

ASX ANNOUNCEMENT

12 October 2023

HEALTHIA ANNOUNCES ACQUISITION SETTLEMENT

Healthia Limited (**Healthia** or the **Company**) is pleased to announce the expansion of its North American orthotic laboratory operations through the acquisition by iOrthotics USA LLC (**iOrthotics USA**) of a custom foot orthotic manufacturing business located in New Jersey known as Performance Laboratories (**Performance Labs**) for a total purchase price of \$1.5m (\$USD) (**Purchase Price**). Healthia owns a 58% stake in iOrthotics USA, with the remaining 42% being owned by Hersco Orthotics Labs of Long Island City, New York. The Purchase Price was paid by way of an upfront cash payment of \$750k (\$USD) with the balance to be paid by way of 6 equal payments of \$125k (\$USD) to be paid in 6-monthly installments commencing on 31 March 2024.

iOrthotics USA commenced its operations in around January 2020 when it launched a 3D printed orthotics manufacturing laboratory in New York as detailed in Healthia's earlier ASX Announcement dated 28 January 2020. Since this time, iOrthotics USA has grown from operating a single 3D printer to now operating three 3D printers. iOrthotics Australia, a wholly owned subsidiary of Healthia, receives an intellectual property licence fee for each orthotic printed by iOrthotics USA.

Performance Labs is expected to contribute annualised EBITDA(u)¹ of \$275k (\$USD) to iOrthotics USA.

Healthia's portion of the acquisition expenses were funded from existing cash reserves.

If you have any questions, please contact:

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¹EBITDA(u) means underlying earnings before interest, tax, depreciation and amortisation, removing the impacts of AASB16. EBITDA(u) reflects EBITDA as adjusted to reflect the Directors' assessment of the result for the ongoing business activities, in accordance with AICD/Finsia principles. EBITDA(u) has not been audited.