



FY18 AGM Presentation

(ASX: MDR)

www.medadvisor.com.au

Disclaimer

This Presentation is dated 23 October 2018 and has been prepared by MedAdvisor International Pty Ltd ACN 161 366 589 (MedAdvisor or the Company). Whilst the Company has taken due care to ensure that the information contained in the Presentation is true and correct and is not misleading or deceptive, neither the Company nor any of its officers, employees or advisers or agents make any representations or warranties, express or implied, as to the accuracy of the information or achievement of any forward looking statements contained in the Presentation to the maximum extent permitted by law.

In providing this Presentation, MedAdvisor has not taken into account the recipient's objectives, financial situation or needs and accordingly the provision of this Presentation is not personal advice for the purposes of Section 766B(3) of the Corporations Act 2001 (Cth). None of MedAdvisor, or its members, directors, employees, consultants, advisers or agents warrants that an investment in the Company is a suitable investment for a recipient.

An investment in MedAdvisor is subject to known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. MedAdvisor does not guarantee any particular rate of return or the performance of MedAdvisor, nor does it guarantee the repayment of capital from MedAdvisor or any particular tax treatment.

MDR is building on strong investment fundamentals

A high margin, recurring revenue SaaS business with +1m connected users and +55% of the Australian pharmacy market using its platform.



Proven product

+1m Patients using the platform

23% user growth in FY18



Recognition from leading brands

>3,100 pharmacies using MedAdvisor

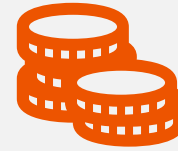
Leading global pharma manufacturers funding programs via MedAdvisor



Low customer churn & high engagement

<5% Pharmacy Churn p.a.

Medication ordering increased - \$235m of script value processed in FY18 vs \$167m in FY17.



Strong revenue growth and recurring revenue

FY18 - 51% revenue growth to \$7.4m

63% of revenue is recurring

Gross margins up to 88% in FY18



Profitable underlying business

Gross margin exceeds maintenance opex

Additional expenditure is targeting growth in new markets



Fully funded to execute target growth strategy

Cash reserves of \$10.5m (FY18) to fund existing expansion initiatives in Australia and the US

Last year we planned to build out a stronger domestic business



Continue to enhance and optimise our platform

Launch of PlusOne growing pharmacy engagement through a market place of professional services



Grow user based revenue stream

37% of Revenue driven by Patient Engagement up from 32% in FY17



Increase connected patients to improve their medicines journey

23% uplift to over 1m. Still less than 10% of chronic patients in Australia.



Partner with Pharma to run more Quality Use of Medicines programs

16 Pharma's running 32 Programs in FY18 (22 FY17)



Grow market share domestically

>55% Pharmacy Market Share from <50%



Commence international expansion

Following EBOS (ASX:EBO) investment in Oct 17, Key Appointments in US & UK. PDX deal in US as key enabler.

MDR is helping patients feel in control and improve how they manage their medication



Order repeat scripts & pick them up in pharmacy - no waiting



Receive medication information, Virtual Coaching & Adherence Programs



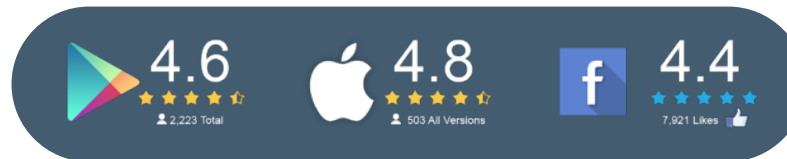
Carer Mode® means you can care for others on your app



Book a GP Appointment, specialist referral or eConsultations



Full automated medication history on your phone, when you need it



CONVENIENCE & CONTROL



Improving Customer Engagement, Loyalty and workflow management for 55% of Australia pharmacies



Receiving 50%+ of orders outside business hours allowing processing of orders during quiet times.



Using algorithms identify, recruit, book patients in for in store services



Frees up time in the dispensary to spend with patients



Boost loyalty of patients by providing improved control & convenience



Enhances ability to earn revenue from professional services funded by Government or other funders

**EFFICIENCY,
ENGAGEMENT AND
LOYALTY**



Over 1 million
Connected Users



Leading Customers and Partners

Selected Manufacturer Customer Running - Patient Engagement Programs



Key Pharmacy Customers



Partners



Building a Strong Executive Team



Robert Read,
CEO & MD

Robert has been CEO of MDR 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.



Simon Chamberlain,
GM Strategy & Product

Simon joined MDR 2 years ago following 15 years leading innovation and driving product strategies and commercial growth for both start-ups and large corporations in Australia, USA & the UK. Most recently GM Customer & Distribution at Medibank



Carlo Campiciano,
CFO & Company Sec

Carlo has been CFO & Co Sec since MDR inception. Highly qualified accountant & CFO with over 27 years' experience in audit and management accounting. Also a background teaching and consulting to high growth businesses.



David Chatterton
CTO

David has 20+ years experience leading software teams 10+ years as the CTO and CIO at Aconex, leading global expansion into the US and Middle East. David has a PhD in Computer Science from Monash University, & is a certified AWS Solution Architect. David is preparing the business to handle scale.



Josh Swinnerton,
Founder & PM International

20 years IT experience as software engineer, tech manager and entrepreneur. 8 years in the e-health / 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

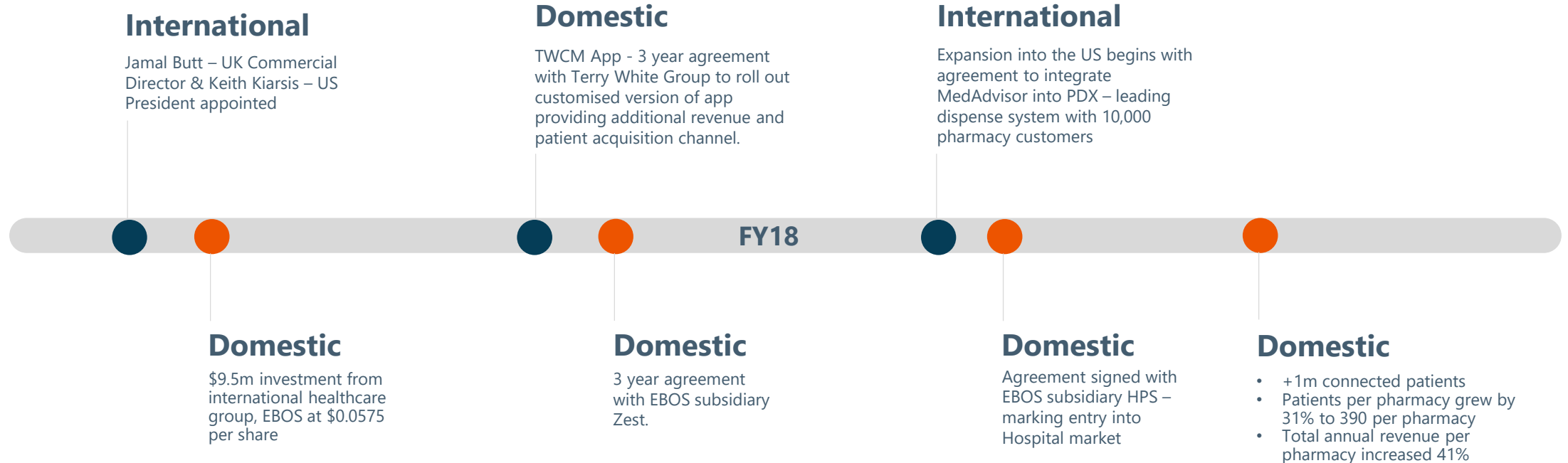
Theo joined MDR in 2016 and brings extensive sales & marketing experience at both GSK and Sanofi. Leading marketing & sales teams in GP, Specialist and Hospital Channels



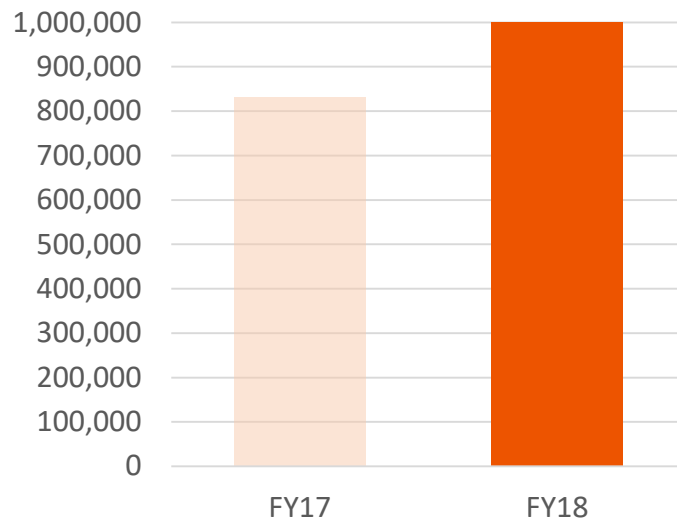
Saurabh Mishra,
International BD

Saurabh has 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.

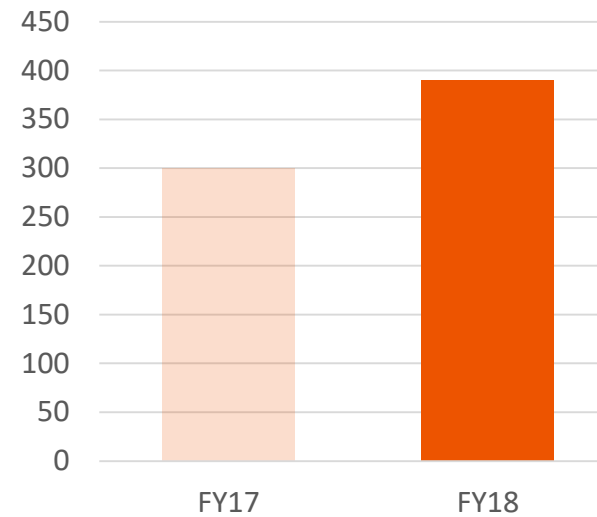
FY18 Highlights – Domestic & International Expansion



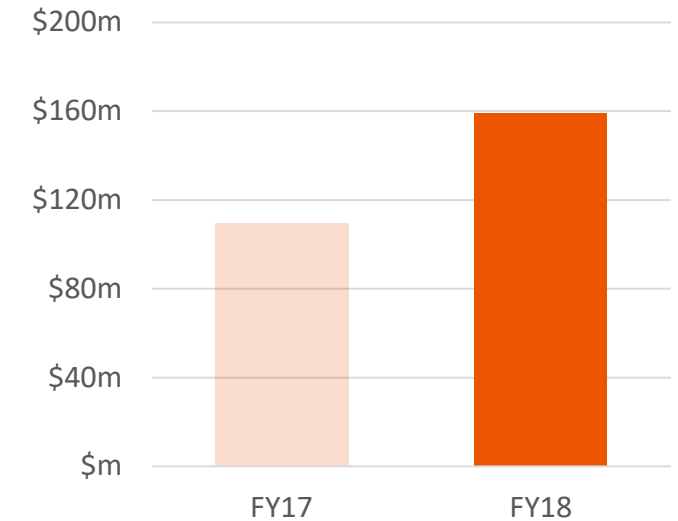
Continuing our user and engagement growth



Patient User Growth



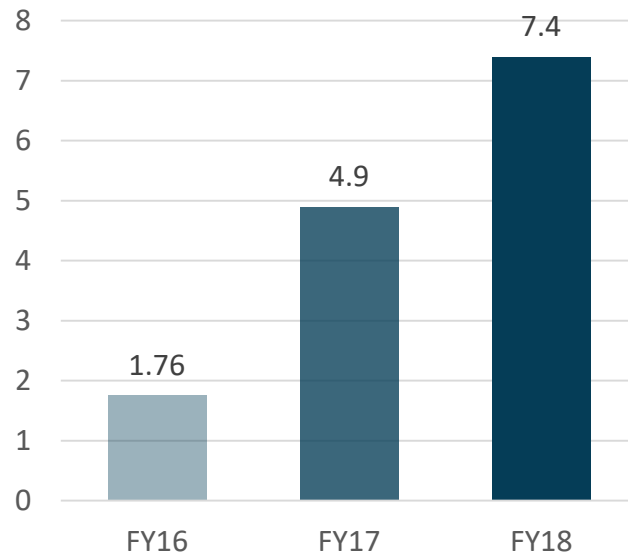
Average Number of Patients per Pharmacy



Patient initiated orders
(ex GP Connect/nursing home patients)

Financial Summary – Growing revenue profile

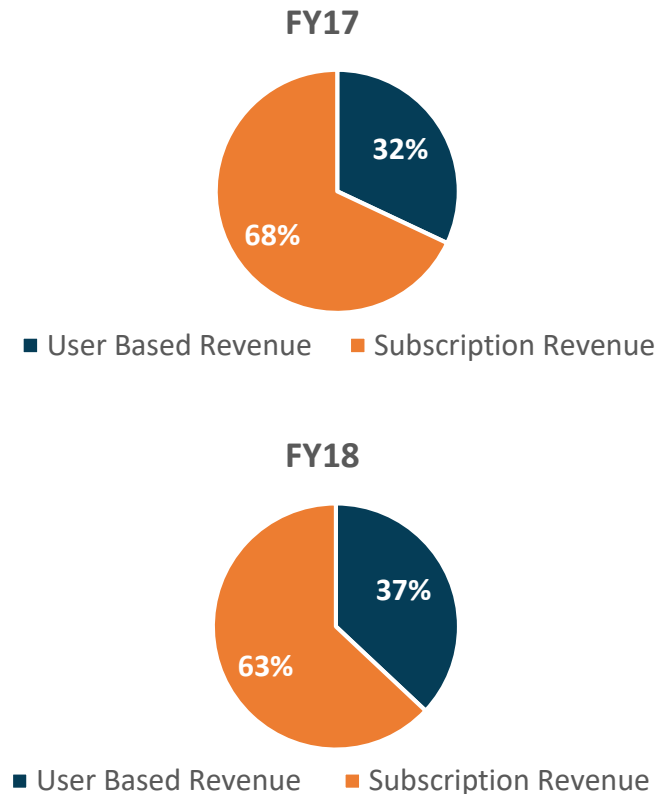
Revenue Growth in Millions



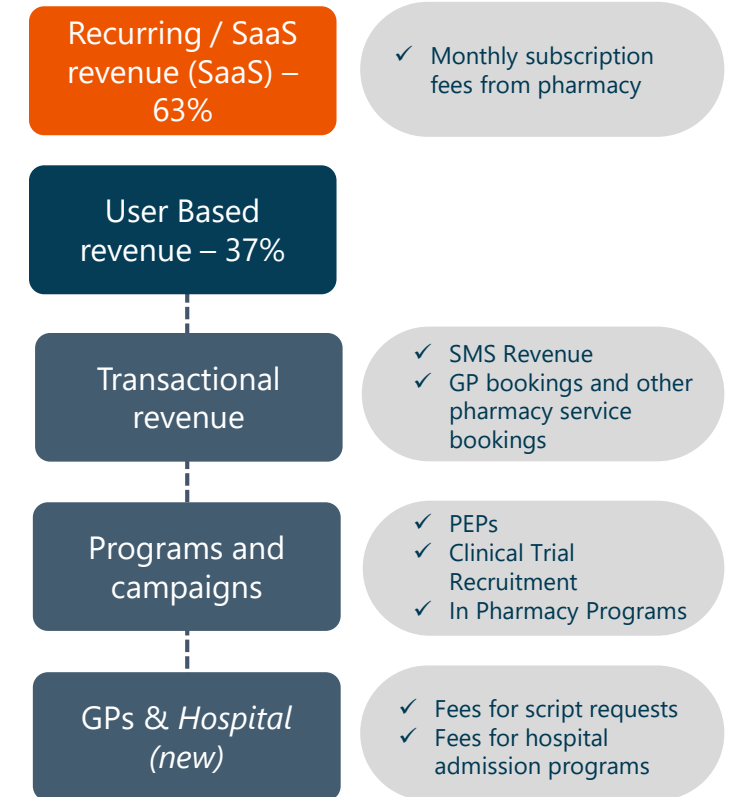
Strong total revenue growth

**User-based revenue includes revenue from Patient Engagement Programs, SMS revenue, clinical trial recruitment, transaction revenue from professional services booked in pharmacy, and script request fees*

User-based revenue vs subscription/recurring revenue



Revenue streams

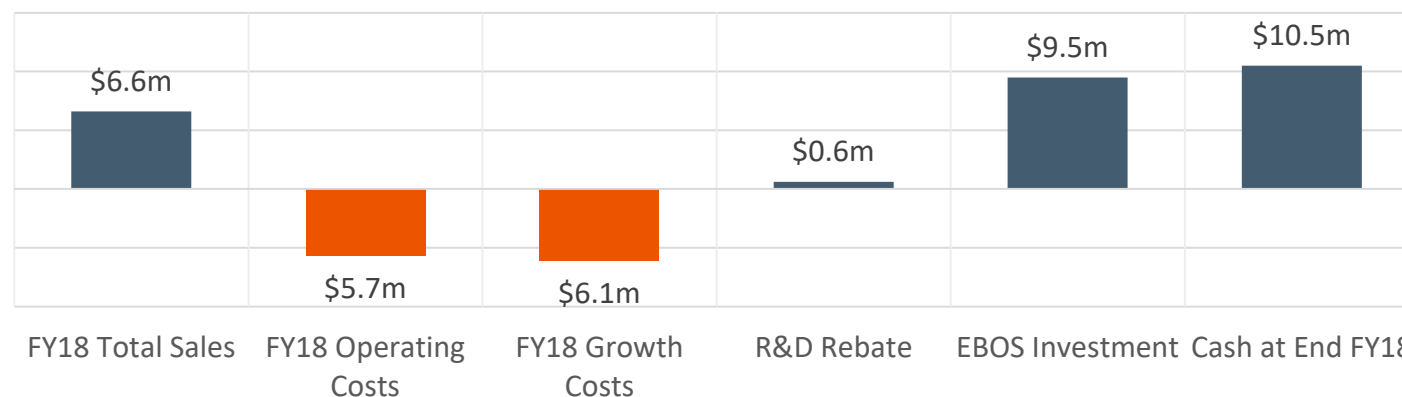


Growing Cash Receipts

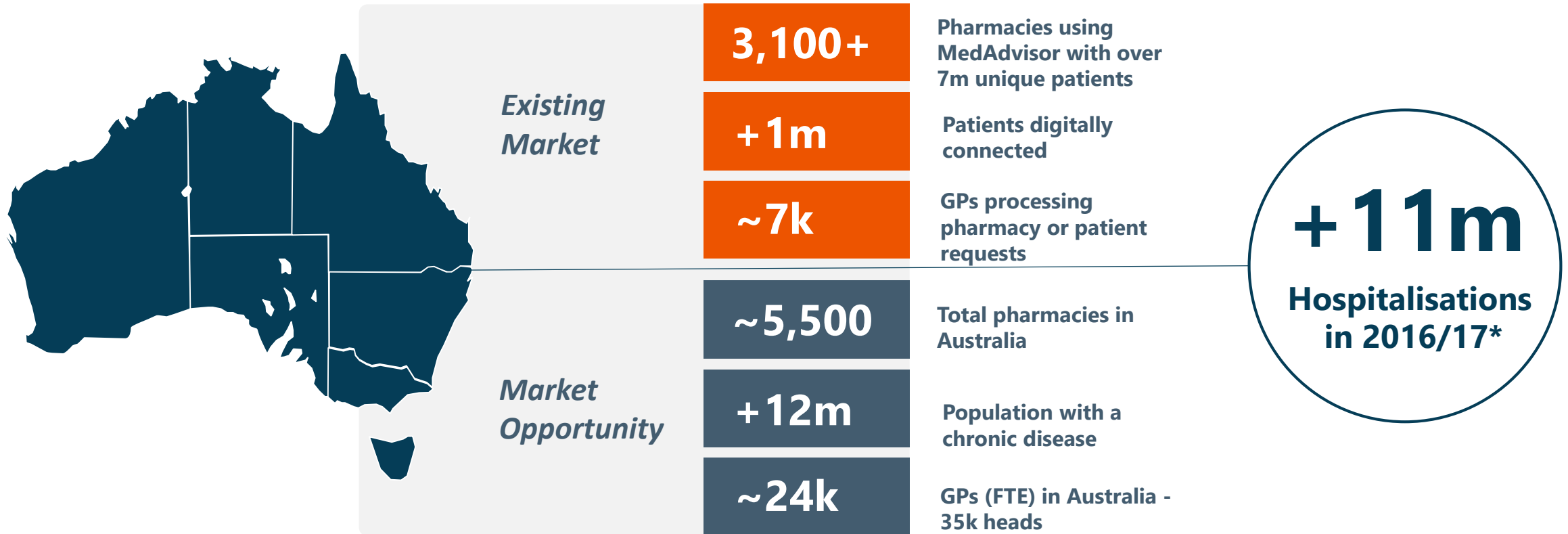
	FY18	FY17	% Change
Cash Receipts	\$6.4m	\$5.0m	28%
Total Cash inflows	\$7.2m	\$5.6m	29%
Total Payments Outlays	(\$10.5m)	(\$8.0m)	30%
Net cash outflow	(\$3.3m)	(\$2.4m)	38%
Cash and cash equivalents	\$10.5m	\$4.8m	121%

- Improving cash flows with increased outflows associated with scaling and funding new product development
- Operating costs of \$5.7M – making the business profitable on a purely operational basis
- \$9.5 million investment from strategic investor EBOS in October 2017 – boosting the Company's cash balance

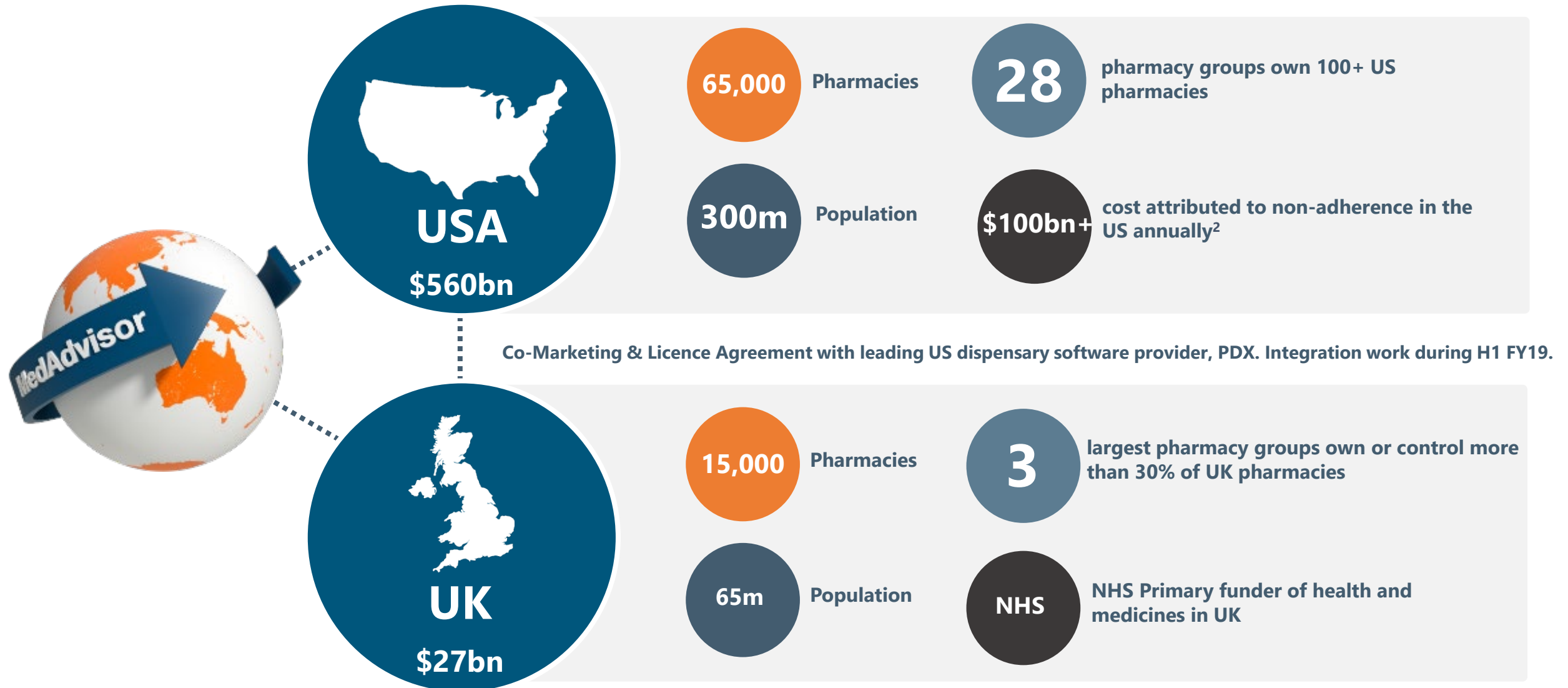
Key Cash Movements – Funded to Execute



Significant market opportunity to build a connected platform

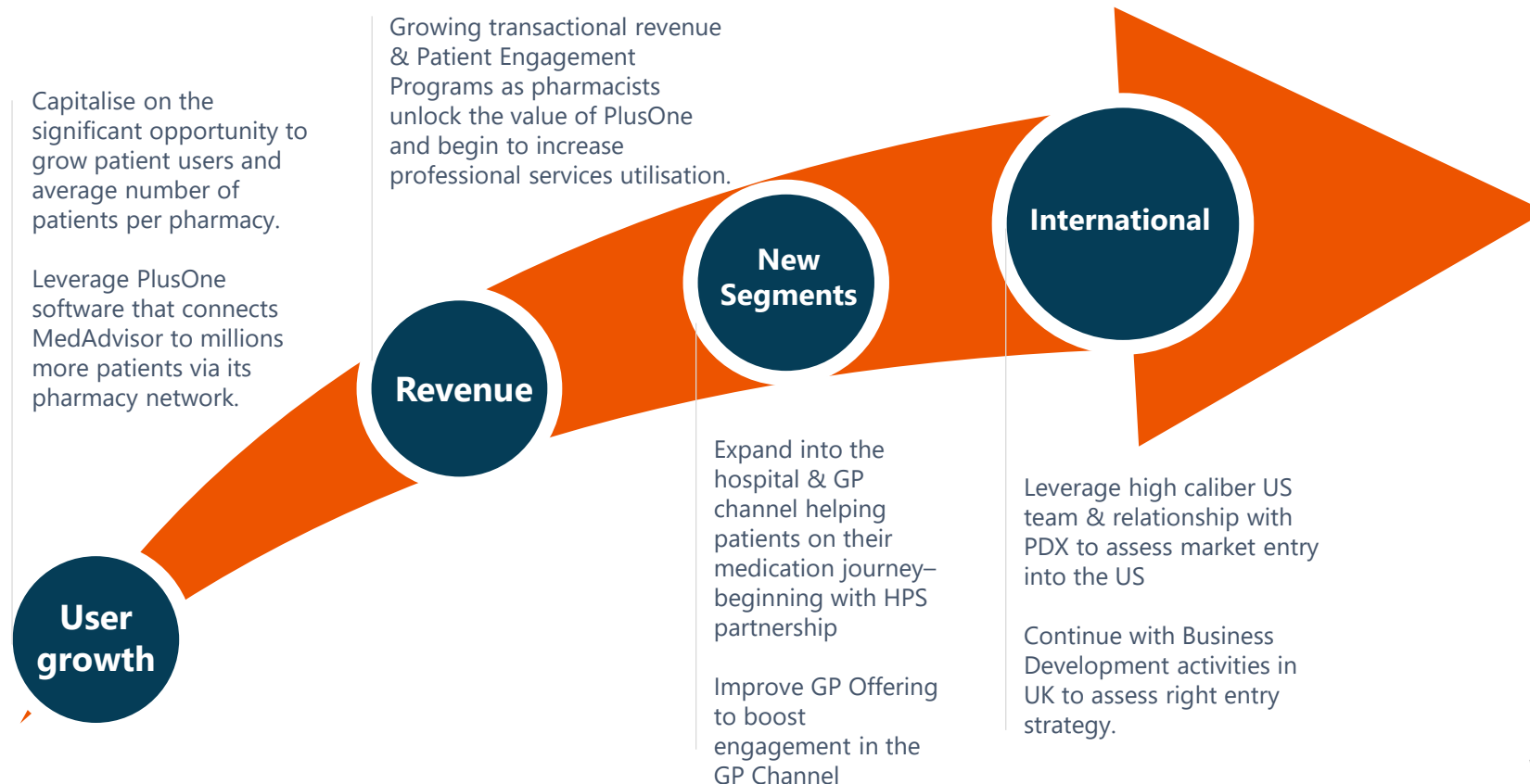


International markets are significant opportunities: USA & UK



Our focus for the next 12 months

We plan to continue to make it easier for more patients to manage their medication journey by building out connectivity with GP and Hospitals. International expansion efforts will be targeted on working with local partners or lead customers.



Thank you

Appendix

The background of the slide is a solid dark blue color. It is covered with a repeating pattern of white line-art icons related to medicine and healthcare. These icons include a stethoscope, a heart with an ECG line, a syringe, a pill, a DNA double helix, a microscope, a clipboard with a checklist, a blood test tube, a pill bottle, a heart rate monitor, a stethoscope, a heart with an ECG line, a syringe, a pill, a DNA double helix, a microscope, a clipboard with a checklist, a blood test tube, a pill bottle, a heart rate monitor, and a stethoscope.

Summary of FY18 Results

Full year profit and loss highlights

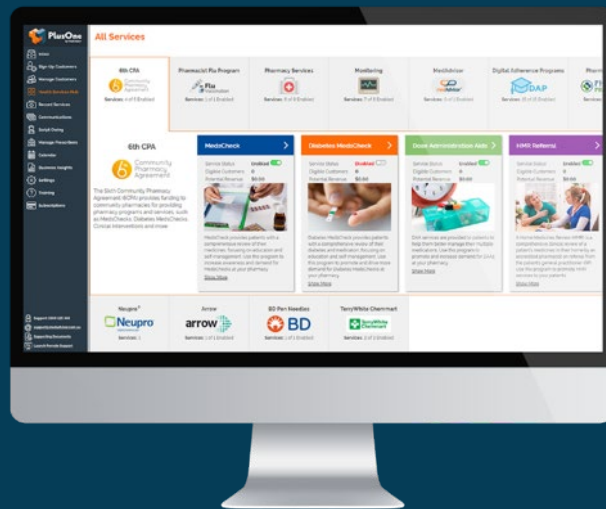
	2018 \$ 000's	2017 \$ 000's	Change \$ 000's	%
Revenues				
Revenues from services	6,605	4,243	2,362	56%
R&D tax concession	634	522	112	22%
Government grants	-	41	(41)	-100%
Total operating revenue	7,239	4,806	2,433	51%
Direct costs	(822)	(734)	(88)	12%
Gross profit	5,783	3,509	2,274	65%
Gross margin ¹	88%	81%		
Major Expenses (exc. non-cash expenses)				
Development	(3,662)	(1,810)	(1,852)	102%
Marketing & sales	(3,597)	(2,564)	(1,034)	40%
New market development	(529)	(324)	(205)	63%
Administration	(1,608)	(1,696)	88	-5%
Governance & listing costs	(506)	(272)	(234)	86%
Cash loss from ordinary operations	(3,485)	(2,594)	(890)	34%
Net finance income	155	95	60	63%
Depreciation & amortization	(197)	(140)	(57)	40%
Share based remuneration	(821)	(657)	(164)	25%
One off transaction costs	(108)	(134)	25	-19%
Loss from continuing operations	(4,455)	(3,430)	(1,025)	30%

- Total operating revenue increased by 51%
- Gross margins increased to 88%
- Loss attributable to increased costs associated with scaling the business and establishing new customer offerings
- Gross margin exceeds maintenance opex and the business is profitable at a core level
- Additional expenditure is targeting growth in new markets

MedAdvisor Suite of Products

MedAdvisor provides a suite of technology that digitally connects patients with their pharmacy and doctor, increasing patient engagement, convenience and medication adherence.

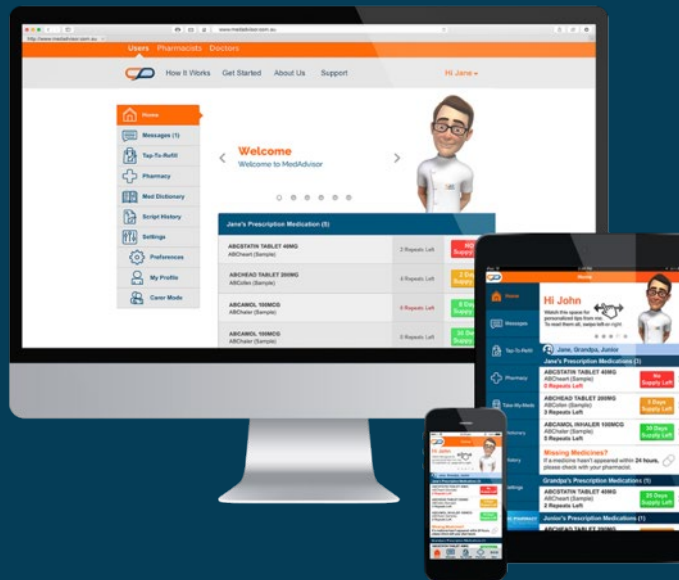
Pharmacy Software PlusOne



**Software deployed at 55% of
Australia's pharmacies.**

- Helps pharmacy manage & communicate with customers via SMS, APP

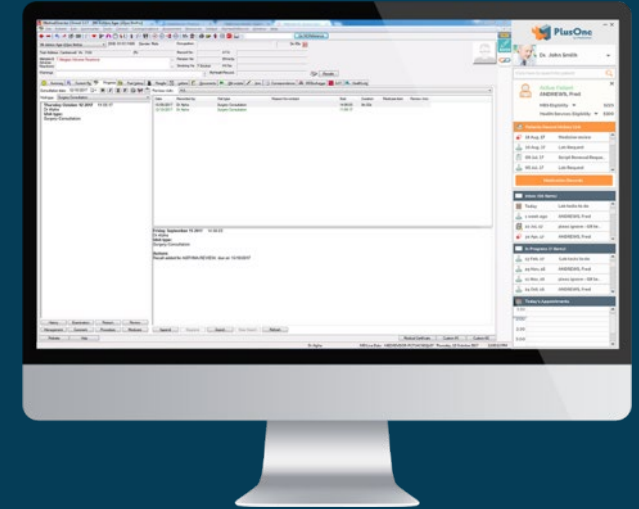
Patient Platform "Skip the queue" MedAdvisor App & SMS



>1m patients

- Automatic medication history
- Order scripts/medication in advance to skip the queue
 - Link with your GP

GP Software



**Growing GP relationships through OzDocs,
GP Connect & GP Link**

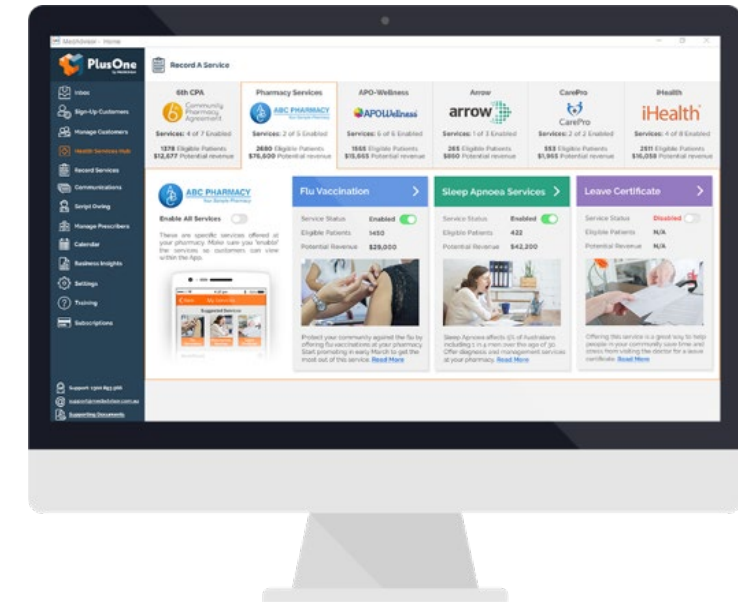
- Manage nursing home patients' scripts
 - Book GP appointments
 - Patient Script Renewals
- Web/Fax Script pharmacy requests

Technology – About PlusOne

PlusOne is MedAdvisor's new software solution for pharmacies which combines medication management and health services, eliminating the need to use multiple systems.



- Enhances opportunity for pharmacists to generate professional services fees from; Government or Manufacturer Funded Programs.
- Ability to market directly customers and to automate communications
- Health Services Hub helps to identify eligible customers in the pharmacies dispense system
- Software can receive bookings for services
- Eliminates need for multiple platforms
- Simplifies patient communications



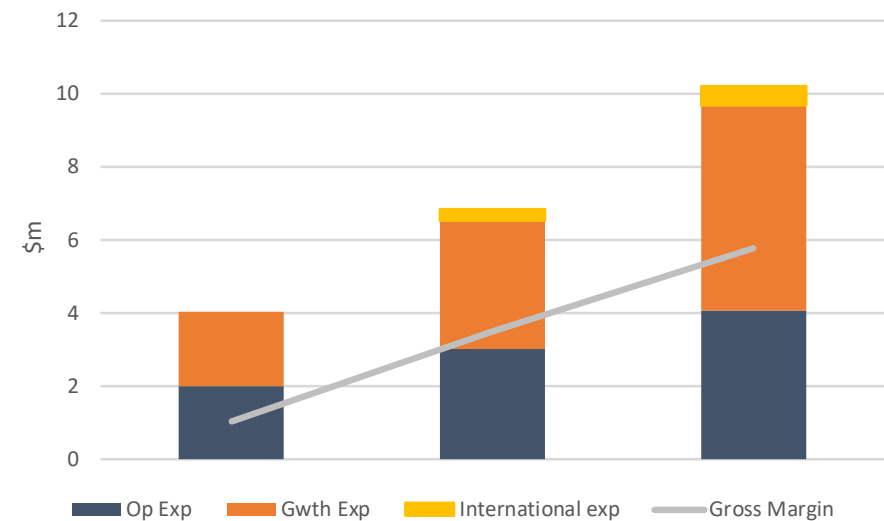
PlusOne is expected to drive user based revenue as pharmacies across the MedAdvisor network unlock the value available to them from the platform to better engage with patients

Profitable at a core business level

- Continuing revenue growth profile
- Strong gross margins
- All R&D expenses are expensed not capitalised
- Maintenance opex covered by gross margin
- Investment opex invested in further product development, marketing and international expansion
- High operating leverage will create significant EBITDA margins once at scale

Metric	FY16	FY17	FY18	17/18 growth %
Total Revenue	\$1.76	\$4.9	\$7.4m	51%
Gross Margin	73%	83%	88%	7%
Core Business EBITDA	(\$1.3m)	(\$0.5m)	\$1.9m	492%
Investment Opex	\$1.7m	\$2.8m	\$6.1m	118.1%
Reported EBITDA	(\$3.0m)	(\$3.3m)	(\$4.3m)	(29.4%)

Gross margin to expenses (Growth & Fixed Opex)



The MDR Board



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



Robert Read,
CEO & MD

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



Josh Swinnerton, *Founder & Product Manager International*

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