

MEDIA RELEASE

ADCOCK INGRAM NOW A PROUDLY BIDVEST COMPANY

Johannesburg, 6 August 2019: The Bidvest Group's shareholding in Adcock Ingram Holdings Limited (Adcock Ingram) has increased to 50.1%.

Bidvest re-evaluated its strategic options with regard to its Adcock Ingram investment, and on 6 June 2019 announced that the Group increased its stake to 43.3%. Following the termination of Adcock Ingram's Broad-Based Black Economic Empowerment scheme, Bidvest's shareholding is now 50.1%.

The above followed an extensive period during which Bidvest evaluated ways in which to dispose of its interest in Adcock Ingram, preferably to a new black entrant, but funding was not forthcoming. Bidvest therefore concluded, rather than hold a minority stake, the opportunity existed to further maximise shareholder value by integrating the Adcock Ingram business even closer with the Bidvest operating philosophy.

Bidvest Chief Executive, Lindsay Ralphs, was appointed Adcock Ingram Chairman with effect from 1 July 2019.

Lindsay Ralphs commented, "We have concluded that control of Adcock Ingram is strategically much better for Bidvest, than simply owning it as an associate. We are looking forward to an even closer interaction with the Adcock Ingram board and executive management in assessing strategic possibilities in terms of its operations, its quality customer and product portfolio, as well as its exciting growth options. We extend a warm welcome to the 2 600 Adcock Ingram employees into the Proudly Bidvest family and we are looking forward to a rewarding future together."

The South African private pharmaceutical market, as measured by IQVIA in June 2019, is worth approximately R44.6 billion.

Adcock Ingram is South Africa's second largest manufacturer, marketer and distributor in the private pharmaceutical market and is one of the largest suppliers to the public sector, including having recently been awarded R2.2 billion of the State's anti-retrovirals tender. The Company has a major share of the South African critical care market, being the largest supplier of critical care products to the public sector and into hospitals.

Lindsay Ralphs concluded, "Adcock Ingram's superior range of trusted healthcare products are exceptionally well regarded by its vast customer base, and we are fully aligned to the company's current decentralised and autonomous business model. We like the well-diversified basket of brands, and although we are expecting the well documented pressure on the South African consumer spending to persist, we nevertheless see tremendous opportunity for Adcock Ingram to expand in its key markets, and deliver a robust contribution to Bidvest."

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