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Dr. Reddyâ??s buys Nicotine Replacement Therapy business from Haleon for Rs 5276 Cr

26 June 2024 | News

Dr. Reddyâ??s will acquire the NRT business in all countries outside of the United States



Hyderabad-based Dr. Reddy’s Laboratories has announced that its subsidiary Dr. Reddy's Laboratories SA has signed a definitive agreement with Haleon plc, a leading consumer healthcare company, for purchase of shares of Northstar Switzerland SARL, a Haleon group company, to acquire Haleon’s global portfolio of consumer healthcare brands in the Nicotine Replacement Therapy (NRT) category outside of the United States.

The portfolio to be acquired consists of Nicotinell, a global leader in the NRT category with an extensive footprint in over 30 countries spanning Europe, Asia including Japan, and Latin America, and local market-leading brand names of the product – Nicabate in Australia, Thrive in Canada, and Habitrol in New Zealand and Canada.

The proposed acquisition will be inclusive of all formats such as lozenge, patch, gum as well as pipeline products, in all applicable global markets outside of the United States.

Nicotinell ranks among the top 15 biggest brands among all OTC brands in Europe (excluding Russia, Italy), and ranks 32 among all OTC global brands (excluding the U.S.). In CY’23, the portfolio generated approximately GBP 217 million in revenue.

Dr. Reddy’s will acquire the share capital of Northstar Switzerland SARL for a total consideration of GBP 500 million (Rs 5276 crore) with an upfront cash payment of GBP 458 million and performance-based contingent payments of up to GBP 42 million, payable in 2025 and 2026.

Upon closing of the transaction, Dr. Reddy’s will acquire the NRT business in all countries outside of the United States. However, operations will transition to Dr. Reddy’s in a phased approach to ensure successful integration of the business