

Fermenta Biotech Limited (formerly known as DIL Limited)

CIN: L99999MH1951PLC008485

Regd. Office: A - 1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (W) - 400 610, Maharashtra, India.

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Email : info@fermentabiotech.com, Website. : www.fermentabiotech.com



Ref: F.No.:49

June 30, 2021

Corporate Relations

BSE Limited,

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai – 400 001

Dear Sir,

Sub.: Intimation of Earnings Presentation for Quarter 4 – Financial Year 2020-2021

Ref: Scrip Code: 506414

Further to our intimation dated June 29, 2021 regarding approval of Audited Financial Results (Standalone and Consolidated) by the Board of Directors for the quarter and financial year ended March 31, 2021, we hereby enclose a copy of Earnings Presentation for Quarter 4 – Financial Year 2020-2021.

The said Earnings Presentation will thereafter be uploaded on Company's website at www.fermentabiotech.com

Kindly take the same on record.

Thanking you,

Yours faithfully,

for **Fermenta Biotech Limited**

[Formerly known as DIL LIMITED]

Srikant N Sharma

Company Secretary

CS Membership No: F3617

A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (W) 400610

Encl: As above

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Tel. : +91-1905-287246 / 48 / 49
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Website: www.fermentabiotech.com



FERMENTA BIOTECH LIMITED

Earnings Presentation | FY21 / Q4-FY21



Only manufacturer of
Vitamin D3 in India



Amongst top 3 manufacturers
of Vitamin D3 globally



Global Presence in
50+ countries



Proprietary technology to
manufacture Vitamin D3



55 Years of Vitamin D3
manufacturing experience



2 Manufacturing Plants
registered with US-FDA (FFRM)



DSIR approved
R&D facility



12 new patents filed



Big 4 statutory auditor:
Deloitte



300+ clients across
the globe



Backward integrated



High Return Ratios

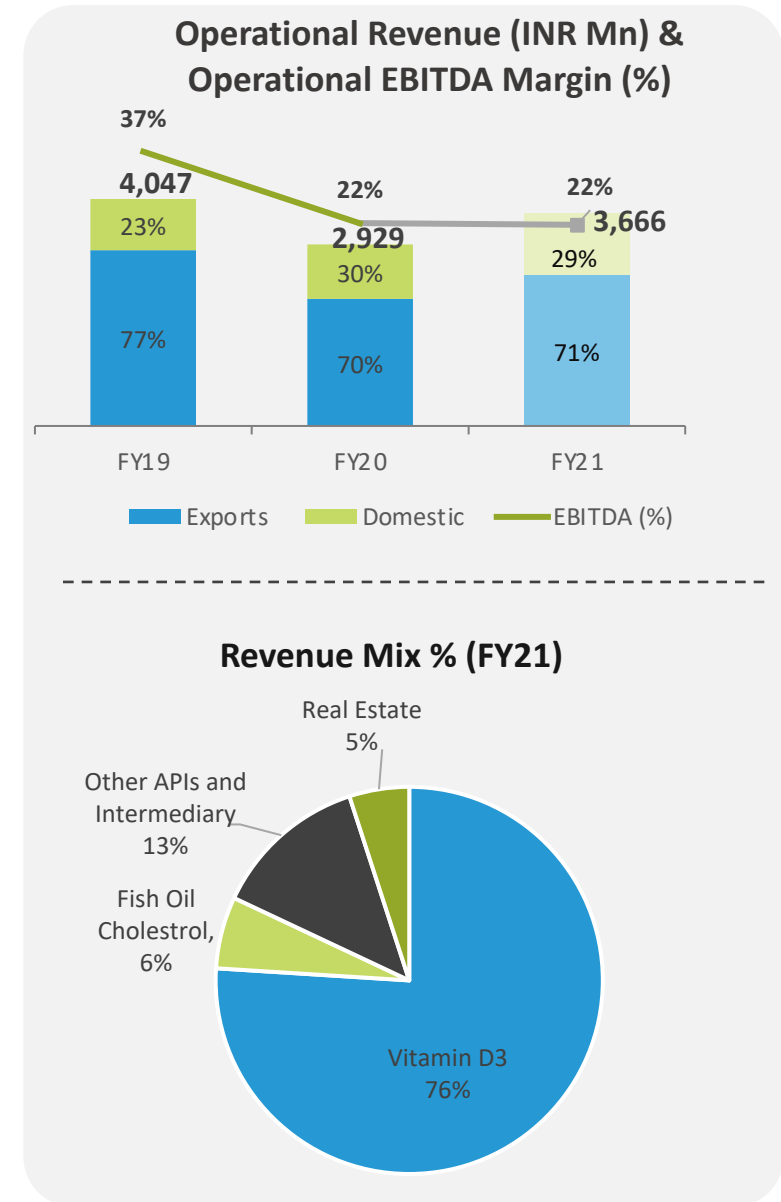
Company Overview



- Fermenta Biotech Limited (FBL) (Erstwhile DIL Ltd.) incorporated in 1951 by Dr. DVK Raju, is engaged in development and manufacturing of pharmaceuticals, biotechnology and environmental solutions used across various industries.
- On September 26, 2019, NCLT approved amalgamation of DIL & FBL which consolidated FBL's leadership capabilities backed by DIL's large asset base.
- With a rich history of seven decades FBL has evolved as a key global player in manufacturing of Vitamin D3 in all its formats and has a non-China dependent supply chain.
- FBL manufactures a range of Vitamin D3 variants having an optimal mix between human and animal feed products which have applications across multiple sectors like:

- | | |
|----------------------------------------|-----------------|
| 1. Pharmaceuticals | 4. Animal feed |
| 2. Dietary and nutritional supplements | 5. Veterinary |
| 3. Food and beverage fortification | 6. Rodenticides |

- The company is also involved in manufacturing of APIs for muscle relaxant and anti-flatulent applications.
- FBL delivers innovative enzymes used in manufacturing of active pharmaceutical ingredients and involved in environmental solutions used for waste water treatment and management.
- The company also has legacy properties at Thane and Worli in Mumbai for which it realizes significant rental income.



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FY21 / Q4-FY21

FINANCIAL OVERVIEW



- On a standalone basis the total Income and operating EBDITA saw a growth of 21.3% and 34.86% respectively in FY21. The operating EBDITA margin also saw a growth of 204 bps.
- In FY21, with respect to the Vitamin D3 business, there was a positive impact on the demand front, and consequently in Q4 FY21 the volumes of Human Vitamin D3 40 MIU were higher by 101% over Q4 FY20, while the volumes of Animal Vitamin D3 Feed 500 were lower by 14% over Q4 FY20. While on an annual basis, the volumes and average prices of Human Vitamin D3 40 MIU were higher by 71% and 4% respectively over previous year, however the volumes and average prices of Animal Vitamin D3 Feed 500 were under pressure and were lower by 35% and 17% respectively over previous year.
- On 1st December 2020 the Company's wholly owned subsidiary Fermenta Biotech USA LLC acquired a 52% stake in a US-based vitamin company, AGD Nutrition LLC, headquartered in Nacogdoches, Texas. The deal is expected to combine the expertise of both companies and result in synergies that will bring in greater operational capabilities to enhance Company's footprint in the US market which is one of the largest markets for human and animal nutrition. The name of AGD Nutrition LLC has subsequently been changed to Fermenta USA LLC, reflecting the brand value of Fermenta and expected to capitalize on Fermenta's growing recognition as a nutritional ingredient supplier in US market.
- Company had given an ICD aggregating to INR 213 Mn in various tranches to a non-related party for the development of new product i.e., cholesterol from Fish Oil. As on the Board Meeting date the full ICD amount along with interest has been recovered. Fish Oil cholesterol saw sales of approx. Rs 23 crores in the financial year, which constituted around 6% of total operational revenue.
- In FY 20, there was a one-time deferred tax asset benefit to the tune of approx. INR 195 Mn, due to the amalgamation of companies, which is why the PAT for the year ended FY20 was higher and cannot be comparable to FY21.
- Mr. Prashant Nagre elevated to the position of Managing Director w.e.f. 9th May 2021, for driving the next phase of growth in the organisation.
- Board has proposed the final dividend of 50% (Rs 2.5 per share) for the financial year ended 2020-21.

Q4-FY21 Standalone Performance

INR 909 Mn
Operational Income

INR 180 Mn
Operational EBITDA

19.80%
Operational EBITDA Margin

INR 97 Mn
Net Profit

10.67%
PAT Margin

INR 3.35/share
Diluted EPS

FY21 Standalone Performance

INR 3,728 Mn
Operational Income

INR 937 Mn
Operational EBITDA

25.13%
Operational EBITDA Margin

INR 520 Mn
Net Profit

13.95%
PAT Margin

INR 17.92/share
Diluted EPS

Q4-FY21 Consolidated Performance

INR 995 Mn
Operational Income

INR 102 Mn
Operational EBITDA

10.25%
Operational EBITDA Margin

INR 74 Mn
Net Profit

7.44%
PAT Margin

INR 2.56/share
Diluted EPS

FY21 Consolidated Performance :

INR 3,773 Mn
Operational Income

INR 817 Mn
Operational EBITDA

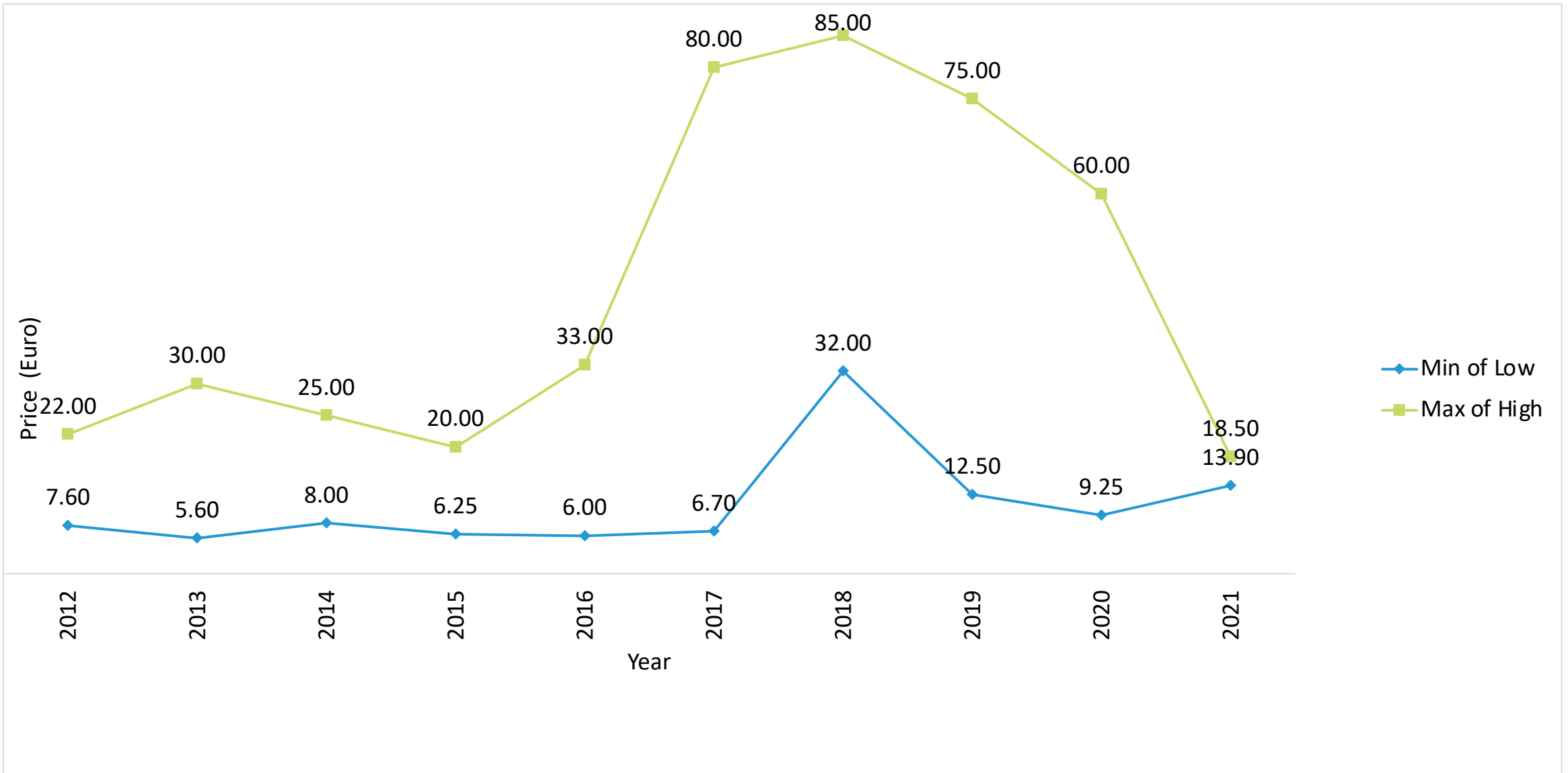
21.65%
Operational EBITDA Margin

INR 455 Mn
Net Profit

12.06%
PAT Margin

INR 15.69/share
Diluted EPS

Vitamin D3 500 Animal Feed Price Trend



Source: [feedinfo.com](https://www.feedinfo.com)

Q4-FY21 – Standalone Income Statement (Ind-AS)



PARTICULARS (INR Mn)	Q4-FY21	Q4-FY20	Y-o-Y	Q3-FY21	Q-o-Q
Operational Revenue	909	721	26.1%	877	3.6%
Total Expenses	729	586	24.4%	645	13.0%
Operational EBITDA	180	135	33.3%	232	(22.4%)
Operational EBITDA Margin (%)	19.80%	18.72%	108 Bps	26.45%	(665 Bps)
Other Income	37	26	42.3%	7	NA
Depreciation	59	39	51.3%	47	25.5%
Finance Cost	50	40	25.0%	40	25.0%
PBT	108	82	31.7%	152	(28.9%)
Tax	12	10	20.0%	41	(70.7%)
PAT	97	72	34.7%	111	(12.6%)
PAT Margins (%)	10.67%	9.99%	68 Bps	12.66%	(199 Bps)
Other Comprehensive Income	(1)	17	NA	-	NA
Total Comprehensive Income	96	89	7.9%	111	(13.5%)
Diluted EPS (INR)	3.35	2.50	34.0%	3.83	(12.5%)

FY21 – Standalone Income Statement (Ind-AS)



PARTICULARS (INR Mn)	FY21	FY20	Y-o-Y
Operational Revenue	3,728	3,005	24.1%
Total Expenses	2,791	2,311	20.8%
Operational EBITDA	937	694	35.0%
Operational EBITDA Margin (%)	25.13%	23.09%	204 Bps
Other Income	66	123	(46.3%)
Depreciation	190	149	27.5%
Finance Cost	181	193	(6.2%)
PBT	632	475	33.1%
Tax	112	(162)	NA
PAT	520	637	(18.4%)
PAT Margins (%)	13.95%	21.20%	(725 Bps)
Other Comprehensive Income	(0.4)	18	NA
Total Comprehensive Income	519	655	(20.7%)
Diluted EPS (INR)	17.92	21.96	(18.4%)

Q4-FY21 – Consolidated Income Statement (Ind-AS)



PARTICULARS (INR Mn)	Q4-FY21	Q4-FY20	Y-o-Y	Q3-FY21	Q-o-Q
Operational Revenue	995	645	54.3%	900	10.6%
Total Expenses	893	550	62.4%	679	31.5%
Operational EBITDA	102	95	7.4%	221	(53.8%)
Operational EBITDA Margin (%)	10.25%	14.73%	(448 Bps)	24.56%	NA
Other Income	46	26	76.9%	7	NA
Depreciation	64	40	60.0%	50	28.0%
Finance Cost	50	40	25.0%	39	28.2%
PBT	34	41	(17.1%)	139	NA
Tax	(10)	10	NA	41	NA
PAT before Associates & Joint Venture	44	31	41.9%	98	(55.1%)
Non-controlling interests	30	(0.1)	NA	(0)	NA
PAT	74	31	NA	98	(24.5%)
PAT Margins (%)	7.44%	4.81%	263 Bps	10.89%	(345 Bps)
Other Comprehensive Income	-	18	NA	(2)	NA
Total Comprehensive Income	44	49	(10.2%)	96	(54.2%)
Diluted EPS (INR)	2.56	1.09	NA	3.39	(24.5%)

FY21 – Consolidated Income Statement (Ind-AS)



PARTICULARS (INR Mn)	FY21	FY20	Y-o-Y
Operational Revenue	3,773	2,929	28.8%
Total Expenses	2,956	2,277	29.8%
Operational EBITDA	817	652	25.3%
Operational EBITDA Margin (%)	21.65%	22.26%	(61 Bps)
Other Income	82	123	(33.3%)
Depreciation	203	150	35.3%
Finance Cost	180	191	(5.8%)
PBT	516	434	18.9%
Tax	91	(161)	NA
PAT before Associates & Joint Venture	425	595	(28.6%)
Non-controlling interests	30	-	NA
PAT	455	595	(23.5%)
PAT Margins (%)	12.06%	20.31%	(825 Bps)
Other Comprehensive Income	(2)	17	NA
Total Comprehensive Income	423	612	(30.9%)
Diluted EPS (INR)	15.69	20.53	(23.6%)

Historical Standalone Income Statement



PARTICULARS (INR Mn)	FY21	FY20	FY19
Operational Revenue	3,728	3,005	4,047
Total Expenses	2,791	2,311	2,634
Operational EBITDA	937	694	1,413
Operational EBITDA Margin (%)	25.13%	23.09%	34.91%
Other Income	66	123	123
Depreciation	190	149	119
Finance Cost	181	193	206
PBT	632	475	1,211
Tax	112	(162)	107
PAT	520	637	1,104
PAT Margins (%)	13.95%	21.20%	27.28%
Other Comprehensive Income	(0.4)	18	(15)
Total Comprehensive Income	519	655	1,089
Diluted EPS (INR)	17.92	21.96	38.24*

*Adjusted EPS post bonus issue in the proportion of 2:1

Standalone Balance Sheet (Ind-AS)



PARTICULARS (INR Mn)	FY21	FY20
Equity	3,704	3,126
a) Equity share capital	144	144
b) Other equity	3,560	2,982
Liabilities		
Non-current liabilities	1,192	1,115
a) Financial liabilities		
i) Borrowings	1,104	1,018
ii) Lease liabilities	35	45
iii) Other financial liabilities	5	6
b) Provisions	45	41
d) Other non-current liabilities	3	5
Current Liabilities	1,929	1,855
a) Financial liabilities		
i) Borrowings	963	1,043
ii) Lease liabilities	12	11
ii) Trade payables	457	472
iii) Other financial liabilities	410	297
b) Provisions	8	6
c) Other current liabilities	76	23
d) Current tax liabilities (Net)	3	3
TOTAL EQUITY AND LIABILITIES	6,825	6,096

PARTICULARS (INR Mn)	FY21	FY20
Assets		
Non-current Assets	3,745	3,272
a) Property, plant and equipment	1,538	1,040
b) Capital work-in-progress	527	671
c) Right of use assets	147	162
d) Investment property	682	707
e) Goodwill	41	41
f) Other intangible assets	88	18
g) Intangible assets under development	42	37
h) Investments		
i) Investments in subsidiaries	127	8
i) Financial assets		
i) Investments	2	3
ii) Loans	-	2
iii) Others financial assets	22	41
j) Deferred tax assets (Net)	381	381
k) Non-current tax assets (Net)	113	91
l) Other non-current assets	35	70
Current Assets	3,080	2,824
a) Inventories	1,328	1,135
b) Financial assets		
i) Trade receivables	961	774
ii) Cash and cash equivalents	136	68
iii) Bank balances other than (iii) above	277	256
iv) Loans	48	213
v) Other financial assets	80	129
c) Other current assets	250	249
TOTAL ASSETS	6,825	6,096

Historical Consolidated Income Statement



PARTICULARS (INR Mn)	FY21	FY20	FY19
Operational Revenue	3,773	2,929	4,047
Total Expenses	2,956	2,277	2,558
Operational EBITDA	817	652	1,489
<i>Operational EBITDA Margin (%)</i>	21.65%	22.26%	36.79%
Other Income	82	123	124
Depreciation	203	150	119
Finance Cost	180	191	207
PBT	516	434	1,287
Tax	91	(161)	108
PAT before Associates & Joint Venture	425	595	1,179
Share of Loss of Associates & Joint Venture	-	-	(4)
Non-controlling interests	30	-	-
PAT	455	595	1,175
<i>PAT Margins (%)</i>	12.06%	20.31%	29.03%
Other Comprehensive Income	(2)	17	(15)
Total Comprehensive Income	423	612	1,160
Diluted EPS (INR)	15.69	20.53	40.70*

*Adjusted EPS post bonus issue in the proportion of 2:1

Consolidated Balance Sheet (Ind-AS)



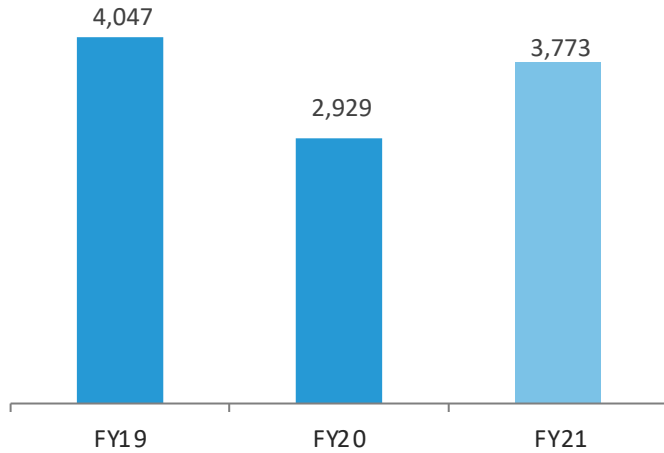
PARTICULARS (INR Mn)	FY21	FY20
Equity	3,603	3,094
a) Equity share capital	144	144
b) Other equity	3,462	2,950
c) Non-controlling interests	(3)	0.1
Liabilities		
Non-current liabilities	1,175	1,097
a) Financial liabilities		
i) Borrowings	1,105	1,018
ii) Lease liabilities	17	27
iii) Other financial liabilities	5	6
b) Provisions	45	41
c) Other non-current liabilities	3	5
Current Liabilities	2,093	1,946
a) Financial liabilities		
i) Borrowings	963	1,043
ii) Lease liabilities	12	11
ii) Trade payables	621	564
iii) Other financial liabilities	410	297
b) Provisions	77	5
c) Other current liabilities	7	23
d) Current tax liabilities (Net)	3	3
TOTAL EQUITY AND LIABILITIES	6,871	6,137

PARTICULARS (INR Mn)	FY21	FY20
Assets		
Non-current Assets	3,775	3,297
a) Property, plant and equipment	1,539	1,040
b) Capital work-in-progress	527	671
c) Right of use assets	129	143
d) Investment property	687	713
e) Goodwill	107	41
f) Other intangible assets	168	65
g) Intangible assets under development	42	37
h) Financial assets		
i) Investments	3	3
ii) Loans	-	2
iii) Others financial assets	22	40
i) Deferred tax assets (Net)	403	381
j) Non-current tax assets (Net)	113	91
k) Other non-current assets	35	70
Current Assets	3,096	2,840
a) Inventories	1,623	1,286
b) Financial assets		
i) Trade receivables	680	698
ii) Cash and cash equivalents	168	75
iii) Bank balances other than (iii) above	277	256
iv) Loans	48	213
v) Other financial assets	35	63
c) Other current assets	265	249
TOTAL ASSETS	6,871	6,137

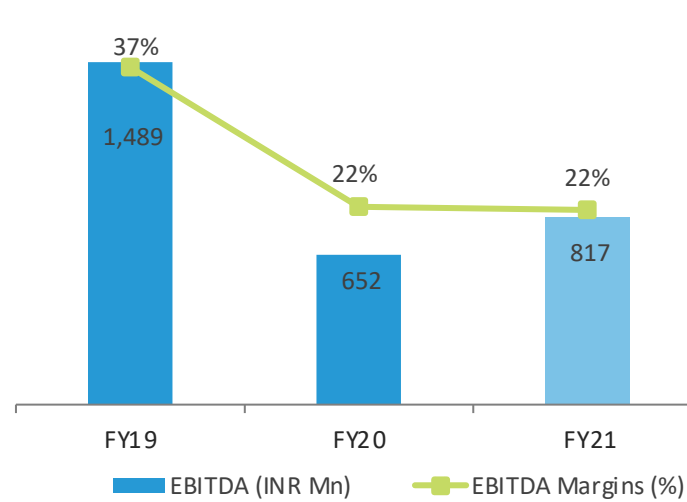
Historical Consolidated Financial Performance



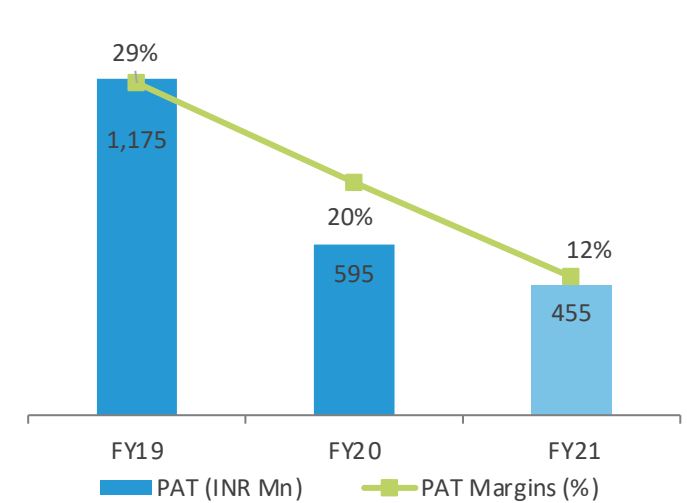
Operational Revenue (INR Mn)



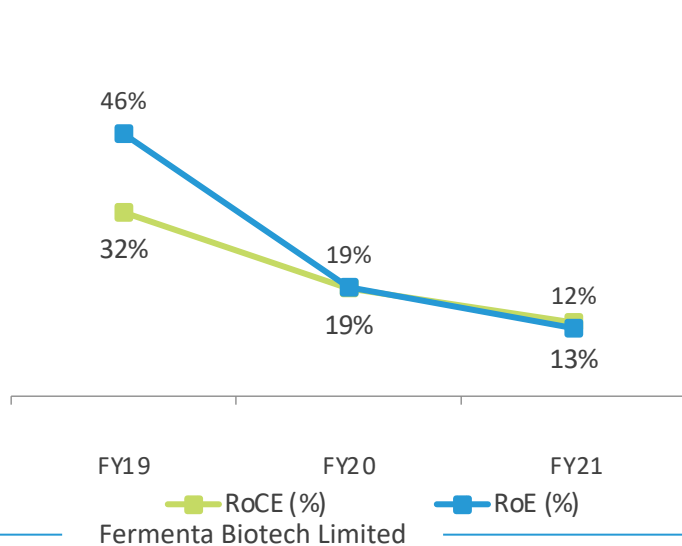
Operational EBITDA (INR Mn) & Margins (%)



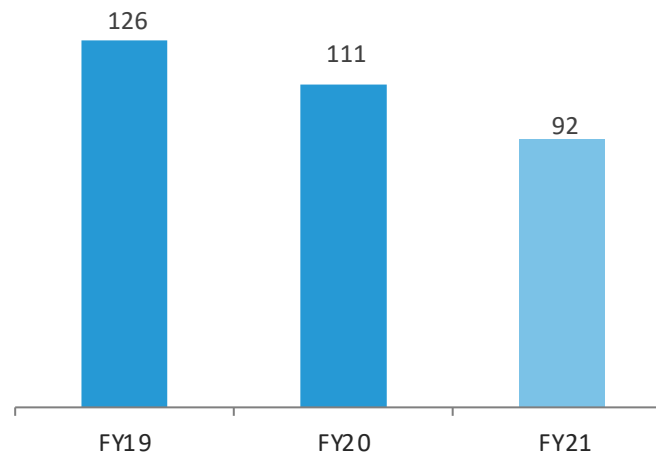
PAT (INR Mn) & Margins (%)



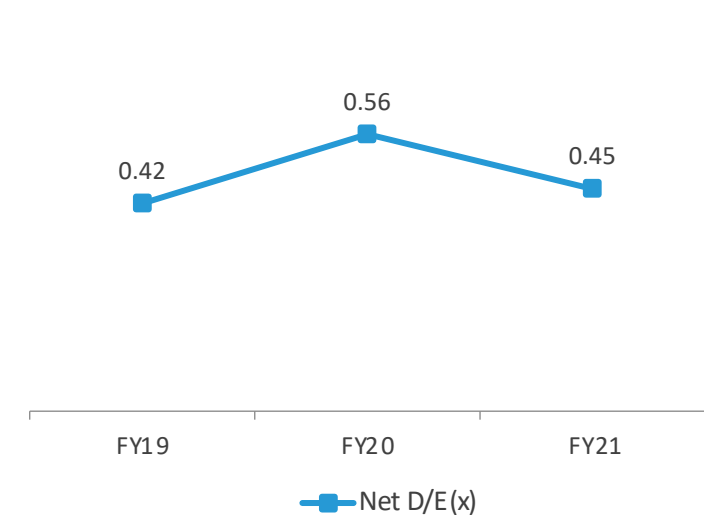
RoCE & RoE (%)



Working Capital Days



Net Debt to Equity (x)



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