

**Jubilant Ingrevia Limited**

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PRESS RELEASE

Noida, Tuesday, October 20, 2022

JUBILANT INGREVIA – Q2 & H1'FY23 RESULTS*

| Particulars ¹ | Q2'FY22 | Q2'FY23 | YoY (%) | H1'FY22 | H1'FY23 | YoY (%) |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Total Revenue from Operations | 1,223 | 1,304 | 7% | 2,367 | 2,469 | 4% |
| EBITDA | 202 | 160 | (21%) | 490 | 311 | (36%) |
| EBITDA Margin | 16.5% | 12.3% | | 21% | 13% | |
| Profit After Tax | 111 | 84 | (24%) | 279 | 164 | (41%) |
| PAT Margin | 9.1% | 6.5% | | 12% | 7% | |
| EPS - Face Value Re. 1 (Rs.) | 7.0 | 5.3 | (24%) | 17.6 | 10.3 | (41%) |

The Board of Jubilant Ingrevia Limited met today to approve financial results for the quarter ended September 30th, 2022.

Commenting on the Company's performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman, Jubilant Ingrevia Limited said:

"We are pleased to announce stable operational and financial performance during the quarter under review, despite continuing headwinds on account of higher energy costs during the current financial Year.

*Our **Specialty Chemicals Business** revenue grew by 63% YoY, on account of better demand across all products within the segment. Margins are impacted mainly on account of higher cost of energy due to restriction on contracted coal supplies. While we expect the coal supply to normalize soon we continue to explore alternate energy solutions for future.*

*In **Nutrition & Health Solution business** flu situation in US and Europe is normalizing, however demand of Vitamin B3 continue to be suppressed owing to post flu impact and excess inventory across the value chain. Our focus on niche segments like Food & Cosmetics is showing positive results and we continue to increase our revenue share in this segment. We also believe that the demand challenges of Vitamin B3 are short term. We continue to improve market share in our Animal nutrition business of Vitamin B4 and other Branded Premix products.*

*Our **Chemical Intermediates Business** continue to witness strong demand resulting in volume growth. Business continues to improve its leadership position in Acetic Anhydride in domestic and international market. Revenue impact on YoY basis was primarily driven by lower prices of feed stock leading to lower sales prices of Ethyl Acetate and Acetic Anhydride.*

We believe Jubilant Ingrevia Limited is well-positioned to deliver robust growth in the future backed by its comprehensive growth plan for its growth projects. The performance in the coming quarters will be driven by higher share from Specialty Chemicals where Company is scaling its capacity and capability, Nutrition and Health Solutions where the Company is enhancing its value-added range of products and in Chemical Intermediates segment where our core emphasis is on enhancing healthy volume contributions".



Q2'FY23 Highlights

A. Consolidated

| Particulars ¹ | Q2'FY22 | Q2'FY23 | YoY (%) |
|---|--------------|--------------|--------------|
| Revenue | | | |
| Speciality Chemicals | 295 | 480 | 63% |
| Nutrition & Health Solutions | 179 | 114 | (36%) |
| Chemical Intermediates | 749 | 710 | (5%) |
| Total Revenue from Operations | 1,223 | 1,304 | 7% |
| Reported EBITDA | 202 | 160 | (21%) |
| Speciality Chemicals | 71 | 77 | 8% |
| Nutrition & Health Solutions | 35 | 14 | (61%) |
| Chemical Intermediates | 103 | 76 | (26%) |
| Unallocated Corporate (Expenses)/Income | -7 | -7 | - |
| PAT | 111 | 84 | (24%) |
| EPS | 7.0 | 5.3 | (24%) |
| Reported EBITDA Margins | 16.5% | 12.3% | |
| Speciality Chemicals | 24.1% | 16.0% | |
| Nutrition & Health Solutions | 19.5% | 11.9% | |
| Chemical Intermediates | 13.8% | 10.8% | |
| Net Margin | 9.1% | 6.5% | |

- Overall Revenue grew by 7% on YoY basis, led by higher sales performance of Speciality Chemical Business.
- Speciality Chemicals revenue grew by 63% YoY driven by volume growth across product segments
- Nutrition and Health Solutions business continued to witness lower demand owing to post flu impact and excess inventory situation across the value chain, coupled with short term demand impact in Europe due to on-going geo-political situation.
- Chemical Intermediates volume have grown while revenue is lower, mainly impacted on account of lower prices of key RM i.e. Acetic Acid.
- EBITDA is at Rs. 160 Crore. Higher input cost due to non-availability of contracted Coal, coupled with lower volumes offtake of Vitamin B3 has impacted EBITDA, though Specialty Chemical and Chemical Intermediate volumes have grown significantly.
- Lower EBITDA also resulted into lower profit after tax.
- ROCE for the quarter stood at 18.9% as against 27.8% in FY22 on TTM Basis
- ROE during the quarter stood at 14.5% as against 21.9% in 'FY22 on TTM basis

Segment Wise Analysis

B. Speciality Chemicals

| Particulars ¹ | Q2'FY22 | Q2'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 295 | 480 | 63% |
| Reported EBITDA | 71 | 77 | 8% |
| Reported EBITDA Margin (%) | 24.1% | 16.0% | |

- Specialty Chemicals revenue grew by 63% on YoY basis driven by higher volume across product segments
- Share of revenue to customers having Agro Chemical end use increased during the quarter.
- We also witnessed healthy demand for Oil field chemicals.
- Segment EBITDA increased by 8% on the back of higher volumes, but Margin was lower mainly due to higher cost of energy due to restriction on contracted coal supplies.



C. Nutrition & Health Solutions

| Particulars ¹ | Q2'FY22 | Q2'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 179 | 114 | (36%) |
| Reported EBITDA | 35 | 14 | (61%) |
| Reported EBITDA Margin (%) | 19.5% | 11.9% | |

- Nutritional Business revenue de-grew by 36%, on account of lower demand owing to post flu impact and excess inventory situation across the value chain, coupled with short term demand impact in Europe due to on-going geo-political situation.
- Animal nutrition business has improved market share of Vitamin B4 and other Branded Premix products.
- Share of Food and Cosmetic in segment revenue grew YoY.
- EBITDA de-grew by 61% on YoY basis. EBITDA margin decreased mainly on account of lower sales volumes of vitamin B3.

D. Chemical Intermediates Segment

| Particulars ¹ | Q2'FY22 | Q2'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 749 | 710 | (5%) |
| Reported EBITDA | 103 | 76 | (26%) |
| Reported EBITDA Margin (%) | 13.8% | 10.8% | |

- Chemical Intermediates revenue de-grew by 5% on YoY basis mainly due to input price of Acetic Acid while Acetic Anhydride volume grew by 13% on YoY basis.
- Business continue to strengthen its position with higher market share and significant revenue growth in Europe region.
- EBITDA was lower due to stock impact on lower feed stock prices and Lower demand of Ethyl Acetate.



H1'FY23 Highlights

E. Consolidated

| Particulars ¹ | H1'FY22 | H1'FY23 | YoY (%) |
|---|--------------|--------------|--------------|
| Revenue | | | |
| Speciality Chemicals | 600 | 863 | 44% |
| Nutrition & Health Solutions | 346 | 264 | (24%) |
| Chemical Intermediates | 1,422 | 1,343 | (6%) |
| Total Revenue from Operations | 2,367 | 2,469 | 4% |
| Reported EBITDA | 490 | 311 | (36%) |
| Speciality Chemicals | 155 | 141 | (9%) |
| Nutrition & Health Solutions | 61 | 32 | (47%) |
| Chemical Intermediates | 287 | 153 | (47%) |
| Unallocated Corporate (Expenses)/Income | -14 | -15 | - |
| PAT | 279 | 164 | (41%) |
| EPS | 17.6 | 10.3 | (41%) |
| Reported EBITDA Margins | 20.7% | 12.6% | |
| Speciality Chemicals | 25.9% | 16.4% | |
| Nutrition & Health Solutions | 17.7% | 12.2% | |
| Chemical Intermediates | 20.2% | 11.4% | |
| Net Margin | 11.8% | 6.6% | |

- Overall Revenue grew by 4% on YoY basis, mainly due to higher sales performance by Speciality Chemical Business.
- Speciality Chemicals revenue grew by 44% YoY driven by volume growth across product segments
- Nutrition and Health Solutions business performance was impacted mainly due to impact of Bird & Swine Flu in EU & US region and overall excess inventory situation across the value chain, coupled with short term demand impact in Europe due to on-going geo-political situation.
- Chemical Intermediates volume have grown while revenue is impacted mainly due to lower prices of key RM i.e. Acetic Acid.
- EBITDA at Rs. 311 Crore. The EBITDA is impacted due to Chemical Intermediate segments EBITDA normalization, lower volumes offtake of Vitamin B3 and higher input costs impact in Speciality chemical business due to non-availability of contracted coal.
- Lower EBITDA also resulted into lower profit after tax.
- ROCE for the period stood at 18.9% as against 27.8% in FY22 on TTM Basis
- ROE during the period stood at 14.5% as against 21.9% in 'FY22 on TTM basis

Segment Wise Analysis

F. Speciality Chemicals

| Particulars ¹ | H1'FY22 | H1'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 600 | 863 | 44% |
| Reported EBITDA | 155 | 141 | (9%) |
| Reported EBITDA Margin (%) | 25.9% | 16.4% | |

- Specialty Chemicals revenue grew by 44% on YoY basis driven by higher volume across product segments
- Share of revenue to customers having Agro Chemical end use grew significantly.
- We also witnessed healthy demand for Oil field chemicals.
- In-spite of significantly improved volumes in the Segment, EBITDA and Margin are lower mainly due to higher cost of energy due to restriction on contracted coal supplies.

G. Nutrition & Health Solutions

| Particulars ¹ | H1'FY22 | H1'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 346 | 264 | (24%) |
| Reported EBITDA | 61 | 32 | (47%) |
| Reported EBITDA Margin (%) | 17.7% | 12.2% | |

- Nutritional Business revenue de-grew by 24%, as the demand was adversely impacted mainly due to impact of Bird & Swine Flu in EU & US region coupled with short-term demand impact in Europe due to on-going geo-political situation.
- Niacinamide volumes were down by 48%.
- EBITDA de-grew by 47% on YoY basis. EBITDA margin decreased mainly on account of lower sales volumes of vitamin B3.

H. Chemical Intermediates Segment

| Particulars ¹ | H1'FY22 | H1'FY23 | YoY (%) |
|----------------------------|---------|---------|---------|
| Revenue | 1,422 | 1,343 | (6%) |
| Reported EBITDA | 287 | 153 | (47%) |
| Reported EBITDA Margin (%) | 20.2% | 11.4% | |

- Chemical Intermediates revenue de-grew by 6% on YoY basis
- Acetic Anhydride volume growth by 17% on YoY basis.
- Revenue de-growth was driven by lower prices of feed stock ie Acetic Acid
- Revenue from Europe & South East Asia regions have gone up significantly on YoY basis while we continue to strengthen our leadership position in Domestic market.
- EBITDA was lower due to normalization of market condition vs H1 FY'22.

I. Business Outlook & Growth Capex Plans

- We expect our H2 performance to be better than H1, assuming no unexpected adverse situation.
- We expect overall healthy revenue growth during FY'23, led by volume growth in Specialty Chemicals & Chemical intermediate business segment. Commissioning of our new capex during H2 is likely to aid the growth.
- We are fully committed towards our growth aspirations and we are excited to realise the emerging opportunities through our ongoing Growth Capex plan of Rs. 2,050 Crore during FY'22 to FY'25 Period.
- We continue our efforts towards improving our revenue mix of Specialty and Nutrition segments to 65% by FY'27 from 46% in FY'22 and we believe this to be a key driver for overall margin improvements.

J. Debt Position – As on 30Th June, 2022

| Particulars ¹ | 30-Sep-21 | 31-Mar-22 | 30-Sep-22 |
|--------------------------|------------|------------|------------|
| Long Term Borrowings | 218 | 100 | - |
| Short Term Borrowings | 45 | 129 | 384 |
| Total Gross Debt | 263 | 229 | 384 |
| Cash & Equivalent | 70 | 49 | 102 |
| Total Net Debt | 193 | 181 | 282 |

- We have completely paid off our high cost long term borrowing resulting into lower blended interest rate of 5.84% in Q2'FY23.
- India Ratings has upgraded its Credit Rating on the long-term Debt of Jubilant Ingrevia Ltd to AA+ 'stable' from earlier AA 'Stable' in Sept 22

K. Balance Sheet – Key Parameters/Ratios (TTM²)

| Particulars | FY22 | H1'FY23 ² |
|--|-------|----------------------|
| RoCE | 27.8% | 18.9% |
| RoE | 21.9% | 14.5% |
| Asset Turnover | 2.8x | 2.9x |
| Return On Asset | 13.3% | 9.1% |
| Net Working Capital (<i>Rs Crore</i>) | 802 | 903 |
| No Of Days of Working Capital | 59 | 65 |
| Working Capital % to Annualised Turnover | 16.2% | 17.9% |

- Increase in Net Working Capital is driven by short term strategic decision of inventory building of certain products and temporary lower creditors due to procurement of Domestic Ethanol.

L. Income Statement – Q2 & H1'FY23

| Particulars ¹ | Q2'FY22 | Q2'FY23 | YoY (%) | H1'FY22 | H1'FY23 | YoY (%) |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Revenue from Operations | 1,223 | 1,304 | 7% | 2,367 | 2,469 | 4% |
| Speciality Chemicals | 295 | 480 | 63% | 600 | 863 | 44% |
| Nutrition & Health Solutions | 179 | 114 | (36%) | 346 | 264 | (24%) |
| Chemical Intermediates | 749 | 710 | (5%) | 1,422 | 1,343 | (6%) |
| Total Expenditure | 1,103 | 1,151 | 4% | 1,890 | 2,176 | 15% |
| Other Income | 7 | 7 | 5% | 13 | 17 | 34% |
| Segment EBITDA | | | | | | |
| Speciality Chemicals | 71 | 77 | 8% | 155 | 141 | (9%) |
| Nutrition & Health Solutions | 35 | 14 | (61%) | 61 | 32 | (47%) |
| Chemical Intermediates | 103 | 76 | (26%) | 287 | 153 | (47%) |
| Unallocated Corporate (Expenses)/Income | -7 | -7 | (4%) | -14 | -15 | (11%) |
| Reported EBITDA | 202 | 160 | (21%) | 490 | 311 | (36%) |
| Depreciation and Amortization | 31 | 31 | 1% | 62 | 62 | 0% |
| Finance Cost | 7 | 5 | (29%) | 20 | 9 | (54%) |
| Profit before Tax (Before Exceptional Items) | 165 | 124 | (25%) | 408 | 240 | (41%) |
| Exceptional Items | - | - | 0% | - | 0 | 0% |
| Profit before Tax (After Exceptional Items) | 165 | 124 | (25%) | 408 | 240 | (41%) |
| Tax Expenses (Net) | 54 | 40 | (26%) | 129 | 76 | (41%) |
| PAT | 111 | 84 | (24%) | 279 | 164 | (41%) |
| EPS - Face Value Re. 1 (Rs.) | 7.0 | 5.3 | (24%) | 17.6 | 10.3 | (41%) |
| Segment EBITDA Margins | | | | | | |
| Speciality Chemicals | 24.1% | 16.0% | | 25.9% | 16.4% | |
| Nutrition & Health Solutions | 19.5% | 11.9% | | 17.7% | 12.2% | |
| Chemical Intermediates | 13.8% | 10.8% | | 20.2% | 11.4% | |
| Reported EBITDA Margin | 16.5% | 12.3% | | 20.7% | 12.6% | |
| Net Margin | 9.1% | 6.5% | | 11.8% | 6.6% | |

1. All figures are in Rs Crore unless otherwise stated



About Jubilant Ingrevia Limited

Jubilant Ingrevia Limited is a global integrated Life Science products and Innovative Solutions provider serving Pharmaceutical, Nutrition, Agrochemical, Consumer and Industrial customers with customised products and solutions that are innovative, cost-effective and conforming to excellent quality standards.

The Company offers a broad portfolio of high quality ingredients that find application in a wide range of industries. The company has 2,100 employees and serves more than 1,400 customers in more than 50 countries across the world. The Company's portfolio also extends to custom research and manufacturing for pharmaceutical and agrochemical customers on an exclusive basis.

Jubilant Ingrevia is a Responsible Care certified company, driven by the motive to add value to millions of lives through innovations and cutting-edge technology. As a leader in key products that the Company manufactures, it takes pride in being a partner of choice for its valued customers.

For more information, please visit: www.jubilantingrevia.com.

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Earnings Call details: The company will host earnings call at 5.00 PM IST on

| 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 ExpressJoin 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> |
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| 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 |
| Replay Facility: | Available from October 20 to October 27 Dial in No.: +91 22 7194 5757 / +91 22 6663 5757 Playback ID: 54868# |



Disclaimer:

Note 1

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 product characteristics and uses, product sales potential and target dates for product launch 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. Jubilant Ingrevia Limited may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and our reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.