



MEMO

FROM: THE MANAGEMENT

TO: DISTRIBUTORS AND STAFF

DATE: 1ST SEPTEMBER 2023

SUBJECT: ADVERTISEMENT REGULATION IN THE KEDI BUSINESS

Dear All,

Following a new directive issued by the National Agency for Food and Drug Administration and Control (NAFDAC), the Company has adjusted some of its printed materials (mainly flyers) to ensure that they are in compliance with the directive.

Indeed, all distributors of KEDI Healthcare Industries Nigeria Limited are independent, operating their KEDI business on their own volition and terms. However, as KEDI products are registered and regulated by NAFDAC and as the Company is the owner of the trademark of the products, the Company had earlier stipulated some rules and regulations in the KEDI INDEPENDENT DISTRIBUTOR MANUAL to guide advertisement by distributors in their KEDI business. However, with the new directive issued by NAFDAC, we will like to emphasize the following:

- 1) Distributors who wish to advertise any KEDI product or their KEDI business either by indoor or outdoor/out-of-home advertisement, must obtain the requisite advert approval or license from the designated government institution/regulatory bodies in Nigeria (NAFDAC and Advertising Practitioner Council of Nigeria (APCON) where applicable) or in their country of residence. Distributors are solely responsible for the expenses and incidental cost of processing such approval or license. As stated in the Company's rules and regulations, distributors must first apply for consent from the Company by submitting their advertisement content to the Company and signing the necessary Agreement before proceeding to obtain the necessary approval or license from the designated government institution/regulatory bodies.
- 2) Currently, the printed materials (main flyers), published and circulated by the Company have been approved by NAFDAC and distributors can make use of the approved printed materials for awareness and advertisement purpose to promote their KEDI business.

- 3) Distributors who create their own printed materials or run advertisement that have not been approved by NAFDAC and/or other designated government institution/regulatory bodies to promote their KEDI business, are solely responsible for such printed materials or advertisement. Where any dispute, loss or damages occurs as a result of the use of such unauthorized printed materials or advertisement, such distributors will be solely liable and responsible to NAFDAC and/or the other regulatory bodies and the Company will not share in that liability as the Company only recognizes printed materials (mainly flyers) that are published and circulated by the Company. Where the Company suffers any loss or damages as a result of the use of unapproved printed materials or advertisement by any distributor, such distributor shall indemnify and compensate the Company for such loss. The Company also reserves the right to seek remedy from such distributor.

While we understand the uniqueness and individuality of each distributor in operating their KEDI business and the independent nature of KEDI distributors, it is essential that all distributors join hands with the Company and work together to create a safe business environment for the smooth operation of the KEDI business. In view of this, we implore you to pay attention whenever you intend to run an advertisement for your KEDI business and ensure that you are in compliance with the requisite laws.

Please be rest assured that the Company will continue to do her best to provide all necessary support to her esteemed distributors in the KEDI business.

Thank you for your usual cooperation and understanding.

A handwritten signature in black ink, appearing to read 'Ryder, L', is positioned above the printed text.

SIGNED BY THE MANAGEMENT