

ASPEN PHARMACARE HOLDINGS LIMITED
(Incorporated in the Republic of South Africa) (“Aspen Holdings”)
Registration number: 1985/002935/06
Share code: APN
ISIN: ZAE000066692
LEI: 635400ZYSN1IRD5QWQ94
and its subsidiaries (collectively “Aspen” or “the Group”)

ACQUISITION OF A PORTFOLIO OF PRODUCTS IN LATIN AMERICA FROM VIATRIS

Aspen is pleased to announce that Aspen Global Incorporated (“AGI”), its wholly owned subsidiary incorporated in Mauritius, has on 31 July 2023 concluded an agreement in terms of which it will acquire from Viatris Inc. (“Viatris”) the commercialisation rights and related intellectual property for a portfolio of well-known branded products in Latin America (“the Products”) (“the Transaction”).

The fair value of the Products has been determined by AGI as USD 280 million. AGI will settle the resultant consideration due by means of a combination of a cash payment of USD 150 million and an extension of supply terms to Viatris.

Viatris (www.viatris.com) is a major global pharmaceutical company, publicly listed on the New York NASDAQ and with principal offices in Canonsburg, Pennsylvania, United States of America.

Transaction details

The assets relating to the Products being acquired comprise:

- intellectual property required for their commercialisation, and any related goodwill owned by Viatris and its subsidiaries;
- product registrations and marketing authorisations; and
- the related inventory.

The key products within the portfolio are sold under the brand names, Lipitor, Viagra, Lyrica, Zoloft, Norvasc and Celebrex.

The Transaction is conditional upon the approvals of the competition authorities in Ecuador and in Colombia. It is anticipated that the Transaction will complete on or about 1 October 2023.

As part of the Transaction, a number of employees engaged in the commercialisation of the Products will transfer to the local subsidiaries of Aspen.

AGI and Viatris will also conclude supply agreements whereby AGI will be supplied with the Products for at least seven years.

Financial information in respect of the Transaction

The Products generated sales of approximately USD 92 million¹ in the year ended 31 December 2022. Due to the way the Products have been integrated into Viatris’ business, it is not possible to accurately determine or estimate the profit attributable to the Products within Viatris. It is expected that the gross margin from

¹ Per unaudited management information and based on average exchange rates for 2022

the Products should be higher than Aspen's Commercial Pharmaceutical segment gross profit percentage for the six months ended 31 December 2022 of 60%.

Rationale

The Transaction represents an attractive opportunity for Aspen to expand its presence in one of the Group's key regions. In doing so, Aspen will acquire a basket of well established, post-patent brands that will complement its existing portfolio and add to the scale of its business in this region. Furthermore, the acquisition of a dedicated and experienced sales team will materially enhance Aspen's commercial capabilities, further strengthening its foundations for future growth in Latin America.

Funding

AGI's upfront cash consideration will be funded from existing debt facilities.

Categorisation of the Transaction

In terms of the JSE Limited Listings Requirements, the Transaction is categorised as a Category 2 transaction, and accordingly, no shareholder approval is required.

Any forward-looking statements provided herein have not been reviewed or reported on by Aspen's external auditors.

Durban

01 August 2023

Sponsor

Investec Bank Limited