

Tuesday, 28 October 2021

UPGRADE TO 1H FY22 PRO FORMA EXPECTATIONS

Australian Clinical Labs Limited (ASX: ACL) (**ACL** or the **Company**) today announced an upgrade to its expectations for 1H FY22 total revenue and net profit after tax (**NPAT**). As part of the prospectus lodged with the Australian Securities and Investment Commission on 28 April 2021 for its IPO (**Prospectus**), ACL provided Pro Forma 1H FY22 forecasts. On 26 August 2021, ACL published its FY21 Pro Forma Results including upgraded expectations for 1H FY22 revenue and NPAT.

Based on trading to date in FY22 and acknowledging the uncertainty in the market, ACL has upgraded its expectations for 1H FY22 as follows:

- Total revenue of between \$398.1 million and \$414.0 million, representing between 29.5% and 34.7% upgrade to Prospectus forecast of \$307.4 million.
- NPAT of between \$63.7 and \$70.0 million, representing between 177.9% and 205.6% upgrade to Prospectus forecast of \$22.9 million.

The upgrade to the 1H FY22 total revenue forecast reflects the continued strong demand for COVID-19 testing, particularly in VIC and NSW, as well as a sustained relatively resilient performance of the non-COVID-19 business.

The upgrade to 1H FY22 NPAT forecast reflects a continuation in the expanded margins that were achieved during FY21, reflecting both increased scale and operating leverage.

The revised expectations are based on actual results for July and August, and month to date September results. In respect to forecasting the remaining months of 1H FY22, there exists uncertainty in particular relating to the timing and impact of reopening and the impact of vaccinations. Acknowledging the uncertainty and difficulty in forecasting, ACL has assumed a reduction in COVID-19 testing in October and Prospectus forecasts for November and December.

The widespread investments in systems and processes that began in 2015, provided solid foundations that underpinned the Company's improved financial performance in FY21, and these have continued to support the improved financial results so far in FY22.

AUD in millions	1H FY21 Pro Forma	1H FY22 Prospectus	1H FY22 Previous Guidance 26 Aug 21	1H FY22 Revised Guidance 28 Sep 21	Growth on 1H FY21	Upgrade on Prospectus
Total Revenue	333.8	307.4	362.4 to 375.5	398.1 to 414.0	19.2% to 24.0%	29.5% to 34.7%
NPAT	43.3	22.9	48.0 to 53.0	63.7 to 70.0	47.0% to 61.7%	177.9% to 205.6%

– ENDS –

This announcement was authorised for release to ASX by the Board of Directors of ACL.

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About Australian Clinical Labs

ACL is a leading Australian private provider of pathology services. Our 86 NATA accredited laboratories perform a diverse range of pathology tests each year for a range of clients including doctors, specialists, patients, hospitals and corporate clients. ACL is one of the largest private hospital pathology businesses nationally. ACL is focused on its mission of combining talented people, and medical and scientific leadership, with innovative thinking and technologies to empower decision making that saves and improves patients' lives.

Forward looking-statements

This announcement may contain forward-looking statements which are statements that may be identified by words such as "may", "will", "would", "should", "could", "believes", "estimates", "expects", "intends", "plans", "anticipates", "predicts", "outlook", "forecasts", "guidance" and other similar words that involve risks and uncertainties. The upgrade to the 1H FY22 forecast is an example of forward-looking statements. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the date of this announcement, are expected to take place. No person who has made any forward-looking statements in this announcement (including the Company) has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, other than to the extent required by law. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management of the Company. We recommend that shareholders read in conjunction with this announcement, Section 4 and Section 5, and other information in, the Prospectus. The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.