

## ASX ANNOUNCEMENT

24 February 2020

### HALF YEAR RESULTS AND INTERIM DIVIDEND

Healthia Limited (ASX: HLA) (Healthia or the Company) is pleased to announce its results for the half year ended 31 December 2019 as follows:

#### HIGHLIGHTS

During the period ended 31 December 2019, the Company has achieved the following key highlights:

- Organic revenue growth for the period was 3.5% (5.8% in the physiotherapy division and 1.3% in the podiatry division);
- Reported revenue was up 50.2%, underlying EBITDA (removing the impact of AASB16) was up 33.7% and underlying earnings per share was up 31.8% on prior year;
- The Company has declared its first dividend, being 1 cent per share fully-franked;
- Acquired 19 allied health businesses (9 Physiotherapy clinics, 4 Hand Therapy Clinics and 6 Podiatry Clinics) and in January 2020 expanded iOrthotics to North America; and
- Healthia deployed capital of \$12.3M during the half-year period at an average EBITDA multiple of 4.15x;
- An increase in its finance facility with ANZ and BOQ from \$37m to \$50m, providing additional funding for future acquisitions;
- Held its inaugural, industry leading education conference on the Gold Coast which was attended by 437 of the groups clinicians and support staff and boasted industry leading speakers;
- Recruited 26 physiotherapy graduates, 16 podiatry graduates, 2 occupational therapist graduates and 1 exercise physiologist graduate, who commenced work in February 2020 to assist with future organic growth;
- Expanded its education to include Clinic Leadership and Business Leadership programs;
- Executed 2 leases for new greenfield multidisciplinary allied health clinics located in Bundaberg (QLD) and Pimpama (Gold Coast, QLD). The clinics are expected to be open for trading in April and October 2020 respectively.

#### FINANCIAL PERFORMANCE

The Company has delivered strong organic revenue growth and strong underlying earnings growth over prior year. The Company reports the following underlying results:

**Table 1: Healthia Limited Underlying Financial Performance**

Underlying	31/12/2019 \$'000s	31/12/2018 \$'000s <sup>5</sup>	Growth on prior year
Revenue	44,264	29,477	50.2%
Underlying EBITDA <sup>1,2,3</sup>	5,760	4,308	33.7%
Underlying EBITDA margin <sup>1,2,3</sup>	13.01%	14.61%	-160bps
Underlying NPATA attributable to the owners of Healthia Limited <sup>1,4</sup>	2,429	1,842	31.9%
Underlying NPATA margin <sup>1,4</sup>	5.49%	6.25%	-76bps
Underlying EPS <sup>1,5</sup>	3.85 cents	2.92 cents	31.8%

#### Notes

1. Underlying profit reflects statutory profit as adjusted to reflect the Directors' assessment of the result for the ongoing business activities of the consolidated entity, in accordance with AICD/Finish principles of recording underlying profit. Underlying profit has not been audited or reviewed.
2. Underlying EBITDA is a non-IFRS measure and equals earnings before interest, tax, depreciation and amortisation.
3. EBITDA excludes the impact from the adoption of AASB16 on lease payments of \$3.87M (used to obtain like-for-like comparison with the prior period EBITDA).
4. Underlying NPATA equals net profit after income tax expense plus amortisation of customer list intangibles. NPATA is a non-IFRS measure.
5. Underlying EPS or earnings per share is calculated as NPATA attributable to the owners of Healthia Limited divided by the number of shares on issue of 63,034,653 (H1 19: 63,034,653).

Please note that the underlying results have been impacted by the adoption of AASB16. Information on the statutory results and more information on the impact of adopting AASB16 can be found in the half year accounts of the Company.

## INTERIM DIVIDEND

The Company is pleased to declare its first dividend since listing on the Australian Securities Exchange on 11 September 2018.

An interim fully-franked dividend of 1.00 cent per share to the ordinary shareholders of Healthia Limited has been declared with the following key dates:

- Ex-dividend date: 8 March 2020;
- Record date: 9 March 2020; and
- Payment date: 3 April 2020.

The company has a dividend reinvestment plan (DRP) under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. A 2.5% discount will apply to the DRP for the interim dividend and the DRP pricing period will be the 5 trading days immediately prior to the record date.

The Dividend Reinvestment Plan will be fully underwritten by Canaccord Genuity. A copy of the Dividend Reinvestment Plan rules can be found on Healthia's Website <https://healthia.com.au/s/Dividend-Reinvestment-Plan-Rules.pdf>.

## INCREASE IN FINANCE FACILITY TO \$50M

Healthia is pleased to announce that it has increased its finance facility with ANZ and BOQ from \$37m to \$50m. In addition, the facility term has been extended to 30 September 2022. There were no changes made to the banking covenants.

At reporting date, an amount of \$23.3m remains undrawn. The Company expects to use a combination of the undrawn debt amount, future operating cash flow and clinic class shares to fund future acquisitions.

## AMGC GRANT

On 05 February 2020, project approval was given to iOrthotics, for a research and development grant of \$0.451M by the Australian government's Advanced Manufacturing Growth Centre. The grant will fund continued research and development collaboration with the University of Queensland to test new 3D printable materials for the use in the production of foot orthotics.

## SHAREHOLDER BRIEFING

Managing Director Wesley Coote will hold a teleconference on **Wednesday 26 February 2020 at 4:30pm (AEDT)** to brief investors, analysts and other interested parties on the H1 results and planned activities for FY20.

To register for the online investor briefing, please go to: [www.healthia.com.au/webcast](http://www.healthia.com.au/webcast)

Should you have any problem registering or joining the session, please contact Principal Investor Relations by calling (03) 8080 5780.

## CONTACT

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

If you have any further questions, please contact:

Company	Company	Investor Relations
Wesley Coote Group CEO & MD Tel: 07 3180 4900 E: <a href="mailto:wes.coote@healthia.com.au">wes.coote@healthia.com.au</a>	Chris Banks CFO & Company Secretary Tel: 07 3180 4900 E: <a href="mailto:chris.banks@healthia.com.au">chris.banks@healthia.com.au</a>	Alfred Chan Principal Investor Relations Tel: 03 8080 5780 E: <a href="mailto:healthia@principalir.com.au">healthia@principalir.com.au</a>

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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 81 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 42 clinics in Queensland, New South Wales 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.

**Specialty Hand Therapy** 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. Healthia has 10 clinics throughout Brisbane, with 3 of those clinics co-located inside an Allsports Physiotherapy and Sports Medicine clinics, and 4 clinics throughout Sydney.

**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 from its Queensland facility, and in January 2020 opened a manufacturing facility in New York.

**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.