



# Press Release

## PI Industries announces Twin Acquisitions into Pharma API & CDMO space ..committed to building a differentiated pharma play

Gurugram, April 27, 2023

**PI Health Sciences Limited (“PIHS”), a wholly owned subsidiary of PI Industries Limited (“PI”), has executed definitive documents with the following:**

1. Therachem Research Medilab LLC (“TRM”) for acquiring its wholly owned subsidiaries in India and assets in the US.

TRM is an innovative, chemistry-driven solution provider in medicinal chemistry research, process research and development, specialising in the Rare Disease area. It provides services and products to pharmaceutical and biopharmaceutical companies in the preclinical and clinical stages. It has manufacturing facilities in India and R&D facilities in India and the US. TRM’s R&D team works closely with marquee publicly listed US biotech companies and big pharma companies based in Asia-Pacific in developing their product pipeline. TRM had consolidated revenue of ~USD 33 Mn with a normalised EBITDA of ~US\$ 14 Mn for the year ended 31<sup>st</sup> March 2022.

2. Plahoma Twelve GmbH for acquiring 100% stake in Archimica S.p.A. (“Archimica”).

Archimica is an Italy-based, highly reputable small molecule API manufacturer and a Contract Development & Manufacturing organisation (CDMO) servicing over 60 marquee customers in more than 30 countries. Archimica owns 24 US DMFs, GMP manufacturing facility for APIs and Intermediates across wide therapeutic and substance classes such as Oncology, Anti Ulcer, and Anti Arthritis. Archimica’s manufacturing facility near Milan (Italy) is certified by major regulators such as USFDA and AIFA among others. Archimica had revenue of ~USD 45 Mn with EBITDA of ~US\$ 7 Mn for the year ended 31<sup>st</sup> December 2022.

**These acquisitions align with PI’s long-term strategic objective of building a differentiated CDMO offering across the pharma value chain.**

- PIHS will combine the acquired businesses’ R&D capabilities with the brand new integrated pharma research centre being developed in IKP Hyderabad for CRO and CDMO offerings to a wider set of customers across the entire Pharma value chain.
- The acquired businesses’ innovative products, accredited manufacturing facilities in India and the EU and an experienced management team will enable access to strong customer



franchises in the regulated markets.

- PI is known for pursuing science-led opportunities and has been one of the leading players with a unique business model in the agri-sciences industry for over seven decades.
- It is on a strategic path of diversification and envisions the Pharma vertical as one of the key pillars for future growth.
- It aims to create a differentiated position in the pharmaceuticals sector by leveraging its core competencies in complex chemistry, process development, operational excellence, technology platforms and global reach through partnerships with prominent innovators.

**Following are some of the key highlights of these transactions:**

- Both acquisitions are being made through PIHS, the wholly owned subsidiary of PI, already established for its Pharma foray.
- The purchase consideration comprises of:
  - TRM – USD 50.0 Mn (US Dollar Fifty Million Only). Additional up to USD 25 Mn in performance-linked pay-outs over the next six years.
  - Archimica – Euro 34.2 Mn (Euro Thirty Four Million Two Hundred Thousand Only) upon closing.
- The purchase consideration will be paid in cash and funded from the completed Qualified Institutional Placement (QIP) proceeds and internal accruals.
- Both acquisitions are expected to be earnings accretive with immediate effect.
- The consummation of the transactions and integration into the corporate structure of PI is expected to be completed during Q1FY24, subject to the fulfilment of customary closing conditions and regulatory approvals.

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

*“We are excited about these acquisitions as they mark a solid and accelerated beginning of PI’s journey in the pharma space. Our unique ability to build concrete offerings from abstract situations and leverage our capabilities across complex chemistries in the value chain will once again help create a differentiated value proposition for our stakeholders.*

*These acquisitions align with PI’s approach of working with global innovators and being at the forefront of innovation, science, technology and human ingenuity to create transformative solutions in life sciences with the purpose of reimagining a healthier planet.*

*We are excited to welcome the talented teams from both companies to the PI family. We look forward to deploying all our combined expertise towards unique value delivery for our customers.*

*I compliment PI’s leadership team and external advisors in fructifying this strategic opportunity.”*

**-ENDS-**



## About PI Industries Limited

Incorporated in 1947, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) 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 is focusing on Industry 4.0 standards for its manufacturing plants, with strong focus on innovation.

With strength of over 3,500 employees, the Company currently operates a strong infrastructure set-up consisting of 3 formulation facilities as well as 15 multi-product plants under its 4 manufacturing locations. These state-of-the-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 500+ scientists and chemists. The facility includes advanced research and development labs, kilo plants and pilot plants with NABL certification.

For further information on the Company, please visit [www.piindustries.com](http://www.piindustries.com)

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