



Press Release

Gland Pharma's Q2FY24 Revenue stood at ₹ 13,734 Million, a y-o-y growth of 32% with a PAT of ₹ 1,941 Million.

Hyderabad, November 06, 2023: Gland Pharma Limited (BSE: 543245 | NSE: GLAND), a generic injectable-focused pharmaceutical company, today announced its financial results for the second quarter and six months that ended September 30, 2023.

Commenting on the results, Mr. Srinivas Sadu, MD & CEO of Gland Pharma, said, "We ended the first half of FY24 with revenue of INR 25,821 million, a 36% year-over-year increase, and a net profit of INR 3,882 million. Pricing and market share trends have shown encouraging indicators of normalization in our key products, contributing to our revenue growth. The overall business stability is restoring confidence, and we stay optimistic about future growth with the forthcoming launches, portfolio expansion, and entry into new markets via a partner-led strategy.

Considering the annual summer shutdown in France & Belgium, revenues at Cenexi are in line with our estimates; However, the gross contribution margins saw a sequential improvement. Cenexi remains a strategic asset with a distinctive acquisition thesis, and we are committed to instituting effective measures and new investments to optimize operations and deliver long-term value to our shareholders."

❖ Consolidated Financial summary:

(₹ in million)

Particulars	Q2FY24	Q2FY23	Y-o-Y	Q1FY24	Q-o-Q	H1FY24	H1FY23	Y-o-Y
Revenue from operations	13,734	10,444	32%	12,087	14%	25,821	19,013	36%
Gross Profit	8,519	5,249	62%	7,558	13%	16,077	10,078	60%
Gross Profit Margin	62%	50%		63%		62%	53%	
EBITDA ⁽¹⁾	3,205	2,969	8%	2,982	7%	6,187	5,668	9%
EBITDA Margin (%)	23%	28%		25%		24%	30%	
PBT	2,899	3,241	(11%)	2,613	11%	5,512	6,326	(13%)
PBT Margin (%)	21%	31%		22%		21%	33%	
PAT	1,941	2,412	(20%)	1,941	-	3,882	4,704	(17%)
PAT Margin (%)	14%	23%		16%		15%	25%	

Note - Results for the quarter Q2FY24 and H1FY24 are not comparable to the earlier periods of the previous year presented due to the inclusion of Cenexi results.

⁽¹⁾ EBITDA = Profit before tax plus exceptional items plus finance expense plus depreciation and amortization expense excluding other income and foreign exchange loss or gain.

- During the second quarter of the financial year 2024, Revenue from operations grew by 32% as compared to the corresponding quarter of the previous year.
- The Company has improved Gross Margin on a yearly basis due to Cenexi's higher margin profile.



❖ Gland Pharma (excluding Cenexi) Financial summary:

(₹ in million)

Particulars	Q2FY24	Q2FY23	Y-o-Y	Q1FY24	Q-o-Q	H1FY24	H1FY23	Y-o-Y
Revenue from operations	10,146	10,444	(3%)	8,873	14%	19,019	19,013	0%
Gross Profit	5,746	5,249	9%	5,122	12%	10,868	10,078	8%
Gross Profit Margin	57%	50%		58%		57%	53%	
EBITDA ⁽¹⁾	3,473	2,969	17%	2,636	32%	6,109	5,668	8%
EBITDA Margin (%)	34%	28%		30%		32%	30%	
PBT	3,510	3,241	8%	2,537	38%	6,048	6,326	(4%)
PBT Margin (%)	35%	31%		29%		32%	33%	
PAT	2,615	2,412	8%	1,873	40%	4,488	4,704	(5%)
PAT Margin (%)	26%	23%		21%		24%	25%	

⁽¹⁾ EBITDA = Profit before tax plus exceptional items plus finance expense plus depreciation and amortization expense excluding other income and foreign exchange loss or gain.

❖ Consolidated break-up of Revenue as per Market:

(₹ in million)

Particulars	Q2FY24	Q2FY23	Y-o-Y	Q1FY24	Q-o-Q	H1FY24	H1FY23	Q-o-Q
USA	7,354	6,738	9%	6,021	22%	13,375	13,124	2%
Europe	2,488	520	379%	2,224	12%	4,712	938	402%
Canada, Australia and New Zealand (Other Core Markets)	356	217	64%	260	37%	616	469	31%
India	876	726	21%	647	35%	1,523	1,236	23%
Rest of the world	2,660	2,243	19%	2,935	-9%	5,596	3,246	72%
TOTAL	13,734	10,444	32%	12,087	14%	25,821	19,013	36%

Note: - Sales made to Indian customers for the US market have been considered in the US sales.

- US market accounted for 54% of Q2FY24 revenue as against 65% in Q2FY23.
- The growth in the Europe and ROW market due to the acquisition of Cenexi.
- Rest of the World market accounted for 19% of Q2FY24 revenue as against 21% in Q2FY23.
- India market accounts for 6% of Q2FY24 revenue as compared to 7% in Q2FY23.

❖ Gland Pharma (excluding Cenexi) break-up of Revenue as per Market:

(₹ in million)

Particulars	Q2FY24	Q2FY23	Y-o-Y	Q1FY24	Q-o-Q	H1FY24	H1FY23	Q-o-Q
USA	7,082	6,738	5%	5,905	20%	12,988	13,124	-1%
Europe	252	520	-52%	504	-50%	756	938	-19%
Canada, Australia and New Zealand (Other Core Markets)	198	217	-9%	193	2%	391	469	-17%
India	876	726	21%	647	35%	1,523	1,236	23%
Rest of the world	1,738	2,243	-23%	1,623	7%	3,361	3,246	4%
TOTAL	10,146	10,444	-3%	8,873	14%	19,019	19,013	-

Note: - Sales made to Indian customers for the US market have been considered in the US sales.

❖ Cenexi's performance highlights for Q2FY24:

- During Q2FY24, Cenexi's facilities were not operational for four weeks due to the annual summer shutdown.
- Summary of key financials of Cenexi:
 - Revenue of ₹ 3,588 million
 - Gross Profit Margin of 77%
 - Negative EBITDA of ₹ 268 million
- To improve the capacity and operational efficiencies, approximately Euro 60 million of investment will be made over the next 12 to 18 months.

❖ R&D Expenditure:

- The total R&D expense for Q2FY24 was ₹351 million, which is 3% of revenue from operations (excluding Cenexi).
- During the quarter, we have filed 1 ANDAs and received approval for 5 ANDAs.
- As of September 30, 2023, Gland, along with its partners, had 336 ANDA filings in the United States, of which 275 were approved and 61 were pending approvals. The Company has a total of 1,641 product registrations globally.

❖ Capex:

- Total Capex incurred during the quarter ended September 30, 2023, was ₹ 971 million.



Earnings Call details:

The Company will conduct an Earnings call at 6.30 PM (IST) on November 6th, 2023, to discuss the business performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time.

Universal Access	+91 22 6280 1516 / +91 22 7115 8875
Diamond pass link	Click here to register
National Toll-Free	1 800 120 1221
International Toll-Free Number	USA – 18667462133 UK – 08081011573 Singapore – 8001012045 Hong Kong – 800964448

About Gland Pharma Limited (BSE: 543245, NSE: GLAND)

Gland Pharma was established in 1978 in Hyderabad and has grown over the years from a contract manufacturer of small-volume liquid parenteral products to become one of the largest and fastest growing injectable-focused companies, with a global footprint across 60 countries, including the United States, Europe, Canada, Australia, India, and other markets. It operates primarily under a business-to-business (B2B) model and has an excellent track record in the development, manufacturing, and marketing of sterile injectables. It has a wide range of injectables, including vials, ampoules, pre-filled syringes, lyophilized vials, dry powders, infusions, oncology, and ophthalmic solutions, and also enjoys the distinction of having pioneered Heparin technology in India. For more information, log on to: www.glandpharma.com

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