



9 August 2021

The Manager

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ELECTRONIC LODGEMENT

Dear Sir or Madam

Telstra Health to acquire MedicalDirector

In accordance with the Listing Rules, I attach a market release for release to the market.

Authorised for lodgement by:

Sue Laver
Company Secretary



Telstra Health to acquire MedicalDirector

09 August 2021: Telstra today announced that Telstra Health has entered into a binding agreement to acquire leading GP clinical and practice management software company MedicalDirector for an enterprise value of A\$350 million.¹

Telstra Health Board Chair Brendon Riley said the acquisition of MedicalDirector was a key step in Telstra Health's vision to create a connected and improved digital health experience for all.

"MedicalDirector is a modern clinical and practice management solution that supports GPs and other medical specialists to focus on providing high quality care and reducing time on paperwork and administration. It supports consultations by medical practitioners through a comprehensive patient medical record, including electronic prescriptions, options for virtual consultations, patient care plans, real time alerts about drug safety and drug interaction, and a range of other functionalities," Mr Riley said.

"GPs play a central role in connecting to every part of the health and aged care systems, and practice management is an incredibly important addition for Telstra Health in providing quality solutions and supporting them to deliver care. Telstra Health has transformed substantially over the past five years and this announcement reflects its continuing maturity as a business and its importance as part of Telstra's long-term growth strategy. It also reflects its continued growth into a global business, including strengthening our existing presence in the UK where MedicalDirector has been establishing itself in recent years."

MedicalDirector has been trusted by healthcare practitioners for over 25 years, providing software as a service and innovation to the healthcare industry, including across electronic health records, patient and practice management, billing, scheduling, care coordination, medicines information and clinical content. Its SaaS solutions support general practitioners and other specialists and pharmacies in the Australian healthcare industry. It currently supports approximately 23,000 medical practitioners and is used to deliver more than 80 million consultations a year.

Telstra Health's Managing Director, Professor Mary Foley AM, said the acquisition supported Telstra Health's vision to be a leading partner to the health and aged care sectors.

"Patient care journeys move back and forth across home, clinics, hospitals, aged-care and pharmacies. This acquisition helps realise our vision to connect and co-ordinate across the continuum of care, enabling smoother experiences for those who need it and provide it."

"Digital solutions support operational efficiency and effectiveness and help clinicians and other care providers solve some of the complex problems they face in the delivery of care."

"We will significantly increase investment in MedicalDirector to provide medical practitioners with the best digital solutions, across desktop and cloud, to support the future delivery of primary health care."

"I am excited about the opportunity to continue to grow MedicalDirector, combining its sophisticated solutions with Telstra Health's clinical and health system capabilities, including our expert team of medical practitioners (including GPs), health information managers and other health experts."

MedicalDirector's CEO, Matthew Bardsley, said "The team here at MedicalDirector are very excited about this announcement today. The ability to bring our knowledge, trusted industry leading products and our team to support the vision of Telstra Health is recognition of the great business we have built."

We look forward to working with Telstra Health to help support the critical work of the healthcare industry through innovation and technology, never more so important than right now. Thank you to all of our customers who are on the front line providing critical services during this pandemic. Together with Telstra

¹Subject to customary adjustments

MARKET RELEASE



Health, we will continue to provide you with all the support we can to help keep all Australians safe at this time.”

MedicalDirector is being acquired from funds advised by Affinity Equity Partners, with the transaction expected to complete in Q1 FY22.

The acquisition of MedicalDirector follows Telstra Health’s recent announcement that it will acquire a majority stake in global healthcare organisation PowerHealth as part of its global growth strategy.

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