

ASX RELEASE (ASX: MDR)

## MedAdvisor Solutions Provides 3Q FY25 Update and Confirms FY25 Guidance

### Quarterly Activities Report and Appendix 4C

#### 3Q FY25 key highlights

- 3Q FY25 operating revenue of \$12.3 million (3Q FY24: \$24.2 million).
- 3Q FY25 gross profit of \$7.4 million (3Q FY24: \$15.3 million).
- Group gross margin of 60.2% for the quarter, compared with 63.2% in 3Q FY24.
- Cash on hand of \$7.9 million as at 31 March 2025, prior to the successful completion of an \$5.0 million equity placement in early April 2025.
- Additional cost-out program accelerated to capitalise on evolving market trends, delivering annualised savings of \$4.5 million across both business units.
- Restructuring of US commercial operations initiated to address challenges identified during 2Q FY25, and drive future growth.
- US pipeline conversions from January 2025 to date are tracking ahead of the same period in FY24, with over 90% of the lower end of full-year guidance already under contract.
- MedAdvisor Solutions is pleased to report that the strategic review process has successfully identified a range of potential corporate initiatives in both the US and ANZ which are being actively pursued.
- Kate Hill was appointed interim Chair following the resignation of Linda Jenkinson.

**Melbourne, Australia, 30 April 2025** – Global pharmacy-driven patient engagement company, MedAdvisor Limited (**MedAdvisor Solutions** or the **Company**) reports its financial results for the quarter ended 31 March 2025 (3Q FY25), together with the Company's Appendix 4C.

CEO & Managing Director Rick Ratliff commented, “As outlined in our corporate update lodged with the ASX on 1 April 2025, softening trends observed in the US market during the second quarter have continued into the third quarter, influenced primarily by evolving budget priorities across the pharmaceutical industry.”

“In the ANZ region, financial performance was impacted by reduced revenue associated with fewer health programs and a slight decrease in SaaS revenue.

“Shifting dynamics across the pharmaceutical and pharmacy sectors are opening new avenues for growth, and we are proactively positioning the Company to capitalise on these opportunities. Through our Transformation 360<sup>0</sup> initiative, we are accelerating cost optimisation efforts to enhance operational efficiency and position the business for sustainable growth in FY26. In parallel, our US commercial team is actively addressing short-term pipeline challenges, while focusing on unlocking longer-term strategic opportunities.”

“Our strategic options review is progressing well, as we explore opportunities to maximise shareholder value. While no final decisions have been made, we have identified a range of potential corporate initiatives in both the US and ANZ.”

“To support the execution of our key initiatives, we completed a \$5 million capital raise in early April 2025. This raise was supported by participation from our existing institutional shareholders and members of the Board. We also announced a Share Purchase Plan to extend the offer to existing shareholders on the same terms, which is due for completion in May. We thank all those shareholders who supported the offer.”

### **Group Financial Results**

AUD (\$m)	3Q FY25	3Q FY24	Change
Revenue	\$12.3	\$24.2	-49.2%
Gross Profit	\$7.4	\$15.3	-51.6%
Gross Margin	60.2%	63.2%	-3.0 ppts

- Net operating cash outflow of \$3.9 million (3Q FY24: \$2.1 million outflow), partially impacted by the seasonally higher level of abatements during the quarter.

- Operating cash receipts of \$21.8 million (3Q FY24: \$34.5 million), reflecting the impact of delayed US health program execution.
- Operating cash payments of \$10.1 million (3Q FY24: \$20.6 million), including scheduled pharmacy abatement payments and platform delivery costs.
- Staff costs of \$11.0 million (3Q FY24: \$11.5 million), which includes one-off redundancy payments of \$0.6 million.
- Administration and corporate costs of \$4.0 million (3Q FY24: \$3.6 million).
- Cash on 31 March 2025 was \$7.9 million, down from \$19.5 million at the same time last year. Including the \$5m capital raise in early April, proforma cash was \$12.9 million.

### United States (US)

AUD (\$m)	3Q FY25	3Q FY24	Change
Revenue	\$7.1	\$18.6	-61.8%
Gross Profit	\$3.4	\$10.3	-67.0%
Gross Margin	47.9%	55.4%	-7.5 ppts

- 3Q FY25 operating revenue of \$7.1 million was down by 61.8%, compared to the record prior corresponding period (pcp) (3Q FY24: \$18.6 million), primarily impacted by continued budgetary pressures from three key pharma clients across vaccine and non-vaccine categories.
- Vaccine-related program revenue softened during the quarter due to ongoing industry headwinds. However, vaccine revenue is expected to improve in 4Q with growth forecasted over both 3Q and the prior corresponding.
- The general medication category also declined on the pcp, due to similar market forces and increased allocation of clients' budgets to television. Revenue in this category is expected to remain soft in 4Q and improve going into FY26.
- Specialty medication program revenue was slightly down during the quarter. Notably, the current pipeline points towards an improvement in 4Q.
- US pipeline conversion through 4Q FY25 is trending ahead of the same period in FY24

with more than 90% of the lower end of revenue guidance contracted.

- The FX gain on group revenue from a stronger US dollar was \$0.3 million.

### Australia & New Zealand (ANZ)

AUD (\$m)	3Q FY25	3Q FY24	Change
Revenue	\$5.1	\$5.6	-8.9%
Gross Profit	\$4.0	\$5.0	-20.0%
Gross Margin	78.4%	89.3%	-10.9 pts

- 3Q FY25 operating revenue was \$5.1 million, a decrease of 8.9% on the pcip (3Q FY24: \$5.6 million). This is primarily related to a decline in health programs and a small reduction in SaaS fees.
- The reduction in SaaS fees reflects planned pricing changes in FY24 to better align fees with value delivered to the pharmacies. An average platform fee increase of 7-8% was implemented in March 2025.
- Gross profit and gross margin declined on the pcip, reflecting lower revenues, the one-off reclassification of digital platform-related costs, and SaaS pricing adjustments referred to above.
- Pharmacy transaction fees grew 12% on the pcip, benefiting from an uptake of vaccination services and Project Stop related transactions.
- The cloud-enabled MedAdvisor for Pharmacy platform migration is nearing completion, with over 95% of Australian pharmacies now transitioned. Migration is expected to complete in 4Q FY25.
- Expanded Scope of Practice initiatives have continued to grow, with more than 134k patients receiving treatment across nearly 4k pharmacies since January 2024.

## **Strategic Review**

As per the Company's ASX announcement on 13 November 2024, and subsequent announcements, it is expected the strategic review process to be concluded at or around 30 June 2025. The purpose of the strategic review was to consider various initiatives to bridge the valuation gap directors believe exists between the market capitalisation of the Company and the true value of its ANZ and US business units. MedAdvisor is pleased to report that the Company has received multiple proposals in relation to both the ANZ and US business, validating the view that the Company remains materially undervalued. The Company will advise the market accordingly if and when any corporate initiatives or proposals require disclosure.

## **Outlook**

MedAdvisor reaffirms its previously issued guidance for FY25<sup>1</sup>:

- Revenue: \$93 million – \$99 million
- EBITDA loss: \$2.6 million – \$5.5 million

Key priorities for 4Q FY25 include:

- Completion of US commercial team restructuring.
- Finalisation of pricing and packaging of new software modules to support full scope of practice capabilities for pharmacies in ANZ.
- Continued roll out of Transformation 360<sup>0</sup>, driving cost reductions and operational efficiencies.
- Finalisation and launch of the next-generation THRiV patient engagement platform in the US targeted for 2Q FY26.
- Completion of strategic options evaluation by 30 June 2025.

In closing, Rick Ratliff said, “While we are disappointed in the results in the quarter, we are seeing a move in US pharma budgets that we believe will positively impact 4Q and particularly 1H FY26. The upcoming quarter is important as we complete the restructuring of our US commercial

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<sup>1</sup> ASX announcement 1 April 2025.

team, continue development of our next-generation THrIV platform, and finalise our review of strategic options. The interest received to-date through this process reinforces the value we see in our business.”

“Looking to FY26, the increased customer diversification of our US pipeline and increased fees expected in ANZ provides the Company with a level of confidence to guide towards revenue growth of around 15%, coupled with meaningful margin expansion, demonstrating that our strategy is working and that we’re building a business with long-term strength and scalability.”

### **Related party transactions**

During 3Q FY25, the Company made the following payments to related parties:

- \$133,330 to a related party that provides data services to the Company in the ordinary course of business, and
- \$304,149 in remuneration paid to the CEO and Non-Executive Directors in relation to the quarter.

- ENDS -

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

**For more information please contact:**

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### **About MedAdvisor Solutions**

*MedAdvisor Solutions (ASX: MDR) is a global leader of pharmacy-driven patient engagement solutions that provide personalised patient experiences to help simplify the patient medication journey. Leveraging THrIV, a cloud-based, AI-enabled platform, MedAdvisor Solutions empowers the pharmacy of the future through improved pharmacy workflow and patient engagement solutions. MedAdvisor Solutions works with over 34,000 pharmacies across the US with reach to over two-thirds of the population. In Australia, more than 95% of Australian pharmacies use MedAdvisor Solutions software to improve pharmacy workflow and to connect with over 3.7 million patients. For more information, please visit: [medadvisorsolutions.com/investors](https://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 March 2025

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	21,799	68,894
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(10,102)	(26,451)
(c) advertising and marketing	(213)	(1,251)
(d) leased assets	-	-
(e) staff costs	(11,024)	(35,148)
(f) administration and corporate costs	(3,971)	(13,600)
1.3 Dividends received	-	-
1.4 Interest received	22	94
1.5 Interest and other costs of finance paid	(416)	(2,206)
1.6 Income taxes paid	(25)	(386)
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>(3,930)</b>	<b>(10,054)</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>2. Cash flows related to investing activities</b>			
2.1 Payment to acquire:			
(a) entities	-	-	-
(b) businesses	-	-	-
(c) property, plant & equipment	(11)	(182)	(182)
(d) investments	-	(961)	(961)
(e) intellectual property	-	-	-
(f) other non-current assets	(666)	(1,085)	(1,085)
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 Net cash from / (used in) investing activities</b>	<b>(677)</b>	<b>(2,228)</b>	
		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>3. 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	-	5,367	5,367
3.6 Repayment of borrowings	-	-	-
3.7 Transaction costs related to loans and borrowings	-	(644)	(644)
3.8 Dividends paid	-	-	-
3.9 Other ( <b>repayment of lease liabilities</b> )	(51)	(357)	(357)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(51)</b>	<b>4,366</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>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	12,398	15,578
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,930)	(10,054)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(677)	(2,228)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(51)	4,366
4.5	Effect of movement in exchange rates on cash held	188	266
4.6	<b>Cash and cash equivalents at end of the period</b>	<b>7,928</b>	<b>7,928</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		Current quarter \$A'000	Previous Quarter \$A'000
5.1	Bank balances	7,928	12,398
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>7,928</b>	<b>12,398</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

Current quarter \$A'000
437
-

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) fees and remuneration paid to CEO and directors.*

#### 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	17,975	17,975
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
<b>7.4</b>	<b>Total financing facilities</b>	<b>17,975</b>	<b>17,975</b>

7.5 Unused financing facilities available at quarter end

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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 1: US\$3.5m (secured), Partners for Growth VI L.P., 9.25% IR maturing on 31 October 2027.  
Term loan 2: US\$7.8m (secured), Partners for Growth VI L.P., 9.25% IR maturing on 31 December 2027.

**8. Estimated cash available for future operations**

- 8.1 Net cash from / (used in) operating activities (Item 1.9)  
8.2 Cash and cash equivalents at quarter end (Item 4.6)  
8.3 Unused finance facilities available at quarter end (Item 7.5)  
8.4 Total available funding (Item 8.2 + Item 8.3)  
8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

\$A'000
(3,930)
7,928
-
7,928
<b>2.02</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:** 30/04/2025

**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.