



**SONIC
HEALTHCARE**

CEO's AGM Presentation

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18 November 2021

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

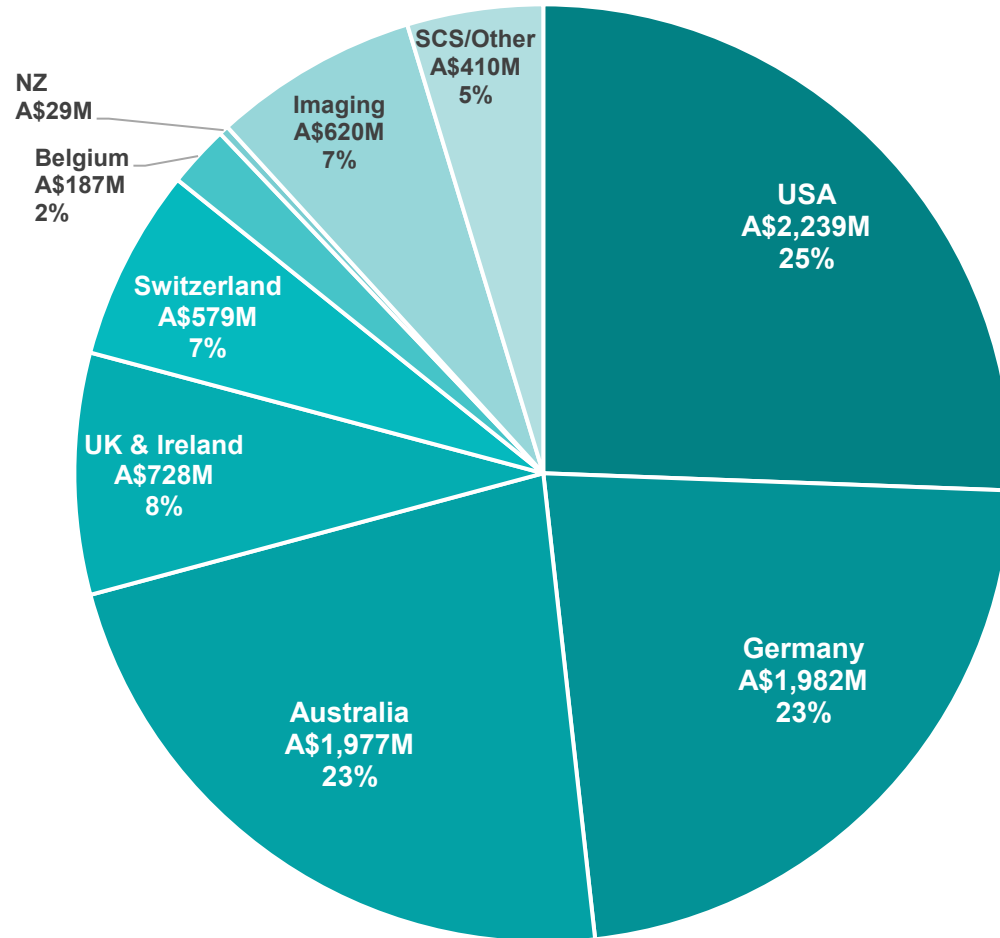


COVID-19

- 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

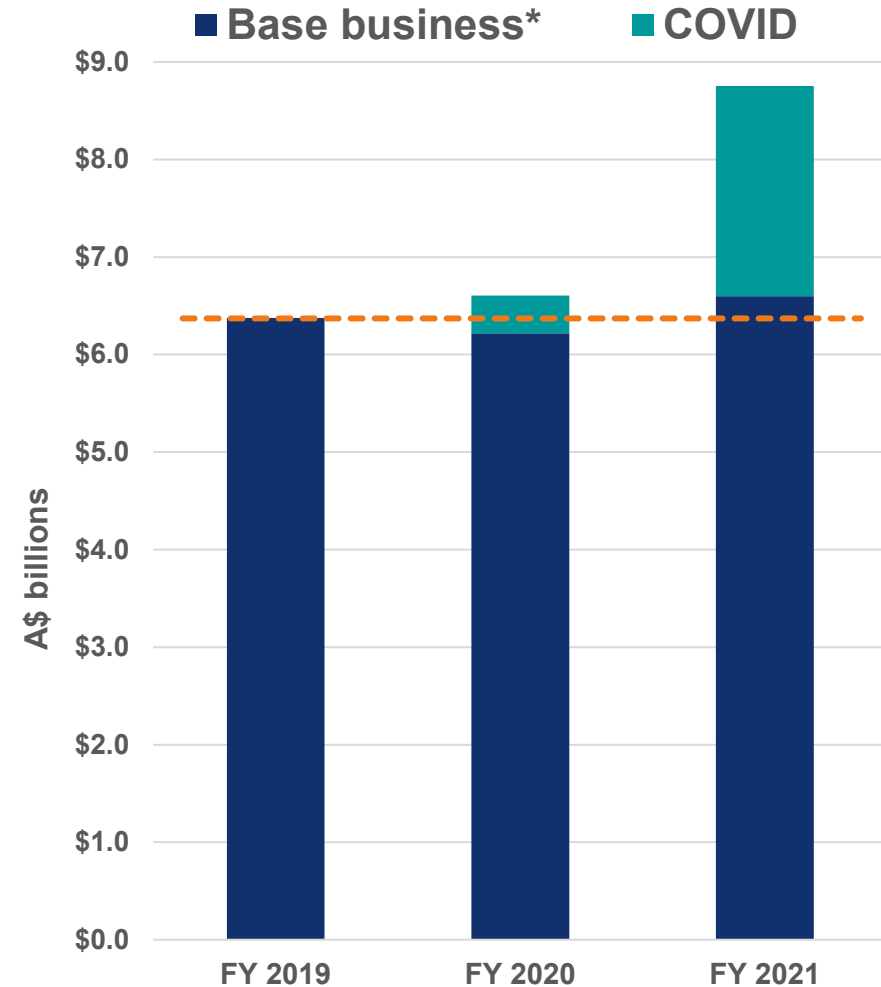


Revenue – FY 2021

- 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



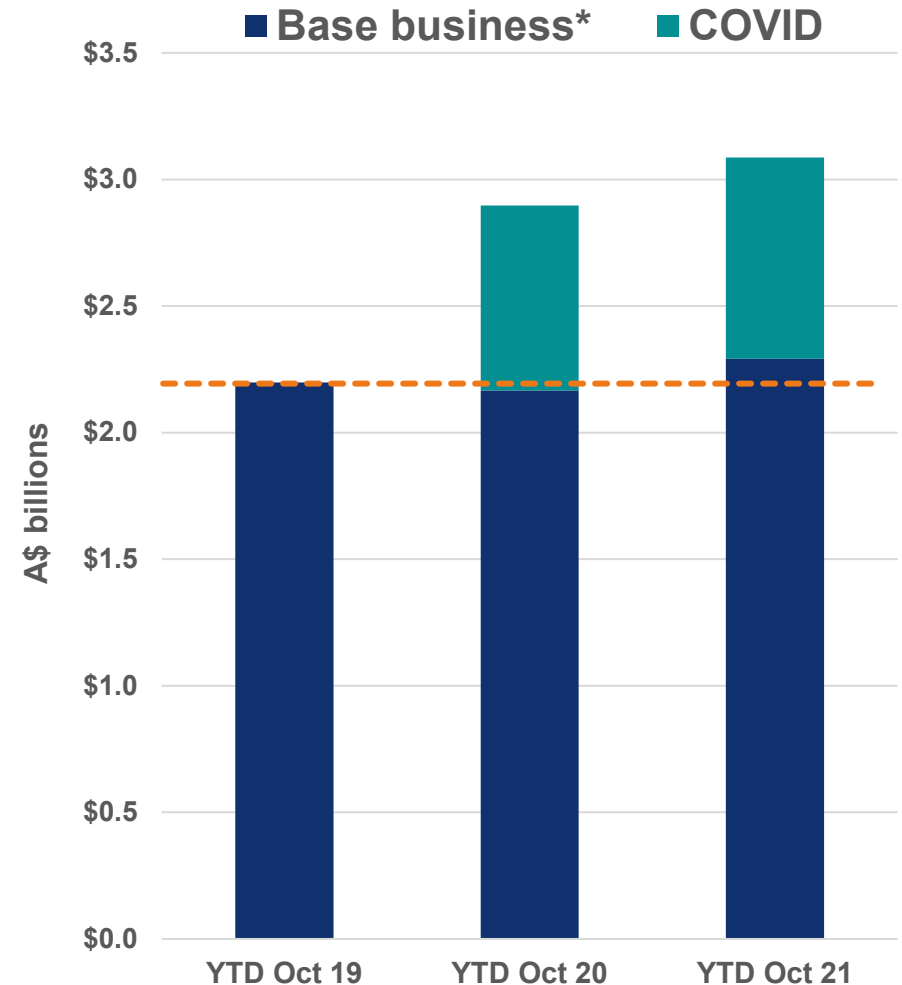
Revenue

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

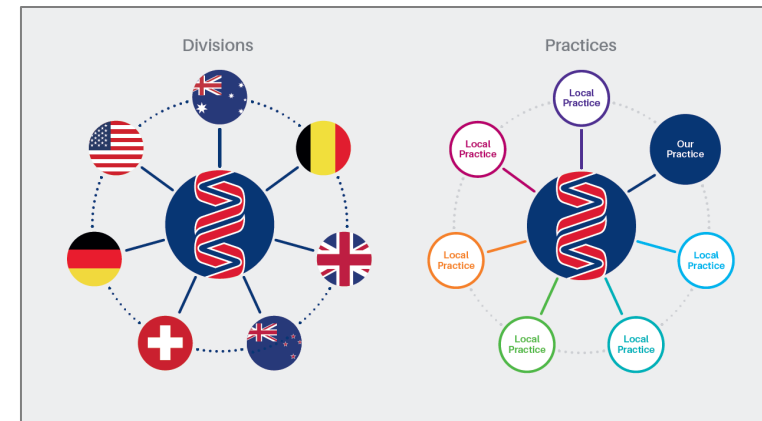


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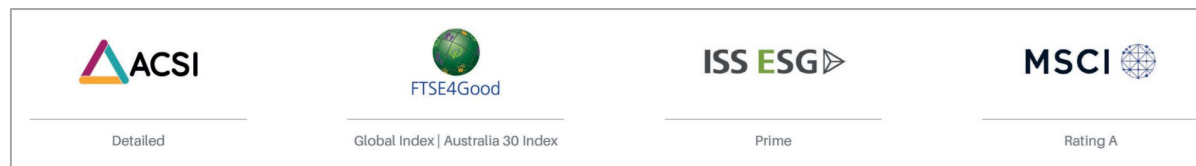
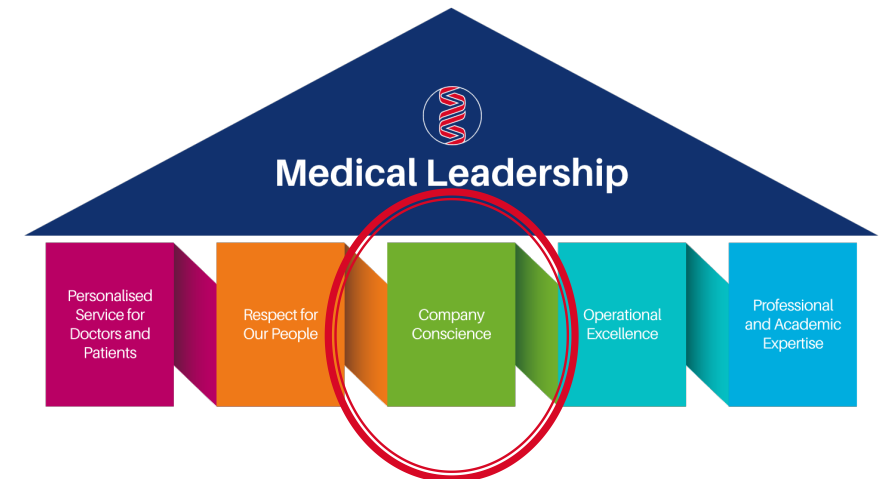
Core Values

- 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