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Wires

Dow Jones Newswires

Fastnet Equity to Buy Amryt, to Raise GBP10M
By Jana Simmons
31 March 2016

Fastnet Equity PLC (FAST.LN) on Thursday said it signed a conditional agreement to buy Amryt Pharmaceuticals DAC for 29.6 million pounds (\$42.3 million) and announced a proposed placing to raise GBP10 million.

The acquisition, which will be satisfied by the issue of shares, constitutes a reverse takeover in accordance with AIM rules.

The company plans to change its name to Amryt Pharma PLC.

The proceeds of the placing will be used to satisfy certain milestone payments, to fund clinical trial costs and for general working capital.

"We are focused on building a portfolio of differentiated medicines, in therapeutic areas where there is large unmet medical need and which offer significant commercial potential," said Joe Wiley, the proposed CEO of Amryt Pharma.

Dow Jones Newswires Headline

Fastnet Equity PLC Proposed Acquisition of Amryt Pharmaceuticals

Bloomberg Headline

FASTNET EQUITY FAST PROPOSED PURCHASE OF AMRYT PHARMACEUTICALS

Dow Jones Newswires

Fastnet Equity to Buy Amryt, to Raise GBP10M
By Jana Simmons
31 March 2016

Fastnet Equity shares are on the rise after the company signed a conditional agreement to buy Amryt Pharmaceuticals DAC for GBP29.6 million and announced a proposed placing to raise GBP10 million. The acquisition, which will be satisfied by the issue of shares, constitutes a reverse takeover in accordance with AIM rules. Shares +12% at 3.2p

Dow Jones Newswires

Jubilee Platinum Narrows Loss; Nanoco's Royalty Payments From Dow Chemical to Fall
31 March 2016

[Irrelevant text removed]

FASTNET EQUITY PLC (FAST.LN) said it signed a conditional agreement to buy Amryt Pharmaceuticals DAC for 29.6 million pounds (\$42.3 million) and plans to raise GBP10 million from a placing. Shares +0.2 pence, or 7.9%, at 3.1 pence.

Nationals

City AM

Fastnet Equity shares rise after company announces £29.6m reverse takeover deal with Amryt Pharmaceuticals

By William Turvill

31 March 2016

The share price of Fastnet Equity, formerly known as Fastnet Oil and Gas, shot up this morning after it announced a £29.6m reverse takeover deal with Amryt Pharmaceuticals.

If the reverse takeover is agreed, the new Aim-listed company would be called Amryt Pharma.

Amryt, which was founded in August 2015, recently agreed deals to acquire Birken and SomPharmaceuticals.

The £29.6m will be satisfied by the issuance of Fastnet shares. The company is also proposing to raise £10m through a placing of 41.7m new shares at a cost of 24p. It said this price is equivalent to 3p per share before the capital reorganisation.

Joe Wiley, the proposed chief executive of Amryt Pharma, said: "Today's announcement is an important step towards realising the company's vision of building a specialty pharmaceutical company focused on best in class treatments for orphan diseases.

"We are focused on building a portfolio of differentiated medicines, in therapeutic areas where there is large unmet medical need and which offer significant commercial potential."

He said the £10m of new funds would be used to accelerate the development of Episalvan, a treatment that recently won European approval.

Following the announcement, Fastnet Equity's share price rose as high as 3.75p this morning, up more than 30 per cent.

Irish Examiner

Fastnet Equity in €37m debut deal

By Geoff Percival

1 April 2016

Dublin-based investment firm Fastnet Equity has reached conditional agreement to acquire drug firm Amryt Pharmaceuticals for £29.6m (€37.5m).

The deal qualifies as a reverse takeover and, if concluded, will see the business renamed Amryt Pharma, with a dual listing on Dublin's ESM and London's AIM markets.

Fastnet, which last year switched its focus from oil and gas exploration to healthcare /biopharmaceutical investment, will meet the consideration through a share transaction and aims to raise a further £10m via a conditional placing of nearly 41.7m new ordinary shares. Fastnet Equity's share price was up by over 7% on yesterday's news.

Amryt was launched last year as a vehicle specialising in the commercialisation of treatments for rare diseases.

Proposed chief executive Joe Wiley said the new deal will be "an important step to realising the company's vision of building a speciality pharmaceutical company focused on best-in-class treatments for orphan diseases".

The planned £10m in new funding will go towards accelerating Episalvan, its treatment for a rare skin disorder affecting children.

Irish Independent

Sudocrem man Stafford is on board for Amryt deal
3 April 2016

Ray Stafford, the man behind the Sudocrem brand, has joined the proposed board of Amryt Pharmaceuticals, which is poised to complete a reverse takeover of Irish-listed Fastnet Equity.

The deal, reported by the Sunday Independent earlier this year, will create a new drugs company focusing on treatments for rare (or 'orphan') diseases.

It will aim to develop its lead product - which has been approved as a treatment for certain types of skin wounds by the European regulator - as a treatment for epidermolysis bullosa (EB), a genetic skin disease that causes painful blisters to form at the slightest friction.

The disease was the subject of a well-known Channel 4 documentary entitled The Boy Whose Skin Fell Off.

Stafford was chairman, chief executive and majority shareholder of the Tosara Group, which owned, manufactured and marketed Sudocrem.

Tosara was later sold to the American company Forest Laboratories, where he became executive vice president for global marketing. He will be a non-executive director of Amryt.

Also joining the company is Michele Bellandi, who will be Amryt's chief commercial officer. He is a former Head of Commercial for Europe at Shire, the company whose founder Harry Stratford will be Amryt's chairman.

Joe Wiley, who previously led the European office of life sciences venture capital firm Soffinova Ventures, will be the chief executive.

Rory Nealon, a former chief financial officer of Trinity Biotech, will be Amryt's chief financial and operating officer. He told the Sunday Independent that the company was "focused on building a pipeline of commercially attractive products in the orphan disease space."

He added: "For a company of our size, I would suggest we've a very strong non-executive board, and management team."

The reverse takeover deal will see Fastnet buy Amryt for £29.6m, with the consideration to be paid in shares, allowing Amryt to take control and gain access to public markets without the expensive IPO process. The deal is believed to have been brokered in part by Dublin-based Raglan Capital.

If the reverse takeover goes ahead, Amryt will then seek to raise £10m to accelerate its plan for the EB treatment, which comes to the company as the result of its proposed acquisition of German company Birken. That deal will complete when the reverse takeover process concludes.

Amryt is also working on developing products for treating other rare diseases.

The Irish Times

Cantillon: Fastnet chief explains switch to pharma
5 April 2016

On April 18th, shareholders in Fastnet Oil & Gas – now known as Fastnet Equity – will be asked to give their approval to a reverse takeover by Amryt Pharma.

Fastnet is listed on AIM in London and the ESM junior market in Dublin with offices in both cities.

Amryt was set up last August as a platform to acquire, develop and monetise a pipeline of drug candidates focused on treating orphan diseases. It is proposing a reverse takeover of Fastnet subject to an all-share deal that would also involve raising £10 million for future acquisitions.

To help seal the deal, Amryt's management team will give a presentation of their plans to Fastnet shareholders in the Double Tree by Hilton Dublin on Wednesday evening.

In a letter to shareholders, Fastnet's chairman Cathal Friel (pictured) reminded them that the company had "made a fairly good stab at starting a small oil and gas exploration company" in the past three years by building up a portfolio of assets in Ireland and Morocco while also securing a farm-out partner.

"However, we could not escape the clutches of the oil price collapse and rather than spend our remaining shareholder funds of circa €14 million on further oil exploration we sought and obtained 99 per cent shareholder approval to turn Fastnet into a pharma company last August," he said.

Why pharma? "Our feeling was that investing in a pharma company was one of the few market opportunities where a prospective investor might get the potential to generate a multiple uplift in share appreciation much like a successful oil exploration campaign can generate."

According to Friel, the Amryt team "believe they can transform Fastnet and potentially build it into one of Europe's fastest growing orphan drug companies". It has already acquired German pharma company, Birken and Sompharma in Switzerland.

"Many of this peer group of companies with approved drugs already have market caps approaching a billion dollars, thus I feel confident that Fastnet is on the right track to success," Friel gushed.

Getting a drug approved is one thing, commercialising a drug is something altogether different, as many pharma companies have found to their cost.

But with former Shire founder Harry Stratford as chairman, and Mr Sudocrem, Ray Stafford, as a non-executive director, Friel's prognosis might prove accurate.

The Sunday Times

Amryt offers stock booster to its leading Irish backers

By Gavin Daly

10 April 2016

A HOST of business figures, including tech entrepreneur Cyril McGuire, financier Neil O’Leary and Fintrax founder Gerry Barry, are set for a quick paper profit in the flotation this month of Amryt Pharmaceuticals.

The group of dozens of wealthy individuals, which also features Blue Insurance founder Rowan Devereux and industrial kitchen maker David Bobbett, invested €2m in Amryt before Christmas to help the Dublin-based drug developer secure the takeover of two companies, Birken and SomPharmaceuticals.

They will get Amryt shares valued at a 30% premium to their investment, ahead of its flotation on London’s AIM and Dublin’s ESM on April 19.

Amryt will be valued at £50m (€62m) in the IPO, structured as a reverse takeover of Fastnet Equity, a cash shell. The early backers, who will own about 4% of Amryt, are not subject to any lock-in preventing sale of their shares.

The Sunday Times

Medicine man has right remedy

By Gavin Daly

10 April 2016

ON APRIL 19, all going well, Joe Wiley will become Ireland's newest plc boss. If the 45-year-old doctor is worried about the prospect of quarterly reporting, investor updates and all the hoopla of running a public company, he's hiding it very well.

"I am actually really looking forward to it," said Wiley, a genial giant of a man, seated under a chandelier in a plush Victorian Dublin boardroom. "I've been a year getting to this point. I can't wait to get down to running the business."

The business is Amryt Pharmaceuticals, formed by Wiley just last summer to acquire and develop "orphan" drugs for rare disorders.

In a complex piece of corporate choreography, Amryt is acquiring two companies, German group Birken and SomPharmaceuticals, a US- Swiss company, and going public via a reverse takeover of Fastnet Equity, a cash shell.

Amryt will be listed on AIM and Dublin's ESM, and expects an initial valuation of £50m (€62m) — not bad for an outfit with minimal revenues. The figure reflects particularly the potential of Birken, which has a product already approved to treat partial thickness wounds, particularly bad burns.

Wiley's big bet is that the product, Episalvan, will work just as well in treating epidermolysis bullosa (EB), an excruciating genetic condition that causes the skin of affected children to blister and fall off. There is no approved treatment for EB, a global market estimated to be worth \$1.5bn (€1.3bn) a year.

Som, a less mature business, is making treatments for acromegaly and Cushing's disease, where the body produces too much growth hormone. That market is believed to be worth \$1.15bn, said Wiley.

He flips through an Amryt presentation to a page listing competitors with valuations ranging from hundreds of millions of dollars and into the billions. A developer of a rival EB treatment, still in trials, was bought last year for up to \$842m, it notes.

"The vision is to make Amryt a very large player in the orphan disease sector," said Wiley. "People are very excited about our prospects."

Investors should find it hard to poke holes in Wiley's CV. Dublin-born, he was seven when the family moved to Julianstown in Co Meath.

He remembers making the "mortal mistake" of wearing a Dublin GAA hat to school one day. He didn't do it twice.

His secondary education was at the local Gormanston College, a well-regarded Franciscan school that counts a golf course among its facilities. "It's really a sports facility with a school attached," he said.

He played football and captained the water polo team that won the All-Ireland championships at both junior and senior levels. At Trinity College Dublin, where he studied medicine, he also immersed himself in sport, particularly swimming and athletics.

He has the distinction of being a Knight of the Campanile, a Trinity society that elects "knights" for their contribution to sports. "It's a sports club for boys," he said, hinting at mainly bar-based activities.

He did his medical training at the old Meath and Adelaide hospitals in Dublin, and met his wife, Niamh, a psychiatrist, in the Meath, where he also spent part of his medical internship. “It was great fun. They were smaller hospitals, so it was like you were part of a family.”

After qualifying as a hospital physician, Wiley opted to specialise in neurology, gaining a place on a five-year specialist training programme. During that time, he took a research break to run the first population-based study on young onset Parkinson’s disease.

Wiley would collect blood samples from Irish patients and take them to the Mayo Clinic in the US for analysis. That meant carting blood in a Styrofoam box in his hand luggage, cooled with liquid nitrogen. Passing through security at Dublin airport one time, the box opened and dry ice smoke started seeping out.

“They didn’t bat an eyelid. It was pre-9/11,” he said.

He funded the research by working on clinical trials for a drug company, his first direct experience of the pharma world. He still had 18 months of his neurology training left when he began to think about other career options.

“I was turning 30 and looking at how I wanted to spend the next 35 years,” he said. “I was attracted to the commercial side of medicine but I knew if I moved straight in, I would always be seen as a doctor in pharma.”

He signed up for an MBA at Insead in France, the top-ranked business school. “My poor wife married a trainee neurologist and ended up with a student businessman.”

He had a “wonderful, wonderful time” on the MBA, which included a stint at Wharton business school in Pennsylvania. “I had skills in clinical medicine and research, and a freshly minted MBA; it worked well for life sciences investment, which was what I wanted to do.”

He landed a job in 2004 at Inventages Venture Capital, a €150m life sciences fund backed by Nestlé. The Wileys settled in Nyon, Switzerland, and his first deal was an Inventages investment in Opsona Therapeutics, a Trinity College spin-out.

After a Swiss rule change meant his wife couldn’t work there as a doctor, however, they swapped the Alps for the Yorkshire Dales. Living in Harrogate, Wiley ran a €15m university spin-out fund for Aberdeen Asset Management.

He also got involved in Aberdeen’s much larger private equity deals. “We were doing buyouts in the UK mid-market. It was a great time — business was booming and the markets were very liquid.”

In 2010, now with three children, they decided to move back to Ireland. Wiley joined Astellas, a Dublin-based pharma group, as medical director, running a full service medical department. “I got to see the pharma industry from the inside out. It was a very different role — managing people, clinical operations, regulatory affairs, and interacting with sales and marketing.”

He also found time to pick up a diploma in pharmaceutical medicine in 2012. The same year, Wiley was approached by a US investment group, Sofinnova Ventures, which had landed funds from the government’s Innovation Fund Ireland scheme to back pharmaceutical firms.

He ran its European operation for three years. “I had visibility on all the late-stage drug development opportunities in Europe,” said Wiley.

He led an investment and Nasdaq IPO of Innocoll, a drug delivery business, and is still on the board of the company. Sofinnova also backed Prothema, a spin-out from Elan, the Irish drug group.

Last year, Wiley began looking for opportunities of his own. “I had the idea of setting up an orphan-focused drug company in Ireland and I had some assets I was tracking.”

The orphan sector was attractive, as drugs that have orphan designation benefit from incentives, including periods of market exclusivity and tax credits. Episalvan has orphan drug designation in both the US and EU.

Joey Mason, another doctor turned venture capitalist, introduced Wiley to Cathal Friel, a financier who was looking at assembling and floating a medical technology venture. Friel also chaired Fastnet Oil & Gas, which was reviewing its interests in Ireland and Morocco because of collapsing oil prices.

Over time, their interests aligned. In August last year, Fastnet said it would quit the oil and gas sector and become Fastnet Equity, a listed shell with €12m in cash.

Amryt — named after the Sanskrit word for a healing elixir that comes from the gods — was formed the same month and raised about €2m from wealthy private investors. Friel and Rory Nealon, formerly chief financial officer (CFO) of Nasdaq-listed Trinity Biotech, are cofounders.

They went to work, pinning down the deals with Birken and Som. Birken was set up in 2000 to research the medicinal properties of betulin, a substance in birch bark, leading to the creation of Episalvan.

A charitable trust run by Software AG, a large German tech group, has funded Birken to the tune of €54m. “They had decided to put the company up for sale, and we negotiated an attractive deal,” said Wiley.

Amryt paid €1m last October to secure the Birken deal, and will pay €50m more in milestone payments, as well as a royalty-share deal on sales. In December, it agreed terms with Som, set up by Alan Harris, an Irish scientist who previously worked at Novartis.

There, he developed Octreotide, an acromegaly treatment that has sales of \$1.65bn a year. “Alan set up Som to develop the next generation of Octreotide,” said Wiley.

The takeover of Fastnet, to be approved by Fastnet shareholders on April 18, is the last hoop to get through before share trading can start the following day. The existing Fastnet shareholders will have 20% of the equity in Amryt, and their interests in oil and gas assets are still held in trust, in the event they might rise in value in future.

Management, including Wiley, Nealon and Friel, will own about 30% of Amryt. The former Birken owners will hold 30% and Harris about 5%.

“It has been quite a complex series of transactions, all simultaneously negotiated,” said Wiley. The process involved raising £10m in fresh funding, not helped by the equity markets tanking at the start of the year.

“We were going into the Euronext building in Amsterdam for investor meetings and the screens showed a big red line travelling from the top left to the bottom right. That was the backdrop.”

He believes the mix of scientific know-how and commercial expertise at Amryt helped the company land the funds. It is chaired by Harry Stratford, founder of Shire Pharmaceuticals, and its directors include Ray Stafford, the inventor of Sudocrem, and James Culverwell, former head of global healthcare research at Merrill Lynch. Michele Bellandi, former head of Europe at Shire, is chief commercial officer, working with Wiley as chief executive and Nealon as CFO. The company is hiring a chief medical officer.

“It’s a management team and board you would expect to see in a much larger company,” Wiley said. The money will help fund milestone payments for the purchase of Birken, as well as phase III trials on Episalvan as a treatment for EB.

The study will involve 150 patients over 18 months, with first data expected in early 2018. “Positive top line data would be transformational for the business,” said Wiley.

Amryt could then submit Episalvan for approval in the EU and US. The Amryt presentation forecasts peak revenues of more than €500m a year from Episalvan alone.

In the meantime, it will have revenues from selling Episalvan for partial thickness wounds, and from Imlan, a “dermaceutical” it sells in Germany. Wiley plans to take Imlan to other markets.

“The short to medium-term focus is on bedding down Birken and Som, and getting Episalvan through phase III trials. Then we will look at other opportunities.”

That could include a Nasdaq listing in time. “I have a lot of experience with Nasdaq. I would see it as a direction of travel for our business in time.”

There are well-documented risks in drug development and approval, which often takes longer and costs more than expected. And shares, of course, can go down as well as up. Wiley seems convinced Amryt is on the right track, medically at least.

“Let’s not forget this is a treatment that helps small children with an awful disease. There is a genuine unmet need. That’s what drives us.”

The life of Dr Joe Wiley

Age: 45

Home: Ballsbridge, Dublin

Family: Married to Niamh; three children — Luca, Portia and Athena

Education: medicine at Trinity College Dublin; MBA from Insead in France; diploma in pharmaceutical medicine

Favourite book: A Brief History of Time by Stephen Hawking

Favourite film: The Shawshank Redemption

Working day

At the moment, I get up at 5am and I’m on an early flight to London or some other European city, meeting potential investors, brokers, lawyers or other stakeholders involved in the Amryt deal. I generally work through lunch and into the evening. I travel a lot to Stuttgart, where Birken has its manufacturing facility, and I spend two or three days there.

Downtime

I’m a member of Dun Laoghaire golf club where I play two or three rounds a year at the moment. I play tennis when I can. My serve is my only weapon.

Sudocrem boss: new skin drug will net €1.5bn

Sunday Business Post

By Jack Horgan-Wallace

10 April 2016

A new publicly quoted pharmaceutical company backed by Sudocrem founder Dr Ray Stafford is predicting revenues of up to \$1.5 billion from one of its drugs, which is used to treat rare genetic skin disorders.

The drug, which is currently going through the approval process, will be used to treat epidermolysis bullosa (EB). In its most severe form, the disease causes infant death, and at its mildest, causes painful and disfiguring blisters through childhood and into adulthood.

Stafford, a doyen of the Irish medical sector, is a major backer and proposed board member of the combined entity which will be created by a merger of Amryt Pharmaceuticals and Fastnet.

“I’m in for quite a bit of money. I felt the team were good. We have a good support team in terms of advisers.

“There’s a good chairman, a good experienced man. There’s a nucleus there to make a good business. What you’ve got to do now is make it work,” he said.

The reconstituted Irish oil and gas explorer, which was headed up by financier Cathal Friel, is reforming as a developer of drugs for rare ‘orphan’ diseases.

Stafford served in a variety of positions with pharma giant Forest Laboratories after it purchased his Tosara company in 1988, before retiring from the company on its \$28billion purchase by Allergan in 2014.

The low-profile Stafford, speaking exclusively with the Post, said he was excited by the emergence of Amryt as a potential new power-house in Irish and European pharma.

“With Sudocrem I just took it step-by-step. And I would be advocating the same here with the lads. I never tried to take the world over. I would say ‘Let’s do this first, that country or this country’ and move along. I think this company can work in the same way,” he said.

Stafford launched Sudocrem, which is still manufactured in Dublin, in around 50 markets.

Asked about his approach to sitting on the board of a publically listed entity, he said: “Have a plan and watch your finances.

“This is a public company and you have to look after your shareholders.”

Rory Nealon, the former chief financial officer of Trinity Biotech, is set to take the reins in the same position with Amryt, while also serving as chief operating officer.

He said that one of the company’s drugs will have the ability to generate up to \$150million in short-term revenue once it is brought to market.

However, he is targeting a real cash cow if the EB treatment is approved. “This is the big revenue opportunity. It’s about a \$1.5billion dollar market.”

He said that the company is not dismissing the idea of buying more patents and drugs, but is focused on delivering its first two to market.

“For now we’re going to take those two and develop them. We’re not actively looking for new products – that said, there’s a lot coming across our desks, we’ll look at them...but it’s very much targeted and focused on getting that product through to approval.”

Amryt and Fastnet are gearing up for a shareholder vote on April 18 which would see the pharma company complete a reverse takeover of Fastnet, creating a combined entity which will have access to public markets without going through a formal IPO.

Online

Alliance News

Fastnet Equity To Become Amryt Pharma After Reverse Takeover (ALLISS)

By Sam Unsted

31 March 2016

Fastnet Equity PLC on Thursday said it has agreed the reverse takeover of Amryt Pharmaceuticals PLC and will be changing its name following the deal.

Fastnet said it will reverse into Amryt, an orphan drug development company, in a deal worth GBP29.6 million to be covered by the issue of 123.5 million Fastnet shares.

Amryt has recently agreed to acquire German pharmaceutical firm Birken AG and Swiss biopharmaceutical company SomPharmaceuticals.

Birken has developed a recently-approved drug for partial thickness wounds and has a promising drug on its books for epidermolysis bullosa. SomPharmaceuticals is focused on developing medicines for patients with rare neuroendocrine diseases, including acromegaly and Cushing's disease.

In addition, Fastnet is planning to raise GBP10.0 million in cash via a share placing. It will issue 41.7 million shares at 24.00 pence per share to raise the funding. The company said the 24.00p price is equivalent to 3.00p prior to a planned capital reorganisation, in which 1 new share and 1 deferred share will be issued by each 8 existing shares.

Fastnet shares were up 16% to 3.31p early Thursday.

The funds from the placing will be used by the enlarged company to initiate a phase III clinical trial of Episalvan, Birkin's wound treatment.

Following completion of the deal, Fastnet will change its name to Amryt Pharma PLC, subject to securing shareholder approval for the move at a meeting set for April 18.

Share Cast News

Orphan drug specialist Amryt Pharma to reverse into AIM's Fastnet

By Oliver Haill

31 March 2016

Headed by Shire founder Harry Stratford as its chairman, speciality drug company Amryt Pharmaceuticals has confirmed its plan to reverse into AIM-listed Fastnet, raise £10m and acquire two drug developing businesses.

Following a capital reorganisation planned for 18 April, the reverse takeover will see Fastnet acquire the entire issued share capital of Amryt Pharmaceuticals for £29.6m in new shares on 19 April.

This will be accompanied by the issue of 41.7m shares will be placed with institutions at a price of 24p, equivalent to 3p before the reorganisation, to raise £10m.

Amryt, which was incorporated in August 2015 and will be led by chief executive Joe Wiley, a neurologist-turned-private equity investment executive, has also agreed to acquire German drug development and manufacturing company Birken and Swiss/US based biotech SomPharmaceuticals, both of which are focused on potential orphan drugs.

"Today's announcement is an important step towards realising the company's vision of building a specialty pharmaceutical company focused on best in class treatments for orphan diseases," Wiley said.

"We are focused on building a portfolio of differentiated medicines, in therapeutic areas where there is large unmet medical need and which offer significant commercial potential."

The £10m placing proceeds will be used to begin Phase III clinical trials for Birken's Episalvan, a treatment for epidermolysis bullosa (EB), a rare genetic skin disorder and orphan condition that typically affects young children and for which there is currently no approved therapy.

Episalvan, which is already approved in Europe as a treatment in adults for accelerated healing of partial thickness wounds following three successful phase III studies, has been awarded orphan drug designation in the US and EU for EB after successfully completing a Phase IIa study in ten EB patients.

The global EB market is estimated to be worth approximately \$1.5bn per annum.

Amryt's well-stocked boardroom also includes chief financial officer Rory Nealon, fresh from 13 years on the board of NASDAQ listed Trinity Biotech, and chief commercial officer Michele Bellandi, former head of commercial Europe for Shire.

Merger Market

Amryt to be acquired by Fastnet for GBP 29.6m; Amryt to acquire Birken and SomPharmaceuticals for maximum combined consideration of c. GBP 43m
31 March 2016

Following its announcement on 22 February 2016, Fastnet Equity plc ("Fastnet" or the "Company"; AIM: FAST, ESM: FOI) today publishes an Admission Document detailing its conditional agreement to acquire the entire issued share capital of Amryt Pharmaceuticals DAC ("Amryt") for a consideration of GBP 29.6m to be satisfied by the issue of 123,495,096 New Ordinary Shares (being the Consideration Shares) representing 59.3 per cent. of the Enlarged Share Capital (the "Acquisition").

The Acquisition Agreement is conditional, inter alia, on the passing of the Resolutions, Admission and all of the conditions under the Birken SPA and Som SPAs being satisfied other than Admission.

Amryt was incorporated in August 2015 as a platform to acquire, build, develop and subsequently monetise a pipeline of patent protected, commercially attractive, proprietary drug candidates targeting best in class performance chosen to meet the Orphan Drug Designation criteria. Where appropriate, the Enlarged Group will commercialise the drugs it successfully develops through its own salesforce.

In line with this strategy, Amryt has entered into agreements, conditional, inter alia, on Admission to acquire both Birken AG ("Birken") and SomPharmaceuticals ("Som").

Birken is a revenue generating pharmaceutical development and manufacturing company based in Germany that has developed a recently approved drug for partial thickness wounds and promising potential orphan drug candidate for epidermolysis bullosa ("EB"). Birken was founded by Dr. Armin Scheffler and has to date received EUR 54m (GBP 42.4m) of investment from the Software AG Stiftung Foundation, one of the largest charitable foundations in Germany. Birken's operations are based in the state of Baden Württemberg.

On 16 October 2015, Amryt entered into the Birken SPA. Completion under the Birken SPA is conditional, amongst other things, on Admission. Under the terms of the Birken SPA, the Birken Sellers will receive:

- an initial payment of EUR 1m (GBP 0.8m), which was settled on signature of the Birken SPA;
- EUR 150,000 (GBP 0.1m) on completion;
- milestone payments totalling up to EUR 50m (GBP 39.3m) payable on achieving certain regulatory approvals and sales targets in relation to Episalvan, of which EUR 10m (GBP 7.9m) is payable on Admission following the receipt of approval of Episalvan by the European Commission; and
- royalties of 6-9% on sales of Episalvan for ten years from first commercial sale.

Additionally, the Birken Sellers will be issued with new ordinary shares in Amryt representing 30.0 per cent. of the fully diluted issued share capital of Amryt following the issue of:

1. consideration shares issued in Amryt in relation to the Som SPAs referred to below; and
2. shares issued in Amryt as a result of the conversion of the B Ordinary Shares and CDS, but prior to any dilution resulting from the transaction.
3. Som is a Swiss/US based biopharmaceutical company focused on developing novel somatostatin analogue peptide medicines for patients with rare neuroendocrine diseases with high unmet need, principally focused on additional orphan drug candidates to address acromegaly and Cushing's disease.

Amryt entered into conditional SPAs to acquire each of SomPharmaceuticals S.A and Somtherapeutics, Corp on 15 December 2015 and 4 December 2015 respectively (together the "Som SPAs"). Under the terms of the Som SPAs, Amryt will:

pay a maximum sum of USD 100,000 (GBP 0.07m) in cash in respect of the acquisition of Somtherapeutics, Corp (of which Alan Harris is the sole shareholder) less Somtherapeutics, Corp's liabilities to the extent that these are more than USD 150,000 (GBP 0.1m); and

pay USD 4.15m (GBP 2.9m) in respect of the acquisition of SomPharmaceuticals S.A in new ordinary shares in Amryt, in respect of which the Som Sellers will receive 12,277,102 Consideration Shares under the Acquisition Agreement.

The New Board intends to use the net proceeds of the Placing to initiate a Phase III clinical trial of Episalvan with a view to obtaining a label extension for Episalvan to include approval for the treatment of EB in Europe and seek regulatory approval in the US.

Proactive Investors

Amryt Pharmaceuticals' Episalvan could have "significant commercial success", says boss

By Juliet Mann

8 April 2016

Joseph Wiley, chief executive elect of Amryt Pharmaceuticals, tells Proactive Investors the company is focused on treatment for rare orphan diseases.

Its lead product Episalvan, used to accelerate the healing of partial thickness wounds in adult, has already been approved in Europe and Wiley says there is potential for "significant commercial success".

Amryt is to make its AIM debut by reversing into listed investment firm Fastnet Equity PLC (LON:FAST) in a deal that values it at £29.6mIn.

Video interview available here: <http://www.proactiveinvestors.com/companies/stocktube/4870/amryt-pharmaceuticals-episalvan-could-have-significant-commercial-success-says-boss-4870.html>

Proactive Investors

Fastnet Equity PLC unveils transformational drugs deal

By Ian Lyall

31 March 2016

A drug company with big aspirations and, importantly, a product already out on the market, looks set to make its AIM debut by reversing into listed investment firm Fastnet Equity PLC (LON:FAST).

Amryt Pharmaceuticals will join the London market in a deal that values it at £29.6m.

A share placing, meanwhile, will bring in £10m to be used to develop the company's lead treatment for a rare skin disorder.

In a complicated series of transactions Amryt, as well as listing, is acquiring two firms with drugs and drug candidates that will form the bedrock of this speciality pharma business.

Chaired by Harry Stratford, founder of FTSE 100 giant Shire Plc (LON:SHP), who set also set up ProStrakan, Amryt has the management expertise and boardroom experience of a much larger company.

The team will be led by Joseph Wiley, who has more than 20 years' experience in healthcare investment, while Michele Bellandi, who helped run Shire's European arm, will be chief commercial officer.

Former top-rated City healthcare analyst, James Culverwell, and Ray Stafford, previously the marketing chief of Forest Labs, are among the non-executive directors.

Amryt is aiming to carve a niche in the area of orphan drugs that tackle-hard-to-treat illnesses with globally small patient groups, but significant revenue-generating potential.

Orphan designation often means the product can be fast-tracked to market – usually at a fraction of the cost of developing medication destined for the mass market.

And as they are niche areas where there are no current treatments, firms are often allowed to charge more for a breakthrough new product.

In fact, the market is estimated to be worth US\$176bn globally with around 19% of all prescriptions for these rare ailments.

As mentioned earlier, the reverse into Fastnet will coincide with Amryt's acquisition of two fledgling drug developers – SomPharmaceuticals and Birken.

The latter, a German firm, has a drug that is already approved in Europe called Episalvan, which is currently used to accelerate the healing of partial thickness wounds in adults.

Clinical trials indicate it has the potential to help patients with orphan condition epidermolysis bullosa (EB).

This is a rare and distressing genetic disorder affecting young children which makes the skin very fragile.

Episalvan has been awarded orphan drug designation (ODD) in the US and EU for EB and the market for this indication alone is estimated to be US\$1.5bn.

The cash raised from the share placing will fund a phase III clinical trial in EB sufferers.

SomPharmaceuticals, meanwhile, brings with it far earlier stage orphan candidates for acromegaly - a disorder that leads to the production of too much growth hormone - and Cushing's disease, a pituitary gland problem.

CEO-elect Wiley said: “Today’s announcement is an important step towards realising the company’s vision of building a speciality pharmaceutical company focused on best in class treatments for orphan diseases.

“We are focused on building a portfolio of differentiated medicines, in therapeutic areas where there is large unmet medical need and which offer significant commercial potential.”

Proactive Investors

Amryt Pharmaceuticals chief sees the potential in 'orphans'

By Ian Lyall

31 March 2016

Joseph Wiley, chief executive elect of Amryt Pharmaceuticals, said it was a “nice endorsement” of the company’s strategy to have Harry Stratford on board as chairman.

Amryt intends to focus on acquiring, in-licensing and then developing drugs for hard to treat, so-called orphan diseases.

Stratford pioneered this approach as founder of Shire, the world’s largest speciality pharma company.

“Having Harry on board is fantastic,” Wiley told Proactive.

“It is a nice endorsement of what we want to do, given he founded what is now the largest ‘orphans’ company in the world.”

Key to the short- and medium-term prospects of the firm is a skin treatment called Episalvan, developed by German specialist Birken - one of two acquisitions Amryt has made.

The product is already out on the market and has been signed off for use in adults in a type of gash or ulcer called a partial thickness wound.

However, the plan is to carry out a phase-III clinical trial to assess its potential to accelerate the healing process in epidermolysis bullosa (EB).

This is a rare and distressing genetic disorder affecting young children that makes the skin very fragile.

“It is a pretty horrific disease,” said Wiley. “In the severe forms the parents change the wound dressings every three to four days.”

There is a competing treatment currently undergoing phase III trials called Zorblisa.

It was discovered by Scioderm, which was then acquired by Amicus Therapeutics for up to US\$847mln on the strength of phase IIb results.

Wiley is unfazed by having a rival in this space.

He sees Zorblisa as more of a pathfinder than competition and said: “The good part of Amicus being ahead of us is they have shown us the regulatory path to approval. We will follow similar protocol.”

Also, he hopes Episalvan will have a major advantage over Zorblisa in that it can be applied once every three to four days rather than every 24 hours.

The early data from a phase IIa study on EB and phase III trials in other indications for the skin treatment in adults are encouraging.

Wiley said the phase III investigation ought to get underway late this year or early next, which means Amryt will have the results some time in 2018.

Episalvan has been awarded orphan drug designation (ODD) in the US and the EU for EB, and the market for this indication alone is estimated to be US\$1.5bn.

Orphan designation often means the product can be fast-tracked – usually at a fraction of the cost of developing medication destined for the mass market.

And, as they are niche areas where there are no current treatments, firms are often allowed to charge more for a breakthrough new product.

Around 19% of all prescriptions are for these rare ailments, and the market globally is estimated to be worth US\$176bn.

Proactive Investors

FTSE 100 down in Thursday's early deals
31 March 2016

[Irrelevant text removed]

Fastnet Equity (LON:FAST) shot up 18% after it unveiled details of its new drugs deal – which sees Amryt Pharmaceuticals reverse into the AIM quoted vehicle.

Proactive Investors

Small cap shares outpacing FTSE100 at lunch
31 March 2016

[Irrelevant text removed]

Small cap shares were doing a tad better than bigger brother FTSE100 on Thursday, with Fastnet Equity (LON:FAST) among notable gainers.

Shares rose almost 8% to 3.075p as it revealed that Amryt Pharmaceuticals - a drug company - which importantly, has a product already out on the market, looks set to make its AIM debut by reversing into it (Fastnet Equity).

Amryt Pharmaceuticals will join the London market in a deal that values it at £29.6mln.

Proactive Investors

Drug companies inject interest into lacklustre London market
31 March 2016

[Irrelevant text removed]

Small cap shares were doing a tad better than bigger brother FTSE100 on Thursday, with Fastnet Equity (LON:FAST) among notable gainers.

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Amryt Pharmaceuticals will join the London market in a deal that values it at £29.6mln.

Stock Market Wire

FTSE shies from highs as profiteers hit resources
31 March 2016

[Irrelevant text removed]

Fastnet Equity (FAST), up 18.42% to 3.38p, has published an admission document detailing its conditional agreement to acquire Amryt Pharmaceuticals DAC for GBP29.6m. It also proposed raising GBP10.0m gross via a placing of 41.7m shares at 24p each.

Stock Market Wire

FTSE lower as mixed bag, ex-div factors weigh
31 March 2016

[Irrelevant text removed]

Fastnet Equity (FAST), up 7.89% to 3.08p, has published an admission document detailing its conditional agreement to acquire Amryt Pharmaceuticals DAC for GBP29.6m. It also proposed raising GBP10.0m gross via a placing of 41.7m shares at 24p each.

Alliance News

WINNERS & LOSERS SUMMARY: AO World Surges On Strong Fourth Quarter
31 March 2016

[Irrelevant text removed]

Fastnet Equity, up 11%. The company said it has agreed the reverse takeover of Amryt Pharmaceuticals and will be changing its name following the deal. Fastnet said it will reverse into Amryt, an orphan drug development company, in a deal worth GBP29.6 million to be covered by the issue of 123.5 million Fastnet shares. Fastnet has sought to transition from an oil and gas company into investment company focused on the healthcare sector.

Hot Stock Rockets

Fastnet - a cracking RTO completed, we are well up on this share tip - more to go
1 April 2016

Fastnet (FAST) has announced details of a proposed reverse acquisition of Amryt Pharmaceuticals, a £10 million share placing and capital reorganisation and the readmission of its shares to trading.

Amryt - founded by Fastnet Chairman Cathal Friel in conjunction with Joseph Wiley (proposed CEO, over 20 years experience in the healthcare sector) and Rory Nealon (proposed CFO/COO, chartered accountant with experience in the last 13 years as CFO and then COO of Trinity Biotech plc, a NASDAQ-listed company specialising in diagnostic test kits) – was incorporated last year “to acquire, build, develop and subsequently monetise a pipeline of patent protected, commercially attractive, proprietary drug candidates targeting best in class performance chosen to meet the Orphan Drug Designation criteria”.

Conditional on this transaction proceeding, Amryt has entered into agreements to acquire both Birken AG and SomPharmaceuticals.

Som is a Swiss/US company principally focused on orphan drug candidates to address acromegaly and Cushing's disease (markets estimated to be in excess of \$1.15 billion per annum in aggregate), while Germany-based Birken has developed a drug, Episalvan, which received formal marketing approval from the European Commission in January as a treatment for partial thickness wounds and is seen as a promising potential orphan drug candidate for epidermolysis bullosa (“a rare, debilitating, genetic skin disorder and orphan condition that typically affects young children and for which there is currently no approved therapy”).

The company notes that “we believe the recent European approval of Episalvan for the treatment of partial thickness wounds in adults and a successfully completed phase IIa trial in epidermolysis bullosa itself meaningfully de-risks the probability of approval in this indication” and, “estimat(ing) the global epidermolysis bullosa market to be worth approximately \$1.5 billion per annum... intends to use the net proceeds of the placing to progress a Phase III clinical trial of Episalvan”.

Amryt is prospectively being acquired for 123,495,096 new shares (£29.6 million at 24p each post a 1-for-8 share consolidation), with Som for mostly shares (totalling \$4.15 million) and Birken for shares, €10.15 million on completion (€10 million of which out of a potential €50 million of milestone payments payable on achieving certain regulatory approvals and sales targets in relation to Episalvan) and royalties on sales of Episalvan for ten years from first commercial sale.

Following the deals and placing, there will be 208,339,632 shares in issue and the company updates that its (pre-announcement) cash balance was €12.1 million (currently £9.6 million). The shares have currently responded approaching 8% higher to 3.08p, giving a prospective market cap of £51.3 million.

We tipped this one at a 2.3p offer with a 3p target to sell. We should say that FIML (owned by Tom Winnifrith's family trust) has invested a material sum in the placing at 3p (24p post consolidation) and we see further upside in this stock based on our conversations with management.

The stance is thus, at worst, hold with a revised target to sell of 3.4p

Trade

BioWorld

AIMing high: Oil firm backs start-up Amryt's orphan disease play

By Cormac Sheridan

1 April 2016

Amryt Pharmaceuticals plc, a recently formed specialty pharma company with a focus on orphan diseases, is gaining a listing on London's AIM through a reverse takeover of the former oil and gas exploration firm Fastnet Equity plc, of Dublin, in a deal valued at £29.6 million (US\$42.6 million). At the same time the Dublin-based company is raising £10million in new funding and acquiring two European specialty pharma firms, Birken AG and Sompharmaceuticals SA, for a combination of cash, including milestone-based payments, and shares.

The company's founder and CEO, Joe Wiley, previously headed up Sofinnova Ventures' European office from Dublin, a role that gave him a privileged view of Europe's drug (as opposed to oil) pipeline. "I've had visibility of pretty much all of the late-stage drug development opportunities across Europe over the last three years," he told BioWorld Today.

The backers of both Birken and Sompharmaceuticals, located, respectively, in Niefern-Öschelbronn, Germany, and Epalinges-Lausanne, Switzerland, have bought into his vision of creating a European orphan disease specialist. "They are believers in the Amryt story, so to speak," Wiley said.

So too is Amryt's chairman, Harry Stratford, the founder of Dublin-based Shire plc and of Galashiels, U.K.-based Prostrakan Group plc. The company aims to grow by acquiring assets that address unmet needs and that have a clear competitive advantage. The strategy is not unlike that being pursued by Trevose, Penn.-based Strongbridge Pharma plc (formerly Cortendo plc), which has also grown its pipeline through acquisition and which, like Amryt, is pursuing Cushing's syndrome, among other indications.

Amryt's management team includes Trinity Biotech plc veteran Rory Nealon, who is Amryt's chief financial officer and chief operations officer, and Chief Commercial Officer Michele Bellandi, who previously headed up Shire's \$1.1 billion European commercial operations. Its board includes Ray Stafford, previously head of global marketing at Forest Laboratories (now part of Dublin-based Allergan plc) and former Merrill Lynch analyst James Culverwell.

With Birken, Amryt is actually gaining an approved drug. Episalvan (formerly Oleogel-S10) gained approval in Europe in January for treatment of partial-thickness skin wounds, which can arise from burns or from skin grafting procedures.

It accelerated wound healing by about one to 1.5 days in one phase III trial in burn patients (8.8 days for standard disinfectant gel vs. 7.6 days) and in two phase III trials in skin graft patients (17.1 days for standard wound dressings vs. 15.5 days; and 16 days vs. 15.1 days). "Although the differences were small, they were considered relevant for patients with partial thickness wounds, which can be difficult to heal and for which treatment options are limited," the EMA's public assessment report stated.

"It also has a better long-term outcome," Wiley said, referring to the reduced scarring associated with the use of Episalvan.

The drug is derived from birch bark extract. "The major ingredient is betulin," Wiley said. "It improves migration of keratinocytes across skin surfaces," he added. "It doesn't matter what the cause of the partial-thickness wound is. The effect is the same."

The acquisition of Birken includes a GMP API plant located in Stuttgart, Germany, where the product is isolated and formulated. "It took a lot of time and capital to figure out the process for extraction and

formulation,” Wiley said. The purification process is patent-protected, as is the use of the product for wound healing.

As well as exploiting its commercial potential, Amryt aims to move Episalvan into a phase III trial in epidermolysis bullosa, a constellation of debilitating genetic conditions (over 30 subtypes have been identified) characterized by highly fragile skin that blisters in response to contact. Severe patients can develop painful wounds simply from swallowing food or from contact with inappropriate clothing and they need constant wound dressing, which can take hours each day.

Amicus Therapeutics, Inc., of Cranbury, N.J., recently made an expensive play in the same space, splashing out \$847million for Scioderm Inc., of Durham, N.C., which is in phase III development with Zorblisa, also based on a natural product, allantoin. (See BioWorld Today, Sept. 1, 2015.)

That deal provides commercial validation of Amryt’s strategy. It also derisks its regulatory pathway, as the FDA and the EMA have signed off on Scioderm’s primary endpoint of achieving wound closure within two months. “We’re going to replicate large parts of that phase III design – certainly the endpoints,” Wiley said.

The company aims to recruit some 150 patients to the phase III study, which is slated to begin in late 2016 or early 2017. A different formulation of Episalvan is also on the market as a skin care product called Imlan.

PRECLINICAL ADDITIONS

Amryt’s second acquisition, Sompharmaceuticals, is still preclinical, but it has a wealth of experience behind it. Its founder is Alan Harris, who headed clinical development of the acromegaly drug Sandostatin (octreotide), a somatostatin analogue, while at Sandoz (now part of Novartis AG). Twenty-eight years after its initial FDA approval, it remains a blockbuster drug, with sales of \$1.63 billion last year. Back in 2013, Chiasma Inc., of Newton Mass., struck a potential \$595 million deal with Roche AG for a new formulation of the peptide. Although that deal later unraveled, Chiasma subsequently raised \$70 million to continue the program on a solo basis.

The goal of somatostatin analogue therapy is to reduce the effects of excessive growth hormone, which causes gigantism. Sandostatin is not an optimum therapy, however, and Novartis has since developed a successor, Signifor (pasireotide), which, unlike octreotide, binds somatostatin receptor 5 (SSTR5) as well as SSTR2. Its strong affinity for SSTR5 increases the risk of diabetes, however, as that lowers insulin levels.

“The Som product was designed to bind to SSTR2 and SSTR5 but in a balanced way,” Wiley said.

Strongbridge also is in phase II with its somatostatin analogue, COR-005, which reportedly has a novel pattern of somatostatin receptor binding. (See BioWorld Today, May 18, 2015.)

Scrip

New Rare Disease Player Amryt Being Created By Fastnet Reverse Takeover

By Sten Stovall

31 March 2016

A new orphan drug player - Amryt Pharma Plc- is coming to the London stock market heralding a promising pipeline and experienced leadership, arriving via a reverse takeover with Alternative Investment Market (AIM)-listed investment firm Fastnet Equity PLC.

The result will be a drug company with big plans and a product that is already on the market. That was Fastnet's message on Mar. 31 when announcing plans to buy privately-owned Amryt Pharmaceuticals in a reverse takeover deal valued at £29.6m. A share placing will also bring in £10m to be used to develop the new company's lead therapy for a rare skin disorder - Episalvan – which is already approved in Europe to treat adults for accelerated healing of partial thickness wounds. The plan is to develop that asset for treating epidermolysis bullosa, or EB, a genetic skin disease that causes painful blisters from the slightest of friction. Episalvan was developed by German specialist Birken AG, one of two acquisitions Amryt has made, the other being a Swiss based biopharmaceutical group SomPharmaceuticals SA. Episalvan has orphan drug designation in Europe and the US for treating EB.

Joseph Wiley, chief executive-elect of Amryt Pharma, in a statement said the new entity would be focused "on building a portfolio of differentiated medicines, in therapeutic areas where there is large unmet medical need and which offer significant commercial potential ... We believe the recent European approval of Episalvan for the treatment of partial thickness wounds in adults and a successfully completed Phase IIa trial in epidermolysis bullosa itself meaningfully de-risks the probability of approval in this indication."

The new company intends to seek approval for Episalvan in epidermolysis bullosa in Europe and the US and will start a Phase III study in the indication in the second half of 2016. It estimates the global market for epidermolysis bullosa is worth around \$1.5bn per year. Amryt Pharma said it intends to focus on acquiring, in-licensing and then developing drugs for hard to treat orphan diseases. Other products are also in its pipeline.

The new rare disease specialist will be chaired by Harry Stratford, who founded both Shire PLC and ProStrakan Group PLC. Wiley was previously medical director of Astellas Pharmaceutice, while Amryt's chief financial officer designate, Rory Nealon, held the same role at Trinity Biotech PLC.

Pharma Letter

Fastnet's Amryt takeover aims to address \$1.5 billion market opportunity
31 March 2016

Irish company Fastnet Equity (LSE: FAST), which last year announced a switch of focus from oil exploration to pharmaceuticals, is seeking to complete a £29.6 million (\$42.2 million) takeover of orphan drug development firm Amryt Pharmaceuticals.

As it detailed its proposed acquisition on Wednesday, Fastnet also announced that it planned to raise £10 million through a share placing to help develop Episalvan (birch bark extract, a promising drug for the rare skin disorder epidermolysis bullosa).

Fastnet will also change its name to Amryt Pharma plc following the acquisition and begin trading under the new tickers "AMYT" (AIM) and "AYP" (ESM).

It will have a new board with senior management comprising a wealth of experience in pharma, including Harry Stratford, the founder of UK-based biopharma company Shire (LSE: SHP), as the proposed chairman.

Joe Wiley, the proposed chief executive of the renamed company, said: "Today's announcement is an important step towards realizing the company's vision of building a specialty pharmaceutical company focused on best in class treatments for orphan diseases. We are focused on building a portfolio of differentiated medicines, in therapeutic areas where there is large unmet medical need and which offer significant commercial potential. Importantly, the £10 million in new funds will enable us to accelerate the development of Episalvan treatment for epidermolysis bullosa, a rare, debilitating, genetic skin disorder and orphan condition that typically affects young children and for which there is currently no approved therapy."

Amryt has recently agreed to buy German pharmaceutical firm Birken AG and Swiss biopharmaceutical company SomPharmaceuticals.

Episalvan is Birken's lead drug, and it already has been approved in Europe as a treatment in adults for accelerated healing of partial thickness wounds following three successful phase III studies. It has been estimated as having further potential to address a \$1.5 billion market.

Mr Wiley added: "We believe the recent European approval of Episalvan for the treatment of partial thickness wounds in adults and a successfully completed phase IIa trial in epidermolysis bullosa itself meaningfully de-risks the probability of approval in this indication."

Proceeds from the share placing will be used to initiate a Phase III clinical trial of Episalvan with a view to obtaining a label extension for the drug, to include approval for the treatment of epidermolysis bullosa in Europe and seek regulatory approval in the USA.

March round-up of pharma/biotech M&A activity

The Pharma Letter
6 April 2016

Talk about the potential mega-merger between Pfizer (NYSE: PFE) and Allergan (NYSE: AGN) – the biggest proposed deal in pharma history – and whether it will or won't happen, has inevitably gained enormous attention in the wider world.

But a lot more went on in the world of mergers and acquisitions in pharma and biotech in March.

The month began with news that French orphan oncology Onxeo (Euronext Paris: ONXEO) had agreed to buy DNA Therapeutics, a privately-held, clinical-stage French biopharmaceutical company, for its signal-interfering DNA (siDNA) repair technology, which is directed at overcoming cancer resistance mechanisms.

A day later The Pharma Letter reported that US healthcare services company McKesson (NYSE: MCK) had signed definitive agreements to purchase two companies.

These were Vantage Oncology, a leading national provider of radiation oncology, medical oncology and integrated cancer care, and Biologics Inc, an oncology pharmacy services company. The combined transactions were worth \$1.2 billion.

US clinical-stage biopharma firm Sorrento Therapeutics (Nasdaq: SRNE) and South Korea's Yuhan Corp (KS: 000100) announced a collaboration.

They entered into an agreement to form a joint venture company - named ImmuneOncia Therapeutics - to develop and commercialize a number of immune checkpoint antibodies against undisclosed targets for both hematological malignancies and solid tumors.

Trans-Atlantic action

Then there was US generics drugmaker Alvogen announcing the acquisition of specialty generic pharmaceutical company County Line for an undisclosed sum, and Citius Pharmaceuticals (Nasdaq: CTXR) entering into a non-binding letter of intent to acquire all of the outstanding shares of fellow USA-based Leonard Meron Biosciences (LMB), a company founded in 2013.

US biotech firm Spark Therapeutics (Nasdaq: ONCE) set its sights across the Atlantic by buying Ireland-based Genable Technologies, a private gene therapy innovator.

The two had been collaborating since 2014 in the development of Genable's therapeutic program, targeting one of the most prevalent forms of inherited retinal disease (IRD).

The European Commission approved the proposed \$40.5 billion acquisition of the generics business of the aforementioned Ireland-incorporated Allergan by Israel's Teva Pharmaceutical Industries (NYSE: TEVA; The Pharma Letter July 27, 2015), subject to conditions.

Both companies are among the top four generic pharmaceutical manufacturers worldwide, the EC noted.

In a smaller \$5.5 million deal, US drugmaker Inovio Pharmaceuticals (Nasdaq: INO) revealed it had signed a definitive agreement to acquire all of Bioject Medical Technologies' assets including pioneering needle-free jet injection technology, devices, and intellectual property.

Share impact and expansion plans

The boards of directors of UK based Vectura (LSE: VEC) and Skyepharma (LSE: SKYE) also reached agreement on the terms of a recommended merger, announcing their aim to create a mid-sized company focused on the respiratory therapy sector.

News of the proposed deal sent the shares of both companies upwards, and the merger was valued at around \$625.3 million.

German family-owned drugmaker Grünenthal Group and Spain's leading pharma company Almirall (ALM: MC) agreed a deal under which Grünenthal will acquire 100% of the share capital of Almirall de Mexico.

This reflected Grünenthal's strategy to significantly expand its business in Latin America – focusing on the key markets Mexico and Brazil – through internal growth, partnering or acquisitions.

Omnis Pharma, a privately-held US biotech firm, and Magnis Therapeutics, meanwhile, reached agreement for their strategic merger to form Vyriad, a clinical-stage oncolytic immuno-virotherapy development company.

Days later shares in Ember Therapeutics (OTC: EMBT), a New York-based pharmaceutical company developing targeted therapies for osteoarthritis, kidney fibrosis and other regenerative medicines, shot up as it finalized the purchase of Migralex, a commercially available over-the-counter medication for treating pain.

Big deals in the US and beyond

It was announced that Origin Technologies' increased offer to take over US gene-testing company Affymetrix (Nasdaq: AFFX) would lead to talks between the two parties, it has been announced.

Earlier in the month Affymetrix had snubbed an earlier \$1.5 billion bid from Origin Technologies and confirmed its continued commitment to a merger with biotech product development company Thermo Fisher Scientific (NYSE: TMO).

US pharma giant Bristol-Myers Squibb (NYSE: BMY) has also been busy, agreeing to buy the outstanding capital stock of privately-held autoimmune disease treatment developer Padlock Therapeutics in a deal worth up to \$600 million.

Elsewhere in the world, India's largest drugmaker Sun Pharma (BSE: 524715) bought 14 established prescription brands from Swiss pharma giant Novartis (NOVN: VX) in Japan.

The month ended not only with the news that the Pfizer and Allergan deal was hitting complications, finally resulting in a total abandonment of the deal (The Pharma Letter April 6) but also with reports that Irish company Fastnet Equity (LSE: FAST), which last year announced a switch of focus from oil exploration to pharmaceuticals, was seeking to complete a £29.6 million (\$42.2 million) takeover of orphan drug development firm Amryt Pharmaceuticals.

FierceBiotech

Shire founder oversees reverse merger of rare-disease startup onto AIM

By Nick Paul Taylor

7 April 2016

A rare-disease startup chaired by the founder of Shire (\$SHPG) is set to snag a listing on London's AIM through a reverse takeover. The startup, Amryt Pharmaceuticals, is raising £10 million (\$14 million) in conjunction with the deal, a sum it will use to run a Phase III trial of its lead candidate in patients with a group of rare inherited skin disorders known as epidermolysis bullosa.

Harry Stratford, the founder of Shire, is on board as chairman, while ex-Sofinnova Ventures principal and Astellas Pharma medical director Joseph Wiley is serving as CEO. Michele Bellandi, the former head of Shire's European commercial operation, is expected to take up the post of COO. The trio gives Amryt, which was only founded in August, credentials as it sets out to deliver a rare-disease strategy that is focused on acquiring or in-licensing assets and pushing them through the final stages of clinical development.

Amryt has kicked off the strategy by agreeing to deals to buy Birken and Som Pharmaceuticals, a pair of European drug developers that will add candidates against epidermolysis bullosa, acromegaly and Cushing's disease to its pipeline. The near-term focus is on Episalvan, a drug that Birken has already won approval for as a way to accelerate healing of partial thickness wounds. As epidermolysis bullosa is characterized by the development of such wounds, Amryt thinks it can position Episalvan as a drug capable of improving outcomes in the indication.

The severity of the condition varies from patient to patient, but the blistering of the skin it causes can be detrimental to quality of life. "It is a pretty horrific disease," Wiley told Proactive Investors. "In the severe forms, the parents change the wound dressings every three to four days." Wiley and his colleagues hope to improve the situation for these patients by starting a Phase III trial of Episalvan in the condition in the second half of the year. Some of the £10 million Amryt is planning to raise will go toward financing the trial.

Amryt is raising the cash in conjunction with a reverse merger involving Fastnet Equity, an AIM-listed organization that was involved in the oil and gas business. Faced with turbulence in the oil sector, the company decided last year to pivot into healthcare. "Our feeling was that investing in a pharma company was one of the few market opportunities where a prospective investor might get the potential to generate a multiple uplift in share appreciation much like a successful oil exploration campaign can generate," Fastnet chairman Cathal Friel told The Irish Times.

Friel, the managing director of Raglan Road Capital, is one of the founders of Amryt. The company is the second life science player in the space of a month to capitalize on the issues facing the oil and gas sector. Last month, SalvaRx, an oncology investor backed by Jim Mellon, picked up an AIM listing through a reverse takeover of 3Legs Resources. Prior to becoming a shell company, 3Legs was trying to build a business upon shale gas from Poland.

Social Media

Since the announcement on 31 March 2016, Amryt Pharmaceuticals and Fastnet Equity have generated 216 mentions on Twitter. The majority of posts have been factual and positive in nature. Please find a selection of posts below.

Bulletin Boards

Speculation began on 30 March 2016 about a potential announcement. The news was largely positively received. Several of those commenting referenced Harry Stratford, viewing him as a very positive asset for the Company. Some are expecting greater gains in the coming weeks and there are questions from

several commentators as to whether the Company will have to go back to the market at a later date for more cash, questions like these are keeping some on the fence.

Some have compared the deal and the potential of Amryt to Asterias Biotherapeutics. Some have suggested that they had hoped the placing would be more than 3p per share and there has been some debate amongst commentators, with others very pleased with this price. One commentator also hoped that an enlarged market cap would attract institutional investors.

After the initial announcement, discussions on bulletin boards slowed somewhat. Sentiment remains largely positive with some suggesting that they are going to buy more stock as they see it as a good opportunity, especially in anticipation of potential FDA approval.

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M&A Navigator @manavigator · 1h
FASTNET EQUITY TO ACQUIRE AMRYT PHARMACEUTICALS FOR GBP 29.6M manavigator.com/news/-fastnet-...



Share Prophets @ShareProphets · 4h
 Just posted: **Fastnet** - a cracking RTO completed, we are well up on this share tip - more to go shareprophets.com/19788 #FAST



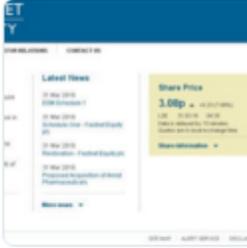
Fastnet - a cracking RTO completed, we are well u...
 Fastnet (FAST) has announced details of a proposed reverse acquisition of Amryt Pharmaceuticals, a £10 million share placing and capital reorganisation and th... shareprophets.com



Kumar Raval @PassDball · 5h
 #Fastnet_Equity #FAST Brilliant RTO completed and we should see lots of interest here.



#Irishbiz @Irish_Biz · 3h
Fastnet Equity in €37m debut deal bit.ly/1Y3HK4V #Irishbiz #Ireland



Fastnet Equity in €37m debut deal
 Dublin-based investment firm Fastnet Equity has reached conditional agreement to acquire drug firm Amryt Pharmaceuticals for £29.6m (€37.5m). irishe Examiner.com



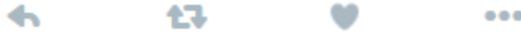
M&A Navigator @manavigator · 8h

Fastnet Equity to Acquire **Amryt Pharmaceuticals** for GBP 29.6m
manavigator.com/news/fastnet-e...



Proactive Investors @EdAtProactive · 9h

Fastnet Equity PLC unveils transformational drugs deal - **Amryt Pharmaceuticals** will join the London market in a... ow.ly/3d3JcX



Proactive Investors @EdAtProactive · 9h

Amryt Pharmaceuticals chief sees the potential in 'orphans' - **Amryt Pharmaceuticals** is coming to the market fol... ow.ly/3d3JcT



BioWorld Today @BioWorld · 15h

AIMing high: Oil firm backs start-up **Amryt's** orphan disease play



 **conkers** @conkers3 · 51m
 .@proactive_uk #FAST #Amryt #Pharma chief sees the potential in 'orphans'
tinyurl.com/jgx9e5u via @oilpipeline •• acquisitive •• @Smudgedann
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 **Interconnector** @oilpipeline · 1h
 #FAST Amryt Pharmaceuticals chief sees the potential in 'orphans'
tinyurl.com/hcgqtj6 via @proactive_uk #fastnet #equity #amryt
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 **IFA Magazine** @IFAMagazine · 3h
 Orphan drug specialist Amryt Pharma to reverse into AIM's Fastnet -
ifamagazine.com/news/orphan-dr...
 ↩️ ↻ ❤️ ⋮

 **BioPortfolio** @BioPortfolio · 3h
 News: Amryt Pharmaceuticals chief sees the potential in 'orphans' ow.ly/3d2hje
 ↩️ ↻ ❤️ ⋮

 **Wound Care News** @Wound_Care · 3h
 #Woundcare News: Amryt Pharmaceuticals chief sees the potential in 'orphans'
ow.ly/3d2eaD
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 **Global Pharma News** @pharma_global · 3h
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 **BioPortfolio DrugApp** @DrugApprovalBio · 4h
 News: Amryt Pharmaceuticals chief sees the potential in 'orphans'
ow.ly/3d2d7U
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 **Biotech Mergers M&A** @MergersBio · 4h
 Amryt Pharmaceuticals chief sees the potential in 'orphans' - Joseph Wiley
 chief executive elect of Amryt Pharm... ow.ly/3d2c2E
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5 TopFiveTraders @TopFiveTraders · 4h
Amryt Pharmaceuticals chief sees the potential in 'orphans': Joseph Wiley, chief executive elect of Am... bit.ly/1q59vzA #mining

Pharma News @News_Pharma · 4h
Amryt Pharmaceuticals chief sees the potential in 'orphans' bit.ly/1RMhsCH

Proactive investors @proactive_NA · 4h
Amryt Pharmaceuticals chief sees the potential in 'orphans' - Joseph Wiley, chief executive elect of **Amryt** Phar... ow.ly/3d261o

RESILIENT MEDIA ENT @resilient_ent · 4h
Amryt Pharmaceuticals chief sees the potential in 'orphans': Joseph Wiley, chief executive elect of **Amryt** Phar... bit.ly/1RMds5a

The Solid Trader @SolidTrader · 5h
#AIM BIOTECH NEWS **Amryt** Pharmaceuticals chief sees the potential in 'orphans' dlvr.it/Kx52tb

Proactive Investors @proactive_uk · 5h
#proactiveinvestors **Amryt** Pharmaceuticals chief sees the potential in 'orphas' ow.ly/3d21WB

Stock Market Wire @StockNewsWire · 6h
 StockMarketWire Fastnet agrees reverse takeover of **Amryt** dlvr.it/Kx3YwC
stockmarketwire.com



Interconnector @oilpipeline · 46m

#Fastnet Equity rises 12% on £29m takeover deal cityam.com/237877/fastnet ... via @CityAM #FAST



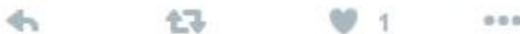
More pharma M&A madness: Fastnet agrees reverse takeover

The share price of Fastnet Equity, formerly known as Fastnet Oil and Gas, shot up this morning after it announced a £29.6m reverse takeover ... cityam.com



Marcin Zientek @zientekglobal · 56m

More pharma M&A madness: **Fastnet** agrees reverse takeover cityam.com/237877/fastnet... via @CityAM



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Fastnet Equity #FAST Restoration - **Fastnet** Equity plc via @voxbmarkets voxbmarkets.co.uk/rns/announceme...



Share Prophets @ShareProphets · 5h

Just posted: **Fastnet** Equity (#FAST) exciting RTO to become Amryt Pharma - WE'RE IN! shareprophets.com/19751





SharePickers @SharePickers · 5h

Fastnet Equity #FAST Proposed Acquisition of Amryt Pharmaceuticals via @voxmarkets voxmarkets.co.uk/rns/announceme...

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PharmaMan @ManPharma · 48m

Fastnet Equity To Become Amryt Pharma After Reverse Takeover ow.ly/3d1Wfh

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Pharmaceutical News @EINPharmaNews · 2h

Fastnet Equity PLC unveils transformational drugs deal s.einnews.com/llqsLO6kOs

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Interconnector @oilpipeline · 2h

#FAST #**Fastnet Equity** unveils transformational drugs deal tinyurl.com/hcs8avj via @proactive_uk #epidermolysis #bullosa #amryt #pharma

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Kumar Raval @PassDball · 3h

#**Fastnet Equity** #FAST Proposed Acquisition of Amryt Pharmaceuticals. Under 4p looks a bargain.

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Interconnector @oilpipeline · 14h

#**Fastnet Equity**. News soon...? #FAST #pharma

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 **Early_Bird** @power_thompson · 4h
#FAST wow. could never have predicted this. Book those seats in **Amryt** Pharma PLC.

  3  3 

 **Early_Bird** @power_thompson · 4h
#FAST back trading today!! soon to be **Amryt** Pharma PLC

  3  2 

 **Elias Jones** @EliasJones1 · 4h
Looking forward to #FAST who are to become **Amryt** Pharma Plc getting back, new entity will be on many investor radar.

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