



Jubilant Pharmova Limited

**Transcript of 46th Annual General Meeting held on Friday, August
30, 2024**

BOARD OF DIRECTORS / KMP PRESENT AT THE ANNUAL GENERAL MEETING:

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| 1. MR. SHYAM S. BHARTIA | - CHAIRMAN |
| 2. MR. HARI S. BHARTIA | - CO-CHAIRMAN |
| 3. MR. VIVEK MEHRA | - INDEPENDENT DIRECTOR AND CHAIRPERSON OF
AUDIT COMMITTEE |
| 4. MR. S. K. ROONGTA | - INDEPENDENT DIRECTOR AND CHAIRPERSON OF
NOMINATION, REMUNERATION AND
COMPENSATION COMMITTEE AND RISK
MANAGEMENT COMMITTEE |
| 5. MRS. SHIVPRIYA NANDA | - INDEPENDENT DIRECTOR AND CHAIRPERSON OF
SUSTAINABILITY AND CSR COMMITTEE |
| 6. DR. HARSH MAHAJAN | - INDEPENDENT DIRECTOR |
| 7. MR. PRIYAVRAT BHARTIA | - MANAGING DIRECTOR |
| 8. MR. ARJUN BHARTIA | - JOINT MANAGING DIRECTOR |
| 9. MR. ARVIND CHOKHANY | - GROUP CHIEF FINANCIAL OFFICER AND
WHOLE-TIME DIRECTOR |
| 10. DR. RAMKRISHNAN ARUL | - WHOLE-TIME DIRECTOR |
| 11. MR. NARESH KAPOOR | - COMPANY SECRETARY |

Moderator: Good morning, members. Welcome to the 46th Annual General Meeting of Jubilant Pharmova Limited being held through video conferencing or other audiovisual means. For smooth conduct of the meeting, all members will be in mute mode and members who have pre-registered themselves as a speaker at the AGM would be unmuted when they are requested to speak.

Please note that in terms of the statutory requirements, the proceedings of the Annual General Meeting are being recorded and transcript of the proceedings shall be made available on the company's website. With this, I now hand over the proceedings to Mr. Shyam S. Bhartia, Chairman, who has joined the meeting from Noida. Thank you and over to you, Sir.

Mr. Shyam S. Bhartia: Good morning, everyone. On behalf of the Board, I extend a warm welcome to all of you to the 46th Annual General Meeting of Jubilant Pharmova Limited. I highly appreciate you all taking out time today to attend this Annual General Meeting that is being convened through video conferencing in compliance with the provisions of the Companies Act 2013 and circulars issued by Ministry of Corporate Affairs and SEBI.

The Company has made necessary arrangements to enable the members to participate in the meeting through video conferencing facility and to vote electronically. The proceedings of this Annual General Meeting shall be deemed to have been conducted at the registered office of the Company. As the requisite quorum is present, I call the meeting to order.

I would now introduce the other Board members and KMP's who have joined this meeting through video conference. Mr. Hari S. Bhartia, Co-Chairman, joining from Noida. Mr. Vivek Mehra, Independent Director and Chairperson of Audit Committee, joining from Mumbai. Mr. S. K. Roongta, Independent Director and Chairperson of Nomination, Remuneration and Compensation Committee and Risk Management Committee, joining from Gurugram. Mrs. Shivpriya Nanda, Independent Director and Chairperson of Sustainability and CSR Committee, joining from Azerbaijan. Dr. Harsh Mahajan, Independent Director, joining from Bengaluru. Mr. Priyavrat Bhartia, Managing Director, joining from New Delhi. Mr. Arjun Bhartia, Joint Managing Director, joining from New Delhi. Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-Time Director, joining from Noida. Dr. Ramkrishnan Arul, Whole-Time Director, joining from Bengaluru. Mr. Naresh Kapoor, Company Secretary, joining from Noida.

Mr. Arun Seth and Mr. Shirish Belapure are unable to attend the meeting due to unavoidable circumstances. Mr. Arun Seth has nominated Dr. Harsh Mahajan, an Independent Director, a member of Stakeholders Relationship Committee in his absence, he will represent the committee for queries, if any. The Scrutinizer, representative of the Statutory Auditors from Walker Chandiook & Company LLP and Secretarial Auditors from Sanjay Grover and Associates, are also participating in the meeting through video conferencing.

Dear Shareholders,

Your Company, Jubilant Pharmova Limited, is an innovative pharmaceutical company run passionately by a strong team of approximately 5,500 multicultural people across the globe.

Your Company is involved in six businesses, namely radiopharma, allergy immunotherapy, CDMO, sterile injectables, contract research and development and manufacturing organizations, CRDMO, generics, and proprietary novel drugs, and has a unique and differentiated position in each of the business units. The Company operates six world-class manufacturing facilities, two state-of-the-art research centers, and forty-six radiopharmacies that cater to all the regulated markets, including USA, Europe, and other geographies. Customers from 85 countries rely on products and solutions that come from the Company and from many large pharmaceutical companies in the world. Your company is a 'partner of choice'.

Through my remarks today, I shall cover key aspects on financial and strategic progress made in FY24, future prospects, and growth outlook of the Company.

Financial and Strategic progress in FY24

In FY24, consolidated revenue from operations grew by 7% to INR 67 billion on back of growth in revenues from radiopharma and allergy immunotherapy.

EBITDA increased by 20% to INR 9.9 billion. EBITDA margins expanded by 160 basis points to 14.7% led by improved margins in radiopharma, allergy immunotherapy, generics, API, business. Normalized PAT in FY24 increased by 63% to INR 1.95 billion on the back of improved operating performance. Net debt / EBITDA reduced from 2.93 at March 2023 to 2.48 at March 2024. Net cash generated from the operations increased from INR 6.6 billion in FY23 to INR 9.7 billion in FY24.

Coming to the Segments, in the radiopharmaceutical business, we launched new products. Mertiatide and Technetium Sulfur Colloid Injection post-ANDA approval, gained market share in RUBY-FILL and delivered 50% EBITDA margin for the full year FY24. In radiopharmaceutical business, we delivered 22% revenue growth, achieved full year EBITDA breakeven and reached 7% EBITDA margin by Q4 FY24.

Subsequent to the announcement of Sofie Biosciences Inc. merger with Trilantic Capital Partners, North America, the Company's subsidiary Jubilant Pharma Ltd. has sold the entire 25.8% equity stake in Sofie for an aggregate value of USD 142.9 million. The return generated by this investment validates our confidence in the radiopharmaceutical business. In the allergy immunotherapy business, we sustained the growth momentum in US and continue to make inroads in the markets outside US.

In CDMO sterile business, we completed the installation of Line 3, a high-speed injectable fill-and-finish line fitted with latest isolator technology. We expect commercial production to start in FY26.

In the drug discovery business, we have made a breakthrough by onboarding 2 (two) large pharma companies as our customers. In API business, we doubled our profitability.

In generic business, our solid dosage plant at Roorkee has got 'VAI' status following the USFDA audit. We also achieved the highest ever sales in non-US international markets in FY'24.

In proprietary novel drug business, we are excited to move into Phase II clinical trial to treat ET and MPN patients with thrombocytosis for our lead program JBI-802 CoREST inhibitor after Phase I data suggests therapeutic potential.

Your Company has embarked on a renewable energy implementation journey across its facilities in India to enable a reduction in both cost and carbon footprint. In January and May this year, the Company approved investments to access renewable energy power through captive arrangements for its facilities in Karnataka, Noida and Greater Noida, India.

Economic and Industry outlook

The global economy grew by 3.2% in 2023. Going forward, as per IMF, the global economy is expected to grow by 3.2% in 2024 and 2025. The Indian economy grew at 7.8% in 2023 and going forward, economic growth is projected to remain strong at 6.8% in 2024 and 6.5% in 2025.

The global medicine market is expected to grow by 5% to 8% from 2023 to 2028, bringing global spending on the medicines to US\$2.3 trillion at the list prices. The largest driver of this medicine spending growth through the next five years is expected to be the availability and the use of innovative therapeutics in developed markets.

Specific to our business, the radiopharmaceutical market is expected to grow multi-fold on the back of superior imaging and therapeutic profiles, new emerging isotopes, and increasing use cases for unmet needs. Particularly PET diagnostics and advanced therapeutics segment is witnessing the launch of novel and differentiated products.

In CDMO Sterile injectables, we are seeing significant shortages in the US market, signalling the need for significant onshoring. In the drug discovery business, the proposed Biosecure Act is expected to shift a lot of business to the companies in "friend sourcing" locations such as India.

Future business outlook

Now, let me talk about the Company's future strategic direction and the growth outlook across its six business units. In Radiopharma business, we have a strong pipeline of products across SPECT, PET and therapeutics, which will drive revenue in the medium term. RUBY-FILL market share is expected to increase.

The Clinical trial for MIBG are progressing well, and we expect to launch MIBG in the calendar year 2026. In the radiopharmacy business, we have decided to invest \$50 million to expand PET radiopharmacy network by adding six radiopharmacies in strategic locations throughout the United States, which shall drive future growth of the business. In Allergy immunotherapy

business, a gain in the share US Allergenic extracts and revenue growth outside the US market shall drive growth. In CDMO Sterile Injectables business, line 3 and line 4 are expected to start commercial production in FY26 and FY28 respectively, which shall drive growth and profitability. In generic business, we are committed to reaching EBITDA breakeven within FY25 and gradually increase profitability in the medium term. We are growing profitably in the non-US international markets.

For the US market, our strategy is to focus on profitable products. Following the status change in the Roorkee facility by USFDA to VAI, we expect exports from the Roorkee facility to US market to increase meaningfully and gradually. We are very bullish on the prospects of the drug discovery business over the medium term. We are very well prepared to scale up infrastructure and scientific talent to take advantage of the increased CRO demand.

In CDMO API business, we are focused on driving profitability. We aspire to move forward towards custom generics API and CDMO. In the Proprietary Novel drug business, we shall look to complete the phase 2 trial for our lead asset which has the potential for significant value infection.

Q1 FY25 Results

Now I would like to briefly touch upon our performance for the first quarter FY25 as well. In Q1 FY25, the total income grew by 9% on year-on-year basis to INR 17.5 billion. EBITDA grew by 50% year-on-year basis to INR 2.7 billion due to improved performance across all businesses. Normalized PAT increased by 1,055% to INR 0.7 billion. Net debt-to-EBITDA improved from 2.5x to 1.7x post repayment of INR 6.3 billion in debt. Overall, we are performing in line with our expectations.

Dividend

The Board has proposed a dividend of INR 5 per equity share of INR 1 for the year ended 31 March 2024.

I would like to conclude by a vote of appreciation to all of our valued shareholders who have joined us today and the larger investor community for supporting us in our business endeavors. I also wish to extend our gratitude to our stakeholders, including customers, vendors and lenders for the confidence they have reposed in us. Thank you. We shall now take up the formal agenda of the meeting.

The statutory registers as required under Companies Act 2013, Certificate issued by the Secretarial Auditors, pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the other documents as mentioned in the AGM notice are available for electronic inspection on the NSDL e-voting platform under the tab 'AGM documents' until the conclusion of this meeting. The statutory auditors and secretarial auditors have expressed unmodified opinion in their respective audit reports for the financial year 2023-24.

There are no qualifications, observations or adverse comments on the financial statements and the matters that have adverse effects on the functioning of the Company. As the Notice of AGM along with the Annual Report for the financial year 2023-24 are already circulated to the members through electronic mode, I take the notice convening the Annual General Meeting as read.

In compliance with the provisions of the Companies Act 2013 and the Listing Regulations, the Company had provided remote e-voting facility to the members from 27th August 2024 to 29th August 2024 to cast their votes electronically on the business items as set out in the AGM Notice. Members who have not voted through remote e-voting and are participating in this meeting may cast their votes through electronic voting system provided by NSDL. The e-voting facility is active now.

We now take up the agenda items set forth in the Notice of AGM listed as ordinary business.

Item number 1: Ordinary Resolution

To receive, consider and adopt

- a. The audited standalone financial statements of the Company for the financial year ended 31st March 2024 together with the reports of the Board of Directors and the Auditors, thereon; and
- b. The audited consolidated financial statements of the Company for the financial year ended 31st March 2024 together with the reports of the Auditors thereon.

Item number 2: Ordinary Resolution

To declare a dividend of INR 5 per equity share of the face value of INR 1 each for the financial year ended 31st March 2024.

Item number 3: Ordinary Resolution

To appoint a director in place of Mr. Arvind Chokhany, who retires by rotation, and being eligible, offers himself for re-appointment.

Item number 4: Ordinary Resolution

To appoint a Director in place of Mr. Arjun Bhartia, who retires by rotation, and being eligible, offers himself for re-appointment.

The text of the resolutions is provided in the AGM Notice circulated to the members. I would now request the moderator to play the video and audio shared by the speaker shareholders containing the queries.

Moderator:

Thank you, Sir. Ladies and gentlemen, please stay connected, while we play the audio video clippings received from speaker shareholders. We now play audio clipping received from our speaker shareholder, Mr. Praveen Kumar from Delhi, DPID IN300118 and Client ID 10449827.

Mr. Praveen Kumar: A very, very good morning to my respected Chairperson, respected Co-Chairperson, well-decorated esteemed Board of Director, my fellow shareholder, myself, Praveen Kumar, joining this meeting from New Delhi. I have few observations, which I love to share with the entire house. But before that, in this financial year, this is our first interaction with the Management. So. I wish the entire management team, each and every employee of our Company, a happy, healthy and prosperous future. Coming down to my observation, respected Chairperson, it was very, very in-depth, detailed speech to the shareholder. It's a once-in-a-year event. I'm with the Company for years now and I'm looking forward to this speech. It was clearly mentioned what we did, where we stand, what the future like. If you see overall picture of our Company under your leadership, we come out as a very, very satisfactory performance. So I'm very, very thankful to you. I salute your leadership, your dedication, devotion to bring sustainable growth for a retail investor like me. The future looks very, very bright as far as my investment is concerned in the Company, Sir. I whole-hearted support all the resolutions, which are set out for the Notice today. And I have one question which I love to ask the management. In our Operation, percentage-wise, AI, which is creating lots of buzz in the market, we are using it at what percentage? And in next three years, what will be the percentage? And what it truly helps in our business to grow revenue, to save cost and enhance the profitability of our Company. One more thing, which I love, is the excellent Corporate Governance, which will be carried out by the management in our Company to help build India in a very, very constructive way. So I'm very, very thankful for that also. The litmus test of a company is also decided by the corporate governance. In this regard, I love to thank our respected CFOs, respected CS and their entire team for bringing out higher standard of corporate governance to the retail investor. Even during the course of time, if you have any update of our Company that will be promptly replied by email. So I'm very, very thankful. It was always a red carpet welcome for a retail investor. That's truly wonderful by the management. That really care for us, listen to us that truly boost our morale as far as our investment in the Company is concerned. In the end, I just pray to the God that he will bless you so that you will keep the momentum in the future also, as far as the sustainable profit is concerned regular dividends is excellent, Sir. And I'm very, very thankful to the entire management team to give me this opportunity to share my views and express my observation. Wish you all the luck and all the best. Jai Hind.

Moderator: Thank you. We will now play video clipping received from our speaker shareholder, Ms. Suman Kapoor from Delhi. DP ID 12038000 Client ID 00176163.

Ms. Suman Kapoor: My name is Suman Kapoor from Delhi. I would like to thank you all for giving me the opportunity to share my views in the AGM. Sir, I have been a shareholder of Jubilant Pharmova for many years. My late husband, Mr. Ravi Shankar Kapoor used to come to every AGM of Jubilant Life Sciences and used to talk in front of you all. Our memory with the Company is very much connected to Jubilant's AGM. The Company always take steps in the interest of the shareholders and takes good care of them. The prices of shares have also increased well and the Company also gives good dividend every year. All this is the result of the good management and good policies of the Company.

The new MD of the Company, Mr. Priyavrat Bhartia and the Joint MD, Mr. Arjun Bhartia, are performing very well. We believe that you will take the Company to new heights. I support all

the resolutions of the AGM. Sir, what steps Company is taking to expand its API business? Please tell us. Thank you all.

Moderator: Thank you. We will now play video clipping received from our speaker shareholder, Mr. Shripal Mohnot from Gurgaon, DP ID IN300708, Client ID 10012312.

Mr. Shripal Mohnot: I, Shripal Mohnot from Gurgaon would like to welcome Chairman, all board members and senior members to the 46th AGM of the Company. I would also like to thank you for giving me the opportunity to speak in front of you all. I would also like to welcome our new Director, Dr. Harsh Mahajan and Mrs. Shivpriya Nanda. Sir, I am a long-term investor. I have been a shareholder of Jubilant Pharmova for many years. The Company has made a lot of progress, due to your management and hard work.

I believe that you will take the Company to new heights in the future. I support all the proposals submitted in this AGM. The Company is continuously giving dividend to the shareholders. Thank you for this. I hope that you will continue to give bonus to the shareholders in the 50th Golden Jubilee AGM of the Company.

We have come to know that the USFDA has removed the import alert from the Roorkee plant. What impact will this shall have on our Generic business, sales and profit? Will we be able to apply for registration of new products? What is the status of the pending product approval? What new steps, Company is taking to increase the business and profits? Please put light on this. Thank you. Jai hind.

Moderator: Thank you. **Now**, I request Mr. Arvind Chokhany to address the shareholder queries.

Mr. Arvind Chokhany: Thank you, Mr. Praveen Kumar, Mrs. Suman Kapoor and Mr. Shripal Mohnot for your insightful questions. I will briefly touch upon the queries raised by you. The first query was on the use of artificial intelligence and the qualitative impact of that today and over the course of the next three years.

We are very pleased to inform that Jubilant Pharmova has built a very strong data foundation for AI during the course of the last few years with a project called Project Insights that aims to use the wealth of data that is available across the organizations and in our operations. Earlier during the year, we also rolled out a generative AI co-pilot chatbot solution across the Company which is helping improve productivity across all functions. By helping with content summarization and content creation for solution options for various opportunity areas.

Some examples could be, one business where AI is revolutionizing our operations is drug discovery. It reduces cost and time while increasing the chances of success at every stage of discovery process. We can share a few examples like AI scanning through the libraries of chemicals and predicting how it would react to various proteins and reducing shortlisting time compared to other manual tools.

Another area, we can share is the use of AI in 3D molecular docking process and where algorithms can accelerate the docking by predicting likely binding process. So with this strong

data foundation, over next 3 years, we feel that we can apply this effort across increasing throughput, energy efficiency, material and equipment effectiveness in our manufacturing operations.

Second part would be in improving supply chain efficiency, particularly with the ability to forecast commodity prices, stock optimal inventory to improve working capital. The third area would be to drive top-line growth by identifying white spaces, price forecasting, customer analytics and lastly is by improving quality and compliance by learning from historical repository of deviations and corrective action. So all this would definitely make an impact, both in the top line and bottom line of the Company.

The second question by Mrs. Suman Kapoor, was on the steps taken for augmenting profitability of API business. So I would like to touch upon both on the cost and the income side. On the cost side, we have taken numerous initiatives by streamlining our operations, enhancing yield and refocusing on R&D by onboarding alternate vendors and optimizing input cost.

Several cost improvement and process innovation programs, ma'am, are being undertaken for various commercial APIs as part of our product lifecycle management. We are also aggressively working on de-risking by reducing dependence on China, for raw materials by ramping up domestic capacity and developing reliable local vendors for sustainable quality.

For critical APIs, ma'am, the Company has aimed to secure entire value chain through backward integration and we have started production of multiple key starting materials in India using in-house technology. As a result of all these efforts, your Company's EBITDA margin in API business expanded by close to 450 basis points, 4.5% in FY '24.

And on the API business expansion, we are expanding our share with our existing clients in U.S., Japan, Latin America, Middle East, North Africa region. We are working on new product following the change from Nanjangud manufacturing facility to VAI in March'23. And all of this put together will help us maintain the leadership and improve the margins and add new profitable products.

The last question by Mr. Shripal Mohnot, is the impact of the removal of USFDA import alert on our Roorkee plant. And let me answer this. Following the status change of solid dosage formulation facility at Roorkee, the exports to U.S. market are expected to increase meaningfully and gradually. We also plan to start supplying approved products from Roorkee to the U.S. markets in second half of the current financial year.

The business plan to launch 6 to 8 new products annually in the U.S. and other international markets. In the last update, sir, we had communicated that business would reach breakeven by quarter one of next year. Though we'll try to achieve this much sooner by end of this financial year.

And we estimate that this year itself we will be breakeven and poised towards profitability. Regarding new products, sir, we have 36 products which are pending approval in U.S. and the

Company is submitting responses to USFDA to start the review of these products of these pending and as leading to approvals.

And all of this will hope and creating profitability for your generics business as well. So I hope I have been able to answer the queries. However, if any of it is unanswered, you may please reach out to our Company Secretary, or email us at investors@jubl.com.

With this, I hand it over back to the moderator. Thank you so much.

Moderator: Thank you. Members may note that the e-voting on the NSDL platform will continue for the next 30 minutes. Thereafter, the proceedings of the meeting shall be closed. Members who have not cast their vote are requested to do so. The Board of Directors has appointed Mr. Rupinder Singh Bhatia, Practicing Company Secretary, as a scrutinizer to supervise the e-voting process.

The result of the e-voting shall be declared within two working days of conclusion of the meeting. Results shall be available on the website of the company, stock exchanges, NSDL and shall also be displayed at the notice board of registered office and corporate office of the Company. I now hand over the call to Mr. Naresh Kapoor. Over to you, sir.

Mr. Naresh Kapoor: On behalf of the members present, I propose a vote of thanks to the Chair and the esteemed Board of Directors. And I once again, thank all the shareholders for taking their time for participating in the Annual General Meeting. And I request everyone to kindly e-vote in case they have not casted their vote in the last e-voting cycle. Thank you all.

Moderator: Dear members, as advised by the Chairman, the time for e-voting has elapsed. And he is of the view that all members who are participating in the Annual General Meeting, have been given adequate time and opportunity to vote at the AGM. And this concludes the proceedings of the AGM. Thank you all for participating in the AGM and e-voting. Thank you.