

Gland Pharma reports Q2FY25 financial performance: Revenue ₹ 14,058, EBITDA ₹ 2,961 Million, and PAT ₹ 1,635 Million

Hyderabad, November 4th, 2024: Gland Pharma Limited (BSE: 543245 | NSE: GLAND), a generic injectable-focused pharmaceutical company, today announced its financial results for the Second quarter (Q2FY25) ended on September 30th, 2024.

Financial Highlights

Q2 FY25 (July 2024 to September 2024)

- Consolidated revenue increased 2% year-over-year to INR 14,058 million.
- Consolidated EBITDA decreased 8% year-over-year to INR 2,961 million.
- Consolidated EBITDA margin was 21%, compared to 23% in Q2 FY24.
- Base business (excluding Cenexi) revenue grew 5% year-over-year to INR 10,659 million.
- Base business (excluding Cenexi) EBITDA increased 5% year-over-year to INR 3,645 million.
- Base business (excluding Cenexi) EBITDA margin was 34%, similar to Q2 FY24.

Commenting on the results, **Mr. Srinivas Sadu, Executive Chairman and CEO of Gland Pharma**, said, *“We had a good first half of 2025 and are on course to achieve our outcomes for the full year. This quarter, we reported INR 14,058 million in revenue and INR 2,961 million in EBITDA, representing a 21% EBITDA margin. Although our overall EBITDA margin was affected by Cenexi, our base business maintained a steady 34% EBITDA margin. Our core regulated markets, particularly the United States, continue to perform well. Our overall performance is in line with expectations. Looking ahead, we remain focused on our strategic priorities, which include entering new markets and building a solid foundation for future growth.”*

Consolidated Financial Performance

INR Mn

Particulars	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	6M FY25	6M FY24	YoY
Revenue from operations	14,058	13,734	2%	14,017	0%	28,075	25,821	9%
Gross Profit	8,304	8,519	-3%	8,375	-1%	16,678	16,077	4%
Gross Profit Margin	59%	62%		60%		59%	62%	
EBITDA ⁽¹⁾	2,961	3,205	-8%	2,654	12%	5,615	6,187	-9%
EBITDA Margin (%)	21%	23%		19%		20%	24%	
PBT	2,568	2,899	-11%	2,182	18%	4,750	5,512	-14%
PBT Margin (%)	18%	21%		16%		17%	21%	
PAT	1,635	1,941	-16%	1,438	14%	3,073	3,882	-21%
PAT Margin (%)	12%	14%		10%		11%	15%	



Base Business (Ex-Cenexi) Financial Performance

INR Mn

Particulars	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	6M FY25	6M FY24	YoY
Revenue from operations	10,659	10,146	5%	10,134	5%	20,793	19,019	9%
Gross Profit	5,957	5,746	4%	5,348	11%	11,305	10,868	4%
Gross Profit Margin	56%	57%		53%		54%	57%	
EBITDA ⁽¹⁾	3,645	3,473	5%	2,941	24%	6,586	6,109	8%
EBITDA Margin (%)	34%	34%		29%		32%	32%	
PBT	3,832	3,510	9%	3,006	27%	6,838	6,048	13%
PBT Margin (%)	36%	35%		30%		33%	32%	
PAT	2,843	2,615	9%	2,248	26%	5,091	4,488	13%
PAT Margin (%)	27%	26%		22%		24%	24%	

Cenexi Financial Performance

INR Mn

Particulars	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	6M FY25	6M FY24	YoY
Revenue from operations	3,399	3,588	-5%	3,883	-12%	7,282	6,802	7%
Gross Profit	2,347	2,773	-15%	3,026	-22%	5,373	5,208	3%
Gross Profit Margin	69%	77%		78%		74%	77%	
EBITDA ⁽¹⁾	-685	-268		-286		-971	78	
EBITDA Margin (%)	-20%	-7%		-7%		-13%	1%	

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.

Business Highlights (Gland)

Key Highlights:

- **R&D expenses:** INR 493 million (4.6% of revenue).
- **Regulatory filings:** 7 ANDAs filed, 8 ANDAs approved in Q2FY25.
- **Total filings:** 363 ANDAs in the U.S. (304 approved, 59 pending). Global product registrations: 1,726.
- **Capex:** Total Capex incurred during the quarter ended September 30th, 2024, was INR 1,037 million.
- **US Market:** Four molecules, including Cetrorelix Acetate, Ephedrine Sulfate, Tranexamic Acid, and Diazepam, were launched in the US market.
- **China Market:** Four of the nine products in the plan for China markets are currently under development, and five have received approvals.
- **Complex Injectables:** Nine filings completed in a targeted portfolio of 19 products. Six of these complex products have already been approved (6 launched), with three more expected to secure approval in due course. These products target an IQVIA market opportunity of \$7.3 billion, reflecting the significant potential of this segment to drive future growth.
- **Biologics:** During the quarter, Gland entered into a binding term sheet with Dr. Reddy's Laboratories (DRL) to establish strategic cooperation for the biologics CDMO business. This partnership will leverage our state-of-the-art biologics manufacturing facility at Genome Valley in Hyderabad. We are very optimistic about this partnership's potential to create value for both organizations, and we expect to sign a definitive agreement shortly.

Market Wise Performance (Consolidated)

INR Mn

Particulars ⁽²⁾	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	6M FY25	6M FY24	Y-o-Y
USA	7,547	7,354	3%	7,628	-1%	15,175	13,375	13%
Europe	2,459	2,488	-1%	2,566	-4%	5,025	4,712	7%
Canada, Australia and New Zealand (Other Core Markets)	515	356	45%	447	15%	962	616	56%
India	874	876	0%	527	66%	1,401	1,523	-8%
Rest of the world	2,663	2,660	0%	2,849	-7%	5,512	5,596	-1%
TOTAL	14,058	13,734	2%	14,017	0%	28,075	25,821	9%

Market Wise Performance (Ex-Cenexi)

INR Mn

Particulars ⁽²⁾	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	6M FY25	6M FY24	Y-o-Y
USA	7,393	7,082	4%	7,524	-2%	14,917	12,988	15%
Europe	329	252	31%	407	-19%	736	756	-3%
Canada, Australia and New Zealand (Other Core Markets)	405	198	105%	194	109%	600	391	53%
India	874	876	0%	527	66%	1,401	1,523	-8%
Rest of the world	1,658	1,738	-5%	1,481	12%	3,139	3,361	-7%
TOTAL	10,659	10,146	5%	10,134	5%	20,793	19,019	9%

2) Sales made to Indian customers for the US market have been considered in the US sales.

Business Highlights (Cenexi)

Key Highlights:

Fontenay Site (Paris, France):

- Our new high-capacity ampoule line is on track for commercial production in January 2025. This project has stayed within budget and schedule and will significantly boost our manufacturing capacity, customer service, and revenue.

Hérouville Site (Normandy, France):

- Good progress is being made on validation batches for our new inactivated vaccine and ophthalmic gel projects, paving the way for commercial production before the end of the year.
- While the site is currently operating at lower volumes, we are encouraged by the growing interest from new partners for the capacity.

Braine-l'Alleud Site (Belgium):

- Temporary setback caused by a lyophilizer breakdown at the site. We are currently operating at full capacity with our remaining lyophilizers. The issue will be fully resolved during the quarter, and a new backup unit will be installed in the first half of 2025 to prevent future disruptions and increase in capacity.

Outlook:

- Despite these near-term headwinds, we continue to strive to achieve our short-term outlook: a positive EBITDA for Q4 of FY25.
- We maintain our goal of a positive EBITDA for the next fiscal year, driven by an increase in revenue above the €200 million threshold.



Earnings Call Details

The Company will conduct an Earnings call at 6.30 PM (IST) on November 4th, 2024, to discuss the business performance and answer participants' questions. To participate in this conference call, please dial the numbers provided below ten minutes before 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

Investor Contacts

Sampath Kumar Pallerlamudi
Company Secretary and Compliance Officer
investors@glandpharma.com

Ankit Gupta
Vice President – Strategy & Investments
ankit.gupta@glandpharma.com

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