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Merrill Lynch is acting exclusively for the Company and no one else in connection with the exercise of the Options and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Merrill Lynch or for providing advice in relation to the exercise of the Options.

HIKMA PHARMACEUTICALS PLC

(Incorporated and registered in England and Wales with Registered Number 5557934)

Notice of Annual General Meeting and Waiver of Rule 9 of the Takeover Code

A Form of Proxy for the Annual General Meeting is enclosed and should be completed and returned as soon as possible. To be valid, it must reach the Company's registrars, Capita Registrars, no later than 48 hours before the meeting, being 11.00 a.m. on 23 May 2006. A reply-paid envelope has been provided for this purpose for use within the United Kingdom. Alternatively, responses can be faxed to Capita Registrars on +44 208 639 2180. Completion and return of the Form of Proxy will not prevent you from attending and voting at the Meeting in person, should you so wish.

Alternatively, you may register your proxy appointment and instructions on-line by visiting the website of Capita Registrars, by logging onto www.capitaregistrars.com, where full instructions are given. In order to register your vote on-line you will need to enter your Investor Code which appears on the bottom right-hand side of your share certificate.

Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained in the Notice of Annual General Meeting contained in this document.



Hikma Pharmaceuticals PLC
Medius House LG
2 Sheraton Street
London W1F 8BH
United Kingdom

Registered in England and Wales with
company number 5557934
Registered office: Broadwalk House,
5 Appold Street, London EC2A 2HA

Dear Shareholder

24 April 2006

This document contains the notice of the first Annual General Meeting of Hikma Pharmaceuticals PLC. You are warmly invited to attend the meeting and, even if you are unable to attend, to vote on the resolutions by proxy. A Form of Proxy is included for your convenience.

This document contains explanatory notes for each of the items of special business to be put to the meeting, which begin with Resolution 11 and for the resolutions for the reappointment of Directors. It also contains information in relation to the Sterling Dividend Election which, for shareholders with registered addresses outside Jordan, accompanies this document.

Your Board unanimously recommends that you vote in favour of each of the resolutions to be put to the meeting. As Mazen Darwazah, Ali Al-Husry and I are directly interested in the subject matter of Resolution 15, we have not participated in the recommendation to vote in favour of that resolution and so that recommendation is unanimously given by the Independent Directors.

EXPLANATORY NOTES:

Dividend

Resolution 2: The Board has recommended a pro rata final dividend for the period from flotation to 31 December 2005 of 0.89 cents per ordinary share (approximately 0.5 pence per share) equivalent to approximately 5.34 cents per share on a full year basis. In order to assist shareholders with registered addresses outside Jordan, the Company has made available the option for shareholders to receive the final dividend in Pounds Sterling. For these shareholders, a Sterling Dividend Election Form, containing instructions in respect of this election, accompanies this document.

Separate arrangements for the payment of the final dividend (either in US \$ or Jordanian Dinar) have been made for shareholders with registered addresses in Jordan. These shareholders will be contacted separately.

Reappointment of Directors

Resolutions 3 to 8: In accordance with the Combined Code on Corporate Governance, the Chairman is happy to confirm that each of the Non-Executive Directors putting himself forward for re-election continued to perform his role effectively and has demonstrated considerable commitment to the Board since the IPO. Details of the experience of the Non-Executive Directors is set out on page 28 of the annual report and accounts for the year ended 31 December 2005, which accompanies this document.

Board report on remuneration

Resolution 11: This resolution is to approve the Board report on remuneration for the financial year ended 31 December 2005. You can find the report on pages 33 to 42 of the annual report and accounts for the year ended 31 December 2005, which accompanies this document.

Authority to Allot Shares

Resolution 12: Your Directors may only allot shares or grant rights over shares if authorised to do so by shareholders. The authority granted at 31 October 2005 is due to expire at this year's Annual General Meeting. Accordingly, Resolution 12 will be proposed as an ordinary resolution to grant a new authority to allot unissued share capital up to an aggregate nominal value of £5,559,947, representing approximately one third of the total issued ordinary share capital of the Company at 21 April 2006, the latest practicable date prior to the posting of this document. If given, this authority will expire at the annual general meeting in 2007 or on 24 August 2007, whichever is the earlier. Other than in respect of the Company's obligations to satisfy rights granted to employees under its various option arrangements, the Directors have no present intention of issuing any of the authorised but unissued share capital of the Company.

Authority to disapply pre-emption rights

Resolution 13: Your Directors also require additional authority from shareholders to allot shares or grant rights over shares or sell treasury shares where they propose to do so for cash and otherwise than to existing shareholders pro rata to their holdings. The authority granted at 31 October 2005 is due to expire at this year's Annual General Meeting. Accordingly, Resolution 13 will be proposed as a special resolution to grant such authority. Apart from rights issues, open offers or any other pre-emptive offer as mentioned, the authority will be limited to the issue of shares and sales of treasury shares for cash up to an aggregate nominal value of £833,992 (being approximately 5% of the Company's issued ordinary share capital at 21 April 2006, the latest practicable date prior to the posting of this document). If given, this authority will expire on 24 August 2007 or at the conclusion of the annual general meeting in 2007, whichever is the earlier.

Cancellation of Preference Shares

Resolution 14: In connection with its incorporation, the Company issued 49,998 non-voting redeemable preference shares of £1 each in the capital of the Company. Following the redemption of these shares, the Company has an authorised share capital which includes 49,998 unissued unclassified shares of £1 each. As the Company has no further requirement for these shares it proposes to cancel them pursuant to this resolution.

Waiver of Rule 9 of the Takeover Code

Resolution 15: The purpose of this resolution is to seek the approval of the Independent Shareholders to a waiver, which the Panel has agreed to give (subject to such approval), of the obligation that might otherwise arise under Rule 9 of the Takeover Code for the Concert Party to make a mandatory offer for the Ordinary Shares not already owned by them as a result of the exercise of the Options.

Takeover Code

The Takeover Code is issued and administered by the Panel and applies to all takeover and merger transactions, however effected, where the relevant company is a public company, whether quoted or unquoted, incorporated and resident in the United Kingdom, the Channel Islands or the Isle of Man. The Takeover Code also applies to certain categories of private limited companies.

The Takeover Code and the Panel operate principally to ensure fair and equal treatment of shareholders in relation to takeovers. The Takeover Code also provides an orderly framework within which takeovers are conducted. The Takeover Code has not, and does not seek to have, the force of law. It has, however, been acknowledged by both government and other regulatory authorities that those who seek to take advantage of the facilities of the securities markets in the United Kingdom should conduct themselves in matters relating to takeovers in accordance with high business standards and so according to the Takeover Code.

The Company is not currently subject to the Takeover Code. When the provisions of the Takeover Directive are enacted into English law, which will occur on 20 May 2006, the Company will become subject to the Takeover Code and its shareholders will accordingly become entitled to the protections afforded by the Takeover Code.

Under Rule 9 of the Takeover Code, where after 20 May 2006 (a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company, or (b) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% but not more than 50% of the voting rights of a company, if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, except with the consent of the Panel, he, and any person acting in concert with him, must make a general offer in cash to the other shareholders to acquire the balance of the shares not held by him and his concert party.

An offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid within the preceding 12 months for any shares in the Company by the person required to make the offer or any person acting in concert with him.

Darhold Limited (a privately-held company incorporated in Jersey) ("**Darhold**") holds 52,649,972 Ordinary Shares which, as at 21 April 2006 (the latest practicable date prior to the posting of the document) represented approximately 31.565% of the issued share capital of the Company. Samih Darwazah, Mazen Darwazah and Mohammed Saffouri are directors of Darhold and together with May Darwazah and Hana Darwazah are all shareholders of Darhold and are accordingly deemed to be acting in concert with it. Since pursuant to the Hikma Pharmaceuticals PLC 2004 Stock Option Plan they also hold Options to acquire shares in the Company, an exercise by them of any of those Options after 20 May 2006 could give rise to an obligation on them to make a general offer for the shares of the Company. The Independent Directors consider that it would undermine the purpose for which the Options were granted to require such an offer to be made and accordingly are seeking a waiver of that obligation from the Independent Shareholders.

The Concert Party

As at 21 April 2006, the latest practicable date prior to the posting of this document, each member of the Concert Party owned the number of Ordinary Shares and held the number of Options shown in the table below.

For the purposes of the Takeover Code the persons named in the table below are deemed to be acting in concert. As at the date of this document the total number of Ordinary Shares held by the Concert Party is 60,446,652 representing a combined shareholding of 36.239% of the issued share capital of the Company.

If all of the Options are exercised and no other options to subscribe for Ordinary Shares are exercised, the number of Ordinary Shares held by the Concert Party will increase to 62,966,652 representing 37,188% of the enlarged issued share capital of the Company. 20% of each person's holding of Options is currently exercisable and a further 20% vests on each 12 October from 2006 to 2009. Subject to any decision by the Board, or the board of the acquiring company, if any, all outstanding Options would vest immediately in the event of a change of control of the Company as defined in the rules of the Hikma Pharmaceuticals PLC 2004 Stock Option Plan, e.g., on a takeover, merger, scheme of arrangement, compulsory acquisition or liquidation of the Company.

All of the members of the Concert Party (other than Darhold, Rima Khair, Tamer Darwazah, Zahi Darwazah & Co. and Khaled Kanaan) are shareholders in Darhold and that is why they have been deemed members of the Concert Party, whether or not they currently own shares in Hikma directly. Rima Khair is the spouse of a shareholder of Darhold. Tamer Darwazah is the son of Mohammed T.M. Darwazah. Zahi Darwazah & Co. is a Jordanian company¹ owned by a brother of Samih Darwazah, Zahi Darwazah, and his wife and children. Khaled Kanaan is a former business associate and a personal friend of Mazen Darwazah. The table identifies all of the directors of Darhold. Samih Darwazah, Mazen Darwazah and Ali Al-Husry are Directors of Hikma. Other than as shown in the table below, no Director of Hikma nor any person acting in concert with the Directors, has any interest or short position in or right to subscribe for the securities of Darhold. Substantially all of Darhold's assets by value consist of its shareholdings in the Company.

Name of Concert Party member	Number of Ordinary Shares	Percentage of issued Ordinary Shares	Number of Options	Enlarged number of Ordinary Shares	Percentage of enlarged share capital ²	Percentage of Darhold owned
Darhold Limited	52,649,972	31.565	–	52,649,972	31.095	–
Samih Taleb Mahmoud Darwazah ³	1,074,506	0.644	1,600,000	2,674,506	1.580	16.73
Said Samih Darwazah ³	612,780	0.367	–	612,780	0.362	15.77
Mohammed Mahmoud Mohammed Saffouri ³	400,000	0.240	80,000	480,000	0.283	15.20
Bashir Yusuf Mo'hd Al-Alami ³	31,600	0.019	–	31,600	0.019	13.46
Mazen Samih Taleb Darwazah ³	561,958	0.337	800,000	1,361,958	0.804	9.88
"Mohammed Ali" Khaldoun Al-Husry	1,109,748	0.665	–	1,109,748	0.655	7.60
Samira Hasan Ali Fadli	–	–	–	–	–	5.10
May Samih Taleb Darwazah	–	–	20,000	20,000	0.012	2.55
Moh'd T.M. Darwazah	55,312	0.033	–	55,312	0.033	2.20
Samih Said Darwazah	–	–	–	–	–	2.12
Hana Samih Taleb Darwazah	–	–	20,000	20,000	0.012	1.71
Maher Khaled Taleb Darwazah	–	–	–	–	–	0.88
Saad Khaled Taleb Darwazah	–	–	–	–	–	0.84
Nadera Taleb Mahmoud Darwazah	–	–	–	–	–	0.78
Ahmad Khaled Taleb Darwazah	–	–	–	–	–	0.76
Taleb Khaled Taleb Darwazah	–	–	–	–	–	0.61
Lara M.T. Darwazah	–	–	–	–	–	0.76
Maha Khaled Taleb Darwazah	–	–	–	–	–	0.68
Sana Khaled Taleb Darwazah	–	–	–	–	–	0.68
Salam Khaled Taleb Darwazah	–	–	–	–	–	0.68
Faisal Moh'd T. Darwazah	–	–	–	–	–	0.40
Qamar Taleb Mahmoud Darwazah	–	–	–	–	–	0.34
Linda Taleb Mahmoud Darwazah	–	–	–	–	–	0.18
Karim Saad Khaled Taleb Darwazah	–	–	–	–	–	0.08
Rima Khair	40,000	0.024	–	40,000	0.024	–
Tamer Mohammad Taleb Darwazah	60,000	0.036	–	60,000	0.035	–
Zahi Darwazah & Co.	3,535,776	2.120	–	3,535,776	2.088	–
Khaled Kanaan	315,000	0.189	–	315,000	0.186	–
TOTAL	60,446,652	36.239	2,520,000	62,966,652	37.188	100.00

¹The directors of Zahi Darwazah & Co. are Zahi Darwazah, Basel Darwazah and Na'el Darwazah. The shares of the company are held as to approximately 18% each by Zahi Darwazah, Su'ad Yaish, Basel Darwazah, Na'el Darwazah and Hani Darwazah and as to approximately 9% by Lama Darwazah.

²Assumes all Options held by the Concert Party are exercised and no other Ordinary Shares are issued, including in relation to options held by other people.

³Directors of Darhold Limited.

Waiver of the obligation to make a general offer under Rule 9 of the Takeover Code

The exercise of the Options could increase the aggregate shareholding of the Concert Party in the Company to 37.188% and thereby trigger an obligation on the part of the Concert Party, under Rule 9 of the Takeover Code, to make a general offer to all Shareholders to purchase their Ordinary Shares.

The Panel has agreed, subject to the Whitewash Resolution being passed on a poll by the Independent Shareholders at the AGM, to waive the requirement for the Concert Party to make a general offer to the Independent Shareholders as would otherwise arise under Rule 9 of the Takeover Code as a result of the exercise of the Options. The members of the Concert Party may attend the meeting but will not vote on the Whitewash Resolution.

Following exercise of the Options the Concert Party in aggregate will hold more than 30% but not more than 50% of the voting share capital of the Company and for so long as they continue to be treated as acting in concert, any further increase by the Concert Party of its percentage interest in the Company would be subject to the provisions of Rule 9 of the Takeover Code.

Intentions of the members of the Concert Party

Other than the appointment of a further Non-Executive Director as anticipated in the Company's prospectus dated 1 November 2005, the members of the Concert Party are not intending to seek any changes to the Board and have confirmed that it would be their intention that, following any increase in their proportionate shareholding as a result of the exercise of the Options, the business of the Company would be continued in substantially the same manner as at present, with no major changes. Save as disclosed in the annual report and accounts, the members of the Concert Party are also not intending to change the existing employment rights, including pension rights, of any of the employees of the Company.

FURTHER INFORMATION

Your attention is drawn to the remainder of this document which contains further information relating to the Company and the members of the Concert Party. Financial information on the Company is set out in the Company's annual report and accounts for the year ended 31 December 2005, with which this document has been posted.

RECOMMENDATION

The Independent Directors, who have been so advised by Merrill Lynch, consider that the waiver of the obligation under Rule 9 of the Takeover Code that the Concert Party would incur as a result of the exercise of the Options, namely to make a general offer for the whole of the share capital of the Company (the "Waiver"), is fair and reasonable. In providing its advice, Merrill Lynch has taken into account the Independent Directors' commercial assessments.

In addition, the Independent Directors believe the Waiver to be in the best interests of the Company's shareholders as a whole and accordingly, the Independent Directors unanimously recommend that the Independent Shareholders vote in favour of the Whitewash Resolution at the AGM, as they intend to do in respect of their entire holdings which amount to 20,000 Ordinary Shares, representing approximately 0.012% of the Company's issued share capital.

Yours faithfully,

Samih Darwazah
Chairman and Chief Executive Officer

Additional Information

1. RESPONSIBILITY

1.1 The Directors, whose names appear in paragraph 2.1 below, accept responsibility for the information contained in this document other than that relating to the Concert Party. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information relating to the Company contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 The directors of Darhold, whose names appear in paragraph 2.2 below, accept responsibility for the information relating to the Concert Party contained in this document. To the best of the knowledge and belief of the directors of Darhold (who have taken all reasonable care to ensure that such is the case) the information relating to the Concert Party contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. THE DIRECTORS OF THE COMPANY AND DARHOLD

2.1 The current Directors of the Company, whose registered office is Broadwalk House, 5 Appold Street, London EC2A 2HA, are:

Samih Darwazah (Chairman and Chief Executive Officer);
 Mazen Darwazah (Vice-Chairman and Director);
 Ali Al-Husry (Non-Executive Director);
 Michael Ashton (Non-Executive Director);
 Breffni Byrne (Non-Executive Director);
 Sir David Rowe-Ham (Non-Executive Director).

2.2 The current directors of Darhold are:

Samih Darwazah;
 Said Darwazah;
 Mazen Darwazah;
 Bashir Al-Alami;
 Mohammed Saffouri.

3. INTERESTS AND DEALINGS

3.1 Save as disclosed in the table in the explanatory notes to Resolution 15, as at the close of business on 21 April 2006 (being the latest practicable date prior to the publication of this document), neither the Company nor any associate of the Company, nor any pension fund or employee benefit trust or connected adviser (or any person controlling or controlled by a connected adviser) of the Company or of any of its associates had any interest, right to subscribe or short position in the relevant securities in Darhold.

3.2 As at the close of business on 21 April 2006 (being the latest practicable date prior to the publication of this document), the interests of the Directors, members of their immediate families and related trusts in relevant securities were as follows:

Name	Number of Ordinary Shares	Percentage of present issued share capital	Options over Ordinary Shares
Samih Darwazah	1, 074,506	0.644	1,600,000
Mazen Darwazah	561,958	0.337	800,000
Ali Al-Husry	1,109, 748	0.665	—
Breffni Byrne	10,000	0.006	—
Sir David Rowe-Ham	10,000	0.006	—

3.3 As at the close of business on 21 April 2006 (being the latest practicable date prior to the publication of this document), there were no interests in relevant securities of the Company owned or controlled by a subsidiary of the Company, by an associated company of the Company or any of its subsidiaries or by an associated company of any such company.

3.4 As at the close of business on 21 April 2006 (being the latest practicable date prior to the publication of this document), there were no interests in relevant securities of the Company which are managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company.

3.5 Save as disclosed in this document neither any member of the Concert Party, nor any of the directors of Darhold, nor any person acting in concert with any member of the Concert Party, has any interests, rights to subscribe or short positions in the issued share capital of the Company nor have they had any dealings for value in or borrowed or lent relevant securities in the 12 months prior to the date of this document. In November 2005, Khaled Kanaan sold 16,284 Ordinary Shares.

3.6 Other interests and dealings

(a) Other than the purchases by Breffni Byrne and Sir David Rowe-Ham of 10,000 Ordinary Shares each on 5 December 2005 and 4 November 2005 respectively, and save as disclosed in paragraph 3.2, no Director or any person acting in concert with a Director is interested in any relevant securities of the Company or has dealt for value in any such securities during the period from 1 November 2005 until the date of this document;

- (b) As at the close of business on 21 April 2006, being the latest practicable date prior to the posting of this document, Merrill Lynch, other than as an exempt market-maker, is not interested in any relevant securities of the Company;
- (c) As at the close of business on 21 April 2006, being the latest practicable date prior to the posting of this document, neither:
 - (i) any subsidiary of the Company, nor any employee benefit trust or pension fund of the Company (other than as stated in paragraph 3.7 below) nor of any of its subsidiaries or associated companies and companies of which such companies are associated companies, nor any connected adviser (other than an exempt market-maker) of the Company nor of any subsidiary or associated company of the Company or any company of which such company is an associated company including any person controlling, controlled by or under the same control as any such connected adviser; nor
 - (ii) any discretionary fund manager (other than an exempt fund manager) connected with the Company has any interests, rights to subscribe or short positions in any relevant securities of the Company;
- (d) Save as disclosed in this document, as at the close of business on 21 April 2006, being the latest practicable date prior to the posting of this document, no person acting in concert with the Company held any interests in, nor had borrowed or lent, any relevant securities of the Company.

3.7 As at the close of business on 21 April 2006, being the latest practicable date prior to the posting of this document, Hikma Pharmaceuticals Employees Savings Fund held 1,504,560 Ordinary Shares, being approximately 0.902% of the issued share capital of the Company.

3.8 In this paragraph 3, references to:

- (A) **"bank"** do not apply to a bank whose sole relationship with the Company is the provision of normal commercial banking services;
- (B) **"control"** means a holding, or aggregate holdings, of shares carrying 30% or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether or not the holding(s) give(s) de facto control; and
- (C) **"relevant securities"** means Ordinary Shares and securities convertible into, or exchangeable for, rights to subscribe for, derivatives referenced to and short positions and options (including traded options) in respect of, Ordinary Shares.

4. DIRECTORS' LETTERS OF APPOINTMENT

4.1 The Executive Directors have each been appointed to the Board under a letter of appointment dated 14 October 2005. Under the terms of his letter of appointment, Samih Darwazah was appointed as Chairman with effect from 14 October 2005 and he will receive a fee of £40,000 per annum. Under the terms of his letter of appointment, Mazen Darwazah was appointed as Vice Chairman with effect from 14 October 2005 and he will receive a fee of £40,000 per annum. No compensation is payable on the termination of either appointment.

The Executive Directors hold their executive positions with the Group under applicable Jordanian labour regulations. Their appointments are for an indefinite term and, in accordance with Jordanian labour law, are terminable by either party on one month's notice.

As set out in the annual report and accounts for the year ended 31 December 2005 which accompanies this document, it is intended that prior to the Annual General Meeting each of the Executive Directors will enter into new service agreements with the Group. These agreements will comply with the guidance of the Combined Code on Corporate Governance in respect of notice periods and termination payments.

4.2 The Non-Executive Directors have each been appointed to the Board under letters of appointment dated between 14 October 2005 and 31 October 2005. Under the terms of their appointment, which all took effect from 14 October 2005, the Non-Executive Directors will be paid the following annual fees:

(a) Ali Al-Husry	£35,000
(b) Michael Ashton (Chairman of Remuneration Committee)	£40,000
(c) Breffni Byrne (Chairman of Audit Committee)	£47,000
(d) Sir David Rowe-Ham (Senior Independent Director & Chairman of Nomination Committee)	£40,000

4.3 Each of the Non-Executive Directors has been appointed for an initial term of up to 36 months, subject to shareholder approval at the Annual General Meeting. No compensation is payable upon the termination of the appointment other than fees and expenses properly accrued up to the date of termination.

4.4 No amendments have been made to any of the letters of appointment of any of the Directors during the six months preceding the date of this document.

4.5 Save as disclosed above, there are no other service contracts between the Directors and the Company or any of its subsidiaries.

5. MATERIAL CONTRACTS

5.1 Save as set out below, no contracts have been entered into by the Company or any of its subsidiaries, other than in the ordinary course of business, within the period of two years prior to the publication of this document which are or may be material:

- (i) On 31 October 2005, the Company, certain shareholders, the Directors and certain investment banks entered into the Underwriting Agreement under which the banks underwrote the offer of 51,311,193 Ordinary Shares made in connection with the listing of the Ordinary Shares on the London Stock Exchange, including 27,173,262 Ordinary Shares sold by the then current shareholders of the Company. All shares were issued and sold at 290p each. The Concert Party agreed in the Underwriting Agreement to sell Ordinary Shares in the offer:

	Ordinary Shares sold
Samih Darwazah	400,000
Ali Al-Husry	200,000
Said Darwazah	300,000
Mazen Darwazah	300,000
Mohammad Saffouri	384,532
Bashir Al-Alami	400,000

- (ii) Under the terms of the Underwriting Agreement, the Company and the Directors agreed to certain lock-up agreements as set out below:

(A) the Company undertook to the investment banks, subject to certain exceptions (including in connection with employee incentives and Ordinary Shares issued in connection with an acquisition or other similar transaction to the extent that the number of Ordinary Shares issued does not exceed 5% of the then issued share capital of the Company), that it would not, amongst other things, without the written consent of Merrill Lynch, directly or indirectly offer, pledge, issue, lend, sell or contract to sell, issue options in respect of or otherwise dispose of, (or announce any offering or issue of) any Ordinary Shares (or any interest therein or in respect thereof) or any securities convertible into or exchangeable for, or substantially similar to, Ordinary Shares or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing for a period of 180 days from 4 November 2005; and

(B) the Directors undertook to the investment banks that they would not, without the prior written consent of Merrill Lynch, subject to certain exceptions, directly or indirectly offer, pledge, issue, lend, sell or contract to sell, or issue options in respect of, or otherwise dispose of, directly or indirectly, or announce an offer of, any Ordinary Shares (or any interest therein or in respect thereof) or any other security exchangeable for or convertible into, or substantially similar to Ordinary Shares, or enter into any transaction with the same economic effect as, or agree to do any of the foregoing. The obligations referred to in this paragraph apply to the Directors for a period of 360 days from 4 November 2005.

- (iii) Under the terms of the Lock Up Agreements, Darhold Limited, the senior management of the Company and certain other shareholders who are founding shareholders (representing 34.4% of the Company's share capital following admission of the Company's share capital to the London Stock Exchange) or who held a large interest in the Company (representing 7.9% of the Company's share capital following admission of the Company's share capital to the London Stock Exchange), severally undertook to each investment bank that was a party that, it, he or she would not, without the prior written consent of Merrill Lynch, directly or indirectly, offer, issue, lend, sell or contract or otherwise agree to sell, issue options in respect of, or otherwise dispose of, or announce an offering or issue of, any Ordinary Shares (or any interest therein or in respect thereof) or any other securities exchangeable for or convertible into, or substantially similar to, Ordinary Shares (including, for the avoidance of doubt, options in respect of Ordinary Shares) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. The obligations referred to in this paragraph apply to Darhold, the senior management and the founding shareholders for a period of 360 days from admission of the Company's share capital to the London Stock Exchange and to the other Shareholders for a period of 180 days from admission of the Company's share capital to the London Stock Exchange. Admission of the Company's share capital to the London Stock Exchange took place on 4 November 2005.

- (iv) On 18 April 2005 Hikma agreed to acquire the 52.5% of Al Jazeera Pharmaceuticals Industries Limited which it did not already own for a cash consideration of 78.8 million Saudi Riyals, approximately US\$21 million. The acquisition is conditional upon the consent of the Saudi Government Investment Authority and of the Saudi Ministry of Commerce and Industry.

5.2 Save for (i) the acquisition by them of shares in the Company in exchange for a proportionate number of shares in Hikma Pharma Limited (ii) for the grant to Samih Darwazah, Mazen Darwazah, Mohammed Saffouri, May Darwazah and Hana Darwazah of options to subscribe for shares in the Company in exchange for equivalent options in Hikma Pharma Limited and (iii) the entry into of the Underwriting Agreement and the Lock Up Agreements, no contracts have been entered into by any of the Concert Party other than in the ordinary course of business, within the period of two years prior to the publication of this document which are or may be material.

6. HISTORICAL MARKET VALUE OF ORDINARY SHARES

The following table shows the closing middle market quotations for an Ordinary Share (as derived from the London Stock Exchange Daily Official List) for the first dealing day in each of the six months before the date of this document and for 21 April 2006 (being the latest practicable date before the publication of this document):

Date	Price per Ordinary Share
4 November 2005	281p
1 December 2005	310.25p
3 January 2006	398p
1 February 2006	441p
1 March 2006	398.5p
3 April 2006	395p
21 April 2006	441p

7. GENERAL

- 7.1 Merrill Lynch has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 7.2 There is no agreement, arrangement, or understanding (including any compensation arrangement) between the members of the Concert Party or any person acting in concert with them, and any of the Directors, recent directors of the Company, Shareholders or recent shareholders of the Company having any connection with or dependence upon the exercise of the Options set out in this document.
- 7.3 No agreement, arrangement or understanding exists whereby any Ordinary Shares acquired pursuant to the exercise of the Options will be transferred to any other persons.
- 7.4 Save as referred to in the section entitled "Future outlook" in the annual report and accounts of the Company Group posted with this document there has been no material change in the financial or trading position of the Company since 31 December 2005.
- 7.5 The address of each of the members of the Concert Party is c/o Hikma Pharmaceuticals Limited, P.O. Box 182400, 11118 Amman, Jordan.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company at Broadwalk House, 5 Appold Street, London EC2A 2HA up to and including 25 May 2006:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the audited consolidated accounts for the Company for the financial year ended 31 December 2005;
- (c) the letters of appointment of each of the Directors;
- (d) the written consent referred to in paragraph 7.1 above;
- (e) the material contracts referred to in paragraph 5 above;
- (f) the register of Directors' interests in the share capital and debentures of the Company; and
- (g) this document.

Dated 24 April 2006

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Hikma Pharmaceuticals PLC will be held at the London Underwriting Centre, 3 Minster Court, Mincing Lane, London, EC3R 7DD on 25 May 2006 at 11.00 a.m., for the following purposes:

ORDINARY BUSINESS

1. To receive the accounts for the financial year ended 31 December 2005, together with the reports of the Directors and auditors thereon.
2. To declare a final dividend on the Ordinary Shares of 0.89 cents per Ordinary Share in respect of the year ended 31 December 2005, payable on 30 May 2006 to ordinary shareholders on the register at the close of business on 28 April 2006.
3. In accordance with article 110 of the Company's Articles of Association, to reappoint Mr Samih Darwazah, who was appointed other than by the Company at an annual general meeting.
4. In accordance with article 110 of the Company's Articles of Association, to reappoint Mr Mazen Darwazah, who was appointed other than by the Company at an annual general meeting.
5. In accordance with article 110 of the Company's Articles of Association, to reappoint Mr Ali Al-Husry, who was appointed other than by the Company at an annual general meeting.
6. In accordance with article 110 of the Company's Articles of Association, to reappoint Mr Michael Ashton, who was appointed other than by the Company at an annual general meeting.
7. In accordance with article 110 of the Company's Articles of Association, to reappoint Mr Breffni Byrne, who was appointed other than by the Company at an annual general meeting.
8. In accordance with article 110 of the Company's Articles of Association, to reappoint Sir David Rowe-Ham, who was appointed other than by the Company at an annual general meeting.
9. To reappoint Deloitte & Touche LLP as auditors of the Company.
10. To authorise the directors to set the remuneration of the auditors.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions of which numbers 11, 12 and 15 will be proposed as ordinary resolutions and numbers 13 and 14 will be proposed as special resolutions:

11. To approve the Board report on remuneration for the financial year ended on 31 December 2005.
12. That the Directors be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Act, to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) up to an aggregate nominal amount of £5,559,947, this authority to expire at the conclusion of the annual general meeting of the Company in 2007 or on 24 August 2007, whichever is the earlier, save that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.
13. That subject to the passing of resolution 12 above, the Directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94 of the Act) for cash pursuant to the authority conferred by resolution 12 above as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (a) in connection with a rights issue, open offer or any other pro rata offer in favour of ordinary shareholders where the equity securities are proportionate (as nearly as practicable) to the respective number of Ordinary Shares held by such holders but subject to such exclusions or other arrangements as the Directors may deem necessary or desirable in relation to fractional entitlements or legal or practical problems arising in, or pursuant to, the laws of any territory or the requirements of any regulatory body or stock exchange in any territory; and
 - (b) otherwise than pursuant to (a) above, up to an aggregate nominal amount of £833,992,

and this power shall expire at the conclusion of the annual general meeting of the Company to be held in 2007 or on 24 August 2007, whichever is the earlier, save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the Act as if in the first paragraph of this resolution the words "subject to the passing of resolution 12 above" and "pursuant to the authority conferred by resolution 12 above" were omitted.

14. That the £49,998 of authorised but unissued unclassified shares (formerly issued as redeemable preference shares of £1 each) be and are hereby cancelled and following such cancellation the authorised share capital of the Company is £50,000,000 divided into 500,000,000 Ordinary Shares of 10p each.
15. That the waiver by the Panel described in the circular to shareholders of the Company dated 24 April 2006 of the requirement under Rule 9 of the Takeover Code for the members of the Concert Party, both individually and collectively, to make a general offer to shareholders of the Company as a result of any increase in the number of shares in the Company in which they are interested resulting from the exercise of the Options, as a result of which the aggregate percentage interest in the Ordinary Shares held by the Concert Party could increase from 36.239% to 37.188%, be and is hereby approved.

By Order of the Board

Henry Knowles, Company Secretary

24 April 2006

Registered Office:
Broadwalk House,
5 Appold Street
London EC2A 2HA

NOTES:

Proxies

1. A member entitled to attend and vote may appoint a proxy or proxies who need not be a member of the Company to attend (and on a poll to vote) instead of him or her. A Form of Proxy for the Annual General Meeting is enclosed and should be completed and returned as soon as possible. To be valid, it must reach the Company's registrars, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 48 hours before the meeting, being 11.00 a.m. on 23 May 2006. A reply-paid envelope has been provided for this purpose for use within the United Kingdom. Alternatively, responses can be faxed to Capita Registrars on +44 208 639 2180. Completion of a Form of Proxy will not prevent a member attending and voting in person at the meeting should he or she so wish.

Electronic proxies

2. Alternatively, you may register your proxy appointment and instructions on-line by visiting the website of Capita Registrars, by logging onto www.capitaregistrars.com, where full instructions are given. In order to register your vote on-line you will need to enter your Investor Code which appears on the bottom right hand side of your share certificate.

CREST electronic proxies

3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for this Annual General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by 11.00 a.m. on 23 May 2006. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting.

Documents on display

4. The register of Directors' interests in the share capital and debentures of the Company, together with copies of service agreements under which Directors of the Company are employed, and copies of the terms and conditions of appointment of Directors, are available for inspection at the Company's registered office during normal business hours from the date of this notice until the date of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the meeting.

Right to attend and vote

5. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (SI 2001 No 3755), the Company specifies that in order to have the right to attend and vote at the meeting (and also for the purpose of calculating how many votes a person entitled to attend and vote may cast), a person must be entered on the register of holders of the Ordinary Shares of the Company by no later than 6 p.m. on 23 May 2006, being 24 hours before close of business on the day before the meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Definitions

"Act"	the Companies Act 1985, as amended
"Annual General Meeting" or "AGM"	the annual general meeting of the Company called by this notice, including any adjourned meeting
"Company"	Hikma Pharmaceuticals PLC
"Concert Party"	the persons named in the paragraph headed "The Concert Party" in the Explanatory Notes to Resolution 15
"Connected adviser"	has the same meaning as in the Takeover Code
"Directors" or "Board"	the Directors of the Company
"Executive Directors"	Samih Darwazah and Mazen Darwazah
"Form of Proxy"	the form of proxy accompanying this document for use by Shareholders in connection with the AGM
"Independent Directors"	Michael Ashton, Breffni Byrne and Sir David Rowe-Ham
"Independent Shareholders"	the Shareholders other than those in the Concert Party
"Interests in shares"	has the same meaning as in the Takeover Code
"Lock Up Agreements"	the agreements described in paragraphs 5.1(ii) and 5.1(iii) of the section headed "Additional Information"
"Merrill Lynch"	Merrill Lynch International, whose registered office is at Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ
"Optionholders"	the holders of options to subscribe for or acquire Ordinary Shares
"Options"	options to subscribe for or acquire Ordinary Shares pursuant to the Hikma Pharmaceuticals PLC 2004 Stock Option Plan up to the numbers of options listed opposite their names in the paragraph headed "The Concert Party" in the Explanatory Notes to Resolution 15
"Ordinary Shares"	the ordinary shares of 10p each in the capital of the Company
"Panel"	the Panel on Takeovers and Mergers
"Shareholders"	the holders of Ordinary Shares
"Takeover Code"	the City Code on Takeovers and Mergers
"Underwriting Agreement"	the agreement described in paragraph 5.1(i) of the section headed "Additional Information"
"Whitewash Resolution"	the resolution numbered 15 of the Shareholders to be proposed at the AGM and set out in the notice of AGM included in this document