Jubilant Pharmova Limited

Transcript of 47th Annual General Meeting held on

Friday, August 29, 2025

Moderator: Good morning members. Welcome to the 47th Annual General Meeting of Jubilant Pharmova Limited being held through video conferencing and other audio-visual means. For smooth conduct of the meeting, all members will remain on mute mode during the meeting.

Members who are pre-registered as speakers will be unmuted at the appropriate time when invited to share their comments or queries. Please note that in accordance with statutory requirements, the proceedings of this Annual General Meeting are being recorded and a transcript shall be made available on the Company's website following the conclusion of the meeting. With that, I now hand over the proceedings to Mr. Shyam S. Bhartia, Chairman of the Board, who is joining us from New Delhi. Thank you and over to you, sir.

Shyam S. Bhartia: Good morning, ladies and gentlemen. On behalf of the Board of Directors, I extend a very warm welcome to each one of you to the 47th Annual General Meeting of Jubilant Pharmova Limited. I sincerely thank you for taking the time out to join us today.

This meeting is being conducted through video conferencing in accordance with the provisions of the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. The Company has made all the necessary arrangements to ensure smooth participation and electronic voting for our esteemed shareholders. Proceedings of this AGM shall be deemed to be conducted at the registered office of the Company.

As the requisite quorum is present, I now declare the meeting open.

Let me now take a moment to introduce the members of the Board and key managerial personnel who have joined us today via video conferencing,

1. Mr. Priyavrat Bhartia, Managing Director, joining from Delhi,
2. Mr. Arjun Bhartia, Joint Managing Director, joining from New Delhi,
3. Mr. Arvind Chokhany, Group CFO and Whole Time Director, joining from Noida,
4. Mr. Vivek Mehra, Independent Director and Chairman of the Audit Committee, joining from Mukteshwar,
5. Ms. Shivpriya Nanda, Independent Director and Chairperson of Sustainability and CSR Committee, joining from Goa,
6. Mr. Shirish G. Belapure, Independent Director and Chairman of Quality Committee, joining from Ahmedabad,
7. Dr. Harsh Mahajan, Independent Director, joining from New Delhi, Dr. Ramakrishnan Arul, Whole Time Director, joining from Hyderabad,
8. Mr. Naresh Kapoor, Company Secretary, joining from Corporate Office, Noida.

We acknowledge the presence of Mr. Rupinder Singh Bhatia, PCS, as Scrutinizer, representative from our Statutory Auditors, Walker Chandiok and Company, LLP, and our Secretarial Auditors, M/s. Sanjay Grover and Associates, who are attending this meeting via video conferencing.

Mr. Hari S. Bhartia has requested leave of absence due to unavoidable reasons. Further, Mr. Arun Seth, Chairperson of the Stakeholders Relationship Committee, and Mr. S.K. Roongta, Chairperson of the Nomination, Remuneration & Compensation Committee, were also unable to attend the meeting due to unavoidable circumstances.

In their absence, Dr. Harsh Mahajan, an Independent Director and Member of the Stakeholders Relationship Committee, and Mr. Vivek Mehra, Independent Director, Member of the Nomination, Remuneration and Compensation Committee, will represent the Committee and address the queries.

For Chairman's Speech refer Annexure -1

<…….. Chairman's Speech ends>

We shall now proceed with the formal agenda of the meeting.

The statutory registers as required under the Companies Act 2013, the certificate issued by Secretarial Auditors pursuant to the SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 and other relevant documents mentioned in the AGM notice are available for electronic inspection on NSDL e-voting platform under the tab titled AGM documents. These will remain accessible until the conclusion of this meeting.

I am pleased to inform you that both statutory auditors and secretarial auditors have issued unmodified opinions in their respective audit reports for the financial year 2024-25. There are no qualifications, observations or adverse remarks in the financial statements. As the notice of AGM along with the annual report for the FY24-25 has already been circulated to all the members via electronic mode, I take the notice convening in this annual general meeting as read.

In compliance with the provisions of the Act 2013 and the SEBI listing regulations, the Company has provided remote e-voting facilities to shareholders from 26th August 2025 to 28th August 2025, enabling them to cast their votes electronically on the resolutions set forth in the AGM notice.

Members who have not exercised their vote through remote e-voting and are attending this meeting may now cast their votes using the NSDL e-voting system which is currently active. We now take up the agenda items as listed in the notice of AGM.

Item number 1, Ordinary Resolution

Adoption of audited financial statements including consolidated financial statements for the year ended March 31, 2025.

Item number 2, Ordinary Resolution

To declare dividend of INR 5 per equity share of face value of INR 1 each for the financial year ended March 31, 2025.

Since, I am interested in the agenda items 3 and 4, I request Mr. Vivek Mehra, member of the Nomination, Remuneration and Composition Committee to chair the meeting for these agenda items.

Vivek Mehra: Thank you, Mr. Chairman.

Item number 3, Ordinary Resolution

To appoint a Director in place of Mr. Shyam S. Bhartia, who retires, by rotation and being eligible, offers himself for re-appointment.

Item number 4, Ordinary Resolution

To appoint a Director in the place of Mr. Priyavrat Bhartia, who retires, by rotation and being eligible, offers himself for re-appointment.

May I now request Mr. Shyam S. Bhartia, Chairman to chair the meeting for the remaining agenda item.

Shyam S. Bhartia: Thank you, Mr. Vivek Mehra.

Item number 5, Ordinary Resolution

To appoint M/s Sanjay Grover & Associates, practicing Company Secretary as a Secretarial Auditor for a term up to five consecutive financial years. The text of resolutions is provided in the AGM notice circulated to the members.

May I request moderator to invite the speaker shareholders for Q&A.

Moderator: Thank you, Sir.

We welcome our speaker shareholders who have registered to express their views or ask questions during the annual general meeting. In the interest of time and to ensure a smooth conduct of the meeting, each speaker shareholder is requested to limit their remarks or questions to a maximum of three minutes.

We now have our first speaker shareholder, Mr. Riju Gupta from New Delhi, DP ID IN303028 and Client ID 53216950. Please go ahead.

Riju Gupta: My name is Riju Gupta. I have been a shareholder in Jubilant Pharmova for the past three years. I am quite enthused by the performance over the past three years and the vision that the business has put forward for the next three years. I have two questions for the management. One, our

compliance record has been a little patchy in the past three years where we have received observations from USFDA both in India and abroad.

So, I would like to know from the management, what strategic steps have we taken to ensure that our compliance culture gets significantly better and we are able to benchmark with the best so that such instances don't happen in the future.

Second, our Company operates in a lot of business segments. Most of them, we have a very strong moat, we have tailwinds, we have a right to win and we are headed in the right direction. Barring one, where we are sub-optimal, we have had a patchy past and there are headwinds, which is our generics business.

I would like to know from the management the strategic reasons for why we are continuing to deploy our capital and resources in generics. Wouldn't we be better off in focusing everything on our other segments where our moat is much stronger and there are significant tailwinds? Thank you.

Moderator: Thank you. We now have our second speaker shareholder, Mr. Praveen Kumar from Delhi, DP ID IN300118, Client ID 10449827. Please go ahead.

Praveen Kumar: A very, very good morning to my respected Chairperson, well-decorated esteemed Board of Directors, my fellow shareholders, myself, Praveen Kumar, joining this meeting from New Delhi. I have few observations, which I love to share with the entire house. First of all, thank you very much, respected Chairperson, for your very, very in-depth address to the shareholders.

I think you almost cover everything beautifully. Sir, I have the Company's shares for decades now and I have the deepest respect for you. I truly salute your leadership, dedication, devotion to bring sustainable growth for retail investors.

And today's agenda, which you put for table, I already assented all the resolutions which you set up for the notice today. And my question to the management is, what will be the impact of Trump tariff on our Company? Please elaborate on that aspect of it.

Moderator: Thank you. We now have another speaker shareholder, Mr. Lokesh Gupta from Delhi, DP ID 07635382, Client ID 13041400. Please go ahead.

Lokesh Gupta: Namaskar Sir, I, Lokesh Gupta, from Delhi thank all the Board members. Sir, first of all I congratulate you for great performance and this has been possible because of your leadership and team work. Sir, what is the roadmap of our Company for next two years. I was a shareholder of the Company yesterday and I am a shareholder of the Company today and I will remain a shareholder of the Company tomorrow too. Thank you, sir.

Moderator: Thank you. I now request Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-Time Director to address the shareholders' queries.

Arvind Chokhany: Thank you very much. Thank you for all the queries. I'll start in the order. So, first, Riju ji asked me a question. Thank you, Riju ji, for your encouraging comments about our last 3 years'

performance. Your first question is on compliance culture. So, we have taken three large steps in last 2-3 years. I'll just quickly go through them.

Firstly, we have strengthened the quality governance at the board level by forming a quality committee under the guidance of Mr. Shirish Belapure. Belapure ji, as you know, is an accomplished leader with rich experience of 45 years in very large pharmaceutical companies manufacturing quality control and regulatory areas.

And he's worked extensively on domestic as well as international operations in all the reputed companies. So, under his guidance at the Board level, we have a Board level oversight on the culture.

Secondly, we have a compliance transformation team at the Chairman office as well, which is monitoring the overall improvement in quality and compliance, including the initiatives at shop floor level. And our quality and compliance team is continuously deploying the best practices across all of our facilities.

And thirdly, we have taken the help of very specialized third party agencies to prepare us with any time audit readiness by conducting surprise audits at each of our facilities. So, these three approaches together, we can see the results in our API facility in Nanjangud which achieved a VAI status in March'23. Then Roorkee Generics facility which achieved a VAI status in April 2024, earlier last year. I hope this satisfies some of the efforts and will continue and to continuously enhance the compliance culture as you outlined.

Your second question, Riju ji is on generics. So, you will appreciate that, we have been able to turn around successfully this business. And this business turnaround strategy hinged on, there was again, three big areas we focused on. One is quality, continuous quality improvement, because that is the one which has had hit us in the past. Second is reduction in the cost structure. And third is scaling up the profitable products.

So, going forward, what we expect is to improve profitability further and return to growth and ramp up in revenue. So, you will see that we have already outlined in our vision that by 2030, we will double our revenues and we will come to the margins of 15% to 17% in generics business.

We are also very conscious, Riju ji, on incremental capital deployment and ROCE for the business. And we are not deploying any capital, incremental capital in this business, so that we can sweat out the assets and improve the return on capital on this business. So, I hope all of this will add further value and thank you for your query and we really value it.

After Riju ji, I will move to Shri Praveenji's query on impact on Trump tariff on our Company. So, though the Chairman has outlined in a very lucid way all the impact, I will just take one minute to answer Praveen ji's query that what is the tariff risk. So, the tariff risk is, basically, as you know today, for Indian companies on the goods which are originating, on origination.

So, for us, 80% of our revenues comes from the US geography, sales in US, of the total revenue. Out of that 20% that we are selling in US, 72% is manufacture - origin is US itself. 18%, as the

Chairman also out lighted is Canada, of which 17% are goods and 1% is services. And all the goods which originate from Canada for radiopharmaceuticals, they are exempt from tariff under the US-Canada and Mexico trade agreement. So, that takes it to 90%, which is fully exempt out of the total sales in US.

Now, 10% of our sales in US is, basically, from India of which 6% is services on which there is no tariff. Tariff is on goods. So, 4% is goods which go from India to US, which right now both for generics and API, there is no impact right now, as of now. And so, there is a nil negative impact as far as our goods are concerned. But yes, 4% of our total top line of the 80% in US goes from India, on which there is no impact as of now, as we speak.

But I would also like to add, Praveen ji, that we have a lot of positive tailwinds due to this US tariff, because the large innovator pharmaceutical companies in US, for their requirements, are now looking to create alternate manufacturing sites in US as a risk management measure in the event of further tariff imposition by US government.

And as you know, that we have doubled down our capacity in our CDMO sterile business in Spokane. So, we are seeing excellent traction in the RFP for Line 3 for the CDMO sterile injectables in Spokane, and we expect to fill up this capacity much faster than before.

Now, I will move to the third question, Lokesh ji. And Lokesh ji, thank you. You asked us about our vision. What is our vision in the next 3 to 5 years? So, I would like to tell you that in February 2025, we articulated our Vision 2030. And in that Vision of 2030, we said that we will double our revenues by FY '30 for the Company, improve EBITDA margins to 23% to 25% range, reduce Net debt to zero and grow Return on Capital to high teens.

Lokesh ji, we also said that for our outlook for 2026, we expect growth momentum to further strengthen, EBITDA margins to improve and PAT margins to strengthen on a full year basis as well. I am sure, this shall give you a good idea of where we are headed.

Your second question was on R&D, Lokesh ji. So, I would like to inform that your Company roughly spend around 2.5% to 3% of its revenue on R&D, either through expenses or through capex in product development. It goes in combination between 2.5% and 3%, either as expense or capex in product development. And all our R&D efforts are primarily focused in radiopharma and our proprietary novel drug business only.

And I would like to inform our esteemed shareholders that if they have any other query which is unanswered, they can reach out to our Company Secretary or email us at investors@jubl.com. Thank you very much. And I hand it over to the moderator.

Moderator: Thank you, sir. Members may note that the e-voting on the NSDL platform will continue for the next 30 minutes. Thereafter the proceedings of the meeting shall be closed. Members who have not casted their vote are requested to do so. The Board of Directors has appointed Mr. Rupinder Singh Bhatia, practising Company Secretary CP number 2514 as a scrutiniser to supervise the e-voting process.

Over to the Company Secretary.

Naresh Kapoor: On behalf of the members present, I propose a vote of thanks to the Chairperson. And I thank you all for taking out your valuable time to attend this Annual General Meeting. Thank you all.

Moderator: Dear members, as advised by the Chairman, the time for e-voting has elapsed and he is of the view that all members participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM and this concludes the proceedings of AGM.

The result of the e-voting shall be declared within two working days of conclusion of the meeting. Results shall be available on the website of the Company, Stock Exchanges and NSDL and shall also be displayed at the Notice Board of Registered Office and Corporate Office of the Company. Thank you all for participating in the AGM and e-voting.

Dear Shareholders,

Your Company, Jubilant Pharmova is a global integrated pharmaceutical Company, advancing healthcare through science, technology, and precision execution. Your Company is involved in six businesses, which includes speciality products, namely radiopharma and allergy immunotherapy; speciality services, namely CDMOs, sterile injectables, and contract research and development and manufacturing, CRDMO, along with generics and proprietary novel drug.

Each business segment has a unique differential position in their respective markets.

- In radiopharmaceuticals, your company is the innovation leader in the cardiac PET scan market in the U.S. through its product, RUBY-FILL.
- In radiopharmacies, we have the second largest radiopharmacy network in U.S., catering to over 1,800 hospitals.
- In allergy immunotherapy, we are second largest player in U.S. allergenic extracts and sole supplier of venom immunotherapy in the U.S.
- In CDMO sterile injectables, we are leading contract manufacturer in North America, serving top global innovator pharma companies.
- In CRDMO, your company is the Indian leader in integrated drug discovery and a formidable API player with over 100 different APIs.
- In generics, we have the presence in over 50 countries and we are building a growing profitable and agile business model.
- In proprietary novel drug business, we have a clinical stage precision therapeutic company trying to address unmet medical needs through development of easy to use oral drugs for difficult to treat cancers and autoimmune diseases.

In FY '25, 90% of our revenues were dollar denominated and 80% of the revenues came from the U.S. geography. If you look at the origin of the goods and services sold in U.S., approximately 72% is from U.S. itself, which has no tariffs. Next 18% is from Canada, where the goods are 17% and services are 1%. Now these goods are radiopharmaceuticals, which are exempted from any tariff under U.S., Canada, Mexico trade agreements. Last approximately 10% is from India, where 6% is services and 4% is goods. The goods export from India to U.S. are genetics and API products, which has no tariff impact as of now. Therefore, we have zero impact from U.S. tariffs.

Through my remarks today, I shall cover key aspects of financial and strategic progress made in FY '25, future industry prospects and the growth outlook of the Company, financial and strategic progress in FY'25.

In February 2025, we outlined our vision 2030, which is to double our revenue from FY'24 to FY'30, improve EBITDA margins to 23% to 25% range, reduce net debt to zero and grow return on capital to high teens.

Our FY'25 financial performance takes us one step closer to this vision. In FY25, consolidated revenue from operations grew by 8% to INR72 billion on the back of growth of Radiopharma, Allergy immunotherapy, CDMO Sterile Injectables and CRDMO businesses. EBITDA increased by 24% to INR 12.3 billion. EBITDA margins expanded by 220 basis points to 16.9% led by improved margins in CDMO Sterile Injectables, CRDMO and generics business.

Normalized PAT increased by 112% to INR 4.15 billion on back of improved operating performance and reduction in finance cost. Net debt / EBITDA reduced to 2.5x as of March 2024 to 1.1x as of March 2025. Net cash generated from operations increased from INR 9.7 billion in FY24 to INR 10.7 billion in FY25.

Coming to the segment's performance, in Radiopharmaceuticals business, we continued to maintain strong position, in SPECT imaging product portfolio, gained market share in Ruby-Fill and delivered 47% EBITDA margin for the full year FY25.

In Radiopharmacies business, we delivered 13% revenue growth and started distributing PYLARIFY, an industry-leading prostate cancer diagnostic imaging agent through two of our PET radiopharmacies.

In Allergy Immunotherapy business, we sustained a growth momentum in the US and delivered 35% EBITDA margin.

In CDMO Sterile Injectable business, revenue grew by 14% and EBITDA grew by 52% over last year. We completed media fills on Line 3 and multiple technology transfer projects programs are underway.

The Large innovator pharmaceutical companies, for their US requirements, are now looking to create an alternative manufacturing site in US as the risk management measure in the event of tariff imposed by US government. In light of that, we are starting to see excellent traction in RFPs in Line 3. We expect to finalize these in FY26.

We expect to reach peak utilization for line 3 in three years from the start of commercial production now, versus an earlier expectation of four years. Our Montreal facility began operations following the successful implementation of corrective and preventive action post US FDA audit.

In CRDMO business, revenue grew 5% and EBITDA grew 32% over last year. We continue to add large pharma clients and scale up these contracts. We announced a strategic partnership with

Pierre Fabre, France, to expand our footprint in Europe in the areas such as biologics (mAbs) and Antibody-Drug Conjugates (ADCs).

In the CDMO API business, we improved product mix, optimized cost and increased revenue mix towards CDMO which aided in the margin expansion.

In generic business, we achieved profitability in FY25. The Success of the overall turnaround strategy has hinged on continuous quality improvement, reduction in overall cost and scaling up profitable products. Going forward, we expect to further improve profitability and return to revenue growth.

In the Proprietary Novel Drug business, the global clinical trials for 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 are actively enrolling patients and progressing in line with our expectations.

Your Company has embarked on a renewable energy implementation journey across its facilities in India to enable a reduction in both cost and carbon footprint. We are enhancing new technologies like advance AI and Automation to increase yields, enhance product quality, improve customer experience and boost overall productivity. We are also happy to share that Jubilant Pharmova India was certified as Great Place to Work.

Industry Outlook

Moving to Industry Outlook, in 2024, the US pharmaceutical market grew to $487 billion in net prices, an increase of 11.4% over the previous year. A small subset of products drove much of the growth. These products include GIP/GLP-1 agonists, medicines with label expansions and more mature products becoming established in clinical guidelines.

Key trends shaping the industry include the enormous success of GLP-1, the focus in Cancer shifting to new modalities like ADCs, T-cell Engagers and Radiopharmaceuticals and Innovator companies looking to mitigate risk against tariffs by relocating manufacturing from Europe to the US.

In the post-tariff world, the global innovator companies, for their US requirements, are looking to shift contract manufacturing from Europe to the US. They are looking to partner with CDMO companies that have an onshore presence in the US.

Future Business Outlook

Now, let me talk about the Company's future strategic direction and growth outlook across its six business segments.

In the Radiopharma business, we have a strong pipeline of products across SPECT, PET and Therapeutics, which will drive revenue in the medium term. Ruby-Fill market share is expected to increase. The dosing for the Phase II clinical trial of MIBG is complete, and we are preparing the data package to be submitted to the US FDA by H2 FY'26.

In the radiopharmacy business, we have decided to invest US $50 million to expand PET radiopharmacy network by adding six radiopharmacies in strategic locations throughout the United States, which shall drive future growth of this business.

In the Allergy Immunotherapy business, as a sole supplier of Venom in the US, we are expanding the market by increasing customer awareness. In the US Allergenic extracts segment, the business continues to gain revenues. The business is also working to make inroads in the European market.

In the CDMO Sterile Injectables business, Line 3 and Line 4 are expected to start commercial production in FY '26 and FY '27, respectively, which shall drive growth and profitability on the back of improved pricing due to newer technology and lower incremental overheads.

In the CRDMO business, the medium-term outlook remains positive on the back of the increase in large pharma clients, CDMO revenues and the addition in new capabilities.

We have proposed sale and transfer of API business to Jubilant Biosys, a wholly owned subsidiary of the Company. This transaction will result in housing of the drug discovery business and CDMO API business within the single business entity. This combined platform will improve the operational efficiency in the business and lead to superior brand recall of 'Jubilant Biosys Limited' as a provider of end-to-end CRDMO services by the large pharmaceutical and biotech customers. The transaction will also help to improve asset utilization of API business by improving the revenue mix towards custom manufacturing and CDMO.

In generic business, we plan to launch six to eight products per annum in our US and non-US international markets. In line with our plan, we are revamping up exports to the US market in a meaningful and gradual manner. We have also started ramping up supplies of products from our contract manufacturing partners to the US market. We expect to increase profitability and return to growth in FY26.

In proprietary novel drug business, we shall look to complete the Phase 2 trial of our lead asset JBI-802, which has the potential for significant value infection.

Q1'FY 26 Results

Now, I would like to briefly touch upon our performance for the first quarter of FY26 as well.

In Q1 FY26, revenue grew by 10% on year-on-year basis to INR 19 billion. EBITDA grew by 14% year-on-year basis to INR 3 billion due to improved performance in CRDMO and generics. Normalized PAT increased by 48% to INR 1.0 billion on the back of improved operating performance and reduced finance costs.

Dividend

The Board has proposed a dividend of INR 5 equity share of INR 1 for the year ended 31 March, 2025.

We wish to inform you that the Company is actively participating in the 100 days campaign initiated by the Investor Education and Protection Fund IEPF Authority. The Company remains committed towards enhancing the investor awareness and aimed at facilitating the recovery of unclaimed shares and dividends.

I would like to conclude my vote of appreciation to all our valued shareholders who have joined us today and the larger investor community for supporting us in our business endeavours. I wish to extend our gratitude to our stakeholders including our customers, vendors, lenders and our valuable employees for their confidence that they have reposed in us.

Thank you.