



PRESS RELEASE

New commercial agreement signed with DENTSPLY Sirona Inc.

Capua, 29 January 2018 – Pierrel S.p.A. (“**Pierrel**” or the “**Company**”) announces that today the Company and DENTSPLY Sirona Inc. (“**DENTSPLY**”), a North American multinational marketer of professional dental equipment, signed an integration to the commercial agreement previously in force regarding the supply of dental anesthetics, on a non-exclusive basis, from the Pierrel Group to DENTSPLY, main customer of the Pierrel Group.

The agreement signed with DENTSPLY includes:

- (i) an increase in the amount reimbursed by Pierrel to the American company, with quarterly payments, proportionate to the amount of dental anesthetics supplied in the same period (rebate), as a progressive reimbursement of the debt towards DENTSPLY for the purchase of the production plant of dental anesthetics located in Elk Grove, in the United States (whose industrial plant was subsequently abandoned by the Pierrel Group), equal - at 31 December 2017, and by way of interest and capital stock - to approximately € 7.4 million (the “**DENTSPLY Debt**”);
- (ii) the extension of the term of the supply contract from 31 December 2021 to 31 December 2026 or, if earlier, on the date on which the DENTSPLY Debt will be fully repaid by Pierrel through the payment of rebates;
- (iii) the extension from 31 December 2021 to 31 December 2026 of the deadline for the repayment, in a single payment, of the part of the DENTSPLY Debt which had not already been reimbursed by Pierrel through the progressive payment of rebates and which, therefore, might still be outstanding at that date;
- (iv) the accrual of interest on the DENTSPLY Debt at a fixed rate of 2% per year starting from 1 January 2022 and up to the date of expiry of the agreement.

As already communicated to the market, the signature of the DENTSPLY agreement is one of the main items of the Pierrel Group's 2018-2020 industrial plan aimed at restoring the debt exposure of the Pierrel Group and to re-balance its financial position, prepared pursuant to and in accordance with Article 67, paragraph 3, letter d of the R.D. 16 March 1942, no. 267, as subsequently amended and supplemented and approved by Pierrel Board of Directors on 11 October 2017.

Mr Fulvio Citaredo, the Company's managing director, stated: *"The agreement with DENTSPLY Sirona represents an important element of the recovery plan of the Pierrel Group started with the approval, on 11 October, of the Pierrel Group plan for the period 2018-2020. The signature of the agreement confirms once again the role of the Pierrel Group as supplier and strategic partner of the DENTSPLY Sirona group in the field of injectable dental anesthetics. Thanks to the formalisation of this important **relationship** which, in turn, follows the significant intervention carried out by the shareholders Fin Posillipo S.p.A. and Bootes S.r.l. in favor of the Pierrel Group, as well as the positive economic and financial results recorded by the Company in the last period of 2017, we believe that the conditions exist for a positive response from the market in relation to the capital increase of the Company for a maximum of € 35 million, approved by the Shareholders' Meeting on 22 November. In the event of a positive outcome of this strengthening operation, the Company will be able to concentrate on the strategic growth and the development plan of its business, contributing to the final recovery of the Pierrel Group."*



For further information on the recovery plan of the Pierrel Group and the subsequent certification issued by the independent expert pursuant to article 67, paragraph 3, letter d) of the R.D. 16 March 1942, n. 267, as subsequently amended and supplemented, please refer to the press releases published by the Company on 11 and 20 October 2017 and available on the Company's website at www.pierrelgroup.com, Press/Press Releases section.

Pierrel S.p.A. specialises in the pharmaceutical production (Contract Manufacturing Division) and the development, registration and licensing of new drugs and medical devices (Pharma Division).

Pierrel Group is listed on the MTA exchange which is organised and managed by Borsa Italiana and boasts over 60 years' experience in the pharmaceutical sector, being one of Europe's leading producers of local and dental anaesthetics.

Pierrel also has a production unit in Capua, close to Naples, Italy, that has been authorised by the European Medicines Agency (EMA) and the Food and Drug Administration (FDA) for the aseptic production of injectable medicines.

The subsidiary Pierrel Pharma S.r.l. has registered and distributes the Orabloc® dental anaesthetic in Canada, US, Russia and Europe. The registered office of Pierrel S.p.A. is in Capua (CE), Italy.

For further information:

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