

Mediclinic International plc - Online Shareholder Event – 14_7_22

Q&A transcript

Q) Please can you elaborate on the background to the Political donations resolution.

This is customary for UK companies to obtain given the broad remit of what could constitute a political donation - but we do not in fact make donations which require approval under the UK Companies Act.

We do disclose small third-party contributions to a number of political parties, institutions and associations involved in campaigns which are of interest to the business in Switzerland where it is a standard thing. You have no single leader and parliamentarians are mostly part time. Small amount that is approved.

Q) Please share your thoughts on the Board transformation and gender representation.

We adhere to the various UK standards and proposals on minimum female and ethnic minority representation. Always very important to have diversity. Very proud of what we have achieved with a 50/50 gender split and 2 directors from an ethnic minority background on the Board according to the UK Parker Review definition.

Q) Can you elaborate on the Independence of the Board when assessing the valuation you went through as part of the recent offer from the Consortium.

The Remgro representative on the Board was deemed non-independent and was excluded from any discussions and the decision making processes. We also have 2 Executive Board members who are not usually viewed as independent from Mediclinic. But even allowing for them, we have enough strong independent non-executive directors involved and advisors that support the valuation process.

Q) Earnings are depressed – did you normalise for this in your process?

These are volatile times. We looked at the 5 year business plan and strategy. We use our own DCF models and extend out to 10 years and apply terminal values. Look at different scenarios and execution risk. Consider the macro environment. Lots of data points. This gives us a range. The end result is that the Board is minded to recommend the offer as it represents a fair price and to get to this level would take quite some time to deliver on our plans.

Q) Have you considered the break-up value of the Group?

We take a long-term view of the business and believe it's best run as an integrated international group.

Q) The partner to Remgro in the Consortium is MSC – am I right that the UK takeover process requires them to have financing in place?

Yes. But we don't have a formal offer yet.

Q) Can you share the views of other South African shareholders regarding the deal, and have you received any push-back from PIC?

We can't share that information.