

## Lyka completes Sale of Animal Health Biz to SeQuent

We, Lyka Labs Limited, are pleased to announce the completion of the sale of the Animal Health Business of its subsidiary Lyka Exports Ltd. to Alivira Animal Health Limited a subsidiary of Sequent Scientific Ltd. today on October 1, 2015. The transaction was consummated for an upfront consideration of INR 33.4 Crores with an additional potential earn out component of upto INR 8 crores.

This marks the beginning of a new era for us and is a significant stepping stone to achieve our strategic objectives of creating a valuable business in the niche areas of Injectable and Dermatology Business Segments.

The proceeds of the transaction will be used to pare down debts and also provide us growth capital for achieving a global leadership position in injectable and dermatology segments.

We have already invested significantly in R&D relating to the dermatology segment and have developed a product pipeline of +50 formulations. The fund infusion will help us in ramping up commercialization of these products and in implementing a phased approach to launch these products starting from Q1 FY 17.

In parallel, we plan to continue investing in R&D focused on these segments that will help us to sustain a high growth path. Our aim will be to develop strong Core Competencies in these areas that will clearly differentiate us from our peer group. We believe that our strong legacy and global presence will act as catalysts in achieving our goal.

We strongly believe that this transaction marks a new start for Lyka Labs and are confident that the company will now create significant value for our various stakeholders.

We also congratulate Alivira to have successfully consummated this transaction that is surely going to augment their current portfolio and help them achieve their strategic objectives in the segment. We are grateful to them for extending warm welcome to our employees and providing them an opportunity to be part of their global vision in the animal health space.

We appreciate the assistance provided by Ernst & Young and PDS Legal in completing this transaction as our exclusive M&A and Legal Advisors.

### For Queries, Please Contact

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**CIN:** L24230GJ1976PLC008738

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