

DEAL PROFILE

JAZZ PHARMA | GW PHARMA

VALUES

\$7.2bn

13.2x

February 3, 2021

Transaction Size

Implied EV / LTM Revenue

Announced Date



Jazz Pharmaceuticals (Nasdaq: JAZZ)

Jazz Pharmaceuticals is a biopharmaceutical company that identifies, develops, and commercializes pharmaceutical products in neuroscience, including sleep and movement disorders, and oncology. The company was founded in 2003 and is based in Dublin, Ireland.

TEV: \$8,754mm¹ LTM EBITDA: \$1,002mm¹ LTM Revenue: \$2,280mm¹



GW Pharmaceuticals plc (Nasdaq: GWPH)

GW is a biopharmaceutical company focused on discovering, developing and commercializing novel therapeutics from its proprietary cannabinoid product platform in a broad range of disease areas. The company was founded in 1998 and is based in Cambridge, United Kingdom.

TEV: \$6,151mm¹ LTM EBITDA: \$-38mm¹ LTM Revenue: \$488mm¹

BOURNE PARTNERS MARKET RESEARCH

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OVERVIEW

On February 3, 2021, Jazz Pharmaceuticals entered into a definitive agreement to acquire GW Pharmaceuticals for \$220 per American Depository Share (ADS), in the form of \$200 paid in cash and the remaining \$20 from Jazz ordinary shares. The total consideration of \$7.2bn, or \$6.7bn net of GW Pharma cash, is expected to close in Q2 2021. The cash portion of the transaction consideration is expected to be funded through a cash on hand and debt financing combination. With unanimous approval from the Board of Directors of both companies, approval is still to be met by GW shareholders, the High Court of England and Wales, Hart-Scott-Rodino, and other customary closing conditions.

HIGHLIGHTS

This deal will allow Jazz to expand beyond their current product offering, consisting mainly of sleep disorder and cancer treatments, into the neuroscience business with Epidiolex. Epidiolex, the first FDA approved cannabis-based epilepsy product, increased its sales by over 70% in 2020 to an approximated \$510mm. "We are excited to add GW's industry-leading cannabinoid platform, innovative pipeline and products, which will strengthen and broaden our neuroscience portfolio, further diversify our revenue and drive sustainable, long-term value creation opportunities," said Bruce Cozadd, chairman and CEO of Jazz Pharmaceuticals. Upon close, the complementary portfolio will contain 19 products between the two companies.

¹LTM values as of 09/30/2020

Source(s): S&P CapitalIQ; Jazz Pharmaceuticals; GW Pharmaceuticals; Reuters