



Update on Operations at the Llica de Vall site in Spain belonging to the UQUIFA Group

The UQUIFA group's manufacturing footprint consists of two sites in Spain and one site in Mexico. These sites manufacture and supply API's to markets like the USA, European Union, Asia and, have demonstrated a compliance track record which underpins the long- standing customer relationships established over the last 20 years. UQUIFA today sells its products to over 70 countries worldwide.

One of the UQUIFA Group's sites in Spain i.e in Llica de Vall was inspected by the local Spanish health authorities in September 2019 and on the basis of their critical observations, a stoppage has been advised on the manufacture and distribution of products from this site till a satisfactory remediation is established.

UQUIFA believes that the critical observations on its Lliça de Vall site in Spain were a result of localized production line management deviations from GMP. The same was borne out by a subsequent inspection of UQUIFA's other site in Spain i.e. Sant Celoni. The outcome of that inspection was satisfactory and, we believe this reinforces the robustness of our Quality Systems and, the localised nature of the deviations observed on the Llica de Vall site. It is relevant to note that the production line management has been changed in Llica as part of the remediation exercise in addition to other systemic improvements in the production line function.

UQUIFA also seeks to clarify that it has already agreed a remediation plan with the Spanish Agency for its Lliça de Vall site, and has concentrated on the critical and major observations. The inspection in the second week of November, 2019 will be to assess our remediation plan and subsequently, a potential commencement of manufacture and validation of the site's products during the succeeding time-period.

UQUIFA is committed to ensuring full compliance on its Lliça de Vall site and focused on addressing all the observations in the run up to the scheduled re-inspection.

We endeavour to work closely with our customers who receive product from the Llica de Vall site and remain focused on ensuring continuity of supply for them in the near term.

We value your trust and support of UQUIFA and, remain focused on remediating this situation at the earliest.