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CIN L99999GJ1987PLC022333**2 February 2024**

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra - Kurla Complex,
Bandra (E), Mumbai 400 051

Scrip Code: 524669**Symbol: HESTERBIO****Dear Sir/ Madam:****Subject: Outcome of Board Meeting**

This is with reference to our letter dated 24 January 2024 intimating the date of the Board Meeting for consideration of the unaudited standalone and consolidated financial results for the quarter and nine months period ended 31 December 2023.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that Board of Directors, in their Meeting held today, have approved the unaudited standalone and consolidated financial results for the for the quarter and nine months period ended 31 December 2023, as recommended by Audit Committee.

We attach herewith:

- 1) The approved unaudited standalone and consolidated financial results and limited review reports
- 2) A Press Release issued in this regard

We will be publishing an extract of the results in the newspaper as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board Meeting commenced at 11:17 a.m. (IST) and concluded at 12:05 p.m. (IST).

You are requested to take the above information on your record.

Sincerely
For Hester Biosciences Limited

Vinod Mali
Company Secretary & Compliance Officer

Enclosure: As above

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

Amount in ₹ Million

Sr. No.	Particulars	Quarter Ended			Nine Months Period Ended		Year Ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from Operations	655.05	664.33	707.73	2,122.83	1,933.04	2,540.00
2	Other Income	9.80	12.20	9.62	30.59	43.73	53.23
3	Total income	664.85	676.53	717.35	2,153.42	1,976.77	2,593.23
4	Expenses						
	(a) Cost of material consumed	66.52	84.31	68.33	235.17	208.57	292.81
	(b) Purchases of stock-in-trade	135.74	116.84	130.67	430.05	356.05	553.71
	(c) Change in inventories of finished goods, traded goods and work in progress	14.30	2.58	10.54	98.50	33.72	(47.71)
	(d) Employee benefits expense	136.10	146.60	125.79	423.98	355.39	479.17
	(e) Finance cost	13.66	14.75	31.37	37.83	61.49	64.97
	(f) Depreciation and amortisation expense	25.69	25.78	24.37	76.95	71.67	97.88
	(g) Other expenses	186.71	194.07	182.53	585.87	539.64	713.16
	Total expenses	578.72	584.93	573.60	1,888.35	1,626.53	2,153.99
5	Profit before tax	86.13	91.60	143.75	265.07	350.24	439.24
6	Tax Expense						
	Current tax	15.08	24.84	28.96	63.59	84.37	107.27
	Deferred tax	6.30	(1.06)	7.50	4.20	5.08	8.55
	Total tax expense	21.38	23.78	36.46	67.79	89.45	115.82
7	Profit after tax	64.75	67.82	107.29	197.28	260.79	323.42
8	Other Comprehensive Income						
	Items that will not be reclassified to Profit or Loss						
	Remeasurement Gain/(Loss) on Defined Benefit Plans	0.38	0.37	(0.15)	1.13	(0.44)	1.51
	Income tax impact	(0.09)	(0.10)	0.04	(0.28)	0.11	(0.38)
	Total Other Comprehensive Income	0.29	0.27	(0.11)	0.85	(0.33)	1.13
9	Total Comprehensive Income for the period / year	65.04	68.09	107.18	198.13	260.46	324.55
10	Paid-up equity share capital						85.07
11	Other Equity						2,838.75
12	Earnings Per Share (Face Value of INR 10 each) (Not Annualised) - Basic & Diluted (₹)	7.61	7.97	12.61	23.19	30.66	38.02

Notes:

- The standalone financial results of Hester Biosciences Limited (the "Company") have been reviewed by the Audit Committee in its meeting held on 1 February 2024 and approved by the Board of Directors of the Company in its meeting held on 2 February 2024.
- The Statutory Auditors have carried out limited review of the standalone financial results of the Company for the quarter and nine months period ended 31 December 2023.
- Following are the details of segment wise revenue, results, segment assets and liabilities:

Amount in ₹ Million

Particulars	Quarter Ended			Nine Months Period Ended		Year Ended
	31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
Segment Revenue						
a. Poultry Healthcare	348.82	346.85	323.18	998.55	1,061.40	1,426.85
b. Animal Healthcare	301.50	308.07	378.52	834.23	860.03	1,006.79
c. Petcare	4.73	9.41	6.03	22.16	11.61	17.67
d. Others	-	-	-	267.89	-	88.69
Total Revenue from Operations	655.05	664.33	707.73	2,122.83	1,933.04	2,540.00
Segment Results						
a. Poultry Healthcare	35.32	38.11	48.88	101.32	214.42	270.53
b. Animal Healthcare	84.82	74.86	138.97	174.79	246.53	253.86
c. Petcare	(3.47)	(1.33)	0.18	(6.48)	(2.72)	(3.99)
d. Others	-	-	-	68.87	-	34.37
Total Segment Results	116.67	111.64	188.03	338.50	458.23	554.77
a. Finance Costs	13.66	14.75	31.37	37.83	61.49	64.97
b. Other unallocable expenditure/(income) (Net)	16.88	5.29	12.91	35.60	46.50	50.56
Profit before Tax	86.13	91.60	143.75	265.07	350.24	439.24
Segment Assets						
a. Poultry Healthcare	2,292.78	2,282.18	2,452.92	2,292.78	2,452.92	2,346.50
b. Animal Healthcare	629.31	606.48	555.98	629.31	555.98	583.71
c. Petcare	20.55	19.07	11.40	20.55	11.40	13.86
d. Others	15.66	234.59	-	15.66	-	112.60
Unallocated Assets	2,469.57	2,499.83	2,031.42	2,469.57	2,031.42	2,401.48
Total	5,427.87	5,642.15	5,051.72	5,427.87	5,051.72	5,458.15
Segment Liabilities						
a. Poultry Healthcare	136.87	165.30	129.62	136.87	129.62	166.02
b. Animal Healthcare	142.52	133.17	120.99	142.52	120.99	160.18
c. Petcare	0.19	0.19	1.22	0.19	1.22	0.57
d. Others	4.73	13.11	-	4.73	-	88.36
Unallocated Liabilities	2,089.64	2,341.52	1,940.16	2,089.64	1,940.16	2,119.20
Total	2,373.95	2,653.29	2,191.99	2,373.95	2,191.99	2,534.33

Notes:

- Others segment include sale of other Pharmaceutical products.
- Unallocated assets and liabilities includes capital work in-progress, capital advances and capital creditors related to Human Vaccine Project as the same is yet to be capitalised.

For and on behalf of the Board of Directors


Rajiv Gandhi
CEO & Managing Director
DIN: 00438037

Place: Ahmedabad
Date: 2 February 2024

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

Amount in ₹ Million

Sr. No.	Particulars	Quarter Ended			Nine Months Period Ended		Year Ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from Operations	669.83	704.55	749.44	2,252.91	1,987.92	2,660.91
2	Other Income	9.90	43.58	43.91	64.93	119.63	151.51
3	Total income	679.73	748.13	793.35	2,317.84	2,107.55	2,812.42
4	Expenses						
	(a) Cost of material consumed	133.40	142.86	121.39	398.48	377.83	529.88
	(b) Purchases of stock-in-trade	59.64	60.23	69.89	264.13	170.80	297.49
	(c) Change in inventories of finished goods, traded goods and work in progress	13.35	(7.83)	11.44	80.75	22.87	(52.51)
	(d) Employee benefits expense	155.81	164.49	146.14	480.28	415.59	560.20
	(e) Finance cost	21.93	80.75	38.90	128.36	79.46	93.20
	(f) Depreciation and amortisation expense	37.49	42.84	52.40	134.32	153.30	206.95
	(g) Other expenses	206.08	212.65	212.99	651.94	611.49	819.76
	Total expenses	627.70	695.99	653.15	2,138.26	1,831.34	2,454.97
5	Profit before Share of Profit of Joint Venture entity and Tax	52.03	52.14	140.20	179.58	276.21	357.45
6	Share of Profit in Joint Venture entity	12.08	15.49	19.78	41.28	41.12	44.09
7	Profit before tax	64.11	67.63	159.98	220.86	317.33	401.54
8	Tax Expense						
	Current tax	17.35	26.74	31.84	68.08	89.76	112.78
	Deferred tax	6.56	0.48	6.56	5.07	4.36	8.41
	Total tax Expense	23.91	27.22	38.40	73.15	94.12	121.19
9	Profit after tax	40.20	40.41	121.58	147.71	223.21	280.35
10	Other Comprehensive Income						
	Items that will not be reclassified to Profit or Loss						
	Remeasurement Gain/(Loss) on Defined Benefit Plans	0.38	0.37	(0.15)	1.13	(0.44)	1.47
	Income tax impact	(0.09)	(0.10)	0.04	(0.28)	0.11	(0.37)
	Items that will be reclassified to Profit or Loss						
	Foreign Currency Translation Reserve	(2.61)	(5.96)	2.94	(12.70)	20.09	15.15
	Income Tax Impact	-	-	-	-	-	-
	Total Other Comprehensive Income	(2.32)	(5.69)	2.83	(11.85)	19.76	16.25
11	Total Comprehensive Income for the period/year	37.88	34.72	124.41	135.86	242.97	296.60
12	Profit for the period/year attributable to:						
	(i) Owners of the Company	39.84	40.86	111.86	139.39	220.96	266.27
	(ii) Non Controlling Interest	0.36	(0.45)	9.72	8.32	2.25	14.08
13	Other Comprehensive Income for the period/year attributable to:						
	(i) Owners of the Company	(2.32)	(5.69)	2.83	(11.85)	19.76	16.26
	(ii) Non Controlling Interest	-	-	-	-	-	(0.01)
14	Total Comprehensive Income for the period/year attributable to:						
	(i) Owners of the Company	37.52	35.17	114.69	127.54	240.72	282.53
	(ii) Non Controlling Interest	0.36	(0.45)	9.72	8.32	2.25	14.07
15	Paid-up equity share capital						85.07
16	Other Equity						2,712.23
17	Earnings Per Share (Face Value of ₹ 10 each) (Not Annualised) - Basic & Diluted (₹)	4.73	4.75	14.29	17.36	26.24	32.96

Notes:

- The consolidated financial results of Hester Biosciences Limited (the "Company") and its subsidiaries and its joint venture entity (together referred as the "Group") have been reviewed by the Audit Committee in its meeting held on 1 February 2024 and approved by the Board of Directors of the Company in its meeting held on 2 February 2024.
- The Statutory Auditors have carried out limited review of the consolidated financial results of the Group for the quarter and nine months period ended 31 December 2023.
- Following are the details of consolidated segment wise revenue, results, segment assets and liabilities:

Amount in ₹ Million

Particulars	Quarter Ended			Nine Months Period Ended		Year Ended
	31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
Segment Revenue						
a. Poultry Healthcare	346.97	366.51	313.67	1,006.57	1,046.01	1,413.19
b. Animal Healthcare	318.13	328.63	429.74	956.29	930.30	1,141.36
c. Petcare	4.73	9.41	6.03	22.16	11.61	17.67
d. Others	-	-	-	267.89	-	88.69
Total Revenue from Operations	669.83	704.55	749.44	2,252.91	1,987.92	2,660.91
Segment Results						
a. Poultry Healthcare	37.81	45.98	38.59	108.00	210.69	269.23
b. Animal Healthcare	59.67	94.62	149.80	178.00	199.74	207.35
c. Petcare	(3.47)	(1.33)	0.18	(6.48)	(2.72)	(3.99)
d. Others	-	-	-	68.87	-	34.37
Total Segment Results	94.01	139.27	188.57	348.39	407.71	506.96
a. Finance costs	21.93	80.75	38.90	128.36	79.46	93.20
b. Share of Profit in Joint Venture Entity	12.08	15.49	19.78	41.28	41.12	44.09
c. Other unallocable expenditure/(income) (Net)	20.05	6.38	9.47	40.45	52.04	56.31
Profit before Tax	64.11	67.63	159.98	220.86	317.33	401.54
Segment Assets						
a. Poultry Healthcare	2,337.37	2,394.03	2,529.17	2,337.37	2,529.17	2,422.77
b. Animal Healthcare	2,112.57	2,071.61	2,195.96	2,112.57	2,195.96	2,142.83
c. Petcare	20.55	19.07	11.40	20.55	11.40	13.86
d. Others	15.66	234.59	-	15.66	-	112.60
Unallocated Assets	2,092.70	2,111.01	1,632.69	2,092.70	1,632.69	2,007.60
Total	6,578.85	6,830.31	6,369.22	6,578.85	6,369.22	6,699.66
Segment Liabilities						
a. Poultry Healthcare	145.62	195.80	236.29	145.62	236.29	273.36
b. Animal Healthcare	315.03	230.21	184.28	315.03	184.28	260.73
c. Petcare	0.19	0.19	1.22	0.19	1.22	0.57
d. Others	4.73	13.11	-	4.73	-	88.36
Unallocated Liabilities	3,160.02	3,475.63	3,115.61	3,160.02	3,115.61	3,191.18
Total	3,625.59	3,914.94	3,537.40	3,625.59	3,537.40	3,814.20

Notes:

- Others segment include sale of other Pharmaceutical products.
 - Unallocated assets and liabilities includes capital work in-progress, capital advances and capital creditors related to Human Vaccine Project as the same is yet to be capitalised.
- Key numbers of the standalone financial results of the Company for the quarter and nine months period ended 31 December 2023 are as under:

Amount in ₹ Million

Particulars	Quarter Ended			Nine Months Period Ended		Year Ended
	31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
Total income	664.85	676.53	717.35	2,153.42	1,976.77	2,593.23
Profit before tax	86.13	91.60	143.75	265.07	350.24	439.24
Profit after tax	64.75	67.82	107.29	197.28	260.79	323.42
Total comprehensive income	65.04	68.09	107.18	198.13	260.46	324.55

The Standalone Financial Results are available at the Company's website www.hester.in and on the website of the stock exchanges www.bseindia.com and www.nseindia.com.

For and on behalf of the Board of Directors


Rajiv Gandhi
CEO & Managing Director
DIN: 00438037

Place: Ahmedabad
Date: 2 February 2024

Chandulal M. Shah & Co.

CHARTERED ACCOUNTANTS

A/6, 6th Floor, Wing-A, Safal Profitaire, Opp. Prahladnagar Garden, Corporate Road, Prahladnagar, Ahmedabad-380015.
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Independent Auditor's review report on Quarterly and Year-to-Date Unaudited Standalone Financial Results of Hester Biosciences Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors of
Hester Biosciences Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Hester Biosciences Limited** for the quarter ended on December 31, 2023 and year to date results for the period from April 01, 2023 to December 31, 2023, ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed u/s 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in accordance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a Report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting principles and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed or that it contains any material misstatement.

For Chandulal M. Shah & Co.
Chartered Accountants
FRN No. 101698W

Arpit D. Shah

Arpit D. Shah
Partner

M. No. 135188

UDIN: 24135188 BK CX LE 8267

Place: Ahmedabad
Date: February 02, 2024



Chandulal M. Shah & Co.

CHARTERED ACCOUNTANTS

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Independent Auditor's review report on Quarterly and Year-to-date Unaudited Consolidated financial results of Hester Biosciences Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Hester Biosciences Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Hester Biosciences Limited** (the "Holding company"), its subsidiaries and joint venture entity (the Holding, its subsidiaries and joint venture entity together referred to as the "Group") for the quarter ended on December 31, 2023 and year to date results for the period from April 01, 2023 to December 31, 2023 (the "Statement"), attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors of Holding company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed u/s 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a Report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We have also performed procedures in accordance with the Circular No. CIR/CFD/CMDI/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The statement includes the results of the following subsidiaries and joint venture:

Sr. No.	Name of the Company	Relationship
1	Texas Lifesciences Private Limited	Subsidiary
2	Hester Biosciences Nepal Private Limited	Subsidiary
3	Hester Biosciences Africa Limited	Subsidiary
4	Hester Biosciences Kenya Limited	Subsidiary
5	Hester Biosciences Tanzania Limited	Subsidiary
6	Thrishool Exim Limited	Joint Venture Entity

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting principles and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)



Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The unaudited consolidated financial results include the interim financial statements of 2 subsidiaries which have been reviewed by other auditors, whose interim financial statements reflect total income of INR 87.51 million and INR 256.19 million, total net profit / (loss) after tax of INR (1.32) million and INR 33.42 million and total comprehensive income of INR (1.32) million and of INR 33.42 million for the quarter ended on December 31, 2023 and for the period from April 01, 2023 to December 31, 2023 respectively and as considered in the unaudited consolidated financial results. The interim financial statements of these subsidiaries have been reviewed by the other auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of such other auditors and the procedures performed by us as stated in paragraph 3 above.
7. The unaudited consolidated financial results include the interim financial statements of 3 subsidiaries which have not been reviewed by their auditors, whose interim financial statements reflect total income of INR 23.36 million and INR 118.61 million, total net profit / (loss) after tax of INR (34.40) million and INR (128.53) million and total comprehensive income of INR (33.34) million and of INR (131.89) million for the quarter ended on December 31, 2023 and for the period from April 01, 2023 to December 31, 2023 respectively as considered in the unaudited consolidated financial results. The holding company's management has certified these financial statements and other financial information.
8. The accompanying Statement includes the group's share of Net Profit after tax of INR 12.08 million and INR 41.28 million for the quarter ended on December 31, 2023 and for the period from April 01, 2023 to December 31, 2023, in respect of the joint venture entity. The holding company's management has certified these interim financial statements and other financial information of the joint venture entity.
9. Certain of these subsidiaries and joint venture entity are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries ('local GAAP'). The Holding Company's management has converted the financial results of such subsidiaries and joint venture entity from local GAAP to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture entity, is based on the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion on the statement in respect of the matters stated in paragraph 6, 7, 8 and 9 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial statements and financial information certified by the Holding company's Management.

For Chandulal M. Shah & Co.
Chartered Accountants
FRN No. 101698W

Arpit D. Shah

Arpit D. Shah
Partner

M. No. 135188

UDIN: 24135188BXCLF8623

Place: Ahmedabad
Date: February 02, 2024



Press Release

2 February 2024

Hester Biosciences Q3 & 9M FY24 Results

9M FY24 Standalone and Consolidated Revenue up by 10% and 13%, respectively

Q3 FY24 Standalone and Consolidated Revenue down by 7% and 11%, respectively

Hester today announced the unaudited financial results for Q3 & 9M FY24.

Standalone Financial Highlights

Revenues

(₹ Million)

Division	Q3			9M		
	FY24	FY23	Change %	FY24	FY23	Change %
Animal Healthcare	301.50	368.87	-18%	830.87	848.60	-2%
Poultry Healthcare	348.82	323.18	8%	991.28	1,023.70	-3%
Petcare	4.73	6.03	-22%	22.16	11.61	91%
Others*	-	-	-	267.89	-	-
Product Sales	655.05	698.08	-6%	2,112.20	1,883.91	12%
License & services fees	-	9.65	-	10.63	49.13	-78%
Revenue from Operations	655.05	707.73	-7%	2,122.83	1,933.04	10%

* includes exports of other pharmaceutical products

Animal Healthcare Division

- In Q3 FY24, the Animal Healthcare division experienced an overall sales decline of 18%. This downturn can be attributed to two main reasons:
 - Goat Pox Vaccine Sales Decline: Vaccine sales within the division decreased by 32% in Q3 FY24. This decline was primarily due to the lower demand of Goat Pox Vaccine (GPV). In the preceding year, there was a surge in demand for GPV following an outbreak of Lumpy Skin Disease (LSD) in cattle. Q3 FY24, sales of GPV remained steady as the demand normalised.
 - Discontinued Health Products: Two of our products, CurX Injection and iSumovet, were discontinued in response to new drug regulations prohibiting the use of Ketoprofen for animal treatment. To make a note, excluding the two products, health product sales increased by 17% in the last quarter. Our introduction of CurX LA as a substitute for CurX in the last quarter has shown promising sales performance, reflecting our commitment to expansion amid regulatory challenges.
- The quarterly supplies of the PPR vaccine for the National PPR Immunisation Program of the Government of India have consistently increased, in line with the agreed schedule. Our continued supply of the PPR vaccine to the Government remains on track, showing our commitment towards supporting national immunisation efforts.

Poultry Healthcare Division

- In Q3 FY24, the Poultry Healthcare division achieved a 8% growth, driven by two main reasons:
 - Poultry Vaccine Industry Turnaround:** The industry witnessed a positive turnaround, driven by steady consumer demand, stable prices of meat and egg products, indicating a shift towards growth, with overall vaccine sales contributing to this upswing.
 - Strong Growth in Health Products:** Health product sales surged by an impressive 34% this quarter, reflecting robust performance in this segment.
- In the division, we launched a modified version of the Newcastle Disease vaccine - a crucial element in poultry health. This version of the product will optimise our sales performance and deliver superior output in Q4.

These developments collectively indicate a promising trajectory for the following quarters.

Petcare Division

In Q3 FY24, the Petcare division still being in its growth stage with a smaller turnover, on a Quarter to Quarter to comparison, there was a sales dip of INR 1.30 million. However, while considering the cumulative performance for nine months, the division showed an impressive overall growth of 91%.

It is important to note that there has been an overall downturn in the pet market post COVID-19, as there has been a noticeable decrease in pet ownership, resulting in reduced demand for pet-care products. Having said that, the division's robust performance over the nine months highlights its resilience and potential for future growth, towards capturing part of the existing market, despite the current lull in pet adoption.

Profitability Analysis

(₹ Million)

Particulars	Q3			9M		
	FY24	FY23	Change %	FY24	FY23	Change %
Gross Profit margin	67%	70%	-3%	64%	68%	-4%
EBITDA	115.68	180.23	-36%	338.63	390.54	-13%
PAT	64.75	107.29	-40%	197.28	260.79	-24%
EPS (In ₹, not annualised)	7.61	12.61	-40%	23.19	30.66	-24%

- Overall gross profit margin in Q3 FY24 experienced a decline compared to Q3 FY23, primarily due to:
 - The reduction in vaccine sales, specifically attributed to the Goat Pox Vaccine (GPV), contributed to the overall decrease in gross profit margin.
 - Overall change in product mix wherein the contribution of health products in total sales increased from 27% to 33% in Q3 FY24.
- EBITDA de-grew by 36% due to lower vaccine sales along with change in product mix within vaccines.
- PAT de-grew by 40% as the previous quarter included one-time license & service fees of ₹ 9.65 million.

Consolidated Financial Highlights

(₹ Million)

Particulars	Q3			9M		
	FY24	FY23	Change %	FY24	FY23	Change %
Revenue from operations	669.83	749.44	-11%	2,252.91	1,987.92	13%
EBITDA	101.55	187.59	-46%	377.33	389.34	-3%
PAT (excl. OCI)	40.20	121.58	-67%	147.71	223.21	-34%
EPS (In ₹, not annualized)	4.73	14.29	-67%	17.36	26.24	-34%

Consolidated results include operations of subsidiaries from Nepal and Tanzania

1. Hester Nepal had a turnover of ₹7.91 million in Q3 FY24 and ₹80.57 million in 9M FY24, with overall Net Loss of ₹9.42 million in Q3 and net profit of ₹20.21 million in 9M FY24. Despite facing challenges such as reduced exports and international tender opportunities, the company is actively mitigating these effects by emphasising its domestic business, which demonstrates significant potential for growth.
2. Hester Africa sustained export sales totaling ₹7.26 million in Q3 FY24 to East African countries, predominantly in LSD and CBPP vaccines. Over the course of 9M FY24, export sales amounted to ₹44.39 million. However, the company experienced an overall loss of ₹36.30 million in Q3 and ₹134.87 million in 9M FY24. These losses primarily stem from unmet sales targets and costs such as exchange rate fluctuations on borrowings and depreciation.

Way Forward

1. With a push in the sales of health products in both divisions, accepting a lesser margin in health products, our goal is to substantially increase the sales as well as the sales cycles of health products, thereby ensuring a surge in profitability.
2. Leveraging the stabilisation of the poultry industry, we are closely monitoring the performance of our vaccines in the field and actively upgrading key products. We are in the process of acquiring technology from ICAR-IVRI to develop a modified version of the Infectious Bursal Disease (IBD) vaccine for chickens, utilising Subviral Particle Based technology. This enhancement will offer superior protection, improved safety, and eliminate any risk of immunosuppression in poultry.
3. We are strategically expanding our pet division by introducing new product lines and categories, ensuring a comprehensive range of offerings to meet diverse consumer needs.

Conclusion

Hester India

1. All indicators clearly show an upward trend in sales and profitability after a few quarters of downward trend.
2. The current situation has clearly moved us away from weightage on any one division or on any product range, moving us away from any negative impact on any division or any product line.

The results will be seen in the following quarters.

Hester Nepal

- Hester Nepal will substantially increase its domestic sales as all permissions for domestic sales have been received (Hester Nepal being an Export Oriented Unit)

Hester Africa

- Hester Africa would have temporary struggles for two quarters but beyond that we see a surge in sales within Tanzania as well as in exports to Eastern African countries where registrations are on-going.

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About Hester Biosciences Limited:

Hester Biosciences Limited is one of the India's leading animal health company, manufacturing vaccines and health products since 1997. Hester has three divisions:

1. Poultry Healthcare division
2. Animal Healthcare division
3. Petcare division

- It is the world's largest manufacturer and supplier of PPR vaccine, having approximately 75% of the world market.
- It has over 70% market share in Goat Pox vaccine in India which is being used to immunise cattle against Lumpy Skin disease.
- It is the second largest poultry vaccine manufacturer, with approximately 35% market share in India.

Hester's vaccine capabilities include multiple platforms such as Chick Embryo Origin, Continuous Cell line, Tissue Culture and Fermentation based live as well as inactivated vaccines.

Hester recognises the vision of ONE HEALTH, and works on improving the health of animals by enabling better health for human beings.

For more information, please visit www.hester.in