

## Recipharm signs manufacturing agreement with Alcon and acquires facility in France, adding new niche capabilities

Recipharm AB today announces that it has entered into the previously announced strategic collaboration with Alcon, a Novartis company, and today signed a long term supply agreement whereby Recipharm will manufacture a range of ophthalmic products using Blow Fill Seal technology.

As part of this collaboration, Recipharm will also acquire from Alcon, Kaysersberg Pharmaceuticals, a company whose main asset is a manufacturing facility located in Kaysersberg, France which currently supplies this product range.

### Highlights

- Long term manufacturing agreement will add annual sales in excess of EUR 36 million and EBITDA-margin well in line with the Group's average.
- Adds a new important relationship with Alcon and further strengthens the current relationship with Novartis.
- 100% of the shares in Kaysersberg Pharmaceuticals will be acquired for a total consideration of EUR 18 million.
- Extends Recipharm's manufacturing services offering with the growing technology of Blow Fill Seal.
- Provides potential synergy with Recipharm's three other French facilities.
- Approximately 260 people currently employed by Kaysersberg Pharmaceuticals will continue their employment under Recipharm ownership.
- Closing is expected to take place on 31<sup>st</sup> December 2015. There are no material conditions to closing.

Thomas Elderred, CEO Recipharm AB commented "We are looking forward to extending our relationship with Alcon and Novartis and I am very pleased that they have had the confidence in Recipharm to make this commitment of a long term manufacturing agreement and sale of Kaysersberg Pharmaceuticals. Blow Fill Seal technology is a very interesting area which we believe will grow and it therefore forms an important addition to our portfolio. The high skill levels and dedicated employees in Kaysersberg will be a welcome addition into Recipharm and we look forward to working with them to further develop and grow the business".

## Financing and payment terms

- The consideration of EUR 18 million will be paid in cash with 75% in 2015 and 25% in January 2016.
- In addition, Recipharm will acquire working capital for approximately EUR 4.2 million.
- The acquisition will be financed with already available funds. No further financing will be required.

For further information please visit [www.recipharm.com](http://www.recipharm.com) or contact:  
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*This information is published in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act and/or the regulations of NASDAQ Stockholm. This information was submitted for publication on 21<sup>st</sup> December 2015, at 14:30 CET.*

## About Recipharm

Recipharm is a leading CDMO (Contract Development and Manufacturing Organisation) in the pharmaceutical industry employing some 2,200 employees. Recipharm offers manufacturing services of pharmaceuticals in various dosage forms, production of clinical trial material including API and pharmaceutical product development. Recipharm manufactures more than 400 different products to customers ranging from Big Pharma to smaller research- and development companies. Recipharm's turnover is approximately SEK 3.4 billion and the Company operates development and manufacturing facilities in Sweden, France, the UK, Germany, Spain, Italy and Portugal and is headquartered in Jordbro, Sweden. The Recipharm B-share (RECI B) is listed on NASDAQ Stockholm.

For more information on Recipharm and our services, please visit [www.recipharm.com](http://www.recipharm.com)

Recipharm has retained Rambauld Legoater as legal advisors.

## About Kayzersberg Pharmaceuticals

The Kayzersberg facility is located in Alsace, France and employs around 260 people. The facility was acquired by Alcon in 1984. Alcon is the second largest division of Novartis. The facility is dedicated to Blow Fill Seal (BFS)/Form Fill Seal technology, is well invested and fully GMP compliant with approvals from FDA, EU, ANVISA and Japan. It is 25.000 m<sup>2</sup> with a manufacturing area of 7.000 m<sup>2</sup> with 7 production lines and 10 packaging lines. The facility manufactures single dose units and has an advanced aseptic process for sterile liquid packaging applications in plastic containers.