

ASX ANNOUNCEMENT

17 October 2023

SCHEME BOOKLET REGISTERED WITH ASIC

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, 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 orders made by the New South Wales Supreme Court that Healthia convene and hold a meeting of Healthia Shareholders to consider and vote on the Scheme (**Scheme Meeting**) and distribute an explanatory statement providing information about the Scheme and notice of the Scheme Meeting (**Scheme Booklet**) to Healthia Shareholders.

Scheme Booklet

Healthia confirms that the Scheme Booklet has now been registered with the Australian Securities and Investments Commission.

A copy of the Scheme Booklet, which includes the Independent Expert's Report and notice of Scheme Meeting, is available electronically for viewing and downloading at www.healthia.com.au.

Healthia is unable at this time to upload the Scheme Booklet to the ASX announcements platform due to file size. Healthia is working to resolve this issue and will release the Scheme Booklet to the ASX announcements platform as soon as possible.

The Scheme Booklet provides Healthia Shareholders with important information about the Scheme. Healthia Shareholders are advised to read the Scheme Booklet carefully in its entirety before making a decision on whether or not to vote in favour of the Scheme.

Independent Expert's Report

The Scheme Booklet includes a copy of the Independent Expert's Report prepared by Lonergan Edwards & Associates (**Independent Expert**) and the notice of Scheme Meeting. The Independent Expert has concluded that the Cash Consideration is fair and reasonable and that the Scheme is in the best interests of Healthia Shareholders in the absence of a Superior Proposal.

The Independent Expert has assessed the full underlying value of Healthia Shares on a 100% controlling interest basis at between \$1.59 and \$1.83 per Healthia Share. The Cash Consideration of \$1.80 per Healthia Share is towards the top end of this range.

Healthia Shareholders should note that the Independent Expert has assessed the underlying value of the Scrip Consideration Options in the immediate or short term post implementation of the Scheme at between \$1.41 and \$1.76 per Healthia Share (on a 100% controlling interest basis). After allowing for discounts which are commonly applied in practice, the Independent Expert has stated in its opinion, the realisable value of the Scrip Consideration Options immediately post implementation of the Scheme is likely to be materially less than the Cash Consideration and its valuation of Healthia shares. Having regard to the above, the Independent Expert has evaluated the Scheme by reference to the value of the Cash Consideration only.

Healthia Board recommendation

Each member of the Healthia Board recommends that Healthia Shareholder vote in favour of the Scheme at the Scheme Meeting subject to no Superior Proposal emerging and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Healthia's Shareholder. Subject to the same qualifications, the Healthia Directors, who in aggregate currently hold or control approximately 18.6% of the issued Healthia shares, each intend to vote all the Healthia shares held or controlled by them in favour of the Scheme. The Board of Healthia makes no recommendation in relation to whether Healthia Shareholder should elect to receive unlisted scrip consideration.

Scheme Meeting

The Scheme Meeting is currently expected to be held at 10.00am AEST (Brisbane) on Wednesday 22 November 2023, in person at the Inchcolm by Ovolo at 73 Wickham Terrace, Spring Hill QLD 4000 and virtually through <https://meetings.linkgroup.com/HLASM23>.

Assuming the Scheme Meeting is held on Wednesday 22 November, each registered Healthia Shareholder as at 7.00pm AEDT (Sydney) on Monday 20 November 2023 will be eligible to vote at the Scheme Meeting.

Healthia Shareholders are encouraged to vote by completing and returning the Proxy Form accompanying the Scheme Booklet

by 10.00am AEST (Brisbane) on Monday 20 November 2023 or alternatively by attending the Scheme Meeting in person, virtually, or by proxy, attorney or corporate representative.

Court hearing for approval of the Scheme

If the Scheme is approved by the required majorities at the Scheme Meeting, then at 9.15am AEDT (Sydney) on Wednesday 29 November 2023, the Supreme Court of New South Wales will hear an application by Healthia seeking the approval of the Scheme.

If you wish to oppose the approval of the Scheme, you must file and serve on Healthia an appearance form (Form 6A), together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on Healthia at its address for service at least 1 day before the hearing. The address for service is:

Attn: Jonathan Slater
C/- Clayton Utz
Level 15, 1 Bligh Street
Sydney NSW 2000
Service via email will be accepted: jslater@claytonutz.com

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

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