

ASX Announcement (ASX: HLS)

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Healius announces FY25 results / Continuing Operations EBIT in line with Consensus

- Group revenue up 5.7% to \$1.34 billion
- Underlying EBITDA of \$239.3 million
- Underlying EBIT of \$17.1 million
- Pathology revenue up 6.0% to \$1.30 billion
- Pathology EBIT margin¹ of 4.1% for 2H 2025
- Agilex revenue down 3.3% to \$38.2 million with EBITDA of \$6.4 million
- Profit on sale of Lumus Imaging \$375.2 million
- Net cash position at 30 June 2025 of \$57.2 million (debt fully repaid post Lumus completion)

	2025 \$M	2024 \$M	2025 \$M	2024 \$M
	UNDERLYING		REPORTED	
Revenue	1,344.5	1,272.2	1,344.2	1,271.8
Non-underlying items	-	-	(32.0)	(42.5)
Impairment charges	-	-	(495.2)	(603.2)
EBIT	17.1	23.5	(527.0)	(638.4)
NPAT (Reported including discontinued operations)	-	-	(151.2)	(645.8)

Healius Limited (Healius) today released results for the financial year ended 30 June 2025, with Group revenue growth of 5.7%, underlying EBITDA of \$239.3 million, and underlying EBIT of \$17.1 million.

Underlying EBIT of \$17.1 million was in line with EBIT Consensus for Continuing Operations.

Underlying EBIT excludes the earnings from Lumus Imaging for the period prior to the sale now accounted for in Discontinued Operations, transaction and separation costs associated with the Lumus Imaging sale, impairment of goodwill, and digital and restructuring costs.

Pathology

Pathology revenues grew 6.0% in FY 2025, an improvement of 6.9% for 1H 2025 with the benefit of three extra working days and, pleasingly 5.1% in 2H 2025, with two less working days than the prior corresponding period.

Pathology revenue growth of 5.1% in 2H 2025 was despite a modest volume increase of 1.6%. This growth was attributable to changing revenue mix with growth in Specialist revenues and strong growth in areas such as Genomics, Veterinary Pathology and Clinical Trials resulting in an average fee increase.

¹ See commentary on following page regarding financial impact of Tropical Cyclone Alfred.

Pathology volumes grew 3.3% for FY 2025, with a softer second half growing at 1.6% on the prior corresponding period.

Tropical Cyclone Alfred impacted 2H 2025 EBIT by \$3.5 million, with laboratories and collection centres in Queensland and Northern New South Wales closed for several days due to safety concerns for our team members.

EBIT improved significantly in 2H 2025 to \$24.1 million, with an EBIT of \$28.2 million for FY 2025 (or \$31.7m adjusting for the estimated impact of Tropical Cyclone Alfred). The EBIT margin for FY 2025 was 2.2% and improved to 3.6% for 2H 2025 (or 4.1% adjusting for the impact of Tropical Cyclone Alfred).

GP attendances grew 2.1% over the 12-month period, however remained below growth in Specialist attendances of 2.7% over the same period. Healius continues to focus on developing the Specialist referrer segment targeting haematology and genomics, which generate higher value referrals.

Inflationary pressures remain a constant issue, with labour costs running at almost half of pathology revenues. A detailed labour optimisation program, including collection centre opening hours and productivity measures was undertaken and completed in 2H 2025. This detailed plan is now being implemented across our network and showing benefits. Labour costs are forecast to remain broadly flat year-on-year for FY 2026.

As required by Accounting Standards, a non-cash impairment charge of \$495.2 million against goodwill in the Pathology division has been recognised in FY 2025.

The T27 forecast for high single digit margins by June 2027 as presented at the March 2025 Investor Day remains unchanged.

Agilex Biolabs

This was a challenging year due to geopolitical issues. Prolonged uncertainty and volatility in global health policies, tariffs and funding of biotech and pharmaceutical research, has resulted in contract delays and cancellations.

Revenue declined by 3.3% to \$38.2 million in FY 2025. The market downturn impacted EBITDA which declined to \$6.4 million, and EBIT to \$2.7 million.

The period of uncertainty appears to have passed, with the Q1 2026 revenue pipeline recovering and in line with management expectations. As the market has pivoted away from small molecule projects. Agilex is focused on growing large molecule work and strengthening Immunoassay and Immunobiology capabilities.

T27 Plan / Investor Day Update

A scorecard is presented in the FY 2025 Results Presentation which outlines the progress made since the Healius Investor Day held in March 2025.

As set out at the Investor Day, Healius now has a simplified business model post the sale of Lumus Imaging, with a debt-free balance sheet. The new strategy responds to market conditions in Pathology, with a broad ranging program to increase revenues and reduce costs. This program includes the mix of revenue, improving efficiencies in our collection centre and laboratory operations, and the use of technology, where appropriate, to facilitate more effective and efficient ways of working.

Revenue mix, non-MBS revenues and emerging diagnostics remain key priorities to grow and diversify revenue. Specialist revenues continue to grow, and Genomic Diagnostics revenue grew 26.0% in 2H 2025 and 25.4% in July 2025, compared to prior corresponding periods.

The company has committed to reducing support costs by \$15 million to \$20 million and can confirm that \$7.3 million in annualised cost savings have been realised in FY 2025 following the Lumus Imaging sale on 1 May 2025. A further \$8.5 million in annualised savings have been identified and will be removed during the course of FY 2026.

Dividend

The Healius Board has resolved not to pay a final dividend for FY 2025, noting that a special dividend of 41.3 cents per share was paid in May 2025.

The intention is to resume dividend payments as soon as practicable. Healius currently has a franking credit balance of \$48.3 million.

YTD Trading and Outlook

Pathology volumes were up 2.4% for the month of July 2025 (from July 2024), compared to growth of 1.6% in 2H 2025.

Healius expects revenue growth in FY 2026 to be consistent with growth in 2H 2025, while maintaining a broadly flat labour cost base.

From 1 January 2026, digital spend will no longer be treated as non-underlying.

Profitability will again be skewed towards the second half due to both the timing of cost savings and normal seasonality factors.

Healius continues to expect to achieve high single digit EBIT margins by June 2027.

Webcast

Healius will hold an analyst and investor briefing today to discuss the results. Webcast details are as follows:

Time: 11:30am (AEDT)

Webcast Link: <https://webcast.openbriefing.com/hls-fyr-2025/>

If you would like to dial in via teleconference or ask a question on the phone, please pre-register using this link: <https://s1.c-conf.com/diamondpass/10048745-juh843.html>

This announcement has been authorised for release by the Board.

ENDS

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For over 30 years Healius has been one of Australia's leading healthcare companies, committed to supporting quality, affordable and accessible healthcare for all Australians. Through its unique footprint of centres and its 8,000+ employees, Healius provides Australia-wide specialty pathology services to consumers and their referring practitioners.