

Adcock Ingram Holdings Limited
(Registration number 2007/016236/06)
(Incorporated in the Republic of South Africa)
Share code: AIP
ISIN: ZAE000123436
("Adcock Ingram" or "the Company")

AdBEE (RF) LIMITED
(Registration number 2015/054070/06)
(Incorporated in the Republic of South Africa)
ISIN: ZAE000204897
Share Code: ADE
("AdBEE")

TERMINATION OF THE ADCOCK INGRAM BEE SCHEME

Adcock Ingram shareholders and securities holders of AdBEE are referred to the Stock Exchange News Service announcements issued by AdBEE and Adcock Ingram respectively dated 31 May 2019.

As securities holders of AdBEE were notified on that date, AdBEE will not initiate the process of extending the scheme and accordingly the scheme will come to an end on 29 July 2019, being the "specified date" as defined in the circular to Adcock Ingram shareholders dated 28 May 2015 (the "Scheme Circular"), a copy of which is available on the Adcock Ingram website at <http://www.adcock.com/Bee/Circulars>.

All terms in the Scheme Circular shall bear the same meaning when used herein.

Adcock Ingram shareholders and AdBEE securities holders are accordingly advised as follows: –

1. CALCULATED VALUE R72.00 OR LESS: CANCELLATION *AB INITIO*

- 1.1. On the specified date (being 29 July 2019), if the calculated value of a scheme share does not exceed the maximum price (being R72.00) then, subject to the provisions of paragraph 1.2 below, on the third business day after the specified date, the transaction, in its entirety, shall *ipso facto* be cancelled *ab initio*, unless prior to the 3rd business day after the specified date, Ad-izinyosi waives the Ad-izinyosi resolutive condition in respect of all the scheme shares.
- 1.2. The cancellation *ab initio* of the entire transaction or part thereof as contemplated above will have the following effect -
 - 1.2.1. the scheme shares shall cease to be subject to the pledge and shall be returned by Ad-izinyosi in certificated form to those securities holders holding their AdBEE securities in certificated form, as the successors-in-title to the scheme participants, and the relevant entries shall be made by the CSDPs in question, in regard to the remaining securities holders in AdBEE's subregisters of securities holders, as successors-in-title to the scheme participants;
 - 1.2.2. the transaction (excluding the issue of the call options) shall be cancelled *ab initio* and, save as regards the tax and securities transfer tax effects of the implementation of the scheme prior to the cancellation *ab initio*, the status quo ante shall be restored as between Ad-izinyosi, AdBEE and the securities holders at the time (as the successors-in-title to the scheme participants);
 - 1.2.3. any agreements between Ad-izinyosi and AdBEE (whether or not there are any other parties to them) relating to the scheme and/or the holding by Ad-izinyosi of the scheme shares, save insofar as they provide expressly to the contrary, shall be deemed to have been cancelled.
- 1.3. Should the AdBEE resolutive condition be fulfilled (in other words, the calculated value is R72.00 or less on the specified date) and the condition is not waived, as contemplated in paragraph 3.2 of the Scheme Circular, then the following will occur -
 - 1.3.1. trading in the AdBEE securities on the JSE shall immediately cease on the unwind date (being the specified date). Thereafter, all transactions for the transfer of the AdBEE securities which have been initiated with the JSE before and on the unwind date shall be completed within three days after the unwind date in accordance with the normal settlement provisions of Strate;

- 1.3.2. a register of the securities holders at the date, shall be created after three days from the unwind date.

2. **CALCULATED VALUE R72.00 OR LESS: WAIVER**

If the AdBEE resolutive condition is waived by Ad-izinyosi in respect of all of the scheme shares and Ad-izinyosi elects to pay the Ad-izinyosi indebtedness, it may do so entirely in cash or partly in cash and partly by the delivery of the requisite scheme shares, as further set out in the Scheme Circular.

Adcock Ingram and AdBEE have received an undertaking from the board of Ad-izinyosi confirming that it will not be waiving the AdBEE resolutive condition and accordingly, further details on this permutation are not applicable.

3. **CALCULATED VALUE ABOVE R72.00**

- 3.1. If the resolutive condition is not fulfilled or waived – in other words the calculated value is above R72.00, then –

- 3.1.1. trading in the AdBEE securities on the JSE shall immediately cease at the specified date. Thereafter, all transactions for the transfer of the AdBEE securities, which have been initiated with the JSE before the specified date shall be completed within three days after such date in accordance with the normal settlement procedures of Strate;

- 3.1.2. a register of the securities holders at the specified date, shall be created after three days from such date;

- 3.1.3. if Ad-izinyosi settles any part of the Ad-izinyosi indebtedness on the specified date by payment to AdBEE in cash, then -

- 3.1.3.1. the requisite scheme shares shall be released from the pledge and simultaneously Ad-izinyosi shall be deemed to have made payment of the Ad-izinyosi indebtedness by way of specific performance, by delivery to the trustee on behalf of the securities holders. The trustee shall procure the dematerialisation thereof where appropriate for securities holders holding their AdBEE securities in dematerialised form. The trustee shall as soon as reasonably possible deliver the remaining certificated scheme shares to those securities holders holding their AdBEE securities in certificated form. The trustee shall procure that the relevant entries are made by the CSDPs in question, in regard to the remaining securities holders in AdBEE's sub-registers of securities holders; and

- 3.1.3.2. the balance of the scheme shares not used to settle the balance of the Ad-izinyosi indebtedness shall be released from the pledge and released by AdBEE to Ad-izinyosi and AdBEE shall procure that the trustee returns the share certificates in respect of such shares to Ad-izinyosi.

3.2.

- 3.2.1. In terms of paragraph 7.2 of the Scheme Circular, AdBEE undertakes, as soon as reasonably possible after the settlement of the Ad-izinyosi indebtedness by Ad-izinyosi either in cash, in full, or partly in cash and the delivery of the requisite scheme shares, or as soon as reasonably possible after AdBEE becomes entitled to realise its security under the pledge, AdBEE shall exercise its rights thereunder and AdBEE will transfer the same to the securities holders. If Ad-izinyosi does not settle the Ad-izinyosi indebtedness in full on the specified date, AdBEE shall

be obliged to exercise its rights pursuant to the pledge or to release the scheme shares from the pledge and simultaneously Ad-izinyosi shall be deemed to have settled the Ad-izinyosi indebtedness by way of specific performance, as a result of which AdBEE shall be obliged to deliver the scheme shares to the securities holders in settlement of the unsettled portion of the AdBEE securities.

- 3.2.2. If the calculated value exceeds the maximum price then, after giving effect to the above, AdBEE will thereafter, as soon as reasonably possible, make an announcement as to how and when it will transfer the cash and/or scheme shares that it has received in accordance with the above to the AdBEE securities holders.

4. **SCHEME TERMINATION TIMETABLES**

The timetables applicable to the above permutations, where applicable, are set out below:

4.1. **Calculated Value R72.00 or less: Cancellation**

2019

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| Determination and announcement of calculated value | After close of trading Friday, 26 July |
| Specified date | Monday, 29 July |
| Last day to trade in order to be included in the AdBEE securities register in terms of scheme | Monday, 29 July |
| Suspension of trading of AdBEE securities | Tuesday, 30 July |
| Last day for Ad-izinyosi to deliver waiver letter to Adcock Ingram and AdBEE (not applicable) | Close of business on Wednesday, 31 July |
| The transaction, in its entirety, shall ipso facto be cancelled <i>ab initio</i> on the third business day after the specified date (as set out in paragraph 1 above) | Thursday, 1 August |
| Record date for the purpose of determining the securities register for AdBEE securities holders | Thursday, 1 August |
| Last day to determine the securities register on the specified date in terms of scheme | Friday, 2 August |
| Date of settlement and payment by Ad-izinyosi to AdBEE of the Ad-izinyosi indebtedness | Friday, 2 August |
| Return of scheme shares to AdBEE securities holders (dematerialised holders will have their accounts credited and certified holders will have their certificates posted) | Monday, 5 August |
| Termination of listing of AdBEE | Tuesday, 6 August |

4.2. **Calculated Value above R72.00**

2019

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| Determination and announcement of calculated value | After close of trading Friday, 26 July |
| Specified date | Monday, 29 July |

2019

Last day to trade in order to be included in the AdBEE securities register in terms of scheme

Monday, 29 July

Suspension of trading of AdBEE securities

Tuesday, 30 July

Record date for the purpose of determining the securities register for AdBEE securities holders

Thursday, 1 August

Last day to determine the securities register on the specified date in terms of scheme

Friday, 2 August

Delivery of cash and/or the remaining scheme shares to AdBEE securities holders (dematerialised holders will have their accounts credited and certified holders will have their certificates posted)

To be determined as soon as possible by AdBEE (a further announcement will be made in this event)

Termination of listing of AdBEE

1 (one) trading day after delivery of Adcock Ingram shares and/or cash to securities holders

Johannesburg

21 June 2019

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

Legal Adviser

Edward Nathan Sonnenbergs Inc.