

## ASX ANNOUNCEMENT

16 September 2021

### HEALTHIA ANNOUNCES NEW ACQUISITION

- *Healthia is building Australia's leading diversified health care business across the divisions of Bodies and Mind, Feet and Ankles, and Eyes and Ears*
- *Healthia announces the acquisition of Rothwell Physiotherapy which will contribute additional revenue and EBITDA of \$2.13m and \$0.36m respectively*
- *Follows the recent acquisition announcements of AllCare Physiotherapy, John Holme Optometry and Anytime Physio contributing additional revenue and EBITDA of \$3.95m and \$0.64m of EBITDA respectively*

Healthia Limited (**Healthia** or the **Company**) is pleased to announce that it has entered into a binding agreement to acquire Rothwell Physiotherapy, a physiotherapy business located on the north side of Brisbane which services the wider Moreton Bay region.

Wesley Coote, Managing Director, said, "We are very much looking forward to welcoming the team at Rothwell Physiotherapy into the Healthia Family. The addition of Rothwell Physiotherapy is in line with Healthia's stated growth strategy, and brings us one step closer to being the number one provider of physiotherapy services in Australia. We have a strong acquisition pipeline in place for this financial year, underpinned by industry participants placing greater value on the support and stability that a larger group such as Healthia, can provide".

The settlement of Rothwell Physiotherapy is conditional upon assignment of property leases to Healthia and other customary conditions precedent. It is expected that all conditions will be met and the acquisition completed on or before 30 November 2021.

Total consideration for Rothwell Physiotherapy (plus stock, less employee entitlements) is as follows:

Upfront cash consideration	\$1.30m
Issue of Clinic Class Shares <sup>1</sup>	\$0.32m
Total upfront consideration	\$1.62m

In addition to the upfront consideration, contingent consideration of up to \$0.32m will become payable in cash, subject to the achievement of pre-defined earnings targets.

The acquisition of Rothwell Physiotherapy is expected to contribute the following earnings<sup>2</sup> to Healthia:

Revenue	\$2.13m
EBITDA <sup>3</sup>	\$0.36m

<sup>1</sup> 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.

<sup>2</sup> Revenue and EBITDA numbers are based on a historical 12 months of trading, normalised in accordance with Healthia's acquisition and accounting policies, removing the impacts of AASB16.

<sup>3</sup> EBITDA means Earnings before Interest, Tax, Depreciation and Amortisation, removing the impacts of AASB16. EBITDA includes the ~20% economic interest continued to be owned by Clinic Class Shareholders.

## ABOUT HEALTHIA

Healthia is Australia's leading allied health care business with a mission is to enrich the lives of its patients through world-class health services.

Since listing on the Australian Stock Exchange in September 2018, Healthia has grown its portfolio of allied health businesses owned from 104 to 217<sup>4</sup>, representing portfolio growth of 109%. Healthia currently owns and operates businesses across the following health verticals:

- Feet and Ankles (F&A): comprising 94 podiatry clinics, 6 retail footwear stores (trading as Natural Fit Footwear), 2 orthotics laboratories (trading as iOrthotics) and an allied health wholesale supplies business (trading as D.B.S. Medical);
- Bodies and Minds (B&M): comprising 54 physiotherapy clinics and 14 hand therapy clinics; and
- Eyes and Ears (E&E): comprising 45 optometry stores and 1 wholesale eyewear frame distribution business (trading as AED).

## CONTACTS

If you have any further questions, please contact:

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<sup>4</sup> Excludes the acquisition of Rothwell Physiotherapy, which has not yet settled. Settlement is expected on or before 30 November 2021.