

NOTICE OF ANNUAL GENERAL MEETING

ADCOCK INGRAM HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number 2007/016236/06

JSE share code: AIP

ISIN: ZAE000123436

("Adcock Ingram" or "the Company")

Board of Directors ("Board"): Mr A Hall (CEO), Prof M Haus, Dr B Joffe (Deputy Chairman), Dr T Lesoli, Ms BJ Letsoalo, Mr M Makwana, Dr A Mokgokong, Mr R Morar, Ms D Neethling, Mr C Raphiri (Chairman), Mr M Sacks and Dr R Stewart.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of shareholders of Adcock Ingram will be held at the Company's premises, 1 New Road, Midrand, Gauteng on Thursday, 24 November 2016 at 09:00 or at any other adjourned or postponed time determined in accordance with the provisions of section 64(4) or section 64(10) (as read with section 64(1)(a)(i)) of the Companies Act 71 of 2008 ("**Companies Act**") (such Annual General Meeting being hereinafter referred to as the "**Annual General Meeting**").

This document is important and requires your immediate attention. Your attention is drawn to the notes at the end of this notice, which contain important information regarding shareholders' participation at the Annual General Meeting. Should you be in any doubt as to what action to take in respect of the proposed resolutions and other matters contemplated in this notice of Annual General Meeting or the explanatory notes hereto, we recommend that you consult appropriate professional advisers. For purposes of this notice of Annual General Meeting and the explanatory notes hereto, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

In terms of section 59(1) of the Companies Act, the Board has set the record dates to determine which shareholders are entitled to:

- (a) receive this Notice of Annual General Meeting as being 23 September 2016; and
- (b) participate in and vote at the Annual General Meeting as being 18 November 2016.

The last day to trade in the Company's shares, in order to participate in and vote at the Annual General Meeting is 15 November 2016.

The meeting is convened for the purpose of conducting the following business and to consider and if deemed fit, pass and approve, with or without modification, the ordinary and special resolutions set out below in the manner required by the Companies Act and the JSE Listings Requirements. Please see the explanatory notes commencing on page 165 for the explanations which accompany the below ordinary and special resolutions.

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

To present the audited annual financial statements of the Company and its subsidiaries (the "Group") as approved by the Board of the Company in terms of section 30(3) of the Companies Act, incorporating, *inter alia*, the reports of the external Auditors, Audit Committee and the directors for the financial year ended 30 June 2016.

2. PRESENTATION OF THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT

To present the report of the Social, Ethics and Transformation Committee for the financial year ended 30 June 2016, as required in terms of Regulation 43(5)(c) of the Companies Regulations, 2011 ("**Companies Regulations**").

3. RE-ELECTION OF NON-EXECUTIVE DIRECTORS

Ordinary Resolution 1

- 3.1 To elect Dr A Mokgokong, who is retiring by rotation in accordance with clause 17.1 of the Company's Memorandum of Incorporation ("MOI"), as a non-executive director of the Company as contemplated in section 68(2)(a) of the Companies Act.
- 3.2 Dr Mokgokong, being eligible and available, offers herself for re-election.

4. ELECTION OF AUDIT COMMITTEE MEMBERS**Ordinary Resolution 2**

4.1 To elect by way of separate divisible resolutions the following non-executive directors as the Audit Committee members for the ensuing year in accordance with section 94 of the Companies Act. The proposed Audit Committee members listed below currently serve on the same committee and, accordingly, offer themselves for re-election:

- 4.1.1 Mr M Sacks (Chairman) (as Ordinary Resolution 2.1);
- 4.1.2 Prof M Haus (as Ordinary Resolution 2.2); and
- 4.1.3 Dr R Stewart (as Ordinary Resolution 2.3).

5. RATIFICATION OF APPOINTMENT OF EXECUTIVE DIRECTORS**Ordinary Resolution 3**

To ratify by way of separate divisible resolutions, as required by paragraph 18.2.1 of the Company's MOI and the JSE Listings Requirements, the appointment by the Board of the following executive directors:

- 5.1 Ms D Neethling, as Chief Financial Officer and Executive Director of Adcock Ingram (as Ordinary Resolution 3.1); and
- 5.2 Ms BJ Letsoalo, as the Executive Director: Human Capital and Transformation of Adcock Ingram (as Ordinary Resolution 3.2).

6. RE-APPOINTMENT OF EXTERNAL AUDITORS**Ordinary Resolution 4**

To re-appoint Ernst & Young as independent External Auditors of the Company for the ensuing year (the designated auditor being Mr Dave Cathrall) and to note the remuneration of the independent External Auditors as determined by the Audit Committee of the Board for the past year's audit as reflected in note 6.1 to the annual financial statements.

7. DELEGATION OF AUTHORITY**Ordinary Resolution 5**

To authorise any 1 (one) director of the Company and/or the Company Secretary to do all such things and sign all such documents (including any amendments thereto) as are deemed necessary or advisable to implement the ordinary and special resolutions which have been (or will be) duly passed as set out in the notice convening the Annual General Meeting.

8. APPROVAL OF THE REMUNERATION POLICY**Ordinary Resolution 6**

To endorse, by way of a non-binding advisory vote, the Company's and the Group's remuneration policy (excluding the remuneration of the non-executive directors and the members of Board committees for their services as directors and members of committees), as set out on page 58 of the Integrated Report.

9. FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED PARTIES**Special Resolution 1**

To approve, subject to compliance with the provisions of the MOI and Companies Act (including but not limited to the Board being satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company), the provision by the Company, at any time and from time to time during the period of 2 (two) years commencing from the date of approval of this special resolution, of such direct or indirect financial assistance, by way of a loan, guarantee of a loan or other obligation or securing of a debt or other obligation or otherwise as the Board may authorise, (i) to any 1 (one) or more related or inter-related company(ies) or corporation(s), or (ii) to any 1 (one) or more member(s) of a related or inter-related company or corporation, or (iii) to any 1 (one) or more person(s) related to any such company(ies), corporation(s) or member(s) (as such relations and inter-relationships are outlined in section 2 of the Companies Act), on such other terms and conditions as the Board may deem fit, subject to the Companies Act.

10. PROPOSED REMUNERATION OF NON-EXECUTIVE DIRECTORS PAYABLE WITH EFFECT FROM 1 DECEMBER 2016**Special Resolution 2**

Shareholders are requested to approve the proposed fees and remuneration payable to non-executive directors, for their services as directors with effect from 1 December 2016 until the next Annual General Meeting in accordance with the proposed remuneration as set out in the explanatory notes.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

11. SHARE REPURCHASE

Special Resolution 3

To authorise the directors to approve and implement the acquisition by the Company (or by a subsidiary of the Company in terms of section 48(2)(b) of the Companies Act), of ordinary shares of the Company, by way of a general authority, which shall only be valid until the Company's next Annual General Meeting or 15 (fifteen) months from the date of the passing of this special resolution, whichever period is the shorter, and subject to the Companies Act, the MOI, the JSE Limited ("JSE") Listings Requirements, when applicable, and the following limitations, namely:

- the repurchase being implemented through the order book operated by the JSE trading system, without prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- the Company being authorised thereto by its MOI;
- repurchases not being made at a price greater than 10% (ten percent) above the weighted average of the market value of the ordinary shares for the 5 (five) business days immediately preceding the date on which the transaction was effected;
- an announcement being published in accordance with the JSE Listings Requirements as soon as the Company has repurchased ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue at date of the passing of this resolution ("**initial number**"), and for each 3% (three percent) in aggregate of the initial number of ordinary shares repurchased thereafter, containing such details of such repurchases as are required under the JSE Listings Requirements as well as any confirmations and disclosures required of the Company and its directors;
- a resolution has been passed by the Board confirming that it has authorised the repurchase, and that the Company and its subsidiary/ies have passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Group;
- any such general repurchases are subject to exchange control regulations and approval at that point in time;
- the number of shares purchased and held by a subsidiary or subsidiaries of the Company shall not exceed 10% (ten percent) in aggregate of the number of issued shares in the Company at the relevant times;
- general repurchase of ordinary shares in the aggregate in any one financial year may not exceed 20% (twenty percent) of the Company's issued ordinary share capital as at the beginning of the financial year;
- the Company or its subsidiary may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing prior to the commencement of the prohibited period; and
- the Company only appointing 1 (one) agent at any point in time to effect any repurchases on its behalf.

Having considered the effects of a maximum repurchase, the directors are of the opinion that:

- the Company and the Group will be able in the ordinary course of business to pay its debts for a period of 12 (twelve) months following the date of the notice of Annual General Meeting;
- the assets of the Company and the Group, recognised and measured in accordance with the accounting policies used in the latest audited Group annual financial statements, will exceed the liabilities of the Company and the Group for a period of 12 (twelve) months following the date of the notice of Annual General Meeting;
- the ordinary share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months following the date of the notice of Annual General Meeting; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months following the date of the notice of the Annual General Meeting.

The Board confirms that, having considered the effects of the maximum repurchase, it has passed a resolution approving the repurchase and confirming that the Company and its subsidiary/ies have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group.

STATEMENT OF INTENT

The directors undertake that, to the extent it is still required by the JSE Listings Requirements and the Companies Act, they will not implement any repurchase as contemplated in this special resolution while this general authority is valid, unless:

- the Board has resolved to authorise such repurchase subject to the limitations set out in this special resolution, have applied the solvency and liquidity test set out in section 4 of the Companies Act and have reasonably concluded that the Group will satisfy the solvency and liquidity test immediately after completing such repurchase, and are satisfied that since the test was carried out there have been no material changes to the financial position of the Group; and
- the Group will comply with the provisions of section 46 of the Companies Act and the JSE Listings Requirements in relation to such repurchase.

The JSE Listings Requirements require the following disclosures, some of which are elsewhere in the Integrated Report and as set out below.

- Major shareholders of the Company – page 158;
- Share capital of the Company – page 117.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given on pages 52 and 53 of the Integrated Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this Special Resolution Number 3 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the JSE Listings Requirements.

MATERIAL CHANGE

Other than the facts and developments reported on in the Integrated Report, there have been no material changes in the financial position of the Group since the date of signature of the audit report and the date of this notice.

12. AMENDMENTS TO THE COMPANY'S MEMORANDUM OF INCORPORATION

Special Resolution 4

To approve the following amendments to the Company's MOI in terms of section 16(1)(c) of the Companies Act:

- 13.1 the removal of (i) all references in the MOI to the A ordinary shares having a par value of R0,10 each in the authorised share capital of the Company ("**A Ordinary Shares**") and the B ordinary shares having a par value of R0,10 each in the authorised share capital of the Company ("**B Ordinary Shares**"); and (ii) the preferences, rights, limitations and other terms attaching to the A Ordinary Shares and B Ordinary Shares as more fully set out in Schedule AB of the MOI, and giving effect to various other consequential changes required by the amendments contemplated in (i) and (ii) as aforesaid;
- 13.2. the amendment of clause 4.5 of the MOI to render the provisions thereof consistent with the latest publication of Schedule 10 of the JSE Listings Requirements;
- 13.3 the amendment of clause 12.2 of the MOI and the insertion of a new clause 12.3 in the MOI to permit shareholders to vote on any of the following resolutions which may be proposed from time to time, in writing, in terms of section 60 of the Companies Act:
 - 13.3.1 the change of the name of the Company;
 - 13.3.2 any odd lot offers to shareholders;
 - 13.3.3 the increase in the authorised share capital of the Company; and/or
 - 13.3.4 the approval of any amendments to this MOI;
- 13.4 the amendment of clause 19.7.1 of the MOI to provide that a resolution of the Board that is in writing, shall be valid and effectual as if it had been passed at a meeting of the Board duly called and constituted, if it is signed and approved by all of the directors of the Company, other than those directors who are conflicted (whether in terms of the Companies Act or in terms of any common law principles relating to conflicts of interest of directors); and
- 13.5 the amendment of clause 36 of the MOI to provide for the new fraction entitlement principle of rounding down, as contemplated by Bulletin 1 of 2016, published by the JSE on or about 18 January 2016, and approved by the Financial Services Board in terms of the Board Notice 274 of 2015 published in Government Gazette No 39531 on or about 18 December 2015.

Any other business

In terms of section 61(8)(d) of the Companies Act, an Annual General Meeting must provide for the transacting of business in relation to any matters raised by shareholders, with or without advance notice to the Company.

Electronic communication and participation

Shareholders or their proxies may participate in the Annual General Meeting by way of a teleconference call and, if they wish to do so:

- must contact the Company Secretary: ntando.simelane@adcock.com or +27 (0)11 635 0143 during business hours (08:00 to 17:00 on week days);
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Please note that shareholders or their proxies will be entitled to exercise voting rights at the meeting by way of teleconference call.

Proxies and voting

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the shareholder. A proxy need not also be a shareholder of the Company. Note that equity securities held by a share trust or scheme, treasury shares and unlisted securities will not have their votes taken into account at the Annual General Meeting for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

Please note that, in accordance with section 63(1) of the Companies Act, the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy for a shareholder, has been reasonably

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

verified. Accordingly, meeting participants (including shareholders and proxies) must provide satisfactory identification. Without limiting the generality hereof, the Company will accept a valid South African identity document, a valid driver's licence or a valid passport as satisfactory identification.

Forms of proxy must be lodged in person or posted to the Company's transfer secretaries, Computershare Investor Services Proprietary Limited (70 Marshall Street, corner Sauer Street, Johannesburg, 2001; PO Box 61051, Marshalltown, 2107), by no later than 09:00, on 22 November 2016 provided that they may be handed to the chairperson of the meeting at any time prior to the proxy exercising any right at the meeting.

All beneficial owners whose shares have been dematerialised through a Central Securities Depository Participant ("**CSDP**") or broker, other than with "own name" registration, must provide the CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the Annual General Meeting. Alternatively, they may request the CSDP or broker to provide them with a letter of representation, in terms of their custody agreements, should they wish to attend the Annual General Meeting.

By order of the Board

NE Simelane
Company Secretary

Midrand
30 September 2016