Dear Shareholder,

Assalaam u alai-kum

Many years have passed from the time that the Islamic Medical Association Baytul Nur Trust has embarked on this innovative, mammoth project. This project was the dream of the founding fathers of the Islamic Medical Association of South Africa (IMASA).

As you are aware there has been no trading since we are still on the tail end of the project. We are expecting to complete the hospital before the end of 2016 and commission in early 2017. This also means that there will also be little or no trading reflected in the 2017 financial year. We are extending grateful thanks to our shareholders especially those that had faith in the project and bought shares at the outset.

Just to recap, Ahmed Al-Kadi Private Hospital Ltd is a Public Company initiated by IMASA which holds the majority shareholding of 26% equity in the company.

Four of the directors are trustees of the IMA Baytul Nur Trust viz. Solly Suleman, Dr AKC Peer, Dr IE Osman and Dr MC Solwa.

Three independent Directors were also appointed viz. Anwar Hoosen Moosa, Fatima Lockhat and DR AYD Moosa.

74% of the shares have been sold to private shareholders to raise the funds required to build the hospital. There are discussions on whether the hospital is a charity hospital and the answer is an emphatic No. Ahmed Al-Kadi Private Hospital Limited is a private hospital which will be run like any private hospital serving all patients irrespective of race, religion, ethnicity or culture.

The shareholders expect a Return on Investment and your directors and management will endeavour to produce results in the 2017/2018 financial year that you will hopefully, be happy with.

The property is owned by Aerochron Pty Ltd, a private company that also owns 7 additional properties in the vicinity of the hospital, allowing future expansion opportunities. An additional two properties are being negotiated.

As you are aware there are often a lack of beds in the private hospitals in the greater Durban area and although we have been conservative in our projections we anticipate that there will be a substantially high occupancy within a few months of opening. Aerochron was wholly owned by the IMA BAYTUL NUR Trust.

However in 2015 the Trustees of the IMA Baytul Nur Trust made a decision to transfer all the shares to the AHMED AL KADI PRIVATE HOSPITAL LTD, thereby making Aerochron (Pty) Ltd a wholly owned subsidiary. In essence, you, as shareholders own the properties.

Another plus is that after a period of 5 years the IMA Baytul Nur Trust was to be allocated 1% of turnover as compensation for the hospital license. This has also been scrapped. When shares were initially sold the project was much smaller with just 80 beds including one ICU and two high care beds. The size of hospital more than doubled to 164 beds which increased the scope, cost and time lines of the project.

The share price was launched in February 2013 at R10 per share. In July 2014 the share price increased to R11 per share. In July 2015 following the licence for the additional 84 beds the share price increased to R12.50 per share. Hence shares have increased by 25% before trading.

A project of this magnitude has many permutations to consider and incorporate in the building. This is inclusive of the local EThekwini plan submissions and approvals, road widening infrastructure, Transnet requirements (considering the gas pipeline that runs alongside the property), and the Kwa-Zulu Natal Department of Health regulations for licensing.

Apart from the building side there is
the operational requirements as well including the procuring of medical and non-medical equipment, signing up of Doctors and Allied professionals as tenants and service providers, legal issues, lease agreements, designing and acquisition of uniforms, staffing of MANCO and their teams, signing up of service level agreements, drafting of policies and procedures, and this is to name a few.

We are almost there, barring a few hiccups, typical of any construction project, the process should be completed, the hospital commissioned and open in the first quarter of 2017, with the anticipated delay being the KZN Department of Health and Board Of Health Care Funders.

A change in Architect and Principal Agent, has ensured that many challenges that arose were identified and corrected over the past 6 months to ensure a world class facility that you as a shareholder will be proud of.

It is important to emphasise that your directors have been working on a voluntary basis without any remuneration whatsoever.

Although the costs have escalated due to increase in the scope of work as well as many changes and foreign exchange fluctuations there have been substantial savings due to intensive and sometimes aggressive negotiations.

An example is that Transnet had requested encasing an underground gas pipeline during the road widening that took place around the hospital. The total anticipated cost of this would have been approximately R13m.

After meeting with Transnet, an alternative solution was brainstormed resulting in us completing the road works at under R5m without encasing the pipeline, a saving of R8m.

We have managed to attain discounts from all professionals (up to 40%) and on almost all equipment from anything between 2.5% to 35%.

We are pleased to announce that The Pharmacy Council of South Africa have awarded the Ahmed Al-Kadi Private Hospital Pharmacy with a license to operate.

We have already commissioned a town planning consultant to rezone some of our adjacent properties as well as a traffic engineer to do the Traffic Impact Studies (TIA) to ensure that we can utilise the properties as medical suites.

There has been a phenomenal demand for medical suites for specialists as well as Allied Health Professionals and the suites within the hospital as well as 24 and 35 Barnard Rd and 8 Elsie Road including sessional suites have been fully let.

Thank you joining us on this journey that has created a stir in the market place and we hope that we meet your expectations as well as those of our patients and partners.

The foundation of this project is to ensure that our patients get a first class service since they are our focus and of course our service providers, doctors and staff are all treated with dignity and respect.

Our vision is to be the hospital of First Choice.

I extend grateful thanks to the Almighty for guiding, inspiring and opening the way for the success of this project, to IMASA, especially Dr GM Hoosen and Dr Mohammed Khan who as Founder Members of the organisation had this vision of opening a hospital, to Dr Mohammed Mayat, and my fellow directors Dr MC Solwa, Dr AKC Peer, Dr IE Osman, Dr AYD Moosa, Anwar Moosa and Fathima Lockhat for appointing me to spearhead this project, the excellent management team and their support staff, VDO Consulting without whom we would be in a crisis, the professional team, members of our Hospital Working Committee including Imtiaz Asmal, Faizal Suleman, Yahya Hassan, Imtiaz Tayob, Enver Mulla, Ahmed Docrat, The late Dr Haroon Docrat, the late Dr Ahmed Badat and many others, as well as Liviero Construction who have been brilliant.

Suraiya Vaizie, our tireless project co-ordinator who had to take the brunt of challenges has to be acknowledged for the sacrifice she has made to ensure that we deliver on our mandate.

The foundation of this project is to ensure that, firstly our patients get a first class service since they are our
focus and of course our service providers, doctors and staff are all treated with dignity and respect. I would like to extend grateful thanks to our marketing team including Mohammed Essack, José Nadesan, Farouk Desai and Suraiya Vaizie under whose department the team falls.

“Sometimes the best thing to do is not think, not imagine, not obsess. Just breathe and have faith in the Almighty that everything will work out for the best.”

“Faith and prayer both are invisible but they make impossible things possible.”

AAKPH share price:

<table>
<thead>
<tr>
<th>Share Price</th>
<th>Price</th>
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<tbody>
<tr>
<td>Feb-13</td>
<td>R 10.00</td>
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<tr>
<td>Jul-14</td>
<td>R 11.00</td>
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<td>Jul-15</td>
<td>R 13.00</td>
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IMA Baytul Nur Wellness Day

Ahmed Al-Kadi Private Hospital was a proud sponsor at the IMA Baytul Nur Wellness Day on Sunday 23rd October 2016, providing blood pressure screening, glucose screening, and health advice. The Islamic Medical Association continues to provide healthcare services to the underprivileged in the rural areas where public health services are non-existent. The organisation has grown and now caters for the needs of over 5000 patients per month via its 4 primary health care clinics.
November 2016 Newsletter

Highlights of 2016
Interior

Duty Station
Room feature wall
Ward Kitchen
Clean utility room
Ward Room progress
Wallpaper application
Highlights of 2016
Interior
Highlights of 2016
Exterior

Screens from outside

Screens from inside

Kufic Script

The ramp along side Barnard Road getting ready for premise
November 2016

Highlights of 2016
Our AAKPH family is growing!

Technical Department

Pharmacy Department

Catering, Finance & Marketing

Catering Department

Finance & IT Department
Dear Readers,

Ahmed Al-Kadi Private Hospital held its very first PAB (Physicians Advisory Board) meeting on the 23rd of November 2016 – it was a great success.

The meeting was chaired by Dr AYD Moosa and the following doctors were elected to serve on the PAB:
- Dr A Bhanjan
- Dr A Bhorat
- Dr K Chinniah
- Dr M Ghuman
- Dr S Lachman
- Dr YD Moosa

Doctors to serve as alternatives to the above committee, are as follows:
- Dr E Mansoor
- Dr H Mohamed
- Dr Y Perumal
- Dr S Rahim
- Dr Q Sayed
- Dr R Shah

Dr H Mohamed was elected as Chairman and Dr E Mansoor is to act as Vice Chairman for the AAKPH PAB.

The Directors and Management extend their congratulations to the members elected and extend a warm welcome to the PAB. We look forward to their contribution to the smooth running of the Hospital.

Ahmed Docrat
Hospital General Manager