

28 February 2025

CARETEQ'S 1H FY25 RESULTS

Maiden EBITDA profit achieved ahead of target

Careteq Limited (ASX: CTQ) (“Careteq” or “the Company”), a clinical healthtech company specialising in innovative medication management and clinical governance solutions, is pleased to release its half year results for the period ended 31 December 2024 (“1H FY25”).

Highlights

- Strategic transactions and subsequent integration have delivered a maiden half year group EBITDA profit from continuing operations of \$0.2 million vs. a loss of \$0.21 million in the prior corresponding period (“pcp”)
- Group revenue up 15.5% over pcp to \$4.0 million
- Normalised group EBITDA, which excludes one-off expenditure, up 275.2% over pcp to \$0.4 million
- Group net loss reduced by \$0.6 million, an 89.8% improvement over pcp to \$0.07 million (net profit after tax of \$0.2 million when normalised)
- Embedded Health Solutions (EHS) EBITDA up 11.7% over pcp to \$0.9 million, tracking ahead of FY24 and continued growth for FY25
- Integration of Embedded Health Solutions (EHS) and HMR Referrals progressing, driving operational efficiencies and expanding service offerings
- Full year revenue growth and positive group EBITDA result expected in FY25

Strategic transactions bearing fruit

During the period, the Company divested its loss-making Sofihub business. It subsequently acquired the remaining 45% of its profitable Embedded Health Solutions (EHS) business unit for \$2.4 million. The result is a streamlined business with a clear focus on medication management and clinical governance.

These strategic transactions are now bearing fruit, with the Company delivering a maiden EBITDA positive half from continuing operations.

Whilst some synergies have been extracted through EHS integration, further synergies are expected upon the completion the 1-system initiative whereby EHS, Mederev and HMR Referrals platforms are consolidated. The end result will be an integrated solution across residential aged care, home care, and disability sectors while decommissioning high-cost legacy platforms.

Embedded Health Solutions delivers 15.5% revenue growth and EBITDA tracking ahead of full year target

EHS EBITDA increased to \$0.9 million in first half and is tracking ahead of budget with reviews, revenue and EBITDA growth expected for FY25.

EHS continues to optimise operational efficiency, with benefits being realised through group synergies. This has already boosted financial performance whilst enabling high-quality care to residents in the aged care sector.

HMR Referrals

Careteq has recently established partnerships with MedicAlert and several large national GP networks to improve medication safety for Australians with chronic conditions. The reach of these partnerships is estimated to be c.100,000 members, c.2,000 GPs and potentially c.500,000 plus referrals onto the HMR Referrals marketplace platform.

Outlook

The Company is trading well with 1H FY25 EBITDA from continued operations of \$0.2 million including one off costs which totalled \$127k for the period.

EHS EBITDA of \$0.9m for the first half tracking ahead of FY24 with continued growth expected for FY25.

The ATO position paper remains ongoing, with experienced advisers working with the ATO to attempt to resolve the matter.

Careteq expects full year revenue growth in FY25 over pcp and positive group EBITDA from continuing operations.

This ASX announcement has been authorised by the Board of Careteq Limited (ASX: CTQ)

For further information, please contact:**Careteq Limited (ASX: CTQ)**

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About Careteq Limited (ASX: CTQ)

Careteq Limited (ASX: CTQ) is an Australian healthtech company focused on innovative medication management solutions. The Company is dedicated to improving healthcare outcomes through its fully owned Embedded Health Solutions (EHS) and HMR Referrals platforms. EHS provides comprehensive aged care medication management solutions through Residential Medication Management Reviews (RMMRs), while HMR Referrals streamlines Home Medicines Reviews (HMRs).

To learn more, please visit: www.careteq.com.au/

Forward-looking statements

This announcement contains or may contain forward-looking statements that are based on Careteq's beliefs, assumptions, and expectations and on information currently available to Careteq. All statements that address operating performance, events or developments that Careteq or its directors expect or anticipate will occur in the future are forward-looking statements, including, without limitation, statements as to the expectations of Careteq or the market it operates in.

Careteq believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Careteq does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No assurance or guarantee is, or should be taken to be, given in relation to, and no reliance should be placed on, the future business performance or results of Careteq or the likelihood that the current assumptions, estimates or outcomes will be achieved. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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