



Hester Biosciences Limited
Head Office
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Plant Address
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Gujarat 382721, India

Email mail@hester.in
Toll Free 1800 233 7937
www.hester.in
CIN L99999GJ1987PLC022333

12.08.2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

Scrip Code: 524669

Symbol: HESTERBIO

Respected Sir / Madam:

Subject: Outcome of Board Meeting

This is with reference to our letter dated 04.08.2021 intimating the date of the Board Meeting for consideration of the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30.06.2021.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that Board of Directors, in their Meeting held today, have approved the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30.06.2021, as recommended by Audit Committee.

We attach herewith:

- 1) The approved standalone and consolidated unaudited financial results and limited review reports.
- 2) Press Release issued in this regard

We would be publishing the extract of results in the newspaper as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board Meeting commenced at 10:45 a.m. (IST) and concluded at 11:03 a.m. (IST)

You are requested to take the above information on your record.

Sincerely,
For Hester Biosciences Limited

Rajiv Gandhi
CEO & Managing Director
DIN: 00438037



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Press Release

12 August 2021

Hester Biosciences Limited Q1 FY22 Results

**Q1 FY22 Sales have gone up by 50%, Net Profit has gone up by 60%
as compared to Q1 FY21**

Hester Biosciences Limited (referred as the "Company" from here), today announced the financial results for the first quarter of FY 2021-22. The Company achieved an improved operational and financial performance in Q1 FY22 as compared to the corresponding quarter of FY21.

The market and economic recovery has supported well for the growth of the poultry and animal industry and is expected to continue in the coming period.

The company is constantly investing in the geographical market expansion and marketing manpower to achieve the budgeted topline.

Financial Highlights (Standalone)

(INR Million)

Particulars	Q1			FY21
	FY22	FY21	Growth	
Revenue from operations	585.05	388.77	50%	2,084.77
Net Profit	122.37	76.24	60%	399.01
EPS (In INR) (not annualised)	14.38	8.96	60%	46.90

The results of Q1 FY22 have been in line with the financial forecasts and the budgets

- During Q1 FY22, the overall topline grew by 50%, compared to Q1 FY21 which was affected by a nationwide lockdown during the initial period of the pandemic.
- Overall, the sales of Vaccines have registered a growth of 41% in Q1 FY22, and the sale of Health Products have registered a growth of 94% in Q1 FY22.
- Domestic sales have registered a growth of 61% in Q1 FY22. The opening up of the domestic market has resulted in the higher demand of the products.
- Export sales have registered a marginal de-growth of 8% in Q1 FY22. Export orders are affected due to restricted cargo movements globally.

Division-wise Revenue Contribution in Q1FY22

(INR Million)

Particulars	Q1			FY21
	FY22	FY21	Growth	
Poultry Healthcare	481.04	299.13	61%	1,558.63
Animal Healthcare	104.01	89.65	16%	526.14
TOTAL	585.05	388.78	50%	2,084.77

Profitability Analysis

Particular	Q1FY22	Q1FY21	FY21
Gross Profit Margin	58.99%	64.79%	61.95%
EBITDA Margin	31.02%	34.25%	34.53%
Net Profit Margin	20.92%	16.79%	19.14%

- Rationalising product mix and increasing the contribution of Health Products in overall sales has resulted in fluctuations in the Gross margins and EBIDTA margins. However, controlling the manufacturing expenses and proper utilisation of the funds has led to an increase in the bottom line by 60% in Q1 FY22 as compared to Q1 FY21.

Balance Sheet Analysis

Particular	Q1FY22	Q1FY21	Up/(Down)	FY21
ROE	19.59%	12.39%	7.20%	16.79%
ROCE	24.70%	17.30%	7.40%	25.90%
ROI	18.20%	9.58%	8.62%	14.15%

Status on Hester's initiatives in developing Covid-19 vaccine

- Arrangement with Bharat Biotech
 - The Company, along with Gujarat Biotechnology Research Centre, Department of Science & Technology, Government of Gujarat, has entered into a term sheet dated June 28, 2021 towards the licensing agreement with Bharat Biotech International Limited (BBIL) to manufacture the Drug Substance for *Covaxin*.
 - Under the arrangement, the Company will build the BSL-3 facility suitable for manufacturing the drug substance for *Covaxin*.
 - The project is progressing as per the timeline.
- Collaboration with IIT Guwahati
 - On 15 April 2020, Hester signed an agreement with IITG to develop a vaccine against Covid-19.
 - IITG is working towards developing the recombinant vaccine candidate, based on which, Hester shall take the project further from developing the master seed up to commercially manufacturing the vaccine.

Other developments

- The development of Classical Swine Fever Vaccine, Lumpy Skin Disease Vaccine and Sheep Pox Vaccine is going as per the timeline and the commercial production is expected by the end of Q3FY22.
- The newly introduced range of herbal products is performing well and has started contributing on the topline.
- The company is foreseeing the poultry and animal health business to grow at a faster rate than earlier due to introductions of new products, constant improvements in product mix and horizontal expansion of markets.
- Various capacity expansion plans for live and inactivated vaccines in poultry and animal healthcare are underway at the Kadi plant and the commercial production is expected in the next financial year.



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Business Overview of subsidiary entities:

Texas Lifesciences

(INR Million)

Particular	Q1FY22	Q1FY21	FY21
Net Sales	49.48	23.22	180.01
Net Profit / (Loss)	1.60	1.42	13.46

- Texas Lifesciences is showing a constant growth in the topline and the expansion plans in the healthcare products business augment this growth.
- We are in the process of expanding the capacity at Texas Lifesciences.

Hester Nepal

(INR Million)

Particular	Q1FY22	Q1FY21	FY21
Net Sales	4.01	1.63	47.51
Net Profit / (Loss)	(6.84)	(20.83)	(9.73)

- Though there is slight increase in the sales of the subsidiary, however, the volume of FAO tenders is yet to come to its normalcy, which is expected in the near future.

Hester Tanzania

(INR Million)

Particular	Q1FY22	Q1FY21	FY21
Net Sales	14.45	6.93	40.88
Net Profit / (Loss)	2.00	3.78	(3.88)

- The company has achieved topline and bottom line as budgeted in the current period and the investment made in the marketing expansion activities, earlier this year has started giving positive results in terms of profits.

Hester Africa

1. Hester Africa manufacturing plant is located in Kibaha Coast region of Dar es Salaam, Tanzania. The plant will manufacture animal vaccines to cater to the diseases specific to the continent of Africa.
2. The construction of the plant was completed in February, 2021 and the validation process of the drug authorities is under progress.
3. The commercial production is expected to start in Q3 FY22 and its benefits will be visible from FY 2022-23 as we capitalise on its large capacity to serve the African markets, which has one of the largest domestic livestock and large animal population.
4. Built at a total cost of USD 18 million, this plant will help us become a leading player in Africa and contribute significantly to our overall top line.
5. We recently welcomed Dr. Furaha Mramba as the CEO of Hester Biosciences Africa Limited. Dr. Furaha comes with a rich experience that includes heading the Tanzania Veterinary Laboratory Agency (TVLA) for years in the past. She holds a PhD and Master's in Medical Entomology and a Bachelor's in Zoology & Botany.



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About Hester Biosciences

Hester Biosciences is a leading animal healthcare company engaged in manufacturing and marketing of animal vaccines and healthcare products. The Company operates with a singular focus of improving health of animals, monitoring and preventing diseases in them, thereby enabling better health for human beings.

The Company is progressing by innovation and building capacities to unlock untapped potential and also aims to play a bigger role in strengthening the livestock industry in India and contributing to the nation's development.

For more information, please visit www.hester.in