

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

November 15, 2021

Corporate Relations

**BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001**

Dear Sir,

**Sub.: Intimation of Earnings Presentation for Half year 1 / Quarter 2 – Financial Year 2021-2022
[H1/Q2 – FY22]**

Ref: Scrip Code: 506414

Further to our intimation dated November 12, 2021, regarding approval of un-audited Financial Results (Standalone and Consolidated) by the Board of Directors for the quarter and half year ended September 30, 2021, we hereby enclose a copy of Earnings Presentation for Half year 1 / Quarter 2 – Financial Year 2021-2022 [H1/Q2 – FY22].

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]

A handwritten signature in blue ink, appearing to read 'Srikant N Sharma', is written over a light blue horizontal line.

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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Taluka - Vagara, Dist: Bharuch - 392 130,
Gujarat, India.
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FERMENTA BIOTECH LIMITED

Earnings Presentation | H1/Q2-FY22



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 (FFRN)



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

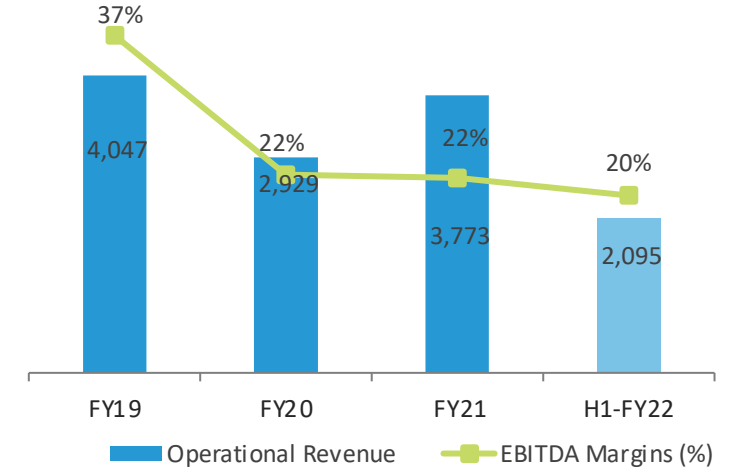


- Fermenta Biotech Limited (FBL) (Erstwhile DIL Ltd.) incorporated in 1951 by Dr. DVK Raju, is engaged in development and manufacturing of pharmaceuticals, biotechnology and environmental solutions used across various industries.
- On September 26, 2019, NCLT approved amalgamation of DIL & FBL which 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:

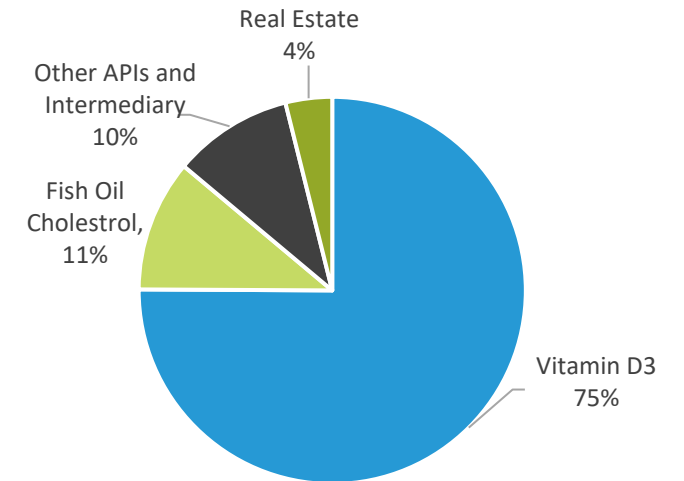
- | | |
|--|-----------------|
| 1. Pharmaceuticals | 4. Animal feed |
| 2. Dietary and nutritional supplements | 5. Veterinary |
| 3. Food and beverage fortification | 6. Rodenticides |

- 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 is 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.

Operational Revenue (INR Mn) & Operational EBITDA Margin (%)



Revenue Mix % (H1-FY22)



AL GROWTH

Manufacturing advertising
Business Development
Business Development

22.10

24.78

H1/Q2-FY22

FINANCIAL OVERVIEW

20

20

20



H1/Q2-FY22 Operational Highlights



- Vitamin D3 volumes for human nutrition were higher by 13.4% over Q2FY21, however lower by 17.2% over Q1FY22. Vitamin D3 volumes for animal nutrition continues to see pressure.
- The overall margins were impacted in the current quarter due to change in product mix in the Vitamin D3 Human Nutrition.
- The benefit of Sec 10AA under the Income Tax Act for SEZ units ceases to exist from FY22 and hence the PAT for the quarter/half year is not comparable against previous year.
- The Board of Directors of the Company has approved the Composite Scheme of Amalgamation and Arrangement amongst DVK Investments Private Limited (Holding Company) and Aegean Properties Limited (Wholly owned subsidiary) for the Company to achieve various benefits including simplified group and shareholding structure, creation of larger asset base and also enhanced value for shareholders.
- Company has started the construction of its Premix plant in Kullu which is expected to be ready by the end of calendar year 2022. The total cost of CAPEX is expected to be approximately Rs 35 crores and the same has been funded by a mix of internal accruals & debt.

H1/Q2-FY22 Financial Highlights



Q2-FY22 Standalone Performance

INR 990 Mn
Operational Income

INR 175 Mn
Operational EBITDA

17.7%
Operational EBITDA Margin

INR 66 Mn
Net Profit

6.6%
PAT Margin

INR 2.27/share
Diluted EPS

H1-FY22 Standalone Performance

INR 2,079 Mn
Operational Income

INR 451 Mn
Operational EBITDA

21.6%
Operational EBITDA Margin

INR 1,935 Mn
Net Profit

9.3 %
PAT Margin

INR 6.69/share
Diluted EPS

Q2-FY22 Consolidated Performance

INR 998 Mn
Operational Income

INR 157 Mn
Operational EBITDA

15.7%
Operational EBITDA Margin

INR 45 Mn
Net Profit

4.5%
PAT Margin

INR 1.56/share
Diluted EPS

H1-FY22 Consolidated Performance

INR 2,095 Mn
Operational Income

INR 415 Mn
Operational EBITDA

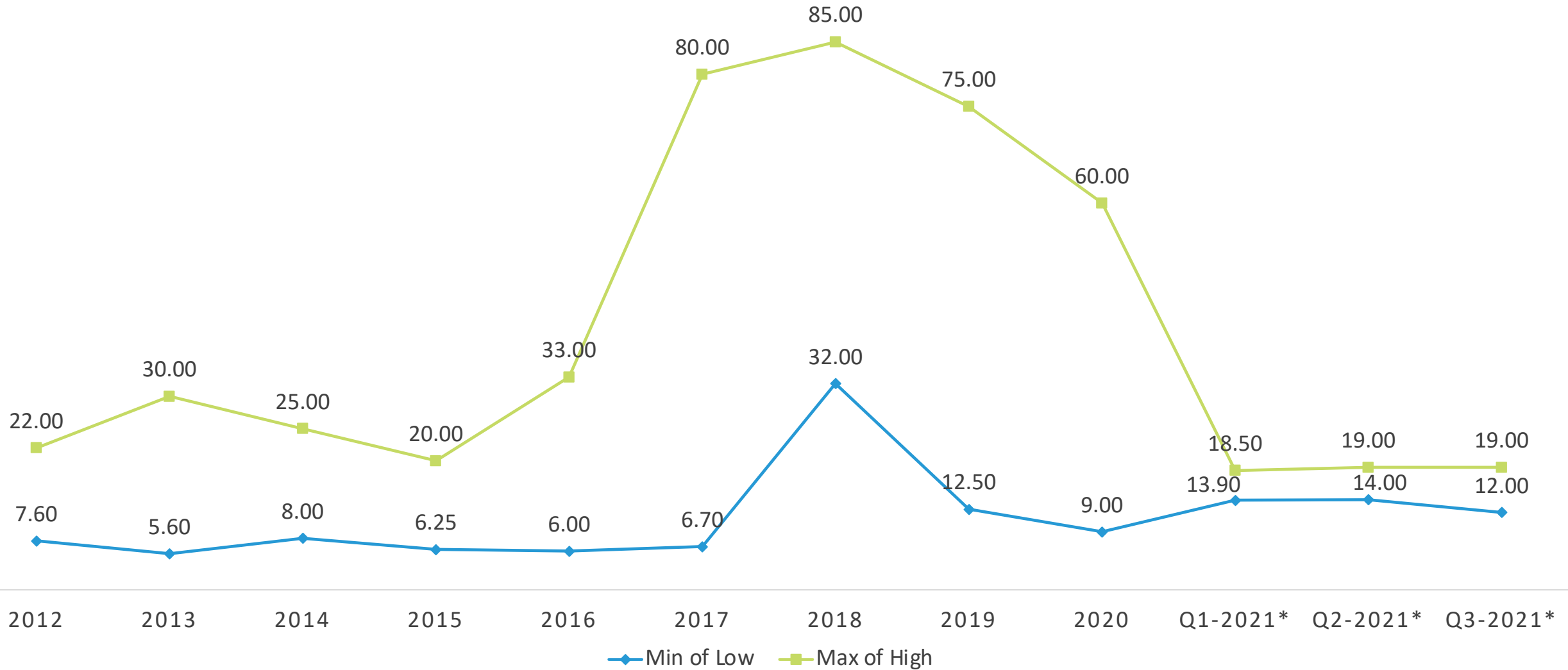
19.8%
Operational EBITDA Margin

INR 158 Mn
Net Profit

7.5%
PAT Margin

INR 5.47/share
Diluted EPS

Vitamin D3 500 Animal Feed Price Trend



Source: feedinfo.com

*As per calendar year

Q2-FY22 – Standalone Income Statement (Ind-AS)



PARTICULARS (INR Mn)	Q2-FY22	Q2-FY21	Y-o-Y	Q1-FY22	Q-o-Q
Operational Revenue	990	933	6.1%	1,089	(9.1) %
Total Expenses	815	656	24.2%	813	0.2%
Operational EBITDA	175	277	(36.8) %	276	(36.6) %
Operational EBITDA Margin (%)	17.68%	29.69%	NA	25.34%	(766) Bps
Other Income	24	9	NA	11	NA
Depreciation	60	45	33.3%	55	9.1%
Finance Cost	44	55	(20.0) %	42	4.8%
PBT	95	186	(48.9) %	190	(50.0) %
Tax	29	37	(21.6) %	62	(53.2) %
PAT	66	149	(55.7) %	128	(48.4) %
PAT Margins (%)	6.67%	15.97%	NA	11.75%	(508) Bps
Other Comprehensive Income	-	-	NA	-	NA
Total Comprehensive Income	66	149	(55.7) %	128	(48.4) %
Diluted EPS (INR)	2.27	5.17	(56.1) %	4.43	(48.8) %

H1-FY22 – Standalone Income Statement (Ind-AS)



PARTICULARS (INR Mn)	H1-FY22	H1-FY21	Y-o-Y
Operational Revenue	2,079	1,942	7.1%
Total Expenses	1,628	1,417	14.9%
Operational EBITDA	451	525	(14.1)%
Operational EBITDA Margin (%)	21.69%	27.03%	(534) Bps
Other Income	34	22	54.5%
Depreciation	114	84	35.7%
Finance Cost	86	91	(5.5)%
PBT	285	372	(23.4)%
Tax	91	59	54.2%
PAT	194	313	(38.0)%
PAT Margins (%)	9.33%	16.12%	(679) Bps
Other Comprehensive Income	0.8	-	NA
Total Comprehensive Income	194	313	(37.9)%
Diluted EPS (INR)	6.69	10.80	(38.1) %

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

Q2-FY22 – Consolidated Income Statement (Ind-AS)



PARTICULARS (INR Mn)	Q2-FY22	Q2-FY21	Y-o-Y	Q1-FY22	Q-o-Q
Operational Revenue	998	934	6.9%	1,096	(8.9) %
Total Expenses	841	665	26.5%	839	0.2%
Operational EBITDA	157	269	(41.5) %	257	(38.7) %
Operational EBITDA Margin (%)	15.77%	28.80%	NA	23.45%	(768) Bps
Other Income	23	16	43.8%	18	27.8%
Depreciation	64	48	33.3%	59	8.5%
Finance Cost	44	54	(18.5) %	41	7.3%
PBT	71	183	(61.1) %	175	(59.3) %
Tax	30	36	(16.7) %	60	(50.0) %
PAT before Associates & Joint Venture	41	147	(72.0) %	115	(64.2) %
Non-controlling interests	4	-	NA	(2.00)	NA
PAT	45	147	(69.4) %	113	(60.2) %
PAT Margins (%)	4.51%	15.74%	NA	10.31%	(580) Bps
Other Comprehensive Income	2	-	NA	1	NA
Total Comprehensive Income	43	147	(70.7) %	116	(62.9) %
Diluted EPS (INR)	1.56	5.09	(69.4) %	3.92	(60.2) %

H1-FY22 – Consolidated Income Statement (Ind-AS)



PARTICULARS (INR Mn)	H1-FY22	H1-FY21	Y-o-Y
Operational Revenue	2,095	1,878	11.6%
Total Expenses	1,680	1,385	21.3%
Operational EBITDA	415	493	(15.8) %
Operational EBITDA Margin (%)	19.81%	26.25%	(644) Bps
Other Income	41	29	41.4%
Depreciation	124	89	39.3%
Finance Cost	86	90	(4.4) %
PBT	246	343	(28.3) %
Tax	89	60	48.3%
PAT before Associates & Joint Venture	157	283	(44.5) %
Share of Loss of Associates & Joint Venture	1	-	NA
PAT	158	283	(44.2) %
PAT Margins (%)	7.54%	15.07%	(753) Bps
Other Comprehensive Income	3	(1)	(400.0) %
Total Comprehensive Income	160	282	(43.3) %
Diluted EPS (INR)	5.47	9.79	(44.1) %

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

Historical Standalone Income Statement



PARTICULARS (INR Mn)	H1-FY22	FY21	FY20	FY19
Operational Revenue	2,079	3,728	3,005	4,047
Total Expenses	1,628	2,791	2,311	2,634
Operational EBITDA	451	937	694	1,413
Operational EBITDA Margin (%)	21.69%	25.13%	23.09%	34.91%
Other Income	34	66	123	123
Depreciation	114	190	149	119
Finance Cost	86	181	193	206
PBT	285	632	475	1,211
Tax	91	112	(162)	107
PAT	194	520	637	1,104
PAT Margins (%)	9.33%	13.95%	21.20%	27.28%
Other Comprehensive Income	0.8	(0.4)	18	(15)
Total Comprehensive Income	194	519	655	1,089
Diluted EPS (INR)	6.69	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)	H1-FY22	FY21	FY20
Equity	3,857	3,704	3,126
a) Equity share capital	144	144	144
b) Other equity	3,713	3,560	2,982
Liabilities			
Non-current liabilities	1,128	1,192	1,115
a) Financial liabilities	-		
i) Borrowings	1,031	1,104	1,018
ii) Lease liabilities	43	35	45
iii) Other financial liabilities	5	5	6
b) Provisions	47	45	41
d) Other non-current liabilities	2	3	5
Current Liabilities	1,891	1,929	1,855
a) Financial liabilities	-		
i) Borrowings	1,171	1,188	1,043
ii) Lease liabilities	11	12	11
ii) Trade payables	516	457	472
iii) Other financial liabilities	134	184	297
b) Provisions	6	8	6
c) Other current liabilities	50	76	23
d) Current tax liabilities (Net)	3	3	3
TOTAL EQUITY AND LIABILITIES	6,876	6,825	6,096

PARTICULARS (INR Mn)	H1-FY22	FY21	FY20
Assets			
Non-current Assets	3,806	3,745	3,272
a) Property, plant and equipment	1,901	1,538	1,040
b) Capital work-in-progress	226	527	671
c) Right of use assets	166	147	162
d) Investment property	683	682	707
e) Goodwill	41	41	41
f) Other intangible assets	78	88	18
g) Intangible assets under development	41	42	37
h) Investments	-		
i) Investments in subsidiaries	127	127	8
i) Financial assets	-		
i) Investments	3	2	3
ii) Loans	-	-	2
iii) Others financial assets	34	22	41
j) Deferred tax assets (Net)	340	381	381
k) Non-current tax assets (Net)	127	113	91
l) Other non-current assets	39	35	70
Current Assets	3,070	3,080	2,824
a) Inventories	1,271	1,328	1,135
b) Financial assets	-		
i) Trade receivables	1,054	961	774
ii) Cash and cash equivalents	112	136	68
iii) Bank balances other than (iii) above	231	277	256
iv) Loans	-	48	213
v) Other financial assets	50	80	129
c) Other current assets	352	250	249
TOTAL ASSETS	6,876	6,825	6,096

Historical Consolidated Income Statement



PARTICULARS (INR Mn)	H1-FY22	FY21	FY20	FY19
Operational Revenue	2,095	3,773	2,929	4,047
Total Expenses	1,680	2,956	2,277	2,558
Operational EBITDA	415	817	652	1,489
Operational EBITDA Margin (%)	19.81%	21.65%	22.26%	36.79%
Other Income	41	82	123	124
Depreciation	124	203	150	119
Finance Cost	86	180	191	207
PBT	246	516	434	1,287
Tax	89	91	(161)	108
PAT before Associates & Joint Venture	157	425	595	1,179
Share of Loss of Associates & Joint Venture	-	-	-	(4)
Non-controlling interests	1	30	-	-
PAT	158	455	595	1,175
PAT Margins (%)	7.54%	12.06%	20.31%	29.03%
Other Comprehensive Income	3	(2)	17	(15)
Total Comprehensive Income	160	423	612	1,160
Diluted EPS (INR)	5.47	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)	H1-FY22	FY21	FY20
Equity	3,721	3,603	3,094
a) Equity share capital	144	144	144
b) Other equity	3,581	3,462	2,950
c) Non-controlling interests	(4)	(3)	0.1
Liabilities			
Non-current liabilities	1,110	1,175	1,097
a) Financial liabilities	-		
i) Borrowings	1,031	1,105	1,018
ii) Lease liabilities	25	17	27
iii) Other financial liabilities	5	5	6
b) Provisions	47	45	41
c) Other non-current liabilities	2	3	5
Current Liabilities	2,069	2,093	1,946
a) Financial liabilities	-		
i) Borrowings	1,171	1,188	1,043
ii) Lease liabilities	11	12	11
ii) Trade payables	688	621	564
iii) Other financial liabilities	134	184	297
b) Provisions	9	7	5
c) Other current liabilities	53	77	23
d) Current tax liabilities (Net)	3	3	3
TOTAL EQUITY AND LIABILITIES	6,900	6,871	6,137

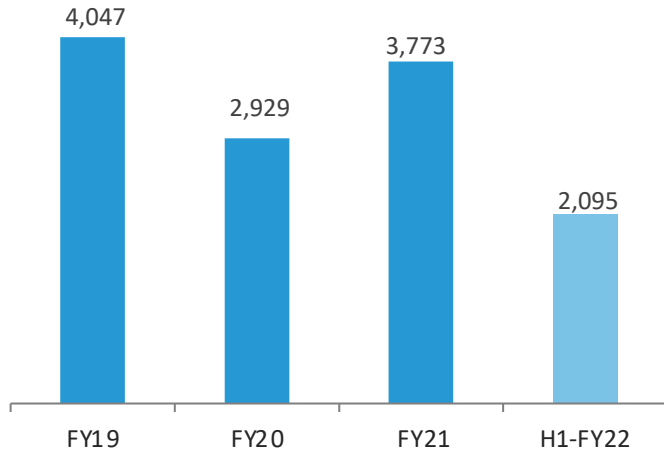
PARTICULARS (INR Mn)	H1-FY22	FY21	FY20
Assets			
Non-current Assets	3,830	3,775	3,297
a) Property, plant and equipment	1,901	1,539	1,040
b) Capital work-in-progress	226	527	671
c) Right of use assets	149	129	143
d) Investment property	688	687	713
e) Goodwill	108	107	41
f) Other intangible assets	150	168	65
g) Intangible assets under development	41	42	37
h) Financial assets	-		
i) Investments	3	3	3
ii) Loans	-	-	2
iii) Others financial assets	34	22	40
i) Deferred tax assets (Net)	364	403	381
j) Non-current tax assets (Net)	127	113	91
k) Other non-current assets	39	35	70
Current Assets	3,070	3,096	2,840
a) Inventories	1,624	1,623	1,286
b) Financial assets	-		
i) Trade receivables	703	680	698
ii) Cash and cash equivalents	143	168	75
iii) Bank balances other than (iii) above	231	277	256
iv) Loans	-	48	213
v) Other financial assets	3	35	63
c) Other current assets	366	265	249
TOTAL ASSETS	6,900	6,871	6,137



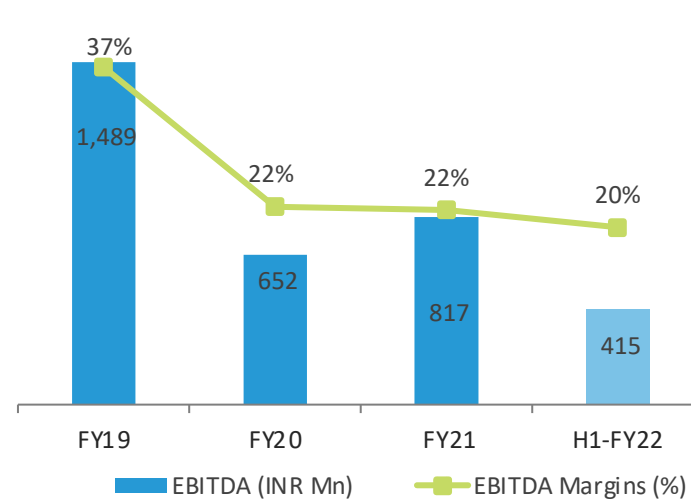
Historical Consolidated Financial Performance



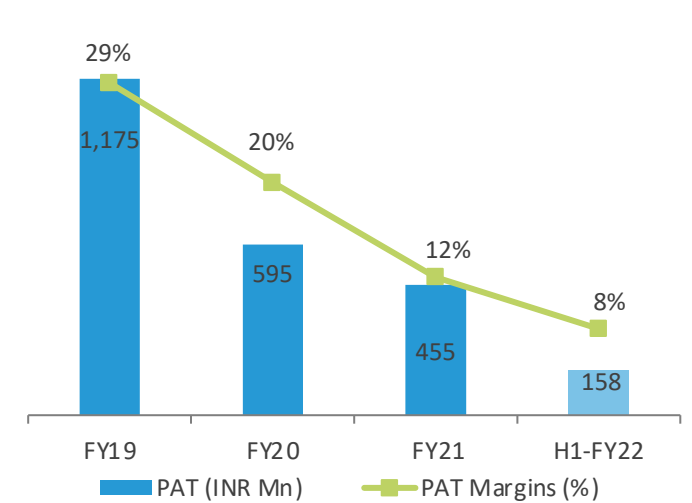
Operational Revenue (INR Mn)



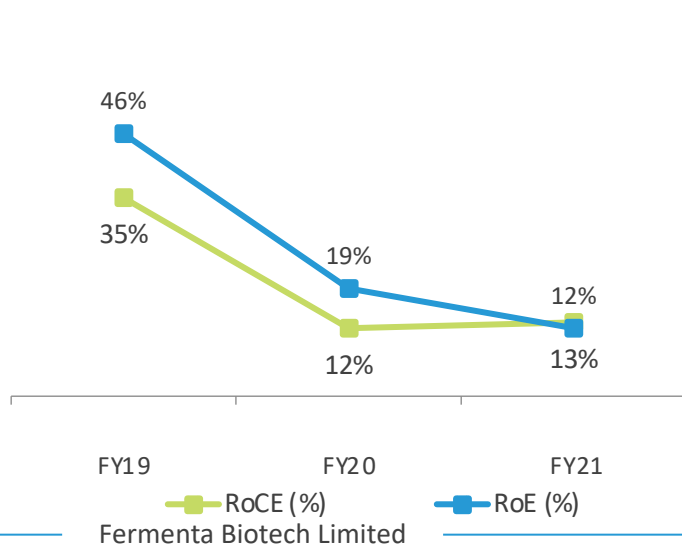
Operational EBITDA (INR Mn) & Margins (%)



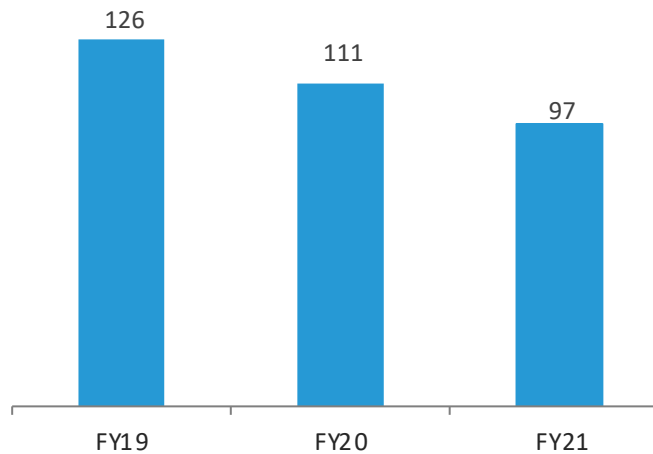
PAT (INR Mn) & Margins (%)



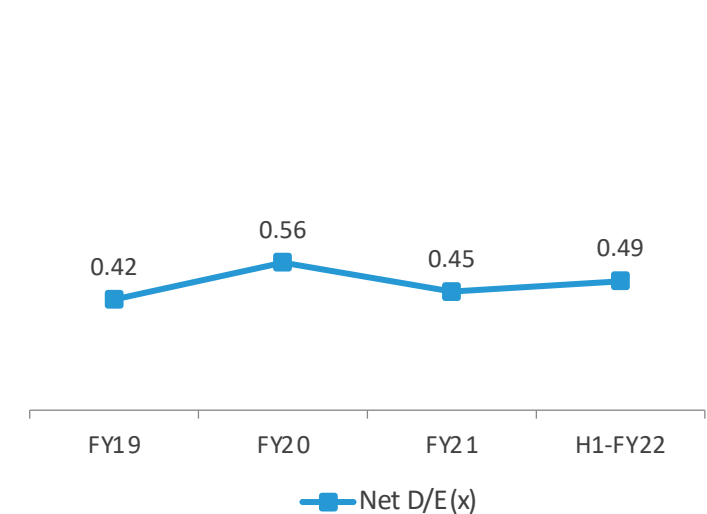
RoCE & RoE (%)



Working Capital Days



Net Debt to Equity (x)



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