



Warm Welcome to Shareholders

27th September 2018

More than
Pharma



Strategic
Decision and
Actions



Performance
in FY18



Key Initiatives
for FY19



Agenda
of AGM

Strategic Decision and Actions



More than
Pharma

Alivira emerges as India's Largest animal health company within 3 years of operations

- 1** First Global pure-play Animal Health Company from India: Demerger of Human Business completed
- 2** **Stellar improvement in Annual performance:** Expansion in EBITDA Margins by 190 bps, Net profit of ₹ 102 Mn vs loss of ₹ 139 Mn in FY17
- 3** **Back in Dividends after 6 years:** Paid dividend of 10% to shareholders in FY18
- 4** **Investments for strengthening R&D and manufacturing capabilities :** Over \$80 million invested in last 4 years
- 5** **Building marketing presence through differentiated portfolio:** 500+ Finished Dosage Formulations across 12 dosage forms
- 6** **Extensive regulated market reach:** Seven manufacturing facilities based in India, Spain, Germany, Brazil and Turkey catering to 100+ countries

API Business

Compliant and Efficient operations provides competitive advantage

- EIR received for USFDA inspection at Vizag, the only USFDA-approved animal health API facility in India
- 12 API filings in the US – highest by any generics player; 10 CEP filings
- First commercial API sale in the US

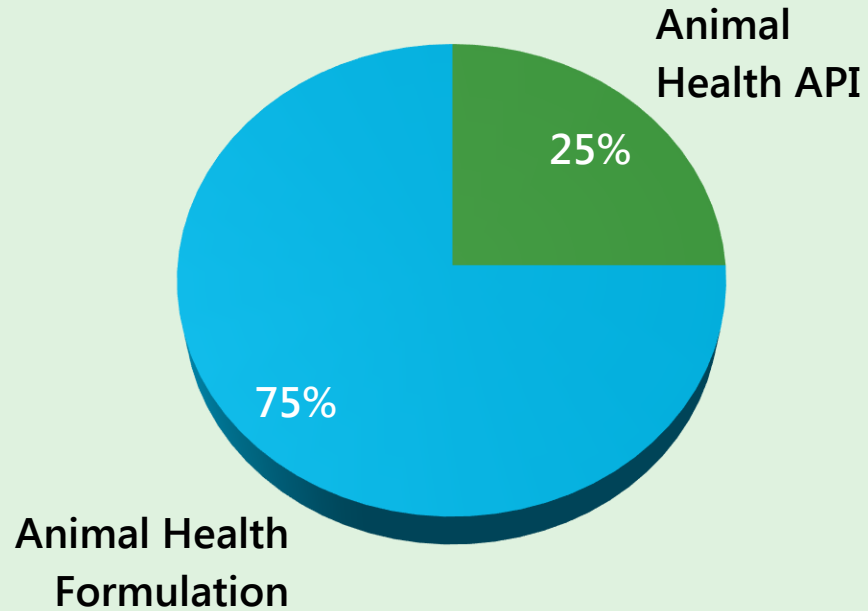
Formulation Business

Expanding Global Footprint

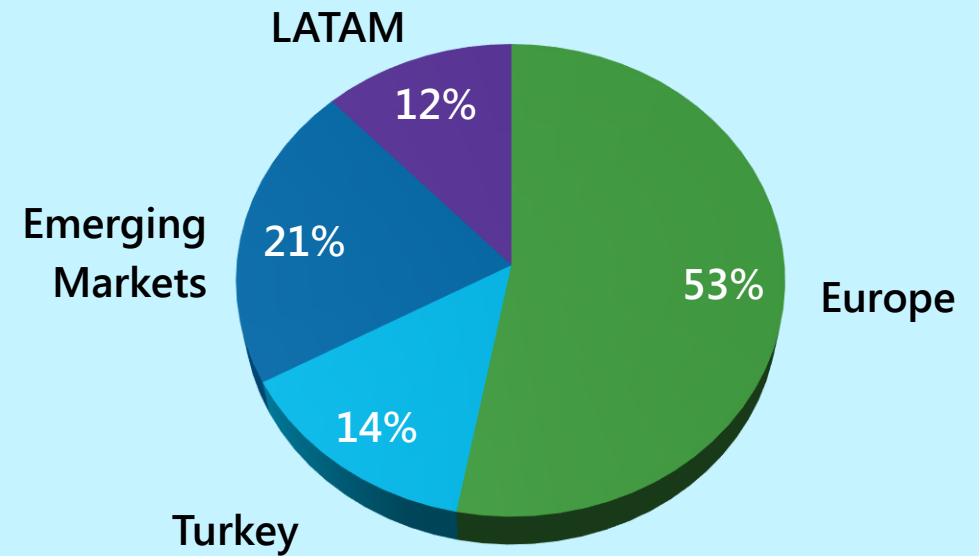
- Established presence in France, the largest market in European Union
- Acquired Bremer Pharma (Germany) in April 2018 – significant boost to injectable pipeline for US and EU
- Pet division launched in India – entry into growing companion animal market

Creating India's largest Animal Health Company

Revenue by Business



Formulations Revenue by Geography



Formulations

Leading revenue driver

500+

Registrations

5

Manufacturing
Facilities
(4 EUGMP certified)

4

State-of-art
R&D Centers

35+

R&D
Pipeline

7.4X

Sales growth in last 4 years

- ✓ 50%+ sales to regulated markets
- ✓ Innovative products catering to key therapeutic segments
- ✓ 1/3 products leverage in-house APIs for an integrated approach
- ✓ Target products gaps overlooked by major animal health players

APIs

Scaling the
capability curve

23
Commercial
APIs

2
Manufacturing
Facilities

22
Filings in
US and EU

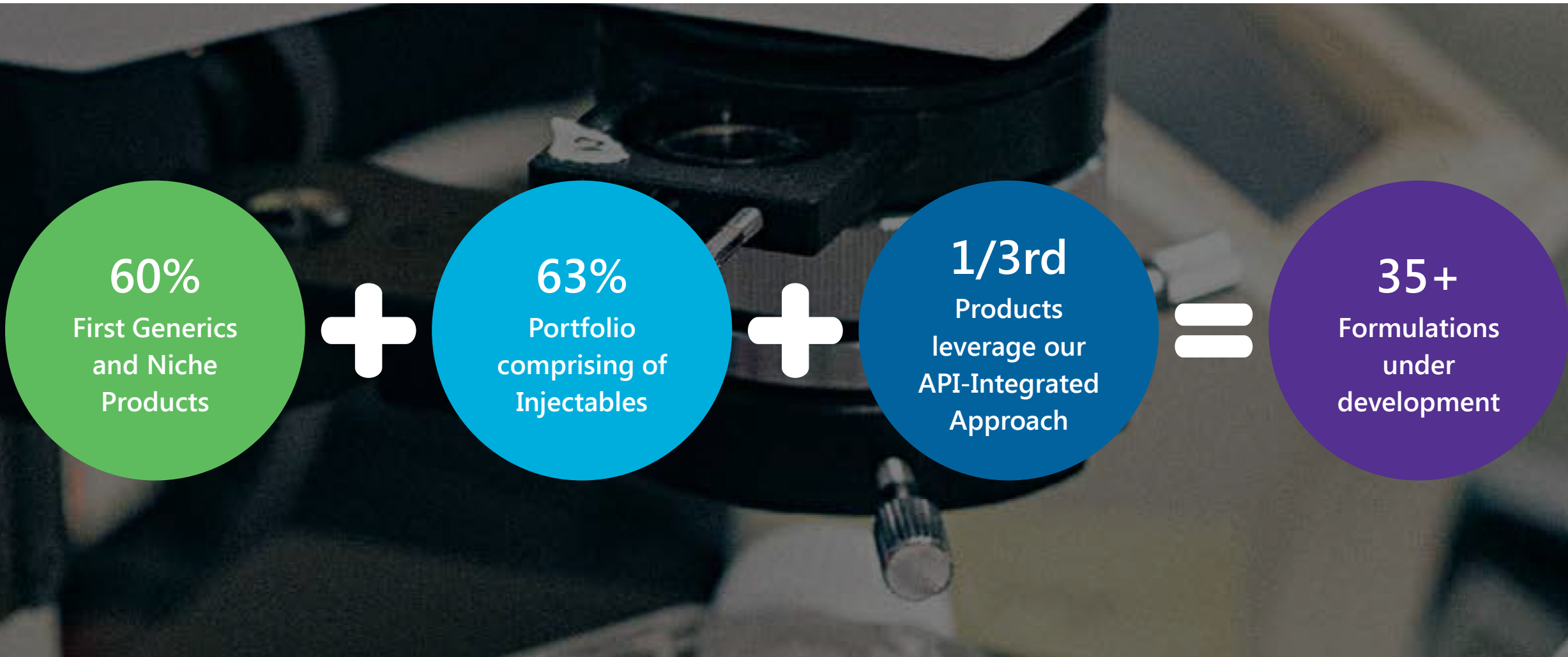
14+
R&D
Pipeline

3X

Growth in sales to regulated markets in 4 years

- ✓ Margin expansion through focus on regulated markets
- ✓ New product strategy around patent expiry, innovation and market scarcity
- ✓ Leveraging key customer relationships for expansion
- ✓ Foray into United States, largest animal health market

R&D – Innovation to drive next phase





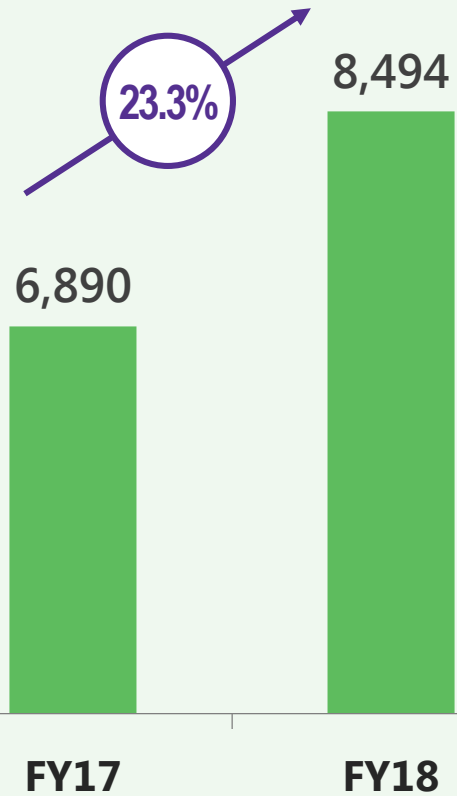
Performance in FY18



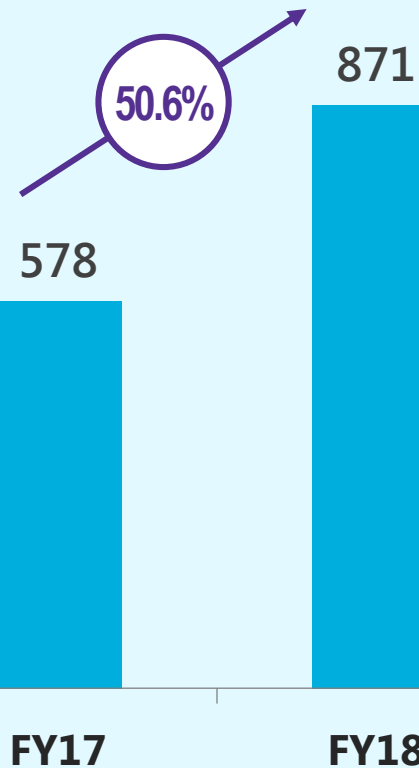
More than
Pharma

Financial Indicators

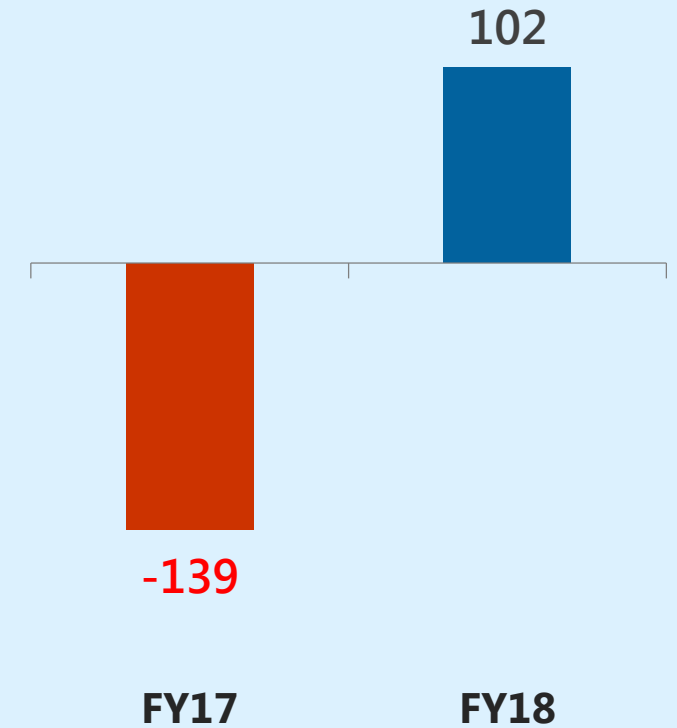
Revenue from Operations



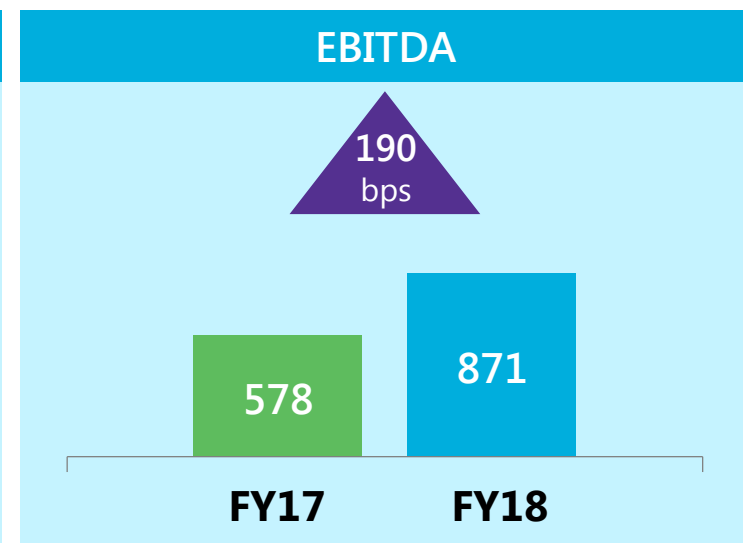
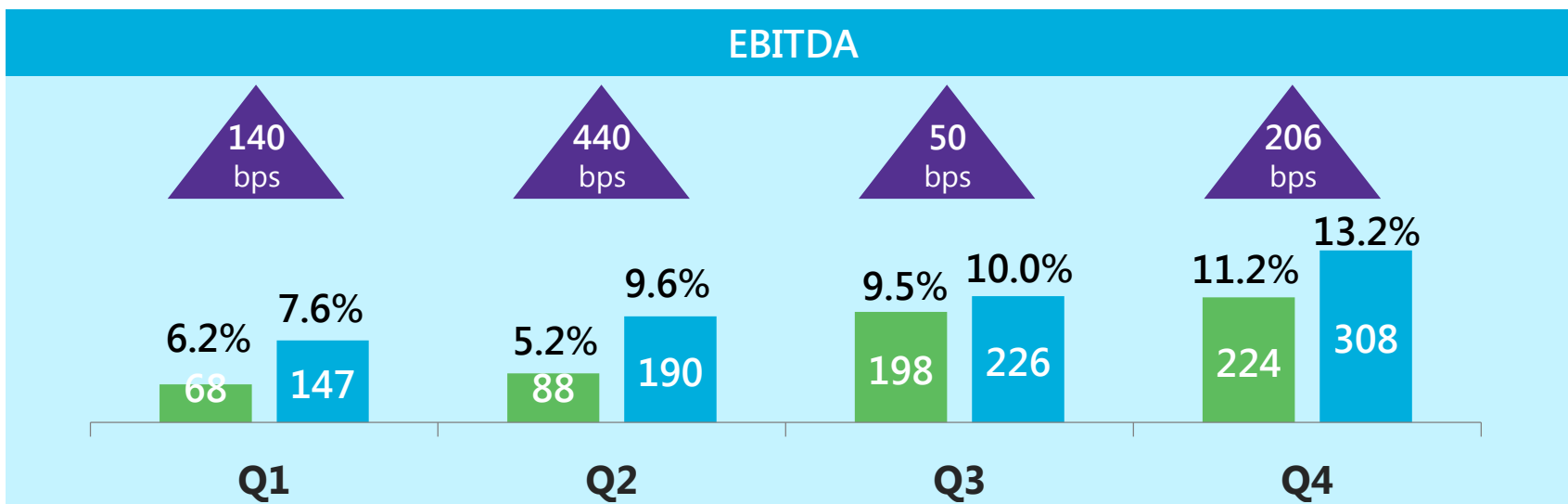
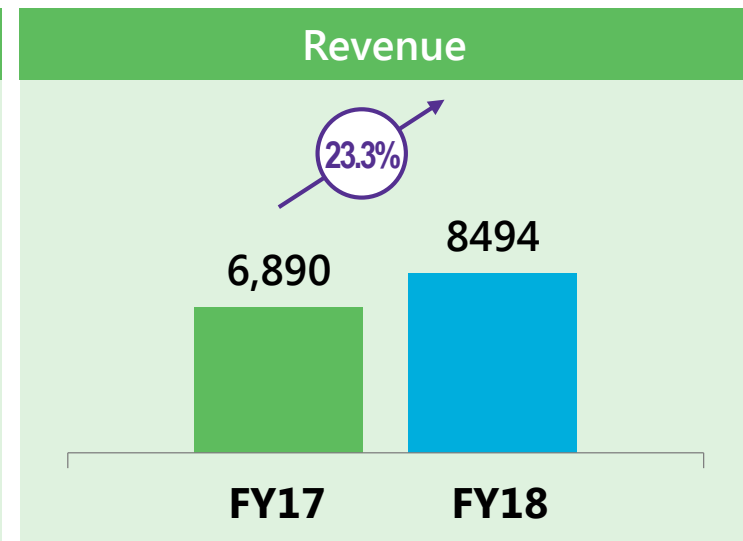
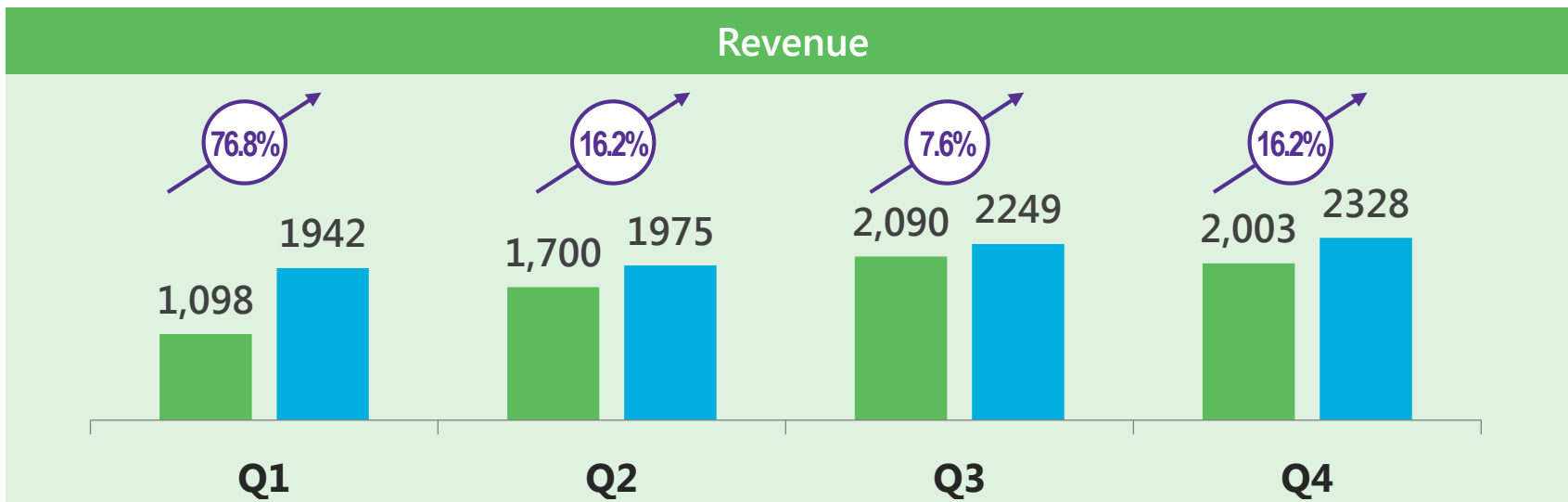
EBITDA



PAT



Relentless focus on execution



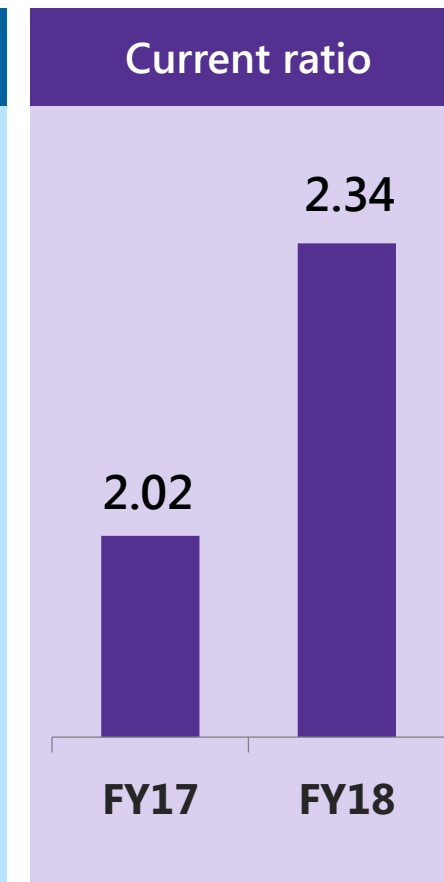
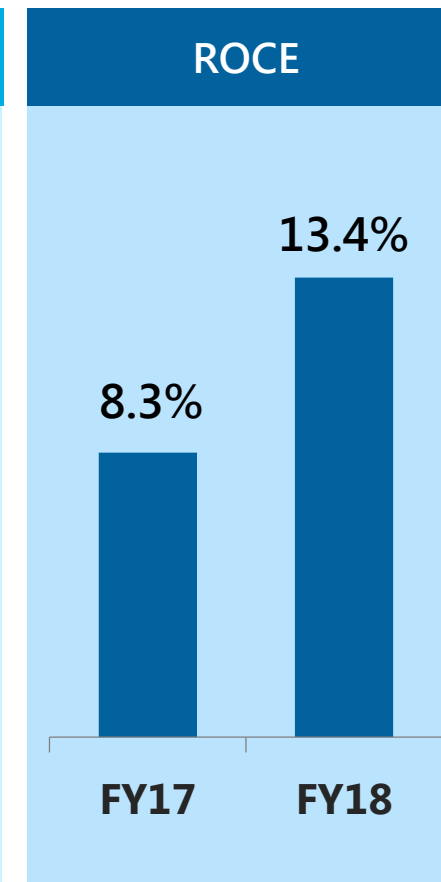
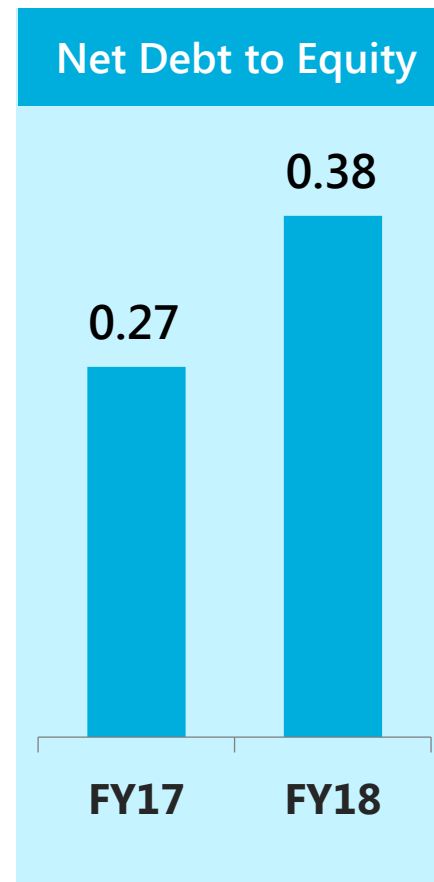
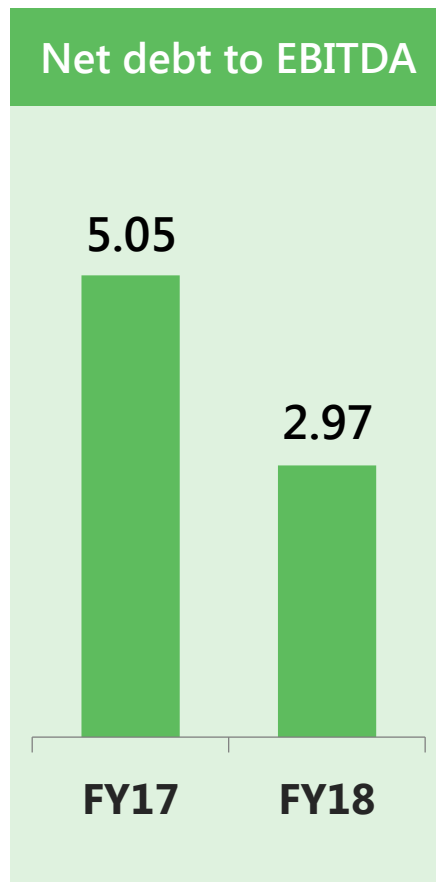
Consolidated Income Statement

Particulars	FY18 Audited	FY17 Audited
Revenue from Operations	8,494	6,890
Material Consumption	(4,625)	(3,567)
Gross Margin	3,870	3,323
%	45.6%	48.2%
Operating Expenses	(2,998)	(2,745)
EBITDA without Forex	871	578
%	10.3%	8.4%
Exchange Gain / (Loss)	(41)	(149)
Other Income	166	111
Finance Cost	(331)	(283)
Depreciation	(413)	(401)
Exceptional Items	(15)	-
Earnings Before Tax	237	(144)
Taxes	(135)	5
Earnings After Tax	102	(139)

Key Balance Sheet items

All values in ₹ Mn

Particulars	31-Mar-18
Shareholders' funds	6,476
Minority Interest	370
Borrowings	3,046
Cash	598
Investments	2,217
Tangible Assets	2,269
Intangible Assets	2,671
Working Capital	2,483



Adjusted for Investment in Strides, Net Debt to EBITDA is 0.28 as of 31-Mar-18

ROCE based on annualised 4th quarter



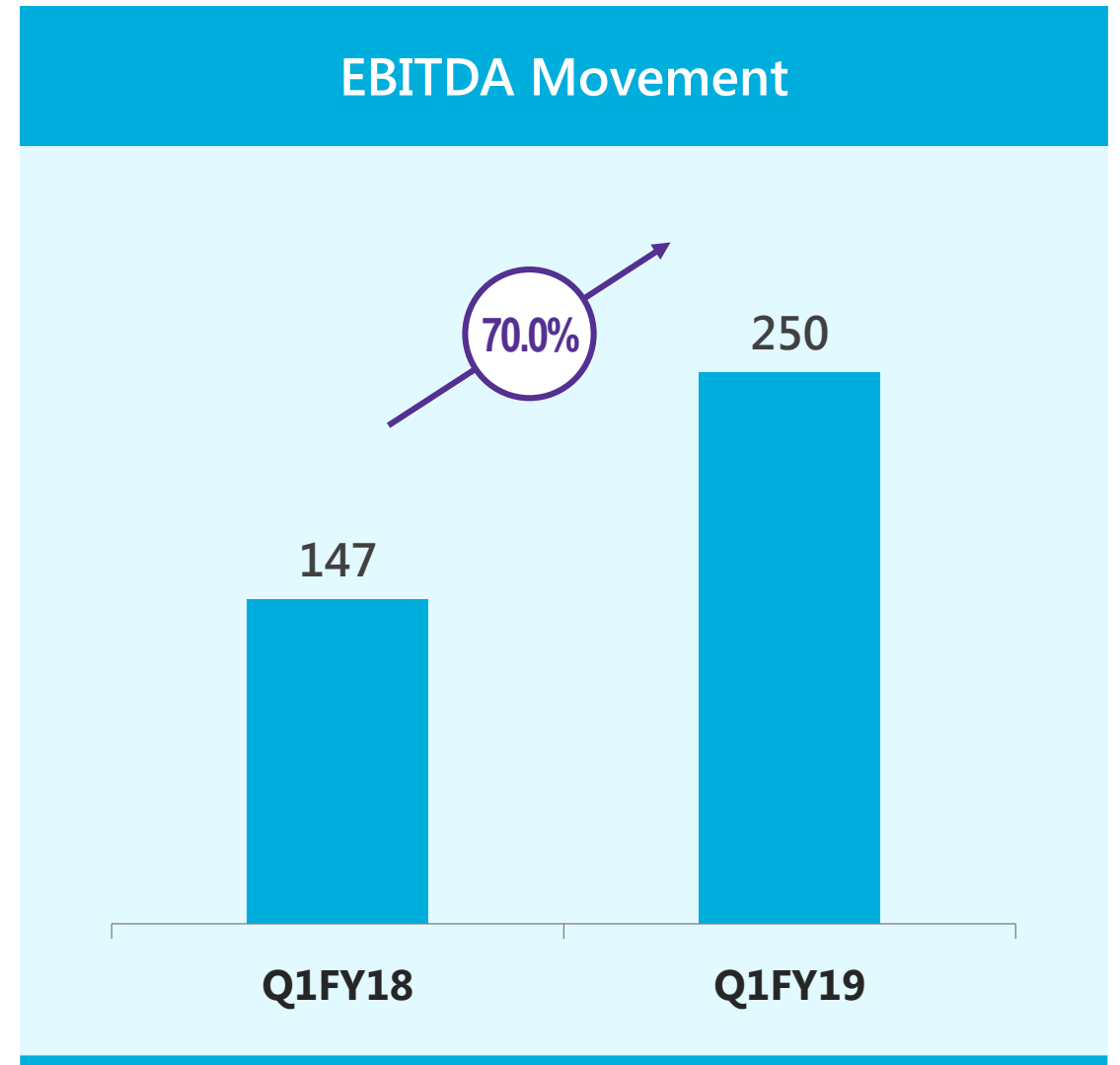
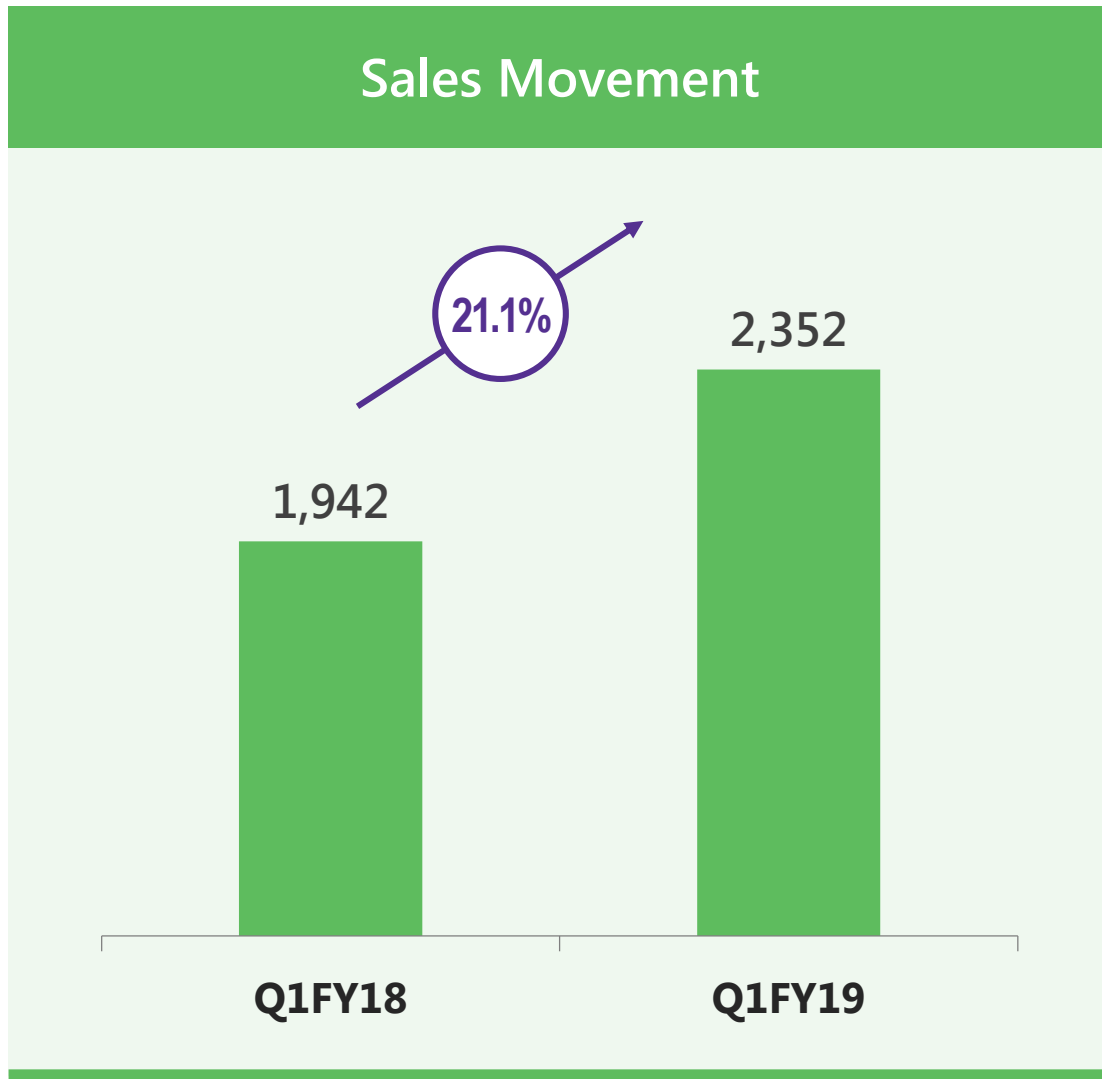
Key Initiatives



in FY19

More than
Pharma

Q1 FY19 performance



Post balance sheet date events

Bremer - Strategic execution on track

- Establish Bremer as an injectable site for Regulated Markets (EU & USA)
- Business in emerging market to drive breakeven by Q4'19

Turkish manufacturing unit received EU GMP approval

- With this approval, Alivira now has 4 EU GMP certified formulations manufacturing units, with one each in Turkey, Spain, Germany & India

Acquire API facility at Mahad

- Total consideration of Rs 464 Mn on an Enterprise Valuation basis
- Compliments our current manufacturing at Vizag (USFDA approved) and Tarapur (Intermediates)

API

- EIR received from USFDA for Vizag site for the recent inspection in March 2018
- 2 filings in US and 2 CEP approvals during Q1'19

Acquired EU-GMP API facility at Mahad



Actual site image

Complements our current manufacturing at Vizag (USFDA approved) and Tarapur (Intermediates)

- Comprehensive API manufacturing facility spread over 6 acres of land with 23 reactors having cumulative capacity of 76KL.
- Site is approved by EU authorities and also has COFEPRIS Mexico approval.
- Sequent has acquired Mahad site alongwith business for a total consideration of Rs. 464 Mn, including the working capital associated with the business.
- Given the recent developments in China, Mahad will also be used for key intermediates thereby de-risking the supply chain for key APIs.



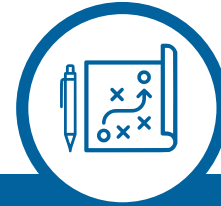
APIs

- API business to accelerate, driven by commercialisation in US
- Increasing penetration with 'Top 10' global animal health companies
- 4 new products to be validated, more filings in both US and EU
- 14+ API Pipeline



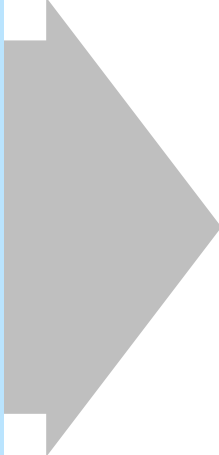
Formulations

- Maintain above industry growth across geographies
- Bremer to achieve breakeven by Q4'19
- Drive Companion animal biz. in India
- 5 new product validations planned (including 2 injectables)
- 35+ FDF Pipeline



Global Market Strategy

- Focus on uncrowded niche opportunities
- Grow relevant capabilities to strengthen footprint
- Commercialisation in France and Ukraine
- New markets to focus – US and Australia



Business on track to achieve FY19 objectives



Agenda for AGM



More than
Pharma

Agenda for AGM

1

Adoption of Financial statements for the period ended 31 March 2018

2

Confirmation of Interim Dividend

3

Appointment of Director in place of retiring director

Ordinary
Business

4

Remuneration to the cost auditor for the Financial Year 2018-19

5

Continuation of Dr. Gopakumar Nair as an Independent Director

Special
Business

Sequent
Proven Ability In Life Sciences



ALIVIRA

Thank You

SeQuent Scientific Limited

CIN: L99999MH1985PLC036685

Registered Office: 301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22, Wagle Industrial Estate, Thane (W) - 400 604, Maharashtra
Tel No: +91 22 4111 4777 | Website: www.sequent.in | E-mail id: info@sequent.in