



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

ADVANCED HEALTH LIMITED'S RESPONSE TO COVID-19

In light of the declaration made by the President of South Africa, Cyril Ramaphosa, of a national 21-day lockdown with effect from midnight 26 March 2020 and the subsequent extension of the national lockdown, Advanced Health has taken steps to ensure the safety of our staff, doctors and patients.

Being a Day Hospital Group, we are a role player in the South African Healthcare Industry and must therefore act as such. As part of the frontline in this regard, we have been designated as an essential services provider by the South African Department of Trade and Industry. Our decontamination processes to ensure a safe environment will remain impeccable during this time while freeing up more capacity should we be required to assist the acute hospitals. Our South African hospitals will remain open and operational during this time, although 95% of our core operations namely elective surgeries were prohibited for the month of April 2020, based on the risk for COVID-19.

The Australian Government temporarily suspended all non-urgent elective surgery in both the private and public hospital sector, effective 1 April 2020, in order to preserve resources including protective equipment to help prepare public and private health services for their role in the COVID-19 outbreak.

The Australian Government announced, effective 27 April 2020, the reintroduction of elective surgeries in private and public hospitals, to a maximum of 25% of theatre capacity, to be done in a staged, limited and controlled manner, with the central aim to increase surgery in a safe and equitable way on a nationally consistent basis. The Australian Government will review this again during the month of May 2020.

Following a period of strict containment measures thereafter, with concomitant control on suppression of the virus, the South African facilities are operational. For May 2020 we anticipate to function at a level close to 50% of our normal operational levels in South Africa. Stringent requirements, aimed at the limitation of Covid-19 associated risks, limit us from functioning at full capacity. We are working extended hours to operate as functional as possible.

As a result, the COVID-19 epidemic will negatively impact the operational and financial performance of both the South African and the Australian facilities for the second half of the year ending 30 June 2020. The level of the impact will depend on the period that the restrictions, on becoming fully operational, will remain in place. As previously reported, for the six months ended 31 December 2019 both our South African and Australian facilities showed an increase in revenue and case numbers compared to the six months ended 31 December 2018. Revenue increased by 22% for the South African facilities and 2% for the Australian facilities with an increase of 24% and 2% respectively in case numbers.

The Company will continuously monitor the operational and the financial impact that the COVID-19 epidemic will have on the group's results and the required guidance will be released on SENS as the situation develops and reasonable certainty is obtained of the financial impact on the next financial reporting period. Advanced Health will keep shareholders informed of any significant developments that may occur during this time.

Johannesburg
18 May 2020

Designated Advisor
Grindrod Bank Limited

