

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or any action to be taken, it is recommended that you consult your Stockbroker, Solicitor, Accountant or any other independent professional adviser duly registered under the Investments and Securities Act No. 29 of 2007 immediately.

If you have sold or otherwise transferred all your shares in Union Diagnostic and Clinical Services Plc., please give this document and the accompanying proxy forms to the purchaser or transferee or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. In the alternative, kindly return this document to the Registrars.

The receipt of this document or any information contained in it or supplied with it or subsequently communicated to any other person does not constitute investment advice to a shareholder from Union Diagnostic and Clinical Services Plc. or to any other person by the Company or its directors and the Company does not commit to providing Shareholders with other information, updates or corrections to this document or the information contained herein.

SCHEME OF ARRANGEMENT

(Under Section 539 of the Companies and Allied Matters Act Chapter C20 LFN 2004)

Between



Union Diagnostic and Clinical Services PLC.

RC 352457

And

The Registered Holders of its Fully Paid Ordinary Shares of 50 Kobo Each

Incorporating an Explanatory Statement on the Proposed Scheme of Arrangement

(In compliance with Section 539 of the Companies & Allied Matters Act, Cap C20, LFN 2004)

MBC Capital Limited ("MBC") is acting as Financial Advisers in respect of the Scheme of Arrangement for the proposed acquisition of Union Diagnostic and Clinical Services Plc. (the "Scheme"). MBC will not be responsible to any person, individual or corporate body other than Union Diagnostic and Clinical Services Plc. in relation to the contents of this document or any transactions or arrangements referred to herein.

The notice convening the Court-Ordered Meeting of Union Diagnostic and Clinical Services Plc. is set out on pages 39 to 41 of this document. A Proxy Form is also attached. To be valid, the attached Proxy Form must be completed, signed and duly stamped by the Commissioner of Stamp Duties, Federal Inland Revenue Services (where applicable) and must be returned to the Registrar of Union Diagnostic and Clinical Services Plc., First Registrars and Investor Services Limited at 2, Abebe Village Road, Iganmu, Lagos State, together with the power of attorney or other authority, if any, under which the Proxy Form is issued and in accordance with the instructions provided thereon, not later than 24 hours before the time set for scheduled Court-Ordered Meeting.

THE PROPOSALS, WHICH ARE THE SUBJECT OF THE SCHEME SET OUT IN THIS DOCUMENT, HAVE BEEN CLEARED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE ACTIONS THAT YOU ARE REQUIRED TO TAKE ARE SET OUT ON THE PROXY FORM ON PAGE 42 OF THIS SCHEME DOCUMENT.


mbc
RC 936547
MBC Capital Limited
FINANCIAL ADVISER

THIS SCHEME DOCUMENT IS DATED MONDAY, DECEMBER 7, 2020



1.	DEFINITIONS	4
2.	PROPOSED TIMETABLE	6
3.	DIRECTORS AND PARTIES TO THE SCHEME	7
4.	LETTER FROM THE CHAIRMAN	8
5.	EXPLANATORY STATEMENT FROM THE FINANCIAL ADVISERS	11
5.1.	Introduction	11
5.2.	The Transaction	11
5.3.	Rationale for The Scheme	12
5.4.	Advantages and Disadvantages of Proceeding or Rejecting the Scheme	13
5.5.	Conditions Precedent	13
5.6.	Meeting to Approve The Scheme of Arrangement and Voting Rights	13
5.7.	Basis of Scheme Consideration	14
5.8.	Settlement of The Scheme Consideration	15
5.9.	Provision for Dissenting Shareholders	15
5.10.	Related Party	15
5.11.	Taxation	16
5.12.	Effects of The Scheme on The Listing and Trading of Union Diagnostic Shares	16
5.13.	Plans for Employees and Directors after The Scheme	16
5.14.	Information on Cedar Advisory Partners Limited	16
5.15.	Further Information	16
5.16.	Conclusion and Recommendation	16
6.	FAIRNESS OPINION REPORT	18
7.	THE SCHEME OF ARRANGEMENT	21
8.	MARKET PRICE INFORMATION	26
9.	INFORMATION ON UNION DIAGNOSTIC & CLINICAL SERVICES PLC	27
9.1.	Business and History	27
9.2.	Share Capital History	27
9.3.	Shareholding Structure	27
9.4.	Directors' Beneficial Interest	28
9.5.	Subsidiaries, Joint Ventures and Associated Companies	28
9.6.	Indebtedness	28
9.7.	Premises	28
9.8.	Extracts of the Memorandum and Articles of Association	28
9.9.	Five-Year Financial Summary	32
9.10.	Documents Available for Inspection	35
10.	INFORMATION ON CEDAR ADVISORY PARTNERS LIMITED	36



10.1	Corporate Information	36
10.2	Operations and Businesses	36
10.3	Profile of Board of Directors	36
10.4	Interests in Union Diagnostic's Shares	36
11.	STATUTORY AND GENERAL INFORMATION.....	37
11.1.	Responsibility Statement	37
11.2.	Related Party Information	37
11.3.	Material Contracts	37
11.4.	Claims and Litigation	37
11.5.	Consents of Parties to the Scheme.....	37
11.6.	General Information	38
12.	NOTICE OF COURT-ORDERED MEETING.....	39
13.	PROXY FORM.....	42



1. DEFINITIONS

In this Scheme of Arrangement, the following words shall have the meanings ascribed to them below, unless otherwise stated or clearly indicated by the context:

Term	Definitions
"Business Day"	Any day other than a Saturday, Sunday or official public holiday declared by the Federal Government of Nigeria, on which banks are opened for business in Nigeria;
"Board of Directors" or "Directors"	The Directors of Union Diagnostic and Clinical Services Plc whose names appear on the scheme document;
"CAC"	Corporate Affairs Commission;
"CAMA"	Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria 2004;
"Cedar APL"	Cedar Advisory Partners Limited, which hold the sum of 20.04% of the issued share capital of Union Diagnostic and Clinical Services Plc and who are making the offer to acquire the 39.62% of the minority stake;
"Court"	The Federal High Court of Nigeria;
"Court-Ordered Meeting" or "CoM"	The meeting of the registered holders of ordinary shares of Union Diagnostic and Clinical Services Plc, to be convened by an Order of the Court, pursuant to Section 539 of CAMA, including any adjournment thereof;
"Court Sanction"	An order made by the Court pursuant to Section 539 (3) of CAMA, approving and giving effect to the Scheme;
"CSCS"	Central Securities Clearing System Plc, the electronic clearing and depository system for securities transactions in Nigeria;
"CTC"	Certified True Copy;
"EBITDA"	Earnings Before Interest, Tax, Depreciation and Amortisation;
"Effective Date"	The date on which a certified true copy of the Court order sanctioning the Scheme is delivered to the CAC for registration;
"Eligibility Date"	The last day to trade Union Diagnostic and Clinical Services Plc shares in order to participate in the Scheme;
"Escrow Agent"	Wema Bank Plc, a commercial bank incorporated under the laws of the Federal Republic of Nigeria with its registered address at 54 Marina Road, Lagos Island, Lagos;
"Excluded Shares"	Shares in Union Diagnostic and Clinical Services Plc held by Cedar APL, Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola;
"FCCPC"	Federal Competition and Consumer Protection Commission;
"Final Payment Date"	The last day the minority Shareholders will be paid off as regards the scheme i.e. after 2 years;
"ISA"	The Investment and Securities Act (Number 29 of 2007);
"LFN"	Laws of the Federation of Nigeria;
"Ordinary Shares" or "Shares"	The ordinary shares of 50 kobo each in the share capital of Union Diagnostic and Clinical Services Plc;



"Qualification Date"	The close of business on the Business Day immediately preceding the Effective Date; being the date on which the Company's register of members will be updated for the purpose of determining the Shareholders eligible to receive Scheme Consideration;
"Record Date"	The date for determining Shareholders eligible to attend and vote at the Court Ordered Meeting to be convened for the Scheme subject to the rules of the NSE;
"Register of Members"	The register of members of Union Diagnostic and Clinical Services Plc as is required to be maintained pursuant to the provisions of CAMA;
"Registrar"	First Registrars and Investor Services Limited;
"Scheme" or "Scheme of Arrangement" or "Transaction"	The proposed scheme of arrangement between the Company and the holders of its fully paid ordinary shares of 50 kobo each pursuant to Section 539 of CAMA;
"Scheme Consideration"	Cash consideration;
"Scheme Consideration Account"	The bank account to be opened by the Registrars into which will be paid the Scheme Consideration, and from where payments would be made to Scheme Shareholders;
"Scheme Document" or "Document"	This is scheme document, the explanatory statement and the various appendices therein in relation to the scheme;
"Scheme Shareholders"	Registered holders of the Scheme Shares as at Record Date, and includes persons entitled to the Scheme Shares by way of transmission;
"Scheme Shares"	The 1,407,855,051 (One Billion, Four Hundred and Seven Million, Eight Hundred and Fifty-Five Thousand, Fifty-One) issued and fully paid ordinary shares of 50 kobo each in Union Diagnostic, representing 39.62% shareholding in the Company that are not held by Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola which are to be transferred pursuant to the scheme;
"Shareholders' Approval"	The resolution in favour of the scheme passed at the Court Ordered-Meeting, by the required majority of Shareholders specified in Section 539 of CAMA;
"SEC"	The Securities & Exchange Commission;
"SEC Rules & Regulations"	The rule and regulations of the SEC made pursuant to the ISA;
"The NSE"	The Nigerian Stock Exchange;
"Total Consideration"	The sum of ₦492,749,268 (Four Hundred and Ninety-Two Million, Seven Hundred and Forty-Nine Thousand, Two Hundred and sixty-Eight Naira) payable to the Scheme Shareholders as consideration for the Scheme Shares, representing 35 kobo for every Scheme Share which shall become due to Scheme Shareholders upon the Scheme becoming effective as consideration for each Scheme Share transferred;
"Union Diagnostic" or the "Company"	Union Diagnostic and Clinical Services Plc;
"Untraceable Holders"	Holders whose whereabouts cannot be ascertained after 2 years of reasonable efforts have been made to find them including contacting their last known and/or registered addresses or publication in national daily newspapers.

2. PROPOSED TIMETABLE



Date	Activities
11-Jun-20	Apply for SEC Clearance of the Scheme
07-Dec-20	Receive SEC Clearance of the Scheme
21-Dec-20	Obtain Court Order for the Company to convene the Court-Ordered Meeting (CoM)
30-Dec-20	Record Date
30-Dec-20	Obtain the NSE's clearance of the Notice of the CoM
31-Dec-20	Publish Notice of Court-Ordered Meeting in National Newspapers
21-Jan-21	Last date for lodging proxy forms for Court Ordered Meeting
25-Jan-21	Court-Ordered Meeting of Shareholders of Union Diagnostic and Clinical Services Plc.
26-Jan-21	Suspension in trading of shares or other securities of the Company
26-Jan-21	File resolutions passed at the Court-Ordered Meeting with CAC and obtain CTCs of resolutions
02-Feb-21	File CTCs of Court-Ordered Meeting Resolutions and Scrutineers Report with the SEC and the NSE
09-Feb-21	Obtain SEC's formal approval of the Scheme
12-Feb-21	File petition for Court Sanction of the Scheme
16-Feb-21	Obtain Court Sanction of the Scheme
22-Feb-21	Register CTC of Court Sanction of the Scheme with CAC ("Effective Date")
23-Feb-21	File CTC of Court Sanction of the Scheme with SEC and apply for the withdrawal of registration of Union Diagnostic's shares from SEC and delisting of Union Diagnostic's shares from the NSE's main board
23-Feb-21	Publish copy of Court Sanction of the Scheme in two national newspapers
24-Feb-21	Remittance of consideration to holders of Scheme Shares
02-Mar-21	File Summary Report with SEC

Important Notice:

The dates given above are indicative only and are subject to possible changes without notice. This timetable has been prepared on the assumption that the Court dates for the Scheme will be available as and when applied for. If this is not the case, then the dates surrounding key events in the timetable may be subject to corresponding adjustment(s).



3. DIRECTORS AND PARTIES TO THE SCHEME

Registered Head Office	37, Tejuosho Street, Yaba, Lagos
Company Registration Number	352457
Date of Incorporation	March 16, 1999
Date Listed on the NSE	September 11, 2008
Board of Directors	<p>Ambassador B.A. Adeyemi (Rtd) - Chairman Address:37, Tejuosho Street, Yaba, Lagos</p> <p>Dr. Akinniyi A. Olusola - Managing Director / CEO Address:37, Tejuosho Street, Yaba, Lagos</p> <p>Mr. Abiodun Akinkoye - Non-Executive Director. Address:37, Tejuosho Street, Yaba, Lagos</p> <p>Mr. Anthony Nwozor - Non-Executive Director. Address:37, Tejuosho Street, Yaba, Lagos</p> <p>Dr. Koleola Akinmolayan - Non-Executive Director Address:37, Tejuosho Street, Yaba, Lagos</p>
Company Secretary	Dr. Iroye Opeyemi Samuel
Financial Advisers	MBC Capital Limited 11th floor, St. Nicholas House, 26, Catholic Mission Street, Lagos Island, Lagos
Legal Advisers	First Almond Attorneys 4th Floor, Marine View Plaza, 60, Marina, Lagos Island, Lagos
Fairness Opinion Adviser	Capital Bancorp Plc. 3rd Floor UNTL Building, 1, Davies Street, Lagos
Stockbroker	Edgefield Capital Management Limited 2 Tokunbo Alli Street, Off Toyin Street, Ikeja
Registrars	First Registrars and Investor Services Limited 2, Abebe Village Road, Iganmu, Lagos



4. LETTER FROM THE CHAIRMAN



Union Diagnostic and Clinical Services PLC.

RC 352457

Monday, December 7, 2020

To: The Shareholders of Union Diagnostic and Clinical Services Plc

Dear Sir/Madam,

RE: SCHEME OF ARRANGEMENT FOR THE PROPOSED ACQUISITION OF 1,407,855,051 UNITS OF MINORITY SHARES IN UNION DIAGNOSTIC AND CLINICAL SERVICES PLC AT ₦0.35K PER UNIT BY CEDAR ADVISORY PARTNERS LIMITED.

4.1. Introduction

This letter is issued further to an indicative offer dated 15 January 2020 and a binding offer letter dated March 10, 2020 (the "Binding Offer") which was received from Cedar Advisory Partners Limited ("Cedar APL"), an Investment Company based in Lagos Nigeria. Cedar APL is currently a shareholder of Union Diagnostic and Clinical Services Plc. ("Union Diagnostic", the "Company") with 20.04% shareholding in the Company. The proposed transaction as contained in the Binding Offer is expected to involve the transfer of a total of 1,407,855,051 ordinary shares of 50 kobo each held by the Scheme Shareholders to Cedar APL in consideration for a cash payment of 35 Kobo per share to the Scheme Shareholders, following which all the Scheme Shares in the Company will become fully held by Cedar APL (the "Proposal"). Subsequently, Union Diagnostic will be delisted from the Main Board of The Nigerian Stock Exchange (the "NSE" or "Exchange"), the registration of ordinary shares of Union Diagnostic with the Securities and Exchange Commission ("SEC") will be withdrawn and the Company will be re-registered as a private company limited by shares.

After due and careful consideration of the Company's past, current and future financial and trading performance, future position and prospects, and continuous need for capital on an ongoing basis, in view of its challenging operating environment, in particular, increasing input costs (which could not be passed down to customers due to market conditions) and costs which are eroding the expected returns to Shareholders, your Board of Directors (the "Board") engaged the services of MBC Capital Limited ("MBC") and First Almond Attorneys as Financial and Legal Advisers respectively to provide requisite advice to the Company on the proposed structure, its fairness and necessary regulatory engagement. Capital Bancorp Plc has also been engaged as Expert Opinion Advisers for purposes of independently determining the fairness of the Offer. Union Diagnostic and its Advisers have also engaged with Cedar APL to determine the optimal transaction structure that will minimize transaction and execution risks and eliminate or minimize prejudice to the Company's other Shareholders.

Following negotiations with Cedar APL and advice from the Company's Advisers on the fairness of the Proposal, the Board has resolved to recommend the Proposal to the Shareholders for consideration at a meeting to be convened by an order of the Federal High Court. The Board has further resolved to effect the Proposal by way of a member's Scheme of Arrangement under Section 539 of the Companies and Allied Matters Act Chapter C20, Laws of the Federation of Nigeria 2004 ("Scheme of Arrangement") as your Board believes that same will serve the best interests of both the Company and its Shareholders.



The Transaction is being undertaken by a way of a Scheme as it presents an effective option for completing the process in a timely manner. Other transaction alternatives would result in a lengthier process which would not be in the best interest of any of the parties involved in this Transaction.

Furthermore, this process would minimize the risk to the equity value of the Shareholders which would result following the announcement of the Proposal. The Company has neither sought, nor obtained an undertaking to vote or procure votes (either in part or in whole) in favour of the Scheme.

4.2. Background to and Reason for The Recommendation

The Nigerian Healthcare industry has faced considerable funding constraints despite the huge opportunities that it present. Union Diagnostic has over the years struggled to raise the required capital to grow its business to support its expansion plans. Shareholders have continued to witness a decline in share value and this trend will continue if urgent steps are not taken with a view to injecting capital into the Company.

The Company also faces a challenging operating environment and strong headwinds specifically relating to poor health-seeking behavior of Nigerians, gross underfunding of the Healthcare sector and depreciating exchange rates that affect importation of consumables.

In view of the above, the Board believes that the market conditions will remain challenging in the foreseeable future and the Proposal represents an opportunity for Shareholders to realize value at a sizeable premium. The Proposal formally states the intention of Cedar APL to acquire the Scheme Shares resulting in the Company being re-registered as a private company. The Proposal will be implemented through Cedar APL, who will receive all the shares under the Scheme upon the Scheme taking effect.

The Board believes that the following benefits and opportunities would be derived from the Scheme by the stakeholders of the Company.

1. The Scheme Shareholders will benefit from the Scheme by being given the opportunity to unlock value by exiting at an attractive pricing from their investment in an otherwise illiquid stock;
2. Will create a platform for ensuring the Company can raise the capital it urgently needs to support its future growth; and
3. Enable Union Diagnostic to benefit from immense and necessary, financial and detailed technical support that Cedar APL has to offer.

4.3. Treatment of Competing Offer Received Prior to The Effective Date

Where at any time before the Effective Date of the proposed Scheme, the Board of Union Diagnostic receives a competing offer, the Board will, without prejudice to its fiduciary obligation to act in the best interest of all stakeholders and mindful of the terms of the Binding Offer, review such offer for the ultimate benefit of the Shareholders of the Company, whilst considering the stage at which such offer was received and any negative impact that could result to the Company as a result of the Board's acceptance of such competing offer.

4.4. Recommendation

The Board, having received and considered the valuation report from MBC Capital Limited and the fairness report by Capital Bancorp Plc, considers the terms of the Scheme to be fair and are recommending the Scheme for the following reasons:



1. The proposed Scheme Consideration represents a total value of 35 kobo per Union Diagnostic share, a 75% premium to the last traded share price of the Company on March 9, 2020, being the last business day prior to the date the binding offer letter was received from Cedar Advisory Partners, and a 69% premium on the three-month volume weighted average share price as at March 9, 2020;
2. Cedar Advisory Partners Limited with vast experience in the Healthcare and Technology sector In Nigeria, possesses the technical know-how and resources to drive the Company to a greater level of productivity, profitability and performance; and
3. The proposed Scheme will ensure the sustainability of Union Diagnostic as a going concern with its attendant multiplier effect and benefit to all stakeholders including employees, federal and state governments, tax authorities, creditors, consumers, customers, and suppliers.

The Scheme is supported and recommended by your Board of Directors and we urge you to vote in favour of the resolutions, which are to be proposed at the Court-Ordered Meeting scheduled to hold at Lagos Resource Center, 9, Anifowose Street, Victoria Island, Lagos, by 12pm on Monday, January 25, 2021. Cedar APL, as party to whom the Scheme Shares would be transferred, will not exercise its right to vote at the Court-Ordered Meeting as well as other Excluded Shareholders, in accordance with the Rulebook of the NSE (2015) as amended.

Kindly complete and return the enclosed proxy form in accordance with the instructions thereon, whether or not you intend to attend the Court-Ordered Meeting in person. Please note that the lodging of a proxy form does not prevent you from attending or voting in person, should you subsequently decide to do so. However, in such instance, your proxy will not be entitled to attend or vote at the meeting.

We look forward to welcoming you or your proxy at the meeting.

Yours faithfully,

For: Union Diagnostic and Clinical Services Plc.

Ambassador B.A. Adeyemi (Rtd)
Chairman of the Board of Directors



Monday, December 7, 2020

To: The Shareholders of Union Diagnostic and Clinical Services Plc

Dear Sir/Madam,

RE: SCHEME OF ARRANGEMENT FOR THE PROPOSED ACQUISITION OF 1,407,855,051 UNITS OF MINORITY SHARES IN UNION DIAGNOSTIC AND CLINICAL SERVICES PLC AT ₦0.35K PER UNIT BY CEDAR ADVISORY PARTNERS LIMITED.

5.1. Introduction

You have been informed by the letter from the Chairman of the Company, presented on pages 8 to 10 of this Scheme Document, of the proposed acquisition of 1,407,855,051 units of minority shares in Union Diagnostic by Cedar APL and delisting of the Company from the NSE ("the Transaction").

The acquisition will be implemented via a Scheme of Arrangement pursuant to Section 539 of CAMA, leading to the transfer of the Scheme Shares to Cedar APL and make payment of the Scheme Consideration to Scheme Shareholders. Subsequent to the implementation of the Scheme, the expectation is that Union Diagnostic's shares will be delisted from the NSE.

Your Chairman's letter conveys the recommendation of your Board that the Company's Shareholders vote in favour of the Scheme at the Court-Ordered Meeting that will be convened to consider and if deemed fit, approve the Scheme.

Your Board has authorized us, as Financial Advisers to the Company, to write to you on their behalf, to explain the terms, provisions and effects of the Scheme, and provide you with other information which they consider relevant as presented hereunder.

5.2. The Transaction

Upon the terms of the Scheme, it is proposed that:

- a. The Scheme will involve the transfer of the Scheme Shares comprising 1,407,855,051 issued and fully paid ordinary shares of 50 kobo each in Union Diagnostic, with a nominal value of ₦703,927,525.50 held by the Scheme Shareholders to Cedar Advisory Partners Limited, without any further act or deed.
- b. In consideration for the transfer of the Scheme Shares, Cedar Advisory Partners Limited will pay the Scheme Consideration to the Scheme Shareholders.
- c. Union Diagnostic will be delisted from the NSE.



Following the implementation of the Scheme, the Scheme Shareholders will no longer be Shareholders of the Company. Hence, Cedar Advisory Partners Limited, Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola would be the remaining Shareholders of Union Diagnostic and Clinical Services Plc, with Cedar Advisory Partners Limited owning 59.6%. While Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola will retain their shareholdings of 29.21%, 6.67% and 4.56% respectively.

Pre-Scheme Shareholding Structure:

Name	Holdings	% Holdings
Lifecare Partners Limited	1,038,000,000	29.21
Cedar Advisory Partners Limited	711,916,612	20.04
Akinniyi Ambrose Olusola	233,462,131	6.57
Akinniyi Elizabeth Abimbola	161,904,734	4.56
Other Shareholders	1,407,855,051	39.62
Total	3,553,138,528	100.00

Post-Scheme Shareholding Structure:

Name	Holdings	% Holdings
Cedar Advisory Partners Limited	2,119,771,663	59.66
Lifecare Partners Limited	1,038,000,000	29.21
Akinniyi Ambrose Olusola	233,462,131	6.57
Akinniyi Elizabeth Abimbola	161,904,734	4.56
Total	3,553,138,528	100.00

The Company will be delisted from the NSE and re-registered as a private limited liability company pursuant to the relevant provisions of CAMA.

5.3. Rationale for The Scheme

The Healthcare sector in Nigeria has not witnessed growth compared to other sectors in the country because health-seeking behaviour in the country is still very conservative and traditional. The sector is heavily underfunded by government and 70% of healthcare spending is done out-of-pocket, discouraging people to seek healthcare. The sector is also heavily plagued by brain drain of professionals and patients seeking medical tourism. This hinders local healthcare providers from capturing any value. The Diagnostics Sector is also affected by this, as medical cure begins with proper diagnostics and their customers are usually mostly from hospital referrals. Also, healthcare costs have risen sharply, making it difficult for healthcare companies to be profitable.

These factors, among others, have negatively impacted the Company's ability to actualize its growth plan and grow Shareholders value. The Company has not made any dividend payouts to Shareholders since listing on the NSE. Also, Shareholders in the Company have suffered huge losses. From an initial listing price of ₦3, the Company Share Price has depreciated significantly to 21 kobo which is just 5% above the minimum price floor set by the NSE.

The Board believes that significant capital injection is needed to achieve the Company's long-term objectives and expansion plans, which, given the quantum of funding required, will place further constraints on the Company's capital. Considering the inherent high cost of securing debt funding, these objectives and plans can only be achieved via external injection of equity capital.

Following the lack of dividend payments and low liquidity of the Company's Shares, the Board is of the opinion that a public offering to Shareholders may not garner the support of all Shareholders and could lead to dilution of the minority Shareholders' equity interests. The Board also considered raising capital through debt funding. However, considering its current financial performance such as weak gross and EBITDA margins, the Company is unlikely to be able to fulfill debt obligations and if it does will further worsen the Company's already dire financial position.



Putting these circumstances in perspective, Cedar Advisory Partners Limited, a shareholder which hold the sum of 20.04% of the issued share capital of the Company made a proposal to buy the 39.62% held by other Shareholders of the Company, excluding shares of the company held by Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola, through a Scheme of Arrangement, which the Board believes is a fair alternative that should be presented to the other Shareholders.

To assess the fairness of the offer to the Scheme Shareholders, the Board appointed Capital Bancorp Plc as Fairness Opinion Adviser to review the terms of the offer. The Fairness Opinion Adviser conducted its review and considers the terms of the offer to be fair and reasonable. The opinion of Capital Bancorp, the Fairness Opinion Adviser, is set out in the Fairness Opinion report on pages 18 to 20.

5.4. Advantages and Disadvantages of Proceeding or Rejecting the Scheme

The Board believes that the Transaction will create a platform for ensuring the Company can raise the capital it urgently needs to support its future growth, while providing liquidity for Shareholders who have hitherto had limited access to liquidity from their holdings in the Company. The Scheme Shareholders will benefit from the Scheme by being given the opportunity to monetize their investment in an otherwise illiquid stock.

Should the Shareholders not approve the Scheme, the Company may be unable to raise the capital required to turnaround its operations which would likely extend its poor performance and potentially lead to further shareholder value erosion.

5.5. Conditions Precedent

The Transaction is subject to the fulfillment of the conditions precedent detailed below:

- i. Approval of the Scheme of Arrangement at the Court-Ordered Meeting by a majority of the Shareholders, representing not less than three-quarters (3/4) in value of the Company's Shares held by those present and voting, either in person or by proxy;
- ii. SEC approves the terms and conditions of the Scheme as agreed by the majority of the Shareholders of the Company;
- iii. The Scheme of Arrangement being sanctioned by the Court on the terms and conditions set forth therein; and
- iv. The delivery of the certified true copy of the Court Sanction to the CAC for registration

Once sanctioned by the Court, the Scheme of Arrangement will be binding on all the Shareholders of the Company including those who did not attend the Meeting, or those who attended the Meeting and did not vote or who voted against the Scheme of Arrangement at the Meeting. On the Effective Date, any share certificates representing the interests of the holders in the Scheme Shares shall cease to be valid. Furthermore, Scheme Shares previously held in dematerialized form shall also be expunged from the respective records of Union Diagnostic Shareholders maintained by the CSCS. In respect of the Scheme Shares, the information on the Register at the Qualification Date (and as confirmed by any information provided by the CSCS as at the Qualification Date) shall be the definitive proof of shareholding.

5.6. Meeting to Approve the Scheme of Arrangement and Voting Rights

The Court-Ordered Meeting, which has been scheduled to hold at Lagos Resource Center, 9, Anifowose Street, Victoria Island, Lagos, by 12pm on Monday, January 25, 2021, is being held at the direction of the Court for the



purpose of considering and if thought fit approving the Scheme of Arrangement. At the Court- Ordered Meeting, each Shareholder entitled to vote will be entitled to one vote for every Ordinary Share held.

Voting at the Court-Ordered Meeting will be by poll (and not a show of hands). The majority required to pass the resolutions at the Court-Ordered Meeting is a majority representing not less than three-quarters (3/4) in value of the Ordinary Shares of members present and voting in person or by proxy.

Actions to be taken

The appropriate proxy form for the Court-Ordered Meeting is enclosed. If you are unable to attend the meeting in person, you are requested to kindly complete the proxy form in accordance with the instructions thereon and return same as soon as possible to First registrars and Investors Services Limited, 2, Abebe Village Road, Iganmu, Lagos, to arrive no later than 24 (twenty-four) hours before the time appointed for the meeting. The lodging of a proxy form, which, to be valid must be appropriately stamped, does not prevent you from attending the relevant meeting and voting in person should you so wish. However, in such instance, your proxy will not be entitled to attend or vote.

Delivery and Settlement

As of the Effective Date of the Scheme, all existing share certificates and CSCS account balances for all the Scheme Shareholders in relation to the Scheme Shares will be delivered to the Registrars or the Company. Settlement of the consideration to which each Scheme Shareholder of Scheme Shares is entitled under the Scheme will be implemented in full in accordance with the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Cedar APL may otherwise be, or claim to be entitled, against such Holder.

The Scheme Consideration will be paid in accordance with the settlement process stated in the "Scheme Consideration" paragraph below.

So far as the Company and the Financial Advisers are aware, no undertaking to vote has been secured, nor has any vote been procured in favour of the resolution to approve the Scheme. All the Directors of Union Diagnostic have indicated that they intend to vote in favour of the Scheme in respect of their own direct and indirect holdings of Union Diagnostic shares.

Cedar APL and the other Excluded Shareholders including Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola, will not exercise their right of voting at the Court-Ordered Meeting in accordance with the Rulebook of the NSE and thus, will not be voting at the Court-Ordered Meeting.

The Notice of the Court-Ordered Meeting is on pages 39 to 41 of this Scheme Document.

5.7. Basis of Scheme Consideration

In consideration for the transfer of the Scheme Shares, each Scheme Shareholder shall be entitled to receive 35 kobo for each Scheme Share held as at the Effective Date.

The proposed Scheme Consideration represents a total value of **35 kobo** per Union Diagnostic share, a 67% premium to the last traded share price of the Company on March 9, 2020, being the last business day prior to the date the binding offer was received from Cedar APL; a 69% premium on the three-month weighted average share price of the Company as at March 9, 2020, and a 6% premium on the price recommended in the independent valuation report.

The NSE Rulebook (2015) stipulates that the exit consideration to be offered to Shareholders in a delisting process is a price that shall not be less than the highest price at which the Company traded in the 6 months preceding the date of the AGM where the resolution to de-list was passed. This provision has been taken into consideration in determining the Scheme Consideration.



5.8. Settlement of The Scheme Consideration

Scheme Consideration

Cedar APL will enter into an escrow agreement with the Escrow Agent and open the Scheme Consideration Account. Within 7 (seven) Business Days of the Court Ordered Meeting, Cedar APL shall fund the Scheme Consideration Account with the Total Cash Consideration.

The Cash Consideration to which each Scheme Shareholder shall become entitled shall be transferred to the Registrar through the Account Bank, upon request from the Financial Advisers, for onward settlement by way of e-remittance (to bank accounts in respect of which the Registrars have e-dividend mandates). The Scheme Consideration shall be denominated in Naira and will become due and payable by the Registrar to each Scheme Shareholder within 10 (ten) Business Days of the Scheme becoming effective.

Plans for Untraceable Holders

Any portion of the Scheme Consideration which is yet to be claimed within six months of the Effective Date, shall be deemed unclaimed. Scheme Shareholders whose whereabouts cannot be ascertained within eighteen months of the Scheme Consideration being unclaimed (an aggregate of two years from the Effective Date) shall be deemed untraceable.

The Scheme Consideration to which each Scheme Shareholder shall become entitled pursuant to the Scheme shall be held in trust for the benefit of all Scheme Shareholders by the Registrars for a period of two years from the Effective Date (the "Final Payment Date").

On the Final Payment Date, any portion of the Scheme Consideration remaining unclaimed shall be transferred by the Registrar to the National Investors Protection Fund in line with the directives of the SEC. The entitlement of any Scheme Shareholder to any part of the Scheme Consideration remaining unclaimed on the Final Payment Date shall continue, with such Scheme Shareholders entitlement existing only in respect of and against the portion of the Scheme Consideration transferred to the National Investors Protection Fund.

Plans for Holders of Scheme Shares subject to Encumbrance

Settlement in respect of Scheme Shares held in the Company which have been pledged as collateral or are subject to a lien or other similar encumbrances, to the knowledge of and with notification to the Company and/or the Registrar, may be withheld by the Registrar, pending satisfactory discharge of the encumbrance.

5.9. Provision for Dissenting Shareholders

There are no specific arrangements for Shareholders who vote against the Scheme. All Scheme Shareholders will be entitled to the Scheme Consideration at 35 kobo for every share held in the Company, pro rata their respective shareholding in the Company on the Effective Date. Under the provisions of Section 539 of CAMA, the Scheme binds the Scheme Shareholders and the Company where the statutory majority of Shareholders vote in favour of the Scheme.

5.10. Related Party

As at the date of this Scheme, other than as stated in this Scheme Document, no other associate or related party to Cedar APL, Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola currently hold any shares in Union Diagnostic.



5.11. Taxation

Under the Companies Income Tax Act Cap C21 Laws of the Federation of Nigeria 2004, the implementation of the Scheme of Arrangement as proposed will not give rise to any taxation disadvantages to the Scheme Shareholders, either with respect to capital gains tax or stamp duty. The Capital Gains Tax Act Cap C1 Laws of the Federation of Nigeria 2004 exempts any gains realized by a person from a disposal of shares from capital gains tax. Furthermore, the Stamp Duties Act Cap S8 Laws of the Federation of Nigeria 2004 exempts instruments for the transfer of shares from the payment of stamp duty. However, this statement is not intended to be, and should not be construed to be, legal or tax advice.

Shareholders who are in any doubt about their taxation position, or who are subject to taxation in a jurisdiction outside Nigeria, are strongly advised to consult their professional advisers without delay as to the consequences of the Scheme in view of their circumstances.

5.12. Effects of The Scheme on The Listing and Trading of Union Diagnostic Shares

Following the receipt of the Court Sanction, the NSE will be notified of the last day of trading in Union Diagnostic Shares. The NSE will notify the CSCS and the investing public at least 24 hours before the Eligibility Date, which is the last day to trade Union Diagnostic shares in order to participate in the Scheme. No transfers of Union Diagnostic shares will be registered after the date. Upon the Scheme becoming effective, all shares of the Company shall be delisted from the Daily Official List of the NSE.

5.13. Plans for Employees and Directors after The Scheme

The Scheme is not expected to affect existing employment rights, including pension rights, of any and all employees of Union Diagnostic. It is expected that the appointment of Directors of Union Diagnostic will be governed by the requirements in the Company's Memorandum and Articles of Association. Where any employee or director does not wish to continue in the employment or service of Union Diagnostic after the Scheme is effected, such employee or director will be entitled to obtain the full terminal benefits due under his/her existing contract of service.

5.14. Information on Cedar Advisory Partners Limited

Cedar APL was incorporated as a private limited liability company on 15 August 2008 and operates as an investment firm with a focus in healthcare, technology and insurance sector in Nigeria and the West African sub-region.

5.15. Further Information

Your attention is drawn to the following information contained in the appendices to this Scheme Document. Shareholders are encouraged to read the whole of this Scheme Document including documents contained within this document and not just rely on the summarized information included in this Explanatory Statement and in other parts of the Document.

Appendix I: Further information on Union Diagnostic and Clinical Services Plc on pages 27 to 35.

Appendix II: Statutory and General Information on pages 37 to 38.

Appendix III: Notice of Court-Ordered Meeting on pages 39 to 41

5.16. Conclusion and Recommendation

Your Board, having considered the terms and conditions of the Scheme as well as the benefits thereof, recommend that you vote in favour of the resolutions which will be proposed at the Court-Ordered Meeting.



Yours faithfully,

For: MBC Capital Limited.

Mr. Kofo Majekodunmi,
Managing Director/CEO



6. FAIRNESS OPINION REPORT

Capital Bancorp Plc

(Member of The Nigerian Stock Exchange)

RC: 114135

3rd Floor, UNTL House
1, Davies Street, off Marina
P.O. Box 1362,
Lagos, Nigeria.
Telephone: 234 -1- 4622371-5, 234 -1- 9036985-9
info@capitalbancorpng.com
www.capitalbancorpng.com

12 October 2020

The Chairman

Board of Directors

Union Diagnostic & Clinical Services Plc
5, Eletu Ogabi Street
Off Adeola Odeku Street
Victoria Island
Lagos, Nigeria.

Dear Sir,

FAIRNESS AND REASONABLENESS OPINION ON THE PROPOSED ACQUISITION OF 39.62% MINORITY SHAREHOLDERS OF UNION DIAGNOSTIC AND CLINICAL SERVICES PLC BY CEDAR ADVISORY PARTNERS LIMITED

Introduction:

Cedar Advisory Partners Limited ("Cedar"), a shareholder with 20.04% stake in Union Diagnostic and Clinical Services Plc. (the "Company" or "UDCS Plc"), is proposing to acquire 39.62% minority stake in the company via a Scheme of Arrangement (the "Transaction") in line with section 539 of the Companies & Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004.

In this regard, the Company requested Capital Bancorp Plc. ("CBP") to provide a fairness opinion (the "Opinion") on the Offer Price of **₦0.35** per share submitted by Cedar for 39.62% holdings of the minority shareholders.

The Securities & Exchange Commission ("SEC" or the "Commission") Mergers and Acquisition Regulatory Guide Series (issued in July 2017), requires that "...where a proponent or beneficiary in a Scheme of Arrangement holds at least 30% of the Company or where there are common directors in the entities involved in the scheme of arrangement, or where a scheme seeks to remove minority shareholders, the Commission will require the explanatory statement to be accompanied by an independent expert report..."

Our Opinion:

Consistent with the requirements above, CBP hereby confirms that we are independent from all participants in this transaction and have no legal or capital links with the parties concerned in the proposed transaction or with their Advisers in any way that will affect our independence and opinion on the Transaction.

■ Registered by The Securities & Exchange Commission

■ Participating Institution of the NASD OTC Securities Exchange



Capital Bancorp Plc

(Member of The Nigerian Stock Exchange)

RC: 114135

In respect of the Transaction and subject to the foregoing, CBP is of the opinion that, as a date thereof, the offer price of ₦0.35 offered by Cedar will be considered fair and is in the best interest of all Shareholders – minority and continuing. Our opinion is premised on the following:

1. The Offer Price of ₦0.35 per share represents a premium of 45.83% on the current trading price of ₦0.24 (9 October 2020), and 28.16% premium on the six month volume weighted average price of ₦0.27 as at 9 October 2020.
2. Also, the Offer price of ₦0.35 per share for UDCS Plc represents 6% premium to the resultant indicative value of ₦0.33 for UDCS Plc based on our independent valuation of the Company, the ₦0.33 represents the median of all valuation approaches we adopted for this exercise. (Our valuation result lies within the valuation range of the Financial Adviser – MBC Capital Limited.)
3. At that Offer price, the proposed scheme will protect minority Shareholders from suffering further capital loss on their investments. For most trading days in the last 5 years, the shares of UDCS Plc has traded at minimum price floor. The current trading price of ₦0.24 (9 October 2020), which is 52% diminution in the par value of their investments.
4. At ₦0.35, the proposed scheme also presents a viable exit opportunity for minority shareholders to realize their investment as UDCS Plc shares have thin liquidity on the Nigerian Stock Exchange (NSE).
5. Looking at the premium enjoyed by Shareholders, during the most recent Scheme of Arrangement by Continental Reinsurance Plc, a 100% acquisition during which Shareholders enjoyed c.30.9% premium on the six months highest trading price we believe the Offer price of ₦0.35 UDCS Plc is fair, reasonable and a reflection of current realities in the Nigerian Equities Market. The Continental Reinsurance Plc Scheme was dated 26th September, and shares delisted from the official list of the Nigerian Stock Exchange (NSE) on 17th January 2020.

In providing this opinion, Capital Bancorp Plc is not making any recommendations to any person as to how to vote or otherwise deal with his/her shares in connection with the proposed Scheme of Arrangement in whole or in part. An individual shareholder's decision may be influenced by shareholder's particular circumstance and such shareholder should consult an independent expert if such a shareholder is in any doubt as to the merits or otherwise of the Scheme of Arrangement. Our opinion does not address such concerns for individual shareholders, but rather the Shareholders of the Company as a whole.

Our opinion is made as at the date of this letter and reflects the circumstances and conditions as at that date. Therefore, subsequent developments may affect this opinion which we are under no obligation to update, revise or re-affirm. This letter must be read in conjunction with the attached full fairness opinion report attached.



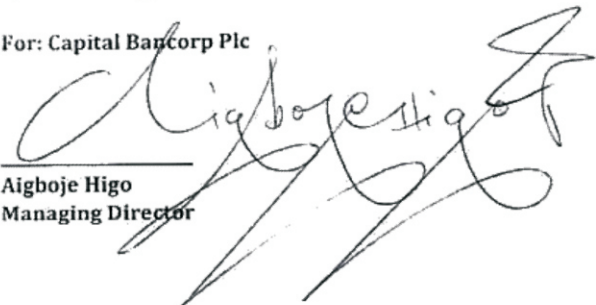
Capital Bancorp Plc
(Member of The Nigerian Stock Exchange) RC: 114135

Conclusion

On the basis of the above matter, we are of the opinion that the Proposed Transaction is in the best interest of minority shareholders, fair and reasonable.

Yours faithfully,

For: Capital Bancorp Plc


Aigboje Higo
Managing Director

7. THE SCHEME OF ARRANGEMENT



SCHEME OF ARRANGEMENT

(Pursuant to Section 539 of the Companies and Allied Matters Act Cap C20 LFN 2004)

BETWEEN



UNION DIAGNOSTIC AND CLINICAL SERVICES PLC.

AND

THE HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50KOBO EACH

PRELIMINARY

- A. In this Scheme, as herein defined, the following expressions have the following meanings where the context so admits:

Term	Definitions
"Business Day"	Any day other than a Saturday, Sunday or official public holiday declared by the Federal Government of Nigeria, on which banks are opened for business in Nigeria;
"Board of Directors" or "Directors"	The directors of Union Diagnostic and Clinical Services Plc whose names appear on the scheme document;
"CAC"	Corporate Affairs Commission;
"CAMA"	Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria 2004;
"Cedar APL"	Cedar Advisory Partners Limited, which hold the sum of 20.04% of the issued share capital of Union Diagnostic and Clinical Services Plc and who are making the offer to acquire the 39.62% of the minority stake;
"Court"	The Federal High Court of Nigeria;
"Court-Ordered Meeting"	The meeting of the registered holders of ordinary shares of Union Diagnostic and Clinical Services Plc, to be convened by an Order of the Court, pursuant to Section 539 of CAMA, including any adjournment thereof;
"Court Sanction"	An order made by the Court pursuant to Section 539 (3) of CAMA, approving and giving effect to the Scheme;
"CSCS"	Central Securities Clearing System Limited, the electronic clearing and depository system for securities transactions in Nigeria;
"CTC"	Certified True Copy;
"EBITDA"	Earnings Before Interest, Tax, Depreciation and Amortisation



"Effective Date"	The date on which a certified true copy of the Court order sanctioning the Scheme is delivered to the CAC for registration;
"Eligibility Date"	The last day to trade Union Diagnostic and Clinical Services Plc shares in order to participate in the Scheme;
"Escrow Agent"	Wema Bank Plc, a commercial bank incorporated under the laws of the Federal Republic of Nigeria with its registered address at 54 Marina Road, Lagos Island, Lagos;
"Excluded Shares"	Shares in Union Diagnostic and Clinical Services Plc held by Cedar APL, Lifecare Partners Limited, Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola;
"FCCPC"	Federal Competition and Consumer Protection Commission;
"Final Payment Date"	The last day the minority Shareholders will be paid off as regards the scheme i.e. after 2 years;
"ISA"	The Investment and Securities Act (Number 29 of 2007);
"LFN"	Laws of the Federation of Nigeria;
"Ordinary Shares" or "Shares"	The ordinary shares of 50 kobo each in the share capital of Union Diagnostic and Clinical Services Plc;
"Qualification Date"	The close of business on the Business Day immediately preceding the Effective Date; being the date on which the Company's register of members will be updated for the purpose of determining the Shareholders eligible to receive Scheme Consideration;
"Record Date"	The date for determining Shareholders eligible to attend and vote at the Court Ordered Meeting to be convened for the Scheme subject to the rules of the NSE;
"Register of Members"	The register of members of Union Diagnostic and Clinical Services Plc as is required to be maintained pursuant to the provisions of CAMA;
"Registrar"	First Registrars and Investor Services Limited;
"Scheme" or "Scheme of Arrangement" or "Transaction"	The proposed scheme of arrangement between the Company and the holders of its fully paid ordinary shares of 50 kobo each pursuant to Section 539 of CAMA;
"Scheme Consideration"	Cash consideration;
"Scheme Consideration Account"	The bank account to be opened by the Registrars into which will be paid the Scheme Consideration, and from where payments would be made to Scheme Shareholders;
"Scheme Document" or "Document"	This is scheme document, the explanatory statement and the various appendices therein in relation to the scheme;
"Scheme Shareholders"	Registered holders of the Scheme Shares as at Record Date, and includes persons entitled to the Scheme Shares by way of transmission;
"Scheme Shares"	The 1,407,855,051 (One Billion, Four Hundred and Seven Million, Eight Hundred and Fifty-Five Thousand, Fifty-One) issued and fully paid ordinary shares of 50 kobo each in Union Diagnostic, representing 39.62% shareholding in the Company that are not held by Lifecare Partners Limited,



	Akinniyi Ambrose Olusola and Akinniyi Elizabeth Abimbola which are to be transferred pursuant to the scheme;
"Shareholders' Approval"	The resolution in favour of the scheme passed at the Court Ordered-Meeting, by the required majority of Shareholders specified in Section 539 of CAMA;
"SEC"	The Securities & Exchange Commission;
"SEC Rules & Regulations"	The rule and regulations of the SEC made pursuant to the ISA;
"the NSE"	The Nigerian Stock Exchange;
"Total Consideration"	The sum of ₦492,749,268 (Four Hundred and Ninety-Two Million, Seven Hundred and Forty-Nine Thousand, Two Hundred and sixty-Eight Naira) payable to the Scheme Shareholders as consideration for the Scheme Shares, representing 35 kobo for every Scheme Share which shall become due to Scheme Shareholders upon the Scheme becoming effective as consideration for each Scheme Share transferred;
"Union Diagnostic" or the "Company"	Union Diagnostic and Clinical Services Plc;
"Untraceable Holders"	Holders whose whereabouts cannot be ascertained after 2 years of reasonable efforts have been made to find them including contacting their last known and/or registered addresses or publication in national daily newspapers.

- B. The authorised share capital of Union Diagnostic is ₦2,250,000,000.00 divided into 4,500,000,000 ordinary shares of 50 kobo each, out of which ₦1,776,569,264.00 comprising of 3,553,138,528 ordinary shares of 50 kobo each are issued and fully paid. The shareholding structure of the Company as at the date of the Scheme is as follows:

Name	Holdings	% Holdings
Lifecare Partners Limited	1,038,000,000	29.21
Cedar Advisory Partners Limited	711,916,612	20.04
Akinniyi Ambrose Olusola	233,462,131	6.57
Akinniyi Elizabeth Abimbola	161,904,734	4.56
Other Shareholders	1,407,855,051	39.62
Total	3,553,138,528	100.00

THE SCHEME FOR THE REORGANISATION OF CAPITAL

The Scheme shall be comprised of the following elements:

1. Transfer of scheme shares

The Scheme Shares comprising the 1,407,855,051 ordinary shares of 50 kobo each, representing 39.62% shareholding in the Company that are not held by Lifecare Partners Limited, Akinniyi Ambrose Olusola, Akinniyi Elizabeth Abimbola and Cedar APL shall be transferred to Cedar APL, a shareholder with 20.04% of Union Diagnostic shares, without any further act or deed, in exchange for the Scheme Consideration.

2. Consideration for the exchange of the scheme shares

The consideration for the transfer of the Scheme Shares shall be a Cash Consideration in the sum of ₦492,749,268 representing a consideration based on a share price of ₦0.35k.



3. Settlement of the scheme consideration

- 3.1. Cedar APL shall fund the Scheme Consideration Account with the Scheme Consideration within 7 (Seven) Business Days from the date of receipt of the Court Sanction. The Scheme Consideration to which each Scheme Shareholder shall become entitled shall be remitted to each Shareholder by the Registrars within 7 (seven) Business Days of the Effective Date by way of e-remittance (to bank accounts in respect of which the Registrars have e-dividend mandates).
- 3.2. Scheme Shareholders who have registered for the electronic payment system (e-dividend) with the Registrars will receive a direct credit of the Scheme Consideration to their accounts in their respective nominated banks.
- 3.3. Payment of the Scheme Consideration due in respect of the Scheme Shares shall be made in Nigerian Naira by way of e-remittance (to bank accounts in respect of which the Registrars have e-dividend mandates). Receipt of the credit into the Scheme Consideration Account shall be a complete discharge of the Company and Cedar APL's obligations with respect to payment of the Scheme Consideration.
- 3.4. Settlement of the Scheme Consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Cedar APL may otherwise be, or claim to be entitled, against such Scheme Shareholder.
- 3.5. Any portion of the Scheme Consideration which is yet to be claimed within six months of the Effective Date, shall be deemed unclaimed. Scheme Shareholders whose whereabouts cannot be ascertained within eighteen months of the Scheme Consideration being unclaimed (an aggregate of two years from the Effective Date) shall be deemed untraceable.
- 3.6. After two (2) years from the Effective Date, the Scheme Consideration Account will cease to be operational and any amount remaining in the Scheme Consideration Account shall be transferred by the Registrars to the National Investors Protection Fund.
- 3.7. The provisions of this Clause shall be in effect for a period of 2 (two) years and shall take effect subject to any prohibition or condition imposed by the Court.

4. Registration of the court sanction

Following the grant of the Court Sanction, a certified true copy of the Court Sanction shall be delivered to the CAC for registration pursuant to Section 539(4) of CAMA.

5. Conditions precedent

As from the Effective Date, the Scheme shall become effective and binding on all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court-Ordered Meeting (and if they attended and voted, irrespective of whether or not they voted in favour of the Scheme), if:

- a. The Scheme is approved by a majority representing three-quarters (3/4) in value of the Ordinary Shares cast by Scheme Shareholders present and voting either in person or by proxy at the Court-Ordered Meeting;
- *
 - b. The SEC approves, with or without modification, the terms and conditions of the Scheme as agreed by the majority of the Scheme Shareholders;
 - c. The Scheme is sanctioned by the Court, with or without modification; and
 - d. A certified true copy of the Court Sanction in respect of the Scheme is delivered to the CAC for registration.



6. Consequences of The Scheme

1.1. *Certificates and Dematerialised holdings*

As from and including the Effective Date:

- a. all certificates representing the Scheme Shares shall cease to be valid for any purpose;
- b. in respect of Scheme Shareholders holding Scheme Shares in uncertificated form, CSCS shall be instructed to transfer such shares to Cedar APL; and
- c. the Company's Register of Members will be updated to exclude the names of the Scheme Shareholders;

1.2. *Delisting of Union Diagnostic Shares from The Nigerian Stock Exchange*

Following the receipt of the Court Sanction, The NSE will be notified of the last day of trading in Union Diagnostic Shares. The NSE will notify the CSCS and the investing public at least 24 hours before the Eligibility Date, which is the last day to trade Union Diagnostic shares in order to participate in the Scheme. No transfers of Union Diagnostic shares will be registered after the date.

Upon the Scheme becoming effective, all shares of the Company shall be delisted from the Daily Official List of the NSE.

1.3. *Plans for Employees and Directors of Union Diagnostic after the Scheme*

The Scheme is not expected to affect existing employment rights, including pension rights, of any and all employees of Union Diagnostic.

It is expected that the appointment of Directors of Union Diagnostic will be governed by the requirements in the Company's Memorandum and Articles of Association.

Where any employee or director does not wish to continue in the employment or service of Union Diagnostic after the Scheme is effected, such employee or director will be entitled to obtain the full terminal benefits due under his/her existing contract of service.

1.4. Taxation

Any Scheme Shareholder who is in any doubt as to his/her tax position should consult his/her own professional advisers without delay as to the consequence of the Scheme in view of his/her own circumstances.

7. Effectiveness

The Scheme shall become effective on the day on which a certified true copy of the Court Sanction in respect of the Scheme is delivered to the CAC for registration and shall become binding on all Shareholders of the Company, including those who were absent at the Court Ordered Meeting, those who attended but did not vote, and those who voted against the Scheme at the Court-Ordered Meeting.

8. Modification

The Board of Directors of the Company are authorized to consent, on behalf of all parties concerned to any modification(s) of or additions to the Scheme which the Court may deem fit to approve or any condition which the Court may impose

Dated this Monday, December 7, 2020



8. MARKET PRICE INFORMATION

The Company's shares are listed on the NSE. The annual high and low market prices of the Company's shares on the NSE for the five most recent financial years ending 31 December, and YTD 2020 are shown below:

Year	₹ High (date)	₹ Low (date)
2015	0.50 (Jan 6)	0.50 (Dec 31)
2016	0.50 (Jan 4)	0.50 (Dec 30)
2017	0.50 (Jan 3)	0.50 (Dec 29)
2018	0.50 (Jan 2)	0.20 (Jul 26)
2019	0.33 (Mar 27)	0.20 (Dec 27)
2020 (YTD)	0.22 (Jan 2)	0.20 (Mar 2)

The monthly high and low market prices of the Company's shares on the NSE for each of the last twelve months ending February 29, 2020 are presented in the table below:

Month	₹ High (date)	₹ Low (date)
March 2019	0.33 (Mar 27)	0.28 (Mar 15)
April 2019	0.27 (Apr 1)	0.22 (Apr 8)
May 2019	0.25 (May 6)	0.23 (May 17)
June 2019	0.24 (Jun 3)	0.24 (Jun 28)
July 2019	0.24 (Jul 1)	0.22 (Jul 31)
August 2019	0.24 (Aug 2)	0.22 (Aug 20)
September 2019	0.25 (Sept 11)	0.23 (Sept 27)
October 2019	0.25 (Oct 29)	0.22 (Oct 24)
November 2019	0.24 (Nov 1)	0.22 (Nov 27)
December 2019	0.26 (Dec 5)	0.20 (Dec 27)
January 2020	0.22 (Jan 2)	0.20 (Jan 31)
February 2020	0.20 (Feb 3)	0.20 (Feb 28)



9. INFORMATION ON UNION DIAGNOSTIC & CLINICAL SERVICES PLC

9.1. Business and History

Union Diagnostic was established in the year 1994 and incorporated in the year 1999 as a Limited Liability Company under the name of Tejuosho Diagnostic and Clinical Services Ltd. It commenced operations that year as a small-scale diagnostic facility solely in Ultrasound Diagnosis at Tejuosho Street, in the heart of Yaba metropolis in Lagos State. The name of the Company was changed to Union Diagnostic and Clinical Services Ltd on August 1, 2007 and became a Public Limited Company on April 22, 2008. It was subsequently listed in the healthcare category of the NSE on September 11, 2008.

Today, Union Diagnostic has presence in thirteen (13) states in Nigeria with Twenty (20) branches which makes them the largest diagnostic firm in West Africa. Its services ranges from Sonology including Colour Doppler Imaging, X-ray Imaging, Electrocardiography, Endoscopy, Computed Tomography (CT Scan), Magnetic Resonance Imaging (MRI), Echocardiography (ECG), Electroencephalography (EEG), Electromyography (EMG), Cytology, Toxicology, DNA Testing to Laboratory Services including Immuno-Assay etc.

9.2. Share Capital History

The authorised share capital of Union Diagnostic is ₦2,250,000,000.00 divided into 4,500,000,000 ordinary shares of 50 kobo each, out of which ₦1,776,569,264.00 comprising of 3,553,138,528 ordinary shares of 50 kobo each are issued and fully paid. The changes in the share capital of the Company since inception are summarised below:

Date	Authorised (₦)		Issued and Fully Paid (₦)		
	Increase	Cumulative	Increase	Cumulative	Consideration
1999	-	500,000	-	500,000	Cash
2005	385,044,000	385,544,000	284,544,000	285,044,000	Cash
2005	-	385,544,000	5,046,100	290,090,100	Cash
2007	615,455,500	1,000,999,500	94,946,489	385,036,590	Bonus
2007	1,249,000,500	2,250,000,000	-	-	-
2008	-	2,250,000,000	1,095,439,297	1,480,475,886	Cash
2009	-	2,250,000,000	296,094,877	1,776,569,264	Bonus
2010 – 2019	-	2,250,000,000	-	1,776,596,264	-

9.3. Shareholding Structure

As at the date of this Scheme Document, the 3,553,138,528 ordinary shares of No.50 each in the issued and fully paid up ordinary share capital of Union Diagnostic were held as follows:

Name	Holdings	% Holdings
Lifecare Partners Limited	1,038,000,000	29.21
Cedar Advisory Partners Limited	711,916,612	20.04
Akinniyi Ambrose Olusola	233,462,131	6.57
Akinniyi Elizabeth Abimbola	161,904,734	4.56
Other Shareholders	1,407,855,051	39.62
Total	3,553,138,528	100.00

No shareholder other than Lifecare Partners Limited, Cedar APL and Akinniyi Ambrose Olusola hold more than 5% of the issued share capital of the Company as at the date of this Scheme Document.



9.4. Directors' Beneficial Interest

The interests of the Directors of Union Diagnostic in the issued share capital of the Company as recorded in the Register of Members as at the date of this Scheme Document and as notified by them for the purpose of Section 275(1) of the CAMA are as follows:

Director	Direct Shareholding	Indirect Shareholding	Total Shareholding	% Holding
Amb B. A. Adeyemi	1,956,000	Nil	1,956,000	0.06
Dr. Olusola Akinniyi	233,462,131	1,022,430,000*	1,255,892,131	35.30
Mr. Abiodun O. Akinkoye	1,272,000	Nil	1,272,000	0.04
Mr. Anthony Nwozor	Nil	Nil	Nil	Nil
Dr. Koleola Akinmolayan	Nil	Nil	Nil	Nil

*Dr. Olusola Akinniyi owns 98.50% of equity interest in Lifecare Partners Limited.

9.5. Subsidiaries, Joint Ventures and Associated Companies

As at the date of this Scheme Document, Union Diagnostic does not have any beneficiary ownership in form of subsidiaries, joint ventures or associated companies.

9.6. Indebtedness

As at the date of this Scheme Document, Union Diagnostic had no outstanding debentures, mortgages, loans, charges or similar indebtedness or material contingent liabilities or other similar indebtedness, other than those incurred in the ordinary course of business.

9.7. Premises

The Head Office of Union Diagnostic is situated at 5, Eletu Ogabi Street, Off Adeola Odeku Street, V/I Lagos.

9.8. Extracts of the Memorandum and Articles of Association

Memorandum of Association

42. To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interest or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company and to guarantee the contracts or liabilities of or the payment of the dividends, interest or capital of any shares, stock or securities of, and to subsidize or otherwise assist any such company.
44. To merge, amalgamate with any other company whose objects are or include objects similar to those of this company whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any other such other company as aforesaid with or without winding up or sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid or any partnership or any arrangement of the nature of partnership or in any other manner.



Articles of Association

Transfer of Shares

13. The instrument of transfer of any share shall be in any usual form applicable to a public limited company executed by or on behalf of the transferor and transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
14. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days [30] in any year) as the Directors may from time to time determine.

Transmission of Shares

19. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only persons recognised by the company as having any title, to his interest in the shares; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him with other persons.

Notice of General Meetings

36. An annual General meeting and an extraordinary meeting called for the passing of a Special Resolution shall be called by at least 21 (Twenty-One) days' notice in writing, and all other meetings by at least 14 (fourteen) days' notice in writing. Such notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day, and the hour of the meeting and, in case of special business, the general nature of that business shall be given in such manner as may be prescribed by the company in general meeting, to such persons as are under these Articles, entitled to receive such notices from the Company. PROVIDED that a meeting of the Company shall, notwithstanding that it is called by a shorter notice than that specified in the Articles be deemed to have been duly called if it is so agreed by a majority in number of the members entitled to attend and vote at the meeting.

Meetings

38. The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notice calling it, and not more than fifteen (15) months shall elapse between the date of one Annual General Meeting of the Company and that of the next and the Annual General meeting shall be held at such time and place as the directors shall appoint.
39. All General Meetings other than Annual General Meetings shall be called Extra ordinary General Meetings.
40. The Board of Directors may, whenever they think fit, convene an Extra ordinary General Meeting, and the Extra ordinary General Meeting shall also be convened on such requisition, or, in default, may be convened by such requisition as provided by Section 215 (4) of the Act.

Proceedings at General Meetings

41. All business that is transacted at an Extra ordinary General Meeting, shall be deemed special as well as all business that is transacted at an Annual General Meeting, with exception of declaring a dividend, the consideration of the Accounts, Balance Sheets, and the report of the Directors and Auditors, and the election of Directors, in place of those retiring and the appointment of and the fixing and remuneration of the Auditors.
42. No business shall be transacted at any general meeting whether annual or extra ordinary unless a quorum of members is present at the time when the meeting proceeds to business and for this purpose thereof, twenty-



five (25) members listed in the Register present in person or by proxy or by representatives and holding not less than fifty-one (51)% of the issued capital of the company shall form a quorum.

43. If after one (1) hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or any other suitable place and if at the adjourned meeting a quorum is not present within an hour from the time appointed for the meeting, the members of whatever class present and entitled to vote and numbering at least twenty (20) and holding not less than fifty-one (51)% of the issued capital of the company shall be a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.
44. The duty of the Chairman at every general meeting of the company shall be able to maintain order at the meeting and to regulate the proceedings. He shall have authority to decide conclusively on all incidental questions touching on matters of order and to adjudicate on the issue of validity of a vote.
45. The Chairman may at the request of any member in attendance at a meeting at which a quorum is present (and if agreed by a majority of the members present in person or by proxy holding not less than fifty-one (51)% of the issued capital of the company) adjourn the meeting to such a time and place as the Chairman may direct, but no business shall be transacted at such adjourned meeting except such business as would have been lawfully transacted at the meeting from which the adjournment took place. Provided that it shall not be necessary to give further notice of the adjourned meeting or the business to be transacted at the adjourned meeting except where a meeting is adjourned for twenty-one (21) days or more, then in such case, notice of the adjourned meeting shall be given in the same manner as for an original meeting.
46. The Chairman of the Board of Directors shall preside at every general meeting but if there is no such Chairman or if at any meeting he is not present within one (1) hour after the time scheduled for holding the meeting or is unwilling to act, the Managing Director shall preside at such meeting but if the Managing Director is not present or unwilling to act, then the members present in person or by proxy shall choose one of the Directors present or if only one (1) Director be present he shall preside as Chairman of the meeting if he is willing to act.

Vote of Members

51. Save as herein expressly provided, no person other than a member duly registered shall be entitled to be present or to vote on any question either personally or by proxy at any general meeting unless he has paid all sums of due from him and payable to the company in respect of all shares held by him.
52. On a show of hands and in case of a poll every member who (being an individual) present in person or (being a corporation) is present by a representative or by proxy, not being himself a member, shall have one vote for each share held by him.
53. If two or more persons are jointly entitled to a share, then in voting upon any question, the vote of the senior, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members.
54. A proxy may take part in the proceedings of a general meeting as if he were the member whom he represents notwithstanding that he is not a member of the Company.
55. Any corporation which is a member of this Company may, by resolution of its directors or other governing body, authorise any persons to act as its representatives at any meeting of the company or of any class of members thereof and such representatives shall at such meeting, produce a copy of the resolution appointing him and shall be entitled to exercise the same rights and powers on behalf of such corporation



which he represents as that rights and powers on behalf of such corporation which he represents as that corporation could exercise if it were an individual shareholder.

56. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if such appointor be a corporation, under its common seal, if any, and if none, then under the hand of its officer or attorney duly authorised in that behalf.
57. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, shall be deposited at the registered office or at such other place within Nigeria as may be specified for that purpose in the notice convening the meeting, at least forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named shall not be entitled to vote in respect thereof as the instrument shall be regarded as invalid.
58. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the instrument of proxy or of the authority under which it was executed, or in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received by the company at least twenty-four (24) hours before the time fixed for the meeting or adjourned meeting.



9.9. Five-Year Financial Summary

Statement of Profit or Loss and Other Comprehensive Income

The following is a summary of the Company's audited Statement of Comprehensive Income for the five-year period ended September 30, 2020

<i>Naira</i>	2020 (9-Months)	2019	2018	2017	2016	2015
Revenue	1,018,452,334	1,349,168,159	1,353,220,085	1,567,645,250	1,549,479,807	1,227,867,638
Cost of Sales	304,138,547	344,899,324	417,130,995	599,978,848	743,750,438	616,191,293
Gross Profit	714,313,786	1,004,268,835	936,089,090	967,666,402	805,729,369	611,676,345
Employee benefits	315,446,045	445,331,101	391,504,938	206,206,930	178,836,487	178,190,810
Rent	5,885,567	35,000,000	34,612,620	37,726,619	36,824,944	25,234,574
Transportation and motor running expenses	15,087,770	32,706,642	15,208,058	19,282,445	16,123,625	10,254,687
Communication expenses	4,583,190	7,121,043	5,064,765	5,786,355	5,129,953	7,036,622
Depreciation and impairment	139,475,610	185,967,480	171,953,602	152,676,077	47,545,977	57,353,844
Legal, Consultancy and other Professional fees	11,133,164	16,625,000	7,768,000	5,881,500	29,700,314	6,806,650
Repairs and maintenance	11,746,390	42,766,525	22,924,090	40,506,640	19,412,589	17,969,249
Other Operating Expenses	754,924,499	145,691,081	139,540,693	144,254,653	95,571,558	77,811,714
Total Operating Expenses	1,258,282,234	911,208,872	788,576,766	612,321,219	429,145,447	380,658,150
Results from operating activities	543,968,448	93,059,963	147,512,324	355,345,183	376,583,922	231,018,196
Finance Expense	9,506,364	(4,949,948)	4,194,998	4,505,360	6,721,361	10,658,666
Net Finance Expense	9,506,364	(4,949,948)	4,194,998	4,505,360	6,721,361	10,658,666
Profit/Loss before income tax expense	553,474,812	88,110,015	143,317,326	350,839,823	369,862,561	220,359,530
Taxation	5,092,262	25,910,076	42,144,522	48,336,116	52,971,104	44,321,441
Profit/Loss for the year	558,567,074	62,199,939	101,172,804	302,503,707	316,891,457	176,038,089
Total comprehensive profit/(loss) for the year	558,567,074	62,199,939	101,172,804	302,503,707	316,891,457	176,038,089



Statement of Financial Position

The following is a summary of the Company's audited Statement of Financial Position as at September 30, 2020

Naira	2020 (9-Months)	2019	2018	2017	2016	2015
Assets						
Property, plant and equipment	3,562,803,362	4,182,175,306	3,638,520,840	3,690,161,952	3,114,028,266	3,002,322,136
Capital work in progress	-	19,103,612	399,302,003	337,720,350	55,004,233	72,572,700
Prepayments for non-current assets	72,900,000	7,672,982	70,808,874	70,808,874	74,404,233	-
Total non-current assets	3,635,703,362	4,208,951,900	4,108,631,717	4,098,691,176	3,243,436,732	3,074,894,836
Inventory	23,450,510	2,939,312	4,191,664	13,160,758	12,604,892	1,254,744
Trade and other receivables	318,620,181	371,435,826	346,471,426	368,542,810	916,194,148	943,651,512
Cash and cash equivalents	25,359,469	19,689,029	123,253,927	21,435,509	60,568,625	17,020,201
Total current assets	367,430,160	446,964,167	473,917,017	403,139,077	989,367,665	961,926,457
Total assets	4,003,133,522	4,655,916,067	4,582,548,734	4,501,830,253	4,232,804,397	4,036,821,293
Equity and Liabilities						
Share capital	1,776,569,264	1,776,569,264	1,776,569,264	1,776,569,264	1,776,569,264	1,776,569,264
Share premium	2,616,172,623	2,616,172,623	2,616,172,623	2,616,172,623	2,616,172,623	2,616,172,623
Accumulated losses/profit	413,676,077	144,890,997	82,691,058	(18,481,746)	(320,985,453)	(651,176,914)
Total equity	3,979,065,810	4,537,632,884	4,475,432,945	4,374,260,141	4,071,756,434	3,741,564,973
Loans-Noncurrent	-	-	-	-	-	9,269,641
Overdraft	-	-	-	-	-	34,847,050
Total Non-current liabilities	-	-	-	-	-	44,116,691
Trade and other creditors	7,420,852	74,728,585	98,504,249	63,762,891	50,480,361	187,407,085
Taxation	16,646,860	43,554,598	70,480,638	63,807,221	55,563,369	63,732,543
Total Current Liabilities	24,067,712	118,283,183	168,984,887	127,570,112	106,043,730	251,139,628
Total Liabilities	4,003,133,522	118,283,183	168,984,887	127,570,112	106,043,730	295,256,319
Total Equity and Liabilities	7,982,199,332	4,655,916,067	4,644,417,832	4,501,830,253	4,177,800,164	4,036,821,292



Statement of Cash Flows

The following is a summary of the Company's five (5) year audited Cash Flow Statements for the period ended September 30, 2020

Naira	2020 (9-Months)	2019	2018	2017	2016	2015
<i>Cash flow from operating activities</i>						
Profit/(Loss) for the period before taxation		88,110,015	143,317,326	350,839,823	369,862,562	220,359,530
Adjustments for items not involving movement of funds:						
Depreciation	-	185,967,480	-	-	-	148,985,193
Prior year adjustment/impairment		-	171,953,602	152,676,077	71,562,570	-
Cash flow before changes in working capital	207,774,107	274,077,495	315,270,928	503,515,900	441,425,132	369,344,723
(Increase)/Decrease in inventories	-	1,252,352	8,969,094	(555,866)	(11,350,149)	-
(Increase)/Decrease in Debtors & Prepayment	-	(15,995,302)	13,102,286	547,651,338	27,457,364	(161,464,889)
Increase/(Decrease) in Creditors & Accruals	-	(23,775,664)	13,282,650	13,282,650	(151,926,845)	55,680,922
Increase/(Decrease) in Investment in shares	-	-	(52,900,000)			-
Tax Paid	(32,000,000)	(52,836,116)	35,471,105	40,092,264	44,411,102	20,000,000
Interest Paid		-	-	4,505,360	7,419,012	-
Net cash flow from operating activities	175,774,107	182,722,765	262,253,853	1,019,296,398	253,775,388	243,560,756
<i>Cash Flow from Investing Activities</i>						
Purchase of fixed assets	(170,103,667)	(729,621,946)	120,312,490	728,809,763	183,268,700	299,384,886
(Purchase)/sale of investment			61,581,653	51,809,763	87,016,843	33,844,143
Capital work in progress/Proceeds from sales of fixed asset		443,334,283	-	282,716,117	-	-
Net cash used in investing activities	(170,103,667)	(286,287,663)	181,894,143	1,063,335,643	270,285,543	265,540,743
<i>Cash flow from financing activities</i>						
Loan/Overdraft	-		-	-	-	26,935,172
Net cash used in financing activities	-		-	-	-	26,935,172
Net cash (decrease)/increase in cash and cash equivalent	5,670,440	(103,564,898)	80,359,710	(44,039,245)	(16,510,155)	4,955,185
Cash and cash equivalents at 1st January	19,689,029	123,253,927	21,435,509	60,568,625	(126,204,535)	12,064,815
Cash and cash equivalents at 31st December	25,359,469	19,689,029	101,795,219	16,529,380	(142,714,690)	17,020,000



9.10. Documents Available for Inspection

Copies of the following documents may be inspected at the offices of MBC Capital Limited at 11th Floor, St. Nicholas House, 26 Catholic Mission St, Lagos Island, Lagos during normal business hours on any Business Day, until the Effective Date:

- i. The Certificate of Incorporation of Union Diagnostic;
- ii. The Memorandum and Articles of Association of Union Diagnostic;
- iii. The audited financial statements of Union Diagnostic for each of the preceding five years from December 31, 2014 to December 31, 2019;
- iv. Unaudited Management Account for the 9 months ended 30 September, 2020;
- v. The Material Contracts referred to in the Scheme document;
- vi. The Board Resolution approving the Scheme of Arrangement;
- vii. Valuation Report from MBC Capital Limited;
- viii. Fairness Opinion Report from Capital Bancorp Plc
- ix. Consent Letters from the Directors and Company Secretary of the Company as well as the Parties to the Scheme; and
- x. Indicative Offer and Binding Offer



10. INFORMATION ON CEDAR ADVISORY PARTNERS LIMITED

10.1 Corporate Information

Cedar Advisory Partners Limited ("Cedar APL") was incorporated as a private limited liability company on 15 December 2008. Cedar APL is a Lagos-based investment company. Over the years, Cedar APL carved out a niche in the healthcare ecosystem with a focus on growth capital investing and value creation through operations turnaround. The registered office of Cedar APL is situated at 19 Sinari Daranijo Street, Victoria Island, Lagos.

10.2 Operations and Businesses

Cedar's key service offerings include the following:

- Corporate Finance & Advisory: Cedar APL have experience in advising clients seeking to buy or sell businesses, raise funding or restructure their balance sheets.
- Independent Corporate Valuation: Here, Cedar APL provides information that will assist management focus their attention on the key strategic and transactional issues that help increase Shareholders' value.
- Principal Investments: Cedar APL is on track in launching the first Healthcare-focused Private Equity fund. It has, over the years, made invested principal investment in healthcare companies that could serve as a deal pipeline for its proposed fund.
- Private Equity Advisory: Cedar APL advises middle market companies seeking private equity funding and also act in sourcing such funds. Cedar APL has built strong partnerships with Private Equity institutions abroad who wish to invest directly in Nigerian firms.

10.3 Profile of Board of Directors

Mr Afolabi Adetola has over fifteen (15) years' experience in Banking, Equity and Debt Capital Markets Execution, Mergers & Acquisitions, Financial Advisory Services, Private Equity, Turnaround Management Services and Marine Brokerage Services. He has worked on numerous high-profile transactions for various institutions in Nigeria through Private Placements, Public offers as well as Strategic investments in various sectors.

He holds a BSc. degree in Metallurgical and Materials Engineering from Obafemi Awolowo University, Ile Ife and MSc. in Global Finance from two (2) leading Universities- The Hong Kong University of Science and Technology and The New York University.

Afolabi is the Group Managing Director of Cedar Financial Services Group of Companies.

He is a lead faculty, West African Capital Market School (WACMS), FATE Foundation and the winner of the 2007 Bank PHB Intern Business Reality Show. He is also a member of Association of Insolvency and Restructuring Advisors.

Mrs Eunice Adetola holds a Bachelor of Laws (LL.B.) from the University of Benin, Edo State and Nigeria Law School. She joined BGL Limited in 2005 as a Human Resource Assistant. She rose within the ranks to head the Lagos Island Branch of BGL Securities Limited in 2009. As the Branch Manager, she directed and coordinated branch sales and marketing functions within the target area to identify and develop new customers for products and services. She is currently the Principal State Council at the Lagos State Ministry of Justice.

10.4 Interests in Union Diagnostic's Shares

Cedar APL is currently a shareholder in Union Diagnostic holding 711,916,612 ordinary shares which represents 20.04% equity interest in Union Diagnostic.

10.5 Sources of Cash for the Scheme Shares

Cedar APL will meet the total consideration of the scheme and other associated costs incidental to the Scheme, using undrawn committed fixed deposit, for which a bank confirmation from Wema Bank Plc has been provided.



11. STATUTORY AND GENERAL INFORMATION

11.1. Responsibility Statement

The information contained in this document in relation to Union Diagnostic and Clinical Services Plc has been provided by the Company. The Directors of Union Diagnostic have taken all reasonable care to ensure that the facts stated and opinions expressed in this document with regard to the Company, are all fair and accurate and, having made all reasonable enquiries, confirm that to the best of their knowledge and belief as at the date of this Scheme Document, no material facts concerning the Company have been omitted from this Scheme Document. The Directors hereby accept responsibility for the information provided.

11.2. Related Party Information

Cedar currently holds 711,916,612 ordinary shares in Union Diagnostic, representing 20.04% equity interest in the Company.

Other than as stated above, there are no related party interests with respect to the Transaction.

11.3. Material Contracts

Financial Advisory Services Agreement between MBC Capital Limited and Union Diagnostic and Clinical Services Plc. which sets out the terms and conditions under which MBC Capital Limited has agreed to act as Financial Advisers to Union Diagnostic and Clinical Services Plc. in respect of the Scheme.

Other than as stated above, Union Diagnostic and Clinical Services Plc. has not entered into any material contract except in the ordinary course of business.

11.4. Claims and Litigation

Union Diagnostic and Clinical Services Plc. in the ordinary course of business has no legal case instituted against the Company.

The Board of Directors are not aware of any other pending and/or threatened claims or litigation, which may have material adverse effects on the Scheme.

11.5. Consents of Parties to the Scheme

The following have given and have not withdrawn their written consents to the issue of this Scheme Document with the inclusion of copies of their reports and references to their names in the form and context in which they appear herein:

Directors of the Company	Ambassador B.A. Adeyemi (Rtd) - Chairman Dr. Akinniyi A. Olusola - Managing Director / CEO Mr. Abiodun Akinkoye - Non-Executive Director. Mr. Anthony Nwozor - Non-Executive Director. Dr. Koleola Akinmolayan - Non-Executive Director.
Company Secretary	Dr. Samuel Iroye Esq.
Financial Advisers	MBC Capital Limited
Legal Adviser	First Almond Attorneys



Fairness Opinion Adviser	Capital Bancorp Plc.
Stockbrokers	Edgefield Capital Management Limited
Registrars	First Registrars and Investor Services Limited

11.6. General Information

- a) There is no agreement, arrangement, or understanding whereby the beneficial ownership of any assets, liabilities and undertakings of Union Diagnostic & Clinical Services Plc. to be issued pursuant to the Scheme will be transferred to any other person;
- b) Except otherwise disclosed in this document, no share or loan of Union Diagnostic & Clinical Services Plc. is under option nor agreed conditionally or unconditionally to be put under option;
- c) Except as otherwise disclosed in this document, there are no founders, management of deferred shares or any outstanding in Union Diagnostic & Clinical Services Plc;
- d) Except as otherwise disclosed in this document, there are no material services agreement between Union Diagnostic & Clinical Services Plc. and any of their directors and employee's other than in the course of business;
- e) Except as otherwise disclosed in this document, there are no contracts which are or may be material, entered into by Union Diagnostic & Clinical Services Plc. with other parties other than in the course of ordinary business;
- f) The costs, charges and expenses of and incidental to the Scheme will be payable by Cedar APL



12. NOTICE OF COURT-ORDERED MEETING

IN THE FEDERAL HIGH COURT OF NIGERIA HOLDEN IN LAGOS

SUIT NO: FHC/L/CS/1785/2020

IN THE MATTER OF THE COMPANIES AND ALLIED MATTERS ACT CAP C20 LAWS OF THE FEDERATION OF NIGERIA, 2004 (CAMA) AND

IN THE MATTER OF AN APPLICATION UNDER SECTION 539 CAMA AND

IN RE: UNION DIAGNOSTIC AND CLINICAL SERVICES PLC (RC. 352457) MEETING OF THE REGISTERED SHAREHOLDERS OF THE ISSUED AND FULLY PAID ORDINARY SHARES OF UNION DIAGNOSTIC AND CLINICAL SERVICES PLC

NOTICE IS HEREBY GIVEN that by order of the Federal High Court, sitting in Lagos (hereinafter referred to as "the Court") dated Monday, December 21, 2020 made in the above matter, the Court has directed that a meeting ("the Meeting") of the registered Shareholders of the fully paid-up ordinary shares of Union Diagnostic and Clinical Services Plc ("Union Diagnostic" or "the Company") be convened for the purpose of considering and if thought fit, approving (with or without modification) a Scheme of Arrangement proposed to be entered into between Union Diagnostic and the holders of its fully paid ordinary shares of 50 kobo each (the "Scheme"). The Scheme is explained in detail in the Explanatory Statement on pages 11 to 17 of the Scheme Document.

The Meeting will be held at Lagos Resource Center, 9, Anifowose Street, Victoria Island, Lagos, by 12pm on Monday, January 25, 2021 (or any such other venue as the Company's directors may deem appropriate). Shareholders will be able to live stream the meeting via a link that will be made available on the Company's website at www.uniondiagnostic.com.ng. Registration of Shareholders will commence two (2) hours before the scheduled time of the meeting.

Copies of the Scheme Document and the Explanatory Statement required to be furnished pursuant to Sections 539 and 540 of CAMA are enclosed herewith.

At the Meeting, the following sub-joined resolutions will be proposed, and if thought fit, passed as a Special Resolution of the Company:

1. *"That the Scheme of Arrangement dated Monday, December 7, 2020 be and is hereby approved and that the Directors be and are hereby authorized to consent to any modifications of the Scheme of Arrangement that the Federal High Court or any regulatory authority may deem fit to impose or approve.*
2. *For the purpose of giving effect to the Scheme in its original form or with or subject to such modification, addition and condition agreed between the Company and Holders of its Ordinary Shares and/or approved or imposed by the Court:*
 - i. *The Scheme Shares (as defined in the Scheme Document) be transferred to Cedar Advisory Partners Limited.*
 - ii. *Holders of the Scheme Shares be paid a cash consideration (as defined in the Scheme Document) by Cedar Advisory Partners Limited for the transfer of the said Scheme Shares."*



3. *"That as consideration for the transfer of the Scheme Shares, each Holder of the Scheme Shares shall receive No.35k per share."*
4. *"That the Board of Directors of Union Diagnostic be and are hereby authorized to take all necessary steps and to consent to any modification of the Scheme of Arrangement that the Federal High Court shall deem fit to impose or approve."*

By the order of the Court, the Court has appointed Mr. Ambassador B.A. Adeyemi (Rtd) (or failing him, Mr. Anthony Nwozor, or failing them both, any other Director of the Company appointed in their stead by the Shareholders present at the Meeting) to act as Chairman of the said meeting and has directed the Chairman to report the results thereof to the Court.

VOTING AT THE MEETING

Pursuant to the Court Order, in the interest of public safety and having due regard to the Nigeria Centre for Disease Control ("NCDC") COVID-19 Guidance for Safe Mass Gatherings in Nigeria, and the restrictions on public gatherings by the Lagos State Government, Shareholders can only attend the meeting physically through a proxy. A proxy may be selected from any of the following individuals: **Mr. Abiodun Akinkoye, Mr. Anthony Nwozor and Mr. Sunday Akinrotimi** (the "Selected Proxies").

The Selected Proxies are to attend the meeting physically and vote on their own behalf as well as on behalf of the Shareholders who selected them as proxies. Other Shareholders can join the meeting and follow the proceedings remotely via real-time streaming.

The link for the live streaming of the Meeting will be made available on the Company's website at **www.uniondiagnostic.com.ng**. Shareholders may also participate at the meeting through any audio/visual communication facilities made available by the Company.

FURTHER INSTRUCTIONS ON THE PROCEDURE FOR THE VOTING IS CONTAINED IN THE NOTES BELOW.

A Proxy Form applicable for the meeting is being sent to each Shareholder. In the case of joint Shareholders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders; and for this purpose, seniority will be determined by the order in which their names appear in the Register of Members of Union Diagnostic.

It is requested that duly executed and stamped Proxy Forms (together with any power of attorney or other authority under which it is signed, or a notarised copy of such power of attorney or other authority) be lodged at the office of the Registrars of the Company, First Registrars and Investor Services Limited, as shown on the Proxy Form, not less than 24 hours before the time appointed for the Court-Ordered Meeting.

A member entitled to attend the Court-Ordered Meeting who does not receive a copy of the Scheme Document within 14 days of the date of this notice can obtain copies of same from the Registrar of Union Diagnostic, First Registrars and Investor Services Limited 2, Abebe Village Road, Iganmu, Lagos State or on the Company's website at **www.uniondiagnostic.com.ng**.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from **Wednesday, 23rd December 2020** to **Wednesday, 30th December 2020** (both dates inclusive) for the purpose of determining attendance at the Court-Ordered Meeting.

Entitlement to attend and vote at the Meeting or any adjournment thereof and the number of votes which may be cast at the Meeting will be determined by reference to the contents of the Register of Members of the Company on **Wednesday, 30th December 2020**.



Changes to, entries in the Register of Members of the Company after that date and time shall be disregarded for the purposes of the Meeting.

Dated this Monday, December 21, 2020

FIRST ALMOND ATTORNEYS
4th Floor, Marine View Plaza
60, Marina, Lagos Island, Lagos
Solicitors to Union Diagnostic
Services Plc.

DR. IROYE OPEYEMI SAMUEL
Company Secretary
Union Diagnostic
and Clinical Services Plc.

NOTES:

1. In view of the outbreak of the COVID-19 pandemic and the social distancing guidelines issued by the NCDC, the office of the Secretary to the Government of the Federation (the "Guidelines") and the restrictions in public gatherings by the Lagos State Government, the Company has obtained the sanction of the Court to hold the Court-Ordered Meeting in a manner which is compliant with the Guidelines. Accordingly, pursuant to the Order of the Court, the Court-Ordered Meeting may be held, conducted and attended in any manner which the Directors deem fit including through proxies appointed from a list of proxies designated by the Board, or participation by telephone or other electronic means or such other virtual or audio/visual communication facilities as the Directors may deem fit. Specifically, the Court granted an order stating that members of the Company shall be at liberty to attend the meeting by proxy.
2. Shareholders may vote at the Court-Ordered Meeting through their appointed proxies from the list of proxies designated by the Board. The list of proxies may be found on the Company's website and on the Proxy Form attached to this Notice. The selected Proxies are encouraged to comply with relevant public health advice in order to protect the health of others.

Results of the voting on the resolutions of the Court-Ordered Meeting will be published on the Company's website within twenty-four (24) hours and subsequently in two (2) newspapers of national circulation.



13. PROXY FORM



Proxy Form for the Proposed Scheme of Arrangement between Union Diagnostic and Clinical Services Plc and holders of its ordinary shares of 50 kobo each

I/We (Name:)
of (Address:)
being the registered holder(s) of the ordinary shares of Union Diagnostic and Clinical Services Plc,
hereby appoint*
or failing him/her.....
as my/our proxy to vote on my/our behalf at the Court-ordered Meeting of the holders of the ordinary shares of the Company to be held at Lagos Resource Center, 9, Anifowose Street, Victoria Island, Lagos by 12pm on Monday, January 25, 2021 or at any adjournment thereof.
Signed thisday of..... 2021
Shareholder's Signature.....
(A Corporation must execute and affix a common seal)

NOTES

- 1. Pursuant to the Court Order, in the interest of public safety and having due regard to the Nigeria Centre For Disease Control (NCDC) COVID-19 Guidance for Safe Mass Gatherings in Nigeria, and the restrictions on public gatherings by the Lagos State Government, Shareholders can only attend the meeting physically through a proxy.
2. Shareholders are required to appoint a proxy of their choice from the list of proxies below:
a. Mr. Abiodun Akinkoye b. Mr. Anthony Nwozor c. Mr. Sunday Akinrotimi
3. Provision has been made on this form for you to insert in the blank spaces, the names of the persons, one of whom will attend the Meeting and vote on your behalf.
4. Voting at the Court-Ordered Meeting will be by poll which means that each shareholder has one vote for each of the shares he/she/it holds in Union Diagnostic.
5. Please sign and post the Proxy Form to reach the Registrar not less than 24 hours before the time appointed for the Court-Ordered Meeting and ensure that the Proxy Form is dated, signed and stamped by the Commissioner for Stamp Duties. If executed by a corporate body, the proxy form should be sealed with the Common Seal.
6. The member (shareholder) or his/her duly appointed proxy must detach and produce the Admission Card to obtain entrance to the Court-Ordered Meeting.
7. The details in the Scheme of Arrangement provide information on the material features of the proposed Scheme and the general effect thereof upon the rights of shareholders of Union Diagnostic whilst also providing information essential to a shareholder's appraisal of the action to be taken with regards to the Scheme.

SPECIAL RESOLUTION:

- 1. "That the Scheme of Arrangement dated Monday, December 7, 2020 be and is hereby approved and that the Directors be and are hereby authorized to consent to any modification of the Scheme of Arrangement that the Federal High Court or any regulatory authority may deem fit to impose or approve.
2. For the purpose of giving effect to the Scheme in its original form or with or subject to such modification, addition and condition agreed between the Company and Holders of its Ordinary Shares and/or approved or imposed by the Court:
i. The Scheme Shares (as defined in the Scheme Document) be transferred to Cedar Advisory Partners Limited.
ii. Holders of the Scheme Shares be paid a cash consideration (as defined in the Scheme Document) by Cedar Advisory Partners Limited for the transfer of the said Scheme Shares."
3. "That as consideration for the exchange of the Scheme Shares, each Holder of the Scheme Shares shall receive No.35k per share."
4. "That the Board of Directors of Union Diagnostic be and are hereby authorized to take all necessary steps and to consent to any modification of the Scheme of Arrangement that the Federal High Court shall deem fit to impose or approve."

Please indicate how you wish your votes to be cast on the sub-joined resolution set out above by placing an "x" in the appropriate space.

For [] Against []

Before posting the above form, please tear off this section and retain it to facilitate your admission to the meeting.

UNION DIAGNOSTIC AND CLINICAL SERVICES PLC. COURT-ORDERED MEETING ADMISSION CARD

Please admit the shareholder named on this Admission Card or his duly appointed proxy to the Court-Ordered Meeting to be held at Lagos Resource Center, 9, Anifowose Street, Victoria Island, Lagos on Monday, January 25, 2021 by 12pm.

Shareholder Name:.....
Address:.....
Account Number:.....
Number of Shares:.....

Please tick [x] in the appropriate box for admission in the meeting.

Shareholder []
Proxy []



RC 352457

Union Diagnostic and Clinical Services PLC.