



More than Pharma

*Six reasons why SeQuent blends
the best of the pharmaceutical
and consumer industry worlds*

Welcome to SeQuent

SeQuent Scientific Limited herein referred to as 'SeQuent'

SeQuent is India's first integrated, global animal health company with an annual revenue run-rate of US\$ 150 million. It offers API, branded generic formulations and analytical services. We have manufacturing presence in 5 countries, marketing presence in over 100 nations and employ 1,000+ people. Over the past four years, we have invested more than US\$ 80 million in our business, strengthening our R&D and manufacturing capabilities, and building market presence through our differentiated portfolio.

FY 2017-18 highlights

₹**8,494** mn

Revenue

↑ 23.3%

₹**871** mn

EBITDA

↑ 50.6%

₹**102** mn

Profit After Tax

10%

Dividend paid

↑ Growth over FY 2016-17

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At a macro level, the core characteristics and industry dynamics of human and animal health businesses appear to be similar. A broad understanding also suggests that most of the Indian pharmaceutical companies have been successful with their strong R&D focus and significant cost competencies.

The animal health sector, though a subset of the industry, has its unique characteristics. It carries an extensive portion of human pharmaceutical attributes, and at the same time, a significant part of its features mirror the consumer goods play.

The limited role of patent regime and reduced R&D pressure, coupled with no pricing caps and differentiated talent pool, allows the animal health space to carve company-specific advantages which ensure better, sustainable margins and valuation.

At Sequent, we are building this niche by playing these distinct characteristics to our favour.

With global presence, strong marketing footprint, a unique business model and differentiated products through our R&D expertise, we are converging the best of pharmaceutical and consumer goods worlds – offering ahead-of-the curve solutions in animal health and being more than pharma.

*At SeQuent, our
business model is
one-of-a-kind...*



1

We create and grow brands

The animal health sector, being a branded generics market, offers promising opportunities for creating brands with dedicated sales and marketing teams in the target geographies. We have developed Alivira into an integrated global animal health company with a focus on creating a large number of high-quality, trusted brands with unique propositions.



500+

Finished Dosage Formulations
(FDFs) across 12 dosage forms





FDF pipeline

35+

API pipeline

14+



2

Larger, more complex product portfolio

Animal healthcare is more expansive in scope than human health as it covers a large variety of species (with several subspecies). The health concerns of these species are complex and require different products for treatment and cure. Moreover, unlike human health, this sector faces a shortage of talent and reliable market data. SeQuent is equipped to address these challenges with a comprehensive product portfolio and extensive industry knowledge.



Top 10

Global animal health
players work with us

100+

Countries with
marketing presence

23

Commercial APIs



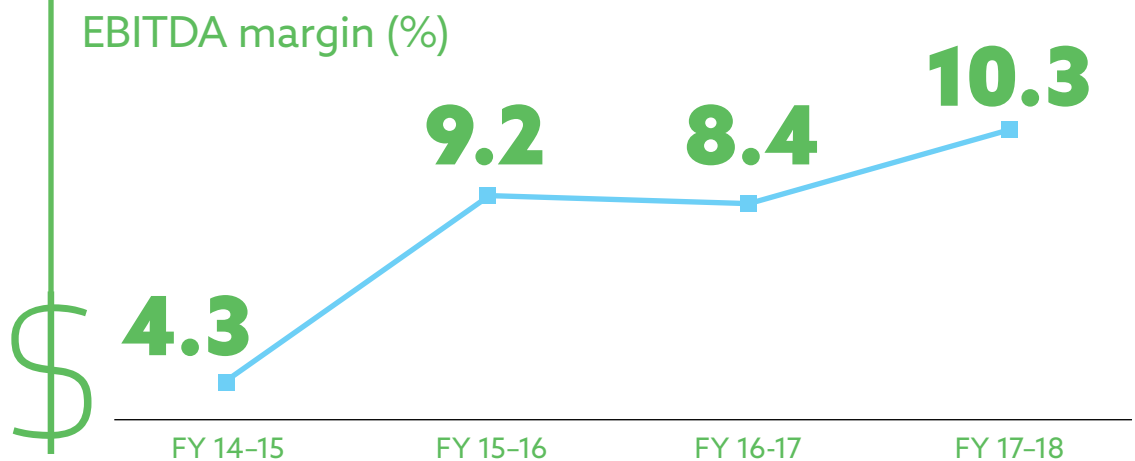
3

Independent and robust supply chain

Supply chains for animal health and human pharma have historically been common. Breaking from this trend, we have set up a dedicated supply chain that is more aligned to the animal health market we operate in and bring in an element of differentiation to meet customer needs.

4 *Pricing without regulatory pinch*

The pharmaceutical industry is bound by pricing regulation, influenced by governments or insurance companies. These pricing pressures mount further when a product loses patent protection. The animal health industry is free from these constraints, which allows us to value our products in line with demand. At SeQuent, we are adapting to the evolving consumer needs with differentiated products, while creating value for our stakeholders.



FY 2014-15 and FY 2015-16 includes human API business

5

Shielded from market fluctuations

The pharmaceutical landscape is impacted by several headwinds such as growing cost pressures and government policies. These dynamics are less pronounced in the animal health sector, ensuring a more stable operating environment with sustained revenue trajectory. At SeQuent, we are leveraging this stable environment for long-term value creation.



3.8X

Growth of SeQuent's animal health business in last 4 years

1.2X

Growth of animal health market in the last 4 years

