

22 August 2024

The Manager – Listings  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Via electronic lodgement

Dear Sir / Madam

**RESULTS FOR THE YEAR ENDED 30 JUNE 2024**

Attached in accordance with Listing Rule 4.3A is the Appendix 4E for Sonic Healthcare Limited for the year ended 30 June 2024.

The release of this announcement was authorised by the Board of Sonic Healthcare Limited.

Yours faithfully  
**Sonic Healthcare Limited**



**Paul Alexander**  
Company Secretary

**Sonic Healthcare Limited**  
**ABN 24 004 196 909**

**PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**  
Lodged with the ASX under Listing Rule 4.3A

For personal use only

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**  
**For the year ended 30 June 2024**

**Financial Results**  
\$'000

	<b>2024</b>		
	<b>Statutory</b>		<b>% Change</b>
Revenue from ordinary activities	<b>8,967,405</b>		9.8%
Profit after tax from ordinary activities attributable to members	<b>511,094</b>		(25.4)%
<b>Dividends</b>			
Cents per share	<b>FY2024</b>	<b>FY2023</b>	<b>% Change</b>
Final dividend	63¢	62¢	1.6%
Final dividend franked amount per security	0¢	62¢	
Interim dividend	43¢	42¢	2.4%
Interim dividend franked amount per security	0¢	42¢	

The final dividend is scheduled to be paid on 19 September 2024 to shareholders registered as at close of business on 5 September 2024 (the record date). The 2024 final dividend is unfranked and comprises conduit foreign income and therefore is not subject to Australian dividend withholding tax for non-resident shareholders. The Company's Dividend Reinvestment Plan ('DRP') remains suspended for this dividend.

**Explanation of results**

\$'000	<b>2024</b>	<b>2023</b>	<b>% Change</b>
	<b>Statutory</b>	<b>Statutory</b>	<b>2024</b>
			<b>Statutory</b>
			<b>versus</b>
			<b>2023</b>
Base business revenue	<b>8,904,958</b>	7,683,541	15.9%
COVID-19 revenue	<b>62,447</b>	485,407	(87.1)%
<b>Revenue</b>	<b>8,967,405</b>	8,168,948	<b>9.8%</b>
Gain related to sale of West division in USA	<b>32,341</b>	-	
<b>Total</b>	<b>8,999,746</b>	8,168,948	
<b>EBITDA before gain related to sale of West division</b>	<b>1,602,201</b>	1,707,524	(6.2)%
Gain related to sale of West division	<b>32,341</b>	-	
<b>EBITDA<sup>1</sup></b>	<b>1,634,542</b>	1,707,524	
Depreciation	<b>(694,389)</b>	(631,298)	10.0%
<b>EBITA</b>	<b>940,153</b>	1,076,226	(12.6)%
Amortisation of intangibles	<b>(82,916)</b>	(71,630)	15.8%
Net interest expense	<b>(126,586)</b>	(73,408)	72.4%
Income tax expense	<b>(186,847)</b>	(223,257)	(16.3)%
Net (profit) attributable to minority interests	<b>(32,710)</b>	(22,947)	42.5%
<b>Net profit attributable to Sonic shareholders</b>	<b>511,094</b>	684,984	<b>(25.4)%</b>
<b>Cash generated from operations</b>	<b>1,071,512</b>	1,471,033	(27.2)%
<b>Earnings per share</b>			
Basic earnings per share (cents per share)	<b>107.3</b>	145.8	(26.4)%
Diluted earnings per share (cents per share)	<b>107.2</b>	145.0	(26.1)%

<sup>1</sup> EBITDA = Earnings before interest, tax, depreciation and amortisation

An explanation of the figures reported above is provided in the following pages of this report.

## COMMENTARY ON RESULTS For the year ended 30 June 2024

### 1. Headlines

- Revenue A\$8,967 million
- EBITDA A\$1,602 million, excluding gain related to sale of West division in USA
- Net profit A\$511 million
- Comparison with FY2023 materially impacted by the reduction in COVID-19 related revenues (A\$62 million versus A\$485 million).
- Base business revenue (ex-COVID testing) organic growth of 6% versus FY2023 (Constant Currency, per working day).
- ~A\$655 million of new annual revenue secured from acquisitions through the year, plus additional revenue from new contract wins.
- EBITDA margin in H2 FY2024 versus H1 FY2024 demonstrates return to margin expansion.
- Post-pandemic headcount reduction nearing completion.
- 95% conversion of EBITDA to gross operating cash flow.
- Progressive dividend policy maintained, increase of 1 cent (2%) to 63 cents per share (unfranked) for the FY2024 Final Dividend, full-year dividend up 2% to A\$1.06 per share.

### 2. Explanation of results

#### (a) Constant Currency

As a result of Sonic's expanding operations outside of Australia, Sonic is increasingly exposed to currency exchange rate translation risk i.e. the risk that Sonic's offshore earnings and assets fluctuate when reported in AUD.

The average currency exchange rates for the year to 30 June 2024 for the Australian dollar ('A\$', 'AUD' or '\$') versus the currencies of Sonic's offshore earnings varied from those in the comparative period, impacting Sonic's AUD reported earnings ('Statutory' earnings). The underlying earnings in foreign currency are not affected.

As in prior periods, in addition to the statutory disclosures, elements of Sonic's results for the year have also been presented on a 'Constant Currency' basis (i.e. using the same exchange rates to convert the current period foreign earnings into AUD as applied in the comparative period, being the average rates for that period). This facilitates comparability of the Group's performance by providing a view on the underlying business performance without distortion caused by exchange rate volatility.

In preparing the Constant Currency reporting, the foreign currency elements of the relevant line item in the Income Statement is restated using the relevant comparative period average exchange rate. There is only this one adjustment to each line item so no reconciliation is required.

The average exchange rates used were as follows:

	<b>2024 Statutory</b>	<b>2023 and Constant Currency</b>
AUD/USD	0.6559	0.6732
AUD/EUR	0.6062	0.6432
AUD/GBP	0.5207	0.5590
AUD/CHF	0.5817	0.6315
AUD/NZD	1.0810	1.0925

To manage currency translation risk Sonic uses 'natural' hedging, under which foreign currency assets (businesses) are matched to the extent possible with same currency debt. Therefore:

- as the AUD value of offshore assets changes with currency movements, so does the AUD value of the debt; and
- as the AUD value of foreign currency EBIT changes with currency movements, so does the AUD value of the foreign currency interest expense.

As Sonic's foreign currency earnings grow, debt is repaid, and interest rates change, the natural hedges have only a partial effect, so AUD reported earnings do fluctuate. Sonic believes it is inappropriate to hedge translation risk (a non-cash risk) with real cash hedging instruments.

**COMMENTARY ON RESULTS**  
**For the year ended 30 June 2024**

**2. Explanation of results (continued)**

**(b) Revenue**

**Revenue breakdown**

AUD M

	<b>2024</b>	<b>% of 2024</b>	<b>2024</b>	<b>2023</b>	<b>Growth</b>
	<b>Statutory</b>	<b>Statutory</b>	<b>Constant</b>	<b>Statutory</b>	<b>Constant</b>
	<b>Revenue</b>	<b>Revenue</b>	<b>Currency</b>	<b>Revenue</b>	<b>Currency</b>
			<b>Revenue</b>		<b>v 2023</b>
Laboratory – Australia and New Zealand	1,994	22.3%	1,993	1,968	1.3%
Laboratory – USA	2,147	24.0%	2,092	2,114	(1.0)%
Laboratory – Europe	3,475	38.9%	3,249	2,895	12.2%
Radiology – Australia	880	9.8%	880	796	10.6%
Other	446	5.0%	446	382	16.8%
Revenue	8,942	100%	8,660	8,155	6.2%
Interest income	25		25	14	
Total revenue	8,967		8,685	8,169	6.3%

Revenue growth in the Laboratory and Other operations was negatively impacted by much lower demand for COVID related services, with COVID revenue of A\$62 million in the year, versus A\$485 million in FY2023 (down 87%).

Base business revenue (excluding COVID services) grew organically by 6% (on a Constant Currency and working day basis) versus FY2023. Particularly strong organic base business growth was achieved in the Australian (10%), German (7%), and UK (9%) laboratory businesses. UK growth included the commencement in April 2024 of the Whittington Health Trust 10-year NHS laboratory outsource contract (annual revenue ~A\$20 million).

Base business organic growth of 3% was achieved in the USA, and 5% in Switzerland. These levels are believed to be in line with or better than market growth. Belgium growth was flat due to a fee cut that took effect on 1 January 2024.

Radiology organic revenue growth per working day was strong at 10%, and included indexation of fees and targeted private billing.

Revenue for Sonic Clinical Services ('SCS'), mainly comprising Sonic's medical centre and occupational health businesses (the major component of the Other segment, which also includes other minor operations), grew 13% from the comparative period, including 5% organically. Organic revenue growth benefited from increased GP private billing and Government funding increases (indexation from 1 July 2023, and a targeted fee increase from 1 November 2023).

Organic base business growth was augmented by the following acquisitions:

	<b>~Annual</b>	<b>Description / Timing</b>
	<b>Revenue</b>	
	<b>(A\$M)</b>	
<b>Germany</b>		
Medical Laboratories Düsseldorf (MLD)	85	Leading laboratory in Düsseldorf, settled July 2023
Diagnosticum Laboratory Group	110	Laboratories across Eastern Germany, settled October 2023
Smaller acquisitions (4)	70	2 anatomical and 2 clinical pathology, settled through FY2024
<b>Switzerland</b>		
Medisyn (formerly Synlab Suisse)	175	19 laboratories across Switzerland, settled July 2023
Pathologie Enge	15	Anatomical pathology practice, Zurich, settled January 2024
Dr Risch Group	175	13 clinical laboratories across Switzerland, plus 1 in Liechtenstein, settled March 2024
<b>USA</b>		
Pathology Watch	25	Proprietary digital dermatopathology platform with AI, settled January 2024

## COMMENTARY ON RESULTS For the year ended 30 June 2024

### 2. Explanation of results (continued)

#### (c) Earnings

Earnings and margins for the year were impacted by the dramatic reduction in COVID revenues versus the comparative period in the Laboratory operations. Significant post-pandemic headcount reduction programs (excluding acquisitions / contract wins) to right size the company are nearing completion. Inflationary pressures on labour costs are easing into FY2025, with headline inflation rates in Sonic's markets currently in the range of 1.3% - 3.8%.

Margins in FY2024 were also negatively impacted by the acquisition of low margin / loss-making businesses in Switzerland and the USA. The acquisition of these businesses offer significant potential for synergies and consequent earnings growth in FY2025 and future years.

EBITDA margin expansion of 150 basis points (bps) was achieved in H2 FY2024 versus H1 FY2024 (18.6% vs 17.1%), exceeding the pre-pandemic normal H2 vs H1 difference of ~100 bps.

Sonic's Radiology business (which did not provide COVID-related services) achieved 14% EBITDA growth, and margin expansion of ~70 basis points.

Labour cost as a percentage of revenue was 48.0% in H2 FY2024 versus 49.6% in H1 FY2024, a 160 bps reduction, which is significantly better than the normal (pre-pandemic) differential of less than 100 bps.

Consumables cost increased slightly as a percentage of revenue largely due to reductions in COVID volumes. Sonic continues to hold constant pricing under existing major supply contracts and to achieve savings through new contracts.

Major drivers and initiatives are locked in to growing earnings in FY2025 and future years.

#### (d) Depreciation

Depreciation increased 10% from the prior year (7% on a Constant Currency basis), significantly less than the growth in base business revenue.

#### (e) Intangibles amortisation

Intangibles amortisation relates to internally developed and purchased software.

#### (f) Interest expense and debt facilities

Net interest expense increased 72% on the prior year (66% at Constant Currency rates), mainly as a result of the business acquisitions completed in the year.

Sonic's debt is drawn in foreign currencies as 'natural' balance sheet hedging of Sonic's offshore operations (see (a) Constant currency above).

Interest rate risk management arrangements are in place in accordance with Sonic's Treasury Policy.

**COMMENTARY ON RESULTS**  
**For the year ended 30 June 2024**

**2. Explanation of results (continued)**

**(f) Interest expense and debt facilities (continued)**

Sonic's net interest bearing debt (excluding lease liabilities under AASB 16 Leases) at 30 June 2024 comprised:

	Facility Limit M	Drawn M	AUD \$M Available
Notes held by USA investors – USD	US\$550	US\$550	-
Notes held by USA investors – EUR	€515	€515	-
Bank debt facilities			
- USD (multicurrency) limits	US\$100	US\$57	64
- Euro (multicurrency) limits	€874	€491	615
- AUD (multicurrency) limits	A\$407	A\$251 <sup>+</sup>	156
- CHF (multicurrency) limits	CHF125	CHF125	-
Minor debt/leasing facilities	n/a	A\$7 <sup>*</sup>	-
Cash	n/a	A\$(645) <sup>*</sup>	645
Available liquidity at 30 June 2024			1,480
Net interest bearing debt (excluding lease liabilities under AASB 16)		A\$2,349	

<sup>+</sup> Includes debt drawn in CHF

<sup>\*</sup> Various currencies

Sonic's credit metrics at 30 June 2024 were as follows:

	30.6.24	31.12.23	30.6.23
Debt cover (times)	1.9	1.6	0.6
Interest cover (times)	12.0	19.1	29.4
Gearing ratio	22.3%	19.5%	9.9%

Definitions:

- Debt cover = Net debt/EBITDA (bank covenant limit <3.5)
- Interest cover = EBITA/Net interest expense (bank covenant limit >3.25)
- Gearing ratio = Net debt/[Net debt + equity] (USPP covenant limit <55%)
- Calculations as per Sonic's debt facility definitions, which exclude the impacts of AASB 16 Leases

Sonic's senior debt facility limits are due to expire as follows (note that the figures shown below are the facility limits, not drawn debt):

Calendar Year	AUD M	USD M	Euro M	CHF M
2024	-	-	185	-
2025	250	-	120	-
2026	-	-	245	-
2027	157	100	184	-
2028	-	-	350	-
2029	-	-	220	125
2030	-	300	-	-
2032	-	150	85	-
2035	-	100	-	-
	407	650	1,389	125

On 31 July 2024 Sonic successfully priced €400 million of fixed rate US Private Placement notes with tenors of 7 years (€100 million), 10 years (€200 million) and 15 years (€100 million). The weighted average fixed coupon for the notes is approximately 4.1%. Financial close is due to occur on 29 August 2024, after final investor due diligence and documentation is complete. The proceeds of the notes will initially be used to repay Euro debt in revolving bank debt facilities, and to effectively refinance the €185 million of notes which mature in November 2024. The issue will increase Sonic's available liquidity, supporting the company's ongoing growth strategy.

## COMMENTARY ON RESULTS For the year ended 30 June 2024

### 2. Explanation of results (continued)

#### (g) Tax expense

The effective tax rate for the year was ~27% (excluding the gain relating to the sale of the West division in the USA), in line with the guidance provided in August 2023 and February 2024.

#### (h) Cash flow

Cash generated from operations was 27% lower than in the prior year, largely reflecting the reduction in COVID-19 revenue. Gross operating cash flow equated to 95% of EBITDA (110% in the prior year). Tax paid in the period was 77% more than the tax expense due to timing of instalments and return lodgements.

Receivables were unusually high at 30 June 2024 due to the Change Healthcare cyber event in February 2024, which has prevented parts of Sonic's USA business from billing and/or collecting debtors. Sonic has received interest free advances to replace the cash that would have been received from debtors. The total of these advances as at 30 June 2024 was ~US\$175 million. The advances will be repaid as debtors are collected.

#### (i) Guidance for FY2025

Sonic expects EBITDA for FY2025 in the range of A\$1.70 to A\$1.75 billion on a Constant Currency basis, representing up to ~10% growth on FY2024 EBITDA (excluding the gain relating to the West division).

Depreciation (including of leased assets) is expected to be a similar percentage of revenue in FY2025 as in FY2024.

Net interest expense is expected to increase by ~25% from the FY2024 level (on a Constant Currency basis), due to the business acquisitions completed during FY2024, and higher interest rates on refinanced long term debt.

The effective tax rate is expected to be 26-27%.

Key guidance considerations:

- Excludes any future business acquisitions.
- Incorporates potential fee reductions in the USA from 1 January 2025 (impact ~A\$15M), although these are expected to be deferred.
- No other regulatory changes are assumed.
- Incorporates initial A\$10 million loss in FY2025 from Hertfordshire and West Essex contract in UK, profitable from FY2026 onwards.
- Base year FY2024 EBITDA included A\$14 million of business acquisition expenses.
- Current interest rates are assumed to prevail.



**FULL YEAR REPORT**  
**For the year ended 30 June 2024**

<b>CONTENTS</b>	<b>PAGE</b>
<b>Consolidated Income Statement</b>	<b>9</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>10</b>
<b>Consolidated Balance Sheet</b>	<b>11</b>
<b>Consolidated Cash Flow Statement</b>	<b>12</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>13</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>14</b>
<b>Compliance Statement</b>	<b>21</b>

*This report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the accompanying notes, the 2023 Annual Report and any public announcements made by Sonic Healthcare Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001.*

**CONSOLIDATED INCOME STATEMENT**  
For the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Revenue from operations		8,967,405	8,168,948
Other income		32,341	-
<b>Total</b>		<b>8,999,746</b>	<b>8,168,948</b>
Labour and related costs		(4,375,051)	(3,868,375)
Consumables used		(1,451,616)	(1,279,695)
Depreciation		(694,389)	(631,298)
Transportation		(249,790)	(217,016)
Utilities		(196,212)	(178,462)
Borrowing costs expense		(151,347)	(87,025)
Amortisation of intangibles		(82,916)	(71,630)
Other expenses from ordinary activities		(1,067,774)	(904,259)
<b>Profit from ordinary activities before income tax expense</b>		<b>730,651</b>	<b>931,188</b>
Income tax expense		(186,847)	(223,257)
<b>Profit from ordinary activities after income tax expense</b>		<b>543,804</b>	<b>707,931</b>
Net (profit) attributable to minority interests		(32,710)	(22,947)
<b>Profit attributable to members of Sonic Healthcare Limited</b>		<b>511,094</b>	<b>684,984</b>
<b>Basic earnings per share (cents per share)</b>	4	<b>107.3</b>	145.8
<b>Diluted earnings per share (cents per share)</b>	4	<b>107.2</b>	145.0

*The above Consolidated Income Statement should be read in conjunction with the accompanying notes, the 2023 Annual Report and any public announcements made by Sonic Healthcare Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001.*

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 30 June 2024

	2024 \$'000	2023 \$'000
<b>Profit from ordinary activities after income tax expense</b>	<b>543,804</b>	707,931
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	<b>(82,458)</b>	320,502
<i>Items that will not be reclassified to profit or loss</i>		
Fair value (loss)/gain on financial asset	<b>(7,562)</b>	1,921
Actuarial (losses) on retirement benefit obligations	<b>(13,601)</b>	(1,454)
<b>Other comprehensive income for the period, net of tax</b>	<b>(103,621)</b>	320,969
<b>Total comprehensive income for the period</b>	<b>440,183</b>	1,028,900
Total comprehensive income attributable to:		
Members of Sonic Healthcare Limited	<b>408,858</b>	993,054
Minority interests	<b>31,325</b>	35,846
	<b>440,183</b>	1,028,900

*The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes, the 2023 Annual Report and any public announcements made by Sonic Healthcare Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001.*

**CONSOLIDATED BALANCE SHEET**  
**As at 30 June 2024**

	Notes	2024 \$'000	2023 \$'000
<b>Current assets</b>			
Cash assets and cash equivalents		645,001	797,994
Receivables		1,362,175	1,022,175
Inventories		208,834	199,201
Other		136,985	113,801
<b>Total current assets</b>		<b>2,352,995</b>	<b>2,133,171</b>
<b>Non-current assets</b>			
Receivables		22,237	37,739
Other financial assets		198,348	175,799
Property, plant and equipment		1,656,500	1,510,930
Right-of-use assets		1,395,384	1,287,176
Intangible assets		9,126,264	7,789,619
Deferred tax assets		65,936	72,375
Other		8,810	7,820
<b>Total non-current assets</b>		<b>12,473,479</b>	<b>10,881,458</b>
<b>Total assets</b>		<b>14,826,474</b>	<b>13,014,629</b>
<b>Current liabilities</b>			
Payables		1,240,486	959,992
Interest bearing liabilities		297,490	-
Lease liabilities		363,540	346,791
Current tax liabilities		27,494	220,608
Provisions		367,244	342,722
Other		25,940	8,230
<b>Total current liabilities</b>		<b>2,322,194</b>	<b>1,878,343</b>
<b>Non-current liabilities</b>			
Interest bearing liabilities		2,690,400	1,673,461
Lease liabilities		1,163,938	1,080,228
Deferred tax liabilities		362,588	332,731
Provisions		144,213	103,861
Other		68,016	24,143
<b>Total non-current liabilities</b>		<b>4,429,155</b>	<b>3,214,424</b>
<b>Total liabilities</b>		<b>6,751,349</b>	<b>5,092,767</b>
<b>Net assets</b>		<b>8,075,125</b>	<b>7,921,862</b>
<b>Equity</b>			
Parent entity interest			
Contributed equity	5	4,140,911	3,842,423
Reserves	7	224,435	339,884
Retained earnings	8	3,552,277	3,554,197
<b>Total parent entity interest</b>		<b>7,917,623</b>	<b>7,736,504</b>
Minority interests		157,502	185,358
<b>Total equity</b>		<b>8,075,125</b>	<b>7,921,862</b>

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes, the 2023 Annual Report and any public announcements made by Sonic Healthcare Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001.

**CONSOLIDATED CASH FLOW STATEMENT**  
**For the year ended 30 June 2024**

	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of goods and services tax)	8,885,906	8,520,953
Payments to suppliers and employees (inclusive of goods and services tax)	<u>(7,363,999)</u>	<u>(6,639,798)</u>
<b>Gross operating cash flow</b>	1,521,907	1,881,155
Interest received	24,761	13,617
Borrowing costs	(145,491)	(83,752)
Income taxes paid	<u>(329,665)</u>	<u>(339,987)</u>
<b>Net cash inflow from operating activities</b>	<u>1,071,512</u>	<u>1,471,033</u>
<b>Cash flows from investing activities</b>		
Payment for purchase of controlled entities, net of cash acquired	(1,346,039)	(82,390)
Payments for property, plant and equipment	(470,612)	(389,125)
Proceeds from sale of non-current assets	150,545	15,204
Payments for investments	(40,211)	(27,525)
Payments for intangibles	(108,889)	(107,888)
Repayment of loans by other entities	17,254	19,575
Loans to other entities	<u>(7,491)</u>	<u>(7,892)</u>
<b>Net cash (outflow) from investing activities</b>	<u>(1,805,443)</u>	<u>(580,041)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares and other equity securities (net of transaction costs and related taxes)	204,411	84,265
Payments for buyback and treasury shares	(10,000)	(130,933)
Proceeds from borrowings	2,092,076	116,109
Repayment of borrowings	(744,987)	(119,218)
Principal elements of lease payments	(389,753)	(371,204)
Dividends paid to Company's shareholders	(499,413)	(480,353)
Dividends paid to minority interests in controlled entities	<u>(59,928)</u>	<u>(10,177)</u>
<b>Net cash inflow/(outflow) from financing activities</b>	<u>592,406</u>	<u>(911,511)</u>
<b>Net (decrease) in cash and cash equivalents</b>	(141,525)	(20,519)
Cash and cash equivalents at the beginning of the financial year	797,994	779,997
Effects of exchange rate changes on cash and cash equivalents	<u>(11,468)</u>	<u>38,516</u>
<b>Cash and cash equivalents at the end of the financial year</b>	<u>645,001</u>	<u>797,994</u>

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes, the 2023 Annual Report and any public announcements made by Sonic Healthcare Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2024**

	Share capital \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Minority interests \$'000	Total \$'000
<b>Balance at 1 July 2023</b>	3,842,423	339,884	3,554,197	7,736,504	185,358	<b>7,921,862</b>
Profit for period	-	-	511,094	511,094	32,710	<b>543,804</b>
Other comprehensive income for the period	-	(88,635)	(13,601)	(102,236)	(1,385)	<b>(103,621)</b>
Total comprehensive income for the period	-	(88,635)	497,493	408,858	31,325	<b>440,183</b>
<b>Transactions with owners in their capacity as owners:</b>						
Dividends paid	-	-	(499,413)	(499,413)	-	<b>(499,413)</b>
Shares issued	281,129	(24,932)	-	256,197	-	<b>256,197</b>
Transfers to share capital	23,986	(23,986)	-	-	-	-
Share based payments	-	27,032	-	27,032	-	<b>27,032</b>
Acquisition of shares	(10,000)	-	-	(10,000)	-	<b>(10,000)</b>
Costs of share transactions net of tax	(41)	-	-	(41)	-	<b>(41)</b>
Allocation of treasury shares	3,414	(3,414)	-	-	-	-
Acquisition of minority interests	-	(1,514)	-	(1,514)	75	<b>(1,439)</b>
Dividends paid to minority interests in controlled entities	-	-	-	-	(59,256)	<b>(59,256)</b>
<b>Balance at 30 June 2024</b>	<b>4,140,911</b>	<b>224,435</b>	<b>3,552,277</b>	<b>7,917,623</b>	<b>157,502</b>	<b>8,075,125</b>
Balance at 1 July 2022	3,860,948	61,172	3,351,020	7,273,140	155,034	7,428,174
Profit for period	-	-	684,984	684,984	22,947	707,931
Other comprehensive income for the period	-	309,524	(1,454)	308,070	12,899	320,969
Total comprehensive income for the period	-	309,524	683,530	993,054	35,846	1,028,900
<b>Transactions with owners in their capacity as owners:</b>						
Dividends paid	-	-	(480,353)	(480,353)	-	(480,353)
Shares issued	100,763	(16,488)	-	84,275	-	84,275
Transfers to share capital	8,917	(8,917)	-	-	-	-
Share based payments	-	18,453	-	18,453	-	18,453
Acquisition of shares	(134,100)	-	-	(134,100)	-	(134,100)
Costs of share transactions net of tax	(7)	-	-	(7)	-	(7)
Allocation of treasury shares	5,902	(2,735)	-	3,167	-	3,167
Acquisition of minority interests	-	(21,125)	-	(21,125)	(680)	(21,805)
Contributions from minority interests	-	-	-	-	5,480	5,480
Dividends paid to minority interests in controlled entities	-	-	-	-	(10,322)	(10,322)
<b>Balance at 30 June 2023</b>	<b>3,842,423</b>	<b>339,884</b>	<b>3,554,197</b>	<b>7,736,504</b>	<b>185,358</b>	<b>7,921,862</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, the 2023 Annual Report and any public announcements made by Sonic Healthcare Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the year ended 30 June 2024

### Note 1 Summary of significant accounting policies

This financial report has been prepared in accordance with International Financial Reporting Standards, other authoritative pronouncements and Interpretations of the Australian Accounting Standards Board and the Corporations Act 2001.

This financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Sonic Healthcare Limited during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

### Note 2 Segment information

The Group's Chief Executive Officer and the Board of Directors (the chief operating decision makers) review the Group's performance both by the nature of services provided and geographic region. Discrete financial information about each operating segment is reported to the Chief Executive Officer and the Board of Directors on at least a monthly basis and is used to assess performance and determine the allocation of resources.

The Group has the following reportable segments.

#### (i) Laboratory

Pathology/clinical laboratory services provided in Australia, New Zealand, the United Kingdom, the United States of America, Germany, Switzerland and Belgium. The geographic regions have been aggregated into one reportable segment as they provide similar services and have similar expected growth rates, cost structures, risks, and return profiles.

#### (ii) Radiology

Diagnostic imaging services provided in Australia.

#### (iii) Other

Includes corporate office functions, medical centre operations (IPN), occupational health services (Sonic HealthPlus), and other minor operations. In addition acquisition costs and certain other non-recurring costs are expensed in this segment from time to time. In FY2024, this segment includes a gain relating to the sale of the West division in the USA.

The internal reports use a 'Constant Currency' basis for reporting revenue and Net Profit Before Tax ('NPBT') with foreign currency elements restated using the relevant prior period average exchange rates. The segment revenue and NPBT have therefore been presented using Constant Currency. NPBT is calculated after lease interest, but excluding interest on debt.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended 30 June 2024

**Note 2 Segment information (continued)**

<b>Year ended 30 June 2024</b>	<b>Laboratory \$'000</b>	<b>Radiology \$'000</b>	<b>Other \$'000</b>	<b>Eliminations \$'000</b>	<b>Consolidated \$'000</b>
<b>Segment revenue (Constant Currency)</b>	7,334,363	879,908	452,912	(6,585)	8,660,598
Other income	-	-	32,341	-	32,341
Currency exchange movement	282,046	-	-	-	282,046
<b>Segment revenue</b>	<b>7,616,409</b>	<b>879,908</b>	<b>485,253</b>	<b>(6,585)</b>	<b>8,974,985</b>
Interest income					24,761
<b>Total revenue</b>					<b>8,999,746</b>
<b>Segment NPBT (Constant Currency)</b>	735,389	125,037	(64,801)	-	795,625
Currency exchange movement	31,901	-	-	-	31,901
<b>Segment NPBT</b>	<b>767,290</b>	<b>125,037</b>	<b>(64,801)</b>	-	<b>827,526</b>
Unallocated net interest expense					(96,875)
<b>Profit before tax</b>					<b>730,651</b>
Income tax expense					(186,847)
<b>Profit after income tax expense</b>					<b>543,804</b>
Allocated interest expense	42,161	5,753	6,558	-	54,472
Depreciation and amortisation expense	576,286	87,242	113,777	-	777,305
EBITDA	1,367,911	217,490	49,141	-	1,634,542
<b>Year ended 30 June 2023</b>	<b>Laboratory \$'000</b>	<b>Radiology \$'000</b>	<b>Other \$'000</b>	<b>Eliminations \$'000</b>	<b>Consolidated \$'000</b>
<b>Segment revenue</b>	6,976,410	796,109	388,158	(5,346)	8,155,331
Interest income					13,617
<b>Total revenue</b>					<b>8,168,948</b>
<b>Segment NPBT</b>	951,859	102,595	(75,737)	-	978,717
Unallocated net interest expense					(47,529)
<b>Profit before tax</b>					<b>931,188</b>
Income tax expense					(223,257)
<b>Profit after income tax expense</b>					<b>707,931</b>
Allocated interest expense	29,118	5,300	5,078	-	39,496
Depreciation and amortisation expense	511,880	83,141	107,907	-	702,928
EBITDA	1,484,509	190,833	32,182	-	1,707,524



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**Note 3 Dividends**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Total dividends paid on ordinary shares during the year		
Final dividend for the year ended 30 June 2023 of 62 cents (2022: 60 cents) per share paid on 21 September 2023 (2022: 21 September 2022), franked to 100% (2022: 100%)	<b>293,923</b>	283,382
Interim dividend for the year ended 30 June 2024 of 43 cents (2023: 42 cents) per share paid on 21 March 2024 (2023: 22 March 2023), franked to 0% (2023: 100%)	<b>205,490</b>	196,971
	<b>499,413</b>	480,353

**Dividends not recognised at the end of the year**

On 21 August 2024 the directors declared a final dividend of 63 cents per share (2023: 62 cents) franked to 0% (2023: 100%), payable on 19 September 2024 with a record date of 5 September 2024. Based on the number of shares expected to be on issue at the record date, the aggregate amount of the proposed final dividend to be paid out of retained earnings at the end of the year, but not recognised as a liability is:

<b>302,655</b>	293,923
----------------	---------

**Dividend Reinvestment Plan**

The Company's Dividend Reinvestment Plan remains suspended for the FY2024 final dividend.

	<b>2024</b>	<b>2023</b>
	<b>Cents</b>	<b>Cents</b>

**Note 4 Earnings per share**

Basic earnings per share	<b>107.3</b>	145.8
Diluted earnings per share	<b>107.2</b>	145.0

	<b>2024</b>	<b>2023</b>
	<b>Shares</b>	<b>Shares</b>

**Weighted average number of ordinary shares used as the denominator**

Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	<b>476,100,803</b>	469,768,140
--	--------------------	-------------

Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	<b>476,988,506</b>	472,443,512
--	--------------------	-------------

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the year ended 30 June 2024

Note 5 Contributed equity

	2024 Shares	2023 Shares	2024 \$'000	2023 \$'000
<b>Share capital</b>				
Fully paid ordinary shares	480,403,973	470,805,824	4,147,497	3,842,423
<b>Other equity securities</b>				
Treasury shares	(200,176)	-	(6,586)	-
	<u>480,203,797</u>	<u>470,805,824</u>	<u>4,140,911</u>	<u>3,842,423</u>

Movements in ordinary share capital:

Date	Details	Number of shares	Issue price	\$'000
01/7/23	Opening balance	470,805,824		3,842,423
Various	Shares issued following exercise of employee options	7,733,986	Various	229,401
22/3/24	Shares issued as part consideration for Dr Risch business	1,864,163		51,728
Various	Transfers from equity remuneration reserve	-		23,986
Various	Costs of share transactions net of tax	-		(41)
30/6/24	Closing balance	<u>480,403,973</u>		<u>4,147,497</u>

Movements in other equity securities:

01/7/23	Opening balance	-		-
22/8/23	On market purchase of Sonic shares by SHEST*	(303,934)		(10,000)
Various	Allocation of treasury shares	4,725,744		149,453
Various	Subscription for unissued shares by SHEST*	(4,621,986)		(146,039)
30/6/24	Closing balance	<u>(200,176)</u>		<u>(6,586)</u>

\*Sonic Healthcare Employee Share Trust

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**Note 6 Unlisted share options / performance rights**

<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Balance at 1.7.23</b>	<b>Granted</b>	<b>Exercised</b>	<b>Forfeited</b>	<b>Expired</b>	<b>Balance at 30.6.24</b>
\$21.69	21/11/2023	667,787	-	(667,787)	-	-	-
\$21.83	14/10/2023	804,000	-	(804,000)	-	-	-
\$24.30	21/12/2023	407,500	-	(407,500)	-	-	-
\$28.58	05/12/2023	2,573,199	-	(2,165,699)	-	(407,500)	-
\$27.28	22/05/2024	4,643,500	-	(3,689,000)	-	(954,500)	-
\$29.26	19/11/2024	588,894	-	-	-	-	<b>588,894</b>
\$34.21	18/11/2025	527,191	-	-	(82,984)	-	<b>444,207</b>
\$39.75	19/11/2025	4,616,633	-	-	(10,000)	-	<b>4,606,633</b>
\$31.59	26/10/2026	4,602,206	-	-	(20,000)	-	<b>4,582,206</b>
\$38.90	18/11/2026	343,367	-	-	-	-	<b>343,367</b>
\$35.93	22/05/2027	100,000	-	-	-	-	<b>100,000</b>
\$32.79	17/11/2027	377,504	-	-	-	-	<b>377,504</b>
\$28.91	29/11/2027	-	6,970,745	-	-	-	<b>6,970,745</b>
\$28.89	29/11/2028	-	444,508	-	-	-	<b>444,508</b>
\$24.00	31/05/2028	-	6,970,745	-	-	-	<b>6,970,745</b>
Performance Rights	01/10/2023	11,815	-	(11,815)	-	-	-
Performance Rights	01/09/2024	30,057	-	(14,083)	(1,881)	-	<b>14,093</b>
Performance Rights	01/10/2024	-	16,080	(16,080)	-	-	-
Performance Rights	01/10/2024	-	3,115	(3,115)	-	-	-
Performance Rights	18/11/2025	69,624	-	(58,665)	(10,959)	-	-
Performance Rights	18/11/2026	54,427	-	-	-	-	<b>54,427</b>
Performance Rights	17/11/2027	66,371	-	-	-	-	<b>66,371</b>
Performance Rights	29/11/2028	-	84,747	-	-	-	<b>84,747</b>
		<b>20,484,075</b>	<b>14,489,940</b>	<b>(7,837,744)</b>	<b>(125,824)</b>	<b>(1,362,000)</b>	<b>25,648,447</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the year ended 30 June 2024

**Note 7 Reserves**

	2024 \$'000	2023 \$'000
Foreign currency translation reserve	394,459	475,760
Equity remuneration reserve	(148,499)	(123,199)
Share option reserve	16,427	16,427
Revaluation reserve	3,272	3,272
Financial assets at FVOCI* reserve	(5,641)	1,921
Transactions with minority interests	(35,583)	(34,297)
	<u>224,435</u>	<u>339,884</u>

**Movements**

<i>Foreign currency translation reserve</i>		
Balance 1 July	475,760	166,967
Net exchange movement on translation of foreign subsidiaries	(81,301)	308,793
Balance	<u>394,459</u>	<u>475,760</u>

<i>Equity remuneration reserve</i>		
Balance 1 July	(123,199)	(113,512)
Share based payments	27,032	18,453
Employee share scheme issue	(28,346)	(19,223)
Transfer to share capital (options exercised)	(23,986)	(8,917)
Balance	<u>(148,499)</u>	<u>(123,199)</u>

<i>Share option reserve</i>		
Balance 1 July	16,427	16,427
Movement	-	-
Balance	<u>16,427</u>	<u>16,427</u>

<i>Revaluation reserve</i>		
Balance 1 July	3,272	3,272
Movement	-	-
Balance	<u>3,272</u>	<u>3,272</u>

<i>Financial assets at FVOCI* reserve</i>		
Balance 1 July	1,921	-
Fair value (loss)/gain in period	(7,562)	1,921
Balance	<u>(5,641)</u>	<u>1,921</u>

<i>Transactions with minority interests</i>		
Balance 1 July	(34,297)	(11,982)
Acquisition of minority interests	(1,514)	(21,125)
Net exchange movement	228	(1,190)
Balance	<u>(35,583)</u>	<u>(34,297)</u>

\* FVOCI = Fair value through other comprehensive income

**Note 8 Retained earnings**

	2024 \$'000	2023 \$'000
Retained earnings at the beginning of the financial year	3,554,197	3,351,020
Net profit attributable to members of Sonic Healthcare Limited	511,094	684,984
Dividends paid in the year	(499,413)	(480,353)
Actuarial (losses) on retirement benefit obligations (net of tax)	(13,601)	(1,454)
Retained earnings at the end of the financial year	<u>3,552,277</u>	<u>3,554,197</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**Note 9 Net asset backing**

	2024	2023
Net tangible asset* backing per ordinary security	\$(2.19)	\$0.28
Net asset backing per ordinary security	\$16.81	\$16.83

\* Net tangible assets include right-of-use assets

**Note 10 Events occurring after reporting date**

Since the end of the financial year, no matter or circumstance not otherwise dealt with in these financial statements has arisen that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years, other than the pricing of €400 million of notes in the United States private placement market (refer to the ASX announcement on 1 August 2024 for details). The proceeds of the note issue will initially be used to repay bank debt in revolving facilities, and to effectively refinance the €185 million of notes which mature in November 2024.

**Forward-looking statements**

*This Preliminary Final Report (Appendix 4E) may include forward-looking statements about our financial results, guidance and business prospects that may involve risks and uncertainties, many of which are outside the control of Sonic Healthcare. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date that they are made and which reflect management's current estimates, projections, expectations or beliefs and which involve risks and uncertainties that could cause actual results and outcomes to be materially different. Risks and uncertainties that may affect the future results of the company include, but are not limited to, adverse decisions by Governments and healthcare regulators, changes in the competitive environment and billing policies, lawsuits, loss of contracts or unexpected growth in costs and expenses. The statements being made in this report do not constitute an offer to sell, or solicitation of an offer to buy, any securities of Sonic Healthcare. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Sonic Healthcare). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward-looking statement will be achieved. Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Given these uncertainties, readers are cautioned to not place undue reliance on such forward-looking statements.*

## COMPLIANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Interpretations or other standards acceptable to ASX.

Identify other standards used

NIL

This report, and the accounts upon which the report is based use the same accounting policies.

This report does give a true and fair view of the matters disclosed.

This report is based on accounts which are in the process of being audited.

The entity has a formally constituted audit committee.



Signed: \_\_\_\_\_  
Company Secretary

Date: 22 August 2024 \_\_\_\_\_

Print name: PAUL ALEXANDER \_\_\_\_\_