

**Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
Gland Pharma Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Gland Pharma Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the Holding Company and its subsidiaries as listed in Annexure 1.



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of 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 recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 8 subsidiaries whose unaudited interim financial results and other financial information include total revenues of Rs. 3,213.69 Million, total net loss after tax of Rs. 3.52 Million and total comprehensive loss of Rs. 3.52 Million for the quarter ended June 30, 2023 as considered in the Statement which have been reviewed by their respective independent auditors. The independent auditor's report on unaudited interim financial results and other financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

Of these above, 8 subsidiaries are located outside India whose unaudited interim financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which has been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

7. The accompanying Statement includes the unaudited interim financial results and other unaudited financial information in respect of 4 subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs. 9.30 Million, total net loss after tax of Rs. 0.13 Million and total comprehensive loss of Rs. 0.13 Million for the quarter ended June 30, 2023.

The unaudited interim financial results and other unaudited financial information of these subsidiaries have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done, the reports of the other auditors and the financial results and other financial information certified by the Management.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Vineet Kedia

Partner

Membership No.: 212230

UDIN: 23212230BGSSFS4723

Gurugram

August 07, 2023



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Annexure 1 to the Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results**

The unaudited interim financial results include results of the following subsidiaries:

<b>S.no.</b>	<b>Name of the Subsidiaries</b>
1	Gland Pharma International Pte. Ltd., Singapore
2	Gland Pharma USA Inc., USA
3	Phixen SAS, France
4	Manxen SAS, France
5	Manxen 2 SAS, France
6	Manxen 3 SAS, France
7	Cenexi SAS, France
8	Cenexi Services SAS, France
9	Cenexi HSC SAS, France
10	Cenexi 2 SASU, France
11	Cenexi 3 SASU, France
12	Cenexi Laboratories Thissen SA, Belgium
13	Phineximmo SA, Belgium



**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 ended June 30, 2023****(₹ in million)**

Particulars	Quarter ended			Year ended
	30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
	Unaudited	Audited	Unaudited	Audited
<b>1. Income</b>				
Revenue from operations	12,086.93	7,850.11	8,568.98	36,246.01
Other income	375.42	389.39	743.91	2,404.63
<b>Total income</b>	<b>12,462.35</b>	<b>8,239.50</b>	<b>9,312.89</b>	<b>38,650.64</b>
<b>2. Expenses</b>				
Cost of materials consumed	4,655.31	4,383.77	3,408.12	17,167.51
Purchases of traded goods	37.92	31.57	47.46	155.93
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(164.20)	(766.93)	284.96	(469.17)
Power and fuel	497.92	295.11	340.55	1,248.37
Employee benefits expense	2,550.04	1,028.22	980.01	4,032.61
Depreciation and amortisation expense	653.15	375.42	349.11	1,467.36
Finance expense	49.15	22.03	9.03	74.47
Other expenses	1,570.40	1,194.19	808.66	3,863.13
<b>Total expenses</b>	<b>9,849.69</b>	<b>6,563.38</b>	<b>6,227.90</b>	<b>27,540.21</b>
<b>3. Profit before exceptional items and tax (1-2)</b>	<b>2,612.66</b>	<b>1,676.12</b>	<b>3,084.99</b>	<b>11,110.43</b>
4. Exceptional item (refer note 5)	-	564.61	-	564.61
<b>5. Profit before tax (3-4)</b>	<b>2,612.66</b>	<b>1,111.51</b>	<b>3,084.99</b>	<b>10,545.82</b>
<b>6. Tax expense</b>				
Current tax	590.90	437.85	754.40	2,771.57
Deferred tax	80.74	(104.98)	38.90	(27.99)
Taxes for earlier years	-	(8.19)	-	(8.19)
<b>Total tax expense</b>	<b>671.64</b>	<b>324.68</b>	<b>793.30</b>	<b>2,735.39</b>
<b>7. Profit for the period/year (5-6)</b>	<b>1,941.02</b>	<b>786.83</b>	<b>2,291.69</b>	<b>7,810.43</b>
Attributable to:				
- Owners of the Company	1,941.02	786.83	2,291.69	7,810.43
- Non-controlling interests	-	-	-	-
<b>8. Other comprehensive income</b>				
<i>Items that will be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of net investment in foreign operations	240.82	0.75	(2.88)	(8.14)
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Re-measurement loss on employee defined benefit plans	7.52	59.87	1.25	30.10
Deferred tax impact on remeasurement of defined benefit plans	(1.89)	(15.07)	(0.31)	(7.58)
<b>Total other comprehensive loss / (income) (net of tax)</b>	<b>246.45</b>	<b>45.55</b>	<b>(1.94)</b>	<b>14.38</b>
<b>9. Total comprehensive income (after taxes) (7-8)</b>	<b>1,694.57</b>	<b>741.28</b>	<b>2,293.63</b>	<b>7,796.05</b>
Attributable to:				
- Owners of the Company	1,694.57	741.28	2,293.63	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>164.65</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)</i>				
Basic (₹)	11.79	4.78	13.93	47.44
Diluted (₹)	11.78	4.78	13.92	47.43

S.R. Batliboi &amp; Associates LLP, Gurugram

for identification



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 ended June 30, 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 August 07, 2023 and have been subject to a limited review by the statutory auditors of the Company.
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 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. The figures of the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full previous financial year and the published unaudited year-to-date figures up to the end of the third quarter of the previous financial year, which were subjected to a limited review.
4. Pursuant to the Share Purchase Agreement ('SPA') dated January 06, 2023, the Company through its wholly owned subsidiary, Gland Pharma International PTE Ltd., Singapore ('Gland Singapore') has 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 Mn and has refinanced the outstanding existing loan of EUR 79.46 Mn.  
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. Hence, the results for the quarter ended June 30, 2023 are not comparable to the earlier periods presented. The transaction was accounted in accordance with Ind AS 103 - Business Combination and the initial accounting has been provisionally determined. The Group recognised ₹ 5,648.34 Mn (EUR 62.58 Mn) towards the fair value of net assets acquired and ₹ 4,664.85 Mn (EUR 51.68 Mn) towards Goodwill.
5. Exceptional item for the quarter and 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.
6. The Group operates in one single reportable business segment - "Pharmaceuticals".
7. The previous periods/year numbers have been regrouped/rearranged wherever necessary to conform with the current period presentation.
8. 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 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  
August 07, 2023

S.R. Batliboi & Associates LLP, Gurugram

for Identification