

Frutarom to acquire ownership of Enzymotec

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"We are delighted at having signed a definitive agreement for the acquisition of Enzymotec and its merger with Frutarom", says Ori Yehudai, President and CEO of Frutarom Group,. "This acquisition will provide additional reinforcement to our growing activity in natural specialty fine ingredients based on innovation which is expanding at a rapid pace. Following our announcement of the acquisition of Enzymotec shares and our intention to make a tender offer, we conducted friendly and professional negotiations with Enzymotec's board of directors and reached an agreement on acquiring 100% ownership. This amicable transaction offers significant advantages to both parties, including a further boost in value for our shareholders along with providing a quick and efficient implementation of a growth strategy and profitability for Enzymotec's operations as well as a rapid and effective realization of the significant synergies between the companies.

The merger will enable full integration of the companies' activities in the fields of R&D, sales, marketing, production, supply chain and logistics while accelerating our joint growth through many cross-selling opportunities inherent in the acquisition and the expansion of the product portfolio to both Enzymotec's and Frutarom's existing customer bases. Upon completion of the transaction we will examine together with Enzymotec management strategic plans suitable for accelerating profitable growth

and enhancing its activity while implementing the combination of Enzymotec's activity and Frutarom's global activity, along with attaining maximum operational and business efficiencies, improving the cost structure and using Frutarom's global platform to exploit the great potential concealed in the large investments made in Enzymotec in recent years in the areas of R&D, marketing and production. We particularly see Enzymotec's nutrition segment as playing an important part in our future profitable growth strategy that will contribute to the expansion of the portfolio of comprehensive solutions for customers of both companies in the fields of pharmaceuticals, dietary supplements, designated foods for infants in the field of infant formula (where Frutarom has almost no activity currently) and elderly clinical nutrition in which Frutarom is active.

"We look forward to welcoming Enzymotec's excellent and experienced management team and employees to the Frutarom family and we are convinced they will provide significant reinforcement to the ranks of our management, R&D, and sales and marketing, production and supply chain," notes Yehudai.

"We are pleased that we have reached an amicable agreement with Frutarom in a manner that benefits our shareholders", notes Steve Dubin, Chairman of Enzymotec. "We believe that our customers will also benefit from the merger through Frutarom's global presence and our employees will have the opportunity to thrive under Frutarom's leadership as one of the world's top companies in its field."