



GLAND PHARMA LIMITED

January 23, 2023

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
25th floor, Dalal Street
Mumbai - 400 001
Scrip Code: 543245

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th floor
Plot no. C-1, Block G, Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
Symbol: GLAND (ISIN: INE068V01023)

Dear Sir/Madam,

Sub: Investor Presentation on Q3FY23 (Quarter and Nine Months ended December 31, 2022) Financial Results

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; please find enclosed the Investor Presentation on Q3FY23 Financial Results.

This is for your information and records.

Yours truly,

For Gland Pharma Limited

P Sampath Kumar
Company Secretary and Compliance Officer



GLAND PHARMA LIMITED

Gland Pharma Limited

Financial Results
Q3'FY23

23rd January 2023



Safe Harbor Statement

The Presentation is to provide the general background information about the Company's activities as at the date of the Presentation. The information contained herein is for general information purposes only and based on estimates and should not be considered as a recommendation that any investor should subscribe / purchase the company shares.

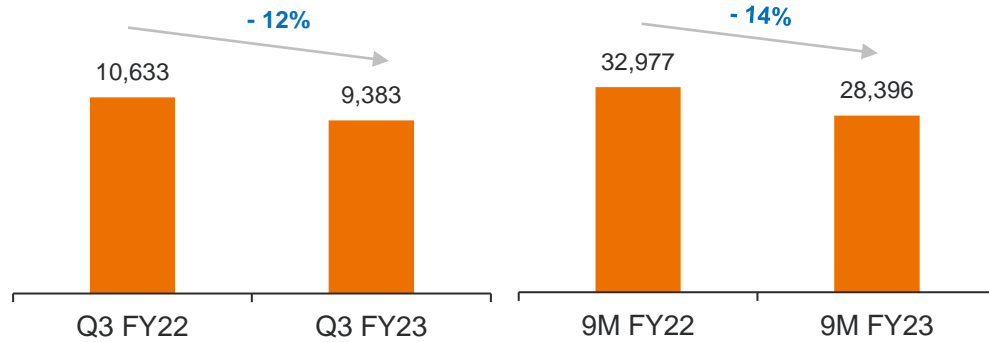
This presentation may include certain "forward looking statements". These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements. Important factors that could cause actual results to differ materially from our expectations include, amongst others general economic and business conditions in India and any other country, ability to successfully implement our strategy, our research and development efforts, our growth and expansion plans and technological changes, changes in the value of the Rupee and other currencies, changes in the Indian and international interest rates, change in laws and regulations that apply to the Indian and global pharmaceuticals industries, increasing competition, changes in political conditions in India or any other country and changes in the foreign exchange control regulations in India. Neither the company, nor its directors and any of the affiliates or employee have any obligation to update or otherwise revise any forward-looking statements. The readers may use their own judgment and are advised to make their own calculations before deciding on any matter based on the information given herein.

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Financial Highlights (1/3)

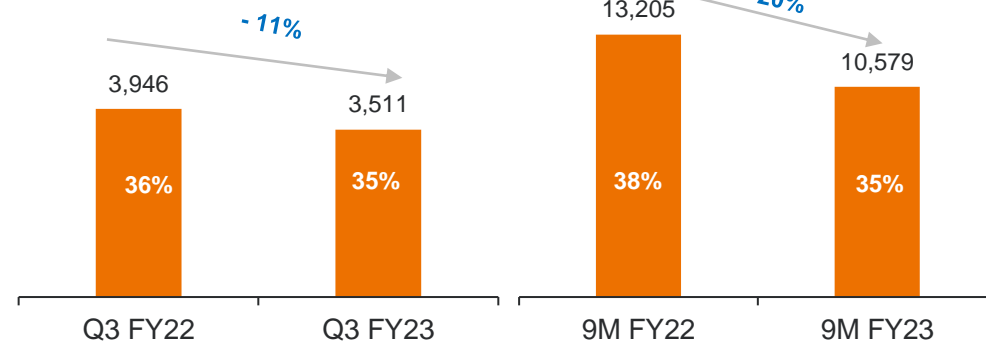
Revenue from Operations

(INR Mn)



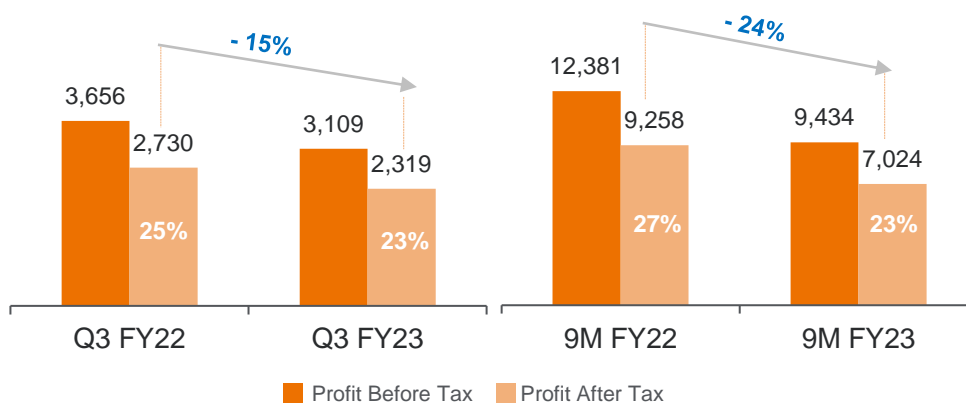
EBITDA ⁽¹⁾ / EBITDA Margin ⁽²⁾

(INR Mn / %)



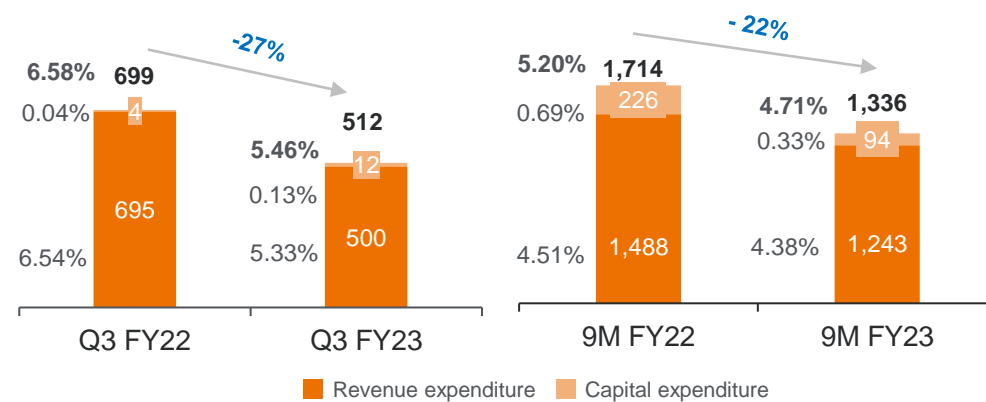
PBT / PAT / PAT Margin ⁽³⁾

(INR Mn / %)



R&D Expenses / (R&D % of Revenue)

(INR Mn / %)

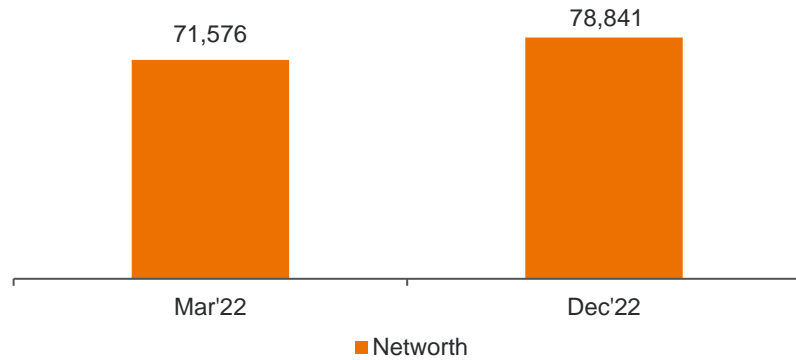


Note: (1) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period. (2) EBITDA margin = EBITDA / Total Income; (3) PAT margin = Profit for the period / Total Income

Financial Highlights (2/3)

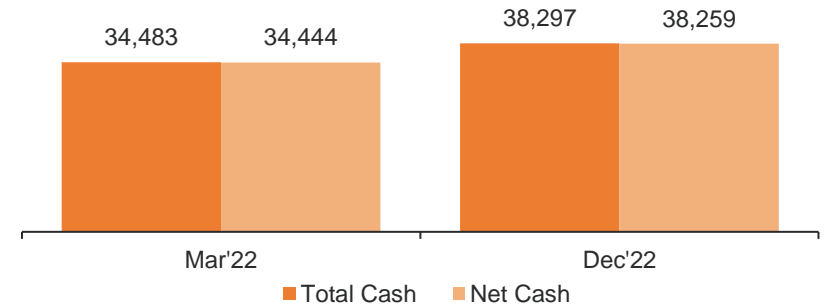
Net Worth ⁽¹⁾

(INR Mn)



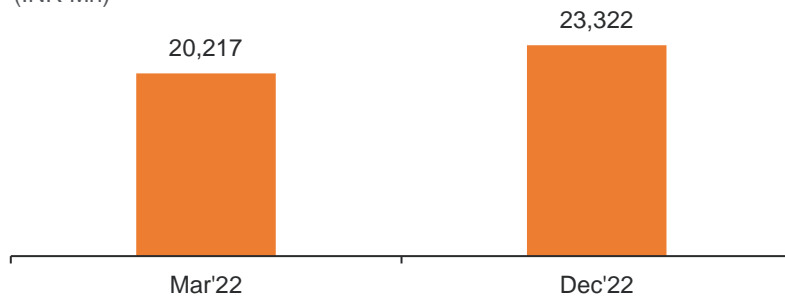
Cash and Bank Balances / Net Cash ⁽²⁾

(INR Mn)



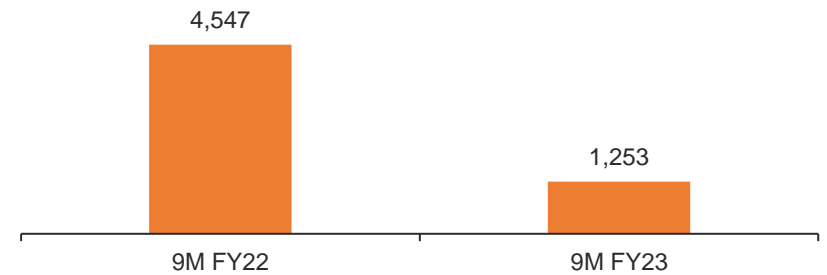
Net Working Capital ⁽³⁾

(INR Mn)



Capital Expenditure

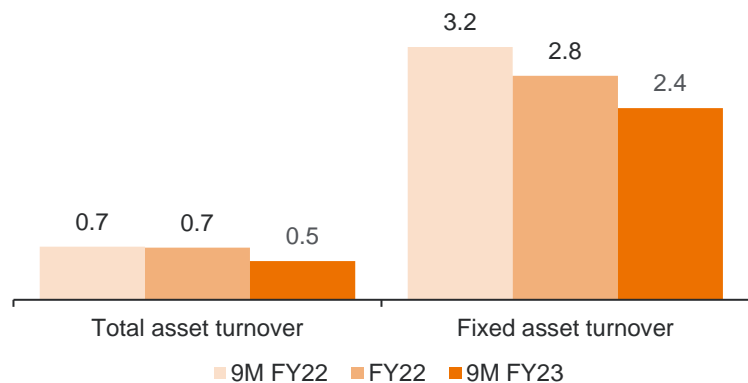
(INR Mn)



Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash, Investments in Debt Mutual Funds, Deposits with Financial Institutions and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets (excluding cash and bank balances) less Current liabilities.

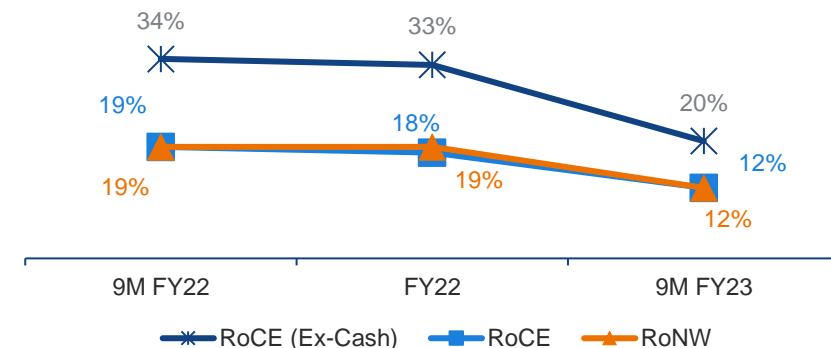
Financial Highlights (3/3)

Asset Turnover Ratio ⁽¹⁾⁽²⁾



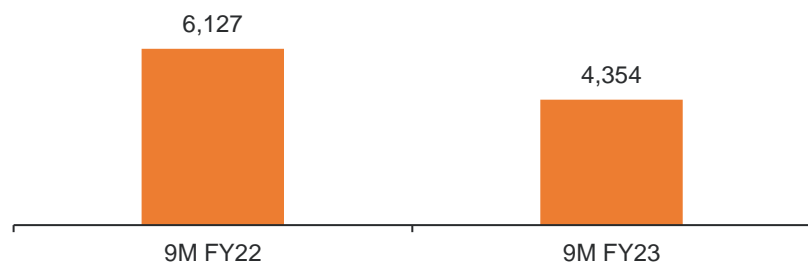
ROCE (ex-cash)⁽³⁾ / ROCE ⁽⁴⁾ / RONW ⁽⁵⁾

(%)



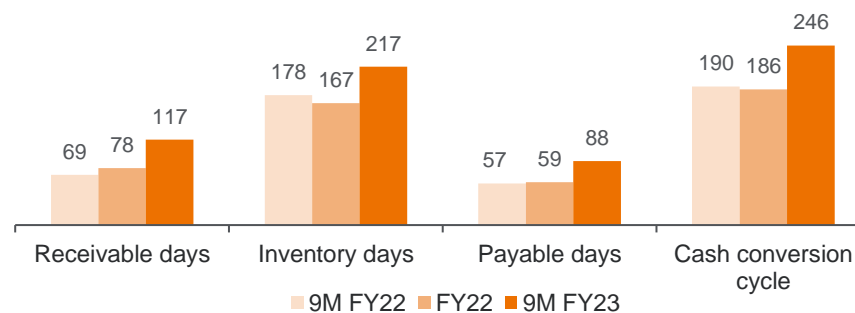
Cash Flow from Operations

(INR Mn.)



Cash Conversion Cycle (CCC) ⁽⁶⁾⁽⁷⁾

(# of Days)



Note: (1) Asset Turnover is calculated as Total Income for the period divided by average total assets for the period; (2) Fixed Asset Turnover is calculated as Total Income for the period divided by average total fixed assets for the period (Property, plant and equipment + Right-of-use assets + Capital work in progress); (3) ROCE (ex cash) = (EBIT - Taxes - Interest Income (net of taxes)) / Average Capital Employed for the period. Capital Employed represents Total Assets (excluding Cash and Bank balances) - Current Liabilities (4) Return on Capital Employed (ROCE) = (EBIT - Taxes) / Average Capital Employed for the period. Capital Employed represents Total Assets - Current Liabilities; (5) Return on Net Worth (RONW) = Profit for the period / Average Net Worth for the period. Net Worth represents sum of equity share capital and other equity; (6) COGS mean cost of goods sold includes cost of materials consumed, purchases of traded goods, change in inventories of finished goods, traded goods and work-in-progress and manufacturing overheads; (7) Receivable days calculated as average trade receivables for the period divided by revenue from operations * over 275/365 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS* over 275/365 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS* over 275/365 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days;

Factors impacting revenue growth in 9M-FY23:

- Headwinds in the US business with reduced off-take of products
- Supply chain disruption resulting in production delays
- Impact due to inventory at customers end for certain products
- Normalization of COVID related sales

Key updates for Q3-FY23:

- Signed share purchase agreement for acquisition of Cenexi
- Received EIR from US FDA post inspection at Dundigal production facility
- Launched 5 product SKUs in our core markets

P&L Highlights

(INR Mn)

Particulars	Q3 FY23	Q3 FY22	YoY change	9M FY23	9M FY22	YoY change	Q2 FY23
Revenue from operations	9,383	10,633	-12%	28,396	32,977	-14%	10,444
Other Income	615	457	35%	2,015	1,587	27%	656
Total Income	9,998	11,090	-10%	30,411	34,564	-12%	11,100
Gross Margin⁽¹⁾	5,112	5,599	-9%	15,190	17,338	-12%	5,249
<i>% margin</i>	54%	53%		53%	53%		50%
EBITDA⁽²⁾	3,511	3,946	-11%	10,579	13,205	-20%	3,625
<i>% margin⁽³⁾</i>	35%	36%		35%	38%		33%
PBT	3,109	3,656	-15%	9,434	12,381	-24%	3,241
<i>% margin</i>	31%	33%		31%	36%		29%
PAT	2,319	2,730	-15%	7,024	9,258	-24%	2,412
<i>% margin⁽⁴⁾</i>	23%	25%		23%	27%		22%

Note: (1) Gross Margin = Revenue from Operations – Materials consumed; (2) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period; (3) EBITDA margin = EBITDA / Total Income; (4) PAT margin = PAT / Total Income

USA, Europe, Canada, Australia and New Zealand (Core Markets)

Revenue:

The performance was impacted by supply chain issues along with production delays. Impact was also seen due to inventory at customers end for certain products. We launched 5 product SKUs during the quarter.

New launches⁽²⁾:

Q2 FY23: 5 Product SKUs (4 molecules)

US filings update:

As of Dec 31, 2022, we along with our partners had 325 ANDA filings in the United States, of which 257 were approved and 68 pending approval.

	Q3 FY23 ⁽³⁾
ANDA Filed	8
ANDA Approved ⁽³⁾	4

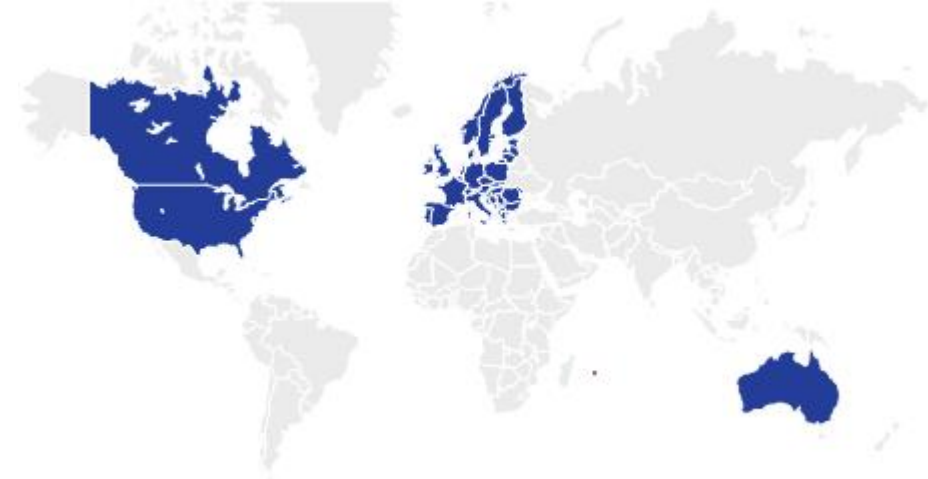
9M FY23: Rs. 21,158 Mn

YoY Change: -4%

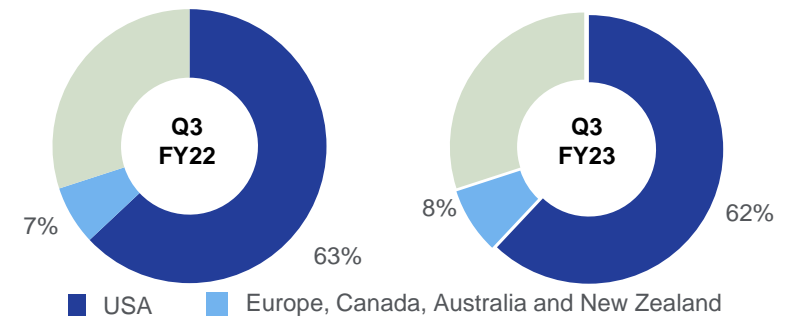
Q3 FY23: Rs. 6,626 Mn

YoY Change: -11%

Core Markets⁽¹⁾



Revenue Contribution



Note: ANDA count includes technology transfer ANDAs

(1) Core markets includes USA, Europe, Canada, Australia and New Zealand ; (2) Includes products where launch quantity is dispatched to our partners; (3) Includes final approval received for 1 ANDA which was earlier tentatively approved

Rest of the World Markets

- We saw a de-growth of 4% over the last year, the contribution of rest of the world markets to over-all revenue remains at 21%
- Our key products in the rest of the world markets include Enoxaparin Sodium, Heparin Sodium, and Caspofungin
- Our key rest of the world markets continue to remain MENA, LatAm and APAC.
- We continue to focus on registering our products in new geographies

9M FY23: Rs. 5,188 Mn

YoY Change: -21%

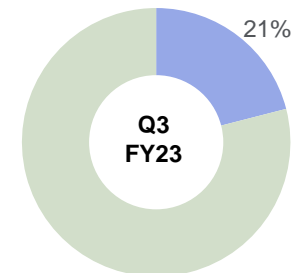
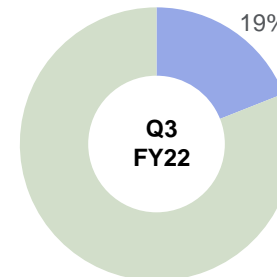
Q3 FY23: Rs. 1,943 Mn

YoY Change: -4%

Rest of the World Markets



Revenue Contribution



India (Domestic Market)

- India market sales accounted for 9% of our total sales during Q3 FY23.
- Post line improvements on our Insulin line, we are in the process of ramping-up production
- We are looking at increasing penetration of our wide portfolio of products to drive sales growth in the region. We are also focused on ensuring we also maintain our profitability mix.
- India sales were lower as compared to Q3 FY22 also on account of higher base due to COVID products in that quarter.

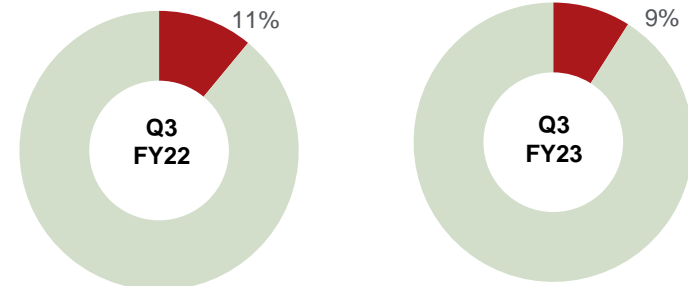
9M FY23: Rs. 2,050 Mn
YoY Change: -52%

Q3 FY23: Rs. 814 Mn
YoY Change: -32%

India (Domestic Market)



Revenue Contribution



Growth Drivers

1

Geographic Expansion

- **China remains a key geographic focus**, we are in advanced stages of regulatory review for a couple of products filed in China, and expect approvals very soon
- We are expanding our penetration in the rest of the world markets such as **South Africa** and **Kazakhstan**

2

Portfolio Development

- **Received first-to-file (FTF) for two filed products** during 9M FY23 with a US market size of ~ \$ 145 million
- Investing in new manufacturing lines for technologies involving **microspheres and combi-vials** to support our complex development portfolio
- Capability to manufacture hormonal/suspension products established at Pashamylaram

3

Establishing bio-similar CDMO

- Significant progress in **building internal capabilities** in terms of resources and infrastructure
- **Exploring opportunities for external partnerships** with keen interest from existing partners
- Alongside **ongoing site visits**, we are also in advanced stages of negotiation for signing **customer contracts**



Registered Office

Gland Pharma Limited
Survey No. 143-148, 150 & 151
Near Gandimaisamma 'X' Roads
D.P. Pally, Dundigal Gandimaisamma Mandal
Medchal-Malkajgiri District
Hyderabad 500043, Telangana, India

Corporate Office:

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Pashamylaram (V), Patancheru (M),
Sangareddy District
Hyderabad 502307, Telangana, India

BSE 543245

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