

**Jubilant Ingrevia Limited**

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PRESS RELEASENoida, Tuesday, July 16th, 2024**JUBILANT INGREVIA LIMITED – Q1 & FY25 RESULTS**

Particulars ¹	Q1'FY24	Q4'FY24	Q1'FY25	Q-o-Q	Y-o-Y
Total Revenue	1,075	1,074	1,024	-5%	-5%
Total EBITDA	125	101	119	18%	-5%
EBITDA Margin (%)	12%	9%	12%		
Profit After Tax	58	29	49	67%	-15%
Profit After Tax Margin (%)	5%	3%	5%		
Basic and Diluted EPS (Rs.)	3.6	1.8	3.1	67%	-15%

1. All figures are in Rs Crore unless otherwise stated

The Board of Jubilant Ingrevia Limited met today to approve financial results for the quarter ended June 30th, 2024.

*"We are pleased to announce **healthy sequential performance for Q1, on the back of the improving business performance of our Speciality Chemical Business and the positive impact coming from our cost initiatives from the last three quarters.***

Markets Update:

*The **Pharmaceutical end-use segment** continues to witness **rising demand trends with healthy volume placements.** We are also glad to share that we have gained significant **traction in the regulated markets of North America, Europe & Japan.** Visible signs of further improvement in demand in certain products are signaling near-term outlook remaining buoyant, while **pricing remains steady.** However, we are witnessing continuous pressure on Acetyl segment owing to **lower demand coming from the Paracetamol end-use segment.***

*The **Agrochem sector has started to show marginal improvement.** While the excess inventory situation is gradually easing out and volumes have started to move, the prices still remain under pressure due to the excess supply of agrochemicals globally. We are hopeful that recovery should continue to happen in the coming quarters.*

*In the **Nutrition Segment,** the **demand remained steady** in line with the previous two quarters, and **prices also moved up marginally** towards the end of the quarter, except for Choline where Chinese imports remained aggressive.*

Business Update:

*The **volumes of Pyridine and Diketene derivatives witnessed a rising trend,** while demand for Niacinamide & Pyrithiones remained steady. In acetyls, we remained focused towards maintaining market share, despite challenges being faced due to lower demand, container unavailability and a decline in acetic acid prices.*

***Strong traction continued in our CDMO business,** wherein we started delivery of new orders during the quarter. We are also in advanced-stage discussions for multiple projects in Pharma, Agro and semi-conductor end-use.*

USFDA Update:

*We are pleased to share that our manufacturing facility at Bharuch has successfully completed its **USFDA inspection with Zero 483 observation.** This GMP-compliant facility is intended for manufacturing of Nutraceuticals & Dietary- Active ingredients for Human consumption.*



Future Outlook

We reaffirm our expectation of witnessing improvements in **all three business segments in FY25** over FY24. Like last quarter, our key focus remains **customer-centricity, ramping up the newly commissioned plants, remaining lean and bringing back the margins** to normal levels.

We are focused towards keeping the costs in control through our **Project Lean** and are on track to **source renewable energy** for our long-term energy requirements, which also underscores our firm commitment towards sustainability & environment.

We continue to see **increasing utilisation of our newly created plants**, and we remain **on track with our capex plans** towards investing in high-potential product categories to deliver on our bold vision of **Pinnacle 345** i.e. 3 times Revenue, 4 times EBITDA, in 5 years.”

Q1'FY25 Highlights | Segment Wise Analysis

A. Speciality Chemicals

Particulars ¹	Q1'FY24	Q4'FY24	Q1'FY25	Q-o-Q	Y-o-Y
Segment Revenue	364	475	431	-9%	18%
% Share of Overall Revenue	34%	44%	42%		
EBITDA	57	67	86	28%	50%
% EBITDA Margin	16%	14%	20%		
% Contribution to EBITDA ²	43%	56%	59%		

1. All figures are in Rs Crore unless otherwise stated

2. Before adjustment of Unallocated corporate expense/Income

Market Highlights

Pharma

- Steady demand from the end-use segment, volumes were strong and prices witnessed a marginal uptick

Agrochemical

- The inventory destocking situation seems to be in the last stages
- Volume recovery expected to continue a gradual upward trajectory

CDMO

- Increasing inbound queries from Agro, Pharma and Semiconductor space
- Overall demand is growing and the plants are running at optimal capacity

Business Highlights

- Witnessed significant Improvement in Volumes of fine Chemicals & Pyridine products on a QoQ & YoY basis.
- CDMO business remains on the growth trajectory and new plants are optimally utilised
- The Di-ketene plant operated at a healthy utilisation of 80%, with sizable volume traction during Q1FY25
- The Microbial Control Solutions business is steady and products in the Pyrithiones platform are well accepted in the market (80%+ booked capacity)
- Pyridine building block volumes remained strong during the quarter, with marginal improvement in pricing observed



Financial Highlights

- Revenue increased on a YoY basis on account of higher volumes coming from Pyridine building blocks, Diketene and Fine chemicals
- Healthy volume uptake and efficiency-led initiatives (Lean) improved margins

B. Nutrition & Health Solutions

Particulars ¹	Q1'FY24	Q4'FY24	Q1'FY25	Q-o-Q	Y-o-Y
Segment Revenue	202	165	186	13%	-8%
% Share of Overall Revenue	19%	15%	18%		
EBITDA	17	9	23	165%	37%
% EBITDA Margin	8%	5%	12%		
% Contribution to EBITDA ²	13%	7%	16%		

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2. Before adjustment of Unallocated corporate expense/Income

Market Highlights

Feed B3

- Vitamin demand remained stable during the quarter, though overall Niacinamide pricing remained steady

Food & Cosmetic B3

- Demand for food-grade and cosmetic-grade products was steady
- On-boarded big-ticket food-grade customers during the quarter

Choline Salts

- Both volumes and prices remained steady on the back of incremental demand
- Identified and deployed cost levers to drive margin growth

Business Highlights

- Continued focus on improving market share from customers in niche segments i.e. Cosmetics and Food grade resulted in increased volume and revenue from the segment on a QoQ basis
- Newly launched products. i.e 'Food Grade Choline Chloride' and 'Choline Bitartrate' gaining good acceptance in the marketplace
- GMP-compliant facility for Food & Cosmetic grade Niacinamide is expected to be commissioned in Q3'FY25, already started receiving inquiries

Financial Highlights

- Revenue for the quarter improved marginally on account of sequential higher volumes from human end-use and cosmetic-grade products
- Improvement in EBITDA on QoQ and YoY basis due to:
 - Favorable shift in volume mix towards food segment products
 - Lean initiatives and optimized input cost

C. Chemical Intermediates Segment

Particulars ¹	Q1'FY24	Q4'FY24	Q1'FY25	Q-o-Q	Y-o-Y
Segment Revenue	509	435	408	-6%	-20%
% Share of Overall Revenue	47%	40%	40%		
EBITDA	60	43	36	-17%	-41%
% EBITDA Margin	12%	10%	9%		
% Contribution to EBITDA ²	45%	36%	25%		

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2. Before adjustment of Unallocated corporate expense/Income

Market Highlights

Volumes

- Ethyl Acetate Volumes improved on good demand in the export market
- Acetic Acid Volumes remained steady
- Key end-use markets of Paracetamol and Agrochemicals remained under pressure

Cost

- Inflated logistics costs led by the overall increase in ocean freight due to the container crisis dented overall margins

Price

- Acetic Anhydride prices remain range-bound, owing to lower Acetic acid prices

Business Highlights

- Acetic Anhydride market share in Europe remained firm, increased penetration by acquiring new customers
- Retained dominant market share for Acetic Anhydride in domestic markets
- Improved volumes in Ethyl Acetate on good export demand, we are opportunistically serving customers in EA depending on economic feasibility

Financial Highlights

- Revenue for the Quarter was lower, although volumes remained steady
- Ethyl Acetate volumes improved, whereas Acetic Anhydride volumes were stable
- EBITDA during the quarter was impacted on account of higher ocean freight costs, mainly led by the container Crisis and overall realisations remaining subdued

3. Income Statement – Q1'FY25

Particulars ¹	Q1'FY24	Q4'FY24	Q1'FY25	QoQ	YoY
Revenue from operations					
a) Sales/Income from operations	1069	1060	1010	-5%	-5%
b) Other operating income	6	14	14	-2%	118%
Total revenue from operations	1075	1074	1024	-5%	-5%
Other income	9	10	10	1%	13%
Total income	1084	1084	1034	-5%	-5%
Expenses					
a) Cost of materials consumed	579	488	532	9%	-8%
b) Purchases of stock-in-trade	13	13	7	-45%	-45%
c) Changes in inventories of finished goods, stock-in-trade and work-in progress	-50	95	-11	-111%	-78%
d) Employee benefits expense	93	86	102	18%	9%
e) Finance costs	11	14	14	5%	25%
f) Depreciation and amortisation expense	32	36	39	9%	20%
g) Other expenses:					
- Power and fuel expense	159	118	118	0%	-26%
- Others	163	184	167	-9%	2%
Total expenses	1002	1033	968	-6%	-3%
Profit before share of loss of an associate (3-4)	81	51	66	28%	-19%
Share of loss of an associate	0	0	0		
Profit before tax	81	51	66	29%	-19%
Tax expense					
- Current tax	17	22	12	-44%	-26%
- Deferred tax charge	7	0	5		
Net profit for the period/year	58	29	49	67%	-15%
Earnings per share of ₹ 1 each					
Basic (₹)	3.6	1.8	3.1		
Diluted (₹)	3.6	1.8	3.1		

All figures are in Rs Crore unless otherwise stated

4. Segment P&L – Q1'FY25

Particulars ¹	Q1'FY24	Q4'FY24	Q1'FY25	QoQ (%)	YoY (%)
Revenue					
Speciality Chemicals	364	475	431	(9%)	18%
Nutrition & Health Solutions	202	165	186	13%	(8%)
Chemical Intermediates	509	435	408	(6%)	(20%)
Total Revenue from Operations	1,075	1,074	1,024	(5%)	(5%)
Reported EBITDA	125	101	119	18%	(5%)
Speciality Chemicals	57	67	86	28%	50%
Nutrition & Health Solutions	17	9	23	165%	37%
Chemical Intermediates	60	43	36	(17%)	(41%)
Unallocated Corporate & One-Off (Expenses)/Income	-9	-18	-25	-	-
PAT	58	29	49	67%	(15%)
EPS	3.6	1.8	3.1	67%	(15%)
Reported EBITDA Margins	11.6%	9.4%	11.6%		
Speciality Chemicals	15.7%	14.0%	19.9%		
Nutrition & Health Solutions	8.3%	5.3%	12.4%		
Chemical Intermediates	11.8%	9.9%	8.7%		
Net Margin	5.4%	2.7%	4.8%		

All figures are in Rs Crore unless otherwise stated

5. Debt Position as on 30th June, 2024

Particulars ¹	30-Jun-23	31-Mar-24	30-Jun-24
Long Term Borrowings	150	450	450
Short Term Borrowings	404	283	291
Total Gross Debt	554	733	741
Cash & Equivalent	62	80	64
Total Net Debt	492	653	677
YoY change			38%

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- The capex for the quarter was Rs 116 Cr, which was primarily funded through internal accruals
- Net Working Capital 'Percentage to Turnover' for Q1 FY'25 was lower at 18.6% as against 20% in Q1'FY24
- Reduced Number of days of Working capital to 68, as against 73 in Q1'FY24



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Earnings Call details: The company will host earnings call at 5.00 PM IST on 16th July, 2024

Diamond Pass Log-In

Pre-registration:	<p>To enable participants to connect to the conference call without having to wait for an operator, please register at the below mentioned link.</p> <p> Click here to Express/Join the Call</p> <p>You will receive dial in numbers, passcode and a pin for the concall on the registered email address provided by you. Kindly dial into the call on the Conference Call date and use the passcode & pin to connect to call.</p>
Conference Dial-In Numbers	
Universal Access:	+ 91 22 6280 1141 + 91 22 7115 8042
Toll Free Number:	USA: 1 866 746 2133 UK: 0 808 101 1573 Singapore: 800 101 2045 Hong Kong: 800 964 448
Audio Link:	The Audio link will be available on the company website. Please access the link here - https://jubilantingrevia.com/investors/financials/quarterly-results

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