

ASX ANNOUNCEMENT

17 November 2023

INDICATIVE OUTCOME OF ELECTIONS OF SCRIP CONSIDERATION

Healthia Limited (ASX:HLA) (**Healthia**) refers to the announcement made on 31 August 2023 in relation to the proposed acquisition by Harold BidCo Pty Ltd (**PEP BidCo**), an entity owned by funds advised by Pacific Equity Partners, of 100% of the fully diluted share capital in Healthia by way of a scheme of arrangement (**Scheme**) and the registration of the Scheme Booklet with the Australian Securities and Investments Commission on 17 October 2023 (**Scheme Booklet**).

The Election Date for Healthia Shareholders to elect to receive Scrip Consideration, being 5.00pm (Sydney time) on Wednesday, 15 November 2023, has now passed. The indicative outcome of Elections made by Healthia Shareholders for Scrip Consideration is set out in the table below.

These results are indicative only and the final Election outcome, including whether a scale back would apply, will not be known until the Scheme Record Date.

Scrip Consideration Option	Indicative number of Healthia Shares in respect of which Scrip Consideration will be received ¹	Number of Healthia Shareholders
All Scrip	5,263,167	27
Mix-and-match	12,209,971	24
Total	17,473,138	51

Final Outcome of Elections (and number of Healthia Shares in respect of which Scrip Consideration will be received) and Scrip Scale Back to be determined after the Scheme Record Date

Under the Scheme, the Election will apply to a number of Healthia Shares calculated by applying the Elected percentage to the higher of an Electing shareholders holding on the Election Date and the Scheme Record Date, provided it does not exceed their holding at the Scheme Record Date (currently scheduled for Monday, 4 December 2023 at 7.00pm (Sydney time)). Accordingly, as holdings in Healthia Shares may change before the Scheme Record Date, these results are indicative only and the final Election outcome will not be known until the Scheme Record Date.

Minimum Election of Key Rolling Shareholders expected to be satisfied

The Scheme is conditional on Healthia receiving valid Elections to receive Scheme Scrip Consideration from Key Rolling Shareholders² for some or all of their shares which will represent at least 15.74 million Healthia Shares in aggregate (**Minimum Election Condition**).³

The Key Rolling Shareholders have elected to receive Scheme Scrip Consideration for some or all of their holdings which are expected to exceed that amount and so the Minimum Election Condition therefore is expected to be satisfied.

No Scrip Scale Back expected to apply based on current holdings

As described in the Scheme Booklet, Healthia Shareholders who make a valid Election to receive a Scrip Consideration Option

¹ Including any Healthia shares that will be held as a result of vesting and exercise of Performance Rights.

² Healthia Directors Glen Richards, Paul Wilson, Darren Stewart, Wesley Coote, Lisa Roach and Colin Kangisser and key management personnel and any of their associates and any entities that any control (identified and defined as 'Key Rolling Shareholders' in the Scheme Implementation Deed).

³PEP BidCo and Healthia have agreed, through a conditional waiver of the Minimum Election Condition, that the Healthia Shares which the Key Rolling Shareholders will receive if the Scheme becomes Effective and the Performance Rights vest (as described in section 7.2(b) of the Scheme Booklet) will be included in determining whether this condition has been satisfied.

may be subject to Scrip Scale Back. A Scrip Scale Back would apply if Elections made would result in Healthia Shareholders holding, in aggregate, more than the Maximum Scrip Threshold, being 30% of the total issued capital of TopCo on the implementation of the Scheme.

Based on the indicative outcome of Elections above and those shareholders current holdings, the total number of TopCo Shares to be issued to Healthia Shareholders on implementation of the Scheme is less than the Maximum Scrip Threshold. Therefore, Healthia Shareholders who made valid Elections for Scrip Consideration are not expected to be subject to Scrip Scale Back assuming the holdings of those shareholders who have lodged elections does not change. As noted above, the Scrip Scale Back may occur in the event that there are changes in the shareholdings of electing shareholders before the Scheme Record Date.

Method of Holding Class B Shares

As described in the Scheme Booklet, TopCo will appoint a custodian to hold the Class B Shares in the capital of TopCo on behalf of those Healthia Shareholders who made valid Elections to receive the Scrip Consideration.

Scheme Shareholders who receive Scrip Consideration pursuant to the Scheme will have those Class B Shares registered in the name of the custodian to hold as bare trustee for that Scheme Shareholder (such that the Scheme Shareholder will be the beneficial holder but not the legal holder of the relevant Scrip Consideration) in accordance with the terms of the Nominee Deed.

Ineligible Foreign Shareholders and New Shareholders

Any person who is an Ineligible Foreign Shareholder or becomes a Healthia Shareholder after the Election Date or who has not made a valid Election by the Election Date will receive the Cash Consideration in respect of their Healthia Shares held on the Scheme Record Date.

Next Steps

The Healthia Directors continue to unanimously recommend that Healthia Shareholders approve the Scheme by voting in favour of the Scheme Resolution, and each director of the Healthia Board intends to vote all of the Healthia Shares in which they have a relevant interest in favour of the Scheme, in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of Healthia Shareholders.

Healthia Shareholders are reminded that the latest date and time for receipt of Proxy Forms for the Scheme Meeting is Monday, 20 November 2023 at 10.00am (Brisbane time). The Scheme Meeting will be held at 10.00am (Brisbane time) on Wednesday, 22 November 2023, in person at Inchcolm by Ovolo at 73 Wickham Terrace, Spring Hill QLD 4000 and virtually via the online meeting platform at <https://meetings.linkgroup.com/HLASM23>.

Unless otherwise indicated, capitalised terms used in this announcement have the meaning given to them in the Scheme Booklet dated 16 October 2023.

Further information

If you require any further information, please call the Healthia Shareholder Information Line on 1800 990 475 (within Australia) or +61 1800 990 475 (outside Australia) on Business Days at any time between 8.30am and 5.30pm AEDT (Sydney) on Monday to Friday.

CONTACT

Investors are encouraged to keep up to date with Healthia news and research by subscribing at: <https://www.healthia.com.au/join-us/>.

Healthia Limited	
Wesley Coote Group CEO & MD Tel: 07 3180 4900 E: wes.coote@healthia.com.au	Julia Murfitt General Counsel & Company Secretary Tel: 07 3180 4900 E: julia.murfitt@healthia.com.au

-END-