

## **Stock Exchange Announcement**

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STOCK EXCHANGE LISTINGS: NEW ZEALAND (FPH), AUSTRALIA (FPH)

### **2022 Annual Shareholders' Meeting Speeches and Presentation**

Auckland, New Zealand, 24 August 2022 - Fisher & Paykel Healthcare Corporation Limited has provided the attached Chair's speech, CEO's speech and slide presentation for the 2022 Annual Shareholders' Meeting.

There is no new material information contained within the speeches or the presentation.

The speeches are now available on the company's website at <https://www.fphcare.com/nz/corporate/investor/events/> and the presentation can be found at <https://www.fphcare.com/nz/corporate/investor/reports/>.

Fisher & Paykel Healthcare's Annual Shareholders' Meeting is scheduled for 2pm NZST, 12pm AEST (10pm USEDT) on Wednesday, 24 August. To participate go to: [www.virtualmeeting.co.nz/fph22](http://www.virtualmeeting.co.nz/fph22).

### **About Fisher & Paykel Healthcare**

Fisher & Paykel Healthcare is a leading designer, manufacturer and marketer of products and systems for use in acute and chronic respiratory care, surgery and the treatment of obstructive sleep apnea. The company's products are sold in over 120 countries worldwide. For more information about the company, visit our website [www.fphcare.com](http://www.fphcare.com).

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Authorised by Fisher & Paykel Healthcare Corporation Limited's Board of Directors.

**FISHER & PAYKEL HEALTHCARE CORPORATION LIMITED**  
**ANNUAL SHAREHOLDERS' MEETING**  
**24 AUGUST 2022**

**ADDRESS BY SCOTT ST JOHN, CHAIR**

To open this year's address, I want to start by thanking our customers and clinical partners, the people on the front lines who are using Fisher & Paykel Healthcare products to care for their patients.

I would also like to thank the people of Fisher & Paykel Healthcare for their commitment. They have had to be incredibly adaptable to meet the challenges caused by demand surges, supply chain issues and high rates of absenteeism due to illness.

As you know, the 2022 financial year was another extraordinary year. The company continued to respond to waves of COVID-19-driven demand across the globe, and F&P products were used by healthcare professionals to treat approximately 20 million patients.

To put it into perspective, full-year operating revenue for the 2019 financial year was just over \$1 billion – for the first time ever. For the 2020 financial year, it was over \$1.2 billion, and for the 2021 financial year it increased to nearly \$2 billion.

In May, we reported another strong performance for the 2022 financial year, with revenue of \$1.68 billion and net profit after tax of \$376.9 million. While this was a decline year-on-year from 2021, it was still a strong performance in terms of both revenue and net profit after tax. The Board approved a final dividend of 22.5 cents per share, which was paid on the 6<sup>th</sup> of July. The total dividend for the 2022 financial year, then, was 39.5 cents per share, an increase of 4% from 2021.

In the Hospital product group, revenue was \$1.21 billion for the full year, a decline of 19% from FY21 and 19% in constant currency. Again, to put it in context, this was an 88% reported increase compared to the 2019 financial year, before the pandemic.

Homecare revenue was \$469.5 million for the full year, which was a 1% increase over the previous financial year, or 2% in constant currency. Reported revenue for OSA masks was up 3%, or 4% in constant currency for the year, and up 6% for the second half.

Gross margin decreased by 59 basis points to 62.6% for the full year, down 147 basis points in constant currency, and operating margin was 30.1%.

As you know, the company updated the market last Friday and provided guidance on the first half of the 2023 financial year. Lewis will take you through that in more detail in his address.

The most important point to note is that the fundamentals of our business and our strategy have not changed. We believe it is essential that we continue to make a significant investment in our R&D activities and sales teams, and we remain committed to our aspiration of doubling constant currency revenue every five to six years. We also remain committed to our building program. Our buildings are getting close to capacity, and in order to take advantage of new opportunities, we need more space. We are researching options to purchase land for a second New Zealand campus, and are progressing an additional overseas manufacturing facility. We will update you on those plans as soon as we can.

Turning now to your Board.

Last October we welcomed Lisa McIntyre to the Board as a non-executive director, adding a wealth of experience in health, strategy, finance, technology transformation and data analytics. Lisa is an experienced company director with a deep understanding of international markets and a reputation for insight, integrity and transparency.

Cather Simpson joined the Board in June 2022, bringing her extensive experience in scientific research and involvement in high-tech companies. Cather is a professor of physics and chemical sciences at the University of Auckland and a partner at Pacific Channel, an early-stage investment company. She also serves on a number of advisory boards related to research and technology.

Lisa and Cather are up for election today, so you will hear from them later in the meeting.

Director Geraldine McBride has announced her intention to retire from the Board with effect from the close of today's meeting. Geraldine has served as an independent director since August 2013, and she has been a valuable presence on the Board during a period of significant growth for our company. We have benefitted greatly from her experience, drawn from a successful career working with some of the world's largest technology players.

I'd like to give her the chance to say a few words about her tenure on the Board. Geraldine?

*[Geraldine speaks]*

Geraldine, on behalf of the Board, shareholders and all stakeholders, thank you for your significant contribution.

With the appointments of Lisa and Cather, and Geraldine's retirement, we maintain seven non-executive directors. Board succession is a priority for us, and we continue to seek directors globally with medical device experience.

Fisher & Paykel Healthcare continues to support the Future Directors program, which gives people with governance potential the opportunity to participate on a board. Our new Future Director is Tracey Barron, who joined on the 1st of June. Tracey has more than 25 years of experience across a broad range of health-related roles, with Southern Cross Group, Counties Manukau District Health Board, the New Zealand Ministry of Health, and Pharmac, and she has been a director of a number of healthcare businesses.

The Board operates with the support of three subcommittees, which are the Audit & Risk Committee, the People & Remuneration Committee and the Quality, Safety & Regulatory Committee. The Chairs of each of those committees – Neville, Pip and Donal – will now provide an update on the past year. Neville and Donal are standing for re-election as a Director of the Board at this meeting, so they will also say a few words about that.

*[Committee updates]*

Before I close, I would like to thank you, our shareholders, for your long-term commitment to Fisher & Paykel Healthcare. Your investment made a life-changing difference during the COVID-19 pandemic, and your continued investment will help the company put innovative new products in the hands of healthcare providers for generations.

I will now invite Lewis, our Managing Director and CEO, to say a few words.

**ADDRESS BY LEWIS GRADON  
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER**

Thanks Scott. I'd like to echo Scott's acknowledgement of the doctors, nurses, respiratory therapists and other healthcare professionals who have been caring for patients through some very difficult years.

I also want to thank the people of Fisher & Paykel Healthcare. The disruptions have continued this year, from illness-related absenteeism and isolation requirements to global supply chain issues, and managing manufacturing capacity in the face of all that. Our people have shown tremendous resilience and we are hoping that the most acute phase of the pandemic is behind us now.

Last Friday, we updated the share market and provided revenue guidance for the first half of this current 2023 financial year, which ends on the 30<sup>th</sup> of September. We said that at current exchange rates, and assuming a continuation of trading conditions from the first four months, we expect operating revenue for the first half of the 2023 financial year to be approximately \$670 million and net profit after tax to be approximately \$85 million to \$95 million dollars.

This would be a 17% *increase* on pre-pandemic levels, as revenue in the first half of 2020 was \$570.9 million. It would be a decline in revenue compared to the first half of the last financial year, which we are lapping and was \$900 million – remembering that the last financial year had a significant benefit from COVID.

Our half-year guidance assumes the following in constant currency: First, that hospital hardware revenue reduces to a pre-pandemic level by the end of the half. Second, that new applications consumables revenue is about 75% of the first half last year, which had those COVID Delta hospitalisation waves, and that is still above pre-pandemic levels. And third, that invasive consumables revenue is approximately equal to the first half last year.

As we said in May and repeated in our market update last week, we sold around 10 years' worth of hardware in two years to hospitals around the world. Our customers also purchased a considerable amount of hospital consumables in preparation for each wave of COVID-19. However, during the most recent waves of the Omicron variant, there is very clear data that

hospitalised patients have required less intense respiratory support, and so we believe customer stock levels have been elevated during our first half, which impacts our sales in the short term.

As Scott explained, this does not change our long-term strategy in any way. Before the pandemic, our long-term goal was to sustainably double constant currency revenue every five to six years. Our aspiration hasn't changed. We are continuing to invest in R&D and our global sales force, and to plan for success we are bringing forward some of our building plans.

These plans are highlighted in a video we showed to employees at our results announcement in May, and we'd like to share that video with you now.

[*Play video*]

As you saw in the video, we launched two new products to facilitate the use of Optiflow in anesthesia applications, expanding the total addressable market opportunity for our Optiflow high flow therapy. I want to point out for you that the number of patients annually who could benefit from Optiflow *during anesthesia* is similar to the number of patients who could benefit from Optiflow for respiratory support – and that's about 50 million patients each year, so we have a long way to go yet.

These new anesthesia products, together with the Airvo 3 and Evora Full mask for OSA, are two examples of our focus on the future and our determination to keep innovating for patients. New products like the ones featured in the video don't just happen – so we believe it is essential that we continue to grow our investment in R&D. This year that includes funding clinical trials for our home respiratory support products and advancing the development of new surgical technologies.

In addition to R&D, we are continuing to invest in growing our sales teams to support the significant hospital hardware already in the market, as well as our expanded product offering in anesthesia. Over the last three years we have already expanded our direct sales and distribution presence from 39 countries to 53 countries.

Last year our Optiflow therapy was used to treat approximately 7 million patients out of a potential 50 million respiratory and 50 million anesthesia patients who could benefit each

year. Our business is built on changing clinical practice, but never before in our history have we changed clinical practice with such a significant advantage. Today, our customers already have our hardware. They already have experience using it. And now, they have access to clinical data and clinical practice guidelines independent from COVID-19 that have grown exponentially. Because of this, we are confident that we can continue to build on our 50-year track record in changing clinical practice.

Now, before closing, I'd like to remind you that I am standing for re-election as a Director of your Board at this meeting. I have been with Fisher & Paykel Healthcare for 39 years now, the last six years as your Managing Director and CEO. I believe that my experience and knowledge of the company and our industry will continue to bring value to the Board. I am as enthusiastic and committed as ever to our company strategy, our aspirations, and to delivering results for shareholders. With your support, I look forward to continuing to deliver on this commitment as Managing Director.

With that, I would like to thank our customers, our suppliers, and our clinical partners, who are critical to our success. And as always, I am grateful to you, our shareholders, for supporting our purpose, our values and our team. We are all looking forward to everything that is ahead, and we're glad you're on board with us.

Thank you.

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Annual Shareholders' Meeting 2022

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- Annual report

# Your Board

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Scott St John



Lewis Gradon



Sir Michael Daniell



Pip Greenwood



Geraldine McBride



Lisa McIntyre



Neville Mitchell



Donal O'Dwyer



Cather Simpson

# Agenda

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- Chair's Address and Board Subcommittee Updates
- Managing Director and Chief Executive Officer's Address
- Financial Statements
- Resolutions
- Voting
- General Questions

# FY2022 Financial Highlights

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Operating Revenue

**\$1.68B**     ↓     **-15%**

Net Profit After Tax

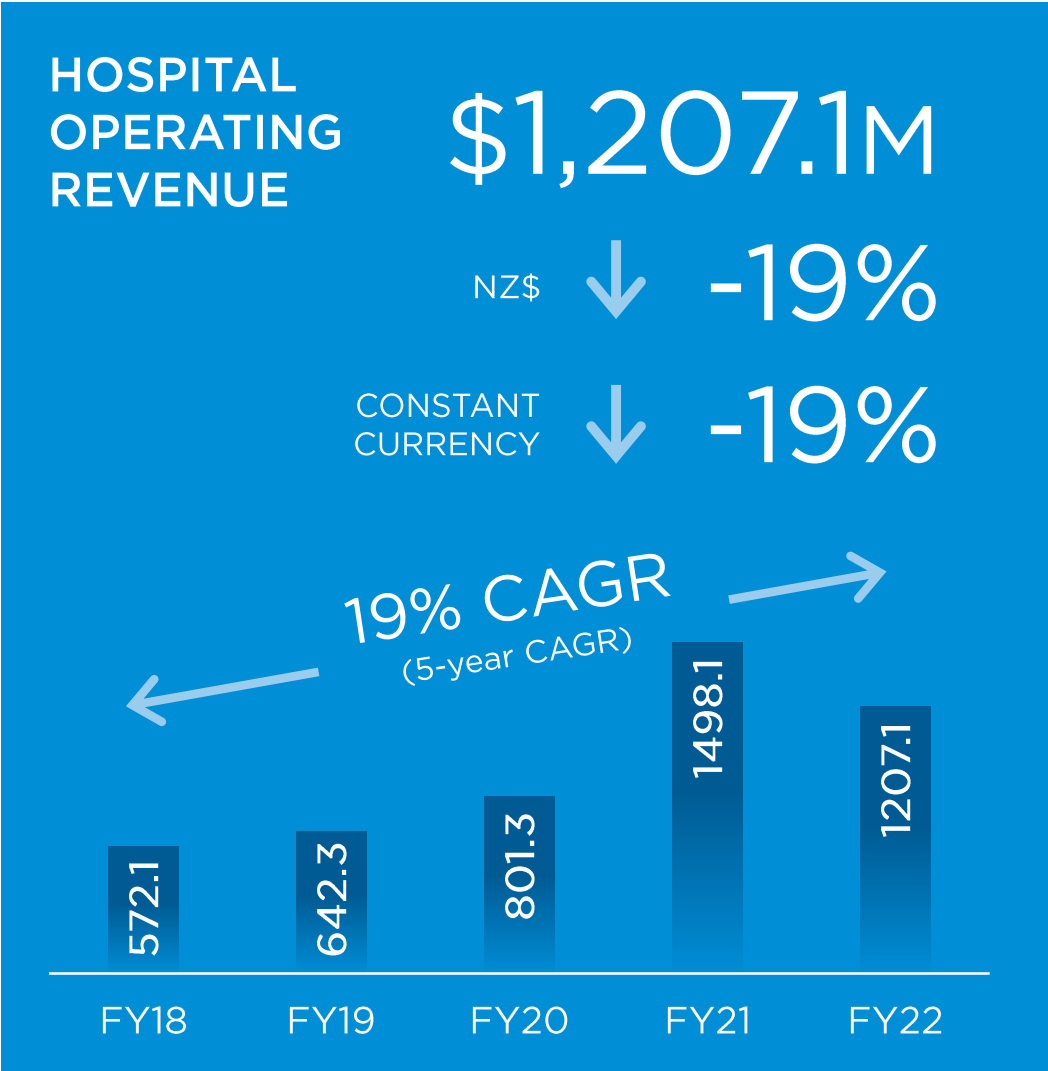
**\$376.9M**     ↓     **-28%**

Total Dividend

**39.50cps**     ↑     **4%**



# Hospital product group



# Homecare product group

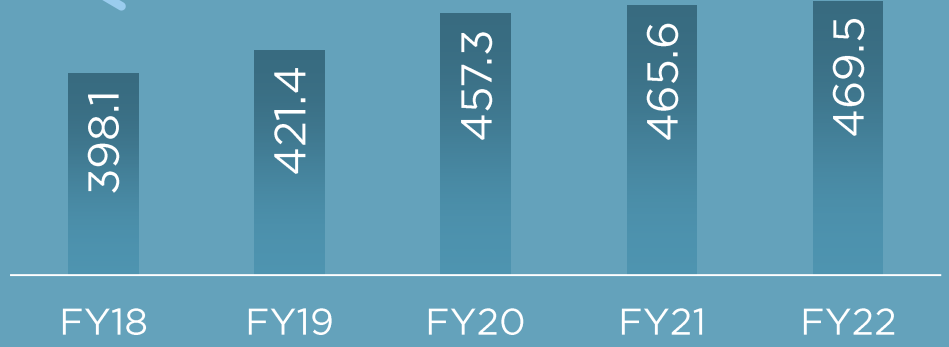
HOME CARE  
OPERATING  
REVENUE

\$469.5M

NZ\$ ↑ 1%

CONSTANT  
CURRENCY ↑ 2%

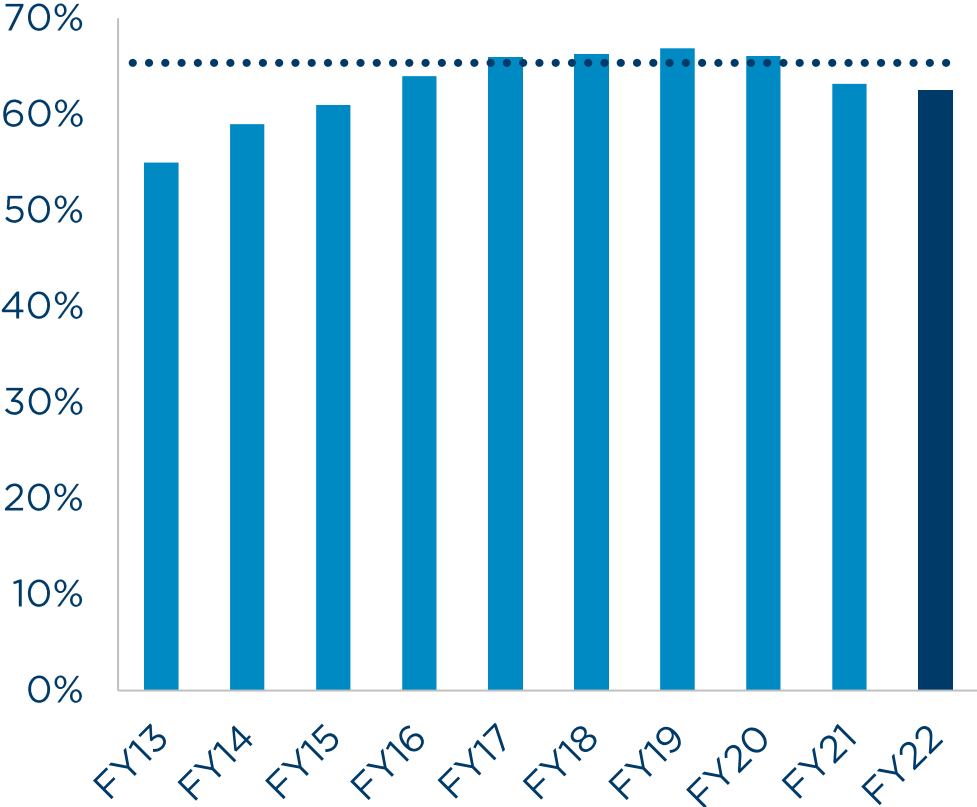
4% CAGR  
(5-year CAGR)



**F&P** Evora Full

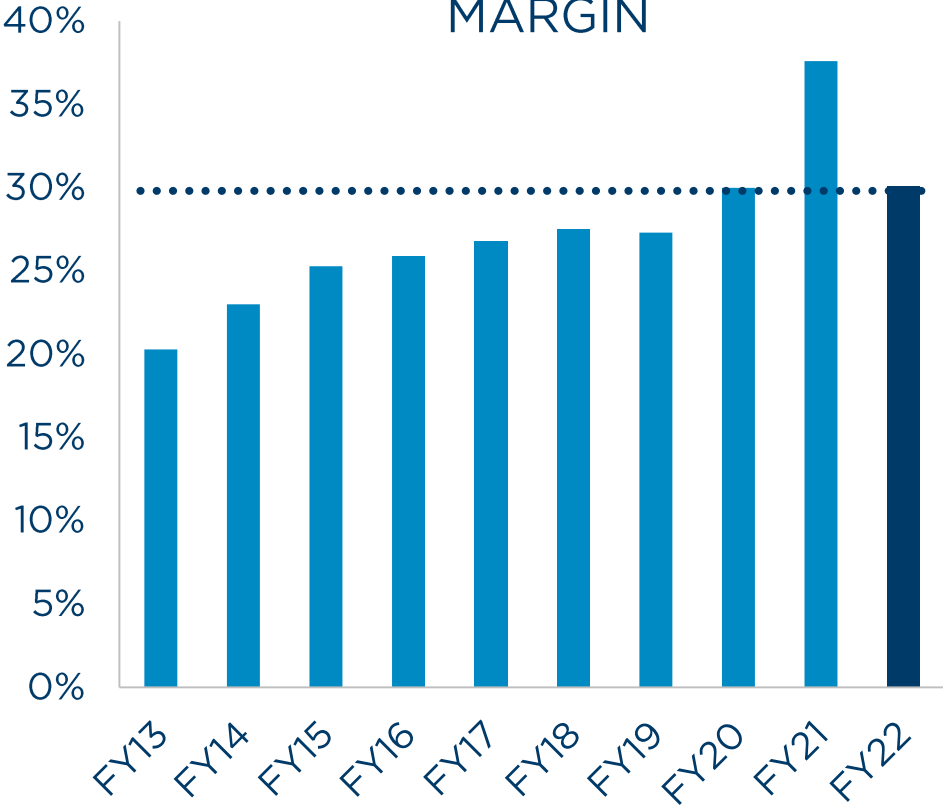
# Gross and Operating Margins

### GROSS MARGIN



..... Long Term Gross Margin target

### OPERATING (EBIT) MARGIN



..... Long Term Operating Margin target

# Your Board

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Scott St John



Lewis Gradon



Sir Michael Daniell



Pip Greenwood



Geraldine McBride



Lisa McIntyre



Neville Mitchell



Donal O'Dwyer



Cather Simpson



# Lisa McIntyre

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Director

# Cather Simpson

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Director

# Geraldine McBride

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Director

# Neville Mitchell

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Audit & Risk  
Committee Chair

# Pip Greenwood

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People &  
Remuneration  
Committee Chair

# Donal O'Dwyer

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Quality, Safety &  
Regulatory  
Committee Chair

# Lewis Gradon, Managing Director and CEO

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# First Half FY23 Guidance

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Based on exchange rates at 19 August 2022, and assuming a continuation of trading conditions in the first four months:

**Operating revenue** - Approximately \$670 million

Assumptions (in constant currency)

- Hardware revenue reduces to a pre-pandemic level by the end of the half
- New applications consumables revenue is about 75% of the first half last year
- Invasive consumables revenue is approximately equal to the first half last year

**Gross margin** is expected to be approximately 60%

**Net profit after tax** - Approximately \$85-95 million

A full list of the assumptions for first half FY23 guidance are available in the company's news release dated 19 August 2022.



# Highlights video

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# Scott St John, Board Chair

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# Financial Statements

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- Opportunity for shareholders to ask any questions specifically on the financial statements, the auditor's report or the company's 2022 annual report.
- There will be an opportunity to ask any general questions once all items on the agenda have been considered.



# Resolutions

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1. Re-election of Lewis Gradon
2. Re-election of Neville Mitchell
3. Re-election of Donal O'Dwyer
4. Election of Lisa McIntyre
5. Election of Cather Simpson
6. Auditor's Remuneration
7. Issue of Performance Share Rights
8. Issue of Options
9. North America Stock Purchase Plan
10. Issue of Performance Share Rights – North America
11. Issue of Options – North America

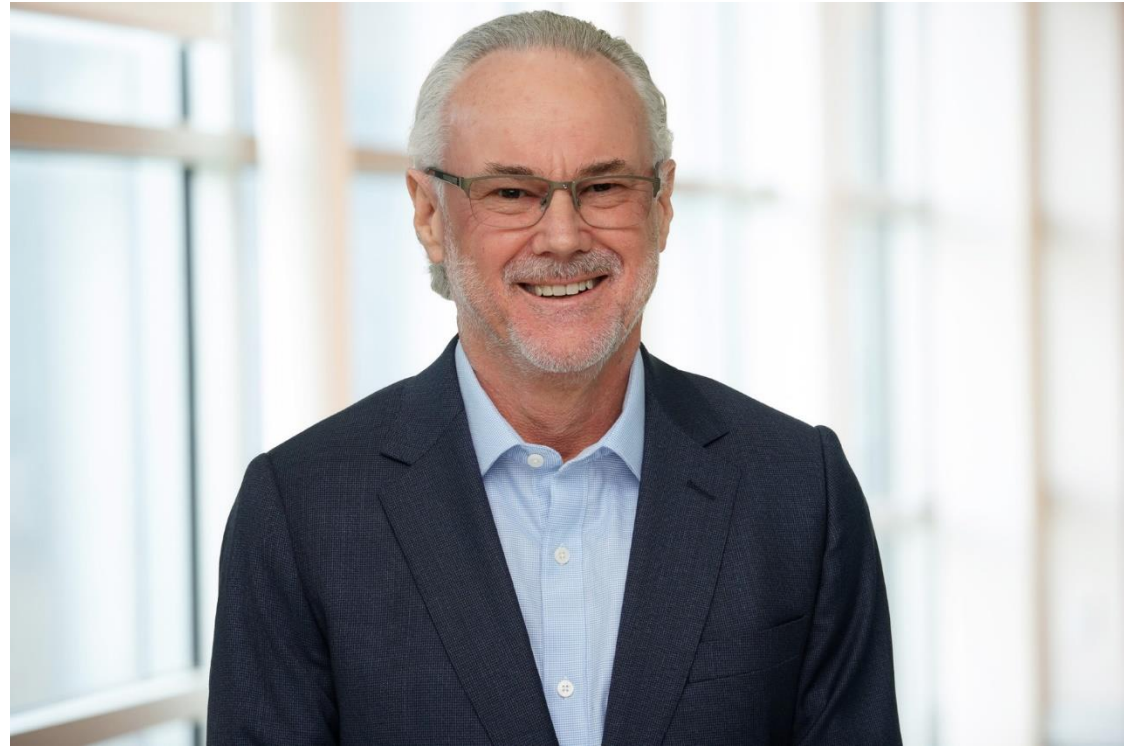
# How to Vote Online

The screenshot displays the Fisher & Paykel Virtual Meeting interface. At the top left is the F&P logo and the text "Virtual Meeting POWERED BY LINK MARKET SERVICES". To the right, there is a "HELP NUMBER 0800 200 220" and two buttons: "Ask a Question" and "Get a Voting Card". The main content area is a blurred video player with the text "LOOKING FORWARD" and "Fisher & Paykel HEALTHCARE" visible. Below the video player, there are two callout boxes: "Voting box" pointing to a button with a plus sign labeled "Get a Voting Card", and "Question box" pointing to a button with a question mark labeled "Ask a Question". To the right of these buttons is a "Downloads" section with links for "Notice of meeting" and "Annual report". The bottom right corner of the interface features the Fisher & Paykel HEALTHCARE logo.

# Resolution 1: Re-election of Lewis Gradon

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That Lewis Gradon, who retires by rotation and, being eligible, offers himself for re-election, be re-elected as a director of the Company.



Click “Submit Vote” to lodge your vote.

Need help?

Call the Link Market Services helpline

0800 200 220

# Resolution 2: Re-election of Neville Mitchell

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That Neville Mitchell, who retires by rotation and, being eligible, offers himself for re-election, be re-elected as a director of the Company.



Click “Submit Vote” to lodge your vote.

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# Resolution 3: Re-election of Donal O'Dwyer

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That Donal O'Dwyer, who retires by rotation and, being eligible, offers himself for re-election, be re-elected as a director of the Company.



Click “Submit Vote” to lodge your vote.

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# Resolution 4: Election of Lisa McIntyre

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That Lisa McIntyre, who being eligible, offers herself for election, be elected as a director of the Company.



Click “Submit Vote” to lodge your vote.

Need help?

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# Resolution 5: Election of Cather Simpson

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That Cather Simpson, who being eligible, offers herself for election, be elected as a director of the Company.



Click “Submit Vote” to lodge your vote.

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# Resolution 6: Auditor's Remuneration

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That the Directors be authorised to fix the fees and expenses of PwC as the Company's auditor.

Click "Submit Vote" to lodge your vote.

Need help?

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# Resolution 7: Issue of Performance Share Rights

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That approval be given for the issue of up to 100,000 performance share rights under the Fisher & Paykel Healthcare 2022 Performance Share Rights Plan to Lewis Gradon, Managing Director and Chief Executive Officer of the Company.

Click “Submit Vote” to lodge your vote.

**Need help?**

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# Resolution 8: Issue of Options

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That approval be given for the issue of up to 190,000 options under the Fisher & Paykel Healthcare 2022 Share Option Plan to Lewis Gradon, Managing Director and Chief Executive Officer of the Company.

Click “Submit Vote” to lodge your vote.

**Need help?**

Call the Link Market Services helpline  
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# Resolution 9: North America Stock Purchase Plan

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That the Fisher & Paykel Healthcare 2022  
Employee Stock Purchase Plan be  
approved.

Click “Submit Vote” to lodge your vote.

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# Resolution 10: Issue of Performance Share Rights

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That the Fisher & Paykel Healthcare 2022  
Performance Share Rights Plan – North  
America be approved.

Click “Submit Vote” to lodge your vote.

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# Resolution 11: Issue of Options

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That the Fisher & Paykel Healthcare 2022  
Share Option Plan - North America be  
approved.

Click “Submit Vote” to lodge your vote.

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# Questions

▶ ● LOOKING FORWARD ▶

This concludes the 2022  
Annual Shareholders' Meeting.

▶ ● LOOKING FORWARD ▶

Thank you for attending.