

Healius Limited

Appendix 4D – Half-Year Report

Results for announcement to the market

For the Half-Year ended 31 December 2025

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This half-year report should be read in conjunction with the 30 June 2025 annual financial report of Healius Limited.

Healius Limited

Appendix 4D – Half-Year Report

Results for announcement to the market

For the Half-Year ended 31 December 2025

\$M	% Increase/ (decrease)	31 December 2025 Total	31 December 2024 Total
Revenue from continuing operations	3.9%	688.1	662.3
Loss for the period after tax from continuing operations	(34.4%)	(26.3)	(40.1)
Loss for the period	137.5%	(30.4)	(12.8)
Underlying loss for the period after tax ¹	(45.5%)	(11.0)	(20.2)

Loss per share	2025 ¢ per share	2024 ¢ per share
Basic loss per share	(4.2)	(1.8)
Diluted loss per share	(4.2)	(1.8)
Underlying basic loss per share	(1.5)	(2.8)
Underlying diluted loss per share	(1.5)	(2.8)

Interim dividend ²	-	-
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¹ Underlying results exclude the impact of non-recurring items. A reconciliation between reported and underlying results is contained in the Healius Limited ASX investor presentation for the period ended 31 December 2025.

² No dividends are expected to be paid for the period ended 31 December 2025.

Healius Limited

Appendix 4D – Half-Year Report

Attachment A - Interim Financial Report

For the Half-Year ended 31 December 2025

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Your Directors present their report on the consolidated entity consisting of Healius Limited and the entities it controlled (referred to as "Healius", "the Company", or "the Group") at the end of, or during, the half-year ended 31 December 2025.

Directors

The Directors of Healius during the half-year ended 31 December 2025 and up to the date of this report were:

- Kate McKenzie
- Paul Anderson
- Sally Evans
- Charlie Taylor
- Kathy Ostin
- Michael Stanford (retired as a Non-Executive Director on 30 September 2025)
- Neil Vinson (retired as a Non-Executive Director on 30 September 2025)
- Chris Hall (appointed as a Non-Executive Director from 30 September 2025)
- Steven Rubic (appointed as a Non-Executive Director from 1 December 2025)
- Bruce Robinson (appointed as a Non-Executive Director from 2 February 2026)
- John Mattick (retiring as a Non-Executive Director on 31 March 2026)

Review of Operations

A Review of Operations of the Group during the half-year ended 31 December 2025, and the results of those operations, can be found on pages 3 to 8 of this Report.

Subsequent events

There has not been any matter or circumstance that has arisen since the end of the half-year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Dividend

In respect of the half-year ended 31 December 2025, no dividends are expected to be paid.

Non-IFRS financial information

The Review of Operations attached to and forming part of this Directors' Report includes a number of non-IFRS financial measures. These non-IFRS financial measures are used internally by management to assess the performance of Healius' business and make decisions on the allocation of resources.

The Directors have included the additional line items EBITDA (earnings before interest, tax, depreciation and amortisation) and EBIT (earnings before interest and tax) within the Financial Report as such presentation is, in the Directors' view, necessary for and relevant to a full understanding of the Group's financial performance.

Rounding of amounts

Healius is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016. In accordance with that Corporations Instrument, amounts in the Directors' Report and the half-year financial report are rounded off to the nearest hundred thousand dollars, unless otherwise indicated.

Auditor's independence declaration

The Auditor's Independence Declaration is set out on page 9 and forms part of this report.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'Paul Anderson', written over a light grey rectangular background.

Paul Anderson
Managing Director & Chief Executive Officer

Sydney, 18 February 2026

GROUP PERFORMANCE

The Review of Operations includes an analysis and description of Underlying results which are defined as Reported results adjusted for non-underlying items. The Directors believe that presentation of Underlying results (non-IFRS (International Financial Reporting Standards) financial information) is useful for investors to understand the entity's core results from operations. A reconciliation of Underlying to Reported results is set out below and on page 4, and in Note 2 of this report for the half-year ended 31 December 2025.

	1H26 \$M	1H25 \$M	BETTER/(WORSE) %
Revenue (Underlying)	688.1	662.6	3.8%
EBITDA (Underlying)	122.2	108.0	13.1%
Depreciation & amortisation	(114.3)	(110.7)	(3.3%)
EBIT (Underlying)	7.9	(2.7)	392.6%
Non-underlying items	(20.8)	(13.1)	(58.8%)
Transactions with discontinued operations	-	(6.8)	-
Loss before interest & tax (Reported)	(12.9)	(22.6)	42.9%
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%)
Net loss after tax (Reported)	(30.4)	(12.8)	(137.5%)

MARKET CONDITIONS

The pathology sector continues to experience significant financial pressure with a lack of indexation to the majority of the Medicare Benefits Schedule (MBS), GP attendances continuing to be impacted by cost of living pressures, volumes overall being impacted negatively from changes to Medicare criteria for B12 and Urines testing and increasing labour costs. The recent Fair Work Commission decision on gender-based undervaluation under the Health Professional and Support Services Award will see employment costs rise well ahead of inflation for certain employees. This decision will come into effect initially from 1 April 2026.

According to December 2025 MBS data, GP in person attendance growth rates have reduced compared to earlier periods¹.

GP attendances overall (including Telehealth) were down 1.5% on the prior corresponding six-month period (pcp), and Specialist attendances were up 2.5% over the same timeframe. MBS volumes were flat for the period from July to December 2025.

Underlying demand drivers remain positive, as demand for healthcare services is underpinned by an ageing population with increased prevalence of chronic diseases, more complex health issues and technological advances. Pathology, including the fast-growing area of genomic diagnostics, continues to play an essential role in preventing and treating disease, and these drivers are expected to underpin growth in the medium to long-term.

¹ Growth rates on a six-month rolling basis were -3.0% at December 2025 and -1.3% on a 12-month rolling basis.

HEALIUS RESULTS

In 1H 2026, Group revenue grew by 3.8% on pcp, supported by volume and fee growth in Pathology and strong revenue growth in Agilex, with an underlying EBIT of \$7.9 million and EBIT margin of 1.1%. Healius' T27 strategy is progressing well with its broad range of revenue and cost initiatives, contributing to margin improvement. In addition, Healius is on track to deliver on-target support cost savings of \$15.0 million to \$20.0 million, noting that the full run rate benefit is expected from FY 2027 onwards.

Interest costs of \$23.6 million were 29.8% lower than pcp, primarily due to lower average debt levels as previous debt facility was repaid in full post the sale of Lumus Imaging, offset by higher interest costs on lease liabilities.

Reconciliation of underlying revenue to reported revenue:

	1H26 \$M	1H25 \$M
Underlying revenue	688.1	662.6
Transactions with discontinued operations	-	(0.3)
Reported revenue	688.1	662.3

Reported EBIT includes items which Healius has identified as non-underlying and transactions with discontinued operations. The reconciliation between underlying and reported EBIT is set out below:

	1H26 \$M	1H25 \$M
Underlying EBIT	7.9	(2.7)
Termination and other costs	(11.6)	(2.5)
Digital transformation costs	(9.2)	(9.2)
Transaction costs	-	(1.4)
Non-underlying items	(20.8)	(13.1)
Transactions with discontinued operations	-	(6.8)
Reported EBIT	(12.9)	(22.6)

The adjustments between underlying and reported EBIT are as follows:

- Termination and other costs of \$11.6 million primarily relate to restructuring the Customer & Commercial, Operations and Support functions and the winding down of Agilex Biolab's toxicology business.
- Digital transformation costs of \$9.2 million represents the final component of the multi-year digital program. The non-underlying accounting treatment ceased as of 31 December 2025, and from 1 January 2026 digital costs become business as usual expenses.
- No transaction costs incurred in 1H 2026.

DIVISIONAL RESULTS

PATHOLOGY

UNDERLYING	1H26 \$M	1H25 \$M	BETTER/(WORSE) %
Revenue	666.3	643.8	3.5%
EBITDA	117.4	105.1	11.7%
Depreciation and amortisation	(112.2)	(108.9)	(3.0%)
EBIT	5.2	(3.8)	236.8%

Pathology results as presented above includes the corporate function which was reported separately with a loss before interest and tax of \$7.9 million in the prior comparative period.

Pathology revenues grew by 3.5% in 1H 2026 on a 1.2% volume increase. Volumes grew by 2.4% in Q1 2026 but were flat across Q2 2026. This compares to flat MBS growth across the full half year².

Total GP attendances were down 1.5% on the prior corresponding six-month period, with a continuing increase in the growth of Telehealth consults. Specialist attendances were up 2.5% over the same timeframe³. GP volumes were also impacted negatively by changes to Medicare criteria for B12 and Urine testing which commenced on 1 July 2025.

Revenue growth over and above volume growth was attributable to the changing mix in sources of revenue with higher growth in areas such as Genomics, B2B including Clinical Trials, and Veterinary Pathology. The average fee for 1H 2026 improved by 3.5% as a result of the combined growth across these areas.

EBIT improved in 1H 2026 to \$5.2 million, up from a loss of \$3.8 million in 1H 2025.

Cost Management

Costs have been contained to a 1.9% increase in 1H 2026.

This is a result of productivity measures that commenced in FY 2025 and that have been implemented across all areas of the business including a detailed labour optimisation program. As a result of this program, headcount across the organisation has been reduced by approximately 400 FTE during the period with a reorganised workforce that is utilising technology to provide a more efficient customer-facing service and laboratory network, aligned to current economic conditions and inflationary pressures.

As a percentage of revenue, labour costs have reduced by 2.7 percentage points between Q1 2026 and Q2 2026 to 49.3% as a result of our labour efficiency program. We have forecast labour costs to be broadly flat⁴ year-on-year and this plan is well underway.

Cost management in the second half of the financial year continues as we refine labour planning and our collection centre and laboratory footprint. We are utilising technology including artificial intelligence (AI) to make our workforce planning more efficient, rolling out automation for manual tasks such as Microbiology and reducing other major expenses including logistics and support costs.

Consumable costs have reduced in absolute dollar terms this half year despite the increase in volumes and are now 15.8% of revenue.

² MBS volume growth calculated based on P10 Patient Episode Initiation counts.

³ GP and Specialist attendance growth rates calculated based on Broad Type of Service (BTOS) Report from Services Australia using "Unreferred Attendances" for GP and "Specialist Attendances" for Specialists.

⁴ Labour cost forecasts do not include the impact of the recent Fair Work Commission decision on gender-based undervaluation.

Corporate and support costs

As previously communicated, Healius has committed to deliver annualised support cost savings of between \$15.0 million and \$20.0 million.

Corporate costs have largely been removed or absorbed with \$7.3 million in annualised cost savings realised in FY 2025. \$10.7 million in annualised savings have been realised in 1H 2026 with further cost savings to be implemented during 2H 2026.

Digital Investment

Digital investment will no longer be treated as a non-underlying charge from 1 January 2026. This is a major milestone for Healius as we transition from a period of major investment in underlying systems and processes.

A significant achievement on the customer service front has been the development of our Medway Collectors Portal. This portal is live across our network of collection centres with 80% of all collections now being processed through this solution (over two million episodes since October 2025). We have issued more than 300,000 patient identity cards, allowing easy access to our services when visiting a collection centre. In August 2025 we launched a new online Appointment Booking capability with 100,000 bookings made to date and a Patient App will be launched in 2H 2026. Our Results Portal for doctors has had a major upgrade and now contains new Continuing Professional Development features.

We have moved more than 75% of all analysers across the four core laboratories onto one modern Pathway Instrument Manager solution which sets us up to manage workflows more efficiently in the future. We have also introduced major improvements in our Pathway Laboratory Portal. This digital solution has been deployed first in Genomic Diagnostics to digitise paper-driven legacy processes around specimen handling and reporting. Anatomical Pathology is also now utilising AI and digital scanning technology allowing us to improve turn-around times and efficiency benefits by sharing cases nationally.

We are well placed to leverage our platform of Digital Technology solutions to support ongoing service improvements to customers and drive efficiencies in our laboratories.

Artificial Intelligence (AI)

Healius has recently launched two AI co-workers, Reva AI and Julie AI, to assist in high volume transaction environments and workforce planning. While still in the early stages, both co-workers are successfully performing functions in the business with Reva AI reconciling financial transactions and Julie AI assisting in the way we plan our labour each day. They form part of our workforce and have a place in our organisational charts with direct reporting lines.

The benefits are both financial (better management of cash flows) and operational (improving the efficiency of labour planning across a complex network). Additional AI co-workers are planned as we take learnings from a positive experience and apply to deliberate and defined use cases.

Australian Defence Force (ADF) Contract

On 1 December 2025, Healius signed a contract with the Australian Department of Defence to provide private pathology services to the ADF.

Through its national pathology network, Healius will provide a full range of outpatient pathology services to ADF personnel, with dedicated pathology collection staff operating within ADF Health Centres across Australia. Healius will also provide a suite of modern digital solutions covering the entire pathology journey, including e-referrals, online bookings, collection management and a doctors' results portal.

Total revenue over the initial five-year period of the contract is expected to be approximately \$60.0 million.

Fair Work Commission – Gender-Based Undervaluation

The Fair Work decision on gender-based undervaluation will come into effect in part from early April 2026 and more fully from 1 January 2027. This impacts Pathology Collectors and Health Professionals.

Pathology Collectors will receive an increase from 1 April 2026 with any remaining increases to take effect from 1 July 2026. Health Professionals will receive a phased increase over five years in equal instalments commencing 1 July 2026.

The final decision on the classification of all roles and increases for both Pathology Collectors and Health Professionals is yet to be finalised by the Fair Work Commission (FWC). However, we estimate that the impact for FY 2026 will be approximately \$1.8 million for Pathology Collectors.

Healius is working closely with both Australian Pathology and the Department of Health, Disability and Aging to find a solution through the Medicare Benefits Schedule to support these labour cost increases.

The annualised impact will be fully determined once a final decision is made by FWC.

AGILEX BIOLABS

UNDERLYING	1H26 \$M	1H25 \$M	BETTER/(WORSE) %
Revenue	21.8	18.8	16.0%
EBITDA	4.8	2.9	65.5%
Depreciation and amortisation	(2.1)	(1.8)	(16.7%)
EBIT	2.7	1.1	145.5%

Agilex Biolabs' revenues grew by 16.0% to \$21.8 million, the majority of which has translated to a 65.5% improvement in EBITDA to \$4.8 million, and an EBIT improvement of 145.5% to \$2.7 million.

Agilex Biolabs' strategic decision to enhance capabilities and focus on large molecule development work has contributed positively to revenue and earnings growth and is aligned to the shift in market demand. During the year, Agilex Biolabs exited the Toxicology business to focus on its growing large molecule work as well as strengthening its Immunoassay and Immunobiology capabilities.

The new Brisbane bioanalytical laboratory opened in August 2025 and represents a significant milestone in expanding Agilex Biolabs' national footprint. The facility is performing ahead of expectations and is the benchmark operating model for potential future sites. With expanded capabilities, Agilex Biolabs has a solid pipeline and is well positioned to secure additional flow cytometry and peripheral blood mononuclear cell work.

T27 Plan Update

Significant progress has been made in the first half of the financial year. The T27 Scorecard is presented in the 1H 2026 Results Presentation and outlines the progress made since the FY 2025 Results Presentation.

The T27 Scorecard contains tangible examples of progress made on the T27 Plan. These include the mix of revenue, efficiencies in our collection centres and laboratory operations and the use of technology, including AI, to facilitate more effective and efficient ways of working.

CASH FLOW AND GEARING

Group net cash and key ratios on 31 December 2025 were as follows:

	31 DECEMBER 2025	30 JUNE 2025
	\$M	\$M
Gross bank loans	40.0	-
Cash	(51.6)	(57.2)
Net cash	11.6	57.2
Bank gearing ratio (covenant $\leq 3.5x$) ⁵	1.1x	(1.0x)
Bank interest cover ratio (covenant $\geq 3.0x$) ⁶	17.6x	80.9x

As at 31 December 2025, Healius is in a net cash position of \$11.6 million with cash of \$51.6 million and drawn debt of \$40.0 million to facilitate management of working capital.

The net cash reduction over the six-month period is primarily driven by the settlement of a historic dispute with the Australian Taxation Office, termination costs related to the recent restructure and Digital transformation costs.

Healius remains well within its bank covenants for gearing and interest cover ratio and expects to remain within its covenants as at 30 June 2026.

Capital management remains a key focus area and Healius will continue to take a disciplined approach to capital investment with defined hurdles for return on investment.

REPORTED	1H26 \$M	1H25 \$M
Gross cash flows from operating activities	113.9	192.6
Net income tax paid	(19.1)	-
Net cash flows from operating activities	94.8	192.6
Lease payments	(114.4)	(136.1)
Maintenance capex	(9.4)	(11.1)
Free cash flow	(29.0)	45.4
Growth capex	(12.3)	(14.3)
Payment for deferred consideration	-	(0.9)
Proceeds from sale of PPE and intangibles	0.2	0.3
Net interest paid and finance costs	(4.5)	(14.3)
Net debt funding	40.0	40.0
Net (decrease)/increase in cash	(5.6)	56.2

The prior comparative period includes cash flows from the divested business Lumus Imaging.

In 1H 2026, Healius' gross operating cash flow conversion was 107% of EBITDA, when adjusting for the cash outflows from non-underlying items, discontinued operations and other non-cash items.

⁵ Bank gearing ratio is calculated on banking underlying EBITDA of \$28.0 million (underlying rolling 12-month EBITDA for continuing operations of \$253.4 million before \$223.6 million for AASB 16, \$2.0 million for gain or loss on sale of assets and \$0.2 million for share-based payments expense) and banking net debt of \$30.0 million (net cash of \$11.6 million less bank guarantees of \$41.6 million).

⁶ Bank interest cover ratio is calculated based on banking underlying EBITDA divided by finance costs incurred on the facility to date annualised (excluding AASB 16 interest).

Auditor's independence declaration to the directors of Healius Limited

As lead auditor for the review of the half-year financial report of Healius Limited for the half-year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Healius Limited and the entities it controlled during the financial period.



Ernst & Young



Katrina Zdrilic
Partner
18 February 2026

Independent auditor's review report to the members of Healius Limited

Conclusion

We have reviewed the accompanying half-year financial report of Healius Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed statement of financial position as at 31 December 2025, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to reviews of the half-year financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.



**Shape the future
with confidence**

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten signature of the Ernst & Young firm, rendered in a dark grey or black ink.

Ernst & Young

A handwritten signature of Katrina Zdrilic, written in a dark grey or black ink.

Katrina Zdrilic
Partner
Sydney
18 February 2026

Directors' declaration
For the half-year ended 31 December 2025

The Directors declare that:

- (a) in the Directors' opinion, the attached financial statements and notes are in accordance with the *Corporations Act 2001*, including section 304 (compliance with Accounting Standards) and section 305 (true and fair view); and
- (b) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'Paul Anderson', with a stylized initial 'P' and a long, sweeping horizontal stroke.

Paul Anderson
Managing Director & Chief Executive Officer

Sydney, 18 February 2026

Condensed consolidated statement of profit or loss
For the half-year ended 31 December 2025

	Note	31 December 2025 \$M	31 December 2024 \$M
Revenue		688.1	662.3
Employee benefits expense		(350.1)	(339.9)
Property expenses		(23.6)	(22.9)
Consumables		(106.2)	(107.9)
Repairs and maintenance		(8.2)	(7.4)
IT expenses		(14.5)	(19.1)
Insurance		(3.9)	(4.1)
Other expenses		(59.4)	(58.8)
Depreciation – property, plant and equipment	6	(14.5)	(13.8)
Depreciation – right of use assets	8	(95.9)	(93.3)
Amortisation – intangibles	7	(3.9)	(4.6)
Termination and other costs		(11.6)	(2.5)
Digital transformation costs		(9.2)	(9.2)
Transaction costs		-	(1.4)
Loss before interest and tax		(12.9)	(22.6)
Net finance costs	3	(23.6)	(33.6)
Loss before tax		(36.5)	(56.2)
Income tax benefit	4	10.2	16.1
Loss for the period from continuing operations		(26.3)	(40.1)
(Loss)/profit for the period from discontinued operations	15	(4.1)	27.3
Loss for the period attributable to the shareholders of Healius Limited		(30.4)	(12.8)

	2025 ¢ per share	2024 ¢ per share
Loss per share		
Basic loss per share from continuing and discontinued operations	(4.2)	(1.8)
Diluted loss per share from continuing and discontinued operations	(4.2)	(1.8)
Basic loss per share from continuing operations	(3.6)	(5.5)
Diluted loss per share from continuing operations	(3.6)	(5.5)

Notes to the financial statements are included on pages 19 to 25

Condensed consolidated statement of comprehensive income
For the half-year ended 31 December 2025

	31 December 2025 \$M	31 December 2024 \$M
Loss for the period	(30.4)	(12.8)
Other comprehensive loss		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	(0.4)	0.3
Fair value loss on cash flow hedges	-	(1.1)
Reclassification adjustments relating to cash flow hedges for amounts recognised in profit or loss	-	(0.9)
Income tax relating to items that may be reclassified subsequently to profit and loss	-	0.6
Other comprehensive loss for the period, net of income tax	(0.4)	(1.1)
Total comprehensive loss for the period	(30.8)	(13.9)

Notes to the financial statements are included on pages 19 to 25

Condensed consolidated statement of financial position
As at 31 December 2025

As at	Note	31 December 2025 \$M	30 June 2025 \$M
Current assets			
Cash	14(a)	51.6	57.2
Receivables		166.8	164.9
Consumables		35.0	29.8
Tax assets		3.2	-
Total current assets		256.6	251.9
Non-current assets			
Goodwill	5	430.0	430.0
Right of use assets	8	808.6	825.3
Property, plant and equipment	6	115.2	113.2
Other intangible assets	7	56.9	56.6
Receivables		2.0	3.2
Deferred tax asset	4	104.2	96.8
Total non-current assets		1,516.9	1,525.1
Total assets		1,773.5	1,777.0
Current liabilities			
Payables		167.6	133.9
Tax liabilities		-	16.0
Provisions		97.0	115.0
Lease liabilities	9	178.7	181.3
Total current liabilities		443.3	446.2
Non-current liabilities			
Provisions		11.7	12.4
Interest-bearing liabilities	10	39.1	-
Lease liabilities	9	722.3	730.5
Total non-current liabilities		773.1	742.9
Total liabilities		1,216.4	1,189.1
Net assets		557.1	587.9
Equity			
Issued capital	12	2,604.0	2,604.0
Reserves		(1.2)	0.3
Accumulated losses		(2,045.7)	(2,016.4)
Total equity		557.1	587.9

Notes to the financial statements are included on pages 19 to 25

Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2025

CONSOLIDATED \$M	NOTE	Issued capital	Share-based payments reserve	Other reserves	Accumulated losses	Total
Balance at 1 July 2025		2,604.0	1.1	(0.8)	(2,016.4)	587.9
Loss for the period		-	-	-	(30.4)	(30.4)
Fair value loss on cash flow hedges		-	-	-	-	-
Reclassification adjustments relating to cash flow hedges recognised in profit or loss		-	-	-	-	-
Differences arising on translation of foreign operations		-	-	(0.4)	-	(0.4)
Income tax relating to components of other comprehensive income		-	-	-	-	-
Total comprehensive loss for the period		-	-	(0.4)	(30.4)	(30.8)
Shares issued via Non-executive Director Share Plan	12	-	-	-	-	-
Share based payments		-	-	-	-	-
Transfers		-	(1.1)	-	1.1	-
Balance at 31 December 2025		2,604.0	-	(1.2)	(2,045.7)	557.1

Notes to the financial statements are included on pages 19 to 25

Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2024

CONSOLIDATED \$M	NOTE	Issued capital	Share-based payments reserve	Other reserves	Accumulated losses	Total
Balance at 1 July 2024		2,603.9	3.2	0.9	(1,567.3)	1,040.7
Loss for the period		-	-	-	(12.8)	(12.8)
Fair value loss on cash flow hedges		-	-	(1.1)	-	(1.1)
Reclassification adjustments relating to cash flow hedges recognised in profit or loss		-	-	(0.9)	-	(0.9)
Differences arising on translation of foreign operations		-	-	0.3	-	0.3
Income tax relating to components of other comprehensive income		-	-	0.6	-	0.6
Total comprehensive loss for the period		-	-	(1.1)	(12.8)	(13.9)
Shares issued via Non-executive Director Share Plan	12	0.1	-	-	-	0.1
Share based payments		-	(0.1)	-	-	(0.1)
Transfers		-	(2.0)	-	2.0	-
Balance at 31 December 2024		2,604.0	1.1	(0.2)	(1,578.1)	1,026.8

Notes to the financial statements are included on pages 19 to 25

Condensed consolidated statement of cash flows
For the half-year ended 31 December 2025

	Note	31 December 2025 \$M	31 December 2024 \$M
Cash flows from operating activities			
Receipts from customers		705.1	996.9
Payments to suppliers and employees		(591.2)	(804.3)
Gross cash flows from operating activities		113.9	192.6
Net income tax paid		(19.1)	-
Net cash provided by operating activities	14 (b)	94.8	192.6
Cash flows from investing activities			
Payments for property, plant and equipment		(17.1)	(20.7)
Payments for other intangibles		(4.6)	(4.7)
Proceeds from sale of property, plant and equipment and intangibles		0.2	0.3
Payment for deferred consideration		-	(0.9)
Net cash used in investing activities		(21.5)	(26.0)
Cash flows from financing activities			
Finance costs paid on interest bearing liabilities		(1.5)	(15.2)
Interest received		0.6	0.9
Interest paid on lease liabilities		(22.4)	(24.7)
Interest paid on other liabilities		(3.6)	-
Payment of lease liabilities		(92.0)	(111.4)
Proceeds from borrowings, net of transaction costs		40.0	60.0
Repayment of borrowings		-	(20.0)
Net cash used in financing activities		(78.9)	(110.4)
Net (decrease) / increase in cash held		(5.6)	56.2
Cash at the beginning of the period		57.2	60.1
Cash at the end of the period	14 (a)	51.6	116.3

The condensed consolidated statement of cash flows for the half-year ended 31 December 2025 does not include cashflows from the divested business Lumus Imaging, whereas the prior comparative period includes the divested business cashflows for the entire half-year ended 31 December 2024.

1. MATERIAL ACCOUNTING POLICIES

Healius Limited ("Healius") is a for-profit entity domiciled in Australia. These financial statements represent the condensed consolidated financial statements of Healius for the half-year ended 31 December 2025 which comprises Healius and its subsidiaries (together referred to as "the consolidated entity" or "the Group").

Statement of compliance

This half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. This financial report does not include all of the notes normally included within the annual financial report and should be read in conjunction with the 30 June 2025 annual financial report of Healius Limited.

Basis of preparation

This half-year financial report has been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The financial report has been prepared on a going concern basis. Where applicable, prior year comparatives have been restated in line with current year presentation. Notwithstanding that the Group is in a net current liability position as at 31 December 2025 of \$186.7 million (30 June 2025: \$194.3 million), management continually monitors the Group's working capital position, including forecast working capital requirements and available borrowing facilities. The Group's financial forecasts demonstrate that there are sufficient financial resources to meet obligations as they fall due during the next 12 months.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual report for the financial year ended 30 June 2025. In addition to the Material Accounting Policies disclosed in the Group's annual report for the financial year ended 30 June 2025, the recoverability of Deferred Tax Assets is considered a Material Accounting Policy given the uncertainty around judgements, estimates and assumptions involved. Refer to Note 4 for further information.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New and amended standards adopted

There are no new accounting standards or interpretations that are applicable for the first time in the current financial year which have a material impact on the disclosures or amounts recognised in the consolidated financial statements of the Group.

At the date of authorisation of the interim financial statements, a number of Standards and Interpretations were on issue but not yet effective for the Group. The Group is in the process of assessing the impact of AASB 18 *Presentation and Disclosure in Financial Statements* on the Group's financial statements in future periods. In the Directors' opinion other standards on issue but not yet effective will not have a material impact on the amounts reported by the Group in future financial periods.

Rounding of amounts

Healius is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest hundred thousand dollars, unless otherwise indicated.

2. SEGMENT INFORMATION

Operating segments are identified based on the way that the Chief Executive Officer and Board of Directors (also collectively known as the chief operating decision makers) regularly review and assess the financial performance of the business and determine the allocation of resources. The Group has only one reportable segment based on similar economic characteristics, being a provider of pathology services. As a result, the reportable segment information is as disclosed in the financial statements.

The Group operates predominantly in Australia.

For internal management reporting purposes, the chief operating decision makers review and assess the financial performance based on underlying results. Underlying results exclude the impact of impairment expenses, discontinued operations and non-underlying items relating to:

- Strategic initiatives.
- Other significant non-recurring items.

Reconciliation of underlying result for continuing operations to reported loss before tax

	31 December 2025 \$M	31 December 2024 \$M
Segment result from continuing operations before tax	7.9	(2.7)
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)
Reported loss before interest and tax	(12.9)	(22.6)
Net finance cost	(23.6)	(33.6)
Reported loss before tax	(36.5)	(56.2)

	31 December 2025 \$M	31 December 2024 \$M
3. NET FINANCE COSTS		
Net interest expense	1.0	14.4
Interest on lease liabilities	22.4	18.4
Amortisation of borrowing costs	0.2	0.8
Total net finance costs	23.6	33.6

Notes to the consolidated financial statements
For the half-year ended 31 December 2025

	31 December 2025 \$M	31 December 2024 \$M
4. TAXATION		
The prima facie income tax benefit on the pre-tax accounting result reconciles to the income tax benefit in the financial statements as follows:		
Loss before tax	(36.5)	(56.2)
Income tax benefit calculated at 30% (31 December 2024: 30%)	(11.0)	(16.9)
Tax effect of amounts which are not deductible in calculating taxable income:		
Other items	0.2	0.5
Under provision in prior years	0.6	0.3
Income tax benefit	(10.2)	(16.1)

Significant judgements – recoverability of deferred tax assets

The Group has recognised deferred tax assets in respect of carried-forward tax losses, tax credits and deductible temporary differences. The recognition of these deferred tax assets is based on the view that it is probable future taxable income will be available to utilise these amounts.

In forming this view, the following has been considered:

- the Group's historical performance, including the presence of accumulated tax losses.
- approved budgets and medium-term forecasts that indicate a return to profitability.
- the nature and expected timing of taxable income streams.

Although the Group has incurred losses in recent periods, the forecast financial results indicates sufficient taxable profits in the short to medium term to utilise the recognised tax losses. Based on this assessment, no impairment has been recognised against deferred tax assets at the reporting date.

The assumptions underlying this assessment are periodically reviewed. If budget or medium term forecasts are not met, or if market conditions or tax legislation change, the recoverability of deferred tax assets, including \$53.5 million in respect of tax losses and tax credits, will need to be reassessed in future periods for potential impairment.

	31 December 2025 \$M	30 June 2025 \$M
5. GOODWILL		
Goodwill is allocated to the Group's cash-generating units as follows:		
Pathology	430.0	430.0
Closing balance	430.0	430.0

6. PROPERTY, PLANT AND EQUIPMENT

31 December 2025 \$M	Plant and Equipment	Leasehold Improvements	Assets Under Construction	Total
Net book value				
Opening balance	64.4	42.8	6.0	113.2
Additions	3.7	1.0	12.6	17.3
Capitalisation of assets under construction	2.0	4.4	(6.4)	-
Disposals	(0.7)	(0.1)	-	(0.8)
Depreciation expense	(9.3)	(5.2)	-	(14.5)
Closing balance	60.1	42.9	12.2	115.2
Cost	230.9	126.5	12.2	369.6
Accumulated depreciation	(170.8)	(83.6)	-	(254.4)
Closing balance	60.1	42.9	12.2	115.2

7. OTHER INTANGIBLE ASSETS

31 December 2025 \$M	IT Software	Licences	Intangibles Under Construction	Total
Net book value				
Opening balance	46.0	1.5	9.1	56.6
Additions	-	-	4.6	4.6
Capitalisation of intangibles under construction	8.8	0.2	(9.0)	-
Disposals	-	(0.4)	-	(0.4)
Amortisation expense	(3.7)	(0.2)	-	(3.9)
Closing balance	51.1	1.1	4.7	56.9
Cost	160.4	5.6	4.7	170.7
Accumulated amortisation	(109.3)	(4.5)	-	(113.8)
Closing balance	51.1	1.1	4.7	56.9

	31 December 2025 \$M
8. RIGHT OF USE ASSETS	
Opening balance	825.3
New leases and remeasurement of leases during the period	79.2
Depreciation	(95.9)
Closing balance	808.6

	31 December 2025 \$M
9. LEASE LIABILITIES	
Opening balance	911.8
New leases and remeasurement of leases during the period	81.2
Interest	22.4
Payments including interest	(114.4)
Closing balance	901.0
Presented as:	
Current lease liabilities	178.7
Non-current lease liabilities	722.3
Total lease liabilities	901.0

	31 December 2025 \$M	30 June 2025 \$M
10. INTEREST-BEARING LIABILITIES		
Non-current		
Gross bank loans	40.0	-
Unamortised borrowing costs	(0.9)	-
Closing balance	39.1	-

The Group had access to the following financing facilities as at the end of the reporting period:

	31 December 2025 \$M	30 June 2025 \$M
Financing facilities		
Non-current		
<i>Unsecured Syndicated Debt Facilities</i>		
Amount used	40.0	-
Amount unused	260.0	300.0
Closing balance	300.0	300.0

Amounts unused on non-current facilities are able to be drawn during the course of the ordinary working capital cycle of the Group.

Notes to the consolidated financial statements
For the half-year ended 31 December 2025

	31 December 2025 \$	30 June 2025 \$
11. NET TANGIBLE (LIABILITY)/ASSET BACKING		
Net tangible (liability)/asset backing per share	(0.05)	0.01

Net tangible (liability)/asset backing is calculated based upon net assets excluding goodwill, deferred taxation and other intangible assets.

	No. of shares 31 December 2025 000's	No. of shares 30 June 2025 000's	31 December 2025 \$M	30 June 2025 \$M
12. ISSUED CAPITAL				
Opening balance	726,133	726,101	2,604.0	2,603.9
Shares issued via Non-executive Director Share Plan	-	32	-	0.1
Closing balance	726,133	726,133	2,604.0	2,604.0

Issued capital consists of fully paid ordinary shares carrying one vote per share and the right to dividends.

Transaction costs that were incurred directly in connection with the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

13. DIVIDENDS ON EQUITY INSTRUMENTS

No dividends are expected to be paid for the period ended 31 December 2025.

	31 December 2025 \$M	31 December 2024 \$M
14. NOTES TO THE CASH FLOW STATEMENT		
(a) Reconciliation of cash		
For the purposes of the cash flow statement, cash includes cash on hand and in banks, net of outstanding bank overdrafts.		
Cash at the end of the period as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:		
Cash as disclosed in the statement of financial position	51.6	115.4
Cash classified as asset held for sale	-	0.9
Total cash	51.6	116.3

	31 December 2025 \$M	31 December 2024 \$M
14. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)		
(b) Reconciliation of loss from ordinary activities after related income tax to net cash flows from operating activities		
Loss attributable to equity holders	(30.4)	(12.8)
Net finance cost	23.6	39.9
Depreciation of plant and equipment	14.5	16.7
Depreciation of right of use assets	95.9	102.6
Amortisation of intangibles	3.9	5.4
Loss/(gain) on movements of ROU asset	1.6	(2.0)
Loss on sale of fixed assets	0.8	0.1
Other non-cash items	0.2	0.4
Increase/(decrease) in liabilities:		
Trade payables and accruals	41.1	18.9
Provisions	(18.7)	(5.2)
Deferred revenue	(1.3)	(0.7)
Income taxes and deferred taxes	(29.5)	(4.5)
(Increase)/decrease in assets:		
Receivables and prepayments	(1.8)	37.6
Consumables	(5.1)	(3.8)
Net cash provided by operating activities	94.8	192.6

15. DISCONTINUED OPERATIONS

The Group sold the Lumus Imaging business on 1 May 2025. The results of the business to 31 December 2024 have been presented in the comparative results from discontinued operations.

Expenses incurred during the period for previously divested businesses have been recognised as discontinued operations.

16. SUBSEQUENT EVENTS

There has not been any matter or circumstance that has arisen since the end of the period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.