



February 2, 2023

BSE Ltd.,
P J Towers,
Dalal Street,
Mumbai - 400 001.
Scrip Code: 524735

National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra-Kurla Complex, Bandra,
Mumbai - 400 051.
Symbol: HIKAL

Dear Sir/Madam,

Subject: Results Presentation of the Company for the quarter and period ended December 31, 2022

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 and period ended December 31, 2022.

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 - Q3 FY23

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Jai Hiremath

"Hikal has recorded an improved performance in this quarter in line with earlier guidance of a sequential recovery. We had an improvement in EBITDA margins on the back of several cost improvement initiatives. We are witnessing softening of key raw material prices and we expect the trend to stabilize in the upcoming quarter.

The revenue for the Crop Protection business stood at Rs 248 Crores in Q3 FY22. We are focusing on the optimal product mix to improve revenues and margins going forward. We are in the process of commissioning our new multipurpose facility at Panoli for the launch of our new products.

Our Pharmaceuticals business has registered a YoY revenue growth of 9% and revenue stood at Rs 292 Crores for the quarter based on increased volumes of CDMO products. We have a strong pipeline of products in various stages of development. We are focusing on cost improvement initiatives to improve margins for existing API's and improve penetration of new products across different geographies. Our new Animal Health Multipurpose facility is on track and expected to be commissioned in Q2 of FY24.

The board has approved interim dividend of Rs. 0.60 per share which translates to 30% of Face Value.

Hikal has partnered with a leading global ESG consultant to build the sustainability strategy for reduction of carbon footprint across the value chain of Hikal to better understand the needs of all our stakeholders, colleagues, partners and communities in which we operate.

As part of our commitment to doing business in a responsible way, we are taking several initiatives to ensure clean energy, reduction of carbon footprint, reduction of waste generation across all our sites. We have further increased renewable power by signing long term agreements for our Panoli, Taloja and Mahad sites.

Pinnacle, our business transformation initiative, is on track to create a robust roadmap across business verticals to drive a profitable and sustainable growth over the next five years through a focused strategic direction.

We continue to monitor the macro-economic environment, rising interest rates, impact of China opening, rising energy costs and the ongoing geopolitical unrest. Both of our businesses have a strong growth outlook. We aspire to deliver sustainable and profitable volume-led growth over the medium term."



Quarterly Financials Highlights

Robust performance in both Pharmaceutical and Crop Protection businesses, with recovery in EBITDA margins



Revenue – Q3 FY23
Rs. 540 Crore



YoY
+5%



QoQ
-3%



EBITDA – Q3 FY23
Rs. 75 Crore



YoY
-20%



QoQ
+7%



EBITDA Margin – Q3 FY23
13.8%



YoY
-425 bps



QoQ
+133 bps



PAT – Q3 FY23
Rs. 26 Crore



YoY
-42%



QoQ
+6%



EPS – Q3 FY23
Rs. 2.14



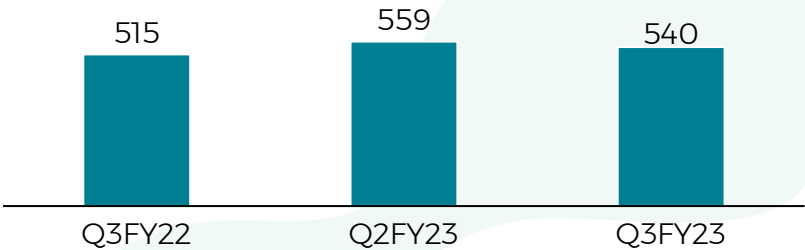
YoY
-42%



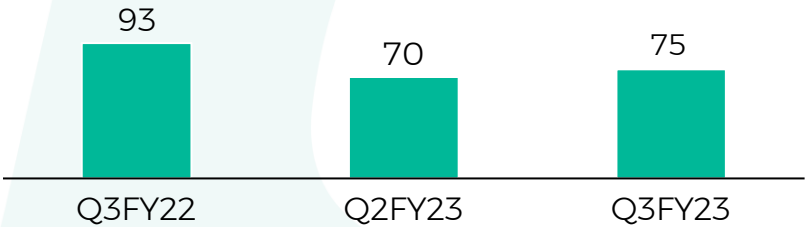
QoQ
+6%

Quarterly Performance Highlights

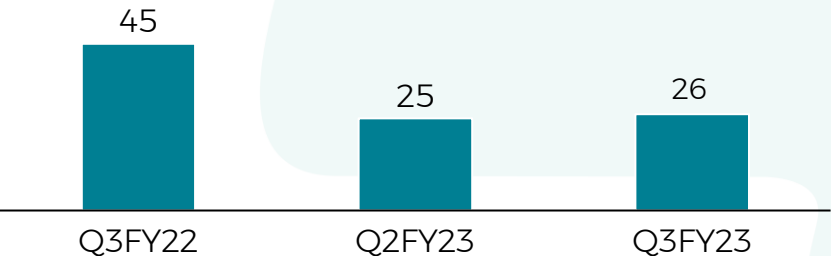
Revenue



EBITDA



PAT



Rs. Crore

Performance Highlights

- Revenue recorded an increase of 5% YoY and stood at Rs 540 Crore
 - Higher volume sales
- EBITDA stood at Rs 75 Crore
 - Sequential recovery in margins on back of cost improvement initiatives and softening of raw material prices
- PAT was Rs. 26 Crore
 - Increased depreciation on account of assets additions and marginal increase in finance costs in view of interest rate hikes
- Hikal’s long term credit rating is maintained at A+ by ICRA
- Leading Global consultancy firm onboarded for ESG initiatives



Pharmaceuticals - Performance Highlights

- Revenue recorded an increase of 9% YoY
 - Higher CDMO volume intake from leading global innovator companies
- EBIT stood at Rs 26 Crore
 - Sequential recovery in margins on back of cost improvement initiatives and softening of raw material prices
- New opportunities under discussion with various global innovators
- Acquired new customers in Latin America and Middle east market for the API Generics business segment
- Expect to commission new multipurpose plant for Animal Health vertical at Panoli, Gujarat by Q2 FY24

Quarterly Performance Highlights – Crop Protection



Rs. Crore

Crop Protection - Performance Highlights

- Revenue recorded flat growth of 1% YoY
- EBIT stood at Rs 27 Crore
 - Sequentially the sales have been lower and the raw material prices remained on a higher side
- Plan to commission the new multipurpose facility at Panoli, Gujarat by the end of current fiscal year
- Cost improvement ongoing to improve the margins further
- Acquired 26% stake in a solar power manufacturing firm for increased renewable energy supply at two of Hikal’s manufacturing site

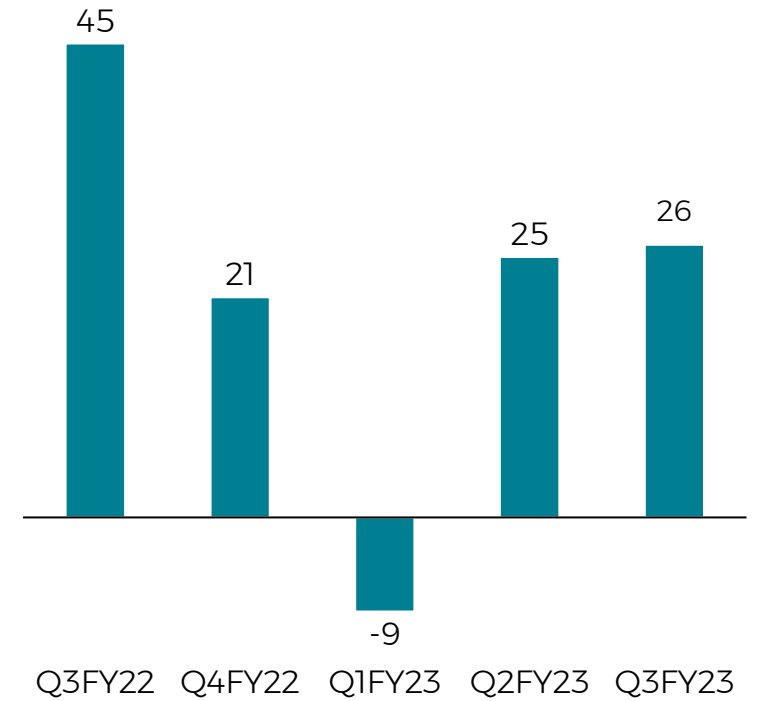
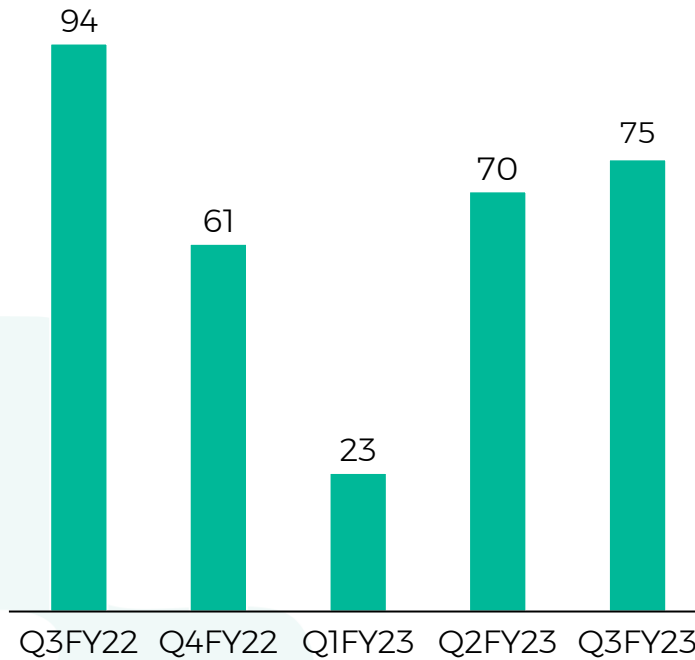
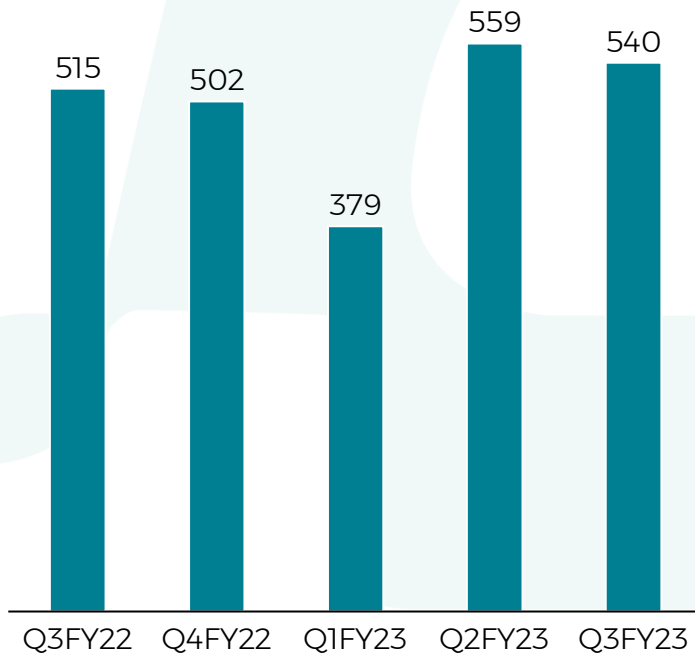
Quarterly Financial Highlights



Consolidated Revenue

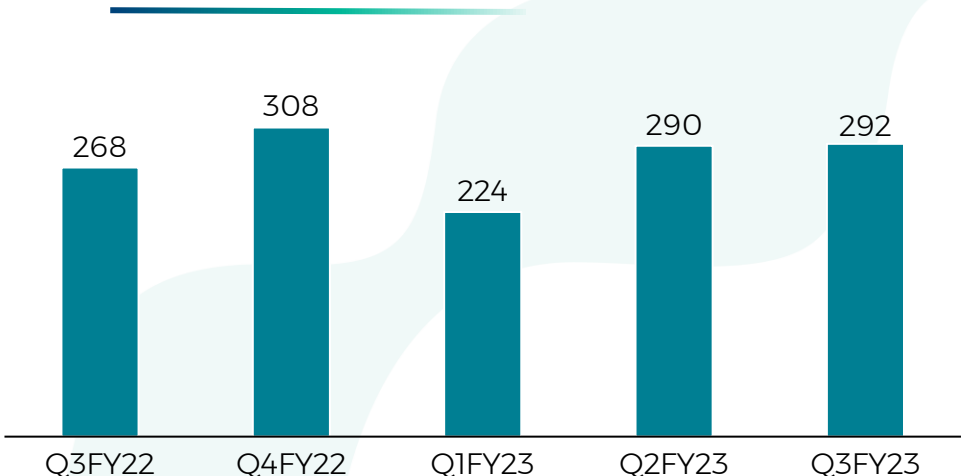
Consolidated EBITDA

Consolidated PAT

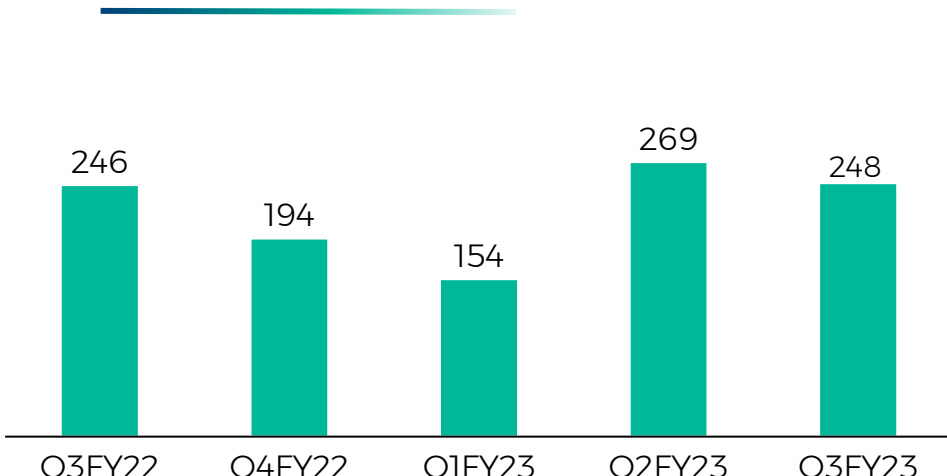


Quarterly Segmental Highlights

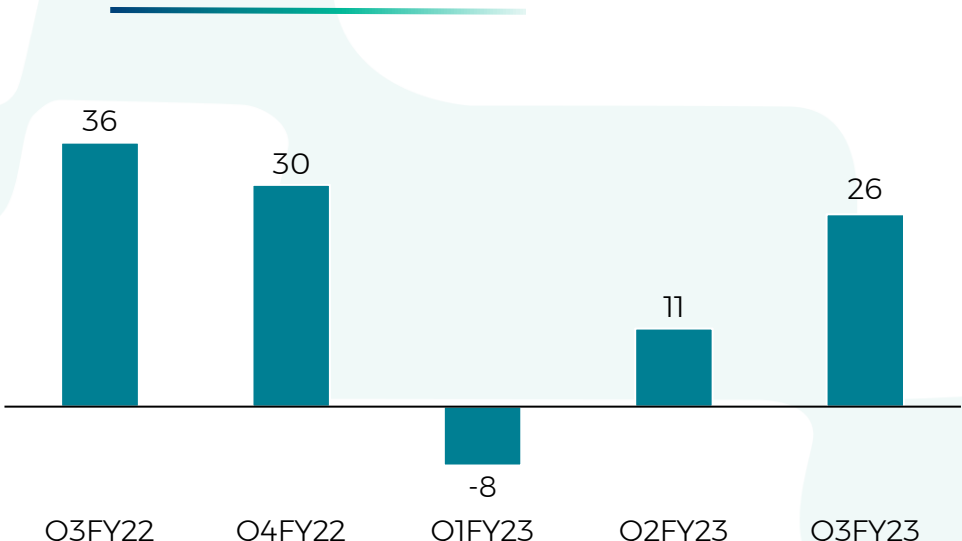
Pharmaceuticals Revenue



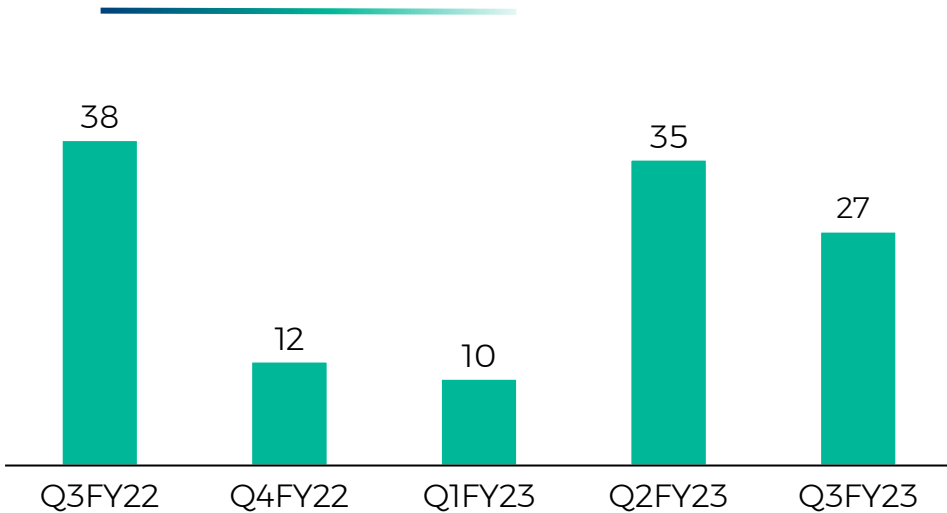
Crop Protection Revenue



Pharmaceuticals EBIT



Crop Protection EBIT



Rs. Crore

Consolidated Profit & Loss - Q3

Particulars (Rs. in Cr)	Q3 FY23	Q3 FY22	Y-o-Y	Q2 FY23	Q-o-Q
Net Sales	540	515	5.0%	559	-3.3%
Expenditure	465	422		489	
EBITDA	75	93	-19.7%	70	7.0%
Margin	13.8%	18.1%		12.5%	
Other Income	2	1		1	
Depreciation	28	25		27	
Finance Costs	13	7		11	
PBT	36	62	-41.9%	33	9.2%
Tax	10	17		8	
Net Profit	26	45	-41.5%	25	6.3%
Margin	4.9%	8.8%		4.4%	



Nine-Monthly Financials Highlights

Financial Highlights - Nine Months



Revenue - 9M FY23
Rs. 1,478 Crore



YoY
3%



EBITDA - 9M FY23
Rs. 167 Crore



YoY
-40%



EBITDA Margin - 9M FY23
11.3%



YoY
-811 bps



PAT - 9M FY23
Rs. 42 Crore



YoY
-70%

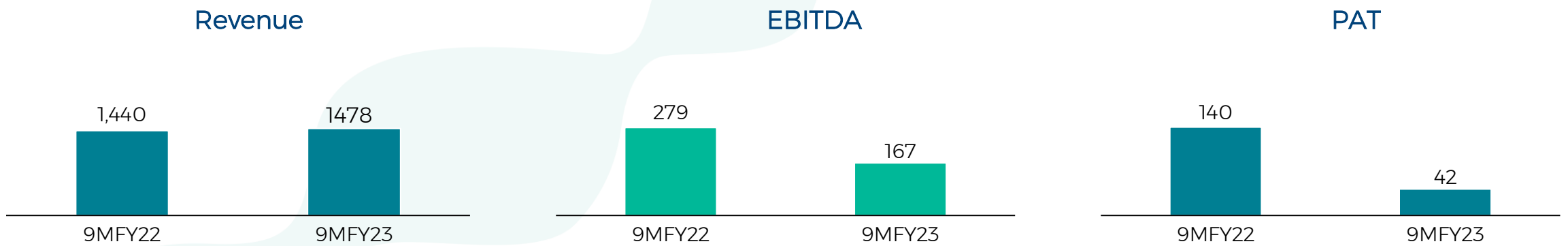


EPS - 9M FY23
Rs 3.43

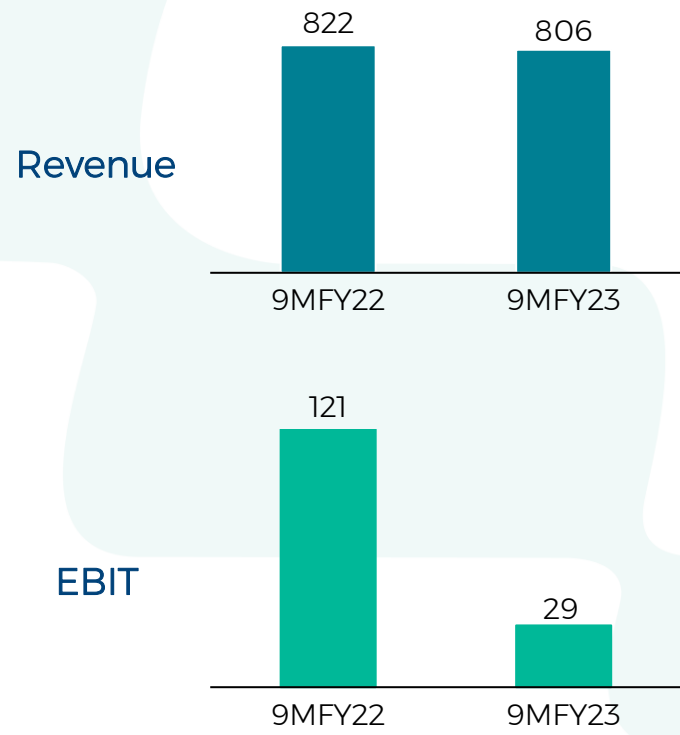


YoY
-70%

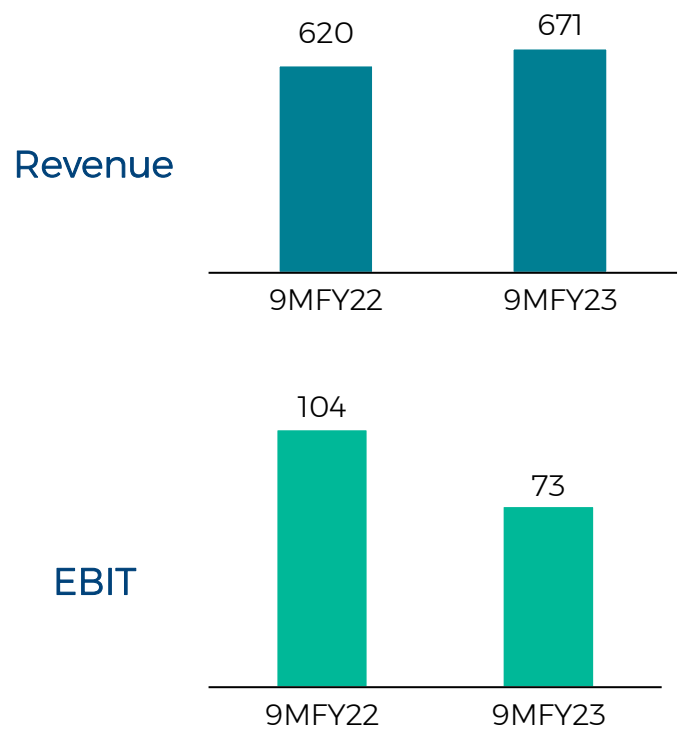
Nine Months Performance Highlights



Pharmaceuticals Division

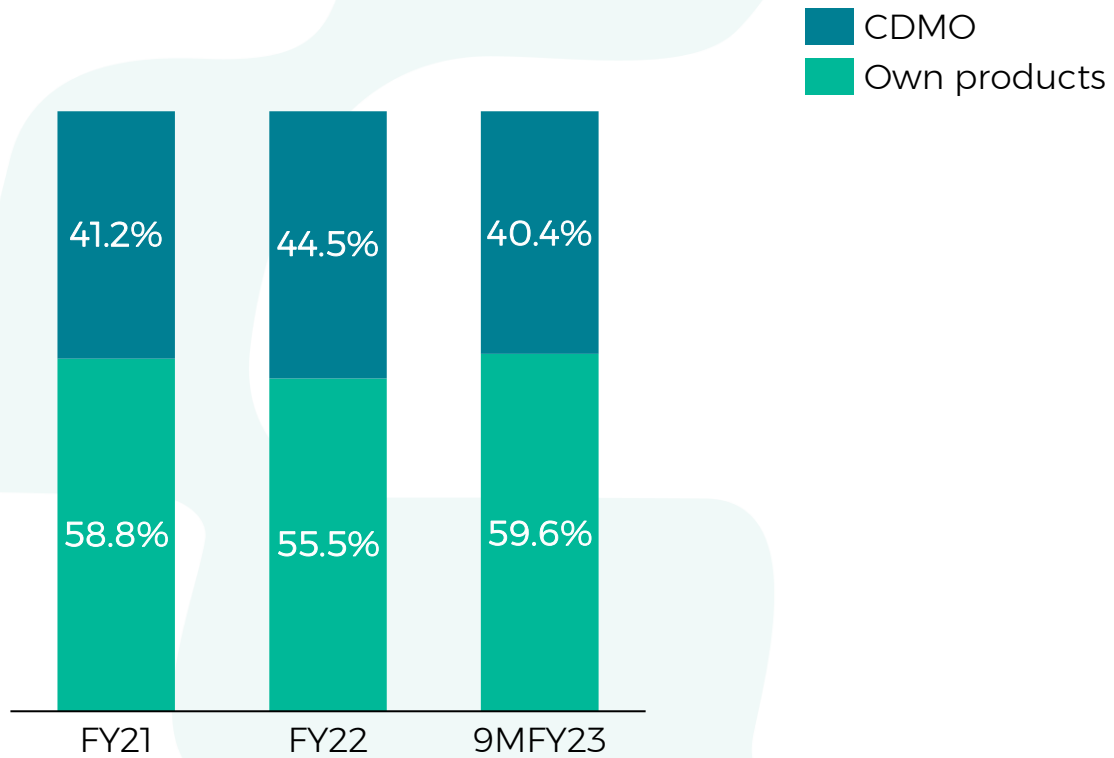


Crop Protection Division

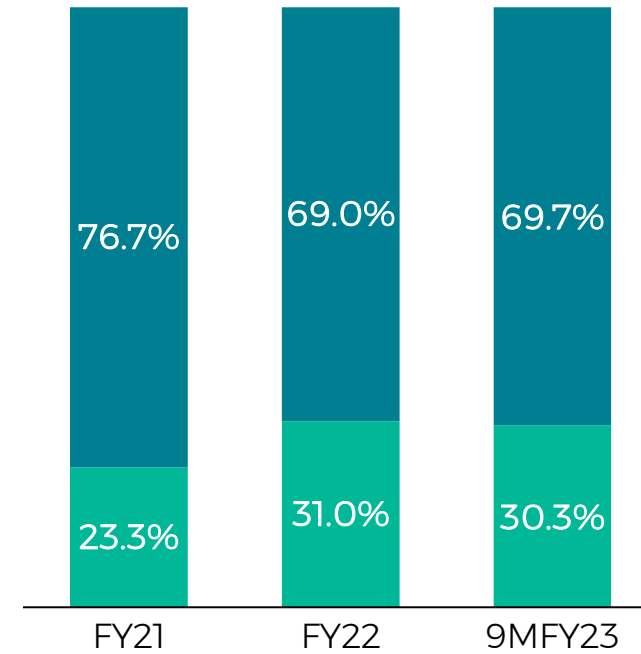


Sales Break-Up

Pharmaceuticals Revenue Break-Up



Crop Protection Revenue Break-Up





Annual Financials Highlights

Financial Highlights - Annual



Revenue – FY22
Rs. 1,943 Crore

↑ FY18-22 CAGR 11% ↑ YoY 13%



EBITDA – FY22
Rs. 341 Crore

↑ FY18-22 CAGR 9% ↑ YoY 5%



EBITDA Margin – FY22
17.5%

↓ YoY -124bps



PAT – FY22
Rs. 161 Crore

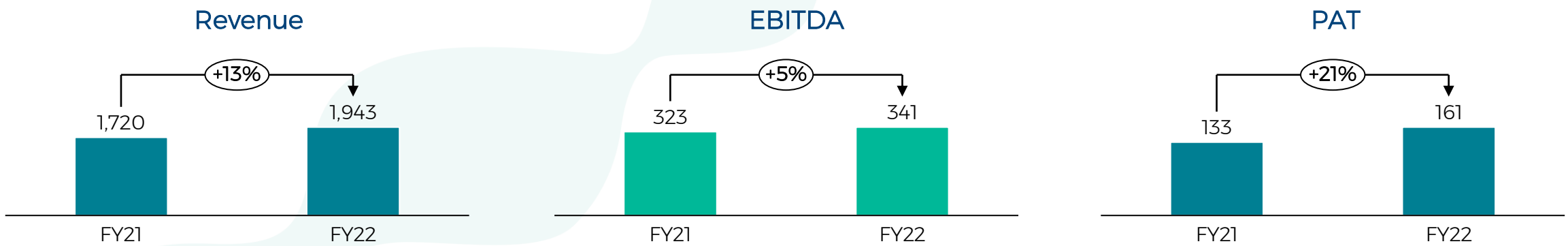
↑ FY18-22 CAGR 20% ↑ YoY 21%



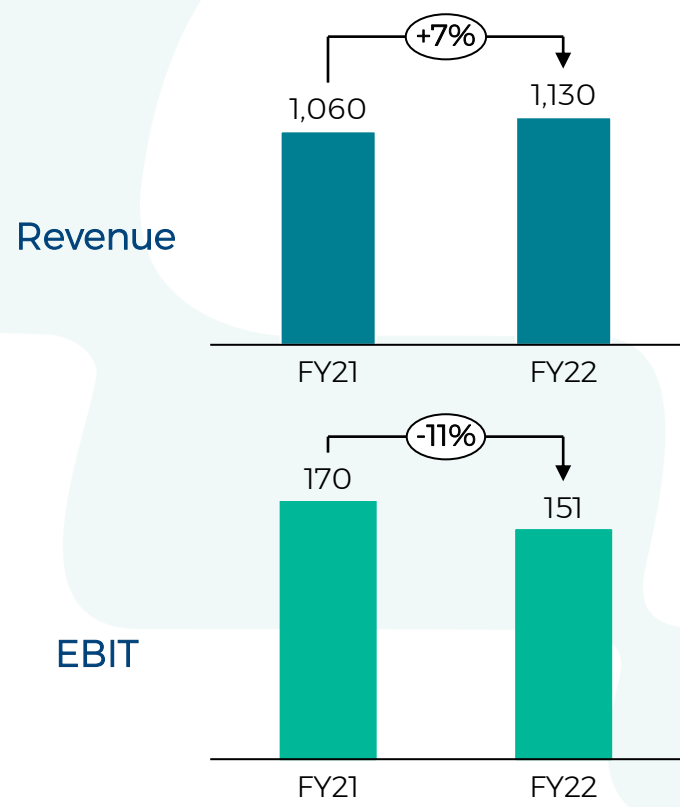
EPS – FY22
Rs 13.02

↑ FY18-22 CAGR 20% ↑ YoY 21%

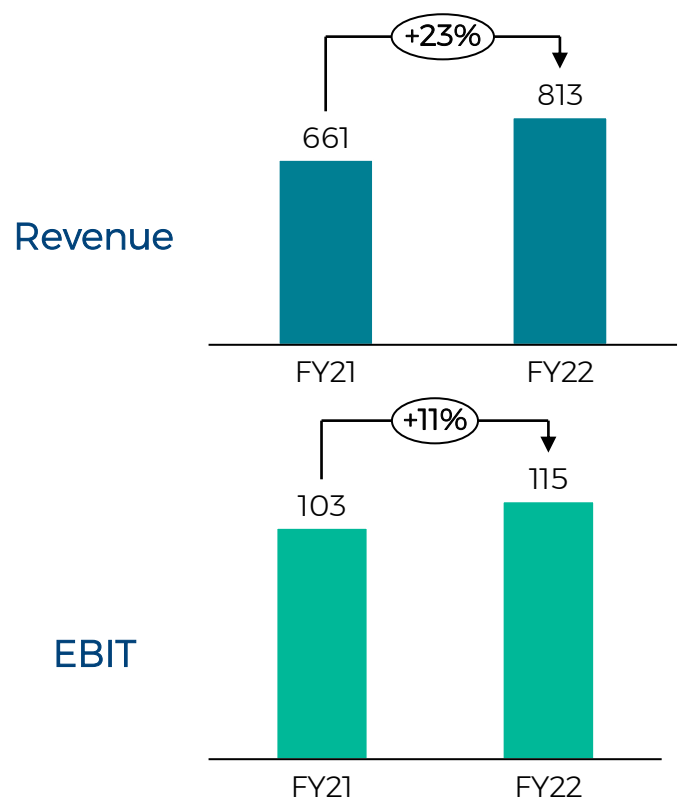
Annual Performance Highlights



Pharmaceuticals Division



Crop Protection Division



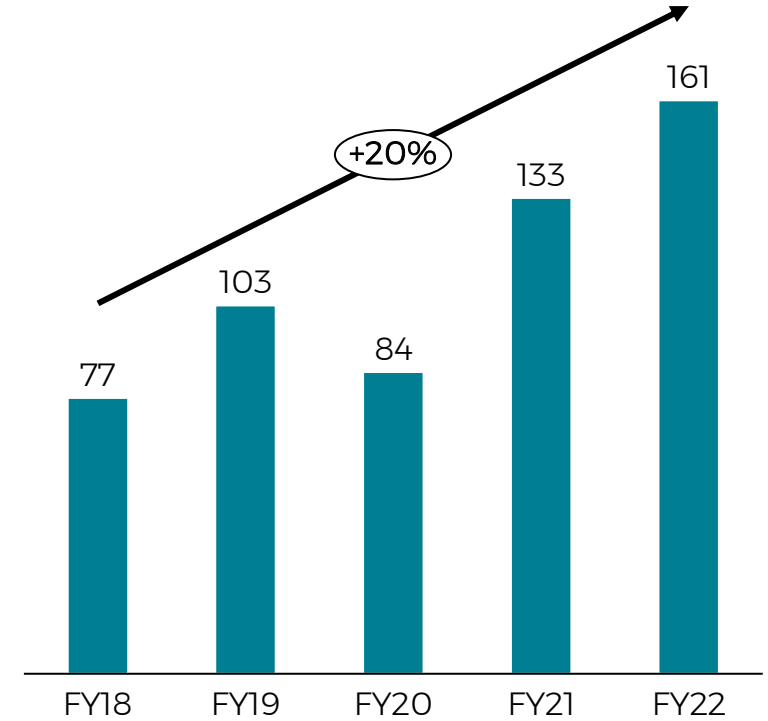
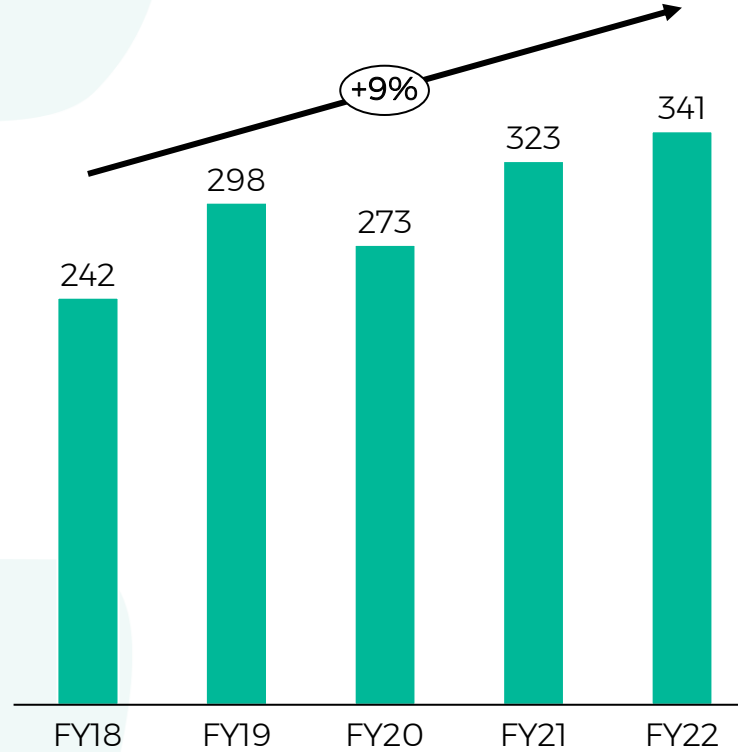
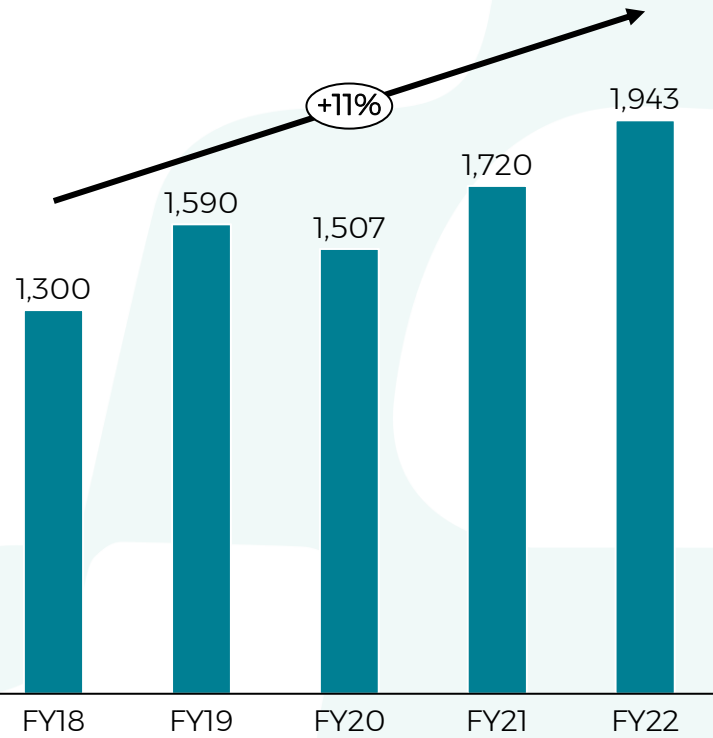
Yearly Financial Highlights



Consolidated Revenue

Consolidated EBITDA

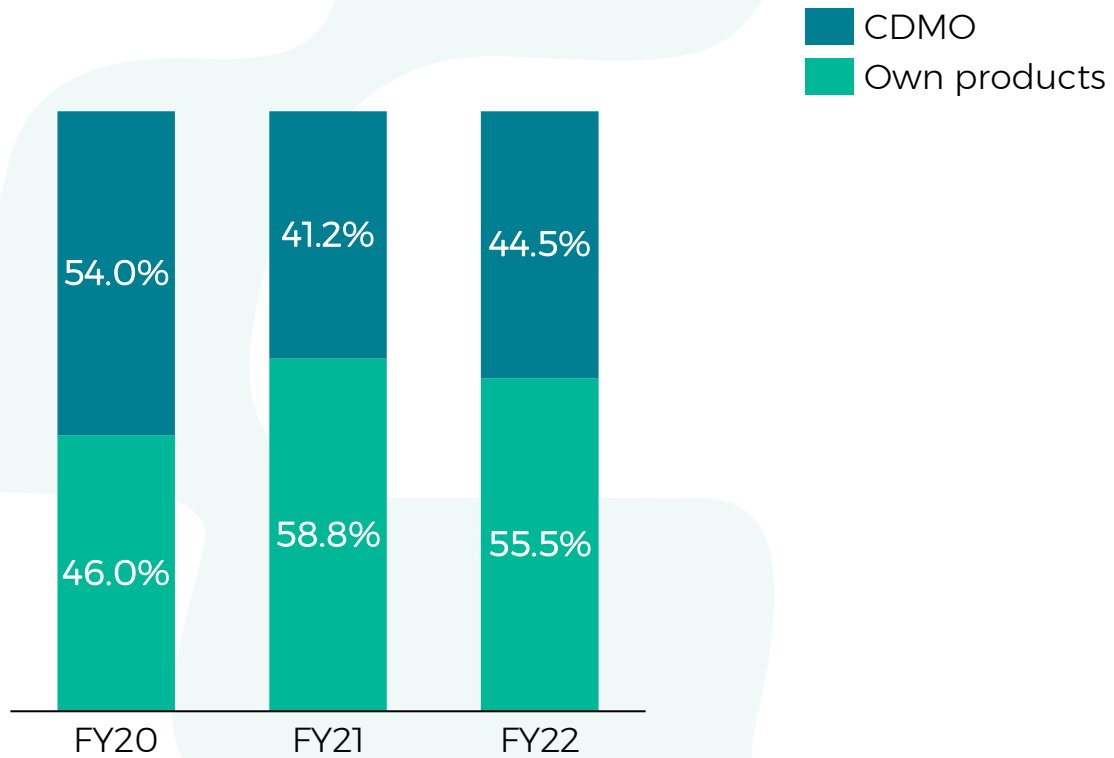
Consolidated PAT



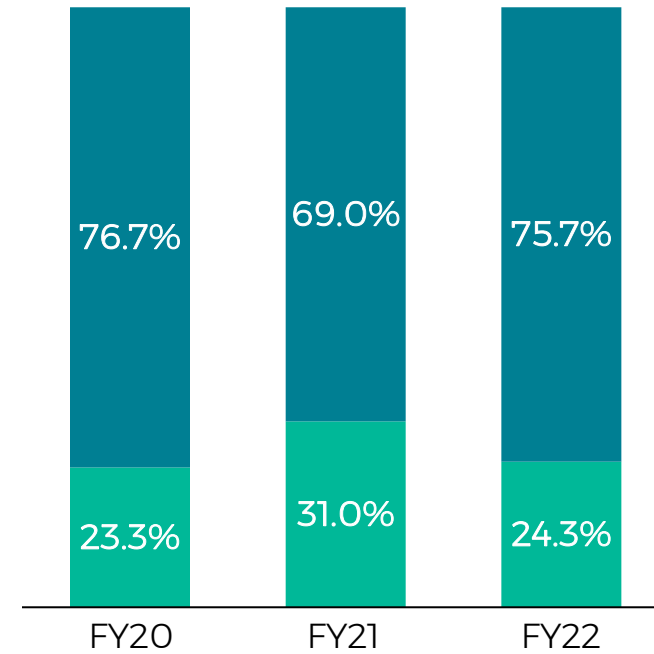
Rs. Crore

Sales Break-Up

Pharmaceuticals Revenue Break-Up

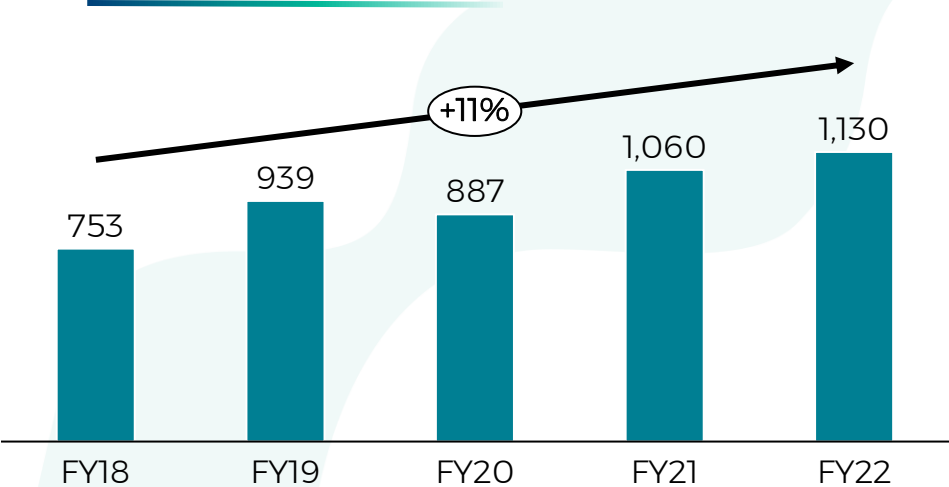


Crop Protection Revenue Break-Up

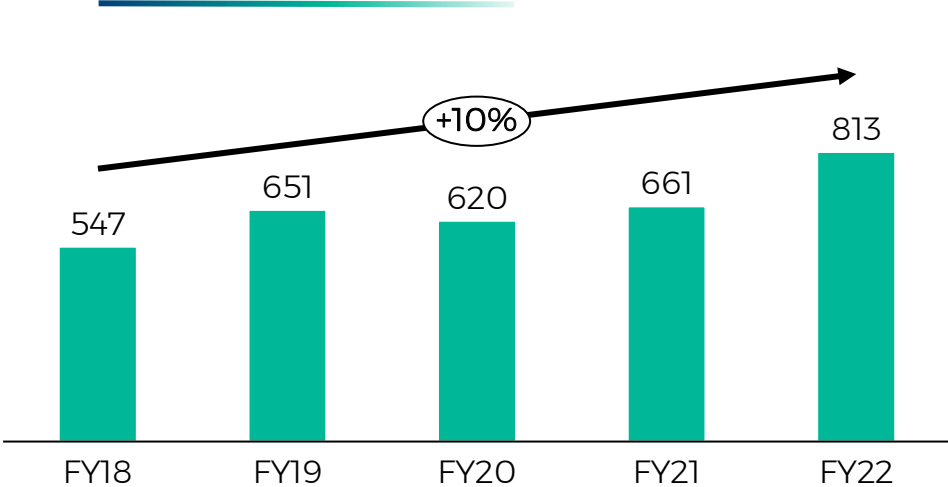


Yearly Segmental Highlights

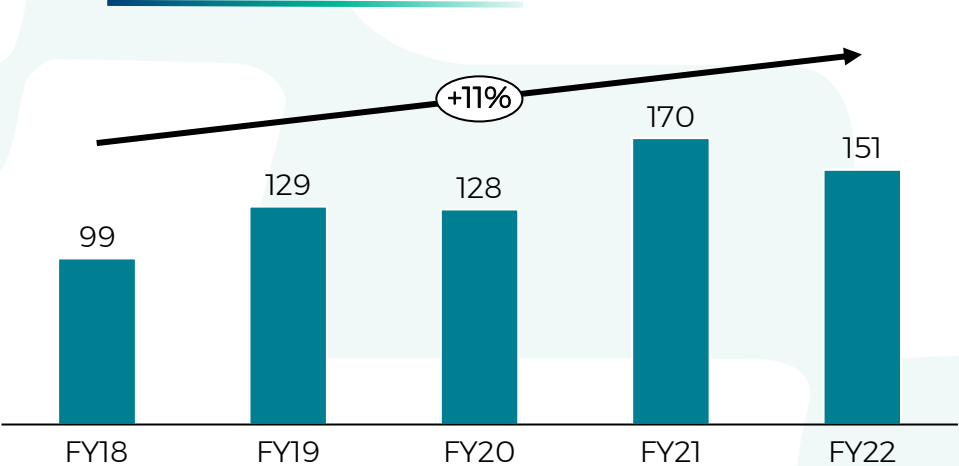
Pharmaceuticals Revenue



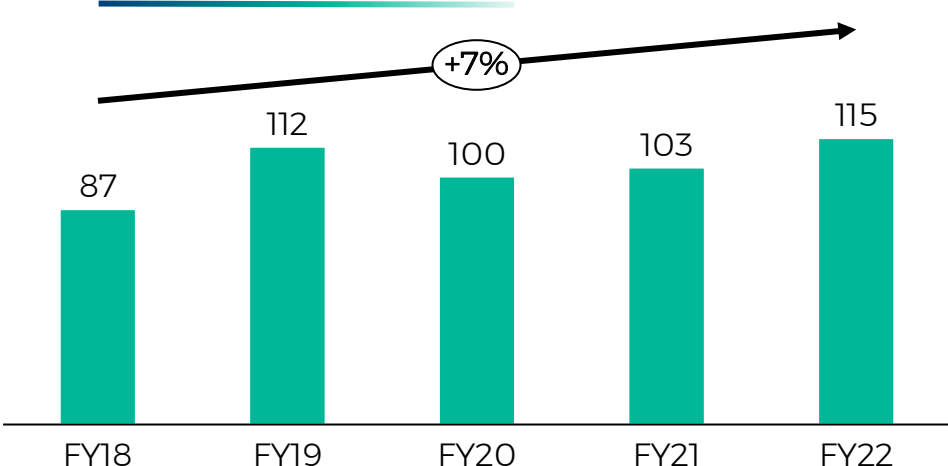
Crop Protection Revenue



Pharmaceuticals EBIT



Crop Protection EBIT

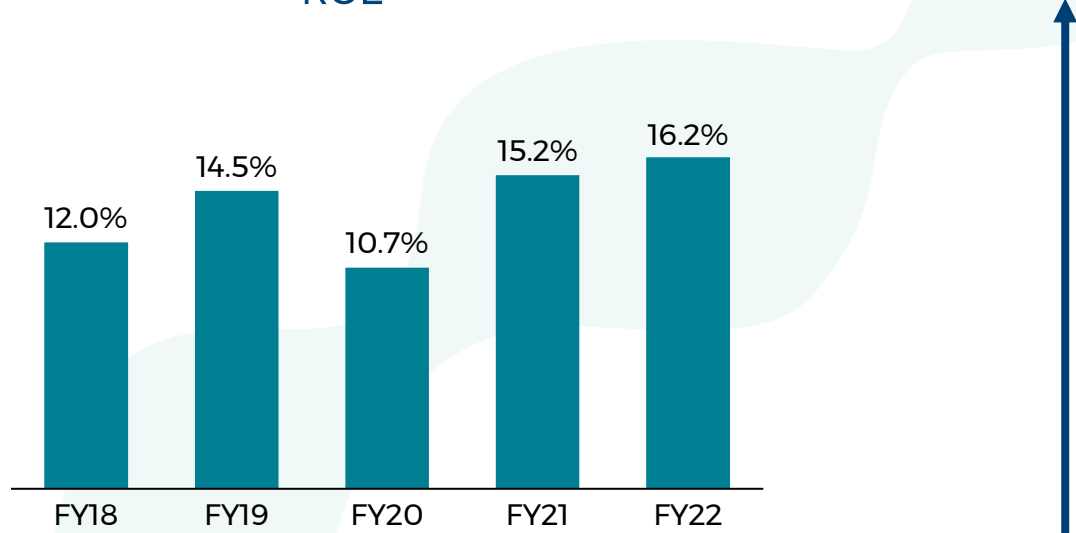


Consolidated Profit & Loss - Full Year

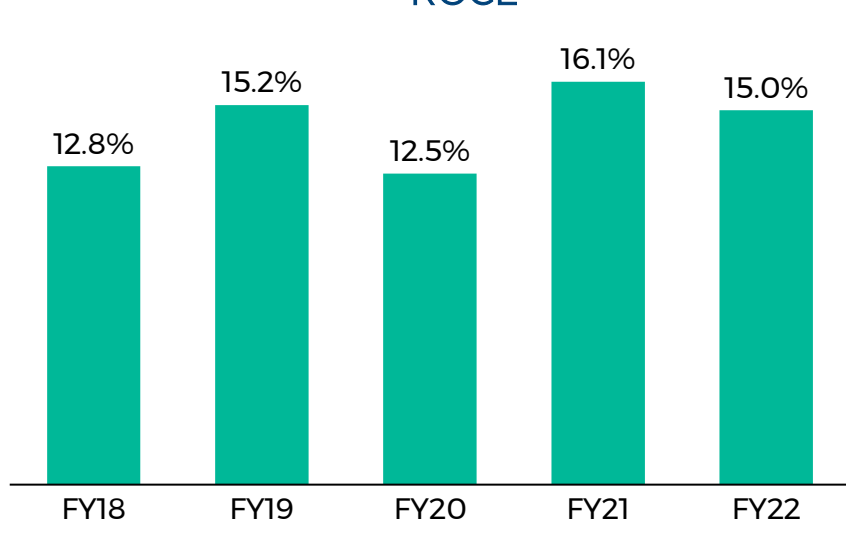
Particulars (Rs. Crore)	FY22	FY21	Y-o-Y
Net Sales	1,943	1,720	13%
Expenditure	1,602	1,397	
EBITDA	341	323	3%
Margin	17.5%	18.8%	
Other Income	5	5	
Depreciation	96	85	
Finance Costs	31	36	
Exceptional Item	-	-	
PBT	219	206	6%
Tax	58	73	
Net Profit	161	133	21%
Margin	8.3%	7.7%	

Ratio Analysis

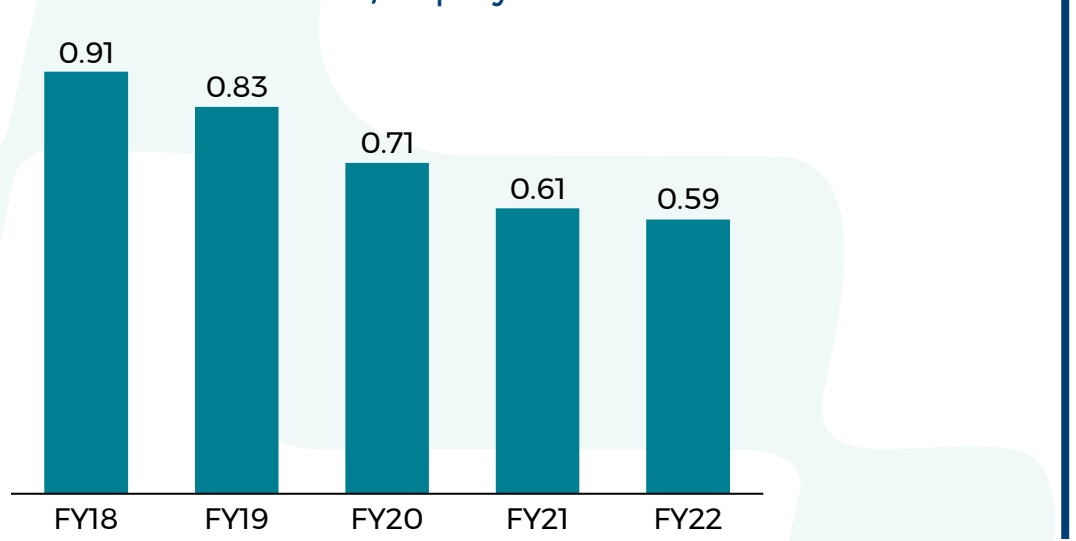
ROE



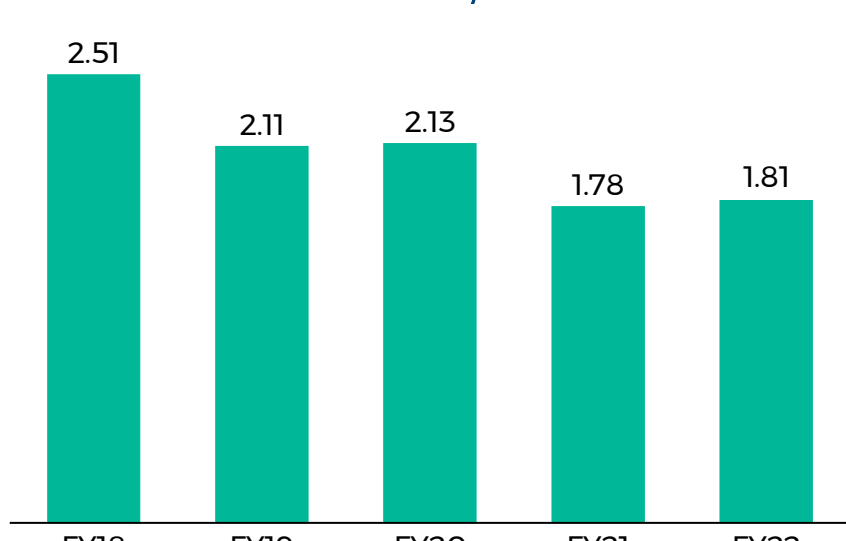
ROCE



Net Debt / Equity



Net Debt / EBITDA



Annual Dividend Payout

Dividend Payout including DDT

24% 22% 18% 19% 17% 20% 19% 19% 12% 17%



Interim dividend of Rs. 0.60 per share (30% of FV Rs. 2 per share)

*Note- Interim Dividend



Company :

Hikal Limited

CIN: L24200MH1988PTC048028

Mr. Kuldeep Jain

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Investor Relations Advisors :

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HIKAL
