

ASX RELEASE (ASX: MDR)

MedAdvisor 1Q FY26 Report and Outlook Update¹

Quarterly Activities Report and Appendix 4C

Key Highlights

- 1Q FY26 operating revenue of \$9.6 million, down 52.8% on prior corresponding period (pcp) (1Q FY25: \$20.4 million).
- 1Q FY26 gross profit of \$4.1 million, down 60.4% on pcp (1Q FY25: \$10.3 million).
- Gross margin of 42.4% for the quarter, compared with 50.5% in 1Q FY25.
- On 2 July 2025, the ANZ business operations were sold to Jonas Software AUS for headline value of \$35.0 million, plus an estimated \$7.4 million earn-out over three years.
- Net cash at period end of \$13.0 million, with all outstanding debt discharged. Holdback payment from the sale of the ANZ business of \$8.0 million is expected to be received in November 2025.
- The U.S. Transformation 360° program is progressing well with 80% of the platform development complete, and full delivery expected by the end of 2Q FY26.
- New platform implementation and FY25 restructuring are expected to reduce FY26 operating expenses by at least 15%.
- The board has been further streamlined to reflect changes in business scale and geographic reach.
- As part of the Strategic Options Review, the board has resolved to prioritise the transformation of business operations ahead of any potential U.S. business sale to maximise shareholder value.
- Unweighted pipeline for U.S. health programs in FY26 in excess of US\$100 million
- Near-term focus is on managing ongoing headwinds, converting pipeline opportunities, and completing the new platform.
- In 2H FY26, focus shifts to delivering transformation benefits - accelerating innovation, and embedding AI to drive new revenue streams.

¹ All figures presented are un-audited

Melbourne, Australia, 22 October 2025 – MedAdvisor Limited (ASX: MDR) (“MedAdvisor Solutions” or “the Company”) provides its quarterly activities report and Appendix 4C for the three months ended 30 September 2025 (1Q FY26).

CEO & Managing Director, Rick Ratliff commented, “The US business continued to face significant headwinds that began in late 2024 and have now been compounded by U.S. government policy pressures on pharmaceutical companies and financial challenges across the pharmacy sector.

While we typically see a significant improvement in revenue this time of the year from vaccine programs, pharma’s response to the delays in U.S. regulations and the adverse shift of government support of vaccine programs has resulted in a significant decline in vaccine program revenue in the quarter which is expected to carry into 2Q FY26. In addition, pharmacy financial pressures that initially surfaced in the 2nd half of FY25 impacted pharmacy network digital reach to patients which affected timing of pharma contract closure and size of these agreements.

We do continue to make progress on the Transformation 360° initiative with over 80% of the U.S. platform now complete and full implementation expected by the end of 2Q FY26. The new platform, combined with the restructuring completed in FY25 is expected to reduce operating expenses by at least 15% in FY26 compared to FY25 as previously advised.

The lower cost base and new technology platform will serve as the foundation for delivering significant transformational benefits to the U.S. business across FY26. Our focus remains on protecting and strengthening the core operations while completing the transition to the new platform and assessing opportunities to leverage AI-driven solutions that enhance patient engagement and deliver greater value to our partners.

At the beginning of 1Q FY26, the Company completed the sale of the ANZ business to Jonas Software AUS for a headline price of A\$35 million. The majority of the initial proceeds were used to repay debt obligations, leaving the Company debt-free.”

Financial Results

AUD (\$m)	1Q FY26	1Q FY25	Change
Revenue	\$9.6m	\$20.4m	-52.8%
Gross Profit	\$4.1m	\$10.3m	-60.4%
Gross Margin	42.4%	50.5%	-8.1ppts

- 1Q FY26 operating revenue of \$9.6 million was down by 52.8%, compared to the pcp (1Q FY25: \$20.4 million), impacted by U.S. government policy pressures on pharmaceutical companies and financial challenges across the pharmacy sector.
- Gross profit and gross margin declined, reflecting the lower revenue, allocation of platform costs and a shift in product mix in the quarter versus pcp.
- Net operating cash outflow of \$0.7 million (1Q FY25: \$2.09 million outflow).
 - Operating cash receipts were \$8.1 million (1Q FY25: \$27.5 million), reflecting the general business conditions, as discussed further in this update.
 - Operating cash payments of \$5.8 million (1Q FY25: \$10.5 million), largely due to the disposal of the Australian business and as a result of lower cost base.
 - Staff costs of \$2.2 million (1Q FY25: \$12.9million).
 - Administration and corporate costs of \$0.7 million (1Q FY25: \$3.9 million).
- Following the sale of ANZ business, including the proceeds received to date and the discharge of all debt, the net cash position at period end was \$13.0¹ million.
- The FX loss on group revenue was immaterial.
- At section 6 of the Appendix 4C it was noted that there was \$311k of payments to related parties of the entity and their associates. This includes fees and remuneration paid to the CEO and CFO (from his date of appointment as a Director) and directors, that amounts to \$310,624.

Operating Business Performance

The business continues to face significant headwinds, particularly within the pharmaceutical segment. Government regulations and program approval delays have constrained market activity, while financial pressures on pharmacies are limiting

¹ Excludes \$8.0m holdback payment due November 2025 and potential earnouts estimated to be around \$7.4 million over three years.

network reach and operational capability. These factors have collectively slowed the pace of contract closures and negatively impacted contract values.

Vaccine-related programs contributed 8% of total revenue in 1Q FY26, a sharp decline from 26% in 1Q FY25. This drop was primarily driven by regulatory delays during the quarter, which introduced substantial uncertainty. These challenges are expected to persist into 2Q FY26, continuing to impact performance in this segment.

In contrast, the general medication category accounted for 69% of revenue in the quarter, up from 47% in FY25. However, revenue within this category declined by 33% year-over-year, largely due to the absence of two key brands that were not active during the quarter compared to the prior year.

The specialty medication category contributed 19% of revenue in 1Q FY26 compared to 10% in the same period last year. Despite the increased share, revenue from this segment declined 18%.

THRiV-powered programs represented 22% of revenue in 1Q FY26, marking a significant decrease from FY25. This shift was due to a transition of programs to traditional channels, influenced by changes in the pharmacy network and a cautious approach with clients as the business migrates to the new platform.

Despite these operational pressures, we continue to make solid progress on the Transformation 360° initiative, with over 80% of the U.S. platform complete and full delivery expected by the end of 2Q FY26. The new platform, combined with the FY25 restructuring program, are expected to reduce operating expenses by at least 15% in FY26, establishing a lower cost base and strong foundation for improvements across the U.S. business.

While near-term conditions remain challenging, the current market environment is also reinforcing the need for more efficient, outcome-driven engagement models. Pharma is increasingly prioritising investment in programs that deliver measurable value, particularly in specialty medications and adherence—and this trend aligns with the Company's strategic focus and core competencies. At the same time, patient preferences continue to validate our pharmacy-led model, with 84% of Americans viewing pharmacists as trusted care providers and 91% valuing the combination of digital tools with in-person pharmacist access (source: 2025 U.S. Pharmacy Trust

Survey). As the business completes its platform transition, the Company is well-positioned to capitalise on these long-term shifts in care delivery and patient engagement strategy.

Looking ahead, the full-year pipeline stands at approximately US\$100 million (unweighted). The team is actively working with key pharmaceutical and pharmacy partners to recalibrate expectations and timelines considering the current market dynamics. The Company is also evaluating alternative patient engagement models to help mitigate the ongoing challenges around digital reach.

Strategic Options Review

During the quarter, the Company formally completed the Strategic Options Review and associated activities as per the ASX announcement dated 13 November 2024. The aim of this process was to explore a range of corporate initiatives that may address the market valuation disconnect regarding the Company's ANZ and U.S. businesses.

ANZ Business

On 2 July 2025, the Company announced the sale of the ANZ business operations to Jonas Software AUS Pty Ltd for a headline value of \$35.0 million, plus an uncapped three year earn-out. A holdback amount of \$8.0 million is expected to be received in November 2025.

Based on current projections, MedAdvisor expects to receive total proceeds of \$42.4 million. For more information refer to the ASX releases dated 2 July and 9 July 2025.

U.S. Business

Concurrently with the ANZ process, the Company received approaches from U.S. third parties showing interest in acquiring the Company's U.S. business.

Whilst the Company has received a number of non-binding indicative offers, these offers have not materialised to a stage that would warrant putting to shareholders. Whilst the Company will continue to accommodate any approaches that it considers in the best interest of shareholders, it will instead prioritize the comprehensive transformation of the U.S. operations - modernising systems, strengthening

commercial performance, and positioning the business for sustainable growth. The board retains the option of revisiting a future trade sale when market conditions are more favourable.

Board Changes

In August, Kevin Hutchinson and Jim Xenos elected to step down from the board, further streamlining the board to reflect the current scale and geographic reach of the business.

Given Kevin's extensive relationships within the US healthcare sector and his strong belief in the Company's future, he will continue to support the U.S. strategic review in an advisory capacity.

Key Priorities and Outlook

Key priorities for FY26 include:

- Enhance the sales team including the addition of agency and Direct to Consumer (DTC) experience. Expand the team as pipeline conversion improves.
- Complete development of the next generation patient engagement platform in 2Q FY26 and migrate all pharmacies and programs in 2H FY26.
- Expand digital reach in the pharmacy network.
- Initiate selective partnerships to accelerate AI solutions that will significantly enhance customer value and enhance competitive differentiation.
- Continue to focus on operational efficiency, business process redesign and change management through Transformation 360°.

In closing, CEO and Managing Director Rick Ratliff said, "Our focus in the near term remains on navigating the headwinds which we expect to persist into the second quarter whilst converting our U.S. health program pipeline opportunities and completing the final stages of our platform implementation. Throughout this period, we remain committed to operational discipline and to supporting our customers through evolving conditions. These actions position us to emerge stronger, more efficient, and better aligned with the future direction of the market.

As we move into the second half, our attention will shift toward realising the benefits of our transformation – converting a strong pipeline, driving commercial momentum, and leveraging the new platform to accelerate innovation and new revenue streams, including deeper integration of AI.”

- ENDS -

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

For more information please contact:

Media

Sarah Sweeney
SVP of Marketing and Customer Success
corporate@medadvisorsolutions.com
+1 860 595 8553

Investor Relations

George Kopsiaftis
IR Department
george.kopsiaftis@irdepartment.com.au
+61 409 392 687

About MedAdvisor Solutions

MedAdvisor Solutions (ASX: MDR) is a 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 25,000 pharmacies across the US with reach to over two-thirds of the population. For more information, please visit: medadvisorsolutions.com/investors.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

MEDADVISOR LIMITED (ASX: MDR)

ABN

17 145 327 617

Quarter ended ("current quarter")

30 Sep 2025

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows related to operating activities		
1.1 Receipts from customers	8,096	8,096
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(5,745)	(5,745)
(c) advertising and marketing	(104)	(104)
(d) leased assets	-	-
(e) staff costs	(2,244)	(2,244)
(f) administration and corporate costs	(741)	(741)
1.3 Dividends received	-	-
1.4 Interest received	10	10
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(728)	(728)

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows related to investing activities		
2.1	Payment to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant & equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses (net of working capital adjustment)	26,361	26,361
	(c) property, plant & equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	26,361	26,361

		Current quarter \$A'000	Year to date (3 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	375	375
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(23,190)	(23,190)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(49)	(49)
3.10	Net cash from / (used in) financing activities	(22,864)	(22,864)

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of the period	10,304	10,304
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(729)	(729)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	26,361	26,361
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(22,864)	(22,864)
4.5	Effect of movement in exchange rates on cash held	(77)	(77)
4.6	Cash and cash equivalents at end of the period	12,995	12,995

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous Quarter \$A'000
5.1	Bank balances	12,995	10,304
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	12,995	10,304

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1
 6.2 Aggregate amount of cash flow from loans to these parties included in item 2

Current quarter \$A'000
311
-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments to related parties of the entity and their associates include: 1) fees and remuneration paid to the CEO and CFO (from his date of appointment as a Director) and directors.

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

7 Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Answer: not applicable

8. Estimated cash available for future operations	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(728)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	12,995
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	12,995
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	17.85

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: not applicable

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: not applicable

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: not applicable

For personal use only

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement does give a true and fair view of the matters disclosed.

Authorised by: Board of Directors - MedAdvisor Limited

Date: 10/22/2025

Notes

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

- 4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

- 5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.