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News Release

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

Fisher & Paykel Healthcare Provides FY22 Trading Update

Auckland, New Zealand, 18 August 2021 – Fisher & Paykel Healthcare Corporation Limited has provided an update on the first four months of the 2022 financial year, which ended 31 July 2021. The company is holding a virtual-only annual shareholders' meeting today at 2pm.

Revenue for the first four months was $583M, with 74% of revenue from the company's Hospital product group and 26% from its Homecare product group.

In constant currency, revenue for the four months was 2% below the prior comparable period, which was a period of high demand during the initial surges of COVID-19 in North America and Europe.

Managing Director and CEO Lewis Gradon said, "We would like to express our gratitude for the incredible efforts of healthcare professionals who are caring for patients during another difficult year.

"We would also like to acknowledge the people of Fisher & Paykel Healthcare working behind the scenes in our manufacturing facilities, warehouses, offices and at home to meet the ongoing global demand for respiratory products during the pandemic," said Gradon.

Hospital product group

In the company's Hospital product group, constant currency revenue for the four months of the 2022 financial year was 3% below the prior comparable period. This consisted of a 13% decline in hardware sales, partially offset by 2% growth in consumables.

For the four months ended 31 July 2021:

- 66% of Hospital revenue was from the sale of consumables, and 34% was from hardware sales.
- Compared to pre-COVID-19 levels, overall hardware volume remained elevated, largely driven by some regions experiencing COVID-19 hospitalisation surges during the period.
- In North America and Europe, total hardware sales declined 62% and total consumables sales declined 14% from the prior comparable period, in constant currency, influenced by reduced COVID-19 hospital admissions and customers' stockholding decisions. Compared with pre-COVID-19 levels, sales volumes in North America and Europe remained elevated.
- Outside North America and Europe, hardware grew 42% and consumables grew 31% over the prior comparable period in constant currency.
- The company's Hospital consumables sales continue to reflect the clinical practice shift from invasive ventilation toward the use of Optiflow™ nasal high flow therapy, as demonstrated by new applications consumables growth of 17% in constant currency.

Homecare product group

In the company's Homecare product group, constant currency revenue for the four months ended 31 July 2021 was 4% above the prior comparable period, with 4% growth in obstructive sleep apnea (OSA) masks.

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Outlook for the remainder of the 2022 financial year

Given the continuing uncertainties associated with vaccination rates, the efficacy of various vaccines against variants of the coronavirus, and public and civic responses to COVID-19 case numbers, the company is not providing quantitative revenue or earnings guidance for the remainder of the 2022 financial year.

“With the ongoing global vaccination activity, and most countries now having experienced a COVID-19 hospitalisation surge resulting in a corresponding boost in hospital treatment capacity, we do not expect our Hospital hardware revenue to continue at this elevated level for the remainder of the financial year,” said Mr Gradon.

“Over the short term, we expect our Hospital sales will continue to be impacted by COVID-19-related hospital admissions. This is currently evidenced by North America where we are seeing an increase in demand in conjunction with localised COVID-19 surges.

“Individual customers’ stockholding decisions in response to rapid increases and decreases in COVID-19 related demand and the length of time it takes to return to normal hospital admissions are likely to influence our consumable sales over the short term. This all contributes to an environment which is very difficult to predict.

“The longer-term impact from COVID-19 for our Hospital business has been an increased installed base of our hardware and increased global physician awareness and experience with our therapies and products throughout hospitals. We are confident this will result in an increasing number of patients receiving the benefits of these therapies and products in the years to come.

“In our Homecare product group, growth in OSA masks is dependent on new patient diagnosis rates, which we currently expect will continue to be at or above FY21 rates for the remainder of the 2022 financial year.

“Freight costs have remained elevated, and we have continued growing our investment in R&D and SG&A as we discussed in May,” said Gradon.

The company has provided the Chair’s speech, CEO’s speech and slide presentation for the 2021 Annual Shareholders’ Meeting to the NZX and ASX today.

The virtual-only Annual Shareholders’ Meeting is scheduled to begin at 2pm NZST, 12pm AEST (10pm USEDT). To view the webcast, go to: www.virtualmeeting.co.nz/fph21.

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.

ENDS

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

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FISHER & PAYKEL HEALTHCARE CORPORATION LIMITED
ANNUAL SHAREHOLDERS' MEETING
18 AUGUST 2021

ADDRESS BY SCOTT ST JOHN
BOARD CHAIR

To open this year's address, I would like to thank healthcare professionals for their incredible efforts and sacrifices during such a challenging year. I would also like to acknowledge the people of Fisher & Paykel Healthcare, who have been working so hard behind the scenes to put the right products into the hands of those helping patients.

Over the past year, I have been amazed at how the business has adapted to the rapid changes required to remain operational during a time of so much uncertainty. That kind of pivot can only happen in an environment of high trust, where there is a highly competent executive team and a great company culture.

Fisher & Paykel Healthcare's response to COVID-19 was anchored in strong business continuity processes that had been developed in advance and were ready to put into action. Instead of telling you more about that, I would rather show you. Back in May, the employees of Fisher & Paykel Healthcare all around the world watched a video of CEO Lewis Gradon, reflecting on the 2021 financial year. We thought you, our shareholders, might also like to see a portion of that video, so we will play that for you now.

[Play "For Life" Video]

As Lewis said in the video, new teams were set up all across the business. Each had a leader and a control room, and every important decision was funnelled through that control room. As for the Board, our approach was to stay out of management's way. The executive team developed a regular communications process to the Board, and we were well informed.

As you could see in those photos, Fisher & Paykel Healthcare products were shipped all over the globe, and the company's Optiflow nasal high flow therapy emerged as one of the leading therapies for treating patients with COVID-19.

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That brings us to our financial performance for the 2021 financial year. It was truly a year like no other, and the company achieved a record result. Operating revenue was $1.97 billion, up 56% over the previous financial year, or 61% in constant currency. Net profit after tax was $524.2 million, up 82% over the previous year. The total dividend to shareholders for the financial year was 38 cents per share, up 38% over the previous financial year.

The business is structured into two major groups: Hospital and Homecare. In the 2021 financial year, the Hospital product group made up a higher percentage of revenue than in previous years. Hospital products made up 76% of revenue, while the Homecare products made up 24%.

Looking more closely at the Hospital product group – this includes products for invasive and noninvasive ventilation, Optiflow nasal high flow therapy, and surgery. Last year revenue for the Hospital product group was $1.5 billion, an increase of 87%, or 94% in constant currency. This increase was largely driven by demand for products used to treat COVID-19 patients.

Looking at the Homecare product group – this includes products for obstructive sleep apnea, or OSA, and other therapies used in the home. Last year was challenging, as COVID-19 restrictions closed many sleep clinics and reduced OSA diagnosis rates. In spite of these setbacks, the Homecare product group delivered revenue of $466 million, which was an increase of 2% over the previous year, or 4% in constant currency.

Gross margin decreased by 295 basis points for the year to 63%. This was due to higher freight costs, including the increased use of airfreight, as well as additional COVID-19 related costs. However, operating margin was higher than in previous years, as sales growth was significantly higher than cost growth during the year.

Innovation is critical to the success of Fisher & Paykel Healthcare, and the therapies the world will use ten years from now are in development today. We were unwavering in our commitment to research and development during the 2021 financial year and invested $136.7 million into R&D. We now have nearly 700 people working in R&D related roles, developing the products of the future.

The company could not have achieved so much without the 6,000-plus people of Fisher & Paykel Healthcare, and we believe it is important for them to share in the rewards. Our common practice is to pay a profit-sharing bonus to our people around the world every six months. In the 2021 financial year, this totalled $29 million for the year, and the bonus was

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extended to eligible temporary and contract workers. It was well-deserved, and I would like to take this opportunity to personally thank everyone for their contributions.

We know that it is also important for a successful business to look after the needs of the wider community. In the 2021 financial year, the company committed $20 million to establish the Fisher & Paykel Healthcare Foundation. This independent charitable organisation will enable a more sustainable model for funding the company's community initiatives and charitable giving. We look forward to discussing the Foundation's activities next year.

Turning now to your Board.

We are in the final stage of our search for a new director to replace Tony Carter, and with that appointment, we will maintain seven non-executive directors. We are very close to announcement and will update you on that as soon as we can.

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 their areas of focus over the past year. Those updates have been pre-recorded in order to minimise any technical issues. [*Committee updates*].

As you will see from the Notice of Meeting, I will be seeking your support for re-election at this meeting. I thought it appropriate to make a few comments now in support of my re-election.

I have been on the Board of Fisher & Paykel Healthcare for more than five years, and this marks my first full year as Board Chair. It is a privilege to be part of a company whose products have made such an impact on the lives of people around the world.

I have more than three decades of experience in the financial services industry and have advised some great New Zealand companies that operate in global markets and in highly regulated industries. I believe my financial and commercial acumen, my governance experience, and my knowledge of Fisher & Paykel Healthcare will continue to bring value to the Board. I am a shareholder myself, and I am committed to the success of this company and to delivering results for all shareholders, and I seek your endorsement for my re-election.

To close, I would I like to thank you, our shareholders, for your continued support and loyalty. Your investment in Fisher & Paykel Healthcare helped clinicians treat around 20 million patients in 120 countries during the last financial year.

I will now invite Lewis, our Managing Director and CEO, to update you on the 2022 financial year.

ADDRESS BY LEWIS GRADON
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

Before I begin, I want to echo Scott's words and thank the healthcare professionals worldwide who are caring for patients this year. I would also like to acknowledge the people of Fisher & Paykel Healthcare who are working in our manufacturing facilities, warehouses, offices, and still in their own homes in many parts of the world, to meet the ongoing demand for respiratory products during the pandemic.

Today, we updated the market on our progress for the first four months of the 2022 financial year, through to the 31st of July.

Revenue for the first four months was $583 million, with 74% of revenue from our Hospital product group and 26% from our Homecare product group. In constant currency, revenue for the four months was 2% below the prior comparable period, remembering that was a period of high demand during the initial surges of COVID-19 in North America and Europe.

In our Hospital product group, constant currency revenue for the four months of the 2022 financial year was 3% below the prior comparable period. This consisted of a 13% decline in hardware sales, partially offset by 2% growth in consumables. 66% of Hospital revenue was from the sale of consumables, and 34% was from the sale of hardware. Compared to pre-COVID-19 levels, overall hardware volume remained elevated, and that was largely driven by some regions experiencing COVID-19 hospitalisation surges during the period.

In North America and Europe, total hardware sales declined 62% and total consumables sales declined 14% from the same period last year, in constant currency. That was influenced by reduced COVID-19 hospital admissions in the period, and our customers' decisions on how much stock of consumables to hold after the big demand they had seen in our 4th quarter across December and January. Compared with pre-COVID-19 levels, volumes in North America and Europe remained elevated. Outside North America and

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Europe, hardware grew 42% and consumables grew 31% over the prior comparable period in constant currency.

Our Hospital consumables sales continue to reflect the clinical practice shift from invasive ventilation toward the use of Optiflow nasal high flow therapy, and that was evident in new applications consumables growth of 17% in constant currency.

In our Homecare product group, constant currency revenue for the four months ended 31 July 2021 was 4% above the prior comparable period, with 4% growth in obstructive sleep apnea (OSA) masks.

Given the continuing uncertainties associated with vaccination rates, the efficacy of various vaccines against various variants of the coronavirus, and government responses and the public's responses to COVID-19 case numbers, we are not providing quantitative revenue or earnings guidance for the remainder of the 2022 financial year.

With the ongoing global vaccination activity, and most countries having now experienced a COVID-19 hospitalisation surge and boosted hospital treatment capacity to some extent, we do not expect our Hospital hardware revenue to continue at this elevated level for the remainder of the financial year. We are ready though, just in case it does.

In the short term, we do expect our Hospital consumables sales will continue to be impacted by COVID-19-related hospital admissions and we are seeing this effect now in North America where demand is currently increasing in conjunction with the local COVID-19 hospitalisation surges.

How much stock our individual customers choose to hold and then run down in response to rapid increases and decreases in COVID-19 related demand is likely to influence our apparent consumables volume in particular over short-term periods, and that also contributes to an environment that is very difficult to predict and to analyse.

In our Homecare product group, growth in OSA masks is dependent on new patient diagnosis rates. We currently expect that they will continue to be at or above FY21 rates for the remainder of the 2022 financial year, on that basis we would expect growth in OSA masks.

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Freight costs have remained elevated, and we have continued growing our investment in R&D and SG&A as we discussed in May.

If we look through the short-term swings, the longer-term enduring impact from COVID-19 is that more of our devices have been placed in hospitals, and many more hospital staff have been trained on how to use them. There is a broader awareness of our therapies and products among respiratory therapists, and physicians. Nasal high flow therapy has been featured in the media all over the world.

What we have now is a clip of a news story that aired in Southern California which illustrates this well.

[play Spectrum video 2:30]

This increased attention on nasal high flow therapy has accelerated the adoption of Optiflow in a way we could not have imagined a few years ago. Importantly, over the longer term nasal high flow is not only for treating COVID-19 patients – it has applications across a broad range of patients requiring respiratory support.

Our sales over the next few years will probably be affected by how long it takes to return to normal hospital admissions, and the speed of change to utilising Optiflow nasal high flow therapy for general respiratory patients as discussed in that video

We expect helping clinicians realise the benefits for patients in hospitals and homes will be a key area of focus for us during the next few years.

Following from the increased sales in the 2021 financial year, we are accelerating some of our research and development projects and expanding our global sales teams to support the growing installed base of nasal high flow systems. We are also bringing forward some of our longer-term building projects and production capacity projects to ensure we have supply if and when needed.

I’m often asked what is next for our business after COVID-19. As Scott said, the 2021 financial year was an unusual year, and it is always going to be interesting following a year like that. If you have followed us for a while, then you know that we have always taken a long-term view.

Our business was on a growth trajectory before the pandemic, and our strategy has not changed. We are still aiming to deliver sustainable, profitable growth through better products, changing clinical practice and expanding our global reach.

The work to research, develop and prove the benefits of our products and therapies started more than fifty years ago. It continues today, so that we will be ready to help clinicians treat more patients far into the future.

In closing, I would like to thank our customers, clinical partners, suppliers, and employees for their continued support of the company. As always, I am grateful to our shareholders for supporting our purpose, our values, our strategy and our team.

Thank you.

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A HUMAN RESPONSE

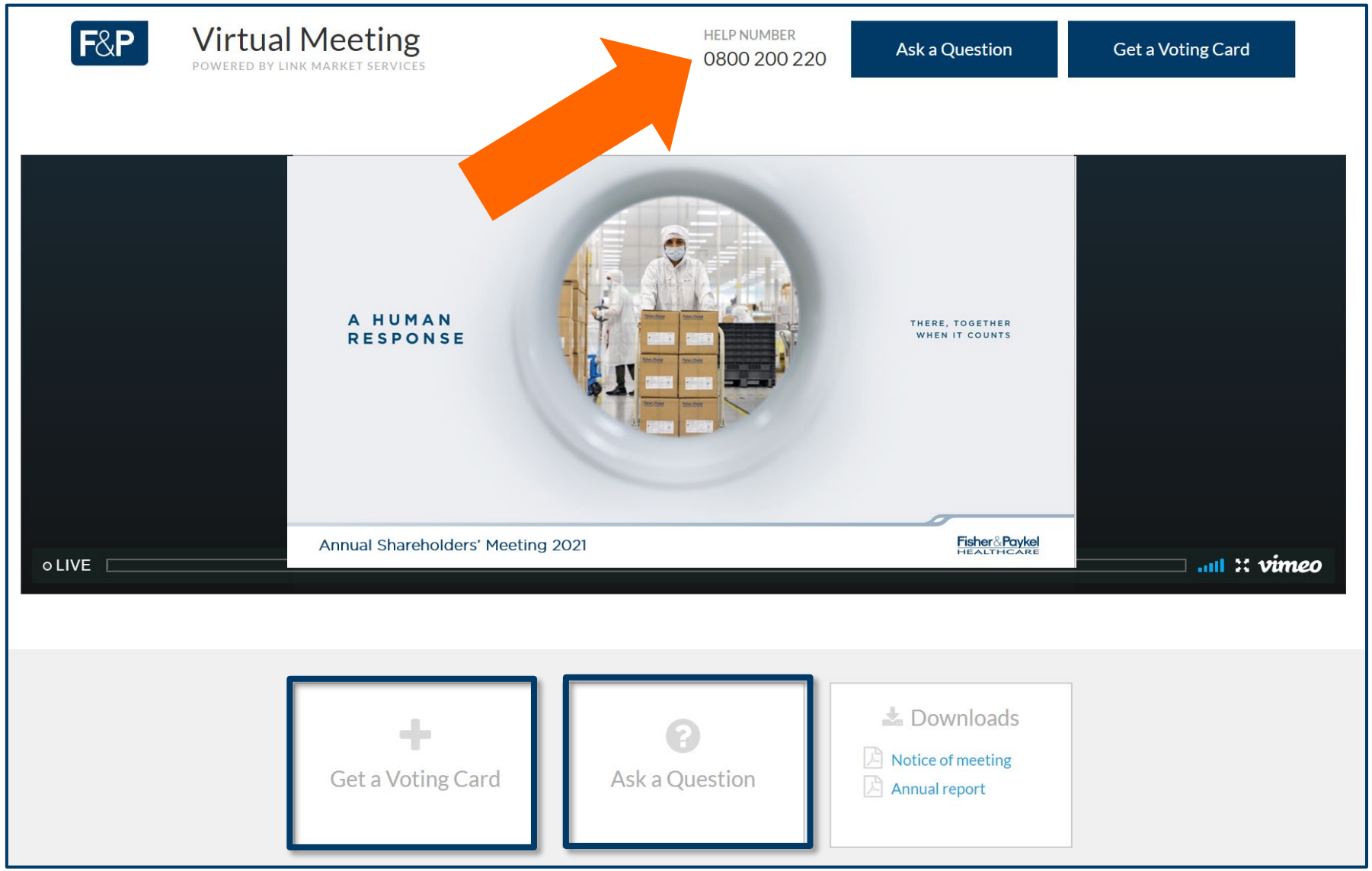


THERE, TOGETHER
WHEN IT COUNTS

Annual Shareholders' Meeting 2021

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Your Board



Scott St John



Lewis Gradon



Sir Michael Daniell



Pip Greenwood



Geraldine McBride



Neville Mitchell



Donal O'Dwyer

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Agenda

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

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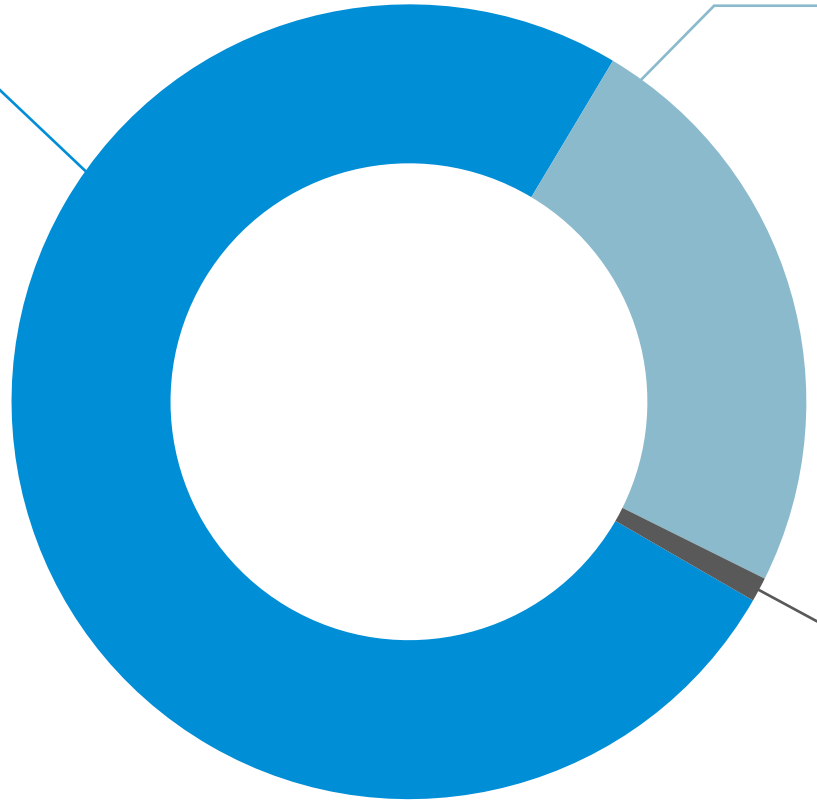
FY2021 Financial Highlights

Operating Revenue	$1.97B	↑ 56%
Net Profit After Tax	$524.2M	↑ 82%
Dividend	38.00cps	↑ 38%

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FY2021 Revenue by Product Group



Hospital

76%

OF OPERATING REVENUE

Homecare

24%

OF OPERATING REVENUE

Distributed & Other

<1%

OF OPERATING REVENUE

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Hospital



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Hospital Product Group

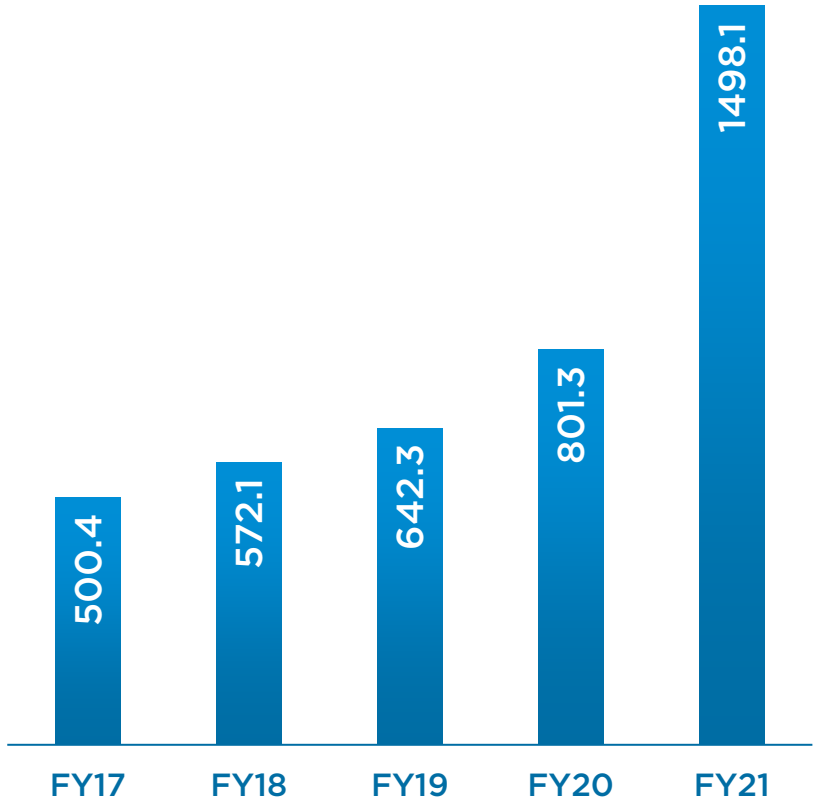
FY21 Result

Revenue $1.5B

FY21 Revenue Growth

NZ$ ↑ 87%

Constant Currency ↑ 94%



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Homecare



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Homecare Product Group

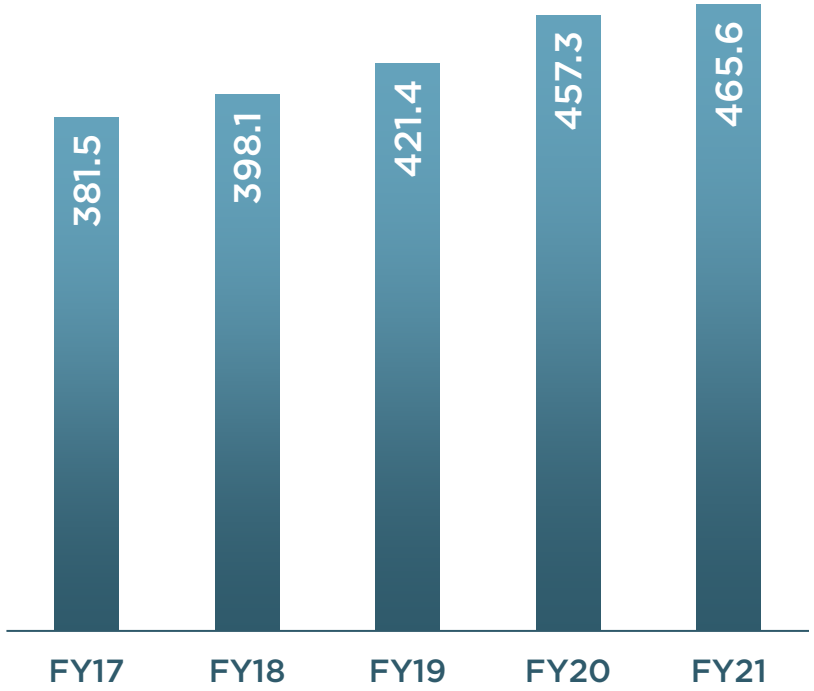
FY21 Result

Revenue $466M

FY21 Revenue Growth

NZ$ ↑ 2%

Constant Currency ↑ 4%

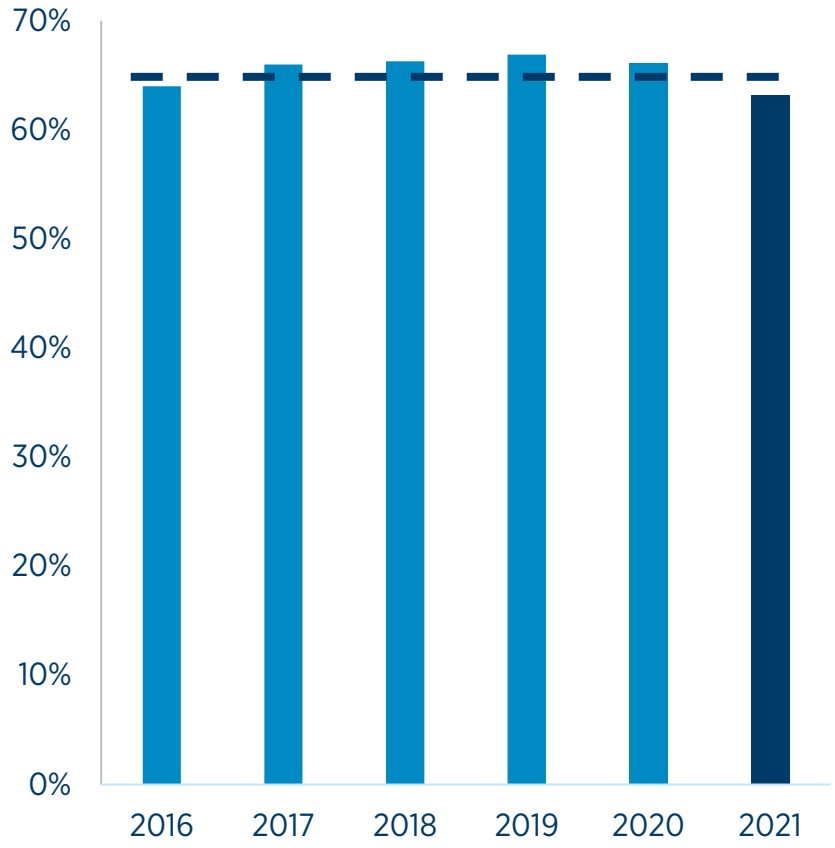


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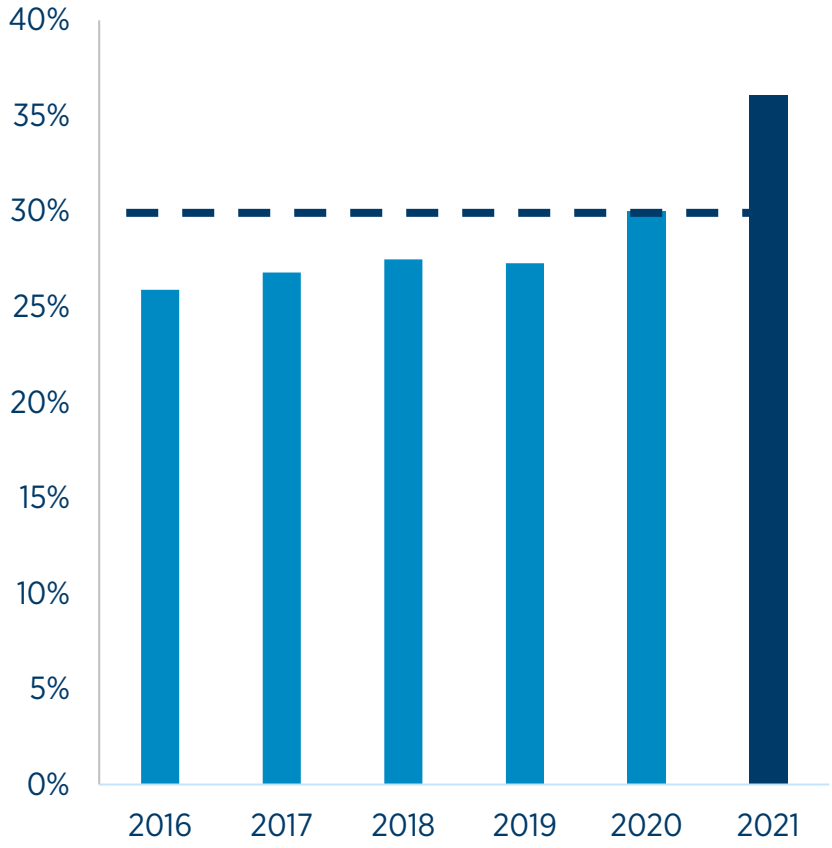
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Gross and Operating Margins

Gross Margin



Operating (EBIT) Margin



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Research and development - $136.7 million investment

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6,000+ people

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Profit-sharing bonus - $29 million

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Community

Fisher & Paykel Healthcare Foundation

NZ $20 MILLION

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FY22 Trading Update

First four months of FY22

- Revenue $538M, 2% below the prior comparable period in constant currency

- Hospital product group
  - Revenue down 3% cc from prior comparable period
  - 13% decline in hardware sales from prior comparable period
  - Hardware revenue remained elevated
  - Consumables revenue +2% CC*
  - New applications consumables +17% CC*

- Homecare product group
  - Revenue +4% CC* from prior comparable period
  - 4% growth in OSA masks

*CC = Constant currency

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Outlook for the remainder of FY22

For the remainder of the 2022 financial year*:

- No quantitative guidance provided given continuing uncertainties related to COVID-19
- Hospital hardware revenue not expected to continue at elevated levels
- Hospital consumables sales will continue to be impacted by COVID-19 hospitalisation rates
- New OSA patient diagnosis rates expected to be at or above FY21 rates
- Freight costs remain elevated
- Continue to grow investment in R&D and SG&A

* Based on observations and expectations as at 18 August 2021

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Financial Statements

- Opportunity for shareholders to ask any questions specifically on the financial statements, the auditor's report or the company's 2021 annual report.

- There will be an opportunity to ask any general questions once all items on the agenda have been considered.



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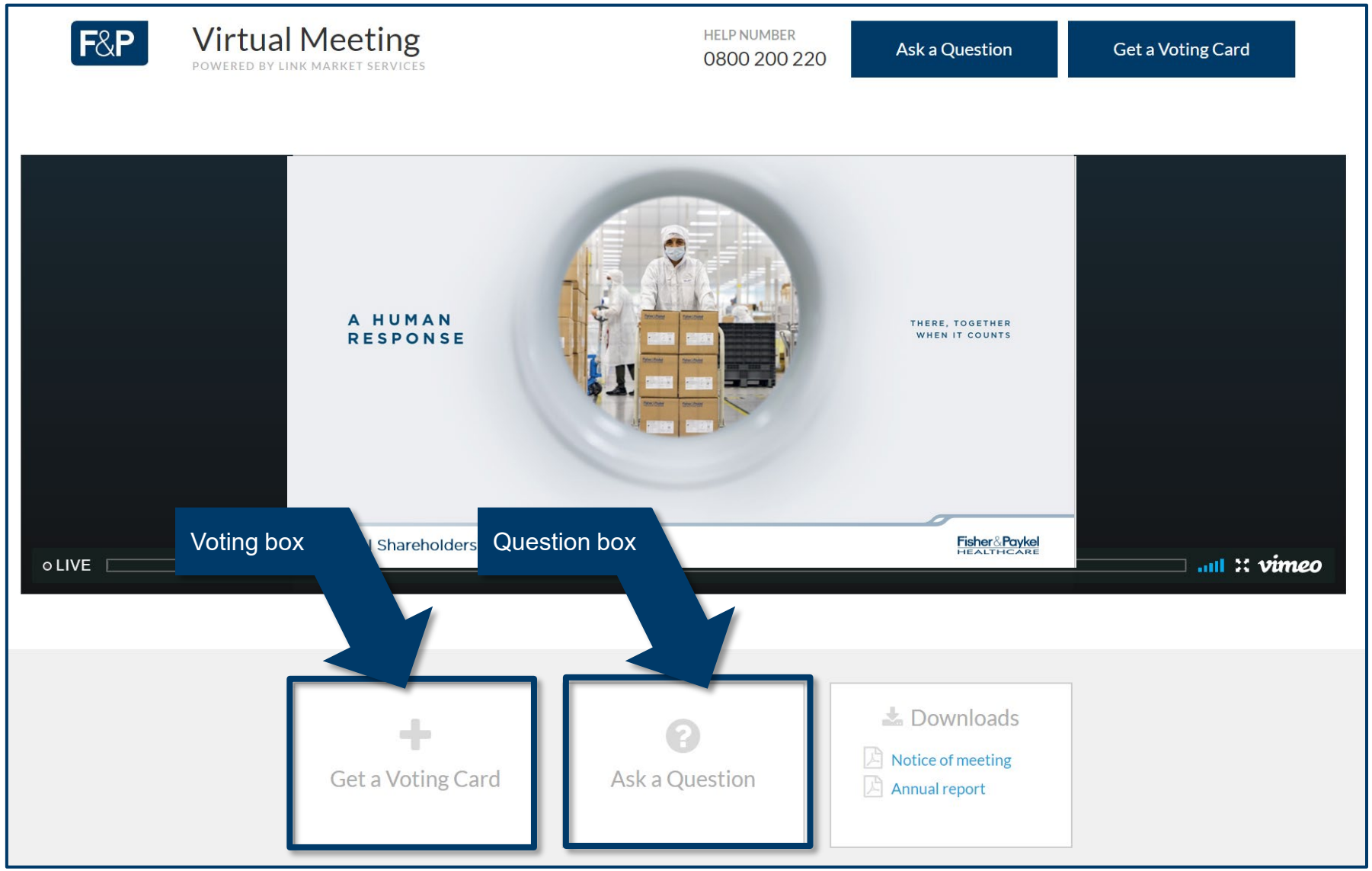
Resolutions

1. Re-election of Scott St John as Director
2. Re-election of Sir Michael Daniell as Director
3. Auditor's Remuneration
4. Issue of Performance Share Rights
5. Issue of Options

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How to Vote Online



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Resolution 1: Re-election of Scott St John

That Scott St John, 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 2: Re-election of Sir Michael Daniell

That Sir Michael Daniell, 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: Auditor's Remuneration

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.

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Resolution 4: Issue of Performance Share Rights

That approval be given for the issue of up to 60,000 performance share rights under the Fisher & Paykel Healthcare Performance Share Rights Plan to Lewis Gradon, Managing Director and Chief Executive Officer of the Company.

Click "Submit Vote" to lodge your vote.

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Resolution 5: Issue of Options

That approval be given for the issue of up to 190,000 options under the Fisher & Paykel Healthcare 2019 Share Option Plan to Lewis Gradon, Managing Director and Chief Executive Officer of the Company.

Click "Submit Vote" to lodge your vote.

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Questions?



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This concludes the 2021 Annual Shareholders' Meeting.

Thank you for attending.

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