
Divisional Review - Lifecare

	9 month period ended 30 September 2024			
€'000's	2024	2023	Var	%
Revenue	7,733	7,106	627	9
Adj EBITDA	3,647	3,354	293	9
Adj EBITDA margin	47%	47%		



Information reported to management for the purposes of segment performance is focused on the geographical location of each segment. In performing these reviews management group these geographical locations into four regions, being the United Kingdom, Europe, North America and Rest of World.

Performance of these segments for the period ended 31 March 2025 is as follows:

Period ended 31 March 2025	Lifecare	Wellness	Group	Total
Total revenues	**2,753,725**	**806,482**	-	**3,560,207**
Operating profit	**542,773**	**(38,729)**	**(834,580)**	**(330,536)**
Intangibles recognised on acquisition	-	-	153,607	153,607
Internally generated intangibles and depreciation	762,828	127,810	-	890,638
	762,828	**127,810**	**153,607**	**1,044,245**
Items affecting comparability	-	-	388,387	388,387
Adjusted EBITDA	**1,305,601**	**89,081**	**(292,586)**	**1,102,096**
Adjusted EBITDA Margin	**47%**	**11%**		**31%**
CAPEX	(617,623)	(47,609)	-	(665,232)
Adjusted EBITDA less CAPEX	**687,978**	**41,472**	**(292,586)**	**436,864**

- You usually have YTD numbers on the segment page. Show both YTD and the quarterly numbers.
- To get the full picture, one must go down to page 20. This numbers should be directly included on the segment page.
- Would be great to see gross margin also per segment, easier then to understand.
- Also include product mix directly in the same table, it's important o show the subscription revenue growing.

Report structure

YTD numbers per segment

Revenue arising from the Group's activities during the period of geography and operating segment were as follows:

	Period ended 31 March 2025 EUR	Period ended 31 March 2024 EUR	Period ended 31 December 2024 EUR
Lifecare			
United Kingdom	657,845	581,819	2,433,929
Europe	888,388	939,081	3,733,649
North America	573,841	554,177	2,082,926
Rest of the world	633,651	516,490	2,235,800
	2,753,725	**2,591,567**	**10,486,304**
Wellness			
Europe	152,883	180,358	584,698
United Kingdom	653,599	904,795	3,379,700
Total	**806,482**	**1,085,153**	**3,964,398**
	3,560,207	**3,676,720**	**14,450,702**
Revenue by product line			
Subscription fee	2,582,611	2,486,943	9,928,793
Custom app maintenance fee	145,589	82,481	487,379
Custom app set-up costs	25,525	22,143	70,132
Wellness	806,482	1,085,153	3,964,398
Total	**3,560,207**	**3,676,720**	**14,450,702**

As of 31 March 2025, subscription licenses grew by 1%, rising from an average of 67,000 licenses in December 2024 to 69,000 in March 2025.

- Revenue details are on page 22. This should be shown earlier. I focus most on product line, and it's weird that Wellness is "Wellness" when they also have subscriptions.
- Licenses numbers are in test form and not in a table. There are now graphs or more in-depth discussion about it.
    - I talked to a larger investor, that did not understand the underlying license growth. Despite that he had looked at the case.
- ACV are now in the SaaS metric numbers. But I think it could be included in the segment data, and base it on the quarterly numbers.

The details to include

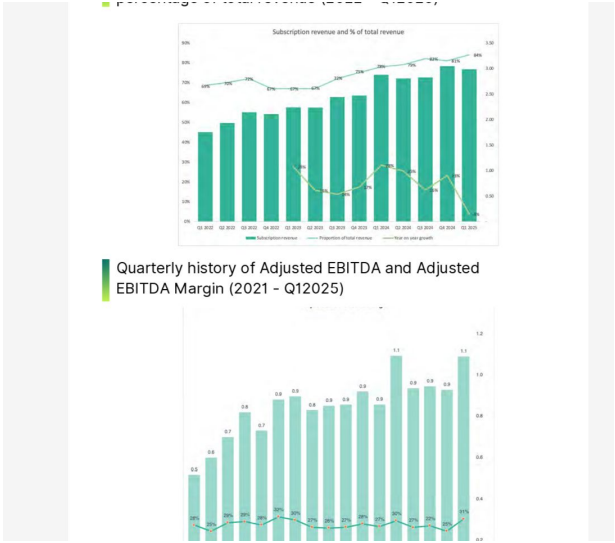
More details to show the quality

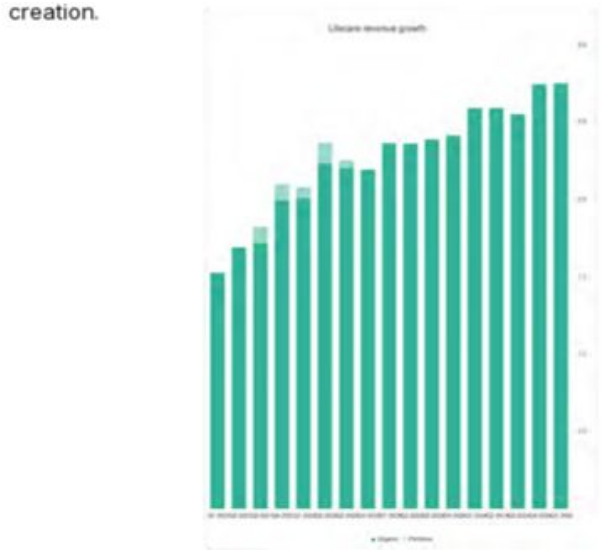
	2021	2022	2023	2024
Lifecare				
Revenue	**€6.9m**	**€8.6m**	**€9.5m**	**€10.5m**
% growth		24%	10%	10%
- SaaS Revenue	€6.1m	€7.4m	€8.4m	€9.9m
% growth		21%	14%	18%
- Average Licenses	*49,500*	*51,000*	*56,184*	*65,071*
% growth		3%	10%	16%
- ARPU	*€124*	*€145*	*€150*	*€153*
% growth		17%	3%	2%
- Custom app maint. Revenue	€0.4m	€0.3m	€0.4m	€0.5m
% growth		-32%	33%	25%
- Custom app set-up Revenue	€0.4m	€0.9m	€0.7m	€0.1m
% growth		148%	-25%	-90%
OPEX	**€3.6m**	**€4.4m**	**€5.1m**	**€5.7m**
% growth		21%	17%	12%
% of revenue	52%	51%	54%	55%
Adj. EBITDA	**€3.3m**	**€4.3m**	**€4.4m**	**€4.8m**
% growth		28%	3%	8%
% margin	48%	49%	46%	45%
D&A	**€1.4m**	**€1.6m**	**€2.4m**	**€2.9m**
% growth		12%	50%	20%
% of revenue	363%	19%	25%	28%
Adj. EBIT	**€1.9m**	**€2.7m**	**€2.0m**	**€1.9m**
% growth		40%	-26%	-6%
% margin	27%	31%	21%	18%

- This is the details I look at.
- I think the reporting should be as close as possible to showing these figures directly.
- They are all in the report, but scattered in different places, and thus there are no disclosure issue.

Graph quality is bad

Blurry pictures

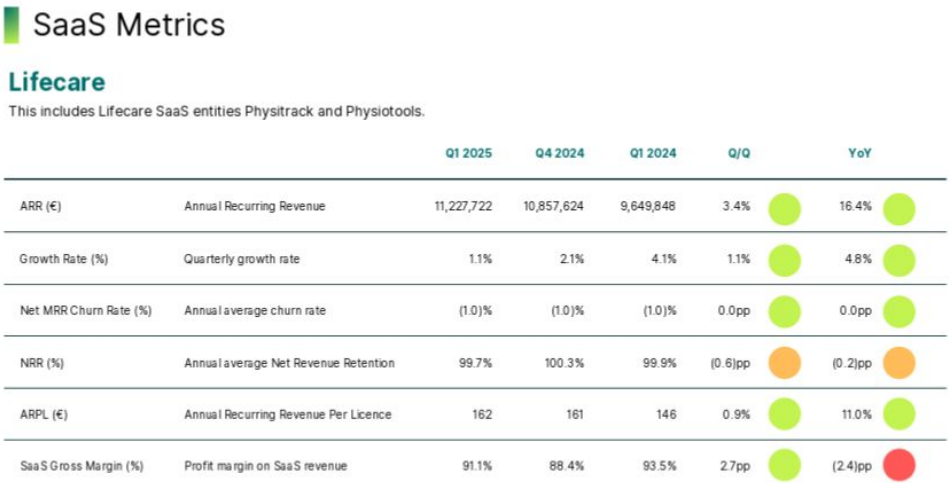




- Many graphs in the report looks very blurry and cheap. Make sure they are decent quality looking.

SaaS Metrics

Clarify periods and check clacluations



SaaS Metrics

Lifecare

This includes Lifecare SaaS entities Physitrack and Physiotools.

		Q1 2025	Q4 2024	Q1 2024	Q/Q	YoY
ARR (€)	Annual Recurring Revenue	11,227,722	10,857,624	9,649,848	3.4%	16.4%
Growth Rate (%)	Quarterly growth rate	1.1%	2.1%	4.1%	1.1%	4.8%
Net MRR Churn Rate (%)	Annual average churn rate	(1.0)%	(1.0)%	(1.0)%	0.0pp	0.0pp
NRR (%)	Annual average Net Revenue Retention	99.7%	100.3%	99.9%	(0.6)pp	(0.2)pp
ARPL (€)	Annual Recurring Revenue Per Licence	162	161	146	0.9%	11.0%
SaaS Gross Margin (%)	Profit margin on SaaS revenue	91.1%	88.4%	93.5%	2.7pp	(2.4)pp

It’s confusing when you said that its monthly churn, while it says annual average churn. The numbers does not really add up with NRR of 99.9% on an annual basis, when the ARPL has increased this much and churn looks low.

Proforma

Include a pro forma in Q2 report

- I suggest including a proforma per segment and group cost for the past three years in the Q2 report. This is because of reporting restatements and the Wellnow divestment, making everything hard to follow.
    - Decide first on the format, and then include a proforma. This can obviously be in the notes as the table will be large.
- Remember that the goal is for investors to easy find information and financial data, so they can understand the underlying quality and potential in Physitrack

End.