



## Amgen Inc. (NAS: AMGN)

Amgen Inc. discovers, develops, manufactures, and delivers human therapeutics worldwide. It offers products across various therapeutic classes, including oncology/hematology, cardiovascular, inflammation, bone health, and neuroscience. Amgen was founded in 1980 and is headquartered in Thousand Oaks, CA.

**TEV:** \$172.5bn

**LTM EBITDA:** \$13.4bn

**LTM Revenue:** \$26.3bn



## Horizon Therapeutics PLC (NAS: HZNP)

Horizon Therapeutics PLC is a specialty and generic drug manufacturing company. The company is focused on the discovery, development, and commercialization of medicines that address critical needs for people impacted by rare, autoimmune, and severe inflammatory diseases.

**TEV:** \$26.2bn

**LTM EBITDA:** \$810mm

**LTM Revenue:** \$3.7bn

## VALUES

**\$28.3bn**

Enterprise Value

**~34.9x**

LTM EBITDA Multiple

**~21.0x**

NTM EBITDA Multiple

## BOURNE PARTNERS MARKET RESEARCH

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## OVERVIEW

On December 12<sup>th</sup>, 2022, Amgen Inc. announced its intention to acquire Horizon Therapeutics PLC in an all-cash offer at \$116.50 per share for a valuation of \$27.8bn on a fully diluted basis (implied enterprise value of \$28.3bn). The valuation represents a 47.9% premium to HZNP's \$78.76 pre-announcement share price on November 29<sup>th</sup>. Amgen, a leader in inflammation and nephrology for decades, believes the acquisition combined with its global presence and world-class biologics capabilities, will enable the company to reach more patients with first-in-class medicines like Tepezza, Krystexxa and Uplizna. The potential new medicines in Horizon's pipeline strongly complement Amgen's own R&D portfolio, which is expected to drive growth in revenue and non-GAAP EPS and is expected to be accretive from 2024.

## HIGHLIGHTS

Amgen believes the acquisition strengthens its portfolio of first-in-class innovative therapeutics by adding a complementary portfolio of medicines that address the needs of patients suffering from rare diseases. The acquisition enhances the growth potential of Horizon's portfolio by capitalizing on Amgen's 20-year commercial and medical legacy in inflammation and nephrology and its global scale to enhance the growth potential of Horizon's portfolio. Additionally, the transaction is expected to generate robust cash flow (~\$10bn over 12 months through Q3 2022) to support capital allocation priorities; accelerate revenue growth and be accretive to non-GAAP earnings per share from 2024; and increase efficiency for the combined group, leading to an estimated annual pre-tax cost reduction of at least \$500mm by the end of the third fiscal year following completion.