

Company	Healius Limited
Code	HLS
Meeting	AGM
Date	21 October 2021
Venue	Lumi hybrid meeting
Monitor	Patricia Beal, assisted by Elizabeth Fox

Number attendees at meeting	11 shareholders, 1 proxyholder plus 54 visitors – as provided by the company
Number of holdings represented by ASA	64
Value of proxies	\$m 1.8
Number of shares represented by ASA	377,725 shares
Market capitalisation	\$b 2.96 – on day of meeting
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Chair Robert Hubbard and Janet Payne (Group Executive, Corporate Affairs).

Healius Healthier

It was an upbeat AGM, with the company having met the challenges of the pandemic, emerging leaner (selling some undesired sections), and fitter to face the future with finances in better shape. Revenues (up 22%, due largely to all the covid testing) and underlying earnings were also up, with good cost control. Finances were rearranged, including a buyback of shares.

Thanks were due, and given by Chair Rob Hubbard, to all the staff who worked extremely hard with huge volumes of testing to get through ASAP but meticulously accurately and safely at the same time. He also praised the CEO for his leadership in a variety of very important tasks, including supervising the huge workload, being instrumental in the sale process of some sections, and the ongoing strategic improvements of the ongoing departments. Stage 1 of the SIP

(Sustainable Improvement Plan) is now complete; Stage 2 will now begin. These plans are described in detail on pp 9,10 of the Annual Report.

While it had been anticipated that it would take around 5 years to effectively turn around the company, that was before covid appeared, and the dramatic change that was forced on the company - and which it was able to take advantage of. Having had reduced salary in 2020 (and no incentives) this year the rem committee and board felt it appropriate to reward what they called the exceptional performance of the CEO and other KMPs, with a large STI performance payments. A reward scheme for staff is also being implemented.

The Board has been 'renewed' with the addition of 2 new directors - both female. Its composition now is 40:40:20, which was their target. In this part of the healthcare sector, the workforce is predominantly female; the task now is to slowly foster more females in the management/leaders.

Last year's Sustainability Plan is being revised. Announced at the AGM is a new target, to be carbon-neutral by 2025, with several initiatives in train. So far, this includes solar panels, LED lighting, hybrid vehicles, and improved waste management.

Questions were dealt with before the resolutions. Several were from shareholders, around the equipment required for PCR testing - was it purchased / hired/ or what - and would it be useful after the pandemic. While making the point that the pandemic would be around for some time yet, the equipment used was such that it could also be used (with different reagents) for other tests. Some was bought, some hired, some donated by Mindaroo foundation.

Would there be an extra dividend or other benefit from the proceeds of the sale? It gave more strength to the balance sheet, and more security for increasing dividends over time. There is also the ongoing share buyback.

The rem resolution was passed with 84%; all others achieved at least 97%. There were no specific queries about the rem report in general, or the equity component of the large STI payment to CEO Malcolm Parmenter (which was passed with 97% approval).