



GLAND PHARMA LIMITED

Gland Pharma Limited

Financial Results
Q3'FY22

21st January 2022



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.

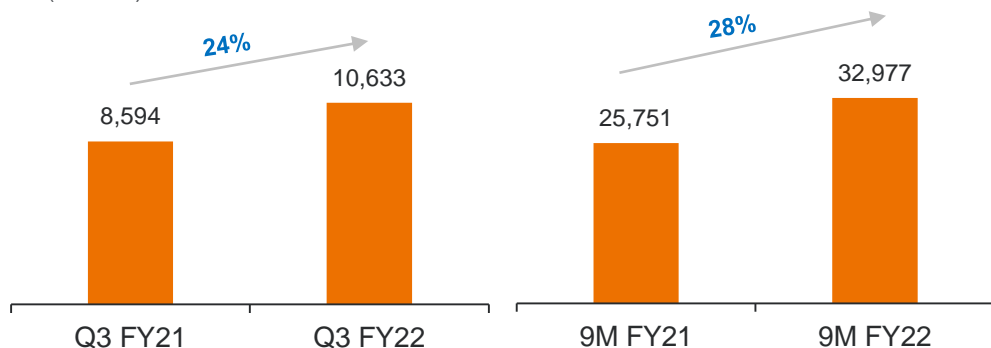
No part of this presentation may be reproduced, quoted or circulated without prior written approval from Gland Pharma Limited.

Financial Highlights (1/3)

Strong growth across geographies drives profitability; R&D investments in line with business strategy

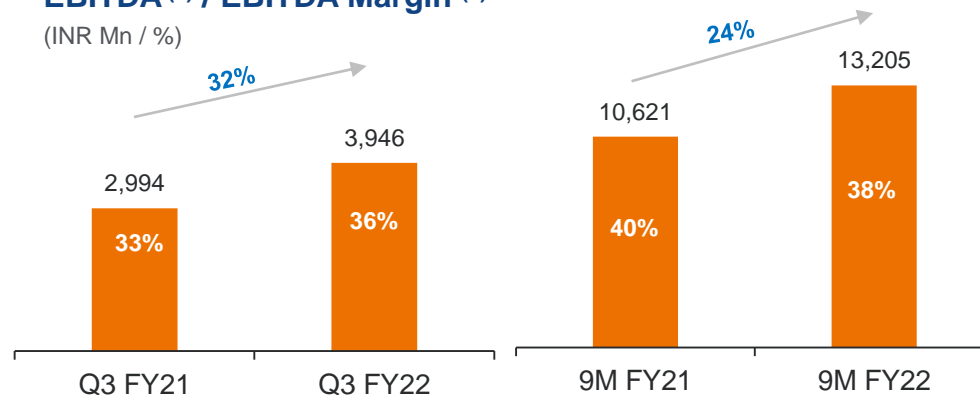
Revenue from Operations

(INR Mn)



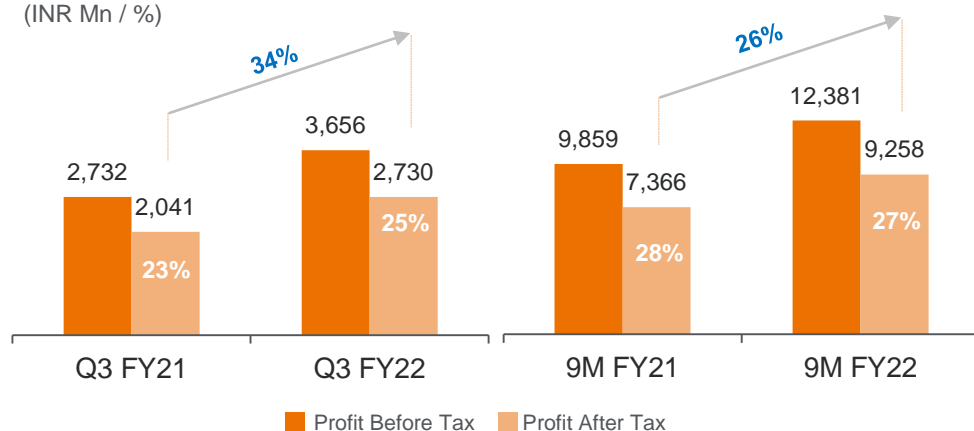
EBITDA ⁽¹⁾ / EBITDA Margin ⁽²⁾

(INR Mn / %)



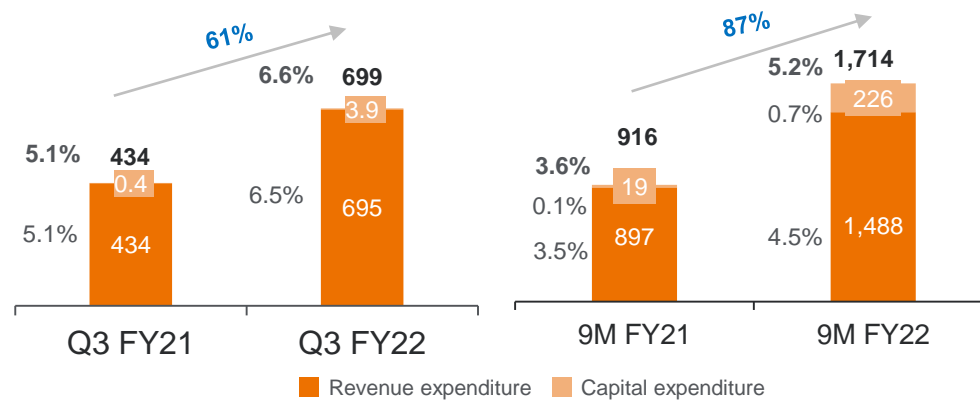
PBT / PAT / PAT Margin ⁽³⁾

(INR Mn / %)



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

(INR Mn / %)



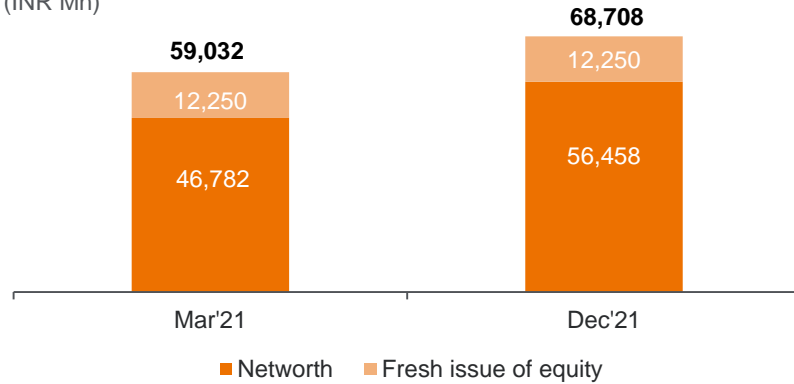
Note: (1) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period. (2) EBITDA margin = EBITDA / Total Income; (3) PAT margin = Profit for the period /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

Financial Highlights (2/3)

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

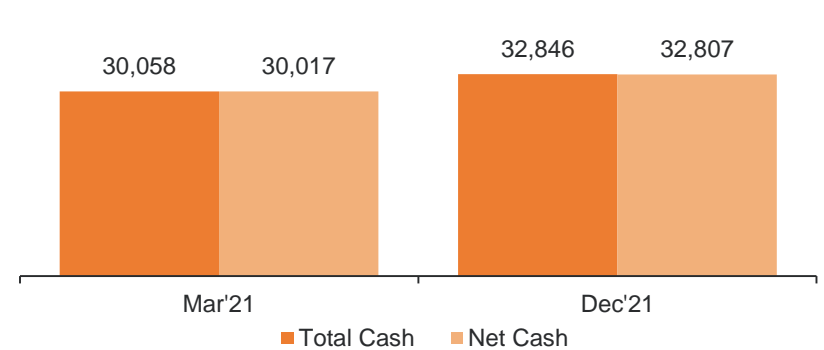
Net Worth ⁽¹⁾

(INR Mn)



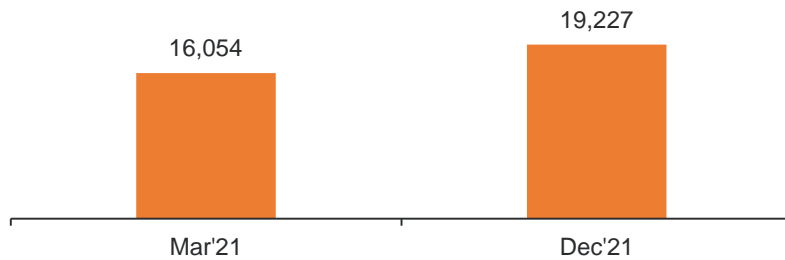
Cash and Bank Balances / Net Cash ⁽²⁾

(INR Mn)



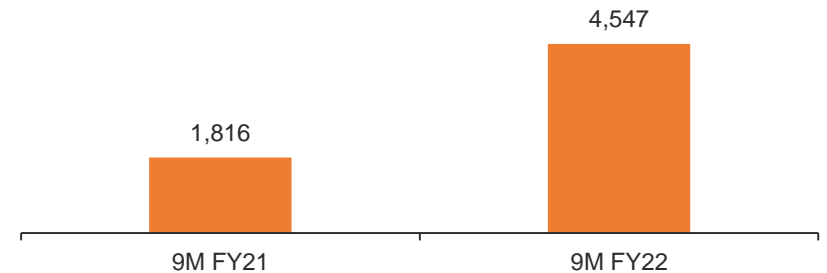
Net Working Capital ⁽³⁾

(INR Mn)



Capital Expenditure

(INR Mn)

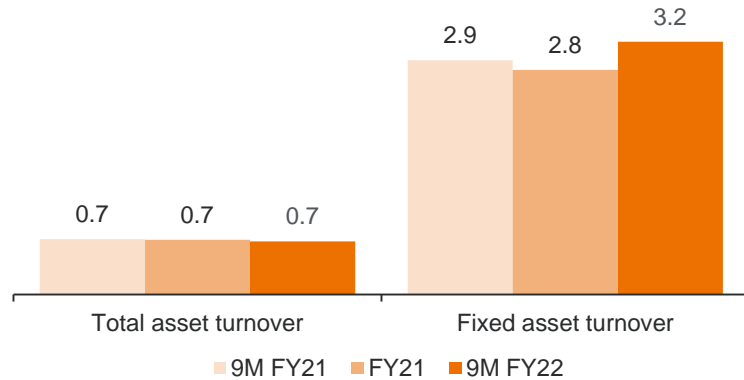


Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash, Investments in Debt Mutual Funds and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets (excluding cash and bank balances) less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

Financial Highlights (3/3)

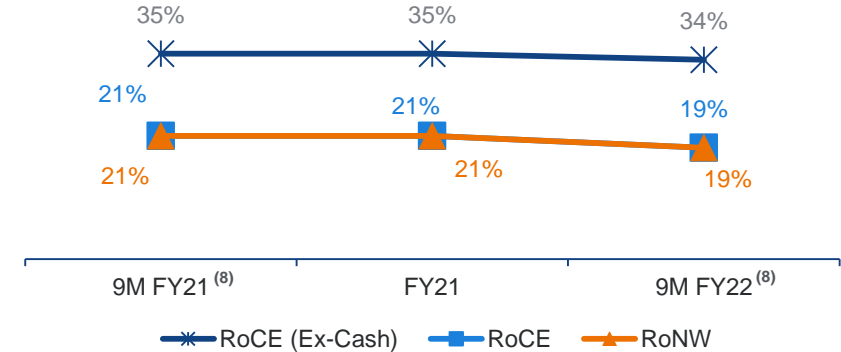
Focus on Capital efficiency and healthy return ratios

Asset Turnover Ratio ⁽¹⁾⁽²⁾



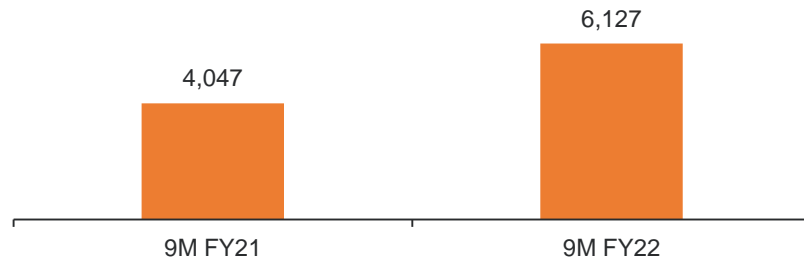
ROCE (ex-cash)⁽³⁾ / ROCE ⁽⁴⁾ / RONW ⁽⁵⁾

(%)



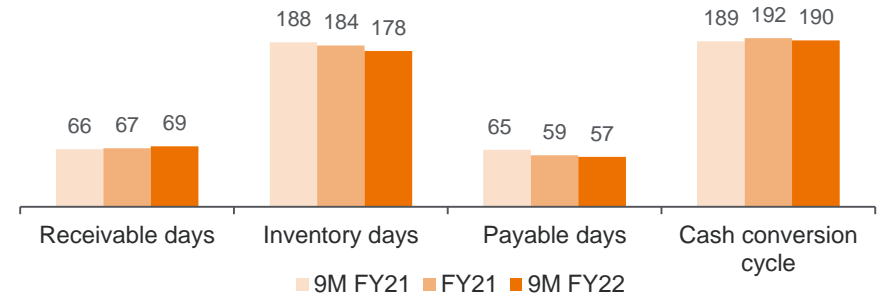
Cash Flow from Operations

(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 275/365 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS* over 275/365 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS* over 275/365 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days; (8) Annualised

P&L Highlights

(INR Mn)

Particulars	Q3 FY22	Q3 FY21	YoY growth	9M FY22	9M FY21	YoY growth	Q2 FY22
Revenue From operations	10,633	8,594	24%	32,977	25,751	28%	10,805
Other Income	457	351	30%	1,587	876	81%	512
Total income	11,090	8,945	24%	34,564	26,627	30%	11,317
Gross Margin⁽¹⁾	5,599	4,526	24%	17,338	14,748	18%	5,565
<i>% margin</i>	53%	53%		53%	57%		52%
EBITDA⁽²⁾	3,946	2,994	32%	13,205	10,621	24%	4,278
<i>% margin⁽³⁾</i>	36%	33%		38%	40%		38%
PBT	3,656	2,732	34%	12,381	9,859	26%	4,007
<i>% margin</i>	33%	31%		36%	37%		35%
PAT	2,730	2,041	34%	9,258	7,366	26%	3,021
<i>% margin⁽⁴⁾</i>	25%	23%		27%	28%		27%

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; (4) PAT margin = PAT / Total Income

USA, Europe, Canada and Australia (Core Markets)

Revenue:

Key products driving the growth in Q3 FY22 include Micafungin Sodium, Ketorolac Tromethamine and Heparin Sodium.

We registered a y-o-y growth of 23%⁽²⁾ for the USA market in this quarter.

New launches⁽³⁾:

Q3 FY22: 6 Product SKUs

US filings update:

As of Dec 31, 2021, we along with our partners had 309 ANDA filings in the United States, of which 249 were approved and 60 pending approval. We have completed ANDA filings for the four complex injectables targeted to be filed in this financial year during the quarter.

	Q3 FY22 ⁽⁴⁾	9M FY22 ⁽⁵⁾
ANDA Filed	18	27
ANDA Approved	4	16
DMFs Filed	3	11

9M FY22: Rs. 20,342 Mn

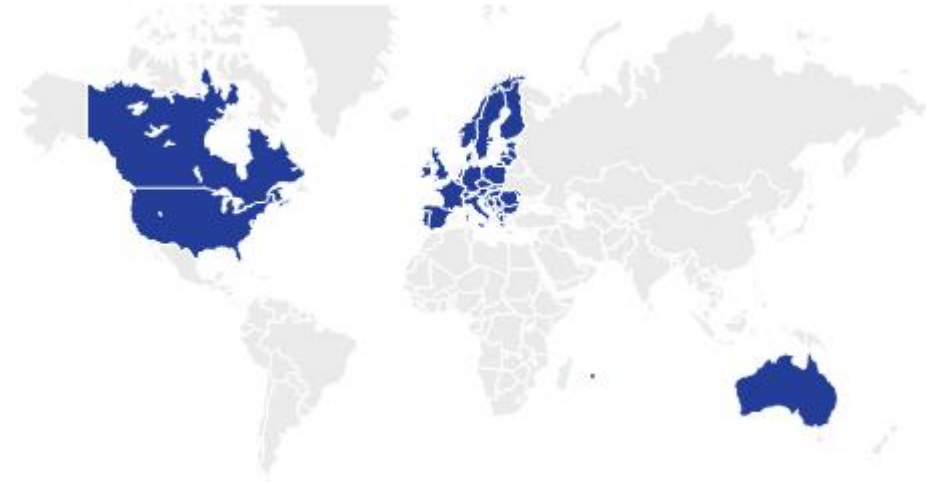
YoY Growth: 17% (20%)

Q3 FY22: Rs. 6,652 Mn

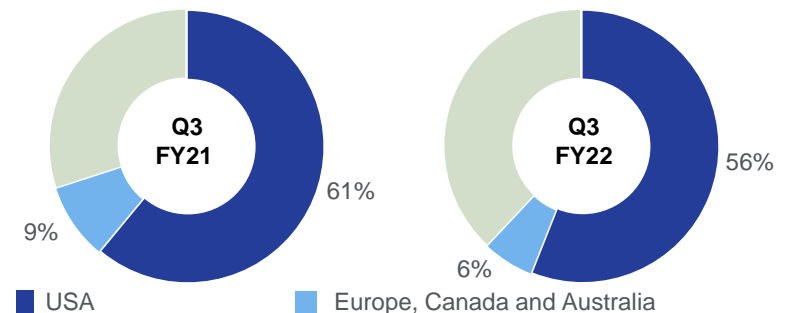
YoY Growth: 10% (18%)

(%) - including India sales for our core markets

Core Markets⁽¹⁾



Revenue Contribution



Note: ANDA count includes technology transfer ANDAs

(1) Core markets includes USA, Europe, Canada and Australia; (2) Including India sales to USA; (3) Includes products where launch quantity is dispatched to our partners; (4) Includes tentative approval for two products and final approval for Arsenic Trioxide which was earlier tentatively approved; (5) Confirmation for two tech transfer filings and one tech transfer tentative approval for the period H1 FY22 was received during the quarter

Rest of the World Markets

- Our strategy of expanding our product portfolio in identified geographies has shown good results for rest of the world markets.
- Key markets contributing to the growth continue to remain MENA, LatAm and APAC.
- Enoxaparin Sodium was the biggest contributor to growth among the key products.
- Our ability to manage our supply chain efficiently has helped in meeting the shorter lead times required for rest of the world markets and thus have helped us to achieve a strong growth in 9M FY22.

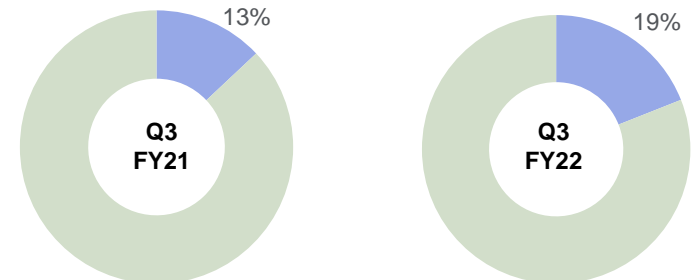
9M FY22: Rs. 6,579 Mn
YoY Growth: 64%

Q3 FY22: Rs. 2,031 Mn
YoY Growth: 88%

Rest of the World Markets



Revenue Contribution



India (Domestic Market)

- India sales grew by 31% on account of volume growth of existing products along with ramp-up of launched products for the export markets.
- The India sales stood at 18% of our revenue for Q3 FY22. Of these, sales for domestic market stood at 6% of revenue and sales for export markets (primarily US market) stood at 12% of revenue.
- Ertapenem has been the key contributor to the India – Export growth which has shown strong demand from the end market.

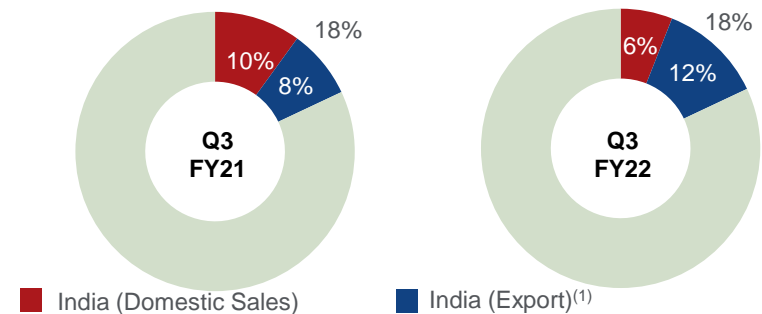
9M FY22: Rs. 6,056 Mn
YoY Growth: 40%

Q3 FY22: Rs. 1,950 Mn
YoY Growth: 31%

India (Domestic Market)



Revenue Contribution



(1) Indian sales for export markets

Focus on expanding capabilities in Complex Injectables

Our near-term focus remains on establishing a strong portfolio of complex injectables

Working on development of 17 Complex Injectables in first phase:

- Completed four complex injectable filings in Q3 FY22 which includes three hormonal products and one complex peptide. These products have an addressable market size⁽¹⁾ of USD 983 Mn in the US market.
- Completed submission batches for next set of three products and the filings are expected by Q2 FY23. These planned filings include one complex peptide and two hormonal products.

Expanding capabilities in:

- Peptides
- Long-acting injectables
- Suspensions
- Hormonal products

Expanding in new delivery systems:

- Pens
- Cartridges

- Installation of new lines catering to suspensions and hormonal products at Pashamylaram facility has been completed
- Additional lines for microsphere bulk manufacturing and microsphere powder filling cum liquid filling line has been planned and order has been placed for the filling line
- CapEx to the tune of INR 2,000 Mn for building these lines
- Also exploring acquisition opportunities to help expedite the complex product development process

(1) IQVIA MAT April 2021

Building capability for Biotech and Vaccine Manufacturing

- We are making investments towards creating robust infrastructure for the vaccine and bio-similar space
- We are exploring partnerships to accelerate entry into the Biologics CDMO market which is estimated at nearly USD 13 Bn, growing at a CAGR of 15% over last 5 years

- Tech Transfer has been completed for Sputnik Light in Q3 FY22
- Capacity expansion for Drug Substance manufacturing (~ 8KL) at our biotech facility has been completed in this quarter
- Our Drug Product manufacturing capacity for vaccine at Pashamylaram facility has been set-up
- Joint inspection by CDSCO and DCA has been completed at both the Drug Substance and Drug Product facilities in Dec'21
- Awaiting regulatory approvals to initiate manufacturing of Sputnik Light





Registered Office

Gland Pharma Limited

Survey No. 143-148, 150 & 151
Near Gandimaisamma 'X' Roads
D.P. Pally, Dundigal Gandimaisamma Mandal
Medchal-Malkajgiri District
Hyderabad 500043, Telangana, India

Corporate Office:

Gland Pharma Limited

Plot No. 11 & 84, TSIIC Phase: IV
Pashamylaram (V), Patancheru (M),
Sangareddy District
Hyderabad 502307, Telangana, India

BSE 543245

NSE GLAND

Bloomberg GLAND:IN