



## Press Release

### Gland Pharma's Q2FY23 Revenue stood at ₹ 10,444 Mn with PAT margin of 22%

Hyderabad, October 26, 2022: Gland Pharma Limited (BSE: 543245 | NSE: GLAND), a generic injectable focused pharmaceutical company, today announced its financial results for the second quarter and half year ended September 30, 2022.

*Commenting on the results, Mr. Srinivas Sadu, MD & CEO of Gland Pharma said "We closed this quarter Q2 FY23, with a revenue of ₹ 10,444 Mn and a PAT of ₹ 2,412 Mn. We continue to make investments in R&D and were able to complete 6 ANDA filings during this quarter. Although we have seen increased competition in our new products, we remain confident of our launch pipeline that will ensure sustainable growth. We are seeing positive momentum in our Biologics/Biosimilar CDMO business."*

#### ❖ Financial summary:

(₹ in million)

Particulars	Q2FY23	Q2FY22	Y-o-Y	Q1FY23	Q-o-Q	H1FY23	H1FY22	Y-o-Y
Revenue from operations	10,444	10,805	(3%)	8,569	22%	19,013	22,344	(15%)
Total Income	11,100	11,317	(2%)	9,313	19%	20,413	23,474	(13%)
EBITDA <sup>(1)</sup>	3,625	4,278	(15%)	3,443	5%	7,068	9,259	(24%)
EBITDA Margin (%) <sup>(2)</sup>	33%	38%		37%		35%	39%	
PBT	3,241	4,007	(19%)	3,085	5%	6,326	8,725	(27%)
PBT Margin (%)	29%	35%		33%		31%	37%	
PAT	2,412	3,021	(20%)	2,292	5%	4,704	6,527	(28%)
PAT Margin (%)	22%	27%		25%		23%	28%	

<sup>(1)</sup> 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.

<sup>(2)</sup> EBITDA Margin= EBITDA/Total Income

- Revenue from operations during the quarter has improved by 22% as compared to first quarter of the current year but declined by 3% as compared to corresponding quarter of the previous year.
- Revenue from operations for the six months ended September 30, 2022, declined by 15% as compared to the corresponding period of previous year due substantial business impact in first quarter of current financial year and higher base due to COVID related products sales in last year.
- Gross Margin of the Company remained stable in first half of the year as compared to same period of previous financial year but reduced sequentially largely due to change in Geography mix and product mix.
- The Company has generated ₹ 3,956 Mn of cash flow from operations during first half of FY23. As of September 2022, the company had total ₹ 38,200 million of Cash and Bank balances.



## Marketwise Revenue:

(₹ in million)

Particulars	Q2FY23	Q2FY22	Y-o-Y	Q1FY23	Q-o-Q	H1FY23	H1FY22	Y-o-Y
USA, Europe, Canada, and Australia (Core Markets)	7,475	7,225	3%	7,056	6%	14,531	14,732	(1%)
India	726	1,258	(42%)	510	42%	1,236	3,063	(60%)
Rest of the world	2,243	2,322	(3%)	1,002	124%	3,246	4,549	(29%)
TOTAL	10,444	10,805	(3%)	8,569	22%	19,013	22,344	(15%)

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

- Core markets of US, Europe, Canada, and Australia accounted for 72% of revenue during Q2FY23 as compared to 67% in Q2FY22.
- Sale to US market is comprising of products sold to both US customers and Indian customers for US markets. For Q2FY23 direct sale to US customers ₹ 5,984 million and to Indian customers for US markets was ₹ 754 million, totalling ₹ 6,738 million. Total sales to US market grew by 5% on Y-o-Y basis and by 6% on Q-o-Q basis.
- Rest of the World markets, accounted for 21% of Q2FY23 revenue for the quarter and maintaining similar level of revenue contribution as compared to Q2FY22. Company has witnessed recovery of business in its key market in MENA.
- India market accounts for 7% of Q2FY23 revenue as compared to 12% in Q2FY22. Insulin line was operational during the second half of the quarter. Input costs continued to remain high due to supply side challenges for core portfolio impacting sales.

### ❖ Research and Development:

- The total R&D expense for Q2FY23 was ₹ 414 million which is 4.0% of revenue.
- During the quarter ended September 30, 2022, the Company has filed 6 ANDAs, 3 DMFs and received 6 ANDA approvals.
- As of September 30, 2022, we along with our partners had 322 ANDA filings in the United States, of which 259 were approved and 63 pending approvals.

### ❖ Capex:

- Total Capex incurred during the quarter ended September 30, 2022, was ₹ 411 million. During first half of the current financial year, total Capex incurred was ₹ 825 million.



Earnings Call details:

- The Company will conduct an Earnings call at 6.30 PM (IST) on October 26<sup>th</sup>, 2022, 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 <a href="#">here</a> to register
National Toll Free	1 800 120 1221
International Toll-Free Number	USA – 18667462133 UK – 08081011573 Singapore – 8001012045 Hong Kong – 800964448
International Toll Number	USA + 1 3233868721 UK + 44 2034785524 Singapore + 65 31575746 Hong Kong + 852 30186877

- Playback of the earnings call will be available after the end of the call on the below mentioned number:

Replay Dates	October 26th 2022, till November 2nd 2022
Access Code	62081
Dial-in Number	India +91 22 71945757 Hong Kong 800965553 Singapore 8001012510 UK 8007563427 USA 18332898317

- Audio record and the Transcript of the earnings call will be uploaded on the Company's website.



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

Gland Pharma was established in 1978 in Hyderabad, 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 have 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](http://www.glandpharma.com)

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