



Q1 FY26 Earnings Release

- Revenue recorded at Rs 380 Crore
- EBITDA stood at Rs. 25 crore
- PAT stood at Rs. (23) Crore
- Hikal's long term credit rating is maintained at A+ by ICRA

Mumbai, August 7, 2025: Hikal Ltd., a preferred long-term partner for leading global life sciences companies, announced its unaudited financial results for the quarter ended 30th June 2025.

Consolidated Performance (in Rs. Crore) :

Rs. In Crs	Q4FY25	Q1FY25	Q1FY26
Revenue	552	407	380
EBITDA	124	58	25
EBITDA%	22.4%	14.3%	6.5%
PAT	50	5	(23)
EPS	4.08	0.42	(1.84)

Consolidated: Revenue Split

In Rs. Crs	Q4FY25	Q1FY25	Q1FY26
Pharmaceuticals	351	229	203
Crop-Protection	201	177	178

In %	Q4FY25	Q1FY25	Q1FY26
Pharmaceuticals	64%	56%	53%
Crop-Protection	36%	44%	47%



Q1 FY26: Performance Highlights:

- Revenue recorded at Rs 380 Crore; impacted by deferred offtake post USFDA OAI in May 2025
- Regulatory audits of Bangalore facilities by ANVISA, Brazil and PMDA, Japan concluded successfully
- We are making progress in the Personal Care and Specialty Chemicals space, in line with our broader diversification strategy
- Focus remains on cost optimization, operational efficiency, and compliance culture
- We continue to strengthen the balance sheet with improvement in operating cashflow and reduction in debt

Q1 FY26: Pharmaceuticals Performance:

- Revenue declined due to short-term pause in customer offtake post-OAI status
- Regulatory audits of Bangalore facilities by ANVISA, Brazil and PMDA, Japan concluded successfully
- Volumes in key products and markets impacted during the quarter; margin mix remains unfavorable
- Expanding capabilities to support high-potency and complex chemistry projects
- Developing differentiated products for enhancing our own product portfolio. Registrations continues to come through in regulated markets such as EU, Japan and Australia

Q1 FY26: Crop-protection Performance:

- Revenue for the quarter remains flat as anticipated
- We witnessed volume recovery however margins remain under pressure
- The Crop Protection industry is undergoing strategic realignments leading to near term challenges as well as long term opportunities
- We are making progress in the Personal Care and Specialty Chemicals space, in line with our broader diversification strategy



Commenting on the results, Jai Hiremath, Executive Chairman, Hikal Ltd. said,:

“The global chemical and life sciences industry continues to face mitigated headwinds, marked by a gradual pickup in demand and capacity utilization, though pricing remains under pressure in some segments. Escalating tariff uncertainties and ongoing trade realignments have added a layer of volatility to global supply chains and procurement cycles. For Q1 FY26, our consolidated revenue stood at Rs. 380 Cr, with EBITDA at Rs. 25 Cr, reflecting a lower-than-forecasted start to the financial year.

Our pharmaceutical segment delivered revenue of Rs. 203 Cr, with an EBIT margin of -12.9%. After the US FDA audit conducted in February 2025, we received an Official Action Indicated (OAI) communication on 22nd May. This led to temporary deferment of offtake in our pharmaceutical division across both the generic and more profitable CDMO business during the quarter, as customers conducted their own risk assessment audits as part of their own internal protocol before resuming supplies typically. This resulted in a short-term quarterly impact on revenue and profitability. We expect these supplies to resume partly in Q2 and through the rest of the year and confirm our overall guidance for full financial year for the pharmaceutical division.

As part of our risk mitigation strategy on the FDA observations, we have taken several proactive measures, including onboarding a seasoned remediation partner to address regulatory observations and the engagement with the regulatory authorities to resolve the matter expeditiously. We have submitted timely comprehensive responses, outlining our CAPA plan along with our implementation progress, and remain actively engaged with the agency to ensure full alignment with regulatory expectations. I would like to reaffirm our unwavering and continued commitment to compliance and quality excellence.

We did have some positive news during the quarter. GMP audits at our Bangalore API facility by two global regulatory agencies - ANVISA, Brazil and PMDA Japan were successfully concluded. This reinforces our regulatory credentials and positions us well for future growth in Japan and key LATAM markets.

Our crop protection business reported revenue of Rs. 178 Cr with an EBIT margin of 9.7%. The business remained largely flat on a YoY basis, reflecting persistent global overcapacity, and continued pricing pressure, particularly from lower priced Chinese competition. Despite these headwinds, our focus on product mix and cost discipline helped maintain operational efficiency. We expect gradual volume recovery and a more stable pricing environment in the second half of the year, aligned with the seasonal demand uptick.

In our animal health business, we continue to make steady progress as several molecules have completed development and validation, and additional ones are moving through the pipeline. These initiatives position us well for global regulatory submissions and eventual commercialization in FY27 and beyond.

Despite the challenging start to the year in Q1 we remain confident of delivering on our guidance for FY26. We expect a more meaningful recovery in Q3 and Q4 FY26, supported by increased demand visibility, improved capacity utilization, and new product commercialization.”



About Hikal Limited

Hikal is a reliable long-term partner to companies in the Pharmaceuticals, Crop Protection, and Specialty Chemicals industry. The company is in the business of supplying research services, active ingredients and intermediates, manufactured using stringent global quality standards, for its global customers. Hikal's advanced manufacturing facilities have been inspected and approved by leading multinational companies in the Crop protection and Pharmaceutical sectors. The Crop protection facilities are located at Taloja, Mahad (Maharashtra) and Panoli (Gujarat). Hikal's R&T facilities are located at Pune. The Pharmaceutical manufacturing facilities are situated in Jigani (Bengaluru) and Panoli (Gujarat). Hikal is the first Indian life-sciences company to receive the Responsible Care® certification governed by the International Council of Chemical Associations (ICCA).

Safe Harbor Statement

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 project characteristics, project potential and target dates for project related issues 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. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

Company :

Hikal Limited
CIN: L24200MH1988PTC048028

Mr. Kuldeep Jain
kuldeep_jain@hikal.com

www.hikal.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285

Mr. Jigar Kavaia
jigar.kavaia@sgapl.net
+91 9920602034

Ms. Ami Parekh
ami.parekh@sgapl.net
+91 8082466052

www.sgapl.net