



May 9, 2024

**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: Earnings Press Release on the Results of the Company for the quarter and Financial year ended March 31, 2024**

With reference to the subject, we are enclosing a copy of the Press Release on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2024.

This is for your information and records.

Thank you,

Yours sincerely,  
**for HIKAL LIMITED,**

**Rajasekhar Reddy**  
**Company Secretary & Compliance Officer**

**Encl: As above**

**Hikal Ltd.**

**Admin. Office:** Great Eastern Chambers, 6<sup>th</sup> Floor, Sector 11, CBD Belapur, Navi Mumbai - 400 614, India. Tel. + 91-22-6277 0299, + 91-22-6866 0300

**Regd. Office:** 717, Maker Chambers - 5, Nariman Point, Mumbai - 400 021, India. Tel. +91-22 6277 0477. Fax: + 91-22 6277 0500

www.hikal.com    info@hikal.com    CIN: L24200MH1988PTC048028

## Hikal Limited: Margin improvement in FY24

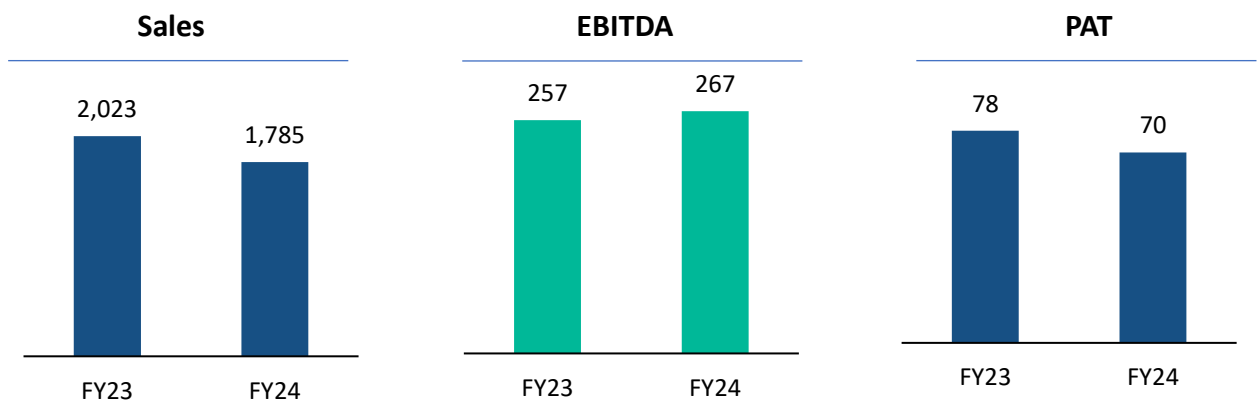
### ➤ FY24 Highlights

- ✓ Revenue of Rs. 1,785 crore
- ✓ EBITDA stood at Rs. 267 crore
- ✓ PAT stood at Rs. 70 crores
- ✓ Recommended a final dividend of Rs 0.60 per share (30% of FV); Total dividend for FY24 stands at Rs 1.2 per share (60% of FV)
- ✓ Hikal's long term credit rating is maintained at A+ by ICRA

**Mumbai, May 9, 2024:** Hikal Ltd., a preferred long-term partner for leading global life sciences companies, announced its financial results for the quarter and full year ended 31<sup>st</sup> March 2024

### FY24 Performance:

(Rs. in crore)

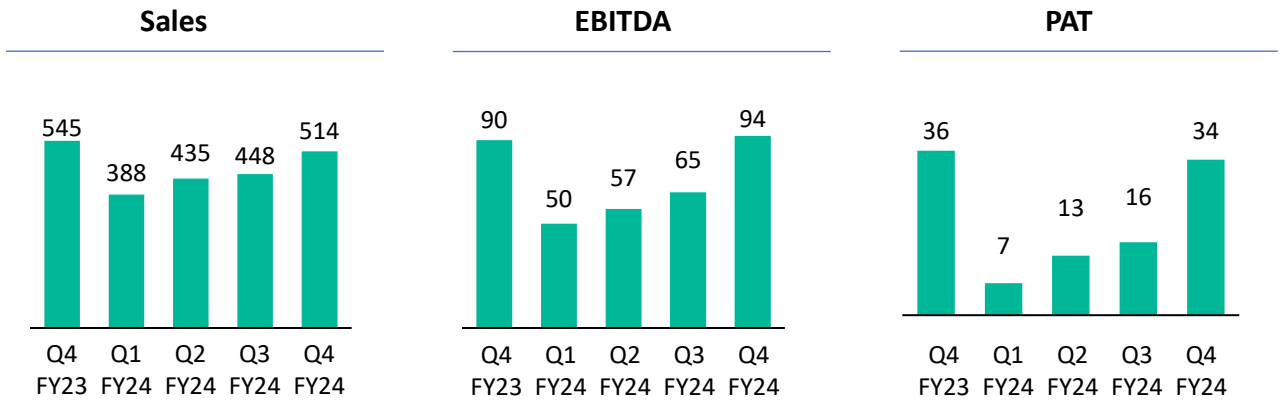


### Key Highlights

- API facility in Panoli, Gujarat, underwent a US FDA audit, which concluded with 'Zero' 483 observations
- Healthy product pipeline in Pharmaceutical CDMO business segment
- Commissioned Animal Health Multi Purpose facility at Panoli, Gujarat and validation in progress
- Improved margin by 230 bps on the back of stable raw materials prices, improved product mix and ongoing business excellence initiatives

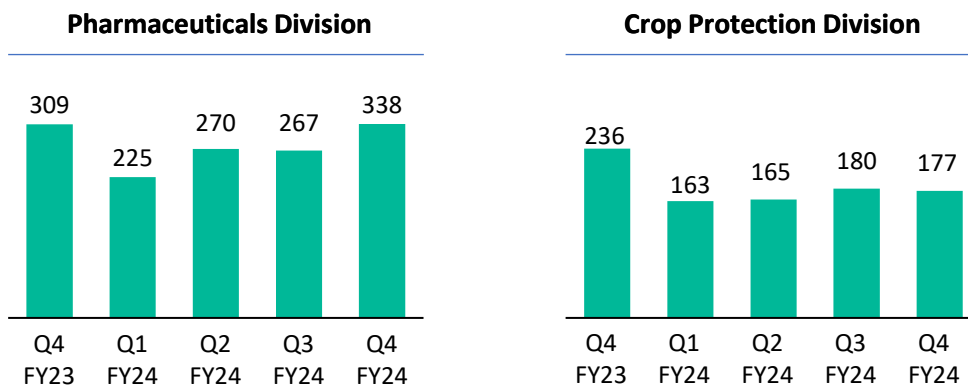
### Consolidated Quarter Performance:

(Rs. in crore)



### Segment wise Revenue Performance for the quarter ended 31<sup>st</sup> March 2024

(Rs. in crore)



➤ **Pharmaceutical sales stood at Rs. 338 crore** as compared to Rs. 267 crore in Q3 FY24

- Improvement in margins on account of change in product mix & business excellence initiatives
- New opportunities are under advanced stage of discussion with various global innovators in CDMO business
- Good traction in Own Products from customers in Japan, Latin America and Middle East geographies for the newer product portfolio

➤ **Crop Protection sales stood at Rs. 177 crore** as compared to Rs. 180 crore in Q3 FY24

- Significant channel inventory coupled with over-capacity has resulted in reduced sales
- New opportunities under advance stage of discussion with various global innovators
- Commissioning activity is ongoing at the new multipurpose facility at Panoli, Gujarat.

**Commenting on the results, Jai Hiremath, Executive Chairman, Hikal Ltd. said,**

“For the financial year '24, we achieved revenues of Rs 1,785 Crores as compared to Rs 2,023 Crores last year. FY24 was marred with several global macroeconomic pressures and depressed market conditions for the global chemical sector on account of inventory build up and overcapacity across the sector resulting in intense price competition from China predominantly in the Crop Protection market.

Our Board of Directors has recommended a final dividend of Rs 0.60 per share (30%). Along with an interim dividend of Rs. 0.60 per share (30%) declared in February 2024, the total dividend for FY24 stands at Rs 1.20 per share (60% of FV).

For Q4 FY24, our pharmaceutical business reported revenue growth of 26% to Rs 338 Cr and EBIT growth of 191% to Rs 54 Cr, on QoQ basis. In the API segment, we witnessed increased volume off-take based on higher demand from existing customers and from newer geographies. This coupled with stabilized raw material prices have supported us in maintaining our margin profile. In our CDMO segment we have received several RFP's from both emerging pharma and global innovators, with several products progressing through the development stages. We have a healthy pipeline of projects in the early to mid-phase that is encouraging. During FY24, our API facility in Panoli, Gujarat, was audited by the US FDA, and the audit was concluded with 'Zero' 483 observations as a testament of our commitment to high standards of regulatory compliance.

For Q4FY24, our crop protection business reported revenue of Rs 177 Cr and EBIT of Rs 14 Cr. Despite proactive cost improvement initiatives, the global crop protection industry continues to face significant headwinds, including subdued global demand due to inventory in the channel pipeline and intense price erosion from competitors primarily China as a result of large capacity which are under-utilized. We expect the market to stabilize post the end of this financial year and recovery to begin thereafter.

In our animal health business, advancements in developing a portfolio of products under a long-term agreement with an innovator animal health company are proceeding well. During the third quarter, our new multipurpose animal health facility was commissioned at Panoli, Gujarat. Validation of several products is underway, and it is scheduled to be completed in the upcoming quarters. These validation batches mark the initial phase toward product registration and subsequent commercialization.

Under our strategic transformation initiative - Pinnacle, we have taken substantial strides toward sustaining growth across our various businesses. We have gained momentum in supply chain derisking, developing differentiated capabilities, the acquisition of new customers and the building of a distinctive technology platform. As we navigate through the next stage of our strategic plan, our focus is directed more towards the front-end capitalizing on the opportunities to build a healthy pipeline for our businesses.

Despite the current challenging global conditions, we anticipate a favorable shift in market dynamics over the mid to long term, and we remain focused in our strategy to deliver profitable, and sustainable growth across our businesses.”

## About Hikal Limited

Hikal is a reliable long-term partner to companies in the Pharmaceuticals, Crop Protection, and Specialty Chemicals industry. The company is in the business of supplying research services, active ingredients and intermediates, manufactured using stringent global quality standards, for its global customers. Hikal's advanced manufacturing facilities have been inspected and approved by leading multinational companies in the Crop protection and Pharmaceutical sectors. The Crop protection facilities are located at Taloja, Mahad (Maharashtra) and Panoli (Gujarat). Hikal's R&T facilities are located at Pune. The Pharmaceutical manufacturing facilities are situated in Jigani (Bengaluru) and Panoli (Gujarat). Hikal is the first Indian life-sciences company to receive the Responsible Care® certification governed by the International Council of Chemical Associations (ICCA).

## Safe Harbor Statement

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 project characteristics, project potential and target dates for project related issues 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. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

### Company :

#### Hikal Limited

CIN: L24200MH1988PTC048028

Mr. Anish Swadi

[anish\\_swadi@hikal.com](mailto:anish_swadi@hikal.com)

[www.hikal.com](http://www.hikal.com)

### Investor Relations Advisors :

#### Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Jigar Kavaiya

[jigar.kavaiya@sgapl.net](mailto:jigar.kavaiya@sgapl.net)

+91 9920602034

Ms. Ami Parekh

[ami.parekh@sgapl.net](mailto:ami.parekh@sgapl.net)

+91 8082466052

[www.sgapl.net](http://www.sgapl.net)