Q2’FY25 Q&A

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Radiopharmaceuticals

Q1. Can you talk about growth in Ruby-Fill®?

Answer: Ruby-fill® is a best in class Positron Emission Tomography (PET) radiopharmaceutical product used for Cardiac imaging through a non-invasive procedure of the myocardium, to evaluate regional myocardial perfusion in adult patients with suspected or existing coronary artery disease. Our product is superior due to longer shelf life leading to more scans per generator, better and consistent image quality due to the patented saline push feature and multiple safety features.

Our Ruby-fill® franchise has been witnessing strong growth. We have witnessed strong growth momentum in Q2'FY25. Overall, we expect to continue to gain market share in the US cardiac PET market.

Q2. Can you talk about the sales of SPECT product portfolio in Q2'FY25?

Answer: We continue to maintain strong position in our SPECT portfolio. We are happy with the offtake of our new products. We expect the new products to reach their normalised market share within a couple of years.

Q3. What is the timeline of the MIBG Launch? What is the patient recruitment status & expected date of result?

Answer: MIBG is targeting paediatric patients with high-risk Neuroblastoma. Neuroblastoma is a type of cancer that forms in certain types of nerve tissues. The incidence of Neuroblastoma in the US market is estimated at 800 new cases per year and the relapse / refractory cases are estimated at 400 per year.

MIBG clinical trials are progressing well. We have completed the dosing of Phase two trials. Launch timelines are subject to regulatory approvals and we expect the launch of MIBG to happen in CY 2026 for relapse / refractory cases, post US FDA approval of phase 2 clinical trial.

Q4. Can you give us some more colour on the product pipeline?

Answer: We have a very strong pipeline of products in SPECT (Addressable Market at approx. USD 50 million) & PET (Addressable Market at approx. USD 500 million) categories in the medium term. On top of it, in the therapeutic, we are working on MIBG.

Q5. Can you explain Q2'FY25 Radiopharmaceutical results?

Answer: Q2'FY25 Radiopharmaceuticals revenue is stable on YoY basis. Overall H1'FY25 sales grew by 13% on YoY basis on the back of new product sales in sulphur Colloid and growth in Ruby-Fill®. Q2'FY25 EBITDA decreased YoY due to change in product mix. Overall H1'FY25 EBITDA increased by 9% YoY.

Radiopharmacy

Q6. What are the growth levers in this business, particularly, can you talk about USD 50 million investment that you plan to make in this business?

Answer: The PET Imaging market is growing rapidly on the back of new products so there is a need to position the company in this growing PET imaging market. This investment shall help us to expand our PET radiopharmacy network to nine (9) sites and therefore enable us to secure long-term contracts with the leading PET radiopharmaceutical manufacturers. These new PET radiopharmacies shall be fully operational in FY28 and shall start to contribute significantly to the top line and bottom line. We expect a RoCE in excess of 20% on our investment.

Q7. Can you explain Q2'FY25 Radiopharmacy results?

Answer: Radiopharmacy Q2'FY25 revenue grew by 16 % YoY to Rs. 568 Cr. on the back of increase in volume from new products. Q2'FY25 EBITDA stable at Rs. 6 Cr. on YoY basis due to increase in overheads despite revenue growth.

Allergy Immunotherapy

Q8. What are the growth levers in this business? Particularly, how do you plan to grow outside US business?

Answer: We have three growth levers in place.

1. US Venom growth: As you are aware, we are the sole player in this segment in the US, we will grow by expanding the segment through increased customer awareness.
2. Gain in share in US Non-venom: We are leveraging our position in the venom segment and gaining market share in the non-venom segment through portfolio selling. This is driving fast growth, and we are growing much faster than the industry.
3. Outside US Markets: Our strategy is to enter new markets in Europe, MEA and APAC, particularly for Venom products. Each market requires a different

regulatory strategy. We plan to invest in select markets with lower upfront investment. We plan to build market by market either through strategic partnerships, where our partner would hold market authorisation or build a local presence and hold market authorisation.

Q9. Can you explain Q2'FY25 Allergy immunotherapy results?

Answer: Q2'FY25 revenue at Rs. 170 Cr., lower YoY due to a delay in product launches in the new markets outside of US by our partners. Q2'FY25 EBITDA at Rs. 46 Cr., decreased YoY due to lower revenue in the outside US markets and lower production. The margin is expected to normalize in H2'FY25.

CDMO Sterile Injectable

Q10. Can you talk about the overall demand scenario in the sterile fill and finish market?

Answer: The global CDMO Sterile fill and finish market is expected to grow from USD 13 billion in 2023 to USD 20 billion by 2027 at a CAGR of 11%. The demand drivers include an increasing number of injectables in the development pipeline driven by biologics and an increase in loss of exclusivities.

As big pharma is focused on internalising only select capabilities, this increase in demand is being outsourced to specialised CDMO Sterile fill and finish companies.

The drug shortages in the injectables in the US are signalling that the demand still runs higher than the supply of the capacity and therefore there is a need of significant new capacity.

The Biosecure Act and the Catalent acquisition by Novo Holding shall further widen the gap between demand and supply in the US. In particular, a recent McKinsey report highlighted a 6.8Bn demand vs. 6.1Bn supply specifically for sterile vials – a 700 Mn. sterile vial shortfall.

Q11. What is the project status of the expansion project in Spokane? What is the maximum revenue potential for Line 3 & 4 and how much time it shall take to fill up the lines?

Answer: The capacity expansion program in Spokane, Washington, USA is on track with respect to time and cost. The technology transfer programs have started at Line 3. The

commercial production at Line 3 is expected to start post approval by FDA in late FY26 or early FY27.

The revenue potential for Line 3 and Line 4 combined is estimated at USD 160 to 180 million. Typically, as seen in the Industry, it takes three to four years to reach optimal capacity utilisation post commercialisation. As we are seeing shortages in the US Injectables market, we are making an effort to fill up the new capacity much faster than the industry average timeline. Also, we expect to clock higher than normalised EBITDA margins on the incremental revenue from Line 3 and Line 4 on the back of improved pricing due to newer technology and lower incremental overheads.

The technology transfer programs have started at Line 3. These batches shall generate cash inflow. We shall apply for FDA approval in FY26 and post the approval, commercial production shall start.

Q12. Can you talk about progress on implementation of corrective and preventive actions at Montreal? When shall plant restart operations?

Answer: Pursuant to the USFDA audit observations and in light of recently issued new and stringent cGMP guidelines for sterile fill and finish manufacturing facilities, we are implementing corrective and Preventive actions (CAPA's) in our manufacturing set up at Montreal facility.

We expect the Montreal facility to restart operations in mid Q3'FY25.

Q13. Can you explain Q2'FY25 CDMO Sterile Injectables results?

Answer: Q2'FY25 revenue is stable YoY at Rs. 302 Cr. EBITDA grew by 59% to Rs. 89 Cr. The revenue is stable on YoY basis despite CMO Montreal plant under remediation. Q2'FY25 EBITDA & EBITDA margins increased YoY due to retrospective pricing improvement.

CRDMO – Drug Discovery

Q14. We have seen an impressive revenue growth in Drug Discovery services? Can you talk about it the growth trajectory going forward?

Answer: We are bullish on the mid and long term prospects of the CRO industry in India due to talent availability & gradual shifting of demand due to the preference for friend "sourcing" locations due to Biosecure ACT. We are increasing our partnership with large Pharma companies doing, leveraging our infrastructure, capacity and capabilities

expanded during last two years. As a testament, we on boarded two large pharmaceutical companies as our clients in FY24 and one more in Q2'FY25.

We are well prepared to further scale up Infrastructure and scientific talent to take advantage of the upcoming in CRO demand. We expect revenue growth to continue on the back of our large pharma strategy and the industry tailwinds.

Q15. Can you talk about the partnership with Pierre Fabre?

Answer: Earlier, in this quarter, we announced a strategic partnership with Pierre Fabre, France. Under this partnership, Jubilant Biosys Innovative Research Services Pte Limited, Singapore ('JBIRSPL'), subsidiary of Jubilant Biosys Limited, a wholly owned subsidiary of the company would acquire 80% equity capital in Jasmin (new company incorporated in France, as a Société par Actions Simplifiée (SAS), 100% owned by Pierre Fabre). Jasmin shall acquire Pierre Fabre's R&D Centre (Including R&D Site and R&D activities) at Saint Julien, France upon closing of the transaction. This strategic partnership will enable Jubilant Biosys to expand its footprint in Europe in areas like Biologics (mAbs) and Antibody Drug Conjugate (ADC), in addition to its existing services including integrated drug discovery services from India.

Q16. Can you explain Q2'FY25 CRDMO Drug Discovery results?

Answer: In Q2'FY25, the Drug Discovery business revenue grew by 32% to Rs. 151 Cr and EBITDA grew by 39% to Rs. 36 Cr. Q2'FY25 revenue increased sharply YoY due to increase in revenue from new contracts from large Pharma customers and incremental revenues in CDMO business. EBITDA margin increase is due to sharp revenue increase.

CRDMO – API

Q17. Can you explain Q2'FY25 CRDMO API results?

Answer: Q2'FY25 revenue stands at Rs. 127 Cr. and EBITDA margins at 10%. Revenue decreased due to focus on selling profitable products. Industry wide pricing pressure also continues. Q2'FY25 EBITDA margins increased YoY due to cost optimization efforts despite lower revenue.

Generics

Q18. Can you explain Q2'FY25 generics results? What has led to such a sharp profitability improvement?

Answer: In our last update, we had communicated that we will try to achieve the breakeven by Q4'FY25. We are pleased to announce that we have achieved this sooner in Q2'FY25. The success of overall turnaround strategy is based on continuous quality improvement, reduction in overall cost and scaling up profitable products. Both of our large markets, US and Non US international business are now profitable. Q2'FY25 revenues remained stable YoY at Rs. 173 Cr. Reported EBITDA stands at Rs. 21 Cr. with margins at 12%.

Q19. Can you tell us your plans for new product launches?

Answer: We plan to launch six to eight products per annum in our non-US international markets and also the US market.

We also plan to start the supply of approved products from Roorkee facility to the US market in H2'FY25. There are 35 ANDAs in the approval pipeline for the US.

In our last update, we had communicated that following the status change of the solid dosage formulation facility at Roorkee, the exports to the US markets are expected to increase in a meaningful and gradual manner.

Prop Novel Drugs

Q20. What is the status of clinical trials of your lead programs JBI-802 and JBI -778?

Answer: We are happy to announce the dosing of first patients in global clinical trials involving both of our lead programs, Phase II trial for JBI-802 for Essential Thrombocythemia (ET) and other Myeloproliferative Neoplasms (MPN) and Phase I trial for JBI -778 for non-small cell lung cancer (NSCLC) and high grade Glioma.

For JBI-802, Phase 1 clinical data established safe dosage and further, dose dependent platelet effect was seen in the clinic at higher doses, establishing application in Essential Thrombocythemia (ET) and other Myeloproliferative Neoplasms (MPNs). In light of these, we are starting a phase II clinical trial to treat ET and MPN patients with thrombocytosis. The phase I trial also showed anti-tumour response in two lung Cancer patients at the low dose of 10mg without platelet reductions. One patient with Non-small cell lung Cancer, having STK11 mutations showed significant response on JBI-802, while not responding to previously administered doublet IO therapy. Generally, the survival rate is very low in such cases, however, the patient has responded well to JBI-802. Therefore, additional investigator led clinical trials in NSCLC and post MPN AML are being discussed with multiple institutions to obtain a larger patient data.

Q21. Why has the EBITDA losses halved in H1'FY25 as compared to H1'FY24?

Answer: We are focussed on 2 key clinical stage projects and are investing in a calibrated manner.

Consolidated Financials

Q22. Will there be any further reduction in interest cost due to lowering of rates?

Answer: We expect finance cost to come down in H2'FY25 due to lowering of rates and debt reduction.

Q23. What is the outlook for revenue and EBITDA for H2'FY25?

Answer: In Q2'FY25, Total income grew by 5% on a YoY basis to Rs. 1,774 Cr., EBITDA grew by 19% YoY basis to Rs. 311 Cr. and Net debt to EBITDA improved from 2.5x in Mar'24 to 1.5x in Sep'24.

In the second half in FY25, we shall continue to work on these three financial priorities, which is to continue the revenue growth momentum, to expand EBITDA margins and improve net debt / EBITDA.

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