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Coronavirus (COVID-19) and trading update

Healius Limited (ASX: HLS) advises that the Company is fully focussed on its role in helping to combat coronavirus (COVID-19) in the Australian community. In terms of the financial impact, to-date the Company has traded in line with its guidance for Financial Year 2020 (FY20). However, the rapidly evolving conditions in the country over the last five days are reflected in the Company's daily activities and, with an increased level of uncertainty around the near-term impacts of COVID-19, guidance for FY20 is withdrawn.

Healius Managing Director and CEO, Dr Malcolm Parmenter said: "Our priority is the health and safety of the Australian community. We remain committed to providing the best healthcare we can during this critical period through our dedicated COVID-19 collection centres, diagnostic testing facilities, GP isolation rooms and telehealth services, in tandem with the public health sector.

"Recently, we have seen a strong increase in demand and are now undertaking around 2,500 COVID-19 tests per day at our laboratories. Countering this, certain non-critical and routine services have declined in step with community concerns around visiting healthcare centres. We are also experiencing increased consumable costs.

"With the recent volume declines in routine services primarily driven by access concerns, we welcome the Government's agreement today to expand access to Medicare-funded telehealth to all Australians. Additionally, as COVID-19 spreads in the Australian population and as the influenza season commences, we remain well-placed to assist the community with the anticipated on-going growth in demand for testing and primary care.

"We are an employer of over 13,000 people and service-provider to over 1,900 healthcare practitioners. The health and safety of these people is crucial. Most of them work in vital frontline care roles and we are doing everything we can to support these teams, including working to ensure they have the necessary protective equipment for COVID-19. I would like to personally thank them for their unceasing contributions to the community's well-being.

"To maintain business continuity and deploy our resources efficiently, we are reviewing non-critical activities, proactively reducing our cost base, looking at where we can move people from non-essential activities into the frontline and how we can most effectively support our GP telehealth services as isolation measures are extended.

"Although there is a high degree of uncertainty regarding the short to medium term financial impact of COVID-19, without doubt we expect to see strong demand over time in all aspects of the business, as our businesses enjoy good market positions and deliver critical largely non-discretionary services at scale.

"Furthermore, we remain focussed on the execution of our strategy and our encouraged by the quality of the interest in our Medical Centres business. We will update the market on this matter in due course," Dr Parmenter concluded.

ENDS

This announcement has been authorised by the Healius Board of Directors.

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For over 30 years Healius has been one of Australia's leading healthcare companies with a commitment to supporting quality, affordable and accessible healthcare for all Australians. Today Healius has three main businesses – pathology, medical centres and imaging - and three emerging businesses – dental, IVF and day hospitals. Through its unique footprint of centres and 13,000 employees, Healius provides diagnostic services to consumers and their referring practitioners, as well as enabling a range of independent healthcare professionals to deliver patient care in partnership with Healius' nurses and support staff.