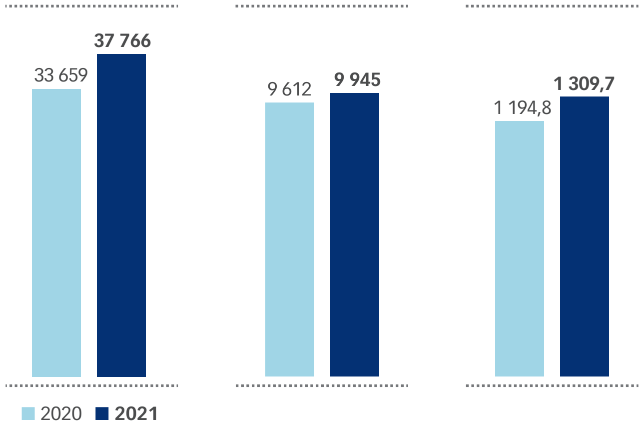
Reviewed provisional Group financial results
for the year ended 30 June 2021

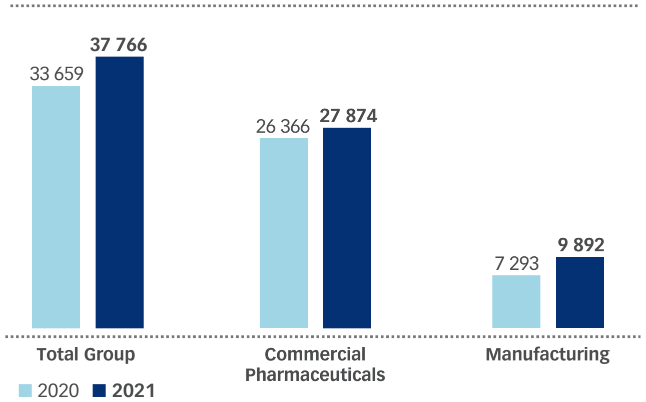
aspen HOLDINGS

www.aspenpharma.com

Revenue (R'million) | **Normalised EBITDA (R'million)** | **Normalised HEPS (Cents)**



Revenue June 2021 by business segment (R'million)



Short form announcement

This announcement is a condensed version of the full announcement in respect of the reviewed provisional financial results for the year ended 30 June 2021 of Aspen and its subsidiaries (collectively "the Group") and as such, it does not contain full or complete details pertaining to the Group's results. Any investment decisions should be made based on the full announcement. The full announcement has been published on the JSE News Service ("SENS") and can be accessed online at **https://senspdf.jse.co.za./documents/2021/jse/isse/APN/FYresults.pdf** and on the Group's website (**www.aspenpharma.com**). It is also available for inspection at our registered office, Building 8, Healthcare Park, Woodlands Drive, Woodmead and the offices of our sponsor, 100 Grayston Drive, Sandown, from 09:00 to 16:00 weekdays at no charge. This condensed announcement is the responsibility of the Board of Directors of Aspen and has been approved by the Board of Directors.

Review conclusion

These provisional Group financial results have been reviewed by Aspen's auditors, Ernst & Young Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at the Company's registered office.

Aspen Pharmacare Holdings Limited
(Registration number 1985/002935/06)
Share code: APN
ISIN: ZAE000066692
("Aspen" or "the Group")

Directors
K D Dlamini (Chairman)*, M G Attridge, L de Beer*, B J Kruger*, T M Mkhwanazi*, C N Mortimer*, B Ngonyama*, D S Redfern*, S B Saad, S V Zilwa*
**Non-executive director*

Company Secretary: R Verster

Registered office
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PO Box 1587, Gallo Manor, 2052

Telephone: +27 11 239 6100
Telefax: +27 11 239 6144

Sponsor: Investec Bank Limited

Transfer secretary
JSE Investor Services (Pty) Limited
13th Floor, 19 Ameshoff Street, Braamfontein, 2001
PO Box 4844, Johannesburg, 2000

Condensed statement of comprehensive income

	Change %	Reviewed June 2021 R'million	Reviewed Restated* June 2020 R'million
Continuing operations			
Revenue	12	**37 766**	33 659
Cost of sales		**(19 977)**	(16 524)
Gross profit	4	**17 789**	17 135
Net expenses		**(10 717)**	(11 405)
Operating profit	23	**7 072**	5 730
Net finance costs		**(1 083)**	(1 532)
Tax		**(1 191)**	(818)
Profit for the year from continuing operations	42	**4 798**	3 380
Discontinued operations			
Profit for the year from discontinued operations		**8**	1 284
Profit for the year	3	**4 806**	4 664

Condensed statement of financial position

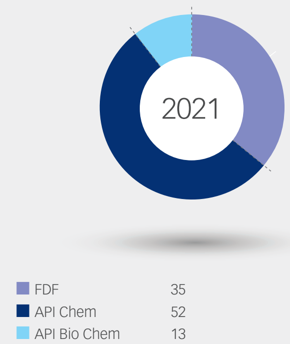
	Reviewed June 2021 R'million	Reviewed June 2020 R'million
Non-current assets	**76 979**	96 431
Current assets	**32 705**	36 738
Total assets	**109 684**	133 169
Shareholders' equity	**65 627**	69 217
Non-current liabilities	**7 306**	45 873
Current liabilities	**36 751**	18 079
Total equity and liabilities	**109 684**	133 169
Net asset value	**65 627**	69 217
Net asset value per share (cents)	**14 377,6**	15 164,2

Condensed statement of cash flows

	Reviewed June 2021 R'million	Reviewed June 2020 R'million
Cash generated from operating activities	**6 825**	8 260
Cash used in investing activities	**9 763**	1 624
Cash generated from financing activities	**(15 648)**	(11 465)
Effects of exchange rate changes	**(602)**	1 050
Movement in cash and cash equivalents	**338**	(531)
Cash and cash equivalents at beginning of the year	**5 617**	6 148
Cash and cash equivalents at end of the year	**5 955**	5 617
Operating cash flow per share (cents)	**1 495,3**	1 809,6

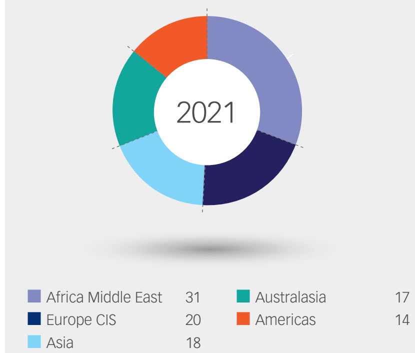
** Restated as a result of discontinued operations.*

Segmental revenue June 2021
Manufacturing by segment
R9,9 billion (%)



Segmental revenue June 2021
Commercial Pharmaceutical brands
R27,9 billion (%)

Segmental revenue June 2021
Commercial Pharmaceuticals by region
R27,9 billion (%)



Continuing operations

Revenue increased by 12% (+10% CER*) to R37,8 billion

Commercial Pharmaceuticals delivered growth of 6% (+4% CER*) to R27,9 billion against the backdrop of ongoing COVID-19 challenges positively influencing Sterile Focus Brands growth, but diluting growth in Regional Brands. Manufacturing revenue recorded growth of 36% (29% CER*) to R9,9 billion, with growth from all segments.

Normalised EBITDA increased by 3% (+1% CER*) to R9,9 billion

Normalised EBITDA from continuing operations comprises operating profit before depreciation and amortisation adjusted for specific non-trading items. A lower gross margin percentage impacted by an increased Manufacturing mix and lower other operating income were partially offset by well controlled operating expenses.

Normalised headline earnings per share increased by 10% (+7% CER*) to 1 309,7 cents

Normalised headline earnings per share from continuing operations comprises headline earnings per share from continuing operations adjusted for specific non-trading items. It is the measure that management uses to provide clear comparability of the underlying financial performance of Aspen's business. Normalised headline earnings benefitted from the growth in normalised EBITDA coupled with lower net financing costs contributed by reduced net borrowings.

Headline earnings per share increased by 21% (+18% CER*) to 1 204,3 cents

Lower transaction and product litigation costs increased the growth in headline earnings relative to normalised headline earnings growth.

Earnings per share increased by 42% (+40% CER*) to 1 051,1 cents

The comparison of earnings per share from continuing operations has been positively impacted by lower net intangible asset impairments in the current year.

Total operations

Total headline earnings per share decreased by 15% (-18% CER*) to 1 119,1 cents

The comparison of total headline earnings per share has been negatively impacted by the lower contribution from discontinued operations.

Total earnings per share increased by 3% (+0,4% CER*) to 1 052,9 cents

The comparison of total earnings per share has been negatively impacted by the lower contribution from discontinued operations.

Net borrowings reduced to R16,3 billion (from R35,2 billion in June 2020 and R27,7 billion in December 2020)

The reduction in borrowings was driven by strong operating cash flows, the cash consideration from the completion of the divestment of the European Thrombosis assets and the relative strengthening of the ZAR.

Operating cash flow conversion rate of 134%

Supported by a reduction in working capital for the second consecutive year.

Resumption of dividends to shareholders of 262 cents per ordinary share (June 2020: no dividend declared).

Lower gearing levels augmented by strong operating cash flows have paved the way for the resumption of dividends to shareholders.

** The constant exchange rate ("CER") removes the currency effect on performance. FY2020 reported results was recalculated at the FY2021 average exchange rates. This provides illustrative comparability with the current year's reported performance.*

*** Continuing operations exclude the following: Asia Pacific non-core pharmaceutical portfolio, Nutritionals business, Japanese business and the SA public sector ARVs, which were discontinued in the prior year and the discontinued European business in the current year. 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.*

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