



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

November 10, 2020

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

Stock Symbol: JBCHEPHARM

Dear Sir,

Sub : Press Release

Enclosed is a press release we propose to issue on consolidated unaudited financial results for the quarter ended on September 30, 2020.

Kindly take the same on record.

Thanking you,

Yours faithfully,
for J. B. Chemicals & Pharmaceuticals Limited

M. C. Mehta
Company Secretary and Vice President - Compliance

Encl: As above

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J. B. Chemicals & Pharmaceuticals Limited

Press Release

Mumbai: 10th November, 2020

H1FY21

Revenues increase by 7% to Rs. 966 crore
EBITDA Margin expands from 21.7% to 27.5%
Profit After Tax higher by 24%

J. B. Chemicals & Pharmaceuticals Limited (JBCPL), one of India's leading pharmaceutical companies, has announced its financial results for the second quarter and first half ended 30th September, 2020.

Financial Performance

H1 FY21

Particulars (in Rs. Cr)	H1 FY21	H1 FY20	YoY Growth
Revenue	965.8*	902.5	7.0%
EBITDA	265.5	196.2	35.3%
EBITDA Margin (%)	27.5%	21.7%	580 bps
Profit Before Tax	256.4	193.5	32.5%
Profit After Tax	193.4	155.9	24.1%
Profit Margin (%)	20.0%	17.3%	280 bps
EPS	25.01	19.40	28.9%

Q2 FY21

Particulars (in Rs. Cr)	Q2 FY21	Q2 FY20	YoY Growth
Revenue	443.6*	456.4	(2.8%)
EBITDA	110.1	100.3	9.8%
EBITDA Margin (%)	24.8%	22.0%	290 bps
Profit Before Tax	99.3	101.5	(2.1%)
Profit After Tax	73.9	93.8	(21.2%)
Profit Margin (%)	16.7%	20.5%	(390 bps)
EPS	9.55	11.67	(18.2%)

**Rs. 57 crore of Exports Dispatches planned in Q2 FY21 have been deferred to October due to constrained availability of ships/containers*

Sales Performance

H1 FY21

Particulars (in Rs. Cr)	H1 FY21	H1 FY20	YoY Growth (%)
Domestic Formulations	438.1	411.0	6.6%
International Business	500.7*	461.3	8.5%
Other Operating Revenues	27.1	30.2	(10.2%)
Total Revenue	965.8	902.5	7.0%

Q2 FY21

Particulars (in Rs. Cr)	Q2 FY21	Q2FY20	YoY Growth (%)
Domestic Formulations	213.7	204.4	4.6%
International Business	216.0*	238.3	(9.4%)
Other Operating Revenues	13.9	13.7	1.1%
Total Revenue	443.6	456.4	(2.8%)

**Rs. 57 crore of Exports Dispatches planned in Q2 FY21 have been deferred to October due to constrained availability of ships /containers*

Commenting on business outlook, Mr. Nikhil Chopra, CEO, JBCPL said,

"I am delighted to be at the helm of JBCPL, a company with a strong business model and multi-pronged drivers of long-term growth. With management control transitioning to KKR and the new management team coming on board, the company is uniquely positioned to capitalize on opportunities in formulations, contract manufacturing and API's.

We have a rich legacy to build on – supported with best in class manufacturing facilities, unique lozenges platform and strong brands. Our future path to value creation will focus on:

- *Portfolio ramp up and building bigger brands in domestic formulations*
- *Strengthening of R&D to support filings & dossier registrations in regulated and semi regulated markets*
- *Expansion of lozenges platform to support our CMO business*
- *Deeper focus on Business Development and Strategic Partnerships along with synergistic acquisitions*

As we embark on this new journey, Technology Enablement and People Empowerment will be reflected in every act we do.

So far, we have seen strong operating performance across business units first half of FY21. As we move into the second half of the financial year, we look forward to formulating and kickstarting several initiatives that we believe will enhance stakeholder value in line with potential."

Key Highlights:

- Domestic Formulations and International businesses maintain positive momentum
- Exports order book remains healthy (Sep 20 order book growth of 39% over Sep 19) – however, Rs. 57 crore of planned Q2 dispatches have been deferred to October due to constrained availability of ships /containers
- Domestic Formulations business continues to outpace IPM growth rates, driven by sales performance in chronic therapies
- Slowdown in demand in the acute segment due to COVID-19 related lockdowns, is now gradually reverting to regular levels
- EBITDA performance continues to be encouraging – expands by 10% in Q2 FY21 despite deferment of export orders of Rs. 57 crore to October
 - 35% EBITDA growth in H1 FY21
- Profit After Tax during Q2 FY21 impacted by significant variance in effective tax rate (ETR) on YoY basis:
 - Q2 FY21 ETR at 25.6% vs exceptionally low ETR of 7.6% in Q2 FY20 following adoption of lower tax rate option in the latter period
 - ETR in H1 FY21 and H1 FY20 is more normalized

Domestic Formulations Update:

- JBCPL is among the fastest growing companies as per IPM data:
 - July-Sep'20: JBCPL 21.5% vs market growth rate at 4%
- Robust growth in Cardiac segment
- Gradual demand recovery in acute segment
- Increasing level of digital engagement with doctors yielding good results
- Hospital business for Contrast Media expected to revive going forward

International Business Update:

- Very healthy order book trends in H1 FY21, up 39% YoY as on Sep 20
- Demand for the company's products across various markets remains healthy – however, Rs. 57 crore of dispatches planned in Q2 have been deferred to October due to constrained availability of ships/containers
- Certain semi-regulated markets in Latin America, Africa and South East Asia are showing healthy growth
- Good order flows from major contract manufacturing and API customers



About JBCPL

J.B. Chemicals and Pharmaceuticals Limited (JBCPL) (BSE: 506943 | NSE: JBCHEPHARM | ISIN: INE572A01028), established in 1976, is one of India's leading pharmaceutical companies. An integrated, publicly-listed organization with a focus on supplying affordable, quality products both in India and internationally, JBCPL is trusted by healthcare professionals globally. Today, JBCPL exports to over 40 countries across the world and earns more than half its revenue from its international business. JBCPL is widely committed to manufacturing a range of innovative specialty products that include various pharmaceutical dosage forms like tablets, injectable (vials, ampoules, form fill seal), creams & ointments, lozenges, herbal liquids and capsules. JBCPL has its headquarters in India's financial capital, Mumbai. With a domestic sales force of 2,000 people, several internationally approved state-of-the-art manufacturing units, a research and development center, and subsidiaries abroad, JBCPL has a consistent track record of enhancing value for its shareholders.

For more information, please visit www.jbcpl.com or contact:

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