



Current Agreements

Dealdoc

Acquisition agreement for Sigma - terminated

Sigma Pharmaceuticals
Aspen Holding

May 21 2010

Acquisition agreement for Sigma - terminated

Companies:	Sigma Pharmaceuticals
	Aspen Holding
Announcement date:	May 21 2010
Deal value, US\$m:	585.0 : deal value
Related contracts:	Asset purchase agreement for drug manufacturing business

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Details

Announcement date:	May 21 2010
	Bigpharma
Industry sectors:	Pharmaceutical
	Biotech

Financials

Deal value, US\$m:	585.0 : deal value
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Termsheet

21 May 2010

Aspen has submitted an indicative non-binding proposal to acquire Sigma at an enterprise value of A\$1,492 million (approx. ZAR 9,796 million), which implies a price per Sigma share of A\$0.60 (approx. ZAR3.94)¹ based on 1,178.6 million Sigma shares outstanding and net debt (including off-balance sheet facilities) of A\$785 million (approx. ZAR 5,154 million)¹ as reported at 31 January 2010 (together, "the Proposal").

6 July 2010

Aspen Pharmacare will reduce its A\$707 million (\$589 million) takeover offer for Sigma after reviewing the Australian company's accounts.

Press Release

21 May 2005

Aspen shareholders are advised that Aspen has submitted an indicative non-binding proposal to acquire, either directly or through a wholly-owned subsidiary, Sigma Pharmaceuticals Limited ("Sigma") at an enterprise value of A\$1,492 million (approx. ZAR 9,796 million), which implies a price per Sigma share of A\$0.60 (approx. ZAR3.94) based on 1,178.6 million Sigma shares outstanding and net debt (including off-balance sheet facilities) of A\$785 million (approx. ZAR 5,154 million) as reported at 31 January 2010 (together, "the Proposal").

The Proposal is currently envisaged to be executed by Scheme of Arrangement, but the transaction structure may be refined following due diligence. The Proposal is also subject to numerous conditions precedent, including the satisfactory completion by Aspen of a due diligence investigation, fulfillment of all necessary regulatory approvals and the unanimous recommendation of any potential transaction by the Sigma Board; and thus no formal agreement to enter into a transaction may result.

Aspen shareholders are referred to the announcement released today by Sigma Pharmaceuticals Limited ("Sigma"), a company listed on the Australian Securities Exchange ("ASX"), which is available at the ASX website www.asx.com.

If an offer is made, or transaction concluded it may have a material effect on the price at which Aspen's shares trade on the JSE Limited. Accordingly, Aspen shareholders are advised to exercise caution when dealing in Aspen shares until a further announcement is made.

About Sigma Pharmaceuticals Sigma is a leading Australian manufacturer and marketer of prescription, over-the-counter and generic pharmaceutical products as well as a leading full-line wholesaler and distributor to pharmacies throughout Australia. For further details on Sigma, Aspen shareholders are referred to www.sigmaco.com.au.

About the Aspen Group JSE Limited listed Aspen has businesses in South Africa, Australia, Brazil, Mexico, Venezuela, Kenya, Tanzania, Uganda, Mauritius, Dubai, Germany and Hong Kong. Aspen supplies branded and generic pharmaceuticals in approximately 100 countries across the globe and consumer and nutritional products in selected territories.

Acknowledged as Africa's largest pharmaceutical manufacturer, Aspen is also a leading generics manufacturer in the southern hemisphere and one of the top 20 generics manufacturers worldwide. IMS has credited Aspen as being South Africa's leading pharmaceutical company for a number of years.

Aspen has 14 pharmaceutical manufacturing facilities at 9 pharmaceutical manufacturing sites on four continents. Four of the sites are located in South Africa, one in Kenya, one in Tanzania, one in Brazil, one in Mexico and one in Germany.

For more than 150 years, Aspen has been providing high-quality, affordable products to its customers. Aspen has production capabilities for tablets, capsules, steriles, injectables, penicillins, penems, liquids, creams and infant milk formulations.

Aspen has a robust pipeline of generic products developed under the direction of highly skilled scientists employed by Aspen and in collaboration with other global pharmaceutical research and development companies.

Operating in Australia since 2001, Aspen markets and distributes products owned by the Aspen Group and also licenses products from other companies. Aspen is now one of the top 10 suppliers of medication (by number of prescriptions written) in Australia, with annualised sales of c.A\$180 million.

Further information on Aspen can be found at www.aspenpharma.com.

Further information on Aspen Australia can be found at www.aspenpharma.com.au.

ASX ANNOUNCEMENT

Notification of Approach

21 May 2010

Sigma advises that it has received a non-binding, indicative and conditional proposal to acquire all of the issued share capital of Sigma for an indicative price of \$0.60 per Sigma share under a scheme of arrangement or other whole of business transaction.

The Sigma Board is considering the proposal and recommends that shareholders take no action at this stage. Sigma will make a further announcement in due course.

Sue Morgan-Dethick General Counsel & Company Secretary SIGMA

6 July 2010

Aspen Said to Reduce Its \$589 Million Takeover Offer for Sigma

July 6 (Bloomberg) -- Aspen Pharmacare Holdings Ltd. will reduce its A\$707 million (\$589 million) takeover offer for Sigma Pharmaceuticals Ltd. after reviewing the Australian company's accounts, a person familiar with the matter said.

Aspen, Africa's largest drugmaker, has told Sigma it wants to continue the review after an exclusivity period expired yesterday, the Melbourne-based company said in a statement today. A plan by Sigma shareholders to sue the company is also weighing on the bid and price, said Stuart Roberts, a health-care analyst at Southern Cross Equities Ltd. in Sydney.

Sigma shares have remained below Durban, South Africa- based Aspen's indicative offer on May 21 of 60 Australian cents a share, which includes Aspen taking over Sigma's net debt of A\$785 million. Sigma last month said it may miss its annual profit forecast after announcing resignations by three top executives following a record loss in March that triggered a 48 percent one-day plunge in the stock.

"The Australian market was signaling Aspen will come with a downward-revised offer," Mark Wadley, an analyst at Credit Suisse Standard Securities, said by phone from Johannesburg yesterday.

Discussions hinging on price are continuing, said the person familiar with the matter, who declined to be identified as the negotiations are private.

Shares Decline

Sigma, Australia's biggest drugs distributor, dropped 2.5 percent to 38.5 Australian cents at 11:09 a.m in Sydney, the lowest since May 20. Aspen, which declined 4.3 percent last week, declined 5 cents rand, or less than 0.1 percent, to 74.95 rand yesterday in Johannesburg.

Ian Smith, an external spokesman for Sigma, didn't return a call and text message today seeking comment. The company will consider other opportunities and recommends that shareholders take no action, it said in today's statement. Shauneen Beukes, an external spokeswoman for Aspen, yesterday said the company declined to comment.

Aspen is "uneasy" about bearing the risk of a possible lawsuit against Sigma, the Australian Financial Review reported June 24, without saying where it got the information.

A group of Sigma's shareholders plan to sue the company for breach of continuous disclosure and misleading or deceptive conduct, said Ben Phi, a senior associate at Slater & Gordon Ltd., the law firm coordinating the class action. The shareholders will seek damages from Sigma, Phi said by telephone from Melbourne today, declining to say how much.

No 'Reasonable Basis'

"We're saying that basically from about September last year when Sigma reconfirmed its earnings guidance, that it did so without a reasonable basis," Phi said. "The conditions in the marketplace in which it was operating, as well as its first-half results, indicated that it really was not in a position to achieve the guidance that it was providing."

The "vast bulk" of Sigma's institutional shareholders are participating in the action, Phi said by telephone today. The company hasn't filed its papers yet and hasn't spoken to either Sigma or Aspen about the suit, Phi said.

"Obviously it's going to be weighing on the minds of the Aspen people, and if they can use it to leverage a better bid, good luck to them," said Roberts at Southern Cross Equities. "I suspect that's what they're trying to do now. If they were really freaked, they would have walked today."

19 July 2010

Australian Sigma gets bids for two drug arms

MELBOURNE, July 19 (Reuters) - Australia's Sigma Pharmaceuticals (SIP.AX) has received three bids for its Herron drugs arm and three bids for its Orphan Australia drugs business, as it seeks an improved bid from South Africa's Aspen Pharmacare (APNJ.J), a newspaper reported on Monday.

Sigma declined to comment on the report.

The company is battling to pay off A\$100 million in debt by March under pressure from its lenders after it broke its loan covenants, reporting a loss for the year to January 2010. The first A\$40 million is due in September.

The bidders for Herron and Orphan are local and overseas-based drug and healthcare companies, The Age newspaper reported.

Their bids are dependent on the outcome of talks with Aspen on its A\$648 million (\$563 million) offer.

Sigma's shares jumped 1.2 percent to A\$0.425, bucking a slide in the broader market on hopes it might be able to ease its debt woes, but remained well below Aspen's offer price of A\$0.55 a share.

Orphan licenses specialty drugs from foreign pharmaceutical companies to treat life-threatening diseases, which are mostly sold to hospitals. Herron owns a portfolio of over-the-counter pain killers and vitamins, which struggled to expand sales last year due to tough competition in supermarkets.

Filing Data

Not available.

Contract

Not available.