



# GLAND PHARMA LIMITED

May 19, 2022

BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers  
25<sup>th</sup> 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 Q4FY22 Financial Results**

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investor Presentation on Q4FY22 Financial Results.

This is for your information and records.

Yours truly,

For Gland Pharma Limited



**Sampath Kumar Pallerlamudi**  
**Company Secretary and Compliance Officer**

**Regd. Office:**

Survey No. 143-148, 150 & 151, Near Gandimaisamma 'X' Roads  
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Tel: +91-40-30510999 Fax: +91-40-30510800

**Corporate Office:**

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Tel: +91-8455-699999



GLAND PHARMA LIMITED

# Gland Pharma Limited

Financial Results  
Q4'FY22 & FY22

19<sup>th</sup> May 2022



# Safe Harbor Statement

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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.

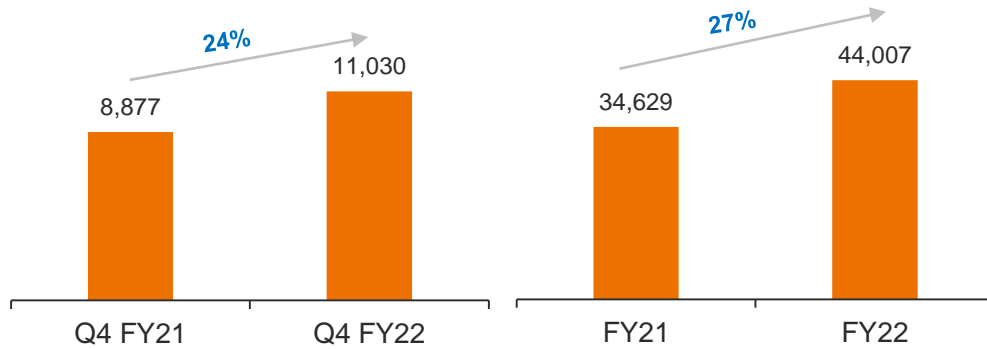
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# Financial Highlights (1/3)

## Demonstrated business resilience despite operational challenges

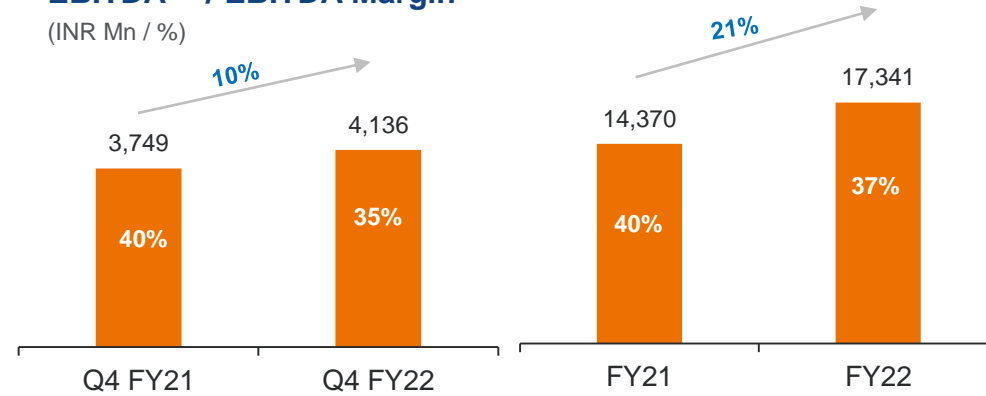
### Revenue from Operations

(INR Mn)



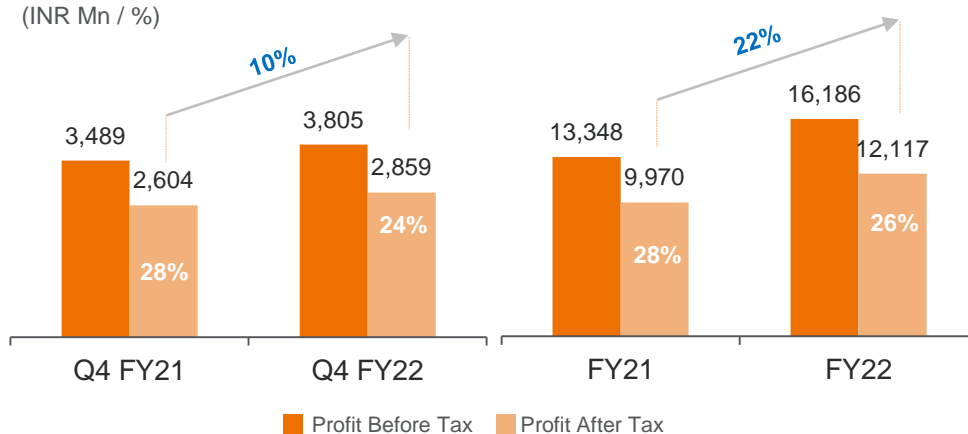
### EBITDA <sup>(1)</sup> / EBITDA Margin <sup>(2)</sup>

(INR Mn / %)



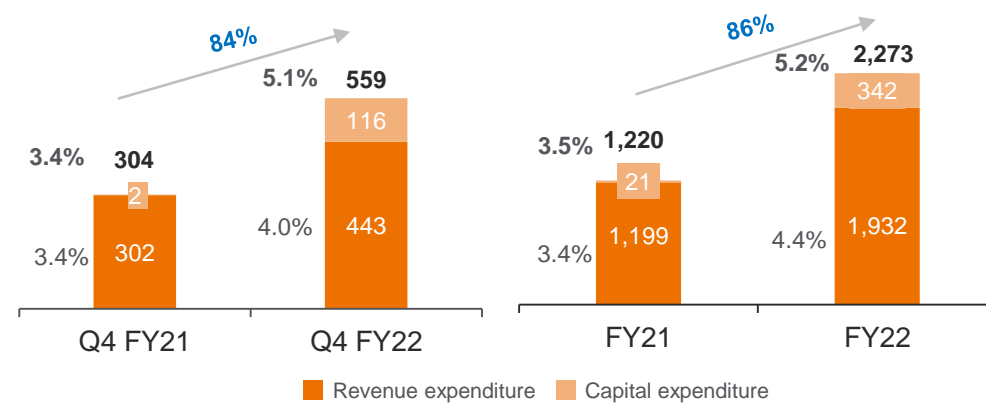
### PBT / PAT / PAT Margin <sup>(3)</sup>

(INR Mn / %)



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

(INR Mn / %)



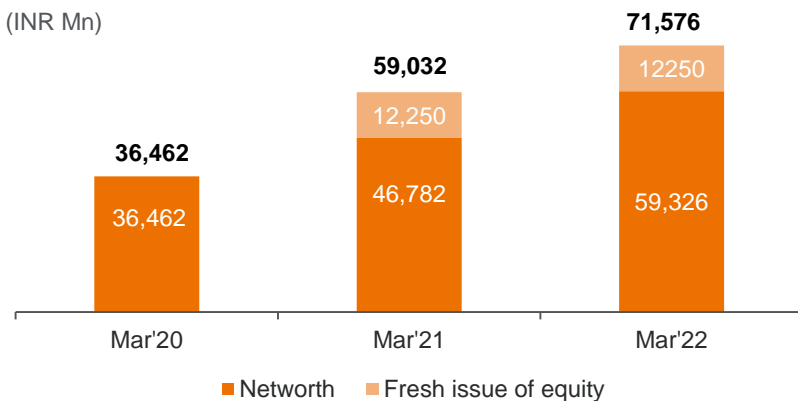
Note: (1) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period. (2) EBITDA margin = EBITDA / Total Income; (3) PAT margin = Profit for the period /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

# Financial Highlights (2/3)

## Strong Balance Sheet to support future growth plans

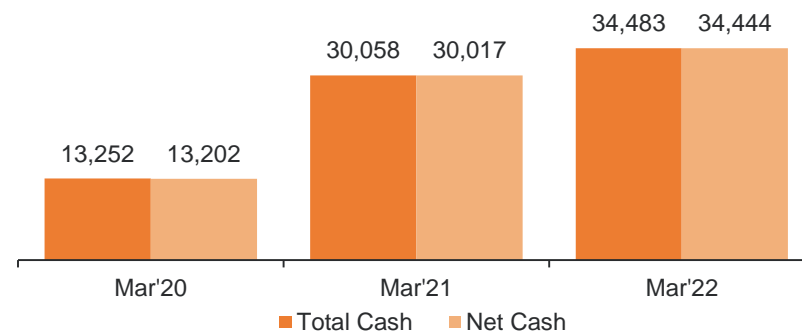
### Net Worth <sup>(1)</sup>

(INR Mn)



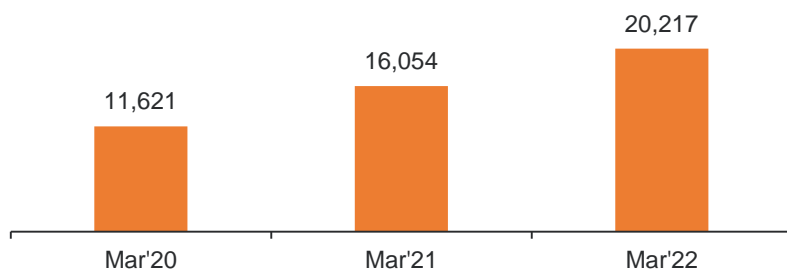
### Cash and Bank Balances / Net Cash <sup>(2)</sup>

(INR Mn)



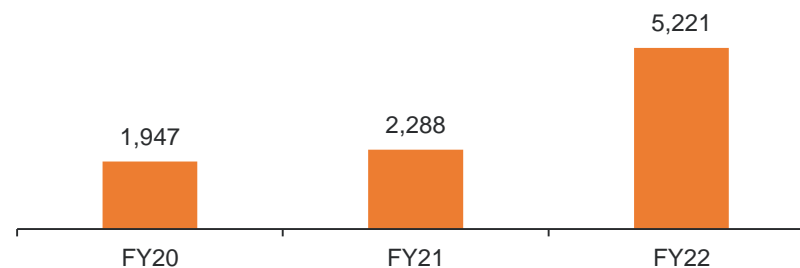
### Net Working Capital <sup>(3)</sup>

(INR Mn)



### Capital Expenditure

(INR Mn)

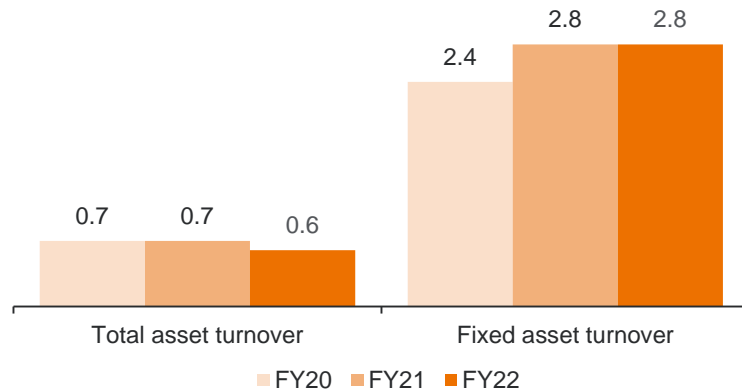


Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash, Investments in Debt Mutual Funds, Deposits with Financial Institutions and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets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

# Financial Highlights (3/3)

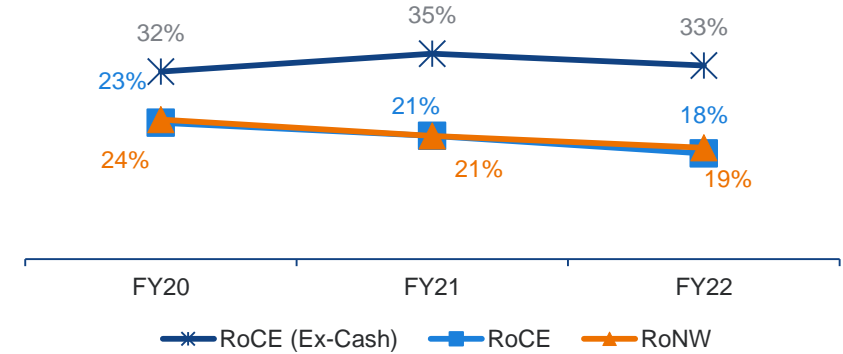
## Focus on Capital efficiency and healthy return ratios

### Asset Turnover Ratio (1)(2)



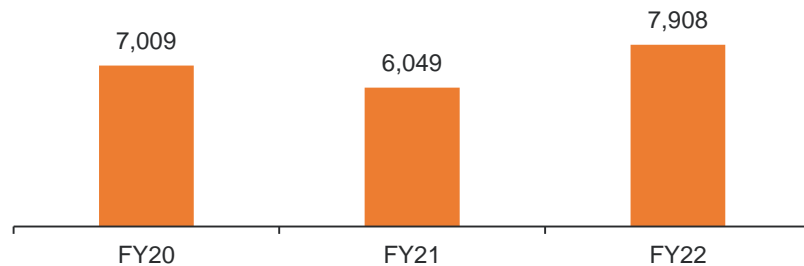
### ROCE (ex-cash)<sup>(3)</sup> / ROCE (4) / RONW (5)

(%)



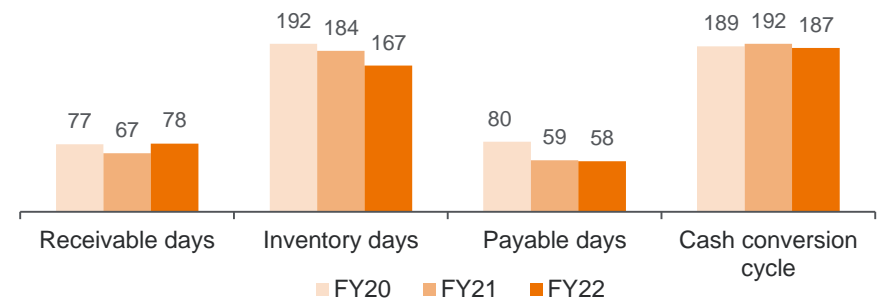
### Cash Flow from Operations

(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 365 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS\* over 365 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS\* over 365 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days;

# P&L Highlights

(INR Mn)

Particulars	Q4 FY22	Q4 FY21	YoY growth	FY22	FY21	YoY growth	Q3 FY22
<b>Revenue from operations</b>	<b>11,030</b>	<b>8,877</b>	24%	<b>44,007</b>	<b>34,629</b>	27%	<b>10,633</b>
Other Income	652	473	38%	2,239	1,348	66%	457
<b>Total Income</b>	<b>11,682</b>	<b>9,350</b>	25%	<b>46,246</b>	<b>35,977</b>	29%	<b>11,090</b>
<b>Gross Margin<sup>(1)</sup></b>	<b>5,577</b>	<b>4,962</b>	12%	<b>22,915</b>	<b>19,710</b>	16%	<b>5,599</b>
<i>% margin</i>	51%	56%		52%	57%		53%
<b>EBITDA<sup>(2)</sup></b>	<b>4,136</b>	<b>3,749</b>	10%	<b>17,341</b>	<b>14,370</b>	21%	<b>3,946</b>
<i>% margin<sup>(3)</sup></i>	35%	40%		37%	40%		36%
<b>PBT</b>	<b>3,805</b>	<b>3,489</b>	9%	<b>16,186</b>	<b>13,348</b>	21%	<b>3,656</b>
<i>% margin</i>	33%	37%		35%	37%		33%
<b>PAT</b>	<b>2,859</b>	<b>2,604</b>	10%	<b>12,117</b>	<b>9,970</b>	22%	<b>2,730</b>
<i>% margin<sup>(4)</sup></i>	24%	28%		26%	28%		25%

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 and Australia (Core Markets)

## Revenue:

Despite market challenges, our core markets remained strong during the year. Key products driving the growth includes Micafungin Sodium, Ketorolac Tromethamine, Heparin Sodium, Ziprasidone and Dexmedetomidine.

## New launches<sup>(2)</sup>:

Q4 FY22: 5 Product SKUs (4 molecules)

FY22<sup>(3)</sup>: 44 Product SKUs (29 molecules)

## US filings update:

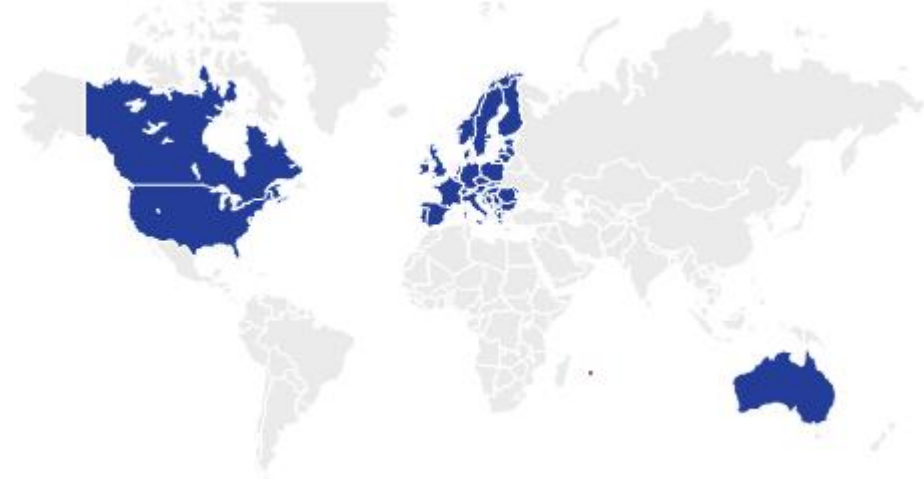
As of Mar 31, 2022, we along with our partners had 311 ANDA filings in the United States, of which 252 were approved and 59 pending approval.

	Q4 FY22	FY22
ANDA Filed	2	29
ANDA Approved	3	19
DMFs Filed	-	11

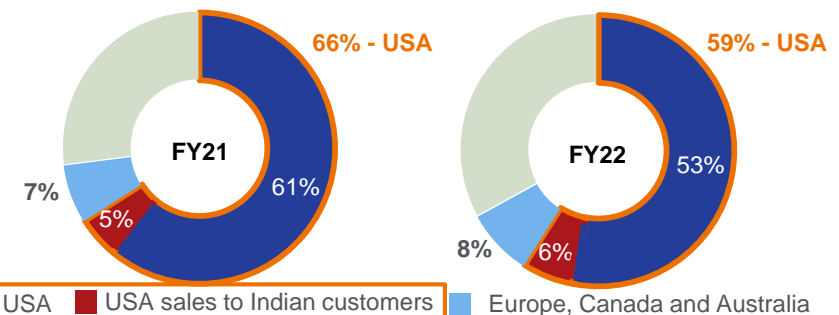
FY22: Rs. 29,248 Mn  
YoY Growth: 16%

Q4 FY22: Rs. 7,110 Mn  
YoY Growth: 8%

## Core Markets<sup>(1)</sup>



## Revenue Contribution



Note: ANDA count includes technology transfer ANDAs

(1) Core markets includes USA, Europe, Canada and Australia; (2) Includes products where launch quantity is dispatched to our partners; (3) Adjusted for product overlap on quarterly basis



# Rest of the World Markets

- Our strategy of expanding our product portfolio in identified geographies has led to a y-o-y growth of 55% in FY22.
- Our key markets contributing to the growth continue to remain MENA, LatAm and APAC.
- Enoxaparin Sodium was a key contributor to growth during the year along with other products like Heparin Sodium, Rocuronium Bromide and Dexmedetomidine.
- We registered Dexmedetomidine, Ertapenem and Tigecycline in new geographies during the Q4 FY22.

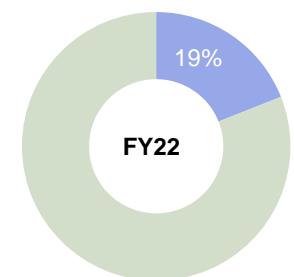
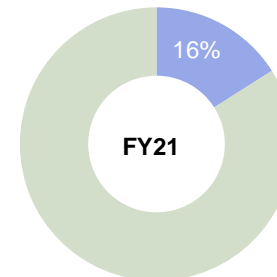
**FY22: Rs. 8,481 Mn**  
**YoY Growth: 55%**

**Q4 FY22: Rs. 1,902 Mn**  
**YoY Growth: 32%**

## Rest of the World Markets



## Revenue Contribution



# India (Domestic Market)

- India sales grew by 60% in FY22 on account of volume growth of existing products.
- The India sales stood at 18% of our revenue for Q4 FY22.
- For the full year FY22, the revenue contribution stood at 14% as compared to 11% in FY21.
- Successfully launched Caspofungin Acetate and Enoxaparin Sodium (Multi-Dose Cartridge with pen device) in domestic market during the year.

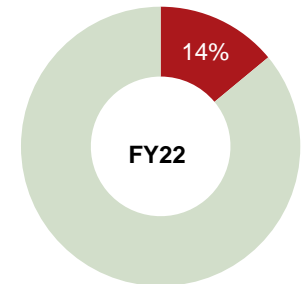
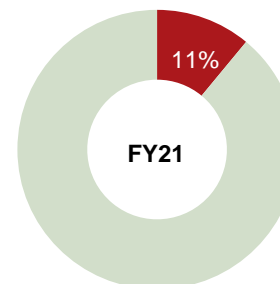
**FY22: Rs. 6,278 Mn**  
**YoY Growth: 60%**

**Q4 FY22: Rs. 2,018 Mn**  
**YoY Growth: 137%**

## India (Domestic Market)



## Revenue Contribution

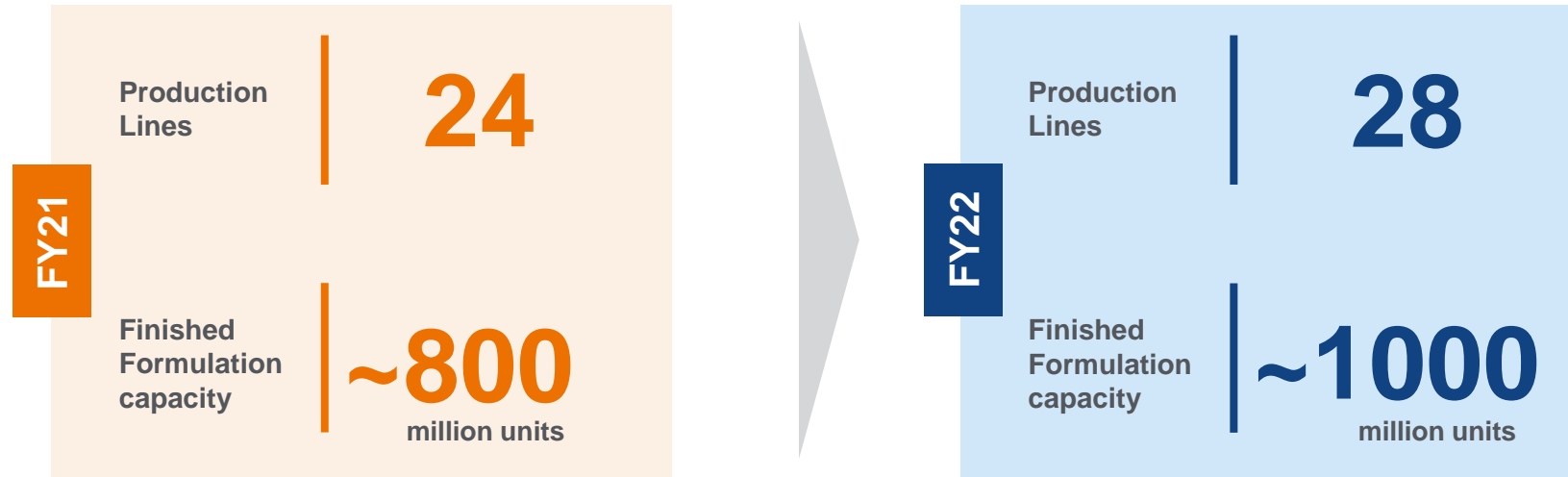


# Expansion of Manufacturing Infrastructure

New lines to support our complex injectables development pipeline for suspensions, hormones and emulsions based products

## Successfully completed installation of 4 new lines, adding > 200 million units of additional capacities

- These new lines have been installed at our sterile injectable facility at Pashamylaram, Hyderabad.
- Additional capacities include 3 liquid vial lines with 4 lyophilizers and 1 pre-filled syringe line
- Our manufacturing processes are designed to facilitate maximum production flexibility, while maintaining the highest standards of quality. Additional capacities will help us provide this flexibility to our production planning teams.



# Key Focus Areas

Focus on achieving a diverse product mix offering products at various stages of their lifecycle as well as a robust product pipeline



Working towards building **bio-similar / biologics CDMO capabilities** and exploring collaboration opportunities with established bio-similar players



Expanding development and manufacturing capabilities in **complex injectables** such as peptides, long-acting injectables, suspensions and hormonal products



**Geographic expansion** in to emerging markets to diversify revenue base while maintaining healthy profitability

## Core Strengths



State-of-the-art Facilities



Strong Quality Assurance & Quality Control



Economies of Scale



Vertically Integrated



Diversified Product Portfolio



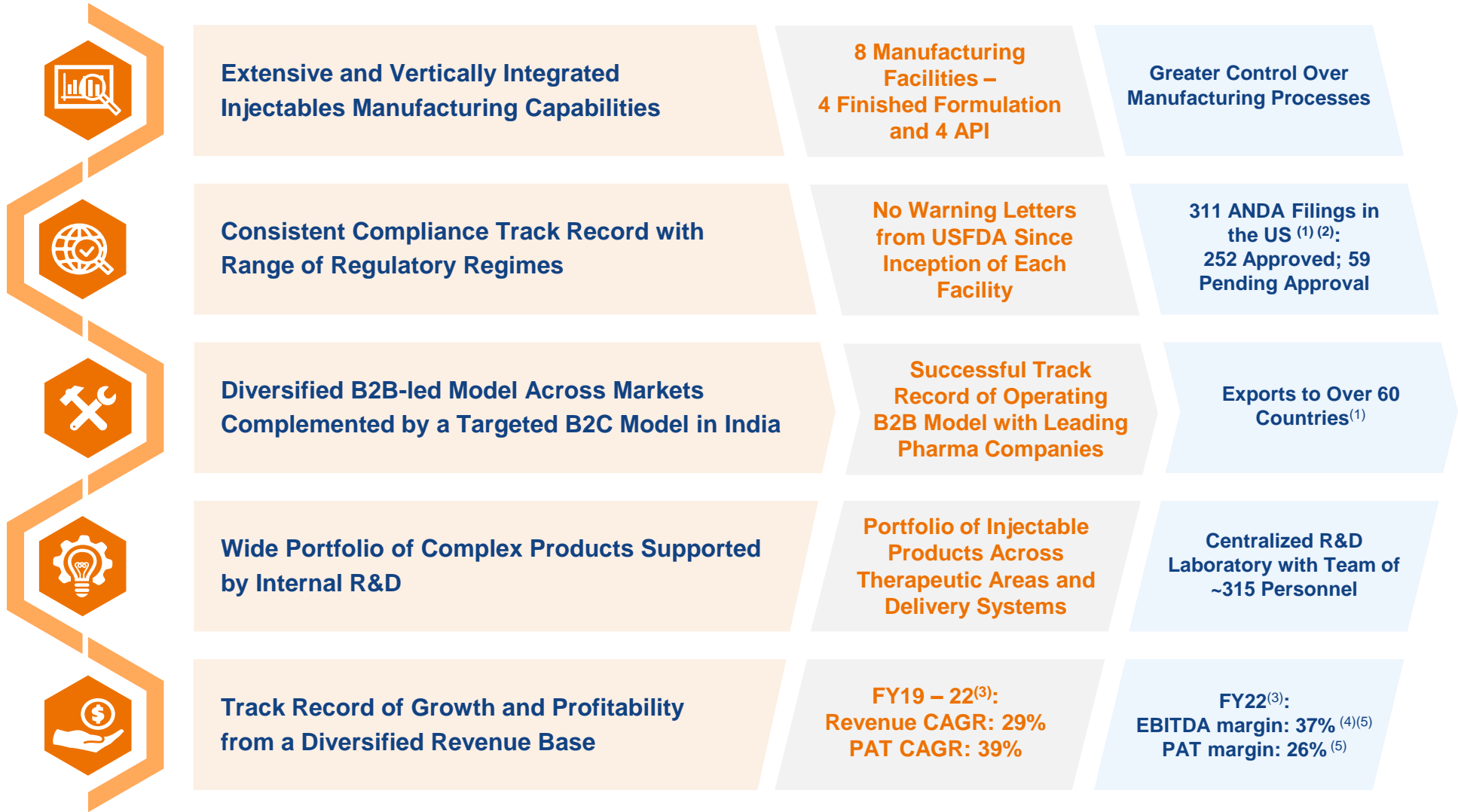
Compliance Track Record



GLAND PHARMA LIMITED

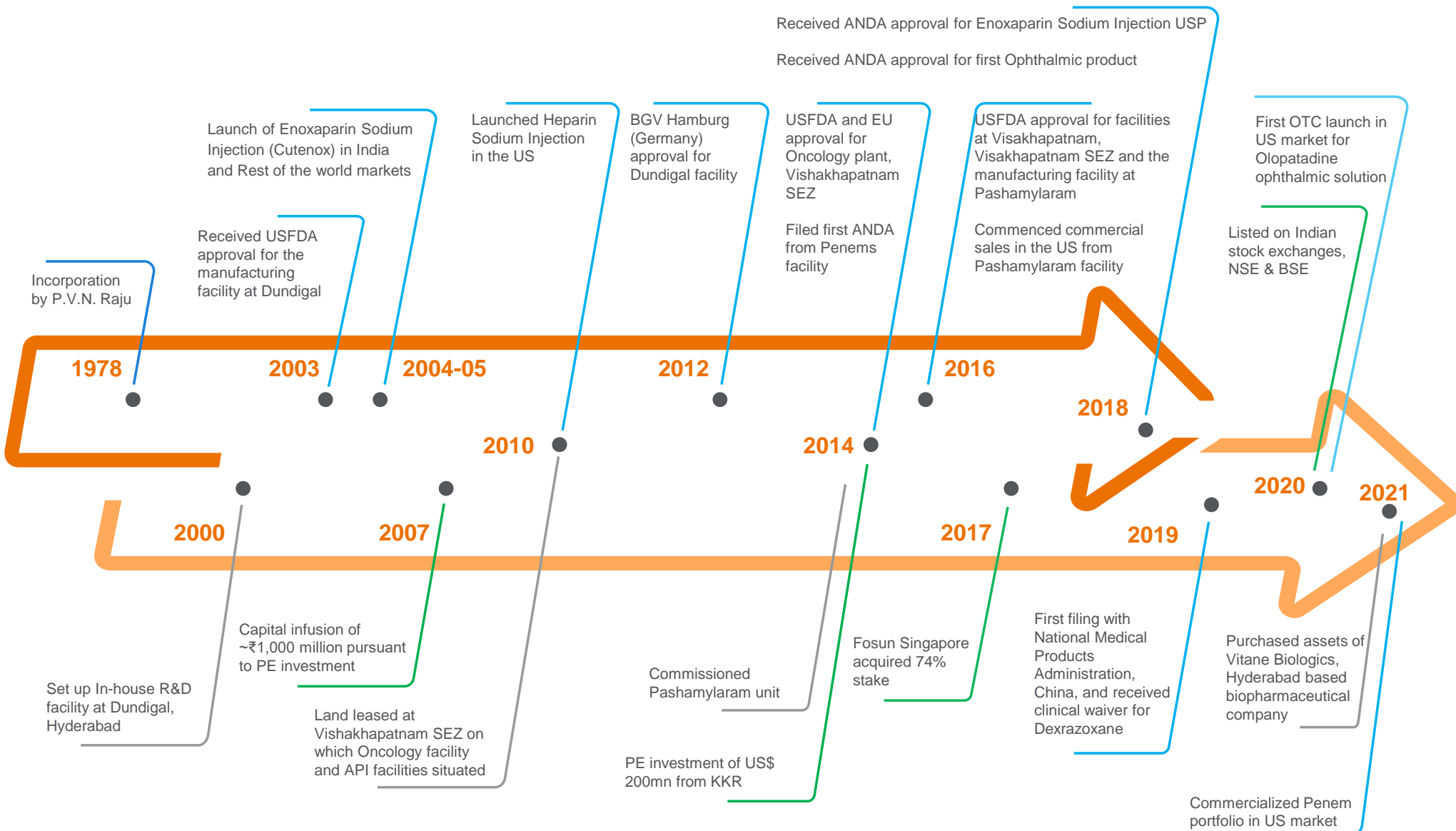
# Investor Presentation





Note: (1) As of March 31, 2022. (2) Filed by Gland Pharma, along with partners. (3) Based on Financial Information prepared in accordance with Ind AS (4) EBITDA stands for earnings before interest, taxes, depreciation and amortization which has been arrived at by adding finance expense, depreciation expense, exceptional items and total tax expense to the profit for the year. (5) EBITDA margin = EBITDA / Total Income; PAT margin = PAT / Total Income.

# Our Journey



— Commission of Asset    — Investor / Capital Infusion    — Launch / Filings



# Business Overview

## Extensive and Vertically Integrated Manufacturing Capabilities With Consistent Compliance Track Record

**8** Facilities



**4** Finished  
Formulation Facilities  
~ 1,000 million units

&

**4** API Facilities  
11,000 kg / year,  
R&D Pilot Plant and Biotech  
Drug Substance Facility

API facilities provide in-house manufacturing capabilities for critical APIs, thereby

- Controlling costs and quality, and
- Mitigating supply chain related risks around key product

### Dundigal, Hyderabad

- Sterile Injectables Facility (Flagship)
- API Facility

### Pashamylaram, Hyderabad

- Sterile Injectables Facility
- Penems Facility

### Vishakhapatnam

- Oncology Facility
- 2 API Facilities

### Genome Valley, Hyderabad

- Biotech Drug Substance Facility

### Consistent Compliance Track Record

- **No USFDA warnings letters** since inception of each facility
- **Certified as GMP compliant at all manufacturing facilities by the USFDA**
- Certain facilities certified by the **MHRA (UK), ANVISA (Brazil), AGES (Austria), TGA (Australia) and BGV Hamburg (Germany)**

### Quality Assurance and Quality Control

- **Team of 1,449 full-time employees**, 31.24% of total employees<sup>(1)</sup>
- Regular quality management reviews
- **40+ audits per year on average**, including customer audits and regulatory agency audits
- GMP certifications for facilities

Note: (1) As of March 31, 2022.



# Business Overview (Cont'd)

## Diversified B2B-led Model Across Markets Complemented by B2C Model in India

- **Operating in 60+ countries** as of March 31, 2022
- Successful track record of **operating B2B model with leading companies**, complemented by a B2C model in home market of India leveraging brand strength and sales network

	B2B (Global)			B2C (India)	
	B2B – IP Led		B2B Tech Transfer	B2B CMO	B2C
	Own Filing	Partner Filing			
Overview	<ul style="list-style-type: none"> <li>• Out-license to Marketing partners</li> <li>• Long term product supply contracts</li> </ul>		<ul style="list-style-type: none"> <li>• Co-development with Partner</li> <li>• Manufacturing by Gland</li> </ul>	<ul style="list-style-type: none"> <li>• Fill and finish service</li> <li>• Loan and license agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Direct marketing of products</li> </ul>
Revenue Model	<ul style="list-style-type: none"> <li>• License and milestone payments</li> <li>• Selling price per unit dose + Profit Share</li> </ul>		<ul style="list-style-type: none"> <li>• Tech transfer fee</li> <li>• Selling price per unit dose + Royalty</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed per unit price</li> </ul>	<ul style="list-style-type: none"> <li>• Direct sale of products</li> </ul>
ANDA Ownership <sup>(1)</sup>	✓	✗	✗	✗	✓
IP Ownership <sup>(1)</sup>	✓	Co-owned	✗	✗	✓

### Advantages of B2B models

Grow market share while reducing the marketing investments

Leverage reputation of marketing partners

Build reputation as a complex injectables manufacturer with compliance record

Drive profitability with higher capacity utilization

Note: (1) Reflects typical features of such business models in regulated markets.

# Business Overview (Cont'd)

## Extensive Portfolio of Complex Products

Present in sterile injectables, oncology and ophthalmics, and focus on complex injectables, NCE-1s, First-to-File products and 505(b)(2) filings

### Delivery Systems:

- Liquid vials
- Lyophilized vials
- Pre-filled syringes
- Ampoules
- Bags
- Drops

### Therapeutic Areas:

- Anti-diabetic
- Anti-infectives
- Anti-malarials
- Anti-neoplastics (Oncology)
- Blood-related
- Cardiac
- Gastro-intestinal
- Hormones
- Neurological and Central Nervous System
- Ophthalmics and Otologicals
- Pain, neuro-muscular blocking agents & analgesics
- Respiratory
- Vitamins, minerals & nutrients

## Internal R&D & Regulatory Capabilities

**Centralized R&D Laboratory** located at Dundigal, Hyderabad facility, with supporting personnel at each manufacturing facility

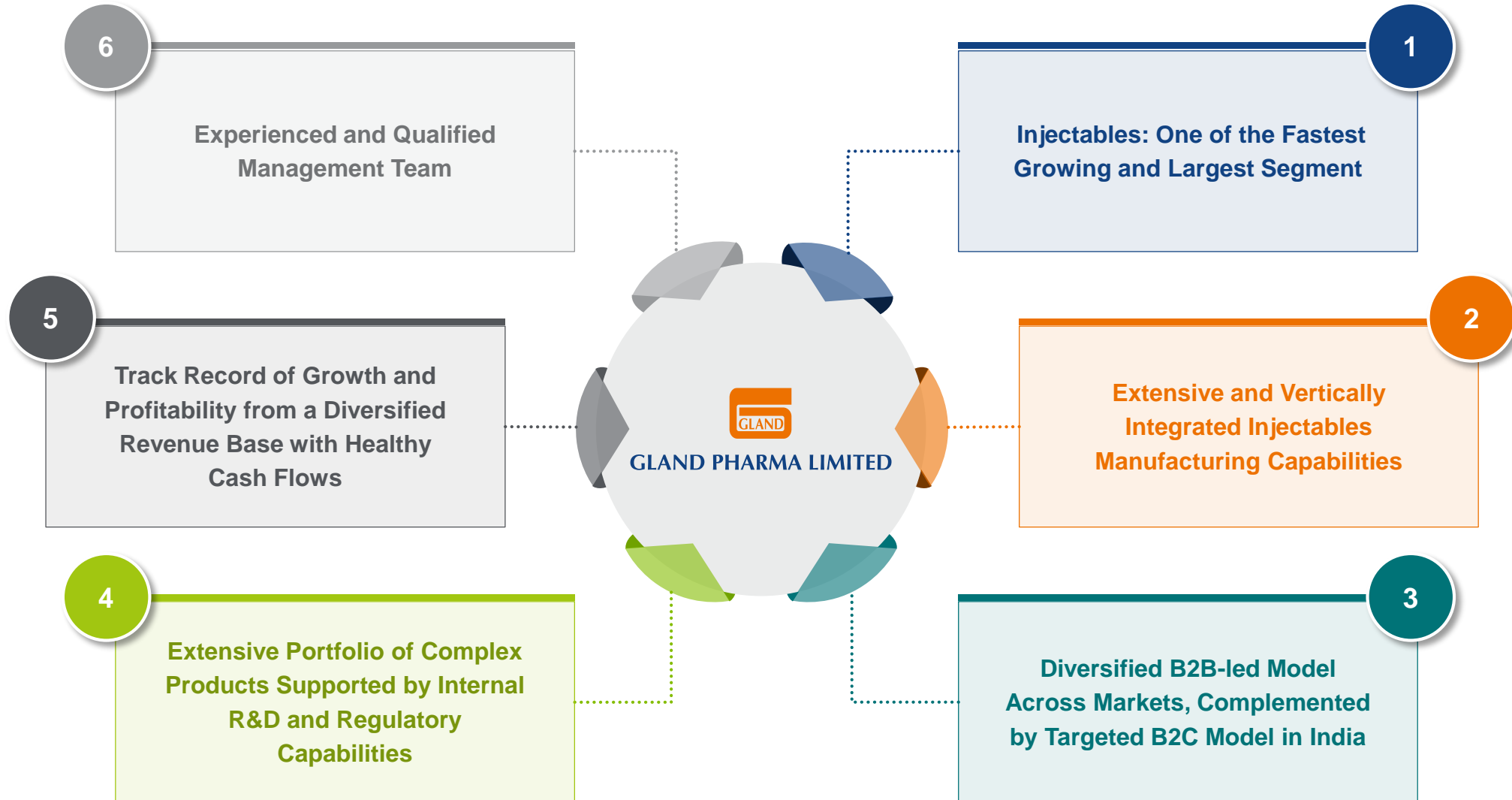
- **~315** personnel team including PhDs, pharmacy post graduates and chemists
- **New R&D building at Pashamylaram**, Hyderabad
- R&D expertise supports regulatory filings globally

### Regulatory Track Record

- 311 ANDA Filings in US – 252 approved; 59 pending <sup>(1)</sup>
  - Of 311, 139 owned by Gland Pharma out of which 100 are approved and 39 are pending for approval
  - 227 for sterile injectables, 54 for oncology and 30 for ophthalmics related products
- 1,557 product registrations globally, of which 418 in United States, Europe, Canada and Australia, 69 in India and 1070 in Rest of the world <sup>(1)</sup>

Note: (1) As of March 31, 2022; refer to ANDA filings by Gland Pharma, along with partners.

# Key Strengths

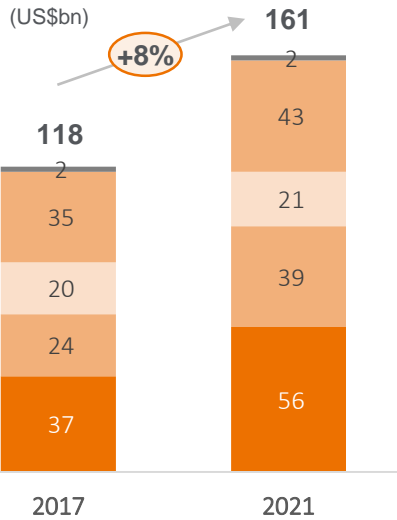


# Generic Injectables: Market & Growth Drivers

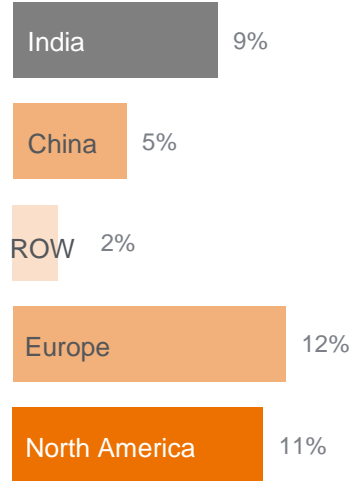
US\$161bn Market with Multiple Growth Levers Driven by LoEs, Opportunity from Shortages and Ease of Use

## Geographic Mix- Generic Injectable

(US\$bn)

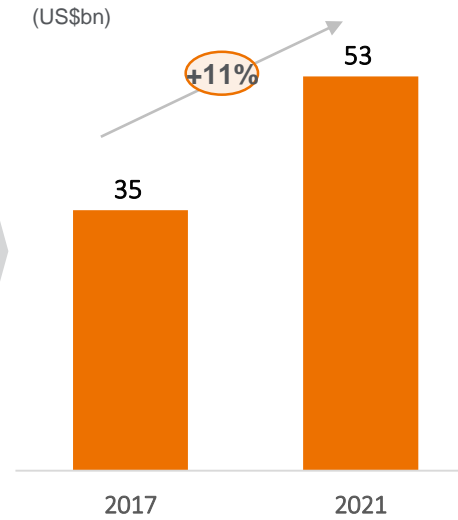


(17-21 CAGR)



## US Generic Injectable market

(US\$bn)



The US Generic Injectable market grew from US\$ 35 Bn in 2017 to **US\$ 53 Bn** in 2021, at a rate of **11%**

### Growth drivers for Injectables

#### Rising prevalence of chronic diseases

Strong increase in the prevalence of diabetes and other chronic diseases – the treatment of which is primarily administered through injectables

#### Convenience and benefits of New Drug Delivery Systems

Strong increase in the prevalence of diabetes and other chronic diseases – the treatment of which is primarily administered through injectables

#### New market opportunities

Increasing treatment of new ailments through injectables such as rheumatoid arthritis, multiple sclerosis, cancers and autoimmune disorders

#### Growth of biologics

Increased use of biologics due to their ease of handling, less overfills and more safety to patients - increasing demand for the injectable drug delivery devices for these formulations

# Generic Injectables: Market Entry Barriers

2

## Manufacturing Complexities to Meet Stringent Quality Standards

Complexities involving sterilisation, packaging, sterile fill/finish, with stability assessment at each stage, among others

3

## High Level of Compliance and Regulatory Requirements

High level of regulatory enforcement of cGMP standards

1

## Significant Capital Investments

Injectable plants require 1.3x - 1.5x more capex vs oral solids plants due to requirements of sterilisation and/or aseptic manufacturing

4

## Stringent Quality Requirements

c.62% of drugs in shortage are associated with manufacturing or product quality problems



**For the US Generic Injectables Market, c.70% of the Market by Value has Less than Half the Number of Manufacturers Compared to the Oral Solids Segment**

# Extensive & Vertically Integrated Manufacturing Capabilities

## Overview



**8** Facilities

**4**

Finished Formulation  
Facilities

**~ 1,000  
million units**

**4(1)**

API Facilities

**11,000 kg / year &  
R&D Pilot Plant**



28 production lines with flexibility to accommodate different product requirements



In process of commissioning additional capacity



New R&D building at Pashamylaram, Hyderabad



Greater control over costs and quality and mitigate supply chain related risks

## Manufacturing Footprint



### Dundigal, Hyderabad

#### Sterile Injectables Facility (Flagship)

- Liquid Vials, Lyophilizers, Ampoules, Pre-filled syringes, Bags and Ophthalmics

#### API Facility

- R&D pilot plant

USFDA (US), MHRA (UK), ANVISA (Brazil), TGA (Aus), BGV (Germany)



### Pashamylaram, Hyderabad

#### Sterile Injectables Facility

- Liquid Vials, Lyophilizers, Ampoules and Pre-filled syringes

#### Penems Facility

- Vials (2 Lyophilizers), Dry Powder

USFDA (US), GUB Munich (Germany)



### Vishakhapatnam

#### Oncology Facility

- Liquid Vials, Lyophilizers

#### 2 API Facilities

- Cumulative capacity of 11,000 kg / year

USFDA (US), AGES (Austria), TGA (Australia), ANVISA (Brazil), DMA (Denmark)

Note: (1). Includes recent acquired Biotech Drug Substance Facility at Genome Valley, Hyderabad

# Consistent Regulatory Compliance Track Record

## Highlights



**No warning letters from USFDA** (whether as a result of facility inspection or otherwise) since inception of each facility



**All facilities Certified GMP compliant by USFDA**, and certain facilities by MHRA (UK), ANVISA (Brazil), AGES (Austria), TGA (Australia) and BGV Hamburg (Germany)



**WHO GMP certifications** from the Drugs Control Administration (Governments of Telangana and Andhra Pradesh, India) (DCA)



**3 ISO certifications** as of March 31, 2022 <sup>(1)</sup>

## Focus on Quality Control



**1,449**

full time employees in Quality Control and Quality Assurance <sup>(2)</sup>



**31.24%**

of the workforce in Quality Control and Quality Assurance <sup>(2)</sup>



**40+**

audits on average per year, including customer audit and regulatory agency audit

## Quality Standards throughout the business units and facilities

### Quality Improvement

Laboratory Information Management System software for quality control at all manufacturing locations

### Corporate Quality Establishment

Corporate reporting structure for identifying and developing standard operating procedures





### Quality Audits

Conduct internal audits across all facilities on a quarterly basis

Note: (1) 3 ISO certifications as of March 31, 2022 for quality management, environment management and occupational health and safety management systems applicable to design, development and production of pharmaceuticals and contract manufacture of small volume parenterals. (2) As of March 31, 2022

# Diversified Business Model with Focus on Growth & Stability

## Diversified B2B-led Model Across Markets, Complemented by a Targeted B2C Model in India

	B2B (c.95% of FY22 Revenue)				B2C (c.4% of FY22 Revenue)
	B2B – IP Led		B2B Tech Transfer	B2B CMO	B2C
	Own Filing	Partner Filing			
<b>Overview</b>	<ul style="list-style-type: none"> <li>Out-license to marketing partners</li> <li>Long term product supply contracts</li> </ul>		<ul style="list-style-type: none"> <li>Co-development with Partner</li> <li>Manufacturing by Gland</li> </ul>	<ul style="list-style-type: none"> <li>Fill and finish service</li> <li>Loan and license agreements</li> </ul>	<ul style="list-style-type: none"> <li>Direct marketing of products</li> </ul>
<b>Revenue Model</b>	<ul style="list-style-type: none"> <li>License and milestone payments</li> <li>Selling price per unit dose + Profit Share</li> </ul>		<ul style="list-style-type: none"> <li>Tech transfer fee</li> <li>Selling price per unit dose + Royalties</li> </ul>	<ul style="list-style-type: none"> <li>Fixed per unit price</li> </ul>	<ul style="list-style-type: none"> <li>Direct sale of products</li> </ul>
<b>ANDA Ownership <sup>(1)</sup></b>	✓	✗	✗	✗	✓
<b>Development <sup>(1)</sup></b>	✓	✓	✓ <sup>(2)</sup>	✗	✓
<b>IP Ownership <sup>(1)</sup></b>	✓	Co-owned	✗	✗	✓
<b>Marketing Rights <sup>(1)</sup></b>	✓	✗	✗	✗	✓
<b>Royalty / Profit Sharing <sup>(1)</sup></b>	✓	✓	✓	✗	Not Applicable
<b>Key Markets</b>					
<b>Select Clients / Partners</b>	<ul style="list-style-type: none"> <li>Global Pharma Companies</li> </ul>			<ul style="list-style-type: none"> <li>Indian Pharma Companies</li> </ul>	<ul style="list-style-type: none"> <li>c.2,000 corporate hospitals, nursing homes &amp; govt. facilities</li> </ul>

Note: (1). Information reflects typical features of the respective business models in regulated markets. (2). Exhibit batches and stability studies are performed by Gland.



# Gland's B2B Model: Salient Features

**Advantages Include Stable Cash Flows, Better Profitability Profile, Margin Stability from Natural Hedge Against Raw Material Pricing and End-formulation Pricing Fluctuations**

## 1 Steady / Predictable Cash Flow

- ✓ Long-term supply contracts with marketing partners ranging from 3-5 years
- ✓ Stronger partnerships due to lack of injectables manufacturers with good regulatory track record
- ✓ Products licensed to marketing partners strong in particular therapeutic areas resulting in higher market share

## 2 Better Operating Profits

- ✓ Efficient cost profile due to relatively lower SG&A vs B2C players

## 3 Economies of Scale

- ✓ Due to differentiated B2B Model, Gland can derive scale benefit at a product as well as formulation level

## 6 Lower R&D Litigation Risks

- ✓ Reduce risk by partnering with a marketing partner to cover R&D litigation expenses

## 5 Lower RM<sup>1</sup> / Formulation Pricing Risk

- ✓ IP-led model helps generate revenue from transfer pricing and profit sharing
- ✓ Revenues and profits through transfer pricing are immune to raw material price fluctuations
- ✓ Transfer pricing also helps regulate any adverse impact from price erosion in end-formulations, as it gets restricted to the profit share component

## 4 Lower Working Capital Requirement

- ✓ Lower requirements due to better inventory management, planned payables and better visibility on receivables



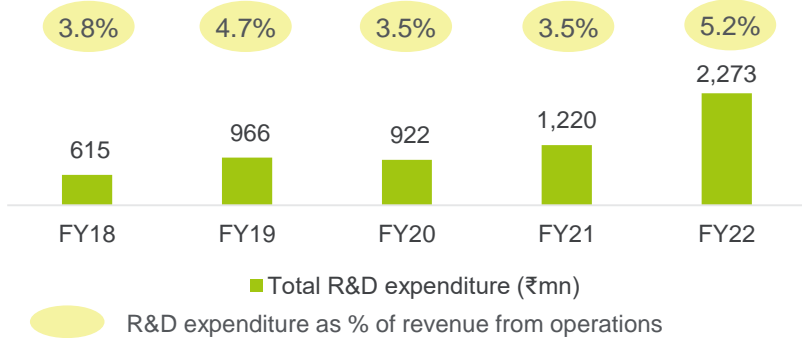
# Complex Product Portfolio Supported by Strong R&D...

## Right Capability Matrix in Products and Delivery Systems

<p><b>Expertise in synthesis of complex drug molecules:</b></p> <ul style="list-style-type: none"> <li>▪ Low Molecular Weight Heparins</li> <li>▪ Steroids</li> <li>▪ Cytotoxics</li> </ul>	<p><b>Present in:</b></p> <ul style="list-style-type: none"> <li>▪ Oncology</li> <li>▪ Ophthalmics and Otologicals</li> <li>▪ Blood-related</li> <li>▪ Neurological and Central Nervous System</li> <li>▪ Pain, neuro-muscular agents and analgesics</li> </ul>	<p><b>Focused on:</b></p> <ul style="list-style-type: none"> <li>▪ Complex injectables</li> <li>▪ NCE-1s</li> <li>▪ First-to-File products</li> <li>▪ 505(b)(2) filings</li> </ul>	<p><b>Expanding capabilities in:</b></p> <ul style="list-style-type: none"> <li>▪ Peptides</li> <li>▪ Long-acting injectables</li> <li>▪ Suspensions</li> <li>▪ Hormonal products</li> <li>▪ Biosimilar</li> </ul>	<p><b>Expanding in new delivery systems:</b></p> <ul style="list-style-type: none"> <li>▪ Pens</li> <li>▪ Cartridges</li> </ul>	<p><b>Key products include:</b></p> <ul style="list-style-type: none"> <li>▪ Cis-Atracurium Besylate</li> <li>▪ Enoxaparin Sodium</li> <li>▪ Heparin Sodium</li> <li>▪ Rocuronium Bromide</li> </ul>
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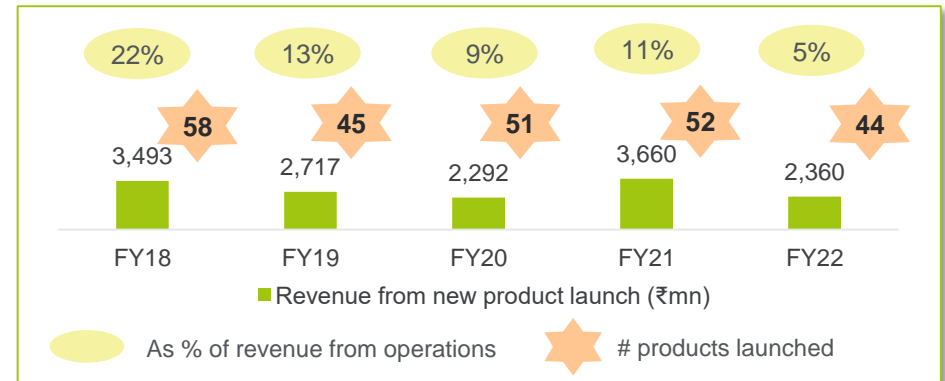
### Significant R&D Investment

Centralized R&D team of c.315 members including PhDs, pharmacy post graduates and chemists



### Translating into Revenue From New Launches

Track record of coming up with new complex products



# ...Supported by Proven Regulatory Capabilities

## Product Development Capabilities Supported by Regulatory Expertise and Track Record in Filing and Approval of Large Number of Product Registrations

### Established Expertise

#### Broad Range of Filings

- Different jurisdictions
- Diverse dosage forms
- ANDA filings for sterile injectables (**227**), oncology (**54**), ophthalmics (**30**)

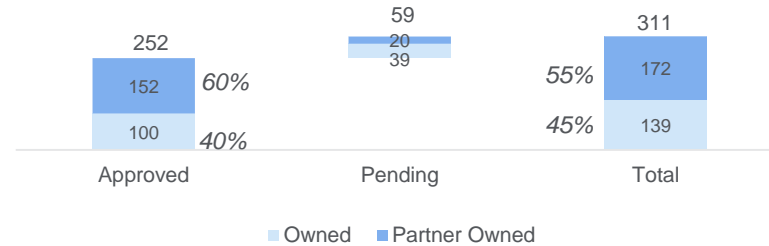
#### Supportive filings to drive sustainability

- Undertaking CBE filings for site and line changes
- Timely filing of applications like CBE/PAS for alternate APIs and components

### Successful track record and pipeline

Constantly engaged with regulators including the USFDA

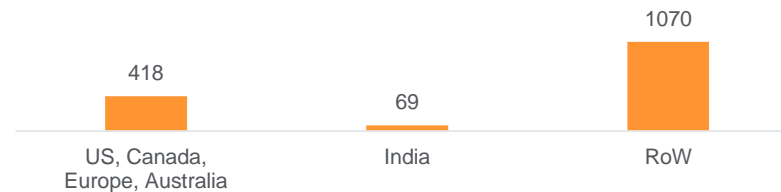
#### Total 311 ANDAs <sup>(1)</sup>



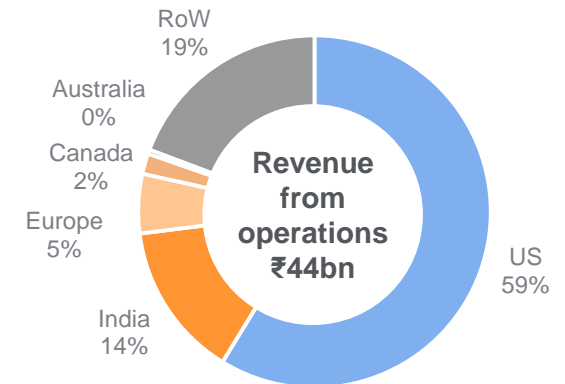
### Global Platform of Approved and Filed Registrations

Extensive experience in regulatory requirements of key markets to facilitate new product registrations

#### Total 1,557 Product Registrations Globally<sup>1</sup>



### Geographic Breakdown (FY22)



Note: (1) Information in relation to the product filings and registration is as on March 31, 2022

# Focus on Lifecycle Management of Products

## Focus on Lifecycle Management of Products Across Manufacturing, R&D and Supply Chain Processes to Maintain Competitive Advantage Over Peers

### Vertical Integration as Differentiator

- Ability to vertically integrate and manufacture critical API which are:
  - **Difficult to source**
  - **Have risk of uncertainty of API supply**
  - **Cost implication**

### Operational Efficiencies

- Ability to **maintain cost competitiveness** via efficient management of production costs including the following among others:
  - **Qualifying additional manufacturing lines/sites**
  - **Batch Size Increase**

### Supply Chain Efficiencies












- Efficient supply chain management with focus on:
  - Curtailing supply chain costs through **optimal inventory levels;**
  - **Economic order quantities**
- **Timely filing of applications** for alternate APIs and components

### R&D










- Continuously work on developing better and economical **analytical methods and efficient manufacturing processes** like Lyo parameters, increased hold times etc.



# Corporate Governance Framework Based on Independent Board

Name	Profile
<b>Board of Directors</b>	
 <p><b>Yiu Kwan Stanley Lau</b> <i>Chairman and Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in pharmacy from The School of Pharmacy, University of London</li> <li>• Director on the board of Solasia Pharma K. K. and TaiLai Bioscience Ltd</li> </ul>
 <p><b>Srinivas Sadu</b> <i>MD and CEO</i></p>	<ul style="list-style-type: none"> <li>• Master's degree in science (industrial pharmacy) from Long Island University, New York</li> <li>• Master's degree in business administration from University of Baltimore;</li> <li>• Post graduate certificate in finance &amp; management from London School of Business &amp; Finance</li> </ul>
 <p><b>Qiyu Chen</b> <i>Non Executive Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in genetics from Fudan University</li> <li>• Master's degree in business administration from China Europe International Business School</li> <li>• Global partner of the Fosun Group</li> </ul>
 <p><b>Yifang Wu</b> <i>Non Executive Director</i></p>	<ul style="list-style-type: none"> <li>• Masters of administration in communication from Saint Joseph's University (Philadelphia)</li> <li>• Chairman and CEO of Shanghai Fosun Pharmaceutical (Group) Co. Ltd</li> </ul>
 <p><b>Yao Fang</b> <i>Non Executive Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in Economics from Fudan University</li> <li>• Master's degree in Business Administration from The Chinese University of Hong Kong.</li> <li>• Executive President of Fosun International Limited</li> </ul>
 <p><b>Xiaohui Guan</b> <i>Non Executive Director</i></p>	<ul style="list-style-type: none"> <li>• Master's degree in professional accountancy from the Chinese University of Hong Kong</li> <li>• Member of the Association of Chartered Certified Accountants and a non-practising member of the Shanghai Institute of Certified Public Accountants</li> </ul>
 <p><b>Udo Johannes Vetter</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in science (pharmacy) from the University of Washington</li> <li>• Associated with Vetter / Vetter Pharma group of companies since 1987 and currently, chairman on board of Vetter Pharma (Corporation)</li> </ul>
 <p><b>Essaji Goolam Vahanvati</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in law from Government Law College, Mumbai</li> <li>• Working as independent legal practitioner, practicing in the Supreme Court of India and Delhi High Court</li> </ul>
 <p><b>Satyanarayana Murthy Chavali</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in technology from Indian Institute of Technology, Madras</li> <li>• Post graduate diploma in management from Indian Institute of Management, Bangalore</li> </ul>
 <p><b>Naina Lal Kidwai</b> <i>Independent Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelors degree in Economics from Delhi University and Masters of business administration from Harvard Business School</li> <li>• Former President of the Federation of Indian Chambers of Commerce and Industry</li> </ul>
 <p><b>Dr. Jia Ai Zhang</b> <i>Non Executive Director</i></p>	<ul style="list-style-type: none"> <li>• Bachelor Degree in Pharmacy from Fudan University and PhD in Pharmaceutics from Oregon State University</li> <li>• Executive President at the Global R&amp;D center of Fosun Pharma</li> </ul>

# Professional and Experienced Management Team

Name	Qualification
<b>Management Team</b>	
 <p><b>Srinivas Sadu</b> <i>Managing Director and Chief Executive Officer</i></p>	<ul style="list-style-type: none"> <li>• Master's degree in science (industrial pharmacy) from Long Island University, New York</li> <li>• Master's degree in business administration from University of Baltimore;</li> <li>• Post graduate certificate in finance &amp; management from London School of Business &amp; Finance</li> </ul>
 <p><b>Ravi Shekhar Mitra</b> <i>Chief Financial Officer</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in commerce from University of Calcutta</li> <li>• Associate member of the Institute of Chartered Accountants of India</li> <li>• Associate member of the Institute of Company Secretaries of India</li> </ul>
 <p><b>K V G K Raju</b> <i>Chief Technology Officer</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in science from Andhra University</li> </ul>
 <p><b>C S Venkatesan</b> <i>Senior Vice President – R&amp;D</i></p>	<ul style="list-style-type: none"> <li>• Master's degree in science in organic chemistry from Annamalai University</li> <li>• Doctor of philosophy degree from the Indian Institute of Science, Bangalore</li> </ul>
 <p><b>Surapanini Sridevi</b> <i>Senior Vice President – R&amp;D</i></p>	<ul style="list-style-type: none"> <li>• Master's degree in pharmacy from Banaras Hindu University</li> <li>• Doctor of philosophy degree in pharmaceutical science from Osmania University</li> </ul>
 <p><b>Prakash Baliga</b> <i>Vice President – Strategic Sourcing, Procurement &amp; Commercial</i></p>	<ul style="list-style-type: none"> <li>• Master's degree in pharmacy from Bangalore University</li> </ul>
 <p><b>Shilpi Sahay</b> <i>General Manager – Human Resources</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in science from the Fergusson College, University of Pune</li> <li>• Executive diploma in human resource management from XLRI, Jamshedpur</li> </ul>
 <p><b>Susheel Ogra</b> <i>Assistant Vice President – Sales and Marketing</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in science from Maulana Azad Memorial College, University of Jammu</li> </ul>
 <p><b>Sampath Kumar Pallerlamudi</b> <i>Company Secretary and Compliance Officer</i></p>	<ul style="list-style-type: none"> <li>• Bachelor's degree in law from Andhra University Faculty of Law</li> <li>• Post graduate diploma in business management from Institute of Public Enterprise</li> <li>• Associate member of the Institute of Company Secretaries of India</li> </ul>

# Promoted by Shanghai Fosun Pharma

## Shanghai Fosun Pharma is Global Pharmaceutical Major with Extensive Pharmaceutical Manufacturing, Distribution and R&D Expertise Globally

**FOSUN PHARMA**  
复星医药

- Fosun Pharma is a Global pharmaceutical major, whose shares are listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited <sup>(1)</sup>
- Relationship with Shanghai Fosun Pharma provides **widened market access opportunities** arising from its own continuing internationalization
- Benefited from Shanghai Fosun Pharma's **established presence in China and Africa**, both of which we consider to be **key growth markets for injectables**

## Continue Strategic Alignment with Shanghai Fosun Pharma to Increase Market Reach

Leverage existing infrastructure and **global presence** to access new markets, including China and Africa

Benefit from **regulatory know-how** to navigate the rapidly evolving healthcare landscape in China

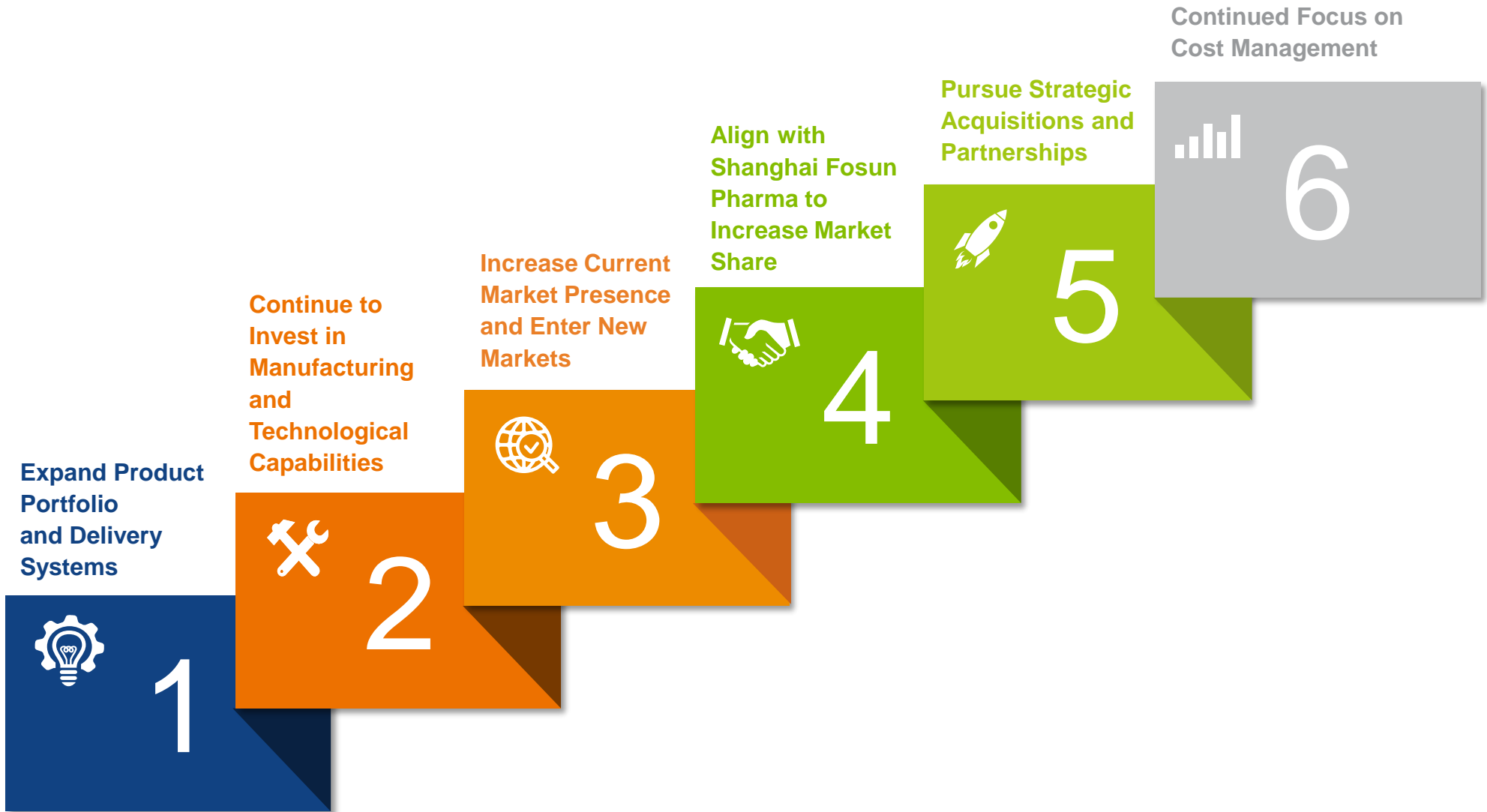
Benefit from **bargaining power** and scale to procure raw materials & equipment from China

Access **extensive sales, logistics and distribution network** to enable market penetration in China

Leverage ability to access key markets to provide **coverage for a portfolio of products**

(1) Market cap of ~ US\$ 17.9 bn as of March 31, 2022

# Building Blocks to Implement Future Strategy



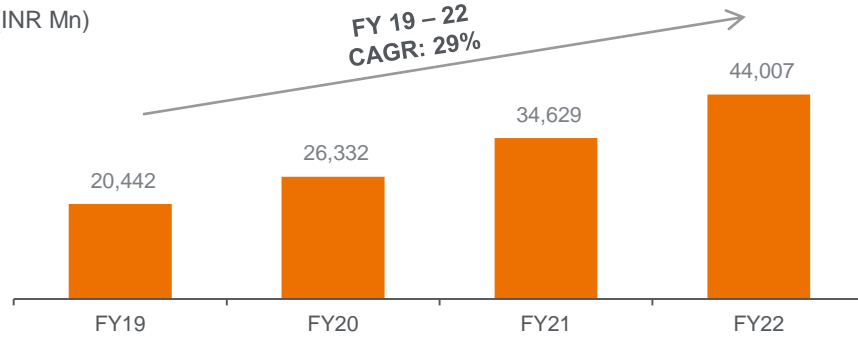


# Proven Track Record of Financial Performance

Delivering business growth with adequate R&D investments to support differentiated pipeline

## Revenue from Operations

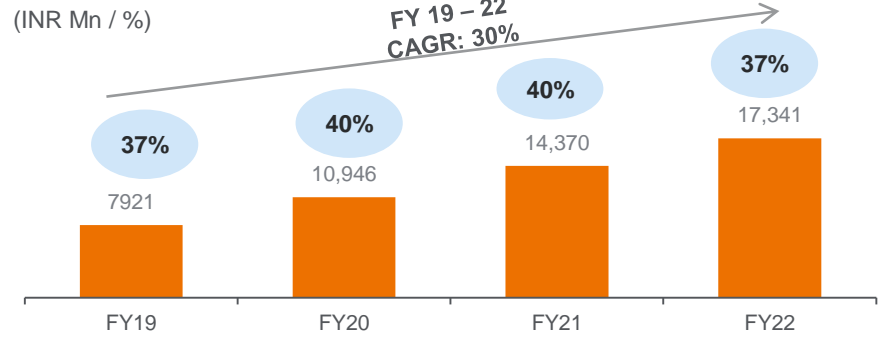
(INR Mn)



Broad portfolio, differentiated business model and strong execution capabilities have helped achieve sustainable growth

## EBITDA <sup>(1)</sup> / EBITDA Margin <sup>(2)</sup>

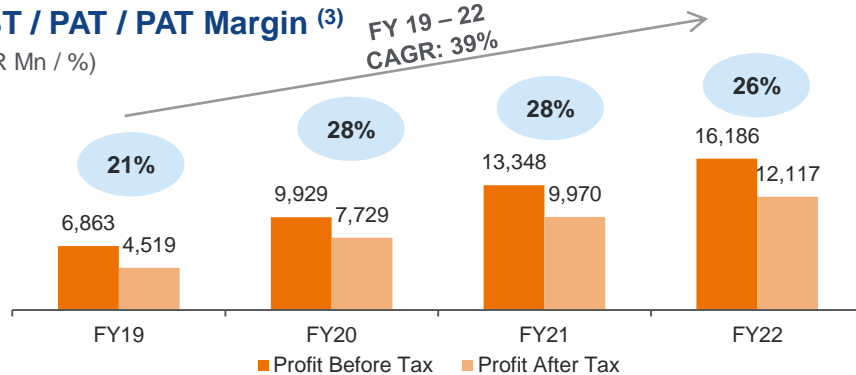
(INR Mn / %)



EBITDA has Grown at 30% CAGR from FY19 to FY22

## PBT / PAT / PAT Margin <sup>(3)</sup>

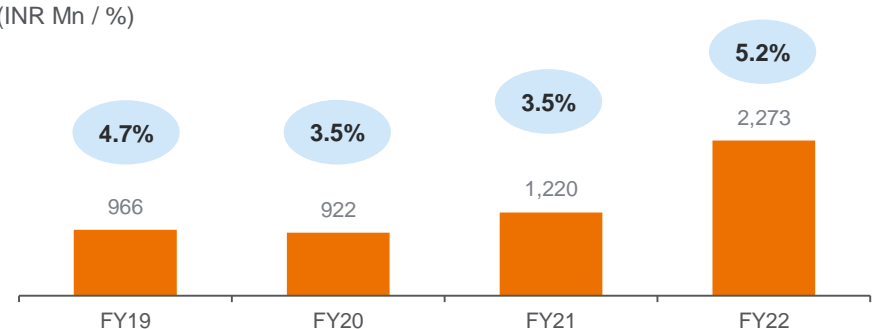
(INR Mn / %)



Sustainable PAT margins

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

(INR Mn / %)



In-house Centralized R&D Lab with ~ 315 Scientists

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

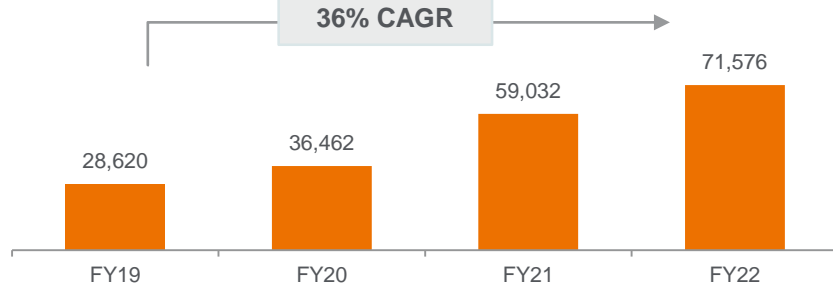
Margin



# Proven Track Record of Financial Performance (Cont'd)

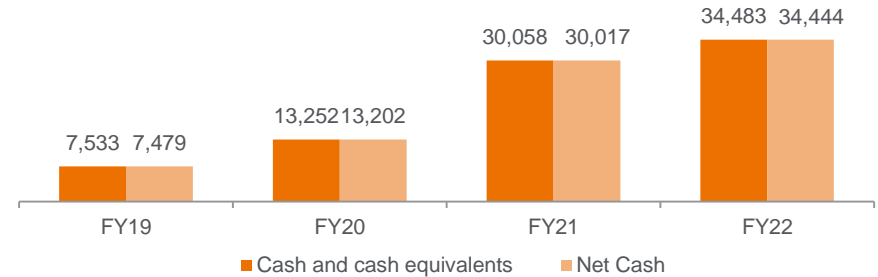
Strives to be a Capital Efficient Business. Company has no Significant Borrowings

**Net Worth (1)**  
(INR Mn)



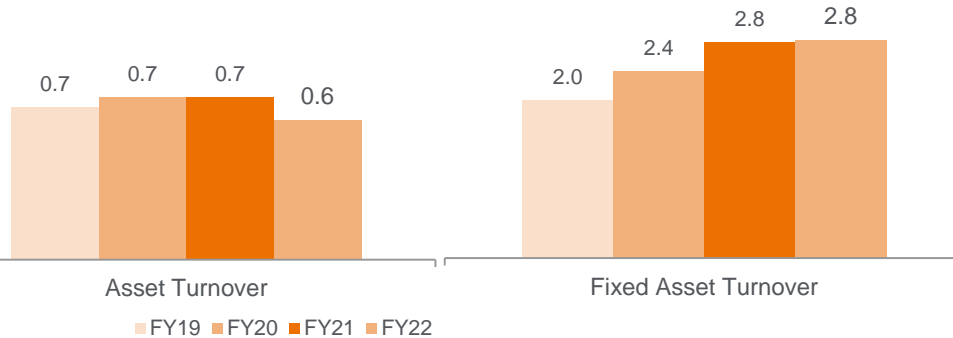
Strong Profitability Driving Growth in the Capital Base

**Cash and Bank Balances / Net Cash (2)**  
(INR Mn)



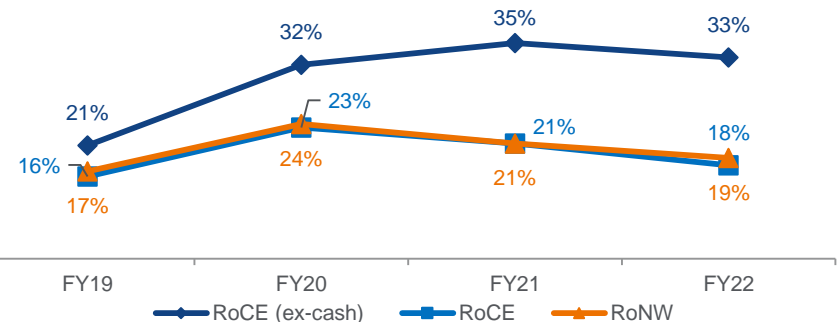
Maintained a Significant Net Cash Position over the Last 4 Years

**Asset Turnover Ratio (3)(4)**



Consistent Improvement in Asset Utilization to Generate Revenue

**ROCE (ex-cash)(5) / ROCE (6) / RONW (7)**  
(%)



Consistent Improvement in Profitability

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) Asset Turnover is calculated as Total Income for the year divided by total assets on the last day of the fiscal year. (4) Fixed Asset Turnover is calculated as Total Income for the year divided by total fixed assets (Property, plant and equipment on the last day of the fiscal year + Right-of-use assets + Capital work in progress on the last day of the fiscal year); (5) 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 (6) Return on Capital Employed (ROCE) = (EBIT - Taxes)/ Average Capital Employed for the period. Capital Employed represents Total Assets - Current Liabilities; (7) 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



### 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:

**Gland Pharma Limited**  
Plot No. 11 & 84, TSIIC Phase: IV  
Pashamylaram (V), Patancheru (M),  
Sangareddy District  
Hyderabad 502307, Telangana, India

**BSE** 543245

**NSE** GLAND

**Bloomberg** GLAND:IN