

ASX ANNOUNCEMENT

5th August 2024

FY24 EARNINGS UPDATE

Ramsay Health Care (Ramsay) (ASX: RHC) today announces that, subject to finalisation of the accounts and audit sign off, its FY24 net profit after tax attributable to owners of the parent is expected to be in the range of \$884m to \$889m. The result will include the after-tax cash profit on the sale of Ramsay Sime Darby (RSD) of \$618m.

FY24 net profit after tax and minority interests from continuing operations¹ is expected to be in the range of \$265m to \$270m² compared to \$278.2m in the previous corresponding period (pcp). The result is expected to include:

- Non-cash impairments and accelerated write-downs against the book value of underperforming assets in both Ramsay Santé and the UK region of \$24.5m after tax and minority interests;
- A negative net mark to market movement in relation to interest rate swaps in Ramsay Santé's debt facilities of \$13.1m after tax and minority interests;
- As a result of the expected impairment charges and write downs, Ramsay's FY24 depreciation, amortisation and impairments charge is expected to be slightly above the top end of the previously expected range of \$1.0-1.1bn at approximately \$1.13bn; and
- Non-recurring items in total (inclusive of those mentioned above) are expected to make a negative contribution to the result of approximately \$29.5m after tax and minority interests (refer Appendix for further details) compared to a positive contribution of \$27.5m in the pcp.

Excluding the impact of non-recurring items, the FY24 net profit after tax and minority interests from continuing operations is expected to be in the range of \$294m to \$299m. The Group's underlying result has been driven by improving activity trends and labour productivity, combined with a focus on sustainable performance acceleration programs and improved tariff indexation.

Greenfield and brownfield capital expenditure in the Australian region in FY24 was lower than the forecast range of \$210-260m at ~\$155m. Total Group capital expenditure for the 12-month period was approximately \$740m, below the forecast range of \$0.8-1bn. Funding Group³ leverage at the end of the period is currently forecast to be approximately 2x, within the target range of <2.5x.

FY24 Results Release

Further details on the FY24 result and the outlook for FY25 will be provided with the release of Ramsay's FY24 full year result on Friday 30th August 2024. A presentation of the results hosted by Ramsay's Group CEO and Managing Director Craig McNally and Group CFO Martyn Roberts will commence at 9:30am that morning followed by a question-and-answer session. A webcast of the event will be hosted on the Ramsay Health Care website. **To pre-register for the webcast please click on the link: [Ramsay Health Care FY24 results presentation webcast](#)**

¹ On 13th November 2023 Ramsay announced that together with its partner Sime Darby Berhad (Sime Darby) it had entered into an agreement to sell its 50:50 joint venture in Asia, RSD. The transaction was completed on 28th December 2023. The investment in RSD has been reclassified as a discontinued operation in FY23 & FY24 .

² The effective tax rate is forecast to be ~31.5% compared to guidance of 33-34%

³ Ramsay Health Care Limited and all its subsidiaries excluding Ramsay Santé. Funding Group leverage used for banking covenant calculation Net Debt (pre-AASB16 basis)/rolling 12-month Funding group EBITDA (excluding non-recurring items)

Appendix 1

Estimate of FY24 non-recurring items subject to finalisation of the accounts and audit sign off

A\$'m	Australia	UK	Europe	RHC Group
Profit on disposal / acquisition of development assets, non-current assets and businesses	9.6	-	0.8	10.4
Accelerated depreciation of the carrying value of assets	-	(4.6) ¹	-	(4.6)
Impairment of carrying value of assets	-	(5.3) ²	(40.7) ³	(46.0)
Provision for Employee costs	-	-	(7.0)	(7.0)
Transaction costs/ Acquisition, disposal, revaluation and development costs/benefits	(6.4)	(4.9)	22.1	10.8
Total EBIT Impact	3.2	(14.8)	(24.8)	(36.4)
Net swap mark to market movements	-	-	(34.6)	(34.6)
Total PBT Impact	3.2	(14.8)	(59.4)	(71.0)
Income tax impact of non-recurring items	(1.0)	3.7	20.4	23.1
Non-controlling interests in non-recurring items net of tax	-	-	18.4	18.4
NPAT impact	2.2	(11.1)	(20.6)	(29.5)

1. The accelerated write-down of data centres in Ramsay UK
2. The impairment of one of Elysium's sites and IT assets in Ramsay UK
3. The impairment of a number of hospitals and assets in France
4. Includes the remeasurement of options to buy back minority interests in a primary care business in Denmark

FY23 non-recurring items

A\$'m	Australia	UK	Europe	RHC Group
Net profit on disposal of non-current assets and businesses	11.0	-	55.3	66.3
Reversal of impairment of fixed assets	-	(14.3) ¹	-	(14.3)
Partial reversal of non-recurring employee costs	5.5	-	-	5.5
Transaction costs/ Acquisition, disposal, and development costs	(2.6)	(0.6)	(12.2)	(15.4)
Total EBIT Impact	13.9	(14.9)	43.1	42.1
Net swap mark to market movements	8.8	-	18.0	26.8
Total PBT Impact	22.7	(14.9)	61.1	68.9
Income tax impact of non-recurring items	(6.8)	3.0	(16.8)	(20.6)
Non-controlling interests in non-recurring items net of tax	-	-	(20.8)	(20.8)
NPAT impact	15.9	(11.9)	23.5	27.5

1. Includes a \$20.5m site impairment in Elysium partially offset by a write back of a prior year impairment in Ramsay UK of \$6.2m

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The release of this announcement has been authorised by the Ramsay Health Care Board of Directors.