



# Half Year Results

1H 2026

18 February 2026

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# Group Overview

**Paul Anderson**  
Chief Executive Officer &  
Managing Director



# Group Results

Revenue growth on improved volume mix and cost out benefits being realised

Revenue

**\$688.1m**

*\$662.6m in pcp (up 3.8%)*

Pathology Revenue

**\$666.3m**

*\$643.8m in pcp (up 3.5%)*

Underlying EBITDA

**\$122.2m**

*\$108.0m in pcp (up 13.1%)*

Reported EBITDA

**\$101.4m**

*\$89.1m in pcp*

Underlying EBIT

**\$7.9m**

*Loss of \$2.7m in pcp after corporate cost*

Net Cash

**\$11.6m**

*\$57.2m at Jun 25*

## Financial Performance

Revenue

- Group revenue growth of \$25.5m (3.8%) to \$688.1m.
- Pathology revenue growth of \$22.5m (3.5%) to \$666.3m.
- Agilex revenue growth of \$3.0m (16.0%) to \$21.8m.

Underlying Results

- Group Underlying EBITDA up \$14.2m (13.1%) to \$122.2m.
- Pathology EBITDA up \$12.3m (11.7%) to \$117.4m.
- Agilex EBITDA up \$1.9m (65.5%) to \$4.8m.
- Pathology EBIT up \$9.0m to \$5.2m.
- Agilex EBIT up \$1.6m (145.5%) to \$2.7m.

Net Cash

- Net cash position of \$11.6m as at 31 December 2025, with cash of \$51.6m and drawn debt of \$40.0m.

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# Pathology *(excluding Agilex Biolabs)*

*Improvement in revenue growth, revenue mix changing, customer focus progress, labour cost reduction underway*

## Financial

- Revenue growth of \$22.5m (3.5%) to \$666.3m.
- Total cost growth reduced to 1.9%
  - Labour costs are 50.7% of revenue (51.0% in pcp) and reduced to 49.3% in 2Q26 (as a result of labour optimisation program).
  - Consumables costs reduced to 15.8% of revenue (16.6% in pcp).
- EBITDA up \$12.3m (11.7%) to \$117.4m.
- Pathology EBIT up \$9.0m to \$5.2m.

## Operational

- GP attendances reduced by 1.5% vs pcp, while Specialist attendances are up 2.5% over same period.
- MBS volumes flat for the 6-month period vs pcp.
- Pathology revenue growth attributable to volume growth of 1.2% and improved revenue mix with growth in B2B including Clinical Trials, Genomic Diagnostics and Veterinary Pathology.
- Labour optimisation mostly complete with reorganised workforce utilising technology to gain efficiencies.
- Significant technology developments delivered with Medway Collectors Portal, Results Portal, and a new Patient App to be rolled out in 2H26.
- AI co-workers Reva AI and Julie AI have been launched with plans to deploy additional AI co-workers (further details on slide 8).
- Contract with ADF commences in April 2026 with expected revenue over initial 5-year contract term to be approximately \$60.0m.
- Fair Work decision on gender-based undervaluation has estimated impact of \$1.8m in FY26.



# Agilex Biolabs

*Strategic capability enhancement and focus on large molecule development contributes positively*

## Financial

- Revenue growth of \$3.0m (16.0%) to \$21.8m.
- EBITDA up \$1.9m (65.5%) to \$4.8m.
- EBIT up \$1.6m (145.5%) to \$2.7m.

## Operational

- Strategic decision to enhance capability and focus on large molecule development.
- Exit of the Toxicology business to focus on large molecule work contributed to the improved performance.
- New bioanalytical laboratory opened in Brisbane is a significant milestone. It is the benchmark operating model for future sites as Agilex expands its national footprint.
- Order book (won work) has returned to normal levels.



# Digital Investment

Digital milestone achieved - positioning the business for growth by leveraging technology

## Digital Transformation Program

Our multi-year Digital program has come to an end and from 2H26 onwards, any future investment in Digital will be treated as business as usual and no longer a non-underlying item.

### Outcomes from the program

 Websites	Replaced outdated, legacy websites with modern, standard, digital front-door for new propositions e.g. online self service. Improved discovery and SEO ranking.
 Referral Hub	Introduced electronic ordering from all major GP & Specialist Practice Management Systems. Delivered real-time result delivery. Setup API based B2B services and industry leading FHIR compliance.
 Patient App	Creating state of the art access to patients for various pathology related services – launching 2H26.
 Medway Collectors Portal	Fully digitised collections portal simplifying collector workflows, reduced collection errors and better patient experience.
 Lab Portal	Single national system built on modern web-based technology. Standardised lab workflows and instrument management. Digital pathology and AI tools for reporting.
 Medway Results Portal	Replaced legacy, unstable system with an industry leading real-time result delivery and clinical decision support for referrers. Extended now to include Continuous Professional Development.
 Clinical Trials	Fully digitised end-to-end platform for clinical trial clients - covers protocoling, collection, couriers and custom results processing.
 Billing System	Simplified pricing, upfront payments, and sophisticated billing rules and analytics for revenue assurance.



# T27 Scorecard – Performance Update 1H26

Our aim is to deliver high single digit EBIT margins in FY27

✓ Delivery complete
▶ Partially delivered
> On track

## Customer Service

- ▶ **Collections Productivity:** 80% of all ACC episodes digitised (since July 2025)
- ▶ **Enhanced CX:** 100K patient appointments across ~30 tests (since August 2025)
- ▶ **Core growth:** ~2,200 referrers added in 1H26
- ▶ **Collections Productivity:** Organisational changes complete; labour benefits accruing
- ▶ **Enhanced CX:** 1H26 Contact Centre response times improved by 28% vs 2H25
- ▶ **Core growth:** 1H26 average fee growth of **3.5%** over 2H25

## Laboratory Modernisation

- ✓ **Lab:** Regional lab optimisation complete: **6.0%** reduction in FTEs since July 2025
- ✓ **Lab:** Productivity gain from main lab optimisation: **2.2%** less FTEs vs 4Q25
- ▶ **Consumables spend:** **15.8%** as % of revenue vs pcp of 16.6%
- > **Lab:** Microbiology automation progressing: Lavery operational cutover 4Q26
- ▶ **Lab:** Instrument Manager rollout now **75%** complete across all main labs
- ▶ **Logistics:** 75% of metro courier runs digitised, **40%** reduction in paper reports vs 2H25

## Emerging Diagnostics

- ▶ **Genomics:** revenue up **21.6%** in 1H26 vs pcp
- ✓ **Vet:** Victorian lab operations now fully integrated into Heidelberg
- ✓ **B2B:** New ADF contract (5+5yr), displacing competition
- ▶ **Genomics:** 8 new products launched in 1H26 across reproductive health & oncology
- ▶ **Vet:** 1H26 revenues up **3.8%** over PCP and **7.4%** over 2H25
- ▶ **B2B:** Clinical Trials 1H26 revenue up **118.6%** vs pcp

## Digital Technologies

- ✓ **Medway:** New market leading digital CPD offering launched starting January 2026
- ▶ **Medway:** eReferral growth gaining momentum – 37% higher in 1H26 vs pcp
- ▶ **Digital AP:** New scanners now enabling national case sharing across tissue types
- ▶ **Medway:** New pricing infrastructure launched 2Q26, digitising end to end process
- ▶ **Pathway:** Genomics workflow improvements now live for priority tests
- ▶ **Digital AP:** IBEX AI enabled cancer detection now embedded in workflows

## People & Ways of Working

- ✓ **Corporate costs:** Additional **\$10.7m** (annualised) savings in 1H26
- ✓ **'Go-to-market'** model now rationalised: org changes effective October 2025
- ▶ **FY26 labour costs:** 2Q26 Labour costs reduced by 2.7% (as % of revenue) vs 1Q26
- ✓ **AI workers:** Reva AI – working on high volume finance transactions
- ✓ **AI workers:** Julie AI – working on workforce planning
- ▶ **AI workers:** 3 additional digital co-workers being developed in priority areas



# Summary Financials

Andrew Thomson  
Chief Financial Officer



# Group Results

Focused on margin expansion through top line revenue growth and cost reduction strategy

	1H26	1H25	
	\$m	\$m	Chg %
<b>Revenue (Underlying)</b>	<b>688.1</b>	<b>662.6</b>	<b>3.8%</b>
<b>EBITDA (Underlying)</b>	<b>122.2</b>	<b>108.0</b>	<b>13.1%</b>
Depreciation & amortisation	(114.3)	(110.7)	3.3%
<b>EBIT (Underlying)</b>	<b>7.9</b>	<b>(2.7)</b>	<b>392.6%</b>
Non-underlying items	(20.8)	(13.1)	58.8%
Transactions with discontinued operations	-	(6.8)	-
<b>EBIT (Reported)</b>	<b>(12.9)</b>	<b>(22.6)</b>	<b>42.9%</b>
Interest	(23.6)	(33.6)	(29.8%)
Tax benefit	10.2	16.1	(36.6%)
(Loss)/Profit from discontinued operations	(4.1)	27.3	(115.0%)
<b>NPAT (Reported)</b>	<b>(30.4)</b>	<b>(12.8)</b>	<b>(137.5%)</b>

## Top line revenue growth / strategy to reduce costs

- Group revenue growth of \$25.5m (3.8%) to \$688.1m driven by volume and fee growth in Pathology and strong revenue growth in Agilex.
- Group EBIT of \$7.9m is an improvement on prior period loss of \$2.7m (after \$7.9m of corporate costs now absorbed in the business).
  - Pathology EBIT of \$5.2m now includes these corporate functions.
  - Agilex EBIT more than doubled on pcp to \$2.7m with revenue growth translating to margin.
- Non-underlying items of \$20.8m, predominantly from digital program and restructuring costs to right-size the business.
- Interest costs in 1H26 relate primarily to AASB16 finance costs. Significant reduction on pcp due to lower average debt levels.
- On track to deliver target annualised support cost savings of \$20.0m.
  - Further \$10.7m in annualised savings achieved in 1H26 and more planned for 2H26.
  - Full run rate benefit expected from FY27 onwards.

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# Pathology

Improved revenue source mix contributing to average fee growth

	1H26	1H25	
	\$m	\$m	Chg %
Revenue	666.3	643.8	3.5%
EBITDA	117.4	105.1	11.7%
EBIT	5.2	(3.8)	236.8%
EBIT margin	0.8%	(0.6%)	233.3%

EBIT Breakdown	1H26	1H25	
	\$m	\$m	Chg %
Pathology	5.2	4.1	26.8%
Corporate	-	(7.9)	-
<b>Total</b>	<b>5.2</b>	<b>(3.8)</b>	<b>236.8%</b>

## Revenue growth 3.5% - benefiting from mix

- Revenue growth underpinned by improved mix of Specialists, Hospital and B2B revenues
  - Strong growth continues in Genomics (up 21.6% vs pcp).
  - Clinical Trials showing exceptional growth and solid pipeline (up 118.6% vs pcp).
- Labour has increased 2.9% on pcp primarily driven by EA rate increases, offset by headcount reduction from restructuring.
  - Labour as % of revenue has reduced to 49.3% in 2Q26 as result of optimisation plans (~400 FTE reduction), further progress expected in 2H26.
- Consumables are well controlled, reducing in absolute terms (1.8% lower than pcp) and as % of revenue (15.8% vs 16.6%) in a higher volume period.
- Network cost (property including AASB16 depreciation and finance costs) have trended higher as a % of revenue, impacted by mix of sites within the portfolio due to timing of new sites vs exits.

Note: Pathology as presented includes the corporate function which was reported separately in prior year.



# Agilex Biolabs

Strategic pivot to large molecule work contributes to margin expansion

	1H26	1H25	
	\$m	\$m	Chg %
Revenue	21.8	18.8	16.0%
EBITDA	4.8	2.9	65.5%
EBIT	2.7	1.1	145.5%
EBIT margin	12.4%	5.9%	110.2%

## Revenue growth contributing to margin improvement and expansion

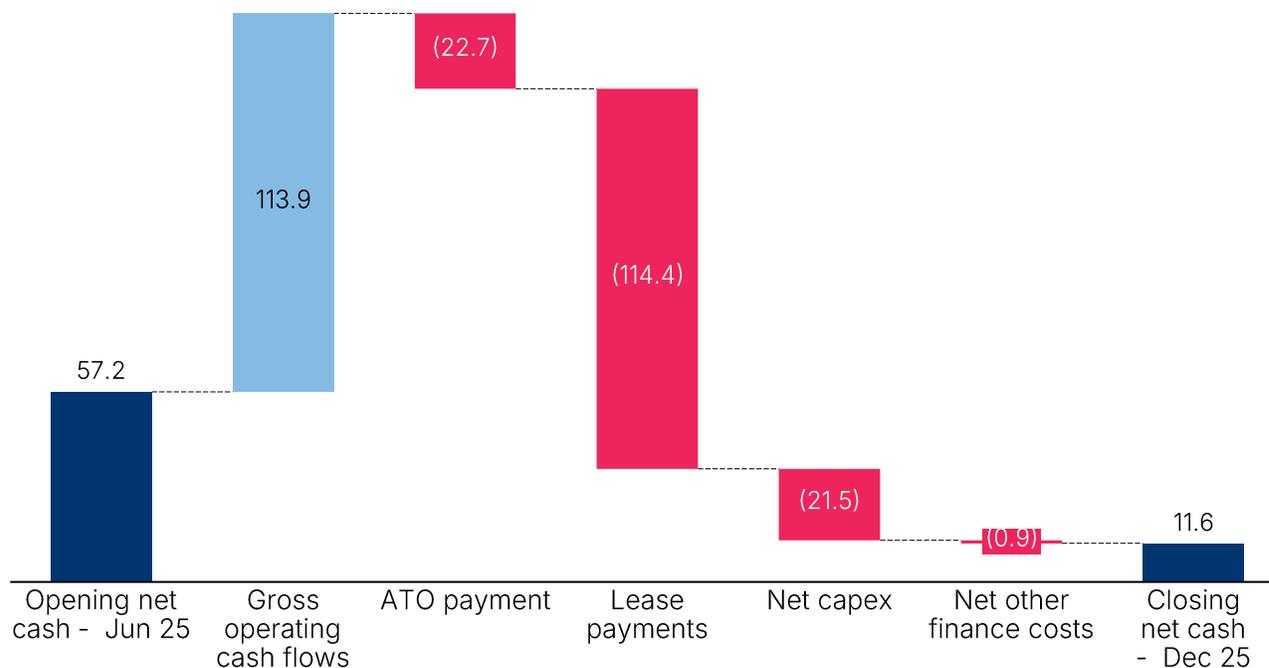
- EBIT margin of 12.4% reflects the change in mix as business pivoted away from small molecule to large molecule work. It also reflects the closure of the loss-making Toxicology business.
- National footprint expansion with new Brisbane Bioanalytical performing ahead of expectations.
- Industry fundamentals, strategic rationale, competitive advantages remain.
- Strong pipeline for remainder of FY26 with continued expected growth in Revenue and EBIT margins.



# Capital Management

Conservative capital management until earning consistency is achieved

## Net cash bridge (\$m)



## Capex

- Maintenance capex \$9.4m (1H25: \$6.4m), primarily for replacement of aged laboratory equipment and IT hardware.
- Growth capex \$12.3m (1H25: \$4.6m) mainly consists of investment in select large-scale ACCs, equipment for new hospital contracts and AI development.

## Capital management

- Reduction in net cash from \$57.2m to \$11.6m due to:
  - ATO payment of \$22.7m
  - Digital costs
  - Restructuring costs
- Healius is well within its bank covenants for gearing and interest cover and expects to remain within covenants at 30 June 2026.



# 2H26 Outlook

*Revenue mix and labour productivity remain key focus areas for 2H26*

- Expect earnings for FY26 to be in line with current consensus.
- On track to deliver on target of \$15m - \$20m in annual support cost savings.
  - \$7.3m in annualised savings reported in FY25.
  - \$10.7m in annualised savings made in 1H26.
  - Further cost savings identified to be executed 2H26.
- Digital transformation program completed in 1H26. Future digital spend is BAU from 1 January 2026 onwards.
- Revenue and profitability skew to 2H.
  - Seasonality of revenues and volumes.
  - Timing of cost savings will impact 2H.
- Healius continues to expect to achieve high single digit EBIT margins by June 2027 driven by:
  - Continued focus on volume improvement.
  - Growing higher margin business.
  - The impact of the technology transformation plan both in collection centres and laboratories.
  - Cost savings already achieved and further savings planned in 2H26.



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Q&A



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## Appendix



# Pathology Strategy

Execution of strategy well underway with a defined plan and progress

Focused on providing better services for our patients and referrers to improve the volume and quality of the revenue we generate and to become more efficient in our processes



## Customer service

- Providing consistent and high-quality service across all touchpoints for patients and referrers.
- Improving technology, training and recruitment in collection and call centres.



## Laboratory modernisation

- Simplify and automate workflows.
- Standardise processes and improve productivity.
- Reduce administrative burden.
- Cost efficiency a natural by-product.



## Emerging diagnostics

- Diversifying from MBS.
- Higher margin products and services.
- Focused on genomics, preventative screening and B2C/B2B offerings.

Enabled by:



## Digital technologies

- Customer facing solutions to improve services for patients and doctors.
- Clinical systems that underpin core workflow in laboratories.
- Modern data platform that provides a secure infrastructure.



## People and ways of working

- New standardised national operating model.
- Core functions:
  - Customer & Commercial.
  - Laboratory Operations.
  - Clinical Integration.



# Underlying to Reported Reconciliation

	1H26	1H25
	\$m	\$m
<b>Underlying EBIT</b>	<b>7.9</b>	<b>(2.7)</b>
Termination and other costs	(11.6)	(2.5)
Digital transformation costs	(9.2)	(9.2)
Transaction costs	-	(1.4)
Transactions with discontinued operations	-	(6.8)
<b>Reported EBIT (loss)</b>	<b>(12.9)</b>	<b>(22.6)</b>

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	1H26	1H25
	\$m	\$m
<b>Underlying EBIT</b>	<b>7.9</b>	<b>(2.7)</b>
Interest	(23.6)	(33.6)
Notional interest charged to Lumus Imaging	-	7.4
Tax benefit @ 30%	4.7	8.7
<b>Underlying loss after tax</b>	<b>(11.0)</b>	<b>(20.2)</b>
Adjustments to underlying EBIT, net of tax	(14.6)	(9.2)
Tax differential for non-deductible items	(0.7)	(0.7)
Transactions with discontinued operations, net of tax	-	(4.8)
Notional interest recharged to Lumus Imaging, net of tax	-	(5.2)
(Loss)/profit from discontinued operations	(4.1)	27.3
<b>Reported loss after tax incl. discontinued operations</b>	<b>(30.4)</b>	<b>(12.8)</b>



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Thank you

