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German Stock Corporation Act (Aktiengesetz)

PharmaSGP Group acquires OTC brand portfolio (Baldriparan[®], Formigran[®], Spalt[®] and Kamol[®]) from GSK

Gräfelfing, June 15, 2021 - PharmaSGP GmbH, a subsidiary of PharmaSGP Holding SE, has signed today an agreement to acquire a product portfolio with four established OTC brands in eight countries with the GlaxoSmithKline Group. The portfolio focuses on the phytopharmaceuticals of the brand Baldriparan[®], the leading OTC brand for natural valerian sleep aids in pharmacies in Germany.¹ In addition, PharmaSGP GmbH acquires Formigran[®], Spalt[®] and Kamol[®], three further well-known OTC brands in the strategically important category "pain therapy". In total, this brand portfolio generated revenues of more than EUR 15 million in eight countries in 2020. In addition to the home market of Germany, also the markets of Austria, Switzerland, France, Hungary, Poland, the Czech Republic and Slovakia contributed to this.

The products are to be integrated into the PharmaSGP Group's pan-European platform, thereby leveraging potential for value enhancement. With the acquisition, the Management Board is consistently pursuing the growth strategy and expanding the portfolio with established brands, increasing the number of indications and further expanding the internationalization of the Group.

The agreed purchase price is around EUR 80 million. In addition, the corresponding product inventories will be taken over against payment. The Management Board of PharmaSGP Holding SE expects the transaction to be completed by the end of August 2021.

The acquisition is financed through a shareholder loan granted to PharmaSGP Holding SE by FUTRUE GmbH on the basis of a loan agreement concluded today. FUTRUE GmbH has a majority shareholding in PharmaSGP Holding SE and is in turn solely owned by the Chairman of the Supervisory Board of PharmaSGP Holding SE. Therefore, the financing is a transaction of the Company with a related party subject to disclosure pursuant to Section 111c of the German Stock Corporation Act (Aktiengesetz). The shareholder loan granted to PharmaSGP Holding SE is unsecured and has a volume of EUR 85 million. It has a minimum term until December 31, 2021 and is then automatically extended by further three-month periods until December 31, 2022 at the latest, unless it is terminated by the lender prior to respective extension. The loan interest rate will be determined based on a benchmark analysis for the applicable market interest rate, which has yet to be carried out. For undrawn volumes, a commitment fee of 35% of the loan interest rate will be payable for the period from August 25, 2021.

The Company intends to refinance the shareholder loan at maturity through bank financing.

End of ad hoc announcement

¹in terms of revenue in 2020