

**PRESS RELEASE**

**Noida, Friday, May 29, 2020**

## **JUBILANT LIFE SCIENCES – Q4 & FY20 RESULTS**

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- **FY20 Revenue at Rs 9,154 Crore; Q4'FY20 Revenue at Rs 2,391 Crore**
- **FY20 EBITDA at Rs 1,995 Crore up 12% YoY; Q4'FY20 EBITDA at Rs 556 Crore up 58% YoY**

The Board of Jubilant Life Sciences Limited, an integrated global pharmaceutical and life sciences company met today to approve financial results for the quarter ended March 31, 2020.

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

"We are glad to report record profits in FY20 with improvement in margins across all the business segments. The Q4FY20 performance was impressive with EBITDA growth of 58% YoY. Despite the Covid-19 led challenges, we continue to experience strong demand across most of our businesses. Our leadership position in all the segments we operate in ensures positive outlook for business performance and healthy cashflow generation to reduce leverage."

Pharmaceutical segment recorded revenue of Rs 5,714 Crore during FY20 as against Rs 5,349 Crore in FY19. The 7% YoY revenue growth during the year was driven by better performance in all three key business lines. EBITDA was at Rs 1,555 Crore, up 13% YoY with margin at 27.2%, as compared with 25.7% in FY19.

LSI segment's FY20 revenue was at Rs 3,179 Crore as against Rs 3,545 Crore last year. LSI's FY20 EBITDA was at Rs 431 Crore vs. Rs 445 Crore last year with margin at 13.6% vs. 12.6% last year.

The Drug Discovery Services business' FY20 revenue increased to Rs 262 Crore from Rs 217 Crore with 28.1% EBITDA margin in the current year as against 8.3% EBITDA margin in FY19. In view of the strong demand, we are making investments in this business to double capacities over the next 2-3 years.

In our Proprietary Drug Discovery business, we are working on more than six programs targeting small molecule therapies in the area of oncology and auto-immune disorders with two programs moving to the clinic next year.

During the year, the company reduced its Net Debt by Rs 514 Crore and is focused on further deleveraging by generating healthy levels of cashflows.

Company signed Licensing Agreement with Gilead Sciences to register, manufacture and sell Gilead's investigational drug, remdesivir, a potential therapy for Covid-19 in 127 countries including India, and is working towards launching the drug in July 2020.

The Company has taken several measures to tide over the COVID-19 induced challenges. We are confident of delivering sustained growth in the medium term on the back of our leadership position in various businesses and growth strategies.

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## Q4'FY20 Highlights

### Consolidated

- Revenue at Rs 2,391 Crore, as compared with Rs 2,386 Crore in Q4'FY19
- EBITDA at Rs 556 Crore increased 58% YoY and 8% sequentially. EBITDA margin at 23.3% vs. 14.7% in Q4'FY19 and 22.2% in Q3'FY20
- Adjusted EBITDA after one-off expenses at Rs 568 Crore up 46% YoY from Rs 388 Crore in Q4'FY19. Adjusted EBITDA margin for the quarter was 23.7% vs. 16.3% in Q4'FY19
- Finance costs at Rs 71 Crore vs. Rs 62 Crore in Q4'FY19 and Rs 72 Crore in Q3'FY20
- Net Profit at Rs 260 Crore as compared with Rs (99) Crore in Q4'FY20. EPS of Rs 16.4 vs. Rs (6.4) in Q4'FY19
  - Q4'FY19 had an Exceptional charge of Rs 235 Crore related to settlement of IFC convertible loan
- Normalised PAT at Rs. 260 Crore vs. Rs 135 Crore in Q4'FY19. Normalised EPS at Rs. 16.4 vs. Rs 8.5 in Q4'FY19
- Capex in Q4'FY20 of Rs 89 Crore
- Net debt on a constant currency basis lower by Rs 297 Crore during Q4'FY20
- In Q4'FY20, Company announced and paid an Interim Dividend @ 500% i.e. Rs. 5 per share of Rs 1 paid up for FY20, which is the Final dividend for the year as well

## Segment Wise Analysis

### A. Pharmaceuticals Segment

- Pharmaceuticals revenue at Rs 1,483 Crore, an increase of 6% YoY and 2% QoQ. Specialty Pharma and Generics segments increased by 13% YoY and 17% YoY, respectively. CDMO revenue decreased 13% YoY due to Covid-19 related disruption at the API plant in March
- Pharmaceuticals EBITDA at Rs 429 Crore, an increase of 50% YoY with margin of 28.9% as compared to 20.3% in Q4'FY19 and 28.4% in Q3'FY20
- Pharmaceuticals adjusted EBITDA at Rs 440 Crore increased by 37% YoY with a margin of 29.7% as compared to 22.9% in Q4'FY19
- R&D spent during the quarter of Rs. 42 Crore – 2.9% to segment sales. R&D debited to P&L is Rs. 43 Crore – 2.9% to segment sales
- During the quarter, the Company transferred the India Branded Pharmaceuticals business to its indirect subsidiary, Jubilant Generics Limited.

### B. Life Science Ingredients Segment

- LSI revenue in Q4FY20 at Rs 823 Crore compared to Rs 912 Crore in Q4FY19
  - EBITDA at Rs 118 Crore increased by 17% YoY and 18% QoQ with margin of 14.4% as compared to 11% in Q4'FY19
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### C. Drug Discovery & Development Solutions<sup>1</sup> Segment

- DDDS revenue increased by 25% YoY to Rs 85 Crore led by growth in Drug Discovery Services business
- EBITDA at Rs 35 Crore as compared to Rs (1) Crore in Q4'FY19 with margin improved to 40.7% from (1.1)% in Q4'FY19.

1. *Drug Discovery & Development Solutions include the Drug Discovery Services (Jubilant Biosys & Jubilant Chemsys) business and Proprietary Drug Discovery business (Jubilant Therapeutics)*

### FY20 Highlights

#### Consolidated

- Revenue at Rs 9,154 Crore up from Rs 9,111 Crore in FY19
- Reported EBITDA at Rs 1,995 Crore increased by 12% YoY. EBITDA margin at 21.8% against 19.5% in FY19, an increase of 231 bps
- Adjusted EBITDA after one-off expenses at Rs 2,066 Crore vs. Rs 1,860 Crore in FY19, growth of 11% YoY. Adjusted EBITDA margin in FY20 was 22.6% vs. 20.4% in FY19
- Finance costs at Rs 287 Crore as compared to Rs 220 Crore in FY19.
- Net Profit at Rs 898 Crore up 56% YoY. EPS of Rs 56.4 vs. Rs 36.9 in FY19
  - FY20 exceptional charge of Rs 35 Crore was related to Rs 23.3 Crore charge for prepayment of high yield bonds and NCDs and Rs 11.3 Crore related to asset write-off. FY19 exceptional charge of Rs 280 Crore was related to settlement of IFC convertible loan
- Normalised PAT at Rs. 933 Crore vs. Rs 855 Crore in FY19. Normalised EPS at Rs. 58.6 vs. Rs 53.7 in FY19
- Capex in FY20 of Rs 516 Crore
- Net debt lower by Rs 514 Crore during FY20

### Segment Wise Analysis

#### D. Pharmaceuticals Segment

- Revenue at Rs 5,714 Crore, increased by 7% YoY, led by growth in all three revenue segments with 7% growth in Specialty Pharma, 5% growth in CDMO and 10% growth in Generics
- EBITDA at Rs 1,555 Crore up 13% YoY with a margin of 27.2% as compared to 25.7% in FY19
- Adjusted EBITDA at Rs 1,619 Crore increased 11% YoY with a margin of 28.3% as compared to 27.2% in FY19
- R&D spent during FY20 at Rs. 228 Crore – 4% to segment sales. R&D debited to P&L is Rs. 199 Crore – 3.5% to segment sales

#### E. Life Science Ingredients Segment

- LSI revenue at Rs 3,179 Crore vs Rs 3,545 crore during FY19. Strong growth witnessed in Specialty Intermediates and Nutritional Products
  - EBITDA at Rs 431 Crore with margin of 13.6% as compared to 12.6% in FY19.
  - Adjusted EBITDA at Rs 440 Crore, with a margin of 13.8% as compared to 12.6% in FY19
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## F. Drug Discovery & Development Solutions Segment

- DDDS segment revenue increased 21% YoY to Rs 262 Crore
- EBITDA increased by over three times to Rs 73 Crore from Rs 18 Crore FY19; FY20 margin at 28.1% up from 8.3% in FY19

Particulars <sup>1</sup>	Q4'FY19	Q4'FY20	YoY Growth	FY19	FY20	YoY Growth
<b>Total Revenue from Operations</b>	<b>2,386</b>	<b>2,391</b>	<b>0%</b>	<b>9111</b>	<b>9,154</b>	<b>0%</b>
Pharmaceuticals	1,405	1,483	6%	5349	5,714	7%
Life Science Ingredients	912	823	(10%)	3545	3,179	(10%)
<b>Drug Discovery &amp; Development Solutions</b>	<b>68</b>	<b>85</b>	<b>25%</b>	<b>217</b>	<b>262</b>	<b>21%</b>
<b>Total Expenditure</b>	<b>2,028</b>	<b>1,855</b>	<b>(9%)</b>	<b>7372</b>	<b>7207</b>	<b>(2%)</b>
Other Income	(7)	19		36	47	
<b>Segment EBITDA</b>	<b>385</b>	<b>582</b>	<b>51%</b>	<b>1835</b>	<b>2,060</b>	<b>12%</b>
Pharmaceuticals	285	429	50%	1372	1,555	13%
Life Science Ingredients	101	118	17%	445	431	(3%)
<b>Drug Discovery &amp; Development Solutions</b>	<b>-1</b>	<b>35</b>	<b>-</b>	<b>18</b>	<b>73</b>	<b>309%</b>
Corporate (Expenses)/Income	(34)	(26)		(60)	(65)	
<b>Reported EBITDA</b>	<b>351</b>	<b>556</b>	<b>58%</b>	<b>1775</b>	<b>1,995</b>	<b>12%</b>
Depreciation and Amortization	95	129	36%	371	462	25%
Finance Cost	62	71	16%	220	287	31%
<b>Profit before Tax</b>	<b>195</b>	<b>356</b>	<b>83%</b>	<b>1184</b>	<b>1,245</b>	<b>5%</b>
Exceptional Items	235	0		280	35	
<b>Profit before Tax (After Exceptional Items)</b>	<b>(40)</b>	<b>356</b>	<b>-</b>	<b>904</b>	<b>1,211</b>	<b>34%</b>
Tax Expenses (Net)	61	95	57%	327	312	(4%)
Minority Interest	(1)	0	-	3	0	-
<b>PAT</b>	<b>(99)</b>	<b>260</b>	<b>-</b>	<b>574</b>	<b>898</b>	<b>56%</b>
<b>EPS - Face Value Re. 1 (Rs.)</b>	<b>(6.4)</b>	<b>16.4</b>		<b>36.9</b>	<b>56.4</b>	<b>53%</b>
<b>Normalised PAT</b>	<b>135</b>	<b>260</b>	<b>92%</b>	<b>855</b>	<b>933</b>	<b>9%</b>
<b>Normalised EPS - Face Value Re. 1 (Rs.)</b>	<b>8.5</b>	<b>16.4</b>	<b>92%</b>	<b>53.7</b>	<b>58.6</b>	<b>9%</b>
<b>Segment EBITDA Margins</b>	<b>16.1%</b>	<b>24.3%</b>		<b>20.1%</b>	<b>22.5%</b>	
Pharmaceuticals	20.3%	28.9%		25.7%	27.2%	
Life Science Ingredients	11.0%	14.4%		12.6%	13.6%	
<b>Drug Discovery &amp; Development Solutions</b>	<b>(1.1%)</b>	<b>40.7%</b>		<b>8.3%</b>	<b>28.1%</b>	
<b>Reported EBITDA Margin</b>	<b>14.7%</b>	<b>23.3%</b>		<b>19.5%</b>	<b>21.8%</b>	
<b>Net Margin</b>	<b>(4.2%)</b>	<b>10.9%</b>		<b>6.3%</b>	<b>9.8%</b>	
<b>Normalised Net Margin</b>	<b>5.7%</b>	<b>10.9%</b>		<b>9.4%</b>	<b>10.2%</b>	

- FY20 exceptional charge of Rs 35 Crore was related to Rs 23.3 Crore charge for prepayment of high yield bonds and NCDs and Rs 11.3 Crore related to asset write-off in Q3'FY20
- Q4'FY19 and FY19 exceptional charge of Rs 235 Crore and Rs 280 Crore was related to settlement of IFC convertible loan



### **Earnings Call details**

The company will host earnings call at 5.00 PM IST on May 29, 2020, to discuss the performance and answer questions from participants.

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

### **About Jubilant Life Sciences Limited**

Jubilant Life Sciences Limited is an integrated global pharmaceutical and life sciences company engaged in Pharmaceuticals, Life Science Ingredients and Drug Discovery & Development Solutions businesses. Pharma business through Jubilant Pharma Limited Singapore (JPL) is engaged in manufacturing and supply of Radiopharmaceuticals with a network of over 50 radio-pharmacies in the US, Allergy Therapy Products, Contract Manufacturing of Sterile Injectibles & Non-sterile products, APIs and Solid Dosage Formulations through six USFDA approved manufacturing facilities in the US, Canada and India. The Life Science Ingredients segment, is engaged in Specialty Intermediates, Nutritional Products and Life Science Chemicals through five manufacturing facilities in India. Drug Discovery & Development Solutions comprises Drug Discovery Services (DDS) business through Jubilant Biosys Limited & Jubilant Chemsys Limited and Proprietary Drug Discovery business through Jubilant Therapeutics. DDS provides innovation and collaborative research through two world class research centers in Bangalore and Noida in India and Proprietary Drug Discovery is an innovative biopharmaceutical company developing breakthrough therapies in the area of oncology and auto-immune disorders. Jubilant Life Sciences Limited has a team of around 8,000 multicultural people across the globe and is committed to deliver value to its customers across over 100 countries. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally. For more info: [www.jubl.com](http://www.jubl.com).

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