

ADVANCED HEALTH LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2013/059246/06)

("the Company" or "Advanced Health")

ISIN Code: ZAE000189049 JSE Code: AVL

DETAILED TERMS ANNOUNCEMENT REGARDING INVESTMENT IN METWEST

1 INTRODUCTION AND BACKGROUND TO THE TRANSACTION

Shareholders are advised that as per the Share Sale Agreement dated 1 April 2019 between Presmed Australia Pty Limited ("PMA"), in which Advanced Health currently owns 59.66%, and Hereward Pty Ltd (Hereward/Metwest Surgical/day hospital) and Kingham Pty Ltd (Kingham/consulting practice/Metwest Eye Centre), (collectively "METWEST"), PMA exercised its second call option to acquire a further 19% interest in both Hereward and Kingham for a total Transaction consideration of AUD2,269,714 (approximately ZAR25 261 917) (the "Transaction").

PMA previously had a non-controlling interest of 38% in both entities. Following the Transaction, PMA's total shareholding in both Hereward and Kingham has increased to 57% respectively.

2 BACKGROUND TO HEREWARD AND KINGHAM

METWEST consists of an ophthalmology consulting practice (Kingham) and a day hospital (Hereward), both located on the same premises. There are six consulting suites, feeding surgery into a one theatre specialised ophthalmology day hospital, with 12 ophthalmologists consulting at the consulting practice, and 13 ophthalmologists operating at the day hospital. METWEST has been in existence for almost 30 years, with both Kingham and Hereward being well established, profitable and located in highly sought area in the north west Sydney area.

3 RATIONALE FOR THE TRANSACTION

METWEST is the only ophthalmic specific private day hospital in the area, and PMA recognises the opportunity to add further value to this business, assist it with further growth and therefore further bolt it on to PMA's day hospital portfolio. Of the 13 surgeons operating at METWEST, a number of these surgeons concurrently work at other PMA facilities, ensuring strong collegiate connections between PMA and METWEST.

PMA sees this as an exciting opportunity to increase its shareholding, now becoming the majority shareholder, in both profitable and well-established entities, and therefore increase PMA's attributable EBITDA and consolidated profits. This will assist in placing PMA in a stronger position within an ever-changing day hospital environment.

4 KEY TERMS OF THE TRANSACTION**4.1 Transaction consideration**

The total Transaction consideration of AUD2,269,714 (approximately ZAR25 261 917), was settled in cash by PMA.

4.2 Conditions precedent and Effective date

The effective date of the Transaction was 9 November 2021. At the date of this announcement, there are no outstanding conditions precedent to the Transaction, as all the conditions precedent were fulfilled.

4.3 Warranties and indemnities

The Transaction agreement contains legal warranties and indemnities which are considered normal in respect of a transaction of this nature.

5. PROFIT AND NET ASSET VALUES ATTRIBUTABLE TO METWEST

The net assets of METWEST as per the unaudited financial statements for the 12 months ended 30 June 2021, were AUD9,259,583 (ZAR103.1 million). The profit after tax attributable to the net assets of METWEST for the same period were AUD1,861,587 (ZAR20.7 million).

The unaudited annual financial statements for METWEST were prepared in accordance with Australian Accounting Standards and Interpretations.

6. CATEGORISATION OF THE TRANSACTION

The Transaction constitutes a category 2 acquisition for the Advanced Health group, in terms of the Listings Requirements of the JSE Limited and is therefore not subject to Advanced Health shareholder approval.

Johannesburg

11 November 2021

Designated Advisor

Grindrod Bank Limited

