



**JUBILANT
PHARMOVA**

**Financial Results
Quarter Ended December 31, 2022**

Conference Call Details



Date : Feb 03, 2023

Time : 04:00 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: Feb 03 to Feb 10, 2023

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Chairmen's Message



Commenting on Company's Q3'FY23 performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Pharmova Limited said:

"During the quarter, Company reported higher revenues YoY led by increase in sales in Radiopharmacies, Allergy and CDMO-API businesses and stable revenues in Radiopharmaceuticals, CDMO Sterile Injectables and Drug Discovery Services businesses.

Company's profitability stood lower in Q3'FY23 vs. YoY and QoQ due to lower Covid related deals in CDMO Sterile Injectables business, industry wide issue of generator supply outage that impacted Radiopharmacies business, lower production in CDMO-API business and lower volumes in Drug Discovery Services business.

In Generics, the Company has undertaken a large scale business transformation focused on turnaround through cost optimisations and driving growth in branded markets in India and select international markets.

In FY24, Company's profitability is expected to improve driven by growth in Radiopharmaceuticals, Allergy Immunotherapy and CDMO Sterile Injectables businesses. Recovery in Generics, API businesses and Radiopharmacies will also contribute to better profitability.

The Company has several growth levers across its various businesses (Radiopharma, Allergy Immunotherapy, CDMO Sterile Injectables, Generics and CRDMO), which shall drive sustainable growth for the company in the medium term. In our Proprietary Novel Drugs business we have several high potential programs, which are at the preclinical / clinical stage."

Q3'FY23 Results Analysis

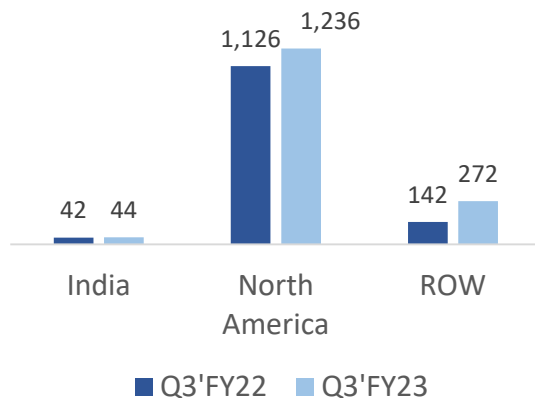
Financial Highlights – Q3'FY23



| Particulars ¹ | Q3'FY22 | Q2'FY23 | Q3'FY23 |
|--------------------------------------|--------------|--------------|--------------|
| Total Revenue from Operations | 1,311 | 1,600 | 1,553 |
| Reported EBITDA | 200 | 232 | 155 |
| Depreciation and Amortisation | 93 | 94 | 94 |
| EBIT | 107 | 138 | 61 |
| Finance Cost | 37 | 42 | 51 |
| Profit / (Loss) from Associates | 0 | (3) | (2) |
| Exceptional Items | 0 | (57) | 0 |
| Profit Before Tax | 70 | 36 | 9 |
| Tax | 19 | 31 | 25 |
| Reported Profit After Tax | 51 | 5 | (16) |
| Reported EPS | 3.20 | 0.34 | (0.98) |
| Margin | | | |
| EBITDA | 15.3% | 14.5% | 10.0% |
| Reported Profit After Tax | 3.9% | 0.3% | (1.0%) |

- Revenues were at Rs 1,553 Crore vs. Rs 1,311 Crore in Q3'FY22 and Rs 1,600 Crore in Q2'FY23
- Reported EBITDA was at Rs 155 Crore vs. Rs 200 Crore in Q3'FY22 and Rs 232 Crore in Q2'FY23
 - In Q3'FY23, we witnessed nil COVID related deals vs. Rs 89 Crore in Q3'FY22 and Rs 22 Crore in Q2'FY22
- Finance cost was at Rs 51 Crore vs. Rs 37 Crore in Q3'FY22 and Rs 42 Crore in Q2'FY23. Higher finance cost was on account of increase in global interest rate benchmarks. 1M SOFR has increased from 3.05% on Sep 30, 2022 to 4.36% on Dec 31, 2022
- Reported PAT was at –ve Rs 16 Crore as compared with Rs 51 Crore in Q3'FY22 and Rs 5 Crore in Q2'FY23
- EPS was at –ve Rs 0.98 vs. Rs 3.2 in Q3'FY22 and Rs 0.34 in Q2'FY23
- Capital expenditure for the quarter was Rs 218 Crore

Geography wise revenue



1. All figures are in Rs Crore unless otherwise stated;

Specialty Pharmaceuticals Segment Highlights – Q3'FY23



| Particulars ¹ | Q3'FY22 | Q2'FY23 | Q3'FY23 | YoY (%) |
|--------------------------|--------------|--------------|--------------|------------|
| Total Revenue | 635 | 814 | 760 | 20% |
| a) Radiopharma | 510 | 658 | 613 | 20% |
| i) Radiopharmaceuticals | 197 | 248 | 213 | 8% |
| ii) Radiopharmacies | 313 | 410 | 400 | 28% |
| b) Allergy Immunotherapy | 124 | 156 | 147 | 18% |
| EBITDA | 116 | 198 | 117 | 1% |
| a) Radiopharma | 66 | 146 | 64 | (3%) |
| i) Radiopharmaceuticals | 110 | 163 | 109 | (2%) |
| ii) Radiopharmacies | (45) | (17) | (45) | |
| b) Allergy Immunotherapy | 51 | 53 | 53 | 6% |
| EBITDA Margin (%) | 18.3% | 24.4% | 15.4% | |
| a) Radiopharma | 12.9% | 22.1% | 10.4% | |
| i) Radiopharmaceuticals | 56.1% | 65.5% | 51.0% | |
| ii) Radiopharmacies | (14.3%) | (4.2%) | (11.2%) | |
| b) Allergy Immunotherapy | 40.6% | 34.0% | 36.3% | |

Product Pipeline as on Dec 31, 2022

| | Sterile (#) | | |
|--------|-------------|----------|---------|
| | Filling | Approved | Pending |
| US | 13 | 11 | 2 |
| Canada | 18 | 18 | 0 |
| Europe | 2 | 2 | 0 |
| ROW | 12 | 10 | 2 |

- Revenues were at Rs 760 Crore vs. Rs 635 Crore in Q3'FY22 and Rs 814 Crore in Q2'FY23
- EBITDA was at Rs 117 Crore vs. Rs 116 Crore in Q3'FY22 and Rs 198 Crore in Q2'FY23 with a margin of 15.4% vs. 18.3% in Q3'FY22 and 24.4% in Q2'FY23
- Radiopharma revenues were at 613 Crore vs. 510 Crore in Q3'FY22 and Rs 658 Crore in Q2'FY23
 - Radiopharmaceuticals business reported stable performance YoY; sequentially revenues variation is due to customer order rescheduling for some products in Q3'FY23
 - Radiopharmacies business reported higher revenue resulting from rise in volumes of new products launched. Sequentially the business witnessed lower sales due to shortage of radioisotopes for around 3 weeks during the quarter
 - Turnaround plan on track to achieve break-even in Q4'FY24E
- Allergy Immunotherapy revenues were at Rs 147 Crore vs. Rs 124 Crore in Q3'FY22 and Rs 156 Crores in Q2'FY23
 - Revenue and EBITDA growth were supported by better prices vs Q3 last year

1. All figures are in Rs Crore unless otherwise stated

CDMO Sterile Injectables Segment Highlights – Q3'FY23



| Particulars ¹ | Q3'FY22 | Q2'FY23 | Q3'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|---------|
| Revenue | 265 | 299 | 272 | 3% |
| EBITDA | 116 | 71 | 56 | (52%) |
| Reported EBITDA Margin (%) | 44.0% | 23.8% | 20.7% | |

- CDMO Sterile Injectables’ revenues were at Rs 272 Crore vs. Rs 265 Crore in Q3'FY22 and Rs 299 Crore in Q2'FY23
- Business’ stable performance during the quarter was on account of higher sales of other products during the Q3'FY23 amid nil revenue from COVID deals
- EBITDA was at Rs 56 Crore vs. Rs 116 Crore in Q3'FY22 and Rs 71 Crore in Q2'FY23
- Reported EBITDA declined YoY due to substantially higher base of COVID related business in Q3'FY22
 - Business reported revenues of Rs 89 Crs and Rs 22 Crs from the deals related to the Covid products in Q3'FY22 and Q2'FY23, respectively and nil sales in Q3'FY23
 - QoQ variation in margin in Q2'FY23 and Q3'FY23 is due to plant shutdown (twice in a year) and COVID deals

1. All figures are in Rs Crore unless otherwise stated.

Generics Segment Highlights – Q3'FY23

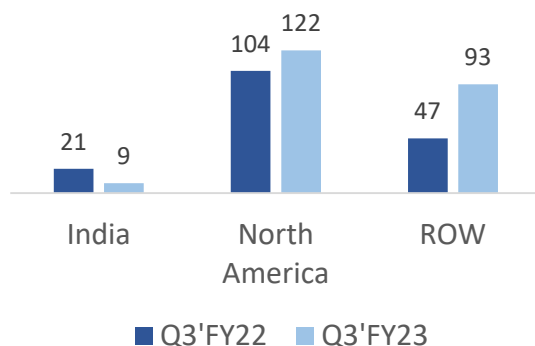


| Particulars ¹ | Q3'FY22 | Q2'FY23 | Q3'FY23 | YoY (%) |
|--------------------------|---------|---------|---------|---------|
| Revenue | 171 | 161 | 223 | 30% |
| Reported EBITDA | (43) | (82) | (36) | |
| Reported EBITDA Margin | (25.2%) | (50.6%) | (16.2%) | |

Product Pipeline as on Dec 31, 2022

| | Dosage Orals, Sterile (#) | | |
|-----------------|---------------------------|----------|---------|
| | Filling | Approved | Pending |
| US ² | 100 | 62 | 38 |
| Canada | 24 | 24 | 0 |
| Europe | 38 | 37 | 1 |
| ROW | 44 | 42 | 2 |

Geography wise revenue



- Q3'FY23 performance improvement was on account of higher production at Roorkee plant and sales in non-US markets. This was partially offset by shutdown at Salisbury plant to upgrade part of the HVAC systems
- Business performance includes a one time gain due to a legal award to settle customer dispute
- India: Excluding Remdesivir related sales and provisions, the India domestic business grew over 15% YoY
- RoW: Excluding Remdesivir related sales and provisions, and one time gain due to a legal award to settle customer dispute, the ROW business grew over 100% YoY
- Continuing quality improvement initiatives and engaging with the US FDA for resolution of the regulatory situation at the Roorkee facility
- Company has undertaken a large scale business transformation focused on
 - Strategic re-organization of the generics business
 - Business wide cost optimization (direct and indirect)
 - Re-prioritising geography-mix to accelerate growth in branded markets such as India and select International markets

Cost Optimisations

- Company has identified annual savings of Rs 100 Crore in operating costs. The implementation of these cost optimisations is on track and expected to be completed by March 2023. Benefits of cost optimisation initiatives to reflect in our performance from Q1'FY24
- Further identified additional cost optimisation opportunities of Rs 50 Crore. Implementation of these to be completed in H1FY24

1. All figures are in Rs Crore unless otherwise stated;

2. US Filings of 100 products include 4 sterile products (3 injectable + 1 ophthalmic); 62 US Approved products include 2 injectable products and 38 US pending products include 1 injectable + 1 ophthalmic product

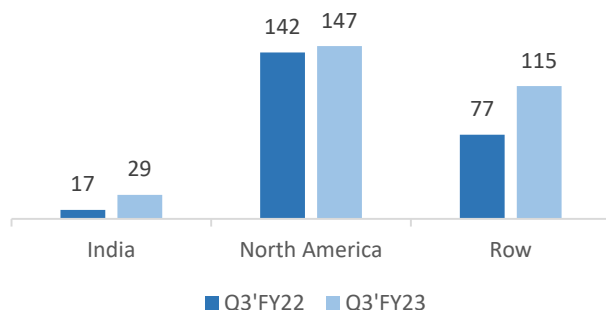
CRDMO Segment Highlights – Q3'FY23



| Particulars ¹ | Q3'FY22 | Q2'FY23 | Q3'FY23 | YoY (%) |
|-----------------------------------|--------------|--------------|--------------|------------|
| Total Revenue | 236 | 320 | 291 | 23% |
| a) Drug Discovery Services | 120 | 150 | 123 | 3% |
| b) CDMO - API | 116 | 170 | 168 | 45% |
| Reported EBITDA | 35 | 68 | 39 | 11% |
| a) Drug Discovery Services | 46 | 54 | 37 | (20%) |
| b) CDMO - API | (11) | 14 | 2 | (121%) |
| Reported EBITDA Margin (%) | 14.9% | 21.3% | 13.4% | |
| a) Drug Discovery Services | 38.5% | 35.8% | 29.8% | |
| b) CDMO - API | (9.5%) | 8.5% | 1.4% | |

- Revenues were at Rs 291 Crore vs. Rs 236 Crore in Q3'FY22 and Rs 320 Crore in Q2'FY23
- EBITDA was at Rs 39 Crore vs. Rs 35 Crore in Q3'FY22 and Rs 68 Crore in Q2'FY23 with a margin of 13.4% vs. 14.9% in Q3'FY22 and 21.3% in Q2'FY23
- Drug Discovery Services business reported stable revenues amid slowdown in US and selective approach by clients
 - Demand growth likely to remain moderate in near term from target clients for integrated drug discovery services and DMPK. Currently witnessing key clients adopting selective approach in launching new projects
 - Sequentially revenues were lower as Q2'FY23 had one-off revenues from fee-for-service (FFS) in Drug Discovery services
 - DMPK in-vitro facility at Greater Noida has received validation, which enables the site to provide comprehensive drug discovery service offerings
- API revenues were at Rs 168 Crore vs. Rs 116 Crore in Q3'FY22
 - Revenues higher due to increase in utilization and higher volumes as Q3'FY22 witnessed lower production due to plant upgradation
 - USFDA during its Dec 2022 audit of the Nanjangud facility issued a few observations. We are engaging with the US FDA to resolve the regulatory situation at the facility

Geography wise revenue



1. All figures are in Rs Crore unless otherwise stated

Jubilant Therapeutics: A precision oral therapeutic company focused on oncology



Differentiated Pipeline

JB1-802: coREST inhibitor/Dual epigenetic modulator for synergistic anti-tumor activity

JB1-778: brain penetrant PRMT5i with differentiated safety, focused on synthetic lethality to specific mutations in cancer therapy

2 IND track programs: PD-L1i brain penetrant; PAD4i in oncology/autoimmune disease



Improved Therapeutic Index

TIBEO (Therapeutic Index and **B**rain **E**xposure **O**ptimization) discovery engine

Validated with proven track record of partnerships: Lengo – Blueprint



Program updates

JB1-802: Phase I/II studies ongoing in solid and hematological malignancies

JB1-778: IND approved by FDA; Phase I clinical trial planned



Healthy Financial Position

Company has a cost optimized operating model with a focus on value creation

Wholly owned assets; opportunities to explore institutional funding, as well as maximize partnerships to get non-dilutive funding

Jubilant Therapeutics: Broad Pipeline of Differentiated Assets with Improved Therapeutic Index



| Program | Mechanism | Indications | Lead Optimization | Pre-Clinical (IND) | Phase I/II | Milestones |
|-------------------------|---|--------------------------------------|-------------------------------|--------------------|------------|----------------------------|
| JB1-802 | coREST Inhibitor/ Epigenetic Modulating Agent | ET/MPN and neuro endocrine tumors | | | | Phase I/II studies ongoing |
| JB1-778 | PRMT5 Inhibitor Brain Penetrant | Spliceosome mutated tumors | | | | IND approved |
| JB1-2174 | PD-L1 Inhibitor Brain Penetrant | Brain tumor and metastases | | | | On IND track |
| JB1-1044 | PAD4 Inhibitor | Oncology and auto- immune disease | | | | On IND track |
| Other | Various | Various | Undisclosed research programs | | | |
| EGFR¹ | | Oncology | | | | |
| BRD4 | | Oncology | | | | |

¹Jubilant Therapeutics out licensed its EGFR program to Lengo Therapeutics (Frazier Healthcare entity)
Blueprint Medicines acquired Lengo Therapeutics for \$250M in cash plus \$215M in milestone payments

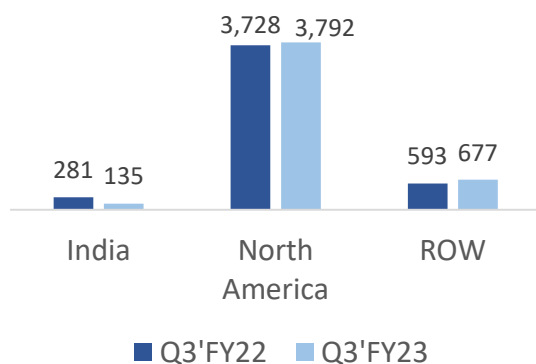
9M'FY23 Results Analysis

9M'FY23 Financial Highlights



| Particulars ¹ | 9M'FY22 | 9M'FY23 |
|--------------------------------------|--------------|--------------|
| Total Revenue from Operations | 4,603 | 4,604 |
| Reported EBITDA | 923 | 591 |
| Depreciation and Amortisation | 281 | 283 |
| EBIT | 642 | 308 |
| Finance Cost | 106 | 133 |
| Profit / (Loss) from Associates | (11) | (4) |
| Exceptional Items | 0 | (57) |
| Profit Before Tax | 525 | 114 |
| Tax | 171 | 79 |
| Reported Profit After Tax | 354 | 36 |
| Reported EPS | 22.26 | 2.32 |
| Margin | | |
| EBITDA | 20.1% | 12.8% |
| Profit After Tax | 7.7% | 0.8% |

Geography wise revenue



- Revenues were Rs 4,604 Crore versus Rs 4,603 Crore in 9M'FY22.
- Reported EBITDA at Rs 591 Crore vs. Rs 923 Crore in 9M'FY22.
 - In 9M'FY23, we witnessed COVID related deals of Rs 92 Crore vs. Rs 471 Crore in 9M'FY22
- Finance costs at Rs 133 Crore vs. Rs 106 Crore in 9M'FY22. Higher finance cost was on account of increase in global interest rate benchmark. 1 month SOFR has increased to 4.36% on Dec 31, 2022 from 0.3% as on March 31, 2022
- Exceptional cost of Rs 57 Crore included Rs 48 Crore of foreclosure charges related to bond repayment in Q2'FY23 and balance due to write-off of capitalized debt origination costs. We expect savings from lower interest rates pursuant to the refinancing will enable recovery of this cost over the tenor of the new facility.
- Reported PAT was at Rs 36 Crore as compared with Rs 354 Crore in 9M'FY22
- EPS was at Rs 2.32 vs. Rs 22.26 in 9M'FY22.
- Capital expenditure for 9M'FY23 was Rs 498 Crore

1. All figures are in Rs Crore unless otherwise stated

Specialty Pharmaceuticals Segment Highlights – 9M'FY23



| Particulars ¹ | 9M'FY22 | 9M'FY23 | YoY (%) |
|--------------------------|--------------|--------------|------------|
| Total Revenue | 1,917 | 2,296 | 20% |
| a) Radiopharma | 1,557 | 1,863 | 20% |
| i) Radiopharmaceuticals | 596 | 657 | 10% |
| ii) Radiopharmacies | 961 | 1,206 | 25% |
| b) Allergy Immunotherapy | 360 | 433 | 20% |
| EBITDA | 321 | 433 | 35% |
| a) Radiopharma | 193 | 283 | 47% |
| i) Radiopharmaceuticals | 298 | 365 | 23% |
| ii) Radiopharmacies | (105) | (82) | |
| b) Allergy Immunotherapy | 128 | 150 | 17% |
| EBITDA Margin (%) | 16.7% | 18.9% | |
| a) Radiopharma | 12.4% | 15.2% | |
| i) Radiopharmaceuticals | 50.0% | 55.5% | |
| ii) Radiopharmacies | (11.0%) | (6.8%) | |
| b) Allergy Immunotherapy | 35.6% | 34.7% | |

- Revenues were Rs 2,296 Crore vs. Rs 1,917 Crore in 9M'FY22
- EBITDA was at Rs 433 Crore vs. Rs 321 Crore in 9M'FY22 with a margin of 18.9% vs. 16.7% in 9M'FY22
- Radiopharma revenue at Rs 1,863 Crore vs. Rs 1,557 Crore in 9M'FY22
 - Radiopharmaceuticals business witnessed improvement in sales driven by normalization in demand as the pandemic's impact eased off
 - Ruby-Fill installations in the US are gradually gaining momentum with encouraging installations trend
 - Radiopharmacies business witnessed growth due to higher volumes resulting from recovery in demand as the pandemic's impact waned. Turnaround plan is working well reflected by volumes at pre-COVID levels, introduction of new products and lower losses. This was partially offset by impact of generators shortage for 3 weeks in Q3'FY23, which is now normalised
- Allergy Immunotherapy revenue at Rs 433 Crore vs. Rs 360 Crore in 9M'FY22. Segment reported healthy revenue and EBITDA growth as volumes remain robust at higher than pre-COVID levels

1. All figures are in Rs Crore unless otherwise stated

CDMO Sterile Injectables Segment Highlights – 9M'FY23



| Particulars ¹ | 9M'FY22 | 9M'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 1,046 | 833 | (20%) |
| EBITDA | 535 | 259 | (51%) |
| Reported EBITDA Margin (%) | 51.1% | 31.1% | |

- CDMO Sterile Injectables' revenue at Rs 833 Crore vs. Rs 1,046 Crore in 9M'FY22.
- Revenue and profitability normalised vs. 9M'FY22 as business witnessed higher COVID related business during the corresponding period.
- Segmental EBITDA at Rs 259 Crore vs. Rs 535 Crore in 9M'FY22
- In 9M'FY22, we witnessed COVID related deals of Rs 471 Crore vs. Rs 92 Crore in 9M'FY23

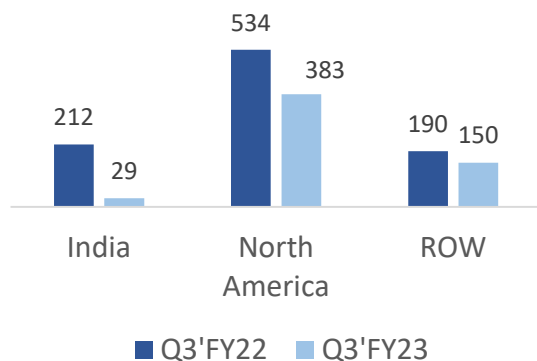
1. All figures are in Rs Crore unless otherwise stated

Generics Segment Highlights – 9M'FY23



| Particulars ¹ | 9M'FY22 | 9M'FY23 | YoY (%) |
|--------------------------|---------|---------|---------|
| Revenue | 936 | 563 | (40%) |
| Reported EBITDA | (32) | (191) | |
| Reported EBITDA Margin | (3.4%) | (34.0%) | |

Geography wise revenue



- Generics revenue at Rs 563 Crore vs. Rs 936 Crore in 9M'FY22 with benefits from Remdesivir sales of Rs 259 Crore.
- Reported EBITDA was at Rs (191) Crore vs. Rs (32) Crore in 9M'FY22 with Rs 115 Crore of benefits in EBITDA from Remdesivir sales.
- Revenues and profitability lowered vs. Q3'FY22 due to pricing pressure in the US generics market, lower volumes resulting from Roorkee Import Alert and lower Remdesivir sales.
- Business performance included a one time gain booked in Q3'FY23 due to a legal award to settle customer dispute
- India Geography: Excluding Remdesivir related sales and provisions, the India domestic business grew over 7%
- RoW Geography: Excluding Remdesivir related sales and provisions, and one time gain due to a legal award to settle customer dispute , the ROW business grew over 10%
- Continuing quality improvement initiatives and engaging with the US FDA for resolution of the regulatory situation at the Roorkee facility

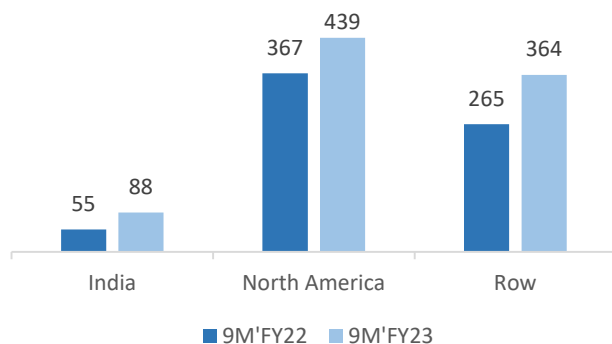
CRDMO Segment Highlights – 9M'FY23



| Particulars ¹ | 9M'FY22 | 9M'FY23 | YoY (%) |
|-----------------------------------|--------------|--------------|-------------|
| Total Revenue | 687 | 891 | 30% |
| a) Drug Discovery Services | 315 | 391 | 24% |
| b) CDMO - API | 372 | 500 | 35% |
| Reported EBITDA | 157 | 153 | (3%) |
| a) Drug Discovery Services | 116 | 130 | 12% |
| b) CDMO - API | 41 | 23 | (44%) |
| Reported EBITDA Margin (%) | 22.9% | 17.2% | |
| a) Drug Discovery Services | 36.7% | 33.2% | |
| b) CDMO - API | 11.2% | 4.6% | |

- Revenue at Rs 891 Crore vs. Rs 687 Crore in 9M'FY22
- EBITDA at Rs 153 Crore vs. Rs 157 Crore in 9M'FY22 with a margin of 17.2% vs. 22.9% in 9M'FY22
- Drug Discovery Services (DDS) revenue were at Rs 391 Crore vs. Rs 315 Crore in 9M'FY22 as volume growth drove YoY revenue increase.
 - Capex plan underway for a additional building block in the Greater Noida facility for integrated services and chemistry.
- CDMO – API revenues were at Rs 500 Crore vs. Rs 372 Crore in 9M'FY22 due to higher volumes and capacity utilisations.

Geography wise revenue



1. All figures are in Rs Crore unless otherwise stated

Debt Profile



| Particulars | 31-03-22 | 30-06-22 | 30-09-22 | 31-12-22 |
|--|------------------|------------------|------------------|------------------|
| Gross Debt | (Rs. Crs) | (Rs. Crs) | (Rs. Crs) | (Rs. Crs) |
| Long Term | 2,874 | 2,986 | 3,068 | 3,113 |
| Short Term | 64 | 109 | 186 | 195 |
| Total | 2,938 | 3,095 | 3,254 | 3,308 |
| Cash & Equivalent | 984 | 1,027 | 846 | 647 |
| Net Debt (On a Constant Currency Basis) | 1,954 | 1,951 | 2,204 | 2,407 |

- Net Debt (constant currency) at Rs 2,407 Crore as on Dec 31, 2022 vs Rs 2,204 Crore on Sep 30, 2022
- Average blended interest rate for 9M'FY23 was at 5.06% vs 4.58% in 9M'FY22

Key Business Priorities



Radiopharma

Radiopharmaceuticals

- Continued ramping up of Ruby-Fill installations
- New Product Development and Filings (2 New Products in FY-24)
- Timely execution of MIBG roadmap to enable FY-25 launch

Radiopharmacies

- Focus on launch of new products to gain significant market share, expect >\$15Mn revenue in FY23
- Continued focus on operational efficiencies

Allergy Immunotherapy

- Focus on expanding non US markets (EU, South America & others)
- Enhance awareness in US market for Venom Immunotherapy

CDMO Sterile Injectables

- Spokane: Focus on capacity expansions to increase capacity by 100% (commercialization in FY-25 & FY-27)
- Montreal: Focus on expansion of Montreal with New Filler & Lyo to capture small volume demand (commercialization in FY 27)
- Maintain and further improve compliance standards

Generics

- Large scale business transformation to put the business back on path of sustainable growth and profitability via strategic re-organization of the generic business, cost optimization (direct and indirect), re-prioritising geography-mix to accelerate growth in branded markets such as India.
- Continuing quality improvement initiatives and engaging with the US FDA for resolution of the regulatory situation at the Roorkee facility

Drug Discovery Services

- Fully ramp up the Greater Noida facility by Q2'FY24E for chemistry and DMPK services.

CDMO - API

- Opportunities in debottlenecking the capacity for higher volumes and cost optimization
- Engage with USFDA to resolve the regulatory situation at the Nanjangud facility

Proprietary Novel Drugs

- Planned execution of the first in human studies of our lead program and advancing other pipeline assets
- Strategic partnering/ capital raise for pipeline programs

- **Speciality Pharmaceuticals:** In Radiopharma, we continue to build a long term pipeline of diagnostic and therapeutic radiopharmaceuticals and are executing a turnaround plan of Radiopharmacies, which is showing encouraging results. I131 MIBG clinical trials underway with launch expected in FY25E. Medium-long term outlook remains robust. Allergy business well placed to grow strongly with healthy margins over the medium term.
- **CDMO Sterile Injectables:** We expect the business to operate at normal healthy pre-COVID levels for next 2-3 years before new capacity comes upstream and drive volumes.
- **CRDMO:** The Drug Discovery Services business will continue to grow especially with commissioning of the State of the art Greater Noida facility. DMPK expansion at Greater Noida including the validation is completed and expected to onboard projects soon. We are evaluating further investments towards capex in this business as we have high capacity utilizations amid strong demand climate. However, we anticipate lower demand for certain products in the US market to lead to lower captive demand and hence limit capacity utilizations at the Nanjangud facility.
- **Generics:** Company expects large scale business transformation to put the business back on the path of sustainable growth and profitability via strategic re-organization of the generic business, cost optimization (direct and indirect), re-prioritising geography-mix to accelerate growth in branded markets such as India. In addition, quality improvement initiatives and engagement with the US FDA, for resolution of the regulatory situation at the Roorkee facility continues
- **Proprietary Novel Drugs:** Proprietary Novel Drugs: Phase I/II trial underway for our lead program – Dual epigenetic modulator, in patients with solid tumors and potential for further development in hematological indications. IND filing for 2nd program – brain penetrant PRMT5 inhibitor – approved by FDA paving way for human trials. Jubilant Therapeutics is now a clinical stage biotech with higher value creation opportunities driven by emerging data from first-in-human studies and additional IND filings.
- **Investments and Growth:** We are accelerating capacity expansions to create new capabilities. We expect to incur capex of around Rs 700-750 Crore in FY23 primarily towards expansion in CMO-sterile business and enhancement of Drug discovery services and capabilities. In addition, we expect product development expenditure of Rs 250-300 Crore. Expansion of the Greater Noida facility, which will deliver Chemistry services, is underway.

Appendix

Income Statement – Q3 & 9M'FY23



| Particulars ¹ | Q3'FY22 | Q2 FY23 | Q3'FY23 | QoQ (%) | YoY (%) | 9M'FY22 | 9M'FY23 | YoY (%) |
|--|--------------|--------------|---------------|---------------|--------------|--------------|--------------|--------------|
| Revenue from Operations | | | | | | | | |
| Specialty Pharmaceuticals | 635 | 814 | 760 | (7%) | 20% | 1,917 | 2,296 | 20% |
| CDMO Sterile Injectables | 265 | 299 | 272 | (9%) | 3% | 1,046 | 833 | (20%) |
| Generics | 171 | 161 | 223 | 38% | 30% | 936 | 563 | (40%) |
| Contract Research Development and Manufacturing Organisation | 236 | 320 | 291 | (9%) | 23% | 687 | 891 | 30% |
| Proprietary Novel Drugs | 0 | 0 | 0 | | | 2 | 4 | 108% |
| Unallocable Corporate Income | 4 | 6 | 7 | | | 14 | 17 | |
| Total Revenue | 1,311 | 1,600 | 1,553 | | 18% | 4,603 | 4,604 | 0% |
| EBITDA | | | | | | | | |
| Specialty Pharma | 116 | 198 | 117 | (41%) | 1% | 321 | 433 | 35% |
| CDMO Sterile Injectables | 116 | 71 | 56 | (21%) | (52%) | 535 | 259 | (51%) |
| Generics | (43) | (82) | (36) | | | (32) | (191) | |
| Contract Research Development and Manufacturing Organisation | 35 | 68 | 39 | (43%) | 11% | 157 | 153 | (3%) |
| Proprietary Novel Drugs | (11) | (10) | (8) | | | (22) | (25) | |
| Unallocated Corporate (Expenses)/Income | (14) | (14) | (13) | | | (35) | (38) | - |
| Reported EBITDA | 200 | 232 | 155 | (33%) | (22%) | 923 | 591 | (36%) |
| Depreciation and Amortization | 93 | 94 | 94 | 0% | 1% | 281 | 283 | 1% |
| Finance Cost | 37 | 42 | 51 | 21% | 38% | 106 | 133 | 25% |
| Profit / (Loss) from Associates | 0 | (3) | (2) | | - | (11) | (4) | - |
| Exceptional Items | 0 | -57 | 0 | | | 0 | (57) | |
| Profit before Tax | 70 | 36 | 9 | (76%) | | 525 | 114 | (78%) |
| Tax Expenses (Net) | 19 | 31 | 25 | (21%) | | 171 | 79 | (54%) |
| Reported Profit After Tax | 51 | 5 | (16) | (425%) | | 354 | 36 | (90%) |
| Reported EPS | 3.20 | 0.34 | (0.98) | | | 22.26 | 2.32 | (90%) |
| Margins | | | | | | | | |
| Specialty Pharma | 18.3% | 24.4% | 15.4% | | | 16.7% | 18.9% | |
| CDMO Sterile Injectables | 44.0% | 23.8% | 20.7% | | | 51.1% | 31.1% | |
| Generics | (25.2%) | (50.6%) | (16.2%) | | | (3.4%) | (34.0%) | |
| Contract Research Development and Manufacturing Organisation | 14.9% | 21.3% | 13.4% | | | 22.9% | 17.2% | |
| Reported EBITDA Margin | 15.3% | 14.5% | 10.0% | | | 20.1% | 12.8% | |
| Reported Profit After Tax | 3.9% | 0.3% | (1.0%) | | | 7.7% | 0.8% | |

1. All figures are in Rs Crore unless otherwise stated

For more information



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