



October 26, 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 half-year ended September 30, 2021

With reference to the subject, we are enclosing a copy of the Press Release on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2021.

This is for your information and records.

Thank you,

Yours sincerely,
for HIKAL LIMITED,

Rajasekhar Reddy
Company Secretary



Encl: As above.

Hikal Ltd.

Admin. Office : Great Eastern Chambers, 6th Floor, Sector 11, CBD Belapur, Navi Mumbai - 400 614, India. Tel. : +91-22-6277 0299, Fax : +91-22-2757 4277

Regd. Office : 717, Maker Chamber - 5, Nariman Point, Mumbai - 400 021, India. Tel. : +91 22-6277 0477, +91-22-6277 0500.

www.hikal.com info@hikal.com CIN : L24200MH1988PTC048028

Hikal Limited: Resilient Quarterly Performance

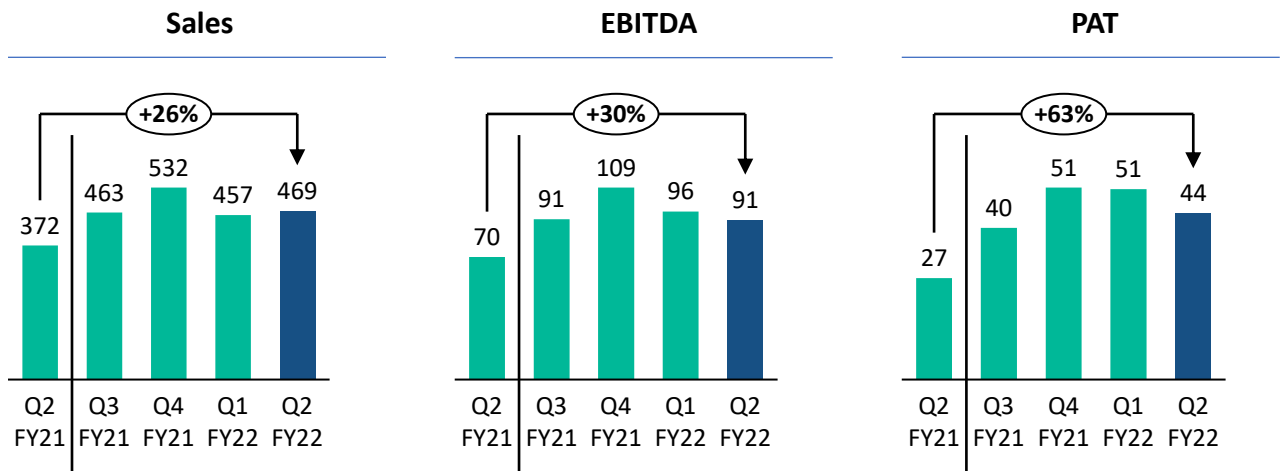
➤ Q2FY22 Highlights

- ✓ Revenue of Rs. 469 crore; YoY growth of 26%
- ✓ EBITDA of Rs. 91 crore; YoY growth of 30%
- ✓ EBITDA Margin of 19.4%; Expansion of 62 bps
- ✓ PAT of Rs. 44 crores; YoY growth of 63%

Mumbai, October 26, 2021: Hikal Ltd., a preferred long-term partner for leading global life sciences companies, announced its financial results for the quarter and half year ended 30th September 2021.

Consolidated Quarter Performance:

(Rs. in crore)

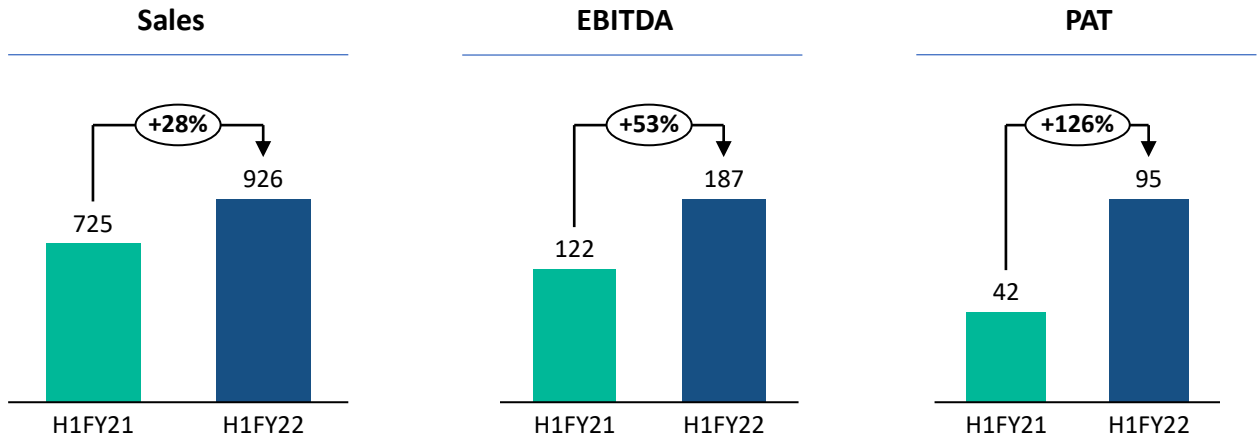


Key Highlights

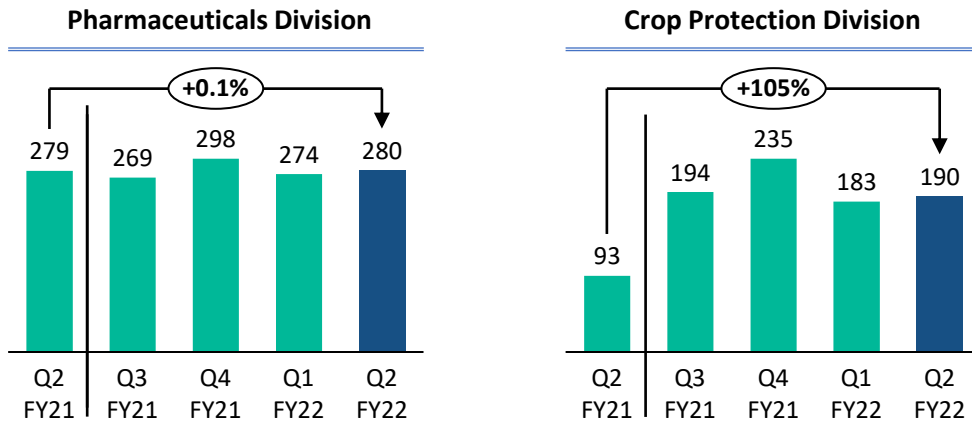
- Higher sales of existing products and addition of new products vs Q2 FY21
- Strong performance in both own products as well as CDMO segment
- Hikal transformational journey with a global consultant is on track
- Steady improvement in EBITDA margins continues, aided by improved product mix and higher operating leverage vs Q2 FY21
- YoY growth of 63% in PAT driven by Product Mix
- Lowered interest rates
- Shutdown of the Mahad facility for 27 days in Q2 FY22 due to heavy rains led to a substantial impact on the revenue & profitability

H1FY22 Performance:

(Rs. in crore)



Segmental Performance for the quarter ended 30th September 2021



➤ **Pharmaceutical sales remains flat at Rs. 280 crore** as compared to Q2 FY21

- Growth in volumes for several own products
- Commissioned new capacity in Unit-2, Jigani, Bangalore for CDMO Projects

➤ **Crop Protection sales up by 105% at Rs. 190 crore** as compared to Q2 FY21

- Increased sales volume of existing as well as new products and several price increases for certain products
- Substantial YoY increase in segmental profitability due to higher operating leverage and business excellence initiatives

Commenting on the results, Jai Hiremath, Executive Chairman, Hikal Ltd. said,

“Hikal has delivered another quarter of positive performance. From a segmental performance perspective, the Crop Protection business has performed well, registering a positive YoY growth of 105% in Q2 on the back of strong volume growth of our existing products and further scale up of volumes of our new products. We expect this positive momentum to continue in the next few quarters based on a healthy pipeline of products at various stages.

Unusually heavy rainfalls in the Raigad region had a severe impact on our Mahad operations leading to the shutdown of our Mahad facility for several weeks. This led to a loss in sales and profitability for the crop division. Relentless efforts by our teams from all our sites helped in restarting our operations in a staggered manner and we were able to return to normal operations in due course.

Our Pharmaceutical business remained flat due to a slower offtake by customers in this quarter. This was primarily due to several raw material shortages and global logistics issues. We expect raw material challenges to continue in the next few months and are working with both our suppliers and customers to mitigate the price fluctuations.

Our capex plans and our new product launch plans remain intact for both our divisions. We are seeing tailwinds in terms of new opportunities arising from global supply chain disruptions and the China plus one strategy playing out.

Global supply chain challenges coupled with a steep increase in input raw material prices continue to pose a challenge for our industry going forward. We have put in significant efforts over the past few years on developing alternate sourcing partners and backward integration of certain raw materials. While this will help us in the long-term, we do expect certain disruptions in the short term. Over the next several months we expect the situation to normalise.

As part of our efforts to fight the Pandemic, our employees across the company are 100% vaccinated for their first dose and about 75% have been vaccinated for their second dose. We expect to have all our employees fully vaccinated by the year end.

In alignment with our long-term vision and bold aspirations, we have set out on a transformational journey with a Global consultant to create a roadmap across our business verticals. This initiative will drive future growth and profitability, by giving us a new strategic direction and enabling us to chart our progress in a sustainable manner. The journey forward will not just entail accelerating growth in our existing pharma and crop protection businesses but will also see strong growth in our emerging business verticals such as animal health and biocides.

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, Mahad (Maharashtra) and Panoli (Gujarat). 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

Company :	Investor Relations Advisors :	PR Advisors :
Hikal Limited CIN: L24200MH1988PTC048028	Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285	
Mr. Anish Swadi anish_swadi@hikal.com	Mr. Jigar Kavaiya jigar.kavaiya@sgapl.net +91 9920602034	Mr. Purvi Shah purvi.shah@sgapl.net +91 9833431331
www.hikal.com	www.sgapl.net	www.sgapl.net