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Bausch Health to acquire assets of Synergy Pharma

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Bausch Health Companies Inc. has announced that the Company was selected as the successful bidder to acquire certain assets of Synergy Pharmaceuticals Inc. for a cash purchase price of approximately $195 million and the assumption of certain assumed liabilities, pursuant to the terms of the stalking horse asset purchase agreement previously entered into with the Company.

"As we continue to transform Bausch Health, we are now pivoting to offense with research investments and strategic acquisitions that augment our core businesses. We are excited to acquire the assets of Synergy, which we believe will strategically enhance our Salix Pharmaceuticals business and supplement our organic growth in gastroenterology," said Joseph C. Papa, chairman and CEO, Bausch Health.

"With our team's expertise in GI and primary care, we will strengthen our already formidable portfolio of innovative irritable bowel syndrome solutions with the addition of TRULANCE®. Additionally, dolcanatide, an investigational incremental peptide that has established proof of concept studies in a host of GI conditions, will be a welcome addition to our early stage pipeline."

As previously announced, in December 2018, Synergy filed a voluntary petition (the "Chapter 11 Petition") for reorganization under Chapter 11 of the U.S. Code (the "Bankruptcy Code") with the U.S. Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). At that time, Bausch Health entered into a definitive agreement to acquire certain assets of Synergy. Under the terms of the agreement, Bausch Health served as the stalking horse bidder in a sale process, which Synergy conducted pursuant to Section 363 of the Bankruptcy Code and court-approved bidding procedures.

The hearing to approve the sale is scheduled for March 1, 2019. Subject to approval of the Bankruptcy Court and the satisfaction or waiver of certain other closing conditions, the transaction is expected to close shortly after receipt of approval of the sale.