

ASX RELEASE (ASX: MDR)

MedAdvisor Solutions continues to deliver strong revenue growth,  
with 3Q FY24 up 42.4%

## Quarterly Activities Report and Appendix 4C

### Key highlights

- 3Q FY24 operating revenue **up 42.4%** to \$24.2 million (3Q FY23: \$17.0 million)
  - **US up 57.6%** to \$18.6 million (3Q FY23: \$11.8 million)
  - **ANZ up 7.7%** to \$5.6 million (2Q FY23: \$5.2 million)
- FY24 YTD revenue of **\$99.8m, up 23.1%** on pcp (YTD 3Q FY23: \$81.1m) exceeding full year FY23 with one quarter remaining
- 3Q FY24 gross profit **up 48.5%** to \$15.3 million (3Q FY23: \$10.3 million)
- FY24 YTD gross profit **up 20.0%** on pcp to **\$58.7m** (YTD 3Q FY23: \$48.9m)
- Cash on hand **\$19.5 million** as at 31 March 2024 in line with internal forecast (\$22.5 million as at 31 December 2023)
- **100% of US projected 4Q FY24** revenue contracted as at 31 March 2024, with a robust pipeline remaining in place for the final quarter
- Australian pharmacy transaction fees online from 1 March, leading to **17.6% uplift** in this high-potential category compared to pcp
- Announced partnership with Brand Engagement Network (BEN) to bring conversational AI to patients through their pharmacy via the new 24/7 Medication Advisor platform.

**Melbourne, Australia, 23 April 2024** – World-class medication management platform, MedAdvisor Limited (**MedAdvisor Solutions** or the **Company**) is pleased to report its financial results for the quarter ended 31 March 2024 (3Q FY24), together with the Company's Appendix 4C.

MedAdvisor Solutions CEO, Rick Ratliff said: "We are delighted to report another very strong quarter, building on MedAdvisor Solutions' momentum from the first half of FY24, with reporting in line with the expected seasonality of the US business.

"Growth through the quarter was driven by continued emphasis in the US on vaccine programs and expansion of other chronic medication programs within existing pharmaceutical customers. Margins improved in the US due to increased demand of THRiV, our US-focused omni-channel solution.

"In Australia, pharmacy transaction fees which went live from 1 March, contributed 14.9% growth in that revenue line. This is an important development, which we expect to see build over time to complement our SaaS licenses and health programs, and will help the company continue to invest in our global infrastructure enhancement roadmap. We also completed the initial enhancements require to support the launch of the North Queensland Community Pharmacy Scope of Practice Pilot which is expected to launch early 4Q.

"We have identified a number of opportunities where AI can positively add to the MedAdvisor Solutions business. This begins with the announcement of our partnership with the Brand Engagement Network (BEN) and the initial deployment of conversational AI to patients through their pharmacy channel."

## Group Financial Results:

AUD (\$m)	3QFY24	3Q FY23	Change
Revenue	\$24.2m	\$17.0m	+42.4%
Gross Profit	\$15.3m	\$10.3m	+48.5%
Gross Margin	63.2%	60.6%	+2.6ppts

- Net operating cash outflow of \$2.1 million, an improvement of \$10.2 million on pcp (3Q FY23: \$12.3 million outflow):
  - Operating cash receipts totaled \$34.5 million, up 37% on pcp (3Q FY23: \$25.2 million)
  - Operating cash payments totalled \$20.6 million, up 8% on pcp (3Q FY23: \$19.0 million), largely reflecting the timing of quarterly pharmacy abatement payments in the US
  - Staff costs were \$11.5 million, down 6% on pcp (3Q FY23: \$12.2 million)
  - Administration and corporate costs were \$3.6 million down 32% on pcp (3Q FY23: \$5.3 million), due to regular and consistent payments.

## United States (US):

AUD (\$m)	3Q FY24	3Q FY23	Change
Revenue	\$18.6m	\$11.8m	+57.6%
Gross Profit	\$10.3m	\$6.1m	+68.9%
Gross Margin	55.4%	51.7%	+3.7 ppts

- 3Q FY24 operating revenue increased by 57.6% compared to pcp, up to \$18.6 million, benefitting from continuation of vaccine-related programs and growth across brands in existing clients
- Gross profit rose 68.9% on pcp to \$10.3 million, due to the timing of programs positively impacting revenue (3Q FY23: \$6.1m)

- Gross profit margin of 55.4% was up 3.7 ppts on pcp (3Q FY23: 51.7%) due to solid growth of THRiV programs
- Vaccine-related programs continued across brands and categories and represented 35% of 3Q FY24 US revenue (3Q FY23: 21%)
- Digital patient engagement solutions represented almost 36% of 3Q revenue, compared with 24% in 3Q FY23, and up from 30% in Q2 FY24
- THRiV continues to build traction amongst US customers recognising the ROI benefits of providing a more targeted mix of traditional and digital communications to pharmacy channel customers. MedAdvisor Solutions has increased its projected share of US revenue for THRiV to 18% in 2024, up from 3% in 2023
- As at 31 March 2024, US projected revenue for 4Q FY24 had been fully (100%) contracted, and a healthy pipeline remains in place for opportunities across the remainder of FY24 and into FY25
- The FX benefit from the stronger US dollar was \$0.8 million.

### Australia & New Zealand (ANZ):

AUD (\$m)	3Q FY24	3Q FY23	Change
Revenue	\$5.6M	\$5.2M	+7.7%
Gross Profit	\$5.0M	\$4.4M	+13.6%
Gross Margin	89.3%	84.1%	+5.2 ppts

- 3Q FY24 operating revenue was up 7.7% on pcp to \$5.6 million, assisted by the flow-through of FY23 price increases, new SaaS pharmacy business, and continued growth in health programs
- Gross profit climbed 13.6% to \$5.0 million and gross margin improved to 89.3%
- MedAdvisor Solutions has completed the initial enhancements to Plus One to support the North Queensland Community Pharmacy Scope of Practice Pilot which is expected to launch in early 4Q

- MedAdvisor Solutions also began the rollout of version 7 (v7) of the MedAdvisor Solutions mobile app and the cloud version of Plus One
- On 1 March MedAdvisor Solutions commenced charging transaction fees for vaccinations and services associated with Project STOP, delivered within the Australian pharmacy channel. Associated pharmacy transaction revenue grew 17.6% for the quarter on pcp.

## Outlook

“We finished 3Q FY24 with 100% of projected 4Q revenue contracted. We continue to maintain a robust pipeline for 4Q FY24 and looking ahead to FY25. At the group level, we have already surpassed the full FY23 operating revenue with one quarter still to go, a strong testament to our team’s relentless drive and focus on expanding revenue opportunities across the group.

“We’ve recast our projections for THRiV and now expect it to contribute 18% share of our US revenue in FY24, versus 3% in FY23. We are excited about launching the North Queensland Pilot and equally very pleased to continue witnessing growth in our UTI and oral contraceptive services across the states. The Australia flu season has started to contribute to an increasing transaction revenue stream. We are set to launch an initial telehealth solution through the MedAdvisor app, which we expect to further increase our growing transaction revenue stream.

“The fourth quarter of FY24 will result in solid growth over the prior corresponding period and contribute to year of year revenue growth and positive EBITDA for the first time!” said Mr. Ratliff.

## Related party transactions

During 3Q FY24, the Company made the following payments to related parties

- \$105,600 to a related party that provides data services to the Company in the ordinary course of business; and
- \$218,396 in fees and executive remuneration paid to Directors.

- ENDS -

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

**For more information please contact:**

**Company**

Ancila Desai

Chief Financial Officer and Company Secretary

[corporate@medadvisorsolutions.com](mailto:corporate@medadvisorsolutions.com)

+61 3 9095 3036

**Investor Relations**

George Kopsiaftis

IR Department

[george.kopsiaftis@irdepartment.com.au](mailto:george.kopsiaftis@irdepartment.com.au)

+61 409 392 687

**About MedAdvisor Solutions**

*MedAdvisor Solutions (ASX: MDR) 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](http://medadvisorsolutions.com/investors).*

## Appendix 4C

## Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

MEDADVISOR LIMITED (ASX: MDR)

ABN

17 145 327 617

Quarter ended ("current quarter")

31 Mar 2024

## Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows related to operating activities</b>		
1.1 Receipts from customers	34,521	95,339
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(20,588)	(38,096)
(c) advertising and marketing	(637)	(2,218)
(d) leased assets	-	-
(e) staff costs	(11,484)	(32,638)
(f) administration and corporate costs	(3,580)	(12,414)
1.3 Dividends received	-	-
1.4 Interest received	42	98
1.5 Interest and other costs of finance paid	(355)	(1,115)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,081)</b>	<b>8,956</b>

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2.</b>	<b>Cash flows related to investing activities</b>		
2.1	Payment to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant & equipment	(13)	(42)
	(d) investments	-	(962)
	(e) intellectual property	-	-
	(f) other non-current assets	(497)	(1,288)
2.2	Proceeds from disposal of:	-	-
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant & equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(510)</b>	<b>(2,292)</b>

		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other ( <b>repayment of lease liabilities</b> )	(240)	(694)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(240)</b>	<b>(694)</b>

**Appendix 4C**

**Quarterly report for entities subject to Listing Rule 4.7B**

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	-	-
4.1	Cash and cash equivalents at beginning of the period	22,536	14,199
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,081)	8,956
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(510)	(2,292)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(240)	(694)
4.5	Effect of movement in exchange rates on cash held	(189)	(653)
4.6	<b>Cash and cash equivalents at end of the period</b>	<b>19,516</b>	<b>19,516</b>

<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>		<b>Current quarter \$A'000</b>	<b>Previous Quarter \$A'000</b>
5.1	Bank balances	19,516	22,536
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>19,516</b>	<b>22,536</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1  
 6.2 Aggregate amount of cash flow from loans to these parties included in item 2

<b>Current quarter \$A'000</b>
324
-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

*Payments to related parties of the entity and their associates include: 1) fees paid to NostraData Pty Ltd, an associated party, which provided data services to the Company during the quarter in the ordinary course of operations, 2) payments made to Executive Directors of the Company.*

**Appendix 4C**

**Quarterly report for entities subject to Listing Rule 4.7B**

		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<b>7</b>	<b>Financing facilities available</b>		
7.1	Loan facilities	13,815	11,973
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
<b>7.4</b>	<b>Total financing facilities</b>	<b>13,815</b>	<b>11,973</b>

7.5 **Unused financing facilities available at quarter end** **1,842**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

*Term loan: US\$5m (secured), Partners for Growth VI L.P., 12% IR maturing on 31 December 2024.  
Revolving credit facility: US\$4m (secured) of which US\$2.8m is drawn, Partners for Growth VI L.P. 12% IR maturing on 31 December 2024.*

		\$A'000
<b>8.</b>	<b>Estimated cash available for future operations</b>	
8.1	Net cash from / (used in) operating activities (Item 1.9)	(2,081)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	19,516
8.3	Unused finance facilities available at quarter end (Item 7.5)	1,842
8.4	Total available funding (Item 8.2 + Item 8.3)	21,358
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>10.3</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

*Answer: not applicable*

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

*Answer: not applicable*

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

*Answer: not applicable*

**Appendix 4C**  
**Quarterly report for entities subject to Listing Rule 4.7B**

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**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement does give a true and fair view of the matters disclosed.

**Authorised by:** Board of Directors - MedAdvisor Limited

**Date:** 23/04/2024

**Notes**

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

- 4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

- 5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.