



ALIVIRA

Alivira to acquire majority stake in Karizoo Group Spain

Makes Europe the largest market for Alivira

Strengthens presence in LATAM with entry into Mexican Market

Achieves critical size in global veterinary space with annualized revenue of US\$ 120 mn

Mumbai, May 30, 2016 - SeQuent Scientific Limited (“SeQuent”) today announced that its subsidiary Alivira Animal Health Limited (“Alivira”) has signed a definitive agreement to acquire majority stake in Karizoo Group, Spain, one of the leading animal health groups in Spain and European markets.

Alivira would acquire 60% stake in the family held Vila Vina Participacions (“VVP”) which owns Karizoo Spain, Phytosolutions Spain, Covivet Spain and Karizoo Mexico. The existing promoters will continue to hold the balance 40% stake. The acquisition will be made through Alivira Ireland, a wholly owned subsidiary of the Company.

Karizoo Group

Karizoo Group was established by Vila family in 1983 with objective of making a difference to the health and well-being of farm animals. The group is headquartered in Caldes de Montbui, Barcelona (Spain). The group achieved net sales of Euro 29.1 Million (“mn”) in 2015 with an adjusted EBITDA of Euro 2.2 mn.

- Karizoo has a strong presence across 14 countries including Spain, Poland, Germany, United Kingdom, Mexico and Iran
- The group has 12 marketing authorizations in Spain, 65 in rest of European Union (“EU”), 25 in Mexico and 15 in MENA region with a pipeline of 3 products under registration in EU. 25 products are under development in the areas of anesthetic gas, oral solutions, oral powders, oral suspensions and drug premix products
- Karizoo has an EU-GMP manufacturing facility near Barcelona for oral products viz. oral solutions, oral suspensions, anesthetic liquids, oral powders, and drug premix. The facility also has separate dedicated area for penicillin products
- CEO Mr. Ramon Vila, second generation of the Vila family, leads Karizoo’s current management team. The promoters have vast experience in the animal healthcare space and will be part of Alivira’s leadership team in Europe

Strategic Rationale

- The acquisition makes Alivira a significant player in the Global Animal health space with annualized revenues in excess of US\$ 120 mn. Alivira will now account for over 2/3rd of SeQuent revenues with formulations business accounting for over 75% of Alivira business
- Karizoo will strengthen Alivira’s existing European operations in Belgium, Sweden and Netherlands, making Europe the largest region for Alivira’s operations with footprints in 15 European markets.

Europe is the World's second largest animal health market estimated at US\$ 9.6 bn in 2015. The market is expected to touch US\$ 12.2 bn by 2020

- Alivira now has a strong formulation business in the key veterinary markets of Europe, India, Turkey, Latam, Africa and South East Asia. It is already the leader in the veterinary market of Turkey and has recently doubled its presence in India with the acquisition of Lyka's veterinary business. With Karizoo, Alivira would now have an established presence in Mexico in addition to its recent acquisition in Brazil, two key markets in LATAM
- The recently established, state-of-art API facility at Vizag makes Alivira one of the few integrated players in the global Animal Health space. The facility has already commenced supplies to Europe and the first filings for the US market have also been completed

Commenting on the development, **Mr. Manish Gupta, Managing Director of Alivira** said *"We are happy to announce this transaction which bolsters our European presence making it the largest market for Alivira. Karizoo brings into Alivira an EU approved manufacturing base and strong R&D capabilities, which we intend to leverage for our global operations. The Mexico operations of Karizoo along with our recently announced acquisition in Brazil provides us a strong foot-hold in the Latin American market. We will now have manufacturing operations in India, Turkey, Europe and in Brazil. All this augurs well with our strategy to become the first truly Global Animal Health business from India."*

Mr. Ramon Vila, CEO of VVP said *"The acquisition of 60 % stake in Karizoo Group by Alivira is a very important step for the globalization of our business which we built over 20 years. The integrated business model of Alivira will enhance our competitiveness, leveraging our products in wider markets and our technical capabilities for faster new product development."*

The transaction is subject to customary closing conditions and is expected to close by July 2016.

About Alivira Animal Health Limited

Alivira Animal Health Limited ("Alivira") is a vertically integrated Animal Healthcare company with three state of the art manufacturing facilities. The Company's API business is characterized by new product development capability, best-in-class infrastructure, wide product basket and long term relationships with most of the global animal health companies. In the formulations space, Alivira has established business presence in India, Turkey, Europe, Africa, MENA and South East Asia. It has close to 200 dosage forms focused towards production animals produced in GMP compliant facilities in Turkey and India. Alivira's long term vision is to become a global powerhouse for animal health built on a platform of superior quality and compliance.

About SeQuent Scientific Limited

SeQuent Scientific Limited (BSE-512529, NSE-SEQUENT) is an integrated pharmaceutical company with a global footprint, operating in the domains of Animal Health (API and formulation), Human Health (API) and Analytical Services. Headquartered in Mumbai, India, SeQuent has nine manufacturing facilities based in India and Turkey with approvals from global regulatory bodies including USFDA, EUGMP, WHO, TGA among others.

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