

Press Release
30 January 2021
Q3FY21 Sales up by 22%, 9MFY21 Sales up by 14%
Q3FY21 Net Profit up by 72%, 9MFY21 Net Profit up by 18%
Financial Highlights

INR in Million

Particulars	Q3			9M		
	FY21	FY20	Growth	FY21	FY20	Growth
Net Sales	528.18	433.93	22%	1,453.19	1,279.94	14%
Net Profit	132.91	77.30	72%	310.42	262.21	18%
EPS (In INR)	15.62	9.09	72%	36.49	30.82	18%

Division-wise sales in INR Million

Particulars	Q3			9M		
	FY21	FY20	Growth	FY21	FY20	Growth
Poultry Healthcare	396.09	300.24	32%	1,037.77	904.61	15%
Animal Healthcare	98.97	94.82	4%	308.27	258.83	19%
Other	33.12	38.87	(15%)	107.15	116.50	(8%)
TOTAL	528.18	433.93	22%	1,453.19	1,279.94	14%

Profitability Analysis

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
GP Margin	68.22%	66.76%	64.04%	67.37%	66.97%
EBIDTA Margin	38.97%	29.97%	35.35%	33.17%	31.12%
NP Margin	25.16%	17.81%	21.36%	20.49%	18.43%
EPS in INR Non-Annualised	15.62	9.09	36.49	30.82	36.70

Balance Sheet Analysis

Particular	Q3FY21	Q3FY20	Up/(Down)	9MFY21	9MFY20	Up/(Down)
ROE	23.24%	15.60%	7.64%	18.05%	17.60%	0.45%
ROCE	26.66%	17.82%	8.84%	22.65%	19.84%	2.81%
ROI	18.55%	11.11%	7.44%	14.41%	12.53%	1.88%

Business Overview of Hester India

Analysing the performance through various parameters:

1. Poultry Healthcare Division	It has registered a growth of 32% in Q3FY21 and 15% in 9MFY21 in comparison to the corresponding period last year.
2. Animal Healthcare Division	It has registered growth of 4% in Q3FY21 and 19% in 9MFY21. The seemingly low growth of 4% on a Q-to-Q basis is purely due to large tender orders received last year in Q3 as against not received this year in Q3.
3. Vaccine sales	(poultry and animal divisions) have registered growth of 20% in Q3FY21 and 12% in 9MFY21 as compared to the corresponding period last year.
4. Health product sales	(poultry and animal divisions) have registered growth of 48% in Q3FY21 and 31% in 9MFY21 as compared to the corresponding period last year.
5. Geography	Domestic sales have registered a growth of 43% in Q3FY21 and 20% in 9MFY21 and the export sales have reduced by 51% in Q3FY21 and 5% in 9MFY21. While export orders have continued to pour in, the higher demand within India compelled us to divert the production for domestic sales.
6. Brucella tender	The outcome of the tender for Brucella vaccine under the National Animal Disease Control Program of the Government of India is awaited. Sales through this tender are expected to commence from March 2021.
7. Bird Flu impact	There has been no impact on our sales due to the current Bird Flu situation in India.

Going further:

- Hester is set to launch a new range of Herbal Health products in this quarter.
- Vaccine production expansion plans have been finalised for India. We hope to embark on the expansion activities in this quarter, the details would be shared in the next few weeks.
- In view of the various vaccine opportunities within India, including those of Brucella and LSD vaccines, till our expansion activities go on-stream, temporarily, Hester will focus on the Indian market. Exports will be mainly of health products.
- Hester is also evaluating expansion opportunities in manufacturing and distribution of Animal Health Products and Biologicals, worldwide.
- The Board has authorised the management to explore appropriate financing alternatives for the expansion activities for an aggregate outlay of INR 2 billion.
- Our developmental activities are ongoing for the human Covid-19 vaccine with IIT Guwahati.

Business Overview of Hester Nepal

- Revenue for Q3FY21 was recorded at INR 36.20 Mn as against INR 8.69 Mn in Q3FY20.
- Revenue for 9MFY21 was recorded at INR 43.33 Mn as against INR 45.36 Mn in 9MFY20.

Q3FY21 has performed as per expectations. FAO Tenders for PPR have now started, (though in a small way), which has resulted in increase in top-line in Q3FY21 and we are expecting the same to follow in the coming part of the year.

Financials in INR Million

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
Net Sales	36.20	8.69	43.33	45.36	161.80
Net Profit / (Loss)	9.41	6.54	(16.54)	(18.36)	39.39

Business Overview of Texas Lifesciences

1. Revenue for Q3FY21 was recorded at INR 51.69 Mn as against INR 33.31 Mn in Q3FY20.
2. Revenue for 9MFY21 was recorded at INR 113.07 Mn as against INR 93.09 Mn in 9MFY20.

Texas Lifesciences has continued to show growth in topline due to the growth in sales of health products at Hester.

The company has also started direct registration process for products to be exported to various African countries.

Financials in INR Million

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
Net Sales	51.69	33.31	113.07	93.09	128.03
Net Profit / (Loss)	4.44	4.70	9.70	9.99	10.17

Business Overview of Hester Tanzania

1. Revenue for Q3FY21 was recorded at INR 16.61 Mn as against INR 8.87 Mn in Q3FY20.
2. Revenue for 9MFY21 was recorded at INR 32.18 Mn as against INR 20.86 Mn in 9MFY20.

Company is in process of establishing sales and distribution network keeping in focus the Demands from domestic market as well as East African countries

Financials in INR Million

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
Net Sales	16.61	8.87	32.18	20.86	27.03
Net Profit / (Loss)	8.86	8.22	0.47	13.35	(2.68)

Business Overview of Hester Africa

The project is near completion. Commercial production has been slated for June 2021.



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Hester India:



Hester Nepal:



Hester Africa:



Better health for human beings through healthier animals