

Patients Are Now Being Treated with a Civica Rx Medication

First deliveries of Vancomycin pave the way for it to be available to all member health systems later this month

SALT LAKE CITY, UT, October 2, 2019 – Civica Rx (Civica, Inc.) the collaboration between three philanthropies and now <u>40 Health Systems</u> representing over 1000 hospitals in 46 states, announced today that patients at Riverton Hospital in Utah are the first to receive a Civica medication, Vancomycin Hydrochloride for Injection, USP.

Riverton Hospital, an Intermountain Healthcare facility in Utah, has received its first vials of Vancomycin, an essential antibiotic that has often been in short supply at Riverton and thousands of hospitals across the country. This is the first time a patient has been treated with a Civica Rx medication since the company was founded in September 2018.

"This first delivery demonstrates the Civica model in action and is a dream come true," said Martin VanTrieste, President and CEO of Civica Rx. "We thank leading health systems across the country who founded or have since become members of Civica for their ongoing commitment and collaboration. We thank our founding philanthropies for prioritizing accessible and affordable healthcare. We are thrilled with the long-term partnerships we've formed with quality generic drug suppliers. We thank all for coming together to do what is in the best interest of patients."

Vancomycin, supplied through a partnership with Xellia Pharmaceuticals, is expected to be available to all health systems by the end of the month. Deliveries of Daptomycin, also an essential antibiotic, will follow shortly thereafter. These first deliveries are expected to be followed by up to 15 Civica Rx medications in production this year with supplier partners Hikma Pharmaceuticals and Exela Pharma Sciences.

Additional Comments about First Deliveries:

Dan Liljenquist, Lead Architect/Board Chair of Civica Rx, Chief Strategy Officer of Intermountain Healthcare:

"This moment would not have happened without dozens of health systems coming together to make this work. I'm particularly grateful for the health systems that early on took a risk to come forward and say 'look, if we can't solve this, we don't think anybody can' and leaned in with us to make it happen. I'm also grateful that every week it seems, more systems join us or reach out. We tried to create a model that is welcoming to everyone because every patient in this country deserves to have accessible, affordable generic medications."

Rick Carlson, Pharmacy Director, Riverton Hospital, Riverton Utah:

"I've got a great team of pharmacists and technicians that work side by side with the physicians and the nurses that care for the patients and help with their healing in the hospital. When we have to step away and deal with all of the drug shortages, it really detracts from the opportunity we have to be with the patient. Participating with Civica and being able to have their products in our facility really allows us a better opportunity to care for the patient and see them heal quicker."

Carl-Aake Carlsson, CEO Xellia Pharmaceuticals, Civica's Supply Partner for Vancomycin:

"We are honored to work with Civica Rx, an innovator in addressing generic drug shortages. We join in the celebration of this historic milestone and look forward to our continued collaboration to mitigate drug shortages – particularly shortages of anti-infective medications across the U.S."

About Civica Rx

Civica Rx was established in 2018 by health systems (CommonSpirit Health, HCA Healthcare, Intermountain Healthcare, Mayo Clinic, Providence St. Joseph Health, SSM Health, and Trinity Health) and philanthropies (Gary and Mary West Foundation, Laura and John Arnold Foundation, and Peterson Center on Healthcare) to reduce chronic generic drug shortages and related high prices in the United States. It exists in the public interest as a non-profit, non-stock corporation committed to stabilizing the supply of essential generic medications in a hospital setting.

Civica is committed to transparency and offers fair and sustainable prices to its member hospitals. It will also ensure it has dedicated manufacturing capacity for the medications that are most desperately needed in hospitals across the country through redundant manufacturing and a strategic safety stock of medications to help prevent drug shortages in the future.

Civica aims to stabilize the supply of antibiotics, anesthetics, cardiac medications, pain management medications, and other essential sterile injectable medicines used in hospitals daily. It is actively pursuing a three-pronged product supply strategy:

- Working with multiple generic drug manufacturers that have the US FDA approved
 manufacturing facilities and capacity to produce Civica labeled generic drugs, allowing
 manufacturers to re-enter the market or increase existing capacity. Civica recently announced
 partnerships with Xellia Pharmaceuticals to provide two critical antibiotics, Vancomycin and
 Daptomycin, Hikma Pharmaceuticals to provide 14 medicines are used daily by hospitals in
 emergency care, surgery, pain management and in treating hypertension, and Exela Pharma
 Sciences to provide Sodium Bicarbonate.
- **Developing Abbreviated New Drug Applications** (ANDAs) for generic drugs and working with contract manufacturing organizations to produce Civica medications.
- Acquiring and building Civica manufacturing facilities using Civica's ANDAs.

Find more information about Civica Rx and a gallery of multi-media materials at www.civicarx.org.

About Vancomycin Hydrochloride for Injection, USP

Vancomycin is an antibiotic administered by an intravenous (IV) infusion over at least 60 minutes. It is used for serious infections caused by bacteria that are resistant to certain other antibiotics, including methicillin resistant Staphylococcus aureus (MRSA). Vancomycin can treat infections throughout the body including: pneumonia (lungs), cellulitis (skin and skin structures), septicemia (blood), osteomyelitis (bone), and endocarditis (inner lining of the heart).

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