

## SeQuent Scientific provides Covid-19 and Business Update

**Mumbai, April 08, 2020**

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Sequent Scientific Limited (SSL) today announced a business update to bring investors up to speed on the measures the Company is taking to deal with the COVID-19 crisis and our business outlook at large.

SSL's global management team continues to actively monitor the situation to minimize any impact on its employees, customer deliverables, service and support.

### **Business Continuity Status**

In response to the evolving Covid-19 pandemic, SSL has put in place a Business Continuity Plan (BCP) to deal with the crisis. As part of the plan, factory operations across locations worldwide are working with reduced staff while all non-essential employees have been working remotely. Furthermore, the sales and operations teams continue to work with customers on joint business continuity plans so that we can adapt together as the situation evolves. We have optimized our workloads and made alternate logistics arrangements across all factories to ensure our continued focus and commitment to our clients and target geographies.

As a leadership team we are monitoring both the situation and operations daily to keep things running smoothly.

### **Industry Impact**

Pharmaceuticals and specifically Animal health industry which we cater to, has been categorized as an essential industry across the globe and hence there has been no perceptible impact on the industry. Within the animal health industry, we cater to the production animals' segment, which is not a discretionary spend and hence lock-downs or economic slow-downs have little impact on this business. On the contrary, we do see some positive momentum given that we straddle the generics space which offers better cost dynamics to our customers.

### **Business Operations**

The swift implementation of BCP plan has ensured that we have experienced minimal disruptions to our operations. Our API factories in India did see slight manpower availability disruption at the start of the lockdown, but the situation has since getting better. We expect this situation to continue in the medium term and adequate procedures are in place to continue the BCP for the remainder of the COVID-19 crisis.

Many of our global businesses have shown great resilience during these times. Factories at Spain, Turkey, Germany and Brazil are operating at normal levels while all non-manufacturing related staff are working from home.

We have however put on hold our capacity expansion project at the Germany plant, which was scheduled to be initiated from July 2020 till more clarity emerges. Our ongoing expansion at Vizag have also been suitably moderated to minimise human presence at the site, without impacting the growth prospects.

On the supply chain side, we are fully covered for all key material for both our API and formulation units and the only challenge we face is logistics disruption. We are continuously and pro-actively engaged with the relevant authorities who are helping us to the best of their abilities in keeping the operations ongoing.

## Business Outlook

The company has ended FY20 on a strong note, largely achieving both the strategic and operational objectives for the year and continues to move ahead with its organic and inorganic business strategy for its identified core markets of US, EU and Australia. The certainty around Brexit now allows to have a strategic perspective around UK which we are aggressively pursuing. This includes establishing front-end organization either organically or through acquisition as also undertaking aggressive new product filings. We continue to be on track for new product pipeline of 35+ products, which are at various stages of development. The company has recently made significant progress in establishing distribution partnership with a leading global animal health company for India and has initiated CDMO business model for APIs with another animal health major. These recent initiatives shall further add growth engines for the company. The company is also pursuing consolidation of minority interest across its subsidiaries. The management continues to actively identify and pursue new opportunities with new and existing clients to significantly boost volumes and profitability.

We remain confident of our long-term strategy and client relationships.

We appreciate the hard work put in by our teams across various locations to help ensure smooth business operations. We hope and pray for the wellbeing of our employees, clients and shareholders.

## About SeQuent Scientific Limited

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SeQuent Scientific Limited (BSE-512529, NSE-SEQUENT) headquartered in Mumbai, India with a global footprint, operates in the domains of Animal Health (Alivira) and Analytical Services. SeQuent has eight manufacturing facilities based in India, Spain, Germany, Brazil and Turkey with approvals from global regulatory bodies including USFDA, EUGMP, WHO, TGA among others. Its Vizag facility is India's first and only USFDA approved facility for veterinary APIs.

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*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.*