

Wednesday, 26 February 2025

## ACL 1H25 FINANCIAL RESULTS

The following announcements to the market are attached:

- ✓ Appendix 4D
- ✓ 1H25 financial statements and statutory reports
- 1H25 financial results investor presentation

– ENDS –

This announcement was authorised for release to ASX by the Board of ACL. For further information regarding this announcement, please contact:

**Company Secretary**

Eleanor Padman

Company Secretary

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**About Australian Clinical Labs**

ACL is a leading Australian private provider of pathology services. Our 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.

### ASX Listing Rule 4.2A

Current reporting period:

Half year ended 31 December 2024

Previous reporting period:

Half year ended 31 December 2023

Results for announcement to the market		Percentage change %	31 Dec 2024 \$'m
<b>Statutory</b>			
Total revenue from ordinary activities	Up	9.46%	369.2m
Profit attributable to members of Australian Clinical Laboratories Limited	Up	136.03%	11.7m
<b>Underlying<sup>1</sup></b>			
Total revenue from ordinary activities	Up	9.46%	369.2m
Profit attributable to members of Australian Clinical Laboratories Limited	Up	17.79%	12.0m

Earnings per share		Percentage change %	31 Dec 2024 Cents per share
<b>Statutory</b>			
Basic earnings per share	Up	136.25%	5.83c
Diluted earnings per share	Up	135.47%	5.79c
<b>Underlying<sup>1</sup></b>			
Basic earnings per share	Up	17.90%	5.98c
Diluted earnings per share	Up	17.52%	5.94c

<sup>1</sup> Underlying profit excludes the impact of non-recurring items. A reconciliation between Statutory profit and underlying profit is contained in our ASX investor presentation.

Dividends		Amount per security	Franked amount per security
<b>FY2025</b>			
Interim dividend		3.50c	3.50c
<b>FY2024</b>			
Interim dividend		3.00c	3.00c

Record date for determining entitlements to the interim dividend

28 March 2025

The dividend reinvestment plan will remain suspended for the FY25 interim dividend.

## Appendix 4D continued

### Half Year Report

#### **Commentary on results for the period**

For an explanation of the results refer to the ASX and media release and Half Year Report.

This report is based on the Half Year Financial Report which has been reviewed by Pitcher Partners. Additional Appendix 4D disclosure requirements can be found in the Half Year Financial Report attached, which contains the Directors' Report, the Directors' Declaration and the consolidated financial statements for the half year ended 31 December 2024.

This information should be read in conjunction with the 2024 Annual Financial Report and public announcements made in the period by Australian Clinical Labs Limited, in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

# Consolidated Financial Report

For the half-year ended 31 December 2024

This half-year report is to be read in conjunction  
with the consolidated financial report of  
Australian Clinical Labs Limited  
for the year ended 30 June 2024



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This half-year report is to be read in  
conjunction with the consolidated  
financial report of Australian  
Clinical Labs Limited for the  
year ended 30 June 2024

# Directors' Report

## for the half-year ended 31 December 2024

### Overview

The Directors of Australian Clinical Labs Limited (referred to as “Clinical Labs”, “ACL” or “the Company”) present their Report for the financial period ended 31 December 2024 (referred to as “the period” or “the half-year”) accompanied by the Financial Report of Australian Clinical Labs Limited and the entities it controlled (referred to as “the Group”) from time to time during the period.

Pursuant to the requirements of the *Corporations Act 2001* (Cth) (Corporations Act), the Directors' Report follows:

### Directors

The Directors of the Company in office at any time during the half-year and up to the date of this report are:

Current Directors	Position	Date Appointed/Resigned
Michael Alscher	Chair	
Melinda McGrath	Chief Executive Officer and Executive Director	
Nathanial Thomson	Non-Executive Director	Resigned 25 October 2024
Andrew Dutton	Independent Non-Executive Director	Resigned 25 October 2024
Dr Leanne Rowe AM	Independent Non-Executive Director	
Mark Haberlin	Independent Non-Executive Director	
Christine Bartlett	Independent Non-Executive Director	
Sarah Butler	Independent Non-Executive Director	Appointed 1 February 2025
Grant Jeffery	Independent Non-Executive Director	Appointed 1 February 2025

## Review of operations

Key financial highlights in the six months ended 31 December 2024 include:

- Total revenue of \$369.2m
- Underlying EBITDA<sup>1</sup> of \$95.1m
- Underlying EBIT<sup>1</sup> of \$27.3m
- Underlying NPAT<sup>1</sup> of \$12.1m
- Free cash flow before interest, tax and financing of \$26.8m
- Interim dividend declared of 3.5 cents per share

Underlying EBIT for 1H FY25 grew by 16.6% driven by a combination of revenue growth and operational efficiency initiatives. MBS revenue growth for 1H FY25 was 9.7%<sup>2</sup>. This was slightly ahead of the broader market<sup>3</sup>, with continual focus on reviewing portfolio margin.

ACL continued to demonstrate efficient cash management with free cash flow up on 1H FY24 with an operating cash flow conversion from EBITDA of 105.3% in 1H FY25.

ACL retains a strong balance sheet, with net debt excluding lease liabilities of \$34.2m noting in 1H FY25 ACL bought back \$4.4m of shares as part of our on-market share buy-back program. During 1H FY25 ACL refinanced its banking facilities extending the facility to 31 July 2027 and changing the Fixed Cover Charge ratio covenant to an Interest Cover ratio. ACL is well within its covenants at 31 December 2024.

## Dividends

In respect of the half-year ended 31 December 2024, an interim dividend of 3.5 cents per share (100% franked) has been declared with a record date of 28 March 2025 and payable on 16 April 2025.

## Subsequent events

Since the end of the financial period, the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

## Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half-year is provided with this report on page 5.

1 Underlying figures are calculated excluding certain non-recurring revenue and expenses (other income \$0.8m relating to insurance proceeds and other expenses \$1.2m predominately relating to legal fees and redundancy costs and income tax \$0.1m).

2 ACL growth ex Sun Doctors and Queensland and non-Medicare commercial work and adjusted for working days.

3 Market data based on working day adjusted Medicare statistics.



# Directors' Report continued

for the half-year ended 31 December 2024

## Rounding off of amounts to nearest thousand dollars

The Company is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191, dated 24 March 2016, and in accordance with that Instrument, amounts in this Report and the Financial Report are rounded off to the nearest thousand dollars or, in certain cases, to the nearest dollar.

Some numerical figures included in this report have been subject to rounding adjustments. Any differences between totals and sums of components in tables or figures contained in this report are due to rounding.

Signed in accordance with a resolution of the directors:



**Michael Alscher**  
Chair

Sydney, 25 February 2025

## Auditor's independence declaration to the directors of Australian Clinical Labs Limited



**AUSTRALIAN CLINICAL LABS LIMITED**  
**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE DIRECTORS OF AUSTRALIAN CLINICAL LABS LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the review of the financial report of Australian Clinical Labs Limited for the half-year ended 31 December 2024, there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the review.

This declaration is in respect of Australian Clinical Labs Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to be 'S D Whitchurch'.

S D WHITCHURCH  
Partner

Date: 25 February 2025

A handwritten signature in black ink, appearing to be 'P. O. J.'.

PITCHER PARTNERS  
Melbourne

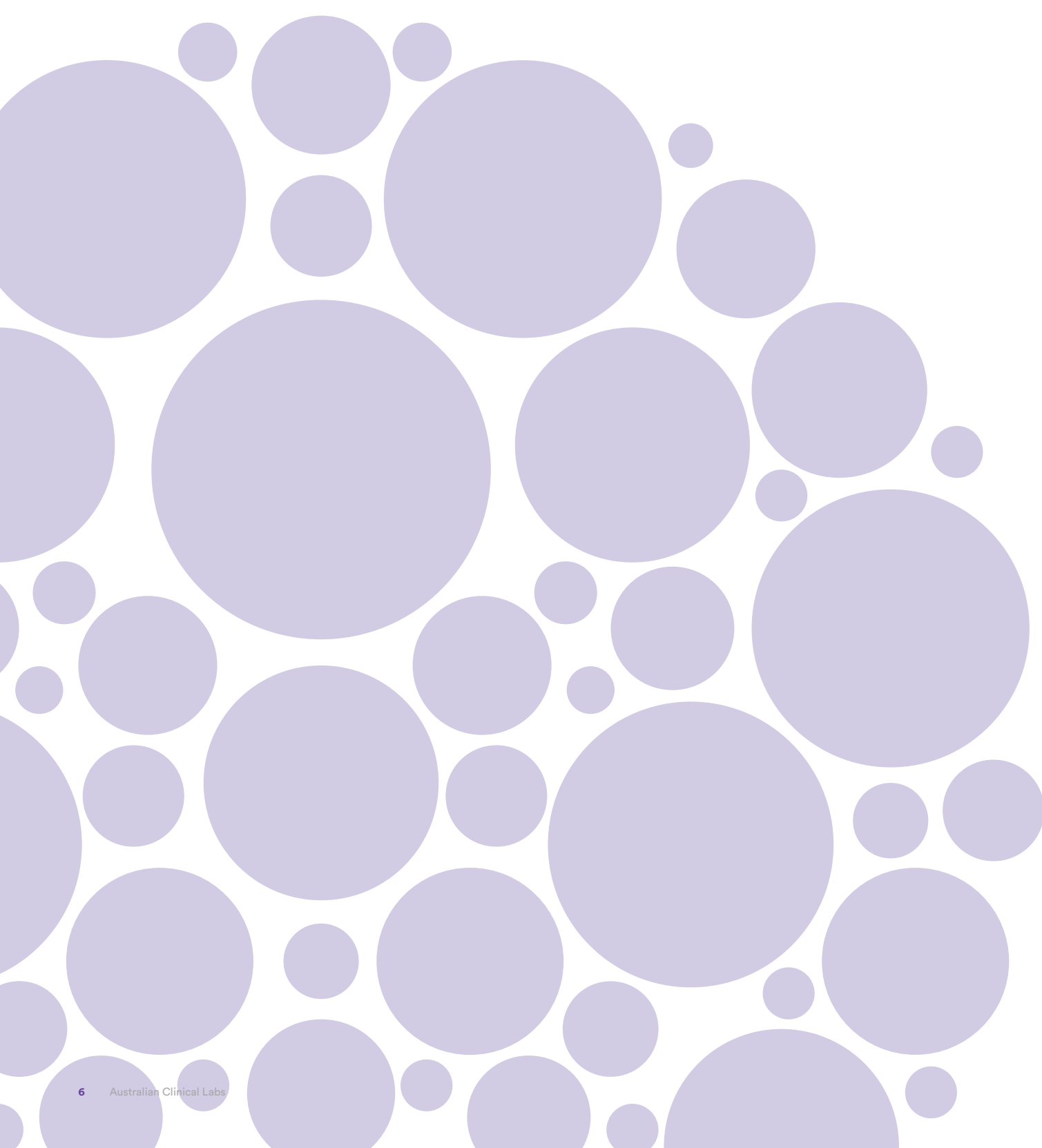
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# Financial Statements

For the half-year ended 31 December 2024



# Consolidated statement of profit or loss

for the half-year ended 31 December 2024

	Note	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
Revenue	3	369,172	337,268
Other income	3	1,034	548
<b>Total</b>		<b>370,206</b>	<b>337,816</b>
Consumables		(65,841)	(58,131)
Labour costs		(160,887)	(151,465)
Property costs		(7,275)	(5,907)
Repairs and maintenance		(5,508)	(3,852)
Healius transaction costs		–	(4,021)
Acquisition, restructuring and other insurance related expenses		(1,460)	(4,014)
Other operating expenses	4	(34,523)	(30,785)
Depreciation		(6,732)	(6,939)
Depreciation of right-of-use assets		(60,975)	(56,648)
Amortisation of intangible assets		(114)	(114)
<b>Total operating costs</b>		<b>(343,315)</b>	<b>(321,876)</b>
<b>Earnings before interest and tax</b>		<b>26,891</b>	<b>15,940</b>
Net finance costs	5	(9,142)	(8,134)
<b>Profit before income tax</b>		<b>17,749</b>	<b>7,806</b>
Income tax expense	6	(5,906)	(2,731)
<b>Profit for the half-year</b>		<b>11,843</b>	<b>5,075</b>
Net (profit) attributable to non-controlling interests		(155)	(123)
<b>Net profit to members of Australian Clinical Labs Limited</b>		<b>11,688</b>	<b>4,952</b>
<b>Earnings per share</b>			
		Cents per share	Cents per share
Basic earnings per share from continuing operations	7	5.83	2.47
Diluted earnings per share from continuing operations	7	5.79	2.46

The accompanying notes numbered 1 to 16 form part of these financial statements.

# Consolidated statement of other comprehensive income

for the half-year ended 31 December 2024

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
<b>Profit for the half-year</b>	<b>11,843</b>	<b>5,075</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit and loss</b>		
Exchange differences on translation of foreign operations	153	(13)
<b>Other comprehensive income for the half-year, net of tax</b>	<b>153</b>	<b>(13)</b>
<b>Total comprehensive income for the half-year</b>	<b>11,996</b>	<b>5,062</b>
<b>Total comprehensive income attributable to:</b>		
Members of Australian Clinical Labs Limited	11,841	4,939
Non-controlling interests	155	123
	<b>11,996</b>	<b>5,062</b>

The accompanying notes numbered 1 to 16 form part of these financial statements.

# Consolidated statement of financial position

as at 31 December 2024

	Note	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<b>Current Assets</b>			
Cash and cash equivalents		20,813	26,136
Trade and other receivables	8	71,228	81,434
Inventories		16,530	16,826
Other assets	9	13,688	9,205
<b>Total Current Assets</b>		<b>122,259</b>	<b>133,601</b>
<b>Non-Current Assets</b>			
Plant and equipment		38,848	41,906
Right-of-use assets		245,326	239,798
Intangible assets		164,829	164,944
Other assets	9	2,247	2,068
Deferred tax assets		11,584	10,743
<b>Total Non-Current Assets</b>		<b>462,834</b>	<b>459,459</b>
<b>Total Assets</b>		<b>585,093</b>	<b>593,060</b>
<b>Current Liabilities</b>			
Trade and other payables		48,909	53,006
Lease liabilities		110,697	104,709
Provisions		45,434	46,210
Deferred consideration		95	95
Current tax liabilities	10	2,152	3,236
Other liabilities		637	447
<b>Total Current Liabilities</b>		<b>207,924</b>	<b>207,703</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		149,584	149,126
Borrowings	11	55,038	55,064
Provisions		3,434	3,402
<b>Total Non-Current Liabilities</b>		<b>208,056</b>	<b>207,592</b>
<b>Total Liabilities</b>		<b>415,980</b>	<b>415,295</b>
<b>Net Assets</b>		<b>169,113</b>	<b>177,765</b>
<b>Equity</b>			
Issued capital	12	787,929	791,762
Reserves		(771,911)	(773,288)
Retained earnings		152,703	159,054
<b>Total Parent Entity Interest</b>		<b>168,721</b>	<b>177,528</b>
<b>Non-Controlling Interest</b>		<b>392</b>	<b>237</b>
<b>Total Equity</b>		<b>169,113</b>	<b>177,765</b>

The accompanying notes numbered 1 to 16 form part of these financial statements.

# Consolidated statement of changes in equity

for the half-year ended 31 December 2024

	Issued capital \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interest \$'000	Total \$'000
<b>6 months ended 31 December 2024</b>						
<b>Opening balance at 1 July 2024</b>	<b>791,762</b>	<b>(773,288)</b>	<b>159,054</b>	<b>177,528</b>	<b>237</b>	<b>177,765</b>
Profit for the half-year	–	–	11,688	11,688	155	11,843
Exchange differences on translation of foreign operations	–	153	–	153	–	153
<b>Total other comprehensive income for the half-year net of tax</b>	<b>–</b>	<b>153</b>	<b>–</b>	<b>153</b>	<b>–</b>	<b>153</b>
<b>Total comprehensive income for the half-year</b>	<b>–</b>	<b>153</b>	<b>11,688</b>	<b>11,841</b>	<b>155</b>	<b>11,996</b>
<b>Transactions with owners in their capacity as owners</b>						
Share-based payments	–	1,797	–	1,797	–	1,797
Dividend declared and paid	–	–	(18,039)	(18,039)	–	(18,039)
Allocation of treasury shares	573	(573)	–	–	–	–
Share buy-back	(4,406)	–	–	(4,406)	–	(4,406)
<b>Closing balance at 31 December 2024</b>	<b>787,929</b>	<b>(771,911)</b>	<b>152,703</b>	<b>168,721</b>	<b>392</b>	<b>169,113</b>
<b>6 months ended 31 December 2023</b>						
<b>Opening balance at 1 July 2023</b>	<b>792,140</b>	<b>(774,964)</b>	<b>155,241</b>	<b>172,417</b>	<b>254</b>	<b>172,671</b>
Profit for the half-year	–	–	4,952	4,952	123	5,075
Exchange differences on translation of foreign operations	–	(13)	–	(13)	–	(13)
<b>Total other comprehensive income for the half-year net of tax</b>	<b>–</b>	<b>(13)</b>	<b>–</b>	<b>(13)</b>	<b>–</b>	<b>(13)</b>
<b>Total comprehensive income for the half-year</b>	<b>–</b>	<b>(13)</b>	<b>4,952</b>	<b>4,939</b>	<b>123</b>	<b>5,062</b>
<b>Transactions with owners in their capacity as owners</b>						
Share-based payments	–	1,416	–	1,416	–	1,416
Dividend declared and paid	–	–	(13,944)	(13,944)	–	(13,944)
Dividends paid to minority interests in controlled entities	–	–	–	–	(175)	(175)
<b>Closing balance at 31 December 2023</b>	<b>792,140</b>	<b>(773,561)</b>	<b>146,249</b>	<b>164,828</b>	<b>202</b>	<b>165,030</b>

The accompanying notes numbered 1 to 16 form part of these financial statements.

# Consolidated statement of cash flows

for the half-year ended 31 December 2024

	Note	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers and government grants		383,106	346,046
Payment to suppliers and employees		(285,012)	(262,763)
<b>Cash provided by operations</b>		<b>98,094</b>	<b>83,283</b>
Interest received		208	218
Interest and costs of finance paid		(9,376)	(7,985)
Income tax paid		(7,830)	(1,984)
<b>Net cash provided by operating activities</b>		<b>81,096</b>	<b>73,532</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of plant and equipment		73	265
Purchase of plant and equipment		(4,001)	(3,823)
Payments for business combinations (net of cash acquired)		–	(523)
Payment of cash advance		–	(6,983)
<b>Net cash used in investing activities</b>		<b>(3,928)</b>	<b>(11,064)</b>
<b>Cash flows from financing activities</b>			
Principal portion of lease payments		(60,203)	(56,169)
Share buy-back		(4,406)	–
Repayment of borrowings		(26,000)	(1,000)
Proceeds from borrowings		26,000	14,000
Dividends paid		(18,035)	(14,128)
Dividends paid to minority interests in controlled entities		–	(175)
<b>Net cash used in financing activities</b>		<b>(82,644)</b>	<b>(57,472)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(5,476)</b>	<b>4,996</b>
Foreign exchange differences on cash holdings		153	(13)
Cash and cash equivalents at the beginning of the half-year		26,136	19,955
<b>Cash and cash equivalents at the end of the half-year</b>		<b>20,813</b>	<b>24,938</b>

The accompanying notes numbered 1 to 16 form part of these financial statements.



# Notes to the consolidated financial statements

## for the half-year ended 31 December 2024

### Note 1: Basis of Preparation of the Half-Year Financial Report

This consolidated half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by Australian Clinical Labs Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

This half-year financial report includes financial statements for the Consolidated Group ('the Group') consisting of Australian Clinical Labs Limited and its subsidiaries. Australian Clinical Labs Limited is a for-profit entity domiciled in Australia.

The half-year financial report was authorised for issue by the Directors on 25 February 2025.

#### (a) Compliance with IFRS

This consolidated half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, as appropriate for for-profit entities, and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

#### (b) Basis of preparation

The half-year financial report has been prepared on the basis of historical cost except for the revaluation of financial assets and liabilities at fair value through profit or loss. Cost is based on the fair values of the consideration given in exchange for assets. Where applicable, comparatives may be restated in line with current year presentation.

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report of Australian Clinical Labs Limited for the year ended 30 June 2024.

The Group has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2024. The application of new and revised accounting standards had no material impact on initial application.

#### (c) Going concern

As at 31 December 2024 the Group recorded a deficiency in net current assets of \$85.7m (30 June 2024: \$74.1m). This has been caused by AASB 16 *Leases*, whereby \$110.7m (30 June 2024: \$104.7m) of lease liability has been recognised as current, however the corresponding right of use asset is non-current. Excluding the current portion of the lease liability, the Group has a current asset surplus of \$25.0m (30 June 2024: \$30.6m).

The Directors have concluded that the Group will be able to pay its debts as and when they fall due with consideration of the above factors and the profitability of the Group accordingly the accounts have been prepared on a going concern basis.

#### (d) Rounding amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars unless otherwise stated.

## Note 2: Segment Information

The Group's Chief Executive Officer and the Board of Directors (the chief operating decision makers) review the Group's performance of the business to assess performance and determine the allocation of resources. Discrete financial information is reported to the chief operating decision makers on at least a monthly basis. The discrete financial information is provided by one operating segment and one geographical segment, being Australia.

The Group has one reportable segment:

### Pathology

Pathology/clinical laboratory services provided in Australia.

## Note 3: Revenue and Other Income

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
<b>An analysis of the Group's revenue for the half-year is as follows:</b>		
Pathology revenue	357,809	325,819
Clinic revenue	8,930	7,900
Rental revenue from subleasing right-of-use assets	513	580
Other revenue	1,920	2,969
<b>Total revenue</b>	<b>369,172</b>	<b>337,268</b>
<b>Other income</b>		
Insurance claim proceeds	1,034	548

During the 2024 financial year a fire occurred at an external storage facility where the Group was temporarily storing some laboratory equipment. Net insurance claim proceeds have been recognised totalling \$861k which was a contingent asset at 30 June 2024.

## Note 4: Other Operating Expenses

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
Bad and doubtful debts	2,942	5,556
Audit and other assurance services	216	206
Other costs	31,365	25,023
	<b>34,523</b>	<b>30,785</b>

# Notes to the consolidated financial statements continued

for the half-year ended 31 December 2024

## Note 5: Net Finance Costs

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
<b>Finance income</b>		
Bank deposits	209	170
<b>Finance expenses</b>		
Interest expense on leasing arrangements	(7,254)	(5,875)
Other borrowing costs	(2,097)	(2,429)
	(9,351)	(8,304)
<b>Net finance costs</b>	<b>(9,142)</b>	<b>(8,134)</b>

Other borrowing costs consist of all costs in relation to the Group's borrowings including interest and amortisation of any other costs incurred in arranging borrowings.

## Note 6: Income Tax

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
<b>(a) Components of tax expense</b>		
Current tax	6,746	4,303
Deferred tax	(840)	(1,572)
<b>Income tax expense</b>	<b>5,906</b>	<b>2,731</b>
<b>(b) Income tax reconciliation</b>		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Profit before tax	17,749	7,806
Domestic tax rate	30%	30%
	<b>5,325</b>	<b>2,342</b>
Adjustments for non-temporary differences:		
Net non-taxable and non-deductable items	581	389
<b>Income tax expense</b>	<b>5,906</b>	<b>2,731</b>

## Note 7: Earnings Per Share

### Basic and diluted earnings per share

The calculation of basic and diluted earnings per share ("EPS") has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	6 months to 31 Dec 2024 Cents	6 months to 31 Dec 2023 Cents
Basic earnings per share	5.83	2.47
Diluted earnings per share	5.79	2.46
<b>Earnings</b>	<b>6 months to 31 Dec 2024 \$'000</b>	<b>6 months to 31 Dec 2023 \$'000</b>
The earnings used in the calculation of basic and diluted earnings per share are the same and can be reconciled to the consolidated statement of profit or loss and other comprehensive income as follows:		
Profit for the half-year	11,843	5,075
Net (profit) attributable to non-controlling interests	(155)	(123)
<b>Earnings used in calculating basic and diluted earnings per share</b>	<b>11,688</b>	<b>4,952</b>
<b>Weighted average number of shares</b>	<b>6 months to 31 Dec 2024</b>	<b>6 months to 31 Dec 2023</b>
The weighted average number of shares used in the calculation of basic earnings per share	200,316,894	200,503,272
The weighted average number of shares and potential ordinary shares used in the calculation of diluted earnings per share	201,803,133	201,331,049

Performance rights under the Australian Clinical Labs Limited Rights Plan are determined to be contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time and therefore are not included in the determination of diluted earnings per share.

## Note 8: Trade and Other Receivables

	31 Dec 2024 \$'000	30 June 2024 \$'000
<b>Current</b>		
Trade receivables	60,340	63,257
Allowance for expected credit loss	(11,916)	(9,865)
Accrued revenue	16,165	22,231
Other receivables	6,639	5,811
	<b>71,228</b>	<b>81,434</b>

# Notes to the consolidated financial statements continued

for the half-year ended 31 December 2024

## Note 9: Other Assets

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<b>Current</b>		
Prepayments	12,936	8,496
Bonds and securities	752	709
	<b>13,688</b>	<b>9,205</b>
<b>Non-current</b>		
Prepayments	797	619
Other	1,450	1,449
	<b>2,247</b>	<b>2,068</b>

Other assets include convertible notes acquired in Geneseq.

## Note 10: Current Tax Balances

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<b>Current</b>		
Tax payables	2,152	3,236

## Note 11: Borrowings

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<b>Non-current</b>		
<b>Unsecured – at amortised cost</b>		
Bank loans	55,038	55,064

### Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

Loan	Currency	Nominal interest rate	Year of maturity	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Bank loans	AUD	BBSY + 1.55% - 2.45%	2027	55,038	55,064

In December 2024, the Group amended its existing facility, extending the term to 31 July 2027 and reducing the overall facility from \$140.0m to \$108.0m.

In addition, the financial covenants are shown below:

1. Leverage Ratio is not greater than 3.50 (30 June 2024: 3.50).
2. Interest Coverage Ratio is not less than 3.00 (30 June 2024: N/A).
3. Fixed Cover Charge Ratio has been removed from the amended facility (30 June 2024: 1.20).

The Group complied with the covenants throughout the reporting period and as such, the loan is classified as a non-current liability at 31 December 2024.

## Note 12: Issued Capital

### a) Share capital

	31 Dec 2024 Shares	30 Jun 2024 Shares	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Fully paid ordinary shares	200,575,819	201,834,015	793,569	797,975
<b>Other equity securities</b>				
Treasury shares	(1,445,624)	(1,594,237)	(5,640)	(6,213)
	<b>199,130,195</b>	<b>200,239,778</b>	<b>787,929</b>	<b>791,762</b>

### b) Ordinary shares

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Australian Clinical Labs Limited.

When share buy-backs occur, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from issued capital.

Date	Details	Number of shares	Value of shares
<b>6 months to 31 Dec 2024</b>			<b>\$'000</b>
1/07/2024	Opening balance of the Group	201,834,015	797,975
Various	Share buy-backs	(1,258,196)	(4,406)
<b>31/12/2024</b>	<b>Closing balance of the Group</b>	<b>200,575,819</b>	<b>793,569</b>

Date	Details	Number of shares	Value of shares
<b>12 months to 30 June 2024</b>			<b>\$'000</b>
1/07/2023	Opening balance of the Group	201,834,015	797,975
<b>30/06/2024</b>	<b>Closing balance of the Group</b>	<b>201,834,015</b>	<b>797,975</b>

### c) Treasury shares

Treasury shares are shares in Australian Clinical Labs Limited that are held by Australian Clinical Labs Employee Share Trust ('ACLEST') for the purpose of providing shares under Australian Clinical Labs Limited Rights Plan.

Date	Details	Number of shares	Value of shares
<b>6 months to 31 Dec 2024</b>			<b>\$'000</b>
1/07/2024	Opening balance of the Group	(1,594,237)	(6,213)
Various	Transfer of shares to employees to satisfy exercise of rights	148,613	573
<b>31/12/2024</b>	<b>Closing balance of the Group</b>	<b>(1,445,624)</b>	<b>(5,640)</b>

# Notes to the consolidated financial statements continued

for the half-year ended 31 December 2024

## Note 12: Issued Capital (continued)

Date	Details	Number of shares	Value of shares
<b>12 months to 30 June 2024</b>			<b>\$'000</b>
1/07/2023	Opening balance of the Group	(1,330,743)	(5,835)
Various	Treasury shares acquired on-market	(600,000)	(1,742)
Various	Transfer of shares to employees to satisfy exercise of rights	336,506	1,364
<b>30/06/2024</b>	<b>Closing balance of the Group</b>	<b>(1,594,237)</b>	<b>(6,213)</b>

## Note 13: Dividends

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
<b>(a) Dividend paid during the half-year</b>		
Final dividend for the year-ended 30 June 2024 of 9.0 cents per share (2023: 7.0 cents) paid on 27 September 2024, fully franked.	18,165	14,128
<b>(b) Dividends not recognised at the end of the half-year</b>		
Interim dividend for the half-year ended 31 December 2024 of 3.5 cents per share (2023: 3.0 cents) with a record date of 28 March 2025 and payable on 16 April 2025 fully franked.	7,020	6,055

## Note 14: Contingent liabilities

On November 2nd 2023, Australian Information Commissioner (AIC) commenced civil proceedings in the Federal Court of Australia against ACL in relation to alleged contraventions of the Privacy Act 1988 (Cth) during the period 26 May 2021 to 29 September 2022. The AIC claim does not specify the level of any penalty it intends to seek in the event that the claim is established. The outcome and any potential financial outcome are currently unknown. ACL is defending the civil proceedings and any costs in relation to this defence are being recognised as incurred.

## Note 15: Net Tangible Assets Per Ordinary Security

Net tangible assets per ordinary security	31 Dec 2024	30 Jun 2024
Net tangible assets per ordinary security	\$0.02	\$0.06
Net asset backing per ordinary security	\$0.84	\$0.88

The above includes right-of-use assets and liabilities recognised in accordance with AASB 16 *Leases*.

## Note 16: Subsequent Events

Since the end of the financial period, the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

# Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 6 to 18, are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Michael Alscher  
Chair  
Sydney, 25 February 2025



Melinda McGrath  
CEO and Executive Director  
Brisbane, 25 February 2025



# Independent Auditor's Review Report

**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**To the members of Australian Clinical Labs Limited**  
**Report on the Half-Year Financial Report**



## Conclusion

We have reviewed the half-year financial report of Australian Clinical Labs Limited, the "Company" and its controlled entities "the Group" which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Australian Clinical Labs Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

## Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to be 'S D Whitchurch'.

S D WHITCHURCH

Partner

25 February 2025

A handwritten signature in black ink, appearing to be 'P. O. J.'.

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# Corporate Directory

## Company's registered office and principal administrative office

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Clayton VIC 3168

Tel: 1300 453 688

## Share registry

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Sydney NSW 2000

Tel: 1300 554 474



ABN 94 645 711 128

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