

May 31, 2022



Khiron to Acquire EU-GMP-Certified German Pharmaceuticals Manufacturer and Wholesaler, Expanding its European Footprint

- The acquisition will accelerate Khiron's growth in Europe by controlling the complete value chain for its products and gaining direct access to German pharmacies
- The acquisition will provide Khiron with an EU GMP-certified European manufacturing and distribution hub for various pharmaceutical products
- The target is an experienced player in the European pharmaceutical market, and the acquisition will help to significantly expand the medical portfolio of Khiron's brand
- The first new product is expected to be the full spectrum extract KHIRIOX 25/1, which will soon be available for pharmacies and patients in both Germany and the United Kingdom

TORONTO, May 31, 2022 /CNW/ - Khiron Life Sciences Corp. ("Khiron" or the "Company") (TSXV: KHRN) (OTCQX: KHRNF) (Frankfurt: A2JMZC), a global leader in medical cannabis throughout Europe and Latin America, announces that it has entered into an agreement to acquire Pharmadrug GmbH ("Pharmadrug GmbH") from its parent PharmaDrug Inc. (CSE:PHRX) (OTC:LMLLF) ("PharmaDrug").



Pharmadrug GmbH has been active worldwide for almost 40 years as a manufacturer and wholesaler of medicinal products and active pharmaceutical ingredients. Pharmadrug GmbH is EU-GMP (Good Manufacturing Practice) and EU-GDP (Good Distribution Practice) certified, fulfilling the European guidelines for the highest quality standards and holds a license to handle narcotics in Germany.

Franziska Katterbach, President of Khiron Europe, stated: "This acquisition will provide us with a European manufacturing and distribution centre for cannabinoid-based medicines with EU-GMP certification. This will have a direct positive impact on our revenues and higher gross margins. The long-established German company will be instrumental in expanding Khiron's product portfolio with new dosage formats and bringing Khiron's full-spectrum extracts to Germany and the United Kingdom to grow the patient base. Our team in Europe is excited to join forces with new colleagues from Pharmadrug GmbH, with their valuable expertise in the German pharmaceutical market."

Under the terms of the deal, Khiron will acquire all of the shares of Pharmadrug GmbH from PharmaDrug, in consideration for common shares of Khiron ("Khiron Shares") and a promissory note. An aggregate of 5,500,000 Khiron Shares are expected to be issued at closing (subject to certain adjustments to account for certain payments that may be made between signing and closing, referred to as the "Closing Adjustments"), at a deemed price per Khiron Share of \$0.16. The promissory note will be issued at closing in the principal amount of \$1,100,000 (subject to certain other Closing Adjustments) and will be non-interest bearing and repayable one year from the date of issue in cash or, at Khiron's option, additional Khiron Shares issued at the 10-day volume-weighted average trading price per Khiron Share on the TSX Venture Exchange at the time of issue. The transaction is subject to customary closing conditions, including the approval of the TSX Venture Exchange. It is expected that the acquisition of Pharmadrug GmbH will constitute an "Expedited Acquisition"

under the policies of the TSX Venture Exchange. The parties are targeting a closing on or before the end of July, 2022. There can be no assurance that the Transaction will be completed as proposed or at all. The agreement was signed on May 31st, 2022.

About Khiron Life Sciences Corp.

Khiron is a leading global medical cannabis company with core operations in Latin America and Europe. Leveraging wholly-owned medical health clinics and proprietary telemedicine platforms, Khiron combines a patient-oriented approach, physician education programs, scientific expertise, product innovation, and focus on creating access to drive prescriptions and brand loyalty with patients worldwide. The Company has a sales presence in Colombia, Germany, the United Kingdom, Peru, and Brazil and is positioned to commence sales in Mexico. The Company is led by its co-founder and Chief Executive Officer, Alvaro Torres, together with an experienced and diverse executive team and board of directors.

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Cautionary Statement Regarding Forward-Looking Statements

This press release may contain "forward-looking information" within the meaning of applicable securities legislation. All information contained herein that is not historical in nature constitutes forward-looking information. Forward-looking information contained in this news release include statements pertaining to the acquisition of Pharmadrug GmbH, the expected synergies and benefits to the Company from the acquisition, as well as statements concerning the expected timing to complete the acquisition. Forward-looking information and statements contained in this news release reflect management's current beliefs and is based on information currently available and on assumptions that management believes to be reasonable. These assumptions include, but are not limited to, the Company's ability to satisfy various closing conditions regarding the acquisition of Pharmadrug, the expected benefits to be realized by the Company's business as a result of the acquisition, and assumptions regarding market opportunities in the jurisdictions in which the Company operates and where it seeks to operate.

Although management believes that its expectations and assumptions to be reasonable, forward-looking information is always subject to known and unknown risks, uncertainties, and other factors, many of which are beyond the control of management, that may cause actual results to differ materially from those expressed or implied in such forward-looking information. Such risks and uncertainties include but are not limited to the following: general economic conditions, adverse conditions in capital markets, political uncertainties, counterparty risk, failing to obtain required regulatory requirements and approvals, failure to maintain required permits and licences, business integration risks, as well as those other risk factors discussed in Khiron's most recent information form which is available on Khiron's SEDAR profile at www.sedar.com.

As a result of the foregoing and other risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking information contained in this press release. Readers are further cautioned that the foregoing risks and uncertainties is not exhaustive, and there may be other risks and uncertainties, presently unknown to management of the Company, that may cause actual results to differ materially from those expressed or implied in forward-looking statements contained in this press release. The forward-looking information contained in this press release is expressly qualified by this cautionary statement. Khiron disclaims any intention to update or revise any forward-looking information disclosed herein, whether as a result of new information, future events or otherwise, except as required by law.

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