



## PAI Partners has signed an agreement to acquire Ethypharm

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Paris, France: PAI Partners (“PAI”) announced today that they have signed an agreement with Astorg for the acquisition of Ethypharm alongside the company’s management team. The equity for the transaction will be provided by PAI Europe VI, PAI’s latest €3.3 billion fund. PAI’s offer, submitted in May, has been accepted by the relevant “Comités d’entreprise” (French employee works councils). The transaction should be completed by summer, depending on approval of anti-trust authorities.

Leveraging on its unique expertise in the formulation, development, registration and production of drugs with complex dosage forms, especially opioids, Ethypharm has become a leading European specialty pharma focusing on growing end-markets such as the treatment of pain and addictions. With a presence in France, Germany, the UK, Canada, the US and China, Ethypharm generates over €200 million in sales.

Ethypharm’s management team, led by Hugues Lecat, is central to PAI’s investment case. The company’s management has a strong track record over the past years, enjoys considerable experience in the company and in the industry, and has developed unrivalled experience of the sector and its dynamics. In particular, Ethypharm’s management will be key in implementing the development of the company’s strategy, as it benefits from a unique knowledge of the targets and is highly regarded by its peers and independent players.

The common goal of PAI and the management team is to create a pan-European specialty pharma leader in pain and addiction treatments notably by migrating towards a direct sales business model in niche markets. Ethypharm’s pain relief focus is protected by high barriers to entry, which enables the company to enjoy a leading position on niche markets such as severe pain (“Level III” drugs including morphine).

Hugues Lecat, CEO of Ethypharm, said: “We are proud of Ethypharm’s achievements to date and believe PAI’s institutional support will facilitate our plans for international expansion and for development as a specialty pharmaceutical company. We look forward to working with PAI and are thankful to Astorg for their unconditional support over the last years.”

Edward Chandler, Partner at PAI commented: “We are delighted to partner with Hugues Lecat and his team to support the continued growth and success of Ethypharm. The company has an excellent management team, a clear vision of what it is seeking to achieve, and a bright future as a specialty pharmaceutical company.”

### About Ethypharm

Ethypharm is an independent pharmaceutical company with global reach. The company is dedicated to developing innovative drugs to treat pain and addiction, two major therapeutic areas with large unmet medical needs. Ethypharm also develops complex generics that contribute towards the optimisation of healthcare costs. Ethypharm employs 900 people, mostly in France where its innovation centre and two high quality manufacturing sites are based. Ethypharm drugs are currently marketed in 30 different countries around the world.

## About PAI

PAI is a leading European private equity firm with offices in Paris, London, Luxembourg, Madrid, Milan, Munich and Stockholm. PAI manages over €8 billion of dedicated buyout funds. Since 1994, PAI has completed 59 LBO transactions in 11 countries, representing c. €41 billion in transaction value. PAI is characterised by its industrial approach to ownership combined with its sector based organisation. PAI provides portfolio companies with the financial and strategic support required to pursue their development and enhance strategic value creation.

For further information about PAI: [www.paipartners.com](http://www.paipartners.com)

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