



JUBILANT
PHARMOVA

Financial Results

Quarter Ended September 30, 2021

Conference Call Details

Date : October 22, 2021

Time : 05:00 pm IST

Primary Number	+91 22 6280 1141 +91 22 7115 8042
Toll Free Number	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#

Chairmen's Message

Jubilant Pharmova Q2 and H1 FY22

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

Commenting on Company's performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Pharmova Limited 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 Results Analysis

Q2'FY22 Financial Highlights

Particulars ^{1,2}	Q2'FY21	Q2'FY22	YoY (%)
Revenue			
Pharmaceuticals	1,516	1,543	2%
Contract Research and Development Services	75	108	44%
Proprietary Novel Drugs	0	2	-
Unallocable Corporate Income	0	5	-
Total Revenue from Operations	1,591	1,657	4%
EBITDA			
Pharmaceuticals	343	324	-5%
Contract Research and Development Services	21	35	73%
Proprietary Novel Drugs	1	-4	-
Total EBITDA	364	356	-2%
Unallocated Corporate Expenses	-11	-12	
Reported EBITDA	353	344	-3%
Profit before Tax	222	208	-6%
Tax Expenses (Net)	75	65	-13%
PAT	147	143	-3%
EBITDA Margins			
Pharmaceuticals	22.6%	21.0%	
Contract Research and Development Services	27.4%	32.9%	
Reported EBITDA	22.2%	20.8%	
Net Margin	9.2%	8.6%	

Geography wise revenue

Particulars	Q2'FY21	Q2'FY22	YoY (%)
India	98	70	(29%)
North America	1,211	1,317	9%
Europe and Japan	156	110	(30%)
RoW	125	156	25%
Total	1,591	1,653	4%

- Revenue was at Rs 1,657 Crore versus Rs 1,591 Crore in Q2'FY21
 - Pharmaceuticals revenue at Rs 1,543 Crore as compared to Rs 1,516 Crore in Q2'FY21
 - Contract Research and Development Services witnessed strong growth with revenue at Rs 108 Crore as against Rs 75 Crore in Q2'FY21
- Reported EBITDA at Rs 344 Crore versus Rs 353 Crore in Q2'FY21
 - Pharmaceuticals EBITDA at Rs 324 Crore as against Rs 343 Crore in Q2'FY21 with margin of 21% as compared to 22.6% in Q2'FY21
 - Contract Research and Development Services EBITDA at Rs 35 Crore as compared to Rs 21 Crore in Q2'FY21; Q2'FY22 margin at 32.9% vs. 27.4% 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

1. All figures are in Rs Crore unless otherwise stated

2. Q2'FY21 financials include only continuing business

Pharmaceuticals Segment Highlights – Q2'FY22 (1/2)

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%	

Geography Wise Revenue

Particulars	Q2'FY21	Q2'FY22	YoY (%)
India	98	69	(29%)
North America	1,154	1,234	7%
Europe and Japan	144	92	(36%)
RoW	121	148	22%
Total	1,516	1,543	2%

- Pharmaceuticals revenue at Rs 1,543 Crore vs. Rs 1,516 Crore in Q2'FY21

Specialty Pharmaceuticals³

- 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

1. All figures are in Rs Crore unless otherwise stated

2. Q2'FY21 financials include only continuing business

3. Specialty Pharmaceuticals comprises Radiopharma and Allergy Immunotherapy (AIT) Products

Pharmaceuticals Segment Highlights – Q2'FY22 (2/2)

USFDA Inspection Details

Facility	Last Inspection
Montreal, Radiopharma	Sep, 2017
Montreal, CMO	May, 2018
Nanjangud	Dec, 2018
Salisbury	Feb, 2020
Roorkee	Mar, 2021
Spokane	Aug, 2021

Product Pipeline as on Sep 30, 2021

Dosage (Orals) (#)			
	Filings	Approved	Pending
US	98	61	37
Canada	24	23	1
Europe	37	34	3
ROW	42	40	2

Steriles (#)			
	Filings	Approved	Pending
US	17	13	4
Canada	18	18	0
Europe	2	2	0
ROW	11	10	1

CDMO¹

- 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

Generics²

- 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.

EBITDA

- EBITDA was recorded at Rs 324 Crore as compared with Rs 343 Crore in Q2'FY21. EBITDA margin of 21% as compared to 22.6% in Q2'FY21
- Lower profits in Pharma business due to the impact of Import alert and voluntary withdrawal of Losartan as a result of industry wide impurity issue

R&D

- R&D for the quarter is Rs 34 Crore – 2.2% of segment sales vs Rs. 40 Crore Q2 FY21 – 2.6% of segment sales

1. Contract Development and Manufacturing (CDMO) business comprises CMO and API businesses

2. Generics business refers to the company's solid dosage formulations business and the India Branded Pharmaceuticals business

Contract Research and Development Services – Q2'FY22

Particulars ^{1,2}	Q2'FY21	Q2'FY22	YoY (%)
Revenue	75	108	44%
Reported EBITDA	21	35	73%
Reported EBITDA Margin (%)	27.4%	32.9%	

Geography Wise Revenue

Particulars	Q2'FY21	Q2'FY22	YoY (%)
India	1	1	(39%)
North America	58	81	40%
Europe and Japan	12	19	50%
RoW	4	7	100%
Total	75	108	44%

- Contract Research and Development Services business through Jubilant Biosys Limited provides innovative and collaborative research and development services from world class research centers in Noida and Bangalore in India
- State of the art Greater Noida facility was commissioned in September 2021
- 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

1. All figures are in Rs Crore unless otherwise stated

2. Q2'FY21 financials include only continuing business

Jubilant Therapeutics: developing best-in-class precision therapies in oncology and autoimmune diseases



State-of-the-art Discovery Engine

Proven discovery engine with structure-based drug discovery expertise and a track record of partnerships with biotech and large pharma. Rapid discovery capabilities for first-in-class and validated but intractable targets in oncology & autoimmune diseases



Differentiated Pipeline

Novel first-in-class dual LSD1/HDAC6 inhibitor (JBI-802) with synergistic anti-tumor activity
Potential best-in-class PRMT5 inhibitor (JBI-778) with differentiated safety and exposure
Novel compounds targeting PAD4 (with potential first in class profile in tumor metastasis and autoimmune disorders) and PD-L1 (organ/tissue specific checkpoint therapy)



Multiple Near-Term Catalysts

Dual LSD1/HDAC6 IND submission by end of 2021 and phase I initiation in early 2022
Anticipating the submission of additional INDs by end of 2022



Experienced Leadership














Management Team, Board of Directors, and Scientific Advisory Board comprised of leading experts with decades of highly relevant experience in drug discovery and development



Premier Academic Collaborations

Multiple academic collaborations and partnerships with premier institutions including Wistar Institute, Boston Children's Hospital, Harvard Medical School and Tel Aviv University, Israel

Jubilant Therapeutics: Differentiated portfolio in oncology & autoimmune diseases

PROGRAM	INDICATIONS	HIT TO LEAD	LEAD OPTIMIZATION	PRE-CLINICAL (IND)	CLINICAL	NEXT MILESTONES	COMMERCIAL RIGHTS
JB1-802 LSD1/HDAC6 Dual Inhibitor	Neuroendocrine Tumors, SCLC, AML, MPN, MDS					IND 2H 2021	
JB1-778 PRMT5 Inhibitor	Glioblastoma, Brain Metastases, MCL					IND 2022	
JB1-1044 PAD4 Inhibitor	RA, HS, Vasculitis, Liver Metastases					IND 2022	
PD-L1 Inhibitor	Head & Neck, Brain Metastases, GI Track Cancers					IND 2022	
Discovery	Oncology						
Undisclosed Target	Oncology					Licensed to	
BRD4	Oncology						

H1'FY22 Results Analysis

H1'FY22 Financial Highlights

Particulars ^{1,2}	H1' FY21	H1' FY22	YoY (%)
Revenue			
Pharmaceuticals	2,612	3,085	18%
Contract Research and Development Services	132	196	49%
Proprietary Novel Drugs	4	2	-50%
Unallocable Corporate Income	-	10	-
Total Revenue from Operations	2,747	3,292	20%
EBITDA			
Pharmaceuticals	521	686	32%
Contract Research and Development Services	38	70	81%
Proprietary Novel Drugs	-1	-12	
Total EBITDA	559	744	33%
Unallocated Corporate Expenses	-23	-21	
Reported EBITDA	536	723	35%
Profit before Tax (After Exceptional Items)	275	455	65%
Tax Expenses (Net)	93	151	63%
PAT	182	303	66%
EBITDA Margins			
Pharmaceuticals	20.0%	22.2%	
Contract Research and Development Services	29.2%	35.6%	
Reported EBITDA	19.5%	22.0%	
Net Margin	6.6%	9.2%	

Geography wise revenue

Particulars	H1' FY21	H1' FY22	YoY (%)
India	115	229	99%
North America	2,218	2,602	17%
Europe and Japan	249	220	(11%)
RoW	166	231	39%
Total	2,747	3,282	19%

- Revenue was Rs 3,292 Crore versus Rs 2,747 Crore in H1'FY21
 - Pharmaceuticals revenue at Rs 3,085 Crore as compared to Rs 2,612 Crore in H1'FY21
 - Contract Research and Development Services witnessed strong growth with revenue at Rs 196 Crore as against Rs 132 Crore in H1'FY21
- Reported EBITDA at Rs 723 Crore versus Rs 536 Crore in H1'FY21
 - Pharmaceuticals EBITDA at Rs 686 Crore as against Rs 521 Crore in H1'FY21 with margin of 22.2% as compared to 20% in H1'FY21
 - Contract Research and Development Services EBITDA at Rs 70 Crore as compared to Rs 38 Crore in H1'FY21; H1'FY22 margin at 35.6% vs. 29.2% in H1'FY21
- Finance costs at Rs 69 Crore vs. Rs 94 Crore in H1'FY21
- Average blended interest rate for H1'FY22 improved to 4.62% from 5.17% in H1'FY21
- 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

1. All figures are in Rs Crore unless otherwise stated

2. H1'FY21 financials include only continuing business

Pharmaceuticals Segment Highlights – H1'FY22

Geography Wise Revenue

Particulars ^{1,2}	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%	

Particulars	H1' FY21	H1' FY22	YoY (%)
India	113	228	102%
North America	2,118	2,451	16%
Europe and Japan	222	185	(16%)
RoW	160	220	37%
Total	2,612	3,085	18%

- 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

Specialty Pharma

- 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

CDMO

- 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

Generics

- 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

1. All figures are in Rs Crore unless otherwise stated

2. H1'FY21 financials include only continuing business

Contract Research and Development Services – H1'FY22

Particulars ^{1,2}	H1' FY21	H1' FY22	YoY (%)
Revenue	132	196	49%
Reported EBITDA	38	70	81%
Reported EBITDA Margin (%)	29.2%	35.6%	

Geography Wise Revenue

Particulars	H1' FY21	H1' FY22	YoY (%)
India	2	1	(65%)
North America	96	149	54%
Europe and Japan	27	35	30%
RoW	6	11	91%
Total	132	196	49%

- Contract Research and Development Services business through Jubilant Biosys Limited provides innovative and collaborative research and development services from world class research centers in Noida and Bangalore in India
- 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

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

Debt Profile

Particulars ¹	31-03-21	30-06-21	30-09-21
Gross Debt			
Long Term	2,580	2,630	2,635
Short Term	20	0	91
Total	2,600	2,630	2,726
Cash & Equivalent	671	937	863
Net Debt (before Fx Adjustment)	1,928	1,694	1,863
QoQ Change		-235	169
Change in debt on account of Fx rate difference from 31-March, 2021		-43	-39
Net Debt (On a Constant Currency Basis)	1,928	1,651	1,823
QoQ Change		-277	173

- **Net Debt (constant currency) reduction of Rs 105 Crore in H1'FY22**
- **Average blended interest rate for H1'FY22 improved to 4.62% from 5.17% in H1'FY21**
- **Net Debt to EBITDA improved to 1.14x as on Sep 30, 2021 from 1.42x as on March 31, 2021**

- **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 rate is estimated to be at approximately 25% for the next three years based on the current tax structure in key geographies.

Appendix

Income Statement – Q2 & H1 FY22

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

For Investors:

Vineet V Mayer

Ph: +91 120 436 1103

E-mail: vineet.mayer@jubl.com

Siddharth Rangnekar

CDR India

Ph: +91 +91 9769919966

E-mail: siddharth@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

visit us at www.jubilantpharmova.com