

Results for Announcement to the Market

Half-year ended 31 December 2022

(Previous corresponding period: Half-year ended 31 December 2021)

	Half-year ended	Half-year ended		Movement	
	31 Dec 2022	31 Dec 2021		%	\$'000
	\$'000	\$'000			
Revenue from ordinary activities	64,081	38,652	Up	66%	25,429
Profit/(Loss) from ordinary activities after tax attributable to the members of MedAdvisor Limited	4,596	(7,524)	Up	161%	12,120
Profit/(Loss) for the half-year attributable to the members of MedAdvisor Limited	4,677	(6,592)	Up	171%	11,269
	Half-year ended	Year ended			
	31 Dec 2022	30 June 2022			
	(cents)	(cents)			
Net tangible assets per ordinary security	(0.65)	(6.24)			

Dividends

Not applicable

Control Gained or Lost over Entities

The Company gained 100% control of all equity interests in GuildLink Pty Ltd on 27 July 2022. There were no other entities over which control has been gained during the period. The contribution of GuildLink Pty Ltd's profit from ordinary activities to MedAdvisor Limited during the period was \$659,366. There were no entities over in which control has been lost during the period.

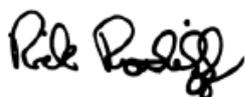
Other

Additional disclosure requirements in accordance with ASX Listing Rule 4.2A are contained in this report.

This report should be read in conjunction with the annual report for the year ended 30 June 2022, investor presentation for the half-year ended 31 December 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The financial statements have been subject to a review by the auditors and the review report is included in the Interim Financial Report.

The information set out above and in the attached half-year Financial Report is provided to the ASX in accordance with a resolution of the directors.



Richard Ratliff

CEO & Managing Director

28 February 2023
Camberwell, VIC



MedAdvisor

Appendix 4D

Half-year Report

For the six months ended 31 December 2022

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Directors' Report

The Directors present their report, together with the interim consolidated financial statements and notes for MedAdvisor Limited (the **Company** or **MedAdvisor**) and its subsidiaries (together, the **Group**) for the half-year ended 31 December 2022 and the Auditor's review report thereon.

Directors

The names of the Directors of MedAdvisor during or since the end of the financial half-year were:

- Linda Jenkinson (Non-Executive Director & Chair)
- Rick Ratliff (Executive Director and Chief Executive Officer – appointed 18 July 2022)
- Sandra Hook (Non-Executive Director)
- Jim Xenos (Non-Executive Director)
- Lucas Merrow (Non-Executive Director)
- RaeAnn Grossman (Non-Executive Director)
- Anthony Tassone (Non-Executive Director – appointed 27 July 2022)
- Kevin Hutchinson (Non-Executive Director – appointed 23 November 2022)
- Robert Read (Executive Director and Chief Executive Officer – resigned 15 July 2022 as Chief Executive Officer and Executive Director and 30 November 2022 as Non-Executive Director)
- Joshua Swinnerton (Executive Director and Founder – resigned 27 July 2022)

Principal Activities

The principal activities of the Group continue to be the enhancement and growth of the MedAdvisor medication and adherence platform. The platform is focused on improving health outcomes by connecting health professionals with their patients using technology and enhancing medication adherence through health programs.

Review of Results and Operations

Over the past six months, MedAdvisor expanded relationships with community pharmacy organizations, pharmaceutical manufacturers, and pharmacy industry groups including the Pharmacy Guild of Australia, UK National Pharmacy Association, and Green Cross Health of New Zealand.

MedAdvisor's strong performance in the half was underpinned by the scaling of MedAdvisor's pharmacy network and the successful execution of our digital patient engagement strategy which saw an increased uptake of MedAdvisor's digital solutions for medication awareness and adherence at increased margins.

The half results capture record revenues, up 65.8% to \$64.1 million. Gross profit increased to \$38.4 million, up 110.1% on 1HFY22 (\$18.3 million), and margins improved 13.7 ppts to 60.0%, (1H FY22: 47.3%). Margin improvement reflects the growth in digital programs. The half resulted in a positive EBITDA of \$8.6 million, up \$13.1 million on 1H FY22 and positive net profit after tax of \$4.7 million, up \$11.4 million on 1H FY22.

Notwithstanding the half year results, access to patient prescription data is critical to the successful continuation of the Group's platforms. This is dependent on permissions given by the pharmacy or retailer (as well as the patient in Australia, New Zealand and the UK). There is a risk that the pharmacy, retailer or patient withdraws consent to access the prescription data. There is also a risk that Governments may legislate to prohibit the access of prescription data by commercial

organisations such as the Group.

In addition, the Group relies on a number of third-party technology service providers to facilitate the use of its platform and deliver services to its customers. Any failure of, or disruption to, the technology services provided by these third-party service providers could negatively impact the Group's operating and financial performance. It could also expose the Group to claims for loss and damage from its customers that may exceed the amounts that the Group is entitled to recover from the third-party service providers.

Market Performance: United States of America (US)

Financial highlights

The US business performed strongly, generating \$54.9 million of revenue, up 71.1% on 1H FY22 (\$32.1 million). The significant revenue growth in the US was underpinned by the expansion of the vaccine awareness programs combined with increased pharmacy participation in the US digital platform.

Significant effort was made to diversify and expand the customer mix in the US. MedAdvisor has increased customer mix by 17 new brands over the last 12 months. Fifty-seven brand campaigns were run over the six-month period, a net increase of \$30.2m compared to the prior comparative period (pcp). The size and duration of each campaign varies, with average campaign size growing over last 12 months to \$512,000. Within the customer mix, MedAdvisor works with the top 10 Pharmaceutical companies.

Vaccine awareness program

Due to the success of the COVID-19 awareness program rolled out in the first half of 2022, the top 10 pharmaceutical manufacturer extended this program and launched a related program in the second half of FY23. This extension was supported by a combination of the expansion of the US pharmacy network, increased pharmacy support of MedAdvisor's digital platform, and the 2022 US flu season.

Expansion of US digital network

MedAdvisor has significantly increased digital access to patients in the US through additional pharmacy support of the digital communications solution. Over the financial half, MedAdvisor signed a digital communications solution agreement with a pharmacy software group representing over 10,000 pharmacies in the US for an initial two-year term. This, in combination with additional national and regional pharmacy groups supporting the digital communications solution, increased MedAdvisor's US network from 20,000 to over 30,000 pharmacy locations with an ability to reach over 60 million individuals, representing a 50% increase in patient access over the last 12 months.

Pharmacies play an increasingly critical role in providing trusted healthcare support to communities through their unique and extensive interactions with patients and doctors. MedAdvisor's US team has and will continue to accelerate the focus on digitising and expanding the US pharmacy network and MedAdvisor's role as a key digital communications partner to pharmaceutical companies. This entails providing increasing support for digital medication communications to patients for major pharmaceutical manufacturers across a broader range of branded medications and vaccines.

Margin expansion

US gross margin was up 138.3% to \$30.6 million on the pcp (1H FY22 \$12.9 million), achieving a margin of 55.8%, an improvement of 15.7 ppts on pcp. The significant improvement in gross margin reflects the growth of higher margin digital programs.

Market Performance: Australia (AU)

Financial highlights

The Australian business performed strongly, generating revenue of \$9.2 million, up 40.3% on pcp (1H FY22: \$6.5 million). The strategic acquisition of GuildLink completed in the first quarter of 2023 immediately delivered an uplift in earnings, generating a total of \$2.4 million in revenue over the half-year. Excluding GuildLink, the underlying revenue growth for the Australian business was 3.2% on pcp.

GuildLink acquisition and supporting capital raise

MedAdvisor completed the strategic acquisition of GuildLink, a provider of digital healthcare solutions and medicine information for consumers and health professionals. The acquisition, when combined with MedAdvisor's existing network, provides access to over 90% of the pharmacy market in Australia and supports MedAdvisor's strategic goal to be the leading medication information and management platform within the Australian market. During the half, the Australia pharmacy network grew from approximately 4,000 stores as at 31 December 2021 to approximately 5,700 as at 31 December 2022. Currently, MedAdvisor's Australian patient network sits at 3.1 million patients.

The GuildLink acquisition was funded via a successfully completed, fully underwritten capital raise on 18 August 2022, raising \$14.6 million (before costs). Funds raised covered the costs of the acquisition and integration of GuildLink, as well supporting the acceleration of growth initiatives in Australia, growth opportunities in the US, and providing general working capital funding.

The integration of GuildLink is progressing well and to plan, focused on transitioning Australian pharmacy customers to a single medication management platform and patient mobile app designed to improve workflow efficiency in pharmacies and lower costs. The Australian pricing structure is being aligned with the broader MedAdvisor pricing with annual subscriptions reverting to monthly. Leveraging this consolidated national network will enable similar types of medication awareness programs to those we have been conducting with pharmaceutical companies in the United States.

Acquisition costs to 31 December 2022, total \$0.72 million. The rollout of GuildLink is expected to finish by 30 June 2023.

Market Performance: Rest of World

New Zealand (NZ)

The New Zealand roll out is progressing to plan with 211 pharmacies (60% of the Green Cross Health network) migrated to date, representing 24% of the NZ market.

United Kingdom (UK) Update

As announced at the 2022 AGM, MedAdvisor is proceeding with expansion plans into the United Kingdom (UK) following a detailed strategic review of the UK market. The review reinforced the significant growth opportunity for MedAdvisor in a market three times the size of Australia. The rollout plans are on target and MedAdvisor is currently working with business partners and the UK National Pharmacy Association to rapidly drive sales growth supported by a strong marketing campaign during the first quarter of calendar year 2023.

Financial Position

The Group has \$32,662,647 in cash plus \$115,757 in cash on deposit as security, bringing a total cash balance of \$32,778,404 at 31 December 2022, a net cash increase of \$25,084,009 for the half-year. The net assets of the Group at 31 December 2022 were \$63,002,535, an increase of \$28,457,307 since 30 June 2022.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group that occurred during the financial half-year that are not otherwise disclosed in this report.

Proceedings

No person has applied for leave of Court under section 237 of the *Corporations Act 2001* 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 financial half-year.

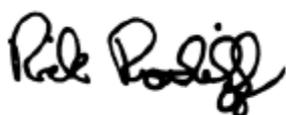
Matters subsequent to the end of the financial half-year

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

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on the following page.

Signed in accordance with a resolution of the Directors:



Richard Ratliff
CEO & Managing Director

28 February 2023
Camberwell, VIC

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000

PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000

F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of MedAdvisor Limited for the half year ended 31 December 2022, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read "M Parameswaran".

M PARAMESWARAN

Partner

Dated: 28 February 2023

Melbourne, Victoria

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Consolidated Statement of Profit or Loss and other Comprehensive Income

for the half-year ended 31 December 2022

	Notes	Consolidated	
		31 December 2022	31 December 2021
		\$	\$
Revenue from continuing operations	5	64,081,197	38,652,398
Direct expenses		(25,660,979)	(20,354,694)
Gross margin		38,420,218	18,297,704
Development costs		(3,503,511)	(3,113,858)
Employee benefits expenses		(20,186,869)	(16,334,910)
Directors fees		(226,924)	(146,996)
Marketing expenses		(1,654,595)	(1,223,802)
Other expenses		(4,288,262)	(1,994,327)
Other income		27,101	1,415
Earnings before interest, taxes, depreciation & amortisation		8,587,158	(4,514,774)
Depreciation and amortisation expense		(2,799,039)	(2,431,165)
Interest expense		(1,191,834)	(711,055)
Profit/(loss) before income tax for the half-year		4,596,285	(7,656,994)
Income tax benefit/(expense)		-	-
Profit/(loss) for the half-year		4,596,285	(7,656,994)
Other comprehensive income		80,956	946,191
Total comprehensive income for the half-year		4,677,241	(6,710,803)
Profit/(loss) for the half-year is attributable to:			
Owners of MedAdvisor Limited		4,596,285	(7,523,554)
Non-controlling Interest		-	(133,440)
		4,596,285	(7,656,994)
Total comprehensive income for the half-year is attributable to:			
Owners of MedAdvisor Limited		4,677,241	(6,591,851)
Non-controlling Interest		-	(118,952)
		4,677,241	(6,710,803)
Earnings per share:			
Basic earnings per share (cents)	3	\$ 0.009	\$ (0.020)
Diluted earnings per share (cents)	3	\$ 0.009	\$ (0.020)

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

Consolidated Statement of Financial Position

as at 31 December 2022

	Notes	Consolidated	
		31 December 2022	30 June 2022
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		32,662,647	7,578,638
Trade and other receivables		18,355,429	9,052,309
Other assets		2,128,597	1,845,225
Total current assets		53,146,673	18,476,172
Non-current assets			
Property, plant & equipment		1,101,523	1,506,278
Right-of-use assets		1,200,046	1,966,695
Intangible assets	6	66,792,517	56,346,352
Other assets		153,994	143,950
Total non-current assets		69,248,080	59,963,275
Total assets		122,394,753	78,439,447
LIABILITIES			
Current liabilities			
Trade and other payables		28,055,500	16,574,836
Borrowings	7	440,852	4,072,816
Other liabilities		15,282,808	11,904,488
Leases		830,360	1,380,876
Employee benefits		1,449,410	1,326,792
Total current liabilities		46,058,930	35,259,808
Non-current liabilities			
Borrowings	7	10,984,122	7,059,918
Leases		619,210	900,634
Employee benefits		195,817	120,525
Deferred tax liabilities		1,534,139	553,334
Total non-current liabilities		13,333,288	8,634,411
Total liabilities		59,392,218	43,894,219
Net assets		63,002,535	34,545,228
EQUITY			
Contributed equity	8	115,181,920	91,807,626
Reserves		4,801,993	4,315,265
Retained earnings / (losses)		(56,981,378)	(61,577,663)
Total equity		63,002,535	34,545,228

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

Consolidated Statement of Changes in Equity

for the half-year ended 31 December 2022

Attributable to owners of MedAdvisor Ltd.

	Contributed Equity \$	Share Options Reserve \$	Foreign Currency Translation Reserve \$	Retained Earnings/ (Losses) \$	Non- Controlling Interests \$	Total Equity \$
Consolidated						
Balance at 1 July 2022	91,807,626	3,062,807	1,252,458	(61,577,663)	-	34,545,228
<i>Profit after tax</i>	-	-	-	4,596,285	-	4,596,285
<i>Exchange differences on translation of foreign entities</i>	-	-	80,956	-	-	80,956
Total comprehensive income for the half-year:	-	-	80,956	4,596,285	-	4,677,241
Transactions with owners in their capacity as owners:						
<i>Ordinary shares issued</i>	23,735,704	-	-	-	-	23,735,704
<i>Capital raising costs (net of GST)</i>	(900,687)	-	-	-	-	(900,687)
<i>Share Options issued</i>	-	945,049	-	-	-	945,049
<i>Share Options exercised</i>	539,277	(539,277)	-	-	-	-
Balance at 31 December 2022	115,181,920	3,468,579	1,333,414	(56,981,378)	-	63,002,535
Consolidated						
Balance at 1 July 2021	90,992,487	2,710,595	(1,022,993)	(44,231,164)	396,225	48,845,150
<i>Loss after tax</i>	-	-	-	(7,523,554)	(133,440)	(7,656,994)
<i>Exchange differences on translation of foreign entities</i>	-	-	931,703	-	14,488	946,191
Total comprehensive income for the half-year:	-	-	931,703	(7,523,554)	(118,952)	(6,710,803)
Transactions with owners in their capacity as owners:						
<i>Ordinary shares issued</i>	-	-	-	-	-	-
<i>Capital raising costs (net of GST)</i>	(52,500)	-	-	-	-	(52,500)
<i>Share Options issued</i>	-	836,246	-	-	-	836,246
<i>Share Options exercised</i>	174,658	(174,658)	-	-	-	-
Balance at 31 December 2021	91,114,645	3,372,183	(91,290)	(51,754,718)	277,273	42,918,093

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

Consolidated Statement of Cash Flows

for the half-year ended 31 December 2022

	Notes	Consolidated	
		31 December 2022	31 December 2021
		\$	\$
Cash Flows From Operating Activities			
Receipts from customers (inclusive of GST)		62,231,747	42,358,265
Payments to suppliers and employees (inclusive of GST)		(45,669,241)	(42,463,565)
Interest received		27,101	1,415
Interest and other costs of finance paid		(847,286)	(373,337)
Net cash inflow/(outflow) from operating activities		15,742,321	(477,222)
Cash Flows From Investing Activities			
Payment for acquisition of subsidiary		(4,474,940)	-
Cash acquired from acquisition of subsidiary, net of payment for acquisition	9	1,423,146	-
Payments for property, plant and equipment		(147,498)	(123,535)
Proceeds from sale of property, plant and equipment		-	21,029
Net cash inflow/(outflow) from investing activities		(3,199,292)	(102,506)
Cash Flows From Financing Activities			
Proceeds from new share issue		14,596,745	-
Capital raising costs (net of GST)		(900,687)	(52,500)
Repayment of lease liabilities		(776,118)	(756,538)
Repayment of borrowings		-	(299,762)
Net cash inflow/(outflow) from financing activities		12,919,940	(1,108,800)
Net increase/(decrease) in cash held		25,462,969	(1,688,528)
Cash and cash equivalents at the beginning of the period.		7,578,638	7,150,865
Effects of exchange rate changes on cash and cash equivalents		(378,960)	(125,447)
Cash and cash equivalents at the end of the period		32,662,647	5,336,890

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

Notes to the Consolidated Financial Statements

These condensed consolidated interim financial statements (hereinafter referred to as 'financial statements') incorporate the assets and liabilities of all subsidiaries of MedAdvisor Limited for the half-year ended 31 December 2022. MedAdvisor Limited is a publicly listed company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 28 February 2023 by the Directors of the Company.

1. Basis of Preparation

MedAdvisor Limited is a for-profit entity for the purpose of preparing financial statements.

The financial statements for the half-year ended 31 December 2022:

- i. Have been prepared in accordance with Accounting Standard *AASB134 Interim Financial Reporting* and the *Corporations Act 2001*.
- ii. Do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.
- iii. Adopt accounting policies consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.
- iv. Have been prepared on a going concern basis.

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 are detailed in the notes to the 30 June 2022 consolidated Group financial statements.

Notes to the Consolidated Financial Statements (continued)

3. Earnings per Share

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
Earning per share for half-year profit/(loss) attributable to the ordinary equity holders of		
Profit/(loss) attributable to equity holders of MedAdvisor Limited	4,596,285	(7,523,554)
Basic earnings per share	\$ 0.009	\$ (0.020)
Diluted earnings per share	\$ 0.009	\$ (0.020)
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	513,911,628	377,474,353
Adjustment for calculation of diluted earnings per share		
Options over ordinary shares	26,714,644	23,886,376
Performance rights vested but not exercised	-	2,014,283
	540,626,272	403,375,012

4. Operating Segments

31 December 2022	AU Operations \$	US Operations \$	UK Operations \$	Asia Operations \$	Corporate \$	Total \$
Segment revenues	9,203,465	54,858,056	46,777	-	-	64,108,298
Segment operating profit/(loss)	(2,257,877)	12,062,367	(564,394)	-	(4,643,811)	4,596,285
Segment assets	23,672,611	98,559,511	92,773	-	69,858	122,394,753
Segment liabilities	7,739,344	39,669,622	129,443	-	11,853,809	59,392,218
Segment net assets	15,933,267	58,889,889	(36,670)	-	(11,783,951)	63,002,535
31 December 2021	AU Operations \$	US Operations \$	UK Operations \$	Asia Operations \$	Corporate \$	Total \$
Segment revenues	6,540,643	32,055,783	24,050	33,337	-	38,653,813
Segment operating loss	(1,156,079)	(2,397,790)	(979,509)	(266,881)	(2,856,735)	(7,656,994)
Segment assets	8,333,125	70,135,797	62,993	570,861	44,078	79,146,854
Segment liabilities	4,352,613	20,860,762	133,534	10,290	10,871,562	36,228,761
Segment net assets	3,980,512	49,275,035	(70,541)	560,571	(10,827,484)	42,918,093

The Board has determined that the Company has five reporting segments. The first being the business activities of the Australian MedAdvisor medication management and adherence platform, followed by activities associated with operations in the USA, UK and Asia, and lastly 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.

Notes to the Consolidated Financial Statements (continued)

5. Revenue

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
Disaggregation of Revenue		
a. From continuing operations		
<i>Major service lines:</i>		
Health Programs	55,859,379	32,935,344
SaaS Revenue	5,583,602	3,672,620
Transaction & Development Fees	1,582,076	2,044,434
Medicines Information	925,298	-
Other	130,842	-
	64,081,197	38,652,398
<i>Timing of revenue recognition:</i>		
Goods transferred at a point in time	58,436,620	34,979,778
Services transferred over time	5,644,577	3,672,620
	64,081,197	38,652,398
b. Other Income		
Interest Received	27,101	1,415
	27,101	1,415

Revenue by geographical region has been disclosed in Note 4.

Notes to the Consolidated Financial Statements (continued)

6. Intangible Assets

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
Goodwill		
Cost	45,808,723	37,382,456
Net Book Value	45,808,723	37,382,456
Software		
Cost	11,757,130	10,817,208
Accumulated amortisation	(5,383,167)	(4,300,118)
Net Book Value	6,373,963	6,517,090
Relationships		
Cost	10,221,251	7,641,222
Accumulated amortisation	(1,753,207)	(1,241,700)
Net Book Value	8,468,044	6,399,522
Brands		
Cost	6,113,591	6,012,527
Net Book Value	6,113,591	6,012,527
Intellectual property*		
Cost	131,219	131,219
Accumulated amortisation	(103,023)	(96,462)
Net Book Value	28,196	34,757
Total Intangible Assets	66,792,517	56,346,352

*Intellectual property includes copyright and trademarks

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

	Goodwill	Software	Relationships	Brands	Intellectual property*	Total
	\$	\$	\$	\$	\$	\$
Opening Balance - 1 July 2021	34,619,363	7,794,429	6,570,459	5,514,659	47,876	54,546,786
Amortisation	-	(1,808,347)	(725,477)	-	(13,119)	(2,546,943)
Exchange Differences	2,763,093	531,008	554,540	497,868	-	4,346,509
Closing Balance - 30 June 2022	37,382,456	6,517,090	6,399,522	6,012,527	34,757	56,346,352
Opening Balance - 1 July 2022	37,382,456	6,517,090	6,399,522	6,012,527	34,757	56,346,352
Assets acquired through business combinations	7,865,374	786,758	2,451,587	-	-	11,103,719
Amortisation	-	(1,036,764)	(495,221)	-	(6,561)	(1,538,546)
Exchange Differences	560,893	106,879	112,156	101,064	-	880,992
Closing Balance - 31 December 2022	45,808,723	6,373,963	8,468,044	6,113,591	28,196	66,792,517

Notes to the Consolidated Financial Statements (continued)

7. Borrowings

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
Current	440,852	4,072,816
Non-Current	10,984,122	7,059,918
	11,424,974	11,132,734

At 31 December 2022, MedAdvisor Limited had a 3-year loan facility comprising of:

Facility	Commitment (AUD)	Drawn at close	Maturity Date
Tranche A - USD \$5,000,000 term loan	7,380,074	7,380,074	28-May-24
Tranche B - USD \$3,500,000 revolving line of credit	5,166,052	4,132,841	28-May-24
Total	12,546,125	11,512,915	

The difference between the total drawn down amount on the facility of AUD 11,512,915 and the Book Value of AUD 11,424,974 represents Fair Value adjustments made in accordance with AASB9 Financial Instruments.

The loan facilities have an interest rate of 10.25% paid monthly on amounts borrowed. Principal is due at maturity as well as back-end fees totalling USD 533,122. Tranche B, the revolving line of credit, has a minimum drawdown of USD 2.5m with a 3.0% per annum fee on any portion of the Line of Credit which is unused, paid quarterly.

The financier has been granted first-ranking interest over all assets of MedAdvisor Limited and its subsidiaries. MedAdvisor Limited has complied with all debt covenants throughout the reporting period.

8. Issued Capital

	Consolidated	
	Number of Shares	\$
Shares		
Opening balance at 1 July 2022	380,789,939	91,807,626
New Share Issue	161,380,940	23,735,704
Employee Share Options exercised	1,677,538	539,277
Share issue transaction costs, net of tax	-	(900,687)
Closing balance as at 31 December 2022	543,848,417	115,181,920
Options		
Opening balance at 1 July 2022	22,352,081	
Options issued under the Employee Incentive Plan:	33,722,561	
Employee incentive options exercised:	(1,677,538)	
Employee incentive options expired:	(4,249,999)	
Closing balance as at 31 December 2022	50,147,105	

Notes to the Consolidated Financial Statements (continued)

9. Business Combinations

On 27 July 2022, MedAdvisor International Pty Ltd ('MedAdvisor'), a wholly-owned subsidiary of MedAdvisor Limited (the 'Company'), acquired 100% of the ordinary shares of GuildLink Pty Ltd ('GuildLink') from Guild Group Holdings Limited ('Guild Group'), a 100% owned entity of The Pharmacy Guild of Australia ('PGA').

The acquisition of GuildLink was funded by MedAdvisor via the issue of 57,118,490 fully paid ordinary shares in the Company to Guild Group ('Consideration Shares'), which was 13% of the Company's issued share capital. The Consideration Shares had an issue price of \$0.16 and an aggregate value of \$9.14 million. The acquisition price represents a multiple of ~1.3 times GuildLink's financial year ending 30 June 2022 revenue. The Consideration Shares were issued under MedAdvisor's Listing Rule 7.1 placement capacity. Following the placement, Guild Group became the largest shareholder in MedAdvisor and nominated Anthony Tassone to the board. The acquisition of GuildLink enables MedAdvisor to provide a consolidated platform that removes duplication and increases efficiencies for Australian pharmacies, and enhances their ability to provide integrated bookings, clinical services, vaccinations and medication management for their patients.

In addition, MedAdvisor, GuildLink and PGA entered into a Master Service Agreement for 10 years under which the parties will work together in respect of proposals with the other parties core fields of expertise. The first program under this arrangement involves the ongoing provision of de-identified information to PGA for community pharmacies that opt-in to the program to assist PGA with health economics modelling and advocacy on behalf of its members and the pharmacy profession generally. The long-term 10-year program involves a "fee free" period for the initial two years. The agreed annual fee for the provision of this service is \$400,000, the "fee free" period is considered to be deferred consideration and accordingly the net present value will be included in the acquisition consideration and deferred revenue. This will be unwound over the two-year period and recognised as revenue over that time.

GuildLink contributed revenues of \$2,427,763 and profit from ordinary activities of \$659,366 for the period ended 31 December 2022. If the acquisition occurred on 1 July 2022 the half-year contributions would have been revenue of \$2,846,589. It is impractical to measure profit/loss from ordinary activities for the pre-acquisition period due to one-off adjustments resulting in a result not being a true and accurate reflection of the business.

Details of the acquisition are as follows:

	27 July 2022
	\$
Fair Value of consideration at acquisition date:	
<i>57,118,490 shares @ \$0.16/share</i>	9,138,958
<i>Deferred consideration - net present value</i>	758,006
<i>Cash paid to Guild Group as working capital adjustment</i>	277,168
	10,174,132
Recognised amounts of identifiable assets and liabilities:	
Cash	1,700,313
Trade and other receivables	893,998
Prepayments and other current assets	300,067
Fixed assets	64,865
Trade and other payables	(491,101)
Employee benefits	(618,028)
Deferred revenue	(1,808,198)
Deferred tax liability on acquired intangible assets	(971,504)
Net liabilities acquired	(929,587)
Goodwill:	11,103,719

Notes to the Consolidated Financial Statements (continued)

Subsequent to the settlement of GuildLink transaction the provisional Goodwill was independently valued and allocated against identifiable intangible assets with the residual allocated to Goodwill. Adopting the Mid-Purchase Price Allocation (PPA) valuation the resultant identifiable intangible assets and goodwill acquired was as follows:

	\$
Customer and partner relationships - Medicines Information	2,451,587
Software - Medicines Information	786,758
Goodwill - residual	7,865,374
	11,103,719
Cash used to acquire business:	
Acquisition costs expensed to profit or loss at the date of this report:	715,979

10. Contingent Liabilities & Contingent Assets

The Group had no contingent liabilities or contingent assets as at 31 December 2022 and 31 December 2021.

11. Events after the Reporting Date

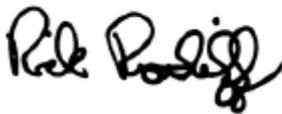
There have been no matters or circumstances which have arisen since the end of the financial half-year period that significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future years.

Directors' Declaration

The Directors of the Company declare that:

- a) The consolidated financial statements and notes set out on pages 6 to 16 are in accordance with the *Corporations Act 2001* and:
 - i. comply with Accounting Standards, the *Corporations Regulations 2001*, and other mandatory professional reporting requirements.
 - ii. give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance of the financial half-year ended on that date.
- b) There are reasonable grounds to believe the Company will be able to pay its debts when they become due and payable. The basis of preparation confirms that the consolidated financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

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



Richard Ratliff
CEO & Managing Director

28 February 2023
Camberwell, VIC

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of MedAdvisor Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of MedAdvisor Limited which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of MedAdvisor Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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 (including Independence Standards) (the Code) that are relevant to our audit of the annual 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 MedAdvisor Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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RSM Australia Partners ABN 36 965 185 036

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Directors' Responsibility for the Half-Year Financial Report

The directors of the MedAdvisor Limited are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



RSM AUSTRALIA PARTNERS



M PARAMESWARAN

Partner

Date: 28 February 2023
Melbourne, Victoria

Corporate Directory

Directors

Linda Jenkinson

Non-Executive Director and Chair

Rick Ratliff

Executive Director and Chief Executive Officer

RaeAnn Grossman

Non-Executive Director

Sandra Hook

Non-Executive Director

Kevin Hutchinson

Non-Executive Director

Lucas Merrow

Non-Executive Director

Anthony Tassone

Non-Executive Director

Jim Xenos

Non-Executive Director

Company secretary

Ancila Desai

Naomi Lawrie

ABN

17 145 327 617

Website

www.mymedadvisor.com

Stock exchange

MedAdvisor Limited is a public company listed with the Australian Securities Exchange.

ASX: MDR

Registered office

Level 2, 971 Burke Road

Camberwell VIC 3124

T: +613 9095 3036

Share register

Computershare Investor Services Pty Ltd

452 Johnston Street

Abbotsford VIC 3067

T: 1300 850 505 (within Australia)

+613 9415 4000 (outside Australia)

External auditor

RSM Australia Partners

Level 21, 55 Collins Street

Melbourne VIC 3000

Lawyers

HWL Ebsworth

Level 26, 530 Collins Street

Melbourne VIC 3000