

---

## FIRM INTENTION ANNOUNCEMENT TO MAKE AN OFFER TO ACQUIRE THE ISSUED SHARES OF ADVANCED HEALTH BY SCHEME OF ARRANGEMENT

---

### 1. Introduction

Shareholders are advised that Advanced Health has concluded an agreement with Eenhede Konsultante Eiendoms Beperk ("**Eenhede Konsultante**" or the "**Offeror**") in terms of which the Offeror notified Advanced Health of the Offeror's firm intention to make an offer to acquire all of the issued shares of Advanced Health, other than the Advanced Health shares held by VC Family Trust, Carl Grillenberger Family Trust and Pres Medical Witbank Proprietary Limited (the "**Excluded Shareholders**") for an offer consideration of 80 cents per Advanced Health share, to be effected by way of a scheme of arrangement in terms of 114(1)(c) of the Companies Act, 71 of 2008 (the "**Companies Act**") (read with section 115 of the Companies Act) between Advanced Health and its shareholders (the "**Scheme**"). Implementation of the Scheme will result in Advanced Health's delisting from the JSE.

### 2. Rationale for the Scheme

Advanced Health listed on the JSE in 2014. Its reasons for listing included, *inter alia*, access to institutional investment funding and the potential to use its shares as acquisition currency.

Since listing Advanced Health has been unable to attract significant institutional interest to justify the limitations imposed by the regulatory processes and the ongoing compliance costs incidental to being listed on the JSE.

Advanced Health's ability to raise capital is hampered by the lack of investment interest in small, illiquid counters, as well as the Advanced Health shares trading at a discount to their underlying net asset value which results in any capital raise at market value being highly dilutive to Advanced Health shareholders. In the medium to long-term Advanced Health's capital raising needs will be better served in the unlisted environment.

Following the disposal of PresMed Australia (as detailed in the circular issued to Advanced Health shareholder on 23 February 2023) the directors of Advanced Health are focusing on turning its South African operations into a profitable business through implementing a number of strategies. As part of this focus, the Advanced Health board of directors has reconsidered whether its smaller asset base (and need to reduce overhead costs) warrants Advanced Health's continued listing on the JSE. Given the current lack of investment interest in small, illiquid counters, the Advanced Health board is of the view that the costs associated with a JSE listing outweigh the benefits of a JSE listing.

The Advanced Health board has therefore resolved to propose the Scheme to provide Advanced Health shareholders with the ability to realise their investment in Advanced Health at a price considerably higher than the 5, 10, 20 and 30-day volume weighted average price ("**VWAP**") of Advanced Health Shares (measured with reference to the date preceding the date of this Firm Intention Announcement).

### 3. Terms and conditions of the Scheme

#### 3.1. Scheme Consideration

The cash consideration payable by the Offeror to Advanced Health shareholders in respect of their Advanced Health Shares pursuant to the Scheme, shall be 80 cents per Advanced Health share (the "**Scheme Consideration**").

#### 3.2. Conditions precedent

The implementation of the Scheme will be subject to the fulfilment and/or waiver (in whole or in part where capable of waiver) of the following conditions precedent:

- the approval of the Scheme Resolution by the requisite majority of Advanced Health Shareholders, as contemplated in section 115(2) of the Companies Act, and:
  - to the extent required, the approval of the implementation of such resolution by the Court; and
  - if applicable, Advanced Health not treating the Scheme Resolution as a nullity, as contemplated in section 115(5)(b) of the Companies Act.

The implementation of the Scheme is subject to a compliance certificate being issued by the TRP in respect of the Scheme in terms of section 119(4)(b) of the Companies Act, which compliance certificate will only be issued by the TRP once the conditions precedent have been fulfilled, or waived, as the case may be.

#### 4. Funding of the Scheme Consideration and confirmation of financial resources

In accordance with regulation 111(4) and regulation 111(5) of the Companies Regulations, ABSA Bank Limited has provided an unconditional and irrevocable bank guarantee to the TRP and for the benefit of Advanced Health Shareholders, confirming that, in aggregate, the Offeror has sufficient cash resources available to it to satisfy payment of the aggregate Scheme Consideration.

#### 5. Shareholding of the Offeror and its associates in Advanced Health

The Offeror and the Excluded Shareholders hold the following Advanced Health shares as at the date of this Firm Intention Announcement:

Name	Number of Shares	%
Eenhede Konsultante	287 495 276	57.64%
Pres Medical Witbank	53 190 440	10.66%
VC Family Trust	3 661 259	0.73%
Carl Grillenberger Family Trust	10 420 508	2.09%
<b>Total</b>	<b>354 767 486</b>	<b>71.13%</b>

#### 6. Irrevocable undertakings to vote in favour of the Scheme

The following shareholders have given irrevocable undertakings to vote in favour of the Scheme (and subsequent delisting of Advanced Health):

Shareholder	Number of Shares	% of issued Shares	% of issued Shares (excluding Excluded Shareholders)
Bremer Investments Proprietary Limited	6 497 500	1.30%	4.51%
John Biccard	12 831 384	2.57%	8.91%
Fiona Biccard (wife of John Biccard)	836 391	0.17%	0.58%
Rendement Proprietary Limited	12 800 000	2.57%	8.89%
<b>Total</b>	<b>32 965 275</b>	<b>6.61%</b>	<b>22.89%</b>

#### 7. Appointment of Independent Board and Independent Expert

An independent sub-committee of the board of directors of Advanced Health, comprising Phil Jaffe, Dr Tommy Mthembu and Cobus Visser, all of whom are independent, as contemplated in regulation 108(8) of the Companies Regulations, comprising the independent board for the purposes of considering the Scheme has been constituted (the “**Independent Board**”).

Advanced Health has appointed BDO Corporate Finance Proprietary Limited (the “**Independent Expert**”) to act as independent expert in accordance with the requirements of the Companies Regulations to advise the Independent Board and report to the Independent Board on the Scheme by way of a fair and reasonable opinion. The Independent Expert’s full report will be included in the circular issued to Advanced Health shareholders.

## 8. Responsibility statements

The Independent Board accepts responsibility for the information contained in this announcement, confirms that to the best of its knowledge and belief, the information contained in this announcement is true and correct and that this announcement does not omit anything likely to affect the importance of the information contained in it.

## 9. Circular posting date

A circular detailing the Scheme is in the process of being prepared. It is anticipated that the circular will be posted to Advanced Health shareholders on or about 3 August 2023.

Shareholders will be advised of the posting of the circular by means of a SENS announcement.

Pretoria

28 June 2023

---

Corporate Advisor and Transaction Sponsor

