



## INFORMATION

*Greifswald, 10/07/2020 - Cheplapharm announces that it is in advanced negotiations to acquire additional marketing authorizations and intellectual properties for additional territory not yet owned by us for one of our existing products*

We are currently in advanced negotiations to acquire additional marketing authorizations and intellectual properties for additional territory not yet owned by us for one of our existing products. Based on the current status of the negotiations, we expect the purchase price to be approximately US\$ 400 million (subject to up-ward adjustment depending on the development of net sales during a certain period of time following closing) and currently estimate an EBITDA multiple of approximately 4.25x at acquisition.

Signing of the acquisition agreement is expected to occur in October/November 2020 with closing of the acquisition currently expected for the fourth quarter of 2020, whereby payment of a portion of the purchase price expected to be deferred into Q1 and Q2 2021, respectively.

We expect the seller to fully service the product in the relevant territory for at least three years following closing for the benefit of Cheplapharm. Transfer of the marketing authorizations and integration of the product in the relevant territory into our manufacturing and distribution network is therefore not expected to commence prior to three years after closing.

We currently intend to finance the purchase price from a combination of drawings under our revolving credit facility and available cash. Negotiations for the acquisition and due diligence are still ongoing and might lead to a change in the expected terms of the acquisition, the timing of the signing and/or closing or, alternatively, the negotiations might still be terminated.

### About CHEPLAPHARM

CHEPLAPHARM is a pharmaceutical company headquartered in Greifswald, Germany, offering branded and niche products in more than 120 countries worldwide. The family-owned company specializes in selected active substances and indications and focuses on an international buy-and-build strategy. Working closely with its business partners, CHEPLAPHARM achieves sustainable annual growth rates. CHEPLAPHARM has been one of the fastest-growing pharmaceutical companies in Europe for years.

Please refer to [www.cheplapharm.com](http://www.cheplapharm.com) for additional information.

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obtained from the issuer or selling security holder and that would contain detailed information about us, as well as financial statements. There is no intention to conduct a public offering of securities in the United States or to register an offering with the United States Securities Exchange Commission.

### **Forward-looking Statements**

This news release may include “forward-looking statements” within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this news release, including, without limitation, those regarding Cheplapharm’s intentions, beliefs or current expectations concerning, among other things: Cheplapharm’s future financial conditions and performance, results of operations and liquidity; Cheplapharm’s strategy, plans, objectives, prospects, growth, goals and targets; future developments in the markets in which Cheplapharm participates or is seeking to participate; and anticipated regulatory changes in the industry in which Cheplapharm operates. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “anticipate”, “believe”, “continue”, “ongoing”, “estimate”, “expect”, “intend”, “may”, “plan”, “potential”, “predict”, “project”, “target”, “seek” or, in each case, their negative, or other variations or comparable terminology. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Cheplapharm’s actual financial condition, results of operations and cash flows, and the development of the industry in which Cheplapharm operates, may differ materially from (and be more negative).