

**DEAL PROFILE**

HALO PHARMA, INC. | CAMBREX CORPORATION

	TRANSACTION VALUE	LTM EBITDA MULTIPLE	LTM REVENUE MULTIPLE
VALUES	\$425.0mm	15.7x	4.0x



**Cambrex Corporation (NYSE: CBM)**

Cambrex Corporation was founded in 1981 and is based in East Rutherford, New Jersey. The company provides products and services for the development and commercialization of new and generic therapeutics worldwide. Its products comprise API's and pharmaceutical intermediates that are used in the production of Rx and OTC products, as well as other fine chemicals.

TEV <sup>1</sup> : \$1.7bn	LTM EBITDA <sup>2</sup> : \$177.9mm	LTM Revenue <sup>2</sup> : \$570.7mm
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**Halo Pharma, Inc.**

Halo Pharma was founded in 2006 and is based in Whippany, New Jersey. The company provides pharmaceutical contract development and manufacturing services. It specializes in the development and commercialization of controlled substances, including drug products used for pain management and ADHD. Halo has particular expertise in abuse deterrent technologies and complex IR/ER products and manufactures phase I-III clinical supplies in various dosage forms.

TEV: NA	LTM EBITDA <sup>1</sup> : ~\$27.1mm	LTM Revenue <sup>1</sup> : ~\$106.3mm
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**BOURNE PARTNERS MARKET RESEARCH**

Bourne Partners provides strategic and financial advisory services to clients throughout the business evolution life cycle. To provide the highest level of service, we routinely analyze relevant industry trends and transactions. These materials are available to our clients and partners and provide detailed insight into the pharma, pharma services, OTC, consumer health, and biotechnology sectors.

**OVERVIEW**

Cambrex Corporation entered into a purchase and sale agreement to acquire Halo Pharmaceutical, Inc. from SK Capital Partners for \$425.0mm on July 23, 2018. The acquisition will be funded with a combination of cash on hand and borrowings against Cambrex's \$500.0mm senior credit facility. Since January 2015, SK Capital Partners, a private investment firm with a focus on the specialty materials, chemicals, and healthcare sectors, held a controlling strategic growth investment stake in Halo Pharma. Pending the conclusion of this acquisition, Halo's 450 employees will join Cambrex's 1,200 person workforce across the US and Europe to expand their presence in the specialty CDMO industry.

**HIGHLIGHTS**

Halo Pharma operates two state-of-the-art, GMP compliant facilities located in Whippany, New Jersey and Montreal, Quebec, Canada that add a total of 393,000 sq. ft. to Cambrex's current capacity. The company is currently engaged in 100+ product development projects for 70+ customers, and has expected 2018 total revenue of over \$100.0mm. Halo will provide Cambrex exposure to a high level of expertise in complex oral solids, topicals, oral solutions and suspensions, and the manufacture of controlled substances.

1) As of July 23, 2018  
 2) As of March 31, 2018  
 NA - Not Available

Source(s): S&P CapitalIQ; Business Insider, July 2018; Corporate Announcement of Agreement to Acquire Halo Pharma Inc.