

# Our business model

## OUR RISK UNIVERSE

### OUR CAPITAL INPUTS

|                                                                                   |                         |                                                                                                                                           |
|-----------------------------------------------------------------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
|  | Financial               | We use cash generated by our operations as well as debt financing to run our business and fund growth.                                    |
|  | Manufactured            | Investing in plant and equipment allows us to continue to comply with regulatory and expansion requirements.                              |
|  | Natural                 | We require coal, water, land and energy for production in our manufacturing facilities.                                                   |
|  | Social and relationship | We integrate the needs of our stakeholders into our business and we deliver on our commitments.                                           |
|  | Intellectual            | Our proprietary and licensed products, dossiers, technologies, software, licenses and standard operating procedures support our business. |
|  | Human                   | We require a diverse set of people with specialist skills and experience to grow our business.                                            |

Adcock Ingram **manufactures, markets and distributes** a wide range of **healthcare products**.

As members of Proudly South African we share a commitment to an uplifting ethos that promotes social and economic change and progress.

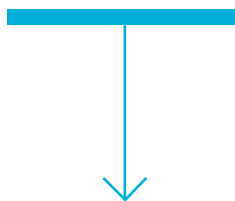
We make a meaningful contribution to building South Africa's economy, alleviating unemployment and retaining existing employment opportunities.



The Company is a leading supplier to both the private and public sectors of the South African market.

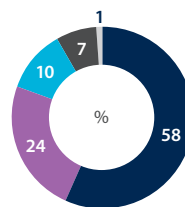
### LOGISTICS

#### ► Distribution centres



### CUSTOMERS

- Government
- Wholesalers
- Pharmacies
- Hospitals
- FMCG retailers
- Home patients



#### Pallet space

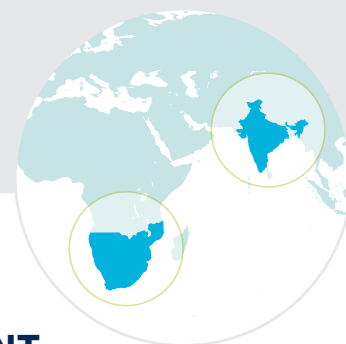
|                  |               |
|------------------|---------------|
| ■ Gauteng        | 24 000        |
| ■ Durban         | 10 000        |
| ■ Cape Town      | 4 800         |
| ■ Port Elizabeth | 3 000         |
| ■ Bloemfontein   | 400           |
| <b>Total</b>     | <b>42 200</b> |

 Refer to page 34



### FOOTPRINT

Our operations are spread across **sub-Saharan Africa** and our manufacturing facilities are based in **South Africa** and **India**. The head office of the Group is located in Midrand, South Africa.



## OUR RISK UNIVERSE

We conduct our business activities while actively managing risk.

 Refer to page 46

## OUR PROCESSES

### OPERATIONS



Over the counter  Refer to page 22



Prescription  Refer to page 24



Hospital  Refer to page 26



Consumer  Refer to page 28



### R&D/REGISTRATION

- Buy intellectual property
- Develop intellectual property

### MANUFACTURE

- Own factories
- Outsourced factories

 Refer to page 32

### SOURCE

- Raw materials sourced locally or internationally
- Finished goods from third party suppliers

## OUTCOMES IN THE FORM OF VALUE CREATION



Human capital

**R1 290m**

**EMPLOYEE REMUNERATION, INCLUDING SHARE-BASED PAYMENTS**



Financial capital

**R273m**

**PAYMENTS TO PROVIDERS OF CAPITAL**  
(interest and dividends)



Manufactured capital

**R219m**

**IN CAPEX**



Social and relationship capital

**R6.6m**

**TOTAL CSI SPEND**

