Healthcare. We Care.

Year End Results Presentation

For the 12 months ended 30 June 2021

DISCLAIMER

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 and the residual costs relating to prior period disposals 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 R74 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 Review

Healthcare. We Care.

FINANCIAL HIGHLIGHTS

CONTINUING

DOUBLE-DIGIT ORGANIC REVENUE GROWTH

SOLID EARNINGS GROWTH

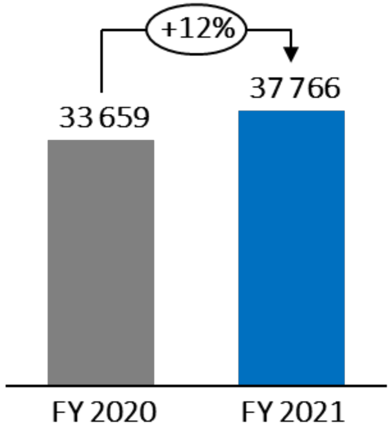
SHARP FURTHER REDUCTION IN BORROWINGS

DIVIDEND REINSTATED, AS GUIDED

DELIVERING ON THE STRATEGY

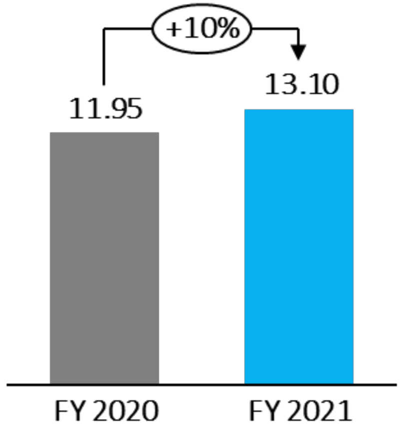
Revenue (R'million)

+10% CER*

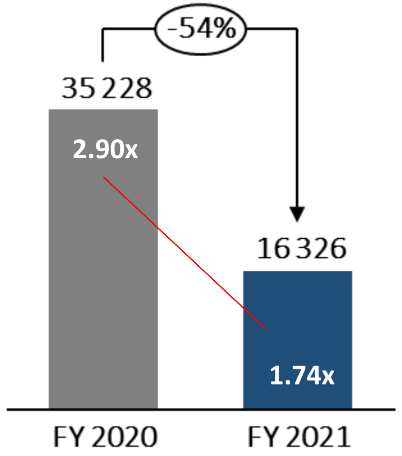


Normalised HEPS (Rands)

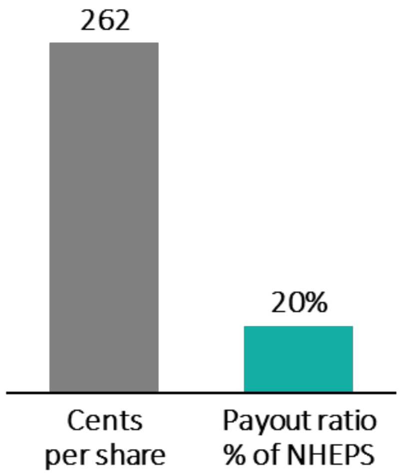
+7% CER*



Net Borrowings[ł] (R'million) & Leverage ratio (x)[^]



Dividend declared



---

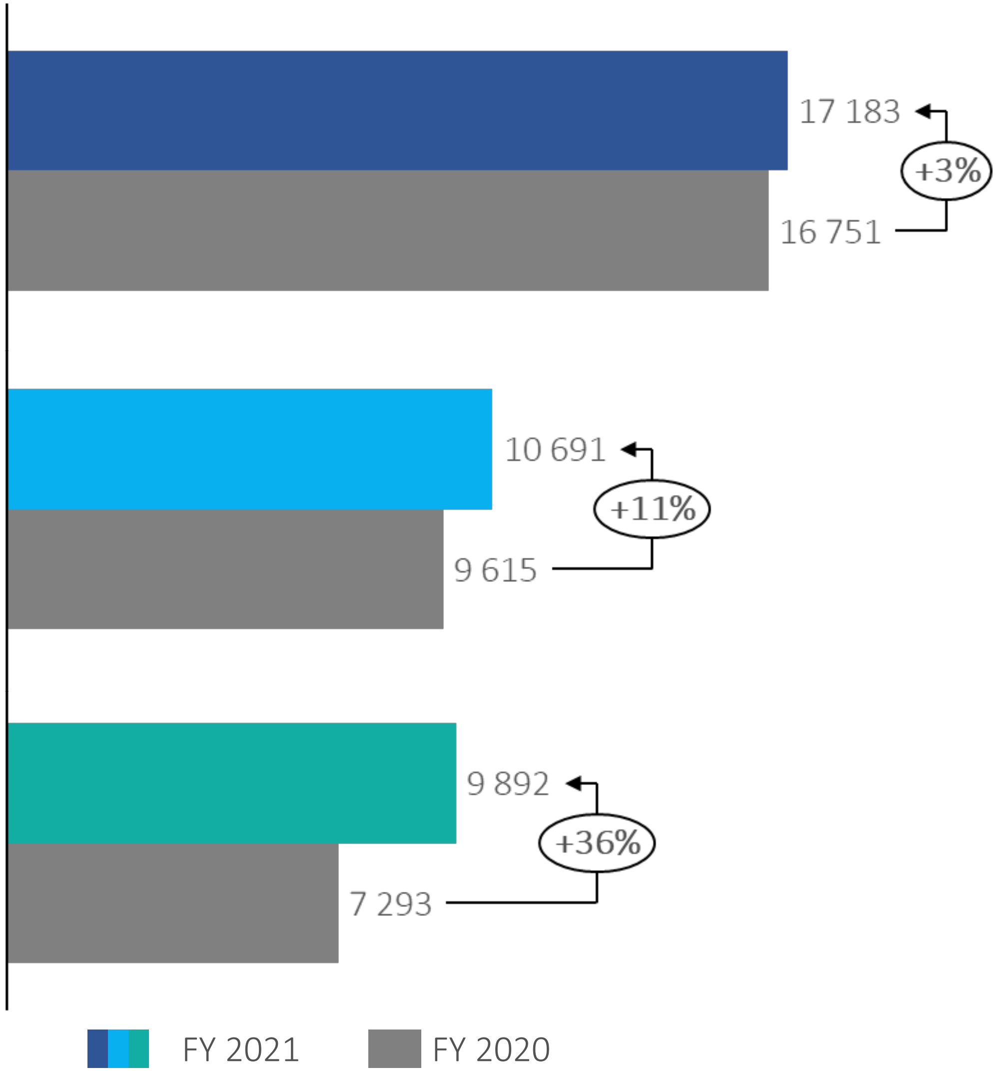
[*] CER removes the currency effect on performance. FY 2020 has been restated at FY 2021 average exchange rates

[ł] Current borrowings + non-current borrowings - cash

[^] Calculated in terms of Facilities Agreement

SEGMENTAL REVENUE

CONTINUING R'MILLION



+2% CER*

Regional Brands

Resilient performance despite negative COVID and EU oncology impact

+9% CER*

Sterile Focus Brands

Sound underlying performance maintained, with some territories benefitting from COVID-related demand

+29% CER*

Manufacturing

+7% CER* excluding FDF transaction-related supply^. COVID vaccine sales commenced

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

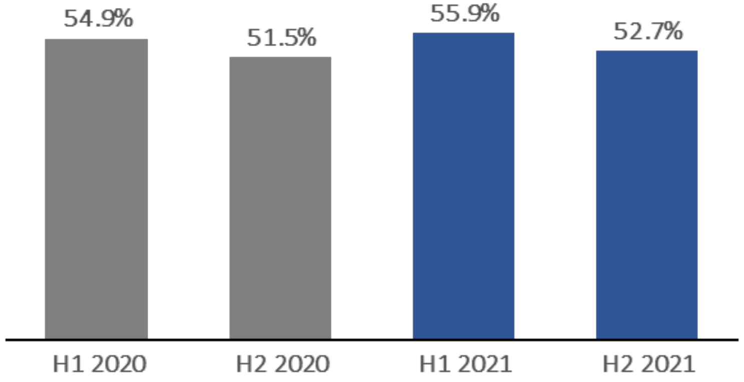
^FDF transaction-related supply refers to revenue under supply agreements arising from recent disposals to Mylan/ Viatris and Sandoz

GROSS PROFIT PERCENTAGE (CER*)

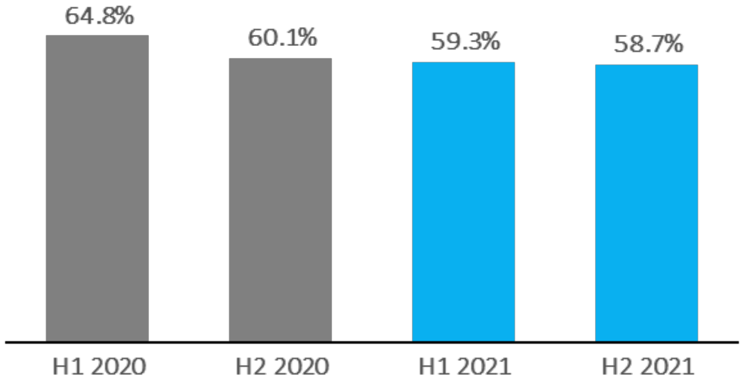
CONTINUING

H1 2021 cost saving gains diluted by negative impact of EU oncology price cuts in H2 2021

Regional Brands



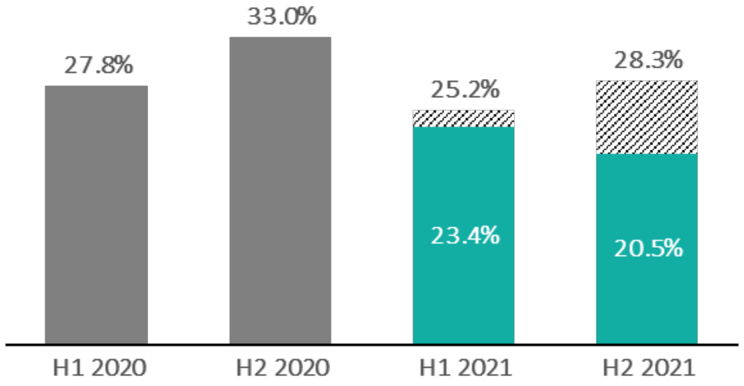
Sterile Focus Brands



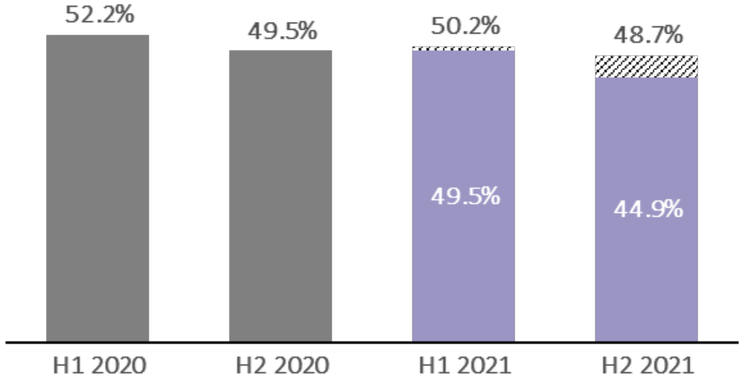
Continued lower margin sales mix affected margins in H2 2021

Low/no margin FDF transaction-related supply and higher production costs under COVID weighed on gross profit %

Manufacturing



Group



Group gross profit percentage decline due to mix shift to Manufacturing which has a lower margin %

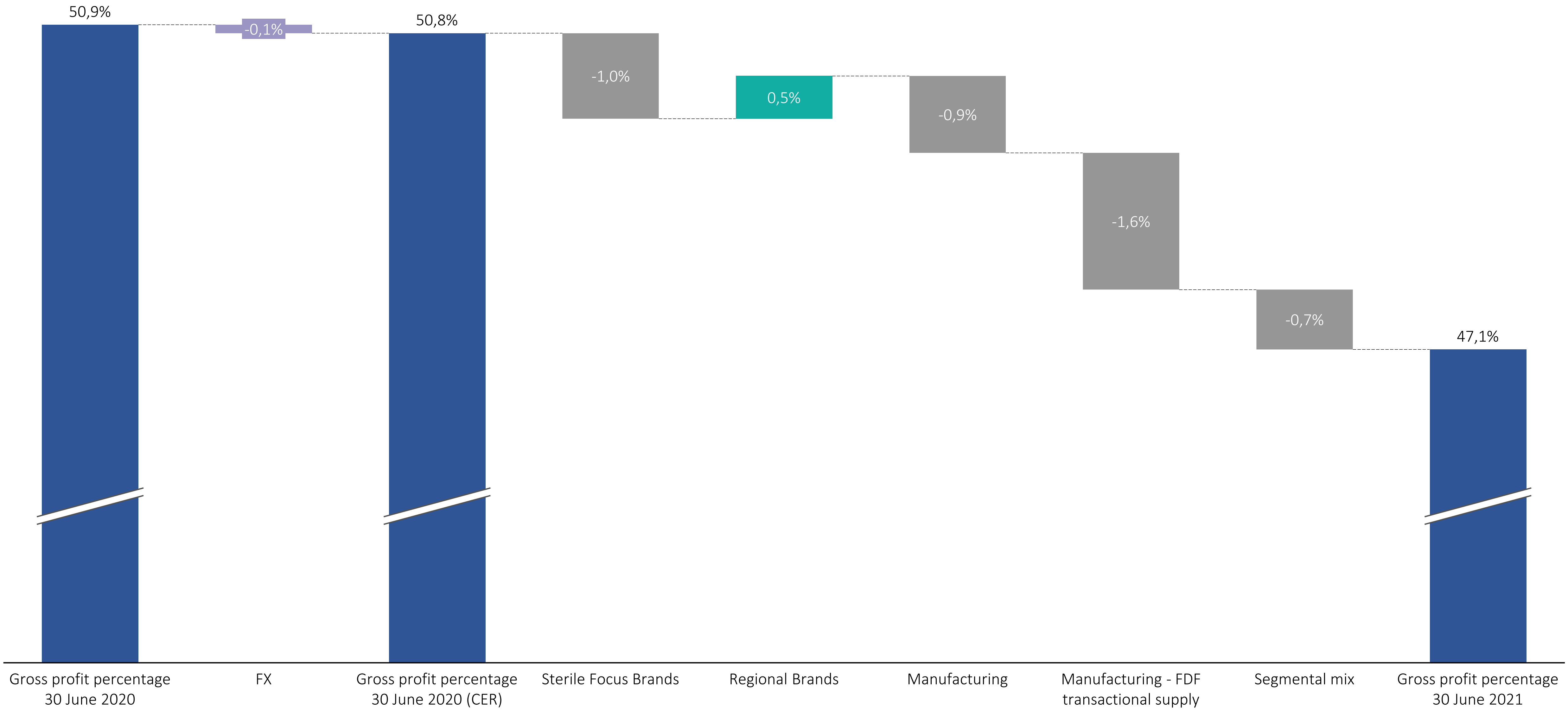
▨ Gross profit percentage adjusted to exclude low/no margin FDF transaction-related supply

---

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

GROSS PROFIT PERCENTAGE BRIDGE (CER*)

CONTINUING



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

NORMALISED EBITDA

CONTINUING

R'million	FY 2021	*% of revenue*	FY 2020	*% of revenue*	% change	% change CER[*]
Gross profit[‡]	17 789	*47.1%*	17 135	*50.9%*	4%	2%
Depreciation	1 043	*2.8%*	940	*2.8%*	11%	8%
Operating expenses	(9 124)	*24.2%*	(8 891)	*26.4%*	3%	1%
Net other operating income	237	*0.6%*	428	*1.3%*	-45%	-47%
HPC	-	*0.0%*	267	*0.8%*	-100%	-100%
Other	237	*0.6%*	161	*0.5%*	47%	26%
Normalised EBITDA	**9 945**	***26.3%***	**9 612**	***28.6%***	**3%**	**1%**

- Operating expenses
  - Well controlled at reduced % of revenue
  - Targeted initiatives to continue in FY 2022
- Growth in Normalised EBITDA was diluted by the decline in Other operating income
  - Excluding Other operating income, Normalised EBITDA growth would be +6% (+3% CER)
- Normalised EBITDA % consistent with December 2020 Investor Presentation FY 2020 proforma base case of 25.8%
- EBITDA margin % expected to improve from FY 2022

EBITDA MARGIN % UPSIDE DRIVERS

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% ↑

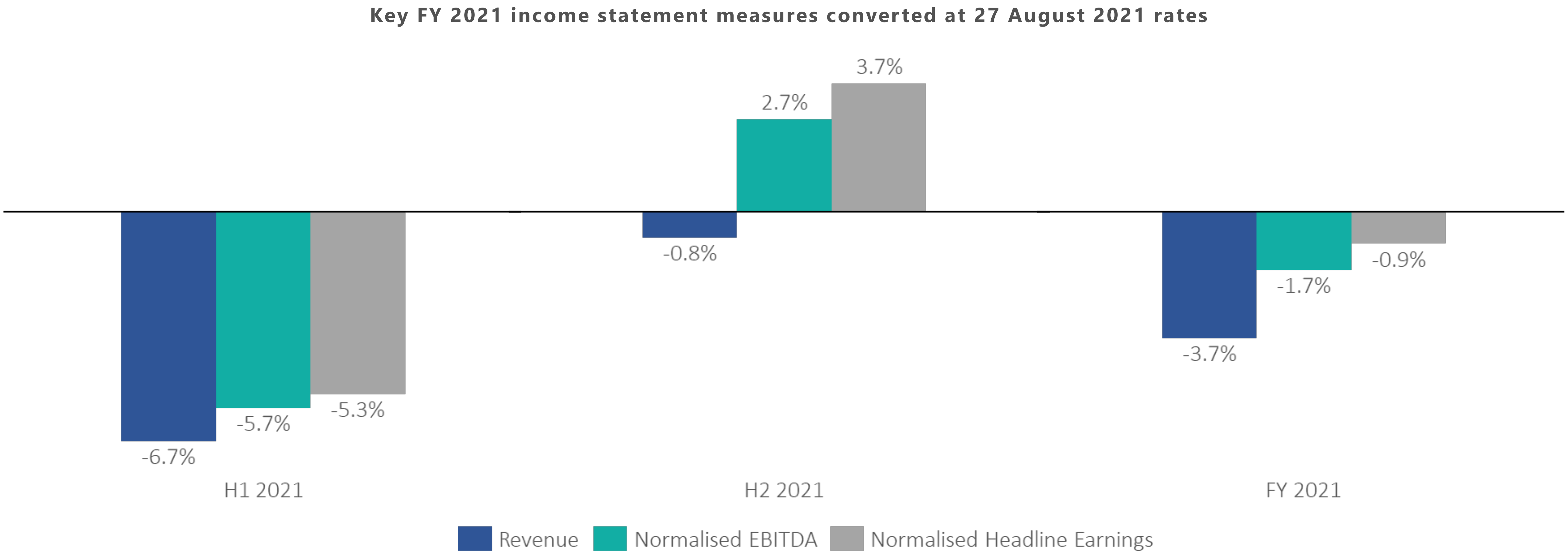
Anaesthetics production migrating in-house
Commercial Pharma GP% ↑

Targeted initiatives to drive production efficiency
Commercial Pharma & Manufacturing GP% ↑

---

[*] *CER reflects the underlying operational performance. FY 2020 restated at FY 2021 average exchange rates*
[‡] *Gross profit is after deduction of depreciation*

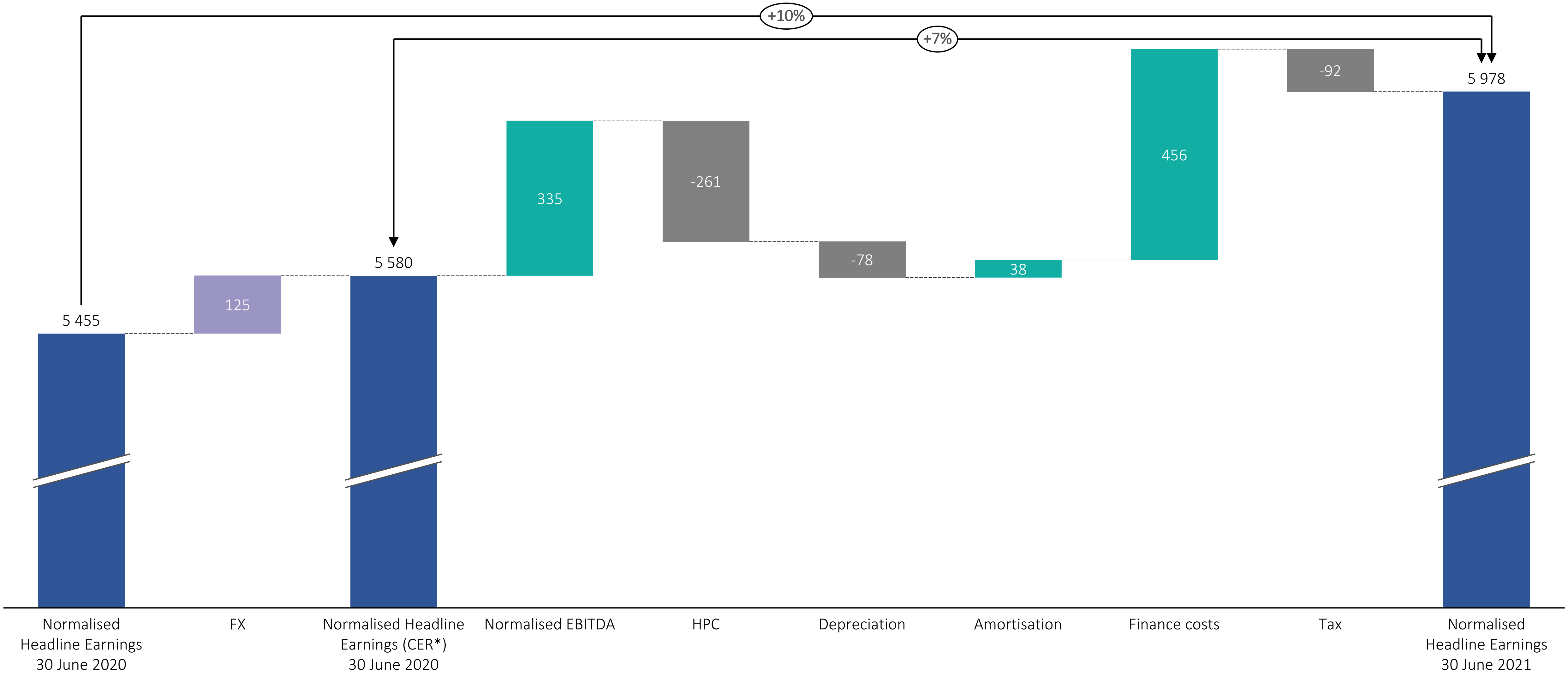
CURRENCY RATE VARIABILITY IMPACT



- Demonstration of how results can be influenced by exchange rate fluctuations
  - Prior year reported results at H1 and H2 are at differing exchange rates
  - Exchange rates in current measurement period will also vary

NORMALISED HEADLINE EARNINGS BRIDGE

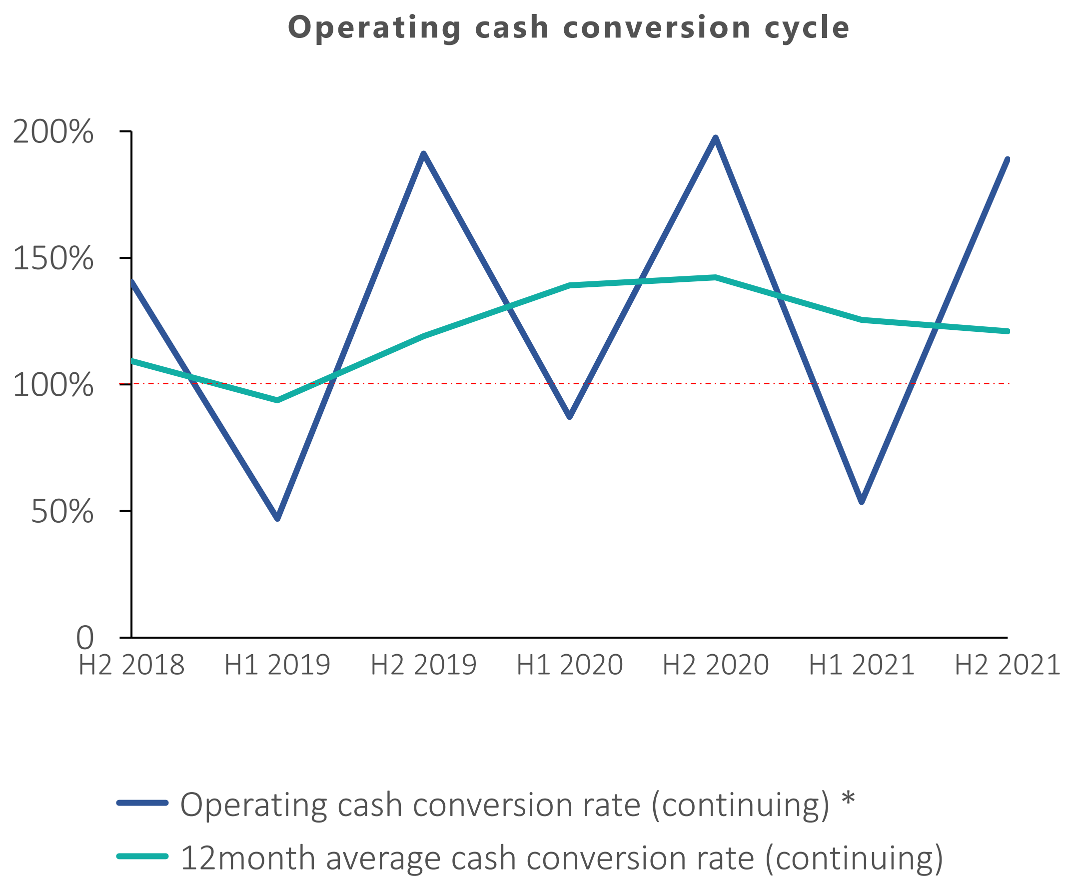
CONTINUING R'MILLION



CER removes the currency effect on performance. FY 2020 has been restated at FY 2021 average exchange rates
Normalised EBITDA, HPC, depreciation, amortisation and finance costs shown on a before-tax basis

OPERATING CASH FLOW

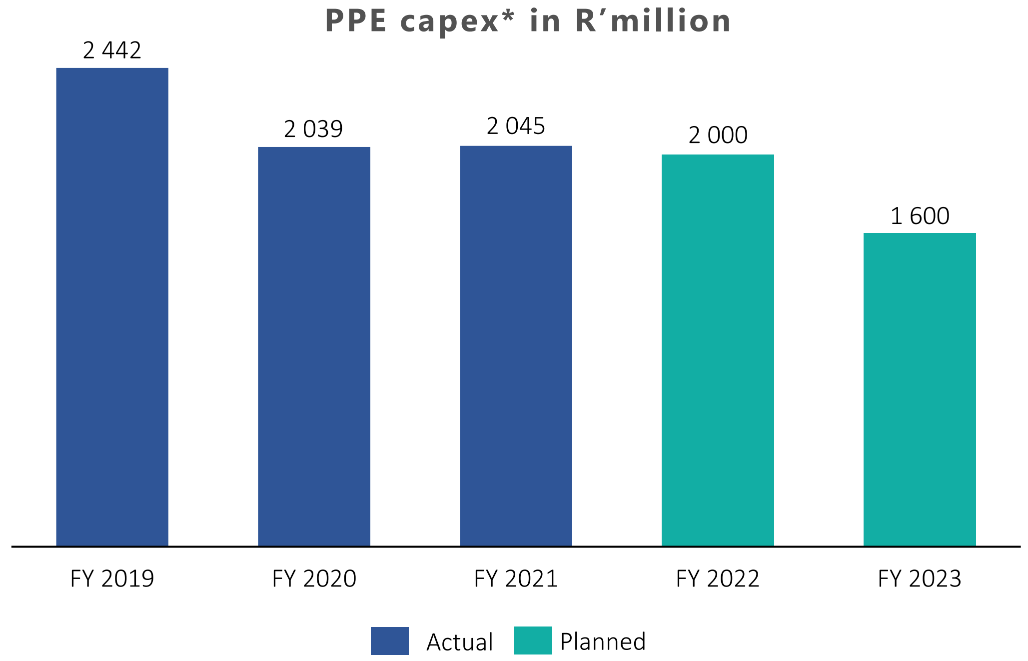
CONTINUING AND DISCONTINUED

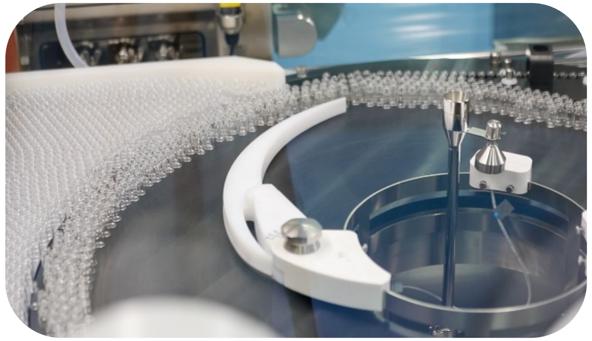


- Clearly defined cycle to operating cash conversion rates
- Excellent cash generation in H2 2021
  - » Despite overhang from uncommonly low COVID-influenced FY 2020 year-end trade debtors
  - » Year end working capital to revenue % at lowest point since transition to a global multi-national
  - » Second successive year of cash released from working capital
  - » Has resulted in operating cash flow conversion of 134%
- Operating cash conversion rate of at least 100% remains the target for FY 2022
  - » Despite one-off creditor payments of R620 million scheduled
  - » H1/H2 conversion cycle set to continue

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

CAPITAL EXPENDITURE





PPE CAPEX*

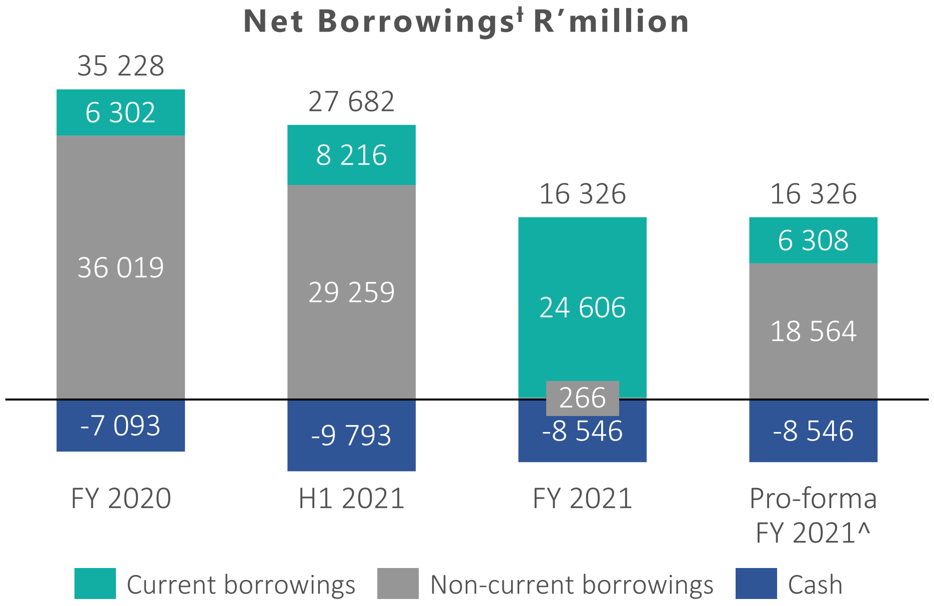
- First commercial production of Anaesthetics from strategic projects
  - Commenced for certain products at both Gqeberha and Bad Oldesloe in FY 2021
  - Notre Dame de Bondeville in FY 2023
- COVID related delays has resulted in capex spend carry forwards and extended project completions dates
- Additional spend to increase vaccine manufacturing capacity is under review

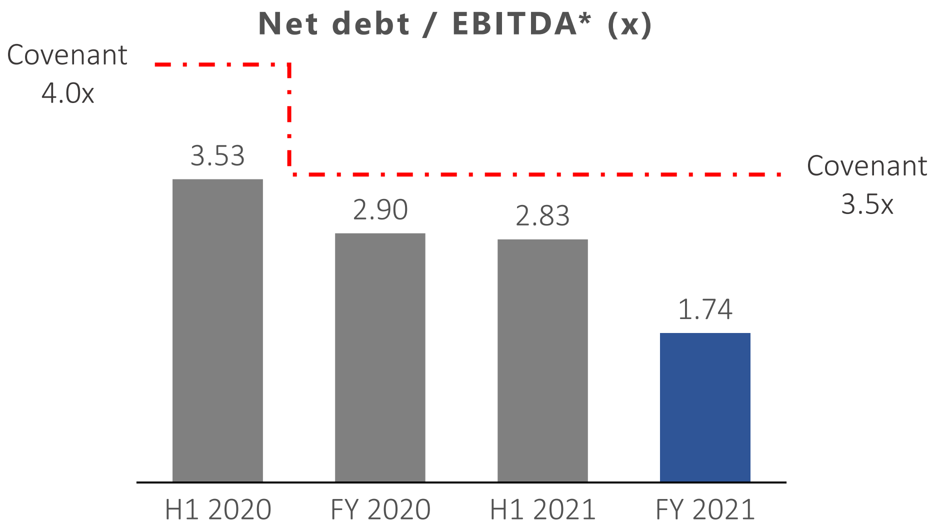
IP DEVELOPMENT CAPEX*

- Comprising in-house product development and IT software
- FY 2021 spend of R 674 million was c.R200 million less than target due to COVID-related delays
- Planned spend in FY 2022 is R 1.0 billion, the biggest part of which is for digitalization projects

Capital expenditure excludes interest on the cost of funding capitalised to the projects

BORROWINGS





	FY 2021	H1 2021	FY 2020
Gearing	19.9%	29.4%	33.7%
Interest cover ratio	8.57	6.78	6.53
Effective interest rate for the period **	3.39%	3.24%	3.88%

- Net debt / EBITDA of 1.74x, well below Aspen's self-imposed target of 3.0x
  - 20bps reduction in interest margin going forward due to the leverage ratio being below 2.0x
- The Group's existing EUR, ZAR and AUD syndicated term debt facilities were, as of 30 June 2021, scheduled to mature on 1 July 2022. Aspen has since secured an extension of maturity dates to 30 June 2023.
- IFC refinancing package of EUR 600 million 7-year amortising term loan.
  - Secures terms consistent with pre-existing term debt facilities for 7 years
  - First step in rearranging debt maturity profile

---

*Calculated in terms of Facilities Agreement, see Appendix 14

** Excluding amortisation of capital raising fees, and inclusive of continuing and discontinued operations

[ǂ] Current borrowings + non-current borrowings – cash

^For pro-forma maturity profile post extension and IFC refinancing package, see Appendix 6

CAPITAL ALLOCATION PRIORITISATION – REPORT BACK

SUBJECT TO LEVERAGE CAP OF 3.0X

1
PPE capex and IP development

R2 681 million invested

Ensure business sustainability and efficiency

2
Bolt-on acquisitions of IP and businesses[*]

R735 million net outflow

Inherent to renewal of product portfolio

3
Dividends

Resumption of dividends with R1 200 million to be paid to shareholders

≥ 20% of NHEPS

4
Larger Acquisitions & Disposals

R13 179 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

GROUP CHIEF FINANCIAL OFFICER DESIGNATE

INTRODUCING SEAN CAPAZORIO

GROUP CHIEF FINANCIAL OFFICER
EFFECTIVE 1 JANUARY 2022

- CA(SA), Advanced Certificate in Taxation
- Joined Aspen in 1999 through the acquisition of SA Druggists
- Financial director of Aspen’s South African business from 1999 to 2004
- Group Business Analyst in corporate office from 2004 to 2009
- Group Finance Officer from 2009 to 2021

Performance Review

aspen Healthcare. We Care.

ASPEN FOR ACCESS

Aspen has a core focus on equitable access to quality, affordable medicines

- Proud track record of delivery: ARVs, MDR-TB, dexamethasone & Anaesthetics for COVID

Aspen produced the vaccine for J&J, with distribution to Africa and world

- Contributing to addressing current inequitable access to vaccines
- Only COVID vaccine manufactured in Africa with majority of doses delivered to Africa

Potential to accelerate African Access

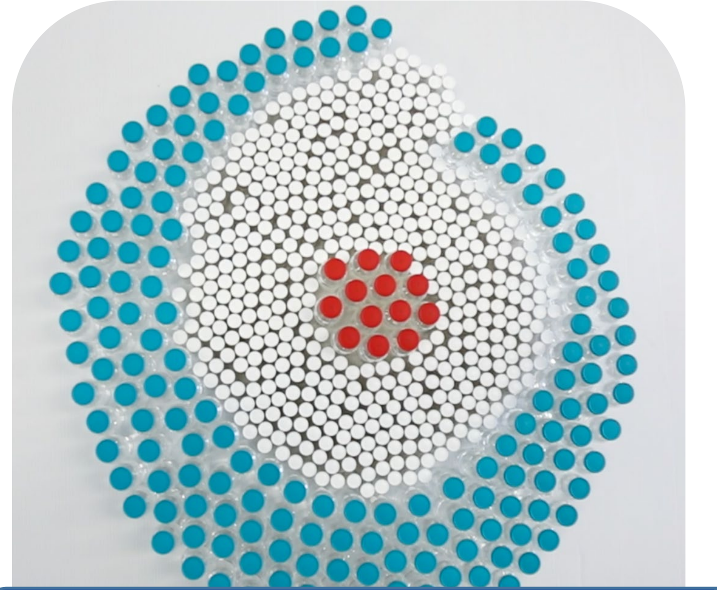
- J&J to evaluate how to further collaborate with Aspen to enable increased COVID-19 vaccine production
- Including evaluation of a license to manufacture, market and sell a vaccine for Africa
- If successful with a license, Aspen will not only have manufacturing but will also have the rights to its own branded product
  - 100% of production to go to Africa

Responsibility we would accept, grateful for the opportunity

- J&J supported African manufacture and have wholeheartedly backed this initiative
  - Aspen team reciprocated by delivering best manufacturing performance globally, within the J&J network

Tremendous support of the entire African continent and its leaders

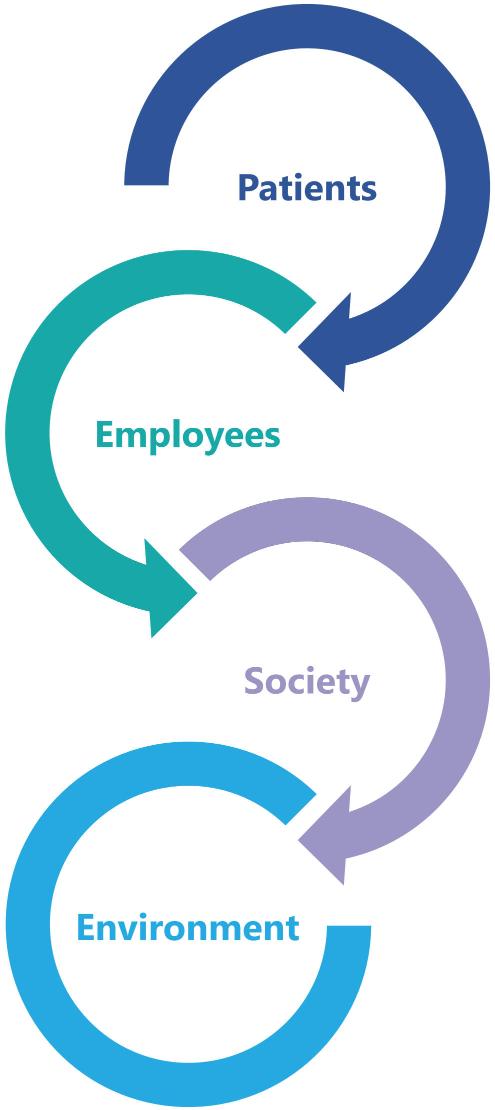
- Africa never wants to be marginalized again



EQUITABLE VACCINE ACCESS FOR AFRICA

ESG: FOCUSING OUR EFFORTS WHERE IT MATTERS

FY 2021 DEVELOPMENTS



Patients

- Capacity to manufacture up to 300 million doses of the Johnson & Johnson COVID vaccine
- Maintained a reliable supply of medicines
- No market wide product recalls

Employees

- Signatory to the United Nations Women Empowerment Principles
- Facilitating employee vaccination programmes
- Zero occupational fatalities since 2013

Society

- Engagement with governments, NGOs and partners on a COVID response for SA and Africa
- Approximately 200 corporate social investment projects implemented in 27 countries
- Broad engagement with investors on remuneration policy and implementation report
- Early implementation of mandatory rotation of our external auditors
- 2020 Integrated Report: “Excellent” in the EY Excellence in Integrated Reporting Awards

Environment

- Initiated development of Climate Change strategy
- Progress made on mitigation of electricity and water availability risks at SA Operations
- No significant environmental incidents

GROUP REVENUE

CONTINUING

			% change	
R'million	FY 2021	FY 2020	Reported	CER *
Commercial Pharma	27 874	26 366	6%	4%
Regional Brands	17 183	16 751	3%	2%
Sterile Focus Brands	10 691	9 615	11%	9%
Manufacturing	9 892	7 293	36%	29%
Group Revenue	37 766	33 659	12%	10%

DOUBLE DIGIT REVENUE GROWTH IN BOTH REPORTED AND CER

- Solid performance across both Commercial Pharma and Manufacturing
  - Key growth drivers: Emerging Markets in Commercial Pharma and vaccine production in Manufacturing
- Commercial Pharma +6% (CER) excluding EU oncology portfolio
  - EMs +6% (+8% CER)
  - DMs +8% (+1% CER)
- Manufacturing +12% (+7% CER)
  - Excluding transaction related supply contracts to Mylan and Sandoz
- Internal measure of organic growth +8% (+6% CER)
  - Excluding supply contracts to Mylan and Sandoz & EU oncology portfolio
- Strengthening ZAR in H2 narrowed gap between reported and CER
- COVID has impacted revenue
  - Regional Brands negatively impacted
    - Some improvement in acute medicines positively impacting H2 relative to H1
  - Mixed to positive impact for Sterile Brands
  - Negatively impacted Manufacturing

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

COMMERCIAL PHARMA | REGIONAL BRANDS

CONTINUING | REVENUE

R'million	FY 2021	FY 2020	% change Reported	% change CER *
Africa Middle East	8 057	7 911	2%	2%
Americas	2 613	2 612	0%	9%
Asia	626	592	6%	4%
Australasia	4 113	3 547	16%	6%
Europe CIS	1 774	2 089	-15%	-18%
Regional Brands	**17 183**	**16 751**	**3%**	**2%**

RESILIENT PERFORMANCE DESPITE COVID IMPACT

- Rebound in SA and Australia during H2
  - SA back to growth for the year, clawed back from -5% (CER) in COVID impacted H1
  - Australasia to +6% (CER) for the year, up from +4% (CER) in H1
    - Performance underpinned by OTC growth
- Americas +9% (CER)
  - Sustained growth in Latam continues
- Europe CIS and overall Regional Brands excluding oncology portfolio
  - Europe CIS -2% (-5% CER)
  - Regional Brands +4% (+4% CER)

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

COMMERCIAL PHARMA | STERILE FOCUS BRANDS

CONTINUING | REVENUE

			% change	
R'million	FY 2021	FY 2020	Reported	CER *
Africa Middle East	513	457	12%	14%
Americas	1 393	1 383	1%	9%
Asia	4 491	3 728	20%	17%
Australasia	754	683	10%	1%
Europe CIS	3 540	3 364	5%	2%
Sterile Focus Brands	**10 691**	**9 615**	**11%**	**9%**

CHINA BOOSTED BY POST-COVID RECOVERY

- Strong underlying performance from H1 maintained
  - Some territories benefiting from the return to elective surgery
- Material COVID impacts to this portfolio
- Prior year, COVID had positively impacted Europe and negatively impacted China
  - Asia growth driven by relative recovery in Chinese market
  - Europe CIS impacted by decline in Europe off very strong prior year H2
    - Offset by increase in Russia CIS Thrombosis portfolio in current year
- Positive performances across the other regions

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

MANUFACTURING REVENUE

CONTINUING | REVENUE

R'million	FY 2021	FY 2020	% change Reported	CER *
FDF	3 495	1 378	154%	142%
API - Biochem	1 243	1 116	11%	6%
API- Chem	5 154	4 799	7%	2%
Manufacturing	9 892	7 293	36%	29%

INITIATION OF COVID-VACCINE REVENUE STREAM

- Negative COVID impact greatest in Manufacturing – performance and productivity affected
- Excl. transaction related supply contracts
  - » Manufacturing +12% (+7% CER)
  - » FDF +29% (+23% CER)
- API - Chem – output and cost impacted by COVID
- API - Biochem – sales growth sustained but impacted by higher input costs of heparin
  - » Commodity cycle has still not plateaued
- FDF – Growth driven by over R400m in sales from COVID vaccine
  - » Higher without supply disruption of API from Emergent

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

Sterile Strategy Update

Healthcare. We Care.

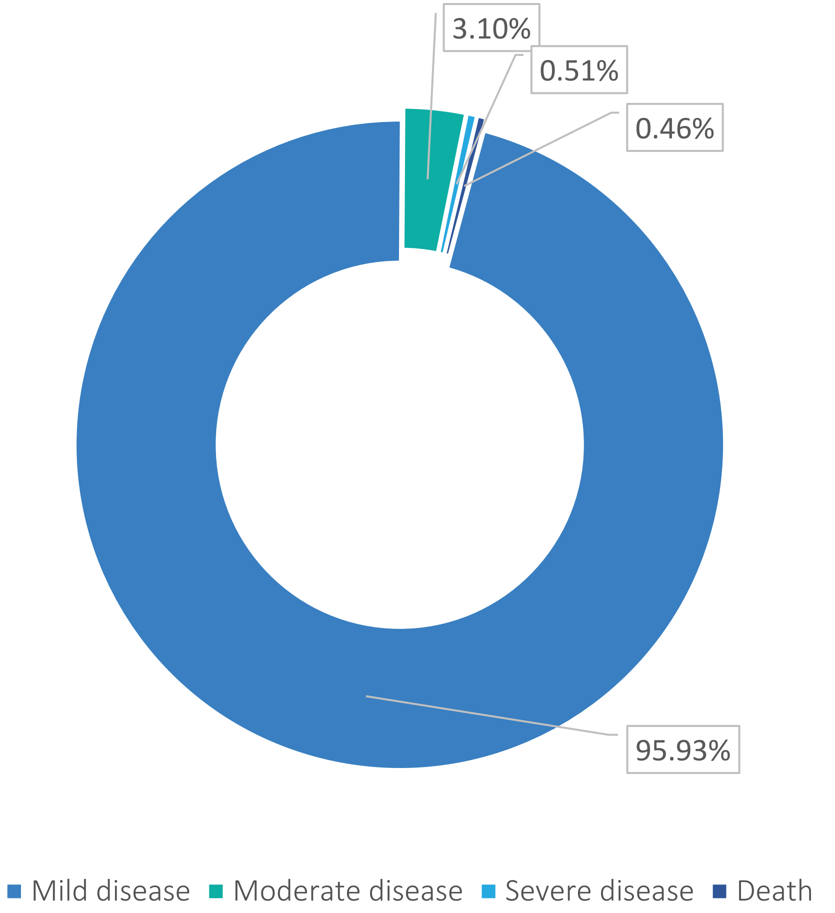
J&J HAS PARTNERED WITH ASPEN ON A VERY EFFECTIVE VACCINE

DELIVERY OF THE J&J VACCINE

- Impressive results from the Sisonke Trial
- J&J effective and endures for at least 8 months

ONE-SHOT VACCINE

~96% of vaccinated individuals with breakthrough infections experience mild disease^



^More than 28 days post vaccination

ASPEN HAS A DEEP COMMITMENT TO CAPACITATING AFRICA

UNLOCKING GLOBAL INEQUALITY TO ACCESS VACCINES

ASPEN HAS A DEMONSTRATED CAPABILITY
AT THE MOST STRINGENT REGULATORY LEVELS

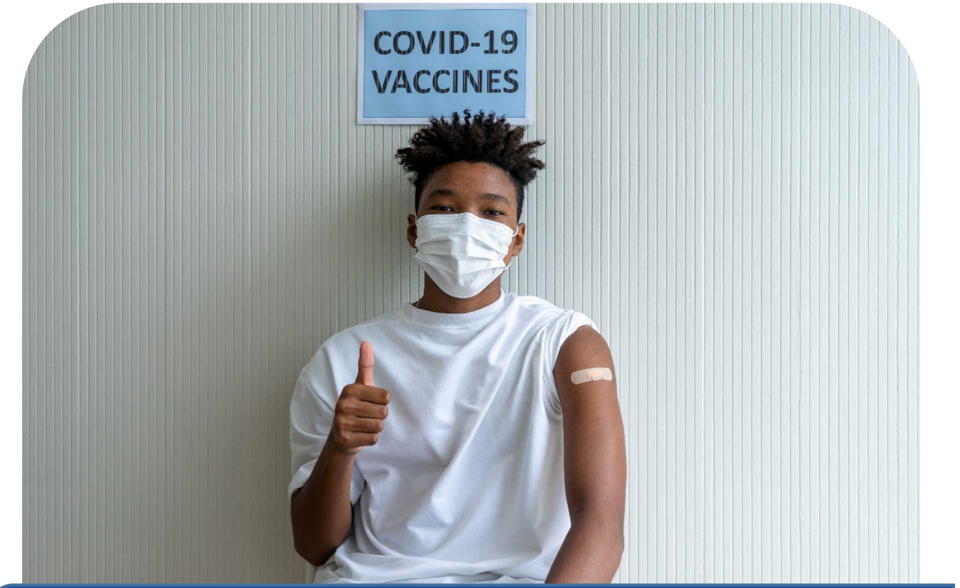
- Inequitable access to COVID vaccines globally
  - Nationalism and export restrictions
  - Those with capabilities and manufacturing, first access
- Africa negatively impacted despite having funding
  - 99% of vaccines imported
  - Much were to come from India
    - India ceased exports
- Capacitating Africa an imperative
  - Both infrastructure and human capital
  - Ensure supply security
- With 1.3 billion people, African procurement
  - Potential to reshape demand
    - Volumes outside of pandemics required

ASPEN'S VACCINE FOOTPRINT IN SOUTH AFRICA

- Aspen converting existing vial capacity to include vaccine capabilities
  - Increases to vaccine capacity*
    - From 300 million doses to about 450 million doses by Feb 2022
    - Over 700 million doses available by Jan 2023
    - COVID-vaccines, boosters and other CMO opportunities

- Aspen can get to 1.35 billion doses
  - Off the existing footprint
    - Limited incremental capex

- Further capacity enhancement under review needs
  - Conversion of current commercial discussions
  - Certainty regarding sustainable volumes
    - Global pressure to **manufacture in Africa for Africa**



ASPEN'S AMBITION

CAPACITY FOR 1 AFRICAN : 1 VACCINE

---

*measured in 1 dose = 1ml vial

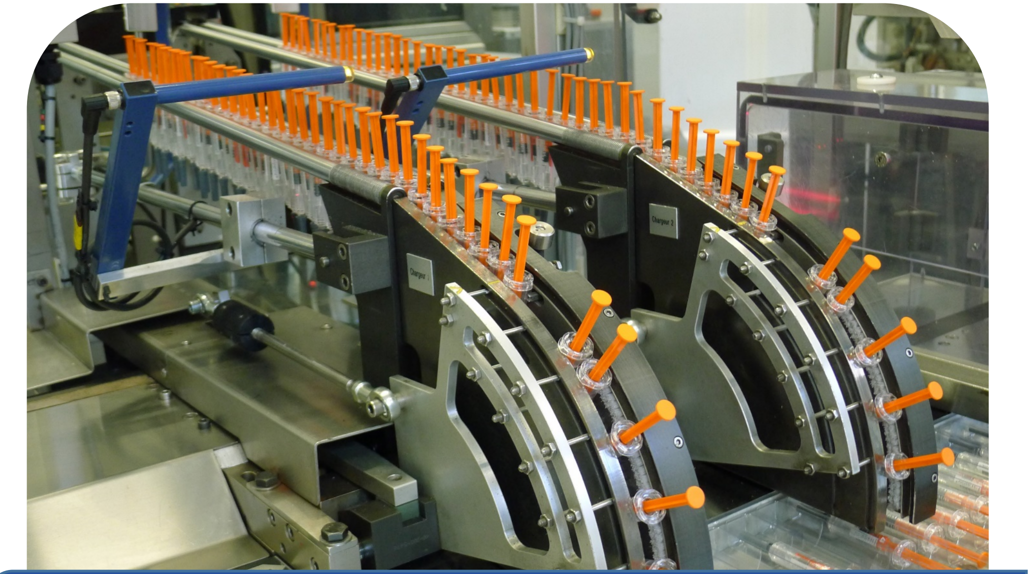
STERILE CAPACITY UTILIZATION

PROGRESS AT NOTRE DAME DE BONDEVILLE

- Available prefilled syringe capacity
  - 200 million doses
    - Balance allocated largely to Viatris and internal
  - High value add manufacture

- Volume commitment progress
  - Have signed/ far advanced with CMO contracts for three multinationals
    - Volume commitment about 80 million doses
    - Anticipated commercialization dates CY 2022 and CY 2023

- Blow fill seal lines delay due to COVID
  - Supplier has backlogs
  - Delay of 6 months anticipated



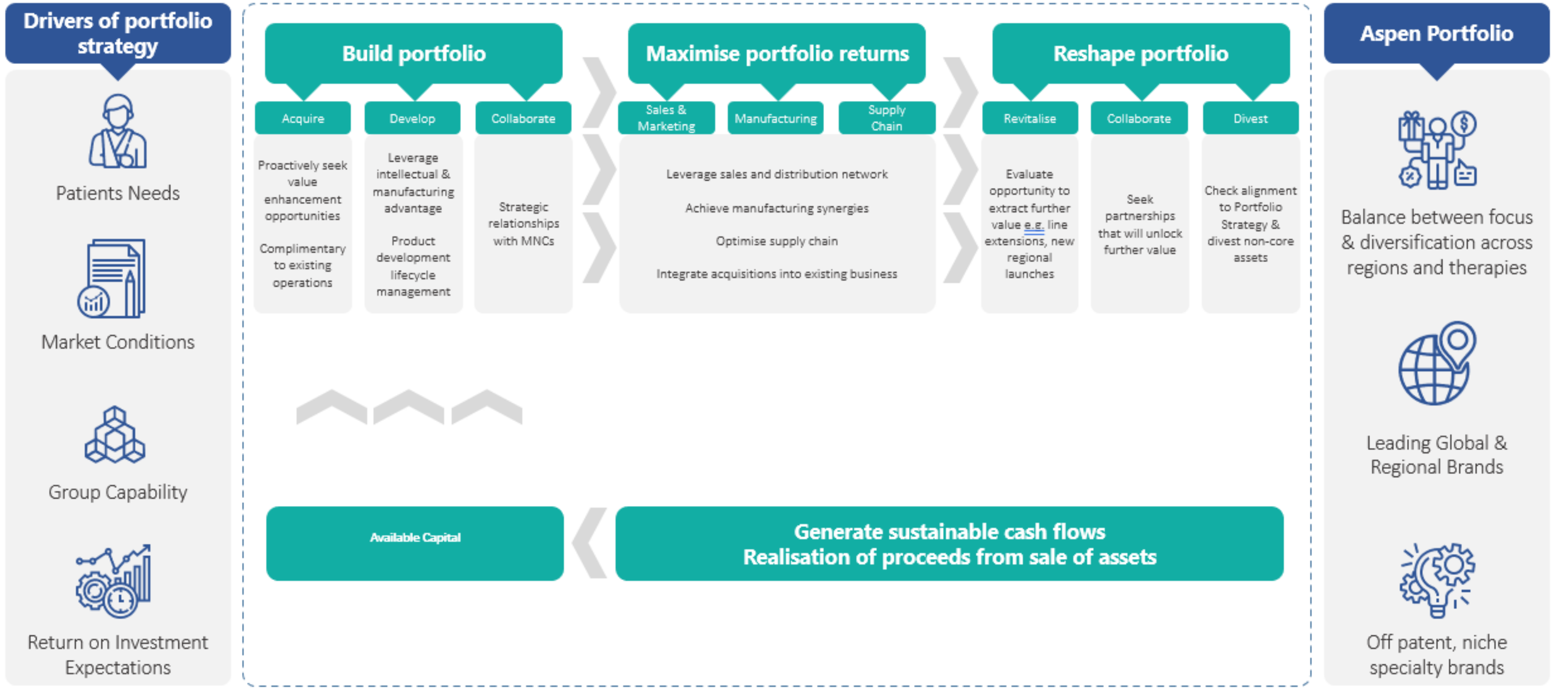
STRONG PROGRESS MADE ON CAPACITY UTILIZATION

Reflections & Prospects

Healthcare. We Care.

THE METAMORPHOSIS 2013 - 2021

THE ASPEN MODEL



Drivers of portfolio strategy

Patients Needs

Market Conditions

Group Capability

Return on Investment Expectations

Build portfolio

Acquire: Proactively seek value enhancement opportunities; Complimentary to existing operations

Develop: Leverage intellectual & manufacturing advantage; Product development lifecycle management

Collaborate: Strategic relationships with MNCs

Maximise portfolio returns

Sales & Marketing | Manufacturing | Supply Chain

Leverage sales and distribution network

Achieve manufacturing synergies

Optimise supply chain

Integrate acquisitions into existing business

Reshape portfolio

Revitalise: Evaluate opportunity to extract further value e.g. line extensions, new regional launches

Collaborate: Seek partnerships that will unlock further value

Divest: Check alignment to Portfolio Strategy & divest non-core assets

Available Capital

Generate sustainable cash flows
Realisation of proceeds from sale of assets

Aspen Portfolio

Balance between focus & diversification across regions and therapies

Leading Global & Regional Brands

Off patent, niche specialty brands

WE ALSO PROMISED THE MODEL WOULD BE SELF-FUNDING WITH NO EQUITY REQUIRED

- Acquired
  - Significant sterile assets across Anaesthesia and Thrombosis
    - Substantial investment in leading global portfolios
- Expanded portfolios of branded assets
  - Enhanced geographic footprint
  - Critical mass across emerging markets
- API capabilities
  - Peptides, Biochemicals, Hormones and Steroids
  - Relevant, differentiated, sustainable and niche
- Divested
  - From geographies and therapeutic areas
    - Aspen capabilities were too stretched
    - Others saw more value than Aspen could achieve standalone

THE METAMORPHOSIS 2013 - 2021

ACHIEVED TO DATE

**SELF-FUNDED, ZERO EQUITY,
WITH NET BORROWINGS ONLY INCREASING FROM 11.1BN TO 16.3BN**

- Reshaped Commercial footprint
  - Clear organic growth drivers from reshape of portfolio towards growth territories
  - From commodity, generic focus to trusted brands with resilient margins
  - From presence in just 19 countries to global
  - Leading global sterile assets
- Profitable and growing niche API platform
- World class sterile manufacturing platform
  - At Aspen, we are industrialists
  - Manufacturing, often the initiator of broader opportunities
  - Diverse capabilities including vaccine manufacture
  - Large footprint, underpinned by volumes from acquired sterile assets
  - Global economies of scale
  - Sterile capacities to become material contributor to the Group
  - Cornerstone of current strategy

A POSITIVE YEAR FOR ASPEN WITH FOUNDATION LAID FOR FUTURE GROWTH

MANUFACTURING A STRATEGIC ADVANTAGE

- Produced, for J&J
  - COVID vaccine from Africa
  - For Africa and the Globe
- Manufacturing delivered strong growth
  - Resilient, we kept our doors open
    - Substantial cost attached
  - Boosted by vaccine manufacturing revenue
- Emergence as globally relevant vaccine manufacturer
  - African capacity strategic
  - Complementary capabilities at NBD

DELIVERING ON ORGANIC GROWTH TARGETS

- Reshaped Commercial Pharma
  - Delivered solid organic revenue growth
  - COVID impact relatively neutral to revenue performance
- Roll out of Commercial platforms starting to offer opportunities
  - Leveraging synergistic benefits of manufacturing and distribution platforms

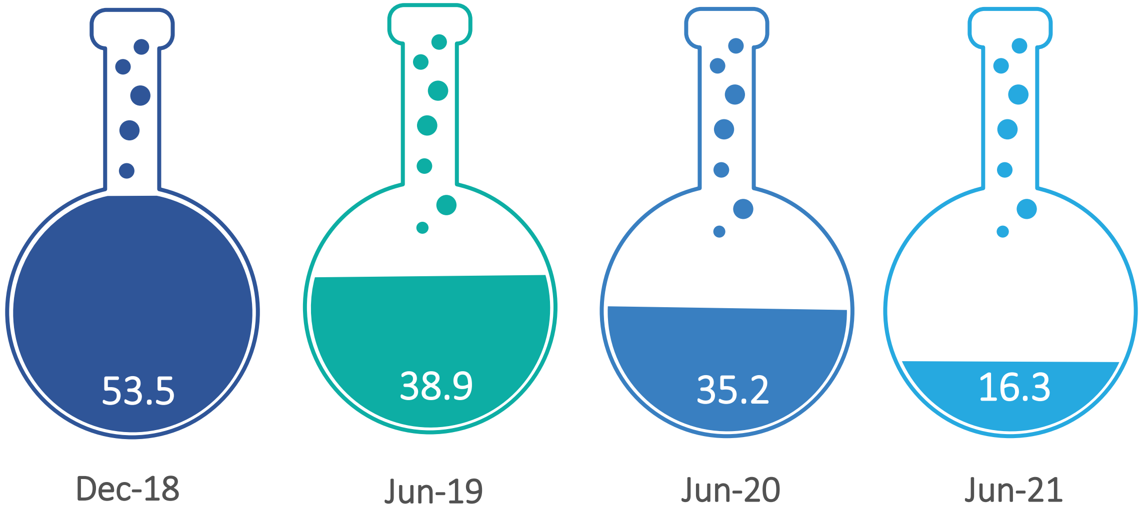
STRONG FINANCIAL FOUNDATION

- Exchange rate impacted
  - H1 ↑ largely reversed by H2 ↓
- Debt reduced significantly
  - Strong operating cash conversion at 134%
    - Sustained delivery on cash conversion over more than two decades
  - Working capital well managed
  - Consequential reduction in finance costs

CORPORATE ACTIVITY

- Continue to review composition of our portfolio
  - Regardless of debt balance
  - Against strategic objectives
- Objectives include, inter alia
  - Strategic fit to our existing portfolio
  - Leverage our distribution/ manufacturing footprint
- South Africa continues to actively refine its portfolio
  - 2 recent disposals
  - Further transactions anticipated
- Strategic investment considerations
  - Financially disciplined
  - Growth hurdle demanding
    - Given strong base organic growth

Net Borrowings Reduction
R'billion



ASPEN HAS HEADROOM

PROSPECTS

- Commercial Pharma to sustain growth
- Growth drivers inverse of last year
  - Stronger growth in Regional Brands anticipated
    - Driven by Australasia and South Africa
  - Sterile Brands more modest growth
    - China to grow, but impacted by Volume Based Procurement (“VBP”)

- Unwinding of COVID lockdowns
  - Positive impact on manufacturing costs
  - Group EBITDA margins ↑
  - Neutral on Commercial Pharma sales

- Organic pipeline
  - Sustain and enhance Commercial Pharma growth
  - Focus on broader pipeline roll out in China
    - Brands with limited risk of ever facing VBP
    - Launching Ovestin and Emla this year
    - More than 10 products identified for registration
  - Orgaran in the USA has been on hold during COVID – looking to partner to reinitiate studies
  - Conjugated Estrogens – awaiting feedback from the FDA on bioequivalence, expected Q1 CY2022

- Anaesthetic savings
  - Bad Oldesloe facility on track to start delivering savings in this year
    - NDB 6-month COVID related delays

PROSPECTS

IMPROVE ACCESS FOR MORE PATIENTS GLOBALLY, TO ASPEN'S QUALITY AFFORDABLE RANGE

- Exchange rates will impact results
  - Vaccine sales are in hard currency
- Vaccine roll-out to gather momentum
  - FY 2021 had just 4 months of sales
- FY 2022 growth prospects – business as usual
  - High single digit revenue growth
  - Stronger EBITDA growth
    - Less COVID related costs
  - Even stronger NHEPS growth
    - Decreasing finance costs
- Potential impact from corporate activity
- To achieve access to a license from J&J for Africa
  - Massive catalyst
  - Transformative on every metric
    - Game changer for African control over access
  - Significant endorsement of strategic vision

TO REST IS TO RUST

Q & A

aspen Healthcare. We Care.

Appendices

aspen Healthcare. We Care.

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

MULTI-NATIONAL PHARMA COLLABORATIONS

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

RESHAPED COMMERCIAL PHARMA MODEL

ASPEN'S ORGANIC GROWTH DRIVERS

ENHANCED MANUFACTURING CAPACITIES & CAPABILITIES

COMMERCIAL PHARMA FUNDAMENTALS

Focussed 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

APPENDIX 3: ENERGY & WATER PLANS FOR SUSTAINABLE STRATEGIC GROWTH

SOLAR PANELS INSTALLED AT ASPEN FLAGSHIP SITE IN GQEBERHA, SOUTH AFRICA, WHICH PROVIDES ACCESS TO QUALITY, LIFE SAVING MEDICINES TO PATIENTS IN AFRICA AND THE WORLD

SUSTAINABLE WATER STRATEGY	SUSTAINABLE ENERGY STRATEGY
Commencement of conservation practices from existing processes and ground water extraction, treatment and reticulation system	**Completed installation** of solar panels (1MVA) and initiated smaller projects to reduce energy demand from non-production areas
Medium-term water management plan under development	**Implementation planning underway for biomass boilers for steam generation using site waste and replacement of reheating coils with hot water coils in air handling units** **A roadmap to self-generations of lower carbon energy sources, under development**
	Interim solution implemented to meet the full site electricity needs in case of supply disruption

APPENDIX 4: ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

CONTINUING AND DISCONTINUED

R'million	FY 2021	FY 2020	% change
Net revenue	**39 705**	**40 536**	**-2%**
Cost of sales	(21 515)	(20 444)	
Gross profit	**18 190**	**20 092**	**-9%**
Gross profit margin	*45.8%*	*49.6%*	
Operating expenses	(9 959)	(10 142)	
Net other operating expenses	(1 593)	(2 531)	
Depreciation	1 059	971	
Amortisation	594	632	
EBITDA	**8 291**	**9 022**	**-8%**
EBITDA margin	*20.9%*	*22.3%*	
Depreciation	(1 059)	(971)	
Amortisation	(594)	(632)	
Operating profit	**6 638**	**7 419**	**-11%**
Net funding costs	(1 083)	(1 490)	
Profit before tax	**5 555**	**5 929**	**-6%**
Tax	(1 146)	(1 072)	
Profit after tax	**4 409**	**4 857**	**-9%**
Profit/(loss) on the sale of discontinued operations	397	(194)	
Profit for the year	**4 806**	**4 663**	**3%**
EPS (cents)	**1 053**	**1 022**	**3%**
HEPS (cents)	**1 119**	**1 322**	**-15%**
NHEPS (cents)	**1 296**	**1 515**	**-14%**

APPENDIX 5: ABRIDGED STATEMENT OF NORMALISED COMPREHENSIVE INCOME

CONTINUING

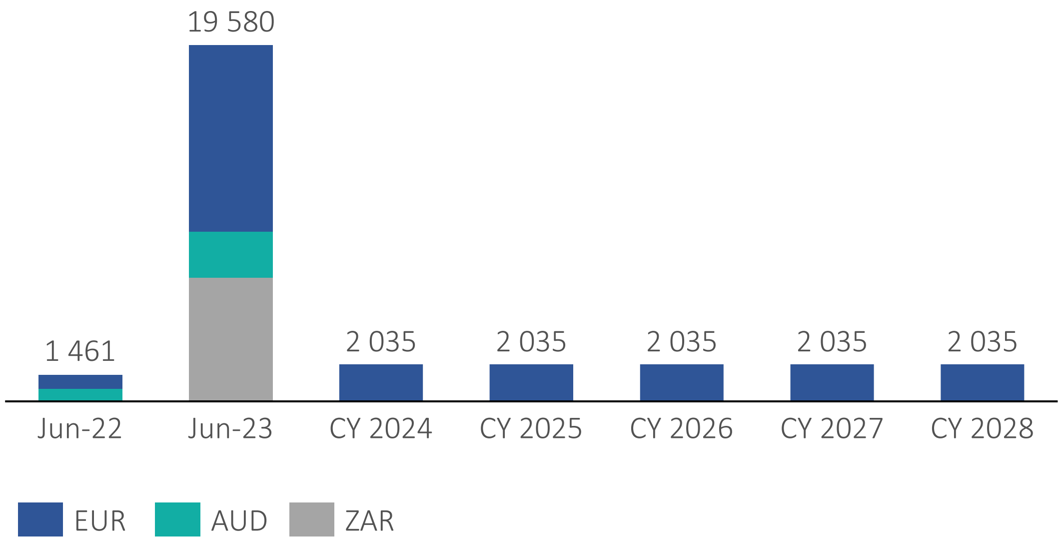
R'million	FY 2021	FY 2020	% change	FY 2020 (CER*)	% change (CER*)
Net revenue	**37 766**	**33 659**	**12%**	**34 395**	**10%**
Cost of sales	(19 977)	(16 524)	21%	(16 920)	18%
Gross profit	**17 789**	**17 135**	**4%**	**17 475**	**2%**
Gross profit margin	*47.1%*	*50.9%*		*50.8%*	
Operating expenses	(9 124)	(8 891)	3%	(9 017)	1%
Net other operating income	237	428	-45%	449	-47%
Depreciation	1 043	940	11%	965	8%
EBITDA	**9 945**	**9 612**	**3%**	**9 872**	**1%**
EBITDA margin	*26.3%*	*28.6%*		*28.7%*	
Depreciation	(1 043)	(940)	11%	(965)	8%
Amortisation	(594)	(615)	-4%	(631)	-6%
Operating profit	**8 308**	**8 057**	**3%**	**8 276**	**0%**
Net funding costs	(1 114)	(1 504)	-26%	(1 570)	-29%
Profit before tax	**7 194**	**6 553**	**10%**	**6 706**	**7%**
Tax	(1 216)	(1 099)	11%	(1 126)	8%
Profit after tax from continuing operations	**5 978**	**5 454**	**10%**	**5 580**	**7%**
NHEPS (cents)	1 310	1 195	10%	1 222	7%
Normalised effective tax rate	**16.9%**	**16.8%**		**16.8%**	

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

APPENDIX 6: ADDITIONAL BORROWINGS-RELATED DISCLOSURE

CONTINUING

Pro-forma maturity profile post syndicated loan extension & IFC refinancing package[∂] R'million



Net funding costs R'million

Continuing

R'million	FY 2021	FY 2020
Net interest paid	(854)	(1 314)
Foreign exchange (losses)	(49)	(8)
Notional interest on financial instruments	(211)	(182)
Normalised net funding costs	**(1 114)**	**(1 504)**
Debt raising fees on acquisitions	(47)	(45)
Foreign exchange gains on acquisitions	78	17
Reported net financing costs	**(1 083)**	**(1 532)**

- IFC refinancing package of EUR600 million 7-year amortising term loan. Pro-forma equal payments [∂] of R1.0 billion in March & September totalling R2.0 billion repayment per calendar year, commencing from March 2024.

[∂] converted to ZAR at FY 2021 year end rates

APPENDIX 7: RECONCILIATION OF REPORTED NHEPS

CONTINUING AND DISCONTINUED

Cents	FY 2021	FY 2020	% change	FY 2020 (CER)	% change (CER*)
Basic earnings per share (EPS)	1 052.9	1 021.8	3%	1 048.8	0%
Impairment of property, plant and equipment	29.1	1.8		1.8	
Impairment of intangible assets	274.8	280.6		296.1	
Impairment of financial assets	-	2.0		2.0	
Impairment of goodwill	27.8	21.1		22.4	
Reversal of impairment of IP	(90.2)	-		-	
Reversal of impairment of PPE	(59.5)	(0.3)		(0.4)	
Loss/(profit) on sale of discontinued operations	(87.0)	42.7		45.0	
(Profit) /loss on sale of assets classified as held-for-sale	-	(3.1)		(3.3)	
Loss/(profit) on sale of tangible and intangible assets	(28.8)	(44.5)		(47.4)	
Headline earnings per share (HEPS)	1 119.1	1 322.1	-15%	1 365.0	-18%
Restructuring costs	97.4	71.2		71.7	
Transactions costs	86.7	89.9		91.8	
Product litigation costs	9.1	44.9		47.7	
Foreign exchange gain relating to acquisition	(16.6)	(13.0)		(13.4)	
Normalised HEPS	1 295.7	1 515.1	-14%	1 562.8	-17%

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

APPENDIX 8: RECONCILIATION OF CER* NHEPS

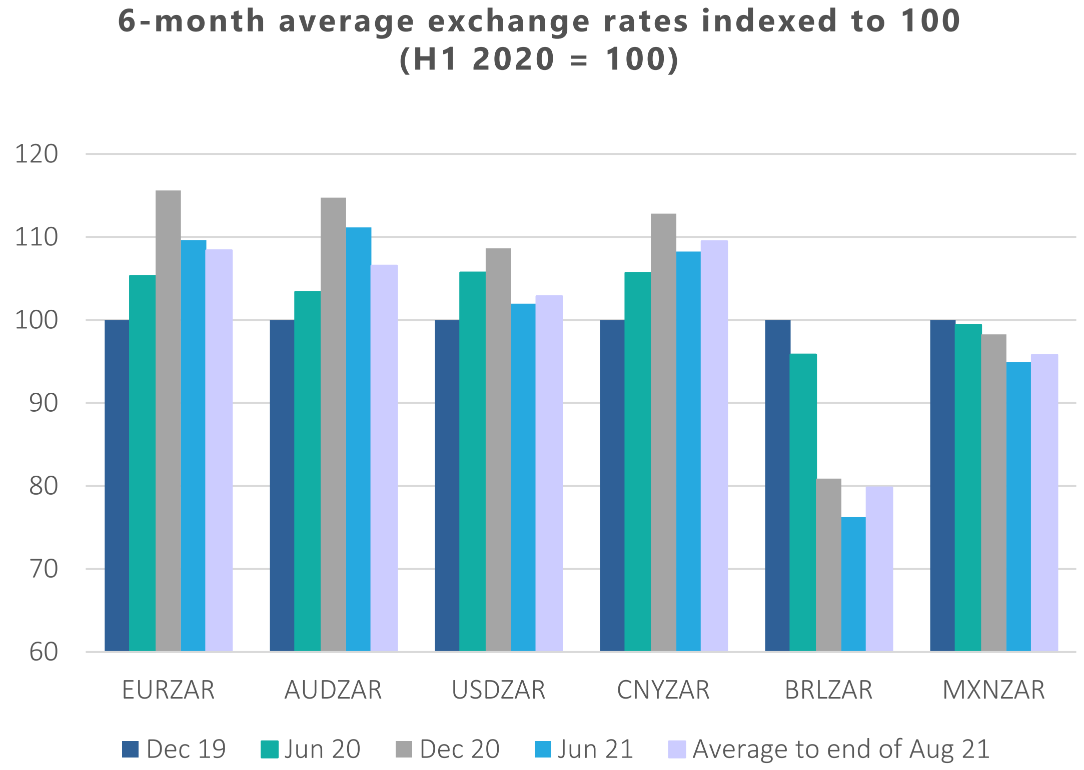
CONTINUING

Cents	FY 2021	FY 2020	% change	FY 2020 (CER)	% change (CER*)
Basic earnings per share (EPS)	1 051.1	740.5	42%	749.6	40%
Impairment of property, plant and equipment	29.1	1.8		1.8	
Impairment of intangible assets	274.8	280.6		296.1	
Impairment of financial assets	-	2.0		2.0	
Impairment of goodwill	27.8	21.1		22.4	
Reversal of impairment of IP	(90.2)	-		-	
Reversal of impairment of PPE	(59.5)	(0.3)		(0.4)	
(Profit) /loss on sale of assets classified as held-for-sale	-	(3.1)		(3.3)	
Loss/(profit) on sale of tangible and intangible assets	(28.8)	(44.5)		(47.4)	
Headline earnings per share (HEPS)	1 204.3	998.1	21%	1 020.8	18%
Restructuring costs	63.7	67.4		67.8	
Transactions costs	49.2	88.1		89.8	
Product litigation costs	9.1	44.9		47.7	
Foreign exchange gain/(loss) relating to acquisition	(16.6)	(3.7)		(3.7)	
Normalised HEPS	1 309.7	1 194.8	10%	1 222.4	7%

---

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

APPENDIX 9: CURRENCY VOLATILITY



6-month average exchange rates

Market currencies	H1 2020	H2 2020	H1 2021	H2 2021	Average to end of 27 August 2021
EURZAR	16.30	18.37	19.19	18.36	17.37
AUDZAR	10.05	10.94	11.75	11.48	10.77
USDZAR	14.69	16.68	16.26	15.41	14.73
CNYZAR	2.09	2.37	2.40	2.32	2.28
BRLZAR	3.59	3.40	2.97	2.84	2.84
MXNZAR	0.76	0.78	0.76	0.74	0.73

- Uplift in reported over CER* growth from continuing operations due to relative weakening in ZAR
  - Revenue from 10% to 12%
  - Normalised EBITDA from 1% to 3%
  - Normalised HEPS from 7% to 10%

---

[*] CER reflects the underlying operational performance. FY 2020 restated at FY 2021 average exchange rates

APPENDIX 10.1: GROUP STATEMENT OF FINANCIAL POSITION

R'million	FY 2021	FY 2020
TOTAL ASSETS		
Non-current assets	**76 979**	**96 431**
Intangible assets	54 882	73 040
Property, plant and equipment	14 826	14 232
Right-of-use assets	400	601
Goodwill	4 621	5 375
Deferred tax assets	1 323	1 714
Contingent environmental indemnification assets	305	324
Other non-current assets	622	1 145
Current assets	**32 705**	**36 738**
Inventories	13 409	16 413
Receivables and other current assets	10 688	13 232
Cash and cash equivalents	8 546	7 093
Assets classified as held-for-sale	62	-
Total assets	**109 684**	**133 169**

APPENDIX 10.2: GROUP STATEMENT OF FINANCIAL POSITION

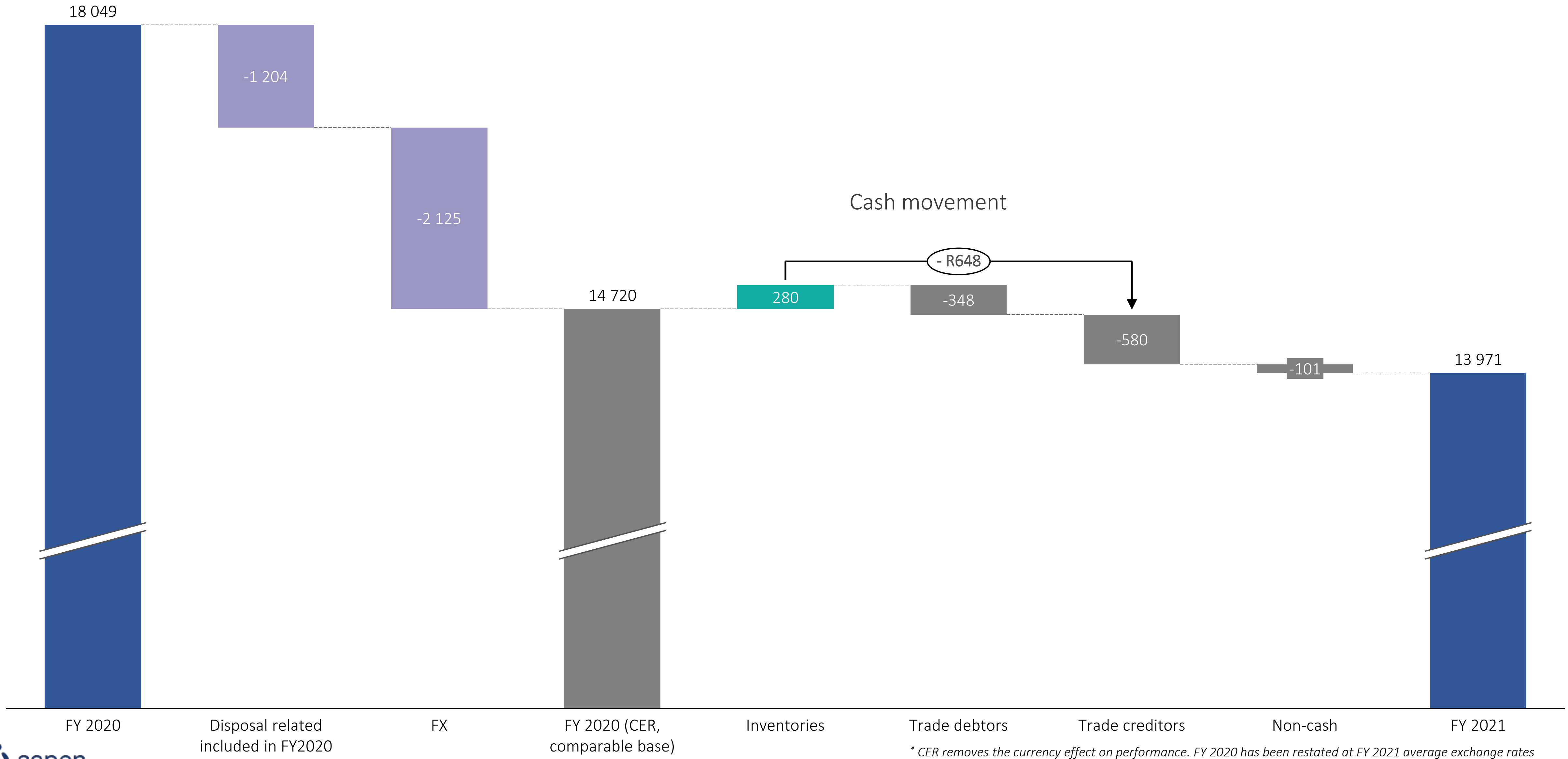
R'million	FY 2021	FY 2020
EQUITY AND LIABILIITIES		
Shareholders equity	**65 627**	**69 217**
Non-current liabilities	**7 306**	**45 873**
Borrowings	266	36 019
Other non-current liabilities	3 732	4 957
Unfavourable and onerous contracts	463	927
Deferred tax liabilities	1 810	2 701
Contingent environmental liabilities	305	324
Retirement and other employee benefits	730	945
Current liabilities	**36 751**	**18 079**
Borrowings	24 606	6 302
Trade and other payables	9 213	9 691
Other current liabilities	2 528	1 665
Unfavourable and onerous contracts	353	421
Liabilities classified as held-for-sale	51	-
Total equity and liabilities	**109 684**	**133 169**

APPENDIX 11: WORKING CAPITAL RECONCILIATION

	FY 2021	FY 2020	H1 2021
Net working capital - Reported	13 971	18 049	16 408
Less Discontinued operations	-	(1 204)	-
Net working capital - Restated	13 971	16 845	16 408
Fx impact	-	(2 125)	(647)
Comparable base net working capital (CER)	13 971	14 720	15 761
Excluding Oss	9 868	10 123	10 596

APPENDIX 12: NET WORKING CAPITAL BRIDGE (CER*)

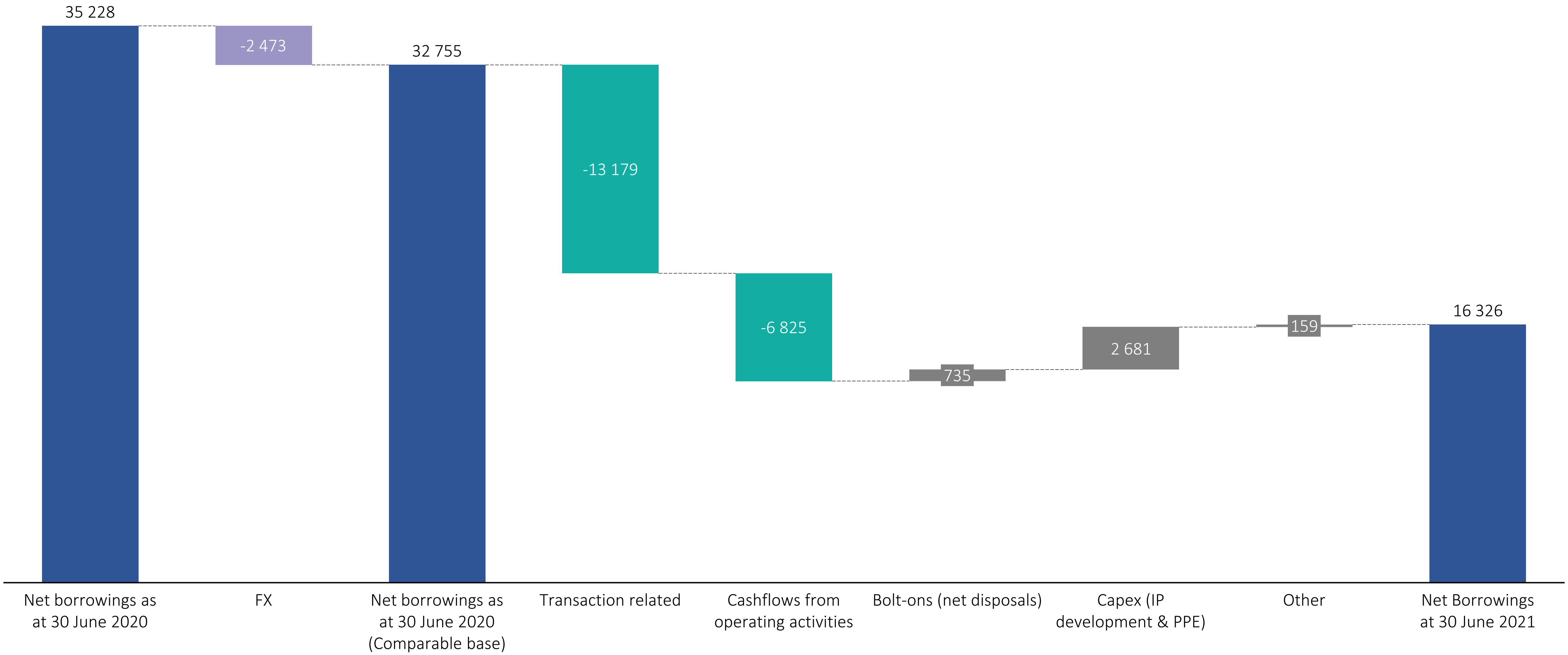
R'MILLION



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

APPENDIX 13: NET BORROWINGS BRIDGE

R'MILLION



APPENDIX 14: LEVERAGE RATIO CALCULATION

BASED ON MAJOR AGREED TERMS INCLUDED IN THE FACILITIES AGREEMENT

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

[^] Acquisition EBITDA is annualised unless it takes place in the last month of the Measurement Period. If an acquisition takes place in the last month of the measurement period, the acquisition is deemed to have not taken place, for the purposes of calculating the leverage ratio. i.e. both EBITDA and net borrowings and non-contingent deferred payables relating to the transaction are excluded from the calculation

[**] 12 months ending either on 30 June or 31 December

Thank You

aspen

Healthcare. We Care.