Interim Results Presentation
For the six months ended 31 December 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 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:
  - Commercial responsibility for Israel has been moved to Africa Middle East from Europe CIS and consequently the prior year numbers (December 2020: R63 million and June 2021: R122 million) have been restated to reflect this segmental change.

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.
GROUP CFO INSIGHTS

- Sales
- EBITDA
- Earnings
GROUP CFO INSIGHTS

Aspen is in good shape and lean

- Sales (CERpard) ↑ 10% and Expenses ↓ 2% (CERpard) - strong levers for EBITDA growth
- Benefits of past reshaping start to be realised

Delivering on our organic sales growth targets (CERpard)

- Commercial Pharma ↑ 5%
- Manufacturing ↑ 30%
- Manufacturing (excluding FDF TRS* revenue) ↑ 10%
- Base organic growth ↑ 7%

Improved gross margins (CERpard) despite challenging headwinds

- Commercial Pharma ↑ 58.5%
- Sterile Focus Brands ↑ 61.0%
- Regional Brands ↑ 56.9%
- Manufacturing (excluding FDF TRS*) ↑ 26.8%

* FDF transaction related supply ("FDF TRS") refers to revenue under supply agreements arising from prior year disposals to Mylan/ Viatris and Sandoz.

CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
Double digit EBITDA and NHEPS Growth (CER)¹

- EBITDA ↑ 15%
- NHEPS ↑ 26%
- In line with previous guidance
- Stronger ZAR impacts reported earnings metrics by ↓ 5%

Improved return on investment

- Increased ROIC trend
- EBITDA margin 29.5% - highest over the last 5 years
- Capacity fill strategy bearing fruit

Manufacturing segment endured a challenging H1 2022 with recovery expected in H2 2022

- COVID impacted costs, efficiencies and supply chain
- Output challenges in SA Operations
- Fire at Alphamed facility in India
- Inflationary pressures contained

¹ CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
GROUP CFO INSIGHTS

**Increased inventory investment to ensure sustainable supply to Commercial markets**
- Stock-piling of critical materials
- Reduced H1 free cash flow but will mitigate future stock outs
- Seasonal increase in working capital expected to improve in H2
- Greater than 100% operating cash conversion rate targeted to be achieved by year end

**Exciting developments enhance future prospects**
- Aspenovax agreement concluded with Johnson & Johnson

**Strong balance sheet to support growth**
- Leverage ratio comfortably below target levels
- Stability for capital allocation decisions
- Flexibility for acquisitions, share buybacks and dividends
- Strategic sale of product portfolio to Acino for R1.8 billion
- Lower finance costs
FINANCIAL HIGHLIGHTS
CONTINUING

CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.

1 CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.

# Current borrowings + non-current borrowings – cash.
## CURRENCY MIX

<table>
<thead>
<tr>
<th>Currency contribution</th>
<th>H1 2022</th>
<th>FY 2021</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenue</td>
<td>Normalised EBITDA</td>
<td>Revenue</td>
</tr>
<tr>
<td>EUR</td>
<td>29%</td>
<td>14%</td>
<td>29%</td>
</tr>
<tr>
<td>ZAR</td>
<td>17%</td>
<td>10%</td>
<td>18%</td>
</tr>
<tr>
<td>AUD</td>
<td>14%</td>
<td>21%</td>
<td>13%</td>
</tr>
<tr>
<td>CNY</td>
<td>10%</td>
<td>22%</td>
<td>10%</td>
</tr>
<tr>
<td>USD</td>
<td>7%</td>
<td>(13%)</td>
<td>7%</td>
</tr>
</tbody>
</table>

- Stronger ZAR in H1 2022 reduces all earnings growth metrics by at least 5 percentage points.
- Lower EUR EBITDA mix following subdued performance from Manufacturing in Europe.
- Lower ZAR EBITDA as COVID vaccine manufacture revenue shifts mix to EUR but cogs in ZAR.
- Lower USD mix ongoing as Anaesthetic production site-transfers progress.
- Average rates for the 2 months to February 2022 indicate that H2 2022 Reported and CER\(^1\) performance will be more aligned.

\(^1\) CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
### NORMALISED EBITDA

**CONTINUING**

<table>
<thead>
<tr>
<th>R'million</th>
<th>H1 2022</th>
<th>% of revenue</th>
<th>H1 2021</th>
<th>% of revenue</th>
<th>% change</th>
<th>% change CER*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>19 381</td>
<td>100.0%</td>
<td>18 633</td>
<td>100.0%</td>
<td>4%</td>
<td>10%</td>
</tr>
<tr>
<td>Gross profit*</td>
<td>9 395</td>
<td>48.5%</td>
<td>9 186</td>
<td>49.3%</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>582</td>
<td>3.0%</td>
<td>511</td>
<td>2.7%</td>
<td>14%</td>
<td>20%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(4 287)</td>
<td>22.1%</td>
<td>(4 605)</td>
<td>24.7%</td>
<td>-7%</td>
<td>-2%</td>
</tr>
<tr>
<td>Net other operating income</td>
<td>26</td>
<td>0.1%</td>
<td>100</td>
<td>0.5%</td>
<td>-74%</td>
<td>-72%</td>
</tr>
<tr>
<td>Normalised EBITDA</td>
<td>5 716</td>
<td><strong>29.5%</strong></td>
<td>5 192</td>
<td><strong>27.9%</strong></td>
<td>10%</td>
<td>15%</td>
</tr>
</tbody>
</table>

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Increased Manufacturing sales mix dilutes Group gross margin

Excluding FDF TRS*, Commercial Pharma and Manufacturing enjoyed improved gross margins

Reduction in operating expenses provided strong leverage boosting EBITDA growth and margins

Improved EBITDA margin % consistent with previous investor guidance

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* CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.

* Gross profit is after deduction of depreciation.

* FDF transaction related supply ("FDF TRS") refers to revenue under supply agreements arising from prior year disposals to Mylan/ Viatris and Sandoz.
GROSS PROFIT PERCENTAGE CER\(^1\)

CONTINUING

Regional Brands

Favourable higher margin sales mix in Africa Middle East and Americas coupled with supply cost savings

- H1 2021: 56.0%
- H2 2021: 52.9%
- FY 2021: 54.4%
- H1 2022: 56.9%

Sterile Focus Brands

Higher Anaesthetic margins outweighed reduced Thrombosis margins

- H1 2021: 60.1%
- H2 2021: 59.4%
- FY 2021: 59.7%
- H1 2022: 61.0%

Manufacturing

Excluding FDF TRS\(^*\), gross margins improved with strong contributions from Chemicals and FDF

- H1 2021: 24.6%
- H2 2021: 27.2%
- FY 2021: 26.0%
- H1 2022: 26.8%

Group

Increased mix from lower margin Manufacturing diluted Group gross margins

- H1 2021: 50.5%
- H2 2021: 48.9%
- FY 2021: 49.7%
- H1 2022: 51.5%

\(^{1}\) CER removes the currency effect on performance. H1 and H2 2021 have been restated at H1 2022 average exchange rates.

\(^{*}\) FDF transaction related supply (“FDF TRS”) refers to revenue under supply agreements arising from prior year disposals to Mylan/ Viatris and Sandoz.

Gross profit percentage adjusted to exclude low/ no margin FDF TRS
Increased contribution mix from Manufacturing increases H1 2022 Group tax rates

It is anticipated that the FY 2022 Group normalised effective tax rate will not exceed the H1 2022 rate
CONTINUING R’MILLION

<table>
<thead>
<tr>
<th>Description</th>
<th>Reported 31 Dec 2020</th>
<th>Normalised 31 Dec 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headline Earnings</td>
<td>-119</td>
<td>288</td>
</tr>
<tr>
<td>FX Normalised EBITDA</td>
<td>31 Dec 2020</td>
<td>2,967</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-98</td>
<td>34</td>
</tr>
<tr>
<td>amortisation 34</td>
<td>31 Dec 2020</td>
<td>288</td>
</tr>
<tr>
<td>Net financing cost</td>
<td>-221</td>
<td>3728</td>
</tr>
<tr>
<td>Normalised EBITDA</td>
<td>3,086</td>
<td>3,086</td>
</tr>
</tbody>
</table>

+21% increase

+26% increase

CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates. Normalised EBITDA, depreciation, amortisation and net finance costs shown on a before-tax basis.
WORKING CAPITAL

Net working capital % of revenue^:

- H1 2021: 37%
- FY 2021: 35%
- H1 2022: 38%

Total:
- H1 2021: 17 351
- FY 2021 CER: 14 775
- H1 2022 CER: 16 684

Excluding Oss:
- H1 2021: 12 701
- FY 2021 CER: 10 538
- H1 2022 CER: 11 150

- Net working capital ("NWC") ratios are marginally up versus H1 2021 notwithstanding increased strategic inventory investment.
- NWC% is seasonal and expected to reduce in H2 2022 supported by increased output and sales from Manufacturing which will deplete stock-build.

Net working capital by segment %:
- 63% Manufacturing
- 37% Commercial Pharma

R17 351 million

^ Net working capital % of revenue based on published presentation disclosure at reported rates and not CER.

^1 CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.

Net working capital (% of revenue based on published presentation disclosure at reported rates and not CER.

R17 351 million
### Operating Cash Flow

#### Continuing and Discontinued

<table>
<thead>
<tr>
<th></th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash operating profit</td>
<td>5 263</td>
<td>4 823</td>
<td>9%</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>(2 301)</td>
<td>(1 411)</td>
<td>63%</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>2 962</td>
<td>3 412</td>
<td>-13%</td>
</tr>
<tr>
<td>Net finance costs paid</td>
<td>(290)</td>
<td>(665)</td>
<td>-56%</td>
</tr>
<tr>
<td>Tax paid</td>
<td>(911)</td>
<td>(1 007)</td>
<td>-10%</td>
</tr>
<tr>
<td>Cash generated from operating activities</td>
<td>1 761</td>
<td>1 740</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Continuing</strong></td>
<td>1 761</td>
<td>1 395</td>
<td>26%</td>
</tr>
<tr>
<td><strong>Discontinued</strong></td>
<td>-</td>
<td>345</td>
<td>-100%</td>
</tr>
<tr>
<td><strong>Operating cash flow per share (cents)</strong></td>
<td><strong>385.8</strong></td>
<td><strong>381.2</strong></td>
<td>1%</td>
</tr>
</tbody>
</table>

- Seasonal operating cash flow cycle which follows recurring trend
- Strategic inventory investment to support sustainable future supply to patients
- H2 2022 expected to show improvement and > 100% cash conversion rate targeted

*Operating cash conversion rate (continuing) = operating cash flow per share (continuing) / HEPS (continuing).*
Low H1 2022 spend impacted by COVID related delays. Underspend will carry forward to H2 2022
FY 2022 includes capex for the rehabilitation of the Alphamed site in India and initial vaccine capacity expansion capex
Future Steriles capacity expansion strategy under review and expected to increase FY 2023 capex above previous guidance

Comprises in-house product development and IT software
Digitalisation projects are the major contributor to the planned spend in FY2022 of R1.0 billion
Excludes net bolt-on acquisitions/disposals**

** Capital expenditure excludes interest on the cost of funding capitalised to the projects.
** Bolt-on acquisitions and disposals are limited to a net transaction value of R1 billion per annum.
BORROWINGS

**Gearing**

- FY 2020: 21%
- H1 2021: 20%
- FY 2021: 29%
- H1 2022: 34%

**Interest cover ratio**

- FY 2020: 11.41
- H1 2021: 8.57
- FY 2021: 6.78
- H1 2022: 6.53

**Effective interest rate for the period**

- FY 2020: 3.47%
- H1 2021: 3.39%
- FY 2021: 3.24%
- H1 2022: 3.88%

- Leverage ratio* well below Group ceiling of 3.0x and covenant level of 3.5x
- Oss loan owing to MSD of EUR 188 million due in September 2023 is excluded from Net Borrowings
- The maturity dates for the bulk of the Group’s existing syndicated term debt facilities were successfully extended to 30 June 2023 from 30 June 2022

* Calculated in terms of Syndicated Term Debt Facilities Agreement.
** Excluding amortisation of capital raising fees, and inclusive of continuing and discontinued operations.
* Current borrowings + non-current borrowings - cash.
IMPROVED RETURN ON INVESTMENT

ASPEN IS IN GOOD SHAPE AND LEAN

MANUFACTURING SEGMENT ENDURED A CHALLENGING H1 2022 WITH RECOVERY EXPECTED IN H2 2022

DELIVERING ON OUR ORGANIC SALES GROWTH TARGETS (CER¹)

INCREASED INVENTORY INVESTMENT TO ENSURE SUSTAINABLE SUPPLY TO COMMERCIAL MARKETS

IMPROVED GROSS MARGINS (CER¹) DESPITE CHALLENGING HEADWINDS

EXCITING DEVELOPMENTS ENHANCE FUTURE PROSPECTS

DOUBLE DIGIT EBITDA AND NHEPS GROWTH (CER¹)

STRONG BALANCE SHEET TO SUPPORT GROWTH

¹ CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
PERFORMANCE
A SUCCESSFUL STORY OF ORGANIC GROWTH, CARE, HOPE AND FUTURE OPPORTUNITIES

- Double digit growth
- Strengthened the balance sheet
- Forefront of equitable access
- Aspenovax Caring for Africa
- Business reshaped
- Organic growth across all segments
- Critical global capacities
- Contribution to world for COVID meds
- Capacities are foundation for future returns
First generic company accredited by the FDA for the PEPFAR Fund
- USA Presidents Emergency plan for AIDS relief

First FDA generic ARV

2003

MDR TB

Manufactured both 1st & 2nd line TB treatments

2005

Introducted triple combo treatment of HIV pill

2018

Over 1,000,000 HIV/AIDS patients reached in Africa

180m COVID doses for Africa

COVID contribution
- Manufactured COVID vaccine for Johnson & Johnson
- First COVID-19 vaccine manufactured in Africa
- Dexamethasone and Anaesthetics for the world

Aspenovax – Caring for Africa

Realisation of African ambition

Ensuring manufacturing capabilities are relevant for future demands

Expanding product access: Multinational relationships

Next?
Vaccines, insulin, oncology, pain, anaesthetics

FUTURE

2022
Another solid performance from both Commercial Pharma and Manufacturing

Performance of all segments heavily impacted by COVID supply chain challenges
  » Manufacturing segment most negatively impacted

Commercial Pharma +6% CER\(^*\) excluding EU oncology portfolio
Manufacturing +10% CER\(^*\) excluding FDF TRS\(^*\)
Internal performance measure of organic growth +7% CER\(^*\)
  » Excludes FDF TRS\(^*\) & EU oncology portfolio

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### ORGANIC GROWTH ACROSS ALL SEGMENTS

<table>
<thead>
<tr>
<th>Segment</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>Reported</th>
<th>CER(^*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Pharma</td>
<td>14 261</td>
<td>14 331</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Regional Brands</td>
<td>8 727</td>
<td>8 776</td>
<td>-1%</td>
<td>4%</td>
</tr>
<tr>
<td>Sterile Focus Brands</td>
<td>5 534</td>
<td>5 555</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>5 120</td>
<td>4 302</td>
<td>19%</td>
<td>30%</td>
</tr>
<tr>
<td>Group revenue</td>
<td>19 381</td>
<td>18 633</td>
<td>4%</td>
<td>10%</td>
</tr>
</tbody>
</table>

GROUP REVENUE
CONTINUING

\(^*\): CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
\(^\star\): FDF transaction related supply ("FDF TRS") refers to revenue under supply agreements arising from prior year disposals to Mylan/ Viatris and Sandoz.
### Adding Resilient Performance Led by Australia

**Excluding Oncology brands**
- Regional brands +6% CER
- EU CIS +7% CER

**Australia growth driven by OTC portfolio**

**Africa Middle East**
- Struggled with severe supply chain challenges
- SA still managed to grow +6% CER

**Latam sustaining strong historic performance**

**EU CIS performance benefiting from narrower focus**

<table>
<thead>
<tr>
<th>Region / Brands</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>% change</th>
<th>CER†</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa Middle East</td>
<td>3 961</td>
<td>4 059</td>
<td>-2%</td>
<td>0%</td>
</tr>
<tr>
<td>Australasia</td>
<td>2 303</td>
<td>2 082</td>
<td>11%</td>
<td>18%</td>
</tr>
<tr>
<td>Americas</td>
<td>1 361</td>
<td>1 329</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Europe CIS</td>
<td>803</td>
<td>970</td>
<td>-17%</td>
<td>-10%</td>
</tr>
<tr>
<td>Asia</td>
<td>299</td>
<td>336</td>
<td>-11%</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>Regional Brands</strong></td>
<td><strong>8 727</strong></td>
<td><strong>8 776</strong></td>
<td><strong>-1%</strong></td>
<td><strong>4%</strong></td>
</tr>
</tbody>
</table>

*†CER reflects the underlying performance. H1 2021 restated at H1 2022 average exchange rates.*
Very credible performance across the board
- Prior year base was up 7%, positive COVID-19 impact
- EU CIS performance most noteworthy in this regard

Supply chains were impacted by COVID-19
- Exacerbated by COVID-19 vaccines demand
  - Impacted manufacturing capacities, components and consumables

Asia continues to perform
- +11 CER includes impact of Volume Based Procurement ("VBP") in Q2 for Naropin in China

### MAINTAINING STRONG MOMENTUM

<table>
<thead>
<tr>
<th>Region</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>Reported</th>
<th>CER†</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>2 426</td>
<td>2 262</td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Europe CIS</td>
<td>1 795</td>
<td>1 892</td>
<td>-5%</td>
<td>3%</td>
</tr>
<tr>
<td>Americas</td>
<td>718</td>
<td>736</td>
<td>-2%</td>
<td>2%</td>
</tr>
<tr>
<td>Australasia</td>
<td>353</td>
<td>397</td>
<td>-11%</td>
<td>-5%</td>
</tr>
<tr>
<td>Africa Middle East</td>
<td>242</td>
<td>268</td>
<td>-10%</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>Sterile Focus Brands</strong></td>
<td><strong>5 534</strong></td>
<td><strong>5 555</strong></td>
<td><strong>0%</strong></td>
<td><strong>5%</strong></td>
</tr>
</tbody>
</table>

† CER reflects the underlying performance. H1 2021 restated at H1 2022 average exchange rates.
Extremely challenging times to be in production

- Core reason for withdrawal of API disposal process
  - Team now fully re-focused on delivery of operational performance
- API division
  - Demand and production impacted by COVID
  - Rebound to growth in H2 and growth for the year
  - Future orders underpinned by contractual commitments

- FDF includes positive COVID-19 vaccine injection of ± R800 million
- Targeting strong H2 for Manufacturing

<table>
<thead>
<tr>
<th></th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>Reported</th>
<th>CER¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>FDF</td>
<td>2 476</td>
<td>1 051</td>
<td>&gt;100%</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>API - Chem</td>
<td>2 206</td>
<td>2 708</td>
<td>-19%</td>
<td>-11%</td>
</tr>
<tr>
<td>API - Biochem</td>
<td>438</td>
<td>543</td>
<td>-19%</td>
<td>-11%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>5 120</td>
<td>4 302</td>
<td>19%</td>
<td>30%</td>
</tr>
</tbody>
</table>

¹CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
Sterile build steppingstone to growth strategy

Organic growth of base business

Capacity fill

Acquisitive opportunities

Improving financial metrics
PERFORMANCE METRICS

CER ORGANIC GROWTH OF 3 – 7% OF BASE BUSINESS*

- Base business is the cash generator and growth engine
- Performance in spite of COVID disruptions
- Sustained growth of base
  - Innovative, evolving strategies
- OTX
  - Novel approach
  - Detailing of selected non-script driven products to doctors
  - Doctor endorsed/ recommended products

** Organic Growth Performance **

<table>
<thead>
<tr>
<th>Period</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2020</td>
<td>16,251</td>
</tr>
<tr>
<td>H1 2021</td>
<td>17,131</td>
</tr>
<tr>
<td>H1 2022</td>
<td>18,242</td>
</tr>
</tbody>
</table>

+5% +7%

*Excluding FDF transaction-related supply & EU oncology portfolio
PERFORMANCE METRICS

ORGANIC GROWTH - OUR BRANDED AUSTRALIAN BASE BUSINESS

OUR OTC / OTX PORTFOLIO HAS GROWN AT 19%

- Now represents 40% of Regional Brands revenue in Australia
- Not impacted by price cuts

MARKET LEADER IN 6 OTC / OTX CATEGORIES

- Maltofer - Iron deficiency (Oral)
- Ural - UTI management
- Cartia - Low dose aspirin
- Gastro-Stop - Anti-motility (Anti-diarrheals)
- Bio-Oil - Scar and stretchmark treatment
- Coloxyl - Plain stimulants and stool softeners
**PERFORMANCE METRICS**

**ORGANIC GROWTH - OUR BRANDED SA BASE BUSINESS**

## OUR SA OTC / OTX BUSINESS HAS GROWN AT 25%

### NON-NARCOTIC ANALGESICS
- Largest OTC class in SA private market
  - Aspen share of category = 19%
  - Mybulen is leading brand
    - Growth of 17%
    - Stilpane growing at 42%
    - Even with supply challenges

### ANTI-SPASMODICS
- Hyospasmol - leading brand in this category
  - Aspen share of category = 49%
  - Growth of over 17%

### PRESCRIBED IRON TREATMENT
- Ferrimed is the market leader
  - Aspen share of category = 45%
  - Growth of 7%
PERFORMANCE METRICS

CAPACITY FILL AND ANAESTHETIC SAVINGS EBITDA CONTRIBUTION OF R2.3 BILLION BY 2024

- R2.3 billion contribution
  - R1.5 billion contribution from half of available capacity fill
  - R0.8 billion Anaesthetic savings
- Combined savings as same capacity often needed for both
- COVID delays for NDB offset by quicker take on of vaccines in Gqeberha
- NDB COVID impacts
  - NDB - machinery, technician delays and the regulatory backlog
  - High absenteeism, project slots on the line reprioritized for immediate operational needs
  - NDB - 80 million doses contracted- majority to be delivered CY24
- Confident that remaining available capacity will be utilized
  - Timing for incremental contribution
    - Dependent on COVID outcomes and vaccine offtakes
    - Could be accelerated by Aspenovax volumes

ON TARGET WITH AT LEAST 50% BY FY 2022

- NDB absentee rate

Graph showing NDB absentee rate from July 21 to December 21.
PERFORMANCE METRICS

ACQUISITIONS

FOCUS OVER LAST FEW PERIODS HAS BEEN ON RESHAPE AND ASPENOVAX

- Commercial pharmaceutical portfolios largely completed

ANTICIPATE ACQUISITIVE ACTIVITY

- Targeting acquisitions of brands
  - Expand portfolios across existing geographic footprint
  - Focus areas include
    - Latin America - Bolster existing infrastructure
    - Africa - Branded/multinational opportunities leveraging Aspen positioning
    - Australia – Increase growing OTX presence
    - Diverse commercial sterile opportunities, linked to manufacturing and geographic capability
PERFORMANCE METRICS

COVID CHALLENGES

STRONG PERFORMANCE, DESPITE PRESSURES
- Supply, productivity and cost challenges

COVID SUPPLY RELATED IMPACTS
- Shortages of key ingredients and consumables
- In some facilities we had limited stock on hand
  » With unknown and unpredictable supply/delivery schedule

SA OPERATIONS WERE MORE IMPACTED BY THE OMICRON WAVE
- SA specific isolation and flights cancelled

OUR THIRD-PARTY SUPPLIERS SIMILARLY IMPACTED
- Shortages and supply constraints most impacted Anaesthetics and the Middle East region

CONTAINER - HARPEX

ALUMINIUM +130%

PLASTIC +100%

PALLETS (TIMBER PRICE +125%)

Materials impacted:
Plastic tubes, Bottles, caps, PVC foil, Flexible Sachets

Source: Delpharm: Market Trends 2022
PERFORMANCE METRICS

COVID CHALLENGES

COVID IMPACT TO PRODUCTIVITY HAS BEEN PROFOUND

- Absenteeism high and entire shifts cancelled
  » One person positive all related workers in shift area, must isolate
- Severely affected our Manufacturing entities - both API and FDF
  » Fundamental to withdrawal of API divestiture process

PRICING CHALLENGES

- Freight and transport costs have increased exponentially
  » Function of supply constraints vs increased demand
  » Energy costs increases even before Ukraine crisis
    • Weekly adjustments
- Inflationary cost pressures have increased
  » Component, consumable and material costs
  » Created pressure on salary and wage increase demands

THESE CHALLENGES PERSIST TODAY

- Duration hard to predict
- Much may depend on severity and reactions to future variants
- Resolution of geopolitical tensions
- Currently assessing impact and ability to pass on increasing costs
  » Should the status quo continue

Materials impacted:
Glass, Solvents, Oils, Plastics, as well as APIs

Source: Delpharm: Market Trends 2022
Source: EU Energy Market Update – March 2022
### FINANCIAL METRICS

**PERFORMING AGAINST ALL METRICS**

#### FINANCIAL METRICS ON TRACK

- Successful implementation of strategy
  - Improving return metrics

<table>
<thead>
<tr>
<th>TARGET</th>
<th>ACHIEVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase off base FY 2020 EBITDA margin of 25.8%</td>
<td>29.5% EBITDA margin</td>
</tr>
<tr>
<td>EBITDA growth &gt; Revenue growth</td>
<td>EBITDA growth of 15% &gt; Revenue growth of 10%</td>
</tr>
<tr>
<td>NHEPS &gt; EBITDA growth</td>
<td>NHEPS growth of 26% greater than EBITDA growth of 15%</td>
</tr>
<tr>
<td>Leverage ratio to be below 3x</td>
<td>Significant Headroom</td>
</tr>
</tbody>
</table>
STERILE CAPACITY | A RELEVANT AND VALUABLE STRATEGIC CAPABILITY

**Sterile demand continues to increase**
- New chemical entity developments are largely sterile based
- Current COVID demand is in vials
  - Trend towards prefilled syringes and preservative free blow fill seal
  - Capacities we have within NDB
- Quality, diverse sterile capacity is expensive and remains constrained

**COVID has catapulted Aspen's African sterile manufacture onto the global stage**
- The South African facility is focused on the COVID vaccines
  - Aspen will have additional vial capacity next year
  - Needed for Anaesthetic and other vial products

**Investment in global sterile capacity has and will prove defining for Aspen growth prospects**
- Aspenovax is only a reality because of these capacities
- Needed for Anaesthetics and additional opportunities
  - Manufacturing transitions/ regulatory periods long

**Vaccine delivery has accelerated awareness of Aspen capabilities**
- Resulted in numerous new business inquiries
PROSPECTS

BASE BUSINESS | HEADWINDS TO ORGANIC GROWTH

- **COVID CHALLENGES HAVE BEEN SIGNIFICANT**
  - These remain today
    - Manufacturing, supply, logistics and related inflationary pressures

- **DIRECT AND KNOCK-ON RISKS OF RUSSIA/UKRAINE HOSTILITIES**
  - Annualized sales about R1 billion, mainly in Russia
  - Further impacts on commodities and energy prices

- **VBP IN CHINA REMAINS A REAL AND CONSTANT CHALLENGE**
  - Race to register and launch pipeline products

- **POTENTIAL FOR UNILATERAL PRICING DECREASES ON PRESCRIPTION MEDICINES IN AUSTRALIA**
  - Impact would be in 2023

- **FIRE IN ALPHAMED FACILITY**
  - Supply interruption to SA and impacted pipeline delivery
  - Facility to be back online by August 2022
PROSPECTS

BASE BUSINESS | TAILWINDS TO ORGANIC GROWTH

- **OUR BASE BUSINESS ENJOYED SUSTAINED POSITIVE MOMENTUM**
  - Relevant product range in growing markets
  - Improving margin profiles

- **ASPENOVAX TO DRIVE A MATERIAL INCOME STREAM FOR ASPEN**
  - Our contribution to our continent

- **WE HAVE A ROBUST PIPELINE TO SUPPORT OUR BASE BUSINESS**
  - Includes a broader registration of Anaesthetics portfolio IP
  - Needed in China to offset VBP impacts

- **INCREASED CAPACITY UTILIZATION WILL DRIVE PROFITABILITY**
  - Confident, with timing the only uncertainty

- **NUMEROUS APPROACHES FROM VACCINE FOCUSED COMPANIES**
  - Leverage our distribution footprint
  - Contribute towards product development
  - Utilize our manufacturing footprint
PROSPECTS

VACCINE INEQUITY - REGIONAL MANUFACTURE HAS TO BE AN AFRICAN IMPERATIVE

More than 10 billion doses administered globally, but inequities persist

10.4 billion vaccine doses administered globally as of Feb 25th, 2022
3.4 billion vaccine doses administered across participants

Strong global vaccine inequity persists – 22 participants have vaccinated less than 10% of the population (a decrease from 34 countries in January 2022)

PERSONS FULLY VACCINATED PER 100 POPULATION

Source: WHO COVID-19 Dashboard (map), UNICEF Procurement Portal (COVAX shipments), Bloomberg (total # of doses administered).
Data as of 24 February 2022, 13h30 pm CET
Aspen committed to creating sterile manufacturing capacity in Africa.

Aspen recognised as top contributor to Johnson & Johnson COVID manufacturing network.

Aspenovax agreement concluded March 2022.

Johnson & Johnson commitment to enabling a solution to COVID supply in Africa.

Aspen vision for own COVID vaccine brand for Africa.

Johnson & Johnson technical transfer support.

Aspen committed to creating sterile manufacturing capacity in Africa.

Aspen to launch Aspenovax circa June 2022.

Johnson & Johnson commitment to enabling a solution to COVID supply in Africa.

Aspen vision for own COVID vaccine brand for Africa.

Johnson & Johnson technical transfer support.

Aspen committed to creating sterile manufacturing capacity in Africa.

Aspen to launch Aspenovax circa June 2022.
PROSPECTS

ASPENOVAX – POTENTIAL FINANCIAL OUTCOMES

OUTLOOK

- Shorter term volumes could be material driven by imperative to address COVID vaccine deficit in Africa
  - Global focus on Africa now including stimulation of demand, base and booster requirements
- Will absorb material under recovery of overheads burdening current Manufacturing margins
  - Contribution will increase base Manufacturing margins
  - GP% should be incremental to overall Manufacturing margins

VARIABLES

- Volumes ordered
- Selling price per dose
- Cost of Goods per dose

RELEVANT FACTORS

- AVAT, COVAX, African Governments will be principal customers
- Vaccine pricing currently USD 5-10 per dose
- Formula based and heavily influenced by manufacturing yields achieved
PROSPECTS

ASPENOVA AS ENABLER

Alignment to our purpose to improve the health and quality of life for patients

Potential for improving returns from Aspenovax – commitment to reinvest in increasing capacity in Africa and a broader vaccine pipeline

Stimulated interest in partnering Aspen to enhance access – both Manufacturing and Commercial Pharma

Showcasing Aspen as trusted, quality manufacturer – extending also to Anaesthetics, Insulins, Oncology, Narcotics and other Vaccines

Demonstration of Aspen’s capabilities and expertise in Steriles

Contributing to global COVID vaccine equity
RESHAPING DELIVERING MEANINGFUL RETURNS

- Better positioned Aspen business strategically
- Durable branded products – resilient margins
- Leading global sterile manufacturing platform
  - Inspired investment ahead of the curve
  - Foundation for superior future growth returns

NUMEROUS CHALLENGES TO OPERATIONS

- COVID, geopolitical tensions and related inflationary impacts
  - Will impact supply chain, logistics and costs

CHALLENGING BUT REWARDING PERIOD OPERATIONALLY

- At current levels H2 CER and Reported should be largely in line
  - Ruble likely to be an exception

ACQUISITIVE OPPORTUNITIES UNDER REVIEW
PROSPECTS

SUMMARY

OUR MANUFACTURING OPERATIONS EXPECTED TO HAVE A MUCH STRONGER H2

• Aspenovax could also contribute to this half

OUR COMMERCIAL PHARMACEUTICAL BUSINESS HAS PERFORMED WELL

• H2 vs H1 will have a revenue adjustment of R500m for divested products in SA and Naropin VBP
• Geopolitical tensions in Russia/ Ukraine impact to sterile brands

THE OPPORTUNITY IS THERE BUT IT’S ONLY HALFTIME

• Our challenge is to sustain this performance in H2
• If we replicate H1
  » We would more than double sales and margins achieved in FY 2013
    ~ The year we started this transformation process
• Year-end debt not materially different from 2013
• NHEPS will be the highest in our history
• Our target is to deliver H2 in line with H1, but many geopolitical uncertainties

STRONG CASHFLOWS IN H2

• Target > 100% operating cash conversion for the year
• Operating cash flow conversion a standout feature of Aspen

TO DELIVER WE NEED TO EXECUTE
NO TIME TO REST, NO CHANCE TO RUST
APPENDIX 1: ESG - FOCUSING OUR EFFORTS WHERE IT MATTERS

**Environment**
- Initiated development of Climate Change strategy and related roadmaps and targets
- Mitigation of electricity and water availability risks at SA Operations
- No significant environmental incidents
- Adopted disclosure aligned to TCFD

**Social**
- Provide access to affordable high-quality medicines across a broad geography
- Responsive to emerging health crises in the world
- Engagement with governments, NGOs and partners on a COVID response for SA and Africa
- Support more than 200 corporate social investment projects
- Continued focus on equity, diversity and inclusion - 48% of our workforce are women
- Health and safety a business priority with zero occupational fatalities since 2013

**Governance**
- Increased engagement on remuneration policy and further transparency included in implementation report
- Diverse Board with well established corporate governance practices aligned to King IV
- Strengthened ethics and compliance programme consistently applied across Aspen
- Increased governance oversight on IT and cyber

**ESG CREDENTIALS**

- UN Global Compact signatory
- United Nations Women Empowerment Principles signatory
- FTSE4GOOD constituent member
- FTSE/JSE TOP 30 Responsible Investment Index
- Integrated Report assessed as “Excellent” by EY
- CDP Climate B- and CDP Water B
- Level 4 B-BBEE
- Ethical Culture assessed as Advanced*

*As accredited by the Ethics Institute of South Africa
APPENDIX 2: 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 3: STRONG FUNDAMENTALS FOR ORGANIC GROWTH

RESHAPED COMMERCIAL PHARMA MODEL

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

ASPEN’S ORGANIC GROWTH DRIVERS

Manufacturing Fundamentals
Increasing demand for quality sterile manufacture
• High demand for Sterile capacity influenced by Covid-19 vaccines supply.
• Pharma biotech innovation requirement for sterile manufacture

Sought after API capabilities
• Niche API Chemicals continuing positive growth trajectory
• API Biochem focus on Third Party customers
• Reputation for quality and dependability

ENHANCED MANUFACTURING CAPACITIES & CAPABILITIES
## APPENDIX 4: ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

### CONTINUING AND DISCONTINUED

<table>
<thead>
<tr>
<th></th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>% change</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue</strong></td>
<td>19 381</td>
<td>20 545</td>
<td>-6%</td>
<td>39 705</td>
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<tr>
<td><strong>Cost of sales</strong></td>
<td>(9 986)</td>
<td>(10 870)</td>
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<td>(21 515)</td>
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<tr>
<td><strong>Gross profit</strong></td>
<td>9 395</td>
<td>9 675</td>
<td>-3%</td>
<td>18 190</td>
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<tr>
<td><strong>Gross profit margin</strong></td>
<td>48.5%</td>
<td>47.1%</td>
<td></td>
<td>45.8%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(4 287)</td>
<td>(5 126)</td>
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<td>(9 959)</td>
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<tr>
<td><strong>Net other operating expenses</strong></td>
<td>(550)</td>
<td>(1 020)</td>
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<td>(1 593)</td>
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<td><strong>Depreciation</strong></td>
<td>582</td>
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<td>1 059</td>
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<tr>
<td><strong>Amortisation</strong></td>
<td>270</td>
<td>323</td>
<td></td>
<td>594</td>
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<tr>
<td><strong>EBITDA</strong></td>
<td>5 410</td>
<td>4 376</td>
<td>24%</td>
<td>8 291</td>
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<tr>
<td><strong>EBITDA margin</strong></td>
<td>27.9%</td>
<td>21.3%</td>
<td></td>
<td>20.9%</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>(582)</td>
<td>(524)</td>
<td></td>
<td>(1 059)</td>
</tr>
<tr>
<td><strong>Amortisation</strong></td>
<td>(270)</td>
<td>(323)</td>
<td></td>
<td>(594)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>4 558</td>
<td>3 529</td>
<td>29%</td>
<td>6 638</td>
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<tr>
<td><strong>Net financing costs</strong></td>
<td>(364)</td>
<td>(697)</td>
<td></td>
<td>(1 083)</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>4 194</td>
<td>2 832</td>
<td>48%</td>
<td>5 555</td>
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<tr>
<td><strong>Tax</strong></td>
<td>(834)</td>
<td>(577)</td>
<td></td>
<td>(1 146)</td>
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<tr>
<td><strong>Profit after tax</strong></td>
<td>3 360</td>
<td>2 255</td>
<td>49%</td>
<td>4 409</td>
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<tr>
<td><strong>Profit on sale of discontinued operations</strong></td>
<td>-</td>
<td>294</td>
<td></td>
<td>397</td>
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<tr>
<td><strong>Profit for the year</strong></td>
<td>3 360</td>
<td>2 549</td>
<td>32%</td>
<td>4 806</td>
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<tr>
<td><strong>EPS (cents)</strong></td>
<td>736</td>
<td>558</td>
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<tr>
<td><strong>HEPS (cents)</strong></td>
<td>777</td>
<td>566</td>
<td>37%</td>
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<tr>
<td><strong>NHEPS (cents)</strong></td>
<td>816</td>
<td>699</td>
<td>17%</td>
<td>1 296</td>
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</table>
### APPENDIX 5: ABRIDGED STATEMENT OF NORMALISED COMPREHENSIVE INCOME

#### CONTINUING

<table>
<thead>
<tr>
<th>R’million</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>% change</th>
<th>H1 2021 (CER)</th>
<th>% change (CER)</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue</td>
<td>19 381</td>
<td>18 633</td>
<td>4%</td>
<td>17 581</td>
<td>10%</td>
<td>37 766</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(9 986)</td>
<td>(9 447)</td>
<td>6%</td>
<td>(8 825)</td>
<td>13%</td>
<td>(19 977)</td>
</tr>
<tr>
<td>Gross profit</td>
<td>9 395</td>
<td>9 186</td>
<td>2%</td>
<td>8 756</td>
<td>7%</td>
<td>17 789</td>
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<tr>
<td>Gross profit margin</td>
<td>48.5%</td>
<td>49.3%</td>
<td>-%</td>
<td>49.8%</td>
<td>-%</td>
<td>47.1%</td>
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<tr>
<td>Operating expenses</td>
<td>(4 287)</td>
<td>(4 605)</td>
<td>-%</td>
<td>(4 374)</td>
<td>-%</td>
<td>(9 124)</td>
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<tr>
<td>Net other operating income</td>
<td>26</td>
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<td>-74%</td>
<td>92</td>
<td>-72%</td>
<td>237</td>
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<td>Depreciation</td>
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<td>511</td>
<td>14%</td>
<td>484</td>
<td>20%</td>
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<td>EBITDA</td>
<td>5 716</td>
<td>5 192</td>
<td>10%</td>
<td>4 958</td>
<td>15%</td>
<td>9 945</td>
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<tr>
<td>EBITDA margin</td>
<td>29.5%</td>
<td>27.9%</td>
<td>-</td>
<td>28.2%</td>
<td>-</td>
<td>26.3%</td>
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<tr>
<td>Depreciation</td>
<td>(582)</td>
<td>(511)</td>
<td>14%</td>
<td>(484)</td>
<td>20%</td>
<td>(1 043)</td>
</tr>
<tr>
<td>Amortisation</td>
<td>(270)</td>
<td>(323)</td>
<td>-16%</td>
<td>(304)</td>
<td>-11%</td>
<td>(594)</td>
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<tr>
<td>Operating profit</td>
<td>4 864</td>
<td>4 358</td>
<td>12%</td>
<td>4 170</td>
<td>17%</td>
<td>8 308</td>
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<td>Net financing costs</td>
<td>(334)</td>
<td>(667)</td>
<td>-50%</td>
<td>(622)</td>
<td>-46%</td>
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<tr>
<td>Profit before tax</td>
<td>4 530</td>
<td>3 691</td>
<td>23%</td>
<td>3 548</td>
<td>28%</td>
<td>7 194</td>
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<tr>
<td>Tax</td>
<td>(802)</td>
<td>(605)</td>
<td>33%</td>
<td>(581)</td>
<td>38%</td>
<td>(1 216)</td>
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<td>Profit after tax from continuing operations</td>
<td>3 728</td>
<td>3 086</td>
<td>21%</td>
<td>2 967</td>
<td>26%</td>
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<td>NHEPS (cents)</td>
<td>816.4</td>
<td>676.2</td>
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<td>650.2</td>
<td>26%</td>
<td>1 310</td>
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<td>Normalised effective tax rate</td>
<td>17.7%</td>
<td>16.4%</td>
<td>16.4%</td>
<td>16.4%</td>
<td>16.9%</td>
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APPENDIX 6: NET FINANCING COSTS
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<th>H1 2022</th>
<th>H1 2021</th>
<th>FY 2021</th>
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<tbody>
<tr>
<td>Net interest paid</td>
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<td>(460)</td>
<td>(854)</td>
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<td>Foreign exchange gain/ (losses)</td>
<td>50</td>
<td>(104)</td>
<td>(49)</td>
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<tr>
<td>Notional interest on financial instruments</td>
<td>(93)</td>
<td>(103)</td>
<td>(211)</td>
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<tr>
<td><strong>Normalised net funding costs</strong></td>
<td>(334)</td>
<td>(667)</td>
<td>(1 114)</td>
</tr>
<tr>
<td>Debt raising fees on acquisitions</td>
<td>(33)</td>
<td>(25)</td>
<td>(47)</td>
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<tr>
<td>Foreign exchange gains/(losses) on acquisitions</td>
<td>3</td>
<td>(5)</td>
<td>78</td>
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<tr>
<td><strong>Reported net financing costs</strong></td>
<td>(364)</td>
<td>(697)</td>
<td>(1 083)</td>
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</tbody>
</table>

The margins applicable to the Group’s syndicated term and revolving loan agreements increase or decrease to the extent that the Group’s most recently reported Leverage Ratio increases or decreases.
APPENDIX 7: RECONCILIATION OF NHEPS
CONTINUING AND DISCONTINUED

<table>
<thead>
<tr>
<th>Cents</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>% change</th>
<th>H1 2021 (CER&lt;sup&gt;1&lt;/sup&gt;)</th>
<th>% change (CER&lt;sup&gt;1&lt;/sup&gt;)</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings per share (EPS)</td>
<td>736.2</td>
<td>558.4</td>
<td>32%</td>
<td>537.8</td>
<td>37%</td>
<td>1 052.9</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>0.3</td>
<td>0.3</td>
<td>-</td>
<td>0.3</td>
<td>-</td>
<td>29.1</td>
</tr>
<tr>
<td>Impairment of intangible assets</td>
<td>77.2</td>
<td>63.5</td>
<td>-</td>
<td>57.7</td>
<td>-</td>
<td>274.8</td>
</tr>
<tr>
<td>Insurance compensation on assets</td>
<td>(9.1)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>1.7</td>
<td>14.2</td>
<td>-</td>
<td>13.0</td>
<td>-</td>
<td>27.8</td>
</tr>
<tr>
<td>Reversal of impairment of intangible assets</td>
<td>-</td>
<td>(0.5)</td>
<td>-</td>
<td>(0.5)</td>
<td>-</td>
<td>(90.2)</td>
</tr>
<tr>
<td>Reversal of impairment of property, plant and equipment</td>
<td>(1.3)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(59.5)</td>
</tr>
<tr>
<td>Profit on sale of discontinued operations</td>
<td>-</td>
<td>(64.4)</td>
<td>-</td>
<td>(58.6)</td>
<td>-</td>
<td>(87.0)</td>
</tr>
<tr>
<td>Profit on sale of tangible and intangible assets</td>
<td>(27.8)</td>
<td>(5.3)</td>
<td>-</td>
<td>(5.0)</td>
<td>-</td>
<td>(28.8)</td>
</tr>
<tr>
<td>Headline earnings per share (HEPS)</td>
<td>777.2</td>
<td>566.2</td>
<td>37%</td>
<td>544.7</td>
<td>43%</td>
<td>1 119.1</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>9.0</td>
<td>78.1</td>
<td>-</td>
<td>75.3</td>
<td>-</td>
<td>97.4</td>
</tr>
<tr>
<td>Transactions costs</td>
<td>33.2</td>
<td>40.3</td>
<td>-</td>
<td>37.2</td>
<td>-</td>
<td>86.7</td>
</tr>
<tr>
<td>Product litigation costs</td>
<td>0.8</td>
<td>12.9</td>
<td>-</td>
<td>12.5</td>
<td>-</td>
<td>9.1</td>
</tr>
<tr>
<td>Reversal of deferred consideration no longer payable</td>
<td>(3.2)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange (gains)/losses relating to acquisitions</td>
<td>(0.6)</td>
<td>1.1</td>
<td>-</td>
<td>1.1</td>
<td>-</td>
<td>(16.6)</td>
</tr>
<tr>
<td>Normalised HEPS</td>
<td>816.4</td>
<td>698.6</td>
<td>17%</td>
<td>670.8</td>
<td>22%</td>
<td>1 295.7</td>
</tr>
</tbody>
</table>

<sup>1</sup> CER removes the currency effect on performance. H1 2020 has been restated at H1 2021 average exchange rates.
## APPENDIX 8: RECONCILIATION OF NHEPS

CONTINUING

<table>
<thead>
<tr>
<th>Cents</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>% change</th>
<th>H1 2021 (CER(^\d))</th>
<th>% change (CER(^\d))</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings per share (EPS)</td>
<td>736.2</td>
<td>498.8</td>
<td>48%</td>
<td>483.6</td>
<td>52%</td>
<td>1 051.1</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>0.3</td>
<td>0.3</td>
<td></td>
<td>0.3</td>
<td></td>
<td>29.1</td>
</tr>
<tr>
<td>Impairment of intangible assets</td>
<td>77.2</td>
<td>63.5</td>
<td></td>
<td>57.7</td>
<td></td>
<td>274.8</td>
</tr>
<tr>
<td>Insurance compensation on assets</td>
<td>(9.1)</td>
<td>-</td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>1.7</td>
<td>14.2</td>
<td></td>
<td>13.0</td>
<td></td>
<td>27.8</td>
</tr>
<tr>
<td>Reversal of impairment of intangible assets</td>
<td>-</td>
<td>(0.5)</td>
<td></td>
<td>(0.5)</td>
<td>(90.2)</td>
<td>-</td>
</tr>
<tr>
<td>Reversal of impairment of property, plant and equipment</td>
<td>(1.3)</td>
<td>-</td>
<td></td>
<td></td>
<td>(59.5)</td>
<td>-</td>
</tr>
<tr>
<td>Profit on sale of tangible and intangible assets</td>
<td>(27.8)</td>
<td>(5.3)</td>
<td></td>
<td>(5.0)</td>
<td>(28.8)</td>
<td>-</td>
</tr>
<tr>
<td>Headline earnings per share (HEPS)</td>
<td>777.2</td>
<td>571.0</td>
<td>36%</td>
<td>549.1</td>
<td>42%</td>
<td>1 204.3</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>9.0</td>
<td>53.7</td>
<td></td>
<td>53.1</td>
<td></td>
<td>63.7</td>
</tr>
<tr>
<td>Transactions costs</td>
<td>33.2</td>
<td>37.4</td>
<td></td>
<td>34.4</td>
<td></td>
<td>49.2</td>
</tr>
<tr>
<td>Product litigation costs</td>
<td>0.8</td>
<td>13.0</td>
<td></td>
<td>12.5</td>
<td></td>
<td>9.1</td>
</tr>
<tr>
<td>Reversal of deferred consideration no longer payable</td>
<td>(3.2)</td>
<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange (gains)/losses relating to acquisitions</td>
<td>(0.6)</td>
<td>1.1</td>
<td></td>
<td>1.1</td>
<td>(16.6)</td>
<td>-</td>
</tr>
<tr>
<td>Normalised HEPS</td>
<td>816.4</td>
<td>676.2</td>
<td>21%</td>
<td>650.2</td>
<td>26%</td>
<td>1 309.7</td>
</tr>
</tbody>
</table>

\(^\d\) CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
## APPENDIX 9.1: GROUP STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>R’million</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>FY 2021</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>80 828</td>
<td>80 760</td>
<td>76 979</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>57 723</td>
<td>58 101</td>
<td>54 882</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>15 528</td>
<td>14 336</td>
<td>14 826</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td>385</td>
<td>487</td>
<td>400</td>
</tr>
<tr>
<td>Goodwill</td>
<td>4 943</td>
<td>4 923</td>
<td>4 621</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>1 293</td>
<td>1 624</td>
<td>1 323</td>
</tr>
<tr>
<td>Contingent environmental indemnification assets</td>
<td>327</td>
<td>297</td>
<td>305</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>629</td>
<td>992</td>
<td>622</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>15 403</td>
<td>14 302</td>
<td>13 409</td>
</tr>
<tr>
<td>Receivables and other current assets</td>
<td>12 751</td>
<td>19 174</td>
<td>10 688</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7 876</td>
<td>9 793</td>
<td>8 546</td>
</tr>
<tr>
<td>Assets classified as held-for-sale</td>
<td>484</td>
<td>180</td>
<td>62</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>117 342</td>
<td>124 209</td>
<td>109 684</td>
</tr>
</tbody>
</table>
## APPENDIX 9.2: GROUP STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders equity</td>
<td>71 961</td>
<td>66 354</td>
<td>65 627</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>19 912</td>
<td>29 259</td>
<td>266</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>3 546</td>
<td>4 419</td>
<td>3 732</td>
</tr>
<tr>
<td>Unfavourable and onerous contracts</td>
<td>294</td>
<td>670</td>
<td>463</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>1 874</td>
<td>2 234</td>
<td>1 810</td>
</tr>
<tr>
<td>Contingent environmental indemnification liabilities</td>
<td>327</td>
<td>297</td>
<td>305</td>
</tr>
<tr>
<td>Retirement and other employee benefits</td>
<td>807</td>
<td>891</td>
<td>730</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>7 274</td>
<td>8 216</td>
<td>24 606</td>
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<tr>
<td>Trade and other payables</td>
<td>9 718</td>
<td>8 906</td>
<td>9 213</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>1 251</td>
<td>2 553</td>
<td>2 528</td>
</tr>
<tr>
<td>Unfavourable and onerous contracts</td>
<td>378</td>
<td>387</td>
<td>353</td>
</tr>
<tr>
<td>Liabilities classified as held-for-sale</td>
<td>-</td>
<td>23</td>
<td>51</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>117 342</td>
<td>124 209</td>
<td>109 684</td>
</tr>
</tbody>
</table>
APPENDIX 10: GROSS PROFIT PERCENTAGE BRIDGE CER\(^{\dagger}\)

CONTINUING

\[\text{CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.}\]

\[\text{\textsuperscript{*} FDF transaction related supply ("FDF TRS") refers to revenue under supply agreements arising from prior year disposals to Mylan/Viatris and Sandoz.}\]
### APPENDIX 11: NET WORKING CAPITAL BRIDGE CER

**R’MILLION**

**Fx impact**

<table>
<thead>
<tr>
<th></th>
<th>30 Jun 2021</th>
<th>31 Dec 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Working Capital</td>
<td>13 971</td>
<td>14 775</td>
</tr>
<tr>
<td>Reported</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FX</td>
<td>804</td>
<td></td>
</tr>
<tr>
<td>Net Working Capital</td>
<td>14 775</td>
<td>17 351</td>
</tr>
<tr>
<td>CER</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>1 260</td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>1 266</td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>-225</td>
<td></td>
</tr>
<tr>
<td>Non cash</td>
<td>274</td>
<td></td>
</tr>
<tr>
<td>Cash Outflow</td>
<td>(2 301)</td>
<td></td>
</tr>
</tbody>
</table>

\(^{1}\) CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.
APPENDIX 12 : NET BORROWINGS BRIDGE

R’MILLION

- Net Borrowings 30 Jun 2021
- FX
- Net Borrowings CER\(^1\) 30 Jun 2021
- Larger acquisitions and disposals
- Cashflows from operating activities
- Bolt-on acquisitions and disposals\(^*\)
- Capex (IP development & PPE)
- Dividends
- Other
- Net Borrowings 31 Dec 2021

\(^1\) CER removes the currency effect on performance. H1 2021 has been restated at H1 2022 average exchange rates.