

## Globalising Medication Management

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# Our Core Purpose



*making  
medication  
manageable*

MedAdvisor is tackling the global issue of **medication non-adherence** and poor health literacy to drive improved health outcomes for patients by **making medication manageable**.



# Investment Proposition

MedAdvisor has launched a global platform through expansion into the UK, US and Asia, building on an established high margin, recurring revenue Australian SaaS business.



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1	Strong Domestic Market Position	<ul style="list-style-type: none"> <li>&gt;1.2m connected Australian patients (~10% of potential market) with &gt;55% pharmacy market share</li> <li>&gt;\$300m of prescriptions ordered through platform from GPs &amp; Patients</li> <li>High Barriers to Entry with &gt;A\$19m invested in platform to date</li> <li>Tech integration with 14 dispense systems plus GP systems integration</li> </ul>
2	Multiple Revenue Streams	<ul style="list-style-type: none"> <li>Pharmacies - Existing recurring SAAS+ revenue</li> <li>Pharma Companies - Existing recurring Health Program revenue</li> <li>Patients - Existing transaction fees for services</li> <li>Additional growth in revenue streams available from other program funder types, transaction and convenience services</li> </ul>
3	Global Expansion Underway	<ul style="list-style-type: none"> <li>Expansion into UK, US &amp; Asia providing access to much larger markets</li> <li>MedAdvisor's platform is the most sophisticated and integrated platform globally</li> <li>Key partnerships with \$13B Zuellig Pharma for Asia and Adheris (NYSE:SYNH) in US, reducing execution risk by leveraging goodwill of partners</li> <li>First UK Pharmacy Customers, Day Lewis signed</li> </ul>
4	Significant Platform for Growth	<ul style="list-style-type: none"> <li>Investment from EBOS, Sigma Healthcare and multiple institutional investors</li> <li>15 global pharmaceutical manufacturers have run 58 Patient Health Programs in last 12 months</li> <li>Via partnerships, potential access to up to 350m patients and ~120,000 pharmacies in the US/Asia regions</li> </ul>



**medAdvisor®**



**Day Lewis Pharmacy**



**AdherisHealth®**  
a SYNEOS HEALTH company



**ZUELLIG PHARMA**

**\$270m Total**  
Addressable Market



# The Global Opportunity

*MedAdvisor's role in Making Medication Manageable*



# Poor patient adherence to medication is a global issue

## Improving patient adherence has multiple beneficiaries



\*Healthcare payors vary in each jurisdiction and include Governments and Insurers

The WHO estimates adherence to long term therapies in developed nations to be **50%**

*“Increasing the **effectiveness of adherence interventions** may have a **far greater impact on the health of the population** than any improvement in specific medical treatments”<sup>1</sup>*



Medication non-adherence is the **largest cause of avoidable health costs** and it results in **more than \$630B** in **lost revenue each year** for the pharmaceutical industry<sup>2</sup>

2. <https://www.rdmag.com/news/2016/11/medication-nonadherence-costs-billions-lost-revenue>

1. <https://apps.who.int/medicinedocs/en/d/Js4883e/7.1.2.html>

# Changing global landscape impacting Pharmacy

## Pressure on Pharmacy's traditional model



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MedAdvisor enables pharmacies to digitise, improve patient connections & broaden service offering



# The Solution

*MedAdvisor Global Platform*

[www.medadvisor.com.au](http://www.medadvisor.com.au)



## MedAdvisor Global Platform

MedAdvisor mobile app ratings:

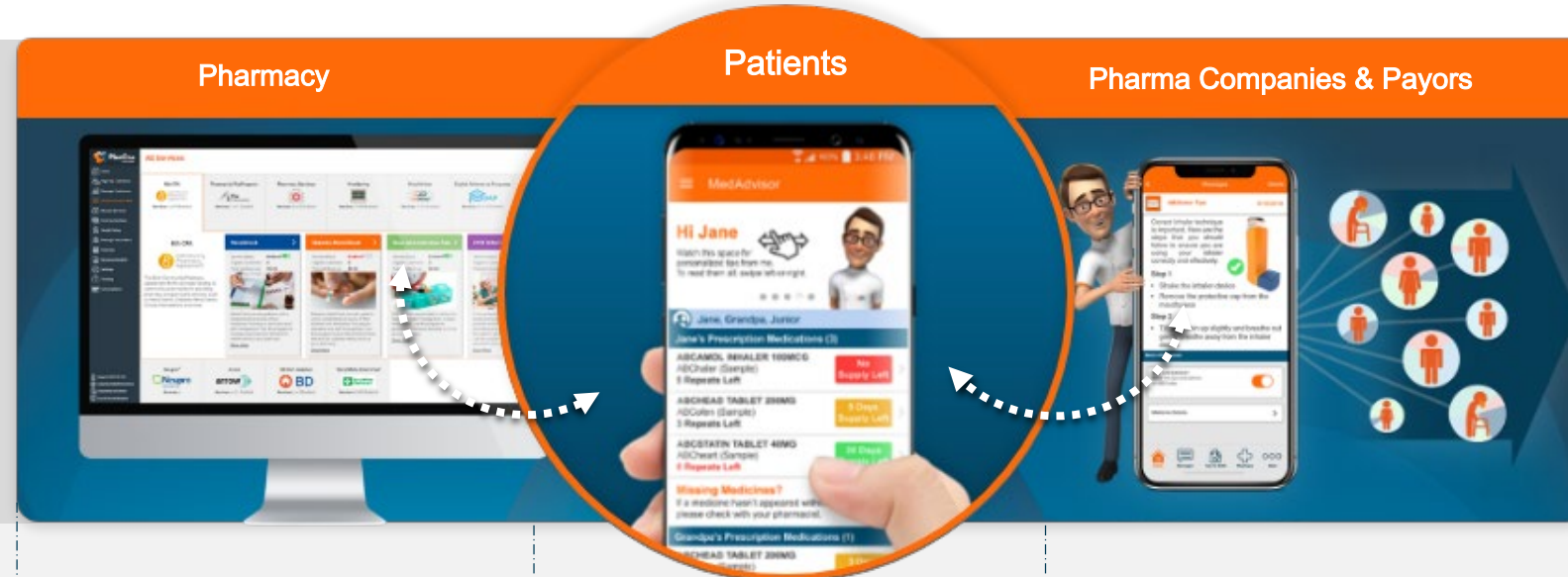


# MedAdvisor Global Platform

## Driving improved adherence & health literacy



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### WHAT WE DO:

**PlusOne**  
A **SaaS platform** for pharmacies that streamlines patient communication, ordering and services workflow saving time for pharmacists.  
**Experts at dispense system integration**

**MedAdvisor App & Messaging**  
A **free mobile app** for patients that makes medication ordering & management convenient. Offers premium services such as GP e-consults, delivery, medication reminders through messaging and ordering via SMS

**Health Programs**  
A platform for pharma companies to distribute **Health Programs** directly to patients directly and/or via 3<sup>rd</sup> parties such as pharmacies, that drive quality use of medicines, health literacy and improved adherence

### BENEFITS:

- ⬆️ Loyalty
- ⬆️ Revenue
- ⬆️ Productivity
- ⬆️ Revenue Sources via Health Programs

- ⬆️ Adherence
- ⬆️ Wait time
- ⬆️ Health literacy
- ⬆️ Convenience

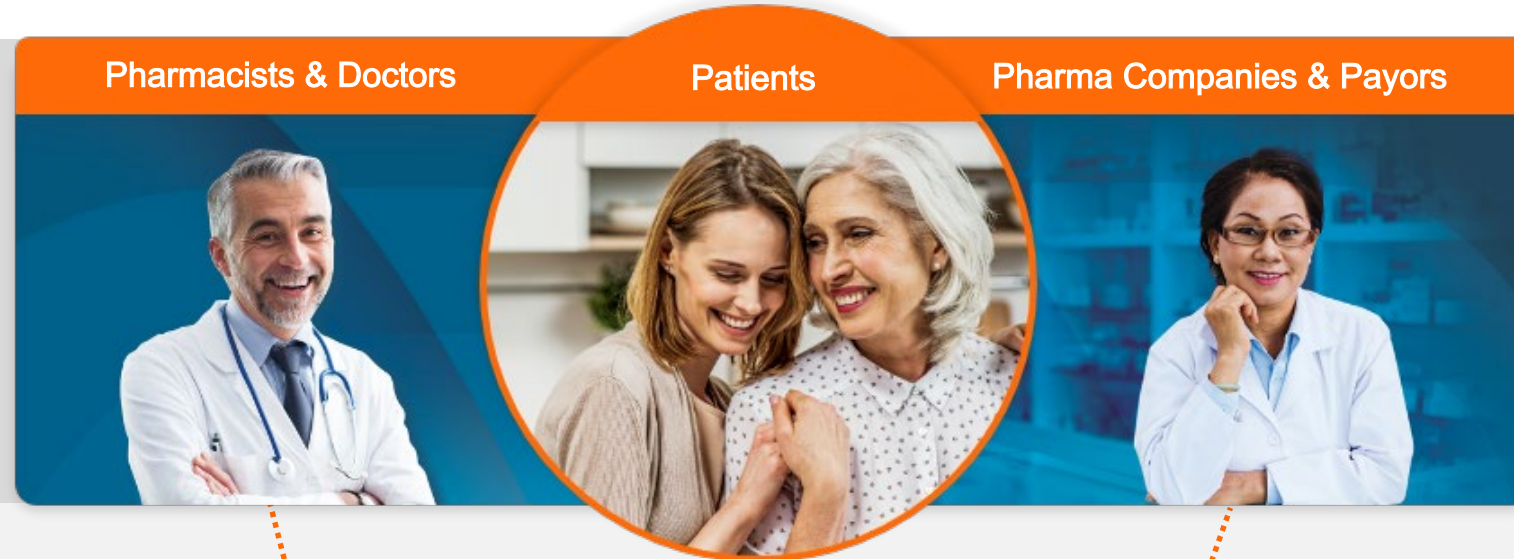
- ⬆️ Revenue
- ⬆️ Efficiency of comms/scale
- ⬆️ Cost to deliver Messaging

# How we do it

## Workflow Efficiencies and Simple Convenience



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### Prescriber/ Dispense Data

*Integrations with  
prescribing and/or  
dispense data ensures a  
constant flow of up to  
date Patient script data,  
stored securely*

### Medication made manageable

*Accessible medication history, updated in realtime, connected  
to pharmacy for simple ordering, services and Health Programs*

### Access to hard to reach audiences

*Efficient distribution  
partner for medication  
related Health Programs  
to drive adherence and  
health literacy*



*MedAdvisor Global Platform*

# The network effect

## Benefits of adherence accrue to all stakeholders

### Pharmacists & Doctors

- Make patients more loyal
- Increase adherence **+20%** to drive more revenue
- Improve workflow with **57%** of medications digitally ordered while store is closed
- Help patients be healthier
- Improve stock and cash flow



### Pharma Companies & Payors

- Improve Adherence to **improve patient outcomes** and revenue
- Connect with patients for clinical trial recruitment, insights



*"MedAdvisor has increased our patient loyalty, we have become more efficient with our time and our customers are regularly using the pre-ordering feature through the app. They truly value the ability to pre order their medications and not having to wait in-store."*

*Florey Pharmacy, ACT*

- **Get control** - Live Medication List
- **Don't forget** - Automated reminders
- **Save Time**— order/pay in advance

### Patients

- Link with your GP for repeats
- Learn about your meds & condition to be healthier



*"MedAdvisor is a fantastic app that my husband and I use regularly. I'd like thank the team at MedAdvisor for creating such a great solution for people taking medications. It's so simple that anyone can use it!"*

*MedAdvisor User, Maree, Vic*



*"To see a 30%+ uplift in adherence for patients on our brand that are using MedAdvisor is something we have never been able to achieve before"*

*- Brand Manager, Pharmaceutical*

# MedAdvisor Drives Revenue & Saves Pharmacists Time

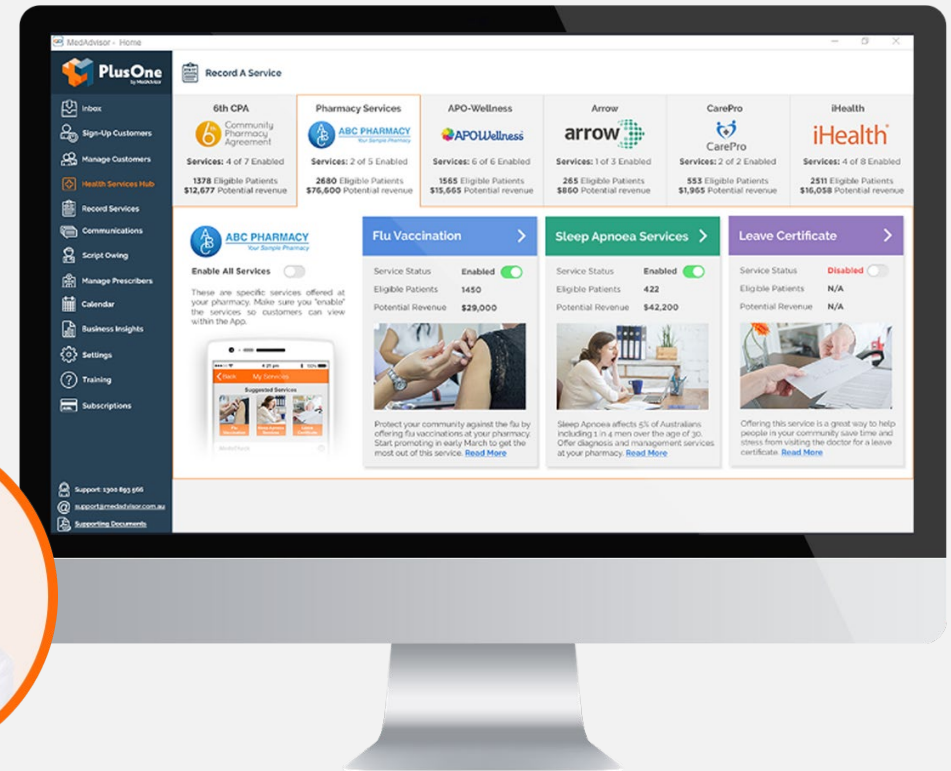
## >8x ROI, Saves Time, Improves Loyalty, Streamlines Delivery of Patient Services

Sample In-Pharmacy MedAdvisor Dashboard:



- 57% of orders coming in out of hours = workflow efficiency
- Improved insights = better cash flow management through stock management

PlusOne – Health Services Hub



- Saves time from non-patient facing work - higher capacity for services and other value adding activities
- Streamlined service delivery - higher revenue for pharmacies from services, offsetting declining revenue from medication dispense

Pharmacy ROI average >8x MedAdvisor cost

# Pharmaceutical Company Case Study

## Health Program - Digital Adherence



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### Issue



Poor adherence to Asthma Medication is a well established issue. Reasons include:

- inadequate training in inhalation technique;
- anxiety regarding side effects;
- inconvenience of the treatment;
- a lack of understanding about the need for long-term preventative treatment.



Without any intervention, average adherence rates for asthma medication patients is ~43% (~5/12 scripts per year)

### Result



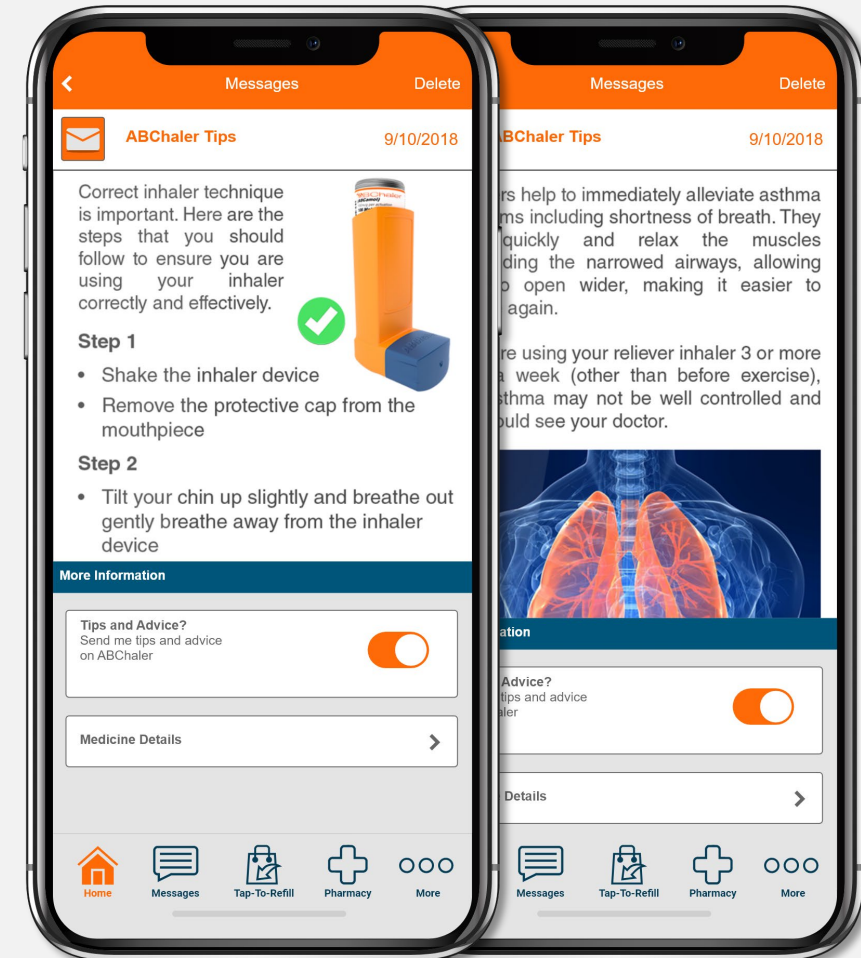
Patients using the MedAdvisor App were **60% more adherent** than the average



When coupled with a specific Health Program (12 in-app digital adherence messages), patients were **95% more adherent** than the average resulting in **31% more script fills** for these patients



**82%** of respondents said they more reliably take their Asthma medication and fill their scripts as a result of receiving messages



# MedAdvisor's impact on patient adherence is material

Up to 10x ROI for Pharma Companies, +1 - 2 scripts/year for pharmacy



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ROIs for pharmaceutical  
companies based on adherence  
uplifts

Up to 10x ROI for Pharma  
Companies

Additional scripts per patient  
per year for pharmacy

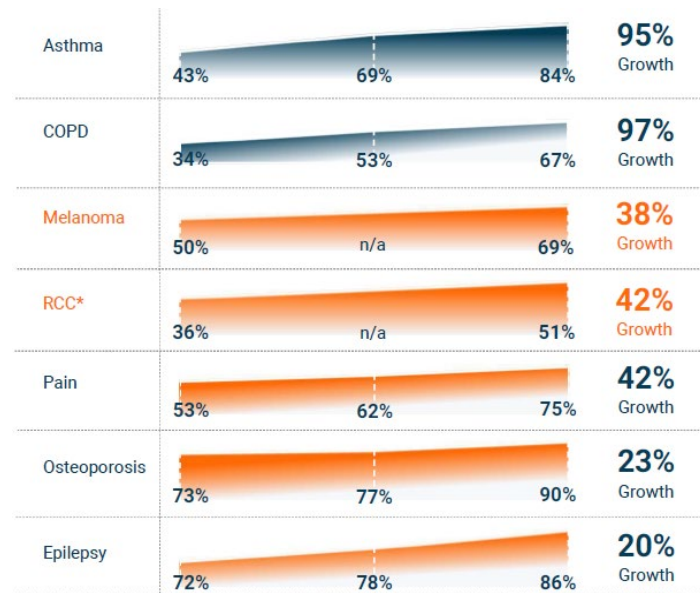
>8x ROI for Pharmacy

Better Health  
Outcomes



## Adherence

Targeted messages to MedAdvisor patients using specific medication had the following impact on adherence.



\*Non  
MedAdvisor  
patients

+MedAdvisor  
patients

~MedAdvisor  
patients receiving  
Digital Adherence  
Program





## Australian Domestic Business

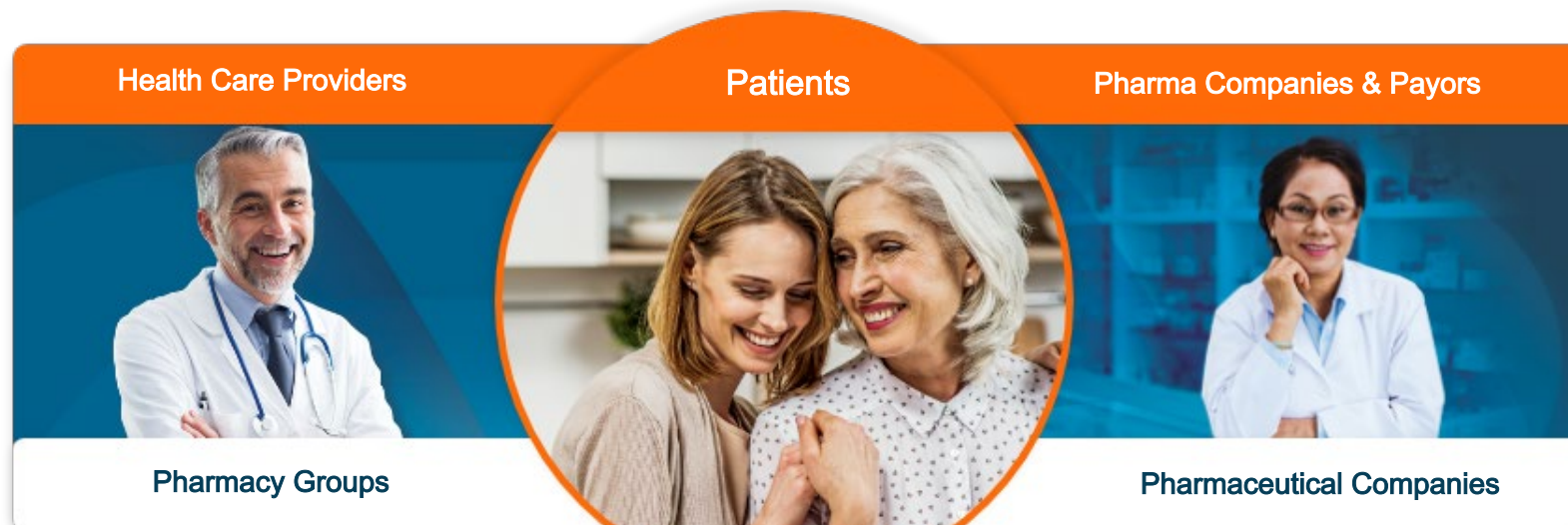
*A strong, growing core*



# Who we work with



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Blooms  
THE CHEMIST

TerryWhite  
Chemmart.

Discount  
CincottaChemist  
Famous for value, famous for care.

DISCOUNT  
DRUG STORES  
Your chemist, Helping you

FriendlyLuxe  
Pharmacy

Advantage  
Pharmacy

healthSAVE  
pharmacy

PharmaSave

QUALITY  
PHARMACY  
'Experience the Difference'

Ramsay  
Pharmacy  
Part of Ramsay Health Care

CHEMIST KING  
discount pharmacy

UNITED CHEMISTS  
Price and advice to make you smile

WIZARD  
pharmacy services

Amcal+

diabetes  
australia

Stroke  
FOUNDATION

oa  
osteoporosis australia

IN THIS TOGETHER  
parkinson's  
AUSTRALIA

Bowel Cancer Australia

Epilepsy  
Action  
Australia

Carers  
Australia

National Asthma  
Council Australia  
Leading the attack against asthma

epilepsy  
queensland  
Inc

ASTHMA  
AUSTRALIA

painaustralia  
Working to prevent and manage pain

Glaucoma  
Australia  
Saving sight

epilepsy  
foundation

abbvie

AstraZeneca

SANOFI

BESINS  
HEALTHCARE  
Innovating for Well-being

Boehringer  
Ingelheim

janssen  
PHARMACEUTICAL COMPANY OF Janssen-Gilman

gsk

MENARINI

MSD

Pfizer

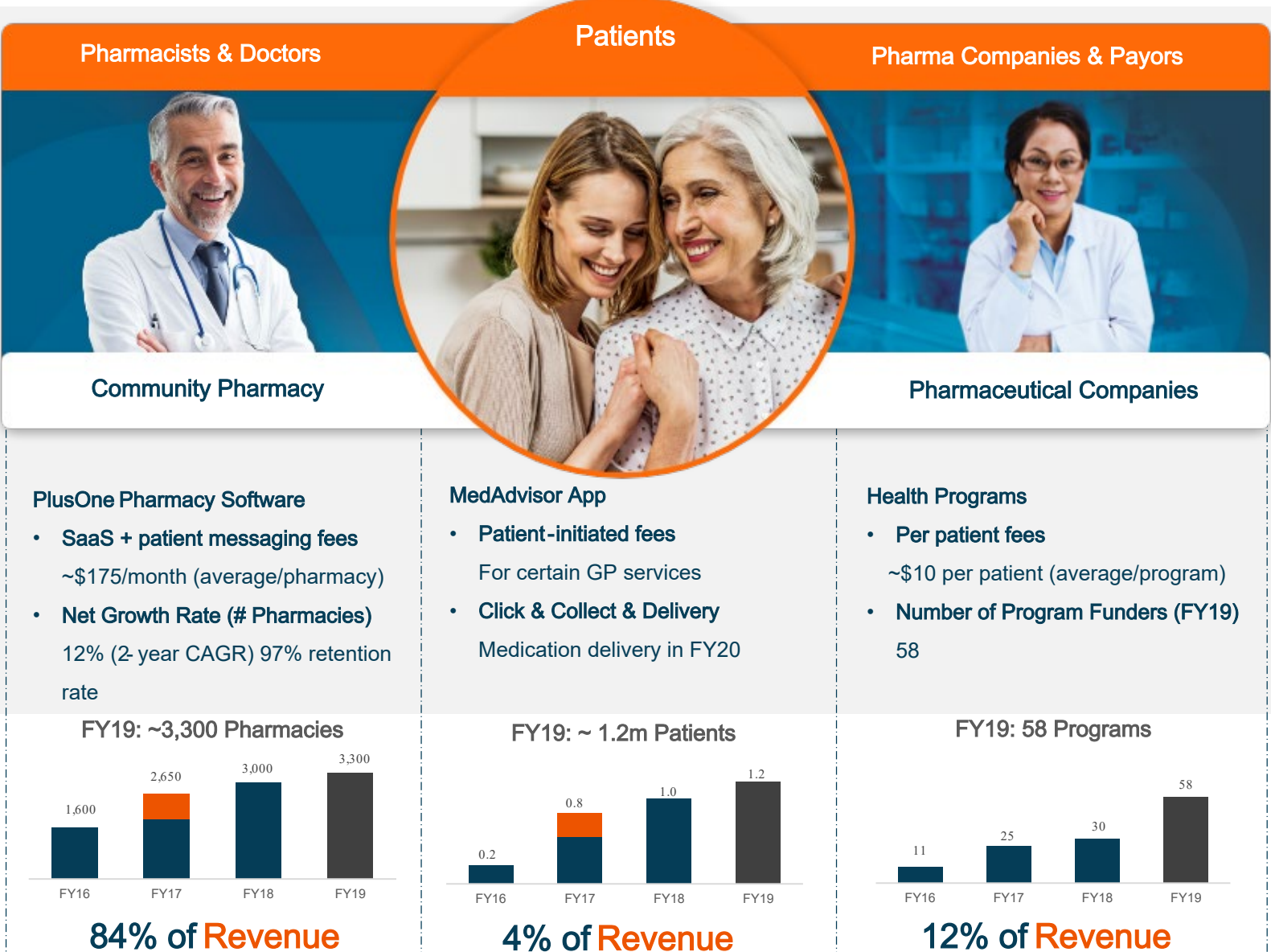
NOVARTIS

ucb

# Building a growing annuity stream from multiple revenue sources



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Growing  
Domestic  
Business



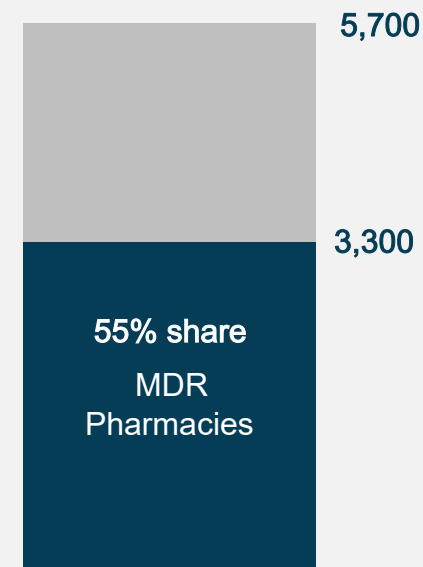
Represents increase in pharmacies and patients associated with Healthnotes acquisition (approx. 800 and 280,000 respectively).

# Significant potential in the Australian market connecting more patients & programs

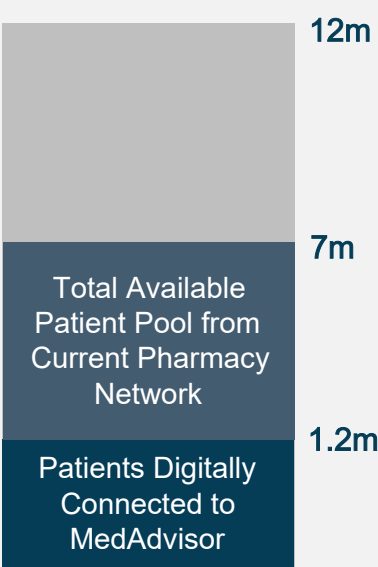


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5,700 Pharmacies



12m Chronic Patients



A\$660m increase in healthcare costs due to non-adherence



Australia is just 2% of the global Medicines Market

Addressable annual revenue potential for MedAdvisor in Australia<sup>1</sup>

A\$40-50M

1: assumes 50% of chronic patients connected to MDR; program fees remain at \$A10+ per patient per year; ARPU contributed from all existing revenue sources  
Source: <sup>\*</sup><https://www.aihw.gov.au/reports/hospitals/ahs-2016-17-admitted-patient-care/contents/summary>



## International Expansion

*3 Key Markets: US, Asia and the UK*



# Global partnerships leading to scaled revenue opportunities in FY20



a SYNEOS HEALTH company

Agreement with Adheris Health delivers the potential to run patient health programs for up to **197m** people via 26,000+ existing Adheris pharmacy partners.

Joint solution will leverage key capabilities of the parties to add value to the Adheris Pharma Co customer base



Co-Marketing & Licence deal in place to integrate for data flow.



First customer signed in the UK.  
Leading pharmacy chain in the UK with 270 pharmacies and ~1m customers



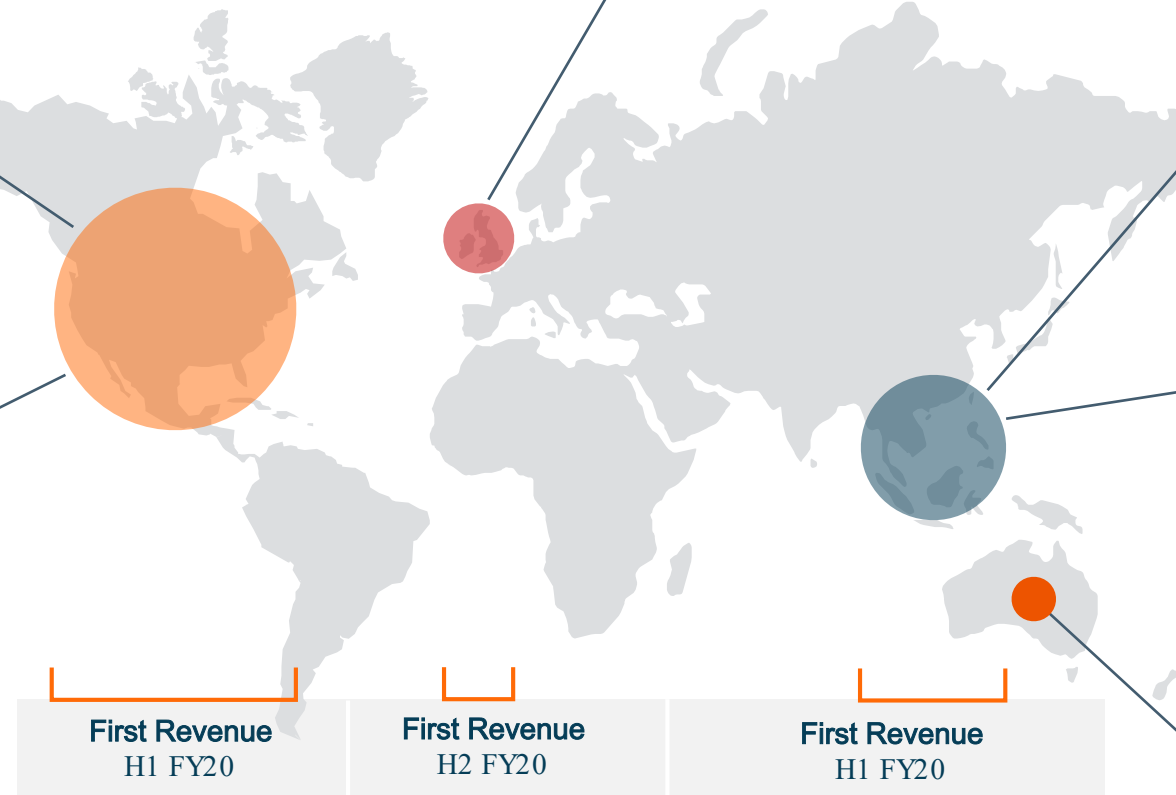
JV formed May '19 for a 50/50 JV to deliver access to, up to 156m patients from 90,000 Pharmacies



First customer signed in the Philippines. Leading hospital outpatient pharmacy network in the Philippines, serving 1.5 million customers across 50 hospitals nationwide.



12m+ Rx patients  
5,700 Pharmacies  
In FY19 ran 58 programs across 23 Health Program funders



# US Market Entry to Lead with Pharma Company Health Programs via Adheris Partnership



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60,000  
Pharmacies

Revenue  
from  
Pharma  
Companies  
initially

US market is highly attractive to MedAdvisor due to:

- **Largest pharmaceutical market** in the world and demonstrated willingness to invest in positive ROI patient communications. Much deeper pool for patient programs.
- **Huge pharmacy market**, with chains and banners making up ~62% and independents and others ~38%
- **Strategic partnership with Adheris**
  - Adheris built a large business over 25 years running *in-store & at-home* adherence programs for large pharma through 197m patients from ~26,000 pharmacies.
  - Phase 1 commercial partnership with Adheris (12-mths) provides **instant scale** with access to patients, an existing pharmacy & pharmaceutical company customer base who are driving Adheris to add a sophisticated digital solution
  - Deal with Adheris is to share program revenue with varying splits based on combination of Digital & Paper or Digital Only programs.
  - Initial revenue from Health Programs through the partnership is expected in Q2/Q3 FY20
- **Highly qualified and experienced US team driving market entry**, including MedAdvisor founder, Josh Swinnerton, Keith Kiarsis (President) and prior founders of Adheris – Luke Merrow & Jim Rotsart as external advisors

Addressable annual revenue potential for MDR in the US with  
take-up equivalent to MDR in Australia\*

**A\$140M**

\* Key Assumptions: 10-15% of US Rx patients actively engaged; 40-50 Pharma/Payor sponsored digital adherence programs; Program fees similar to Australia A\$5-\$15 per patient per year

# UK Market Entry to Lead with Day Lewis Pharmacy Group in early 2020



14,000  
Pharmacies

Revenue  
from SaaS  
fees paid  
by  
pharmacy

UK market is attractive to MedAdvisor due to:

- Combination of corporatized ownership groups & independents
- Cloud based script information through the NHS technology backbone reduces dispense integration burden to enable ordering apps, easier market entry
- Clear patient need, with around 1 in 4 of the 66m UK residents living with chronic illness<sup>1</sup>; number of prescriptions has increased by 47% in 10 years<sup>2</sup>
- Chronic patients account for 70% of healthcare spend & 50% of GP visits.

**Day Lewis**, MedAdvisor's first UK customer, will rollout MedAdvisor's PlusOne Pharmacy software on a SaaS plus messaging fees basis to their 270 owned pharmacies, and a white-labelled version of the MedAdvisor patient app for use by their ~1m customers for medication reminders and seamless ordering. They will also promote to their partner store network.

MedAdvisor expects to sign further UK pharmacy chain customers and to extend the UK product offering to include Pharmaceutical Health Programs in due course.

Addressable annual revenue potential for MDR in the UK with  
take-up equivalent to MDR in Australia \*

**A\$35M**

- Key Assumptions: 10% of UK Rx patients actively engaged; Program fees similar to Australia A\$5-\$15 per patient per year; Revenue from Pharmacy SaaS, SMS and Patient Programs. [1] Department of Health information on chronic disease prevalence in the UK [2] Source: NHS Digital
- <https://www.kingsfund.org.uk/projects/time-think-differently/trends-disease-and-disability-long-term-conditions-multi-morbidity>

# SE Asian Market Entry being led via JV with Zuellig Pharma



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90,000  
Pharmacies

South-East Asia is attractive to MedAdvisor due to:

- Rapid digital health take-up across the region that needs to digitise
- Multi-faceted JV partner, Zuellig Pharma, brings 100 year history, credibility with reach, access and distribution into **8 key markets, 90,000+ pharmacies and 156m patients**
- Large populations with key drivers towards medication management for convenience and adherence

**Zuellig Pharma**, is the ideal partner as a large \$13B diversified healthcare company who has operated for 100 years generating significant goodwill in the Asian region. ZP will help drive sales and access with MDR providing the tech backbone to ZP clients and beyond.

**MedExpress**, the leading hospital outpatient pharmacy chain in the Philippines, is the joint venture's first customer. MedExpress has agreed to rollout MedAdvisor's Pharmacy software to their >50 branded pharmacies, and a white labelled version of the MedAdvisor patient app for use by their ~1.5m patients for medication reminders and seamless ordering.

**The 50:50 JV** is focusing efforts on extending the pharmacy footprint beyond MedExpress in the Philippines and also beyond the Philippines to 1-2 other key markets in FY20. The JV is also exploring pathways to rapid rollout of Patient Health Programs in key markets.

Revenue  
from  
Pharma  
Companies  
&  
Pharmacy

Addressable annual revenue potential for the JV with take-up  
equivalent to MDR in Australia\*

**A\$70M**




\* Key Assumptions - 10-15% of Rx patients engaged across 8 countries – Philippines, Malaysia, South Korea, Taiwan, Indonesia, Thailand, Singapore & Hong Kong; 40-50 Pharma/Payor sponsored digital adherence programs covering 25% of accessible Rx patients; Program fees A\$3-\$7 per patient per year



# Global Competition\* Overview



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	Competitor	Dose reminders	Ordering Medication	Dispense Integration	Digital Adherence Programs	Pharmacy Professional Services	GP Connectivity	App Condition Specific functionality
	MedAdvisor	✓	✓	✓	✓	✓	✓	✓
	Guildlink	✓	✓	✓		✓		
	Medisafe (Israel/Global)	✓						
	mScripts (USA Only)	✓	✓	✓	✓			
	Healthera (UK Only)	✓	✓					
	Echo		✓				✓	

\* Note – there are many non-integrated pill reminder apps that have not been included. Medisafe is not integrated but is the leading version of a pill reminder app globally by downloads. Excluded pharmacy chain apps in the USA– e.g. Walgreens & CVS



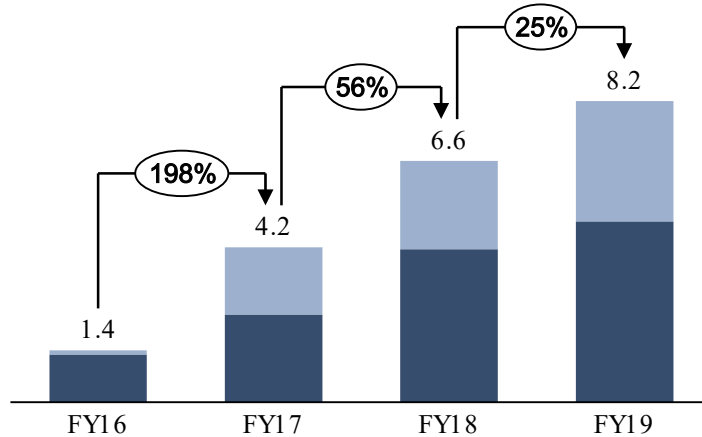
# Financial Performance

## *FY19 Results*

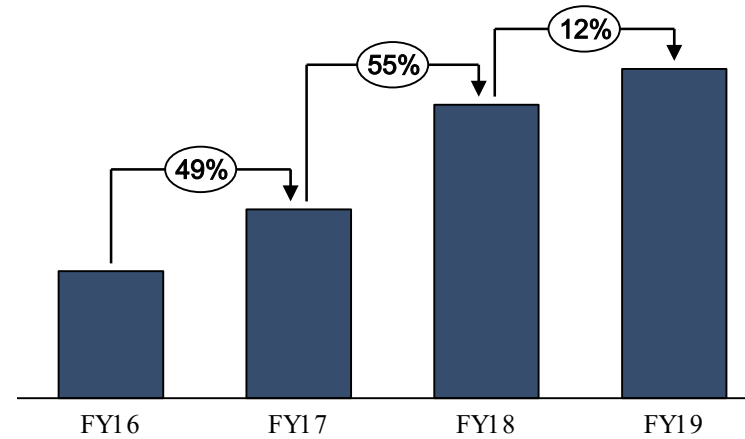


# FY19 Results show significant progress in driving revenue and core EBITDA

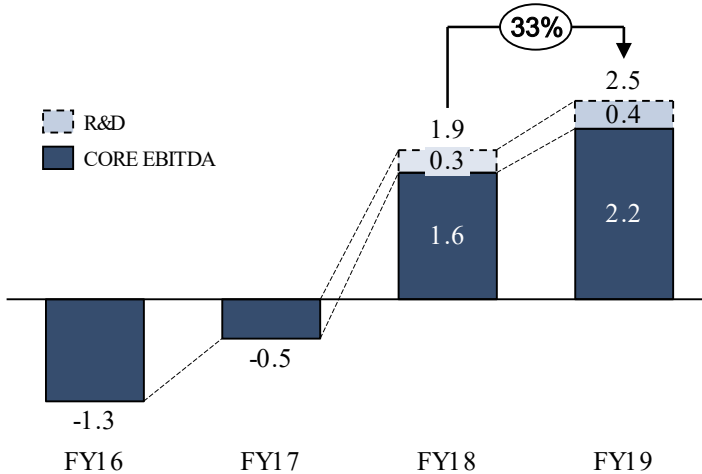
## Operating Revenue (SaaS & User Based)



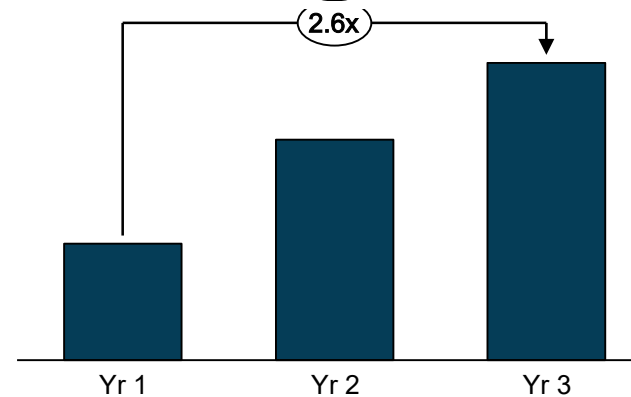
## Revenue per Pharmacy 3YR CAGR- 37%



## Core EBITDA



## Revenue per Pharma Growth per pharma after 3 Yrs – 2.6x



## Comments

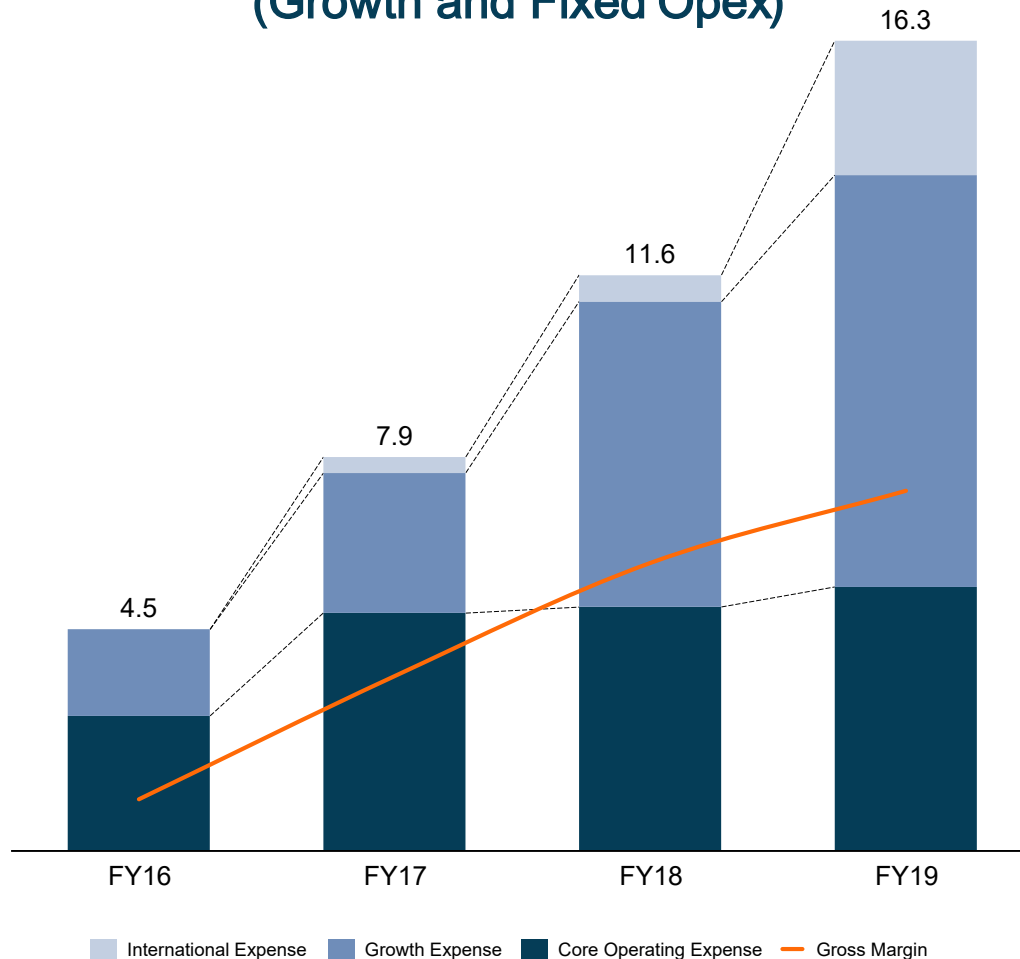
- Total Operating Revenue for FY19 of \$8.2m, 25% growth.  
**Total Revenue \$9.2m**
- 60% of Operating Revenue is SaaS, annual recurring revenue
- 40% of Operating Revenue is User based (i.e. Health Program revenue, SMS fees and other transaction fees)
- Pharma funded Health Programs revenue for FY19 of \$1m, 48% growth
- High gross margins remain stable at 88% and the core business is profitable
- Significant investment in growth domestically and internationally
- R&D grants represents recovery of costs incurred on specific projects
- Cash reserves of \$4.5m (as at 30th June 2019)

# Opex profile reflects strong growing core business, with investment in developing capability domestically and internationally



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## Gross margin to expenses (Growth and Fixed Opex)



## Comments

- Profitable core business - exceeding \$2.5m EBITDA
- All R&D expenses are expensed, not capitalised
- Globally extensible infrastructure in place - stable operating cost base
- Investment opex (Group) invested in international expansion, additional product development and other growth initiatives
- High operating leverage will create significant EBITDA margins as the domestic business scales

# MedAdvisor Has Attracted a Strong Executive Team



**Robert Read**  
*CEO & MD*

Robert has been CEO of MedAdvisor since July 2015 taking through from private company to listing. Experienced Private Equity and Venture Capital investor and previously a senior exec at GSK one of the world's largest pharmaceutical companies.



**Victor Kovalev**  
*CTO & Head of Product*

Victor is a senior product engineer has extensive Silicon Valley experience as CTO or Director of Engineering for successful marketplace companies like Yelp (NYSE:YELP), Indiegogo and most recently RedBubble (ASX:RBL).



**Simon Glover**  
*CFO*

Simon is a senior financial professional with over 20 years' experience in roles at Coles Group, Tabcorp Holdings, and Jetstar Airways, as well as professional services with KPMG. Simon's role at MDR is to further accelerate the company's international growth phase.



**Simon Chamberlain**  
*GM Strategy*

Simon joined MDR in 2016 following 15 years leading innovation and driving product strategies and commercial growth for both start-ups and large corporations in Australia, USA & the UK including Qantas, Medibank, Experian and Hitwise. Non-Exec Director of Alcidion (ASX:ALC)



**Josh Swinnerton**  
*Founder & PM International*

20 years IT experience as software engineer, tech manager and entrepreneur. 8 years in the ehealth / m-health sector, in the USA and Australia. Founded MedAdvisor in 2012. Exec Director of MedAdvisor.



**Ruba El Afifi**  
*EGM People & Culture*

Ruba has an extensive senior career as GM People at Aconex Ltd and prior to that QIC and AAMI. Ruba's role encompasses building a high performance team led by appropriate leadership.



**Theo Antonopoulos**  
*Head of Sales & Marketing*

Theo joined MDR in 2016 and brings extensive sales & marketing experience at both GSK and Sanofi. Leading marketing & sales teams in GP, Specialist and Hospital Channels



**Saurabh Mishra**  
*International BD*

Saurabh co-founded and led five successful Information Technology based ventures in the health and wellness industry in the past 16 years, of which three were bought by some of the largest healthcare businesses in Australia.

# Corporate Overview

## MedAdvisor Ltd (ASX:MDR)

Shares on Issue (as at 9 July 2019)	1,371m
Options (\$0.035, \$0.04 & \$0.08 strike prices)	21m
Employee Options (including Read Performance Rights)	47m
Fully Diluted	1,438m
Share Price (2 September 2019)	\$0.051
Market Cap (fully diluted)	~\$75m
Cash Balance (as at 30 June 2019)	\$4.5m

## Top Shareholders

Board & Management	~29%
Regal Funds Management	~5%
Other Domestic Institutions	~10%
EBOS (ASX: EBO)	~14%
Sigma Company Ltd (ASX:SIG)	~3%

## Non - Executive



**Peter Bennetto** ,  
*Non Executive Chairman*

An experienced company director, with skills in banking, corporate finance and governance and has held a number of company director positions in exploration, mining and manufacturing.



**Sandra Hook**,  
*Non Executive Director*

An experienced director and has built major market leading digital businesses. Spent more than 20 years developing brand and marketing strategies for global and national brands.



**Jim Xenos**,  
*Non Executive Director*

Experienced pharmaceutical industry General Manager with 21 years' sales and marketing experience and a track record of leading high performing teams.  
CEO of Nostra Data and founder of MDR