

ASX ANNOUNCEMENT

18 April 2019

HEALTHIA ANNOUNCES SETTLEMENT OF PHYSIOTHERAPY CLINIC

Healthia Limited (ASX:HLA) (Healthia) announced on 21 February 2019 that it had entered into agreements for the acquisition of three physiotherapy clinics in South-East Queensland.

Healthia is pleased to announce that settlement has been reached for the third physiotherapy clinic, located in Robina (QLD). Completion of the clinic brings Healthia's total number of physiotherapy clinics to 29.

HEALTHIA ANNOUNCES NEW ACQUISITIONS

Healthia is further pleased to announce that it has entered into binding agreements to acquire a further 3 allied health clinics as follows:

- 2 physiotherapy clinics, located in South-East QLD and Victoria; and
- 1 podiatry clinic located in NSW.

Settlement of these acquisitions is conditional upon board and financier approval, assignment of property leases to Healthia and other customary conditions precedent. It is expected that all conditions will be met, and all clinics should settle before 31 May 2019.

Total consideration for the acquisitions is as follows:

Cash consideration	\$1.560m
Issue of Clinic Class Shares ¹	<u>\$0.340m</u>
Total consideration	\$1.900m

The clinics to be acquired are expected to contribute the following²:

Revenue	\$2.301m
EBITDA ³	\$0.493m

Completion of these acquisitions will bring Healthia's podiatry and physiotherapy clinics portfolios to 75 and 40 (including nine Extend Rehabilitation clinics) respectively. The physiotherapy clinic in Victoria will be Healthia's first physiotherapy clinic located outside of QLD.

As previously noted, these acquisitions and future acquisitions are expected to be funded by the Company utilising the undrawn debt available under the facility agreement with ANZ and BOQ, free cash generated from the operations of the businesses and the Clinic Retention Program.

¹ 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.

² Revenue and EBITDA numbers are based on historical FY18 financials which have been normalised in accordance with Healthia's acquisition and accounting policies.

³ EBITDA includes the approximate 14.7% economic interest continued to be owned by Clinic Class Shareholders.

CONTACT

If you have any further questions, please contact:

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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 74 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 29 clinics in Queensland 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.

Extend Rehabilitation 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. Extend Rehabilitation has nine clinics throughout Brisbane, with three of those clinics co-located inside an Allsports Physiotherapy and Sports Medicine clinic.

Queensland-based **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.

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.