

Torreya Firmwide Update

Dear Friends and Colleagues,

We are writing to share with you an update on Torreya's recent activities in advising on M&A, capital markets and licensing transactions in the global life sciences arena. Thus far in 2018, Torreya has advised on 29 transactions, almost half of which have been cross-border.

2018 Select Transactions:

 Sale of stock and conditional sale to Cipla \$215 million + CVRs (Pending) November 2018	 and affiliate Wintac, Limited acquired by  \$190 million Announced April 2018	 Debt Recapitalization and Acquisition of NextWave Pharmaceuticals from  \$125 million September 2018	 licensing of ex-European rights to LYS-SAF302 to  Up to \$125 million with committed payments of \$29m plus royalties October 2018
 Licensing agreement for Ferracru® in Europe, Australia & New Zealand with  £11 million upfront (and up to €54.5m in milestones, + 25%~40% royalties on net sales) September 2018	 Term loan from  \$40 million June 2018	 License of AJT-240 in hemodialysis in China to  Up to \$24 million June 2018	 Debt financing for acquisition of Icon Biosciences from  \$20 million March 2018
 Proposed Sale of Midatech Pharma US Inc. to Kanwa Holdings LP, an affiliate of Barings LLC Up to \$19 million November 2018	 Acquires royalty interest position for 7 assets from  \$15 million September 2018	 Loan agreement with  \$15 million January 2018	 License of Duraser™ in ophthalmology in the Greater China Region to  Up to \$11.75 million November 2018
 Partial royalty monetization with  \$7.5 million June 2018	 Sale of Yargesa to  June 2018	 Sale to  January 2018	 Sale of ANDA portfolio to  January 2018

U.S. Strategic Team

Torreya's U.S. Strategic team has advised on fifteen assignments in 2018. Most recently, Torreya represented **Avenue** on its proposed sale to InvaGen (a subsidiary of Cipla) for \$215 million. At the first stage of closing, InvaGen will acquire shares representing a 33.3% stake in Avenue's capital stock on a fully diluted basis for \$35 million and on the second stage of closing, InvaGen will acquire the remaining shares of Avenue's common stock, for up to \$180 million in aggregate. This transaction highlights Torreya's expertise in advising on complex and creative deal structures. Torreya also advised **Tris Pharma** on the acquisition of NextWave Pharmaceuticals, a wholly owned subsidiary of Pfizer, and completed a concurrent debt issuance with partial recapitalization of \$125 million provided by Deerfield. Additionally, Torreya advised **Somerset Therapeutics**, on its sale to Endo International for \$190 million (including its India affiliate Wintac). The transaction expands Endo's portfolio of sterile injectable products and their injectable and ophthalmic Research & Development capabilities. It also highlights Torreya's expertise in the generic pharmaceutical sector and its focus on assisting in complex cross-border transactions. Earlier this year, we advised **BioPharm**, a high-growth CDMO focused on manufacturing niche liquid and suppository generic pharmaceuticals, on its sale to Torrent Pharmaceuticals, a leading Indian pharmaceutical company.

Europe Team

Thus far in 2018, our Europe team has advised on six completed transactions. Since January 2017 Torreya ranks #2 in Europe by the number of advisory roles on M&A and Licensing deals in the pharmaceutical industry¹. On the M&A front, Torreya recently represented **Midatech** in the sale of its U.S. branded pharmaceutical business in its sale to an affiliate of Barings. This transaction allows Midatech to reshape itself as a pure play drug development company. This was the third transaction on which Torreya has advised Midatech in recent years. Torreya has been quite active in its work on licensing transactions. Torreya advised **Lysogene** on an agreement to license ex-European rights to LYS-SAF302, its late stage gene therapy for San Fillippo, to Sarepta. Lysogene also received an equity investment from Sarepta. Torreya also advised **Shield** on a licensing agreement with Norgine to license Ferracru® in Europe, Australia and New Zealand, allowing Shield to extend their cash runway to further develop Ferracru® and pursue opportunities to out-license. Ferracru®, an oral iron product with significantly improved tolerability, is approved in Europe for iron deficiency and filed for approval in the U.S.

Asia Pacific Team

Torreya has advised on seven deals with a party in Asia thus far in 2018. Recently, our India team advised **Invascent** on the purchase of an equity stake in Symbiotec Pharmed from Actis Private Equity. Symbiotec is an Indore-based manufacturer of complex APIs, primarily in the area of hormones and steroids. We also advised **Luoxin** on an agreement with Aurobindo to form a Joint Venture partnership in China with initial capital investment of \$50M. Aurobindo will put into the JV 13 respiratory products. Luoxin will own 70% and Aurobindo 30% of the entity. The JV will build a new manufacturing facility to supply China market as well as US and European markets. Additionally, our China licensing team recently advised **EyePoint** on the licensing of Duraser in ophthalmology in the greater China region to Ocumension Therapeutics for up to \$11.75 million. Torreya also advised **EA Pharma** on a licensing agreement for the commercialization of AJT-240 in China with Tasly Pharmaceuticals.

Capital Markets Team

Torreya's Capital Markets team has advised on six completed transactions in 2018. Recently Torreya advised **XOMA** on the acquisition of royalty interests in seven assets from Agenus. This was Torreya's seventh assignment for XOMA in recent years. Torreya also advised **Standard Homeopathic Company (Hyland's)** on securing a \$40 million term loan with Hayfin, allowing the company to retire existing debt and invest in marketing and product development initiatives to further promote growth. Torreya also advised **Onxeo** on a royalty monetization that allowed the company to drive the development of a number of its key programs. Additionally, Torreya advised an undisclosed physical therapy facility in a majority recapitalization with Hildred Capital Partners. Earlier in the year, Torreya advised **EyePoint** on a debt financing transaction for the acquisition of Icon Biosciences from SWK Holdings.

Looking Forward to 2019

We hope to see you at our upcoming events:

- **Sunday, January 6, 2019** in San Francisco, Torreya hosts a [JPM Welcome Party at the City Club](#)
- **Wednesday, March 20, 2019** in New York, Torreya will host a cocktail party during DCAT

If you would like to attend one of these events please contact [Allison Bobzin](#).

Torreya has published a few interesting reports which are available on our website under the [News & Publications](#) tabs:

- [Torreya Europe Update](#)
- [Creating Value through China Partnering](#)
- [The Future of the Global Pharmaceutical Industry](#)

Last year, Torreya celebrated our tenth anniversary. We are privileged to have advised on almost 200 transactions in the life sciences industry thus far. We look forward to continuing to help our clients around the world meet their financing and strategic growth objectives.

Best,
The Torreya Team

Torreya Team Contact Details

New York
 555 Madison Avenue
 Suite 1201
 New York, NY 10022
 +1 212.257.5801

London
 15 Stratford Place
 London W1C 1BE
 +44 (0) 207 451 4550

Mumbai
 803, Wing-A, Pinnacle Corporate Park
 Bandra Kurla Complex (BKC),
 Bandra-East
 Mumbai 400051
 +91 22-6127-1191

About Torreya

Torreya is a global investment banking boutique serving companies in the life sciences industry. Since its inception in 2007, the firm has closed over \$100 billion worth of deals in nearly 250 assignments spanning branded pharmaceutical, biotechnology, generic pharmaceutical, and life sciences companies. Our partners are senior industry bankers and executives, with deep experience, knowledge, and networks. We are a partner of choice for companies seeking discreet, conflict-free and knowledgeable advice on M&A, capital markets, licensing and asset sale transactions. Torreya has offices located in London, Mumbai and New York. For further information, please visit [torreya.com](#).

¹ CapitalIQ data analysis. A transaction was counted in a region if one or both counterparties in the deal was in that region. Includes M&A and licensing transactions from January 1, 2017 to September 30, 2018.

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