

ASX ANNOUNCEMENT

20 April 2022

RESPONSE TO MEDIA SPECULATION - RECEIPT OF NON-BINDING INDICATIVE PROPOSAL

In response to the recent media speculation, Ramsay Health Care Limited (**Ramsay**) (ASX: RHC) confirms that it has received a conditional, non-binding, indicative proposal from a consortium of financial investors led by KKR (the **Consortium**) to acquire 100% of the shares in Ramsay by way of a scheme of arrangement (the **Indicative Proposal**).

Under the Indicative Proposal, Ramsay shareholders would be entitled to receive A\$88.00 per share cash, less any ordinary or special dividends paid to shareholders after the date of the Indicative Proposal (including the ordinary dividend of \$0.485 per share paid on 31 March 2022). Ramsay shareholders would have the option to receive part of the consideration in unlisted scrip in the Consortium holding entity.

If the scheme of arrangement were implemented, Ramsay would be permitted to pay a fully franked special dividend to distribute all available franking credits to shareholders. The franking account balance as at 31 December 2021 (prior to the payment of the FY22 Interim Dividend) was \$823 million.

The Indicative Proposal is subject to a number of conditions, including (but not limited to):

- completion of satisfactory due diligence;
- no disposal of any of Ramsay's subsidiaries or properties;
- final approval of the Consortium's investment committee;
- entry into a scheme implementation deed on customary terms and conditions;
- regulatory approvals (including Foreign Investment Review Board); and
- Ramsay shareholder approval.

Having reviewed the Indicative Proposal with its advisers and sought further information from the Consortium in relation to its sources of funding, structure and the regulatory approvals required to complete any transaction, the Ramsay Board of Directors (the **Board**) has determined it appropriate to provide the Consortium with due diligence on a non-exclusive basis to explore whether the Consortium can put forward a binding proposal that is in the best interests of Ramsay's shareholders.

As announced on 22 March 2022, the shareholders of Ramsay Sime Darby Health Care Sdn Bhd (**Ramsay Sime Darby**) are exploring a potential sale of Ramsay Sime Darby. Ramsay continues to pursue this transaction and the Consortium's access to due diligence has been provided on this basis.

The discussions between Ramsay and the Consortium are preliminary in nature. There is no guarantee that any further proposal will be forthcoming, that any further proposal would be recommended by the Board or that a transaction will eventuate. Further, the Indicative Proposal was expressed to be confidential and the Consortium has reserved the right to withdraw the Proposal in the event it ceased to be confidential, which has now occurred.

The Board will continue to keep the market informed in accordance with its continuous disclosure obligations.

Ramsay has appointed UBS AG, Australia Branch and Herbert Smith Freehills as financial and legal advisers respectively.

Ramsay shareholders do not need to take any action in relation to the Indicative Proposal.

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

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