

## NOTIFICATION TO CANADIAN SHAREHOLDERS

With respect to the distribution of the shares of Viatris Inc. (“**Viатris**”) to the shareholders of Pfizer Inc. (“**Pfizer**”) (the “**Distribution**”) on November 16, 2020 (the “**Distribution Date**”), Pfizer filed with the Canada Revenue Agency (“**CRA**”), within the prescribed time, the information that allowed the CRA to determine whether the Distribution qualifies as an “eligible distribution” for the purposes of section 86.1 of the *Income Tax Act* (Canada).

The CRA determined that the Distribution qualifies as an eligible distribution. As a result, a Canadian resident Pfizer shareholder as of the date of the Distribution who acquired Viatris shares pursuant to the Distribution must elect in writing (filed with the taxpayer’s return of income for the year in which the Distribution occurs) to have section 86.1 of the *Income Tax Act* (Canada) apply to the Distribution, such that the Distribution will not be viewed as a taxable foreign dividend and should not be included in such shareholder’s income.

A shareholder who makes such an election will be required to allocate the aggregate cost basis amount of such shareholder’s Pfizer shares held immediately before the Distribution among the Viatris shares received in the Distribution and the Pfizer shares (in respect of which such Viatris shares were received) in proportion to their relative fair market values immediately after the Distribution. Fair market value is not defined for these purposes and shareholders should consult a Canadian tax advisor.

One method to determine the fair market value is to use the closing prices of the Pfizer and Viatris common stock on the Distribution Date. The adjusted closing price of each share of Pfizer common stock on the Distribution Date was \$35.3869, which was the per share closing price as displayed under the heading “Last Price” on the Bloomberg page for the ticker “PFE.”<sup>1</sup> The closing price for each share of Viatris common stock on the Nasdaq’s “when-issued” market<sup>2</sup> on the Distribution Date was \$15.66, which was the per share closing price as displayed under the heading “Last Price” on the Bloomberg page for the ticker “VTRSV.” Using these prices for purposes of determining fair market value, and the distribution ratio of approximately 0.124079 of a share of Viatris common stock for each share of Pfizer common stock, a Pfizer shareholder’s pre-distribution tax basis in each Pfizer share should be allocated 94.8% to the Pfizer share and 5.2% to the Viatris share (including any Viatris fractional share) received with respect to the Pfizer share.

For example, if a Pfizer shareholder owned a single block of 1,000 shares of Pfizer common stock with a basis of \$10 per share and received 124 shares of Viatris common stock in the Distribution as well as cash for the 0.079 Viatris fractional share, 94.8% of the aggregate tax basis of \$10,000, or \$9,480, would be allocated to the 1,000 shares of Pfizer

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<sup>1</sup> The unadjusted closing price of Pfizer common stock on the Distribution Date was \$37.33. The adjusted closing price of Pfizer common stock on the Distribution Date was calculated by subtracting the value of Viatris common stock for each share of Pfizer common stock (i.e., the product of 0.124079 and \$15.66) from the unadjusted closing price of Pfizer common stock on that date.

<sup>2</sup> Viatris shares began “regular-way” trading on the Nasdaq on November 17, 2020, the first trading day after the Distribution Date, under the ticker “VTRSV.”

common stock, resulting in a tax basis of \$9.48 per share of Pfizer common stock, and the remaining 5.2% of the aggregate tax basis, or \$520, would be allocated to the 124.079 shares of Viatris common stock. This results in a tax basis of approximately \$4.19 per share, with approximately \$519.67 allocated to the 124 shares received of Viatris common stock and approximately \$0.33 allocated to the Viatris fractional share in respect of which cash is received.

Other valuation methodologies may exist, and shareholders are urged to consult their tax advisors regarding these basis allocation calculations. Pfizer shareholders are not bound by the approach illustrated above and may, in consultation with their own tax advisors, use another approach in determining fair market values for Pfizer common stock and Viatris common stock.