

## ASX ANNOUNCEMENT

2 February 2021

### HEALTHIA LIMITED (ASX: HLA) MARKET UPDATE

Healthia Limited (ASX: HLA) (Healthia or the Company) is pleased to provide the following update on its expected performance for the half year ended 31 December 2020.

Wesley Coote, Managing Director, said “after reviewing unaudited management results for the 6-month period ended 31 December 2020, we are pleased to provide an update on the expected performance of the Group. With strong organic growth during the period, and the completion of a number of strategic acquisitions over the last 12 months, including settlement of The Optical Company on 30 November 2020, we expect to see underlying EBITDA for the period ending 31 December 2020 in the range of \$10.7 million to \$11.7 million. This represents an expected increase in underlying EBITDA in the range of 86% to 103% over the prior period.”

The expected range of underlying results for the period ended 31 December 2020 is set out in the table below:

	H1 FY2021 (subject to audit)		H1 FY2020	Change	
	Unaudited - Low	Unaudited - High	Actuals		
	\$'000s	\$'000s	\$'000s	% - Low	% - High
<b>Underlying Revenue<sup>1</sup></b>	62,000	64,000	44,264	40%	45%
<b>Underlying EBITDA<sup>1,2,3</sup></b>	10,700	11,700	5,760	86%	103%
<b>Underlying EBITDA margin</b>	17.26%	18.28%	13.01%	+425bps	+527bps
<b>Underlying NPBT attributable to the owners of Healthia Ltd<sup>1,4</sup></b>	7,000	7,500	3,354	109%	124%
<b>Underlying NPATA attributable to the owners of Healthia Ltd<sup>1,5</sup></b>	4,500	5,000	2,429	85%	106%
<b>Underlying EPS (cents)<sup>1,6</sup></b>	6.52	7.24	3.85	69%	88%

#### Notes

- Underlying results reflects statutory results as adjusted to reflect the Directors' assessment of the result for the ongoing business activities of the Company, in accordance with AICD/Finsia principles of recording underlying profit. Results exclude the impact of costs relating to acquisitions, integration, restructuring and other one-off costs. For the purposes of underlying results, the Company will apply between \$0.10M and \$0.60M of \$4.3M net revenue subsidies (i.e. JobKeeper income less top-up payments and other associated one-off COVID-19 related expenses). The inclusion of this income normalises the Company's revenue for the impact of the COVID-19 pandemic during the period 1 July 2020 to 31 October 2020. This adjustment assumes that the Company's Victorian clinics impacted by the lockdowns over this period would have achieved the same organic growth experienced before and after the COVID-19 affected period.
- EBITDA reflects the underlying Earnings Before Interest, Tax, Depreciation, and Amortization and is a non-IFRS measure.
- Underlying EBITDA for H1 FY2021 has been adjusted for the impacts of AASB16. Expected lease payments have been included and provided to allow for a comparison with H1 FY2020 results.
- Underlying NPBT reflects underlying Net Profit Before Tax attributable to the owners of Healthia Limited (and excluded non-controlling interest) and is a non-IFRS measure.
- NPATA is a non-IFRS measure and equals net profit after income tax expense and before amortisation of customer lists intangibles attributed to the owners of Healthia Limited (and excluded non-controlling interest).
- EPS or earnings per share is calculated as underlying NPATA / weighted average number of shares on issue.

Healthia is also pleased to advise the following:

- The Company achieved organic revenue growth of 14.5% for the 6-month period to 31 December 2020;
- Healthia successfully completed the acquisition of The Optical Company (TOC) on 30 November 2020, representing 41 optical stores and eyewear frame distributor, AED (note: the Company's unaudited results for the period ending 31 December 2020 include 1 month of TOC trading);
- In addition to the acquisition of TOC, and during the last 12 months (1 January 2020 to 31 December 2020), the Company has completed the acquisition of 13 podiatry clinics, 6 retail

footwear stores and 7 physiotherapy clinics, increasing its total businesses owned from 132 to 200 (or an increase of 52%);

- The Company has recruited 60 graduate health professionals commencing in 2021, comprising 27 physiotherapy graduates, 14 podiatry graduates, 10 occupational therapist graduates, 5 exercise physiologist graduates, 3 speech pathologists and 1 dietitian. All new graduates are to attend the graduate induction and training, held between 5 - 7 February 2021. The graduates support Healthia's continued organic growth.

## RELEASE OF HALF YEAR RESULTS

The Company expects to release its audited results for the half year ended 31 December 2020 on **Thursday, 25th February 2021**.

## CONTACT

If you have any further questions, please contact:

Company	Company
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