



Healthia
Better Health. Better Lives.

ASX ANNOUNCEMENT

28 April 2022

HEALTHIA ANNOUNCES NEW ACQUISITIONS AND SETTLEMENTS

- Healthia announces acquisitions which are expected to contribute annualised underlying revenue¹ and EBITDA² of \$2.65 million and \$0.46 million respectively.
- Total acquisitions announced by Healthia for the 2022 financial year to-date are expected to contribute annualised underlying revenue¹ and EBITDA² of \$85.5 million and \$16.3 million respectively. Total capital allocated to these acquisitions is \$110.8 million, with \$19.1 million deployed excluding the Back In Motion acquisition.

NEW ACQUISITIONS

Healthia Limited (**Healthia** or the **Company**) is pleased to announce that it has entered into binding agreements to acquire the following businesses (together, the **Acquisitions**), comprising:

- Restore Movement, a physiotherapy business located in Melbourne, Victoria (1 clinic);
- Re-Wired Hand Therapy and Nerve Recovery, a hand therapy business located in Melbourne, Victoria (4 clinics); and
- The Eye Place, an optical store located in Singleton, New South Wales (1 store).

Healthia is pleased to announce that settlement has been reached for the Acquisitions.

The Acquisitions are expected to contribute the following annualised earnings¹ to Healthia:

Underlying revenue ¹	\$2.65 million
Underlying EBITDA ^{2,3}	\$0.46 million

Total consideration for the Acquisitions (subject to completion adjustments⁴) is as follows:

Upfront cash consideration	\$1.40 million
Issue of Clinic Class Shares ⁵	\$0.43 million
Total upfront consideration	\$1.83 million

In addition to the upfront consideration, contingent consideration of up to \$0.21m may become payable as cash consideration, subject to the achievement of pre-defined conditions.

The Acquisitions will be funded through existing cash reserves and the Company's finance facility with ANZ, NAB and BOQ.

¹ Underlying revenue and Underlying EBITDA numbers are based on historical 12 months of trading, normalised in accordance with Healthia's acquisition and accounting policies, removing the impacts of AASB16.

² Underlying EBITDA means earnings before interest, tax, depreciation and amortisation, removing the impacts of AASB 16. Underlying EBITDA reflects EBITDA as adjusted to reflect the Directors' assessment of the result for the ongoing business activities, in accordance with AICD/Finsia principles.

³ Underlying EBITDA includes the approximate 22% economic interest continued to be owned by Clinic Class Shareholders.

⁴ Completion adjustments are agreed on a deal-by-deal basis and can include adjustments for the value of inventory held at completion and the value of employee liabilities transferring to Healthia as the acquirer.

⁵ 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.

ACQUISITION SUMMARY – FY22 YEAR TO DATE

Completion of the Acquisitions takes the total capital deployed on new acquisitions by Healthia for the 2022 financial year to-date to \$110.8 million. This is detailed in Table 1 below.

Table 1: Summary of acquisitions settled and/or announced during 2022 financial year to-date

	Pro-forma Financials		Consideration	Multiple
	Revenue	EBITDA(u)	Total Consideration	EBITDA Multiple
	\$ million	\$ million	\$ million	Multiple
Back In Motion	\$62.3	\$12.2	\$91.7	7.5x
Settled H122	\$13.4	\$2.35	\$10.5	4.5x
Settled or announced after H122	\$9.9	\$1.8	\$8.6	4.8x
Total	\$85.5	\$16.3	\$110.8	6.8x

As set out in Table 1 above, as at the date of this announcement Healthia has deployed capital of \$19.1 million during FY22 year to-date excluding the Back In Motion acquisition. Healthia is confident in meeting its previously disclosed target of deploying \$20m capital during FY22.

CONTACT

Investors are encouraged to keep up to date with Healthia news and research by subscribing at:

<https://www.healthia.com.au/join-us/>

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