

Perrigo To Expand Into Adjacent Self-Care Category By Acquiring Ranir Global Holdings LLC, The Leading Global Private Label Supplier Of Oral Self-Care Products

- All cash transaction valued at \$750 million, or approximately \$685 million inclusive of cash tax benefits on a present value basis
- Ranir generated net sales of \$287 million in calendar year 2018 and is anticipated to be growth and adjusted margin accretive to Perrigo's consumer business
- Transaction expected to be approximately \$0.10 accretive to 2019 adjusted EPS assuming an expected third quarter 2019 closing

DUBLIN, May 9, 2019 /PRNewswire/ -- Perrigo Company plc (NYSE, TASE: PRGO) today announced that it has reached a definitive agreement to purchase privately-held Ranir Global Holdings LLC ("Ranir") in a transaction valued at \$750 million on a cash-free, debt-free basis, or approximately \$685 million net of cash tax benefits on a present value basis. Ranir is the largest private label oral care company globally, with a comprehensive portfolio of 300+ highly customized oral care solutions including power toothbrush heads, power toothbrush handles, whitening strips, manual toothbrushes, floss, dentures and travel kits that it sells into over 50 countries worldwide. This transaction advances Perrigo's transformation to a consumer-focused, self-care company while enhancing its position as a global leader in consumer self-care solutions.

Perrigo CEO and President Murray S. Kessler commented, "The addition of Ranir to the Perrigo family illustrates a key component of our new strategy, accelerating growth by pursuing adjacent self-care categories. I can't emphasize enough the opportunity we believe exists by combining these two companies that are so closely aligned. This is highlighted by their geographic proximity, scale in store brands, leading market shares, strong and complementary customer relationships, a focus on quality, similar company cultures and a shared belief in the opportunity presented by the self-care mega-trend. We expect this strategic combination will enhance shareholder value and we are excited to provide more details at today's Investor Day event."

"Affordable self-care has never been more important as we face ever-increasing healthcare costs," said Rich Sorota, CEO and President of Ranir. "We've worked hard over the past several years to execute a comprehensive growth plan to advance our purpose of 'Delivering Millions of Affordable, Healthy Smiles' every day. As part of this plan, we are taking the next step in our transformation, while remaining fully committed to our heritage and values. Our two companies are immensely complementary and aligned in our greater purpose and mission. Our combined talents, scale, global presence, innovation, and understanding of self-care will help support not only our local communities, but also our suppliers, retail partners and their consumers. This ultimately enables us to better pursue our purpose worldwide."

Transaction Rationale

The Ranir acquisition is an attractive opportunity both strategically and financially for Perrigo to accelerate its self-care vision by expanding its footprint in the key oral care category with a market leading store brand business that is led by a strong management team. As private label continues to take share from branded products in oral care, Ranir is well positioned to serve the growing demand for high-quality, customized, store brand oral care products.

Ranir is a high-growth business and a market leader in the attractive OTC oral self-care solutions category with strong private label roots, global execution capabilities and a

culture of innovation, all of which are highly complementary to Perrigo. The transaction demonstrates Perrigo's ability to identify and execute on unique, scale opportunities in adjacent categories.

Beyond the addition of approximately 650 talented employees and a strong bench of seasoned executives with over 200 years of combined leadership experience, the acquisition will also further diversify Perrigo's revenue and cash flow. The transaction is expected to be immediately accretive to standalone Perrigo net sales growth, adjusted operating income growth and adjusted EPS.

Ranir generated net sales of \$287 million in calendar year 2018, making it the largest player in the private label oral care market globally. Both management teams see immense potential to enhance the Ranir footprint utilizing Perrigo's global platform.

Transaction Details

Perrigo has agreed to acquire Ranir in a cash transaction valued at \$750 million on a cash-free, debt-free basis, or \$685 million net of cash tax benefits on a present value basis. Perrigo intends to fund the transaction with cash on hand, proceeds from the sale of its Animal Health business and short-term debt.

Perrigo has identified multiple opportunities to drive annual operating synergies of approximately \$10 million by 2021 in addition to capturing tax value due to the structure of the deal.

The proposed transaction has been unanimously approved by the respective Boards of Directors of Perrigo and Ranir and is subject to the satisfaction of closing conditions, including customary regulatory approvals. The transaction is expected to close in the third quarter of calendar year 2019.

Morgan, Lewis and Bockius is serving as Perrigo's legal counsel. William Blair & Company, L.L.C. is serving as the exclusive financial advisor for Ranir with Kirkland & Ellis LLP as counsel.

About Perrigo

Perrigo Company plc (NYSE;TASE: PRGO) is dedicated to making lives better by bringing "*Quality, Affordable Self-care Products™*" that consumers trust everywhere they are sold. The Company is a leading provider of over-the-counter health and wellness solutions that enhance individual well-being by empowering consumers to proactively prevent or treat conditions that can be self-managed. Visit Perrigo online at <http://www.perrigo.com>.

About Ranir

Ranir is a leading global manufacturer of store brand private label consumer oral care products, including power and manual toothbrushes, teeth whiteners, dental floss, flossers and interdental brushes. Founded in 1979, Grand Rapids, Michigan-based Ranir serves retail customers globally and is committed to delivering affordable, healthy smiles in millions of households every day. Its products, which include some of the world's largest oral care store brands, can be found at major retailers in more than 50 countries. The consumer and customer insight driven research and development-focused company also owns, manufactures and markets the Plackers® and REMBRANDT® brands and proudly

employs more than 650 associates worldwide. For more information, visit www.ranir.com.

Forward-Looking Statements

Certain statements in this press release are "forward-looking statements." These statements relate to future events or the Company's future financial performance and involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the Company or its industry to be materially different from those expressed or implied by any forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expect," "forecast," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential" or the negative of those terms or other comparable terminology. The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the Company's control, including: the timing, amount and cost of any share repurchases; future impairment charges; the success of management transition; customer acceptance of new products; competition from other industry participants, some of whom have greater marketing resources or larger market shares in certain product categories than the Company does; pricing pressures from customers and consumers; resolution of uncertain tax positions, including the Company's appeal of the Notice of Assessment ("NoA") issued by the Irish tax authority and the Notice of Proposed Adjustment ("NOPA") issued by the U.S. Internal Revenue Service and the impact that an adverse result in such proceedings would have on operating results, cash flows, and liquidity; potential third-party claims and litigation, including litigation relating to the Company's restatement of previously-filed financial information and litigation relating to uncertain tax positions, including the NoA and NOPA; potential impacts of ongoing or future government investigations and regulatory initiatives; the impact of tax reform legislation and healthcare policy; general economic conditions; fluctuations in currency exchange rates and interest rates; the consummation of announced acquisitions or dispositions and the success of such transactions, and the Company's ability to realize the desired benefits thereof; and the Company's ability to execute and achieve the desired benefits of announced cost-reduction efforts and strategic and other initiatives.

Statements regarding the separation of the RX business, including the expected benefits, anticipated timing, form of any such separation and whether the separation ultimately occurs, are all subject to various risks and uncertainties, including future financial and operating results, our ability to separate the business, the effect of existing interdependencies with our manufacturing and shared service operations, and the tax consequences of the planned separation to the Company or its shareholders. Furthermore, the Company may incur additional tax liabilities in respect of 2016 and prior years or be found to have breached certain provisions of Irish company law in connection with the Company's restatement of previously-filed financial statements, which may result in additional expenses and penalties. These and other important factors, including those discussed under "Risk Factors" in the Company's Form 10-K for the year ended December 31, 2018, as well as the Company's subsequent filings with the United States Securities and Exchange Commission, may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this press release are made only as of the date hereof, and unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a

result of new information, future events or otherwise.

SOURCE Perrigo Company plc

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<https://investor.perrigo.com/2019-05-09-Perrigo-To-Expand-Into-Adjacent-Self-Care-Category-By-Acquiring-Ranir-Global-Holdings-LLC-The-Leading-Global-Private-Label-Supplier-Of-Oral-Self-Care-Products>