

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

1. DISPOSAL OF BUSINESS AND ACQUISITION OF ADDITIONAL INTERESTS IN AYRTON

1.1 DISPOSAL OF BUSINESS

On 11 May 2015 the Group disposed of its 51% holding in Bioswiss Proprietary Limited (Bioswiss). Refer to note 26.5 for cash flow on disposal.

1.2 ACQUISITION OF ADDITIONAL SHARES IN AYRTON

On 1 April 2010, Adcock Ingram International Proprietary Limited, a wholly-owned subsidiary of Adcock Ingram Holdings Limited, acquired a 65.59% stake in a listed Ghanaian pharmaceutical company, Ayrton Drug Manufacturing Limited (Ayrton) for R121 million, to establish a presence in West Africa. The fair value of the net assets of Ayrton (excluding goodwill on the original acquisition) was R63 million. Goodwill, intangible assets and certain plant and equipment were subsequently impaired.

Following the initial transaction, Adcock Ingram International Proprietary Limited acquired the following additional shares in Ayrton:

	% shares	Cash consideration paid to non-controlling shareholders	Carrying value	Recognised in retained earnings within equity
On acquisition	65.59	33 636	33 636	–
2011	5.76	10 336	5 294	5 042
2012	6.79	11 060	8 912	2 148
2013	0.18	342	223	119
2014	0.14	241	175	66
2015	0.11	132	101	31
2016	*	2	1	1
Total	78.57	55 749	48 342	7 407

* < 0.01

Refer to note 2