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AGM Address and Presentation by the Chair and Managing Director/CEO

29 November 2023, Melbourne

Attached are copies of the address and presentation to be given to shareholders by the Chair and the Managing Director and CEO at Integral Diagnostics Limited's Annual General Meeting today.

Shareholder attention is drawn to the YTD October FY24 trading update on slide 14 of the presentation.

For further details contact

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Authorised for lodgement by the Integral Diagnostics Board of Directors.

About IDX:

Integral Diagnostics (IDX) is a leading provider of medical imaging services across Australia and New Zealand. IDX employs some of Australasia's leading radiologists and diagnostic imaging specialists in a unique medical leadership model that ensures quality patient care, service and access. Good medicine is good business. For more information, please visit www.integraldiagnostics.com.au/.



Integral Diagnostics Limited 2023 Annual General Meeting Chair Address

Thank you shareholders, radiologists and staff for the privilege of chairing your specialist healthcare Company over the last nine years. As you know I am retiring as Chair at the end of this meeting when Mr Toby Hall, who has deep healthcare executive and leadership experience in Australia and New Zealand, will take over the reins as Chair of IDX, subject to his election today. You will hear from him during the meeting.

In my address I will cover FY23 financial performance, capital management and governance. Our MD & CEO Dr Ian Kadish will cover operations, the FY24 trading update and key operational improvement initiatives.

As Chair of this Company since 2014, prior to the listing of the Company in October 2015, I have been proud to be a part of a company whose purpose is to deliver the best possible outcomes for our patients by providing diagnostic imaging services, in order to diagnose and treat illness and injury. In 2014 we serviced patients and referrers at 44 sites in Australia and now we service patients and referrers at 91 sites across Australia and New Zealand and through our organic inception and development of our teleradiology business ID Xt.

Whilst I'm proud of this heritage and growth, I believe it's important to briefly touch on the security price performance over the last 12 months, which has been noticeably impacted by our recent trading update. As a fellow securityholder I am as disappointed with the price performance as many of you are. After delivering materially stronger second half results in FY23, our YTD FY24 trading performance is not acceptable. At this meeting Dr Ian Kadish, Managing Director and CEO, will outline a number of the key operational improvements and initiatives targeted at improving our financial performance.

Capital management remains a key priority for the Group. We remain comfortably within our bank covenants. We expect to improve our overall position as cost management and financial performance improves. Our capital structure is considered appropriate and fit for purpose. Net debt/EBITDA at 30 June 2023 of 2.9x is expected, based on current forecast, to gradually reduce over time towards the Group's target leverage of 2.5x, and compares to IDX's bank covenant of not greater than 3.5x.

Turning to financial year 2023, the IDX team performed over 2.5 million exams on over 1 million patients with a patient NPS score of +84. The diagnostic imaging industry saw a continued improvement in operating conditions, especially during the second half of the financial year, as our communities recovered from the challenges brought on by COVID-19, albeit in a higher inflation and higher interest rate environment.

For the 12-month period ended 30 June 2023 (FY23), Operating NPAT declined by 17.6% to \$17.8m. Statutory NPAT increased by 71.5% to \$25.0m.

Revenue grew 22.1% to \$440.8m, with an additional four months of X-Ray Group revenue when compared to the prior year and a full year contribution from both Peloton Radiology and Horizon Radiology, who became part of the IDX Group on 1 July 2022. The increase in operating revenue was also driven by solid growth in our existing businesses, being

organic growth of 7.0% in Australia and 4.4% in New Zealand. IDX organic operating revenue growth in Australia of 7.0% compared favourably to the Medicare industry weighted average increase of 4.8% for the States in which IDX operates.

FY23 Operating EBITDA increased by 13.9% to \$85.2m.

FY23 Operating EBITDA margin declined 1.5% to 19.3% noting the FY23 result was a story of two halves with 2HFY23 margins improving by 1.7% to 20.2%.

Operating Diluted Earnings Per Share declined by 26% as higher interest costs weighed down our results in FY23.

As at 30 June 2023, our net debt to equity ratio was 52.1% and the net debt/EBITDA ratio was 2.9x, down from 3.1x at 31 December 2022, which is in compliance with our bank covenant of 3.5x.

We declared a fully franked final dividend of 3.5cps, a total of 6.0cps for FY23, a decrease of 14.3% on the prior year reflecting the operating performance of the Company.

The following slide shows FY23 performance in the context of historical performance.

The Board has continued the advancement of its environmental, social and governance (ESG) responsibilities and again produced a dedicated ESG Report with reference to the Global Reporting Initiative (GRI) Standards and alignment with the United Nation's Sustainable Development Goals.

We have developed a carbon emissions reduction strategy and continued to work on operational waste reduction.

Noting that 76% of our workforce are female, we have improved diversity at senior levels with 53% of our executive and senior management team female and 43% of our Board members.

We continued our now ten-year long collaboration with Tonga's Ministry of Health to bring diagnostic imaging expertise, training and equipment to the people of Tonga.

IDX contributed to the development of an International Certificate of Radiology Fundamentals in partnership with Radiology Across Borders and the University of British Columbia. The project was the first of its kind globally, designed specifically for improving radiology skills in developing countries.

As part of Board succession planning, in August 2023 IDX welcomed Ms Ingrid Player as an independent, non-executive Director to replace Mr John Atkin who was a Board member since October 2015 before the company listed. I would like to take this opportunity to extend our sincerest thanks for his committed service during his tenure. Ms Player is an experienced former executive and current listed company non-executive director whose legal, healthcare sector and ESG skills are valuable to the Board.

Dr Nazar Bokani stepped down as an Executive Radiologist Director in August 2023, given his relocation overseas. I would like to thank Dr Bokani for his radiologist leadership and contribution to the Board.

In September 2023, IDX welcomed Mr Toby Hall as an independent, non-executive Director to the Board and chair elect to replace me as Chair of the Board at the conclusion of this meeting subject to his election by shareholders. We have executed a comprehensive chair transition process alongside site and radiologist engagements. I am pleased to pass the Chair baton on to a person with deep healthcare leadership experience, commercial nous and stakeholder management skills.

The Company believes the underlying fundamentals of the essential radiology industry remain strong, with our industry benefiting from being at the confluence of two major global trends, demographic and technological, together with structural shifts to higher acuity modalities.

IDX as a specialist, regionally focused, high quality provider of diagnostic services is strategically well positioned to benefit from these important trends and to grow its services strongly going forward.

I would like to thank our whole team, including those who have joined our team more recently, for their commitment to the shared IDX ambition to combine the best people and technology to provide diagnostic imaging that saves lives.

It has been a privilege to have been part of the development of the IDX Company since its formation and I especially thank shareholders for your support of me as Chair over the last nine years.

Now I would like to invite Dr Ian Kadish to deliver the Managing Director & CEO's address.



Integral Diagnostics Limited 2023 Annual General Meeting Managing Director and CEO Address

Thank you Helen and good morning everyone. It's good to see you all, in the room and online.

I am disappointed with our YTD FY24 trading performance, particularly after delivering materially stronger second half results in FY23, and today I will outline a number of key operational initiatives targeted at improving performance.

I am also proud to be a part of a company that is working hard to provide the best health outcome to every patient we serve, even during challenging times, and I have every confidence that we will get our performance back on track.

Our purpose at IDX is to deliver the best health outcome we can for every patient we serve, demonstrated by a high patient net promoter score (NPS) score of +84, together with employee engagement scores higher than industry benchmarks.

We differentiate ourselves in a number of key areas that position us strongly in the industry, including:

- Demonstrated clinical leadership with industry leading radiologists and strong clinical governance systems. Many IDX radiologists are fellowship and sub-specialty trained, including >20 radiologists with credentials required to report high value nuclear medicine and PET-CT
- Regional leadership as the number one provider in key high growth regional markets we serve, including the Gold Coast, Sunshine Coast, Western Victoria and Southwest WA
- Providing high acuity specialist care through use of cardiac CT, MRI, Nuclear Medicine and PET-CT, including in specialty centres of excellence in key clinical areas, including orthopaedics, spine, breast, cardiac, prostate and neurological centres
- We are a service provider to leading regional public health networks and private hospital groups, including WACHS, CQHHS, SJOG and Ramsay, and
- We have a track record of integrating acquisitions well

The IDX Group currently comprises 91 clinics, 35 of which are comprehensive sites with CT and MRI and are located in hospitals and other locations near specialist referrers.

It is important to note that IDX also has 6 PET scanners, evidencing the high acuity work we perform. And we're opening a new PET-CT facility in South Auckland in February 2024.

At IDX, the use of teleradiology and AI has saved lives, particularly in some of the more remote areas we serve.

IDXt:

Launched in August 2020, IDXt provides services internally to the IDX group, and externally to public hospitals and private radiology practices.

IDXt has grown rapidly organically and now includes 56 contracted radiologists, and reports ~12% of IDX Australian revenue.

IDXt facilitates sub-specialist reporting so that patients can be triaged to a specialist radiologist as needed, adding significant value to the referrer.

Teleradiology allows radiologists in different time zones to provide overnight reporting during daytime hours and also provides flexibility for radiologists to report at the time and place they select.

IDXt radiologists are remunerated on a variable remuneration rate, based on their individual output.

IDXt serves large state hospitals in WA, QLD and VIC, and we recently secured our first NSW public regional hospital teleradiology tender, commencing in February 2024.

AI at IDX:

We employed our first AI algorithm at our Apex Radiology practice in February 2019, expanded into IDXt in August 2020, and now utilize AI algorithms in many IDX practices as an integral part of the workflow.

AI shortens the time for acting on time sensitive diagnoses, allowing for improved patient outcomes, for example acute brain bleeds or blood clots where speed is of the essence in saving brain tissue.

We have selected proven algorithms in higher complexity areas based on their ability to materially improve patient care and service.

Our suite of algorithms include CT-based algorithms for the detection of intracranial haemorrhage; brain aneurysm; large vessel occlusion; acute and incidental pulmonary embolism; cervical spine fracture; rib fracture; and recently our first general Xray algorithm for bone fractures.

IDX was identified as a luminary site for AIDOC, a leading international radiology AI supplier.

As shown in the graphic, minutes after the patient is scanned, AI analyses every exam relevant to the specific algorithm, detects abnormalities and prioritises those cases to the top of the radiologist worklist, adding significant value as it ensures that abnormal scans are reviewed first, and it highlights the abnormality for the radiologist.

I will turn now to industry performance.

Industry growth rates, on a 12-month rolling basis, reflect improvement in CY23 up to 31 October 2023.

In particular, note that both benefits and services growth rates are now above their long term averages, and benefits are now also growing faster than services, illustrating the shift towards higher acuity modalities.

Some of the more significant changes in the regulatory environment are noted on this slide.

Australia:

MRI Licences

- On 1 November 2022, the Federal government de-regulated MRI services in regional and rural areas

Medicare Changes

- Indexation of 3.6% was announced from 1 July 2023, with further indexation of 0.5% applied from 1 November 2023
- On 1 November 2023, Medicare materially increased the bulkbilling incentive for GP's. The increase represents a meaningful uplift for GP's in regional locations. This increase has the potential to attract and retain GP's in regional areas and IDX will benefit from more referrals from regional medical centres, as these centres increase their GP staff levels.

New Zealand:

- There is limited indexation of pricing in New Zealand, however we have received CPI related increases from the majority of private health funds starting in December 2023, and we continue to negotiate with other funders.
- The regulatory authorities in New Zealand have determined that non-arms length referral practices by referrers who own interests in radiology practices are acceptable. In response, IDX has pursued several strategic initiatives, including a broadening of our referrer base in NZ to include more GP's, as the GP market is less impacted by non-arms length referral practices.

Australia and New Zealand

Importantly, since immigration has re-commenced, international medical graduates, including both radiologists and referring doctors, and other overseas trained clinicians, including sonographers and nuclear medicine technologists, are steadily returning to New Zealand and to regional Australia, and helping to alleviate the skills shortage.

On 3 November 2023, Integral Diagnostics Limited (ASX:IDX) provided the following trading update based on financial results for the first quarter to 30 September 2023.

Q1 FY24

In Australia, first quarter revenue growth of 8.4% was achieved compared with the prior corresponding period. In comparison Medicare benefits for the States in which IDX operates have seen a 9.5% increase in weighted average benefits paid, adjusted for working days.

In New Zealand, IDX achieved a 4.1% NZD increase in revenue compared with the prior corresponding period.

Clinical staff shortages, particularly in regional areas, and cost inflation have continued into FY24 driving labour costs to be higher than expected, adversely impacting Operating EBITDA. As such we have not seen the expected Operating EBITDA margin improvement in Q1 FY24 relative to 1H FY23.

IDX is responding to these pressures by accelerating productivity and efficiency initiatives. These actions are expected to lead to an improvement in 2H FY24 trading performance and Operating EBITDA margin compared to 1H FY24.

FY24 Capex, Depreciation and Finance Costs

For FY24 IDX expects:

- Replacement and growth capex to be in the range of \$30m to \$40m
- Depreciation of ~\$45m, including depreciation of ~\$17m for right of use assets under AASB16
- Finance costs of ~\$22m, including finance costs of ~\$5m for right of use assets under AASB16, and including the 0.25% interest rate increase announced in November 2023

As a further update, YTD October FY24:

- Groupwide organic revenue growth of 9.0% was achieved YTD October 2023, compared to 7.0% growth for the prior corresponding period (pcp)
- YTD October 2023 Australian organic revenues grew 9.3%, continuing to deliver a strong high acuity case mix
 - Adjusted for working days, YTD October 2023 Australian organic revenues grew by 8.0% vs pcp, slightly lower than the 9.0% weighted average Medicare Benefits paid for the States in which IDX operates
 - On a rolling 12 month basis to 31 October 2023 Australian organic revenues grew by 8.8% vs pcp which compares favourably to the 8.1% weighted average Medicare Benefits paid for the States in which IDX operates
- YTD October 2023 NZ organic revenues grew by 5.7% in NZD vs pcp

We are undertaking several important operational improvement initiatives to grow margins going forward:

Improve Patient and Referrer Experience

- We're currently rolling out an integrated patient booking system to minimise patient wait times and waiting lists
- We've introduced priority service lines for referrers and are enhancing our e-referral platforms
- And we're educating patients and referrers on important radiology tests for early diagnosis, eg high resolution Chest CT for all smokers; Cardiac CT for patients at risk of heart disease

With regard to workforce development,

- We are enhancing clinical productivity, including through use of technology such as AI and an integrated worklist management system
- We are training more sonographers to address our workforce shortages
- We are more closely aligning staffing levels to match patient demand
- And we are increasing our regional radiologist registrar training capacity

We're increasing productivity and efficiency

- We are simplifying our organisational structure and reducing management layers so that decisions can be made closer to the frontline
- We are continuing to drive non-labour efficiencies
- And we're actively growing teleradiology services to assist to cost-effectively balance the workload

And we're looking to work our existing assets harder

- We are focussed on increasing utilisation of our current installed machine base
- We're making selected investments in higher end modalities like MRI and PET within FY24 budgeted growth capex, for example we're commissioning a new PET CT in South Auckland in February 2024
- We're targeting more capital light teleradiology tenders, and we secured our first NSW teleradiology tender commencing in February 2024

Despite the current cost challenges in a high inflation environment in FY24, the Company believes the fundamentals of the radiology industry are strong and the Company is well positioned to benefit from executing on these key operational improvements.

My sincere thanks to our Chair, Helen Kurincic, for her 9 years of dedicated service to the company, and for her leadership, mentorship and support.

And a warm welcome to Toby Hall, our incoming Chair

Sincere thanks to our Board and management team, and to our radiologists, and to all IDX employees for their dedication, commitment and support.

My thanks also to our patients who put their trust in us, to our loyal referrers who trust their patients to us, and to you, our shareholders, who put your faith in us.

CHAIR ADDRESS

Helen Kurincic - Chair



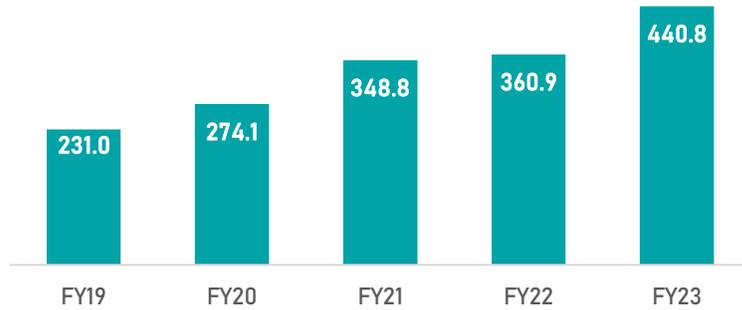
FY23 FINANCIAL PERFORMANCE

71.5% increase in statutory NPAT	17.6% decline in operating NPAT	13.9% increase in operating EBITDA	26.0% decline in operating diluted EPS	22.1% increase in revenue	8.0% increase in free cash flow	Net debt / EBITDA (pre-AASB 16)
\$25.0m	\$17.8m	\$85.2m	7.6cps	\$440.8m	\$53.1m	2.9x

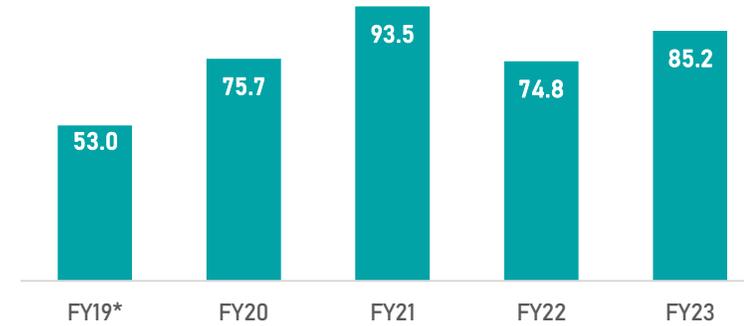
- 22.1% growth in revenue reflects continued recovery in patient volumes from the COVID-19 pandemic and the acquisition of the X-Ray Group, Peloton Radiology and Horizon Radiology
- Fully franked final dividend of 3.5cps (FY22: 3.0 cps), resulting in a total FY23 fully franked dividend of 6.0cps (FY22: 7.0cps), representing 77.9% of FY23 Operating NPAT
- Net Debt/EBITDA was 2.9x compared to our bank covenant of 3.5x and net debt to equity ratio was 52.1%
- Capital structure considered appropriate and fit for purpose. Net Debt/EBITDA at 30 June 2023 of 2.9x is expected, based on current forecast, to gradually reduce over time towards the Group's target leverage of 2.5x, and compares to IDX's bank covenant of not greater than 3.5x

HISTORICAL PERFORMANCE

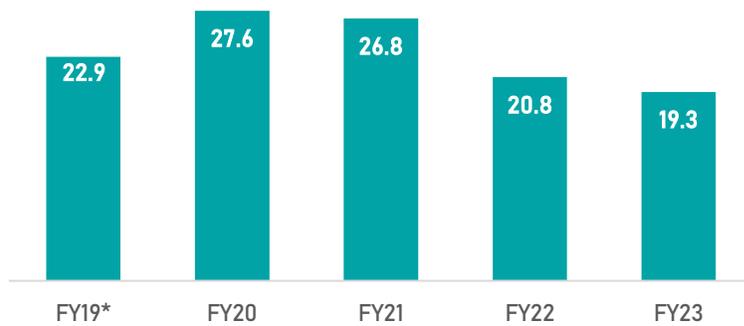
Revenue (\$m)



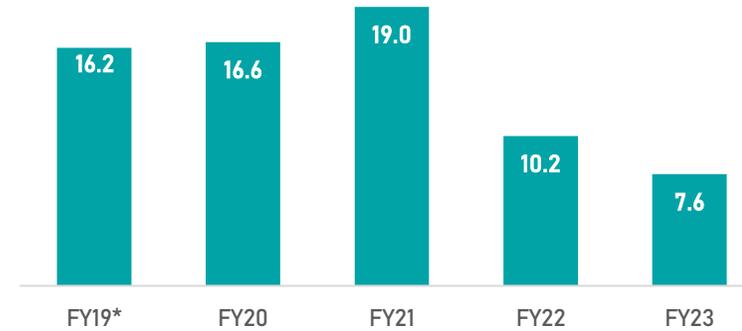
Operating EBITDA (\$m)



Operating EBITDA Margin (%)



Operating Diluted Earnings Per Share (cps)



* FY19 is measured on a pre-AASB 16 basis (prior to adopting the operative accounting standard first required to be applied from FY20 onwards)

GOVERNANCE – ESG FY23 HIGHLIGHTS

- Dedicated ESG Report with reference to the Global Reporting Initiative (GRI) Standards and alignment with the United Nation’s Sustainable Development Goals
- Developed a carbon emissions reduction strategy and continued to work on operational waste reduction
- Served over one million patients, performed over two million examinations and engaged with 54,000 referrers with a patient NPS of +84
- 76% of our workforce, 53% of our executive and senior management team and 43% of Board are female
- Continued our 10 year collaboration with Tonga’s Ministry of Health to bring diagnostic imaging expertise, training and equipment to the people of Tonga
- IDX contributed to the development of an International Certificate of Radiology Fundamentals in partnership with Radiology Across Borders and the University of British Columbia. The project was the first of its kind globally, designed specifically for improving radiology skills in developing countries



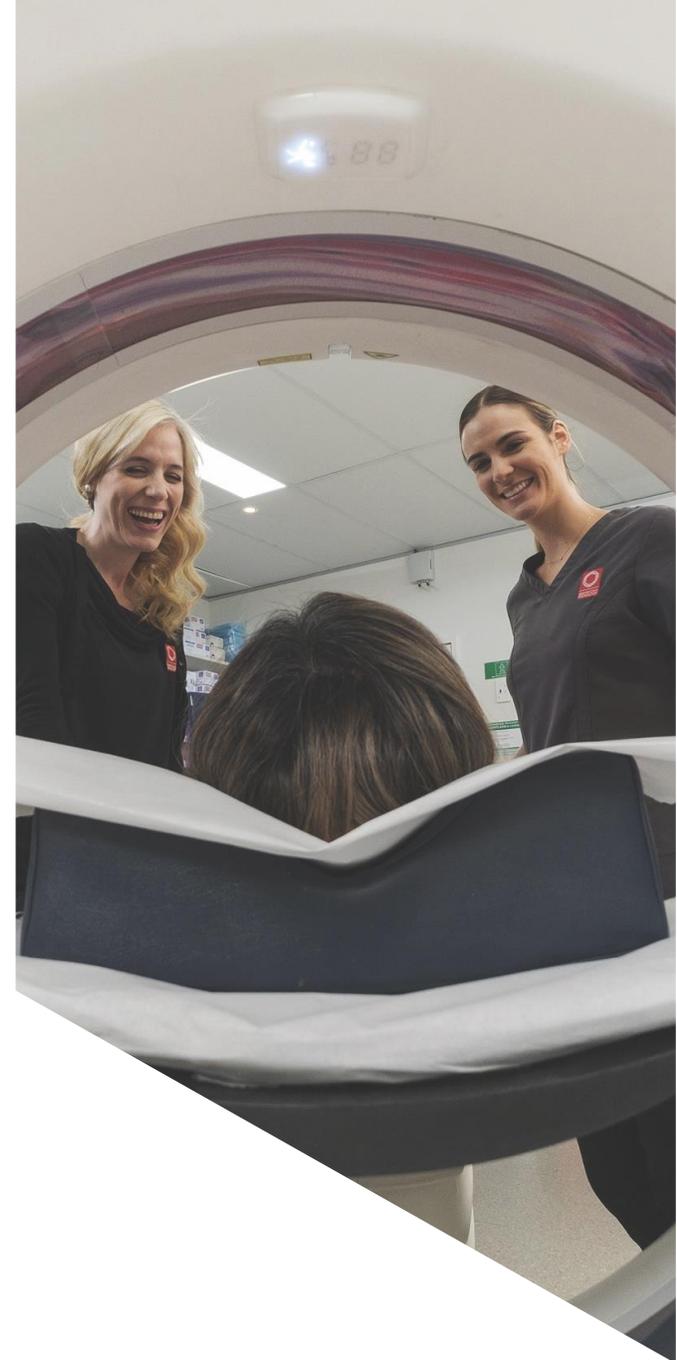
GOVERNANCE – BOARD SUCCESSION

- Independent Non-Executive Director, Ms Ingrid Player, commenced in August 2023 replacing Mr John Atkin who resigned after nearly 8 years of service to the Board
- Radiologist Executive Director, Dr Nazar Bokani, stepped down from the Board in August 2023 with his relocation overseas
- Independent Non-Executive Director, Mr Toby Hall, commenced in September 2023
- Mr Hall is Chair elect to Ms Kurincic who steps down at the conclusion of the AGM after 9 years of being Chair of the Board
- A comprehensive transition program has been undertaken



INDUSTRY & IDX OVERVIEW

- The Company believes the fundamentals of the essential radiology industry are strong
- Our industry benefits from being at the confluence of major global trends – demographic and technological:
 - Demographically, the ageing of the population and the increased prevalence of chronic disease and earlier detection will drive demand for diagnostic services
 - Structural shifts to higher acuity modalities
 - Technological advancements, digitisation and the growth of teleradiology and AI is expected to improve the quality and efficiency of the care we deliver
- IDX as a **specialist, regionally focused, high quality provider** of diagnostic services is strategically well positioned to benefit from these important trends and to grow services strongly going forward



MANAGING DIRECTOR & CEO ADDRESS

Dr Ian Kadish



THE IDX DIFFERENCE

- Our purpose at IDX is to deliver the best health outcome we can for every patient we serve
 - Patient NPS score of +84
 - Employee engagement scores higher than industry benchmarks
- Differentiating ourselves in key areas that position us strongly in the industry
 - **Clinical leadership:** Employ industry-leading radiologists and strong clinical governance systems. Many IDX radiologists are fellowship and sub-specialty trained, including >20 radiologists with credentials required to report high value nuclear medicine and PET-CT
 - **Regional leadership:** #1 provider in key regional markets we serve, with leading hospital and clinic locations near major referrers
 - **High growth regional markets:** Including the Gold Coast, Sunshine Coast, Western Victoria and Southwest WA
 - **High acuity, specialist care:** Including cardiac CT, MRI, Nuclear Medicine and PET-CT
 - **Specialty centres of excellence:** In key clinical areas, including orthopaedics, spine, breast, cardiac, prostate and neurological centres
 - **Service provider to leading regional public health networks and private hospital groups:** Including WACHS, CQHHS, SJOG and Ramsay
 - **Integrating acquisitions:** Track record of integrating acquisitions well



IDX TODAY - GROUP OVERVIEW

	Victoria		Queensland			Western Australia	New Zealand	
							   	
Geographic Market	Victoria	Victoria & NSW	Queensland	Queensland & NSW	Queensland	Western Australia	New Zealand	
Core markets	Ballarat, Geelong, Warrnambool and outer western areas of Melbourne	Albury, Wodonga, Wangaratta, Yarrawonga and Lavington	Sunshine Coast, Rockhampton and Gladstone	Gold Coast, Toowoomba and Mackay	Brisbane, Sunshine Coast	South West, Western Australia	Auckland	Total IDX
Sites	18	5	16	17	9	6	20	91
Comprehensive sites ¹	6	2	7	8	3	4	5	35
MRI machines	8	2	6	9	3	3	6	37
MRI Licences	4 full 0 partial	2 full 0 partial	3 full 2 partial	5 full 2 partial	0 full 3 partial	2 full 0 partial	N/A	16 full 7 partial
PET Scanners	2	-	-	2	-	1	1	6
Employed Radiologists ²	44	4	26	38	7	11	35 ³	165
# of Employees	395	66	331	443	180	204	238	1,857 ⁴

These tables reflect data current at 31 October 2023.

1. Comprehensive sites include a range of radiology equipment including MRI's and CT's and are located with or near major specialist referrers.
2. Relates to employed radiologists only. In addition, IDX has had 92 contractor radiologists providing services.

3. Consistent with the NZ private radiology model, all doctors work across the public and private sector and meet the criteria to be classified as contractors but are on terms and conditions similar to IDX employed radiologists.
4. This number represents the number of employees on employment contracts on either part time or full time arrangements. It does not represent the number of full time

equivalent employees or individual casual/contract arrangements. In addition there are 165 employees in the corporate office (including IDXt) totalling 2,022 employees.

SAVING LIVES THROUGH TELERADIOLOGY AND ARTIFICIAL INTELLIGENCE (AI)

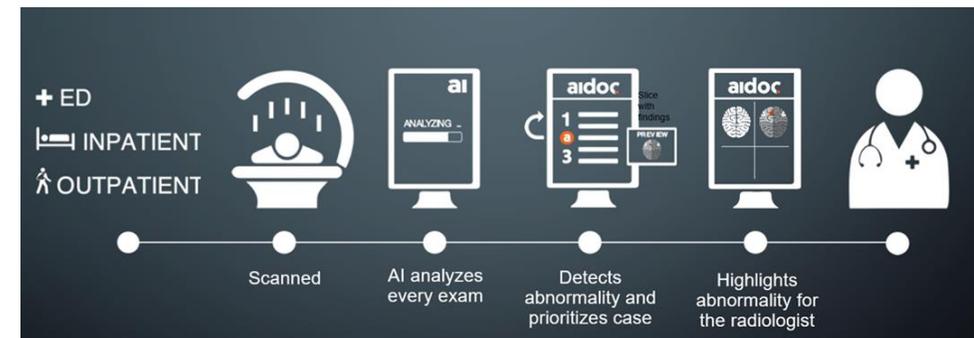
IDX Teleradiology (IDXt)

- Launched in August 2020, provides services internally to the IDX group, and externally to public hospitals and private radiology practices
- Grown rapidly organically - now includes 56 contracted radiologists, and reports ~12% of IDX Australian revenue
- Facilitates sub-specialist reporting for advanced specialist care
- Allows radiologists in different time zones to provide overnight reporting during daytime hours
- Provides flexibility for radiologists to report at the time and place they select
- Variable reimbursement model based on individual output
- IDXt serves State hospitals in WA, QLD and VIC, and recently secured our first NSW public regional hospital teleradiology tender, commencing in February 2024

AI in IDX

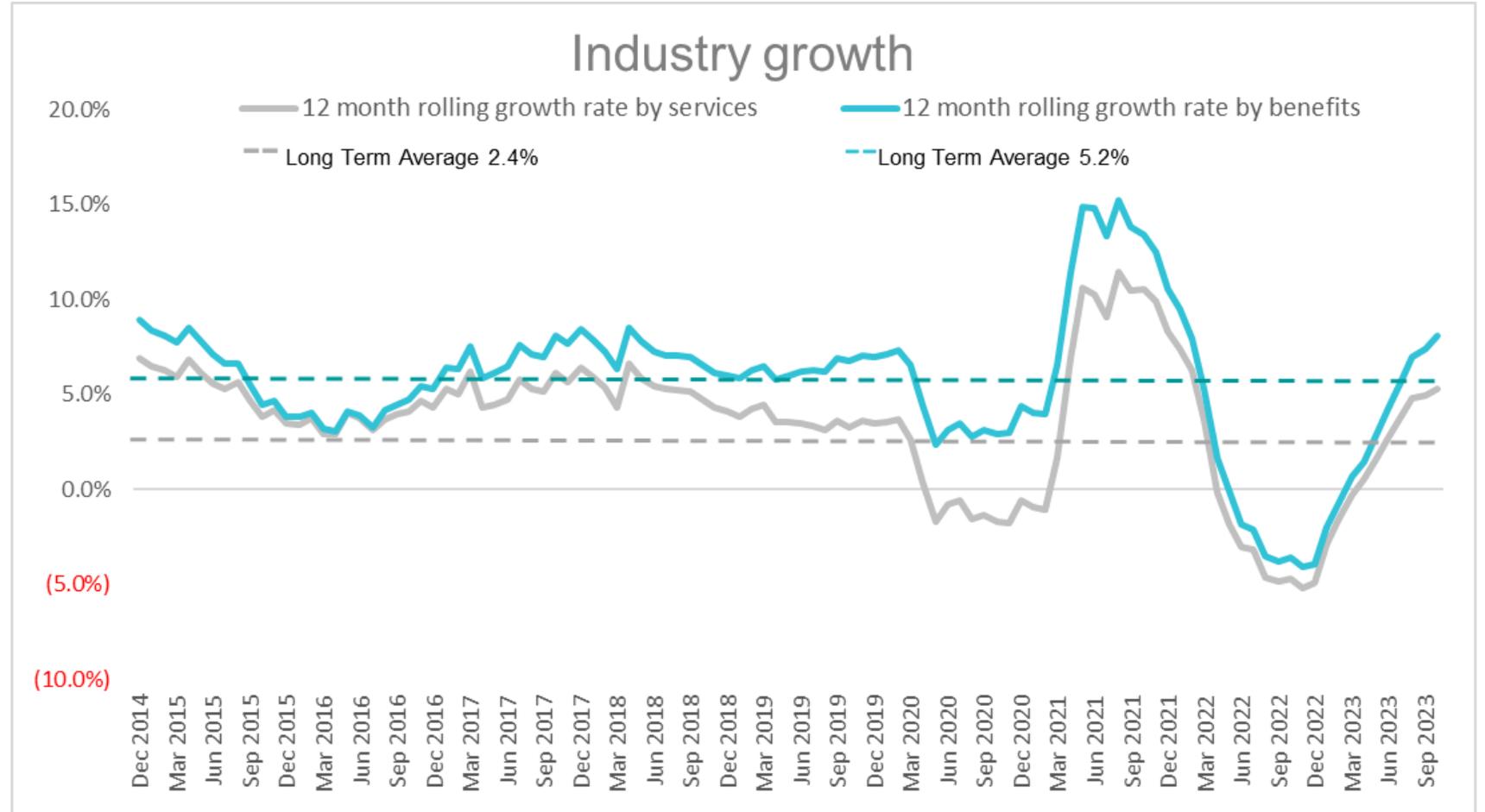
- Commenced at Apex Radiology in February 2019, in IDXt in 2020, now utilized in many IDX practices as an integral part of the workflow
- Shortens time for acting on time sensitive diagnoses, allowing for improved patient outcomes
- Have selected proven algorithms in higher complexity areas based on their ability to materially improve patient care and service.
- Includes important CT-based algorithms in time sensitive diagnoses, including the detection of intracranial haemorrhage; brain aneurysm; large vessel occlusion; acute and incidental pulmonary embolism; cervical spine fracture; rib fracture; and our first general X-ray algorithm for bone fractures
- IDX is a luminary site for AIDOC (a leading international radiology AI supplier)

Illustration of how the AI system operates in those IDX practices and modalities where it is used



DI INDUSTRY REFLECTING COVID-19 IMPACT: AUSTRALIA

Industry growth rates, on a 12-month rolling basis, reflect improvement in CY23 up to 31 October 2023. Prior to this, after coming back strongly in CY21, industry growth rates declined significantly in CY22 given the onset of the Omicron variant of COVID-19, as well as influenza, together with the lingering impact of these events



Source: Medicare Australia Statistics by 'Broad Type of Service' (BTOS), for the States in which IDX operates. Published industry data is not available for the New Zealand market.

REGULATORY ENVIRONMENT

Australia:

MRI Licences

- On 1 November 2022, the Federal government de-regulated MRI services in regional and rural areas, defined as Modified Monash Model 2-7. As at the date of this presentation no further licences or plans for deregulation of MRI licences have been announced for MM1 areas

Medicare Changes

- Indexation of 3.6% announced and applied to all Diagnostic Imaging Services, including MRI items however excluding Nuclear Medicine items, from 1 July 2023, with further indexation of 0.5% applied from 1 November 2023
- Bulk billing incentive on MRI reduced to 95% of CMBS from 100% from 1 July 2022. This only affects MRI services currently bulk billed to Medicare
- On 1 November 2023, Medicare trebled the bulk billing incentive for GP's (represents a meaningful uplift for regional GP's)

New Zealand:

- There is limited indexation of pricing in New Zealand, however we have received CPI related increases commencing in December 2023 from the majority of private health funds and continue to negotiate with other funders
- The regulatory authorities in New Zealand have determined that non-arms length referral practices by referrers who own interests in radiology practices or equipment are acceptable. IDX is pursuing various strategic initiatives as a result of this situation, including developing its referrer base in the New Zealand general practitioner market, a market segment that is less impacted by non-arms length referrals

Australia and New Zealand:

- International medical graduates (radiologists and referring doctors) and other clinicians (including sonographers and nucmed technologists) are slowly returning to New Zealand and regional Australia, helping to alleviate the skills shortage

YTD SEPTEMBER FY24 TRADING UPDATE

On 3 November 2023, Integral Diagnostics Limited (ASX:IDX) provided the following trading update based on financial results¹ for the first quarter to 30 September 2023.

Q1 FY24

- In Australia, first quarter revenue growth of 8.4% was achieved compared with the prior corresponding period. In comparison Medicare benefits for the States in which IDX operates have seen a 9.5% increase in weighted average benefits paid, adjusted for working days
- In New Zealand, IDX achieved a 4.1% NZD increase in revenue compared with the prior corresponding period
- Clinical staff shortages, particularly in regional areas, and cost inflation have continued into FY24 driving labour costs to be higher than expected, adversely impacting Operating EBITDA. As such we have not seen the expected Operating EBITDA margin improvement in Q1 FY24 relative to 1H FY23
- IDX is responding to these pressures by accelerating productivity and efficiency initiatives. These actions are expected to lead to an improvement in 2H FY24 trading performance and Operating EBITDA margin compared to 1H FY24

FY24 Capex, Depreciation and Finance Costs

For FY24 IDX expects:

- Replacement and growth capex to be in the range of \$30m to \$40m
- Depreciation of ~\$45m, including depreciation of ~\$17m for right of use assets under AASB16
- Finance costs of ~\$22m, including finance costs of ~\$5m for right of use assets under AASB16, and including the 0.25% interest rate increase announced in November 2023

YTD OCTOBER FY24 TRADING UPDATE¹

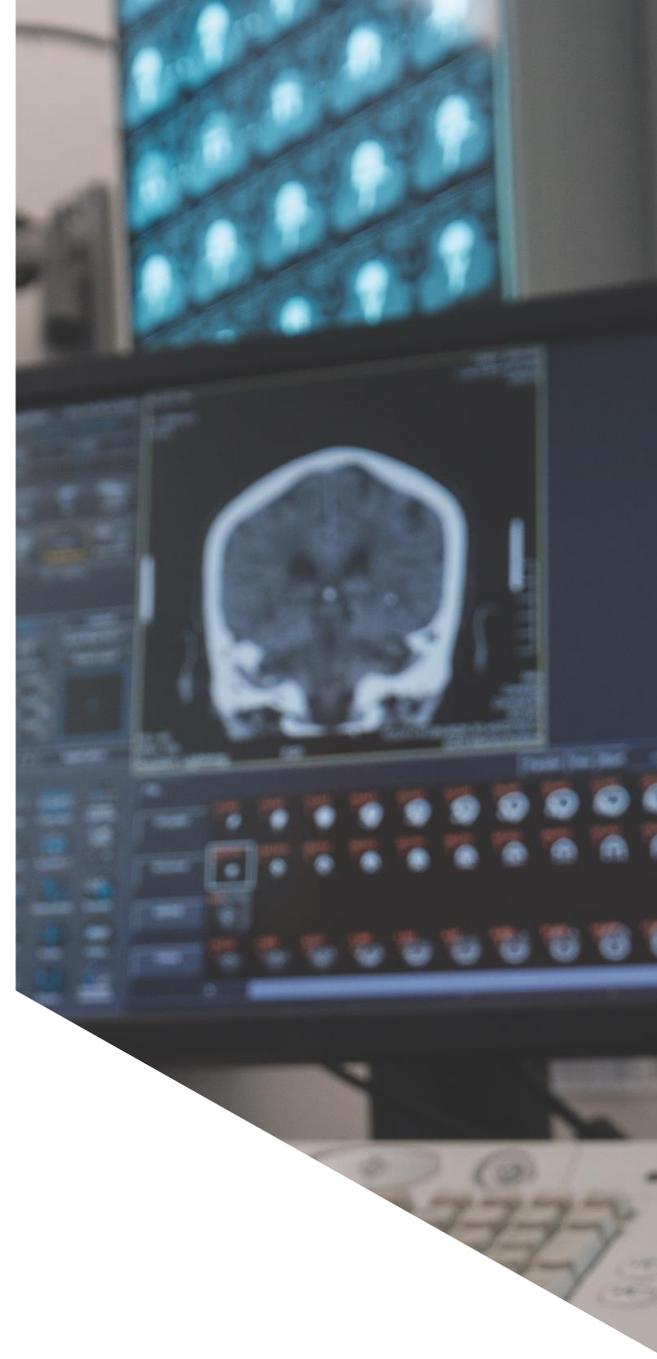
- Groupwide organic revenue growth of 9.0% YTD October 2023, compared to 7.0% growth for the prior corresponding period (pcp)
- YTD October 2023 Australian organic revenues grew 9.3%, continuing to deliver a strong high acuity case mix
 - Adjusted for working days, YTD October 2023 Australian organic revenues grew by 8.0% vs pcp, slightly lower than the 9.0% weighted average Medicare Benefits paid for the States in which IDX operates*
 - On a rolling 12 month basis to 31 October 2023 Australian organic revenues grew by 8.8%² vs pcp which compares favourably to the 8.1% weighted average Medicare Benefits paid for the States in which IDX operates
- YTD October 2023 NZ organic revenues grew by 5.7% in NZD vs pcp**

¹ Unaudited

² For Category 5 – Diagnostic Imaging Services only

* Per trading day

** Per trading day. NZ represents ~12% of IDX Group revenue



OUR FOCUS IS ON EXECUTION OF KEY OPERATIONAL IMPROVEMENT INITIATIVES



Improve Patient & Referrer Experience

- Continued roll out of integrated patient booking system to minimise patient wait times and patient waiting lists
- Strengthen referrer relationships through priority service lines and enhanced e-referral platforms
- Educate patients and referrers on selected radiology tests for early diagnosis eg high resolution Chest CT for all smokers and Cardiac CT's for patients at risk of heart disease



Workforce Development

- Enhance clinical productivity, including sub-specialty reporting, through use of technology, such as integrated worklists and AI
- Grow Sonographer training program to address workforce shortages
- More closely align staffing levels to match patient demand
- Increase regional radiologist registrar training positions at IDX sites



Increase Productivity & Efficiency

- Simplify and reduce management layers in organisation structures so that decisions can be made closer to the frontline and to reduce labour costs is underway
- Continue to drive non-labour cost efficiencies
- Grow teleradiology service to assist in cost-effectively balancing the workload



Lift Asset Utilisation

- Focus on improving utilisation of existing installed machine base
- Selected investment in higher end modalities within FY24 budgeted growth capex
- Targeting more capital light teleradiology tenders eg secured our first NSW teleradiology tender

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