

Ramsay Health Care Funding Group

Combined Financial Report

6 months to 31 December 2024

Ramsay Health Care Funding Group
Level 18 126 Phillip Street
Sydney NSW 2000 Australia
Telephone: +61 9220 1000
Facsimile: +61 9220 1001
ramsayhealth.com



Ramsay
Health Care

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1 Independent Auditor's Report



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Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's review report to the directors of Ramsay Health Care Limited

Conclusion

We have reviewed the accompanying half-year combined financial report of Ramsay Health Care Limited (the Company) and entities that form the Ramsay Health Care Funding Group (the Funding Group), which comprises the combined statement of financial position as at 31 December 2024, combined income statement, combined statement of comprehensive income, combined statement of changes in equity and combined statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year combined financial report is not prepared, in all material respects, in accordance with AASB 134 *Interim Financial Reporting*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year combined financial report* section of our report. We are independent of the Funding Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our review of the half-year financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Director's responsibilities for the half-year combined financial report

The directors of the Company are responsible for the preparation and presentation of half-year combined financial report in accordance with AASB 134 *Interim Financial Reporting* and for such internal control as the directors determine is necessary to enable the preparation and presentation of the half-year combined financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year combined financial report

Our responsibility is to express a conclusion on the half-year combined financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year combined financial report is not prepared, in all material respects, in accordance with AASB 134 *Interim Financial Reporting*.

A review of a half-year combined financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Siobhan Drury
Partner
Sydney
27 February 2025

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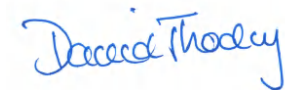
2 Directors' Statement

In accordance with a resolution of the Directors of Ramsay Health Care Limited, we state that:

In the opinion of the Directors:

- a. the combined financial statements and notes of the Ramsay Health Care Funding Group
 - i. present fairly their financial position as at 31 December 2024 and of their performance for the half year ended on that date; and
 - ii. comply with Accounting Standards *IAS 34/AASB134 Interim Financial Reporting*;
- b. there are reasonable grounds to believe that the Funding Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board



D. THODEY
Chair

Sydney, 27 February 2025



N. DAVIS
Managing Director and Chief
Executive Officer

3 Review of results

A summary of Ramsay Health Care Funding Group's results for the period is presented below, along with a summary of non-recurring items. The most significant non-recurring item for the half year ended 31 December 2024 was the impairment of non-current assets (refer Note 12 of the financial statements).

Results for the period	Half-year ended		
	31 December 2024	31 December 2023	Chg
	\$m	\$m	%
Continuing Operations			
Revenue from contracts with customers	4,438.0	4,158.0	6.7%
Total revenue, other income and intersegment revenue (less interest income)	4,443.4	4,171.9	6.5%
Earnings before finance costs, tax, depreciation, amortisation and rent (EBITDAR)	598.1	568.1	5.3%
Earnings before finance costs, tax, depreciation, amortisation and impairment (EBITDA)	590.2	560.5	5.3%
Earnings before finance costs and tax (EBIT)	90.4	371.7	(75.7%)
Financing costs associated with leases (AASB16)	(74.9)	(72.5)	(3.3%)
Net other financing costs	(50.6)	(69.2)	26.9%
Income Tax Expense	(63.5)	(71.1)	10.7%
Net (loss)/profit after tax from continuing operations	(98.6)	158.9	(162.1%)
Attributable to non-controlling interests	2.8	2.8	-
(Loss)/profit after tax from continuing operations (after non-controlling interests)	(101.4)	156.1	(165.0%)

Underlying results for the period	Half-year ended		
	31 December 2024	31 December 2023	Chg
	\$m	\$m	%
Continuing Operations			
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)	590.2	560.5	5.3%
Non-recurring items			
Acquisition, disposal, restructuring and development costs/benefits	(2.1)	(2.9)	
Net profit on disposal / acquisition of development assets, non-current assets and businesses	-	6.6	
Underlying Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)	592.3	556.8	6.4%
Earnings before interest and tax (EBIT)	90.4	371.7	(75.7%)
Non-recurring items			
Impairment of carrying value of assets	(305.5)	-	
Acquisition, disposal, restructuring and development costs/benefits	(2.1)	(2.9)	
Accelerated depreciation	-	(4.6)	
Net profit on disposal / acquisition of development assets, non-current assets and businesses	-	6.6	
Underlying Earnings before interest and tax (EBIT)	398.0	372.6	6.8%
Net (loss)/profit after tax for the year	(98.6)	158.9	(162.1%)
Pre-tax impact of non-recurring items	(307.6)	(0.9)	
Income tax impact of non-recurring items	14.8	0.1	
Underlying net profit after tax for the year	194.2	159.7	21.6%

4 Financial Results

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Combined Income Statement

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Half year ended	
		31 December 2024 \$m	31 December 2023 \$m
CONTINUING OPERATIONS			
Revenue from contracts with customers		4,438.0	4,158.0
Interest income		1.8	0.9
Other income	2	-	8.7
Total revenue and other income		4,439.8	4,167.6
Employee benefit and contractor costs		(2,460.3)	(2,293.9)
Occupancy costs		(176.8)	(155.2)
Service costs		(186.8)	(181.1)
Medical consumables and supplies		(1,023.9)	(973.9)
Depreciation, amortisation and impairment	3	(499.8)	(188.8)
Cost of development assets sold		-	(2.1)
Total expenses, excluding finance costs		(4,347.6)	(3,795.0)
Profit before tax and finance costs		92.2	372.6
Finance costs	3	(127.3)	(142.6)
(Loss)/Profit before income tax		(35.1)	230.0
Income tax		(63.5)	(71.1)
(Loss)/Profit after tax from continuing operations		(98.6)	158.9
DISCONTINUED OPERATIONS			
Profit after tax from discontinued operations	4	-	618.1
Net (loss)/profit after tax for the period		(98.6)	777.0
Attributable to non-controlling interests		2.8	2.8
Attributable to owners of the parent		(101.4)	774.2
Net (loss)/profit after tax for the period		(98.6)	777.0
		Cents per Share	Cents per Share
Earnings per share (EPS) attributable to equity holders of the parent			
Basic earnings per share (after CARES dividend)	6	(48.0)	335.6
Diluted earnings per share (after CARES dividend)	6	(48.0)	334.8
Earnings per share (EPS) attributable to equity holders of the parent from continuing operations			
Basic earnings per share (after CARES dividend)	6	(48.0)	64.9
Diluted earnings per share (after CARES dividend)	6	(48.0)	64.7

The above Combined Income Statement should be read in conjunction with the accompanying notes.

Combined Statement of Comprehensive Income

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Half year ended	
	31 December 2024	31 December 2023
	\$m	\$m
Net (loss)/profit after tax for the period	(98.6)	777.0
Items that may be subsequently reclassified to net profit		
Cash flow hedges		
Taken to equity	(14.8)	(29.0)
Transferred to Income Statement	(8.0)	(12.0)
Foreign currency translation	190.5	(46.1)
Income tax (expense)/benefit relating to these items	(11.4)	29.8
Other comprehensive income/(loss), net of tax	156.3	(57.3)
Total comprehensive income	57.7	719.7
Attributable to non-controlling interests	2.8	2.8
Attributable to owners of the parent	54.9	716.9
Total comprehensive income	57.7	719.7

The above Combined Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Combined Statement of Financial Position

AS AT 31 DECEMBER 2024

	Note	As at		
		31 December 2024 \$m	30 June 2024 \$m	31 December 2023 \$m
ASSETS				
Current assets				
Cash and cash equivalents	10	76.9	83.3	56.5
Trade and other receivables	11	1,108.8	1,112.6	1,060.8
Inventories	11	183.2	177.7	186.9
Derivative financial instruments	9	1.6	17.8	17.4
Income tax receivables		0.7	-	1.3
Prepayments		132.6	99.7	101.0
Other current assets		11.1	11.9	11.3
Total current assets		1,514.9	1,503.0	1,435.2
Non-current assets				
Other financial assets		35.8	35.7	31.0
Other investments		910.0	830.5	802.9
Property, plant and equipment	12	3,670.3	3,539.7	3,459.9
Right of use assets	12	1,692.0	1,669.9	1,588.2
Intangible assets	12	2,805.8	2,937.5	2,901.0
Deferred tax assets		275.7	277.2	317.0
Prepayments		10.4	10.3	10.4
Derivative financial instruments	9	11.6	16.8	5.2
Other receivables		12.4	8.4	8.9
Total non-current assets		9,424.0	9,326.0	9,124.5
TOTAL ASSETS		10,938.9	10,829.0	10,559.7
LIABILITIES				
Current liabilities				
Trade and other creditors	11	1,192.1	1,291.6	1,165.6
Lease liabilities		85.4	76.3	71.0
Derivative financial instruments	9	1.2	0.1	0.8
Provisions		37.9	44.4	42.5
Income tax payables		33.4	36.4	24.9
Total current liabilities		1,350.0	1,448.8	1,304.8
Non-current liabilities				
Loans and borrowings	7,8	2,067.3	1,916.8	2,023.8
Lease liabilities		2,577.5	2,478.2	2,367.7
Provisions		125.7	125.0	128.9
Derivative financial instruments	9	1.9	0.7	4.1
Other creditors		11.3	11.2	11.4
Deferred tax liabilities		79.9	105.2	109.8
Total non-current liabilities		4,863.6	4,637.1	4,645.7
TOTAL LIABILITIES		6,213.6	6,085.9	5,950.5
NET ASSETS		4,725.3	4,743.1	4,609.2
EQUITY				
Issued capital		2,266.4	2,246.8	2,229.6
Treasury shares		(58.2)	(63.0)	(64.0)
Convertible Adjustable Rate Equity Securities (CARES)		252.2	252.2	252.2
Other reserves		225.6	66.3	13.4
Retained earnings		2,022.7	2,224.3	2,162.7
Parent interests		4,708.7	4,726.6	4,593.9
Non-controlling interests		16.6	16.5	15.3
TOTAL EQUITY		4,725.3	4,743.1	4,609.2

The above Combined Statement of Financial Position should be read in conjunction with the accompanying notes.

Combined Statement of Changes in Equity

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Attributable to Equity Holders of the Parent						Non-controlling Interests	Total
	Issued Capital	Treasury Shares	CARES	Other Reserves	Retained Earnings			
	\$m	\$m	\$m	\$m	\$m	\$m		
As at 1 July 2024	2,246.8	(63.0)	252.2	66.3	2,224.3	16.5	4,743.1	
Total Comprehensive Income	-	-	-	156.3	(101.4)	2.8	57.7	
Dividends paid	-	-	-	-	(100.2)	(2.7)	(102.9)	
Shares issued – Dividend Reinvestment Plan	19.6	-	-	-	-	-	19.6	
Treasury shares vesting to employees	-	4.8	-	(4.8)	-	-	-	
Share based payment expense for employees	-	-	-	7.8	-	-	7.8	
As at 31 December 2024	2,266.4	(58.2)	252.2	225.6	2,022.7	16.6	4,725.3	
As at 1 July 2023	2,216.4	(67.8)	252.2	68.7	1,453.8	13.4	3,936.7	
Total Comprehensive Income	-	-	-	(57.3)	774.2	2.8	719.7	
Dividends paid	-	-	-	-	(65.3)	(0.9)	(66.2)	
Shares issued – Dividend Reinvestment Plan	13.2	-	-	-	-	-	13.2	
Treasury shares vesting to employees	-	3.8	-	(3.8)	-	-	-	
Share based payment expense for employees	-	-	-	5.8	-	-	5.8	
As at 31 December 2023	2,229.6	(64.0)	252.2	13.4	2,162.7	15.3	4,609.2	

The above Combined Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Combined Statement of Cash Flows

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Half year ended	
		31 December 2024	31 December 2023
		\$m	\$m
Cash flows from operating activities			
Receipts from customers		4,450.6	4,083.9
Payments to suppliers and employees		(4,010.4)	(3,736.4)
Income tax paid		(98.2)	(89.7)
Lease finance costs		(74.9)	(72.5)
Other finance costs		(52.9)	(53.2)
Net cash flows from operating activities		214.2	132.1
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(237.7)	(242.3)
Proceeds from sale of businesses and other non-current assets		0.4	0.1
Interest and dividends received		3.8	1.8
Business combinations, net of cash received		(18.2)	(4.1)
Proceeds from sale of interest in joint venture, net of transaction costs	4	-	936.7
Proceeds from related entities		1.8	1.7
Net cash flows (used in)/from investing activities		(249.9)	693.9
Cash flows from financing activities			
Dividends paid to equity holders of the parent	5	(80.6)	(52.1)
Dividends paid to non-controlling interests		(2.7)	(0.9)
Repayment of lease principal		(38.5)	(35.7)
Payment of refinancing costs		(1.0)	(15.3)
Proceeds from borrowings		4,770.0	3,318.0
Repayment of borrowings		(4,620.0)	(4,063.4)
Net cash flows from/(used in) financing activities		27.2	(849.4)
Net decrease in cash and cash equivalents		(8.5)	(23.4)
Net foreign exchange differences on cash held		2.1	0.2
Cash and cash equivalents at the beginning of period		83.3	79.7
Cash and cash equivalents at the end of period	10	76.9	56.5

The above Combined Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Overview



This section sets out the basis on which the Ramsay Funding Group's financial report is prepared as a whole.

Ramsay Health Care Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial report of Ramsay Health Care Limited (**the Company**) and entities in the Funding Group which are described below (together, **the Funding Group**, or **the Group**) for the half year ended 31 December 2024 was authorised for issue in accordance with a resolution of the Directors on 27 February 2025.

a Funding Group Information

The purpose of these combined financial statements is to provide financial statements prepared on a combined basis, of entities in the Funding Group. The entities in the Funding Group are listed in Note 22 in the latest annual Combined Financial Report as at 30 June 2024. There were no material entities added to the Funding Group after 30 June 2024.

b Basis of preparation

The combined financial statements aggregate the financial statements of Ramsay Health Care Limited and entities in the Funding Group. The Funding Group include all controlled entities (wholly owned and partially owned) that are consolidated by Ramsay Health Care Limited, with the exception of Ramsay Générale de Santé SA and its controlled entities (**Ramsay Santé Group**). The investment in the Ramsay Santé Group is included at cost within Other Investments. The financial statements are required to be prepared on this basis in order to present the financial information of the Funding Group for the purposes of the Australian Medium Term Note (**AMTN**) Programme and the Euro Medium Term Note (**EMTN**) Programme.

This financial report:

- has been prepared in accordance with International Accounting Standards and Australian Accounting Standards, including *IAS 34/AASB 134 Interim Financial Reporting* and other authoritative pronouncements of the International Accounting Standards Board (**IASB**) and the Australian Accounting Standards Board (**AASB**). It does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the combined Funding Group as the full financial report;
- has been prepared on the basis of historical cost, except for derivative financial instruments measured at fair value;
- should be read in conjunction with the annual combined financial report of Ramsay Funding Group as at 30 June 2024, together with any public announcements made by Ramsay Health Care Limited and its controlled entities during the half year ended 31 December 2024;
- presents reclassified comparative information where necessary to conform to changes in presentation in the current half year;
- presents all values as rounded to the nearest hundred thousand dollars, unless otherwise stated.

c New and amended accounting standards and interpretations, effective 1 July 2024

The Group has adopted all new and amended International/Australian Accounting Standards and Interpretations issued by the IASB/AASB that are relevant to the Group and effective for reporting periods beginning on or after 1 July 2024, all of which did not have a material impact on the financial statements:

- *Amendments to IAS 1: Classification of Liabilities as Current or Non-current /AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [AASB 101]*
- *Amendments to IAS 1: Non-current Liabilities with Covenants/ AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [AASB 101 and AASB Practice Statement 2]*
- *Amendments to IFRS 16: Lease Liability in a Sale and Leaseback/AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback [AASB 16]*
- *Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements/ AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements [AASB 7 & AASB 107]*

d Accounting standards and interpretations issued but not yet effective

New and amended standards and interpretations issued by the IASB/AASB that will apply for the first time in the future annual financial statements are not expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies. The Group has not early adopted any International/Australian Accounting Standards and Interpretations issued or amended but are not yet effective.

I Results for the Half Year



This section provides additional information on the Funding Group results for the half year, including further detail on results by segment, revenue, expenses, earnings per share and dividends.

1 Segment information

Identification of reportable segments

The Funding Group has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director (the chief operating decision maker) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based primarily on the country in which the service is provided, as this is the Group's major risk and has the most effect on the rate of return, due to differing currencies and differing health care systems in the respective countries. The Group has two reportable operating segments being Australia and the UK.

Discrete financial information about each of these operating businesses is reported to the Managing Director on at least a monthly basis.

Types of services

The reportable operating segments derive their revenue primarily from providing health care services to both public and private patients in the community.

Accounting policies and inter-segment transactions

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment results include transfers between the segments. These transfers are eliminated on consolidation.

The accounting policies used by the Group in reporting segments are the same as those contained throughout the accounts and in prior periods.

Segment assets and liabilities

	Australia \$m	UK \$m	Adjustments & Eliminations \$m ¹	Total \$m
As at 31 December 2024				
Segment assets	9,902.0	5,381.7	(4,344.8)	10,938.9
Segment liabilities	(3,913.4)	(5,649.4)	3,349.2	(6,213.6)
As at 30 June 2024				
Segment assets	9,567.6	5,367.2	(4,105.8)	10,829.0
Segment liabilities	(3,844.2)	(5,272.1)	3,030.4	(6,085.9)
As at 31 December 2023				
Segment assets	9,387.5	5,196.8	(4,024.6)	10,559.7
Segment liabilities	(3,798.9)	(5,073.1)	2,921.5	(5,950.5)

¹ Adjustments and eliminations consist of investments in subsidiaries and intercompany balances, which are eliminated on consolidation.

Segment revenue reconciliation to Income Statement

	Half year ended	
	31 December 2024 \$m	31 December 2023 \$m
Total segment revenue and other income	4,443.4	4,171.9
Intersegment revenue elimination	(5.4)	(5.2)
Interest income	1.8	0.9
Total revenue and other income	4,439.8	4,167.6

1 Segment information (Continued)

Segment financial performance

	Australia \$m	UK \$m	Total \$m
Half year ended 31 December 2024			
Revenue from contracts with customers	3,162.6	1,275.4	4,438.0
Other income	-	-	-
Total revenue and other income before intersegment revenue	3,162.6	1,275.4	4,438.0
Intersegment revenue	5.4	-	5.4
Total segment revenue and other income	3,168.0	1,275.4	4,443.4
Earnings before interest, tax, depreciation, amortisation and rent (EBITDAR)¹	433.0	165.1	598.1
Rent ²	(5.7)	(2.2)	(7.9)
Earnings before interest, tax, depreciation and amortisation (EBITDA)³	427.3	162.9	590.2
Depreciation, amortisation and impairment	(119.9)	(379.9)	(499.8)
Earnings before interest and tax (EBIT)⁴	307.4	(217.0)	90.4
Net finance costs			(125.5)
Income tax expense			(63.5)
Loss after tax from continuing operations			(98.6)
Attributable to non-controlling interests			(2.8)
Net loss from continuing operations attributable to owners of the parent			(101.4)
Half year ended 31 December 2023			
Revenue from contracts with customers	3,009.7	1,148.3	4,158.0
Other income	8.7	-	8.7
Total revenue and other income before intersegment revenue	3,018.4	1,148.3	4,166.7
Intersegment revenue	5.2	-	5.2
Total segment revenue and other income	3,023.6	1,148.3	4,171.9
Earnings before interest, tax, depreciation, amortisation and rent (EBITDAR)¹	415.2	152.9	568.1
Rent ²	(5.5)	(2.1)	(7.6)
Earnings before interest, tax, depreciation and amortisation (EBITDA)³	409.7	150.8	560.5
Depreciation, amortisation and impairment	(113.7)	(75.1)	(188.8)
Earnings before interest and tax (EBIT)⁴	296.0	75.7	371.7
Net finance costs			(141.7)
Income tax expense			(71.1)
Profit after tax from continuing operations			158.9
Attributable to non-controlling interests			(2.8)
Net profit from continuing operations attributable to owners of the parent			156.1

¹ "EBITDAR" is a non-statutory profit measure and represents profit before interest, tax, depreciation, amortisation, impairment and rent.

² Rent includes rental costs of short term or low value assets together with any related rent costs, including rent related taxes that could not be capitalised as part of lease liabilities.

³ "EBITDA" is a non-statutory profit measure and represents profit before interest, tax, depreciation, amortisation and impairment.

⁴ "EBIT" is a non-statutory profit measure and represents profit before interest and tax.

2 Other income

	Half year ended	
	31 December 2024	31 December 2023
	\$m	\$m
Other income – income from sale of development assets	-	4.1
Other Income – net profit on disposal/acquisition of non-current assets and businesses	-	4.6
Total	-	8.7

3 Expenses

Depreciation, amortisation and impairment

	Half year ended	
	31 December 2024	31 December 2023
	\$m	\$m
Depreciation - Property, plant and equipment	139.0	133.0
Depreciation - Right of use assets	50.3	49.0
Amortisation - Intangible assets	5.0	5.4
Impairment - Property, plant and equipment (Note 12)	21.7	1.4
Impairment - Right of use assets (Note 12)	35.4	-
Impairment - Goodwill (Note 12)	248.4	-
Total	499.8	188.8

Finance Costs

	Half year ended	
	31 December 2024	31 December 2023
	\$m	\$m
Interest expenses	55.3	75.0
Finance charges – Lease liability	74.9	72.5
	130.2	147.5
Finance costs capitalised	(2.9)	(4.9)
Total	127.3	142.6

4 Discontinued operations

Half year ended 31 December 2023 - Sale of Ramsay Sime Darby Health Care Sdn Bhd (RSDH)

On 28 June 2023, the Group publicly announced the decision, together with the joint venture partner Sime Darby Berhad, to sell the 50:50 joint venture RSDH in Malaysia. On 28 December 2023 the Group and Sime Darby Berhad completed the sale of RSDH.

Financial information relating to the discontinued operations is set out below. For further information about the discontinued operation, please refer to the Group's annual financial statements for the year ended 30 June 2023 and 30 June 2024.

	Half year ended	
	31 December 2024	31 December 2023
	\$m	\$m
Results of discontinued operations		
Pre-tax gain on sale of interest in joint venture, net of transaction costs	-	660.9
Profit before income tax	-	660.9
Income tax	-	(42.8)
Profit after tax from discontinued operations	-	618.1
Gain on sale of discontinued operations is calculated as follows		
Consideration received in cash	-	938.4
Carrying amount of interest in joint venture sold	-	(251.0)
Reclassification of amounts previously recognised in other comprehensive income to net profit	-	(15.0)
Disposal costs	-	(11.5)
Income tax	-	(42.8)
Total gain on sale of discontinued operations	-	618.1
Cash flows of discontinued operations		
Operating	-	-
Investing	-	936.7
Financing	-	-
Net increase in cash and cash equivalents	-	936.7
	Half year ended	
	31 December 2024	31 December 2023
	Cents per Share	Cents per Share
Contribution to earnings per share by discontinued operations		
Basic earnings per share (after CARES dividend)	-	270.7
Diluted earnings per share (after CARES dividend)	-	270.1

5 Dividends

	Parent Entity Half year ended	
	31 December 2024 \$m	31 December 2023 \$m
(i) Dividends determined and paid during the period on ordinary shares:		
<i>Previous year final dividend paid</i>		
Franked dividends – ordinary (40.0 cents per share) (31 December 2023: 25.0 cents per share) ¹	91.6	57.3
(ii) Dividends proposed and not recognised as a liability on ordinary shares:		
<i>Current year interim dividend proposed</i>		
Franked dividends – ordinary (40.0 cents per share) (31 December 2023: 40.0 cents per share)	91.9	91.5
(iii) Dividends determined and paid during the period on CARES:		
<i>Previous year final dividend paid</i>		
Franked dividends – CARES	8.6	8.0
(iv) Dividends proposed and not recognised as a liability on CARES:		
<i>Current year interim dividend proposed</i>		
Franked dividends – CARES	8.6	8.7

¹ During the period the Group continued to operate its Dividend Reinvestment Plan where \$19.6m (31 December 2023: \$13.2m) of dividend payments were reinvested into ordinary shares of the Group.

The tax rate at which paid dividends have been franked is 30% (31 December 2023: 30%). All of the proposed dividends will be franked at the rate of 30% (31 December 2023: 30%).

6 Earnings per share

	Half year ended					
	31 December 2024			31 December 2023		
	Continuing operations \$m	Discontinued operations \$m	Total \$m	Continuing operations \$m	Discontinued operations \$m	Total \$m
Net (loss)/profit for the period attributable to owners of the parent	(101.4)	-	(101.4)	156.1	618.1	774.2
Less: dividend paid on Convertible Adjustable Rate Equity Securities (CARES)	(8.6)	-	(8.6)	(8.0)	-	(8.0)
(Loss)/Profit used in calculating basic and diluted (after CARES dividend) earnings per share	(110.0)	-	(110.0)	148.1	618.1	766.2

	Half year ended	
	31 December 2024	31 December 2023
	Number of Shares (m)	Number of Shares (m)
Weighted average number of ordinary shares used in calculating basic earnings per share	229.1	228.3
Effect of dilution – share rights not yet vested	0.6	0.5
Weighted average number of ordinary shares adjusted for the effect of dilution	229.7	228.8

The share rights granted to Executives but not yet vested, have the potential to dilute basic earnings per share.

The denominator for the purpose of calculating both basic and diluted earnings per share for the half year ended 31 December 2023 has been adjusted to reflect the shares issued under the Dividend Reinvestment Plan after 31 December 2023, at less than market value.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

	Half year ended					
	31 December 2024			31 December 2023		
	Continuing operations Cents per Share	Discontinued operations Cents per Share	Total Cents per Share	Continuing operations Cents per Share	Discontinued operations Cents per Share	Total Cents per Share
Earnings per share (EPS) attributable to equity holders of the parent						
Basic earnings per share (after CARES dividend)	(48.0)	-	(48.0)	64.9	270.7	335.6
Diluted earnings per share (after CARES dividend)	(48.0)	-	(48.0)	64.7	270.1	334.8

Calculation of earnings per share

Basic earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent (after deducting the CARES dividend) by the weighted average number of ordinary shares outstanding during the period. The ordinary shares outstanding used in the calculation is that of Ramsay Health Care Limited, which is a listed entity that is included in the Funding Group.

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after deducting the CARES dividend) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The ordinary shares outstanding used in the calculation is that of Ramsay Health Care Limited, which is a listed entity that is included in the Funding Group.

Weighted average number of ordinary shares for the December 2024 period used in the diluted loss per share calculation is the same as that used in the basic loss per share calculation. The potential dilutive securities are excluded from the calculation, as including them would be anti-dilutive, i.e. they would reduce the loss per share.

II Capital - Financing



This section provides further information on loans and borrowings and derivatives.

7 Loans and borrowings

Amendments to existing Sustainability Linked Loans (“SLLs”) in the form of changes to KPIs and targets and entry into a Sustainability Deed Poll (“SDP”) closed in August 2024. Following this transaction, a further A\$850m of bilateral facilities were converted to SLLs by linking the facilities to the SDP.

In November 2024, A\$705 million of bilateral facilities were extended by up to 2.5 years. Subsequent to half year end, a A\$100 million bilateral facility was cancelled in January 2025.

The covenant package, group guarantees and other common terms and conditions in respect of the debt facilities are governed under a Common Terms Deed Poll.

The Group had an undrawn facility limit of \$983.0 million as at 31 December 2024 (31 December 2023: \$920.0 million).

8 Fair value

Unless disclosed below, the carrying amount of the Group’s current and non-current borrowings approximate their fair value. The fair values have been calculated by discounting the expected future cash flows at prevailing market interest rates depending on the type of borrowings. At reporting date, the variable base interest rates vary from 4.35% to 4.51% (30 June 2024: 3.69% to 4.47%; 31 December 2023: 3.69% to 4.47%).

	As at					
	31 December 2024		30 June 2024		31 December 2023	
	Carrying Amount \$m	Fair Value \$m	Carrying Amount \$m	Fair Value \$m	Carrying Amount \$m	Fair Value \$m
Bank loans	2,067.3	2,074.4	1,916.8	1,925.2	2,023.8	2,039.1

9 Derivative financial instruments

Instruments used by the Group

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in interest and foreign exchange rates.

Fair value

The Group has available to it various methods for estimating the fair value of a derivative financial instrument. The methods comprise:

Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value of the financial instruments was estimated using the level 2 method valuation technique and is summarised in the table below.

	As at		
	31 December 2024 \$m	30 June 2024 \$m	31 December 2023 \$m
Current assets			
Interest rate and foreign exchange derivative contracts – cash flow hedges	1.5	17.7	16.9
Interest rate and foreign exchange derivative contracts – economic hedges	0.1	0.1	0.5
Non-current assets			
Interest rate and foreign exchange derivative contracts – cash flow hedges	11.6	16.8	5.2
Interest rate and foreign exchange derivative contracts – economic hedges	-	-	-
	13.2	34.6	22.6
Current liabilities			
Interest rate and foreign exchange derivative contracts – cash flow hedges	(0.2)	(0.1)	(0.4)
Interest rate and foreign exchange derivative contracts – economic hedges	(1.0)	-	(0.4)
Non-current liabilities			
Interest rate and foreign exchange derivative contracts – cash flow hedges	(1.9)	(0.7)	(4.1)
	(3.1)	(0.8)	(4.9)
Net derivative assets/(liabilities)	10.1	33.8	17.7

The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.

Transfer between categories

There were no transfers between Level 1 and Level 2 or between Level 2 and Level 3 during the period.

10 Cash and cash equivalents

For the purpose of the half year combined statement of cash flows, cash and cash equivalents are comprised of the following:

	As at		
	31 December 2024 \$m	30 June 2024 \$m	31 December 2023 \$m
Cash at bank and on hand	76.9	83.3	56.5

III Assets and Liabilities – Operating and Investing



This section provides further information on some of the assets and liabilities used to generate profit.

11 Working capital

	As at		
	31 December 2024	30 June 2024	31 December 2023
	\$m	\$m	\$m
Trade and other receivables (current)	1,108.8	1,112.6	1,060.8
Inventories	183.2	177.7	186.9
Trade and other creditors (current)	(1,192.1)	(1,291.6)	(1,165.6)
	99.9	(1.3)	82.1

Consistent with prior periods, Ramsay actively manages the collection of debtor receipts and creditor payments. Any surplus or deficit in the working capital is managed through the efficient use of the debt facilities and cash balances.

12 Impairment of non-current assets

Goodwill

Goodwill acquired through business combinations is allocated to the cash generating units expected to benefit from the synergies of the business combination.

Goodwill is assessed at the end of each reporting period whether there is any indication that it may be impaired. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment on an annual basis, as a minimum. For goodwill impairment testing, goodwill has been allocated to the cash generating units or group of cash generating units (CGUs) shown in the table below.

	Australia \$m	Pharmacy \$m	UK \$m	Total \$m
31 December 2024	1,016.2	165.9	1,565.1	2,747.2
30 June 2024	1,016.2	165.9	1,697.5	2,879.6
31 December 2023	1,016.2	165.9	1,662.3	2,844.4

UK

During the half year period, the trading performance of the Elysium business (part of the UK CGU) has been adversely impacted by occupancy challenges (in the latter part of the half year period) and continued significant inflationary pressures experienced on wage costs (e.g. National Living Wage increase) and other costs (e.g. utilities and others supplies) which have exceeded revenue increases (e.g. fee uplifts from customers). These factors have led to a reduction in Elysium's EBITDAR margin from 9.3% in FY24 to 7.0% for 1HFY25.

Due to these indicators of impairment, impairment testing has been performed on the UK CGU which as described in the 30 June 2024 Combined Financial Report (Note 13) had minimal headroom. The recoverable amount has been determined based on a value in use calculation using cash flow projections as at 31 December 2024. The following key inputs were used in the model:

- Earnings before interest, tax, depreciation, amortisation and rent ('EBITDAR') estimates
- Terminal growth rate of 2.25% (June 2024: 2.5%) – based on management's internal estimates of long term growth rates.
- Pre-tax discount rate of 10.2% (June 2024: 10.0%) – reflects the risk associated with the underlying assets and management's estimate of the time value and other risks that are not already reflected in the cash flows.

EBITDAR estimates reflect risk-adjusted cash flow estimates underpinned by assumptions on activity volume, occupancy rates, revenue rates, and wage and other cost increases. These EBITDAR estimates have been revised down to reflect current (as described above) and future challenges (e.g. expected April'25 National Minimum Wage and National Insurance increases).

The outcome of the calculations was that the carrying value of the overall UK CGU exceeded its recoverable amount by \$248.4 million, leading to the recognition of \$248.4 million impairment of goodwill in the Income Statement for the half year ended 31 December 2024.

Any further adverse movement in a key assumption which is not offset by a positive change in other assumptions would lead to further impairment. Reasonably possible changes in key assumptions adopted include:

- a terminal growth rate of 2.0%, which would result in an impairment of \$113.0 million;
- a pre-tax discount rate of 10.5%, which would result in an impairment of \$124.0 million; or
- a reduction in the first year EBITDAR by 2.0% with consequential impact to later years, which would result in an impairment of \$128.0 million.

12 Impairment of non-current assets (Continued)

Other non-current assets

Value in use calculations were also prepared for individual sites exhibiting indicators of impairment. The outcome of the value in use calculations was that the carrying value of 13 Elysium sites exceeded their recoverable amount by \$56.8 million, leading to the recognition of \$56.8 million impairment charges recognised in the Income Statement for the half year ended 31 December 2024.

- \$35.4 million to right of use assets; and
- \$21.4 million to property, plant and equipment.

In addition \$0.3 million of impairment was recognised in other regions, leading to total impairment of right of use assets and property, plant and equipment of \$57.1 million (Note 3).

13 Taxes

International Tax Reform - Pillar Two Model Rules

The Organisation for Economic Co-operation and Development (OECD) Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions the Group operates and is effective for the Group's financial year beginning 1 July 2024. The Group is in scope of the enacted or substantively enacted legislation, including in the Group's parent jurisdiction (being Australia) as at the reporting date.

Based on the half year result, the Group has satisfied the safe harbour tests or its effective tax rate exceeded 15 per cent in the jurisdictions in which it operates and therefore, the application of the rules does not have any current tax impact on the Group for the half year period ended 31 December 2024. The Group continues to monitor the developments around the implementation and enactment of Pillar Two income taxes and the detailed impact assessment of Pillar Two income taxes is ongoing.

The Group applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the Amendments to *AASB 112 Income Taxes*.

IV Other Information



This section includes other information that must be disclosed to comply with the accounting standards and other requirements, but that may not immediately be related to individual line items in the financial statements.

14 Subsequent events

There have been no significant events after the balance date that may significantly affect the Group's operations in future years, the results of these operations in future years or the Group's state of affairs in future years.