

Suven to acquire controlling stake in oligonucleotide focused CDMO player Sapala Organics

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To operate the business together with the selling shareholders for the next few years



Suven Pharmaceuticals, one of India's largest integrated contract development and manufacturing organisation (CDMO) players, has entered into a definitive agreement for a strategic controlling investment in Sapala Organics, subject to regulatory approvals and conditions.

Sapala is a Hyderabad based CDMO focused on oligo drugs and nucleic acid building blocks including specialised/modified Amidites & Nucleosides, drug delivery compounds (including GalNAc), Pseudouridine, amongst others.

Oligo & nucleic acid building blocks market is a ~\$750 million market and is expected to grow at a robust ~20% CAGR. Sapala is one of the very few players globally with experience in a comprehensive range of specialised building blocks. Sapala has a strong customer base including innovator pharma, CDMOs & diagnostic companies, and is a key partner in their oligo drug new chemical entities (NCE) programmes.

Suven is to acquire 67.5% equity stake (i.e. 51% of the share capital of Sapala Organics on a fully diluted basis) for a consideration of Rs 229.5 crore subject to customary working capital and net debt adjustments.

The company will acquire the remaining equity stake a few months after FY2026-27, as per the terms of the definitive

agreements. Upon consummation, the company will own 100% of the share capital of Sapala on a fully diluted basis. The transaction is subject to customary closing conditions. Steadmount Capital Advisors and Banyan Advisory acted as advisors to Sapala.

Dr P Yella Reddy, founder of Sapala said “I look forward to working with the larger team at Suven for their Japan market initiatives and hope to contribute to the platform's success in that market.”

Sapala had a revenue of over Rs 670 millionn and adjusted EBITDA margins of 45%+ for FY24.