

### **Civica Rx and Xellia Pharmaceuticals join forces to reduce chronic drug shortages** Xellia becomes Civica's first supplier partner and will produce essential antibiotics in short supply in U.S. hospitals

**Lehi, UT and Buffalo Grove, IL, May 15, 2019** – Civica Rx (Civica, Inc.) and Xellia Pharmaceuticals today announced they have signed a product supply agreement under which Xellia will manufacture essential antibiotics, including Vancomycin and Daptomycin, for Civica's member health systems. Shortages of these anti-infective medications are impacting patient care in hospitals across the United States.

Today marks the first time that Civica is announcing the production of generic drugs – and the initial medications to be supplied – since the company was established to address chronic drug shortages. It has committed to partnering with suppliers to deliver 14 essential generic medications this year.

Xellia, headquartered in Copenhagen, Denmark, is expanding its manufacturing and sales capabilities within the U.S. and has a long-standing heritage of manufacturing with an emphasis on quality and security of supply. The company produces its own active pharmaceutical ingredients, as well as finished injectable drug products for serious and often life-threatening bacterial and fungal infections.

"We thank Xellia for helping to lead the way in efforts to reduce chronic generic drug shortages in the U.S., including treatments for serious infections caused by bacteria that are resistant to other antibiotics," said Martin VanTrieste, President and CEO of Civica. "By helping to stabilize the supply of Vancomycin and Daptomycin, we will have a direct impact on patient safety and public health by providing consistent access to antibiotics that are important treatment options in the management of difficult-to-treat and life-threatening infections."

The partnership with Xellia will help avoid drug shortages and enable the supply security Civica and its member health systems are seeking. Xellia will make medications for Civica under Xellia's Abbreviated New Drug Application (ANDA) and Civica labeling and New Drug Code (NDC).

"We are honored to work with Civica, an innovator in addressing generic drug shortages," said Carl-Aake Carlsson, CEO Xellia Pharmaceuticals. "Our collaboration also supports Xellia's long-term ambition of mitigating anti-infective drug shortages across the U.S."

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#### About Civica Rx

Civica was established in 2018 to reduce chronic generic drug shortages in the U.S. and exists in the public interest as a non-profit, non-stock corporation committed to stabilizing supply of essential generic medications in a hospital setting. Civica's membership includes a Governing Board and Founding and Partnering Members.

Civica will act in the best interest of patients to eliminate uncertainty in the generic drug supply chain through long-term contracts with health system members as well as its manufacturing partners. Civica is committed to transparency and will offer fair and sustainable prices to its member hospitals. It will also ensure it has dedicated manufacturing capacity for the medications that are most desperately needed in hospitals across the country through redundant manufacturing and strategic stockpiling of medications to prevent drug shortages in the future.

Civica aims to stabilize the supply of antibiotics, anesthetics, cardiac medications, pain management medications, and other essential sterile injectable medicines used in hospitals daily. It is actively pursuing a three-pronged <u>product supply strategy</u>:

- Working with multiple generic drug manufacturers (with Xellia as its first) that have the US FDA approved manufacturing facilities and capacity to produce Civica labeled generic drugs, allowing manufacturers to re-enter the market or increase existing capacity
- Developing and acquiring Abbreviated New Drug Applications (ANDAs) for generic drugs and working with contract manufacturing organizations to produce Civica medications
- Acquiring and building Civica manufacturing facilities using Civica's ANDAs

More information about Civica can be found at <u>www.civicarx.org</u> and <u>https://civicarx.org/media/</u>.

#### About Xellia Pharmaceuticals

Xellia Pharmaceuticals ("Xellia") is a specialty pharmaceutical company developing, manufacturing and commercializing anti-infective treatments against serious and often life-threatening bacterial and fungal infections.

With over 100 years of experience, Xellia is a world-leading trusted supplier of several important established anti-infective drugs, comprising active pharmaceutical ingredients as well as injectable products. Continuing the Company's evolution, Xellia is generating an innovative pipeline of value-added anti-infective medicines intended to enhance patient care, providing convenience and ease-of-use for healthcare professionals.

Headquartered in Copenhagen, Denmark, Xellia has a global footprint with R&D, manufacturing and commercial operations across Europe, Asia and North America and is investing significantly to expand its sales and manufacturing capabilities within the United States. Xellia is wholly owned by Novo Holdings A/S and employs a dedicated team of over 1,600 people.

Further information about Xellia can be found at: <u>www.xellia.com</u>.

#### About Vancomycin and Daptomycin

Vancomycin is an antibiotic administered by an intravenous (IV) infusion over at least 60 minutes. It is used for serious infections caused by bacteria that are resistant to certain other antibiotics, including methicillin resistant Staphylococcus aureus (MRSA). Vancomycin can treat infections throughout the body including: pneumonia (lungs), cellulitis (skin and skin structures), septicemia (blood), osteomyelitis (bone), and endocarditis (inner lining of the heart).

Daptomycin is an antibiotic administered by an intravenous (IV) bolus injection or infusion over 2-30 minutes, respectively. It is used to treat complicated infections of the skin and skin structures caused by susceptible isolates of the Gram-positive bacteria including methicillin resistant Staphylococcus aureus (MRSA). Daptomycin is also used to treat infections of the bloodstream and infective endocarditis (an infection of the inner lining of the heart) caused by methicillin-susceptible and methicillin-resistant S. aureus bacteria.

#### **Enquiries:**

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