



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

PRESS RELEASE

Noida, Friday, February 04, 2022

JUBILANT PHARMOVA – Q3’& 9M’FY22 RESULTS

Particulars ^{1,2}	Q3’FY21	Q3’FY22	9M’ FY21	9M’ FY22
Total Revenue from Operations	1,771	1,311	4,519	4,603
Reported EBITDA	496	200	1,033	923
Reported EBITDA margin (%)	28.0%	15.3%	22.9%	20.1%
Profit After Tax	219	51	401	354
PAT margin (%)	12.4%	3.9%	8.9%	7.7%
EPS (Rs)	13.75	3.20	25.19	22.26

The Board of Jubilant Pharmova Limited met today to approve financial results for the quarter ended December 31, 2021.

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’s performance during the quarter was affected by headwinds witnessed in Pharmaceuticals segment, which was partly mitigated by continued robust performance in the Contract Research and Development Services (CRDS) segment.

In the Pharmaceuticals segment, while the Radiopharma business witnessed improved performance, Generics business was affected by lower volumes due to Import Alert at Roorkee plant, latest sartan impurities issue and pricing pressure in the US generics market. Tapering of COVID related opportunities led to lower revenue and profitability in the CMO business. API business was affected due to lower volumes resulting from an unplanned plant shutdown during the quarter. Performance of API business expected to normalize in Q4’FY22.

In our Contract Research and Development Services business, we continue to witness strong growth on a YoY basis driven by robust demand from our customers for our Drug Discovery Services.

In the Proprietary Novel Drugs business, our lead program – LSD1/HDAC6 inhibitor has successfully received FDA clearance for IND filing and is on track for initiation of Phase 1 trials in Q4’FY22. Additional IND filings for pipeline programs to follow in FY 23.

I would like to mention that over the medium term, we have 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. Q3’FY21 and 9M’FY21 financials include only continuing business



Q3'FY22 Highlights

A. Consolidated financials

- Revenue was at Rs 1,311 Crore versus Rs 1,771 Crore in Q3'FY21
- Reported EBITDA at Rs 200 Crore versus Rs 496 Crore in Q3'FY21
- Finance costs at Rs 37 Crore vs. Rs 46 Crore in Q3'FY21
- Effective Tax Rate of 27.7% vs. 35.6% in Q3'FY21. Current quarter benefited from reversal of certain deferred tax liabilities.
- PAT was at Rs 51 Crore as compared with Rs 219 Crore in Q3'FY21
- EPS is Rs 3.2 versus Rs 13.75 in Q3'FY21
- Capital expenditure for the quarter was Rs 112 Crore

Segment Wise Analysis

B. Pharmaceuticals Segment

Particulars ^{1,2}	Q3'FY21	Q3'FY22	YoY (%)
Revenue	1,692	1,186	(30%)
Specialty Pharma	582	633	9%
CDMO	650	373	(43%)
Generics	460	181	(61%)
Reported EBITDA	499	178	(64%)
Reported EBITDA Margin (%)	29.5%	15.0%	

- Pharmaceuticals revenue at Rs 1,186 Crore vs. Rs 1,692 Crore in Q3'FY21
- Radiopharma business witnessed improvement in sales YoY, however on a sequential basis performance was lower due to customers order scheduling and the surge in COVID cases in North America, especially in Dec 2021
 - We continue to maintain majority market share
 - Spike in COVID cases impacted Ruby-Fill installations during the quarter and pushed out new installs to the fourth quarter. Strong performance on new installs expected in Q4 as it generally witnesses higher installations
 - NDA for I131 MIBG clinical trials both for phase II and phase III is progressing satisfactorily.
 - Radiopharmacy business witnessed steady performance YoY. Turnaround plan is on track with positive outcome over the last 2-3 quarters, subject to continuing Covid ups and downs.
- Allergy Immunotherapy reported robust performance YoY and stable performance sequentially. Business continues to operate at volumes higher than pre-COVID levels
- CMO business revenue was affected as revenue related to COVID related one-off deals tapered off and also because of customer scheduling
- API business was affected due to lower volumes resulting from an unplanned plant shutdown during the quarter
- Generics business performance was driven by
 - Impurity issue in certain sartan products, which is an industry wide issue
 - Lower volumes due to import alert at Roorkee plant
 - Pricing pressure in the US market
 - Lower Remdesivir sales due to fewer hospitalisations



- With regards to Roorkee import alert, our remediation activities are ongoing as per plan and we expect to complete the same in H1CY2022
- EBITDA was recorded at Rs 178 Crore as compared with Rs 499 Crore in Q3'FY21. EBITDA margin of 15.0% as compared to 29.5% in Q3'FY21
- Lower profits in Pharma business due to the impact of Import alert, voluntary withdrawal of Losartan, continued tapering of COVID related one-off deals in CMO business and pricing pressure in the US generics market

C. Contract Research and Development Services Segment

Particulars ^{1,2}	Q3'FY21	Q3'FY22	YoY (%)
Revenue	79	120	51%
Reported EBITDA	29	46	59%
Reported EBITDA Margin (%)	36.4%	38.5%	

- Revenue at Rs 120 Crore increased by 51% 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.
 - Volumes increase supported by the recently commissioned facility at Greater Noida
 - Continue to witness strong demand conditions in this business
- Reported EBITDA at Rs 46 Crore vs. Rs 29 Crore in Q3'FY21 with a margin of 38.5% vs. 36.4% in Q3'FY21

9M'FY22 Highlights

A. Consolidated financials

- Revenue was Rs 4,603 Crore versus Rs 4,519 Crore in 9M'FY21
- Reported EBITDA at Rs 923 Crore versus Rs 1,033 Crore in 9M'FY21
- Finance costs at Rs 106 Crore vs. Rs 141 Crore in 9M'FY21
- Average blended interest rate for 9M'FY22 improved to 4.58% from 5.15% in 9M'FY21
- Effective Tax Rate of 32.6% vs. 34.8% in 9M'FY21. Current period benefited from reversal of certain deferred tax liabilities in Q3'FY22.
- PAT was at Rs 354 Crore as compared with Rs 401 Crore in 9M'FY21
- EPS is Rs 22.26 versus Rs 25.19 in 9M'FY21
- Capital expenditure for the period was Rs 350 Crore



Segment Wise Analysis

B. Pharmaceuticals Segment

Particulars ^{1,2}	9M' FY21	9M' FY22	YoY (%)
Revenue	4,304	4,271	(1%)
Specialty Pharma	1,701	1,917	13%
CDMO	1,435	1,409	(2%)
Generics	1,167	946	(19%)
Reported EBITDA	1,020	864	(15%)
Reported EBITDA Margin (%)	23.7%	20.2%	

- Pharmaceuticals revenue at Rs 4,271 Crore vs. Rs 4,304 Crore in 9M'FY21
- Pharmaceuticals EBITDA at Rs 864 Crore vs. Rs 1,020 Crore in 9M'FY21. EBITDA margin of 20.2% as compared to 23.7% in 9M'FY21
- Radiopharmaceuticals business saw recovery in first nine months.
- 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 and Q3'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. However, COVID-19 demand tapered off in Q3'FY22
- API revenue lower during the period, as Q3'FY22 performance was impacted due to lower volumes resulting from an unplanned plant shutdown.
- Generics revenue during the period stood lower due to the impact of Import Alert, lower remdesivir sales in Q3'FY22, one-time impact of voluntary withdrawal of some sartan products in Q2'FY22 and pricing pressure in the US market

C. Contract Research and Development Services Segment

Particulars ^{1,2}	9M' FY21	9M' FY22	YoY (%)
Revenue	211	315	49%
Reported EBITDA	67	116	72%
Reported EBITDA Margin (%)	31.9%	36.7%	

- Revenue at Rs 315 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 116 Crore vs. Rs 67 Crore in 9M'FY21 with a margin of 36.7% vs. 31.9% in 9M'FY21



Debt Profile

Particulars ¹	31-03-21	30-06-21	30-09-21	31-12-21
Gross Debt				
Long Term	2,580	2,630	2,635	2,825
Short Term	20	0	91	33
Total	2,600	2,630	2,726	2,859
Cash & Equivalent	671	937	863	1,022
Net Debt (On a Constant Currency Basis)	1,928	1,651	1,823	1,792

- Net Debt (constant currency) reduction of Rs 137 Crore in 9M'FY22
- Average blended interest rate for 9M'FY22 improved to 4.58% from 5.15% in 9M'FY21

Business Outlook

Pharma: In radiopharma, we continue to build a long term pipeline of diagnostic and therapeutic 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 has subsided. Performance of API business expected to normalize in Q4'FY22. Generics business' performance to improve going forward as the sartans impurity issue stands resolved and exempted products sales in the US has restarted, however pricing pressure in the US market is an overhang. Resolution of regulatory issues to further improve performance of this business.

Contract Research and Development Services (CRDS): The business will continue to grow especially with commissioning of the State of the art Greater Noida facility. DMPK expansion at the Greater Noida is underway. We are committing further investments towards capex in this business as we have high capacity utilizations amid 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 around Rs 500 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 are on track to take our lead drug candidate to Phase I clinical trials in Q4'FY22 and have received FDA clearance of IND filing for same. Additional IND filings for pipeline programs expected in 2022. We are transforming Jubilant Therapeutics to a clinical stage biotech with higher value creation opportunities through potential partnering deals/ capital markets access subject to the emerging scientific results.

Consolidated effective tax rate: ETR of Jubilant Pharmova Limited for 9M'FY22 is 32.6%. 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.



Income Statement – Q3 & 9M'FY22^{1,2}

Particulars ^{1,2}	Q3'FY21	Q3'FY22	YoY (%)	9M' FY21	9M' FY22	YoY (%)
Total Revenue from Continuing Operations						
Pharmaceuticals	1,692	1,186	(30%)	4,304	4,271	(1%)
Contract Research and Development Services	79	120	51%	211	315	49%
Proprietary Novel Drugs	0	0	-	4	2	-
Unallocable Corporate Income	0	4	-	0	14	-
Total Revenue	1,771	1,311	(26%)	4,519	4,603	2%
EBITDA from Continuing Operations						
Pharmaceuticals	499	178	(64%)	1,020	864	(15%)
Contract Research and Development Services	29	46	59%	67	116	72%
Proprietary Novel Drugs	(7)	(11)	-	(8)	(22)	-
Unallocated Corporate (Expenses)/Income	(24)	(13)	-	(46)	(35)	-
Reported EBITDA	496	200	(60%)	1,033	923	(11%)
Depreciation and Amortization	96	93	(3%)	263	281	7%
Finance Cost	46	37	(21%)	141	106	(25%)
Profit / (Loss) from Associates	(3)	0	-	(3)	(11)	-
Exceptional Items	(11)	0		(11)	0	
Profit before Tax	340	70	(79%)	615	525	(15%)
Tax Expenses (Net)	121	19	(84%)	214	171	(20%)
PAT	219	51	(77%)	401	354	(12%)
EPS	13.75	3.20	(77%)	25.19	22.26	(12%)
Margins						
Pharmaceuticals	29.5%	15.0%		23.7%	20.2%	
Contract Research and Development Services	36.4%	38.5%		31.9%	36.7%	
Reported EBITDA Margin	28.0%	15.3%		22.9%	20.1%	
Net Margin	12.4%	3.9%		8.9%	7.7%	

1. All figures are in Rs Crore unless otherwise stated
2. Q3'FY21 and 9M'FY21 financials include only the continuing business

Earnings Call details

The company will host earnings call at 5.00 PM IST on February 04, 2022

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: February 04 to February 11 , 2022

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

Playback ID: 139608#



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.

