Interim Results Presentation

For the six months ended 31 December 2020
CAUTIONARY REGARDING FORWARD-LOOKING STATEMENTS

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. Any profit forecasts published in this report are unaudited and have not been reviewed or reported on by Aspen’s external auditors.
DISCLOSURE NOTE

RESTATEMENT OF DISCONTINUED OPERATIONS

- **Discontinued European Business**
  The discontinued European business comprises the European Thrombosis Assets divested to Mylan until the date of disposal, being 27 November 2020, the costs relating to its disposal, related Thrombosis product discontinuations and other product divestments. The results of the discontinued European Business have been classified as discontinued operations in terms of IFRS 5 and have been reported separately in the discontinued operations statement of comprehensive income including a restatement of comparative periods.

- **Finance costs**
  The prior year finance costs previously shown as attributable to discontinued operations have been reclassified to be included in continuing operations. The resultant restatement of the comparative numbers for continuing and discontinued operations is not material with the value of finance costs being reclassified from discontinued to continuing operations for the prior comparative period amounting to R56 million.

RESTATEMENT OF THE GROUP SEGMENTAL ANALYSIS

- The Group has revised its reportable segments to reflect the newly updated operating model which aligns to the way in which the business is managed and reported on by the Chief Operating Decision Maker ("CODM").

- The business segments which make up the Pharmaceutical segment have been revised as follows:
  » Following the disposal of the European Thrombosis Assets and related European Thrombosis product discontinuations, the Anaesthetic and Thrombosis therapeutic segments have been consolidated under the Sterile Focus Brands segment;
  » The Regional revenue segments have been consolidated into broader geographical regions which reflect the reshaped Aspen business structure simplifying segmental management and analysis.

- The business segments which make up the Manufacturing segment have been revised with the active pharmaceutical ingredients segment being split into a Chemical and a Biochem segment which reflects the increased strategic focus on these business segments as part of the reshaped Aspen business structure.

COVID-19

- The Group's financial performance has not been materially impacted by COVID-19 and no asset impairments have arisen as a consequence of COVID-19.
FINANCIAL HIGHLIGHTS

CONTINUING

STRONG ORGANIC REVENUE GROWTH

ROBUST EARNINGS GROWTH DESPITE
CHALLENGES OF COVID-19

LEVERAGE RATIO\(^\wedge\) BELOW COMMUNICATED
TARGET OF \(<\ 3.0X\)

COMMITMENT TO DIVIDEND DECLARATION
WITH FY 2021 RESULTS

\(^*\) CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates

\(^\wedge\) Calculated in terms of Facilities Agreement

\(^\wedge\) Current borrowings \(+\) non-current borrowings \(-\) cash

\(\wedge\) Commitment to dividend declaration with FY 2021 results

Revenue

\[\text{Revenue}_{H1\ 2020} = 15,984\]
\[\text{Revenue}_{H1\ 2021} = 18,633\]
\[+17\%\]

\[\text{Revenue}_{H1\ 2020} = 15,984\]
\[\text{Revenue}_{H1\ 2021} = 18,633\]
\[+6\% \text{ CER}^*\]

Normalised EBITDA

\[\text{EBITDA}_{H1\ 2020} = 4,680\]
\[\text{EBITDA}_{H1\ 2021} = 5,192\]
\[+11\%\]

\[\text{EBITDA}_{H1\ 2020} = 4,680\]
\[\text{EBITDA}_{H1\ 2021} = 5,192\]
\[+2\% \text{ CER}^*\]

Normalised HEPS

\[\text{HEPS}_{H1\ 2020} = 5.85\]
\[\text{HEPS}_{H1\ 2021} = 6.76\]
\[+16\%\]

\[\text{HEPS}_{H1\ 2020} = 5.85\]
\[\text{HEPS}_{H1\ 2021} = 6.76\]
\[+7\% \text{ CER}^*\]

Leverage ratio

\[\text{Leverage\ Ratio}_{H1\ 2020} = 3.5\]
\[\text{Leverage\ Ratio}_{H1\ 2021} = 2.8\]
\[-27\%\]

\[\text{Leverage\ Ratio}_{H1\ 2020} = 3.5\]
\[\text{Leverage\ Ratio}_{H1\ 2021} = 2.8\]
\[+6\% \text{ CER}^*\]

\[\text{Leverage\ Ratio}_{H1\ 2020} = 3.5\]
\[\text{Leverage\ Ratio}_{H1\ 2021} = 2.8\]
\[+2\% \text{ CER}^*\]

\[\text{Leverage\ Ratio}_{H1\ 2020} = 3.5\]
\[\text{Leverage\ Ratio}_{H1\ 2021} = 2.8\]
\[+7\% \text{ CER}^*\]
Regional Brands
Positive outcome considering reduced demand for acute medicines influenced by COVID-19 lockdowns

Sterile Focus Brands
Sound underlying performance boosted by demand for COVID-19 treatments in certain territories

Manufacturing
Strong growth across all segments

* CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates.
CONTINUING

GROSS PROFIT PERCENTAGE BRIDGE (CER*)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>International - EUR</td>
<td>69%</td>
<td>23%</td>
<td>69%</td>
<td>-0.5%</td>
<td>-1.7%</td>
<td></td>
<td>-0.6%</td>
<td>-0.5%</td>
<td>49.3%</td>
</tr>
<tr>
<td>South Africa - ZAR</td>
<td>23%</td>
<td>-0.6%</td>
<td>23%</td>
<td>-0.5%</td>
<td>-0.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Gross profit percentage - 31 December 2019 CER

* CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates
## GROSS PROFIT PERCENTAGE (CER*)

### CONTINUING

<table>
<thead>
<tr>
<th></th>
<th>Regional Brands</th>
<th>Sterile Focus Brands</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H1 2020</td>
<td>H2 2020</td>
<td>H1 2021</td>
</tr>
<tr>
<td><strong>Manufacturing</strong></td>
<td>28.1%</td>
<td>33.1%</td>
<td>23.5%</td>
</tr>
<tr>
<td><strong>Regional Brands</strong></td>
<td>55.0%</td>
<td>51.1%</td>
<td>55.8%</td>
</tr>
<tr>
<td><strong>Sterile Focus Brands</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Positive recovery of margin percentage to H1 2020 levels through targeted initiatives
- Influenced by product mix, low/no margin supply related to recent transactions and higher heparin cost prices

* CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates.
### Normalised EBITDA

**CONTINUING**

<table>
<thead>
<tr>
<th></th>
<th>H1 2021</th>
<th>% of revenue</th>
<th>H1 2020</th>
<th>% of revenue</th>
<th>% change</th>
<th>% change CER*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit †</td>
<td>9 186</td>
<td>49.3%</td>
<td>8 427</td>
<td>52.7%</td>
<td>9%</td>
<td>1%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>511</td>
<td>2.7%</td>
<td>439</td>
<td>2.7%</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(4 605)</td>
<td>24.7%</td>
<td>(4 406)</td>
<td>27.6%</td>
<td>5%</td>
<td>-3%</td>
</tr>
<tr>
<td>Net other operating income</td>
<td>100</td>
<td>0.5%</td>
<td>220</td>
<td>1.4%</td>
<td>-54%</td>
<td>-61%</td>
</tr>
<tr>
<td>HPC milestone</td>
<td>-</td>
<td>0.0%</td>
<td>144</td>
<td>0.9%</td>
<td>-100%</td>
<td>-100%</td>
</tr>
<tr>
<td>Other</td>
<td>100</td>
<td>0.5%</td>
<td>76</td>
<td>0.5%</td>
<td>32%</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Normalised EBITDA</strong></td>
<td><strong>5 192</strong></td>
<td><strong>27.9%</strong></td>
<td><strong>4 680</strong></td>
<td><strong>29.3%</strong></td>
<td><strong>11%</strong></td>
<td><strong>2%</strong></td>
</tr>
</tbody>
</table>

- **Growth in Normalised EBITDA was diluted by the decline in Other operating income:**
  - Excluding Other operating income, EBITDA growth would have been +14% (+5% CER*).
- **Decline in gross profit percentage partially offset by well controlled operating expenses.**
- Normalised EBITDA % is in line with H2 2020 at 27.9%.
- Normalised EBITDA % of revenue set to decline in H2 2021 as per Dec 2020 Investor Presentation.
  - Dilution from low margin revenue relating to Thrombosis product supply to Mylan/Viatris and oncology price cuts.

**EBITDA MARGIN % UPSIDE Drivers**

- **Targeted initiatives to drive production efficiency**
  - Commercial Pharma & Manufacturing GP% ↑
- **Anaesthetics production migrating in-house**
  - Commercial Pharma GP% ↑
- **Tight controls over expenses and opportunity from end to COVID-specific costs**
  - GP % and EBITDA % ↑
- **Incremental contribution from new customers for sterile capacity**
  - Manufacturing GP% ↑

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*CER reflects the underlying operational performance. H1 2020 restated at H1 2021 average exchange rates.
† Gross profit is after deduction of depreciation.
6 month average exchange rates indexed to 100 (H1 2020 = 100)

6 month average exchange rates

<table>
<thead>
<tr>
<th>Market currencies</th>
<th>H1 2020</th>
<th>H2 2020</th>
<th>H1 2021</th>
<th>Average to end of February 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>EURZAR</td>
<td>16.30</td>
<td>18.37</td>
<td>19.19</td>
<td>18.94</td>
</tr>
<tr>
<td>AUDZAR</td>
<td>10.05</td>
<td>10.94</td>
<td>11.75</td>
<td>11.70</td>
</tr>
<tr>
<td>USDZAR</td>
<td>14.69</td>
<td>16.68</td>
<td>16.26</td>
<td>15.95</td>
</tr>
<tr>
<td>CNYZAR</td>
<td>2.09</td>
<td>2.37</td>
<td>2.40</td>
<td>2.38</td>
</tr>
<tr>
<td>BRLZAR</td>
<td>3.59</td>
<td>3.40</td>
<td>2.97</td>
<td>2.91</td>
</tr>
<tr>
<td>MXNZAR</td>
<td>0.76</td>
<td>0.78</td>
<td>0.76</td>
<td>0.75</td>
</tr>
</tbody>
</table>

- Uplift in reported over CER* growth from continuing operations due to relative weakening in ZAR
  - Revenue from 6% to 17%
  - Normalised EBITDA from 2% to 11%
  - Normalised HEPS from 7% to 16%
- At present exchange rates, impact of FX rates on reported results in H2 will not be material

* CER reflects the underlying operational performance. H1 2020 restated at H1 2021 average exchange rates
NORMALISED HEADLINE EARNINGS BRIDGE
CONTINUING R’MILLION

2 882

-213

2 669

512

-72

-38

77

-62

3 086

+7%

+16%

Normalised Headline Earnings (CER*) - 31 December 2019
FX
Normalised Headline Earnings - 31 December 2019
Normalised EBITDA
Depreciation
Amortisation
Finance costs
Tax
Normalised Headline Earnings - 31 December 2020

* CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates.
Normalised EBITDA, depreciation, amortisation and finance costs shown on an before-tax basis.
WORKING CAPITAL

Net working capital % of revenue

<table>
<thead>
<tr>
<th></th>
<th>H1 2021</th>
<th>FY 2020 CER*</th>
<th>H1 2020 CER*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparable base‡</td>
<td>16 408</td>
<td>15 513</td>
<td>18 886</td>
</tr>
<tr>
<td>Excluding Oss</td>
<td>10 954</td>
<td>10 680</td>
<td>13 178</td>
</tr>
</tbody>
</table>

*CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates

‡Net working capital % of revenue based on published presentation disclosure

ǂRefer to Appendix 11 for comparable base calculations
OPERATING CASH FLOW
CONTINUING AND DISCONTINUED

- Clearly defined cycle to operating cash conversion rates
- H2 2020 cash flows benefited from COVID-influenced uncommonly low year-end trade debtors
  » Cash flows in H1 2021 and FY 2021 unfavourably impacted as a result
- H2 2021 to show improved result in line with cycle

### Operating cash conversion cycle

<table>
<thead>
<tr>
<th>H2 2018</th>
<th>H1 2019</th>
<th>H2 2019</th>
<th>H1 2020</th>
<th>H2 2020</th>
<th>H1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>200%</td>
<td></td>
<td>150%</td>
<td></td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>50%</td>
<td></td>
<td>0%</td>
<td></td>
<td>H2 2021</td>
</tr>
</tbody>
</table>

- Cash operating profit lower due to lower contribution from discontinued operations (H1 2021 = R82 million; H1 2020 = R967 million)
  » Will also affect FY 2021 cash generated
- Working capital increase influenced by
  » Low year-end debtors balances
  » Slow movement of acute medicines and higher cost of heparin
- Higher tax payments due to FY 2020 underpayment

### Key Financial Metrics

<table>
<thead>
<tr>
<th>R'million</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash operating profit</td>
<td>4 823</td>
<td>5 577</td>
<td>-14%</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>(1 411)</td>
<td>(1 217)</td>
<td></td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>3 412</td>
<td>4 360</td>
<td>-22%</td>
</tr>
<tr>
<td>Net finance costs paid</td>
<td>(665)</td>
<td>(889)</td>
<td></td>
</tr>
<tr>
<td>Tax paid</td>
<td>(1 007)</td>
<td>(876)</td>
<td></td>
</tr>
<tr>
<td>Cash generated from operating activities</td>
<td>1 740</td>
<td>2 595</td>
<td>-33%</td>
</tr>
</tbody>
</table>

### Operating cash flow per share (cents)

| | 381.2 | 568.5 |
| Operating cash flow per share (cents) | | -33% |

* Operating cash conversion rate (continuing) = operating cash flow per share (continuing) / HEPS (continuing)
BORROWINGS

- **Net debt / EBITDA of 2.83x**, well below banking covenant of 3.5x
- Proforma net debt/EBITDA at 31 December 2020 is 2.16x
  » With receipt of deferred second tranche of proceeds from the divestment of the European Thrombosis Assets
- Consistent with our commitment to maintain a stable balance sheet with a leverage ratio no greater than 3.0x

<table>
<thead>
<tr>
<th></th>
<th>H1 2021</th>
<th>FY 2020</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gearing</td>
<td>29%</td>
<td>34%</td>
<td>40%</td>
</tr>
<tr>
<td>Interest cover ratio *</td>
<td>6.78x</td>
<td>6.53x</td>
<td>5.26x</td>
</tr>
<tr>
<td>Effective interest rate for the period **</td>
<td>3.24%</td>
<td>3.88%</td>
<td>3.90%</td>
</tr>
</tbody>
</table>

- Net debt / EBITDA of 2.83x, well below banking covenant of 3.5x
- Proforma net debt/EBITDA at 31 December 2020 is 2.16x
  » With receipt of deferred second tranche of proceeds from the divestment of the European Thrombosis Assets
- Consistent with our commitment to maintain a stable balance sheet with a leverage ratio no greater than 3.0x

* Calculated in terms of Facilities Agreement, see Appendix 15
** Excluding amortisation of capital raising fees, and inclusive of continuing and discontinued operations
Current borrowings = non-current borrowings - cash
CAPITAL ALLOCATION PRIORITISATION – REPORT BACK

SUBJECT TO LEVERAGE CAP OF 3.0X (LEVERAGE RATIO H1 2021 = 2.83X; PROFORMA = 2.16X)

1. PPE capex and IP development
   - R1 327 million invested
   - Ensure business sustainability and efficiency

2. Bolt-on acquisitions of IP and businesses*
   - R36 million net inflow
   - Inherent to renewal of product portfolio

3. Dividends
   - Commitment to declaration with FY 2021 results
   - ≥ 20% of NHEPS

4. Larger Acquisitions & Disposals
   - R5 302 million net proceeds received
   - M&A transactions that are value accretive

* Limited to a net transaction value of R1 billion per annum from bolt-on acquisitions and disposals
INTRODUCTION/REFLECTIONS

ASPEN HAS SUCCESSFULLY NAVIGATED A TURBULENT AND CHALLENGING 12 MONTHS

- Resilient response from the team
- Relevant product portfolio
- Unwavering commitment
  - Vision gives purpose to life

ANAESTHETICS FOR WORLD

A CLEAR STRATEGIC PATHWAY FOR FUTURE OPPORTUNITIES

DXAMETHASONE FOR COVID

COVID VACCINE

Opportunities created
- Steriles capacity validated
- Reshaped Commercial Pharma has increased exposure to growth territories
  - Over 80% of sales from EM and Australia
- 50% of the net growth in Sterile portfolio is driven by
  - High COVID demand for Thrombosis brands in Russia CIS
- Resilient performance of Regional Brands, growing in spite of strong COVID-influenced decrease in demand for acute medication in both South Africa and Australia
- Manufacturing - increased volumes across all segments (Chemicals, Biochem and FDF)
  - Driven by demand for quality and reliability

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**GROUP REVENUE**

**CONTINUING**

<table>
<thead>
<tr>
<th>R'million</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>Reported</th>
<th>CER *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Pharma</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional Brands</td>
<td>8 776</td>
<td>8 178</td>
<td>7%</td>
<td>1%</td>
</tr>
<tr>
<td>Sterile Focus Brands</td>
<td>5 555</td>
<td>4 635</td>
<td>20%</td>
<td>7%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>4 302</td>
<td>3 171</td>
<td>36%</td>
<td>17%</td>
</tr>
<tr>
<td>Group revenue</td>
<td>18 633</td>
<td>15 984</td>
<td>17%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* CER reflects the underlying performance. H1 2020 restated at H1 2021 average exchange rates
<table>
<thead>
<tr>
<th>Region</th>
<th>H1 2021 (R’million)</th>
<th>H1 2020 (R’million)</th>
<th>Reported</th>
<th>CER *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa Middle East</td>
<td>4 004</td>
<td>3 867</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Americas</td>
<td>1 329</td>
<td>1 325</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Asia</td>
<td>336</td>
<td>277</td>
<td>21%</td>
<td>6%</td>
</tr>
<tr>
<td>Australasia</td>
<td>2 082</td>
<td>1 719</td>
<td>21%</td>
<td>4%</td>
</tr>
<tr>
<td>Europe CIS</td>
<td>1 025</td>
<td>990</td>
<td>4%</td>
<td>-10%</td>
</tr>
<tr>
<td><strong>Regional Brands</strong></td>
<td><strong>8 776</strong></td>
<td><strong>8 178</strong></td>
<td><strong>7%</strong></td>
<td><strong>1%</strong></td>
</tr>
</tbody>
</table>

- **Africa Middle East**
  - Strong performance from Middle East and rest of Africa more than offset COVID related declines for acute medications in South Africa

- **Europe CIS**
  - Oncology decline

- **Americas and Australasia**
  - Credible growth performance particularly given the negative COVID impact on acute medication in Australasia
  - Australasia growth underpinned by strong OTC results

* CER reflects the underlying performance. H1 2020 restated at H1 2021 average exchange rates.
Strong underlying performance

COVID-19 has impacted performance
  » Positively impacting
    - Russia CIS and Latam
  » Negatively impacting elective surgery
    - Australasia

Strong rebound from China
  » Versus H2 last year

* CER reflects the underlying performance. H1 2020 restated at H1 2021 average exchange rates
Sustained strong performance from both API and FDF
- API Chem being driven by double-digit growth at Oss
- API Biochem being driven by increased heparin sales
- FDF organic growth of 12% (CER)
  - Balance driven by transaction-related supply contracts with both Mylan and Sandoz
- Manufacturing growth at 10% (CER)
  - Excluding Mylan and Sandoz

* CER reflects the underlying performance. H1 2020 restated at H1 2021 average exchange rates
COVID-19 IMPACT TO COST STRUCTURES

**FACILITIES**
- Protocols impacted operating environment unfavourably
- Efficiency of sites affected by
  - Shutdowns/cleandowns
  - COVID-related absenteeism (up 30%)

**SUPPLY CHAIN**
- Disruptions to supply chain resulting in cost increases
  - 80% of air fleet capacity affected
  - Port closures

**OPERATING EXPENSES**
- Reduced mobility
  - Less travel, reps expenses, conferences, etc.
  - Increased use of digital

**ACCELERATED ORGANISATIONAL REDESIGN**
- Strong focus on efficient, fit for purpose structures
  - Benchmarking best in class manufacture
  - Focus shifting from projects to operational excellence
  - Restructuring commercial infrastructure around businesses divested
  - Eliminating duplications, harnessing synergies
  - Reallocation of costs towards growth drivers/zero based approach
STRATEGIC OUTLOOK
GROWTH FROM RESHAPED COMMERCIAL PHARMA

FUTURE GROWTH DRIVERS FOR COMMERCIAL PHARMA

Aspen has been reshaped and ORGANIC GROWTH clearly demonstrated

- Geographical footprint
  - Playing to our strengths
  - Demonstrated capability
  - Critical mass

- Increased demand for trusted brands and Sterile products
  - Rising EM middle class
  - Growing populations
  - Sustained increases globally in hospital admissions

- Strong organic pipeline
  - Including ability to register Anaesthetic portfolio more broadly
    - Additional molecules and differentiated delivery forms
  - Updated product dossiers were required for manufacturing transfers
    - The data generated for these transfers facilitates the registration process
FUTURE GROWTH DRIVERS FOR COMMERCIAL PHARMA

Leveraging our DISTRIBUTION FOOTPRINT

- Big Pharma pipelines have a narrow therapeutic focus
  - Less relevance in many EMs
    - Insufficient critical mass
    - Complex and a distraction from focus territories
- Aspen offers distribution/partnering providing
  - Increased focus
  - Proven ability in complex EM
  - World class regulatory and governance structures
  - Platform for growth and access opportunities, limited oversight required from partners

ACQUISITIONS & DISPOSALS

- Aspen will continue to reshape/refine its portfolio dependent on market conditions
- Capitalise on period of material therapeutic consolidation of multinational portfolios
- Opportunities for Aspen
  - Headroom with pro-forma net debt/EBITDA at about 2 times
STERILE CAPABILITIES AND CAPACITY

ASPEN’S AMBITIOUS STERILE BUILD

- Total investment payback through R800 million reduction in Anaesthetics cost of goods
- Security of both supply and quality provides confidence to harness further tenders without risk of incurring penalties

IT HAS ALSO CREATED

- Globally needed niche capability
- Increased capacity for future opportunities

CAPACITIES INCLUDE

- Glass Ampoules / Vials
- Plastic Blow Fill Seal
- Lyophilization
- Prefilled Syringes
- Eye Drops
- Polybags
STERILE CAPABILITIES & CAPACITY
CAPACITIES DETERMINED USING A 24/7/42 WEEKS MODEL

VIALS CAPACITY: 700 million doses^  
^Measured in 1 dose = 1ml  
Alternate utilisation → lyophilisation*  
*One lyophilisation unit c. 3 doses

AMPOULES CAPACITY: 50 - 150 million  
Measured in 1ml – 20ml

LARGE DIPRIVAN VIALS CAPACITY: 14 million  
Measured in 20ml – 50ml  
Capacity equivalent to ± 500 million doses^

EYEDROPS CAPACITY: 75 million  
Measured in 5ml – 30ml

CAPACITY AVAILABLE FOR THIRD-PARTY &/or FURTHER ASPEN PRODUCTION
- 600 million doses from vials
- 40 million eyedrops

CAPACITY DEDICATED TO ASPEN
- Ampoules & large Diprivan vials

SA MANUFACTURING OPERATIONS
STERILE CAPABILITIES & CAPACITY
CAPACITIES DETERMINED USING A 24/7/42 WEEKS MODEL

PREFILLED SYRINGE CAPACITY: 350 million
Measured in 1ml syringes

BLOW FILL SEAL/POLYBAGS: 150 million
Measured in 5ml – 20ml

NOTRE DAME DE BONDEVILLE

CAPACITY AVAILABLE FOR THIRD-PARTY &/or FURTHER ASPEN PRODUCTION
- 200 million prefilled syringes
  - Higher value add
- Up to 75 million blow fill seal
STERILE CAPABILITIES AND CAPACITY | CONTINUED

- Utilization of strategically relevant global capability
- Thoughtful and strategic in deliberations
- Manufacturing commitments long term

**CAPACITY**
- Significant capacity available including
  - Over 600 million doses from vials
  - Over 200 million prefilled syringes
- The COVID vaccine will utilise part of our vial capacity
- Both capacities
  - Built with the capability to also manufacture vaccines

**HIGH POTENTIAL**
- Contract manufacture – lesser margins
  - Given the significant volumes even small per unit contributions, material positive outcomes
- Collaborate/acquire IP
  - Higher margin opportunities will create material upside

**CAPACITY ALLOCATION**
- Significant capacity available including
  - Over 600 million doses from vials
  - Over 200 million prefilled syringes
- The COVID vaccine will utilise part of our vial capacity
- Both capacities
  - Built with the capability to also manufacture vaccines
SUMMARY AND GUIDANCE

WELL POSITIONED TO DELIVER SUSTAINED SHAREHOLDER VALUE

- Effective maintenance of EBITDA despite recent disposals, inter alia, Japan and Europe Thrombosis
  » Underlying growth in the continuing operations
- Material reduction in debt

<table>
<thead>
<tr>
<th></th>
<th>R'billon</th>
<th>H1 2021</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normalised EBITDA</td>
<td></td>
<td>5.2</td>
<td>5.5</td>
</tr>
<tr>
<td>Net borrowings</td>
<td></td>
<td>27.7</td>
<td>53.5</td>
</tr>
<tr>
<td>Adjusted for proceeds of discontinued operations</td>
<td>7.0*</td>
<td>14.2</td>
<td></td>
</tr>
<tr>
<td>Adjusted pro-forma borrowings</td>
<td></td>
<td>20.7</td>
<td>39.3</td>
</tr>
</tbody>
</table>

* EUR389 million at Aspen’s 31 December 2020 exchange rate of R17.91 to EUR 1
H1 2021 results reflect robustness of Aspen

- Positive underlying organic growth
  - Revenue +6% (CER)
  - NHEPS +7% (CER)
SUMMARY AND GUIDANCE | CONTINUED

H1 GROWTH MOMENTUM EXPECTED TO BE MAINTAINED FOR FY 2021

- Growth in NHEPS (CER) in FY 2021, at least equal to H1 2021
  » Subject to no unexpected headwinds from COVID
- Reported results will be impacted by relative movement in material exchange rates
- Commercial production of COVID vaccine will contribute to results towards the end of FY 2021

CAPITAL ALLOCATION MODEL SUPPORTING SUSTAINED SHAREHOLDER VALUE

- Commitment to dividends
- Strong and stable balance sheet
  » Capacity for acquisitions
  » Pro-forma leverage ratio 2.16x
  » Gearing reduced to 29%

STRATEGIC GROWTH DRIVERS

- Underlying organic growth
- Collaboration initiatives
- Leveraging our distribution footprint
- Sterile capacity fill
APPENDICES
APPENDIX 1: STRATEGIC POSITIONING

BRANDED, SPECIALTY PRODUCT PORTFOLIO
Sterile & Regional
Ongoing portfolio renewal through development, acquisitions and disposals

COMPLEX MANUFACTURING CAPABILITIES
FDF & API
Leverage of installed capacity creates opportunity for additional revenue streams, economies of scale and improved competitiveness

EXTENSIVE COMMERCIAL FOOTPRINT
Covering more than 50 countries
Delivering predictable annuity revenues and strong cash flows. Capacity to seamlessly absorb additions to portfolio

Organic growth driven by trusted specialty brands promoted by proven sales teams
Trusted manufacturing quality providing improved competitiveness and new revenue streams
Strong free cash flows allowing strategic reinvestment and returns to shareholders
APPENDIX 2: STRONG FUNDAMENTALS FOR ORGANIC GROWTH

**Commercial Pharma Fundamentals**
- Focused on territories with strong demographic growth
  - Well exposed to rising Emerging Markets middle class
  - Need for increased access to medicine
  - Demand for trusted, affordable brands
- Established brands enhanced by promotion
  - Direct sales support in more than 50 countries
  - Proven track record of organic growth
- Bolt-on acquisitions
  - Component of portfolio renewal
  - Demonstrated success in execution

**Manufacturing Fundamentals**
- Increasing demand for quality sterile manufacture
  - Shortage of capacity due to high cost and regulatory hurdles
  - Explosive growth in need for vaccine manufacturing
  - Pharma biotech innovation requirement for sterile manufacture
- Sought after API capabilities
  - Niche API Chemicals continuing positive growth trajectory
  - Change in focus of API Biochem from internal to Third Party customers
  - Reputation for quality and dependability

**Reshaped Commercial Pharma Model**

**Aspen’s Organic Growth Drivers**

**Enhanced Manufacturing Capacities & Capabilities**
**APPENDIX 3: PORTFOLIO MANAGEMENT MODEL**

### Drivers of portfolio strategy

- **Patients Needs**
  - Proactively seek value enhancement opportunities
  - Complimentary to existing operations

- **Market Conditions**
  - Leading Global & Regional Brands
  - Off patent, niche specialty brands

- **Group Capability**
  - Acquire
  - Develop
  - Collaborate
  - Leverage intellectual & manufacturing advantage
  - Product development lifecycle management
  - Strategic relationships with MNCs

- **Return on Investment Expectations**
  - Generate sustainable cash flows
  - Realisation of proceeds from sale of assets

---

### Build portfolio

- **Acquire**
- **Develop**
- **Collaborate**

### Maximise portfolio returns

- **Sales & Marketing**
  - Leverage sales and distribution network
  - Achieve manufacturing synergies
  - Optimise supply chain
  - Integrate acquisitions into existing business

- **Manufacturing**
- **Supply Chain**

### Reshape portfolio

- **Revitalise**
- **Collaborate**
- **Divest**
  - Seek partnerships that will unlock further value
  - Check alignment to Portfolio Strategy & divest non-core assets

---

**Aspen Portfolio**

Balance between focus & diversification across regions and therapies

Leading Global & Regional Brands

Off patent, niche specialty brands
## APPENDIX 4: ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

### CONTINUING AND DISCONTINUED

<table>
<thead>
<tr>
<th></th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>% change</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue</strong></td>
<td>20 545</td>
<td>19 993</td>
<td>3%</td>
<td>40 535</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(10 870)</td>
<td>(9 887)</td>
<td></td>
<td>(20 442)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>9 675</td>
<td>10 106</td>
<td>-4%</td>
<td>20 093</td>
</tr>
<tr>
<td><strong>Gross profit margin</strong></td>
<td>47.1%</td>
<td>50.5%</td>
<td></td>
<td>49.6%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(5 126)</td>
<td>(5 151)</td>
<td></td>
<td>(10 142)</td>
</tr>
<tr>
<td><strong>Net other operating expenses</strong></td>
<td>(1 020)</td>
<td>(943)</td>
<td>(2 531)</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>524</td>
<td>457</td>
<td>14%</td>
<td>971</td>
</tr>
<tr>
<td><strong>Amortisation</strong></td>
<td>323</td>
<td>299</td>
<td>9%</td>
<td>632</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>4 376</td>
<td>4 768</td>
<td>-8%</td>
<td>9 023</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>21.3%</td>
<td>23.8%</td>
<td></td>
<td>22.3%</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>(524)</td>
<td>(457)</td>
<td></td>
<td>(971)</td>
</tr>
<tr>
<td><strong>Amortisation</strong></td>
<td>(323)</td>
<td>(299)</td>
<td></td>
<td>(632)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>3 529</td>
<td>4 012</td>
<td>-12%</td>
<td>7 419</td>
</tr>
<tr>
<td><strong>Net funding costs</strong></td>
<td>(697)</td>
<td>(731)</td>
<td></td>
<td>(1 490)</td>
</tr>
<tr>
<td><strong>Operating profit after financing costs</strong></td>
<td>2 832</td>
<td>3 281</td>
<td>-14%</td>
<td>5 929</td>
</tr>
<tr>
<td><strong>Share of after-tax net profit of joint ventures</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>2 832</td>
<td>3 281</td>
<td>-14%</td>
<td>5 929</td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td>(577)</td>
<td>(612)</td>
<td></td>
<td>(1 072)</td>
</tr>
<tr>
<td><strong>Profit after tax from continuing operations</strong></td>
<td>2 255</td>
<td>2 669</td>
<td>-16%</td>
<td>4 857</td>
</tr>
<tr>
<td><strong>Profit from discontinued operations</strong></td>
<td>294</td>
<td>(40)</td>
<td>(194)</td>
<td></td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>2 549</td>
<td>2 629</td>
<td>-3%</td>
<td>4 663</td>
</tr>
<tr>
<td><strong>EPS (cents)</strong></td>
<td>558.4</td>
<td>576.0</td>
<td>-3%</td>
<td>1 021.8</td>
</tr>
<tr>
<td><strong>HEPS (cents)</strong></td>
<td>566.2</td>
<td>689.7</td>
<td>-18%</td>
<td>1 322.1</td>
</tr>
<tr>
<td><strong>NHEPS (cents)</strong></td>
<td>698.6</td>
<td>759.6</td>
<td>-8%</td>
<td>1 515.1</td>
</tr>
</tbody>
</table>
### APPENDIX 5: ABRIDGED STATEMENT OF NORMALISED COMPREHENSIVE INCOME CONTINUING

<table>
<thead>
<tr>
<th>R’million</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>% change</th>
<th>H1 2021 CER*</th>
<th>% change</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue</strong></td>
<td>18 633</td>
<td>15 984</td>
<td>17%</td>
<td>17 503</td>
<td>6%</td>
<td>33 659</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(9 447)</td>
<td>(7 557)</td>
<td>25%</td>
<td>(8 366)</td>
<td>13%</td>
<td>(16 524)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>9 186</td>
<td>8 427</td>
<td>9%</td>
<td>9 137</td>
<td>1%</td>
<td>17 135</td>
</tr>
<tr>
<td><strong>Gross profit margin</strong></td>
<td>49.3%</td>
<td>52.7%</td>
<td></td>
<td>52.2%</td>
<td></td>
<td>50.9%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(4 605)</td>
<td>(4 406)</td>
<td>5%</td>
<td>(4 771)</td>
<td>-3%</td>
<td>(8 891)</td>
</tr>
<tr>
<td><strong>Net other operating income</strong></td>
<td>100</td>
<td>220</td>
<td>-55%</td>
<td>257</td>
<td>-61%</td>
<td>428</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>511</td>
<td>439</td>
<td>16%</td>
<td>480</td>
<td>6%</td>
<td>940</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>5 192</td>
<td>4 680</td>
<td>11%</td>
<td>5 103</td>
<td>2%</td>
<td>9 612</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>27.9%</td>
<td>29.3%</td>
<td></td>
<td>29.2%</td>
<td></td>
<td>28.6%</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>(511)</td>
<td>(439)</td>
<td>16%</td>
<td>(480)</td>
<td>6%</td>
<td>(940)</td>
</tr>
<tr>
<td><strong>Amortisation</strong></td>
<td>(323)</td>
<td>(285)</td>
<td>13%</td>
<td>(313)</td>
<td>3%</td>
<td>(615)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>4 358</td>
<td>3 956</td>
<td>10%</td>
<td>4 310</td>
<td>1%</td>
<td>8 057</td>
</tr>
<tr>
<td><strong>Net funding costs</strong></td>
<td>(667)</td>
<td>(744)</td>
<td>-10%</td>
<td>(841)</td>
<td>-21%</td>
<td>(1 504)</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>3 691</td>
<td>3 212</td>
<td>15%</td>
<td>3 469</td>
<td>6%</td>
<td>6 553</td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td>(605)</td>
<td>(543)</td>
<td>11%</td>
<td>(587)</td>
<td>3%</td>
<td>(1 099)</td>
</tr>
<tr>
<td><strong>Profit after tax from continuing operations</strong></td>
<td>3 086</td>
<td>2 669</td>
<td>16%</td>
<td>2 882</td>
<td>7%</td>
<td>5 454</td>
</tr>
<tr>
<td><strong>NHEPS (cents)</strong></td>
<td>676.2</td>
<td>585.1</td>
<td>16%</td>
<td>631.4</td>
<td>7%</td>
<td>1 194.8</td>
</tr>
<tr>
<td><strong>Normalised effective tax rate</strong></td>
<td>16.4%</td>
<td>16.9%</td>
<td></td>
<td>16.9%</td>
<td></td>
<td>16.8%</td>
</tr>
</tbody>
</table>

* CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates.
APPENDIX 6: NET FUNDING COSTS

CONTINUING

<table>
<thead>
<tr>
<th>R’million</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest paid</td>
<td>(460)</td>
<td>(647)</td>
<td>(1314)</td>
</tr>
<tr>
<td>Foreign exchange (losses)/gains</td>
<td>(104)</td>
<td>(11)</td>
<td>(8)</td>
</tr>
<tr>
<td>Notional interest on financial instruments</td>
<td>(103)</td>
<td>(86)</td>
<td>(182)</td>
</tr>
<tr>
<td><strong>Normalised net funding costs</strong></td>
<td>(667)</td>
<td>(744)</td>
<td>(1504)</td>
</tr>
<tr>
<td>Debt raising fees on acquisitions</td>
<td>(25)</td>
<td>(20)</td>
<td>(45)</td>
</tr>
<tr>
<td>Foreign exchange gains/(losses) on acquisitions</td>
<td>(5)</td>
<td>33</td>
<td>17</td>
</tr>
<tr>
<td><strong>Reported net financing costs</strong></td>
<td>(697)</td>
<td>(731)</td>
<td>(1532)</td>
</tr>
</tbody>
</table>

Cumulative change in margin applicable to the Group's syndicated term and revolving loans for changes in leverage ratio:

<table>
<thead>
<tr>
<th>Leverage Ratio</th>
<th>Change in Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;3.00x but &lt;3.50x</td>
<td>+0.10%</td>
</tr>
<tr>
<td>&gt;2.50x but &lt;3.00x</td>
<td>0</td>
</tr>
<tr>
<td>&gt;2.00x but &lt;2.50x</td>
<td>-0.10%</td>
</tr>
<tr>
<td>&lt;2.00x</td>
<td>-0.20%</td>
</tr>
</tbody>
</table>
APPENDIX 7: EFFECTIVE TAX RATES

The Group’s effective tax rate spiked in FY 2019 due to higher impairments in that year.

Normalised effective tax rate eliminates the periodic spikes and other non-trading items.

It’s anticipated that the FY 2021 Group normalised effective tax rate will not exceed that for FY 2020.

---

** Excludes Japan, SA public sector ARVs, Nutritional, Asia Pacific non-core pharmaceuticals and EU Thrombosis.

^ Includes Japan, SA public sector ARVs and EU Thrombosis but excludes Nutritional and Asia Pacific non-core pharmaceuticals.

* Excludes Japan, SA public sector ARVs, Nutritional and Asia Pacific non-core pharmaceuticals.
### APPENDIX 8: RECONCILIATION OF REPORTED NHEPS

#### CONTINUING AND DISCONTINUED

<table>
<thead>
<tr>
<th>Cents</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>% change</th>
<th>H1 2020 CER(^*)</th>
<th>% change</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings per share (EPS)</td>
<td>558.4</td>
<td>576.0</td>
<td>-3%</td>
<td>622.5</td>
<td>-10%</td>
<td>1 021.8</td>
</tr>
<tr>
<td>Profit on sale of property, plant and equipment</td>
<td>0.4</td>
<td>1.1</td>
<td></td>
<td>0.0</td>
<td></td>
<td>0.0</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>0.2</td>
<td>1.8</td>
<td></td>
<td>2.3</td>
<td></td>
<td>2.0</td>
</tr>
<tr>
<td>Impairment of intangible assets</td>
<td>62.9</td>
<td>106.6</td>
<td></td>
<td>125.9</td>
<td></td>
<td>280.8</td>
</tr>
<tr>
<td>Reversal of impairment of PPE</td>
<td>0.0</td>
<td>(0.2)</td>
<td></td>
<td>(0.4)</td>
<td></td>
<td>(0.4)</td>
</tr>
<tr>
<td>Impairment of financial assets</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td></td>
<td>2.0</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>14.3</td>
<td>-</td>
<td></td>
<td>0.0</td>
<td></td>
<td>21.1</td>
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<tr>
<td>Reversal of impairment of IP</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(0.7)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Loss/(profit) on sale of discontinued operations</td>
<td>(64.3)</td>
<td>8.8</td>
<td></td>
<td>10.1</td>
<td></td>
<td>42.4</td>
</tr>
<tr>
<td>(Profit) /loss on sale of assets classified as held-for-sale</td>
<td>0.0</td>
<td>(4.4)</td>
<td></td>
<td>(3.9)</td>
<td></td>
<td>(3.1)</td>
</tr>
<tr>
<td>Loss/(profit) on sale of tangible and intangible assets</td>
<td>(5.7)</td>
<td>0.0</td>
<td></td>
<td>1.6</td>
<td></td>
<td>(44.5)</td>
</tr>
<tr>
<td>Headline earnings per share (HEPS)</td>
<td>566.2</td>
<td>689.7</td>
<td>-18%</td>
<td>757.4</td>
<td>-25%</td>
<td>1 322.1</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>78.1</td>
<td>29.3</td>
<td></td>
<td>31.4</td>
<td></td>
<td>80.1</td>
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<tr>
<td>Transactions costs</td>
<td>40.3</td>
<td>38.4</td>
<td></td>
<td>41.0</td>
<td></td>
<td>80.8</td>
</tr>
<tr>
<td>Product litigation costs</td>
<td>12.9</td>
<td>9.4</td>
<td></td>
<td>10.9</td>
<td></td>
<td>44.9</td>
</tr>
<tr>
<td>Reversal of deferred consideration no longer payable</td>
<td>-</td>
<td>0.0</td>
<td></td>
<td>(8.4)</td>
<td></td>
<td>0.0</td>
</tr>
<tr>
<td>Foreign exchange gain relating to acquisition</td>
<td>1.1</td>
<td>(7.2)</td>
<td></td>
<td>(3.5)</td>
<td></td>
<td>(12.8)</td>
</tr>
<tr>
<td>Normalised HEPS</td>
<td>698.6</td>
<td>759.6</td>
<td>-8%</td>
<td>828.8</td>
<td>-16%</td>
<td>1 515.1</td>
</tr>
</tbody>
</table>

\(^*\) CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates
### APPENDIX 9: RECONCILIATION OF CER* NHEPS

**CONTINUING**

<table>
<thead>
<tr>
<th>Cents</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>% change</th>
<th>H1 2020 CER*</th>
<th>% change</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings per share (EPS)</td>
<td>498.8</td>
<td>410.8</td>
<td>21%</td>
<td>436.0</td>
<td>14%</td>
<td>740.5</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>0.3</td>
<td>1.7</td>
<td></td>
<td>2.3</td>
<td></td>
<td>1.8</td>
</tr>
<tr>
<td>Impairment of intangible assets</td>
<td>63.5</td>
<td>107.0</td>
<td></td>
<td>126.1</td>
<td></td>
<td>280.8</td>
</tr>
<tr>
<td>Reversal of impairment of PPE</td>
<td>-</td>
<td>(0.2)</td>
<td></td>
<td>(0.4)</td>
<td></td>
<td>(0.4)</td>
</tr>
<tr>
<td>Reversal of impairment of IP</td>
<td>(0.5)</td>
<td>0.4</td>
<td></td>
<td>(0.7)</td>
<td></td>
<td>2.0</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>14.2</td>
<td>-</td>
<td></td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>(Profit)/loss on sale of assets classified as held-for-sale</td>
<td>0.0</td>
<td>(4.3)</td>
<td></td>
<td>(3.8)</td>
<td></td>
<td>(44.5)</td>
</tr>
<tr>
<td>(Profit)/loss on sale of discontinued operations</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Profit)/loss on sale of intangible and tangible assets</td>
<td>(5.3)</td>
<td>1.1</td>
<td></td>
<td>1.6</td>
<td></td>
<td>21.0</td>
</tr>
<tr>
<td>Headline earnings per share (HEPS)</td>
<td>571.0</td>
<td>515.7</td>
<td>11%</td>
<td>561.1</td>
<td>2%</td>
<td>998.1</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>53.7</td>
<td>29.5</td>
<td></td>
<td>31.2</td>
<td></td>
<td>67.4</td>
</tr>
<tr>
<td>Transactions costs</td>
<td>37.4</td>
<td>37.5</td>
<td></td>
<td>39.9</td>
<td></td>
<td>88.1</td>
</tr>
<tr>
<td>Product litigation costs</td>
<td>13.0</td>
<td>9.5</td>
<td></td>
<td>11.0</td>
<td></td>
<td>44.9</td>
</tr>
<tr>
<td>Reversal of deferred consideration no longer payable</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(8.4)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange (gain)/loss relating to acquisition</td>
<td>1.1</td>
<td>(7.1)</td>
<td></td>
<td>(3.4)</td>
<td></td>
<td>(3.7)</td>
</tr>
<tr>
<td>Normalised HEPS</td>
<td>676.2</td>
<td>585.1</td>
<td>16%</td>
<td>631.4</td>
<td>7%</td>
<td>1 194.8</td>
</tr>
</tbody>
</table>

*CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates*
## APPENDIX 10.1: GROUP STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>R'million</th>
<th>H1 2021</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td>80 760</td>
<td>79 745</td>
</tr>
<tr>
<td>Intangible assets</td>
<td></td>
<td>58 101</td>
<td>60 153</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td>14 336</td>
<td>12 612</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td></td>
<td>487</td>
<td>539</td>
</tr>
<tr>
<td>Goodwill</td>
<td></td>
<td>4 923</td>
<td>4 562</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td></td>
<td>1 624</td>
<td>1 161</td>
</tr>
<tr>
<td>Contingent environmental indemnification assets</td>
<td></td>
<td>297</td>
<td>242</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td></td>
<td>992</td>
<td>476</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td>43 449</td>
<td>37 965</td>
</tr>
<tr>
<td>Inventories</td>
<td></td>
<td>14 302</td>
<td>14 353</td>
</tr>
<tr>
<td>Receivables and other current assets</td>
<td></td>
<td>19 174</td>
<td>11 965</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>9 793</td>
<td>5 953</td>
</tr>
<tr>
<td>Assets classified as held-for-sale</td>
<td></td>
<td>180</td>
<td>5 694</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>124 209</td>
<td>117 710</td>
</tr>
</tbody>
</table>
## APPENDIX 10.2: GROUP STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>H1 2021</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>R’million</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders equity</td>
<td>66 354</td>
<td>55 962</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>37 770</td>
<td>39 039</td>
</tr>
<tr>
<td>Borrowings</td>
<td>29 259</td>
<td>31 470</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>4 419</td>
<td>3 762</td>
</tr>
<tr>
<td>Unfavourable and onerous contracts</td>
<td>670</td>
<td>874</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>2 234</td>
<td>1 938</td>
</tr>
<tr>
<td>Contingent environmental liabilities</td>
<td>297</td>
<td>242</td>
</tr>
<tr>
<td>Retirement and other employee benefits</td>
<td>891</td>
<td>753</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>20 085</td>
<td>22 709</td>
</tr>
<tr>
<td>Borrowings</td>
<td>8 216</td>
<td>12 414</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>8 906</td>
<td>7 961</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>2 553</td>
<td>1 083</td>
</tr>
<tr>
<td>Unfavourable and onerous contracts</td>
<td>387</td>
<td>318</td>
</tr>
<tr>
<td>Liabilities classified as held-for-sale</td>
<td>23</td>
<td>933</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>124 209</td>
<td>117 710</td>
</tr>
</tbody>
</table>
## APPENDIX 11: WORKING CAPITAL RECONCILIATION

<table>
<thead>
<tr>
<th>R’million</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net working capital - Reported</td>
<td>16 408</td>
<td>17 968</td>
<td>18 049</td>
</tr>
<tr>
<td>Less: Discontinued operations</td>
<td>-</td>
<td>(688)</td>
<td>(1 108)</td>
</tr>
<tr>
<td><strong>Net working capital - Restated</strong></td>
<td><strong>16 408</strong></td>
<td><strong>17 281</strong></td>
<td><strong>16 941</strong></td>
</tr>
<tr>
<td>Fx impact</td>
<td>-</td>
<td>1 606</td>
<td>(1 429)</td>
</tr>
<tr>
<td><strong>Comparable base working capital CER</strong></td>
<td><strong>16 408</strong></td>
<td><strong>18 886</strong></td>
<td><strong>15 513</strong></td>
</tr>
</tbody>
</table>
APPENDIX 12: NET WORKING CAPITAL BRIDGE (CER*)

R'MILLION

18049
-1519
16530
-1203
679
564
168
-330
16408

FY 2020
FX
FY 2020 (CER)
Disposal related
Inventories
Trade debtors
Trade creditors
Non-cash
H1 2021

*CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates.
APPENDIX 13 : CAPITAL EXPENDITURE

**IP DEVELOPMENT CAPEX**

- Comprising in-house product development and IT software
- H1 2021 spend of R328 million
- Planned spend in H2 2021 of c. R560 million driven by SAP projects

- Expected first commercial production from strategic projects
  - Port Elizabeth FY 2021
  - Bad Oldesloe FY 2021
  - Notre Dame de Bondeville FY 2023

- Commercial benefits from migrating Anaesthetics production in-house expected to be largely realised in FY 2024

---

*Capital expenditure excludes interest on the cost of funding capitalised to the projects*
APPENDIX 14: NET BORROWINGS BRIDGE

R’MILLION

Net borrowings as at 30 June 2020: 35,228
FX: -1,885
Net borrowings as at 30 June 2020 (Comparable base): 33,343
Transaction related: -5,302
Cashflows from operating activities: -1,740
Bolt-ons (net disposals): -36
Capex (IP development & PPE): 1,327
Other: 279
Net Borrowings at 31 December 2020: 27,682

Net borrowings as at 30 June 2020 (Comparable base): -1,885
Cashflows from operating activities: 3,228
Transaction related: -33,343
Bolt-ons (net disposals): 27,682
Capex (IP development & PPE): 279
Other: -5,302
Net borrowings at 31 December 2020: 90

Healthcare. We Care.
APPENDIX 15: LEVERAGE RATIO CALCULATION
BASED ON MAJOR AGREED TERMS INCLUDED IN THE FACILITIES AGREEMENT WHICH HAS BEEN IN PLACE SINCE 2015

NET DEBT / EBITDA FACILITIES AGREEMENT CALCULATION

Net debt =
Gross borrowings
- Cash
+ Lease liabilities
+ Non-contingent deferred payables*

Adjusted for: difference between year end FX rates and y-t-d average FX rates, in order to ensure that net borrowings is converted to ZAR at the same FX rates as EBITDA

EBITDA =
Normalised EBITDA as reported in the financial statements
+ An annualisation adjustment for any acquisitions undertaken in the Measurement Period in order to reflect what EBITDA the acquired assets would have yielded had they been acquired on the 1st day of the Measurement Period
- EBITDA which has been disposed of (please note this is disposed EBITDA, and not merely EBITDA which relates to discontinued operations) during the Measurement Period

* These are deferred payables which have no contingencies associated therewith

** 12 months ending either on 30 June or 31 December
# APPENDIX 16: DISPOSAL OF EUROPEAN THROMBOSIS ASSETS

<table>
<thead>
<tr>
<th></th>
<th>H1 2021 (R'million)</th>
<th>H1 2021 (EUR'million)</th>
<th>Guidance per SENS[^1]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds receivable (A)</td>
<td>12 775</td>
<td>666</td>
<td>EUR642m + inventory</td>
</tr>
<tr>
<td>Proceeds outstanding</td>
<td>(7 473)</td>
<td>(389)</td>
<td>EUR379m + amount due for inventory</td>
</tr>
<tr>
<td>Cash flow for the period</td>
<td>5 302</td>
<td>277</td>
<td>EUR589m</td>
</tr>
<tr>
<td>Assets disposed</td>
<td></td>
<td></td>
<td>No material variance</td>
</tr>
<tr>
<td>Intangible assets and goodwill</td>
<td>10 667</td>
<td>556</td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>409</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Total assets disposed (B)</td>
<td>11 076</td>
<td>580</td>
<td></td>
</tr>
<tr>
<td>Liabilities raised on disposal (C)</td>
<td>(1 690)</td>
<td>(86)</td>
<td></td>
</tr>
<tr>
<td>Profit on sale (A - B - C)</td>
<td>9</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

[^1]: SENS announcement of 8 September 2020 covering the divestment of Aspen’s European Thrombosis Assets  
* Converted at average Fx rate for the period for purposes of cash flow. At the closing rate of ZAR17.91/EUR, the proceeds outstanding are R7.0 billion  
† Liabilities raised on disposal consist of contractual obligations and net realisable value adjustments