

Earnings Release

Quarter & Half-Year Ended September 30, 2019



INSPIRED BY
OPPORTUNITY.
DRIVEN BY
KNOWLEDGE.

CRO Market Insights

CRO revenue estimated to grow at **7.4% in 2019** and **7.2% in 2020**

Market Drivers



TAKE's Position

Fueled by our acquisitions, organic growth and end-to-end clinical capabilities, we are poised to take full advantage of the industry's growth

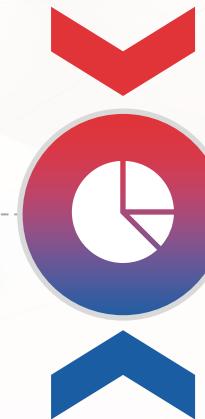
Perfectly positioned to take full advantage of the current market drivers

Small pharma are growing their **R&D spend by over 10%**,



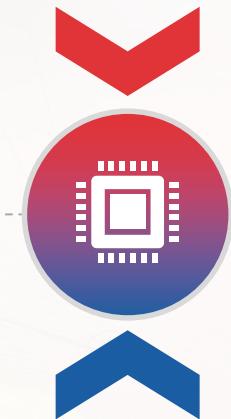
TAKE is a proven and established full-service strategic partner for SME pharmaceuticals

Significant headroom with medium and large pharma currently **Outsourcing Around 50%**



We have secured multi-year, multi-million dollar contracts with large pharma, which is a testament to our capabilities

The key trends are centered around **Data Analytics, AI, Machine Learning** and **Virtual Trials**



Our State-of-the-art eclinical platform **OneClinical** is gaining traction and market acceptance

Designed for Success

Augmented our organic growth with strategic acquisitions to present a compelling value proposition

- 1 Ecron Acunova 2016
- 2 DataCeutics 2019
- 3 KAI Research 2019
- 4 OneClinical

Established our Clinical Trials business in APAC & Europe, expanded our innovator & generic client base, and added small medium & large customers to our portfolio

Significantly enhanced our domain expertise in Data Sciences & Analytics, and enabled bidding for high-value projects through an integrated delivery model

Strengthened our Clinical Trials Presence in USA, added Government customers to our portfolio, and enhanced our clinical domain expertise

*Built our **OneClinical** technology platform, to capitalize on the Industry's shift to eClinical and Analytics*

Today, TAKE Solutions is a platform-driven CRO with a Global Footprint, supporting Small, Medium And Large Companies in drug development

● Strategic Acquisitions

● Technology Investment



Consulting Practice performance has exceeded expectations with multiple wins



Pharmacovigilance signal detection & visualization solution developed and deployed



Significant Traction with Mid-sized Pharma

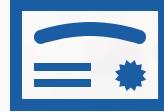


US Market continues to drive growth momentum



BA/BE Business continues steady, with satisfactory asset utilization

Operational Updates



ISO 9001:2015, ISO 27001:2013

recertification successfully completed for multiple facilities



**2 Regulatory
Inspections**



**5 Customer
Audits**



**No Critical
Findings**
during the audits/inspections

**Audits/
Inspections** for
the current quarter

*Successfully crossed initial post-merger milestones
and positively positioned for the year ahead*

Navitas Data Sciences



Significant **Repeat Business & New Logo Wins** bagged



Offshoring Model Already Operational ahead of schedule

KAI Research



Successfully re-bid a multi-year **Multi-million Dollar US Govt Project**



Integrated Delivery Model established

GTM initiatives yielding results in a short span of time

Workforce alignment in place

Thought Leadership

Showcased our Life Sciences domain expertise to build relationships



Matt Ferdock

was Co-Chair at the **PhUSE event in Chennai** which enabled meaningful and detailed **Discussions**

With Key Customers



Dr Ayaaz Khan

was one of the speakers at the '**The Economic Times L.I.F.E. Summit**' (Life Sciences Industry Forum for Excellence) at Hyderabad, which saw **130 Participants From 30-40 Companies**

Key Addition to the Board



Balasubramanian (Srinivasa) Srinivasan

(Independent Director)

CEO, i3 Partners GmbH, Switzerland

30+ Years at Pfizer,
Novartis, GSK and Astra in
global leadership roles in
General Management,
Commercial, R&D, and
Manufacturing

*Augmented our pharmaceutical domain expertise &
strengthening governance*



Pfizer 2015-2019

- > Managing Director, Pfizer Healthcare India Pvt. Ltd.
- > Chairman of the Board, ZHOPL (a JV with Zydus)



Novartis 2001-2015

- > Worldwide Integration - GSK Oncology
- > Global Head, Commercial Strategy & Operations
- > Global Head, Lifecycle Strategy & Innovation
- > Director, Global Strategy & LCM, Cardiovascular & Metabolism
- > Country Head & President - Philippines, Malaysia, Singapore



GSK 1997 - 2001

- > Global Marketing - Psychiatry & Neuroscience Brands

Quarterly Performance



Q2 FY20

70.43
Period Average Rate
70.56
Period Closing Rate

Q1 FY20

69.67
Period Average Rate
69.08
Period Closing Rate

Q2 FY19

70.11
Period Average Rate
72.58
Period Closing Rate

Operating Revenue (INR Millions)

Q2 FY19
5,158.80

Q1 FY20
5,827.43

Q2 FY20
6,083.81

Y-o-Y Growth (%)
17.93 %

Q-o-Q Growth (%)
4.40 %

Operating EBITDA (INR Millions)

Q2 FY19
1,054.07

Q1 FY20
1,095.55

Q2 FY20
1,059.92

Y-o-Y Growth (%)
0.55 %

Q-o-Q Growth (%)
-3.25 %

Operating Revenue (USD Millions)

Q2 FY19
73.58

Q1 FY20
83.64

Q2 FY20
86.38

Y-o-Y Growth (%)
17.40 %

Q-o-Q Growth (%)
3.28 %

Operating EBITDA (USD Millions)

Q2 FY19
15.03

Q1 FY20
15.73

Q2 FY20
15.05

Y-o-Y Growth (%)
0.13 %

Q-o-Q Growth (%)
-4.32 %

While the acquisitions made in Q4 FY19 contributed to 8% of revenues and 6% of EBITDA in Q1 FY20, the contribution in Q2 FY20 stood at 9% of revenue and 8% of EBITDA.

Quarterly Profitability



Dollar
Rates

Q2 FY20

70.43
Period Average Rate
70.56
Period Closing Rate

Q1 FY20

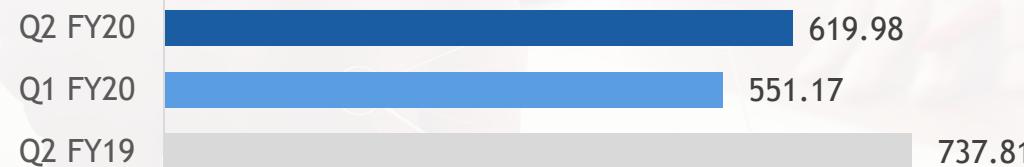
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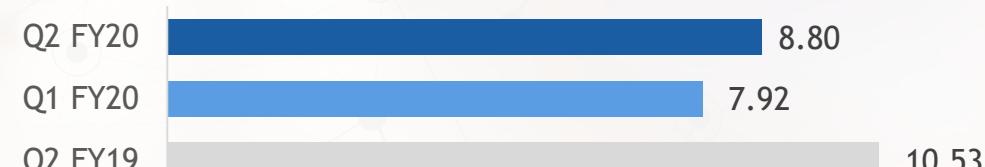
Q2 FY20 - PBT (INR)
INR 619.98 Mn

12.48%



Q2 FY20 - PBT (USD)
USD 8.80 Mn

11.11%



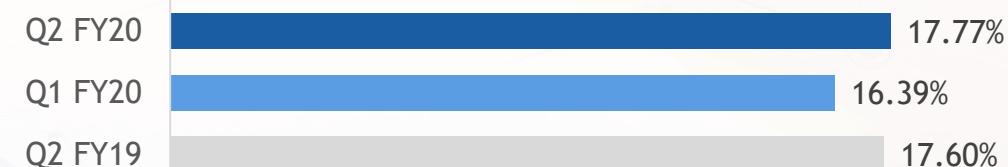
Q2 FY20 - PBT Margin
10.08%

64 bps



Q2 FY20 - Tax Rate
17.77%

138 bps



Q2 FY20 Revenue has grown by 4.40% (Q-o-Q), while the total expenses for the same period have grown at 4.63% (Q-o-Q). In spite of this, the quarter has seen a healthy growth in PBT margin of 64 bps.

Half-Yearly Performance



Dollar
Rates

Q2 FY20

70.43
Period Average Rate
70.56
Period Closing Rate

Q1 FY20

69.67
Period Average Rate
69.08
Period Closing Rate

Q2 FY19

70.11
Period Average Rate
72.58
Period Closing Rate

Operating Revenue (INR Millions)



Operating Revenue (USD Millions)



Operating EBITDA (INR Millions)



Operating EBITDA (USD Millions)



The recently acquired businesses of DataCeutics and KAI Research are augmenting business growth, which is reflected in the 21% y-o-y revenue growth in H1 FY20.

Half-Yearly Profitability



Q2 FY20

70.43
Period Average Rate
70.56
Period Closing Rate

Q1 FY20

69.67
Period Average Rate
69.08
Period Closing Rate

Q2 FY19

70.11
Period Average Rate
72.58
Period Closing Rate

H1 FY20 - PBT (INR)
INR 1,171.15 Mn

-14.64%



PBT without interest income and finance cost for H1 FY20 is at INR 1,300.37, which is 2.91% higher than H1 FY19

H1 FY20 - PBT Margin
9.77%

388 bps



PBT margin without interest income and finance cost for H1 FY20 stands at 10.92% of revenue and is only 193 bps lower than that of H1 FY19

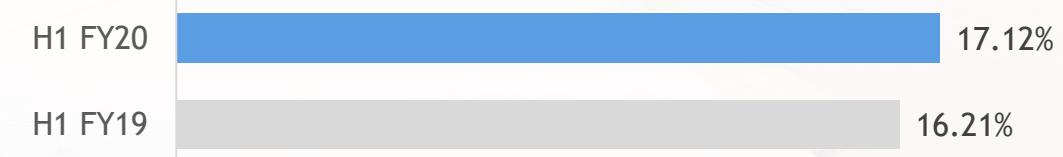
H1 FY20 - PBT (USD)
USD 16.72 Mn

-16.32%



H1 FY20 - Tax Rate
17.12%

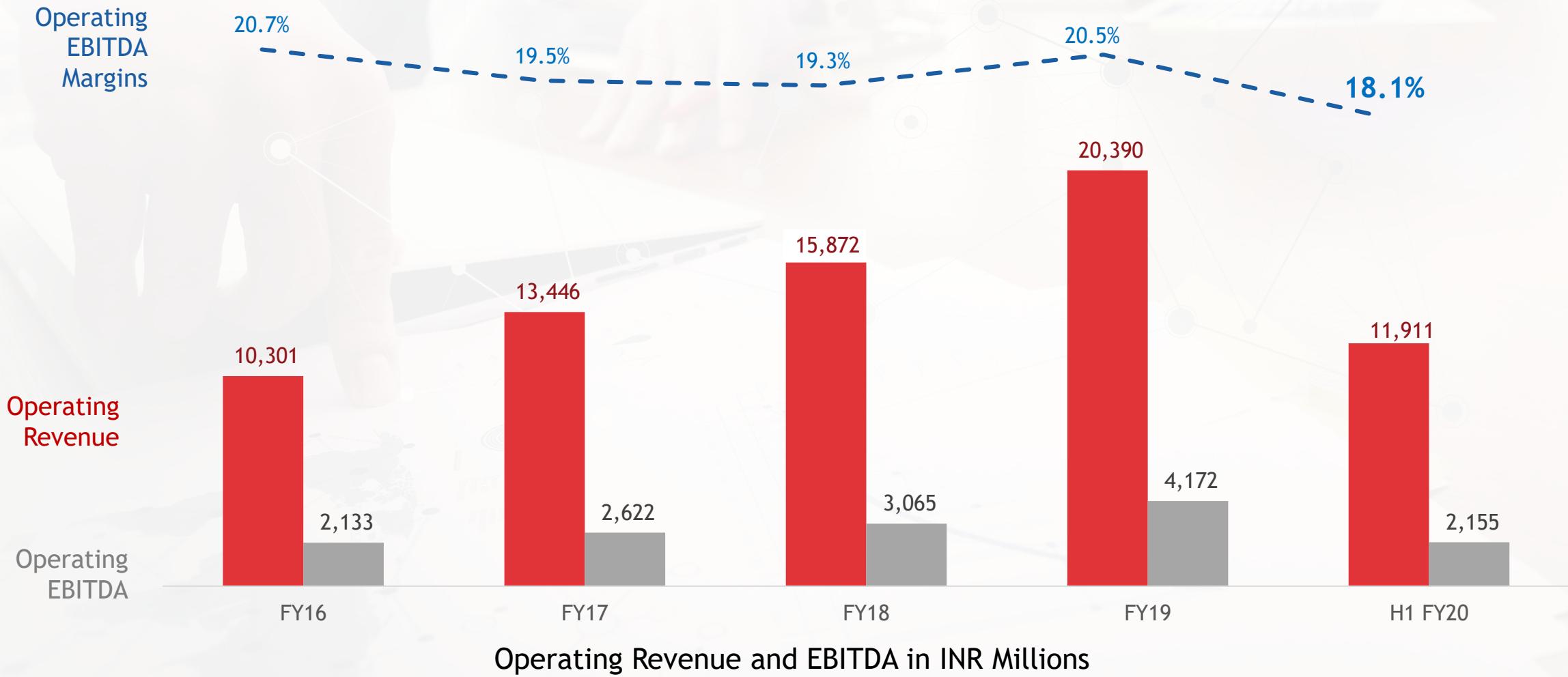
91 bps



FY 19 profit was driven by interest income from investments coupled with low interest costs as a result of unusually high cash balances, which has normalized in the current FY.

Financial Growth

Delivering Consistent Growth



Balance Sheet

All figures in INR Mn

Particulars	30-Sep-19	% Composition	FY 19	% Composition
LIABILITIES				
Shareholders' funds	16,259.04	63.65%	15,274.10	65.44%
Total outside borrowings	5,204.70	20.37%	4,552.25	19.50%
Other non-current liabilities	784.86	3.07%	438.76	1.88%
Current liabilities & Provisions	3,296.88	12.91%	3,074.03	13.17%
TOTAL LIABILITIES	25,545.47	100.00%	23,339.14	100.00%
ASSETS				
Non-Current Assets				
Fixed Assets (Net)	11,939.98	46.74%	11,325.93	48.53%
Other Non-Current Assets	329.57	1.29%	293.75	1.26%
Current Assets				
Cash & Cash Equivalents	710.65	2.78%	696.38	2.98%
Trade Receivables	7,287.21	28.53%	5,254.04	22.51%
Other Current Assets	5,278.08	20.66%	5,769.04	24.72%
TOTAL ASSETS	25,545.47	100.00%	23,339.14	100.00%

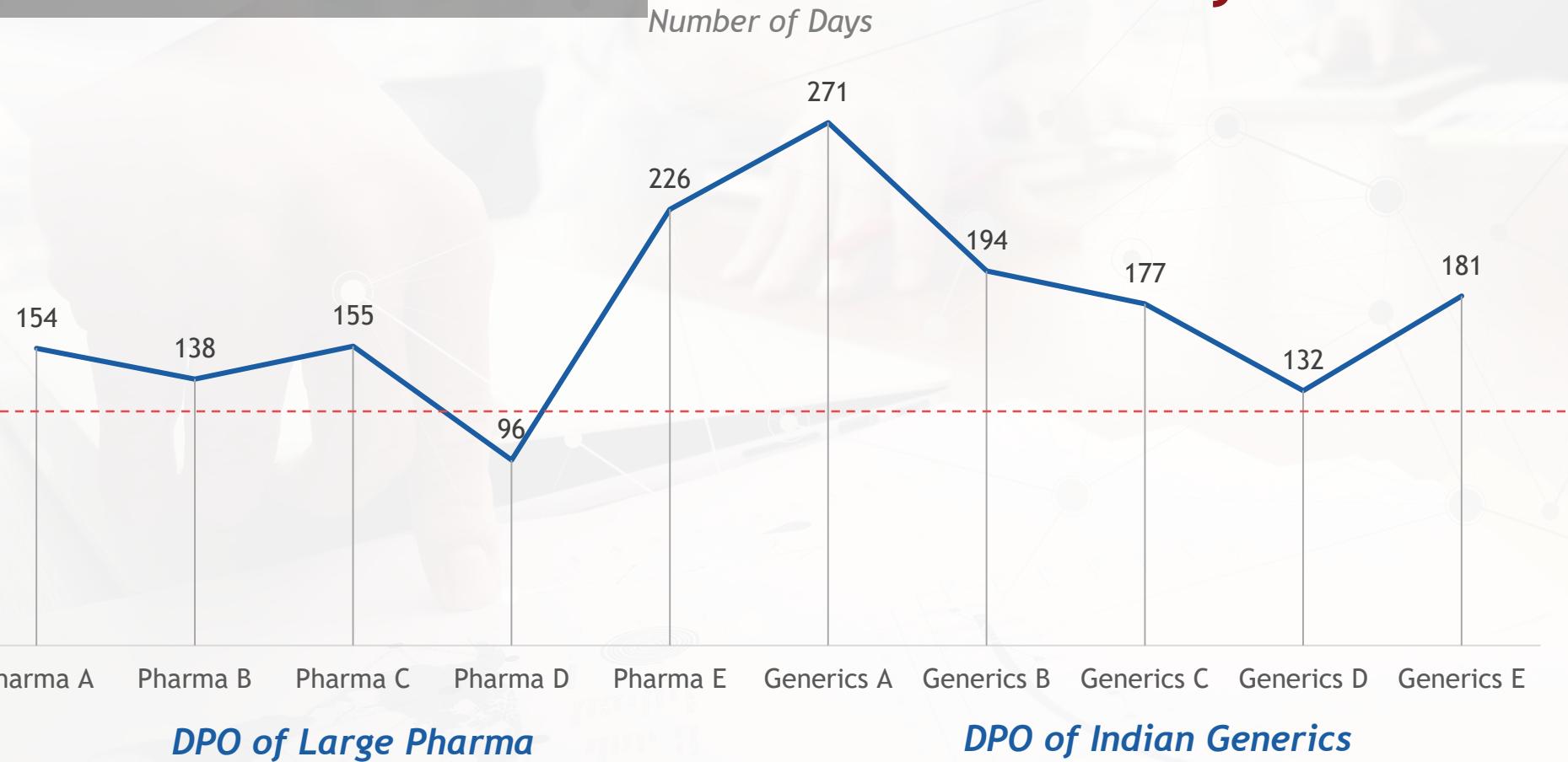
Cash Flow

All figures in INR Mn

Particulars	H1 FY 2020	FY 19
Opening balance - cash and cash equivalents	467.65	3,171.39
Operating Cash Flows		
Cash Profit	2,045.27	3,832.27
Change in Net Working Capital	(1,533.01)	(2,796.53)
Cash from Operations	512.26	1,035.74
Investing Cash Flows		
Capex Investments	(1,095.55)	(1,902.57)
Purchase of Business Combinations	-	(3,507.13)
Decrease in Other Assets	212.38	562.71
Cash used in Investing Activities	(883.17)	(4,846.99)
Financing Cash Flows		
Increase in Outside Borrowings	742.60	1,263.47
Other Financing Activities	(132.52)	(155.96)
Cash from Financing Activities	610.08	1,107.51
Closing balance - cash and cash equivalents	706.82	467.65

DSO Benchmark

TAKE's DSO Days is in line with the industry DPO standards



Pharma Group



SANOFI



glenmark
A new way for a new world!

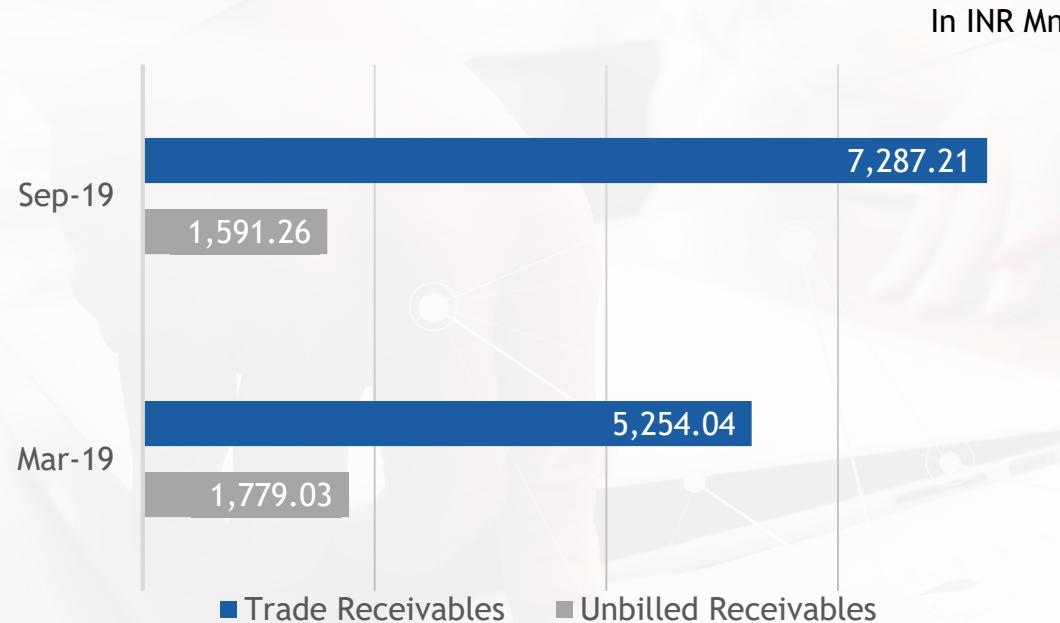


SUN PHARMA



Zydus

Trade Receivables & Unbilled Receivables



94 Days to
110 Days

↑
Day Sales
Outstanding

32 Days to
24 Days

↓
Unbilled
Receivables

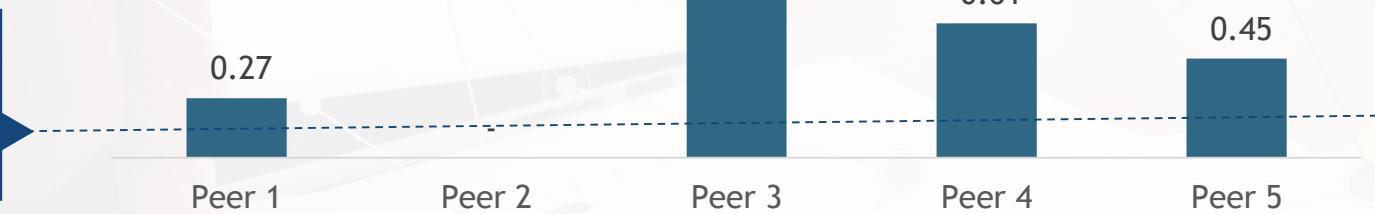
An emerging trend we are witnessing is customers across segments and geographies renegotiating payment periods in order to address the current market environment. This has resulted in our DSO days going up as compared to last year end. However, we are still able to get payments well before some of our customers average DPO days.

Industry Benchmark

FCR
TAKE - (0.30)



Net Debt to Revenue
TAKE - 0.19



Net Debt to EBITDA
TAKE - 1.04



TAKE is investing the Cash Flows generated from operations to support capex investments. Further, TAKE is in the lower end of the borrowings as compared to peers.

Peer Group



All Data is based on latest published information

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Industry Benchmark (Contd.)



TAKE is investing better than industry peers.

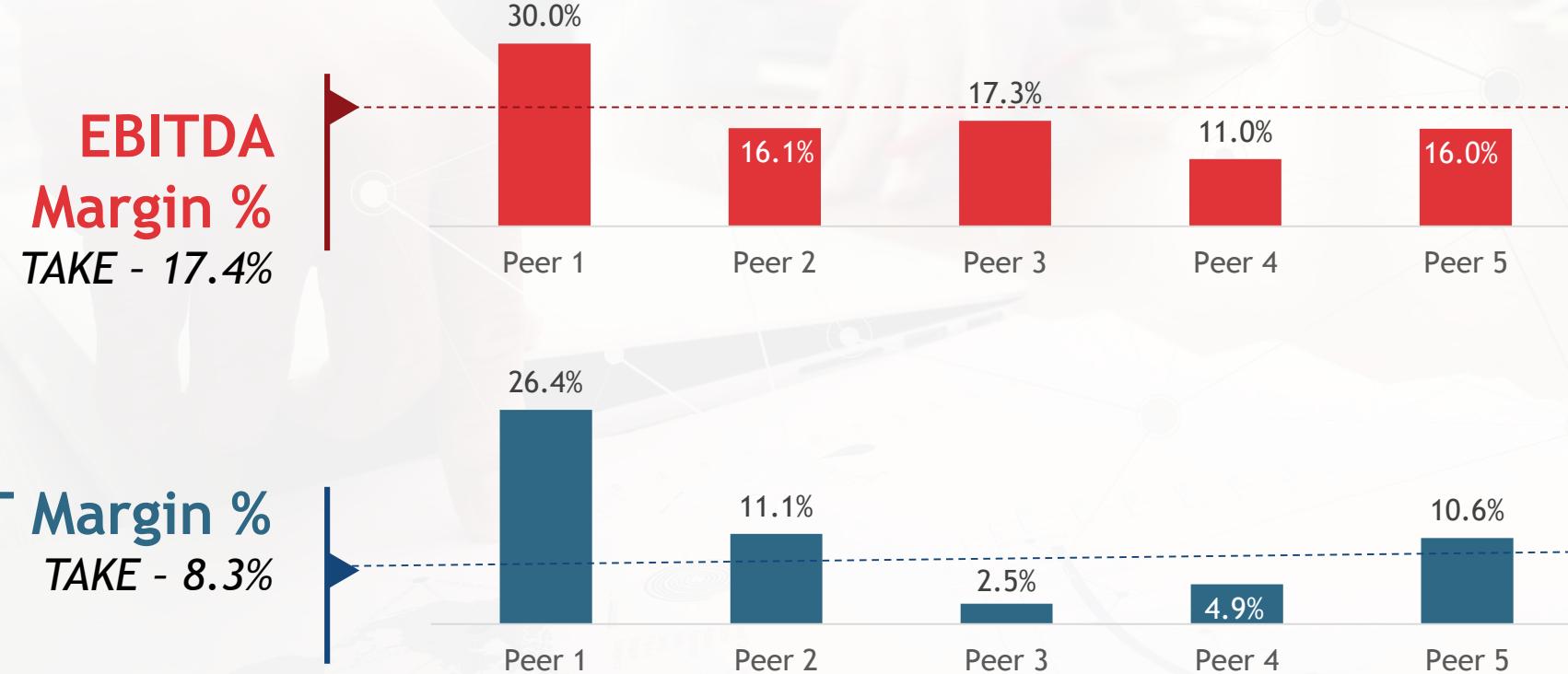
Peer Group



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Industry Benchmark (Contd.)



TAKE's profitability is also in sync with the industry peers.

Peer Group

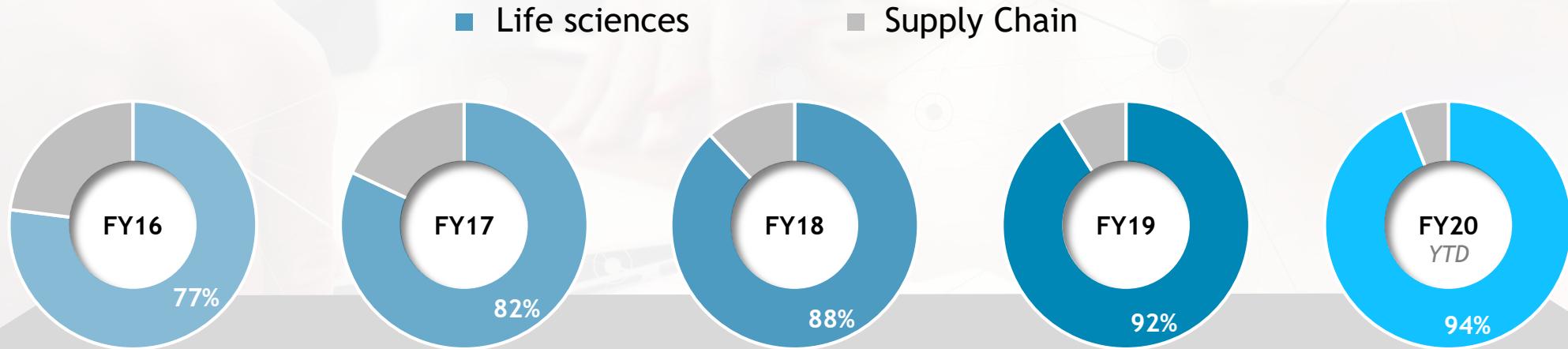
Syngene MEDPACE IQVIA™
Syneos Health PRAHEALTHSCIENCES

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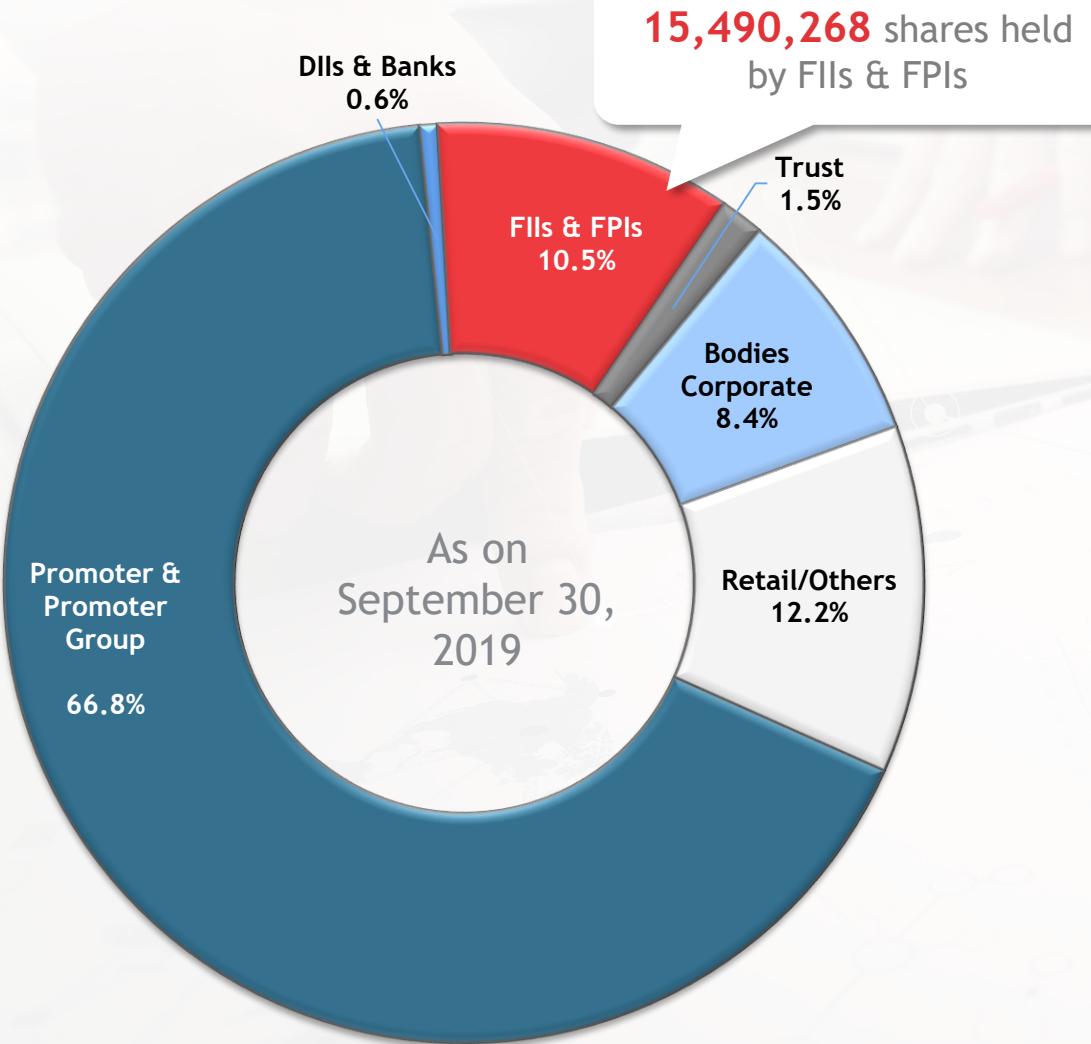
Revenue Composition

Moving towards 100% from Life Sciences!
(Q1 FY16 - Q2 FY20)



Revenue from **Life Sciences** has grown at 7.43% CQGR
as compared to the overall growth in revenue of 5.93% CQGR

Shareholding Pattern



Market Parameters

Parameter	As on 30 Sept, 2019
EPS	3.42
Market Capitalization (INR Mn)	15,355.55
52 Week High	185.80
52 Week Low	93.75
TAKE Solutions P/E	12.2x
Global CRO P/E Average	21.5x



The Life Sciences Company



TAKE Solutions

Overview

Who Are We?

TAKE is a full-service Clinical Research Organization With Global Capabilities!

USA HQ: Princeton, NJ
Clinical, Regulatory & Safety consulting and technology centers.
Clinical data sciences center in Philadelphia. Clinical trials operations across multiple sites.

North America

South America

LATAM Delivery Centre:
Bogota, Columbia
Regulatory & Safety support across 9+ countries in region

Europe HQ: Germany
Major trial operations center in Germany and sites through Europe
Specialists in UK, Sweden, Germany, Poland, Denmark, Russia and other locations

Europe

Asia Pacific

APAC HQ: Chennai, India
Clinical Operations (Incl. Generics) in Bangalore, Chennai, Mangalore and Manipal
Regulatory & Safety/PV operations hub in Chennai

20 offices across 12 countries

Multi-country Multi-site Clinical Trial Capability
7500+ sites
120000+ patients
25,000 volunteers
20+ therapeutic areas

3 Clinical Pharmacology Units for Bioavailability Studies

2 Bioanalytical Laboratories

2 ISO27001 Compliant Datacenters

What do We Do?

We support clients throughout the
Drug Development & Beyond



Clinical



Regulatory



Safety



Consulting

- Strategic Consulting Including ICH E6 Assessment & Implementation

- Regulatory Information Management
- Product Lifecycle Management
- IDMP Assessment

- PV Oversight
- PV Optimization
- Medical Governance



- Full-service Clinical Trials (P1-4) Design, Conduct, Monitoring & Project Management
- Non - Interventional Studies
- Biologics & Biosimilars
- BA/ BE Studies
- Functional Services - Clinical Data Services (including Clinical Data Management, Biostatistics & Programming, Data Standardization, and Medical Writing)

- End-to-End Services
- Product Lifecycle Management
- Submissions & Publishing Management
- Chemistry, Manufacturing and Controls (CMC) Management
- Labeling & Artwork Management

- End-to-End PV Outsourcing
- Medical Writing

Why Us?

Our Results speak for themselves



400+
Clinical Trials



1000+
Bioequivalence
Studies



260+
Bioanalytical
Methods Developed



150000+
Regulatory
Submissions



300+
Safety Consulting
Engagements



40+
Successful GCP &
Non-GCP Audits



120+
Companies are
Members of NETS

Conducted Clinical Trials for the
1st Stem Cell Product
in the Indian Market

Conducted
8% of All Biosimilars Trials
in India in 2018

Submitted
6% of Total Regulatory
Submissions to
USFDA 2012-2018

THANK YOU

www.takesolutions.com

For more details, please contact:
investorrelations@takesolutions.com

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