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PRESS RELEASE

Noida, Friday, July 23, 2021

JUBILANT PHARMOVA – Q1'FY22 RESULTS

Particulars (Rs Crore)	Q1'FY21	Q1'FY22
Total Revenue from Operations	**1,156**	**1,635**
EBITDA	**183**	**379**
EBITDA margin (%)	*15.8%*	*23.2%*
Profit After Tax	**35**	**160**
PAT margin (%)	*3.1%*	*9.8%*
EPS (Rs)	**2.2**	**10.1**

The Board of Jubilant Pharmova Limited met today to approve financial results for the quarter ended June 30, 2021.

Commenting on Company's performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Pharmova said:

"During this quarter, in addition to YoY increase, we also reported sequential improvement in the Specialty Pharma segment with gradual recovery across radiopharmaceuticals, Radiopharmacy and Allergy business. In radiopharmaceuticals, we have enhanced efforts to promote existing products as well as expand our product pipeline with strategic partnerships. With a gradual recovery in nuclear medicine procedures, the turnaround plan of Radiopharmacy business is on track. CMO business continued to benefit from COVID related deals.

Contract Research and Development Services business witnessed strong YoY growth in revenues led by healthy demand from customers. We have doubled our chemistry research capacity and the facility is operational now.

Despite COVID-19 related lockdowns, we have been able to ensure continuity in most of our manufacturing operations across all business segments while at the same time ensuring safety of our employees. I take this opportunity to thank all our employees who have worked tirelessly across all our plants and offices to ensure continuity in company's operations, while continuing to serve our global customers."

Corporate Announcement

The Board of Directors of Jubilant Pharmova Limited (**"JPM"**), at its meeting held on July 23, 2021, has approved the demerger of the Active Pharmaceutical Ingredients (API) undertaking of Jubilant Generics Limited ("JGL" - a wholly owned subsidiary of the Company) and vesting of the same with JPM, on a going concern basis (**"Proposed Demerger"**), to be implemented through a scheme of arrangement between JGL and JPM and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**"Proposed Scheme"**).

The objectives / rationale of this business reorganization are as below

- Creation of a small molecule discovery and chemistry focused vertical present across value chain of CRO & CDMO of Innovative and Generic API
- This will strengthen and sustain long-term growth, profitability, market share, customer service, risk management as it requires focused management attention, different skill sets and resources.
- Synergies between CRO & CDMO businesses can be realized more effectively in a Holding / Subsidiary Company structure as compared to fellow subsidiary structure.
- This would also help in supporting our customers for their needs from early stage of research to commercialization of active ingredients, and will provide competitive edge to this business

Q1'FY22 Highlights

A. Consolidated financials

- Revenue was Rs 1,635 Crore versus Rs 1,156 Crore in Q1'FY21
- Total EBITDA at Rs 379 Crore for versus Rs 183 Crore in Q1'FY21
- Finance costs at Rs 35 Crore versus. Rs 48 Crore in Q1'FY21
- Average blended interest rate for Q1'FY22 stood at 4.64% versus 5.26% in Q1'FY21.
- PAT was at Rs 160 Crore as compared with Rs 35 Crore in Q1'FY21. EPS is Rs 10.1 versus Rs 2.2 in Q1'FY21
- Capital expenditure for the quarter was Rs 106 Crore

Segment Wise Analysis

B. Pharmaceuticals Segment

Pharmaceuticals Segment

Particulars[1]	Q1'FY21	Q1'FY22	YoY (%)
Revenue	1,096	1,541	41%
Specialty Pharma	534	632	18%
CDMO	279	474	70%
Generics	282	435	54%
Reported EBITDA	179	362	102%
Reported EBITDA Margin (%)	16.3%	23.5%	

- Radiopharma business saw a gradual improvement sequentially
  - Ventilation lung procedures continue to be impacted due to COVID-19
  - We continue to maintain majority market share and have long term contracts in place
  - Ruby-Fill installs are picking up and we expect to gain momentum in the US, if the COVID-19 situation continues to improve. Ruby-Fill commercially launched in Europe in Q3'FY21. Expanding distribution network for Ruby-Fill in EU
  - Radiopharmacy business came close to pre-COVID levels with pick up in nuclear medicine procedures and our turnaround plan is on track
- Allergy Immunotherapy volumes have normalized to pre-COVID levels in Q1'FY22 with COVID related restrictions easing
- CMO business revenue grew YoY based on strong demand from customers as well as COVID related deals
- API business continued to witness higher demand including for remdesivir though saw QoQ decline due to pricing pressure in Sartans
- Growth was led by higher volumes including remdesivir though the business witnessed higher pricing erosion in the US
- Roorkee formulations facility was placed under import alert by the US FDA. The agency has exempted a few products from the import alert. For rest of the products, revenue impact for the Company is less than 3% of total revenues. The Company is engaging with the agency and are taking help of consultants and hope to resolve the issue soon

C. Contract Research and Development Services Segment

Contract Research and Development Services

Particulars[1]	Q1'FY21	Q1'FY22	YoY (%)
Revenue	57	88	55%
Reported EBITDA	18	34	90%
Reported EBITDA Margin (%)	31.7%	38.8%	

- Higher demand from biotech companies for integrated services, functional chemistry and DMPK, Discovery Biology and Clinical trial data management support trough Trial stat, Canada.
- Continue to witness strong demand conditions in this business

D. Business Outlook

- **Radiopharma:** We continue to build a long term pipeline of radiopharmaceuticals and are executing a turnaround plan of radiopharmacies. In CMO, we have a strong visible order book. We are expanding Spokane capacity by 50% that will come into commercial operations by end CY24. The capacity expansion is on track. We expect performance of Generics to be impacted to some extent due to the import alert
- **Contract Research and Development Services (CRDS):** The business will continue to grow especially with the commissioning of additional capacity
- **Proprietary Novel Drugs:** We plan to take one drug candidate to Phase I clinical trials in H2'FY22
- **Capex:** We expect to incur capex of Rs 700-800 Crore in FY22 that includes expansion at Spokane site and of the CRDS capacity
- **Consolidated effective tax rate:** ETR of Jubilant Pharmova Limited for Q1'FY22 is 34.9%. The company's cash tax outflow is estimated to be at approximately 24% for the next three years. After exhaustion of the MAT credit, the Company's effective tax rate is expected to come down to around 25% in three years' timeframe

Income Statement – Q1'FY22[2]

Particulars[1]	Q1'FY21	Q1'FY22	YoY (%)
Total Revenue from Continuing Operations	**1,156**	**1,635**	**41%**
Pharmaceuticals	**1,096**	**1,541**	**41%**
Contract Research and Development Services	**57**	**88**	**55%**
Proprietary Novel Drugs	**4**	**0**	**-**
Unallocable Corporate Income	**0**	**5**	**NA**
EBITDA from Continuing Operations	**195**	**388**	**100%**
Pharmaceuticals	**179**	**362**	**102%**
Contract Research and Development Services	**18**	**34**	**90%**
Proprietary Novel Drugs	**-2**	**-8**	**-**
Unallocated Corporate (Expenses)/Income	-11	-9	**-**
Reported EBITDA	**183**	**379**	**107%**
Depreciation and Amortization	82	88	**8%**
Finance Cost	48	35	**(28%)**
Profit before Tax (Before share of profit in Associates / E	**54**	**256**	**-**
Profit / (Loss) from Associates	0	-10	
Profit before Tax	**54**	**247**	**360%**
Tax Expenses (Net)	18	86	
PAT	**35**	**160**	**353%**
EPS - Face Value Re. 1 (Rs.)	**2.2**	**10.1**	
Segment EBITDA Margins	**16.8%**	**23.8%**	
Pharmaceuticals	**16.3%**	**23.5%**	
Contract Research and Development Services	**31.7%**	**38.8%**	
Reported EBITDA Margin	**15.8%**	**23.2%**	
Net Margin	**3.1%**	**9.8%**	

1. *All figures are in Rs Crore unless otherwise stated*
2. *Q1'FY21 financials include only the continuing business*

Earnings Call details

The company will host earnings call at 5.00 PM IST on July 23, 2021

Participants can dial-in on the numbers below
Primary Number: + 91 22 6280 1141 / + 91 22 7115 8042
Local Access Number: +91-7045671221 (Available all over India)
Toll Free Numbers:
USA: 1 866 746 2133
UK: 0 808 101 1573
Singapore: 800 101 2045
Hong Kong: 800 964 448

Replay: July 23 to July 30, 2021
Dial-in: +91 22 7194 5757/ +91 22 6663 5757
Playback ID: 96086#

About Jubilant Pharmova Limited

Jubilant Pharmova Limited (formerly Jubilant Life Sciences Limited) is a company engaged in pharmaceuticals, contract research and development services and proprietary novel drugs businesses. Pharmaceuticals business through Jubilant Pharma Limited Singapore (JPL) is engaged in manufacturing and supply of Radiopharmaceuticals with a network of 48 radio-pharmacies in the US, Allergy Therapy Products, Contract Manufacturing of Sterile Injectibles and Non-sterile products, APIs and Solid Dosage Formulations through six USFDA approved manufacturing facilities in the US, Canada and India. Jubilant Biosys Limited provides Contract Research and Development Services through two world class research centres in Bangalore and Noida in India. Jubilant Therapeutics is involved in Proprietary Novel Drugs business and is an innovative biopharmaceutical company developing breakthrough therapies in the area of oncology and auto-immune disorders. Jubilant Pharmova Limited has a team of around 5,800 multicultural people across the globe. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals companies globally. For more information, please visit: www.jubilantpharmova.com.

For more information, please contact:

For Investors

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