



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

June 14, 2021

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051

Scrip Code : JBCHEPHARM

Dear Sir,

Sub: Company Presentation

Enclosed is Company's presentation on financial results for the quarter and year ended on March 31, 2021. The Company proposes to make/circulate this presentation to the investors/analysts.

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

Q4 & FY21 – FINANCIAL RESULTS

JB CHEMICALS AND PHARMACEUTICALS LIMITED



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Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

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Company Overview



**Q4 & FY21 Financial
Performance**



**Historical Financial
Performance**



Company Overview

Corporate Snapshot



40+

Years of operations with consistent track record across multiple businesses

5

Brands among top 300 brands, contributing over 70% of domestic formulations revenues

21%

Growth in chronic therapies* in the domestic formulations business

#2,100+

India field force expanded, significantly over FY17-FY20 with therapy-focused segmentation

40+

Regulated/semi-regulated markets of presence through direct operations and distributors

Top 5

Global manufacturer of medicated/herbal lozenges representing a substantial opportunity

7

Multi-location plants producing formulations and API's with key global approvals/compliances

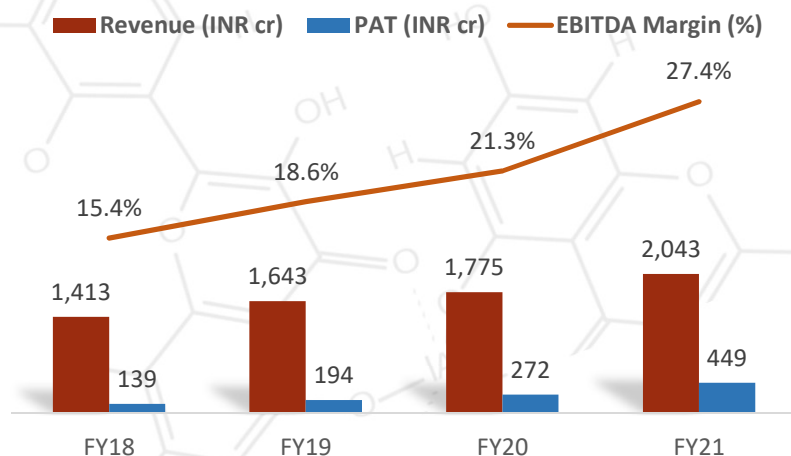
****42%**

ROCE with strong cash position and consistent cash flow generation

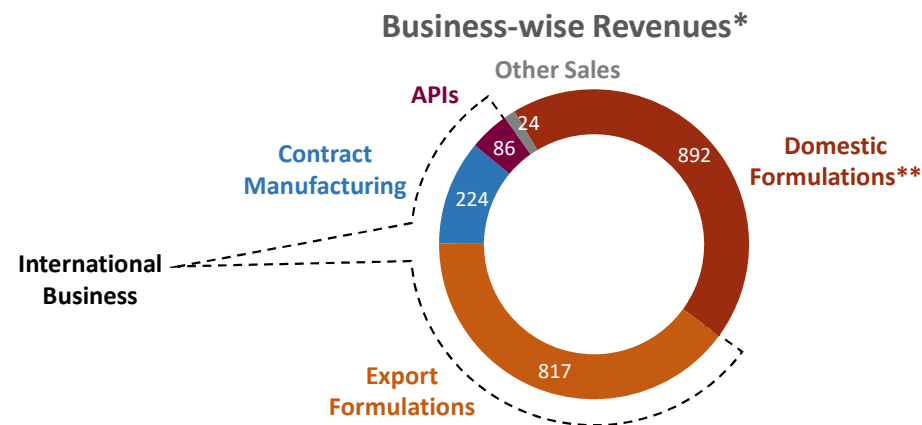
* CAGR over FY17-FY21

Includes MR and Supervisors

** ROCE for FY21; $ROCE = EBIT / (Net\ Worth + Debt - Mutual\ Fund\ Investments)$



Financial Year ends on 31st March



* Based on FY21 Revenues: INR 2,043 crore ** Includes Contrast Media

Domestic Formulations: Outperformance Driven by Strong Brands

JBCPL is among the fastest growing pharma companies

21% Vs market growth** of 4%

Leadership position in the covered markets

35% + share in 5 molecule categories

Position in IPM

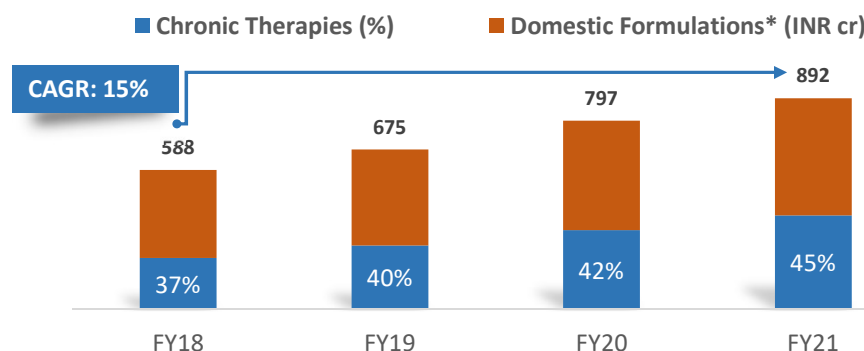
28 Rank in IPM

No of brands in Top 300

5 Brands with average growth registered @ 20+%

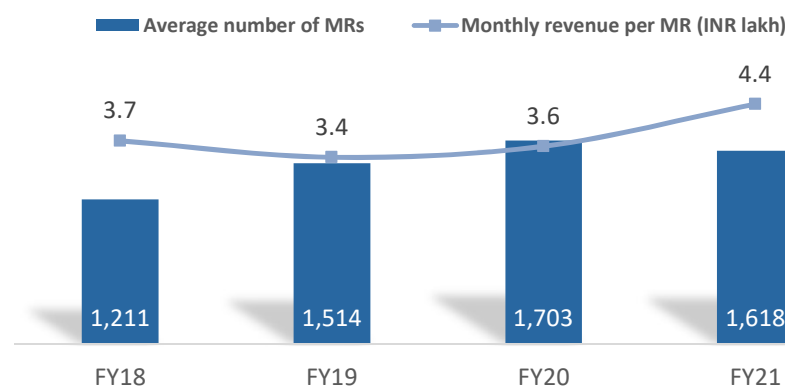
**MAT Growth March '21 – IQVIA published

Strong performance in chronic therapies



*Includes Contrast Media

Potential to further leverage investments made in distribution





International Business: Clearly Defined Businesses Across Geographies

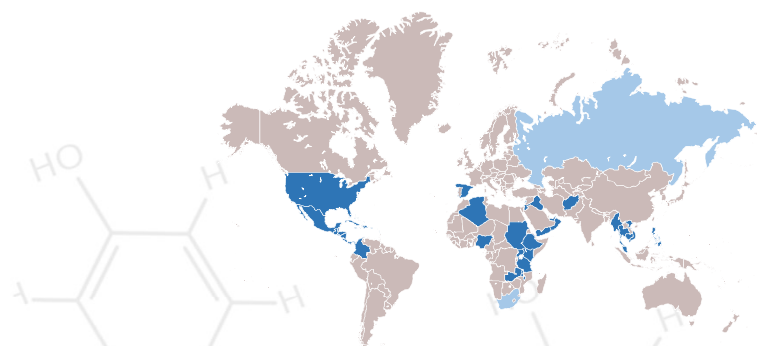
International Formulations

Direct presence in Russia and South Africa

Distributor relationships in the US, Asia, Africa and LatAm

Direct front-end presence

Distributor-led model



CMO

Leading global position in \$4.6 bn lozenges market opportunity

Marquee global clients in pharma and consumer sectors

APIs

Leading capabilities with deep customer relationships

Substantial available capacities to drive growth

Manufacturing Capabilities

Tablets, Capsules, Sachets, Liquids, Topicals, Vials, Lozenges, IV Infusions, Bulk Drugs,

Compliance Approvals

USFDA, UK, EU, Australia, Canada, Russia, Ukraine, South Africa, Brazil, MOH Japan, MOH Korea, Semi-regulated Markets

International Business Revenues
Rs.1,127 crore



Intl Formulations*
72 %

CMO*
20 %

APIs*
8 %

* As % to international revenue



Q4 & FY21 Financial Performance

CEO's Message



Nikhil Chopra, CEO, JBCPL on Business Outlook:

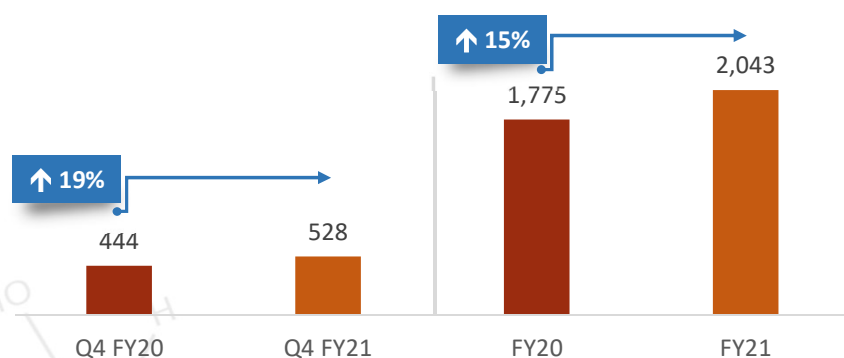


"Our financial performance for FY21 has been encouraging in one of the most challenging periods in recent history. We are pleased with the strength showcased by all our business units – with the India business continuing to record market-beating growth for the year – backed by a new consolidated go-to-market strategy with therapy diversification plans and strong transformation levers to sustain growth. Our international formulations business has performed well and shows great promise with a focused growth strategy for our key markets, aided by new launches. Overall, our plans of strengthening R&D capabilities to support our medium to long-term growth opportunities and various cost efficiency initiatives instituted over the last year places us well to enhance value for all our key stakeholders."

Financial Overview

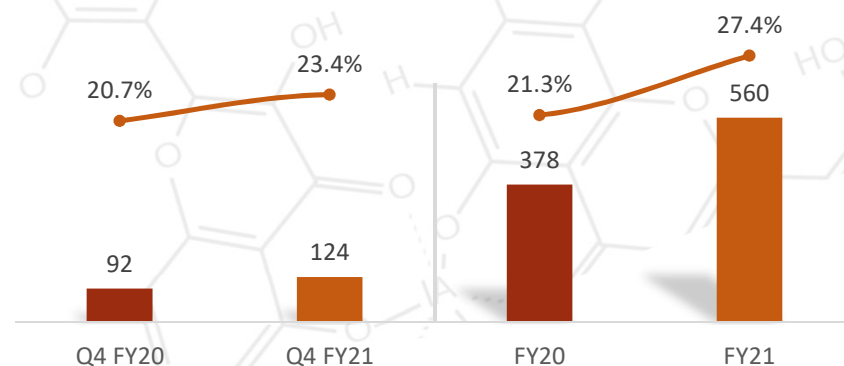


Revenues (INR cr)



- Robust performance with strong revenue growth momentum during the year for both, the Domestic formulation and the international business.
- Domestic Formulations maintains secular outperformance compared to IPM growth rates, driven by strength in chronic segments and expanding prescriber coverage
- Good sales traction and improvement seen in line with internal expectation in acute and hospital segment in the fourth quarter
- International business registered strong growth despite tough COVID-19 related challenges and uncertainty in many countries

EBITDA (INR cr) — Margin (%)

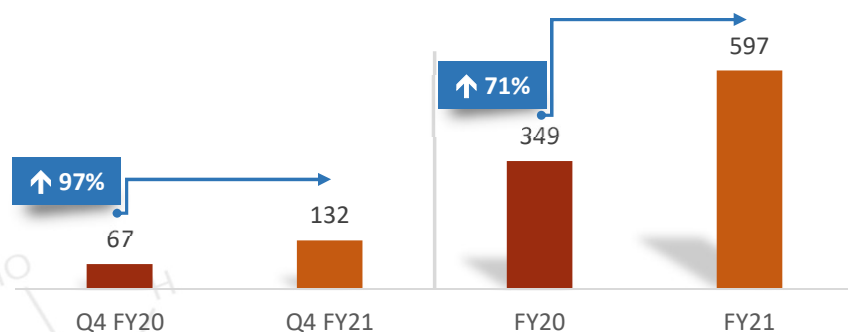


- Margin performance continues to be encouraging, driven both, by growth in topline and operating leverage
- Better product and geography mix and favorable exchange rate, particularly during H1 supported margin growth and expansion during the year.
- Strong operating performance and subdued expenses base due to COVID-19 lockdown, led to healthy expansion in EBITDA margins for the year.

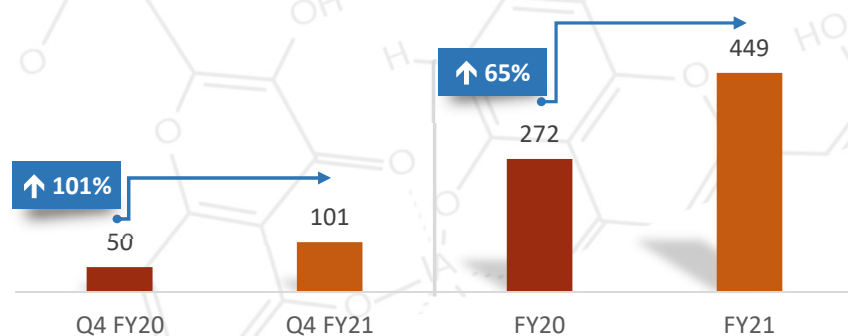
Financial Overview



Profit Before Tax (INR cr)



Profit After Tax (INR cr)

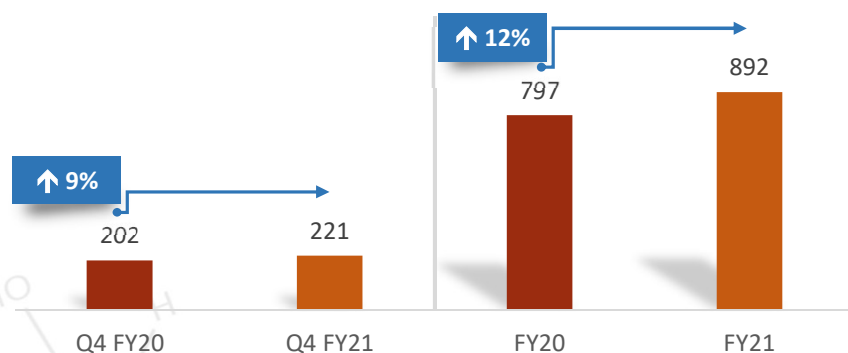


- Strong operating performance and subdued expenses base due to COVID-19 lockdown, also had a positive impact on the PBT for the year.
- Certain non recurring income related to sale of product registration (~Rs. 34 crores) and sale of assets (~Rs. 20 crores) also helped expansion of overall profitability during the year.
- Effective Tax Rate to remain at the current level of ~25%
- Healthy growth in profitability led to expansion in Earnings Per Share to Rs. 58 per share for FY21.
- The Board has recommended final dividend of Rs.8 per share in its meeting held today.
- Earlier, Board declared interim dividend of Rs.8.5 per share during FY 21

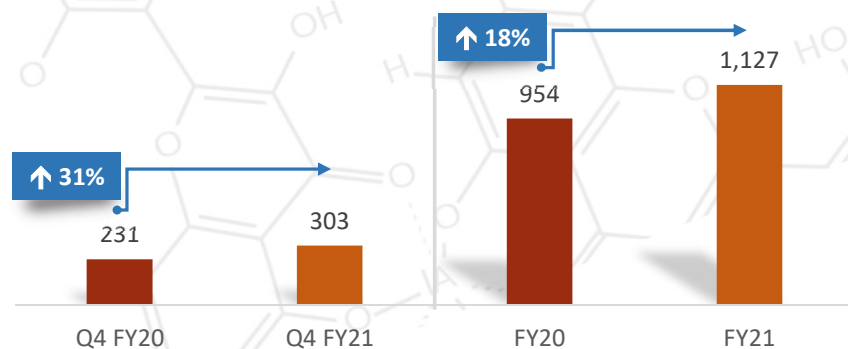
Revenue Analysis



Domestic Formulations* (INR cr)



International Business** (INR cr)



- India business delivered a robust market beating performance through the year: JBCPL at 21% growth vs IPM market at 4.5% (IQVIA MAT 21 data)
 - Improved overall rank by four positions in IPM from #32 to #28
 - Business driven by growth in our big brands viz. Cilacar and Rantac
 - Cilacar is one of the fastest growing brands in the Cardiology segment
 - Introduced multiple products in core therapies such as cardio-metabolic, pediatrics and hypertension
 - Instituted a core nephrology taskforce to capitalize on strengths in this therapeutic area
 - Designed and rolled out the new Go-To-Market model with re-organization of sales force and focus on progressive portfolio
 - Digital enhancement initiatives with launch of the sales force automation platform
-
- Overall good momentum in the international markets aided by strong performance in South Africa and the US
 - Muted growth in Russia, due to Covid especially in the [cough and cold], which accounts for major part of Russia business
 - However, strong export order book for other emerging markets
 - API business recorded positive sales growth from international markets – US and Europe
 - Logistics situation gradually improved in Q4, however situation continues to be uncertain

*includes Contrast Media

**consists of Export Formulations, Contract Manufacturing and APIs

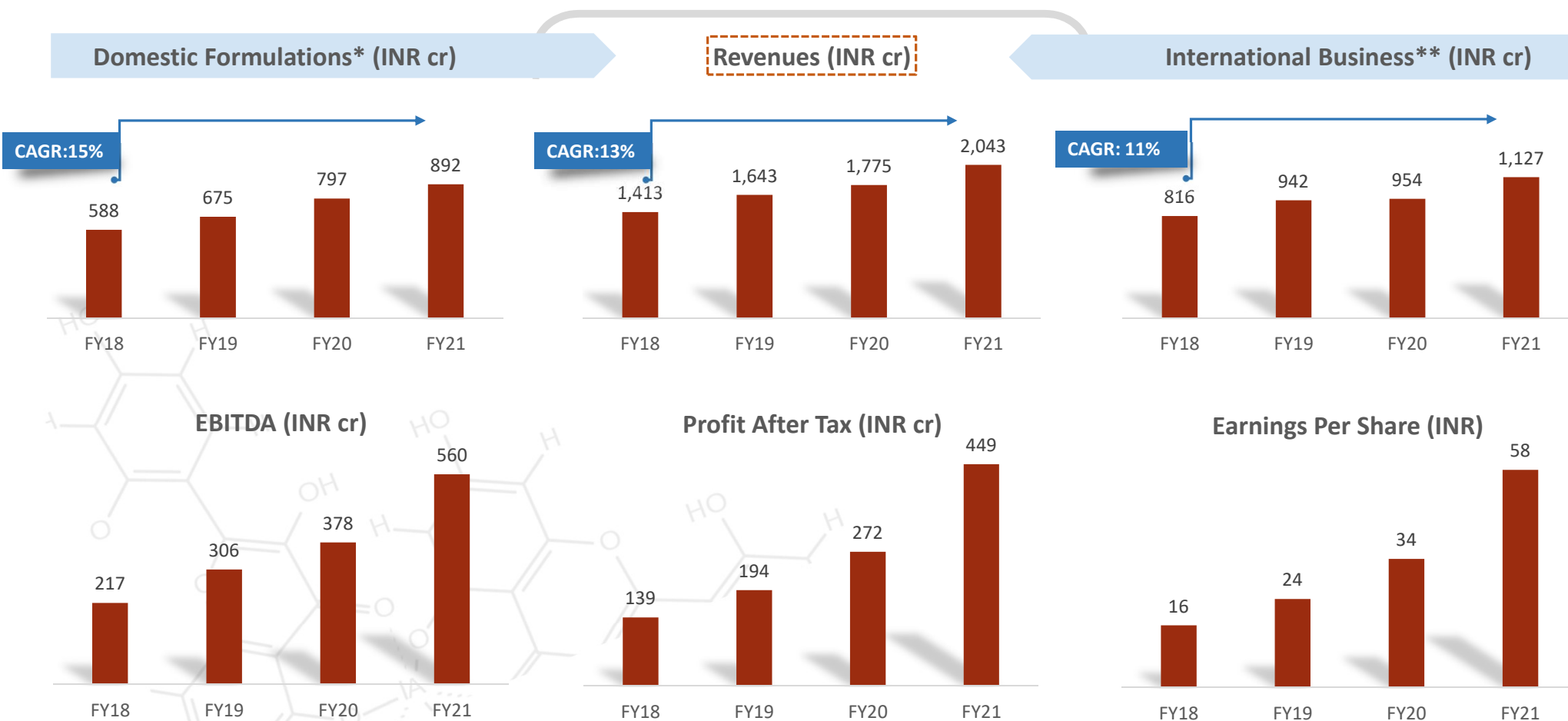
Q4 & FY21 – Financial Performance

Particulars (Rs. Crore)	Q4 FY21	Q4 FY20	YoY Growth	FY21	FY20	YoY Growth
Revenue from Operations	528.5	443.5	19%	2,042.5	1,774.7	15%
Cost of Goods Sold	194.5	147	32%	701.5	630.8	11%
Employee Benefit Expenses	86.2	85.5	0.8%	340.6	322.9	5.5%
Other Expenses	123.9	119.3	3.9%	440	443.4	-0.8%
EBITDA	123.9	91.7	35.1%	560.4	377.6	48.4%
EBITDA Margin	23.4%	20.7%		27.4%	21.3%	
Depreciation	16.5	17.4	-5.2%	68.7	66.3	3.6%
Finance Costs	0.7	0.5	40.0%	7.2	3	140.0%
Other Income	25.3	3.2	690.6%	112.4	50.7	121.7%
Profit Before Exceptional Items and Tax	132.0	77.0	71.4%	596.9	358.9	66.3%
Exceptional Items	0.0	10		0	10	
Profit Before Tax	132.0	67.0	97.0%	596.9	348.9	71.1%
Tax Expenses	31.2	16.9	84.6%	148.4	76.5	94.0%
Net Profit After Tax	100.80	50.1	101.2%	448.5	272.4	64.6%
Other Comprehensive Income (OCI)	-5.7	-18.1	68.5%	0.3	-15	102.0%
Net Profit After OCI	95.1	32.0	197.2%	448.8	257.4	74.4%
Paid-up Equity Share Capital	15.5	15.5	0	15.5	15.5	0
Diluted EPS (Rs.)	13.02	6.30	106.6%	57.96	34.20	69.4%



Historical Financial Performance

Strong revenue growth



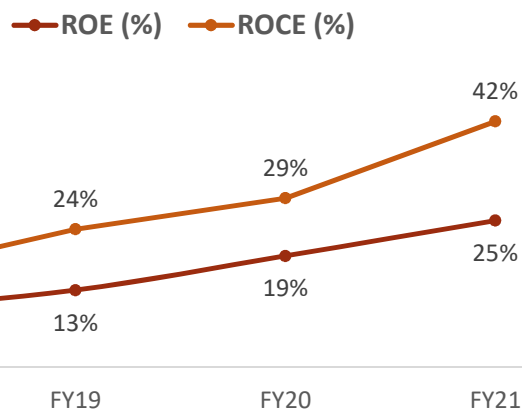
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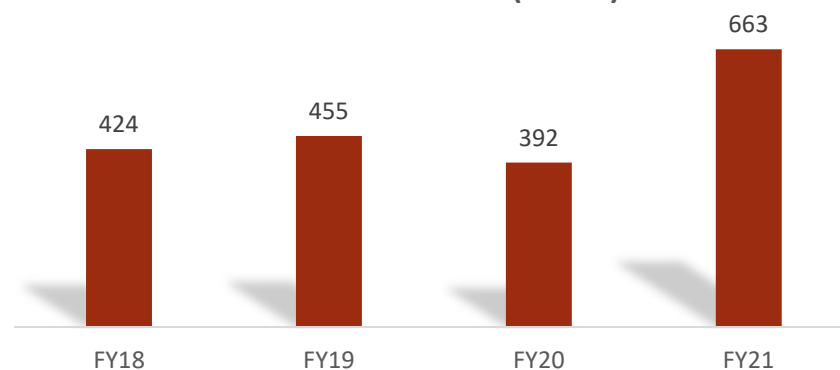
Financial Performance Analysis

Particulars	FY18	FY19	FY20	FY21
Gross Margin	61.9%	63.7%	64.5%	65.7%
Employee Cost/Revenues	17.8%	17.5%	18.2%	16.7%
Operating Expenses/Revenues	28.8%	27.5%	25.0%	21.5%
EBITDA Margin	15.4%	18.6%	21.3%	27.4%
EBIT Margin	11.3%	15.2%	17.5%	24.1%
Net Margin	10.0%	11.8%	15.3%	22.0%

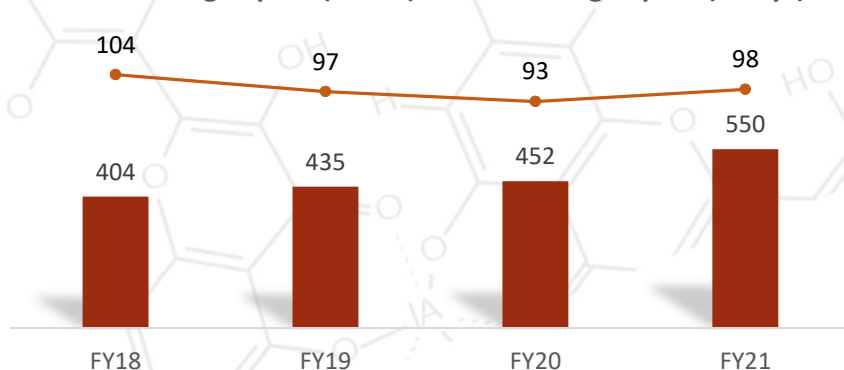
Substantial improvements in shareholder returns and consistent cash generation



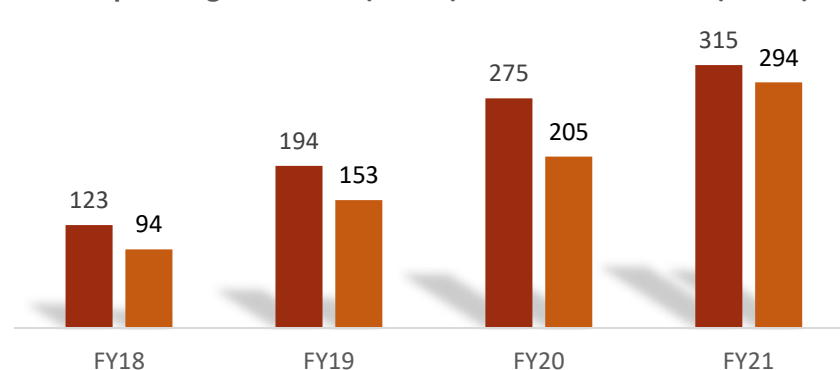
Net Cash Position (INR cr)



Working Capital (INR cr) Working Capital (# days)



Operating Cash Flow (INR cr) Free Cash Flow (INR cr)



* $ROCE = EBIT / (Net\ Worth + Debt + Mutual\ Fund\ Investments)$

About J.B. Chemicals & Pharmaceuticals Limited



J.B. Chemicals and Pharmaceuticals Limited (JBCPL) (BSE: 506943 | NSE: JBCHEPHARM | ISIN: INE572A01028), established in 1976, is one of the fastest growing pharmaceutical companies in India and a leading player in the hypertension segment. Besides its strong India presence, which accounts for majority of its revenue, its other two home markets are Russia and South Africa. In India, the company has five brands among the top 300 brands in the country. The company exports its finished formulations to over 30 countries including the USA. Besides supplying branded generic formulations to several countries, it is also a leader in the manufacturing of medicated lozenges. The company ranks among the top 5 manufacturers globally in medicated and herbal lozenges. It has seven state of the art manufacturing facilities in India including a dedicated manufacturing facility for medicated lozenges. The manufacturing facilities are certified by leading regulators across the world.

For more details on J.B. Chemicals and Pharmaceuticals Limited, please visit www.jbcpl.com.

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Thank You