



MedAdvisor Limited
ACN 145 327 617
Level 2, 971 Burke Road
Camberwell Vic 3124
mymedadvisor.com/investors

ASX RELEASE (ASX: MDR)

MedAdvisor delivers on strategy and generates solid revenue growth in FY22

Melbourne, Australia, 26 August 2022 – MedTech company, MedAdvisor Limited (**MedAdvisor** or the **Company**) is pleased to announce its results for the 12 months ended 30 June 2022 (**FY22**).

Key FY22 highlights (vs FY21)

- Operating Revenue up 75% to \$67.8 million
 - Up 19% on a like-for-like basis¹
 - US revenue up 13% on a like-for-like basis¹ to \$53.7 million
 - AU revenue up 44% to \$14.1 million
- Gross Margin up 17% to \$35.0 million on a like-for-like basis
- EBITDA stable at \$(11.3) million loss, reducing by \$1.2 million year-on-year on a like-for-like basis
- Statutory NPAT of \$(17.5) million
- Operating cashflow improved \$12.3 million to \$(0.2) million (FY21: cash outflow of \$(12.5) million), moving close to cashflow breakeven
- Delivering on strategic initiatives
 - Expanded digital reach via:
 - National US retailer signed to omni-channel contract, increasing access to over 40 million US patients
 - Major AU pharmacy group signed to a 5-year deal, contributing to network growth of 19%
 - THRiV developed and launched, delivering improvement in gross margin
 - Signed largest digital program to date – COVID-19 awareness (US\$3 million)
 - Entered New Zealand via Green Cross Health, providing access to 40% of pharmacies
 - Post year-end, completed the acquisition of GuildLink, providing access to over 90% of Australian pharmacies (when combined with existing MedAdvisor Network).

¹ Like-for-like revenue show Adheris pre-acquisition revenue translated at a contact AUD/USD of \$0.73 for full year and 01 July 2020 to 17 Nov 2020 in FY21

Commenting on the Company's FY22 performance, CEO and Managing Director Rick Ratliff said:

"The past 12 months have been transformational for MedAdvisor, with multiple strategic objectives achieved and significant change implemented.

"We expanded our digital reach, a focus for our growth strategy, via several key contracts that landed in FY22. The 5-year deal with a major pharmacy group in Australia had a positive impact on our business, driving domestic network growth up 19%. In the US, the national retailer omni-channel network contract entered into is expected to lead adoption to achieve digital scale.

"We are proud of the role we played in delivering the COVID-19 vaccination program in Australia supporting pharmacies in streamlining their vaccination workflows, delivering 6.5 million vaccinations into the community. We also successfully launched a US Medicare Advantage communications program, which helps seniors navigate health insurance plans and allow them to keep their doctor, pharmacist and drug coverage, whilst maintaining affordability.

"With strong, businesses in the US and Australia, we expanded our global footprint by entering the New Zealand market via a 3-year agreement with Green Cross Health, a primary health care services provider. This agreement provides access to approximately 40% of the New Zealand pharmacy market. We are already seeing the benefits of increased SaaS revenue as our digital solutions rollout to the Green Cross Health network.

"Recently, and after the end of FY22, we completed the strategic acquisition of GuildLink, a provider of digital healthcare solutions and medicine information for consumers and health professionals. This acquisition, when combined with MedAdvisor's existing network, provides access to over 90% of the pharmacy market in Australia and supports our strategic goal to be the leading medication and service management platform within the Australian market."

Strong growth in revenues as global platform scales

Total Group revenue in FY22 was up 75% to \$67.8 million (FY21: \$38.7 million), and 19% on a like-for-like basis, comprising:

- Continued positive performance from the **US business**, with revenue on a like-for-like basis up 13% to \$53.7 million (FY21: \$47.3 million). Growth was underpinned by the successful launch of digital solutions with a provider of a private online marketplace for health insurance, and Adheris continuing to deliver increased customers, customer diversification and reduced churn. This partially offset the pause of a regular program for one of MedAdvisor's largest customers in the US.
- Strong growth from the **Australasian business**, with revenue up 44% to \$14.1 million, reflecting in part increased network capacity from the signing of a major Australian

pharmacy group and Green Cross Health in New Zealand, and uplift in transaction fees from increased pharmacy network and COVID-19 and flu vaccination bookings.

EBITDA was stable at \$(11.3) million (FY21: \$(12.5) million like for like), after business investment of \$2.9 million in relation to enhancing the THRiV product offering, digitalisation and IT infrastructure.

Significant turnaround in operating cashflows

Operating cashflow grew strongly, improving by \$12.3 million to a small outflow of \$(0.2) million (FY21: outflow of \$(12.5) million). As the Company has been scaling its global platform, MedAdvisor has been moving closer to operating cashflow breakeven. Cashflow management continues to be a high priority for the Company.

Delivering on key strategic priorities

MedAdvisor has continued to deliver on its key strategic priorities that underpin the Company's business plan, including:

1. Expand digital reach

In the US, a milestone agreement was reached with a National US retailer that launched sponsored digital communications that are in the 'Best Interest' to its patients, giving MedAdvisor an expanded suite of adherence solutions. This agreement validates MedAdvisor's digital omni-channel strategy.

In Australia, the major pharmacy contract signed in July 2021 increased MedAdvisor's digital reach. The deal had an immediate impact on the Company's Australian business driving network growth up 19%. Digital reach was also supported by the version 6 mobile app launched in Australia, delivering a faster more responsive user experience.

2. Launch of omni-channel adherence solution

MedAdvisor developed and successfully launched THRiV during FY22, the Company's intelligent omni-channel adherence solution. THRiV's expansion allows for individual tailoring of communications made available through predictive models and AI to drive improved outcomes.

3. Enter new markets

MedAdvisor entered into the US payer market through a partnership with a private online marketplace for health insurance. The focus of the initial program was to help seniors navigate health insurance plans that allow them to keep their doctor, pharmacist, and drug coverage, whilst maintaining affordability. In addition, MedAdvisor is developing a relationship with a major US health tech provider focused on improving the financial and quality performance of healthcare organisations.

MedAdvisor supported 2,100 pharmacies to deliver 6.5 million COVID-19 vaccinations. Via online booking systems, campaign builder, and our integration capabilities with HealthDirect, Australian Immunisation Register and pharmacy programs, MedAdvisor streamlined the vaccination workflow so pharmacies can deliver more vaccinations more easily to their community.

4. Geographic pharmacy network growth

MedAdvisor entered the New Zealand market via a 3-year agreement with Green Cross Health. Green Cross Health is a primary health care services provider, and gives MedAdvisor access to approximately 40% of pharmacies in New Zealand. The agreement involves a three-phase digital solutions rollout across the Green Cross Health network generating SaaS revenue.

The GuildLink acquisition, completed 27 July 2022, provides MedAdvisor with access to over 90% of Australian pharmacies (when combined with MedAdvisor's existing business). The acquisition supports MedAdvisor providing an enhanced consolidated platform that removes duplication and increases efficiencies for Australian pharmacies. The platform will enhance pharmacies' ability to provide integrated bookings, clinical services, vaccinations and medication management for their patients.

Key Priorities for FY23

- Continue digitalisation of US network via THRiV 2 and MedEngage
- Analyse market expansion opportunities
- Optimise cost structure to drive sustainable performance
- Successful integration of GuildLink

Commenting on the Company's positive outlook, Rick Ratliff said:

"MedAdvisor is well positioned for the year ahead. In the US, we will further invest in developing the THRiV platform, adding new features and enhancing omni-channel programs. We have already achieved improved outcomes and financial economics driven by THRiV to date

"In Australia and New Zealand, we are focused on successfully integrating GuildLink and continuing to increase our presence in New Zealand. We will have the capacity via a consolidated platform to support government programs consistently and at scale across the national pharmacy market in Australia. We will work closely with the Pharmacy Guild of Australia to deliver growth in government programs and new revenue lines alongside other sponsors."

- ENDS -

This document has been authorised for release by the Board of Directors of MedAdvisor Limited.

For more information:

Company

Annabelle Grant

Interim CFO

corporate@medadvisor.com.au

+61 3 9095 3036

Investors

Ronn Bechler

ronn.bechler@atomicgroup.com.au

+61 400 009 774

Media

Tristan Everett

tristan.everett@atomicgroup.com.au

+61 403 789 096

About MedAdvisor

MedAdvisor is a world-class medication management platform that empowers patients to more simply manage their medication and improve adherence. MedAdvisor's highly automated and intuitive software system connects patients to tools and education materials from their preferred pharmacy. MedAdvisor works with 25,000 pharmacies in the US to deliver programs to help patients take their medication safely and effectively. In Australia, MedAdvisor has connected over 2.9 million patients through more than 90% of Australian pharmacies. MedAdvisor has partnered with Cotiviti in the US, and is on track to become one of the largest players in the global digital adherence market. In 2018 and 2020, MedAdvisor was recognised in the AFR Fast 100. Visit: mymedadvisor.com/investors