



SONIC
HEALTHCARE

CEO's AGM Presentation

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18 November 2021

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Headlines

- FY 2021 results
 - Revenue A\$8.8 billion (28% growth)
 - EBITDA A\$2.6 billion (81% growth)
 - Net profit A\$1.3 billion (149% growth)
- Balance sheet set for growth by acquisition
 - Gearing at record low level
 - Available liquidity ~A\$1.5 billion
- Progressive dividend strategy maintained
 - Final dividend \$0.55 per share (franked to 65%)
- Strong performance driven by Medical Leadership culture and heroic efforts of 38,000 global staff

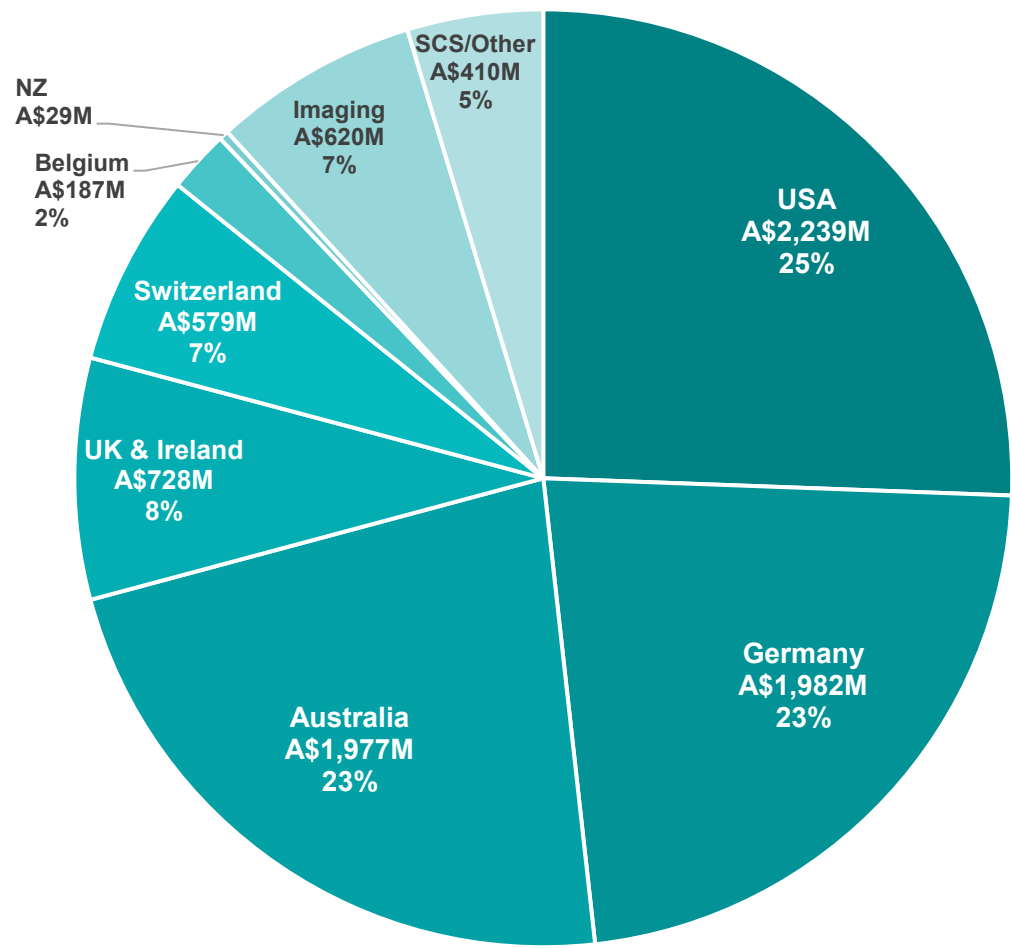


COVID-19

- Sonic's COVID testing capability continues to play a crucial role in pandemic control
- Sonic contributing essential healthcare services
 - ~138 million patients served globally in FY 2021
 - ~36 million COVID PCR tests performed to date in ~60 Sonic laboratories globally
 - COVID vaccinations – Sonic is Australia's largest non-government vaccination provider
- Sonic's pandemic contribution supported by
 - Medical Leadership culture
 - Decades of investment in people and infrastructure
- Significant revenue and earnings contribution from COVID testing in FY 2021 and FY 2022 YTD
- Outstanding achievement by Sonic's global staff, working in unrelenting and difficult conditions



FY 2021 Revenue Split



Revenue in A\$ millions

Total Revenue A\$8,754 million (including A\$3 million interest)

SCS / Other = Sonic Clinical Services (IPN Medical Centres, Sonic HealthPlus, other clinical service entities) and other minor operations

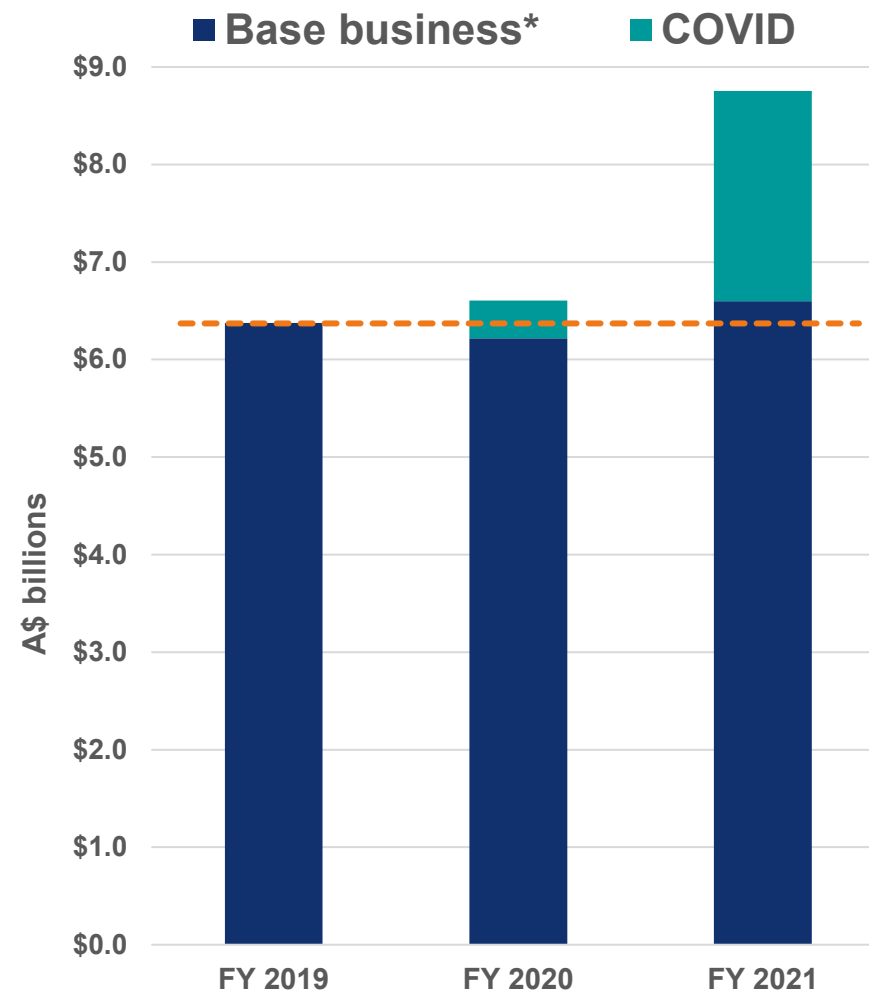


Revenue – FY 2021

- FY 2021 base business revenue*
 - Up 6% on FY 2020
 - Up 4% on FY 2019 (pre-pandemic)
- Significant contribution from COVID testing

* Base business revenue

- Total revenue excluding COVID revenue
- FY 2019 and FY 2020 base business revenues normalised for:
 - Currency exchange rates
 - Acquisitions (Aurora, Epworth Medical Imaging, etc)
 - Disposals (GLP Systems, Ireland)
 - Non-recurring gains



Dividends

A\$	FY 2021	FY 2020	Growth
Interim Dividend	\$0.36	\$0.34	5.9%
Final Dividend	\$0.55	\$0.51	7.8%
Total Dividends	\$0.91	\$0.85	7.1%

- Progressive dividend policy maintained
- Final dividend franked to 65% (previously 30%)



Capital Management

		30 June 2021	30 June 2020
Net interest-bearing debt	A\$M	940	2,022
Equity	A\$M	6,504	5,664
Gearing ratio	%	12.5	26.1
Interest cover	X	33.8	11.5
Debt cover	X	0.4	1.8

- Gearing ratio = Net debt / Net debt + equity (covenant limit <55%)
- Interest cover = EBITA / Net interest expense (covenant limit >3.25)
- Debt cover = Net debt / EBITDA (covenant limit <3.5)
- Formulas as per facility definitions, excluding AASB 16
- Net interest-bearing debt excludes AASB 16 impact

- Reduction in net debt of A\$1,082 million
 - Strong operating cashflows
 - A\$79 million exchange rate impact
- Gearing lowest in more than 20 years
- Current available headroom ~A\$1.5 billion
- Well positioned for ongoing value-accretive acquisitions and other growth opportunities



FY 2022 (Issued August 2021)

- FY 2022 earnings guidance not provided due to COVID-related unpredictability
- COVID testing ongoing, Delta variant now driving COVID volumes
- Global base business increasingly resilient to impacts of pandemic waves
- Underlying healthcare growth drivers unchanged, fluctuations mitigated by geographical and business sector diversity
- Acquisition opportunities currently under consideration



Trading Update

4 Months to 31 October 2021

A\$M	YTD Oct 2021	YTD Oct 2020	Growth
Revenue	3,087	2,942	5%
EBITDA	991	853	16%

- Actual average currency exchange rates used in both periods
- Based on unaudited management financial reports

- Revenue growth
 - Base business growing, minimally impacted by lockdowns, etc
 - COVID Delta variant contributing to revenue growth
- Prior period impacted by provision for repayment of US\$26 million COVID grant
- Increased profitability reflects leverage from Sonic's significant infrastructure and other efficiencies



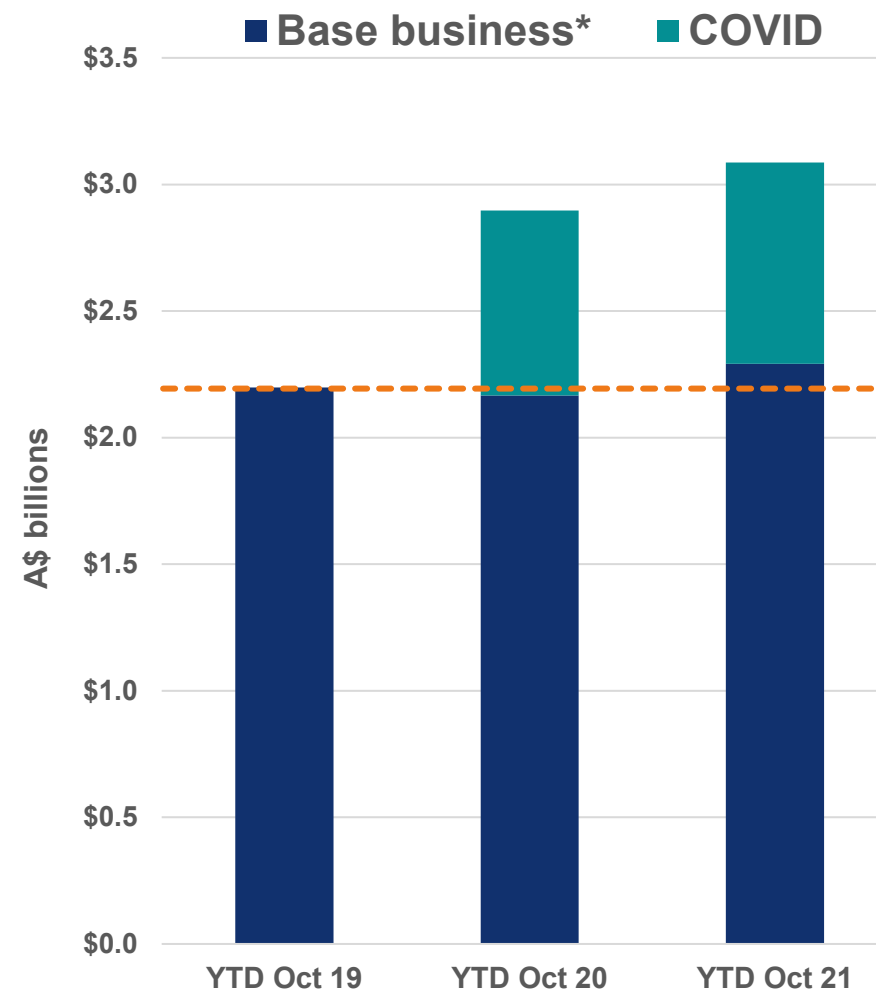
Revenue

4 Months to 31 October 2021

- October YTD base business (excl. COVID) revenue*
 - Up 6% on corresponding period in FY 2021
 - Up 4% on corresponding period in FY 2020 (pre-pandemic)
- Expect ongoing growth of base business, despite pandemic – underlying growth drivers unchanged
- COVID revenue up 9% on corresponding period
- Sonic Germany's daily COVID testing volumes currently at record levels
- Expect significant ongoing COVID testing revenue into foreseeable future


* Base business revenue


- Total revenue excluding COVID revenue
- Prior period revenues normalised for:
 - Working days
 - Currency exchange rates
 - Acquisitions (Canberra Imaging Group, Epworth Medical Imaging, etc)
 - Disposal of Irish business



The Sonic Difference







Core Values

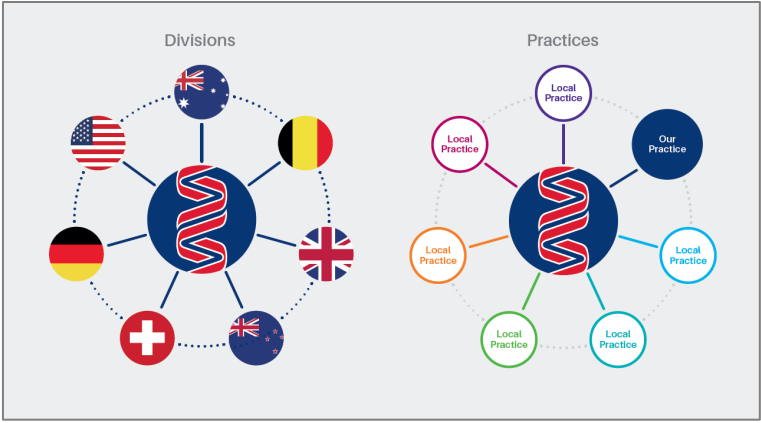
Commit to service excellence
To willingly serve all those with whom we deal, with unsurpassed excellence.

Treat each other with respect and honesty
To grow a workplace where trust, team spirit and equity are an integral part of everything we do.

Demonstrate responsibility and accountability
To set an example, to take ownership of each situation to the best of our ability and to seek help when needed.

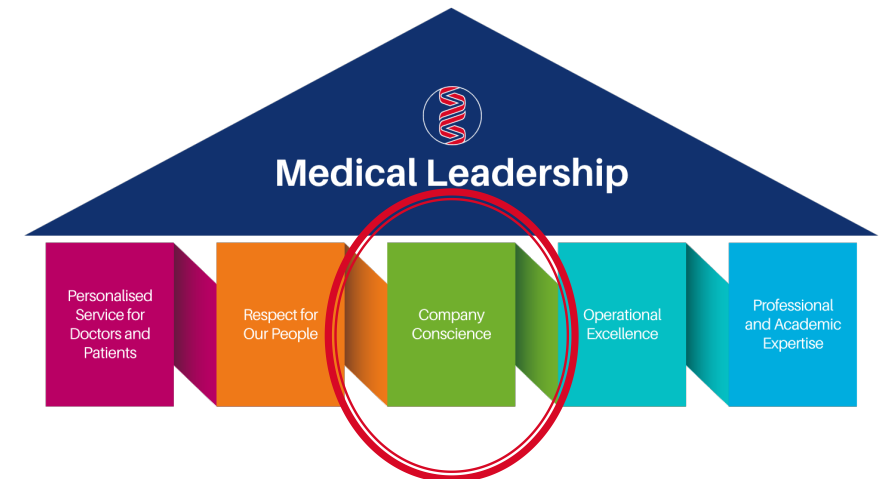
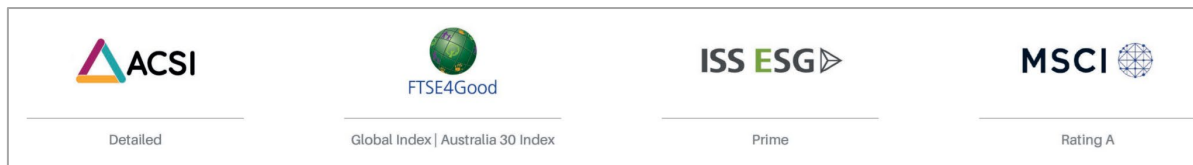
Be enthusiastic about continuous improvement
To never be complacent, to recognise limitations and opportunities for ourselves and processes and to learn through these.

Maintain confidentiality
To keep all information pertaining to patients, as well as professional and commercial issues, in strict confidence.



Sustainability

- Corporate Responsibility / Sustainability
 - Covers Sonic's environment, social and governance (ESG) performance
 - An ongoing commitment to people, communities and environment
- Corporate Responsibility Report 2021
- Sustainability incorporated into Sonic's culture for >20 years ("Company Conscience")
- Aiming to further enhance Sonic's global sustainability credentials
- Strengthening Sonic's global sustainability structure and team
 - Sustainability Steering Committee
 - Sustainability Director
 - Sustainability Manager
- Progressive improvement in ESG ratings through enhanced reporting and rating agency engagement



Sustainability

- Our People
 - Maintaining Sonic's longstanding impeccable staff safety record
 - Focus on employee health, safety and wellbeing, particularly during pandemic
 - Strengthening formal goals for diversity, inclusion, staff engagement, training and development
- Our community
 - Sonic's core purpose is the provision of high-quality, safe and accessible medical services to the communities we serve
 - 138 million patients served globally in FY 2021
 - 36 million COVID PCR tests performed from March 2020 to date in ~60 Sonic laboratories globally
 - Australia's largest non-government COVID vaccination provider
 - Sonic Catalyst Program: establishing and supporting healthcare services in Africa, contributing to indigenous and other charities
- Our Environment
 - Ongoing investments in green energy and waste, emissions and energy reduction programs
 - Emissions reporting to progressively include scope 1, 2 and 3 from all countries
 - Sonic setting targets and mapping pathway to achieve net zero emissions



Summary and Outlook

- Sonic making material contribution to the health of communities served
 - Providing essential healthcare services and critical national infrastructure in 7 countries
 - Leveraging long-term investments in people, equipment, facilities and supply chain for community benefit
 - Supporting global pandemic effort through high-volume COVID testing
 - Providing vaccination services in Australia
- Organic growth
 - Base business increasingly resilient to pandemic waves
 - Healthcare growth drivers remain strong – ageing, new tests, preventative medicine
 - Expect demand for COVID PCR testing to continue into foreseeable future
 - Geographical diversification providing increased opportunities for expansion and risk mitigation
- Acquisition, contract and joint venture growth
 - Supported by very strong balance sheet
 - Currently pursuing significant opportunities in Australia, USA and Europe





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Thank you

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