



# GLAND PHARMA LIMITED

October 22, 2021

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 the Financial Results**

Please find the attached Earnings Presentation on the financial results of the Company for the quarter and half year ended September 30, 2021.

This is for your information and records.

Yours truly,

For Gland Pharma Limited



**Sampath Kumar Pallerlamudi**  
Company Secretary

Encl: As mentioned above

**Regd. Office:**

Survey No. 143-148, 150 & 151, Near Gandimaisamma 'X' Roads  
D.P. Pally, Dundigal, Dundigal-Gandimaisamma Mandal  
Medchal-Malkajgiri District, Hyderabad 500043, Telangana, India  
Tel: +91-40-30510999 Fax: +91-40-30510800

**Corporate Office:**

Plot No. 11 & 84, TSIC Phase: IV  
Pashamylaram (V), Patancheru (M), Sangareddy District  
Hyderabad 502307, Telangana, India  
Tel: +91-8455-699999



GLAND PHARMA LIMITED

# Gland Pharma Limited

Financial Results  
Q2'FY22

22<sup>nd</sup> October 2021



# 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.

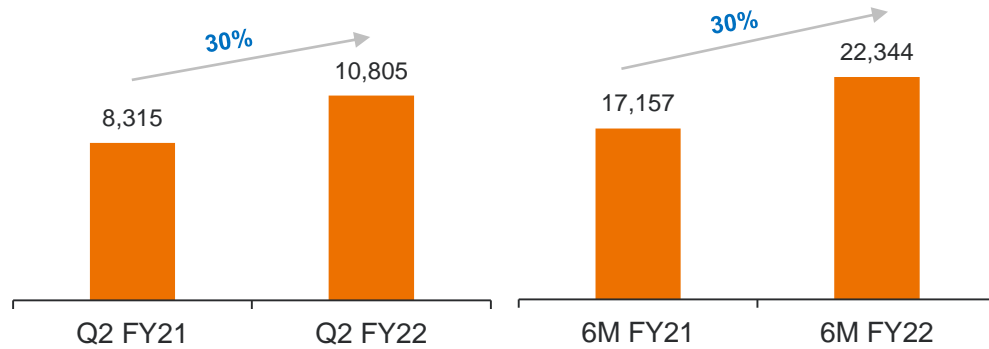
No part of this presentation may be reproduced, quoted or circulated without prior written approval from Gland Pharma Limited.

# Financial Highlights (1/3)

## Healthy growth in profitability while focus on R&D continues

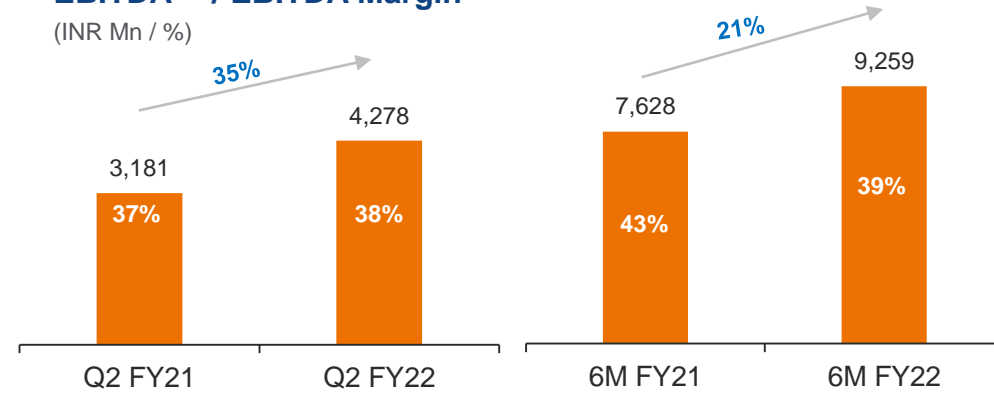
### Revenue from Operations

(INR Mn)



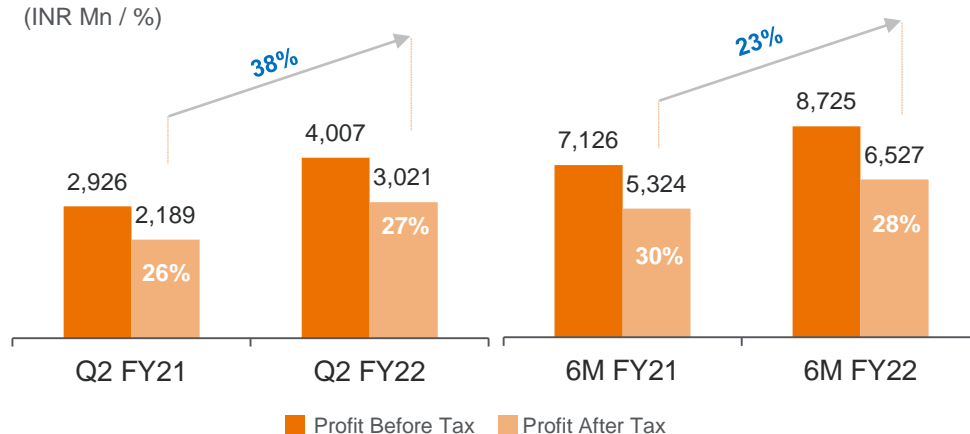
### EBITDA <sup>(1)</sup> / EBITDA Margin <sup>(2)</sup>

(INR Mn / %)



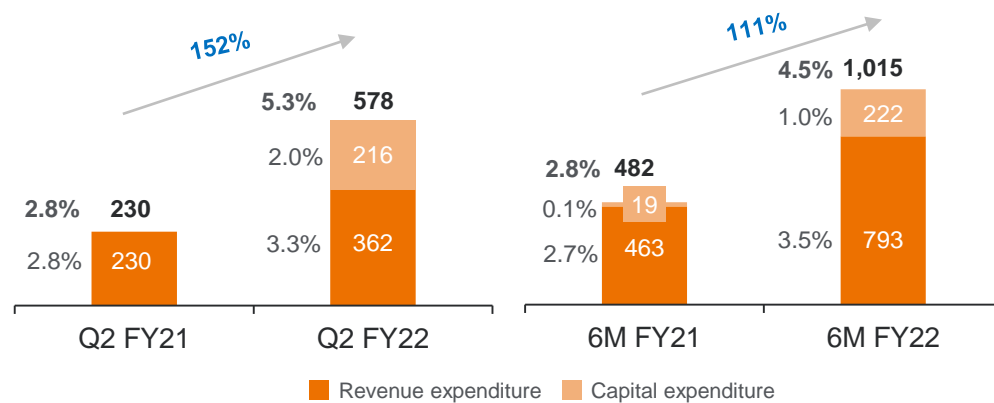
### PBT / PAT / PAT Margin <sup>(3)</sup>

(INR Mn / %)



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

(INR Mn / %)



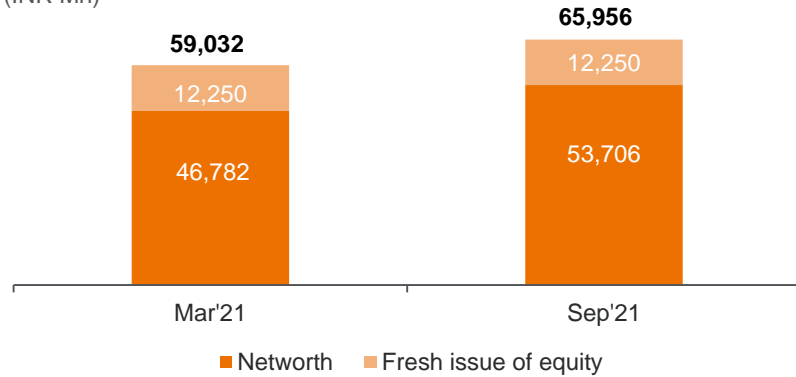
Note: (1) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period. (2) EBITDA margin = EBITDA / Total Income; (3) PAT margin = Profit for the period /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

# Financial Highlights (2/3)

Balance sheet continues to remain strong while CapEx remains in line with growth plans

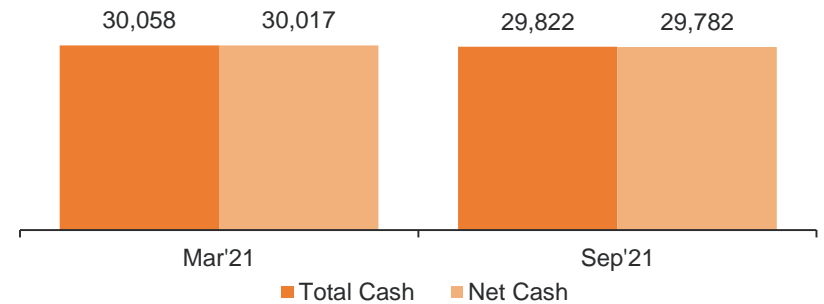
## Net Worth <sup>(1)</sup>

(INR Mn)



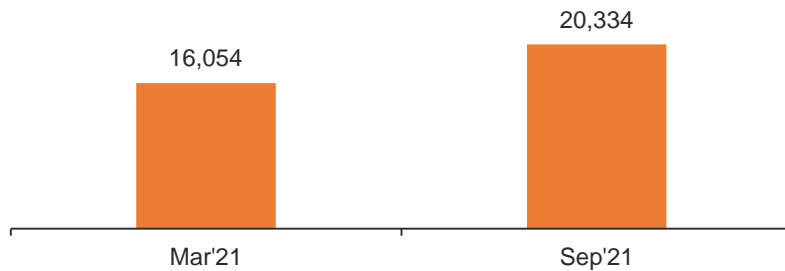
## Cash and Bank Balances / Net Cash <sup>(2)</sup>

(INR Mn)



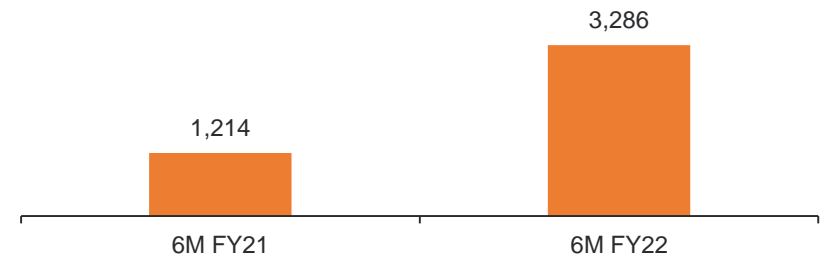
## Net Working Capital <sup>(3)</sup>

(INR Mn)



## Capital Expenditure

(INR Mn)

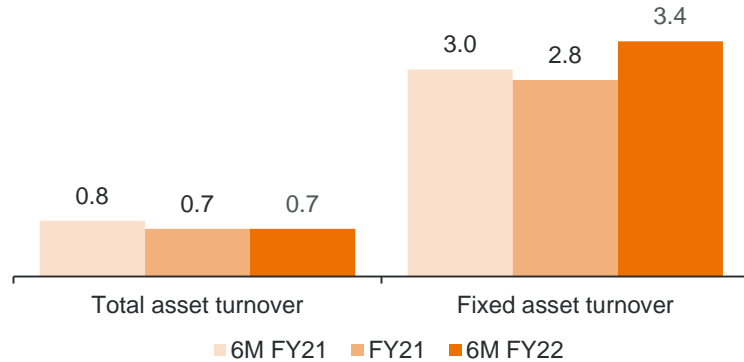


Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash, Investments in Debt Mutual Funds and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets (excluding cash and bank balances) less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

# Financial Highlights (3/3)

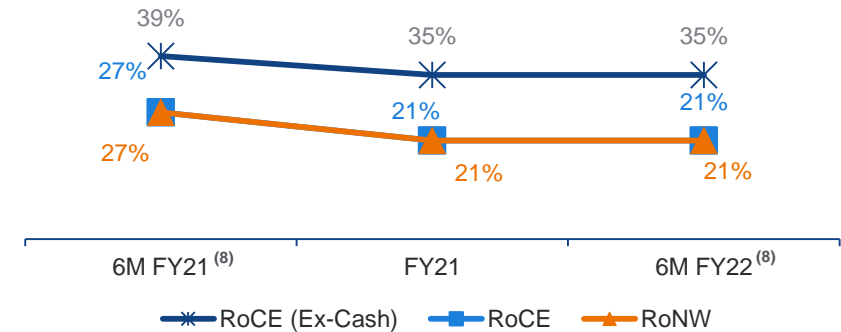
## Focus on Capital efficiency and healthy return ratios

### Asset Turnover Ratio <sup>(1)(2)</sup>



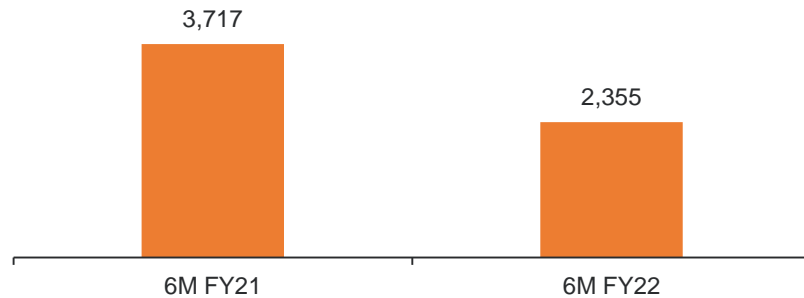
### ROCE (ex-cash)<sup>(3)</sup> / ROCE <sup>(4)</sup> / RONW <sup>(5)</sup>

(%)



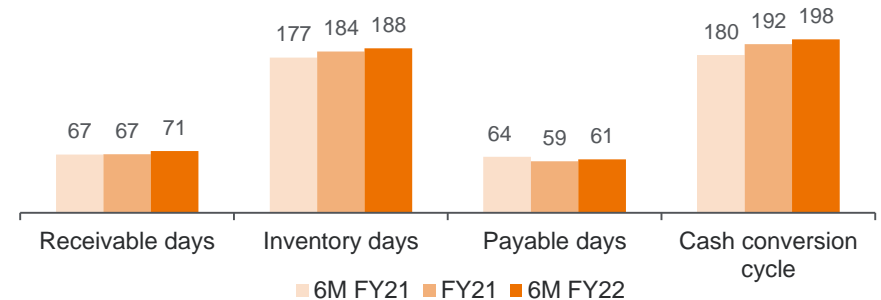
### Cash Flow from Operations

(INR Mn)



### Cash Conversion Cycle (CCC) <sup>(6)(7)</sup>

(# 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 183/365 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS\* over 183/365 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS\* over 183/365 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days; (8) Annualised

# P&L Highlights

(INR Mn)

Amount in INR Mn	Q2 FY22	Q2 FY21	YoY growth	6M FY22	6M FY21	YoY growth	Q1 FY22
<b>Revenue From operations</b>	<b>10,805</b>	<b>8,315</b>	30%	<b>22,344</b>	<b>17,157</b>	30%	<b>11,539</b>
Other Income	512	204	152%	1,130	524	116%	618
<b>Total income</b>	<b>11,317</b>	<b>8,519</b>	33%	<b>23,474</b>	<b>17,681</b>	33%	<b>12,157</b>
<b>Gross Margin<sup>(1)</sup></b>	<b>5,565</b>	<b>4,580</b>	21%	<b>11,739</b>	<b>10,223</b>	15%	<b>6,174</b>
<i>% margin</i>	52%	55%		53%	60%		54%
<b>EBITDA<sup>(2)</sup></b>	<b>4,278</b>	<b>3,181</b>	35%	<b>9,259</b>	<b>7,628</b>	21%	<b>4,981</b>
<i>% margin<sup>(3)</sup></i>	38%	37%		39%	43%		41%
<b>PBT</b>	<b>4,007</b>	<b>2,926</b>	37%	<b>8,725</b>	<b>7,126</b>	22%	<b>4,718</b>
<i>% margin</i>	35%	34%		37%	40%		39%
<b>PAT</b>	<b>3,021</b>	<b>2,189</b>	38%	<b>6,527</b>	<b>5,324</b>	23%	<b>3,507</b>
<i>% margin<sup>(4)</sup></i>	27%	26%		28%	30%		29%

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:

With declining COVID-19 hospitalizations, we observed a shift in product mix. Our wide therapeutic portfolio helped us to deliver sustained growth in these markets. Our rich R&D pipeline is helping us maintain strong momentum of new product launches.

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

Q2 FY22: 23 Product SKUs (12 molecules)

## US filings update:

As of Sep 30, 2021, we along with our partners had 291 ANDA filings in the United States, of which 244 were approved and 47 pending approval.

	Q2 FY22	6M FY22
ANDA Filed	5	7
ANDA Approved	5	11 <sup>(3)</sup>
DMFs Filed	3	8

6M FY22: Rs. 13,689 Mn

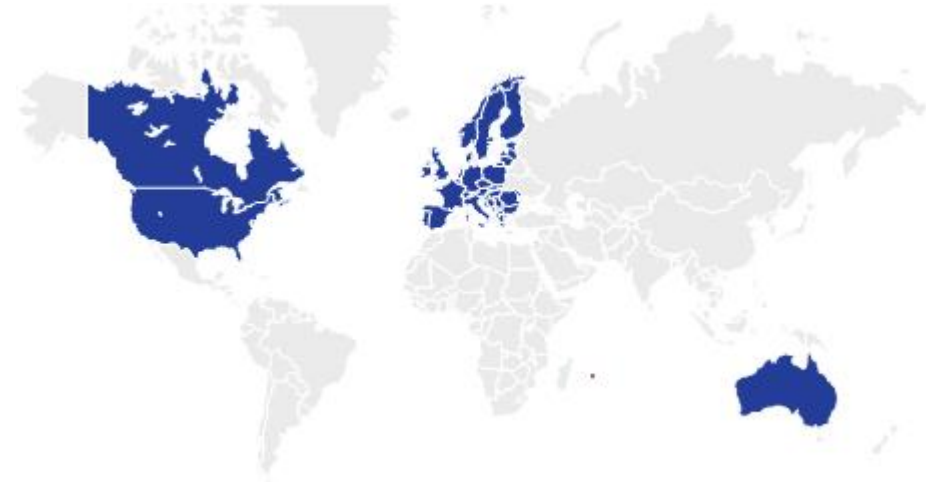
YoY Growth: 20% (21%)

Q2 FY22: Rs. 6,648 Mn

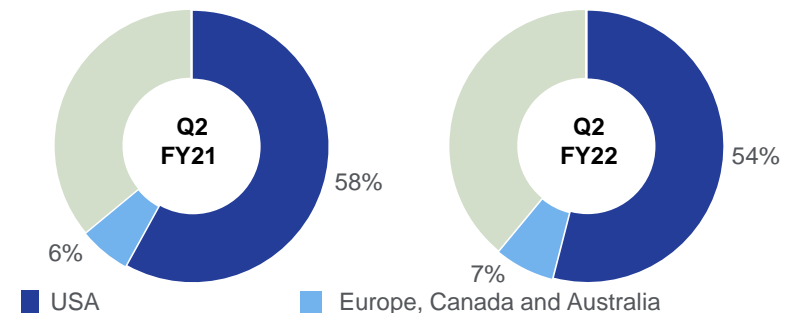
YoY Growth: 25% (27%)

(%) - including India sales for our core markets

## 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) Received final approval for one product which was earlier tentatively approved



# Rest of the World Markets

- Rest of the world markets continue to grow faster than other geographies, with strong demand from countries including Brazil, Saudi Arabia, Thailand among others.
- Strong growth in volumes for existing products and new product partnerships has spurred this growth.
- We have initiated registrations of our key products such as Enoxaparin Sodium, Heparin Sodium and Caspofungin for the Mexico market.
- Our supply chain teams remain agile to respond to shift in product mix as COVID-19 hospitalization reduced globally.

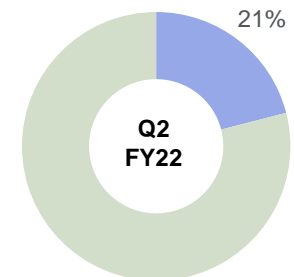
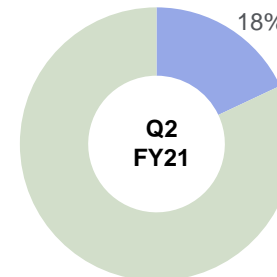
6M FY22: Rs. 4,549 Mn  
YoY Growth: 55%

Q2 FY22: Rs. 2,322 Mn  
YoY Growth: 59%

## Rest of the World Markets



## Revenue Contribution



# India (Domestic Market)

- India sales grew by 19% on account of volume growth of existing products like Enoxaparin Sodium and Heparin Sodium Injection
- The new capacities being made available for the domestic market has helped ramp up volume growth in the core portfolio of products
- The India sales stood at 17% of our revenue for Q2 FY22. Of these, sales for domestic market stood at 9% of revenue and sales for export markets (primarily US market) stood at 8% of revenue

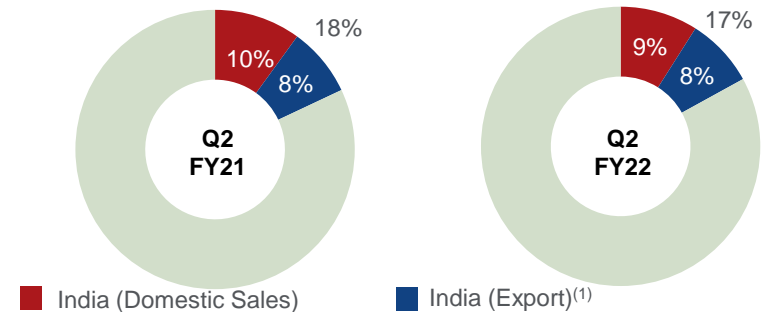
**6M FY22: Rs. 4,106 Mn**  
**YoY Growth: 45%**

**Q2 FY22: Rs. 1,835 Mn**  
**YoY Growth: 19%**

## India (Domestic Market)



## Revenue Contribution



(1) Indian sales for export markets

# Focus on expanding capabilities in Complex Injectables

We are working towards building complex manufacturing and development capabilities

## Focussed on development of Complex Injectables:

- Completed planned submission batches for complex injectables to be filed in FY22
- On track to make four complex injectable filings in FY22 which include three hormonal products and one complex peptide. These products have an addressable market size<sup>(1)</sup> of USD 983 Mn in the US market

## Expanding capabilities in:

- Peptides
- Long-acting injectables
- Suspensions
- Hormonal products

## Expanding in new delivery systems:

- Pens
- Cartridges

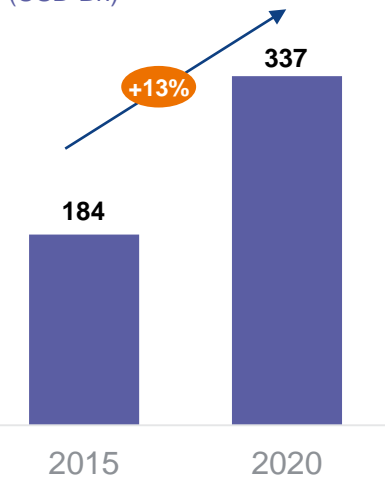
- Installation of new lines catering to suspensions and hormonal products at Pashamylaram facility has been completed
- Additional lines for microsphere bulk manufacturing and microsphere powder filling cum liquid filling line has been planned and order has been placed for the filling line
- CapEx to the tune of INR 2,000 Mn for building these lines
- Also exploring acquisition opportunities to help expedite the complex product development process

(1) IQVIA MAT April 2021

# Entry into Biologics CDMO Market

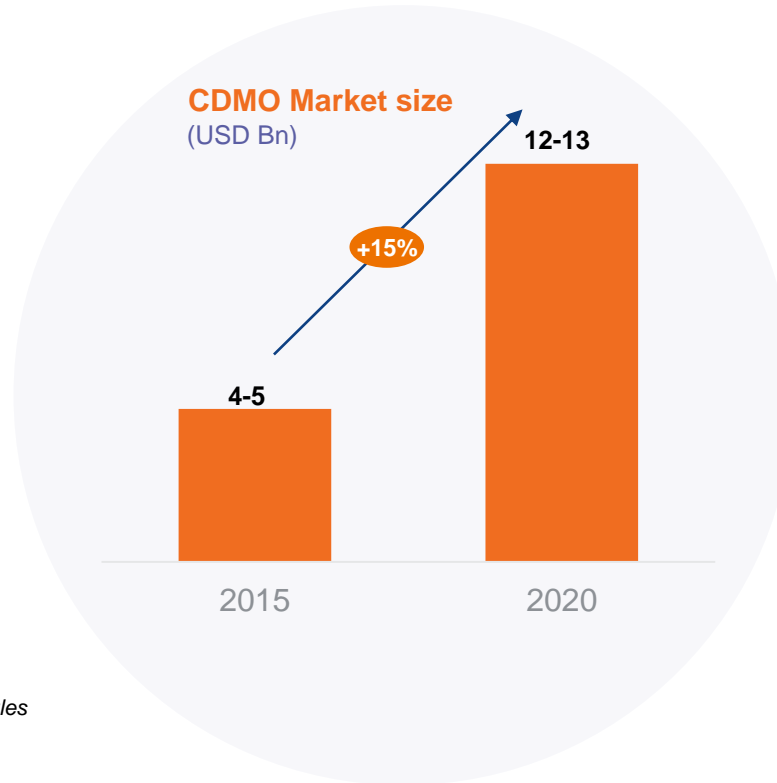
We are exploring partnerships to accelerate entry into the Biologics CDMO market

**Biologics Market Size**  
(USD Bn)



*\*Includes biosimilars, vaccines and other large molecules*

**CDMO Market size**  
(USD Bn)



- Biologics market is currently about USD 300 Bn in size, within which the biologics CDMO market is estimated at nearly USD 13 Bn, growing at a CAGR of 15% over last 5 years
- Manufacturing of biopharmaceutical is complex and difficult to be transferred, requires higher investments
- 80+ biological drugs are going to lose exclusivity in the US and EU over 2021 to 2025
- Leveraging strong know-how in biologics development and manufacturing of our parent, Fosun Pharma group, we plan to build capabilities for biologics CDMO solutions



### 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