



Jubilant Pharmova Limited
1A, Sector 16A, Noida – 201301, India
Tel.: +91 120 4361000
www.jubilantpharmova.com

PRESS RELEASE

Noida, Friday, October 22, 2021

JUBILANT PHARMOVA – Q2’& H1’FY22 RESULTS

Particulars^{1,2}	Q2’FY21	Q2’FY22	H1’ FY21	H1’ FY22
Total Revenue from Operations	1,591	1,657	2,747	3,292
Reported EBITDA	353	344	536	723
Reported EBITDA margin (%)	22.2%	20.8%	19.5%	22.0%
Profit After Tax	147	143	182	303
PAT margin (%)	9.2%	8.6%	6.6%	9.2%
EPS (Rs)	9.21	8.97	11.44	19.06

The Board of Jubilant Pharmova Limited met today to approve financial results for the quarter ended September 30, 2021.

Commenting on Company’s performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Pharmova said:

“The Company reported 4% topline growth during the quarter driven by steady revenues in the Pharmaceuticals segment and robust growth in the Contract Research and Development Services (CRDS) segment. In the Pharmaceuticals segment, while Radiopharma, Allergy and CMO businesses reported growth on a YoY basis, the API business’ performance was lower on a higher base last year and Generics business witnessed headwinds due to temporary pricing pressure in the US market. The Generics business was also affected during the quarter by the Import Alert at the Roorkee plant and by impact of the Industry wide impurity issue in certain sartan products that led to lower sales and some product withdrawal.

In our Contract Research and Development Services business, we witnessed strong growth both YoY and sequentially driven by continued strong demand from our customers for our Drug Discovery Services.

In the Proprietary Novel Drugs business, our plans are on track to take one program to the clinical stage by end of this financial year.

During H1’FY22, we grew our revenues by 20% YoY and improved our EBITDA margins by 2.44% vs. H1’FY21 due to recovery in Radiopharma business and strong performance in Allergy Immunotherapy, CMO, API and Contract Research businesses.

I would like to mention that over the medium term, we have very strong growth levers in all our businesses. To drive growth in these businesses, Company will continue to invest accordingly.”

1. All figures are in Rs Crore unless otherwise stated
2. Q2’FY21 and H1’FY21 financials include only continuing business



Q2'FY22 Highlights

A. Consolidated financials

- Revenue was at Rs 1,657 Crore versus Rs 1,591 Crore in Q2'FY21
- Reported EBITDA at Rs 344 Crore versus Rs 353 Crore in Q2'FY21
- Finance costs at Rs 35 Crore vs. Rs 46 Crore in Q2'FY21
- PAT was at Rs 143 Crore as compared with Rs 147 Crore in Q2'FY21
- EPS is Rs 8.97 versus Rs 9.21 in Q2'FY21
- Capital expenditure for the quarter was Rs 131 Crore

Segment Wise Analysis

B. Pharmaceuticals Segment

Particulars ^{1,2}	Q2'FY21	Q2'FY22	YoY (%)
Revenue	1,516	1,543	2%
Specialty Pharma	585	651	11%
CDMO	506	562	11%
Generics	425	330	(22%)
Reported EBITDA	343	324	(5%)
Reported EBITDA Margin (%)	22.6%	21.0%	

- Radiopharma business witnessed improvement in sales YoY, however pace of recovery during the quarter was affected by increase in COVID-19 cases in the US
 - We continue to maintain majority market share
 - Ruby-Fill installations during the quarter was affected by the higher COVID-19 cases in the US. Doubling of RUBY-FILL manufacturing capacity complete, which will enable continued growth in Rb-82 market.
 - NDA for I131 MIBG clinical trials both for phase II and phase III is progressing satisfactorily.
 - Radiopharmacy business witnessed steady performance YoY, however volumes impacted during the quarter due to COVID-19. Turnaround plan is on track with positive outcome over the last two quarters
- Allergy Immunotherapy reported robust performance both YoY and sequentially with strong recovery from COVID-19 backed by healthy growth in revenues resulting from volumes higher than pre COVID levels
- CMO business revenue grew YoY based on continued strong demand from customers as well as due to COVID related deals
- Performance of API business was lower year-on-year due to higher base last year but sequentially witnessed strong growth with stable margins
- Generics business performance adversely affected due to the following
 - Pricing pressure in the US market
 - Lower volumes due to import alert at Roorkee plant
 - Industry wide impurity issue in certain sartan products that affected performance as a result of voluntary withdrawals



- This was partly offset by higher remdesivir sales
- With regards to Roorkee import alert, our remediation activities are ongoing as per plan and we expect to complete the same early next CY.

C. Contract Research and Development Services Segment

Particulars	Q2'FY21	Q2'FY22	YoY (%)
Revenue	75	108	44%
Reported EBITDA	21	35	73%
Reported EBITDA Margin (%)	27.4%	32.9%	

- Revenue at Rs 108 Crore increased by 44% YoY led by robust volume growth
 - Higher demand from biotech companies for integrated services, functional chemistry and DMPK, Discovery Biology and Clinical trial data management support through Trial stat, Canada.
 - Continue to witness strong demand conditions in this business
- Reported EBITDA at Rs 35 Crore vs. Rs 21 Crore in Q2'FY21 with a margin of 32.9% vs. 27.4% in Q2'FY21

H1'FY22 Highlights

D. Consolidated financials

- Revenue was Rs 3,292 Crore versus Rs 2,747 Crore in H1'FY21
- Reported EBITDA at Rs 723 Crore versus Rs 536 Crore in H1'FY21
- Finance costs at Rs 69 Crore vs. Rs 94 Crore in H1'FY21
- Average blended interest rate for H1'FY22 stood at 4.62%
- PAT was at Rs 303 Crore as compared with Rs 182 Crore in H1'FY21
- EPS is Rs 19.06 versus Rs 11.44 in H1'FY21
- Capital expenditure for the period was Rs 238 Crore

Segment Wise Analysis

E. Pharmaceuticals Segment

Particulars	H1' FY21	H1' FY22	YoY (%)
Revenue	2,612	3,085	18%
Specialty Pharma	1,119	1,284	15%
CDMO	786	1,036	32%
Generics	707	765	8%
Reported EBITDA	521	686	32%
Reported EBITDA Margin (%)	20.0%	22.2%	

- Pharmaceuticals revenue at Rs 3,085 Crore vs. Rs 2,612 Crore in H1'FY21



- Pharmaceuticals EBITDA at Rs 686 Crore vs. Rs 521 Crore in H1'FY21. EBITDA margin of 22.2% as compared to 20% in H1'FY21
- Radiopharma business saw recovery in H1'FY21. With COVID-19 cases coming down, we expect this trend to continue
- Radiopharmacy business came close to pre-COVID levels with pick up in nuclear medicine procedures in Q1'FY22 but was again impacted by COVID-19 in Q2'FY22. Turnaround plan is on track
- Allergy Immunotherapy reported robust performance with strong recovery from COVID-19 backed by healthy growth in revenues resulting from volumes higher than pre COVID levels
- Growth in CMO business led by strong demand witnessed from customers as we leveraged our capabilities to meet significant COVID-19 related demands
- API revenue higher with lower base as in Q1FY21 there was a production impact due to COVID-19
- Revenue growth was driven by higher sales of Remdesivir during the period. Impact of Import Alert and voluntary withdrawal of some sartan products in Q2'FY22 limited the revenue growth

F. Contract Research and Development Services Segment

Particulars	H1' FY21	H1' FY22	YoY (%)
Revenue	132	196	49%
Reported EBITDA	38	70	81%
Reported EBITDA Margin (%)	29.2%	35.6%	

- Revenue at Rs 196 Crore increased by 49% YoY led by robust volume growth
 - Higher demand from biotech companies for integrated services, functional chemistry and DMPK, Discovery Biology and Clinical trial data management support through Trial stat, Canada.
 - Continue to witness strong demand conditions in this business
- Reported EBITDA at Rs 70 Crore vs. Rs 38 Crore in Q2'FY21 with a margin of 35.6% vs. 29.2% in H1'FY21

Business Outlook

Pharma: In radiopharma, we continue to build a long term pipeline of radiopharmaceuticals and are executing a turnaround plan of radiopharmacies. Medium-long term outlook remains robust. Allergy business well placed to grow strongly with healthy margins over the medium term. We expect the CDMO segment to witness near term correction as COVID related product demand will shift as the pandemic subsides. We expect performance of Generics in current year to be impacted due to the import alert, pricing pressure in the US market and new industry wide impurity issue in sartans

Contract Research and Development Services (CRDS): The business will continue to grow especially with commissioning of the State of the art Greater Noida facility. We continue to evaluate further capex plans in this business given the strong demand climate

Investments and Growth: We are accelerating capacity expansions to create new capabilities by almost tripling the investment over previous year. We expect to incur capex of Rs 700-800 Crore in FY22 that includes expansion at Spokane site by 50% by end of CY 24 and enhancement of CRDS capabilities and capacities. In view of the strong demand from our customers, we have approved further expansion of the Greater Noida facility which will deliver both Chemistry and DMPK services



Proprietary Novel Drugs: We plan to take one drug candidate to Phase I clinical trials in H2'FY22. IND filings for additional programs expected in 2022. Efforts underway towards creating shareholder value through an external capital raise/ potential partnering with major global pharmaceutical companies.

Consolidated effective tax rate: ETR of Jubilant Pharmova Limited for H1'FY22 is 33.3%. The company's cash tax outflow is estimated to be at approximately 24% for the next three years based on the current tax structure in key geographies. After exhaustion of the MAT credit, the Company's effective tax rate is expected to come down to around 25% in three years' timeframe

Income Statement – Q2 & H1'FY22^{1,2}

Particulars ^{1,2}	Q2'FY21	Q2'FY22	YoY (%)	H1'FY21	H1'FY22	YoY (%)
Total Revenue from Continuing Operations						
Pharmaceuticals	1,516	1,543	2%	2,612	3,085	18%
Contract Research and Development Services	75	108	44%	132	196	49%
Proprietary Novel Drugs	0	2	-	4	2	-
Unallocable Corporate Income	0	5	-	0	10	-
Total Revenue	1,591	1,657	4%	2,747	3,292	20%
EBITDA from Continuing Operations						
Pharmaceuticals	343	324	(5%)	521	686	32%
Contract Research and Development Services	21	35	73%	38	70	81%
Proprietary Novel Drugs	1	-4	-	-1	-12	-
Unallocated Corporate (Expenses)/Income	-11	-12	-	-23	-21	-
Reported EBITDA	353	344	(3%)	536	723	35%
Depreciation and Amortization	85	100	17%	167	188	13%
Finance Cost	46	35	(25%)	94	69	(27%)
Profit / (Loss) from Associates	0	-1	-	0	-11	-
Profit before Tax	222	208	(6%)	275	455	65%
Tax Expenses (Net)	75	65	(13%)	93	151	63%
PAT	147	143	(3%)	182	303	66%
EPS	9.21	8.97	(3%)	11.44	19.06	67%
Margins						
Pharmaceuticals	22.6%	21.0%		20.0%	22.2%	
Contract Research and Development Services	27.4%	32.9%		29.2%	35.6%	
Reported EBITDA Margin	22.2%	20.8%		19.5%	22.0%	
Net Margin	9.2%	8.6%		6.6%	9.2%	

1. All figures are in Rs Crore unless otherwise stated
2. Q2'FY21 and H1'FY21 financials include only the continuing business

Earnings Call details

The company will host earnings call at 5.00 PM IST on October 22, 2021

Participants can dial-in on the numbers below

Primary Number: + 91 22 6280 1141 / + 91 22 7115 8042

Toll Free Numbers:

USA: 1 866 746 2133

UK: 0 808 101 1573

Singapore: 800 101 2045

Hong Kong: 800 964 448

Replay: October 22 to October 29, 2021

Dial-in: +91 22 7194 5757/ +91 22 6663 5757



Playback ID: 55416#

About Jubilant Pharmova Limited

Jubilant Pharmova Limited (formerly Jubilant Life Sciences Limited) is a company engaged in Pharmaceuticals, Contract Research and Development Services and Proprietary Novel Drugs businesses. Pharmaceuticals business through Jubilant Pharma Limited Singapore (JPL) is engaged in manufacturing and supply of Radiopharmaceuticals with a network of 48 radio-pharmacies in the US, Allergy Immunotherapy, Contract Manufacturing of Sterile Injectables and Non-sterile products, APIs and Solid Dosage Formulations through six manufacturing facilities that cater to all the regulated market including USA, Europe and other geographies. Jubilant Biosys Limited provides contract research and development services through two world class research centers in Bangalore and Noida in India. Jubilant Therapeutics is involved in Proprietary Novel Drugs business and is an innovative biopharmaceutical company developing breakthrough therapies in the area of oncology and auto-immune disorders. Jubilant Pharmova Limited has a team of over 6,000 multicultural people across the globe. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals companies globally. For more information, please visit: www.jubilantpharmova.com

For more information, please contact:

For Investors

Vineet V Mayer

Ph: +91 120 436 1103

E-mail: vineet.mayer@jubl.com

Siddharth Rangnekar | Karl Kolah
CDR India

Ph: +91 97699 19966 / 9833010478

E-mail: siddharth@cdr-india.com
karl@cdr-india.com

For Media

Sudhakar Safaya

Ph: +91-120 436 1062

E-mail: sudhakar.safaya@jubl.com

Clayton Dsouza

Madison Public Relations

E-mail: clayton.dsouza@madisonpr.in
Phone number: +91 9930011602

Disclaimer

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. Jubilant Pharmova may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and its reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.
