

Wednesday, 28 February 2024

## ACL 1H24 FINANCIAL RESULTS

The following announcements to the market are attached:

- ✓ Appendix 4D
- ✓ 1H24 financial statements and statutory reports
- 1H24 financial results investor presentation

**- ENDS -**

This announcement was authorised for release to ASX by the Board of ACL. For further information regarding this announcement, please contact:

**Company Secretary**

Eleanor Padman

Company Secretary

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**About Australian Clinical Labs**

ACL is a leading Australian private provider of pathology services. Our NATA accredited laboratories perform a diverse range of pathology tests each year for a range of clients including doctors, specialists, patients, hospitals and corporate clients. ACL is one of the largest private hospital pathology businesses nationally. ACL is focused on its mission of combining talented people, and medical and scientific leadership, with innovative thinking and technologies to empower decision making that saves and improves patients' lives.

## ASX Listing Rule 4.2A

<b>Current reporting period:</b>	Half year ended 31 December 2023
<b>Previous reporting period:</b>	Half year ended 31 December 2022

Results for announcement to the market		Percentage change %	31 Dec 2023 \$'m
<b>Statutory</b>			
Total revenue from ordinary activities	Down	6.40%	337.3m
Profit attributable to member of Australian Clinical Laboratories Limited	Down	80.52%	5.0m
<b>Underlying<sup>1</sup></b>			
Total revenue from ordinary activities	Down	6.40%	337.3m
Profit attributable to member of Australian Clinical Laboratories Limited	Down	48.50%	10.3m
<b>Earnings per share</b>		<b>Percentage change %</b>	<b>31 Dec 2023 Cents per share</b>
<b>Statutory</b>			
Basic earnings per share	Down	80.51%	2.47c
Diluted earnings per share	Down	80.55%	2.46c
<b>Underlying<sup>1</sup></b>			
Basic earnings per share	Down	48.47%	5.13c
Diluted earnings per share	Down	48.59%	5.11c

1. Underlying profit excludes the impact of non-recurring items. A reconciliation between Statutory profit and underlying profit is contained in our ASX investor presentation.

Dividends	Amount per security Cents per share	Franked amount per security Cents per share
<b>FY2024</b>		
Interim dividend	3.00c	3.00c
<b>FY2023</b>		
Interim dividend	7.00c	7.00c

Record date for determining entitlements to the interim dividend	2 April 2024
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The dividend reinvestment plan will remain suspended for the FY24 interim dividend.

### Commentary on results for the period

For an explanation of the results refer to the ASX and media release and Half Year Report.

This report is based on the Half Year Financial Report which has been reviewed by Pitcher Partners. Additional Appendix 4D disclosure requirements can be found in the Half Year Financial Report attached, which contains the Directors' Report, the Directors' Declaration and the consolidated financial statements for the half year ended 31 December 2023.

This information should be read in conjunction with the 2023 Annual Financial Report and public announcements made in the period by Australian Clinical Labs Limited, in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

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AUSTRALIAN CLINICAL LABS LIMITED  
ACN 645 711 128

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# Consolidated financial report

**For the half-year ended 31 December 2023**

This half-year report is to be read in conjunction with the consolidated financial report of Australian Clinical Labs Limited for the year ended 30 June 2023

# Contents

02	Directors' report
05	Auditor's independence declaration
07	Consolidated statement of profit or loss
08	Consolidated statement of other comprehensive income
09	Consolidated statement of financial position
10	Consolidated statement of changes in equity
11	Consolidated statement of cash flows
12	Notes to the consolidated financial statements
18	Directors' declaration
19	Independent auditor's review report

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# Directors' report

## Overview

The Directors of Australian Clinical Labs Limited (referred to as “Clinical Labs”, “ACL” or “the Company”) present their Report for the financial period ended 31 December 2023 (referred to as “the period” or “the half-year”) accompanied by the Financial Report of Australian Clinical Labs Limited and the entities it controlled (referred to as “the Group”) from time to time during the period.

Pursuant to the requirements of the *Corporations Act 2001* (Cth) (Corporations Act), the Directors’ Report follows:

## Directors

The Directors of the Company in office at any time during the half-year and up to the date of this report are:

Michael Alscher (Temporary leave from 3 July 2023 to 11 September 2023)

Melinda McGrath

Nathaniel Thomson

Andrew Dutton

Dr Leanne Rowe AM

Mark Haberlin

Daren McKennay (Appointed Acting Chair/Alternate Director from 3 July 2023 to 11 September 2023)

Christine Bartlett (Appointed 23 August 2023)

## Review of operations

Key financial highlights in the six months ended 31 December 2023 include:

- Total revenue of \$337.3m
- Underlying EBITDA<sup>1</sup> of \$87.1m
- Underlying EBIT<sup>1</sup> of \$23.4m
- Underlying NPAT<sup>1</sup> of \$10.3m
- Free cash flow before interest, tax and financing of \$17.7m
- Interim dividend declared of 3 cents per share

The challenging macro environment continued throughout the period with reduced referrer availability, increased GP private billing and hospital challenges. The introduction of new bulk billing incentives for GPs introduced by the Government in November 2023 is expected to start having an impact in the 2nd half.

Underlying EBIT for 1HFY24 grew by 16.4% after adjusting for the decline in COVID revenue on pcp driven by a combination of organic growth, full period impact of Medlab synergies, as well as other efficiency and cost initiatives implemented during the half. COVID revenue declined by \$36.5m on pcp, which had an EBIT impact of approximately \$14.6m<sup>2</sup>, resulting in the overall EBIT decline of \$11.3m on 1HFY23.

ACL continues to follow a disciplined strategy of collection centre optimisation to protect margins in an ongoing environment of subdued industry revenue resulting in a number of ACCs with unattractive rent dynamics not being renewed. As a result, non-COVID MBS revenue growth for 1HFY24 was 5.4%<sup>3</sup> compared to non-COVID MBS market growth of approximately 6%<sup>4</sup>.

Normalised for the Sun Doctors and Medlab acquisitions, and excluding post-acquisition synergies, ACL has been able to reduce its number of FTE by over 13% (excluding ACC collections and non-operational FTE) from 1HFY20 (pre-COVID) through targeted efficiency programs. Including the achieved synergies the reduction in FTE is over 17%.

1. Underlying figures are calculated ex HLS takeover costs as well as certain non-recurring revenue and expenses (other income \$0.5m, HLS takeover costs \$4.0m, acquisition, restructuring and other insurance related expenses \$4.0m and income tax \$2.2m).

2. Based on 40% contribution margin on COVID revenues.

3. ACL growth ex Sun Doctors and Queensland and non-Medicare commercial work and adjusted for working days.

4. Market data based on working day adjusted Medicare statistics excluding COVID testing outlays and estimated associated PEI and BBI outlays.



# Directors' Report

Capital expenditure for the period was 1% of revenue and reflects ACL's disciplined focus on capital allocation and preference to expense costs rather than capitalising. Closing net debt for the period of \$53.8m with key metrics of net debt (excluding lease liabilities)/LTM EBITDA (AASB 117, excl. non-cash) of 1.1x and net debt/LTM EBITDA (post AASB 16) of 1.8x.

The balance sheet was further strengthened, with current assets / current liabilities (excluding lease liabilities) at 1.4x versus 1.3x at end FY23.

## Dividends

In respect of the half-year ended 31 December 2023, an interim dividend of 3.00 cents per share (100% franked) has been declared with a record date of 2 April 2024 and payable on 26 April 2024.

## Subsequent events

Since the end of the financial period, the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements 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 subsequent financial years.

## Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half-year is provided with this report on page 5.

## Rounding off of amounts to nearest thousand dollars

The Company is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191, dated 24 March 2016, and in accordance with that Instrument, amounts in this Report and the Financial Report are rounded off to the nearest thousand dollars or, in certain cases, to the nearest dollar.

Some numerical figures included in this report have been subject to rounding adjustments. Any differences between totals and sums of components in tables or figures contained in this report are due to rounding.

Signed in accordance with a resolution of the directors:



**Michael Alscher**  
Chair

Sydney, 27 February 2024

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# Auditor's independence declaration to the directors of Australian Clinical Labs Limited

**AUSTRALIAN CLINICAL LABS LIMITED**  
**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE DIRECTORS OF AUSTRALIAN CLINICAL LABS LIMITED**

In relation to the independent auditor's review for the half-year ended 31 December 2023, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Australian Clinical Labs Limited and the entities it controlled during the period.



S D WHITCHURCH  
Partner

Date: 27 February 2024



PITCHER PARTNERS  
Melbourne

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# Financial Statements

# Consolidated statement of profit or loss

## for the half-year ended 31 December 2023

	Note	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000
Revenue	3	337,268	360,312
Other income	3	548	6,184
<b>Total</b>		<b>337,816</b>	<b>366,496</b>
Consumables		(58,131)	(67,937)
Labour costs		(151,465)	(151,419)
Property costs		(5,907)	(8,040)
Repairs and maintenance		(3,852)	(3,987)
Healius transaction costs		(4,021)	(1,210)
Acquisition, restructuring and other insurance related expenses		(4,014)	(781)
Other operating expenses		(30,785)	(33,306)
Depreciation		(6,939)	(7,532)
Depreciation of right-of-use assets		(56,648)	(53,210)
Amortisation of intangible assets		(114)	(114)
<b>Total operating costs</b>		<b>(321,876)</b>	<b>(327,536)</b>
<b>Earnings before interest and tax</b>		<b>15,940</b>	<b>38,960</b>
Net finance costs	4	(8,134)	(6,204)
<b>Profit before income tax</b>		<b>7,806</b>	<b>32,756</b>
Income tax expense	5	(2,731)	(7,274)
<b>Profit for the half-year</b>		<b>5,075</b>	<b>25,482</b>
Net (profit) attributable to non-controlling interests		(123)	(61)
<b>Net profit to members of Australian Clinical Labs Limited</b>		<b>4,952</b>	<b>25,421</b>
<b>Earnings per share</b>			
		Cents per share	Cents per share
Basic earnings per share from continuing operations	6	2.47	12.67
Diluted earnings per share from continuing operations	6	2.46	12.65

The accompanying notes numbered 1 to 13 form part of these financial statements.

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# Consolidated statement of other comprehensive income

for the half-year ended 31 December 2023

	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000
<b>Profit for the half-year</b>	5,075	25,482
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit and loss</b>		
Exchange differences on translation of foreign operations	(13)	25
<b>Other comprehensive income for the half-year, net of tax</b>	<b>(13)</b>	<b>25</b>
<b>Total comprehensive income for the half-year</b>	<b>5,062</b>	<b>25,507</b>
<b>Total comprehensive income attributable to:</b>		
Members of Australian Clinical Labs Limited	4,939	25,446
Non-controlling interests	123	61
	<b>5,062</b>	<b>25,507</b>

The accompanying notes numbered 1 to 13 form part of these financial statements.

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# Consolidated statement of financial position

as at 30 June 2023

	Note	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>Current Assets</b>			
Cash and cash equivalents		24,938	19,955
Trade and other receivables		74,138	73,710
Inventories		16,805	15,092
Other assets	7	9,870	5,955
Current tax assets	8	10	1,247
<b>Total Current Assets</b>		<b>125,761</b>	<b>115,959</b>
<b>Non-Current Assets</b>			
Plant and equipment		45,797	50,299
Right-of-use assets		235,361	238,139
Intangible assets		165,058	165,172
Other assets	7	1,871	1,111
Deferred tax assets		9,875	8,233
<b>Total Non-Current Assets</b>		<b>457,962</b>	<b>462,954</b>
<b>Total Assets</b>		<b>583,723</b>	<b>578,913</b>
<b>Current Liabilities</b>			
Trade and other payables		41,243	41,364
Lease liabilities		101,774	101,085
Provisions		45,668	45,323
Deferred consideration		95	145
Current tax liabilities	8	1,160	8
Other liabilities		52	–
<b>Total Current Liabilities</b>		<b>189,992</b>	<b>187,925</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		146,551	149,538
Borrowings	9	78,709	65,696
Provisions		3,441	3,083
<b>Total Non-Current Liabilities</b>		<b>228,701</b>	<b>218,317</b>
<b>Total Liabilities</b>		<b>418,693</b>	<b>406,242</b>
<b>Net Assets</b>		<b>165,030</b>	<b>172,671</b>
<b>Equity</b>			
Issued capital	10	792,140	792,140
Reserves		(773,561)	(774,964)
Retained earnings		146,249	155,241
<b>Total Parent Entity Interest</b>		<b>164,828</b>	<b>172,417</b>
<b>Non-Controlling Interest</b>		<b>202</b>	<b>254</b>
<b>Total Equity</b>		<b>165,030</b>	<b>172,671</b>

The accompanying notes numbered 1 to 13 form part of these financial statements.

# Consolidated statement of changes in equity

for the half-year ended 31 December 2023

	Issued capital \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interest \$'000	Total \$'000
<b>2023</b>						
<b>Opening balance at 1 July 2022</b>	<b>793,031</b>	<b>(776,807)</b>	<b>216,220</b>	<b>232,444</b>	<b>113</b>	<b>232,557</b>
Profit for the half-year	–	–	25,421	25,421	61	25,482
Exchange differences on translation of foreign operations	–	25	–	25	–	25
<b>Total other comprehensive income for the half-year net of tax</b>	<b>–</b>	<b>25</b>	<b>–</b>	<b>25</b>	<b>–</b>	<b>25</b>
<b>Total comprehensive income for the half-year</b>	<b>–</b>	<b>25</b>	<b>25,421</b>	<b>25,446</b>	<b>61</b>	<b>25,507</b>
<b>Transactions with owners in their capacity as owners</b>						
Share-based payments	–	688	–	688	–	688
Dividend declared and paid	–	–	(82,727)	(82,727)	–	(82,727)
Acquisition of treasury shares	(891)	–	–	(891)	–	(891)
<b>Closing balance at 31 December 2022</b>	<b>792,140</b>	<b>(776,094)</b>	<b>158,914</b>	<b>174,960</b>	<b>174</b>	<b>175,134</b>
<b>2024</b>						
<b>Opening balance at 1 July 2023</b>	<b>792,140</b>	<b>(774,964)</b>	<b>155,241</b>	<b>172,417</b>	<b>254</b>	<b>172,671</b>
Profit for the half-year	–	–	4,952	4,952	123	5,075
Exchange differences on translation of foreign operations	–	(13)	–	(13)	–	(13)
<b>Total other comprehensive income for the half-year net of tax</b>	<b>–</b>	<b>(13)</b>	<b>–</b>	<b>(13)</b>	<b>–</b>	<b>(13)</b>
<b>Total comprehensive income for the half-year</b>	<b>–</b>	<b>(13)</b>	<b>4,952</b>	<b>4,939</b>	<b>123</b>	<b>5,062</b>
<b>Transactions with owners in their capacity as owners</b>						
Share-based payments	–	1,416	–	1,416	–	1,416
Dividend declared and paid	–	–	(13,944)	(13,944)	–	(13,944)
Dividends paid to minority interests in controlled entities	–	–	–	–	(175)	(175)
<b>Closing balance at 31 December 2023</b>	<b>792,140</b>	<b>(773,561)</b>	<b>146,249</b>	<b>164,828</b>	<b>202</b>	<b>165,030</b>

The accompanying notes numbered 1 to 13 form part of these financial statements.

# Consolidated statement of cash flows

## for the half-year ended 31 December 2023

	Note	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers and government grants		346,046	377,716
Payment to suppliers and employees		(262,763)	(291,484)
<b>Cash provided by operations</b>		<b>83,283</b>	<b>86,232</b>
Interest received		218	122
Interest and costs of finance paid		(7,985)	(6,105)
Income tax paid		(1,984)	(16,979)
<b>Net cash provided by operating activities</b>		<b>73,532</b>	<b>63,270</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of plant and equipment		265	91
Purchase of plant and equipment		(3,823)	(3,634)
Payments for business combinations (net of cash acquired)		(523)	(109)
Payment of cash advance		(6,983)	–
<b>Net cash used in investing activities</b>		<b>(11,064)</b>	<b>(3,652)</b>
<b>Cash flows from financing activities</b>			
Principal portion of lease payments		(56,169)	(52,265)
Payments for treasury shares		–	(891)
Repayment of borrowings		(1,000)	(17,000)
Proceeds from borrowings		14,000	83,000
Dividends paid	11	(14,128)	(82,727)
Dividends paid to minority interests in controlled entities		(175)	–
<b>Net cash used in financing activities</b>		<b>(57,472)</b>	<b>(69,883)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4,996</b>	<b>(10,265)</b>
Foreign exchange differences on cash holdings		(13)	25
Cash and cash equivalents at the beginning of the half-year		19,955	26,372
<b>Cash and cash equivalents at the end of the half-year</b>		<b>24,938</b>	<b>16,132</b>

The accompanying notes numbered 1 to 13 form part of these financial statements.

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# Notes to the consolidated financial statements

## for the half-year ended 31 December 2023

### Note 1: Basis of Preparation of the Half-Year Financial Report

This consolidated half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by Australian Clinical Labs Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

This half-year financial report includes financial statements for the Consolidated Group ('the Group') consisting of Australian Clinical Labs Limited and its subsidiaries. Australian Clinical Labs Limited is a for-profit entity domiciled in Australia.

The half-year financial report was authorised for issue by the Directors on 27 February 2024.

#### (a) Compliance with IFRS

This consolidated half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting, as appropriate for for-profit entities, and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

#### (b) Basis of preparation

The half-year financial report has been prepared on the basis of historical cost except for the revaluation of financial assets and liabilities at fair value through profit or loss. Cost is based on the fair values of the consideration given in exchange for assets. Where applicable, comparatives may be restated in line with current year presentation.

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report of Australian Clinical Labs Limited for the year ended 30 June 2023.

The Group has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2023. The application of new and revised accounting standards had no material impact on initial application.

#### (c) Going concern

As at 31 December 2023 the Group recorded a deficiency in net current assets of \$64.2m. This has been caused by the impacts of AASB 16 Leases, whereby \$101.8m of lease liabilities have been recognised as current, however the corresponding right of use asset is non-current. Excluding the current portion of the lease liability, the Group has a net current asset surplus of \$37.5m.

The Directors have concluded that the Group will be able to pay its debts as and when they fall due with consideration of the above factors and the profitability of the Group accordingly the accounts have been prepared on a going concern basis.

#### (d) Rounding amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars unless otherwise stated.

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## 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 of the business to assess performance and determine the allocation of resources. The financial information is reported to the chief operating decision makers on at least a monthly basis. The financial information is provided by one operating segment and one geographical segment, being Australia.

The Group has one reportable segment:

### Pathology

Pathology/clinical laboratory services provided in Australia.

## Note 3: Revenue and Other Income

	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000
<b>An analysis of the Group's revenue for the half-year is as follows:</b>		
Pathology revenue	325,819	350,886
Clinic revenue	7,900	6,739
Rental revenue	580	426
Other revenue	2,969	2,261
<b>Total revenue</b>	<b>337,268</b>	<b>360,312</b>
<b>Other</b>		
Reassessment of Medlab contingent consideration	–	5,000
Insurance claim proceeds	548	1,184
<b>Total other income</b>	<b>548</b>	<b>6,184</b>

## Note 4: Net Finance Costs

	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000
<b>Finance Income</b>		
Interest received or due and receivable	170	122
<b>Finance Expenses</b>		
Interest expense - bank facilities	(2,429)	(1,275)
Interest expense - leasing arrangements	(5,875)	(5,051)
	(8,304)	(6,326)
<b>Net finance costs</b>	<b>(8,134)</b>	<b>(6,204)</b>

# Notes to the consolidated financial statements continued

for the half-year ended 31 December 2023

## Note 5: Income Tax

	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000
<b>(a) Components of tax expense</b>		
Current tax	4,303	5,630
Deferred tax	(1,572)	1,644
	<b>2,731</b>	<b>7,274</b>
<b>(b) Income tax reconciliation</b>		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Profit before tax	7,806	32,756
Domestic tax rate	30%	30%
<b>Expected income tax expense</b>	<b>2,342</b>	<b>9,827</b>
Adjustments for non-temporary differences:		
Non-assessable income / non-deductable expenses	389	(2,553)
<b>Actual income tax expense</b>	<b>2,731</b>	<b>7,274</b>

## Note 6: Earnings Per Share

### Basic and diluted earnings per share

The calculation of basic and diluted earnings per share ("EPS") has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	6 months to 31 Dec 2023 Cents	6 months to 31 Dec 2022 Cents
Basic earnings per share	2.47	12.67
Diluted earnings per share	2.46	12.65
<b>Earnings</b>		
The earnings used in the calculation of basic and diluted earnings per share are the same and can be reconciled to the consolidated statement of profit or loss and other comprehensive income as follows:		
Profit for the half-year	5,075	25,482
Net (profit) attributable to non-controlling interests	(123)	(61)
<b>Earnings used in calculating basic and diluted earnings per share</b>	<b>4,952</b>	<b>25,421</b>

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## Note 6: Earnings Per Share (continued)

Weighted average number of shares	6 months to 31 Dec 2023	6 months to 31 Dec 2022
The weighted average number of shares used in the calculation of basic earnings per share	200,503,272	200,631,758
The weighted average number of shares and potential ordinary shares used in the calculation of diluted earnings per share	201,331,049	201,009,729

Performance rights under the Australian Clinical Labs Limited Rights Plan are determined to be contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time and therefore are not included in the determination of diluted earnings per share.

## Note 7: Other Assets

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>CURRENT</b>		
Prepayments	9,213	5,323
Bonds and securities	657	632
	<b>9,870</b>	<b>5,955</b>
<b>NON-CURRENT</b>		
Prepayments	854	566
Other	1,017	545
	<b>1,871</b>	<b>1,111</b>

## Note 8: Current Tax Balances

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>Income tax payables/receivables</b>		
Tax receivables	10	1,247
Tax payables	(1,160)	(8)

# Notes to the consolidated financial statements continued

for the half-year ended 31 December 2023

## Note 9: Borrowings

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
<b>NON-CURRENT</b>		
<b>Unsecured – at amortised cost</b>		
Bank loans	78,709	65,696

### Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

Loan	Currency	Nominal interest rate	Year of maturity	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Bank loans	AUD	BBSY + 1.55% - 2.45%	2025	78,709	65,696

## Note 10: Issued Capital

### (a) Share capital

	31 Dec 2023 Shares	30 Jun 2023 Shares	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Fully paid ordinary shares	201,834,015	201,834,015	797,975	797,975
<b>Other equity securities</b>				
Treasury shares	(1,330,743)	(1,330,743)	(5,835)	(5,835)
	<b>200,503,272</b>	<b>200,503,272</b>	<b>792,140</b>	<b>792,140</b>

Treasury shares are shares in Australian Clinical Labs Limited that are held by Australian Clinical Labs Employee Share Trust (ACLEST) for the purpose of providing shares under Australian Clinical Labs Limited Rights Plan.

### (b) Ordinary shares

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Australian Clinical Labs Limited.

### (c) Treasury shares

Treasury shares are shares in Australian Clinical Labs Limited that are held by Australian Clinical Labs Employee Share Trust (ACLEST) for the purpose of providing shares under Australian Clinical Labs Limited Rights Plan.

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## Note 11: Dividends

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>(a) Dividend paid during the half-year</b>		
Final dividend for the year-ended 30 June 2023 of 7.00 cents (2022: 41.00 cents) per share paid on 20 September 2023 fully franked.	14,128	82,727
	<b>14,128</b>	<b>82,727</b>
<b>(b) Dividends not recognised at the end of the half-year</b>		
Interim dividend for the half-year ended 31 December 2023 of 3.00 cents (2022: 7.00 cents) per share with a record date of 2 April 2024 and payable on 26 April 2024 fully franked.	6,055	14,128

## Note 12: Net Tangible Assets Per Ordinary Security

	31 Dec 2023	30 Jun 2023
Net tangible assets per ordinary security		
Net tangible assets per ordinary security	\$0.00	\$0.04
Net asset backing per ordinary security	\$0.82	\$0.86

## Note 13: Subsequent Events

Since the end of the financial period, the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements 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 subsequent financial years.

# Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 6 to 17, are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Group 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.

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Michael Alscher  
Chair  
Sydney, 27 February 2024



Melinda McGrath  
CEO and Executive Director  
Brisbane, 27 February 2024

# Independent Auditor's Review Report

**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**To the members of Australian Clinical Labs Limited**  
**Report on the Half-Year Financial Report**



## Conclusion

We have reviewed the half-year financial report of Australian Clinical Labs Limited, the "Company" and its controlled entities "the Group" which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, 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 accompanying half-year financial report of Australian Clinical Labs Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its 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*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

## Responsibility of the Directors for the 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 Responsibility for the Review of the 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 2023 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. 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.

S D WHITCHURCH  
Partner  
27 February 2024

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