

**Jubilant Ingrevia Limited**

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**PRESS RELEASE**

Noida, Tuesday, October 19, 2021

**JUBILANT INGREVIA – Q2 & H1'FY22 RESULTS\***

Particulars <sup>1</sup>	(Rs Crs)					
	Q2'FY21 <sup>2</sup>	Q2'FY22	YoY (%)	H1'FY21 <sup>2</sup>	H1'FY22	YoY (%)
Total Revenue from Operations	784	1,223	56%	1,520	2,367	56%
EBITDA	140	202	44%	267	490	83%
EBITDA Margin	17.9%	16.5%		18%	21%	
Profit After Tax	77	111	43%	130	279	115%
PAT Margin	9.9%	9.1%		9%	12%	
EPS - Face Value Re. 1 (Rs.)	4.8	7.0	43%	8.2	17.6	115%

\*Financial numbers for comparative periods are presented on Pro-forma basis to reflect continuing operations pre and post demerger as explained in Note 2 in the disclaimer.

The Board of Jubilant Ingrevia Limited met today to approve financial results for the quarter & Half Year ended September 30<sup>th</sup>, 2021.

**Commenting on the Company's performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman, Jubilant Ingrevia Limited said:**

*"With immense pleasure, I would like to announce that we have delivered yet another strong financial performance in Q2'FY22 and reported our highest ever revenue during the Quarter & Half Year ended 30<sup>th</sup> Sept'21.*

*Supply disruptions from China is coming to our advantage, due to which we are witnessing strong demand in most of our products and that is giving us an opportunity to increase our share with the global customers, while on the sourcing side we are having negligible dependence on China. We are finding unprecedented increase in almost all the input raw materials, fuels like Coal & Gas & Logistic cost, however our business team is confident to pass on the incremental costs by working closely with customers*

*In our Specialty Chemicals segment we witnessed strong growth across the products led by growing demand from Pharmaceutical and Agrochemical customers. In Nutrition & Health Solution the demand of Vitamin B3 has been stable, and prices started to increase in Vitamin B3. We continue to work to improve our market share in niche segments like food and cosmetics. In Life Science Chemical Segment, we witnessed healthy demand from Pharmaceutical and Agrochemical customers resulting in volume growth in all the products.*

*I am happy to announce that we reduced the net debt further by Rs 193 Crore during Q2'FY22.*

*Looking Ahead we are excited with the growth opportunities in our businesses and we are fully committed to realize them. We have developed strong product pipeline using in-house R&D, our technical expertise into various chemistry platforms and long-standing relationship with global Pharmaceutical & Agrochemical customers including Innovators. We are prioritizing and investing in several growth capex in next 2-3 years to launch these products to achieve our growth target of doubling the revenue by FY'26 from the base of FY'21."*

## Q2'FY22 Highlights

### A. Consolidated

Particulars <sup>1</sup>	Q2'FY21 <sup>2</sup>	Q2'FY22	YoY (%)
<b>Revenue</b>			
Speciality Chemicals	252	295	17%
Nutrition & Health Solutions	125	179	43%
Life Science Chemicals	406	749	84%
<b>Total Revenue from Operations</b>	<b>784</b>	<b>1,223</b>	<b>56%</b>
<b>Reported EBITDA</b>	<b>140</b>	<b>202</b>	<b>44%</b>
Speciality Chemicals	71	71	0%
Nutrition & Health Solutions	28	35	23%
Life Science Chemicals	40	103	160%
Unallocated Corporate (Expenses)/Income	2	-7	-
<b>PAT</b>	<b>77</b>	<b>111</b>	<b>43%</b>
<b>EPS</b>	<b>4.8</b>	<b>7.0</b>	<b>43%</b>
<b>Reported EBITDA Margins</b>	<b>17.9%</b>	<b>16.5%</b>	
Speciality Chemicals	28.1%	24.1%	
Nutrition & Health Solutions	22.6%	19.5%	
Life Science Chemicals	9.7%	13.8%	
<b>Net Margin</b>	<b>9.9%</b>	<b>9.1%</b>	

- Revenue grew by 56% on YoY basis, driven by robust growth in volume and prices.
- Speciality Chemicals revenue grew by 17% YoY driven by volume growth across product segments.
- Nutrition and Health Solutions revenue grew by 43% YoY driven by higher volumes and growth in Niacinamide price.
- Life Sciences Chemical revenue grew by 84% YoY, driven by higher prices on account of favorable market conditions and passing-on of higher input cost of acetic acid.
- EBITDA at Rs 202 Crore, grew by 44%, on account of strong performance of Life Sciences chemical segment led by favorable market conditions and volume growth in Nutrition and Health Solution.
- PAT grew by 43% YoY driven by growth in EBITDA, added by reduction in finance cost through reduction in Gross debt and optimization of Interest rates.
- ROCE in H1'FY22 improved to 33.2% against 20.2% in FY21
- ROE in H1'FY22 improved to 26.6% over 16.4% in FY21

### Segment Wise Analysis

#### B. Speciality Chemicals

Particulars <sup>1</sup>	Q2'FY21 <sup>2</sup>	Q2'FY22	YoY (%)
Revenue	252	295	17%
Reported EBITDA	71	71	0%
Reported EBITDA Margin (%)	28.1%	24.1%	

- Specialty Chemicals revenue grew by 17% on YoY basis driven by higher volume across product segments
- North America revenue grew significantly; percentage share to total revenue increased to 11% from 9%.
- Domestic Sales for International consumption percentage share to total revenue grew from 6% to 12 %
- Agrochemical grew as percentage share to total revenue increased to 25% from 21%.
- Consumer as percentage share to total revenue increased to 9% from 7%.
- EBITDA remained flat and EBITDA Margin declined at 24.1% vs 28.1% in Q2'FY21, due to volatility in prices of input costs.



### C. Nutrition & Health Solutions

Particulars <sup>1</sup>	Q2'FY21 <sup>2</sup>	Q2'FY22	YoY (%)
Revenue	125	179	43%
Reported EBITDA	28	35	23%
Reported EBITDA Margin (%)	22.6%	19.5%	

- Nutrition and Health Solutions revenue grew by 43% on YoY basis.
  - Growth was driven by prices and growth in Niacinamide volume.
  - Animal Nutrition and Health solution business growth was led by higher volumes of Choline Chloride and specialty products.
- Consumption in EU and contribution in sales has gone up from 20% to 28 % and in North America from 12% to 23%,
- Feed volumes grew by 34% and Food by more than 100%
- EBITDA grew by 23% on YoY basis. EBITDA Margin stood at 19.5% vs 22.6% in Q2'FY21, EBITDA margin was lower by 3.1% on account of continuing increase in input costs and along with discontinuation of export benefit (MEIS).

### D. Life Science Chemicals Segment

Particulars <sup>1</sup>	Q2'FY21 <sup>2</sup>	Q2'FY22	YoY (%)
Revenue	406	749	84%
Reported EBITDA	40	103	160%
Reported EBITDA Margin (%)	9.7%	13.8%	

- Life Sciences Chemicals revenue grew by 84% on YoY basis
- Life Sciences Chemical revenue growth was driven by higher prices across products and higher volume of Acetic Anhydride.
- Prices improvement was mainly on account of favorable market condition driven by disruption in European and China market driven by force majeure by key supplier of Acetyl products.
- Consumption in domestic sales for export has gone up significantly and its contribution percentage to revenue increased from 18% to 23%.
- EBITDA Margin stood at 13.8% compared to 9.7% in Q2'FY21. Growth in EBITDA margin was driven by
  - Improved product contribution driven by favourable market condition.

## H1'FY22 Highlights

### E. Consolidated

Particulars <sup>1</sup>	H1'FY21 <sup>2</sup>	H1'FY22	YoY (%)
<b>Revenue</b>			
Speciality Chemicals	509	600	18%
Nutrition & Health Solutions	274	346	26%
Life Science Chemicals	737	1,422	93%
<b>Total Revenue from Operations</b>	<b>1,520</b>	<b>2,367</b>	<b>56%</b>
<b>Reported EBITDA</b>	<b>267</b>	<b>490</b>	<b>83%</b>
Speciality Chemicals	140	155	11%
Nutrition & Health Solutions	60	61	3%
Life Science Chemicals	63	287	353%
Unallocated Corporate (Expenses)/Income	5	-14	-
<b>PAT</b>	<b>130</b>	<b>279</b>	<b>115%</b>
<b>EPS</b>	<b>8.2</b>	<b>17.6</b>	<b>115%</b>
<b>Reported EBITDA Margins</b>	<b>17.6%</b>	<b>20.7%</b>	
Speciality Chemicals	27.4%	25.9%	
Nutrition & Health Solutions	21.8%	17.7%	
Life Science Chemicals	8.6%	20.2%	
<b>Net Margin</b>	<b>8.5%</b>	<b>11.8%</b>	

- Revenue grew by 56% on YoY basis, driven by robust growth in volume and prices.
- Speciality Chemicals revenue grew by 18% YoY driven by volume growth across product segments.
- Nutrition and Health Solutions revenue grew by 26% YoY driven by higher volumes and growth in Niacinamide price
- Life Sciences Chemical revenue grew by 93% YoY, driven by higher prices on account of favorable market conditions and pass-on of higher input cost of acetic acid
- EBITDA at Rs. 490 Crore, grew by 83% on account of strong performance of Life Sciences chemical segment led by favorable market conditions supported by Speciality Chemicals.
- PAT grew by 115% YoY driven by growth in EBITDA, aided by reduction in finance cost on account of reduction in Debt and optimization of Interest rates.
- ROCE in H1'FY22 improved to 33.2% against 20.2% in FY21
- ROE in H1'FY22 improved to 26.6% over 16.4% in FY21

### Segment Wise Analysis

#### F. Speciality Chemicals

Particulars <sup>1</sup>	H1'FY21 <sup>2</sup>	H1'FY22	YoY (%)
Revenue	509	600	18%
Reported EBITDA	140	155	11%
Reported EBITDA Margin (%)	27.4%	25.9%	

- Specialty Chemicals revenue grew by 18% on YoY basis driven by higher volume across product segments
- North America revenue grew significantly; percentage share to total revenue increased to 10% from 7%.
- Domestic Sales for International consumption percentage share to total revenue grew from 6% to 12%.
- Nutrition grew as percentage share to total revenue increased to 8% from 5%.
- Consumer as percentage share to total revenue increased to 10% from 8%.
- EBITDA grew by 11% YoY. EBITDA Margin declined at 25.9% vs 27.4% in H1'FY21, due to higher raw material prices.

## G. Nutrition & Health Solutions

Particulars <sup>1</sup>	H1'FY21 <sup>2</sup>	H1'FY22	YoY (%)
Revenue	274	346	26%
Reported EBITDA	60	61	3%
Reported EBITDA Margin (%)	21.8%	17.7%	

- Nutrition and Health Solutions revenue grew by 26% on YoY basis.
  - Growth was driven by prices and growth in Niacinamide volume.
  - Growth in Animal Nutrition and Health Solutions was led by volume growth in Choline Chloride and specialty products.
- Consumption in EU and North America has gone up significantly.
- Feed and Food demand has gone up on YoY basis in higher double digit
- EBITDA grew by 3% on YoY basis. EBITDA Margin stood at 17.7% vs 21.8% in H1'FY21, EBITDA margin lower by 4.0% mainly on account of continuing increase in input costs and along with discontinuation of export benefit (MEIS).

## H. Life Science Chemicals Segment

Particulars <sup>1</sup>	H1'FY21 <sup>2</sup>	H1'FY22	YoY (%)
Revenue	737	1,422	93%
Reported EBITDA	63	287	353%
Reported EBITDA Margin (%)	8.6%	20.2%	

- Life Sciences Chemicals revenue grew by 93% on YoY basis
  - Life Sciences Chemical revenue growth was driven by higher prices and volume growth in Acetic Anhydride.
  - Prices improvement was mainly on account of favorable market condition
  - Consumption in domestic sales for export has gone up and its contribution percentage to revenue increased to 22% from 18% in H1'FY21
- EBITDA Margin stood at 20.2% compared to 8.6% in H1'FY21. Growth in EBITDA margin was driven by
  - Improved product contribution driven by favorable market condition and Acetic Acid stock led benefit due to increase in prices.
  - Acetic Acid stock led benefit due to increase in prices.

## I. Business Outlook

- Demand of most of our Products is expected to remain strong in H2. Though input costs are increasing our business teams are confident to pass on the incremental costs by working closely with customers
- We will continue to make efforts to deleverage the Balance Sheet and reduce the Debt without compromising on growth.
- Progress of ongoing Diketene Capex is as per schedule, and is expected to be commissioned during the Quarter Jan to March 2022.
- Further during the year so far we have committed investment worth Rs. 450 Crore for following growth capex. At peak capacity these investments are expected to generate additional annual revenue of Rs. 900-1,000 Crore at prevailing prices
  - CDMO GMP Facility at Bharuch. (Expected to be in operation during the quarter April to June 2022)
  - Three Multi-Purpose plants of Speciality Chemicals. (Expected to be in operation during the quarter July to Sep 2022)
  - Food Grade Acetic Acid. (Expected to be in operation during the quarter April to June 2022)
  - Acetic Anhydride Plant. (Expected to be in operation during the quarter Jan to Mar 2023)
  - Agro Actives Phase-1. (Expected to be in operation during the quarter Jan to March 2023)
- Our expected capex cash outflow for the year will be in the range of Rs 350 crore.



## Income Statement – Q2 & H1'FY22

Particulars <sup>1</sup>	Q2'FY21 <sup>2</sup>	Q2'FY22	YoY (%)	H1'FY21 <sup>2</sup>	H1'FY22	YoY (%)
<b>Total Revenue from Operations</b>	<b>784</b>	<b>1,223</b>	<b>56%</b>	<b>1,520</b>	<b>2,367</b>	<b>56%</b>
Speciality Chemicals	252	295	17%	509	600	18%
Nutrition & Health Solutions	125	179	43%	274	346	26%
Life Science Chemicals	406	749	84%	737	1,422	93%
<b>Total Expenditure</b>	<b>647</b>	<b>1,027</b>	<b>59%</b>	<b>1,261</b>	<b>1890</b>	<b>50%</b>
Other Income	4	7		8	13	
<b>Segment EBITDA</b>						
Speciality Chemicals	71	71	0%	140	155	11%
Nutrition & Health Solutions	28	35	23%	60	61	3%
Life Science Chemicals	40	103	160%	63	287	353%
Unallocated Corporate (Expenses)/Income	2	-7	(541%)	5	-14	(390%)
<b>Reported EBITDA</b>	<b>140</b>	<b>202</b>	<b>44%</b>	<b>267</b>	<b>490</b>	<b>83%</b>
Depreciation and Amortization	31	31	(1%)	61	62	1%
Finance Cost	17	7.2	(59%)	46	20	(56%)
<b>Profit before Tax (After Exceptional Items)</b>	<b>92</b>	<b>165</b>	<b>79%</b>	<b>160</b>	<b>408</b>	<b>154%</b>
Tax Expenses (Net)	15	54	264%	31	129	319%
<b>PAT</b>	<b>77</b>	<b>111</b>	<b>43%</b>	<b>130</b>	<b>279</b>	<b>115%</b>
<b>EPS - Face Value Re. 1 (Rs.)</b>	<b>4.8</b>	<b>7.0</b>	<b>43%</b>	<b>8.2</b>	<b>17.6</b>	<b>115%</b>
<b>Segment EBITDA Margins</b>						
Speciality Chemicals	28.1%	24.1%		27.4%	25.9%	
Nutrition & Health Solutions	22.6%	19.5%		21.8%	17.7%	
Life Science Chemicals	9.7%	13.8%		8.6%	20.2%	
<b>Reported EBITDA Margin</b>	<b>17.9%</b>	<b>16.5%</b>		<b>17.6%</b>	<b>20.7%</b>	
<b>Net Margin</b>	<b>9.9%</b>	<b>9.1%</b>		<b>8.5%</b>	<b>11.8%</b>	

1. All figures are in Rs Crore unless otherwise stated

2. Q2'FY21 and H1'21 is derived from discontinued operation of LSI segment of Jubilant Pharmova Limited on Pro-forma basis

3. EPS has been computed on combined profits assuming existence of share capital for full year.

### Earnings Call details

The company will host earnings call at 5.00 PM IST on

Participants can dial-in on the numbers below

**Primary Number:** + 91 22 6280 1141 / + 91 22 7115 8042

**Local Access Number:** +91-7045671221 (Available all over India)

**Toll Free Numbers:**

USA: 1 866 746 2133

UK: 0 808 101 1573

Singapore: 800 101 2045

Hong Kong: 800 964 448

Replay: October 19 to October 26, 2021

Dial-in: +91 22 7194 5757/ +91 22 66635757

Playback ID: 00999#



## About Jubilant Ingrevia Limited

Jubilant Ingrevia Limited is a global integrated Life Science products and Innovative Solutions provider serving Pharmaceutical, Nutrition, Agrochemical, Consumer and Industrial customers with customised products and solutions that are innovative, cost-effective and conforming to excellent quality standards.

The Company offers a broad portfolio of high quality ingredients that find application in a wide range of industries. The company has 2,100 employees and serves more than 1,400 customers in more than 50 countries across the world. The Company's portfolio also extends to custom research and manufacturing for pharmaceutical and agrochemical customers on an exclusive basis.

Jubilant Ingrevia is a Responsible Care certified company, driven by the motive to add value to millions of lives through innovations and cutting-edge technology. As a leader in key products that the Company manufactures, it takes pride in being a partner of choice for its valued customers.

For more information, please visit: [www.jubilantingrevia.com](http://www.jubilantingrevia.com).

## For more information, please contact:

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## Disclaimer:

### Note 1

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. Jubilant Ingrevia Limited may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and our reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

### Note 2:

Effective 1st February 2021, Life Science Ingredients business of Jubilant Pharmova Limited (earlier Jubilant Life Sciences Limited) demerged to Jubilant Ingrevia Limited and post demerger the consolidated financial results of the Jubilant Ingrevia Limited for the quarter and the year ended 31 March 2021 comprised results only for two months of operations, starting from 1<sup>st</sup> February 2021.

To provide the comprehensive picture of the operations of the Company on continuing basis the results for previous periods has been presented on Pro-forma basis by using relevant portion of the published results of LSI Segment - Jubilant Pharmova Limited on Pro-forma basis as Under:

- Results of Q1'FY21, Q2 & H1'FY22 is derived from reported discontinued operation results of LSI segment of Jubilant Pharmova Limited on Pro-forma basis
- As explained in the Financial Results presentation deck for Q4'FY 21 we had earlier presented results for fully year FY 21 on Pro-forma basis by combining the results from 01 April 2020 to 31 January 2021 from the reported discontinued operations for LSI segment of Jubilant Pharmova Limited and Results from Feb 21 to March 21 from the Audited results of Jubilant Ingrevia Limited and results for Q4'FY21 on Pro-forma basis by combining the results for January 2021 from the reported discontinued operations for LSI segment of Jubilant Pharmova Limited and Results from Feb 21 to March 21 from the Audited results of Jubilant Ingrevia Limited
- EPS for previous periods has been computed assuming existence of share capital throughout the period.
- ROCE & ROE for H1'FY22 is calculated on the basis of extrapolation of six months' performance during FY22.