

Analyst

Thomas Wakim 612 8224 2815

Authorisation

John Hester 612 8224 2871

MedAdvisor (MDR)

Q4 Update On Track

Recommendation

Buy (unchanged)

Price

\$0.54

Target (12 months)

\$0.64 (previously \$0.49)

Sector

Healthcare Equipment and Services

Expected Return

Capital growth	18.5%
Dividend yield	0.0%
Total expected return	18.5%

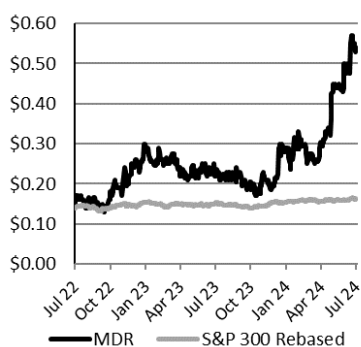
Company Data & Ratios

Enterprise value	\$293.3m
Market cap	\$297.3m
Issued capital	550.5m
Free float	97.2%
Avg. daily val. (52wk)	\$268.9k
12 month price range	\$0.16 - \$0.59

Price Performance

	(1m)	(3m)	(12m)
Price (A\$)	0.43	0.26	0.24
Absolute (%)	25.58	107.69	129.79
Rel market (%)	24.81	103.98	122.54

Absolute Price



SOURCE: IRESS

Revenues in Line, Gross Margin Beat

MDR had another strong quarter of topline growth in the US and ANZ, while gross margins also improved. Q4 revenue was \$22.3m (up +32% on pcp). Full-year revenue was \$122.1m (+25% on pcp) and in line with pre-released guidance of \$120m-123m and BPe \$122.0m. The highlight of the Q4 update was a strong recovery in 2H24 gross margins. FY24 gross margin was ~60.8% (vs. 60.6% in FY23), with the driver being 2H24 gross margin of 66.1% vs. 57.5% in 1H24. Cash balance was \$15.6m as at 30th June 2024, down from \$19.5m at 31st March. FY24 free cashflow was \$5.3m (up from -\$1.6m in FY23).

THRiV Uptake Continues

US customers are steadily adopting MDR's newer THRiV offering, an omni-channel platform that results in higher gross margins and ROI compared to traditional campaigns. THRiV made up ~48% of Q4 US revenue compared to ~3% in the pcp, with gross margins benefiting as a result. In the ANZ market, transaction fees for vaccination programs were implemented in March and helped increase revenue +27% on pcp to \$7.0m. Additional health programs with ANZ pharma companies also contributed to topline growth. Overall, Q4 was another solid quarter of topline growth in line with expectations. The limited outlook commentary included: "advances across the business in FY24 have provided a strong foundation for continued growth into FY25... driven by the increasing adoption of our omni-channel patient engagement solutions."

Investment view: Maintain BUY; PT \$0.64 (was \$0.49)

We have made minor changes to earnings and rolled forward the DCF and EV/Revenue valuation methods. EV/Revenue multiple is increased to 2.5x FY25e revenue (previously 2.0x FY24). DCF assumptions are 9.6% WACC and 2.0% TGR. Our PT is increased to \$0.64, which is >15% the current share price, hence we maintain our BUY recommendation. The next anticipated catalyst is the full-year result in late August.

Earnings Forecast

June Year End	2023	2024e	2025e	2026e
Revenue (A\$m)	98.0	122.1	143.7	164.1
EBITDA (A\$m)	-3.1	7.4	9.3	17.6
NPAT (reported) (A\$m)	-11.3	0.8	2.5	9.2
NPAT (adjusted) (A\$m)	-11.1	0.8	2.5	9.2
Diluted EPS (cps)	-2.1	0.1	0.5	1.7
EPS growth (%)	nm	nm	231%	269%
PE (x)	nm	395.9	119.6	32.4
EV/EBITDA (x)	nm	39.6	31.6	16.7
FCF yield (%)	nm	2.7%	2.5%	4.7%
Dividend (cps)	0.0	0.0	0.0	0.0
Franking (%)	0.0%	0.0%	0.0%	0.0%
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%
ROE (%)	nm	1.5%	4.8%	15.0%

SOURCE: BELL POTTER SECURITIES ESTIMATES

Q4 Update

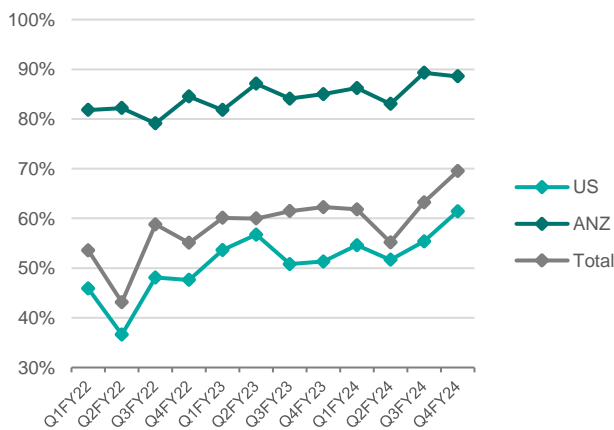
Q4 revenues were in line with expectations, hence no changes to revenue forecasts.

A key highlight of the Q4 update was better-than-expected gross margins:

- US Q4 gross margin up +9.6pps on pcp (61.4% vs. 51.8% pcp). The increase was largely due increased adoption of higher margin THRIv programs (48% of Q4 revenue from THRIv vs. ~3% in pcp).
- ANZ Q4 gross margin up +5.0pps on pcp (88.6% vs. 83.6% pcp).

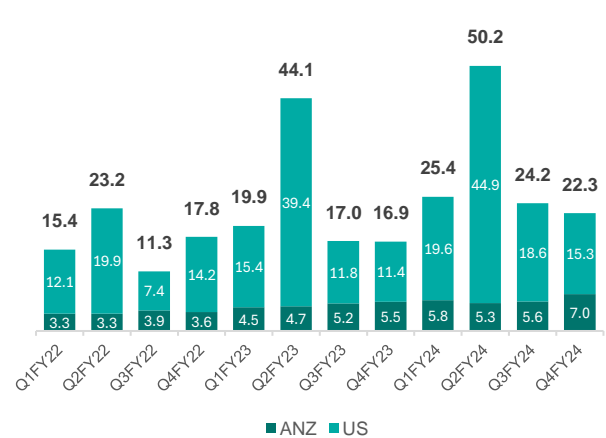
The net result was full-year FY24 gross margin of 60.8% (vs. 60.6% in FY23), driven by a strong gross margin recovery in 2H24, as shown in Figure 1 below.

Figure 1 - Gross Margin %, quarterly



SOURCE: COMPANY DATA

Figure 2 – Revenue (A\$m), quarterly



SOURCE: COMPANY DATA

MDR will invest \$10-15m over the next ~12-18 months as part of ‘Transformation 360’ (i.e. cloud migration and shared services model) to reduce fixed costs. We now account for a portion of this in our FY25 COGS/operating expenses, and therefore modestly decrease FY25 EBITDA, as shown below. However, longer term forecasts beyond FY25 remain largely unchanged.

Figure 3 - Changes to Key Forecasts (A\$m)

Year end 30 June	FY23a	FY24e			FY25e			FY26e		
		Old	New	Change	Old	New	Change	Old	New	Change
Revenue	98.0	122.0	122.1	0%	143.7	143.7	0%	164.1	164.1	0%
EBITDA	(3.1)	7.2	7.4	3%	11.1	9.3	(16%)	17.6	17.6	(0%)
NPAT	(11.3)	0.6	0.8	25%	3.5	2.5	(29%)	8.0	9.2	14%
Diluted EPS (cents)	(2.1)	0.1	0.1	36%	0.6	0.5	(25%)	1.5	1.7	11%

SOURCE: BELL POTTER SECURITIES ESTIMATES

Investment view: Maintain BUY; PT increased to \$0.64/share.

We have rolled forward our DCF and EV/Revenue valuation methods. EV/Revenue multiple is increased to 2.5x FY25e (previously 2.0x FY24). DCF assumptions are 9.6% WACC and 2.0% TGR. As a result our PT is increased to \$0.64/share which is >15% of the current share price. We maintain our BUY recommendation ahead of the next anticipated catalyst, being the full-year result, where we look to any further guidance on the pipeline/outlook.

Company Overview

MedAdvisor

MedAdvisor (MDR) is a healthcare technology company providing medication management solutions to improve patient outcomes. MDR has three key medication management/communication solutions: Mobile App (MedAdvisor), Pharmacy Software (PlusOne) and Patient Engagement Solutions (Adheris). The domestic ANZ opportunity is centred around the integrated pharmacy software and mobile application. While the US strategy builds upon a direct to patient marketing strategy through targeted education programs (chronic disease, vaccinations).

MDR's global network includes ~38k network pharmacies and ~235m patients. This comprises ~32k pharmacies and 230m patients in the US and ~5.7k pharmacies and 3.1m patients in Australia. The 2022 acquisition of GuildLink in Australia strengthened MDR's presence within the Australian market (now present in ~95% of Australian pharmacies) while the acquisition of the Adheris platform (Nov 2020) has been critical in accelerating growth within the US. MDR's US business contributes the vast majority of total company revenue, ~80% in FY23 and FY22.

Key Risks

Commercial Contract Risks.

The US performance has been the key driver for growth for MedAdvisor specifically through the Adheris acquisition and the digital communications channel through the broad patient reach. The increasing number of health programs have been critical in the accelerating growth for MDR. Inability to maintain this growth trajectory in terms of increasing programs and maintaining the average pricing per program may impact our forecasts and presents an important risk for the company. The onboarding of various vaccination programs (paediatric, influenza, Covid) has been an important driver for MDR growth over the past 24 months. Changing public health policy and rates of participation in these programs may also impact potential revenues.

Compliance and Regulatory Risks.

Adheris Health must comply with the Health Insurance Portability and Accountability Act (HIPAA). This requires the company to handle protected health information and maintain safeguards, control policies, routine auditing/monitoring of Protective Health Information (PHI) and network security. Breach of security data held or transmitted by Adheris could result in financial penalties, reputational damage, and impact future contracted revenue. Similar information security risks exist for domestic operations. MDR must ensure patient and pharmacy consent to access prescription data and be aware of government legislation in all relevant jurisdictions.

Technology Risks

MedAdvisor and its customers/users are dependent on the platform, data centres and communication systems (servers, hosting services, cloud). There is an additional reliance on third-party technology service providers. Failure of these technology systems (internal, external) may cause business delays, medicolegal issues, loss of patient/pharmacy support impacting market share and financial performance.

Competitor Risks

Following the GuildLink integration, MDR has 95% penetration amongst Australian pharmacies. Due to these important strategic partnerships and established foundation, there is greater maturity within the domestic market. In the US competitors include

ConnectiveRx and OptimiseRx who utilise various channels including direct-to-patient digital communications to improve medication adherence. Our current forecasts assume increasing market share for MedAdvisor in the US amongst this adherence solution sector. Failure to capture this market due to pricing or technology may impact our forecasts.

Financial Risk

MedAdvisor had a cash position of \$15.6m at 30th June 2024 and has guided towards FY24 EBITDA/NPAT profitability. We recognise that the company intends to re-invest in its US capabilities to drive medium term growth and strengthen its market share. We expect positive cash flow from FY24 onwards, however, recognise the financial risk that the company may require additional capital in the future to fund ongoing operations.

Intellectual Property Risk

MedAdvisor has secured patents to protect its proprietary technology and patient delivery solutions. If the secured intellectual property protection is inadequate, competitors may be able to use part or all of MedAdvisor's technology which would hinder its competitive advantage and thereby adversely affect the financial and operating performance of the company.

Table 1 - Financial summary

MedAdvisor (MDR)						Share price:	\$0.540	Target price:	\$0.64		
						No. of issued shares:	550.5m	Market cap:	\$297.3m		
Profit & Loss (A\$m)						Valuation Ratios (A\$m)					
	2022	2023	2024e	2025e	2026e		2022	2023	2024e	2025e	2026e
Year Ending 30 June						Year Ending 30 June					
Revenue	67.8	98.0	122.1	143.7	164.1	Diluted EPS (cents)	-4.6	-2.1	0.1	0.5	1.7
Growth (%)		45%	25%	18%	14%	EPS growth (%)	nm	nm	nm	231%	269%
COGS	-32.8	-38.6	-47.9	-57.8	-65.2	PE(x)	nm	nm	395.9	119.6	32.4
Gross Profit	35.0	59.4	74.2	85.9	99.0	EV/EBITDA (x)	nm	nm	39.6	31.6	16.7
Gross margin	51.6%	60.6%	60.8%	59.8%	60.3%	EV/Revenue (x)	4.3	3.0	2.4	2.0	1.8
Other income	0.0	0.0	0.0	0.0	0.0	FCF per share (cents)	-0.1	-0.3	1.5	1.4	2.6
Operating expenses	-46.3	-62.5	-66.8	-76.6	-81.4	NTA/share (cents)	4.1	5.4	6.9	8.6	11.5
EBITDA	-11.3	-3.1	7.4	9.3	17.6	Price/NTA (x)	13.3	10.0	7.9	6.3	4.7
EBITDA margin	-16.7%	-3.1%	6.1%	6.5%	10.7%	Price/NTA (x)	13.3	10.0	7.9	6.3	4.7
Depreciation & amortisation	-4.9	-5.4	-4.2	-4.3	-4.4	Book value of equity/share (cents)	6.4	8.9	8.9	9.4	11.1
EBIT	-16.2	-8.4	3.2	4.9	13.2	Price/Book value per share (x)	8.5	6.1	6.0	5.7	4.9
EBIT margin	-23.9%	-8.6%	2.6%	3.4%	8.0%	Dividend per share (cents)	0.0	0.0	0.0	0.0	0.0
Net Interest (expense)/benefit	-1.5	-2.1	-1.8	-1.8	-1.8	Dividend payout ratio (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Profit before tax	-17.7	-10.5	1.5	3.2	11.4	Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Tax expense	0.2	-0.8	-0.7	-0.7	-2.3	Franking (%)	0.0%	0.0%	0.0%	0.0%	0.0%
NPAT (pre abnormal)	-17.5	-11.3	0.8	2.5	9.2						
Other comprehensive income/(loss)	2.0	0.3	0.0	0.0	0.0						
Total comprehensive income/(loss)	-15.5	-11.1	0.8	2.5	9.2						
Cash Flow (A\$m)						Performance Ratios					
	2022	2023	2024e	2025e	2026e		2022	2023	2024e	2025e	2026e
Year Ending 30 June						Year Ending 30 June					
EBITDA	-11.3	-3.1	7.4	9.3	17.6	Gross margin	na	61%	61%	60%	60%
Change in working capital	-11.9	-3.0	-3.5	-1.1	-1.0	EBITDA margin	na	-3%	6%	6%	11%
Gross operating cash flow	0.6	0.0	10.9	10.4	18.6	EBIT margin	na	-9%	3%	3%	8%
Income taxed paid	0.0	0.0	-0.7	-0.7	-2.3	EBT margin	na	-11%	1%	2%	7%
Net interest income/(payment)	-0.8	-1.4	-1.8	-1.8	-1.8	NPAT margin	na	-12%	1%	2%	6%
Receipts from R&DTI & GST	0.0	0.0	0.0	0.0	0.0	Effective tax rate	-1%	8%	-48%	-22%	-20%
Other	0.0	0.0	0.0	0.0	0.0						
Net operating cash flow	-0.2	-1.5	8.4	7.9	14.6	Leverage Ratios					
Net payments for PPE	-0.3	-0.2	-0.4	-0.4	-0.5		2022	2023	2024e	2025e	2026e
Payments for acquisition of subsidiary	0.0	1.4	0.0	0.0	0.0	Net debt/(cash)	3.6	-2.2	-10.2	-17.6	-31.7
Deferred consideration payment	0.0	-4.5	0.0	0.0	0.0	Net debt/equity (x)	10%	nm	nm	nm	nm
Payments for intangibles	0.0	0.0	0.0	0.0	0.0	Net debt/EBITDA (x)	(31%)	nm	nm	nm	nm
Net investing cash flow	-0.3	-3.2	-0.4	-0.4	-0.5	Interest coverage ratio (x)	nm	nm	178%	274%	733%
Free cash flow (FCF)	-0.5	-1.6	8.0	7.5	14.1	Revenue Analysis (A\$m)					
Proceeds from issuance of shares	0.0	14.6	0.0	0.0	0.0		2022	2023	2024e	2025e	2026e
Capital raise costs	-0.1	-0.9	0.0	0.0	0.0	ANZ	14.0	19.9	23.7	27.1	31.2
Proceeds from debt raising (net of costs)	3.7	0.0	0.0	0.0	0.0	US	53.6	78.1	98.4	116.6	132.9
Repayment of borrowings	-0.3	0.0	0.0	0.0	0.0	RoW	0.1	0.1	0.0	0.0	0.0
Repayment of lease liabilities	-1.5	-1.2	0.0	0.0	0.0	Total	67.8	98.0	122.1	143.7	164.1
Receipts from non-controlling entities	0.0	0.0	0.0	0.0	0.0	Growth (%)	75%	45%	25%	18%	14%
Net financing cash flow	1.9	12.4	0.0	0.0	0.0	Interim Results					
Net change in cash	1.3	7.7	8.0	7.5	14.1		1H23	2H23	1H24a	2H24e	
Cash at start of period	7.2	7.6	14.2	22.2	29.7	Revenue	64.1	33.9	75.5	46.6	
Exchange rate impact	-0.9	-1.1	0.0	0.0	0.0	EBITDA	8.6	-11.6	10.3	-2.9	
Cash at end of period	7.6	14.2	22.2	29.7	43.8	NPAT (pre abnormal)	4.6	-15.9	6.9	-6.1	
						Diluted EPS (cents)	0.9	-2.9	1.2	-1.1	
Balance Sheet (A\$m)											
	2022	2023	2024e	2025e	2026e						
Year Ending 30 June											
Cash and cash equivalents	7.6	14.2	22.2	29.7	43.8						
Receivables	9.1	11.7	12.2	14.4	16.4						
Other current assets	1.8	2.2	2.2	2.2	2.2						
PPE	1.5	0.5	0.5	0.5	0.5						
Intangible assets	56.3	66.4	62.8	59.1	55.4						
Right of use assets - leases	2.0	0.8	0.6	0.4	0.2						
Other non-current assets	0.1	0.0	0.0	0.0	0.0						
Total assets	78.4	95.9	100.6	106.3	118.5						
Payables	16.6	14.4	18.3	21.6	24.6						
Borrowings (current)	4.1	0.0	0.0	0.0	0.0						
Lease liabilities (current)	1.4	0.8	0.8	0.8	0.8						
Employee benefits (current)	1.3	1.3	1.3	1.3	1.3						
Other current liabilities	11.9	16.2	16.2	16.2	16.2						
Income tax payable	0.0	0.5	0.5	0.5	0.5						
Borrowings (non-current)	7.1	12.0	12.0	12.0	12.0						
Lease liabilities (non-current)	0.9	0.3	0.3	0.3	0.3						
Employee benefits (non-current)	0.1	0.2	0.2	0.2	0.2						
Deferred tax liabilities	0.6	1.8	1.8	1.8	1.8						
Other payables	0.0	0.0	0.0	0.0	0.0						
Total Liabilities	43.9	47.4	51.4	54.6	57.7						
Net Assets	34.5	48.5	49.2	51.7	60.8						
Issued capital	91.8	115.4	115.4	115.4	115.4						
Reserves	4.3	5.9	5.9	5.9	5.9						
Retained earnings/(accumulated losses)	-61.6	-72.9	-72.1	-69.7	-60.5						
Non-controlling equity interest	0.0	0.0	0.0	0.0	0.0						
Total equity	34.5	48.5	49.2	51.7	60.8						

SOURCE: BELL POTTER SECURITIES ESTIMATES

Recommendation structure

Buy: Expect >15% total return on a 12 month view. For stocks regarded as 'Speculative' a return of >30% is expected.

Hold: Expect total return between -5% and 15% on a 12 month view

Sell: Expect <-5% total return on a 12 month view

Speculative Investments are either start-up enterprises with nil or only prospective operations or recently commenced operations with only forecast cash flows, or companies that have commenced operations or have been in operation for some time but have only forecast cash flows and/or a stressed balance sheet.

Such investments may carry an exceptionally high level of capital risk and volatility of returns.

Research Team

Staff Member	Title/Sector	Phone	@bellpotter.com.au
Chris Savage	Head of Research/Industrials	612 8224 2835	csavage
Rob Crookston	Strategy	612 8224 2813	rcrookston
Analysts			
John Hester	Healthcare	612 8224 2871	jhester
Martyn Jacobs	Healthcare	613 9235 1683	mjacobs
Thomas Wakim	Healthcare	612 8224 2815	twakim
Michael Ardrey	Industrials	613 9256 8782	mardrey
Marcus Barnard	Industrials	618 9326 7673	mbarnard
Sam Brandwood	Industrials	612 8224 2850	sbrandwood
Joseph House	Industrials	613 9325 1624	jhouse
Baxter Kirk	Industrials	613 9235 1625	bkirk
Daniel Laing	Industrials	612 8224 2886	dlaing
Hayden Nicholson	Industrials	613 9235 1757	hnicholson
Chami Ratnapala	Industrials	612 8224 2845	cratnapala
Jonathan Snape	Industrials	613 9235 1601	jsnape
Connor Eldridge	Real Estate	612 8224 2893	celdridge
Andy MacFarlane	Real Estate	612 8224 2843	amacfarlane
Regan Burrows	Resources	618 9236 7677	rburrows
David Coates	Resources	612 8224 2887	dcoates
Stuart Howe	Resources	613 9325 1856	showe
Brad Watson	Resources	618 9326 7672	bwatson
James Williamson	Resources	613 9235 1692	jwilliamson
Associates			
Leo Armati	Associate Analyst	612 8224 2846	larmati
Kion Sapountzis	Associate Analyst	613 9235 1824	ksapountzis
Ritesh Varma	Associate Analyst	613 9235 1658	rvarma

Research Coverage & Policies

For Bell Potter Securities' Research Coverage Decision Making Process and Research Independence Policy please refer to our company website: <https://bellpotter.com.au/research-independence-policy/>.

Authoring Research Analyst's Certification

The Authoring Research Analyst is responsible for the content of this Research Report, and, certifies that with respect to each security that the Analyst covered in this Report (1) all the views expressed accurately reflect the Analyst's personal views about those securities and were prepared in an independent manner and (2) no part of the Analyst's compensation was, is or will be, directly or indirectly, related to specific recommendations or views expressed by that Research Analyst in the Research Report.

Research Analyst's Compensation

Research Analyst's compensation is determined by Bell Potter Securities Research Management and Bell Potter Securities' Senior Management and is based upon activities and services intended to benefit the investor clients of Bell Potter Securities Ltd. Compensation is not linked to specific transactions or recommendations. Like all Company employees Research Analysts receive compensation that is impacted by overall Company profitability.

Prices

The Price appearing in the Recommendation panel on page 1 of the Research Report is the Closing Price on the Date of the Research Report (appearing in the top right hand corner of page 1 of the Research Report), unless a before midday (am) time appears below the Date of the Research Report in which case the Price appearing in the Recommendation panel will be the Closing Price on the business day prior to the Date of the Research Report.

Availability

The completion and first dissemination of a Recommendation made within a Research Report are shortly after the close of the Market on the Date of the Research Report, unless a before midday (am) time appears below the Date of the Research Report in which case the Research Report will be completed and first disseminated shortly after that am time.

Dissemination

Bell Potter generally disseminates its Research to the Company's Institutional and Private Clients via both proprietary and non-proprietary electronic distribution platforms. Certain Research may be disseminated only via the Company's proprietary distribution platforms; however such Research will not contain changes to earnings forecasts, target price, investment or risk rating or investment thesis or be otherwise inconsistent with the Author's previously published Research. Certain Research is made available only to institutional investors to satisfy regulatory requirements. Individual Bell Potter Research Analysts may also opt to circulate published Research to one or more Clients by email; such email distribution is discretionary and is done only after the Research has been disseminated. The level and types of service provided by Bell Potter Research Analysts to Clients may vary depending on various factors such as the Client's individual preferences as to frequency and manner of receiving communications from Analysts, the Client's risk profile and investment focus and perspective (e.g. market-wide, sector specific long term and short term etc.) the size and scope of the overall Client relationship with the Company and legal and regulatory constraints.

Disclaimers

This Research Report is a private communication to Clients and is not intended for public circulation or for the use of any third party, without the prior written approval of Bell Potter Securities Limited.

The Research Report is for informational purposes only and is not intended as an offer or solicitation for the purpose of sale of a security. Any decision to purchase securities mentioned in the Report must take into account existing public information on such security or any registered prospectus.

This is general investment advice only and does not constitute personal advice to any person. Because this Research Report has been prepared without consideration of any specific client's financial situation, particular needs and investment objectives ('relevant personal circumstances'), a Bell Potter Securities Limited Broker (or the financial services licensee, or the representative of such licensee, who has provided you with this report by arrangement with Bell Potter Securities Limited) should be made aware of your relevant personal circumstances and consulted before any investment decision is made on the basis of this Research Report.

While this Research Report is based on information from sources which are considered reliable, Bell Potter Securities Limited has not verified independently the information contained in this document and Bell Potter Securities Limited and its directors, employees and consultants do not represent, warrant or guarantee expressly or impliedly, that the information contained in this Research Report is complete or accurate.

Nor does Bell Potter Securities Limited accept any responsibility for updating any advice, views, opinions or recommendations contained in this Research Report or for correcting any error or omission which may have become apparent after the Research Report has been issued.

Bell Potter Securities Research Department has received assistance from the Company referred to in this Research Report including but not limited to discussions with management of the Company. Bell Potter Securities Policy prohibits Research Analysts sending draft Recommendations, Valuations and Price Targets to subject companies. However, it should be presumed that the Author of the Research Report has had discussions with the subject Company to ensure factual accuracy prior to publication.

All opinions, projections and estimates constitute the judgement of the Author as of the Date of the Research Report and these, plus any other information contained in the Research Report, are subject to change without notice. Prices and availability of financial instruments also are subject to change without notice.

Notwithstanding other departments within Bell Potter Securities Limited advising the subject Company, information obtained in such role is not used in the preparation of the Research Report.

Although Bell Potter Research does not set a predetermined frequency for publication, if the Research Report is a fundamental equity research report it is the intention of Bell Potter Research to provide research coverage of the covered issuers, including in response to news affecting the issuer. For non-fundamental Research Reports, Bell Potter Research may not provide regular updates to the views, recommendations and facts included in the reports.

Notwithstanding that Bell Potter maintains coverage on, makes recommendations concerning or discusses issuers, Bell Potter Research may be periodically restricted from referencing certain Issuers due to legal or policy reasons. Where the component of a published trade idea is subject to a restriction, the trade idea will be removed from any list of open trade ideas included in the Research Report. Upon lifting of the restriction, the trade idea will either be re-instated in the open trade ideas list if the Analyst continues to support it or it will be officially closed.

Bell Potter Research may provide different research products and services to different classes of clients (for example based upon long-term or short term investment horizons) that may lead to differing conclusions or recommendations that could impact the price of a security contrary to the recommendations in the alternative Research Report, provided each is consistent with the rating system for each respective Research Report.

Except in so far as liability under any statute cannot be excluded, Bell Potter Securities Limited and its directors, employees and consultants do not accept any liability (whether arising in contract, in tort or negligence or otherwise) for any error or omission in the document or for any resulting loss or damage (whether direct, indirect, consequential or otherwise) suffered by the recipient of the document or any other person.

In the USA and the UK this Research Report is only for institutional investors. It is not for release, publication or distribution in whole or in part in the two specified countries. In Hong Kong this Research Report is being distributed by Bell Potter Securities (HK) Limited which is licensed and regulated by the Securities and Futures Commission, Hong Kong. In the United States this Research Report is being distributed by Bell Potter Securities (US) LLC which is a registered broker-dealer and member of FINRA. Any person receiving this Research Report from Bell Potter Securities (US) LLC and wishing to transact in any security described herein should do so with Bell Potter Securities (US) LLC.

Bell Potter Securities Limited

ABN 25 006 390 772
Level 29, 101 Collins Street
Melbourne, Victoria, 3000
Telephone +61 3 9256 8700
www.bellpotter.com.au

Bell Potter Securities (HK) Limited

Room 1601, 16/F
Prosperity Tower, 39 Queens
Road Central, Hong Kong, 0000
Telephone +852 3750 8400

Bell Potter Securities (US) LLC

Floor 39
444 Madison Avenue, New York
NY 10022, U.S.A
Telephone +1 917 819 1410

Bell Potter Securities (UK) Limited

16 Berkeley Street London, England
W1J 8DZ, United Kingdom
Telephone +44 7734 2929