ALEXION

April 30, 2021

First Quarter 2021 Earnings

Monika living with gMG

FORWARD LOOKING STATEMENTS

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. You can generally identify forward-looking statements by the use of forward-looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "explore," "evaluate," "intend," "may," "might," "plan," "potential," "predict," "project," "seek," "should," or "will," or the negative thereof or other variations thereon or comparable terminology. These forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond Alexion's and AstraZeneca's control. Statements in this communication regarding Alexion, AstraZeneca and the combined company that are forward-looking, including anticipated benefits of the proposed transaction, the impact of the proposed transaction on Alexion's and AstraZeneca's businesses and future financial and operating results, the amount and timing of synergies from the proposed transaction, the terms and scope of the expected financing for the proposed transaction, the aggregate amount of indebtedness of the combined company following the closing of the proposed transaction, are based on management's estimates, assumptions and projections, and are subject to significant uncertainties and other factors, many of which are beyond Alexion's and AstraZeneca's control. In addition, this communication includes forward-looking statements regarding Alexion, including statements regarding: future revenue (including global revenues in 2025 and beyond; expanding patient population (including future US neurology patients increasing by 4x); 10 product launches by 2023; future clinical trial developments (including the timing of commencement and completion of trials); anticipated timing of filing for regulatory approval and receiving regulatory approval and launching products; potential benefits of products and products in development; anticipated benefits of the enhanced commercial model, timing of future product releases; patient conversion ambitions; goals with respect to expanding addressable neurology patient population; the value creation strategy; the building blocks to achieving Alexion's 2025 revenue ambition; new patient support model has potential to reduce barriers and length of time to start therapy; anticipated increased demand for Alexion products for the rest of the year (as COVID-19 vaccination rates rise and access restrictions ease); and potential peak sales for Alexion products. Alexion-related forward-looking statements are also subject to significant uncertainties and other factors, many of which are beyond Alexion's and AstraZeneca's control. These factors include, among other things, market factors, competitive product development and approvals, pricing controls and pressures (including changes in rules and practices of managed care groups and institutional and governmental purchasers), clinical trial results, delays in clinical trials, decisions of government regulators to approve and reimburse for our products; economic conditions such as interest rate and currency exchange rate fluctuations, judicial decisions, claims and concerns that may arise regarding the safety and efficacy of in-line products and product candidates, changes to wholesaler inventory levels, ability to implement commercial and patient models; variability in data provided by third parties, changes in, and interpretation of, governmental regulations and legislation affecting domestic or foreign operations, including tax obligations, changes to business or tax planning strategies, difficulties and delays in product development, manufacturing or sales including any potential future recalls, patent positions and the ultimate outcome of any litigation matter. Additional information concerning these risks, uncertainties and assumptions can be found in Alexion's and AstraZeneca's respective filings with the SEC, including the risk factors discussed in Alexion's most recent Annual Report on Form 10-K, as updated by its Quarterly Reports on Form 10-Q, in AstraZeneca's most recent Annual Report on Form 20-F and in each company's future filings with the SEC. Important risk factors could cause actual future results and other future events to differ materially from those currently estimated by management, including, but not limited to, the risks that: a condition to the closing the proposed acquisition may not be satisfied; a regulatory approval that may be required for the proposed acquisition is delayed, is not obtained or is obtained subject to conditions that are not anticipated; AstraZeneca is unable to achieve the synergies and value creation contemplated by the proposed acquisition; AstraZeneca is unable to promptly and effectively integrate Alexion's businesses; management's time and attention is diverted on transaction related issues; disruption from the transaction makes it more difficult to maintain business, contractual and operational relationships; the credit ratings of the combined company declines following the proposed acquisition; legal proceedings are instituted against Alexion, AstraZeneca or the combined company; Alexion, AstraZeneca or the combined company is unable to retain key personnel; and the announcement or the consummation of the proposed acquisition has a negative effect on the market price of the capital stock of Alexion or AstraZeneca or on Alexion's or AstraZeneca's operating results. No assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, what impact they will have on the results of operations, financial condition or cash flows of Alexion or AstraZeneca. Should any risks and uncertainties develop into actual events, these developments could have a material adverse effect on the proposed transaction and/or Alexion or AstraZeneca, AstraZeneca's ability to successfully complete the proposed transaction and/or realize the expected benefits from the proposed transaction. You are cautioned not to rely on Alexion's and AstraZeneca's forward-looking statements. These forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance, and are applicable only as of the dates of such statements. Neither Alexion nor AstraZeneca assumes any duty to update or revise forward-looking statements, whether as a result of new information, future events or otherwise, as of any future date.

Amounts may not foot due to rounding.

IMPORTANT ADDITIONAL INFORMATION

In connection with AstraZeneca's proposed acquisition of Alexion (the "proposed transaction"), AstraZeneca filed with the U.S. Securities and Exchange Commission ("SEC") a registration statement on Form F-4 which includes a proxy statement of Alexion and a prospectus of AstraZeneca. The registration statement was declared effective by the SEC on April 12, 2021, and mailing of the definitive joint proxy statement/prospectus to the shareholders of Alexion occurred on or about April 12, 2021. Each of Alexion and AstraZeneca may also file other relevant documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE DEFINITIVE JOINT PROXY STATEMENT/ PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain free copies of the registration statement and the definitive proxy statement/prospectus and other documents containing important information about Alexion, AstraZeneca and the proposed transaction through the website maintained by the SEC at http://www.sec.gov. Copies of the documents filed with the SEC by Alexion will be available free of charge on Alexion's website at http://www.alexion.com or by contacting Alexion's Investor Relations Department by email at InvestorRelations@alexion.com. Copies of the documents filed with the SEC by AstraZeneca will be available free of charge on AstraZeneca's website at https://www.astrazeneca.com/investor-relations.html or by contacting AstraZeneca's Investor Relations department by email at global-mediateam@astrazeneca.com.

Participants in the Solicitation

Alexion, AstraZeneca, their respective directors and certain of their executive officers and other employees may be deemed to be participants in the solicitation of proxies from Alexion's shareholders in connection with the proposed transaction. Information about Alexion's directors and executive officers is available in Alexion's proxy statement for its 2020 annual meeting of shareholders, which was filed with the SEC on March 26, 2020, Alexion's Annual Report on Form 10-K/A for the fiscal year ended December 31, 2020, which was filed with the SEC on February 16, 2021, and other documents subsequently filed by Alexion with the SEC. Information about AstraZeneca's directors and executive officers is available in AstraZeneca's Form 20-F filed with the SEC on February 16, 2021, and other documents subsequently filed by AstraZeneca with the SEC. Other information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the definitive joint proxy statement/prospectus filed with the SEC on April 12, 2021 and other relevant materials to be filed with the SEC regarding the proposed transaction when they become available. Free copies of these documents may be obtained as described in the paragraphs above.

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

OUR NEXT CHAPTER

AstraZeneca & ALEXION

- Advances shared mission of ***following the science*** and using innovative approaches to develop ***life-changing medicines for patients***
- Strengthens AstraZeneca's presence in immunology by adding Alexion's ***strong pipeline*** and ***unique complement technology platforms***
- Combined company to have ***broad global coverage*** *from* ***primary to specialty care***
- AstraZeneca plans to create ***rare disease business unit***
- Combined organization will be well positioned to ***accelerate innovation and deliver enhanced value*** for our shareholders, patients and rare disease communities we serve

PROPOSED ASTRAZENECA ACQUISITION OF ALEXION EXPECTED TO CLOSE IN 3Q 2021

NEW APRIL 16th

*Competition clearances achieved in **U.S.,** Canada, Brazil, Russia & other countries globally*[1]

Shareholder Votes To Be Held May 11th, 2021

[1] *Competition clearances achieved in the following countries (dates of achievement): Brazil (March), Canada (March), Colombia (March), Russia (April), Turkey (April), U.S. (April). AstraZeneca has posted competition clearances as they are received on their website at https://www.astrazeneca.com/investor-relations/astrazeneca-to-acquire-alexion.html*

COMMITTED TO OUR MISSION


Sumaira living with NMOSD


Albie living with LAL-D


Jesse living with gMG


Bunny living with PNH


Aira living with HPP


Justice living with aHUS

Our Mission:

Transform the lives of people affected by rare diseases and devastating conditions by continuously innovating and creating meaningful value in all we do

PROGRESS CONTINUES AGAINST STRATEGIC AMBITIONS

$9-10B in Global Revenues in 2025
(Standalone Alexion) [1]

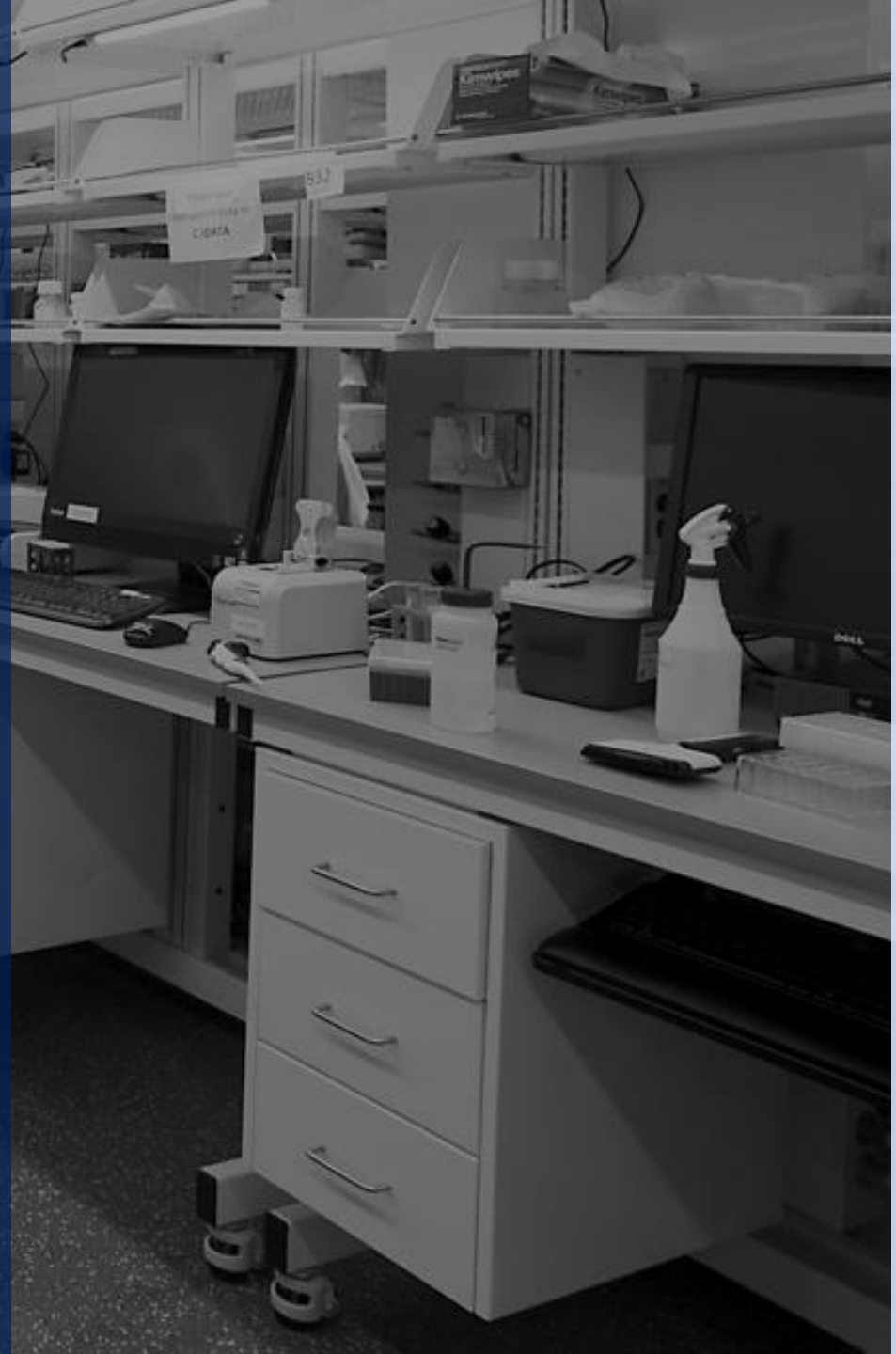
Expand Neurology U.S. Patient Volume 4x
(by 2025 to ~7,500 U.S. Patients) [2]

Best-In-Class ULTOMIRIS Conversion

10 Launches By 2023

[1]At constant currency, as previously laid out at October 2020 Investor Day;
[2]Ambition Baseline - 12/31/19 1,885 patients (4x growth ambition includes only gMG and NMOSD indications for SOLIRIS & ULTOMIRIS);

Financial Update



FIRST QUARTER 2021 KEY PERFORMANCE METRICS

Total Revenues	**$1.636B** ↑	**+13%**	**vs 1Q20**	▪ C5 (SOLIRIS + ULTOMIRIS) sales grew 10% YoY driven by growth in Neurology & continued strength in the PNH and atypical HUS businesses ▪ Metabolic sales grew 17% YoY driven by increase in volume ▪ ANDEXXA sales contributed $29M in 1Q21[2]
GAAP[1] Operating Margin	**39%** ↓	**-926 bps**	**vs 1Q20**	▪ GAAP operating margin decrease primarily driven by acquired IPR&D expense resulting from the consolidation of Caelum in 1Q21[3]
Non-GAAP[1] Operating Margin	**59%** ↓	**-282 bps**	**vs 1Q20**	▪ Non-GAAP operating margin decrease driven by Portola-related expenses & increased R&D spend
GAAP[1] EPS attributable to Alexion	**$2.86** ↑	**+14%**	**vs 1Q20**	▪ GAAP EPS growth primarily driven by topline strength
Non-GAAP[1] EPS attributable to Alexion	**$3.52** ↑	**+9%**	**vs 1Q20**	▪ Non-GAAP EPS growth primarily driven by topline strength partially offset by increases in R&D spend

[1]A reconciliation of GAAP to non-GAAP financial results is provided in the appendix and is available at www.alexion.com. Net Income used to determine Non-GAAP EPS attributable to Alexion excludes Caelum non-controlling interest. See Note 10 in Alexion 10Q filed April 30, 2021

[2]ANDEXXA refers to both ANDEXXA and ONDEXXYA revenues in the U.S. and EU [3]For more details on the Caelum consolidation, see Note 10 in Alexion 10Q filed April 30, 2021

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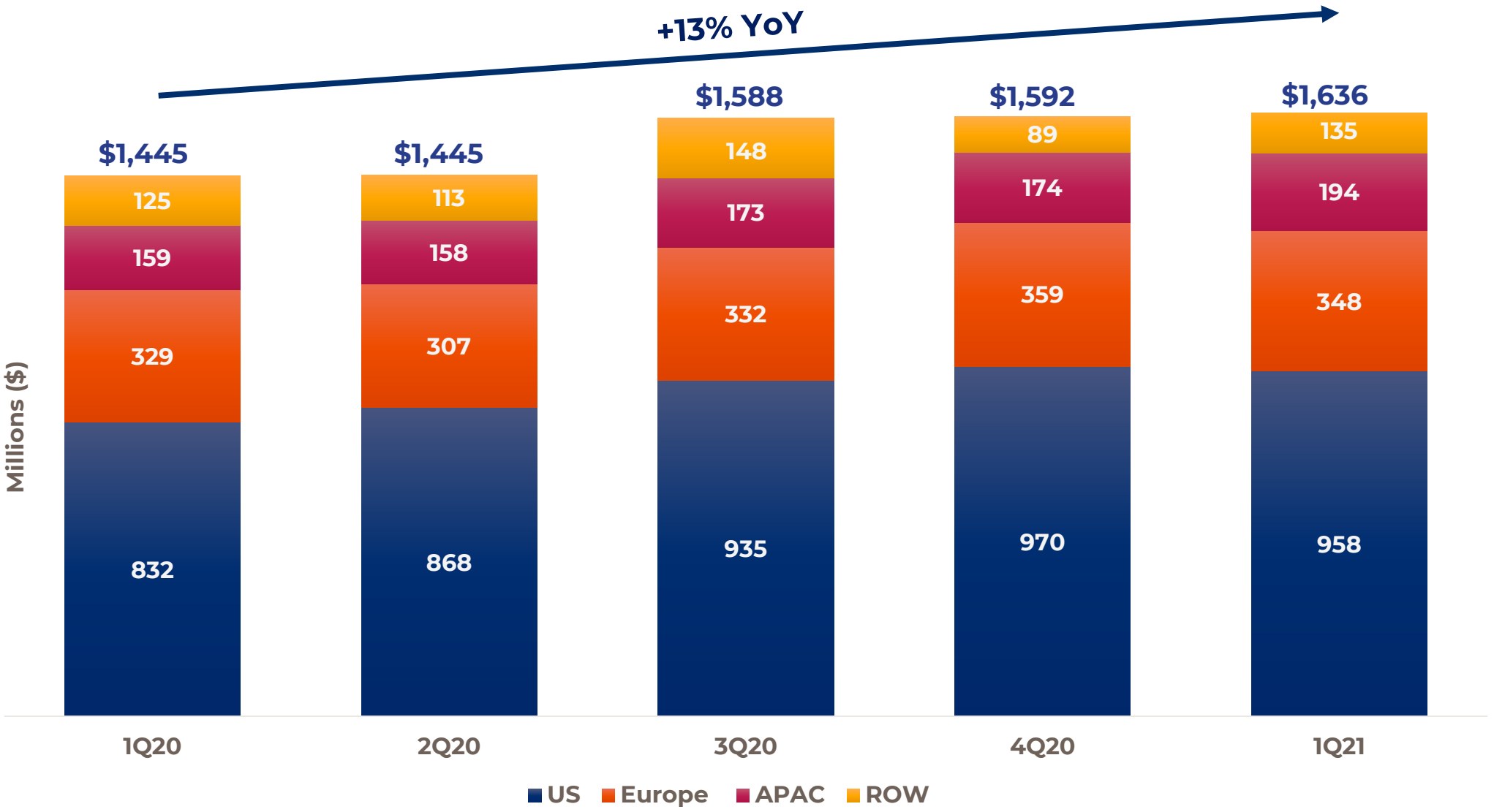
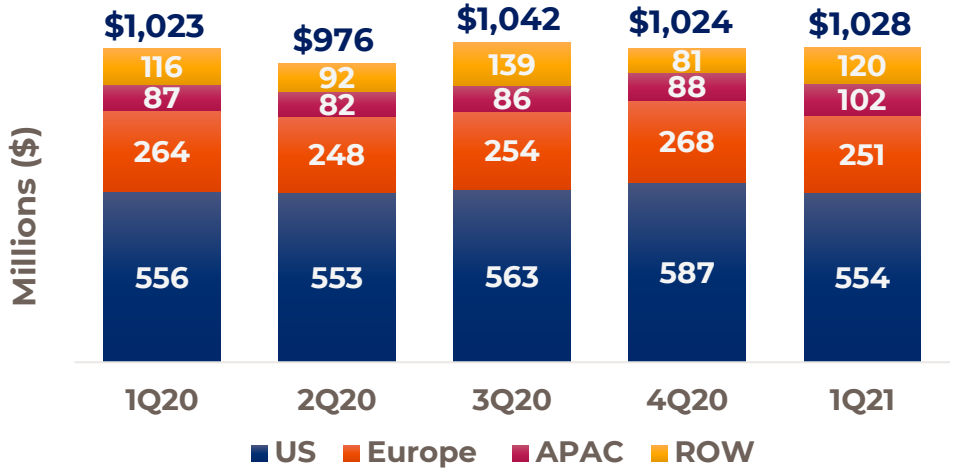
NET PRODUCT SALES BY GEOGRAPHY[1]



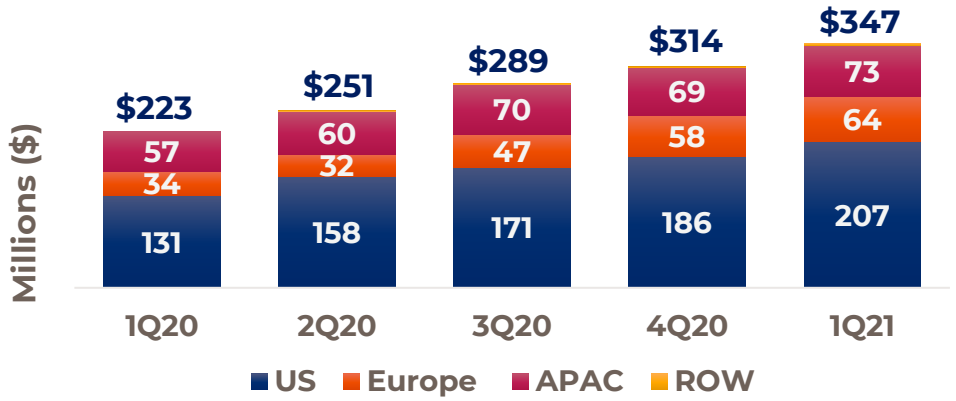
[1] Net Product Revenues only, excluding other revenues

SOLIRIS® AND ULTOMIRIS® NET PRODUCT SALES

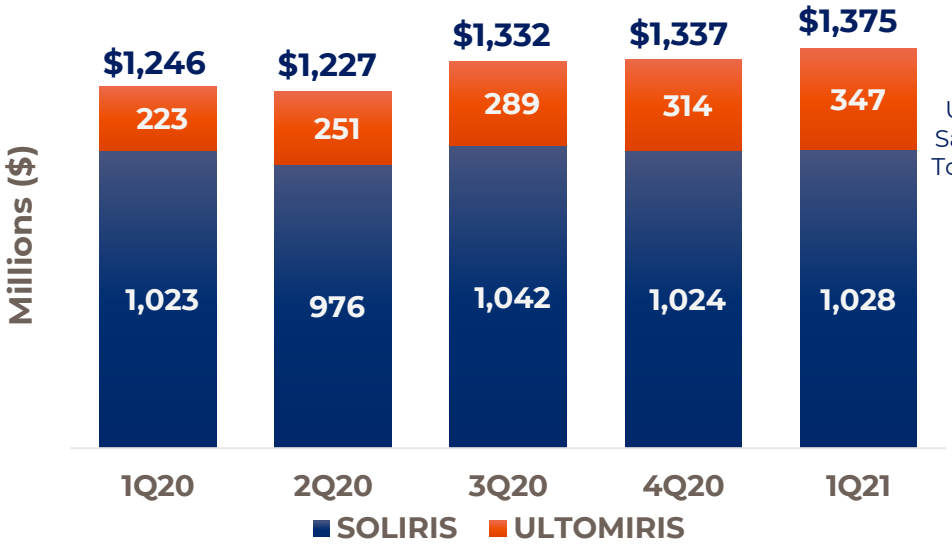
SOLIRIS Net Product Sales



ULTOMIRIS Net Product Sales



Total C5 Franchise Net Product Sales



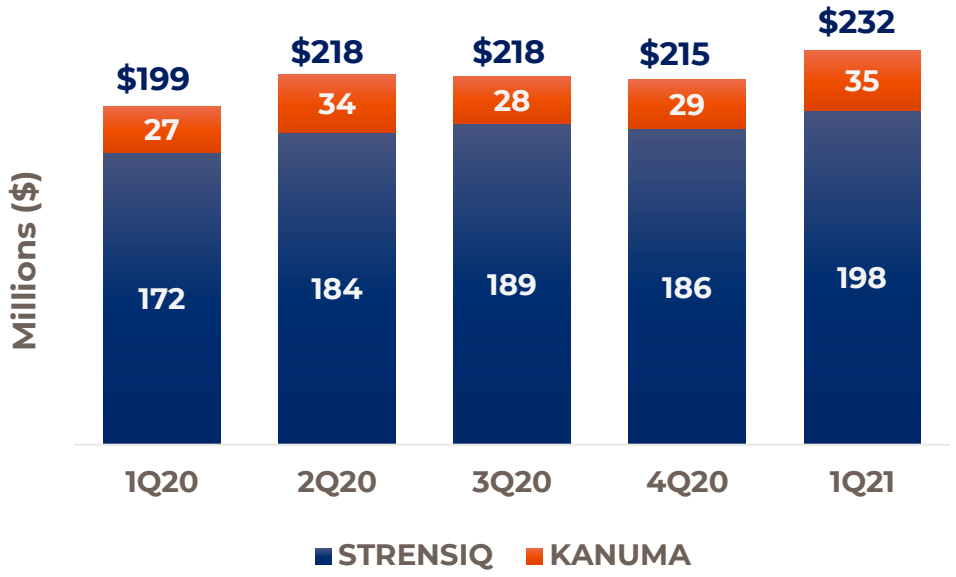
ULTOMIRIS Sales >25% of Total C5 Sales as of 1Q21

SOLIRIS: YoY revenue growth driven by Neurology, offset by continued conversion of PNH & aHUS business to ULTOMIRIS

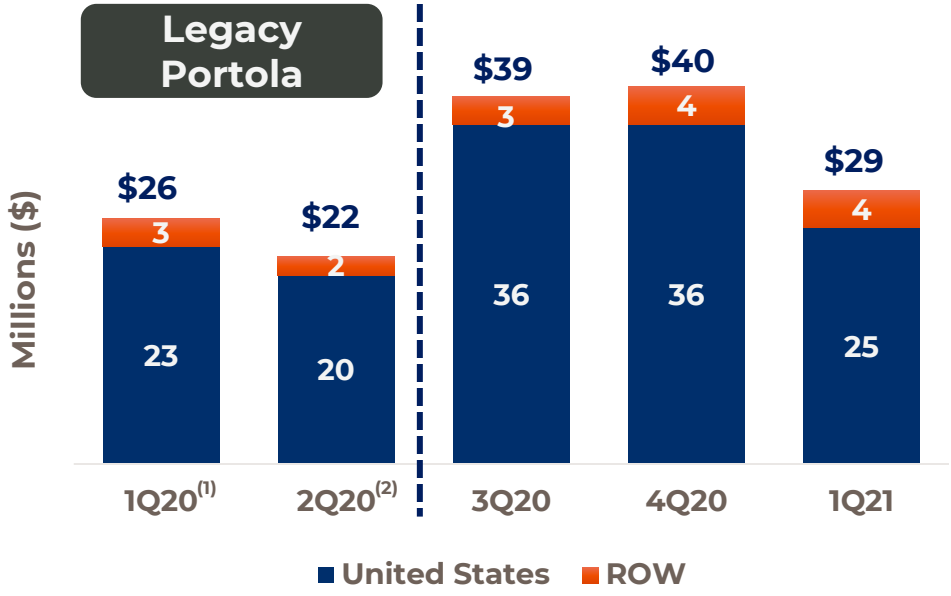
ULTOMIRIS: Continued strength driven primarily by conversion from SOLIRIS in PNH and aHUS in top three markets (U.S., DE, JP) as well as new patient starts

METABOLIC & ANDEXXA NET PRODUCT SALES

Metabolic Net Product Sales



ANDEXXA Net Product Sales



Metabolics:

- +17% YoY revenue growth
- YoY & QoQ growth driven primarily by volume and benefit from order timing

ANDEXXA:

- Decrease in QoQ revenue due to reduced volume

(1) Q1 net product revenues as previously reported by Portola

(2) Net product revenues recognized by Portola in 2Q 2020 have not been adjusted for consistency with Alexion accounting policies and are not included in Alexion's 2Q 2020 quarterly results. Alexion has relied upon the amounts as publicly reported by Portola for all periods prior to the acquisition and, with respect to the second quarter of 2020 upon information that was made available to Alexion in the accounting records of Portola.

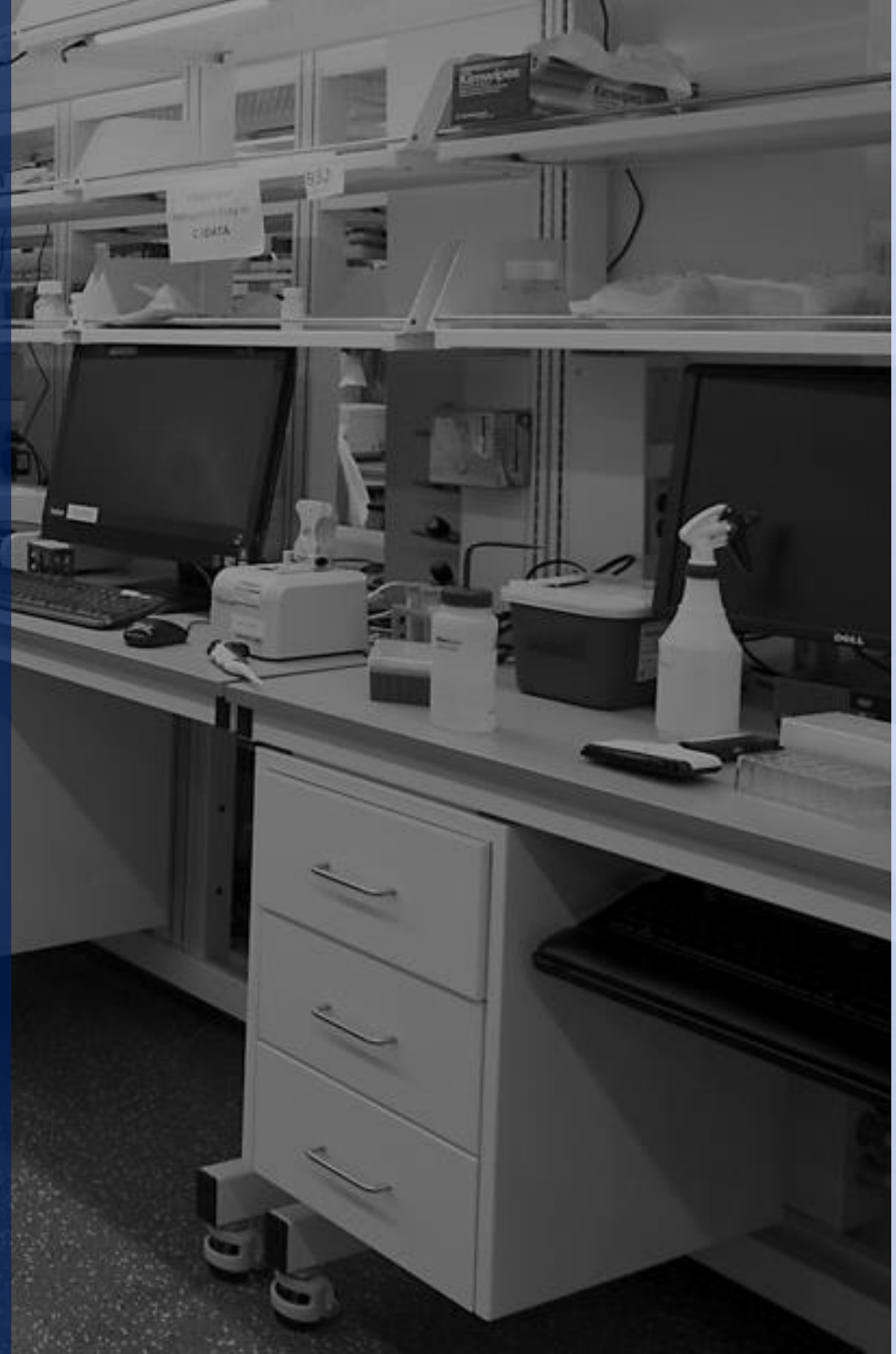
1Q 2021 FINANCIAL PERFORMANCE – YoY COMPARISON

	1Q '21		1Q '20		
$ Millions, Except EPS	**GAAP [1]**	**Non-GAAP [1]**	**GAAP [1]**	**Non-GAAP [1]**	**Δ Non-GAAP [1]**
Total Revenue	$1,636	$1,636	$1,445	$1,445	+13%
SOLIRIS® Revenue	$1,028	$1,028	$1,023	$1,023	+/-0%
ULTOMIRIS® Revenue	$347	$347	$223	$223	+56%
STRENSIQ® Revenue	$198	$198	$172	$172	+15%
KANUMA® Revenue	$35	$35	$27	$27	+30%
ANDEXXA® Revenue	$29	$29	-	-	-
COGS *% of Total Revenue*	$125 8%	$114 7%	$112 8%	$109 8%	-56bps
R&D *% of Total Revenue*	$289 18%	$267 16%	$201 14%	$186 13%	+346 bps
SG&A *% of Total Revenue*	$343 21%	$292 18%	$320 22%	$259 18%	-8 bps
Operating Income	$636	$963	$696	$891	+8%
Operating Margin	39%	59%	48%	62%	-282 bps
Effective Tax Rate	19%	16%	16%	16%	-74 bps
Earnings Per Share attributable to Alexion	$2.86	$3.52	$2.50	$3.22	+9%

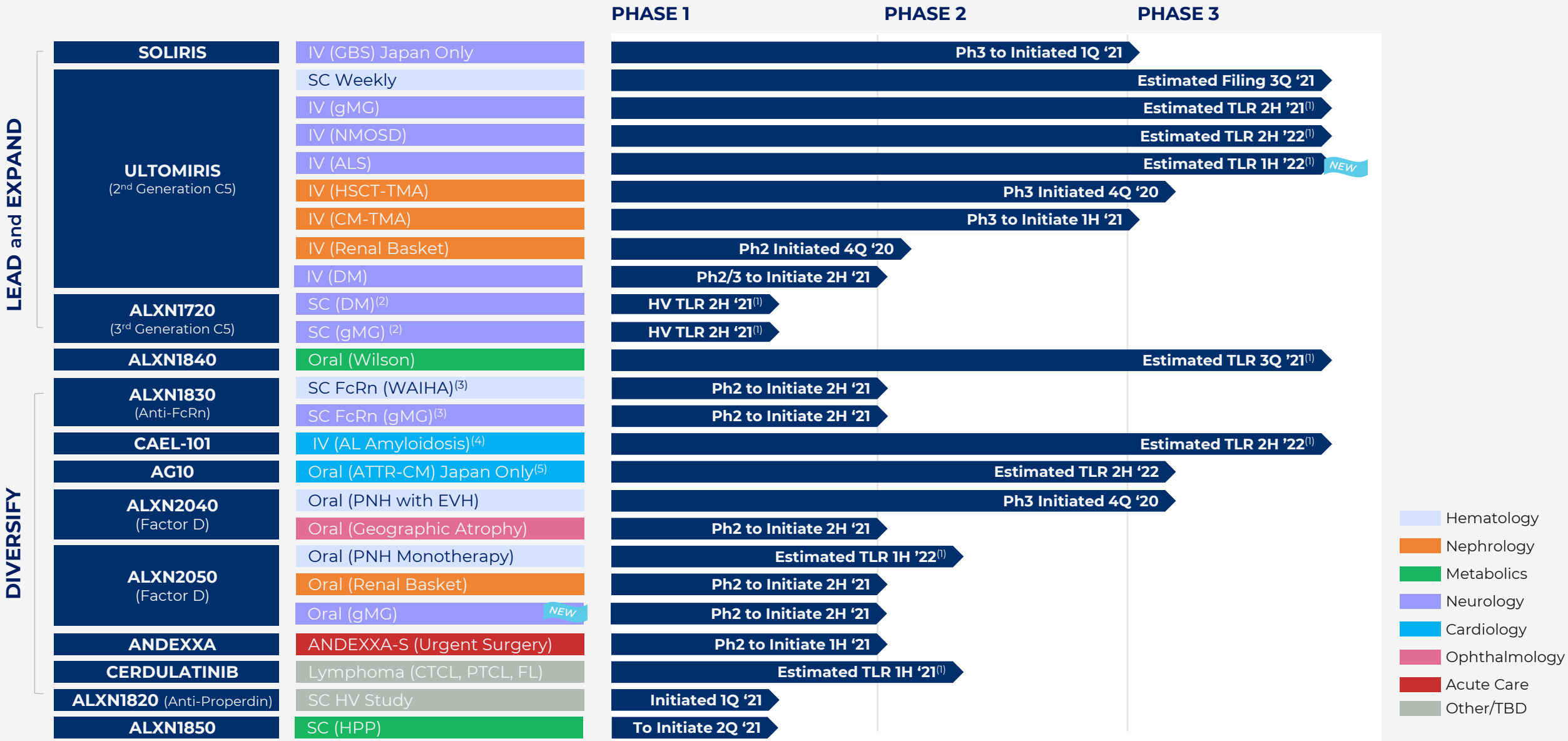
$ Millions	**Q1 2021**	**Q1 2020**	**Δ**
Free Cash Flows [2]	$617	$537	+15%

[1] A reconciliation of GAAP to non-GAAP financial results is provided in the appendix and is available at www.alexion.com.
[2] Free Cash Flow (FCF) defined as cash flow from operations less purchases of property, plant and equipment

R&D Update



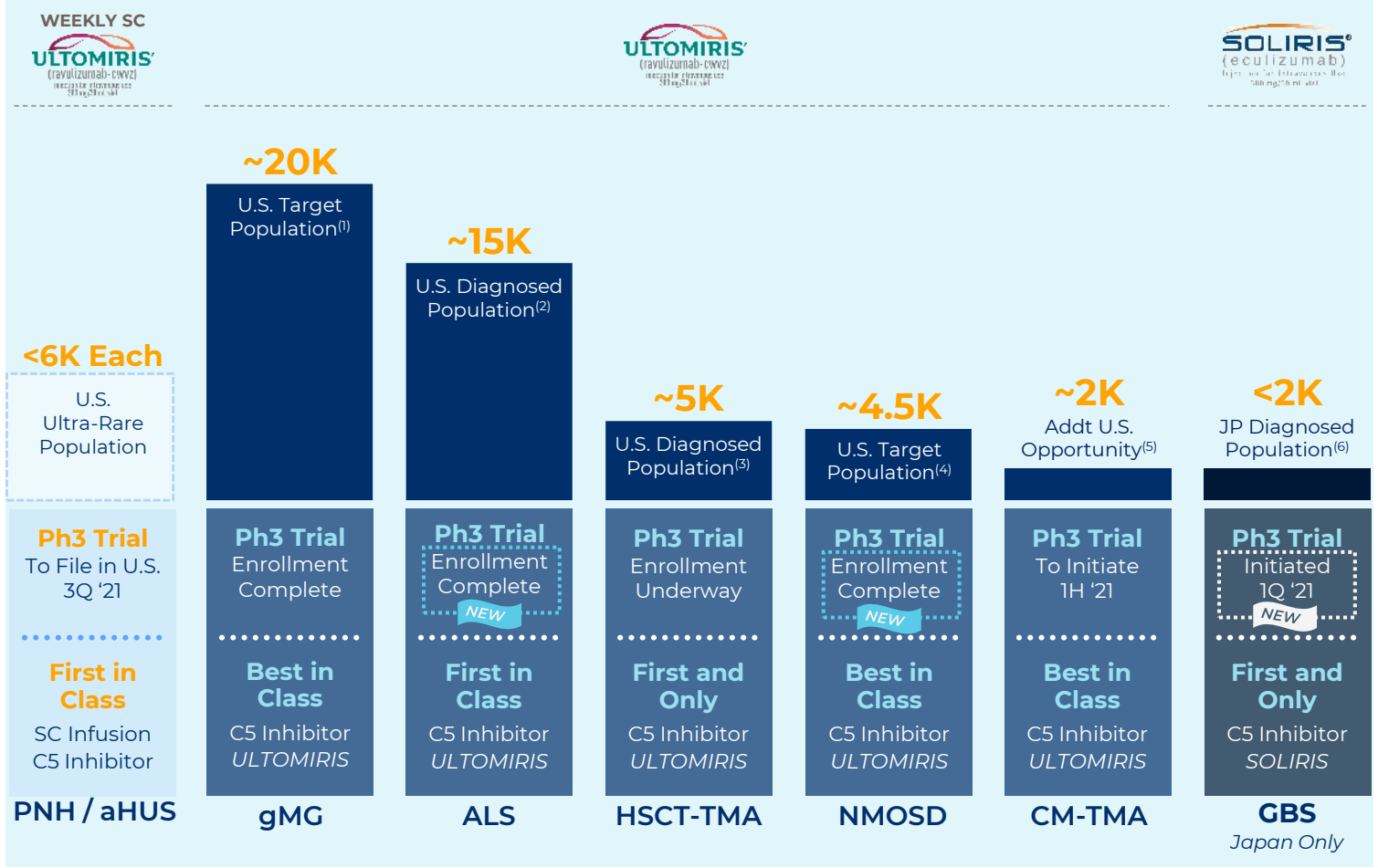
VALUE-CREATING PIPELINE CONTINUES TO EXPAND



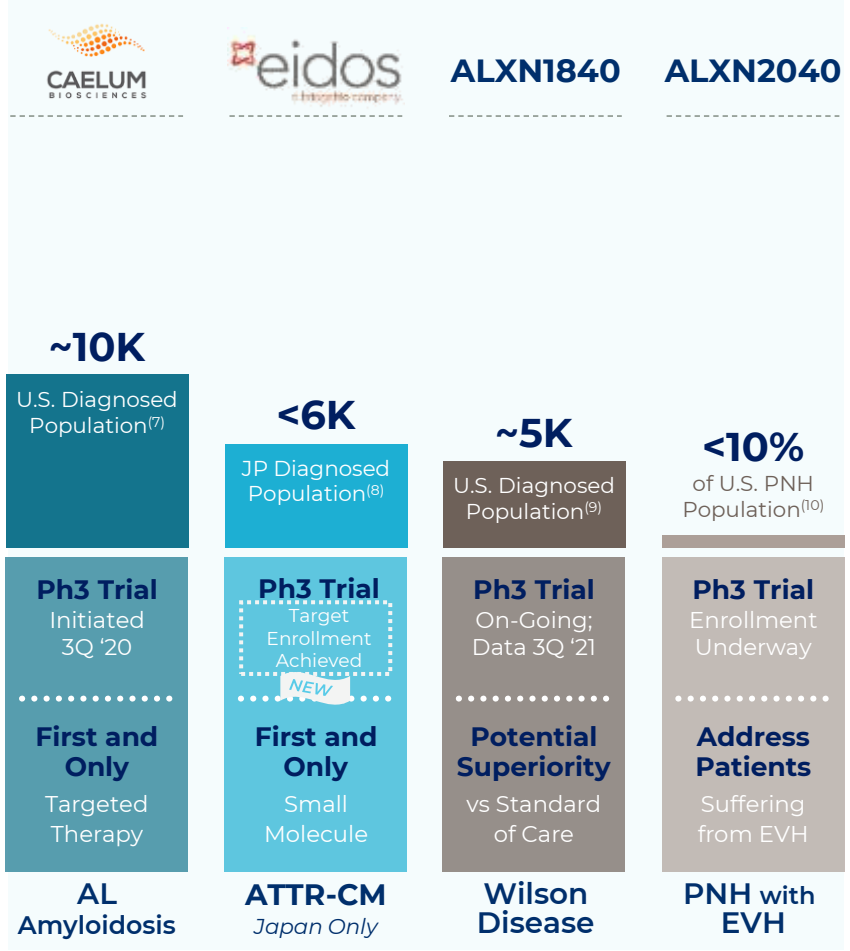
(1)TLR: Topline readout; (2)1720 currently in HV Ph1 with topline readout estimated 2H '21 and subsequent DM and gMG trials to begin after that; (3)1830 Ph1 HV program to reinitiate for SC formulation with WAIHA and gMG Ph2 programs to follow in 2021; (4)Structured as option to acquire Caelum; (5)Exclusive license to develop & commercialize in Japan. Note: Further detail on clinical stage pipeline included in appendix.

ON TRACK TO 10 LAUNCHES BY 2023

LEAD AND *EXPAND* IN COMPLEMENT



DIVERSIFY INTO NEW GROWTH AREAS



(1) Commercial estimate (2) Prevalence of ALS-United States, 2015 MMWR Morb Mortal Wkly Rep. 2018 Nov 23; 67(46): 1285-1289 (3) Jodele S, Davies SM, Lane A, et al. Diagnostic and risk criteria for HSCT-associated thrombotic microangiopathy: a study in children and young adults. Blood. 2014;124(4):645–653. (4) Aligned with our Phase 3 PREVENT criteria (5) Alexion estimated market opportunity incremental to existing aHUS market (6) Saito T, Arimura K, No M. Result report of the National Epidemiology Survey secondary questionnaire survey on Guillain-Barré syndrome, Ministry of Health, Labour and Welfare specific disease, Immunologic neurological disease investigation sub-group Year 2000 Research Report, 2000;83-84. (7) Quock, T. P., et al. Epidemiology of AL amyloidosis: a real-world study using U.S. claims data. *Blood Adv.* 2018; 2(10):1046-1053 (8) Eidos Therapeutics (9) Poujois, A., et al. Characteristics and prevalence of Wilson's disease: A 2013 observational population-based study in France. Clin Res Hepatol Gastroenterol. 2018 Feb;42(1):57-6 (10) Risitano AM, et al. *Blood.*2009;113(17):4094-4100

CONTINUING LEGACY OF RARE DISEASE INNOVATION WITH KEY PIPELINE DEVELOPMENTS

Redefining Treatment Goals in Wilson Disease With ALXN1840

- Designed to demonstrate **whole-body decoppering properties & neurological symptom impact**
  - Represents an innovative paradigm shift in treatment of Wilson disease from circulating copper management to full-body tissue decoppering
  - Potential for a once-daily, easily compliant therapy that addresses a broad range of Wilson symptoms, from liver damage to neurological impairments
- Executing global protocol amendment to revise primary and key secondary endpoints:

✓ Aligned With Regulatory Feedback
- *Revised endpoints developed through proactive engagement with global regulators*

✓ Minimizes Impact To Program
- *Does not impact conduct of on-going study & data generated, but does **shift TLR to 3Q 2021***

✓ Study remains powered for superiority

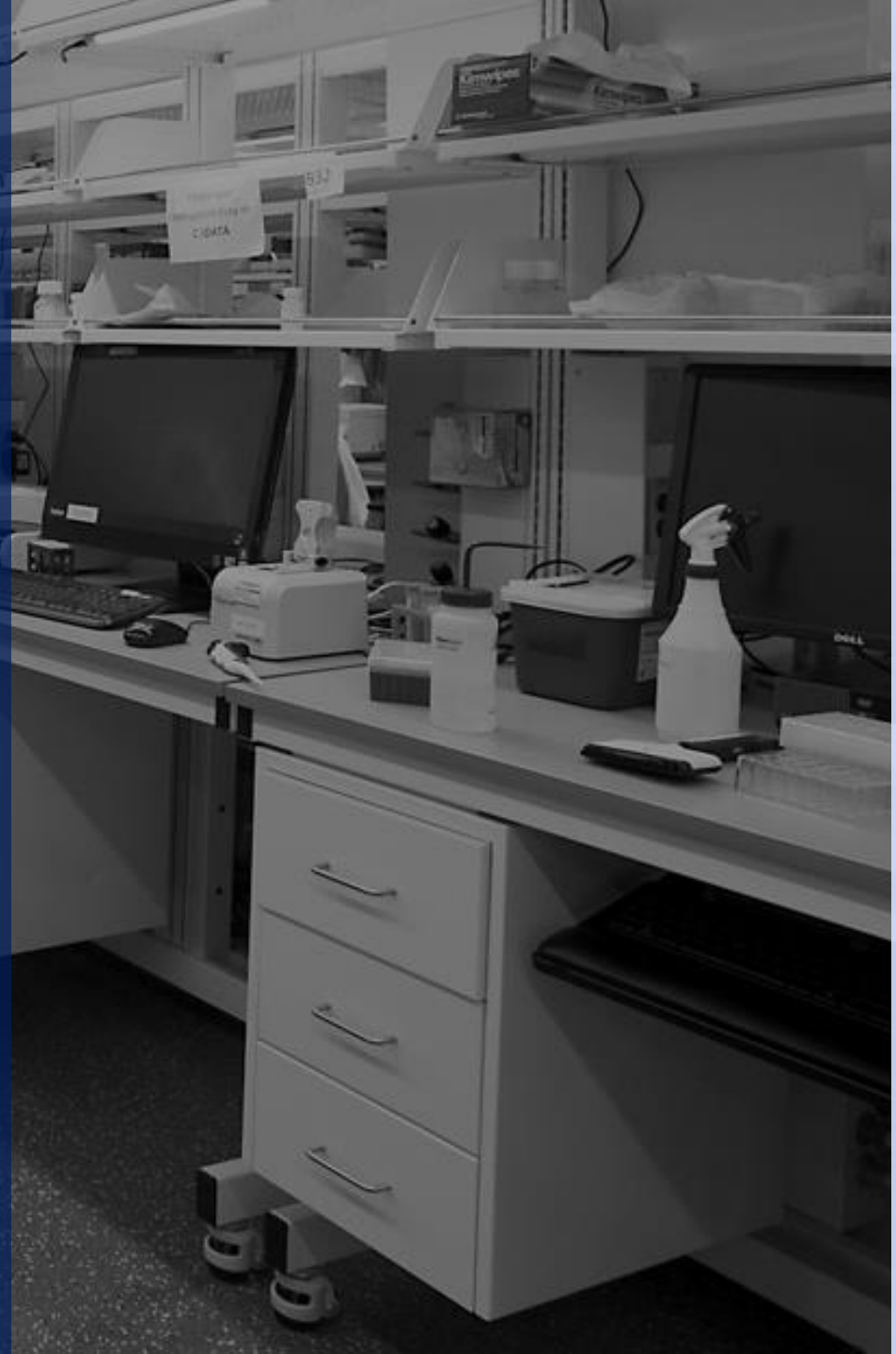
Strengthens Value Of ALXN1840 & Potential To Transform Standard Of Care In Wilson Disease

Expanding Innovative Factor D Platform Into Neurology With ALXN2050 In gMG

- **Complement inhibition proven as an effective mechanism for treatment of gMG** in SOLIRIS REGAIN Phase 3 program
- Factor D approach yields potential therapeutic benefit via Alternative Pathway (AP) inhibition, and/or via direct effect on the neuromuscular junction
  - ALXN2050 demonstrated ability to achieve >90% inhibition of alternative pathway; in vitro data suggest AP inhibition can result in sufficient terminal complement suppression for gMG disease control
  - ALXN2050 has excellent tissue penetration in the Peripheral Nervous System
- gMG market research suggests strong patient and physician interest in an orally administered product to potentially replace current IST & steroid use, early in the treatment paradigm
- Phase 2 program to **initiate 2H 2021**

Potentially Market-Disrupting Factor D Approach With Oral Administration

Commercial Update



SUSTAINABLE PNH & aHUS FRANCHISES WITH BEST-IN-CLASS ULTOMIRIS CONVERSION

Achieving Our ULTOMIRIS Conversion Ambitions

ULTOMIRIS® (ravulizumab-cwvz) injection for intravenous use 300 mg/30 mL vial

3Q 2020

PNH >70% Conversion In Top Three Markets Achieved

~2/3s of Global Revenues

On Track for aHUS > 70% Conversion In Top Three Markets Within Two Years[1]

Oct 2019
U.S. aHUS ULTOMIRIS Approval

Sep 2020
JP aHUS ULTOMIRIS Approval

Jun 2020
EU aHUS ULTOMIRIS Approval

NEW

May 2021
UK PNH Reimbursement

3Q 2021

Once Weekly SC Formulation U.S. Filing

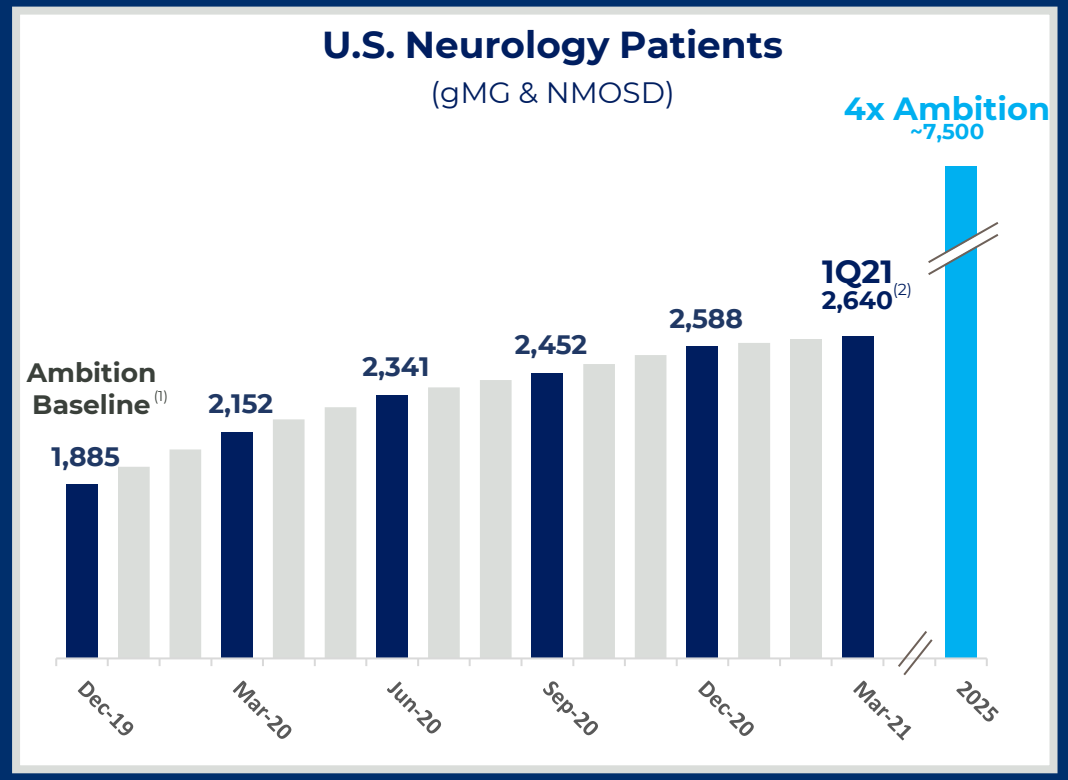
Rapid, Patient Friendly Device with Potential to be First SC On-Body Device Option for Both PNH & aHUS

C5 Inhibition Is The Established Standard Of Care In PNH

- Uncontrolled terminal complement activity is driver of early mortality in PNH through Intravascular Hemolysis (IVH)
  - **IVH is the driver of morbidity & mortality** in PNH[3]
  - **LDH is the proven IVH biomarker of PNH disease control**
    - LDH > 1.5x associated with significantly increased risk of thrombosis and mortality[2]
  - **Hemoglobin <u>not</u> predictive of TE risk/mortality**
  - **Only ULTOMIRIS provides immediate, complete and sustained terminal complement inhibition** over 8 weeks
- Over a decade of patient safety experience with SOLIRIS & ULTOMIRIS
- C5 Portfolio Evolution Offers Convenient Administration
  - Q8W IV ULTOMIRIS administration; QW subcutaneous option filing with FDA later this year

[1]aHUS ambition of 70% of total patients on ULTOMIRIS within 2 years of each market's launch; [2]TE = Thromboembolism, a blood clot which cause organ damage and death, Hb = hemoglobin, retics = reticulocytes, an immature red blood cell; [3] Jang, *et al.,* 2016; and Lee, *et al.,* 2013

ON TRACK TO 2025 4x US NEURO PATIENT AMBITION; FURTHER EXPANDING OUR REACH IN NEUROLOGY

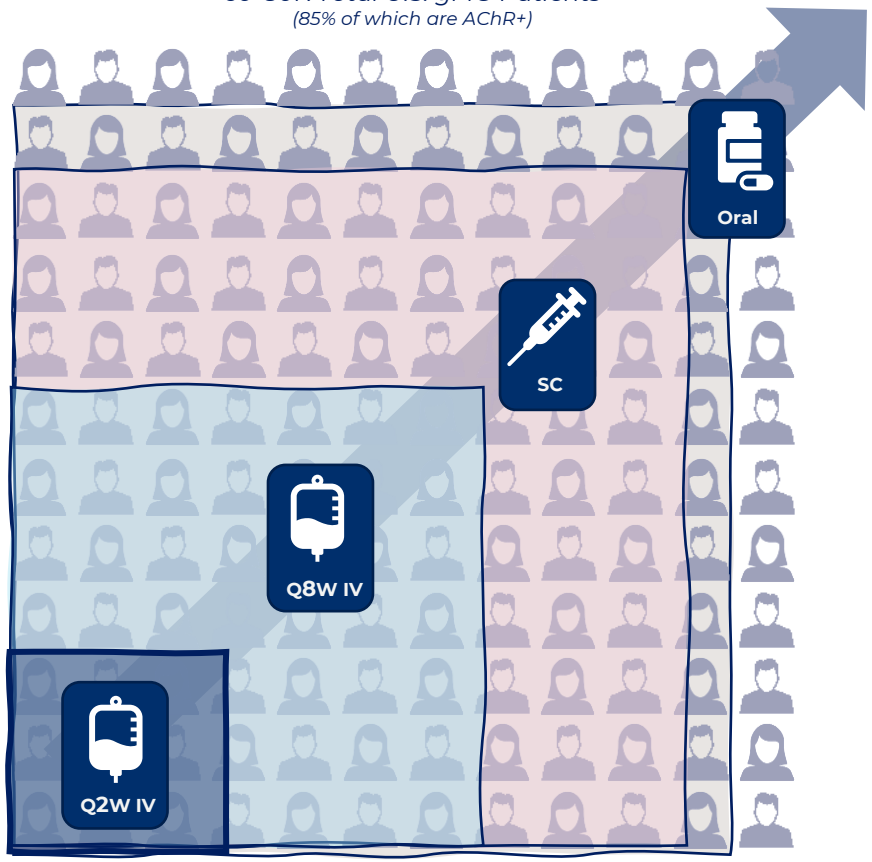


- 1Q net patient adds impacted by promotional access limitations related to COVID-19;
- Introduced new patient support model to improve patient experience, reduce barriers, & shorten start times
- New patient queue accelerating in March & April as re-opening progresses; **remain committed to 4x Growth Ambition**

(1)Ambition Baseline - 12/31/19 1,885 patients (4x growth ambition includes only gMG and NMOSD indications for SOLIRIS & ULTOMIRIS); (2)gMG and NMOSD patients on SOLIRIS as of 3/31/21

Emerging Portfolio Expands Addressable AChR+ gMG Market

60-80K Total U.S. gMG Patients
(85% of which are AChR+)

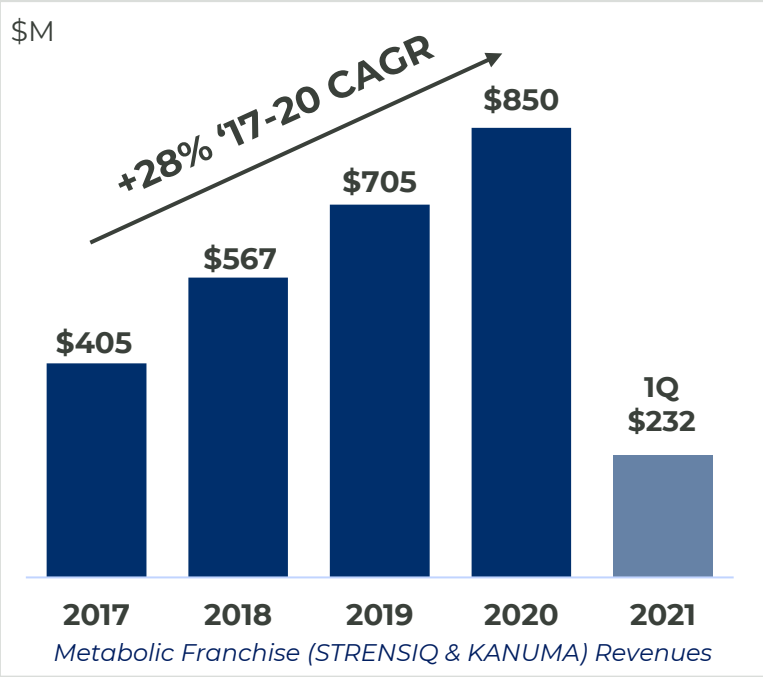


~5-8K *~20K*

Estimated ULTOMIRIS launch in gMG 2H 2022

COMMERCIAL EXCELLENCE EXTENDS BEYOND COMPLEMENT

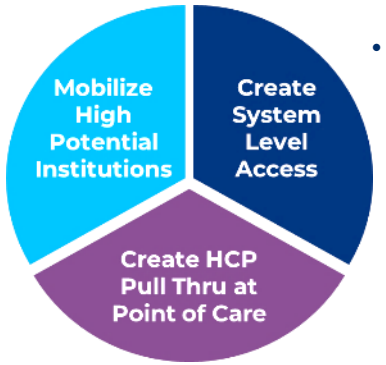
Metabolic Portfolio Continues Consistent Growth Trajectory



Metabolic Franchise (STRENSIQ & KANUMA) Revenues

- Execution across franchise continues, with demand continuing to fuel strong growth, particularly in STRENSIQ
- Launch preparation & capability building underway in anticipation of expected 2022 ALXN1840 Wilson Disease launch

Executing Against ANDEXXA Re-Powered Launch Strategy

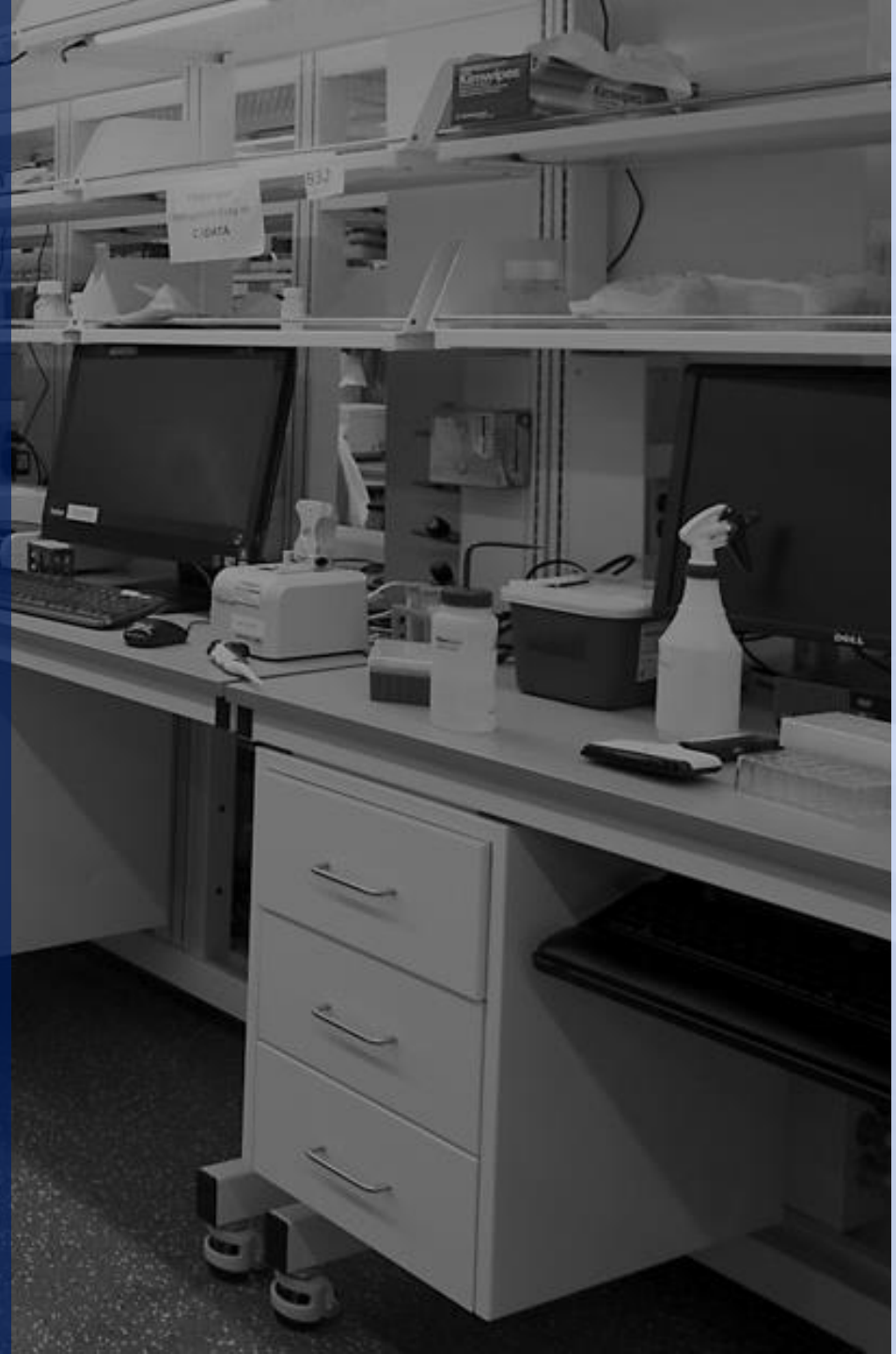


- Optimizing new and existing top tier accounts
  - Driving ***ACCESS*** through formularies and bleeding protocols
  - Raising ***AWARENESS*** with clinical and economic champions
  - Generating ***DEMAND*** in network and referral centers

- CMS proposed extending NTAP for a 4th year (beginning Oct '21)[1]
- ***Geographic Expansion*** Efforts Continue
  - Germany reimbursement (Feb); UK for GI bleeds (May)
  - Japan filed with launch expected late 2021
- Meaningful Progress In ***Label Expansion***
  - In the US, sBLA filed to add reversal of enoxaparin and edoxaban to label with approval expected in 2H21
  - Phase 2 Urgent Surgery program on track to initiate in 2Q21

[1] Please see our 1Q21 Earnings Q&A document on ir.Alexion.com for more details.

Looking Ahead



ON TRACK TO ACHIEVE 2021 OBJECTIVES

LEAD IN COMPLEMENT

- Establish ULTOMIRIS as standard of care
- Continue to innovate for patients
- Develop and launch next generation C5

- >70% aHUS ULTOMIRIS converted in U.S. (2H)
- ULTOMIRIS once-weekly SC filing (3Q)
- ALXN1720 Ph1 top line data (2H)

EXPAND IN COMPLEMENT

- Expand presence in Neurology
- Focus new ULTOMIRIS expansion on direct to Ph3 and rapid proof of concept studies

- gMG Ph3 ULTOMIRIS top line data (2H)
- gMG ULTOMIRIS filing (2H)
- NMOSD & ALS Ph3 ULTOMIRIS full enrollment (2H)
- Continued progress towards 4X Neuro Ambition[1]
- ULTOMIRIS Hematology & Nephrology[2] enrollment progress (FY)

DIVERSIFY Into New Growth Areas

- Expand rare disease focus with novel assets
- Grow acute care presence with ANDEXXA

- Ph3 ALXN1840 top line data (3Q)
- ALXN1840 filing in Wilson Disease (2H)
- Ph2 ALXN2040 Geographic Atrophy initiation (2H)
- ANDEXXA growth (FY)

PROPOSED ASTRAZENECA ACQUISITION OF ALEXION EXPECTED TO CLOSE IN 3Q 2021

[1]Ambition for 4x U.S. treated Neuro patients by year-end 2025 set with 12/31/19 baseline of 1,885 patients and 2,588 net patients on SOLIRIS as of year-end 2020; [2]Refers to ULTOMIRIS HSCT-TMA and CM-TMA Ph3 and Renal Basket Ph2 Trials

Appendix

LATE-STAGE PIPELINE

Identifier	MoA	RoA	Indication	Phase	Study Start	Study End
SOLIRIS (eculizumab)	Anti-C5 antibody	Q2W IV	Guillain Barre Syndrome	Ph3	Initiated 1Q '21	Not yet disclosed
ULTOMIRIS (ravulizumab)	Anti-C5 antibody	Q1W SC	Paroxsymal Nocturnal Hemoglobinuria (PNH) Atypical Hemolytic Uremic Syndrome (aHUS)	Ph3	Initiated 1Q '19	TLR 2Q '20 Filing 3Q '21
		Q8W IV	Generalized Myasthenia Gravis (gMG)	Ph3	Initiated 1Q '19	TLR 2H '21
			Neuromyelitis Optica Spectrum Disorder (NMOSD)	Ph3	Initiated 4Q '19	TLR 1H '22
			Amyotrophic Lateral Sclerosis (ALS)	Ph3	Initiated 1Q '20	TLR 1H '22
			Hematopoetic Stem Cell Transplant Thrombotic Microangiopathy (HSCT-TMA)	Ph3	Initiated 4Q '20	Not yet disclosed
			Complement Mediated Thrombotic Microangiopathy (CM-TMA)	Ph3	Initiating 1H '21	Not yet disclosed
			Adults with COVID-19 who are hospitalized with severe pneumonia or ARDS	Ph3	Initiated 2Q '20	TLR 1Q '21
			Renal Basket Study	Ph2	Initiated 4Q '20	Not yet disclosed
			Dermatomyositis (DM)	Ph2/3	Initiating 2H '21	Not yet disclosed
ALXN1720	Anti-C5 Bi-Specific minibody	SC	Generalized Myasthenia Gravis (gMG)[1]	Ph1 HV	Reinitiated 3Q '20	TLR 2H '21
			Dermatomyositis (DM)[1]			
ALXN1840 (fka WTX-101)	Copper chelator	Oral	Wilson Disease (WD)	Ph3	Initiated 1Q '18	TLR 2H '21
ALXN1830 (fka SYNT001)	Anti-FcRn antibody	SC	Warm Autoimmune Hemolytic Anemia (WAIHA)[2]	Ph1 HV	Reinitiated 1Q '21	TLR 1H '21
			Generalized Myasthenia Gravis (gMG)[2]			
CAEL-101	ALκ/ALλ fibril reactive antibody	IV	Amyloid Light-Chain (AL) Amyloidosis	Ph3	Initiated 3Q '20	TLR 2H '22

LATE-STAGE PIPELINE (CONTINUED)

Identifier	MoA	RoA	Indication	Phase	Study Start	Study End
ALXN2040 (danicopan / fka ACH-4471)	Factor D inhibitor (small molecule)	TID Oral	PNH with Extravascular Hemolysis (PNH w/ EVH)	Ph3	Initiated 4Q '20	TLR 2H '22
		TBD	Geographic Atrophy (GA)	Ph2	Initiating 2H '21	Not yet disclosed
ALXN2050 (fka ACH-5228)	Factor D inhibitor (small molecule)	BID Oral	Paroxysmal Nocturnal Hemoglobinuria (PNH)	Ph2	Initiated 4Q '19	TLR 2H '21
			Renal Basket Study	Ph2	Initiating 1H '21	Not yet disclosed
			Generalized Myasthenia Gravis (gMG)	Ph2	Initiating 2H '21	Not yet disclosed
ANDEXXA (andexanet alfa)	Reversal of Factor Xa Inhibition (recombinant inactivated Factor Xa)	IV	Urgent Surgery	Ph2	Initiating 1H '21	Not yet disclosed
cerdulatinib	SYK/JAK kinase inhibitor	Oral	Lymphoma (CTCL, PTCL, FL)	Ph2	PTLA Acquisition	TLR 1H '21

OUR VALUE CREATION STRATEGY

LEAD AND *EXPAND* IN COMPLEMENT

LEAD

- Establish ULTOMIRIS as the new standard of care
  - PNH
  - aHUS
  - Neurology in 2022/2023
- Develop and launch next-generation innovative C5 formulations

EXPAND

- Expand presence in Neurology
- Focus new ULTOMIRIS expansion opportunities on direct-to-Phase 3, rapid Proof of Concept

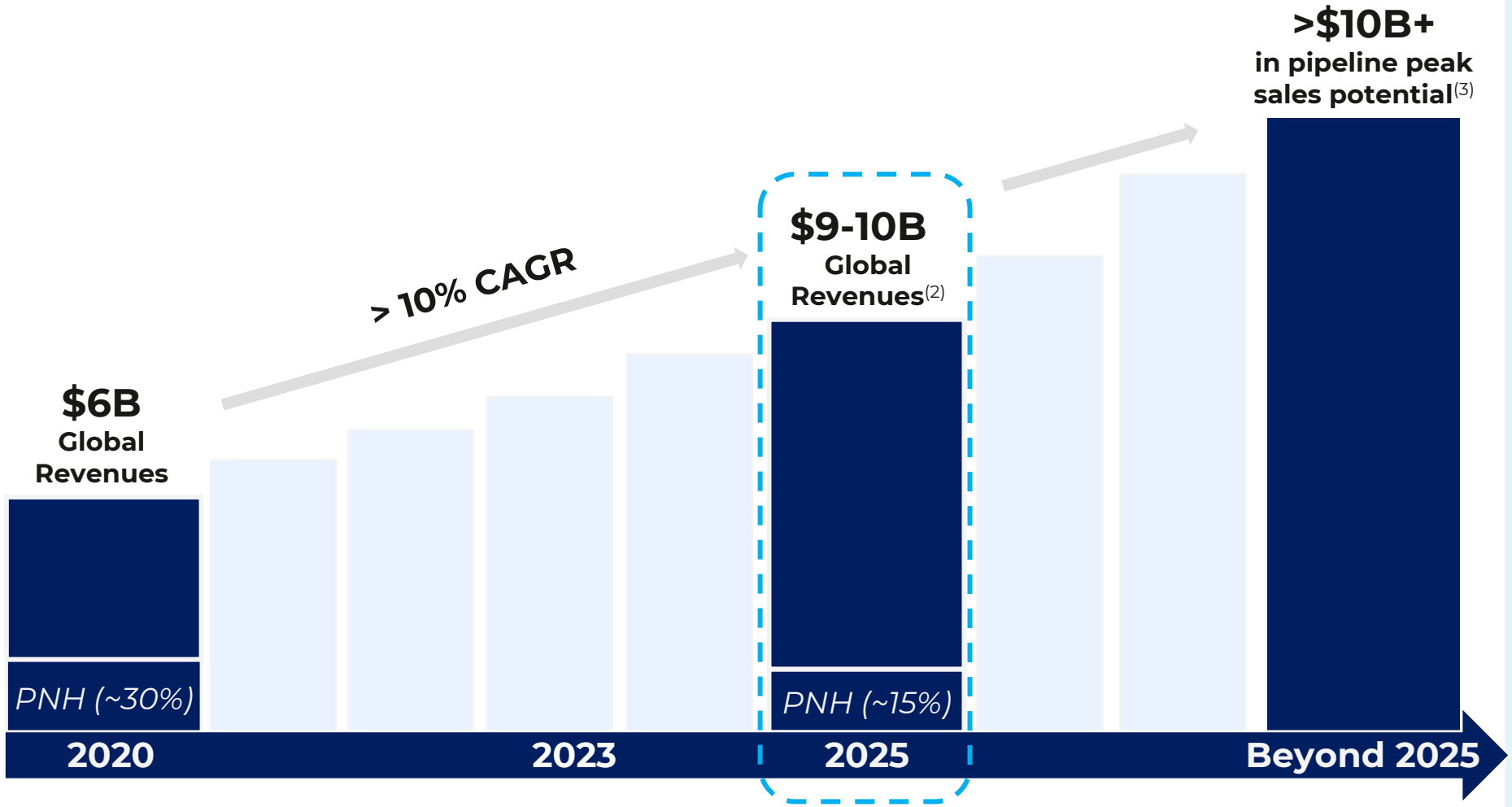
DIVERSIFY INTO NEW GROWTH AREAS

DIVERSIFY

- Execute novel asset development to expand rare disease focus
- Grow acute care presence with ANDEXXA

Secure and grow our base business → ***Drive new growth opportunities outside C5***

STANDALONE ALXN TARGETING $9-10B IN GLOBAL REVENUES IN 2025



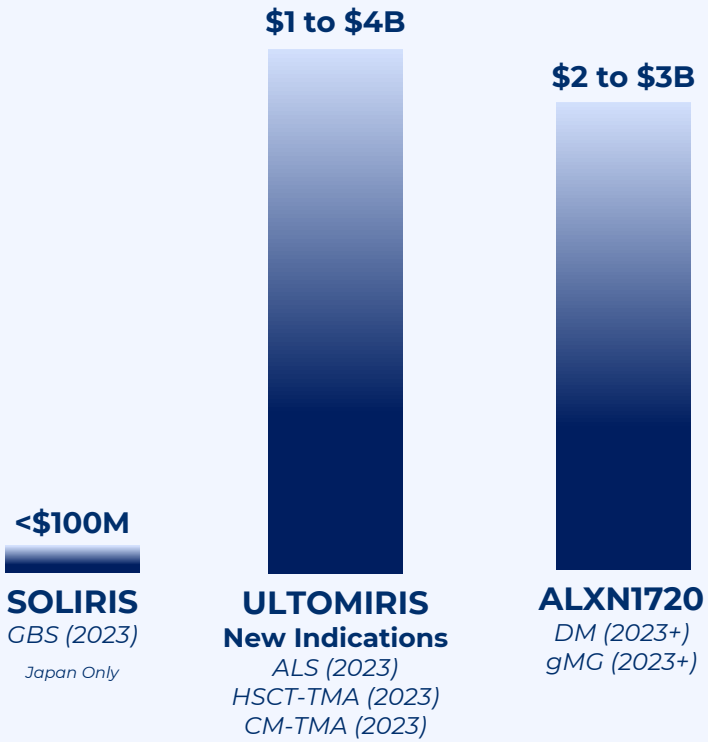
Key Building Blocks To Achieving 2025 Revenue Ambition

1. **Expand Neurology U.S. Patient Volume 4x** *(to ~7,500 U.S. Patients)* [1]
2. **Grow ANDEXXA Utilization**
3. **Sustainable PNH and Growing aHUS & Metabolic Businesses**
4. **Initial Revenue Contribution From 10 Launches By 2023**

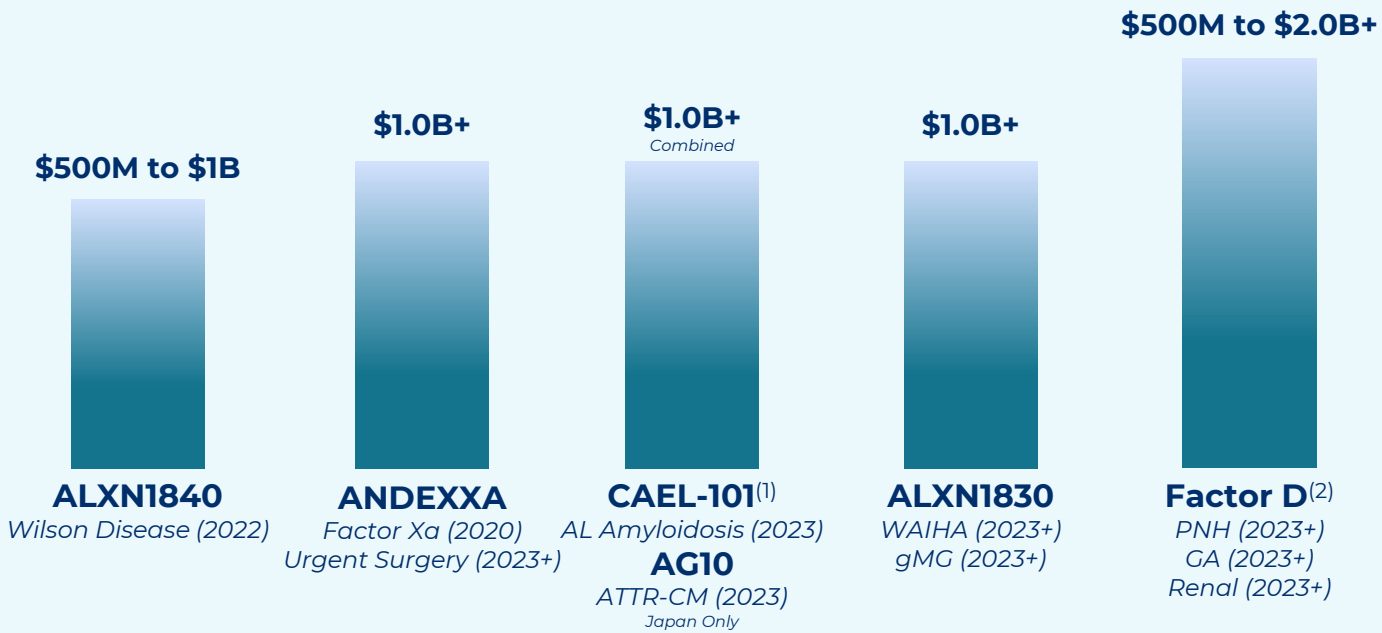
[1]Ambition Baseline - 12/31/19 1,885 patients; [2]2025 $9-10B target is at constant currencies (9/30/20 levels); [3]Illustrative, non risk-adjusted revenues, peak sales year varies by program

DEVELOPMENT-STAGE PIPELINE WITH >$10B+ IN POTENTIAL PEAK SALES

LEAD and *EXPAND* in complement



DIVERSIFY into new growth areas *(sourced through BD)*



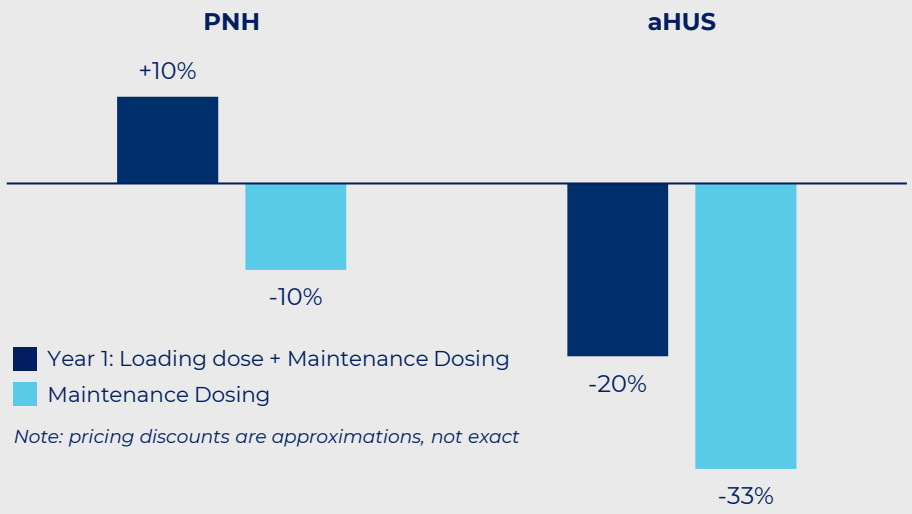
7 Blockbuster Franchises

Illustrative only; timing shown represents launch year; based on non-adjusted peak revenue estimates for incremental market opportunity; (1)Structured as an option to acquire Caelum; (2)Factor D represents both ALXN2040 and ALXN2050

ULTOMIRIS CONVERSION DYNAMIC: TWO KEY CONSIDERATIONS

Conversion Loading Dose Dynamic

ULTOMIRIS vs. SOLIRIS U.S. Annual Cost Per Patient



- SOLIRIS indication-specific dosing: aHUS, gMG, NMOSD labeled dose higher than PNH
  - *Drives indication-specific pricing differences when comparing SOLIRIS vs. ULTOMIRIS pricing*
- ULTOMIRIS weight-based dosing

Quarter-on-quarter (QoQ) Variability

Infusion Timing Drives QoQ Variability

Patient Sample 1: Loading dose + 2 Maintenance Infusions

Patient Sample 2: Loading dose + 1 Maintenance Infusion

- ULTOMIRIS every 8 week infusion schedule drives variability in quarterly patient treatment costs
- Expect quarterly variability to be negligible on year-over-year (YoY) revenue comparisons

DIVERSITY, INCLUSION, AND BELONGING (DI&B)

Diversity is a *fact*. Inclusion is an *act*. Belonging is a *pact*.

Ignite an inclusive environment where people belong because of their uniqueness and unleash their individuality and diversity to spur innovative breakthroughs for patients.

OUR STRATEGY

- BUILD A DIVERSE AND INCLUSIVE **ORGANIZATION** OF THE FUTURE
- ADVANCE OUR **CULTURE** OF DIVERSITY, INCLUSION & BELONGING
- ENSURE A COMPELLING DI&B CORPORATE BRAND **REPUTATION**

Our DI&B Differentiators

- **Chief Diversity Officer**, core-member of the management team, reports into the CEO
- **DI&B Advisory Board co-chaired** by 2 management team members
- **900+ global employees** directly involved in DI&B governance, network and ARGs
- **"DI&B Innovation Pods"** drive key topics e.g., supplier diversity, clinical trials diversity
- **Global DI&B Flex Day** paid time off to celebrate and meet diverse needs of diverse employees
- **53%** of Alexion's total workforce are female; **64%** of Alexion's management team are female(1)
- **Modern Family Benefits,** enhanced to respond to our employees' needs
- **Three-tier Listening and Learning Programs** offer interactive and experiential diversity learning and engagement
- **DI&B Webpage** on Alexion.com to showcase DI&B efforts and commitment externally
- **MassBio CEO Pledge** signed for a More Equitable and Inclusive Life Sciences Industry

We've Doubled our Alexion Resource Groups (ARGs)

A unique structure to drive intersectionality and foster allyship and inclusion

- **Women in Leadership (WIL) and WIL Allies**
- **Black Professionals Network (BPN)**
- **Be You LGBTQ+**
- **Alexion Asians and Allies**
- **Voces Unidas**
- **Veterans & Allies in Service Council (VASC)**
- **No Limits No Labels, DiverseAbility Awareness Support Network**

(1) *One of only 3 S&P 500 Companies with majority women at the executive level*

CSR AND ESG AT ALEXION

"At Alexion, we work to change lives for the better – ours, people living with rare diseases and the communities we serve – and our commitment to being a responsible corporate citizen helps make it possible."

CEO LUDWIG HANTSON

ALEXION CSR-STAR℠

SUPPORTING OUR MISSION TO TRANSFORM THE LIVES OF PEOPLE AFFECTED BY RARE DISEASES AND DEVASTATING CONDITIONS WHILE CREATING VALUE FOR ALL OUR STAKEHOLDERS.

SERVE
COMMUNITIES AND SUSTAIN OUR PLANET
We invest in our communities and shared planet in support of those who depend on us today and for generations that follow.

TRANSFORM
PATIENT LIVES
We urgently seek to understand patient journeys, find answers and collaborate to deliver access to medicines that change lives.

ADVANCE
OUR PEOPLE AND OUR COMPANY
We aspire to become the most rewarding company to work for, embracing diversity, inclusion and belonging, and governing and managing our business to return value.

REDEFINE
LIVING WITH A RARE DISEASE OR DEVASTATING CONDITION
We develop and deliver transformative medicines and work to advance healthcare through innovative diagnostics and proactive transparency.

ETHICS & COMPLIANCE: OUR FOUNDATION
We build trust when we make the right choices and act with integrity. Our unwavering commitment to ethics, quality and compliance improves our ability to serve patients and enhances our reputation and competitive advantage.

Recognition *(Alexion's Inaugural CSR Report Published in 2020)*

Corporate ESG Performance – Prime – RATED BY ISS ESG

SOCIAL QUALITYSCORE 1 – HIGHEST RANKED BY ISS ESG

ENVIRONMENTAL QUALITYSCORE 1 – HIGHEST RANKED BY ISS ESG

1st Decile Rank (Pharmaceuticals & Biotech)

S&P Global Ratings

Double Digit Growth

SUSTAINALYTICS – a Morningstar company – ESG INDUSTRY TOP RATED 2020 2021

#1 ESG Risk Rating (Biotech)

AMERICA'S MOST RESPONSIBLE COMPANIES 2021 – Newsweek – statista

Ranked 161 out of 400 (Top 40%)

Alexion's CSR/ESG material topics align most closely with the following UN Sustainable Development Goals:

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

17 PARTNERSHIPS FOR THE GOALS

Download Alexion's newly released 2020 CSR Report at csr.alexion.com and explore our updated Environmental, Social, and Governance (ESG) disclosures.

A Look Inside Alexion's 2020 CSR Report

About Alexion

Sincerely Inspired. Every Day.

ALEXION 2020 CSR REPORT: CONTENT SNAPSHOTS

SERVE COMMUNITIES AND SUSTAIN OUR PLANET

- The pleasure of **Serving Communities**
- What a time to launch the **Alexion Charitable Foundation**
- **ACF Grants:** Rare Belonging® and Local Needs
- **Volunteering** in a virtual world
- 2020 Global **Week of Service**
- **Engaging with Communities** around the globe
- How we work toward **Sustaining Our Planet**
- **Sustainability** data
- **Taking Actions** around the world

TRANSFORM PATIENT LIVES

- A conversation on the **Patient and Employee Experience**
- What it's like **Living with a Rare Disease and Working at Alexion**
- Accelerating **Results for Patients**
- Incorporating **Patient Input**
- Helping to navigate **The Patient Journey in Trying Times**
- Collaborating with **Patient Organizations**
- Making significant strides in **Access to Medicines**
- Expanding availability through **Partnerships for Growth**
- Communicating **Safety and Efficacy**
- Advancing Our **High-Quality Standards**
- Working to **Prevent Counterfeit Drugs**

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ALEXION 2020 CSR REPORT: CONTENT SNAPSHOTS

ADVANCE
OUR PEOPLE AND OUR COMPANY

- At the Forefront: **Diversity, Inclusion & Belonging**
- Strengthening **Diversity in Recruiting**
- Expanding **Diversity in Clinical Trials**
- Adapting **Work During the Global Pandemic**
- Fostering a **Purpose-Driven Culture**
- **A Giant LEAP** for Humankind
- Preparing the **Next Generation of Leaders**
- **Our Rare Leader** Development Portfolio
- Building a **World Class Team**
- Championing **Brain Health**
- **Alexion's Brain Health Movement**
- Prioritizing **Occupational Health and Safety**
- The Role of CSR in **Advancing Our Company**
- Investing in **Environmental, Social Governance**

REDEFINE
LIVING WITH A RARE DISEASE OR DEVASTATING CONDITION

- Pioneering **Breakthroughs for the Rare Community**
- Advancing **Revolutionary Diagnostics**
- **Innovative Medicines**
- Another **World-Record Diagnosis**
- Learning from and **Responding to COVID-19**
- Exploring Options for **Treating Severe COVID-19 Cases**
- **Diversifying Our Portfolio in 2020**
- **Collaborating On Solutions**
- Enabling **External Research**
- Creating and Maintaining **Patient Registries**
- A Rare **Perspective**

ETHICS & COMPLIANCE: OUR FOUNDATION

- **Integrity Matters**: Being True to Who We Are
- Maintaining **Our Culture of Integrity**
- **Integrity Matters Week**
- Cultivating **Compliance Thought Leadership**
- Facilitating Exceptional **Corporate Governance**
- Governing Our **Political Activities**
- Holding Our Suppliers to **High Standards**
- Collaborating on **Supplier ESG Standards**
- **Supporting Supplier Diversity**
- Ensuring **IT & Cybersecurity**
- Preparing Employees for **Data Security**

Download Alexion's newly released 2020 CSR Report at csr.alexion.com and explore our updated Environmental, Social, and Governance (ESG) disclosures.

ALEXION'S CURRENT INDICATIONS

	Indication	Description	Links
PNH	Paroxysmal Nocturnal Hemoglobinuria	Chronic, debilitating, and potentially life-threatening ultra-rare blood disorder, with an average age of onset in the early 30s	more info
aHUS	atypical Hemolytic Uremic Syndrome	Ultra-rare, genetic, chronic, potentially life-threatening disease. Chronic uncontrolled complement activation results in thrombotic microangiopathy (TMA)	more info
gMG	Generalized Myasthenia Gravis	Debilitating, chronic, and progressive autoimmune neuromuscular disease.	more info
NMOSD	Neuromyelitis Optica Spectrum Disorder	Rare, devastating, complement-mediated disorder of the central nervous system characterized by relapses where each individual attack results in cumulative disability including blindness and paralysis, and sometimes premature death (primarily affects women)	more info
HPP	Hypophosphatemia	Inherited, progressive, ultra-rare metabolic disease in which patients experience devastating effects on multiple systems of the body, and face debilitating or life-threatening complications	more info
LAL-D	Liposomal Acid Lipase Deficiency	Genetic, chronic, and progressive ultra-rare metabolic disease in which infants, children, and adults experience continuous, uncontrolled accumulation of cholesteryl esters (CEs) and triglycerides (TGs) that may lead to multi-organ damage and premature death	more info
ANDEXXA	Coagulation factor Xa reversal (recombinant)	Reversal agent for life-threatening bleeds induced by factor Xa inhibitors	more info

ALEXION PIPELINE INDICATIONS - I

	Indication	Description	Links
WD	Wilson Disease	Rare, chronic, genetic, and potentially life-threatening liver disorder of impaired copper transport. The disorder is characterized by build-up of intra-cellular hepatic copper. Untreated, Wilson disease leads to various combinations and severity of hepatic, neurologic, and psychiatric symptoms, and can be fatal.	
ALA	AL (Light-chain) Amyloidosis	A protein misfolding disorder in which B-cells produce incomplete λ and κ light chain antibodies which clump in certain organs / tissues (including heart, lungs, kidneys, nervous system, and liver, eventually causing organ damage and death.	more info
PNH-EVH	Paroxysmal Nocturnal Hemoglobinuria with Extravascular Hemolysis	Chronic, debilitating, and potentially life-threatening ultra-rare blood disorder, with an average age of onset in the early 30s. EVH occurs when C3 opsonization of red blood cells causes macrophages to destroy those cells in tissue.	
DM	Dermatomyositis	Progressive autoimmune condition that causes skin changes and muscle weakness. Symptoms can include a red skin rash around the eyelids, red bumps around the joints, and muscle weakness in the arms and legs. Dermatomyositis is most common in adults between ages 40 and 60, or in children between ages 5 and 15.	more info
HSCT-TMA	Hematopoetic Stem Cell Transplant Thrombotic Micro-Angiopathy	Thrombotic microangiopathy (TMA) is a disorder that may occur following hematopoietic stem cell transplant (HSCT), often presenting in the setting of multiple triggers, including endothelial insult, immune dysregulation, and uncontrolled complement activation. The TMA has a significant impact to multiple organs, typically resulting in severe organ dysfunction and long-term morbidity. Mortality in patients with HSCT-TMA is approximately 60% with severe TMA approaching 90%.	

ALEXION PIPELINE INDICATIONS - II

	Indication	Description	Links
CM-TMA	Complement-Mediated Thrombotic Micro-Angiopathy	Caused by abnormalities of regulation of the alternative pathway of complement activation. The indication describes a group of severe and chronic ultra-rare diseases that can cause progressive injury to vital organs— via damage to the walls of blood vessels and blood clots—potentially leading to organ failure and premature death. CM-TMA affects both adults and children and represents the population of patients with aHUS with or without triggers.	
COVID-19	Severe Acute Respiratory Distress Syndrome in COVID-19 patients	Patients with severe illness include those who are hospitalized with severe pneumonia or acute respiratory distress syndrome. Evidence suggests that acute lung injury associated with COVID-19 may be mediated in part by complement pathway whereby elevated C5 ultimately leads to severe pneumonia, blood clots and multi-organ dysfunction in many advanced COVID patients.	
WAIHA	Warm Auto-Immune Hemolytic Anemia	Rare autoimmune disorder caused by pathogenic Immunoglobulin G (IgG) antibodies that react with and cause the premature destruction of red blood cells at normal body temperature. The disease is often characterized by profound, and potentially life-threatening anemia and other acute complications.	
ATTR-CM	Transthyretin Amyloidosis (ATTR) with Cardiomyopathy (ATTR-CM)	A progressive, fatal disease caused by the accumulation of misfolded tetrameric transthyretin (TTR) amyloid in the heart. Caused by the destabilization of TTR due to inherited mutations or aging, symptoms usually manifest later in life (age 50+), with median survival of three to five years from diagnosis.	

ALEXION PIPELINE INDICATIONS - III

	Indication	Description	Links
LN	Lupus Nephritis	An inflammatory renal disease that is a severe complication of systemic lupus erythematosus (SLE), in which deposits of immune complexes (e.g., IgG and complement) accumulate in the kidney and lead to injury. Approximately 30% SLE patients develop LN, and up to 30% of patients are refractory to treatment and progress to end stage renal disease requiring dialysis/transplant within 15 years . There are no FDA approved therapies for LN.	
PMN	Primary Membranous Nephropathy	Rare autoimmune disease characterized by autoantibodies to the podocyte membrane antigens PLA2R (~85%) and THSD7A (~5%) that causes nephrotic syndrome and chronic kidney disease. Approximately 30% of patients will progress to end stage renal disease within 10 years of diagnosis.	
IgAN	IgA Nephropathy (IgAN)	A heterogenous disease in terms of clinical manifestations and progression and is the most common cause of primary glomerulonephritis. In IgAN, locally deposited immune complexes lead to activation of the complement cascade & downstream endothelial organ damage. The Lectin and Alternative Pathways are believed to be the main driver of disease progression, which includes end stage renal disease and need for dialysis or transplant.	
C3G	Complement 3 Glomerulopathy	Ultra-rare, heterogenous renal disease characterized by uncontrolled continued activation of fluid and/or solid phase alternative pathway causing C3 deposition and inflammation, leading to kidney damage .	
ALS	Amyotrophic lateral sclerosis	A rare neurological disorder of progressive deterioration of nerve cells (motor neurons) in the brain and the spinal cord that control muscles throughout the body. Loss of motor neurons and muscle strength leads to loss of independence, paralysis and death, typically due to respiratory insufficiency.	

ALEXION PHARMACEUTICALS, INC.
TABLE 1: CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)
(unaudited)

	Three months ended March 31,	
	2021	2020
Net product sales	$ 1,635.7	$ 1,444.6
Other revenue	0.8	0.2
Total revenues	1,636.5	1,444.8
Costs and expenses:		
Cost of sales (exclusive of amortization of purchased intangible assets)	125.4	111.7
Research and development	289.1	200.9
Selling, general and administrative	342.9	319.9
Amortization of purchased intangible assets	53.2	73.7
Change in fair value of contingent consideration	9.2	5.8
Acquired in-process research and development	193.3	—
Acquisition-related costs	13.2	38.1
Restructuring expenses	(0.7)	(0.8)
Gain on sale of assets	(25.3)	—
Total costs and expenses	1,000.3	749.3
Operating income	636.2	695.5
Other income and expense:		
Investment expense, net	(7.0)	(5.2)
Interest expense	(27.1)	(25.8)
Other income and (expense)	0.5	(0.9)
Income before income taxes	602.6	663.6
Income tax expense	113.4	106.0
Net income	489.2	557.6
Net loss attributable to noncontrolling interest	146.8	—
Net income attributable to Alexion	$ 636.0	$ 557.6
Earnings per common share attributable to Alexion:		
Basic	$ 2.89	$ 2.52
Diluted	$ 2.86	$ 2.50
Shares used in computing earnings per common share attributable to Alexion:		
Basic	220.1	221.6
Diluted	222.6	222.6

ALEXION PHARMACEUTICALS, INC.
TABLE 2: RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL RESULTS
(in millions, except per share amounts)
(unaudited)

	Three months ended March 31,	
	2021	2020
GAAP net income attributable to Alexion	$ 636.0	$ 557.6
Before tax adjustments:		
Cost of sales:		
Share-based compensation	3.1	3.1
Fair value adjustment in inventory acquired [1]	8.5	—
Research and development expense:		
Share-based compensation	22.1	15.2
Selling, general and administrative expense:		
Share-based compensation	50.7	39.3
Litigation charges [2]	—	21.5
Amortization of purchased intangible assets	53.2	73.7
Change in fair value of contingent consideration [3]	9.2	5.8
Acquired in-process research and development [4]	47.1	—
Acquisition-related costs [5]	13.2	38.1
Restructuring expenses	(0.7)	(0.8)
Gain on sale of assets [6]	(25.3)	—
Investment expense, net:		
Losses related to strategic equity investments [7]	9.6	9.2
Adjustments to income tax expense [8]	(32.3)	(35.2)
Non-GAAP net income attributable to Alexion	$ 794.4	$ 727.5
GAAP earnings per common share attributable to Alexion - diluted	$ 2.86	$ 2.50
Non-GAAP earnings per common share attributable to Alexion - diluted	$ 3.52	$ 3.22
Shares used in computing diluted earnings per common share attributable to Alexion (GAAP)	222.6	222.6
Shares used in computing diluted earnings per common share attributable to Alexion (non-GAAP)	225.4	226.0

(1) During the three months ended March 31, 2021, we recorded $8.5 million within cost of sales related to the amortization of the excess fair value of ANDEXXA inventory over the estimated historical cost basis of the inventory, recognized in connection with the acquisition of Portola Pharmaceuticals, Inc. (Portola).

(2) During the three months ended March 31, 2020, we recorded $21.5 million in litigation charges in connection with legal proceedings.

(3) Changes in the fair value of contingent consideration expense for the three months ended March 31, 2021 reflect changes in the expected timing of achieving contingent milestone payments and the interest component of contingent consideration related to the passage of time. Changes in fair value of contingent consideration expense for the three months ended March 31, 2020 reflected the impact of the interest component of contingent consideration related to the passage of time.

(4) During the first quarter of 2021, we amended the terms of our agreement with Caelum Biosciences (Caelum). As a result of the amendment, we became the primary beneficiary of Caelum and began consolidating Caelum as a variable interest entity. Substantially all of the fair value of the gross assets of Caelum is concentrated in a single in-process research and development asset, CAEL-101. Due to the stage of development of this asset at the date of consolidation, the value of the acquired in-process research and development asset related to CAEL-101 of $193.3 million, of which $47.1 million is attributable to Alexion, was expensed during the three months ended March 31, 2021.

(5) For the three months ended March 31, 2021, we recorded $13.2 million of acquisition-related costs attributable to the Merger Agreement with AstraZeneca and the Portola acquisition. For the three months ended March 31, 2020, we recorded $38.1 million in connection with the Achillion Pharmaceuticals, Inc. acquisition. Acquisition-related costs primarily consist of transaction costs, costs associated with the accelerated vesting of equity awards previously granted to employees and employee separation costs.

(6) For the three months ended March 31, 2021, we recognized $25.3 million in gain on sale of assets, primarily relating to variable consideration associated with the ALXN1101 program we previously sold to Origin Biosciences, Inc. (Origin) in 2018. In the first quarter of 2021, ALXN1101, now branded as NULIBRY™ (fosdenopterin), received approval from the FDA. Origin also received a Rare Pediatric Disease Priority Review Voucher in connection with this approval.

(7) Losses related to strategic equity investments include unrealized gains and losses in investment income to adjust our strategic equity investments to fair value.

(8) Alexion's non-GAAP income tax expense for the three months ended March 31, 2021 and 2020 excludes the tax effect of pre-tax adjustments to GAAP profit.

ALEXION PHARMACEUTICALS, INC.
TABLE 3: NET PRODUCT SALES BY GEOGRAPHY
(in millions)
(unaudited)

	Three months ended March 31,	
	2021	2020
SOLIRIS		
United States	$ 553.9	$ 556.2
Europe	251.3	263.5
Asia Pacific	102.4	87.1
Rest of World	120.0	116.1
Total SOLIRIS	$ 1,027.6	$ 1,022.9
ULTOMIRIS		
United States	$ 206.9	$ 131.5
Europe	63.8	33.8
Asia Pacific	73.3	57.1
Rest of World	2.9	0.4
Total ULTOMIRIS	$ 346.9	$ 222.8
STRENSIQ		
United States	$ 155.2	$ 128.1
Europe	18.9	24.0
Asia Pacific	17.0	13.6
Rest of World	6.4	6.5
Total STRENSIQ	$ 197.5	$ 172.2
ANDEXXA		
United States	$ 25.3	$ —
Europe	3.6	—
Asia Pacific	—	—
Rest of World	—	—
Total ANDEXXA	$ 28.9	$ —
KANUMA		
United States	$ 17.1	$ 16.4
Europe	10.8	7.5
Asia Pacific	1.2	0.9
Rest of World	5.7	1.9
Total KANUMA	$ 34.8	$ 26.7
Net Product Sales		
United States	$ 958.4	$ 832.2
Europe	348.4	328.8
Asia Pacific	193.9	158.7
Rest of World	135.0	124.9
Total Net Product Sales	$ 1,635.7	$ 1,444.6

ALEXION PHARMACEUTICALS, INC.
TABLE 4: CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)
(unaudited)

	March 31, 2021	December 31, 2020
Cash and cash equivalents	$ 3,429.6	$ 2,964.5
Marketable securities	39.7	34.9
Trade accounts receivable, net	1,473.0	1,409.3
Inventories	803.9	775.7
Prepaid expenses and other current assets	706.4	648.6
Property, plant and equipment, net	1,244.8	1,238.8
Intangible assets, net	3,048.3	3,002.4
Goodwill	5,100.1	5,100.1
Right of use operating assets	216.8	223.1
Deferred tax assets	2,140.6	2,199.4
Other assets	447.0	506.2
Total assets	$ 18,650.2	$ 18,103.0
Accounts payable and accrued expenses	$ 1,036.0	$ 1,203.3
Current portion of long-term debt	143.2	142.4
Current portion of contingent consideration	120.0	114.9
Other current liabilities	127.0	164.1
Long-term debt, less current portion	2,388.8	2,419.6
Contingent consideration	303.5	299.4
Deferred tax liabilities	1,639.1	1,632.2
Noncurrent operating lease liabilities	170.8	177.1
Other liabilities	290.8	298.8
Total liabilities	6,219.2	6,451.8
Total Alexion stockholders' equity	12,416.8	11,651.2
Noncontrolling interest	14.2	—
Total stockholders' equity	12,431.0	11,651.2
Total liabilities and stockholders' equity	$ 18,650.2	$ 18,103.0

ALEXION PHARMACEUTICALS, INC.
TABLE 5: CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)
(unaudited)

	Three months ended March 31, 2021	2020
Cash flows from operating activities:		
Net income	$ 489.2	$ 557.6
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	75.6	89.3
Change in fair value of contingent consideration	9.2	5.8
Share-based compensation expense	76.6	57.6
Consolidation of Caelum, including non-cash expense for acquired IPR&D and cash acquired	210.2	—
Deferred taxes	52.9	49.0
Unrealized foreign currency loss	10.9	7.1
Unrealized gain on forward contracts	(19.3)	(15.0)
Unrealized loss on strategic equity investments	9.6	9.2
Gain on sale of assets	(25.3)	—
Other	2.8	13.7
Changes in operating assets and liabilities, excluding the effect of acquisitions:		
Accounts receivable	(87.9)	(120.9)
Inventories (inclusive of inventories reported in other assets)	(59.5)	37.3
Prepaid expenses, right of use operating assets and other assets	11.0	(72.9)
Accounts payable, accrued expenses, lease liabilities and other liabilities	(118.4)	(68.2)
Net cash provided by operating activities	637.6	549.6
Cash flows from investing activities:		
Purchases of available-for-sale debt securities	—	(19.4)
Proceeds from maturity or sale of available-for-sale debt securities	—	141.4
Purchases of mutual funds related to nonqualified deferred compensation plan	(7.0)	(6.9)
Proceeds from sale of mutual funds related to nonqualified deferred compensation plan	3.3	3.3
Purchases of intangible assets	(110.0)	—
Purchases of property, plant and equipment	(20.2)	(12.2)
Payment for acquisition of businesses, net of cash and restricted cash acquired	—	(837.7)
Purchases of strategic equity investments and options	—	(34.5)
Net cash used in investing activities	(133.9)	(766.0)
Cash flows from financing activities:		
Payments on term loan	(32.6)	(32.6)
Repurchases of common stock	—	(107.1)
Net proceeds from issuance of common stock under share-based compensation arrangements	15.2	2.8
Other	(1.3)	(1.3)
Net cash used in financing activities	(18.7)	(138.2)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(13.1)	(13.2)
Net change in cash and cash equivalents and restricted cash	471.9	(367.8)
Cash and cash equivalents and restricted cash at beginning of period	3,034.6	2,723.6
Cash and cash equivalents and restricted cash at end of period	$ 3,506.5	$ 2,355.8

Reconciliation of GAAP to Non-GAAP Operating Margin
(in millions)

	Three months ended	
	March 31, 2021	March 31, 2020
Revenues	$ 1,636.5	$ 1,444.8
GAAP operating margin (% of total revenues)	**39%**	**48%**
Share-based compensation	5%	4%
Amortization of purchased intangible assets	3%	5%
Change in fair value of contingent consideration	1%	0%
Acquired in-process research and development	12%	0%
Acquisition-related cost	1%	3%
Restructuring expenses	0%	0%
Litigation charges	0%	1%
Gain on sale of asset	-2%	0%
Impairment of intangible assets	0%	0%
Fair value adjustment in inventory acquired	1%	0%
Non-GAAP operating margin (% of total revenues)	**59%**	**62%**

Free Cash Flow
(in millions)

	Three months ended March 31,	
	2021	2020
Net cash provided by operating activities	$ 637.6	$ 549.6
Purchases of property, plant and equipment	$ (20.2)	$ (12.2)
Free cash flow	**$ 617.4**	**$ 537.4**