

25th June, 2020

| | |
|--|---|
| To, BSE Limited, 25, P. J. Towers, Dalal Street, Mumbai – 400 001 Ref: Company Scrip Code: 532834 | To, The Manager, Listing Department, National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 Ref: Symbol: CAMLINFINE Series: EQ |
|--|---|

Sub: Press Release – Camlin Fine Sciences Limited to raise upto INR 1,800 Mn (USD23.8million) from funds advised by Convergent Finance LLP

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is a press release issued by the Company on the captioned subject, the content of which is self-explanatory.

This is for the information of the exchange and the members.

Thanking You,

Encl.: a/a.


For **Camlin Fine Sciences Limited**





Mandar Godbole
Company Secretary
& Compliance Officer

 **Registered Office:**

Camlin Fine Sciences Ltd. F/11-12, WICEL, Opp. SEEPZ, Central Road, Andheri East, Mumbai 400 093, India.
CIN: L74100MH1993PLC075361 | ISO 22000 Certified Company

 +91 22 6700 1000

 +91 22 2832 4404

 corporate@camlins.com

 www.camlins.com

Press Release

Camlin Fine Sciences Limited to raise upto INR 1,800 Mn (USD23.8million) from funds advised by Convergent Finance LLP

Camlin Fine Sciences (CFS) Ltd in its board meeting held on 25th June, 2020 has considered and approved the raising of funds of upto INR 1,800 Mn (USD23.8 million) from Infinity Holdings and its affiliated entities, with Convergent Finance LLP ('Convergent') acting as an investment advisor. Structured as a subscription to equity warrants priced based on the prevailing market price and in accordance with applicable SEBI regulations, the investment will result in an approximately 22.65% ownership stake on a fully diluted basis. Additionally, as a critical step towards aligning the interests of all shareholders, terms of the investment contemplate the institution of an ESOP for senior management/eligible employees, accompanied by a call option for the promoters. Customary closing conditions, including the shareholder approval, will apply.

The purpose of fund raise would be to consolidate and acquire the entire stake of its joint venture partners in the company's subsidiaries in Mexico and China, i.e. Dresen Quimica S.A.P.I. de C.V and CFS Wanglong Flavours Ningbo Co. Ltd., as well as to enhance the company's portfolio in Health & Wellness segment by launching new products.

CFS Group owns 51% stake in its China subsidiary of CFS Wanglong Flavours Ningbo Co. Ltd., with the balance 49% stake owned by a local partner. In CFS Wanglong, CFS manufactures vanillin, which is a key raw material for flavours, fragrances, pharmaceuticals etc. With the growing global trade tensions in China, the company would like to de-risk itself by having the ability and flexibility to bring the technology and machinery to manufacture the same products out of India where the company also has plans to setup a facility to manufacture Ethyl Vanillin.

CFS owns 65% stake in the subsidiary Dresen Quimica S.A.P.I. de C.V.(Mexico), with the balance 35% stake owned by a local partner. Dresen Química SAPI de CV in Mexico has 11,000 sq.mt Kosher facility for production of antioxidants blends and other additives for human and feed sector. Dresen Quimica SAPI de CV with its 5 wholly owned subsidiaries in Peru, Guatemala, Columbia, and Dominican Republic, is a dominant antioxidant player in Central America. The company's Mexico subsidiary has been one of the best performing subsidiaries for CFS, and with the growing business outlook, CFS sees an opportunity to consolidate and strengthen its position in this subsidiary.

Commenting on this development, Ashish Dandekar, Managing Director of Camlin Fine Sciences Ltd., said, "We are delighted to enter into such a strong partnership with Infinity and Convergent. Especially in such uncertain times, their confidence and investment in our company will not only strengthen our position in Mexico but also reduce our reliance on China. We will also actively invest into expanding our Blends and Health and Wellness businesses which both show huge potential in the coming years. Today, more than ever, there is a heightened awareness for nutrition, food, and feed ingredients, and at Camlin we see an enormous opportunity in providing more such solutions to the consumers. We will also greatly benefit from Convergent's global network of relationships, strategic insights and operational expertise."

Harsha Raghavan, Managing Partner at Convergent, commented, “Ashish Dandekar, with over 28 years of experience in the industry, has successfully led the company to achieve its current stature, and we are very impressed with Camlin’s performance under his leadership. Camlin is well-positioned to benefit from the current supply-chain disruption and the overall shift towards moving manufacturing away from China to other cost-efficient locations including India. Given our track record of working with great platform companies to help transform them into global leaders, Camlin will benefit from our network of relationships, strategic insights, and operational expertise.”

About Camlin Fine Sciences Ltd.

With over 30 years of experience, Camlin Fine Sciences Limited (CFS) is engaged in research, development, manufacturing, commercializing and marketing of specialty chemicals and blends, that are widely used in everyday life across foods, animal and pet feed, flavours and fragrances, pharmaceuticals, agro chemicals, petro chemicals, dyes and pigments, polymers and bio diesel, to name a few. The company has operations in India, Mexico, Central and North America, China, Europe, Singapore, Argentina and Brazil which serve more than 100 products and to over 1,000 satisfied customers across over 80 countries . With 5 application labs, 2 accredited R&D centers, formulation and custom blending facilities across the world CFS offers the most respected R&D team in nutrition, food and feed Ingredients, plus a level of customization and customer service that is just hard to match.

About Convergent Finance LLP

Convergent Finance LLP is an investment management and advisory partnership at the forefront of bringing together Ideas, Capital, and passionate Entrepreneurs. The Convergent investment process involves identifying proprietary platform and bolt-on opportunities, speed of execution, and a relentless focus on performance improvement. The Convergent value investing approach believes in paying fair and reasonable valuations through bilaterally negotiated transactions.