



## TFS To Acquire ViroXis And Santalis Pharma - Quick Facts

(RTTNews.com) - TFS Corporation Limited (TFSCF.PK, TFC.AX) said that it has entered into share purchase agreements to acquire US-based pharmaceutical partners ViroXis Corporation and Santalis Pharmaceuticals.

TFS will pay minimum consideration of US\$23.4 million for the issued shares in ViroXis and Santalis it does not already own (100% and 50% respectively), payable by US\$1.5 million in cash and US\$21.9 million in TFS shares.

The scrip component of the minimum consideration will involve the issuance of around 15.3 million TFS shares at a price of A\$1.85 per share.

TFS anticipates issuing around 12.6 million shares in July 2015 and the remaining 2.7 million shares in the period between 10 September 2015 and 31 July 2016. Around 9.1 million of the 12.6 million shares expected to be issued in July 2015 will be subject to lock up provisions (which range between six and thirty months).

The total maximum consideration payable by TFS consists of fixed minimum payments of US\$23.4 million and contingent payments over time of up to US\$221.5 million. The contingent consideration only becomes payable when the acquired companies achieve significant operating and commercial milestones (from the launch or approval of new pharmaceutical products containing Indian sandalwood oil) and significant operating cash inflows.

The Acquisitions do not impact TFS's previous guidance for fiscal year 2015 of net profit after tax of at least \$90 million. After absorbing transaction costs, TFS continues to expect cash EBITDA to increase year-on-year by approximately 10%. On a stand-alone basis, and excluding any benefit from higher Indian sandalwood oil sales, the Acquisitions are expected to be EPS dilutive in fiscal year 2016.

Source: <http://www.nasdaq.com/article/tfs-to-acquire-viroxis-and-santalis-pharma--quick-facts-20150617-01152>

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