

Cheplapharm Arzneimittel GmbH

Cheplapharm Arzneimittel GmbH Announces Receipt of Required Consents in Connection with the Consent Solicitation Relating to its 3.500% Senior Secured Notes due 2027 and the Execution of the Supplemental Indenture

Regulation S Notes: Common Code 211297310, ISIN XS2112973107

Rule 144A Notes: Common Code 211297336, ISIN XS2112973362

Greifswald, Germany — February 3, 2021 — Cheplapharm Arzneimittel GmbH (the “Issuer”) announced today that it has received consents from the holders of a majority in aggregate principal amount of its outstanding €500,000,000 3.500% Senior Secured Notes due 2027 (the “Notes”) pursuant to the solicitation (the “Solicitation”) for consents (the “Consents”) upon the terms of and subject to the conditions set forth in the consent solicitation statement (the “Consent Solicitation Statement”), dated as of January 26, 2021 to certain proposed amendments (the “Proposed Amendments”) to the indenture dated February 11, 2020 relating to the Notes (the “Indenture”). The Solicitation, and accordingly the deadline by which Consents could be validly delivered, expired at 4:00 p.m. Central European Time today.

As a result of the receipt of Consents from holders of a majority in aggregate principal amount of the Notes outstanding, the Issuer and Deutsche Trustee Company Limited as trustee under the Indenture have executed a supplemental indenture, which is effective and which implements the Proposed Amendments. Upon effectiveness of the Supplemental Indenture, Consents that have been validly given are no longer revocable.

The Supplemental Indenture provides for (A) an increase to the ‘Consolidated Secured Net Debt Ratio’ specified in Section 4.09(a)(y) of the Indenture from 3.75 to 1.00 to 4.25 to 1.00, (B) an increase to the amount of the credit facility basket provided for in Section 4.09(b)(1) of the Indenture from the greater of €400 million and 90% of ‘Consolidated EBITDA’ to the greater of €500 million and 90% of ‘Consolidated EBITDA’ and (C) certain further amendments to the Indenture to align the terms of the Indenture with the terms of the indenture governing the Issuer’s €575,000,000 4.375% Senior Secured Notes due 2028 and \$500,000,000 5.500% Senior Secured Notes due 2028.

The Issuer will pay a cash consideration of €2.50 for each €1,000 principal amount of the Notes for which a Consent is received and not validly revoked. The payment date is currently expected to be February 8, 2020. The Proposed Amendments will only become operative upon payment of this consent fee.

The Issuer has retained J.P. Morgan AG as solicitation agent and Lucid Issuer Services Limited as tabulation and information agent in connection with the Solicitation. Copies of the Consent Solicitation Statement may be obtained from Lucid Issuer Services Limited, the tabulation and information agent in connection with the Solicitation (the “Information and Tabulation Agent”), at cheplapharm@lucid-is.com or +44 (0)207 704 0880. Any persons with questions regarding the consent solicitation should contact the solicitation agent, J.P. Morgan AG (Attn.: EMEA Liability Management Group at liability_management_EMEA@jpmorgan.com).

This announcement is for information purposes only and does not constitute an offer to purchase Notes, a solicitation of an offer to sell Notes or a solicitation of consents of Holders and shall not be deemed to be an offer to purchase, a solicitation of an offer to sell or a solicitation of consents with respect to any securities of the Issuer or its affiliates. None of the Issuer, the Solicitation Agent, the Trustee, the Information and Tabulation Agent or any other person makes any recommendation as to whether or not Holders should deliver Consents. Each Holder must make its own decision as to whether or not to deliver Consents.

About Cheplapharm

Cheplapharm is a leading specialty pharmaceuticals company headquartered in Greifswald, Germany, with an international footprint and a broad portfolio of more than 100 products across more than ten therapeutic areas, including cardiology, oncology and infectious diseases. Cheplapharm focusses on acquiring well-established, off-patent, branded legacy and niche originator pharmaceutical products with predictable cash flows from large pharmaceutical companies.

During the past 20 years, Cheplapharm completed a significant number of acquisitions with well-known pharmaceutical companies acquiring more than 100 products with a cumulative acquisition value of more than €1.9 billion.

Cheplapharm operates a lean business model focused on (i) selecting and acquiring suitable off-patent, branded niche or legacy originator products or product portfolios that fit its disciplined acquisition criteria, (ii) managing the transfer of the required approvals to market them across various countries and (iii) integrating them into its established value chain of contract manufacturing organizations and distributors. Cheplapharm distributes its products in more than 120 countries across six continents, predominantly through an extensive network of distribution partners, with many of whom Cheplapharm has long-standing relationships.

Forward Looking Statements

This release may contain forward-looking statements that involve substantial risks and uncertainties. All statements other than statements of historical facts included in this release including, without limitation, statements regarding Cheplapharm's future financial position, risks and uncertainties related to its business, strategy, capital expenditures, projected costs and Cheplapharm's plans and objectives for future operations, may be deemed to be forward-looking statements. Words such as "believe", "expect", "anticipate", "may", "assume", "plan", "intend", "will", "should", "estimate", "risk", and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. Cheplapharm does not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Cautionary Statement

Under no circumstances shall the Consent Solicitation Statement constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for the Notes in any jurisdiction. The Solicitation shall not be considered an "offer of securities to the public," or give rise to or require a prospectus in a European Economic Area member state or in the United Kingdom pursuant to Regulation (EU) 2017/1129 (as amended or superseded).

The Solicitation is not being made to, and no consents are being solicited from, holders or beneficial owners of the Notes in any jurisdiction in which it is unlawful to make such consent solicitation or grant such consents. However, the Issuer may, in its sole discretion and in compliance with any applicable laws, take such actions as it may deem necessary to solicit consents in any jurisdiction and may extend the consent solicitation to, and solicit consents from, persons in such jurisdiction.

The communication of the Consent Solicitation Statements and any other documents or materials relating to the Consents is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "FSMA"). Accordingly, the Consent Solicitation Statement is for distribution only to persons who: (a) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (b) are persons falling within Article 43 of the Order; (c) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Order; (d) are outside the United Kingdom; or (e) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Consent Solicitation Statement is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the Consent Solicitation Statement relates is available only to relevant persons and will be engaged in only with relevant persons.

The making of the consent solicitation may be restricted by laws and regulations in some jurisdictions. Persons into whose possession the Consent Solicitation Statement comes must inform themselves about and observe these restrictions.

This release and the information contained herein are for information purposes only and do not constitute a prospectus or an offer to sell, or a solicitation of an offer to buy or subscribe for, any securities in the United States of America or in any other jurisdiction.

Any deadline by any intermediary of clearing system may be earlier than the deadlines specified in the Consent Solicitation Statement.

For further information, please contact:

The Solicitation Agent:

J.P. Morgan AG

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Germany

Attn: Liability Management

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The Tabulation and Information Agent:

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Attention: Arlind Bytyqi