

SeQuent Scientific Announces Q2 FY18 Financial Results

Reports strong Revenue and EBITDA growth

Q2FY18 Revenues at Rs. 2,652 mn up by 16%, EBITDA at Rs. 357 mn, up by 89%

H1FY18 Revenues at Rs. 5,257 mn up by 32%, EBITDA at Rs. 673 mn, up by 100+%

Declares Interim Dividend of 10%

Mumbai, November 9, 2017

SeQuent Scientific Limited (SeQuent), which has businesses across Animal Health (Alivira), Niche Human APIs & Analytical Services today announced its financial results for the second quarter ended September 30, 2017 (Q2FY18).

Financial Highlights – Q2FY18 vs Q2FY17*

- Revenue at **Rs. 2,652 mn**, as against **Rs. 2,295 mn**, up by **16%**
- EBITDA at **Rs. 357 mn**, as against **Rs. 189 mn**, up by **89%**
- EBITDA margin at **13.5%**, as against **8.2%**, an increase of **530 bps**
- **Net Profit at Rs. 131 mn**, as against **Net Loss of Rs. 43 mn**

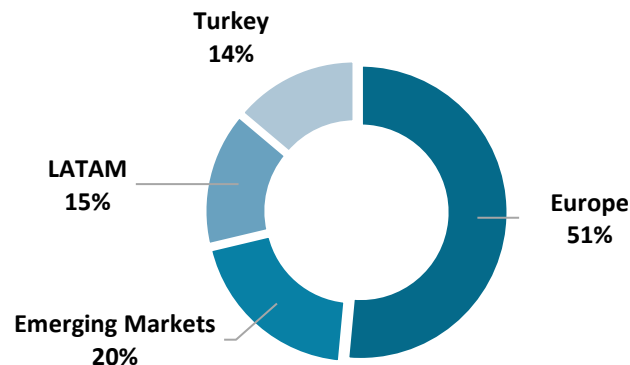
*continuing operations

	Rs in millions					
	Q2FY18	Q2FY17	Change %	H1FY18	H1FY17	Change %
Revenue	2,652	2,295	16%	5,257	3,982	32%
EBITDA	357	189	89%	673	310	117%
EBITDA margin	13.5%	8.2%		12.8%	7.8%	
PAT	131	(43)		219	(119)	

Commenting on the Company's performance, **Manish Gupta, Managing Director** said 'Our performance in Q2FY18, which has clocked robust revenue and record growth in profitability, demonstrates the successful outcome of strategies we embarked upon few years back. We are also particularly delighted with the Board's decision to reward the shareholders with an interim dividend after a gap of almost 6 years'.

On business front, Alivira now contributes to over 65% of the consolidated revenues. Geographically, Europe has contributed to more than 50% of the Alivira business and with the recent US FDA approval for our Vizag facility, we expect the US business to ramp up exponentially. We are also gaining sustainable traction in our Brazilian and Turkish business.

Alivira's Region wise revenue split (H1FY18)



Key Business Highlights (Q2FY18)

Alivira

Formulations

- Business grew significantly YoY with Europe growing by 10%, Brazil by 54% and Turkey by 50%
- Established Alivira presence in France, with the largest EU market size of over \$1.5Bn. First commercial sale expected in 1Q19
- 2 products launched across 4 EU countries
- Gaining foothold in Indonesia, a key emerging market, with the introduction of poultry portfolio
- Front end team in place in Ukraine with one of the largest egg producer in Europe. Recorded first commercial sale in the current quarter

API

- VET business grew by 9% YoY
- US market: To gain momentum with commercialization of key APIs in H2FY18

Regulatory Filings and approvals

- Filed 1 CEP from Vizag USFDA plant, resulting in a total of 6 filings as on date
- Filed 2 products in EU and 14 products in emerging markets, resulting in 109 registrations in EU and 120+ registrations in EM
- Received 16 product registrations in emerging markets during this quarter

Human Health

- Human health business grew by 23% during the quarter
- Growth driven by a robust portfolio of 32 products with 28 USDMF, 11 CEPs and 10 WHO filings

Update on Corporate Actions

- The company completed divestment of NAARI business during the quarter.
- In March 2017, the Company had announced the demerger of the Human API Business into Solara Active Pharma Sciences Limited (Solara), to be listed in BSE and NSE through a Scheme of Arrangement. As part of the scheme, Strides Shasun Limited's Commodity API business will also demerge into Solara. The company has received approvals from the Competition Commission of India, Bombay Stock Exchange Limited and National Stock Exchange of India. Application have been filed with National Company Law Tribunal Bench at Mumbai. The Company will seek Shareholders and Creditors consent to the Scheme on receiving directions from NCLT.

About SeQuent Scientific Limited

SeQuent Scientific Limited (BSE-512529, NSE-SEQUENT) headquartered in Mumbai, India with a global footprint, operates in the domains of Animal Health (Alivira), Human Health (API) and Analytical Services. SeQuent has nine manufacturing facilities based in India, Spain, Brazil and Turkey with approvals from global regulatory bodies including USFDA, EUGMP, WHO, TGA among others.

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