

ASX ANNOUNCEMENT

14 October 2019

MedAdvisor wins 3-year contract from Chemist Warehouse, Australia's largest value pharmacy retailer

Key Highlights:

- Chemist Warehouse, the largest turnover pharmacy retailer in Australia, has selected MedAdvisor's PlusOne pharmacy software for its 450+ pharmacies and signed a 3-year agreement with MedAdvisor.
- MedAdvisor will earn recurring SaaS licence fees plus patient messaging fees from Chemist Warehouse's retail pharmacies for at least the next 3-years.
- MedAdvisor will provide Health Programs to Chemist Warehouse customers for the first time, creating a significant increase in the available audience for direct and in-pharmacy Health Programs.
- The Health Programs promote health literacy and improved medication adherence to enhance health outcomes and are principally funded by government (through Federal Government programs) and leading pharmaceutical companies (through MedAdvisor).
- The agreement is expected to generate in excess of \$5m for MedAdvisor in revenue over its term.
- Agreement follows successful completion of oversubscribed A\$17.0m placement, including cornerstone investment of A\$11.0m from HMS Holdings Corp and investment from leading domestic institutions.

MedAdvisor Limited, the **Company** [ASX:MDR], Australia's leading digital medication management company, is pleased to announce a new 3-year agreement with pharmacy retail giant Chemist Warehouse. Chemist Warehouse is one of Australia's top 10 retailers with 450+ pharmacies operating under their brands.

MedAdvisor has provided Chemist Warehouse with SMS services for more than 8 years. Under the new agreement Chemist Warehouse's retail pharmacies will use PlusOne, MedAdvisor's industry leading medication management software, to drive more services to improve health outcomes for patients.

Importantly, MedAdvisor will now support the delivery of Health Programs to Chemist Warehouse customers directly and in-pharmacy, providing a material increase in the available audience for such programs. MedAdvisor-enabled Health Programs promote health literacy and improved medication adherence that enhance health outcomes. The programs are

principally funded by government (through 6CPA) and pharmaceutical companies (through MedAdvisor).

MedAdvisor's PlusOne is the industry's leading platform for the delivery of 6CPA funded professional services by pharmacists, a Federal Government initiative that pays pharmacists for a range of health-related services to the community. Under the agreement with MedAdvisor, Chemist Warehouse pharmacists will be able to invite, book, record and claim for 6CPA services delivered to its customers.

In addition, MedAdvisor sources and distributes Health Programs funded by pharmaceutical companies that improve patient health literacy and medication adherence. Under the agreement those Health Programs can now be offered to Chemist Warehouse customers for the first time.

The agreement is expected to generate \$5m over the next 3 years. This figure includes recurring SaaS licence fees, plus patient messaging fees paid by Chemist Warehouse, and a projected growth in revenue from Health Programs facilitated and distributed by MedAdvisor.

This agreement has a 3-year term with standard termination provisions for material breach or non-performance. There are no conditions precedent. All other material terms have been disclosed.

The Chemist Warehouse agreement follows the successful \$17m capital raising announced on 7 October 2019. This placement included a cornerstone investment of A\$11.0m from HMS Holdings Corp and investments from leading domestic financial institutions. Peloton Capital and Veritas Securities acted as Joint Lead Managers and CCZ assisted as broker to the placement.

Robert Read, CEO of MedAdvisor commented: *"MedAdvisor is a truly agnostic player with a focus on developing the best software to help pharmacy link with patients and provide better health services. As the largest pharmacy retailer in Australia and experts in execution, Chemist Warehouse, will drive improved health outcomes through the range of Health Programs available via MedAdvisor, which will be delivered both digitally and in-pharmacy."*

Damien Gance, Co-founder and Director of Chemist Warehouse commented: *"Chemist Warehouse is the market leading pharmacy brand in Australia. We have a long-standing relationship with MedAdvisor and have admired their cutting-edge technology and their ability to source valuable Health Programs for our patients. We only implement the best technology locally and globally at Chemist Warehouse as we work tirelessly to enhance our customer experience and health outcomes. MedAdvisor will now allow us to do that even faster, with greater efficiency and capability."*



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About MedAdvisor

MedAdvisor is a world class medication management platform that empowers users to more simply manage their medication and improve adherence. MedAdvisor's highly automated and intuitive software system connects users to tools and education materials from their local/preferred pharmacy. In Australia, MedAdvisor has connected over one million users through ~55% of Australian pharmacies and a network of thousands of GPs. MedAdvisor has recently partnered with Adheris in the US, Zuellig Pharma in Asia and launched into the UK on track to become one of the largest players in the global digital adherence market. In 2018, was recognised in the AFR Fast 100.

About Chemist Warehouse

Chemist Warehouse is Australia's largest pharmacy chain network by total sales, with over 450 Australian franchised stores in Australia and a growing network in New Zealand under the 'Chemist Warehouse' and 'My Chemist' banners.