

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 20 November 2023

Anticipated acquisition by Theramex HQ UK Limited of the European rights to Viatris Inc's Femoston and Duphaston products

We refer to your emails and accompanying attachments on 10 and 31 October 2023 and responses to our requests for information on 8 November and 10 November 2023 requesting that the CMA consents to derogations to the Initial Enforcement Order of 20 November 2023 (the **Initial Order**). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order of 20 November 2023, save for written consent by the CMA, CEP V Investment 25 S.à.r.l., CIM Europe S.à.r.l., Galaxy Acquisitions S.à.r.l., PAI Partners S.à.r.l. and Theramex HQ UK Limited (**Theramex**) (referred to together as the **Acquirer Group**) and Viatris Inc. (**Viатris**, together with the Acquirer Group, the **Parties**) are required to hold separate certain rights, assets and title to commercialise pharmaceutical products in various countries (the **Assets**) from the Theramex business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference. The Assets relate to certain rights, assets and title to commercialise pharmaceutical products in (i) the UK (the **UK Assets**), and (ii) [X] (the **ROW Assets**).

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, the Acquirer Group and Viatris may carry out the following actions, in respect of the specific paragraphs:

General derogation concerning paragraphs 5, 6 and 9 of the Initial Order

The Parties have sought CMA consent to exclude the ROW Assets (as well as other Viatris business units or assets unrelated to the UK Assets) from the scope of the obligations in paragraphs 5, 6 and 9 of the Initial Order to the extent such are not relevant or necessary to the continuance of the business associated with the UK Assets, whilst holding the UK Assets separate.

Based on the Parties representations and related evidence provided to the CMA, the CMA understands that:

- The viability and competitive capability of the UK Assets are not reliant on or impacted by the ROW Assets; and
- The UK Assets are in all material respects commercialised independently of the ROW Assets.

In light of the above, the CMA considers that a derogation is appropriate given the aims of the Initial Order and the particular circumstances of this case.

The CMA consents that the obligations in paragraphs 5, 6 and 9 of the Initial Order do not apply to the ROW Assets (or to any other Viatris business unit or assets unrelated to the UK Assets) save that this derogation is granted based on an undertaking by both the Acquirer Group and Viatris that such derogation can have no prejudicial effect on the operation of the UK Assets relative to the position immediately prior to the Commencement Date (and which would in any event fulfil Viatris' legal obligations to UK customers under warranty with or without the Initial Order). Specifically, Viatris and the Acquirer Group will at all times and in accordance with its standard and ordinary course of operations, until such time as the CMA varies or withdraws the Initial Order:

- maintain sufficient stock of Femoston so as fully and in a timely manner to supply the needs of the Viatris UK customer base as at the Commencement Date;
- continue the supply, and not take any steps that would prejudice the timely supply, of Femoston from all relevant manufacturing and distribution entities associated with the UK Assets;
- maintain all regulatory approvals and intellectual property rights necessary to supply Femoston in the UK;
- ensure that there remain sufficient resources, including personnel, to serve all UK patient demands in relation to Femoston; and
- they will take no action outside the UK that would have a prejudicial effect on the operation of the UK Assets relative to their position immediately prior to the Commencement Date.

This derogation should not prevent any remedial action that the CMA may need to take regarding the transaction. For the avoidance of doubt, the UK Assets, including any inputs, assets and records from outside the UK which are required for the operation of the UK Assets, will be preserved and no integration steps taken with respect to the ROW Assets will in any way relate to the UK Assets.

For the avoidance of doubt, the grant of this derogation also permits a derogation from the Initial Enforcement Order in order for any customary transfers or third party consents which may be required in order to implement the transfer of ROW Assets.