



GLAND PHARMA LIMITED

Gland Pharma Limited

Financial Results
Q1'FY22

21st July 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.

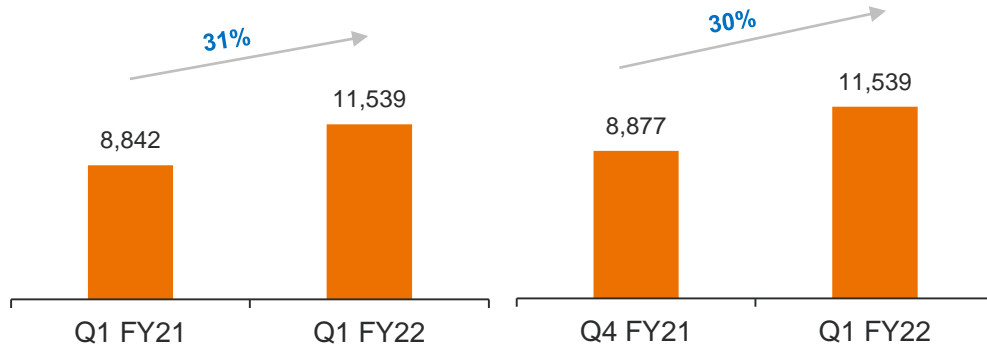
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Financial Highlights (1/3)

Sustained business performance despite operational challenges

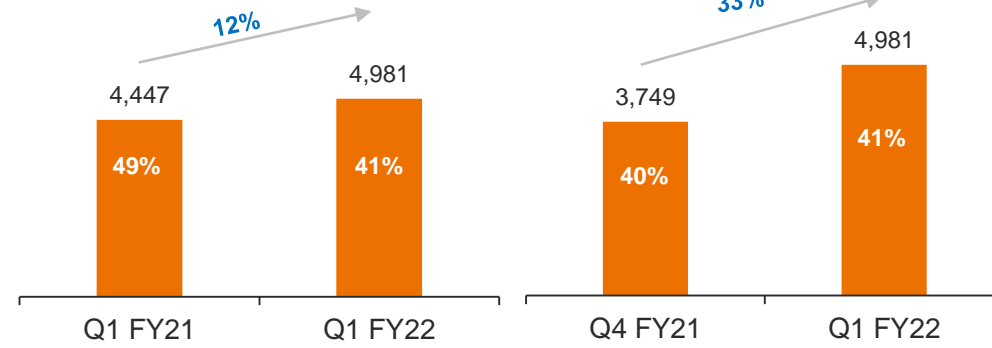
Revenue from Operations

(INR Mn)



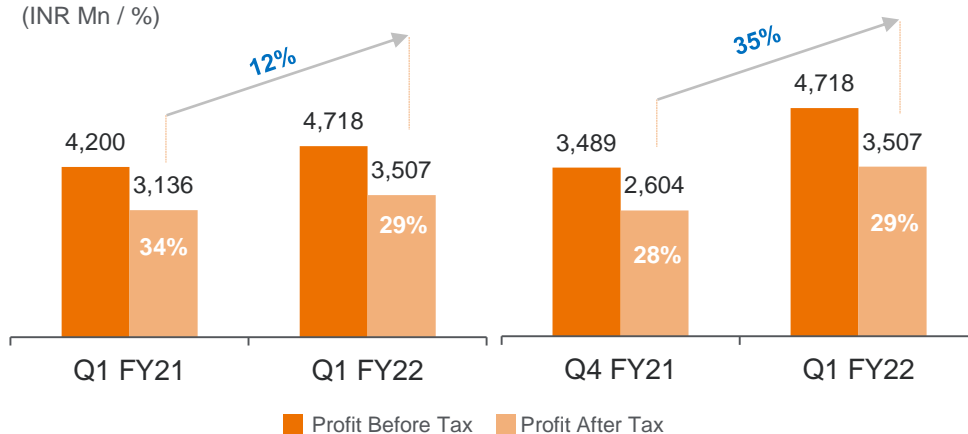
EBITDA ⁽¹⁾ / EBITDA Margin ⁽²⁾

(INR Mn / %)



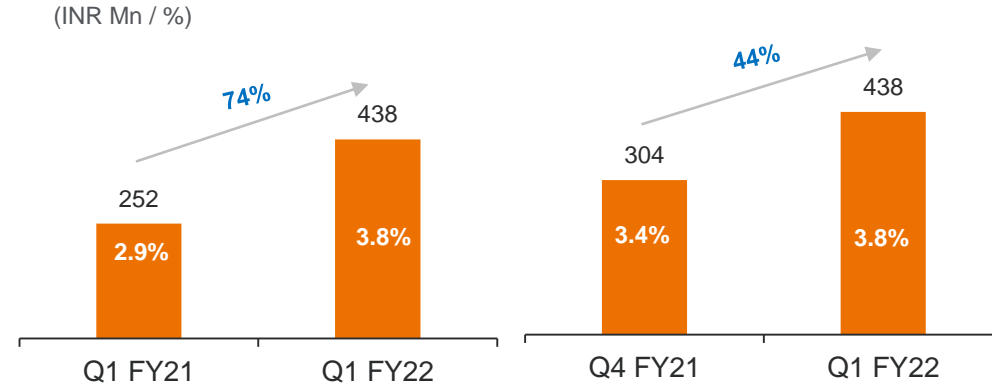
PBT / PAT / PAT Margin ⁽³⁾

(INR Mn / %)



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

(INR Mn / %)



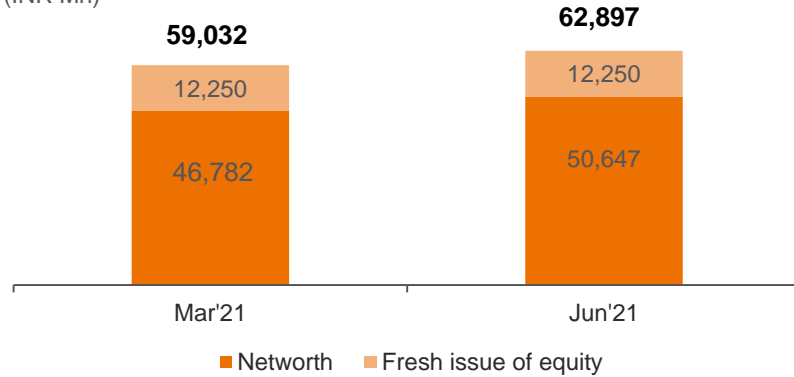
Note: (1) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period. (2) EBITDA margin = EBITDA / Total Income; (3) PAT margin = Profit for the period /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

Financial Highlights (2/3)

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

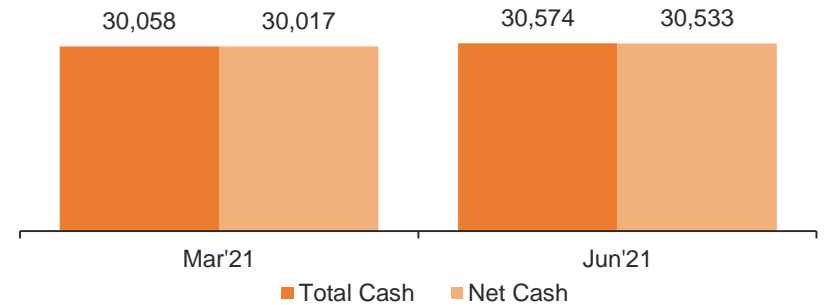
Net Worth ⁽¹⁾

(INR Mn)



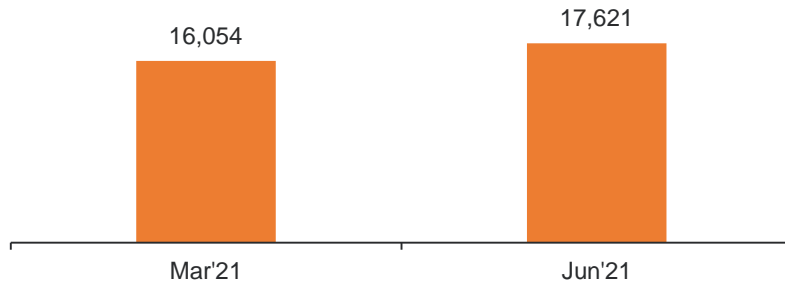
Cash and Bank Balances / Net Cash ⁽²⁾

(INR Mn)



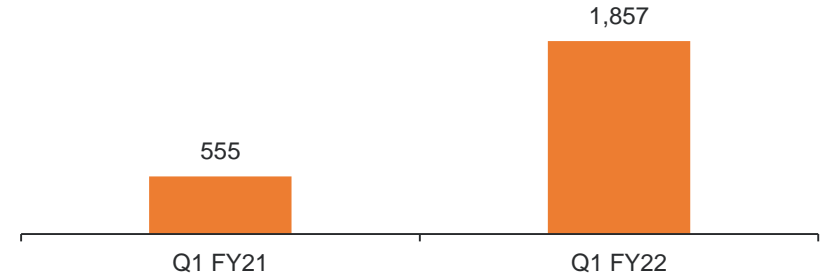
Net Working Capital ⁽³⁾

(INR Mn)



Capital Expenditure

(INR Mn)

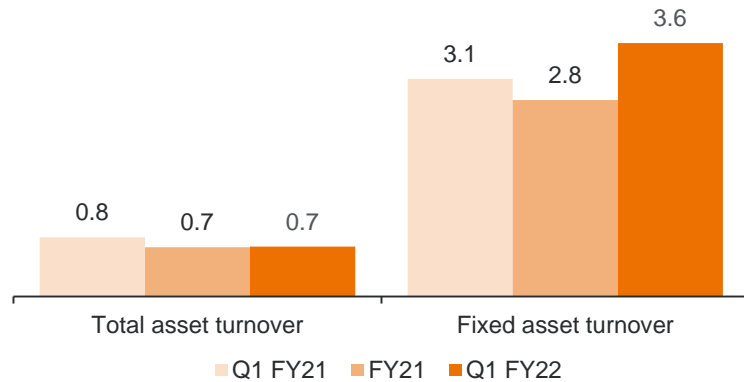


Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets (excluding cash and bank balances) less Current liabilities.

Financial Highlights (3/3)

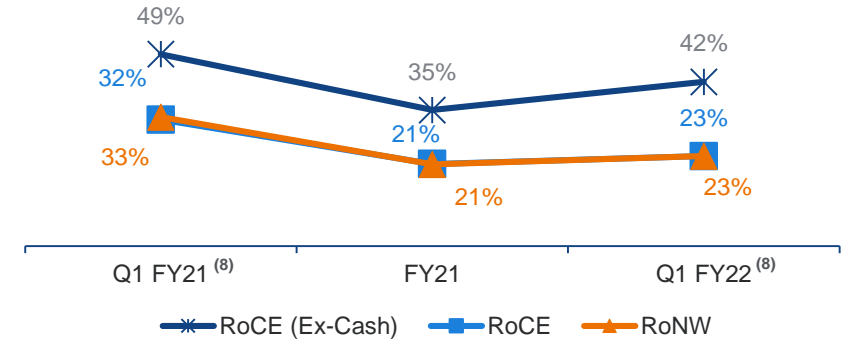
Focus on Capital efficiency and healthy return ratios

Asset Turnover Ratio ⁽¹⁾⁽²⁾



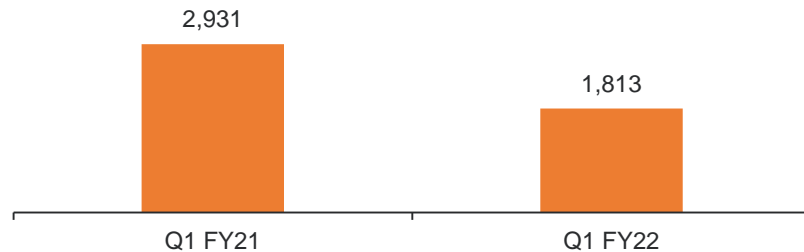
ROCE (ex-cash)⁽³⁾ / ROCE ⁽⁴⁾ / RONW ⁽⁵⁾

(%)



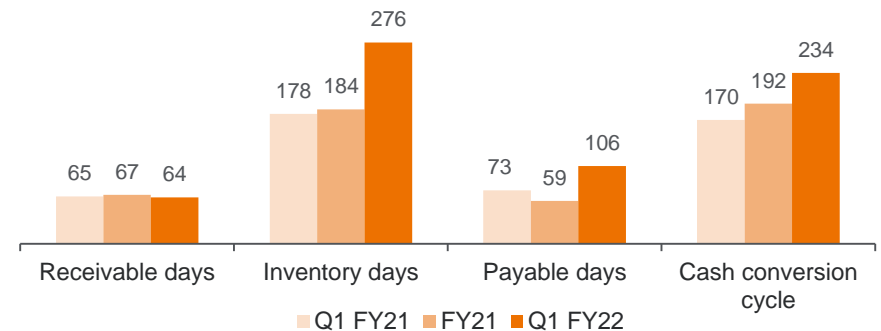
Cash Flow from Operations

(INR Mn)



Cash Conversion Cycle (CCC) ⁽⁶⁾⁽⁷⁾

(# 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 90/360 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS* over 90/360 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS* over 90/360 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days; (8) Annualised

P&L Highlights

(INR Mn)

Particulars	Q1 FY22	Q1 FY21	YoY growth	Q1 FY22	Q4 FY21	QoQ growth	FY21
Revenue From operations	11,539	8,842	31%	11,539	8,877	30%	34,629
Other Income	618	321	93%	618	473	31%	1,348
Total income	12,157	9,163	33%	12,157	9,350	30%	35,977
Gross Margin⁽¹⁾	6,174	5,643	9%	6,174	4,962	24%	19,710
<i>% margin</i>	<i>54%</i>	<i>64%</i>		<i>54%</i>	<i>56%</i>		<i>57%</i>
EBITDA⁽²⁾	4,981	4,447	12%	4,981	3,749	33%	14,370
<i>% margin⁽³⁾</i>	<i>41%</i>	<i>49%</i>		<i>41%</i>	<i>40%</i>		<i>40%</i>
PBT	4,718	4,200	12%	4,718	3,489	35%	13,348
<i>% margin</i>	<i>39%</i>	<i>46%</i>		<i>39%</i>	<i>37%</i>		<i>37%</i>
PAT	3,507	3,136	12%	3,507	2,604	35%	9,970
<i>% margin</i>	<i>29%</i>	<i>34%</i>		<i>29%</i>	<i>28%</i>		<i>28%</i>

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

USA, Europe, Canada and Australia (Core Markets)

Revenue:

We delivered a strong performance with growth in existing products including Micafungin, Enoxaparin, Heparin, Dexmedetomidine among others and new product launches. It was also an important milestone to launch our first set of penem products for the US market.

New launches⁽²⁾:

Q1 FY21: 17 Product SKUs (12 molecules)

US filings update:

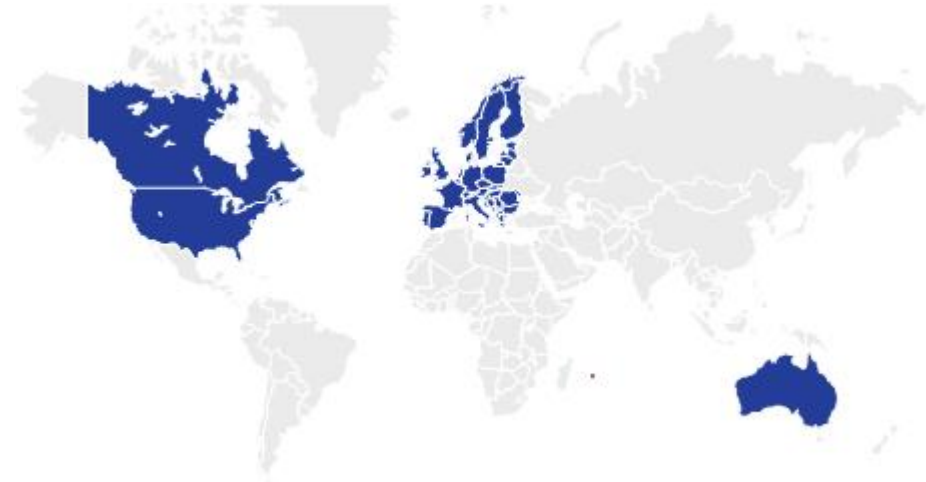
As of June 30, 2021, we along with our partners had 286 ANDA filings in the United States, of which 239 were approved and 47 pending approval.

	Q1 FY22
ANDA Filed	2
ANDA Approved	6 ⁽³⁾
DMFs Filed	5

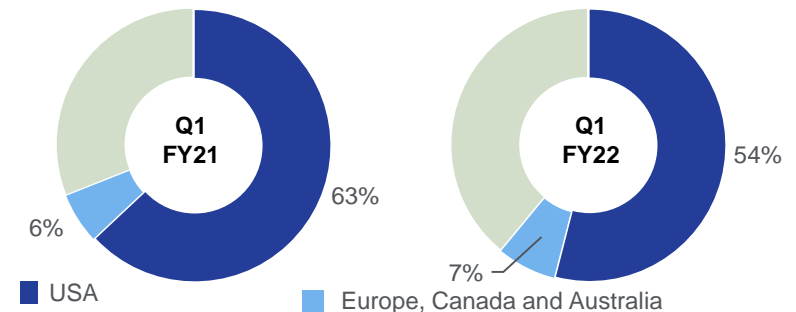
Q1 FY22: Rs. 7,042 Mn

YoY Growth: 16%

Core Markets⁽¹⁾



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

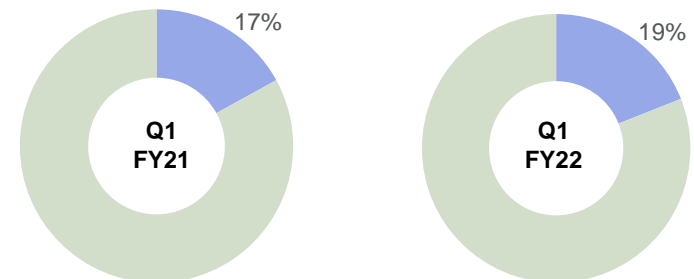
- Strong momentum during the first quarter in line with our focus on increased contribution from Rest of the world markets sales as was observed in FY21
- This has been driven by new partnerships and increased penetration geographically
- We also initiated registration of new products such as Ertapenem in the LatAm region
- Our existing portfolio is seeing strong demand from new partnerships entered in to during the year, on account of our ability to respond to the changing market demand during COVID-19

Q1 FY22: Rs. 2,227 Mn
YoY Growth: 51%

Rest of the World Markets



Revenue Contribution



India (Domestic Market)

- Domestic market sales received strong demand during the quarter accounting to 77% y-o-y growth
- The new capacities being made available for the domestic market has helped ramp up volume growth in the core portfolio of products
- To support the domestic market during the second wave of COVID-19, we ramped up supply of essential drugs like Remdesivir and Enoxaparin considering the requirement for Indian patients

- **New launches:**

Q1 FY22: 1 Product SKU

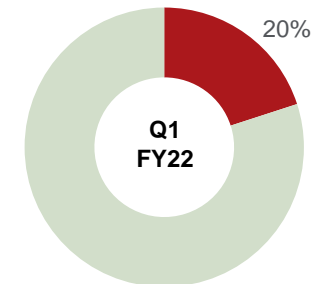
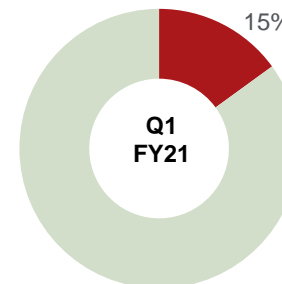
Q1 FY22: Rs. 2,270 Mn

YoY Growth: 77%

India (Domestic Market)



Revenue Contribution



Near Term Focus Areas

Focus on achieving a diverse product mix offering products at various stages of their lifecycle as well as a robust product pipeline



- ✓ Commercialization of fill-finish vaccine manufacturing capacity and capability building on vaccine drug substance manufacturing. We also look to continuing investments towards creating robust infrastructure for the **vaccine** and **bio-similar** space



- ✓ Expanding development and manufacturing capabilities in **new delivery systems** such as **pens and cartridges**



- ✓ Expanding development and manufacturing capabilities in **complex injectables** such as **peptides, long-acting injectables, suspensions and hormonal products**



- ✓ **Geographic expansion** in to **emerging markets** to diversify revenue base while maintaining healthy profitability

Responding to COVID-19

- ✓ To ensure health and safety of employees and their family, vaccination drives were conducted at corporate office and manufacturing facilities
- ✓ We put in adequate safeguards by taking precautionary measures; social distancing, workplace fumigation and sanitization across all plants

Gland-Fosun Foundation

in collaboration with Breas Medical, a member of Fosun Pharma group, helped addressing the shortage of ventilators during the 2nd wave of the COVID-19 pandemic



Breas Medical Team, Gothenburg Sweden



Government Hospital, Rajanna-Sircilla District, Telangana

Distributed nearly 150 Breas ventilators to various government / charitable hospitals in Telangana districts, as well as contributed towards critically needed multi-channel monitors, HDF, ultrasound and ECG machines to Hospitals in Hyderabad



Medicover Hospital, Hyderabad



Registered Office

Gland Pharma Limited
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