

2 February 2026

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

Scrip Code: 524669

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

Symbol: HESTERBIO**Dear Sir/ Madam:****Subject: Transcripts of earnings conference call held on 30 January 2026**

Pursuant to Regulations 30 and 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed is the transcript of the earnings conference call held by the management of the Company with all the investors over the telephone call on Friday, 30 January 2026 at 2:00 p.m. (IST) to discuss the financial results for the for the quarter and nine months period ended 31 December 2025.

This is for your information and records.

Sincerely
For Hester Biosciences Limited

Vinod Mali
Company Secretary & Compliance Officer

Enclosure: As above



HESTER

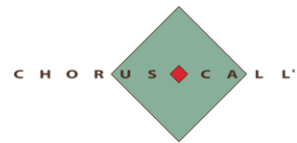
**"Hester Biosciences Limited
Q3 and 9M FY26 Earnings Conference Call"
30 January 2026**



HESTER



ICICI Securities



MANAGEMENT: **MR. RAJIV GANDHI - CHIEF EXECUTIVE OFFICER AND MANAGING
DIRECTOR - HESTER BIOSCIENCES LIMITED**
**MS. PRIYA GANDHI - EXECUTIVE DIRECTOR - HESTER
BIOSCIENCES LIMITED**
**MR. ASHISH DESAI - CHIEF FINANCIAL OFFICER - HESTER
BIOSCIENCES LIMITED**

MODERATOR: **MS. NISHA SHETTY - ICICI SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Hester Biosciences Q3 and 9 Months FY '26 Earnings Conference Call hosted by ICICI Securities Limited. As a reminder, all participants' line will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Nisha Shetty, from ICICI Securities Limited. Thank you, and over to you.

Nisha Shetty: Thank you, Iqra. Good afternoon, everyone. On behalf of ICICI Securities, I welcome you all on Q3 and 9 month FY '26 Earnings Conference Call of Hester Biosciences Limited and I thank the Hester Biosciences management team for giving us this opportunity to host this call. Today, on this call, we have with us Mr. Rajiv Gandhi, CEO and Managing Director; Ms. Priya Gandhi, Executive Director; and Mr. Ashish Desai, Chief Financial Officer.

I will now hand over the call to the Hester management team for their opening remarks. Thank you, over to you.

Rajiv Gandhi: Good afternoon, everybody. This is Rajiv Gandhi, and we, myself and our team, we are as happy to interact with you on this quarterly call, which we do it on a quarter-to-quarter basis. I now hand over the talk to Priya Gandhi, the Executive Director, to take it further. Over to you, Priya.

Priya Gandhi: Good afternoon, everyone. This is Priya Gandhi, Executive Director. Thank you for joining us to discuss our Q3 and 9 months FY '26 results. As always, we appreciate your continued engagement and long-term support as we build Hester with clear focus on science, operational discipline and sustained value creation. Speaking to you all each quarter gives us the opportunity to reflect objectively on our progress and the learnings from the period gone by.

Q3 FY26 marked a phase of improved execution and capacity strengthening for Hester, particularly in our Poultry Healthcare business. Even as parts of the Animal Healthcare portfolio continued to be impacted by timing-related institutional delays, about which I will talk.

On a stand-alone basis, the revenue grew by 12% in Q3 and the profitability improved sharply with PAT up 140% year-on-year, driven by a favorable product mix, operating and sustained cost discipline. For the period of 9 months, revenue was down by 5%, while profits increased 16%, reflecting the operating discipline and business resilience we've been building across the organization.

Coming on to the Poultry Healthcare division. The Poultry Healthcare division delivered a strong performance, growing 32% in Q3 and 17% over 9 months in this financial year. Growth was supported by deeper market penetration, improved placement, stronger distribution coverage and sustained demand for our core vaccine portfolio.

Post the quarter end, we achieved an important regulatory milestone upon receiving both the marketing and manufacturing licenses of our H9N2 Avian Influenza vaccine, a low-path AI vaccine. This further strengthens our Poultry Vaccine portfolio and positions us well for both domestic and export opportunities.

In India, the H9N2 opportunity is largely driven by the private commercial poultry market where disease preparedness, productivity and biosecurity are key priorities. Export markets will see a mix of institutional and private demand depending on how each country manages disease control.

Manufacturing of H9N2 will be undertaken at our India plant only for now. With the anticipated launch of the H9N2 vaccine, we also introduced an integrated Avian Influenza Management approach and launched some health products in the previous quarter, conceptualized by our technical team. Rather than viewing AI purely through a vaccination lens, this approach addresses the broader on-farm challenge, addressing biosecurity, bird immunity and environmental management.

This includes a range of solutions covering vaccination, probiotics and farm hygiene. I won't get into the technical specifics here, but the objective is straightforward to deliver more consistent outcomes for farmers and create a more holistic solution-led engagement models.

Beyond H9N2, we continue to evaluate additional poultry pathogens and combinations across Newcastle disease, Bursal disease, Marek's' disease, a recombinant Avian Influenza platforms. Our approach here remains disciplined. We prioritize only those opportunities where regulatory clarity, manufacturing scalability and commercial viability aligned.

I would like to clarify that this is not intended to highlight any specific new R&D project, but rather reflects on our ongoing focus on strengthening our biological portfolio, which remains Hester's core area of expertise and long-term competitive advantage.

Speaking of the Animal Healthcare division, which includes the ruminant and Pet Health segment. The Animal Health division recorded a 38% decline in Q3 and 40% over 9 months in the financial year, primarily due to delays in government-led immunization programs in the ruminant segment, particularly PPR and goat pox vaccine.

It is important for me to reiterate that this is a timing delay, again, not a demand issue as we had also mentioned in the last quarter, execution under the National PPR Immunization Program and Goat Pox Program to immunize against LSD is expected to commence from February 2026 and we anticipate improved momentum in the latter part of the financial year, which is Q4.

In addition to institutional delays, the Ruminant business was also impacted by some seasonal factors, including lower incidence of clinical cases in farm animals, feed supplement performance was also affected by higher feed costs and reduced cooperative milk prices, which influence purchasing behavior.

Coming to the Petcare segment. It continues to scale gradually and organically with steady traction across selected therapeutic and supplement products. While still it is an early stage, Petcare remains a strategic focus area for us. We are exploring pet vaccine opportunities for India as well as Africa using our existing facilities without any incremental capex also evaluating potential licensing opportunities as a part of our sales long-term approach in Petcare.

A few development on the Other operating income that you might have seen in the results. I would like to briefly clarify that a part of our Other operating income during the period include brand income linked to the development milestones

under the GALVmed-supported vital program, where we are working on a combined PPR goat pox vaccine.

This is a development-focused collaboration where funding is released against fairly defined technical milestones. At this stage, the objective is to advance science and enable access rather than any near-term commercialization. Any potential commercial pathway, if at all, will be evaluated at a much later stage in alignment with the program objective.

An update on the capex and the capacity. As discussed earlier, some of you have asked about the status on our INR182 crores capital work in progress. During the quarter, I'm happy to share that we capitalized our fill/finish facility, effectively doubling our drug product capacity. The remaining CWIP will -- is expected to be capitalized over the coming months. Our capex has been structured in phases to support scale-up across products and markets, with returns expected to accrue progressively as the utilization increases.

Coming on to our internal operations. On a consolidated basis, the revenue grew by 22% in Q3, while 9 months sales remained broadly stable. Profitability for 9-month period improved substantially, supported by operational discipline and better execution across subsidiaries.

In Africa, while Q3 was impacted by timing delay in institutional order execution and higher operating costs, performance over 9 months has remained positive. The PPR eradication program in Africa are long-term initiatives, supported by multilateral funding, Hester continues to be prepared for as a global supplier.

And while demand visibility remains strong, execution is dependent on funding releases and country-level rollout time line. Overall, our Africa strategy has evolved from opportunity-led participation, more to structured execution with sharper focus on working capital discipline and selective geographic exposure.

I would like to add some context on our position in Africa. Hester today is one of the very few animal health companies in Africa with capabilities across multiple vaccine technologies. This technological depth allows us to respond to diverse disease profiles and regulatory expectations across the countries in the continent. Our ongoing engagement with government and institutional stakeholders there indicates that animal health care remains a high priority area given its importance to food security and livelihood.

While the past couple of months saw elections and temporary disturbances in parts of the region in Tanzania, our engagement with authorities has remained active. In parallel, we have also registered products in the neighboring countries to widen our addressable market. Speaking of Nepal operations, we are operating through a challenging phase and are carefully evaluating operational and strategic measures to ensure stability and long-term sustainability.

As we look ahead, the current year and particularly the last few quarters, has been a period of consolidation, execution improvement and capacity strengthening for us. Our strategic priorities remain clear to reduce dependence on tender-driven revenues and deepening our presence across commercial and export markets, to leverage our expanded manufacturing capacity to support future growth, to strengthen our poultry vaccine portfolio, including Avian Influenza preparedness to continue investing in innovation with a long-term disciplined approach.

Many of the questions we've received quarter after quarter related to long cycle initiatives on capex, recombinant vaccines, the Government Immunization Program. While quarter-on-quarter updates may appear less visible or measured, the underlying progress remains steady and aligned with long-term road map. And we remain confident that with the groundwork laid over the past few quarters, it will translate into a stronger and more balanced performance going forward.

Thank you once again for continued trust. I did receive a few questions I've tried answering them through my talk, but I'm now looking forward to taking any more questions. Thank you.

Moderator: The first question is from the line of Madhur Rathi, from Counter Cyclical Investments.

Madhur Rathi: I wanted to understand this INR20 crores quarterly EBITDA that we are doing currently, is this sustainable? Or we heard that there was bird flu in Kerala during the month of November and December. Was this the Poultry segment revenue jump because of that? Or can we expect these EBITDA numbers to be sustainable going forward?

Rajiv Gandhi: Yes, Rajiv Gandhi here. The bird flu attack in Kerala has nothing to do with these numbers, neither does it show a spot in sales, which has caused this profitability. As Priya mentioned in her talk that we are here at the moment trying to streamline, rationalize many activities in the plant and take a long-term view and the profitability forecasted is even higher than this, and we are determined to at the least keep this profitability.

Madhur Rathi: Got it. Sir, so going forward, we can expect this INR20 crores -- quarterly EBITDA number upwards of INR20 crores?

Rajiv Gandhi: Being so specific is...

Madhur Rathi: Not specific, but we can expect to be on a higher trajectory. That would be a fair understanding?

Rajiv Gandhi: I think at the you can say that on a year-on-year basis, we will be doing better on a quarter-to-quarter basis such trajectory should not be measured. I think it's the year-on-year, definitely, we will be on a higher trajectory.

Madhur Rathi: Got it. And sir, now we have capitalized our -- see the fill finish facility, sir, there has been no jump in our depreciation or -- so while that, have we commercialized it in Q4 or Q3?

Ashish Desai: Yes. See, the depreciation will come into effect because it was just capitalized at the end of the Q3. The impact will come in this Q4 now. So you might not see the impact because it is just capitalizing last quarter, Q3, the last days of Q3.

Madhur Rathi: Got it. And sir, have we planned on -- how do we plan to scale up this new facility that has doubled our capacity? So what kind of products do we plan to launch? Or do we just plan to scale our existing product base and maybe launch a few ones? So if you could just help us understand the scale-up of this incremental volumes between our existing product and the new products?

Priya Gandhi: So I did mention in my talk about the existing products, the product mix as well as some products that we are trying to work, which are a part of our developmental program. The additional capex was obviously planned given the

fact that how the growth numbers would be and how the revenue and the budgets will increase and keeping that factor in mind is how the calculation had done, which is why we had to invest in our capex.

So that is all in line with that. To answer your question simply, it will be right now to cater to the existing products, maybe we will look at more export markets that we will be able to fulfill through this increased capacity.

Madhur Rathi: Are we in discussion to supply to these export market, either via contract manufacturing route or maybe innovator-led manufacturing, something on that front?

Priya Gandhi: No, none of that at the moment. We want to retain our brand, and we will be -- Hester will only be exporting this. Yes, the way it is going on right now.

Moderator: The next question is from the line of Harshal Mehta from Zen Nevish.

Harshal Mehta: I just wanted to ask that recently that the result notification that we have released, in that...

Rajiv Gandhi: Voice is cut.

Moderator: Yes. He got disconnected. So, we'll move to the next participant. The next question is from the line of Ravi Mehta from OneUp.

Ravi Mehta: Just a couple of questions. On the Poultry side, what have you done structurally that I'm seeing margins upwards of 20% consistently for last 4 quarters. You mentioned product mix in the opening remarks, but what is structurally changing and how we should see these margins?

Rajiv Gandhi: Yes, Rajiv here. It's -- this is all driven by the product mix that we choose and the profitability of the products. So it's basically a mix of these 2 things, and that is what it is. We are conscious to improve the bottom line. And therefore, on a quarter-to-quarter basis, we try to budget and try to push products wherein it impacts our profitability positively. It's just -- yes, I mean that's the -- this is a reaction of that action.

Ravi Mehta: Okay. Because when we hear about product mix in many companies, it's a phenomenon of a quarter or 2 because ultimately, the baskets of product has to be sold to the market and then the margin reverts. That's why this question that when you are pivoting to a better product mix, is this mix sustainable? Or there are low-margin products which the market will require and you will have to supply at some point? So I just wanted to get that clarity of how are you moving towards this mix.

Rajiv Gandhi: As I mentioned, it's -- on a quarter-to-quarter basis, there are seasonal changes, everything that go into it. While our endeavor is to improve the margins, it cannot be guaranteed and assured that every product mix will yield NX margin. As I mentioned in the earlier -- to the earlier question also, look at it on a year-on-year basis rather than a quarter-on-quarter basis. On a year-on-year basis, we assure improvement of margins.

Ravi Mehta: Sure, sure, sure. No, that's why I referred to last 4 quarters together, it's been a good journey. That's why, yes.

Rajiv Gandhi: We've been working hard.

- Ravi Mehta:** Yes. And we received this license of H9N2 recently. So how big this opportunity can be? And how are you planning about scaling up this product in terms of any aspiration numbers, whatever you can talk.
- Priya Gandhi:** See, we get this question very often on the H9 M2 opportunity in India and export. Really honestly speaking, it is very, very difficult to get one number and give it to you right now that this is the market size, it's not as organized data -- not organized. All we can tell is it's a very, very important disease and it is a cause of a lot of challenges in Poultry. And it is an upcoming market. It's just recently got licensed here in India.
- So we have been getting these questions to give a number. But to be honest, unfortunately, it's very difficult to give any market size number at this point.
- Ravi Mehta:** Okay. And in your Animal Health segment, what I see is you alluded to the fact that this immunization drives are getting delayed. I just wanted some sense of how big is the Petcare business within this segment? If you can give us some ballpark number on mix of...
- Priya Gandhi:** The Petcare segment is not participating in any immunization. The immunization I have mentioned is only on the large animal Ruminant, the dairy animal, that PPR goat pox vaccine is all in the Ruminant section. So Petcare has nothing to do with the national immunization. And the Petcare market, again, it varies. There is therapeutics, supplements, grooming, accessory, it is a pet food.
- It's a very, very big market, but our focus right now continues to be rather the objective with which we started was more on the technical and the therapeutic and the [indiscernible] Market right now.
- Ravi Mehta:** No, my question was that if out of INR91 crores of Animal Health revenue you did in 9 months, what would be Petcare because it gets clubbed into the segment? Or -- so how should we look at that segment?
- Priya Gandhi:** It's under 5% of the Animal Healthcare number.
- Ravi Mehta:** And that's been steady, like it's been under 5% for last year or '24 or it's been that range or...
- Priya Gandhi:** We've only started 2 financial years ago. So it's been 2 years, and yes, it's -- right now, it's been steady. We are in a very nascent stage, as mentioned, and we want to increase the share substantially.
- Ravi Mehta:** Sure. And just one bookkeeping question was that Africa revenue is not mentioned in the press release. So if you can just help us with that number?
- Priya Gandhi:** The Africa number is mentioned in the press note. It is mentioned in the subjective part under the consolidated numbers. So on Page 2, it is mentioned consolidated financial highlights. And then in that, there is Hester Africa and Hester Nepal. So, if you see our revenue is -- just give me a minute.
- Ashish Desai:** It is INR27.5 crores of revenue for 9 months.
- Priya Gandhi:** For 9 months.
- Ravi Mehta:** Okay. INR27.5 crores for 9 months.

Priya Gandhi: Yes. Sorry, I just beg your pardon. I think in the consolidated result, we've given a full number. And in Nepal and Africa, as mentioned on the profit and loss numbers, yes. That's what I have mentioned. But in the results that we have given, that has the breakup of the numbers.

Moderator: The next question is from the line of Harshal Mehta from Zen Nevish.

Harshal Mehta: Sorry, got disconnected last time. So I just wanted to understand that in our notification, we have mentioned that the company remains focused on building more balance and resilience business by reducing the dependence on tender-based revenues. So maybe if you can just brief us about at what stage we are in this transformation and tentatively, if you can break it down into phases, that will help us understand this whole process better.

Rajiv Gandhi: Yes, Rajiv here. This is an ongoing process. It is our endeavor. Now sometimes it may happen that we get very good tender business and the tender business may again seem to be higher. But yes, over a long period of time, we definitely would want to reduce the stress on the tender business.

And that is going to happen over a period of time. And we are very conscious of that. So at the moment, we are doing good in tenders and even overall, the market even is showing a little bit of a shift.

Everybody in India does not necessarily wait for the tender market. Now people, private and enterprises, private dairy farms -- of course, in poultry, everybody uses independent of any tenders. It is shifting. So one is that the market is very slowly shifting. And two, we are increasing the market, increasing our reach directly to the dairy farms in India as well as in exports we are aiming at supplying directly without the tender business. So this is our approach.

Harshal Mehta: So one more question on our Poultry business only. So we understand that Poultry business is mainly in the cyclical nature. So, how long do you feel that this cycle - this time it can last? It would be somewhere in the range of last time that we saw? Or you think this time it is something different in that manner?

Priya Gandhi: Sorry, are you referring to our performance? Or what exactly are you referring to?

Harshal Mehta: So, we are seeing growth in -- on our Poultry business, right?

Priya Gandhi: Right.

Harshal Mehta: So I just wanted to understand that it is -- this particular business is cyclical in nature, if I'm not wrong?

Priya Gandhi: The Animal Health, Poultry, even Human Health is all cyclic, right? It is seasonal. There are particular seasons in which human health will also require probably more there will be more illnesses, etcetera. So yes, likewise, like that in Animal Health also in Ruminant, typically monsoon quarter 2, quarter 1 is when the season is and Poultry is the other way around, it is Q3, Q4. So yes, these are very natural cycles, and that's also probably what part of it reflects in our performance. But apart from that, it is going to be a constant factor.

Harshal Mehta: Got it. So I just wanted to understand that just on basis of your wide experience in this particular segment. I mean do you feel that this cycle is going to last for [indiscernible] Division from here also?

- Rajiv Gandhi:** There is nothing -- I'm not understanding what cycle are you referring to. One is that our business is not just it is dependent on cycles, but it is not only dependent on cycles. And if you look at it, we have grown Poultry business on a quarter-to-quarter basis, ducking all the cyclical issues. So it is -- which cycle you're referring to is not clear. We are here to grow our Poultry business as well as the AH business. That's all that we can say.
- Moderator:** The next question is from the line of Arya Shah, from WhiteStone PMS.
- Arya Shah:** I just had one question. The BSL-3, we were going to repurpose it. So what will be the capacity addition to the new facility?
- Rajiv Gandhi:** The BSL-3 facility, which was originally created to manufacture the drug substance for the COVID vaccine, has now we have got the repurpose thing, the ability to repurpose for veterinary vaccines, we are evaluating this situation, and we will convert it into an animal vaccine facility, we have yet to pin down on what exactly we would be doing over there.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to the management for closing comments.
- Priya Gandhi:** Thank you all for joining us and hearing us out. We do try our best to answer as many questions. A lot of the questions today were on whether we will be able to sustain the growth that we have started showing specifically in Poultry, Healthcare. And of course, as management, that will anyway be our endeavor. So whether it is our EBITDA, which is the trend which is showing on a growing Poultry division, of course, the straight answer.
- And the ceiling is that, yes, this is the base, and we want to continue with our efforts to grow this substantially and yes, take things forward and meet everyone's expectations. And thank you all for your continued support.
- Moderator:** On behalf of ICICI Securities Limited, that concludes. Thank you for joining us, and you may now disconnect your lines.

----- X -----