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July 31, 2021

BSE Limited Corporate Relationship Deptt. PJ Towers, 25th Floor, Dalal Street, Mumbai - 400 001 Code: 523642	National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Code: PIIND
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Dear Sir,

Sub: Press Release on acquisition of API & Intermediate business of Ind-Swift Laboratories Limited

In continuation to our letter dated July 30, 2021 wherein company had made disclosures under Reg 30 of the listing regulations, 2015 informing the execution of business transfer agreement with Ind Swift Laboratories Limited and certain identified promoters of ISLL for acquisition (either itself or through its affiliate) of API business division of ISLL by way of a slump sale on a going concern basis, we are enclosing herewith a copy of press release issued by company on same for investor and public information at large.

Thanking you,

Yours Faithfully,
For **PI Industries Limited**

Naresh Kapoor
Company Secretary

End: As above.



PRESS RELEASE

PI Industries board approves acquisition of API & Intermediate business of Ind-Swift Laboratories Limited

Gurugram, July 31, 2021

PI Industries Limited (PI), yesterday executed a Business Transfer Agreement (BTA) with Ind-Swift Laboratories Limited (ISLL) for acquisition of their API and Intermediates business undertaking on a slump sale going concern basis.

Acquisition is in line with PI's long-term strategic objective and aiming to create a differentiated scale play in Pharma

- PI is known for pursuing science led opportunities and has successful track record of building unique business models by delivering innovative solutions to its customers.
- It has been one of the leading players in Agri-sciences and CSM industry for over 7 decades and is on a strategic path of diversification and envisions the Pharma vertical as one of the key pillars for future growth.
- It is aiming to create a differentiated position in Pharma sector by leveraging its core competencies in complex chemistry, operational excellence, technology platforms and global reach through partnership with large innovators.
- The acquired business with revenue scale of ~Rs. 860 crore and EBIDTA margin of ~23%, access to strong customer franchise in the regulated/ROW markets / product portfolio, accredited manufacturing facilities and experienced management team will help PI to build a differentiated scale play in pharma in an expeditious manner.

PI expects to create significant value by leveraging combined capabilities and unlock synergies

- Acquired business undertaking has diversified portfolio of 20+ products with leadership position (global top 5) in several of them and a good R&D product pipeline.

PI has also developed strong R&D pipeline of products and complementary technologies over last few years. With its leadership in technology and complex chemistry and strong 350+ R&D team / world class infrastructure, PI is expecting to ramp up progress on combined R&D pipeline and create a niche and differentiated portfolio.

Introduction of new and cutting-edge technologies will also enable building a differentiated and sustainable relationship with global customers backed by quality and efficiency.

- Acquired undertaking has cGMP compliant manufacturing facilities with approvals for US (USFDA), European, Japanese, Europe (EDQM), Japan (PMDA), Brazil (ANVISA), Korea (KFDA) and other markets.

PI will work towards further enhancing operations excellence at the acquired undertaking by automation, improving capacity through-put, backward integration of key intermediates, etc. to capture bigger share of value chain and build self-reliance.

- While the acquired entity has excellent global reach/ customer portfolio, enhanced focus on customer centricity and commercial excellence will allow for deepening and widening customer relationships to attain full potential.
- Acquired undertaking also brings with it highly experienced employees /leadership team, which will be further strengthened with significant pharma industry experience sitting both at executive and board level at PI.

Following are some of the Key Highlights of the Transaction:-

- The overall purchase consideration for the target undertaking is to be INR 1530 crores on debt and cash free basis subject to closing adjustments.
- The target undertaking is planned to be acquired through PI's Fully owned subsidiary.
- The purchase consideration will be paid in all-cash and funded from the proceeds of the completed Qualified Institutional Placement (QIP) and internal accruals. The transaction is expected to be earnings accretive with immediate effect.

- The transaction includes entire API Undertaking covering 2 manufacturing plants located at Dera Bassi, Punjab and Jammu & Kashmir, R&D set up in Mohali, Punjab with strong product pipeline, customer and vendor contracts, and sales, marketing & distribution networks spanning more than 70 Countries serving more than 200+ Global Customers.
- The consummation of the transaction and integration into corporate structure of PI is expected to be completed during Q3FY22 subject to fulfilment of customary closing conditions and regulatory approvals.

Commenting on this development, Mayank Singhal, Vice Chairman & Managing Director of PI Industries Ltd said:

“Today marks a landmark occasion for PI with our Board approving this acquisition as a first significant step towards our long-term strategic move for diversification into adjacencies. As the year 2021 is also the 75th year of PI’s journey, this diversification will be a defining moment for our journey beyond.

This acquisition will pave way for building a differentiated position in pharma value chain by technology partnerships, selecting niche product portfolio, leveraging our competencies in complex chemistry, operational & commercial excellence and expanding global reach.

For our global partners, this will mark an important milestone in their relationship with PI. The combined entity will bring a gamut of demonstrated possibilities, paving the path to broader, differentiated, and sustainable partnerships.

Our aim is to build multiple growth engines and take PI to the next level in the global arena with more substantive participation in the larger specialty & fine chemical opportunity.

I complement PI’s leadership team and external advisors who were painstakingly involved in fructifying this opportunity for last several months for successfully completing this task”

-ENDS-



About PI Industries Ltd. (PI Industries)

Incorporated in 1947, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) focuses on complex chemistry solutions in Agri-sciences and other fine chemicals areas.

PI Industries envisions to be at the forefront of science-led opportunities by delivering innovative solutions. PI Industries' core values of trust, adaptability, speed and innovation enable them to deliver the highest value to its customers and respect IP of its partners. PI Industries is known for best-in-class manufacturing, quality, and EHS practices. The company is a strong believer in technology and are focusing on Industry 4.0 standards for its manufacturing plants, with strong focus on innovation.

With strength of over 2,800 employees, the company currently operates a strong infrastructure set-up consisting 3 formulation facilities as well as 15 multi-product plants under its 4 manufacturing locations. These state-of-art facilities have integrated process development teams with in-house engineering capabilities. The company maintains a strong research presence through its R&D facility at Udaipur, where it has a dedicated team of over 350+ scientists and chemists. The facility includes advanced research and development labs, kilo plants and pilot plants with NABL certification.

For further information, please visit: www.piindustries.com or contact:

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Disclaimer: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. PI Industries Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.