



2019 Corporate Brochure

Healthcare. We Care.

Aspen overview

Headquartered in Durban, South Africa, we have a 160-year heritage and have grown into a leading specialty and branded multinational pharmaceutical company in both emerging and developed markets.

Our key business segments are Manufacturing and Commercial Pharmaceuticals comprising Regional Brands and Sterile Focus Brands that include Anaesthetics and Thrombosis. Our world-class manufacturing facilities are scalable to demand and are accredited by leading international regulatory authorities which enables us to improve the lives of patients through our high quality, affordable medicines and products.

23 manufacturing
facilities at
15 manufacturing sites

70 business
operations in
55 locations

Approximately
10 000
employees

We supply
medicines to
150 countries

Some **782 000**
Mandela Day
beneficiaries over
nine years

83%
waste recycled
313 SED and
educational initiatives

Aspen's six capitals

All organisations depend on various forms of capital for their value creation. In the International <IR> Integrated Reporting Framework, these capitals are defined as intellectual, manufactured, human, social & relationship, natural and financial capital.

The business model on pages 08 and 09 details the integration of our six capitals into the business. The icons below serve as an identifiable visual reference to these six capitals within this report.



Intellectual



Manufactured



Human



Social & relationship



Natural



Financial



Intellectual capital

More than **600 brands** supplied to approximately 150 countries and territories



Manufactured capital

Over **40 million** tonnes of API and medicines produced at our sites in 2019



Human capital

More than **45 nationalities** employed in 70 locations across the world



Social and relationship capital

More than **300 SED projects** supported by the Group



Natural capital

More than **72 000 tonnes** of waste recycled by our manufacturing sites

Contents

Who we are

IFC	Aspen overview
02	About Aspen
04	Performance summary
06	The value we create
07	Our investment case
08	Our business model
10	Our global presence
12	Our manufacturing capabilities

Our sustainable business strategy

14	Our sustainable business strategy
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Our governance

16	Our Board of Directors
18	Our approach to governance
19	Senior executive team

Referencing

20	Abbreviations
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Forward-looking statements

This report may contain forward-looking statements with respect to our future performance and prospects. While these statements represent our judgements and future expectations at the time of preparing this report, a number of emerging risks, uncertainties and other important factors could cause actual results to differ materially from our expectations. These include factors that could adversely affect our business and financial performance.

Feedback and contact

We value feedback from our stakeholders and use it to ensure that we are reporting appropriately on the issues that are most relevant to them. Please use the online contact form or email the Company Secretary at rverster@aspenpharma.com

www.aspenpharma.com



Financial capital

Statutory financial statements and tax returns filed in more than

55 jurisdictions

About Aspen

We are a global specialty and branded pharmaceutical company, improving the health of patients across the world through our high quality and affordable medicines. Active at every stage of the value chain, we are uniquely diversified by geography, product and manufacturing capability, positioning us well to maximise the value we create for our business and its diverse stakeholders.

Approximately
10 000
employees in
70 businesses across
55 countries

48%
Women

52%
Men

Total revenue
R38,9 billion
continuing operations

Our values

define the foundation on which Aspen has been built. These are the values we share as we work together toward achieving the vision of the Group



Our vision

"To deliver value to all our stakeholders as a responsible corporate citizen that provides high quality, affordable medicines and products globally." This encapsulates the Group's inherent approach of conducting business ethically, with integrity and with a commercial wisdom which strives to enhance the economic and social wellbeing of our patients, consumers, investors, employees, customers and business partners.

Our geographic footprint

Headquartered in South Africa, we have a global commercial presence in both emerging and developed markets.

56%
of Commercial
Pharmaceutical
revenue from
emerging markets

Our manufacturing capabilities

Our manufacturing capabilities span a wide variety of product types including injectables, oral solid dose, liquids, semi-solids, steriles, biologicals and active pharmaceutical ingredients ("APIs"). Our manufacturing sites hold international approvals from some of the most stringent global regulatory agencies.

8
Active
pharmaceutical
ingredient facilities

15
Finished
dose form
facilities

Our commitment to sustainability

We are committed to creating value for all of our stakeholders in a manner that is responsible, transparent and respects the rights of all.

**FTSE/JSE
Responsible
Investment Index
constituent**

Strategic objectives

Our strategic objectives provide the foundation for our plan of action to achieve our short, medium and long-term goals. An analysis of these strategic objectives and KPIs is set out in our 2019 Integrated Report available online.



To enhance access to high quality, affordable medicines



To achieve strategic advantage through our integrated supply chain



To provide a safe, challenging and rewarding environment for our employees



To practice good corporate citizenship



To create sustainable economic value for all our stakeholders

Our business segments

We focus on marketing and manufacturing a broad range of post-patent, branded medicines and domestic brands covering both hospital and consumer markets through our key business segments:

 Commercial Pharmaceuticals	Contribution to Group revenue
<div data-bbox="280 763 368 853"> </div> <p>Regional Brands – a widely diverse segment comprising predominantly leading domestic brands in the Sub-Saharan Africa, Australasia and Latin American territories.</p> <hr/> <div data-bbox="280 909 368 999"> </div> <p>Sterile Focus Brands – focused on niche, sterile products comprising our Anaesthetics Brands and Thrombosis Brands.</p> <div data-bbox="384 999 472 1088"> </div> <p>Anaesthetics – includes a broad range of general anaesthetics, muscle relaxants as well as a number of local anaesthetics including topical agents.</p> <div data-bbox="384 1111 472 1200"> </div> <p>Thrombosis – comprises a broad range of specialist injectable anticoagulants with a focus on low molecular weight heparins, Xa inhibitors and heparin derivatives.</p>	<div data-bbox="1270 752 1406 887">46%</div> <div data-bbox="1270 1021 1406 1155">39%</div>
 Manufacturing	
<p>Contract and supply of chemical and biochemical APIs and finished dose form ("FDF") pharmaceuticals for third parties.</p>	<div data-bbox="1270 1350 1406 1485">15%</div>

Our history

Foundation Phase 1997 to 2007

- Began trading in 1997
- Listed on the JSE in 1998, acquiring South African Druggists thereafter
- Established a presence in Australia, our first offshore operation
- Launched Africa's first generic anti-retroviral ("ARV")
- Received various international pharmaceutical regulatory accreditations for our Port Elizabeth-based manufacturing site
- Acquired FCC, South Africa's only manufacturer of APIs

- Established Aspen Global Incorporated as well as commercial and manufacturing operations in a number of new territories, including Europe, Latin America, the Middle East, Sub-Saharan Africa and South East Asia
- Concluded several acquisitions for rights and access to global and specialty brands, injectable anticoagulants, a sterile manufacturing site in France and an API business in the Netherlands

Global Expansion Phase 2008 to 2014

Specialty Focus Phase 2015 to 2019

- A number of strategic acquisitions and disposals were concluded, including the acquisition of commercialisation rights for a broad range of anaesthetics, making Aspen the leading supplier of anaesthetics outside of the USA, and the disposal of the Nutritionals business
- Began producing complex specialty brands
- Further geographic expansion, including the establishment of a presence in China

Performance summary

Group revenue by business segment (%)



Group revenue by customer geography (%)



Revenue from continuing operations increased by 1% (-2% CER) to **R38 872 million**

Revenue growth from Commercial Pharmaceuticals in emerging markets was marginally positive while being marginally negative in developed markets resulting in overall CER decline from this segment of 1%. Manufacturing revenue declined 11% (CER) and was the main contributor to the overall negative CER growth of 2%.

Normalised EBITDA from continuing operations decreased by 2% (-4% CER) to **R10 824 million**

Normalised EBITDA from continuing operations, comprising operating profit before depreciation and amortisation adjusted for specific non-trading items was negatively impacted by lower manufacturing revenue and related gross margins.

Normalised headline earnings per share from continuing operations decreased by 7% (-8% CER) to **1 414 cents**

Normalised headline earnings per share ("NHEPS") from continuing operations comprises headline earnings per share from continuing operations adjusted for specific non-trading items and is a measure which provides clear comparability of the financial performance of our ongoing underlying business. The lower normalised EBITDA and increased net financing costs contributed to the decline.

Net borrowings reduced to **R38 984 million** (from R53 507 million at 31 December 2018)

Proceeds from the disposal of the discontinued operations of R12 299 million coupled with strong operating cash flows (cash conversion ratio of 107%) contributed to the reduction in net borrowings.

No dividend has been declared for the year ended 30 June 2019 (2018: 315 cents)

Taking into account our prioritisation of deleveraging the balance sheet, existing debt service commitments during FY2020 and the short-term requirements of the ongoing capital projects, the Board has decided that it would not be prudent to declare a dividend at this time.

Intellectual capital

- **Divested** the Nutritional business, achieving increased focus in pharmaceutical business
- **Completed** serialisation projects in our manufacturing sites meeting regulatory requirements designed to combat counterfeit medicines reaching patients
- **47** products launched in 22 countries and territories

Manufactured capital

- **R2 442 million** invested in capital replacement and expansion projects
- Progressed various initiatives to support our **backward integration objectives** at our API manufacturing sites
- **Investment in new technology** to enhance operational efficiency

Human capital

- **R56,6 million** invested in training our employees
- **Zero** occupational fatalities and permanent disabilities
- **27%** women in top 100 positions of the Group



Our six capitals

Social & relationship capital

- Mandela Day campaign for 2019 reached over **300 000 beneficiaries** through 127 projects in 40 countries
- **Achieved** a score of 3,7 out of 5 in the FTSE/JSE Responsible Investment Index
- Aspen's 2018 Integrated Report **ranked as "good"** by the EY Excellence in Integrated Reporting Awards.

Natural capital

- **"B- Management"** performance rating for 2018 Climate Change carbon disclosure project ("CDP") and Water CDP
- **Increase** in waste recycled from 81% to **83%**
- **7%** increase in water withdrawn

Financial capital

- Significant **reduction** in the Group's net borrowings
- **Rigorous impairment** testing performed resulting in **R3 812 million** in total impairments to assets
- **R1 439 million** of wealth created reinvested in the Group

The value we create

As a global pharmaceutical company, we play an important role in contributing to the health and wellbeing of people. Our sustainable business model creates long-term value for our key stakeholders.

Patients and healthcare providers

- Improving health and quality of life for patients that use our medicines
- Provision of quality and affordable treatment options and medicines to patients, healthcare professionals ("HCPs") and healthcare systems

Our employees

- Providing of employment in the geographic regions in which we operate
- Opportunities for growth and development
- Diverse and inclusive working environment, free of discrimination and harassment

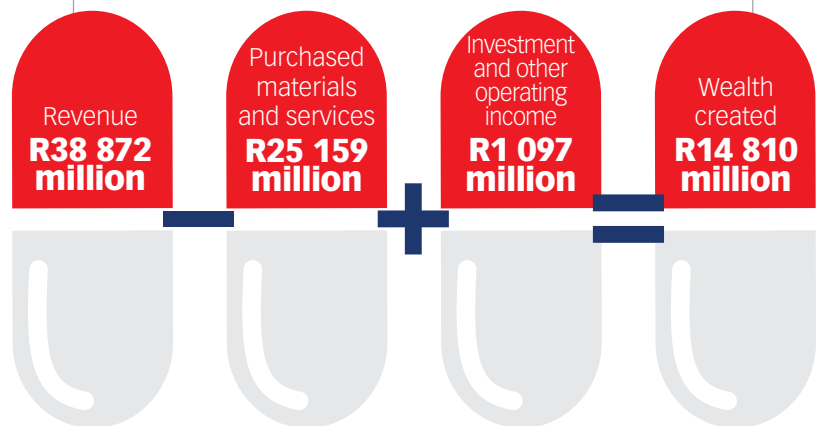
Communities in which we operate

- Economic stimulus through procurement of goods and services
- Contribution to governments through taxes
- Contribution to society through engagement with civil society and investment in social economic development ("SED")

Our investors and funders

- Capital and shareholder distributions
- Servicing and repayment of debt

Financial value we create



Employees

2019: R8 193 million
(2018: R7 520 million)

55%



Providers of capital

2019: R3 914 million
(2018: R3 418 million)

26%



Reinvested

2019: R1 439 million
(2018: R5 439 million)

10%



Governments

2019: R1 264 million
(2018: R1 270 million)

9%

R14 810 million
value distributed

Our investment case

Leveraging our strengths and capabilities to deliver long-term shareholder value, while living the Aspen values.

Responsible corporate citizen and a trusted partner

- We are committed to effective and robust corporate governance making us a trusted partner. Recent high profile corporate challenges have further heightened our attention to governance and we remain committed to continuously improving our reporting, transparency and disclosure.
- We are a signatory to the United Nations Global Compact ("UN Global Compact") Initiative.
- A constituent of the FTSE/JSE Responsible Investment Index.

Strategically relevant manufacturing capital

- We are a widely accredited and compliant supplier of high quality, affordable medicines.
- We have the capabilities to improve and sustain a cost competitive manufacturing base concentrating on high volume products.
- Our supply chain is overseen by a dedicated team striving towards delivery, on-time and in-full.

Global footprint with a focus on emerging markets

- With a strong foundation in the South African market, we now have 70 established business operations, weighted towards emerging markets.
- Operating in the highly regulated pharmaceutical sector, our geographic footprint provides diversification of our risk exposure.
- Our regional sales force is weighted towards emerging markets, positioning us to benefit from the growth demographics in these territories.

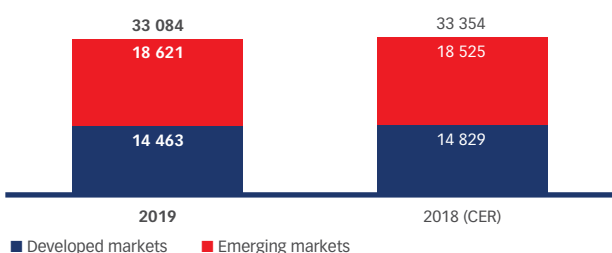
Diverse, branded product portfolio

- Our portfolio of products has strong brand equity, supporting the promotion of both our global Sterile and Regional Brands therapeutic segments.
- Diversification is achieved through our product portfolio which comprises a basket of related post-patent, branded medicines and domestic brands spanning most therapeutic areas and offering improved health to patients through all stages of life.

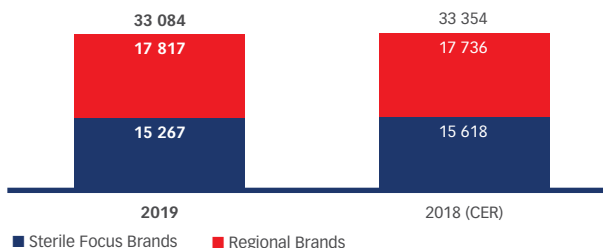
Committed management team, strongly aligned with shareholders' interests

- We have entrepreneurial and decentralised management teams.
- In-country management take responsibility for identifying opportunities in their regions, based on their local expertise.
- Approximately 17% ownership by executive management

Contribution of emerging markets and developed markets to Commercial Pharmaceuticals
(R'million)



Total Commercial Pharmaceuticals
(R'million)



Definition of EM based on MSCI AWI Index and Frontier Markets Index.

Our business model

We use our six capitals and our unique value drivers to provide high quality, affordable medicines and products and create value for our stakeholders in a responsible and sustainable way.

We develop our strategic objectives to provide the foundation for our plan of action to achieve our short-, medium- and long-term goals

We rely on our unique value drivers within our six capitals, available online, to effectively implement our strategy and business activities

We create value through our globally integrated value chain



To enhance access to high quality, affordable medicines



To achieve strategic advantage through our integrated supply chain



To provide a safe, challenging and rewarding environment for our employees



To practice good corporate citizenship



To create sustainable economic value for all of our stakeholders



Intellectual

- Trusted Aspen brand
- Targeted product portfolio
- Business acquisition and integration expertise
- Strong presence in emerging markets
- Efficient portfolio renewal



Manufactured

- Complex manufacturing expertise
- Vertical integration advantages
- Globally competitive, scalable and widely accredited manufacturing facilities



Human

- High performance and innovative culture



Social & relationship

- Strong stakeholder relationships and corporate reputation



Natural

- Focus on environmental protection



Financial

- Capital and funding
- Cash generation abilities



Product pipeline development

Patient/
consumer needs
↓
Product development,
acquisition and registration



Manufacturing and supply chain operations

Procurement
API manufacturing
FDF manufacturing
Distribution



Commercialisation

Marketing and sales
↓
Healthcare professional
engagement and support
↓
Patient/consumer use

Investment in a product portfolio of niche, specialty medicines that present opportunities for sustainable revenue growth achieved through:

- Targeted acquisitions that present value enhancement opportunities
- Internal development of products that leverage our intellectual and manufacturing advantage
- Line extensions of existing Intellectual Property ("IP") into new geographies

Efficiencies achieved through end-to-end global supply chain management performed by a highly experienced team

Capitalise on our own significant manufacturing capability of both APIs and FDFs as well as our external supply network focusing on:

- Reliable supply of high quality products
- Optimisation of operational costs
- Maximisation of vertical integration synergies

Generation of organic revenue and profit growth through focused promotion of our products by our extensive sales representation in more than 50 countries

Capital is reinvested in our pipeline to provide the platform for future revenue growth, improved operational synergies and to create capacity for new value adding opportunities while also providing returns to shareholders

Our values



Teamwork



Innovation



We provide high quality, affordable medicines and products, focusing on niche therapeutic areas

Achieving outcomes that **create long-term value for our stakeholders**



**Commercial
Pharmaceuticals**



Regional Brands



Sterile Focus Brands



Anaesthetics



Thrombosis



Manufacturing



Intellectual

Improved health and quality of life for the patients and consumers that use our products



Manufactured

Economic stimulation in the regions in which we operate



Human

Employment opportunities and skills development provided to our 10 000 employees



**Social &
relationship**

Uplifting the lives in the communities in which Aspen works around the world



Natural

Initiatives to reduce the impact of our operations on the natural environment



Financial

Generation of wealth to fund future growth and expansion



Financial

A contribution to governments through direct and indirect taxation



Financial

Sustainable earnings growth and return for shareholders



Commitment

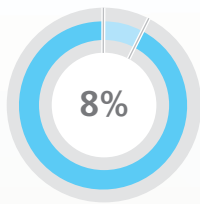


Excellence



Integrity

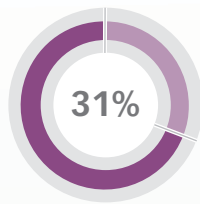
Our global presence*



Contribution to revenue

Latin America

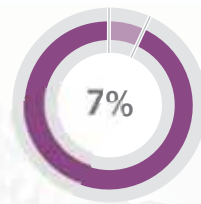
R3 083 million



Contribution to revenue

Developed Europe

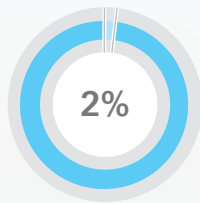
R12 095 million



Contribution to revenue

Developing Europe & CIS

R2 516 million



Contribution to revenue

USA & Canada

R675 million

We supply medicines
to more than **150**
countries

70 established
business operations in **55** countries

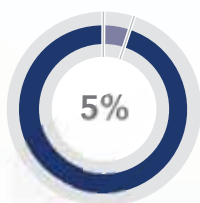


Aspen has a strong presence in both emerging and developed countries and regions.

Key:

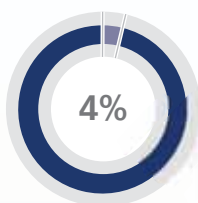
- | | |
|---|--|
| □ Group headquarters | ● Manufacturing site |
| ● Combined sales, marketing, distribution and manufacturing centres | ● Sales, marketing, distribution and support centres |
| ● Sales, marketing and distribution centres | ● Support centre |
| ● Marketing centres | ● New product development and manufacturing site |
| ○ Branch representative offices | |

* Specific location details are provided online.



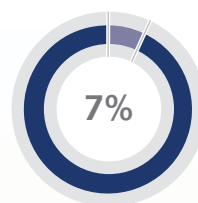
Contribution to revenue

Japan
R2 124 million



Contribution to revenue

Other Asia
R1 456 million



Contribution to revenue

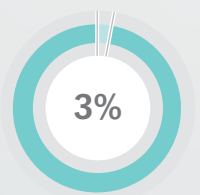
China
R2 872 million

EUROPE

ASIA

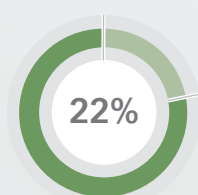
AFRICA

AUSTRALIA



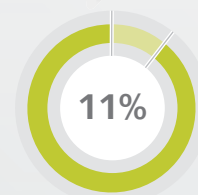
Contribution to revenue

MENA
R1 056 million



Contribution to revenue

Sub-Saharan Africa
R8 575 million



Contribution to revenue

Australasia
R4 420 million

Our manufacturing capabilities

Primary sites

PORT ELIZABETH, SOUTH AFRICA



UNIT 1 FACILITY

Capability: High-volume solids manufacturing and packing for domestic and export markets.

Maximum output:
6 billion tablets.

Accreditation: ANVISA, FMHACA, GCC, ICHA, MCAZ, MHRA, NAFDAC, NDA, PMPB, PPB, SAHPRA, TFDA, TGA, US FDA, WHO.

UNIT 2 FACILITY

Capability: Small to medium-volume solids manufacturing for domestic and export markets.

Maximum output:
4 billion tablets.

Accreditation: ANVISA, FMHACA, GCC, ICHA, MCAZ, MHRA, NAFDAC, NDA, PMPB, PPB, SAHPRA, TFDA, TGA, US FDA, WHO.

UNIT 3 FACILITY

Capability: End state packing for domestic market.

Maximum output:
140 million packed units of tablets and capsules.

Accreditation: SAHPRA

UNIT 4 FACILITY

Capability: Hormonal and high-potency solids manufacturing and packaging for the domestic and export markets.

Maximum output:
3,2 billion tablets (hormonal); 395 million tablets (potency).

Accreditation: LASD, SAHPRA, and US FDA.

STERILE FACILITY SVP 1: MULTI-PRODUCT SUITES A AND B

Capability: Eye drops, ampoules, vials; aseptic and terminal sterilisation capability for domestic and export markets.

Maximum output:
Suite A: Up to 42 million units of eye drops;
Suite B: Up to 25 million units of ampoules;
Up to 12 million units of liquid vials.

Accreditation: LASD, SAHPRA, US FDA, WHO.

STERILE FACILITY SVP 2: HIGH-POTENCY SUITE (commercial production FY2021)

Capability: Liquid ampoules, vials and cartridges; emulsion ampoules, vials and cartridges; lyophilised vials; aseptic and terminal sterilisation capability for domestic and export markets.

Maximum output:
Suite C:
Up to 20 million vials;
Up to 25 million ampoules;
Up to 13 million cartridges.

Accreditation: Regulatory inspections pending (project phase).
LASD tentatively planned, SAHPRA and TGA planned.

NOTRE DAME DE BONDEVILLE, FRANCE



STERILE PREFILLED SYRINGE MANUFACTURING SITE

Capability: Aseptic and terminally sterilised prefilled syringe manufacturing and packing for domestic and export markets.

Maximum output:
85 million syringes (Etna line); 130 million syringes (Stromboli line); 180 million syringes (Vesuve line) – (commercial production FY2020)

Accreditation: ANSM, ANVISA, ASN, DQS, HPB, PMDA, US FDA.

BAD OLDESLOE, GERMANY



MULTI-DOSE FORM SITE

(Additional commercial production FY2021)

Capability: Solid dose forms, oral and topical liquids, semi-solids and blow-fill seal, manufacturing and packing for domestic and export markets.

Maximum output:
3,3 billion tablets; 6 240 tonnes of liquids; 1 404 tonnes of topical liquids;
351 tonnes of semi-solids, 60 million units for blow-fill seals.

Accreditation: ANVISA, GRA, IRA, LRA, PPB, PMDA, TGA, US FDA.

Regional facilities

ACCRA, GHANA



Capability: Small to medium-volume liquids.

Maximum output:
567 kℓ of liquids

Accreditation: GFDA.

DAR ES SALAAM, TANZANIA



Capability: Small to medium volume semi-solids, large volume solids and liquids.

Maximum output:
1,0 billion tablets; 60 million capsules; 15 tonnes of semi-solids; 1 500 kℓ of liquids; 8 million sachets.

Accreditation: PPB, TMDA, PMPB, ZAMRA, MoH – DRC, NAFDAC, DPML-CI, EFDA.

EAST LONDON, SOUTH AFRICA



ORAL CONTRACEPTIVE FACILITY

Capability: High-volume oral contraceptive manufacturing and packing for domestic market.

Maximum output:
1 billion tablets.

Accreditation: Last audit conducted by SAHPRA in 2009

MULTI-PRODUCT FACILITY

Capability: Solids, semi-solids and liquid manufacturing and packing for domestic market.

Maximum output:
560 million tablets; 32 million packs of semi-solids; 160 million packed units of liquids.

Accreditation: SAHPRA.

We manufacture a

wide variety of product types

including injectables,
oral solid dose, liquids,
semi-solids, steriles,
biologicals and APIs.

Abbreviations of pharmaceutical regulatory
authorities and acronyms are on pages 20 and 21.

Regional facilities

HYDERABAD, INDIA



Capability: Small to medium-volume solids manufacturing for export markets.

Maximum output:

700 million tablets; 30 million effervescent tablets; 120 million capsules; 60 tonnes of pellets; 25 million powder filled sachets

Accreditation: DCA, SAHPRA, ANVISA, ISO 9001, ISO 17025.

MELBOURNE, AUSTRALIA



Capability: High-volume solids, liquids and semi-solids.

Maximum output:

3 billion tablets; 90 million sachets; 1 167 tonnes semi-solids; 1 721 tonnes liquids.

Accreditation: TGA, ISO 14001, OSHAS 18001.

NAIROBI, KENYA



Capability: Small to medium-volume solids, liquids and fast-moving consumer goods.

Maximum output:

750 million tablets; 600 kL of liquid.

Accreditation: PPB, TMDA, UNDA, PMPB, ZAMRA, MoH -DRC, EFDA, NAFDAC, MCAZ, GFDA.

VITÓRIA, BRAZIL



Capability: Small to medium-volume solids, liquids and semi-solids.

Maximum output:

10,5 million sealing; 162 million tablets and capsules; 675 000 bottles of liquids or 40 kL; 380 000 packs of semi-solids or 3,8 tonnes.

Accreditation: ANVISA, GMP, ISO 14001, OHSAS 18001.

23 manufacturing
facilities at **15** sites
on **6** continents

API facilities

CAPE TOWN, SOUTH AFRICA



Capability: Specialised API and high potency manufacturing for domestic and export markets.

Maximum output:

46 000 kg

Accreditation: EDQM, PMDA, SAHPRA, US FDA.

NOTRE DAME DE BONDEVILLE, FRANCE



NANDROPARIN & CERTOPARIN FACILITY

Nadroparin

Capability: Specialised biochemical API – conversion of heparin to nadroparin.

Maximum output:

200 batches of nadroparin.

Accreditation: ANSM, DQS.

Certoparin

Capability: Specialised biochemical API – conversion of heparin to certoparin.

Maximum output:

45 batches of certoparin.

Accreditation: Regulatory submission to take place.

FONDAPARINUX FACILITY

Capability: Specialised chemical API – purification by chromatography of fondaparinux.

Maximum output:

34 batches of fondaparinux sodium.

Accreditation: ANSM, ANVISA, DQS, KFDA, PMDA, TRA, US FDA.

SIOUX CITY, USA



Capability: Specialist biochemical API – heparin intermediates.

Maximum output:

Biologicals – capacity is measured on demand – dependent on product mix.

Accreditation: Re-registration for US FDA.

OSS, THE NETHERLANDS



DE GEER SITE

Capability: Specialised hormonal and chemical APIs: wet chemical multipurpose capability, final powder handling (milling/sieving) and solvent recovery by distillation.

Maximum output:

Installed reactor capacity: 114 m³ with reactor size between 2 m³ and 10 m³ beside bulk tank storage capability.

Accreditation: ANVISA, EMA, ISO 14001, KFDA, OHSAS 18001, PMDA, Russia MoIT, US FDA.

MOLENEIND SITE

Capability: Specialised biochemical, hormonal and chemical APIs. Dedicated biochemical reactors, multipurpose chemical reactors and dedicated solvent recovery unit.

Maximum output:

Installed chemical reactor capacity (small molecule API + peptides): 59 m³;

Biochem reactor capacity: 245 m³ beside multiple storage capacity.

Accreditation: ANVISA, EMA, ISO 14001, KFDA, OHSAS 18001, PMDA, Russia MoIT, US FDA.

BOXTEL SITE

Capability: Specialised biochemical API – gonadotrophin intermediates and virus filtered API.

Maximum output:

Measured on demand.

Accreditation: EMA, ISO 14001, OHSAS 18001, PMDA, US FDA.

Our sustainable business strategy

We recognise that doing business in a sustainable and responsible manner is integral to ensuring our future viability. Sustainability considerations underpin our strategy and are integrated into the way we do business.

Our vision

Our vision unites us in our purpose

To deliver value to all of our stakeholders as a responsible corporate citizen that provides high quality, affordable medicines and products globally.

Our values

Our shared values are the foundation as we work toward achieving our vision

Teamwork: We optimise our performance by pulling together. Our combined capabilities exceed the sum of each individual.

Innovation: We constantly search for better ways of doing things and are solution oriented.

Commitment: We go the extra mile, seeking to exceed expectations.

Excellence: We strive to be the best we can be and to deliver to the highest standards.

Integrity: Our integrity is not negotiable.

Healthcare. We care.

Our credo underpins our commitment to create value for all our stakeholders in a manner that is responsible, transparent and respects the rights of all

Our sustainability themes, available online, are integrated in our corporate strategy:

- Patients
- Employees
- Society
- Environment

Strategic positioning

Our strategic positioning supports delivery of our vision.

We seek to achieve this through developing a differentiated portfolio of relevant IP, creating value through our complex manufacturing capabilities and enabling access through our globally integrated supply chain.

Our market positioning is focused on leveraging opportunities presented by emerging markets, balanced with presence in more established, stable developed markets.

Through our dynamic portfolio management model, we build, maximise and reshape our basket of products to achieve a global product portfolio of niche, specialty products complemented by leading Regional Brands, aligned to our manufacturing capability.

We implement our strategy by applying the resources we have available in execution of our business model to achieve sustainable growth and value creation (pages 08 and 09).

We have identified KPIs designed to provide a defined measure of performance against our strategic objectives. We track our performance by reporting against these KPIs to the Board on a quarterly basis. In this way, the performance of executive directors, executives and senior management is aligned to our sustainable business strategy. Reporting on our performance against our strategic objectives is included in Our strategic business performance available online.

Our five strategic objectives provide the foundation to deliver our strategy of creating long-term value for all of our stakeholders. Our focus areas outline our plan of action over the short- to medium-term.

Assurance on our KPIs

We obtain assurance on these reported KPIs through a combined assurance approach:

ERM ◆ PwC ● Internal Audit ■ Empowerdex ▲

Further discussion on combined assurance is available online

To enhance access to high quality affordable medicines



Our focus areas

- Develop and strengthen pipeline and accelerate product launches
- Expand presence in emerging markets with a focus on establishing a meaningful presence in countries with high growth potential
- Implement initiatives to achieve security of supply
- Explore opportunities for strategic regional partnerships
- Establish a route to market strategy for the United States pipeline

KPI

- In-market sales value of total product pipeline for the next five years ■
- Number of product recalls ■

To achieve strategic advantage through our integrated supply chain



Our focus areas

- Optimise operations and drive efficiencies and reduce cost of goods
- Achieve the transfer of the manufacture of complex, sterile products to Aspen sites over the next three years
- Focus on supply performance and optimise carrying levels of inventory

KPI

- Gross profit percentage ●

To provide a safe, challenging and rewarding environment for our employees



Our focus areas

- Build a culture of operational excellence and cross-functional collaboration
- Strengthen leadership capacity across the Group
- Harness the benefits of diversity and inclusion
- Focus on the development and retention of required skills
- Maintain a strong health and safety culture across our operations

KPI

- Average staff turnover ■
- Average training spend per employee ■
- Percentage of females in top 100 positions in the Group ■
- Percentage of black employees in top 50 positions in South Africa ■
- Lost work day frequency ratio (LWDFR)* ◆

To practice good corporate citizenship



Our focus areas

- Maintain high governance and ethical standards
- Enhance relationships and reputation with our various stakeholders
- Explore resource efficiency projects to secure security of supply and minimise impact on the environment

KPI

- Broad-based black economic empowerment ("BBBEE") accreditation in South Africa ▲
- FTSE/JSE Responsible Investment Index score ◆
- Carbon emissions* ◆
- Waste recycled* ◆
- Water withdrawn* ◆
- Electricity used* ◆

To create sustainable economic value for all our stakeholders



Our focus areas

- Drive organic growth through maximisation of the potential of existing portfolio and markets
- Increase operating margins and generate strong free cash flow
- Accelerate deleveraging
- Remain alert to acquisition, disposal and collaboration opportunities which present strategic value
- Optimise the allocation of available capital
- Deliver economic benefits to suppliers, employees, governments, communities and shareholders

KPI

- Revenue growth ●
- NHEPS growth ●
- Normalised EBITDA growth ●
- Normalised EBITDA margin ●
- Return on ordinary shareholders' equity ●
- Operating cash flow per share ●
- Leverage ratio ●

* Measured for manufacturing sites only (includes divested business until divested date, does not include New Zealand New Milk ("NZNM")).

Our Board of Directors

Executive directors



Stephen Saad (55)

Group Chief Executive

Qualifications: CA(SA), PhD (Commerce) Honoris Causa

Appointed: January 1999

Classification: Executive director



Gus Attridge (58)

Deputy Group Chief Executive (Finance Director)

Qualifications: CA(SA)

Appointed: January 1999

Classification: Executive director



Independent non-executive directors



Kuseni Dlamini (51)

Qualifications: MPhil (Oxon), BSocSci (Hons) (Natal), Global Leadership for the 21st Century Programme (Harvard), Foundations for Leadership in the 21st Century (Yale)

Appointed: April 2012

Classification: Independent non-executive, Chairman



Ben Kruger (60)

Qualifications: CA(SA), Advanced Programme in Management (Harvard Business School)

Appointed: April 2019

Classification: Lead independent non-executive



Linda de Beer (50)

Qualifications: CA(SA), MCom (Tax), CD(SA)

Appointed: July 2018

Classification: Independent non-executive



Themba Mkhwanazi (49)

Qualifications: B.Eng (Hons)

Appointed: April 2019

Classification: Independent non-executive





Babalwa Ngonyama (45)

Qualifications: CA(SA), MBA, Higher Diploma in Banking Law (RAU)

Appointed: April 2016

Classification: Independent non-executive



Sindi Zilwa (52)

Qualifications: CA(SA), CD(SA), Advanced Taxation Certificate (UNISA), Advanced Diploma in Financial Planning (UOFS) and Advanced Diploma in Banking (RAU)

Appointed: September 2006

Classification: Independent non-executive



Non-executive directors



Chris Mortimer (58)

Qualifications: BA, LLB

Appointed: January 1999

Classification: Non-executive



David Redfern (53)*

Qualifications: BSc (Hons), CA

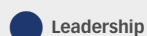
Appointed: February 2015

Classification: Non-executive



* British

Expertise



Leadership



Pharmaceuticals



Information and technology governance



Governance and compliance



Sales and marketing management



Accounting, finance and tax



Risk and opportunity management



Environment, health and safety



Human resources



Manufacturing

Riaan Verster (43)

Qualifications: BProc, LLB, LLM (Labour Law), ACIS

Appointed: December 2011

Classification: Company Secretary & Group Governance Officer

Full CVs of all the directors are available online.

Our approach to governance

Aspen's approach to governance

Governance in the Group extends beyond mere legislative and regulatory compliance. Management strives to entrench an enterprise-wide culture of good governance aimed at ensuring that decisions are taken in a fair and transparent manner, within an ethical framework that promotes the responsible consideration of all stakeholders, while also holding decision-makers appropriately accountable. In line with the philosophy that good corporate governance is an evolving discipline, governance structures, practices and processes are actively monitored and

revised from time to time to reflect best practice.

The Board is accountable to shareholders and other stakeholders and is ultimately responsible for the implementation of sound corporate governance practices throughout the Group. Aspen's Board of Directors is committed to ensuring that the Group adheres to high standards of corporate governance in the conduct of its business.

The directors are of the opinion that the Group has applied the requirements of King IV™. The application of the King IV™

principles and adoption of the various recommendations set out therein is more fully detailed in our unabridged Corporate Governance report available online.

A formally documented and approved Board Charter outlines the composition, scope of authority, responsibilities, powers and functioning of the Board. In addition, the Board functions in accordance with the requirements of King IV™, the provisions of the South African Companies Act of 2008, the Listings Requirements of the JSE and other applicable laws, rules or codes.

Board composition

Diversity of expertise

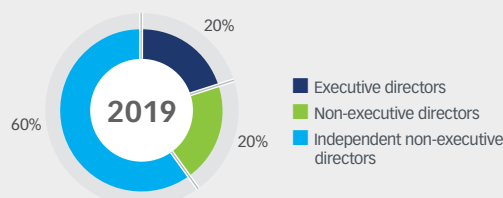
Policy: To create an experienced Board with the appropriate balance of knowledge and skills in areas relevant to the Group.

The following areas of expertise are relevant to Aspen



Independence

Policy: To comprise a majority of non-executive directors, the majority of whom should be independent.



Board size

Policy: To target a Board size which promotes accountability and encourages healthy, constructive debate and decision-making, while meeting regulatory and MOI requirements. The appropriateness of the Board size is evaluated annually by the Remuneration & Nomination Committee.

Diversity of age

Policy: Executive directors retire from their positions and from the Board at the age of 65. The company's retirement policy does, however, make provision to extend the relationship beyond the normal retirement age. Non-executive directors, 70 years and older, retire at each AGM and are proposed for re-election if recommended by the Board.

Average age

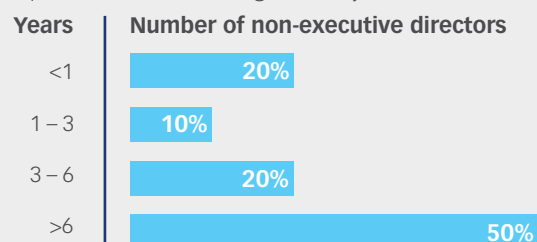


Younger than 55 years



Succession and diversity of tenure

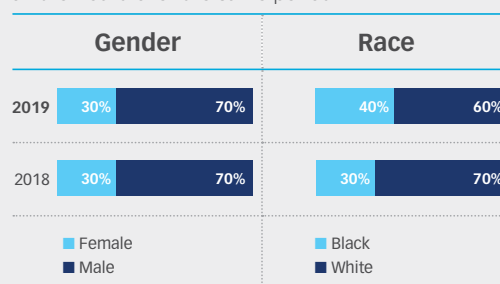
Policy: Periodic, staggered rotation of members so as to ensure the introduction of members with new expertise and perspectives, while retaining valuable industry knowledge, skills, experience and maintaining continuity.



Succession planning makes provision for the identification, mentorship and development of future members.

Gender and racial diversity

Policy: The company's gender diversity policy promotes a voluntary target of 40% female representation on the Board over a three-year period, while the racial diversity policy promotes a voluntary target of 50% black representation on the Board over the same period.



Senior executive team



Stephen Saad (55)

Group Chief Executive

Appointed: January 1999

Qualifications: CA(SA), PhD (Commerce) Honoris Causa

Responsibilities: Stephen is a founding shareholder of Aspen and his responsibilities extend to include strategic positioning of Aspen as a leading multinational pharmaceutical company, global transactions, geographic expansion and product diversification of Aspen in developed and emerging markets.



Gus Attridge (58)

Deputy Group Chief Executive (Finance Director)

Appointed: January 1999

Qualifications: CA(SA)

Responsibilities: Gus is a founding shareholder of Aspen and is responsible for the strategic and financial wellbeing of the Group while also identifying and pursuing appropriate corporate opportunities and global transactions that will further benefit Aspen and its stakeholders.



Sean Capazorio (54)

Group Finance Officer

Appointed: January 1999

Qualifications: CA(SA)

Responsibilities: Sean is responsible for all of the Group's finance functions across Aspen's 55 businesses and also assesses business performance and identifies business improvement opportunities.



Lorraine Hill (56)

Group Operating Officer and Responsible Pharmacist

Appointed: January 1999

Qualifications: BPharm

Responsibilities: Lorraine is responsible for multiple operational areas of the business including strategic manufacturing, pharmaceutical affairs, new product development, strategic procurement and IT. In addition, she plays an integral role in negotiation and implementation of new business initiatives including global transactions.



Samer Kassem (45)

Chief Executive Officer, Aspen Global Incorporated CEO

Appointed: May 2008

Qualifications: CMA, CFM, CBM, MBA

Responsibilities: Samer joined the Group with the responsibility of establishing the company to direct its global operations. He has been integrally involved in the negotiation, completion and integration of strategic acquisitions, the setting up of the Group's global businesses as well as the trading and supply structures to support these.



Stavros Nicolaou (54)

Group Senior Executive Strategic Trade

Appointed: January 1999

Qualifications: B.Pharm, FPS (SA), PhD (Medicine)
Honoris Causa

Responsibilities: Stavros plays a pivotal role in the initiation of business development opportunities and is also key to the building and maintenance of strategic relations within industry and with all of Aspen's stakeholders.



Carnie van der Linde (50)

Group Commercial Head

Appointed: May 2016

Qualifications: BTech: Dental Technology

Responsibilities: Carnie is responsible for the implementation of strategy and the performance delivery of Aspen's Commercial Pharmaceutical businesses in Europe CIS, Canada, Spanish Latin America, Brazil, Middle East North Africa and Sub-Saharan Africa.



Trevor Ziman (48)

Asia Pacific CEO

Appointed: May 2001

Qualifications: CA(SA)

Responsibilities: Trevor is responsible for the implementation of strategy and the performance delivery of Aspen's Commercial Pharmaceutical businesses in Australasia, China, Japan, the Philippines, Taiwan, Malaysia and Hong Kong as well as trade into the rest of the Asia Pacific region. He plays a leading role in all transactional activity in the region.

Abbreviations

ANDA	Abbreviated new drug application
ANSM	French National Agency for Medicinal and Health Product Safety
ANVISA	Brazilian National Health Surveillance Agency
API	Active pharmaceutical ingredient
ARV	Anti-retroviral
ASN	Nuclear Safety Authority for E-beam
BBBEE	Broad-based black economic empowerment
CDP	Carbon disclosure project
COFEPRIS	Mexican Federal Commission for Protection against Health Risk
DCA	Drug Control Administration – India
DQS	Deutsche Gesellschaft zur Zertifizierung von Management Systemen
DPML-CI	Directorate of Pharmacy, Medicines and Laboratories – Ivory Coast
EDQM	European Directorate for the Quality of Medicines
EFDA	Ethiopian Food and Drug Administration
EMA	European Medicines Agency
FDF	Finished dose form
FMHACA	Ethiopian Food, Medicine and Healthcare Administration Control Authority
FSSC	Food Safety System Certification
GCC	Middle East and North African Gulf Cooperation Council
GFDA	Ghanaian Food and Drugs Authority
GMP	Good Manufacturing Practice
GRA	German Regulatory Authority
HCP	Healthcare professional
HPB	Health Protection Branch (Canada)
ICHA	Ivory Coast Health Authority
INVIMA	Colombia National Food and Drug Surveillance Institute
IP	Intellectual property
IRA	Israeli Regulatory Authorities
ISO	International Organisation for Standardisation
KFDA	Korean Food and Drug Administration
Kℓ	Kilolitre
KvH	Kilo vessel hours
LaSD	Local vs Federal Agencies
LRA	Libyan Regulatory Authorities
MCAZ	Medicines Control Agency of Zimbabwe
MHRA	United Kingdom Medicines and Health Products Regulatory Agency
MOH – DRC	Ministry of Health – Democratic Republic of Congo
NAFDAC	Nigerian National Agency for Food and Drug Administration and Control
NDA	Ugandan National Drug Authority
NHEPS	Normalised headline earnings per share
OHSAS	Occupational Health and Safety Management Systems

PMDA	Japanese Pharmaceutical and Medical Device Agency
PMPB	Malawian Pharmacy, Medicines and Poisons Board
PPB	Kenyan Pharmacy and Poisons Board
Russian MoIT	Ministry of Industry and Trade of the Russian Federation
SAHPRA	South African Health Products Regulatory Authority
SED	Socio-economic development
TFDA	Tanzania Food and Drug Authority
TGA	Australian Therapeutic Goods Administration
TMDA	Tanzania Medicines and Medical Devices Authority
TRA	Turkish Regulatory Authority
UHT	Ultra-high temperature
UN Global Compact	United National Global Compact
UNDA	Ugandan National Drug Authority
US FDA	United States Food and Drug Administration
WHO	World Health Organisation
ZAMRA	Zambia Medicine Regulatory Authority

Disclaimer

We may make statements that are not historical facts and relate to analyses and other information based on forecasts of future results and estimates of amounts not yet determinable. These are forward looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as “prospects”, “believe”, “anticipate”, “expect”, “intend”, “seek”, “will”, “plan”, “indicate”, “could”, “may”, “endeavour” and “project” and similar expressions are intended to identify such forward looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that predictions, forecasts, projections and other forward looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. The factors that could cause our actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements are discussed in each year’s Annual Report. Forward looking statements apply only as of the date on which they are made, and we do not undertake other than in terms of the Listings Requirements of the JSE Limited, any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.



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