

LIFE HEALTHCARE GROUP HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2003/002733/06)
ISIN: ZAE000145892
Share Code: LHC
(“Life Healthcare” or “the Group” or “the Company”)

FURTHER TRADING STATEMENT

Following the release of its trading statement on the Stock Exchange News Service (“SENS”) on 10 November 2020, the Company has received an offer to acquire its Polish operation, Scanmed. The offer is lower than the carrying value of Scanmed of approximately R1.5 billion at 30 September 2020. With the receipt of the offer, it is considered prudent and appropriate to further impair the carrying value at 30 September 2020 to reflect the value of the offer. The additional impairment is approximately R635 million, resulting in a total impairment for the year ended 30 September 2020, relating to Scanmed, of approximately R795 million. The adjusted carrying value of Scanmed, after the additional impairment, is approximately R840 million.

The disposal of Scanmed is in line with the Company strategy that has previously been communicated. The Group is in negotiations on the offer and is expecting to finalise the disposal of Scanmed after successful conclusion of the related agreements. The disposal will be subject inter alia to regulatory approvals in Poland and it is anticipated that the proceeds will be used to reduce debt levels.

The additional impairment will reduce the earnings per share (EPS) ranges provided in the trading statement released on SENS on 10 November 2020. The impairment is excluded from headline earnings per share (HEPS) and normalised earnings per share (NEPS), and therefore no changes to previous ranges in respect of HEPS and NEPS have been provided.

The table below reflects the ranges provided in the trading statement released on SENS on 10 November 2020:

Measure	Reported 30 September 2019	Expected 30 September 2020	Change
Shares in issue (million)	1 467	1 467	
Weighted average number of shares (million) (approx.)	1 456	1 455	-0.1%
EPS (cps)	176.4	35.0 - 40.0	-77.3% to -80.2%
HEPS (cps)	88.7	46.0 – 51.0	-42.5% to -48.1%
NEPS (cps)	116.4	58.0 – 63.0	-45.9% to -50.2%

The table below reflects the updated ranges taking into account the additional impairment:

Measure	Reported 30 September 2019	Expected 30 September 2020	Change
Shares in issue (million)	1 467	1 467	
Weighted average number of shares (million) (approx.)	1 456	1 455	-0.1%
EPS (cps)	176.4	-3.6 to -8.6	>-100%
HEPS (cps)	88.7	46.0 to 51.0	-42.5% to -48.1%
NEPS (cps)	116.4	58.0 to 63.0	-45.9% to -50.2%

The Group will release its financial results on or about 19 November 2020.

The financial information on which this trading statement is based represents the Group's latest financial estimates and has not been reviewed nor reported on by the Company's external auditors.

Illovo

16 November 2020

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)