

ASX RELEASE (ASX: MDR)

## MedAdvisor Solutions announces strategic investment and collaboration agreement with Charac, UK

- MedAdvisor Solutions has strategically evolved its presence in the UK pharmacy market through an investment and license agreement with Charac Limited, UK. MedAdvisor Solutions now solidifies its position in the UK pharmacy market through this partnership.
- MedAdvisor Solutions to invest up to £1 million in Charac to secure up to a 7.4% shareholding, accompanied by the appointment of Rick Ratliff as a Non-Executive Director on the Charac Board.
- License agreement expands MedAdvisor Solutions capabilities across Australia/New Zealand and the US by making key components of the Charac platform available for customers.
- MedAdvisor Solutions will discontinue its current operations in the UK, transferring its pharmacy relationships to the Charac business. This strategic move will unlock future cost-saving benefits for MDR.

**Melbourne, Australia, 28 November 2023** – World-class medication management platform provider, MedAdvisor Limited (**MedAdvisor Solutions** or the **Company**) is pleased to announce a significant development in the UK market, through a strategic investment and licencing agreement with Charac Limited, UK (**Charac**), which delivers a pivotal step in the continued expansion of MedAdvisor Solution’s innovative healthcare solutions globally.

Following a comprehensive analysis of the UK pharmacy landscape and market dynamics, MedAdvisor Solutions has determined that the optimal strategy for enhancing its presence in the UK is through a strategic investment and license agreement with Charac.

Charac is a leading innovator in the UK community pharmacy sector. It has developed an advanced digital patient relationship management system tailored specifically for independent community pharmacies operating within the NHS.

Charac sets itself apart as an omnichannel solution, streamlining pharmacy operations onto a unified, cloud-native platform which is seamlessly integrated with the NHS. This innovative

solution has rapidly gained substantial traction, with agreements already established with approximately 450 pharmacies in the UK and an expected additional 500 in the near future. This has been achieved through various strategic partnerships, including leading PMR software provider, Positive Solutions and the National Pharmacy Association within the UK.

Charac has previously secured significant financial support from key industry partners, including a notable investment from the UK postal service, Royal Mail, along with backing from the National Pharmacy Association.

Additionally, MedAdvisor Solutions will license specific components of the Charac platform to integrate them as cloud-based enhancements into the MedAdvisor Solutions Plus One platform, which is actively used in pharmacies across Australia and New Zealand. This strategic approach aims to expedite the delivery of telehealth pharmacy support, advanced home delivery solutions, and over-the-counter (OTC) eCommerce capabilities. The company foresees that these supplementary services will create significant revenue opportunities for the business.

The collaboration between Charac and MedAdvisor Solutions also opens opportunities to extend Charac's platform services into the US market, diversifying revenue streams. Furthermore, it provides the option to launch MedAdvisor Solutions Digital Adherence Programs in the UK.

The agreement includes up to a £1 million investment in Charac over a 9-month period, which secures MedAdvisor Solutions up to a 7.4% strategic shareholding in the Company. MedAdvisor Solutions could potentially increase its shareholding by up to an additional 5%, subject to meeting milestones relating to the rollout of certain Charac platform services.

Moreover, MedAdvisor Solutions will transition its customers to the Charac platform, allowing for the closure of its UK operations and resulting in substantial annualized savings of AUD \$700K-800K. The company will incur one-time costs of approximately AUD \$300K. This strategic move ensures a continued presence in the UK market, together with a rapidly growing partner. In addition, MedAdvisor Solutions CEO, Rick Ratliff, will be appointed to the Board of Charac as a Non-Executive Director.

MedAdvisor Solutions is currently actively working with its pharmacy customers in the UK and Charac to ensure a seamless transition, with the process expected to complete in 2H FY24.

Rick Ratliff, CEO of MedAdvisor Solutions, said: "Both companies share a common focus on pharmacy-enabled patient engagement and are dedicated to supporting pharmacies as their role in the healthcare delivery system evolves. This strategic move reinforces our commitment to the UK market and aligns with our vision of creating a global impact in pharmacy-enabled patient engagement. We are confident that our collaboration with

Charac will not only benefit our UK customers but will also open up exciting possibilities for growth in Australia/New Zealand and the US."

CEO of Charac, Santosh Sahu, noted: "We welcome the strategic investment from MedAdvisor Solutions and the expertise that Rick Ratliff brings as a Non-Executive Director. This collaboration positions both companies at the forefront of advancing pharmacy services, not only in the UK but potentially in the broader international market."

MedAdvisor Solutions looks forward to the successful execution of this strategic move and the continued expansion of its innovative healthcare solutions on a global scale.

- ENDS -

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

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**About MedAdvisor Solutions**

*MedAdvisor Solutions is a global leader of pharmacy-driven patient engagement solutions that provide individualized patient experiences to help remove barriers of care. Their solutions are paired with an individualized approach, data-driven insights and innovative, patient-centric digital offerings that simplify the patient medication journey through the pharmacy to empower better health. MedAdvisor Solutions works with over 33,500 pharmacies in the US to deliver programs to help patients take their medication safely and effectively. In Australia, MedAdvisor Solutions has connected over 3.7 million patients through more than 95% of Australian pharmacies. MedAdvisor Solutions is on track to become one of the largest players to aid in the global transformation of the pharmacy of the future through digital patient engagement solutions. In 2018 and 2020, MedAdvisor Solutions was recognized in the AFR Fast 100 and in both 2022 and 2023, received the Retail Excellence Award (REX) for Technology & Automation from Drug Store News. Visit: [medadvisorsolutions.com/investors](https://medadvisorsolutions.com/investors).*

**About Charac**

Charac is on a mission to provide a one-stop digital platform for all independent community pharmacies to effectively manage the total patient experience. Its technology allows independent community pharmacies to actively manage their patient relationships while improving patient retention. Charac enables pharmacies to deliver more primary and secondary care and private services to the benefit of the community and NHS, improving the long-term viability of the community pharmacy and addressing key structural issues in the sector, namely:

- An inability to manage growing demand for consultations
- Antiquated and inefficient prescription and appointment management systems
- Delayed treatments due to a lack of ability to monitor medication need
- A heavy dependency on NHS revenues
- Intense competition from digital providers

<https://charac.co.uk/>