

Fermenta Biotech Limited (formerly known as DIL Limited)

CIN: L99999MH1951PLC008485

Regd. Office: A - 1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (W) - 400 610, Maharashtra, India.

Tel. : +91-22-6798 0888 Fax. : +91-22-6798 0899

Email : info@fermentabiotech.com, Website. : www.fermentabiotech.com



Ref: F.No.:49

September 14, 2020

**Corporate Relations
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001**

Dear Sir,

Sub.: Intimation of Earnings Presentation for Quarter 1 – Financial Year 2020-2021

Ref: Scrip Code: 506414

Further to our intimation regarding approval of un-audited Financial Results (Standalone and Consolidated) by the Board of Directors for the quarter ended June 30, 2020, we hereby enclose a copy of Earnings Presentation for Quarter 1 – Financial Year 2020-2021.

The said Earnings Presentation will thereafter be uploaded on Company's website at www.fermentabiotech.com

Kindly take the same on record.

Thanking you,

Yours faithfully,

for **Fermenta Biotech Limited**

[Formerly known as DIL LIMITED]

Srikant N Sharma

Company Secretary

CS Membership No: F3617

A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (W) 400610

Encl: As above

Factory : Village Takoli, P.O. Nagwain,
Dist. Mandi - 175 121, Himachal Pradesh, India.
Tel. : +91-1905-287246 / 48 / 49
Fax: +91-1905-287250
Email: info@fermentabiotech.com
Website: www.fermentabiotech.com

Factory : Z - 109 B & C, SEZ II, Dahej,
Taluka - Vagara, Dist: Bharuch - 392 130,
Gujarat, India.
Tel. : +91-2641-291440 / 444
Email: info@fermentabiotech.com
Website: www.fermentabiotech.com



FERMENTA BIOTECH LIMITED

Earnings Presentation | Q1-FY21



Only manufacturer of
Vitamin D3 in India



Amongst top 3 manufacturers
of Vitamin D3 globally



Global Presence in
50+ countries



Proprietary technology to
manufacture Vitamin D3



50 Years of Vitamin D3
manufacturing experience



2 Manufacturing Plants
registered with US-FDA (FFRM)



DSIR approved
R&D facility



8 new patents filed



Big 4 Statutory Auditor with
Deloitte



300+ clients across
the globe



Backward integrated



High Return Ratios

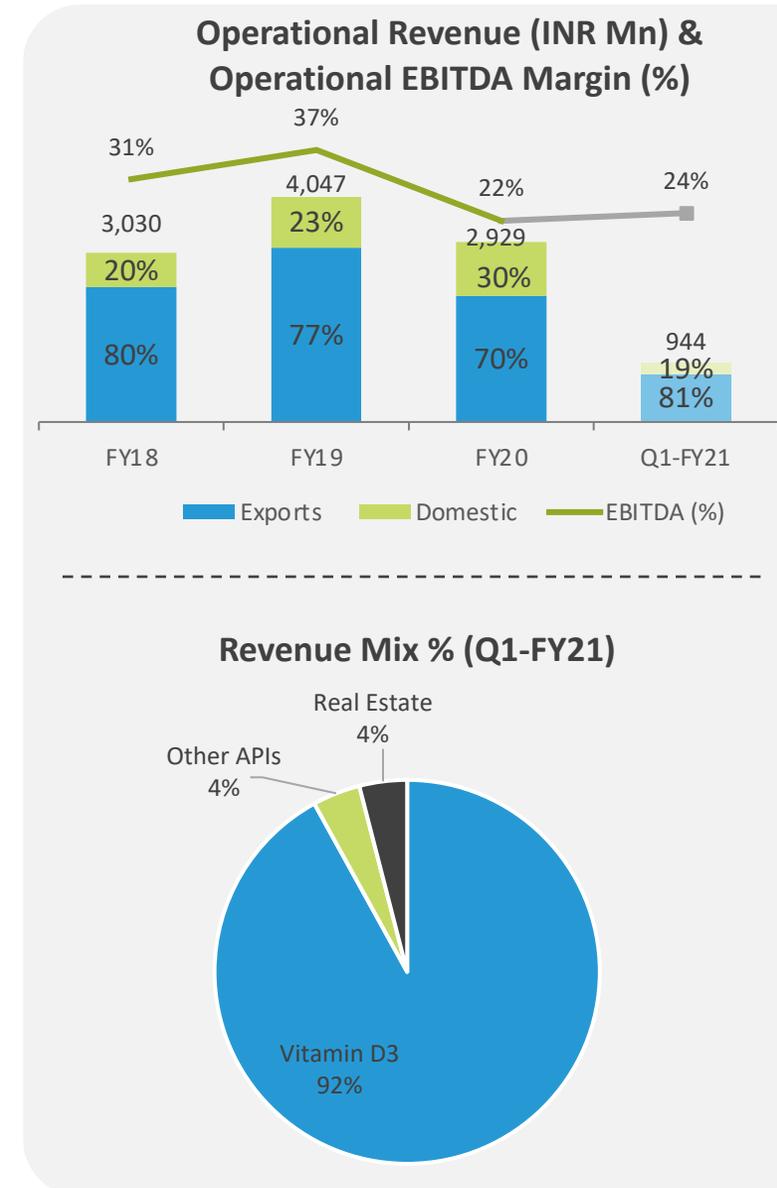
Company Overview



- Fermenta Biotech Limited (FBL) (Erstwhile DIL Ltd.) incorporated in 1951 by Dr. DVK Raju, is engaged in development and manufacturing of pharmaceuticals, biotechnology and environmental solutions used across various industries.
- On September 26, 2019, NCLT approved amalgamation of DIL & FBL which consolidated FBL's leadership capabilities backed by DIL's large asset base.
- With a rich history of six decades FBL has evolved as a key global player in manufacturing of Vitamin D3 in all its formats and has a non-China dependent supply chain.
- FBL manufactures a range of Vitamin D3 variants having an optimal mix between human and animal feed products which have applications across multiple sectors like:

- | | |
|--|-----------------|
| 1. Pharmaceuticals | 4. Animal feed |
| 2. Dietary and nutritional supplements | 5. Veterinary |
| 3. Food and beverage fortification | 6. Rodenticides |

- The company is also involved in manufacturing of APIs for muscle relaxant and anti-flatulent applications.
- FBL delivers innovative enzymes used in manufacturing of antibiotics and involved in environmental solutions used for waste water treatment and management.
- The company also has legacy properties at Thane and Worli in Mumbai for which it realizes significant rental income.



AL GROWTH

Manufacturing advertising
Business Incidentant us

22.10

24.78

Q1-FY21

FINANCIAL OVERVIEW



Q1-FY21 Standalone Performance:

- **Operational Income:** INR 1,009 Mn
- **Operational EBITDA:** INR 248 Mn
- **Operational EBITDA Margin:** 24.58%
- **Net Profit:** INR 163 Mn
- **PAT Margin:** 16.15%
- **Diluted EPS:** INR 5.65 per share

Q1-FY21 Consolidated Performance:

- **Operational Income:** INR 944 Mn
- **Operational EBITDA:** INR 223 Mn
- **Operational EBITDA Margin:** 23.62%
- **Net Profit:** INR 136 Mn
- **PAT Margin:** 14.41%
- **Diluted EPS:** INR 4.71 per share



Q1-FY21 Operational Highlights



- The prices of Vitamin D3 Animal Feed saw some strengthening in Q1-FY21 after being under pressure for the earlier 6 months.
- The Company opened a wholly owned USA subsidiary on May 27, 2020 in the name of Fermenta Biotech USA LLC to facilitate exports and enhance Company's business in North America.
- As on the Board Meeting date the company has received INR 5.81 Cr towards the ICD repayment & interest from the non-related party who had been given advances in the nature of ICD for the development of the new product i.e. cholesterol from Fish Oil.
- For the current financial year, COVID-19 is expected to have positive impact on the volumes of Human Vitamin D3, however the volumes of Animal Vitamin D3 might see some pressures.

Q1-FY21 – Standalone Income Statement (Ind-AS)



| PARTICULARS (INR Mn) | Q1-FY21 | Q1-FY20 | Y-o-Y | Q4-FY20 | Q-o-Q |
|--------------------------------------|---------------|---------------|------------------|---------------|----------------|
| Operational Revenue | 1,009 | 812 | 24.3% | 721 | 39.9% |
| Total Expenses | 761 | 566 | 34.5% | 586 | 29.9% |
| Operational EBITDA | 248 | 246 | 0.8% | 135 | 83.7% |
| Operational EBITDA Margin (%) | 24.58% | 30.30% | (572) Bps | 18.72% | 586 Bps |
| Other Income | 13 | 29 | (55.2)% | 26 | (50.0)% |
| Depreciation | 39 | 35 | 11.4% | 39 | NA |
| Finance Cost | 36 | 50 | (28.0)% | 40 | (10.0)% |
| PBT | 186 | 190 | (2.1)% | 82 | NA |
| Tax | 23 | 50 | (54.0)% | 10 | NA |
| PAT | 163 | 140 | 16.4% | 72 | NA |
| PAT Margins (%) | 16.15% | 17.24% | (109) Bps | 9.99% | 616 Bps |
| Other Comprehensive Income | - | 1 | NA | 17 | NA |
| Total Comprehensive Income | 163 | 141 | 15.6% | 89 | 83.1% |
| Diluted EPS (INR) | 5.65 | 4.86* | 16.3% | 2.50 | NA |

*Adjusted EPS post bonus issue in the proportion of 2:1

Q1-FY21 – Consolidated Income Statement (Ind-AS)



| PARTICULARS (INR Mn) | Q1-FY21 | Q1-FY20 | Y-o-Y | Q4-FY20 | Q-o-Q |
|--|---------------|---------------|------------------|---------------|----------------|
| Operational Revenue | 944 | 812 | 16.3% | 645 | 46.4% |
| Total Expenses | 721 | 567 | 27.2% | 550 | 31.1% |
| Operational EBITDA | 223 | 245 | (9.0)% | 95 | NA |
| Operational EBITDA Margin (%) | 23.62% | 30.17% | (655) Bps | 14.73% | 889 Bps |
| Other Income | 13 | 29 | (55.2)% | 26 | (50.0)% |
| Depreciation | 41 | 35 | 17.1% | 40 | 2.5% |
| Finance Cost | 36 | 49 | (26.5)% | 40 | (10.0)% |
| PBT | 159 | 190 | (16.3)% | 41 | NA |
| Tax | 23 | 49 | (53.1)% | 10 | NA |
| PAT before Associates & Joint Venture | 136 | 141 | (3.5)% | 31 | NA |
| Share of Loss of Associates & Joint Venture | - | - | NA | - | NA |
| PAT | 136 | 141 | (3.5)% | 31 | NA |
| PAT Margins (%) | 14.41% | 17.36% | 295 Bps | 4.81% | 960 Bps |
| Other Comprehensive Income | - | - | NA | 18 | NA |
| Total Comprehensive Income | 136 | 141 | (3.5)% | 49 | NA |
| Diluted EPS (INR) | 4.71 | 4.86* | (3.1)% | 1.09 | NA |

*Adjusted EPS post bonus issue in the proportion of 2:1

Historical Standalone Income Statement



| PARTICULARS (INR Mn) | FY20 | FY19 |
|---|---------------|---------------|
| Operational Revenue | 3,005 | 4,047 |
| Total Expenses | 2,311 | 2,634 |
| Operational EBITDA | 694 | 1,413 |
| <i>Operational EBITDA Margin (%)</i> | 23.09% | 34.91% |
| Other Income | 123 | 123 |
| Depreciation | 149 | 119 |
| Finance Cost | 193 | 206 |
| PBT | 475 | 1,211 |
| Tax | (162) | 107 |
| PAT | 637 | 1,104 |
| <i>PAT Margins (%)</i> | 21.20% | 27.28% |
| Other Comprehensive Income | 18 | (15) |
| Total Comprehensive Income | 655 | 1,089 |
| Diluted EPS (INR) | 21.96 | 38.24* |

*Adjusted EPS post bonus issue in the proportion of 2:1

Standalone Balance Sheet (Ind-AS)



| PARTICULARS (INR Mn) | FY20 | FY19 | PARTICULARS6069 (INR Mn) | FY20 | FY19 |
|-------------------------------------|--------------|--------------|--|--------------|--------------|
| Equity | 3,126 | 2,495 | Assets | | |
| a) Equity share capital | 144 | 46 | Non-current Assets | 3,272 | 2,557 |
| b) Share Pending issuance | - | 2 | a) Property, plant and equipment | 1,040 | 972 |
| c) Other equity | 2,982 | 2,447 | b) Capital work-in-progress | 671 | 207 |
| d) Non-controlling interests | - | - | c) Right of use assets | 162 | - |
| | | | d) Investment property | 707 | 733 |
| Liabilities | | | e) Goodwill | 41 | 41 |
| Non-current liabilities | 1,115 | 1,447 | f) Other intangible assets | 18 | 23 |
| a) Financial liabilities | | | g) Intangible assets under development | 37 | 9 |
| i) Borrowings | 1,018 | 1,352 | h) Investments | | |
| ii) Lease liabilities | 45 | - | i) Investments in subsidiaries | 8 | 7 |
| iii) Other financial liabilities | 6 | 19 | ii) Investments in associates | - | - |
| b) Provisions | 41 | 63 | i) Financial assets | | |
| c) Deferred tax liabilities (Net) | - | - | i) Investments | 3 | 6 |
| d) Other non-current liabilities | 5 | 13 | ii) Share application money | - | 60 |
| | | | iii) Loans | 2 | 3 |
| Current Liabilities | 1,855 | 1,568 | iv) Others financial assets | 41 | 46 |
| a) Financial liabilities | | | j) Deferred tax assets (Net) | 381 | 193 |
| i) Borrowings | 1,043 | 602 | k) Non-current tax assets (Net) | 91 | 33 |
| ii) Lease liabilities | 11 | - | l) Other non-current assets | 70 | 224 |
| ii) Trade payables | 472 | 435 | Current Assets | 2,824 | 2,953 |
| iii) Other financial liabilities | 297 | 425 | a) Inventories | 1,135 | 877 |
| b) Provisions | 6 | 6 | b) Financial assets | | |
| c) Other current liabilities | 23 | 49 | i) Investments | - | 11 |
| d) Current tax liabilities (Net) | 3 | 51 | ii) Trade receivables | 774 | 656 |
| | | | iii) Cash and cash equivalents | 68 | 404 |
| | | | iv) Bank balances other than (iii) above | 256 | 504 |
| | | | v) Loans | 213 | 118 |
| | | | vi) Other financial assets | 129 | 26 |
| | | | c) Other current assets | 249 | 357 |
| TOTAL EQUITY AND LIABILITIES | 6,096 | 5,510 | TOTAL ASSETS | 6,096 | 5,510 |

Historical Consolidated Income Statement



| PARTICULARS (INR Mn) | FY20 | FY19 | FY18 |
|--|---------------|---------------|---------------|
| Operational Revenue | 2,929 | 4,047 | 3,030 |
| Total Expenses | 2,277 | 2,558 | 2,100 |
| Operational EBITDA | 652 | 1,489 | 930 |
| Operational EBITDA Margin (%) | 22.26% | 36.79% | 30.69% |
| Other Income | 123 | 124 | 89 |
| Depreciation | 150 | 119 | 123 |
| Finance Cost | 191 | 207 | 136 |
| PBT | 434 | 1,287 | 760 |
| Tax | (161) | 108 | 212 |
| PAT before Associates & Joint Venture | 595 | 1,179 | 548 |
| Share of Loss of Associates & Joint Venture | - | (4) | (85) |
| PAT | 595 | 1,175 | 463 |
| PAT Margins (%) | 20.31% | 29.03% | 15.28% |
| Other Comprehensive Income | 17 | (15) | - |
| Total Comprehensive Income | 612 | 1,160 | 463 |
| Diluted EPS (INR) | 20.53 | 40.70* | 36.75 |

*Adjusted EPS post bonus issue in the proportion of 2:1

Consolidated Balance Sheet (Ind-AS)



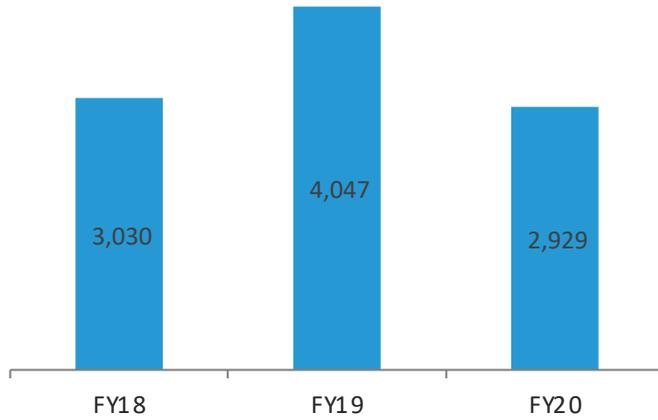
| PARTICULARS (INR Mn) | FY20 | FY19 | PARTICULARS (INR Mn) | FY20 | FY19 |
|-------------------------------------|--------------|--------------|--|--------------|--------------|
| Equity | 3,094 | 2,506 | Assets | | |
| a) Equity share capital | 144 | 46 | Non-current Assets | 3,297 | 2,556 |
| b) Share Pending issuance | | 2 | a) Property, plant and equipment | 1,040 | 973 |
| c) Other equity | 2,950 | 2,458 | b) Capital work-in-progress | 671 | 207 |
| d) Non-controlling interests | 0.1 | 0.1 | c) Right of use assets | 143 | - |
| | | | d) Investment property | 713 | 738 |
| Liabilities | | | e) Goodwill | 41 | 41 |
| Non-current liabilities | 1,097 | 1,447 | f) Other intangible assets | 65 | 23 |
| a) Financial liabilities | | | g) Intangible assets under development | 37 | 9 |
| i) Borrowings | 1,018 | 1,352 | h) Investments | | |
| ii) Lease liabilities | 27 | - | i) Investments in subsidiaries | - | - |
| iii) Other financial liabilities | 6 | 19 | ii) Investments in associates | - | - |
| b) Provisions | 41 | 63 | i) Financial assets | | |
| c) Deferred tax liabilities (Net) | - | - | i) Investments | 3 | 6 |
| d) Other non-current liabilities | 5 | 13 | ii) Share application money | - | 60 |
| | | | iii) Loans | 2 | 3 |
| Current Liabilities | 1,946 | 1,559 | iv) Others financial assets | 40 | 46 |
| a) Financial liabilities | | | j) Deferred tax assets (Net) | 381 | 193 |
| i) Borrowings | 1,043 | 602 | k) Non-current tax assets (Net) | 91 | 33 |
| ii) Lease liabilities | 11 | - | l) Other non-current assets | 70 | 224 |
| ii) Trade payables | 564 | 427 | Current Assets | 2,840 | 2,956 |
| iii) Other financial liabilities | 297 | 425 | a) Inventories | 1,286 | 877 |
| b) Provisions | 5 | 5 | b) Financial assets | | |
| c) Other current liabilities | 23 | 49 | i) Investments | - | 11 |
| d) Current tax liabilities (Net) | 3 | 51 | ii) Trade receivables | 698 | 655 |
| | | | iii) Cash and cash equivalents | 75 | 408 |
| | | | iv) Bank balances other than (iii) above | 256 | 504 |
| | | | v) Loans | 213 | 118 |
| | | | vi) Other financial assets | 63 | 26 |
| | | | c) Other current assets | 249 | 357 |
| TOTAL EQUITY AND LIABILITIES | 6,137 | 5,512 | TOTAL ASSETS | 6,137 | 5,512 |



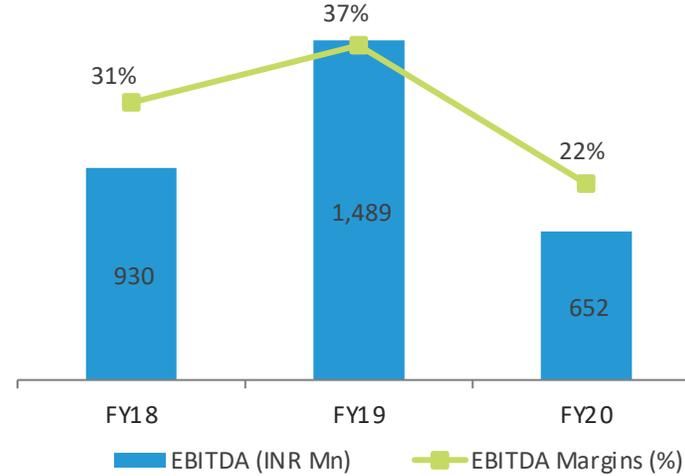
Historical Consolidated Financial Performance



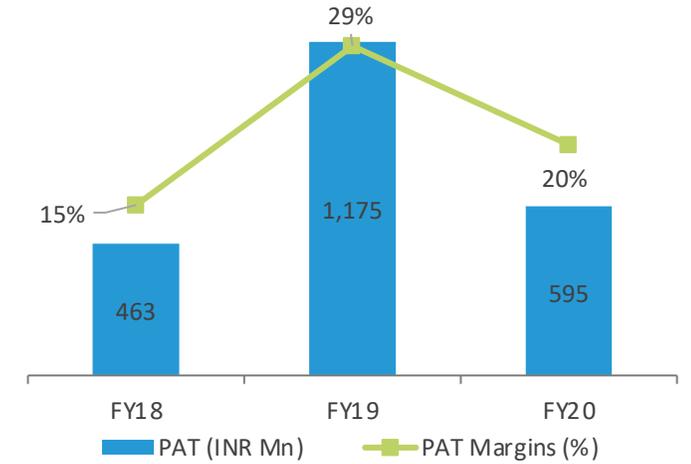
Operational Revenue (INR Mn)



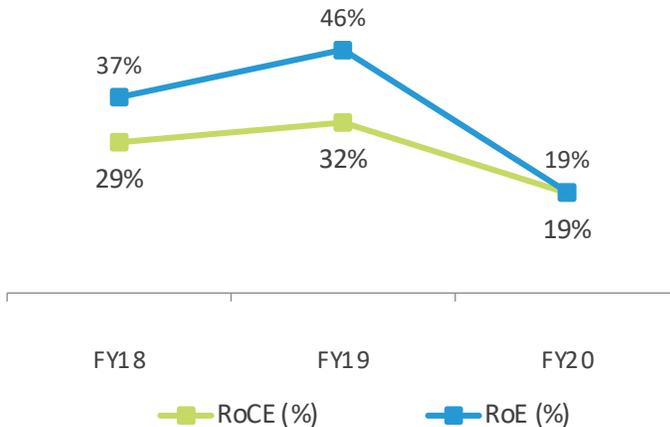
Operational EBITDA (INR Mn) & Operational EBITDA Margins (%)



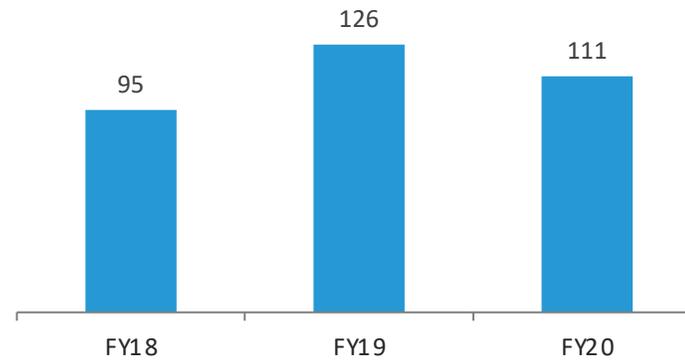
PAT (INR Mn) & PAT Margins (%)



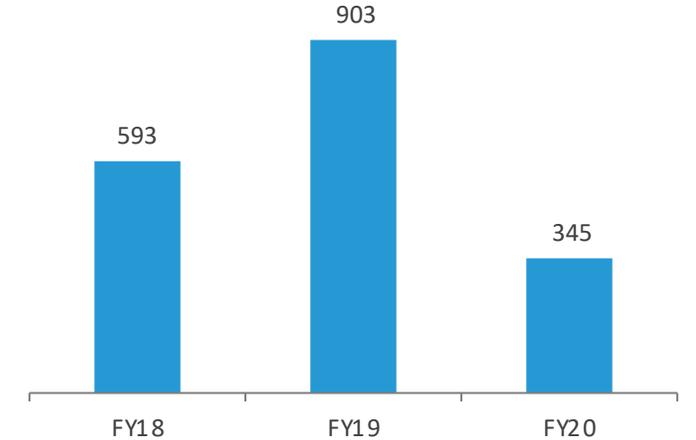
RoCE & RoE (%)



Working Capital Days



Cash Flow from Operations (INR Mn)



No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management Fermenta Biotech Limited ("Company" or "FBL"), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

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.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and 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. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.



For further information please contact our Investor Relations Representatives:

Mr. Anuj Sonpal

Valorem Advisors

Tel: +91-22-4903-9500

Email: fermenta@valoremadvisors.com