

Convergent Finance LLP announces upto USD23.8 mn investment in Camlin Fine Science Limited

Mumbai, June 25, 2020: Convergent Finance LLP, an investment advisor to Infinity Investment Management, announced an investment, upto INR 1,800 million (USD23.8 million) in Camlin Fine Sciences Limited ('Camlin'), a vertically integrated company engaged in the manufacturing of antioxidants and aroma chemicals supplying the food industry globally. Structured as a subscription to equity warrants priced based on the prevailing market price and in accordance with applicable SEBI regulations, the investment will aggregate upto INR 1,800 million (USD23.8 million) and will result in an approximately 22.65% ownership stake on a fully diluted basis. As a critical step towards aligning the interests of all shareholders, terms of the investment contemplate the institution of an ESOP programme for senior management, accompanied by a call option provided to the promoters to increase their shareholding. Customary closing conditions, including shareholder approval, will apply.

Camlin is engaged in the research, development, manufacturing, and marketing of specialty chemicals and blends, which are used for many applications in the food industry and beyond. Camlin is a leading producer of anti-oxidants (used as food preservatives and in cattle feed) and is also the world's third-largest producer of vanillin (the flavouring agent behind "vanilla", used in food & beverages). Camlin has manufacturing facilities in India, Italy, Mexico, China and Brazil with R&D centres at India and Italy and application labs in India, Mexico, Brazil, USA and Italy. The company serves customers in more than 80 countries across the globe with more than 100 products and over 1,000 satisfied customers.

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."

Ashish Dandekar, MD of Camlin, welcomed this investment by saying, "This investment is a vote of endorsement for Camlin, and a reflection of the extraordinary transformation underway within our company. Given our M&A oriented strategy, this investment and the partnership that it brings with Convergent will enable us to leverage Convergent's deep global expertise and relationships while benefiting from their strategic guidance. Since I started this business about 25 years ago, I have never been more excited about the prospects ahead."

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.

About Camlin Fine Sciences Limited

With over 30 years of experience, Camlin 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 & fragrances, pharmaceuticals, agrochemicals, petrochemicals, dyes and pigments, polymers and biodiesel.