ASX ANNOUNCEMENT

31 August 2018

MedAdvisor FY18 Results

Total revenue of $7.4m - 51% ahead of the prior year and gross margins up to 88%

Highlights

- Operating revenue from continuing operations totalled $6.6m, a 56% increase on FY17 and total revenue including R&D tax concession and interest was $7.4m, 51% ahead of FY17
- Revenue growth a result of continued expansion of pharmacy network and increasing transactional revenue generated through the growing use of the software by pharmacies to schedule, promote and engage with customers
- Key operational achievements during the quarter include; reaching one million patients; the completion of the PlusOne roll-out to pharmacies; and an integration partnership secured to enter the US market
- $9.5m strategic investment from EBOS strengthened balance sheet - $10.5m in cash as at 30 June
- Key growth areas for 2019 and beyond; connected patients and engagement in pharmacy; international expansion; enhancing connectivity of hospitals and GPs; and Patient Engagement Programs

MedAdvisor Limited (ASX: MDR, the Company) has today released its Appendix 4E and is pleased to provide its Interim Financial Report for the 12-month period ended 30 June 2018 (FY18).

Financial Overview

MedAdvisor has reported operating revenue of $6.6m, up 56% on the prior year ($4.24m FY17). Total revenue, which includes R&D tax concessions and interest totalled $7.4m, 51% ahead of the prior year ($4.9m FY17).

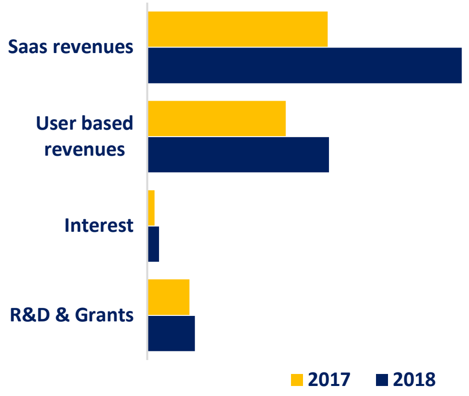
Gross profit totalled $5.8m and gross margins have grown from 83% to 88%. The Company reported a net loss of $4.5m versus a loss of $3.4m for the prior year. The loss is attributable to an increased cost base that includes costs associated with enhancing the product, including the development of new features for PlusOne and advancing its international expansion initiatives that culminated in an agreement with PDX Inc., one of the largest dispensary software providers in the US to integrate MedAdvisor's technology. Operating costs for the year totalled $11.8m.

Whilst the domestic cost base remains stable, it is expected that the development costs will increase in FY19. MedAdvisor will progress the technology integration into its US partners' systems in order to begin entry into the US market as well as preparing for entry into the UK market.

(Source: MedAdvisor)

The operating revenue (excluding R&D Tax Concession) consisted of 63% from subscription revenue from pharmacy and 37% from user-based revenue that includes proceeds from Patient Engagement Programs (PEPs), SMS services and transactional fees (earned via bookings of Professional Services through the PlusOne platform).

FY18 Revenue Breakdown v FY17 Revenue Breakdown



(Source: MedAdvisor)

Key Metrics

	End FY17	End FY18	% Change
Patients	837,000	1,050,000	25%
Average number of patients per pharmacy	300	390	31%
Number of PEPs	22	32	45%
Total value of scripts ordered[1]	$167m	$235m	41%

(Source: MedAdvisor)

In April, MedAdvisor achieved a key milestone of one million connected patients. The growth in patients is a key driver of user-generated revenue. As the patient user base has grown, the business' ability to attract new manufacturers to run Patient Engagement Programs (PEPs) has also increased and a total of 32 PEP campaigns have been delivered or committed to by manufacturers during FY18 across 16 pharmaceutical and manufacturer companies.

The number of patients per pharmacy continues to grow, highlighting the support from the pharmacy network in recommending their patients join the platform. Once patients have signed up to MedAdvisor's services their engagement is also high. This is evident in their use of the prescription re-ording function (Tap-to-Refill) that saw a total of $235m in prescription value processed in FY18 versus $167m in FY17[2]. The function allows patients to re-fill their prescription at the click of a button and to collect it in store when it is ready versus going in store to -re-order the script and having to wait, or in some cases, having to return again when it is ready to be collected.

Corporate Update

In October 2017, MedAdvisor received a strategic investment of $9.5m from one of Australasia's leading healthcare companies, EBOS Group Limited. The investment also saw EBOS become the largest shareholder in the Company with a 14.1% holding.

MedAdvisor subsequently signed formal agreements with three EBOS subsidiaries; TerryWhite Chemmart (TWCM), Zest and HPS. Under the agreement with TWCM, a customised version of the MedAdvisor app and its PlusOne software is being rolled out to its stores nationwide, further extending MedAdvisor's pharmacy network and customer reach.

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[1] Includes patient pharmacy script orders and script owing service (scripts ordered on behalf of nursing home patients)

[2] FY17 includes 8 months following the Healthnotes and FY18 is the full year

The formal agreement with Zest sees MedAdvisor become the digital communication channel for Zest's healthcare programs that it implements for a number of leading healthcare and pharmaceutical companies. The two parties will also collaborate on future opportunities, including hospital admission and discharge programs through HPS (another EBOS subsidiary).

Through the recently signed HPS agreement MedAdvisor and HPS will develop an integrated medication management solution for use in hospitals. Significant medication errors occur at transitions of care due particularly acute care with between 10-67% of medication reconciliations containing errors and 33% with the potential to cause harm.[3] The joint solution will give patients the opportunity to expressly authorise and permit hospital pharmacists to electronically request and retrieve their medication history from MedAdvisor at the time of admission. The successful implementation of the system could extend the patient acquisition and engagement channels beyond community pharmacies and GP to include hospitals; and will improve the hospital admission process for both patients and the hospital.

Operational Overview

Technology

During FY18 MedAdvisor completed the development and roll-out of the PlusOne platform and its Health Services Hub. The Health Services Hub enables MedAdvisor's pharmacies to manage the delivery of health services to their patients. New functionality allows pharmacists to easily identify and schedule eligible patients for these services, such as flu vaccinations and MedsChecks making it a simple process that requires minimal oversight to implement. The Flu Program, launched by MedAdvisor, resulted in the near-doubling of flu shots recorded by its pharmacies. PlusOne recorded over 100,000 flu shots.

PlusOne is an end-to-end work flow management platform that enables pharmacies to manage their workflow and streamline their internal processes. The increased capabilities also enabled MedAdvisor to increase its subscription fees by ~20% during the year.

New capabilities continue to be added and in FY19 the roll-out of e-commerce and delivery services are expected to begin, alongside a new online booking system and hospital integration.

International Expansion

MedAdvisor has continued its efforts on international expansion initiatives during FY18 with the appointment of a regional advisor in the UK and in the US to advance market entry. Since the appointments MedAdvisor has incorporated subsidiaries in both the US and in the UK in readiness for entry into those markets.

MedAdvisor has commenced its entrance into the US market through a Co-Marketing and Licence agreement with PDX Inc., the largest dispensary software provider in the US. This is the first step towards entering the US market and the integration will enable MedAdvisor to provide the pharmacies using PDX's software a complete solution to manage important digital customer interactions, including ordering through the MedAdvisor app. Once integrated with PDX's systems, MedAdvisor's pharmacy software can be easily deployed into the 10,000+ pharmacies that use PDX's software, making it faster and simpler to commence roll-out in the US market and begin customer acquisition.

The Company has now formally entered the US market with the appointment of Mr Keith Kiarsis (MedAdvisor's regional advisor in the US) as President and CEO of the US business and is establishing operations in the US. Mr Josh Swinnerton; the Founder will assist with product development for the US market, leveraging his previous work in the US market and intimate knowledge of the Australian product.

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1. https://www.safetyandquality.gov.au/our-work/medication-safety/medication-reconciliation/.

Opportunities in the UK market are still at the early stages, but the Company has strong interest from a number of pharmacy groups.

Outlook and Next Steps

International Expansion Progression

The coming year will see MedAdvisor expand into a new market following the integration of its technology into PDX's systems in the US. The integration has now begun and is expected to be completed this calendar year. The US represents a significant market opportunity and through PDX, MedAdvisor will have access to ~15% of the pharmacy market in the region and a supportive promotional partner.

Enhancing Position in Domestic Market and Driving Engagement

The growth opportunity in Australia remains strong and MedAdvisor has identified a significant opportunity in the hospital market. MedAdvisor's platform has a key role to play in the hospital admission and discharge process. By leveraging the platform's connective capabilities, all healthcare professionals responsible for a patient's care can view and access a full and accurate medication history to help improve the patient's transition of care and medication prescribing. The HPS deal (announced 30/8/18) is an important step in realising this ambition.

Furthermore, the Company will focus on moving customers up the value chain. This includes ongoing marketing and educational programs for pharmacists to build awareness and a deeper understanding of the software's capabilities and how they can leverage it to drive their revenues from professional services. This will go hand-in-hand with growing the engagement from patients, who are the end-user of the software, and helping them to better understand the convenience and benefits available to them.

Summary

Management intends to continue its investment in the growth of the Company both domestically as well as internationally. The costs associated with the expansion of the business are expected to increase over those incurred in FY18, however, the potential reward and opportunity outweigh the associated costs.

MedAdvisor has a solid track record of delivering ongoing revenue growth through new technology capabilities and offerings. It will continue to build on this domestically with the new opportunities identified in the hospital market and additional service offerings for the pharmacy market.

-ENDS-

For more information

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About MedAdvisor

MedAdvisor is a world class medication management platform focused on addressing the gap and burden of medication adherence. Founded with a desire to simplify medication management, the highly automated and intuitive Australian software system connects patients to their local pharmacy, providing them with real time access to their personal medication records. Available free on mobile and internet devices, the platform also incorporates a variety of valuable and convenient features including reminders and pre-ordering of medications, which together improves adherence by approximately 20%. Since launching in 2013, MedAdvisor has welcomed one million users through its connections with over ~50% of pharmacies and thousands of GPs across Australia.

MEDADVISOR LIMITED
Appendix 4E
Preliminary final report

Company Details

Name of Entity:	MEDADVISOR LIMITED
ABN:	17 145 327 617
Reporting period:	For the year ended 30 June 2018
Previous period:	For the year ended 30 June 2017

Results for Announcement to the Market

				$'000
Revenues from continuing ordinary activities	up	55.7%	to	6,605
Loss from ordinary activities after tax attributable to the owners of MedAdvisor Limited	up	29.9%	to	(4,454)
Loss for the financial year attributable to the owners of MedAdvisor Limited	up	29.9%	to	(4,454)

Brief Explanation of any of the figures reported above necessary to enable the figures to be understood:

Total Revenue Breakdown:

	12 months 30-Jun-18	12 months 30-Jun-17
Pharmacy subscriptions	4,186	2,402
User based revenues	2,419	1,841
	6,605	4,243
Other income (R&D Tax Concession, Grants & Interest)	634	522
	7,239	4,765

Refer attached Annual Financial Report year ended 30 June 2018.

Dividends

Not applicable

Net Tangible Assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	$ 0.7457	$ 0.4116

Annual financial report
for the year ended
30 June 2018

MedAdvisor Limited
ABN 17 145 327 617

MedAdvisor Limited (ASX:MDR) delivers a connected health system that empowers patients. Our purpose is to relentlessly innovate to improve access and convenience to healthcare to help people be healthier.

Contents

Chairman's Letter

Dear Shareholders,

Thank you to our shareholders who continue to support us and a warm welcome to shareholders who have joined us this year.

We are delighted that leading Australasian healthcare company, EBOS Group, joined us as a strategic investor during the year, taking a $9.5m share placement to become one of our largest shareholders with a holding of 14.1%. EBOS have joined several pharmacy groups that recognize MedAdvisor's strategic position linking patients with their health practitioners.

We have continued to improve services and products for pharmacies, attracting new pharmacies, and increased patient numbers resulting in revenue growth.

Total revenue increased 52% to $7.4m for the financial year and operating revenue up 52% to $7.2m, a second consecutive year of delivering +50% revenue growth.

We are investing strongly into the business to pursue international and domestic growth opportunities.

A year of expansion opportunities

- ***Domestically***

Our strategic partnership with EBOS provided a number of new avenues for MedAdvisor to bolster its market presence and revenue. Services to the hospital sector are a key growth area for the Company.

It is estimated that 50% of medication errors occur at the transition of care, and a formal process to record and manage all records and prescriptions could reduce errors by up to 94% (Source: Australian Commission on Safety and Quality of HealthCare).

MedAdvisor brings efficient processes to hospitals to provide improved patient admission and discharge ensuring that all medical practitioners involved in the process have a full and accurate view of that patient's medical history.

We are working towards a program that leverages MedAdvisor's capabilities to increase medication adherence through better connectivity between hospitals, doctors and pharmacies. We are confident that this will result in a reduction in the number of hospital readmissions and improved patient outcomes.

To assist in making patients' lives simpler through improved convenience we are investing further to build connectivity with GPs. Nearly 7,500 GPs who process scripts on behalf of MedAdvisor pharmacies and patients and a growing the proportion of these are connecting through our online portal.

We are working closely through marketing and educational programs to help our pharmacy customers increase their revenues by better utilising our software's capabilities, which in turn earns revenue for MedAdvisor. By promoting awareness and understanding of our services for our pharmacy network our patient user base will grow as pharmacists advocate and promote the app to their customers. A growing user base is key to our ability to attract further manufacturers to run Patient Engagement Programs (PEPs) on the platform, which continue to be an important part of our business and revenue base.

Internationally

Further afield, we are also ramping up our efforts to advance our entry into new international markets and have commenced expansion into the US. We have partnered with PDX Inc., a leading US provider of pharmacy dispense software to integrate our technology. PDX's software is used by over 10,000 US pharmacies and completion of the integration will allow us to provide our platform to these pharmacies. Furthermore, PDX will support us in our marketing efforts under the Co-Marketing and Licence Agreement.

The integration with a major US dispensary is a key step towards bringing our product to market. We have scaled up our development team to increase the capacity to execute the integration, which we anticipate completing by the end of this calendar year.

Driving engagement

This year we achieved a milestone of one million patients using MedAdvisor and our pharmacy network has continued to expand. We now have over 50% of the Australian pharmacy market using our PlusOne software.

Our pharmacy customers, both existing and new, are one of the strongest drivers of patient acquisition and we now have an average of nearly 400 patients per pharmacy, up from 300 at the end of FY17.

The growth in engagement from our users this year has been encouraging and as we improve in our delivery of convenience to our users this engagement will continue to grow.

Looking ahead

We are aggressively assessing international opportunities and advancing our entry into the US through the integration with PDX.

Domestically, a large addressable market remains. MedAdvisor's technology has a key role to play in increasing the connectivity and driving better health outcomes for all patients. Our domestic expansion plans include entering the hospital market; providing existing customers with better services; and driving patient engagement.

I am optimistic for our outlook over the coming 12 months and look forward to sharing further progress and achievements. I thank shareholders for their continued support and extend thanks to all our partners, customers and our creative staff who are unstintingly striving to make MedAdvisor's patient's lives better

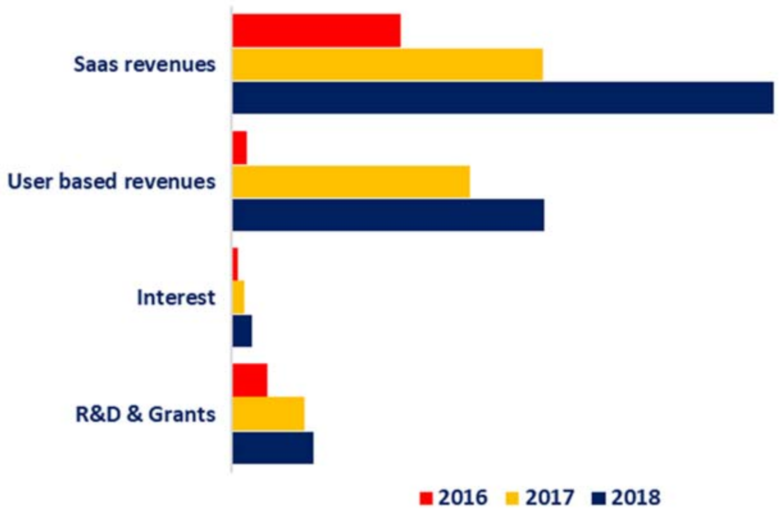
Yours Sincerely

Peter Bennetto
Chairman
Camberwell, 30 August 2018.

medAdvisor

Summary of 2018 financial year results

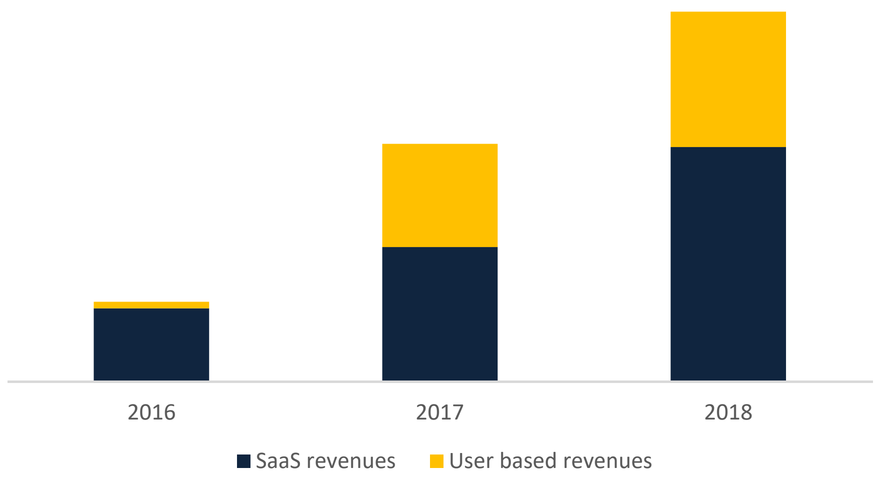
Revenue breakdown by financial year



SaaS revenue has increased from an increased pharmacy network along with price increases.

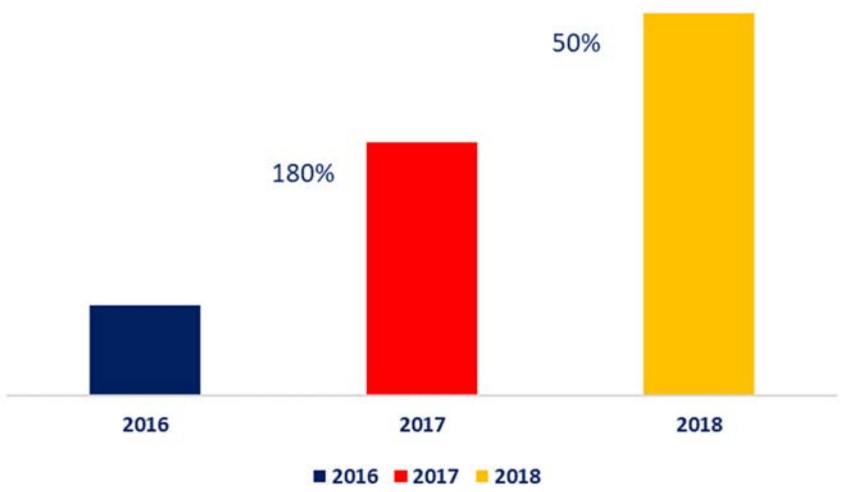
User based revenues are growing in line with user growth.

Fixed v user based operating revenue



User based revenue is tracking at 37% of total operating revenues.

Growth in operating revenues

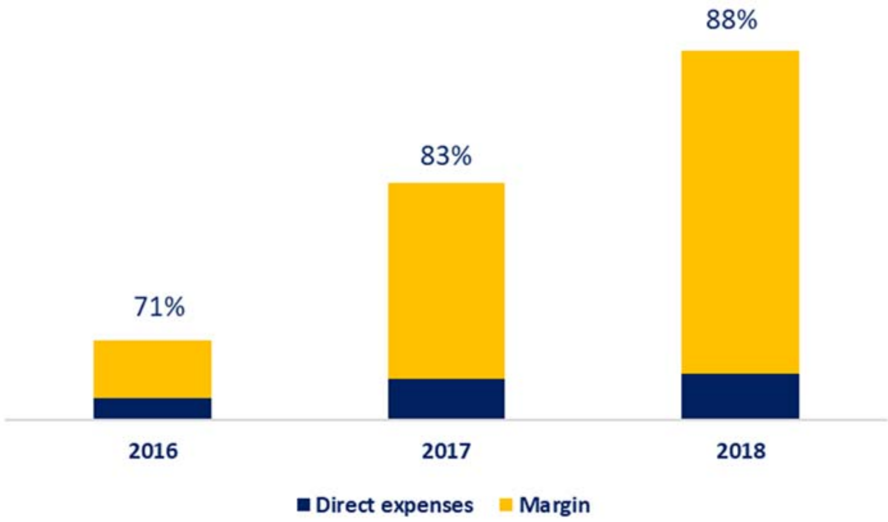


The business continues to enjoy strong organic growth in revenues.

FY17 had stronger percentage growth compared to FY16 as a result of the acquisition of Healthnotes and OzDocsOnline.

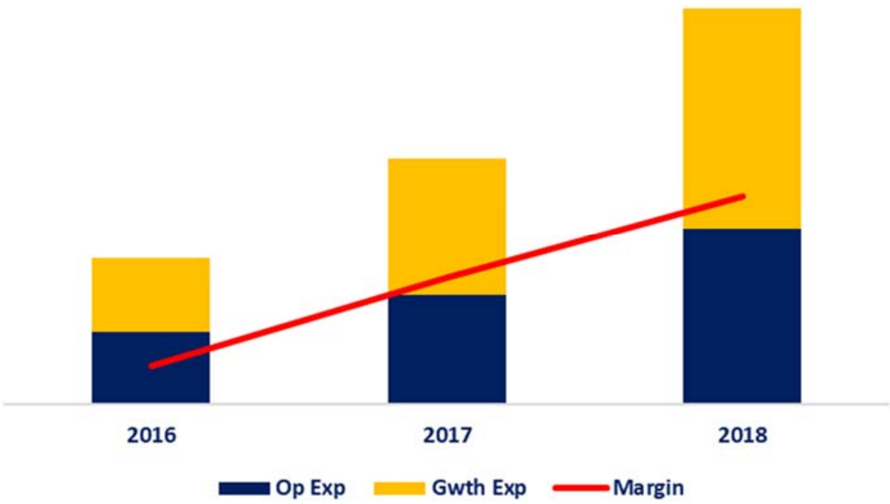
There were no acquisitions in FY18.

Gross Margins by year



Gross Margins have expanded over the last 3 financial years as the business more effectively manages platform costs and builds scale.

Operating and growth expenses to gross margin

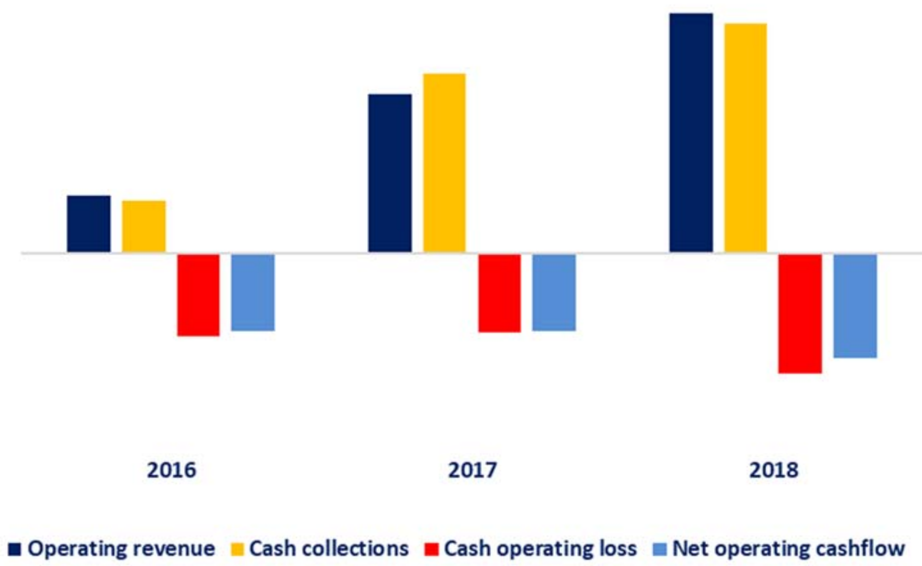


Coverage of our fixed operating expenses is increasing as a result of the growth in our margins.

The investment in growth includes the expenses associated with both domestic and international market development

We have seen strong growth and engagement from pharmacies with our new Professional Pharmacy Services offering in PlusOne.

Operating performance to cash



Cash collections from the underlying business continue to be strong and support the growth of the business.

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	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%**

Revenue has continued to grow strongly from both SaaS and pharmacy transaction fees.

Margin management continues to be a focus, margins have grown from 81% to 88%.

We continue to invest heavily in our capacity to deliver on both our domestic and international strategy. Our engineering team has grown >50% since FY17

Summary balance sheet

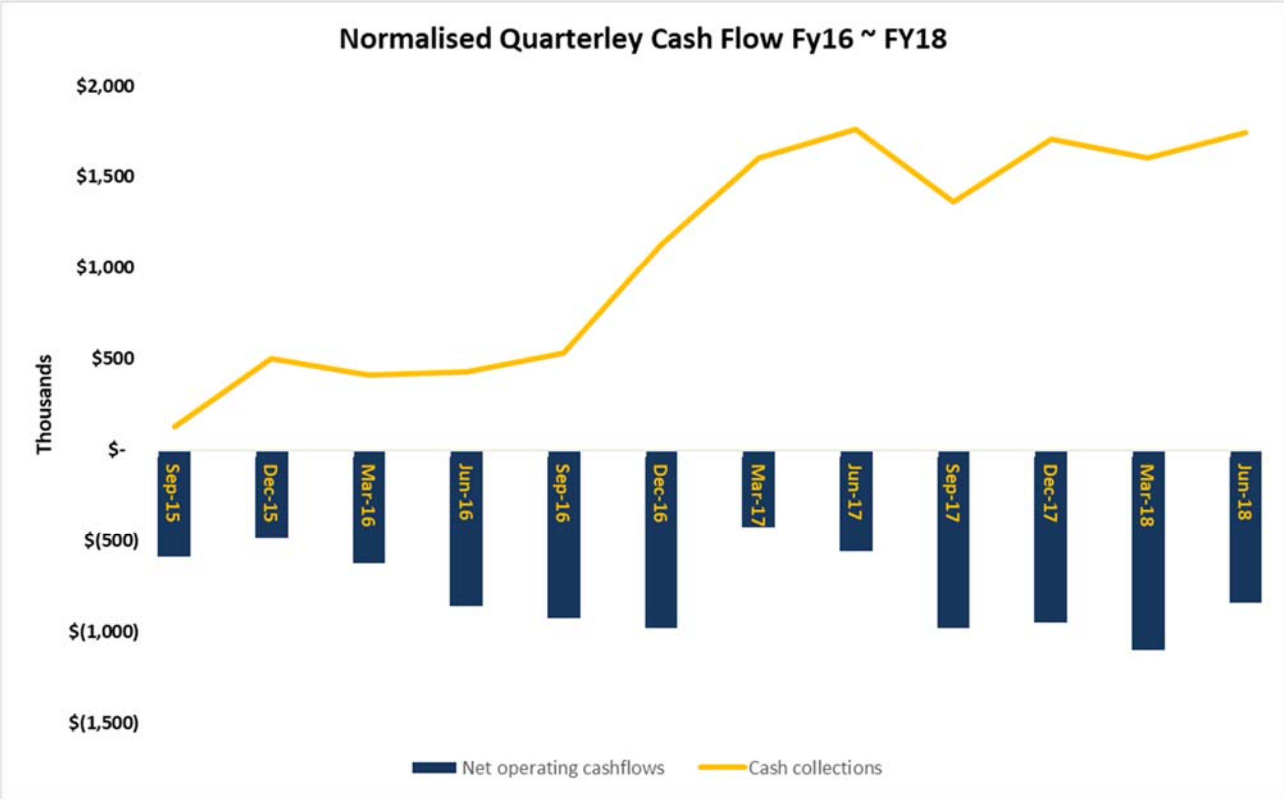
	2018	2017	Change	
Current assets	**$ 000's**	**$ 000's**	**$ 000's**	**%**
Cash & cash equivalents	10,475	4,835	5,640	117%
Other current assets	1,195	612	583	95%
	11,670	5,447	6,223	114%
Non-current assets				
Property plant & equipment	370	190	180	95%
Intangible assets	5,340	5,463	(123)	-2%
	5,710	5,653	57	1%
Total assets	**17,380**	**11,100**	**6,280**	**57%**
Current liabilities				
Trade & other payables	1,248	1,016	231	23%
Income in advance	389	285	104	37%
Employee benefits	441	394	47	12%
	2,078	1,695	383	23%
Non-current liabilities				
Employee benefits	133	50	84	169%
	133	50	84	169%
Total liabilities	**2,211**	**1,745**	**467**	**27%**
Net assets	**15,168**	**9,355**	**5,813**	**62%**
Net tangible assets	**9,828**	**3,892**	**5,936**	**153%**

Summary operating cash flow

	2018	2017	Change	
Operating cash inflows	**$ 000's**	**$ 000's**	**$ 000's**	**%**
Receipts from customers	6,422	4,949	1,473	30%
R&D tax concession	634	522	112	22%
Government grants	-	41	(41)	-100%
Interest	155	90	66	74%
	7,212	5,602	1,610	29%
Operating cash outflows				
Payments to suppliers	5,146	4,259	886	21%
Payments to employees	5,334	3,743	1,591	43%
	10,480	8,002	2,477	31%
Net operating cash flows	**(3,268)**	**(2,401)**	**(867)**	**36%**

Cash flows from operations remain robust but have been affected at year end by manufacturers that take longer than our standard terms to pay their invices.

We continue to invest in growth and cost increases have been in line with our expectations.



The net operating cash flows and cash collections have been normalised by adjusting for the effects of receipt of the R&D Tax Concession, annual subscriptions receipts and PEP receipts by averaging those receipts over the year to which they relate.

Corporate directory

Directors	Mr Peter Bennetto	Non-executive Chairman
	Mr Robert Read	Managing Director & CEO
	Mr Joshua Swinnerton	Founder & Executive Director
	Mr Jim Xenos	Non-executive Director
	Ms Sandra Hook	Non-executive Director
Company secretary	Mr Carlo Campiciano	CFO
Notice of annual general meeting	Details of the annual general meeting of MedAdvisor Limited are: At the offices of HWL Ebsworth Lawyers Level 23, 530 Collins Street Melbourne Vic 3000 9:00 a.m. on Tuesday 23rd October, 2018.	
Registered office	Level 2, 971 Burke Road Camberwell Vic 3124	
Principal place of business	Level 2, 971 Burke Road Camberwell Vic 3124	
Share register	Computershare Investor Services Pty Ltd Yarra Falls 1152 Johnston Street Abbotsford Vic 3067	
Auditor	RSM Australia Partners Level 21, 55 Collins Street Melbourne Vic 3000	
Lawyers	HWL Ebsworth - Lawyers Level 26, 530 Collins Street Melbourne Vic 3000	
Stock exchange listing	MedAdvisor Limited shares are listed on the Australian Securities Exchange (ASX:MDR)	
Website	www.medadvisor.com.au	

Directors' report

The Directors of MedAdvisor Limited ('MedAdvisor') present their report, together with financial statements of the consolidated entity, being MedAdvisor Limited ('the Company') and its Controlled Entities ('the Group') for the year ended 30 June 2018.

Directors

The names of Directors in office at any time during or since the end of the year are:

Peter Bennetto	Non-Executive Chairman
Robert Read	Executive Director / Chief Executive Officer
Joshua Swinnerton	Executive Director / Founder
Jim Xenos	Non-Executive Director
Sandra Hook	Non-Executive Director

Peter Bennetto, Non-Executive Chairman.
GAICD, SA Fin. Director since 2013.

Member of Audit and Risk Committee
Member of the People and Remuneration Committee

Peter Bennetto is an experienced company director, with skills in banking, corporate finance and governance. Peter has held a number of company director positions in exploration, mining and manufacturing companies listed on the ASX since 1990. Mr Bennetto has been Non-Executive Chairman at MedAdvisor Limited (formerly Exalt Resources Limited) since November 28, 2013.

Mr Bennetto is currently non-executive Chairman of Ironbark Zinc Ltd.

Robert Read, Executive Director/ CEO.
BComm(Mgt), BA(Psych), GAICD. Director since 2015.

Member of Audit and Risk Committee
Member of the People and Remuneration Committee

Robert Read has extensive commercial experience in a wide range of businesses, including Director of Commercial Strategy and Operations in one of the world's leading pharmaceutical companies, and roles in Venture Capital and Private Equity. Robert brings a wide range of skills to the position of CEO - in leadership, sales and marketing, financial performance improvement and a deep understanding of the requirements to successfully grow early stage businesses.

Joshua Swinnerton, Executive Director/ Founder.
MEI, GradCert Eng., BE, BCS(Hons). Director since 2015.

Joshua Swinnerton has extensive experience leading and managing sizeable IT ventures, both within large companies, as a consultant, and as the technical and operational lead of start-up companies. Prior to founding MedAdvisor, led a technology start-up which he also founded and sold into the US as well as raising funds in the US for the company's expansion and managed software development. During this time Mr Swinnerton has gained valuable experience in bridging the gap between innovative technology and business objectives. Josh also has extensive skills in building and managing exceptional development teams.

Jim Xenos, Non-Executive Director.
BSc, DipEd, AFAIM, GAICD. Director since 2015.

Member of Audit and Risk Committee
Member of the People and Remuneration Committee

Jim Xenos is an experienced general manager with sales and marketing expertise and a track record in building and leading high performing teams delivering market share and profit growth in national and multinational companies. Mr Xenos has a strong reputation in forming brand and portfolio strategies, developing new product launches with innovative go to market activities in existing and new channels. He has significant strength in establishing high performing sales teams in highly competitive categories. Mr Xenos also brings pharmaceutical experience to the board having held senior management positions in national and multinational pharmaceutical companies.

Sandra Hook, Non-Executive Director.
GAICD. Director since 2016.

Member of the People and Remuneration Committee
Member of Audit and Risk Committee

Sandra Hook has a track record in driving customer-centred business transformation and transitioning traditional organisations in rapidly evolving environments. She has extensive operational, digital, financial management and strategic experience built over 25 years as a CEO and in senior executive roles for some of Australia's largest media companies including News Limited, Foxtel, Federal Publishing Company, Murdoch Magazines and Fairfax.

Since 2000 she has also served as a non-executive director on listed, public and private companies and government bodies. Sandra is currently director of digital/technology companies RXP Services Ltd, MedAdvisor Ltd and .au Domain Administration Ltd as well as IVE Group Limited and the Sydney Fish Market. She is a trustee of the Sydney Harbour Federation Trust and the Royal Botanic Gardens and Domain Trust

Ms Hook is currently a non-executive director of RXP Services (ASX:RXP); IVE Group (ASX:IGL); .au Domain Administration Ltd.; the Sydney Fish Markets and is a Trustee of the Royal Botanic Gardens & Domain Trust and the Sydney Harbour Federation Trust.

Company secretary

Carlo Campiciano, Company Secretary/ CFO
MEI, GradDip(Comp), Bbus(Acc), GIA(cert), MIPA.

Carlo Campiciano is a qualified accountant with extensive experience working with business on a wide range of areas including taxation, finance, operations, planning, operational and financial strategy. Mr Campiciano commenced his career with Coopers & Lybrand where he completed his Professional Year of Study which qualified him for admittance to the Institute of Chartered Accountants before moving onto roles in professional services firms as well as roles in industry which extended both his technical as well as practical business skills. Mr Campiciano was a Director of MedAdvisor International Pty Ltd prior to the relisting of MedAdvisor Limited and has been the CFO since the company was founded in 2012.

Directors' meetings

	Board Meetings	
2018	**Meetings held**	**Meetings attended**
Peter Bennetto	10	10
Robert Read	10	9
Joshua Swinnerton	10	10
Jim Xenos	10	10
Sandra Hook	10	10

Committee Meetings	People & Remuneration		Audit & Risk	
2018	**Meetings held**	**Meetings attended**	**Meetings held**	**Meetings attended**
Peter Bennetto	1	1	3	3
Robert Read	1	1	3	3
Jim Xenos	1	1	3	3
Sandra Hook	1	1	3	3

Principal activities

The principal activities of the Entity have continued to be the development and deployment of the MedAdvisor medication and adherence platform. The MedAdvisor platform is focused on improving health outcomes by connecting health professionals with their patients using mobile and web technologies.

Operating results

During the year, the Company reported a net loss of $4,454,211 (2017 $3,429,927). Operating revenue totaled $7,239,030, growing 52% from the prior financial year (2017 $4,764,776).

Dividends

No dividends have been paid or declared by the Company since the beginning of the year.

Review of operations

The pharmacy market in Australia has approximately 5,500 pharmacies owned by 3,500 owners. Fragmentation has increased as is evidenced by the fact there are over 11 pharmacy dispensing systems in the market. In FY18 MedAdvisor continued to build its position in this highly fragmented market. We have achieved a more than 50% share of the pharmacy market with over 3,000 pharmacies using MedAdvisor to connect more effectively with their patients or to deliver important professional services.

The PlusOne platform for pharmacy allows pharmacies to connect with patients via SMS, App, Web/Email or Landline. PlusOne has smart algorithms that allows it to send reminders to the specific patients at the right time from the information it interprets about a patient's medication and their supply from the pharmacies dispense system. Pharmacies using PlusOne have signed up over 1m patients on to the MedAdvisor platform.

The MedAdvisor platform helps patients take their medication safely, effectively and on time. In addition, it allows patients to "skip the queue" and order their medications in advance. The smart algorithms used to understand medication profiles automates significant functionality within the platform and allows patients to communicate with their pharmacy via app, SMS or email.

Adherence to medications is a global problem. The World Health Organisation estimates that ~50% of prescribed chronic medications are taken in developed countries. MedAdvisor has further assessed from the de-identified data of 1.3m patients on chronic medications in Australia that Australians only take their medications 54% of the time. This means that patients are not getting the health benefits that their doctors intend, the Government is not getting what they pay for in terms of keeping people out of the Health System and pharmacies and manufacturers are missing out on vital revenues.

MedAdvisor has been shown to improve medication adherence by over 20% for many common chronic medications, which we believe can be further improved through programs run through MedAdvisor. This increase in adherence is a much-needed benefit for pharmacists who have been facing funding cuts from traditional dispensing fees.

PlusOne also launched new features in FY18 that allow Pharmacists to record and claim their professional services activity. This is an important revenue stream for pharmacy and PlusOne has given pharmacists a fast and efficient way of managing the recording and claiming of these services. However, whilst this is a strong benefit, we also aimed to assist pharmacies stimulate demand for the services they offer; PlusOne uses smart algorithms to identify, recruit and book eligible patients into the right services. This incremental opportunity can now also be extended to both Government Funded (6CPA) Programs and to Manufacturer Funded Programs through what we call the Health Services Hub, which operates much like a marketplace for pharmacy.

The Health Services Hub platform allows manufacturers to offer pharmacist intervention programs which are delivered face to face with patients. For the first time, funders can provide programs to the pharmacy market in a consolidated way through a platform that helps patients achieve better health management and allows pharmacy to drive more revenue. This opportunity is being extended to our Manufacturer client base who have been running with digital programs through the MedAdvisor App. This also creates a new revenue opportunity for MedAdvisor to participate in the incremental upside created by Health Services Hub.

The number of pharmacies using the Professional Services Platform has continued to grow as have the services recorded in the platform, which can be seen in Professional Services Growth graph on page 4. During FY18 we launched the Flu Program resulting in a near doubling of flu shots recorded in pharmacy from the prior year (excluding Chemist Warehouse). MedAdvisor recorded over 83,000 flu shots via PlusOne.

Pharmacy

The platform was white-labelled by Discount Drug Stores (DDS) across its stores nationwide, allowing them to offer their customers a DDS branded application. MedAdvisor also launched a customized version of MedAdvisor for TerryWhite Chemmart. The ability to white-label the platform provided MedAdvisor with further opportunities in the pharmacy sector to offer larger pharmacy chains a branded product to help them better engage with their customers and manage their customer base.

SaaS fees were increased in January 2018 and by delivering more value through improved software, the business believes that pharmacies will be prepared to pay for improved functionality over time.

We have seen volume of Tap to Refill scripts grow by 40% and total scripts ordered via MedAdvisor of $235m (FY 17 $167m). This included the full year impact of the Healthnotes acquisition.

Connected Platform

During the year more GPs used the MedAdvisor platform including via GP Connect and OzDocsOnline to handle scripts. With approximately 7,500 GPs connected during FY18, and 26% of these GP's are using our online platform to process the requests either on behalf of nursing home patients or patients directly.

We also announced a MOU with HPS in Q2 FY18. We have been working with HPS on ways to transition patient care from Community Pharmacy to Hospital and back again to a community setting. MedAdvisor believes this to be a long-term revenue opportunity due to our ability to help save the health system from unnecessary spending from complications arising from medication misadventure.

Throughout the year, MedAdvisor has successfully grown its domestic operations and enhanced its technical capabilities and offering to pharmacies. It has also progressed its international expansion initiative having begun integration with a leading dispense software provider in the United States (US) that will allow it to provide its products to a significant portion of the US pharmacy market.

MedAdvisor has continued to invest in the development of its platform to improve the pharmacy and patient user experience. Further development of the technology has seen the launch of new capabilities and functionality that have increased the revenue generation potential for the pharmacy channel.

International Expansion

This year, MedAdvisor focused its efforts on its international expansion initiatives with the appointment of two regional advisors in the UK and the US to advance its market entry in the two regions. Mr Jamal Butt, former Head of Pharmacy with Walgreens Boots Alliance, Boots UK and Celesio UK, has been in discussions with UK pharmacies, hospitals and health departments to determine the optimal market entry method for MedAdvisor. Since the appointment, MedAdvisor has received approval from the U.K's National Health Service (NHS) to integrate its technology interface with the four principal clinical systems providers.

In the US, Mr Keith Kiarsis, former senior executive of Adheris Health has been advancing MedAdvisor's market entry into the region. MedAdvisor has now announced the signing of a Co-Marketing and Licence agreement with PDX Inc, who have 10,000 pharmacy customers. Integration with a leading US dispense software provider, PDX will allow MedAdvisor to target their customer base with a digital ordering solution that is fully integrated with their day to day dispense systems and can be white labelled as appropriate.

Once integrated with PDX's systems, MedAdvisor's pharmacy software can be easily deployed into the 10,000+ pharmacies that use PDX's software, making it faster and simpler to commence roll-out in the U.S market and begin customer acquisition.

EBOS Investment

MedAdvisor received a strategic investment of $9.5m from one of Australasia's leading healthcare companies, EBOS Group Limited (EBOS). The investment saw EBOS become one of the largest shareholder with a 14.1% holding and opened up new opportunities for MedAdvisor to collaborate with other healthcare companies and pharmacies under the EBOS umbrella.

Two agreements were subsequently signed with EBOS subsidiaries; Terry White Chemmart (TWCM) and Zest. The agreement with TWCM is a 3-year agreement to roll out a customised TWCM-branded version of the MedAdvisor app that will be promoted to its customers throughout its pharmacies, this was delivered in Q4 FY18. The PlusOne software is also deployed in TWCM stores and is helping to streamline processes and deliver additional services to patients.

Under the 3-year agreement with Zest, MedAdvisor will provide a digital communication channel for Zest's healthcare programs. Both companies have been working together to deliver communications programs for Zest clients and will also explore potential collaboration on tailored hospital discharge programs as MedAdvisor targets expansion into the hospital market.

Platform Growth

During the year, MedAdvisor hit the one million patient user milestone. It began the year with a user base of ~ 830,000 and closed the reporting period with over one million patients. The growth in users was driven by the Company's marketing efforts and promotion of the app via our pharmacy network. This growth has been purely organic, compared to the prior financial year where the acquisition of Healthnotes bought an additional 300,000 users, which significantly increased the user base in the prior year and was a key driver of patient growth in FY17.

Through the Health Services Hub, program funders can deliver face to face pharmacist programs to over 7m patients via the pharmacy to complement digital health programs run via the app or SMS.

MedAdvisor's software is now used in over 50% of Australian pharmacies, including through white-labeling agreements. Leading pharmacy brands using the platform include Discount Drug Stores, Blooms, Good Price Pharmacy Warehouse, Amcal, Optimal and TerryWhite Chemmart. Impressively, MedAdvisor's PlusOne software is interacts with ~70% of the total script volume in Australia via its connected pharmacies, demonstrating both the higher volumes of scripts at MedAdvisor pharmacies and the capability of the software to handle it.

Patient Engagement Programs (PEPs) continued to grow throughout the year, with contracted programs being extended and new programs initiated from new and existing clients. During FY18 we had a total of 32 PEP campaigns delivered or committed to by manufacturers. Feedback from patients has been positive, with the programs being both informative and valuable.

Through the re-ordering function that allows patients to re-fill their existing scripts at the click of a button and have it waiting in store at pharmacy (tap-to-refill) MedAdvisor processed a total of $235m in annualised prescription value. This volume demonstrated the increasing engagement from patients that are using the app to re-order and collect their medications, versus those that are still going in store to re-order with their pharmacist, who then uses the PlusOne software to log the order.

Average patients per pharmacy at the end of the financial year totaled 393. This is a 25% increase in the prior year, which is reflective of the growing engagement in store and strong advocacy from pharmacists to recommend the app to their customers. As the new pharmacies are added to the pharmacy network, the average number of patients are diluted and therefore skew this metric until those new pharmacies have increased their users.

New management appointments

Dr David Chatterton was appointed as Chief Technology Officer at the end of FY17 to lead further development and enhancement of the platform as the Company enters the next phase of continued domestic growth and international expansion. Dr Chatterton was previously CTO at Aconex (ASX:ACX) which was recently sold to Oracle for $1.6b.

Significant changes in state of affairs

There were no significant changes in the state of affairs.

Likely Developments

Over the coming months, MedAdvisor is progressing the globalisation of its technology platform. The integration with PDX's dispensary software is expected to be complete by the end of H1 and the business is scaling to deliver a US ready product. MedAdvisor will then work with PDX to co-market its platform to PDX's +10,000 pharmacy customers in the US.

MedAdvisor will continue its evaluation of the optimal market entry strategy into the UK and will continue to progress discussions with potential partners. With the globalisation of the platform, MedAdvisor can adjust focus towards clients in either market.

Domestically, MedAdvisor has executed agreement with HPS, subsidiary of EBOS and provider of pharmacy services to hospitals. The agreement is to implement a patient admission and discharge process that leverages MedAdvisor's technology to improve the standard of patient care at the point of transition from hospital to community care. MedAdvisor is already working closely with its partner Zest to develop a program that would use MedAdvisor's technology to connect the parties and manage and record the medical history and previous prescriptions. MedAdvisor's technology has a key role to play in enhancing the connectivity within the healthcare system and helping to put control back into the patient's hands.

MedAdvisor expanded its partnerships with not-for-profit and disease state groups and now has partnerships with Glaucoma Australia, Diabetes Australia, Asthma Australia, Osteoporosis Australia, the Stroke Foundation, Parkinson's Australia, Epilepsy Action Australia, National Asthma Council Australia, Epilepsy Queensland, Epilepsy Foundation, Bowel Cancer Australia and PainAustralia. These partnerships are an important validation of the role that MedAdvisor plays in helping manage chronic disease. These bodies represent approximately 6.5m patients living with health conditions.

Financial position

The Group has $10,474,777 in cash as of 30 June 2018 following a net cash increase of $5,640,117 for the year.

The net assets of the Group at 30 June 2018 were $15,168,462, an increase in net assets of $5,814,169 from 30 June 2017.

Proceedings

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings in the period.

Matters subsequent to the end of the financial year

There have been no matters or circumstances which have arisen since the end of the financial period that significantly affected, or may significantly affect the operations of the Entity, the results of those operations or the state of affairs of the Entity, in future years.

Auditor's independence declaration

In accordance with section 307C of the Corporations Act 2001 the auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 25 of the Annual Report and forms part of this report.

Unissued ordinary shares under option

Grant date	Expiry date	Exercise price	# of Options	Class
25-Sep-15	11-Nov-18	$0.03	10,000,000	Unlisted
10-Dec-15	17-Dec-18	$0.03	24,000,000	Unlisted
15-Apr-16	15-Apr-31	$0.00	6,899,999	Unlisted
26-Oct-16	26-Oct-19	$0.08	5,000,000	Unlisted
15-Dec-16	12-Sep-19	$0.04	5,000,000	Unlisted
15-Dec-16	12-Sep-19	$0.08	10,000,000	Unlisted
15-Dec-16	14-Dec-31	$0.00	12,383,333	Unlisted
27-Oct-17	27-Oct-32	$0.00	11,760,000	Unlisted
19-Dec-17	19-Dec-32	$0.00	310,000	Unlisted
12-Apr-18	12-Apr-33	$0.00	880,000	Unlisted

Remuneration report - audited

The Directors of MedAdvisor Limited (the Group) present the Remuneration Report for Non-Executive Directors, Executive Directors and other Key Management Personnel, prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001 Remuneration Philosophy.

The Remuneration Report is set out under the following main headings:

a. Principles used to determine the nature and amount of remuneration
b. Details of remuneration
c. Service agreements
d. Share-based remuneration; and
e. Other information

a. Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- to align rewards to business outcomes that deliver value to shareholders;
- to drive a high-performance culture by setting challenging objectives and rewarding high performing individuals; and
- to ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

MedAdvisor Limited has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group. The remuneration structure that has been adopted by the Group consists of the following components:

- fixed remuneration being annual salary;
- short term incentives, being bonuses; and
- long term incentives, being employee share schemes.

The payment of bonuses, share options and other incentive payments are reviewed by the Board prior to approval by the Board annually as part of the review of executive remuneration. All bonuses, options and incentives must be linked to pre-determined performance criteria.

Short Term Incentive (STI) and Long-Term Incentive (LTI)

MedAdvisor performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Company values. The performance measures are set annually after

consultation with the Directors and executives and are specifically tailored to the areas where each executive has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.
The Key Performance Indicators (KPI's) for the Executive Team are summarised as follows:

Performance areas

- financial – revenues and operating results; and
- non-financial – strategic goals set for each business unit based on job descriptions

The STI and LTI Program's incorporate both cash and share-based components for the Executive Team and other employees. The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed KPIs.

b. Details of remuneration

2018	Cash Salary & Fees $	Cash Bonus $	Super-annuation $	Value of Share Based Awards in 2018 Financial Year[1] $	Value of Share Based Awards from prior years[1] $		Total $
Executive Directors							
R Read	280,711	-	20,049	-	242,309	*	543,069
J Swinnerton	209,332	-	19,887	-	-		229,219
Non-Executive Directors							
P Bennetto	81,000	-	7,695	-	-		88,695
J Xenos	45,000	-	4,275	-	-		49,275
S Hook	45,000	-	4,275	-	-		49,275
Other Key Management Personnel							
C Campiciano	221,074	-	19,224	30,726	-		271,024
	882,117	-	75,405	30,726	242,309		1,230,557

* Mr Read's performance linked Share Based Entitlements are in accordance with his Employment Agreement dated 30 June 2015 which were disclosed in the Company's Prospectus dated 8 September 2015. These Share Based Entitlements are brought to account based on a probability of all the performance milestones under his Employment Agreement being achieved. During the financial year 8,500,000 Read Performance Rights had vested based on the milestones having been achieved. The value brought to account of the Vested Read Rights in the current financial year is $81,072 (2017 $73,472).

2017	Cash Salary & Fees $	Cash Bonus $	Super-annuation $	Value of Share Based Awards in 2017 Financial Year[1] $	Value of Share Based Awards from prior years[1] $	Total $
Executive Directors						
R Read	270,474	30,000	19,570	-	385,017	705,061
J Swinnerton	208,205	-	19,570	-	-	227,775
Non-Executive Directors						
P Bennetto	80,994	-	7,694	-	-	88,688
J Xenos	45,000	-	4,275	-	-	49,275
S Hook	45,000	-	4,275	60,000	-	109,275
Other Key Management Personnel						
C Campiciano	210,707	-	19,570	3,058	-	233,335
	860,380	30,000	74,954	63,058	385,017	1,413,409

[1] Share based entitlements have been measured at fair value on grant date determined in accordance with the Binomial or Black-Scholes option pricing model.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
	2018	**2017**	**2018**	**2017**
Executive Directors				
R Read	0%	100%	0%	0%

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

`	Fixed Remuneration		At Risk - STI		At Risk - LTI	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Executive Directors						
R Read	55%	41%	0%	4%	45%	55%
J Swinnerton	100%	100%	0%	0%	0%	0%
Non-Executive Directors						
P Bennetto	100%	100%	0%	0%	0%	0%
J Xenos	100%	100%	0%	0%	0%	0%
S Hook	100%	45%	0%	0%	0%	55%
Other Key Management Personnel						
C Campiciano	89%	99%	0%	0%	11%	1%

c. Service agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in a Service Agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary	Term of agreement	Notice period
Directors			
R Read	$280,711	Undefined	9 months
J Swinnerton	$209,333	Undefined	9 months
Other Key Management Personnel			
C Campiciano	$231,460	Undefined	6 months

Note: Base salary noted above is exclusive of superannuation which under the applicable service agreements is capped in accordance with the maximum superannuation contribution base for superannuation guarantee purposes.

The remuneration of non-executive Directors is set by the Board at a level that provides the Board with the ability to attract and retain directors of the highest calibre whilst incurring a cost that is acceptable to shareholders. At the Annual General Meeting held on 18 December 2015 shareholders approved aggregate remuneration of non-executive directors of $350,000 per annum.

The amount each non-executive director is remunerated is set by the Board based on the recommendation from the People and Remuneration Committee. Individual remuneration is set having regard to the director’s experience and their role on the Board and Committees.

d. Share-based remuneration

MedAdvisor employee incentive option plan

All options refer to options over ordinary shares of the Company, which are exercisable at no cost on a one-for-one basis under the terms of the Employee Share Option Plan that was approved by shareholders at the 2015 annual general meeting.

Options granted to employees under the MedAdvisor Employee Incentive Option Plan will vest subject to the service period's conditions under the plan. Unvested options will expire on the termination of the individual's employment; vested options will expire on the expiry date, which is 15 years.

Non-executive director incentives

Read Rights

All of the Read Rights refer to rights over ordinary shares of the Company, which are exercisable on a one-for-one basis at no cost under the terms of the Mr Read's employment agreement.

Rights issued to Mr Read under his employment agreement are exercisable subject to the meeting the following conditions:

- Continuous employment over a 5-year period for the date of his employment with MedAdvisor International Pty Ltd
- Achievement of predetermined revenue, activated patients and active medical practitioner targets within 3 years from the date of relisting of the Company on the Australian Securities Exchange.

The following table provides a breakdown of Mr Read's Rights:

Continuous Service:	**Operative Date**	**# of Rights**
6 months service	31-Dec-15	1,000,000
18 months service	31-Dec-16	1,000,000
36 months service	30-Jun-18	1,000,000
48 months service	30-Jun-19	1,000,000
60 months service	30-Jun-20	1,000,000
Total employment related rights		5,000,000

Performance Targets:	**Latest Date**	**# of Rights**
Revenue Targets -		
$5,000,000	30-Nov-18	5,000,000
$6,500,000	30-Nov-18	5,000,000
$8,000,000	30-Nov-18	2,500,000
		12,500,000
Activated Patients Targets -		
500,000	30-Nov-18	5,000,000
750,000	30-Nov-18	5,000,000
1,000,000	30-Nov-18	2,500,000
		12,500,000

Performance Targets:	Latest Date	# of Rights
Active Medical Practitioner Targets -		
2,500	30-Nov-18	5,000,000
3,750	30-Nov-18	5,000,000
5,000	30-Nov-18	2,500,000
		12,500,000
Total performance related rights		37,500,000

Note: These Rights are cumulative on attainment of each of the continuous service milestones or performance targets.

At the end date of this report Mr Read became entitled to exercise his rights over 15,500,000 shares having met the required milestones in accordance with his employment agreement of which Mr Read exercised 7,000,000 in September 2017.

Bonuses included in remuneration

During the financial year Mr Read was paid his short-term incentive cash bonus of $30,000 which was accrued at the end of the previous financial year. There were no other bonuses paid and or payable in the current financial year.

Other information

Options held by directors and key management personnel

The number of options and rights to acquire shares in the Company held during the 2018 reporting period by each of the directors and key management personnel of the Group; including their related parties are set out below.

2018	Balance at start of the reporting period	Granted as remineration	Exercised	Vested and exerciseable at end of the reporting period	Vested and un-exerciseable at end of the reporting period
Executive Directors					
R Read[1]	42,500,000	-	7,000,000	8,500,000	27,000,000
Non-Executive Directors					
P Bennetto	10,000,000	-	-	-	10,000,000
S Hook	5,000,000	-	-	-	5,000,000
Other Key Management Personnel					
C Campiciano	500,000	1,000,000	-	166,667	1,333,333

[1]Read Rights

Shares held by directors and key management personnel

Ordinary Shares

The number of ordinary shares in the Company held during the 2018 reporting period by each of the directors and key management personnel of the Group; including their related parties are set out below.

2018	Balance at start of the reporting period	Granted as remuneration	Received or Exercised	Other changes	Held at end of the reporting period
Executive Directors					
R Read[a]	6,423,888	-	7,000,000	-	13,423,888
J Swinnerton[b]	106,837,500	-	68,225,102	-	175,062,602
Non-Executive Directors					
P Bennetto	1,332,754	-	-	-	1,332,754
S Hook	1,250,000	-	-	-	1,250,000
J Xenos[c]	88,050,000	-	56,036,062	-	144,086,062
Other Key Management Personnel					
C Campiciano[d]	13,125,000	-	8,381,562	500,000	22,006,562

a 8,166,667 shares of Mr Read's holding is subject to voluntary escrow until 1 December 2018.
b 145,062,602 shares of Mr Swinnerton's holding is subject to voluntary escrow until 1 December 2018.
c 126,236,062 shares of Mr Xenos' holding is subject to voluntary escrow until 1 December 2018.
d 21,506,562 shares of Mr Campiciano's holding is subject to voluntary escrow until 1 December 2018.

2017	Balance at start of the reporting period	Granted as remuneration	Received or Exercised	Other changes	Held at end of the reporting period
Executive Directors					
R Read[1]	5,330,000	-	-	1,093,888	6,423,888
J Swinnerton[2]	106,837,500	-	-	-	106,837,500
Non-Executive Directors					
P Bennetto	982,754	-	-	350,000	1,332,754
S Hook	-	-	-	1,250,000	1,250,000
J Xenos[2*+]	87,750,000	-	-	300,000	88,050,000
Other Key Management Personnel					
C Campiciano[2]	13,125,000	-	-	-	13,125,000

[1] 1,666,666 of the shares held by Mr Read and/or parties related to Mr Read are subject to escrow for a period of 24 months from the date of re-listing of the Company.
[2] all of the shares held Messrs Swinnerton, Xenos and Campiciano and/or parties related to Messrs. Swinnerton, Xenos and Campiciano are subject to escrow for a period of 24 months from the date of re-listing of the Company.
* Shares held by Messrs Swinnerton, Xenos and Campiciano and/or parties related to Messrs. Swinnerton, Xenos and Campiciano at the beginning of the previous reporting period were subject to a share split pursuant to the re-organisation of the capital of MedAdvisor International Pty Ltd preceding the completion of the reverse takeover of the listed entity.
+ Mr Xenos and/or parties related to Mr Xenos were issued bonus shares pursuant to the re-organisation of the capital of MedAdvisor International Pty Ltd preceding the completion of the reverse takeover of the listed entity during the previous reporting period.

Founder Performance Shares

The number of Founder Performance Shares in the Company held during the 2018 reporting period by each of the directors and key management personnel of the Group; including their related parties are set out below.

2018	Balance at start of the reporting period	Granted as remuneration	Received or Exercised	Other changes	Held at end of the reporting period
Executive Directors					
J Swinnerton	68,225,102	-	-	(68,225,102)	-
Non-Executive Directors					
J Xenos	56,036,062	-	-	(56,036,062)	-
Other Key Management Personnel					
C Campiciano	8,381,462	-	-	(8,381,462)	-

2017	Balance at start of the reporting period	Granted as remuneration	Received or Exercised	Other changes	Held at end of the reporting period
Executive Directors					
J Swinnerton	-	-	-	68,225,102	68,225,102
Non-Executive Directors					
J Xenos	-	-	-	56,036,062	56,036,062
Other Key Management Personnel					
C Campiciano	-	-	-	8,381,462	8,381,462

Founder Performance Shares converted to ordinary shares upon satisfaction of both of the following milestones in October 2017:

- 50% of the Founder Performance Shares shall convert upon the “MedAdvisor Platform” being activated at 2,500 pharmacies within a period of 2 years from the issue of the Founder Performance Shares; and
- 50% of the Founder Performance Shares shall convert upon the Company receiving annualised revenue from the MedAdvisor business (calculated over two consecutive calendar quarters) of no less than $5,000,000, within a period of 3 years from the issue of the Founder Performance Shares.

Other transactions with directors and key management personnel:

- During 2018 the Group used the services of NostraData Pty Ltd of which Mr Jim Xenos is a director and has significant influence. The amounts billed relate to the provision of Data Services by NostraData Pty Ltd and amounted to $120,345 (2017 $70,305).
- Swintech Property Consulting Services

End of audited Remuneration Report

Additional information

The earnings of the group since the incorporation of MedAdvisor International Pty Ltd are summarized below:

	2018	2017	2016	2015	2014
	$	$	$	$	$
Revenue from services	6,604,762	4,242,746	1,425,781	1,145,712	606
Revenue from Actavis license fee (non recurring)	-	-	-	500,000	1,000,000
Other revenue	789,829	659,341	336,704	258,744	88,667
Total revenue	7,394,590	4,902,087	1,762,485	1,904,456	1,089,273
Total margin	5,783,128	3,508,881	1,043,258	511,677	979,757
EBITDA	(4,256,876)	(3,288,317)	(3,032,376)	(536,311)	(826,453)
EBIT	(4,453,869)	(3,428,643)	(3,066,196)	(546,123)	(835,453)
Profit after income tax	(4,454,211)	(3,429,927)	(3,071,062)	(546,123)	(835,453)
Share Price	$ 0.0490	$ 0.0320	$ 0.0380	n/a	n/a

Environmental issues

In the previous financial year the two mining tenements that the Company held had been surrendered and full refunds of the associated Exploration Bonds had been received. The Company undertook remediation works to the satisfaction of the land owners.

The Company's operations are no longer subject to significant environmental and other regulations.

Indemnities given to, and insurance premiums paid for officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnities and insurance premiums of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Non-audit services

During the year, RSM Australia Partners, the Company's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and the Board is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were reviewed and approved to ensure that they do not impact upon the integrity and objectivity of the auditor
- the non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards

Details of the amounts paid to the auditors of the Company, RSM Australia Partners, and its related practices for audit and non-audit services provided during the year are set out in Note 11 to the financial statements.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors,

Chairman
30 August 2018
Sydney, NSW.

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of MedAdvisor Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

Philip A Ransom

P A RANSOM
Partner

Dated:30 August 2018
Melbourne, Victoria

Corporate governance statement

Corporate governance

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, MedAdvisor Limited and its Controlled Entities ('the Group') have adopted the third edition of the *Corporate Governance Principles and Recommendations* which was released by the ASX Corporate Governance Council on 27 March 2014 and became effective for financial years beginning on or after 1 July 2014.

The Group's Corporate Governance Statement for the financial year ending 30 June 2018 is dated as at 30 June 2018 and date of last review and Board approval was on 23 August 2018. The Corporate Governance Statement is available on MedAdvisor's website at:

http://medadvisor.com.au/Investors/CorporateDirectory#governance-policies

Consolidated financial report for the year ended 30 June 2018

MEDADVISOR LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR YEAR ENDED 30 JUNE 2018

	Notes	Consolidated Jun-18	Consolidated Jun-17
		$	$
Revenues from services	8 a.	6,604,762	4,242,746
Other revenue	8 b.	789,829	659,341
Total revenues		7,394,590	4,902,087
Direct Expenses	9 a.	(821,634)	(733,865)
Development Costs		(893,037)	(295,367)
Employee benefits expense	9 b.	(6,288,151)	(4,302,321)
Marketing expense		(2,179,311)	(1,398,425)
Depreciation and amortisation expense	9 c.	(196,993)	(140,327)
Directors fees	9 b.	(181,131)	(193,826)
Other expenses		(1,276,242)	(1,194,821)
Finance costs	9 d.	(12,304)	(73,062)
Profit / (loss) before income tax from continuing operations		**(4,454,211)**	**(3,429,927)**
Income tax (expense) / income	10	-	-
Profit / (loss) for the year		**(4,454,211)**	**(3,429,927)**
Other comprehensive income		-	-
Total comprehensive income (loss)		**(4,454,211)**	**(3,429,927)**

Earning per share for loss from continuing operations of MedAdvisor Limited		**Cents**	**Cents**
Basic loss per share	3	(0.36)	(0.40)
Diluted loss per share	3	(0.36)	(0.40)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

MEDADVISOR LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

		Consolidated	
		Jun-18	**Jun-17**
Assets		**$**	**$**
Current assets			
Cash and cash equivalents	**12**	10,474,777	4,834,660
Trade and other receivables	**13**	890,879	429,636
Other assets	**14**	303,912	182,644
Total current assets		**11,669,567**	**5,446,940**
Non-current assets			
Property, plant & equipment	**15**	369,876	189,517
Intangible Assets	**16**	5,340,258	5,463,139
Total non-current assets		**5,710,134**	**5,652,656**
Total assets		**17,379,701**	**11,099,597**
Liabilities			
Current liabilities			
Trade and other payables	**17**	1,247,513	1,016,210
Income in advance	**18**	389,440	285,065
Employee benefits	**19**	440,954	394,444
Total current liabilities		**2,077,907**	**1,695,719**
Non-current liabilities			
Employee benefits	**19**	133,332	49,586
Total non-current liabilities		**133,332**	**49,586**
Total liabilities		**2,211,239**	**1,745,305**
Net assets		**15,168,462**	**9,354,292**
Equity			
Contributed equity	**4**	25,979,898	16,184,549
Reserves	**5**	1,732,305	1,259,273
Retained profits / (losses)	**20**	(12,543,741)	(8,089,530)
Total equity		**15,168,462**	**9,354,292**

The above statement of financial position should be read in conjunction with the accompanying notes.

MEDADVISOR LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2018

2018	Contributed Equity $	Share Options Reserve $	Retained Earnings $	Total Equity $
Balance at 1 July 2017	16,184,549	1,259,273	(8,089,530)	9,354,292
Transactions with equity holders in their capacity as equity holders				
Ordinary shares issued	9,548,375			9,548,375
Capital raising costs	(100,626)			(100,626)
Share options issued		820,632		820,632
Share options exercised	347,600	(347,600)		-
Net profit / (loss)			(4,454,211)	(4,454,211)
Balance at 30 June 2018	**25,979,898**	**1,732,305**	**(12,543,741)**	**15,168,462**

2017	Contributed Equity $	Share Options Reserve $	Retained Earnings $	Total Equity $
Balance at 1 July 2016	6,508,117	615,914	(4,659,603)	2,464,428
Transactions with equity holders in their capacity as equity holders				
Ordinary shares issued	10,200,000			10,200,000
Capital raising costs	(537,068)			(537,068)
Share options issued		656,859		656,859
Share options exercised	13,500	(13,500)		
Net profit / (loss)			(3,429,927)	(3,429,927)
Balance at 30 June 2017	**16,184,549**	**1,259,273**	**(8,089,530)**	**9,354,292**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

MEDADVISOR LIMITED
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR YEAR ENDED 30 JUNE 2018

	Notes	Consolidated Jun-18 $	Consolidated Jun-17 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		7,056,328	5,512,056
Payments to suppliers and employees (inclusive of GST)		(10,479,634)	(8,002,444)
Interest received		155,387	89,665
Income tax paid		-	(3,923)
Net cash inflow (outflow) from operating activities	**22**	**(3,267,919)**	**(2,404,646)**
Cash flows from investing activities			
Secuity bonds - cash on deposit with banks		(115,757)	-
Payments for property, plant and equipment		(405,580)	(36,139)
Payments for intangibles		-	(2,982,071)
Net cash outflow from investing activities		**(521,337)**	**(3,018,210)**
Cash flows from financing activities			
Proceeds from new share issue		9,530,000	8,000,000
Capital raising costs (net of GST)		(100,626)	(537,068)
Payments to related parties		-	(94,405)
Net cash (outflow) inflow from financing activities		**9,429,374**	**7,368,527**
Net increase/(decrease) in cash held		5,640,117	1,945,671
Cash and cash equivalents at the beginning		4,834,660	2,888,989
Cash and cash equivalents at the end of the year		**10,474,777**	**4,834,660**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Note 1: Statement of Significant Accounting Policies

The financial statements cover the Company of MedAdvisor Limited. MedAdvisor Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorized for issue on the 30 August 2018 by the Directors of the Company.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent MedAdvisor Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 6 of the Financial Statements.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(b) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(c) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

License fees
License fees are charged for the use of the MedAdvisor platform and the revenue recognized at the point at which the customer has agreed to the terms and conditions of use of the platform and installs the interface on their computer equipment and is able to benefit from and be rewarded for the use of the platform.

Rendering of services
Rendering of services revenue from computer maintenance fees is recognised by reference to the stage of completion of the contracts. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

(d) Income tax

The income tax expense (revenue) for the period comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the taxbases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(e) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realized within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

(h) Work in progress

Work in progress on services contract's in progress comprises the cost of labour directly related to the performance of the contract plus any other direct costs incurred in delivering the contract services.

(i) Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to **Note 1 (l)** for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation
The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates and method of deprecation is as follows:

- Office equipment – diminishing value at 30% p.a.
- Office furniture – straight line at 20% p.a.
- Leasehold improvements – straight line over the unexpired period of the lease

(j) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis.

(k) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortization and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortization method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Patents and trademarks
Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

(l) Impairment of assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(o) Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(p) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(q) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

(s) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of MedAdvisor Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(t) Financial instruments

Recognition
Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortization.

(u) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(v) New standards and interpretations issued but not yet effective

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective. Other than changes to disclosure formats, it is not expected that the initial application of these new standards in the future will have any material impact on the financial report, except AASB 16 Leases. This standard requires operating leases which are currently held off balance sheet to be brought onto the balance sheet. Future expected lease payments should be capitalized and brought onto the balance sheet as an asset (right of use) and also reflect an lease liability. The asset is amortised whilst the lease is reduced as payments are made, adjusted for any lease incentives applicable and interest costs of winding the lease liability to present value. The expected value of such assets and liabilities at 30 June 2018 is $3,162,351 (30 June 2017 $733,120) and the group has not brought such assets or liabilities to account.

Reference	Title	Summary	Application date (financial years beginning)
AASB 15	*Revenue from Contracts with Customers*	It contains a single model for contracts with customers based on a five-step analysis of transactions for revenue recognition, and two approach, a single time or over time, for revenue recognition. The adoption of AASB 15 will not have a material impact on the financial statements.	1 January 2018

Reference	Title	Summary	Application date (financial years beginning)
AASB 9	*Financial Instruments*	This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc. The adoption of AASB 9 will not have a material impact on the financial statements.	1 January 2018
AASB 16	Leases	AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. This standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for almost all lease contracts, effectively resulting in the recognition of almost all leases on the statement of financial position. The accounting by lessors, however, will not significantly change. The adoption of AASB 16 will have an estimated impact on the financial statements as set out in note 1(v) above.	1 January 2019

(w) Comparative figures

Where required by Accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 2: Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Goodwill and other indefinite life intangible assets
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 3 year projection period approved by management and extrapolated for a further 2 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the business:

(a) 19.78% (2017: 19.78%) pre-tax discount rate;
(b) 5.0% (2017: 5.0%) per annum projected revenue growth rate;
(c) 5.0% (2017: 5.0%) per annum increase in operating costs and overheads.

The discount rate of 19.78% pre-tax reflects management’s estimate of the time value of money and the consolidated entity’s weighted average cost of capital, the risk-free rate and the volatility of the share price relative to market movements.

Management believes the projected revenue and cost growth rate of 5% in the fourth and fifth years is prudent and justified based on current and expected growth in the business.

Based on the above an impairment charge has not been applied as the carrying amount of goodwill does not exceed its recoverable amount for the business.

Sensitivity
The directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

(a) Revenue would need to decrease by more than 17.7% for the business before goodwill would need to be impaired, with all other assumptions remaining constant.

(b) The discount rate would be required to increase by 44.3% for the business before goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of the goodwill is based would not cause the cash-generating unit’s carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, this would result in a further impairment charge for the goodwill.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair

value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3: Earnings per share

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of MedAdvisor Limited as the numerator, i.e. no adjustments to profits were necessary during the year ended 30 June 2018.

	Consolidated	
	Jun-18	Jun-17
	$	$
Earning per share for loss from continuing operations of MedAdvisor Limited		
Loss for the year	(4,454,211)	(3,429,927)
	Cents	Cents
Basic loss per share	(0.36)	(0.40)
Diluted loss per share	(0.36)	(0.40)
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	1,224,549,739	861,554,707
Adjustment for calculation of diluted earnings per share		
Options over ordinary shares	85,996,804	62,543,080
Performance rights vested but not exercised	6,003,950	3,076,600
Performance rights not vested	27,000,000	35,500,000
	1,343,550,493	962,674,387

Note 4: Issued Capital

a. Fully paid ordinary shares

	Jun-18 Shares	Jun-17 Shares	Jun-18 $	Jun-17 $
Ordinary shares fully paid	1,317,927,982	945,381,426	25,979,898	16,184,549

Movements in ordinary share capital

	Date	# of shares	Issue price		$
Balance	30-Jun-16	686,986,688			6,508,117
New Share Issue	26-Oct-16	200,000,000	$	0.040	8,000,000
Consideration shares for Health Enterprises 2 Acquisition	26-Oct-16	57,894,738	$	0.038	2,200,000
EIP Options Exercised	24-May-17	500,000	$	0.027	13,500
Share issue transaction costs, net of tax	26-Oct-16				(537,068)
Balance	30-Jun-17	945,381,426			16,184,549
EIP Options Exercised	05-Sep-17	66,666	$	0.027	1,800
Read Rights Exercised	05-Sep-17	7,000,000	$	0.030	210,000
New Share Issue (as Consideration)	05-Sep-17	612,500	$	0.030	18,375
Founder Performance Shares Issued	05-Sep-17	195,000,000			-
New Share Issue(EBOS)	24-Oct-17	165,217,390	$	0.058	9,500,000
EIP Options Exercised	12-Apr-18	2,500,000	$	0.040	100,000
EIP Options Exercised	12-Apr-18	900,000	$	0.027	24,300
EIP Options Exercised	12-Apr-18	250,000	$	0.046	11,500
Peloton Options Exercised	12-Apr-18	1,000,000	$	0.030	30,000
Share issue transaction costs, net of tax for the year					(100,626)
	30-Jun-18	1,317,927,982			25,979,898

b. Performance shares

	Date	Issued #
Balance	01-Jul-16	250,000,000
Balance	30-Jun-17	250,000,000
Conversion of founder performance shares to ordinary shares[1]	05-Sep-17	(170,000,000)
Conversion of Peloton Capital Pty Ltd performance shares to ordinary shares[2]	05-Sep-17	(25,000,000)
Balance	30-Jun-18	55,000,000

[1] Founder performance shares converted to ordinary shares upon in October 2017 upon the satisfaction of both of the following milestones:

50% of the founder performance shares shall convert upon the "MedAdvisor Platform" being activated at 2,500 pharmacies within a period of 2 years from the issue of the founder performance shares; and

50% of the founder performance shares shall convert upon the Company receiving annualised revenue from the MedAdvisor business (calculated over two consecutive calendar quarters) of no less than $5,000,000, within a period of 3 years from the issue of the founder performance shares.

Note 4: Issued Capital - continued

At the date of this report both the pharmacy and revenue milestones have been achieved and all founder performance shares are eligible to be converted to ordinary shares.

[2] Peloton Capital Pty Ltd performance converted to ordinary shares upon in October 2017 upon the satisfaction of both of the following milestones:

50% of the Peloton performance shares shall convert upon the "MedAdvisor Platform" being activated at 2,500 pharmacies within a period of 2 years from the issue of the Peloton performance shares; and

50% of the Peloton performance shares shall convert upon the Company receiving annualised revenue from the MedAdvisor business (calculated over two consecutive calendar quarters) of no less than $5,000,000, within a period of 3 years from the issue of the Peloton performance shares.

At the date of this report both the pharmacy and revenue milestones have been achieved and all Peloton performance shares are eligible to be converted to ordinary shares.

[3]Macmillan Gold Pty Ltd performance shares will convert to ordinary shares upon satisfaction of any one of the following milestones:

5,000,000 MMG performance shares shall convert upon the achievement of the following milestones:

(i) MMG will assist MedAdvisor in the development of the MedAdvisor Home Medication Review platform by facilitating an advisory panel of no less than eight experienced and reputable medical practitioners, and

(ii) Following development and testing of the MedAdvisor Home Medication Review platform, MMG will facilitate a Pilot Study of no less than forty experienced and reputable medical practitioners to test the commercial and technical feasibility of viability MedAdvisor Home Medication Review platform, and

(iii) MMG will assist Peloton Capital Pty Ltd to raise between $750,000 and $1,000,000 from third parties through a subscription for Convertible Notes in MedAdvisor International Pty Ltd prior to the commencement of the Pilot Study.

50,000,000 MMG performance shares shall convert upon the achievement of the following gross revenue generated by MedAdvisor from the commercialization of the MedAdvisor Home Medication Review platform:

Revenue target	Shares to be issued	Aggregate shares issued
$ 1,000,000	10,000,000	10,000,000
$ 2,000,000	10,000,000	20,000,000
$ 4,000,000	12,500,000	32,500,000
$ 7,000,000	17,500,000	50,000,000

At the date of this report no MMG performance shares were eligible to be converted or had been converted to ordinary shares.

Note 4: Issued Capital - continued

c. Read rights

		Issued	Vested	Balance
		#	#	#
Balance	01-Jul-16	42,500,000	1,000,000	41,500,000
Employment rights	03-Jan-17	-	1,000,000	40,500,000
Performance rights	06-Mar-17	-	5,000,000	35,500,000
Balance	30-Jun-17	42,500,000	7,000,000	35,500,000
Employment rights	30-Aug-17	-	5,000,000	30,500,000
Performance rights	10-Apr-18	-	2,500,000	28,000,000
Employment rights	30-Jun-18	-	1,000,000	27,000,000
Balance	30-Jun-18	42,500,000	15,500,000	27,000,000

The Read Rights will vest on the achievement of the following milestones:

Continuous Service:	Operative Date	# of Rights
6 months service	31-Dec-15	1,000,000
18 months service	31-Dec-16	1,000,000
36 months service	30-Jun-18	1,000,000
48 months service	30-Jun-19	1,000,000
60 months service	30-Jun-20	1,000,000
Total employment related rights		5,000,000

Performance Targets:	Latest Date	# of Rights
Revenue Targets -		
$5,000,000	30-Nov-18	5,000,000
$6,500,000	30-Nov-18	5,000,000
$8,000,000	30-Nov-18	2,500,000
		12,500,000
Activated Patients Targets -		
500,000	30-Nov-18	5,000,000
750,000	30-Nov-18	5,000,000
1,000,000	30-Nov-18	2,500,000
		12,500,000
Active Medical Practitioner Targets -		
2,500	30-Nov-18	5,000,000
3,750	30-Nov-18	5,000,000
5,000	30-Nov-18	2,500,000
		12,500,000
Total performance related rights		37,500,000

Note 4: Issued Capital - continued

At the date of this report a total of 3,000,000 employment related rights had vested of which Mr. Read has exercised 2,000,000 of the vested options.

The Read performance rights are cumulative upon achievement of each of the performance milestones. At the date of this report a total of 12,500,000 performance related rights had vested of which Mr. Read has exercised 5,000,000 of the vested options.

d. Options over unissued shares

	Date	Issued #
Balance	01-Jul-16	45,050,000
Hook options[3]	26-Oct-16	5,000,000
Employee incentive options	15-Dec-16	15,510,000
Chamberlain options[4]	15-Dec-16	15,000,000
Read rights vested[2]	03-Jan-17	1,000,000
Employee incentive options exercised	24-May-17	(500,000)
Read rights vested[2]	06-Mar-17	5,000,000
Employee incentive options expired	30-Jun-17	(856,667)
Balance	30-Jun-17	85,203,333
Employee incentive options	27-Oct-17	12,550,000
Employee incentive options	19-Dec-17	310,000
Employee incentive options	12-Apr-18	1,130,000
Read rights vested[2]	30-Aug-17	5,000,000
Read rights vested[2]	10-Apr-18	2,500,000
Employee incentive options exercised	05-Sep-17	(66,666)
Employee incentive options exercised	12-Apr-18	(3,650,000)
Read rights vested[2]	05-Sep-17	(7,000,000)
Peloton options exercised[1]	12-Apr-18	(1,000,000)
Read rights vested[2]	30-Jun-18	1,000,000
Employee incentive options expired	30-Jun-18	(1,243,335)
Balance	30-Jun-18	94,733,332

[1] Peloton unlisted options are exercisable at $0.03 and expire 17 December 2018

[2] Read unquoted employment rights are exercisable at no cost and have vested and are exercisable immediately

[3] Hook unlisted options are exercisable at $0.08 and expire 26 October 2019

[4] Chamberlain unlisted options expire 12 September 2019; 5,000,000 are exercisable at $0.04 and 10,000,000 are exercisable at $0.08.

Employee Incentive Options

Employee incentive plan options are unquoted and will vest in accordance with the rules of the plan. Cancellation of unvested employee incentive options occurs on termination of employment.

Note 4: Issued Capital - continued

Issue Date	Expiry Date	Issued #	Cancelled #	Exercised #	Balance #	Vested Not Exercised	Unvested
14-Apr-16	14-Apr-31	9,050,000	683,335	1,466,666	6,899,999	4,166,666	2,733,333
15-Dec-16	14-Dec-31	15,510,000	626,667	2,500,000	12,383,333	9,176,664	3,206,669
23-Oct-17	23-Oct-32	12,550,000	790,000	-	11,760,000	-	11,760,000
14-Nov-17	14-Nov-32	310,000	-	-	310,000	-	310,000
12-Apr-18	12-Apr-33	1,130,000	250,000	-	880,000	-	880,000
		38,550,000	2,350,002	3,966,666	32,233,332	13,343,330	18,890,002

e. Capital management

Management's objective is to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management adjusts the capital structure to the extent possible to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company is not subject to any externally imposed capital requirements, nor does it focus on obtaining debt as a key capital management tool.

Note 5: Reserves

Share options reserve

		$
Balance	01-07-16	615,914
Value of Hook options	26-10-16	60,000
Value of Chamberlain rights	30-06-17	65,756
Value of Employee Incentive options	30-06-17	146,086
Value of Read rights	30-06-17	385,017
Value of Employee Incentive options exercised	24-05-17	(13,500)
Balance	30-07-17	1,259,273
Value of Chamberlain rights	30-06-18	304,758
Value of Employee Incentive options	30-06-18	273,565
Value of Read rights	30-06-18	242,309
Value of Read rights exercised	30-06-18	(210,000)
Value of Employee Incentive options exercised	30-06-18	(137,600)
Balance	30-06-18	1,732,305

Note 6: Controlled entity

Name of controlled entity:	Health Enterprises 2 Pty Ltd (ACN: 141 345 904)
Date on which controlled gained	31 October 2016
Additional information	The comparative figures in this financial report include the activities of Health Enterprises 2 Pty Ltd since the date of the acquisition, 1 November 2016.
Name of controlled entity:	MedAdvisor Welam USA Inc.
Date on which controlled gained	9 April 2018
Additional information	The entity was formed to conduct operations in the United States of America. From the date of incorporation to the end of the financial year the entity did not enter into any financial transactions.
Name of controlled entity:	MedAdvisor Welam UK Ltd.
Date on which controlled gained	5 April 2018
Additional information	The entity was formed to conduct operations in the United Kingdom. From the date of incorporation to the end of the financial year the entity did not enter into any financial transactions.

Note 7: Operating segments

The Board has determined that the Company presently has two reporting segments. The first being the business activities of the MedAdvisor medication management and adherence platform (MedAdvisor Platform) and the second being the corporate function associated with being an ASX listed company. The Board monitors the Company based on actual versus budgeted revenue and expenditure incurred. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Company and its ongoing activities.

	2018		
	MedAdvisor Platform	Corporate	Total
	$	$	$
Segment revenues	7,394,590	-	7,394,590
Segment operating loss	(4,027,378)	(426,833)	(4,454,211)
Segment assets	17,325,119	54,582	17,379,700
Total assets	17,325,119	54,582	17,379,701
Segment liabilities			
Total liabilities	2,173,954	37,285	2,211,239
Net assets	15,151,166	17,296	15,168,462

Note 7: Operating segments - continued

	2017		
	MedAdvisor Platform	**Corporate**	**Total**
	$	**$**	**$**
Segment revenues	4,902,087	-	4,902,087
Segment operating loss	(2,892,705)	(537,222)	(3,429,927)
Segment assets	11,060,002	39,595	11,099,597
Total assets	11,060,002	39,595	11,099,597
Segment liabilities			
Total liabilities	1,740,382	4,923	1,745,305
Net assets	9,319,620	34,672	9,354,292

	Consolidated	
	Jun-18	**Jun-17**
	$	**$**
Note 8: Revenues		
a. From continuing operations		
Sale of services	6,604,762	4,242,746
	6,604,762	4,242,746
b. Other Revenue		
Interest received	155,561	96,500
Sundry income - Government Grants	-	40,810
Sundry income - R&D Tax Concession	634,268	522,030
	789,829	659,340
Total revenues	7,394,590	4,902,087

Note 9: Expenses

Profit (loss) before income tax from continuing operation includes the following specific expenses:

	Jun-18	Jun-17
a. Direct costs		
Direct transaction costs	49,642	207,481
Direct costs of sms services	449,412	392,833
Managed services costs for the MedAdvisor Platform	322,579	133,551
	821,634	733,865

	Consolidated Jun-18 $	Consolidated Jun-17 $
Note 9: Expenses - continued		
b. Employee Benefits Expenses:		
Development	2,768,719	1,514,368
Marketing	1,947,069	1,491,339
Administration	751,732	639,755
Share based employee remuneration	820,632	656,859
	6,288,151	4,302,321
Governance - Directors fees	181,131	193,826
	6,469,282	4,496,147
c. Depreciation & Amortization		
Depreciation		
Leasehold improvements	7,013	23,411
Office equipment	21,762	9,952
Office furniture	12,445	6,284
Total depreciation	41,220	39,647
Amortization		
Software	146,775	91,681
Copyrights	9,000	9,000
Total amortization	155,775	100,681
	196,995	140,327
d. Finance costs		
Interest and finance charges paid/payable	342	1,283
Other bank charges	11,962	5,549
Other listing costs	-	66,230
	12,304	73,062

Other listing costs (2018 $87,158) costs are now included as part of Other expenses in the Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Jun-18 $	Jun-17 $
e. Rental expenses on operating leases		
Minimum lease payments	245,061	169,128
f. Superannuation expense		
Defined contribution superannuation expense	469,292	318,558

	Consolidated	
	Jun-18	Jun-17
	$	$

Note 10: Income tax expense

a. Tax expense/(income) comprises:		
Current tax	-	-
Deferred tax	-	-
	-	-
b. The prima facie tax on profit / (loss) before income tax is reconciled to the income tax as follows:		
Profit / (loss) from continuing operations	(4,454,211)	(3,429,927)
Prima facie tax payable on profit / (loss) from ordinary activities before income tax at 27.5% (2017: 28.5%)	(1,224,908)	(977,529)
Less:		
Tax effect of:		
- deferred tax assets not brought to account	1,224,908	977,529
Income tax expense / (benefit) attributable to entity	-	-
The applicable weighted average tax rates are as follows:	0%	0%
The value of tax losses which have not been recognised in the statement of financial position	3,600,319	2,375,411

Note 11: Auditors remuneration

During the year the following fees were paid or payable for services provided by the auditor.

Audit and review of financial report	72,000	67,600
Other Services	250	12,100
	72,250	79,700

	Consolidated	
	Jun-18	Jun-17
	$	$

Note 12: Cash and cash equivalents

Cash on hand	303	303
Cash at bank	10,474,473	4,834,358
	10,474,777	4,834,660

Note 13: Trade and other receivables

Trade debtors	890,879	422,473
Other debtors	-	7,163
	890,879	429,636

The consolidated entity has recognised a loss in the profit or loss in respect of impairment of receivables for the year ended 30 June 2018 of $65,037 (30 June 2017 $32,166)

Past due but not impaired

Customers with balances past due but without provision for impairment of receivables amount to $52,965 as at 30 June 2018 (Nil as at 30 June 2017).

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

0 to 3 months overdue	52,965	-

Note 14: Other assets

Security bonds - cash on deposit with banks	115,757	25,610
Prepayments	188,155	137,980
Work in progress	-	19,054
	303,912	182,644

	Consolidated	
	Jun-18	Jun-17
	$	$

Note 15: Property, plant and equipment

	Jun-18 $	Jun-17 $
Office equipment at cost	139,778	59,143
Less: Accumulated depreciation	(36,557)	(14,795)
	103,220	44,348
Leasehold improvements at cost	199,081	155,140
Less: Accumulated depreciation	(7,013)	(39,534)
	192,068	115,606
Office furniture at cost	97,981	40,513
Less: Accumulated depreciation	(23,394)	(10,949)
	74,587	29,564
Total property, plant and equipment	369,876	189,517

Reconciliation of written down values at the beginning and end of the current and previous financial year:

	Office Equipment $	Leasehold Improvements $	Office Furniture $	Total $
Balance at 1 July 2016	29,402	108,725	29,409	167,536
Additions	24,896	30,292	6,439	61,627
Depreciation	(9,952)	(23,411)	(6,283)	(39,646)
Balance 30 June 2017	44,346	115,606	29,565	189,517
Additions	80,637	199,081	57,467	337,185
Write-off on lease termination	-	(115,606)	-	(115,606)
Depreciation	(21,762)	(7,013)	(12,445)	(41,220)
Balance 30 June 2018	103,221	192,068	74,587	369,876

Note16: Intangible assets

	Consolidated Jun-18 $	Consolidated Jun-17 $
Intellectual property at cost	128,189	113,260
Less: Accumulated amortization	(45,000)	(36,000)
	83,189	77,260
Software at cost	1,481,656	1,463,692
Less: Accumulated amortization	(238,455)	(91,681)
	1,243,202	1,372,011
Goodwill at cost	4,013,868	4,013,868
Total intangible assets	5,340,258	5,463,139

Reconciliation of written down values at the beginning and end of the current and previous financial year:

	Copyright $	Trademarks $	Software $	Goodwill $	Total $
Balance at 1 July 2016	63,000	9,140	-	-	72,140
Additions	-	14,120	1,463,692	4,013,868	5,491,679
Depreciation	(9,000)	-	(91,681)	-	(100,681)
Balance 30 June 2017	54,000	23,260	1,372,011	4,013,868	5,463,139
Additions	-	14,917	17,975	-	32,892
Amortization	(9,000)	-	(146,773)	-	(155,773)
Balance 30 June 2018	45,000	38,177	1,243,213	4,013,868	5,340,258

Note 17: Trade and other payables

	Consolidated Jun-18 $	Consolidated Jun-17 $
Trade creditors	417,224	379,810
Other creditors & accruals	830,290	636,400
	1,247,513	1,016,210

Note 18: Income in advance

	Jun-18	Jun-17
Gross pharmacy subscriptions in advance	315,057	128,294
Patient engagement program (PEP) fees in advance	74,383	156,771
Total income in advance	389,440	285,065

	Consolidated	
	Jun-18	Jun-17
	$	$
Note 19: Employee benefits		
Current		
Provision for employee leave	440,954	394,444
Non-Current		
Provision for employee leave	133,332	49,586
Note 20: Accumulated losses		
Accumulated losses at the beginning of the year	(8,089,529)	(4,659,603)
Net profit / (loss)	(4,454,211)	(3,429,927)
Accumulated losses at the end of the year	(12,543,741)	(8,089,529)

Note 21: Financial risk management

The company's financial instruments consist mainly of deposits with banks, trade receivable and trade payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Jun-18	Jun-17
Financial Assets		
Cash and equivalents	10,474,777	4,834,660
Trade and other receivables	890,879	429,636
	11,365,655	5,264,297
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	1,247,513	1,016,210
	1,247,513	1,016,210

Financial Risk Management Policies

The Directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Directors' on a regular basis. These include credit risk policies and future cash flow requirements.
Specific Financial Risk Exposures and Management

The main risks the Entity is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

Note 21: Financial risk management - continued

a. Interest Rate Risk
Exposure to interest risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments

b. Liquidity Risk
Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Entity manages this risk through the following mechanisms:

Preparing forward looking cash flow analysis in relation to its operational, investing and financing activities.

	Within 1 Year 30-06-18 $	Within 1 Year 30-06-17 $
Financial liabilities due for payment		
Trade and other payables	1,247,513	1,016,210
	1,247,513	1,016,210
Financial assets - cash flows realisable		
Cash and equivalents	10,474,777	4,834,660
Trade and other receivables	890,879	429,636
	11,365,655	5,264,297
Net (outflow)/inflow on financial instruments	10,118,142	4,248,086

c. Credit Risk
Exposure to credit risk relating to financial assets arises from the potential non−performance by counter parties of contract obligations that could lead to a financial loss to the Entity.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counter parties), ensuring to the extent possible, that customers and counter parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from the invoice date. Customers who do not meet the Entity's strict credit policies may only purchase in cash or only use recognised credit cards.

Credit Risk Exposures
The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 13.

Note 21: Financial risk management - continued

Net Fair Values

Fair value estimation

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts on financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of the instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

	Jun-18	
	Net Carrying Value	**Net Fair Value**
	$	**$**
Financial Assets		
Cash and equivalents	10,474,777	10,474,777
Trade and other receivables	890,879	890,879
	11,365,655	11,365,655
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	1,247,513	1,247,513
	1,247,513	1,247,513

	Jun-17	
	Net Carrying Value	**Net Fair Value**
	$	**$**
Financial Assets		
Cash and equivalents	4,834,660	4,834,660
Trade and other receivables	429,636	429,636
	5,264,297	5,264,297
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	1,016,210	1,016,210
	1,016,210	1,016,210

	Consolidated	
	Jun-18	Jun-17
	$	$

Note 22: Reconciliation of profit/(loss) after tax to net cash flow from operations

	Jun-18 $	Jun-17 $
(a) Reconciliation of cash to the statement of cash flows:		
Cash assets - Note 12	10,474,777	4,834,660
(b) Reconciliation of profit from ordinary activities to net cash used in operating activities		
Profit after income tax	(4,454,211)	(3,429,927)
Add: non cash items		
- Depreciation and amortisation	196,993	140,327
- Doubtful debts	65,037	32,166
- Non cash share based payments	820,632	656,859
- Non cash loss on termination of lease	115,607	-
	1,198,268	829,352
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
- (Increase) decrease in receivables	(468,632)	181,979
- (Increase) decrease in other assets	19,054	(14,785)
- Increase (decrease) in payables / creditors	437,603	28,736
	(11,976)	195,930
Net cash flows used in operating activities	(3,267,919)	(2,404,646)

Note 23: Acquisition of Health Enterprises 2 Pty Ltd

On 28 October 2016 the Company completed the acquisition of Health Enterprises 2 Pty Ltd. The final consideration for the acquisition was as follows:

	$
Purchase price - cash free / debt free	5,500,000
Working capital adjustment at settlement	(454,405)
Net purchase price	5,045,595
Purchase price allocation:	
Cash at bank	25,798
Trade debtors	323,548
Security deposits	25,610
Software	1,300,000
Goodwill	4,013,868

Note 23: Acquisition of Health Enterprises 2 Pty Ltd - continued

	$
Trade creditors	(288,461)
Other creditors & accruals	(207,914)
Employee entitlements	(146,853)
	5,045,596
Composition of net purchase price	
Cash	2,845,595
Shares	2,200,000
	5,045,595
Due diligence and legal fees relation to the acquisition	111,269

Note 24: Contingencies

There were no contingent liabilities or contingent assets at the date of this report to affect the financial statements.

Note 25: Capital and leasing commitments

On 21 July 2015 the Company entered into a non-cancellable operating lease for new offices. On the 26 April 2018 the Company assigned this operating lease to an unrelated third party. The assignment of the lease transferred all of the Company's obligation under the operating lease to the third party while at the same time transferring the rights of ownership of the leasehold improvements made by the Company. The effect of this transaction was that the Company has brought to account a loss of $115,607 from the write-off of the leasehold improvements.

On 28 December 2017 the Company entered into a non-cancellable operating lease for replacement offices commencing on 1 January 2018 for a term of 7 years. The lease has provided for an initial rent-free period of 12 months together with a cash contribution from the landlord of $68,900 to over make good costs from the previous tenant.

	Consolidated	
	Jun-18	Jun-17
	$	$
Operating lease commitments		
- not later than one year	331,092	220,904
- later than one year and not later than five years	2,006,963	512,215
- later than 5 years	824,296	-
	3,162,351	733,120

Note 26: Events subsequent to the reporting date

There have been no matters or circumstances which have arisen since the end of the financial period that significantly affected, or may significantly affect the operations of the Entity, the results of those operations or the state of affairs of the Entity, in future years.

Note 27: Other related party transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

NostraData Pty Ltd is an associated entity of the Company which has entered into the following related party transaction with the Company during the financial year.

	2018 $	2017 $
Total value of consulting , data and marketing services	120,345	70,305
Amounts due and payable to NostraData Pty Ltd at the end of the financial year included in trade and other payables	11,625	44,731

SwinTech Pty Ltd is an associated entity of the Company which has entered into the following related party transaction with the Company during the financial year.

	2018 $	2017 $
Total value of property consulting services	23,647	-
Amounts due and payable to SwinTech at the end of the financial year included in trade and other payables	-	-

Note 28: Parent entity information

Set out below is the supplementary information about the parent entity.

	2018 $	2017 $
Statement of profit or loss and other comprehensive income		
Loss after income tax	(1,074,411)	(742,286)
Total comprehensive income	(1,074,411)	(742,286)
Statement of financial position		
Total current assets	55,359	39,595
Total assets	24,037,998	14,815,420
Total current liabilities	33,530	4,923
Total Liabilities	33,530	4,923
Net assets	24,004,467	14,810,497
Equity		
Issued capital	24,549,872	14,754,523
Share options reserve	1,732,305	1,259,273
Accumulated losses	(2,277,710)	(1,203,299)
Total equity	24,004,467	14,810,497

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2018 and 30 June 2017.

Capital commitments – property plant & equipment
The parent entity had no capital commitments for property plant & equipment as at 30 June 2018 and 30 June 2017.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity as disclosed in Note 1.

Note 29: Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

Short-term employee benefits	957,522	965,334
Share based entitlements	273,035	448,075
Total compensation	1,230,557	1,413,409

MEDADVISOR LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 28 to 62, are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards which as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Company;

2. the Director's have declared that:

   (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

   (b) the financial statements and notes for the financial year comply with the Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view; and

3. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Chairman
30 August 2018
Camberwell, VIC.

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INDEPENDENT AUDITOR'S REPORT
To the Members of MedAdvisor Limited

Opinion

We have audited the financial report of MedAdvisor Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

I. giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

II. complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (Continued.)

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Recognition of Revenue
Refer to Note 8 in the financial statements</td></tr>
<tr><td>Revenue recognition was considered a key audit matter. MedAdvisor receives revenue from two core income streams, and the accounting for each of these differs.

While subscription revenues are not complex and do not involve significant management judgements, the recognition of revenue generated from Patient Education Programs (“PEP”) involves management estimates around the timing of delivery of services.</td><td>Our audit procedures in relation to the recognition of revenue included:
• Assessing whether the Group’s revenue recognition policies were in compliance with Australian Accounting Standards;
• Evaluating the operating effectiveness of management’s controls related to revenue recognition;
• The inspection of sales contracts for a sample of PEP revenues recognised and a review of the allocation of revenue to various elements in the contracts; and
• A review of sales transactions before and after year-end to ensure that revenue is recognised in the correct period.</td></tr>
<tr><td colspan="2">Impairment of Goodwill
Refer to Note 16 in the financial statements</td></tr>
<tr><td>The consolidated entity has goodwill of $4,013,868 relating to its acquisition of Healthnotes during the prior financial year.

We identified this area as a key audit matter due to the size of the goodwill balance and because the directors’ assessment of the ‘value in use’ of the cash generating unit (“CGU”) containing this Goodwill involves judgements about the future underlying cash flows of the business and the discount rate applied to them.

Management performed an impairment assessment over the balance of intangible assets by calculating the value in use for the individual CGU identified using a discounted cash flow model and comparing the resulting value in use of the CGU to its carrying value.

Management also performed a sensitivity analysis over the value in use calculations by varying the assumptions used (growth rates, terminal growth rate and WACC) to assess the impact on the valuations.</td><td>Our audit procedures in relation to management’s impairment assessment included:
• Assessing management’s determination that the Goodwill should be allocated to a single CGU based on the nature of the Group’s business and the manner in which results are monitored and reported;
• Assessing the overall valuation methodology used to determine the value in use;
• Challenging the reasonableness of key assumptions, including the cash flow projections, revenue growth rates, discount rates, and sensitivities used; and
• Checking the mathematical accuracy of the cash flow model, and reconciling input data to supporting evidence such as approved budgets, and considering the reasonableness of these budgets.</td></tr>
</table>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf.
This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of MedAdvisor Limited, for the year ended 30 June 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

Philip A Ransom

P A RANSOM
Partner

Dated: 30 August 2018
Melbourne, Victoria

MEDADVISOR LIMITED
SHAREHOLDER INFORMATION
30 JUNE 2018

The shareholder information set out below was applicable as at 24 August 2018.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	
	#	**%**
1 to 1,000	35	0.00%
1,001 to 5,000	6	0.00%
5,001 to 10,000	77	0.06%
10,001 to 100,000	681	2.45%
100,001 and over	462	97.49%
	1261	100.00%
Holding less than a marketable parcel	156	0.09%

Equity security holders

Twenty largest quoted security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number held	**% of total shares issued**
Ebos PH Pty Ltd	185,217,391	14.00%
Wavey Industries Pty Ltd	175,062,602	13.23%
Kojent Pty Ltd	143,786,062	10.87%
Romida Enterprises Pty Ltd	95,857,374	7.24%
Morgan Stanley Australia Securities (Nominee) Pty Limited	66,305,142	5.01%
J P Morgan Nominees Australia Limited	43,519,234	3.29%
Sigma Company Limited	41,666,667	3.15%
National Nominees Limited	39,153,729	2.96%
Provare Pty Ltd	21,506,462	1.63%
Mishra Enterprises Pty Ltd	20,263,163	1.53%
Ethan Allen Investments Pty Ltd	19,625,000	1.48%

The names of the twenty largest security holders of quoted equity securities are listed below: - *continued*

	Ordinary Shares	
	Number held	% of total shares issued
HSBC Custody Nominees (Australia) Limited	17,595,495	1.33%
Gread Management Pty Ltd	13,160,000	0.99%
Capital Concerns Pty Ltd	12,987,408	0.98%
Ethan Allen Investments Pty Ltd	11,548,080	0.87%
Mr Gary Gascoigne	8,797,963	0.66%
Marissa Falting	8,684,212	0.66%
Ubs Nominees Pty Ltd	7,500,000	0.57%
Hot Springs Superannuation Pty Ltd	6,625,890	0.50%
Mr Hamish John Hepburn	6,500,000	0.49%
	945,361,874	**71.45%**

Unquoted equity securities
Options over ordinary shares issued

	Number in issue	Nunber of holders
Otions over ordinary shares issued	87,233,332	54
Rights over ordinary shares issued	7,500,000	1

Escrowed securities
Restricted securities

	Expiry date	Number of shares
Ordinary shares	28-Oct-18	28,947,367
Ordinary shares	01-Dec-18	389,379,167
		418,326,534

Substantial shareholders

Substantial shareholders in the company are set out below:

	Ordinary Shares	
	Number held	% of total shares issued
Morgan Stanley Australia Securities (Nominee) Pty Limited	66,305,142	5.01%
Romida Enterprises Pty Ltd	95,857,374	7.24%
Kojent Pty Ltd	143,786,062	10.87%
Wavey Industries Pty Ltd	175,062,602	13.23%
Ebos PH Pty Ltd	185,217,391	14.00%