

NOTICE

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The tender offer described in the following document (the "Tender Offer") relates to securities of a non-U.S. company that is subject to the disclosure requirements, rules and practices applicable to companies listed in the UK, which differ from those of the United States in certain material respects. The following document has been prepared in accordance with UK style and practice for the purpose of complying with English law and the Listing Rules, and U.S. shareholders should read the entire document. The Tender Offer is not subject to or is exempt from the disclosure and procedural requirements of Regulation 14D under the U.S. Securities Exchange Act 1934 (the "Exchange Act"). Furthermore, the payment and settlement procedure with respect to the Tender Offer will comply with the relevant UK rules, which may differ from payment and settlement procedures customary in the United States, particularly with regard to the payment date of consideration. The Tender Offer will be made in the United States in accordance with the requirements of Regulation 14E under the Exchange Act to the extent applicable. U.S. shareholders should note that the shares are not listed on a U.S. securities exchange and Al Noor Hospitals Group plc is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the "SEC") thereunder.

The Tender Offer has not been approved by the SEC or by the securities regulatory authority of any state or of any other United States jurisdiction, nor has the SEC or any such securities regulatory authority passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

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THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 (the “FSMA”) if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your Shares, please send this document, together with the other accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, such documents should not be forwarded, distributed or transmitted (in whole or in part) in, into or from any jurisdiction in which such act would carry a significant risk of civil, regulatory or criminal exposure in such jurisdiction. If you have sold or otherwise transferred part only of your holding of Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.



AL NOOR HOSPITALS GROUP PLC

(to be renamed Mediclinic International plc)

(incorporated in England and Wales under the Companies Act 2006 with registered number 08338604)

Recommended Combination with Mediclinic International Limited

Approval for Waiver of Obligations under Rule 9 of the City Code on Takeovers and Mergers Reduction of Capital Tender Offer to cancel Existing Shares and

Notice of General Meeting

A prospectus relating to the Company, the Enlarged Group, the Combination and Admission, prepared in accordance with the Prospectus Rules, has been published and is available on Al Noor's website at www.alnoorhospital.com. Alternatively, Al Noor Shareholders may, subject to applicable securities laws, request a copy of the Prospectus from the Registrars by telephoning 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m. (London time), Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. If such a request is made, a copy of the Prospectus shall be sent to the relevant person in hard copy form as soon as possible and in any event within two business days of the request being received by the relevant party.

This document should be read as a whole and in conjunction with the Prospectus and the information incorporated by reference from the Prospectus. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 8 to 25 of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

The Shares are admitted to the premium listing segment of the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange. As the Combination is classified as a reverse takeover for the purpose of the Listing Rules, upon Completion, the listing of the Existing Shares on the premium listing segment of the Official List maintained by the Financial Conduct Authority will be cancelled and, simultaneously, application will be made for the readmission of the Existing Shares and admission of the New Shares to the premium listing

segment of the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange. Subject to the satisfaction or waiver of the conditions, it is currently expected that Admission will become effective and dealings in the Shares will commence at 8:00 a.m. on the Closing Date.

An application will be made for an inward secondary listing of the New Shares on the main board of the Johannesburg Stock Exchange. The secondary listing of the Enlarged Group on the Johannesburg Stock Exchange is expected to become effective on 1 February 2016. It is also intended, subject to compliance with the relevant regulatory procedures, to procure a secondary listing of the New Shares on the Namibian Stock Exchange, either simultaneously with the inward secondary listing on the Johannesburg Stock Exchange referred to above or as soon as practicable thereafter.

Notice of a General Meeting of the Company to be held at the offices of Linklaters LLP, at One Silk Street, London EC2Y 8HQ at 9:00 a.m. on Tuesday, 15 December 2015 is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed and, to be valid, should be completed, signed and returned so as to be received by the Company's registrars, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but, in any event, so as to arrive no later than 9:00 a.m. on 11 December 2015 or the earlier of two business days or 48 hours before the date of any adjournment meeting. If you hold Existing Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to the Registrars, Capita (under CREST Participant ID RA10), so that it is received at the latest by 9:00 a.m. on 11 December 2015 or the earlier of two business days or 48 hours before the date of any adjournment meeting. If you would like to submit your proxy vote electronically, you can do so by visiting www.capitashareportal.com. You will need to enter the Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy and follow the online instructions. The deadline for receipt of electronic proxies is 9:00 a.m. on 11 December 2015 or the earlier of two business days or 48 hours before the date of any adjournment meeting. Completion and return of a Form of Proxy will not prevent members from attending and voting in person should they wish to do so.

For a discussion of certain risk factors which should be taken into account when considering what action you should take in connection with the General Meeting, please see Part II (*Risk Factors*) of this document.

Investors should rely only on the information contained in this document, the Prospectus and the documents incorporated by reference therein. No person has been authorised to give any information or make any representations other than those contained in this document, the Prospectus and any document incorporated by reference therein and, if given or made, such information or representation must not be relied upon as having been so authorised. In particular, the contents of the Company's website does not form part of this document and investors should not rely on it.

The Company will comply with its obligation(s), if any, to publish a supplementary prospectus or circular containing further updated information required by law or any regulatory authority, but assumes no further obligation to publish additional information.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of Rothschild, Goldman Sachs International or Jefferies International Limited ("**Jefferies**") by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of Rothschild, Goldman Sachs International or Jefferies accepts any responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Shares or the Combination and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of Rothschild, Goldman Sachs International and Jefferies accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement.

Each of Rothschild and Goldman Sachs International is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated by the FCA and the PRA. Jefferies is authorised and regulated by the FCA. Rothschild, Goldman Sachs International and Jefferies are acting exclusively for the Company and are acting for no one else in connection with the production of this document and the Combination. They will not regard any other person as a client in relation to the production of this document or the Combination and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in connection with the production of this document or the Combination and/or Admission or any other matter, transaction or arrangement referred to in this document.

This document does not constitute an offer to purchase, or solicitation of an offer to sell, Shares in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws.

The distribution of this document, the accompanying Form of Proxy and/or the Tender Form in certain jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document, the accompanying Form of Proxy and/or the Tender Form comes should inform themselves about, and observe, such restrictions. Any failure to comply with such restrictions may carry a significant risk of civil, regulatory or criminal exposure in any such jurisdiction.

The contents of this document or any subsequent communication from the Company or any of its respective affiliates, officers, directors, employees or agents are not to be construed as legal, financial or tax advice. Each Al Noor Shareholder should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice.

You may request a hard copy of this document and the information incorporated into this document by reference to another source by contacting the Company's registrars, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. You may also request that all future documents, announcements and information to be sent to you in relation to the Combination should be sent in hard copy form. If such a request is made, a copy of the requested information shall be sent to the relevant person in hard copy form as soon as possible and in any event within two business days of the request being received by the relevant party.

A copy of this document, together with all information incorporated into this document by reference to another source, will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on the Company's website at www.alnoorhospital.com by no later than 12 noon (London time) on the day following publication of this document.

This document is published on 19 November 2015.

Notice to U.S. Shareholders

The Tender Offer relates to securities of a non-U.S. company that is subject to the disclosure requirements, rules and practices applicable to companies listed in the UK, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with English law and the Listing Rules, and U.S. Shareholders should read this entire document. The Tender Offer is not subject to or is exempt from the disclosure and procedural requirements of Regulation 14D under the U.S. Securities Exchange Act 1934 (the “**Exchange Act**”). Furthermore, the payment and settlement procedure with respect to the Tender Offer will comply with the relevant UK rules, which may differ from payment and settlement procedures customary in the United States, particularly with regard to the payment date of consideration. The Tender Offer will be made in the United States in accordance with the requirements of Regulation 14E under the Exchange Act to the extent applicable. U.S. Shareholders should note that the Shares are not listed on a U.S. securities exchange and the Company is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the “**SEC**”) thereunder.

The Tender Offer has not been approved by the SEC or by the securities regulatory authority of any state or of any other United States jurisdiction, nor has the SEC or any such securities regulatory authority passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Notice to Singaporean Shareholders

This document has not been registered as a prospectus with the Monetary Authority of Singapore. The Shares are not being offered or sold or made the subject of an invitation for subscription or purchase and this document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Shares may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”); (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Forward-Looking Statements

This document and the information incorporated by reference into this document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “plans”, “goal”, “target”, “aim”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and the information incorporated by reference into this document and include statements regarding the intentions, beliefs or current expectations of the Al Noor Directors, the Proposed Directors or the Company concerning, amongst other things, the operating results, financial condition, prospects, growth, strategies and dividend policy of the Al Noor Group, the Mediclinic Group, the Enlarged Group and the industry in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s ability to control or predict. Forward-looking statements are not guarantees of future performance. The Al Noor Group’s actual operating results, financial condition, dividend policy and the development of the industry in which the Al Noor Group and/or the Enlarged Group operates may differ materially from the impression created by the forward-looking statements contained in this document and/or the information incorporated by reference into this document. In addition, even if the operating results, financial condition and dividend policy of the Al Noor Group and/or the Enlarged Group, and the development of the industry in which the Al Noor Group and/or the Enlarged Group operates, are consistent with the forward-looking statements contained in this document and/or the information incorporated by reference into this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, general economic and business conditions, industry trends, competition, changes in government and other regulation, including in relation to the environment, health and safety and taxation, labour relations and work stoppages, changes in political and economic stability and changes in business strategy or development plans and other risks, including those described in Part II (*Risk Factors*) of this document.

You are advised to read this document and the information incorporated by reference into this document in their entirety, and, in particular, Part II (*Risk Factors*), for a further discussion of the factors that could affect the Al Noor Group’s and/or the Enlarged Group’s future performance and the industry in which the Al Noor Group and/or the Enlarged Group operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document and/or the information incorporated by reference into this document may not occur.

Other than in accordance with their legal or regulatory obligations (including under the Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules), neither the Company nor Rothschild, Goldman Sachs International or Jefferies undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

The statements above relating to forward-looking statements should not be construed as a qualification on the opinion of the Company as to working capital set out in paragraph 15 of Part XI (*Additional Information*) of this document.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

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RELEVANT DOCUMENTATION

A prospectus in connection with the application for the admission to listing on the premium listing segment of the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange of the Existing Shares and up to 613,000,000 New Shares in connection with the Combination and 72,115,384 New Shares in connection with the Remgro Subscription has been published by the Company on its website (www.alnoorhospital.com) and contains information regarding, among other things, Al Noor and Mediclinic, historical financial information of Al Noor and Mediclinic, the Al Noor Directors, the Proposed Directors and the New Shares.

The Prospectus is available for inspection in accordance with paragraph 20 of Part XI (*Additional Information*) of this document. Paragraph 19 of Part XI (*Additional Information*) of this document sets out the various sections of the Prospectus which are incorporated by reference into this document.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change. Events relating to Mediclinic, Mediclinic Shares and the Mediclinic Scheme have been italicised for reference only.

<u>Event</u>	<u>Date</u>
<i>Mediclinic Scheme Circular (including the notice convening the Mediclinic Scheme meeting) posted to Mediclinic Shareholders</i>	<i>Tuesday, 17 November 2015</i>
<i>Al Noor SA Prospectus published</i>	<i>Tuesday, 17 November 2015</i>
Circular (including Notice of General Meeting) posted to Al Noor Shareholders	Thursday, 19 November 2015
Prospectus published	Thursday, 19 November 2015
Tender Offer opens	7:30 a.m. on Friday, 20 November 2015
Last day to trade Shares on the London Stock Exchange in order to be recorded on the Register to participate in and vote at the Al Noor General Meeting	5:00 p.m. on Tuesday, 8 December 2015
Voting record date for Al Noor Shareholders to be recorded on the Register to be eligible to participate in and vote at the Al Noor General Meeting	Friday, 11 December 2015
Last day to lodge forms of proxy in respect of the Al Noor General Meeting	9:00 a.m. on Friday, 11 December 2015
Al Noor General Meeting to be held	9:00 a.m. on Tuesday, 15 December 2015
<i>Mediclinic Scheme Meeting to be held</i>	<i>10:00 a.m. (midday Johannesburg time) on Tuesday, 15 December 2015</i>
<i>Results of Mediclinic Scheme Meeting announced on the Stock Exchange News Service of the JSE (“SENS”)</i>	<i>Tuesday, 15 December 2015</i>
Results of Al Noor General Meeting announced	Tuesday, 15 December 2015
Court hearing to confirm First Reduction of Capital	Thursday, 21 January 2016
First Reduction of Capital made effective by registration at Companies House	Friday, 22 January 2016
<i>The following times and dates are indicative only and will depend, among other things, on the date on which the conditions precedent to the Mediclinic Scheme are satisfied (or, where applicable, waived)</i>	
<i>Expected finalisation date, the date on which the Mediclinic Scheme has become unconditional in all respects as required by the JSE listing rules (the “Finalisation Date”)</i>	<i>Friday, 22 January 2016</i>
<i>Finalisation announcement expected to be released on SENS</i>	<i>Friday, 22 January 2016</i>
<i>Pre-listing announcement in respect of the listing of the Shares on the JSE (on a “when-issued basis”) expected to be released</i>	<i>Monday 25 January 2016</i>
<i>Suspension of listing from the JSE and the NSX of the Mediclinic Shares at commencement of trading</i>	<i>Monday 1 February 2016</i>

Event	Date
<i>Listing and trading of the New Shares on the JSE¹ with ISIN GB00B8HX8Z88 under share code ANH (on a “when issued” basis)</i>	<i>Monday 1 February 2016</i>
Last date to trade Existing Shares on the LSE in order to be recorded in the Al Noor Register to receive the Al Noor Special Dividend and to participate in the Al Noor Tender Offer	Tuesday, 2 February 2016
Latest time and date for receipt of Tender Forms and TTE Instructions from Al Noor CREST Shareholders for the Tender Offer	1:00 p.m. on Friday, 5 February 2016
Tender Offer closes	1:00 p.m. on Friday, 5 February 2016
Record Date, being the time and date on which Al Noor Shareholders must be recorded on the Register to receive the Special Dividend and to participate in the Tender Offer	5:00 p.m. on Friday, 5 February 2016
<i>Mediclinic Scheme Record Date, being the time and date on which Mediclinic Scheme participants must be recorded in the Mediclinic register to receive the New Shares</i>	<i>Friday 5 February 2016</i>
<i>Mediclinic Scheme becomes operative and Remgro subscribes for New Shares under the Remgro Subscription</i>	<i>Monday, 8 February 2016</i>
Admission and commencement of dealings on the London Stock Exchange of Existing Shares and New Shares	8:00 a.m. on Monday, 8 February 2016
Results of the Tender Offer announced	Monday, 8 February 2016
<i>Dematerialised Mediclinic Scheme participants expected to have their accounts (held at their CSDP or broker) credited with New Shares</i>	<i>Monday, 8 February 2016</i>
<i>Termination of listing of Mediclinic Shares from the Main Board of the JSE and the NSX at the commencement of trading</i>	<i>Tuesday, 9 February 2016</i>
Court hearing to confirm Second Reduction of Capital	Tuesday, 9 February 2016
Second Reduction of Capital made effective by registration at Companies House	Wednesday, 10 February 2016
Latest date expected for CREST accounts to be credited in respect of any Existing Shares in uncertificated form unsuccessfully tendered under the Tender Offer	Wednesday, 10 February 2016

¹ It is also intended, subject to compliance with the relevant regulatory procedures, to seek a secondary listing of the Shares on the Namibian Stock Exchange, either simultaneously with the inward secondary listing on the Johannesburg Stock Exchange referred to above, or as soon as practicable thereafter.

<u>Event</u>	<u>Date</u>
Cheques despatched for Existing Shares in certificated form cancelled pursuant to the Tender Offer	By Wednesday, 24 February 2016
Balance share certificates despatched in respect of Existing Shares in certificated form unsuccessfully tendered in the Tender Offer	By Wednesday, 24 February 2016
Payment made through CREST for Existing Shares in uncertificated form cancelled pursuant to the Tender Offer	By Wednesday 24 February 2016
Settlement of cash in respect of Special Dividend to eligible Al Noor Shareholders	By Wednesday 24 February 2016
Latest date for settlement of cash in respect of Special Dividend	By Wednesday, 24 February 2016

Notes:

- (1) All times given in this document are references to local times in London, UK unless otherwise stated.
- (2) The times and dates set out in the expected timetable of principal events above are indicative only and are based on Al Noor's current expectations and may be subject to change. In particular, the timetable of principal events subsequent to the expected Finalisation Date will be driven by the actual Finalisation Date and, to the extent that is delayed, will also be delayed accordingly. Any changes to the expected timetable of principal events will be announced via a Regulatory Information Service.
- (3) All dates and times have been determined on the basis that no court approval or review of the Mediclinic Scheme resolution will be required. Any change to the above mentioned timetable relating to Mediclinic or the Mediclinic Scheme which impacts the expected timetable of principal events relating to Al Noor or Admission will be announced by Al Noor via a Regulatory Information Service.
- (4) Dates and times relating to the Mediclinic Scheme or the Johannesburg Stock Exchange and the Namibian Stock Exchange are included in this timetable for completeness and are italicised. As the salient dates and times are subject to change, they may not be regarded as consent or dispensation for any time periods which may be required in terms of the SA Companies Act or the South African Takeover Regulations, where applicable, and any such consents or dispensations must be specifically applied for and granted.

INDICATIVE MERGER STATISTICS

Total number of Existing Shares at 17 November 2015 ⁽¹⁾	116,866,203
Number of New Shares to be issued pursuant to the Combination	up to 613,000,000
Number of New Shares to be issued pursuant to the Remgro Subscription	72,115,384
Number of Shares in issue upon Admission ⁽²⁾	up to 802,159,572
Number of New Shares to be issued pursuant to the Combination as a percentage of the enlarged issued share capital ⁽³⁾	76%
Number of New Shares to be issued pursuant to the Remgro Subscription as a percentage of the enlarged issued share capital ⁽³⁾	9%
Total number of New Shares as a percentage of the enlarged issued share capital ⁽⁴⁾ .	85%

Notes:

- (1) The latest practicable date prior to the date of this document.
- (2) Based on Al Noor's issued share capital as at 17 November 2015 (being the latest practicable date prior to the date of this document) and the Mediclinic Shareholder register as at 6 November 2015, up to 613,000,000 New Shares being issued pursuant to the Combination, 72,115,384 New Shares being issued pursuant to the Remgro Subscription, and assuming no Al Noor Shareholders elect to tender their Existing Shares under the Tender Offer, no South African appraisal rights are exercised in connection with the Mediclinic Scheme, up to 177,985 New Shares being issued to satisfy awards made in 2014 and 2015 under the Al Noor Deferred Annual Bonus Plan 2013 and the Al Noor Long Term Incentive Plan 2013 and no other Al Noor Shares or Mediclinic Shares being issued under the Al Noor Employee Share Plans or Mediclinic Forfeitable Share Plans, respectively, between 17 November 2015 and Admission.
- (3) This is based on 802,159,572 Shares being in issue upon Admission (see note (2) above).

**DIRECTORS, PROPOSED DIRECTORS, COMPANY SECRETARY,
REGISTERED OFFICE AND ADVISERS**

Current Directors of Al Noor

<u>Name</u>	<u>Position</u>
Ian Tyler	Chairman
Dr. Kassem Alom	Founder and Deputy Chairman
Seamus Keating	Senior Independent Director
Ronald Lavater	Chief Executive Officer
Sheikh Mansoor Bin Butti Al Hamed	Non-Executive Director
Ahmad Nimer	Non-Executive Director
William J. Ward	Independent Non-Executive Director
Mubarak Matar Al Hamiri	Independent Non-Executive Director
William S. Ward	Independent Non-Executive Director

Proposed Directors of the Company following implementation of the Combination (the Enlarged Al Noor Board)

<u>Name</u>	<u>Position</u>
Dr. Edwin Hertzog	Non-Executive Chairman
Ian Tyler	Senior Independent Director
Danie Meintjes	Chief Executive Officer
Craig Tingle	Chief Financial Officer
Jannie Durand	Non-Executive Director
Alan Grieve	Independent Non-Executive Director
Seamus Keating	Independent Non-Executive Director
Prof. Dr. Robert Leu	Independent Non-Executive Director
Nandi Mandela	Independent Non-Executive Director
Trevor Petersen	Independent Non-Executive Director
Desmond Smith	Independent Non-Executive Director
Company Secretary:	Capita Company Secretarial Services Limited 40 Dukes Place London EC3A 7NH United Kingdom
Registered Office of the Company:	1 st Floor 40 Dukes Place London EC3A 7NH United Kingdom
Head Office of the Company:	Al Noor Specialty Clinic Building Shabia-10, Mussafah Abu Dhabi PO Box 46713 United Arab Emirates
Lead Financial Adviser, Rule 3 Adviser, and Co-Sponsor:	Rothschild New Court St Swithin's Lane London EC4N 8AL United Kingdom

Co-Financial Adviser and Joint Broker:	Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom
Co-Sponsor and Joint Broker:	Jefferies International Limited 68 Upper Thames Street London EC4V 3BJ United Kingdom
English and U.S. legal advisers to the Company: .	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom
South African legal advisers to the Company: . . .	Webber Wentzel 10, 16 & 18 Fricker Road Illovo Boulevard Johannesburg 2196 South Africa
UAE legal advisers to the Company:	Al Tamimi & Company Building 4, 6 th Floor Sheikh Zayed Road P.O. Box 9275, Dubai United Arab Emirates
Auditors of the Company:	KPMG LLP 15 Canada Square London E14 5GL United Kingdom
Auditors of Mediclinic:	PricewaterhouseCoopers Inc. Capital Place 15 - 21 Neutron Avenue Technopark Stellenbosch 7600 South Africa
Reporting Accountants:	KPMG LLP 15 Canada Square London E14 5GL United Kingdom PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH United Kingdom
Receiving Agent:	Capita Asset Services 34 Beckenham Road Beckenham Kent BR3 4TU
Registrar:	Capita Asset Services 34 Beckenham Road Kent BR3 4TU United Kingdom

PART I
LETTER FROM THE CHAIRMAN OF AL NOOR HOSPITALS GROUP PLC

(incorporated in England and Wales under the UK Companies Act 2006 with registered
number 08338604)

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19 November 2015

Dear Shareholder

Combination with Mediclinic

1 Introduction and summary terms of the Combination

On 14 October 2015, the board of directors of Al Noor and the independent board of directors of Mediclinic announced that they had reached agreement on the terms of a recommended combination of their respective businesses.

Under the terms of the Combination, and subject to the satisfaction or waiver of the Conditions, it is proposed that:

- Al Noor will acquire all of the shares in Mediclinic (not repurchased and cancelled by Mediclinic) pursuant to a scheme of arrangement of Mediclinic under section 114 of the SA Companies Act, under which Mediclinic Shareholders will receive 0.62500 New Shares for each Mediclinic Share;
- Al Noor Shareholders will be entitled to receive a special dividend of £3.28 per Existing Share held on the Record Date; and
- Al Noor Shareholders will be provided with an opportunity to tender their Existing Shares held on the Record Date to Al Noor for cancellation, for a cash payment of £8.32 per Existing Share, subject to tenders being scaled back to the extent that more than 74,069,109 Existing Shares are tendered (being approximately 63 per cent. of Al Noor's outstanding shares as at 17 November 2015).

Al Noor Shareholders who tender their Existing Shares (and assuming no scale-back under the Tender Offer) would receive a cash payment of £11.60 per Existing Share (including the Special Dividend), which represents a premium of:

- 39 per cent. to the closing price of £8.35 per Existing Share on 1 October 2015, being the last Business Day prior to the date on which Al Noor announced that it was in discussions regarding a combination; and
- 102 per cent. to the IPO issuance price of £5.75 per Existing Share on 26 June 2013.

The cash payments to Al Noor Shareholders in respect of the Special Dividend and Tender Offer will be partly funded through (i) a subscription by Remgro Healthcare or one or more of its affiliates for 72,115,384 New Shares at a fixed price of £8.32 per share, to raise proceeds of £600 million, and (ii) a syndicate of banks providing a bridge loan facility of up to £400 million to the Enlarged Group.

The Combination will result in Mediclinic Shareholders (including Remgro in its capacity as an existing Mediclinic Shareholder) owning between 83.97 per cent. and 93.45 per cent. of the issued ordinary share capital of the Company (as holding company of the Enlarged Group), before taking into account the Remgro Subscription and the Tender Offer, and between 85.43 per cent. and 94.12 per cent. of the issued ordinary share capital of the Company (as holding company of the Enlarged Group) after taking into account the Remgro Subscription and the Tender Offer, depending on, in each case, the extent to which Al Noor Shareholders participate in the Tender Offer.

As a result of the Combination, and after the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) Remgro's holding in the Enlarged Group excluding any concert party, will be between 40.95 per cent. and 45.18 per cent. The Remgro Concert Party will (based on Remgro's enquiries of the Relevant Portfolio Companies) hold between 42.99 per cent. and 47.43 per cent. of the Company (as holding company of the Enlarged Group) following the Combination, the Remgro Subscription and the Tender Offer, depending on the extent to which Al Noor Shareholders participate in the Tender Offer. As the Remgro Concert Party will hold at least 30 per cent. of the voting rights of the Company (as the holding company of the Enlarged Group), a mandatory offer would normally be required under Rule 9 of the City Code. The Panel has agreed, however, to waive the requirement under Rule 9 of the City Code for Remgro (or members of the Remgro Concert Party) to make a mandatory offer for the Shares not owned by Remgro (or members of the Remgro Concert Party) at Completion, subject to the Whitewash Resolution being passed on a vote, on a poll, of Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party). Accordingly, the Whitewash Resolution is being proposed at the General Meeting to permit, if passed, the Remgro Concert Party to hold between 42.99 per cent. and 47.43 per cent. of the issued ordinary share capital of the Company, as described in paragraph 8 of this letter. An announcement of the actual amount of issued ordinary share capital of the Company held by the Remgro Concert Party as a consequence of the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) (the "**Post Tender Remgro Holding**") will be made by the Company immediately following completion or lapse of the Tender Offer (as the case may be). Any transaction in issued ordinary shares of the Company by the Remgro Concert Party following Completion that results in the Remgro Concert Party holding more than the Post Tender Remgro Holding will (save as agreed by the Panel) be subject to the usual provisions of the City Code.

On Completion, it is proposed that Al Noor will be renamed "Mediclinic International plc" and the Company will be admitted to the premium listing segment on the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange, as well as having an inward secondary listing on the main board of the Johannesburg Stock Exchange. It is also intended, subject to compliance with relevant regulatory procedures, to procure a secondary listing of the New Shares on the NSX, either simultaneously with the inward secondary listing on the JSE referred to above, or as soon as possible thereafter.

Subject to satisfaction, or where applicable waiver, of the Conditions, it is expected that the Combination will become operative on Monday, 8 February 2016.

In view of the size of the Mediclinic Group when compared with the existing Al Noor Group, the Combination constitutes a reverse takeover for the purposes of the Listing Rules and therefore requires, and is conditional on, the approval of Al Noor Shareholders. Accordingly, the General Meeting has been convened for 9:00 a.m. on 15 December 2015 at the offices of Linklaters LLP, at One Silk Street, London EC2Y 8HQ. Al Noor Shareholders will be asked to approve the Combination and various related steps. An explanation of the Resolutions to be proposed at the General Meeting is set out in paragraph 23 of this letter.

The purpose of this document is to: (i) explain the background to and reasons for the Combination; (ii) provide you with information about Mediclinic; (iii) explain why the Al Noor Directors unanimously consider the Combination and each of the Resolutions (including the Whitewash Resolution) to be in the best interests of the Al Noor Shareholders as a whole; and (iv) recommend that you vote in favour of the Whitewash Resolution and all other Resolutions to be proposed at the General Meeting.

2 Adjusted to exclude the interim dividend of ZAR0.36 per Mediclinic Share, which was announced by Mediclinic on 12 November 2015.

3 There can be no certainty that Shares will trade at the valuation approach described in this paragraph following Completion.

2 Rationale for the Combination and background

The Al Noor Board and Mediclinic Board recognise the strong strategic merit in the Combination, which provides an excellent strategic fit between their operations in the UAE and creates a leading international private healthcare operator with a well-balanced geographic profile in Southern Africa, Switzerland and the UAE, with exposure to the UK market through a minority interest in Spire.

Creation of the leading UAE platform

The Enlarged Group will be the largest private healthcare provider in the UAE (by revenue), with excellent relationships with key stakeholders. The regional operations of the two businesses are complementary, given Mediclinic's concentration at the high end of the acuity/quality curve and Al Noor's focus on high-value patients and their respective strengths in the Dubai and Abu Dhabi healthcare markets.

Strong financial track record in the UAE

Al Noor has demonstrated a strong track record of growth in revenue and in earnings before interest, taxation depreciation and amortisation (“**EBITDA**”), with FY2010-14 compound annual growth rates (“**CAGRs**”) of 16.8 per cent. and 18.6 per cent. respectively, and EBITDA margins consistently above 20 per cent. This has been driven by the broadening of its service offering, disciplined cost management and the successful execution of attractive growth opportunities. Al Noor is continuously pursuing expansion of its capacity and network as evidenced by the expected opening of a new hospital, Civic Centre Hospital (40 beds in Al Ain, UAE), the addition of 28 beds in its existing Al Ain Hospital and six new medical centres across the UAE by the end of the first half of 2016.

Significant growth opportunities to be exploited in the Middle East/Gulf region

Given substantial unmet medical needs in the Middle East, private healthcare delivery remains one of the fastest growing sectors due to a rapidly ageing demographic, an increasing incidence of lifestyle-related medical conditions such as diabetes and obesity, service gaps in the current healthcare market and growth in private health insurance. Given this, there is significant potential for the Enlarged Group to capitalise on the attractive growth opportunities in the region and deploy further capital, by way of both organic and inorganic investment.

Significant cost synergy potential

Following preliminary analysis undertaken by Al Noor and Mediclinic, there are opportunities for potential cost synergies to be exploited for the UAE businesses, given the complementary nature of the operations and the ability to leverage the scale of the Enlarged Group. Potential synergies are expected to be achieved primarily from the procurement benefits of greater scale, creating a shared operations team in the UAE, the combination of existing corporate functions and the sharing of knowledge and best practices across the Enlarged Group.

Further diversification of earnings for the Enlarged Group

The Enlarged Group will be a leading international private healthcare provider with deep operational expertise and a well-balanced geographic profile in Southern Africa, Switzerland and the UAE, with exposure to the UK market through a minority stake in Spire. The Combination will enhance the Enlarged Group's geographic diversity and its positioning towards growth markets, with the UAE representing 23 per cent. of the Enlarged Group's pro forma revenues. The Combination is also expected to provide the Enlarged Group with additional USD-based, high-growth earnings.

Incremental financial and trading benefits

The Enlarged Group would benefit from the Company's admission to the premium listing segment of the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange, and expected inclusion in the FTSE 100 index, together with an inward secondary listing on the Main Board of the Johannesburg Stock Exchange. The Al Noor Board believes that this will provide incremental advantages to the Enlarged Group through increased liquidity and greater access to a global investor base and a likely reduction in the Enlarged Group's cost of capital.

3 Reasons for the Al Noor Board recommendation

Al Noor was admitted to listing on the premium segment of the Official List of the UKLA and to trading on the main market for listed securities of the London Stock Exchange in June 2013 at the IPO price of £5.75. Since then, Al Noor has delivered a strong track record of growth and the Combination provides an opportunity for Al Noor Shareholders to take advantage of that track record.

The Al Noor Board believes that the terms of the Combination are attractive for Al Noor Shareholders given the Special Dividend and the opportunity to participate in the Tender Offer, which provides a meaningful premium. An Al Noor Shareholder who tenders shares (and assuming no scale-back under the Tender Offer) will receive cash of £11.60 per share (including the Special Dividend), representing a premium of approximately 39 per cent. to the closing price of £8.35 per Al Noor Share on 1 October 2015. For those shareholders who elect not to participate in the Tender Offer, the Combination provides an opportunity for such shareholders to remain invested in a leading international healthcare provider.

In considering its recommendation for the Combination, the Al Noor Board gave due consideration to proposals from NMC to acquire the entire issued ordinary share capital of Al Noor. The Al Noor Board evaluated the value proposition, transaction certainty and consideration mix for the Combination and the NMC proposals, and believes the Combination to be in the best interests of Al Noor Shareholders. NMC announced an intention not to make an offer for Al Noor pursuant to Rule 2.8 of the City Code on 16 November 2015. As a result of this announcement, NMC will, except with the consent of the Panel, be bound by the restrictions contained in Rule 2.8 of the City Code on making an offer for the Company within six months of the date of that Announcement.

Al Noor also notes that VPS Healthcare has approached Al Noor and is a potential offeror for Al Noor. The Panel has ruled that VPS Healthcare must either announce a firm intention to make an offer for Al Noor under Rule 2.7 of the City Code, or announce an intention not to make an offer, by 5:00 p.m. on a date (yet to be determined) which is at least seven days prior to the Al Noor Shareholder meeting to approve the Whitewash Resolution. The Panel has stated it will make a further announcement of the specific date once Al Noor has given notice of its shareholder meeting to approve the Whitewash Resolution.

The Al Noor Board will evaluate any proposal that it may receive on its merits with a focus on the value proposition, transaction certainty and consideration mix for Al Noor Shareholders.

4 Special Dividend

Al Noor Shareholders will be entitled to receive a special dividend of £3.28 per Existing Share held on the Record Date, conditional on Completion.

The Special Dividend will be paid to Al Noor Shareholders in accordance with the London Stock Exchange's applicable dividend procedure timetable and within 14 calendar days of the Record Date or as soon as practicable thereafter.

The Record Date is expected to be 5:00 p.m. on 5 February 2016, but in any event an announcement setting out details of the Record Date and payment date for Al Noor Shareholders to be eligible to participate in the Tender Offer and to receive the Special Dividend will be made shortly prior to Completion.

The Special Dividend will be paid on all Existing Shares, including any that are tendered for cancellation pursuant to the Tender Offer. As the Record Date will be before Completion, Mediclinic Shareholders will not be entitled to receive the Special Dividend in respect of any New Shares to be issued to them pursuant to the Mediclinic Scheme.

Information regarding the UK taxation treatment of the Special Dividend is set out in Part X (*Taxation*) of this document.

It is a term of the Combination, and shall be a term of the Mediclinic Scheme, that if any dividend, distribution or return of value has been declared, announced, made or paid at any time by Al Noor after the Announcement (except for the Special Dividend and pursuant to the Tender Offer), Al Noor shall be required to reduce the aggregate amount payable under the Special Dividend by an amount equal to the aggregate amount of such dividend, distribution or return of value (if applicable, based on the spot rate of exchange at the time of such declaration, announcement, making or payment).

5 Tender Offer

Al Noor Shareholders will be provided with an opportunity to tender their Existing Shares held on the Record Date to Al Noor for cancellation, for a cash payment of £8.32 per Existing Share. The Tender Offer is conditional on Completion, the Remgro Subscription having completed and the Court confirming the associated Second Reduction of Capital of Al Noor.

To the extent that more than 74,069,109 Existing Shares are tendered for cancellation, tenders will be scaled back *pro rata* in proportion to the number of Existing Shares tendered by each relevant Al Noor Shareholder.

As described in paragraph 4 above, the Record Date is expected to be 5.00 p.m. on 5 February 2016, but in any event an announcement setting out details of the Record Date and payment date for Al Noor Shareholders to be eligible to participate in the Tender Offer and to receive the Special Dividend will be made shortly prior to Completion. As the Record Date will be before Completion, Mediclinic Shareholders will not be entitled to tender any New Shares to be issued to them pursuant to the Mediclinic Scheme.

Further information regarding the Tender Offer and the process for tendering Existing Shares is set out in Part IX (*Terms of the Tender Offer*) of this document.

Information regarding the UK taxation treatment of Existing Shares cancelled pursuant to the Tender Offer is set out in Part X (*Taxation*) of this document.

6 Conditions to the Combination

Under the terms of the Combination, Al Noor will acquire all of the shares in Mediclinic (not repurchased and cancelled by Mediclinic) pursuant to a scheme of arrangement of Mediclinic under section 114 of the SA Companies Act.

The Mediclinic Scheme is subject to the fulfilment or waiver (as applicable) of certain conditions precedent by no later than the Long Stop Date, relating to, among others:

- the approval, posting and publication of the required shareholder documentation;
- the approval by Al Noor and Mediclinic Shareholders of resolutions required to implement the Combination;
- the Panel waiving the requirement for the Remgro Concert Party to make an offer for Al Noor under Rule 9 of the City Code, and the Whitewash Resolution having been duly passed by a majority of the Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party);
- approvals relating to the admission of Shares to trading on the LSE and the Johannesburg Stock Exchange;
- the receipt of competition authority clearances in South Africa and Namibia and other required regulatory clearances;
- confirmation by the Court of the cancellation of (i) Al Noor's existing share premium account and (ii) the Class A Shares to be allotted to a nominee on behalf of Al Noor Shareholders and paid up out of the Company's merger reserve shortly before the Court hearing to confirm such reductions, in each case in order to create distributable reserves for the Special Dividend, and such reductions of capital having become effective;
- the Remgro Subscription becoming unconditional; and
- other customary conditions relating to the businesses of the two groups.

The conditions to which Completion is subject are set out in full in Part IV (*Information on the Combination*) of this document.

The Special Dividend and the Tender Offer are conditional on Completion. The Tender Offer is, in addition, conditional on the Remgro Subscription and the Court confirming the Second Reduction of Capital.

7 Funding arrangements and cash confirmation

The cash payments to Al Noor Shareholders under the Special Dividend and the Tender Offer will be partly funded through a subscription by Remgro Healthcare or one (or more) of its affiliates for 72,115,384 New Shares at a fixed price of £8.32 per share, to raise proceeds of £600 million. The Remgro Subscription is to be financed by a £600 million (equivalent) loan facility provided to Remgro Healthcare by Rand Merchant Bank Limited and Morgan Stanley & Co. International plc.

In addition, affiliates of Morgan Stanley & Co. International plc and Rand Merchant Bank Limited, as joint mandated lead arrangers and underwriters, debt advisors and bookrunners, have arranged and entered into a loan facility of up to £400 million with Mediclinic which will be made available to the Enlarged Group on Completion on the basis that Al Noor will accede to the loan facility as borrower. The Mediclinic Bridge Facility has been provided on a “certain funds” basis and as such the only events which, under the terms of the Mediclinic Bridge Facility, could prevent the Mediclinic Bridge Facility being available, and which are either not within Al Noor’s or Mediclinic’s control or are not also conditions to the occurrence of the Combination are: (i) certain change of control and delisting events (which do not include, for the avoidance of doubt, the change of control resulting from the Combination); and (ii) it becoming unlawful for any lender to perform its obligations under the Mediclinic Bridge Facility.

As a result of these arrangements, Morgan Stanley & Co. International plc is satisfied that sufficient resources are available to Al Noor to pay in full the amounts that may become due to Al Noor Shareholders under the Tender Offer (assuming take-up of the maximum number of 74,069,109 Existing Shares).

8 The City Code and the Whitewash Resolution

On Completion, as a result of the Combination and taking into account the New Shares to be issued to Remgro or one or more of its affiliates pursuant to the Remgro Subscription and the Tender Offer, depending on the extent to which Al Noor Shareholders participate in the Tender Offer, Remgro will hold, through one or more of its affiliates, between 40.95 per cent. and 45.18 per cent. of the issued ordinary share capital of the Company (as holding company of the Enlarged Group).

In addition, the Relevant Portfolio Companies (being certain entities in which Remgro has a direct interest of 20 per cent. or more) and certain of their 20 per cent. or more investee companies, in each case as described in paragraph 6 of Part VIII of this document, are presumed to be acting in concert with Remgro for the purposes of the City Code. Accordingly, such entities form part of the Remgro Concert Party. Based on Remgro’s enquiries of the Relevant Portfolio Companies as regards their and their relevant investee companies’ holdings in Mediclinic, the Remgro Concert Party’s holding in the Enlarged Group as a result of the Combination, and after the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) will be between 42.99 per cent. and 47.43 per cent.

Under Rule 9 of the City Code, when (a) any person acquires, whether by a single transaction or a series of transactions over a period of time, an interest in shares (as defined in the City Code) which, taken together with any interest in shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, or (b) any person is interested in shares (as defined in the City Code) which, taken together with shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company that is subject to the City Code but does not hold shares carrying more than 50 per cent. of such voting rights and increases the percentage of shares carrying voting rights in which he and any person acting in concert with him are interested, that person is normally required (except with the consent of the Panel) to make a general offer to all the remaining shareholders of the company to acquire their shares and transferable securities carrying voting rights in the company. Such an offer would have to be made in cash and at the highest price paid for any interest in shares by that person or by any person acting in concert with him within the 12 months prior to the announcement of the offer. However, where the obligation to make a mandatory offer under Rule 9 of the City Code might arise following an issue of new shares, the Panel will normally consent to a waiver of that obligation provided that, among other things, this is approved by a vote, on a poll, of Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party) and a procedure along the lines of that set out in Appendix 1 to the City Code is followed.

The Panel has agreed to waive the obligation to make a general offer that would otherwise arise as a result of increases in the shareholding of the Remgro Concert Party following the Combination, the Remgro Subscription and the Tender Offer, depending on the extent to which Al Noor Shareholders participate in the Tender Offer, subject to the approval by way of a vote, on a poll, of Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party). Accordingly, the Whitewash Resolution is being proposed at the General Meeting and will be taken on a poll, as further set out in Appendix 2 (*Notice of General Meeting*). The Whitewash Resolution would, if passed, permit the Remgro Concert Party to hold between 42.99 per cent. and 47.43 per cent. of the issued ordinary share capital in Al Noor following the Combination, the Remgro subscription and the Tender Offer (depending on the extent to which Al Noor

Shareholders participate in the Tender Offer). As stated in paragraph 1, an announcement of the Post Tender Remgro Holding held by the Remgro Concert Party as a consequence of the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) will be made by the Company immediately following completion or lapse of the Tender Offer (as the case may be). Any transaction in issued ordinary shares of the Company by the Remgro Concert Party following Completion that results in the Remgro Concert Party holding more than the Post Tender Remgro Holding, will, save as agreed by the Panel, be subject to the usual provisions of the City Code.

As explained further in paragraph 23 of this letter, the Resolutions to approve the Combination are inter-conditional with the Whitewash Resolution and all such Resolutions must be passed, with the exception of Resolutions 3, 5, 7 and 9, for the Combination to be implemented. If the Whitewash Resolution is passed at the General Meeting, this would not restrict Remgro from making a general offer for Al Noor in the future.

Under Rule 37.1 of the City Code, when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a shareholder and any persons acting in concert with him are interested will normally be treated as an acquisition for the purpose of Rule 9 of the City Code. Pursuant to the Relationship Agreement, Al Noor has undertaken not to effect any share repurchase that would give rise to an obligation on the part of Remgro to make a general offer for Al Noor under Rule 9 of the City Code, unless a waiver from the obligation under Rule 9 of the City Code has been granted by the Panel.

Information on Remgro and other members of the Remgro Concert Party is set out in Part VIII (*Information on Remgro*).

9 Information on the Al Noor Group

The Al Noor Group is the largest private integrated healthcare provider in the Emirate of Abu Dhabi with growing presence in other Emirates and Oman. Founded in 1985, Al Noor counts 30 years of successful growth reinforcing the Group's leading position in its core market, the Emirate of Abu Dhabi. It provides services across the broad spectrum of primary and secondary services, and continues to expand into selective tertiary care.

Al Noor currently operates through a network of three hospitals with 306 operating beds, 23 free-standing medical centres and an oncology centre (Gulf International Cancer Centre) serving as a platform for the company-wide oncology service line. Al Noor's network recorded approximately 2.0 million outpatient visits in 2014. The expansion of Al Noor's network is continuously pursued as evidenced by the launch of a new hospital, Civic Centre Hospital (40 beds in Al Ain (UAE), and the addition of 28 beds in its existing Al Ain Hospital, and six new medical centres across the UAE, all expected within the fourth quarter of 2015 and the first half of 2016. The acquisition of Rochester Wellness also reinforces Al Noor's growing presence in Dubai and Oman, and broadens its service offering. The Al Noor Group employs a highly skilled workforce of more than 4,000 employees including 684 physicians best suited to cater to Al Noor's core populations (over 75 per cent. of the physicians are Arabic speakers to serve mainly Emirati and enhanced-coverage patients). The first private hospital in Abu Dhabi City to obtain Joint Commission International accreditation was established by Al Noor, and today all of its hospitals are accredited and ISO 9001:2008 certified.

10 Information on the Mediclinic Group

Mediclinic, founded in 1983, is an international private healthcare group with operations in South Africa, Namibia, Switzerland and the UAE, and an investment in UK private healthcare through a 29.9 per cent. interest in Spire. Mediclinic has been listed on the Johannesburg Stock Exchange, the South African securities exchange, since 1986. Mediclinic is also listed on the Namibian Stock Exchange. The Group's head office is based in Stellenbosch, South Africa.

Mediclinic focuses on providing acute care, specialist-orientated, multidisciplinary hospital services and related service offerings. It places science at the heart of its care process by striving to provide evidence-based care of the highest standard. Patients receive controlled and customised treatment, orchestrated by a team of medical professionals devoted to delivering the best possible clinical outcomes in multidisciplinary facilities of a world-class standard. Mediclinic has nearly 9,900 beds worldwide (excluding Spire).

As at 30 September 2015, Mediclinic had consolidated gross assets of ZAR99.3 billion (£4.5 billion). Mediclinic's profit before tax for the year ended 31 March 2015 was ZAR4.7 billion (£266 million).

On 12 November 2015, Spire issued a trading update which revised its previously issued guidance for the financial year ending 31 December 2015. Spire said it expected full year revenues to grow more slowly than previously announced, due most significantly to a decline in Local Contract NHS work. Notwithstanding some recent improvement in the outlook for inpatient and day case admissions, Spire did not expect this to mitigate entirely the decline in revenues it had seen.

11 Current Trading and Prospects

Al Noor Group

During the three month period ended 30 September 2015, outpatient volume increased as expected with strong growth contribution from Al Ain Hospital and new and acquired clinics. Despite strong performance from Al Ain Hospital, inpatient volume remained flat, impacted mostly by a volume decrease at the Khalifa Street Hospital, which faced temporary disruption from on-going refurbishments and increased competition.

The majority of Al Noor's businesses showed good growth in the quarter, albeit slightly below expectations due to a greater seasonal impact than expected, delays in hiring new physicians, and increasing competition in the market. As a result, the management of Al Noor has revised its revenue expectations for the second half of 2015.

In relation to Al Noor's 2015 Unaudited Interim Financial Statements as further described in paragraph 13, Al Noor no longer expects to deliver slightly higher revenue growth in the second half of 2015 than in the first half of the year. However, Al Noor continues to expect that underlying EBITDA growth in the second half of the financial year ending 31 December 2015, compared to the same half year period in the financial year ended 31 December 2014, is expected to be higher than underlying EBITDA growth in the first half of the financial year ending 31 December 2015 compared to the same half year period in the financial year ended 31 December 2014.

Al Noor is making good progress with key initiatives to deliver sustainable returns and take advantage of the growing home market of Abu Dhabi. At Khalifa Street Hospital, Al Noor's labour cost saving initiatives were implemented between April and August 2015, and Al Noor expects to see the full benefit by the end of the year. Al Noor's growth plans for Khalifa Street Hospital are well on the way with leasing extra space on the ground and mezzanine levels to expand clinical services and improved patient access.

In addition to adding new capacity to Al Noor's existing Al Ain hospital, construction on the new hospital in the community of Al Ain continues as planned and is expected to see patients in the first quarter of 2016. Current trading in Al Ain leads Al Noor to be optimistic about performance in both hospitals.

Following shareholder approval in August 2015, Al Noor has also started to prepare the construction site for the new 100-bed building at Airport Road Hospital, which is expected to open in 2018.

The expansion of Al Noor's medical centre network is also continuing as planned. Al Noor's first centre in Sharjah opened in August 2015 and the centre at Al Bawadi Mall opened in October 2015. Al Noor expects to open Khalifa City A in Abu Dhabi and Gayathi in the Western Region in the first quarter of 2016.

On 10 November 2015, Al Noor completed the acquisition of Rochester Wellness, a leading provider of long-term physical, speech and occupational rehabilitation therapy, caring for patients in their homes and through two inpatient facilities in Dubai and Muscat. The business operates 51 beds and has the capacity to increase this number to 67 in the short term. The acquisition expands Al Noor's offering across the entire continuum of care by adding a new long term care service in the key markets of Dubai and Oman. In addition, the envisaged introduction of Rochester Wellness to Al Noor's home market Abu Dhabi is expected to yield revenue synergies for the Company in the future.

Mediclinic Group

Mediclinic released its interim financial results for the six months ended 30 September 2015 on 12 November 2015 and reported its view on outlook as follows:

- Notwithstanding the ongoing changes in the global and regional economies and the regulatory changes that continue to impact healthcare and its affordability, there continues to be a strong demand for quality private healthcare services in Mediclinic's three operating platforms.
- Mediclinic has continued to deliver strong revenue and profit growth. The operating platforms in Southern Africa, the Middle East and Switzerland have all achieved good growth in patient numbers and Mediclinic continues to invest in buildings, technology and people to ensure high quality private healthcare services are offered to both in and outpatients.
- Earnings which are reported in South African rand, were positively impacted by currency movements. The Swiss, Middle East and UK platforms contributed 66% of adjusted normalised headline earnings.
- Mediclinic's focus is to ensure that patients come first, that Mediclinic continuously improves its value proposition in terms of technology, care and the latest improvements in medicine and surgery. With three operating platforms and a significant investment in the UK, Mediclinic can leverage best practice in terms of experience, knowledge and skills. Mediclinic remains well positioned for future growth.

12 Trend information for the Enlarged Group

The Enlarged Group's results of operations will be affected by a variety of trends across its operating platforms in Southern Africa, Switzerland and the UAE. Set out below is a discussion of some of the more significant factors that have affected the Al Noor Group's and the Mediclinic Group's results in the past and which may affect the financial results of the Enlarged Group in the future. Factors and trends other than those set forth below could also have a significant impact on the Enlarged Group's results of operations and financial condition.

Impact of regulation

Indicative of the highly regulated nature of the industry in which the Enlarged Group operates, the South African Competition Commission (the "**Competition Commission**") is currently undertaking a market inquiry into the private healthcare sector in South Africa (the "**Market Inquiry**"). This Market Inquiry is particularly focussed on the cost of private healthcare and has involved all private healthcare stakeholders in South Africa in the process via extensive submissions, and data requests and is expected to involve future oral hearings. The market inquiry panel may conclude the market inquiry with recommendations or changes to be made in the healthcare industry in South Africa, proposals for legislative or regulatory amendments or institute anti-competitive investigations should the Market Inquiry reveal such conduct. Along with other private healthcare stakeholders, the Mediclinic Group is participating in the inquiry, with the assistance of expert competition attorneys and advocates, and the Mediclinic Group has prepared and delivered a submission, in line with the Competition Commission's information requests under their published Terms of Reference and Administrative Guidelines for the Market Inquiry.

Further, as a result of regulatory changes in Switzerland in January 2012, in particular the introduction of the SDRG reimbursement system and so-called hospital "lists" in each canton, there are now (in practice) no real distinctions between private and state hospitals. An initiative to replace the current system of competition among many different health insurers with a system of one single public health insurance was rejected by a large majority in a public vote on 28 September 2014, demonstrating the public's opposition against a further nationalisation of the healthcare system. Despite this, some cantons in Switzerland have started to consider the introduction of a public cantonal health insurance system, a trend which could have a negative impact on the Enlarged Group's operations in Switzerland.

Shortage of human resources

The ongoing shortage of human resources in the healthcare sector remains a critical challenge, particularly in the Southern Africa platform. This has been acknowledged by the Minister of Health in South Africa who has proposed various initiatives to address this problem, such as expanding the capacity of medical schools and the re-opening of nursing colleges.

Political and economic instability

Despite the continued political instability in some areas in the Middle East, the United Arab Emirates has remained politically and economically stable. Population increase and the increasing incidence of lifestyle related medical conditions in the United Arab Emirates have led to an increased demand for medical services. In the United Arab Emirates, a real GDP growth of around 3.5 per cent. is expected in 2015. As a result, the Dubai Health Authority (“DHA”) has begun initiating healthcare reform across Dubai which may in the future affect the operations of the Enlarged Group in the region.

Further information regarding the risks relating to political and economic instability is set out in Part II (*Risk Factors*).

13 Profit Forecast

On 25 August 2015, the Al Noor Group published its unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015 (the “**2015 Unaudited Interim Financial Statements**”). The 2015 Unaudited Interim Financial Statements contain the following profit forecast:

We expect to deliver slightly higher growth in revenue and earnings in the second half compared with the first six months of the year, as we increase the number of inpatient beds in Al Ain Hospital, gain the benefits of recent investments in infrastructure and equipment at Al Noor’s hospitals and continue to increase patient visits to the medical centres opened in 2014, as well as capture further growth from acquired medical centres.

Al Noor confirms that: (1) the reference above to earnings growth was to underlying EBITDA growth; and (2) underlying EBITDA growth in the second half of the financial year ending 31 December 2015, compared to the same half year period in the financial year ended 31 December 2014, is expected to be higher than underlying EBITDA growth in the first six months of the financial year ending 31 December 2015, compared to the same half year period in the financial year ended 31 December 2014 (the “**Profit Forecast**”).

Reports on the Profit Forecast have been provided by KPMG LLP, Rothschild and Goldman Sachs International and are set out in Appendix 3 (*Profit Forecast Reports*), as required under the City Code. Further information regarding the Profit Forecast is set out in paragraph 13 of Part XI (*Additional Information*).

14 Board, Executive Management and Governance

Following Completion, the Enlarged Al Noor Board will comprise a majority of independent non-executive directors. Two directors from the Al Noor Board, Ian Tyler and Seamus Keating, will be on the Enlarged Al Noor Board, which will also include existing directors of Mediclinic. The Chairman will be Edwin Hertzog (currently Chairman of Mediclinic) and the Senior Independent Director will be Ian Tyler (currently Chairman of Al Noor). The Chief Executive Officer of the Enlarged Group will be Danie Meintjes and the Chief Financial Officer will be Craig Tingle. The full list of members of the Enlarged Al Noor Board is set out in “Directors, Proposed Directors, Company Secretary, Registered Office and Advisers” above.

The Company is, and, following the implementation of the Mediclinic Scheme, is expected to remain, UK tax resident. However, elements of management of the operations of the Enlarged Group will be located in South Africa.

Following Completion, Remgro will own (through its subsidiaries but not including its concert parties) between 40.95 per cent. and 45.18 per cent. of the Company, such that Remgro will be a “controlling shareholder” for the purpose of the Listing Rules. As required by the Listing Rules, Al Noor and Remgro have agreed the terms of a relationship agreement which will take effect on Completion to govern the ongoing relationship between Remgro and Al Noor following Completion, the principal purpose of which is to ensure that Al Noor is capable of carrying out its business independently of Remgro and its associates (the “**Relationship Agreement**”).

Under the terms of the Relationship Agreement:

- Remgro undertakes: to conduct all transactions and arrangements with any member of the Al Noor Group at arm’s length and on normal commercial terms; not to take any action that would have the effect of preventing Al Noor from complying with its obligations under the Listing Rules; not to propose or procure the proposal of a shareholder resolution of Al Noor which is intended or appears to be

intended to circumvent the proper application of the Listing Rules; and to abstain from voting on any shareholder resolution that is required to be passed under Chapter 11 of the Listing Rules in order to approve a related party transaction involving Remgro or any of its associates, as the related party. Remgro also undertakes to procure, so far as it is legally able to do so, that its associates (as defined in the Listing Rules) comply with such undertakings.

- Remgro also undertakes not to solicit senior employees of the Al Noor Group for a period of two years, and to preserve the confidentiality of the Enlarged Group's information.
- Remgro is entitled to appoint one director (or, at Remgro's election, an observer) for every 10 per cent. of the voting rights in Al Noor held by it or its associates, up to a maximum of three directors, provided that the right to appoint a third director is subject to the requirement that the Al Noor Board will, following such appointment, comprise a majority of independent directors. Remgro is also entitled to representation on each committee of the Al Noor Board (save that the Audit and Risk Committee shall comprise solely of independent directors). The Relationship Agreement requires the presence of a director appointed by Remgro at board meetings in order to constitute a quorum.
- Al Noor undertakes not to effect any share repurchase that would give rise to an obligation on the part of Remgro to make a general offer for Al Noor under Rule 9 of the City Code, unless a waiver from the obligation under Rule 9 of the City Code has been granted by the Panel.

Remgro, through a wholly-owned subsidiary, currently holds 41.9 per cent. of the issued share capital of Mediclinic. Remgro is an investment holding company listed on the Johannesburg Stock Exchange. Remgro holds interests in over 30 listed and unlisted portfolio companies in a diverse range of sectors.

As noted above it is proposed that Danie Meintjes and Craig Tingle will join the Enlarged Al Noor Board on implementation of the Scheme. They will receive director's fees and expenses when they join the Enlarged Al Noor Board but will also continue as employees of Mediclinic. It is proposed that the new terms will be substantially similar to their existing terms and conditions as executive directors of Mediclinic. Accordingly Al Noor Shareholders are being asked to approve changes to the Al Noor remuneration policy set out in Appendix 4 (*Directors' Remuneration Policy*) so that the revised policy will permit, where applicable, the continuation of their existing terms. It is not expected that this will result in an immediate or material increase in their overall remuneration. However, the Enlarged Al Noor Board may in due course review whether the overall remuneration of the Directors continues to be appropriate which may result in an increase (subject always to the terms of Al Noor's remuneration policy from time to time in force).

If approved at the General Meeting, Ronald Lavater will be paid a retention bonus of up to USD 1,500,000 in two equal instalments three and nine months after the Closing Date. The actual amount of the retention bonus will be subject to the remuneration committee of the Al Noor Board being satisfied with Mr Lavater's achievement of performance targets relating to his effective stewardship of the Company and the successful conclusion of the Combination in the best interests of the Company's shareholders. If he resigns from the Enlarged Group or is terminated for cause, he will lose his entitlement to any unpaid instalments. Approval is being sought for this retention bonus because it is not contemplated by the Company's current or intended remuneration policy.

15 Employee Share Schemes

Al Noor Employee Share Plans

Outstanding awards under the Al Noor Employee Share Plans shall vest on the Closing Date as a result of the Special Dividend:

- under the Al Noor Deferred Annual Bonus Plan 2013, in full; and
- under the Al Noor Long Term Incentive Plan 2013, to the extent that performance conditions are met (as determined by Al Noor's remuneration committee).

The number of Shares will not be reduced to reflect early vesting.

Participants will also receive dividend equivalents (in cash or Shares) for dividends up to and including the Special Dividend.

Awards made in 2013 under the Al Noor Long Term Incentive Plan 2013 will be satisfied in cash.

Awards made in 2014 and 2015 under the Al Noor Deferred Annual Bonus Plan 2013 and the Al Noor Long Term Incentive Plan 2013 will be satisfied in cash or newly issued shares.

Al Noor will write to holders of the awards after the posting of this document to inform them of the impact of the Combination on their awards and the extent to which their awards will vest as a result of the Combination.

The Chairman's entitlement to Shares (described in more detail at paragraph 8.4 of Part XI (*Additional Information*) of this document) will be adjusted to reflect the Special Dividend.

Mediclinic Share Schemes

Awards under the Mediclinic Forfeitable Share Plan will vest as a result of the Combination to the extent that the remuneration committee of the Mediclinic Board determines. To the extent that awards do not vest, they will be exchanged for awards over Shares on such terms as Al Noor and Mediclinic shall agree such that participants in the Mediclinic Forfeitable Share Plan are in no worse position than prior to the implementation of the Mediclinic Scheme or may be cashed out or otherwise treated in accordance with the rules of the Mediclinic Forfeitable Share Plan.

The effect of the Mediclinic Scheme in respect of awards under the Mpilo Trust employee share plan (subject to compliance with the trust deed of the Mpilo Trust in respect of receipt of a favourable independent opinion in relation to the Mediclinic Scheme) is as follows:

- (a) in respect of the first three allocations in terms of which the lock-in period expires on 31 December 2015:
 - (i) employees who elect to sell their Mediclinic Shares (which should occur before the Mediclinic Scheme becomes operative) will not be affected;
 - (ii) employees who elect to take transfer of their shares will have their Mediclinic Shares exchanged for New Shares (in the ratio of 0.62500 New Shares for every one Mediclinic Share held, the "**Exchange Ratio**") and they will accordingly be treated the same as all Mediclinic Shareholders; and
 - (iii) employees who elect to remain in the Mpilo Trust will have their units linked to New Shares (in the Exchange Ratio); and
- (b) in respect of the allocation in terms of which the lock-in period expires in 2018, the Mediclinic Shares linked to the units will be exchanged for New Shares (in the Exchange Ratio).

Al Noor and Mediclinic shall after posting this document write to holders of awards under the Mediclinic Forfeitable Share Plan to inform them of the impact of the Combination on their awards and the extent to which their awards will vest as a result of the Combination; and the trustees of the Mpilo Trust to inform them of the impact of the Combination on the units allocated under the Mpilo Trust and what action is required to be taken by the trustees to determine the Mpilo Trust's participation in the Mediclinic Scheme.

16 Financial effects of the Combination

To illustrate the financial effects of the Combination, an unaudited pro forma consolidated statement of net assets for the Enlarged Group, assuming that Completion had occurred on 30 September 2015, is set out in Section A (*Unaudited pro forma financial information for the Enlarged Group*) of Part VII (*Pro Forma Financial Information*) of this document. Al Noor currently reports to a 31 December year end in USD; following Completion, Al Noor will report to a 31 March year end in pounds sterling. After taking account of adjustments including the proposed Special Dividend, the Tender Offer, the cash received pursuant to the Remgro Subscription, borrowings made under the Mediclinic Bridge Facility and transaction costs, this shows that the Enlarged Group would have had net assets of £3,243 million as at 30 September 2015 (on the basis set out in Part VII (*Pro Forma Financial Information*) of this document).

In addition, Section A (*Unaudited pro forma financial information for the Enlarged Group*) of Part VII (*Pro Forma Financial Information*) of this document sets out the unaudited pro forma consolidated income statement of the Enlarged Group for the year ended 31 March 2015 and the six months ended 30 September 2015 assuming that Completion had occurred at the beginning of the relevant periods. The unaudited pro forma combined income statement does not reflect the fair value adjustments that are expected to be made post-Completion and which may have a material impact on the earnings of the Enlarged Group going forward. In particular, the pro forma purchase price premium has been attributed to goodwill and no pro forma amortisation nor impairment charge has been applied to the goodwill

balance in the period presented and the fair value adjustments, when finalised post Completion, may be material.

17 Dividend policy of the Enlarged Group

Following Completion, the newly formed Enlarged Al Noor Board, composed of the proposed directors set out in “*Directors, Proposed Directors, Company Secretary, Registered Office and Advisers*” above, intends to adopt a dividend policy to reflect the underlying earnings and growth of the business, while retaining sufficient capital to fund ongoing operations and to invest in the Enlarged Group’s long term growth. The Enlarged Group Board aims to pay a dividend of between 25 per cent. and 30 per cent. of normalised headline earnings per share. The Enlarged Group Board may revise the dividend policy from time to time. The ability of the Enlarged Group to pay dividends is dependent on a number of factors and there is no assurance that the Enlarged Group will pay dividends, or, if a dividend is paid, what the amount of such dividend will be.

18 Irrevocable undertakings

Mediclinic and Al Noor have obtained irrevocable undertakings from Sheikh Mohammed Bin Butti Al Hamed and Dr Kassem Alom (as shareholders of Al Noor), to vote in favour of the resolutions required to approve and implement the Combination (including the Special Dividend and the Tender Offer). Dr Kassem Alom is also a non-executive director of Al Noor. None of the other directors of Al Noor hold Existing Shares. These irrevocable undertakings cover 34.3 per cent. of Al Noor’s outstanding shares as at 17 November 2015. The Existing Shares covered by these irrevocable undertakings are as follows:

<u>Shareholder</u>	<u>Shares</u>
Sheikh Mohammed Bin Butti Al Hamed	33,018,320
Dr. Kassem Alom	7,055,946
Total	<u>40,074,266</u>

These irrevocable undertakings remain binding if a competing proposal, including any offer from VPS Healthcare or any other entity is made to either Al Noor or Mediclinic, but cease to be binding when the Company and Mediclinic announce they do not intend to proceed with the Combination, and no new revised or replacement proposal is announced by the Company and Mediclinic.

Mediclinic and Al Noor have also obtained irrevocable undertakings from the directors and/or officers of Mediclinic, and from Remgro, to vote in favour of the resolutions to be proposed at the general meeting of Mediclinic and required to approve and implement the Combination. These irrevocable undertakings cover 42.6 per cent. of Mediclinic’s outstanding shares as at 6 November 2015. The Mediclinic Shares covered by these irrevocable undertakings are as follows:

<u>Shareholder</u>	<u>Shares</u>
Remgro Healthcare Holdings (Pty) Ltd	410,212,007
Edwin Hertzog	6,007,768
Danie Meintjes	337,860
Gert Hattingh	213,510
Koert Pretorius	205,492
Craig Tingle	195,320
Ronnie van der Merwe	98,453
Total	<u>417,270,410</u>

These irrevocable undertakings remain binding if a competing proposal is made to either Al Noor or Mediclinic, but cease to be binding when the Company and Mediclinic announce they do not intend to proceed with the Combination, and no new revised or replacement proposal is announced by the Company and Mediclinic.

19 Offer related arrangements

The Company and Remgro have entered into a mutual confidentiality agreement dated 23 August 2015 pursuant to which each of the Company and Remgro has undertaken to keep certain information relating to the Combination and the other party confidential and not to disclose it to third parties (other than to

certain permitted disclosees) unless required by law or regulation. These confidentiality obligations will remain in force until Completion.

The Company and a wholly-owned subsidiary of Remgro have entered into the Remgro Subscription Agreement dated 14 October 2015. Under the terms of the Remgro Subscription Agreement, Remgro Healthcare will (or shall procure that one or more of its affiliates will) subscribe for 72,115,384 New Shares at a fixed price of £8.32 per share, to raise proceeds of £600 million. The Remgro Subscription is conditional on, inter alia, the Mediclinic Scheme becoming operative.

20 Reductions of Capital

Al Noor does not currently have sufficient distributable reserves to enable it to pay the Special Dividend. Therefore, a special resolution is being proposed at the General Meeting to issue Class A Shares to a nominee on behalf of the Al Noor Shareholders by capitalising the sum of US\$556,449,554 which will stand to the credit of the Company's merger reserve following the redesignation described in Part C of Part VI (*Financial Information on Al Noor*) of this document. Further special resolutions are then being proposed at the General Meeting for the cancellation of (i) Al Noor's existing share premium account and (ii) the Class A Shares to be allotted to a nominee on behalf of Al Noor Shareholders in order to create sufficient distributable reserves. In order for this First Reduction of Capital to become effective, it must be confirmed by the Court, pursuant to section 648 of the UK Companies Act. The effect of this First Reduction of Capital will be to create sufficient distributable reserves to enable Al Noor to pay the Special Dividend, and it will become effective on registration of the Court order confirming the reduction by the Registrar of Companies. It is a condition to the Mediclinic Scheme that this First Reduction of Capital is confirmed by the Court and becomes effective.

The cancellation of the Existing Shares tendered and accepted for cancellation under the Tender Offer will also constitute a reduction of capital, and a further reduction of Al Noor's then existing share premium account to USD 1 billion will also be required in order to enable sufficient capital to be repaid to tendering Al Noor Shareholders pursuant to the Tender Offer, with any balance creating distributable reserves for future use. Accordingly, a further special resolution is being proposed at the General Meeting to permit the cancellation of the tendered Existing Shares and the associated reduction of share premium account. This Second Reduction of Capital must also be confirmed by the Court pursuant to section 648 of the UK Companies Act, and will become effective on registration of the Court order confirming the reduction by the Registrar of Companies. However, this Second Reduction of Capital can only be confirmed by the Court after the Mediclinic Scheme becomes operative and after the Remgro Subscription because the share premium to be reduced only arises after such time and, accordingly, there is a risk that if the Court does not confirm the Second Reduction of Capital, the Tender Offer would not be able to proceed. In this circumstance, Al Noor will use reasonable endeavours to enable Al Noor Shareholders to tender the Existing Shares that would otherwise have been cancelled pursuant to the Tender Offer by other means for the same cash amount.

The Court hearing to confirm the First Reduction of Capital is expected to be held on Thursday, 21 January 2016 and the Court hearing to confirm the Second Reduction of Capital is expected to be held on Tuesday, 9 February 2016. Al Noor Shareholders may, if they wish, attend the hearings to support or oppose the First Reduction of Capital or the Second Reduction of Capital.

21 Amendments to the Articles of Association

A number of amendments to the Articles of Association are required to enable the Company to establish a South African branch register for the Shares, as well as to change the Company's name to Mediclinic International plc and remove references to the relationship agreement between, amongst others, the Company, Ithmar Capital, SMBB and Dr Kassem Alom. Accordingly, a special resolution is being proposed at the General Meeting to adopt new Articles of Association reflecting these changes. A copy of the new Articles of Association, marked to show the changes proposed to the existing Articles of Association, will be available for inspection at the registered office of the Company during normal business hours on any business day following the date of this document until the close of the General Meeting.

22 Settlement, listing and dealing in New Shares

The New Shares to be issued to Mediclinic Shareholders pursuant to the Mediclinic Scheme and to Remgro in connection with the Remgro Subscription will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Shares, including the right to receive in full all dividends and other

distributions (if any) declared, made or paid by reference to a record date after Completion (but they will not carry any entitlement to the Special Dividend or to be eligible for the Tender Offer).

The Combination is classified as a reverse takeover for the purpose of the Listing Rules. As such, upon Completion, the listing of the Existing Shares on the premium listing segment of the Official List maintained by the Financial Conduct Authority will be cancelled, and application will be made for the immediate readmission of the Existing Shares and the admission of the New Shares to the premium listing segment of the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange. Subject to the satisfaction or waiver of the Conditions, it is currently expected that Completion will occur, that Admission will become effective and that dealings in the New Shares will commence on the London Stock Exchange after Completion. The New Shares will be registered and are expected to be held in uncertificated form. The Prospectus in respect of the Enlarged Group and the application for Admission is available at www.alnoorhospital.com.

An application will be made to the Johannesburg Stock Exchange to terminate the listing of the Mediclinic Shares on those exchanges and to achieve a secondary listing of the Company on the Johannesburg Stock Exchange following implementation of the Combination. The secondary listing of the Company following implementation of the Combination on the Johannesburg Stock Exchange is expected to become effective on 1 February 2016, and dealings in new Shares on the Johannesburg Stock Exchange to commence, within one day of Completion. A South African branch register for the Shares will be established on or around the same date.

It is also intended, subject to compliance with relevant regulatory procedures, to procure a secondary listing of the New Shares of the Company on the NSX, either simultaneously with the inward secondary listing on the JSE referred to above, or as soon as possible thereafter.

23 General Meeting and Resolutions

Completion is conditional upon Al Noor Shareholders' approval being obtained at the General Meeting. Accordingly, you will find set out at the end of this document a notice convening a General Meeting to be held at the offices of Linklaters LLP, at One Silk Street, London EC2Y 8HQ at 9:00 a.m. on Tuesday, 15 December 2015 at which the Resolutions including the Whitewash Resolution will be proposed to approve the Combination. A summary of the Resolutions is set out below and the full text is set out in Appendix 2 (*Notice of General Meeting*).

Each Resolution is conditional upon the occurrence of certain events:

- a) Resolutions 1, 2, 4, 6, 10, 11 and 12 are each conditional upon all of the Resolutions other than Resolutions 3, 5, 7 and 9 being passed;
- b) Resolution 5 is conditional upon all of the other Resolutions other than Resolutions 3, 7 and 9 being passed;
- c) Resolution 7 is conditional upon all of the other Resolutions other than Resolutions 3, 5 and 9 being passed;
- d) Resolution 9 is conditional upon all of the other Resolutions other than Resolutions 3, 5 and 7 being passed;
- e) Resolutions 3 and 8 are conditional upon the Mediclinic Scheme becoming unconditional in all respects;
- f) Resolutions 14 and 15 are conditional upon both the Mediclinic Scheme becoming operative and all of the Resolutions other than Resolutions 3, 5, 7 and 9 being passed; and
- g) Resolution 13 is conditional upon: (i) Completion and the Remgro Subscription; (ii) the New Shares having been allotted and issued and registered in the names of the persons entitled thereto in the register of members of the Company; and (iii) the accounts of the Company having been updated to reflect the share premium arising on the allotment and issue of the New Shares;

Resolution 1

An ordinary resolution to approve the Combination under Chapter 10 of the Listing Rules and to authorise the Al Noor Directors to:

- (a) take all such steps and enter into such further agreements as may be necessary or desirable in connection with, and to implement, the Combination; and

- (b) agree such modifications, variations, revisions or amendments to the terms and conditions of the Combination as the Al Noor Directors may in their absolute discretion think fit.

Resolution 2

An ordinary resolution to authorise the Al Noor Directors to allot and issue up to 685,293,369 New Shares in connection with the Mediclinic Scheme and the Remgro Subscription, including the discount at which the New Shares are issued under the Remgro Subscription. This authority represents approximately 486 per cent. of the total issued share capital of Al Noor as at 17 November 2015.

Resolution 3

An ordinary resolution to renew the Al Noor Directors' general authority to issue shares following Completion based on its enlarged issued share capital.

There is currently no specified purpose for the general authority to be conferred by Resolution 3.

Resolution 4

An ordinary resolution of the Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party), to be taken on a poll, to approve the waiver of any requirement under Rule 9 of the City Code for the Remgro Concert Party to make a general offer to Al Noor Shareholders as a result of the Remgro Concert Party being issued between 42.99 per cent. and 47.43 per cent. of the ordinary shares in the capital of the Company pursuant to the Combination, the Remgro Subscription and the Tender Offer (depending on the take up of the Tender Offer).⁹

Resolution 5

An ordinary resolution to approve the proposed retention bonus payable to Mr Lavater which is described in paragraph 14 this letter.

Resolution 6

An ordinary resolution to approve the resignation of KPMG LLP and the appointment of PricewaterhouseCoopers LLP as auditors of the Company.

Resolution 7

An ordinary resolution to adopt a new remuneration policy of the Company as set out in Appendix 4 (*Directors' Remuneration Policy*).

Resolution 8

A special resolution to dis-apply pre-emption rights that would otherwise apply to the allotment of New Shares to Remgro for cash pursuant to the Remgro Subscription.

Resolution 9

A special resolution to renew the Al Noor Directors' general authority to issue shares for cash on a non pre-emptive basis following Completion, in respect of a number of Shares representing 5 per cent. of the total issued enlarged share capital of the Company.

Resolution 10

A special resolution to approve the allotment of Class A Shares to a nominee on behalf of the Al Noor Shareholders and paid up out of the Company's merger reserve.

⁹ Note: An announcement of the actual amount of issued ordinary share capital of the Company held by the Remgro Concert Party as a consequence of the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) (the "**Post Tender Remgro Holding**") will be made by the Company immediately following completion or lapse of the Tender Offer. Any transaction in issued ordinary shares of the Company by the Remgro Concert Party following Completion that results in the Remgro Concert Party holding more than the Post Tender Remgro Holding, will (save as agreed by the Panel) be subject to the usual provisions of the City Code.

Resolution 11

A special resolution to approve the cancellation of all the Class A Shares allotted pursuant to Resolution 10 in order to create distributable reserves to enable, together with the cancellation referred to in Resolution 12, Al Noor to pay the Special Dividend.

Resolution 12

A special resolution to approve the cancellation of Al Noor's existing share premium account in order to create distributable reserves to enable, together with the cancellation referred to in Resolution 11, Al Noor to pay the Special Dividend.

Resolution 13

A special resolution to approve the cancellation of the Existing Shares tendered and accepted for cancellation under the Tender Offer, and the reduction to USD 1 billion of Al Noor's then existing share premium account, with £8.32 in cash per Existing Share being paid by way of return of capital to the tendering Al Noor Shareholders and any balance being transferred to reserves.

Resolution 14

A special resolution to change the name of the Company to Mediclinic International plc.

Resolution 15

A special resolution to adopt new Articles of Association in order to implement changes required to the existing Articles of Association to enable the Company to establish a South African branch register for the Shares, reflect the change in Company name and remove references to the relationship agreement between, amongst others, the Company, Ithmar Capital, SMBB and Dr Kassem Alom.

24 Action to be taken

You will find enclosed a Form of Proxy for use at the General Meeting, which covers all of the Resolutions to be proposed at the General Meeting. As an alternative to completing and returning the Form of Proxy, you may register the appointment of a proxy for the General Meeting by accessing the website www.capitashareportal.com. If you hold Shares in CREST, you may instead appoint a proxy by completing and transmitting a CREST Proxy Instruction to Al Noor's Registrars, Capita. Guidance notes to assist you to complete the Form of Proxy or to register the appointment of a proxy electronically or to complete and transmit a CREST Proxy Instruction are set out in Appendix 2 (*Notice of General Meeting*).

Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed on it, or to register the appointment of a proxy electronically or, if you hold Shares in CREST, to complete and transmit a CREST Proxy Instruction. **Completed Forms of Proxy should be returned to the Company's Registrars, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, no later than 9:00 a.m. on Friday, 11 December 2015 (or the earlier of two business days or 48 hours before the date of any adjourned meeting).** The completion and return of a Form of Proxy or the transmittal of an electronic proxy registration or CREST Proxy Instruction will not prevent you from attending the meeting and voting in person if you so wish and are so entitled.

If you have any questions relating to this document and/or the completion and return of the Form of Proxy, please contact Capita on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

25 Further information

Your attention is drawn to the further information contained in this document and in particular, to the Risk Factors in Part II. Investors should read the whole of this document and not rely solely on information summarised in this Letter, including the summarised financial information.

26 Combination Recommendation

The Al Noor Board believe that the proposed Combination presents a compelling opportunity to create value for Al Noor Shareholders.

The Al Noor Board, which has received financial advice from Rothschild and Goldman Sachs International, considers the terms of the Combination and each of the Resolutions summarised above to be in the best interests of Al Noor Shareholders as a whole. In providing their advice, Rothschild and Goldman Sachs International have taken into account the commercial assessments of the Al Noor Board.

The Al Noor Board, which has been so advised by Rothschild and Goldman Sachs International in respect of the financial terms of the Combination (including the Tender Offer and the Waiver), considers the terms of the Combination (including the Tender Offer and the Waiver), to be fair and reasonable and in the best interests of Al Noor Shareholders. In providing advice to the Al Noor Board, Rothschild and Goldman Sachs International have taken into account the commercial assessments of the Al Noor Board. Rothschild is acting as independent financial adviser to Al Noor for the purposes of providing independent advice to the Al Noor Board in connection with the Combination, Tender Offer and Waiver under Rule 3 of the City Code.

Accordingly, the Al Noor Board recommends unanimously that Al Noor Shareholders vote in favour of the Resolutions required to approve and implement the Combination (including the Special Dividend and the Tender Offer), including the Whitewash Resolution and related matters to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of their own beneficial holdings.

27 Tender Offer Recommendation

The Al Noor Board, which has been so advised by Rothschild and Goldman Sachs International in respect of the financial terms of the Tender Offer, considers the terms of the Tender Offer to be fair and reasonable. In providing advice to the Al Noor Board, Rothschild and Goldman Sachs International have taken into account the commercial assessments of the Al Noor Board. Rothschild is acting as independent financial adviser to Al Noor for the purposes of providing independent advice to the Al Noor Board in connection with the Combination, Tender Offer and Waiver under Rule 3 of the City Code.

For the avoidance of doubt, the Al Noor Board is not making, and does not intend to make, any recommendation to Al Noor Shareholders on whether or not to tender Existing Shares for cancellation under the terms of the Tender Offer. Al Noor Shareholders should consider whether continuing to hold Shares following completion of the Combination is a suitable investment in light of their own personal circumstances and investment objectives and are, therefore, strongly recommended to consider the factors set out in Part II (*Risk Factors*) of this document and to seek their own independent financial, tax and legal before deciding whether or not to tender Existing Shares for cancellation under the terms of the Tender Offer, or to remain as Al Noor Shareholders. Dr. Kassem Alom (Founder, Deputy Chairman and Non-Executive Director of the Company), who holds 7,055,946 Shares in Al Noor, intends to tender approximately 75 per cent. of his Shares for cash pursuant to the Tender Offer. Sheikh Mohammed Bin Butti Al Hamed who holds 33,018,320 Shares in Al Noor intends to tender approximately 75 per cent. of his shares for cash pursuant to the Tender Offer.

The intentions of Dr. Kassem Alom and Sheikh Mohammed Bin Butti Al Hamed may change as a result of changes to the Al Noor share price or Mediclinic share price prior to the Record Date, changes to prevailing economic or financial market conditions in the period running up to the Record Date or changes in the personal circumstances of Dr. Kassem Alom or Sheikh Mohammed Bin Butti Al Hamed. If the intentions of Dr. Kassem Alom or Sheikh Mohammed Bin Butti Al Hamed in relation to the Tender Offer do change prior to the Record Date, then an announcement will be made to the market detailing the change in intention and the reasons for such change.

No other Al Noor directors are able to participate in the Tender Offer.

Yours faithfully

Ian Tyler
Chairman

PART II RISK FACTORS

Shareholders should consider the following risks and uncertainties together with all of the other information set out in this document prior to making any decision as to whether or not to vote in favour of the Resolutions.

The risks described below are all of the material risk factors related to the Combination, material new risk factors to the Enlarged Group as a result of the Combination, or existing material risk factors to the Al Noor Group which will be impacted by the Combination.

The risks described below are based on information known at the date of this document, but may not be the only risks to which the Al Noor Group, or, following the Closing Date, the Enlarged Group is or might be exposed. Additional risks and uncertainties, which are currently unknown to Al Noor, or that Al Noor does not currently consider to be material, may materially affect the business of the Al Noor Group and the Enlarged Group and could have material adverse effects on the business, financial condition, results of operations and prospects of the Al Noor Group and/or the Enlarged Group. If any of the risks were to occur, the business, financial condition, results of operations and prospects of the Al Noor Group and/or the Enlarged Group could be materially adversely affected and the value of Existing Shares could decline and shareholders could lose all or part of the value of their investment in Existing Shares.

Shareholders should read this document as a whole and not rely solely on the information in this section.

MATERIAL RISKS RELATING TO THE COMBINATION

Completion is subject to the satisfaction (or waiver, where applicable) of a number of conditions which, if not satisfied (or waived, as applicable) may result in the Combination not being completed.

The Combination is subject to the fulfilment or waiver (as applicable) of certain conditions precedent by no later than the Long Stop Date, relating to, among others:

- the approval, posting and publication of the required shareholder documentation;
- the approval by Al Noor and Mediclinic Shareholders of resolutions required to implement the Combination;
- the Panel waiving the requirement for the Remgro Concert Party to make an offer for Al Noor under Rule 9 of the City Code, and the associated Whitewash Resolution having being duly passed, on a poll, by the requisite majority of Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party) (the “**Waiver**”);
- approvals relating to the admission of Shares to trading on the LSE and the Johannesburg Stock Exchange;
- the receipt of competition authority clearances in South Africa and Namibia and other required regulatory clearances;
- confirmation by the Court of the cancellation of (i) Al Noor’s existing share premium account and (ii) the Class A Shares to be allotted to a nominee on behalf of Al Noor Shareholders and paid up out of the Company’s merger reserve shortly before the Court hearing to confirm such reductions, in each case in order to create distributable reserves, and such reductions of capital having become effective;
- the implementation of certain preliminary steps relating to the Mediclinic Scheme;
- the Remgro Subscription; and
- other customary conditions relating to the businesses of the two groups.

In addition, the Special Dividend and the Tender Offer are conditional on the Mediclinic Scheme becoming operative and unconditional and the Tender Offer is also conditional on the Remgro Subscription and the Court confirming the Second Reduction of Capital.

There is no guarantee that these (or any other) conditions will be satisfied (or waived, as applicable). Failure to satisfy any of these conditions may result in the Combination not being completed.

The Court hearing to confirm the Second Reduction of Capital will only take place after the Mediclinic Scheme has become operative. If the Court does not confirm the Second Reduction of Capital, the Company will be unable to proceed with the Tender Offer.

The cancellation of the Existing Shares tendered and accepted for cancellation under the Tender Offer will constitute a reduction of capital, and the return of capital to tendering Al Noor Shareholders also requires a reduction of Al Noor's then existing share premium account. Accordingly, a special resolution will be proposed to Al Noor Shareholders at the General Meeting to permit the cancellation of those shares and the associated reduction of capital, and the reduction of Al Noor's then existing share premium account. This special resolution must also be confirmed by the Court pursuant to section 648 of the UK Companies Act. However, this reduction of capital can only be confirmed by the Court after the Mediclinic Scheme becomes operative and after the Remgro Subscription and, accordingly, there is a risk that if Court approval is not obtained, the Combination will complete but the Tender Offer would not be able to proceed and Al Noor Shareholders will be left with all of their shares in the Company. In this circumstance, Al Noor will use reasonable endeavours to enable Al Noor Shareholders to tender the Existing Shares that would otherwise have been cancelled pursuant to the Tender Offer by other means for the same cash amount.

The Combination may be completed even if there is an adverse change or development in respect of Mediclinic or Al Noor.

Under the terms of the Mediclinic Scheme, Al Noor and Mediclinic have very limited rights to terminate the Combination if, prior to Completion, an event occurs which has or is reasonably likely to have a particular material adverse effect on the Mediclinic Group or the Al Noor Group, respectively.

These rights are principally limited to circumstances where (i) a licence held by a member of the Al Noor Group or Mediclinic Group which is necessary for the proper carrying on of its business has been withdrawn, cancelled or terminated where such withdrawal, cancellation or termination has had, or would reasonably be expected to have, a material adverse effect on the Al Noor Group or Mediclinic Group (as applicable) taken as a whole or (ii) an insolvency event having occurred in relation to Mediclinic (or any company in the Mediclinic Group which contributes more than 10 per cent. of the EBITDA of the Mediclinic Group) or Al Noor (or any company in the Al Noor Group which contributes more than 10 per cent. of the EBITDA of the Al Noor Group).

Accordingly, the Combination may proceed even if there is an adverse change in relation to the Mediclinic Group or the Al Noor Group. If an adverse change occurs and the Combination completes, the price of the Shares may be adversely affected. Conversely, if either party exercises a right to terminate the Combination for a material adverse effect, the price of the Existing Shares may be adversely affected.

The Enlarged Group may fail to realise the business growth opportunities, margin benefits and other synergies anticipated from, or may incur unanticipated costs associated with, the Combination.

Al Noor believes that the Combination is justified in part by the business growth opportunities, margin benefits and other synergies it expects to achieve by combining its operations with Mediclinic. However, these expected business growth opportunities, margin benefits and other synergies may not materialise and other assumptions upon which the terms of the Combination were determined may prove to be incorrect.

The Enlarged Group may also face challenges with the following: redeploying resources in different areas of operations to improve efficiency; minimising the diversion of management attention from ongoing business concerns; and addressing possible differences between Al Noor's business culture, processes, controls, procedures and systems and those of Mediclinic.

Additionally, the Combination might affect the relationship that Al Noor and/or Mediclinic have with suppliers and business partners, and affect business performance and/or potential growth opportunities.

Under any of these circumstances, the business growth opportunities, margin benefits and other synergies anticipated by Al Noor and Mediclinic to result from the Combination may not be achieved as expected, or at all, or may be delayed materially. To the extent that the Enlarged Group incurs higher integration costs or achieves lower margin benefits than expected, the Enlarged Group's results of operations, financial condition and/or prospects, and the price of the Shares, may be adversely affected.

The Enlarged Group's future prospects will, in part, be dependent on its ability to successfully realise cost synergy potentials and integrate the Al Noor Group and the Mediclinic Group.

The Enlarged Group's future prospects may, in part, be dependent upon the Enlarged Group's ability to integrate the Al Noor Group and the Mediclinic Group successfully and any other businesses that it may acquire in the future without material disruption to the existing business including as a result of the integration of key employees, IT and operational systems. The performance of the Enlarged Group in the future will, amongst other things, also depend on the successful integration and motivation of key employees from both the Al Noor Group and the Mediclinic Group.

It is possible that failure to retain certain individuals, platforms or systems during the integration period will affect the ability to integrate the Al Noor Group and the Mediclinic Group successfully into the Enlarged Group and could have a material adverse effect on the Enlarged Group's results of operations, financial conditions and/or prospects. If other cost synergy potentials such as the creation of a shared operations team and economies of scale in procurement are not realised, the Enlarged Group's results of operations, financial conditions and/or prospects may be adversely affected.

The current Al Noor Shareholders will own a significantly smaller percentage of the Company (as the holding company of the Enlarged Group) following implementation of the Combination than they currently own and will exercise significantly less influence as a result.

The Combination will result in Mediclinic Shareholders (including Remgro in its capacity as an existing Mediclinic Shareholder but before taking into account the New Shares it will acquire pursuant to the Remgro Subscription) owning between 83.97 per cent. and 93.45 per cent. of the Company (as the holding company of the Enlarged Group), depending on the extent to which Al Noor Shareholders participate in the Tender Offer. After the Remgro Subscription, Remgro's holding of Shares in the Company (as the holding company of the Enlarged Group) excluding its concert parties will be between 40.95 per cent. and 45.18 per cent. of the Company. As a consequence, the number of voting rights which can be exercised and the influence which may be exerted by current Al Noor Shareholders in respect of the Company (as the holding company of the Enlarged Group) will be significantly reduced.

Remgro will have substantial influence over the Enlarged Group

Following the Remgro Subscription, Remgro's holding will be between 40.95 per cent. and 45.18 per cent. of the Company (as the holding company of the Enlarged Group), depending on the extent to which Al Noor Shareholders participate in the Tender Offer. Remgro has entered into the Relationship Agreement with the Company, to become effective on Completion, to govern the relationship between Remgro and the Enlarged Group. The principal purpose of the Relationship Agreement is to ensure that the Enlarged Group is capable of carrying on its business independently of Remgro and its associates. However, Remgro will retain substantial influence over the Enlarged Group. In particular, under the Relationship Agreement, Remgro will be entitled to appoint one director for every 10 per cent. of the issued ordinary share capital of the Company (or an interest which carries 10 per cent. of the aggregate voting rights in the Company) that Remgro and its subsidiary undertakings hold from time to time, subject to a maximum of three directors and provided that the appointment of a third director nominated by Remgro shall be subject to the requirement that the board will, following the appointment of such third director, have a majority of independent directors. There may be a difference between the interests of Remgro and the interests of other shareholders in the Company (as the holding company of the Enlarged Group).

Risks of executing the Combination could cause the market price of the Shares to decline.

The market price of the Shares may decline as a result of the Combination if, among other reasons:

- the Enlarged Group does not achieve the expected benefits of the Combination as rapidly or to the extent anticipated by analysts or investors or at all;
- the effect of the Combination on the Enlarged Group's financial results is not consistent with the expectations of analysts or investors; or
- Al Noor Shareholders or former Mediclinic Shareholders sell a significant number of Shares after Completion.

RISKS RELATING TO THE ENLARGED GROUP WHICH RESULT FROM OR ARE IMPACTED BY THE COMBINATION

General

The Enlarged Group is subject to risks associated with its expansion strategy.

The strategy of the Enlarged Group involves, in part, continuing to acquire and develop additional facilities. The Enlarged Group's efforts to execute its growth strategy may also be affected by its ability to identify suitable acquisition targets and negotiate and close acquisition and development transactions. As part of its strategy, the Enlarged Group will continue to explore opportunities to acquire hospitals and medical centres and/or sites for such facilities. However, following the Combination, it may not be able to identify suitable sites for new hospitals or medical centres and/or existing facilities to acquire.

New hospital and medical centre projects also require substantial capital expenditure, and the existing working capital and bank facilities of the Al Noor Group and the Mediclinic Group may not be sufficient to support this growth. The Enlarged Group may, therefore, need additional third-party financing to support its strategy. If such third-party financing is insufficient or not available on commercially acceptable terms, these additional expansion opportunities could be curtailed or stopped until sufficient funding is secured. In addition, new facilities may require significant numbers of additional staff, and the Enlarged Group may have difficulty in hiring enough properly qualified personnel or in obtaining licences for such personnel to practise in the relevant jurisdiction. Furthermore, as the Enlarged Group may not achieve the operating levels expected from future projects, it may not be able to achieve its targeted return on investment on, or intended benefits or operating synergies from, these projects.

In addition, to expand its existing facilities or construct new facilities, the Enlarged Group must obtain approvals and licences from relevant authorities or regulatory bodies before it is able to commence construction. If the Enlarged Group fails to obtain such licences or does not obtain such licences on the requested terms, it may not be able to expand or construct facilities as contemplated.

Expansion into new markets will also subject the Enlarged Group to various challenges, including those relating to compliance with the laws, regulations and practices within each new country, with which it may not be familiar, as well as uncertainties associated with the potential adoption of new laws and regulations and in the interpretation of such laws, regulations and practices by courts and regulators.

If the Enlarged Group cannot identify suitable expansion opportunities, secure suitable financing or achieve the requisite return on its investments, its business, prospects, financial condition and results of operations could be adversely affected.

The Enlarged Group is dependent to a significant degree on licences and regulatory approvals. If government requirements are not met and any of its facilities are not allowed to open or are forced to cease operations, the Enlarged Group's business could be adversely affected.

The Enlarged Group's business is subject to extensive licensing requirements. In particular, the Enlarged Group is required to obtain licences for, among others, the following activities: provision of healthcare services, provision of pharmaceutical services, provision of radiology services, administration of narcotics, psychotropic and other controlled substances, and handling and transport of explosive and flammable materials. The Enlarged Group's business activities and operations are also subject to regular reviews by licensing authorities. If any licensing requirements are not met by the Enlarged Group, the relevant authorities may suspend or revoke its licences or impose other restrictions on its operations. In addition, these licensing requirements are complex, which gives rise to compliance risks, and the Enlarged Group cannot predict what new licensing requirements, if any, will be implemented or the effect such licensing requirements may have on its business.

The Enlarged Group's relationship with local licensing authorities is also important to the continued operation of its business and to its future growth, including its ability to maintain its existing licences and obtain additional licences for any new healthcare facilities. There can be no assurance that changes in management or ownership of the Enlarged Group as a result of the Combination would not impact the Enlarged Group's relationships with licensing authorities. Deterioration of the Enlarged Group's relationship with any key government agencies could have a material adverse effect on its business, prospects, financial condition or results of operations.

The Enlarged Group will be exposed to risks relating to its levels of indebtedness.

Upon Admission, the Enlarged Group will have a relatively high level of financial gearing. The debt facilities in Southern Africa are in place until 2019 and the principal debt facilities in Switzerland are in place until 2020. There is no certainty that this debt will be able to be refinanced in the future and no certainty that the current price levels and terms will be maintained going forward, which could have a material adverse effect on the Enlarged Group's business, prospects, results of operations or financial condition.

Risks relating to the tax residence of members of the Enlarged Group.

The tax treatment of the Enlarged Group will, amongst other things, be dependent on the residence for tax purposes of the members of the Enlarged Group, including the Company. Prior to the Combination, the Company has been resident in the United Kingdom. Following the Combination, it is intended that the Company will remain resident in the United Kingdom and that it will not become resident in South Africa, although elements of the management of the operations of the Group will be located in South Africa. If the Company ceases to be resident in the United Kingdom, it could be subject to certain "exit taxes", including United Kingdom corporation tax on any unrealised chargeable gains. It would also no longer qualify for benefits under tax treaties entered into between the United Kingdom and other countries. If the Company did become South African tax resident, this may have a material impact on the taxation liabilities of the Enlarged Group, including the Company, becoming subject to South African taxation on its profits. In addition, if the Company did become South African tax resident, dividends and other distributions paid by the Company to shareholders may be required to be paid subject to South African withholding tax.

Risks relating to tax determinations and the interpretation of tax laws.

Determining the Enlarged Group's provision for corporation and other tax liabilities requires judgements (including in connection with the Assets Transfer) and estimates and there are transactions and calculations where the ultimate tax determination is uncertain. Although the Enlarged Group believes its estimates are reasonable, the ultimate tax outcome may differ from amounts recorded in its financial statements and may materially affect its financial results in the period or periods for which such determination is made. Any adverse tax determination may require the Enlarged Group to pay material amounts in tax and penalties, which could have a material adverse effect on its business, prospects, results of operations or financial condition.

In addition, any change in tax laws or practice in the jurisdictions in which members of the Enlarged Group are resident or operate may have a material adverse effect on the Enlarged Group's financial condition or results.

The Enlarged Group is exposed to foreign exchange risk

Prior to the Combination, the Company's operations were based almost exclusively in the UAE, and although its principal functional currency was the Emirati Dirham, its reporting currency was the U.S. dollar, which is pegged to the Emirati Dirham. Accordingly, the Company's financial results were not significantly exposed to foreign currency fluctuations. However, following Completion, the Company will change its reporting currency to pounds sterling. The Enlarged Group has material operations in South Africa (which report in Rand) and Switzerland (which report in Swiss Francs), as well as the UAE. Therefore, fluctuations in the exchange rates of Rand, Swiss Francs and Emirati Dirham/U.S. dollars relative to pounds sterling could have a significant effect on the Enlarged Group's results of operations. Although the Enlarged Group's exposure to the effects of currency exchange rates on its revenues will be partially hedged because a portion of its costs are also denominated in those currencies, its revenues and profits could nevertheless decline due to adverse movements in the rates of those currencies relative to pounds sterling. In addition, changes in foreign exchange rates relative to pounds sterling can affect the value of the Enlarged Group's non-pounds sterling assets and liabilities and may cause currency translation gains and losses. As a result, material fluctuations in the operating currencies of the Enlarged Group could have a material adverse effect on its consolidated financial results and the price of the Shares.

Risks relating to the Enlarged Group's business in Southern Africa

The Mediclinic Group has and, following Completion the Enlarged Group will have, significant operations in Southern Africa; primarily in South Africa but also through three hospitals in Namibia. The risk factors

below focus on risks applicable to companies operating in South Africa, but many of the risks are applicable to Southern Africa generally.

Political, social and economic conditions in South Africa or regionally could reduce the size of the private healthcare industry or adversely affect the Enlarged Group's business.

Mediclinic's business in Southern Africa is based in, and derived almost all of its revenue for the 2015 financial year from operations in, South Africa. As a result, political, social and economic conditions in South Africa could have a significant effect on the Enlarged Group's business. South Africa moved to a multi-party democracy with universal suffrage in 1994. However, large parts of the South African population do not have access to adequate education, healthcare, housing and other services, including water and electricity. South Africa also has high levels of unemployment, poverty and crime. These problems, in part, are believed to have hindered investments in South Africa, prompted emigration of skilled workers and adversely affected economic growth. Although it is difficult to predict the effect of these, and other, problems on South African businesses or the South African government's efforts to solve them, these problems, or the solutions proposed, could cause the size of the market for private health services or the people who demand these services in South Africa to decline and may have a material adverse effect on the Enlarged Group's business, prospects, financial condition or results of operations. There has also been regional political, social and economic instability in some of the countries surrounding South Africa which could negatively affect the South African economy and political situation which, in turn, could also have a material adverse effect on the Enlarged Group's business, prospects, financial condition or results of operations.

There are risks associated with investing in emerging markets.

South Africa is generally considered by international investors to be an emerging market. Emerging markets are typically thought to have certain characteristics and be subject to many risks, including:

- adverse changes in economic and governmental policy;
- relatively low levels of disposable consumer income;
- relatively high levels of crime;
- relatively unstable institutions;
- relatively higher rates of HIV/AIDS and other serious communicable diseases such as tuberculosis;
- inconsistent application of existing laws and regulations; and
- slow or insufficient legal remedies.

Political, economic, social and other developments in South Africa or other regional emerging markets could have a material adverse effect on its business, prospects, financial condition or results of operations.

Gaps in the public power grid or the in-house emergency power supply could occur, and the Enlarged Group may face increased electricity costs.

As a result of the inability of Eskom Holdings Limited ("Eskom"), South Africa's state-owned electricity utility, to meet the increasing electricity demand in South Africa due to historical underinvestment and failure to expand capacity, parts of South Africa experienced frequent power shortages and outages during recent years. In order to maintain its operations in the face of power supply disruptions, the Mediclinic Group spent ZAR48 million in capital expenditures to build secondary back-up generators at its hospitals over the period 2007 to 2009. The Mediclinic Group has incurred and the Enlarged Group may in future incur additional costs for diesel fuel to operate these generators in the event of further power disruptions. Furthermore, during recent years, electricity prices have increased significantly in South Africa due to pressures from Eskom to increase tariffs to support its financial position and capital expenditure programme, and are expected to continue to increase.

Gaps in the supply of power from the public grid and from the Enlarged Group's in-house emergency power supply in South Africa could affect the operation of the respective hospitals and limit its operations; particularly when such gaps in the power supply are harmful to the health of the patients or lead to a loss of reputation by individual hospitals or of the Enlarged Group. Any of these factors may have a material adverse effect on the Enlarged Group's business, prospects, financial condition or results of operations.

Non-compliance with black economic empowerment (“BEE”) initiatives in South Africa could affect the Enlarged Group’s business prospects and revenue.

Under the laws, codes and regulations promulgated by the South African government to promote BEE, the government awards procurement contracts, quotas, licences, permits and other rights based on numerous factors including the BEE status of applicants. The Enlarged Group is required or encouraged to comply with procurement, employment equity, ownership and other requirements, which are designed to redress historical social and economic inequalities and ensure socio-economic stability in South Africa. A company’s BEE status is an important factor considered by government and other public bodies in awarding contracts, and may influence relationships with customers or suppliers as it has an effect on the BEE status of those customers or suppliers. If the Enlarged Group fails to maintain its BEE status, its ability to obtain licences could be adversely affected and customers and suppliers might also be less likely to procure services from or supply to the Enlarged Group, which could have a material adverse impact on its business.

The Enlarged Group’s business in Southern Africa will depend on payments from medical schemes. If the Enlarged Group’s relationship with these medical schemes deteriorates, if the Enlarged Group is unable to negotiate and retain similar fee arrangements with these medical schemes, or if these medical schemes are unable to make payments to the Enlarged Group, its business may be adversely affected.

The Mediclinic Group receives the vast majority of its revenues in its Southern Africa business from payments from medical schemes. In South Africa, patients are insured by medical schemes, which are, in turn, either administered by medical aid administrators or are self-administered. In the 2015 financial year, payments received from the three largest medical aid administrators (Discovery, Medscheme and Metropolitan Life) accounted for the significant majority of the Mediclinic Group’s revenues in its Southern Africa business.

The Mediclinic Group negotiates on an annual basis with the medical schemes regarding the tariffs, or pricing arrangements, to be paid to the Mediclinic Group for services provided at its facilities. The Mediclinic Group has and the Enlarged Group may continue to face downward pressure on some of the payment rates from these medical schemes in South Africa. The Enlarged Group may be unable to effectively pass on increases in its cost base into the tariffs paid by the medical schemes. Any further consolidation of, or collective bargaining by, medical schemes may strengthen their bargaining position vis-à-vis the Enlarged Group and may result in less favourable pricing and other terms.

In addition, the Mediclinic Group is dependent for a portion of its revenues on its preferred network arrangements with these medical schemes, which represent a portion of the Mediclinic Group’s patients covered. Under a preferred network arrangement, the medical schemes require or financially incentivise patients to receive treatment at the Mediclinic Group’s facilities as opposed to other healthcare facilities. If the Enlarged Group were unable to retain its preferred network arrangements, it may lose patient volumes and may also become less attractive to doctors.

The Enlarged Group’s future success will depend, in part, on its ability to maintain good relationships with these medical schemes. Competition from other healthcare providers may also impact its ability to maintain relationships with or negotiate increases in tariffs or other favourable terms from medical schemes. If the Enlarged Group’s relationship with medical schemes deteriorates, it may be unable to negotiate favourable tariff arrangements, may lose its preferred network arrangements, or its business may otherwise be adversely affected. In addition, if any of these medical schemes were unable to make payments to the Enlarged Group as a result of liquidity constraints, insolvency or otherwise, then its business, prospects financial condition or results of operations may be materially adversely affected.

Strikes or other industrial action could impair the Enlarged Group’s business activities.

As of 31 March 2015, approximately 11 per cent. of the Mediclinic Group’s South African employees were members of trade unions. The Mediclinic Group and its facilities have in the past and the Enlarged Group may in future be subject to strike or industrial action. Any such strikes or industrial action at the Enlarged Group’s facilities in the future may have a material adverse effect on its business, prospects, financial condition or results of operations.

The Enlarged Group's business may be adversely affected by fluctuations in the value of the Rand against other currencies.

In the Mediclinic Group's Southern African hospitals, pharmaceuticals are manufactured both locally and imported, and surgical products and consumables are mostly manufactured outside of South Africa. Most of the procurement is done through local suppliers or local agents of international suppliers. Although the prices for these products are denominated in Rand, the cost of such goods may increase or decrease reflecting movements in the Rand compared to other currencies, in particular the Euro and the US dollar. A significant portion of the Mediclinic Group's Southern African business' capital expenditure relates to the purchase of medical equipment from manufacturers outside of South Africa through their local distributors. Although the prices of such equipment are denominated in Rand, the Rand prices are linked to USD or Euro prices. Thus, any depreciation in the value of the Rand against the USD or Euro could cause a significant increase in the Enlarged Group's capital expenditure and a decrease in its margins given the higher cost of goods.

The private healthcare industry in South Africa is currently subject to a Competition Commission Market Inquiry, the outcome of which may result in increased costs or sanctions that could have a material adverse effect on the Enlarged Group.

The Competition Commission is currently undertaking the Market Inquiry into the private healthcare sector in South Africa, which commenced in January 2014. According to the revised administrative timetable published by the Competition Commission on 16 October 2015, it is currently engaged in research and analysis. The publication of the results of the Market Inquiry is scheduled for December 2016. South African legislation enables the Competition Commission to conduct market inquiries in respect of the general state of competition in a market for particular goods and services, without necessarily referring to the conduct or activities of any particular named firm. The Market Inquiry is thus a general investigation into the state, nature and form of competition in a market, rather than a narrow investigation of a specific conduct by any particular firm. The Competition Commission has stated that it initiated the Market Inquiry because it had reason to believe that there are features of the sector that prevent, distort or restrict competition. The Competition Commission has further stated that it believes that conducting this inquiry will assist in understanding how it may promote competition in the healthcare sector.

The Market Inquiry is particularly focussed on the cost of private healthcare and the Competition Commission has involved all private healthcare stakeholders in South Africa in the process via extensive submissions, data requests and will hold future oral hearings. The Market Inquiry panel may conclude the Market Inquiry with recommendations such as changes to be made in the industry, propose legislative or regulatory amendments and institute anti-competitive investigations should the Market Inquiry reveal such conduct. Any of these factors and/or findings could have a material adverse effect on the Enlarged Group's business, prospects, financial condition or results of operations and are currently unknown.

Risks relating to the Enlarged Group's business in Switzerland

The Mediclinic Group has, and following Completion, the Enlarged Group will have, significant operations in Switzerland, where it will depend on payments from insurance companies as well as cantons. If the Enlarged Group's relationships with these insurance companies and cantons deteriorates, if it is unable to negotiate and retain similar fee arrangements with these insurance companies and cantons, or if these insurance companies and cantons are unable to make payments to the Enlarged Group, its business may be adversely affected.

In Switzerland, the Mediclinic Group receives the vast majority of its revenue from payments from insurance companies and, where the hospitals and designated service mandates are included on the so-called "hospital lists", a component of payment is received from the relevant canton. Hospitals that are included on the hospital lists are eligible to treat generally insured patients. Re-imbbursement for treating generally insured inpatients is according to the SDRG system and the cantons and insurance companies fund approximately equal components. The SDRG system and the obligation for cantons to plan hospital capacity based on hospital lists were introduced as a result of regulatory changes in 2012. Should a Swiss hospital not be on the hospital list, it will be known as a contract hospital and will negotiate contracts with insurance companies, will not be eligible to treat generally insured patients and receive no payment contribution from the canton. Most of the Mediclinic Group's hospitals are included on the hospital lists and thus are eligible to treat generally insured patients. However, there is no assurance that this will

continue indefinitely and, should the listing status be removed, it could have a material adverse effect on the Enlarged Group's business.

A portion of the Swiss population elect to buy supplementary insurance over and above the compulsory basic insurance each citizen is required to procure. Supplementary insurance offers additional benefits to the basic package. Because supplementary insured patients also are generally insured patients, their inpatient treatment in terms of approved listing mandates also means the same subsidy on the relevant SDRG component as for generally insured patients. The Mediclinic Group's main focus in Switzerland is on treating patients with supplementary insurance and as of 31 March 2015, approximately 57 per cent. of inpatients treated have supplementary insurance.

The Mediclinic Group negotiates contracts with insurance companies regarding supplementary insurance holders. Contracts with supplementary insurance providers are for varying periods and have a wide range of tariffs and terms. The insurance mix by hospital can vary to a large degree. Tariffs are usually negotiated annually between the hospitals and insurance companies and are subject to approval by the relevant cantons. This process can be delayed and subject to dispute and can mean provisional tariffs are in place for extended periods of time, which means revenue certainty can only be finalised once tariffs are finalised. Final SDRG re-imbursement is also dependent on case mix index changes and caseloads and thus final revenue certainty is an extended and complex process.

Outpatient tariffs are governed by the national TARMED system and are currently under review as part of a general revision of the Swiss Health Care Insurance Act and the management of the outpatient sector. There is no certainty at this stage as to the exact implementation date and outcome of this review and the possible impact on the outpatient revenues of the Enlarged Group's facilities in Switzerland in the future.

The Mediclinic Group has faced and the Enlarged Group may continue to face downward pressure on a number of components of the tariff structure in Switzerland and it may be unable to effectively pass on increases in its cost base into the tariffs paid by the funders. Any further consolidation of insurance companies or the creation of a national insurance company for generally insured patients in Switzerland may strengthen their bargaining power vis-à-vis the Enlarged Group and may result in less favourable pricing.

The Mediclinic Group is highly dependent on contracts and agreed prices with supplementary insurance providers and there is no assurance that these contracts will continue indefinitely on similar terms and conditions to those now agreed.

The Enlarged Group's future success in Switzerland will depend, in part, on its ability to maintain good relationships with insurance companies and negotiate reasonable tariffs or other favourable terms with insurance companies. The Enlarged Group may be unable to negotiate favourable tariff arrangements, may lose preferred network arrangements or listing status and service mandates. The loss of mandates or network arrangements could cause loss of patient volumes and may also be less attractive to doctors. Furthermore, if any funder were unable to make payments to the Enlarged Group as a result of liquidity, insolvency or other issues, the Enlarged Group's business, prospects, financial condition or results of operations may be materially adversely affected. Another recent development is that the moratorium on the opening of new specialist practices, initially adopted in 2002 on a temporary basis, is now due to become a permanent law. The impact this will have going forward is difficult to predict as Mediclinic will continue to be able to employ new specialists where required at existing practices, although it will be unable to open new specialist practices. The moratorium does not affect the opening of new practices providing general practitioner services.

Risks relating to the Enlarged Group's business in the Middle East

The Enlarged Group's ownership structure will be subject to risks associated with UAE foreign ownership restrictions.

UAE law contains local ownership requirements stating that nationals of the UAE must be the owners of at least 51 per cent. of the outstanding share capital of UAE companies. Accordingly, consistent with the approach taken by many foreign-owned companies operating in the UAE, including Al Noor, this has been addressed this issue by implementing a commonly used corporate structure, as a result of which 51 per cent. of the outstanding share capital of relevant business units are owned by various local UAE residents or entities owned by UAE residents. In order to protect the rights of the Mediclinic Group and, after implementation of the Combination, the Enlarged Group and seek to ensure that the Mediclinic Group and, after implementation of the Combination, the Enlarged Group will have the full benefit of the

operating businesses (including its UAE operating licences), the constitutional documents of these entities provide certain protections relating to profit distribution, management, shareholder voting, distributions on liquidation and restrictions on share transfers. The Mediclinic Group also has entities registered in Dubai free zone areas where restrictions on foreign ownership do not apply.

It is possible that the Enlarged Group's structure could be unilaterally challenged before a UAE court on the basis of the UAE Federal Law no. 17 of 2004 in respect of the Commercial Concealment (the "**Concealment Law**") or other general public policy related provisions under other UAE legislation, and that a UAE court could decide that the Enlarged Group's ownership structure violated public policy, morals or law in the UAE.

The Concealment Law provides that it is not permissible to allow a non-UAE national, whether by using the name of another individual or through any other method, to practise any economic or professional activity that is not permissible for him to practise in accordance with the law and decrees of the UAE, which could prohibit foreign ownership of a UAE company through structures such as the one used in Mediclinic ownership structure. The Concealment Law was scheduled to come into effect in November 2007. However, by way of a cabinet resolution, the UAE Federal Government suspended the application of the Concealment Law until November 2009 and it was further suspended until September 2011. The Concealment Law is now in force, but, as of the date hereof, the provisions of the law have not been enforced to Mediclinic's or Al Noor's knowledge against any UAE company. However, as the Concealment Law is binding law, the UAE Federal Government has the ability to enforce the Concealment Law at any time in the future.

Foreign-owned companies formed in the UAE commonly employ corporate structures such as the Mediclinic Group's, and neither Al Noor nor Mediclinic is aware of such arrangements having been unilaterally, nor in any other manner, challenged by the UAE Federal Government or any Emirate thereof. However, were such a challenge to be made, there is no certainty as to the approach that the UAE courts would take in relation to the application of the Concealment Law or other laws or policies to the Enlarged Group's structure.

There could also be a number of adverse implications for the Enlarged Group if its ownership structure in the UAE were to be successfully challenged, including the loss of the Mediclinic Group's option to acquire the shares of the relevant 51 per cent. shareholders, loss of the Mediclinic Group's right to be appointed as a proxy for these shareholders during shareholder meetings, the loss of the Mediclinic Group's ability to prevent the relevant shareholders from selling or transferring their shares in the share capital of the relevant entities, the Enlarged Group having to adopt an alternative ownership or operating structure that could be disadvantageous to the Enlarged Group's business, operations and financial results or the imposition of material fines. The imposition of one or more of such penalties could have a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations in the UAE.

In addition, the DHA and HAAD have wide discretion in relation to the Enlarged Group's UAE operating licences, and a successful challenge or enforcement action against the Enlarged Group's ownership structure might lead the DHA or HAAD to exercise its discretion to suspend the Enlarged Group's UAE operating licences (which would require the Enlarged Group to suspend the operations of its hospitals and medical centres). The Al Noor Group and the Mediclinic Group considers the probability of the DHA or HAAD suspending its UAE operating licences to be highly unlikely. However, should this risk crystallise, it could have a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations.

If the Enlarged Group were required or elected to replace the current 51 per cent. owners of the shares in any relevant entity, or if these entities cease to be held 100 per cent. by UAE nationals, the Enlarged Group would have to find another entity or individual to which the Enlarged Group could transfer these interests in accordance with the foreign share ownership restrictions described above. There can be no assurance that the Enlarged Group would be able to find viable alternatives, which could result in a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations in the UAE. This could also have a material adverse effect on the Enlarged Group's ability to continue to hold the Mediclinic Group's indirect interest in and/or maintain control over the Mediclinic Group's UAE operations, which could result in a material adverse effect on its business, prospects, financial condition or results of operation.

There are risks associated with the licences held by the Mediclinic Group's Middle East business.

The Mediclinic Group's Middle East business operates in Dubai and Abu Dhabi. Under UAE law and regulations, licences for the operation of medical facilities (outside of the DHCC Free Zone) and pharmacies are issued by the DHA and HAAD in the name of the company that operates the medical facilities.

Outside of free zone entities, licences are held by Mediclinic Group companies with local UAE persons or companies controlled by UAE persons holding 51 per cent. of these companies. If this ceased to be the case, or if, following Completion, there were a deterioration in the Enlarged Group's relationship with the local shareholders, or if the Enlarged Group lost its dispensation to hold the licences in the name of a corporate entity instead of a natural person, there can be no assurance that its ability to continue to operate the affected medical facilities or pharmacies would remain unimpaired. The Enlarged Group would need to obtain new licences that included the name of a different UAE national individual or corporate entity willing to act in their place. The process of changing the name included on the licences issued by DHA and HAAD involves the submission of certain documentation with the relevant authorities. In the Enlarged Group's experience, it usually takes between one and two weeks for such new licences to be obtained. There can be no assurance, however, that the Enlarged Group would be able to obtain new licences in a timely manner, on acceptable terms or at all. Any delay in identifying a new UAE national whose name could be included on the licences or obtaining a new licence could have a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations.

Risks relating to the Enlarged Group's investment in Spire

The expected benefits of the Enlarged Group's investment in Spire may not be realised.

On 24 August 2015, Mediclinic completed the indirect acquisition of a 29.9 per cent. shareholding in Spire for ZAR8.6 billion including transaction costs. Spire, which obtained a premium listing on the London Stock Exchange in July 2014, is a leading provider of private healthcare services in the United Kingdom, where it operates 39 hospitals. For the year ended 31 December 2014, Spire had revenues of £856 million and adjusted EBITDA of £159.2 million and for the six months ended 30 June 2015, Spire had revenues of £449.8 million and adjusted EBITDA of £83.4 million. Mediclinic's investment in Spire is subject to a number of risks which are outside Mediclinic's control and, in some cases, outside Spire's control. Key risks include: changing macroeconomic and political conditions in the UK; changing sentiment towards UK equity markets generally and the UK private healthcare sector in particular; Spire's ability to maintain and grow referrals from, and reimbursement rates paid by, the NHS, on which it relies for a significant proportion of its revenues; Spire's ability to maintain its contractual and professional relationships with private medical insurers, on which it depends for the majority of its revenues; Spire's ability to attract and retain experienced skilled medical personnel and/or qualified staff in a number of disciplines; Spire's need to comply with healthcare and other governmental regulations applicable to its business, failing which it may be subject to civil or criminal penalties, its operating licences could be suspended or revoked, or it could be excluded from NHS participation (any of which could result in a material decrease in the Spire's sales or stop sales entirely); quality deficiencies that could adversely impact Spire's brand, reputation, and ability to market its services effectively; the lack of suitable opportunities for Spire to grow by acquisition or to successfully integrate acquisitions and the adverse impact on the Enlarged Group's share plans of these or other factors on, of a change in the trading price of Spire shares. Mediclinic does not control Spire and has entered into a customary relationship agreement with Spire, one of the purposes of which is to ensure that Spire continues to be managed and operated independently of Mediclinic. However, there can be no assurance that Spire will be operated in a manner that is beneficial to the Enlarged Group or that the value of Mediclinic's investment in Spire will be realised, which could have a material adverse effect on the financial condition and results of operations of the Enlarged Group.

PART III

INFORMATION ON MEDICLINIC

Investors should read this Part III of this document in conjunction with the more detailed information contained in this document, including the financial and other information appearing in Part V (Financial information on Mediclinic).

Overview





The Mediclinic Group is a leading multi-country hospital group and is the third largest listed acute hospital operator (by revenue) in the world (excluding the U.S.), and is one of only three operators to generate more than 50 per cent. of its sales from international operations. The Mediclinic Group was founded in South Africa in 1983 and has since extensively grown its operations in South Africa and has also established operations in Namibia, Switzerland and the UAE. As at 30 September 2015, the Mediclinic Group's Southern Africa business operates 49 hospitals and two day clinics throughout South Africa and three hospitals in Namibia with 7,983 beds in total; Hirslanden (the Mediclinic Group's Swiss business) operated 16 private acute care facilities and three clinics in Switzerland with 1,677 beds in total; and Mediclinic Middle East operated two hospitals and 10 clinics with 382 beds in the United Arab Emirates. The Mediclinic Group has been listed on the Johannesburg Stock Exchange, the South African securities exchange, since 1986, and has had a secondary listing on the Namibian Stock Exchange since December 2014. The Mediclinic Group's growth has resulted from new developments, capacity development within existing facilities and acquisitions, including the acquisition of a 29.9 per cent. interest in Spire, a UK-based, private healthcare group, in August 2015.

The Mediclinic Group is focused on providing acute care, specialist-orientated, multi-disciplinary healthcare services and offers a wide range of hospital related clinical services throughout its operating platforms. These services include outpatient consultation services and pre-hospital and hospital-based emergency services, day case surgery, acute care inpatient services, and highly specialised services. In addition, the Mediclinic Group provides support services including laboratory, radiology, and nuclear medicine. Most specialist disciplines are available at the Mediclinic Group's hospitals, which are supported by over 27,000 staff members as at 31 March 2015—with Mediclinic Southern Africa employing more than 16,500, Hirslanden more than 9,000 and Mediclinic Middle East more than 2,400 employees.

The healthcare markets in Southern Africa, Switzerland and the UAE provide growth opportunities with favourable trends driving demand across these healthcare markets. The Mediclinic Group has a reputation for quality service delivery and clinical excellence. The results of a patient satisfaction survey indicated that average patient satisfaction levels across its operations for the six months ended 31 March 2015 ranged between 78 per cent. and 92 per cent. In addition, the Mediclinic Group has a track record of strong growth in patient attendance and revenue growth at all three of its operating platforms. On a year-to-year comparison, based on the results for the year ended 31 March 2015, Mediclinic Southern Africa had a 4.4 per cent. increase in bed days sold and it contributed 35 per cent. (2014: 37 per cent.) of the Mediclinic Group's normalised revenue and 37 per cent. (2014: 37 per cent.) of the normalised EBITDA. Hirslanden achieved an increase of 7.8 per cent. in inpatient admissions and contributed 53 per cent. (2014: 52 per cent.) of the Mediclinic Group's normalised revenue and 50 per cent. (2014: 51 per cent.) of the normalised EBITDA. In the Middle East, the Mediclinic Group's inpatient admissions at the hospitals increased by 6.2 per cent. and outpatient clinic attendance increased by 14 per cent. Mediclinic Middle East contributed 12 per cent. (2014: 11 per cent.) to the Mediclinic Group's normalised revenue and 13 per cent. (2014: 12 per cent.) to the normalised EBITDA.

These outcomes are supported by the Mediclinic Group's significant focus on clinical governance and risk management, patient satisfaction levels and building sound long-term business relationships with its stakeholders.

The following table provides an overview of the organisational structure of the Mediclinic Group as at 30 September 2015:

HOLDING COMPANY: MEDICLINIC INTERNATIONAL LIMITED			
			
OPERATING PLATFORMS			
	MEDICLINIC SOUTHERN AFRICA	HIRSLANDEN	MEDICLINIC MIDDLE EAST
COUNTRY OF OPERATION	South Africa and Namibia	Switzerland	United Arab Emirates
BRANDS			
HOSPITALS AND CLINICS IN OPERATION	49 acute care private hospitals and two day clinics in South Africa; and three acute care private hospitals in Namibia	16 acute care private hospitals and three clinics	Two acute care private hospitals and eight clinics in Dubai, UAE; and two clinics in Abu Dhabi, UAE
NUMBER OF BEDS	7,983	1,677	382
NUMBER OF THEATRES	265	88	10

History

The following timeline sets forth the key events in the history of the Mediclinic Group:

- 1983** Dr. Edwin Hertzog, the current chairman, commissioned by then Rembrandt Group (now Remgro Group) to undertake a feasibility study on private hospitals, leading to the foundation of the Mediclinic Group.
- 1984–1985** The Mediclinic Group established through purchasing of several medical facilities in Cape Town and Johannesburg. These included Mediclinic Sandton, Mediclinic Morningside and Leeuwendal (which later became Mediclinic Cape Town).
- 1986** The Mediclinic Group listed on the JSE in South Africa.
Mediclinic Panorama in Parow commissioned, the first hospital built by the Mediclinic Group.
- 1988** Medical Innovations established to design and manufacture medical equipment locally.

1989	Mediclinic Louis Leipoldt in Bellville acquired.
1992	Mediclinic Stellenbosch commissioned.
1994	Mediclinic Hoogland in Bethlehem commissioned.
1995	MediCor Group acquired, adding an additional 11 hospitals to the Mediclinic Group.
1996	Hydromed group acquired, adding four more hospitals to the Mediclinic Group. Medical Human Resources established.
1997	Nursing Training Programme formally started. Mediclinic Klein Karoo in Oudtshoorn commissioned.
1998	Acquisition of Auckland Health Limited (the holding company of the Hospiplan hospitals), adding 12 more hospitals to the Mediclinic Group. Acquisition of the Volkshospitaal (currently Mediclinic Cape Town) and the closure of the Leeuwendal hospital in Cape Town.
2000	Establishment and acquisition of a 50 per cent. interest in the emergency assistance services company, ER24. Remaining interest acquired in 2005.
2001	Acquisition of Lamprecht and Geneva Clinics in George (currently named Mediclinic George and Geneva Clinic).
2002	Acquisition of an interest in the Curamed group of private hospitals in Pretoria, adding six more hospitals. Acquisition of an interest in Plettenberg Bay Private Health Centre (now Mediclinic Plettenberg Bay). Remaining interest obtained in 2004.
2003	Commissioning of Mediclinic Kloof in Pretoria (as part of the Curamed group), Mediclinic Tzaneen and Mediclinic Howick.
2004	Acquisition of Mediclinic Cottage in Swakopmund.
2005	Acquisition of an interest in the Wits Donald Gordon Medical Centre in Johannesburg. Acquisition of remaining interest in ER24, the emergency services company, now a wholly owned subsidiary. Acquisition of Mediclinic Legae in Mabopane. R1.1 billion black ownership initiative introducing Phodiso Holdings Limited (“ Phodiso ”) and Circle Capital Ventures Proprietary Limited as the Mediclinic Group’s strategic black partners and shareholders in the Mediclinic Group.
2006	Acquisition of the Protector Group’s four hospitals (then with BEE partner Phodiso, who have subsequently sold their interest to the Mediclinic Group). Conclusion of agreement to acquire a controlling interest in Mediclinic Middle East (then Emirates Healthcare) in Dubai, United Arab Emirates, which then owned one hospital, the rights to develop two further hospitals in the Dubai Healthcare City and five clinics.
2007	Acquisition of a controlling interest in Mediclinic Middle East (then Emirates Healthcare) in Dubai became unconditional.

The Mediclinic Group extends its international operations with the acquisition of a 100 per cent. interest in Hirslanden, the leading private hospital group in Switzerland, operating 13 private acute care facilities. This coincided with the 75th anniversary of the group's Klinik Hirslanden.

- 2008** Division of management and operating structure of the Mediclinic Group into three operating platforms in Southern Africa (Mediclinic Southern Africa), Switzerland (Hirslanden) and the United Arab Emirates (Mediclinic Middle East, then Emirates Healthcare).
- Opening by Mediclinic Middle East (then Emirates Healthcare) of Mediclinic Mirdif (then Welcare Clinic Mirdif) in Dubai.
- Opening by Mediclinic Middle East (then Emirates Healthcare) of Mediclinic City Hospital (then The City Hospital) in the Dubai Healthcare City.
- 2010** Opening by Mediclinic Southern Africa of Mediclinic Cape Gate in the northern suburbs of Cape Town.
- Acquisition by Hirslanden of a 100 per cent. interest in Klinik Stephanshorn in St Gallen, Switzerland.
- 2011** Acquisition by Mediclinic Middle East (then Emirates Healthcare) of the assets of Mediclinic Dubai Mall (then The Dubai Mall Medical Centre), Mediclinic Arabian Ranches (then Arabian Ranches Clinic) and the Mediclinic Meadows (then the Meadows Clinic).
- Change of company name and rebranding of the Mediclinic Group's holding company to Mediclinic International and rebranding of its operations in Southern Africa to Mediclinic.
- 2012** Acquisition of minority interest in Mediclinic Middle East (then Emirates Healthcare) increasing its effective shareholding to 100 per cent. Rebranding of the Company's operations in Dubai from Emirates Healthcare to Mediclinic.
- 2013** Acquisition by Mediclinic Middle East of the two pathology laboratories at Mediclinic Welcare Hospital and Mediclinic Al Sufouh in Dubai.
- 2014** Opening by Mediclinic Middle East of Mediclinic Corniche in Abu Dhabi, United Arab Emirates.
- Acquisition by Hirslanden of a 100 per cent. interest in the operating business of Clinique La Colline in Geneva, Switzerland.
- Acquisition by Hirslanden of a 100 per cent. interest in the operating business of Swissana Clinic AG in Meggen, Lucerne, Switzerland.
- Opening by Mediclinic Southern Africa of Mediclinic Gariep in Kimberley, Northern Cape (operated jointly with the existing Mediclinic Kimberley).
- 2015** Opening by Mediclinic Middle East of Mediclinic Al Hili in Abu Dubai, United Arab Emirates.
- Opening by Mediclinic Southern Africa of Mediclinic Midstream in Midstream, Gauteng Province.
- Acquisition of a 29.9 per cent. interest in Spire, a UK-based private healthcare group.

Scope of Services

The Mediclinic Group is focused on providing acute care, specialist-orientated, multi-disciplinary healthcare services and offers a wide range of hospital related clinical services throughout its operating

platforms. These services include outpatient consultation services and pre-hospital and hospital-based emergency services, day case surgery, acute care inpatient services, and highly specialised services. In addition, the Mediclinic Group provides support services including laboratory, radiology and nuclear medicine.

The following table sets out certain of the Mediclinic Group's operating data for the periods indicated:

	For the year ended 31 March		
	2013	2014	2015
Number of hospitals in operation	68	68	70
—Southern Africa	52	52	52
—Switzerland	14	14	16
—United Arab Emirates	2	2	2
Number of clinics in operation	9	10	13
—Switzerland	1	2	3
—United Arab Emirates	8	8	10
Number of licensed/registered beds	9,305	9,563	9,922
—Southern Africa	7,436	7,614	7,885
—Switzerland	1,487	1,567	1,655
—United Arab Emirates	382	382	382
Number of licensed/registered theatres	340	346	367
—Southern Africa	254	258	269
—Switzerland	76	78	88
—United Arab Emirates	10	10	10

Facilities

The Mediclinic Group has a diverse geographical footprint with three main operating platforms: (i) Mediclinic Southern Africa in South Africa and Namibia; (ii) Hirslanden in Switzerland; and (iii) Mediclinic Middle East in the UAE.

Mediclinic Southern Africa

Mediclinic Southern Africa offers acute care hospital services in all 52 facilities and emergency services in 46 facilities throughout South Africa and Namibia, and acute rehabilitation services in the facility in Pretoria. Mediclinic Southern Africa also operates two day clinics for sub-acute services. ER24, the Mediclinic Group's subsidiary responsible for the provision of emergency transportation services has 43 branches throughout South Africa.

The hospital services range from routine procedures and medical treatment plans provided in 15 smaller secondary care community hospitals to complex and technologically advanced treatment modalities provided in 34 larger tertiary care city hospitals, as well as highly specialised and transplant medicine provided in three quaternary care hospitals. The majority of cases are elective in nature, but a significant portion is unscheduled, emergency and trauma related. Admitting doctors, excluding emergency care specialists within certain emergency centres, are self-employed and practise independently. Radiology, laboratory and oncology services are also provided by independent practices.

The burden of disease of the Southern African population consists mainly of communicable (infectious) diseases, followed by chronic diseases and trauma. In the medical scheme population, as a subset of the general population, chronic diseases are more prominent, followed by communicable diseases and trauma.

The contribution per clinical discipline in terms of the number of patients admitted to Mediclinic Southern Africa's hospitals in the 2014 calendar year was as follows:

Clinical Discipline	Percentage contribution
Internal medicine	26%
General surgery	17%
Obstetrics and gynaecology	15%
Orthopaedic	13%
Urogenital	7%
ENT and ophthalmology	7%
Cardiac and vascular	7%
Neurology	5%
Oral and maxillofacial	2%
Other	1%

Business environment

South Africa is one of the most attractive healthcare markets in the world, with one of the highest private healthcare expenditures at 51.6 per cent. of total health expenditure in 2013, and a 10 per cent. CAGR in healthcare spending in the 10-year period from 2004 to 2014 (Source: WHO).

South Africa's economic performance has remained weak in recent years, with the annual gross domestic product growth rate decelerating to 1.5 per cent. for 2014 from 2.2 per cent. in 2013 (Source: World Bank). In contrast, the South African private healthcare sector has maintained a positive, gradual, long-term growth trajectory.

Private healthcare funding in South Africa and Namibia is principally provided by medical schemes, with approximately 92 per cent. of Mediclinic Southern Africa's hospital admissions and revenue funded by medical schemes as of 31 March 2015. The number of beneficiaries insured by the funding market in South Africa was approximately 8.8 million in December 2014, representing a marginal growth of approximately 34,150 beneficiaries from December 2013 (Source: Council for Medical Schemes Annual Report 2014/2015, published 1 September 2015). The Council for Medical Schemes ("CMS") also issued statistics detailing "the prevalence of chronic diseases in the population covered by medical schemes in South Africa" in January 2015, wherein it was reported that there was an upward trend in the diagnosis and treatment of many conditions on the prescribed list of chronic diseases (which by law all medical schemes are obliged to fund), for the period 2008 to 2013. This report therefore indicates deterioration in the disease profile of the medical scheme population, and by implication, more members requiring treatment at a greater frequency and intensity of care than before.

Consolidation in the funder market continued in the period under review and it is expected that this will continue for the foreseeable future. The result of the consolidation is further concentration in the funding market whereby the larger medical schemes and the administrators continue increasing their proportion of the privately insured beneficiaries. For example, based on the latest 2014 CMS annual report, Discovery Administration and the Government Employee Medical Scheme now represent 33 per cent. and 21 per cent. of beneficiaries, respectively. This has had and may continue to have a significant impact in terms of annual tariff negotiations resulting in robust engagement.

The medical scheme industry continues to be financially viable. Solvency ratios (being the ratio of reserves over the gross annual member medical scheme contributions), as monitored by the CMS, remained stable at an average of 33.3 per cent. between December 2013 and December 2014, in excess of the legal requirement for minimum solvency ratios of 25 per cent. The total accumulated reserves for all medical schemes increased from ZAR44.3 billion to ZAR47.7 billion over the period December 2013 to December 2014.

Mediclinic Southern Africa continues to support the underlying principle of universal coverage through the creation of a National Health Insurance ("NHI") system in South Africa. Mediclinic Southern Africa continues to monitor all available information pertaining to the planned implementation of NHI closely. The publication of the South African government's White Paper on the NHI, a more detailed discussion document including details regarding the financing options, is still expected during the year ahead. Mediclinic Southern Africa will continue to engage with both government and other relevant stakeholders on the most appropriate design and mechanisms to pursue universal coverage within the South African context.

The shortage of human resources in healthcare in South Africa remains a critical challenge for the sector. This has been acknowledged by the Minister of Health of South Africa (the “**Minister**”). The Minister has proposed various initiatives to address this problem, such as expanding the capacity of medical schools and the reopening of nursing colleges.

Regulatory overview

The private healthcare industry in South Africa is subject to extensive government legislation and associated regulations. These regulations relate to specific sectors of the healthcare industry, but interact to deliver healthcare to the insured members of the public. In the private hospital market, this would include legislated processes in terms of licensing and construction requirements, annual inspections and licence renewals, the SEP of certain pharmaceuticals, compliance with the regulations and guidelines of the professional healthcare authorities and healthcare legislation (e.g. National Health Act, Sterilisation Act, Mental Healthcare Act etc.) as well as all normal business -related legislation. This interacts with the legislative framework of the large healthcare industry, e.g. the Medical Schemes Act that governs the funders of private healthcare.

The government of South Africa is considering, among other healthcare reforms, the introduction of an NHI system, and the ruling African National Congress party has initiated discussions regarding the proposed NHI.

In addition, draft regulations are currently out for comment on the terms of regulation of the fee charged by certain healthcare professionals (particularly doctors) in respect of prescribed minimum benefits.

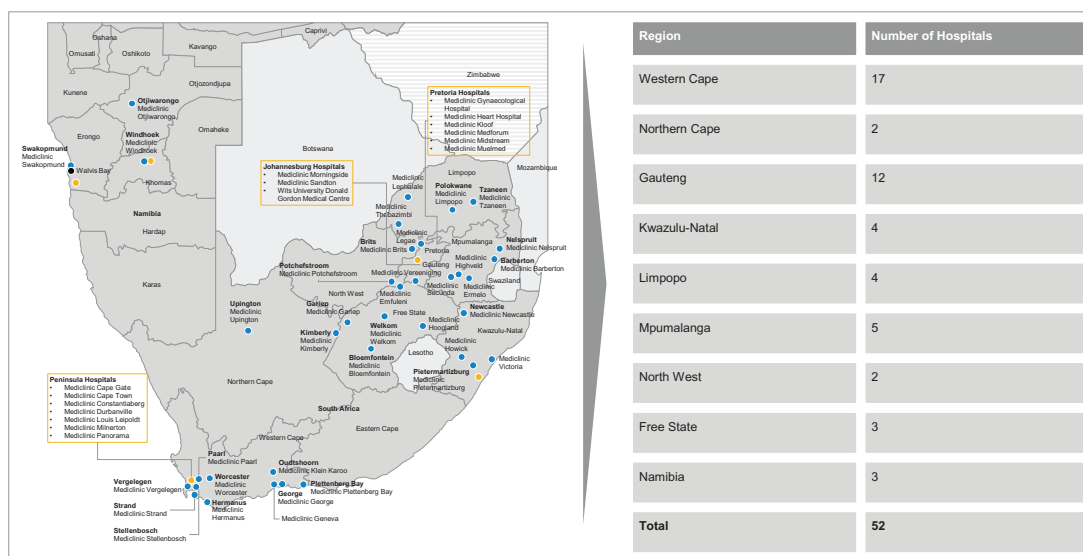
Under the laws, codes and regulations promulgated by the South African government to promote BEE, the government awards procurement contracts, quotas, licences, permits and other rights based on numerous factors including the BEE status of applicants. The Mediclinic Group is required or encouraged to comply with procurement, employment equity, ownership and other requirements, which are designed to redress historical social and economic inequalities and ensure socio-economic stability in South Africa.

A company’s BEE status is an important factor considered by government and other public bodies in awarding contracts, and may influence relationships with customers or suppliers as it has an effect on the BEE status of those customers or suppliers.

Private healthcare in South Africa is partly funded through the medical scheme industry, which consists of 83 schemes offering 277 options, as at the end of December 2014 (Source: Council for Medical Schemes Annual Report 2014/2015, published on 1 September 2015). These schemes are regulated by the Medical Schemes Act and are subject to a requirement to maintain solvency levels of at least 25 per cent.

Existing operations

The graphic and table below show the Mediclinic Group’s facilities in Southern Africa as at 30 September 2015.



Source Company information

Name of hospital	Location	Licensed beds	Licensed theatres
Western Cape, South Africa			
Mediclinic Cape Gate	Brackenfell	152	6
Mediclinic Cape Town	Cape Town	128	5
Mediclinic Constantiaberg	Plumstead	238	8
Mediclinic Durbanville	Durbanville	205	8
Mediclinic Geneva	George	58	4
Mediclinic George	George	166	5
Mediclinic Hermanus	Hermanus	80	3
Mediclinic Klein Karoo	Oudtshoorn	38	2
Mediclinic Louis Leipoldt	Bellville	190	7
Mediclinic Milnerton	Milnerton	166	5
Mediclinic Paarl	Paarl	143	5
Mediclinic Panorama	Parow	400	12
Mediclinic Plettenberg Bay	Plettenberg Bay	27	1
Mediclinic Stellenbosch	Stellenbosch	102	4
Mediclinic Strand	Strand	26	2
Mediclinic Vergelegen	Somerset West	237	7
Mediclinic Worcester	Worcester	197	5
Gauteng, South Africa			
Mediclinic Emfuleni	Vanderbijlpark	155	4
Mediclinic Kloof	Pretoria	205	10
Mediclinic Medforum	Pretoria	248	14
Mediclinic Heart Hospital	Pretoria	90	3
Mediclinic Legae	Mabopane	142	4
Mediclinic Midstream	Midstream	176	7
Mediclinic Morningside	Sandton	230	9
Mediclinic Muelmed	Pretoria	222	8
Mediclinic Sandton	Sandton	379	10
Mediclinic Gynaecological Hospital	Pretoria	53	2
Mediclinic Vereeniging	Vereeniging	267	7
Wits Donald Gordon Medical Centre *	Johannesburg	0	0
Mpumalanga, South Africa			
Mediclinic Barberton	Barberton	30	1
Mediclinic Ermelo	Ermelo	60	2
Mediclinic Highveld	Trichardt	202	4
Mediclinic Nelspruit	Nelspruit	314	9
Mediclinic Secunda	Secunda	43	3
KwaZulu-Natal, South Africa			
Mediclinic Howick	Howick	46	2
Mediclinic Newcastle	Newcastle	184	5
Mediclinic Pietermaritzburg	Pietermaritzburg	237	7
Mediclinic Victoria	Tongaat	133	3
Free State, South Africa			
Mediclinic Bloemfontein	Bloemfontein	377	12
Mediclinic Hoogland	Bethlehem	114	3
Mediclinic Welkom	Welkom	227	8
North West, South Africa			
Mediclinic Brits	Brits	80	3
Mediclinic Potchefstroom	Potchefstroom	197	6
Northern Cape, South Africa			
Mediclinic Gariep	Kimberley	146	5
Mediclinic Kimberley	Kimberley	114	3
Mediclinic Upington	Upington	50	2

<u>Name of hospital</u>	<u>Location</u>	<u>Licensed beds</u>	<u>Licensed theatres</u>
Limpopo, South Africa			
Mediclinic Lephalale	Lephalale	50	1
Mediclinic Thabazimbi	Thabazimbi	21	1
Mediclinic Limpopo	Polokwane	247	8
Mediclinic Tzaneen	Tzaneen	129	3
Namibia			
Mediclinic Swakopmund	Swakopmund	70	2
Mediclinic Otjiwarongo	Otjiwarongo	20	1
Mediclinic Windhoek	Windhoek	120	4
<hr/>			
<u>Name of day clinic</u>	<u>Location</u>	<u>Licensed beds</u>	<u>Licensed theatres</u>
Western Cape, South Africa			
Mediclinic Durbanville Day Clinic	Durbanville	26	0
Limpopo, South Africa			
Mediclinic Limpopo Day Clinic	Polokwane	26	0
Total (hospitals and clinics)		<u>7,983</u>	<u>265</u>

* Wits Donald Gordon Medical Centre has 190 licensed beds and eight licensed theatres, but these are not included above as it is a joint venture, which is accounted for using the equity method. Mediclinic Southern Africa holds a minority interest of 49.9 per cent. in the joint venture.

During the financial year ended 31 March 2015, a number of building projects were completed at various hospitals, creating 271 additional beds. The development of Mediclinic Midstream (176 beds), which opened on 2 March 2015, was the most significant. The hospital is situated in a fast growing area in the Gauteng province, which has the highest medical aid coverage of all the provinces in South Africa. The hospital incorporates the latest ICT convergence and environmentally friendly initiatives and boasts high-end medical disciplines. Other building projects included new consulting rooms, the relocation of the Mediclinic Gariep in Kimberley and a number of facility upgrades. In the six months ended 30 September 2015, expansion projects added over 40 additional beds.

During the financial year ended 31 March 2015, the Southern African operations invested the following amounts:

- ZAR1,131 million (2014: ZAR577 million) in capital projects and new equipment to enhance its business;
- ZAR305 million (2014: ZAR308 million) to replace existing equipment; and
- ZAR305 million (2014: ZAR289 million) to repair and maintain property and equipment, which was charged through the income statement.

Strategy

As in the past, there remain many attractive growth opportunities in Southern Africa. Opportunities include the expansion of Mediclinic Southern Africa's existing hospitals, the establishment of new hospitals and day clinics, as well as opportunities relating to mental health. Building projects which are expected to result in over 80 additional beds in the Southern African operations are in progress and are expected to be completed during the financial year ending 31 March 2016.

At the same time, Mediclinic Southern Africa is continuing to focus on the value that it delivers to its patients by continuing to improve the safety and quality of its clinical care, the quality of patients' experience and opportunities to improve operational efficiency. The South African healthcare market has traditionally been fragmented, with hospitals providing physical infrastructure, equipment, pharmaceuticals and nursing staff and each healthcare professional (e.g. surgeon, anaesthesiologist, physiotherapist, radiology, pathology, etc.) operating an independent practice. The Mediclinic Group also intends to focus on opportunities to integrate the Southern African private healthcare delivery model in the future.

Hirslanden

Hirslanden offers acute care hospital services in 16 facilities across 11 cantons (the member states of the Swiss Confederation). The hospital services range from routine procedures and medical treatment plans to highly specialised, complex and technologically advanced treatment modalities. The majority of cases are elective in nature, and services like advanced neonatal critical care and major trauma are provided by the cantonal and university teaching facilities. Most admitting doctors are self-employed, but doctors working in the fields of hospital-based specialties like anaesthetics and internal medicine are employed at certain hospitals. Radiology, laboratory, nuclear medicine and radiation oncology services are in most instances owned and operated by the hospitals themselves.

The burden of disease of the Swiss population consists mainly of chronic diseases commonly associated with lifestyle and old age. The burden of communicable (infectious) diseases and trauma is very small. The chronic underlying medical conditions that might be present in a patient on admission to a hospital may have a significant impact on the level of care the patient receives and/or length of stay such a patient experiences during hospitalisation. During the 2014 calendar year, the proportion of Hirslanden's patients admitted to hospital with chronic underlying diseases was approximately 20 per cent., and hypertension, diabetes mellitus and obesity were the most common diseases present.

The contribution per clinical discipline in terms of the number of patients admitted to Hirslanden's hospitals in the 2014 calendar year was as follows:

<u>Clinical discipline</u>	<u>Percentage contribution</u>
Orthopaedics	32%
Cardiac and vascular	14%
Obstetrics and gynaecology	14%
General surgery	13%
Internal medicine	12%
Neurology	6%
Urogenital	5%
ENT and ophthalmology	3%
Other	1%

Business environment

With an annual GDP growth of 2.0 per cent. (Source: State Secretariat for Economic Affairs SECO press release "Gross domestic product in 4th quarter", 3 March 2015) for the 2014 fiscal year, Switzerland experienced much stronger growth than the EU (1.3 per cent.) and even double that of countries in the Eurozone (0.9 per cent.) (Source: Eurostat, Real GDP growth rate—volume). Above all, increases in the trade of goods and services abroad (1.4 per cent.) and private consumption (0.5 per cent.) contributed to this growth (Source: State Secretariat for Economic Affairs SECO press release "Gross domestic product in 4th quarter 2014", 3 March 2015). The stagnation or even slightly negative development of many prices has continued. The consumer mood was most recently dominated by the decision of the Swiss National Bank on 15 January 2015 to scrap the minimum exchange rate of CHF1.20 per euro. While the consumer confidence index stood at negative 6 points in January 2015, this still remains above the longstanding average of negative 9 points (Source: State Secretariat for Economic Affairs SECO press release "Consumer confidence survey results for January influenced by the Swiss franc appreciation", 5 February 2015). The decision of the Swiss National Bank to scrap the minimum exchange rate has not had any effect on the core business at Hirslanden.

Thanks to its favourable economic situation, Switzerland remains attractive to foreign employees. In 2014, it employed more people from the EU than ever before (Source: State Secretariat for Migration SEM). As in the previous year, the unemployment rate was 3.2 per cent. and thus more than three times below that of the Eurozone (Sources: Swiss Federal Statistics Office BFS, Registered unemployed and unemployment rate per gender and Eurostat, Harmonised unemployment rate by sex). However, how immigration—and thus the growth in population—will develop in future is currently unclear and depends on how the Swiss vote of 9 February 2014 in favour of restrictions on foreign immigration will be put into practice. It is expected that the recruitment of foreign staff at Hirslanden will become more difficult.

An initiative to replace the current system of competition among many different health insurers with a system of one single public health insurance was rejected by a large majority in a public vote on

28 September 2014, demonstrating the public's opposition against a further nationalisation of the healthcare system. Despite this, some cantons have started to consider the introduction of a public cantonal health insurance system.

A recent study from Credit Suisse (Worry Barometer 2014) demonstrates that health—in contrast to just a few years ago—is no longer one of the most pressing concerns of the Swiss people. This is probably due to the fight against increases in insurance premiums. The health insurance premium index decreased by 0.8 per cent. in 2014 compared to the previous year (Source: Swiss Federal Statistical Office, press release “Health Insurance premium index 2014”, 1 December 2014). This is primarily due to the substantial reduction in supplementary insurance premiums in some cases.

Since Hirslanden is included on the hospital lists of all cantons where Hirslanden is present, the proportion of Hirslanden's patients with basic insurance has grown continually from 35 per cent., when the system was introduced, to a current level of 43 per cent. However, Hirslanden continues to focus on being a leading provider of services to supplementary insurance clients.

Regulatory overview

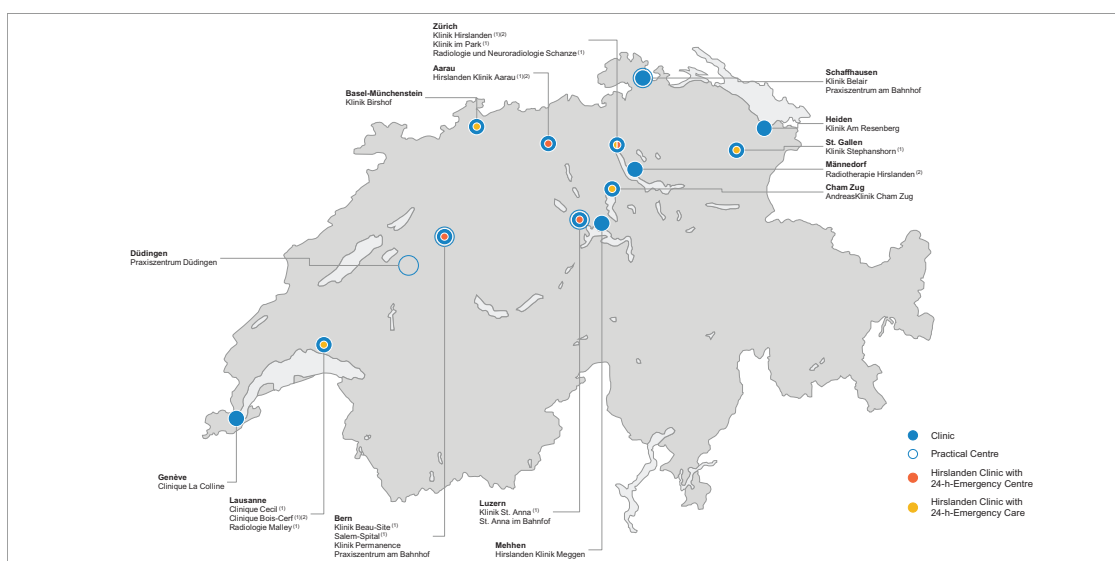
The healthcare industry in Switzerland is subject to extensive government regulations, which have increased in recent years. These cover licensure of facilities and doctors; conduct of operations; confidentiality, maintenance and security issues associated with medical records; certain categories of pricing; provision of clinical and cost data; listing status and service mandates and highly specialised medicine. These laws and regulations are complex and subject to interpretation with the cantons playing a key role in the provision and financing of healthcare services, while both cantons and the state are involved in regulating and monitoring provision.

As a result of regulatory changes implemented in January 2012, in particular the introduction of the SDRG reimbursement system and so-called hospital “lists” in each canton, there are now (in practice) no real distinctions between private and state hospitals. These changes affected the hospital funding system in Switzerland, in particular through the introduction of a nation-wide reimbursement system, the SDRG, whereby healthcare providers are reimbursed through a fixed fee in respect of the relevant medical services they provide to patients covered by general insurance, now compulsory throughout Switzerland. Under this new tariff system, a pre-agreed fixed fee is payable by the relevant insurer in respect of a particular category of medical case, based on certain criteria (such as principal and secondary diagnosis, prescribed treatments and severity of case), in contrast to the previous system where hospitals were reimbursed in respect of each healthcare service provided. In addition, whereas prior to the 2012 changes only public hospitals were eligible for cantonal funding, the SDRG applies equally to public and private hospitals. The changes also introduced so-called hospital “lists”, whereby cantons are required to list those hospitals in their area which are eligible to provide treatment to generally insured patients, with hospitals in turn applying for inclusion on such lists based on certain infrastructure, economic, and quality of care requirements. As general insurance is compulsory, patients have full freedom of choice among the healthcare providers on the relevant cantonal lists, whether public or private, who offer the relevant treatment, with the cost covered by the general insurance providers. The above changes added further cost pressures as healthcare providers in Switzerland, including Hirslanden, adjusted to new reimbursement and financing structures and switched to the fixed fee basis under the SDRG. Despite these challenges, the proportion of patients with general insurance has grown continually since the introduction of the new regime. However, Hirslanden continues to emphasise its role as a provider of services to supplementary insurance clients.

An initiative to replace the current system of competition among many different health insurers with a system of one single public health insurance was rejected by a large majority in a public vote on 28 September 2014, demonstrating the public's opposition against a further nationalisation of the healthcare system. Despite this, some cantons have started to consider the introduction of a public cantonal health insurance system.

Existing operations

The graphic and table below show Hirslanden's facilities as at 30 September 2015.



Source Company information

Notes

1. Radiology Institute
2. Radiotherapy

Name of hospital	Location	Licensed beds	Licensed theatres
Canton Aarau			
Hirslanden Klinik Aarau	Aarau	155	7
Canton Bern			
Hirslanden Klinik Beau-Site	Bern	111	5
Hirslanden Klinik Permanence	Bern	47	3
Hirslanden Salem Spital	Bern	168	8
Canton Zug			
Hirslanden AndreasKlinik	Cham	56	4
Canton Geneva			
Hirslanden Clinique la Colline	Geneva	67	6
Canton Appenzell Ausserrhoden			
Hirslanden Klinik Am Rosenberg	Heiden	62	5
Canton Lausanne			
Hirslanden Clinique Bois-Cerf	Lausanne	68	5
Hirslanden Clinique Cecil	Lausanne	86	4
Canton Lucerne			
Hirslanden Klinik St. Anna	Lucerne	196	6
Hirslanden Klinik Meggen	Meggen	20	3
Canton Basel			
Hirslanden Klinik Birshof	Münchenstein	48	5
Canton Schaffhausen			
Hirslanden Klinik Belair	Schaffhausen	28	2
Canton St. Gallen			
Hirslanden Klinik Stephanshorn	St. Gallen	109	5
Canton Zürich			
Klinik Hirslanden	Zürich	330	14
Hirslanden Klinik Im Park	Zürich	126	6
TOTAL		1,677	88

Name of outpatient clinic

	Location
Praxiszentrum am Bahnhof Bern	Bern
Praxiszentrum am Bahnhof Schaffhausen	Schaffhausen
St. Anna im Bahnhof	Lucerne

During the financial year ended 31 March 2015, Hirslanden was able to further expand its position as the largest private hospital group in Switzerland (its primary competitor being the Swiss public hospital sector). Following the acquisition of Hirslanden Clinique la Colline and Hirslanden Klinik Meggen, as detailed below, Hirslanden now consists of 16 hospitals. This is in addition to three outpatient clinics, 11 radiology and four radiotherapy centres.

With the acquisition of the 67-bed Hirslanden Clinique La Colline, Hirslanden expanded its footprint to Geneva and is now represented in all major cities stretching from eastern to western Switzerland. Hirslanden Clinique La Colline offers a range of multidisciplinary medical and surgical services. The facilities now include 67 inpatient beds, an emergency centre, six operating theatres and its own polyclinic. The hospital employs 290 people and works with some 150 affiliated doctors. The newly acquired 20-bed Hirslanden Klinik Meggen in the canton of Lucerne will also strengthen Hirslanden's business in central Switzerland. Hirslanden Klinik Meggen has around 40 affiliated doctors from various specialist fields supporting the hospital. The hospital includes three operating theatres and boasts 20 inpatient beds as well as a day clinic with 11 beds. The hospital employs 70 staff.

Hirslanden invests continually in infrastructural repairs and maintenance, new and replacement equipment incorporating cutting-edge medical technology, plus expansion projects and new buildings. Building projects completed during the financial year ended 31 March 2015 include:

- In August 2014, Hirslanden Klinik Am Rosenberg opened its fifth operating theatre.
- In January 2015, the Praxiszentrum am Bahnhof in Schaffhausen opened for business as a general practitioner and walk-in practice. The first floor houses the practices of specialists who are accredited with Hirslanden Klinik Belair as affiliated doctors.
- In March 2015, Hirslanden Klinik Aarau opened its expanded private department. This also includes a lounge area, which acts as a reception and waiting room for private patients and their relatives.
- In March 2015, Hirslanden Klinik Stephanshorn opened an extension with space for 24 additional beds, as well as a new accident and emergency unit with six treatment rooms.

Investments in medical technology during the financial year ended 31 March 2015 include:

- At Hirslanden Klinik St. Anna a state-of-the-art PET/CT machine was commissioned in September 2014.
- Hirslanden Klinik Beau-Site obtained a 3 Tesla MRI scanner in October 2014.
- Hirslanden Klinik Im Park renovated its operating theatres and opened a hybrid operating theatre in November 2014.
- In January 2015, Hirslanden Klinik St. Anna acquired a state-of-the-art Da Vinci surgical robot.

During the financial year ended 31 March 2015, Hirslanden invested the following amounts:

- CHF72 million (2014: CHF70 million) on capital projects and new equipment to enhance its business;
- CHF70 million (2014: CHF51 million) on replacing existing equipment; and
- CHF38 million (2014: CHF36 million) on repairing and maintaining property and equipment, which was charged through the income statement.

The number of inpatient beds increased to 1,655 (2014: 1,567) during the financial year ended 31 March 2015, mainly as a result of the acquisitions of two new hospitals, Hirslanden Clinique La Colline and Hirslanden Klinik Meggen, both described above.

Strategy

As in the past, there remain many attractive growth opportunities in Switzerland. Opportunities include the expansion of Hirslanden's existing hospitals, the development of the outpatient sector, which includes additional outpatient clinics, outpatient surgery centres, as well as radiology centres. The major ongoing expansion projects in Switzerland are as follows:

- A fifth operating theatre is currently in development at Hirslanden Klinik Birshof, together with new patient rooms and nurses' stations. The accident and emergency unit is also being expanded. Additionally, new doctors' practices and an additional radiology unit will also soon be in operation.

- A new outpatient clinic is currently being built close to the railway station in Düringen in the canton of Fribourg. The clinic will create 17 new jobs and will also include a radiology service.
- Hirslanden Clinique Bois-Cerf and Hirslanden Clinique Cecil in Lausanne are currently building a radiology centre in Malley (the Institut de radiologie de l'ouest lausannois), which will co-operate as a partner with the existing radiology centres of the Radiology Institute Hirslanden Lausanne.

At the same time, Hirslanden is continuing to focus on maintaining and strengthening its role in the provision of Swiss primary health care, outpatient treatment and specialised medicine.

Hirslanden management is also focused on managing and influencing ongoing regulatory developments and on stabilising margin improvements and introducing service/cost differentiation according to insurance mix, as the proportion of patients with basic insurance has grown and the mix of medical services shifts from the inpatient to the outpatient sector. For these reasons, the Hirslanden 2020 project is underway to overhaul the Hirslanden operating model in order to improve operational efficiency and develop new areas of business. In addition, Hirslanden is also standardising the hospital ICT system for medical core business and administrative activities across group hospitals.

Mediclinic Middle East

Mediclinic Middle East offers acute care hospital services in two hospitals and primary care in 10 clinics in Dubai and Abu Dhabi. The relationship between the hospitals and clinics is that of a hub-and-spoke model. The clinics deliver specialist-orientated consultations and follow-up services, and referrals to the hospitals. The hospital services range from providing secondary care procedures and medical treatment plans to tertiary care technologically advanced treatment modalities. Although the majority of cases are elective in nature, a significant portion is unscheduled and emergency related. Major trauma services are provided by the state facilities. The majority of admitting doctors are employed by Mediclinic Middle East, but there is also a significant complement of independent doctors who admit and treat patients in the hospitals. The radiology, laboratory and nuclear medicine services are owned and operated by Mediclinic Middle East.

The burden of disease of the UAE population mainly consists of chronic diseases of lifestyle and communicable diseases (Source: Globalisation and Health: "A profile and approach to chronic disease in Abu Dhabi", published 27 June 2012). The chronic underlying medical conditions that might be present in a patient on admission to a hospital may have a significant impact on the level of care the patient receives and/or length of stay such a patient experiences during hospitalisation.

The contribution per clinical discipline in terms of the number of patients admitted to Mediclinic Middle East's hospitals in the 2014 calendar year was as follows:

Clinical discipline	Percentage contribution
Internal medicine	42%
Obstetrics and gynaecology	23%
General surgery	8%
Orthopaedic	7%
ENT and ophthalmology	7%
Urogenital	5%
Cardiac and vascular	5%
Neurology	3%

Business environment

The UAE continues to strengthen its position as a regional business hub and also, increasingly, for developing nations in Africa and Asia thanks to its strategic location and attractive trading environment. The latest published GDP figures for the UAE (December 2014) show growth of 4.3 per cent. in 2014 (Source: Trading Economics, United Arab Emirates GDP Growth Rate). Although the recent decline in oil prices has caused the IMF to lower its growth projections for the UAE's GDP in 2015 to 3.5 per cent. from 4.5 per cent., this largely affects Abu Dhabi. Dubai, with less reliance on oil as a contributor to its GDP, is still forecast to grow at a rate of around 4.5 per cent. in 2015 (Source: Trading Economics, United Arab Emirates Economic Indicators). This is led by a growing tourism industry, increased trade activity and a strong construction sector. There was a slight softening of real estate prices during the second half of

2014, and the strength of the U.S. dollar as well as the weakening Euro and Russian rouble is expected to have some negative effect on the tourism industry in 2015; however, the overall outlook remains positive.

Development has begun on projects associated with Dubai's hosting of Expo 2020, which is expected to attract 25 million visitors. These include the extension of the Dubai Metro through newer residential areas inland and out to the Expo 2020 site. Dubai World Central, Dubai's new airport that opened in October 2013 with an initial capacity of up to seven million passengers per year, has also already been earmarked for expansion with approval in September 2014 of a USD 32 billion plan, which will see its capacity increase to 120 million passengers per annum within the next six to eight years.

There remains upward pressure on salary levels as a result of the continued economic growth in the UAE and increased competition. In 2014, GDP growth was 3.6 per cent. and inflation was 2.3 per cent. (Source: World Bank). New entrants are attracted to the UAE's healthcare sector because of the expected population growth of approximately 1 to 1.5 per cent. per annum, health indicator trends related to the young population (maternity and paediatrics), as well as high mortality rates from lifestyle-related diseases and cancer.

Regulatory overview

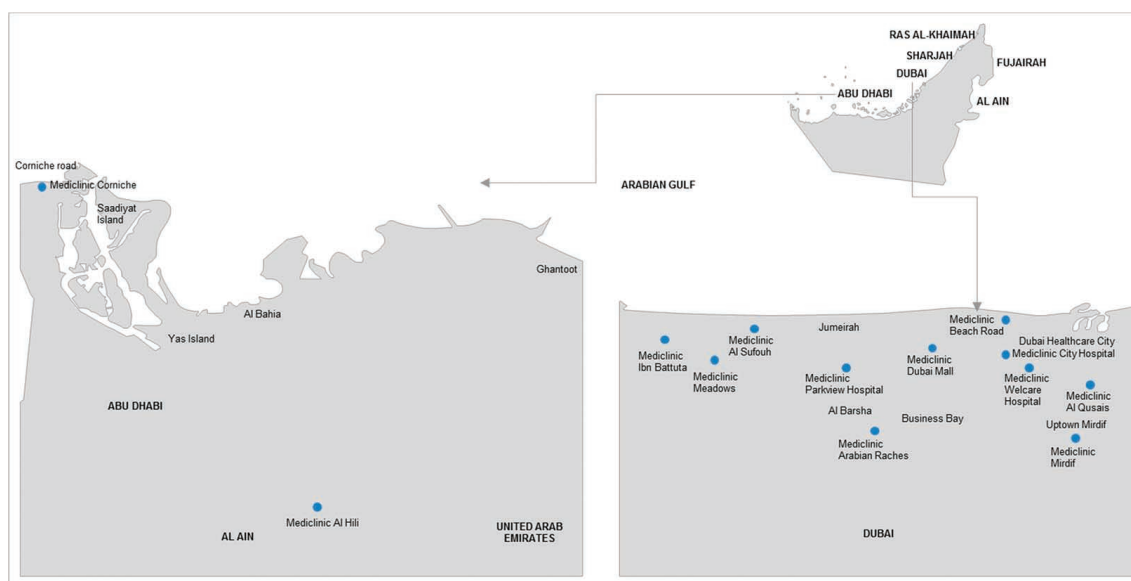
The Dubai government continues to focus on the regulatory aspects of the healthcare industry, and Mediclinic Middle East is actively engaged with them in this regard.

The healthcare industry is subject to laws, rules and regulations in the regions where the Mediclinic Group currently conducts its business or to which it intends to expand its operations. The UAE healthcare industry is heavily regulated. The healthcare industry in the UAE is one of the fastest-growing sectors in the country and the Mediclinic Group believes the UAE, and in particular the governments of both Dubai and Abu Dhabi, continue to invest heavily in the sector's development, including improved regulation. Mediclinic Middle East's hospitals and clinics are regulated by various bodies, including DHA, the Dubai Healthcare City Authority, the Centre for Healthcare Planning and Quality, the Federal Authority for Government Human Resources and HAAD.

The DHA is in the process of implementing a mandatory health insurance system with many e-health initiatives linked to it. For example, all provider claims must adhere to certain requirements and be submitted via a DHA portal to insurance companies (the so-called eClaims). More recently e-prescriptions were introduced whereby the DHA regulates the electronic approval and claim process for outpatient drug prescriptions. Price regulation in the form of bundled payments for inpatient cases, called Diagnostic Related Grouping combined with certain pay for quality measures, will be implemented over the medium-term.

Existing operations

The graphic and table below show the Mediclinic Group's Middle East facilities as at 30 September 2015.



Source Company information

Name of facility	Location	Licensed beds	Licensed theatres
Hospitals:			
Mediclinic Welcare Hospital	Garhoud, Dubai	126	4
Mediclinic City Hospital	DHCC, Dubai	229	6
Clinics:			
Mediclinic Arabian Ranches	Arabian Ranches, Dubai	0	0
Mediclinic Dubai Mall	Dubai Mall, Dubai	7	0
Mediclinic Meadows	Meadows, Dubai	0	0
Mediclinic Beach Road	Jumeirah, Dubai	4	0
Mediclinic Al Sufouh	Knowledge Village, Dubai	6	0
Mediclinic Ibn Battuta	Ibn Battuta Mall, Dubai	10	0
Mediclinic Mirdif	Mirdif, Dubai	0	0
Mediclinic Al Qusais	Qusais, Dubai	0	0
Mediclinic Al Hili	Al Ain, Dubai	0	0
Mediclinic Corniche	World Trade Center Mall, Abu Dhabi	0	0
TOTAL		382	10

During the financial year ended 31 March 2015, Mediclinic Middle East opened its first clinic in Al Ain, Abu Dhabi's thriving second city, in February 2015. A new outpatient centre was opened at Mediclinic Welcare Hospital to create additional space for outpatient services. The Mediclinic Middle East corporate team also relocated from disparate locations around Dubai to a new central office opposite Mediclinic City Hospital in Dubai Healthcare City. This has resulted in more streamlined operations, improved communication and also freed up space for future expansion of healthcare services at Mediclinic Dubai Mall.

During the financial year ended 31 March 2015, Mediclinic Middle East invested the following amounts:

- ZAR227 million (AED75 million) (2014: ZAR71 million (AED26 million), which included AED95 million on the laboratory acquisition) on capital projects and new equipment to enhance its business, including AED56 million on the construction of Mediclinic City Hospital's North Wing;
- ZAR74 million (AED25 million) (2014: ZAR59 million (AED22 million)) to replace existing equipment; and
- ZAR60 million (AED20 million) (2014: ZAR52 million (AED19 million)) to repair and maintain property and equipment, which was charged through the income statement.

Strategy

As in the past, there remain many attractive growth opportunities in the UAE. Opportunities include the expansion of existing hospitals and the establishment of new hospitals and day clinics. The major ongoing expansion projects in the UAE are:

- the expansion of the Mediclinic City Hospital in Dubai with the addition of the North Wing. The new wing of Mediclinic City Hospital, currently under construction, will house a new oncology unit, developed in conjunction with Hirslanden;
- the acquisition of a plot of land on the southern side of Dubai with the intention to build a further 188-bed hospital, the Mediclinic Parkview Hospital; and
- new centres of excellence in metabolic surgery, breast surgery and neurosurgery are also under development in association with Hirslanden.

At the same time, Mediclinic Middle East intends to work closely with the Dubai government on reforms to the healthcare industry and identifying and evaluating additional growth opportunities in Dubai to address the capacity constraints of the current facilities, including the redesign and internal expansion within the Mediclinic Dubai Mall. In relation to the Abu Dhabi operation, Mediclinic Middle East is focused on identifying and implementing initiatives to address the challenges faced in the Abu Dhabi market and to specifically bring the Abu Dhabi clinics to profitability, with a view to enabling future expansion in this market.

Acquisition of interest in Spire

As mentioned previously, in August 2015, the Mediclinic Group acquired a 29.9 per cent. interest in Spire. Spire is a leading private healthcare group, led by a strong and highly experienced management team, with a nationwide network of 39 hospitals across the United Kingdom. Spire delivers tailored, personalised care to over 260,000 in-patients and day-case patients per year, funded through private medical insurance, self-payment and NHS referrals. As a leader in delivering superior clinical outcomes, Spire is well positioned to benefit from the long-term structural growth drivers in the United Kingdom healthcare market. In addition to broad geographic coverage across the United Kingdom, Spire has a well invested and scalable platform with the capacity to increase volumes and a track record of growth with positive momentum. After being listed on the premium listing segment of the Official List maintained by the Financial Conduct Authority, the shares in Spire began trading on the main market for listed securities of the London Stock Exchange in July 2014.

In addition to investing in a growing developed market, the Spire Acquisition provides the Mediclinic Group with a further opportunity to diversify into an attractive new geography with a strong currency. As part of the terms of the transaction, the Mediclinic Group has the right to appoint a director to the board of Spire.

Clinical governance

A comprehensive clinical governance programme is in place across all of the Mediclinic Group's operations focusing on:

- clinical governance to ensure patient safety and quality improvement;
- clinical information management to enable clinical performance measurement and deals with systems to support the clinical care process, including electronic patient records; and
- clinical services development dealing with the development of new co-ordinated care models, investigating new service lines and keeping abreast of technological developments.

Multi-disciplinary clinical committees at hospital level are established throughout the Mediclinic Group that drive quality and safety and promote co-operation between doctors, nursing staff and management, and are being developed further. Regular clinical audits form an important part of the group's continuous quality improvement programme. The findings of these audits are used to formulate proactive responses to clinical system failures.

Clinical outcomes are benchmarked throughout the Mediclinic Group through participation in external initiatives such as the Vermont Oxford Network aimed at measuring and improving the quality of care in neonatal intensive care units; the Adult Cardiothoracic Database aimed at measuring and improving the

clinical outcomes of cardiothoracic surgery; and APACHE III-j, a hospital mortality prediction methodology for adult intensive care patients, used to evaluate the quality of care in this complex setting.

Patient satisfaction

Patient satisfaction surveys are conducted throughout the Mediclinic Group's facilities, with the average patient satisfaction level provided in the table below. The Mediclinic Group has created a single, standardised patient experience measurement index which contributes to ensuring operational excellence and patient safety across all platforms. The Mediclinic Group implemented the new Patient Experience Index ("PEI") in Mediclinic Southern Africa and Mediclinic Middle East from October 2014. It is managed by Press Ganey, an internationally recognised patient experience measurement and management agency. The objective of the index is to achieve incremental and sustainable improvement of the patient experience.

	Patient satisfaction levels				
	2011	2012	2013	2014	2015 ⁽¹⁾
Mediclinic Southern Africa	75%	76%	76%	77%	81%
Hirslanden ⁽²⁾	85%	93%	87%	95%	92%
Mediclinic Middle East ⁽³⁾	89%	89%	93%	91%	81%

Notes:

- (1) The 2015 results of Mediclinic Southern Africa and Mediclinic Middle East are the new PEI results, but only for the six-month period ending 31 March 2015. The previous years' results are measured under a different system and therefore not comparable to the previous results.
- (2) Hirslanden's patient satisfaction results for 2011 and 2013 were based on the Picker patient satisfaction survey. It is not comparable to the 2012, 2014 and 2015 results, which were based on the ANQ (the Swiss National Association for Quality Development) satisfaction survey.
- (3) Mediclinic Middle East's PEI results in the table above are for inpatients only. The outpatient PEI results for the six months ended 31 March 2015 is 78 per cent.

Accreditation

Mediclinic Southern Africa

As at September 2015, 27 of the 36 participating Mediclinic Southern Africa hospitals held COHSASA accreditation, an agency accredited by the International Society for Quality in Healthcare to accredit hospitals. The remaining nine participating hospitals are undergoing the renewal process, but were accredited by COHSASA prior to the commencement of the renewal process.

All Mediclinic Group facilities are required to undergo an annual inspection in order to obtain renewal of their licence, which is only valid for one year. These certification processes will in future be strengthened by the Office of Health Standards Compliance, a recently established regulatory body that will measure quality standards in healthcare and react to non-compliance. In addition, the Emergency Medical Service industry is also in the process of becoming subject to licensing and standard requirements, which will affect the ER24 subsidiary of the Mediclinic Group. In order to expand any of its existing facilities, the Mediclinic Group will need to obtain licences from the national and provincial Departments of Health before it is able to commence construction.

Hirslanden

The model for accrediting Hirslanden competence centres was launched as a national initiative open for accreditation of any Swiss competence centre in healthcare by the Swiss Association for Quality and Management Systems early in 2014.

Fourteen Hirslanden hospitals and the Hirslanden Corporate Office were self-assessed against the EFQM (European Foundation for Quality Management) Excellence Model.

Fifteen Hirslanden hospitals and the Hirslanden Corporate Office are ISO 9001:2008 (quality management) certified, with Khalifa Street Hospital being the first private healthcare institution to receive the JCI golden seal on the 5th edition standards.

Mediclinic Middle East

The Mediclinic Group's business is subject to extensive licensing requirements. In particular, the Mediclinic Group is required to obtain licences for, among others, the following activities: provision of healthcare services, provision of pharmaceutical services, provision of radiology services, administration of narcotics, psychotropic and other controlled substances, and handling and transport of explosive and flammable materials. The Mediclinic Group's business activities and operations are also subject to regular reviews by licensing authorities.

Local immigration and medical licensing requirements significantly affect the Mediclinic Group's staffing requirements. Immigration and medical licensing applications for medical personnel can take several months or more to be finalised.

Under UAE law and regulations, licences for the operation of medical facilities (outside of the DHCC Free Zone) and pharmacies are issued by the DHA and HAAD in the name of the company that operates the medical facilities. Outside of the free zone, the Mediclinic Group's licences are held by companies with local UAE persons or companies controlled by UAE persons holding 51 per cent. of these companies.

Mediclinic Middle East's two hospitals and the eight clinics in Dubai received JCI re-accreditation in June 2013. Mediclinic Middle East's group of clinics is the first in the UAE's private sector to be accredited by JCI as a network. JCI is an international accreditation organisation for healthcare organisations focused on improving the safety of patient care through accreditation. There is a unified strategy in place to prepare for JCI re-accreditation in 2016.

The pathology laboratories of both Mediclinic Middle East hospitals are ISO 15189:2009 certified. All five clinics with in-house laboratories were also recertified during the financial year ended 31 March 2015.

Mediclinic City Hospital's pathology laboratory is accredited by the College of American Pathologists. This is part of the biannual accreditation cycle.

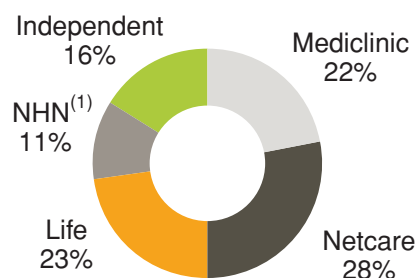
Mediclinic City Hospital is recognised as an International Board Certified Lactation Consultants Care Award facility in recognition of its lactation programme and breastfeeding support.

Competition

Mediclinic Southern Africa

As illustrated by the diagram below, as of 31 March 2015, the South African private hospital market is led by three key players: the Mediclinic Group, Netcare and Life Healthcare, which together account for approximately 72 per cent. of the private market by number of beds. Netcare operates the largest private hospital network on a revenue basis in South Africa with 55 private hospitals, housing more than 9,400 beds. Life Healthcare is the second largest player on a revenue basis with 48 private hospitals housing more than 7,700 beds.

SOUTH AFRICA PRIVATE HOSPITAL BED MARKET SHARE



Source Company information, National Hospital Network, Broker estimates

The Competition Commission is currently undertaking a Market Inquiry into the private healthcare sector in South Africa, which commenced in January 2014. The Market Inquiry is particularly focussed on the cost of private healthcare and it has involved all private healthcare stakeholders in the process via extensive submissions, data requests and future oral hearings. The Market Inquiry panel may conclude the Market Inquiry with recommendations or changes to be made in the industry, proposals for legislative and regulatory amendments and institute anti-competitive investigations should the Market Inquiry reveal such conduct. Along with other private healthcare stakeholders in South Africa, the Mediclinic Group is

participating in the Market Inquiry, with the assistance of expert competition attorneys and advocates, and has prepared and delivered a submission, in line with the Competition Commission's information requests under their published Terms of Reference and Administrative Guidelines which apply to this Market Inquiry.

Hirslanden

Hirslanden is the largest private medical network in Switzerland, with its primary competitor being the Swiss public hospital sector. The public hospitals hold a majority of market share in relation to inpatients (c. 81 per cent. in 2012) in Switzerland. In the segment of compulsory insured patients, Hirslanden enjoys a competitive advantage over cantonal hospitals as a result of its operational efficiencies, along with more attractive service offerings and the Mediclinic Group would expect more generally insured patients to use private healthcare facilities that are on cantonal lists. The key issue that Hirslanden faces is that its largest competitor, the public cantonal hospitals, are effectively responsible for health policy in the country, meaning that they are both regulators and providers.

Genolier is the second largest player, with fewer beds than Hirslanden.

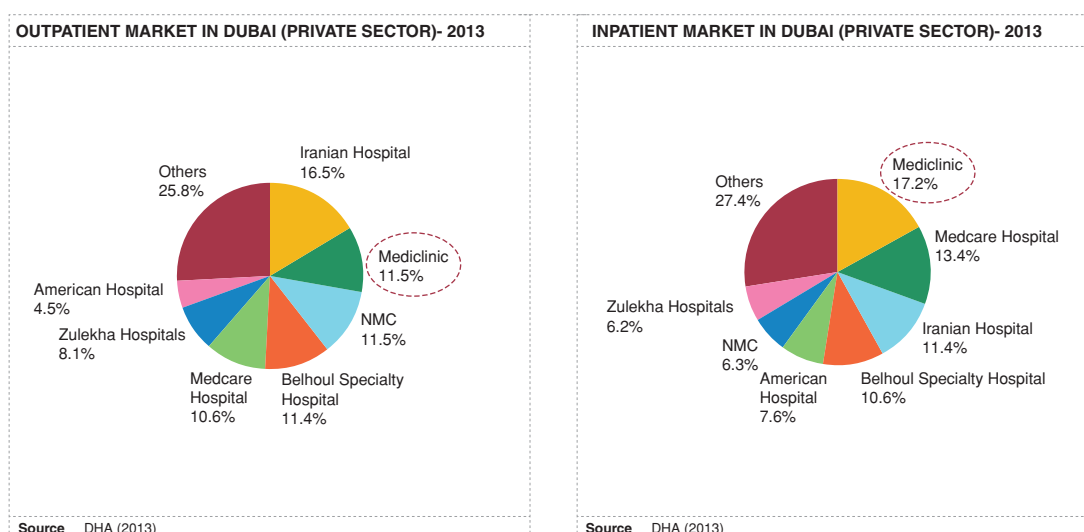
Hirslanden is the largest private acute care hospital group in Switzerland, enjoying a 33 per cent. share of all inpatients treated in Swiss private hospitals, which translates to a seven per cent. share of the total Swiss inpatient market (Sources: Kennzahlen der Schweizer Spitäler 2012, p. 4 and Hirslanden Annual Report 2012/2013).

Mediclinic Middle East

Dubai has a total of 3,816 hospital beds, the majority of the provision of hospital beds is in the public sector, with 2,348 government beds across four hospitals making up 61.5 per cent. of total beds as at the end of 2012 (Source: Colliers International, Dubai Healthcare Q4 2014 Research & Forecast Report). There are 22 private hospitals in Dubai, which comprise 1,468 beds (as of 2012). The Mediclinic Group with a total of 382 hospital beds, therefore has an approximate 10 per cent. market share of the total bed supply in Dubai and 24 per cent. of the private sector supply of beds. The major private competitors of the Mediclinic Group are the 187-bed American Hospital and the 64-bed Medcare Hospital in Dubai. (Source: American Hospital Dubai Corporate Brochure 2015 and Medcare Sustainability Report 2014).

Dubai is attracting more competition than Abu Dhabi given the tighter licensing regulations in the latter. A number of new competitors with experience of operating in MENA have entered the market recently. The Saudi German Hospitals Group opened a 316-bed hospital, which is the largest in the market, in 2012. The Dr. Sulaiman Al Habib Medical Group opened the 225-bed Dubai Healthcare Centre in 2015.

The diagrams below show market shares of the outpatient and inpatient markets in Dubai.



Suppliers

In order to deliver the Mediclinic Group's services, the Mediclinic Group is dependent on a large and diverse range of suppliers, who form an integral part of the group's ability to provide quality hospital care.

The group relies on its suppliers to deliver products and services of the highest quality in line with the Mediclinic Group's quality standards. Various other criteria play an important role in selecting suppliers, such as: compliance with applicable international and local quality standards, price, compliance with appropriate specifications suited for the group's markets, stability of the organisation and the relevant equipment brand, good-quality and cost-effective solutions, support network, technical advice and training philosophy. In Southern Africa, the BEE status of a supplier is also a factor in the selection process.

The availability of products and services is imperative in enabling the group to deliver quality care to its patients, and therefore an important criterion in its supplier selection process. Although not always the case, this often leads to local suppliers being preferred, which also adds to better and faster service delivery and knowledge of local laws and regulations, particularly with regard to pharmaceutical products. In Southern Africa, 96 per cent. of procurement is done with local suppliers or the local agents of international suppliers. Similarly, in Switzerland, approximately 90 per cent. of the procurement is from local suppliers or agents of international suppliers. Hirslanden's centralised medical store, Zenlop, strives to streamline the range of expendable materials used in the hospitals and to achieve greater efficiency through economies of scale. In Dubai, all international suppliers and manufacturers are required by law to operate through local agents. As such, Mediclinic Middle East is legally required to procure from local suppliers or agents, except in cases where a product is not available in the UAE, where permission to import from foreign vendors is granted. Mediclinic Middle East procures approximately 97 per cent. of its supplies from local agents.

Due to the geographic spread of the Mediclinic Group's operations, the potential of possible cost savings, less administration and improved efficiency, the Mediclinic Group has initiated international procurement initiatives with the aim of unlocking synergies and implementing standardisation for the greater benefit of the group. Since the appointment of the Group Procurement Executive in 2013, procurement savings have included:

- better prices through pooling of capital equipment purchases across the three platforms;
- volume bonus agreements with key capital equipment suppliers; and
- direct importation and distribution of more cost-effective surgical and consumable products.

Further procurement savings remain a priority for the Mediclinic Group and the Mediclinic Group intends to rationalise the number of suppliers it has to enable growth with selected key partners with a view to strengthening its negotiating power. In addition, international consolidated data comparisons and spend pattern analysis is being used to identify further savings opportunities.

Health, Safety and Environmental

Employee health and safety

Health and safety policies and procedures are in place across the group to ensure a safe working environment for the Mediclinic Group's employees, patients and its visitors. The health and safety of the group's employees are essential and contribute to the sustainability of quality care to patients.

All Mediclinic Southern Africa's facilities have health and safety committees which represent all the employees in the facilities, with joint management-worker representation. The committees have over 75 per cent. workforce representation.

Hirslanden's health and safety processes, covering all facilities, are managed by the respective human resources departments, which are responsible for enforcing all legal regulations regarding employer healthcare and safety by means of suitable measures at group level and locally in hospitals.

Mediclinic Middle East's Facility Management and Safety Committees operate at three different levels: group, facility and operational, which ensures that the strategy set for the group is implemented effectively within the units. Employee health and safety falls under the responsibility of the group engineering manager with support from the engineering managers at each of the facilities. The committees at both hospitals have 75 per cent. worker representation.

Environment

The Mediclinic Group is committed to protecting the environment, conserving natural resources and using resources in an effective and responsible way, ensuring the health and safety of its employees and clients by adopting sound health, safety and environmental practices in all its business activities.

The Mediclinic Group was ranked joint second position in the 2014 Climate Disclosure Leadership Index of the CDP (formerly known as the Carbon Disclosure Project). The Mediclinic Group also achieved the CDP Global A List ranking in the 2014 Climate Performance Leadership Index. The Mediclinic Group is the only and first hospital group in the world to receive this ranking.

Forty of Mediclinic Southern Africa's 52 hospitals are ISO 14001:2004 (environmental management) certified. The ISO 14001 environmental management standards are implemented at 51 of the group's 52 hospitals.

Hirslanden implemented the ISO 14001:2005 environmental management standards at Hirslanden Klinik Belair in Schaffhausen as a pilot project. The ISO 14001 pre-assessment was successful. The certification is expected to be achieved by the end of 2015.

Mediclinic Middle East has commenced with environmental data collection during the reporting period as part of its environmental management plan. The objective is to obtain ISO 14001 certification during the next financial year.

Intellectual Property

The Mediclinic Group brand identity with its current logo and slogan *Expertise you can Trust*, was launched in 2011 in respect of the Mediclinic Group and its Southern African operations and in 2012 in the Middle East and is now well entrenched. The growing strength of the Mediclinic Group brand is evidenced by the Mediclinic Group being recognised in the 2015 Brand Finance® South Africa Top 50 survey as one of the top 10 brands in South Africa and the most valuable healthcare brand in South Africa. During 2015, the Mediclinic Group brand was also voted as a Superbrand in the United Arab Emirates by the Superbrand Council and over 4,000 marketing professionals.

The Mediclinic Group's operations in Switzerland operate under the highly respected Hirslanden brand. Hirslanden successfully aligned its brand strategy with the Mediclinic Group's international brand identity.

In view of the Mediclinic Group's international profile and standing, the protection of the Mediclinic Group's intellectual property is of paramount importance. While the Mediclinic Group hold strong common law trade mark rights because of extensive trade mark use over a significant period of time in its *Mediclinic* and *Hirslanden* (and various other) trade marks respectively in South Africa, Namibia, Switzerland and the United Arab Emirates, these rights are secured by means of comprehensive statutory protection arranged in many jurisdictions in the world. The designated trade mark owner for the Mediclinic Group is Mediclinic Group Services (Pty) Ltd and for the Hirslanden Group it is Hirslanden AG.

Information and Communication Technology

ICT governance is done in the context of the King III report, which maintains that as companies become more reliant on information and communication technologies, the associated risks need to be well governed and controlled. ICT is a pervasive technology and cuts across all aspects of the business, from administrative back-office processes to clinical practices and engagements with the Mediclinic Group's stakeholders. ICT is an increasingly critical enabler of the transactional processes of the Mediclinic Group's business as well as the information analytical functions in support of management and decision-making. The increase in business systems integration and interconnectivity with the associated information security challenges can result in significant additional costs and risks. The Mediclinic Board and executive management are well informed about the role of ICT and the potential for growth and renewal, as well as for enabling and transforming the healthcare business model. The Mediclinic Board recognises that ICT is fundamental to the support, sustainability and growth of the organisation. The Mediclinic Board is satisfied that ICT is properly managed and that it is aligned with the objectives of the Mediclinic Group's business.

The Mediclinic Group's ICT Executive, together with an ICT management committee, with representation from all three operating platforms, is responsible for the development and implementation of the Mediclinic Group's ICT strategies in support of the Mediclinic Group's business strategy, as well as for

ensuring that ICT synergies, collaboration and standardisation across the business platforms are maximised. The ICT management committee is responsible for monitoring the platforms' adherence to the Mediclinic Group's ICT governance policy, and ICT risk management is fully integrated in the Mediclinic Group's risk management process.

Notable applications utilised across the group are categorised into front-office, back-office and information management applications.

The front-office applications cover processes such as:

- Patient administration;
- Clinical (except Mediclinic Southern Africa);
- Radiology (except Mediclinic Southern Africa);
- Laboratory (except Mediclinic Southern Africa); and
- Workforce management.

The back-office applications centre around SAP with, *inter alia*, these modules in use or in the process of being rolled out: finance, accounting, human resources (excluding Mediclinic Southern Africa which uses CRS), procurement, material management and plant management. The SAP, GRC and BPC modules are used at group level. Active Directory and Exchange are for identity management, security and email services. Vidyo is used for video conferencing and SharePoint for the intranets.

The information management applications support the Mediclinic Group's data warehouse (SQL based) and also master data management (EBX5 based). SAS is being used by the group's Advanced Analytics Department.

Property

In Southern Africa, the Mediclinic Group owns all their hospitals, except the Mediclinic Louis Leipoldt, which is leased pursuant to a long-term lease agreement. In Switzerland, the Mediclinic Group owns all hospital properties, except for Hirslanden Clinique La Colline and Hirslanden Klinik Meggen, which are subject to long-term leases. In the UAE, the Mediclinic Group owns the property of its major asset, Mediclinic City Hospital, with the properties of Mediclinic Welcare Hospitals and the clinics subject to lease agreements, mostly long-term leases.

The table below summarises the key terms of material lease agreements.

Operating platform	Facility	Property size	Expiry of lease	Current rent
Mediclinic Southern Africa .	Mediclinic Louis Leipoldt	22,311 m ²	2025	ZAR2,297,007 per month
Hirslanden	Hirslanden Clinique La Colline	7,281 m ²	2026 (plus 5 year renewal option)	CHF2,946,636 per annum
	Hirslanden Klinik Meggen	2,041 m ²	2018/2019 (plus two 5 year renewal options)	CHF474,030 per annum
Mediclinic Middle East	Mediclinic Welcare Hospital (OPD)	6,125 Sq. Ft.	2024	AED 918,750 per annum
	Mediclinic Welcare Hospital (hospital)	119,202 Sq. Ft.	2042	AED5,000,000 per annum
	Mediclinic Dubai Mall Medical Centre	61,651 Sq. Ft.	2021	AED7,493,718 per annum

Employees

As at 30 September 2015, the Mediclinic Group had 28,029 employees, as set out in the table below.

Mediclinic Southern Africa	16,576
Hirslanden	9,025
Mediclinic Middle East	2,428
	<u>28,029</u>

The Mediclinic Group is subject to labour legislation in the countries in which it has operations, and has internal policies and procedures to support compliance with this legislation. These policies and procedures are evaluated regularly to accommodate continual amendments to relevant legislation.

Mediclinic Southern Africa's trade union membership continues to decline, with 11.31 per cent. of its South African employees and 11.16 per cent. of its Namibian employees covered by collective bargaining agreements as at the year ended 31 March 2015. Mediclinic Southern Africa has recognition agreements in place with all trade unions that have sufficient representation at locality level. Where unions enjoy collective bargaining rights at a locality, salary negotiations are initiated in May annually. No strike action was experienced over the past six years at any of the localities where wages are negotiated.

The Mediclinic Group has formalised policy and guidelines to be implemented in the event of any workplace disruption through strikes or other industrial action to ensure that minimal disruption takes place at a locality. Many hospitals have little or no union representation and an elected workplace forum meets with management on a regular basis to ensure sound labour relations at hospital level.

Hirslanden has no trade union membership by employees. Trade unions are not permitted in the UAE by law and therefore there is no trade union membership among Mediclinic Middle East employees.

The group strives to create a pleasant working environment by offering, *inter alia*, family-friendly benefits. Mediclinic Southern Africa and Hirslanden offer flexi-time to certain employee categories; some facilities have childcare facilities and maternity benefits exceeding the minimum statutory requirements.

The employee relations policies of the operating platforms, which deal with matters relating to misconduct, incapacity of employees and the disciplinary and grievance procedures, are communicated to new employees as part of their on-boarding process and are also available to all staff to ensure that employees are aware of the avenues to put forward grievances, should they have the need to. Mediclinic Southern Africa communicates its employee relations policy by way of structured training workshops for all line managers.

The minimum notice period for significant operational changes, as provided in the employment contracts, is one month in Southern Africa, three months in Switzerland, and in the UAE it is three months for doctors, nurses and other clinical staff and managers and two months for administrative staff.

Insurance

Comprehensive insurance programmes customary for the Mediclinic Group's industry are in place to deal with the potential risks. The risks covered by the Mediclinic Group's insurance policies relate to property damage and business interruption, medical malpractice, directors' and officers' liability, commercial crime, contractors' all risks, motor, property terrorism sabotage, aviation liability, personal accident/disability, marine and travel.

PART IV INFORMATION ON THE COMBINATION

On 14 October 2015, the Al Noor Board and the Mediclinic Board announced that they had reached agreement on the terms of a recommended combination of their respective businesses. Following implementation of the Combination, it is expected that Al Noor, as enlarged by the acquisition of Mediclinic, will be a leading international private healthcare group, with deep operational expertise and a well-balanced geographic profile in Southern Africa, Switzerland and the United Arab Emirates and in the UK through a minority stake in Spire. The Enlarged Group will, on a revenue basis, be the third largest private healthcare provider in South Africa, the largest in the UAE and the largest private medical network in Switzerland. The Enlarged Group had pro-forma revenue of approximately USD4 billion for the fiscal period 2014/15,¹⁰ comprising 46 per cent. from Switzerland, 31 per cent. from Southern Africa and 23 per cent. from the UAE. The Enlarged Group will operate 73 hospitals with approximately 10,200 beds and 37 clinics, and will have nearly 32,000 employees. Given the relative size of Al Noor and Mediclinic, the Combination will be classified as a reverse takeover for the purpose of the Listing Rules.

Section A: Structure of the Combination

The Mediclinic Scheme

To effect the Combination, which is subject to the approval of Al Noor Shareholders and Mediclinic Shareholders and to the other conditions and further terms summarised below and to the full terms and conditions set out in detail in this document and the Mediclinic Circular, Al Noor will acquire all of the Mediclinic Shares pursuant to the Mediclinic Scheme that are not repurchased and cancelled by Mediclinic pursuant to the Repurchase Option described below. Under the terms of the Mediclinic Scheme, Mediclinic Shareholders on the register on the Mediclinic Scheme Record Date will be entitled to receive 0.62500 New Shares for every Mediclinic Share held.

Under the terms of the Mediclinic Scheme, participating Mediclinic Shareholders will be entitled to elect either:

- (i) for their Mediclinic Shares to be repurchased, in consideration of which Mediclinic will be obliged to pay to the shareholder, in respect of each Mediclinic Share repurchased, a sum equal to the ZAR equivalent value of 0.62500 Shares as at the operative date of the Mediclinic Scheme, on the basis that each Mediclinic Shareholder's right to payment will be ceded to Al Noor in settlement of an obligation assumed by that shareholder under the Mediclinic Scheme to subscribe for 0.62500 New Shares in respect of each Mediclinic Share repurchased (the “**Repurchase Option**”); or
- (ii) for their Mediclinic Shares to be transferred to Al Noor, in consideration of the allotment and issue to them of 0.62500 New Shares in respect of each Mediclinic Share transferred (the “**Exchange Option**”).

In the absence of a valid election, participating Mediclinic Shareholders who are not “Qualifying SA Corporates” (as defined in the Mediclinic Scheme Circular), or who have a registered address in Japan, will be deemed to have elected the Exchange Option, and participating Mediclinic Shareholders who are “Qualifying SA Corporates” will be deemed to have elected the repurchase option.

Mediclinic Shareholders will retain the interim dividend expected to be paid in December 2015.

Fractional entitlements

Fractions of New Shares will not be issued pursuant to the Mediclinic Scheme. In accordance with the rounding convention applicable under the JSE Listings Requirements, if the aggregate number of New Shares to be allotted and issued to a participant of the Mediclinic Scheme yields a fractional result, then the number of New Shares to be allotted and issued to that Mediclinic Scheme participant shall be rounded up to the nearest whole number if the fraction equals 0.5 or more, and the number shall be rounded down to the nearest whole number if the fraction equals less than 0.5, so that there are no fractional entitlements.

¹⁰ Mediclinic Group revenue for the financial year ended 31 March 2015 and Al Noor Group revenue for the financial year ended 31 December 2014, translated from USD/GBP using the exchange ratio for the year ended 31 December 2014, equal to USD/GBP1.65.

Special Dividend and Tender Offer

Under the terms of the Combination:

- (a) existing Al Noor Shareholders will be entitled to receive the Special Dividend of £3.28 per Existing Share held by them on the Al Noor Record Date, conditional on the Mediclinic Scheme becoming operative; and
- (b) existing Al Noor Shareholders will also be provided with an opportunity to tender their Existing Shares to Al Noor for cancellation, for a cash payment of £8.32 per Share, conditional on the Mediclinic Scheme becoming operative and on the Court confirming the associated Second Reduction of Capital of Al Noor (the “**Tender Offer**”). To the extent that more than 74,069,109 Existing Shares are tendered (being approximately 63 per cent. of Al Noor’s existing share capital), tenders will be scaled back.

The Special Dividend will be paid on all Existing Shares, including any that have been tendered pursuant to the Tender Offer.

The Al Noor Record Date will be shortly before the date on which the Mediclinic Scheme becomes operative. Accordingly, Mediclinic Shareholders will not be entitled to receive the Special Dividend or to participate in the Tender Offer in respect of any New Shares to be issued to them pursuant to the Mediclinic Scheme.

Therefore, conditional on the Mediclinic Scheme becoming operative (and, in the case of the Tender Offer, on the Court confirming the associated Second Reduction of Capital), Al Noor Shareholders will be entitled to receive:

for each Existing Share **£3.28 by way of the Special Dividend**
plus, optionally
£8.32 if tendered pursuant to the Tender Offer
(subject to any scale-back)

If an existing Al Noor Shareholder tenders its Shares (and assuming no scale-back under the Tender Offer), the cash payment of £8.32 per share under the Tender Offer, together with the Special Dividend of £3.28 per share, values each Share at £11.60, representing a premium of approximately:

- (a) 39 per cent. to the closing price of £8.35 per Share on 1 October 2015; and
- (b) 102 per cent. to the IPO issuance price of £5.75 per Share on 26 June 2013.

It is a term of the Combination and of the Mediclinic Scheme that if any dividend, distribution or return of value has been declared, announced, made or paid at any time by Al Noor after the date of the Announcement (except for the Special Dividend and pursuant to the Tender Offer), Al Noor shall be required to reduce the aggregate amount payable under the Special Dividend by an amount equal to the aggregate amount of such dividend, distribution or return of value (if applicable, based on the spot rate of exchange at the time of such declaration, announcement, making or payment).

Ownership of the Enlarged Group and stock exchange listings

The Combination will result in Mediclinic Shareholders (including Remgro in its capacity as an existing Mediclinic Shareholder, but before taking into account the New Shares to be issued to it or an affiliate of Remgro under the Remgro Subscription) owning between 83.97 per cent. and 93.45 per cent. of the Company (as the holding company of the Enlarged Group), depending on the extent to which Al Noor Shareholders participate in the Tender Offer. After the Remgro Subscription, Remgro’s holding of Shares in Al Noor will be between 40.95 per cent. and 45.18 per cent.

The Company (as the holding company of the Enlarged Group) will be admitted to the premium listing on the Official List maintained by the Financial Conduct Authority and admission to trading on the main market for listed securities of the London Stock Exchange, and will have an inward secondary listing on the JSE. It is also intended, subject to compliance with relevant regulatory procedures, to seek a secondary listing of the New Shares of the Company on the NSX, either simultaneously with the inward secondary listing on the JSE referred to above, or as soon as possible thereafter. The Company (as the holding company of the Enlarged Group) is also expected to qualify for inclusion in the FTSE 100 index. Al Noor is, and following the implementation of the Mediclinic Scheme, is expected to remain, tax resident in the UK.

In approving the Mediclinic Scheme, the South African Reserve Bank required that any dividends paid by the Company (or the holding company of the Enlarged Group) that are funded from a South African source that are due to South African resident shareholders should be paid locally in South Africa. In light of this, it is envisaged that following the Mediclinic Scheme becoming operative, arrangements will be made so that any dividends payable to the Company that are directly or indirectly derived from a South African source will be used in the first instance to fund and pay those dividends in respect of Shares to which South African resident shareholders are entitled and for corresponding amounts to be paid directly from a bank account within South Africa.

The New Shares will be registered and are expected to be held in uncertificated form.

Section B: Rationale for the Combination and background

The Mediclinic Board and the Al Noor Board recognise the strong strategic merit in the Combination, which provides an excellent strategic fit between their operations in the UAE and creates an leading international private healthcare operator with a well-balanced geographic profile in Southern Africa, Switzerland and the UAE, with exposure to the UK market through a minority interest in Spire.

Creation of the leading UAE platform

The Enlarged Group will be the largest private healthcare provider in the UAE (by revenue), with excellent relationships with key stakeholders. The regional operations of the two businesses are complementary, given Mediclinic's concentration at the high end of the acuity/quality curve and Al Noor's focus on high value patients, as well as respective strengths in the Dubai and Abu Dhabi healthcare markets.

Strong financial track record in the UAE

Al Noor has demonstrated a strong track record of revenue and EBITDA growth, with FY2010-14 CAGRs of 16.8 per cent. and 18.6 per cent. respectively, and EBITDA margins consistently above 20 per cent. This has been driven by the broadening of its service offering, disciplined cost management and successful execution of attractive expansion opportunities.

Significant growth opportunities to be exploited in the Middle East/Gulf region

Given substantial unmet medical needs in the Middle East, private healthcare delivery remains one of the fastest growing sectors due to a rapidly ageing demographic, an increasing incidence of lifestyle-related medical conditions such as diabetes and obesity, service gaps in the current healthcare market and a growth in private health insurance. Given this, there is significant potential for the Enlarged Group to capitalise on the attractive growth opportunities in the region and deploy further capital, by way of both organic and inorganic investment.

Significant cost synergy potential

Following preliminary analysis undertaken by Al Noor and Mediclinic, there are opportunities for potential cost synergies to be exploited for the UAE businesses, given the complementary nature of the operations and an ability to leverage the enlarged scale of the combined businesses. Potential synergies are expected to be achieved primarily from procurement benefits from greater scale, creating a shared operations team in the UAE, the combination of existing corporate functions and the sharing of knowledge and best practices across the Enlarged Group.

Further diversification of earnings for the Enlarged Group

The Enlarged Group will be a leading international private healthcare provider with deep operational expertise and a well-balanced geographic profile in Southern Africa, Switzerland and the UAE, with exposure to the UK market through a minority stake in Spire. The Combination enhances the geographical diversity of the Enlarged Group and is positioned towards growth markets with the UAE representing 23 per cent. of the Enlarged Group's revenues, and the Combination is also expected to provide the Enlarged Group with additional USD-based, high-growth earnings.

Incremental financial and trading benefits

The Company (as the holding company of the Enlarged Group) would benefit from admission of the Shares to the premium listing segment of the Official List maintained by the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange and expected inclusion in the FTSE 100, together with an inward listing on the Johannesburg Stock Exchange. The Al Noor Board believes that this will provide incremental advantages to the Enlarged Group through increased liquidity and greater access to a global investor base, a likely reduction in the Enlarged Group's cost of capital and a greater potential for utilisation of shares as currency for future acquisitions.

Section C: Key Strengths

The Proposed Directors believe that, because of the key strengths described below, the Enlarged Group will be well positioned to benefit from the favourable trends driving demand across the healthcare markets in which it operates.

International presence in attractive markets for private healthcare

There are a number of common trends present in the Enlarged Group's healthcare markets of operation including population growth, an ageing population, consumerism, technological advancement, the burden of disease and pressure on government resources to provide healthcare services on demand. The Enlarged Group's key geographic focus areas include South Africa, Switzerland, and the UAE, plus a financial exposure to the UK through its 29.9 per cent. interest in Spire. The private healthcare markets in all these geographies have seen consistent growth, with 2004-14 CAGRs of 2.1 per cent. for South Africa, 4.4 per cent. for Switzerland, 10.8 per cent. for the UAE and 2.4 per cent. for the UK.

South Africa's economic performance has been challenged in recent years with GDP growth rate declining to 1.5 per cent. for 2014 from 2.2 per cent. in 2013. However, in contrast, the South African private healthcare sector has maintained a positive, and consistent, long-term growth trajectory, due to the ineffectiveness of the public sector and increased incidence of chronic disease, as well as an upward trend in the diagnosis and treatment of many conditions on the prescribed list of chronic diseases from the South African Council of Medical Schemes. Private healthcare funding is stable and primarily provided by medical schemes, which fund 92 per cent. of Mediclinic Southern Africa's hospital admissions and revenue as at 31 March 2015.

The Swiss healthcare system is characterised by wide ranging medical insurance coverage and access to a large number of high quality healthcare facilities. While in recent years, the Swiss private healthcare sector has been facing increasing regulation and cost pressure, including a shift in certain medical services from the inpatient sector to outpatient sector, basic health insurance is compulsory in Switzerland, and with regulatory changes implemented in January 2012 (in particular, the reimbursement system under the SDRG system and "hospital lists" of facilities eligible to treat generally insured patients), there are now no real distinctions between private and state hospitals, enabling private hospitals to compete on the same basis as public hospitals.

The private healthcare market in the UAE has exhibited high growth, with expected population growth of around 2.5 per cent. per year, the young population driving maternity and paediatric care, and high mortality rates from lifestyle-related diseases and cancer. The Enlarged Group's intended focus areas of Dubai and Abu Dhabi account for around half of the population, and the majority of investment in the private healthcare market. Abu Dhabi introduced mandatory health insurance for expatriates between 2006 and 2007, and introduced the Thiqa scheme for Abu Dhabi citizens in 2008, and Dubai is implementing mandatory health insurance between 2014 and 2016 through a staggered rollout.

The growth of healthcare demand in the UK is forecast to exceed 5 per cent. a year over the next five years as a result of a growing and ageing population, increasing incidence of acute and chronic long-term conditions and the continued development of new technologies and treatments. This funding gap is expected to reach approximately £35 billion per annum by 2020-2021, and private providers are extremely well placed to help bridge that gap given meaningful budget constraints within the NHS.

Diversified geographic footprint with strong market position in all countries of operation

The Enlarged Group has a diversified revenue mix by geography. As illustrated in the Pro forma Financial Information for the Combination, Southern Africa represents 31 per cent. of FY15 revenues, Switzerland represents 46 per cent. and the UAE 23 per cent. The Al Noor Directors and the Proposed Directors

believe that this balanced footprint across geographies mitigates country-specific risk that can arise due to particular changes in regulation or legislation, and also has multiple benefits arising from increased scale and best-practice sharing. In addition, it ensures a broader distribution of currencies across the portfolio generating further stability in earnings and funding decisions.

The Enlarged Group has a leading position in the key markets in which it operates, holding the number three position in South Africa, the number one position in Switzerland, the number one position in the UAE following the Combination of the number one healthcare provider in Abu Dhabi and the number one provider in Dubai (by revenue). In addition, Spire also has a number two position in the UK (by revenue). Such leadership positions will allow the Enlarged Group to leverage the benefits of its strong brand across its portfolio, derive meaningful efficiencies arising from economies of scale, and help cultivate meaningful engagement with key stakeholders, including physician groups, funders and regulatory bodies. In addition, the financial benefits of a broader platform include greater cash flow generation, leading to increased ability to further expand capacity through greenfield development or acquisitions.

Quality care with high-acuity capability across the portfolio

The Proposed Directors believe that sustainable competitive advantage lies in the continuous focus on patient care, excellence in clinical governance and delivering measurable, cost-effective quality care. The results of a patient satisfaction survey conducted by the Mediclinic Group indicated that average patient satisfaction levels across its operations for the six months ended 31 March 2015 ranged between 78 per cent. and 92 per cent. In addition, in 2011, the Al Noor Group's two Abu Dhabi hospitals ranked first and third among all Abu Dhabi hospitals in terms of inpatient satisfaction, scoring 91 per cent. and 90 per cent., respectively, while its Al Ain hospital ranked first in Al Ain, scoring 90 per cent.

The Council for Health Services Accreditation of Southern Africa, an organisation whose standards have been accredited by the International Society for Quality in Healthcare, has been accrediting the Mediclinic Group's hospitals since 1996. As at December 2014, 28 of the 37 participating hospitals held COHSASA accreditation with the other eight hospitals undergoing the renewal process. In Switzerland, Hirslanden hospitals participate in ISO 9001:2008 certifications in co-operation with the Swiss Association for Quality and Management Systems. Fifteen hospitals and the head office are currently certified, and Hirslanden Clinique La Colline is expected to follow in 2016. In the UAE, the Mediclinic Group's two hospitals and eight clinics are JCI accredited, and all three of Al Noor's hospitals are JCI accredited and have ISO certification 9001:2008, with Khalifa Street Hospital being the first private healthcare institution to receive the JCI golden seal on the 5th edition standards.

The Mediclinic Group strives to ensure that the clinical services provided throughout the organisation are efficient, effective, appropriate, evidence-based and in line with modern technological advances. This goal is supported by way of carefully co-ordinated clinical governance, clinical information management and clinical services development. The Mediclinic Group has also embarked on a process to implement a single, standardised patient experience measurement index to continue to improve operational excellence and patient safety across all platforms. Press Ganey, a specialist healthcare performance improvement consultancy, was engaged to assist the Mediclinic Group in developing a surveying approach to objectively evaluate and analyse the patient experience at the Mediclinic Group's facilities. The first surveys have been successfully implemented and the data is already providing improved insights to assist management in developing targeted action plans for continuous improvement, specific to each of the Mediclinic Group's facilities.

The Mediclinic Group offers a wide range of clinical services throughout its operating platforms including high-acuity and urgent care. The Mediclinic Group capabilities range from outpatient consultation services to highly specialised, complex and technologically advanced treatment modalities in tertiary and quaternary care hospitals, and such breadth allows for a greater level of integration and co-ordination across the network. The Enlarged Group will benefit from Al Noor's broad presence in the Emirate of Abu Dhabi where it also offers services across the broad spectrum of primary and secondary care and selective tertiary services. Al Noor's high quality care was recently highlighted after it was designated as a training centre per the American Heart Association in August 2015.

Strong track record of growth while maintaining strong margins and cash conversion

The Mediclinic Group has consistently delivered stable and strong operational growth for almost three decades. From FY2013-15, the Mediclinic Group has grown revenue from ZAR24.4 billion to ZAR35.2 billion, a CAGR of 20 per cent., with revenue increasing at least 16 per cent. per year. Over the

same period, margins have remained stable at over 20 per cent. despite wage inflation and changes in healthcare regulations, driven by a keen focus on cost effective quality care, backed up by KPIs and efficiency initiatives as well as the implementation of best practices across the group. In addition, the Mediclinic Group has an extensive property portfolio in prime real estate areas that provides valuable operational flexibility and a strong asset underpinning to its business. The performance above has been achieved against the backdrop of slowing GDP growth in SA, and in Switzerland an adjustment of the national outpatient tariff and an increase in the number of generally insured patients, which are often subject to lower pricing levels.

The Mediclinic Group has a track record of investing in carefully selected capital projects that deliver satisfactory returns and has demonstrated the ability to integrate and extract value from acquisitions. This is borne out by the fact that the growth above has been achieved while maintaining cash conversion, defined as (EBITDA-Capex)/EBITDA, at consistently above 52 per cent. in the period FY13-15.

Ability to leverage benefits of an international group

The Enlarged Group will have operational and financial exposure to six countries which is expected to bring with it opportunities to leverage its footprint to drive tangible benefits to its shareholders. The Enlarged Group benefits from its international scale in areas such as the procurement of capital goods and consumables through greater bargaining power with key suppliers, international licensing arrangements, and shared services such as IT, SAP implementation and data management. In addition, the Enlarged Group will continue to explore ways to share intellectual capital and resources across geographies and facilitate the sharing of best practices, as the Mediclinic Group has done successfully to date. For example, the new wing of Mediclinic City Hospital in Dubai, currently under construction, will house a new oncology unit developed in conjunction with Hirslanden, and there are other examples of cross-platform co-operation in developing new service lines, including oncology, bariatric surgery and robotics. The international platform also allows for the rotation of high potential individuals through different markets, further maximising their revenue potential for the group. Finally, the Enlarged Group is focused on fostering a collaborative culture and the alignment of cultures locally with the Mediclinic Group culture and values globally. The Enlarged Group believes that this is essential to maintain consistent, high quality standards internationally, and it invests in IT platforms in order to ensure consistent quality measurement across platforms.

Admission of the Shares of the Company (as the holding company of the Enlarged Group) to listing on the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange and expected inclusion in the FTSE 100 is also expected to lead to increased liquidity and greater access to a global investor base and a likely reduction in cost of capital.

Significant experience in integrating and growing acquired assets across its portfolio

The Mediclinic Group has conducted numerous acquisitions since its inception in 1983, and has a proven track record in creating shareholder value through careful capital deployment for acquisitions. In South Africa, the Mediclinic Group's initial market of operation, a portfolio of 7 hospitals and 1,500 beds upon listing, has grown through expansion of existing facilities, creation of new hospitals and acquisitions, to create a portfolio of 52 hospitals and 7,983 beds (as at 30 September 2015). Key acquisitions in the region have included the acquisition of Medicor in 1995 which added 11 hospitals and the acquisition of Hospiplan group in 1998 which added 12 hospitals. In Switzerland, the Mediclinic Group entered into an agreement in 2007 to acquire Hirslanden, with 13 hospitals, and has since conducted bolt-on M&A transactions of Klinik Stephanshorn, Clinique la Colline and Swissana Clinic Meggen to broaden its geographic footprint and add new capabilities. In the UAE, the Mediclinic Group began via a joint venture with GE in 2007 to create Emirates Healthcare, followed by an acquisition of three clinic sites in 2011, and then the take-out of the Varkey's stake in Emirates Healthcare in 2012 at which time the division was rebranded Mediclinic Middle East. Similarly, the Al Noor Group has also added incremental services via acquisitions, including the addition of the Manchester Clinic and Al Madar Medical Clinic in 2013, its oncology facility, GICC, in 2014, and the rehab-focused Rochester Wellness in 2015.

Experienced board and management team with longevity and expertise in the industry, backed by a supportive, long-term shareholder

The presence of nine directors of the Mediclinic Board and two directors of the Al Noor Board on the Enlarged Al Noor Board will ensure continuity, and facilitate the transition period following the Combination.

The Enlarged Group will be led by an experienced and proven executive management team with significant longevity within the Mediclinic Group. The Proposed Senior Managers, consisting of eight members, possess extensive industry experience and organisational knowledge, with an average tenure of more than 18 years with the Mediclinic Group. The continued growth of the Mediclinic Group is testament to the strong management group and their ability to successfully execute the Mediclinic Group's strategy. The Mediclinic Chief Executive Officer and Chief Financial Officer, Danie Meintjes and Craig Tingle, first joined the company in 1985 and 1992 respectively, and led the expansion of Mediclinic's operations in Dubai before taking on their current roles in 2010. Since their appointment (the Mediclinic Chief Executive Officer and Chief Financial Officer, Danie Meintjes and Craig Tingle respectively), Mediclinic's revenues have grown by a CAGR of 16 per cent. from FY2010-15, and they have overseen significant expansion projects and acquisitions in all territories, plus the recent acquisition of a 29.9 per cent. stake in Spire. Since end-2010 to end-2014 Mediclinic's share price has increased by 245 per cent. and the company has paid out over ZAR3 billion in dividends.

In addition, Mediclinic's largest shareholder, Remgro, has maintained a long-term commitment over the Mediclinic Group's entire history. It is expected to be a supportive partner in helping the Enlarged Group drive growth, as seen in the recent acquisition of the Spire stake. Remgro is also represented on the Mediclinic Board and will continue to be represented on the Enlarged Al Noor Board.

Section D: Strategy of the Enlarged Group

The description of the strategy of the Enlarged Group below has been written on the basis of the Enlarged Group as it will be in existence on the Closing Date, unless expressly stated or the context requires otherwise.

Focus on providing consistently high-quality care and an optimal patient experience across the platform

The Enlarged Group is expected to provide a wide range of hospital-related clinical services throughout its operating platforms, and to strive to ensure that the clinical services provided throughout the organisation are efficient, effective, appropriate, evidence-based and in line with modern technological advances. The Enlarged Group will continue to focus on various "Patients First" initiatives across all three platforms (as adopted by the Mediclinic Group) with the aim of further improving the patient experience and to deliver co-ordinated and integrated patient-centred care in all facilities. The objective is to provide superior clinical outcomes in a safe clinical environment, while continuously improving the general service experience for patients, in order to help maintain the Mediclinic Group's leading positions in the markets in which it operates.

Ensuring patient safety is expected to remain the number one priority for the Enlarged Group. Various initiatives were successfully launched by the Mediclinic Group in support of this goal, such as a comprehensive antimicrobial stewardship programme in Southern Africa relating to the responsible use of antimicrobials and the rollout of the electronic patient safety records in Switzerland. In addition, the Mediclinic Group is in the planning phase of introducing clinical key performance indicators in the remuneration model for doctors in the United Arab Emirates, which is expected to be continued by the Enlarged Group. The clinical workforce includes a highly skilled and experienced physician base, best suited to cater to the core patient populations (for example, 76 per cent. of Al Noor physicians are bilingual Arabic speakers) and with a deep understanding of the local culture. Highly skilled staff support the physicians, and there are low staff turnover rates. Many of the physicians currently employed by the Al Noor Group have academic appointments, and several have been asked to sit on HAAD committees in their respective specialties.

Invest in the Enlarged Group employee base to continue to develop clinical competencies and address scarce skills

The Enlarged Group is expected to continue to focus on identifying, attracting and retaining leading specialists and talented healthcare professionals at its facilities as the market competition for talent

increases. To support this objective, the Enlarged Group will continue to strengthen human capital management through the establishment of a Global Reward Centre of Excellence to optimise reward practices across the group. An international consulting group, Gallup, has also been appointed to implement a standardised staff engagement management system across all the operating platforms. Based on this system, the Enlarged Group will conduct annual surveys and implement monitored improvement plans to improve employee engagement. The Enlarged Group intends to integrate later iterations of the staff engagement survey results with the Press Ganey patient satisfaction survey results (described above), which will enable the Enlarged Group to evaluate the impact of its employee engagement improvement plans on service levels and patient satisfaction levels. For example, Mediclinic Southern Africa launched the Mediclinic Leadership Academy in 2013 with the aim of further strengthening and aligning leadership behaviour with the Mediclinic Group's values and thereby entrenching a values-based culture to ensure sustainability.

The Mediclinic Group also deploys integrated talent strategies to ensure the proactive attraction of scarce skills in the areas of need as well as the retention of scarce skills in areas that have been identified as higher risk. For example, Mediclinic Southern Africa has proactively addressed the shortage of nurses in the market by expanding the recruitment of nurses from India in the short-term, while pursuing the long-term solution of increasing local training. The Mediclinic Group plans to double its training capacity over the next number of years, with two of the existing Learning Centres in the Cape Town and Tshwane areas expanded, a new Learning Centre commissioned in Kimberley and the Learning Centre Limpopo having relocated into a larger facility during April 2015. Mediclinic Southern Africa's training and development function is registered as a Private Higher Education Institution and offers a Diploma in General Nursing Science and a Diploma in Operating Department Assistance to promote the training of skilled healthcare personnel and thus sustain quality outcomes in providing healthcare.

Similarly, in Switzerland, the recruitment of nursing staff, especially in specialised nursing, is a major focus area both for Hirslanden and other hospitals. For this reason, Hirslanden has committed to the further training and education of specialist nurses to provide professional recruitment practices and to offer attractive working conditions and career opportunities. As one of the largest employers in the Swiss health sector, Hirslanden trains around 980 apprentices and students, of whom around 85 per cent. work in healthcare professions. This also includes 145 trainee registrars. Mediclinic Middle East organises continuing medical education sessions both at an individual facility level and corporate level for its employed and independent doctors.

Continue to seek opportunities to leverage benefits of an international group

The Enlarged Group anticipates tangible synergies arising from the Combination; namely, procurement benefits from greater scale, the creation of a shared operations team in the Middle East and the combination of certain corporate functions. The Enlarged Group also anticipates an increased ability to attract key medical staff arising from the affiliation with a larger institution with a broader international presence.

The Enlarged Group will be continuously looking for opportunities to leverage its combined international capacity and resources to unlock synergies and value for its shareholders, and this is expected to continue post implementation of the Combination. With the recent acquisition by Mediclinic of a 29.9 per cent. interest in Spire, a UK-based private healthcare group, the Enlarged Group expects to be able to unlock further procurement, knowledge transfer, supply chain and staffing benefits. Following the successful implementation of an organisational realignment programme in 2014 by Mediclinic Southern Africa, the "Hirslanden 2020" project has been initiated to transform the operating model in Hirslanden to improve operational efficiency by implementing projects aimed to standardise and centralise business processes, improve collaboration and to align the Hirslanden culture more closely with the Mediclinic Group's culture.

In addition, formal cross-platform workgroups for all the key support functions are in place and being strengthened to promote collaboration, share intellectual capital and resources and to identify opportunities for improved efficiencies through standardisation and centralisation of selective support processes. Significant progress reported from some of the workgroups includes Mediclinic Southern Africa and Mediclinic Middle East both successfully replacing legacy financial and procurement systems in 2014 with SAP as the ERP solution, while Hirslanden is following a phased approach to standardise the existing stand-alone SAP solutions deployed at all its hospitals. The harmonisation of systems has led to standardised data elements, simplified solutions, reduced cost and improved sharing of resources in the

group. The Mediclinic Group's international procurement office has also successfully leveraged the scale of the Mediclinic Group, resulting in encouraging savings on the procurement of major capital items as well as surgical and consumable products. Mediclinic has successfully implemented master data management and international data warehouse projects, improving the quality of data as well as enhancing its ability to better analyse transactional data across the Mediclinic Group. The insights gained from the data analysis strengthen the Mediclinic Group's ability to better negotiate costs with suppliers and are valuable going forward in tariff negotiations with funders. The Mediclinic Group also encourages the sharing of clinical skills between the Mediclinic Group's platforms and through the training of doctors and staff, including cross-platform co-operation in the fields of bariatric surgery, oncology and visceral surgery, and looks to encourage such interaction over time.

Grow via capacity and footprint expansion across the portfolio at attractive returns

The Enlarged Group is expected to continue to evaluate investment opportunities to grow its footprint beyond the existing operating platforms and regions that will add long-term value to shareholders; and will continue to make significant investments to grow capacity at each of the operating platforms. The Mediclinic Group is pursuing opportunities and initiatives to improve occupancies of existing premises, expand existing facilities and acquire or create new facilities. In South Africa, during 2015 Mediclinic Southern Africa commissioned the 176-bed multi-disciplinary Mediclinic Midstream hospital in Centurion, and in Switzerland, Hirslanden acquired the 67-bed Hirslanden Clinique La Colline in Geneva, as well as the 20-bed Hirslanden Klinik Meggen in Lucerne.

Within the UAE, Mediclinic Middle East continues to be well placed amongst the competition with its strategic plan to bridge gaps in under-represented areas, both medical and geographical. During the last reporting period, an opportunity for a new hospital was identified on the southern side of Dubai, in a strategic location close to the areas of population growth which currently lack access to such a facility. The hospital, estimated to open at the end of 2018, will have an initial capacity of approximately 188 beds and will house six operating theatres along with a wide range of other in- and outpatient services. In addition, the new wing of Mediclinic City Hospital, currently under construction and estimated to complete in mid-2016, will house a new oncology unit, developed in conjunction with Hirslanden. New centres of excellence in metabolic surgery, breast surgery and neurosurgery are also under development in association with Hirslanden. In Abu Dhabi, the Enlarged Group will look to enhance and broaden its service offering, including in key areas such as oncology, paediatrics and long-term care and rehabilitation, with the latter supplemented by the recent acquisition by Al Noor of Rochester Wellness, a leading provider of long-term physical speech and occupational rehabilitation therapy. The Enlarged Group will also drive capacity expansion at both existing facilities and via greenfield development, with key developments including a campus expansion at Airport Road Hospital (100 bed facility expected to open in 2018), refurbishment at Khalifa Street Hospital, and an expansion of beds in Al-Ain Hospital (28 bed wing adjacent to the hospital expected by the first quarter of 2016). In addition, there are also an additional 40 beds expected with the new Civic Centre Hospital expected to open in the first quarter of 2016. As both Dubai and Abu Dhabi grow, Mediclinic Middle East will also look to widen its clinic portfolio in these regions to service the healthcare needs of its expanding population and there are a number of specific locations being rolled out over the coming year. The expansion and integration of the clinic network is likely to act as a critical referral base for the hospitals. The guideline hurdle internal rates of return per geographic area for project evaluation and approval are as follows: 20 per cent. (before tax) in South Africa, 15 per cent. in the UAE and 10 per cent. (before tax) in Switzerland.

Improve efficiencies through standardisation, utilisation of group scale and use of data analytics

Due to the geographic spread of the group's operations, the potential of possible cost savings, less administration and improved efficiency, the Mediclinic Group has initiated international procurement initiatives with the aim of unlocking synergies and implementing standardisation for the greater benefit of the group, which will be continued by the Enlarged Group. At the Mediclinic Group, since the appointment of the Group Procurement Executive in 2013, procurement savings have included better prices through pooling of capital equipment purchases across the three platforms, volume bonus agreements with key capital equipment suppliers and direct importing and distribution of more cost-effective surgical and consumable products. Further procurement savings will remain a priority for the Enlarged Group and it intends to rationalise the number of suppliers it has to enable growth with selected key partners with a view to strengthening its negotiating power. In addition, international consolidated data comparisons and spend pattern analysis is being used to identify further savings opportunities.

In addition, the Enlarged Group will remain focused on opportunities to drive further efficiencies through further integration of services where appropriate in local markets. For example, in Switzerland, the Hirslanden 2020 strategic programme was created with two objectives: to make the existing business more efficient and to develop new areas of business. In order to increase profitability, the transformation from a group of hospitals into an integrated hospital group (as initiated in the previous One Hirslanden programme) will be driven further. This will be supported by an additional change project that is currently ongoing, the Hirslanden Hospital Information System project, which provides a modern, ICT-enhanced basis for medical core business and administrative activities. Business fields which Hirslanden wants to develop include the outpatient sector in particular, ranging from additional outpatient clinics to outpatient surgery centres and radiology centres.

As the availability of accurate clinical information forms the foundation of clinical performance measurement and improvement, the Mediclinic Group embarked on an information management strategy in order to improve the integrity of its clinical information, which will be continued by the Enlarged Group. This will enable the development of a wider range of clinical performance indicators during the next few years, and will significantly enhance clinical cost analytics and accompanying cost efficiency initiatives.

Further develop structures to encourage integrated and co-ordinated care across each platform

Due to unique country-specific, historical and regulatory circumstances the Mediclinic Group's three operating platforms follow different clinical healthcare delivery models. These vary from a more fragmented model in Mediclinic Southern Africa to a more co-ordinated healthcare model in Hirslanden and an integrated model at Mediclinic Middle East. With the aim of ensuring that the Mediclinic Group delivers consistent cost-effective care and superior clinical outcomes at every facility, the Mediclinic Group has embarked on a number of projects to gradually move towards a better integrated clinical healthcare delivery model. The key focus area is to put the patient first through improved collaboration and co-ordination between the various clinical care providers in the clinical care process. These initiatives are expected to be continued by the Enlarged Group. The Enlarged Group believes that closer alignment and co-operation with doctors will add significant value to patients, doctors and other stakeholders. The Enlarged Group promotes the development of co-ordinated care models including establishing centres of excellence to improve patient care. These models follow a multi-disciplinary approach to patient care, with the patient at the centre. It is based on integrated teamwork and requires a specific and unique organisational structure and set of processes in order to be effective. In South Africa, an example of this includes the Wits Donald Gordon Medical Centre, a private academic hospital for the training of specialists and sub-specialists, and is a public private partnership between Wits University and Mediclinic Southern Africa. The institution trains specialists and sub-specialists, and operates South Africa's largest solid organ transplant centre performing liver, kidney, simultaneous kidney-pancreas, and pancreas-after-kidney transplants. Another example is the Muelmed Rehabilitation Centre that offers acute, functional rehabilitation for spinal cord and traumatic brain injuries, stroke, amputation patients as well as treatment for other disabling conditions on an inpatient and outpatient basis. The centre follows a multi-disciplinary approach in providing comprehensive neurological and spinal rehabilitation using state-of-the-art facilities and highly trained staff.

In Switzerland, one of the most well-known co-ordinated care initiatives at Hirslanden is the Swiss Tumour Institute. The institute was established in 2005 and involves several hospitals within the group. The objective of the institute is to combine the competencies of different specialists working on the diagnosis and treatment of tumours and cancer. In the UAE, the Mediclinic City Hospital Breast Centre was similarly established to offer patients an internationally recognised, multi-disciplinary approach to breast disease management. This includes quick access to preliminary consultations, rapid diagnoses and effective treatment using the latest technology and evidence-based medicine. The Al Noor Group has consistently sought to expand its range of primary, secondary, and tertiary care services, by carefully investing in areas of high acuity such as cardiac surgery, cardiology, orthopaedics, and nuclear medicine. The Al Noor Group now provides plastic and reconstructive surgery, colorectal surgery, and laparoscopic gynaecology. The ability to offer patients a full spectrum of integrated and advanced services, known as a 'Continuum of Care,' differentiates the Al Noor Group from its competitors. The current combination of the Al Noor Group's wide geographic footprint in the Emirate of Abu Dhabi, internationally recognised standards of quality care and patient safety and its 'Continuum of Care' operating model, which is designed to provide the highest quality of medical care through a single vertically integrated healthcare network, has allowed it to capture and retain the broadest possible patient base.

Section E: Conditions of the Combination

Completion is subject to the fulfilment or, if capable of waiver, waiver of the following conditions precedent:

1. This document, the Prospectus, the Al Noor SA Prospectus and Mediclinic Scheme Circular having been approved for publication or dispatch (as applicable) by the relevant regulatory authorities, and having been published and dispatched within 60 days of the date of the Announcement (or such later date as may be agreed between the parties) and, in each case (save as may be agreed between the parties), proposing the Combination (including the Special Dividend and the Tender Offer) on the terms set out in this document and the Mediclinic Scheme Circular;
2. Approval for the Combination having been obtained from: (a) the Competition Authorities in South Africa; and (b) the Namibian Competition Commission by no later than the Long Stop Date, in each case either unconditionally or subject to conditions which would not have a material effect on the business of the Mediclinic Group in the relevant jurisdiction, in the reasonable opinion of Mediclinic and the Company;
3. The approval of the Mediclinic Resolutions (other than the Mediclinic Resolution relating to the Assets Transfer, the approval of which is not a Condition) by the requisite majority of Mediclinic Shareholders, as contemplated in section 115(2) of the SA Companies Act, respectively, and (a) to the extent required, the approval of the implementation of such resolution(s) by the SA Court; and (b) if applicable, Mediclinic not treating the aforesaid resolution(s) as a nullity, as contemplated in section 115(5)(b) of the SA Companies Act;
4. In relation to the Mediclinic Scheme:
 - (a) there being no Mediclinic Shareholder entitled to issue a demand under section 164(5) of the SA Companies Act; or
 - (b) if there is a Mediclinic Shareholder entitled to issue a demand under section 164(5) of the SA Companies Act, then, in the period of 30 “business days” (within the meaning of the SA Companies Act) following the date on which the resolution to approve the Mediclinic Scheme is actually passed, there either having been no valid demands received by Mediclinic under that section or there having been valid demands received by Mediclinic under that section in respect of not more than 3 per cent. of Mediclinic’s Shares;
5. The receipt of such approvals, consents or waivers from all regulatory bodies, governmental or quasi-governmental entities (other than those in paragraphs 2, 9, 10 and 11 of this Part 1 (*Conditions to the Combination*)) on terms satisfactory to the Company and Mediclinic (acting reasonably), as are necessary for the implementation the Combination (including the Special Dividend and the Tender Offer and the financing thereof) on the terms currently envisaged including, but not limited to, the South African Takeover Panel (in terms of a compliance certificate to be issued in terms of the SA Companies Act in relation to the Mediclinic Scheme), the Financial Surveillance Department of the South African Reserve Bank for the requisite exchange control approvals, and the Johannesburg Stock Exchange for the delisting of Mediclinic and such approvals, consents or waivers becoming unconditional in accordance with their terms (except for any condition requiring the Mediclinic Scheme to become operative);
6. The Resolutions being duly passed at the General Meeting (or at any adjournment thereof), in each case by the requisite majority of Al Noor Shareholders, and such Resolutions not having been revoked or modified, or any resolution of the Company subsequently having been passed that is inconsistent with the Resolutions;
7. The Panel waiving the requirement for the Remgro Concert Party to make an offer for the Company under Rule 9 of the City Code and the Whitewash Resolution having being duly passed at the General Meeting (or at any adjournment thereof) on a vote, on a poll, of Al Noor Shareholders (who are all presumed to be independent of the Remgro Concert Party) and such waiver and approval remaining in full force and effect;
8. Confirmation by the Court of the First Reduction of Capital, and such First Reduction of Capital having become effective in accordance with section 649(3)(b) of the UK Companies Act;
9. The UKLA having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New Shares to be issued to Mediclinic

Shareholders pursuant to the Mediclinic Scheme and to Remgro Healthcare or its affiliate pursuant to the Remgro Subscription to listing on the premium segment of the Official List maintained by the Financial Conduct Authority of the UKLA has been approved and (subject to satisfaction of any conditions to which such approval is expressed) will become effective as soon as a dealing notice has been issued by the UKLA and any such listing conditions have been satisfied;

10. The LSE having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the New Shares to be issued to Mediclinic Shareholders pursuant to the Mediclinic Scheme and to Remgro pursuant to the Remgro Subscription will be admitted to trading on the main market for listed securities of the London Stock Exchange;
11. The Johannesburg Stock Exchange having granted an application for listing to the Company (and such application for listing not having been withdrawn) that the application for the Company's secondary listing on the Main Board of the Johannesburg Stock Exchange has been approved and (subject to satisfaction of any conditions to which such approval is expressed) will become effective on the applicable date required by the JSE Listing Requirements;
12. To the extent applicable having regard to the terms of the Mediclinic Scheme, the proposed allotment and issue of the New Shares pursuant to the Mediclinic Scheme not having become unlawful by reason of section 580(1) of the UK Companies Act (shares not to be allotted at a discount);
13. To the extent applicable having regard to the terms of the Mediclinic Scheme, the requirements of section 593 of the UK Companies Act (valuation of non-cash consideration for shares) having been complied with in respect of the relevant allotments of New Shares pursuant to the Mediclinic Scheme;
14. No licence which is held by any member of the Al Noor Group which is necessary for the proper carrying on of its business having been withdrawn, cancelled or terminated where such withdrawal, cancellation or termination has had, or would reasonably be expected to have, a material adverse effect on the Al Noor Group taken as a whole and for this purpose, an adverse effect shall be "material" if it could reasonably be expected to result in the EBITDA of the Al Noor Group for the years ending 31 December 2015 or 31 December 2016 being more than 10 per cent. less than the EBITDA for the year ended 31 December 2014;
15. No licence which is held by any member of the Mediclinic Group which is necessary for the proper carrying on of its business having been withdrawn, cancelled or terminated where such withdrawal, cancellation or termination has had, or would reasonably be expected to have, a material adverse effect on the Mediclinic Group taken as a whole and for this purpose, an adverse effect shall be "material" if it could reasonably be expected to result in the EBITDA of the Mediclinic Group for the years ended 31 March 2016 or 31 March 2017 being more than 10 per cent. less than the EBITDA for the year ended 31 March 2015;
16. Mediclinic not having discovered that any financial, business or other information concerning the Al Noor Group as contained in the information publicly disclosed as at the date of the Announcement, by or on behalf of any member of the Al Noor Group was materially misleading, contained a material misrepresentation of fact or omitted to state a material fact necessary to make that information not misleading, in each case, to the extent which is material in the context of the Al Noor Group taken as a whole;
17. The Company not having discovered that any financial, business or other information concerning the Mediclinic Group as contained in the information publicly disclosed as at the date of the Announcement, by or on behalf of any member of the Mediclinic Group was materially misleading, contained a material misrepresentation of fact or omitted to state a material fact necessary to make that information not misleading, in each case, to the extent which is material in the context of the Mediclinic Group taken as a whole;
18. No law or regulation and no order or judgment of any court or governmental or regulatory authority in the United Kingdom or South Africa having been made or issued, and no consent or approval of any governmental or regulatory authority in the United Kingdom or South Africa that has been obtained in connection with the Combination (including the Special Dividend and the Tender Offer) having been withdrawn, cancelled, terminated or modified, which would in either case have the effect of making unlawful or otherwise prohibiting the implementation of the Combination (including the Special Dividend and the Tender Offer);

19. No event or circumstance having occurred in relation to any member of the Al Noor Group that would, on the accession by the Company to the Mediclinic Bridge Facility, prohibit the drawing of the total commitments under the Mediclinic Bridge Facility (in each case for the purposes of financing the Special Dividend and Tender Offer) or cause such total commitments to be cancelled or reduced;
20. None of the actions or events set out below at *Matters referred to in paragraphs 20 and 21 of Section E: Conditions of the Combination* having occurred in relation to Mediclinic or any other company in the Mediclinic Group, that has not been remedied to the reasonable satisfaction of the Company;
21. None of the actions or events set out below at *Matters referred to in paragraphs 20 and 21 of Section E: Conditions of the Combination* (other than in paragraphs 4, 14 and 16 (as it relates to paragraph 4 or 14) thereof) having occurred in relation to the Company or any other company in the Al Noor Group, that has not been remedied to the reasonable satisfaction of Mediclinic;
22. None of the following events having occurred in relation to Mediclinic or any other company in the Mediclinic Group which contributes 10 per cent. or more of the EBITDA of the Mediclinic Group:
 - a) it is dissolved or de-registered;
 - b) an order or declaration is made, or a resolution is passed, for the administration, custodianship, bankruptcy, liquidation, business rescue, winding-up, judicial management, receivership, supervision, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or an order or declaration is made, or a resolution is passed, to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;
 - c) it convenes any meeting to consider the passing of resolution for the administration, custodianship, bankruptcy, liquidation, business rescue, winding-up, judicial management, receivership, supervision, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;
 - d) it seeks or requests the appointment of an administrator, liquidator (whether provisional or final), business rescue practitioner, conservator, receiver, trustee, judicial manager, judicial receiver, administrative receiver, compulsory manager, custodian or other similar official for it or for all or substantially all its assets or estate;
 - e) it has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
 - f) it is unable (or admits inability) to pay its debts generally as they fall due or is (or admits to being) otherwise insolvent (but excluding for this purpose any technical insolvency) or stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness or proposes or seeks to make or makes a general assignment or any arrangement, compromise or composition with or for the benefit of its creditors or any class of its creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of its indebtedness;
 - g) it takes or proposes to its creditors any proceeding for, or seeks to make or makes, a general readjustment, rescheduling or deferral of its indebtedness (or any part thereof which it would otherwise be unable to pay when due);
 - h) any receiver, administrative receiver, judicial receiver, judicial manager, administrator, compulsory manager, judicial custodian, trustee in bankruptcy, liquidator (whether provisional or final), business rescue practitioner or the like is appointed in respect of it, its estate or any material part of its assets; or
 - i) it causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in the above paragraphs;
23. None of the following events having occurred in relation to the Company or any other any company in the Al Noor Group which contributes 10 per cent. or more of the EBITDA of the Al Noor Group:
 - a) it is dissolved or de-registered;

- b) an order or declaration is made, or a resolution is passed, for the administration, custodianship, bankruptcy, liquidation, business rescue, winding-up, judicial management, receivership, supervision, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or an order or declaration is made, or a resolution is passed, to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;
 - c) it convenes any meeting to consider the passing of resolution for the administration, custodianship, bankruptcy, liquidation, business rescue, winding-up, judicial management, receivership, supervision, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;
 - d) it seeks or requests the appointment of an administrator, liquidator (whether provisional or final), business rescue practitioner, conservator, receiver, trustee, judicial manager, judicial receiver, administrative receiver, compulsory manager, custodian or other similar official for it or for all or substantially all its assets or estate;
 - e) it has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
 - f) it is unable (or admits inability) to pay its debts generally as they fall due or is (or admits to being) otherwise insolvent (but excluding for this purpose any technical insolvency) or stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness or proposes or seeks to make or makes a general assignment or any arrangement, compromise or composition with or for the benefit of its creditors or any class of its creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of its indebtedness;
 - g) it takes or proposes to its creditors any proceeding for, or seeks to make or makes, a general readjustment, rescheduling or deferral of its indebtedness (or any part thereof which it would otherwise be unable to pay when due);
 - h) any receiver, administrative receiver, judicial receiver, judicial manager, administrator, compulsory manager, judicial custodian, trustee in bankruptcy, liquidator (whether provisional or final), business rescue practitioner or the like is appointed in respect of it, its estate or any material part of its assets; or
 - i) it causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in the above paragraphs; and
24. Other than in respect of any condition which by its nature can only be satisfied immediately before, or at such time as, the Mediclinic Scheme becomes operative, the Remgro Subscription Agreement is unconditional in all respects.

Matters referred to in paragraphs 20 and 21 of Section E: Conditions of the Combination

- 1. Entering into any binding commitments in connection with any acquisition or disposal of a material asset, or which encumbers any material asset of the business;
- 2. amending or proposing to amend its memorandum of incorporation (or equivalent constitutional documents), save (a) as may be required to comply with any applicable law or as contemplated by the Bid Conduct Agreement and/or the Mediclinic Scheme or (b) in a manner which will not impact adversely on the implementation of the Combination (including the Special Dividend or the Tender Offer);
- 3. reorganising, amalgamating or merging any member of their respective groups with any other person or entity, or acquiring or agreeing to acquire by amalgamating, merging or consolidating with, purchasing the shares of or substantially all of the assets of or otherwise, any business or any corporation, partnership, association or other business organization or division thereof or disposing or transferring or agreeing to dispose of or transfer the shares or any of the assets of any member of their respective groups, which would in each case be material in the context of the relevant group (taken as a whole);

4. save in the case of Mediclinic, in respect of the interim dividend payable in December 2015 (which shall not exceed such amount as would be payable by applying the same dividend payout ratio (being the dividend as a percentage of net profits) as applied in respect of the interim dividend paid by Mediclinic on 8 December 2014), declaring, setting aside or paying any dividend or other distribution (whether in cash, shares or other property) in respect of any share capital, except for the payment of dividends by members of their respective groups which are wholly-owned by them or to another wholly-owned member of such group or, in the case of the Mediclinic Group, for payment of dividends or other distributions (in the ordinary course of business in accordance with past practice) in respect of minority interests in associated or subsidiary undertakings;
5.
 - a) splitting, combining or reclassifying any share capital or issuing or authorising the issuance of any other securities in respect of, in lieu of or in substitution for any share capital;
 - b) allotting, issuing, or authorising or proposing the allotment or issue of any share capital or any securities convertible into share capital, or rights, warrants or options to subscribe for or acquire any share, or transferring any stock out of treasury, other than the allotment and issue of shares under the exercise or vesting of options or awards outstanding under the Al Noor or Mediclinic Forfeitable Share Plans (as applicable) as at the date of the Announcement, or save as contemplated by the Bid Conduct Agreement; or
 - c) amending or proposing to amend any of the terms of any securities which are exercisable for or convertible or exchangeable into ordinary shares of any member of their respective groups, save as may be required to applicable law or regulation;
6. save as contemplated by the Bid Conduct Agreement or in accordance with the terms of employee share plans as existing at the date of the Announcement, issuing or granting any options or awards under any employee share plans of their respective groups or adopting or amending any employee share plans;
7. increasing total borrowings or entering into any new loan agreement with any bank or other financial institution other than as would (on the Company's accession to the Mediclinic Bridge Facility) not be prohibited by the Mediclinic Bridge Facility;
8. granting or becoming bound by any guarantee, suretyship, indemnity or other security in respect of any person other than: (a) as would (on the Company's accession to the Mediclinic Bridge Facility) not be prohibited by the Mediclinic Bridge Facility; or (b) in the ordinary course of business in a way consistent with past practice;
9. requesting the delisting or suspension of the listing of any class of its securities from any stock exchange unless required to do so by applicable law or regulation or the rules of the relevant stock exchange;
10. forming or entering into or agree to enter into or form, or acquire a material interest in, any joint venture, partnership or agreement or other venture for the transfer of profits or assets other than in the ordinary course of business in a way consistent with past practice;
11. save as contemplated in the Bid Conduct Agreement, making material changes to the general terms of employment of its employees or the terms of employment of the directors of Mediclinic or the Al Noor Directors (as applicable) in any way, or making any improvements to the emoluments (including bonus arrangements) applicable to such employee or director, other than as expressly permitted under the Bid Conduct Agreement or in the ordinary course of business or under periodic salary or wage reviews in a way consistent with past practice;
12. appointing a person as a director of Mediclinic or the Company (as applicable) or making any voluntary change to the board of Mediclinic or the Company (as applicable) (except for termination with just cause or replacement of departing personnel or as required under any existing relationship agreement with controlling shareholders);
13. save as contemplated in the Bid Conduct Agreement, adopting or amending in a material way any employee benefit, pension, bonus or profit sharing scheme (including, without limitation, any scheme having share purchase or share option provisions);

14. in the case of Mediclinic, entering into any arrangements with the trustees of any pension scheme, in which any member of the Mediclinic Group participate, to pay employer contributions to such scheme other than those employer contributions agreed with the trustees at the date of the Announcement, save as required by law or regulation or the rules of any such scheme;
15. save as contemplated in the Bid Conduct Agreement, entering into any arrangement with any non-executive director, whereby any member of their respective groups is required to make incentive payments to such non-executive director upon the successful implementation of the Combination; or
16. agreeing to do any of the foregoing, except and to the extent that any of the foregoing is undertaken pursuant to or directly in connection with:
 - a) the completion or performance of any obligations undertaken under any contract or arrangement entered into prior to the date of the Announcement (provided details of the same have been fairly disclosed to the other party prior to the date of the Announcement); and/or
 - b) the completion or performance of any actions or obligations undertaken in terms of the Announcement or required in order to give effect to or implement the Mediclinic Scheme or the Combination.

Waiver of the conditions

- (a) The conditions in paragraphs 15, 17, 20 and 22 of Section E (*Conditions to the Combination*) are for the benefit of the Company and may be waived by the Company, in its sole discretion, by notice in writing to Mediclinic.
- (b) The conditions in paragraphs 1, 14, 16, 21 and 23 of Section E (*Conditions to the Combination*) are for the benefit of Mediclinic and may be waived by Mediclinic, in its sole discretion, by notice in writing to the Company.
- (c) The conditions in paragraph 4 of Section E (*Conditions to the Combination*) may be waived with the agreement in writing of both Mediclinic and the Company (in whole or in part); provided that Mediclinic may unilaterally waive such condition (in whole or in part) if the Company is satisfied (acting reasonably and having regard to such proposals as Mediclinic may make) that doing so would not require the Company to withdraw, qualify or modify the working capital statements set out in the Prospectus or this document in any manner adverse to the implementation of the Combination (including the Special Dividend and the Tender Offer).
- (d) The remainder of the conditions in Section E (*Conditions to the Combination*) cannot be waived by Al Noor or Mediclinic.
- (e) To the extent that any Condition is capable of waiver, Al Noor and Mediclinic will be entitled to waive, by agreement in writing, such Condition (in whole or in part) prior to the date required for fulfilment of the relevant Condition.
- (f) Notwithstanding the provisions of paragraphs (a) to (e) above, in the event that by the day on which the last of the Conditions Precedent in paragraphs 1 to 11 (other than the issuing by the SA Panel of a compliance certificate in terms of the provisions of the SA Companies Act) have all been fulfilled or, if capable of waiver, waived, neither of Al Noor nor Mediclinic has given written notice to the other invoking any of the Conditions in paragraphs 12 to 24, such latter Conditions will be deemed to have been fulfilled and, upon the SA Panel issuing the said compliance certificate, the Mediclinic Scheme will be deemed to have become unconditional.

An announcement will be released on SENS as soon as possible after the fulfilment, waiver or non-fulfilment, as the case may be, of the Conditions.

Section F: Summary of the Combination Agreements

The following is a summary of the principal terms of the Combination Agreements. The Combination Agreements are available for inspection as described in paragraph 20 of Part XI (*Additional Information*).

Bid Conduct Agreement

In connection with the Combination, Al Noor and Mediclinic have entered into the Bid Conduct Agreement dated 14 October 2015.

Under the terms of the Bid Conduct Agreement:

- (i) the parties have agreed to provide information relating to and, where applicable, co-operate, with respect to the preparation of the necessary regulatory filings, shareholder circulars and prospectuses;
- (ii) Mediclinic has undertaken to take certain steps in relation to the preparation of the Mediclinic Scheme Circular;
- (iii) the parties have set out their intentions with regards to the treatment of the Al Noor Employee Share Schemes and the Mediclinic Forfeitable Share Plan; and
- (iv) Mediclinic has agreed to pay a break fee of £5 million to the Company, as the Company's exclusive remedy, if the Bid Conduct Agreement is terminated: (i) as a result of the Mediclinic Board not making or, once made, withdrawing, modifying or qualifying its recommendation to Mediclinic Shareholders that they vote in favour of the resolutions necessary to implement the Combination; or (ii) as a result of the failure or inability to satisfy certain of the conditions precedent to implementation of the Combination set out in appendix III to the Announcement. The break fee represents approximately 0.09 per cent. of Mediclinic's market capitalisation as at the close of trading on 13 October 2015 (being the last trading day before the date of the Announcement).

Remgro Subscription Agreement

Remgro Healthcare (a wholly owned subsidiary of Remgro) and the Company have entered into the Remgro Subscription Agreement dated 14 October 2015.

Under the terms of the Remgro Subscription Agreement, Remgro Healthcare will, or shall procure that one or more of its affiliates will, subscribe for 72,115,384 New Shares at a fixed price of £8.32 per share, to raise proceeds of £600 million. The Remgro Subscription is conditional on, *inter alia*, the Mediclinic Scheme becoming operative.

Mediclinic Bridge Facility

In addition, Mediclinic and certain of its wholly-owned subsidiaries as guarantors have entered into a £400 million secured senior facility agreement dated 14 October 2015 (the "**Mediclinic Bridge Facility**") with Morgan Stanley Bank International Limited and RMB as mandated lead arrangers, RMB as agent and U.S. Bank Trustees Limited as security agent.

Following Completion, Al Noor will (subject to the completion of certain procedural formalities) accede to the Mediclinic Bridge Facility as the borrower in respect of the £400 million term loan facility made available under the Mediclinic Bridge Facility. Al Noor may only apply amounts borrowed by it under the Mediclinic Bridge Facility towards (i) payment (directly or indirectly) of the amounts due to the shareholders in Al Noor who are entitled to participate in the Tender Offer and the Special Dividend pursuant to the Tender Offer and the Special Dividend and (ii) payment (directly or indirectly) of any fees, costs, expenses or taxes incurred by Al Noor or any other member of the Enlarged Group in connection with entry into the Mediclinic Bridge Facility and the related finance documents.

The Mediclinic Bridge Facility has an availability period from 14 October 2015 to and including the earlier of: (i) the date which is six months and 31 "business days" (as defined in the SA Companies Act) after 14 October 2015; (ii) the date falling fourteen days after the Closing Date; and (iii) the date on which the Mediclinic Scheme lapses, terminates or is withdrawn.

Drawdown under the Mediclinic Bridge Facility is conditional upon, among other things, Al Noor acceding to the Mediclinic Bridge Facility as borrower, Completion occurring, the granting of first ranking security over the shares in certain members of the Enlarged Group in favour of U.S. Bank Trustees Limited (as security agent under the Mediclinic Bridge Facility) and delivery of certain documentation to RMB (as agent under the Mediclinic Bridge Facility), including any requisite exchange control approvals of the Financial Surveillance Department of the South African Reserve Bank.

Any loan drawn under the Mediclinic Bridge Facility will have an initial term of six months from the date of the Prospectus (the "**Initial Maturity Date**"), which may be extended up to two times at the option of Al Noor (and by delivery of notice to RMB) by six months per extension. The right to extend the term of the Mediclinic Bridge Facility does not require the consent of the lenders under the Mediclinic Bridge Facility, provided that no default under the Mediclinic Bridge Facility has occurred and is continuing either at the

maturity date or when Al Noor delivers notice to RMB (as agent under the Mediclinic Bridge Facility) of its intention to extend.

If there is an event of default, a change of control event in respect of Mediclinic (prior to Completion) or Al Noor (following Completion) or the ordinary shares in Al Noor are either delisted from the premium segment of the Official List maintained by the Financial Conduct Authority or cease to trade on the London Stock Exchange's main market for listed securities for more than five Business Days, the lenders under the Mediclinic Bridge Facility may give notice of cancellation of all available commitments and/or declare all outstanding advances, together with accrued interest, to be immediately due and payable. In addition, subject to certain agreed thresholds and carve-outs, proceeds of disposals by the Enlarged Group or capital markets proceeds received by the Enlarged Group are required to be applied in mandatory prepayment of amounts outstanding under the Mediclinic Bridge Facility.

Amounts borrowed under the Mediclinic Bridge Facility will be secured in favour of lenders by first ranking security over the shares in Mediclinic Investments (Proprietary) Limited and Mediclinic Jersey Limited. If the Assets Transfer is implemented and each, or any, of Mediclinic CHF Finco Limited, Mediclinic Middle East Holdings Limited and Mediclinic Holdings Netherlands B.V. is transferred to Al Noor, Al Noor will grant first ranking share security over the shares that it holds in each or any of these companies. The Mediclinic Bridge Facility is governed by English law.

Relationship Agreement

On Completion, Remgro will hold through one or more of its affiliates between 40.95 per cent. and 45.18 per cent. of the issued ordinary share capital of the Company (as holding company of the Enlarged Group), depending on the extent to which Al Noor Shareholders participate in the Tender Offer. A relationship agreement was entered into between Remgro and the Company on 14 October 2015, to be effective on Completion, to govern the ongoing relationship between Remgro and the Company (the "**Relationship Agreement**"). The principal purpose of the Relationship Agreement is to ensure that the Company is capable of carrying on its business independently of Remgro and its associates. The Relationship Agreement contains customary terms and conditions.

Under the terms of the Relationship Agreement, *inter alia*:

- (i) Remgro undertakes: to conduct all transactions and arrangements with any member of the Enlarged Group at arm's length and on normal commercial terms; not to take any action that would have the effect of preventing the Enlarged Group from complying with its obligations under the Listing Rules; not to propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules; and to abstain from voting on any shareholder resolution that is required to be passed under Chapter 11 of the Listing Rules in order to approve a related party transaction involving Remgro or any of its associates (as defined in the Listing Rules), as the related party. Remgro also undertakes to procure, so far as it is legally able to do so, that its associates comply with such undertakings;
- (ii) Remgro undertakes not to solicit senior employees of the Enlarged Group for a period of two years, and to preserve the confidentiality of the Enlarged Group's information;
- (iii) Remgro is entitled to appoint one director (or, at Remgro's election, an observer) for every 10 per cent. of the voting rights held by it or its associates, up to a maximum of three directors, provided that the right to appoint a third director is subject to the requirement that the Enlarged Al Noor Board will, following such appointment, comprise a majority of independent directors. Remgro is also entitled to representation on each committee of the Enlarged Al Noor Board (save that the Audit and Risk Committee shall comprise solely of independent directors). The Relationship Agreement requires the presence of a director appointed by Remgro at board meetings in order to constitute a quorum; and
- (iv) Al Noor (as parent company of the Enlarged Group) undertakes not to effect any share repurchase or similar transaction that would give rise to an obligation on the part of Remgro to make a general offer under Rule 9 of the City Code, unless a waiver from the obligation under Rule 9 of the City Code has been granted by the Panel.

Assets Transfer Agreement

Under the terms of the Assets Transfer Agreement, all of the shares in certain subsidiaries of Mediclinic (being Mediclinic Holdings Netherlands N.V., Mediclinic Middle East Holdings Limited, Mediclinic CHF Finco Limited and, if the shares in Mediclinic Jersey Limited have not been transferred to Mediclinic CHF Finco Limited prior to the applicable date, then Mediclinic Jersey Limited (the “**Designated Subsidiaries**”)) will be transferred to Al Noor shortly before the Mediclinic Scheme becomes operative, in order to create a more efficient structure for the Enlarged Group aligned along jurisdictional lines (the “**Assets Transfer**”).

In addition to the approval of Mediclinic Shareholders, and board and shareholder approval by the Mediclinic subsidiaries concerned, the Assets Transfer is also conditional on: (a) the receipt by Mediclinic of such approvals, consents or waivers (including from the Financial Surveillance Department of the South African Reserve Bank) as are necessary for the implementation of the Assets Transfer Agreement (in each case on terms satisfactory to Mediclinic and Al Noor each acting reasonably); (b) the receipt by Mediclinic of a favourable advance ruling from the Swiss tax authorities in respect of the Assets Transfer and (c) on the fulfilment or waiver (as the case may be) of all of the Conditions Precedent to the Scheme (other than the acknowledgements and approvals envisaged in the Conditions Precedent in paragraphs 9, 10 and 11 of Section E above, having previously been given, not having subsequently been withdrawn) and there being no reason to believe that the Mediclinic Scheme will not become operative in accordance with its terms.

The Assets Transfer is further subject to Al Noor being satisfied (acting reasonably and having regard to such proposals as Mediclinic may make) that completing the Assets Transfer would not require it to withdraw, qualify or modify the working capital statement set out at paragraph 18 of Part 20 of the Prospectus or at paragraph 15 of Part XI (*Additional Information*) of this document in any manner adverse to the implementation of the Combination.

Al Noor will acquire the shares in the Designated Subsidiaries at the market value thereof. The purchase consideration will remain outstanding as a debt due by Al Noor to the relevant members of the Mediclinic Group, which will (when the Mediclinic Scheme becomes operative) themselves become wholly owned subsidiaries of Al Noor.

The Assets Transfer Agreement contains basic warranties only, in view of the fact that the various sellers and Al Noor will form part of the same group of companies shortly after the implementation of the Assets Transfer.

The Assets Transfer may at Mediclinic’s discretion be implemented in whole or in part.

In the unlikely event that the Assets Transfer has been implemented but the Mediclinic Scheme does not become operative (e.g. because it becomes unlawful or impossible for it to do so), the Assets Transfer Agreement makes provision for the rescission of the Assets Transfer. In these circumstances, Al Noor is indemnified by Mediclinic in respect of any tax or other costs incurred by it in connection with the Assets Transfer.

PART V FINANCIAL INFORMATION ON MEDICLINIC

Part A: Financial information relating to Mediclinic

The audited consolidated financial statements of Mediclinic and its subsidiaries for the years ended 31 March 2013, 2014 and 2015 and the six months ended 30 September 2015, together with the unqualified independent audit or accountants reports thereon, as set out in the Prospectus, are hereby incorporated by reference.

The Al Noor Directors confirm that, while there are certain presentational differences under IAS1 ‘Presentation of financial statements’ which do not affect total net assets, net income or cash flows, no material adjustment needs to be made to the financial information of Mediclinic and its subsidiaries for the years ended 30 March 2013, 2014 and 2015 and the six months ended 30 September 2015 to achieve consistency with the Company’s accounting policies for the period ending 31 March 2016, as Mediclinic’s accounting policies under which this financial information was prepared are consistent with Al Noor’s accounting policies for the period ending 31 March 2016. Al Noor currently reports to a 31 December year end and following Completion, the Enlarged Group will report to a 31 March year end in order to align with the accounting reference date of Mediclinic. After Completion, the Enlarged Group will also adopt Mediclinic’s accounting policies.

Cross Reference List

The following list is intended to enable Al Noor Shareholders to identify easily specific items of financial information which have been incorporated by reference into this document.

All of the sections below refer to the relevant pages of the Prospectus, which may be downloaded from Al Noor’s website at www.alnoorhospital.com.

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Please see paragraph 19 of Part XI (*Additional Information*) of this document for details on obtaining hard copies of documents incorporated by reference into this document.

Part B: Mediclinic ratings information

There are no current ratings or outlooks publicly accorded to Mediclinic by ratings agencies. Certain bonds issued by Hirslanden have been assigned ratings of BB by Credit Suisse and Baa– by fedafin.

PART VI
FINANCIAL INFORMATION ON AL NOOR

Part A: Financial information relating to Al Noor

The audited consolidated financial statements of the Company and its subsidiaries for the years ended 31 December 2012, 2013 and 2014, together with the unqualified independent audit or accountants reports thereon, as set out in the IPO Prospectus, the Company's Annual Report for 2013 and the Company's Annual Report for 2014, respectively, and the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries for the six months ended 30 June 2015 and 30 June 2014, as set out in the Company's results for the six months ended 30 June 2015 and 30 June 2014, are hereby incorporated by reference.

Cross Reference List

The following list is intended to enable Al Noor Shareholders to identify easily specific items of financial information which have been incorporated by reference into this document.

Audited consolidated financial statements of the Al Noor Group for the financial year ended 31 December 2012, together with the unqualified independent audit report thereon

The page numbers below refer to the relevant pages of the IPO Prospectus, which may be accessed at <http://www.alnoorhospital.com/Investors/>

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The page numbers below refer to the relevant pages of Al Noor's Annual Report for the financial year ended 31 December 2013, which may be accessed at <http://www.alnoorhospital.com/Investors/Reports-Results-Presentations.aspx>

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The page numbers below refer to the relevant pages of Al Noor's Annual Report for the financial year ended 31 December 2014, which may be accessed at <http://www.alnoorhospital.com/Investors/Reports-Results-Presentations.aspx>

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The page numbers below refer to the relevant pages of Al Noor's unaudited interim condensed consolidated financial statements for the six months ended 30 June 2014, which may be accessed at <http://www.alnoorhospital.com/Investors/Reports-Results-Presentations.aspx>

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The page numbers below refer to the relevant pages of Al Noor's unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015, which may be accessed at <http://www.alnoorhospital.com/Investors/Reports-Results-Presentations.aspx>

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Please see paragraph 19 of Part XI (*Additional Information*) for details on obtaining hard copies of documents incorporated by reference into this document.

Part B: Al Noor ratings information

There are no current ratings or outlooks publicly accorded to Al Noor by ratings agencies.

Part C: Share Premium Account of the Company

As a result of their consideration of the steps required to implement the Combination the Al Noor Directors have been advised that an amount of US\$556,449,554 currently included in the Company's share premium account should have been designated a merger reserve. Accordingly the Al Noor Directors have determined to so redesignate that sum to a merger reserve. After the redesignation US\$137,099,479 remains in the Company's share premium account.

PART VII PRO FORMA FINANCIAL INFORMATION

Introduction

The unaudited pro forma statement of net assets at 30 September 2015 and the unaudited pro forma income statements for the year ended 31 March 2015 and the six months ended 30 September 2015 and the related notes thereto set out in Section A of this Part VII (together the “**Unaudited Pro Forma Financial Information**”) have been prepared on the basis of the notes set out below to illustrate the effect of the Combination on the statement of net assets and results of operations of Al Noor.

The Unaudited Pro Forma Financial Information has been prepared in accordance with Annex II of the Prospectus Directive and in a manner consistent with the accounting policies to be adopted by Al Noor in preparing its consolidated financial statements for the year ending 31 March 2016 (in millions of pounds). Al Noor currently reports to a 31 December year end and, following Completion, Al Noor will report to a 31 March year end, in order to align with the accounting reference date of Mediclinic.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the UK Companies Act. Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part VII.

PricewaterhouseCoopers LLP’s report on the Unaudited Pro Forma Financial Information is set out in Section B of this Part VII.

Section A: Unaudited pro forma financial information for the Enlarged Group

The Unaudited Pro Forma Financial Information is based on information and assumptions that Al Noor believes are reasonable, including assumptions regarding the terms of the Combination. The Unaudited Pro Forma Financial Information, which has been produced for illustrative purposes only, by its nature addresses a hypothetical situation and, therefore, does not represent the Enlarged Group’s actual financial position or results.

The unaudited pro forma statement of net assets at 30 September 2015 gives effect to the Combination as if it had occurred on 30 September 2015. The unaudited pro forma income statement for the twelve months ended 31 March 2015 and the six months ended 30 September 2015 are presented as if the Combination had taken place at the beginning of the relevant periods. In particular, as pro forma information is prepared to illustrate retrospectively the effects of transactions that will occur subsequently using generally accepted regulations and reasonable assumptions, there are limitations that are inherent to the nature of pro forma information. As such, had the Combination taken place on the dates assumed above, the actual effects would not necessarily have been the same as those presented in the Unaudited Pro Forma Financial Information. Furthermore, in consideration of the different purpose of the pro forma information as compared to the historical financial statements and the different methods of calculation of the effects of the Combination on the pro forma statement of net assets and the pro forma income statements, these statements should be read and interpreted without comparisons between them.

For accounting purposes under IFRS, the Combination will be treated as the acquisition of Al Noor by Mediclinic even though, legally, Al Noor is the acquirer and will be the entity which will issue New Shares to the shareholders of Mediclinic. Therefore, the consolidated financial information of the Enlarged Group at the date of the Combination will reflect the acquisition of Al Noor by applying the IFRS 3 ‘acquisition method’ of accounting on the Al Noor identifiable assets acquired and liabilities assumed. As the valuation of the Al Noor identifiable assets and assumed liabilities will only be performed after the Closing Date, the Unaudited Pro Forma Financial Information does not reflect the fair value adjustments that are expected to be made after the Closing Date and which will impact the net assets and earnings of the Enlarged Group going forward.

All pro forma financial adjustments are directly attributable to the Combination. No pro forma adjustments have been made to reflect any matters not directly attributable to implementing the Combination, such as synergies or cost savings that may be expected to occur after the Combination. The Unaudited Pro Forma Financial Information is presented in GBP, the presentational currency to be used by the Enlarged Group.

The Unaudited Pro Forma Financial Information does not attempt to predict or estimate the future results of the Enlarged Group and should not be used for this purpose.

Unaudited Pro Forma Financial Information

This section presents the unaudited consolidated pro forma statement of net assets at 30 September 2015, the unaudited consolidated pro forma income statements for the six months ended 30 September 2015 and the 12 months ended 31 March 2015, and the related explanatory notes.

Unaudited pro forma consolidated statement of net assets at 30 September 2015

		Adjustments			
	Mediclinic Group as at 30 Sept 2015 (Note 1)	Al Noor Group as at 30 June 2015 (Note 2)	Combination adjustments (Note 3)	Unaudited pro forma Enlarged Group	Note reference
	In millions of GBP				
ASSETS					
Non-current assets					
Property, equity and vehicles .	2,855	47	—	2,902	
Intangible assets	613	22	1,242	1,877	3a, 3b, 3c, 3d, 3e
Investment in associate	441	—	—	441	
Other investments and loans .	3	2	—	5	
Derivative financial instruments	4	—	—	4	
Deferred income tax assets . . .	16	—	—	16	
	3,932	71	1,242	5,245	
Current Assets					
Inventories	55	12	—	67	
Trade and other receivables . .	408	79	—	487	
Current income tax assets . . .	3	—	—	3	
Short term deposit	—	9	—	9	
Cash and cash equivalents . . .	269	49	(76)	242	3a, 3b, 3e, 3f, 3g, 3h, 3i
	735	149	(76)	808	
Total assets	<u>4,667</u>	<u>220</u>	<u>1,166</u>	<u>6,053</u>	
LIABILITIES					
Non-current liabilities					
Borrowings	(1,423)	—	(395)	(1,818)	3h
Deferred income tax liabilities	(414)	—	—	(414)	
Retirement benefit obligations	(86)	(10)	—	(96)	
Provisions	(37)	—	—	(37)	
Derivative financial instruments	(22)	—	—	(22)	
	(1,982)	(10)	(395)	(2,387)	
Current Liabilities					
Trade and other payables	(294)	(37)	—	(331)	
Borrowings	(53)	—	—	(53)	
Provisions	(25)	—	—	(25)	
Amounts due to related parties	—	(4)	—	(4)	
Derivative financial instruments	—	—	—	—	
Current income tax liabilities .	(10)	—	—	(10)	
	(382)	(41)	—	(423)	
Total liabilities	<u>(2,364)</u>	<u>(51)</u>	<u>(395)</u>	<u>(2,810)</u>	
Net assets	2,303	169	771	3,243	

Note 1 on Unaudited pro forma consolidated statement of net assets at 30 September 2015—consolidated statement of net assets of the Mediclinic Group at 30 September 2015

The consolidated statement of net assets of the Mediclinic Group has been directly extracted from the consolidated interim financial information of the Mediclinic Group for the six months ended 30 September 2015 incorporated by reference into this document and translated from ZAR to GBP using the exchange rate at 30 September 2015, equal to ZAR/GBP 21.3.

Note 2 on Unaudited pro forma consolidated statement of net assets at 30 September 2015—consolidated statement of net assets of the Al Noor Group at 30 June 2015

The consolidated statement of net assets of the Al Noor Group at 30 June 2015 has been extracted from the unaudited interim consolidated financial statements of the Al Noor Group for the six months ended 30 June 2015 incorporated by reference into this document and then adjusted in order to align it with the presentation criteria to be adopted by the Mediclinic Group as follows:

In millions				
Statement of net assets line items—Al Noor Group	Statement of net assets line items at 30 June 2015(*) In USD	Statement of net assets line items—Mediclinic Group	Al Noor Group's statement of net assets at 30 June 2015 under the statement of net assets presentation of the Mediclinic Group	
			In USD	In GBP
Non-current assets		Non-current assets		
Property and equipment	74	Property, equipment and vehicles	74	47
Intangible assets and goodwill	34	Intangible assets	34	22
Prepayments	2	Other investments and loans . . .	2	2
Deferred tax assets	—	Deferred income tax asset	—	—
Total non-current assets	110	Total non-current assets	110	71
Current assets		Current assets		
Inventories	19	Inventories	19	12
Trade and other receivables	124	Trade and other receivables	124	79
Amount due from a related party	—			
Short term deposit	14	Short term deposit	14	9
Cash and cash equivalents	77	Cash and cash equivalents	77	49
Total current assets	234	Total current assets	234	149
Total assets	344	Total assets	344	220
Non-current liabilities		Non-current liabilities		
Employee benefits	16	Retirement benefit obligations . .	16	10
Total non-current liabilities	16	Total non-current liabilities	16	10
Current liabilities		Current liabilities		
Trade and other payables	58	Trade and other payables	58	37
Amounts due to related parties	6	Amounts due to related parties .	6	4
Total current liabilities	64	Total current liabilities	64	41
Total liabilities	80	Total liabilities	80	51

(*) The statement of net assets line items of the Al Noor Group are directly extracted from the statement of net assets of the Al Noor Group at 30 June 2015. The order of the line items may be different to those in the Al Noor Group statement of net assets to allow each line to be matched to the presentational format of the Mediclinic Group statement of net assets.

The adjusted statement of net assets has been translated from USD to GBP using the exchange rate at 30 June 2015, equal to USD/GBP1.572.

Note 3 on Unaudited pro forma consolidated statement of net assets at 30 September 2015—Acquisition accounting (statement of net assets)

For accounting purposes under IFRS, the Combination will be treated as the acquisition of Al Noor by Mediclinic even though, legally, Al Noor is the acquirer and will be the entity which will issue New Shares to the shareholders of Mediclinic. Under IFRS, the acquisition-date fair value of the consideration transferred by the accounting acquirer is based on the number of shares that the accounting acquirer (the legal subsidiary) would have had to issue to the owners of the accounting acquiree (the legal parent) to give the owners of the legal parent the same percentage of equity interests in the combined entity that results from the reverse acquisition. Other payments to Al Noor Shareholders are also included in consideration where in substance they form part of the payment transferred for the acquired business.

For the purposes of the Unaudited Pro Forma Financial Information, consideration and preliminary goodwill have therefore been determined as follows:

	<u>Amount</u> <u>In millions</u> <u>of GBP</u>	<u>Note</u>
Special Dividend paid to Al Noor Shareholders	383	3a
Tender Offer	617	3b
Value of Mediclinic Shares deemed to be issued to Al Noor Shareholders	<u>379</u>	3c
Total consideration transferred to Al Noor Shareholders	1,379	
Al Noor net assets acquired (net book value at 30 June 2015, excluding minority interests of £5m)	165	3d
Write-off of pre-existing value of goodwill and intangible assets (net book value at 30 June 2015)	(14)	
Transactions costs expected to be incurred by Al Noor	<u>(28)</u>	3e
Preliminary goodwill arising on acquisition	<u>1,256</u>	
Existing goodwill	<u>(14)</u>	
Pro forma goodwill adjustment	<u>1,242</u>	

3a) Reflects the Special Dividend of £3.28 per Al Noor Share, which results in a cash outflow of £383m.

3b) Assumes full take up of the Tender Offer by Al Noor Shareholders, which results in a cash outflow of £617m.

3c) For the purpose of estimating the fair value of the consideration transferred in the Unaudited Pro Forma Financial Information, the Existing Shares of Al Noor are deemed to be acquired on 17 November 2015 (being the latest practicable date prior to publication of this document).

68 million shares are deemed to be issued by Mediclinic in consideration for Al Noor Shares. For the purposes of the Unaudited Pro Forma Financial Information, the fair value of the consideration in this reverse acquisition is determined based upon the acquisition date closing price of Mediclinic's Existing Shares (being ZAR 120.5), translated from ZAR to GBP at the exchange rate on that date (ZAR 21.71 per GBP). The fair value of the share component of consideration payable in respect of the Combination will be subject to change until the completion of the Combination, and therefore, could be significantly different from that determined as set out above for the Unaudited Pro Forma Financial Information.

3d) As stated in the basis of preparation, the Unaudited Pro Forma Financial Information does not reflect the fair value adjustments to the acquired assets and liabilities assumed as the measurement of these items at their fair values will only be performed subsequent to the Closing Date. The purchase price premium (being the excess of consideration over the value of the net assets acquired) has been attributed to goodwill.

3e) Reflects the pro forma adjustments in relation to estimated Al Noor transaction costs amounting to £28 million, which will reduce cash and net assets to be acquired.

3f) The adjustment of £600 million reflects the cash received by Al Noor from Remgro under the Remgro Subscription.

3g) An adjustment of £29m has been made to reflect estimated transaction costs incurred by Mediclinic.

3h) The adjustment of £395 million to borrowings reflects the £400m drawdown of the Mediclinic Bridge Facility to fund the Al Noor Tender Offer, net of a £5m arrangement fee. The Mediclinic Bridge Facility has a maximum term of 18 months, hence the adjustment has been reflected in non-current liabilities. The £5m arrangement fee payable in respect of the Mediclinic Bridge Facility will be capitalised and amortised over the life of the facility.

3i) Sales transfer tax will be payable in South Africa at a rate of 0.25 per cent. of the higher of a) the market value of the Shares received in exchange for the Mediclinic Shares transferred; and b) the market value of the Mediclinic Shares transferred. The £14m adjustment to cash has been estimated based on the market capitalisation of Mediclinic on 17 November 2015 (being the latest practicable date prior to publication of this document).

3j) No account has been made of any trading activity after 30 June 2015 (in respect of Al Noor) or 30 September 2015 (in respect of Mediclinic).

Unaudited pro forma consolidated income statement for the 12 months ended 31 March 2015

	Mediclinic Group for the year ended 31 March 2015 (Note 1)	Adjustments		Unaudited pro forma Enlarged Group	Note reference
		Al Noor Group for the year ended 31 December 2014 (Note 2)	Combination adjustments (Note 3)		
		In millions of GBP			
Revenue	1,977	272	—	2,249	
Cost of sales	(1,116)	(150)	—	(1,266)	
Administration and other operating expenses	(455)	(63)	(71)	(589)	3a, 3c
Operating profit before depreciation (EBITDA)	406	59	(71)	394	
Depreciation and amortisation	(85)	(8)	—	(93)	
Operating profit	321	51	(71)	301	
Other gains and losses	5	—	—	5	
Income from associates	—	—	—	—	
Loss from joint venture	—	—	—	—	
Finance income	6	—	—	6	
Finance cost	(66)	(1)	(23)	(90)	3b
Profit before tax	266	50	(94)	222	
Income tax expense	(12)	—	—	(12)	3d
Profit for the year	254	50	(94)	210	
Attributable to:					
Equity holders of the Company . . .	241	48	(94)	195	
Non-controlling interests	13	2	—	15	
	254	50	(94)	210	

**Note 1 on Unaudited pro forma consolidated income statement for the 12 months ended 31 March 2015—
consolidated income statement of the Mediclinic Group**

The consolidated income statement of the Mediclinic Group for the year ended 31 March 2015 has been directly extracted from the audited consolidated financial statements of Mediclinic incorporated by reference into this document and translated from ZAR to GBP using the average exchange rate for the year ended 31 March 2015, equal to ZAR/GBP 17.82.

**Note 2 on Unaudited pro forma consolidated income statement for the 12 months ended 31 March 2015—
consolidated income statement of the Al Noor Group**

The consolidated income statement of the Al Noor Group for the year ended 31 December 2014 has been extracted from the audited consolidated financial statements of the Al Noor Group for the year ended

31 December 2014 incorporated by reference into this document and adjusted in order to align it with the presentation criteria to be adopted by the Mediclinic Group as follows:

In millions					
Income statement line items—Al Noor Group	Income statement line items—year ended 31 December 2014	Reclassifications	Al Noor Group's income statement for the year ended 31 December 2014 under the income statement presentation of the Mediclinic Group		Income statement line items—Mediclinic Group
	(USD) A	(USD) B	(USD) A+B	(GBP)	
Revenue	449	—	449	272	Revenue
Cost of sales	(257)	9	(248)	(150)	Cost of sales
Gross profit	192				
Administrative expenses after underlying items	(108)	3	(105)	(63)	Administration and other operating expenses
		(12)	(12)	(8)	Depreciation and amortisation
Results from operating activities	84	—	84	51	Operating profit
Finance cost	(2)	—	(2)	(1)	Finance cost
Finance income	1	—	1	—	Finance income
Net finance cost	(1)				
Profit for the year before tax . .	83	—	83	50	Profit before taxation
Taxation	1	—	1	—	Taxation
Profit for the year	84	—	84	50	Profit for the year
Attributable to:					Attributable to:
Owners of the Company	81	—	81	48	Equity holders of the Company
Non-controlling interest	3	—	3	2	Non-controlling interests
	84	—	84	50	

The adjusted income statement has been translated from USD to GBP using the average exchange rate for the year ended 31 December 2014, equal to USD/GBP 1.65.

Note 3 on Unaudited pro forma consolidated income statement for the 12 months ended 31 March 2015—acquisition accounting (income statement)

3a) An adjustment of £57m has been made to reflect estimated transaction costs incurred by Mediclinic and Al Noor. This one-off cost will not have a continuing impact on the results of the Enlarged Group.

3b) The £23m adjustment to finance costs in the 12 months to March 2015 comprises:

- £20m of interest costs in respect of the £400m Mediclinic Bridge Facility; and
- £3m amortisation of capitalised arrangement fees charged in respect of the Mediclinic Bridge Facility.

Interest costs associated with the Mediclinic Bridge Facility will have a continuing impact on the results of the Enlarged Group.

3c) As set out above, sales transfer tax will be payable in respect of the Combination. The £14m adjustment has been estimated based on the market capitalisation of Mediclinic on 17 November 2015 (being the latest practicable date prior to publication of this document). This one-off cost will not have a continuing impact on the results of the Enlarged Group.

3d) Adjustments affecting the income statement are assumed to be non-deductible or disallowable for tax purposes and therefore do not affect the pro forma tax charge for the Enlarged Group.

3e) As stated in the basis of preparation, the Unaudited Pro Forma Financial Information does not reflect the fair value adjustments to the acquired assets and liabilities assumed as the measurement of these items at their fair values will only be performed subsequent to the Closing Date. The purchase price premium (being the excess of consideration over the value of the net assets acquired) has been attributed to goodwill and no pro forma amortisation or impairment charge has been applied to the goodwill balance in the periods presented.

3f) No account has been made of any trading activity after 30 June 2015 (in respect of Al Noor) or 30 September 2015 (in respect of Mediclinic).

3g) The following table sets out a reconciliation of pro forma operating profit before depreciation and amortisation (EBITDA) to pro forma normalised EBITDA for the year ended 31 March 2015.

Normalised EBITDA is a non-IFRS measure that may not be comparable to similarly titled financial measures of other companies:

		Adjustments			
	Mediclinic Group for the year ended 31 March 2015 (Note 1)	Al Noor Group for the year ended 31 December 2014 (Note 2)	Combination adjustments (Note 3)	Unaudited pro forma Enlarged Group	Note reference
		In millions of GBP			
EBITDA	406	59	(70)	395	3a, 3c
Adjusted for:					
Impairment of property and equipment	2	—	—	2	
Profit on sale of property, equipment and vehicles	(5)	—	—	(5)	
Combination costs	—	—	70	70	
Normalised EBITDA	403	59	—	462	

3h) The following table sets out a segmental analysis of the Enlarged Group's revenue for the year ended 31 March 2015:

		Adjustments		
	Mediclinic Group for the year ended 31 March 2015 (Note 1)	Al Noor Group for the year ended 31 December 2014 (Note 2)	Combination adjustments (Note 3)	Unaudited pro forma Enlarged Group
		In millions of GBP		
Southern Africa	692	—	—	692
Switzerland	1,043	—	—	1,043
Middle East	242	272	—	514
Revenue	1,977	272	—	2,249

Unaudited pro forma income statement for the six months ended 30 September 2015

		Adjustments			
	Mediclinic Group for the six months ended 30 September 2015 (Note 1)	Al Noor Group for the six months ended 30 June 2015 (Note 2)	Combination adjustments (Note 3)	Unaudited pro forma Enlarged Group	Note reference
		In millions of GBP			
Revenue	1,015	160	—	1,175	
Cost of sales	(583)	(90)	—	(673)	
Administration and other operating expenses	(233)	(35)	(71)	(339)	3a, 3c
Operating profit before depreciation (EBITDA)	199	35	(71)	163	
Depreciation and amortisation	(45)	(5)	—	(50)	
Operating profit	154	30	(71)	113	
Other gains and losses	3	—	—	3	
Loss from joint venture	—	—	—	—	
Finance income	4	—	—	4	
Finance cost	(32)	—	(11)	(43)	3b
Profit before tax	129	30	(82)	77	
Income tax expense	(26)	—	—	(26)	3d
Profit for the year	<u>103</u>	<u>30</u>	<u>(82)</u>	<u>51</u>	
Attributable to:					
Equity holders of the Company	96	28	(82)	42	
Non-controlling interests	7	2	—	9	
	<u>103</u>	<u>30</u>	<u>(82)</u>	<u>51</u>	

**Note 1 on Unaudited pro forma income statement for the six months ended 30 September 2015—
consolidated income statement of the Mediclinic Group**

The consolidated income statement of the Mediclinic Group for the six months ended 30 September 2015 has been directly extracted from the consolidated interim financial information incorporated by reference into this document and translated from ZAR to GBP using the average exchange rate for the six months ended 30 September 2015, equal to ZAR/GBP 19.3.

**Note 2 on Unaudited pro forma income statement for the six months ended 30 September 2015—
consolidated income statement of the Al Noor Group**

The consolidated income statement of the Al Noor Group for the six months ended 30 June 2015 has been extracted from the unaudited interim consolidated financial statements of the Al Noor Group for the six months ended 30 June 2015 incorporated by reference into this document and adjusted in order to align it with the presentation criteria to be adopted by the Mediclinic Group as follows:

In millions					
Income statement line items—Al Noor Group	Income statement line items—six months ended 30 June 2015	Reclassifications	Al Noor Group's income statement for the six months ended 30 June 2015 under the income statement presentation of the Mediclinic Group		Income statement line items—Mediclinic Group
	(USD) A	(USD) B	(USD) A+B	(GBP)	
Revenue	244	—	244	160	Revenue
Cost of sales	(143)	6	(137)	(90)	Cost of sales
Gross profit	101				
Selling, administrative and other operating expenses . .	(56)	2	(54)	(35)	Administration and other operating expenses
		(8)	(8)	(5)	Depreciation and amortisation
Results from operating activities	45	—	45	30	Operating profit
Finance cost	(1)	—	(1)	—	Finance cost
Finance income	—	—	—	—	Finance income
Net finance cost	(1)				
Profit for the period before tax	44	—	44	30	Profit before tax
Taxation	—	—	—	—	Taxation
Profit for the period	44	—	44	30	Profit for the period
Attributable to:					Attributable to:
Owners of the Company	42	—	—	28	Equity holders of the Company
Non-controlling interest	2	—	2	2	Non-controlling interests
	44	—	44	30	

The adjusted income statement has been translated from USD to GBP using the average exchange rate for the six months ended 30 June 2015, equal to USD/GBP 1.52.

Note 3 on Unaudited pro forma income statement for the six months ended 30 September 2015—acquisition accounting (income statement)

3a) An adjustment of £57m has been made to reflect estimated transaction costs incurred by Mediclinic and Al Noor. This one-off cost will not have a continuing impact on the results of the Enlarged Group.

3b) The £11m adjustment to finance costs in the six months to 30 September 2015 comprises:

- £10m of interest costs in respect of the £400m Mediclinic Bridge Facility; and
- £1m amortisation of capitalised arrangement fees charged in respect of the Mediclinic Bridge Facility.

Interest costs associated with the Mediclinic Bridge Facility will have a continuing impact on the results of the Enlarged Group.

3c) As set out above, sales transfer tax will be payable in respect of the Combination. The £14m adjustment has been estimated based on the market capitalisation of Mediclinic on 17 November 2015 (being the latest practicable date prior to publication of this document). This one-off cost will not have a continuing impact on the results of the Enlarged Group.

3d) Adjustments affecting the income statement are assumed to be non-deductible or disallowable for tax purposes and therefore do not affect the pro forma tax charge for the Enlarged Group.

3e) As stated in the basis of preparation, the Unaudited Pro Forma Financial Information does not reflect the fair value adjustments to the acquired assets and liabilities assumed as the measurement of these items at their fair values will only be performed subsequent to the Closing Date. The purchase price premium (being the excess of consideration over the value of the net assets acquired) has been attributed to goodwill and no pro forma amortisation or impairment charge has been applied to the goodwill balance in the periods presented.

3f) No account has been made of any trading activity after 30 June 2015 (in respect of Al Noor) or 30 September 2015 (in respect of Mediclinic).

3g) The following table sets out a reconciliation of pro forma operating profit before depreciation and amortisation (EBITDA) to pro forma normalised EBITDA for the six months ended 30 September 2015.

Normalised EBITDA is a non-IFRS measure that may not be comparable to similarly titled financial measures of other companies:

		Adjustments			
	Mediclinic Group for the six months ended 30 September 2015 (Note 1)	Al Noor Group for the six months ended 30 June 2015 (Note 2)	Combination adjustments (Note 3)	Unaudited pro forma Enlarged Group	Note reference
		In millions of GBP			
EBITDA	199	35	(70)	164	3a, 3c
Adjusted for:					
Impairment of property and equipment	—	—	—	—	
Profit on sale of property, equipment and vehicles	—	—	—	—	
Combination costs	—	—	70	70	
Normalised EBITDA	199	35	—	234	

3h) The following table sets out a segmental analysis of the Enlarged Group's revenue for the six months ended 30 September 2015:

		Adjustments		
	Mediclinic Group for the six months ended 30 September 2015 (Note 1)	Al Noor Group for the six months ended 30 June 2015 (Note 2)	Combination adjustments (Note 3)	Unaudited pro forma Enlarged Group
		In millions of GBP		
Southern Africa	351	—	—	351
Switzerland	534	—	—	534
Middle East	130	160	—	290
Revenue	1,015	160	—	1,175

Section B: Accountant's Report on the Unaudited Pro Forma Financial Information of the Enlarged Group



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19 November 2015

Dear Sirs

Al Noor Hospitals Group Plc (the "Company")

We report on the unaudited pro forma financial information (the "**Pro Forma Financial Information**") set out in section A of Part VII (*Pro Forma Financial Information*) of the Company's circular dated 19 November 2015 (the "**Circular**") which has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the proposed acquisition of Mediclinic International Limited might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the period ending 31 March 2016. This report is required by item 13.3.3R of the Listing Rules of the UK Listing Authority and is given for the purpose of complying with that Listing Rule and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro Forma Financial Information in accordance with item 13.3.3R of the Listing Rules.

It is our responsibility to form an opinion, as required by item 13.3.3R of the Listing Rules as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

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PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to the Company's ordinary shareholders as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Circular.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- b) such basis is consistent with the accounting policies of the Company.

Yours faithfully

PricewaterhouseCoopers LLP

Chartered Accountants

PART VIII INFORMATION ON REMGRO

Part A: General information on Remgro

1 Directors

The directors of Remgro and their functions are as follows:

Name	Function
J P Rupert	Non-Executive Chairman
E de la H Hertzog	Non-Executive Deputy Chairman
J Malherbe	Non-Executive Deputy Chairman
S E N De Bruyn Sebotsa	Independent Non-Executive Director
G T Ferreira	Independent Non-Executive Director
P K Harris	Independent Non-Executive Director
N P Mageza	Independent Non-Executive Director
P J Moleketi	Independent Non-Executive Director
M Morobe	Independent Non-Executive Director
F Robertson	Independent Non-Executive Director
H Wessels	Independent Non-Executive Director
J J Durand	Executive Director
W E Bührmann	Executive Director
L Crouse	Executive Director

2 Nature of Business and Trading Prospects

Remgro is an investment holding company. Originally established in the 1940s by the late Dr. Anton Rupert as a tobacco manufacturer, Remgro's investment portfolio has evolved substantially and currently includes more than 30 investee companies. Remgro's interests consist of investments in food, liquor and home care, banking, healthcare, insurance, industrial and infrastructure, as well as media and sport. Remgro's strategy is to invest in businesses that can deliver superior earnings and dividend growth over the long term, which involves the acquisition of meaningful interests in companies that have sound management and have the ability to generate strong cash returns and growth.

Remgro's activities are concentrated mainly on the management of investments and the provision of support rather than on being involved in the day-to-day management of business units of investee companies. Remgro's shares are listed on the securities exchange operated by JSE Limited.

Financial and Trading Prospects

As at 30 June 2015, Remgro had a market capitalisation of approximately £6,462 million¹¹ equivalent.

On 17 September 2015 the final audited results press release published by Remgro stated that the majority of Remgro's underlying investments, for the year ended 30 June 2015, reported good results despite tough economic and trading conditions.

Headline earnings for the year to 30 June 2015 amounted to ZAR7,996 million compared to ZAR6,635 million for the year to 30 June 2014, representing an increase of 20.5 per cent., whereas headline earnings per share increased by 20.3 per cent. from 1,292.4 cents to 1,555.0 cents. Remgro's intrinsic net asset value per share increased by 17.5 per cent. from ZAR245.96 at 30 June 2014 to ZAR288.89 at 30 June 2015.

The increase in headline earnings per share was mainly due to improved results being reported by RCL Foods Limited compared to the previous year. The headline earnings growth was negated by stock revaluation losses in Total SA (Pty) Ltd due to the sudden drop in the crude oil price and mark-to-market losses of investments in Kagiso Tiso Holdings (Pty) Ltd.

For the year ended 30 June 2015, the final dividend declared was ZAR259 cents per share (equating to a total dividend per share of 428 cents). This represented a 10.0 per cent. increase from the total dividend declared for the year ended 30 June 2014 of ZAR389 cents per share.

¹¹ Based on a ZAR:GBP rate of 19.0563:1.

More information about Remgro, including copies of the audited consolidated accounts for the last two financial years and the interim financial statements, can be found on the company's website: <http://www.remgro.com/investor-centre/results-and-reports/>

3 Material Contracts

Save as disclosed below, during the period beginning two years preceding the date of this document and ending on 17 November 2015 (being the last practicable date prior to publication of this document), Remgro and its subsidiaries have not entered into any material contracts otherwise than in the ordinary course of business.

Relationship Agreement

Following Completion, Remgro will hold, through one or more of its affiliates between 40.95 per cent. and 45.18 per cent. of the issued ordinary share capital of the Company (as holding company of the Enlarged Group), depending on the extent to which Al Noor Shareholders participate in the Tender Offer, such that Remgro will be a "controlling shareholder" for the purpose of the Listing Rules. As required by the Listing Rules, Al Noor and Remgro have, on 14 October 2015, agreed the terms of a relationship agreement which will take effect on Completion to govern the ongoing relationship between Remgro and Al Noor, the principal purpose of which is to ensure that Al Noor is capable of carrying out its business independently of Remgro and its associates (the "**Relationship Agreement**").

Under the terms of the Relationship Agreement, *inter alia*:

- Remgro undertakes: to conduct all transactions and arrangements with any member of the Al Noor Group at arm's length and on normal commercial terms; not to take any action that would have the effect of preventing Al Noor from complying with its obligations under the Listing Rules; not to propose or procure the proposal of a shareholder resolution of Al Noor which is intended or appears to be intended to circumvent the proper application of the Listing Rules; and to abstain from voting on any shareholder resolution that is required to be passed under Chapter 11 of the Listing Rules in order to approve a related party transaction involving Remgro or any of its associates, as the related party. Remgro also undertakes to procure, so far as it is legally able to do so, that its associates (as defined in the Listing Rules) comply with such undertakings.
- Remgro also undertakes not to solicit senior employees of the Al Noor Group for a period of two years, and to preserve the confidentiality of the Enlarged Group's information.
- Remgro is entitled to appoint one director (or, at Remgro's election, an observer) for every 10 per cent. of the voting rights in Al Noor held by it or its subsidiary undertakings (as defined in the UK Companies Act), up to a maximum of three directors, provided that the right to appoint a third director is subject to the requirement that the Al Noor Board will, following such appointment, comprise a majority of independent directors. Remgro is also entitled to representation on each committee of the Al Noor Board (save that the Audit and Risk Committee shall comprise solely of independent directors). The Relationship Agreement requires the presence of a director appointed by Remgro at board meetings in order to constitute a quorum.
- Al Noor undertakes not to effect any share repurchase that would give rise to an obligation on the part of Remgro to make a general offer for Al Noor under Rule 9 of the City Code, unless a waiver from the obligation under Rule 9 of the City Code has been granted by the Panel.

Remgro Subscription Agreement

Under the terms of the Remgro Subscription Agreement, Remgro Healthcare will, or shall procure that one or more of its affiliates will, subscribe for 72,115,384 New Shares at a fixed price of £8.32 per share, to raise proceeds of £600 million. The Remgro Subscription is conditional on, *inter alia*, the Mediclinic Scheme becoming operative.

Facility Agreement to fund Remgro Subscription

The cash consideration payable by Remgro Healthcare or its affiliates in respect of the Remgro Subscription may be funded through the use of balance sheet cash, drawings under new financing facilities arranged by RMB and Morgan Stanley Bank International Limited ("**Morgan Stanley Bank**") pursuant to

an unsecured £600,000,000 facilities agreement (the “**Remgro Facility Agreement**”) and/or alternative sources of finance.

Under the Remgro Facility Agreement, RMB and Morgan Stanley Senior Funding, Inc. as original lenders (the “**Original Lenders**”) have provided Remgro Healthcare and its wholly-owned subsidiary with:

- (a) a rand term loan facility in an aggregate amount equal to the ZAR equivalent of £200,000,000 (“**Facility A**”); and
- (b) a sterling term loan facility in an aggregate amount equal to £400,000,000 (“**Facility B**”).

The availability period for loans under the Remgro Facility Agreement is the period from and including 14 October 2015 to and including the earlier of:

- (a) the date which is six months and 31 “business days” (as defined in the SA Companies Act) after 14 October 2015;
- (b) the date falling fourteen days after the “Effective Date” under the Bid Conduct Agreement; and
- (c) the date the Mediclinic Scheme lapses, terminates or is withdrawn.

Any loan drawn under the Remgro Facility Agreement will have an initial term of six months from the date of the Mediclinic Scheme Circular (the “**Initial Maturity Date**”), which may be extended up to two times at the option of Remgro by six months per extension. The right to extend the term of the Remgro Facility Agreement does not require the consent of the lenders under the Remgro Facility Agreement, provided that no default under the Remgro Facility Agreement has occurred and is continuing either at the maturity date or when Remgro delivers notice to RMB (as agent under the Remgro Facility Agreement) of its intention to extend. Unless refinanced before such date, all amounts outstanding under the Remgro Facility Agreement are due and payable at the maturity date (either the Initial Maturity Date or, if Remgro has exercised its option to extend, the extended maturity date).

The rate of interest on a loan made pursuant to Facility A is equal to the aggregate of JIBAR plus the applicable margin and on a loan made pursuant to Facility B is equal to the aggregate of LIBOR (subject to a floor of 1 per cent. per annum) plus the applicable margin. The applicable margin for both Facility A and Facility B is 1.40 per cent. per annum for the period from the date of the Remgro Facility Agreement to the Initial Maturity Date, increases to 1.65 per cent. per annum on the first extension of the term of the Remgro Facility Agreement and increases to 2.15 per cent. per annum on the second extension of the term of the Remgro Facility Agreement.

The Remgro Facility Agreement contains a financial covenant in respect of the ratio of net asset value to total debt, which is tested on a semi-annual basis. The Remgro Facility Agreement also contains customary representations and warranties, undertakings and events of default.

Remgro has also agreed to a number of restrictions and undertakings in relation to the Remgro Subscription under the Remgro Facility Agreement. In particular (but without limitation), Remgro must not (without the prior consent of RMB and Morgan Stanley Bank as arrangers):

- (a) increase, or do anything which might result in an increase to the cash subscription price of the shares in Al Noor to be subscribed for pursuant to the Remgro Subscription, unless such increase in the cash subscription price is paid or to be paid from the proceeds of an equity issue by Remgro or the proceeds of a loan under the Remgro Facility Agreement;
- (b) waive or amend any term or condition of the Remgro Subscription Agreement (other than any change in the cash subscription price of the shares in Al Noor pursuant to the Remgro Subscription as permitted by (a) above) in any respect which is materially adverse to the interests of the lenders; or
- (c) declare, accept or treat as satisfied any condition of the Remgro Subscription Agreement where it is not actually satisfied or has not been complied with to the extent to do so is materially adverse to the interests of the Original Lenders.

The Remgro Facility Agreement is governed by English law.

Agreements in respect of Mediclinic's acquisition of Spire

Remgro's acquisition of Spire

On 22 June 2015 Remgro, through a wholly-owned subsidiary, Remgro Jersey Limited ("**Remgro Jersey**") (subsequently renamed Mediclinic Jersey Limited), entered into an agreement with funds managed by Cinven to acquire 119,923,335 shares in Spire equivalent to a 29.9 per cent. shareholding in Spire, at a price of £3.60 per share for a total purchase consideration of £431.7 million (the "**Spire Acquisition**"). The transaction closed on 15 July 2015.

Sale of Spire to Mediclinic

On 22 June 2015, Mediclinic and Remgro entered into an agreement under which Mediclinic agreed to acquire Remgro's shareholding in Remgro Jersey, and consequently the shareholding in Spire described above for an amount equal to the aggregate of the purchase price paid by Remgro Jersey, transaction costs and funding costs, totalling approximately ZAR8.6 billion (the "**Spire Disposal**").

The acquisition by Mediclinic was funded through the successful completion of a fully underwritten renounceable rights offer in respect of 111,111,111 rights issue shares in the ratio of 12.80145 rights issue shares for every 100 shares held at a price of ZAR90.00 per rights issue share.

The rights issue was underwritten by a wholly-owned subsidiary of Remgro and was completed on 24 August 2015. Mediclinic's acquisition of Remgro Jersey was completed on 24 August 2015.

Underwriting Agreement

The Mediclinic rights issue was underwritten by Remgro Healthcare, a wholly-owned subsidiary of Remgro, pursuant to an underwriting agreement dated 22 June 2015 (the "**Underwriting Agreement**"). Remgro Healthcare provided Mediclinic with an irrevocable undertaking to:

- (a) subscribe for all of the 45,940,451 rights issue shares (being ZAR4,135 million) to which it was entitled pursuant to the terms of the rights issue; and
- (b) underwrite the balance of 65,170,660 rights issue shares (being ZAR5,865 million) (the "**underwritten amount**").

In terms of the Underwriting Agreement, an underwriting fee equal to 1.5 per cent. of the underwritten amount was paid to Remgro Healthcare. Remgro Healthcare acquired 5,402,435 rights issue shares in its capacity as underwriter.

Financing arrangement in relation to the Spire Acquisition

Remgro partially funded the Spire Acquisition through bridging finance of ZAR7,500 million ("**Bridge Loan**"). The Bridge Loan was entered into between Remgro Healthcare, Multi-Issuer Programme 4 (RF) Limited, and RMB. The Bridge Loan was advanced on 13 July 2015 and is repayable six months after date of advance. ZAR4,000 million of the Bridge Loan was repaid on 26 August 2015 through partial utilisation of the proceeds on the Spire Disposal. The remainder of the Spire Disposal proceeds were utilised to subscribe for shares in Mediclinic in terms of the Underwriting Agreement referred to above.

4 Corporate Details

Remgro Limited (Incorporated in the Republic of South Africa) Registration number 1968/006415/06

Business address and registered office: Millennia Park, 16 Stellantia Avenue, Stellenbosch 7600

5 Remgro's intentions regarding the Enlarged Group

Remgro's strategy is to invest in businesses that can deliver superior earnings and dividend growth over the long term, which involves the acquisition of meaningful interests in companies that have sound management and have the ability to generate strong cash returns and growth.

Remgro is supportive of the Combination and its rationale as set out in paragraph 2 of Part I (*Letter from the Chairman of Al Noor Hospitals Group plc*) of this document, and believes that its proposed investment in the Enlarged Group will deliver long term growth.

As set out above, following Completion, the ongoing relationship between Remgro and the Enlarged Group will be governed by the terms of the Relationship Agreement, the principal purpose of which is to ensure that Al Noor is capable of carrying out its business independently of Remgro and its associates. Remgro will be bound by, and intends to comply with, the terms of the Relationship Agreement. As it does with other investee companies, Remgro will provide support to the management of the Enlarged Group in the form of strategic, financial and managerial support, or the unlocking of value by means of creating the environment for possible deal-making.

Consistently with this philosophy, Remgro confirms that it does not intend to be involved in the day-to-day management of the Enlarged Group's businesses and, accordingly, it does not intend to seek to implement any changes regarding the continued employment of the Enlarged Group's employees and management, including any material change in conditions of employment, including pension rights, or regarding employer contributions into Enlarged Group's pension schemes, the locations of the Enlarged Group's places of business or the deployment of the fixed assets of the Enlarged Group, each of which will be a matter for the Enlarged Al Noor Board following Completion. Remgro notes that, following Completion, Shares in the Company (as the holding company of the Enlarged Group) will be listed on the premium listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities, with a secondary listing on the Johannesburg Stock Exchange and, potentially, the Namibian Stock Exchange; Remgro does not intend to seek to implement any changes in respect of such listings.

6 Remgro Concert Party

6.1 For the reasons set out below, the following persons are presumed to be acting in concert with Remgro and therefore constitute, together with Remgro and its subsidiaries, the "**Remgro Concert Party**".

6.2 RMB is advising Remgro in connection with the transaction and is therefore deemed to be acting in concert with Remgro pursuant to the City Code.

6.3 In addition, the Remgro directors, whose details are set out in paragraph 1, will also be deemed to be acting in concert with Remgro.

6.4 Remgro has a 20 per cent. or more direct interest in the following portfolio companies which have activities in the financial services sector, and therefore invest and trade in securities (including, potentially, those of Mediclinic and/or Al Noor, directly or indirectly, for their own account or on behalf of their clients, in the normal course of their business (the "**Relevant Portfolio Companies**")). By virtue of Remgro's interests in such entities, the Relevant Portfolio Companies are presumed to be acting in concert with Remgro pursuant to presumption 1 of the definition of acting in concert in the City Code. The Relevant Portfolio Companies are:

- (a) Grindrod Limited;
- (b) RMB Holdings Limited;
- (c) Kagiso Tiso Holdings (Pty) Ltd; and
- (d) RMI Holdings Limited.

6.5 So far as Remgro is aware, based on enquiries it has made of the Relevant Portfolio Companies, the following are 20 per cent. investee companies of the Relevant Portfolio Companies that invest and trade in securities in the ordinary course of their business and have interests in Mediclinic. Under presumption 1 of the definition of acting in concert in the City Code, such entities are also presumed to be acting in concert with Remgro under the City Code:

- (a) Grindrod Asset Management (Pty) Ltd;
- (b) Kagiso Asset Management (Pty) Ltd;
- (c) Momentum Asset Management (Pty) Ltd;
- (d) Momentum Outcome-based Solutions (Pty) Ltd;
- (e) RMB Securities (Pty) Ltd;
- (f) Ashburton Investments Holdings Limited;
- (g) RMB Structured Insurance Ltd. PCC; and
- (h) RMB Morgan Stanley (Pty) Ltd.

6.6 The corporate details for each of the above entities are set out below for reference.

<u>Name</u>	<u>Corporate details</u>
RMB	Registration number: 1929/001225/06 1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 (PO Box 786273, Sandton 2146)
Grindrod Limited	Registration number: 1966/009846/06 Quadrant House 115 Margaret Mncadi Avenue (Victoria Embankment) Durban, 4001, KZN South Africa (PO Box 1, Durban 4000)
RMB Holdings Limited	3rd Floor, 2 Merchant Place Corner Fredman Drive & Rivonia Road Sandton 2196 (PO Box 786273, Sandton, 2146)
Kagiso Tiso Holdings (Pty) Ltd	Registration Number 2011/000848/07 Kagiso Tiso House, 100 West Street Wierda Valley, Sandton 2196 (PO Box 5527 Northlands 2116)
RMI Holdings Limited	Registration number: 2010/005770/06 3rd floor 2 Merchant Place Corner Fredman Drive and Rivonia Road Sandton 2196 (PO Box 786273 Sandton 2146)
Grindrod Asset Management (Pty) Ltd	Registration number: 2004/024647/07 5 Arundel Close Kingsmead Office Park Durban (PO Box 3211, Durban, 4000)
Kagiso Asset Management (Pty) Ltd .	Registration number: 1998/015218/07 Fifth Floor MontClare Place Cnr Campground and Main Roads Claremont 7708 PO Box 1016 Cape Town 8000

Name	Corporate details
Momentum Asset Management (Pty) Ltd	Registration number: 1987/004655/07 13th Floor, Tower 2, 102 Rivonia Road, Sandton 2196
Momentum Outcome-based Solutions (Pty) Ltd	Registration number: 2004/023064/07 268 West Avenue Centurion Gauteng 0157 South Africa
RMB Securities (Pty) Ltd	Registration number 1988/003035/07 1 Merchant Place, CNR Fredman Drive Rivonia Road Sandton, 2196
Ashburton Investments Holdings Limited	Registration number: 1995/004798/06. Registered address: 4th Floor 2 Merchant Place, 1 Fredman Drive, Sandton, 2146
RMB Structured Insurance Limited . .	Registration number 1952/000436/06 4 th Floor, 2 Merchant Place, 1 Fredman Drive, Sandton, 2146
RMB Morgan Stanley (Pty) Ltd	Registration number 1995/011585/07 4 Merchant Place Corner Fredman, and Rivonia Road Sandton 2196

7 Interests and Dealings

7.1 For the purposes of this paragraph 7:

(a) “**dealing**” or “**dealt**” includes the following:

- (1) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities or of general control of securities;
- (2) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
- (3) subscribing or agreeing to subscribe for relevant securities;
- (4) the exercise or conversion, whether in respect of new or existing securities, of any relevant securities carrying conversion or subscription rights;
- (5) the acquisition or, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
- (6) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
- (7) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

(b) “**derivative**” includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;

(c) “**relevant securities**” means Shares;

- (d) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; and
- (e) a person is treated as “**interested**” in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “**interested**” in securities if:
- (1) he owns them;
 - (2) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
 - (3) by virtue of any agreement to purchase, option or derivative, he:
 - (a) has the right or option to acquire them or call for their delivery; or
 - (b) is under an obligation to take delivery of them,
 whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (c) he is a party to any derivative whose value is determined by reference to their price; and which results, or may result, in his having a long position in them.

7.2 As at the close of business on 13 November 2015 (being the latest practicable date prior to the publication of this document) and save as under the terms of the Mediclinic Scheme and Remgro Subscription neither Remgro nor its directors or (so far as Remgro is aware, based on enquiries made of Relevant Portfolio Companies) any of its presumed concert parties had any interests in, rights to subscribe or short positions in relation to Al Noor Shares. There were no dealings (including borrowing or lending) for value in Al Noor securities by any of Remgro, its directors or (so far as Remgro is aware, based on enquiries made of Relevant Portfolio Companies) any of its presumed concert parties which took place during the period beginning 12 months preceding the date of this document and ending on 13 November 2015 (being the latest practicable date prior to the publication of this document).

8 Details of any irrevocable commitment or letter of intent which Remgro or any of its concert parties have procured in relation to the securities in Al Noor

Mediclinic and Al Noor have obtained irrevocable undertakings from Sheikh Mohammed Bin Butti Al Hamed and Dr. Kassem Alom (as shareholders of Al Noor), to vote in favour of the resolutions required to approve and implement the Combination (including the Special Dividend and the Tender Offer). Dr. Kassem Alom is also a non-executive director of Al Noor. None of the other directors of Al Noor hold Existing Shares. These irrevocable undertakings cover 34 per cent. of Al Noor’s outstanding shares as at 13 October 2015. The Existing Shares covered by these irrevocable undertakings are as follows:

<u>Shareholder</u>	<u>Shares</u>
Sheikh Mohammed Bin Butti Al Hamed	33,018,320
Dr. Kassem Alom	7,055,946
Total	40,074,266

These irrevocable undertakings remain binding if a competing proposal is made to either Al Noor or Mediclinic, but cease to be binding when the Company and Mediclinic announce they do not intend to proceed with the Combination, and no new revised or replacement proposal is announced by the Company and Mediclinic.

9 Shareholders of Remgro with an interest of 5 per cent. or more

As at 30 June 2015, the following shareholders have pre-existing interests in Remgro which would create potential indirect interests of 5 per cent. or more in the capital of the Enlarged Group:

- (a) Rupert Beleggings Proprietary Limited, holding all of the 35,506,352 B ordinary shares, with each share having ten votes (giving 42.57 per cent. of the total votes of shareholders of Remgro). Rupert

Beleggings Proprietary Limited is a company incorporated in South Africa and is a holding vehicle for the Rupert family interests in Remgro.

- (b) Public Investment Corporation, holding 16.76 per cent. of the ordinary shares, with each share having one vote.

10 Maximum potential controlling interest

As set out above, Remgro will hold through one or more of its affiliates between 40.95 per cent. and 45.18 per cent. of the issued ordinary share capital of the Company (as holding company of the Enlarged Group) following completion of the Combination, the Remgro Subscription and the Tender Offer, depending on the extent to which Al Noor Shareholders participate in the Tender Offer. Remgro has made enquiries of the Relevant Portfolio Companies to ascertain their holdings (and those of the investee entities set out in paragraph 6 above) in Mediclinic Shares and, based on the responses received from such Relevant Portfolio Companies, understands that they are interested in (in aggregate) 20,121,774 Mediclinic Shares, representing approximately 2.06 per cent. of Mediclinic's share capital, as notified to Remgro based on the latest information available to those entities prior to the date of this document. Based on such interests, and assuming no changes in their interests in Mediclinic Shares prior to Completion, the Remgro Concert Party would hold, in aggregate, 344,828,852 Shares (including the Shares to be received by Dr. Edwin Hertzog, Chairman of Mediclinic and a director of Remgro, in respect of this holding of 6,007,768 Mediclinic Shares) as a result of the Combination, the Remgro Subscription and the Tender Offer, representing 47.43 per cent. of Al Noor's share capital following the Combination (assuming full take up by Al Noor Shareholders under the Tender Offer). Accordingly, the Whitewash Resolution is being proposed at the General Meeting to permit, if passed, the Remgro Concert Party to hold between 42.99 per cent. and 47.43 per cent. of the issued ordinary share capital in Al Noor pursuant to the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer). An announcement of the Post Tender Remgro Holding of the Remgro Concert Party as a consequence of the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor shareholders participate in the Tender Offer) will be made by the Company immediately following completion or lapse of the Tender Offer. Any transaction in issued ordinary shares of the Company by the Remgro Concert Party following Completion that results in the Remgro Concert Party holding more than the Post Tender Remgro Holding, will, save as agreed by the Panel, be subject to the usual provisions of the City Code.

While Remgro does not intend to acquire further Mediclinic Shares prior to Completion and has received confirmation of the same from its directors, Remgro is not able to control or influence the dealing activities of its other presumed concert parties described above. Any further acquisitions by such concert parties of Mediclinic Shares prior to Completion may result in the aggregate percentage of Shares to be received by the Remgro Concert Party at Completion, pursuant to the Combination and the Remgro Subscription, exceed 47.43 per cent. of the issued ordinary share capital of Al Noor, being the maximum amount permitted by the Whitewash Resolution. In such circumstances, absent any other agreement between Remgro and the Panel at the time, Remgro would be required to dispose of such number of Shares as soon as practicable following Completion as would result in the Remgro Concert Party's holding in Al Noor being no more than 47.43 per cent. of the issued ordinary share capital of Al Noor.

11 Special Arrangements and No Transfer Confirmation

Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement), exists between Remgro or any person acting in concert with it and any of the Al Noor Directors, recent directors of Al Noor, Al Noor Shareholders or recent shareholders of Al Noor having any connection with or dependence upon the Combination.

There is no agreement, arrangement or understanding whereby the beneficial ownership of any Shares to be acquired by Remgro pursuant to the Combination or Remgro Subscription will be transferred to any other person.

12 Responsibility Statement

For the purposes of Rule 19.2 of the City Code only, the directors of Remgro, whose names are set out above, accept responsibility for the information contained in this section of the document relating to the Remgro Concert Party, and the directors of Remgro. To the best of the knowledge and belief of Remgro

and the directors of Remgro (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Part B: Financial information relating to Remgro

The financial information in respect of Remgro as required by Rule 24.3(a) of the City Code can be found at the addresses below and is incorporated into this document by reference pursuant to Rule 24.15 of the City Code:

<http://remgro.com/investor-centre/results-and-reports/>

<http://remgro.com/investor-centre/results-and-reports/>

Please see paragraph 19 of Part XI (*Additional Information*) for details on obtaining hard copies of documents incorporated by reference into this document.

Part C: Ratings information relating to Remgro

There are no current ratings or outlooks publicly accorded to Remgro by ratings agencies.

PART IX
TERMS OF THE TENDER OFFER

1 Introduction

- 1.1** Qualifying Shareholders on the Register on the Record Date are being invited to tender some, all or none of their Existing Shares for cancellation by Al Noor on the terms and subject to the conditions set out in this Part IX of this document and, in the case of certificated Existing Shares only, in the accompanying Tender Form.
- 1.2** Al Noor Shareholders who do not wish to participate in the Tender Offer need take no action. The rights of Al Noor Shareholders who choose not to tender their Existing Shares will be unaffected.

2 Terms and Conditions of the Tender Offer

- 2.1** The Tender Offer is conditional upon:

- 2.1.1 Completion;
- 2.1.2 the Remgro Subscription; and
- 2.1.3 the Court confirming the Second Reduction of Capital.

The Tender Offer will not proceed unless the Tender Conditions have been satisfied. If any of the Tender Conditions are not satisfied by the date on which the Mediclinic Scheme lapses, terminates or is withdrawn, the Tender Offer will lapse.

- 2.2** In respect of each Existing Share which is validly tendered for cancellation and cancelled by the Company, the Company will pay to the holder of such share a cash sum of £8.32.

The maximum number of Existing Shares to be cancelled by the Company pursuant to the Tender Offer is 74,069,109 Existing Shares (being approximately 63 per cent. of Al Noor's outstanding shares as at 17 November 2015, being the latest practicable date prior to publication of this document).

- 2.3** The Tender Offer is available only to Qualifying Shareholders (being Al Noor Shareholders on the Register on the Record Date) and by reference to the number of Existing Shares registered in those Qualifying Shareholders' names at such time.

- 2.4** Qualifying Shareholders may tender all or some of their Existing Shares. To the extent that more than 74,069,109 Existing Shares are tendered for cancellation, tenders will be scaled back pro rata in proportion to the number of Existing Shares validly tendered by each relevant Al Noor Shareholder.

For illustrative purposes, based on the Company's issued share capital of 116,866,203 Existing Shares as at 17 November 2015 (being the latest practicable date prior to publication of this document), in the event that tenders need to be scaled back, Qualifying Shareholders will be entitled to have at least 63 per cent. of the Existing Shares they hold as at the Record Date cancelled by the Company, provided the Tender Conditions are satisfied.

- 2.5** The Tender Offer will close at 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service) and no tenders received after that time will be accepted unless otherwise approved by the Company.

- 2.6** Tender Forms which have been, or are deemed to be, validly and properly completed (for Existing Shares held in certificated form) and submitted to the Receiving Agent, and TTE Instructions which have settled (for Existing Shares held in uncertificated form), will become irrevocable at, and cannot be withdrawn following, 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service). All questions as to the validity (including time of receipt) of tenders will be determined by the Company, in its sole discretion, which determination shall be final and binding (except as otherwise required under applicable law). The Company reserves the right to reject any or all tenders it determines not to be in proper form. None of the Company, the Receiving Agent or any other person is or will be obliged to give notice of any defects or irregularities and none of them will incur any liability for failure to give such notice.

- 2.7** All tenders of Existing Shares held in certificated form must be made on the accompanying Tender Form, duly completed in accordance with the instructions set out below and on the Tender Form, as applicable (which constitute part of the terms of the Tender Offer). Such tenders will be valid only if the procedures contained in this document and in the Tender Form are complied with.

- 2.8** All tenders of Existing Shares held in uncertificated form (that is, in CREST) must be made by the input and settlement of an appropriate TTE Instruction in CREST in accordance with the instructions set out below and the relevant procedures in the CREST Manual which together constitute part of the terms of the Tender Offer. Such tenders will be valid only if the procedures contained in this document and in the relevant parts of the CREST Manual are complied with.
- 2.9** The Tender Offer and all tenders will be governed by, and construed in accordance with, the laws of England and Wales and the delivery of a Tender Form or the input of a TTE Instruction in CREST, as applicable, will constitute submission to the jurisdiction of the courts of England and Wales.
- 2.10** The results of the Tender Offer are expected to be announced on Monday, 8 February 2016 or as soon as practicable after any extended closing date.
- 2.11** All documents and remittances sent by or to Al Noor Shareholders and all instructions made by or on behalf of an Al Noor Shareholder in CREST relating to the Tender Offer will be sent or made (as the case may be) at the risk of the sender or maker. If the Tender Offer does not become unconditional, or does not proceed, and lapses, in respect of Existing Shares held in certificated form, Tender Forms, share certificates and other documents of title will be returned by post to Al Noor Shareholders not later than 10 Business Days after the date of such lapse, or, in respect of Existing Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide TFE instructions to Euroclear to transfer all Existing Shares held in escrow balances to the original available balances to which those Existing Shares relate.
- 2.12** If only part of a holding of Existing Shares is successfully tendered pursuant to the Tender Offer, the relevant Qualifying Shareholder will be entitled to receive the following (in addition to the relevant cash payment, if any):
- 2.12.1 if Existing Shares are held in certificated form, a certificate in respect of the Existing Shares which have not been cancelled; or
 - 2.12.2 if Existing Shares are held in uncertificated form (that is, in CREST), the transfer by the Receiving Agent by TFE Instruction of those Existing Shares which have not been cancelled to the original available balances or the credit of the balance of the Existing Shares which have not been cancelled by the Receiving Agent by an ARAN Message.
- 2.13** If a Qualifying Shareholder has tendered all of such shareholder's Existing Shares, then:
- 2.13.1 the validity of the tender shall not be affected by any alteration in the number of Existing Shares held by the Qualifying Shareholder at any time prior to the Record Date; and
 - 2.13.2 accordingly, the tender shall apply in respect of all of the Existing Shares which the Qualifying Shareholder holds immediately prior to the Record Date.
- 2.14** If a Qualifying Shareholder has tendered a specified number of Existing Shares and immediately prior to the Record Date the number of Existing Shares held by the Qualifying Shareholder:
- 2.14.1 exceeds the number of Existing Shares to which such tender relates, then the validity of the tender made by the Qualifying Shareholder shall not be affected by any alteration in the number of Existing Shares held by the Qualifying Shareholder at any time prior to the Record Date and any reduction in that holding shall be treated first as a disposal of those Existing Shares in respect of which no tender was made; or
 - 2.14.2 is less than the number of Existing Shares to which such tender relates, then such Qualifying Shareholder shall be treated as having tendered their entire holding of Existing Shares.
- 2.15** Further copies of the Tender Form may be obtained on request from the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.
- 2.16** All questions as to the number of Existing Shares tendered and the validity, form, eligibility (including the time of receipt and acceptance for payment of any tender of Existing Shares under the Tender Offer) will be determined by the Company in its sole discretion, which determination shall be final and binding on all parties (except as otherwise required under applicable law).

2.17 The failure of any person to receive a copy of this document or the Tender Form shall not invalidate any aspect of the Tender Offer. None of the Company, the Receiving Agent or any other person will incur any liability in respect of any person failing to receive this document and/or, for a person who holds their Existing Shares in certificated form, the Tender Form.

3 Procedure for tendering

3.1 Different procedures for certificated and uncertificated Existing Shares

If you hold Existing Shares in certificated form, you may tender such Existing Shares only by completing and returning the Tender Form in accordance with the instructions printed thereon and set out in paragraph 3.2 below. If you hold Existing Shares in certificated form, but under different designations, you should complete a separate Tender Form, as appropriate, in respect of each designation. Additional copies of the Tender Form can be obtained from the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If you hold Existing Shares in uncertificated form (that is, in CREST) you may only tender such Existing Shares by TTE Instruction in accordance with the procedure set out in paragraph 3.3 below and, if those Existing Shares are held under different member account IDs, you should send a separate TTE Instruction for each member account ID.

3.2 Existing Shares held in certificated form (that is, not in CREST)

To participate in the Tender Offer, Qualifying Shareholders holding Existing Shares in certificated form must complete, sign, have witnessed and return the Tender Form in accordance with these instructions and the instructions on the Tender Form.

Completed, signed and witnessed Tender Forms, together with the relevant valid share certificate(s) and/or other document(s) of title, should be sent either by post in the accompanying reply paid envelope (for use in the United Kingdom only) or (during normal business hours only) delivered by hand to the Receiving Agent at Capita Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU **as soon as possible and, in any event, so as to be received by no later than 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service)**. Tenders received after that time will be accepted only at the sole discretion of the Company. Any Tender Form received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to the Company or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid tender. For further information on “Overseas Shareholders”, see paragraph 6 below.

Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Existing Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed and signed Tender Form should be accompanied, where possible, by the relevant share certificate(s) and/or other document(s) of title.

If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above **so as to be received by the Receiving Agent, at Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service)** together with any share certificate(s) and/or document(s) of title that you may have available and a note of explanation stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. The relevant share certificate(s) and document(s) of title should be forwarded as soon as possible thereafter.

In respect of those Existing Shares for which your share certificate(s) is/are unavailable and you have been sent a Tender Form, a letter of indemnity can be obtained by writing to Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or contacting them on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m.,

Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. If a separate letter of indemnity is completed, this should be returned with the Tender Form as described above **so as to be received by the Receiving Agent at Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service)**. A fee may be payable by the Al Noor Shareholder in respect of each letter of indemnity.

Where you have returned a letter of indemnity in respect of unavailable share certificate(s) and you subsequently find or obtain the relevant share certificate(s), you should immediately send the certificates by post or (during normal business hours only) by hand to the Receiving Agent at the above address.

If you are in any doubt as to the procedure for acceptance, please telephone the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

3.3 Existing Shares in uncertificated form (that is, in CREST)

If your Existing Shares are in uncertificated form, to tender such shares under the Tender Offer you should take (or procure the taking of) the action set out below to transfer (by means of a TTE Instruction) the number of Existing Shares you wish to tender under the Tender Offer to the relevant escrow account specifying Capita Registrars Limited (in its capacity as a CREST Participant under the relevant Participant ID(s) and member account ID(s) referred to below) as the escrow agent, **as soon as possible and in any event so that the TTE Instruction settles by no later than 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service)**. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE Instructions accordingly.

The input and settlement of a TTE Instruction in accordance with this paragraph 3.3 shall constitute an offer to the Company to make eligible for cancellation in exchange for a sum of £8.32 per Existing Share cancelled pursuant to the terms of the Tender Offer the number of Existing Shares indicated by transferring such shares to the relevant escrow account as detailed below. This offer will become irrevocable and cannot be withdrawn after 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service).

If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Your CREST Sponsor will be able to confirm details of your Participant ID and the member account ID under which your Existing Shares are held. In addition, only your CREST Sponsor will be able to send the TTE Instruction to Euroclear in relation to the Existing Shares which you wish to tender. The Corporate Action Number is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

After settlement of the TTE Instruction, you will not be able to access in CREST the Existing Shares concerned for any transaction or charging purposes, notwithstanding that they will be held by Capita Registrars Limited as the escrow agent until completion or lapse of the Tender Offer.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined below. This can be downloaded off the Internet on the Euroclear website at www.euroclear.co.uk.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE Instruction relating to your Existing Shares to settle prior to 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service). You are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3.4 Electronic Tenders

To tender Existing Shares in uncertificated form you should send (or, if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) a TTE Instruction to Euroclear in relation to such Existing Shares.

The TTE Instruction must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- 3.4.1 the number of Existing Shares in respect of which you wish to tender and be transferred to the relevant escrow account;
- 3.4.2 your member account ID;
- 3.4.3 your Participant ID;
- 3.4.4 the Participant ID of Capita, in its capacity as a CREST receiving agent, which is RA10;
- 3.4.5 the member account ID of Capita, in its capacity as CREST receiving agent, which is 28696ANH;
- 3.4.6 the corporate action ISIN in respect of the Existing Shares, which is GB00B8HXBZ88;
- 3.4.7 the intended settlement date. This should be as soon as possible and, in any event, no later than 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service);
- 3.4.8 the contact name and telephone number inserted in the shared note field;
- 3.4.9 the corporate action number for the Tender Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- 3.4.10 input with a standard delivery instruction priority of 80.

The Company will make an appropriate announcement if any of the details contained in this paragraph relating to settlement in CREST are materially altered.

3.5 Deposits of Existing Shares into, and withdrawals of Existing Shares from, CREST

Normal CREST procedures (including timings) apply in relation to any Existing Shares that are, or are to be, converted from uncertificated to certificated form or vice versa during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Existing Shares or otherwise). Al Noor Shareholders who are proposing to convert any Existing Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Existing Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service).

3.6 Validity of tenders

3.6.1 Tender Forms

The Company reserves the right to treat as valid only Tender Forms which are received entirely in order by 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service) and which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Existing Shares tendered.

An appropriate announcement will be made if any of the details contained in this paragraph 3.6.1 are altered.

3.6.2 Validity of Electronic Tenders

A Tender Form which is received in respect of Existing Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Al Noor Shareholders holding Existing Shares in

uncertificated form who wish to tender such shares should note that a TTE Instruction will be a valid tender as at 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service) only if it has settled on or before 1:00 p.m. on that date.

An appropriate announcement will be made if any of the details contained in this paragraph 3.6.2 are altered.

3.6.3 General

Notwithstanding the completion of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse in accordance with the conditions set out above.

The decision of the Company as to which Existing Shares have been validly tendered shall be conclusive and binding on all Al Noor Shareholders.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for making an Electronic Tender please contact the Receiving Agent. You are reminded that, if you are a CREST Sponsored Member, you should contact your CREST Sponsor before taking any action.

Al Noor Shareholders should note that, once tendered, Existing Shares may not be sold, transferred, charged or otherwise disposed of.

4 Effect of Tender

4.1 Tender Forms

Each Al Noor Shareholder by whom or, as applicable, on whose behalf, a Tender Form is executed and lodged, including a Tender Form which is treated by the Company as valid, irrevocably undertakes, represents, warrants and agrees to and with the Company (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 4.1.1 the execution of the Tender Form shall constitute an offer to the Company to make such number of certificated Existing Shares as are inserted in Box 3 of the Tender Form eligible for cancellation by the Company on and subject to the terms and conditions of the Tender Offer set out or referred to in this document and the Tender Form and that, at 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service), such tender shall be irrevocable;
- 4.1.2 such Al Noor Shareholder has full power and authority to tender for cancellation the Existing Shares in respect of which such offer is accepted (together with all rights attaching thereto) and the Al Noor Shareholder holds such shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third-party rights of any nature and together with all rights attaching thereto, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 4.1.3 such execution and lodgement, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of the Company as such Al Noor Shareholder's attorney and/or agent ("**Attorney**"), and an irrevocable instruction to the Attorney to:
 - (a) complete and execute any and all instruments of transfer and/or other documents or forms and take any and all actions which are necessary or, in such Attorney's absolute discretion deemed necessary, in relation to the Existing Shares referred to in sub-paragraph (a) above for the cancellation of such Shares; and
 - (b) do all such other acts and things as may in the opinion of such Attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer;
- 4.1.4 such Al Noor Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Company and/or the Receiving Agent or any of their respective directors or officers or any person nominated by the Company or the Receiving Agent or any of their respective directors or officers in the proper exercise of their respective powers and/or authorities hereunder;
- 4.1.5 such Al Noor Shareholder holding Existing Shares in certificated form will deliver to the Receiving Agent his share certificate(s) and/or other document(s) of title in respect of the

Existing Shares referred to in paragraph 4.1.1 above, or an indemnity acceptable to the Company in lieu thereof, or will procure the delivery of such document(s) to such person(s) as soon as possible thereafter and, in any event, by no later than 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service);

- 4.1.6 the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 4.1.7 such Al Noor Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable, in each case in order to complete the cancellation of the Existing Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 4.1.8 such Al Noor Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in acting in breach of any applicable legal or regulatory requirement in respect of the cancellation by the Company of the Existing Shares tendered by it under the Tender Offer;
- 4.1.9 such Al Noor Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction; that neither this document nor the Tender Form has been mailed or otherwise sent in, into or from a Restricted Jurisdiction and such Al Noor Shareholder is accepting the Tender Offer from outside a Restricted Jurisdiction;
- 4.1.10 its offer to make its Existing Shares eligible for cancellation by the Company and any acceptance thereof will not be unlawful under the laws of any jurisdiction;
- 4.1.11 the despatch of a cheque to a Shareholder as referred to in paragraph 5.1 of this Part IX headed "Settlement", will discharge fully any obligation of the Company to pay such Al Noor Shareholder the consideration to which he is entitled under the Tender Offer;
- 4.1.12 on execution a Tender Form takes effect as a deed;
- 4.1.13 the execution of a Tender Form constitutes such Al Noor Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form;
- 4.1.14 the execution of the Tender Form constitutes a warranty by such Al Noor Shareholder that the information given by or on behalf of the Al Noor Shareholder in the Tender Form will be true in all respects at the time the Company cancels the Existing Shares referred to in paragraph 4.1.1 above as if it had been given afresh at such time and shall not be extinguished by such cancellation; and
- 4.1.15 if the appointment of attorney and/or agent provision under paragraph 4.1.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of the Company the benefit or authority expressed to be given therein, the Al Noor Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Company to secure the full benefits of paragraph 4.1.3 above.

A reference in this paragraph to a shareholder includes a reference to the person or persons executing a Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph will apply to them jointly and severally.

4.2 Electronic Tenders

Each Al Noor Shareholder by whom, or on whose behalf, a TTE Instruction which is treated by the Company as valid is made irrevocably undertakes, represents, warrants and agrees to and with the Company (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 4.2.1 the input of the TTE Instruction shall constitute an offer to make such number of Existing Shares as are specified in the TTE Instruction eligible for cancellation by the Company on and subject to the terms and conditions set out or referred to in this document and the TTE Instruction and that, at 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service), such tender shall be irrevocable;
- 4.2.2 such Al Noor Shareholder has full power and authority to tender for cancellation the Existing Shares in respect of which the Tender Offer is accepted (together with all rights attaching thereto) and the Al Noor Shareholder holds such shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third-party rights of any nature and together with all rights attaching thereto, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 4.2.3 the input of the TTE Instruction, will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of the Company as such Al Noor Shareholder's agent ("**Agent**"), and an irrevocable instruction and authority to the Agent to complete and execute all or any instruments of transfer and/or other documents or input any instructions into Euroclear at the Agent's discretion in relation to the Existing Shares referred to in paragraph 4.2.1 above for cancellation of such Shares and to do all such other acts and things as may in the opinion of such Agent be necessary or expedient for the purpose of, or in connection with, the Tender Offer;
- 4.2.4 such Al Noor Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Company and/or the Receiving Agent or any of their respective directors or officers or any person nominated by the Company or the Receiving Agent of any of their respective directors or officers in the proper exercise of their respective powers and/or authorities hereunder;
- 4.2.5 if, for any reason, any Existing Shares in respect of which a TTE Instruction has been made are, prior to 1:00 p.m. on 5 February 2016 (or such later date and time (if any) as the Company may announce through a Regulatory Information Service), converted into certificated form, the Electronic Tender in respect of such Existing Shares shall cease to be valid and the Al Noor Shareholder will need to comply with the procedures for tendering Existing Shares in certificated form as set out in this Part IX in respect of the Existing Shares so converted, if he wishes to make a valid tender of such Existing Shares pursuant to the Tender Offer;
- 4.2.6 such Al Noor Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable, in each case in order to complete the cancellation of the Existing Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 4.2.7 such Al Noor Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents, complied with all applicable formalities, that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in the Company acting in breach of any applicable legal or regulatory requirement in respect of the cancellation by the Company of the Existing Shares tendered by him under the Tender Offer;
- 4.2.8 its offer to make its Existing Shares eligible for cancellation by the Company and any acceptance thereof will not be unlawful under the laws of any jurisdiction;
- 4.2.9 such Al Noor Shareholder has not received or sent copies or originals of this document or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction; that the TTE Instruction has not been sent from a Restricted Jurisdiction and

such Al Noor Shareholder is accepting the Tender Offer from outside a Restricted Jurisdiction;

- 4.2.10 the creation of a payment obligation in favour of such Al Noor Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 5 of this Part IX headed "Settlement" will discharge fully any obligation of the Company to pay to such Al Noor Shareholder the consideration to which he is entitled under the Tender Offer;
- 4.2.11 the input of the TTE Instruction constitutes such Al Noor Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer; and
- 4.2.12 if the appointment of agent provision under paragraph 4.2.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of the Company the benefit or authority expressed to be given therein, the Al Noor Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Company to secure the full benefits of paragraph 4.2.3 above.

5 Settlement

Settlement of the consideration to which any Al Noor Shareholder is entitled pursuant to valid tenders accepted by the Company will be made by the dispatch of cheques or CREST messages as follows:

5.1 Existing Shares in certificated form

where an accepted tender relates to Existing Shares held in certificated form, cheques for the consideration due will be despatched by the Receiving Agent (on behalf of the Company) by no later than 14 calendar days after the Second Reduction of Capital becomes effective by first class post to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in section 1 or 6 of the Tender Form or, if none is set out, to the registered address of the tendering Al Noor Shareholder or, in the case of joint holders, the registered address of the first named Al Noor Shareholder. All payments will be made in pounds sterling by cheque, drawn on a branch of a UK clearing bank; and

5.2 Existing Shares in uncertificated form (that is in CREST)

where an accepted tender relates to Existing Shares held by Al Noor Shareholders in uncertificated form, the consideration due will be paid by no later than 14 calendar days after the Second Reduction of Capital becomes effective through CREST by the Receiving Agent (on behalf of the Company) procuring the creation of a payment obligation in favour of the payment banks of tendering Al Noor Shareholders in accordance with the CREST payment arrangements.

6 Overseas Shareholders

- 6.1 Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- 6.2 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom or to custodians, nominees or trustees for citizens, residents or nationals of other countries may be prohibited or affected by the laws of the relevant jurisdiction. Al Noor Shareholders who are not citizens or nationals of, or resident in, the United Kingdom, or who are custodians, nominees or trustees for citizens, residents or nationals of countries outside the United Kingdom, should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for any taxes or other requisite payments by whomsoever payable and the Company and Capita and any person acting on their behalf shall be fully indemnified and held harmless by such Al Noor Shareholder on an after-tax basis for any such taxes or other requisite payments such person may be required to pay. **No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Form in any territory outside the United Kingdom.**

- 6.3** In particular, the Tender Offer is not being made directly or indirectly in, into or from or by use of the mail or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction.
- 6.4** Accordingly, copies of this document, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into, or from a Restricted Jurisdiction, including to Al Noor Shareholders with registered addresses in a Restricted Jurisdiction, or to persons who are custodians, nominees or trustees holding Existing Shares for persons in a Restricted Jurisdiction.
- 6.5** Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing a Tender Form should not be postmarked in or otherwise despatched from a Restricted Jurisdiction and all accepting Shareholders must provide addresses outside a Restricted Jurisdiction for the remittance of cash or return of Tender Forms and share certificates.
- 6.6** If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or any facility of a national securities exchange of, a Restricted Jurisdiction in connection with such forwarding, such persons should:
- 6.6.1 inform the recipient of such fact;
 - 6.6.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - 6.6.3 draw the attention of the recipient to this section of this document.
- 6.7** The provisions of this paragraph and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company in its absolute discretion, but only if the Company is satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law. Subject to this, the provisions of this paragraph headed “Overseas Shareholders” supersede any terms of the Tender Offer inconsistent therewith.
- 6.8** References to a Shareholder shall include references to the persons executing a Tender Form and in the event of more than one person executing Tender Forms, the provisions of this paragraph shall apply to them jointly and severally.
- 6.9** This document does not constitute an offer to purchase, or solicitation of an offer to sell, Shares in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws.

United States

- 6.10** The Tender Offer relates to securities of a non-U.S. company that is subject to the disclosure requirements, rules and practices applicable to companies listed in the UK, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with English law and the Listing Rules, and U.S. Shareholders should read this entire document. The Tender Offer is not subject to or is exempt from the disclosure and procedural requirements of Regulation 14D under the Exchange Act. The Tender Offer will be made in the United States in accordance with the requirements of Regulation 14E under the Exchange Act to the extent applicable. U.S. Shareholders should note that the Shares are not listed on a U.S. securities exchange and the Company is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the SEC thereunder.
- 6.11** The Tender Offer has not been approved by the SEC or by the securities regulatory authority of any state or of any other United States jurisdiction, nor has the SEC or any such securities regulatory authority passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

PART X TAXATION

1 Overview

The taxation summary below is prepared on the basis that the Company is and remains resident in the United Kingdom for United Kingdom tax purposes.

2 United Kingdom Taxation

The comments set out below are based on current United Kingdom tax law and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They are not comprehensive and intended as a general guide and apply only to shareholders of the Company resident and, in the case of an individual, domiciled for tax purposes in the United Kingdom and to whom “split year” treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold shares in the Company as an investment and who are the absolute beneficial owners thereof. Certain categories of shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefitting from certain reliefs or exemptions, those connected with the Company or Group and those for whom the shares are employment related securities may be subject to special rules and this summary does not apply to such shareholders.

Shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

2.1 The Special Dividend

The Company will not be required to withhold amounts on account of United Kingdom tax at source when paying the Special Dividend.

A United Kingdom resident individual Al Noor Shareholder who receives the Special Dividend will generally be entitled to a tax credit which may be set off against the Al Noor Shareholder's total income tax liability. The tax credit will be equal to 10 per cent. of the aggregate of the Special Dividend and the tax credit (the “**gross dividend**”), which is also equal to one-ninth of the cash dividend received. Such an individual Al Noor Shareholder who is liable to income tax at the basic rate will be subject to tax on the Special Dividend at the rate of 10 per cent. (for tax year 2015/2016) of the gross dividend, so that the tax credit will satisfy in full such Al Noor Shareholder's liability to income tax on the Special Dividend. In the case of such an individual Al Noor Shareholder who is liable to income tax at the higher rate, the tax credit will be set against but not fully match the Al Noor Shareholder's tax liability on the gross dividend and such Al Noor Shareholder will have to account for additional income tax equal to 22.5 per cent. of the gross dividend (which is also equal to 25 per cent. of the cash dividend received) to the extent that the gross dividend when treated as the top slice of the Al Noor Shareholder's income falls above the threshold for higher rate income tax. In the case of such an individual Al Noor Shareholder who is subject to income tax at the additional rate, the tax credit will also be set against but not fully match the Al Noor Shareholder's liability on the gross dividend and such Al Noor Shareholder will have to account for additional income tax equal to 27.5 per cent. of the gross dividend (which is also equal to approximately 30.6 per cent. of the cash dividend received) to the extent that the gross dividend when treated as the top slice of the Al Noor Shareholder's income falls above the threshold for additional rate income tax.

A United Kingdom resident individual Al Noor Shareholder who is not liable to income tax in respect of the gross dividend and other United Kingdom resident taxpayers who are not liable to United Kingdom tax on dividends will not be entitled to the tax credit attaching to the Special Dividend paid by the Company (and accordingly will not be entitled to claim repayment of the tax credit).

Al Noor Shareholders who are within the charge to corporation tax will be subject to corporation tax (at the rate of 20 per cent. for tax year 2015/2016) on the Special Dividend, unless (subject to special rules for such Al Noor Shareholders that are small companies) the Special Dividend falls within an exempt class and certain other conditions are met. Each Al Noor Shareholder's position will depend on its own individual circumstances, although it would be expected that the Special Dividend would fall within an exempt class for most Al Noor Shareholders within the charge to corporation tax.

The issue and cancellation of the Class A Shares in connection with the First Reduction of Capital (for the purpose of creating distributable reserves to pay the Special Dividend) should be treated as a reorganisation of share capital for tax purposes. Accordingly, Al Noor Shareholders should not be treated

as making a disposal in respect of the First Reduction of Capital and therefore Al Noor Shareholders who are resident for tax purposes in the United Kingdom should not be subject to United Kingdom taxation on chargeable or capital gains. The First Reduction of Capital should also not result in any reduction in an Al Noor Shareholder's base cost in their Existing Shares for the purpose of calculating any United Kingdom taxation on chargeable or capital gains or losses on a future disposal of those Existing Shares (including in relation to the Tender Offer).

Non-United Kingdom resident Al Noor Shareholders will not generally be able to claim repayment from HM Revenue & Customs of any part of the tax credit attaching to the Special Dividend. An Al Noor Shareholder resident outside the United Kingdom may also be subject to foreign taxation on the Special Dividend under local law. Al Noor Shareholders who are not resident for tax purposes in the United Kingdom should obtain their own tax advice concerning tax liabilities on the Special Dividend.

2.2 The Tender Offer

The Company will not be required to withhold amounts on account of United Kingdom tax at source when making payment to Al Noor Shareholders in respect of the cancellation of Existing Shares tendered pursuant to the Tender Offer.

The cash payment received in respect of the cancellation of Existing Shares tendered pursuant to the Tender Offer will be treated in part as an income distribution (the “**Distribution Element**”) for United Kingdom tax purposes. The amount of the Distribution Element per Existing Share cancelled should (broadly) equal the amount by which the cash payment for the cancellation exceeds the amount originally subscribed for the share (including any premium). The amount originally subscribed which is taken into account in computing the Distribution Element may be different from the amount paid by an Al Noor Shareholder to acquire his or her Existing Shares. The Company considers that the Distribution Element should be in the region of £2.57 per Existing Share cancelled (the cash of £8.32 payable in respect of the cancellation less the price of £5.75 at which shares were placed on the IPO in 2013), although the precise amount of the Distribution Element will depend on the number of shares issued pursuant to the exercise of outstanding awards pursuant to the Al Noor Employee Shares Plans.

The United Kingdom tax treatment of the Distribution Element will be the same as for the Special Dividend, as described above.

Al Noor Shareholders who are resident in the United Kingdom, or, in the case of individuals, who cease to be resident in the United Kingdom for a period of five years or less, may, depending on their circumstances (including the availability of exemptions or reliefs), also be liable to United Kingdom taxation on chargeable gains in respect of gains arising on the cancellation of Existing Shares tendered pursuant to the Tender Offer.

In the case of Al Noor Shareholders who are individuals, in calculating any chargeable gain or loss, the disposal proceeds will be reduced by the Distribution Element where such an Al Noor Shareholder is within the charge to United Kingdom income tax in respect of the Distribution Element.

In the case of Al Noor Shareholders who are within the charge to corporation tax, in calculating any chargeable gain or loss, the disposal proceeds will only reduce by the amount of the Distribution Element to the extent that the Al Noor Shareholder is charged to corporation tax in respect of the Distribution Element by virtue of it not falling within an exempt class.

In calculating any chargeable gain or loss in the case of an Al Noor Shareholder who disposes of some but not all of their Existing Shares pursuant to the Tender Offer, a proportion of the Al Noor Shareholder's base cost in their Existing Shares will be allocated to the shares disposed of pursuant to the Tender Offer. This proportion will equal the proportion that the consideration for the disposal (determined as described above) comprises of the aggregate of the consideration for the disposal and the market value of the retained shares.

Al Noor Shareholders who require further assistance in completing a United Kingdom tax assessment in respect of amounts received under the Tender Offer should contact the Company.

2.3 Transactions in Securities Rules

It is not expected that the tax treatment described above should be impacted by the transactions in securities anti-avoidance provisions in Part 15 of the Corporation Tax Act 2010 and Chapter 1, Part 13 of Income Tax Act 2007. However, the Company has not applied for advance clearance under Section 748 of

the Corporation Tax Act 2010 or Section 701 of the Income Tax Act 2007 in respect of the application of those provisions.

2.4 Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

No stamp duty or SDRT should be payable by Al Noor Shareholders in respect of the Special Dividend or the Tender Offer.

2.5 Ongoing Tax Treatment Following Combination

The ongoing United Kingdom tax consequences relating to an investment in the Shares following the Combination is set out in Part A of Part 19 (*Taxation*) of the Prospectus, which is incorporated by reference into this document.

3 United States Taxation

The following is a summary of certain U.S. federal income tax consequences to U.S. Holders (as defined below) of receipt of the Special Dividend and the tender of their Existing Shares pursuant to the Tender Offer. This summary deals only with U.S. Holders who hold their Existing Shares as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, particular investors (including consequences under the alternative minimum tax or the Medicare tax on net investment income), and does not address state, local, non-U.S. or other tax laws. This summary also does not address tax considerations applicable to investors that own (directly, indirectly, or by attribution) 5 per cent. or more of the voting stock of the Company, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that hold their Existing Shares as part of a straddle, hedging or conversion transaction for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Existing Shares in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar).

As used herein, the term “**U.S. Holder**” means a beneficial owner of Existing Shares that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Existing Shares will depend on the status of the partner and the activities of the partnership. Entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of the receipt of the Special Dividend and the tender of Existing Shares pursuant to the Tender Offer.

Except as otherwise noted, the summary assumes that the Company is not and has never been a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes. If the Company is a PFIC or was a PFIC in any year during a U.S. Holder’s holding period, materially adverse consequences could result for U.S. Holders.

The summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the “**Code**”), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. IT IS NOT INTENDED TO BE RELIED UPON FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE CODE. ALL U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO

THEM OF PARTICIPATING IN THE SPECIAL DIVIDEND AND TENDER OFFER, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

3.1 Special Dividend

3.1.1 In general

Amounts received by U.S. Holders with respect to the Special Dividend will be treated as a distribution paid by the Company. To the extent the Special Dividend is paid out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), the Special Dividend generally will be taxable to a U.S. Holder as dividend income. To the extent the Special Dividend is in excess of current and accumulated earnings and profits, it will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the Existing Shares and thereafter as capital gain. However, the Company does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. Therefore, U.S. Holders should assume that the entire amount of the Special Dividend will be reported as ordinary dividend income.

The Special Dividend will be treated as foreign source dividend income to a U.S. Holder and will not be eligible for the dividends received deduction generally allowed to US corporations under the Code. The Special Dividend will be taxable to a non-corporate U.S. Holder at the special reduced rate normally applicable to long-term capital gains, provided the Company qualifies for the benefits of the Treaty and certain other requirements are met.

Although there is no law that clearly addresses the treatment for U.S. federal income tax purposes of the issue and cancellation of the Class A Shares in connection with the First Reduction of Capital (for the purpose of creating distributable reserves under U.K. law to pay the Special Dividend), the Company believes that U.S. Holders should not include any amount in income as a result of the issue and cancellation of the Class A Shares and such issue and cancellation should not otherwise affect the treatment of the Special Dividend described herein or the Tender Offer described below. U.S. Holders should consult their own tax advisors concerning the treatment of the issue and cancellation of the Class A Shares in connection with the First Reduction of Capital.

3.1.2 Foreign currency dividends

The Special Dividend will be included in income in a USD amount calculated by reference to the exchange rate in effect on the day the dividend is received by the U.S. Holder, regardless of whether the GBP are converted into USD at that time. If the GBP are converted into USD on the day the Special Dividend is received, the U.S. Holder generally will not be required to recognise foreign currency gain or loss.

3.2 Tender Offer

3.2.1 In general

The tender of Existing Shares and receipt of cash by U.S. Holders pursuant to the Tender Offer will likely be treated for U.S. federal income tax purposes as a redemption of the tendered shares by the Company. For U.S. federal income tax purposes, the amount received in redemption of the tendered shares is the amount received by the tendering shareholders net of the Special Dividend, treatment of which is discussed above under "Special Dividend". A redemption of shares is treated for U.S. federal income tax purposes as either (i) a sale or an exchange of such shares or (ii) a distribution in respect of shares held by such holder.

Under section 302 of the Code, and as relevant here, a U.S. Holder whose Existing Shares are tendered pursuant to the Tender Offer will be treated as having sold those Existing Shares if the purchase:

- is "not essentially equivalent to a dividend" with respect to the U.S. Holder;
- results in a "substantially disproportionate" redemption with respect to the U.S. Holder; or
- results in a "complete termination" of the U.S. Holder's equity interest in the Company.

Each of these tests (collectively the "**Section 302 Tests**"), and the consequences of satisfying any of them, is explained in more detail below.

3.2.2 Treatment of the Tender Offer as a sale or exchange

If a U.S. Holder satisfies any of the Section 302 Tests explained below, the U.S. Holder will be treated as if it sold its Existing Shares and will recognize U.S. source capital gain or loss equal to the difference between the amount realised pursuant to the Tender Offer (not including the amount received with respect to the Special Dividend) and the U.S. Holder's adjusted tax basis in the Existing Shares surrendered. This gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period for the Existing Shares that were surrendered exceeds one year as of the date of purchase under the Tender Offer. Specified limitations apply to the deductibility of capital losses by U.S. Holders. However, regardless of a U.S. Holder's actual holding period, any loss may be long-term capital loss to the extent of any dividends received by such U.S. Holder that qualify for the reduced rate described above under "Special Dividend—In general", and exceeds 10 per cent. of such U.S. Holder's basis in its Existing Shares.

Gain or loss must be determined separately for each block of Existing Shares (Existing Shares acquired at the same cost in a single transaction) that is surrendered by a U.S. Holder pursuant to the Tender Offer. A U.S. Holder may be able to designate, generally through its broker, which blocks of Existing Shares it wishes to tender under the Tender Offer if fewer than all of its Existing Shares are tendered under the Tender Offer, and the order in which different blocks will be tendered in the event of a pro-rata under the Tender Offer. U.S. Holders should consult their own tax advisors concerning the mechanics and desirability of that designation.

The amount realised pursuant to the Tender Offer will be the USD value of the amount in GBP received pursuant to the Tender Offer (not including the amount received with respect to the Special Dividend) on the date its Existing Shares are accepted for tender by the Company. On the settlement date, the U.S. Holder generally will recognise U.S. source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the USD value of the amount received based on the exchange rates in effect on the date its Existing Shares are accepted for tender by the Company and the settlement date. However, if the Existing Shares are treated as traded on an established securities market, the amount realised by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), will be based on the exchange rate in effect on the settlement date, and no exchange gain or loss will be recognised at that time. Any such election by an accrual basis U.S. Holder will apply for the taxable year in which it is made and all subsequent taxable years, unless revoked with the consent of the Internal Revenue Service ("IRS").

3.2.3 Treatment of Tender Offer as a distribution

If a U.S. Holder does not satisfy any of the Section 302 Tests explained below, the tender of the U.S. Holder's Existing Shares pursuant to the Tender Offer will not be treated as a sale or exchange. Instead, the entire amount received by the U.S. Holder with respect to the tender of its Existing Shares pursuant to the Tender Offer will be treated as a distribution described above under "Special Dividend". U.S. Holders should therefore assume that, if they do not satisfy any of the Section 302 Tests explained below, any distribution received with respect to the tender of the U.S. Holder's Existing Shares pursuant to the Tender Offer will constitute ordinary dividend income. To the extent that the tender of a U.S. Holder's Existing Shares pursuant to the Tender Offer is treated as the receipt by the U.S. Holder of a dividend, the U.S. Holder's remaining adjusted tax basis in the tendered shares will be added to the basis of any Existing Shares retained by the U.S. Holder. U.S. Holders should consult their own tax advisors about the treatment of any remaining adjusted tax basis in the tendered shares.

3.2.4 Section 302 Tests

One of the following tests must be satisfied in order for a U.S. Holder's tender of Existing Shares pursuant to the Tender Offer to be treated as a sale or exchange for U.S. federal income tax purposes:

Not Essentially Equivalent to a Dividend Test. The tender of a U.S. Holder's Existing Shares pursuant to the Tender Offer will be treated as "not essentially equivalent to a dividend" if the tender results in a meaningful reduction of such U.S. Holder's proportionate interest in the Company. Whether the receipt of cash by a U.S. Holder who tenders Existing Shares pursuant to the Tender Offer will be "not essentially equivalent to a dividend" will depend upon the U.S. Holder's particular facts and circumstances.

The IRS has indicated in a published revenue ruling that even a small reduction in the percentage interest of a holder whose relative equity interest in a publicly held corporation is minimal (for

example, an interest that represents a small fraction of 1 per cent.) and who exercises no control over corporate affairs should constitute a “meaningful reduction”. U.S. Holders should consult their own tax advisors as to the application of this test in their particular circumstances.

Substantially Disproportionate Test. Generally, the tender of a U.S. Holder’s Existing Shares pursuant to the Tender Offer will result in a “substantially disproportionate” redemption with respect to the U.S. Holder if the percentage of the total outstanding Shares actually and constructively owned by the U.S. Holder immediately after completion of the Tender Offer is less than 80 per cent. of the percentage of the Existing Shares actually and constructively owned by the U.S. Holder immediately before the Tender Offer.

Complete Termination Test. The tender of a U.S. Holder’s Existing Shares pursuant to the Tender Offer will result in a “complete termination” of the U.S. Holder’s equity interest in the Company if all of the Existing Shares that are actually or constructively owned by the U.S. Holder are sold pursuant to the Tender Offer or, with respect to Existing Shares owned by certain related individuals, the U.S. Holder is entitled to and effectively waives attribution of the Existing Shares that otherwise would be considered as constructively owned by the U.S. Holder. U.S. Holders wishing to satisfy the “complete termination” test through waiver of the constructive ownership rules should consult their own tax advisors.

3.2.5 Constructive ownership of Shares

In applying each of the Section 302 Tests explained above, U.S. Holders must take into account not only Shares that they actually own but also Shares they are treated as owning under the constructive ownership rules of the Code. Under the constructive ownership rules, a U.S. Holder is treated as owning any Shares that are owned (actually and in some cases constructively) by certain related individuals and entities as well as Shares that the U.S. Holder has the right to acquire by exercise of an option or by conversion or exchange of a security.

U.S. Holders should be aware that acquisitions or dispositions of Shares as part of a plan that includes the U.S. Holder’s sale of Existing Shares pursuant to the Tender Offer and the issuance of New Shares pursuant to the Mediclinic Scheme and Remgro Subscription may need to be taken into account in determining whether any of the Section 302 Tests are satisfied. U.S. Holders should also be aware that their ability to satisfy any of the Section 302 Tests may be affected by proration pursuant to the Tender Offer. Due to the factual nature of these tests, U.S. Holders should consult their own tax advisors to determine whether a tender of Existing Shares pursuant to the Tender Offer qualifies for sale or exchange treatment under these tests in light of their particular circumstances.

3.2.6 Oversubscription

The Company cannot predict whether or the extent to which the Tender Offer will be oversubscribed. If the Tender Offer is oversubscribed, proration of tenders pursuant to the Tender Offer will cause the Company to accept fewer Existing Shares than are tendered. Therefore, no assurance can be given that a sufficient number of a U.S. Holder’s Existing Shares will be purchased pursuant to the Tender Offer to ensure that the U.S. Holder receives sale or exchange treatment, rather than dividend treatment, for US federal income tax purposes under the rules discussed above.

3.3 Passive foreign investment company considerations

A foreign corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable “look-through rules,” either (i) at least 75 per cent. of its gross income is “passive income” or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. The Company does not believe that it should be treated as a PFIC for U.S. federal income tax purposes for the current taxable year or the preceding year.

If the Company is a PFIC or was a PFIC at any time in a U.S. Holder’s holding period, U.S. Holders of Shares would be required (i) to pay a special U.S. addition to tax on the Special Dividend and the Tender Offer Proceeds and (ii) to pay tax on any gain from the Tender Offer at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain. Additionally, amounts treated as dividends paid by the Company would not be eligible for the reduced rate of tax described above under “Special Dividend—In general”. Shareholders should consult their tax advisers regarding the potential application of the PFIC regime.

3.4 Information reporting and backup withholding

Payments made with respect to the Special Dividend and the Tender Offer by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding, the procedure for obtaining an exemption, and any other reporting obligations that may apply to the ownership or disposition of Shares, including requirements related to the holding of certain foreign financial assets.

3.5 Ongoing tax treatment following the Combination

The ongoing U.S. federal income tax consequences relating to an investment in the Shares following the Combination is set out in Part B of Part 19 (Taxation) of the Prospectus, which is incorporated by reference into this document.

PART XI ADDITIONAL INFORMATION

1 Responsibility

The Company and the Al Noor Directors, whose names are set out in paragraph 3 of this Part XI (*Additional Information*), accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Al Noor Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 Al Noor

The Company was incorporated and registered in England and Wales on 20 December 2012 as a public company limited by shares under the UK Companies Act under the name “Al Noor Hospitals PLC”, with registered number 08338604. The Company was renamed “Al Noor Hospitals Group plc” on 21 June 2013. Upon Completion, the Company will be renamed “Mediclinic International plc”. The Company has a premium listing on the Official List maintained by the Financial Conduct Authority and is admitted to trading on the main market for listed securities of the London Stock Exchange. The shares of Al Noor are quoted on the London Stock Exchange with International Securities Identification Number GB00B8HX8Z88.

The registered office of the Company is 1st Floor, 40 Dukes Place, London, EC3A 7NH. The principal place of business of the Company is Khalifa Street, Abu Dhabi, United Arab Emirates 46713.

3 Directors

The Al Noor Directors and their current functions in Al Noor, as at the date of this document, are as follows:

<u>Name of Al Noor Director</u>	<u>Position</u>	<u>Date appointed to the Al Noor Board</u>
Ian Tyler	Chairman ⁽¹⁾	5 June 2013
Dr. Kassem Alom	Founder and Deputy Chairman	5 June 2013
Seamus Keating	Senior Independent Director ⁽¹⁾	5 June 2013
Ronald Lavater	Chief Executive Officer	1 October 2014
Sheikh Mansoor Bin Butti Al Hamed . . .	Non-Executive Director	5 June 2013
Ahmad Nimer	Non-Executive Director	5 June 2013
William J. Ward	Independent Non-Executive Director ⁽¹⁾	5 June 2013
Mubarak Matar Al Hamiri	Independent Non-Executive Director ⁽¹⁾	5 June 2013
William S. Ward	Independent Non-Executive Director ⁽¹⁾	7 November 2013

Note:

(1) Independent Director.

4 Interests and dealings

(a) Definitions

For the purposes of this paragraph 4:

- (i) “**acting in concert**” has the meaning given to it in the City Code;
- (ii) “**dealing**” or “**dealt**” includes the following:
 - (1) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities or of general control of securities;

- (2) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
 - (3) subscribing or agreeing to subscribe for relevant securities;
 - (4) the exercise or conversion, whether in respect of new or existing securities, of any relevant securities carrying conversion or subscription rights;
 - (5) the acquisition or, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
 - (6) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
 - (7) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (iii) **“Disclosure Period”** means the 12 months prior to close of business on 17 November 2015 (being the latest practicable date prior to the publication of this document);
- (iv) **“derivative”** includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
- (v) **“Financial Collateral Arrangement”** means an arrangement of the kind referred to in Note 4 on Rule 4.6 of the City Code;
- (vi) **“relevant securities”** includes: (1) Company Shares and any other securities of Company conferring voting rights; (2) equity share capital of Company; and (3) any securities convertible into or rights to subscribe for the securities of Company, described in (1) and (2) above and securities convertible into, rights to subscribe or, options (including traded options) in respect of and derivatives referenced to any of the foregoing;
- (vii) **“short position”** means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; and
- (viii) a person is treated as **“interested”** in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as **“interested”** in securities if:
- (1) he owns them;
 - (2) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
 - (3) by virtue of any agreement to purchase, option or derivative, he:
 - (a) has the right or option to acquire them or call for their delivery; or
 - (b) is under an obligation to take delivery of them,
 whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (4) he is a party to any derivative:
 - (a) whose value is determined by reference to their price; and
 - (b) which results, or may result, in his having a long position in them.

(b) Interests in relevant securities

As at the close of business on 17 November 2015 (the latest practicable date prior to the publication of this document):

- (i) the interests, right to subscribe in or short positions of relevant securities of Al Noor held by the Al Noor Directors were as follows:

Name	Nature of interest or rights concerned ⁽¹⁾	Number of Company Shares
Ian Tyler	Entitled to shares with an aggregate value (net of tax) of £50,000 at £5.75 per share (being the IPO price) on the third anniversary of appointment to the board of directors subject to certain conditions	None granted but entitled to shares with an aggregate value of £50,000 at £5.75 per share subject to conditions
Dr. Kassem Alom	Held by Maksar Investments Ltd with Kassem Alom as beneficial owner	7,055,946
Ronald Lavater	2015 grant of LTIP (originally due to vest on 28 April 2018)	97,398
	2014 grant of LTIP (originally due to vest on 25 November 2017)	20,978
	2014 grant of DABP (50% originally due to vest on 28 April 2016, and 50% originally due to vest in 28 April 2017)	1,231
Seamus Keating	NIL	NIL
Ahmad Nimer ⁽²⁾	NIL	NIL
William J Ward	NIL	NIL
William S Ward	NIL	NIL
Mubarak Matar Al Hamiri	NIL	NIL
Sheikh Mansoor Bin Butti Al Hamed ⁽²⁾	NIL	NIL

Notes:

(1) Nature of interests or rights concerned and whether short position, option etc.

(2) Representative of Sheikh Mohammed Bin Butti Al Hamed, who is the beneficial owner of 33,018,320 Company Shares held by Sapor Business Corp.

- (ii) the interests, right to subscribe in or short positions of relevant securities of the Company held by any person acting in concert with the Company, were as follows:

Name	Nature of interest or rights concerned ⁽¹⁾	Number of Company Shares
Georges Feghali	2015 grant of LTIP (originally due to vest on 28 April 2018)	17,624
Elhadi Hassan	2013 grant of LTIP (50% due to vest on 31 December 2015 subject to performance and 50% due to vest on 31 December 2015)	4,193

Name	Nature of interest or rights concerned ⁽¹⁾	Number of Company Shares
Sami Alom (son of Kassem Alom)	2013 grant of LTIP (50% due to vest on 31 December 2015 subject to performance and 50% due to vest on 31 December 2016)	85,030
	2014 grant of LTIP (originally due to vest on 14 August 2017)	8,797
	2014 grant of 2015 DAB (50% originally due to vest on 28 April 2016 and 50% originally due to vest on 28 April 2017)	1,014
	2015 grant of LTIP (originally due to vest on 28 April 2018)	11,464
Sara Alom (daughter of Kassem Alom)	2013 grant of LTIP (50% due to vest on 31 December 2015 subject to performance and 50% due to vest on 31 December 2015)	4,194
Ali Alom (nephew of Kassem Alom)	2013 grant of LTIP (50% due to vest on 31 December 2015 subject to performance and 50% due to vest on 31 December 2015)	None granted but is due to receive cash equivalent of 2,267.00 at £11.96 at the time of completion of the Combination

Note:

(1) Nature of interests or rights concerned and whether short position, option etc.

(c) Interests and Dealings—General

Save as disclosed in this document, as at the close of business on 17 November 2015 (being the latest practicable date prior to publication of this document):

(i) none of:

(a) the Al Noor Directors or their respective related parties; nor

(b) any person acting in concert with Company;

had an interest in, a right to subscribe in respect of, or any short position in relation to Company relevant securities;

(ii) none of Company or the Al Noor Directors had an interest in, a right to subscribe in respect of, or any short position in relation to relevant securities of Remgro;

(iii) none of Company or any person acting in concert with Company has borrowed or lent any Company relevant securities (including for these purposes any Financial Collateral Arrangements) during the Disclosure Period, save for any borrowed shares which have been either on-lent or sold; and

(iv) there were no dealings (including borrowing or lending) for value in Remgro securities by any of the Company, its directors or any person acting in concert with the Company which took place in the period beginning 12 months preceding the date of this document and ending 17 November 2015 being the latest practicable date prior to the publication of this document.

5 Middle Market Quotations

Set out below are the closing middle-market quotations for the Shares for the first dealing day of each of the six months preceding the date of this document and for 17 November 2015 (being the latest practicable date prior to the publication of this document).

<u>Date</u>	<u>Al Noor Share</u> (pence)
May 2015	8.70
June 2015	9.50
July 2015	9.40
August 2015	9.37
September 2015	8.49
October 2015	8.35
17 November 2015	11.70

6 Irrevocable Undertakings

Mediclinic and Al Noor have obtained irrevocable undertakings from Sheikh Mohammed Bin Butti Al Hamed and Dr. Kassem Alom (as shareholders of Al Noor), to vote in favour of the Resolutions required to approve and implement the Combination (including the Special Dividend and the Tender Offer). Dr. Kassem Alom is also a non-executive director of Al Noor. None of the other directors of Al Noor holds Shares. These irrevocable undertakings cover 34.3 per cent. of Al Noor's outstanding shares as at 17 November 2015. The Shares covered by these irrevocable undertakings are as follows:

<u>Shareholder</u>	<u>Shares</u>
Sheikh Mohammed Bin Butti Al Hamed	33,018,320
Dr. Kassem Alom	7,055,946
Total	40,074,266

These irrevocable undertakings remain binding if a competing proposal is made to either Al Noor or Mediclinic, but cease to be binding when the Company and Mediclinic announce they do not intend to proceed with the Combination, and no new revised or replacement proposal is announced by the Company and Mediclinic.

Mediclinic and Al Noor have also obtained irrevocable undertakings from the directors and/or officers of Mediclinic who hold Mediclinic Shares, and from Remgro Healthcare, to vote in favour of the Mediclinic Resolutions required to approve and implement the Combination. These irrevocable undertakings cover 42.6 per cent. of Mediclinic's outstanding shares as at 6 November 2015. The Mediclinic Shares covered by these irrevocable undertakings are as follows:

<u>Shareholder</u>	<u>Shares</u>
Remgro Healthcare Holdings (Pty) Ltd	410,212,007
Edwin Hertzog	6,007,768
Danie Meintjes	337,860
Gert Hattingh	213,510
Koert Pretorius	205,492
Craig Tingle	195,320
Ronnie van der Merwe	98,453
Total	417,270,410

These irrevocable undertakings remain binding if a competing proposal is made to either Al Noor or Mediclinic, but cease to be binding when the Company and Mediclinic announce they do not intend to proceed with the Combination, and no new revised or replacement proposal is announced by the Company and Mediclinic.

7 Interests of Al Noor Directors, Proposed Directors, Al Noor Senior Managers and Proposed Senior Managers

The Al Noor Directors, Proposed Directors, Al Noor Senior Managers and Proposed Senior Managers, their functions within the Al Noor Group (or, in the case of the Proposed Directors and Proposed Senior Managers, their proposed functions upon Admission) and brief biographies are set out in Part 10: “Al Noor Directors, Proposed Directors, Senior Management and Corporate Governance” of the Prospectus which is incorporated by reference into this document.

7.1 Issued share capital

Set out below are the interests of the Al Noor Directors, Proposed Directors, Al Noor Senior Managers and Proposed Senior Managers in the issued share capital of the Company, including the interests of persons connected (within the meaning of section 96B of FSMA) with the Al Noor Directors, Proposed Directors, Al Noor Senior Managers or Proposed Senior Managers for the purposes of DTR 3.1.2 of the Disclosure and Transparency Rules, as notified to the Company pursuant to DTR 3.1.2 (or which would, if such Proposed Director or Proposed Senior Manager were an Al Noor Director, be required to be notified to the Company pursuant to DTR 3.1.2) together with such interests as are expected to subsist immediately following Admission. The following table has been prepared on the basis of the information available as at 17 November 2015 (being the latest practicable date prior to the date of this document).

<u>Name</u>	<u>Number of ordinary shares as at 17 November 2015</u>	<u>Percentage of voting rights in respect of issued share capital of Al Noor as at 17 November 2015</u>	<u>Percentage of voting rights in respect of enlarged issued share capital of Enlarged Al Noor immediately following Admission⁽¹⁾⁽²⁾</u>
Al Noor Directors			
Dr. Kassem Alom	7,055,946	6.0%	0.9%
Ian Tyler	—	—	—
Seamus Keating	—	—	—
Ronald Lavater	—	—	—
Sheikh Mansoor Bin Butti Al Hamed	—	—	—
Ahmad Nimer	—	—	—
William J. Ward	—	—	—
Mubarak Matar Al Hamiri	—	—	—
William S. Ward	—	—	—
Proposed Directors			
Dr. Edwin Hertzog	—	—	0.5%
Danie Meintjes	—	—	0.0%
Craig Tingle	—	—	0.0%
Ian Tyler	—	—	—
Seamus Keating	—	—	—
Jannie Durand	—	—	—
Alan Grieve	—	—	—
Prof. Dr. Robert Leu	—	—	—
Nandi Mandela	—	—	—
Trevor Petersen	—	—	—
Desmond Smith	—	—	—
Al Noor Senior Managers			
Joanne Curin	—	—	—
Dr. Georges Feghali	—	—	—
Dr. Sami Alom	—	—	—
David Hoidal	—	—	—
Yvette Van Der Linde	—	—	—
Donna Lunn	—	—	—
Rajaa Hammound	—	—	—
Proposed Senior Managers			
Gert Hattingh	—	—	0.0%
Dr. Ronnie van der Merwe	—	—	0.0%
Dr. Dirk le Roux	—	—	0.0%
Koert Pretorius	—	—	0.0%
Dr. Ole Wiesinger	—	—	—
David Hadley	—	—	0.0%
Total	<u>7,055,946</u>	<u>6.0%</u>	<u>1.4%</u>

Notes:

- (1) Based on Al Noor's issued share capital as at 17 November 2015 (being the latest practicable date prior to the date of this document) and the Mediclinic Shareholder register as at 6 November 2015, up to 613,000,000 New Shares being issued in connection with the Combination and 72,115,384 New Shares being issued in connection with the Remgro Subscription and assuming that no Al Noor Shareholders elect to tender their Existing Shares under the Tender Offer, no South African appraisal rights are exercised in connection with the Mediclinic Scheme, up to 177,985 New Shares being issued to satisfy awards made in 2014 and 2015 under the Al Noor Deferred Annual Bonus Plan 2013 and the Al Noor Long Term Incentive Plan 2013 and no other Al Noor Shares or Mediclinic Shares being issued under the Al Noor Employee Share Plans or Mediclinic Forfeitable Share Plans, respectively, between 17 November 2015 and Admission.

- (2) Depending on the extent to which Al Noor Shareholders participate in the Tender Offer.

7.2 Share options and awards

As at 17 November 2015 (being the latest practicable date prior to the date of this document), the following Al Noor Directors and Al Noor Senior Managers had the following rights to acquire Shares for no or nominal consideration under the Al Noor Employee Share Plans or otherwise:

Name of Al Noor Director/Al Noor Senior Manager	Share Incentive Scheme	Number of Shares / percentage of total issued share capital as at 17 November 2015	Vesting date
Ian Tyler ⁽¹⁾	See note	8,695/0.01%	5 June 2016
Ronald Lavater	Long Term Incentive Plan 2013	20,978 / 0.02%	25 November 2017
Ronald Lavater	Deferred Annual Bonus 2013	1,231 / 0.00%	50% in 28 April 2016 50% 28 April 2017
Ronald Lavater	Long Term Incentive Plan 2013	97,398 / 0.08%	28 April 2018
Sami Alom	Long Term Incentive Plan 2013	85,030 / 0.07%	50% 31 December 2015 50% 31 December 2016
Sami Alom	Long Scheme Incentive Plan 2013	8,797 / 0.01%	14 August 2017
Sami Alom	Deferred Annual Bonus Plan 2014	1,014 / 0.02%	50% in 28 April 2016 50% 28 April 2017
Sami Alom	Long Term Incentive Plan 2013	11,464 / 0.01%	28 April 2018
David Hoidal	Long Term Incentive Plan 2013	19,479 / 0.02%	28 April 2018
Georges Feghali	Long Term Incentive Plan 2013	17,624 / 0.02%	28 April 2018

Notes:

(1) Ian Tyler's interest in the share capital of the Company is in respect of the grant of Shares pursuant to his letter of appointment as further described in "—Directors' Service Agreements, and Letters of appointment, Remuneration and Other Matters" below

7.3 Save as disclosed in paragraphs 7.1 and 7.2 of this Part XI (*Additional Information*), none of the Al Noor Directors, the Proposed Directors, the Al Noor Senior Managers or the Proposed Senior Managers or any person connected (within the meaning of section 96B of FSMA) with the Al Noor Directors, the Proposed Directors, the Al Noor Senior Managers or the Proposed Senior Managers has any interest, beneficial or non-beneficial, in the share capital of Al Noor.

7.4 Save as set out in paragraphs 7.1 and 7.2 no Al Noor Director, Proposed Director, Al Noor Senior Manager or Proposed Senior Manager has or has had any interest in any transaction which is or was unusual in its nature or conditions or is or was significant to the business of the Al Noor Group and which was effected by the Company in the current or immediately preceding financial year or which was effected during an earlier financial year and remains in any respect outstanding or unperformed.

7.5 As at 17 November 2015 (being the latest practicable date prior to the date of this document), there were no outstanding loans granted by any member of the Al Noor Group to any Al Noor Director, Proposed Director, Al Noor Senior Manager or Proposed Senior Manager, nor by any Al Noor Director, Proposed Director, Al Noor Senior Manager or Proposed Senior Manager to any member of the Al Noor Group, nor was any guarantee which had been provided by any member of the Al Noor Group for the benefit of any Al Noor Director, Proposed Director, Al Noor Senior Manager or Proposed Senior Manager, or by any Al Noor Director, Proposed Director, Al Noor Senior Manager or Proposed Senior Manager for the benefit of any member of the Al Noor Group, outstanding.

8 Directors' service contracts

8.1 Existing Executive Directors' Service Contracts

Ronald Lavater, an Executive Director of Al Noor, has entered into a service agreement with ANMC and also has an appointment letter with the Company.

Under the terms of his service agreement, Ronald Lavater is entitled to receive an annual salary of USD 750,000. He also receives benefits in kind including medical insurance, life assurance and a company car. He is eligible to participate in the discretionary performance related bonus scheme and subject to achievement of personal and company targets, he may be awarded a bonus of up to 150 per cent. of base salary. He is entitled to 30 working days' paid holiday per annum (in addition to public holidays).

Ronald Lavater is entitled to receive six months' notice of termination of his employment. The Company can elect to terminate his employment by making a payment in lieu of notice equivalent to his base salary for the amount of any unexpired notice period, which may be paid in instalments. Alternatively, the Company may put him on garden leave during all or part of the notice period. The service agreement will be terminable with immediate effect without notice in certain circumstances, including where he commits any serious or persistent breach of his service agreement or gross misconduct. He is also entitled to an end-of-service benefit as prescribed under UAE law (see also paragraph 8.8 below).

In the event that Ronald Lavater's UAE work permit is revoked for reason beyond his control or he is forced to leave the UAE as a result of actions or instructions of either the UAE or US government, subject to signing a binding waiver and release agreement, he will be paid an amount equivalent to 12 months' basic salary and benefits under the service agreement.

The service agreement contains post-termination restrictions, which for a period of 12 months following termination (less any garden leave period) prevent competition with the Al Noor Group and interference with its suppliers and solicitation of employees and clients.

Ronald Lavater's appointment letter with the Company will automatically terminate upon the termination of his service agreement.

8.2 Al Noor Non-Executive Directors' Letters of Appointment

The Non-Executive Directors do not have service contracts, although they each have letters of appointment reflecting their responsibilities and commitments, which are terminable on three months' notice. Under the Articles, all directors must retire by rotation and seek re-election by Al Noor Shareholders every three years; however, it is intended that the directors shall each retire and submit themselves for re-election by Al Noor Shareholders annually.

8.3 The terms of the Independent Non-Executive Directors' letters of appointment are summarised below:

Name of Director	Title	Appointment Letter Date	Fee per Annum
Ian Tyler	Chairman	5 June 2013	£200,000
Seamus Keating	Senior Independent Director	5 June 2013	£ 80,000
William J. Ward	Independent Non-Executive Director	5 June 2013	£ 75,000
Mubarak Matar Al Hamiri .	Independent Non-Executive Director	5 June 2013	£ 65,000
William S. Ward	Independent Non-Executive Director	7 November 2013	£ 65,000
Ahmad Nimer	Non-Executive Director	5 June 2013	Nil
Sheikh Mansoor Bin Butti Al Hamed	Non-Executive Director	5 June 2013	Nil
Dr. Kassem Alom	Non-Executive Director	1 October 2014	£ 90,000

8.4 In addition to the annual fee above, except in the case of Ian Tyler, a further fee of £10,000 per annum is payable for chairing a committee of the Al Noor Board. In addition, under his letter of appointment and in relation to the listing of the Company in June 2013, Ian Tyler is further entitled to receive, after payment of any tax, 8,695 Shares on the third anniversary of his appointment as Chairman of the Al

Noor Board, subject only to (i) his appointment to the Al Noor Board not having been terminated for cause, or (ii) his not having resigned from the Al Noor Board, prior to that date. This number of Shares will be adjusted to take account of the Special Dividend.

- 8.5** The remaining Non-Executive Directors, Sheikh Mansoor Bin Butti Al Hamed and Ahmad Nimer are not entitled to receive any fees in respect of their Al Noor Board appointments.
- 8.6** Other than the entitlement to notice, the Non-Executive Directors are not entitled to receive any compensation on termination of their appointment.
- 8.7** None of the Al Noor Directors' service contracts or letters of appointment have been entered into or amended during the period of six months prior to the date of this document.

8.8 Proposed Directors' service contracts

No service contracts have been entered into by Al Noor or any of its subsidiaries with any Proposed Directors.

Under UK law, Al Noor is required to have a directors' remuneration policy that is approved periodically by shareholders by way of ordinary resolution. It is expected that Al Noor will propose, in contemplation of the Mediclinic Scheme becoming operative, certain revisions to its remuneration policy, among other things, to enable the steps described below to be taken and for the executive Proposed Directors to continue on their existing terms of employment.

Those non-executive Proposed Directors who will join the board of Al Noor on implementation of the Mediclinic Scheme (being Dr. Edwin Hertzog, Jannie Durand, Alan Grieve, Prof. Dr. Robert Leu, Nandi Mandela, Trevor Petersen and Desmond Smith), will resign as directors of Mediclinic and be appointed as directors of Al Noor on the usual terms of appointment for non-executive directors of Al Noor as described in paragraph 8.2 above and will accordingly be entitled to directors' fees (paid in sterling) and reimbursement of expenses in accordance with Al Noor's revised remuneration policy and commensurate with their roles and responsibilities.

The executive Proposed Directors who will join the board of Al Noor on implementation of the Mediclinic Scheme (being Danie Meintjes and Craig Tingle) will remain as directors and employees of Mediclinic but will also be appointed as directors of Al Noor. In their capacity as directors of Al Noor, they will be entitled to directors' fees (paid in sterling) and reimbursement of expenses in accordance with Al Noor's revised remuneration policy and commensurate with their roles and responsibilities. It is proposed that the aggregate of the new terms will be substantially similar to their existing terms and conditions as executive directors of Mediclinic. Al Noor Shareholders are being asked to approve changes to the Al Noor remuneration policy primarily so that the revised policy will permit, where applicable, the continuation of their existing terms. It is not expected that this will result in an immediate or material increase in their overall remuneration. However, the Enlarged Al Noor Board may in due course review whether the overall remuneration of the Directors continues to be appropriate which may result in an increase (subject always to the terms of Al Noor's remuneration policy from time to time in force).

The directors' remuneration is provided in accordance with the scale as determined by Mediclinic from time to time, and increments to remuneration are made at the sole discretion of Mediclinic. Mediclinic has the right to transfer the directors to any of Mediclinic's offices, departments or subsidiaries, and the right to second any of the directors to any of Mediclinic's offices or subsidiaries. The employment contracts impose a duty of confidentiality, and stipulate that the directors assign any right to copyright that may arise in relation to work forthcoming from their occupation. The relevant directors may not hold another office, or engage in other employment for which such director is remunerated without the prior consent of Mediclinic. The relevant directors must also comply with the requirements relating to disclosure of conflicts of interests in the SA Companies Act and the JSE Listing Requirements. The termination notice for Danie Meintjes and Craig Tingle is two calendar months. The directors' contracts contain provisions which prevent them from accepting employment with an undertaking that is in direct competition with Mediclinic for a period of 12 months after termination.

8.9 Pensions and End of Service Gratuity

The Company has no company-wide pension scheme. As currently required under UAE law, contributions are made on behalf of UAE and GCC nationals employed by the Al Noor Group to the Abu Dhabi Retirement Pensions Benefits Fund and UAE General Pension and Social Security Authority, respectively.

All non-UAE and non-GCC nationals are entitled to end of service benefits consisting of 21 days' basic salary for each of the first five years of employment and 30 days' basic salary for each additional year thereafter. As at 30 June 2015, the Al Noor Group accrued USD16.1 million in respect of end of service benefits payable to non-UAE and non-GCC national employees.

In respect of amounts due under government pension schemes for UAE and GCC national employees, the Al Noor Group transfers amounts to the Abu Dhabi Retirement Pensions Benefits Fund and the UAE General Pension and Social Security Authority, respectively, for the current month and such amounts are paid on or before the seventh working day of the subsequent month. For the six month period ended 30 June 2015, the Al Noor Group paid USD 35,047 in respect of UAE, Sultanate of Oman and GCC national employees.

Save for these amounts, no amounts were set aside or accrued by the Al Noor Group in respect of pension, retirement or similar benefits for Directors, Senior Management or employees of the Al Noor Group.

9 Key individuals

The following persons make up the executive committee of Mediclinic and exercise general executive control over and management of the whole, or a significant portion, of the business and activities of the company, and are therefore considered to be key individuals by Mediclinic:

- Danie Meintjes;
- David Hadley;
- Gert Hattingh;
- Dirk le Roux;
- Koert Pretorius;
- Craig Tingle;
- Ronnie van der Merwe; and
- Ole Wiesinger.

Part 10: "Al Noor Directors, Proposed Directors, Senior Management and Corporate Governance" of the Prospectus sets out profiles of all members of the executive committee of Mediclinic and is incorporated by reference in this document.

10 Related party transactions

Paragraph 16.1 (*Related party transactions—the Al Noor Group*) of part 20 (*Additional Information*) of the Prospectus contains a summary of related party transactions that have been entered into by the Company or another member of the Al Noor Group during the years ended 31 December 2013, 2014 and 2015 and the six months ended 30 June 2015 and up to the date of this document and is incorporated by reference in this document.

Paragraph 16.2 (*Related party transactions—the Mediclinic Group*) of part 20 (*Additional Information*) of the Prospectus contains a summary of related party transactions that have been entered into by the Mediclinic Group during the years ended 31 March 2013, 2014 and 2015 and the six months ended 30 September 2015 and is incorporated by reference in this document.

11 Interests of major Shareholders

11.1 So far as is known to the Company, other than the interests of the Al Noor Directors, Proposed Directors, Al Noor Senior Managers and Proposed Senior Managers disclosed in "Interests of Al Noor Directors, Proposed Directors, Al Noor Senior Managers and Proposed Senior Managers", the name of each person who, directly or indirectly, has an interest in three per cent. or more of the

Company's issued share capital, and the amount of such person's interest, as at 17 November 2015 (being the latest practicable date prior to the publication of this document) are as follows:

<u>Name of Al Noor Shareholder</u>	<u>Number of ordinary shares as at 17 November 2015</u>	<u>Percentage of voting rights in respect of issued share capital of Al Noor as at 17 November 2015</u>	<u>Percentage of voting rights in respect of enlarged issued share capital of Enlarged Al Noor immediately following Admission⁽¹⁾⁽²⁾</u>
Sapor Business Corp.	33,018,320	28.25	4.12%
Maksar Investments Ltd.	7,055,946	6.04	0.88%
Woodford Investment Management	6,409,977	5.48	0.80%
BlackRock Group	6,066,720	5.19	0.76%
Fidelity Management & Research	4,252,502	3.64	0.53%
Total	<u>56,803,465</u>	<u>48.61</u>	<u>7.09%</u>

Note:

- (1) Based on Al Noor's issued share capital as at 17 November 2015 (being the latest practicable date prior to the date of this document) and the Mediclinic Shareholder register as at 6 November 2015, up to 613,000,000 New Shares being issued in connection with the Combination and 72,115,384 New Shares being issued in connection with the Remgro Subscription and assuming that no existing Al Noor Shareholders elect to tender their Existing Shares under the Tender Offer, and that no South African appraisal rights are exercised in connection with the Mediclinic Scheme, up to 177,985 New Shares being issued to satisfy awards made in 2014 and 2015 under the Al Noor Deferred Annual Bonus Plan 2013 and the Al Noor Long Term Incentive Plan 2013 and no other Al Noor Shares or Mediclinic Shares being issued under the Al Noor Employee Share Plans or Mediclinic Forfeitable Share Plans, respectively, between 17 November 2015 and Admission.
- (2) This is based on 802,159,572 Shares being in issue upon Admission (see note (1) above).

11.2 So far as is known to the Company, the following persons (other than those persons set out in paragraph 11.1 of this Part XI (*Additional Information*)) shall be directly or indirectly interested in 3 per cent. or more of Al Noor's issued share capital immediately following Admission.

<u>Name</u>	<u>Number of ordinary shares as at 17 November 2015</u>	<u>Percentage of voting rights in respect of issued share capital of Al Noor as at 17 November 2015</u>	<u>Percentage of voting rights in respect of enlarged issued share capital of Enlarged Al Noor immediately following Admission⁽¹⁾⁽²⁾</u>
Remgro Limited	—	—	40.95%
Government Employees Pension Fund	—	—	6.52%
Sapor Business Corp.	33,018,320	28.25%	4.12%
Total	<u>33,018,320</u>	<u>28.25%</u>	<u>51.59%</u>

Note:

- (1) Based on Al Noor's issued share capital as at 17 November 2015 (being the latest practicable date prior to the date of this document) and the Mediclinic Shareholder register as at 6 November 2015, up to 613,000,000 New Shares being issued in connection with the Combination and 72,115,384 New Shares being issued in connection with the Remgro Subscription and assuming that no Al Noor Shareholders elect to tender their Existing Shares under the Tender Offer and no South African appraisal rights are exercised in connection with the Mediclinic Scheme, up to 177,985 New Shares being issued to satisfy awards made in 2014 and 2015 under the Al Noor Deferred Annual Bonus Plan 2013 and the Al Noor Long Term Incentive Plan 2013 and no other Al Noor Shares or Mediclinic Shares being issued under the Al Noor Employee Share Plans or Mediclinic Forfeitable Share Plans, respectively, between 17 November 2015 and Admission.
- (2) Depending on the extent to which Al Noor Shareholders participate in the Tender Offer.

11.3 None of the major Al Noor Shareholders referred to above has, or, upon Admission, will have different voting rights from other Al Noor Shareholders.

12 Material contracts

Paragraph 15.1 of part 20 (*Additional Information*) of the Prospectus contains a summary of contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company or another member of the Al Noor Group within the two years immediately preceding the date of this document, and are, or may be, material or have been entered into at any time by the Company or any member of the Al Noor Group and contain provisions under which the Company or any member of the Al Noor Group has an obligation or entitlement which is, or may be, material to the Company or any member of the Al Noor Group as at the date of this document and is incorporated by reference in this document.

Paragraph 15.2 of part 20 (*Additional Information*) of the Prospectus contains a summary of contracts (not being contracts entered into in the ordinary course of business) that have been entered into by Mediclinic or another member of the Mediclinic Group within the two years immediately preceding the date of this document, and are, or may be, material or have been entered into at any time by Mediclinic or any member of the Mediclinic Group and contain provisions under which Mediclinic or any member of the Mediclinic Group has an obligation or entitlement which is, or may be, material to Mediclinic or any member of the Mediclinic Group as at the date of this document and is incorporated by reference in this document.

13 Profit Forecast

On 25 August 2015, Al Noor published its unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015 (the “**2015 Unaudited Interim Financial Statements**”). The 2015 Unaudited Interim Financial Statements contain the following profit forecast:

We expect to deliver slightly higher growth in revenue and earnings in the second half compared with the first six months of the year, as we increase the number of inpatient beds in Al Ain Hospital, gain the benefits of recent investments in infrastructure and equipment at Al Noor hospitals and continue to increase patient visits to the medical centres opened in 2014, as well as capture further growth from acquired medical centres.

Al Noor confirms that: (1) the reference above to earnings growth was to underlying EBITDA growth; and (2) underlying EBITDA growth in the second half of the financial year ending 31 December 2015, compared to the same half year period in the financial year ended 31 December 2014, is expected to be higher than underlying EBITDA growth in the first six months of the financial year ending 31 December 2015 compared to the same half year period in the financial year ended 31 December 2014 (the “**Profit Forecast**”).

The Al Noor Board has prepared the Profit Forecast based on the 2015 Unaudited Interim Financial Statements, the unaudited management accounts for the three months ended 30 June 2015 and a forecast to 31 December 2015. The Profit Forecast has been properly compiled on the basis of the assumptions stated below, on a basis consistent with the accounting policies adopted by Al Noor in preparing its audited consolidated financial statements for the year ended 31 December 2014, 2013 and 2012 and the 2015 Unaudited Interim Financial Statements.

Reports on the Profit Forecast have been provided by KPMG LLP, Rothschild and Goldman Sachs International and are set out in Appendix 3 (*Profit Forecast Reports*), as required under the City Code.

The Al Noor Board prepared the Profit Forecast on the basis of the following assumptions any of which could turn out to be incorrect therefore affect whether the profit forecast is achieved:

Factors outside the influence or control of the Al Noor Board

- a) There will be no major change in either the regulatory or legislative environment for companies providing healthcare in Al Noor’s primary markets.
- b) There will be no negative step change in the pricing of services received from health insurance companies that is beyond the control of the Company.
- c) There will be a stable competitive environment in Al Noor’s primary markets.

- d) There will be no significant regional disturbance, from regional conflict or otherwise, that would reduce the stability of Al Noor's primary markets and their patient population.
- e) That no major legal claim will be made against the company in H2.

Factors within the influence or control of the Al Noor Board

- a) The Al Noor Group's existing capacity continues to perform to its current operational and clinical levels.
- b) The additional bed capacity in Al Noor's Al Ain hospital will be operational before the end of the year.
- c) Al Noor's average number of doctors will not decline in the second half versus the first half.
- d) Outpatient volume in Al Noor's hospitals will not be significantly lower in H2 than H1.
- e) Outpatient volume for Al Noor's clinics opened in 2014 is greater in H2 than H1.
- f) Outpatient volume for Al Noor's Al Madar Network of clinics will be greater in H2 than H1.

14 Litigation

14.1 The Al Noor Group

There are no governmental, legal or arbitration proceedings (and no such proceedings which are pending or threatened of which the Company is aware) during the 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of Al Noor or the Al Noor Group.

14.2 The Mediclinic Group

There are no governmental, legal or arbitration proceedings (and no such proceedings which are pending or threatened of which the Company is aware) during the 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of Mediclinic or the Mediclinic Group.

15 Working capital

The Company is of the opinion that, following the Combination, taking into account the Remgro Subscription and the bank and other facilities available to the Enlarged Group and assuming the Tender Offer is taken up in full, the Enlarged Group has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of publication of this document.

16 Information on the Shares

The Company is proposing to issue up to 685,293,369 New Shares, comprising up to 613,000,000 New Shares to be issued pursuant to the Combination and 72,115,384 further New Shares to be issued pursuant to the Remgro Subscription. Upon Admission, the New Shares will be registered with ISIN Number GB00B8HX8Z88.

On 17 November 2015 (being the latest practicable date prior to the publication of this document), the Company had an issued share capital of 116,866,203 Existing Shares with a nominal value of 10 pence each, all of which were fully paid. On the same date there were 463,955 outstanding share options in the issued ordinary share capital of the Company (including awards under the Al Noor Employee Share Plans).

Immediately following Completion, the Company will have an issued ordinary share capital of up to 802,159,572 Shares with a nominal value of 10 pence each all of which will be fully paid.

In addition, on 17 November 2015 (being the latest practicable date prior to the publication of this document), the Company had an issued preference share capital of 50,000 redeemable non-voting preference shares with a nominal value of £1, all of which were fully paid, and 10 non-voting subscriber shares in issue with a nominal value of 10 pence each.

Immediately following Completion, the Company will have an issued redeemable non-voting preference share capital of 50,000 preference shares with a nominal value of £1 each all of which will be fully paid.

The redeemable non-voting preference shares and the subscriber shares are expected to be redeemed and cancelled, respectively, following Admission.

The New Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the share capital of the Company. For the avoidance of doubt, the New Shares will not be eligible for the Special Dividend or to participate in the Tender Offer.

The Shares are freely transferable and there are no restrictions on transfer in the UK.

17 Significant changes

17.1 The Al Noor Group

There has been no significant change in the financial or trading position of the Al Noor Group since 30 June 2015, the date to which the latest unaudited interim condensed consolidated financial information in relation to the Al Noor Group was prepared.

17.2 The Mediclinic Group

There has been no significant change in the financial or trading position of the Mediclinic Group since 30 September 2015, the date to which the latest audited interim financial information in relation to the Mediclinic Group was prepared.

18 Consents

Rothschild, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.

Rothschild, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, has given and has not withdrawn its written consent to the inclusion of its financial adviser's report on the Profit Forecast of the Al Noor Group in Appendix 3 (*Profit Forecast Reports*) in the form and context in which it appears and has authorised the contents of the part of this document which comprise its report for the purposes of Rule 28 of the City Code.

Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.

Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, has given and has not withdrawn its written consent to the inclusion of its financial adviser's report on the Profit Forecast of the Al Noor Group in Appendix 3 (*Profit Forecast Reports*) in the form and context in which it appears and has authorised the contents of the part of this document which comprise its report for the purposes of Rule 28 of the City Code.

Jefferies, which is authorised and regulated by the Financial Conduct Authority, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.

KPMG LLP is a member firm of the Institute of Chartered Accountants in England and Wales and has given and has not withdrawn its written consent to the inclusion of its accountant's report on the Profit Forecast of the Al Noor Group in Appendix 3 (*Profit Forecast Reports*) in the form and context in which it appears.

PricewaterhouseCoopers LLP is a member firm of the Institute of Chartered Accountants in England and Wales and has given and has not withdrawn its written consent to the inclusion of its report on the unaudited pro forma financial information set out in Section B of Part VII (*Pro Forma Financial Information*) of this document in the form and context in which it is included.

19 Incorporation by reference

The following documents (or parts of documents) which have been filed with each of the FCA and the Takeover Panel and are available for inspection in accordance with paragraph 20 of this Part XI contain information about the Al Noor Group, the Mediclinic Group, Remgro, or the Combination, which is relevant to this document:

Cross reference list

The table below sets out the sections of these documents which are incorporated by reference into, and form part of, this document, and only the parts of the documents identified in the table below are incorporated into, and form part of, this document. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this document.

Source document from which information is incorporated into this document by reference	Information incorporated by reference	Page number(s) in source document	Page number(s) in this document
Prospectus	Audited consolidated financial statements of the Mediclinic Group for the year ended 31 March 2013		
	Independent auditor's report	247	80
	Statements of financial position	248	80
	Income statements	249	80
	Statements of comprehensive income	250	80
	Statements of changes in equity	251	80
	Statements of cash flows	252	80
	Notes to the annual financial statements	253	80
Prospectus	Audited consolidated financial statements of the Mediclinic Group for the year ended 31 March 2014		
	Independent auditor's report	298	80
	Statements of financial position	299	80
	Income statements	300	80
	Statements of comprehensive income	301	80
	Statements of changes in equity	302	80
	Statements of cash flows	303	80
	Notes to the annual financial statements	304	80
Prospectus	Audited consolidated financial statements of the Mediclinic Group for the year ended 31 March 2015		
	Independent auditor's report	356	80
	Statements of financial position	357	80
	Income statements	358	80
	Statements of comprehensive income	359	80
	Statements of changes in equity	360	80
	Statements of cash flows	361	80
	Notes to the annual financial statements	362	80

Source document from which information is incorporated into this document by reference	Information incorporated by reference	Page number(s) in source document	Page number(s) in this document
Prospectus	Audited consolidated financial statements of the Mediclinic Group for the six months ended 30 September 2015		
	Accountant's report	184	81
	Statements of financial position	186	81
	Income statements	187	81
	Statements of comprehensive income	188	81
	Statement of changes in equity	189	81
	Statement of cash flows	190	81
	Notes to the interim financial statements	191	81
Prospectus	Part 10 (<i>Profiles of the Al Noor Directors, Proposed Directors, Al Noor Senior Managers and Proposed Senior Managers</i>)	130	133
Prospectus	Part A of Part 19 (<i>UK Taxation</i>)	435	118
Prospectus	Paragraphs 15.1 and 15.2 of Part 20 (<i>Material contracts</i>)	477	135
Prospectus	Paragraphs 16.1 and 16.2 of Part 20 (<i>Related party transactions</i>)	488	133
IPO Prospectus	Audited consolidated financial statements of the Al Noor Group as at 31 December 2012, together with the unqualified independent audit report thereon		
	Accountant's report on historical financial information	128	82
	Consolidated income statement	130	82
	Consolidated statement of comprehensive income	131	82
	Consolidated statement of financial position	132	82
	Statement of changes in equity	133	82
	Consolidated statements of cash flows	134	82
	Notes forming part of the consolidated financial information . .	135	82

Source document from which information is incorporated into this document by reference	Information incorporated by reference	Page number(s) in source document	Page number(s) in this document
Al Noor Group's Annual Report for the year ended 31 December 2013	Audited consolidated financial statements of the Al Noor Group for the financial year ended 31 December 2013, together with the unqualified independent audit report thereon		
	Financial and operating review	40	82
	Independent auditor's report	84	82
	Consolidated statement of financial position	86	82
	Consolidated statement of profit or loss and other comprehensive income	87	82
	Consolidated statement of changes in equity	88	82
	Consolidated statements of cash flows	89	82
	Notes to the consolidated financial statements	90	82
Al Noor Group's Annual Report for the year ended 31 December 2014	Audited consolidated financial statements of the Al Noor Group for the financial year ended 31 December 2014, together with the unqualified independent audit report thereon		
	Operational review	26	82
	Financial review	32	82
	Corporate governance report	54	82
	Directors' remuneration report	64	82
	Independent auditor's report	82	82
	Consolidated statement of financial position	84	82
	Consolidated statement of profit or loss and other comprehensive income	85	82
	Consolidated statement of changes in equity	86	82
	Consolidated statement of cash flows	87	82
	Notes to the consolidated financial statements	88	82

Source document from which information is incorporated into this document by reference	Information incorporated by reference	Page number(s) in source document	Page number(s) in this document
Al Noor Group's unaudited consolidated results for the six months ended 30 June 2014	Al Noor Group's unaudited consolidated results for the six months ended 30 June 2014		
	CEOs review	4	83
	Independent review report	8	83
	Condensed consolidated interim statement of financial position	9	83
	Condensed consolidated interim statement of profit or less and other comprehensive income	10	83
	Condensed consolidated interim statement of changes in equity	12	83
	Condensed consolidated interim statement of cash flows	13	83
	Notes to the condensed consolidated interim financial statements	14	83
Al Noor Group's unaudited consolidated results for the six months ended 30 June 2015	Al Noor Group's unaudited consolidated results for the six months ended 30 June 2015		
	Results of the six months to 30 June 2015	2	83
	Independent review report	9	83
	Condensed consolidated interim statement of financial position	10	83
	Condensed consolidated interim statement of profit or less and other comprehensive income	11	83
	Condensed consolidated interim statement of changes in equity	13	83
	Condensed consolidated interim statement of cash flows	14	83
	Notes to the condensed consolidated interim financial statements	15	83
Remgro's 2014 Annual Financial Statements	Audited consolidated financial statements of Remgro for the year ended 30 June 2014		
	Independent auditor's report	10	105
	Consolidated statement of financial position	11	105
	Consolidated income statement	12	105
	Consolidated statement of comprehensive income	13	105
	Consolidated statement of changes in equity	14	105
	Consolidated statement of cash flows	15	105
	Notes to the consolidated annual financial statements	16	105

Source document from which information is incorporated into this document by reference	Information incorporated by reference	Page number(s) in source document	Page number(s) in this document
Remgro's 2015 Annual Financial Statements	Audited consolidated financial statements of Remgro for the year ended 30 June 2015		
	Independent auditor's report	9	105
	Consolidated statement of financial position	10	105
	Consolidated income statement	11	105
	Consolidated statement of comprehensive income	12	105
	Consolidated statement of changes in equity	13	105
	Consolidated statement of cash flows	14	105
	Notes to the consolidated annual financial statements	15	105

A copy of each of the documents incorporated by reference into this document can be accessed on Al Noor's website at www.alnoorhospital.com, apart from Remgro's 2014 and 2015 Annual Financial Statements, which can be accessed at <http://remgro.com/investor-centre/results-and-reports/>.

Al Noor Shareholders, persons with information rights and any other person who has received a copy of this document will not be sent automatically a copy of any document incorporated into this document by reference. Al Noor will, however, upon the written or oral request of any such person, provide without charge a copy of any documents incorporated by reference into this document.

Requests for copies of any such documents should be made in writing to: Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or by telephone on 0371 664 0321.

If such a request is made, a copy of the requested information shall be sent to the relevant person in hard copy form as soon as possible and in any event within two business days of the request being received by the relevant party.

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

20 Documents available for inspection

Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays in England excepted) at the registered office of the Company at 1st Floor 40 Dukes Place, London, EC3A 7NH, and will be available from the date of this document on Al Noor's website (at www.alnoorhospital.com) for 12 months following Admission:

- the memorandum and Articles of Association of the Company;
- the Unaudited Pro Forma Financial Information of the Enlarged Group and the report of PricewaterhouseCoopers LLP thereon set out in Part VII (*Pro forma Financial Information*);
- the audited consolidated financial statements of the Al Noor Group for each of the financial years ended 31 December 2012, 2013 and 2014, together with the unqualified independent audit report thereon;
- the unaudited interim condensed consolidated financial statements of the Al Noor Group for the six months ended 31 June 2014 and 2015;
- the letters of undertaking referred to in paragraph 18 of Part I (*Letter from the Chairman of Al Noor Hospitals Group plc*);
- the consent letters provided in relation to paragraph 18 above;
- the Bid Conduct Agreement;

- (h) the non-disclosure agreement between Remgro, Mediclinic and the Company dated 23 August 2015, referred to in paragraph 19 of Part I (*Letter from the Chairman of Al Noor Hospitals Group plc*);
- (i) the accountant's report on the Profit Forecast and the financial advisers' reports on the Profit Forecast of the Al Noor Group as set out in Appendix 3 (*Profit Forecast Reports*);
- (j) the Remgro Subscription Agreement;
- (k) the Mediclinic Bridge Facility;
- (l) the Relationship Agreement;
- (m) the proposed new remuneration policy as set out in Appendix 4 (*Directors' Remuneration Policy*);
- (n) the Prospectus; and
- (o) this document.

A copy of each of the documents listed above will be available from the date of this document on Al Noor's website (at www.alnoorhospital.com) for 12 months following Admission.

In addition, the amendments to the Articles of Association of the Company proposed by Resolution 15 in Appendix 2 (*Notice of General Meeting*) will be available for inspection on Al Noor's website (at www.alnoorhospital.com) and at the registered office of the Company as detailed above, as well at the place of the General Meeting until 15 minutes prior to the start of the meeting.

In addition, copies of the documents listed below will be available from the date of this document on Al Noor's website (at www.alnoorhospital.com) up to and including Admission:

- (p) the memorandum and articles of association of Remgro;
- (q) the Remgro Facility Agreement;
- (r) the Remgro Deal Origination Fee Letter; and
- (s) the Assets Transfer Agreement.

APPENDIX 1—DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

Abu Dhabi	means the Emirate of Abu Dhabi;
Admission	means the admission of the Shares to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange becoming effective in accordance with, respectively, the Listing Rules and the Admission and Disclosure Standards;
Admission and Disclosure Standards	means the requirements contained in the publication “Admission and Disclosure Standards” (as amended from time to time) published by the London Stock Exchange containing, among other things, the requirements to be observed by companies seeking admission to trading on the main market for listed securities of the London Stock Exchange;
AED	means Emirati dirhams, the official currency of the UAE;
Al Noor or Company	means Al Noor Hospitals Group plc;
Al Noor Directors or Al Noor Board	means the Executive Directors and Non-Executive Directors of the Company as at the date of this document;
Al Noor Employee Share Plans	means the Al Noor Hospitals Group plc Long-Term Incentive Plan 2013 and the Al Noor Hospitals Group plc Deferred Annual Bonus Plan 2013;
Al Noor Group	means the Company and its subsidiary undertakings as at the date of this document;
Al Noor SA Prospectus	means the prospectus proposed to be published by the Company in terms of section 99 of the SA Companies Act in connection with the Mediclinic Scheme;
Al Noor Senior Manager	means each of the Al Noor senior management team as at the date of this document, comprising Joanne Curin, Dr. Georges Feghali, Dr. Sami Alom, David Hoidal, Yvette Van Der Linde, Donna Lunn, and Rajaa Hammound;
Al Noor Shareholders	means the shareholders of Al Noor;
ANCI	means Al Noor Commercial Investment LLC (UAE);
ANH Cayman	means Al Noor Holdings Cayman (Cayman Islands);
ANMC	means Al Noor Medical Company—Al Noor Hospital—Al Noor Pharmacy—Al Noor Warehouse LLC;
Announcement	means the announcement released by the Company in relation to the Combination on 14 October 2015;
ARAN Message	means a registrar’s adjustment message (as defined in the Crest Manual);
Articles of Association or Articles	means the articles of association of Al Noor;

Assets Transfer Agreement	means the agreement entered into on or about the date of this document between Mediclinic and certain members of the Mediclinic Group, on the one hand, and Al Noor, on the other hand, in terms whereof the Assets Transfer is to be effected;
Bid Conduct Agreement	means the bid conduct agreement dated 14 October 2015 between Al Noor and Mediclinic in connection with the implementation of the Combination;
Board	means the board of Directors of the Company as at the date of this document;
Business Day	means any day other than a Saturday, Sunday or public holiday on which banks are open in London for the transaction of general commercial business;
Capita	means Capita Asset Services, a trading name of Capita Registrars Limited;
certified form or certificated	means shares not recorded on the Register as being in uncertificated form in CREST;
CHF	means Swiss Franc, the official currency of Switzerland;
City Code	means the UK City Code on Takeovers and Mergers (as amended from time to time);
Class A Shares	means class A deferred bonus shares of US\$0.01 each in the share capital of the Company having the rights, restrictions, privileges and conditions set out in Resolution 10 of the Notice of General Meeting;
Closing Date	means the date on which Completion occurs;
COHSASA	means the Council for Health Services Accreditation in South Africa;
Combination	means the proposed combination of Al Noor and Mediclinic through a share for share exchange to be implemented by the Mediclinic Scheme, pursuant to the terms of and subject to the conditions in this document and the Mediclinic Circular;
Combination Agreements	means the Bid Conduct Agreement, the Remgro Subscription Agreement, the Mediclinic Bridge Facility, the Assets Transfer Agreement and the Relationship Agreement;
Company or Al Noor	means Al Noor Hospitals Group plc;
Competition Authorities	means the commission established pursuant to Chapter 4, Part A of the South African Competition Act and/or the tribunal established pursuant to Chapter 4, Part B of the South African Competition Act and/or the appeal court established pursuant to Chapter 4, Part C of the South African Competition Act, as the case may be;
Completion	means the time at which the Mediclinic Scheme has become operative (following the satisfaction and/or waiver, as applicable, of all the Conditions to the Mediclinic Scheme);
Conditions	means the conditions precedent set out under <i>Principal Terms Of The Combination</i> in Part IV (<i>Information on the Combination</i>);
Court	means the High Court of Justice in England and Wales;

CREST	means the system of paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
CREST Manual	means the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof;
CREST Member	means a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);
CREST Participant	means a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
CREST Regulations	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
CREST Sponsor	means a CREST Participant admitted to CREST as a CREST sponsor;
CREST Sponsored Member	means a CREST Member admitted to CREST as a sponsored member;
Daman	means the state owned national health insurance company of the UAE;
DHA	means the Dubai Health Authority;
DHCC	means the Dubai Health Care City;
DHCC Free Zone	means the Dubai Health Care City Free Zone;
Directors	means the Executive Directors and Non-Executive Directors of the Company as at the date of this document;
DRG	means diagnosis related grouping;
DTR or Disclosure and Transparency Rules	means the Disclosure and Transparency Rules made by the FCA pursuant to Part 6 of FSMA;
Dubai	means the Emirate of Dubai;
EBITDA	means earnings before interest, tax, depreciation and amortisation;
Electronic Tender	means an election by an Al Noor Shareholder to tender shares for cancellation under the Tender Offer via submission of a TTE Instruction in accordance with paragraph 4.2 (<i>Electronic Tenders</i>) of Part IX (<i>Terms of the Tender Offer</i>) of this document;
Emirates Healthcare	means Emirates Healthcare Holdings Ltd.;
Enlarged Al Noor Board	means the board of directors of the Company as the parent company of the Enlarged Group following implementation of the Combination;
Enlarged Group	means the Al Noor Group as enlarged to include Mediclinic and its subsidiary undertakings following implementation of the Combination;
ERP	means enterprise resource planning module;
EU	means the European Union;

Euro	means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community;
Euroclear	means Euroclear UK & Ireland Limited, the operator of CREST;
Existing Shares	means the existing ordinary shares with a nominal value of £0.10 (ten pence) each in the share capital of the Company which are admitted to the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange;
FCA	means the UK Financial Conduct Authority;
First Arabian	means First Arabian Corporation LLC (UAE), owner of 99 per cent. in ANCI;
First Reduction of Capital	means the proposed cancellation of (i) Al Noor's existing share premium account and (ii) the Class A Shares to be allotted to a nominee on behalf of the Al Noor Shareholders and paid up out of the Company's merger reserve;
Form of Proxy	means the form of proxy accompanying this document for use by Al Noor Shareholders in relation to the General Meeting;
FSMA	means the Financial Services and Markets Act 2000, as amended;
GBP or £	means pounds sterling, the lawful currency of the United Kingdom of Great Britain and Northern Ireland;
GCC	means the Gulf Co-operative Council Countries;
GDP	means gross domestic product;
General Meeting	means the general meeting of the Company to be held at 9:00 a.m. on 15 December 2015, notice of which is set out in this document;
HAAD	means the Health Authority of Abu Dhabi;
ICT	means information and communication technology;
IFRS	means the International Financial Reporting Standards;
Independent Non-Executive Director	means an "independent non-executive director" within the meaning of the UK Corporate Governance Code;
IPO	means the offer by Al Noor of 38,454,971 shares and admission of 116,866,203 shares to the premium listing segment of the Official List and to trading on the London Stock Exchange;
IPO Prospectus	means the prospectus dated 21 June 2013 relating to the IPO;
ISO	means the International Organisation for Standardisation;
JCI	means the Joint Commission International;
JIBAR	means the Johannesburg Interbank Agreed Rate;
JSE	means the Johannesburg Stock Exchange, being the exchange operated by the JSE Limited, a public company incorporated in South Africa;

JSE Listing Requirements	means the listing requirements of the Johannesburg Stock Exchange;
King III	means the King Code of Governance for South Africa 2009 and King Report on Governance for South Africa 2009;
KPI	means key performance indicator;
LIBOR	means the London Interbank Offered Rate;
Listing Rules	means the rules relating to admission to the Official List made in accordance with section 73A(2) of FSMA;
London Stock Exchange or LSE	means London Stock Exchange plc;
Long Stop Date	means 14 April 2016 (or such later date as Mediclinic and Al Noor may agree in writing), provided that if (i) any person entitled to give a notice under section 164(3) of the SA Companies Act has given such notice within the period allowed therefor; and (ii) that person is able to satisfy the requirements of section 164(5) of the SA Companies Act; and (iii) the date on which the Scheme Resolution is actually passed is fewer than 30 Business Days before the Long Stop Date, the Long Stop Date shall be deferred by such additional number of days as may be required to ensure that it falls on the 31st Business Day after the date on which such resolution was actually passed;
M&A	means mergers and acquisitions;
Medical Schemes Act	means the Southern African Medical Schemes Act, No. 131 of 1998, as amended.
Mediclinic	means Mediclinic International Limited;
Mediclinic Board	means the independent board of directors of Mediclinic;
Mediclinic Bridge Facility	means the £400,000,000 facility agreement dated 14 October 2015 between Mediclinic, Mediclinic CHF Finco Limited, Remgro Jersey Limited, Mediclinic Middle East Holdings Ltd and Mediclinic Holdings Netherlands B.V. as original guarantors, Morgan Stanley International Limited and Firstrand Bank Limited as arrangers and original lenders and U.S. Bank Trustees Limited as security agent;
Mediclinic Circular	means the combined circular to Mediclinic Shareholders in connection with the Combination and containing the terms of the Mediclinic Scheme;
Mediclinic Forfeitable Share Plan	means the Mediclinic Forfeitable Share Plan as amended from time to time;
Mediclinic Group	means Mediclinic and its subsidiary undertakings, from time to time;
Mediclinic Middle East	means Mediclinic Group's operations in the UAE, trading under the Mediclinic brand, with Emirates Healthcare Holdings Limited BVI as the intermediary holding company of the Mediclinic Group's operations in the UAE;

Mediclinic Resolutions	means the resolutions to be proposed to Mediclinic Shareholders for the purpose of approving (among other things): <ul style="list-style-type: none"> (a) the Assets Transfer; (b) the Mediclinic Scheme; (c) any financial assistance given by Mediclinic or its subsidiary undertakings in connection with the Combination (including the Special Dividend and/or Tender Offer); and (d) such other matters as may be agreed between Mediclinic and the Company as being necessary or desirable in connection with the Combination (including the Special Dividend and Tender Offer);
Mediclinic Scheme	means a scheme of arrangement of Mediclinic under section 114 of the SA Companies Act under which the Combination will be effected;
Mediclinic Scheme Circular	means the circular to be posted to Mediclinic Shareholders in relation to the Mediclinic Scheme and the Assets Transfer, and including the form of proxy for use in respect of the general meeting of Mediclinic Shareholders at which the Mediclinic Resolutions will be proposed and a form of election, surrender and transfer in respect of the Mediclinic Scheme;
Mediclinic Scheme Meeting	means the meeting of Mediclinic Shareholders convened in terms of section 115(2) of the SA Companies Act to consider and, if deemed fit, adopt the Mediclinic Resolutions;
Mediclinic Scheme Record Date	means the time and date by which Mediclinic Shareholders must be on the Mediclinic share register to receive consideration under the Mediclinic Scheme;
Mediclinic Shareholders	means the shareholders of Mediclinic;
Mediclinic Shares	means the shares in Mediclinic;
Mediclinic Southern Africa	means the Mediclinic Group's operations in South Africa and Namibia, trading under the Mediclinic brand, with Mediclinic Southern Africa (Pty) Ltd. as the intermediary holding company of the Mediclinic Group's operations in South Africa and Namibia;
member account ID	means the identification code or number attached to any member account in CREST;
MENA	means Middle East and North Africa;
MoH	means the UAE Ministry of Health;
Namibia	means the Republic of Namibia;
Namibian Stock Exchange or NSX	means the Namibian Stock Exchange, which is licensed as an exchange in terms of the Namibian Stock Exchange Control Act 1 of 1985, as amended;
New Shares	means the new ordinary shares in the capital of the Company to be allotted and issued in connection with the Combination and the new ordinary shares in the capital of the Company to be allotted and issued in connection with the Remgro Subscription;

NHS	means the National Health Services in England, Scotland, Wales and Northern Ireland, collectively;
NMC	means NMC Health plc, a company incorporated in England and Wales with company number 07712220;
Notice of General Meeting	means the notice of the General Meeting, as set out at Appendix 2 (<i>Notice of General Meeting</i>);
Official List	means the Official List of the UK Listing Authority (part of the Financial Conduct Authority);
Overseas Shareholders	means a Shareholder who is a resident in, or a citizen of, a jurisdiction outside the United Kingdom;
Panel	means the UK Panel on Takeovers and Mergers;
Participant ID	means the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant;
Proposed Directors	means each of Dr. Edwin Hertzog, Danie Meintjes, Craig Tingle, Ian Tyler, Seamus Keating, Jannie Durand, Alan Grieve, Prof. Dr. Robert Leu, Nandi Mandela, Trevor Petersen, Desmond Smith;
Proposed Senior Managers	means each of Danie Meintjes, Craig Tingle, Gert Hattingh, Dr. Ronnie van der Merwe, Dr. Dirk le Roux, Koert Pretorius, Dr. Ole Wiesinger and David Hadley;
Prospectus	means the document which constitutes the prospectus used in connection with the application for admission to listing by way of a premium segment of the Official List and admission to trading on the main market for listed securities of the London Stock Exchange;
Qualifying Shareholder	means the shareholders who are entitled to participate in the Tender Offer, being those who are on the Register on the Record Date;
Receiving Agent	means Capita Asset Services, a trading name of Capita Registrars Limited;
Record Date	means the record date by reference to which the entitlement of Al Noor Shareholders to receive the Special Dividend and to participate in the Tender Offer will be determined, which shall be a date as shortly as practicable before the expected Closing Date and, to the extent practicable, the same as the record date for determining the entitlement of Mediclinic Shareholders to participate in the Mediclinic Scheme;
Register	means the Company's register of members;
Registrars	means Capita Asset Services, a trading name of Capita Registrars Limited;
Regulatory Information Service	has the meaning given in the Listing Rules;
Relationship Agreement	means the relationship agreement entered into between Al Noor, Remgro and a wholly-owned subsidiary of Remgro on 14 October 2015, to be effective on Completion, which will regulate the ongoing relationship between Al Noor and Remgro;
Relevant Portfolio Company	has the meaning given in paragraph 6 of Part VIII;

Remgro	means Remgro Limited, a public company incorporated in South Africa;
Remgro Concert Party	has the meaning given in paragraph 6 of Part VIII;
Remgro Facility Agreement	means the £600,000,000 bridge facilities agreement dated 14 October 2015 between, amongst others, Remgro and RMB;
Remgro Healthcare	means Remgro Healthcare Holdings Proprietary Limited;
Remgro Subscription	means the subscription of 72,115,384 New Shares by Remgro Healthcare or one or more of its affiliates pursuant to the Remgro Subscription Agreement;
Remgro Subscription Agreement	means the subscription agreement dated 14 October 2015 relating to the Remgro Subscription entered into between Remgro Healthcare and the Company in connection with the Combination;
Resolutions	means resolutions 1 to 15 to approve the Combination and related matters as summarised in paragraph 23 of Part I (<i>Letter from the Chairman of Al Noor Hospitals Group plc</i>) and set out in full in Appendix 2 (<i>Notice of General Meeting</i>);
Restricted Jurisdiction¹⁹	means the People's Republic of China and any other jurisdiction outside the EEA where the mailing of this document or the accompanying documents into or inside such jurisdiction would carry a significant risk of civil, regulatory or criminal exposure in each such jurisdiction;
RMB	means FirstRand Bank Limited (acting through its Rand Merchant Bank division);
Rothschild	means N.M. Rothschild & Sons Limited;
SA Companies Act	means the South African Companies Act, No. 71 of 2008;
SA Court	means any South African court with competent jurisdiction to approve the implementation of the Mediclinic Resolutions relating to the Mediclinic Scheme and the Assets Transfer pursuant to section 115 of the SA Companies Act and/or to determine the fair value of Mediclinic Shares and make an order pursuant to section 164(14) of the SA Companies Act;
SA Panel	means the Takeover Regulation Panel established in terms of section 196 of the SA Companies Act;
Scheme Resolution	means the special resolution approving the Mediclinic Scheme to be proposed at the Mediclinic Scheme Meeting
SDRG	means Swiss Diagnostic Related Groups;
Second Reduction of Capital	means the proposed cancellation of the Existing Shares that are successfully tendered pursuant to the Tender Offer and the reduction to USD 1 billion of the then existing Al Noor share premium account, with the payment by way of return of capital of £8.32 per share to holders of successfully tendered Existing Shares;

¹⁹ In accordance with Rule 23.2 of the City Code, the percentage shareholdings in the Company of all in each of the respective Restricted Jurisdictions is less than 3 per cent.

SEP	means single exit price;
Shares	means the ordinary shares of 10 pence each in the capital of the Company;
SMBB	means Sheikh Mohammed bin Butti Al Hamed;
South Africa	means the Republic of South Africa;
South African Competition Act	means the Competition Act, 1998 (Act 89 of 1998);
South African Rand or Rand or ZAR	means the lawful currency of South Africa;
Special Dividend	means the special dividend to be paid to all Al Noor Shareholders on the Register at the Al Noor Record Date of £3.28 per Share, conditional on Completion;
Spire	means Spire Healthcare Group plc;
Switzerland	means the Swiss Confederation;
TARMED	means the Swiss national tariff system for reimbursement of outpatient medical and surgical procedures;
Tender Conditions	means the conditions to the Tender Offer set out in Paragraph 2.1 of Part IX (<i>Terms of the Tender Offer</i>) of this document;
Tender Form	means the form enclosed with this document for use by Al Noor Shareholders who hold Existing Shares in certificated form in connection with the Tender Offer;
Tender Offer	means the offer to all Al Noor Shareholders to tender their shares to Al Noor for cancellation for £8.32 per Existing Share, conditional on Completion and subject to scale back to the extent that more than 74,069,109 Existing Shares are tendered;
TFE Instruction	means a transfer from escrow instruction (as defined by the CREST Manual);
Thiqa	means the category of the HAAD health insurance plan offered to UAE nationals residing in the Emirate of Abu Dhabi, administered by Daman;
TTE Instruction	means a transfer to escrow instruction (as defined by the CREST Manual);
UAE	means the United Arab Emirates;
UK	means the United Kingdom of Great Britain and Northern Ireland;
UK Companies Act	means the UK Companies Act 2006, as such act may be amended, modified or re-enacted from time to time;
UK Listing Authority or UKLA	means the FCA acting in its capacity as the competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000;
Uncertificated	means shares recorded on the register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertified Securities Regulations, may be transferred by means of CREST;
United States, US or U.S.	means the United States of America, its territories and possessions, any state of the United States of America, and the District of Colombia;

U.S.\$, \$, USD or US dollars	means US dollars, the lawful currency of the United States of America;
U.S. Shareholder	means a beneficial owner of Shares that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States or any state thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes;
VAT	means value added tax;
VPS Healthcare	means VPS Healthcare, a company incorporated in the Emirate of Abu Dhabi;
Waiver	means the waiver by the Panel of the requirement for the Remgro Concert Party to make an offer for the Company under Rule 9 of the City Code; and
Whitewash Resolution	means Resolution 4, the ordinary resolution to approve the waiver of any requirement under Rule 9 of the City Code for the Remgro Concert Party to make a general offer to shareholders of the Company as a result of being issued ordinary shares in the capital of the Company following the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) representing between 42.99 per cent. and 47.43 per cent. of the enlarged ordinary issued share capital of the Company.

APPENDIX 2—NOTICE OF GENERAL MEETING

AL NOOR HOSPITALS GROUP PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 08338604)

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Al Noor Hospitals Group plc (the “**Company**”) will be held at the offices of Linklaters LLP, at One Silk Street, London, EC2Y 8HQ on 15 December 2015 at 9:00 a.m. to consider and, if thought fit, pass the following resolutions.

Resolutions 1 to 7 will be proposed as ordinary resolutions and resolutions 8 to 15 will be proposed as special resolutions. Resolution 4 is subject to the approval of the shareholders (who are all presumed to be independent of the Remgro Concert Party) on a poll vote.

ORDINARY RESOLUTIONS

THAT:

1. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority,
 - (a) the proposed combination (the “**Combination**”) of the Company and Mediclinic International Limited (“**Mediclinic**”) under which Mediclinic Shareholders will receive 0.62500 new ordinary shares in the Company for each Mediclinic share held to be implemented by way of a scheme of arrangement of Mediclinic under section 114 of the South African Companies Act between Mediclinic Shareholders and the Company (the “**Mediclinic Scheme**”), pursuant to the terms of and subject to the conditions set out in the scheme circular published by Mediclinic; and
 - (b) the entry by the Company into (i) the Bid Conduct Agreement dated 14 October 2015 between the Company and Mediclinic (the “**Bid Conduct Agreement**”), (ii) a subscription agreement (the “**Subscription Agreement**”) dated 14 October 2015 between the Company and Remgro Healthcare Holdings Proprietary Limited (“**Remgro Healthcare**”) (a wholly-owned subsidiary of Remgro Limited (“**Remgro**”)), and (iii) a relationship agreement dated 14 October 2015 between the Company and Remgro (a copy of each of which documents is produced to the meeting and signed for identification purposes by the chairman of the meeting), and in each case as described in the circular to shareholders of the Company outlining the Combination dated 19 November 2015 of which this Notice convening the General Meeting forms part (the “**Circular**”) (a copy of which is produced to the meeting and signed for identification purposes by the chairman of the meeting),be and are hereby approved and the board of directors of the Company (the “**Al Noor Directors**”) (or any duly constituted committee thereof) be and are hereby authorised:
 - (i) to take, or procure the taking of, all such steps and enter into such further agreements as may be necessary or desirable in connection with, and to implement, the Combination; and
 - (ii) to agree such modifications, variations, revisions or amendments to the terms and conditions of the Combination and/or any of the agreements or further agreements referred to above and/or to any documents or arrangements relating thereto, as the Al Noor Directors or any such committee may in their absolute discretion think fit (provided such modifications, variations, revisions or amendments are not of a material nature for purposes of Listing Rule 10.5.2);
2. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority, and with effect from the Mediclinic Scheme becoming unconditional in all respects and in addition and without prejudice to all existing authorities for the purposes of section 551 of the UK Companies Act 2006 (the “**Act**”) and the authority granted pursuant to Resolution 3:
 - (a) the Al Noor Directors be unconditionally authorised for the purposes of section 551 of the Act, to exercise all the powers of the Company to allot and issue up to 685,293,369 new ordinary shares of 10 pence each in the capital of the company (the “**New Shares**”) in accordance with the terms of the Mediclinic Scheme and the Subscription Agreement, such authorisation to expire on 31 December 2016, but so that the Company may, before such expiry, make offers or enter into agreements which would or might require the New Shares to be allotted for the specific purpose stated after the authorities granted by this resolution had expired; and

- (b) the issue of 72,115,384 New Shares pursuant to the Subscription Agreement at a price of 832 pence per ordinary share, being a discount of more than 10 per cent. to the closing middle market price of the Existing Shares on 13 October 2015 (being the latest practicable date prior to the announcement of the Combination and of the entry into of the Subscription Agreement), be approved (in accordance with the requirements of the Listing Rules of the UK Listing Authority);
- 3. with effect from the Mediclinic Scheme becoming unconditional in all respects, the Al Noor Directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into shares in the Company:
 - (a) up to a maximum aggregate nominal amount of £24,200,000; and
 - (b) comprising equity securities (as defined in section 560(1) of the Act) up to a further nominal amount of £24,200,000 in connection with an offer by way of a rights issue.

These authorities shall apply in substitution for all other previous general authorities pursuant to section 551 of the Act but without prejudice to the authorities granted under Resolution 2 of this Notice of General Meeting and shall expire at the conclusion of the next annual general meeting or on 31 December 2016, whichever is the earlier, but, in each case, so that the Company may, before such expiry, make offers or enter into agreements which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authorities granted by this resolution had expired.

For the purposes of this resolution, “**rights issue**” means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) people who are holders of other equity securities if this is required by the rights of those securities or, if the Al Noor Directors consider it necessary, as permitted by the rights of those securities,

to subscribe further securities by means of the issue of a renounceable letter (or other renounceable instrument) which may be traded for a period before payment for the securities is due, but subject on both cases to such exclusions or other arrangements as the Al Noor Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;

- 4. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority, the waiver by the Panel of any requirement under Rule 9 of the City Code on Takeovers and Mergers for Remgro and/or any of its subsidiary undertakings and/or any person acting in concert with any of them to make a general offer to shareholders of the Company as a result of being issued ordinary shares in the capital of the Company pursuant to the Combination and the Subscription Agreement, and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) representing between 42.99 per cent. and 47.43 per cent. of the enlarged ordinary issued share capital of the Company, depending on the extent to which Al Noor shareholders participate in the Tender Offer, as described in the Circular be approved;²¹
- 5. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolution 3, 7 and 9 being passed by the requisite majority, the retention bonus payable to Ronald Lavater which is described in Part I (*Letter from the Chairman of Al Noor Hospitals Group plc*) of the Circular be approved; and
- 6. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority, the resignation of KPMG LLP and the appointment of PricewaterhouseCoopers LLP as auditors of the Company, to

²¹ Note: An announcement of the actual amount of issued ordinary share capital of the Company held by the Remgro Concert Party as a consequence of the Combination, the Remgro Subscription and the Tender Offer (depending on the extent to which Al Noor Shareholders participate in the Tender Offer) (the “**Post Tender Remgro Holding**”) will be made by the Company immediately following completion or lapse of the Tender Offer (as the case may be). Any transaction in issued ordinary shares of the Company by the Remgro Concert Party following Completion that results in the Remgro Concert Party holding more than the Post Tender Remgro Holding, will, save as agreed by the Panel, be subject to the usual provisions of the City Code.

hold office until the conclusion of the next general meeting at which accounts are laid before the Company, be approved; and

7. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting (other than Resolution 3, 5 and 9) being passed by the requisite majority, the revised remuneration policy in the form set out in Appendix 4 (*Directors' Remuneration Policy*) be adopted as the Company's remuneration policy in substitution for and to the exclusion of the current remuneration policy of the Company.

SPECIAL RESOLUTIONS

THAT:

8. with effect from the Mediclinic Scheme becoming unconditional in all respects, and without prejudice to all existing authorities for the purposes of section 570(1) of the Act and the authority granted pursuant to Resolution 9, the Al Noor Directors be unconditionally authorised for the purposes of 570(1) of the Act to allot 72,115,384 New Shares to the subscriber(s) pursuant to the terms of the Subscription Agreement (the "**Subscriber(s)**") for cash pursuant to the authorisation conferred by this resolution as if section 561 of the Act did not apply to such allotment, provided that such power shall expire on 31 December 2016, but so that the Company may, before such expiry, make offers or enter into agreements which would or might require the New Shares to be allotted for the specific purpose stated after the authorities granted by this resolution had expired;
9. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5 and 7 being passed by the requisite majority, the Al Noor Directors be unconditionally authorised to allot equity securities (as defined in section 560(1) of the Act) for cash:
 - (a) pursuant to the authority given by paragraph (a) of Resolution 3 above or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act in each case:
 - (i) in connection with a pre-emptive offer; and
 - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal value of £3,600,000; and
 - (b) pursuant to the authority given by paragraph (b) of Resolution 3 above in connection with a rights issue,

as if section 561(1) of the Act did not apply to any such allotment, such power to expire at the conclusion of the next annual general meeting of the Company or on 31 December 2016, whichever is the earlier, but so that the Company may during this period, make offers or enter into agreements which would, or might, require equity securities to be allotted after the power ends and the Al Noor Directors may allot equity securities under any such offer or agreement as if the authority conferred by this resolution had not expired.

For the purposes of this resolution:

- (i) "**rights issue**" has the same meaning as in Resolution 3 above;
- (ii) "**pre-emptive offer**" means an offer of equity securities open for acceptance for a period fixed by the Al Noor Directors to (a) holders (other than the Company) on the register on a record date fixed by the Al Noor Directors of ordinary shares in proportion to their respective holdings and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Al Noor Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
- (iii) references to an allotment of equity securities shall include a sale of treasury shares; and
- (iv) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights;

10. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority:
- (a) the whole amount of US\$556,449,554 currently within the share premium account and redesignated as a merger reserve of the Company (as described in Part C of Part VI (*Financial Information on Al Noor*) of the Circular) shall be capitalised (the “**Capitalised Amount**”);
 - (b) the Capitalised Amount shall be applied in paying up in full and at par the relevant number of Class A Shares, which Class A Shares shall be allotted and issued to a nominee appointed by the Company on behalf of the holders of ordinary shares entered in the register of members of the Company at the Capitalisation Record Date (in proportion (as nearly as practicable) to the aggregate nominal amount of the ordinary shares held by such holders at such time), credited as fully paid and ranking *pari passu* with each other in all respects;
 - (c) in accordance with section 551 of the Act, the Al Noor Directors be and they are hereby specifically authorised to allot Class A Shares up to an aggregate nominal amount of US\$556,449,554 in accordance with this resolution, such authority to expire on the anniversary of the date on which this resolution is passed; and
 - (d) the Al Noor Directors be and they are hereby authorised to do all such acts and things as they may consider necessary or expedient to give effect to the matters set out in this resolution.

For the purposes of this resolution:

- (i) “**Capitalisation Record Date**” means 6.00 p.m. on the day before the date of the hearing of the High Court of Justice of England and Wales to confirm the reductions of capital pursuant to Resolution 11 and Resolution 12; and
- (ii) “**Class A Shares**” means class A deferred bonus shares of US\$0.01 each in the share capital of the Company having the following rights, restrictions, privileges and conditions:
 - (a) The Class A Shares shall have the rights, and be subject to the restrictions, attaching to shares set out in the articles of association of the Company save that in the event of a conflict between any provision in this resolution and any provision in the articles of association of the Company, the provisions in this resolution shall prevail.
 - (b) The Class A Shares shall confer no right to participate in the profits of the Company.
 - (c) On a return of capital on a winding up (excluding any intra group reorganisation on a solvent basis), there shall be paid to the holders of the Class A Shares the nominal capital paid up, or credited as paid up, on such Class A Shares after paying to the holders of the ordinary shares the nominal capital paid up or credited as paid up on the ordinary shares held by them respectively, together with the sum of US\$100,000,000 on each ordinary share.
 - (d) The holders of the Class A Shares shall not be entitled to any further right of participation in the assets of the Company.
 - (e) The holders of the Class A Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting.
 - (f) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the Class A Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Class A Shares) shall be treated as being in accordance with the rights attaching to the Class A Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Class A Shares.
 - (g) The reduction, and/or cancellation of the Class A Shares (with or without any payment in respect thereof), of the capital paid up on the Class A Shares shall be in accordance with the rights attaching to the Class A Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce or cancel its capital (in accordance with the Act) without obtaining the consent of the holders of the Class A Shares.
 - (h) Without prejudice to (f) and (g), the Company is authorised to reduce or cancel (or purchase shares in) its capital of any class or classes and such reduction or cancellation (or purchase)

shall not involve a variation of any rights attaching to the Class A Shares for any purpose or require the consent of the holders of the Class A Shares.

- (i) The Class A Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The Class A Shares shall not be transferable except in accordance with paragraph (j) below or with the written consent of the Al Noor Directors.
 - (j) The Company may at any time (and from time to time) (subject to the provisions of the Act) without obtaining the sanction of the holder or holders of the Class A Shares:
 - (i) redeem all or any Class A Shares then in issue for consideration of not more than the aggregate amount of US\$0.01 for all such Class A Shares then being redeemed, the recipient of such sum being determined by the Al Noor Directors by lot; and
 - (ii) cancel all or any of the Class A Shares purchased or acquired by the Company in accordance with the Act.
11. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority, to the allotment of the Class A Shares in accordance with Resolution 10 and to the Company's register of members having been written up accordingly, the share capital of the Company shall be reduced by cancelling and extinguishing all of the Class A Shares without any payment in respect thereof to the holders of such Class A Shares;
12. subject to and conditional upon each of the resolutions in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority, the amount of US\$137,099,479 currently attributed to the share premium account of the Company (as described in Part C of Part VI (*Financial Information on Al Noor*) of the Circular) be cancelled;
13. subject to and conditional upon (i) Completion and the Remgro Subscription, (ii) the New Shares having been allotted and issued and registered in the names of the persons entitled thereto in the register of members of the Company, and (iii) the accounting records of the Company having been updated to reflect the share premium arising on the allotment and issue of the New Shares:
- (a) the capital of the Company be reduced by cancelling and extinguishing the Existing Shares which are accepted by the Company as having been successfully tendered pursuant to the Tender Offer on the terms set out in Part IX (*Terms of the Tender Offer*) of the Circular (the “**Successfully Tendered Shares**”); and
 - (b) the share premium account of the Company be reduced to USD 1 billion,
- and in respect of such reduction of share capital and share premium account:
- (i) all of the amount equal to the nominal value of the Successfully Tendered Shares cancelled pursuant to (a) above, and such part of the amount created by the reduction of share premium account pursuant to (b) above as may be required, be paid to the holders of the Successfully Tendered Shares, in an amount of £8.32 for each Successfully Tendered Share, in accordance with the terms of the Tender Offer set out in Part IX of the Circular; and
 - (ii) the balance (if any) of the amount created by the reduction of share premium account pursuant to (b) above be retained by the Company and transferred to the reserves of the Company to be available for future distributions by the Company from time to time or applied by the Company from time to time towards any other purpose to which such reserves may be applied.

For the purposes of this resolution, “**Completion**”, “**Existing Shares**”, “**New Shares**”, “**Remgro Subscription**” and “**Tender Offer**” shall each have the meaning given in the Circular;

14. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority, and with effect from the Mediclinic Scheme becoming operative in accordance with its terms, the name of the Company be changed to Mediclinic International plc; and
15. subject to and conditional upon each of the resolutions set out in this Notice of General Meeting other than Resolutions 3, 5, 7 and 9 being passed by the requisite majority and with effect from the Mediclinic Scheme becoming operative in accordance with its terms, the articles of association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification (the “**New Articles**”) be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the current articles of association of the Company.

By order of the Board,
Capita Asset Services
Secretary
19 November 2015

Registered office:

1st Floor
40 Dukes Place
London
EC3A 7NH

Registered in England and Wales No. 08338604

IMPORTANT NOTES

The following notes explain your general rights as a shareholder and your right to attend and vote at this General Meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the register of members of the Company at 9:00 a.m. on 11 December 2015 (or, in the event of any adjournment, the earlier of two business days or 48 hours before the date of any adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting. There are no other procedures or requirements for entitled shareholders to comply with in order to attend and vote at the General Meeting.
2. In alignment with best practice for listed companies, it is the current intention that each of the resolutions to be put to the General Meeting will be voted on by way of a poll and not by show of hands. The Company believes that a poll is more representative of shareholders' voting intentions because shareholder votes are counted according to the number of ordinary shares held and all votes tendered are taken into account.
3. The doors will open at 8:00 a.m. and you may wish to arrive by 8:45 a.m. to enable you to register and take your seat in good time. If you have any special needs or require wheelchair access to the offices of Linklaters LLP, at One Silk Street, London EC2Y 8HQ please contact Al Noor's registrar, Capita Asset Services ("**Capita**") in advance of the meeting. Mobile phones may not be used in the meeting hall, and cameras and recording equipment are not allowed in the meeting hall.
4. Members entitled to attend and vote at the General Meeting are entitled to appoint a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf. A proxy need not be a shareholder of the Company. If you wish to appoint a proxy, please use the Form of Proxy which accompanies this Notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Capita, on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.
5. You can appoint the chairman of the General Meeting, or any other person, as your proxy. If you wish to appoint someone other than the chairman, cross out the words "the Chairman of the General Meeting or" on the Form of Proxy and insert the name of your appointee. You can instruct your proxy how to vote on each resolution by placing an "x" (or entering the number of shares which you are entitled to vote) in the "For" or "Against" box as appropriate. If you wish to abstain from voting on any resolution please place an "x" in the box which is marked "Vote withheld". A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

6. If you are appointing a proxy in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. If left blank, your proxy will be deemed to be authorised in respect of your full voting entitlement.
7. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to different ordinary shares held by that shareholder. To appoint more than one proxy, you may photocopy the Form of Proxy or obtain (an) additional Form of Proxy by contacting Capita in accordance with paragraph 4. Please indicate in the box next to proxy holders name the number of shares in respect of which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.
8. In the case of joint shareholders, only one needs to sign the Form of Proxy. Where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted, to the exclusion of the votes of the other joint shareholders. For this purpose, seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
9. Any person to whom this Notice is sent who is a person nominated under Section 146 of the UK Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
10. The statement of the rights of shareholders in relation to the appointment of proxies do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
11. **To be valid, any Form of Proxy or other instrument appointing a proxy must (if the proxy is to be appointed by submission of a hard copy of the Form of Proxy) be received by post or (during normal business hours only) by hand to the Company's Registrar, at the address shown on the Form of Proxy or, in the case of shares held through CREST, via the CREST system, by no later than 9:00 a.m. on 11 December 2015 (or the earlier of two business days or 48 hours before the date of any adjourned meeting).**
12. As an alternative to completing your hard-copy Form of Proxy, you can appoint a proxy electronically at www.capitashareportal.com. This website is operated by the Company's registrar, Capita. Full details of the proxy voting procedure are given on the website and shareholders are advised to read the terms and conditions relating to the use of this facility before appointing a proxy through it. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged. If you want to appoint more than one proxy electronically then please contact Capita on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. **Other than the appointment of a proxy through CREST (see the paragraph below), for electronic proxy appointments to be valid, they must be received by no later than 9:00 a.m. on 11 December 2015 (or the earlier of two business days or 48 hours before the date of any adjourned meeting).** Any electronic communication sent by a shareholder that is found to contain a computer virus will not be accepted.
13. If you return more than one proxy appointment, either by paper or electronic communication, that received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully.
14. The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction (as described in note 15 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.

15. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available from <https://my.euroclear.com/eui/en/reference/legal-information/crest-manual.html>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
16. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. **All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy, which are to be transmitted through CREST, must, in order to be valid, be transmitted so as to be received by Capita (ID RA10) by 9:00 a.m. on 11 December 2015 (or the earlier of two business days or 48 hours before the date of any adjourned meeting).** For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which Capita is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
17. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
18. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative exercises powers in relation to the same shares.
19. A corporation should execute the Form of Proxy under its common seal or otherwise in accordance with section 44 of the UK Companies Act or by signature on its behalf by a duly authorised officer or attorney whose power of attorney or other authority should be enclosed with the Form of Proxy.
20. As at 17 November 2015 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 116,866,203 ordinary shares, carrying one vote each. No shares are held in treasury. Therefore, the total voting rights in the Company as at 17 November 2015 are 116,866,203.
21. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
22. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from 12 noon of 20 November 2015 until the time of the General Meeting and may also be inspected at the offices of Linklaters LLP, at One Silk Street, London EC2Y 8HQ:
 - (a) the memorandum and Articles of Association of the Company;
 - (b) the amendments to the Articles of Association proposed by Resolution 15, as set out in this Notice of General Meeting;

- (c) the Unaudited Pro Forma Financial Information of the Enlarged Group and the report of PricewaterhouseCoopers LLP thereon set out in Part VII (*Pro forma Financial Information*) of the Circular;
 - (d) the audited consolidated financial statements of the Al Noor Group for each of the financial years ended 31 December 2012, 2013 and 2014, together with the unqualified independent audit report thereon;
 - (e) the unaudited interim condensed consolidated financial statements of the Al Noor Group for the six months ended 31 June 2014 and 2015;
 - (f) the letters of undertaking referred to in paragraph 18 of Part I (*Letter from the Chairman of Al Noor Hospitals Group plc*) of the Circular;
 - (g) the consent letters provided in relation to paragraph 18 of Part XI (*Additional Information*) of the Circular;
 - (h) the bid conduct agreement dated 14 October 2015 between Al Noor and Mediclinic in connection with the implementation of the Combination;
 - (i) the non-disclosure agreement between Remgro, Mediclinic and the Company dated 23 August 2015, referred to in paragraph 19 of Part I (*Letter from the Chairman of Al Noor Hospitals Group plc*) of the Circular;
 - (j) the accountant's report on the Profit Forecast and the financial advisers' reports on the Profit Forecast of the Al Noor Group as set out in Appendix 3 (*Profit Forecast Reports*) to the Circular;
 - (k) the Remgro Subscription Agreement;
 - (l) the Mediclinic Bridge Facility;
 - (m) the Relationship Agreement (the Remgro Subscription Agreement, the Mediclinic Bridge Facility and the Relationship Agreement each as defined in the Circular);
 - (n) the proposed new remuneration policy set out in Appendix 4 (*Directors' Remuneration Policy*) to the Circular;
 - (o) the Prospectus; and
 - (p) the Circular.
23. You may not use any electronic address provided in either this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by section 311A of the UK Companies Act 2006, can be found on the Company's website at www.alnoorhospital.com.

APPENDIX 3—PROFIT FORECAST REPORTS

Section A: Profit Forecast Report from KPMG as reporting accountants



KPMG LLP
15 Canada Square
London E14 5GL
United Kingdom

Private & confidential

The Directors
Al Noor Hospitals Group plc
1st Floor
40 Dukes Place
London EC3A 7NH

NM Rothschild & Sons Limited
New Court
St Swithin's Lane
London EC4N 8AL

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB

19 November 2015

Ladies and Gentlemen

Al Noor Hospitals Group Plc

We report on the profit forecast comprising a forecast of Underlying EBITDA of Al Noor Hospitals Group Plc ("the Company") and its subsidiaries ("the Group") for the year ending 31 December 2015 (the "Profit Forecast"). The Profit Forecast, and the material assumptions upon which it is based, are set out on page 135 of the Circular dated 19 November 2015. This report is required by Rule 28.1 of The City Code on Takeovers and Mergers ("the City Code") and is given for the purpose of complying with that rule and for no other purpose. Accordingly, we assume no responsibility in respect of this report to the offeror or to any person connected to, or acting in concert with, the offeror, or to any other person who is seeking or may in future seek to acquire control of the Company ("an Alternative Offeror") or to any person connected to, or acting in concert with, an Alternative Offeror.

Responsibilities

It is the responsibility of the directors of the Company ("the Directors") to prepare the Profit Forecast in accordance with the requirements of the City Code.

It is our responsibility to form an opinion as required by the City Code as to the proper compilation of the profit forecast and to report that opinion to you.



Save for any responsibility which we may have to those persons to whom this report is expressly addressed, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.3 of the City Code, consenting to its inclusion in the Circular.

Basis of Preparation of the Profit Forecast

The Profit Forecast has been prepared on the basis stated on page 135 of the Circular and is based on the unaudited interim financial results for the six months ended 30 June 2015, the unaudited management accounts for the three months ended 30 September 2015 and a forecast to 31 December 2015. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Group.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion the Profit Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group.

Yours faithfully

KPMG LLP

KPMG LLP

Section B: Profit Forecast Report from Rothschild as financial adviser

Report from N. M. Rothschild & Sons Limited

The Directors
Al Noor Hospitals Group plc (“Al Noor”)
1st Floor
40 Dukes Place
London
EC3A 7NH

19 November 2015

Dear Sirs,

Combination with Mediclinic International Limited (“Mediclinic”)

We refer to the profit forecast, the bases of belief thereof and the notes thereto (together, the “**Profit Forecast**”) as set out in the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015 published by Al Noor on 25 August 2015 and referred to in paragraph 13 of Part XI (*Additional Information*) of the circular sent to Al Noor shareholders on 19 November 2015 (the “**Circular**”), for which the Board of Directors of Al Noor (the “**Directors**”) are solely responsible under Rule 28 of the City Code on Takeovers and Mergers (the “**Code**”).

We have discussed the Profit Forecast (including the assumptions and sources of information referred to therein), with the Directors and those officers and employees of Al Noor who developed the Profit Forecast. The Profit Forecast is subject to uncertainty as described in the Circular and our work did not involve an independent examination of any of the financial or other information underlying the Profit Forecast.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by or on behalf of Al Noor, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any opinion as to the achievability of the Profit Forecast.

We have also reviewed the work carried out by KPMG LLP and have discussed with them the opinion addressed to yourselves and ourselves on this matter set out in Part XI of the Circular.

This letter is provided to you solely in connection with Rule 28.1(a)(ii) of the Code and for no other purpose. We accept no responsibility to Al Noor or its shareholders or any person other than the Directors in respect of the contents of this letter; no person other than the Directors can rely on the contents of this letter, and to the fullest extent permitted by law, we exclude all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its results, or the work undertaken in connection with this letter, or any of the results that can be derived from this letter or any written or oral information provided in connection with this letter, and any such liability is expressly disclaimed except to the extent that such liability cannot be excluded by law.

On the basis of the foregoing, we consider that the Profit Forecast, for which the Directors are solely responsible, has been prepared with due care and consideration.

Yours faithfully,

N. M. Rothschild & Sons Limited

Section C: Profit Forecast Report from Goldman Sachs International as financial adviser

Report from Goldman Sachs International
The Directors
Al Noor Hospitals Group plc (“**Al Noor**”)
1st Floor
40 Dukes Place
London
EC3A 7NH

19 November 2015

Dear Sirs,

Combination with Mediclinic International Limited (“Mediclinic”)

We refer to the profit forecast, the bases of belief thereof and the notes thereto (together, the “**Profit Forecast**”) as set out in the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015 published by Al Noor on 25 August 2015 and referred to in paragraph 13 of Part XI (*Additional Information*) of the circular sent to Al Noor shareholders on 19 November 2015 (the “**Circular**”), for which the Board of Directors of Al Noor (the “**Directors**”) are solely responsible under Rule 28 of the City Code on Takeovers and Mergers (the “**Code**”).

We have discussed the Profit Forecast (including the assumptions and sources of information referred to therein), with the Directors and those officers and employees of Al Noor who developed the Profit Forecast. The Profit Forecast is subject to uncertainty as described in the Circular and our work did not involve an independent examination of any of the financial or other information underlying the Profit Forecast.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by or on behalf of Al Noor, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any opinion as to the achievability of the Profit Forecast.

We have also reviewed the work carried out by KPMG LLP and have discussed with them the opinion addressed to yourselves and ourselves on this matter set out in Part XI of the Circular.

This letter is provided to you solely in connection with Rule 28.1(a)(ii) of the Code and for no other purpose. We accept no responsibility to Al Noor or its shareholders or any person other than the Directors in respect of the contents of this letter; no person other than the Directors can rely on the contents of this letter, and to the fullest extent permitted by law, we exclude all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its results, or the work undertaken in connection with this letter, or any of the results that can be derived from this letter or any written or oral information provided in connection with this letter, and any such liability is expressly disclaimed except to the extent that such liability cannot be excluded by law.

On the basis of the foregoing, we consider that the Profit Forecast, for which the Directors are solely responsible, has been prepared with due care and consideration.

Yours faithfully,

Goldman Sachs International

APPENDIX 4—DIRECTORS' REMUNERATION POLICY

Directors' Remuneration Policy

This part of the Directors' Remuneration Report sets out the remuneration policy for the Company and has been prepared in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The Policy has been developed taking into account the principles of the UK Corporate Governance Code (Code) and takes account of the views of our major shareholders and proxy agencies, as expressed during previous engagement on remuneration matters.

The Company's remuneration policy was first put to a shareholder vote at the 2014 AGM and was approved by 98.24% of shareholders, and has remained in the approved form since. In light of the new structure of the Company going forward, the Committee has undertaken a review of the existing policy and an updated policy has been outlined below to ensure it remains appropriate and fit for purpose for the Company going forward but may be subject to a further review if the Combination of the Company with Mediclinic International Limited becomes effective.

The Policy Report will be put to a binding shareholder vote at the General Meeting of the Company on 15 December 2015 and the new Policy will take formal effect from Completion (as defined in the Company's circular to shareholders dated 19 November 2015 (replacing the previous policy approved by shareholders at the 2014 AGM)). It is intended that the Policy will be in force for a period of three years from the date of approval. If the Combination does not go ahead, this policy will not take effect.

Policy overview

The Committee is responsible, on behalf of the Board, for establishing appropriate remuneration arrangements for the Executive Directors and other senior management in the Group.

In setting the remuneration policy for the Executive Directors, the Committee will ensure that the arrangements are in the best interest of both the Group and its shareholders, by taking into account the following general principles:

- To lead our chosen markets in medical quality by attracting, retaining and motivating the best person for each position, without paying more than is necessary.
- To ensure total remuneration packages are simple and fair in design so that they are valued by participants.
- To ensure that the fixed element of remuneration is determined in line with local market rates, taking account of individual performance, responsibilities and experience; and that a significant proportion of the total remuneration package is linked to financial rewards.
- To balance performance pay between the achievement of financial performance objectives and delivering sustainable stock market out-performance; creating a clear line of sight between performance and reward and providing a focus on sustained improvements in profitability and returns.
- To provide a significant proportion of performance linked pay in shares allowing senior management to build significant shareholding in the business and therefore, aligning management with shareholder's interests and the Group's performance, without encouraging excessive risk taking.

Consideration of shareholder views

The Company is committed to maintaining good communications with investors. The Committee considers the AGM to be an opportunity to meet and communicate with investors, giving shareholders the opportunity to raise any issues or concerns they may have. In addition, the Committee will seek to engage directly with major shareholders and their representative bodies should any material changes be made to the Directors' Remuneration Policy.

Summary of the Directors' remuneration policy

The following table sets out the key aspects of the Directors' remuneration policy.

Element of pay	Purpose and link to strategy	Operation	Maximum opportunity	Performance criteria
Base compensation ⁽¹⁾	<ul style="list-style-type: none"> To attract, retain and motivate talented individuals who are critical to the Group's success 	<ul style="list-style-type: none"> Reviewed annually by the Committee or, if appropriate, in the event of a change in an individual's position or responsibilities Base compensation levels set at a level to reflect the experience and capabilities of the individual as well as the scope and scale of the role Increases to base compensation may reflect individual performance as well as the pay and conditions in the workforce 	<ul style="list-style-type: none"> There is no prescribed maximum annual increase. The Committee takes into account remuneration levels in comparable organisations in the geographies in which the company operates and in which it competes for talent. It is guided by the increase for the workforce generally. On occasions, it may also recognise other factors such as additional responsibility, or an increase in the scale or scope of the role 	<ul style="list-style-type: none"> N/A

Element of pay	Purpose and link to strategy	Operation	Maximum opportunity	Performance criteria
Annual Short Term Incentive (“STI”)	<ul style="list-style-type: none"> • To encourage and reward delivery of the Group’s annual financial and operational objectives • To encourage share ownership and provide further alignment with shareholders 	<ul style="list-style-type: none"> • Performance targets are reviewed annually by the Committee and are set to ensure they are linked to strategic objectives and are appropriately demanding, taking into account economic conditions and risk factors • A portion of the bonus paid (the amount at the discretion of the Committee) may be deferred in shares, which are released ratably over two years subject to continued employment • Dividends that accrue on the deferred shares during the vesting period may be paid in cash or shares at the time of vesting • Clawback provisions will apply for overpayments due to misstatement or error and other circumstances in respect of future bonus payments and also apply to previous payments made under the Al Noor bonus scheme 	<ul style="list-style-type: none"> • Maximum opportunity of 150% of base compensation 	<ul style="list-style-type: none"> • At least 75% of the STI will be based on Group financial performance⁽²⁾ • Performance below threshold results in zero payment. Payments increase from 0% to 100% of the maximum opportunity for levels of performance between threshold and maximum performance targets

Element of pay	Purpose and link to strategy	Operation	Maximum opportunity	Performance criteria
Long-term incentive plan (LTIP) ⁽³⁾	<ul style="list-style-type: none"> To balance performance pay between the achievement of financial performance objectives and delivering sustainable stock market out-performance To encourage share ownership and provide further alignment with shareholders 	<ul style="list-style-type: none"> Annual awards of conditional shares with vesting dependent on the achievement of performance conditions over a three year period Performance targets are reviewed annually by the Committee and are set appropriate to the economic outlook and risk factors prevailing at the time, ensuring that such targets remain challenging in the circumstances, whilst remaining realistic enough to motivate and incentivise management Dividends that accrue during the vesting period may be paid in cash or shares at the time of vesting, to the extent that shares vest Clawback provisions apply for overpayments due to misstatement or error and other circumstances 	Maximum opportunity of 200% of base compensation	<ul style="list-style-type: none"> Performance is assessed against EPS growth and relative TSR metrics, which are measured independently.⁽²⁾ No more than 25% of an award will vest for achieving threshold performance, increasing pro-rata to full vesting for achievement of maximum performance targets
Pension / Retirement benefits	<ul style="list-style-type: none"> To help recruit and retain high performing Executives To provide employees with long-term savings via pension provisions 	<ul style="list-style-type: none"> Participation into a defined contribution pension scheme. 	<ul style="list-style-type: none"> Directors can receive a Company contribution (of up to 10% of salary. 	<ul style="list-style-type: none"> N/A
Benefits	<ul style="list-style-type: none"> To provide a market-competitive level of benefits to ensure the executive directors well being 	<ul style="list-style-type: none"> Benefits may include but are not limited to: <ul style="list-style-type: none"> private medical insurance, death and disability insurance leave and long service awards Other ancillary benefits including relocation and travel expenses may be offered, as required, including an allowance towards reasonable fees for professional services such as legal, tax and financial advice. 	<ul style="list-style-type: none"> Actual value of benefits provided 	<ul style="list-style-type: none"> N/A

<u>Element of pay</u>	<u>Purpose and link to strategy</u>	<u>Operation</u>	<u>Maximum opportunity</u>	<u>Performance criteria</u>
Non-Executive Directors' fee	<ul style="list-style-type: none"> Set to attract, retain and motivate talented individuals through the provision of market competitive fees 	<ul style="list-style-type: none"> Reviewed periodically by the Committee or, if appropriate, in the event of a change in an individual's position or responsibilities Fee levels set by reference to market rates, responsibility, time commitments and the pay and conditions in the workforce 	<ul style="list-style-type: none"> As for the Executive Directors there is no prescribed maximum annual increase. The Committee is guided by the general increase for the broader workforce but on occasion may recognise an increase in certain circumstances such as, assumed additional responsibility or an increase in the scale or scope of the role 	<ul style="list-style-type: none"> N/A

Notes to table

- (1) Base compensation may include base salary plus fixed cash allowances, which are a normal part of the fixed remuneration package for employees in some countries in which the Company operates.
- (2) The Annual Short Term incentive is focused predominantly on key financial performance indicators, to reflect how successful the Group has been in managing its operations. The balance is determined on how well the executive directors performed against annual operational targets including measures of clinical excellence.

The LTIP incentive rewards significant long-term returns to shareholders and long-term financial growth.

Targets are set on sliding scales that take account of internal strategic planning and external market expectations for the Company. Only modest rewards are available for achieving threshold performance with maximum rewards requiring substantial out-performance of challenging strategic plans approved at the start of each year or on the date of award, as the case may be.

- (3) The Committee operates long-term incentive arrangements for the executive directors in accordance with their respective rules, the Listing Rules and the rules of relevant tax authorities where relevant. The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of the plans. These include (but are not limited to) the following:
 - Who participates;
 - The timing of the grant of award and/or payment;
 - The size of an award (up to plan limits) and/or a payment;
 - Discretion relating to the measurement of performance in the event of a change of control or reconstruction;
 - Determination of a good leaver (in addition to any specified categories) for incentive plan purposes;
 - Adjustments required in certain circumstances (e.g. rights issues, corporate restructuring and special dividends); and
 - The ability to adjust existing performance conditions for exceptional events so that they can still fulfil their original purpose.

Previous awards

For the avoidance of doubt, in approving this Directors' Remuneration Policy, authority is given to the Company to honour any commitments entered into with current or former directors before they became a director (such as, the vesting or exercise of past share awards) or before this policy came into effect, including those granted by companies in the Group prior to that company becoming part of the Group. For example certain directors will continue to hold awards granted under the terms of the Mediclinic Forfeitable Share Plan.

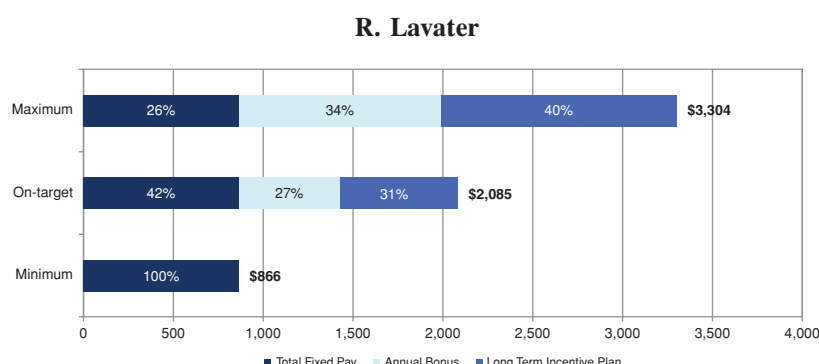
The Committee considers pay and employment conditions of employees in the Group when determining Executive Directors' remuneration policy

When considering the Executive Directors' remuneration structure and levels, the Committee reviews base compensation and STI arrangements for the management team, to ensure that there is a coherent approach across the Group. The STI arrangements operate on a similar basis across the senior management team. The key difference in the policy for Executive Directors is that remuneration is more heavily weighted towards long-term variable pay than other employees. This ensures that there is a clear link between the value created for shareholders and the remuneration received by the executive directors.

The Committee does not formally consult with employees in respect of the design of the Executive Director remuneration policy, although the Committee will keep this under review.

Remuneration scenarios for the CEO

The chart below shows an estimate of the potential future remuneration payable for the CEO at the time of writing and approval. The chart highlights that the performance-related elements of the package comprise a significant portion of the CEO's total remuneration at on-target and maximum performance.



Assumptions:

- 1 Base compensation levels applying as at 1 January 2015.
- 2 The value of taxable benefits is based on the cost of supplying those benefits (as disclosed in the Annual Report on Remuneration on page 72 of that report) for the year ended 31 December 2014. The end of service gratuity is based on the provision accrued (as disclosed in the Annual Report on Remuneration on page 71 of that report) for the year ended 31 December 2014 in line with the UAE Labour Law limit.
- 3 Minimum performance assumes no award is earned under the STI and no vesting is achieved under the LTIP; at on-target, 50% is earned under the STI and 50% is achieved under the LTIP; and at maximum full vesting under both plans.
- 4 Share price movement and dividend accrual have been excluded from the above analysis.

Directors' recruitment and promotions

The policy on the recruitment or promotion of an executive director takes into account the need to attract, retain and motivate the best person for each position, while at the same time ensuring a close alignment between the interests of shareholders and management.

If a new Executive Director were appointed (including former directors of Mediclinic who will join the Board at the time of the Combination), the Committee would seek to align the remuneration package with the remuneration policy approved by shareholders, save that there would be discretion to award a combined STI and LTIP of up to 400% of base compensation. Flexibility would be retained to set base compensation at the level necessary to facilitate the hiring of candidates of appropriate calibre in external markets and make awards or payments in respect of deferred remuneration arrangements forfeited on leaving a previous employer. In terms of remuneration to compensate for forfeited awards, the Committee would look to replicate the arrangements being forfeited as closely as possible and in doing so, would take account of relevant factors including the nature of the deferred remuneration, performance conditions and the time over which they would have vested or been paid.

For an internal appointment, any incentive amount awarded in respect of a prior role may be allowed to vest on its original terms, or adjusted as relevant to take into account the appointment. Any other ongoing remuneration obligations existing prior to appointment may continue.

The Committee may also agree that the Company will meet certain relocation and incidental expenses as appropriate.

For the appointment of a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved remuneration policy at that time.

Directors' service agreements and payments for loss of office

The Committee seeks to ensure that contractual terms of the executive director's service agreement reflect best practice.

The current service agreement of the CEO at the time of writing and approval is terminable on six months' notice. In the event that his UAE work permit is revoked for reason beyond his control or he is forced to leave the UAE as a result of actions or instructions of either the UAE or US government, subject to signing a binding waiver and release agreement, he will be paid an amount equivalent to 12 months' basic salary and benefits under the service agreement. The termination notice for Danie Meintjes and Craig Tingle who will join the Board at the time of the Combination is two months but it is intended that this will be reviewed and may be increased to no more than twelve months' notice if the Combination becomes effective. In circumstances of termination on notice the Committee will determine an equitable compensation package, having regard to the particular circumstances of the case. The Committee has discretion to require notice to be worked or to make payment in lieu of notice or to place the director on garden leave for the notice period.

In case of payment in lieu or garden leave, base compensation, benefits and end of service gratuity will be paid for the period of notice served on garden leave or paid in lieu. If the Committee believes it would be in shareholders' interests, payments would be made in phased instalments and in the case of payment in lieu will be subject to be offset against earnings elsewhere.

An STI may be payable in respect of the period of the bonus plan year worked by the director; there is no provision for an amount in lieu of bonus to be payable for any part of the notice period not worked. The bonus will be scaled back pro-rata for the period of the incentive year worked by the director and would remain payable at the normal payment date.

Shares under the deferred short-term and long-term incentive arrangements are subject to the rules which contain discretionary provisions setting out the treatment of awards where a participant leaves for designated reasons (i.e. participants who leave early on account of injury, disability or ill health, death, a sale of their employer or business in which they were employed, statutory redundancy, retirement or any other reason at the discretion of the Committee). In these circumstances a participant's awards will not be forfeited on cessation of employment and instead will continue to vest on the normal vesting date or earlier at the discretion of the Committee, subject to the performance conditions attached to the relevant awards. The awards will, other than in exceptional circumstances, be scaled back pro-rata for the period of the incentive year worked by the director.

In addition to the above payments, the Committee may make any other payments determined by a court of law in respect of the termination of a director's contract.

In the event of a change of a control all unvested awards under the deferred short-term and long-term incentive arrangements would vest, to the extent that any performance conditions attached to the relevant awards have been achieved. The awards will, where the Committee dictates, be scaled back pro-rata for the period of the incentive year worked by the director.

The date of the CEO's service contract is:

Ronald Lavater 1 October 2014

The service contract is available for inspection during normal business hours at the Company's registered office, and available for inspection at the AGM.

The executive Directors who will join the board of the Company on implementation of the Scheme (being Danie Meintjes and Craig Tingle) will remain as directors and employees of Mediclinic but will also be

appointed as directors of the Company. The date of Danie Meintjes service contract with Mediclinic is 3 August 1981 and the date of Craig Tingle's service contract with Mediclinic is 9 February 1987.

Non-Executive Directors' terms of engagement

Non-Executive Directors are appointed by letter of appointment for an initial period of three years, which are terminable by three months' notice on either side. However, the Company intends on complying provision B.7.1 of the UK Corporate Governance Code and accordingly all Directors will stand for annual re-election by shareholders at future AGMs until the Board determines otherwise.

In 2014 four Non-Executive Directors were considered to be independent of the Company.

The dates of the terms of engagement of the Non-Executive Directors are:

Ian Tyler ⁽¹⁾	5 June 2013
Dr. Kassem Alom	1 October 2014
Seamus Keating ⁽²⁾	5 June 2013
Sheikh Mansoor Bin Butti	5 June 2013
Ahmad Nimer	5 June 2013
William J Ward ⁽²⁾	5 June 2013
Mubarak Matar Al Hamiri ⁽²⁾	5 June 2013
William S. Ward	7 November 2013

(1) Ian Tyler was considered independent on appointment and in accordance with provision B.1.1 of the UK Corporate Governance Code is no longer considered to be independent.

(2) Seamus Keating, William J. Ward, William S. Ward and Mubarak Matar Al Hamiri were considered to be independent Non-Executive Directors of the Company.

Those non-executive Directors who will join the board of the Company on implementation of the Scheme (being Dr. Edwin Hertzog, Jannie Durand, Alan Grieve, Prof. Dr. Robert Leu, Nandi Mandela, Trevor Petersen and Desmond Smith), will resign as directors of Mediclinic and be appointed as directors of the Company pursuant to letters of appointment on terms substantially equivalent to the terms of appointment for non-executive directors of the Company referred to above.

