



February 14, 2022

Dept. of Corporate Services,  
**BSE Ltd.,**  
P J Towers,  
Dalal Street,  
Mumbai – 400 001.

Listing Department,  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400051.

**BSE Scrip Code : 524735**

**NSE Symbol : HIKAL**

Dear Sir/ Madam,



**Subject: Results Presentation of the Company for the quarter and period ended  
December 31, 2021**

With reference to the subject, we are enclosing a copy of the Results presentation on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and period ended December 31, 2021.

This is for your information and records.

Thank you,

Yours sincerely,  
for **HIKAL LIMITED,**

**Rajasekhar Reddy**  
**Company Secretary**

Encl: As above.

**Hikal Ltd.**

**Admin. Office :** Great Eastern Chambers, 6th Floor, Sector 11, CBD Belapur, Navi Mumbai - 400 614, India. Tel. : +91-22-3097 3100. Fax : +91-22-2757 4277

**Regd. Office :** 717, Maker Chamber - 5, Nariman Point, Mumbai - 400 021, India. Tel. : +91-22-3926 7100, +91-22-6277 0477. Fax : +91-22-2283 3913

www.hikal.com info@hikal.com CIN : L24200MH1988PTC018028



***Results Presentation - Q3 FY22***

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Hikal Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.



Jai Hiremath

*"Hikal has recorded a resilient performance in Q3 as we continued the growth trajectory that the company has established over the past few quarters. Despite the hurdles presented by global supply chain challenges combined with increasing raw material as well as utility prices, we have been able to grow our revenues as well as bottom line in the past quarter.*

*Our Pharmaceutical business was flat at Rs. 268 Crores in Q3 FY22 due to a slower offtake by several customers. We are in dialogue with our customers to pass on the rise in the input prices. This process generally has a lag of a few months which can be seen in the muted segmental profitability for the business. We continued to receive several new enquiries from global innovator companies regarding collaborations in our CDMO business segment. We also expect the demand to stay buoyant on our own products business in the coming quarters.*

*The Crop Protection business with Rs 246 Crores revenue in Q3 FY22 witnessed a growth of 27% on a YoY basis, on the back of higher demand from our leading CDMO customers. Several new enquiries for potential partnerships in our CDMO business segment were received. We expect this momentum to continue in the next several quarters. Sales of our own products faced challenges of raw material availability. However, we expect the supply to normalize in the coming months, providing a further boost to our Crop protection business.*

*Both of our businesses are seeing strong tailwinds with respect to the prevailing China plus one sentiment. We continue to invest in developing new products, capabilities and building new capacities considering our future business prospects. Our strategy to integrate backward and to develop alternate sourcing partners is yielding results in terms of sustainability.*

*The bottom line for the quarter improved 12% YoY due to higher operating profits, reduced interest cost and change in tax regime. We are pleased that our credit rating agency, ICRA, has upgraded our long-term rating to A+ on the back of healthy growth in operating income, operational efficiencies and a healthy pipeline of products. Our effective interest rates have come down due to successful negotiations with our bankers. We are positive that this trend will continue to further improve our bottom line and generate strong cashflows in the coming years.*

*As part of our efforts to fight the Pandemic, all our employees are fully vaccinated with both doses. The company had near-normal operations across all sites during the quarter, complying with all COVID protocols.*

*Pinnacle, our business transformation initiative, is on track to create a roadmap across business verticals to drive an aggressive yet profitable and sustainable growth over next five years through a new strategic direction.*

*We have a robust growth outlook for both of our businesses. We are confident about maintaining this growth momentum in upcoming quarters".*



## *Quarterly Financials Highlights*

# Financial Highlights - Q3 FY22



Revenue - Q3 FY22  
Rs. 515 Crore



YoY  
11%



QoQ  
10%



EBITDA - Q3 FY22  
Rs. 93 Crore



YoY  
2%



QoQ  
2%



EBITDA Margin - Q3 FY22  
18.1%



YoY  
-166 bps



QoQ  
-132 bps



PAT - Q3 FY22  
Rs. 45 Crore



YoY  
12%



QoQ  
3%



EPS - Q3 FY22  
Rs 3.67



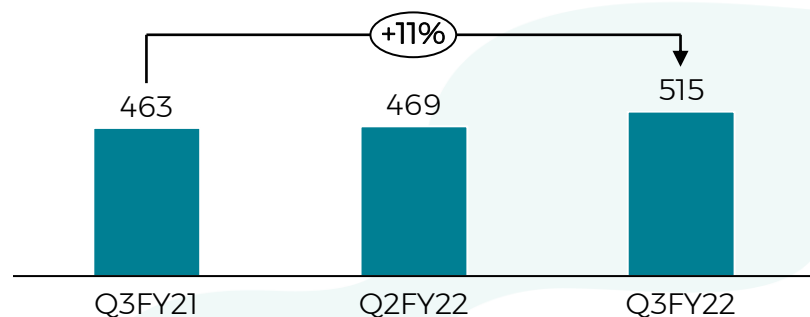
YoY  
12%



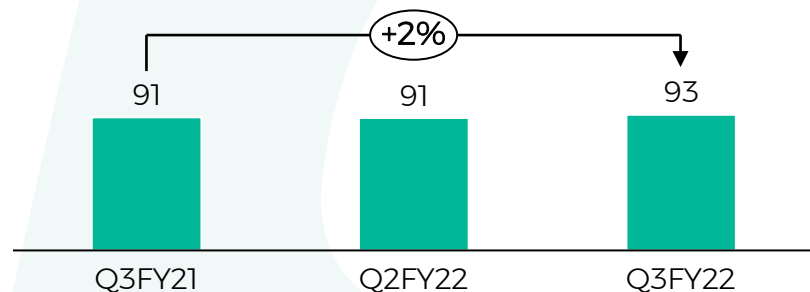
QoQ  
3%

## Quarterly Performance Highlights

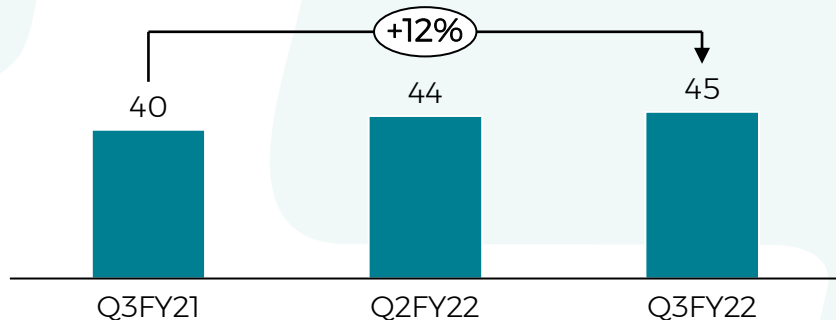
### Revenue



### EBITDA



### PAT

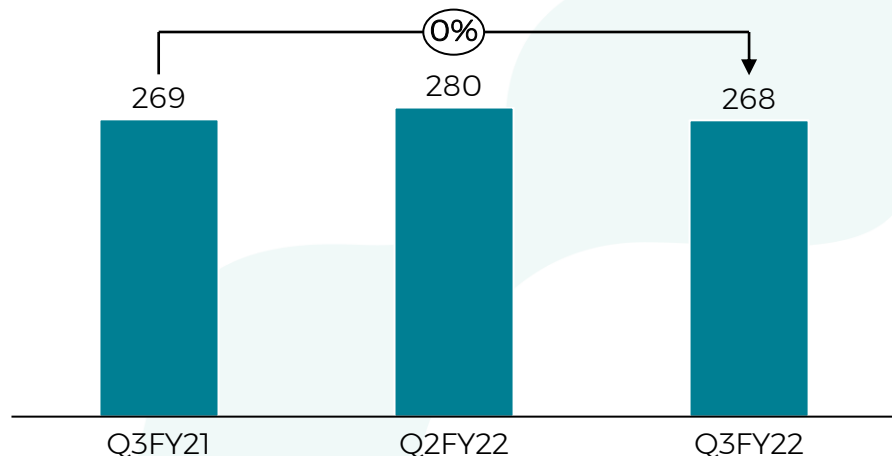


Rs. Crore

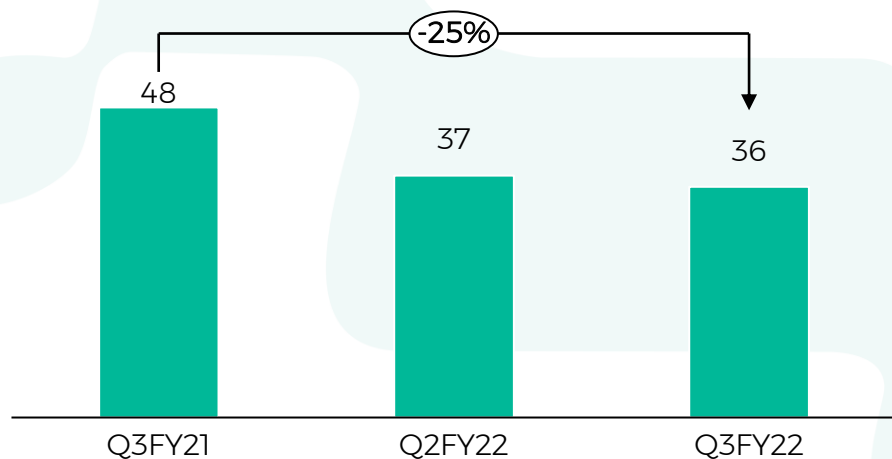
### Performance Highlights

- Revenue recorded an increase of 11% YoY
  - Change in product mix and increase demand of key products
  - Strong performance in Pharma own products and Crop Protection CDMO segments
- EBITDA increased to Rs 93 Crore, growth of 2% YoY
- EBITDA margin stood at 18.1%
  - Positive impact of higher sales curbed by unfavorable product mix and increased utilities
- PAT was Rs. 45 Crore, YoY growth of 12%
  - Increased operating profits, reduced interest cost and change in tax regime
    - Lowered interest rates due to successful renegotiations
- The Company declared an interim dividend of 60% i.e., Rs. 1.20/share
- Hikal's long term credit rating upgraded to A+ by ICRA
- Increased penetration in new geographies for key products
- Strong traction for the CDMO segment continues in both of our businesses due to the prevailing 'China plus one' sentiment

## Revenue



## EBIT



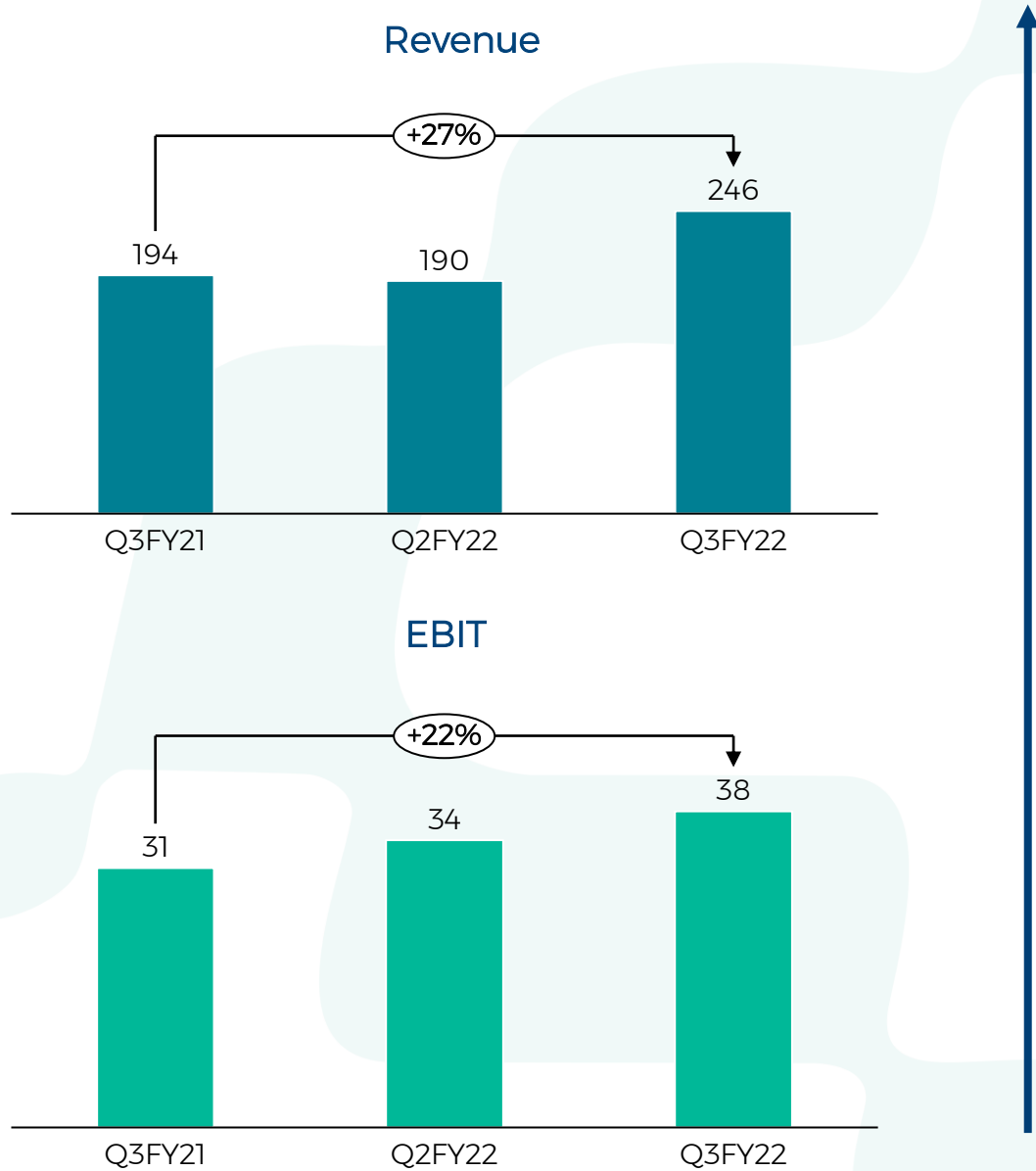
Rs. Crore

### Pharmaceuticals - Performance Highlights

- Recorded flat revenue at Rs. 268 Crore as compared to Q3 FY21
  - Stable sales corresponding with change in product mix
- EBIT stood at Rs 36 Crore, de-growth of 25% YoY
  - Product mix change coupled with increased raw material and energy price
  - Higher fixed cost in combination with flat revenues resulted in lower EBIT
- Several new customers acquired in different geographies
- Anti-diabetic portfolio of APIs for future is receiving healthy traction from customers
- Several new orders received from our key CDMO customers
- Process development has started for several active ingredients for the multi-year Animal health project with a global innovator



## Quarterly Performance Highlights - Crop Protection



### Crop Protection - Performance Highlights

- Revenue stood at Rs. 246 Crores, recorded an increase of 27% YoY
  - Increased sales volume of CDMO products
  - Favorable price increases for certain products
- EBIT of Rs 38 Crore, growth of 22% YoY
  - Efficient passthrough of costs to the customers
- Increase in new inquiries from CDMO customers in Q3 FY22
- Demand continues to remain strong in domestic market
- Construction of new multipurpose facility for new products at Panoli is on track

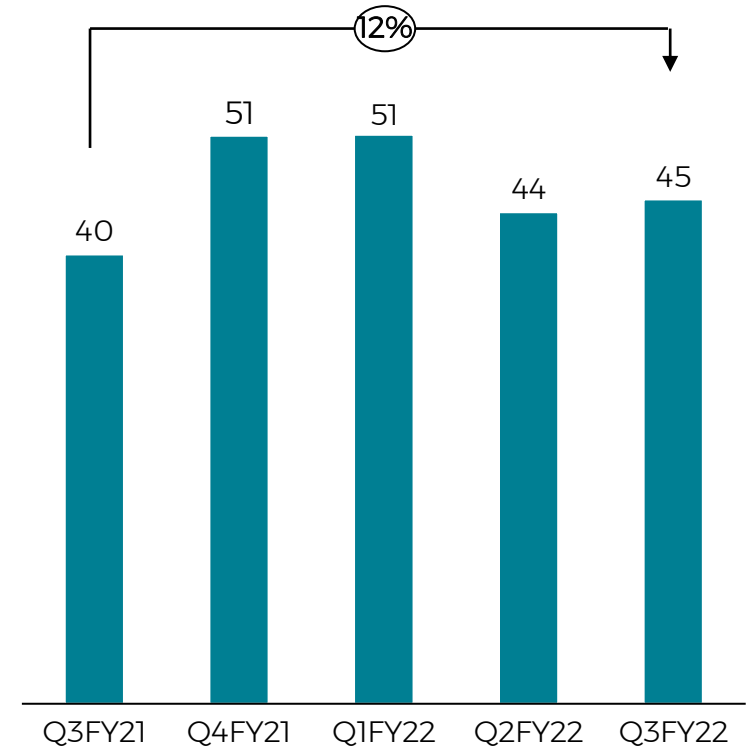
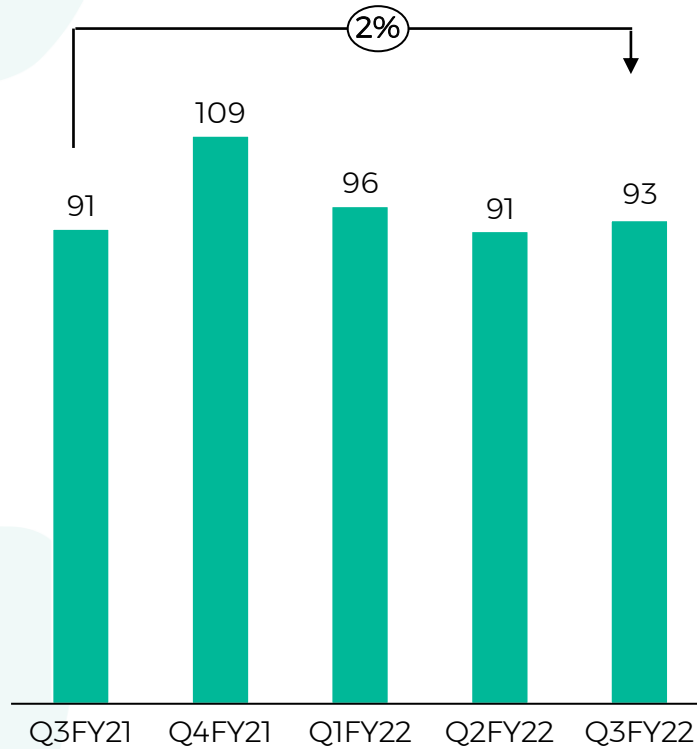
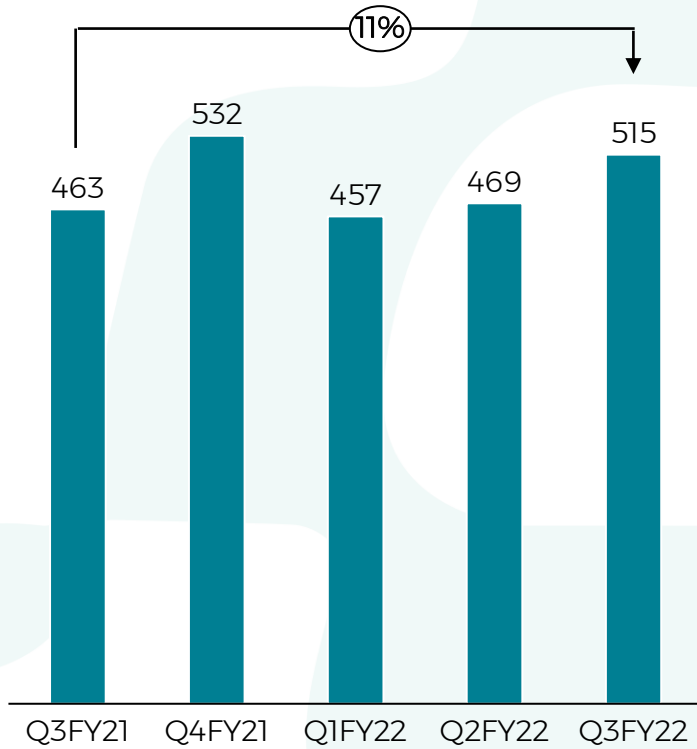
# Quarterly Financial Highlights



### Consolidated Revenue

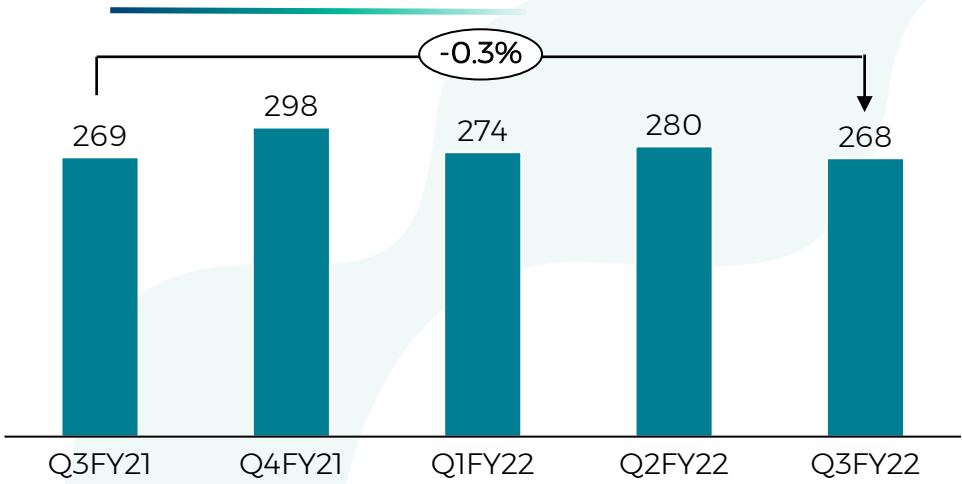
### Consolidated EBITDA

### Consolidated PAT

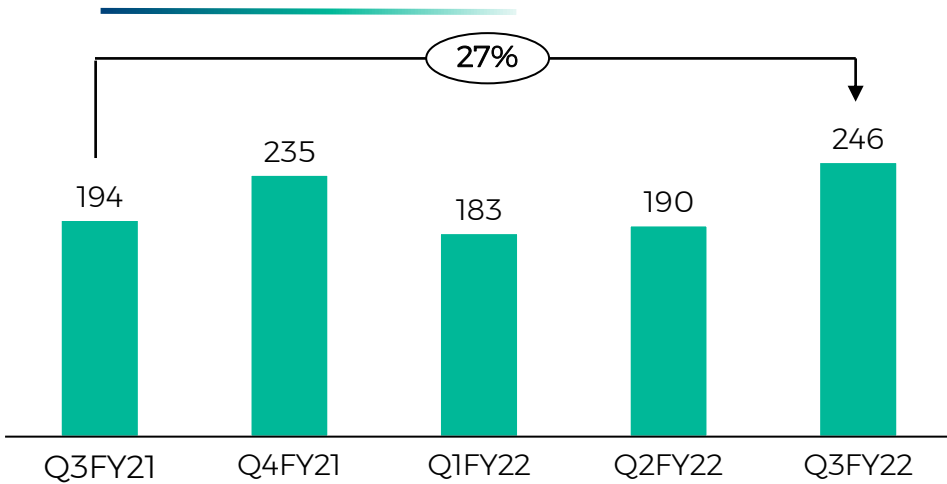


# Quarterly Segmental Highlights

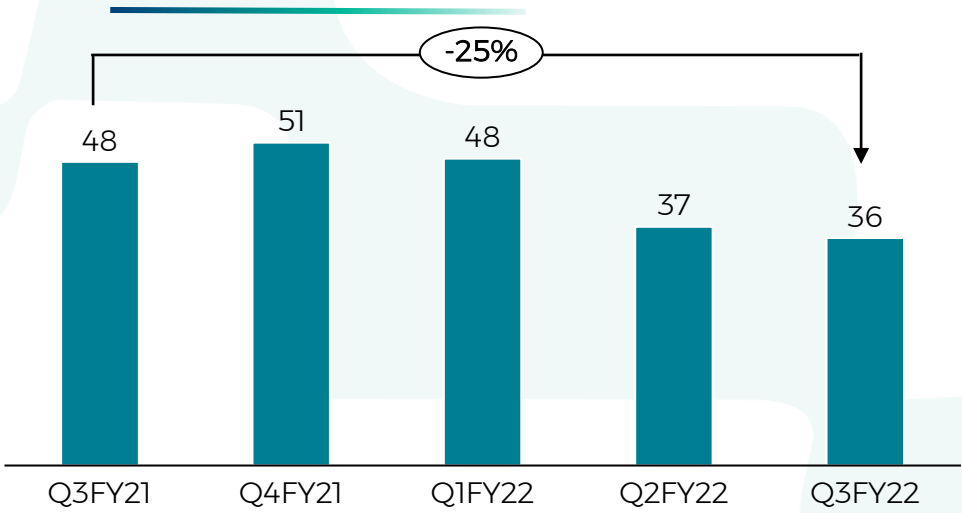
Pharmaceuticals Revenue



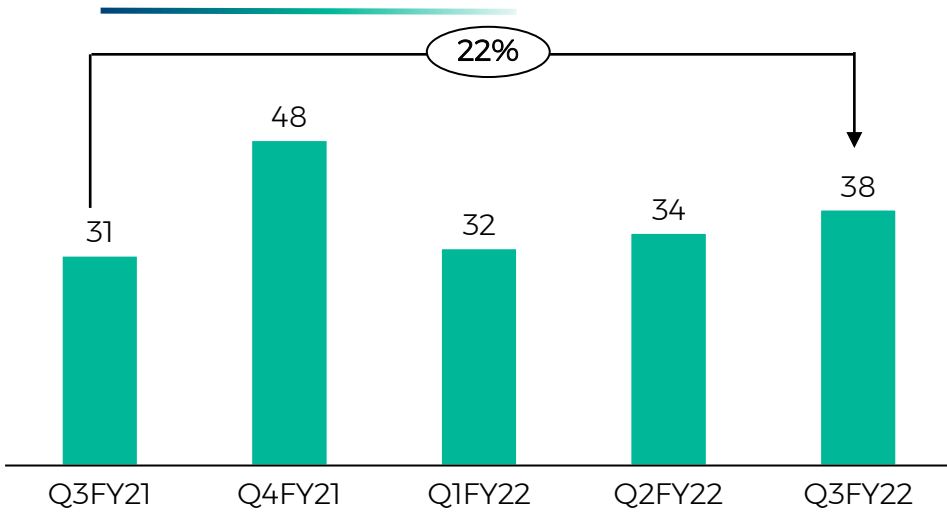
Crop Protection Revenue



Pharmaceuticals EBIT



Crop Protection EBIT



## Consolidated Profit & Loss - Q3 FY22

Particulars (Rs. Crore)	Q3 FY22	Q3 FY21	Y-o-Y	Q2 FY22	Q-o-Q
<b>Net Sales</b>	<b>515</b>	<b>463</b>	<b>11%</b>	<b>469</b>	<b>10%</b>
Expenditure	422	372		378	
<b>EBITDA</b>	<b>93</b>	<b>91</b>	<b>2%</b>	<b>91</b>	<b>2%</b>
<b>Margin</b>	<b>18.1%</b>	<b>19.7%</b>		<b>19.4%</b>	
Other Income	1	1		1	
Depreciation	25	22		24	
Finance Costs	7	8		8	
<b>PBT</b>	<b>62</b>	<b>62</b>	<b>-0.6%</b>	<b>60</b>	<b>3%</b>
Tax	17	22		16	
<b>Net Profit</b>	<b>45</b>	<b>40</b>	<b>12%</b>	<b>44</b>	<b>3%</b>
<b>Margin</b>	<b>8.8%</b>	<b>8.7%</b>		<b>9.4%</b>	



## **Nine-Months Financials Highlights**

## Financial Highlights - Nine-Months



Revenue – 9M FY22  
Rs. 1,440 Crore

↑ YoY  
21%



EBITDA – 9M FY22  
Rs. 280 Crore

↑ YoY  
31%



EBITDA Margin – 9M FY22  
19.4%

↑ YoY  
142 bps



PAT – 9M FY22  
Rs. 140 Crore

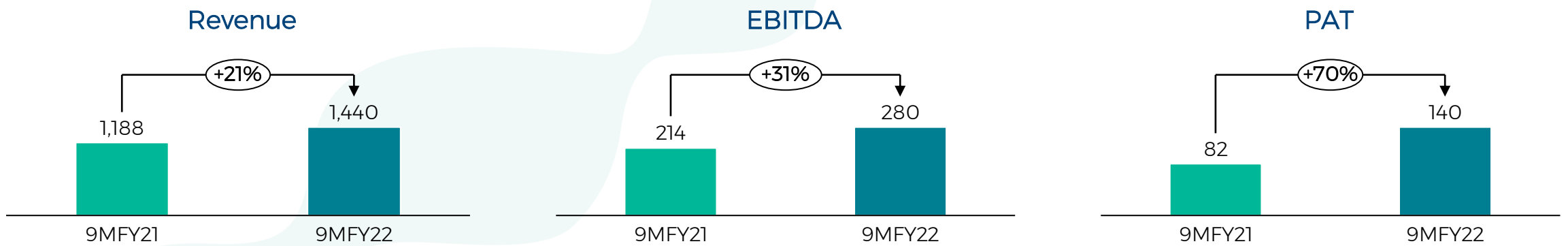
↑ YoY  
70%



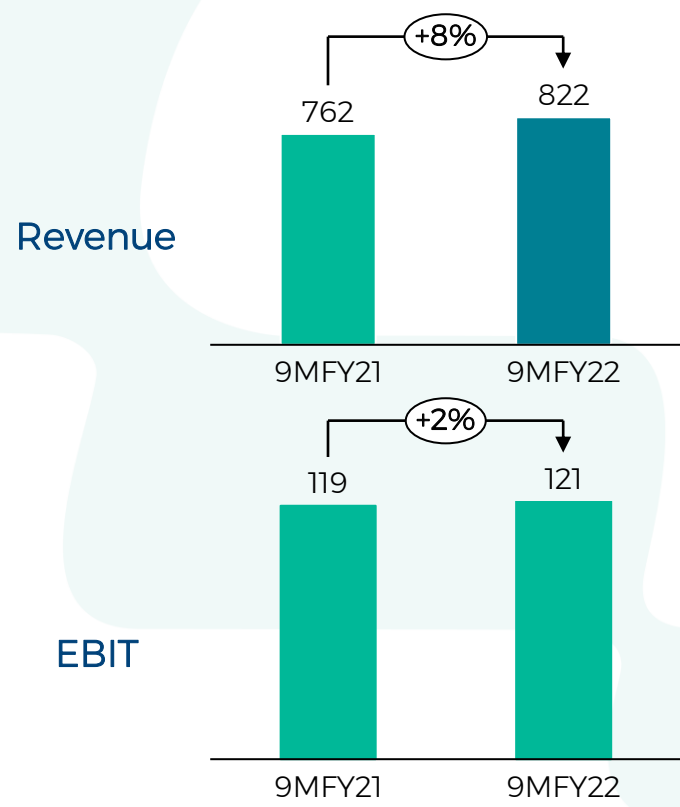
EPS – 9M FY22  
Rs 11.33

↑ YoY  
70%

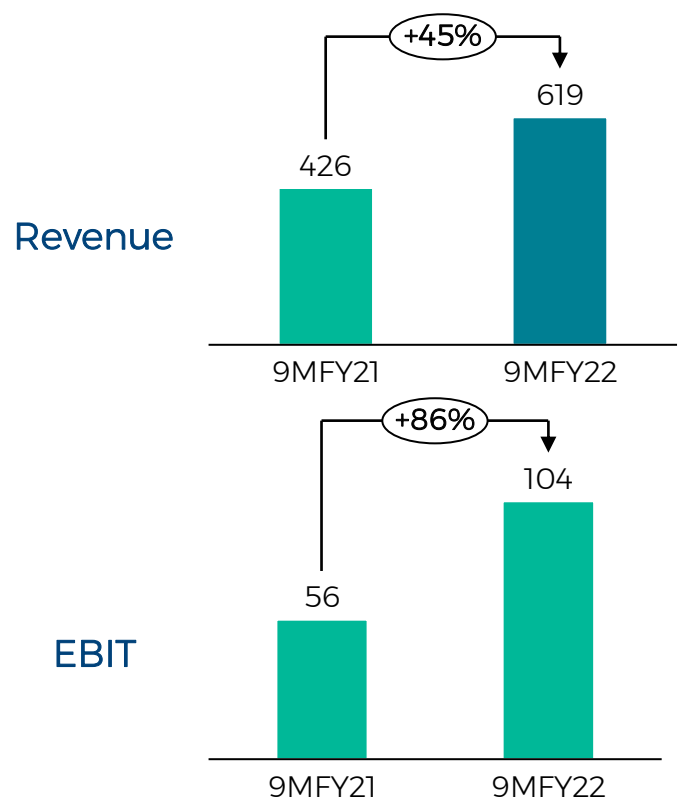
# Nine-Months Performance Highlights



## Pharmaceuticals Division

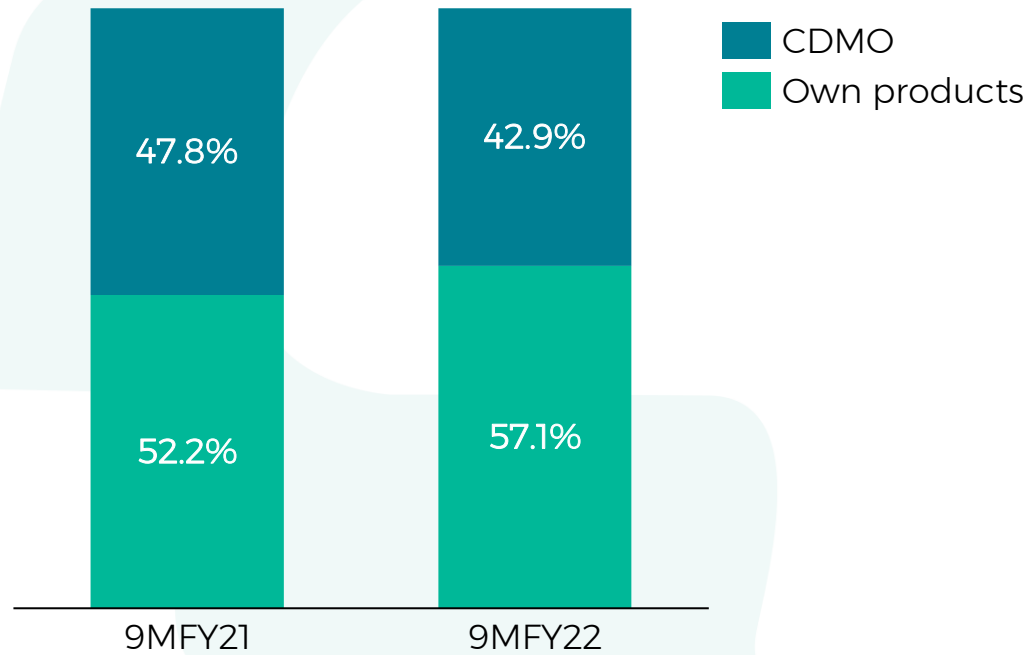


## Crop Protection Division

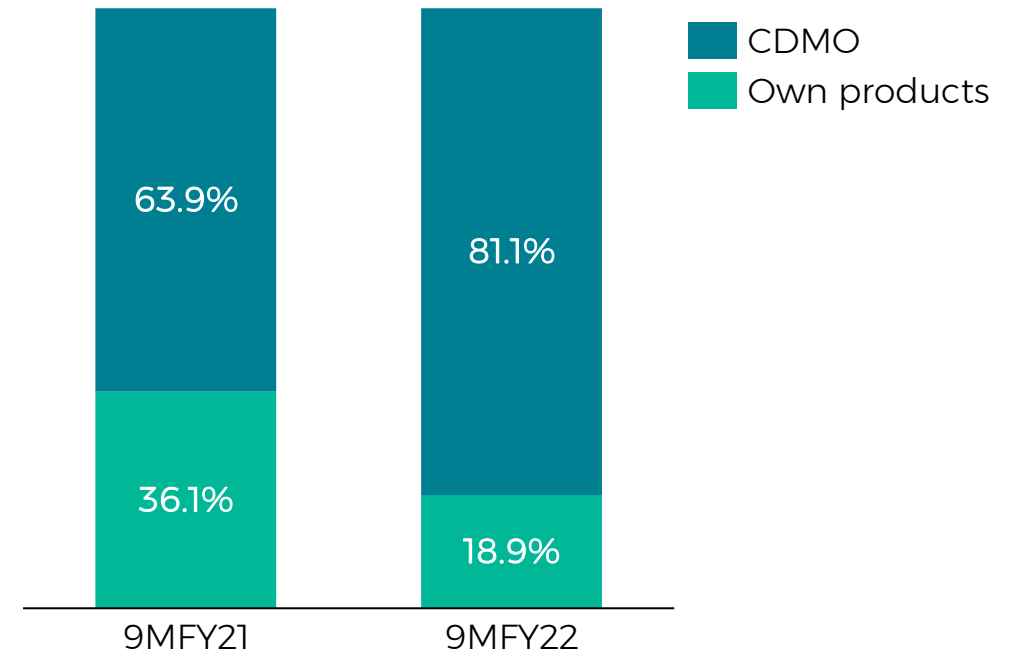


## Sales Break-Up

### Pharmaceuticals Revenue Break-Up



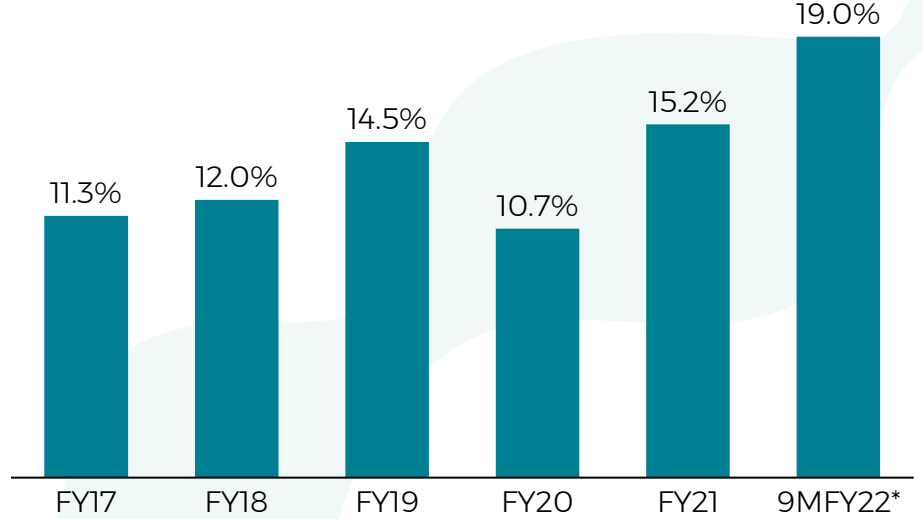
### Crop Protection Revenue Break-Up



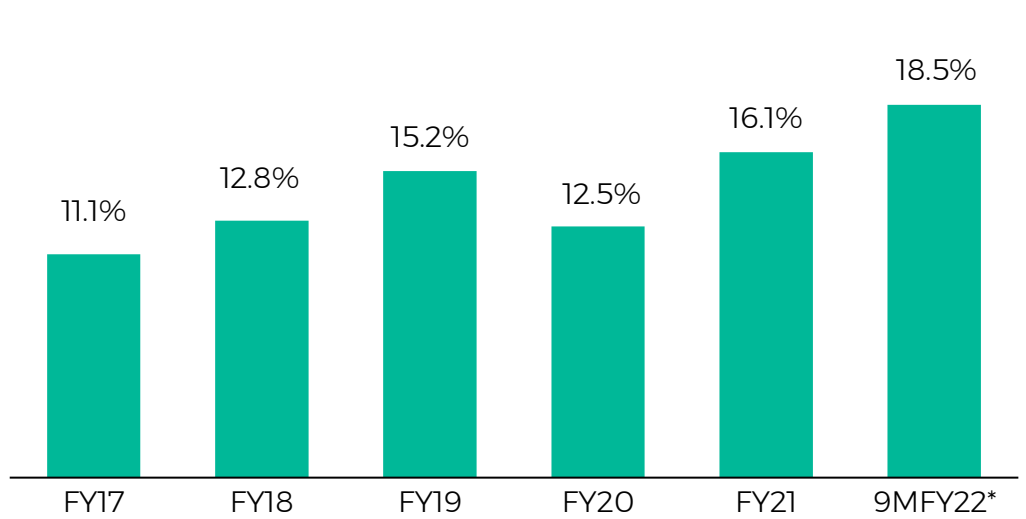


# Ratio Analysis

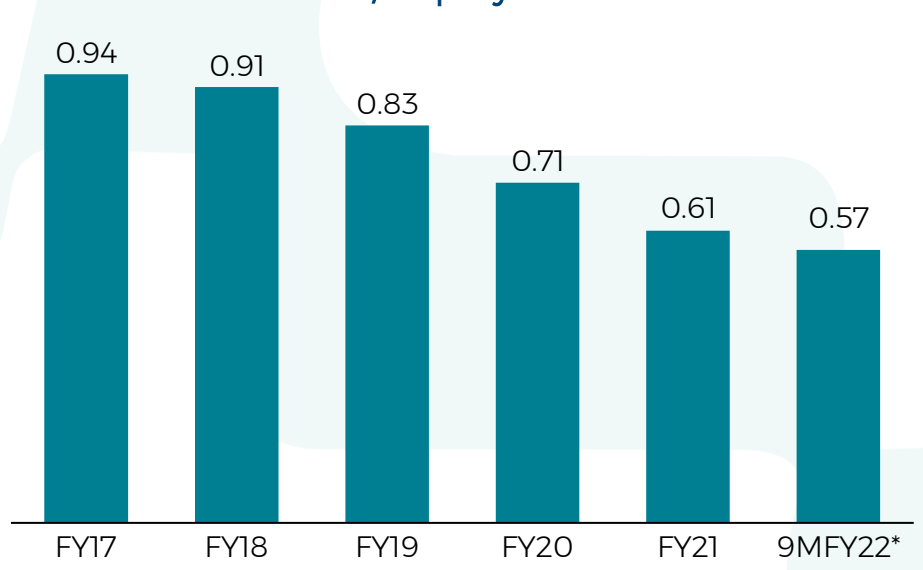
ROE



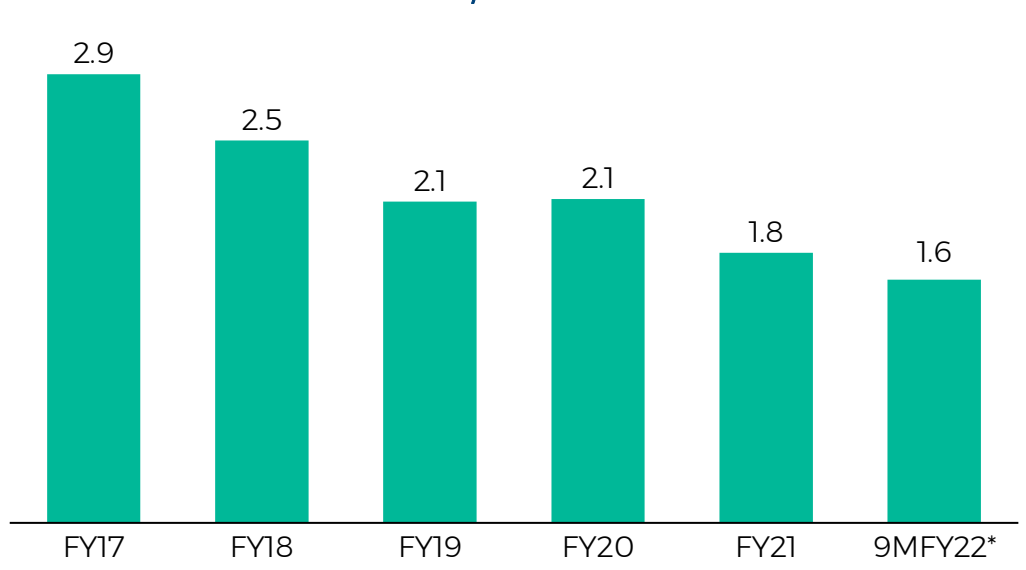
ROCE



Net Debt / Equity



Net Debt / EBITDA



\*Note- TTM basis



**Annual Financials Highlights**

# Financial Highlights - Annual



Revenue – FY21  
Rs. 1,720 Crore

↑  
FY17-21  
CAGR  
14%

↑  
YoY  
14%



EBITDA – FY21  
Rs. 323 Crore

↑  
FY17-21  
CAGR  
13%

↑  
YoY  
18%



EBITDA Margin – FY21  
18.8%

↑  
YoY  
65 bps



PAT – FY21  
Rs. 133 Crore

↑  
FY17-21  
CAGR  
19%

↑  
YoY  
58%

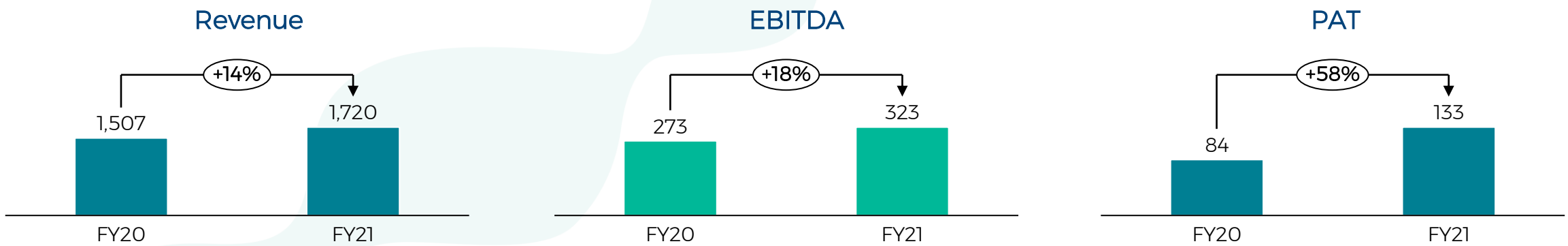


EPS – FY21  
Rs 10.80

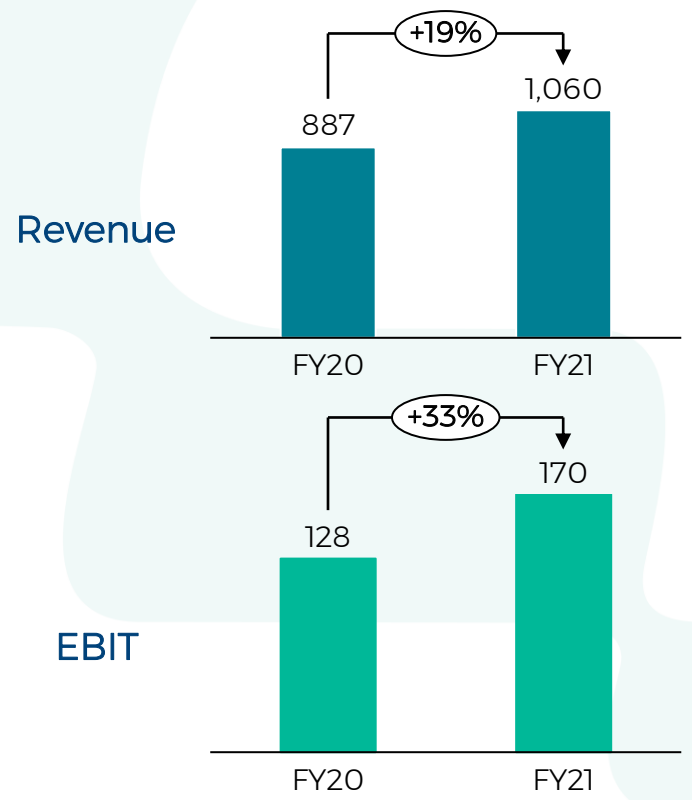
↑  
FY17-21  
CAGR  
19%

↑  
YoY  
58%

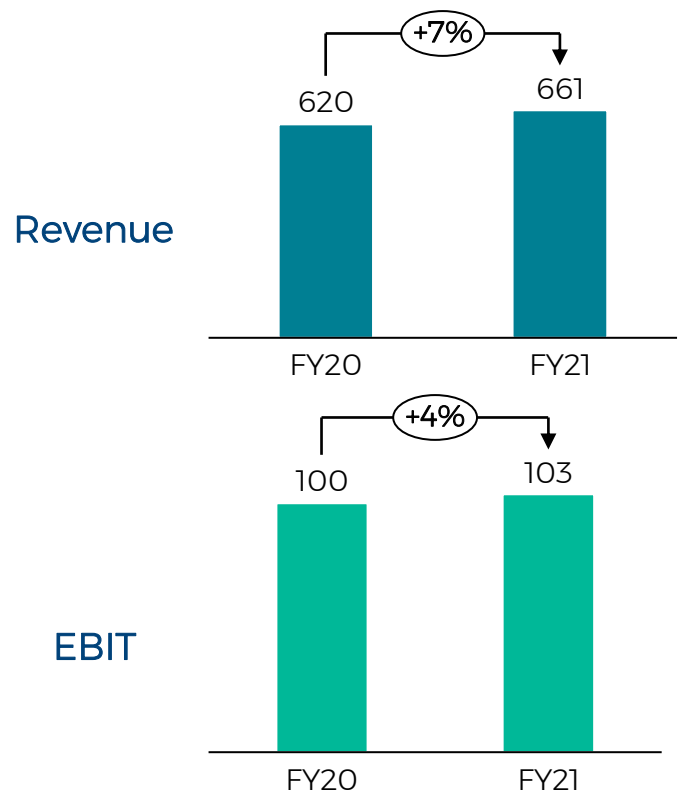
# Annual Performance Highlights



## Pharmaceuticals Division



## Crop Protection Division



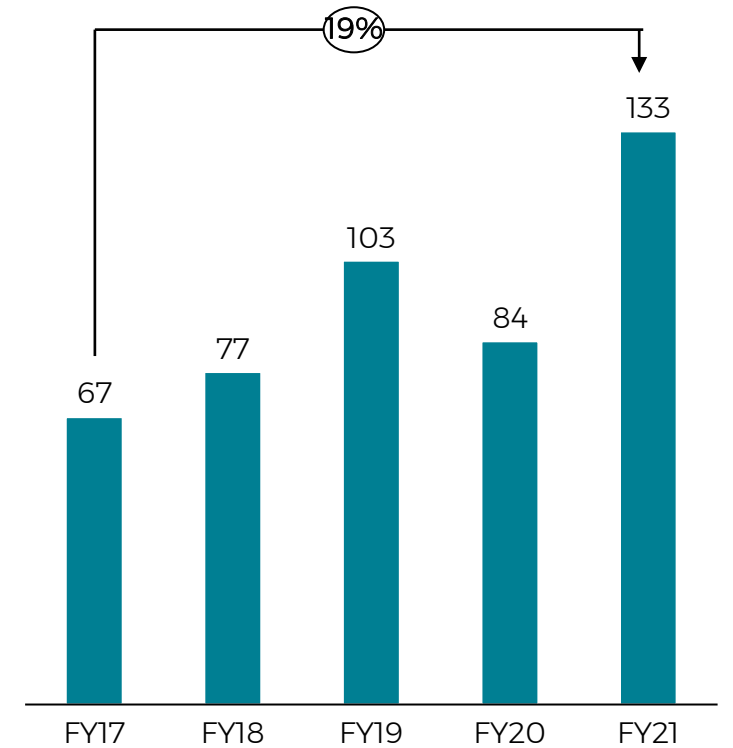
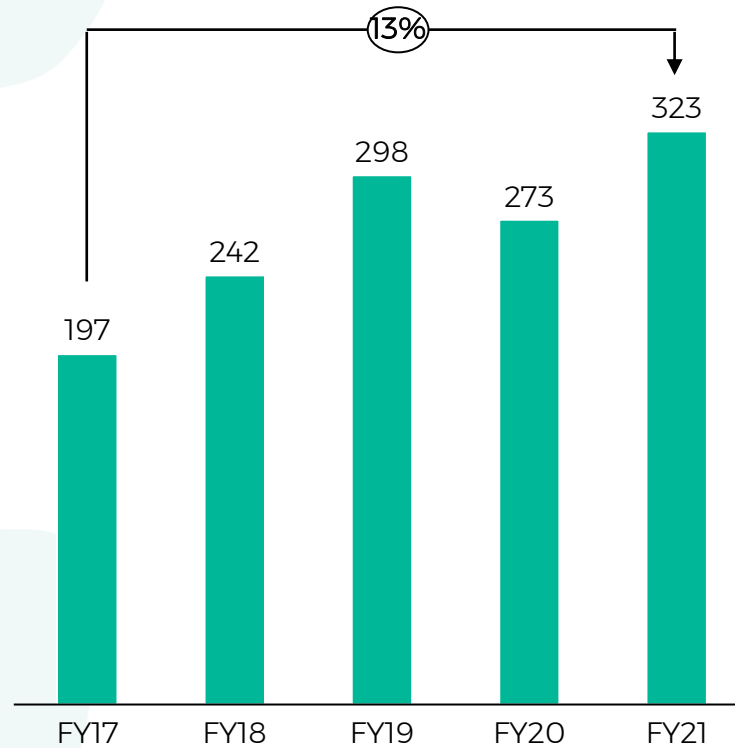
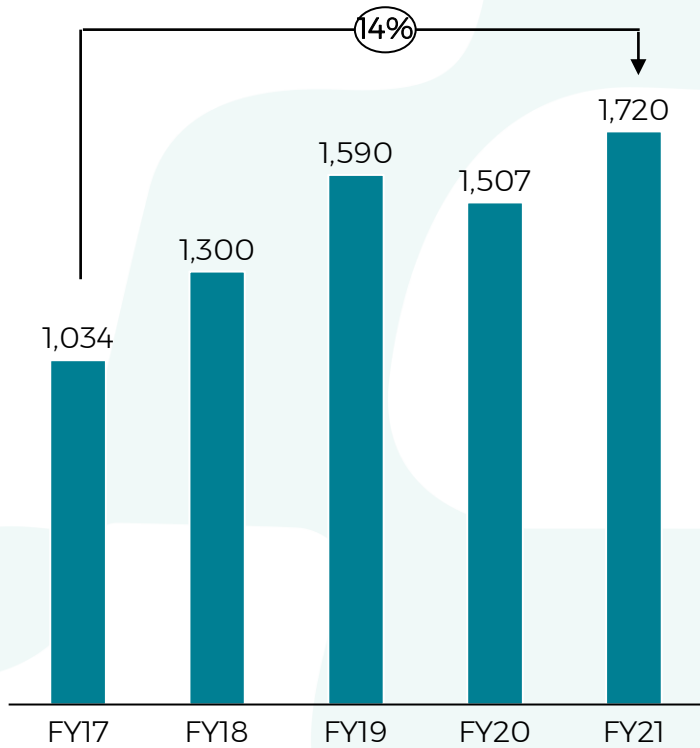
# Yearly Financial Highlights



### Consolidated Revenue

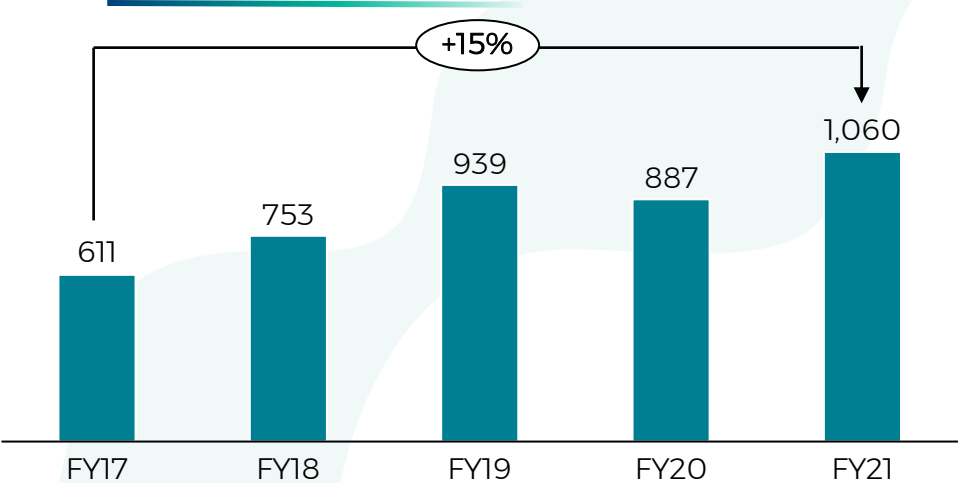
### Consolidated EBITDA

### Consolidated PAT

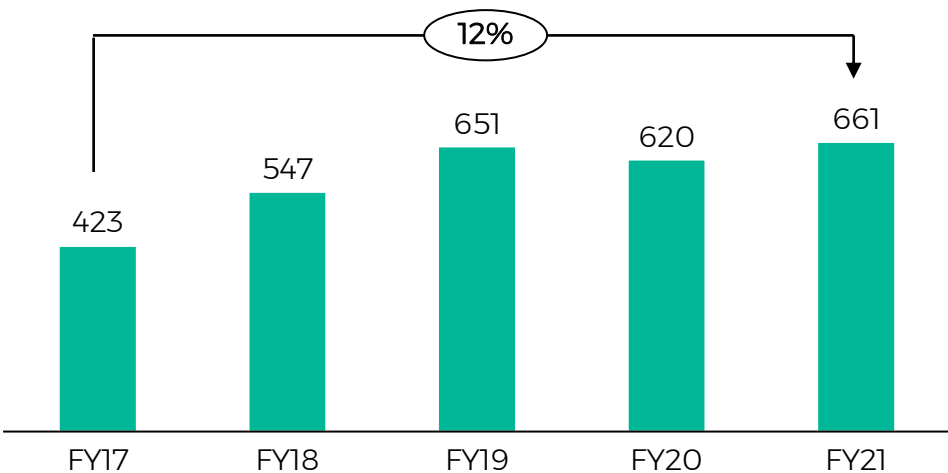


# Yearly Segmental Highlights

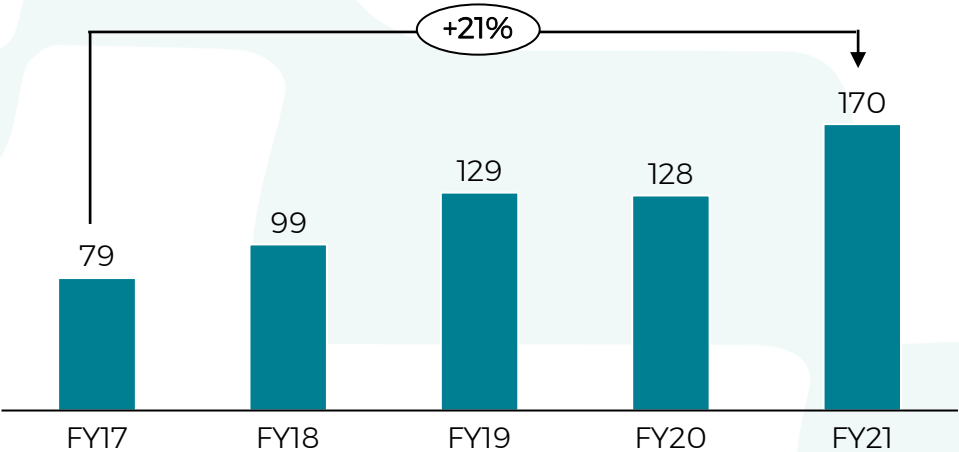
### Pharmaceuticals Revenue



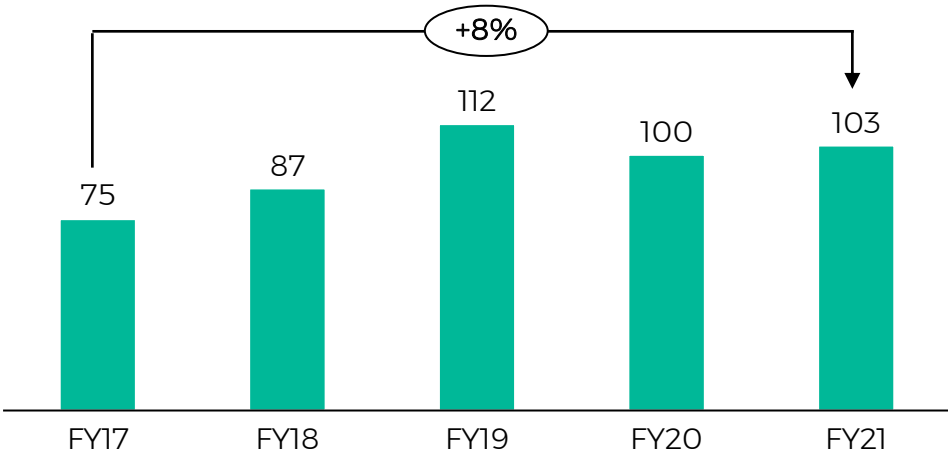
### Crop Protection Revenue



### Pharmaceuticals EBIT

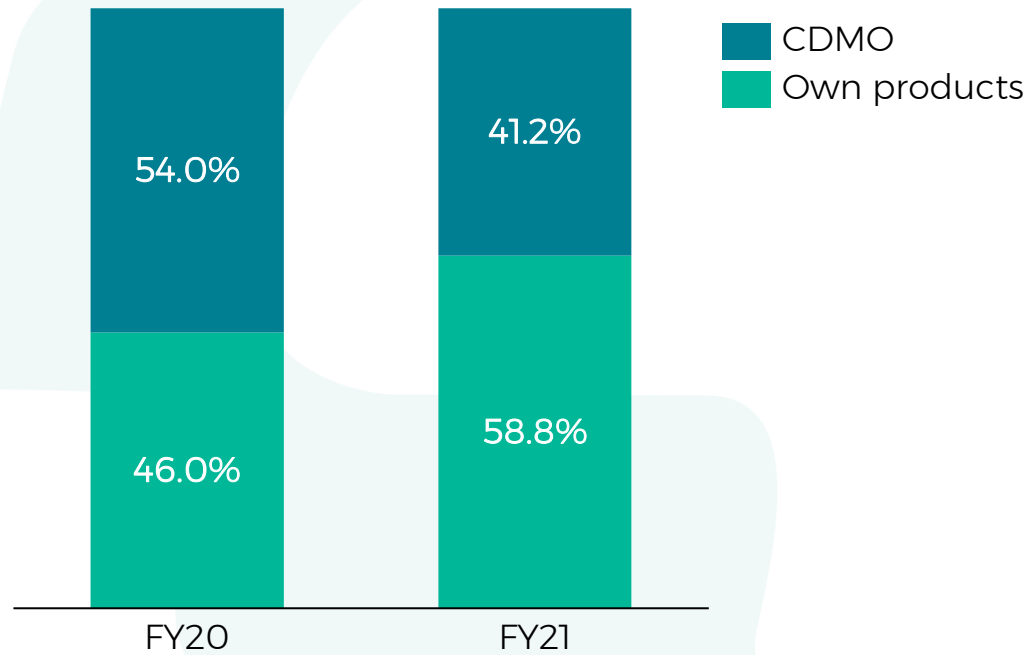


### Crop Protection EBIT

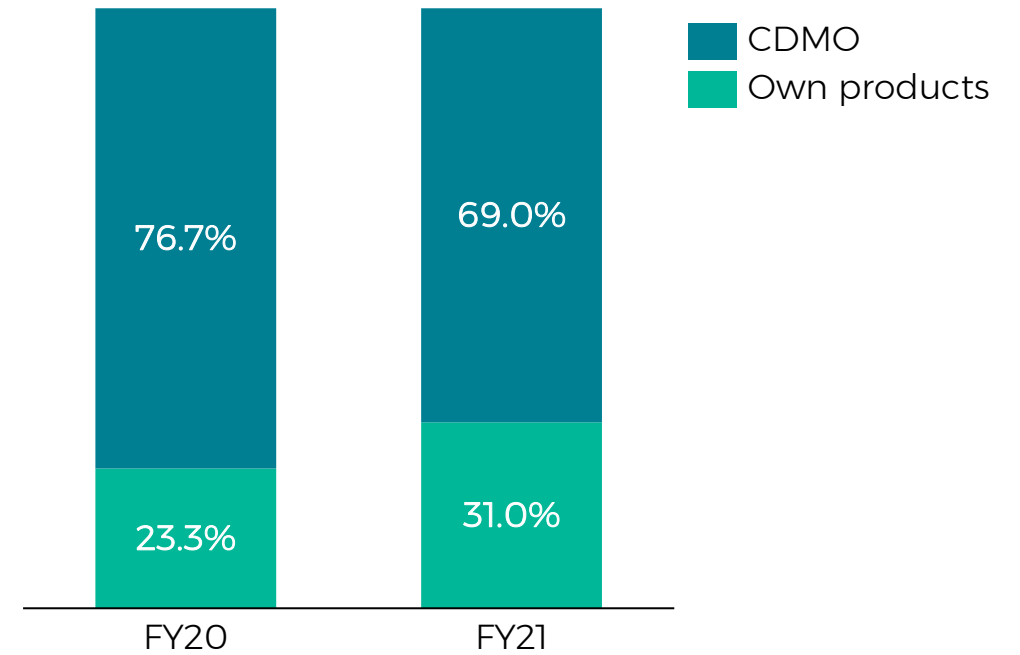


## Sales Break-Up

### Pharmaceuticals Revenue Break-Up



### Crop Protection Revenue Break-Up



## Consolidated Profit & Loss - Full Year

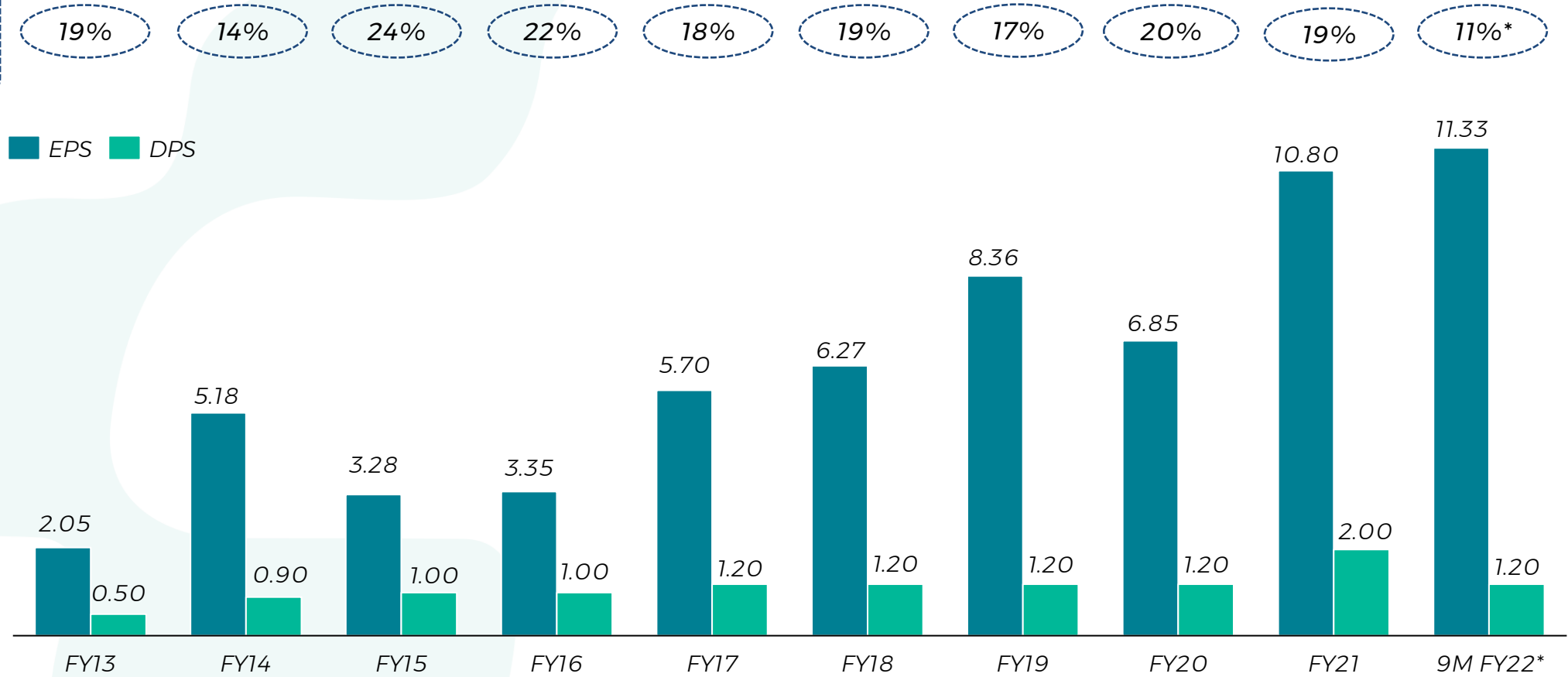


Particulars (Rs. Crore)	FY21	FY20	Y-o-Y
<b>Net Sales</b>	<b>1,720</b>	<b>1,507</b>	<b>14%</b>
Expenditure	1,397	1,234	
<b>EBITDA</b>	<b>323</b>	<b>273</b>	<b>18%</b>
<b>Margin</b>	<b>18.8%</b>	<b>18.1%</b>	
Other Income	5	4	
Depreciation	85	82	
Finance Costs	36	52	
Exceptional Item	-	15	
<b>PBT</b>	<b>206</b>	<b>127</b>	<b>63%</b>
Tax	73	42	
<b>Net Profit</b>	<b>133</b>	<b>84</b>	<b>58%</b>
<b>Margin</b>	<b>7.7%</b>	<b>5.6%</b>	



# Annual Dividend Payout

Dividend Payout including DDT



The above dividend is based on Face Value of Rs. 2 per share

\*Note- Interim Dividend



**Company :**

**Hikal Limited**

**CIN: L24200MH1988PTC048028**

Mr. Kuldeep Jain

[Kuldeep\\_jain@hikal.com](mailto:Kuldeep_jain@hikal.com)

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

**SGA** Strategic Growth Advisors

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

**CIN: U74140MH2010PTC204285**

Mr. Jigar Kavaiya

+91-9920602034

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

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

**HIKAL**

---