

ASX RELEASE (ASX: MDR)

MedAdvisor Solutions Delivers Strong Revenue Growth and Inaugural Profit

Melbourne, Australia, 29 August 2024 – MedAdvisor Solutions (the Company), a global pharmacy-driven patient engagement company, is pleased to release its annual results for the year ended 30 June 2024 (FY24).

Year ended 30 June (AUD)	FY24	FY23	Change
Revenue	\$122.1m	\$98.0m	+24.6%
Gross Profit	\$74.2m	\$59.4m	+24.9%
Gross Margin	60.8%	60.6%	+0.2 ppts
EBITDA	\$7.0m	(\$3.0m)	+10.1m
NPAT	\$0.8m	(\$11.3m)	+\$12.1m

Key highlights:

- The Pathway to Profitability initiative delivered our inaugural EBITDA and NPAT profit of **\$7.0 million** and **\$0.8 million** respectively.
- Strong revenue growth of 24.6% on the previous corresponding period (PCP) to **\$122.1 million**, supported by growth in both the United States (US) and Australia / New Zealand (ANZ).
- Gross profit rose by 24.9% to **\$74.2 million**, with gross margin increasing by 0.2 percentage points (ppts) to 60.8%.
- EBITDA improved from a loss of (\$3.0 million) EBITDA improved from a loss of \$3.0 million in FY23 to a profit of \$7.0 million, assisted by disciplined cost management and scale benefits.
- Strong revenue and profit growth in the US, supported by the onboarding of new pharmaceutical clients and expanded pharma-sponsored awareness and adherence health programs across both vaccines and chronic medications.

- An over **sevenfold** increase in THRiV™ revenues compared to the pcp, showing robust adoption of patient engagement programs on the company's AI-enabled platform.
- New and enhanced revenue streams in Australia through the growth of health programs and an improved fee structure.
- Gross cash position improved by \$1.4 million to \$15.6 million.
- The pipeline is strong with 60% of budgeted US revenue contracted to-date.
- In FY25, the Company will launch Transformation 360°, investing in the evolution of future patient engagement capabilities and strengthening the foundation for sustainable, profitable growth.
- The Company's 5-year Strategic Plan provides us with the confidence to target revenue of circa. \$250 million with growth of 20–25% CAGR, and EBITDA margins exceeding 20% by FY28.

Commenting on the results, CEO & Managing Director Rick Ratliff remarked: "The past year has been a period of remarkable growth and transformation for MedAdvisor Solutions. We achieved significant growth in group revenue, driven by the strong performance of our businesses in both the United States and Australia/New Zealand, and delivered on our Pathway to Profitability, which we now intend to build upon."

"Our efforts have been particularly rewarded in the United States, with revenue climbing to nearly \$100 million. This success was underpinned by the expansion of our vaccine and chronic medication programs, alongside the widespread adoption of our THRiV platform, which has seen its revenues grow more than sevenfold from the previous year. Similarly, in Australia, we made significant strides realizing the full year benefit of subscription fee changes in FY23 and aligning new fee structures with the value created by our pharmacy customers."

"As we look ahead, we are excited to launch our Transformation 360° initiative in FY25, which will be pivotal in advancing our patient engagement capabilities and strengthening our business foundation for sustainable, profitable growth. This strategic initiative, and our 5-year Strategic Plan, give us the confidence to provide aspirational targets for revenue CAGR of 20–25%, aiming for group revenues of around \$250 million, and EBITDA margins exceeding 20% by FY28."

Financial performance – United States

12 months ended 30 June (AUD)	FY24	FY23	Change
Revenue	\$98.4m	\$78.1m	+26.0%
Gross Profit	\$53.5m	\$42.6m	+25.6%
Gross Margin	54.4%	54.6%	-0.2ppts

- Revenue increased by 26.0% to \$98.4 million, benefitting from the continued momentum and diversification of vaccine programs, expansion of health programs, and increased adoption of patient engagement programs powered by THRiV.
- Gross profit increased by 25.6% to \$53.5 million, assisted by higher revenue and higher margin contribution from THRiV.
- The Company continued to evolve its medication awareness and adherence programs, successfully launching 167 programs in the US, across 96 brands and 46 customers, including the top 20 pharmaceutical manufacturers.
- The Company delivered vaccine-related programs across seven categories and introduced two new brands.
- THRiV, the Company's omnichannel patient engagement platform, continues to gain traction with clients, with related revenues increasing by 7.6 times compared to the pcp.
- The pipeline is strong with 60% of budgeted US revenue contracted to-date.

Financial Performance – Australia & New Zealand

12 months ended 30 June (AUD)	FY24	FY23	Change
Revenue	\$23.7m	\$19.9m	+19.1%
Gross Profit	\$20.7m	\$16.7m	+24.0%
Gross Margin	87.5%	84.5%	+3.0 ppts

- Revenue and gross profit increased by 19.1% and 24.0%, respectively, reflecting the full impact of the GuildLink migration, price increases, along with fees introduced to align with value for pharmacy customers. Gross margin improved by 3.0 ppts to 87.5%.
- MedAdvisor for Pharmacy, a cloud-based platform, was launched to replace PlusOne and is currently rolling-out across Australian pharmacy clients.

- The MedAdvisor App v7 was also upgraded with telehealth integrations, improved eScript ordering and biometric login. Patient reach and revenue is expected to grow, as a result of enhanced patient onboarding.
- The Company's Expanding Scope of Practice programs now include vaccines, UTI, oral contraceptives, and travel health. In addition, the Queensland Full Scope of Practice pilot, which launched in April 2024, is implementing 22 practice expansion programs.
- The Company's pharma sponsored awareness and adherence health programs grew to 65, across 47 brands (up by 10) and 27 manufacturers.

Transformation 360°

In FY25, MedAdvisor Solutions will launch Transformation 360°, investing in the evolution of future patient engagement and strengthening the foundation for sustainable, profitable growth. The program will include:

- **US platform transformation:** The Company's THRiV-powered platform will transform personalised omnichannel patient engagement, growing channels and expediting data insights.
- **MedAdvisor for Pharmacy:** Enabling innovation and enhancing the pharmacist's capacity for patient engagement.
- **MedAdvisor app:** Empowering greater patient reach and engagement with generative and conversational AI capabilities.
- **Pharmacy commerce pilot:** Enhancing patient access to essential medications and related products within the pharmacy.
- **Shared services:** Evolving the Company's shared services talent and domain expertise to deliver exceptional customer value.

These initiatives will lay the foundation for the global MedAdvisor platform as we enter FY26, and establish the organizational structure that will lower operating expense and accelerate product innovation.

Financial Aspirational Targets for FY28

MedAdvisor Solutions' 5-Year Strategic Plan provides the framework to achieve strong organic and inorganic growth through to FY28 and target the following financial outcomes:

- **Group revenue:** targeting 20–25% CAGR and approximately \$250 million revenue.
- **EBITDA margins:** targeting greater than 20%.

Commenting on the growth strategy, Chair Linda Jenkinson remarked: “As MedAdvisor Solutions enters this next phase, the Company recognized the hard work and strategic initiatives that achieved the Pathway to Profitability and that will drive it toward sustainable growth. By enhancing our technology and unifying operations globally, the company has met ambitious goals aligned with its vision of helping to empower the pharmacy of the future.”

- ENDS -

This document has been authorised for release by the Board of MedAdvisor Limited.

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About MedAdvisor Solutions

MedAdvisor Solutions (ASX: MDR) is a global leader of pharmacy-driven patient engagement solutions that provide personalized patient experiences to help simplify the patient medication journey. Leveraging THRiV, a cloud-based, AI-enabled platform, MedAdvisor Solutions empowers the pharmacy of the future through improved pharmacy workflow and patient engagement solutions. MedAdvisor Solutions works with over 34,000 pharmacies across the US with reach to over two-thirds of the population. In Australia, more than 95% of Australian pharmacies use MedAdvisor Solutions software to improve pharmacy workflow and to connect with over 3.7 million patients. For more information, please visit: medadvisorsolutions.com/investors.