



HIKAL

August 5, 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: Results Presentation of the Company for the quarter ended June 30, 2021

With reference to the subject, we are enclosing a copy of the Results presentation on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 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.

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Results Presentation - Q1 FY22

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Jai Hiremath

"I am happy to report that we have recorded a strong performance in Q1 despite the challenges posed by the second wave of the COVID-19 pandemic. We have continued the growth trajectory that the company had established over the past two quarters.

Our Pharmaceuticals business has performed well, registering a YoY growth of 28% for the quarter based on increased volumes of existing API Generics and CDMO products. We have a healthy pipeline of new products, supported by our new capacities which would come on stream as a result of the capex incurred over last 12-24 months.

The Crop Protection business registered a robust YoY growth of 31% in Q1 on the back of strong volume growth of our existing products and further scaled up volumes of a new product. We expect this positive momentum to continue in the next few quarters based on a healthy pipeline of projects at various stages.

Our operations were slightly impacted by the second wave of the COVID-19 pandemic. We were directly affected by government restrictions on oxygen supply. We had to shut down one of our dedicated plants at Taloja. We used this opportunity to perform regular maintenance activities in order to mitigate the loss of production.

The Company has opted for the new tax regime, which has resulted in a higher net profit. This when considered with the reduced finance costs as a result of successful renegotiation of lower interest rates, have strengthened the financial parameters of the Company. With this added liquidity, cost reduction efforts and enhanced operational efficiency as a result of our focused business excellence initiatives, we are confident of further sustainable profitability improvement in the coming years.

In line with our vision, we have set a bold aspiration of driving profitable growth and transforming our businesses across different verticals. As part of our transformation journey, we have already engaged a leading global consulting firm to work along with us. This will enable us to pivot our growth in a sustainable manner. The journey forward will entail accelerating growth in our existing Pharmaceuticals and Crop Protection businesses, as well as investing in our emerging business verticals such as Animal Health and Biocides. We are confident about the prospects of all our businesses in the near future."

COVID-19 related work at Hikal Sites

- **Company-wide vaccination drive covered nearly 85% of total employees** (including contractual) with first dose while drive for second dose is on-track
- Internal **capabilities at Occupational Health Centers (OHCs) were made robust**
- **Oxygen cylinders, oxygen concentrators, medications, etc. were arranged** in OHCs as a preventive measure
- **Isolation room was set up** in the OHC as an additional precautionary measure
- **Alliances were made with local COVID-19 care centers and hospitals** across all the sites for providing emergency care and treatment, in case required by an employee
- **A task force created at every site** to ensure effectiveness of the safety measures and protocols

COVID-19 related CSR work by Hikal

- Supported the **CII Foundation** in providing **10,000 N95 masks to the Mumbai Traffic Police**
- Provided **medical equipment for COVID-19 treatment in a hospital near Taloja** and facilitated provision of beds dedicated to Hikal employees during the second wave of this pandemic
- Supported Lokvikas Samajik Sanstha for **setting up a COVID-19 Care Health Center** along with **Mahad Municipal Corporation**
- Provided **Orchid Multispecialty Hospital in Bharuch**, a 60 bedded COVID-19 Hospital, with a Ventilator and BIPAP machine to support COVID-19 patients in the second wave of transmission
- Contributed towards an **oxygen plant at a government hospital, Porbandar** with the help of Local Collector & GPCB team members

We developed and manufactured Favipiravir API and its Intermediates in record time, which is prescribed to fight COVID-19



Quarterly Financials Highlights

Consolidated Profit & Loss - Q1 FY22



Particulars (Rs. Crore)	Q1 FY22	Q1 FY21	Y-o-Y	Q4 FY21	Q-o-Q
Net Sales	457	353	29%	532	-14%
Expenditure	361	300		423	
EBITDA	96	53	82%	109	-12%
Margin	21.0%	14.9%		20.5%	
Other Income	3	1		3	
Depreciation	23	21		22	
Finance Costs	8	10		10	
PBT	68	23	200%	81	-15%
Tax	18	8		30	
Net Profit	51	15	236%	51	-1%
Margin	11.1%	4.3%		9.6%	

Positive momentum from last two quarters continued in Q1 further strengthening our growth trajectory



Revenue – Q1 FY22
Rs. 457 Crore



YoY
29%



QoQ
-14%



EBITDA – Q1 FY22
Rs. 96 Crore



YoY
82%



QoQ
-12%



EBITDA Margin – Q1 FY22
21.0%



YoY
606 bps



QoQ
46 bps



PAT – Q1 FY22
Rs. 51 Crore



YoY
236%



QoQ
-1%



EPS – Q1 FY22
Rs 4.1



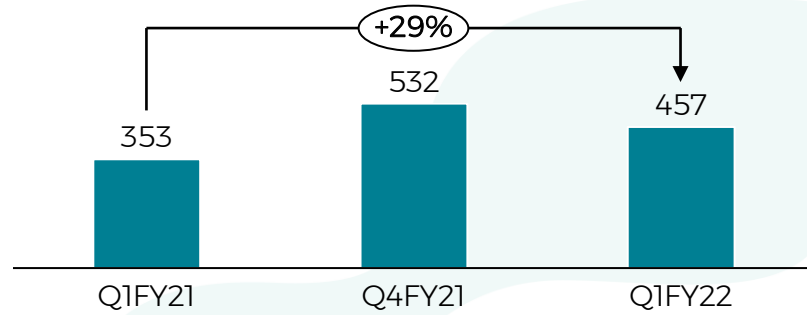
YoY
236%



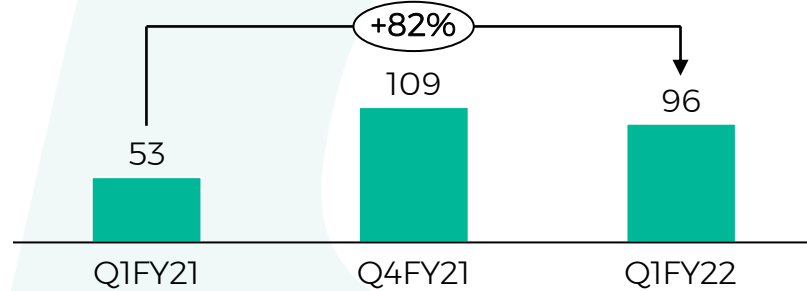
QoQ
-1%

Quarterly Performance Highlights

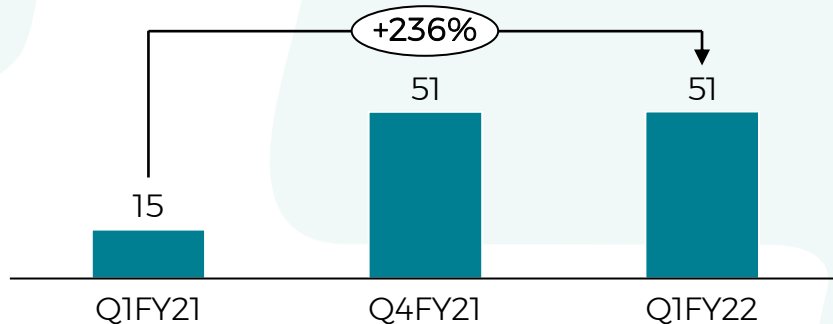
Revenue



EBITDA



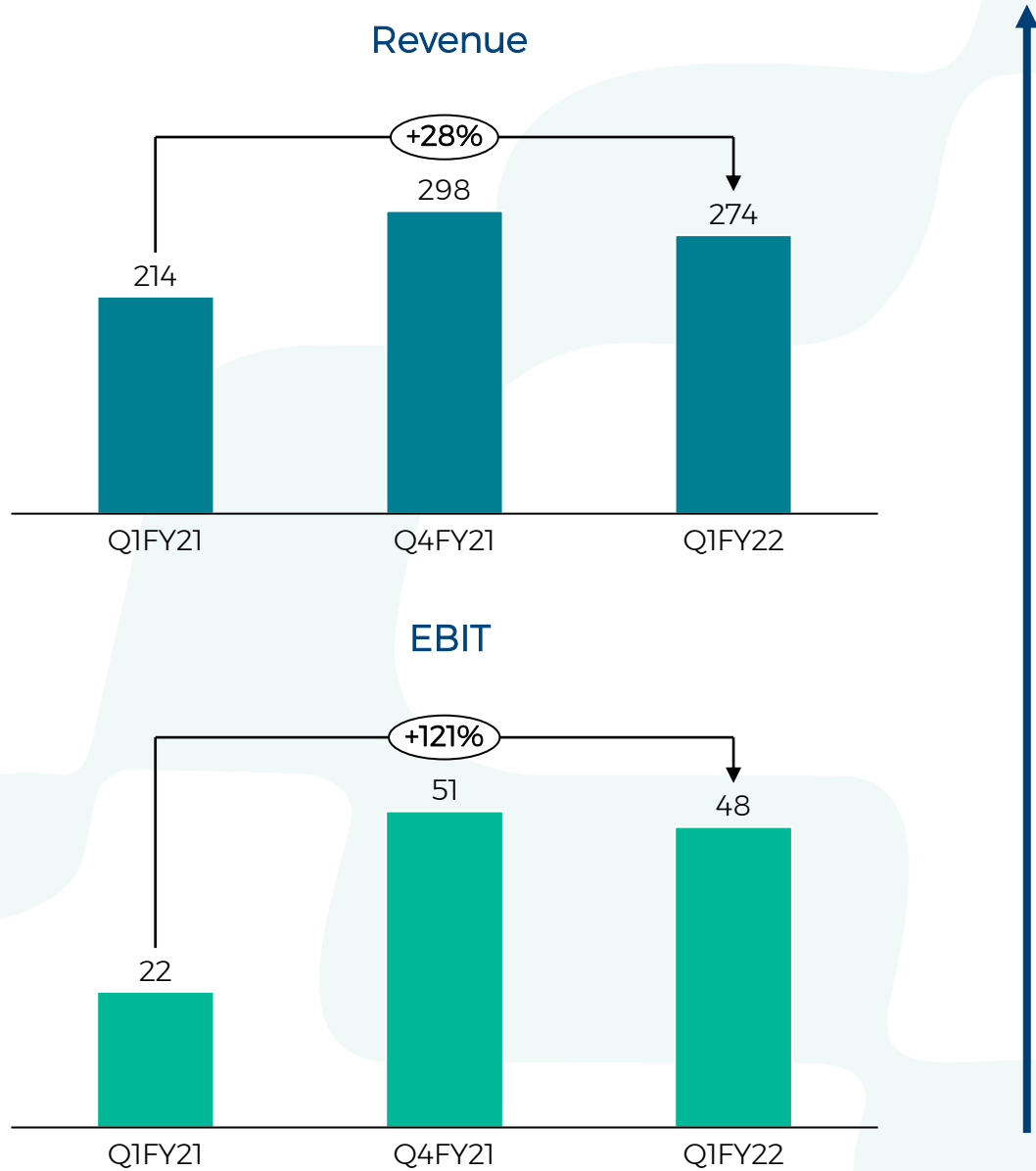
PAT



Rs. Crore

Performance Highlights

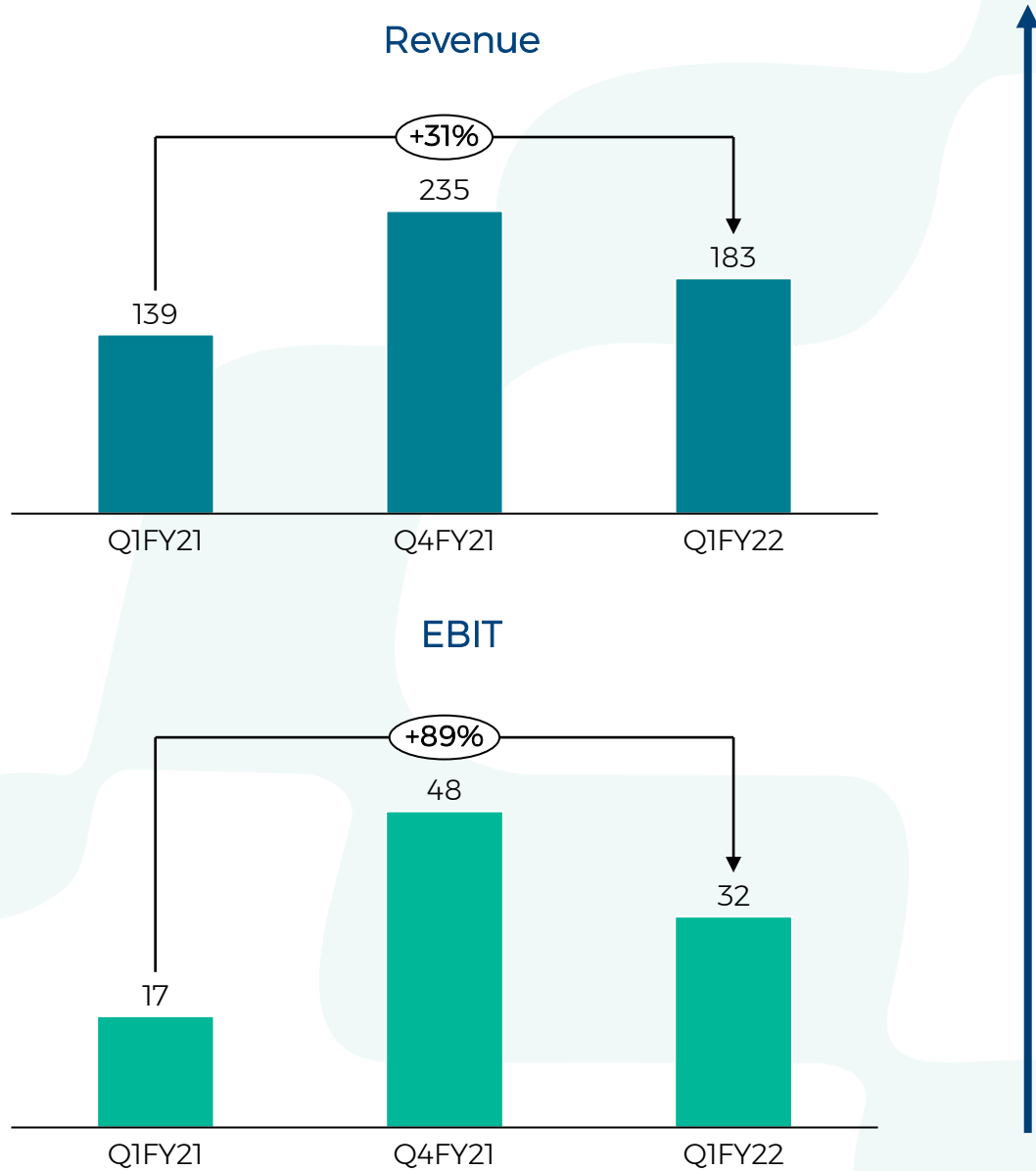
- Revenue recorded an increase of 29% YoY
 - Higher sales of existing products and addition of new products
 - Strong performance in own generics as well as CDMO segment
- EBITDA increased to Rs 96 Crore, growth of 82% YoY
 - Favorable product mix
 - Fewer disruptions in operations as compared to Q1 last year
- Robust EBITDA margins of 21.0% on account of:
 - Improved efficiency due to business excellence initiatives
 - Higher operational leverage due to increased revenue
- PAT was Rs. 51 Crore, YoY growth of 236%
 - Higher business profitability coupled with a move to the new corporate tax regime
- Infrastructure being strengthened at R&T, Pune
 - New mini-plant and two synthesis labs were commissioned
 - New simulation lab established to simulate plant scale processes for a safety, efficiency and efficacy perspective



Pharmaceuticals - Performance Highlights

- Revenue recorded an increase of 28% YoY
 - Strong growth in both own generics and CDMO segment
- EBIT increased to Rs 48 Crore, growth of 121% YoY
 - Favorable product mix resulting in higher contribution
 - Higher operational leverage due to increased revenue
- Business excellence initiatives have resulted in increased throughput and reduction in costs, enabling us to meet increased market demand and improve margins
- Favipiravir’s launch quantities were supplied in Q1 FY22
- Having received the manufacturing license, the production of APIs at Panoli site to start in Q2 FY22
- Additional production block will be commissioned at Unit-1, Jigani, Bangalore in Q2 FY22

Quarterly Performance Highlights - Crop Protection



Crop Protection - Performance Highlights

- Revenue recorded an increase of 31% YoY
 - Increased sales volume of existing as well as new products
- EBIT of Rs 32 Crore, growth of 89% YoY
 - Higher operational leverage due to increased revenue
- Successfully scaled-up a new fungicide for a Japanese customer in our CDMO business
- Increase in new inquiries from CDMO customers in Q1 FY22

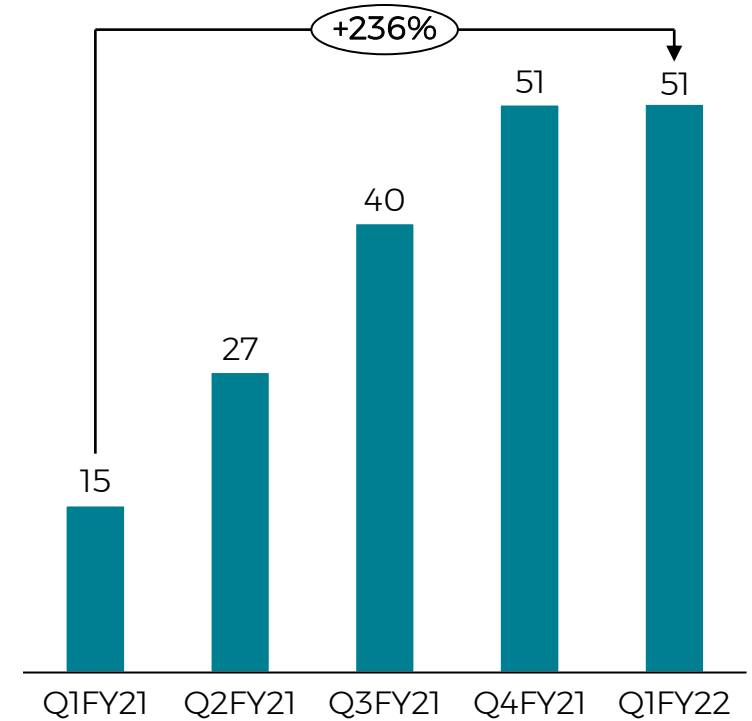
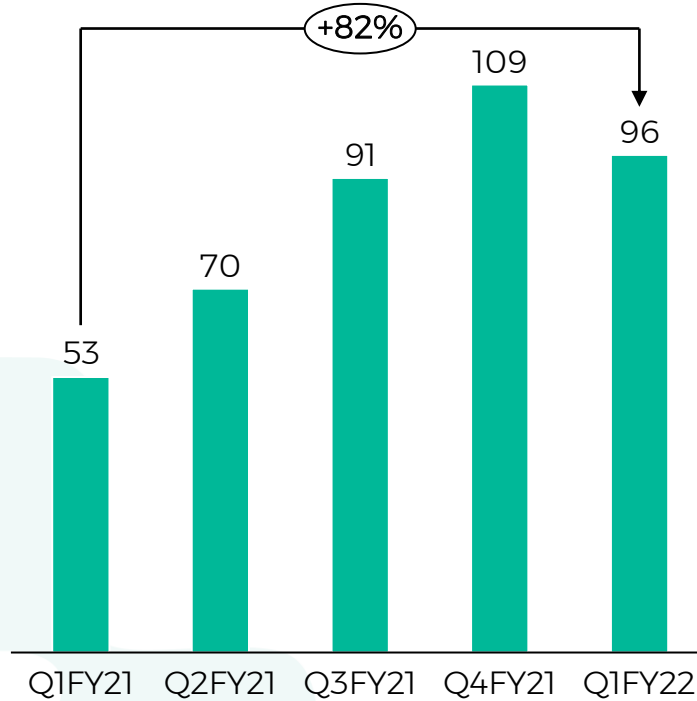
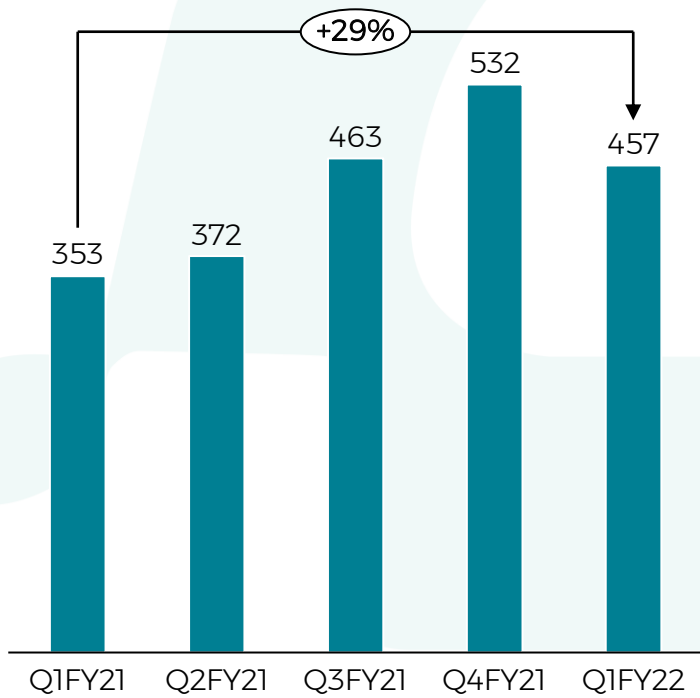
Quarterly Financial Highlights



Consolidated Revenue

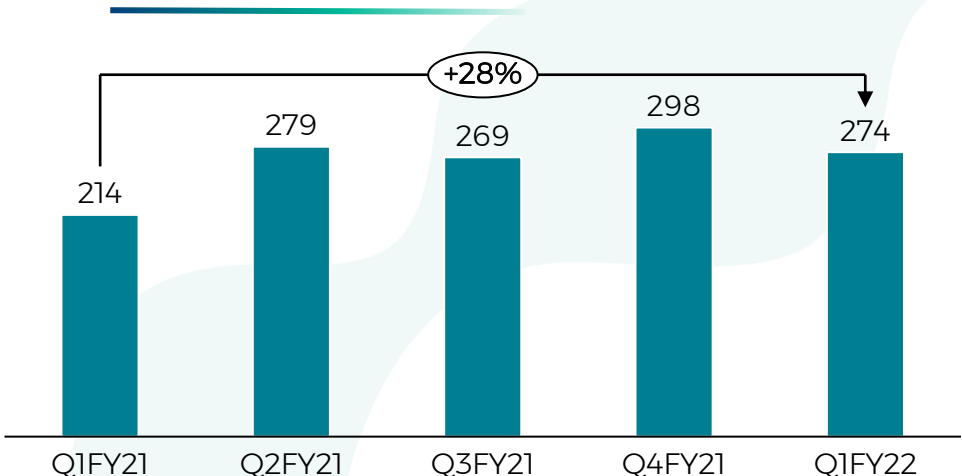
Consolidated EBITDA

Consolidated PAT

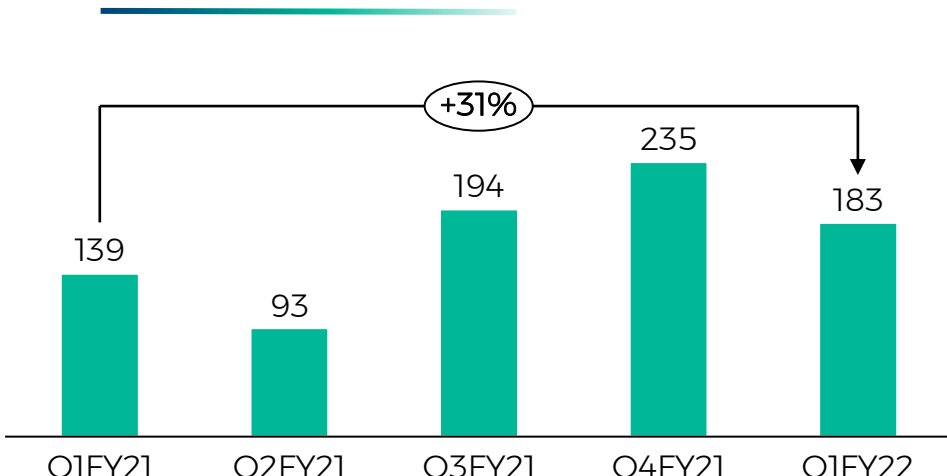


Quarterly Segmental Highlights

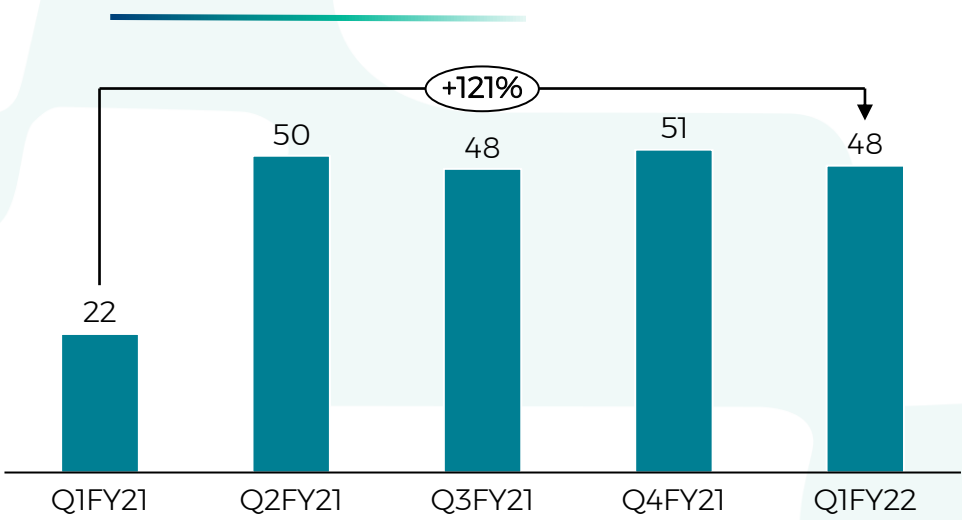
Pharmaceuticals Revenue



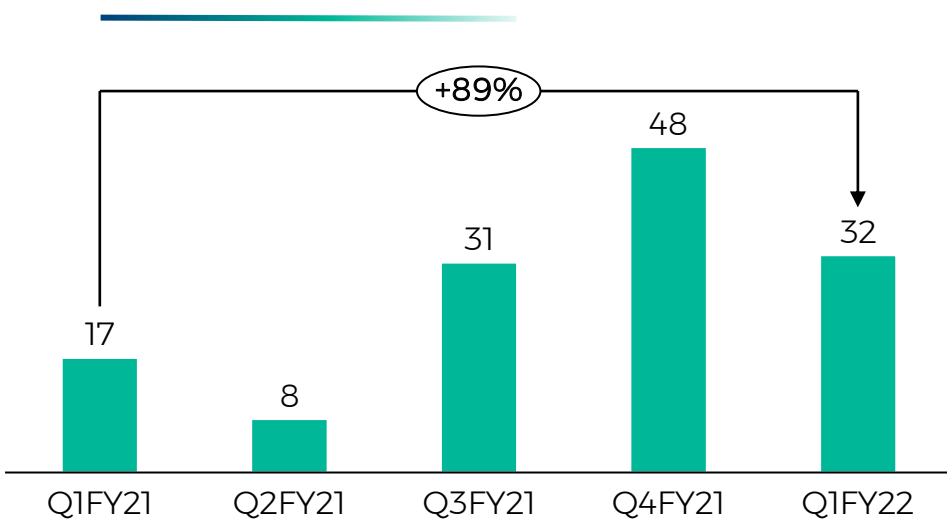
Crop Protection Revenue



Pharmaceuticals EBIT



Crop Protection EBIT





Annual Financials Highlights

Financial Highlights - Annual



Revenue – FY21
Rs. 1,720 Crore

↑ FY17-21 CAGR 14% ↑ YoY 14%



EBITDA – FY21
Rs. 323 Crore

↑ FY17-21 CAGR 13% ↑ YoY 18%



EBITDA Margin – FY21
18.8%

↑ YoY 65 bps



PAT – FY21
Rs. 133 Crore

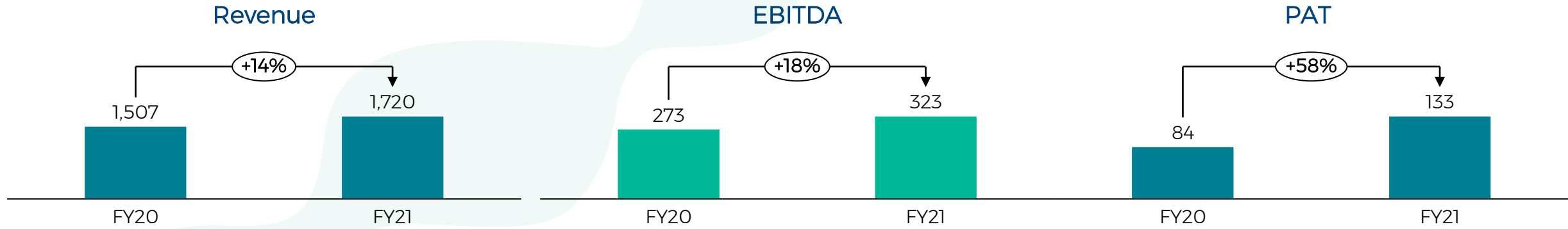
↑ FY17-21 CAGR 19% ↑ YoY 58%



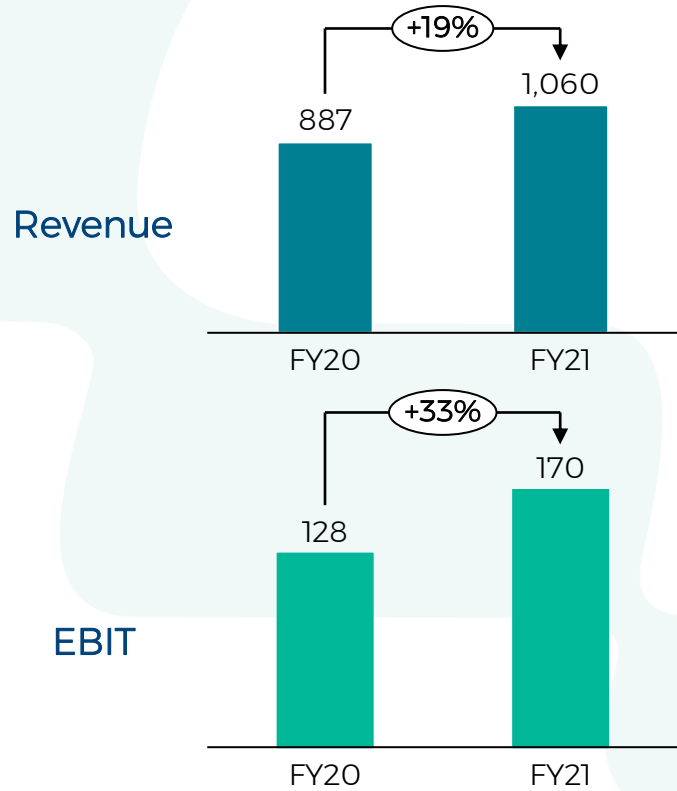
EPS – FY21
Rs 10.80

↑ FY17-21 CAGR 19% ↑ YoY 58%

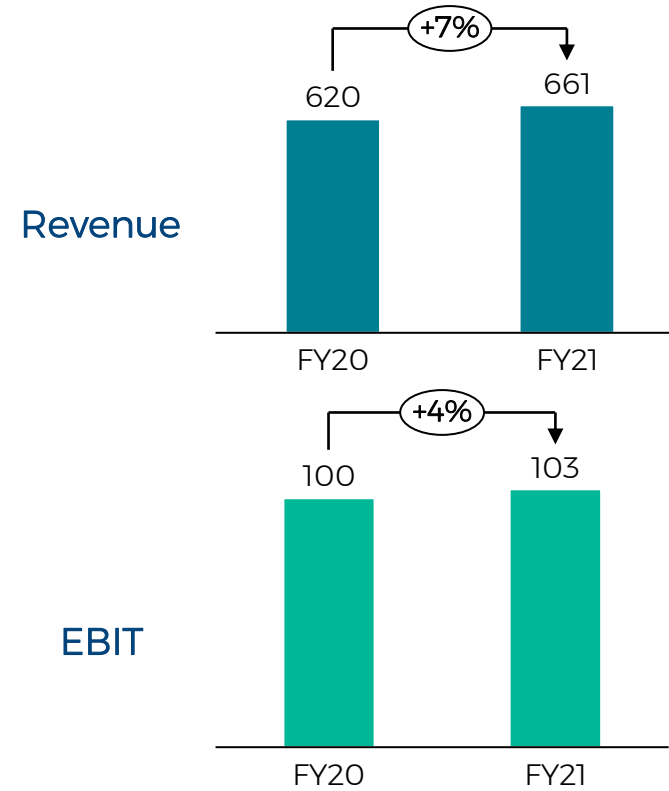
Annual Performance Highlights



Pharmaceuticals Division



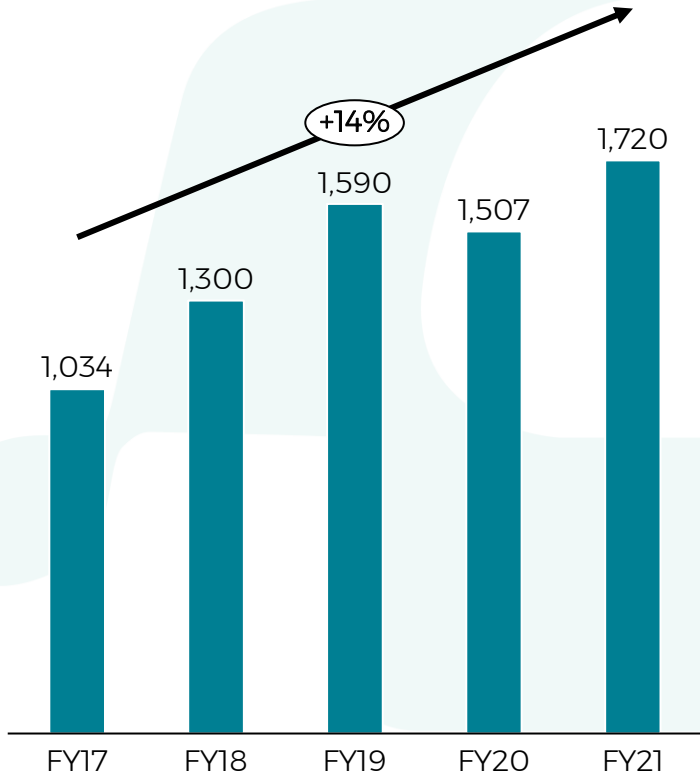
Crop Protection Division



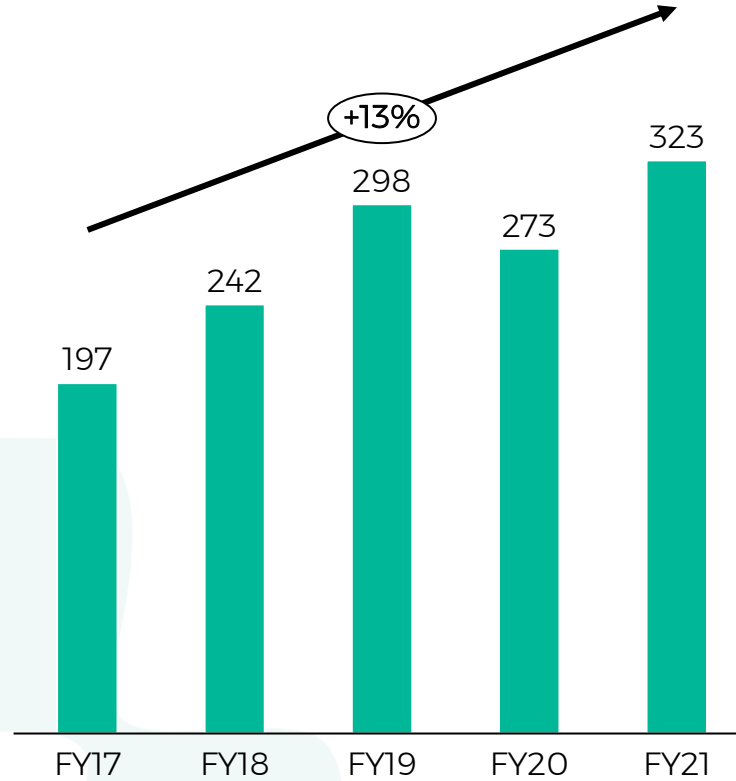
Yearly Financial Highlights



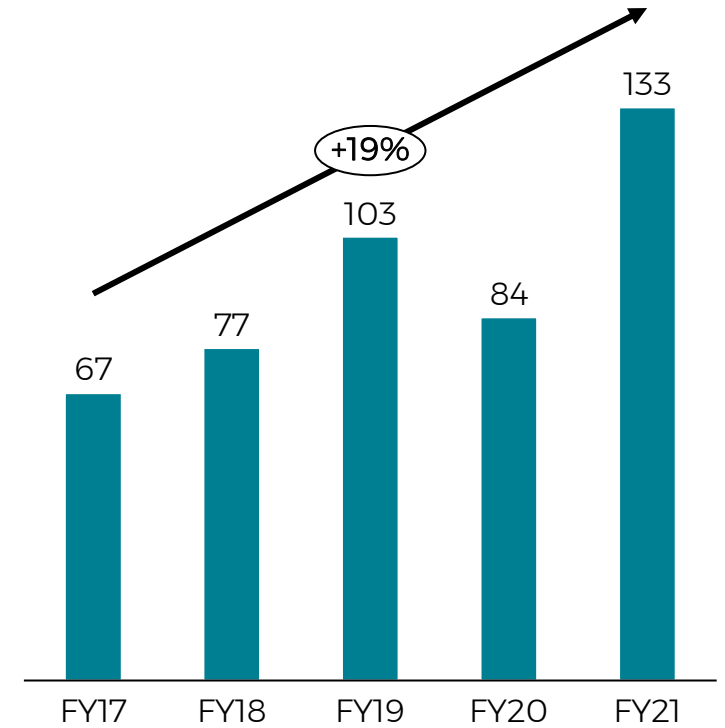
Consolidated Revenue



Consolidated EBITDA

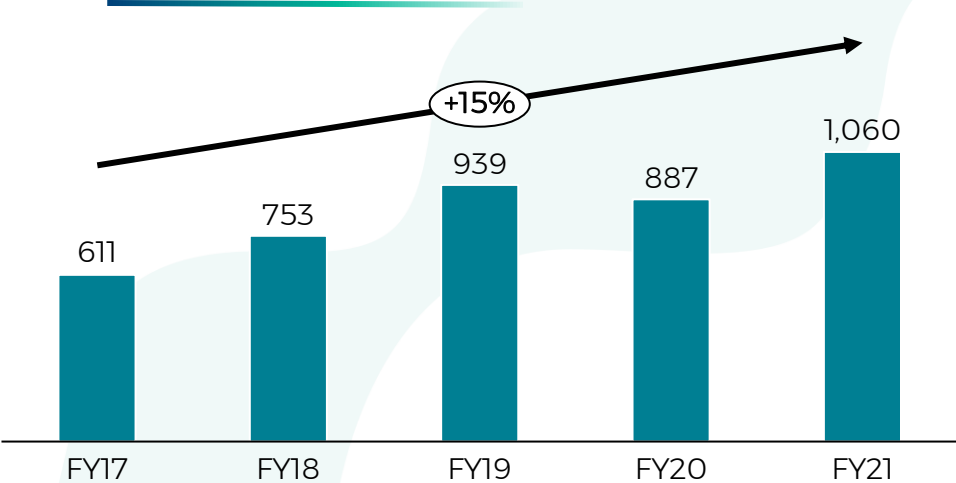


Consolidated PAT



Yearly Segmental Highlights

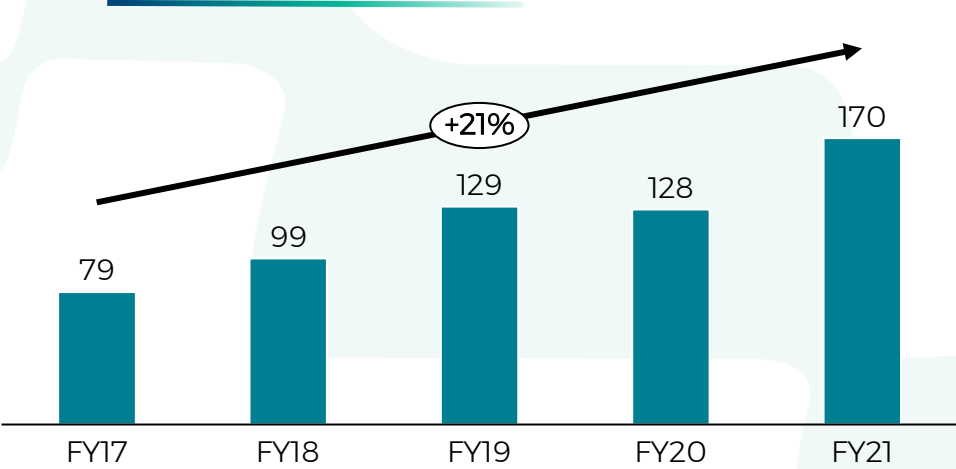
Pharmaceuticals Revenue



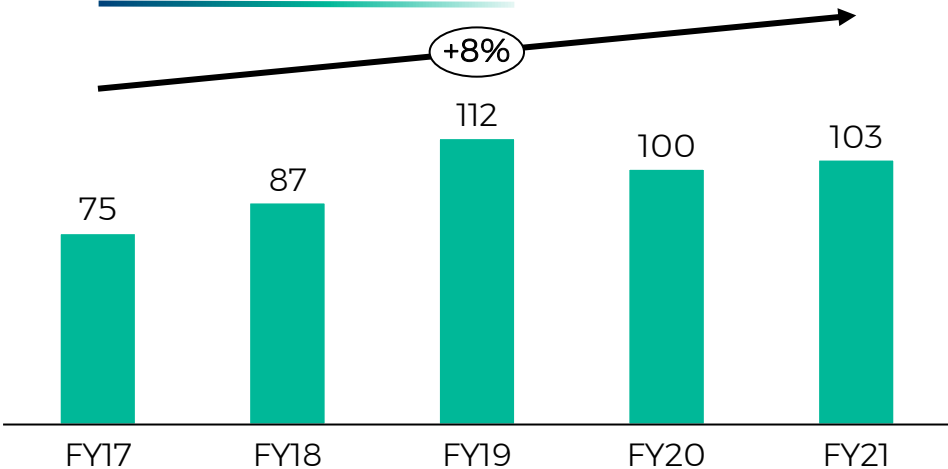
Crop Protection Revenue



Pharmaceuticals EBIT

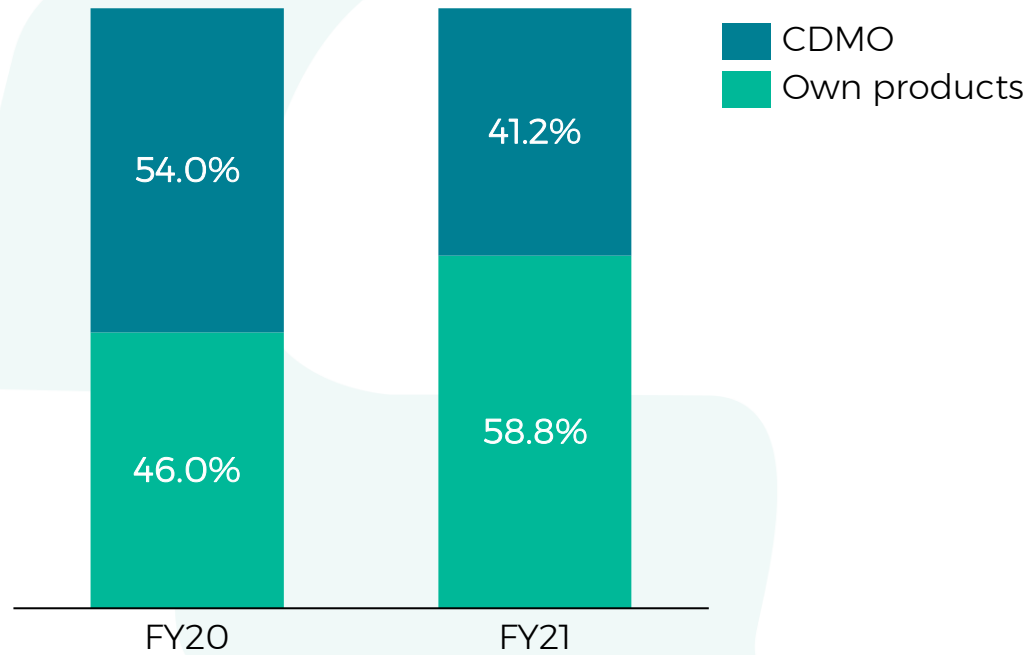


Crop Protection EBIT

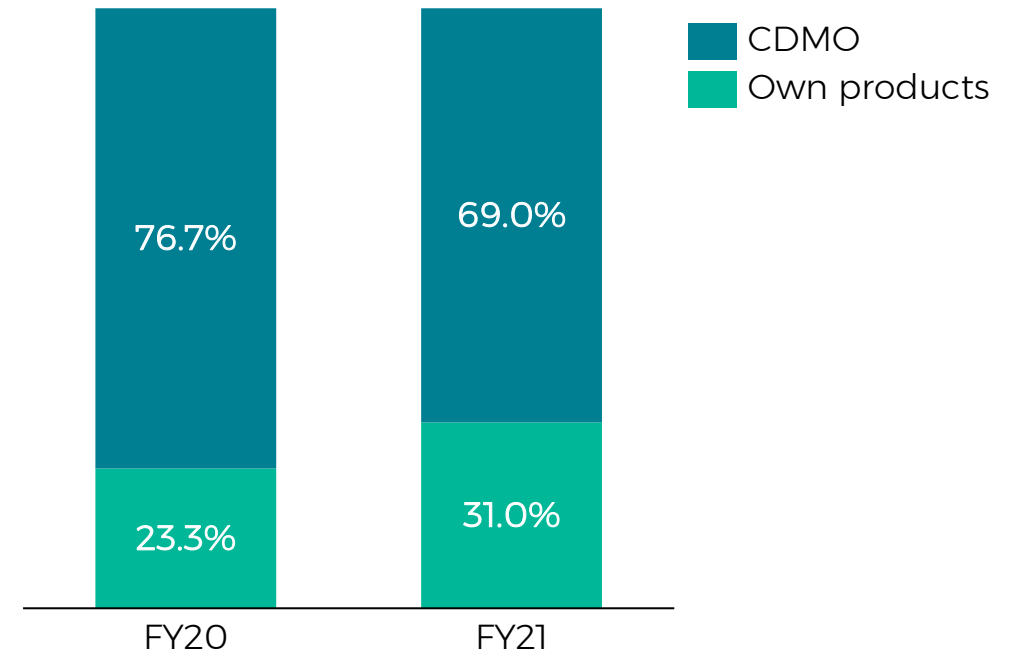


Sales Break-Up

Pharmaceuticals Revenue Break-Up



Crop Protection Revenue Break-Up

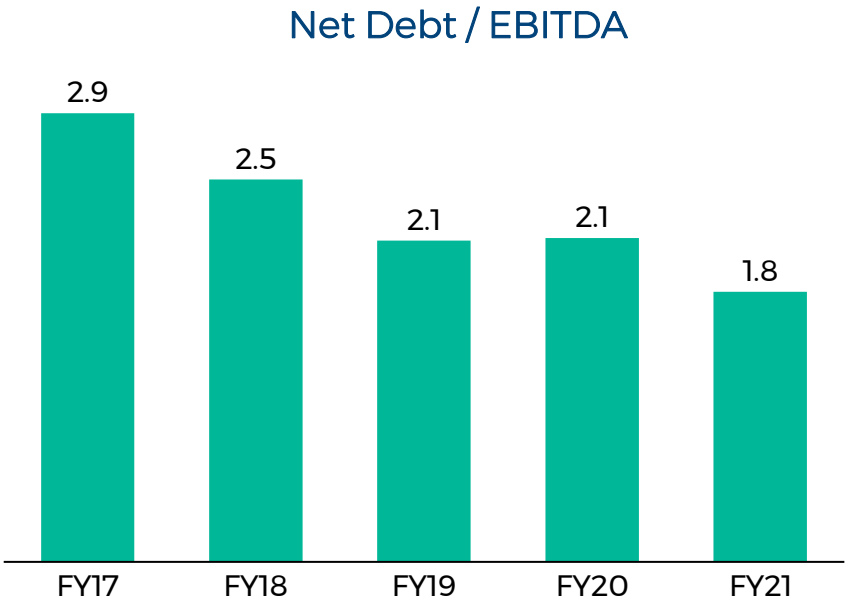
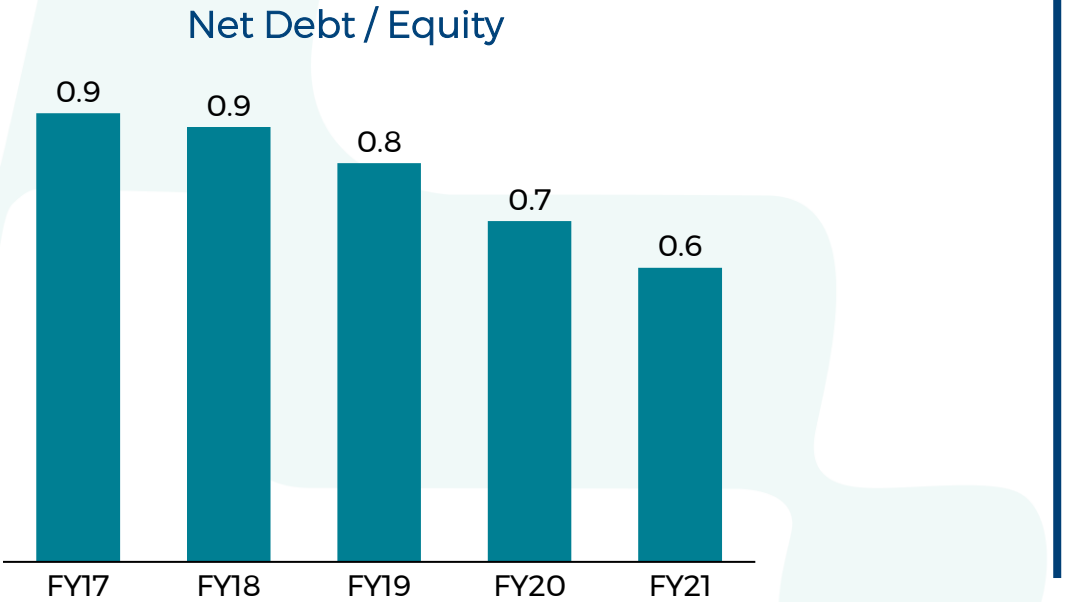
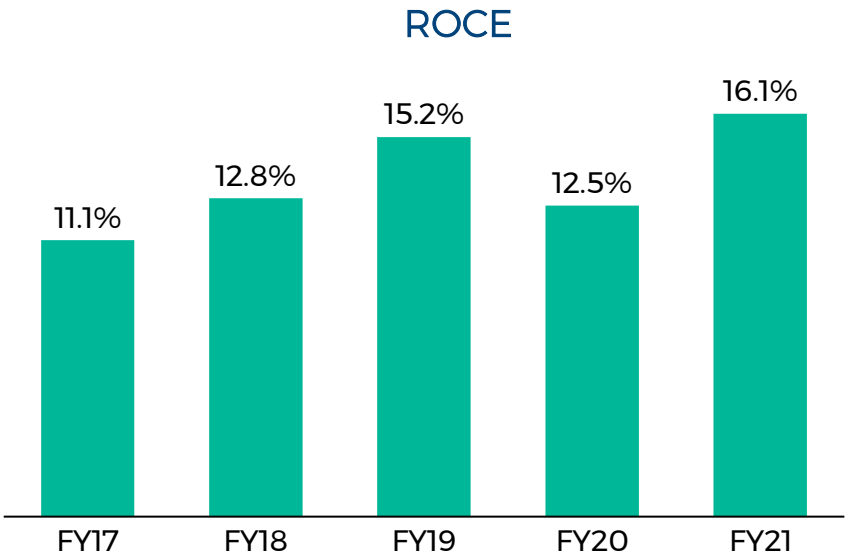
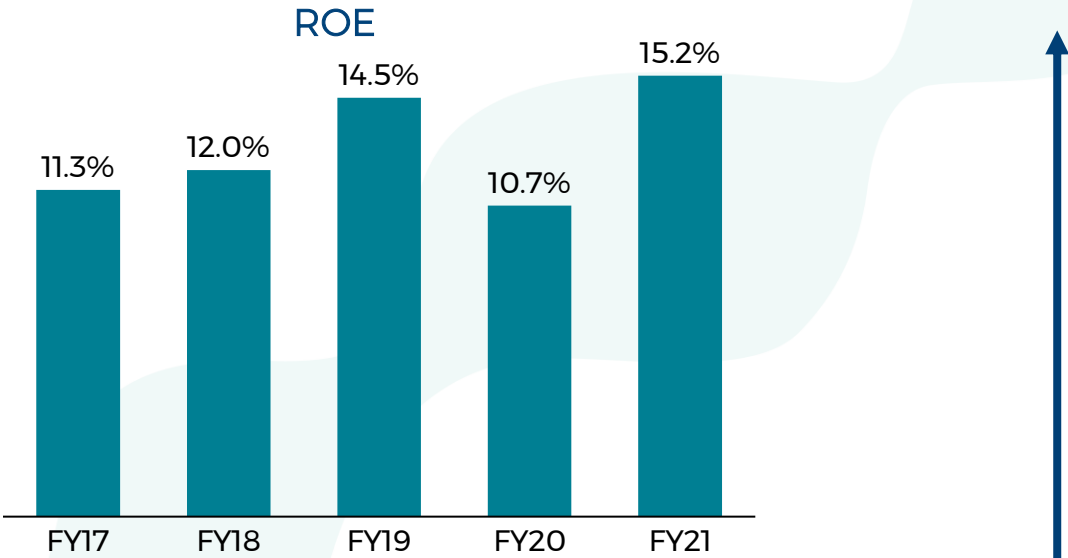


Consolidated Profit & Loss - Full Year



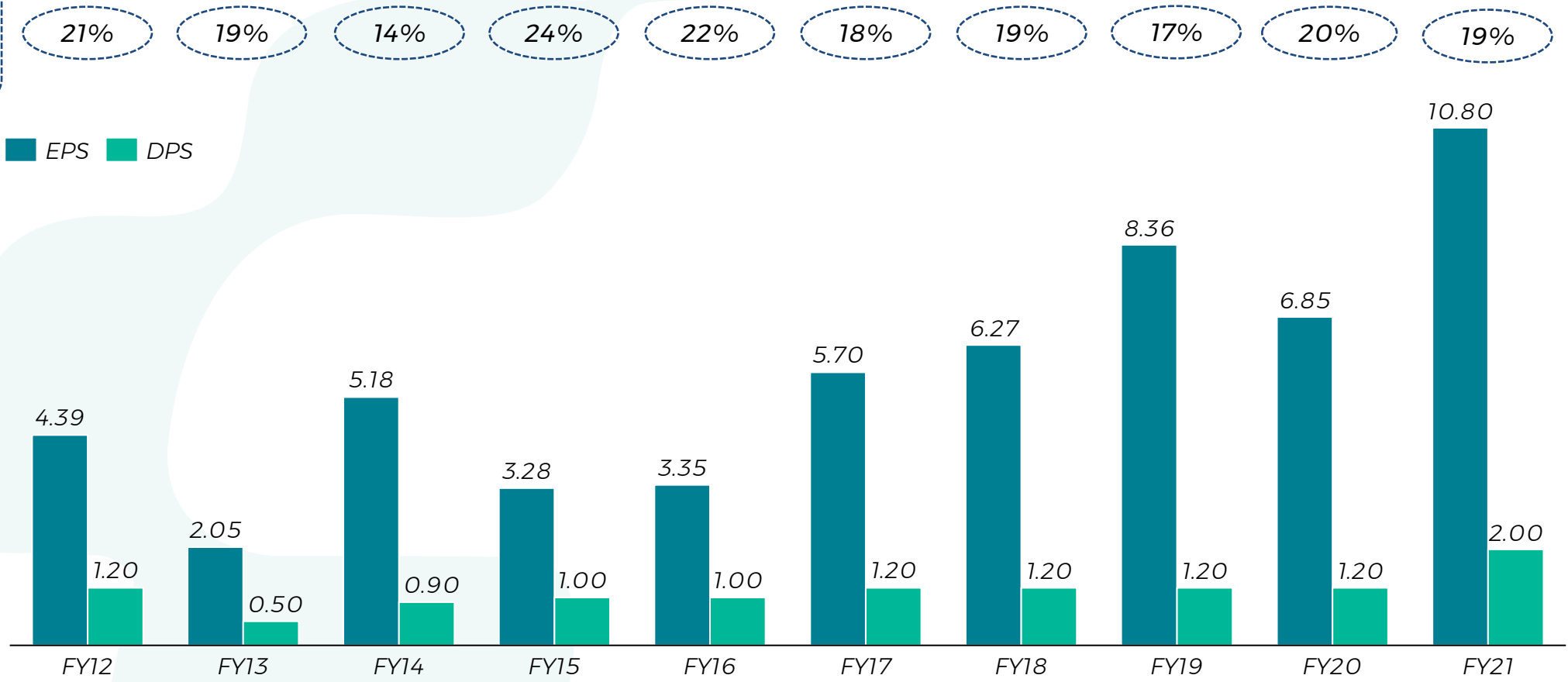
Particulars (Rs. Crore)	FY21	FY20	Y-o-Y
Net Sales	1,720	1,507	14%
Expenditure	1,397	1,234	
EBITDA	323	273	18%
Margin	18.8%	18.1%	
Other Income	5	4	
Depreciation	85	82	
Finance Costs	36	52	
Exceptional Item	-	15	
PBT	206	127	63%
Tax	73	42	
Net Profit	133	84	58%
Margin	7.7%	5.6%	

Ratio Analysis



Annual Dividend Payout

Dividend Payout including DDT



- The above dividend is based on Face Value of Rs. 2 per share



SGA Strategic Growth Advisors

Company :

Hikal Limited
CIN: L24200MH1988PTC048028

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Investor Relations Advisors :

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HIKAL
