

ASX ANNOUNCEMENT

1 August 2019

HEALTHIA ANNOUNCES COMPLEMENTARY HAND THERAPY ACQUISITIONS

Healthia Limited (ASX: HLA) (Healthia) is pleased to announce that it has entered into binding agreements to acquire 4 speciality hand therapy clinics located in Sydney NSW.

CEO of Physiotherapy, Tony Ganter said "the 4 speciality hand therapy clinics, which provide physiotherapy and occupational therapy for the hand and upper limb, complement our existing 9 Extend Hand Therapy clinics in Queensland. We are pleased that we are able to expand these speciality services across the group".

Settlement of these clinics 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 August 2019.

Total consideration for the 4 speciality hand therapy clinics is as follows:

Cash consideration	\$2.170m
Contingent consideration	\$0.500m
Issue of Clinic Class Shares ¹	<u>\$0.930m</u>
Total consideration	\$3.500m

The clinics are expected to contribute the following²:

Revenue	\$2.767m
EBITDA ³	\$0.775m

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

Investors are encouraged to keep up to date with Healthia news and research by subscribing at: <https://investors.healthia.com.au/subscriptions>

If you have any further questions, please contact:

Company	Company	Company
Wesley Coote Group CEO & MD Tel: 07 3180 4900 E: wes.coote@healthia.com.au	Tony Ganter CEO - Physiotherapy Tel: 07 3180 4900 E: tony.ganter@healthia.com.au	Darren Stewart CEO – Podiatry Tel: 07 3180 4900 E: darren.stewart@healthia.com.au

-END-

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/ or annualised FY19 financials, normalised in accordance with Healthia's acquisition and accounting policies.

³ EBITDA includes the approximate 30.0% economic interest continued to be owned by Clinic Class Shareholders.

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 77 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.

Allsports Physiotherapy and Sports Medicine has 35 clinics in both Queensland and Victoria 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 9 clinics throughout Brisbane, with 3 of those clinics co-located inside an Allsports Physiotherapy and Sports Medicine clinics.

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.