

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, 2023 and for the year ended March 31, 2023 ("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 loss and other comprehensive loss and other financial information of the Group for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

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 loss 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 their respective companies 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 their respective companies.

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:

- fourteen subsidiaries, whose financial statements include total assets of Rs 1,39,488 lakhs as at March 31, 2023, total revenues of Rs 27,519 lakhs and Rs 1,03,405 lakhs, total net loss after tax of Rs. 16,450 lakhs and Rs. 16,655 lakhs, total comprehensive loss of Rs. 16,661 lakhs and Rs. 17,715 lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 198 lakhs for the year ended March 31, 2023, 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.



S R B C & CO LLP

Chartered Accountants

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

- three subsidiaries, whose financial statements and other financial information reflect total assets of Rs 838 lakhs as at March 31, 2023, and total revenues of Rs 323 lakhs and Rs 1,061 lakhs, total net loss after tax of Rs. 149 lakhs and Rs. 211 lakhs, total comprehensive loss of Rs. 153 lakhs and Rs. 333 lakhs, for the quarter and the year ended on that date respectively and net cash outflows of Rs. 20 lakhs for the year ended March 31, 2023, whose financial statements and other financial information have not been audited by any auditors.

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.

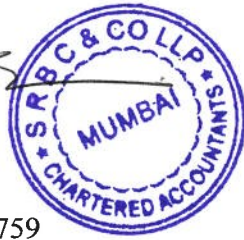
The Statement includes the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per Anil Jobanputra
Partner
Membership No.: 110759



UDIN: 23110759BGVZSL5730

Place: Thane

Date: May 23, 2023

SRBC & CO LLP

Chartered Accountants

Annexure 1 to Auditor's Report

Name of the Holding Company

1. Sequent Scientific Limited

Including its following wholly owned subsidiaries:

2. Alivira Animal Health Limited, India
3. Sequent Research Limited

Including its following subsidiaries and sub subsidiaries:

4. Alivira Animal Health Limited, Ireland
5. Comercial Vila Veterinaria De Lleida S.L.
6. Laboratorios Karizoo, S.A.
7. Phytotherapic Solutions S.L.
8. Vila Viña Participacions, S.L.
9. Alivira Saude Animal Ltda
10. Alivira Saude Animal Brasil Participacoes Ltda
11. Evanvet Distribuidora De Produtos Veterinarios Ltda
12. Provet Veteriner Ürünleri San. Ve Tic. A. Ş.
13. Topkim Topkapi İlaç premiks Sanayi Ve Ticaret A.Ş.
14. Laboratorios Karizoo, S.A. de C.V. (Mexico)
15. Alivira Animal Health UK Limited
16. Alivira France S.A.S
17. Alivira Italia S.R.L.
18. Alivira Animal Health USA LLC
19. Fendigo BV
20. Nourrie Saude e Nutricao Animal Ltda (amalgamated wef 1st July 2022)
21. N-Vet AB
22. Bremer Pharma GmbH
23. Fendigo SA



Sequent

Proven Ability in Life Sciences

SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

AUDITED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

(₹ in Lakhs)

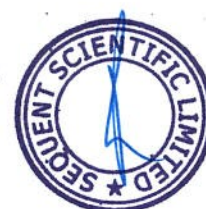
| Sr. No. | Particulars | As at | As at |
|--|-------------|--------------------|---------------------------------------|
| | | 31-Mar-2023 | 31-Mar-2022 |
| | | Audited | Audited (Restated) (refer note 10) |
| (A) ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | | 23,321.20 | 22,096.10 |
| (b) Right-of-Use assets (ROU) | | 6,752.90 | 9,647.70 |
| (c) Capital work-in-progress | | 5,138.70 | 881.30 |
| (d) Goodwill (refer note 10) | | 24,004.20 | 18,078.40 |
| (e) Other intangible assets (refer note 10) | | 6,452.70 | 6,621.90 |
| (f) Intangible assets under development | | 389.60 | 281.90 |
| (g) Financial assets | | | |
| (i) Investments | | 0.50 | 3,679.10 |
| (ii) Other financial assets | | 1,629.40 | 1,082.90 |
| (h) Deferred tax assets (net) | | 4,536.20 | 2,919.80 |
| (i) Income tax assets (net) | | 1,205.50 | 1,048.20 |
| (j) Other non-current assets | | 492.80 | 441.80 |
| Total non-current assets | | 73,923.70 | 66,779.10 |
| 2 Current assets | | | |
| (a) Inventories | | 34,608.90 | 34,797.40 |
| (b) Financial assets | | | |
| (i) Investments | | 4.60 | 143.70 |
| (ii) Trade receivables | | 34,096.20 | 32,924.10 |
| (iii) Cash and cash equivalents | | 4,157.40 | 5,749.60 |
| (iv) Bank balances other than (iii) above | | 17.20 | 175.70 |
| (v) Loans | | 33.50 | 25.20 |
| (vi) Other financial assets | | 109.00 | 117.10 |
| (c) Income tax assets (net) | | 355.10 | 76.90 |
| (d) Other current assets | | 4,597.50 | 4,308.30 |
| (e) Assets held for sale (refer note 6) | | 1,009.20 | - |
| Total current assets | | 78,988.60 | 78,318.00 |
| Total Assets | | 1,52,912.30 | 1,45,097.10 |
| (B) EQUITY AND LIABILITIES | | | |
| I Equity | | | |
| (a) Equity share capital | | 4,988.60 | 4,967.40 |
| (b) Other equity (refer note 9) | | 64,889.21 | 64,242.40 |
| (c) Non-controlling interest | | 5,041.20 | 4,800.60 |
| Total equity | | 74,919.01 | 74,010.40 |
| II Liabilities | | | |
| 1 Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | 18,280.00 | 12,245.50 |
| (ii) Lease liabilities | | 3,697.00 | 4,185.20 |
| (iii) Others | | - | 161.00 |
| (b) Provisions | | 2,147.40 | 1,638.20 |
| (c) Deferred tax liabilities (net) (refer Note 10) | | 1,225.30 | 1,577.00 |
| (d) Other non-current liabilities | | 37.00 | 67.70 |
| Total non-current liabilities | | 25,386.70 | 19,874.60 |
| 2 Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | | 21,509.80 | 19,243.60 |
| (ii) Lease liabilities | | 872.70 | 815.70 |
| (iii) Trade payables | | 24,434.00 | 25,804.50 |
| (iv) Other financial liabilities | | 1,108.30 | 2,081.50 |
| (b) Provisions | | 1,642.00 | 730.50 |
| (c) Current tax liabilities (net) | | 634.10 | 823.40 |
| (d) Other current liabilities | | 2,405.69 | 1,712.90 |
| Total current liabilities | | 52,606.59 | 51,212.10 |
| Total Equity and Liabilities | | 1,52,912.30 | 1,45,097.10 |
| See accompanying notes to the audited consolidated financial results | | | |



STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

| Sr. No. | Particulars | 3 months ended 31-Mar-2023 | Preceding 3 months ended 31-Dec-2022 | Corresponding 3 months ended in previous period 31-Mar-2022 | Current year ended 31-Mar-2023 | Previous year ended 31-Mar-2022 |
|---------|--|-------------------------------|--|--|-----------------------------------|--|
| | | Audited (refer note 11) | Unaudited | Audited (Restated) (refer note 10 & 11) | Audited | Audited (Restated) (refer note 10) |
| I | Revenue from operations | 36,666.80 | 37,531.30 | 38,370.90 | 1,42,090.90 | 1,41,281.60 |
| II | Other income | 173.70 | 286.30 | 377.00 | 639.00 | 1,084.50 |
| III | Total Income (I+II) | 36,840.50 | 37,817.60 | 38,747.90 | 1,42,729.90 | 1,42,366.10 |
| IV | Expenses | | | | | |
| | (a) Cost of materials consumed | 17,781.40 | 17,213.40 | 18,076.00 | 69,309.80 | 67,052.20 |
| | (b) Purchases of stock-in-trade | 2,441.10 | 2,909.90 | 4,114.00 | 12,177.00 | 17,188.90 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 1,952.10 | 1,619.70 | (310.60) | 1,889.90 | (4,941.50) |
| | (d) Employee benefits expense (refer note 5) | 6,456.10 | 6,687.80 | 5,718.40 | 25,838.50 | 23,136.80 |
| | (e) Finance costs | 1,087.00 | 972.50 | 603.80 | 3,551.70 | 1,577.40 |
| | (f) Depreciation and amortisation expenses (refer note 10) | 1,470.50 | 1,367.40 | 1,292.70 | 5,569.30 | 5,154.10 |
| | (g) Acquisition related cost (refer note 7) | - | 99.00 | - | 99.00 | - |
| | (h) Other expenses | 7,813.60 | 7,682.90 | 7,438.50 | 30,001.70 | 27,905.20 |
| | (i) Net Monetary loss on Hyperinflation economy (refer note 9) | 559.30 | 284.90 | - | 1,579.50 | - |
| | Total expenses (IV) | 39,661.10 | 38,837.50 | 36,932.80 | 1,60,016.40 | 1,37,073.10 |
| V | Profit / (loss) before tax and exceptional items (III-IV) | (2,720.60) | (1,019.90) | 1,815.10 | (7,286.50) | 5,293.00 |
| VI | Exceptional item (refer note 8) | (6,159.60) | - | - | (6,479.40) | - |
| VII | Profit / (loss) before tax (V-VI) | (8,880.20) | (1,019.90) | 1,815.10 | (13,765.90) | 5,293.00 |
| VIII | Tax expense / (credit) | | | | | |
| | (a) Current tax | 352.10 | 96.30 | 1,047.00 | 783.90 | 2,572.80 |
| | (b) Deferred tax (refer note 10) | (127.31) | (2.00) | (302.30) | (2,319.61) | (553.20) |
| | (c) Adjustment of tax pertaining to earlier period (refer note 4) | 139.00 | (136.50) | 80.40 | (32.40) | (1,203.00) |
| | Total tax expense / (credit) | 363.79 | (42.20) | 825.10 | (1,568.11) | 816.60 |
| IX | Profit / (loss) after tax (VII-VIII) | (9,243.99) | (977.70) | 990.00 | (12,197.79) | 4,476.40 |
| X | Other comprehensive income / (expense) | | | | | |
| | Items that will not be reclassified to profit or loss | | | | | |
| | (a) Re-measurement gain / (loss) on defined benefits plans | (206.80) | - | (13.60) | (215.90) | 1.40 |
| | (b) Fair value gain / (loss) from investment in equity instruments | - | 1.80 | (1,951.70) | (1,424.60) | (4,006.70) |
| | (c) Income tax relating to items that will not be reclassified to profit or loss | 49.00 | 96.90 | (1.60) | (88.00) | (1.60) |
| | (d) Deferred tax relating to items that will not be reclassified to profit or loss | (64.20) | (95.90) | 216.60 | 288.00 | 451.20 |
| | Items that will be reclassified to profit or loss | | | | | |
| | (a) Exchange differences on translation of foreign operations | 283.90 | 1,423.40 | (1,116.90) | (575.20) | (6,058.00) |
| | (b) Exchange differences on net investment in foreign operations | (262.70) | 956.20 | 659.50 | (599.20) | (1,252.30) |
| | Total other comprehensive income / (expense) (net of tax) | (200.80) | 2,382.40 | (2,207.70) | (2,614.90) | (10,866.00) |
| XI | Total comprehensive income / (expense), net of tax (IX+X) | (9,444.79) | 1,404.70 | (1,217.70) | (14,812.69) | (6,389.60) |
| | Profit / (loss) attributable to: | | | | | |
| | - Owners of the Company | (9,357.49) | (886.90) | 882.60 | (12,115.99) | 4,095.50 |
| | - Non-controlling interest | 113.50 | (90.80) | 107.40 | (81.80) | 380.90 |
| | Other comprehensive income / (expense) attributable to: | | | | | |
| | - Owners of the Company | (261.10) | 2,169.40 | (2,233.70) | (2,799.70) | (10,837.50) |
| | - Non-controlling interest | 60.30 | 213.00 | 26.00 | 184.80 | (28.50) |
| | Total comprehensive income / (expense) attributable to: | | | | | |
| | - Owners of the Company | (9,618.59) | 1,282.50 | (1,351.10) | (14,915.69) | (6,742.00) |
| | - Non-controlling interest | 173.80 | 122.20 | 133.40 | 103.00 | 352.40 |
| XII | Equity share capital (face value of ₹ 2 each) | | | | | |
| XIII | Other equity | 4,988.60 | 4,988.60 | 4,967.40 | 4,988.60 | 4,967.40 |
| | | | | | 64,889.21 | 64,242.40 |
| XIV | Earnings per equity share: (face value of ₹ 2 each) (not annualised) | | | | | |
| | (1) Basic (in ₹) | (3.77) | (0.36) | 0.35 | (4.88) | 1.65 |
| | (2) Diluted (in ₹) | (3.77) | (0.36) | 0.34 | (4.88) | 1.63 |
| | See accompanying notes to the audited consolidated financial results | | | | | |



Sequent

Proven Ability In Life Sciences

SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

AUDITED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

| Particulars | Year ended 31-Mar-2023 | Year ended 31-Mar-2022 |
|---|---------------------------|--|
| | Audited | Audited (Restated) (refer note 10) |
| Cash flow from operating activities | | |
| Net profit / (loss) before tax and exceptional items | (13,765.90) | 5,293.00 |
| Adjustments for: | | |
| Depreciation and amortisation expenses | 5,569.30 | 5,154.10 |
| Unrealised forex (gain) / loss (net) | 1,144.60 | (630.30) |
| Bad trade receivables written off | 18.30 | 32.60 |
| Bad loans and advances written off | 1.20 | 11.60 |
| Allowance for doubtful trade receivables provided / (written back) | 75.60 | (1.50) |
| Finance costs | 3,551.70 | 1,577.40 |
| Dividend income | (0.10) | (16.60) |
| Interest income | (120.90) | (24.10) |
| (Profit) / loss on sale of property, plant and equipment (net) | (204.20) | 6.90 |
| Gain on sale of investments | (5.10) | (31.80) |
| Property, plant and equipment written off | 16.10 | 3.40 |
| Lease liability written back (net) | - | (38.90) |
| Exceptional Items | 6,479.40 | - |
| Hyperinflation Impact | 2,005.30 | - |
| Expenses pertaining to share-based payment to employees | 3,541.10 | 3,330.10 |
| Operating profit before working capital changes | 8,306.40 | 14,665.90 |
| Changes in working capital | | |
| (Increase) / decrease in trade receivables, loans and advances and other assets | (4,126.40) | (4,072.40) |
| (Increase) / decrease in inventories | 507.90 | (11,473.30) |
| (Increase) / decrease in margin money and unpaid dividend accounts | 158.50 | 69.50 |
| Increase / (decrease) in trade payables, other payables and provisions | (1,701.30) | 6,546.50 |
| Net changes in working capital | (5,161.30) | (8,929.70) |
| Cash generated from / (used in) operations | 3,145.10 | 5,736.20 |
| Income taxes paid (net) | (1,464.30) | (2,676.70) |
| Net cash generated from / (used in) operating activities (A) | 1,680.80 | 3,059.50 |
| Cash flow from investing activities: | | |
| Purchase of property, plant and equipment and intangible assets | (8,617.90) | (3,246.40) |
| Proceeds from disposal of property, plant and equipment and intangible assets | 1,167.10 | 119.10 |
| Proceeds from sale of long term investments | 2,253.90 | - |
| (Purchase) / sale of current investments (net) | 121.70 | 374.80 |
| Interest received | 123.30 | 27.70 |
| Dividend received | 0.10 | 14.90 |
| Consideration paid on acquisition of new subsidiary company | (1,544.00) | (2,348.90) |
| Consideration paid on acquisition of additional share from NCI | - | (4,497.80) |
| Net cash generated from / (used in) Investing activities (B) | (6,495.80) | (9,556.60) |
| Cash flow from financing activities | | |
| Proceeds from stock options exercised by employees | - | 211.60 |
| Proceeds from stock options pending allotment | - | 913.80 |
| Proceeds from long-term borrowings | 5,754.30 | 6,749.80 |
| Payment of lease liabilities | (956.83) | (487.60) |
| Repayment of long-term borrowings | (3,562.57) | (3,131.00) |
| Proceeds from / (repayment of) short-term borrowings (net) | 5,575.20 | 5,492.40 |
| Interest and other borrowing cost paid | (3,557.10) | (1,621.20) |
| Dividend distribution to Non-controlling interest (NCI) | (30.20) | (167.70) |
| Dividends paid | - | (1,234.40) |
| Net cash generated from / (used in) financing activities (C) | 3,222.80 | 6,725.70 |
| Net increase / (decrease) in cash and cash equivalents during the period (A+B+C) | (1,592.20) | 228.60 |
| Cash and cash equivalents at beginning of the period | 5,749.60 | 5,374.40 |
| Cash & cash equivalents acquired pursuant to acquisition of subsidiary | - | 146.60 |
| Cash and cash equivalents at end of the period | 4,157.40 | 5,749.60 |
| See accompanying notes to the audited consolidated financial results | | |



Sequent
Pharmaceuticals
SEQUENT SCIENTIFIC LIMITED
CIN: L99999MH1985PLC036685

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 23 May 2023.

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:

(₹ in Lakhs)

| Particulars | 3 months ended 31-Mar-2023 | Preceding 3 months ended 31-Dec-2022 | Corresponding 3 months ended in previous period 31-Mar-2022 | Current year ended 31-Mar- 2023 | Previous year ended 31-Mar-2022 |
|--|-------------------------------|--|--|---------------------------------------|---------------------------------------|
| | Audited | Unaudited | Audited | Audited | Audited |
| Revenue from operations | 4,659.50 | 5,699.90 | 6,367.30 | 22,268.50 | 21,962.60 |
| Profit / (loss) before tax | (123.00) | (399.40) | 803.70 | (974.60) | 1,569.00 |
| Profit / (loss) after tax | (164.54) | (122.51) | 664.84 | (608.04) | 1,479.90 |
| Total comprehensive income / (expense), (net of tax) | (161.90) | (120.67) | (1,050.22) | (1,813.30) | (2,051.80) |

4. Upon completion of income tax assessments for earlier years, the corresponding provisions for income tax made in earlier years were adjusted. The tax expenses for the quarter and year ended March 31, 2022 and March 31, 2023 were reduced / (increased) by (Rs. 80.40) lakhs, Rs. 1,203 lakhs, (Rs. 139) lakhs and Rs. 32.40 lakhs respectively.

5. During the previous year, the Group revised its 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. Accordingly, the Group reversed employee benefit expense amounting to Rs. 222.60 lakhs and Rs. 1,467.80 lakhs during the quarter and year ended 31 March 2022 respectively.

6. The Group has entered into an MOU to sale leasehold rights for Ambemath Land for a consideration of Rs. 1,710 lakhs and disclosed the said asset aggregating to book value of Rs. 1,009 lakhs as Asset held for Sale in the financial results.

7. The Group entered into a Share Purchase Agreement ('SPA') on 7 November 2022 for acquisition of 100% equity shares in Tineta Pharma Private Limited ('TPPL') for a total consideration of Rs. 21,800 lakhs, which was subject to certain transaction closing pre-requisites as mentioned in the SPA, hence, the said transaction was not accounted. During the current quarter, the transaction did not materialise as the transaction closing pre-requisites contained in the SPA could not be completed. Accordingly, there is no impact in the financial results.

During the quarter ended December 31, 2022, group incurred acquisition related cost amounting to Rs. 99 lakhs comprising of stamp duty on shares purchase agreement, legal and professional fees and related expenses etc.

8. Exceptional Items includes:

(₹ in Lakhs)

| Particulars | Note Reference | Quarter Ended March 31, 2023 | Year Ended March 31, 2023 |
|---|----------------|---------------------------------|------------------------------|
| Restructuring Costs with respect to subsidiaries, Bremer Pharma GmbH and Alivira France S.A.S | 8 (a) | 4,118.60 | 4,118.60 |
| Impairment of Goodwill for Turkey CGU | 8 (b) | 2,041.00 | 2,041.00 |
| Loss by fire in, subsidiary, Alivira Animal Health Limited, India | 8 (c) | - | 319.80 |
| Total | | 6,159.60 | 6,479.40 |

8 (a) During the quarter ended March 31, 2023, the management has decided to restructure the operations of its subsidiary, Bremer Pharma GmbH, Germany by discontinuing the manufacturing facility and initiated liquidation procedures for its subsidiary Alivira France S.A.S. Consequently, following restructuring costs were recognized in the consolidated financial results:

(i) Asset write down of Rs.2,995.10 Lakh in respect of estimated loss on current and non-current assets;

(ii) Restructuring costs of Rs.1,123.50 lakhs which includes estimated costs towards notice and severance payments to employees, consultancy charges, liquidation costs, etc.

8 (b) During the current quarter, the Group has performed its annual impairment testing for carrying value of goodwill allocated in the respective Cash Generating Units (CGU). Accordingly, based on an independent valuer's report, the group has provided for impairment of goodwill amounting to Rs. 2,041 lakhs for Turkey CGU.

8 (c) The Group has recognized an estimated loss of book value of assets (Property, Plant and Equipment and Inventory) amounting to ₹ 319.80 lakhs due to an incident of fire at Company's wholly owned subsidiary Alivira Animal Health Limited's (Alivira) API facility in Visakhapatnam on 07 May 2022. The manufacturing activities were temporarily disrupted during the first quarter and was resumed to normalcy. Alivira has submitted the insurance claim and the same is under process with Insurance Company.

9. The Group has applied IND AS 29 'Accounting for Hyperinflationary economies' on Turkish subsidiaries, since the Turkish Lira is a functional currency of these subsidiaries in Turkey which is a hyperinflationary economy. In preparing the consolidated financial results for the quarter and year ended 31 March 2023, the non-monetary assets (includes goodwill, property, plant and equipment, etc), liabilities, owner's equity and statement of profit and loss of the aforesaid subsidiaries have been restated to the measuring unit current as on the reporting date by applying general price index of the Turkish economy. The net impact of the aforesaid restatement amounting to Rs. 1,579.50 lakhs has been debited to the financial results for the year ended March 31 2023.

Considering that the presentation currency of consolidated financial results is INR, the restatement of comparative figures in consolidated financial results is not required. The impact of said restatements on equity till 31 March 2023 of aforesaid subsidiaries amounting to Rs. 9,680 lakhs (including impact of Rs. 7,650 Lakhs till 31 March 2022) has been considered in the retained earnings



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10. The Group, through its wholly owned subsidiary Alivira Saúde Animal Ltda, Brazil (formerly known as Evance Saude Animal Health Ltda) acquired 100% equity in Nourie Saúde e Nutrição Animal Ltda (Nourie) on 28 February 2022 vide "Quota Purchased and Sale and Other Covenant" agreement, for a consideration of Rs. 3,937.80 lakhs (BRL 270 lakhs). Consequently, the Group has consolidated the financial statement of the said Company with effect from 28 February 2022, as the measurement period was on going, the group had provisionally recognised assets and liabilities. The Purchase Price Allocation (PPA) has been finalised in the current year and consequently the financial results for the comparative periods are restated in accordance with Ind AS 103 Business Combination" as under:

(₹ in Lakhs)

| Particulars | Final PPA | Provisional PPA |
|---------------------|-----------|-----------------|
| Goodwill | 1,937.72 | 2,352.90 |
| Intangible Assets | 2,583.43 | 1,338.90 |
| Deferred tax Assets | (912.70) | - |
| Net Assets | 329.35 | 246.00 |
| Total | 3,937.80 | 3,937.80 |

Accordingly, the aforesaid line item in the Consolidated Balance Sheet and Statement of Profit & Loss for the quarter and year ended March 31, 2022 have been restated as below:

Financial Results for the year ended March 31, 2022

(₹ in Lakhs)

| Particulars | Restated as on 31 March 2022 | Impact | Reported as on 31 March 2022 |
|--|------------------------------|---------|------------------------------|
| Depreciation and amortisation expenses | 5,154.10 | 45.60 | 5,108.50 |
| Profit / (loss) before tax | 5,293.00 | (45.60) | 5,338.60 |
| Profit / (loss) after tax | 4,476.40 | (29.60) | 4,506.00 |

Financial Results for the quarter ended March 31, 2022

(₹ in Lakhs)

| Particulars | Restated as on 31 March 2022 | Impact | Reported as on 31 March 2022 |
|--|------------------------------|---------|------------------------------|
| Depreciation and amortisation expenses | 1,292.70 | 45.60 | 1,247.10 |
| Profit / (loss) before tax | 1,815.10 | (45.60) | 1,860.70 |
| Profit / (loss) after tax | 990.00 | (13.60) | 1,003.60 |

During the current year (effective 01 July 2022), Nourie has been amalgamated with Alivira Saude Animal Ltda, Brazil (wholly- owned subsidiary of the Company) and accordingly amortisation of intangible assets and goodwill generated on the amalgamation will be admissible expenditure under local Income tax laws. Consequently, deferred tax income/ asset amounting to Rs. 1,203.10 lakhs has been recognized to statement of profit and loss.

11. The above results includes the results for the quarter ended 31 March 2023 and 31 March 2022 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.

12. 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

Thane, 23 May 2023

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, 2023 and for the year ended March 31, 2023 ("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 loss for the quarter and year ended March 31, 2023, other comprehensive income and loss for the quarter and year ended March 31, 2023 respectively and other financial information of the Company for the quarter and year ended March 31, 2023.

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 loss and other comprehensive income/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



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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.



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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, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 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 SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Anil Jobanputra

Partner

Membership No.: 110759

UDIN: 23110759BGVZSK4545

Place: Thane

Date: May 23, 2023





SEQUENT SCIENTIFIC LIMITED
CIN: L99999MH1985PLC036685
AUDITED STANDALONE BALANCE SHEET AS AT 31 MARCH 2023

(₹ in Lakhs)

| Sr. No. | Particulars | As at 31-Mar-2023 | As at 31-Mar-2022 |
|----------|--|----------------------|----------------------|
| | | Audited | Audited |
| A | ASSETS | | |
| | I Non-current assets | | |
| (a) | Property plant and equipment | 4,511.80 | 4,408.70 |
| (b) | Right-of-use assets (ROU) | 1,138.60 | 2,213.30 |
| (c) | Capital work-in-progress | 219.80 | 140.20 |
| (d) | Intangible assets | 21.60 | 68.30 |
| (e) | Financial assets | | |
| | (i) Investments | | |
| | (a) Investments in subsidiaries | 63,246.70 | 62,169.20 |
| | (b) Other investments | 0.50 | 3,677.90 |
| | (ii) Loans | 32,256.80 | 23,849.60 |
| | (iii) Other financial assets | 261.30 | 70.50 |
| (f) | Deferred tax assets (net) | 1,223.00 | 603.10 |
| (g) | Income tax assets (net) | 803.30 | 559.50 |
| (h) | Other non-current assets | 82.40 | 76.80 |
| | Total non-current assets | 1,03,765.80 | 97,837.10 |
| | II Current assets | | |
| (a) | Inventories | 4,795.30 | 6,799.40 |
| (b) | Financial assets | | |
| | (i) Investments | 4.60 | 13.80 |
| | (ii) Trade receivables | 1,364.70 | 5,241.70 |
| | (iii) Cash and cash equivalents | 8.30 | 1,279.60 |
| | (iv) Bank balances other than (iii) above | 9.40 | 9.20 |
| | (v) Loans | 9.20 | 3.00 |
| | (vi) Other financial assets | 7.20 | 33.40 |
| (c) | Other current assets | 1,303.70 | 1,206.00 |
| (d) | Asset held for sale (refer note.5) | 1,009.20 | - |
| | Total current assets | 8,511.60 | 14,586.10 |
| | | 1,12,277.40 | 1,12,423.20 |
| B | EQUITY AND LIABILITIES | | |
| | I Equity | | |
| (a) | Equity share capital | 4,988.70 | 4,967.40 |
| (b) | Other equity | 1,00,847.50 | 99,141.41 |
| | Total equity | 1,05,836.20 | 1,04,108.81 |
| | II Liabilities | | |
| | 1. Non-current liabilities | | |
| (a) | Financial liabilities | | |
| | (i) Lease liabilities | 26.70 | 62.70 |
| | (ii) Other Financial liabilities | - | 15.00 |
| (b) | Provisions | 253.70 | 181.30 |
| | Total non-current liabilities | 280.40 | 259.00 |
| | 2. Current liabilities | | |
| (a) | Financial liabilities | | |
| | (i) Borrowings | 1,909.90 | 1,550.00 |
| | (ii) Lease liabilities | 90.90 | 72.70 |
| | (iii) Trade payables | | |
| | Total outstanding dues of micro enterprises and small enterprises | 417.50 | 778.98 |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,253.30 | 4,976.91 |
| | (iv) Other financial liabilities | 138.90 | 82.10 |
| (b) | Provisions | 52.60 | 168.50 |
| (c) | Current tax liabilities (net) | 60.80 | 61.40 |
| (d) | Other current liabilities | 236.90 | 364.80 |
| | Total current liabilities | 6,160.80 | 8,055.39 |
| | Total liabilities | 6,441.20 | 8,314.39 |
| | Total equity and liabilities | 1,12,277.40 | 1,12,423.20 |

See accompanying notes to audited standalone financial results



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Proven Ability in Life Sciences

SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

(₹ in lakhs)

| Sr. No. | Particulars | 3 months ended 31-Mar-2023 | Preceding 3 months ended 31-Dec-2022 | Corresponding 3 months ended in previous period 31-Mar-2022 | Current year ended 31- Mar-2023 | Previous year ended 31- Mar-2022 |
|---------|--|-------------------------------|---|--|------------------------------------|-------------------------------------|
| | | Audited (Refer Note 7) | Unaudited | Audited (Refer Note 7) | Audited | Audited |
| I | Revenue from operations | 4,659.50 | 5,699.90 | 6,367.30 | 22,268.50 | 21,962.60 |
| II | Other income | 801.30 | 762.30 | 577.20 | 2,824.20 | 2,764.30 |
| III | Total income (I+II) | 5,460.80 | 6,462.20 | 6,944.50 | 25,092.70 | 24,726.90 |
| IV | Expenses | | | | | |
| | (a) Cost of materials consumed | 1,733.00 | 3,274.70 | 4,042.11 | 11,407.20 | 12,400.68 |
| | (b) Purchases of stock-in-trade | 18.40 | 64.60 | 220.89 | 242.30 | 438.22 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 1,031.20 | 349.80 | (886.20) | 1,941.70 | (1,973.30) |
| | (d) Conversion and processing charges | 522.70 | 698.20 | 776.10 | 2,577.10 | 3,757.50 |
| | (e) Employee benefits expenses (refer note.4) | 869.40 | 922.00 | 449.40 | 3,665.90 | 2,738.20 |
| | (f) Finance costs | 86.70 | 71.70 | 60.80 | 251.30 | 161.00 |
| | (g) Depreciation and amortisation expenses | 233.10 | 215.40 | 234.10 | 911.50 | 959.30 |
| | (h) Acquisition related cost (refer note 6) | - | 99.00 | - | 99.00 | - |
| | (h) Other expenses | 1,089.30 | 1,166.20 | 1,243.60 | 4,971.30 | 4,676.30 |
| | Total expenses (IV) | 5,583.80 | 6,861.60 | 6,140.80 | 26,067.30 | 23,157.90 |
| V | Profit / (loss) before tax (III-IV) | (123.00) | (399.40) | 803.70 | (974.60) | 1,569.00 |
| VI | Tax expense / (credit) | | | | | |
| | (a) Current tax | - | 0.01 | 117.76 | 2.00 | 251.20 |
| | (b) Deferred tax | (36.36) | (139.80) | 30.40 | (309.36) | 52.00 |
| | (c) Adjustment of income tax relating to earlier periods (refer note.3) | 77.90 | (137.10) | (9.30) | (59.20) | (214.10) |
| | Total tax expense / (credit) | 41.54 | (276.89) | 138.86 | (366.56) | 89.10 |
| VII | Profit / (loss) after tax (V-VI) | (164.54) | (122.51) | 664.84 | (608.04) | 1,479.90 |
| VIII | Other comprehensive income / (expense) | | | | | |
| | Items that will not be reclassified to profit or loss | | | | | |
| | (a) Re-measurements gain / (loss) on defined benefits plans | 6.40 | - | 12.80 | 12.90 | 10.50 |
| | (b) Fair value gain / (loss) from investment in equity instruments | - | 1.80 | (1,951.70) | (1,424.60) | (4,006.70) |
| | (c) Income tax relating to items that will not be reclassified to profit or loss | (17.36) | 95.91 | - | (81.56) | - |
| | (d) Deferred tax relating to items that will not be reclassified to profit or loss | 13.60 | (95.87) | 223.84 | 288.00 | 464.50 |
| | Total other comprehensive income / (expense) (net of tax) | 2.64 | 1.84 | (1,715.06) | (1,205.26) | (3,531.70) |
| IX | Total comprehensive income / (expense), net of tax (VII+VIII) | (161.90) | (120.67) | (1,050.22) | (1,813.30) | (2,051.80) |
| X | Equity share capital (face value of ₹ 2 each) | 4,988.70 | 4,988.70 | 4,967.40 | 4,988.70 | 4,967.40 |
| XI | Other equity | | | | 1,00,847.50 | 99,141.41 |
| XII | Earnings per equity share: (face value of ₹ 2 each) (not annualised) | | | | | |
| | (1) Basic (in ₹) | (0.07) | (0.05) | 0.27 | (0.24) | 0.60 |
| | (2) Diluted (in ₹) | (0.07) | (0.05) | 0.27 | (0.24) | 0.59 |
| | See accompanying notes to audited standalone financial results | | | | | |



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SEQUENT SCIENTIFIC LIMITED

CIN: L99999MH1985PLC036685

AUDITED STANDALONE CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

| Particulars | Year ended 31-Mar-2023 | Year ended 31-Mar-2022 |
|--|---------------------------|---------------------------|
| | Audited | Audited |
| Cash flows from operating activities | | |
| Net profit before tax and exceptional items | (974.60) | 1,569.00 |
| Adjustments for: | | |
| Depreciation and amortisation expenses | 911.50 | 959.30 |
| Property, plant and equipment written off | 15.60 | - |
| Allowances for Trade receivables written back | (4.30) | - |
| Provisions no longer required written back | (4.70) | - |
| Unrealised forex gain / (loss) | 0.90 | (27.50) |
| Finance costs | 251.30 | 161.00 |
| Dividend income | - | (457.60) |
| Fair value of corporate guarantee income | (19.00) | (25.30) |
| Interest income | (2,179.00) | (1,753.60) |
| Profit on sale of property, plant and equipment (net) | - | (0.60) |
| Share-based payments to employees | 1,141.40 | 608.50 |
| Corporate guarantee commission | (162.30) | (102.10) |
| Operating profit before working capital changes | (1,023.20) | 931.10 |
| Changes in working capital | | |
| (Increase)/Decrease in trade receivables, loans and advances and other assets | 5,136.10 | 2,284.30 |
| (Increase)/Decrease in inventories | 2,004.10 | (2,220.40) |
| (Increase)/Decrease in margin money and unpaid dividend accounts | (0.20) | 21.30 |
| Increase/(Decrease) in trade payables, other payables and provisions | (2,272.20) | 95.40 |
| Net changes in working capital | 4,867.80 | 180.60 |
| Cash generated from operations | 3,844.60 | 1,111.70 |
| Income taxes paid (net) | (70.00) | (175.30) |
| Net cash generated from operating activities (A) | 3,774.60 | 936.40 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipments and intangible assets | (886.30) | (644.50) |
| Proceeds from disposal of property, plant and equipments and intangible assets | - | 5.20 |
| Proceeds from Sale of current investments | 9.20 | - |
| Proceeds from sale of long term investments | 2,252.80 | - |
| Loan given to subsidiary company | (6,450.00) | (200.00) |
| Interest received | 4.30 | 2.70 |
| Dividend received | - | 411.80 |
| Net cash generated from / (used in) investing activities (B) | (5,070.00) | (424.80) |
| Cash flows from financing activities | | |
| Proceeds from / (repayment of) short-term borrowings (net) | 359.80 | 1,028.30 |
| Payment of principal portion of lease liabilities | (97.60) | (77.70) |
| Proceeds from stock options exercised by employees | - | 211.60 |
| Proceeds from stock options pending allotment | - | 913.80 |
| Interest and other borrowing cost paid | (238.10) | (117.10) |
| Dividend paid | - | (1,234.40) |
| Net cash generated from / (used in) financing activities (C) | 24.10 | 724.50 |
| Net increase in cash and cash equivalents during the period (A+B+C) | (1,271.30) | 1,236.10 |
| Cash and cash equivalents at the beginning of the period | 1,279.60 | 43.50 |
| Cash and cash equivalents at the end of the period | 8.30 | 1,279.60 |
| See accompanying notes to audited standalone financial results | | |



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Proven Ability in Life Sciences

SEQUENT SCIENTIFIC LIMITED
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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 23 May 2023.
- 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 Upon completion of income tax assessments for earlier years, the corresponding provisions for income tax made in earlier years were adjusted. The tax expenses for the quarter and year ended March 31, 2022 and March 31, 2023 were reduced / (increased) by Rs. 9.30 lakhs, Rs. 214.10 lakhs, Rs. (77.90) lakhs and Rs. 59.20 lakhs respectively.
- 4 During the previous year, the Company revised its 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. Accordingly, the Company reversed employee benefit expense amounting to Rs. 166.93 lakhs and Rs. 789.53 lakhs during the quarter and year ended 31 March 2022 respectively.
- 5 Company has entered into an MOU to sale leasehold rights for Ambernath Land for a consideration of Rs. 1,710.00 lakhs and disclosed the said asset aggregating to book value of Rs. 1,009.20 lakhs as Asset held for Sale in the financial results.
- 6 The Company entered into a Share Purchase Agreement ('SPA') on 7 November 2022 for acquisition of 100% equity shares in Tineta Pharma Private Limited ('TPPL') for a total consideration of Rs. 21,800 lakhs, which was subject to certain transaction closing pre-requisites as mentioned in the SPA, hence, the said transaction was not accounted. During the current quarter, the transaction did not materialise as the transaction closing pre-requisites contained in the SPA could not be completed. Accordingly, there is no impact in the financial results.

During the quarter ended December 31, 2022, Company incurred acquisition related cost amounting to Rs. 99.00 lakhs comprising of stamp duty on shares purchase agreement, legal and professional fees and related expenses etc.
- 7 The above results include the results for the quarter ended 31 March 2023 and 31 March 2022 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.
- 8 The previous period figures have been regrouped/ re- classified, wherever necessary to confirm to current period's presentation.

Thane, 23 May 2023



For Sequent Scientific Limited


Rajaram Narayanan
Managing Director