

January 17, 2019

To Listing Department, <b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), <b>MUMBAI - 400 051</b>  <b>Company Code No. AUROPHARMA</b>	To The Corporate Relations Department <b>BSE LIMITED</b> Phiroz Jeejeebhoy Towers, 25 <sup>th</sup> floor, Dalal Street, <b>MUMBAI - 400 001</b>  <b>Company Code No. 524804</b>
---	---

Dear Sir,

**Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is to inform you that Acrotech Biopharma L.L.C., a wholly owned subsidiary of Aurobindo Pharma USA Inc., USA, which in turn is a wholly owned subsidiary of the Company, has entered into a definitive agreement to acquire seven marketed oncology injectable products, intellectual property and commercial infrastructure from Spectrum Pharmaceuticals Inc., (NASDAQ:SPPI), a US based, global branded oncology company.

The disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part A of Schedule III of the aforesaid regulations, is attached as 'Annexure A'.

We are also enclosing our Press Release dated 17<sup>th</sup> January 2019, relating to the said acquisition as 'Annexure B'.

This is for your information and record.

Yours faithfully,  
**For AUROBINDO PHARMA LIMITED**



**B. Adi Reddy**  
**Company Secretary**



Enclosures:

1. Annexure A
2. Annexure B

**Annexure A**

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

<p>a) Name of the target entity, details in brief such as size, turnover etc.;</p>	<p><b>i) Name of the Target :</b> Acquisition of seven marketed oncology injectable products, intellectual property and commercial infrastructure from Spectrum Pharmaceuticals Inc., (NASDAQ:SPPI), a US based, global branded oncology company ("Spectrum").</p> <p><b>ii) Details of the Target:</b> Spectrum has as part of its major strategic shift to focus on novel oncology drug development and commercialization of its two late-stage pipeline products, carved out its commercial business inclusive of seven marketed oncology injectable products, intellectual property and commercial infrastructure for sale.</p> <p>Transaction is being structured as an asset purchase agreement.</p> <p>The net sales of the acquired business were around \$ 116.2 million for the calendar year ended December 2017 and estimated revenues in 2018 would be \$ 105 million.</p>
<p>b) Whether the acquisition would fall within related party transaction(s) and whether the promoter / promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms-length";</p>	<p>Acquisition will not fall within the related party transaction.</p>
<p>c) Industry to which the entity being acquired belongs;</p>	<p>Pharmaceuticals</p>
<p>d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);</p>	<p>Acquisition provides:</p> <ul style="list-style-type: none"> <li>• new opportunities to grow the business by launching innovative branded products in oncology</li> <li>• readily available infrastructure for Oncology brands</li> <li>• experienced manpower in branded Oncology</li> <li>• launch platform for future products</li> <li>• opportunity to develop follow on branded products</li> <li>• future synergy with internal development and external products leveraging this commercial infrastructure and support.</li> </ul>



(CIN : L24239TG1986PLC015190)

**AUROBINDO PHARMA LIMITED**

PAN No. AABCA7366H

Corp off.: The Water Mark Building, Plot No. 11, Survey No.9, Hi-tech City, Kondapur, Hyderabad - 500 084 T.S., INDIA Tel : +91 40 6672 5000 / 1200 Fax : +91 40 6707 4059

Regd. off.: Plot No. 2, Maithrivihar, Ameerpet, Hyderabad - 500 038 T.S., INDIA Tel : +91 40 2373 6370 Fax : +91 40 2374 7340, Email : info@aurobindo.com

www.aurobindo.com

e) Brief details of any governmental or regulatory approvals required for the acquisition;	Closing of the transaction is subject to clearance from US Federal Trade Commission (FTC)
f) Indicative time period for completion of the acquisition;	Estimated final closing based on expected FTC approval during March – April 2019
g) Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
h) Cost of acquisition or the price at which the shares are acquired;	<p>\$160 million up-front cash payment and up to \$140 million on achieving milestones as listed below:</p> <p><b>Marqibo Milestones</b></p> <ul style="list-style-type: none"> <li>• \$30 million for FDA Product Approval for MARQIBO with label indicated for diffuse large B-cell lymphoma</li> <li>• \$10 million for FDA Product Approval for MARQIBO for any indication other than the B-Cell Lymphoma Indication, single vial or pediatric ALL</li> <li>• \$30 million for Net Sales of MARQIBO during any trailing twelve (12) month period during the Milestone Period are equal to or greater than \$300,000,000</li> <li>• \$10 million for Net Sales of MARQIBO during any trailing twelve (12) month period during the Milestone Period are equal to or greater than \$400,000,000</li> </ul> <p><b>Khapzory Milestones</b></p> <ul style="list-style-type: none"> <li>• \$5 million for Net Sales of KHAPZORY during any trailing twelve (12) month period during the Milestone Period are equal to or greater than \$50,000,000</li> <li>• \$5 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$150,000,000 at any time during the Milestone Period</li> <li>• \$10 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$200,000,000 at any time during the Milestone Period</li> <li>• \$15 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$300,000,000 at any time during the Milestone Period</li> <li>• \$25 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$400,000,000 at any time during the Milestone Period</li> </ul> <p>The milestone period lasts for five years post the closing of the transaction. KHAPZORY milestones only payable in the event KHAPZORY is assigned a unique J-code.</p> <p>The transaction will be an all cash transaction through a fully committed debt facility from various financial institutions.</p>
i) Percentage of shareholding / control acquired and / or number of shares acquired;	No shares / control acquired.



(CIN : L24239TG1986PLC015190)

**AUROBINDO PHARMA LIMITED**

Corp off.: The Water Mark Building, Plot No. 11, Survey No.9, Hi-tech City, Kondapur, Hyderabad - 500 084 T.S., INDIA Tel : +91 40 6672 5000 / 1200 Fax : +91 40 6707 4059

Regd. off.: Plot No. 2, Maithrivihar, Ameerpet, Hyderabad - 500 038 T.S., INDIA Tel : +91 40 2373 6370 Fax : +91 40 2374 7340, Email : info@aurobindo.com

j) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);

This is a carved out business of Spectrum. The product portfolio consists of seven marketed oncology injectable products, intellectual property and commercial infrastructure of Spectrum Pharmaceuticals Inc., a US based, global branded oncology company.

The net sales of the acquired business were \$ 116.2 million for the calendar year ended December 2017 and estimated sales for the year ending December 2018 would be \$ 105 million.

The business is a carved out business of Spectrum.



**Annexure B**

**NEWS RELEASE**

**17<sup>th</sup> January, 2019, Hyderabad, India**

**Aurobindo Pharma's subsidiary Acrotech Biopharma to acquire portfolio of seven marketed oncology injectable products from Spectrum Pharmaceuticals**

**Acquisition for an upfront purchase price of \$160 million in cash plus up to \$140 million on achieving regulatory and sales-based milestones**

- Acquired portfolio includes seven branded oncology injectable products which are currently being marketed. The acquisition also brings-in an experienced branded commercial infrastructure in the US
- The portfolio is expected to generate a revenue of around \$100 million for the first 12 months after completion of the transaction for Aurobindo
- Transaction will be EPS accretive from first full year of ownership

**Hyderabad, India, 17<sup>th</sup> January 2019:** Aurobindo Pharma Limited (BSE: 524804 and NSE: AUROPHARMA) ("**Aurobindo**"), announces the signing of a definitive agreement to acquire a portfolio of seven branded oncology injectable products from **Spectrum pharmaceuticals Inc.** The acquisition also brings-in an experienced branded commercial infrastructure in the US.

Acrotech Biopharma LLC ("**Acrotech**"), a wholly-owned subsidiary of Aurobindo Pharma USA Inc., which in turn a wholly-owned subsidiary of Aurobindo Pharma Limited, will be acquiring the portfolio on a debt free and cash free basis. This acquisition is in line with our strategy to commercialize innovative proprietary medications.

The acquisition will help Aurobindo Group to enter the branded oncology market with a range of products which are well recognized by the oncology community. Aurobindo Group will also acquire a well-established and experienced branded commercial infrastructure to continue commercializing these brands.

**Commenting on the transaction, Dr. Ashish Anvekar, President of Acrotech, said:** *"We are excited to jump-start our mission of helping cancer patients across the globe by delivering clinically differentiated medications and leveraging strategic partnerships. We look forward to welcome an experienced team of employees from Spectrum who are essential to our mission."*

**AUROBINDO PHARMA LIMITED**

(CIN :L24239TG1986PLC015190)

PAN No. AABCA7366H

Corp off.: The Water Mark Building, Plot No.11, Survey No.9, Hi-tech City, Kondapur, Hyderabad – 500 084 T.S., INDIA Tel : +91 40 6672 5000 / 1200 Fax : +91 40 6707 4059

Regd. Off. : Plot No. 2, Maitrivihar, Ameerpet, Hyderabad - 500 038 T.S., INDIA Tel : +91 40 2373 6370 Fax : +91 40 2374 7340, Email : info@aurobindo.com

[www.aurobindo.com](http://www.aurobindo.com)

**Commenting on the transaction, Mr. N. Govindarajan, Managing Director of Aurobindo, said:**

*“The acquisition announced today creates an ideal launch pad for Acrotech, and establishes our presence in the branded market, which is in line with our strategy to grow and diversify our business in the US.”*

**Mr. Govindarajan added,** *“We look forward to deliver the benefits of this transaction to all our stakeholders including employees, patients, customers and healthcare providers across the US. “*

The transaction is expected to close within 90 days of signing following the completion of customary as well as regulatory conditions, including FTC clearance.

This announcement does not constitute a recommendation to shareholders or potential investors.

Leerink Partners LLC acted as financial advisor and Reed Smith LLP acted as legal counsel to Aurobindo.

**Terms of Purchase and Sale Agreement :**

Under the terms of the deal, Aurobindo will make \$160 million up-front cash payment and up to \$140 million in milestones as listed below:

**Marqibo Milestones**

- \$30 million for FDA Product Approval for MARQIBO with label indicated for diffuse large B-cell lymphoma
- \$10 million for FDA Product Approval for MARQIBO for any indication other than the B-Cell Lymphoma Indication, single vial or pediatric ALL
- \$30 million for Net Sales of MARQIBO during any trailing twelve (12) month period during the Milestone Period are equal to or greater than \$300,000,000
- \$10 million for Net Sales of MARQIBO during any trailing twelve (12) month period during the Milestone Period are equal to or greater than \$400,000,000

**Khapzory Milestones**

- \$5 million for Net Sales of KHAPZORY during any trailing twelve (12) month period during the Milestone Period are equal to or greater than \$50,000,000
- \$5 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$150,000,000 at any time during the Milestone Period
- \$10 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$200,000,000 at any time during the Milestone Period
- \$15 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$300,000,000 at any time during the Milestone Period
- \$25 million for Cumulative Net Sales of KHAPZORY are equal to or greater than \$400,000,000 at any time during the Milestone Period

The milestone period lasts for five years post the closing of the transaction. KHAPZORY milestones only payable in the event KHAPZORY is assigned a unique J-code.

**AUROBINDO PHARMA LIMITED**

(CIN :L24239TG1986PLC015190)

PAN No. AABCA7366H

Corp off.: The Water Mark Building, Plot No.11, Survey No.9, Hi-tech City, Kondapur, Hyderabad – 500 084 T.S., INDIA Tel : +91 40 6672 5000 / 1200 Fax : +91 40 6707 4059

Regd. Off. : Plot No. 2, Maitrivihar, Ameerpet, Hyderabad - 500 038 T.S., INDIA Tel : +91 40 2373 6370 Fax : +91 40 2374 7340, Email : info@aurobindo.com

[www.aurobindo.com](http://www.aurobindo.com)

### **About Acrotech**

Acrotech Biopharma LLC, was formed as a global platform to commercialize innovative proprietary medications. The company aims to launch scientifically advanced products to address unmet needs and deliver value to patients as well as all healthcare stakeholders. Acrotech aspires to be a patient focused, research based organization that strives to launch treatments which are accessible to patients that need them.

### **About Aurobindo**

Aurobindo Pharma Limited ([www.aurobindo.com](http://www.aurobindo.com)) (NSE: AUROPHARMA, BSE: 524804, Reuters: ARBN.NS, Bloomberg: ARBP:IN), is a world-leading marketer and manufacturer of generic pharmaceuticals and active pharmaceutical ingredients. The company's robust product portfolio is spread over major therapeutic/product areas encompassing Antibiotics, Anti-Retrovirals, CVS, CNS, Systemic Gastroenterologicals, Anti-Allergies, Anti-Diabetics and other therapeutic areas. The US and Europe are Aurobindo's two most important markets accounting for over 70% of the company's \$ 2.6 billion sales. The company's new product development activities are driven by an outstanding R&D organization. The company's manufacturing facilities are approved by the world's leading regulatory agencies including US FDA, UK MHRA, Japan PMDA, WHO, Health Canada, MCC South Africa, ANVISA Brazil. Aurobindo is headquartered in Hyderabad, India.

### **For further information, please contact:**

Investor Relations

Phone: +91 040-66725401 / 66725000

Mobile: +91 98486 67906

Email: [ir@aurobindo.com](mailto:ir@aurobindo.com)

### **Disclaimer**

This press release contains statements that may constitute "forward looking statements" including and without limitation, statements relating to product characteristics and uses, sales potential and target dates for product launch, implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other factors could cause actual developments and results to differ materially from our expectations. The company undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances and will not be held liable for any use of this information.

## **AUROBINDO PHARMA LIMITED**

(CIN :L24239TG1986PLC015190)

PAN No. AABCA7366H

Corp off.: The Water Mark Building, Plot No.11, Survey No.9, Hi-tech City, Kondapur, Hyderabad – 500 084 T.S., INDIA Tel: +91 40 6672 5000 / 1200 Fax : +91 40 6707 4059

Regd. Off. : Plot No. 2, Maitrivihar, Ameerpet, Hyderabad - 500 038 T.S., INDIA Tel : +91 40 2373 6370 Fax : +91 40 2374 7340, Email : [info@aurobindo.com](mailto:info@aurobindo.com)

[www.aurobindo.com](http://www.aurobindo.com)