

ASX ANNOUNCEMENT

1st February 2022

COMPLETION OF THE ACQUISITION OF UK MENTAL HEALTHCARE PROVIDER ELYSIUM HEALTHCARE

Ramsay Health Care (**Ramsay**) (ASX: RHC) today announces the completion of the acquisition of 100% of leading UK based mental healthcare provider Elysium Healthcare (Elysium)¹.

Elysium is a leading independent operator of long-term medium and low secure hospitals and complex care homes for individuals with mental health conditions and has a strong partnership with the National Health Service (NHS). The acquisition provides Ramsay:

- A unique opportunity to enter the growing UK mental health hospital market at scale with opportunities for both organic and inorganic growth;
- Expands Ramsay's platform of healthcare services in the UK healthcare market and strengthens relationships with key stakeholders including the NHS;
- An opportunity to deliver outcome-focused integrated care pathways leveraging Ramsay's expertise in mental health;
- Entry into a growth market with favourable demographics including increasing awareness and improving diagnostics;
- The opportunity for cross collaboration across mental health and acute care propositions and innovation between Ramsay's businesses in Australia, France, Sweden and the UK;
- A platform for growth through full utilisation of Elysium's recently developed capacity, and delivering on its development pipeline, combined with potential bolt-on opportunities; and
- Is expected to deliver synergies of at least £5m per annum.

The acquisition values the business on a pre-IFRS 16² enterprise value of £775m (A\$1.4bn), is expected to deliver mid-single digit EPS accretion in FY23 and meets Ramsay's internal return targets including a post-tax cash ROIC target of greater than 10% by year five and a post-tax IRR of greater than 10%.

The acquisition will be funded from Ramsay's existing debt facilities. Ramsay UK's 1HFY22 result will include pre-tax transaction costs of £10.75m (~A\$20.0m) associated with this transaction in addition to the £2.5m (~A\$4.7m) associated with the Spire Healthcare plc transaction that was voted down by Spire shareholders in July 2021.

The CEO of Elysium, Joy Chamberlain, has led the business since it was formed in 2016 and will remain as CEO following completion of the acquisition reporting into Ramsay CEO and Managing Director Craig McNally.

"We are delighted to welcome Elysium's team to the Ramsay global business," Mr McNally said.

"Ramsay will benefit from the significant skills and experience of Elysium's clinical and management teams."

"Acquiring Elysium strengthens our mental health portfolio across the UK, Europe, Scandinavia and Australia."

"As well as creating new, integrated treatment pathways for our patients, it will provide exciting opportunities for our people to collaborate and develop their expertise."

Ramsay will provide further details on the outlook for the business and the proforma balance sheet position post Elysium in its FY22 half year result release to be made to the market on Thursday 24th of February 2022. A presentation hosted by Managing Director and CEO Craig McNally and Group CFO

¹ Refer to ASX announcement 13th December - Acquisition of leading UK mental healthcare provider Elysium Healthcare

² Does not include post IFRS 16 lease liability of £185.9m (A\$347.1m) as at June 30 2021

Martyn Roberts will be webcast at 9.30am that morning. To preregister for the webcast please click on the following link: [Ramsay Health Care FY22 Interim result webcast registration](#)

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The release of this announcement has been authorised by the Ramsay Health Care Disclosure Committee.

About Ramsay Health Care

Ramsay Health Care (Ramsay) provides quality health care through a global network of clinical practice, teaching and research. Ramsay Health Care's global network extends across 10 countries, with over eight million admissions/patient visits to its facilities in over 460 locations. Ramsay was founded by Paul Ramsay AO (1936–2014) in 1964 and has always focused on maintaining the highest standards of quality and safety; being an employer of choice; and operating the business based on a culture known as the 'Ramsay Way' with its purpose 'People Caring for People'. Ramsay listed on the Australian Stock Exchange in 1997 and has a market capitalisation of A\$15.3bn³ and an enterprise value (EV) of A\$17.7bn⁴ (EV of A\$23.0bn inclusive of lease liabilities). Ramsay employs over 80,000 people globally. Ramsay's operations are split across four regions:

Australia

Ramsay Australia has 72 private hospitals and day surgery units in Australia and is Australia's largest private hospital operator. Ramsay operations include mental health facilities as well as the operation of three public facilities. In addition, Ramsay has established the Ramsay Pharmacy retail franchise network which supports more than 59 community pharmacies. Ramsay Australia admits more than one million patients annually and employs more than 31,000 people.

UK

Ramsay UK has a network of 34 acute hospitals and day procedure centres providing a comprehensive range of clinical specialities to private and self-insured patients, as well as to patients referred by the NHS. Ramsay UK also operates a diagnostic imaging service and provides neurological services through its three neuro-rehabilitation facilities. Ramsay UK cares for almost 200,000 patients per year and employs more than 7,000 people.

Europe

Ramsay Santé is the second largest private care provider in Europe, operating specialist clinics and primary care units in approximately 350 locations across five countries in Europe. In France, Ramsay Santé has a market leading position with 132 acute care and mental health facilities. In Denmark, Norway and Sweden, Ramsay Santé operates 210 facilities including primary care units, specialist clinics and hospitals. Ramsay Santé also operates a 93-bed hospital in Italy. Ramsay Santé employs about 36,000 staff and its facilities treat approximately seven million patients each year. Ramsay Health Care owns 52.5% of Ramsay Santé which is listed on the European financial markets' platform Euronext

Asia

In Asia, Ramsay Sime Darby Health Care Sdn Bhd operates four hospitals in Indonesia, four hospitals and a nursing college in Malaysia and one day surgery in Hong Kong. The business employs more than 4,000 people. Ramsay Sime Darby is a 50:50 joint venture arrangement with Malaysian multinational conglomerate Sime Darby Berhad.

³ As at 31st January 2022