

The definitions and interpretations commencing on page 5 of this Circular apply to this Circular including this cover page.

MEDICLINIC

INTERNATIONAL

MEDICLINIC INTERNATIONAL LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1983/010725/06)

JSE Share Code: MDC

NSX Share Code: MCI

ISIN: ZAE000074142

("Mediclinic" or "the Company" or "the Group")

CIRCULAR TO SHAREHOLDERS

relating to:

- the proposed restructure of Mpilo 1's shareholding in Mediclinic, refinancing of Mpilo 1's funding and extension of the Lock-in Period, and in connection therewith:
 - the Specific Repurchase by the Company of 23 377 488 Mediclinic Shares held by Mpilo 1;
 - the Specific Issue of 23 377 488 Mediclinic Shares to Mpilo 1 Newco; and
 - the sanctioning of any financial assistance to be provided by the Company, as contemplated in terms of section 44 of the Companies Act, in relation to the Mpilo 1 BEE Restructure,

and including:

- a notice of General Meeting of Shareholders; and
- a form of proxy for the General Meeting (*blue*) for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only.

Date of issue: 13 July 2015

Financial advisor and JSE sponsor



Legal advisor



NSX sponsor



Reporting Accountants and Auditors



CORPORATE INFORMATION AND ADVISERS

Company secretary and registered office

GC Hattingh (B.Acc (Hons), CA(SA))
Mediclinic Offices
Strand Road
Stellenbosch, 7600
(PO Box 456, Stellenbosch, 7599)

Legal advisor

Cliffe Dekker Hofmeyr Inc.
(Registration number: 2008/018923/21)
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

Financial advisor and JSE sponsor

Rand Merchant Bank
(A division of FirstRand Bank Limited)
(Registration number: 1929/001225/06)
1 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
(PO Box 786273, Sandton, 2146)

Date of incorporation of Mediclinic

3 October 1983

Transfer Secretaries

South Africa:
Computershare Investor Services Proprietary Limited
(Registration number: 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)
Namibia:
Transfer Secretaries (Proprietary) Limited
(Registration number: 93/713)
4 Robert Mugabe Avenue
Windhoek, Namibia
(PO Box 2401, Windhoek, Namibia)

NSX sponsor

Simonis Storm Securities (Proprietary) Limited
Member of the Namibian Stock Exchange
(Registration number: 96/421)
4 Koch Street
Klein Windhoek, Namibia
(PO Box 3970, Windhoek, Namibia)

Reporting Accountants and Auditors

Pricewaterhouse Coopers Inc.
(Registration number: 1998/012055/21)
Capital Place
15 – 21 Neutron Avenue
Techno Park
Stellenbosch, 7600
(PO Box 57, Stellenbosch, 7599)

Place of incorporation of Mediclinic

South Africa

TABLE OF CONTENTS

	Page
CORPORATE INFORMATION AND ADVISORS	IFC
ACTION REQUIRED BY MEDICLINIC SHAREHOLDERS	3
1. Voting at the General Meeting	3
2. Attendance and representation at the General Meeting	3
SALIENT DATES AND TIMES	4
DEFINITIONS AND INTERPRETATION	5
CIRCULAR TO MEDICLINIC SHAREHOLDERS	9
A. INFORMATION RELATING TO THE MPIO 1 BEE RESTRUCTURE	9
1. Introduction, rationale and purpose of this Circular	9
2. Details of the Mpilo 1 BEE Restructure	10
2.1. Restructuring steps	10
2.1.1. Intraday Bridge Facility	10
2.1.2. Specific Repurchase	10
2.1.3. Redemption of preference shares	11
2.1.4. Dividend distribution	11
2.1.5. Exiting MP1 Shareholders	11
2.1.6. New external funding	11
2.1.7. Capitalisation	11
2.1.8. Specific Issue	11
2.1.9. Repayment of the intraday Bridge Facility	11
2.1.10. Lock-in Period	11
2.2. BEE shareholding in Mpilo 1	12
2.3. Mpilo 1 BEE Restructure funding	13
2.4. Specific authority to provide Financial Assistance to Mpilo 1	13
2.5. Terms of the Specific Repurchase	13
2.6. Terms of the Specific Issue	14
2.7. Terms of the Bridge Facility	14
2.8. Conditions precedent	14
2.9. Resolutive condition	14
2.10. Financial effects of the Mpilo 1 BEE Restructure	14
2.11. Working capital statements	16
3. General Meeting	16
4. Directors' opinion and recommendation	16
5. Estimated expenses in relation to the Mpilo 1 BEE Restructure	17

6. Exchange control regulations	17
6.1. In the case of Certificated Shareholders	17
6.2. In the case of dematerialised shareholders	17
B. INFORMATION RELATING TO MEDICLINIC	17
1. Incorporation of Mediclinic	17
2. History and nature of business	17
3. Prospects	18
4. Trading history of Mediclinic Shares on the JSE	18
5. Information on the Directors and senior management	18
5.1. Directors and senior management	18
5.2. Directors' interests in Shares	18
5.3. Directors' remuneration	19
5.4. Directors' interests in transactions	19
6. Material change	19
7. Litigation statement	19
8. Authorised and issued Shares	20
9. Alterations to the number of issued Shares	20
10. Major Shareholders	20
11. Directors' responsibility statement	21
12. Consents	21
13. JSE sponsor independence	21
14. No material contracts	21
15. Documents available for inspection	21
ANNEXURE 1: PRO FORMA FINANCIAL INFORMATION OF MEDICLINIC PURSUANT TO THE MPILO 1 BEE RESTRUCTURE	23
ANNEXURE 2: REPORTING ACCOUNTANTS AND AUDITORS' REPORT ON THE PRO FORMA FINANCIAL INFORMATION	28
ANNEXURE 3: TRADING HISTORY OF MEDICLINIC SHARES ON THE JSE	30
ANNEXURE 4: INFORMATION ON THE DIRECTORS AND SENIOR MANAGEMENT OF MEDICLINIC AND ITS MAJOR SUBSIDIARIES	31
NOTICE OF GENERAL MEETING	36
FORM OF PROXY	Inserted

ACTION REQUIRED BY MEDICLINIC SHAREHOLDERS

This Circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the action required by Mediclinic Shareholders. If you are in any doubt as to what action to take, please consult your attorney, Broker, CSDP or other professional advisor immediately. If you have disposed of all of your Mediclinic Shares, this Circular should be handed to the purchaser of such Shares or the attorney, Broker, CSDP or other agent who disposed of your Mediclinic Shares for you.

The definitions and interpretations commencing on page 5 of this Circular apply to this section.

A General Meeting of Mediclinic Shareholders will be held at 15:00, on Tuesday, 11 August 2015, at Neethlingshof Estate, Polkadraai Road, Vlottenburg, Stellenbosch to consider and if deemed fit, pass, *inter alia*, the necessary resolutions required to authorise the implementation of the Mpilo 1 BEE Restructure. A notice convening the General Meeting is attached to and forms part of this Circular.

Action required by Certificated Shareholders and Dematerialised Shareholders with “own name” registration

You are entitled to attend, or be represented by proxy, at the General Meeting.

If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*), in accordance with the instructions contained therein, to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) in South Africa or Transfer Secretaries (Proprietary) Limited, 4 Robert Mugabe Avenue, Windhoek (PO Box 2401, Windhoek) in Namibia, by no later than 15:00 on Friday, 7 August 2015.

Action required by Dematerialised Shareholders, other than with “own name” registration

1. Voting at the General Meeting

- 1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and thereafter cast your vote in accordance with your instructions.
- 1.2 If you have not been contacted by your Broker or CSDP, it is advisable for you to contact your Broker or CSDP and furnish them with your voting instructions.
- 1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Broker or CSDP.
- 1.4 You must not complete the attached form of proxy (*blue*).

2. Attendance and representation at the General Meeting

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to attend the General Meeting and your Broker or CSDP will issue the necessary letter of representation to you to attend the General Meeting.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 5 of this Circular apply to the “salient dates and times” section of the Circular.

2015

Record date for Mediclinic Shareholders to be eligible to receive the Circular	Friday, 3 July
Circular posted to Mediclinic Shareholders by no later than	Monday, 13 July
Last day to trade to vote at the General Meeting on	Friday, 24 July
Voting record date to determine which Shareholders are entitled to attend and vote at the General Meeting on	Friday, 31 July
Last day for Shareholders to lodge forms of proxy (<i>blue</i>) for the General Meeting by 15:00 on	Friday, 7 August
General Meeting to be held at 15:00 on	Tuesday, 11 August
Results of the General Meeting released on SENS on	Wednesday, 12 August
Results of the General Meeting published in the South African press on	Thursday, 13 August
Results of the General Meeting published in the Namibian press on	Friday, 14 August

Notes:

1. The above dates and times are subject to change. Any material changes will be released on SENS and published in the South African and Namibian press.
2. All times quoted in this Circular are South African times.

DEFINITIONS AND INTERPRETATION

In this Circular, unless otherwise stated or the context otherwise indicates, the words and expressions in the first column shall have the meanings stated opposite them in the second column and words and expressions in the singular shall include the plural and vice versa, words importing natural persons shall include corporations and associations of persons and vice versa and any reference to one gender shall include the other gender:

“Associate”	an associate as defined in terms of the Listings Requirements;
“Authorised Dealer”	a person authorised to deal in foreign exchange as contemplated in the Exchange Control Regulations;
“BEE”	black economic empowerment;
“Board” or “Directors”	the board of directors of Mediclinic, as at the Last Practicable Date, whose names are set out on page 31 of this Circular; and in the information detailed in Annexure 4 to this Circular;
“Bridge Facility”	the intraday bridge facility in an amount equal to the lower of (i) the aggregate price paid in subscription for all the Shares repurchased, being the number of Repurchase Shares multiplied by the Restructure Share Price; and (ii) the amount approved by RMB’s credit committee as being the commitment under the intraday bridge facility in the amount of up to R2 900 000 000.00 (two billion nine hundred million rand), to be made available by RMB to Mediclinic to enable Mediclinic to fund the aggregate Restructure Share Price;
“Bridge Facility Agreement”	the written bridge facility agreement entered into or about to be entered into between, amongst others, the Company and RMB pursuant to which RMB will make the Bridge Facility available to the Company;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or public holiday officially recognised as such in South Africa;
“cent”	South African cent in the official currency of South Africa;
“CEO”	chief executive officer;
“Certificated Shareholders”	holders of Certificated Shares;
“Certificated Shares”	shares that have not been Dematerialised, title to which is represented by a share certificate or other Documents of Title;
“Circular” or “this Document”	this bound document dated 13 July 2015 relating to the Mpilo 1 BEE Restructure, including the annexures hereto, the attached notice of General Meeting and the form of proxy (<i>blue</i>);
“Companies Act”	the Companies Act (No. 71 of 2008), as amended;
“Conditions Precedent”	the conditions precedent to the Mpilo 1 BEE Restructure as set out in paragraph 2.8 of this Circular;
“CSDP”	central securities depository participant, being a “participant” as defined in section 1 of the Financial Markets Act;

“Dematerialisation” or “Dematerialised”	the process by which securities held in certificated form are converted to or held in electronic form and uncertificated securities and recorded in a sub-register of securities holders by a CSDP, after the documents of title have been validated and cancelled by the Transfer Secretaries and captured onto the Strate system by the selected CSDP or Broker, and the holding of securities is recorded electronically;
“Dematerialised Mediclinic Shareholders” or “Dematerialised Shareholders”	holders of Dematerialised Shares;
“Dematerialised Shares”	Mediclinic Shares that have been through the Dematerialisation process;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts, or any other documents of title to shares;
“EPS”	earnings per share;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the South African Currency and Exchanges Act, 1933 (No. 9 of 1933), as amended;
“Exiting MP1 Shareholders”	certain shareholders of MP1 seeking liquidity or who are not prepared to extend the Lock-in Period being, amongst others, the Biko entities (being the Hlumelo Biko Family Trust, the R&B Trust, the Circle Empowerment Trust and the Circle Incentive Trust), Senatla Capital Proprietary Limited, BPESAM I Limited and certain investors in Rowmoor Investments No. 410 Proprietary Limited;
“Financial Assistance”	the Bridge Facility to be obtained by Mediclinic from RMB and all security and related arrangements, to the extent that these may be regarded as financial assistance provided by Mediclinic for purposes of or in connection with the subscription by Mpilo 1 Newco of the Mediclinic Shares, as contemplated in section 44 of the Companies Act,
“Financial Markets Act”	the Financial Markets Act (No. 19 of 2012), as amended;
“General Meeting”	the general meeting of Mediclinic Shareholders convened in terms of the notice of general meeting attached to this Circular, which meeting will be held on Tuesday, 11 August 2015 at 15:00 at Neethlingshof Estate, Polkadraai Road, Vlothenburg, Stellenbosch;
“the Group”	collectively, Mediclinic and its subsidiaries;
“IFRS”	International Financial Reporting Standards;
“Implementation Date”	1st (first) Business Day following the date upon which the last of the Conditions Precedent is fulfilled or waived;
“JSE”	JSE Limited (Registration number: 2005/022939/06), a public company with limited liability duly incorporated in accordance with the laws of South Africa and which is licensed to operate as an exchange under the Financial Markets Act;
“Last Practicable Date”	Wednesday, 1 July 2015, being the last practicable date prior to the finalisation of this Circular;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“Lock-in Period”	lock-in period for the Mpilo 1 BEE Transaction, which currently ends on 31 December 2016, which will be further extended to 31 December 2019 as part of the Mpilo 1 BEE Restructure;
“m”	million;

“Mediclinic” or “the Company”	Mediclinic International Limited (Registration number: 1983/010725/06), a public company duly incorporated in accordance with the laws of South Africa, the Shares of which are primary listed on the JSE and secondary listed on the NSX;
“MOI”	the memorandum of incorporation of Mediclinic adopted by a special resolution of the Shareholders at the annual general meeting of Mediclinic held on 26 July 2012;
“MP1”	MP1 Investment Holdings Proprietary Limited (previously known as Circle Capital Ventures Proprietary Limited) (Registration number: 1952/000984/07), a private company duly incorporated in accordance with the laws of South Africa, currently owned by Circle Group Holdings Proprietary Limited (48.0%), BPESAM I Limited (11.7%), Biko entities (0.8%), Eveni Medical Investments Proprietary Limited (8.6%), Senatla Capital Proprietary Limited (7.5%) and Rowmoor Investments No. 410 Proprietary Limited (23.3%) which holds 100% of the ordinary shares in Mpilo 1;
“Mpilo 1”	Mpilo Investment Holdings 1 (RF) Proprietary Limited (Registration number: 2005/015015/07), a private company duly incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of MP1 being one of the BEE Shareholders in Mediclinic with a beneficial holding of 2.69% of the Mediclinic Shares in issue as at the Last Practicable Date;
“Mpilo 1 BEE Transaction” or “BEE Transaction”	the BEE transaction implemented by Mediclinic in 2005, which resulted in the acquisition by Mpilo 1 of Shares equal to 4.12% of the issued share capital of Mediclinic at the time;
“Mpilo 1 BEE Restructure” or “Restructure”	collectively, the Specific Repurchase and the Specific Issue;
“Mpilo 1 Newco”	K2014232755 (South Africa) Proprietary Limited (to be renamed as Mpilo 1 NewCo (RF) Proprietary Limited), (Registration number: 2014/232755/07), a private company duly incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Mpilo 1;
“NAV”	net asset value;
“Non-Resident”	a person who is not considered to be ordinarily resident in South Africa in terms of the Exchange Control Regulations;
“NSX”	Namibian Stock Exchange;
“PwC”	PricewaterhouseCoopers Inc., registered accountants and auditors (registration number 1998/012055/21), a company duly registered and incorporated in accordance with the laws of South Africa;
“Rand” or “R” or “ZAR”	South African rand, the official currency of South Africa;
“Rand Merchant Bank” or “RMB”	Rand Merchant Bank, a division of FirstRand Bank Limited (Registration number: 1929/001225/06), a public company duly registered and incorporated with limited liability in accordance with the laws of South Africa;
“Register”	the Register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs in terms of section 50 of the Companies Act;
“Reporting Accountants and Auditors”	PwC;
“Repurchase Agreement”	the agreement between Mediclinic and MP1 dated 2 July 2015 in relation to the Specific Repurchase, and to which Mpilo 1 will accede;
“Repurchase Shares”	23 377 488 (twenty three million three hundred and seventy seven thousand four hundred and eighty eight) Mediclinic Shares;

“Restricted Mediclinic Shares”	the remaining 17 533 116 Mediclinic Shares held by Mpilo 1 Newco, after taking into account the 5 844 372 Mediclinic Shares that Mpilo 1 Newco will be entitled to sell at any time after 31 December 2015;
“Restructure Share Price”	the lower of: <ul style="list-style-type: none"> (i) the 30-day VWAP of Mediclinic Shares up to and including the date immediately preceding the Implementation Date, or such other date as may be agreed in writing; and (ii) the Bridge Facility divided by the number of Repurchase Shares, being the pricing reference for the Specific Repurchase and Specific Issue;
“SENS”	the Stock Exchange News Service of the JSE;
“Shares” or “Mediclinic Shares”	listed ordinary shares of no par value in the authorised share capital of Mediclinic;
“Shareholders” or “Mediclinic Shareholders”	holders of Mediclinic Shares;
“Shareholders Agreement”	the new shareholders agreement to be entered into between Mpilo 1 Newco, Mpilo 1, MP1 and Mediclinic in relation to the Mpilo 1 BEE Restructure;
“Simonis Storm”	Simonis Storm Securities (Proprietary) Limited (Registration number: 96/421), a company duly registered and incorporated with limited liability in accordance with the laws of Namibia, and NSX sponsor to Mediclinic in respect of the Company’s secondary listing on the NSX;
“South Africa”	the Republic of South Africa;
“Specific Issue”	the issue for cash of 23 377 488 Mediclinic Shares at the Restructure Share Price each by Mediclinic to Mpilo 1 Newco on the Implementation Date;
“Specific Repurchase”	the specific repurchase of the Repurchase Shares, each at the Restructure Share Price, by Mediclinic from Mpilo 1 on the Implementation Date;
“Strate”	Strate Proprietary Limited (Registration number: 1998/02224/07), a private company duly incorporated in accordance with the laws of South Africa which is a registered central securities depository in terms of the Financial Markets Act, and which manages the electronic clearing and settlement system for transactions that take place on the JSE and off-market trades;
“Subscription Agreement”	the agreement between Mpilo 1 Newco and Mediclinic dated 2 July 2015 in relation to the Specific Issue;
“Transaction Agreements”	collectively, the Subscription Agreement and the Repurchase Agreement;
“Transfer Secretaries”	the transfer secretaries of Mediclinic in South Africa and Namibia, namely Computershare Investor Services Proprietary Limited (Registration number: 2004/003647/07) a private company duly incorporated in accordance with the laws of South Africa, and Transfer Secretaries (Proprietary) Limited (registration number 93/713), a company duly incorporated in accordance with the laws of Namibia, respectively;
“VAT”	value-added tax, payable in terms of the Value-Added Tax Act (No. 89 of 1991), as amended; and
“VWAP”	volume weighted average price of a Mediclinic Share, calculated as the sum of the value of Mediclinic Shares traded over the relevant period divided by the sum of the volume of Mediclinic Shares traded over that period.

MEDICLINIC INTERNATIONAL LIMITED

Incorporated in the Republic of South Africa
(Registration number: 1983/010725/06)
JSE Share Code: MDC
NSX Share Code: MCI
ISIN: ZAE000074142
("Mediclinic" or "the Company" or "the Group")

CIRCULAR TO MEDICLINIC SHAREHOLDERS

Directors of Mediclinic

Executive

DP Meintjes (Chief Executive Officer)
Cl Tingle (Chief Financial Officer)
KHS Pretorius
CA van der Merwe
TO Wiesinger

Non-executive

E de la H Hertzog (Chairman)
JJ Durand
MK Makaba
PJ Uys

Independent non-executive

DK Smith (Lead Independent)
JA Grieve
RE Leu
N Mandela
TD Petersen
AA Raath

A. INFORMATION RELATING TO THE MPIOLO 1 BEE RESTRUCTURE

1. Introduction, rationale and purpose of this Circular

In the announcement released on SENS on Thursday, 9 July 2015 and published in the South African and Namibian press on Friday, 10 July 2015 and Monday, 13 July 2015, respectively, Mediclinic Shareholders were advised that Mediclinic and Mpilo 1 have agreed to the Mpilo 1 BEE Restructure.

Mpilo 1 was established as a majority black-owned company to acquire and hold an equity interest in Mediclinic as part of the Mpilo 1 BEE Transaction implemented by Mediclinic in December 2005. MP1 is the holding company of Mpilo 1. Mpilo 1 currently holds 23 377 488 Mediclinic Shares which equates to 2.69% of the entire issued share capital of Mediclinic as at the Last Practicable Date. The period during which Mpilo 1 may not dispose of its shareholding in Mediclinic will end on 31 December 2016.

The Mpilo 1 BEE Transaction has been successful as the structure has de-gearred significantly and significant value has been created for the Mpilo 1 BEE Transaction participants. The significant value in Mpilo 1 has also created an opportunity to restructure and achieve the following outcomes:

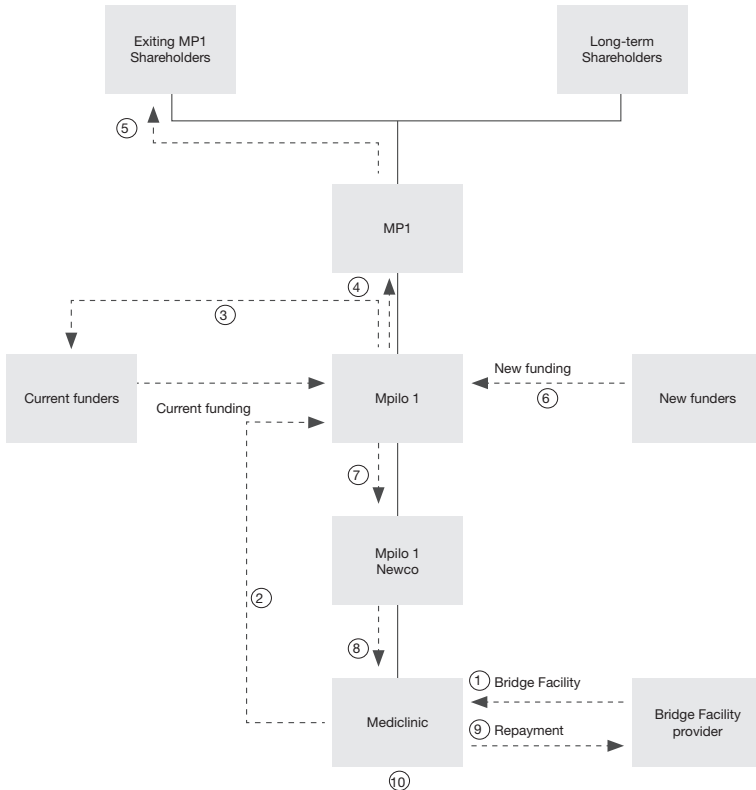
- refinance the relatively expensive current funding package utilised by Mpilo 1 to fund the Mpilo 1 BEE Transaction, with lower priced funding on market related and sustainable terms;
- accommodate the exit of certain MP1 Shareholders who wish to exit within the Lock-in Period or who are not prepared to extend the Lock-in Period, without materially negatively impacting Mpilo 1's contribution to Mediclinic's BEE ownership credentials;
- realise a portion of the value that has been created for the benefit of the BEE participants in Mpilo 1;
- reduce the discount on a pre-emptive repurchase by Mediclinic from the 10% currently provided for in the applicable transaction documents to 5% in order to facilitate an extension of the BEE structure;
- extend the Lock-in Period in respect of the Restricted Mediclinic Shares by an additional three years from 31 December 2016 to 31 December 2019 and thereby ensuring that the BEE structure remains in place until the end of 2019; and
- reduce the financial risk profile of the Mpilo 1 BEE Transaction by the long term de-gearing of the structure.

The purpose of this Circular is to provide Mediclinic Shareholders with information relating to the Mpilo 1 BEE Restructure and to convene a General Meeting at which Mediclinic Shareholders will be requested to vote on the resolutions required to approve the Mpilo 1 BEE Restructure.

2. Details of the Mpilo 1 BEE Restructure

2.1. Restructuring steps

The proposed restructuring steps are set out below:



2.1.1. Intraday Bridge Facility

Step 1: RMB will provide the Bridge Facility to Mediclinic.

2.1.2. Specific Repurchase

Step 2: Mediclinic repurchases the Repurchase Shares from Mpilo 1 at the Restructure Share Price per Repurchase Share. For illustrative purposes, the repurchase price is estimated to total approximately R2 450 700 000.00 (two billion four hundred and fifty million seven hundred thousand rand) based on the 30-day VWAP of R104.83 (one hundred and four rand and eighty three cents) per Mediclinic Share as at the Last Practicable Date. As a result, Mediclinic will cancel and delist the Repurchase Shares. The repurchase price in respect of the Repurchase Shares will be settled with the proceeds of the Bridge Facility.

2.1.3. Redemption of preference shares

Step 3: Mpilo 1 uses approximately R700 600 000.00 (seven hundred million six hundred thousand rand) of the proceeds of the Specific Repurchase to redeem its existing preference share funding (used to fund the acquisition of the Mediclinic Shares currently held by it). A portion of the proceeds from the Specific Repurchase will also be used by Mpilo 1 to discharge certain expenses associated with the Mpilo 1 BEE Restructure.

2.1.4. Dividend distribution

Step 4: Mpilo 1 distributes a portion of the remaining proceeds from the Specific Repurchase equating to approximately R439 900 000.00 (four hundred and thirty nine million nine hundred thousand rand) to MP1 as a dividend. The balance of the remaining proceeds from the Specific Repurchase (i.e. approximately R1 310 200 000.00 (one billion three hundred and ten million two hundred thousand rand)) remain within Mpilo 1.

2.1.5. Exiting MP1 Shareholders

Step 5: MP1 utilises the distribution proceeds to repurchase its shares held by the Exiting MP1 Shareholders. MP1 at the same time restructures its ultimate shareholding to ensure that it remains majority black-owned in order to ensure continued compliance with Mediclinic's BEE requirements.

2.1.6. New external funding

Step 6: Mpilo 1 issues new preference shares to third party financiers on more favourable and sustainable terms than those pertaining to the existing preference share funding.

2.1.7. Capitalisation

Step 7: The remaining portion of the proceeds of the Specific Repurchase after distribution and redemption of its existing preference shares funding, and the new preference share funding raised by Mpilo 1 from third party financiers, will be used by Mpilo 1 to subscribe for shares in the authorised share capital of Mpilo 1 Newco, which will be constituted as a wholly-owned subsidiary of Mpilo 1.

2.1.8. Specific Issue

Step 8: Mpilo 1 Newco uses the subscription proceeds received from Mpilo 1 pursuant to Mpilo 1's subscription for shares in the authorised share capital of Mpilo 1 Newco, to subscribe, at the Restructure Share Price, for 23 377 488 (twenty three million three hundred and seventy seven thousand four hundred and eighty eight) new Mediclinic Shares, being equivalent to the number of Mediclinic Shares held by Mpilo 1 at the date immediately preceding the Mpilo 1 BEE Restructure. As a result, Mediclinic will issue and list 23 377 488 new Mediclinic Shares.

2.1.9. Repayment of the intraday Bridge Facility

Step 9: Mediclinic will repay the Bridge Facility with the funds raised via the Specific Issue.

2.1.10. Lock-in Period

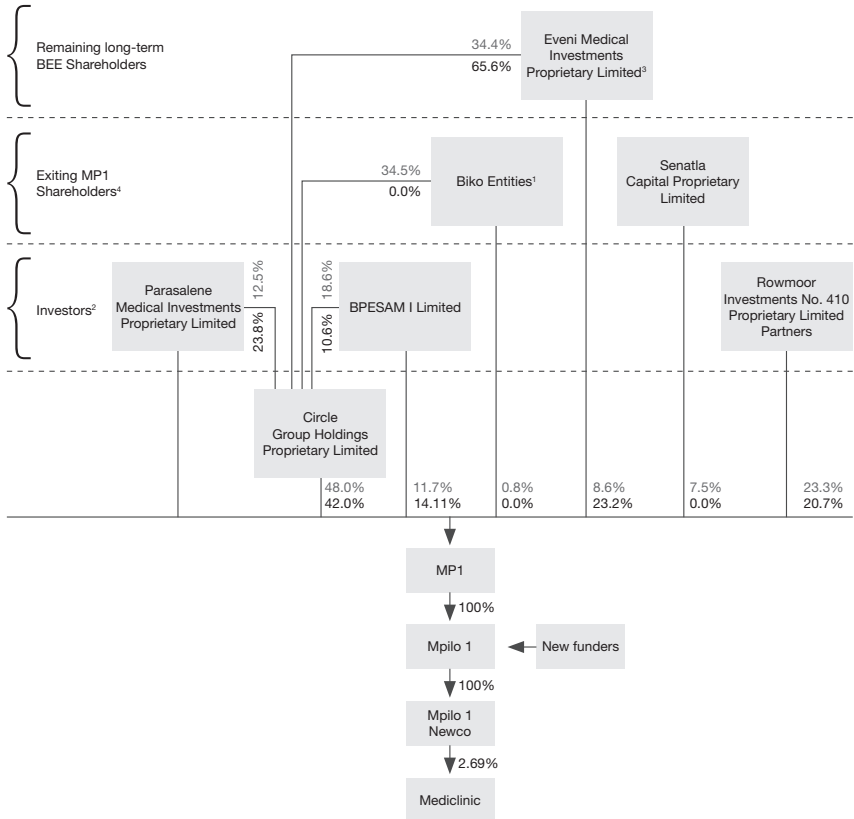
Step 10: The Shareholders Agreement will be entered into. Mpilo 1 Newco will be free to dispose of up to 5 844 372 (five million eight hundred and forty four thousand three hundred and seventy two) Mediclinic Shares at any time after 31 December 2015. The Lock-in Period ending on 31 December 2019 in relation to Restricted Mediclinic Shares will represent a three year extension to the Lock-in Period. Mpilo 1 Newco will be permitted to hedge a portion of the Restricted Mediclinic Shares in order to manage the risk profile of the Mpilo 1 BEE Restructure.

Mediclinic will retain a pre-emptive right in respect of any disposal of the Restricted Mediclinic Shares following expiry of the Lock-in Period. However, the discount at which Mediclinic will be entitled to acquire the Restricted Mediclinic Shares in terms of such pre-emptive right will, in order to facilitate the extension of the Lock-in Period be reduced from 10% to 5%.

2.2. BEE shareholding in Mpilo 1

The existing effective black shareholding in Mpilo 1 is 50.04%. In terms of the Mpilo 1 BEE Restructure, the Exiting MP1 Shareholders will exit (as described in paragraph 2.1.4), while Eveni Medical Investments Proprietary Limited will increase its shareholding such that the effective black shareholding in Mpilo 1 will be at 50.74%.

The shareholding structure before and after the Mpilo 1 BEE Restructure is as follows:



Notes:

- ¹ The Biko entities comprise of the Hlumelo Biko Family Trust, the R&B Trust, the Circle Empowerment Trust and the Circle Incentive Trust.
- ² The investors comprise of Shareholders who contributed initial and subsequent capital required to facilitate the investment in Mediclinic by Mpilo 1.
- ³ The shareholding of Eveni Medical Investments Proprietary Limited ("Eveni") includes shareholdings held directly by Eveni and indirectly via a wholly-owned subsidiary of Eveni.
- ⁴ Exiting MP1 Shareholders also include partial exits by BPESAM I Limited and certain Rowmoor Investments No. 410 Proprietary Limited investors.

2.3. Mpilo 1 BEE Restructure funding

The detailed terms of the new preference share funding will be recorded in the detailed funding agreements to be entered into by Mpilo 1. However, the salient terms thereof may be summarised as follows:

Table 3: Summary of funding terms

	Class B preference shares	Class C preference shares	Class D preference shares
Issuer	Mpilo 1	Mpilo 1	Mpilo 1
Subscription amount	Up to R350 000 000 (via a single subscription)	Up to R550 000 000 (via a single subscription)	Up to R300 000 000 (via a single subscription)
	Subject to the share price at the time of subscription and the agreement between the parties	Subject to the share price at the time of subscription and the agreement between the parties	Subject to the share price at the time of subscription and the agreement between the parties
Service	To be declared and paid to the extent that Mediclinic's ordinary dividends allow	Not serviced	Not serviced
Final redemption date	Redeemable at the redemption amount by no later than 18 January 2020	Redeemable at the redemption amount by no later than 18 January 2020	Redeemable at the redemption amount within 20 Business Days from 18 January 2020
Security/Guarantor	A portion of the 23 377 488 Shares in total will be pledged to funders, which portion is dependent on the share price at the time of subscription		
Cover ratios	A 38% decline in the cover ratio will trigger a default	Not applicable	Not applicable

2.4. Specific authority to provide Financial Assistance to Mpilo 1

The Bridge Facility, which will be used by Mediclinic to fund the Specific Repurchase, and all the security provided by Mediclinic in connection therewith, will ultimately enable Mpilo 1 Newco to subscribe for new Mediclinic Shares. If and to the extent that these arrangements may be regarded to amount to financial assistance by Mediclinic as contemplated in section 44 of the Companies Act, the Board may not authorise the provision of such Financial Assistance unless such Financial Assistance is given pursuant to a special resolution of Shareholders adopted within the previous two years, which special resolution approved the provision of such Financial Assistance either to a specific recipient or generally to a category of potential recipients and the specific recipient falls within that category.

2.5. Terms of the Specific Repurchase

The Board has resolved that Mediclinic will repurchase the Repurchase Shares from Mpilo 1 at the Restructure Share Price. For illustrative purposes, the aggregate repurchase price is estimated to amount to approximately R2 450 700 000.00 (two billion four hundred and fifty million seven hundred thousand rand) based on a 30-day VWAP of R104.83 (one hundred and four rand and eighty three cents) per Mediclinic Share as at the Last Practicable Date.

Pursuant to the Specific Repurchase, the Repurchase Shares will be cancelled as issued Shares and restored to the status of authorised and unissued share capital in Mediclinic. Application will be made to the JSE for the delisting of the Repurchase Shares once they have been repurchased. The cancellation and delisting of the Repurchase Shares, pursuant to their repurchase, will not place Mediclinic in breach of the spread requirements of the JSE.

2.6. Terms of the Specific Issue

The Board has resolved that Mediclinic will issue 23 377 488 Mediclinic Shares to Mpilo 1 Newco. The Specific Issue will be at the Restructure Share Price per Mediclinic Share.

The issue of Shares will be an issue of shares for cash in terms of the Listings Requirements. The Shares being issued for cash are a class of Shares already in issue and are not being issued to non-public holders or a related party, as defined in Listings Requirements.

2.7. Terms of the Bridge Facility

The salient terms of the Bridge Facility are as follows:

- facility amount: approximately R2 900 000 000 (two billion nine hundred million rand);
- term: intraday;
- interest rate: no interest if funds are repaid the same day;
- default interest rate: prime rate plus 2% (if funds are repaid late, or any other default occurs);
- security:
 - cession by Mediclinic of the bank account into which the Bridge Facility proceeds are to be paid;
 - guarantee by all the parties through whose bank accounts the Mpilo 1 BEE Restructure funds will flow, excluding Mediclinic;
 - irrevocable payment undertakings by all the parties through whose bank accounts the Mpilo 1 BEE Restructure funds will flow, including Mediclinic; and
 - cession of rights under transaction agreements pertaining to the Mpilo 1 BEE Restructure to which Mediclinic is a party;
- warranties, representations and undertakings: usual for transactions of this nature; and
- increased costs and gross-up provisions: usual for transactions of this nature.

2.8. Conditions precedent

The implementation of the Mpilo 1 BEE Restructure shall be subject to the fulfillment or waiver (to the extent legally permissible) of the following Conditions Precedent by no later than 31 August 2015:

- obtaining the necessary Shareholder approval for the Mpilo 1 BEE Restructure by way of Shareholders approving the necessary resolutions required in connection with the:
 - Specific Repurchase in terms of section 5.69(b) of the Listings Requirements;
 - Specific Issue in terms of section 5.51(g) of the Listings Requirements; and
 - Financial Assistance;
- Mpilo 1 securing the requisite funding to fund part of the subscription price of the new Mediclinic Shares in terms of the Specific Issue;
- the requisite funding documents becoming unconditional in accordance with their terms, and no material adverse event or similar impediment occurring prior to draw-down thereunder;
- the Shareholders Agreement and the Bridge Facility Agreement being signed and becoming unconditional in accordance with their terms;
- the Transaction Agreement becoming unconditional in accordance with their terms;
- obtaining any required regulatory approval, including approval from the South African competition authorities of the change in control of Circle Group Holdings Proprietary Limited which occurs as part of the Mpilo 1 BEE Restructure; and
- obtaining any consents or waivers required under the existing funding arrangements.

2.9. Resolutive condition

The Specific Repurchase is subject to a resolutive condition that if by 17:00 on the same day as the Specific Repurchase is implemented (or such later date as Mediclinic may agree to) the Specific Issue has not occurred, the Specific Repurchase will automatically lapse and the parties shall be restored to their position as if the Specific Repurchase was never entered into.

2.10. Financial effects of the Mpilo 1 BEE Restructure

The *pro forma* financial effects of the Mpilo 1 BEE Restructure have been prepared for illustrative purposes only and due to the nature thereof, may not fairly present Mediclinic's financial position, changes in equity, results of operations or cash flows after completion of the Mpilo 1 BEE Restructure. The *pro forma* financial effects are the responsibility of the directors and are based on the audited group results for the year ended 31 March 2015.

The purpose of the *pro forma* financial effects is to illustrate the impact of the Mpilo 1 BEE Restructure had it been implemented on the dates and on the assumptions set out below. It does not purport to be indicative of what the financial results would have been had the Mpilo 1 BEE Restructure been implemented on a different date.

The *pro forma* statement of the financial position at 31 March 2015 and statement of comprehensive income for the financial year then ended, the preparation of which is the responsibility of the directors, is set out in Annexure 1 to this Circular. The effect on earnings, headline earnings, normalised headline earnings, NAV and tangible NAV per share have been reflected below.

The *pro forma* financial information should be read in conjunction with the Reporting Accountants and Auditors' report thereon as set out in Annexure 2 to this Circular.

	Audited ¹	Adjustments for the Mpilo 1 BEE Restructure	<i>Pro forma</i> after the Mpilo 1 BEE Restructure ²	% increase/ (decrease) as a result of the Mpilo 1 BEE Restructure
Earnings per ordinary share (cents) ³				
– Basic	509.5	–	509.5	0.0%
– Diluted	500.0	–	500.0	0.0%
Headline earnings per ordinary share (cents) ³				
– Basic	483.9	–	483.9	0.0%
– Diluted	474.9	–	474.9	0.0%
Normalised headline earnings per ordinary share (cents) ³				
– Basic	408.2	–	408.2	0.0%
– Diluted	400.6	–	400.6	0.0%
NAV per share (cents) ⁴	3 752.5		3 752.5	0.0%
Tangible NAV per share (cents) ⁴	2 399.0		2 399.0	0.0%
Weighted average number of ordinary shares (m)	843.4	–	843.4	0.0%
Weighted average number of ordinary shares – diluted (m)	859.3	–	859.3	0.0%
Number of ordinary shares in issue (m)	868.0	–	868.0	0.0%
Number of ordinary shares in issue net of treasury shares (m)	854.5	–	854.5	0.0%

Notes:

¹ Extracted from Mediclinic's audited group results for the year ended 31 March 2015.

² Represents the *pro forma* financial effects after the Mpilo 1 BEE Restructure.

³ Earnings, headline earnings and normalised headline earnings per share adjustments are based on the following principal assumptions:

- the Specific Repurchase will be funded by the proceeds of the Bridge Facility. On the assumption that the 30-day VWAP of Mediclinic Shares on the Last Practicable Date is R104.83 (one hundred and four rand and eighty three cents), the Bridge Facility will increase cash and liabilities by up to approximately R2 450 700 000.00 (two billion four hundred and fifty million seven hundred thousand rand). The Company will use the proceeds of the Specific Issue to repay the Bridge Facility. All of these cash-flows are anticipated to occur on the same day and no interest income or expense will be incurred as a result of the Specific Repurchase and Specific Issue;
- the Mpilo 1 BEE Restructure was effected on 1 April 2014; and
- total estimated transaction costs of R220 000.00 were incurred. Mpilo 1 will fund all other expenses relating to the Mpilo 1 BEE Restructure.

⁴ NAV and tangible NAV adjustments are based on the following principal assumptions:

- the Specific Repurchase will be funded by the proceeds of the Bridge Facility. On the assumption that the 30-day VWAP of Mediclinic Shares on the Last Practicable Date is R104.83 (one hundred and four rand and eighty three cents), the Bridge Facility will increase cash and liabilities by up to approximately R2 450 700 000.00 (two billion four hundred and fifty million seven hundred thousand rand). The Company will use the proceeds of the Specific Issue to repay the Bridge Facility. All of these cash-flows are anticipated to occur on the same day and the share capital, cash and liability positions would be exactly the same before and after the Specific Repurchase and Specific Issue have been concluded;
- the Mpilo 1 BEE Restructure was effected on 31 March 2015;
- total estimated transaction costs of R220 000.00 were incurred. Mpilo 1 will fund all other expenses relating to the Mpilo 1 BEE Restructure; and
- Mediclinic has (under the existing BEE structure) and will continue to have a pre-emptive right to buy back Mediclinic Shares at a discount. The related derivative asset was never accounted for in the past due to the level of estimation uncertainty involved in valuation of the asset and the amounts involved being immaterial. The derivative asset will continue to be accounted for at zero book value after the Mpilo 1 BEE Restructure.

2.11. Working capital statements

The Directors have considered the impact of the Specific Repurchase and are of the opinion that:

- Mediclinic and the Group will be able, in the ordinary course of business, to pay their debts for a period of twelve (12) months after the date of the Specific Repurchase;
- the assets of Mediclinic and the Group will be in excess of the liabilities of Mediclinic and the Group for a period of twelve (12) months after the date of the Specific Repurchase. For this purpose the assets and liabilities were recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of Mediclinic;
- the share capital and reserves of Mediclinic and the Group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of the Specific Repurchase; and
- the working capital of Mediclinic and the Group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of the Specific Repurchase.

Furthermore, in respect of the Specific Repurchase:

- as required in terms of section 46(1)(a)(ii) of the Companies Act, the Board has, by resolution, authorised the Specific Repurchase;
- as required in terms of section 46(1)(b) of the Companies Act, it reasonably appears that Mediclinic will satisfy the solvency and liquidity test immediately after completing the Specific Repurchase; and
- as required in terms of section 46(1)(c) of the Companies Act and paragraph 5.69(d) of the Listings Requirements, the Board has, by resolution, acknowledged that it has applied the solvency and liquidity test and that since the test was done, there have been no material changes, and further reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after completing the Specific Repurchase.

3. General Meeting

The General Meeting of Mediclinic Shareholders will be held at Neethlingshof Estate, Polkadraai Road, Vlotenburg, Stellenbosch at 15:00 on Tuesday, 11 August 2015 to consider, and if deemed fit, to pass, *inter alia*, with or without modification, the resolutions required to approve the Mpilo 1 BEE Restructure.

Mediclinic Shareholders are referred to the attached notice of the General Meeting for details on the resolutions to be proposed at the General Meeting and the "action required by Mediclinic Shareholders" section of this Circular for information on the procedure to be followed by Mediclinic Shareholders in order to exercise their votes at the General Meeting.

4. Directors' opinion and recommendation

The Directors are of the opinion that the Mpilo 1 BEE Restructure is in the best interest of Mediclinic Shareholders and therefore recommend that Mediclinic Shareholders vote in favour of the resolutions to approve and implement the Mpilo 1 BEE Restructure.

5. Estimated expenses in relation to the Mpilo 1 BEE Restructure

Mediclinic will bear the following cost (excluding VAT) in relation to the Mpilo 1 BEE Restructure.

Nature of expense	Paid/payable to	R'000
Corporate advisors	PwC	150
Reporting Accountants	PwC	70
Total excluding VAT		220

Mpilo 1 will fund all other expenses relating to the Mpilo 1 BEE Restructure.

6. Exchange control regulations

The following summary is intended only as a guide and is, therefore, not comprehensive. If Shareholders are in any doubt as to the appropriate course of action they are advised to consult their professional advisor.

In terms of the Exchange Control Regulations of the Republic of South Africa:

6.1. In the case of Certificated Shareholders

Any Share certificate that may be issued to Non-Resident Shareholders will be endorsed "Non-Resident". Any new Share certificates issued based on emigrant Shareholders' ordinary Shares controlled in terms of the Exchange Control Regulations will be forwarded to the Authorised Dealer in foreign exchange controlling their blocked assets. The election by emigrant Shareholders for the above purpose must be made through the Authorised Dealer in foreign exchange controlling their blocked assets. Such new share certificates will be endorsed "Non-Resident". Dividend payments paid out of the Company's distributable profits due to Non-Resident Shareholders and emigrant Shareholders are freely transferable from South Africa. In respect of all Non-Resident Shareholders of the common monetary area (collectively, the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland), the dividend payments due will be sent to the registered address of the Shareholder concerned or in accordance with instructions given to the transfer secretaries. In respect of all emigrant Shareholders, the dividend payments will be sent to the Authorised Dealer in foreign exchange controlling their blocked assets.

6.2. In the case of dematerialised Shareholders

Any ordinary Shares issued to emigrant Shareholders from the common monetary area will be credited to their blocked shares accounts at the CSDP controlling their blocked portfolios. Any ordinary Shares issued to a Non-Resident of the common monetary area will be credited to such Non-Resident's CSDP or broker account and a "Non-Resident" annotation will appear in the CSDP or broker register. Any dividend payments paid out of the Company's distributable profits to Non-Resident Shareholders and emigrant Shareholders from the common monetary area are freely transferable and will be credited to the CSDP or broker controlling their portfolios.

B. INFORMATION RELATING TO MEDICLINIC

1. Incorporation of Mediclinic

Mediclinic was incorporated in South Africa in 1983 as a limited liability public company. The Company was listed on the JSE in 1986.

2. History and nature of business

Mediclinic is a South Africa-based international private healthcare group focused on providing acute care, specialist-orientated, multidisciplinary hospital services and related service offerings. The core purpose is to enhance the quality of life of patients by providing comprehensive, high-quality healthcare services. The Group has three operating platforms in Southern Africa (South Africa and Namibia), Switzerland and the United Arab Emirates.

Mediclinic was founded in 1983 when its chairman, Dr Edwin Hertzog, was commissioned by the then Rembrandt Group (now Remgro Group) to undertake a feasibility study on private hospitals in South Africa. Three years later Mediclinic, boasting four hospitals with 691 beds in commission and three hospitals with 688 beds under construction, listed on the JSE. Today, Mediclinic Southern Africa operates 49 hospitals throughout South Africa and three in Namibia with more than 7 800 beds in total; Hirslanden operates 16 private acute care facilities with more than 1 600 beds and three clinics in Switzerland; and Mediclinic Middle East operates two hospitals and ten clinics with 382 beds in the United Arab Emirates.

Most specialist disciplines are available at the Group hospitals, which are supported by more than 27 000 staff members with Mediclinic Southern Africa employing more than 16 500, Hirslanden more than 8 700 and Mediclinic Middle East more than 2 200 employees.

The Company's vision is to become the benchmark of international private healthcare. Therefore Mediclinic believes in putting science at the heart of its care process by striving to provide evidence-based care of the highest standard. The Company focuses on providing the best possible facilities with international-standard technology, backed-up by sound medical expertise and the care of its nursing staff.

3. Prospects¹

Healthcare remains a growth industry globally supported by an ageing population with greater burdens of disease, better diagnostic methods, improved clinical outcomes, new technologies and better informed patients. The Group has been successful in utilising attractive growth and development opportunities across its businesses in Southern Africa, Switzerland and the United Arab Emirates. Notwithstanding the Group's encouraging growth outlook, the Group is always aware that many challenges remain when it looks towards the future.

In Southern Africa, accessibility to healthcare for a larger portion of the population remains a priority, while the South African Competition Commission's market inquiry into the industry may have significant consequences.

During the year under review (financial year ended 31 March 2015), Mediclinic Southern Africa once again delivered a substantial increase in patient bed days sold, which is most encouraging, but this cannot be expected to be continue on a regular basis. The South African Competition Commission's market inquiry may hopefully also provide interesting perspective on healthcare market issues, such as cost comparisons between the public and private sectors and the tariff-setting powers of the few big medical scheme administrators.

In Mediclinic Middle East, the Dubai facilities virtually all performed to budget or better. However, with such a supportive environment, heightened competition is sure to follow. In Switzerland, Hirslanden also delivered a solid performance, notwithstanding many ongoing regulatory uncertainties, such as the exact tariffs for hospitals in certain cantons as well as the patient case loads that will be allowed for different specialities in specific hospitals.

Mediclinic two most important responses to all these challenges are firstly its managerial skills and secondly the attractiveness of the Group's facilities for especially doctors, but also nurses and other staff.

Mediclinic is comfortable that in both these areas the Group will be able to maintain or improve its competitive position. Furthermore, the Group has always had a long-term outlook for its business in an industry it knows well, enjoys participating in and where good opportunities for sensible growth have been found over many years. Mediclinic therefore believe that the Group will be able to continue with its consistent growth pattern.

¹ *Prospects are extracted from the Chairman's Report included in Mediclinic's integrated annual report as at 31 March 2015.*

4. Trading history of Mediclinic Shares on the JSE

A table setting out the price history of the Mediclinic Shares on the JSE has been included in Annexure 3 to this Circular.

5. Information on the Directors and senior management

5.1. Directors and senior management

The full names, positions and business addresses of the Directors and senior management of Mediclinic and its major subsidiaries are set out in Annexure 4 to this Circular.

5.2. Directors' interests in Shares

The direct and indirect beneficial interests in Shares held by all the Directors as at the Last Practicable Date are shown below, which exclude the grants in terms of the Mediclinic International Forfeitable Share Plan:

Name of Director	Direct beneficial	Indirect beneficial	Held by Associates	Total	% of issued Shares
Executive					
DP Meintjes	150 801	–	–	150 801	0.02%
KHS Pretorius	130 000	–	–	130 000	0.01%
Cl Tingle	88 185	–	–	88 185	0.01%
CA van der Merwe	37 835	–	–	37 835	0.00%
TO Wiesinger	–	–	–	–	–
Sub-total	406 821	–	–	406 821	0.05%
Non-executive					
E de la H Hertzog	71 424	4 766 718	487 825	5 325 967	0.61%
RE Leu	–	–	–	–	–
JJ Durand	–	–	–	–	–
JA Grieve	–	–	–	–	–
MK Makaba ¹	–	–	–	–	–
N Mandela	–	–	–	–	–
TD Petersen	–	–	–	–	–
AA Raath	–	–	–	–	–
DK Smith	–	–	–	–	–
PJ Uys	–	–	–	–	–
Sub-total	71 424	4 766 718	487 825	5 325 967	0.61%
Total	478 245	4 766 718	487 825	5 732 788	0.66%

No Directors have resigned in the last 18 months.

Note:

¹ Dr MK Makaba holds a 3.65% interest in Phodiso Holdings Limited, which company is the holder of the entire issued ordinary share capital of Mpilo Investments Holdings 2 (RF) Proprietary Limited, which in turn holds a 4.53% interest in Mediclinic.

5.3. Directors' remuneration

The remuneration of the Directors will not be varied as a consequence of the Mpilo 1 BEE Restructure.

5.4. Directors' interests in transactions

No directors of the Group had any interest, direct or indirect, in any transaction which was effected by the Company during the current or immediately preceding financial year or in an earlier year and which remains in any respect outstanding or unperformed.

6. Material change

Other than the announcement of 22 June 2015 regarding the proposed acquisition of a 29.9% interest in the Spire Healthcare group in the United Kingdom, which will be funded by way of a fully underwritten renounceable rights issue to raise R10 billion, there has been no material change in the financial or trading position of the Group that has occurred since the release of the Company's annual financial statements in respect of the year ended 31 March 2015.

7. Litigation statement

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the Company is aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

8. Authorised and issued Shares

The authorised and issued share capital of Mediclinic before and after the Mpilo 1 BEE Restructure is as follows:

	R'm
Authorised share capital	
1 000 000 000 ordinary Shares of no par value	–
Issued share capital before the Mpilo 1 BEE Restructure	
867 957 325 ordinary Shares of no par value	14 141
Less 13 663 378 treasury Shares of no par value	(287)
Issued share capital after the Specific Repurchase	
844 579 837 ordinary Shares of no par value	11 690
Less 13 663 378 treasury Shares of no par value	(287)
Issued share capital after the Mpilo 1 BEE Restructure	
867 957 325 ordinary Shares of no par value	14 141
Less 13 663 378 treasury Shares of no par value	(287)

9. Alterations to the number of issued Shares

The changes to issued Mediclinic shares during the three financial years ended 31 March 2013 to 31 March 2015 are summarised below:

Changes to issued shares	Number of shares issued and allotted
2013	
Issued Shares at beginning of year	652 315 341
Shares issued during the financial year (in terms of a rights offer)	174 641 984
Issued Shares at end of year	826 957 325
2014	
Issued Shares at beginning of year	826 957 325
Shares issued during the financial year	–
Issued Shares at end of year	826 957 325
2015	
Issued Shares at beginning of year	826 957 325
Shares issued during the financial year (in terms of accelerated bookbuild)	41 000 000
Issued Shares at end of year	867 957 325

As at the Last Practicable Date, nil Mediclinic shares have been issued after 31 March 2015.

Other than as set out in the table above, there have been no other offers or issues of any securities by Mediclinic or any of its subsidiaries during the preceding three years.

10. Major Shareholders

In so far as it is known to the Directors, the Shareholders, other than Directors, that, directly or indirectly, are beneficially interested in 5% or more of the issued share capital of Mediclinic, together with such Shareholders' interests as at the Last Practicable Date are as follows:

Shareholder	Number of Shares held	Beneficial Shareholding (%)
Industrial Partnership Investments Proprietary Limited (Remgro Limited)	358 869 121	41.35
BEE Shareholders:	75 945 002	8.75
Mpilo Investments Holdings 2 (RF) Proprietary Limited	39 332 736	4.53
Mpilo 1	23 377 488	2.69
The Mpilo Trust & The Mpilo Trust (Namibia)	13 234 778	1.52
Government Employees Pension Fund	75 714 833	8.72

In so far as it is known to the Directors, Mediclinic does not have a controlling Shareholder. Mediclinic has over 20% of its issued equity held by public investors, as per the Listings Requirements.

As at the Last Practicable Date, none of the advisors to Mediclinic had any material interest in the issued share capital of Mediclinic.

11. Directors' responsibility statement

The Directors, whose names appear on page 5 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no facts, the omission of which would make any statement in this Circular false or misleading and that they have made all reasonable inquiries to ascertain such facts and that this Circular contains all information required by the Listings Requirements.

12. Consents

Each of the financial advisor, JSE sponsor, NSX sponsor, Reporting Accountants and Auditors and legal advisors have consented and have not, prior to the Last Practicable Date, withdrawn their written consent to the inclusion of their names, and reports, where applicable, in the form and context in which they appear in this Circular.

13. JSE sponsor independence

RMB Corporate Finance is the JSE sponsor to Mediclinic. As detailed in this Circular, the RMB Lending Team will be providing a Bridge Facility to Mediclinic and is expected to provide funding to Mpilo 1 Newco by way of subscription for Mpilo 1 Newco's new preference shares. Notwithstanding, RMB Corporate Finance does not believe this will compromise its independence to act as financial advisor and JSE sponsor to Mediclinic for the reasons set out below:

- the Bridge Facility is a short term intraday facility and will be repaid immediately;
- RMB Corporate Finance is an entirely separate division from the RMB Lending Team, with strict Chinese walls maintained; and
- if the RMB Lending Team is selected as the funder, the funding facility will represent more than 10% of the transaction value, but will represent an immaterial proportion of RMB's total loan portfolio.

14. No material contracts

Other than the contracts entered into in the ordinary course of business and the agreements to acquire a 29.9% interest in the Spire Healthcare group in the United Kingdom and the underwriting agreement pertaining to the rights issue in relation thereto (in both instances, as referred to in paragraph 6 above), there are no material contracts entered into by Mediclinic, either verbally or in writing. No contracts entered into at any time contain an obligation or settlement that is material to Mediclinic or its subsidiaries as at the date of the Circular.

15. Documents available for inspection

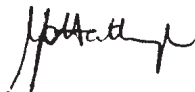
Copies of the following documents will be available for inspection at the registered offices of Mediclinic, the Transfer Secretaries, the JSE sponsor and the NSX sponsor, during normal business hours (excluding Saturdays, Sundays and public holidays) from the date of issue of this Circular up to and including the date of the General Meeting:

- the MOI of Mediclinic and each of its major subsidiaries;
- the audited annual financial statements of Mediclinic for the three financial years ended 31 March 2013 to 31 March 2015;
- the Transaction Agreements;
- the signed Reporting Accountants and Auditors' report on the unaudited *pro forma* financial information of Mediclinic;
- the written consents of the financial advisor and JSE sponsor, NSX sponsor, Reporting Accountants and Auditors and legal advisors to the inclusion of their names in this Circular in the form and context in which they appear; and
- a signed copy of this Circular.

Signed at Stellenbosch by or on behalf of Mediclinic International Limited on 13 July 2015, in terms of powers of attorney granted by the Directors.

For and on behalf of the Board

Mediclinic International Limited

A handwritten signature in black ink, appearing to read 'GC Hattingh', with a stylized flourish at the end.

GC Hattingh

Company Secretary

Stellenbosch

13 July 2015

PRO FORMA FINANCIAL INFORMATION OF MEDICLINIC PURSUANT TO THE MPIOLO 1 BEE RESTRUCTURE

The *pro forma* financial information of Mediclinic below is based on the most recently published results of Mediclinic for the year ended 31 March 2015, and was prepared in order to provide the illustrative financial effects of the Mpilo 1 BEE Restructure assuming that the Mpilo 1 BEE Restructure took place on:

- 1 April 2014, for the purposes of the *pro forma* statement of comprehensive income; and
- 31 March 2015, for the purposes of the *pro forma* statement of financial position.

The *pro forma* financial information is based on the assumptions set out below, which include assumptions on the Mediclinic share price.

The accounting policies of Mediclinic for the year ended 31 March 2015 have been used in preparing the *pro forma* financial information.

The *pro forma* financial information is the responsibility of the directors and was prepared for illustrative purposes only and may not, because of its nature, fairly present Mediclinic's financial position, changes in equity, and results of its operations or cash flows as at the relevant reporting date. It does not purport to be indicative of what the financial results would have been, had the Mpilo 1 BEE Restructure been implemented on a different date.

The *pro forma* financial information should be read in conjunction with the Reporting Accountants and Auditors' report thereon, as set out in Annexure 2 to this Circular.

Group statement of financial position (R million)

	Audited ¹	Adjustments for the Specific Repurchase ²	Adjustments for the Specific Issue ³	<i>Pro forma</i> after the Mpilo 1 BEE Restructure ⁴
ASSETS				
Non-current assets	65 813	–	–	65 813
Property, equipment and vehicles	53 776	–	–	53 776
Intangible assets	11 565	–	–	11 565
Investment in associate	2	–	–	2
Investment in joint venture	65	–	–	65
Other investments and loans	93	–	–	93
Derivative financial instruments	10	–	–	10
Deferred income tax assets	302	–	–	302
Current assets	13 366	–	–	13 366
Inventories	1 074	–	–	1 074
Trade and other receivables	7 479	–	–	7 479
Current income tax assets	34	–	–	34
Cash and cash equivalents ^{4,2}	4 779	–	–	4 779
Total assets	79 179	–	–	79 179
EQUITY				
Capital and reserves				
Stated and issued capital	14 141	(2 451)	2 451	14 141
Treasury shares	(265)	–	–	(265)
Share capital	13 876	(2 451)	2 451	13 876
Retained earnings ^{4,2}	7 250	–	–	7 250
Other reserves	10 938	–	–	10 938
Attributable to equity holders of the Company	32 064	(2 451)	2 451	32 064
Non-controlling interests	1 098	–	–	1 098
Total equity	33 162	(2 451)	2 451	33 162
LIABILITIES				
Non-current liabilities	38 078	–	–	38 078
Borrowings	27 927	–	–	27 927
Deferred income tax liabilities	7 729	–	–	7 729
Retirement benefit obligations	1 292	–	–	1 292
Provisions	665	–	–	665
Derivative financial instruments	465	–	–	465
Current liabilities	7 939	2 451	(2 451)	7 939
Trade and other payables	6 032	–	–	6 032
Borrowings	1 229	2 451	(2 451)	1 229
Provisions	429	–	–	429
Derivative financial instruments	21	–	–	21
Current income tax liabilities	228	–	–	228
Total liabilities	46 017	2 451	(2 451)	46 017
Total equity and liabilities	79 179	–	–	79 179
NAV per share (cents)	3 752.5	–	–	3 752.5
Tangible NAV per share (cents)	2 399.0	–	–	2 399.0
Number of ordinary shares in issue (m)	868.0	–	–	868.0
Number of ordinary shares in issue net of treasury shares (m)	854.5	–	–	854.5

Notes:

- ¹ *Extracted from Mediclinic's audited group results for the year ended 31 March 2015.*
- ² *On the assumption that the Specific Repurchase of 23 377 488 Mediclinic Shares is concluded at the 30-day VWAP of Mediclinic Shares on the Last Practicable Date of R104.83 (one hundred and four rand and eighty three cents). The Specific Repurchase will be funded by the proceeds of the Bridge Facility.*
- ³ *On the assumption that the Specific Issue of 23 377 488 Mediclinic Shares is concluded at the 30-day VWAP of Mediclinic Shares on the Last Practicable Date of R104.83 (one hundred and four rand and eighty three cents). The proceeds of the Specific Issue will be used to repay the Bridge Facility.*
- ⁴ *Represents the pro forma financial position after the Mpilo 1 BEE Restructure. The adjustments are based on the following principal assumptions:*
- ^{4.1} *the Specific Repurchase and Specific Issue were effected on 31 March 2015;*
- ^{4.2} *total estimated transaction costs of R220 000.00 were incurred. These costs will be settled out of existing cash balances and the related expenses will reduce retained earnings (amounts below R1 million however disappear on rounding). Mpilo 1 will fund all other expenses relating to the Mpilo 1 BEE Restructure; and*
- ^{4.3} *Mediclinic has (under the existing BEE structure) and will continue to have a pre-emptive right to buy Mediclinic Shares at a discount. The related derivative asset was never accounted for in the past due to the level of estimation uncertainty involved in valuation of the asset and the amounts involved being immaterial. The derivative asset will continue to be accounted for at zero book value after the Mpilo 1 BEE Restructure.*

Group statement of comprehensive income (R million)

	Audited ¹	Adjustments for the Specific Repurchase	Adjustments for the Specific Issue	<i>Pro forma after the Mpilo 1 BEE Restructure²</i>
Revenue	35 238	–	–	35 238
Cost of sales	(19 887)	–	–	(19 887)
Administration and other operating expenses ^{2,3}	(8 116)	–	–	(8 116)
Operating profit before depreciation (EBITDA)	7 235	–	–	7 235
Depreciation and amortisation	(1 512)	–	–	(1 512)
Operating profit	5 723	–	–	5 723
Other gains and losses	93	–	–	93
Income from associates	2	–	–	2
Loss from joint venture	(1)	–	–	(1)
Finance income	103	–	–	103
Finance cost	(1 179)	–	–	(1 179)
Profit before tax	4 741	–	–	4 741
Income tax expense	(206)	–	–	(206)
Profit for the year	4 535	–	–	4 535
Attributable to:				
Equity holders of the Company	4 297	–	–	4 297
Non-controlling interests	238	–	–	238
	4 535	–	–	4 535
Profit for the year	4 535	–	–	4 535
Other comprehensive income				
Items that may be reclassified to the income statement				
Currency translation differences	1 643	–	–	1 643
Fair value adjustment – cash flow hedges	(94)	–	–	(94)
	1 549	–	–	1 549
Items that may not be reclassified to the income statement				
Actuarial gains and losses	(561)	–	–	(561)
Other comprehensive income, net of tax	988	–	–	988
Total comprehensive income for the year	5 523	–	–	5 523
Attributable to:				
Equity holders of the Company	5 287	–	–	5 287
Non-controlling interests	236	–	–	236
	5 523	–	–	5 523
Earnings per ordinary share attributable to the equity holders of the Company – cents				
Earnings per ordinary share (cents)				
Basic	509.5	–	–	509.5
Diluted	500.0	–	–	500.0
Headline earnings per ordinary share (cents)				
Basic	483.9	–	–	483.9
Diluted	474.9	–	–	474.9
Normalised headline earnings per ordinary share (cents)				
Basic	408.2	–	–	408.2
Diluted	400.6	–	–	400.6
Weighted average number of ordinary shares (m)	843.4	–	–	843.4
Weighted average number of ordinary shares – diluted (m)	859.3	–	–	859.3

Notes:

- ¹ Extracted from Mediclinic's audited group results for the year ended 31 March 2015.
- ² Represents the pro forma financial results after the Mpilo 1 BEE Restructure. The adjustments to comprehensive income, earnings, headline earnings and normalised headline earnings per share are based on the following principal assumptions:
- ^{2.1} the Specific Repurchase will be funded by the proceeds of the Bridge Facility. On the assumption that the 30-day VWAP of Mediclinic Shares on the Last Practicable Date is R104.83 (one hundred and four rand and eighty three cents), the Bridge Facility will increase cash and liabilities by up to approximately R2 450 700 000.00 (two billion four hundred and fifty million seven hundred thousand rand). The Company will use the proceeds of the Specific Issue to repay the Bridge Facility. All of these cash-flows are anticipated to occur on the same day and no interest income or expense will be incurred as a result of the Specific Repurchase and Specific Issue;
- ^{2.2} the Mpilo 1 BEE Restructure was effected on 1 April 2014;
- ^{2.3} total estimated transaction costs of R220 000.00 were incurred, which are once off in nature. These costs will be settled out of existing cash balances and expensed in the statement of comprehensive income as part of administrative and other operating expenses (amounts below R1 million however disappear on rounding). Mpilo 1 will fund all other expenses relating to the Mpilo 1 BEE Restructure; and
- ^{2.4} Mediclinic has (under the existing BEE structure) and will continue to have a pre-emptive right to buy back Mediclinic Shares at a discount. The related derivative asset was never accounted for in the past due to the level of estimation uncertainty involved in valuation of the asset and the amounts involved being immaterial. The derivative asset will continue to be accounted for at zero book value after the Mpilo 1 BEE Restructure.

REPORTING ACCOUNTANTS AND AUDITORS' REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION

8 July 2015

The Board of Directors
Mediclinic International Limited
PO Box 456
Stellenbosch
7599

Independent reporting accountant's assurance report on the compilation of *pro forma* financial information of Mediclinic International Limited ("Mediclinic" or "the Company")

Introduction

Mediclinic International Limited ("Mediclinic" or "the Company") is issuing a Circular to its Shareholders ("the Circular to Shareholders") regarding the proposed restructure of Mpilo Investment Holdings 1 (RF) Proprietary Limited's (Mpilo 1) shareholding in Mediclinic, refinancing of Mpilo 1's funding and extension of the Lock-in Period ("the Proposed Transaction").

At your request and for the purposes of the Circular to Shareholders to be dated on or about 13 July 2015, we present our assurance report on the compilation of the *pro forma* financial information of the Company by the directors. The *pro forma* financial information, presented in paragraph 2.10 and Annexure 1 to the Circular to Shareholders, consists of the *pro forma* statement of financial position as at 31 March 2015, the *pro forma* statement of comprehensive income for the 12 months ended 31 March 2015 and the *pro forma* financial effects ("the *Pro Forma* Financial Information"). The *Pro Forma* Financial Information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements.

The *Pro Forma* Financial Information has been compiled by the directors to illustrate the impact of the Proposed Transaction on the company's reported financial position as at 31 March 2015, and the company's financial performance for the period then ended, as if the Proposed Transaction had taken place at 31 March 2015 and 1 April 2014, respectively. As part of this process, information about the company's financial position and financial performance has been extracted by the directors from the company's financial statements for the year ended 31 March 2015, on which an audit report has been published.

Directors' responsibility

The directors of Mediclinic are responsible for the compilation, contents and presentation of the *Pro Forma* Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 2.10 and Annexure 1. The directors of Mediclinic are also responsible for the financial information from which it has been prepared.

Reporting accountant's responsibility

Our responsibility is to express a reasonable assurance opinion about whether the *Pro Forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro Forma* Financial Information Included in a Prospectus. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *Pro Forma* Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *Pro Forma* Financial Information.

As the purpose of *Pro Forma* Financial Information included in a Circular to Shareholders is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *Pro Forma* Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *Pro Forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *Pro Forma* Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro Forma* Financial Information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 2.10 and Annexure 1 of the Circular to Shareholders.

PricewaterhouseCoopers Inc.

Director: NH Döman

Registered Auditor

Stellenbosch

TRADING HISTORY OF MEDICLINIC SHARES ON THE JSE

The trading history of Mediclinic Shares on the JSE is set out below:

DAILY	HIGH (cents)	LOW (cents)	CLOSE (cents)	VOLUME	VALUE (rand)
2015/05/20	12 105	11 900	12 060	1 300 230	155 954 560
2015/05/21	11 999	11 106	11 111	4 652 183	530 784 580
2015/05/22	11 105	10 770	10 786	7 057 668	768 992 170
2015/05/25	11 199	10 801	11 068	2 386 663	264 708 380
2015/05/26	11 161	10 764	10 846	2 088 154	226 759 600
2015/05/27	10 852	10 405	10 530	4 806 142	504 007 460
2015/05/28	10 925	10 500	10 904	4 452 129	475 706 930
2015/05/29	10 965	10 550	10 685	4 848 943	517 829 030
2015/06/01	10 737	10 388	10 483	1 622 342	171 219 090
2015/06/02	10 537	10 311	10 452	2 372 409	247 175 080
2015/06/03	10 484	10 274	10 428	1 697 402	176 282 770
2015/06/04	10 545	10 363	10 425	2 742 114	286 422 930
2015/06/05	10 440	10 301	10 400	2 912 777	302 414 050
2015/06/08	10 591	10 314	10 540	2 553 683	267 508 660
2015/06/09	10 567	10 139	10 183	1 946 585	200 073 760
2015/06/10	10 347	10 118	10 279	2 418 240	246 910 980
2015/06/11	10 429	10 176	10 200	1 347 506	138 519 751
2015/06/12	10 232	10 025	10 062	1 953 470	197 252 601
2015/06/15	10 150	9 875	9 900	1 555 345	155 489 934
2015/06/17	10 088	9 761	9 940	3 675 725	365 396 911
2015/06/18	10 076	9 810	9 877	8 037 565	795 215 591
2015/06/19	10 092	9 900	9 965	1 766 838	176 330 135
2015/06/22	10 350	9 665	10 280	2 346 237	238 842 841
2015/06/23	10 529	10 371	10 529	3 326 474	347 412 963
2015/06/24	10 569	10 117	10 200	2 127 233	220 334 939
2015/06/25	10 494	10 166	10 299	1 655 325	171 517 148
2015/06/26	10 402	10 276	10 281	865 007	89 265 762
2015/06/29	10 293	10 020	10 239	1 115 798	113 848 393
2015/06/30	10 373	10 150	10 234	1 391 550	142 634 947
2015/07/01	10 476	10 266	10 350	1 165 004	120 872 059

MONTHLY	HIGH (cents)	LOW (cents)	CLOSE (cents)	VOLUME	VALUE (rand)
2014/07/31	8 750	8 070	8 550	19 789 041	1 678 196 480
2014/08/31	9 419	8 393	9 248	18 265 162	1 633 036 240
2014/09/30	9 720	9 007	9 199	24 919 527	2 336 218 440
2014/10/31	9 883	8 370	9 850	33 284 764	3 044 686 600
2014/11/30	10 241	9 365	9 409	36 474 486	3 512 726 430
2014/12/31	10 431	9 000	10 065	34 170 626	3 271 356 680
2015/01/31	11 900	9 648	11 578	34 909 739	3 784 470 350
2015/02/28	13 000	11 320	12 317	24 583 472	2 991 035 050
2015/03/31	12 980	11 751	12 199	26 732 721	3 328 200 690
2015/04/30	13 459	12 044	12 614	21 343 587	2 710 512 600
2015/05/31	12 794	10 405	10 685	54 122 141	6 103 261 920
2014/06/30	10 737	9 665	10 234	49 429 625	5 050 069 230

Source: I-Net Bridge

INFORMATION ON THE DIRECTORS AND SENIOR MANAGEMENT OF MEDICLINIC AND ITS MAJOR SUBSIDIARIES

DIRECTORS AND SENIOR MANAGEMENT OF MEDICLINIC

Executive Directors:

Daniël Petrus Meintjes

Position CEO
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Craig Ian Tingle

Position Chief Financial Officer
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Koert Hendrik Stefanus Pretorius

Position CEO: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Carel Aaron van der Merwe

Position Chief Clinical Officer
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Thorsten Ole Wiesinger

Position CEO: Hirslanden
Business address Hirslanden, Seefeldstrasse 214, 8008 Zürich, Switzerland

Non-executive Directors:

Edwin de la Harpe Hertzog

Position Chairman. Other directorships include Distell and Remgro
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Jan Jonathan Durand

Position CEO of Remgro. Other directorships include Discovery Holdings, Distell, FirstRand Bank, Grindrod and RCL Foods
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Mpumela Kayaletu Makaba

Position CEO of Faranani Health Solutions and a director of Phodiso Holdings
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Pieter Johannes Uys

Position Investment Manager at Remgro and previous CEO of Vodacom
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

**Independent non-executive
Directors:****Desmond Kent Smit**

Position Lead Independent Director. Chairman of the Reinsurance Group of America (RGA) and Sanlam
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

James Alan Grieve

Position Director of Corporate Affairs of Richemont, as well as the non-executive director of Reinet Investments Manager SA
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Robert Eduard Leu

Position Executive director of the Department of Economics at the University of Bern in Switzerland
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Nandi Mandela

Position Director of Linda Masinga & Associates, a town planning and consultancy firm
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Trevor David Petersen

Position Former managing partner of the Cape Town office of PricewaterhouseCoopers Inc. and former chairman of PwC Western Cape and the South African Institute of Chartered Accountants. He currently serves on the University of Cape Town Council and is also a director of Petmin Limited
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Albert Anton Raath

Position CEO of Glacier, a subsidiary of Sanlam
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Senior Management (not already listed above):

David John Hadley

Position CEO: Mediclinic Middle East
Business address Mediclinic Middle East, Building 53, Floor 3, Dubai Healthcare City Authority, Dubai, United Arab Emirates

Gert Cornelis Hattingh

Position Executive: Group Services and Company Secretary
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Dirk Cornelius le Roux

Position Executive: Information and Communications Technology
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

DIRECTORS AND SENIOR MANAGEMENT OF MAJOR SUBSIDIARIES

Details on the Directors (not already listed above) of Mediclinic Investments Proprietary Limited, Mediclinic Southern Africa Proprietary Limited, Mediclinic Proprietary Limited, Mediclinic Europe Proprietary Limited, Mediclinic Luxembourg S.à r.l., Mediclinic Holdings Netherlands B.V. and Hirslanden AG, all major subsidiaries of the Company (whether individually or on consolidated basis) are provided below:

Mediclinic Investments Proprietary Limited

Already listed above.

Mediclinic Southern Africa Proprietary Limited

Directors:

Willem Hendrik Aucamp

Position Chief Operating Officer: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Abraham Jozua Joubert

Position Chief Financial Officer: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Nkaki Sydwell Matlala

Position Government and Industry Affairs Executive: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Biren Valodia

Position Chief Marketing Officer: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Senior Management (not already listed above):

Stefan Smuts

Position Chief Clinical Officer: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Roly Buys

Position Executive: Funder Relations and Contracting: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Greg van Wyk

Position Executive: Human Resources: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Raymond Plotz

Position Executive: ICT: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Clara Findlay

Position Executive: Legal Services: Mediclinic Southern Africa
Business address Mediclinic Offices, Strand Road, Stellenbosch, 7600

Mediclinic Proprietary Limited

Already listed above.

Mediclinic Europe Proprietary Limited

Already listed above.

Mediclinic Luxembourg S.à r.l.

Barbara Katharina Neuerburg

Position Director
Business address 15, Rue Edward Steichen, L-2540, Luxembourg

Igor Ismagilov

Position Director
Business address 15, Rue Edward Steichen, L-2540, Luxembourg

Mediclinic Holdings Netherlands B.V.

Martinus Nicolaas Michel Warmerdam

Position Director
Business address Van Galenlaan 40, 3941 VD Doorn, The Netherlands

Hirslanden AG

Directors:

Andreas Hannes Kappeler

Position Chief Financial Officer: Hirslanden
Business address Hirslanden, Seefeldstrasse 214, 8008 Zürich, Switzerland

Daniel Liedtke

Position Chief Operating Officer: Hirslanden
Business address Hirslanden, Seefeldstrasse 214, 8008 Zürich, Switzerland

Senior Management (not already listed above):

Magnus Ulrich Oetiker

Position Chief Strategy Officer: Hirslanden
Business address Hirslanden, Seefeldstrasse 214, 8008 Zürich, Switzerland

Christian Hugo Alfred Westerhoff

Position Chief Clinical Officer: Hirslanden
Business address Hirslanden, Seefeldstrasse 214, 8008 Zürich, Switzerland

Mediclinic Middle East

Michèle Claire Rosso

Position Chief Financial Officer: Mediclinic Middle East
Business address Mediclinic Middle East, Building 53, Floor 3, Dubai Healthcare City Authority, Dubai, United Arab Emirates

MEDICLINIC INTERNATIONAL LIMITED
Incorporated in the Republic of South Africa
(Registration number: 1983/010725/06)
JSE Share Code: MDC
NSX Share Code: MCI
ISIN: ZAE000074142
("Mediclinic" or "the Company")

NOTICE OF GENERAL MEETING

Unless otherwise apparent from the context, the definitions and interpretations commencing on page 5 of the Circular to which this notice of General Meeting is attached apply to this notice of General Meeting.

Notice is hereby given that a General Meeting of Mediclinic Shareholders will be held at 15:00 on Tuesday, 11 August 2015 at Neethlingshof Estate, Polkadraai Road, Vlottenburg, Stellenbosch for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions set out in this notice.

1. SPECIAL RESOLUTION NUMBER 1:

SPECIFIC AUTHORITY TO REPURCHASE SHARES FROM MPILO 1

"Resolved that, as permitted in terms of the Company's MOI, the Directors be and are hereby authorised, by way of a specific authority, to approve the repurchase of 23 377 488 Mediclinic Shares, which represents 2.69% of the Company's issued Shares, from Mpilo 1 at the 30-day VWAP of a Mediclinic Share to the day before the Implementation Date, subject to the provisions of the MOI, the Companies Act and the Listings Requirements."

Undertaking by the Board

The Board hereby undertakes that it will not implement the Specific Repurchase, unless the Directors are of the opinion that, for a period of 12 months after the date of the implementation of the Specific Repurchase:

- (i) the Group will be able in the ordinary course of business, be able to pay its debts;*
- (ii) the assets of the Group, fairly valued in accordance with IFRS, will be in excess of the liabilities of the Group;*
- (iii) the share capital and reserves of the Group will be adequate for ordinary business purposes; and*
- (iv) the working capital of the Group will be adequate for ordinary business purposes.*

Additional information in respect of Special Resolution Number 1

The reason for and effect of Special Resolution Number 1 is to grant the Directors a specific authority to approve the repurchase of a maximum of 23 377 488 Mediclinic Shares from Mpilo 1, at the 30-day VWAP of a Mediclinic Share to the day before the Implementation Date. The Repurchase Shares will be cancelled and returned to the status of authorised and unissued Shares. Shareholders are referred to page 16 of the Circular which sets out the Board's opinion and recommendations regarding the proposed repurchase of Shares.

This Special Resolution Number 1 is required to be passed by achieving a 75% majority of the votes exercised on such resolution by Shareholders present or represented by proxy at the General Meeting. Shares held by Mpilo 1 and its associates, Shares held as treasury shares and Shares held by a share trust or scheme will not have their votes taken into account for purposes of this resolution.

2. ORDINARY RESOLUTION NUMBER 1:

SPECIFIC AUTHORITY TO ISSUE SHARES FOR CASH TO MPIOLO 1 NEWCO

“**Resolved that**, subject to the passing of Special Resolution Number 1 included in the notice of General Meeting, the Directors be and are hereby authorised, by way of a specific authority, in accordance with paragraph 5.51(g) of the Listings Requirements and the Company’s MOI (*and without using or limiting any existing authority granted to the Directors in connection with the issue of Mediclinic Shares*), to issue 23 377 488 Mediclinic Shares to Mpilo 1 Newco at the thirty day volume weighted average price of a Mediclinic Share to the day before the Implementation Date.”

Additional information in respect of Ordinary Resolution Number 1

This Ordinary Resolution Number 1 is required in terms of the Listings Requirements to be passed by achieving a 75% majority of the votes exercised on such resolution by Shareholders present or represented by proxy at the General Meeting. Mediclinic Shares held by Mpilo 1 and its associates, Shares held as treasury shares and Shares held by the Company’s share trust or scheme will not have their votes taken into account for purposes of this resolution.

3. SPECIAL RESOLUTION NUMBER 2:

SPECIFIC AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO MPIOLO 1

“**Resolved that**, subject to the passing of Special Resolution Number 1 and Ordinary Resolution Number 1 included in the notice of General Meeting, to the extent the Bridge Facility to be obtained by Mediclinic from RMB and all security and related arrangements, may be regarded as financial assistance provided by Mediclinic for purposes of or in connection with the subscription by Mpilo 1 Newco of Mediclinic Shares as described in the Circular, as contemplated in section 44 of the Companies Act, the Board of Directors may, subject to compliance with the requirements of the Company’s MOI, the Companies Act and the Listings Requirements, authorise the Company to provide such financial assistance.”

Additional information in respect of Special Resolution Number 2

This Special Resolution Number 2 is required to be passed by achieving a 75% majority of the votes exercised on such resolution by Shareholders present or represented by proxy at the General Meeting. Shares held by Mpilo 1 and its associates, Shares held as treasury shares and Shares held by the Company’s share trust or scheme will not have their votes taken into account for purposes of this resolution.

4. ORDINARY RESOLUTION NUMBER 2:

AUTHORITY FOR DIRECTORS OR COMPANY SECRETARY TO SIGN AND ACT

“**Resolved that**, any one of the Directors or the secretary of the Company be authorised to do all such things and sign all documents (including company forms) and take all such actions as they consider necessary to give effect to and implement the abovementioned resolutions.”

NOTES TO THE CIRCULAR OF GENERAL MEETING

Record date

The record date in terms of section 59 of the Companies Act for Shareholders to be recorded on the Register in order to:

- **receive notice of the General Meeting is Friday, 3 July 2015; and**
- **attend, participate in and vote at the General Meeting, Friday, 31 July 2015 and accordingly, the last day to trade in order to be eligible to vote at the General Meeting is Friday, 24 July 2015.**

Voting and proxies

Shareholders are reminded that –

- a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy (or more than one proxy) to attend, participate in and vote at the General Meeting in place of the Shareholder, and Shareholders are referred to the attached form of proxy (*blue*);
- a proxy need not also be a Shareholder of the Company; and
- in terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of Shareholders must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as Shareholder or as proxy for a Shareholder) has been reasonably verified.

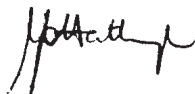
Certificated Shareholders and Dematerialised Shareholders with “own name” registration who are unable to attend the General Meeting and who wish to be represented at the meeting, must complete and return the attached form of proxy (*blue*) in accordance with the instructions contained therein, so as to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown, 2107) in South Africa or Transfer Secretaries (Proprietary) Limited, 4 Robert Mugabe Avenue, Windhoek (PO Box 2401, Windhoek) in Namibia by no later than 15:00 on Friday, 7 August 2015 or handed to the chairperson of the General Meeting before the appointed proxy exercises any of the relevant Shareholder’s rights at the General Meeting (or any adjournment of the General Meeting).

Dematerialised Shareholders without “own name” registration who wish to attend the General Meeting in person should request their CSDP or Broker to provide them with the necessary letter of representation in accordance with the relevant custody agreement. Dematerialised Shareholders without “own name” registration who do not wish to attend the General Meeting but wish to be represented at the General Meeting must advise their CSDP or Broker, of their voting instructions. Such Shareholders should contact their CSDP or Broker with regard to the cut-off time for their voting instructions.

Electronic participation

In terms of section 61(10) of the Companies Act every Shareholders’ meeting of a public company must be reasonably accessible within South Africa for electronic participation by Shareholders. Mediclinic Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at Mediclinic Offices, Strand Road, Stellenbosch, 7600 (marked for the attention of GC Hattingh) by no later than 15:00 on Friday, 7 August 2015 that they wish to participate via electronic communication at the General Meeting (the “**Electronic Notice**”). In order for the Electronic Notice to be valid it must contain: (a) if the Shareholder is an individual, a certified copy of his identity document and/or passport; (b) if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. The relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and (c) a valid e-mail address and/or facsimile number (the “**Contact Address/Number**”). By no later than 24 hours before the time for the General Meeting the Company shall use its reasonable endeavours to notify a Shareholder at its contact address/number who has delivered a valid electronic notice of the relevant details through which the Shareholder can participate via electronic communication.

By order of the Board.



GC Hattingh

Company Secretary

Stellenbosch
13 July 2015

MEDICLINIC INTERNATIONAL LIMITED
Incorporated in the Republic of South Africa
(Registration number: 1983/010725/06)
JSE Share Code: MDC
NSX Share Code: MCI
ISIN: ZAE00074142
("Mediclinic" or "the Company")

FORM OF PROXY

THIS FORM OF PROXY IS FOR USE BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WITH "OWN NAME" REGISTRATION ONLY

The definitions and interpretations commencing on page 5 of the Circular to which this form of proxy is enclosed apply to this form of proxy.

For use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only, at the General Meeting of Shareholders of the Company to be held at 15:00 on Tuesday, 11 August 2015 at Neethlingshof Estate, Polkadraai Road, Vlotenburg, Stellenbosch.

Dematerialised Shareholders without "own name" registration must not use this form of proxy. Dematerialised Shareholders who wish to attend the General Meeting in person must inform their CSDP or Broker of their intention to attend the General Meeting and request their CSDP or Broker to issue them with the necessary letter of representation to attend the General Meeting in person and vote or, should they not wish to attend the General Meeting in person, provide their CSDP or Broker with their voting instructions.

Forms of proxy must be completed and delivered to the Company's Transfer Secretaries, by not later than 15:00 (South African time) on **Friday, 7 August 2015**. The chairman of the General Meeting may, in his discretion, accept forms of proxy that have been handed to him after the expiry of the aforementioned period up until the time of the commencement of the meeting.

I/We _____ (full name in BLOCK LETTERS)

of _____ (address)

Telephone number _____ Cellphone number _____

being the holder(s) of _____ Mediclinic Shares, do hereby appoint (see note):

1. _____ or failing him/her;
2. _____ or failing him/her;
3. the chairperson of the General Meeting,

as my/our proxy to attend, speak and vote for me/us and on my/our behalf or to abstain from voting at the General Meeting of the Company to be held on the 11th day of August 2015 or at any adjournment thereof, as follows:

	Insert an "x" or the number of votes exercisable (one vote per Mediclinic Share)		
	For	Against	Abstain
Special Resolution Number 1 Specific authority to repurchase Shares from Mpilo 1			
Ordinary Resolution Number 1 Specific authority to issue Shares for cash to Mpilo 1 Newco			
Special Resolution Number 2 Specific authority to provide Financial Assistance to Mpilo 1			
Ordinary Resolution Number 2 Authority for Directors or company secretary to sign and act			

Signed at _____ on _____ 2015.

Signature _____

Assisted by (where applicable) _____

Please read the summary of the rights contained in section 58 of the Companies Act and the notes to this form of proxy overleaf.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, and speak and vote at, a Shareholders' meeting on behalf of such shareholder;
- a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy (see note 12 below);
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder (see note 6 below);
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise (see note 3 below);
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's Memorandum of Incorporation to be delivered to a shareholder must be delivered by such company to –
 - (i) the relevant shareholder; or
 - (ii) the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so;
- if a company issues an invitation to its shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:
 - (i) the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised;
 - (ii) the invitation or form of proxy instrument supplied by the company must:
 - bear a reasonably prominent summary of the rights established in section 58 of the Companies Act;
 - contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name and, if desired, an alternative name of a proxy chosen by the shareholder; and
 - provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting;
 - (iii) the company must not require that the proxy appointment be made irrevocable; and
 - (iv) the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to the above.

NOTES TO THE FORM OF PROXY

1. The form of proxy must only be used by Certificated Shareholders or Dematerialised Shareholders with "own name" registration.
2. Each Shareholder entitled to attend and vote at the General Meeting may appoint one or more persons as proxies to attend, participate in and vote at the General Meeting in the place of the Shareholder. A proxy need not be a Shareholder.
3. A Shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each Share held. A Shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the Shareholder on a poll in the appropriate box(es). Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she deems fit in respect of all the Shareholder's votes. Further, should any further resolution(s) or any amendment(s) which may properly be put before the General Meeting be proposed, the proxy shall be entitled to vote as he/she thinks fit.
4. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting notwithstanding the death of the person granting it, or the revocation of the proxy, or the transfer of the Mediclinic Shares in respect of which the vote is given, unless notification in writing of such death, revocation or transfer shall have been received by the Company or the Transfer Secretary before the commencement of the General Meeting or adjourned General Meeting at which the proxy is used.
5. The chairperson of the General Meeting may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
6. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
7. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company or unless this requirement is waived by the chairperson of the General Meeting.
8. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing her/his capacity are produced or have been registered by the Company.
9. Where there are joint holders of Shares:
 - (i) any one holder may sign the form of proxy;
 - (ii) the vote(s) of the senior Shareholders (for that purpose seniority will be determined by the order in which the names of Shareholders appear on the Register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint Shareholder(s).
10. Forms of proxy should be delivered or mailed to the Company's Transfer Secretaries as follows:

South Africa	
Hand deliveries to:	Postal deliveries to:
Computershare Investor Services Proprietary Limited	Computershare Investor Services Proprietary Limited
70 Marshall Street	PO Box 61051
Johannesburg, 2001	Marshalltown, 2107
Namibia	
Hand deliveries to:	Postal deliveries to:
Transfer Secretaries (Proprietary) Limited	Transfer Secretaries (Proprietary) Limited
4 Robert Mugabe Avenue (entrance in Burg Street)	PO Box 2401
Windhoek, Namibia	Windhoek, Namibia

to be received by no later than 15:00 (South African time) on Friday, 7 August 2015 (or 48 hours before any adjournment of the General Meeting which date, if necessary, will be notified in the South Africa and Namibian press). Any form of proxy not returned to the Transfer Secretaries by such time may be handed to the chairperson of the General Meeting any time before the appointed proxy exercises any of the Shareholder's rights at the General Meeting (or any adjournment thereof).
11. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialed by the signatory/ies.
12. Any proxy appointed pursuant to this form of proxy may not delegate his/her authority to act on behalf of the relevant Shareholder.
13. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.
14. If the General Meeting is adjourned or postponed, valid forms of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.