

Grünenthal agrees US\$ 922 m deal with AstraZeneca for Nexium and Vimovo

- Biggest single investment in Grünenthal's history that will significantly strengthen the company's leading position in pain management
- Gastroprotective therapies to address a high unmet medical need^[1] in pain patients on non-steroidal anti-inflammatory drugs (NSAIDs)

Aachen, Germany, 30 October 2018 – Grünenthal today announced that it has agreed to acquire AstraZeneca's European rights to Nexium and the global (ex US and Japan) rights to Vimovo for a total consideration of up to US\$ 922 m (€811 m). Nexium (esomeprazole) is a proton pump inhibitor (PPI) that helps to reduce the amount of acid produced by the stomach in patients with gastroesophageal reflux conditions and ulcers. It has a number of indications, including the prevention and treatment of gastric ulcers induced by pain-relieving non-steroidal anti-inflammatory drugs (NSAIDs). Vimovo is a fixed-dose combination tablet of naproxen, a pain-relieving non-steroidal anti-inflammatory drug (NSAID) and esomeprazole, the same gastroprotective active ingredient as in Nexium. It is indicated for the symptomatic treatment of osteoarthritis, rheumatoid arthritis and ankylosing spondylitis in patients at risk of developing NSAID-associated gastric and/or duodenal ulcers.

"This acquisition is the biggest single investment in Grünenthal's history and an important step in pursuing our vision of creating a world free of pain for patients," explained Grünenthal CEO Gabriel Baertschi. "There is a high unmet medical need^[1] for patients on long-term high-dose NSAIDs. Despite all guidelines recommending gastrointestinal protection for these patients, evidence suggests that many remain unprotected and 1 out of 4 may develop stomach ulcer with its serious health complications^[2]. Therefore, combining Grünenthal's extensive pain expertise with the well-established products Nexium and Vimovo is a perfect strategic fit." Grünenthal is a worldwide leader in innovative pain management and related therapies.

Under the terms of the agreement, Grünenthal will acquire the exclusive rights to market Nexium for the approved indications in 33 European countries. Nexium continues to generate significant revenues despite having lost exclusivity. Total prescription Nexium 2017 sales for in-scope markets were US\$ 248 m (€220 m). Grünenthal will obtain Vimovo global commercialization rights with the exception of the US and Japan. Vimovo is available in over 30 countries and is patent protected in most European markets until 2025. Vimovo achieved revenues of US\$ 79 m (€70 m) in in-scope markets in 2017.

With this acquisition Grünenthal is expected to double its EBITDA performance. Moreover, Grünenthal will significantly enhance its business across multiple pain related therapeutic categories and geographies. The transaction is subject to approval from the relevant antitrust authorities, with closing expected in December 2018.

The financing for Grünenthal has been secured by the underwriting banks BBVA, BNP Paribas, Commerzbank and ING.

About Nexium

Nexium (esomeprazole) is used to treat gastroesophageal reflux disease, ulcers, and Zollinger-Ellison syndrome. It is also used for the prevention and treatment of gastric ulcers induced by pain-relieving non-steroidal anti-inflammatory drugs (NSAIDs). It is a member of the drug class of proton pump inhibitors (PPIs), which reduce the production of stomach acid. It works by binding to and inhibiting the acid pumps of a particular type of cells lining the stomach wall to reduce the production of stomach acid. In doing so, it lowers the level of acidity in the stomach and helps to heal erosions in the esophagus or ulcers in the stomach and duodenum. Nexium is available in several formulations: Nexium gastro-resistant granules for oral suspension, Nexium gastro-resistant Multi-Unit Pellet System (Nexium MUPS™) tablets, and Nexium injection/infusion with varying approved indications. Please consult your local label for specific approved uses in adults and children.

About Vimovo

Vimovo (naproxen/esomeprazole) modified-release tablet is a fixed-dose combination of naproxen, a pain-relieving non-steroidal anti-inflammatory drug (NSAID) and esomeprazole, the same gastroprotective active ingredient as in Nexium. It is indicated for the symptomatic treatment of osteoarthritis, rheumatoid arthritis and ankylosing spondylitis in patients who are at risk of developing NSAID-associated gastric ulcers and/or duodenal ulcers and where treatment with lower doses of naproxen or of other NSAIDs is not considered sufficient. The fixed dose combination reduces the incidence of gastric ulcers by up to 70% compared to Naproxen alone^[3] and therefore provides patients the benefit of both effective pain relief and adequate gastroprotection. Please consult your local label for specific approved uses.

About Grünenthal

Grünenthal is an entrepreneurial, science-based pharmaceutical company specialized in pain, gout and inflammation. Our ambition is to deliver four to five new products to patients in diseases with high unmet medical need by 2022 and become a €2 bn company. We are a fully integrated research & development company with a long track record of bringing innovative pain treatments and state-of-the-art technologies to patients. By sustainably investing in our R&D above the industrial average, we are strongly committed to innovation.

Grünenthal is an independent, family-owned company headquartered in Aachen, Germany. We are present in approx. 30 countries with affiliates in Europe, Latin America and the US. Our products are sold in more than 100 countries and approx. 5,200 employees are working for Grünenthal worldwide. In 2017, Grünenthal achieved revenues of approx. € 1.3 bn.

More information: www.grunenthal.com

GRÜNENTHAL

Press Release



Follow us on:

LinkedIn: Grunenthal Group

Twitter: @grunenthalgroup

Instagram: gruenenthal

For further information, please contact:

Štěpán Kráčala, Head Global Communications

Tel.: +49 241 569-1335, Stepan.Kracala@grunenthal.com

Grünenthal GmbH, 52099 Aachen, Germany

Kerstin Nacken, Head Editorial Management and Media Relations

Tel.: +49 241 569-2710, Kerstin.Nacken@grunenthal.com

Grünenthal GmbH, 52099 Aachen, Germany

###

1. Scheiman, J.M., *Unmet needs in non-steroidal anti-inflammatory drug-induced upper gastrointestinal diseases*. *Drugs*, 2006. **66 Suppl 1**: p. 15-21; discussion 29-33.
2. Lanza, F.L., F.K. Chan, and E.M. Quigley, *Guidelines for prevention of NSAID-related ulcer complications*. *Am J Gastroenterol*, 2009. **104**(3): p. 728-38.
3. Angiolillo, D.J., et al., *Impact of concomitant low-dose aspirin on the safety and tolerability of naproxen and esomeprazole magnesium delayed-release tablets in patients requiring chronic nonsteroidal anti-inflammatory drug therapy: an analysis from 5 Phase III studies*. *J Thromb Thrombolysis*, 2014. **38**(1): p. 11-23.