

ASPEN PHARMACARE HOLDINGS LIMITED
(Incorporated in the Republic of South Africa) ("Aspen Holdings")
Registration number: 1985/002935/06
Share code: APN
ISIN: ZAE000066692
LEI: 635400ZYSN1IRD5QWQ94
and its subsidiaries (collectively "Aspen" or "the Group")

ASPEN SECURES DISTRIBUTION AND PROMOTION RIGHTS IN SOUTH AFRICA AND CERTAIN SUB-SAHARAN AFRICAN COUNTRIES FROM LILLY

Aspen is pleased to announce that it has concluded an agreement with Eli Lilly Export S.A., a subsidiary of Eli Lilly and Company (Lilly), in terms of which, Aspen will distribute and promote Lilly's products in South Africa and certain other Sub-Saharan African countries (the Territory) for an initial term of 10 years, automatically renewable for two further periods of 5 years (the Transaction). As consideration for the distribution rights, Aspen will pay an amount of USD 41.5 million. Lilly will continue to manufacture and supply its products to Aspen for the duration of the agreement.

The Transaction is conditional upon the fulfilment of customary conditions precedent applicable to transactions of this nature, including the necessary competition authority approvals. It is anticipated that the Transaction will complete by the end of Q1 of calendar 2024.

The assumption of the Lilly portfolio will expand Aspen's product offering into new therapeutic categories, and thus, an essential aspect of the Transaction is the integration of Lilly's highly skilled staff complement into Aspen's commercial organisation in accordance with the Labour Relations Act.

South Africa generated sales revenue of approximately ZAR 440 million¹ in 2022, accounting for nearly 90% of the total sales revenue of the portfolio in the Territory. This is expected to be materially increased by the launch of key pipeline products in the short to medium term, pending their successful registration.

The Transaction forms part of Aspen's strategy to be a partner of choice to leading global pharmaceutical and biotechnology companies for niche products in emerging markets. Lilly is a leading multinational pharmaceutical company serving patients and healthcare professionals through innovative and high-quality medicines in the areas of Neuroscience, Oncology, Diabetes and Immunology. Lilly focuses on areas of high medical need and has a robust pipeline that includes Lilly's Tirzepatide, marketed globally as Mounjaro®, a molecule currently under evaluation by SAPHRA and expected to be launched in South Africa in the near future.

Any forward-looking statements provided herein have not been reviewed or reported on by Aspen's external auditors.

Durban
30 August 2023

Sponsor
Investec Bank Limited

¹ Per IQVIA data