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## Supplying to our eStore - Vendor Q&A's

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**1. Question:** Delivery Costs -Will the vendor pricing include delivery costs for example if a customer orders from multiple vendors in a single transaction, will the delivery be included rather than paying multiple deliveries?

**Answer:** We negotiate terms with each vendor, including delivery costs, which are then incorporated into the platform. The platform is structured to allow combined shopping carts featuring items from multiple vendors, each of whom may have different delivery charges. When configuring delivery charges, we consider two key factors: delivery speed (such as Standard, (2-5 days) Two-Day, or Next Day) and delivery charge type (including Calculated, fixed per item, Fixed unlimited items, and Free) For the most part, we can mimic the delivery charge framework the vendor has in place for their other channels. Your vendor invoice to Physio First will include the Cost of the Item, Delivery Charges and VAT. Delivery charges are a straight pass-through, so there is no expense exposure to you as a vendor. To ensure the most competitively priced products, we encourage consideration of every available option to minimize delivery charges.

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**2. Question:** Will the Manufacturer's Suggested Retail Price (MSRP) for own branded products be listed as the standard price? How does this compare to the pricing of products that are not own-branded, particularly in comparison to other channels such as Amazon?

**Answer:** If a brand or manufacturer (yours or others) utilises MAP pricing, or otherwise wants control over the selling price, we can accommodate that on the platform. In cases where selling price is not dictated, Physio First will establish the selling price based upon our own market analysis, considering similar items.

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**3. Question:** Cost of Goods (COGs) delivers an acceptable gross margin to the Physio First eCommerce Platform - To allow Physio First to fulfill its mission to provide member's patients with competitively priced products, whilst paying meaningful commissions to members, a gross margin between 30-45% is generally required.

**Answer:** Physio First serves as the merchant/seller for all products on our platform, with eComNow serving as the technology provider. This means that Physio First receives all sales revenue from product sales and subsequently allocates payment to Vendors, commissions to our members, and other fees associated to ecommerce (including credit card fees, technology services fees) as well as covering administrative support expenses. To ensure we can provide meaningful commissions to our members and offset our operating costs, maintaining an adequate gross margin is needed.

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**4. Question:** How much interest/enrolment have you received from physios participating in the pilot program so far?

**Answer:** Since the launch of our pilot on the 21st November, we have successfully opened over 80 eStores. Although we do not have specific data on sales volumes at this stage, we are eager to acquire this information. Demonstrating the success of these eStores to our remaining members is important to encourage further sign ups. Based on the positive feedback to date, we anticipate a significant increase in the number of stores, with expectations ranging between 1,000-2,000 over the coming months. This growth presents a lucrative prospect for vendors.