



Investor Presentation

More than
Pharma

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



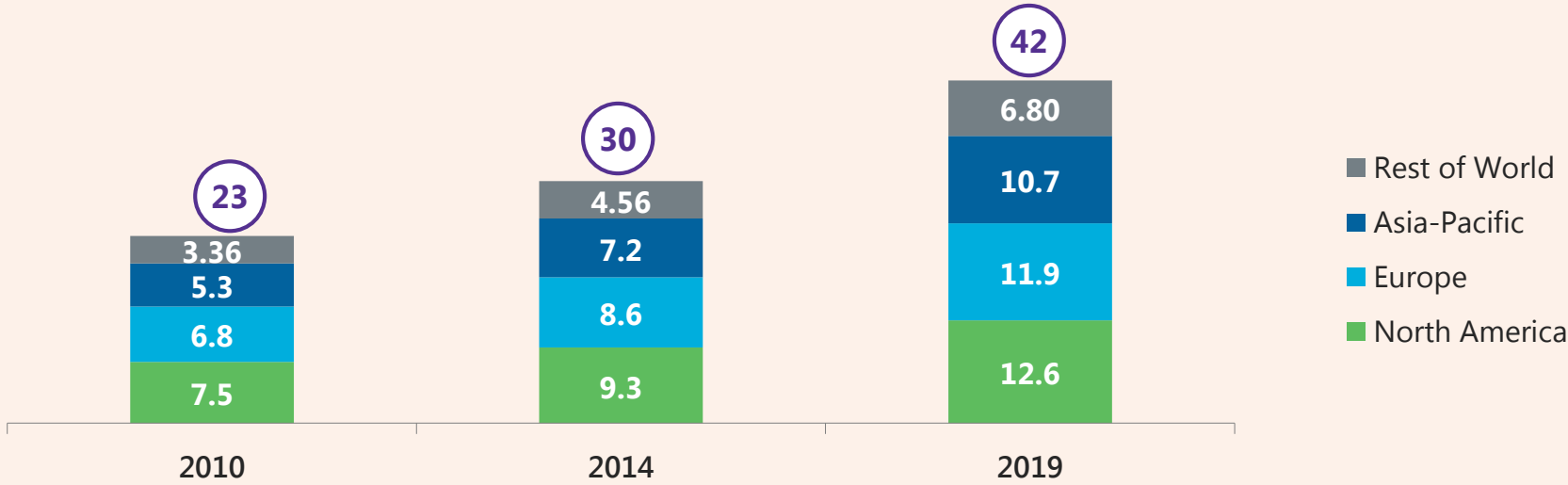
A New Horizon

Pure Play Animal Healthcare

More than
Pharma

Animal health – Large Growing and Diverse Sector

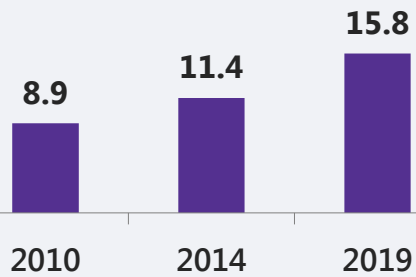
Total Animal Healthcare Market Size



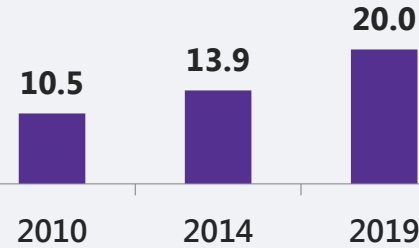
CAGR

	2010-14	2014-19
Rest of World	6.6%	7.2%
Asia-Pacific	7.8%	8.1%
Europe	8.0%	8.2%
North America	6.0%	6.7%
Total	5.5%	6.3%

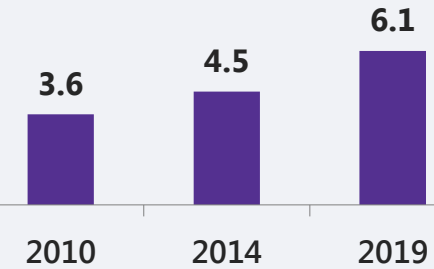
Animal Health Pharmaceuticals



Feed Additives

































Vaccines



Market Size

Alivira's Presence

Animal Health- The BEST of both worlds

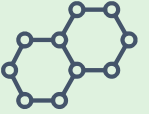
	FMCG	Specialty Pharma	Commodity Generic	Branded Generic	Global Animal Health	
R&D Expenses						R&D for ease of use & drug delivery
Regulatory Barriers						Complex regulatory requirements leading to disproportionate R&D returns
IP Barriers						Few products under patent protection
Brand Building & local distribution strength						Veterinarian connect is critical including the relationship with farmers
Local know how / information availability						No secondary market database hence, business developed on strong local knowledge; Complex & distinct regional need
Management						

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 ₹ 103 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

Compliance 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 players; 10 CEP filings
- First commercial API sale in the US






Formulation Business

Expanding Global Footprint








- Established presence in France, the largest European Union market
- 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

Differential market attributes, Alivira's distinctive approach

	Indian Pharma Approach 	Unique Animal Health/ Veterinary characteristics 	Alivira's Approach 
 <p>Industry Dynamics</p>	<ul style="list-style-type: none"> Manufacturing driven strategy taken global India based management 	<ul style="list-style-type: none"> Limited scale "in-market" local business Customer focused business with emphasis on relationships 	<ul style="list-style-type: none"> Applying cutting-edge resources to remain ahead of the curve in a rapidly growing industry Global management with international expertise and local knowhow
 <p>Market Knowhow</p>	<ul style="list-style-type: none"> Strong market intelligence available - IMS database and trends A big advantage to begin, however leads to hyper strategy with "me-too" products 	<ul style="list-style-type: none"> No secondary market database and business built on local knowledge Complex & distinct regional needs Vet market : exemplified by regulatory barriers & FMCG characteristics 	<ul style="list-style-type: none"> Local know how with veterinarians connect Region specific portfolio Customer centric; relationship driven front end

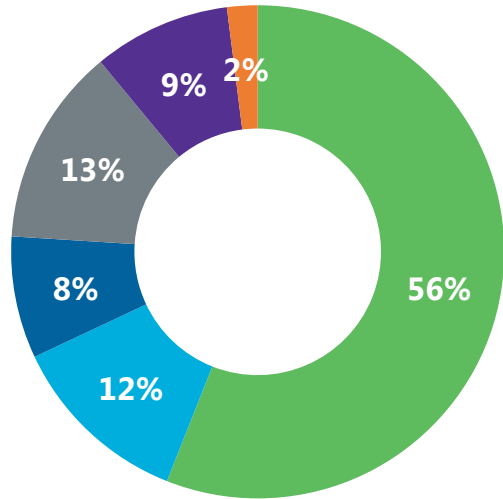
Differential market attributes, Alivira's distinctive approach

	Indian Pharma Approach 	Unique Animal Health/ Veterinary characteristics 	Alivira's Approach 
 Customer Acquisition	<ul style="list-style-type: none"> Partner approach Price position with customers and gradually moving up the value chain 	<ul style="list-style-type: none"> Branded generics market Veterinarian connect is critical including the relationship with farmers 	<ul style="list-style-type: none"> Established global front end for last mile partnership
 Research	<ul style="list-style-type: none"> Industry driven by patent expiry High R & D focus with large filings in US 	<ul style="list-style-type: none"> Few products under patent protection Limited R&D focussed on drug delivery & ease of use Complex regulatory framework driving disproportionate R&D returns 	<p>Customized R&D approach</p> <ul style="list-style-type: none"> Smart program with focus on API & Formulations Multiple approaches leveraging local knowledge Smart usage of resources

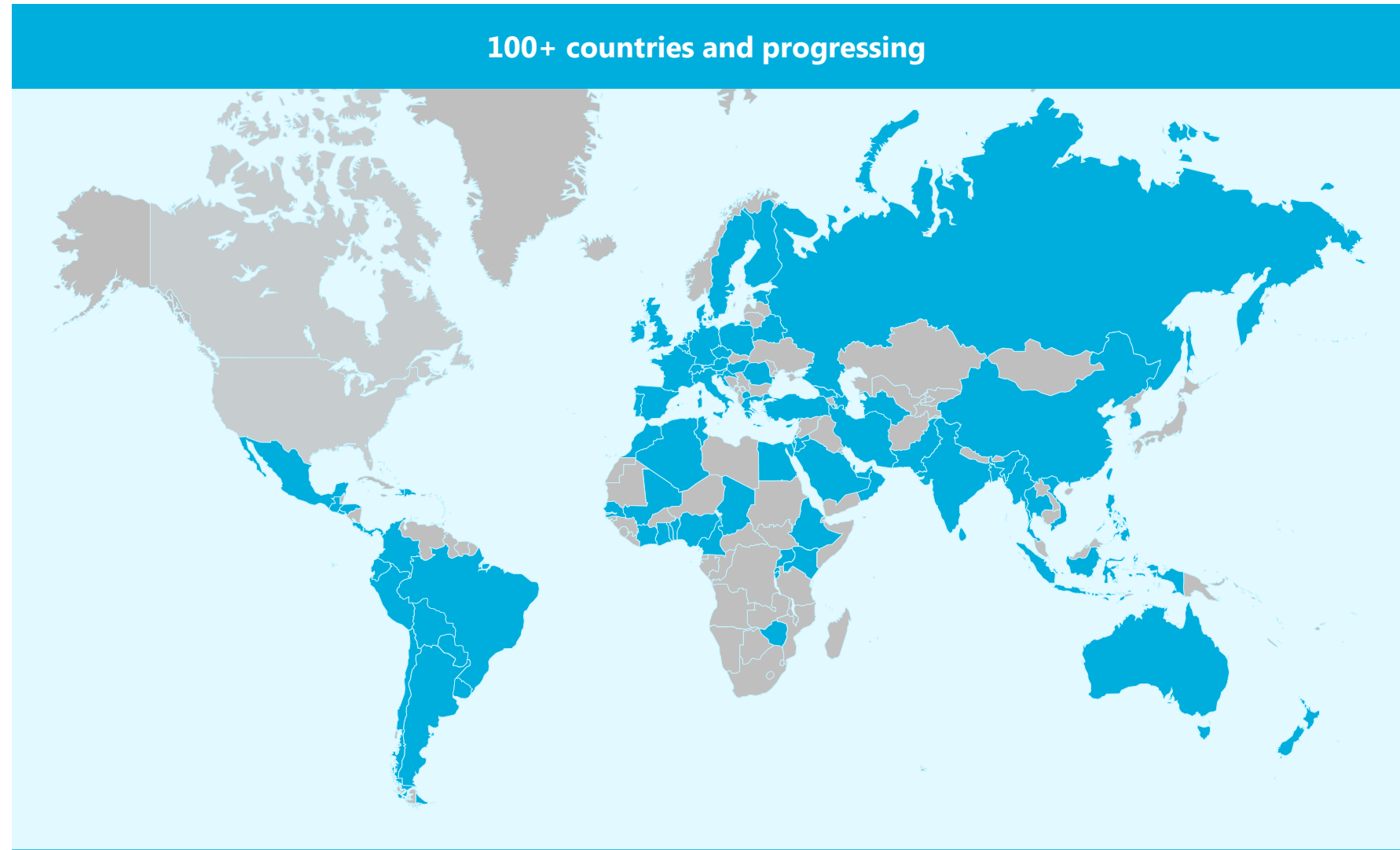
Key Acquisitions

Acquired Entities	Provet/Topkim	Karizoo	Evance	N-VET / Fendigo	Bremer
Markets	Turkey	Spain	Brazil	Rest of EU	Germany
Capabilities & Domain	<ul style="list-style-type: none"> Presence in Turkey & neighboring markets Manufacturing base 120+ registered products 	<ul style="list-style-type: none"> Presence in 15 key EU countries & Mexico Manufacturing base 115+ registered products globally 	<ul style="list-style-type: none"> Presence in Brazil Manufacturing base 25+ registered products 	<ul style="list-style-type: none"> Presence in 4 key EU markets 150+ registered products 	<ul style="list-style-type: none"> Presence in key EU markets Oral powders, Oral liquid and sterile injectables
Decision Rationale	<ul style="list-style-type: none"> Access to key market of Turkey Comprehensive manufacturing with eight lines including injectables EUGMP and Turkish GMP approved 	<ul style="list-style-type: none"> Access to Spain and 15 key EU markets Manufacturing of Oral liquids, beta-lactum and non beta-lactum antibiotics EUGMP and FAMIQS approved 	<ul style="list-style-type: none"> Access to key market of Brazil Manufacturing of antibiotics and antibacterial MAPA approved 	<ul style="list-style-type: none"> Access to key markets and relationships with Belgium, Netherlands, Luxembourg & Sweden Well established distribution relationship with 27 countries in Europe 	<ul style="list-style-type: none"> Access to EU approved injectable facility Boosts injectable pipeline which Synergizes with Spanish facility – Powders & Oral liquids Complimentary EM business
Ownership & Valuation	<ul style="list-style-type: none"> 60:40 7.7 times EBITDA (Provet) 4 times EBITDA (Topkim) 	<ul style="list-style-type: none"> 60% 8 times EBITDA with follow on consideration on performance 	<ul style="list-style-type: none"> 70:30 Mostly as infusion into the company 	<ul style="list-style-type: none"> 85:15 @5.5 times EBITDA 	<ul style="list-style-type: none"> 100%
FY17 Revenues	<ul style="list-style-type: none"> Provet: TRY 24.6 Mn Topkim: TRY 21.5 Mn 	<ul style="list-style-type: none"> Karizoo: EUR 24.2 Mn (9 months) 	<ul style="list-style-type: none"> Evance: BRL 14.2Mn (8 months) 	<ul style="list-style-type: none"> N—vet: SEK 28.6Mn Fendigo: EUR 7.2Mn 	<ul style="list-style-type: none"> Bremer: EUR 6.7Mn

Fast expanding market coverage










- Europe
- LATAM
- Emerging Markets
- Turkey
- India
- North America & ANZ

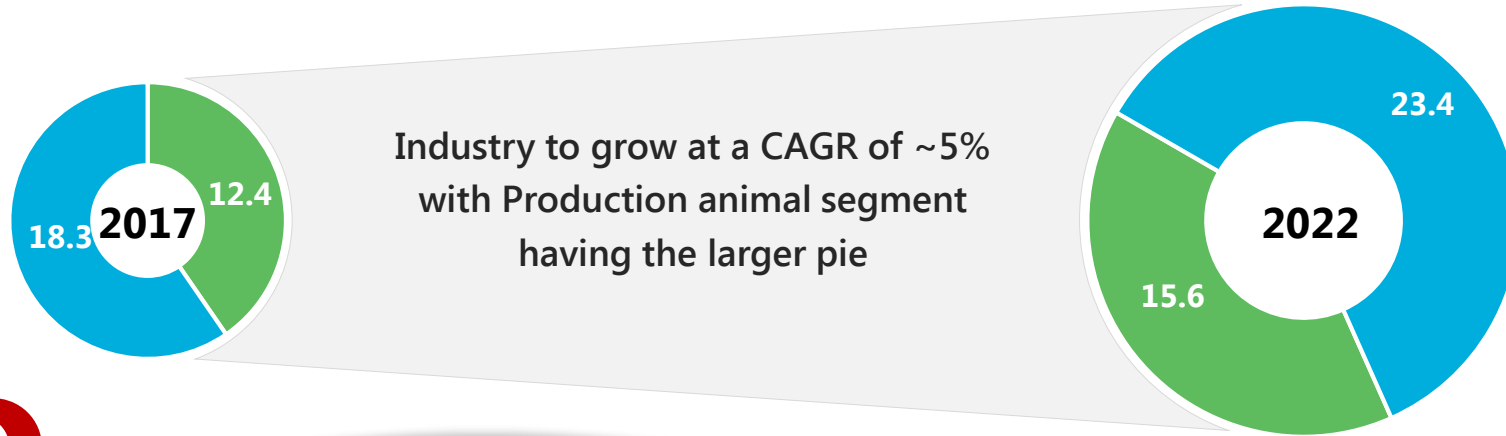


Firm Footprints across major markets

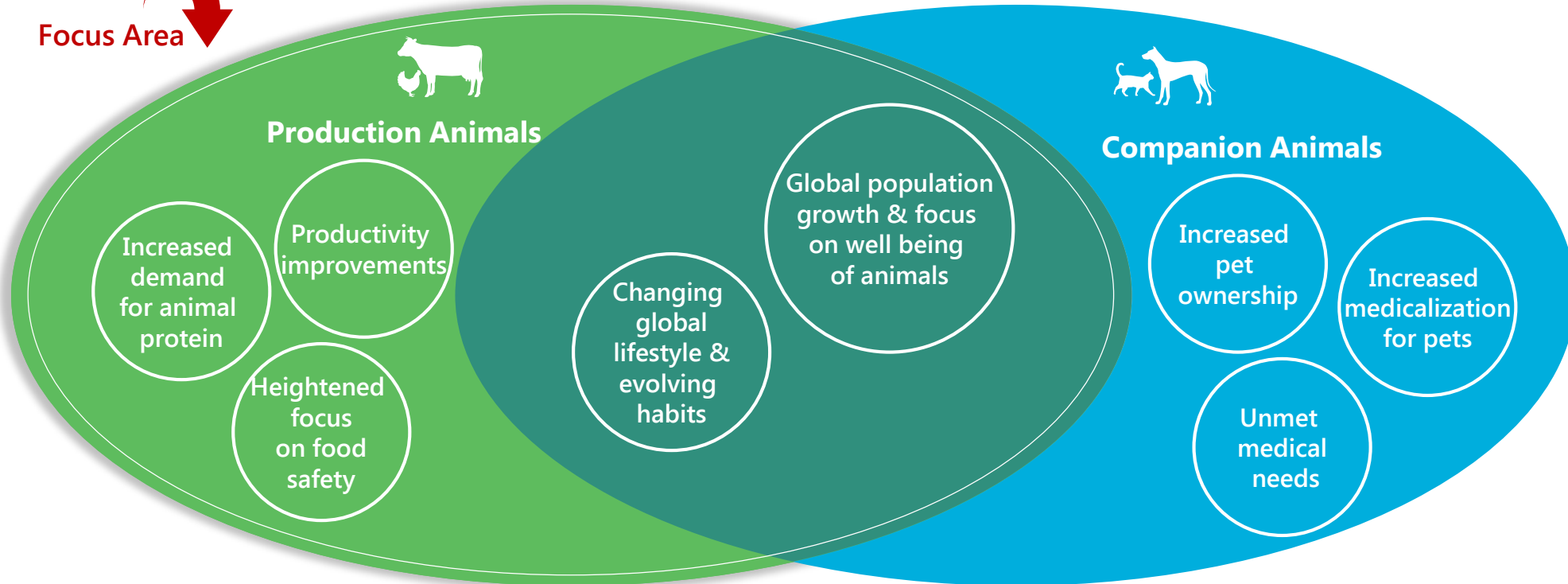
We have seven state-of-the-art manufacturing facilities in India, Germany, Turkey, Spain and Brazil with all major regulatory approvals

	Vizag India	Barcelona Spain	Polatli Turkey	Tarapur India	Ambarnath India	Campinas Brazil	Warburg Germany
Approvals	USFDA and EUGMP	EUGMP	EUGMP and Turkish GMP	cGMP	India, Uganda, Ethiopia and Kenya	MAPA (Ministry of Agriculture)	EUGMP
Capabilities	API facility with reactor capacity of 225 KL with six clean rooms	Liquids – oral solutions/suspension and solids (powders) – betalactam and non-beta lactam antibiotics. Specialises in nutrition Products - veterinary premixes	Beta-lactam and non-beta lactam injectable solutions/suspensions, intramammaries, oral solutions / suspensions, aerosol and pour-on, spot-on	API intermediates facility with reactor capacity of 64 KL with two clean rooms	Granules for injections and oral liquids	Oral solutions, oral powders and drug premixes	Sterile injectable including betalactam and hormones, oral liquids and oral powders Acquired in April 2018
							

Advantageously placed in a growing opportunity



Focus Area 



Strong Management team



Manish Gupta
Managing Director



Sharat Narasapur
Manufacturing Strategy



Tushar Mistry
Chief Financial Officer



Shrikant Makode
API



Ramon Vila
Europe



Jose Nunes Filho
LATAM



Dr. Huseyn Aydin
Turkey



Ashish Kakabalia
Business Development and R&D



Formulations Skill and Scale

More than
Pharma

Formulations

Leading revenue driver

500+

Registrations

5

Manufacturing
Facilities
(4 EUGMP certified)

4

State-of-art
R&D Centers

35+

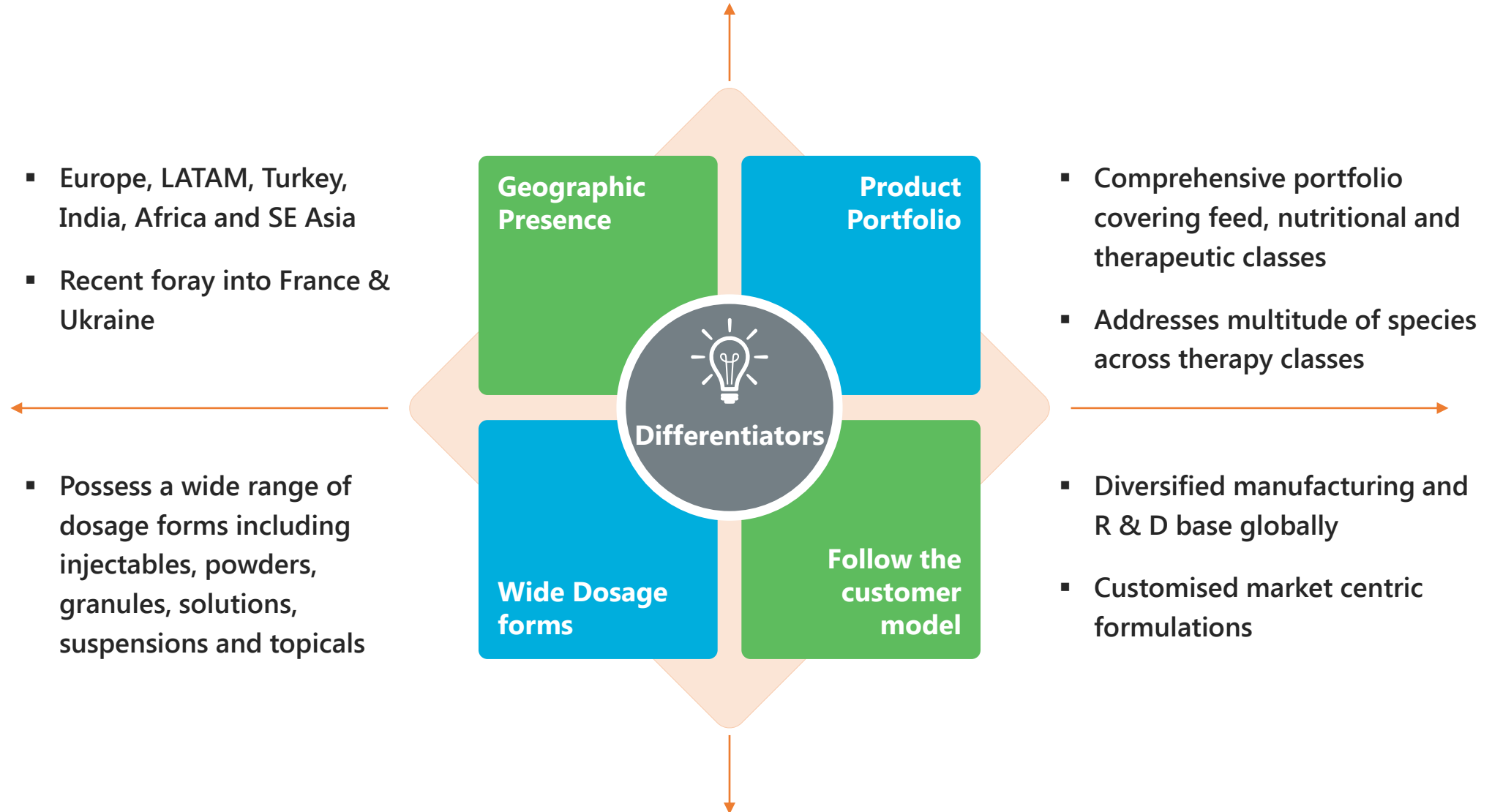
R&D
Pipeline

7.4X

Sales growth in last 4 years

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

A steady foundation for global expansion



Across Multiple Geographies

Geography	Our Presence	Growth Drivers and Focus Areas
<p>Europe</p>	<ul style="list-style-type: none"> ▪ Front end team of 35+ with presence in 6 of the top 10 EU countries (ES, NL, BE, SE, DE, GR) and 15 other EU markets through distributors ▪ 95+ product registrations with last mile channel partnership for 27 EU companies ▪ Manufacturing base at Spain & Germany, R&D base at Barcelona 	<ul style="list-style-type: none"> ▪ Leverage manufacturing base in Spain and Germany with R&D facility in Barcelona ▪ Establish front-end presence across Top 10 markets ▪ Expand distribution reach across key EU countries ▪ Provide thrust through injectable pipeline
<p>Turkey</p>	<ul style="list-style-type: none"> ▪ 3rd largest Animal Health Company in Turkey (~10% market share) ▪ Largest producer of veterinary pharmaceuticals ▪ Portfolio of 120+ products & 40+ field force ▪ Robust manufacturing capabilities 	<ul style="list-style-type: none"> ▪ Leverage comprehensive manufacturing capabilities for large share in Turkey in MENA ▪ Enhanced presence in cattle & sheep segment ▪ Expertise in injectable products especially penicillin and cephalosporins among others

Across Multiple Geographies

Geography	Our Presence	Growth Drivers and Focus Areas
LATAM	<ul style="list-style-type: none"> ▪ Brazil- 25+ registered products; GMP manufacturing facility approved by MAPA, Field force 11+ ▪ Mexico- 28+ registered products; Field force of 7+ 	<ul style="list-style-type: none"> ▪ Addition of therapeutic products across nutritional additives and supplements ▪ Cross leverage of group portfolio ▪ Capitalize EU relationships for in-license products ▪ Expand into other LATAM markets
Emerging Markets	<ul style="list-style-type: none"> ▪ Africa- 14 key countries, 85+ approved products - 14 field force (direct & indirect) ▪ South East Asia- 5 countries, 11 Indirect field force, 65+ approved products ▪ MENA - 6 countries, 12 Indirect field force, 24 registrations ▪ CIS Ukraine – 5 product registrations ▪ India Cattle & Poultry - 150+ field force; 50+ Brands 	<ul style="list-style-type: none"> ▪ Established front end in East Africa & South East Asia ▪ Enter new markets: Egypt, Saudi, Thailand, Tanzania, CIS & Qatar ▪ Focus on innovative Non-antibiotic product portfolio <p>India:</p> <ul style="list-style-type: none"> ▪ Drive cattle business with focused approach on select therapies of mastitis, infertility and probiotics ▪ Expand into vaccines, leveraging tie-up with IDT Biologika, Germany ▪ Drive the newly launched pet division in India through multiple product offerings

End to end capabilities for an integrated play

Dosage Form	Manufacturing Facilities					R&D Capabilities			
	Spain	Turkey	Brazil	India	Germany	Spain	Turkey	India	Brazil
APIs				✓				✓	
Oral Solution	✓	✓	✓	✓	✓	✓	✓		✓
Liquid for inhalation	✓					✓			
Oral Suspension	✗			✓		✓	✓		
Water Soluble Powder	✓		✓	✓	✓	✓			✓
Drug Premix	✓					✓			
Nutritional Feed Add.	✓					✓			
Tablets	✗							✓	
Pre Filled Syringes		✓					✓		
Injectable									
Inj. Solution		✓			✓			✓	
Inj. Suspension		✓			✓			✓	
Granules for Injection				✓					
Gases									
Aerosols		✓					✓		
Pour On / Spot On	✗	✓				✗	✓		
Disinfectants	✗				✓	✗			

✓ In-Process
 ✗ To be decided

FDF business gaining traction

Revenue Growth in Q1'19

23.1%

New Products Launched in Q1'19

10+

Under Development

35+

Market Coverage

100+

Global R&D program Highlights

- 3 new product validations completed – including 1st injectable
- Portfolio of injectable developments finalised, 8 in phase-1 to leverage Bremer site

FDF business Key Highlights

- Robust growth across geographies, led by Europe (14%+), Latam (17%+) and Emerging Markets (31%+)
- Turkey sales up by 16%+ on constant currency, new measure to control abuse of anti-microbials impact sales

Alivira France – Largest Animal health market in Europe

- Launch with 4 companion animal product
- Commercial operation to commence in Q3'19

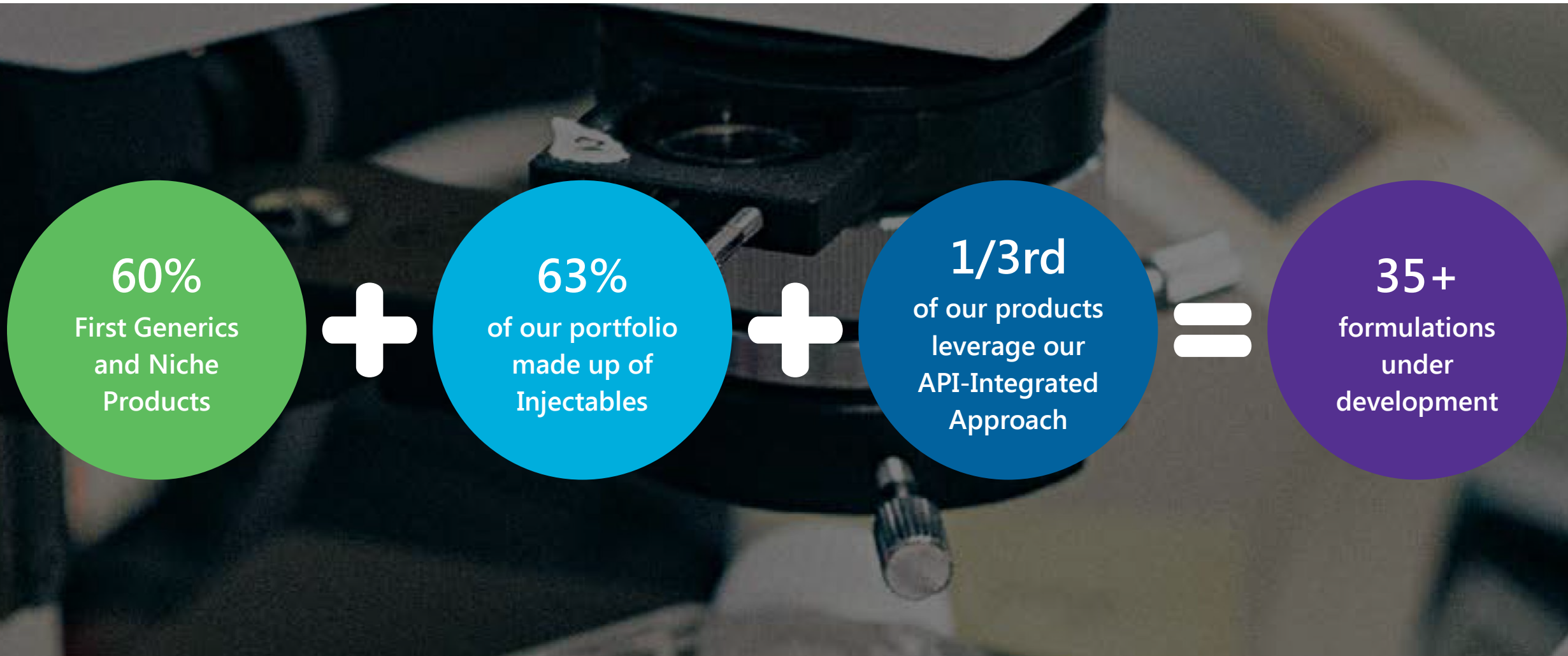
Alivira Ukraine – 9th largest poultry market in the world

- First registrations achieved - 5 products registered
- Commercial operations to start Q2'19

Global Formulation R&D program gains momentum

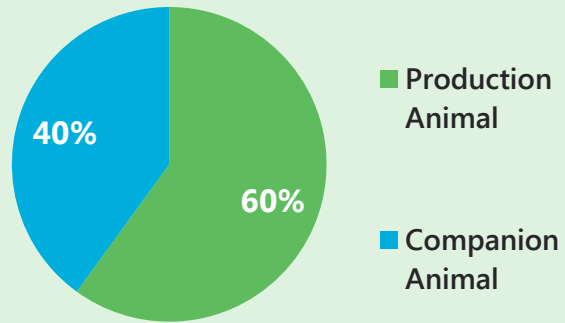
- 30+ products in development in India and Spain for the regulated markets of US, EU and ANZ
- Includes 5 products for US with first filing in Q1'20
- Commercialisation leveraging the robust front-end platform across key markets

R&D to drive value creation in FDF business

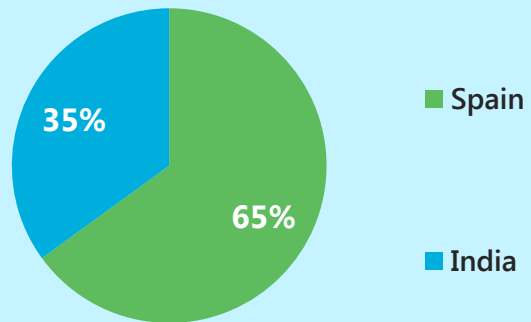


R&D Pipeline

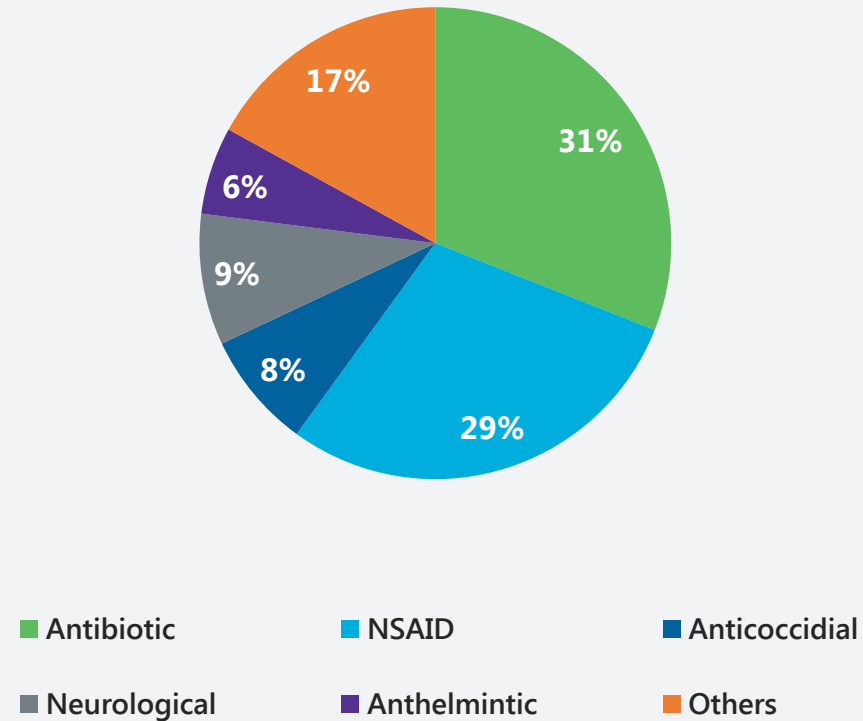
Species



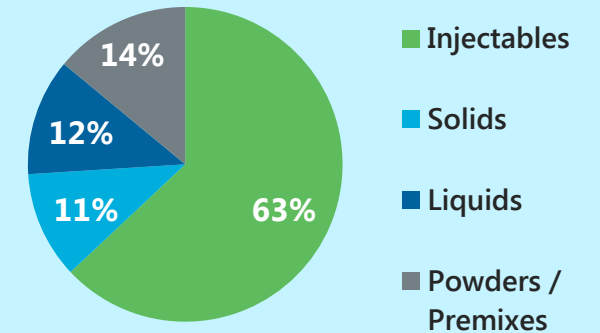
Development Location



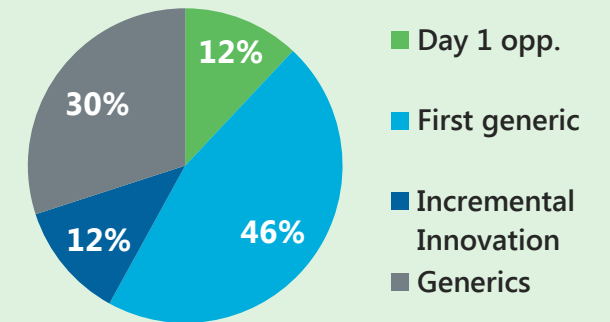
Therapy Area



Dosage form



Product Categories



Portfolio of 35+ products under development, market opportunity of \$ 500 Mn+



API: Edge in Animal Health

More than
Pharma

APIs

Scaling the
capability curve

23
Commercial
APIs

2
Manufacturing
Facilities

22
Filings in
US and EU

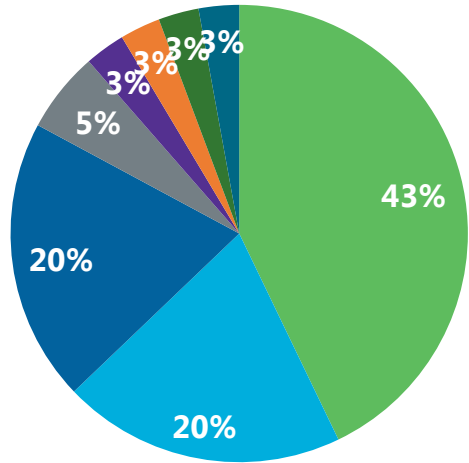
14+
R&D
Pipeline

3X

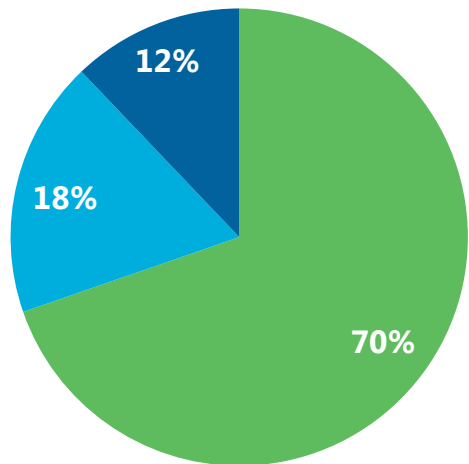
Growth in sales to regulated markets in 4 years

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

Comprehensive API Business



- Anthelmentic
- Antiprotozoal
- NSAID / Anesthetics
- Supplements
- Antibiotic
- Beta Agonist
- Ecto-Parasiticides
- Antiemetic



- Commercialized
- Under Development
- Under Feasibility

Our dedicated USFDA approved animal health API facility at Vizag – 1st in India

Business	Key Products	Strategic Progression
<ul style="list-style-type: none"> Offers 23 products globally Long standing relationships with global Top 10 animal health companies 	<ul style="list-style-type: none"> Benzimidazoles, Flunixin, Clorsulon, & Praziquantel R&D pipeline of 14+ products consisting Diclazuril, Ponazuril, Robenacoxib, R-Praziquantel, Tulathromycin 	<ul style="list-style-type: none"> Expanding portfolio into newer therapeutic segments Leveraging key existing customer relationships to expand product basket across geographies

USFDA Approved Veterinary API facility



- World Class, State of the art manufacturing facility at Vizag with annual capacity of 1,000 MT
- 225kl reactor capacity with six clean rooms and multi product capabilities
- 45 acre land area with significantly enhanced capacities & room for further growth
- Compliant to latest EHS regulations
- USFDA approved facility for foray into United States - the largest animal health market – Key growth driver

Intermediates Facility: Tarapur, Maharashtra, India

Investments in Vizag API bearing fruits

Revenue Growth in Q1'19
15.5%

Growth to top 5 players
4X

US filings in Q1'19
02

CEP Approvals in Q1'19
02

API business Key Highlights

- API Business gains further traction with a growth of 15.5%
- Strategy of being partner of choice for Global 'Top 5' paying off
 - Global 'Top 5' companies now account for 30% of API biz, as against 10% in FY15
 - Four-fold increase in sales to Global 'Top 5' in the period
- EIR received from USFDA for Vizag site for the recent inspection in March 2018
- Initiated validation supplies of 2 new NSAID's for US companion market, both with no generics in the market
- 2 filings in US and 2 CEP approvals during the quarter

Largest filings amongst Generic Companies in US

	US	CEPs	Other Reg	Total Validated
Q1FY19	2	-	1	3
Cumulative	12	10	23	24

Relationship with Top 10 Global Animal Health Players – An Edge

Top 10 Animal Health Companies	Under Discussion	Under Qualification	Commercialized
Company A	2	0	4
Company B	6	4	5
Company C	4	0	4
Company D	1	1	1
Company E	4	1	4
Company F	5	3	3
Company G	1	3	5
Company H	1	1	1
Company I	4	4	3
Company J	6	2	6



Financials

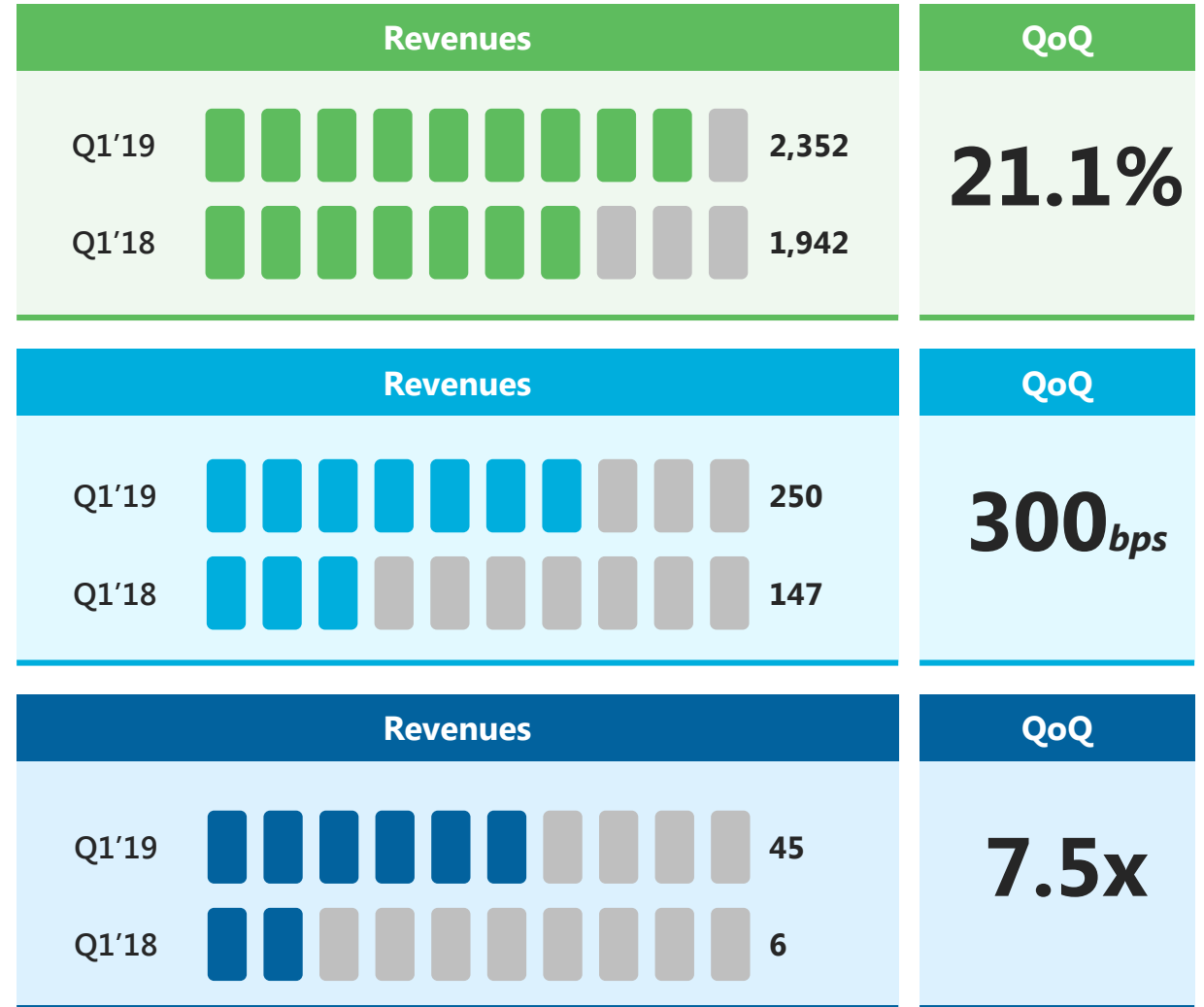
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A robust beginning of the financial year

We delivered robust growth in revenue with our improved operating leverage leading to a 300 basis point improvement in the margins. The performance would have been even better had we not witnessed the currency headwinds in Turkey (-17%) and Brazil (-10%) coupled with regulatory changes in Turkey which impacted our primary sales.

Our recent Bremer acquisition in Germany has helped us shape a valuable injectables strategy for regulated markets. With 12 API filings in US, we have the largest filings for any generic companies in US. We stay confident of delivering the strategic and financial outcomes for FY19 as our API business gains momentum and Europe gains further traction driven by ~25 new launches planned across geographies.

Manish Gupta
Managing Director, Sequent



All values in ₹ Mn

Consolidated Income Statement

Particulars	Q1 '19 Unaudited	Q4 '18 Audited	Q1 '18 Unaudited	FY18 Audited
Revenue from Operations	2,352	2,328	1,942	8,494
Material Consumption	(1,265)	(1,235)	(1,061)	(4,625)
Gross Margin	1,086	1,093	881	3,870
%	46.2%	46.9%	45.4%	45.6%
Operating Expenses	(837)	(785)	(735)	(2,998)
EBITDA	250	308	147	871
%	10.6%	13.2%	7.6%	10.3%
Exchange Gain / (Loss)	(25)	(6)	4	(41)
Other Income	18	29	36	166
Finance Cost	(78)	(97)	(61)	(331)
Depreciation	(96)	(95)	(101)	(413)
Exceptional Items	0	(15)	0	(15)
Earnings Before Tax	69	125	25	237
Taxes	(24)	(41)	(19)	(135)
Earnings After Tax	45	84	6	102

Significant ramp up in Europe and key EMs

Geography-wise Sales	Q1'19	Q1'18	YoY%	YoY% (Constant currency)
APIs	602	521	15.5%	12.3%
Formulations	1,750	1,422	23.1%	18.2%
Europe	927	720	28.7%	14.2%
Turkey	243	245	-0.9%	16.2%
Emerging Markets	374	265	40.6%	37.6%
LATAM	206	190	8.3%	17.1%
Global Sales	2,352	1,942	21.1%	17.1%

All values in ₹ Mn

Key Highlights

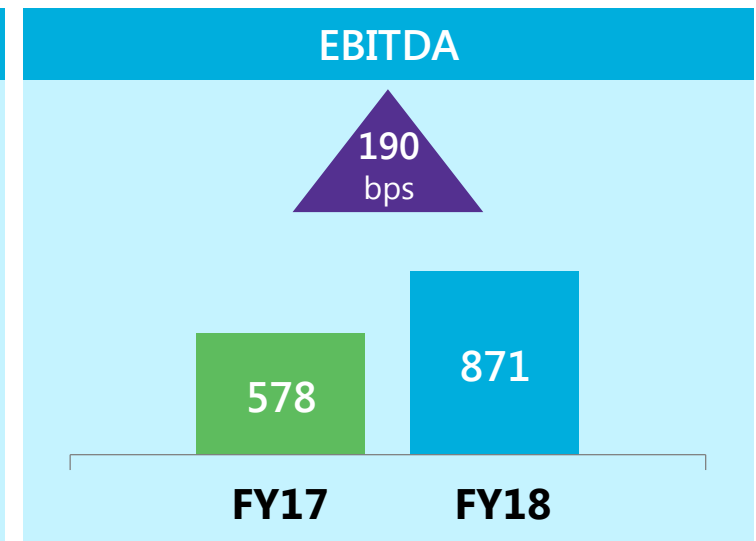
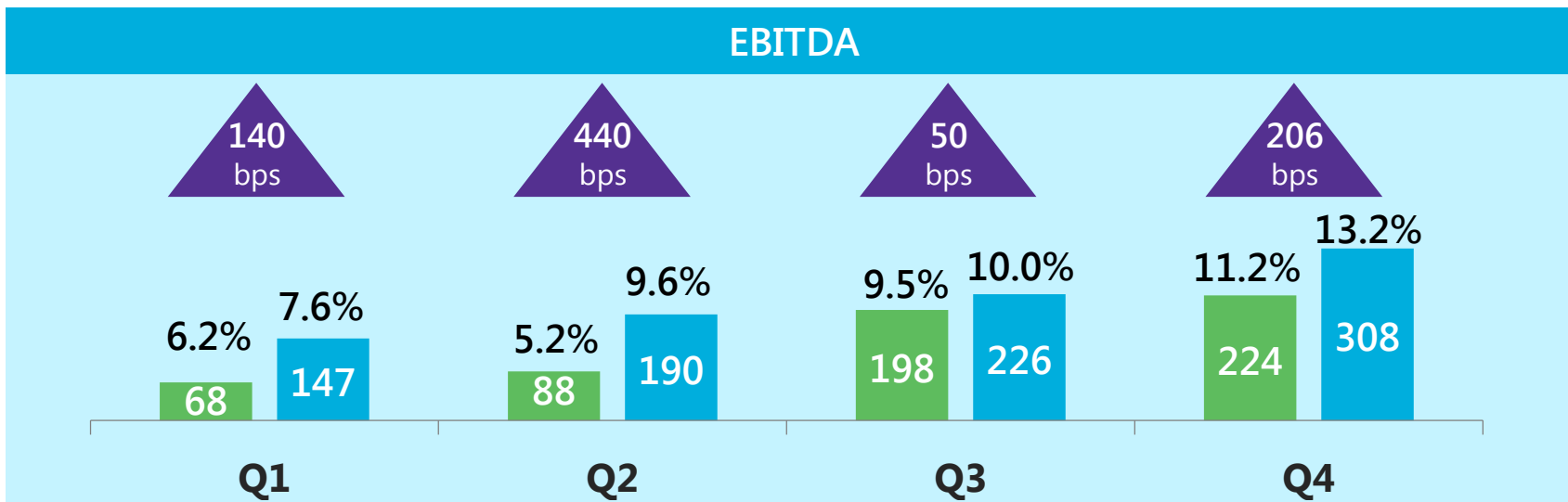
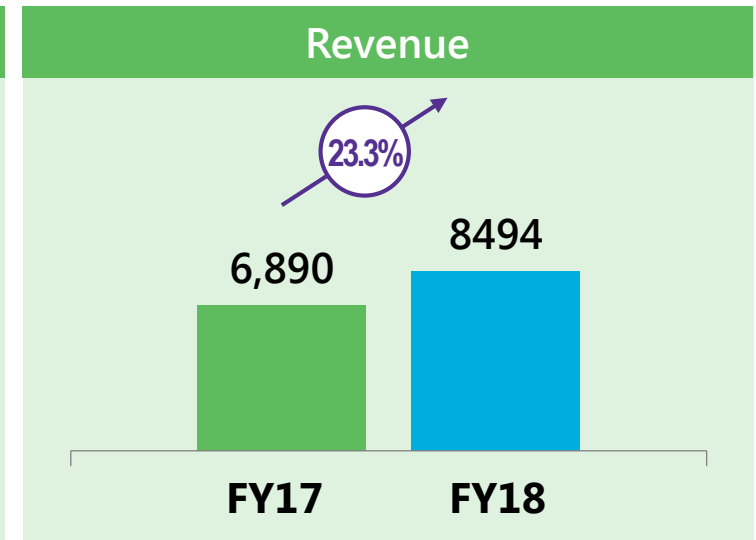
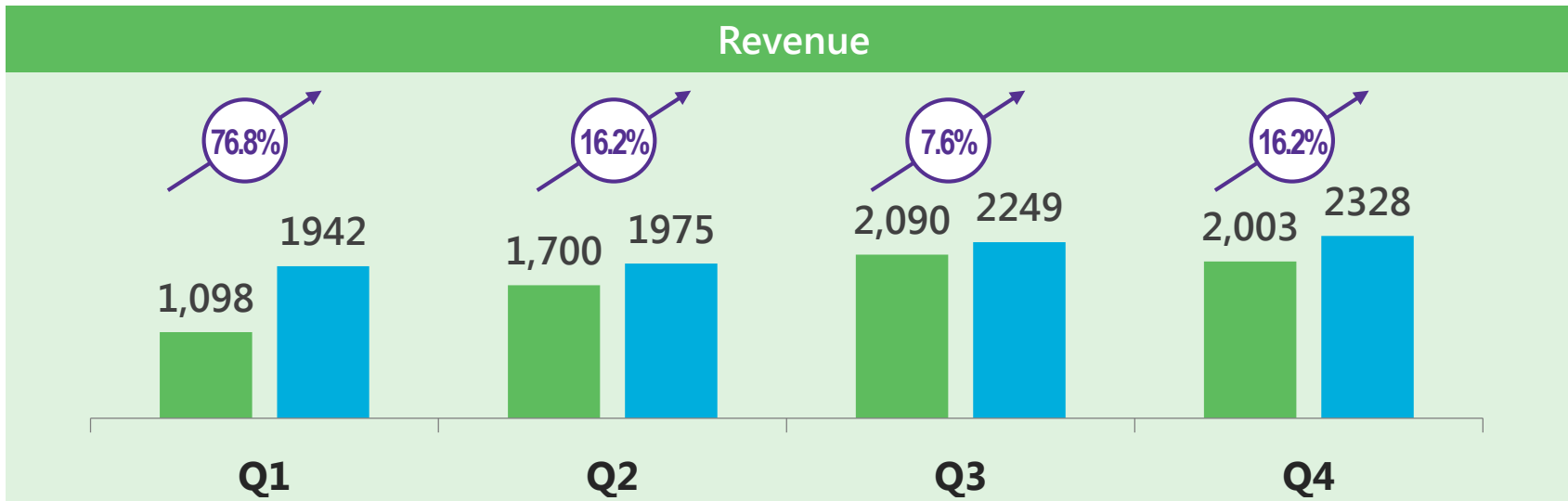
Overall business has grown by 14.5% over Q1 FY18, without considering Bremer

- API Business grew by 15.5%
- Formulations business grew by 12.9% (without Bremer), significantly ahead of 6% industry growth

All businesses/geographies on target except Turkey

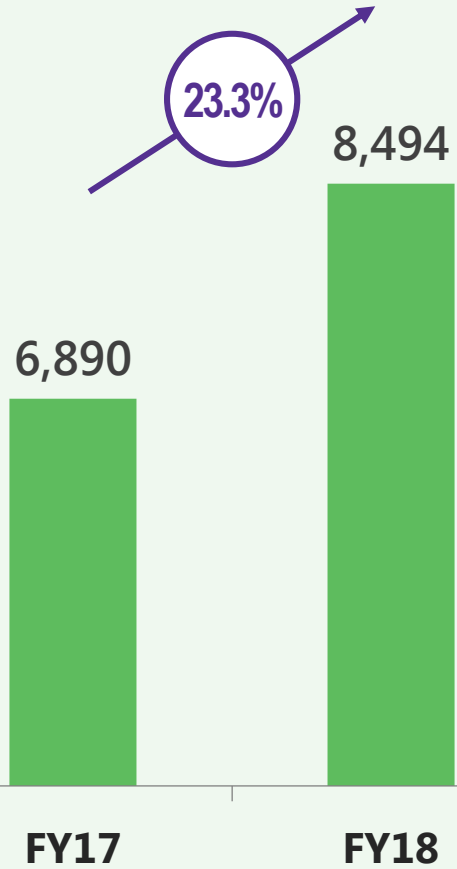
- Turkey sales flat on account of twin impact of currency depreciation and regulatory changes

Relentless focus on execution

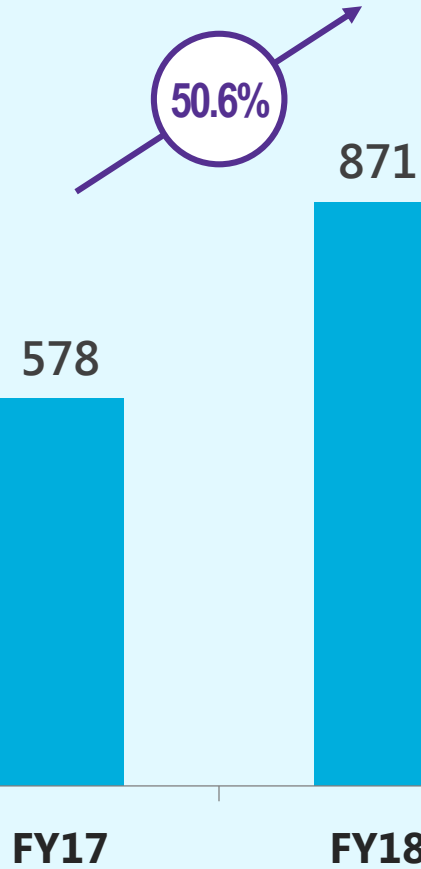


Financial Indicators

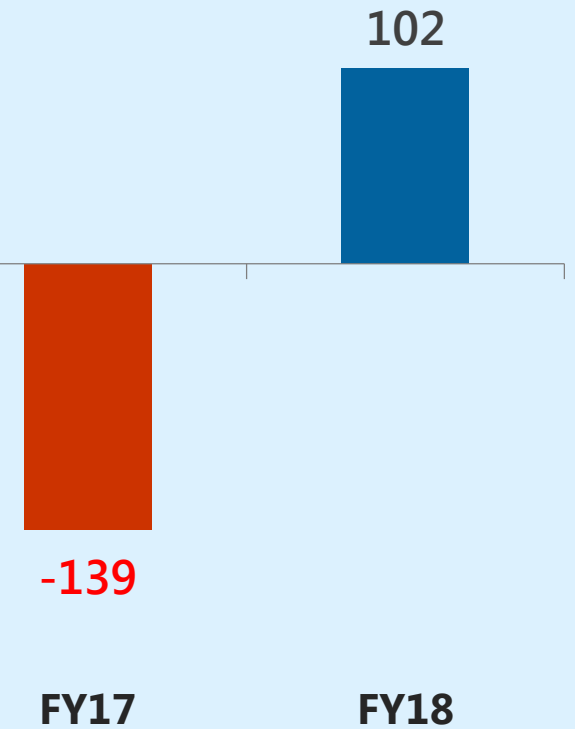
Revenue from Operations



EBITDA



PAT

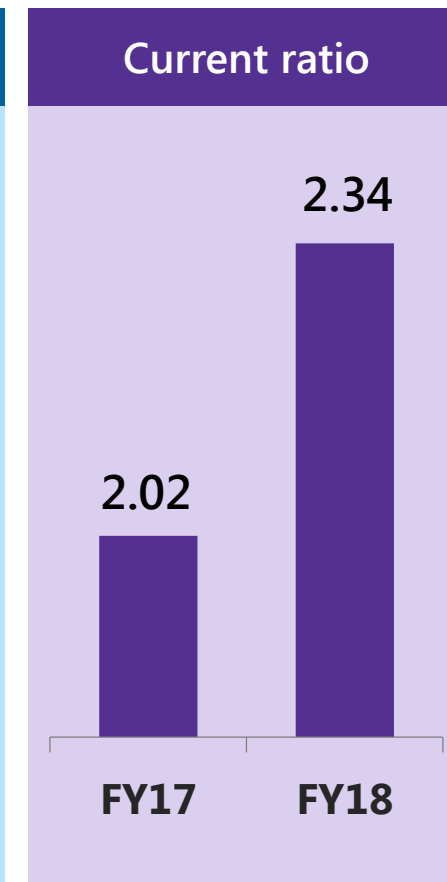
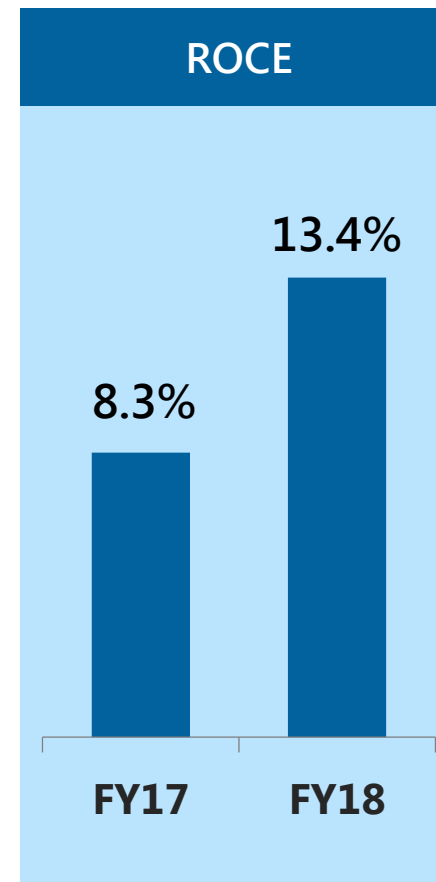
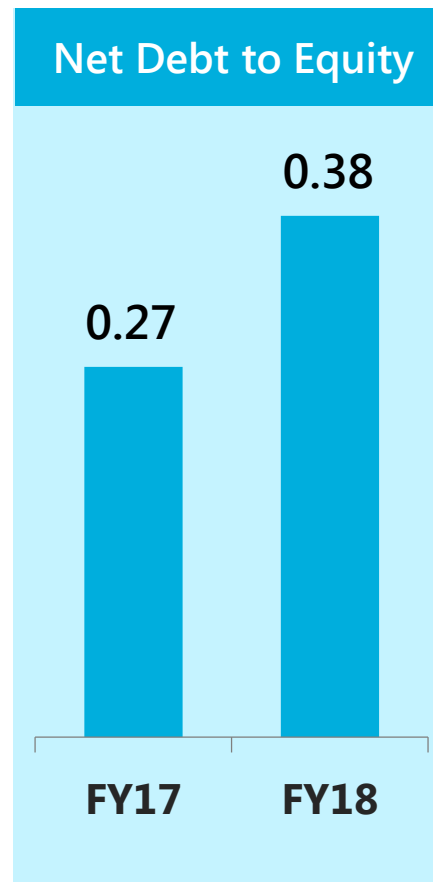
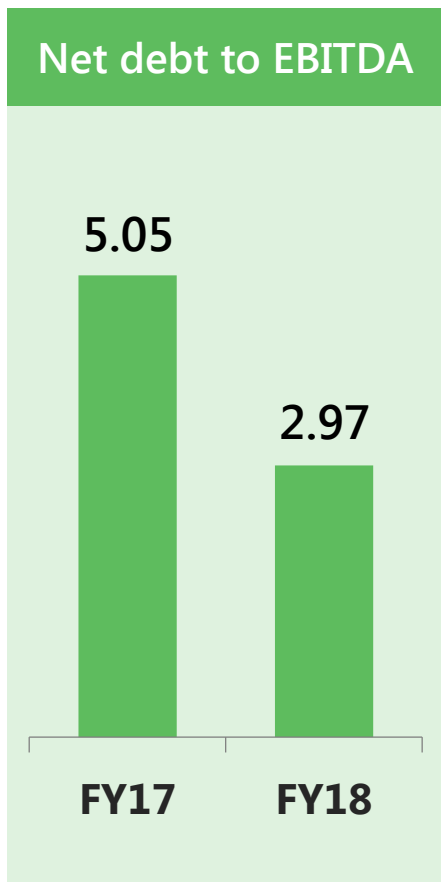


All values in ₹ Mn

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

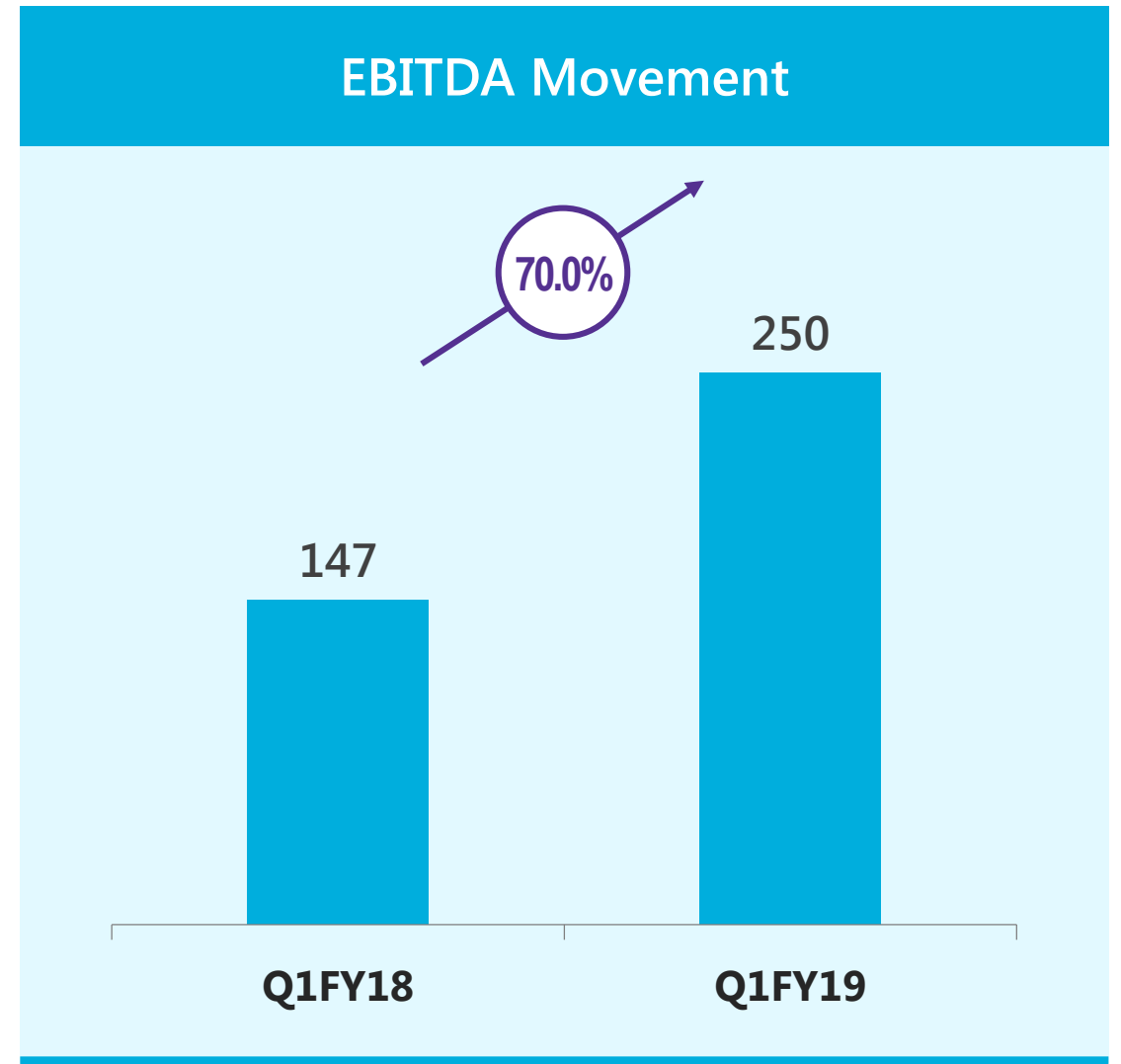
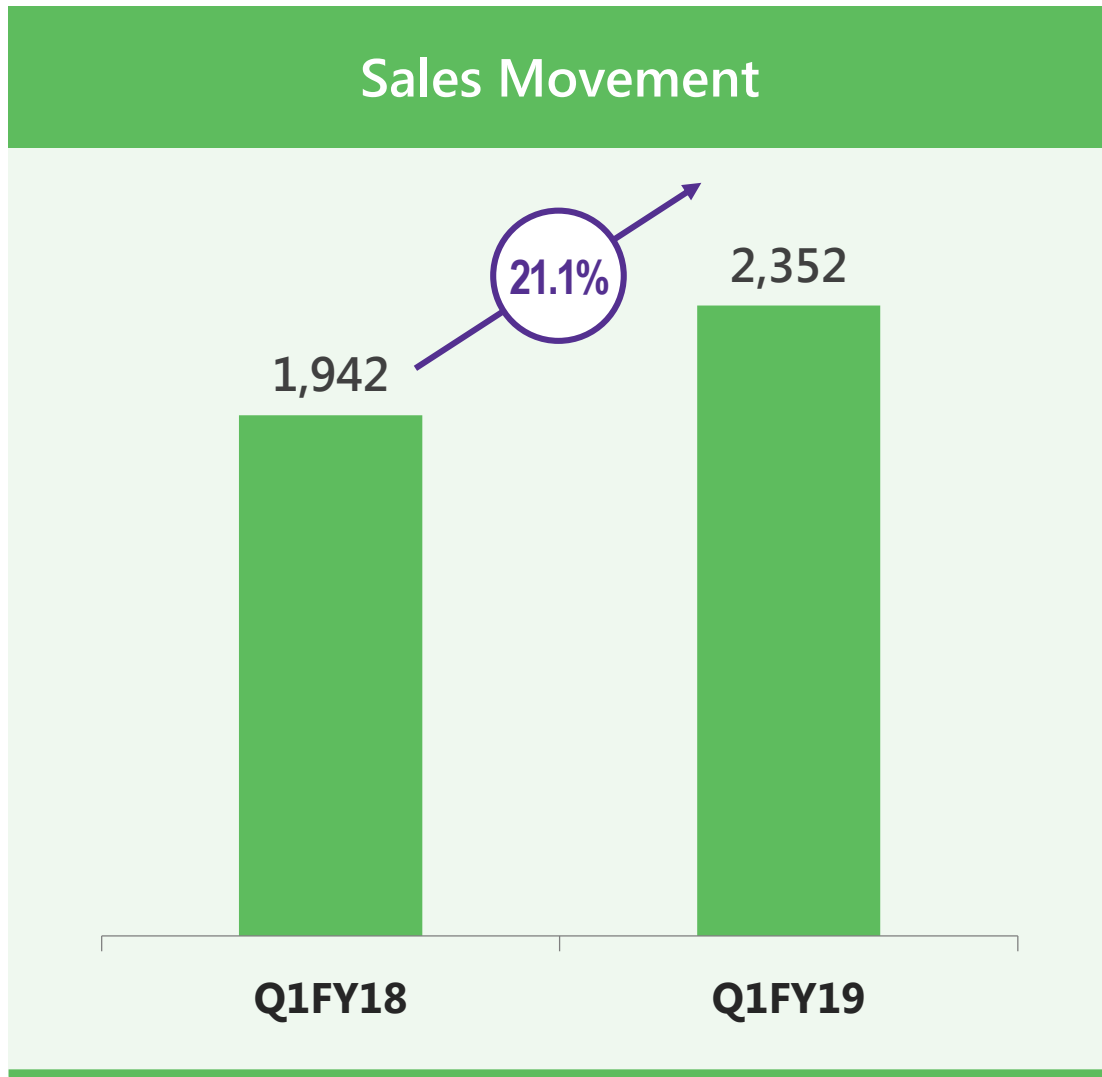
ROCE based on annualised 4th quarter



Year so far...

More than
Pharma

Business Performance



Year so far...

Bremer - Strategic acquisition

- Acquired Bremer in Q1FY19 adding injectables capability
- Addition of missing dosage form capabilities

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.



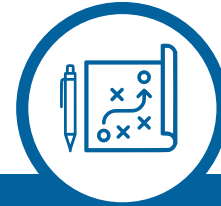
APIs

- 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



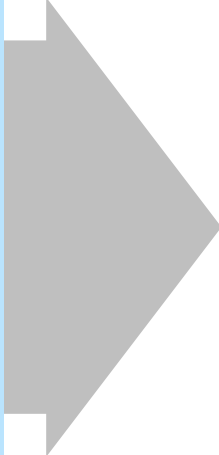
Formulations

- 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



Future Outlook

More than
Pharma

Takeaway- Aiming to become a Top 10 Animal Health Company by FY22

New Markets



- Expand presence in Top 10 EU markets
- Enter new Emerging markets across MENA, South East Asia & LATAM
- Exploring North American opportunity
- Building the Global ALIVIRA Brand

New Segments



- Commercialization of Formulations R&D pipeline across EU
- Expand range of Phyto-solutions and probiotics product & technical offering
- Focus on R&D in new high value APIs

New Capabilities



- Expand EU manufacturing capability-
 - spot on
 - Pour on &
 - Injectables
- Investing heavily into R&D to forward integrate APIs into formulations.



Establish Alivira as a top 10 global animal health company by FY2022

Sequent
Proven Ability In Life Sciences



ALIVIRA

Thank You

SeQuent Scientific Limited

CIN: L99999MH1985PLC036685

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