

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF GLAND PHARMA LIMITED

- We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Gland Pharma Limited** ("the Parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2023 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
- This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
- We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

- The statement includes the results of the following entities:

Srl. No.	Name of the entity	Relationship
1	Gland Pharma Limited	Parent
2	Gland Pharma International Pte.,Ltd., Singapore	Wholly owned subsidiary
	<b>Subsidiaries of Gland Pharma International Pte. Ltd.:</b>	
3	Gland Pharma USA Inc, USA	Wholly owned subsidiary
4	Manxen SAS, France	Wholly owned subsidiary (w.e.f. April 27, 2023)
5	Manxen 2 SAS, France	Wholly owned subsidiary (w.e.f. April 27, 2023)
6	Manxen 3 SAS, France	Wholly owned subsidiary (w.e.f. April 27, 2023)
7	Phixen SAS, France	Wholly owned subsidiary (w.e.f. April 27, 2023)
	<b>Subsidiaries of Phixen SAS:</b>	
8	Cenexi SAS, France	Wholly owned subsidiary
9	Cenexi Services SAS, France	Wholly owned subsidiary
10	Cenexi HSC SAS, France	Wholly owned subsidiary
11	Cenexi 2 SASU, France	Wholly owned subsidiary
12	Cenexi 3 SASU, France	Wholly owned subsidiary
13	Cenexi Laboratories Thissen SA, Belgium	Wholly owned subsidiary
14	Phineximmo SA, Belgium	Wholly owned subsidiary

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5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of eight subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues of ₹4,492.83 million and ₹11,210.54 million for the quarter and nine months ended December 31, 2023 respectively, total loss after tax of ₹806.03 million and ₹1,585.51 million for the quarter and nine months ended December 31, 2023, respectively, and total comprehensive loss of ₹835.45 million and ₹1,606.68 million for the quarter and nine months ended December 31, 2023 respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose report has been furnished to us and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

7. The unaudited consolidated financial results includes the interim financial results of four subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of ₹10.12 million and ₹30.65 million for the quarter and nine months ended December 31, 2023, respectively, total profit after tax of ₹0.53 million and total loss after tax of ₹0.65 million for the quarter and nine months ended December 31, 2023, respectively, and total comprehensive income of ₹0.53 million and total comprehensive loss of ₹0.65 million for the quarter and nine months ended December 31, 2023, respectively, as considered in the Statement. According to the information and explanations given to us by the Management, the interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

8. The financial results shown under columns "quarter ended December 31, 2022 - Unaudited", "nine months ended December 31, 2022 - Unaudited" and "year ended March 31, 2023 - Audited" contained in the Statement have been reviewed/audited by S.R. Batliboi & Associates LLP, the predecessor auditor, on which they have issued an unmodified conclusion/opinion.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(F.R.N: 008072S)



Monisha Parikh  
Partner  
Membership No. 047840  
UDIN: 24047840BKFIWV4553

Place: Bengaluru  
Date: February 14, 2024

**GLAND PHARMA LIMITED**

Corporate Identity Number: L24239TG1978PLC002276

Registered Office: Sy. No. 143 - 148, 150 and 151, Near Gandhi Maisamma 'X' Roads, D.P. Pally, Dundigal

Dundigal - Gandhi Maisamma (M), Medchal-Malkajgiri District, Hyderabad 500 043, Telangana, India

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**Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2023**

(₹ in million)

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Income</b>						
Revenue from operations	15,451.55	13,734.24	9,382.88	41,272.72	28,395.90	36,246.01
Other income	373.91	531.55	615.09	1,280.88	2,015.24	2,404.63
<b>Total income</b>	<b>15,825.46</b>	<b>14,265.79</b>	<b>9,997.97</b>	<b>42,553.60</b>	<b>30,411.14</b>	<b>38,650.64</b>
<b>2. Expenses</b>						
Cost of materials consumed	4,639.98	5,179.21	4,331.95	14,474.50	12,783.74	17,167.51
Purchases of traded goods	63.84	61.34	39.00	163.10	124.36	155.93
Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,288.57	(24.91)	(100.26)	1,099.46	297.76	(469.17)
Power and fuel	640.38	582.80	292.04	1,721.10	953.26	1,248.37
Employee benefits expense	3,453.27	3,049.54	1,011.43	9,052.85	3,004.39	4,032.61
Depreciation and amortisation expense	1,053.42	813.00	376.11	2,519.57	1,091.94	1,467.36
Finance expenses	52.81	60.46	26.20	162.42	52.44	74.47
Other expenses	1,801.61	1,645.47	913.00	5,017.48	2,668.94	3,863.13
<b>Total expenses</b>	<b>12,993.88</b>	<b>11,366.91</b>	<b>6,889.47</b>	<b>34,210.48</b>	<b>20,976.83</b>	<b>27,540.21</b>
<b>3. Profit before exceptional items and tax (1-2)</b>	<b>2,831.58</b>	<b>2,898.88</b>	<b>3,108.50</b>	<b>8,343.12</b>	<b>9,434.31</b>	<b>11,110.43</b>
4. Exceptional item (refer note 4)	-	-	-	-	-	564.61
<b>5. Profit before tax (3-4)</b>	<b>2,831.58</b>	<b>2,898.88</b>	<b>3,108.50</b>	<b>8,343.12</b>	<b>9,434.31</b>	<b>10,545.82</b>
<b>6. Tax expense</b>						
Current tax	1,009.97	890.44	772.81	2,491.31	2,333.72	2,771.57
Deferred tax	(61.44)	67.62	16.20	86.92	76.99	(27.99)
Taxes of earlier years	(35.51)	-	-	(35.51)	-	(8.19)
<b>Total tax expense</b>	<b>913.02</b>	<b>958.06</b>	<b>789.01</b>	<b>2,542.72</b>	<b>2,410.71</b>	<b>2,735.39</b>
<b>7. Profit for the period/year (5-6)</b>	<b>1,918.56</b>	<b>1,940.82</b>	<b>2,319.49</b>	<b>5,800.40</b>	<b>7,023.60</b>	<b>7,810.43</b>
Attributable to:						
- Owners of the Company	1,918.56	1,940.82	2,319.49	5,800.40	7,023.60	7,810.43
- Non-controlling interests	-	-	-	-	-	-
<b>8. Other comprehensive income</b>						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Re-measurement (gain)/loss on employee defined benefit plans	29.03	(16.55)	(9.92)	20.00	(29.77)	30.10
Deferred tax impact on remeasurement of defined benefit plans	0.10	2.08	2.50	0.29	7.49	(7.58)
<i>Items that will be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of foreign operations	(778.99)	170.59	(2.67)	(367.58)	(8.89)	(8.14)
<b>Total other comprehensive (income)/loss, net of tax</b>	<b>(749.86)</b>	<b>156.12</b>	<b>(10.09)</b>	<b>(347.29)</b>	<b>(31.17)</b>	<b>14.38</b>
<b>9. Total comprehensive income (7-8)</b>	<b>2,668.42</b>	<b>1,784.70</b>	<b>2,329.58</b>	<b>6,147.69</b>	<b>7,054.77</b>	<b>7,796.05</b>
Attributable to:						
- Owners of the Company	2,668.42	1,784.70	2,329.58	6,147.69	7,054.77	7,796.05
- Non-controlling interests	-	-	-	-	-	-
<b>10. Paid up equity share capital (Face value of ₹1/- each)</b>	<b>164.70</b>	<b>164.70</b>	<b>164.69</b>	<b>164.70</b>	<b>164.69</b>	<b>164.70</b>
<b>11. Other equity</b>						<b>79,422.52</b>
<b>12. Earnings per equity share (Face value of ₹1/- each):</b> <i>(Not annualised for the quarter and nine months ended)</i>						
Basic (₹)	11.65	11.78	14.08	35.22	42.67	47.44
Diluted (₹)	11.65	11.78	14.08	35.21	42.65	47.43



Notes:

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, this Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2023 ("Unaudited Consolidated Financial Results") of Gland Pharma Limited (the "Holding Company" or the "Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the "Group") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2024. The statutory auditors have carried out a limited review on the Unaudited Consolidated Financial Results and issued an unmodified report thereon.
2. The Unaudited Consolidated Financial Results of the Group have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, as amended and read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended (the "Listing requirements").
3. Pursuant to the Share Purchase Agreement ('SPA') dated January 6, 2023, the Company through its wholly owned subsidiary, Gland Pharma International PTE Ltd., Singapore ('Gland Singapore') acquired 100% of the issued capital of Phixen SAS, France (doing business as 'Cenexi' and hereinafter referred as "Cenexi") and 3 other companies ("Manxen Companies") holding shares of Phixen SAS, France for an amount of EUR 114.26 million and refinanced the outstanding existing loan of EUR 79.46 million.  
Accordingly, Phixen SAS, France along with its subsidiaries became wholly-owned step-down subsidiaries of the Company with effect from April 27, 2023 (Completion Date), upon satisfaction of customary closing conditions and receipt of the necessary regulatory approvals and has been consolidated with effect from that date. The results for the quarter and nine months ended December 31, 2023, as well as the quarter ended September 30, 2023, are not comparable to earlier periods presented. The transaction was accounted in accordance with Ind AS 103 - Business Combination and the purchase price allocation has been finalised during the quarter. The Group has recognised ₹ 7,880.14 million (EUR 87.30 million) towards the fair value of net assets acquired and ₹ 2,433.05 million (EUR 26.96 million) towards Goodwill.
4. Exceptional item for the year ended March 31, 2023 pertains to a provision for credit impaired financial asset on account of a customer filing voluntary proceedings under Chapter 11 of the United States Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of Texas.
5. The Group is engaged in the manufacture and sale of "Pharmaceuticals" which constitutes a single reportable business segment as per Ind AS 108- 'Operating Segments'.
6. The previous periods/year numbers have been regrouped/rearranged wherever necessary to conform with the current period presentation.
7. The above Unaudited Consolidated Financial Results of the Group are available on the Company's website [www.glandpharma.com](http://www.glandpharma.com) and also on the website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)), where the equity shares of the Company are listed.



For and on behalf of the Board  
**Gland Pharma Limited**

*S. Srinivas*

**Srinivas Sadu**  
**Managing Director and CEO**  
DIN No. 06900659

Hyderabad  
February 14, 2024