

European CNS specialist Neuraxpharm enters booming CBD market

- *Neuraxpharm establishes Swiss footprint with acquisition of leading cannabidiol company*
- *S.T.U. GmbH is the owner of market leading brand Hemplix™*

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Neuraxpharm Group (Neuraxpharm), a leading European specialty pharmaceutical company focused on the central nervous system (CNS), announces today the acquisition of S.T.U. GmbH (Swiss Trade Union or S.T.U.), a leading Switzerland-based developer and distributor of natural cannabidiol (CBD) consumer products.

The deal enables Neuraxpharm to enter the fast-growing CBD space and to build on its business of CNS-related products, including value added medicines, standard generics and consumer healthcare products. The acquisition is in line with Neuraxpharm's strategy to expand its presence in Europe entering a key market. Switzerland is now the 10th European market where Neuraxpharm will have a direct presence. It is the fifth country the company has extended its footprint in 2019.

Located in Liestal, near Basel, S.T.U. owns the leading natural CBD brand Hemplix™. Hemplix™ CBD oils have been developed exclusively in Switzerland using 100% Swiss organic raw materials and are subject to strict quality regulations. Another major S.T.U. brand product is smartCBD™. The products are currently sold through retail and online sales channels largely in Switzerland and Germany. This meets strict requirements across the European regulatory landscape.

According to recent market research, Switzerland is seen as the European hub for CBD with a broad range of formats available and a high per capita spend. The European CBD market currently stands at a conservative EUR 300m with strong growth forecast over the next few years to reach EUR 1.7bn by 2023¹. In addition, CBD is being explored in the EU for potential health benefits, including in CNS.

Neuraxpharm will leverage S.T.U.'s brand recognition and product loyalty through its established commercial networks. Neuraxpharm will further enhance its digital offering by leveraging S.T.U.'s online presence to enter new channels through S.T.U.'s distribution network.

Dr Jörg-Thomas Dierks, Chief Executive Officer of Neuraxpharm, said: *"We are very pleased to welcome S.T.U. GmbH to the Neuraxpharm family, and to expand our portfolio of products with the acquisition of a leading CBD brand. As the European consumer market for natural products continues to grow, this range of CBD products offers high quality Swiss-made brands."*

¹ Source: Ceuta Group, September 2019 for Neuraxpharm



“We believe this acquisition offers us an excellent platform to capitalize on the substantial opportunity in the double-digit growing CBD market and expand our presence in a key European country.”

European consumer awareness and usage of CBD products is still relatively low, offering a clear opportunity for Neuraxpharm to be at the forefront of an emerging area. With this acquisition, Neuraxpharm is positioned to become a pioneer in the rapidly evolving CBD market.

Commenting on the transaction, Claudio Iannuzzi and Pascal Siegrist, Managing Directors of S.T.U. said: *“As a pioneer in the European CBD market with a very strong product portfolio and established online marketing and distribution networks, we are very excited to team up with Neuraxpharm, the leading CNS company, to advance our CBD business internationally.”*

The terms of the transaction were not disclosed.

Media Enquiries

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About Neuraxpharm – the European CNS specialist

Neuraxpharm is a leading European specialty pharmaceutical company focused on the treatment of central nervous system disorders (CNS), with a direct presence in Germany, Spain, Italy, France, United Kingdom, Poland, Czech Republic, Slovakia and Hungary. Backed by funds advised by Apax Partners, Neuraxpharm has a unique understanding of the CNS market built over 30 years.

With its focus on CNS, Neuraxpharm develops and commercializes value added medicines, standard generics and consumer healthcare products, e.g. probiotics and other nutraceuticals, and is continuously striving to offer a wide range of effective, high quality and affordable CNS treatment options in Europe.

<https://www.neuraxpharm.com>

About S.T.U. GmbH

Based in Liestal, Switzerland, S.T.U. GmbH (Swiss Trade Union or S.T.U.) develops and sells natural CBD consumer products produced using 100% organic raw materials, marketed under different brands, including Hemplix™ and smartCBD™.

Hemplix™ CBD oil is produced from the highest quality hemp grown organically in Switzerland. The production of the CBD oil takes place in a protected environment and is subject to strict quality regulations, always striving for the best and purest quality of the finished product.

<https://www.hemplix.ch/>