

August 10, 2021

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051.

Scrip code: 512529

Symbol: SEQUENT

Dear Sir/ Madam,

Sub: Outcome of Board Meeting held on August 10, 2021, along with Unaudited Standalone & Consolidated Financial Results and Press Release for the quarter ended June 30, 2021

Pursuant to Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors at its Meeting held today, *inter-alia*, considered and approved the Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2021. In this regard, kindly find enclosed the following:

1. Unaudited Consolidated Financial Results along with Independent Auditor's Review Report issued by the Statutory Auditors of the Company for the quarter ended June 30, 2021.
2. Unaudited Standalone Financial Results along with Independent Auditor's Review Report issued by the Statutory Auditors of the Company for the quarter ended June 30, 2021.
3. A copy of Press Release and Investors Presentation on Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2021.

The Board Meeting commenced at 03:30 p.m. and concluded at 07:00 p.m.

Thanking you,

Yours faithfully,

For **Sequent Scientific Limited**



Krunal Shah
Company Secretary & Compliance Officer



Encl.: A/a

SeQuent Scientific Limited

Registered Office: 301/A, 'Dosti Pinnacle', Plot No.E7, Road No. 22, Wagle Industrial Area,
Thane(W), Mumbai - 400604, India

Tel: +9122 4111777 | CIN: L99999MH1985PLC036685

<http://www.sequent.in>

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
SeQuent Scientific Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of SeQuent Scientific Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I of the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



SRBC & COLLP

Chartered Accountants

6. Emphasis of Matter

- (i) We draw attention to Note 7 of the consolidated financial results, in respect of restatement of revenue and its consequential impact for the quarter ended June 30, 2020, wherein the management has referred to certain instances of non-adherences of the Company's accounting policy and instances of modification to certain underlying documents identified during the closing of previous year.
- (ii) We draw attention to Note 8 of the consolidated financial results, in respect of restatement of Other Comprehensive Income for the quarter ended June 30, 2020.

Our conclusion is not modified in respect of these matters.

7. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:

- Twelve subsidiaries, whose unaudited interim financial results include total revenues of Rs. 17,633.50 lakhs, total net loss after tax of Rs. 245.50 lakhs and total comprehensive loss of Rs. 308.90 lakhs, for the quarter ended June 30, 2021, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

- Four subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs 134.60 lakhs, total net loss after tax of Rs. 13.80 lakhs and total comprehensive loss of Rs. 38.40 lakhs for the quarter ended June 30, 2021.

The unaudited interim financial results and other unaudited financial information of the these subsidiaries have not been reviewed by any auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results.

For SRBC & COLLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per Vikas Kumar Pansari
Partner
Membership No.: 093649
UDIN: 21093649AAAACT9293



Place: Mumbai
Date: August 10, 2021

SRBC & COLLP

Chartered Accountants

Annexure I to Auditor's Review Report

Name of the Entity

- | | |
|--|-------------------------|
| 1. SeQuent Research Limited | Wholly Owned Subsidiary |
| 2. Elysian Life Sciences Private Limited | Wholly Owned Subsidiary |
| 3. Alivira Animal Health Limited, India | Wholly Owned Subsidiary |

Including it's following subsidiary:

4. Alivira Animal Health Limited, Ireland

Including Its following subsidiaries and sub subsidiaries:

5. Alivira Animal Health UK Limited
6. Alivira Animal Health USA LLC
7. Alivira France S.A.S.
8. Alivira Italy S.R.L.
9. Alivira Saude Animal Brasil Participacoes Ltda
10. Bremer Pharma GmbH
11. Comercial Vila Veterinária De Lleida S.L.
12. Evanvet Distribuidora De Produtos Veternarios Ltda
(formerly known as Evance Saude Animal Ltda)
13. Fendigo BV
14. Fendigo SA
15. Interchange Veterinária Indústria E Comércio Ltda.
16. Laboratorios Karizoo, S.A.
17. Laboratorios Karizoo, S.A. DE C.V. (Mexico)
18. N-Vet AB
19. Phytotherapic Solutions S.L.
20. Provet Veteriner Ürünleri San. Ve Tic. A. Ş.
21. Topkim Topkapi İlaç premiks Sanayi Ve Ticaret A.Ş.
22. Vila Viña Participacions S.L.



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SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021

(₹ in Lakhs)

Sr. No.	Particulars	3 months ended 30-Jun-2021	Preceding 3 months ended 31-Mar-2021	Corresponding 3 months ended in previous period 30-Jun-2020	Previous year ended 31-Mar-2021
		Unaudited	Audited (Refer Note 5)	Unaudited * (Refer Note 7 & 8)	Audited
I	Revenue from operations	32,050.90	36,182.47	29,526.03	136,161.50
II	Other income	267.00	137.10	154.70	836.30
III	Total income (I+II)	32,317.90	36,319.57	29,680.73	136,997.80
IV	Expenses				
	(a) Cost of materials consumed	16,878.50	15,757.10	14,266.50	58,866.50
	(b) Purchases of stock-in-trade	4,364.80	3,548.85	3,178.18	14,501.90
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,615.80)	(731.44)	(2,418.48)	(3,902.70)
	(d) Employee benefits expense	6,564.20	5,390.50	4,414.30	18,722.30
	(e) Finance costs	302.30	317.70	764.50	2,438.30
	(f) Depreciation and amortisation expenses	1,257.40	1,268.30	1,302.70	5,059.80
	(g) Other expenses	6,843.60	7,889.30	5,537.65	26,766.50
	Total expenses (IV)	31,595.00	33,440.31	27,045.35	122,452.60
V	Profit before tax and exceptional items (III-IV)	722.90	2,879.26	2,635.38	14,545.20
VI	Exceptional items (Refer note 9)	-	(21.60)	-	882.30
VII	Profit before tax (V-VI)	722.90	2,900.86	2,635.38	13,662.90
VIII	Tax expense / (credits)				
	(a) Current tax	488.10	621.03	699.48	3,209.90
	(b) Deferred tax	(30.00)	(60.96)	(82.73)	(286.00)
	(c) Current tax of prior period charged / (reversed)	-	(11.60)	83.30	293.80
	Total tax expenses (VIII)	458.10	548.47	700.05	3,217.70
IX	Profit after tax (VII-VIII)	264.80	2,352.39	1,935.33	10,445.20
X	Other comprehensive income / (expenses)				
	Items that will not be reclassified to profit or loss				
	(a) Re-measurement gain / (loss) on defined benefits plans	2.80	67.60	(10.50)	36.00
	(b) Fair value gain from investment in equity instruments	1,611.50	1,111.50	4,100.60	10,301.10
	(c) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	(858.60)
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	(189.70)	(152.60)	3.20	(405.20)
	Items that will be reclassified to profit or loss				
	(a) Exchange differences on translation of foreign operations	(13.10)	(727.60)	339.70	(1,270.70)
	(b) Exchange differences on net investment in foreign operations	422.90	(781.60)	(357.40)	(1,360.20)
	Total other comprehensive income / (expenses) (net of tax)	1,834.40	(482.70)	4,075.60	6,442.40
XI	Total comprehensive income, net of tax (IX+X)	2,099.20	1,869.69	6,010.93	16,887.60
	Profit attributable to:				
	- Owners of the Company	87.30	2,063.29	1,580.13	9,544.20
	- Non-controlling interest	177.50	289.10	355.20	901.00
	Other comprehensive income / (expenses) attributable to:				
	- Owners of the Company	1,758.90	(378.60)	4,085.90	6,500.40
	- Non-controlling interest	75.50	(104.10)	(10.30)	(58.00)
	Total comprehensive income attributable to:				
	- Owners of the Company	1,846.20	1,684.69	5,666.03	16,044.60
	- Non-controlling interest	253.00	185.00	344.90	843.00
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,967.40	4,967.40
XIII	Other equity				67,797.70
XIV	Earnings per equity share: (face value of ₹ 2 each) (not annualised)				
	(1) Basic (in ₹)	0.04	0.84	0.93	3.87
	(2) Diluted (in ₹)	0.04	0.84	0.93	3.85
	* Restated				
	See accompanying notes to the unaudited consolidated financial results				



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Notes:

1. The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10 August 2021. The statutory auditors have carried out the limited review of the above results.

2. The Group has only one reportable segment viz. Pharmaceuticals. Accordingly, no separate disclosure of segment information has been made.

3. Information on Standalone Results:

(₹ in Lakhs)

Particulars	3 months ended 30-Jun-2021	Preceding 3 months ended 31-Mar-2021	Corresponding 3 months ended in previous period 30-Jun-2020	Previous year ended 31-Mar-2021
	Unaudited	Audited	Unaudited	Audited
Revenue from operations	4,665.70	6,947.90	5,534.70	26,545.70
Profit / (loss) before tax	(87.30)	602.97	767.50	4,088.74
Profit / (loss) after tax	(60.92)	464.28	603.04	3,211.34
Total comprehensive income	1,362.78	1,459.08	4,698.34	12,259.04

4. Following outbreak of COVID-19 pandemic globally and in India, the Group has adopted measures to curb the spread of infections in order to protect health of its employees and business continuity with minimal disruption. Considering that the Group is in business of Animal Health Care which is considered to be an essential service in all the countries, the Group's operations have not been significantly impacted and all its plants are operating at normal capacity. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial results and the management will continue to closely monitor any material changes to future economic conditions.

5. The above results includes the results for the quarter ended 31 March 2021 being the balancing figure between audited figures in respect of the full financial year and the recast year to date published figures upto the third quarter of the previous financial year.

6. The Code on Social Security, 2020 ('the Code') was notified in the Official Gazette on 29 September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which the Code becomes effective and the rules framed thereunder are published.

7. During the closing for the previous year ended 31 March 2021, the management had detected: (a) certain instances, wherein revenue in respect of certain sales transactions of the Company and of a subsidiary company, was recognized on dates earlier to those allowed by the Group's accounting policy (b) certain instances of modifications to certain underlying documents relating to revenue recognition leading to non-adherence with the Group's accounting policy and processes. The management had performed a detailed review including examination by an external independent agency, and traced all cases of such non-adherences, wherein recognition of revenue was accelerated from quarter to quarter during the previous financial year. The impact of the aforesaid non-adherences on the financial results of previous comparative quarter is as below:

(₹ in Lakhs)

Particulars	3 months ended 30-Jun-2020
Revenue	
As reported	31,026.50
Impact of above adjustment	(1,500.47)
As adjusted	29,526.03
Profit before tax	
As reported	3,189.10
Impact of above adjustment	(553.72)
As adjusted	2,635.38

8. During the closing for the previous year ended 31 March 2021, the Company had reviewed and revised the amounts of foreign currency translation of goodwill arising on acquisition of foreign subsidiaries. Goodwill arising on such business combinations was translated from functional currency of the respective foreign subsidiaries to INR. Hitherto, the Company was translating assets (other than goodwill) and liabilities of foreign subsidiaries including reserves on the date of acquisition, from functional currency of those subsidiaries into INR based on the closing exchange rates. For goodwill, the Company was translating the investment amount as appearing in the financial statements of intermediate holding company from its functional currency into INR and treating differential amount over the translated reserves on the date of acquisition as goodwill. This change had resulted in increase of Other Comprehensive Income for the quarter ended 30 June 2020 by ₹ 117.30 lakhs. Accordingly, the consolidated results for the quarter ended 30 June 2020 have been restated. There is no impact of the above change on the profit after tax for the said period.



9. During the previous year, transfer of control to Carlyle Group had resulted into following events –

(a) Accelerated vesting of unvested employee stock options and accordingly the Group had provided for this cost in the previous year on an accelerated basis amounting to ₹ 309.30 lakhs.

(b) The Company during the previous year, had announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 190.40 lakhs.

(c) The Company had reviewed its operations in France and it has decided to wind up its operations. Accordingly, a provision of ₹ 382.60 lakhs was considered representing ₹ 66.70 lakhs in inventory, ₹ 8.50 lakhs in receivables and ₹ 307.40 lakhs in intangible assets.

10. Government of India vide press release dated 31 December 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from (w.e.f) 01 January 2021. With the introduction of the RoDTEP scheme, the benefit of Merchandise Exports from India Scheme (MEIS) stood withdrawn w.e.f 01 January 2021. Considering that the rates of RoDTEP are yet to be notified, the Group has not accrued income relating to benefits of RoDTEP scheme for the period 01 January 2021 to 30 June 2021.

11. Minority shareholders of Interchange Veterinária Indústria E Comércio Ltda, Brazil ("Interchange") had an option to sell their 30% shareholding in Interchange to the Group, which is exercised by them subsequent to the quarter end. The Group is in process of acquiring the minority stake and expects to conclude this transaction in current financial year. This does not have any impact on the above consolidated financial results.

12. The Group has recognised deferred tax credit of ₹ 861.00 lakhs and ₹ 1,438.00 lakhs for quarter and year ended 31 March 2021 respectively in one of the subsidiary company on reassessment of unrecognised tax credit by applying annual effective tax rate.

13. The previous period figures have been regrouped wherever necessary to conform to current period's presentation.

For SeQuent Scientific Limited



Manish
Manish Gupta
Managing Director

Place : Thane

Date : 10 August 2021

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
SeQuent Scientific Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of SeQuent Scientific Limited (the "Company") for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**
We draw attention to Note 6 of the standalone financial results, in respect of restatement of revenue and its consequential impact for the quarter ended June 30, 2020, wherein the management has referred to certain instances of non-adherence of the Company's accounting policy, identified during the closing of previous year.

Our conclusion is not modified in respect of this matter.

For SRBC & COLLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Vikas Kumar Pansari
Partner
Membership No.: 093649
UDIN: 21093649AAAACS8745
Place: Mumbai
Date: August 10, 2021



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SEQUENT SCIENTIFIC LIMITED
CIN : L99999MH1985PLC036685

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021

(₹ in Lakhs)

Sr. No.	Particulars	3 months ended 30-Jun-2021	Preceding 3 months ended 31-Mar-2021	Corresponding 3 months ended in previous period 30-Jun-2020	Previous year ended 31- Mar-2021
		UNAUDITED	AUDITED (Refer note 8)	UNAUDITED * (Refer note 6)	AUDITED
I	Revenue from operations	4,665.70	6,947.90	5,534.70	26,545.70
II	Other income	576.30	592.10	227.50	1,996.80
III	Total income (I+II)	5,242.00	7,540.00	5,762.20	28,542.30
IV	Expenses				
	(a) Cost of materials consumed	3,150.50	3,281.52	2,482.50	11,588.10
	(b) Purchases of stock-in-trade	20.60	202.23	80.20	854.50
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,618.10)	(482.10)	(139.59)	(1,556.00)
	(d) Conversion and processing charges	1,159.30	1,386.17	859.24	4,874.70
	(e) Employee benefits expenses	1,128.30	662.80	525.70	2,241.90
	(f) Finance costs	16.70	25.00	110.10	268.00
	(g) Depreciation and amortisation expenses	230.80	260.70	216.40	912.80
	(h) Other expenses	1,241.20	1,609.41	860.15	5,013.46
	Total expenses (IV)	5,329.30	6,945.73	4,994.70	24,197.46
V	Profit / (loss) before tax and exceptional items (III-IV)	(87.30)	594.27	767.50	4,344.84
VI	Exceptional items (Refer note 7)	-	(8.70)	-	256.10
VII	Profit / (loss) before tax (V-VI)	(87.30)	602.97	767.50	4,088.74
VIII	Tax expense / (credits)				
	(a) Current tax	(15.78)	112.30	175.45	730.50
	(b) Deferred tax	(10.60)	56.69	(10.99)	268.90
	(c) Current tax of prior period reversed	-	(30.30)	-	(122.00)
	Total tax expenses (VIII)	(26.38)	138.69	164.46	877.40
IX	Profit / (loss) after tax (VII-VIII)	(60.92)	464.28	603.04	3,211.34
X	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	(a) Re-measurements gain / (loss) on defined benefits plans	(1.10)	17.80	(7.40)	(4.50)
	(b) Fair value gain from investment in equity instruments	1,611.50	1,111.50	4,100.60	10,301.10
	(c) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	(858.60)
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	(186.70)	(134.50)	2.10	(390.30)
	Total other comprehensive income (net of tax)	1,423.70	994.80	4,095.30	9,047.70
XI	Total comprehensive income, net of tax (IX+X)	1,362.78	1,459.08	4,698.34	12,259.04
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,967.40	4,967.40
XIII	Other equity				97,983.83
XIV	Earnings per equity share: (face value of ₹ 2 each) (not annualised)				
	(1) Basic (in ₹)	(0.02)	0.19	0.25	1.30
	(2) Diluted (in ₹)	(0.02)	0.19	0.25	1.30
	* Restated See accompanying notes to unaudited standalone financial results				



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Notes:

- 1 The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10 August 2021. The statutory auditors have carried out limited review of the above results.
- 2 The Company has only one reportable segment viz. Pharmaceuticals. Accordingly, no separate disclosure of segment information has been made.
- 3 Following outbreak of COVID-19 pandemic globally and in India, the Company has adopted measures to curb the spread of infections in order to protect health of its employees and business continuity with minimal disruption. Considering that the Company is in business of Animal Health Care which is considered to be an essential service, the Company's operations have not been significantly impacted and its plants are operating at normal capacity. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial results and the management will continue to closely monitor any material changes to future economic conditions.
- 4 The Code on Social Security, 2020 ('the Code') was notified in the Official Gazette on 29 September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which the Code becomes effective and the rules framed thereunder are published.
- 5 Government of India vide press release dated 31 December 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from (w.e.f) 01 January 2021. With the introduction of the RoDTEP scheme, the benefit of Merchandise Exports from India Scheme (MEIS) stood withdrawn w.e.f 01 January 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period 01 January 2021 to 30 June 2021.
- 6 During the closing for the previous year ended 31 March 2021, the management had detected certain instances, wherein, revenue in respect of certain sales transactions of the Company was recognized on dates earlier to those allowed by the Company's revenue recognition policy, leading to non-adherence with Company's accounting policy. The management had performed a detailed review including examination by an external independent agency, and traced all cases of such non-adherence, wherein recognition of revenue was accelerated from quarter to quarter during the previous financial year. The impact of the aforesaid non-adherence on the financial results of previous comparative quarter is as below:

(₹ in Lakhs)

	3 months ended 30-Jun-2020
Revenue	5,924.40
Impact of above adjustment	(389.70)
As restated	5,534.70
Profit before tax	879.70
Impact of above adjustment	(112.20)
As restated	767.50

- 7 During the previous year, transfer of control to Carlyle Group had resulted into following events –
 - (a) Accelerated vesting of unvested employee stock options and accordingly the Company had provided for this cost on an accelerated basis amounting to ₹ 128.00 lakhs.
 - (b) The Company had announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 128.10 lakhs.
- 8 The above results includes the results for the quarter ended 31 March 2021 being the balancing figure between audited figures in respect of the full financial year and the recast year to date published figures upto the third quarter of the previous financial year.
- 9 The previous period figures have been regrouped wherever necessary to conform to current period's presentation.

Place : Thane
Date: 10 August 2021



For SeQuent Scientific Limited

Manish
Manish Gupta
Managing Director

SeQuent Announces Q1 FY22 results

Revenues at ₹ 3,205 Million up by 8.6%, Operating EBITDA at ₹ 358 Million

Mumbai, August 10, 2021

SeQuent Scientific Limited (SeQuent) which has businesses across Animal Health (Alivira) & Analytical Services today announced its financial results for the period ended June 30, 2021

Consolidated Financial Highlights

₹ in millions

	Q1 FY22	Q1 FY21	Growth (%)
Revenues	3,205	2,953	8.6%
Operating EBITDA*	358	466	(23.2%)
EBITDA Margin %	11.2%	15.8%	(460bps)

*Operating EBITDA pre-ESOPs

Detailed presentation on the performance forms part of this press release

Commenting on the Company's performance, **Manish Gupta, Managing Director** stated "The quarter gone by has indeed been the most challenging one, both from demand and execution perspective. We are pleased to report an over 15% growth in our formulations business even as our API business reported a de-growth after many quarters of consistent growth. We reported revenues of ₹ 320 Crores for the quarter, reflecting a growth of 8.9% YOY on constant currency basis while the EBITDA stood at ₹ 35.8 Crores excluding ESOP costs.

On the business side, we are pleased with continuing strong growth in the key markets of India & LATAM, and we expect improved performance in Europe and Turkey going forward. We shall continue to invest both in expanding our footprints as well as strengthening our presence in existing markets.

We expect strong recovery in our API business in the second half. Our strategy for API business continues to play out well as we continue to improve the quality of business with ever increasing contribution of regulated markets business, which now stands at 72% vs. 66% last year.

Despite a slower start to the year, we stay confident and on track of achieving our financial and strategic objectives for the year."

Earnings Call with Investors

The Company will conduct an Earnings call at **9:00 AM IST** on **Aug 11, 2021** where the Management will discuss the Company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in numbers for this call are **+91 22 6280 1263** or **+91 22 7115 8213**

About SeQuent Scientific Limited

SeQuent Scientific Limited (BSE-512529, NSE-SEQUENT) is India's largest and amongst the 'Top 20' global animal health companies, backed by global investment firm 'The Carlyle Group' as promoter. The company generated annual revenues of ~\$ 200 Mn in FY21 with ~2/3rd revenues from regulated markets. The company has 8 manufacturing facilities across Europe, Turkey, Brazil & India with the Vizag site being India's only USFDA approved dedicated veterinary API facility.

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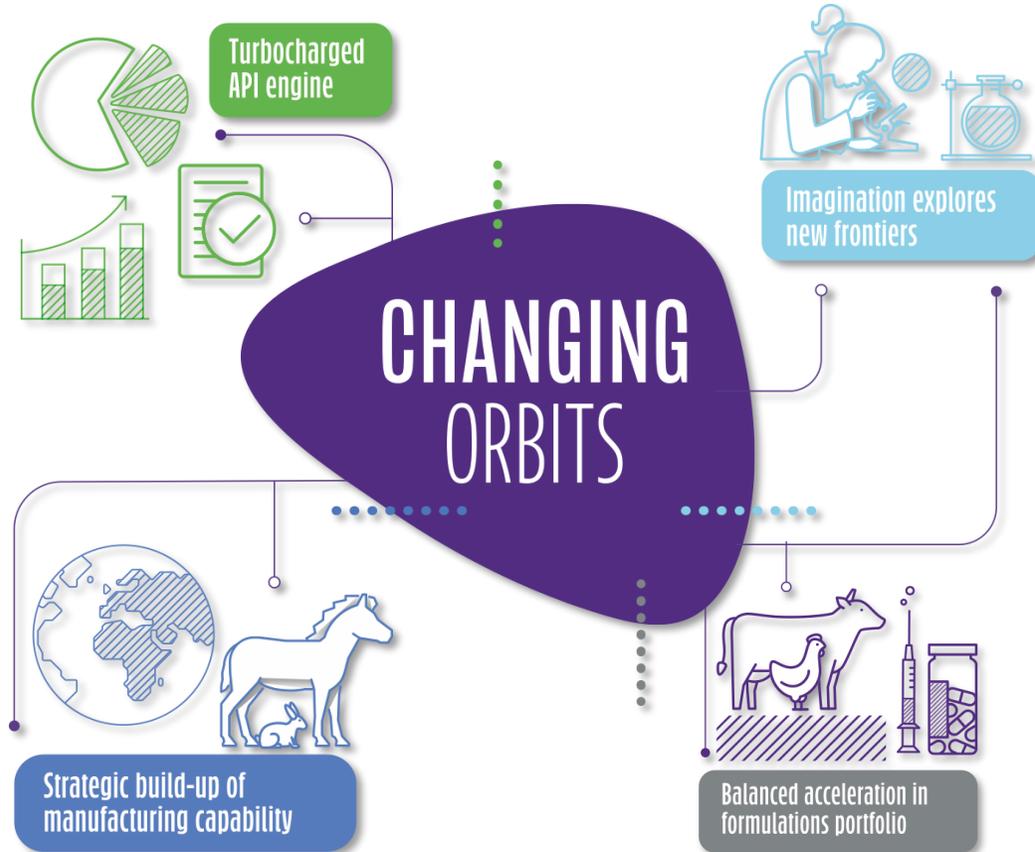
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BSE Code:512529 | NSE: SEQUENT

ISIN: INE807F01027 | REUTERS: EQU.BO

Websites: www.sequent.in

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward- looking statements. SeQuent Scientific Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Earnings Presentation

Q1, FY22

August 10, 2021

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

“The quarter gone by has indeed been the most challenging one, both from demand and execution perspective. We are pleased to report an over 15% growth in our formulations business, even as our API business reported a de-growth after many quarters of delivering consistent growth. We reported revenues of ₹ 320 Crores for the quarter, reflecting a growth of 8.9% YOY on constant currency basis, while the EBITDA stood at ₹ 35.8 Crores excluding ESOP costs.

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Manish Gupta, Managing Director



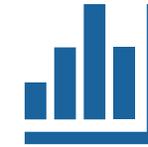
Operating Environment

- Second wave Covid impact in April & May in India – “Safety First approach adopted over operations”
- Resurgence of cases; Brazil, EU



Supply Chain Disruption

- Increased input cost – APIs, excipients, fuel, logistics
- Material availability – uncertainty, delays from suppliers and CMOs
- Inefficient operations – availability drives frequent manufacturing plan changes

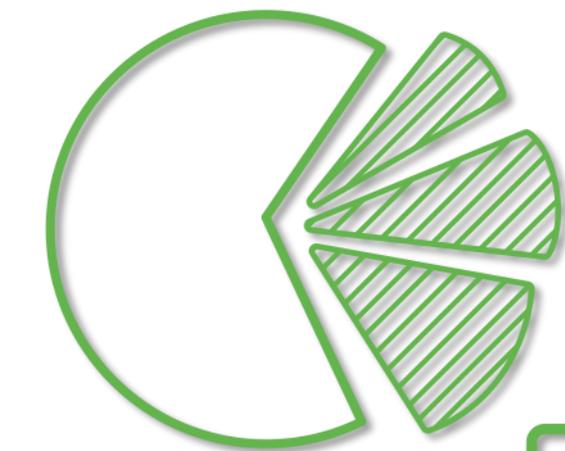


Business Challenges

- Subdued API demand
- Slowdown in Spain, Turkish Lira depreciation
- Manufacturing delays in Turkey



Performance Overview



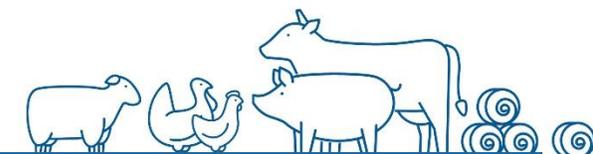
Q1 FY22: Formulations leading the way

All values in ₹ Mn

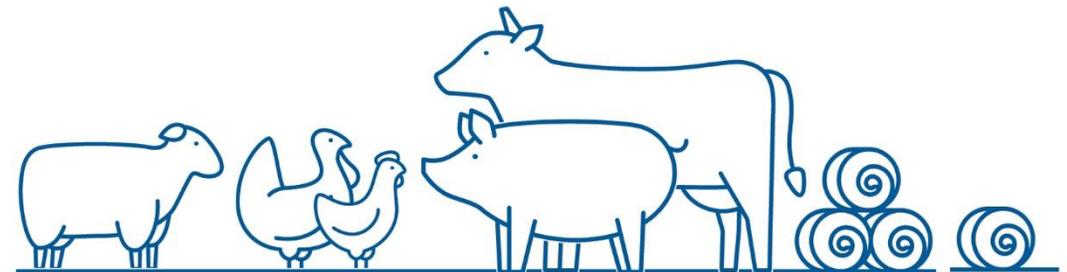
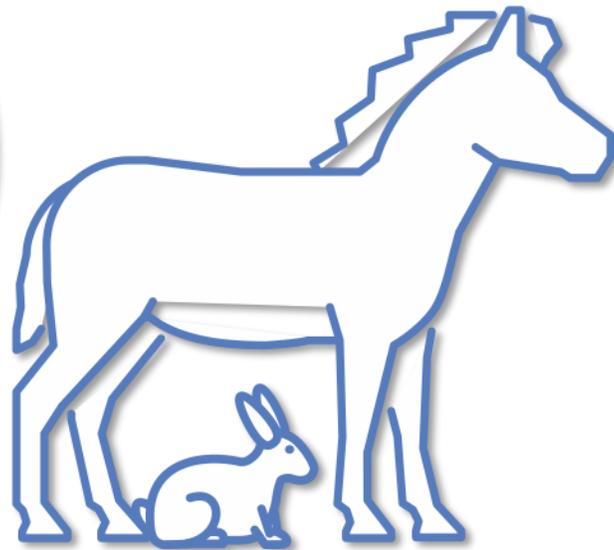
Business-wise	Q1FY22	Q1FY21	Growth YoY	Growth CC
Formulations	2,294	2,001	14.7%	15.3%
Europe	1,053	1,069	(1.5%)	(7.5%)
LATAM	510	334	52.6%	54.8%
Turkey	291	334	(12.9%)	9.6%
Emerging Markets	213	180	18.6%	15.9%
India	227	84	171.2%	171.2%
API	911	952	(4.3%)	(4.7%)
Total Sales	3,205	2,953	8.6%	8.9%

Overall business grew by 8.9% cc YoY; Formulations +15.3% cc YoY

- India and LATAM drive formulations growth
- Europe sales muted, primarily due to lower sales in Spain
- Turkey growth subdued on account of operational challenges, to pick up from Q3
- API business impacted due to supply chain rationalization by customers, normalization by H2



Business Highlights



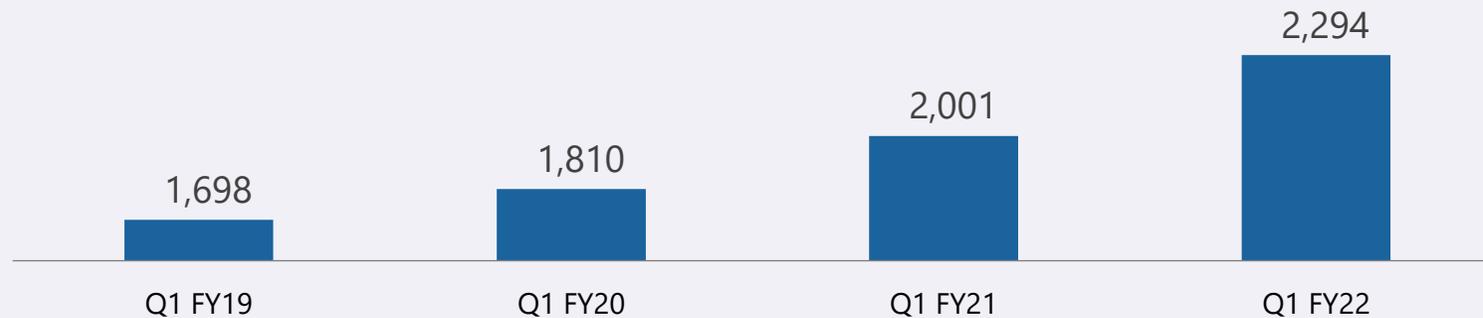
Formulations delivered strong growth across key geographies

Highlights

- Strong sales of ₹ 2.3 Bn, 15.3% YoY growth
- Europe: Tulathromycin, first in-house developed injectable performed ahead of expectations
- Turkey: 20% depreciation in currency erodes above market business performance
- Brazil records strong growth driven by 3 recent launches
- India business continues strong growth track
 - Strong outperformance in cattle business, recovery in poultry
 - Launch of companion animal division with 4 products – 8 HQs

Revenues

All values in ₹ Mn



FDFs

1000+

Manufacturing facilities

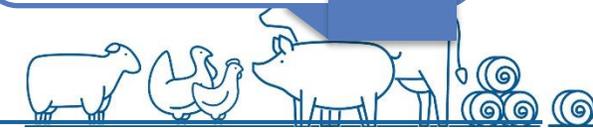
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Sales to regulated markets

62%

Countries with marketing presence

80+



API: Muted quarter, recovery expected from H2

Highlights

- ⦿ Lower offtake given inventory rationalization by key customers
- ⦿ Regulated markets contribution to sales at ~72% vs 66% in FY21
- ⦿ Vizag plant update:
 - ⦿ R&D pilot plant commissioned, headroom for better utilization of commercial capacity
 - ⦿ Additional clean room commissioned – Capacity enhanced by ~20%
- ⦿ Focused team to help win higher wallet share from the large animal health companies

Revenues

All values in ₹ Mn



Commercial APIs

30

Manufacturing facilities

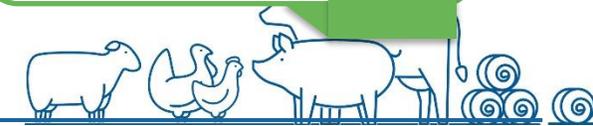
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Sales to regulated markets

72%

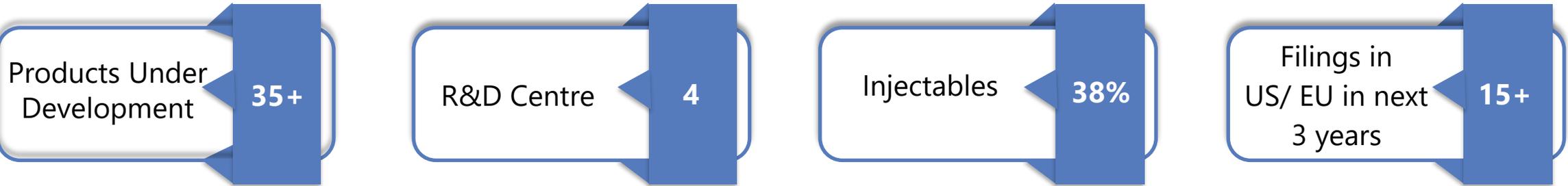
Asset turnover ratio

2.2x

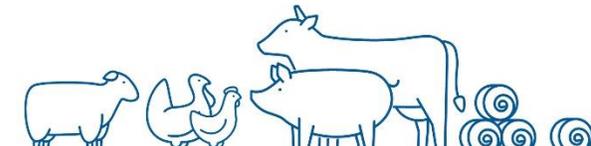


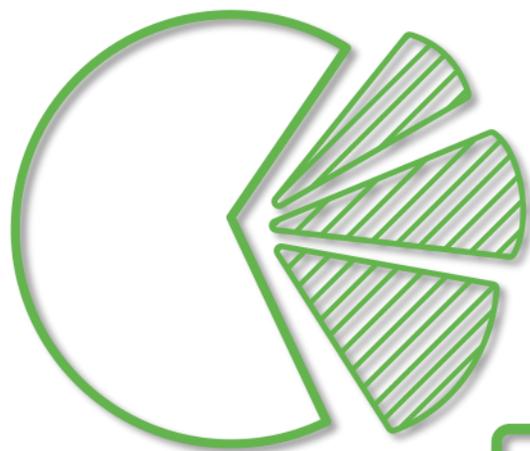
Focused R&D Initiatives to drive future growth

Formulations



API





Financials



Consolidated Financials

Particulars	Q1 FY22 Audited	Q4 FY21 Audited	Q1 FY21 Audited	FY21 Audited
Revenue from Operations	3,205	3,618	2,953	13,616
Material Consumption	(1,663)	(1,857)	(1,503)	(6,947)
Gross Margin	1,542	1,761	1,450	6,670
%	48.1%	48.7%	49.1%	49.0%
Employee Benefit Expenses	(499)	(485)	(441)	(1,818)
Operating Expenses	(684)	(780)	(543)	(2,634)
EBITDA (pre ESOP)	358	496	466	2,217
%	11.2%	13.7%	15.8%	16.3%
New ESOP Scheme cost	(156)	(54)	-	(54)
EBITDA	202	442	466	2,163
%	6.3%	12.2%	15.8%	15.9%
Exchange Gain / (Loss)	12	(9)	(11)	(42)
Other Income	15	14	15	84
Finance Cost	(30)	(32)	(76)	(244)
Depreciation	(126)	(127)	(130)	(506)
Exceptional Items	-	2	-	(88)
Earnings Before Tax	72	290	264	1,366
Taxes	(46)	(55)	(70)	(322)
Earnings After Tax	27	235	194	1,045
Minority Interest	18	29	36	90
Earnings after Minority Interest	9	206	158	954



Incremental cost items during the Quarter

All values in ₹ Mn

	Q1 FY22	Remarks
New Initiatives	(28.5)	
Covid death compensation	(7.0)	Compensation to families of two employees
One-offs / exceptional costs	(23.0)	
Total impact	(58.5)	
<i>Total incremental impact on EBITDA Margin</i>	<i>182 bps</i>	



Key Balance Sheet Items

All values in ₹ Mn

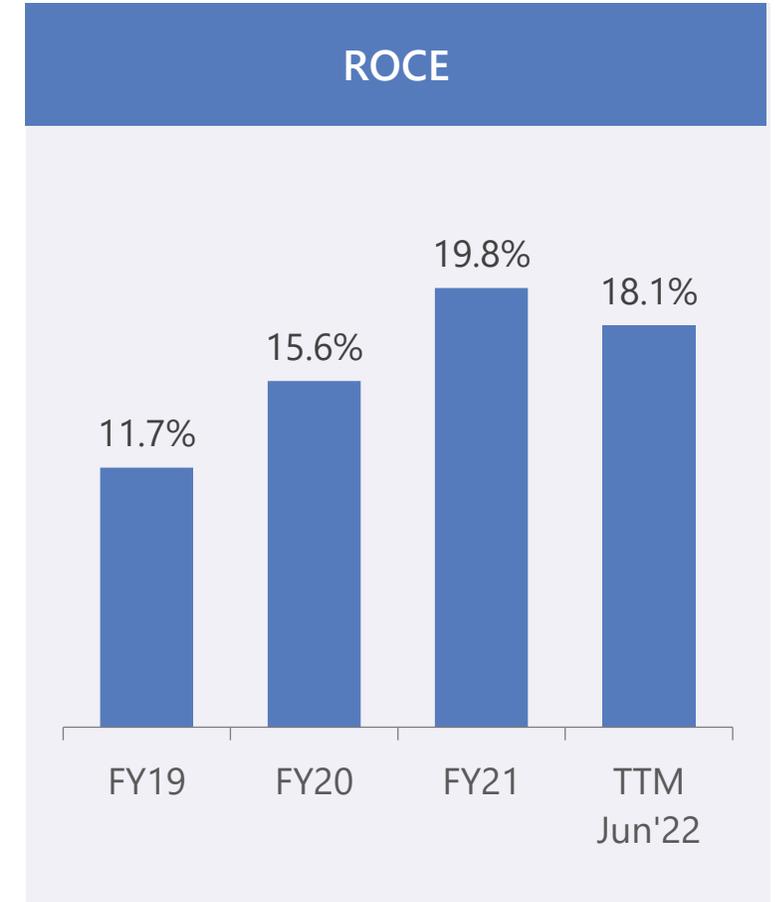
Particulars	Jun-21	Mar-21
Shareholders Funds	7,564	7,277
Minority Interest	510	487
Net Debt	1,727	1,628
Investments	930	769
Tangible Assets	3,472	3,479
Intangible Assets	2,238	2,186
Working Capital	3,877	3,644
Put option liability	490	454

Balance Sheet Highlights

- Higher working capital driven by increase in inventory
- Increase in net debt, in-line with increase in working capital
- Put option towards minority stake in Brazil. To be consolidated in Q2



Financial Ratios



*Pre-ESOP EBITDA



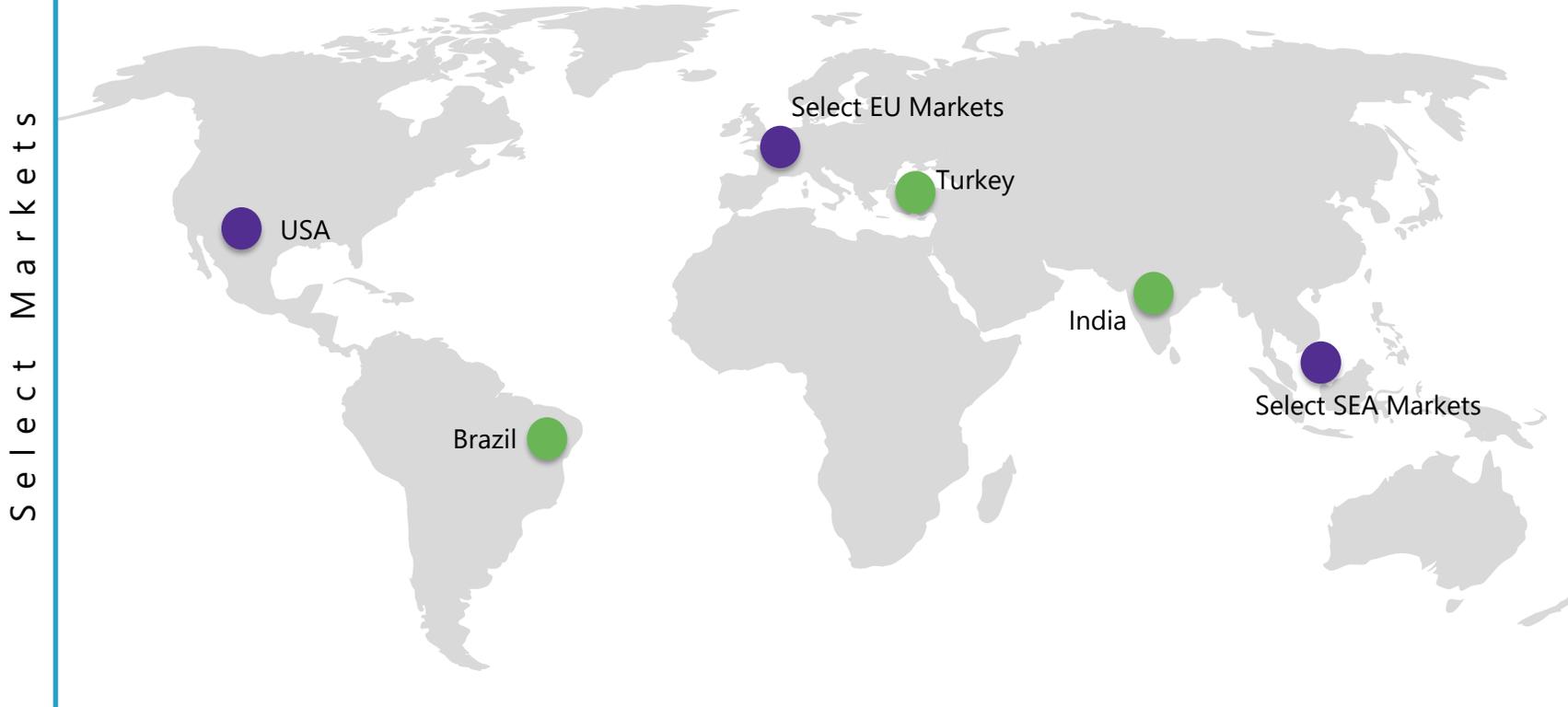


Sequent 2.0 Updates



SeQuent 2.0: Building a global value leader in animal health

● Geographical Expansion ● New Segments



Efficiencies

Centralization

Rationalization

Sequent 2.0 Progress

India - Pet Division launched

Expansion projects

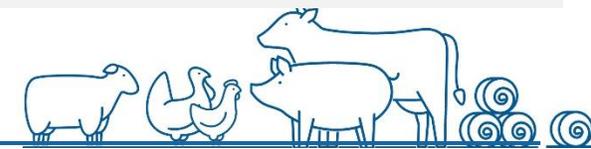
- Sterile capability in Germany for US
- Turkey Manufacturing
- Vizag:
 - Pilot plant commissioned
 - Additional Clean room, Enhanced capacity ~20 %

Turkey - EUGMP Approval

Tablets line (New)
Other lines (Renewal)

Key Appointment

Alexis Goux: VP Formulations



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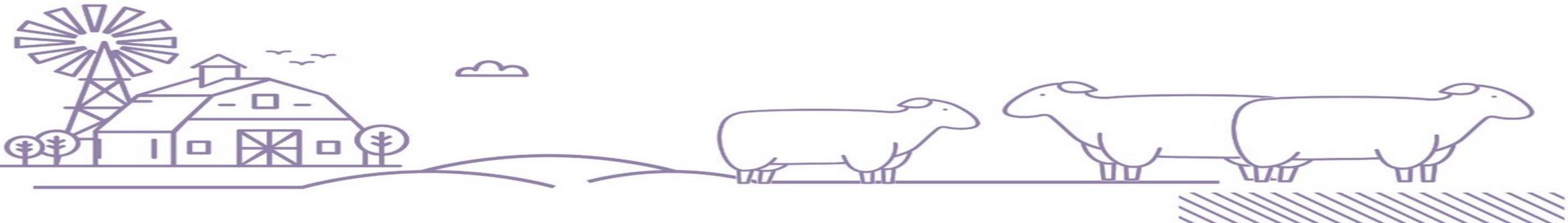
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Thank You

