

# NOTICE OF ANNUAL GENERAL MEETING

## LENMED INVESTMENTS LIMITED

(Registration number 1980/003108/06)  
("the company")

Notice is hereby given to the shareholders of the company that the Thirty-first Annual General Meeting of the company will be held at Lenmed Private Hospital, K43 Highway, Lenasia on Wednesday, 25 September 2013 at 15:00 for the purposes of passing, with or without modification, the ordinary and special resolutions set out below.

*References in this notice of Annual General Meeting, to the "Companies Act" means the Companies Act, number 71 of 2008.*

### SECTION 63(1) OF THE COMPANIES ACT - IDENTIFICATION OF MEETING PARTICIPANTS

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licenses and passports.

### ELECTRONIC PARTICIPATION AT THE GENERAL MEETING

Should a shareholder wish to avail themselves of this facility, they are requested to contact the company secretary at least 10 business days before the date of the general meeting.

### ORDINARY RESOLUTIONS

#### ORDINARY RESOLUTION 1: ANNUAL FINANCIAL STATEMENTS

"RESOLVED THAT the annual financial statements of the company for the year ended 28 February 2013, including the directors'

report and the report of the Audit and Risk Committee, be and are hereby received."

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

**Retirement by rotation of directors – In terms of the Memorandum of Incorporation of the company, one third of the directors shall retire from office at the Annual General Meeting.**

#### ORDINARY RESOLUTION 2: CONFIRMATION OF RE-ELECTION OF DIRECTOR

During the year, the board appointed Ms N V Simamane as a director of the company. Such director holds office from the date of appointment until the date of first next Annual General Meeting following the appointment, and then is subject to retirement at that AGM. The board has recommended that Ms Simamane be re-elected as a director of the company.

"RESOLVED THAT Ms N Simamane be and is hereby re-elected as a director of the company."

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

#### ORDINARY RESOLUTION 3: RE-ELECTION OF DIRECTOR

"RESOLVED THAT Mr M G Meehan be and is hereby re-elected as a director of the company."

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

#### ORDINARY RESOLUTION 4: RE-ELECTION OF DIRECTOR

"RESOLVED THAT Ms B Harie be and is hereby re-elected as a director of the company."

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

#### ORDINARY RESOLUTION 5: APPOINTMENT OF AUDIT AND RISK COMMITTEE MEMBERS

"RESOLVED THAT the members of the company's Audit and Risk Committee set out below be and are hereby appointed. The membership as proposed by the board of directors is Ms B Harie, Mr M G Meehan and Ms N V Simamane all of whom are non-executive directors as prescribed by the Companies Act." It is recorded that Mr M G Meehan is chairman of the Audit and Risk Committee.

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

**NOTICE OF ANNUAL GENERAL MEETING, CONTINUED****ORDINARY RESOLUTION NUMBER 6: NON-BINDING ADVISORY ENDORSEMENT ON THE COMPANY'S REMUNERATION POLICY**

"To endorse on a non-binding advisory basis, the Company's remuneration policy (excluding the remuneration of the non-executive directors for the services as directors and members of board committees)."

The Company's remuneration policy and related information appears on page 37 of the integrated report.

**Reason for this resolution**

The reason for this resolution is to comply with the recommendations of King III regarding the key elements and guiding principles of the Company's remuneration policy, ie to communicate to shareholders, for the purposes of a non-binding advisory vote, how senior executives and especially directors of the Company are remunerated.

**Effect of this resolution**

The effect of this resolution is that the shareholders will have taken note of the key elements and guiding principles of the Company's remuneration approach and policy and will have given an indication by way of a non-binding advisory resolution whether they have found the aforementioned appropriate.

*Percentage of voting rights to pass this resolution: 50% plus 1 vote*

**SPECIAL RESOLUTIONS****SPECIAL RESOLUTION 1: APPROVAL OF FINANCIAL ASSISTANCE**

"RESOLVED THAT to the extent required by the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company's memorandum of incorporation and the Companies Act, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise, to:

- any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related to the company for any purpose or in connection with any matter, including, but not limited to, acquisition of or subscription for any option or any securities issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company; and
- any of its present or future directors or prescribed officers (or any person related to any of them or to any company or corporation related or inter-related to any of them), or to any other person who is a participant in any of the company's or group of companies' share or other employee incentive schemes, for the purpose of, or in connection with, the acquisition of or subscription for any option or any securities issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, where such

financial assistance is provided in terms of any such scheme that does not satisfy the requirements of section 97 of the Companies Act,

such authority to endure until the Annual General Meeting of the company for the year ended 28 February 2014."

*Percentage of voting rights to pass this resolution: 65%.*

**MOTIVATION FOR SPECIAL RESOLUTION NUMBER 1:**

Notwithstanding the title of section 45 of the Companies Act, being "Loans or other financial assistance to directors", on a proper interpretation, the body of the section may also apply to financial assistance provided by a company to related or inter-related companies and corporations, including, inter alia, its subsidiaries, associates, JVs, partnerships, collaboration arrangements etc, for any purpose. Furthermore, section 44 of the Companies Act may also apply to the financial assistance so provided by a company to related or inter-related companies, in the event that the financial assistance is provided for the purpose of, or in connection with, the acquisition or subscription for any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.

**NOTICE OF ANNUAL GENERAL MEETING, CONTINUED**

Both sections 44 and 45 of the Companies Act provide, inter alia, that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous 2 (two) years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board of directors must be satisfied that:

- immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

The company would like the ability to provide financial assistance, if necessary, also in other circumstances, in accordance with section 45 of the Companies Act. Furthermore, it may be necessary or desirable for the company to provide financial assistance to related or inter-related companies and corporations to acquire or subscribe for options or securities or purchase securities of the company or another company related or inter-related to it. Under the Companies Act, the company will however require the special resolution referred to above to be adopted. In the circumstances and in order to, inter alia, ensure that the company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution number 1.

Sections 44 and 45 contain exemptions in respect of employee share schemes that satisfy the requirements of section 97 of the Companies Act. To the extent that any of the company's share or other employee incentive schemes do not satisfy such requirements, financial assistance (as contemplated in sections 44 and 45) to be provided under such schemes will, inter alia, also require approval by special resolution. Accordingly, special resolution number 1 authorises financial assistance to any of the company's directors or prescribed officers (or any person related to any of them or to any company or corporation related or inter-related to them), or to any other person who is a participant in any of the company's share or other employee incentive schemes, in order to facilitate their participation in any such schemes that do not satisfy the requirements of section 97 of the Companies Act.

**SPECIAL RESOLUTION 2: FUTURE DIRECTORS' FEES**

"RESOLVED THAT the non-executive directors be paid the following fees for services as directors for the period from the date of this Annual General Meeting to the date of the next Annual General Meeting:

	MEETING FEE	RETAINER FEE*
Non-executive director	9 700	147 000
Independent non-executive director (all-in fee including membership / chairmanship of board committees)	10 250	162 000
Fee for work not specified above (per meeting rate)	10 250	-

\* Per annum

Percentage of voting rights to pass this resolution: 65%.

**MOTIVATION FOR SPECIAL RESOLUTION 2**

The reason for special resolution 2 is to comply with the provisions of the Companies Act. The effect of the special resolution is that, if approved by the shareholders at the Annual General Meeting, the fees payable to non-executive directors until the next Annual General Meeting will be as set out above.

**ANY MATTERS RAISED BY SHAREHOLDERS, WITH OR WITHOUT ADVANCE NOTICE TO THE COMPANY**

To deal, at the Annual General Meeting, with any matters raised by shareholders, with or without advance notice to the company.

**APPOINTMENT OF AUDITORS**

Shareholders are advised that PKF Durban are deemed to be re-appointed as auditors of the company at this AGM for the

**NOTICE OF ANNUAL GENERAL MEETING, CONTINUED**

ensuing financial year and that the individual registered auditor who will undertake the audit during the financial year ending 28 February 2014 will be Mr D Puran. In this regard, the Lenmed audit committee has:

- ensured that PKF is qualified for appointment;
- received confirmation that PKF is willing to accept the appointment;
- ensured that the auditor complies with the rotation requirements of section 92;
- confirmed that it has no objections to PKF's reappointment; and
- ensured that there has been no notice received of an intended resolution to appoint some other auditor in place of PKF.

**VOTING AND PROXIES**

A shareholder of the company entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, vote and speak in his/her stead. On a poll, every shareholder of the company present in person or represented by proxy shall have one vote for every share held in the company by such shareholder.

Forms of proxy may also be obtained on request from the company's registered office.

Duly completed forms of proxy must be lodged with and received by the Company Secretary (at address set out below) at any time before the commencement of the Annual General Meeting (or any adjournment of the Annual General Meeting) or handed to the chairman of the Annual General Meeting before the appointed proxy exercises any of the relevant shareholder's rights at the Annual General Meeting (or any adjournment of the annual general meeting).

By order of the board



**WILLIAM SOMERVILLE, COMPANY SECRETARY**

29 July 2013

**REGISTERED OFFICE**

Lenmed Investments Limited  
K43 Highway, Extension 8, Lenasia, Gauteng, 1827