

ASX ANNOUNCEMENT

21 June 2019

HEALTHIA ANNOUNCES NEW ACQUISITIONS

Healthia Limited (ASX: HLA) (Healthia) is pleased to announce that it has entered into binding agreements to acquire a further 2 physiotherapy clinics, 1 located in South-East QLD and 1 in NSW.

Settlement of these acquisitions is conditional upon board and financier approval, assignment of property leases to Healthia and other customary conditions precedent. It is expected that all conditions will be met, and all clinics should settle before 31 July 2019.

Total consideration for the acquisitions is as follows:

| | |
|---|-----------------|
| Cash consideration | \$0.674m |
| Contingent consideration | \$0.150m |
| Issue of Clinic Class Shares ¹ | <u>\$0.456m</u> |
| Total consideration | \$1.280m |

The clinics to be acquired are expected to contribute the following²:

| | |
|---------------------|----------|
| Revenue | \$1.527m |
| EBITDA ³ | \$0.329m |

These acquisitions, and future acquisitions, are expected to be funded by the Company utilising the undrawn debt available under the facility agreement with ANZ and BOQ, free cash generated from the operations of the businesses and the Clinic Retention Program.

CONTACT

If you have any further questions, please contact:

| Company | Company | Company |
|--|--|--|
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About Healthia

Healthia Limited is an integrated group of health-based companies whose mission is to enrich the lives of people through world-class health services. The group operates an integrated portfolio of allied health businesses which include My FootDr, Allsports Physiotherapy, Extend Rehabilitation, iOrthotics and D.B.S. Medical Supplies.

My FootDr is Australia's leading podiatry group with 75 podiatry clinics, with clinics equipped with innovative equipment and highly qualified podiatrists which provide world-class podiatry services that include biomechanical assessment, laser fungal nail treatment, diabetic screening, sports injury management and general foot care.

¹ Clinic Class Shares are non-voting shares issuable by certain subsidiaries of Healthia Limited. These shares enable the holder to participate in dividends declared, calculated on the performance of the clinic in which the Clinic Class Shares are issued. The Clinic Class Shares are designed to create alignment between the interests of clinicians and shareholders.

² Revenue and EBITDA numbers are based on a historical 12 months of trading in FY18 and annualised FY19 financials, normalised in accordance with Healthia's acquisition and accounting policies.

³ EBITDA includes the approximate 34.5% economic interest continued to be owned by Clinic Class Shareholders.

Allsports Physiotherapy and Sports Medicine has 31 clinics in Queensland and has been providing high standards of physiotherapy since 1992, offering a range of services at each clinic, including podiatry, Pilates, massage therapy, occupational therapy and nutrition advice.

Extend Rehabilitation is dedicated to caring for the hand and upper arm, including injuries to the hand, wrist, elbow and shoulder and neck. Services also include general musculoskeletal physiotherapy. Extend Rehabilitation has nine clinics throughout Brisbane, with three of those clinics co-located inside an Allsports Physiotherapy and Sports Medicine clinic.

Queensland-based **iOrthotics** is a world-leader in 3D printing, delivering custom-made foam rubber and 3D-printed orthotic devices to more than 100 podiatry clinics throughout Australia.

D.B.S. Medical Supplies is a podiatry supplies business based in Byron Bay, New South Wales which provides a wide range of podiatry equipment and foot care products to allied health professionals throughout Australia, New Zealand, the South Pacific, Singapore and Hong Kong.