



May 7, 2021

Dept. of Corporate Services,
BSE Ltd.,
P J Towers,
Dalal Street,
Mumbai – 400 001.

Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai 400051.

BSE Scrip Code : 524735

NSE Symbol : HIKAL

Dear Sir/ Madam,

Subject: Earnings Press Release – on the Results of the Company for the quarter and financial year ended March 31, 2021

With reference to the subject, we are enclosing a copy of the Press Release on Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2021.

This is for your information and records.

Thank you,

Yours sincerely,
for HIKAL LTD.,


Rajasekhar Reddy
Company Secretary



Encl: As above.

Hikal Ltd.

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Hikal Limited: Record Quarterly and Annual Performance

➤ Q4FY21 Highlights

- ✓ Revenue of Rs. 532 crore; YoY growth of 40%
- ✓ EBITDA of Rs. 109 crore; YoY growth of 55%
- ✓ EBITDA Margin of 20.5%; Expansion of 188 bps
- ✓ PAT of Rs. 51 crore; YoY growth of 108%

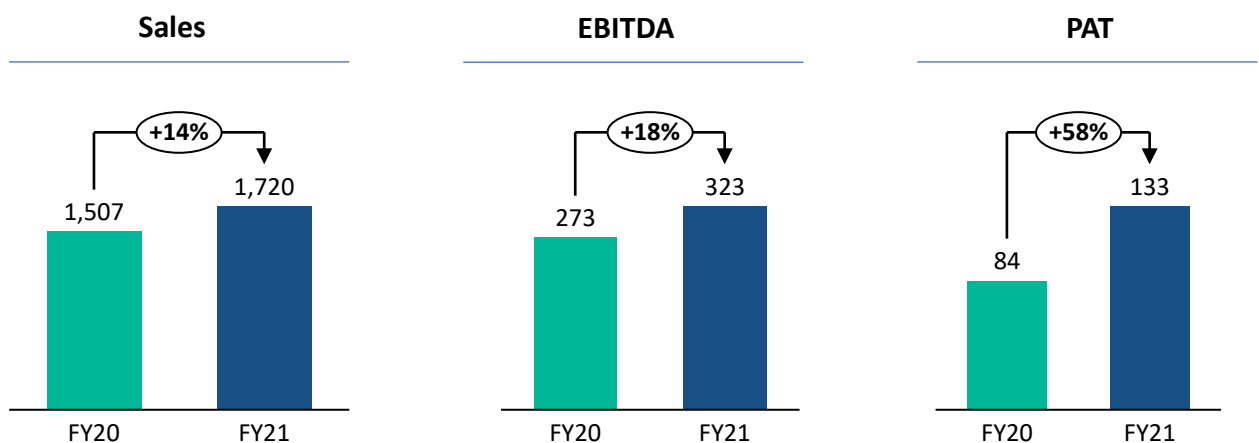
➤ FY21 Highlights

- ✓ Revenue of Rs. 1,720 crore; YoY growth of 14%
 - ✓ EBITDA of Rs. 323 crore; YoY growth of 18%
 - ✓ EBITDA Margin of 18.8%; Expansion of 64 bps
 - ✓ PAT of Rs. 133 crore; YoY growth of 58%
- Total Dividend for the year – Rs. 2/- per share (100% of Face Value including interim dividend of 50%)

Mumbai, May 07, 2021: Hikal Ltd., a preferred long-term partner for leading global life sciences companies, announced its financial results for the quarter and full year ended 31st March 2021.

FY21 Performance:

(Rs. in crore)

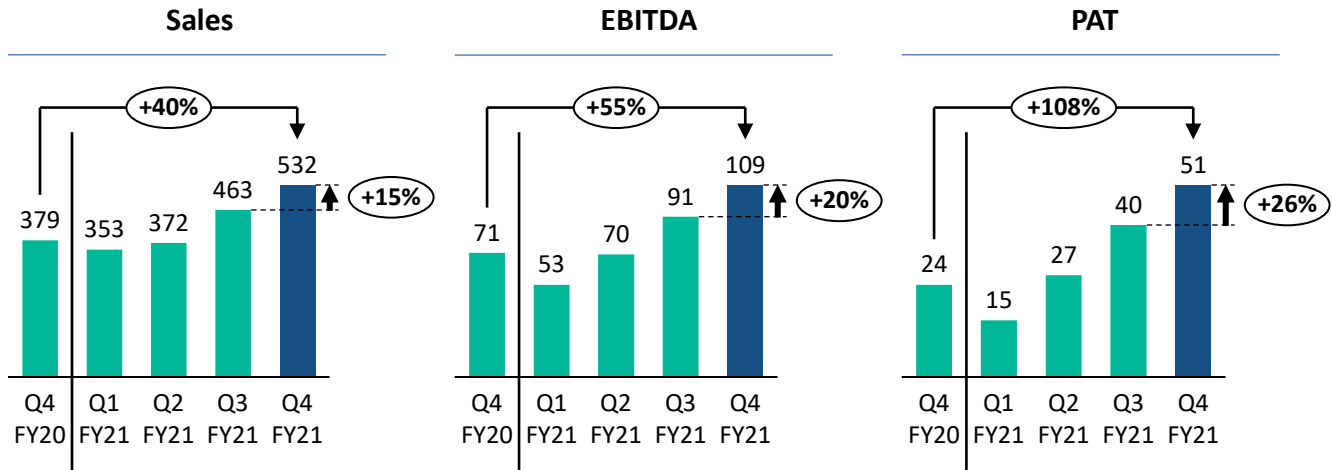


Key Highlights

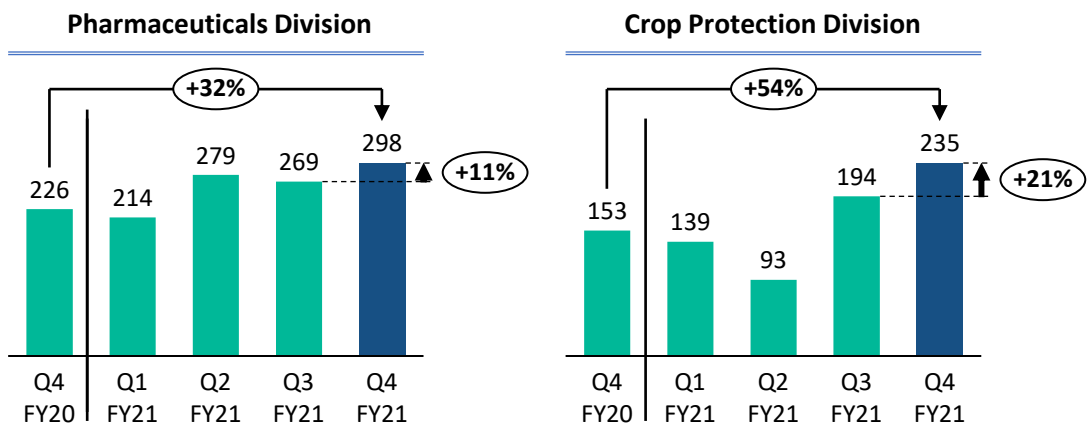
- Higher volumes of key products aided by strong performance in newly commercialized CDMO as well as own products and penetration in new markets
- Steady improvement in EBITDA Margins continues aided by improved product mix and business excellence efforts to streamline costs and improve throughput

Consolidated Quarter Performance:

(Rs. in crore)



Segmental Performance for the quarter ended 31st March 2021



- **Pharmaceutical sales up by 32% to Rs. 298 crore** as compared to Q4FY20 and 11% compared to Q3FY21
 - Strong growth in volumes of own API's and CDMO products
 - Business excellence initiatives have resulted in cost and capacity improvement enabling us to meet increased market demand and better margins
- **Crop Protection sales up by 54% at Rs. 235 crore** as compared to Q4FY20 and by 21% compared to Q3FY21
 - Orders deferred in H1 due to pandemic were executed in H2
 - New capacities have come on stream through the capex incurred over last 12 months
 - Commercialized a new fungicide for a Japanese customer for the CDMO business
 - Significant scale-up of this product is expected in FY 2021-22
 - A new long-term contract for supply of a fungicide is in final stages of discussion with a leading US-based Crop Protection company

Commenting on the results, Jai Hiremath, Chairman & Managing Director, Hikal Ltd. said,

"I am happy to report that we have achieved a record performance for Q4 as well as for the full financial year. Despite the disruption in H1 on account of the Covid-19 pandemic, we have substantially recovered during H2. On an annual basis, we registered a revenue growth of 14% whereas our EBITDA grew by 18% as compared to the previous year. Based on our performance for the year and strong growth outlook for next year, the Board of Directors have recommended a final dividend of Rs. 1/- per share (50% of FV). Along with the interim dividend of Rs. 1/- declared in February 2021, the total dividend for FY21 will be Rs.2/- per share (100% of FV).

The Crop Protection business registered a positive YoY growth of 54% in Q4 on the back of strong volume growth of our existing products and commercialization of a new product from our newly built facility in Panoli. On a full year basis, the Crop Protection business delivered a growth of 7%, which was enabled by a strong recovery in H2 after a challenging H1. We expect this positive momentum to accelerate in FY 2021-22 based on a healthy pipeline of projects at various stages.

Our Pharmaceutical business has performed well, registering a YoY growth of 32% for the quarter. For FY 2020-21, the business delivered a strong growth of 19% based on increased volumes of existing API Generics and CDMO products. We have a healthy pipeline of new products which will be supported by our new capacities which have come on stream as the result of the capex incurred over last 12-24 months. We continue our fight against the pandemic with the filing of a US DMF for Favipiravir API. We are supporting both the domestic and global markets.

In the Pharmaceuticals business, we have achieved a significant milestone in our Animal Health business by signing a 10-year supply contract for a portfolio of niche APIs with a leading global multinational customer. We have jointly partnered with our customer to set up a new facility at our Panoli site. This will lead to additional opportunities in growing the Animal Health business into a full-fledged vertical.

Our profitability has been on an uptrend during the year which is a result of our focused business excellence initiatives, and we are confident of further improvement in the bottom line in the coming years. We have been able to generate strong cash flows from our operations and focused efforts have brought down our borrowing costs. On the capex front, we have recently completed the construction of an additional plant to our new development and launch facility at Bangalore. Capacity addition under our capex program has been completed and the commissioning of these units will be done in phases over the next 2 quarters.

We are seeing significant opportunities to grow our business profitably. We have selected a leading global consultant to work with us on a business transformation exercise which will enable us to pivot our growth in a sustainable manner. This strategic exercise will work on bringing in efficiency in operations, identifying and executing new opportunities to meet our strategic goal in the next 4-5 years.

We see significant tailwinds in both our businesses and with completion of the past capex program we are confident of maintaining our growth trajectory over the next 2-3 years.

About Hikal Limited

Hikal is a reliable long-term partner to companies in the Pharmaceuticals, Crop Protection, and Specialty Chemicals industry. The company is in the business of supplying research services, active ingredients and intermediates, manufactured using stringent global quality standards, for its global customers. Hikal's advanced manufacturing facilities have been inspected and approved by leading multinational companies in the Crop protection and Pharmaceutical sectors. The Crop protection facilities are located at Taloja and Mahad (Maharashtra). Hikal's R&T facilities are located at Pune. The Pharmaceutical manufacturing facilities are situated in Jigani (Bengaluru) and Panoli (Gujarat). Hikal is the first Indian life-sciences company to receive the Responsible Care® certification governed by the International Council of Chemical Associations (ICCA).

Safe Harbor Statement

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 project characteristics, project potential and target dates for project related issues 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. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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