



GLAND PHARMA LIMITED

November 06, 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 Q2FY24 Financial Results

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; please find enclosed the Investor Presentation on Q2FY24 Financial Results.

This is for your information and records.

Yours truly,
For Gland Pharma Limited

Sampath Kumar Pallerlamudi
Company Secretary and Compliance Officer



GLAND PHARMA LIMITED

Gland Pharma Limited

Financial Results
Q2'FY24

06th November 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.

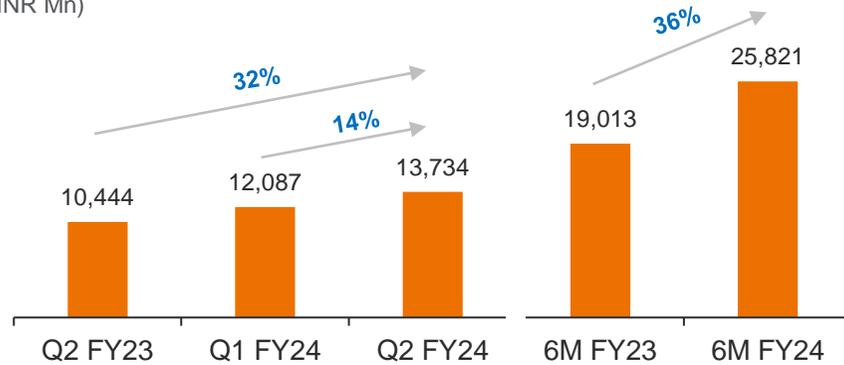
This presentation may include certain "forward looking statements". These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements. Important factors that 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.

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

Group Financial Highlights (1/4)

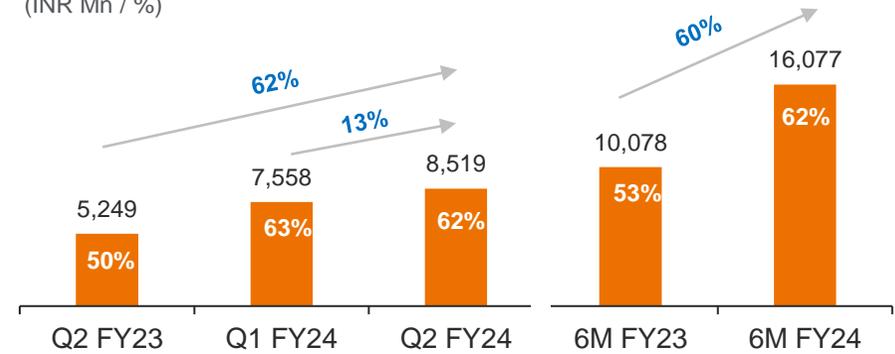
Revenue from Operations

(INR Mn)



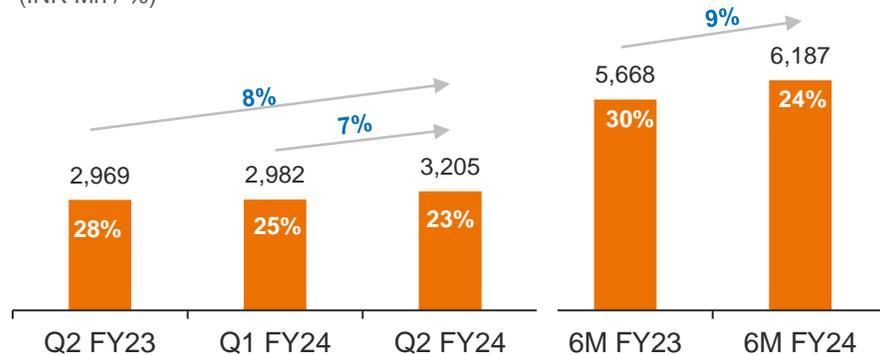
Gross Profit ⁽¹⁾ / Gross Profit Margin ⁽²⁾

(INR Mn / %)



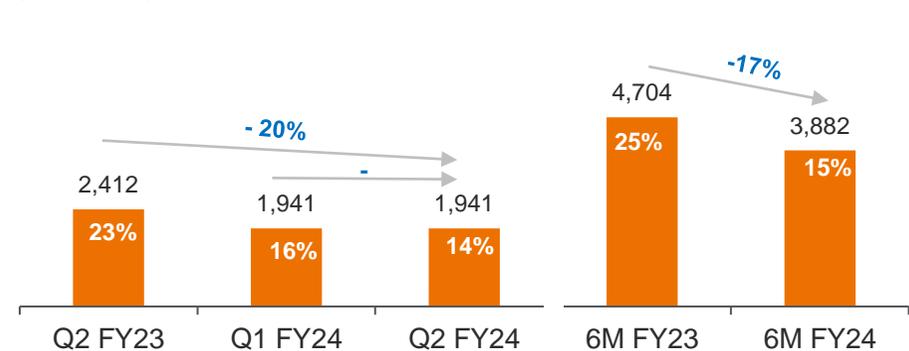
EBITDA ⁽³⁾ / EBITDA Margin ⁽⁴⁾

(INR Mn / %)



PAT / PAT Margin ⁽⁵⁾

(INR Mn / %)



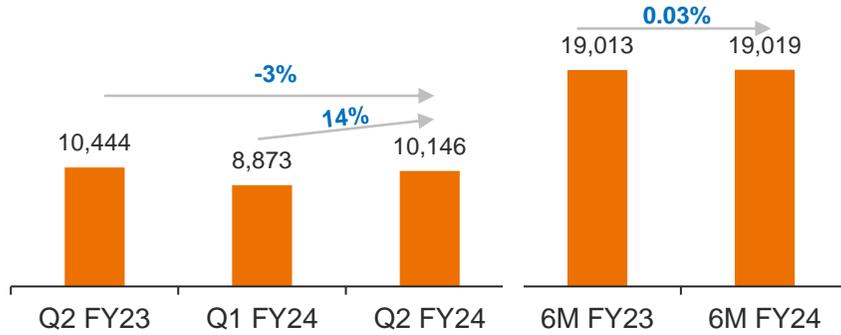
Results for the quarter and half year FY24 are not comparable to the earlier periods of the previous year due to the inclusion of Cenexi results.

Note: (1) Gross Profit = Revenue from Operations – Materials consumed (2) Gross Profit Margin = Gross profit / Revenue from operations (3) EBITDA = Profit before tax plus exceptional items plus finance expense plus depreciation and amortization expense excluding other income and foreign exchange loss or gain. (4) EBITDA margin = EBITDA / Revenue from operations; (5) PAT margin = Profit for the period / Revenue from operations.

Gland Financial Highlights (Ex-Cenexi) (2/4)

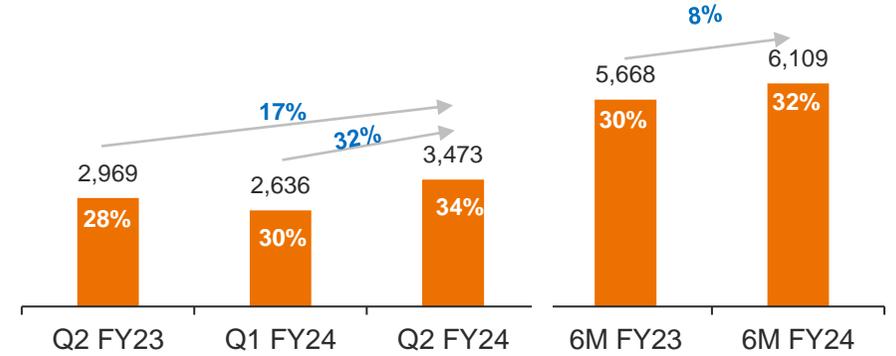
Revenue from Operations

(INR Mn)



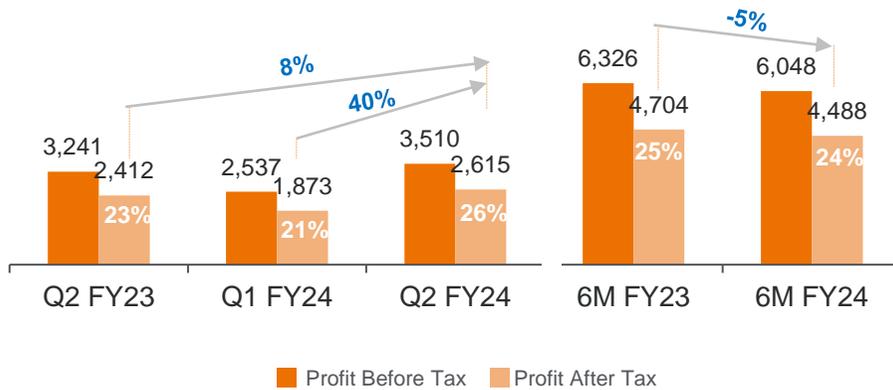
EBITDA ⁽¹⁾ / EBITDA Margin ⁽²⁾

(INR Mn / %)



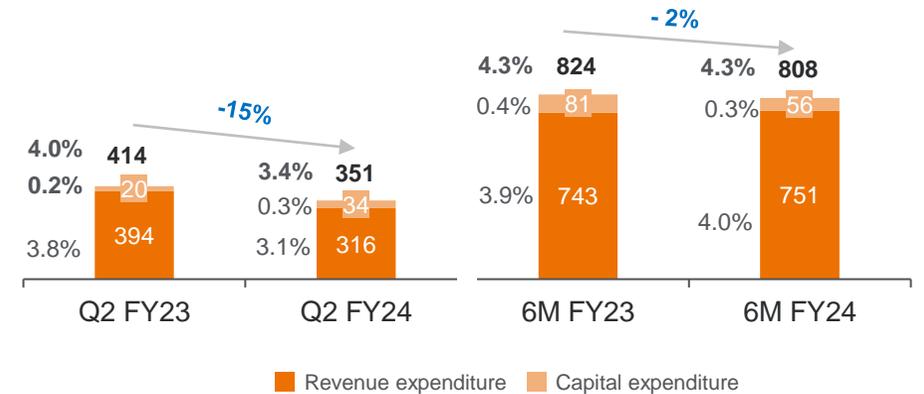
PBT / PAT / PAT Margin ⁽³⁾

(INR Mn / %)



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

(INR Mn / %)

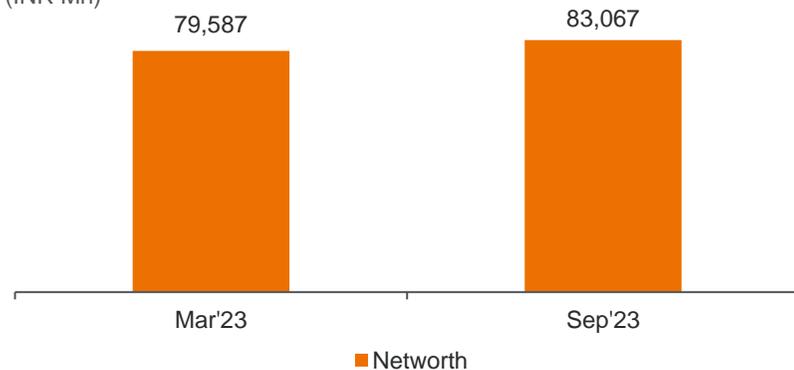


Note: (1) EBITDA = Profit before tax plus exceptional items plus finance expense plus depreciation and amortisation expense excluding other income and foreign exchange loss or gain.
 (2) EBITDA margin = EBITDA / Revenue from operations ; (3) PAT margin = Profit for the period / Revenue from operations.

Group Financial Highlights (3/4)

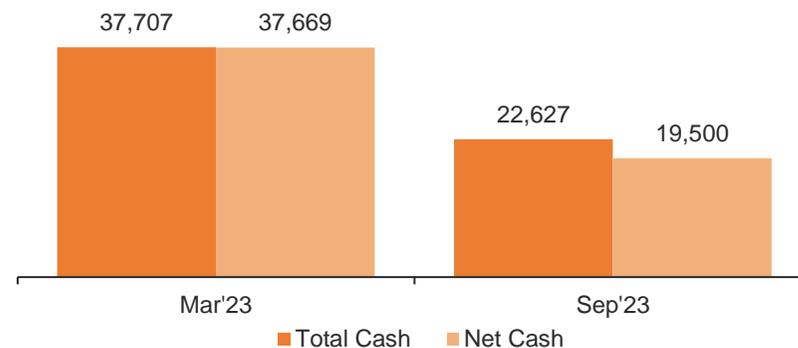
Net Worth ⁽¹⁾

(INR Mn)



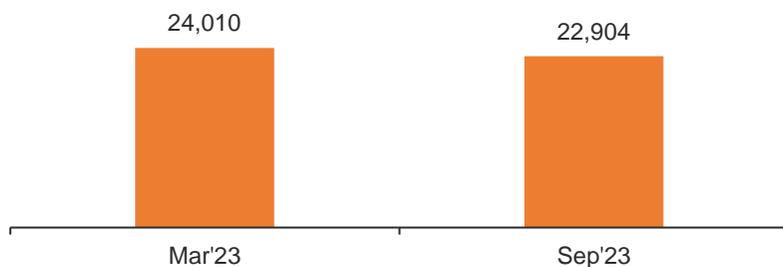
Cash and Bank Balances / Net Cash ⁽²⁾

(INR Mn)



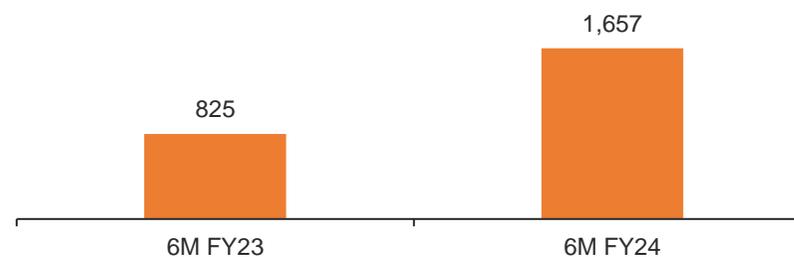
Net Working Capital ⁽³⁾

(INR Mn)



Capital Expenditure

(INR Mn)

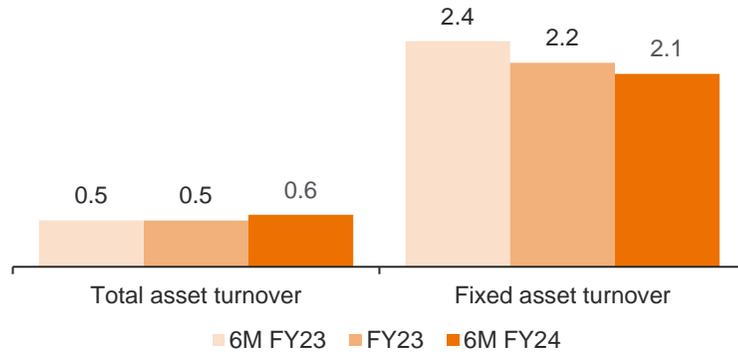


Results for the half year FY24 are not comparable to the earlier periods of the previous year due to the inclusion of Cenexi results.

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.

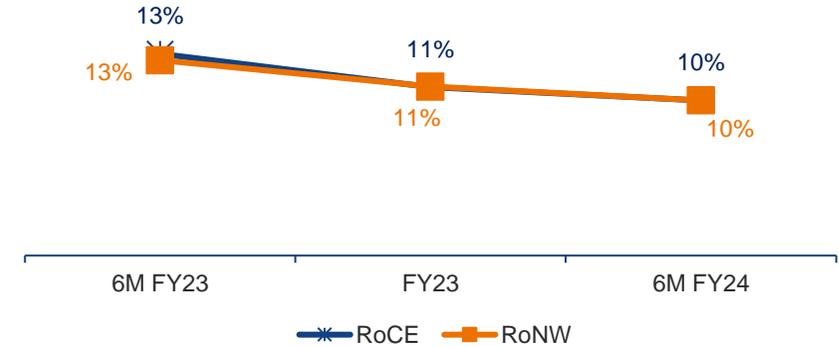
Group Financial Highlights (4/4)

Asset Turnover Ratio ⁽¹⁾⁽²⁾



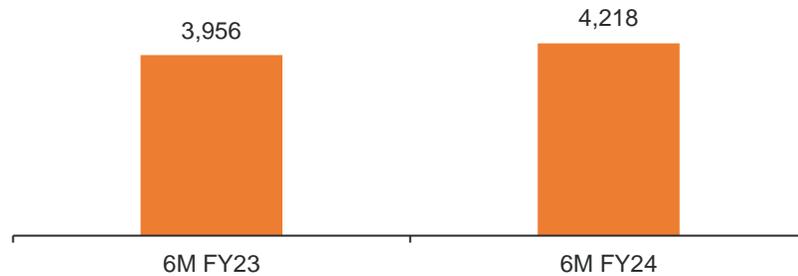
ROCE ⁽³⁾ / RONW ⁽⁴⁾

(%)



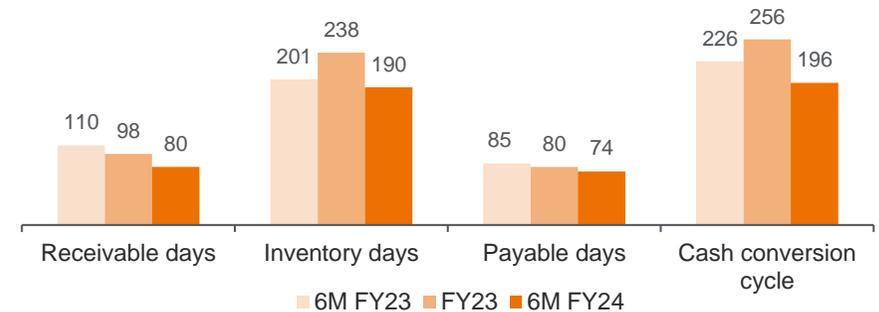
Cash Flow from Operations

(INR Mn)



Cash Conversion Cycle (CCC) ⁽⁵⁾⁽⁶⁾

(# of Days)



Results for the half year FY24 are not comparable to the earlier periods of the previous year due to the inclusion of Cenexi results.

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) Return on Capital Employed (ROCE) = (EBIT - Taxes) / Average Capital Employed for the period. Capital Employed represents Total Assets - Current Liabilities; (4) 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; (5) 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; (6) 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;



P&L Highlights

Group P&L

(INR Mn)

Particulars	Q2 FY24	Q2 FY23	YoY	6M FY24	6M FY23	YoY	Q1 FY24	QoQ
Revenue from operations	13,734	10,444	32%	25,821	19,013	36%	12,087	14%
Other Income	532	656	-19%	907	1,400	-35%	375	42%
Total Income	14,266	11,100	29%	26,728	20,413	31%	12,462	14%
Gross Margin⁽¹⁾	8,519	5,249	62%	16,077	10,078	60%	7,558	13%
<i>% margin</i>	62%	50%		62%	53%		63%	
EBITDA⁽²⁾	3,205	2,969	8%	6,187	5,668	9%	2,982	7%
<i>% margin⁽³⁾</i>	23%	28%		24%	30%		25%	
PBT	2,899	3,241	-11%	5,512	6,326	-13%	2,613	11%
<i>% margin</i>	21%	31%		21%	33%		22%	
PAT	1,941	2,412	-20%	3,882	4,704	-17%	1,941	-
<i>% margin⁽⁴⁾</i>	14%	23%		15%	25%		16%	

Cenexi P&L

(INR Mn)

Particulars	Q2 FY24	Q1 FY24(May-June)
Revenue from operations	3,588	3,214
Gross Margin⁽¹⁾	2,773	2,436
<i>% margin</i>	77%	76%
EBITDA⁽²⁾	-268	347
<i>% margin⁽³⁾</i>	-7%	11%

Results for the quarter and half year FY24 are not comparable to the earlier periods of the previous year due to the inclusion of Cenexi results.

Note: (1) Gross Margin = Revenue from Operations – Materials consumed; (2) EBITDA = Profit before tax plus exceptional items plus finance expense plus depreciation and amortisation expense excluding other income and foreign exchange loss or gain. (3) EBITDA margin = EBITDA / Revenue from operations; (4) PAT margin = PAT / Revenue from operations

Q2 FY24 key highlights

Gland (Ex-Cenexi)

- ❖ Pricing and market share trends have shown encouraging indicators of normalization in our key products, notably in the United States, contributing to our revenue growth.
- ❖ Business stability is reinstating confidence in base products, and the outlook for future growth is positive, propelled by upcoming product launches, broadening of portfolios, and market penetration through a partner-led approach.
- ❖ Concluded a successful audit by EU authorities at the Pashamylaram site.
- ❖ Total R&D expenses for Q2 FY24 were INR 351 million, or 3% of operating revenue.
- ❖ Filed 1 ANDA during the quarter and received approval for 5 ANDAs. As of September 30, 2023, Gland and its partners filed 336 ANDAs in the United States, 275 of which were approved and 61 unresolved.

Cenexi

- ❖ As indicated in the previous quarter, the performance at Cenexi was impacted due to the annual summer shutdown in France. The business was inoperative for a month, and as a result, only a portion of its revenue was recorded despite incurring expenses for the entire quarter, resulting in a negative EBITDA margin. Adjusting for the fixed cost by operational period, the margin closely matches its past performance.
- ❖ While we see great traction for new Business opportunities, the focus is to streamline deliveries and Operational efficiencies to cater to the current demand to improve OTIF and fasten completion of the Technology transfer projects on hand.
- ❖ Some of the present low-margin businesses will be phased out to make way for newly secured businesses. The lag will primarily be due to technology transfer activity before the commercial batches are shipped out. Until then, we will have modest growth in revenues.
- ❖ To improve capacity and operational efficiencies, we will invest approximately €60 million in CAPEX and working capital over the next 12 to 18 months. In the medium term, we anticipate Cenexi to begin churning results consistent with the acquisition thesis.

Revenue:

Launched 14 molecules in the market, including Calcitriol, Fluphenazine, and Desmopressin.

Increase in volume for some of the key products, such as Ketorolac Tromethamine, Rocuronium, Fluorouracil and Esmolol.

New launches⁽¹⁾:

Q2 FY24: 34 Product SKUs

US filings update:

As of September 30, 2023, we along with our partners had 336 ANDA filings in the United States, of which 275 were approved and 61 pending approval.

	Q2 FY24
ANDA Filed	1
ANDA Approved	5
DMFs Filed	1

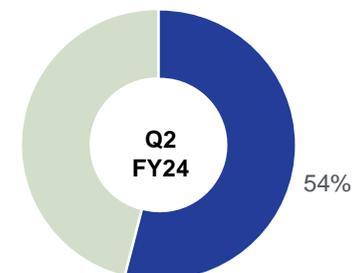
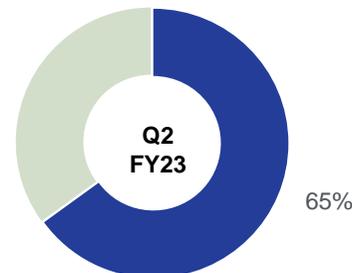
Group Revenue Contribution

6M FY24: Rs. 13,375 Mn

YoY Change: 2%

Q2 FY24: Rs. 7,354 Mn

YoY Change: 9%



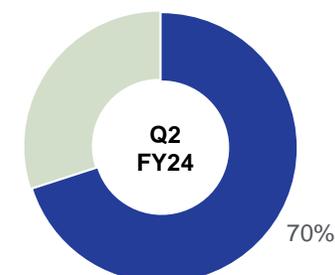
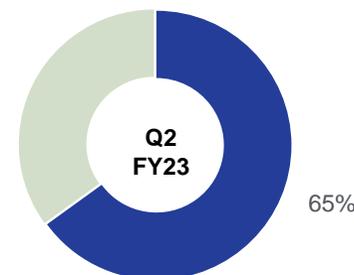
Gland Revenue Contribution (Ex-Cenexi)

6M FY24: Rs. 12,988 Mn

YoY Change: -1%

Q2 FY24: Rs. 7,082 Mn

YoY Change: 5%



■ USA

Note: ANDA count includes technology transfer ANDAs

(1) Includes products where launch quantity is dispatched to our partners.

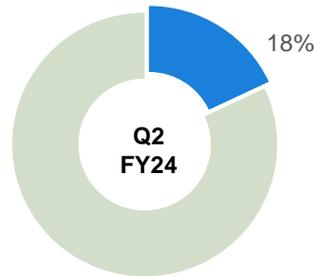
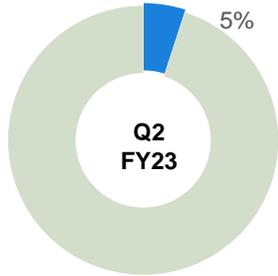
Europe, Other Core Markets (Canada, Australia and New Zealand)

Europe

Group Revenue Contribution

6M FY24: Rs. 4,712 Mn
YoY Change: 402%

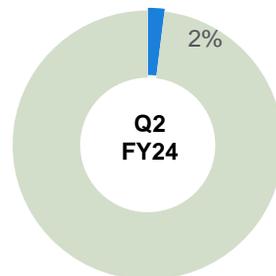
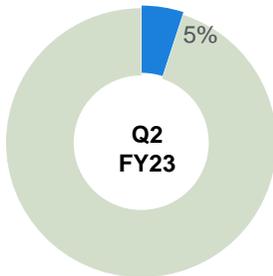
Q2 FY24: Rs. 2,488 Mn
YoY Change: 379%



Gland Revenue Contribution (Ex-Cenexi)

6M FY24: Rs. 756 Mn
YoY Change: -19%

Q2 FY24: Rs. 252 Mn
YoY Change: -52%



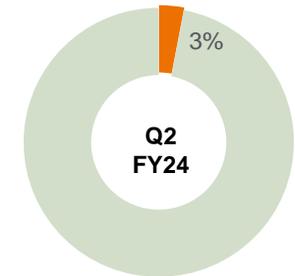
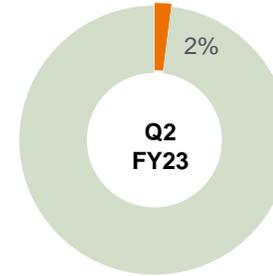
■ Europe

Other Core Markets (Canada, Australia and New Zealand)

Group Revenue Contribution

6M FY24: Rs. 616 Mn
YoY Change: 31%

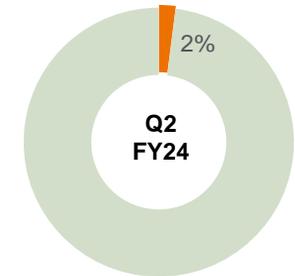
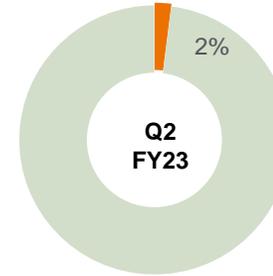
Q2 FY24: Rs. 356 Mn
YoY Change: 64%



Gland Revenue Contribution (Ex-Cenexi)

6M FY24: Rs. 391 Mn
YoY Change: -17%

Q2 FY24: Rs. 198 Mn
YoY Change: -9%



■ Other Core Markets (Canada, Australia and New Zealand)

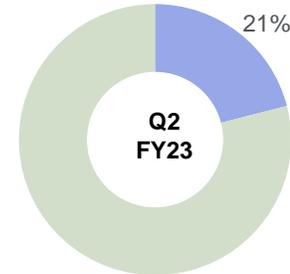
Rest of the World Markets

Rest of the World Markets (Ex-Cenexi)

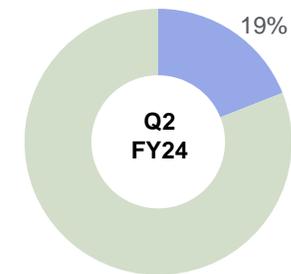
- Our Rest of the World markets contributed 17% of our revenue in Q2 FY24, compared to 21% in Q2 FY23.
- We expect the RoW demand to remain stable as we align strengths to expand our market reach and establish new partnerships.
- We registered Azacitidine, Rocuronium Bromide, Enoxaparin Sodium, Foscarnet sodium and Micafungin Sodium in new geographies during the Q2 FY24.

Group Revenue Contribution

6M FY24: Rs. 5,596 Mn
YoY Change: 72%

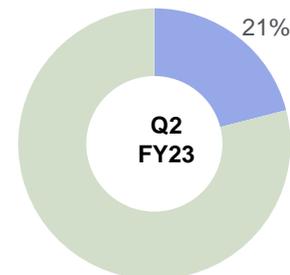


Q2 FY24: Rs. 2,660 Mn
YoY Change: 19%

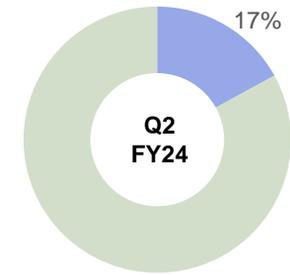


Gland Revenue Contribution (Ex-Cenexi)

6M FY24: Rs. 3,361 Mn
YoY Change: 4%



Q2 FY24: Rs. 1,738 Mn
YoY Change: -23%



■ RoW

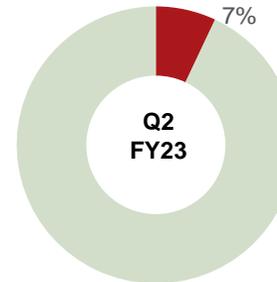
India (Domestic Market)

India - Domestic Market (Ex-Cenexi)

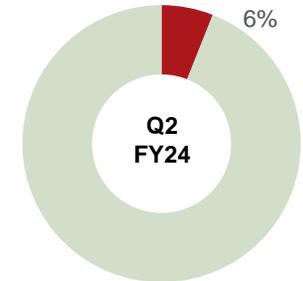
- The India market accounts for 9% of our Q2FY24 revenue and has seen growth of 21% as compared to the same quarter last year.
- We continue to operate within the realm of opportunities in which the portfolio holds the potential to improve the overall health of patients significantly.

Group Revenue Contribution

6M FY24: Rs. 1,523 Mn
YoY Change: 23%

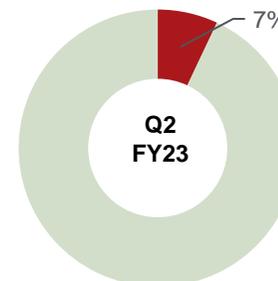


Q2 FY24: Rs. 876 Mn
YoY Change: 21%

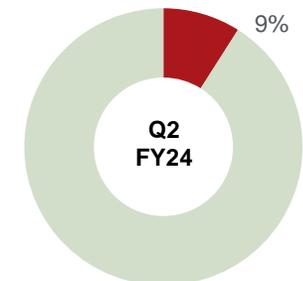


Gland Revenue Contribution (Ex-Cenexi)

6M FY24: Rs. 1,523 Mn
YoY Change: 23%



Q2 FY24: Rs. 876 Mn
YoY Change: 21%



■ India (Domestic Market)

Long term growth drivers

1

Geographic Expansion

- China remains a key geographic focus, having received and launched one product this year.
- Enhanced geographical footprint in Europe through acquisition and integration of Cenexi for CDMO operations and new B2B partnerships in other markets through portfolio maximization of US-approved ANDA portfolio
- Expanding our penetration in the rest of the world markets by leveraging our approved portfolio and development capabilities.

2

Portfolio Development

- First-to-file (FTF) for one product filed in H1FY24 with a US market size of around \$ 170 million
- Make progress with the complex portfolio, and in the next 5-6 months, at least two products are ready for submission.

3

Establishing bio-similar CDMO

- Plasma protein portfolio expanded in Shamirpet facility.
- Evaluating several biologics CDMO opportunities



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