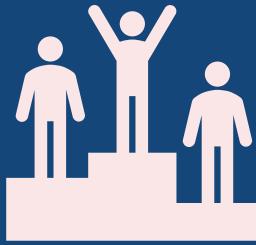




# Earnings Release

*Quarter and Year Ended March 31, 2019*

# Strategic Objective



## TAKE Solutions aspires to be 500M by 2021

We leverage our unique blend of a full-service CRO and a technology-led life sciences services provider with expertise in analytics and data sciences, through platform-driven full-service Clinical, Regulatory and Safety solutions and services, to enable companies to bring life-saving drugs to market quickly and effectively



Grow & strengthen  
Regulatory and  
Safety/PV businesses



Develop and expand  
Clinical vertical  
as a critical growth  
engine



Achieve greater  
operating  
efficiency

## Key Tenets

To achieve our **Life Sciences Growth Strategy**



Expansion of  
addressable market



Investment in  
talent, technology,  
IP & platforms



Investing in  
competencies and  
infrastructure  
worldwide



Creation of sustainable, long-term shareholder returns



## Expansion of addressable market

Moved from Technology provider to platform-driven CRO

### Technology Company



+

2007

Onsphere  
Corporation,  
USA

### Technology-Enabled Services Organization

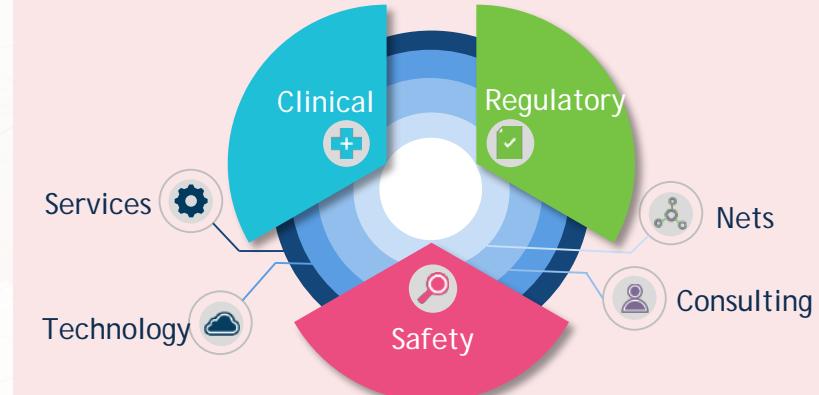


+

2011

wci  
WCI Consulting,  
UK

### Platform-driven CRO



+

2016

ECRON ACUNOVA  
Ecron Acunova,  
India

DataCeutics  
DataCeutics,  
USA

KAI RESEARCH  
KAI Research,  
USA



## Investment in Talent, Technology, IP & Platforms



PhDs, Doctors,  
Statisticians, & Scientists  
form a significant portion  
of the team



OneClinical our AI and  
analytics based clinical  
trials management  
platform has enabled  
25% cost reduction in  
running a trial

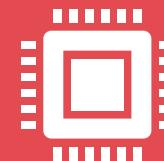
## Nurtured & Enhanced Domain Expertise and Tech Focus



50% of associates  
with 10+ years of  
experience  
in the industry



Developed over 260  
bioanalytical methods to  
determine the  
concentration of active  
ingredient in sample



8 unique  
technology IPs  
tailored for  
Life Sciences

OneClinical **pharmaREADY**  
**labelREADY** **affiliateREADY**  
**traceREADY** **safetyREADY**  
**rimREADY** **idmpREADY**



## Investing in Competencies & Infrastructure Worldwide

# Nurtured & Enhanced Domain Expertise and Tech Focus

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: Frankfurt, 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

# Our Impact

400+ Clinical Trials

1000+ Bioequivalence & Lab Studies

260+ Bioanalytical Methods Developed

120000+ Regulatory Submissions

300+ Safety Consulting Engagements

40+ Successful GCP & Non-GCP Audits

10 Unique Proprietary Industry Networks

120+ Members for Industry Networks

5 Successful Global Life Sciences Acquisitions

# Behind the scenes of our Inorganic Growth Engine



Life Sciences M&A marketplace remains robust



TAKE constantly evaluates opportunities for inorganic growth



Sharp focus on international opportunities



*Our M&A targets are selected basis the following guidelines:*

*Complement our existing capabilities • Are earnings accretive • Have over 75% of revenue as recurring revenue • Expand our sales reach, and augment our customer base • Have the ability to expand the EBITDA by 500 bps over 2 years • Deals are structured with earnouts*

# Life Sciences Outsourcing Industry Growth & Outlook

2021 Projected growth to **USD 43.9B at 6.06% CAGR**



Life Sciences  
Outsourcing  
**USD 36.8 Bn**  
(2018)

Life Sciences  
Outsourcing  
**USD 38.8 Bn**  
(2019)  
5.43%  
Growth Y-o-Y

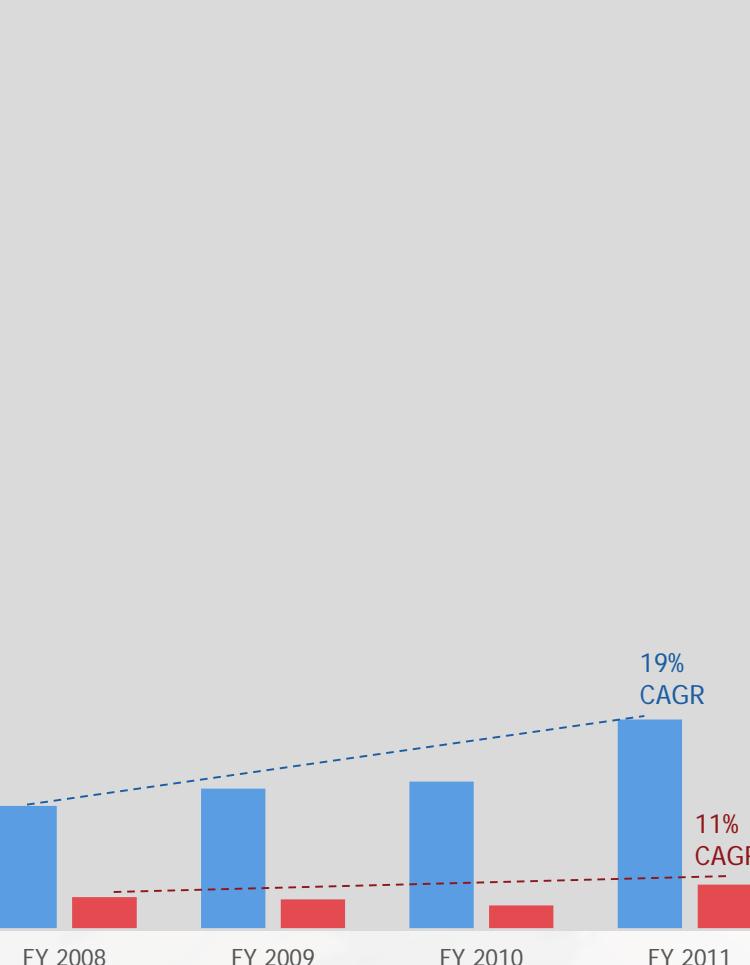
Life Sciences  
Outsourcing  
**USD 41.1 Bn**  
(2020)

Life Sciences  
Outsourcing  
**USD 43.9 Bn**  
(2021)

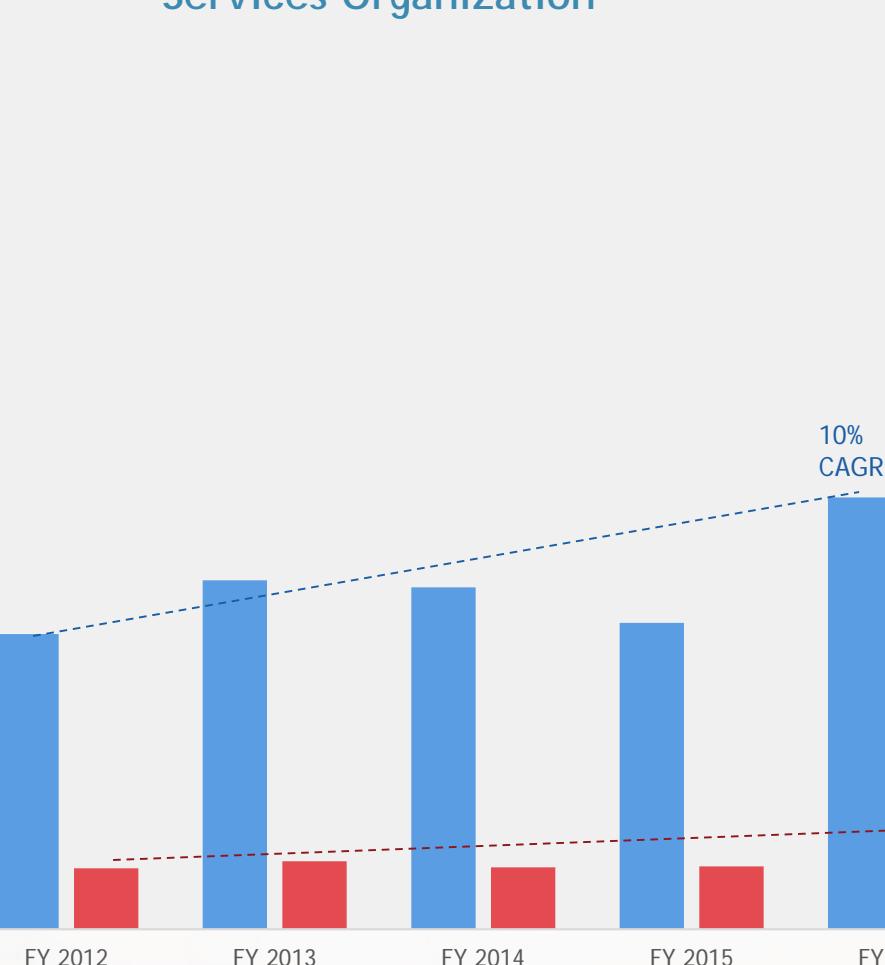
# TAKE Solutions' Growth Journey

Steadily shifted focus to Life Sciences to **drive growth**

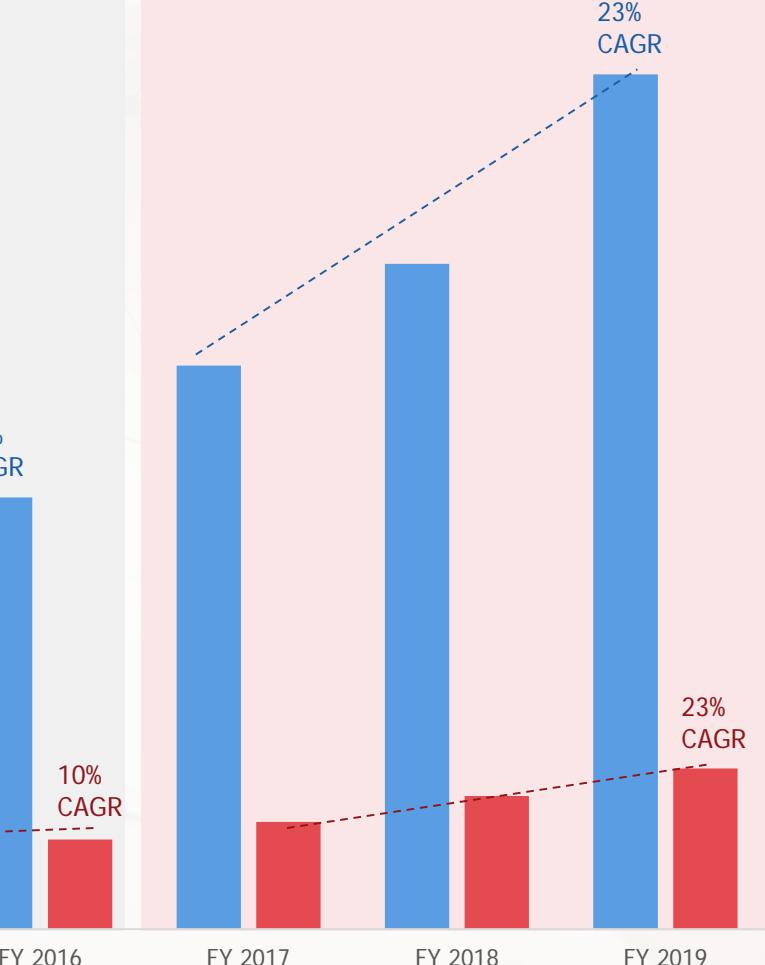
Technology Company



Technology-Enabled  
Services Organization



Platform-driven CRO



# Annual Performance



Q4 FY19

**69.93**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q3 FY19

**72.02**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q4 FY18

**64.54**  
Period Average Rate  
**65.07**  
Period Closing Rate

## Operating Revenue (INR Millions)



## Operating Revenue (USD Millions)



## Operating EBITDA (INR Millions)



## Operating EBITDA (USD Millions)



*Significant one-time expenses to the tune of USD 4.83 Mn were provided for/incurred in the financial year. While USD 1.73 Mn was provided for on account of our European restructuring, around USD 2.00 Mn was the transaction costs incurred for the recently concluded acquisitions. We had also provided for forex adjustments to the extent of USD 1.10 Mn.*

# Annual Performance



Q4 FY19

**69.93**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q3 FY19

**72.02**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q4 FY18

**64.54**  
Period Average Rate  
**65.07**  
Period Closing Rate

In INR Mn

PARTICULARS	FY19- Reported	%	FY19- Adjusted	%
Operating EBITDA	3,834.61	18.81%	4,172.35	20.46%
EBITDA	3,942.10	19.23%	4,279.84	20.88%
PBT	2,156.90	10.52%	2,494.64	12.17%
PAT	1,783.93	8.70%	2,063.27	10.07%



*We continue to maintain a robust EBITDA margin of over 20%, the company has benefitted from sale of the SCM vertical which was low on EBITDA. However, the Effective Tax Rate has gone up from 14.96% to 17.29%.*

# Annual Profitability



Q4 FY19

**69.93**

Period Average Rate

**69.57**

Period Closing Rate

Q3 FY19

**72.02**

Period Average Rate

**69.57**

Period Closing Rate

Q4 FY18

**64.54**

Period Average Rate

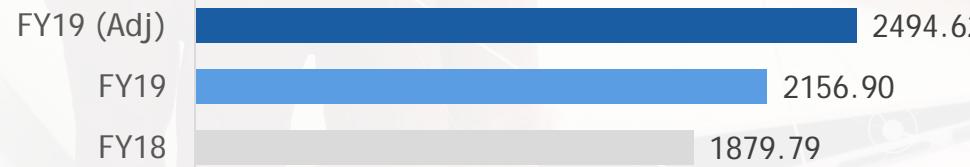
**65.07**

Period Closing Rate

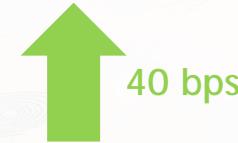
FY19 - PBT(INR) (Adj)  
**INR 2,494.62 Mn**



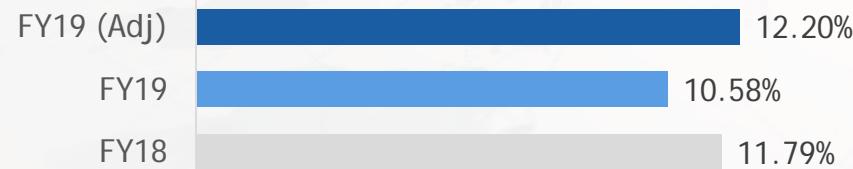
33.0%



FY19 - PBT Margin (Adj)  
**12.2%**



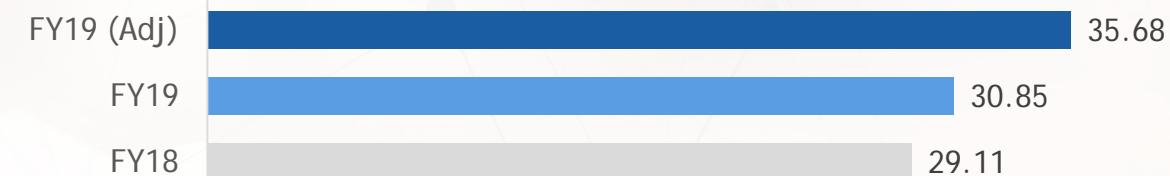
40 bps



FY19 - PBT (USD) (Adj)  
**USD 35.68 Mn**



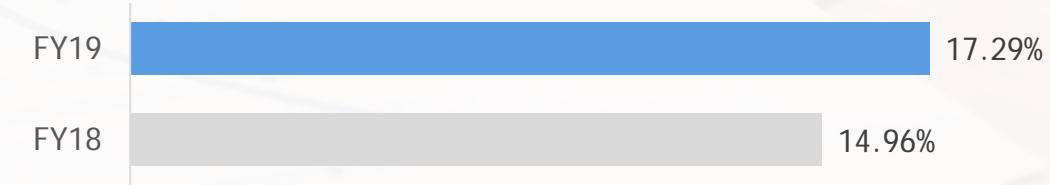
22.6%



FY19 - Tax Rate  
**17.29%**

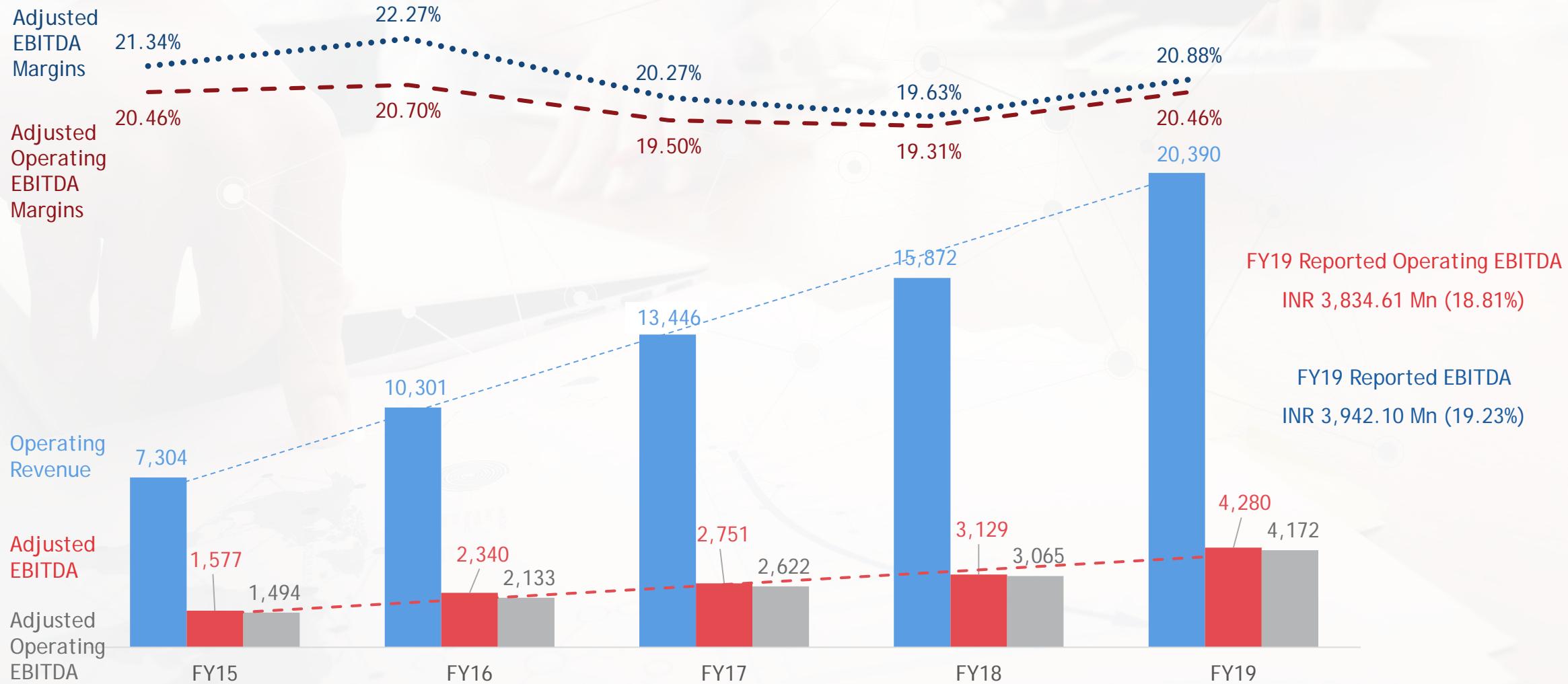


233 bps



# Financial Growth

## *Delivering Growth with Healthy Margins*



All figures in INR Millions

## Further consolidation of our **Life Sciences Strategy**



### Expansion of addressable market

- Augmented Clinical Data Services offerings through acquisition of high-end data sciences company DataCeutics
- Expanded CRO operations in USA by acquiring US-based CRO KAI Research



### Investment in talent, technology, IP & platforms

- Added 6 senior leaders to the global team
- Enhanced 3 technology IPs including pharmaREADY, and traceREADY
- Built up further capabilities to OneClinical our eClinical platform
- Developed 16 bioanalytical methods



### Investing in competencies and infrastructure

- Expanded capacity by moving to larger facilities in Princeton and Bangalore
- Inaugurated new dossier printing facility in Chennai

# Quarterly Performance

## Operating Revenue



Q4 FY19

**69.93**  
Period Average Rate**69.57**

Period Closing Rate

Q3 FY19

**72.02**  
Period Average Rate**69.57**

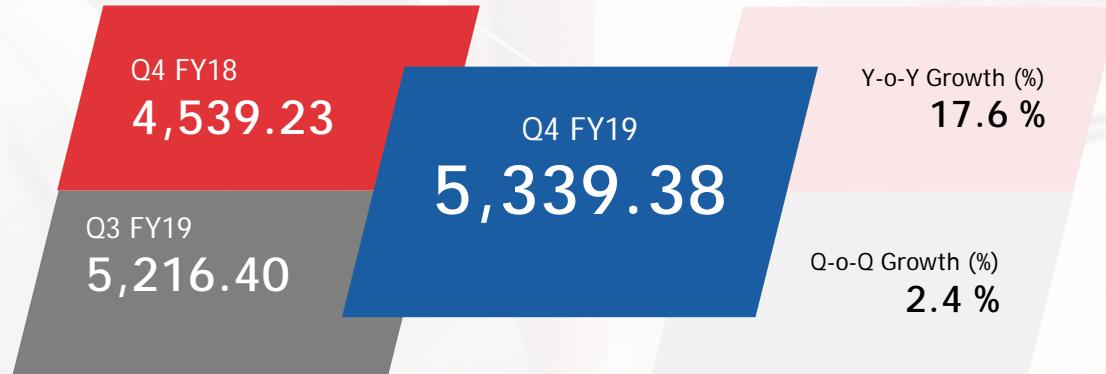
Period Closing Rate

Q4 FY18

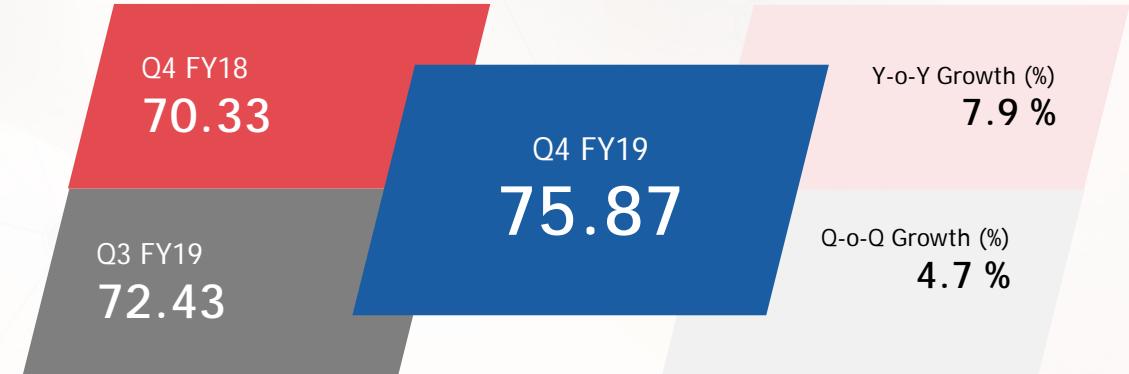
**64.54**  
Period Average Rate**65.07**

Period Closing Rate

### Operating Revenue (INR Millions)



### Operating Revenue (USD Millions)



*The Company has witnessed a significant movement in the last two quarters in the billing from US. The Indian Operations continue to support the business being originated from US geography.*

# Quarterly Performance

## Operating EBITDA



Dollar  
Rates

Q4 FY19

**69.93**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q3 FY19

**72.02**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q4 FY18

**64.54**  
Period Average Rate  
**65.07**  
Period Closing Rate

### Operating EBITDA (INR Millions)

Q4 FY18  
**905.12**

Q3 FY19  
**882.27**  
Q3 FY19 (Adj)  
**1,034.45**

Q4 FY19  
**810.69**  
Q4 FY19 (Adj)  
**996.24**

Y-o-Y Growth (%)  
**-10.4%**  
Y-o-Y Growth Adj (%)  
**10.2%**  
Q-o-Q Growth (%)  
**-8.1%**  
Q-o-Q Growth (Adj)  
**-3.7%**

### Operating EBITDA (USD Millions)

Q4 FY18  
**14.02**

Q3 FY19  
**12.25**  
Q3 FY19 (Adj)  
**14.35**

Q4 FY19  
**11.59**  
Q4 FY19 (Adj)  
**14.32**

Y-o-Y Growth (%)  
**-17.3%**  
Y-o-Y Growth Adj (%)  
**2.2%**  
Q-o-Q Growth (%)  
**-5.3%**  
Q-o-Q Growth (Adj)  
**-0.2%**



*Significant one-time expenses to the tune of USD 4.83 Mn were provided for/incurred in Q3 and Q4 of FY19. While USD 1.73 Mn was provided for on account of our European restructuring, around USD 1.00 Mn was the transaction costs incurred for the recently concluded acquisitions in Q4 FY19. We had also provided for forex adjustments to the extent of USD 1.10 Mn and had incurred around USD 1.00 Mn by way of transaction costs for the M&A activity in Q3 FY19.*

# Quarterly Profitability



Q4 FY19

**69.93**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q3 FY19

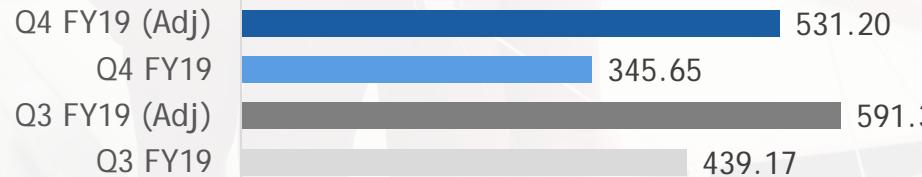
**72.02**  
Period Average Rate  
**69.57**  
Period Closing Rate

Q4 FY18

**64.54**  
Period Average Rate  
**65.07**  
Period Closing Rate

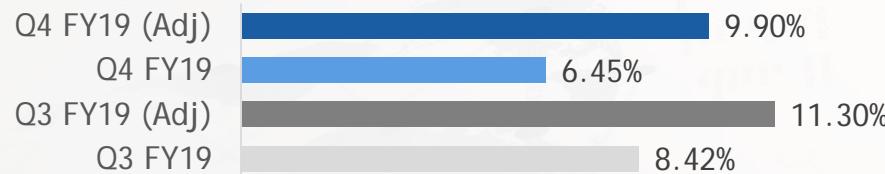
Q4 FY19 - PBT(INR) (Adj)  
**INR 531.20 Mn**

**-10.2%**



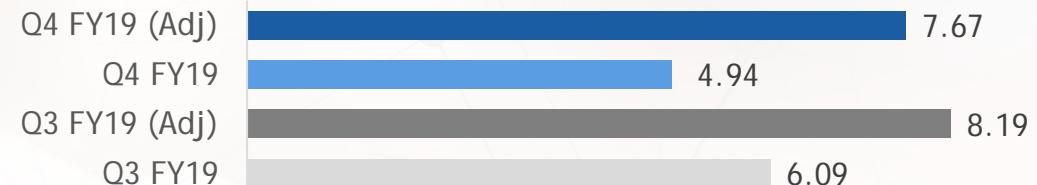
Q4 FY19 - PBT Margin (Adj)  
**9.9%**

**139 bps**



Q4 FY19 - PBT (USD) (Adj)  
**USD 7.67 Mn**

**6.4%**



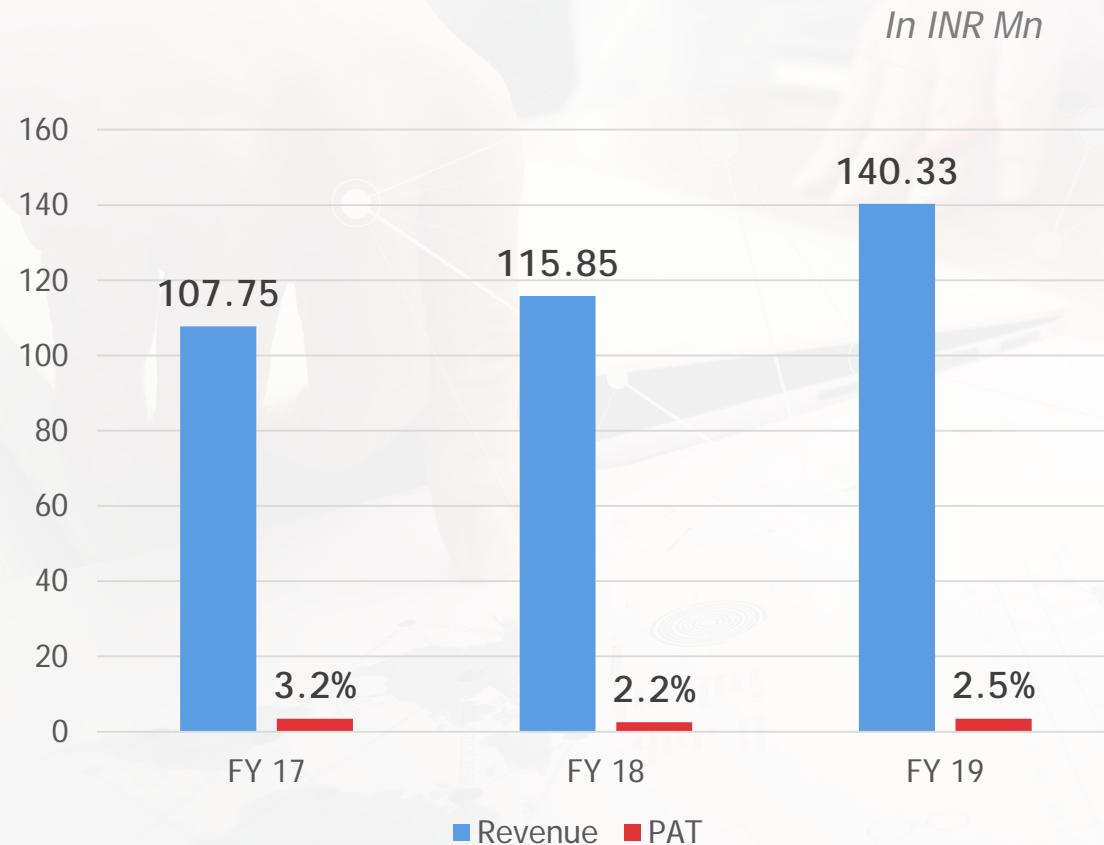
Q4 FY19 - Tax Rate  
**21.7%**

**451 bps**



# Supply Chain Business Profitability

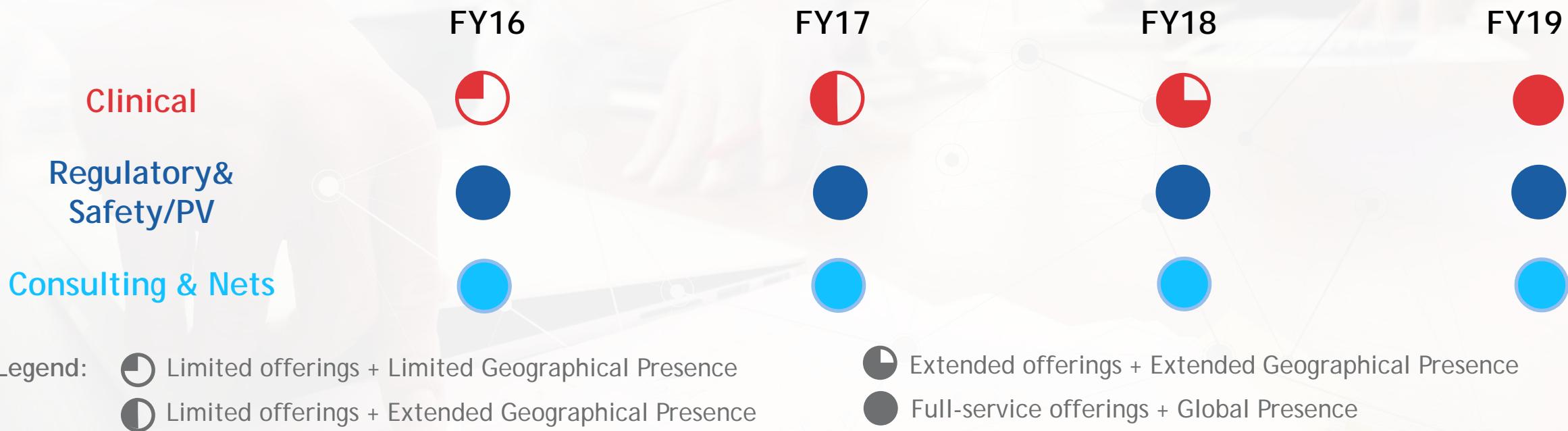
*Achieving consistent profits*



APA Engineering is a subsidiary of TAKE Solutions, operating in the Supply Chain Management Space, covering Engineering, Sourcing, Compliance and Technology domains with a Global Delivery Model to increasingly drive competitive advantage to the customers. It is a fast growing company that offers a complete range of source to pay solutions.

## Increasing the Share Of Our Clinical Business

## Ramping up our Global Clinical Trials Capabilities

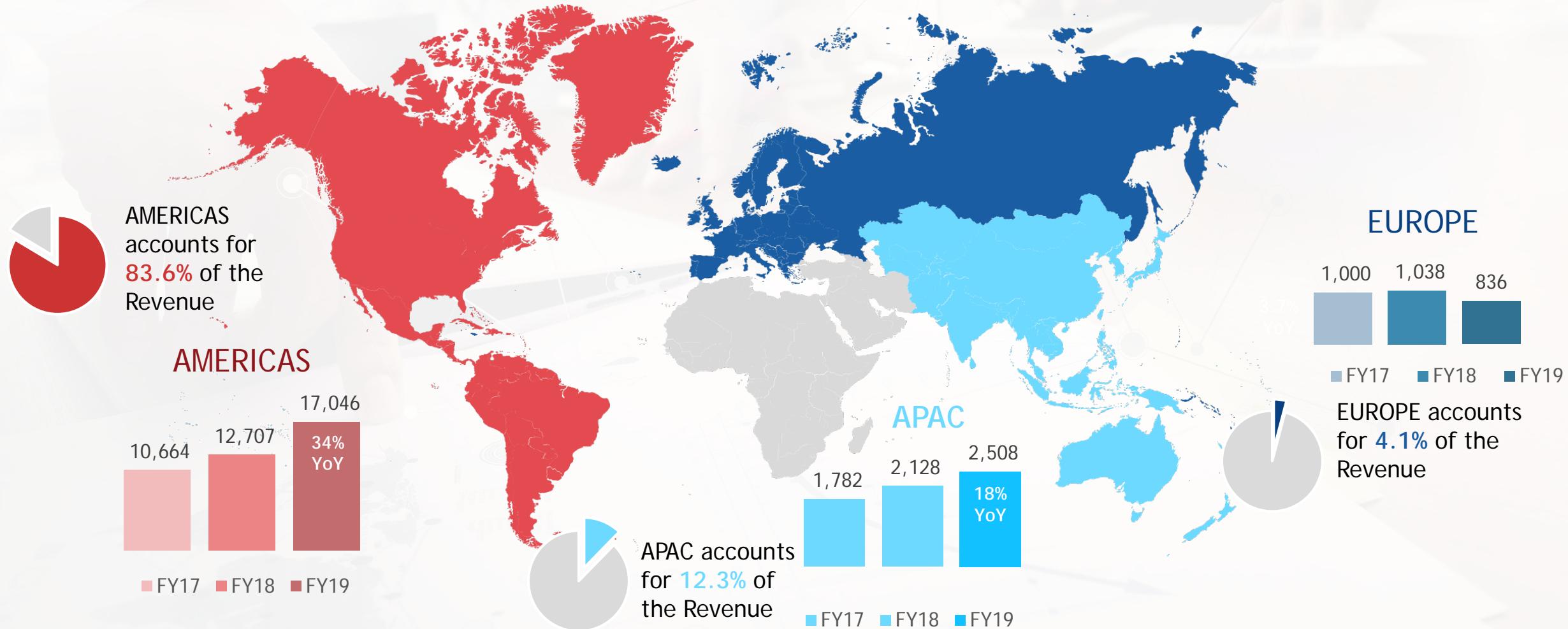


*Our comprehensive offerings include*

*Full-service Clinical Trials, Biologics & Biosimilars Studies, Medical Imaging Services, Non-Interventional Studies, Bioavailability & Bioequivalence Studies, Clinical Data Services, OneClinical eClinical platform, End-to-end Regulatory Services (including Submissions & Publishing, Labeling & Artwork, and License Maintenance), pharmaREADY suite, traceREADY suite, End-to-End PV Services, Safety Risk Management, Adverse Event Reporting, Regulatory Information Management Consulting & Implementation, Signal Management, Benefit Risk Governance, pvnet, pvconnect, labelNet, pvinIndia*

## LS Revenue Across Geographies

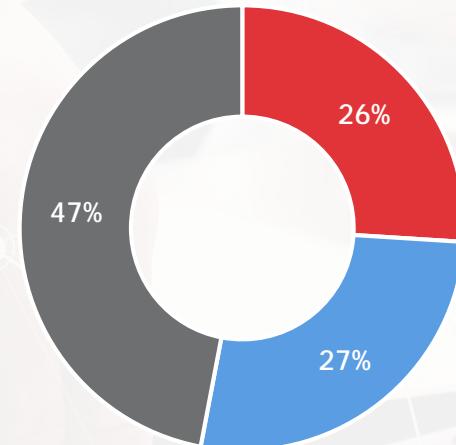
*Significant increase in  
AMERICAS and APAC footprint*



**AMERICA's** revenue dominance continues

## Cost of Revenue Manpower

*Qualified professional workforce across the globe*



LS & Technology Domain Experts  
Engineering and Management Professionals  
Other Competencies

*We are dependent on highly skilled manpower and with a global presence  
The availability of the right resources has not been a challenge*



AMERICAS

FY 19 **470** employees

FY 18 **345** employees



EUROPE

FY 19 **134** employees

FY 18 **195** employees

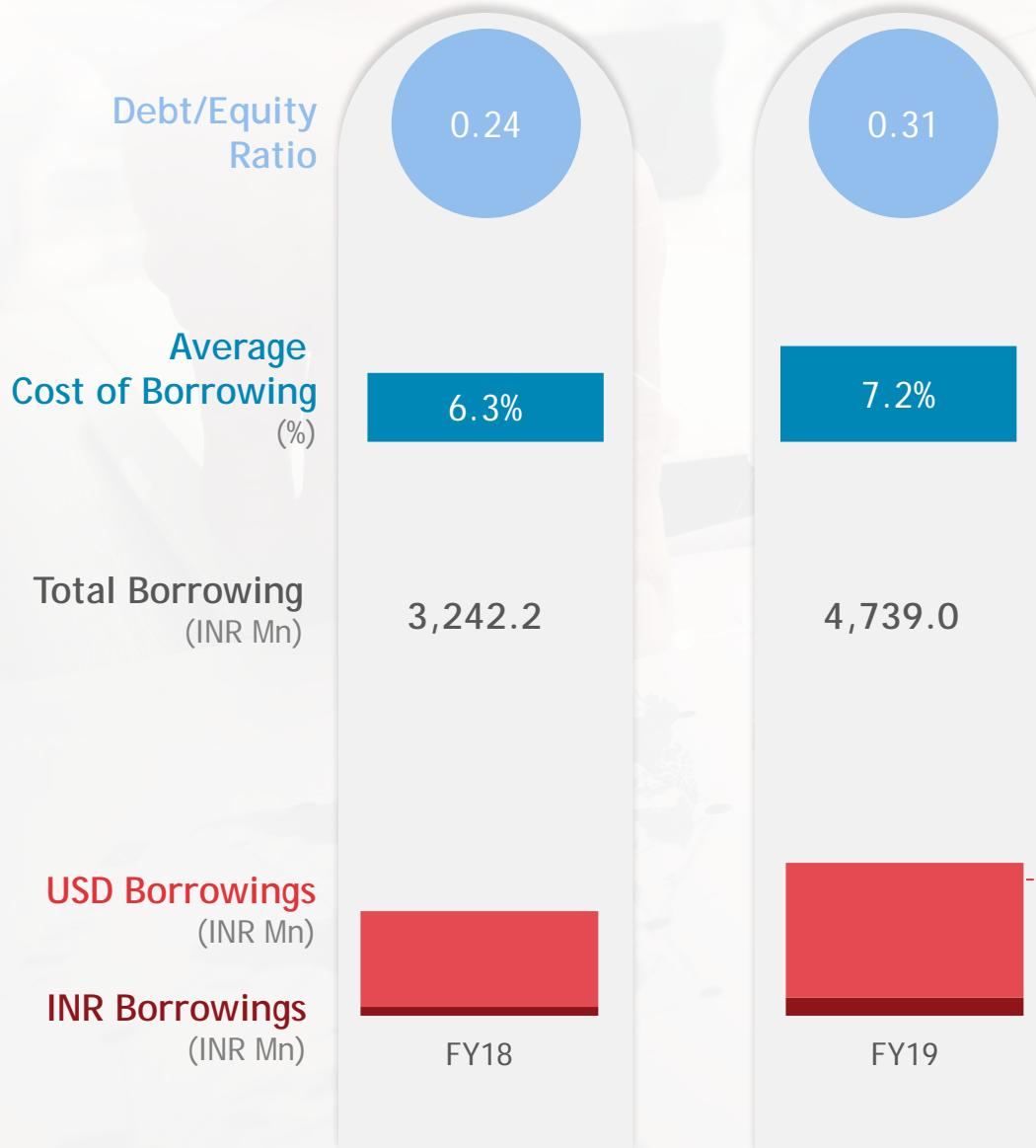


APAC

FY 19 **991** employees

FY 18 **960** employees

## Borrowings



## Optimal Debt-Equity Mix!

The company's steady growth has opened up a healthy credit line, which is being appropriately availed as required. While the company has around **INR 575.59 Mn of Capex Funding** as on 31<sup>st</sup> March 2019, it has close to **INR 4,163.40 Mn of Working Capital Funding** as on even date. While the group's borrowing has increased in overall numbers, the Debt-Equity Ratio continues to remain optimal at 0.31 as against 0.23 in FY 18.



*USD denominated borrowing is higher because more than 80% of our operating revenue is from the Americas*

## *Consistently investing in expanding infrastructure*

*Our capex policy, as a CRO, would be to **invest** in tangible assets **upfront** to increase earnings capacity in future. We would be keen to replace assets before they become obsolete and we would have a keen eye for any new technology coming up in the market.*

*Our key differentiator being specialized technology-backed services, we would also look at **stepping-up the investment in IPs**. We are also open for partnering with small-time entrepreneurial technology providers in the forthcoming financial year.*



# Group Structure



**3 Entities**  
in India

One holding company and two other operational entities. While Ecron Acunova has a clinical license and hence needs to continue as a separate legal entity, the other operational entity Navitas is operated from a Special Economic Zone, to avail tax and other export related benefits.



**2 Entities**  
in Singapore

One holding company and one operational company



**5 Entities**  
in US

All acquired through M&A and need to be retained for tax and other benefits. We are looking to optimize on the number of entities in the long run.



**4 Entities**  
in UK

All acquired through M&A and need to be retained for tax and other benefits. We are looking to optimize on the number of entities in the long run.

*In addition to the above, there are 11 entities in unique geographies, that are statutorily required for doing business in those countries.*

*Our SCM vertical APA Engineering consists of a holding company and 2 other subsidiaries.*

# Balance Sheet

In INR Mn

Balance Sheet Period ending	FY19	%	FY18	%
<b>Liabilities</b>				
Shareholders funds	15,274	65%	13,367	73%
Total outside borrowings	4,739	20%	3,078	17%
Other non- current liabilities	439	2%	376	2%
Current Liabilities & Provisions	2,887	12%	1,615	9%
<b>TOTAL LIABILITIES</b>	<b>23,339</b>	<b>100%</b>	<b>18,436</b>	<b>100%</b>
<b>Assets</b>				
<b>Non-Current Assets</b>				
Fixed Assets (Net)	11,326	49%	6,311	34%
Other Non-Current Assets	294	1%	348	2%
<b>Current Assets</b>				
Cash & Equivalents	696	3%	3,409	18%
Trade Receivables	5,254	23%	4,692	25%
Unbilled Receivables	1,779	8%	629	3%
Other Current Assets	3,990	17%	3,048	17%
<b>TOTAL ASSETS</b>	<b>23,339</b>	<b>100%</b>	<b>18,436</b>	<b>100%</b>

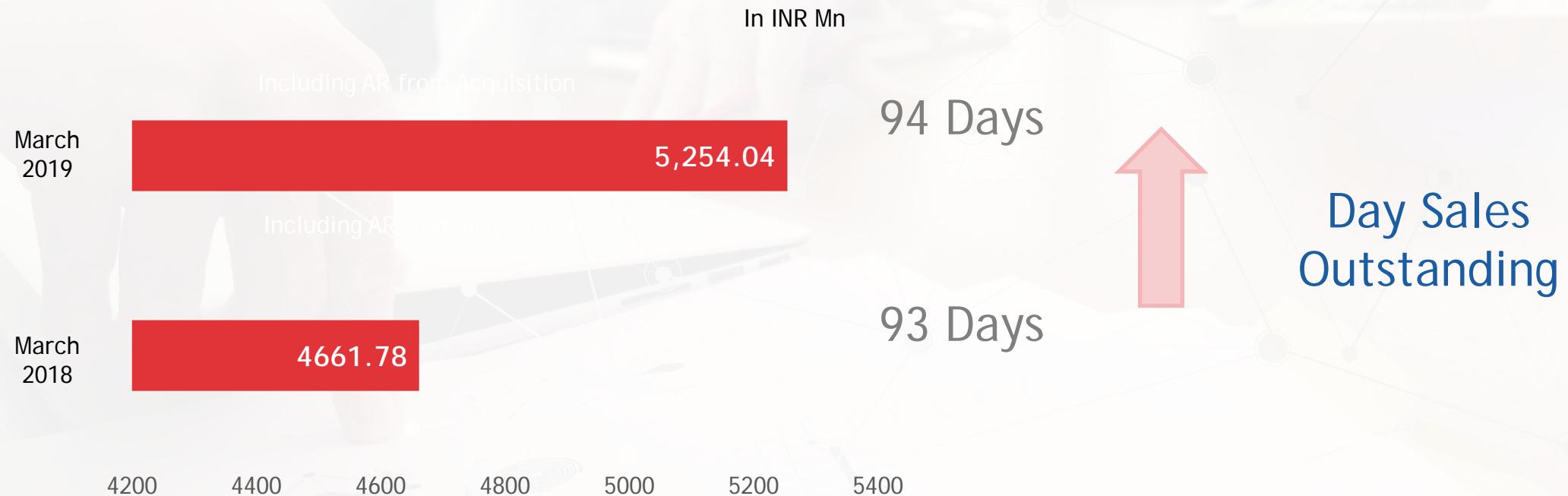
Balance Sheet Period ending (INR Mn)	FY19	%	FY18	%
<b>Fixed Assets (Net)</b>				
Tangibles	2,652	23.4%	2,135	33.8%
Intangibles	990	8.7%	1,016	16.1%
Goodwill on Consolidation	2,315	20.4%	2,396	38.0%
Goodwill on Acquisition	5,369	47.4%	764	12.1%
<b>TOTAL</b>	<b>11,326</b>	<b>100.0%</b>	<b>6,311</b>	<b>100.0%</b>

# Cash Flow

In INR Mn

PARTICULARS	FY 19
Profit Before Tax	2,56.89
Add: Non-Cash & Non-Operating Items	1,734.70
Less: Changes in Working Capital	(1.901.06)
<b>Cash Flow from Operating Activities</b>	<b>1,990.54</b>
Investments by way of M&A	(2,000.21)
Capex & Other Investments	(3,617.69)
<b>Cash Flow from Investing Activities</b>	<b>(5,617.90)</b>
<b>Cash Flow from Financing Activities</b>	<b>992.64</b>
Net Cash Flow generated during the year	(2,634.72)
Add: Opening Cash Balance	3,408.65
<b>Closing Cash Balance</b>	<b>773.93</b>

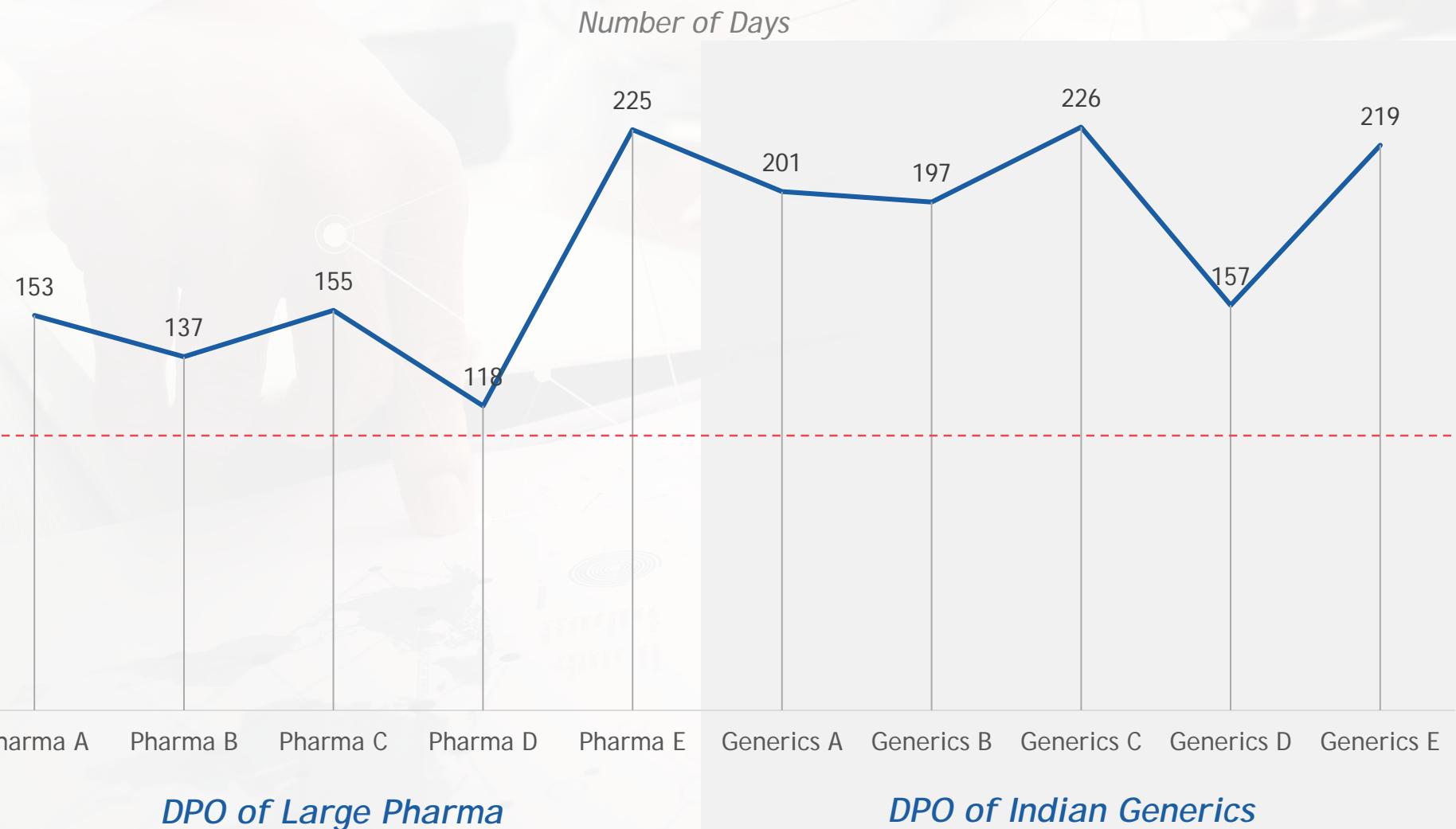
## Trade Receivables



The Trade Receivables balance as on March 31<sup>st</sup> 2019 stands at INR 5,254.04 Mn as against INR 4,661.78 Mn as at March 31<sup>st</sup> 2018. The Day Sales Outstanding has also gone remained steady at **94 days** as at March 31<sup>st</sup> 2019, which is a **1 Days' Increase** from March 31<sup>st</sup> 2018.

## DSO Benchmark

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

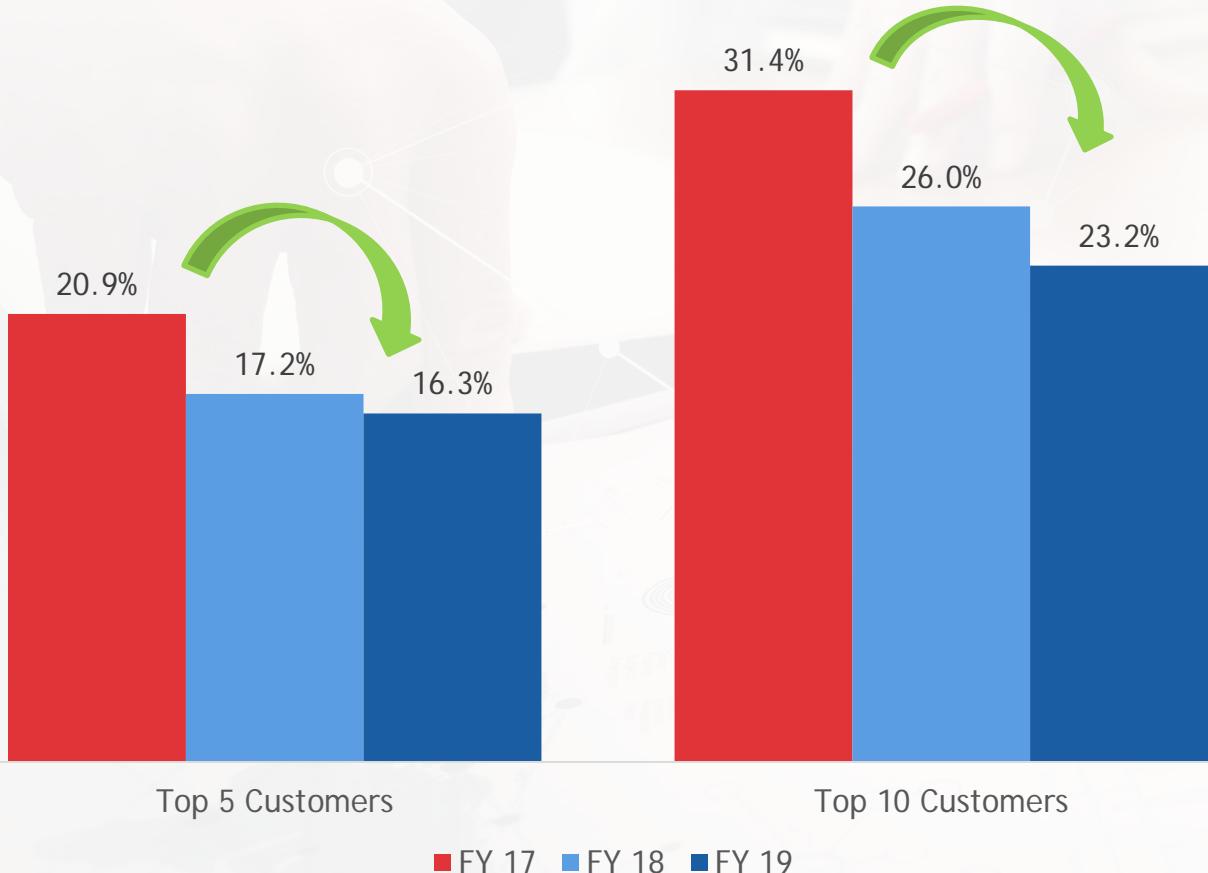


All Data is based on latest published information



## Diversifying Customer Base

*Reduced dependency on Top Customers*



TAKE has **Widened** its **Customer Base** over the financial year, thereby reducing the dependency on top customers, without having to lose any of its large accounts. This is also on account of TAKE's **Penetration Into Market** comprising small and medium size players.

# Shareholding Pattern

Investor Category	31 <sup>st</sup> Mar 19	31 <sup>st</sup> Mar 18	31 <sup>st</sup> Mar 17	31 <sup>st</sup> Mar 16	31 <sup>st</sup> Mar 15
Promoters	66.9%	66.8%	63.1%	68.7%	68.4%
FII	11.8%	13.1%	14.1%	4.3%	0.6%
Mutual Funds & Financial Institutions	1.9%	1.6%	2.2%	2.2%	0.7%
Trusts	1.6%	1.7%	1.7%	2.2%	2.3%
Bodies Corporate	6.7%	6.4%	8.8%	11.5%	16.5%
Others	11.1%	10.3%	10.1%	11.1%	11.6%
Total	100%	100%	100%	100%	100%

We are India's only listed CRO. We had earlier listed ourselves in the Indian Stock Exchanges as a Information Technology company. However, since our focus has now shifted to the Life Sciences vertical, we are reclassifying ourselves as belonging to the Pharmaceutical Industry. The new categorization, once made effective, will help the investors, regulators and the Industry in understanding the Company and it's performance in a better manner.

## Key Management Additions during the Year



*Consistently Strengthening  
Leadership for  
sustainability and  
profitability!*

# Financial Snapshot

## 5 Year Movement of Financials

In USD Mn

	FY19	FY18	FY17	FY16	FY15
Income from Operations	291.60	245.93	200.23	157.25	119.39
Adjusted Operating EBITDA	59.67	48.48	40.97	35.73	25.77
Adjusted Profit Before Tax	35.68	29.13	24.58	22.13	13.95
Profit After Tax	25.51	24.77	21.77	19.06	13.06
Share Capital	2.11	2.24	2.02	1.81	1.91
Borrowings	68.12	47.32	33.99	47.88	25.39
Fixed Assets (includes Goodwill)	162.80	96.99	88.60	82.32	59.86
Trade Receivables	75.52	72.10	67.24	45.47	38.37
Cash & Cash Equivalents	10.01	52.38	16.97	19.29	19.84
Other Current Assets	82.92	56.50	35.88	29.65	25.52
Trade Payables	2.02	7.57	7.07	7.56	6.71
Other Current Liabilities	40.34	56.16	44.64	58.25	43.65
Net Working Capital	101.38	117.25	68.36	28.60	33.37

# Vision 2021

To be a USD \$500 Million  
Life Sciences R&D Specialist

*We are on track to achieve our 5 Year Vision*



# *Earnings Conference Call Represented By*

**Srinivasan H.R.**  
Vice Chairman and  
Managing Director

**D.V.Ravi**  
Director

**Ram Yeleswarapu**  
President and CEO

**Subhasri Sriram**  
CFO and Executive  
Director

**Shobana N S**  
Executive Director

The teleconference will be moderated by  
**Kuldeep Kaul & Hardik Sangani**, ICICI Securities Limited

## Conference Call Details

**Time: 4:00 pm (IST) | Date: May 16, 2019** Please dial the below number at least 5-10 minutes prior to the conference schedule to ensure that you are connected to the call in time.

Local Access Number: +91 70 4567 1221

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