



2019 Annual General Meeting

25 November 2019

Robert Hubbard

Chairman



Board of Directors



Robert Hubbard
Non-executive Chairman



Arlene Tansey
Non-executive Director



Dr Paul Jones
Non-executive Director



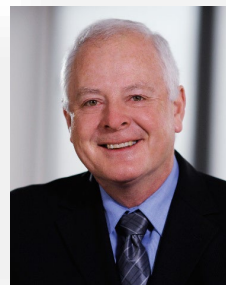
Dr Malcolm Parmenter
MD & CEO



Charles Tilley
Company Secretary



Sally Evans
Non-executive Director



Gordon Davis
Non-executive Director

Executive Leadership Team



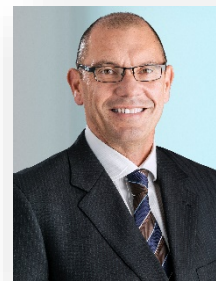
Malcolm Parmenter
MD & CEO



John McKechnie
Chief Executive, Pathology



Scott Beattie
Chief Executive,
Medical Centres



Dean Lewsam
Chief Executive, Imaging



Ben Korst
Chief Executive,
Day Hospitals



Maxine Jaquet
Chief Financial Officer



Janet Payne
Group Executive,
Corporate Affairs



Peter Wilson
Group Executive,
People and Shared Services

A year in review



- 'Healius' brand rolled out
- Acquired Montserrat Day Hospitals
- Strategic initiatives progressed
- Political engagement
- Organisational re-design
- Sustainability reporting



Sustainability Report
July 2019



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Financial results

Underlying

FY 2019 \$m	Pathology	Medical Centres ¹	Imaging	Corporate	Group ²
Revenue	1,128.3	327.4	391.3	0.3	1,804.5
EBITDA	136.2	61.4	54.1	(15.7)	236.0
EBIT	111.1	37.6	38.7	(20.1)	167.3
UNPAT					93.2

FY 2018 \$m	Pathology	Medical Centres ¹	Imaging	Corporate	Group ²
Revenue	1,090.6	289.7	362.6	0.0	1,704.6
EBITDA	138.7	53.7	51.2	(15.6)	228.0
EBIT	114.1	31.6	33.8	(19.4)	160.1
UNPAT					87.5

¹ Medical Centres includes Healius Medical Centres, Health & Co, Dental, IVF and Day Hospitals

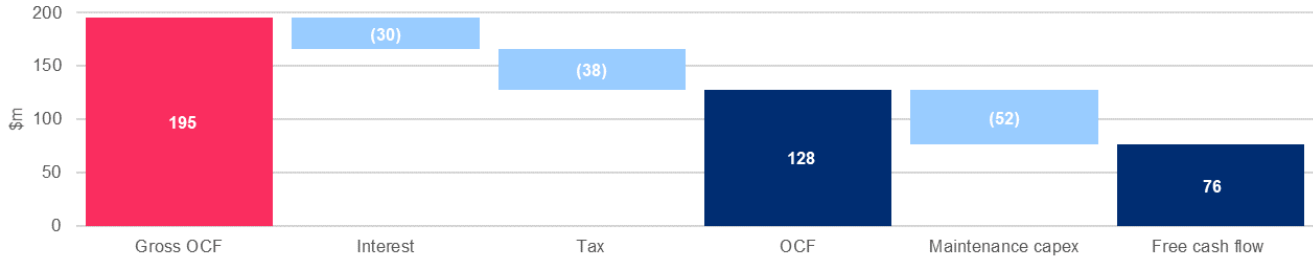
² \$42.8m of inter-company revenue/expenses have been eliminated at the Group level (FY18 \$38.3m)

Strategic projects

FY 2019 \$m	Laboratory Platforms	Leapfrog	iCAR	Corporate
Total Opex (adjusted between reported and underlying)	10.3	13.1	3.1	9.2
Total Capex	4.2	31.6	5.0	0.0
Total Project Costs	14.5	44.7	8.1	9.2

- Four key projects which are transformational in nature and unlikely to be undertaken again at such a collective magnitude:
 - **Leapfrog** – Medical Centres transformation program
 - Core **technology platform** upgrades - **Pathology and Imaging**
 - **Corporate infrastructure renewal** program
- Future adjustments:
 - iCAR expected to cease after FY 2020
 - Leapfrog and corporate infrastructure renewal expected to substantially reduce after FY 2020
 - LIS in Pathology is a 5-year project

Cash flow and capital



- Growth capex \$176m - partly funded by the capital raise
- Including **Montserrat Day Hospitals** acquisition
- Net debt \$678m
- Bank gearing ratio 2.4x
- **Dividends**
 - **Final 3.4 cents** per share
 - **Total 7.2 cents** per share

Dr Malcolm Parmenter

Managing Director & CEO



Executive Leadership Team



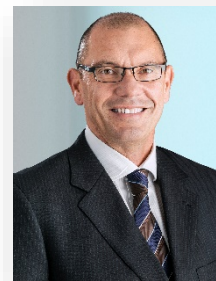
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Healius brand

healius

The *greatest* care
... for the greatest number

- 1,900+**
Independent HCPs
Australia-wide
- 3M+**
Radiography
examinations
- 2,500**
Site locations
Australia-wide

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- Pathology
- Medical Centres
- Imaging

Wellbeing
at scale

healius

Wellbeing
at scale

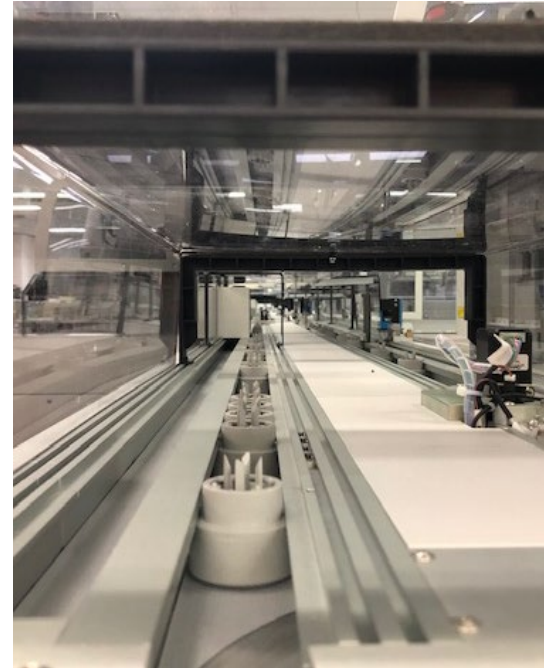
- 1 in 3**
Pathology
samples tested in
our laboratories
- 13,000+**
Employees
Australia-wide
- 8M+**
Medical Centre
patient consults

Pathology

- Creditable performance with strong 2H returns
- Upgraded **Serum Work Area** in NSW in October

SWA Benefits:

- increased automation
 - test costs and turnaround times reduced
 - leading-edge clinical methodology
 - capacity for growth
-
- Progress on implementing new **Laboratory Information System** to deliver improved accuracy and efficiencies
 - Expansion of niche specialties including **Genomic Diagnostics**

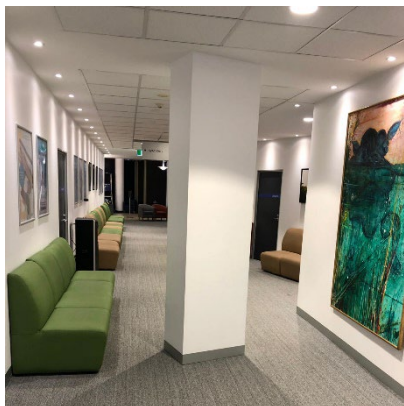


New Serum Work Area at Laverty

Medical Centres

- Record GP cohort of 1,164
- Leapfrog investment:
 - Practice management system (MedicalDirector 3) rolled out
 - Appointment capability introduced
 - New consumer services
 - 15 centres transformed and extended

New consumer services



Maroubra centre refurbishment under Leapfrog

Medical Centres (cont.)

Join-the-queue remotely

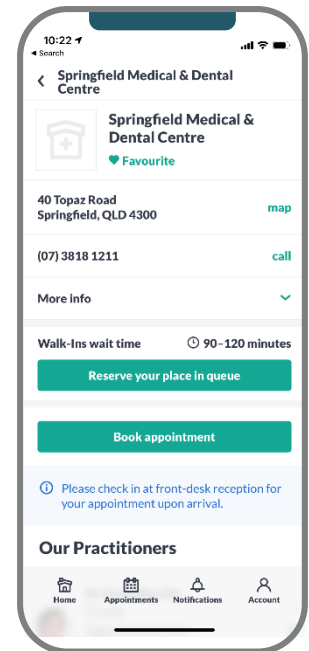
- Patients can join the **queue from anywhere** – reducing time spent in waiting room
- Patients receive an **SMS alert** 60 and 30 minutes prior, advising them to head to the centre
- Currently available at **7 centres**

“It was so convenient to be able to join the queue while travelling in from home.”

Patient feedback

“This is an amazing feature and something that I am proud to promote to patients.”

Practice feedback



Medical Centres (cont.)

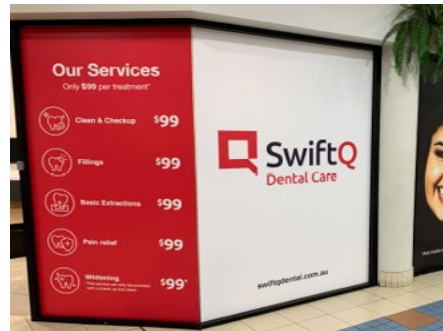
Dental

- Success in growth of **Dental**
- Launch **SwiftQ Dental**
- Affordable dental care – 6 services at \$99 each

IVF

- Success in growth of **Adora Fertility**
- New clinic opened in WA and new satellite clinics in QLD & NSW
- Expansion of Sydney and Melbourne clinics

Start-up businesses



Montserrat

- Acquired October 2018
- 3 hospitals opened including **Westside** with **40+ specialists**
- Building **diversified platform** for **future growth**:
 - In US strong shift to day procedures where ASCs grown to > 5,000
 - In Australia, similar cost drivers and technology innovation
- Expected **strong growth** from FY2020



4 star Medi-Hotel room



On-site Specialists
Consulting Rooms



Radiology &
Pathology



4 Theatres
3 Treatment Rooms
1 Procedure Room



Overnight Beds
& Medi-Hotel



Clinical Trials



Cancer Centre

Westside Private Hospital, QLD

Imaging

- Third consecutive year of double-digit growth
- Successful contract wins and delivery:
 - **Northern Beaches Hospital**
 - **Australian Defence Force Health Services**
- **iCAR** technology replacement and innovation:
 - nearing successful completion of the roll-out of major IT project

“Thank you, the new tele-connect (iCAR) system is a really big improvement, and has made a massive difference to my work”

Radiographer quote



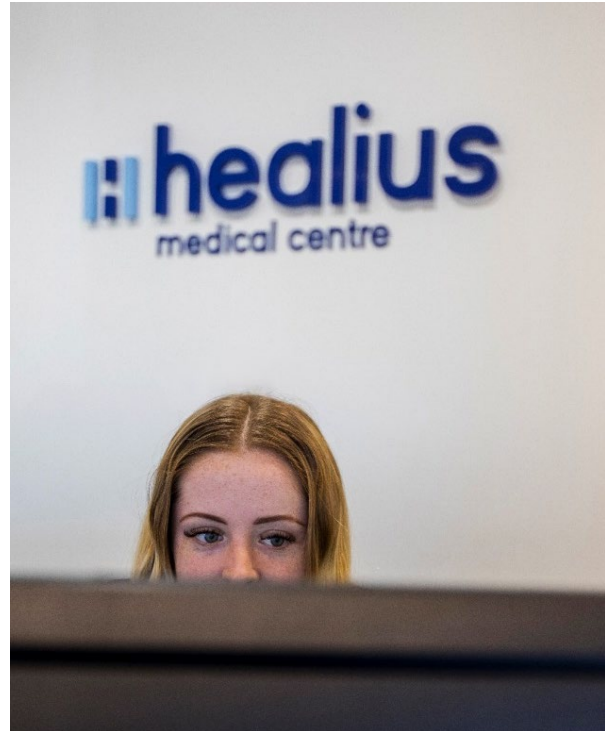
“I had a number of complex patients that required internal and external comparison of imaging and this worked seamlessly on the new system.”

Radiographer quote



Organisational re-design

- Simplify and streamline management of the portfolio
- Improve agility and autonomy of the businesses
 - Devolved support functions
 - Leaner Head Office
- Profitability improvement initiatives:
 - Roles, functions and management layers
 - Procurement activities
 - Property portfolio
- Example:
 - Optimisation of regional laboratory network



Outlook

- Long-term drivers remain positive
- Well-funded frontline health system key to efficient and effective healthcare
- Indexation July 2019 in General Practice and July 2020 in Imaging
- Recruitment in General Practice remains competitive

FY 2020 forecast

- Expect underlying FY 2020 NPAT to be in the range of \$94m to \$102m
- At the top, delivers an increase of 9.4%, in line with the seasonally-adjusted 2H19 run-rate



The logo consists of a dark blue vertical bar on the left, followed by two vertical bars of equal height: a shorter red one and a taller dark blue one. To the right of these bars is the word "healio" in a lowercase, sans-serif font. The letters "h", "e", "a", "l", "i", and "o" are red, while the letter "o" at the end is dark blue.

healio