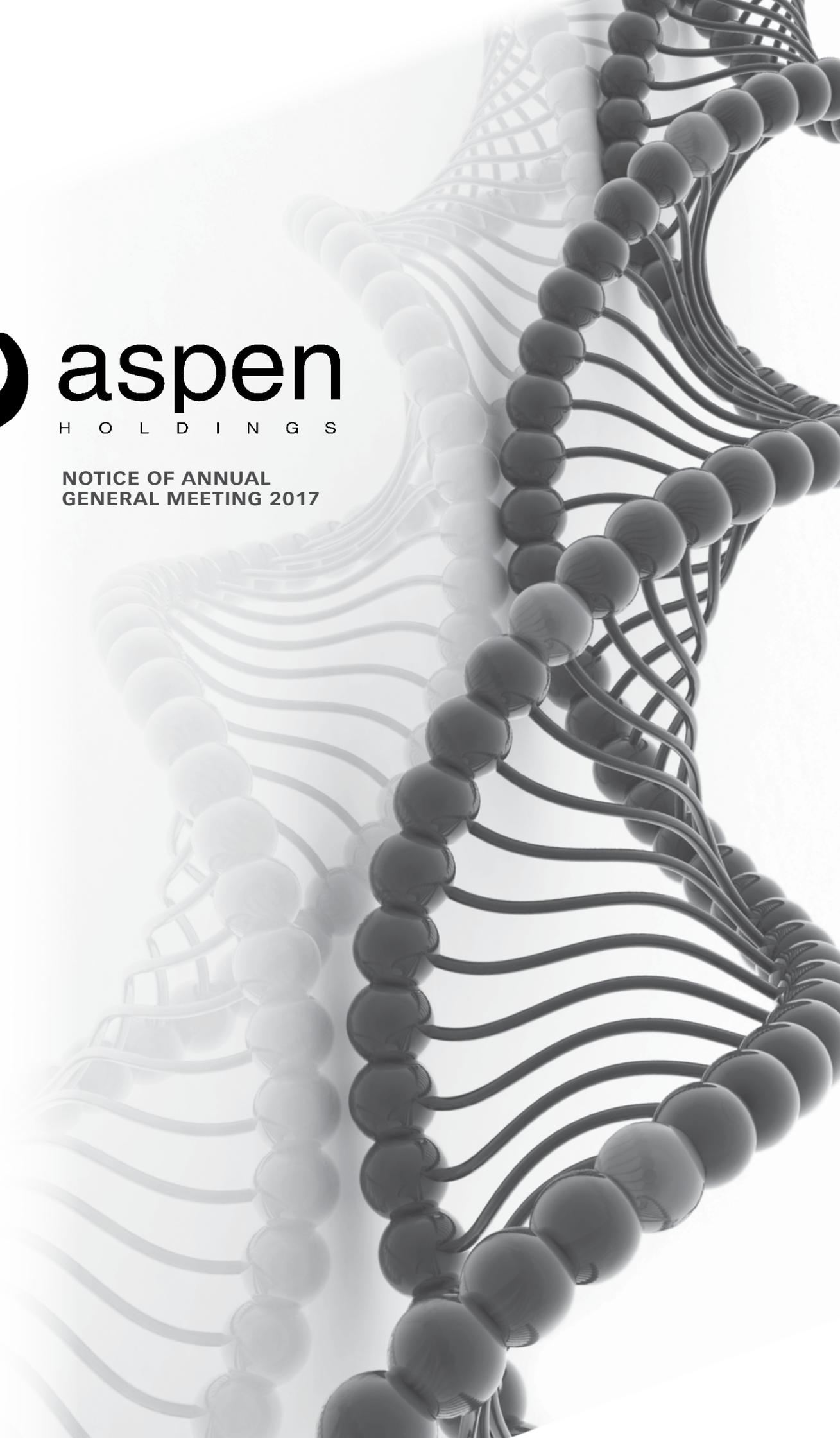




**aspen**

H O L D I N G S

**NOTICE OF ANNUAL  
GENERAL MEETING 2017**





# Notice of annual general meeting

## Aspen Pharmacare Holdings Limited

Incorporated in the Republic of South Africa

Registration number 1985/002935/06

("Company")

JSE share code: APN

ISIN code: ZAE 000066692

## A. NOTICE OF MEETING

Notice is hereby given that the 19th annual general meeting ("meeting") of the shareholders of the Company will be held at Aspen Place, 9 Rydall Vale Park, Douglas Saunders Drive, La Lucia Ridge, Durban, South Africa, on Thursday, 7 December 2017 at 10:00.

## B. ATTENDANCE AND PARTICIPATION AT THE MEETING

### General

The date on which a person must be registered as a shareholder in the register of the Company for purposes of being entitled to attend and participate in, and speak and vote at, the meeting is Friday, 1 December 2017 ("Record Date"). Accordingly, the last day to trade in order to be registered in the register of members of the Company and therefore be eligible to participate in and vote at the annual general meeting is Tuesday, 28 November 2017.

### Certificated shareholders and dematerialised shareholders with "own-name registration"

If you hold certificated shares or hold dematerialised shares with "own-name registration" (i.e. you specifically instructed your Central Securities Depository Participant ("CSDP") to hold your shares in your own name on the Company's sub-register):

- you may attend the meeting in person; or
- you may appoint a proxy to participate in, and speak and vote at, the meeting on your behalf by completing the attached form of proxy and delivering it to the Company's transfer secretaries. Shareholders are requested, but are not obliged, to submit their completed forms of proxy to the Company's transfer secretaries before 10:00 on Monday, 4 December 2017. The purpose of this request is to provide certainty to the Chairman of the meeting regarding the number of participants. Accordingly, shareholders will not be prejudiced in any manner if they do not deliver their completed forms of proxy to the Company's transfer secretaries by the aforementioned time and date, and will still be able to deliver their completed forms of proxy to the Chairman of the meeting C/o the Company Secretary & Group Governance Officer at Aspen Place, 9 Rydall Vale Park, Douglas Saunders Drive, La Lucia Ridge, Durban, South Africa, at any time prior to the commencement of the meeting (although this could delay the commencement of the meeting).

A proxy need not be a shareholder of the Company.

### Dematerialised shareholders other than those with "own-name registration"

If you hold dematerialised shares other than with "own-name registration", you may:

- instruct your CSDP or broker to vote at the meeting on your behalf by providing your CSDP or broker with your voting instructions in terms of the custody agreement entered into between you and your CSDP or broker. You must not complete the attached form of proxy; or
- attend the meeting in person by instructing your CSDP or broker to issue you with the necessary letter of representation to attend the meeting in terms of the custody agreement entered into between you and your CSDP or broker.

### Identification

Section 63(1) of the Act provides that all meeting participants must provide reasonably satisfactory identification to the Chairman of the meeting, who must be satisfied that the right of that person to participate in, and speak and vote at, the meeting as a shareholder, as a proxy for a shareholder or as a representative of a shareholder, has been verified.

# Notice of annual general meeting continued

## Electronic participation

Shareholders or their proxies or representatives may participate in (but not vote at) the meeting by way of telephone conference call, and if they wish to do so:

- must contact the Company Secretary & Group Governance Officer (by email at the address [rverster@aspenpharma.com](mailto:rverster@aspenpharma.com)) by no later than 10:00 on Friday, 1 December 2017 in order to obtain a pin number and dial-in details for the conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Shareholders and their proxies or their representatives will not be able to vote telephonically at the meeting and will still need to appoint a proxy or representative to vote on their behalf at the meeting.

## C. PURPOSE OF THE MEETING

The purpose of the meeting is to:

- present the audited Annual Financial Statements of the Company and the Group for the year ended 30 June 2017 (including the directors' report and the Audit & Risk Committee report);
- present and note the report of the Social & Ethics Committee, which is available from the Company's website [www.aspenpharma.com](http://www.aspenpharma.com);
- note the retirement of, and vote on the re-election of certain directors of the Company;
- vote on the approval of the appointment of an independent external auditor for the year ending 30 June 2018;
- vote on the appointment of the members of the Audit & Risk Committee;
- place unissued shares under the control of the directors;
- vote on the approval of a general but restricted authority to issue shares for cash;
- endorse, by way of a non-binding advisory vote, the remuneration policy;
- endorse, by way of a non-binding advisory vote, the remuneration implementation report;
- authorisation of an executive director to sign necessary documents;
- vote on the approval of non-executive director remuneration;
- vote on financial assistance to a related or inter-related company;
- vote on the approval of a general authority to repurchase shares; and
- consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Act.

## D. INTERPRETATION

In this notice of meeting (including the form of proxy attached hereto), the term:

- "Act" – means the Companies Act, No 71 of 2008 (as amended from time to time);
- "Annual Financial Statements" – means the Audited Annual Financial Statements of the Company and the Group for the year ended 30 June 2017;
- "Group" – means the Company and any and all subsidiaries of the Company and, if appropriate, references to "the Group" will include each member of the Group;
- "Integrated Report" – means the Integrated Report of the Company for the year ended 30 June 2017, which was posted to shareholders during November 2017 along with this notice of meeting;
- "King IV" – means the King Code of Governance Principles and the King Report on Governance for South Africa, 2016;
- "Listings Requirements" – means the Listings Requirements of the JSE Limited ("JSE"), as amended from time to time;
- "Regulations" – means the regulations promulgated under section 223 of the Act;
- "SENS" – means the Stock Exchange News Service operated by the JSE Limited; and
- "subsidiary/ies" – will bear the meaning assigned to this term in section 3 of the Act.

## ORDINARY BUSINESS

### ORDINARY RESOLUTION NUMBER 1 – presentation and adoption of Annual Financial Statements Resolution

To receive and adopt the Annual Financial Statements, including the directors' report and the Audit & Risk Committee report (included by reference), of the Company and the Group for the year ended 30 June 2017.

**Additional information and threshold for approval**

In order for this ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this ordinary resolution is required.

A hard copy of the Annual Financial Statements may be obtained from the registered office of the Company or from the Company Secretary & Group Governance Officer (by email at the address [rverster@aspenpharma.com](mailto:rverster@aspenpharma.com)). An electronic copy of these statements may be obtained from the Company's website: [www.aspenpharma.com](http://www.aspenpharma.com).

**ORDINARY RESOLUTION NUMBER 2 – presentation and noting of the Social & Ethics Committee report****Resolution**

To receive and note the Social & Ethics Committee report of the Company and the Group for the year ended 30 June 2017.

**Additional information and threshold for approval**

In order for this ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this ordinary resolution is required.

A hard copy of the Social & Ethics Committee report may be obtained from the registered office of the Company or from the Company Secretary & Group Governance Officer (by email at the address [rverster@aspenpharma.com](mailto:rverster@aspenpharma.com)). An electronic copy of this report may be obtained from the Company's website [www.aspenpharma.com](http://www.aspenpharma.com).

**ORDINARY RESOLUTION NUMBER 3 – re-election of directors****Resolution**

To elect or re-elect the following directors, who are either retiring by rotation in terms of the Memorandum of Incorporation of the Company or who have been appointed by the Board since the Company's previous annual general meeting, all of whom are eligible and offer themselves for re-election:

- 3.1 Roy Andersen;
- 3.2 John Buchanan;
- 3.3 Kuseni Dlamini;
- 3.4 Maureen Manyama; and
- 3.5 Chris Mortimer.

**Additional information and threshold for approval**

Abbreviated biographical details of the directors are set out in the Board of Directors section on pages 96 to 99 in the Integrated Report and on the Company's website [www.aspenpharma.com](http://www.aspenpharma.com).

Each of the ordinary resolutions above will be considered by way of a separate vote and, in order for each ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on each such ordinary resolution is required.

**ORDINARY RESOLUTION NUMBER 4 – reappointment of independent external auditors****Resolution**

To reappoint the auditors, PricewaterhouseCoopers Inc., as the independent registered auditors of the Company and the Group, upon the recommendation of the Audit & Risk Committee, and to note that Craig West will be the individual registered auditor who will undertake the audit for the financial year ending 30 June 2018.

**Threshold for approval**

In order for this ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this ordinary resolution is required.

# Notice of annual general meeting continued

## **ORDINARY RESOLUTION NUMBER 5 – election of Audit & Risk Committee members**

### **Resolution**

To elect the following independent non-executive directors as members of the Audit & Risk Committee of the Company for the financial year ending 30 June 2018:

- 5.1 Roy Andersen;
- 5.2 John Buchanan;
- 5.3 Maureen Manyama;
- 5.4 Babalwa Ngonyama; and
- 5.5 Sindi Zilwa.

### **Additional information and threshold for approval**

Abbreviated biographical details of the directors are set out in the Board of Directors section on the Company's website.

Each of the ordinary resolutions above will be considered by way of a separate vote and, in order for each ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on each such ordinary resolution is required.

## **ORDINARY RESOLUTION NUMBER 6 – place unissued shares under the control of directors**

### **Resolution**

To place the ordinary shares in the authorised but unissued share capital of the Company at the disposal and under the control of the directors, subject to a maximum amount of 22 801 247 ordinary shares, which represents the equivalent of approximately 5% of the ordinary shares in issue as at 30 June 2017, being 456 024 946 ordinary shares, excluding treasury shares, until the next annual general meeting of the Company, who are hereby authorised and empowered, subject to the provisions of the Act and the Listings Requirements, to allot, issue and otherwise dispose of such shares to such person/s on such terms and conditions and at such time/s as the directors may from time to time in their discretion deem fit; provided that this resolution shall not authorise the directors to effect an issue of shares for cash as contemplated in the Listings Requirements.

### **Threshold for approval**

In order for this ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this ordinary resolution is required.

## **ORDINARY RESOLUTION NUMBER 7 – general but restricted authority to issue shares for cash**

### **Resolution**

To authorise the directors, by way of a general authority and subject to the provisions of the Act and the Listings Requirements, to issue ordinary shares for cash as and when suitable situations arise, subject to the following limitations:

- the authority contained in this ordinary resolution is valid until the Company's next annual general meeting or for a period of 15 months from the date of passing of this ordinary resolution, whichever period is shorter;
- the directors may only issue ordinary shares pursuant to this ordinary resolution to public shareholders, as defined in paragraphs 4.25 to 4.27 of the Listings Requirements, and not to related parties;
- the number of ordinary shares that are the subject of any general issues for cash cannot exceed, in the aggregate in any one financial year of the Company, 5% of the ordinary issued share capital as at 30 June 2017, being 456 024 946 ordinary shares, excluding treasury shares. Based on this limitation, the directors cannot issue more than 22 801 247 ordinary shares pursuant to the authority granted in this ordinary resolution;
- the maximum discount at which any ordinary shares may be issued pursuant to the authority in this ordinary resolution is 10% of the weighted average traded price of the ordinary shares measured over the 30 business days prior to the date that the price of the issue is agreed between the Company and the person subscribing for the ordinary shares; and
- an announcement must be published, at the time of an issue representing, on a cumulative basis within one year, 5% or more of the number of ordinary shares in issue prior to such issue, giving full details of the issue, including (i) the number of ordinary shares issued; (ii) the average discount to the weighted average traded price of the ordinary shares over the 30 business days prior to the date that the price of the issue is agreed between the Company and the person subscribing for the ordinary shares; and (iii) the intended use of the funds arising from the subscription.

**Threshold for approval**

In order for this ordinary resolution to be adopted, the support of at least 75% of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this ordinary resolution is required.

**ORDINARY RESOLUTION NUMBER 8 – remuneration policy****Resolution**

To endorse, by way of a non-binding advisory vote, the remuneration policy of the Company and the Group, as set out in the Remuneration & Nomination Committee report commencing on page 104 of the Integrated Report.

**Threshold for approval**

In order for this non-binding ordinary resolution to be adopted, the support of a majority of votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this resolution is required. Ordinary resolution number 8 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. Policy provisions have been adopted to ensure that, in instances where the remuneration policy is voted against by 25% or more of voting rights exercised, appropriate measures be taken to constructively engage dissenting shareholders in order to address legitimate and reasonable objections and concerns raised or to clarify and adjust remuneration governance or processes. The nature and outcomes of these engagements will be reported on in our Integrated Report of the following financial year.

**ORDINARY RESOLUTION NUMBER 9 – remuneration implementation report****Resolution**

To endorse, by way of a non-binding advisory vote, the remuneration implementation report of the Company and the Group, as set out in the Remuneration & Nomination Committee report commencing on page 104 of the Integrated Report. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements.

**Threshold for approval**

In order for this non-binding ordinary resolution to be adopted, the support of a majority of votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this resolution is required. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. Policy provisions have been adopted to ensure that, in instances where the implementation report is voted against by 25% or more of voting rights exercised, appropriate measures be taken to constructively engage dissenting shareholders in order to address legitimate and reasonable objections and concerns raised or to clarify and adjust remuneration governance or processes. The nature and outcomes of these engagements will be reported on in our Integrated Report of the following financial year.

**ORDINARY RESOLUTION NUMBER 10 – authorisation for an executive director to sign necessary documents****Resolution**

To authorise any of the executive directors of the Company to sign all such documents and instruments and to do all such things as may be necessary for or incidental to the implementation of the resolutions adopted at the meeting.

**Threshold for approval**

In order for this ordinary resolution to be adopted, the support of a majority of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this ordinary resolution is required.

# Notice of annual general meeting continued

## SPECIAL BUSINESS

### SPECIAL RESOLUTION NUMBER 1 – remuneration of non-executive directors

#### Resolution

To approve the remuneration of non-executive directors with effect from 1 July 2017, on the basis set out below:

	Year to 30 June 2018		Year to 30 June 2017		Base fee percentage increase
	Proposed base fee R	Proposed fee per meeting# R	Current base fee R	Current fee per meeting R	
<b>1.1 Board</b>					
(a) Chairman*	1 098 488	n/a	<b>1 036 309</b>	<b>n/a</b>	6%
(b) Board member	158 656	29 850	<b>149 675</b>	<b>28 160</b>	6%
<b>1.2 Audit &amp; Risk Committee</b>					
(a) Chairman	199 060	36 741	<b>187 792</b>	<b>34 661</b>	6%
(b) Committee member	101 243	18 085	<b>95 512</b>	<b>17 061</b>	6%
<b>1.3 Remuneration &amp; Nomination Committee</b>					
(a) Chairman	75 650	18 113	<b>71 368</b>	<b>17 088</b>	6%
(b) Committee member	38 357	8 879	<b>36 186</b>	<b>8 376</b>	6%
<b>1.4 Social &amp; Ethics Committee</b>					
(a) Chairman	81 613	26 416	<b>76 993</b>	<b>24 921</b>	6%
(b) Committee member	40 739	14 017	<b>38 433</b>	<b>13 224</b>	6%

\* The Chairman of the Board does not receive any additional fees for his role as Chairman or for his attendance of committee meetings.

# Unscheduled meetings are remunerated at an hourly rate.

#### Additional information and threshold for approval

This special resolution will be considered by way of a separate vote on the remuneration of each category of non-executive directors (as specified in each line item of the table above and, in order for each special resolution to be adopted, the support of at least 75% of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this special resolution is required. Five scheduled Board meetings, five scheduled Audit & Risk Committee meetings, three scheduled Remuneration & Nomination Committee meetings and four scheduled Social & Ethics Committee meetings are to be held in the 2018 financial year. Unscheduled meetings of the Board and its committees may be held as required from time to time.

Although VAT of 14% is levied on non-executive directors' fees, the fees detailed above are excluding VAT.

### SPECIAL RESOLUTION NUMBER 2 – financial assistance to related or inter-related company

#### Resolution

To authorise the Company or any of its subsidiaries, in terms of and subject to the requirements of section 45 of the Act, at any time and from time to time during the period of two years commencing on the date of adoption of this special resolution, to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise to any companies or corporations that are related or inter-related to the Company (as contemplated in the Act).

#### Additional information and threshold for approval

In order for this special resolution to be adopted, the support of at least 75% of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this special resolution is required.

As it is difficult to foresee the exact details of financial assistance that the Company and/or its subsidiaries may be required to provide over the next two years. It is essential, however, that the Company is able to organise effectively its internal financial administration and funding arrangements. For these reasons, and because it would be impractical and difficult to obtain shareholder approval each time the Company and/or its subsidiaries wish/es to provide financial assistance as contemplated above, it is necessary to obtain the approval of shareholders, as set out in this special resolution. This special resolution does not authorise the provision of financial assistance to a director or a prescribed officer of the Company, or to a director, prescribed officer or member of a related or inter-related company or any company or person related to any such director, prescribed officer, member, or company, as the Company does not provide such financial assistance and is solely intended to facilitate funding arrangements throughout the Group.

The Board shall, before authorising the provision of any financial assistance contemplated in this special resolution, comply with the requirements set out in section 45 of the Act relating to, *inter alia*, solvency and liquidity.

### **SPECIAL RESOLUTION NUMBER 3 – general authority to repurchase shares**

#### **Resolution**

To authorise the directors, by way of a general authority, to facilitate an acquisition by the Company or any of its subsidiaries, from time to time, of the Company's ordinary issued share capital in terms of the Act and the Listings Requirements, provided that (i) the Company shall not, in the aggregate in any one financial year acquire more than 20% of its ordinary issued share capital, and (ii) a subsidiary may not hold more than 10% of the Company's issued share capital. Such general approval shall be valid until the earlier of the date of the next annual general meeting of the Company or the date that is 15 months from the date of the adoption of this special resolution.

#### **Additional information and threshold for approval**

It is recorded that the Listings Requirements currently require, *inter alia*, that the Company may make a general repurchase of its securities only if:

- the repurchase of shares is effected through the order book operated by the JSE's trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- acquisitions in the aggregate, in any one financial year, may not exceed 20% of the Company's issued share capital as at the date of adoption of this special resolution;
- repurchases are not made at a price more than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date of the repurchase;
- an announcement containing full details of each share repurchase is published in accordance with the Listings Requirements as soon as the Company or Group has acquired shares constituting, on a cumulative basis, 3% of the number of the ordinary shares in issue at the time the authority is granted and for each subsequent 3% repurchase thereafter;
- at any point in time, the Company may only appoint one agent to effect any repurchases on the Company's behalf;
- there is a resolution by the Board of Directors that resolved that it authorised the repurchase, that the Company passed the solvency and liquidity test, and that since the test was done there have been no material changes to the financial position of the Group; and
- the Company and/or its subsidiaries do not repurchase any shares during a prohibited period (as defined by the Listings Requirements), unless a repurchase programme is in place that has been submitted to the JSE in writing prior to the commencement of the prohibited period. The Company must instruct an independent, uninfluenced third party, which makes its investment decisions in relation to the Company's shares to execute the repurchase programme submitted to the JSE prior to the commencement of the prohibited period.

The directors have no specific intention, at present, for the Company or Group to repurchase any of the Company's shares, but should the authority be granted at the meeting, it will provide the Board of Directors with the flexibility to repurchase such shares as and when the best interests of the Company require it to do so.

Additional information required to be disclosed in connection with this special resolution in terms of the Listings Requirements is contained under section E of this notice of meeting.

In order for this special resolution to be adopted, the support of at least 75% of the votes cast by the shareholders present or represented by proxy at the meeting and entitled to vote on this special resolution is required.

### **E. ADDITIONAL DISCLOSURE REQUIRED IN TERMS OF THE LISTINGS REQUIREMENTS RELATING TO SPECIAL RESOLUTION NUMBER 3**

#### **Solvency and liquidity statement**

The directors of the Company, after considering the effect of the repurchase of the maximum number of the Company's shares in terms of the general authority to be provided in terms of special resolution number 3, are satisfied that for a period of 12 months after the date of this notice of meeting:

- the Company and the Group will be able in the ordinary course of business to pay their debts;
- the assets of the Company and the Group, recognised and measured in accordance with the accounting policies used in the latest audited Group Annual Financial Statements, will be in excess of the liabilities of the Company and the Group, recognised and measured in the same way as the assets;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

The Company undertakes to advise its sponsor before embarking on a general repurchase or capital distribution.

# Notice of annual general meeting continued

## **Additional information**

The following additional information is provided in terms of the Listings Requirements for purposes of the general authority to repurchase the Company's shares, as applicable:

- information relating to the major shareholders of the Company can be found on page 142 of the Integrated Report; and
- information relating to the share capital of the Company can be found in note 11 of the Group Annual Financial Statements.

## **Directors' responsibility statement**

The directors, whose names appear on pages 96 and 99 of the Integrated Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 3 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that special resolution number 3 contains all information required by the Listings Requirements.

## **Material changes**

Other than the facts and developments reported on in the Integrated Report and Annual Financial Statements, there have been no material changes in the affairs or financial position of the Company and the other members of the Group since the date of signature of the audit report and up to the date of this notice of meeting.

By order of the Board

## **Riaan Verster**

*Company Secretary & Group Governance Officer*  
Johannesburg  
30 October 2017

# Explanatory notes to resolutions for consideration at the annual general meeting

## ORDINARY BUSINESS

### Ordinary resolution number 1 – presentation and adoption of Annual Financial Statements

The directors must present to shareholders at the meeting the Annual Financial Statements incorporating the directors' report and the Audit & Risk Committee report for the year ended 30 June 2017. The directors' report is contained within the Annual Financial Statements at page 8, and the Audit & Risk Committee report can be accessed from the Company's website.

### Ordinary resolution number 2 – presentation and noting of the Social & Ethics Committee report

Regulation 43(5)(c) to the Act requires the Company's Social & Ethics Committee to report, through one of its members, to the shareholders at the Company's annual general meeting on the matters within its mandate. For this purpose, the report of the Social & Ethics Committee for the year ended 30 June 2017, which can be accessed via the Company's website, is presented for noting. The Chairman or, in her absence, one of the members of the Committee will be present at the meeting to answer questions in respect of the report.

### Ordinary resolution number 3 – re-election of directors

In terms of the Memorandum of Incorporation of the Company, one-third of the directors are required to retire at each annual general meeting and may offer themselves for re-election. Any person appointed subsequent to the last annual general meeting is similarly required to retire and is eligible for re-election at the next annual general meeting. In addition, directors who have reached the age of 70 years are required to be re-elected by shareholders on an annual basis. The Remuneration & Nomination Committee considered the contribution, performance and attendance of the directors offering themselves for re-election and has no hesitation in recommending them for reappointment by the shareholders.

### Ordinary resolution number 4 – reappointment of independent external auditors

The reason for proposing this ordinary resolution is to confirm, upon the recommendation of the Audit & Risk Committee, the appointment of PricewaterhouseCoopers Inc. as the independent external auditors of the Company and the Group, and to note that Craig West will be the individual registered auditor who will undertake the audit for the financial year ending 30 June 2018.

### Ordinary resolution number 5 – election of Audit & Risk Committee members

In terms of King IV, the Audit & Risk Committee must comprise a minimum of three independent non-executive directors and, further, in terms of regulation 42 to the Act, at least one-third of the members of the Committee must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management. Having regard to the aforementioned, the Remuneration & Nomination Committee considered the expertise, experience and independence requirements of the directors offering themselves for election and recommended to the Board that the directors be proposed to shareholders for approval.

### Ordinary resolution number 6 – place unissued shares under the control of directors

It is considered advantageous to grant the directors this authority to enable the Company the flexibility to take advantage of business opportunities that might arise in the future. This authority is due to expire at the next annual general meeting.

### Ordinary resolution number 7 – general but restricted authority to issue shares for cash

The reason for proposing this ordinary resolution is to enable the directors to undertake a general issue of shares for cash in accordance with, and subject to the requirements of, the Listings Requirements when they consider such corporate activity advantageous in light of prevailing market conditions. When a company proposes to issue shares for cash (or in order to extinguish a liability, obligation or commitment, restraint or settle any expenses), among others, the shareholders must authorise that issue by way of an ordinary resolution that achieves the support of a super-majority of 75% of those shareholders present or represented by proxy and voting on such resolution.

### Ordinary resolution number 8 – remuneration policy

The reason for proposing this ordinary resolution is to allow the shareholders to endorse, by way of a non-binding advisory vote, the Company's remuneration policy as set out in the Remuneration & Nomination Committee report on pages 104 to 114 of the Integrated Report, as required by the Listings Requirements.

# Explanatory notes to resolutions for consideration at the annual general meeting continued

## **Ordinary resolution number 9 – remuneration implementation report**

The reason for proposing this ordinary resolution is to allow the shareholders to endorse, by way of a non-binding advisory vote, the Company's implementation report as set out in the Remuneration & Nomination Committee report on pages 104 to 114 of the Integrated Report, as required by the Listings Requirements.

## **Ordinary resolution number 10 – authorisation for an executive director to sign necessary documents**

It is necessary to confer upon an executive director of the Company the authority to sign all documents and instruments as may be necessary for or incidental to the implementation of the resolutions adopted at the meeting.

## **SPECIAL BUSINESS**

### **Special resolution number 1 – remuneration of non-executive directors**

The Company, in general meeting, as per its memorandum of incorporation and the Act, shall from time to time determine the remuneration of non-executive directors, subject to shareholder approval.

### **Special resolution number 2 – financial assistance to related or inter-related company**

In accordance with section 45 of the Act, the Company may not provide financial assistance (as contemplated in section 45 of the Act) without the approval of a special resolution of shareholders. The reason for proposing the special resolution is to permit and authorise the Company and/or any subsidiaries to provide direct or indirect financial assistance, by way of a loan, the guaranteeing of a loan or other obligation or the securing of a debt or other obligation, to the recipients contemplated in special resolution number 2.

It is difficult to foresee the exact details of financial assistance that the Company and/or its subsidiaries may be required to provide over the next two years. It is essential, however, that the Company is able to organise effectively its internal financial administration. For these reasons, and because it would be impractical and difficult to obtain shareholder approval each time the Company and/or its subsidiaries wish/es to provide financial assistance as contemplated above, it is necessary to obtain the approval of shareholders, as set out in special resolution number 2.

It should be noted that this resolution does not authorise financial assistance to a director or a prescribed officer of the Company or to a director, prescribed officer or member of a related or inter related company, or any company or person related to any such director, prescribed officer, member or company.

### **Special resolution number 3 – general authority to repurchase shares**

The reason for proposing this special resolution is to permit and authorise the Company and/or any subsidiaries to acquire the Company's ordinary issued shares. The effect will be to grant the directors a general authority to facilitate the repurchase by the Company of up to 20% of the Company's ordinary issued share capital, and to approve the purchase by any subsidiaries of the Company of, in aggregate, no more than 10% of the number of issued ordinary shares of the Company. Such general authority will provide the Board with the flexibility, subject to the requirements of the Act and the Listings Requirements, to repurchase or approve the purchase of the Company's shares should it be in the interests of the Company while the general authority exists. This general authority shall be valid until the next annual general meeting, provided that it shall not extend beyond 15 months from the date of adoption of this special resolution.

# Form of proxy

**Aspen Pharmacare Holdings Limited**  
 Incorporated in the Republic of South Africa  
 Registration number 1985/002935/06  
 ("Company")  
 JSE share code APN  
 ISIN code ZAE 000066692

This form of proxy relates to the annual general meeting ("meeting") to be held at Aspen Place, 9 Rydall Vale Park, Douglas Saunders Drive, La Lucia Ridge, Durban, South Africa on Thursday, 7 December 2017 at 10:00.

**This form of proxy is for use by certificated shareholders and dematerialised shareholders whose shareholding is recorded in their own name in the sub-register maintained by their Central Securities Depository Participant ("CSDP") ("own-name" dematerialised shareholders). It is not for use by dematerialised shareholders (other than "own-name" dematerialised shareholders). Such dematerialised shareholders should provide their CSDP or broker with their voting instructions.**

This form of proxy must be returned to the Company's transfer secretaries, Terbium Financial Services Proprietary Limited at either of the following addresses:

- aspen@terbium.global; or
- 31 Beacon Road, Florida North, Johannesburg, 1709 (PO Box 61272, Marshalltown, 2107).

Shareholders are requested, but are not obliged, to submit their completed proxy forms by 10:00 on Monday, 4 December 2017. The purpose of this request is to provide certainty to the Chairman of the meeting regarding the number of participants. Accordingly, shareholders will not be prejudiced in any manner if they do not deliver their completed forms of proxy to the Company's transfer secretaries by the aforementioned time and date, and will still be able to deliver their completed forms of proxy to the Chairman of the meeting at any time prior to the commencement of the meeting.

**Please read the notes on the reverse hereof carefully, which, among other things, set out the rights of shareholders under section 58 of the Act with respect to the appointment of proxies.**

If you are a shareholder who is entitled to attend and participate in, and speak and vote at, the meeting, you may appoint not more than one person as your proxy to attend and participate in, and speak and vote (or abstain from voting) at, the meeting on your behalf. A proxy need not be a shareholder of the Company.

Please print clearly when completing this form and see the instructions on the reverse of this form for an explanation of the use of this form of proxy and the rights of the shareholder and the proxy.

I/We (please print name in full)

of (address)

being the holder(s) of \_\_\_\_\_ ordinary shares in the Company (see note 5), do hereby appoint

or, failing him/her, the Chairman of the meeting (see note 6), as my/our proxy to attend, speak and vote for me/us, or abstain from voting for me/us, and on my/our behalf at the meeting (including on any poll and on all resolutions put to the meeting), even if the meeting is postponed, and at any resumption of the meeting after any adjournment or postponement (see note 7).

I/We desire my/our proxy to vote as follows (see note 8):

Voting instructions	For	Against	Abstain
<b>ORDINARY BUSINESS</b>			
<b>Ordinary resolution number 1</b> – presentation and adoption of Annual Financial Statements			
<b>Ordinary resolution number 2</b> – presentation and noting of the Social & Ethics Committee report			
<b>Ordinary resolution number 3</b> – re-election of directors			
3.1 Roy Andersen			
3.2 John Buchanan			
3.3 Kuseni Dlamini			
3.4 Maureen Manyama			
3.5 Chris Mortimer			
<b>Ordinary resolution number 4</b> – reappointment of independent external auditors			
<b>Ordinary resolution number 5</b> – election of Audit & Risk Committee members			
5.1. Roy Andersen			
5.2. John Buchanan			
5.3. Maureen Manyama			
5.4. Babalwa Ngonyama			
5.5. Sindi Zilwa			
<b>Ordinary resolution number 6</b> – place unissued shares under the control of directors			
<b>Ordinary resolution number 7</b> – general but restricted authority to issue shares for cash			
<b>Ordinary resolution number 8</b> – remuneration policy			
<b>Ordinary resolution number 9</b> – remuneration implementation report			
<b>Ordinary resolution number 10</b> – authorisation for an executive director to sign necessary documents			
<b>SPECIAL BUSINESS</b>			
<b>Special resolution number 1</b>			
<b>1.1 Board</b>			
(a) Chairman			
(b) Board member			
<b>1.2 Audit &amp; Risk Committee</b>			
(a) Chairman			
(b) Committee member			
<b>1.3 Remuneration &amp; Nomination Committee</b>			
(a) Chairman			
(b) Committee member			
<b>1.4 Social &amp; Ethics Committee</b>			
(a) Chairman			
(b) Committee member			
<b>Special resolution number 2</b> – financial assistance to related or interrelated company			
<b>Special resolution number 3</b> – general authority to repurchase shares			

Signed this \_\_\_\_\_ day \_\_\_\_\_ of \_\_\_\_\_ 2017.

Signature \_\_\_\_\_

# Notes to the form of proxy

## Summary of rights contained in section 58 of the Act

Section 58 of the Act confers the following rights on holders of shares in the Company ("Aspen shareholders") and their proxies:

- an Aspen shareholder may, at any time and in accordance with section 58 of the Act, appoint not more than one individual (including an individual who is not an Aspen shareholder) as a proxy to participate in, and speak and vote at, the meeting on behalf of such Aspen shareholder;
- a proxy may delegate his/her authority to act on behalf of an Aspen shareholder to another person, subject to any restriction/s set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant Aspen shareholder chooses to act directly and in person in the exercise of any such Aspen shareholder's rights as a shareholder;
- any appointment by an Aspen shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- any appointment remains valid until the end of the meeting for which it is given (or any adjournment or postponement thereof), unless it is revoked in the manner contemplated in the instrument used to give effect to such appointment;
- if an appointment of a proxy is revocable, an Aspen shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the Company or the Company's transfer secretaries. The revocation of a proxy appointment constitutes a complete and final termination of the proxy's authority to act on behalf of the Aspen shareholder in question as of the later of (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument was delivered to the Company or the Company's transfer secretaries; and
- a proxy appointed by an Aspen shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the Memorandum of Incorporation of the Company, or the instrument appointing the proxy, provides otherwise.

## Explanatory notes to form of proxy

1. This form of proxy will not be effective at the meeting unless it is received by the Chairman at the meeting or the Company's transfer secretaries, at either of the following addresses: aspen@terbium.global; or 31 Beacon Road, Florida North, Johannesburg, 1709 (PO Box 61272, Marshalltown, 2107). Shareholders are requested, but are not obliged, to submit their completed proxy forms to the transfer secretaries by 10:00 on Monday, 4 December 2017. The purpose of this request is to provide certainty to the Chairman of the meeting regarding the number of participants. Accordingly, shareholders will not be prejudiced in any manner if they do not deliver their completed forms of proxy to the Company's transfer secretaries by the aforementioned time and date, and will still be able to deliver their completed forms of proxy to the Chairman of the meeting at any time prior to the commencement of the meeting.
2. This form of proxy is for use by certificated shareholders and dematerialised shareholders with "own-name" registration who wish to appoint another person (a proxy) to participate in, and speak and vote at, the meeting on their behalf. Other Aspen shareholders must not use this form. All beneficial shareholders who have dematerialised their shares through a CSDP or broker must provide the CSDP or broker with their voting instructions. Alternatively, if they wish to attend the meeting in person, they should request the CSDP or broker to provide them with a letter of representation in terms of the custody agreement entered into between the beneficial shareholder and the CSDP or broker. If duly authorised, companies and other corporate bodies that are Aspen shareholders may appoint a proxy using this form of proxy, or may appoint a representative in accordance with note 16 below.
3. This form of proxy need not bear the hand-written signature of an Aspen shareholder appointing the proxy and may be an instrument created by electronic or other means, including email or facsimile.
4. Where a share is held jointly, then the person who has been nominated by all of the joint holders as the registered shareholder will be entitled to attend and participate in, and speak and vote at, the meeting on behalf of all of the joint holders. If the joint holders do not nominate any such person, then any of the joint holders may exercise, or abstain from exercising, the voting rights in relation to that share as if he/she were solely entitled to do so, provided that, if more than one such joint holder is present or represented at the meeting, then the joint holder whose name stands first in the securities register in respect of that share or his/her proxy, as the case may be, is solely entitled to exercise or abstain from exercising such voting rights.
5. This form of proxy shall apply to all the ordinary shares registered in the name of the shareholder who signs this form of proxy at the record date unless a lesser number of shares is inserted in the relevant space/s on the previous page. A shareholder or the proxy is not obliged to cast all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast or in respect of which an abstention is recorded may not exceed the total number of the votes exercisable by the shareholder or by the proxy.
6. A shareholder may appoint not more than one person of his own choice as his proxy by inserting the name of such proxy in the space provided, and by signing and dating the form of proxy. Any such proxy need not be a shareholder of the Company. If the name of the proxy is not inserted, the Chairman of the meeting will be appointed as proxy. If more than one name is inserted, then the person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of any persons whose names follow. The proxy appointed in this form of proxy may delegate the authority given to him in this form of proxy by delivering to the Company, in the manner required by these instructions, a further form of proxy, which has been completed in a manner consistent with the authority given to the proxy in this form of proxy.
7. Unless revoked in accordance herewith, the appointment of a proxy in terms of this form of proxy will remain valid until the end of the meeting, even if the meeting or a part thereof is postponed or adjourned. This form of proxy will not be used at the resumption of an adjourned meeting if it could not have been used at the meeting from which it was adjourned for any reason other than that it was not lodged timeously for the meeting from which the adjournment took place.
8. A shareholder must insert an "X" in the space provided according to how he/she wishes the votes attaching to his/her ordinary shares to be cast.
9. This form of proxy shall, in addition to the authority granted under the Act, except insofar as this form of proxy provides otherwise, be deemed to confer the power generally to act at the meeting, subject to the specific direction as to the manner of voting in this form of proxy or on separate written instructions that accompany this form of proxy. Accordingly, if:
  - 9.1 an Aspen shareholder does not indicate on this instrument that the proxy is to vote in favour of, or against, or to abstain from voting on, any resolution; or
  - 9.2 the shareholder gives contradictory instructions in relation to any matter; or
  - 9.3 any additional resolution/s are properly put before the meeting; or
  - 9.4 any resolution listed in the form of proxy is modified or amended,then the proxy will be entitled to vote or abstain from voting, as he/she thinks fit, in relation to that resolution or matter. If, however, an Aspen shareholder has provided further written instructions that accompany this form and that indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in 9.1 to 9.4 above, then the proxy shall comply with those instructions.
10. If this proxy is signed by a person (signatory) on behalf of an Aspen shareholder, whether in terms of a power of attorney or otherwise, then this form of proxy will not be effective unless:
  - 10.1 it is accompanied by a certified copy of the authority given by such Aspen shareholder to the signatory; or
  - 10.2 the Company has already received a certified copy of that authority.
11. A minor or any other person under legal incapacity must be assisted by his parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered with the Company.
12. The Chairman of the meeting may, in his discretion, accept or reject any form of proxy or other written appointment of a proxy that is received by the Chairman prior to the time when the meeting deals with a resolution or matter to which the appointment of the proxy relates, even if that appointment of a proxy has not been completed and/or received in accordance with these instructions. However, the Chairman will not accept any such appointment of a proxy unless the Chairman is satisfied that it reflects the intention of the Aspen shareholder appointing the proxy.
13. Any alterations made to this form of proxy must be initialled by the authorised signatory/ies.
14. A vote cast or act done in accordance with the terms of this form of proxy will be deemed to be valid notwithstanding:
  - 14.1 the previous death, insanity or any other legal disability of the person appointing the proxy; or
  - 14.2 the revocation of the proxy in terms hereof; or
  - 14.3 the transfer of a share in respect of which the proxy was given, unless notice as to any of the abovementioned matters will have been received by the Company at the registered office of the Company or by the Chairman of the meeting, before the commencement or resumption (if adjourned or postponed) of the meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.
15. All notices that an Aspen shareholder is entitled to receive in relation to the Company will continue to be sent to that Aspen shareholder and will not be sent to the proxy, unless such Aspen shareholder has directed the Company to do so, in writing, and paid any reasonable fee charged by the Company for doing so.
16. Companies and other corporate bodies which are Aspen shareholders holding certificated shares or having dematerialised shares registered in their own names may, instead of completing this form of proxy, appoint a representative to represent them and exercise all of their rights at the meeting by giving written notice of the appointment of that representative. That notice will not be effective at the meeting unless it is accompanied by a duly certified copy of the resolution/s or other authorities in terms of which that representative is appointed and is received by the Company's transfer secretaries, at either of the following addresses: aspen@terbium.global; or 31 Beacon Road, Florida North, Johannesburg, 1709 (PO Box 61272, Marshalltown, 2107). Shareholders are requested, but are not obliged, to submit their completed proxy forms by 10:00 on Monday, 4 December 2017.





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