



Permira funds to sell PHARMAQ to Zoetis Inc. for US\$765 million

Stockholm, 2 November 2015 - Permira, the global investment firm, announced today that a company backed by the Permira IV fund has entered into a definitive agreement to sell PHARMAQ Holding AS ("PHARMAQ" or the "Company"), the world's leading aquatic health group, to Zoetis Inc. (NYSE:ZTS) for US\$765 million on a debt-free basis.

Since being acquired by the Permira funds in 2013, PHARMAQ has continued its international expansion and cemented its position as the global leader in health products focused on the aquaculture industry. With the backing of the Permira funds, PHARMAQ has increased its investment in R&D, allowing the Company to significantly expand and enhance its product offering for its core salmonid markets, as well as to launch new products for new species in emerging markets to better service an expanding aquaculture industry. In addition, significant investments have been made to strengthen the organisation and to create an industry leading team globally.

"We are very proud to have helped PHARMAQ expand its position as the global leader in health products for the fast-growing aquaculture industry. This investment showcases our strategy to partner with market-leading, multi-national businesses with strong growth potential and support management teams in achieving their international growth agenda, whilst creating attractive returns for the Permira funds' investors", says Ola Nordquist, Head of Nordic at Permira.

The successful partnership with PHARMAQ illustrates Permira's ability to combine its strong sector expertise with its local presence, and also draws on the firm's extensive knowledge of the food value chain, following investments in Arysta LifeScience, Iglo Group, Netafim, Provimi and Sushiro.

"The prevention of diseases is key in meeting the rapid increase in demand for healthy, safe and environmentally sustainable food for a growing population. We will continue to look for opportunities to partner with innovative speciality pharma businesses including animal health companies and wish PHARMAQ continuing success with its new strategic owner Zoetis", says Mubasher Sheikh, Head of Healthcare at Permira.

In the first half of 2015, PHARMAQ's revenues increased by 24% and EBITDA by 44% compared to the same period last year. The Company has advanced its new product pipeline addressing some of the most important disease challenges in the aquaculture industry. This includes next generation mono and multivalent products and parasiticides in various markets, all of which are strong contributions to sustainable aquaculture and will demonstrate continued leadership by PHARMAQ.

"Permira's backing has been instrumental in the implementation of our growth strategy. Today PHARMAQ is well positioned to capture future growth from our own initiatives as well as from the growth in farmed fish consumption, which is expected to double in the next decade. Permira has been a true partner to PHARMAQ with its expertise and global presence", says PHARMAQ'S CEO Morten Nordstad.

Press Release

Citigroup Global Markets Limited acted as exclusive financial adviser to the Permira funds and Skadden, Arps, Slate, Meagher & Flom LLP and Wikborg, Rein & Co acted as legal advisers.

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About PHARMAQ

PHARMAQ is the world's leading pharmaceutical company supplying the aquaculture industry. The company provides environmentally sound, safe and efficacious health products to the global aquaculture industry through targeted research and the commitment of dedicated people. The vaccines are manufactured in a state of the art production facility in Overhalla and Oslo, Norway. Administration and research and development activities are based in Oslo with subsidiaries in Norway, Chile, United Kingdom, Vietnam, Turkey, Spain, Panama and Hong Kong. PHARMAQ has approximately 200 employees. The company's products are marketed in Europe, North and South America, and Asia. The Permira funds have been PHARMAQ's majority shareholder since 2013. Management and employees hold a significant stake in the company. For further information, please visit our website: www.PHARMAQ.no.

About Permira

Permira is a global investment firm that finds and backs successful businesses with ambition. Founded in 1985, the firm advises funds with a total committed capital of approximately €25 billion (US\$28 billion). The Permira funds make long-term investments in companies with the ambition of transforming their performance and driving sustainable growth. In the past 30 years, the Permira funds have made over 200 private equity investments in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology. Investments in healthcare today include Creganna Medical and Pantheon Healthcare Group. Permira employs over 200 people in 14 offices across North America, Europe, the Middle East and Asia. For more information visit: www.permira.com.