

Press release

3 June 2020

GHO Capital Acquires X-Chem, the Leading Provider of DNA-Encoded-Library-Mediated Drug Discovery Services

- **Matt Clark named new Chief Executive Officer**
- **US-based X-Chem is the leading provider of small molecule discovery services to global biopharma using DNA-Encoded Library technology**
- **GHO to invest further in best-in-class technology and service proposition**

London, UK – Global Healthcare Opportunities, or GHO Capital Partners LLP (GHO), the European specialist investor in healthcare, announces the acquisition of X-Chem, Inc. (X-Chem), the industry-leading provider of DNA-Encoded Library (DEL)-based discovery services, from an affiliate of The Carlyle Group and Hellman & Friedman LLC.

From its Waltham, US headquarters and leveraging a proprietary DEL platform with libraries containing over 200 billion small molecules, X-Chem provides drug discovery services to biopharma partners. X-Chem has licensed over seventy research programs, comprising hundreds of novel chemical entities, to companies throughout the US, Europe and Japan.

X-Chem will benefit from GHO's expertise, global network and international resources to accelerate growth. With continued investment and support from GHO, X-Chem will be able to build on its best-in-class technology to better service partners by expanding the service offering and growing internationally.

DEL technology, allowing customers to screen billions of compounds simultaneously against a single biological target, is an innovative and high growth segment of the market as pharmaceutical companies look for access to cutting edge scientific expertise to support an increasingly challenging drug discovery process.

Upon completion of the transaction, Matt Clark, co-founder of X-Chem and current SVP of Chemistry will be named CEO. A thought leader in drug discovery and DEL-mediated hit identification, Matt will lead X-Chem in its next phase of growth and development.

Matt succeeds Rick Wagner, co-founder and CEO of X-Chem, who will resign from the company. Under Rick's leadership, X-Chem grew from a niche discovery platform to an industry leading provider of novel drug leads.

The Partners at GHO Capital commented: "We are delighted to have the opportunity to work with the X-Chem team. With its proven DEX discovery platform, X-Chem is the go-to provider for small molecule drug discovery for all of biopharma and poised for future growth."

Rick Wagner, departing CEO of X-Chem, commented: "On behalf of the X-Chem management team, I'd like to thank Carlyle and Hellman & Friedman for their partnership and support of the advancement of X-Chem's industry leadership position. After leading the company for over 10 years, I believe now is the ideal time for Matt and the ongoing management team to take the reins.

Matt has been a guidepost for advancing X-Chem to its leadership position in DEL technology, and he is now poised to drive the expansion and growth of the company to its next level. I plan to work with the Board and Matt to ensure a smooth transition.”

Matt Clark, new CEO of X-Chem, commented “Under Rick’s leadership we have built X-Chem into the leading DEL provider for biopharma. We are excited to partner with GHO to enter the next chapter in the Company’s evolution.”

Judd Hartman, Chairman of the X-Chem Board commented “On behalf of Carlyle and Hellman & Friedman, we want to thank Rick Wagner, Matt Clark and the entire X-Chem team for being such great partners over the last decade. We are proud of X-Chem’s leading DEL franchise and the great employee base that helped build it. We wish X-Chem continued success in its next chapter with GHO.”

BlackArch Partners served as exclusive financial advisor to X-Chem. Latham & Watkins LLP provided legal advice to X-Chem.

Ropes & Gray LLP provided legal advice to GHO, Health Advances provided commercial advice, Deloitte LLP provided tax and IT advice, PwC provided financial and accounting advice, Corporate Risk Solutions and Atlantic Global Risk LLC provided insurance advice, and Bridge House Advisors provided ESG advice.

- ENDS -

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About GHO Capital

Global Healthcare Opportunities, or GHO Capital Partners LLP, is a leading specialist healthcare investment advisor based in London. We apply global capabilities and perspectives to unlock high growth healthcare opportunities in Europe, building market leading businesses of strategic global value. Our proven investment track record reflects the unrivalled depth of our industry expertise and network. We partner with strong management teams to unlock value in a global system that demands the delivery of better, faster, more accessible healthcare. For further information, please visit www.ghocapital.com.

About X-Chem

X-Chem, Inc. is a privately-owned biotechnology company based in Waltham, Massachusetts. The company’s mission is to apply its powerful product engine to the discovery of small molecule leads against high-value therapeutic targets. X-Chem has established partnerships with AbbVie, Alexion, Almirall, Bristol-Myers Squibb, AstraZeneca, Bayer, Department of Defense/Harvard, Gilead, Janssen, Maruho, MD Anderson Cancer Center, Ono, Otsuka, Pfizer, Roche, Sanofi, Taiho Pharma, Vertex, and several other leading pharmaceutical companies, biotechnology

organizations, and academic centers. For further information on X-Chem, please visit: <http://www.x-chemrx.com/>.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across four business segments: Corporate Private Equity, Real Assets, Global Credit and Investment Solutions. With \$217 billion of assets under management as of March 31, 2020, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. The Carlyle Group employs more than 1,775 people in 32 offices across six continents. Further information is available at www.carlyle.com. Follow The Carlyle Group on Twitter @OneCarlyle.

About Hellman & Friedman

Hellman & Friedman is a preeminent global private equity firm with a distinctive investment approach focused on largescale equity investments in high-quality growth businesses. H&F seeks to partner with world-class management teams where its deep sector expertise, long-term orientation, and collaborative partnership approach enable companies to flourish. H&F targets outstanding businesses in select sectors including software & technology, financial services, healthcare, retail & consumer, and other business services. Since its founding in 1984, H&F has raised over \$50 billion of committed capital, invested in over 90 companies, and is currently investing its ninth fund, with \$16.5 billion of committed capital. Learn more about H&F's defining investment philosophy and approach to sustainable outcomes at www.hf.com.