

ASX ANNOUNCEMENT

26 August 2022

UPDATE ON NON-BINDING INDICATIVE PROPOSAL

Further to its announcement on 25 August 2022, Ramsay Health Care Limited (**Ramsay**) advises that it has received further correspondence today from a consortium of financial investors led by KKR (the **Consortium**) regarding its conditional, non-binding, indicative proposal to acquire 100% of the shares in Ramsay by way of a scheme of arrangement at a price of A\$88.00 cash per share (the **Indicative Proposal**), less the value of any dividends or distributions declared or paid by Ramsay after 31 January 2022. The Consortium was provided due diligence on the basis of the Indicative Proposal.

Update on Indicative Proposal

The Consortium has advised Ramsay that it has elected to no longer seek due diligence access from Ramsay Santé and has advised the Board of Ramsay Santé accordingly.

Ramsay Santé due diligence was required to progress the Indicative Proposal and the Consortium has now informed Ramsay that it has withdrawn the Indicative Proposal.

Alternative Proposal

The Consortium has also indicated that it remains committed to the alternative structure disclosed in Ramsay's announcement of 25 August 2022 (**Alternative Proposal**), which is not dependent on receiving access to non-public information on Ramsay Santé.

Under the Alternative Proposal, Ramsay shareholders would be able to elect to receive 100% cash consideration of \$88.00 cash per share (less dividends declared or paid after 31 January 2022) for their first 5,000 Ramsay shares. Based on the most recently published distribution of shareholders, the consideration for each Ramsay share in excess of 5,000 shares would be:

- A\$78.20 cash; and
- approximately 0.22 Ramsay Santé shares.

Based on the closing price of Ramsay Santé shares on 24 August 2022, the value of the consideration for holdings in excess of 5,000 shares under the Alternative Proposal is, A\$84.93¹ per Ramsay share, less dividends declared or paid after 31 January 2022.

As stated in the announcement of 25 August 2022, the Ramsay Board has considered the Alternative Proposal and is unanimously of the view that it is meaningfully inferior to the Consortium's Indicative Proposal of \$88.00 cash per share, less dividends declared or paid by Ramsay after 31 January 2022. In forming this view, the Ramsay Board had regard to both the lower implied value relative to the all-cash proposal, as well as structural challenges, execution complexity and the low liquidity of Ramsay Santé shares.

The Ramsay Board determined not to engage further with the Consortium in relation to the Alternative Proposal on these terms but was continuing to actively engage with the Consortium in relation to the Indicative Proposal until it was withdrawn today.

Ramsay is prepared to engage with the Consortium to determine whether it can put forward an improved binding proposal that is capable of recommendation by the Ramsay Board.

¹ Based on the Ramsay Santé share price of EUR20.90 and an EURAUD exchange rate of 1.44 as at 24 August 2022

Ramsay shareholders do not need to take any action in relation to the Alternative Proposal at this stage. There is no certainty that any further proposal will be forthcoming or that any proposal will result in a transaction.

Ramsay remains focused on its business, driving its strategy to be a leading integrated healthcare provider of the future and the creation of long-term value for shareholders.

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