BAUSCH Health

Bausch Health Enters Into Arrangement Agreement with Bausch + Lomb Corporation in Connection with Previously Announced Proposed Separation

April 28, 2022

LAVAL, QC and VAUGHAN, ON, April 28, 2022 /PRNewswire/ -- Bausch Health Companies Inc. (NYSE/TSX: BHC) ("Bausch Health" or the "Company") announced today that, in connection with its previously announced intention to separate its eye health business, it has entered into an arrangement agreement with, among others, its wholly owned subsidiary Bausch + Lomb Corporation ("Bausch + Lomb").

The arrangement agreement sets out the terms and conditions of the proposed transactions by which Bausch Health currently expects to transfer all or a portion of the remaining direct or indirect equity interest in Bausch + Lomb following completion of the initial public offering of Bausch + Lomb (the "Bausch + Lomb IPO") and expiration or waiver of the IPO lockup to Bausch Health shareholders. This transfer is expected to occur pursuant to an arrangement under applicable corporate law that will be implemented pursuant a plan of arrangement, the current form of which is appended to the arrangement agreement. The arrangement is currently expected to be implemented pursuant to the public company "butterfly reorganization" rules under applicable Canadian tax law.

Completion of the arrangement is subject to the terms and conditions set out in the arrangement agreement and in the Master Separation Agreement previously entered into by the Company and Bausch + Lomb as of March 30, 2022. These terms and conditions include, without limitation, the receipt of applicable regulatory or other approvals, an opinion of U.S. tax counsel (and, if the Company so elects, a tax ruling requested from the Internal Revenue Service with respect to certain aspects of the arrangement) regarding U.S. tax treatment and the tax ruling requested from the Canada Revenue Agency confirming the tax-free treatment of the transaction to Bausch Health and Bausch + Lomb and their respective shareholders, and receipt by the Company's Board of Directors of one or more opinions from an independent appraisal firm confirming the solvency and financial viability of the Company prior to the arrangement and of the Company and Bausch + Lomb and its successor after consummation of the arrangement. Completion of the arrangement is also subject to receipt of applicable shareholder approvals and receipt of and compliance with the interim and final orders from the British Columbia Supreme Court. There can be no certainty, nor can Bausch Health provide any assurance, that all conditions precedent to the arrangement, whether under the arrangement agreement or otherwise, will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived. The arrangement agreement and the plan of arrangement are also subject to amendment or termination in accordance with their respective terms. A copy of the arrangement agreement will be filed under Bausch Health's profile on SEDAR at
www.sedar.com
. It is expected that the shareholders of Bausch Health will have an opportunity to consider this transaction at a special meeting of shareholders to be called and held in due course following completion of the Bausch + Lomb IPO.

This news release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state, province, territory or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, province, territory or jurisdiction. Any offers, solicitations or offers to buy, or any sales of securities will be made in accordance with the registration requirements of the Securities Act of 1933, as amended and otherwise in accordance with applicable securities laws in any other jurisdiction.

About Bausch + Lomb Bausch + Lomb, a leading global eye health business of Bausch Health Companies, Inc., is dedicated to protecting and enhancing the gift of sight for millions of people around the world – from the moment of birth through every phase of life. Its comprehensive portfolio of more than 400 products includes contact lenses, lens care products, eye care products, ophthalmic pharmaceuticals, over-the-counter products and ophthalmic surgical devices and instruments. Founded in 1853, Bausch + Lomb has a significant global research and development, manufacturing and commercial footprint with more than 12,000 employees and a presence in nearly 100 countries. Bausch + Lomb is headquartered in Vaughan, Ontario with corporate offices in Bridgewater, New Jersey.

About Bausch Health
Bausch Health Companies Inc. (NYSE/TSX: BHC) ("Bausch Health") is a global company whose mission is to improve people's lives with our health care products. Bausch Health develops, manufactures and markets a range of pharmaceutical, medical device and over-the-counter products, primarily in the therapeutic areas of eye health, gastroenterology and dermatology. Bausch Health is delivering on its commitments as it builds an innovative company dedicated to advancing global health.

Forward-looking Statements
This news release may contain forward-looking statements about the potential distribution of the common shares of Bausch + Lomb that Bausch Health will continue to hold following completion of the Bausch + Lomb IPO, which may generally be identified by the use of the words "anticipates," "hopes," "expects," "intends," "plans," "should," "could," "would," "may," "believes," "subject to" and variations or similar expressions, including statements about the ultimate terms and conditions of the arrangement agreement and plan of arrangement, the structure of such distribution (including that it is intended to occur under the "butterfly reorganization" rules under applicable Canadian tax law and that tax opinions or rulings will be obtained in respect of the tax treatment of such distribution), the satisfaction or waiver of the applicable terms and conditions in the arrangement agreement and master separation agreement (including as to the time at which such conditions will be satisfied or waived, if at all), that the distribution will occur on any particular terms and conditions or at all, the potential for amendment of the arrangement agreement and/or plan of arrangement in accordance with their respective terms, the expectation that shareholders of Bausch Health will receive additional information regarding and have an opportunity to consider the proposed arrangement and that a special meeting will be called on any particular timeline or at all. These statements are based upon the current expectations and beliefs of management and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, risks relating to the transaction not being timely completed, if completed at all, including due to the shareholder, court and other approvals required in connection with the transaction and the timing of receipt of such approvals; the possibility that the other approvals for or conditions to the transaction are not received or satisfied or waived on a timely basis or at all, including achievement of targeted leverage ratios; changes in the anticipated timing for closing the transaction; business disruption during the pendency of or following the transaction; diversion of management time on transaction-related issues; the ability to retain management team members; risks related to the reaction of customers and other parties to such transaction; the impact of such transaction on relationships with customers, suppliers, employees and other

business counterparties; the risk that the proposed structure of the distribution of Bausch + Lomb common shares to Bausch Health's shareholders does not occur in the manner or on the timelines anticipated or at all; and other events that could adversely impact the completion of the transaction, including industry or economic conditions outside of Bausch Health's control. In particular, Bausch Health can offer no assurance that any IPO or distribution will occur at all, or that any such transaction or transactions will occur on the timelines, in the manner or on the terms anticipated by Bausch Health. In addition, actual results are subject to other risks and uncertainties that relate more broadly to Bausch Health's overall business, including those more fully described in Bausch Health's most recent annual report on Form 10-K and detailed from time to time in Bausch Health's other filings with the U.S. Securities and Exchange Commission and the Canadian securities administrators, which factors are incorporated herein by reference.

Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. Bausch Health undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this news release or to reflect actual outcomes, unless required by law.

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