

24 November 2021

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

2021 AGM – CHAIRMAN AND MANAGING DIRECTOR ADDRESS & PRESENTATION

Please find **attached** the following documents to be presented at Ramsay Health Care Limited's 2021 Annual General Meeting (AGM) being held today:

1. Chairman's address;
2. CEO and Managing Director's address; and
3. AGM Presentation Slides.

Shareholders will be able to view the 2021 AGM virtually through the following link:

<https://web.lumiagm.com/320966702>

The results of the AGM will be communicated to the ASX shortly after conclusion of the AGM.

Yours sincerely



Henrietta Rowe

Group General Counsel & Company Secretary

ASX ANNOUNCEMENT

24 November 2021

Ramsay Health Care 2021 AGM – Chairman and CEO Addresses

Over the past twelve months, Ramsay Health Care's (Ramsay) employees and clinicians have once again played an important role in supporting the public health system in our regions during the COVID-19 (COVID) pandemic. In some jurisdictions we have played a critical role in treating COVID patients within our hospitals and in other regions we have been caring for non-COVID patients in our hospitals to free up capacity in the public system. Our teams have provided resources and staffing for community vaccination hubs and we have set up and operated vaccination and testing clinics in several of our regions.

The World Health Organisation named 2021 the International Year of Health and Care Workers. This global recognition highlights the dedication and sacrifice of millions of health care workers during the COVID pandemic. We have chosen to acknowledge and thank our workforce across hospitals, day surgeries, pharmacies and corporate areas by profiling one employee every week for the entire year. We want to share their motivations, learn what they love about their role, and what advice they would give to those considering a future in health care. The cover of our annual report this year highlights some of our extraordinary people and you can read their inspiring stories on our regional websites.

On behalf of the Board and senior management, I would like to thank our team around the world for living the values of 'The Ramsay Way' and embodying Paul Ramsay's vision of 'People caring for people' during such a remarkably challenging time. I would also like to extend our condolences to those in the extended Ramsay family who have lost colleagues and loved ones to COVID.

As I flagged last year, Peter Evans is retiring from the Board at the end of this AGM. Peter has been an engaged and active Non-Executive Director of Ramsay since his appointment in 1990 and, prior to that, as an executive joining us in 1969. Since the very early days, he has made an enormous contribution to the development of Ramsay. On behalf of the other Board members, I would like to thank Peter for his guidance and input into the strategic direction of the organisation over many years.

I am pleased to announce today the appointment of Steven Sargent as a Non-Executive Director of the Ramsay Board, effective 25th November 2021 - Steven has joined us today on an informal basis. Steven brings to Ramsay extensive international executive experience including 22 years at General Electric, where he led businesses, including healthcare, across the USA, Europe and Asia. He has been serving on a range of boards since 2015 and is currently a non-executive Director of boards including Origin Energy Limited and The Origin Energy Foundation Limited, Origin's philanthropic arm, infection prevention company Nanosonics Limited, and The Great Barrier Reef Foundation. Welcome Steve.

Now, turning to our fiscal year 2021 financial results.

We were pleased to report a 58% rebound in our statutory net profit to \$449m for the 12-month period to 30th June 2021. The solid growth in earnings reflects strong growth in surgical admissions across our regions when lockdown restrictions were not in place.

We were also pleased to determine a fully franked final dividend of 103 cents per share, taking the full year dividend to 151.5 cents per share, a material increase on the COVID impacted FY20 payout and flat on the pre COVID FY19 full year dividend. The higher-than-normal payout ratio of 79% reflects our confidence in the strength of the business and recognises those shareholders who have supported the Company through the pandemic.

During fiscal year 2021, Ramsay officially launched its sustainability strategy under the banner of Ramsay Cares. We have established three global focus areas to support healthier people, stronger communities, and a thriving planet. Our approach to sustainability and any material social and environmental risks is overseen by the Board's Global Risk Management Committee. Craig will run through some of the initiatives and targets that have been launched this year in his presentation.

FY22 has begun with all our regions still dealing with the challenges of the COVID environment, including lockdowns and surgical restrictions in Australia, a fourth wave of COVID cases in France as the country emerged from restrictions and, in the UK, a spike in COVID cases and surgical cancellations after 'freedom-day' and the associated isolation orders.

Despite these bumps on the road out of the pandemic, the Board is confident as each region adapts to the new normal, we are well positioned for growth through addressing the backlog in demand for health care services in both the public and private systems and benefiting from the long-term underlying growth drivers in the health care system.

I would like to close by again thanking our employees and clinicians. The board is extremely proud of our team, not just for the vital work they have done through a very difficult period in the Company's history but also for their commitment to supporting each other and the health and wellbeing of our communities.

I will now hand you over to our Managing Director, Craig McNally, to present a more detailed summary of the past year and our start to FY22.

Managing Director and CEO Craig McNally

Thanks Michael and good morning to shareholders joining us today via the virtual platform.

Slide 3 - Our Extraordinary team on the front line of COVID-19

I would like to start by adding my thanks to all our people across the world for responding and rising to the challenge of the unprecedented conditions created by the pandemic.

For example, in Australia, in recent times more than 700 Ramsay employees have worked with the public system in various capacities including at vaccination hubs and we have been treating non-covid patients at many of our hospitals to help ease the pressure on the public system.

In the UK, Ramsay has been applauded for an outstanding response to COVID in partnership with the NHS. Ramsay UK has looked after more than 650,000 NHS patients, hosted more than 20 NHS services from its facilities and provided more than 16,000 cancer treatments for NHS patients.

In Europe, Ramsay Santé has played a critical role assisting the French government by treating more than 19,000 COVID patients since the beginning of the pandemic. Across the Nordic region, our people have stepped up to treat COVID patients, providing COVID testing in our primary health care facilities and, more recently, to assist in the roll-out of the vaccination program.

Our joint venture in Asia, Ramsay Sime Darby, has been assisting with escalating COVID case numbers in Indonesia and Malaysia since the start of 2021. Our people have been providing testing and vaccination services and treating public and private COVID patients in our hospitals.

Slide 4 - Ramsay Cares

As our people, patients, doctors and partners grapple with the effects of COVID-19, we have been determined to make sure their health and wellbeing formed a central pillar in our sustainability strategy.

That strategy came together with input from Ramsay people across Australia, the United Kingdom Europe and Asia. Their ideas and aspirations helped inform Ramsay's Global Sustainability Policy and new Ramsay Cares strategy.

The Ramsay Cares strategy was launched this year and includes numerous targets around our three sustainability pillars – caring for people, planet, and community. Our goals cover important issues such as: diversity and inclusivity, mental health, reducing our carbon footprint and waste, and shoring up ethical supply chains.

Our sustainability targets and examples of some of the great initiatives underway across our regions are included in our latest Impact Report. Along with a major solar rollout, we have achieved gender balance across our senior leaders, boosted our research and clinical trials, started a range of new development and leadership programs – including our first cohort of global corporate graduates – and contributed to community projects, such as the Ramsay Sime Darby Food Bank helping people during COVID lockdowns in Malaysia.

As a demonstration of our commitment to driving sustainability across the business, we have embedded sustainability targets in our debt facilities, through sustainability-linked loans.

Slide 5 - FY21 Financial Results

Turning to our FY21 result in more detail. The solid growth in earnings reflects the strong growth in surgical admissions across our regions when lock-down restrictions were not in place. However, our results continued to be impacted by surgical operating restrictions and the flow-on impact of social distancing and lockdowns on demand for non-surgical services.

Our earnings included revenue and cost support from governments in Europe and the UK for the use of our facilities and the provision of services to the public sector during COVID. I would note that the majority of revenue earned in the UK and France is, in normal circumstances, earned from the public sector - reflecting the structure of the market and our businesses in those countries. However, during

COVID we operated under specific arrangements with governments in our regions to deal with the pandemic. In Australia we reported \$11.1m in revenue earned under COVID related agreements with state governments, reflecting limited cost recovery for services provided to the public sector during outbreaks of the pandemic. Under these arrangements, we maintained our entire 30,000 strong work force to be at the disposal of the public sector, at considerable cost to us, and we did not access Jobkeeper.

The FY21 result also includes the impact of higher costs associated with operating in a COVID environment; margins reflect both the drop in non-surgical admissions and the higher proportion of lower acuity surgical services in the catch-up volume.

Our strong balance sheet has been maintained, with leverage at the wholly owned funding group level on a proforma basis declining to 0.7 times driving lower financing costs over the year. The balance sheet places us in a strong position to deliver on our strategy to be a patient-centric, digitally-enabled integrated healthcare provider.

As outlined in our results release, we have built an expanded pipeline of development opportunities across all our regions but most particularly in Australia, and this will drive growth over the medium term as we leverage the underlying strength in demand for health care services. Group capital expenditure in FY22 is expected to be in the range of \$900 million to \$1.1 billion - a significant increase on the \$674 million spent in FY21. Most of the increase is being driven by the Australian development pipeline, along with higher investment in digital and growth strategies.

Slide 6 Update on Activity in Australia

Moving to an update on the Australian business. Over the past few months, our business has been actively involved in supporting the pandemic response. Our pharmacies have been involved in the rollout of vaccines to the community. As part of supporting the mental health and wellbeing of our staff through this difficult period we launched the Ramsay Wellbeing Challenge for Mental Health Week. The campaign challenged participants to try something new to help thrive in every aspect of life.

As highlighted in our recent trading update, our FY22 earnings year-to-date have been significantly impacted by lockdowns, surgical restrictions, isolation orders and particularly in the case of our hospitals in South East Queensland, border closures. The disruption to our activities has started to decline, as lockdowns and surgical restrictions have been lifted in Sydney and patients become more comfortable with returning to hospital environments.

The financial impact of this disruption on earnings in the first quarter of fiscal year 2022 is estimated to have been \$55 million.

The Australian business has accelerated its pipeline of development opportunities to ensure we are well placed to leverage our existing position in the market to the demographic changes in the next decade and position ourselves for the evolution in the delivery of health care services. Investment will be focused on:

- fast-tracking brownfield developments
- building out our mental health offering
- expanding into new adjacencies that support the broader patient journey and strengthen the integrated care model
- and continuing to focus on cancer care, building on our position as one of the largest providers of cancer care services in Australia.

While short term earnings have been materially impacted by the current wave of COVID cases, we are confident that as Australia moves to a position where lockdowns and surgical restrictions are not necessary, we will experience good growth in admissions as the backlog of surgeries is gradually addressed and non-surgical admissions return as the environment normalises.

Slide 7 Europe Update

Turning to our European business and, after an extremely challenging 18 months on the COVID front line, it was pleasing to see that COVID cases across our markets in Europe have moderated, assisted by good vaccination rates, and most social restrictions are now lifted. However, we are mindful that it is quite possible that we will see an increase in COVID infections in the near term.

Activity levels for the first quarter of FY22 were below the prior corresponding period, reflecting the impact of a fourth wave of COVID cases in southern France in the northern hemisphere summer and a strong post COVID bounce in admissions last year. Staff attrition following COVID, combined with mandatory vaccination for all staff in hospitals in France from mid-September, has exacerbated the shortage of nurses which has impacted the ramp up of the business to meet the recovery in volumes. The focus of the management team is on retaining and recruiting nursing staff to enable the business to meet the demand from our patients and clinicians.

The Nordic region has reported solid volumes following the lifting of social restrictions, driven by an increase in specialist care patients in Sweden and Denmark and a continuation of COVID testing and vaccination activities. The business is focused on capturing its share of the strong demand for health care services post the restrictions relating to COVID.

As you can see on this slide - as part of Breast Cancer Screening Awareness Month, Ramsay Santé encouraged patients and the general public to get checked for breast cancer through their campaign Pink October. This is part of a broader campaign to encourage people not to neglect regular health check-ups due to concerns about visiting healthcare settings.

Slide 8 UK Update

Turning to the UK. Our business is focused on attracting its share of the significant demand for health care services following the lifting of COVID restrictions. This slide shows a poster for a campaign designed to attract patients and clinicians to Ramsay's hospitals.

The UK business has experienced highly disruptive short-term challenges through the first five months of fiscal 2022 due to isolation orders impacting patients, doctors and staff at short notice. A material number of procedures were cancelled over period however, the underlying pipeline of admissions remains strong, and the business expects cancelled procedures to be re-booked over time.

The operating environment has started to improve following the relaxation of rules around isolation and COVID protocols in hospital settings at the beginning of October. The business is adapting its operating model and processes to a 'living with COVID setting' while ensuring that Ramsay continues to treat patients in a safe clinical environment.

Public volumes have been slower to pick up than private volume, as the National Health Service (NHS) implements new processes and procedures. The UK Government and the NHS have publicly stated they remain committed to reducing the significant health care waitlist in the UK. Ramsay continues to

work closely with the Government and the NHS around the model for delivery of additional capacity to the market.

We officially opened the Buckshaw Hospital day case facility in Chorley on the 21st October, the third new facility Ramsay has opened in the past 15 months. The facility will offer a range of services to both NHS and private patients.

Slide 9 – Asian Joint Venture Update

Turning to our Asian joint venture, Ramsay Sime Darby, and after a very dramatic increase in COVID cases in the first half of this calendar year, case numbers are slowly improving as vaccination rates increase. As a result, government-imposed movement orders are starting to lift.

Activity levels for the first quarter were higher than the prior corresponding period due to underlying growth from the provision of COVID related services including testing, vaccination, and the treatment of public patients combined with the inclusion of the Manipal Hospital in Malaysia acquired in May 2021.

Ramsay Sime Darby has introduced a 'better health post-COVID' program to help patients who are experiencing lingering health issues from COVID to regain their strength and overall wellbeing.

Slide 10 - Outlook

And finally, turning to the outlook for the business. While the financial results for the FY22 period have been impacted by COVID-related disruption, it is pleasing to see that the underlying demand for health care services remains strong in all our regions.

As the regions in which we operate emerge from lockdowns, we are well positioned for growth through addressing the backlog in demand for healthcare services and benefiting from the underlying growth drivers in the system. The management team will be focussed on ensuring that we have programs in place to retain and attract good people to support the business moving forward.

Our strong balance sheet and cashflow support our development pipeline and position us well to deliver on our long-term strategy, and we will continue to remain disciplined in our approach to investment.

I would like to finish by once again thanking all our people for their ongoing commitment to supporting our patients, clinicians and the broader community. I would also like to thank you, our shareholders, for your ongoing support as we continue to navigate the pandemic and beyond.

I will now hand back to Michael to move to the formal part of the meeting.

For Further Information Contact:

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Ramsay Health Care
2021 Annual
General Meeting

Important Information

The information in this presentation is general background information about Ramsay Health Care Limited and its subsidiaries (Ramsay Group) and their activities and is current as at 24 November 2021. It is in summary form and is not necessarily complete. It should be read together with the company's audited consolidated financial statements lodged with the ASX on 27 September 2021. The information in this presentation is general information only and is not intended to be relied upon as advice to investors or potential investors and does not take into account your objectives, financial situation or needs. Investors should consult with their own legal, tax, business and/or financial advisers in connection with any investment decision.

The information in this presentation is believed to be accurate at the time of compilation. Any views expressed in this presentation are opinions of the author at the time of presenting and do not constitute a recommendation to act. No person, including any member of the Ramsay Group, has any responsibility to update any of the information provided in this presentation.

This presentation contains forward looking statements. These forward looking statements should not be relied upon as a representation or warranty, express or implied, as to future matters. Prospective financial information has been based on current expectations about future events and is, however, subject to risks, uncertainties, contingencies and assumptions that could cause actual results to differ materially from the expectations described in such prospective financial information. The Ramsay Group undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this presentation, subject to disclosure obligations under the applicable law and ASX listing rules.

Our Extraordinary Team on the front line of COVID



People caring for people

caring for our people

- Foster a safe, caring and inclusive culture
- Establish a group-wide Mental Health, Wellness & Resilience Framework
- Train 3% of employees in mental health first aid by 2026*
- Maintain focus on patient safety training
- Leadership gender balance 40:40:20



* Aust & UK

caring for our planet

- Reduce energy intensity
- Reduce greenhouse gas emission intensity
- Install 6.3MW renewable energy*
- Reduce single use plastics, wherever it is safe to do so
- Increase recycling and cut waste
- Undertake a comprehensive review of climate risk



* Aust & UK

caring for our community

- Sustainability assessments covering 80% of external supplier spend*
- Invest in medical research and clinical trials to advance patient and preventative health
- Support local communities and promote better health and wellbeing



* Aust & UK

FY21 Group Financial Highlights

A solid result in light of the ongoing disruption caused by COVID-19

Revenue from patients
and other

↑ 3.9%

to \$12.4bn

Total Revenue including
govt. support

↑ 7.3%

to \$13.3bn

EBITDAR¹

↑ 11.9%

\$2.2bn

1. Earnings before interest, tax, depreciation, amortisation, and rent

Statutory Net Profit to
owners

↑ 58.1%

to \$449m

EPS

↑ 47.6%

To 192.6cps

DPS

↑ 142.4%

To 151.5cps

Australia - Update



Ramsay continues to support the pandemic response around Australia:

- 700+ staff assisting in vaccination hubs, telehealth, public hospitals, special health accommodation, and community health sites
- 50 Ramsay pharmacies administering vaccines to help local communities

Activity in Australia in FY22 has been impacted by:

- Lockdowns and isolation orders in NSW and Victoria, combined with elective surgery restrictions in Greater Sydney and Melbourne
- Elective surgery restrictions on public hospitals in Perth
- The impact of lockdowns, isolation orders and border closures on staffing costs and admissions in South East Queensland
- Mix issues including a higher-than-usual proportion of day admissions to inpatients and higher proportion of public patients
- Increased costs associated with operating in a COVID environment

Estimated total cost of COVID disruption in 1QFY22 was \$55m

Activity levels are starting to improve as surgical restrictions in Sydney ease

The business remains well positioned to take advantage of the recovery in surgical and non-surgical volumes, as Australia moves into endemic COVID

Europe – Update



- The COVID situation across our regions in Europe has moderated, most social restrictions have been lifted at the moment
- Ramsay hospitals in France continue to treat COVID cases
- French Government has confirmed the revenue decree is effective 1 July 2021 to 31 December 2021
- Medical and surgical admissions for 1Q FY22 were lower than the prior period, reflecting a fourth wave of COVID in 1Q FY22 and higher activity in 1Q FY21
- The business has been impacted by staffing shortages. Management is focussed on retaining and recruiting nurses to meet demand.
- Activity in the Nordics (ex the German business disposed of in 2Q FY21) has been solid
- Activity driven by increasing specialist care patients in Sweden and Denmark, and continuing COVID testing and vaccination.
- Business focus remains on capturing a higher share of demand for health care services post COVID restrictions lifting

United Kingdom - Update

we
care.



**It's why we're one of the leading independent
healthcare providers in the world**

- Highly disruptive short-term challenges through FY22 due to isolation orders impacting patients, doctors and staff at short notice, resulting in a significant number of procedure cancellations and higher costs
- Cancelled procedures expected to be re-booked over time.
- Admissions pipeline remains strong, in particular from private insured and self-funded patients
- Working closely with UK Government and NHS around delivering additional capacity into the public health care system; Ramsay confident of public work as the model framework is finalised
- UK operating environment improved after relaxation of rules around isolation and COVID protocols in hospital settings at the beginning of October
- Ramsay UK officially opened Buckshaw Hospital day case facility in Chorley on 21 October

Asia - Update



ParkCity Medical Centre

'BETTER HEALTH' POST-COVID PROGRAMME

We can help you get back on your feet!

The advertisement features a man and a woman jogging in a park. Below them are six circular icons representing common post-COVID symptoms, each with a corresponding text label and an arrow pointing to the icon:

- Persistent Tiredness** (Icon: Head with battery symbol)
- Weakness** (Icon: Head with wavy lines)
- Breathing Difficulty & Phlegm** (Icon: Head with wavy lines and a cough)
- Pain** (Icon: Head with a lightning bolt)
- Joint Stiffness** (Icon: Hand with a lightning bolt)
- Stress** (Icon: Head with a lightning bolt)

- COVID case numbers are slowly improving, easing restrictions on movement
- Ramsay Sime Darby assisting with vaccination programs across its regions
- Ramsay Sime Darby reported a strong increase in revenue for 1Q FY22, reflecting underlying growth from the provision of COVID related services including testing, vaccination and treatment of public patients combined with the inclusion of the Manipal Hospital in Malaysia, acquired in May 2021
- Earnings have been impacted by mix changes and higher costs of operating in a COVID environment.

Outlook



FY22 results will continue to be impacted by the effectiveness of the global response to the COVID pandemic, including the reach and success of vaccinations programs



Ramsay will seek to move into new and adjacent services in all existing markets to create an integrated, patient-centric business platform



A growing pipeline of brownfield projects and increased investment in new services and facilities is expected to deliver good top-line growth and support margins and market share



Ramsay's strong balance sheet and cashflow position the business well to deliver its long-term strategy. Ramsay will remain disciplined in its approach to investment opportunities



The business is well placed for strong growth in admissions, addressing the backlog in public and private demand, in addition to benefiting from underlying growth drivers in the system

Internal use only

