

## ASX ANNOUNCEMENT

24 August 2023

### Results for the Year Ended 30 June 2023

Following its *Trading and Business Update* released to the market on 28 June 2023, Capitol Health Limited (**Capitol** or the **Company**) (ASX: CAJ) announces its results for the financial year ended 30 June 2023.

#### FY23 highlights

- Revenue of \$209.6m, an increase of \$25.4m or 13.8% on previous corresponding period (pcp) driven by the acquisition of Future Medical Imaging Group (**FMIG**) and expansion of service offerings in existing clinics
- Operating EBITDA of \$40.2m, a decrease of \$0.9m or 2.3% on pcp
- Operating Margin of 19.2% down from 22.3% for pcp
- Statutory NPAT of -\$11.3m, a decrease of \$22.2m on pcp after material non-cash fair value adjustment, decreasing the carrying value of the Enlitic investment by \$17.6m
- Net Debt of 1.4x last 12 months Operating EBITDA
- Final dividend at 0.5 cps fully franked consistent with prior year
- Three additional MRIs added to the network and Sunshine Private Hospital Clinic fitout completed

The acquisition of FMIG in November 2022 contributed \$16.8m of revenue growth. Excluding FMIG the organic revenue growth was 4.7% on pcp.

#### Outlook for FY24

- Our August YTD revenue position ex FMIG has the Company growing at 16.6% compared to pcp as we cycle a pandemic impacted month of July 2022
- The FMIG acquisition continues to perform strongly and has been integrated
- Our new flagship MRI-comprehensive clinic, Sunshine Private Hospital in the western suburbs of Melbourne, has opened and performing strongly
- Three additional MRIs planned for the network and one greenfield clinic
- Management remains focused on organic growth of revenue and cost control whilst navigating a high inflationary environment. Our initiatives of brownfield developments, aligning labour resources to patient demand, cost to serve review of clinics and standard operating model continue
- Implementation of an operating cost procurement review, assisted reporting software tool for radiologists, and review of low margin services
- Key strategic initiative underway to unify clinic operating systems nationally and project on track

Mr. Justin Walter, Managing Director, commented "By continuing to value, invest in, and grow our highly capable workforce, Capitol remains well placed to meet the returning demand for our services. FY23 was a very challenging year for the team and our valued referrers to navigate several revenue disruptions and rising cost pressures. However, our evolving strong organisational culture has us well placed to continue our growth journey and achieve our stated strategic goals."

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This announcement is authorised for release to the market by the Board of Directors of Capitol Health Limited.

### **About Capitol Health**

Capitol Health is a leading provider of diagnostic imaging and related services to the Australian healthcare market. Headquartered in Melbourne, Victoria, the Company owns and operates clinics throughout Victoria, Tasmania, South Australia and Western Australia. The Company's operational focus is on delivering a community-based infrastructure for radiologists and related medical practitioners to deliver optimal, efficient, accurate healthcare service outcomes for patients.

Capitol also has an investment in a healthcare data solutions business through Enlitic Inc in the US.

### **Forward-Looking Statements**

Certain statements in this announcement are forward looking statements. Forward looking statements can generally be identified by the use of words such as "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "may", "assume" and words of similar import. These forward-looking statements speak only as at the date of this announcement. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements.

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