

Teligent

Facility Expansion Groundbreaking
June 24, 2016
105 Lincoln Avenue
Buena, New Jersey

*"This plant expansion reflects the bold vision that we share at Teligent.
We are passionate about building a high-quality facility that will
make a difference in people's lives."*

– Jason Grenfell-Gardner, President & CEO



Teligen

Founded in 1977, Teligen of Buena, New Jersey is a specialty generic pharmaceutical company (NASDAQ: TLGT) committed to the development, manufacturing and marketing of **topical, injectable, complex and ophthalmic** generic pharmaceutical products for the United States and Canada. Founded as IGI Laboratories, the company has been headquartered in western Atlantic County since its founding.

The spirit of our culture is to **work hard**, and **be nice** to people.

The Decision to Grow and Prosper in Buena, NJ

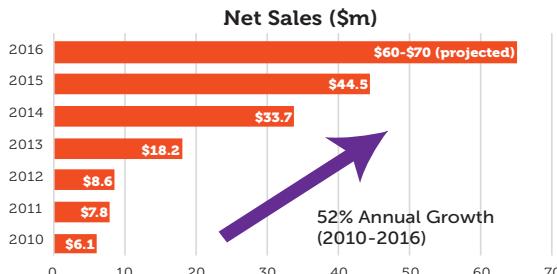
Teligen has initiated a significant expansion to the company's FDA-approved facility in Buena, New Jersey. The existing manufacturing facility is 23,000 square feet and includes space for laboratories, topical pharmaceutical manufacturing and packaging and warehouse. The expansion will **add 75,000 square feet** to the facility for increased production capacity, a new sterile injectable manufacturing suite, increased quality control laboratory space, and a larger, high-efficiency warehouse.

The Buena facility also includes a 10,500 square foot building that has recently been renovated and transformed into new administrative offices and an **integrated Product Development laboratory** for the company's pharmaceutical pipeline.

Upon completion in 2017, the expanded facility will **increase** the site's footprint by more than **300%**, totaling nearly **110,000 square feet** of space.

Summary Points

- The expansion will drive additional hiring needs of skilled and entry-level positions for R&D, manufacturing and administrative positions. Buena employee headcount was 81 in 2014 and about 100 people in 2015. Projected headcount in Buena will grow to nearly **200 employees in 2018**.
- Company sales were \$33.7 million in 2014 and \$44.5 million in 2015. Sales are projected to grow more than 50% this year, to \$60-70 million in 2016.



- Launched TICO strategy in 2014, to focus on Topical, Injectable, Complex, and Ophthalmic generic pharmaceuticals.
- Rebranded from IGI Laboratories to Teligen in 2015.
- Committed to investing in the company's future: the industry average is to invest 7% of sales in R&D, and in 2016 Teligen will **invest 28-32% of sales in R&D**.
- Growing a team of analytical, formulation, and laboratory scientists.
- By end of 2017, the company will have the capacity to manufacture and commercialize a much larger portfolio of topical products, as well as start the manufacture of injectable pharmaceutical products.

What are the economic benefits of this expansion for the economy of Southern New Jersey?

The benefits of Teligent's decision to remain and expand in Atlantic County will impact all of the residents of Southern New Jersey. In addition to increased capacity and capabilities for the company, this expansion will:

- Provide much needed diversity to the regional economy.
- Offer new, high-paying technology jobs to the residents of the region.
- Provide additional ratables and an outstanding corporate neighbor to Buena, NJ.
- Demonstrate the ability of private, municipal, county, and state officials to work together for a winning outcome for all parties.
- Provide an economic impact which includes the direct activity of Teligent and the wages it pays to its Southern NJ employees, as well as the secondary impacts as these dollars are spent regionally and fuel indirect impacts.

Economic Impacts

Construction Phase: The \$45-50m project will....

- Provide \$78m in new economic activity to the Southern NJ region.
- Increase earnings by \$26m and employment by the equivalent of 454 annual jobs

Construction Costs	Direct Expenditures	Overall Economic Activity	Earnings	Employment
Architecture & Engineering	\$3-\$5m	\$6,815,600	\$2,872,800	42
Building/Equipment	\$42-\$45m	\$71,244,300	\$23,118,945	413
TOTAL	\$45-\$50m	\$78,059,900	\$25,991,745	454

Current Activity: Sales of an estimated \$60-\$70m in 2016....

- Provides \$94m in overall regional economic activity.
- Creates \$14.4m in annual wages and earnings which supports 395 regional jobs.

Direct Economic Activity	Overall Economic Activity	Earnings	Employment
\$60-\$70m	\$93,707,250	\$14,394,668	395

Post-Expansion Impacts

With the completion of the expansion in 2017... A 67% increase

in direct employment at the Southern NJ location by 2018, resulting in overall annual earnings of **\$21.4 Million** to regional workers.



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Economic Impacts provided by:

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