
SeQuent Scientific announces FY 2013-14 Results

Consolidated Revenues at Rs. 455 Crores (up by 40%)

Adjusted EBIDTA at Rs. 32 Crores (up by 33%)

Businesses re-aligned to enable exponential growth

Bangalore, May 28, SeQuent Scientific Limited today announced its audited consolidated financial results for the financial year ended March 31, 2014.

Financial Highlights

- Consolidated Revenue from operations grew by 40% to Rs. 455 Crores as against Rs. 327 Crores in the previous year
- Adjusted EBITDA grew by 33% to Rs. 32 Crores as against Rs. 24 Crores in the previous year.
- PAT impacted by exceptional / non recurring items to the tune of Rs. 74 Crores resulting in a loss of Rs. 110 Crores for the year (against Rs. 65 Crores in the previous year)
- Exceptional items, predominately on account of strategic decisions to discontinue Penems project and exiting Africa/ Vietnam operations

Business Review & Strategy

During the year, the Company initiated a set of corporate actions with a long term vision of becoming a power-house in global animal health business with a portfolio of niche human APIs.

Animal Health business - Create a valuable, independent, integrated , global Animal health business

- Set up a Joint Venture with Shasun Pharmaceuticals 'Alivira Animal Health Limited' with a vision to create a **Best-In-Class, Integrated Platform from API to Formulations in the Hugely Attractive Global Animal Health Market**
- To create a global brand under the name 'Alivira', the name derived out of *Elvira, Latin word for 'white, pure, clean'* and *Alleviare, Latin word for 'relief'*.
- Launched 18 new products in formulations business and 4 new APIs.

Human API business - Accelerate growth in Human API with focus on profitability

- Investments made to enhance capacities and achieve critical mass in business with increased focus on regulated markets.
- 6 new filings and 6 new approvals in the regulated markets
- Entered into an agreement to acquire the manufacturing assets and business of Arvee Synthesis Private Limited, Arvee would serve as a site for key intermediates for the Company's Human API business. The site has all necessary approvals and infrastructure with space for future expansion of SeQuent's rapidly expanding business.
- Sequent also acquired a land admeasuring approx. 3 acres, adjacent to its existing FDA approved facility in Mangalore.
- The facility at Mysore and land at Mangalore to be used for meeting the growing demand for Sequent's key products in the USFDA and WHO regulated markets.

Exit from Non-core businesses / projects

- Specialty chemicals business was identified as non – strategic asset and in April 2014, an agreement was entered into to transfer Specialty chemicals division including Panoli facility to Songwon group. The transaction is expected to close by August 15, 2014 on fulfilling CPs
- The Company decided not to pursue the Penem's project after re-assessing the commercial viability
- Exited Africa / Vietnam operations which were started for backward integration of a key product, which is no longer viable.

Commenting on the occasion, Mr. Manish Gupta – CEO stated that “2013-14 was a year of transition for Sequent as the company embarked upon the new strategy of creating a global power-house in the Animal health business and building a portfolio of profitable niche products in human APIs.

He further added – 2014-15 would be year of transformation as the company benefits from the strategic course correction and further accelerate the growth momentum from last year.

About Sequent Scientific Limited.

SeQuent Scientific Limited, listed on the Bombay Stock Exchange Limited (stock code: 512529) is an integrated pharmaceutical company with a global footprint headquartered in Bangalore, India which has presence in different pharmaceutical verticals including APIs, Animal Health, Analytical Services, CRAMS and specialty chemicals. SeQuent is the world's largest producer of Anthelmintics.

Please visit www.sequent.in for additional information.

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