



adcock ingram

UNAUDITED GROUP INTERIM RESULTS for the six months ended 31 December **2017** AND CASH DIVIDEND DECLARATION

Salient features

Continuing Operations

Turnover increases 7% to R3,199 million
Gross profit improves 13% to R1,215 million
Trading profit increases 25% to R428 million
Headline earnings per share from continuing operations increases 33%
Net cash position of R492 million
Dividend declared: 86 cents per share
B-BBEE level 3 achieved

Introduction

The Group delivered healthy operating results in the half year under review despite a challenging operating environment characterised by political uncertainty and high levels of unemployment impacting on consumer spending. In a highly competitive environment, each of the business units reported growth in sales and trading profits.

In line with the Group's strategy, in September 2017 Adcock Ingram concluded a share purchase agreement to acquire 100% of the shares of Genop Holdings Proprietary Limited (Genop). Genop is a highly specialised instrument, surgical and pharmaceutical products company focussed on the ophthalmic, optometry, skincare, aesthetic and plastic surgery segments in Southern Africa. Genop also owns and markets the well-known Epi-max branded range of consumer products. Adcock Ingram has received unconditional approval from the South African Competition Commission.

Financial performance

Turnover and Profits

Group turnover during the period under review increased by 7.4% to R3,199 million (Dec 2016: R2,979 million), mainly driven by a realised average price increase of 5.2%. Volume growth and new product launches contributed the balance. The gross margin improvement from 36.1% to 38.0% was realised from the improvement in the exchange rate, increased ARV throughput at the Wadeville factory, as well as an improved sales mix.

Operating expenses were well controlled and increased in line with sales by 7.4%, resulting in a 25% improvement in trading profit to R428 million (Dec 2016: R342 million).

Non-trading expenses

Non-trading expenses of R24.6 million include share-based expenses of R17.3 million and corporate activity costs of R7.3 million.

Net finance costs and headline earnings

Net finance income of R0.3 million was realised in the period, compared to net finance costs of R17.5 million in the prior period, reflective of the improvement in the Group's net cash position.

Headline earnings for the period under review amounted to R320.4 million (Dec 2016: R241.0 million). This translates into headline earnings per share from continuing operations of 192.6 cents (Dec 2016: 144.9 cents), an increase of 33%.

Cash flows

Cash generated from operations amounted to R455.9 million (Dec 2016: R367.6 million) after working capital increased by R85.7 million (Dec 2016: R66.0 million). The Group had net cash resources of R492 million (June 2017: R335 million) at the end of the period.

Dividend distribution

The Board has declared an interim dividend of 86 cents per share for the six-month period ended 31 December 2017 out of income reserves, an improvement of 37%, over the interim dividend paid in the prior year.

Business overview

Southern Africa

OTC turnover improved by 9.7% over the prior comparative period to R970.7m (Dec 2016: R884.6 million), arising from an average price increase of 8.8%, supported by innovative new product launches and good demand for smaller pack sizes of analgesics.

Top brands including Adco-Dol, Allergex, Alcophyllex and Napamol showed double-digit growth. This business unit, which focuses on products in the pain, coughs, colds and flu, and anti-histamine therapeutic areas through the pharmacy channel, posted growth well ahead of the market as measured by IQVIA (previously referred to as IMS) in the categories in which it competes. The business unit launched the GAP range of health supplements formulated to replenish vitamins and minerals that have been depleted because of chronic diseases or the treatment thereof.

A gross margin improvement was realised in this period, driven by the improvement in the exchange rate and an advantageous sales mix. As a result, trading profit increased by 24.4 % to R181.1 million (Dec 2016: R145.6 million).

Prescription turnover improved marginally to R1,021.1 million (Dec 2016: R1,008.6 million). An average price increase of 5.0% was realised and volumes increased by 1.9% driven by the demand in the ARV private market. Mix was impacted by the loss of a low-margin multinational partner contract, partially offset by the on-boarding of the Astellas portfolio from Leo Pharma and Topzole from Takeda. This division achieved double digit growth in the private market segment as measured by IQVIA.

A gross margin improvement was realised in the period, driven by increased ARV throughput at the Wadeville factory and a better sales mix. As a result, trading profit of R132.5 million is 13.7% ahead of the comparative period of R116.5 million.

Consumer turnover increased by 10.3% to R369.5 million (Dec 2016: R334.8 million) assisted by the acquisition of the Island Tribe sunscreen range. Volume growth of 1.8% was achieved but price increases were negligible, indicative of the overall pressure on the consumer. Trading profits increased by 11.5% to R58.4 million (Dec 2016: R52.4 million).

Hospital turnover improved by 3.6% to R686.4 million (Dec 2016: R662.4 million) driven by an average price increase of 2.3%, and a mix benefit from the newly-acquired marketing rights to the Pharma Q product range. This was partially offset by lower large-volume parenteral volumes into the Public sector. A gross margin improvement was realised in this period, driven by the variation in the sales mix. Trading profits increased to R40.6 million (Dec 2016: R27.0 million) with very well-controlled operating expenditure. This division was awarded more than 80% of the 3-year government tender for large-volume parenterals in late September 2017.

Rest of Africa

The Group's enterprises in Zimbabwe and Kenya collectively increased turnover by 24.8% to R123.7 million (Dec 2016: R99.1 million) and achieved a trading profit R12.8 million during the period under review. The positive performance in Zimbabwe is attributable to a significant improvement in demand for the top brands following improved stock availability, whilst the improvement in the Kenyan operation is due the OTC division having assumed management responsibility for the business.

Changes to the Board

On 23 November 2017, Ms Nompumelelo Madisa was appointed as non-executive Director and a member of the Acquisitions Committee. On 29 January 2018 Mr Motty Sacks resigned as a non-executive Director, Chairman of the Audit Committee and member of various other committees.

Prospects

We are pleased with the quality of earnings, and the operational and strategic progress achieved. However, the operating environment remains challenging in South Africa, especially seen in the light of the recent disappointing SEP increase of 1.26% and ongoing financial pressure on consumers.

Nonetheless, the Group remains competitively positioned to defend and grow its brands and the Board remains committed in pursuing its objective of ensuring long-term growth to create shareholder value by expanding the product portfolio through partnership arrangements and acquisitions.

Dividend distribution

The Board has declared an interim gross dividend out of income reserves of 86.0 cents per share in respect of the six months ended 31 December 2017. The South African dividend tax ("DT") rate is 20% and the net dividend payable to shareholders who are not exempt from DT is 68.8 cents per share. Adcock Ingram currently has 175,748,048 ordinary shares in issue of which 149 905 089 qualify for ordinary dividends. The income tax reference number is 9528/919/15/3.

The salient dates for the distribution are detailed below:

Last date to trade *cum* distribution	Tuesday, 13 March 2018
Shares trade *ex* distribution	Wednesday, 14 March 2018
Record date	Friday, 16 March 2018
Payment date	Monday, 19 March 2018

Share certificates may not be dematerialised or rematerialised between Wednesday, 14 March 2018 and Friday, 16 March 2018, both dates inclusive.

CD Raphiri
Chairman

AG Hall
Chief Executive Officer

D Neethling
Chief Financial Officer

20 February 2018

Consolidated statements of comprehensive income

Continuing operations	Notes	Unaudited six months ended 31 December 2017 R'000	% Change	Unaudited six months ended 31 December 2016 R'000	Audited year ended 30 June 2017 R'000
Revenue	2	**3 213 752**	8	2 985 469	5 957 700
Turnover	2	**3 199 024**	7	2 978 517	5 936 056
Cost of sales		**(1 983 641)**		(1 904 062)	(3 693 773)
Gross profit		**1 215 383**	13	1 074 455	2 242 283
Selling, distribution and marketing expenses		**(561 537)**	8	(521 861)	(1 068 585)
Fixed and administrative expenses		**(225 586)**	7	(210 695)	(449 275)
Trading profit		**428 260**	25	341 899	724 423
Non-trading expenses	3	**(24 600)**		(19 236)	(47 128)
Operating profit		**403 660**	25	322 663	677 295
Finance income	2	**13 109**		4 071	15 665
Finance costs		**(12 852)**		(21 578)	(38 239)
Dividend income	2	**1 619**		2 881	5 979
Equity-accounted earnings		**41 888**		34 160	64 144
Profit before taxation		**447 424**	31	342 197	724 844
Taxation		**(123 985)**		(97 596)	(204 856)
Profit for the period/year from continuing operations		**323 439**	32	244 601	519 988
Profit after taxation for the period/year from discontinued operations	5	**–**		41 132	41 132
Profit for the period/year		**323 439**	13	285 733	561 120
Other comprehensive income which will subsequently be recycled to profit or loss		**(55 491)**		(38 574)	(24 832)
Exchange differences on translation of foreign operations:					
– Continuing operations		**(3 795)**		(3 389)	(5 732)
– Joint venture and associate		**(11 729)**		(16 918)	(17 486)
– Discontinued operations		**–**		(21 353)	(21 353)
Fair value profit on available-for-sale asset, net of tax		**–**		–	7
Movement in cash flow hedge accounting reserve, net of tax		**(39 967)**		3 086	19 732
Other comprehensive income recycled to profit or loss		**–**		(125 784)	(125 784)
Other comprehensive income which will not be recycled to profit or loss					
Actuarial profit on post-retirement medical liability		**–**		–	511
Total comprehensive income for the period/year, net of tax		**267 948**		121 375	411 015
Profit attributable to:					
Owners of the parent		**320 322**		280 943	553 534
Non-controlling interests		**3 117**		4 790	7 586
		323 439		285 733	561 120
Total comprehensive income attributable to:					
Owners of the parent		**264 831**		118 724	405 568
Non-controlling interests		**3 117**		2 651	5 447
		267 948		121 375	411 015
Continuing operations					
Basic earnings per ordinary share (cents)		**192,6**	33	144,9	308,9
Diluted basic earnings per ordinary share (cents)		**192,6**	33	144,9	308,9
Headline earnings per ordinary share (cents)		**192,6**	33	144,9	308,9
Diluted headline earnings per ordinary share (cents)		**192,6**	33	144,9	308,9
Discontinued operations					
Basic earnings per ordinary share (cents)				24,0	24,0
Diluted basic earnings per ordinary share (cents)				24,0	24,0
Headline earnings per ordinary share (cents)				3,7	3,7
Diluted headline earnings per ordinary share (cents)				3,7	3,7
Total operations					
Basic earnings per ordinary share (cents)		**192,6**	14	168,9	332,9
Diluted basic earnings per ordinary share (cents)		**192,6**	14	168,9	332,9
Headline earnings per ordinary share (cents)		**192,6**	30	148,6	312,6
Diluted headline earnings per ordinary share (cents)		**192,6**	30	148,6	312,6

Consolidated statement of changes in equity

	Attributable to holders of the parent							
			Non-distributable reserves					
	Issued share capital R'000	Share premium R'000	Continuing operations R'000	Discontinued operations R'000	Retained income R'000	Total attributable to ordinary shareholders R'000	Non-controlling interests R'000	Total R'000
As at 1 July 2016	17 147	666 873	483 515	144 998	1 916 040	3 228 573	26 024	3 254 597
Movement in share-based payment reserve			10 030			10 030		10 030
Disposal of business							(18 465)	(18 465)
Total comprehensive income			(17 221)	(144 998)	280 943	118 724	2 651	121 375
Profit for the period					280 943	280 943	4 790	285 733
Other comprehensive income			(17 221)	(144 998)		(162 219)	(2 139)	(164 358)
Dividends					(78 635)	(78 635)		(78 635)
Balance at 31 December 2016 (unaudited)	17 147	666 873	476 324	–	2 118 348	3 278 692	10 210	3 288 902
Movement in share-based payment reserve			13 680			13 680		13 680
Share-based expenses transferred from non-distributable reserves			(303 885)		303 885			
Total comprehensive income			14 253		272 591	286 844	2 796	289 640
Profit for the period					272 591	272 591	2 796	275 387
Other comprehensive income			14 253			14 253		14 253
Dividends					(91 734)	(91 734)	(5 484)	(97 218)
Balance at 30 June 2017 (audited)	**17 147**	**666 873**	**200 372**		**2 603 090**	**3 487 482**	**7 522**	**3 495 004**
Movement in share-based payment reserve			**14 800**			**14 800**		**14 800**
Total comprehensive income			**(55 491)**		**320 322**	**264 831**	**3 117**	**267 948**
Profit for the period					**320 322**	**320 322**	**3 117**	**323 439**
Other comprehensive income			**(55 491)**			**(55 491)**		**(55 491)**
Dividends					**(110 671)**	**(110 671)**	**(4 404)**	**(115 075)**
Balance at 31 December 2017 (unaudited)	**17 147**	**666 873**	**159 681**		**2 812 741**	**3 656 442**	**6 235**	**3 662 677**

Consolidated statements of financial position

	Unaudited 31 December 2017 R'000	Unaudited 31 December 2016 R'000	Audited 30 June 2017 R'000
ASSETS			
Property, plant and equipment	**1 459 029**	1 388 767	1 445 095
Intangible assets	**344 971**	321 731	349 997
Deferred tax	**1 695**	7 621	1 588
Other financial assets	**38 699**	47 365	41 746
Investment in joint ventures	**407 188**	360 124	392 013
Investment in associate	**5 296**	6 002	6 071
Non-current assets	**2 256 878**	2 131 610	2 236 510
Inventories	**1 290 514**	1 122 507	1 156 949
Trade and other receivables	**1 611 281**	1 482 743	1 567 802
Cash and cash equivalents	**747 606**	634 567	592 070
Taxation receivable	**–**	–	9 642
Current assets	**3 649 401**	3 239 817	3 326 463
Total assets	**5 906 279**	5 371 427	5 562 973
EQUITY AND LIABILITIES			
Capital and reserves			
Issued share capital	**17 147**	17 147	17 147
Share premium	**666 873**	666 873	666 873
Non-distributable reserves	**159 681**	476 324	200 372
Retained income	**2 812 741**	2 118 348	2 603 090
Total shareholders' funds	**3 656 442**	3 278 692	3 487 482
Non-controlling interests	**6 235**	10 210	7 522
Total equity	**3 662 677**	3 288 902	3 495 004
Long-term borrowings	**1 267**	300 000	251 492
Post-retirement medical liability	**16 931**	17 132	16 793
Deferred tax	**55 509**	75 878	73 138
Non-current liabilities	**73 707**	393 010	341 423
Trade and other payables	**1 828 993**	1 601 265	1 644 581
Bank overdraft	**3 844**	10 078	5 619
Short-term borrowings	**250 680**	–	416
Provisions	**79 795**	65 337	75 930
Taxation payable	**6 583**	12 835	–
Current liabilities	**2 169 895**	1 689 515	1 726 546
Total equity and liabilities	**5 906 279**	5 371 427	5 562 973

Consolidated statements of cash flows

	Unaudited six months ended 31 December 2017 R'000	Unaudited six months ended 31 December 2016 R'000	Audited year ended 30 June 2017 R'000
Cash flows from operating activities			
Operating profit from continuing operations	**403 660**	322 663	677 295
Operating profit from discontinued operations	**–**	8 416	8 416
Operating profit	**403 660**	331 079	685 711
Other adjustments and non-cash items	**137 901**	102 532	316 097
Operating profit before working capital changes	**541 561**	433 611	1 001 808
Working capital changes	**(85 708)**	(65 997)	(233 935)
Cash generated from operations	**455 853**	367 614	767 873
Finance income received	**10 931**	5 344	16 938
Finance costs paid	**(12 818)**	(24 696)	(41 612)
Dividend income received	**17 378**	18 268	21 368
Dividends paid	**(115 075)**	(78 635)	(175 853)
Taxation paid	**(109 505)**	(1 452)	(133 281)
Net cash inflow from operating activities	**246 764**	286 443	455 433
Cash flows from investing activities			
Decrease in other financial assets	**3 047**	26 945	32 356
Acquisition of business	**–**	–	(9 875)
Disposal of businesses	**–**	291 096	291 096
Purchase of property, plant and equipment – Expansion	**(56 044)**	(2 450)	(75 930)
– Replacement	**(35 780)**	(33 029)	(87 308)
Purchase of intangible assets	**–**	(45 822)	(70 821)
Proceeds on disposal of property, plant and equipment	**1 953**	1 931	2 298
Net cash (outflow)/inflow from investing activities	**(86 824)**	238 671	81 816
Cash flows from financing activities			
Increase in borrowings	**147**	7 822	9 917
Repayment of borrowings	**–**	(200 000)	(252 223)
Net cash inflow/(outflow) from financing activities	**147**	(192 178)	(242 306)
Net increase in cash and cash equivalents	**160 087**	332 936	294 943
Net foreign exchange difference on cash and cash equivalents	**(2 776)**	(2 909)	(2 954)
Cash and cash equivalents at beginning of period/year	**586 451**	294 462	294 462
Cash and cash equivalents at end of period/year	**743 762**	624 489	586 451

Notes to the consolidated financial statements

1. Basis of preparation

1.1 INTRODUCTION

The abridged unaudited interim results for the six months ended 31 December 2017 have been prepared in compliance with the Listings Requirements of the JSE Limited, International Financial Reporting Standards (IFRS), the requirements of the International Accounting Standards, IAS 34: *Interim financial reporting*, SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act, No. 71 of 2008. The Board of directors take full responsibility for the set of financial results which have been prepared by Ms Dorette Neethling, Chief Financial Officer.

1.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amended IFRS standards and interpretations during the year which did not have any effect on the financial performance or position of the Group:

- IAS 7: *Statement of cash flows – disclosure initiative amendments*
- IAS 12: *Income taxes – recognition of deferred tax assets for unrealised loss – amendments*

	Unaudited six months ended 31 December 2017 R'000	Unaudited six months ended 31 December 2016 R'000	Audited year ended 30 June 2017 R'000
2. Revenue			
Turnover	**3 199 024**	2 978 517	5 936 056
Finance income	**13 109**	4 071	15 665
Dividend income – Black Managers Share Trust	**1 619**	2 881	5 979
	3 213 752	2 985 469	5 957 700
3. Non-trading expenses			
Impairments	**–**	–	217
Transaction costs	**7 316**	5 469	6 251
Share-based payment expenses	**17 284**	13 767	40 660
	24 600	19 236	47 128

4. Acquisition of business

On 1 April 2017, Adcock Ingram Healthcare Proprietary Limited acquired 100% of the shareholding of Virtual Logistics Proprietary Limited (Virtual), a national fine distribution company.

The fair value of the identifiable assets as at the date of acquisition was:

Assets	25 413
Liabilities	(15 408)
Total identifiable net assets at fair value	10 005
Goodwill arising on acquisition	5 595
Purchase consideration	15 600
Deferred consideration	(8 000)
Net bank overdraft acquired with the business	2 275
Net cash consideration	9 875

Notes to the consolidated financial statements (continued)

	Unaudited six months ended 31 December 2016 R'000	Audited year ended 30 June 2017 R'000
5. Discontinued operations		
Adcock Ingram Private Limited (India) and 53.47% of Ayrton Drug Manufacturing Limited (Ayrton) in Ghana were disposed of on 14 October 2016 and 7 December 2016 respectively. The loss of control on disposal resulted in the foreign currency translation reserve relating to both entities being recycled to profit and loss during the previous financial period/year.		
5.1 PROFIT FOR THE PERIOD/YEAR FROM DISCONTINUED OPERATIONS	**6 374**	6 374
Profit on disposal of the discontinued operations	**34 758**	34 758
Profit for the period/year from discontinued operations	**41 132**	41 132
Profit/(Loss) attributable to:		
India	**46 638**	46 638
Ayrton	**(5 506)**	(5 506)
	41 132	41 132
Profit attributable to:		
Owners of the parent	**39 903**	39 903
Non-controlling interests	**1 229**	1 229
	41 132	41 132
5.2 CASH INFLOW ON DISPOSAL		
Consideration received	**338 601**	338 601
India	**327 565**	327 565
Ayrton	**11 036**	11 036
Net cash disposed of with the discontinued operations	**(47 505)**	(47 505)
India	**(48 807)**	(48 807)
Ayrton	**1 302**	1 302
Net cash inflow	**291 096**	291 096

Notes to the consolidated financial statements (continued)

	Unaudited six months ended 31 December 2017 R'000	Unaudited six months ended 31 December 2016 R'000	Audited year ended 30 June 2017 R'000
6. Segment reporting			
Turnover			
Southern Africa	**3 111 649**	2 890 382	5 754 241
OTC	**970 669**	884 568	1 849 038
Prescription	**1 021 117**	1 008 586	1 937 925
Consumer	**369 478**	334 849	688 807
Hospital	**686 359**	662 379	1 256 753
Other – shared services	**64 026**	–	21 718
Rest of Africa	**123 743**	99 118	207 052
Research and development services in India	**10 197**	8 426	18 396
Less: Inter-company sales	**(46 565)**	(19 409)	(43 633)
	3 199 024	2 978 517	5 936 056
Trading and operating profit			
Southern Africa	**413 806**	341 527	719 103
OTC	**181 111**	145 626	342 322
Prescription	**132 516**	116 490	207 787
Consumer	**58 419**	52 385	110 038
Hospital	**40 615**	27 026	58 475
Other – shared services	**1 145**	–	481
Rest of Africa	**12 849**	(865)	2 712
Research and development services in India	**1 605**	1 237	2 608
Trading profit	**428 260**	341 899	724 423
Less: Non-trading expenses	**(24 600)**	(19 236)	(47 128)
Operating profit	**403 660**	322 663	677 295
Total assets			
Southern Africa	**5 503 746**	4 991 147	5 161 098
OTC	**1 741 791**	1 546 192	1 667 220
Prescription	**1 386 414**	1 279 402	1 239 248
Consumer	**330 695**	319 566	354 965
Hospital	**1 163 652**	1 044 623	1 125 158
Other – shared services	**881 194**	801 364	774 507
Rest of Africa	**151 609**	143 491	146 661
India	**250 924**	236 789	255 214
	5 906 279	5 371 427	5 562 973
7. Inventory			
The amount of inventories written down and recognised as an expense in profit or loss:			
Cost of sales	**28 541**	18 896	66 215
8. Capital commitments			
– Contracted	**115 693**	52 216	72 202
– Approved, but not contracted	**113 262**	148 847	128 281
	228 955	201 063	200 483

Notes to the consolidated financial statements (continued)

	Unaudited six months ended 31 December 2017 R'000	Unaudited six months ended 31 December 2016 R'000	Audited year ended 30 June 2017 R'000
9. Headline earnings			
Headline earnings is determined as follows:			
Continuing operations			
Earnings attributable to owners of Adcock Ingram from total operations	**320 322***	280 943	553 534
Adjusted for:			
Profit attributable from discontinued operations (refer note 5.1)	**–**	(39 903)	(39 903)
Earnings attributable to owners of Adcock Ingram from continuing operations	**320 322**	241 040	513 631
Adjusted for:			
Loss/(Profit) on disposal of property, plant and equipment	**220**	(1)	(194)
Tax effect on loss/(profit) on disposal of property, plant and equipment	**(165)**	–	76
Adjustments relating to equity accounted joint ventures	**(26)**	–	199
Headline earnings from continuing operations	**320 351***	241 039	513 712
Discontinued operations			
Profit attributable to owners of Adcock Ingram from discontinued operations	**–**	39 903	39 903
Adjusted for:			
Profit on sale of discontinued operations (refer note 5.1)	**–**	(34 758)	(34 758)
Loss on disposal/scrapping of property, plant and equipment	**–**	975	975
Headline earnings from discontinued operations	**–**	6 120	6 120

** Total and continuing operations.*

	'000	'000	'000
10. Share capital			
Number of shares in issue	**175 748**	175 748	175 748
Number of ordinary shares held by the Group company	**(4 285)**	(4 285)	(4 285)
Net shares in issue	**171 463**	171 463	171 463
Headline earnings and basic earnings per share are based on:			
Weighted average number of ordinary shares outstanding	**166 294**	166 294	166 294
Diluted weighted average number of shares outstanding	**166 295**	166 294	166 295

Corporate information

Adcock Ingram Holdings Limited

Incorporated in the Republic of South Africa
(Registration number 2007/016236/06)
Income tax number 9528/919/15/3
Share code: AIP ISIN: ZAE000123436
("Adcock Ingram" or "the Company" or "the Group")

Directors

Ms L Boyce (Independent Non-executive Director)
Mr A Hall (Chief Executive Officer)
Prof M Haus (Independent Non-executive Director)
Ms J John (Independent Non-executive Director)
Dr T Lesoli (Independent Non-executive Director)
Ms B Letsoalo (Executive Director)
Ms N Madisa (Non-executive Director)
Mr M Makwana (Independent Non-executive Director)
Dr C Manning (Non-executive Director)
Dr A Mokgokong (Non-executive Director)
Ms D Neethling (Chief Financial Officer)
Mr L Ralphs (Non-executive Director)
Mr C Raphiri (Independent Non-executive Chairman)
Dr R Stewart (Independent Non-executive Director)

Company secretary

NE Simelane

Registered office

1 New Road, Midrand, 1682

Postal address

Private Bag X69, Bryanston, 2021

Transfer secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Bierman Avenue, Rosebank
Johannesburg, 2196
PO Box 61051
Marshalltown, 2107

Auditors

Ernst & Young Inc.
102 Rivonia Road, Sandton, 2146

Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)
1 Merchant Place, corner Fredman Drive and Rivonia Road
Sandton, 2196

Bankers

Nedbank Limited
135 Rivonia Road, Sandown
Sandton, 2146

Rand Merchant Bank
1 Merchant Place, corner Fredman Drive and Rivonia Road
Sandton, 2196

Forward-looking statements

Adcock Ingram may, in this document, make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, statements regarding exchange rate fluctuations, volume growth, increases in market share, total shareholder return and cost reductions. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour" and "project" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. Forward-looking statements apply only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.