

Integral Diagnostics Limited 2022 Annual General Meeting Chair Address

Slide 1 – Chair Address

I am proud to be a part of a company whose purpose is to deliver the best possible outcomes for our patients by providing diagnostic imaging services, in order to diagnose and treat illness and injury. In financial year 2022, the IDX team performed over 2 million exams on around 800,000 patients, in demanding operating conditions.

The 2022 financial year has been a challenging one for the communities we operate in and for your specialist healthcare company. COVID-19, together with influenza in the winter months, has disrupted operations and adversely impacted patient and referrer activity, staff availability, employee and consumable costs and equipment delivery and repairs. Our people have worked hard to minimise disruptions caused by these challenges, impacting the broader healthcare sector and the diagnostic imaging sector, to deliver the best possible outcomes for our patients and will continue to do so to improve the performance of your Company back to where it should be.

Slide 2 – Financial Performance

In the 12 months ended 30 June 2022 (FY22), operating NPAT declined by 43.1% to \$21.7m. Statutory NPAT also fell by 53.5% to \$14.6m. Operating diluted earnings per share fell by 46.2% to 10.2 cents per share (cps).

Operating revenue grew 2.8% to \$358.7m driven by an additional two months of Astra Radiology revenue when compared to the prior year and an eight-month contribution from The X-Ray Group, which became part of the IDX group this financial year.

Across the full year ended 30 June 2022, the diagnostic imaging industry has as a whole seen decreases in activity. In Australia, Medicare Benefits for the States in which IDX operates have seen a (0.3%) decrease in weighted average benefits paid for FY22 and in comparison, IDX showed an equivalent increase of 0.1% in its organic business.

Reflecting the higher growth areas in which IDX provides services to patients, the Medicare industry weighted average for the States in which IDX operates of (0.3%) revenue decline compares favourably with the Australia-wide Medicare industry decline of (2.8%), which itself has occurred against a backdrop of strong, consistent industry growth for more than a decade of more than 6% per annum.

As at 30 June 2022, our net debt to equity ratio was 29% and the Net Debt/EBITDA ratio was 1.6x.

We declared a fully franked final dividend of 3.0cps, a total of 7.0cps for FY22, a decrease of 44.0% on the prior year reflecting the performance of your Company with the significant impact of COVID-19.

Total capital expenditure in FY22 was \$31.3m, with \$21.9m relating to growth initiatives to expand our footprint and service to patients through the development of three new sites,



Benowa and Burleigh Heads on the Gold Coast and O'Connor in Perth, which opened in October 2021, April 2022 and June 2022 respectively.

IDX secured targeted acquisitions in existing geographies to expand the scope and depth of service locations to patients and broaden our referrer base.

Now turning to some comments on the 2023 Financial Year (FY23).

In July 2022, we completed the acquisitions of Peloton Radiology in Queensland and Horizon Radiology in Auckland which will contribute a full year of earnings in FY23. Dr Kadish will talk about these acquisitions further in his presentation.

The Company recently announced the termination of the acquisition of Exact Radiology which the Company considers is no longer in the best interests of shareholders to complete.

We will continue to be disciplined in our capital allocation.

FY23 replacement and growth capex is expected to be between \$30m to \$40m.

The Company is focused on integrating the two acquisitions and is not contemplating any further acquisitions at this time. We are also highly focused on organic growth and increasing the utilisation of the strong asset base we have invested in previously across our network in Australia and New Zealand.

Since our results announcement in August we are now seeing a gradual increase in our organic patient volumes over the prior corresponding period to October. IDX achieved group organic revenue growth of 3.7 %, for the financial year to October, which Dr Kadish will talk further about in his presentation.

Despite the FY22 and the current F23 challenges, our Company believes the underlying fundamentals of the essential radiology industry remain strong and the Company is confident that patient volumes and historical growth patterns will over time return to pre-COVID-19 levels.

Slide 3 – Governance Highlights

We are proud to continue with a governance model for our specialist medical business that includes two radiologist executive directors who are on the frontline servicing patients and referrers using technology and equipment, and as such are valuable inclusions on our Board as we set and execute on strategy.

In July 2022 IDX welcomed Mr Andrew Fay as an independent non-executive Director to replace Mr Harrington, who resigned in December 2021 after 6 years on the Board and to whom we extend our thanks for his committed service. Mr Fay is a highly experienced listed company director and has over 30 years' experience in the financial services industry, bringing extensive knowledge of investment and funds management. Mr Fay's significant executive experience includes Chief Executive Officer and Chief Investment Officer roles at Deutsche Asset Management (Australia) Limited, and he has provided corporate strategic advice across diverse industries.



The Board has continued the advancement of its environmental, social and governance (ESG) responsibilities and again produced a dedicated ESG Report in accordance with the Global Reporting Initiative (GRI) Standards: Core Option. Our Board approved ESG Strategy aligns with the United Nation's Sustainable Development Goals. We also extended our carbon footprint review and incorporated a full review of our scope 3 emissions and completed our first supplier screening risk rating review.

I would like to thank our whole team, including those who have joined our team more recently, for their commitment to the shared IDX ambition to combine the best people and technology to provide diagnostic imaging that saves lives. We stand proud that we continued to invest in our people and their expertise to enable the best of services as demand normalises.

To you our shareholders, thank you for your continued support of our Company.

Integral Diagnostics Limited 2022 Annual General Meeting Managing Director and CEO Presentation

Slide 4 - Managing Director and CEO Presentation

Thank you, Helen and good morning, everyone. It's good to see you all, in the room and online.

I am also proud to be a part of a company working to build a healthier world through providing the best health outcome to every patient we serve.

Last financial year was demanding for our 1,868 employees, including 245 reporting radiologists. The radiology industry in Australia and New Zealand experienced the most severe downturn in a generation due to the demand, workforce and equipment impacts of COVID-19 as outlined by the Chair.

Slide 5 - Delivering on Our Values in FY22

Despite demanding conditions our team has worked on delivering our values to better serve our patients.

We invested \$31.3m in capex and opened new clinics on the Gold Coast and in Perth, and we invested in technology and AI to improve the patient experience.

Our teleradiology practice, IDXt, has continued to grow since we commenced operations in August 2020, and today serves external as well as internal IDX clients.

We acquired The X-Ray Group on the NSW-Victoria border, Peloton Radiology in QLD, and Horizon Radiology in NZ. We adjusted our patient flows, personnel and systems to operate in a COVID-19 environment. And on 24 January 2022 we appointed highly experienced CFO Craig White, the only change to our executive leadership team.

Slide 6 - Strong Historical Performance Track Record Impacted by COVID-19 in FY22

Operating revenue increased 2.8% to \$358.7m. Operating revenue increases reflected modest underlying growth in Australia, despite ongoing COVID-19 impacts, driven by new sites, investment in new equipment and additional contribution from acquisitions. IDX organic operating revenue growth in Australia of 1.6% compares favourably to the Medicare industry weighted average decline of (0.3%) for the States in which IDX operates.

Operating costs increased by 5.8% (\$28.6m) as a % of revenue, largely driven by the adverse impact of COVID-19 on patient revenues and increasing employee costs related to COVID-19. The Company is committed to maintaining and supporting our excellent team of radiologists and related medical specialists and technical staff through COVID-19 to continue the delivery of high-quality services to our patients as demand returns.

As a result of lower-than-expected revenue growth, and higher labour and equipment costs, your Company experienced a decline in its earnings per share for the first time since 2017. Operating diluted earnings per share declined by 46.2% to 10.2c in FY22.

Slide 7 - IDX Operates in Key Geographic Markets

This table reflects the extent of our practices across Australia and New Zealand, including our most recent acquisitions.

IDX now has 91 sites, 36 MRI's and 6 PET-CT's, soon to be 7 as we install a new PET-CT in Auckland next month. We are the number 1 or number 2 player in most markets that we serve.

The X-Ray Group provides us with another quality regional Victoria practice and an entry into Southern NSW.

Peloton Radiology provides us with scale and a strategic presence from Brisbane to the Sunshine Coast in Queensland with 9 clinics, 12 experienced radiologists and 190 employees.

Horizon Radiology expands our presence in greater Auckland, New Zealand's largest market. The 8 clinics they bring provide us with a scale offering in obstetrics and MSK imaging and are located close to major GP referrers which assists to mitigate our risks by diversifying our specialist-oriented service offering in New Zealand and reducing our exposure to non-arm's length referral practices.

Slide 8 - DI Industry COVID-19 Impact: Australia

These graphs highlight the impact of COVID-19's Omicron wave on the Australian DI industry. FY22 was the most challenging year the industry has experienced, evidenced by a revenue decline of 2.8%, the most significant decline in 27 years.

Much of the decline was driven by the decrease in GP and specialist in-clinic consultations. In-clinic consultations began to improve towards the end of FY22.

The growth in virtual consultations has offset the decline in clinic visits, but virtual consultations drive fewer diagnostic tests per consultation. Medicare has recently implemented changes that will restrain the growth of virtual consultations relative to in-clinic visits, to support the delivery of comprehensive patient care.

Slide 9 - FY23 Regulatory Environment

In Australia, Medicare has implemented several important changes.

The MRI license regime no longer applies in regional and rural areas (MM2 to MM7) as of 1 November 2022. IDX had 8 full MRI licenses, 1 partial MRI license and 3 non-rebated MRIs in MM2 to MM7 regional areas. The effect of this change is that all MRIs in MM2-MM7 become fully rebatable. The net impact of this change on IDX is not expected to be material. As of 1 November 2022, IDX has 6 full MRI licences and 6 partial MRI licences located in MM1 metro areas.

The Medicare Benefits Schedule indexation of 1.6% announced and applied to 97% of Diagnostic Imaging Services, including MRI items, from 1 July 2022, is well below inflation. The indexation amount of 1.6% also applies to GP's and other medical specialists. We were expecting higher Medicare indexation given the high inflation environment.

In NZ, the Accident Compensation Commission (ACC) has not applied indexation to radiology pricing in FY23. Private health funds, accounting for about 25% of our NZ payer base, have provided reasonable indexation.

Slide 10 - PSMA PET CT Scans for Diagnosis of Metastatic Prostate Cancer

Each AGM we like to highlight an area of the important work we do in diagnostic imaging. Prostate cancer is the most common cancer and the second most common cause of cancer death in Australian men (>19,000 cases, >3,000 deaths per year). Between 2011-2015, the five year relative survival from prostate cancer improved from 59% to 95% and about 100,000 Australian men are estimated to be living with prostate cancer.

Prostate Specific Membrane Antigen (PSMA) Positron Emission Tomography (PET) and Computed Tomography (CT) imaging involves the administration of a radioactive molecule that binds to prostate cancer cells allowing the disease to be diagnosed and tracked. The tagged prostate cancer cells are displayed as bright spots on a scan wherever there is prostate cancer in the body. Knowing where the cancer is and how it has spread assists doctors and patients to make better decisions about treatment.

PSMA PET scans are funded by Medicare since 1 July 2022. The reimbursement rate is \$1,400 per scan.

IDX has been a leader in the use of this technology and has been providing these services to Australian men at its PET-CT clinics across Australia and New Zealand for several years. IDX welcomes the new funding and improved access to these scans by Medicare.

Slide 11 - FY23 External Environment

Our industry continues to play an important role in the early detection and prevention of disease, reducing costs for patients and payers and offering more targeted, less invasive diagnostic and treatment regimens. Some examples include:

- Funding for CT Chest screening for smokers (recently been approved)
- Contrast Enhanced Mammography (CEM), breast MRI and 3D tomosynthesis is able to detect breast cancer early (vs traditional mammography)
- Prostate MRI costs Medicare \$450 vs about \$2,000 for hospital admission and biopsy to detect prostate cancer
- AI algorithms applied to DI studies detect disease earlier, eg incidental lung nodules on CXR or CT, Coronary Calcium scores and CTCA's, Breast density analyses
- Theranostics, a new area of medicine that combines therapeutics and diagnostics, using one drug to diagnose a tumour and a second drug to deliver therapy, is able to precisely localise and treat disease

Importantly, immigration caps that were in place during COVID-19 have recently been lifted, and this has allowed GP's, specialists and other medical staff into the 2 countries. Alleviating the doctor shortages is key to improving healthcare delivery in Australia and New Zealand. We have recently had the pleasure once again of welcoming new International Medical Graduates into our practice.

Referring to some recent Australian press articles where reports of alleged over-utilisation of services in the broader Medicare system have been called out.

It is important to highlight that radiologists depend on referrals from GPs and other medical specialists and do not generate their own referrals. The GP or medical specialist consults and examines the patient and decides on the need for a diagnostic imaging referral. Radiologists provide the service, compile their report and send the image and the report back to the referring doctor for further management. It is the referring doctor, not the radiologist, who determines what investigations are needed. The radiologist may suggest further investigations if required, but these investigations would be at the discretion of the referring doctor who is closest to the patient.

IDX advocates strongly for these arm's length referral practices to protect quality and patient choice and guard against any incentive for over-servicing.

Slide 12 - Strategy and YTD Trading Update

We reiterate our key tenet – that 'good medicine is good business' – even in these challenging times.

We committed to maintaining our specialist and technical workforce through COVID-19 to support the delivery of high-quality services as demand returns.

Since our results announcement in August we are now seeing a gradual increase in our organic patient volumes over the prior corresponding period to October. As Helen noted, IDX achieved group organic revenue growth of 3.7 %, for the financial year to October.

YTD October 2022 Australian organic revenues grew by 3.1% vs pcp which compares favourably to the (0.5 %) weighted average Medicare Benefits paid for the States in which IDX operates for YTD September on a trading day basis. (October data for Medicare is not yet available.)

YTD October 2022 New Zealand organic revenues grew by 8.6% vs pcp on a trading day basis. New Zealand represents approximately 13% of IDX's group revenue.

Cost inflation and higher interest rates are exerting pressure on margins.

We have agreement to extend our radiology leases at 4 Ramsay hospitals in QLD – Pindara, Sunshine Coast University Private Hospital, Nambour and Hillcrest, for a further 3 years. We are pleased to be extending our relationship with Ramsay. We note in the context of the entire business these leases are not material to IDX results.

FY23 replacement and growth capex is expected to be between \$30m to \$40m.



Slide 13 - IDX Focus in FY23

Our FY23 focus is on organic growth, integrating recent strategic acquisitions and executing selected greenfield and brownfield opportunities.

We are investing in digital PET-CT services in Ballarat, Auckland and the Gold Coast, and investing in MRI in Bunbury, Torquay and the Gold Coast.

My sincere thanks to our Chair, Board, and management team, and to our radiologists and to every single one of our IDX people for their dedication, commitment and support. My thanks also to our patients who put their trust in us, to our loyal referrers who trust their patients to us, and to you, our shareholders, who put your faith in us.



CHAIR ADDRESS

Helen Kurincic

FINANCIAL PERFORMANCE

FY22

53.5% decline in statutory NPAT \$14.6m	43.1% decline in operating NPAT \$21.7m	20.0% decline in operating EBITDA \$74.8m	46.2% decline in operating EPS 10.2cps	2.8% increase in operating revenue \$358.7m	26.1% decline in free cash flow \$49.1m	Net debt / EBITDA (pre- AASB16) 1.6x
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Operating performance significantly adversely impacted by COVID-19 across the entire year, together with influenza in the second half

Declared a fully franked final dividend of 3.0 cps, resulting in a total FY22 fully franked dividend of 7.0 cps (FY21 12.5 cps), reflecting the impact of COVID-19 on performance

YTD FY23 Update

Completed acquisitions of Peloton Radiology and Horizon Radiology on 1 July 2022. The potential acquisition of Exact Radiology has been terminated

FY23 replacement and growth capex is expected to be between \$30m to \$40m

Since our results announcement in August we are now seeing a gradual increase in our organic patient volumes over the pcp to October. IDX achieved group organic revenue growth of 3.7 %, for the financial year to October

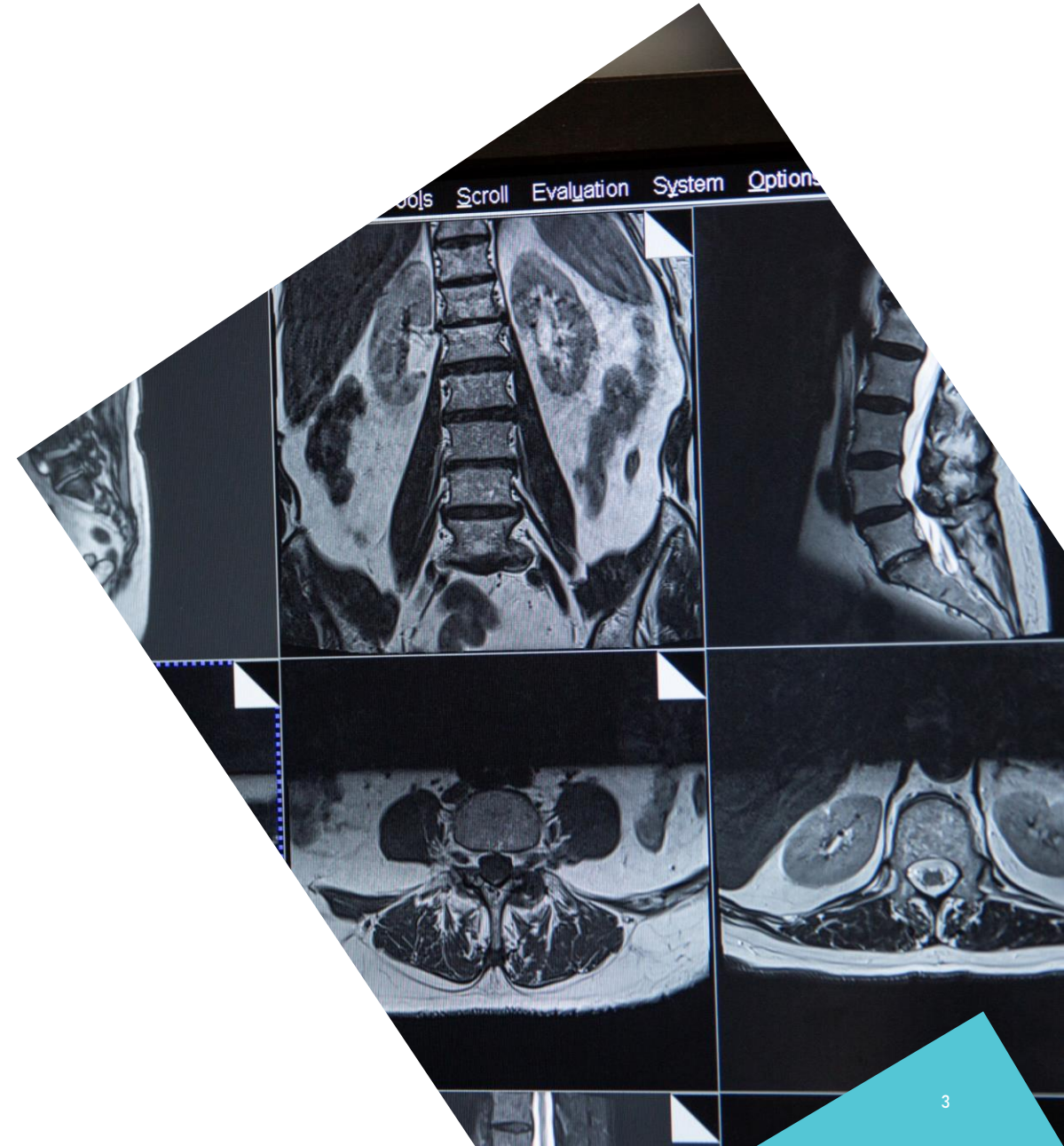
GOVERNANCE HIGHLIGHTS

Board

- Governance model for our specialised medical business includes two Radiologist Executive Directors
- New independent Non-Executive Director Andrew Fay commenced in July 2022
- Mr Fay is a highly experienced ASX Company Director with over 30 years experience in the financial services industry, bringing extensive knowledge of investment and funds management
- Mr Fay replaced Mr Harrington who resigned after 6 years of committed service to our Board

ESG

- ESG Report again prepared in accordance with Global Reporting Initiative (GRI) Standards: Core Option
- Extended our carbon footprint review, incorporating a full review of our scope 3 emissions
- Completed our first supplier screening risk rating review





MANAGING DIRECTOR & CEO PRESENTATION

Dr Ian Kadish

DELIVERING ON OUR VALUES IN FY22



patients first

PATIENTS ARE AT THE HEART OF EVERYTHING WE DO

- Served 800,000 patients
- Performed >2 million exams
- Adapted to changing COVID-19 variants and continued to invest in creating safe environments
- Invested \$31.3m in capex for optimal quality care
- Opened new clinics at Benowa and Burleigh Heads on the Gold Coast and O'Connor in Perth, improving access for patients
- Continued to develop and implement technology to enhance the patient and referrer experience



medical leadership

IMPROVING OUTCOMES WITH EVIDENCE BASED CARE

- 245 reporting radiologists
 - 162 employees
 - 83 contractors
 - 96 radiologist shareholders
- Delivered leadership programs for radiologists
- Continued development of ID Xt, IDX's teleradiology service, to provide services to external as well as internal clients
- Commenced development of groupwide sub-specialty reporting to capitalise on our specialist expertise



everyone counts

WE WORK SAFELY, INCLUSIVELY AND RESPECT EACH OTHER

- 1,868 employees
- Developed a Diversity & Inclusion Strategy and Action Plan
- Continued focus on delivering our ESG strategy
- Implemented an organisation-wide Employee Recognition Program
- Invested heavily in supporting our people during COVID-19 mandated absences
- Conducted "temp-check" and "pulse" surveys with our employees with continual improvement through the year vs July results



create value

DELIVER SUSTAINABLE VALUE TO ALL STAKEHOLDERS

- Operating NPAT declined by 43.1% to \$21.7m in a COVID-19 impacted environment
- Operating diluted EPS declined by 46.2% to 10.2cps
- Declared FY22 fully franked dividend of 7.0 cps
- Continued integration of Astra Radiology and X-Ray Group
- \$21.9m invested relating to growth initiatives including development of 3 new sites
- Acquired Peloton Radiology and Horizon Radiology
- 6,745 IDX shareholders at 3 August 2022



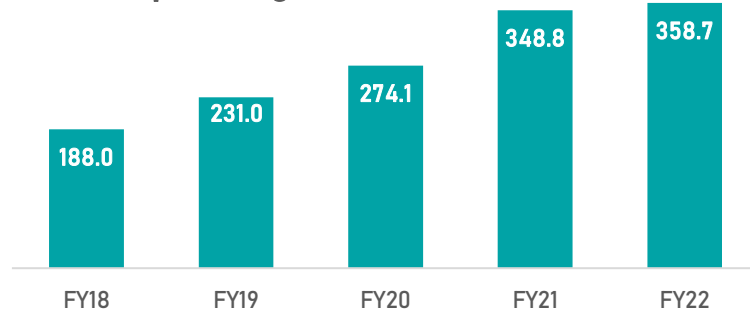
embrace change

STRIVE FOR EXCELLENCE, HAVE THE COURAGE TO INNOVATE

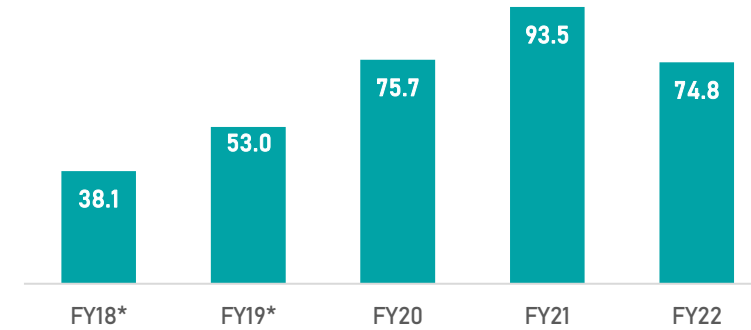
- Managed workflows, personnel and systems to continue to adapt to operating in a COVID-19 environment
- Continued active involvement in NZIIR to address non-arms length referral practices in NZ
- Appointment of CFO Craig White, who commenced on 24 January

STRONG HISTORICAL PERFORMANCE TRACK RECORD IMPACTED BY COVID-19 IN FY22

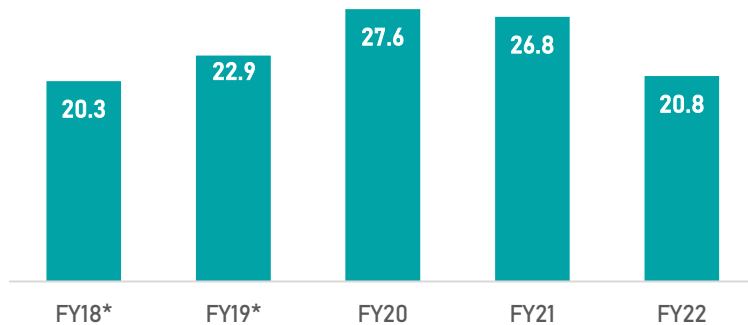
Operating Revenue (\$m)



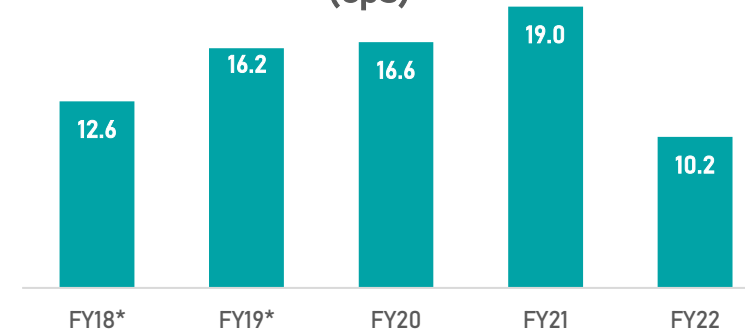
Operating EBITDA (\$m)



EBITDA Operating Margin (%)




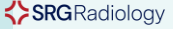




Operating Diluted Earnings Per Share (cps)



* FY18 and FY19 are measured on a pre AASB 16 basis (prior to adopting the recently operative accounting standard).

IDX OPERATES IN KEY GEOGRAPHIC MARKETS

	Victoria		Queensland			Western Australia	New Zealand				
											Total IDX
Geographic Market	Victoria	Victoria & NSW	Queensland	Queensland & NSW	Queensland	Western Australia	New Zealand	New Zealand			
Core markets	Ballarat, Geelong, Warrnambool and outer western areas of Melbourne	Albury, Wodonga, Wangaratta, Yarrawonga and Lavington	Sunshine Coast, Rockhampton and Gladstone	Gold Coast, Toowoomba and Mackay	Brisbane, Sunshine Coast	South West Western Australia	Auckland	Auckland			
Sites	19	5	17	16	9	6	11	8		91	
Comprehensive sites ¹	6	2	7	7	2	2	5	-		31	
MRI machines	8	2	6	8	3	3	6	-		36	
MRI Licences ⁶	4 full 0 partial	1 full 0 partial	3 full 2 partial	4 full 2 partial	0 full 3 partial	2 full 0 partial	N/A	N/A		14 full 7 partial	
PET Scanners	2	-	-	2	-	1	1	-		6	
Employed Radiologists ²	46	2	21	35	7	14	36 ³	1 ³		162	
# of Employees	368	76	320	415	162	175	168	65		1,749 ⁴	

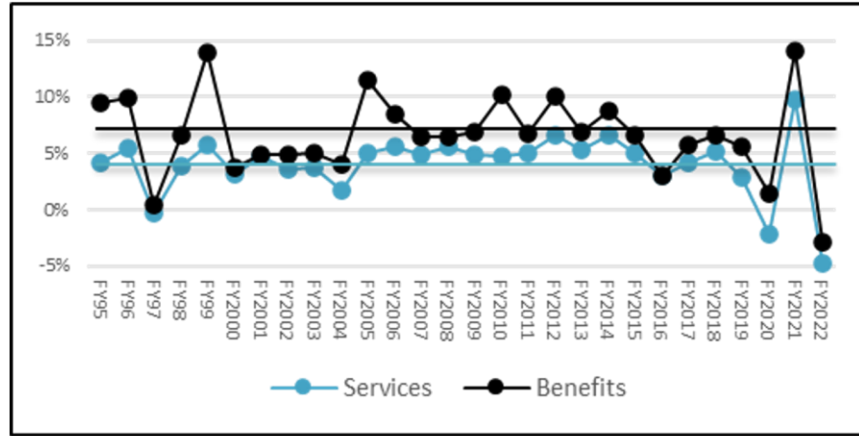
Note: Reflects data as at 1 July 2022

1. Comprehensive sites include a range of radiology equipment including MRIs and CTs and are located with or near major specialist referrers
2. Relates to employed radiologists only. In addition IDX has 83 contractor radiologists providing services
3. Consistent with the NZ private radiology model, doctors work across the public and private sector and meet the criteria to be classified as contractors but are on terms and conditions similar to IDX employed radiologists
4. This number represents the number of employees on employment contracts on either part time or full time arrangements. It does not represent the number of full time equivalent employees or individual casual/contract arrangements. In addition there are 119 employees in the corporate office (including IDXt) totalling 1,868 employees
5. Acquisitions completed 1 July 2022
6. As of 1 November 2022 IDX has 6 full and 6 partial licences in MM1 areas. Note commentary on MRI licencing change.

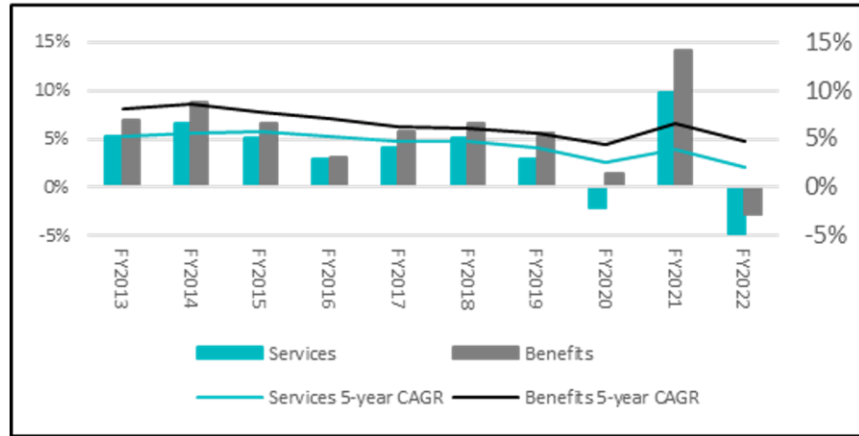
DI INDUSTRY COVID-19 IMPACT: AUSTRALIA

- FY22 was the most challenging year the industry has experienced. Australian industry revenue declined by 2.8%
- Much of the decline was driven by the decrease in GP and specialist in-clinic consultations. In-clinic consultations began to improve towards the end of FY22
- The growth in virtual consultations have more than offset the decline in clinic visits, however virtual consultations drive fewer diagnostic tests per consultation
- Medicare has implemented measures to restrain the growth of telehealth consultations to support comprehensive care

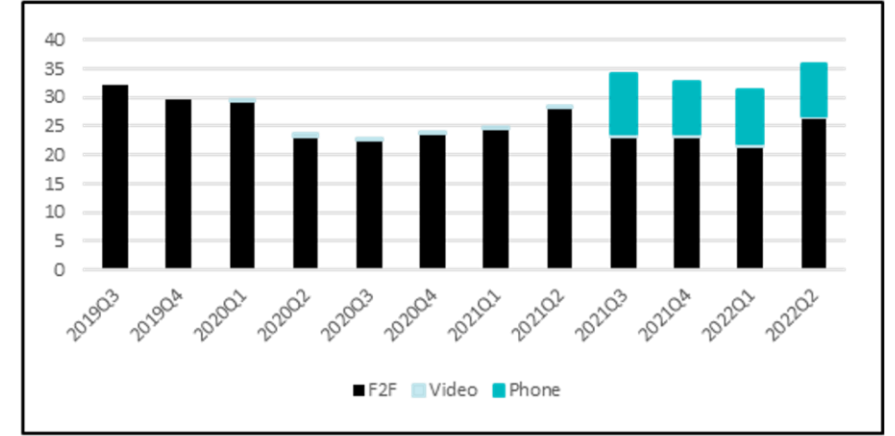
Radiology growth since 1994 (with CAGR)*



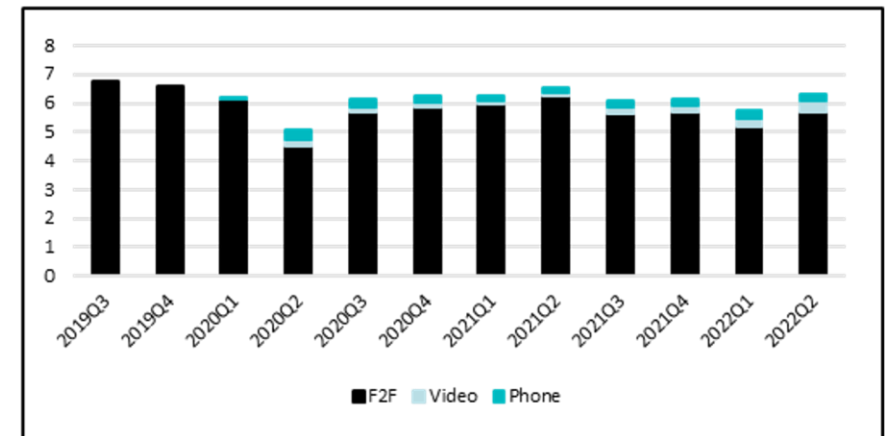
Radiology since 2013 (with 5-year CAGR)



GP consultations (m)



Specialist and consultant physician consultations (m)



*Source: ADIA

FY23 REGULATORY ENVIRONMENT

Australia:

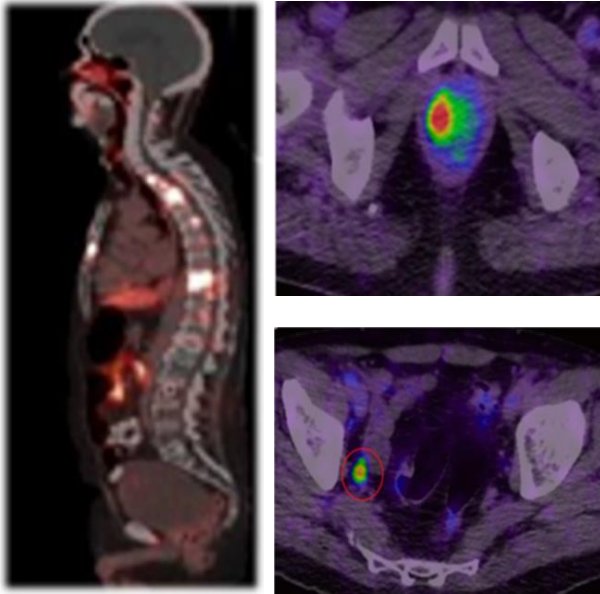
Medicare Changes

- MRI Licenses
 - On 1 November 2022 the MRI license regime will no longer apply in regional and rural areas (MM2 to MM7). IDX does not expect to be materially impacted by the change
 - The MRI licensing regime will continue to operate in MM1 metro areas, including the Gold Coast, the Sunshine Coast and capital cities
- Indexation of 1.6% announced and applied to 97% of Diagnostic Imaging Services, including MRI items, from 1 July 2022, well below inflation
- Bulk-billing incentive on MRI reduced to 95% of CMBS from 100% from 1 July 2022. This only affects services currently bulk billed to Medicare
- From 1 July 2022, two new PET items have been introduced for patients with prostate cancer. These items allow for the initial staging of intermediate to high-risk patients with prostate cancer

New Zealand:

- The Accident Compensation Commission (ACC) has not applied indexation to radiology pricing in FY23. Private health funds have provided indexation
- Emerging market practices continue to be challenging where referrers are acquiring ownership interests in radiology practices or equipment. IDX continues to work with the New Zealand Institute of Independent Radiologists (NZIIR) to encourage payors and regulators to review these practices against their published guidelines on non-arm's length referrals and undertake the necessary actions to manage self-referral practices. IDX supports the upholding of the current published guidelines to ensure that quality is maintained, that patient choice is retained, and that payors are not subject to over-servicing and unnecessary imaging

PSMA PET-CT SCANS FOR DIAGNOSIS OF METASTATIC PROSTATE CANCER



- Prostate cancer is the most common cancer in Australian men, >19,000 cases/year
- The five-year survival from prostate cancer has improved from 59% to 95%
- Prostate Specific Membrane Antigen (PSMA) Positron Emission Tomography (PET) and Computed Tomography (CT) imaging involves the administration of a radioactive molecule that binds to prostate cancer cells allowing the disease to be diagnosed and tracked
- The tagged prostate cancer cells are displayed as bright spots on a scan wherever there is prostate cancer in the body
- PSMA PET scans are funded by Medicare since 1 July 2022. Reimbursement rate is \$1,400 per scan
- IDX has been a leader in the use of this technology and has been providing these services to Australian men at its PET-CT clinics privately across ANZ for several years. IDX welcomes the new funding and improved access to these scans by Medicare

FY23 EXTERNAL ENVIRONMENT

- The role that DI plays in early detection and prevention of disease increasingly recognised:
 - CT Chest screening for smokers
 - Prostate MRI - 'gold standard' for investigating prostate disease, costs Medicare \$450 vs ~\$2,000 for admission and biopsy
 - Breast MRI, Contrast Enhanced Mammography and tomosynthesis able to detect breast cancer earlier than traditional mammo
 - AI algorithms in DI detect disease earlier, eg incidental lung nodules on CXR or CT, Coronary Calcium scores and CTCA's, Breast density analyses
 - Theranostics, new area of medicine that combines therapeutics and diagnostics, uses one drug to diagnose a tumour and a second drug to deliver therapy, is able to precisely localise and treat disease
- Immigration caps in Australia and New Zealand recently lifted. Doctor shortages are single biggest challenge in improving healthcare services in Australia and New Zealand
- Recent Australian press on over-utilisation of services in the broader Medicare system. Important to note that radiologists rely on referrals from other doctors and do not generate their own referrals. IDX advocates strongly for arms length referral practices to protect quality and patient choice and guard against any incentive to over-service
- Recent New Zealand press on dispute between NZIIR and referrer-owned practices notes Judicial Review that is underway, and investigations by the New Zealand Medical Council and Competition Commission into non-arms length referral practices
- High industry cost drivers remain
 - Inflation in wages and consumable costs
 - Lower AUD increasing capex costs
 - Higher interest rates increasing cost of debt

STRATEGY AND YTD TRADING UPDATE



- Committed to maintaining our specialist and technical workforce to support the delivery of high-quality services as demand returns
- Since our results announcement in August we are now seeing a gradual increase in our organic patient volumes over the pcp to October. IDX achieved group organic revenue growth of 3.7 %, for the financial year to October
- YTD October 2022 AUS organic revenues grew by 3.1% vs pcp which compares favourably to the (0.5 %) weighted average Medicare Benefits paid for the States in which IDX operates for YTD September*
- YTD October 2022 NZ organic revenues grew by 8.6% vs pcp**
- Cost inflation and higher interest rates exerting pressure on margins
- We have agreement to extend our radiology leases at 4 Ramsay hospitals in QLD for a further 3 years. We are pleased to be extending our relationship with Ramsay. We note in the context of the entire business these leases are not material to IDX results.
- FY23 replacement and growth capex is expected to be between \$30m to \$40m.
- Underlying fundamentals of the radiology industry remain strong and the Company is confident that patient volumes and historical growth patterns will continue to gradually return to pre-COVID-19 levels

IDX FOCUS IN FY23

FY23 focus is on organic growth, integrating recent strategic acquisitions and select brownfield and greenfield opportunities

