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From Spire Healthcare Group plc and Ramsay Health Care (UK) Limited

15 June 2021

Dear Colleague

Recommended cash acquisition of Spire Healthcare Group plc by Ramsay Health Care (UK) Limited (a wholly owned subsidiary of Ramsay Health Care Limited)

As you may know, Spire Healthcare Group plc (*Spire*) and Ramsay Health Care (UK) Limited (*the Bidder*) announced on 26 May 2021 that they had reached agreement on the terms of a recommended cash acquisition pursuant to which the Bidder will acquire the entire issued and to be issued share capital of Spire (the *Acquisition*).

The attached Glossary defines capitalised terms used in this letter.

Why are we writing to you?

We are writing to explain how the Acquisition will affect awards granted to you under the Spire Healthcare Group plc 2014 Long Term Incentive Plan (the *LTIP*), the Bidder's proposal in relation to these awards and the decisions you need to make.

This letter relates to the outstanding awards you hold under the LTIP, whether those awards are unvested or have already vested but remain unexercised (the *Awards*).

Please speak to your line manager if you are unsure about what Awards you hold.

What do you need to do now?

This letter is accompanied by a **Form of Election** which allows you to exercise your Awards to the extent vested. The Form of Election proposes that you exercise your Awards to the fullest extent possible conditional upon the Court Sanction (as defined below).

Please sign and return a copy of this Form of Election by email or via DocuSign by no later than 3pm (UK time) on Wednesday 7 July 2021 if you wish to exercise your Awards and receive 240 pence per Spire Share (less any applicable taxes and social security liabilities).

**Spire Healthcare Group plc 3 Dorset Rise, London, EC4Y 8EN
Telephone: 0800 169 1777**

www.spirehealthcare.com

Registered in England No. 09084066

Further information

You should read this letter alongside the Scheme Document (copies of which are available on the Spire website at <https://investors.spirehealthcare.com/investors/announcement-details/>). Both this letter and the Scheme Document describe legal processes and are unavoidably ‘technical’ in nature. If you participate in other Spire share plans, you are being written to separately about the effect of the Acquisition on your other awards. Please read those communications carefully.

If you already hold Spire Shares (whether as a result of awards that have already vested and been exercised or otherwise), you should have received a copy of the Scheme Document in your capacity as a Spire Shareholder. This letter does not address the steps you can take in relation to Spire Shares you already hold, and you should refer to the Scheme Document for a full description of your voting rights in respect of your Spire Shares.

The Acquisition

The Acquisition will be implemented by way of a Court process, known as a scheme of arrangement (the *Scheme*). The Scheme is a procedure that requires both the approval of Spire Shareholders, which will be sought at shareholder meetings expected to be held on 12 July 2021, and sanction (i.e. approval) of the Scheme by the Court (the *Court Sanction*). Following the Court Sanction, it is currently expected that the Scheme will become effective on 19 July 2021 (which is known as the *Effective Date* of the Scheme). Spire will at that point become owned by the Bidder.

What is each Spire Share under your Awards worth?

If approved, the effect of the above is that all of the Spire Shares in issue will be acquired by the Bidder in return for 240 pence per Spire Share in cash, which the Bidder will pay. The full terms of the Acquisition (and the Scheme) are set out in the Scheme Document.

How does the Acquisition affect your Awards under the LTIP?

1. Unvested Awards under the LTIP

Normally, your Awards would vest over a three-year period following the date on which they were granted to you, subject to the applicable performance conditions being met. However, if the Acquisition goes ahead, a portion of your Awards that have not already vested will vest early (and, in respect of both unvested and vested Awards that are subject to a Holding Period (as defined in the rules of the LTIP) be released), and a portion of your Awards granted in the form of options will become exercisable on the date of the Court Sanction.

As you hold Awards in the form of options, the proposal is that these are exercised immediately following Court Sanction.

Under the rules of the LTIP, the Spire Remuneration Committee will decide the vesting level of each of these Awards. The vesting level will be determined by assessing the extent to which the applicable performance conditions have been achieved but without any reduction to reflect the fact the Awards are vesting early, prior to completion of the applicable performance period.

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The Spire Remuneration Committee will determine the extent to which the applicable performance conditions have been met shortly before Court Sanction.

We will notify you of the final vesting levels once the Spire Remuneration Committee has made its decision.

To the extent that your Awards vest and you exercise using the enclosed Form of Election, you will receive Spire Shares. To the extent they do not vest, such unvested Awards shall lapse on the date of the Court Sanction.

2. Vested Awards under the LTIP

If you hold Awards under the LTIP that have already vested and become exercisable, but you have not yet exercised those vested Awards, it is proposed that they are also exercised immediately after the Court Sanction using the enclosed Form of Election.

How do you exercise your Awards on Court Sanction?

If you wish to exercise your Awards conditional upon the Court Sanction occurring, you should make your election by completing the enclosed Form of Election using DocuSign or by returning a scanned copy to companysecretary@spirehealthcare.com by no later than 3pm (UK time) on Wednesday 7 July 2021.

What happens if you do not exercise your Awards?

If you fail to take any action at all, any unexercised Awards you hold in the form of options will lapse within one month of the Court Sanction, in which case, you would receive no value from them.

What will happen to the Spire Shares that you acquire?

The Spire Shares that you acquire on the vesting and/or exercise of your Awards will be sold to the Bidder as part of the Acquisition and in return you will receive 240 pence per Spire Share in cash (the *Consideration*) less income taxes and social security liabilities (see **Appendix 2 – UK Tax Summary** below). To facilitate this, it is anticipated that the Spire Shares that you acquire will be issued or transferred to the trustee of the Spire Employee Benefit Trust, who will hold the Spire Shares on your behalf until they are acquired by the Bidder.

The Consideration due to you from the Bidder will be paid to you as soon as practicable following the Effective Date less any income tax and employee social security contributions that are required to be withheld. The Consideration will be paid to you through payroll.

What actions do you need to take?

To exercise your Awards to the fullest extent possible and receive the associated Spire Shares you will need to complete and return the enclosed Form of Election at Appendix 1 via DocuSign or by email to companysecretary@spirehealthcare.com as soon as possible and in any event by no later than 3pm (UK time) on Wednesday 7 July 2021.

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If you complete and return the Form of Election in accordance with this letter and elect to exercise your Awards immediately following the date of the Court Sanction, the Spire Shares you receive will be subject to the Scheme. This means they will automatically be sold to the Bidder for 240 pence in cash for each Spire Share. This is the same amount receivable by other Spire Shareholders.

If you would like to exercise your Awards after the date of the Court Sanction, but before they lapse up to one month later, please email companysecretary@spirehealthcare.com for more information on the process you would need to follow.

What if the Acquisition does not complete?

If the Acquisition does not proceed, for whatever reason, your Awards will continue just as they are currently. Any Unvested Awards will vest over their original vesting period, subject to the rules of the LTIP.

What happens if you leave employment?

If you leave employment with the Spire group or if you have given or received notice of termination of your employment before the Court Sanction, your Awards will normally lapse unless you leave in certain 'good leaver' circumstances under the LTIP. If you are a "good leaver", we will confirm the date on which and the extent to which your Awards will vest in writing to you.

What about tax?

Your Award will be subject to tax and social security when it is exercised on Court Sanction.

Your employing company has an obligation to withhold those amounts. It will deduct the amounts from the consideration you receive for your Spire Shares and pay them to the HMRC.

Please refer to Appendix 2 to this letter for a short summary of the expected tax implications for your Awards.

Please note that this does not constitute tax advice and the tax treatment will depend on your particular individual circumstances. If you have any questions about your tax position, you are strongly advised to take independent financial and/or tax advice.

Important notice

The Spire Board, which has been so advised by Goldman Sachs International and J.P. Morgan Cazenove as to the financial terms of the Acquisition, considers the proposal set out in this letter for you to exercise your Awards to the extent determined by the Spire Remuneration Committee and for the Spire Shares you acquire to be purchased by the Bidder on the same terms as other Spire Shareholders to be fair and reasonable. In providing their advice to the Spire Board, Goldman Sachs International and J.P. Morgan Cazenove have taken into account the commercial assessments of the Spire Board. Goldman Sachs International and J.P. Morgan Cazenove are providing independent financial advice to the Spire Board for the purposes of Rule 3 of the City Code.

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What if you have questions?

If you have any questions about the Acquisition and your Awards, please email companysecretary@spirehealthcare.com.

Please note that neither Spire nor the Bidder (nor any of their respective officers or employees) can give you investment or tax advice. If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

Yours faithfully,

Justin Ash

For and on behalf of
Spire Healthcare Group plc

Yours faithfully,

Craig McNally

For and on behalf of
Ramsay Health Care (UK) Limited

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Glossary

Acquisition means the recommended cash acquisition pursuant to which the Bidder will acquire the entire issued and to be issued share capital of Spire;

Award means an outstanding LTIP Award;

Bidder means Ramsay Health Care (UK) Limited;

Court means the High Court of Justice in England and Wales;

Court Sanction means the date on which the Court sanctions the Scheme under section 899 of the Companies Act 2006;

Effective Date means the date on which the Scheme becomes effective in accordance with its terms (i.e. the change of control when Ramsay becomes the owner of Spire);

Exercise means notifying Spire that you want to buy the Spire Shares that are under your Option;

HMRC means HM Revenue & Customs;

LTIP means the Spire Healthcare Group plc Long-Term Incentive Plan 2014 as amended from time to time;

LTIP Awards means the awards over Spire Shares granted to employees of Spire and its subsidiaries under the LTIP;

Scheme means the scheme of arrangement which is the procedure by which the Bidder will become the holder of the entire issued and to be issued ordinary share capital of Spire;

Scheme Document means the document setting out the terms of the Scheme dated 15 June 2021 sent to Spire Shareholders;

Spire means Spire Healthcare Group plc;

Spire Shareholders means the holders of Spire Shares;

Spire Shares means the ordinary shares of one pence each in the capital of Spire, from time to time;

Vest means your Option is capable of being exercised.

Appendix 1
Form of Election

This form of election (***Form of Election***) should be read in conjunction with the Scheme Document addressed to the holders of Spire Shares dated 15 June 2021 and the letter to holders of Awards dated 15 June 2021 (the ***Letter***). The definitions used in the Scheme Document and the Letter apply in this Form of Election save where the context otherwise requires.

To: Spire Healthcare Group plc

Deadline: For this Form of Election to be effective, it must be received by the Company Secretary by 3pm (UK time) on Wednesday 7 July 2021. Please complete this Form of Election via DocuSign or return it as an attachment to an email to companysecretary@spirehealthcare.com.

MY DECISIONS

Awards

By placing a cross [X] in the box below under the heading “Exercise at Court Sanction”, I, being the holder of Awards, hereby agree to exercise my Awards to the fullest extent possible immediately following the Court Sanction.

Exercise at Court Sanction
<input type="checkbox"/>

Declaration

By completing and signing this irrevocable Form of Election, I confirm that I have read and understood the Letter and irrevocably agree to exercise my vested Awards and I:

- a) have received and read the Letter and have read, understood and agree to these terms and conditions and that I am aware of the terms of the Scheme Document;
- b) confirm that my Awards are valid and have not lapsed (and will not have lapsed by the Court Sanction) and that if any of the Awards have lapsed or lapse by the Court Sanction, the completion of this Form of Election will be of no effect in relation to those Awards;
- c) confirm that my decision to exercise my Awards will be conditional on, but will take effect from, the Court Sanction;
- d) acknowledge that if the Scheme is not sanctioned by the Court, completion of this Form of Election will be of no effect;
- e) accept that documents or payment sent by or to me in connection with my Awards will be sent at my own risk;

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- f) confirm that the decision which I have made on the Form of Election is irrevocable and cannot be withdrawn or altered;
- g) appoint the trustee of the Spire Employee Benefit Trust, (the *Trustee*) to act on my behalf as nominee in relation to any rights I have under or in relation to my Awards and confirm that any payment of cash or transfer of Spire Shares to the Trustee (as nominee) in accordance with the Scheme or the LTIP rules will constitute satisfaction of my rights under the LTIP;
- h) acknowledge that neither Spire nor the Bidder will be responsible for any consequential loss in the event of this Form of Election being completed incorrectly and that neither Spire nor the Bidder is obliged to obtain clarification of my instructions;
- i) agree that this Form of Election will be of no effect unless it is duly completed and received by the Company Secretary by 3pm (UK time) on Wednesday 7 July 2021 and understand that Spire and the Bidder reserve the right, at their discretion, to accept any Form of Election which is incorrectly completed and/or received after this time;
- j) by electing to exercise my Awards, I agree and irrevocably authorise Spire and/ or the Trustee to deduct from any payments due to me under the Scheme an amount equal to any income tax and employee social security contributions due on exercise of my Awards;
- k) agree to indemnify Spire and the Bidder in respect of any income tax and employee social security contributions, for which Spire or my employing company is liable to account in respect of, or, as a result of, the exercise or vesting of my Awards in connection with the Scheme, and the acquisition of the resulting Spire Shares and their sale under the Scheme or otherwise; and
- l) agree that by electing to exercise my Awards immediately following the Court Sanction (if applicable), any Spire Shares received or issued will be bound by the Scheme.

SIGNED by:

Signed:

Appendix 2

UK Tax Summary

The following is a summary for holders of awards granted under the LTIP in the form of nil-cost options and resident in the UK of certain aspects of the taxation implications of the vesting and exercise of those awards. It is intended as a guide only. The precise taxation consequences for you will depend on your particular circumstances. Neither Spire nor the Bidder (nor any of their respective officers or employees) can provide you with specific tax advice. If you are in any doubt as to your tax position or if you are subject to taxation in another jurisdiction, you are advised to seek professional advice.

Income Tax and National Insurance

When your Award vests and is exercised, income tax will arise. The income tax liability which arises on the exercise of your Award will be based on the market value of your Spire Shares on the date of exercise. This is likely to be an amount equal to the Consideration for the Spire Shares you acquire through the LTIP.

For example, if you have an Award under which you are able to acquire 2,000 Spire Shares:

Total Consideration: (2,000 x 240 pence) = £4,800

Income tax is payable on £4,800.

Employee national insurance will also arise on the exercise of the Award.

Your employing company is required to withhold the amount of your income tax and employee national insurance liability and pay such amount to HMRC on your behalf. This will be withheld from the Consideration you are entitled to.

Capital Gains Tax

As you will be subject to income tax in respect of the exercise of your Awards, the base cost of the Spire Shares you acquire on the exercise of those Awards will be in broad terms equal to the market value of those Spire Shares at the date of exercise (i.e. 240 pence per Spire Share). As the Spire Shares you acquire on the exercise of those Awards will be disposed of pursuant to the Scheme very shortly after exercise, we would not expect a capital gains tax liability to arise on their disposal although it is possible that a chargeable gain will arise for which you will have to account through self-assessment.

You should, however, be aware that if you hold other Spire Shares (for example, as a result of Awards that vested and were exercised in the past) there are complex capital gains tax rules that apply to determine the tax liability to which you will be subject. You should take independent tax advice on this.

Notes

The distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

In providing their advice to the Spire Board, Goldman Sachs International and J.P. Morgan Cazenove have taken into account the commercial assessments of the Spire Board. Goldman Sachs International and J.P. Morgan Cazenove are providing independent financial advice to the Spire Board for the purposes of Rule 3 of the City Code.

Each of Goldman Sachs International and J.P. Morgan Cazenove has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

J.P. Morgan Securities plc, which conducts its United Kingdom investment banking business as J.P. Morgan Cazenove (“J.P. Morgan Cazenove”), is authorised in the United Kingdom by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority. J.P. Morgan Cazenove is acting as joint financial adviser and joint corporate broker exclusively for Spire and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Spire for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein.

Goldman Sachs International, which is authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority in the United Kingdom, is acting as financial adviser exclusively for Spire and no one else in connection with the Acquisition. In connection with such matters, Goldman Sachs International will not regard any other person as their client, nor will it be responsible to any person other than Spire for providing the protections afforded to clients of Goldman Sachs International or for providing advice in relation to the contents of this document or any other matter referred to herein.

The directors of Spire (whose names are set out in the Scheme Document) accept responsibility for the information contained in this document (including any expressions of opinion). To the best of the knowledge and belief of the directors of Spire (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Ramsay Health Care (UK) Limited and the Ramsay Health Care (UK) Limited Responsible Persons accept responsibility for the information contained in this document (including any expressions of opinion) relating to Ramsay Health Care (UK) Limited. To the best of the knowledge and belief of the Ramsay Health Care (UK) Limited Directors and the Ramsay Health Care (UK) Limited Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.