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Civica Update

Civica Rx Partners on COVID-19 Response and "End-to-End" U.S. Based Generic Drug Manufacturing

May 19, 2020

SALT LAKE CITY, UT – Civica Rx (Civica, Inc.) is part of a new U.S. Government-funded partnership that was announced today to produce essential generic medicines and their ingredients at one location in the United States. Teams within the Department of Health and Human Services (HHS) are working with a team of private industry partners to expand generic pharmaceutical manufacturing in the U.S. and create stockpiles of Active Pharmaceutical Ingredients (APIs) and essential generic sterile injectable medications needed during public health emergencies and beyond. The immediate priority for the partnership will be COVID-19 response. HHS issued the following news release today:

 <u>HHS, Industry Partners Expand U.S.-Based Pharmaceutical Manufacturing for COVID-19</u> <u>Response</u>

Phlow Corporation of Richmond, Virginia will lead the partnership. Phlow is a public benefit pharmaceutical manufacturing company committed to manufacturing essential medicines in the U.S from beginning to end, including starting raw ingredients, APIs and finished dosage forms. Phlow issued the following news release today:

• <u>Phlow Corporation Awarded \$354 Million HHS/ASPR/BARDA Contract to Manufacture Essential</u> <u>Medicines in Shortage</u>

Civica's role will be to manufacture the finished dosage forms of essential medications, including vials and syringes, with its existing network of Civica manufacturing partners. In partnership with Phlow, Civica has already provided 1.6 million doses of critical medicines to the national stockpile for COVID-19 response. These include broad spectrum antibiotics, pain management medications, neuromuscular blocking agents and additional medications needed to treat co-morbidities.

Civica will also begin to build its own finished dosage form manufacturing facility on the same site as Phlow's other partner operations to ensure end-to-end domestic generic drug manufacturing dedicated to solving and preventing critical drug shortages.

"This partnership fits well with Civica's mission to make essential generic medications accessible and affordable," said Martin VanTrieste, president and CEO of Civica Rx. "We thank Phlow, VCU and AMPAC for their collaboration and commitment to serving patients, and we thank the federal government for partnering with us to bring urgently needed advanced manufacturing capabilities for the production of essential generic drugs to the United States."

About Civica Rx and Its Three-pronged Product Supply Strategy

Civica Rx is a nonprofit, non-stock corporation committed to making quality generic medicines available and affordable. Civica was founded in 2018 by leading US hospital systems concerned about shortages of

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essential generic drugs and philanthropic organizations passionate about improving healthcare. Today, over 50 health systems are Civica members, representing more than 1,200 US hospitals and over 30 percent of all licensed US hospital beds.

To ensure there is redundancy in the supply chain and the ability to build safety stocks of essential generic medicines, Civica is implementing, simultaneously, a three-pronged product supply strategy to reduce chronic drug shortages and secure the supply of essential generic medicines for patients:

- Working with multiple generic drug manufacturers that have the US FDA approved manufacturing facilities and capacity to produce generic drugs under Civica's National Drug Code, allowing manufacturers to re-enter the market or increase existing capacity. Civica is currently working with five supplier partners and in negotiations with several more.
- Developing Abbreviated New Drug Applications (ANDAs) for generic drugs and working with contract manufacturing organizations like Thermo Fisher to produce Civica medications.
- Building Civica manufacturing capability using Civica's ANDAs. This partnership and funding accelerate Civica's plans to build a plant for generic drug production.

Civica aims to stabilize the supply of antibiotics, anesthetics, cardiac medications, pain management medications, and other essential sterile injectable medicines. To date, and in just over a year, Civica has launched 20 sterile injectable medications for use in hospitals across the country for essential patient care. Ten of these medications are being used to treat COVID-19 patients. Civica is on track to deliver approximately 20 more medications in 2020, building toward 100 medications (in hundreds of dosage forms) by 2023.

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