

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

To
The Board of Directors of
Sequent Scientific Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Sequent Scientific Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements and other financial information of the subsidiaries, the Statement:

- i. includes the results of the entities mentioned in Annexure 1;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive loss and other financial information of the Group for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive loss and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results and other financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matter

The accompanying Statement includes the audited financial statements and other financial information, in respect of:



- Fifteen subsidiaries, whose financial statements include total assets of Rs 1,36,928.39 lakhs as at March 31, 2022, total revenues of Rs 25,343.07 lakhs and Rs 94,308.16 lakhs, total net profit after tax of Rs. 378.26 lakhs and Rs. 2,361.32 lakhs, total comprehensive income/(loss) of Rs. (398.88) lakhs and Rs. (5,279.01) lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 1,301.85 lakhs for the year ended March 31, 2022, as considered in the Statement which have been audited by their respective independent auditors.

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

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The accompanying Statement includes unaudited financial statements and other unaudited financial information in respect of:

- Four subsidiaries, whose financial statements and other financial information reflect total assets of Rs 617.97 lakhs as at March 31, 2022, and total revenues of Rs 257.78 lakhs and Rs 772.52 lakhs, total net profit/(loss) after tax of Rs (0.06) lakhs and Rs (40.69) lakhs, total comprehensive income/(loss) of Rs (23.13) lakhs and Rs (61.45) lakhs, for the quarter and the year ended on that date respectively and net cash outflows of Rs. 106.43 lakhs for the year ended March 31, 2022, whose financial statements and other financial information have not been audited by any auditor.

These unaudited financial statements and financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.



SRBC & COLLP

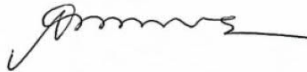
Chartered Accountants

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Anil Jobanputra

Partner

Membership No.: 110759

UDIN: 22110759AJOHNE5843

Place: Mumbai

Date: May 25, 2022



Annexure 1 to Auditor's Report

Name of the Holding Company

Sequent Scientific Limited

Including its following wholly-owned subsidiaries:

1. Alivira Animal Health Limited, India
2. Elysian Life Sciences Private Limited (Upto November 15, 2021)
3. Sequent Research Limited

Including its 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 Veterinaria De Lleida S.L.
12. Alivira Saúde Animal Ltda
13. Evanvet Distribuidora De Produtos Veterinarios Ltda
14. Fendigo BV
15. Fendigo SA
16. Laboratorios Karizoo, S.A.
17. Laboratorios Karizoo, S.A. DE C.V. (Mexico)
18. N-Vet AB
19. Phytotherapeutic 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.
23. Nourrie Saúde e Nutrição Animal Ltda (w.e.f. February 28, 2022)



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CIN: L99999MH1985PLC036685

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	3 months ended 31-Mar-2022	Preceding 3 months ended 31-Dec-2021	Corresponding 3 months ended in previous period 31-Mar-2021	Current year ended 31-Mar-2022	Previous year ended 31-Mar-2021
		Audited (Refer note 12)	Unaudited	Audited (Refer note 12)	Audited	Audited
I	Revenue from operations	38,370.90	35,804.70	36,182.47	1,41,281.60	1,36,161.50
II	Other income	377.00	366.80	137.10	1,084.50	836.30
III	Total income (I+II)	38,747.90	36,171.50	36,319.57	1,42,366.10	1,36,997.80
IV	Expenses					
	(a) Cost of materials consumed	18,076.00	16,015.20	15,757.10	67,052.20	58,866.50
	(b) Purchases of stock-in-trade	4,114.00	4,272.70	3,548.85	17,188.90	14,501.90
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(310.60)	463.70	(731.44)	(4,941.50)	(3,902.70)
	(d) Employee benefits expense (Refer note 8)	5,718.40	4,627.70	5,390.50	23,136.80	18,722.30
	(e) Finance costs	603.80	345.00	317.70	1,577.40	2,438.30
	(f) Depreciation and amortisation expenses	1,247.10	1,283.30	1,268.30	5,108.50	5,059.80
	(g) Other expenses	7,438.50	6,803.40	7,889.30	27,905.20	26,766.50
	Total expenses (IV)	36,887.20	33,811.00	33,440.31	1,37,027.50	1,22,452.60
V	Profit before tax and exceptional items (III-IV)	1,860.70	2,360.50	2,879.26	5,338.60	14,545.20
VI	Exceptional items (Refer note 11)	-	-	(21.60)	-	882.30
VII	Profit before tax (V-VI)	1,860.70	2,360.50	2,900.86	5,338.60	13,662.90
VIII	Tax expense					
	(a) Current tax	1,047.00	624.30	621.03	2,572.80	3,209.90
	(b) Deferred tax	(270.30)	(179.60)	(60.96)	(537.20)	(286.00)
	(c) Current tax of prior period charged / (reversed) (Refer note 4)	80.40	60.20	(11.60)	(1,203.00)	293.80
	Total tax expense (VIII)	857.10	504.90	548.47	832.60	3,217.70
IX	Profit after tax (VII-VIII)	1,003.60	1,855.60	2,352.39	4,506.00	10,445.20
X	Other comprehensive income / (expense)					
	Items that will not be reclassified to profit or loss					
	(a) Re-measurement gain / (loss) on defined benefits plans	(13.60)	7.40	67.60	1.40	36.00
	(b) Fair value gain / (loss) from investment in equity instruments	(1,951.70)	(3,198.40)	1,111.50	(4,006.70)	10,301.10
	(c) Income tax relating to items that will not be reclassified to profit or loss	(1.60)	-	-	(1.60)	(858.60)
	(d) Deferred tax relating to items that will not be reclassified to profit or loss	216.60	370.00	(152.60)	451.20	(405.20)
	Items that will be reclassified to profit or loss					
	(a) Exchange differences on translation of foreign operations (Refer note 9)	(1,116.90)	(4,017.40)	(727.60)	(6,058.00)	(1,270.70)
	(b) Exchange differences on net investment in foreign operations (Refer note 9)	659.50	(1,977.30)	(781.60)	(1,252.30)	(1,360.20)
	Total other comprehensive income / (expense) (net of tax)	(2,207.70)	(8,815.70)	(482.70)	(10,866.00)	6,442.40
XI	Total comprehensive income / (expense), net of tax (IX+X)	(1,204.10)	(6,960.10)	1,869.69	(6,360.00)	16,887.60
	Profit attributable to:					
	- Owners of the Company	896.20	1,711.60	2,063.29	4,125.10	9,544.20
	- Non-controlling interest	107.40	144.00	289.10	380.90	901.00
	Other comprehensive income / (expense) attributable to:					
	- Owners of the Company	(2,233.70)	(8,753.20)	(378.60)	(10,837.50)	6,500.40
	- Non-controlling interest	26.00	(62.50)	(104.10)	(28.50)	(58.00)
	Total comprehensive income / (expense) attributable to:					
	- Owners of the Company	(1,337.50)	(7,041.60)	1,684.69	(6,712.40)	16,044.60
	- Non-controlling interest	133.40	81.50	185.00	352.40	843.00
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,967.40	4,967.40	4,967.40
XIII	Other equity				64,273.30	67,797.70
XIV	Earnings per equity share: (face value of ₹ 2 each) (not annualised)					
	(1) Basic (in ₹)	0.36	0.69	0.84	1.67	3.87
	(2) Diluted (in ₹)	0.36	0.68	0.84	1.65	3.85
	See accompanying notes to the audited consolidated financial results					



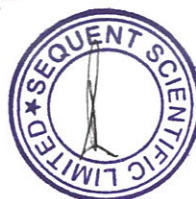
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AUDITED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

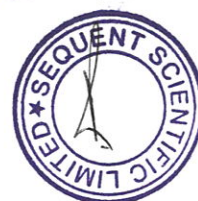
Sr. No.	Particulars	₹ in Lakhs	
		As at 31-Mar-2022 Audited	As at 31-Mar-2021 Audited
(A) ASSETS			
1 Non-current assets			
(a) Property, plant and equipment		22,005.30	21,731.90
(b) Right-of-Use assets (ROU)		9,647.70	10,175.40
(c) Capital work-in-progress		881.30	2,878.30
(d) Goodwill (Refer note 7)		18,530.80	17,420.10
(e) Other Intangible assets (Refer note 7)		5,312.70	4,238.50
(f) Intangible assets under development		281.90	200.60
(g) Financial assets			
(i) Investments		3,679.10	7,693.90
(ii) Other financial assets		1,082.90	489.40
(h) Deferred tax assets (net)		2,919.80	2,050.70
(i) Income tax assets (net)		1,048.20	917.60
(j) Other non-current assets		89.70	101.00
Total non-current assets		65,479.40	67,897.40
2 Current assets			
(a) Inventories		34,797.40	26,435.70
(b) Financial assets			
(i) Investments		143.70	565.50
(ii) Trade receivables		32,924.10	34,613.70
(iii) Cash and cash equivalents		5,749.60	5,374.40
(iv) Bank balances other than (iii) above		175.70	245.20
(v) Loans		25.20	19.00
(vi) Others financial assets		117.10	1,076.30
(c) Income tax assets (net)		76.90	45.30
(d) Other current assets		4,660.40	2,983.40
Total current assets		78,670.10	71,358.50
Total Assets		1,44,149.50	1,39,255.90
(B) EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital		4,967.40	4,967.40
(b) Other equity		64,273.30	67,797.70
(c) Non-controlling interest		4,800.60	4,866.50
Total equity		74,041.30	77,631.60
II Liabilities			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		12,245.50	9,370.60
(ii) Lease liabilities		4,185.20	4,539.70
(iii) Others		161.00	-
(b) Provisions		1,638.20	932.40
(c) Deferred tax liabilities (net)		598.50	693.00
(d) Other non-current liabilities		67.70	86.90
Total non-current liabilities		18,896.10	15,622.60
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings		19,243.60	13,099.10
(ii) Lease liabilities		815.70	689.00
(iii) Trade payables		25,804.50	22,691.00
(iv) Other financial liabilities		2,081.50	4,736.00
(b) Provisions		730.50	691.20
(c) Current tax liabilities (net)		823.40	2,265.50
(d) Other current liabilities		1,712.90	1,829.90
Total current liabilities		51,212.10	46,001.70
Total Equity and Liabilities		1,44,149.50	1,39,255.90
See accompanying notes to the audited consolidated financial results			



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AUDITED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2022

Particulars	(₹ in Lakhs)	
	Year ended 31-Mar-22	Year ended 31-Mar-21
	Audited	Audited
Cash flow from operating activities		
Net profit before tax and exceptional items	5,338.60	14,545.20
Adjustments for:		
Depreciation and amortisation expenses	5,108.50	5,059.80
Unrealised forex (gain) / loss (net)	(630.30)	421.60
Bad trade receivables written off	32.60	303.10
Bad loans and advances written off	11.60	-
Allowance for doubtful trade receivables provided / (written back)	(1.50)	(213.20)
Finance costs	1,577.40	2,438.30
Dividend income	(16.60)	(99.50)
Interest income	(24.10)	(62.60)
Miscellaneous income	-	(74.60)
(Profit) / loss on sale of property, plant and equipment (net)	6.90	(69.80)
Gain on sale of investments	(31.80)	(257.90)
Fair value gain on financial instruments at fair value through profit or loss	-	(1.70)
Property, plant and equipment written off	3.40	306.90
Lease liability written back (net)	(38.90)	(75.70)
Expenses pertaining to share-based payment to employees	3,330.10	723.40
Operating profit before working capital changes	14,665.90	22,943.30
Changes in working capital		
Increase in trade receivables, loans and advances and other assets	(4,072.40)	(3,947.50)
Increase in inventories	(11,473.30)	(4,561.70)
Decrease in margin money and unpaid dividend accounts	69.50	527.70
Increase in trade payables, other payables and provisions	6,546.50	892.90
Net change in working capital	(8,929.70)	(7,088.60)
Cash generated from operations	5,736.20	15,854.70
Income taxes paid (net)	(2,676.70)	(4,379.30)
Net cash generated from operating activities (A)	3,059.50	11,475.40
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(3,246.40)	(5,283.00)
Proceeds from disposal of property, plant and equipment and intangible assets	119.10	826.00
Proceeds from sale of long term investments	-	15,734.40
(Purchase) / sale of current investments (net)	374.80	3,573.00
Interest received	27.70	69.10
Dividend received	14.90	93.30
Consideration paid on acquisition of new subsidiary company	(2,348.90)	-
Consideration paid on acquisition of additional share from NCI	(4,497.80)	(14,048.00)
Net cash generated from / (used in) investing activities (B)	(9,556.60)	964.80
Cash flow from financing activities		
Proceeds from stock options exercised by employees	211.60	1,044.90
Proceeds from stock options pending allotment	913.80	-
Proceeds from long-term borrowings	6,749.80	8,794.60
Payment of lease liabilities	(487.60)	(762.70)
Repayment of long-term borrowings	(3,131.00)	(16,183.00)
Proceeds from / (repayment of) short-term borrowings (net)	5,492.40	(4,353.10)
Interest and other borrowing cost paid	(1,621.20)	(2,275.00)
Dividend distribution to Non-controlling interest (NCI)	(167.70)	(142.50)
Equity contribution by NCI	-	1.40
Dividends paid	(1,234.40)	-
Net cash generated from / (used in) financing activities (C)	6,725.70	(13,875.40)
Net increase in cash and cash equivalents during the year (A+B+C)	228.60	(1,435.20)
Cash and cash equivalents at beginning of the year	5,374.40	6,809.60
Cash & cash equivalents acquired pursuant to acquisition of subsidiary	146.60	-
Cash and cash equivalents at end of the year	5,749.60	5,374.40
See accompanying notes to the audited consolidated financial results		



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Notes:

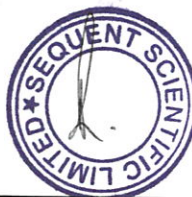
1. The above audited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25 May 2022.
2. As the Board of Directors monitors the business activity as a single segment viz. Pharmaceuticals, the financial results are reflective of the disclosure requirements of Ind AS 108 Operating Segments.

3. Information on Standalone Results:

Particulars	(₹ in Lakhs)				
	3 months ended 31-Mar-2022	Preceding 3 months ended 31-Dec-2021	Corresponding 3 months ended in previous period 31-Mar-2021	Current year ended 31-Mar-2022	Previous year ended 31-Mar-2021
	Audited	Unaudited	Audited	Audited	Audited
Revenue from operations	6,367.30	5,919.10	6,947.90	21,962.60	26,545.70
Profit before tax	803.70	551.60	602.97	1,569.00	4,088.74
Profit after tax	664.84	447.26	464.28	1,479.90	3,211.34
Total comprehensive income / (expense), (net of tax)	(1,050.22)	(2,379.32)	1,459.08	(2,051.80)	12,259.04

4. During the current period, upon completion of income tax assessments for previous years, the corresponding provisions for income tax made in earlier years was reversed. The tax expense for the period is after taking into account such reversal amounting to ₹ 1,203.00 lakhs.
5. During the previous quarter, Elysian Life Sciences Private Limited (wholly owned subsidiary) had applied for strike off of their name from register of Registrar of Company - Bangalore. The Registrar of Company vide letter dated 15 November 2021 has removed the name from Register of Companies and the said company stands dissolved.
6. The non-controlling stakeholders of Alivira Saúde Animal Ltda, Brazil (formerly known as Evance Saude Animal Health Ltda) have exercised their put option for disinvesting their 30% stake in the said company, in the earlier quarters as per the terms of Quotaholder's Agreement dated 07 April 2016. Accordingly, the Company has taken over the residual stake and has settled the consideration of ₹ 4,497.80 lakhs (BRL 336.42 lakhs) on 12 January 2022.
7. The Group, through its wholly owned subsidiary Alivira Saúde Animal Ltda, Brazil (formerly known as Evance Saude Animal Health Ltda) has acquired 100% equity in Nourrie Saúde e Nutrição Animal Ltda (Nourrie) on 28 February 2022 vide "Quota Purchased and Sale and Other Convenient" agreement, for a consideration of ₹ 3,937.80 lakhs (BRL 270 lakhs). Consequently, the Group has consolidated the financial statement of the said Company for the period from 28 February 2022 to 31 March 2022. As the measurement period is on going for fair valuation of Intangible assets and recognition of Goodwill, the group has provisionally recognised Goodwill of ₹ 2,352.90 lakhs, Other intangible assets of ₹ 1,338.90 lakhs and Net assets of ₹ 246.00 lakhs in accordance with 'Ind AS 103 Business Combination', in the consolidated financial statements for the year ended 31 March 2022.
8. The Group has revised the estimate, based on legal advice, in respect of number of Employees Stock Options Plan (ESOP) expected to vest under ESOP Scheme 2020, consequent to resignation of the Managing Director and Chief Financial Officer during the quarter ended December 2021 and March 2022, respectively. Accordingly, the Group has reversed the employee benefit expense amounting to ₹ 1,245.20 lakhs during the quarter ended 31 December 2021 and ₹ 222.60 lakhs during the quarter ended 31 March 2022, aggregating to ₹ 1,467.80 lakhs in the financial results for the year ended 31 March 2022.
9. Consequent to the devaluation in the value of Turkish Lira from ₹ 8.87 as at 31 March 2021 to ₹ 5.17 as at 31 March 2022, the foreign currency translation impact on consolidating the financial statements of the Company's subsidiaries aggregating to ₹ 1,418.90 lakhs and ₹ 7,973.80 lakhs for the quarter and year ended 31 March 2022 has been recognized under "Other Comprehensive Income".
10. 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.
11. During the previous financial year, transfer of control to Carlyle Group had resulted into following events –
- (i) 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.
- (ii) 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.
- (iii) 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.
12. The above results includes the results for the quarter ended 31 March 2022 and 31 March 2021 being the balancing figure between audited figures in respect of the full financial year and year to date published figures up to the third quarter of the current and previous financial year.
13. The previous period figures have been regrouped / reclassified wherever necessary to conform to current period's presentation.

Thane, 25 May 2022



For Sequent Scientific Limited

Rajaram Narayanan
 Managing Director

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

**To
The Board of Directors of
Sequent Scientific Limited**

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Sequent Scientific Limited (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the



Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the



audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Anil Jobanputra

Partner

Membership No.: 110759



UDIN: 22110759AJOHFY1447

Place: Mumbai

Date: May 25, 2022

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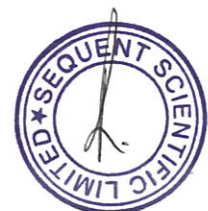
SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	3 months ended 31-Mar 2022	Preceding 3 months ended 31-Dec-2021	Corresponding 3 months ended in previous period 31-Mar-2021	Current year ended 31- Mar-2022	Previous year ended 31- Mar-2021
		Audited (Refer note 8)	Unaudited	Audited (Refer note 8)	Audited	Audited
I	Revenue from operations	6,367.30	5,919.10	6,947.90	21,962.60	26,545.70
II	Other income	577.20	569.70	592.10	2,764.30	1,996.60
III	Total income (I+II)	6,944.50	6,488.80	7,540.00	24,726.90	28,542.30
IV	Expenses					
	(a) Cost of materials consumed	4,042.11	2,080.17	3,281.52	12,400.68	11,588.10
	(b) Purchases of stock-in-trade	220.89	125.43	202.23	438.22	854.50
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(886.20)	1,410.00	(482.10)	(1,973.30)	(1,556.00)
	(d) Conversion and processing charges	776.10	754.60	1,386.17	3,757.50	4,874.70
	(e) Employee benefits expenses (Refer note 5)	449.40	126.30	662.80	2,738.20	2,241.90
	(f) Finance costs	60.80	55.60	25.00	161.00	268.00
	(g) Depreciation and amortisation expenses	234.10	240.40	260.70	959.30	912.80
	(h) Other expenses	1,243.60	1,144.70	1,609.41	4,676.30	5,013.46
	Total expenses (IV)	6,140.80	5,937.20	6,945.73	23,157.90	24,197.46
V	Profit before tax and exceptional items (III-IV)	803.70	551.60	594.27	1,569.00	4,344.84
VI	Exceptional items (Refer note 7)	-	-	(8.70)	-	256.10
VII	Profit before tax (V-VI)	803.70	551.60	602.97	1,569.00	4,088.74
VIII	Tax expense					
	(a) Current tax	117.76	133.44	112.30	251.20	730.50
	(b) Deferred tax	30.40	(29.10)	56.69	52.00	268.90
	(c) Current tax of prior period reversed (Refer note 3)	(9.30)	-	(30.30)	(214.10)	(122.00)
	Total tax expense (VIII)	138.86	104.34	138.69	89.10	877.40
IX	Profit after tax (VII-VIII)	664.84	447.26	464.28	1,479.90	3,211.34
X	Other comprehensive income / (expense)					
	Items that will not be reclassified to profit or loss					
	(a) Re-measurements gain / (loss) on defined benefits plans	12.80	(1.20)	17.80	10.50	(4.50)
	(b) Fair value gain / (loss) from investment in equity instruments	(1,951.70)	(3,198.40)	1,111.50	(4,006.70)	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	223.84	373.02	(134.50)	464.50	(390.30)
	Total other comprehensive income / (expense) (net of tax)	(1,715.06)	(2,826.58)	994.80	(3,531.70)	9,047.70
XI	Total comprehensive income / (expense),net of tax (IX+X)	(1,050.22)	(2,379.32)	1,459.08	(2,051.80)	12,259.04
XII	Equity share capital (face value of ₹ 2 each)	4,967.40	4,967.40	4,967.40	4,967.40	4,967.40
XIII	Other equity				99,141.41	97,983.83
XIV	Earnings per equity share: (face value of ₹ 2 each) (not annualised)					
	(1) Basic (in ₹)	0.27	0.18	0.19	0.60	1.30
	(2) Diluted (in ₹)	0.27	0.18	0.19	0.59	1.30
	See accompanying notes to audited standalone financial results					



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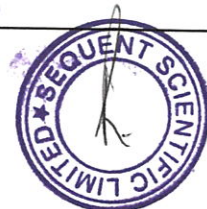
SEQUENT SCIENTIFIC LIMITED

AUDITED STANDALONE BALANCE SHEET AS AT 31 MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	As at 31-Mar-2022	As at 31-Mar-2021
		Audited	Audited
A	ASSETS		
I	Non-current assets		
(a)	Property plant and equipment		
(b)	Right-of-use assets (ROU)	4,408.70	4,251.60
(c)	Capital work-in-progress	2,213.30	2,159.00
(d)	Intangible assets	140.20	434.00
(e)	Financial assets	68.30	167.50
	(i) Investments		
	(a) Investments in subsidiaries		
	(b) Other investments	62,169.20	60,819.30
	(ii) Loans	3,677.90	7,691.80
	(iii) Other financial assets	23,849.60	22,073.00
(f)	Deferred tax assets (net)	70.50	99.60
(g)	Income tax assets (net)	603.10	190.60
(h)	Other non-current assets	559.50	411.30
	Total non-current assets	97,837.10	98,355.70
II	Current assets		
(a)	Inventories		
(b)	Financial assets	6,799.40	4,579.00
	(i) Investments		
	(ii) Trade receivables	13.80	6.50
	(iii) Cash and cash equivalents	5,241.70	6,143.50
	(iv) Bank balances other than (iii) above	1,279.60	43.50
	(v) Loans	9.20	30.50
	(vi) Other financial assets	3.00	2.80
(c)	Other current assets	33.40	218.60
	Total current assets	1,206.00	832.10
	Total assets	1,12,423.20	1,10,212.20
B	EQUITY AND LIABILITIES		
I	Equity		
(a)	Equity share capital	4,967.40	4,967.40
(b)	Other equity	99,141.41	97,983.83
	Total equity	1,04,108.81	1,02,951.23
II	Liabilities		
1.	Non-current liabilities		
(a)	Financial liabilities		
	(i) Lease liabilities		
	(ii) Other Financial liabilities	62.70	11.70
(b)	Provisions	15.00	-
	Total non-current liabilities	181.30	229.90
	Total non-current liabilities	259.00	241.60
2.	Current liabilities		
(a)	Financial liabilities		
	(i) Borrowings	1,550.00	521.70
	(ii) Lease liabilities	72.70	32.40
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	778.98	630.47
	Total outstanding dues of creditors other than micro enterprises and small enterprises	4,976.91	5,244.20
(iv)	Other financial liabilities		
(b)	Provisions	82.10	104.40
(c)	Current tax liabilities (net)	168.50	65.60
(d)	Other current liabilities	61.40	272.30
	Total current liabilities	364.80	148.30
	Total liabilities	8,055.39	7,019.37
	Total liabilities	8,314.39	7,260.97
	Total equity and liabilities	1,12,423.20	1,10,212.20

See accompanying notes to audited standalone financial results



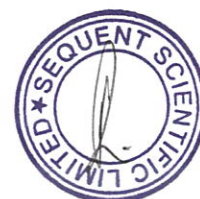
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SEQUENT SCIENTIFIC LIMITED

AUDITED STANDALONE CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

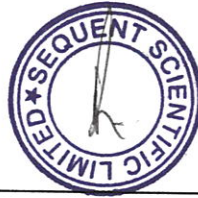
Particulars	Year ended 31-Mar-2022	Year ended 31-Mar-2021
	Audited	Audited
Cash flows from operating activities		
Net profit before tax and exceptional items	1,569.00	4,344.84
Adjustments for:		
Depreciation and amortisation expenses	959.30	912.80
Property, plant and equipment written off	-	219.90
Trade receivables written back	-	(2.90)
Unrealised forex gain (net)	(27.50)	(105.80)
Finance costs	161.00	268.00
Dividend income	(457.60)	(99.40)
Fair value of corporate guarantee income	(25.30)	(14.00)
Interest income	(1,753.60)	(1,071.40)
Profit on sale of property, plant and equipment (net)	(0.60)	(0.90)
Share-based payments to employees	608.50	255.20
Corporate guarantee commission	(102.10)	(93.70)
Gain on sale of investments	-	(156.10)
Operating profit before working capital changes	931.10	4,456.54
Changes in working capital		
(Increase)/Decrease in trade receivables, loans and advances and other assets	2,284.30	(646.50)
(Increase) in inventories	(2,220.40)	(1,437.10)
Decrease in margin money and unpaid dividend accounts	21.30	54.00
Increase/(Decrease) in trade payables, other payables and provisions	95.40	(517.44)
Net changes in working capital	180.60	(2,547.04)
Cash generated from operations	1,111.70	1,909.50
Income taxes paid (net)	(175.30)	(1,675.70)
Net cash generated from operating activities (A)	936.40	233.80
Cash flows from investing activities		
Purchase of property, plant and equipments and intangible assets	(644.50)	(951.80)
Proceeds from disposal of property, plant and equipments and intangible assets	5.20	2.30
Purchase of current investments	-	(15,709.00)
Sale of current investments	-	17,735.00
Proceeds from sale of long term investments	-	15,734.40
Loan given to subsidiary company	(200.00)	(15,345.00)
Interest received	2.70	97.60
Dividend received	411.80	91.60
Net cash generated from / (used in) investing activities (B)	(424.80)	1,655.10
Cash flows from financing activities		
Proceeds from / (repayment of) short-term borrowings (net)	1,028.30	(917.20)
Payment of principal portion of lease liabilities	(77.70)	(46.70)
Loan repaid by subsidiary company	-	96.00
Proceeds from stock options exercised by employees	211.60	1,044.90
Proceeds from stock options pending allotment	913.80	-
Repayment of long-term borrowings	-	(2,083.70)
Interest and other borrowing cost paid	(117.10)	(226.00)
Dividend paid	(1,234.40)	-
Net cash generated from / (used in) financing activities (C)	724.50	(2,132.70)
Net increase in cash and cash equivalents during the year (A+B+C)	1,236.10	(243.80)
Cash and cash equivalents at the beginning of the year	43.50	287.30
Cash and cash equivalents at the end of the year	1,279.60	43.50
See accompanying notes to audited standalone financial results		



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Notes:

- 1 The above audited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25 May 2022.
- 2 As the Board of Directors monitors the business activity as a single segment viz. Pharmaceuticals, the financial results are reflective of the disclosure requirements of Ind AS 108 - Operating Segments.
- 3 During the current period, upon completion of income tax assessments for previous years, the corresponding provisions for income tax made in earlier years was reversed. The tax expense for the current period after taking into account such reversal amounting to ₹ 214.10 lakhs.
- 4 During the previous quarter, Elysian Life Sciences Private Limited (wholly owned subsidiary) had applied for strike off of their name from register of Registrar of Company - Bangalore. The Registrar of Company vide letter dated 15 November 2021 has removed the name from Register of Companies and the said company stands dissolved.
- 5 The Company has revised the estimate, based on legal advice, in respect of number of Employees Stock Options Plan (ESOP) expected to vest under ESOP Scheme 2020, consequent to resignation of the Managing Director and Chief Financial Officer during the quarter ended December 2021 and March 2022 respectively. Accordingly, the Company has reversed the employee benefit expense amounting to ₹ 622.60 lakhs during the quarter ended 31 December 2021 and ₹ 166.93 lakhs during the quarter ended 31 March 2022, aggregating to ₹ 789.53 lakhs in the financial results for the year ended 31 March 2022.
- 6 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.
- 7 During the previous financial 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 (for the year ended 31 March 2021 - ₹ 128.00 lakhs).
(b) The Company had announced a one-time bonus to the existing employees not covered by ESOP Scheme of ₹ 136.80 lakhs (for the year ended 31 March 2021 - ₹ 128.10 lakhs).
- 8 The above results includes the results for the quarter ended 31 March 2022 and 31 March 2021 being the balancing figure between audited figures in respect of the full financial year and year to date published figures upto the third quarter of the current and previous financial year
- 9 The previous period figures have been regrouped/re-classified wherever necessary to conform to current period's presentation.



For Sequent Scientific Limited


Rajaram Narayanan
Managing Director

Place : Thane
Date: 25 May 2022