



adcock ingram



UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2023
AND CASH DIVIDEND DECLARATION

Commentary

SALIENT FEATURES

Top ranked pharmaceutical company in the South African Private Market

Turnover increased 1% to R4.7 billion

Gross profit decreased 2% to R1.6 billion

Trading profit decreased 1% to R618 million

HEPS increased 1% to 293.0 cents

Interim dividend declared: 125 cents per share

Share buyback: 1.7 million shares

B-BBEE level: 2

INTRODUCTION

The Group's defensive portfolio of affordable medicines delivered a resilient performance in a constrained environment where consumers remain under pressure from high interest rates, exchange rate depreciation, high inflation and continued loadshedding, all of which result in lower disposable income.

The Board of Directors (Board) is satisfied with the results, despite these challenging circumstances. The Company has retained its status as the Number 1 pharmaceutical player in the South African private market. The Group continued to return capital to shareholders through the buyback of shares in the period under review.

FINANCIAL PERFORMANCE

REVENUE AND PROFITS

Revenue during the period under review increased by 1.4% to R4,740 million (December 2022: R4,676 million), supported by price realisation of 4.1% and a mix benefit of 2.3%. Organic volumes declined by 5.0%, impacted by the difficult trading environment, certain inventory supply challenges caused by port delays in South Africa and lower ARV tender sales.

The gross margin for the six-months declined from 35.1% to 34.0%, mainly impacted by an average increase of 14.4% in forward exchange contract rates for products acquired in foreign currency.

Operating expenses have been well controlled and decreased by 2.5%, resulting in trading profit of R618 million, just below the comparative period (December 2022: R623 million).

NON-TRADING EXPENSES

Non-trading expenses of R32 million consist mainly of share-based expenses of R29 million and the impairment of the Lulu and Marula intangible asset.

NET FINANCE COSTS

Net finance costs of R39 million (December 2022: R25 million) were incurred during the period, including IFRS 16 (Leases) finance costs of R14 million (December 2022: R15 million). The average borrowing rate in the current reporting period was 11.25%, compared to 9.48% in the prior comparative period.

HEADLINE EARNINGS

Headline earnings for the period decreased by 4.6% to R447 million (December 2022: R468 million). This translates into headline earnings per share of 293.0 cents (December 2022: 289.9 cents), an improvement of 1.1%, benefiting from the Group's repurchase of 1.7 million shares in the current reporting period and 7.7 million shares repurchased during the second half of the previous financial year.

CASH FLOWS

Cash generated from operations was R445 million (December 2022: R236 million) after working capital increased by R199 million (December 2022: R449 million). Inventories decreased by R52 million due to supply chain challenges related to port delays. Trade receivables increased by R129 million, but the book remains well controlled, and the average days outstanding are 57 days (June 2023: 55 days). Trade and other payables decreased by R122 million since June 2023, mainly driven by the decrease in inventory.

The Group increased its treasury shares held by Adcock Ingram Limited (AIL) by an additional 1.7 million during the current reporting period, at an average cost of R53.99 per share, resulting in a cash outflow of R94.1 million.

The Group was in a net debt position of R75 million (December 2022: R84 million net cash resources) at the end of the reporting period, with access to the remainder of the contracted working capital facilities of R1.7 billion.

CASH DIVIDEND DISTRIBUTION

The Board has declared an interim dividend of 125 cents per share in respect of the six-months ended 31 December 2023 out of income reserves.

BUSINESS OVERVIEW

Consumer turnover of R866.0 million (December 2022: R847 million), ended 2.3% ahead of the comparative period, driven by a mix benefit of 7.5% due to the on-boarding of the E45 skincare range and line extensions in established brands. An average price increase of 4.8% was realised. Organic volumes declined by 10.0%, because of the challenging economic environment, where discretionary spend remains under pressure and supply constraints on Bioplus sachets. The gross margin ended lower than the prior comparative period, with significant cost push from suppliers, the weaker exchange rate, as well as the inclusion of E45 at a lower average margin, the overall effect of which was not fully compensated for by the selling price increases. With excellent cost control, trading profit of R189 million (December 2022: R185 million), improved 2% above the prior comparative period.

OTC turnover of R1,149 million (December 2022: R1,146 million) ended in line with the prior comparative period. Average price realisation of 6.6% was achieved, which compensated for the volume decline of 6.3%. The division was impacted by inventory supply challenges emanating from the Durban port congestion. Gross margin ended lower than the prior period, adversely impacted by the weaker currency and additional costs incurred in the air-freighting of inventory. As a result, trading profit decreased by 9% to R165 million (December 2022: R181 million).

Prescription turnover of R1,713 million (December 2022: R1,721 million) ended in line with the comparative period. Average price realisation of 3.1% was achieved and a mix benefit of 2.5% was added, due to a number of new product launches. This was offset by a decline of 6.0% in organic volumes, as the comparative period included sales from the previous ARV tender. This however led to a more advantageous sales mix resulting in a gross margin improvement, despite the weaker exchange rate. Trading profit improved by an impressive 13% to R189 million (December 2022: R167 million).

Sales in **Hospital** improved 5% to R1,012 million (December 2022: R962 million). Organic volumes increased 3.0%, aided by the 3-year Large Volume Parenterals (LVP) tender awarded on 1 October 2023. Average price realisation of 2.1% was achieved. Gross margin ended lower than the comparative period following the change in the sales mix with higher LVP tender sales, numerous production challenges, including overtime to build inventory for the tender and water supply interruptions, and the adverse impact of the exchange rate. This resulted in a decrease of 16% in trading profit to R74 million (December 2022: R89 million).

PROSPECTS

The Group will continue to focus on expanding its product portfolio, by acquisition or partnership, particularly in less price-regulated product classes, to grow revenue and protect margins. We are encouraged by the Single Exit Price Adjustment awarded for 2024 of 6.79%, which will go some way to alleviating the pressure caused by the weak Rand.

COMMENTARY (Continued)

CASH DIVIDEND DISTRIBUTION

The Board has declared an interim gross dividend out of income reserves of 125 cents per share in respect of the six-months ended 31 December 2023. The South African dividend tax ("DT") rate is 20% and the net dividend payable to shareholders who are not exempt from DT is 100 cents per share. Adcock Ingram currently has 161 300 000 ordinary shares in issue and qualifying 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 <i>cum</i> distribution	Tuesday, 12 March 2024
Shares trade <i>ex</i> distribution	Wednesday, 13 March 2024
Record date	Friday, 15 March 2024
Payment date	Monday 18 March 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 13 March 2024 and Friday, 15 March 2024, both dates inclusive.

N Madisa
Chairperson

20 February 2024

AG Hall
Chief executive officer

Condensed consolidated statements of comprehensive income

	Note	Unaudited six months ended 31 December 2023 R'000	Change %	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
Revenue	2.1	4 740 424	1	4 676 411	9 131 852
Cost of sales		(3 130 757)			(5 944 832)
Gross profit		1 609 667	(2)	1 640 236	3 187 020
Selling, distribution and marketing expenses		(698 559)		(711 426)	(1 390 638)
Fixed and administrative expenses		(292 921)		(305 348)	(615 907)
Trading profit	2.3	618 187	(1)	623 462	1 180 475
Non-trading expenses	3	(32 440)		(29 424)	(44 948)
Operating profit		585 747	(1)	594 038	1 135 527
Finance income		5 192		2 877	7 628
Finance costs		(44 381)		(27 620)	(59 795)
Dividend income		1 600		1 191	3 174
Equity-accounted earnings		57 338		65 040	119 048
Profit before taxation		605 496	(5)	635 526	1 205 582
Tax		(161 325)		(167 177)	(307 222)
Profit for the period/year		444 171	(5)	468 349	898 360
Exchange differences on translation of foreign operations:		(20 771)		(2 590)	44 740
Subsidiaries		(785)		1	1 704
Joint venture		(19 986)		(2 591)	43 036
Movement in cash flow hedge accounting reserve, net of tax		(23 044)		11 155	57 814
Fair value of investment, net of tax		–		–	1 424
Actuarial profit on post-employment medical liability, net of tax		–		–	894
Total comprehensive income for the period/year, net of tax		400 356		476 914	1 003 232
Profit attributable to:					
Owners of the parent		444 171		468 349	898 410
Non-controlling interests		–		–	(50)
		444 171		468 349	898 360
Total comprehensive income attributable to:					
Owners of the parent		400 356		476 914	1 003 282
Non-controlling interests		–		–	(50)
		400 356		476 914	1 003 232
Basic earnings per ordinary share (cents)		291.3	–	289.9	561.3
Diluted basic earnings per ordinary share (cents)		283.9	–	283.3	548.6
Headline earnings per ordinary share (cents)		293.0	1	289.9	561.3
Diluted headline earnings per ordinary share (cents)		285.6	1	283.3	548.7

Condensed consolidated statement of changes in equity

	Issued share capital R'000	Share premium R'000	Treasury share reserve R'000	Non-distributable reserves R'000	Retained income R'000	Total attributable to holders of the parent R'000	Non-controlling interests R'000	Total R'000
As at 1 July 2022 (audited)	16 176	255 194		270 173	4 703 351	5 244 894	229	5 245 123
Movement in treasury shares	28	13 389				13 417		13 417
Treasury shares purchased	(150)	(73 878)				(74 028)		(74 028)
Cancellation of shares	(4)	(1 972)				(1 976)		(1 976)
Movement in share-based payment reserve*				13 974		13 974		13 974
Transfer of reserves				6 081	(6 081)	–		
Loss on sale of shares				(9)		(9)		(9)
Total comprehensive income				(12 104)	468 349	456 245		456 245
Profit for the period					468 349	468 349		468 349
Other comprehensive income				8 565		8 565		8 565
Reclassified to cost of inventory – not included in other comprehensive income				(20 669)		(20 669)		(20 669)
Dividends					(176 317)	(176 317)	(11)	(176 328)
Balance at 31 December 2022 (unaudited)	16 050	192 733		278 115	4 989 302	5 476 200	218	5 476 418
Share-based payment expenses*				14 866		14 866		14 866
Cancellation of shares								
Treasury shares purchased	(773)	73 878	(471 196)			(398 091)		(398 091)
Transfer of non-controlling interest					1	1	(1)	–
Profit on sale of shares				9		9		9
Total comprehensive income				63 943	430 061	494 004	(50)	493 954
Profit for the period					430 061	430 061	(50)	430 011
Other comprehensive income				96 307		96 307		96 307
Reclassified to cost of inventory – not included in other comprehensive income				(32 364)		(32 364)		(32 364)
Dividends					(199 051)	(199 051)	(193)	(199 244)
Balance at 30 June 2023 (audited)	15 277	266 611	(471 196)	356 933	5 220 313	5 387 938	(26)	5 387 912
Treasury shares purchased	(174)		(93 923)			(94 097)		(94 097)
Movement in share-based payment reserve*				(32 287)		(32 287)		(32 287)
Profit on sale of shares				10		10		10
Total comprehensive income				(38 862)	444 171	405 309		405 309
Profit for the period					444 171	444 171		444 171
Other comprehensive income				(43 815)		(43 815)		(43 815)
Reclassified to cost of inventory – not included in other comprehensive income				4 953		4 953		4 953
Dividends					(190 961)	(190 961)	(18)	(190 979)
Balance at 31 December 2023 (unaudited)	15 103	266 611	(565 119)	285 794	5 473 523	5 475 912	(44)	5 475 868

* Relate to equity and BMT option schemes.

Condensed consolidated statements of financial position

	Unaudited 31 December 2023 R'000	Unaudited 31 December 2022 R'000	Audited 30 June 2023 R'000
ASSETS			
Property, plant and equipment	1 477 918	1 460 838	1 475 795
Right-of-use assets	211 403	254 347	233 468
Intangible assets	1 226 052	1 238 020	1 233 326
Investment in joint ventures	693 301	569 195	670 948
Deferred tax assets	9 153	4 362	14 104
Other financial assets	20 269	20 507	20 476
Loans receivable	–	2 481	–
Non-current assets	3 638 096	3 549 750	3 648 117
Inventories	2 404 537	2 387 244	2 449 611
Receivables and other current assets	2 179 249	2 014 999	2 059 917
Cash and cash equivalents	107 141	84 333	91 540
Tax receivable	–	–	12 870
Loans receivable	–	–	479
Current assets	4 690 927	4 486 576	4 614 417
Total assets	8 329 023	8 036 326	8 262 534
EQUITY AND LIABILITIES			
Capital and reserves			
Issued share capital	15 103	16 050	15 277
Share premium	266 611	192 733	266 611
Treasury share reserve	(565 119)	–	(471 196)
Non-distributable reserves	285 794	278 115	356 933
Retained income	5 473 523	4 989 302	5 220 313
Total shareholders' funds	5 475 912	5 476 200	5 387 938
Non-controlling interests	(44)	218	(26)
Total equity	5 475 868	5 476 418	5 387 912
Long-term portion of lease liability	259 528	297 138	279 980
Post-employment medical liability	13 216	14 214	13 081
Deferred tax liability	135 636	130 152	147 352
Non-current liabilities	408 380	441 504	440 413
Trade and other payables	2 099 939	1 932 065	2 204 134
Bank overdraft	182 294	–	9 641
Short-term portion of lease liability	38 246	32 069	35 421
Provisions	104 971	141 887	168 607
Tax payable	19 325	12 383	16 406
Current liabilities	2 444 775	2 118 404	2 434 209
Total equity and liabilities	8 329 023	8 036 326	8 262 534

Condensed consolidated statements of cash flows

	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
Cash flows from operating activities			
Operating profit	585 747	594 038	1 135 527
Other adjustments and non-cash items	58 218	91 032	250 210
Operating profit before working capital changes	643 965	685 070	1 385 737
Working capital movements	(198 872)	(448 763)	(281 303)
Cash generated from operations	445 093	236 307	1 104 434
Finance income received	5 279	2 951	7 600
Finance costs paid	(40 594)	(25 734)	(59 155)
Dividend income received	16 600	26 191	28 174
Dividends paid	(190 979)	(176 328)	(375 572)
Taxation paid	(145 656)	(176 406)	(323 729)
Net cash inflow/(outflow) from operating activities	89 743	(113 019)	381 752
Cash flows from investing activities			
Purchase of property, plant and equipment – Replacement	(67 340)	(57 826)	(137 478)
– Expansion	(5 601)	(2 564)	(10 608)
Proceeds of sale of interest in BMT	207	1 263	1 549
Proceeds on loans receivable	–	1 644	3 645
Proceeds on disposal of property, plant and equipment	–	238	551
Proceeds from interest in Group Risk Holdings Proprietary Limited shares	–	–	717
Net cash outflow from investing activities	(72 734)	(57 245)	(141 624)
Cash flows from financing activities			
Share repurchase	(94 097)	(74 028)	(472 119)
Repayment of lease liabilities	(17 627)	(14 452)	(29 426)
Equity options scheme settlement	(61 491)	(377)	(1 117)
Cancellation of shares	–	(1 976)	(1 976)
Net cash outflow from financing activities	(173 215)	(90 833)	(504 638)
Net decrease in cash and cash equivalents	(156 206)	(261 097)	(264 510)
Effects of exchange rate changes on cash and cash equivalents	(846)	(55)	924
Cash and cash equivalents at beginning of period/year	81 899	345 485	345 485
Cash and cash equivalents at end of period/year	(75 153)	84 333	81 899

Notes to the consolidated financial statements

1. BASIS OF PREPARATION

INTRODUCTION

The condensed unaudited interim results for the six months ended 31 December 2023 have been prepared in compliance with the Listings Requirements of the JSE Limited, IFRS Accounting Standards, 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 under the supervision of Ms Dorette Neethling, chief financial officer.

The accounting policies applied in the preparation of the condensed interim consolidated financial statements are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements.

2. SEGMENT REPORTING

2.1. REVENUE

Geographical segments are not disclosed as the Indian operations of the Group are immaterial, and the Company mainly operates in Southern Africa.

The Group's reportable segments in Southern Africa are as follows:

Consumer – competes in the Fast Moving Consumer Goods (FMCG) space;

Over the Counter (OTC) – focuses primarily on brands sold predominantly in pharmacy, where the pharmacist plays a role in the product choice;

Prescription – markets products prescribed by medical practitioners and includes specialised instruments and surgical products;

Hospital – supplier of hospital and critical care products, including intravenous solutions, blood collection products and renal dialysis systems; and

Other – shared services – other support services, including the regulatory services in India, as well as the investment in the joint venture, and cash and bank overdraft balances which are managed on a central basis in Southern Africa.

	Unaudited six months ended 31 December 2023 R'000	Change %	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
Consumer	866 028	2	846 707	1 654 903
OTC	1 149 370	–	1 146 256	2 282 422
Prescription	1 712 894	–	1 720 589	3 294 379
Hospital	1 011 992	5	962 462	1 899 225
Other – shared services	140		397	923
	4 740 424	1	4 676 411	9 131 852

Notes to the consolidated financial statements (Continued)

2. SEGMENT REPORTING (CONTINUED)

2.2. REVENUE BY CHANNEL

	Wholesaler R'000	Corporate pharmacy R'000	Retail/ FMCG R'000	Hospital (including SANBS) R'000	Inde- pendent pharmacy R'000	Total private R'000	Public market R'000	Export and foreign R'000	Total R'000
31 December 2023									
Consumer	119 496	160 394	535 245	9	4 105	819 249	–	46 779	866 028
OTC	636 241	366 592	23 843	710	22 568	1 049 954	84 908	14 508	1 149 370
Prescription	814 637	570 116	186 499	19 323	28 136	1 618 711	85 595	8 588	1 712 894
Hospital	96 659	52 220	19 723	421 363	106 196	696 161	273 801	42 030	1 011 992
Other – shared services	–	–	–	–	–	–	–	140	140
	1 667 033	1 149 322	765 310	441 405	161 005	4 184 075	444 304	112 045	4 740 424
Split	35.2%	24.2%	16.1%	9.3%	3.4%	88.2%	9.4%	2.4%	100%

Revenue in terms of IFRS 15 and segmental revenue (note 2.1) are considered to be the same.

	Unaudited six months ended 31 December 2023 R'000	Change %	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
2.3. TRADING PROFIT				
Consumer	188 670	2	185 182	356 831
OTC	164 955	(9)	181 081	348 590
Prescription	189 131	13	167 447	320 118
Hospital	74 198	(16)	88 601	152 094
Other – shared services	1 233		1 151	2 842
	618 187	(1)	623 462	1 180 475
2.4. TOTAL ASSETS				
Consumer	1 266 398		1 308 311	1 438 283
OTC	1 892 305		1 941 857	2 002 635
Prescription	2 397 091		2 436 450	2 581 733
Hospital	1 868 247		1 594 511	1 661 035
Other – shared services	904 982		755 197	578 848
	8 329 023		8 036 326	8 262 534
2.5. CURRENT LIABILITIES				
Consumer	238 287		259 102	341 423
OTC	470 393		475 109	463 850
Prescription	878 054		818 610	843 742
Hospital	450 211		343 129	470 705
Other – shared services	407 830		222 454	314 489
	2 444 775		2 118 404	2 434 209

Notes to the consolidated financial statements (Continued)

	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
3. NON-TRADING EXPENSES			
Share-based payment expenses	29 461	29 424	44 104
Impairment	2 578	–	–
Transaction costs	401	–	–
Fair value adjustment of long-term receivable	–	–	844
	32 440	29 424	44 948
4. INVENTORY			
Inventories written down and recognised as an expense in cost of sales that forms part of trading profit	27 897	32 893	73 690
5. CAPITAL COMMITMENTS			
– Contracted	63 398	25 757	62 158
– Approved but not contracted	33 550	50 565	76 229
	96 948	76 322	138 387
6. HEADLINE EARNINGS			
Headline earnings is determined as follows:			
Profit attributable to owners of Adcock Ingram	444 171	468 349	898 410
Adjusted for:			
Loss/(Profit) on disposal/scraping of property, plant and equipment	36	(14)	(45)
Tax effect on the profit/(loss) on disposal of property, plant and equipment	(10)	4	(4)
Impairment of intangible asset	2 578	–	–
Adjustments relating to equity accounted joint ventures	(10)	–	93
Headline earnings	446 765	468 339	898 454
7. SHARE CAPITAL			
Number of shares in issue	169 719	169 759	169 759
Number of ordinary shares held by the Group companies	(10 274)	(9 219)	(16 950)
Cancellation of issued shares	(8 419)	(40)	(40)
Net shares in issue	151 026	160 500	152 769
Headline earnings and basic earnings per share are based on:			
Weighted average number of ordinary shares outstanding	152 460	161 542	160 065
Diluted weighted average number of shares outstanding	156 455	165 334	163 754

Notes to the consolidated financial statements (Continued)

8. FAIR VALUE HIERARCHY

The Group classifies all financial instruments and its fair value hierarchy as follows:

Financial instruments	Classification per IFRS 9	Statement of financial position line item	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
At fair value – Level 2¹					
Foreign exchange contracts – derivative asset	Derivative financial instruments	Receivables and other current assets	5 750	4 380	17 096
Foreign exchange contracts – derivative liability	Derivative financial instruments	Trade and other payables	13 677	7 158	240
At fair value – Level 3²					
Black Managers Share Trust	Fair value through profit and loss	Other financial assets	16 619	17 956	16 826
Investment	Fair value through OCI	Other financial assets	3 650	2 551	3 650
At amortised cost					
Trade and sundry receivables ³	At amortised cost	Receivables and other current assets	2 000 926	1 914 739	1 948 402
Cash and cash equivalents ³	At amortised cost	Cash and cash equivalents	107 141	84 333	91 540
Trade and other payables ³	At amortised cost	Trade and other payables	2 002 484	1 873 614	2 134 494
Bank overdraft ³	At amortised cost	Bank overdraft	182 294	–	9 641

Valuation techniques

¹ Level 2. Fair value based on the ruling market rate at reporting period end. The fair value of the forward exchange contract is calculated as the difference in the forward exchange rate as per the contract and the forward exchange rate of a similar contract with similar terms and maturities concluded as at the valuation date multiplied by the foreign currency monetary units as per the Forward Exchange Contract (FEC).

² Level 3. The value of the investment in Group Risk Holdings Proprietary Limited is based on Adcock Ingram's proportionate share of the net asset value of the Company. The value of the investment in the Black Managers Share Trust is based on the expected capital contribution to be received from the scheme beneficiaries.

³ The carrying value approximates the fair value due to the short-term nature.

Notes to the consolidated financial statements (Continued)

9. RELATED PARTIES

The following services have been obtained from subsidiaries of The Bidvest Group Limited, the controlling shareholder of the Company. All of the services are in the ordinary course of business and on an aggregated basis these arrangements/agreements are less than 10% of the Company's market capitalisation, which is within the ordinary course of business exclusion pursuant to Section 9 of the JSE Listings Requirements.

9.1. THE FOLLOWING SERVICES ARE OBTAINED WITH NO CONTRACT IN PLACE FOR THESE SERVICES, AS THEY ARE OBTAINED ON AN AD HOC BASIS, WITH PRICE AND QUALITY DICTATING THE PURCHASE:

Company	Description	Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
HRG Rennies Travel (Pty) Ltd	Travel	3 619	5 078	10 376
First Garment Rental (Pty) Ltd	Factory laundry	3 576	2 173	4 358
Bidvest Afcom (Pty) Ltd	Consumables (tape)	1 376	891	1 693
Bidvest Paperplus (Pty) Ltd t/a Lithotech Blesston	Consumables	859	101	561
Steiner Hygiene (Pty) Ltd	Cleaning consumables	747	566	1 597
Bidvest Office (Pty) Ltd t/a Bidvest Waltons	Office stationery	680	638	2 606
BMS Validations (Pty) Ltd	Certification Services	435	–	–
Bidvest Corporate Services (Pty) Ltd	Ad-hoc support cost	266	–	–
Bidvest G Fox (Pty) Ltd	Protective wear	231	255	462
Bidvest Paperplus (Pty) Ltd t/a S&N Labels	Labels	193	54	54
Aluminium Foil Converters (Pty) Ltd	Packaging	50	–	–
Bidvest Commercial Products (Pty) Ltd t/a Academy Brushware	Consumables	46	37	114
Bidtrack (Pty) Ltd	Vehicle tracking	13	–	3
Bidvest Office (Pty) Ltd t/a Hortors SA Diaries	Diaries	–	19	1 418
Bidvest Office (Pty) Ltd t/a Cecil Nurse	Furniture	–	244	244
Bidvest Material Handling (Pty) Ltd	Maintenance	–	131	174
Bidvest Service Holdings (Pty) Ltd t/a BidAir Cargo	Freight forwarding	–	–	60
Bidvest Execuflo	Flowers & Plants	–	7	11
		12 091	10 194	23 731

Notes to the consolidated financial statements (Continued)

9. RELATED PARTIES (CONTINUED)

		Unaudited six months ended 31 December 2023 R'000	Unaudited six months ended 31 December 2022 R'000	Audited year ended 30 June 2023 R'000
9.2. THE FOLLOWING SERVICES ARE OBTAINED WHERE NO CONTRACT IS IN PLACE, BUT A 12-MONTH PRICE AGREEMENT HAS BEEN CONCLUDED:				
Company	Description			
Pureau Fresh Water Company (Pty) Ltd	Refreshments	516	468	1 256
Bidvest Bank Limited	Forex	225	–	–
		741	468	1 256
9.3. CONTRACTS ARE IN PLACE FOR A PERIOD OF TIME FOR THE FOLLOWING SERVICES:				
Company	Description			
Safcor Freight (Pty) Ltd t/a Bidvest International Logistics	Freight forwarding	47 632	45 213	37 815
Bidvest Protea Coin (Pty) Ltd	Guarding	10 182	8 836	16 658
Bidvest Managed Solutions (Pty) Ltd	Cleaning/Gardening	9 194	5 771	5 771
Bidvest Prestige Cleaning t/a Bidvest Managed Solutions (Pty) Ltd	Cleaning	2 614	3 566	10 599
Bidvest Facilities Management (Pty) Ltd	Facilities Management	1 796	1 838	7 155
		71 418	65 224	77 998
9.4. THE FOLLOWING DIRECTORS' FEES HAVE BEEN PAID FOLLOWING THE AUTHORITY GRANTED AT THE ANNUAL GENERAL MEETINGS, HELD IN NOVEMBER 2022 AND NOVEMBER 2023:				
Company	Description			
Bidvest Corporate Services	Directors' fees	777	599	1 344
Bidvest Branded Products	Directors' fees	–	237	360
		777	836	1 704

CORPORATE INFORMATION

ADCOCK INGRAM HOLDINGS LIMITED

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

DIRECTORS

Ms L Boyce (Non-executive director)
Dr S Gumbi (Independent non-executive director)
Mr A Hall (Chief executive officer)
Ms B Letsoalo (Executive director: Human Capital and Transformation)
Ms B Mabuza (Lead independent director)
Ms N Madisa (Non-executive director and chairperson)
Dr C Manning (Independent non-executive director)
Ms D Neethling (Chief financial officer)
Ms D Ransby (Independent non-executive director)
Prof M Sathekge (Independent non-executive director)
Mr M Steyn (Non-executive director)

COMPANY SECRETARY

Mr Mahlatse "Lucky" Phalafala

REGISTERED OFFICE

1 New Road, Midrand, 1682

POSTAL ADDRESS

Private Bag X69, Bryanston, 2021

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank
Johannesburg, 2196
Private Bag X9000
Saxonwold, 2132

AUDITORS

PricewaterhouseCoopers Inc.
4 Lisbon Lane, Waterfall City
Waterfall, 2090

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

Investec Bank Limited
100 Grayston Drive
Sandton, 2196

ADCOCK.COM

