GLAND PHARMA LIMITED

Gland Pharma Limited

Financial Results
Q4'FY23 & FY23

18th May 2023




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.

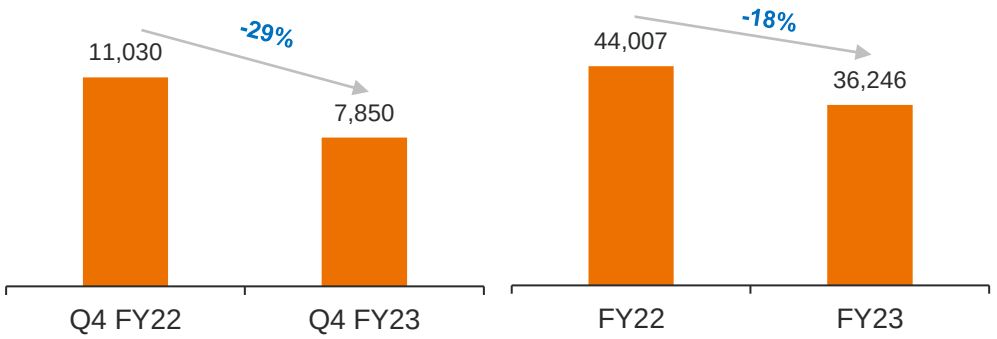
This presentation may include certain "forward looking statements". These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements. Important factors that 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.

Financial Highlights (1/3)

Strengthening our core amid challenges

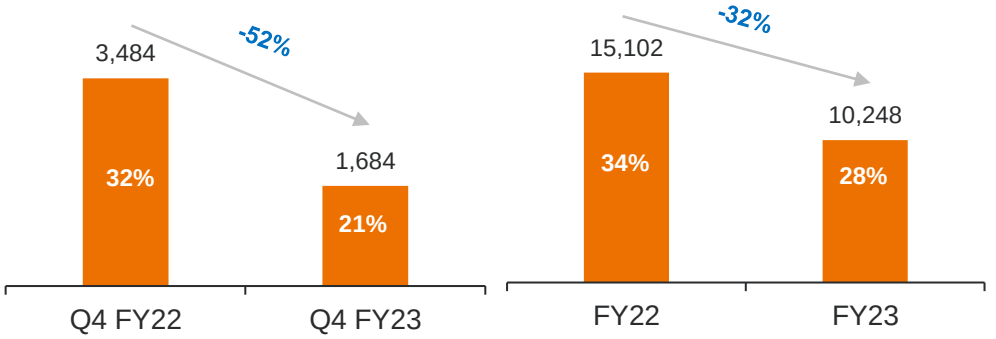
Revenue from Operations

(INR Mn)



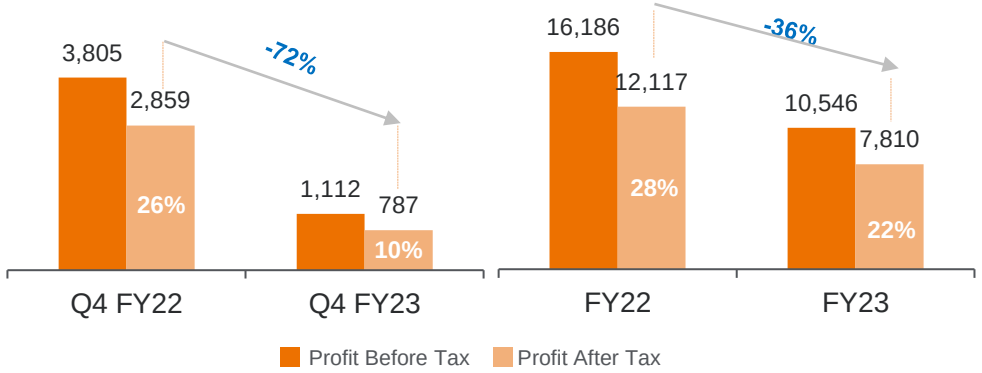
EBITDA (1) / EBITDA Margin (2)

(INR Mn / %)



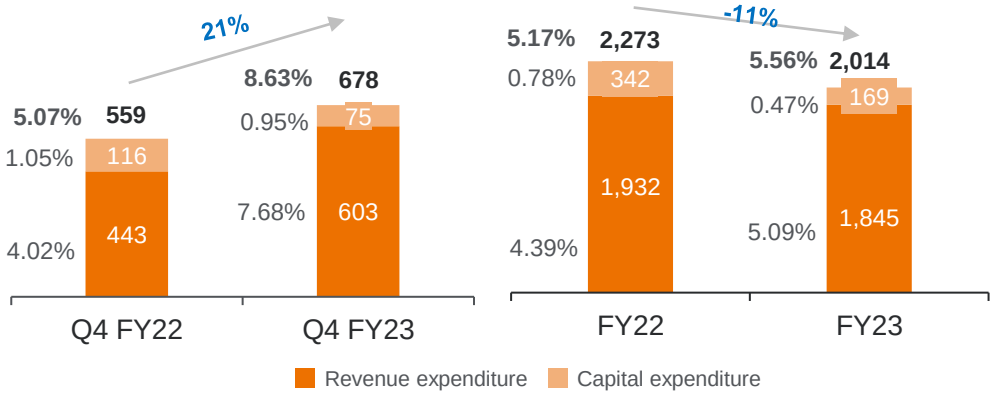
PBT / PAT / PAT Margin (3)

(INR Mn / %)



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

(INR Mn / %)



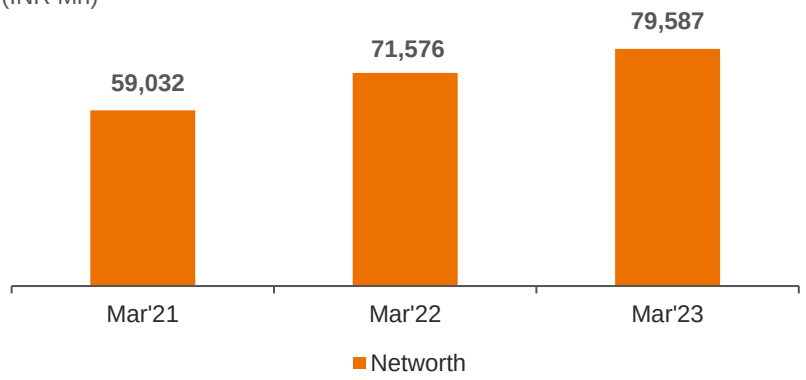
Note: (1) EBITDA= Profit before tax plus exceptional items plus finance expense plus depreciation and amortization expense minus other income; (2) EBITDA margin = EBITDA / Revenue from operations; (3) PAT margin = Profit for the period / Revenue from operations.

Financial Highlights (2/3)

Strong Balance Sheet to support future growth plans

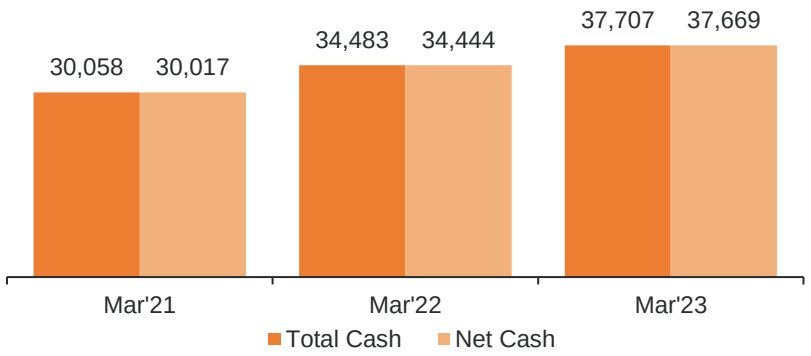
Net Worth (1)

(INR Mn)



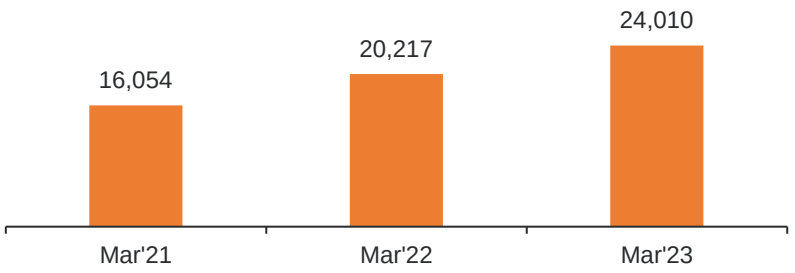
Cash and Bank Balances / Net Cash (2)

(INR Mn)



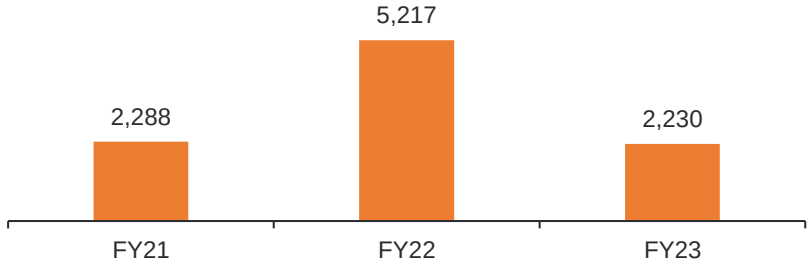
Net Working Capital (3)

(INR Mn)



Capital Expenditure

(INR Mn)

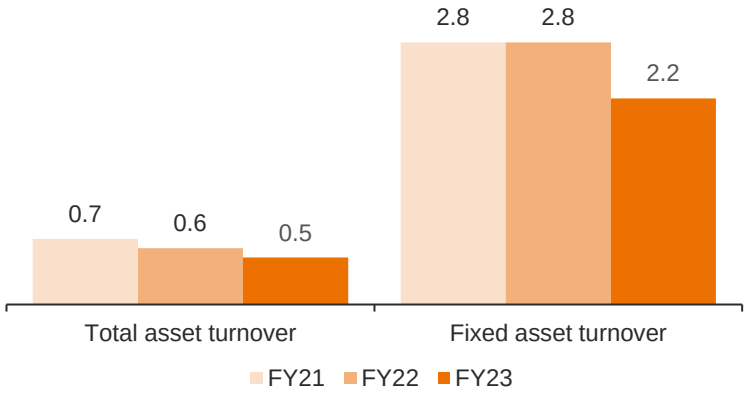


Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash, Investments in Debt Mutual Funds, Deposits with Financial Institutions and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets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

Financial Highlights (3/3)

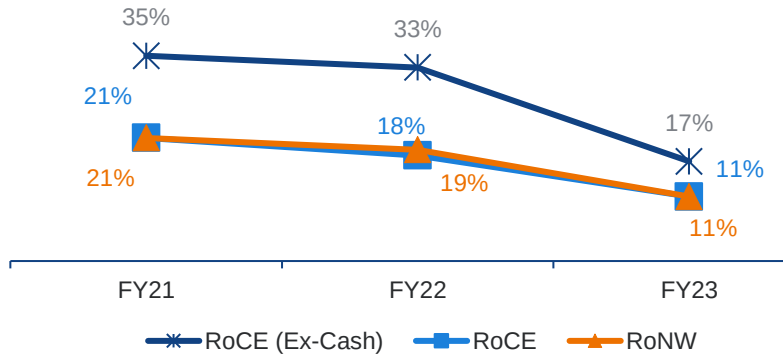
Focus on Capital efficiency

Asset Turnover Ratio (1)(2)



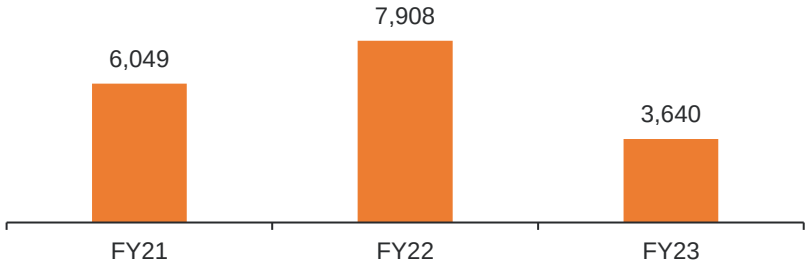
ROCE (ex-cash)(3) / ROCE (4) / RONW (5)

(%)



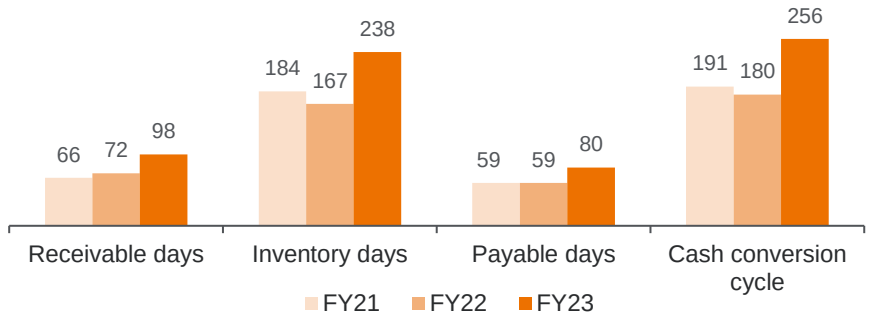
Cash Flow from Operations

(INR Mn)



Cash Conversion Cycle (CCC) (6)(7)

(# of Days)



Note: (1) Asset Turnover is calculated as Revenue from operations for the period divided by average total assets for the period; (2) Fixed Asset Turnover is calculated as Revenue from operations 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 + tax impact on exceptional item)/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 + tax impact on exceptional item)/ Average Capital Employed for the period. Capital Employed represents Total Assets – Current Liabilities; (5) Return on Net Worth (RONW) = Profit for the period before exceptional item net of taxes / 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 365 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS* over 365 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS* over 365 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days;

P&L Highlights

(INR Mn)

Particulars	Q4 FY23	Q4 FY22	YoY change	FY23	FY22	YoY change	Q3 FY23
Revenue from operations	**7,850**	**11,030**	-29%	**36,246**	**44,007**	-18%	**9,383**
Gross Margin(1)	**4,202**	**5,577**	-25%	**19,392**	**22,915**	-15%	**5,112**
% margin	*54%*	*51%*		*54%*	*52%*		*54%*
EBITDA(2)	**1,684**	**3,484**	-52%	**10,248**	**15,102**	-32%	**2,896**
% margin(3)	*21%*	*32%*		*28%*	*34%*		*31%*
Exceptional items	**-565**	**-**		**-565**	**-**		**-**
PBT	**1,112**	**3,805**	-71%	**10,546**	**16,186**	-35%	**3,109**
% margin	*14%*	*34%*		*29%*	*37%*		*33%*
PAT	**787**	**2,859**	-72%	**7,810**	**12,117**	-36%	**2,319**
% margin(4)	*10%*	*26%*		*22%*	*28%*		*25%*

Note: (1) Gross Margin = Revenue from Operations – Materials consumed; (2) EBITDA stands for earnings before interest, taxes, depreciation and amortization 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 / Revenue from operations; (4) PAT margin = Profit for the period / Revenue from operations

Quarterly and Full year performance key points

- **Revenue from operations for the fiscal 2023, declined by 18% as compared to the previous year due to:**
  - Inventory rationalization across customers in the US market
  - Higher pricing pressure with increased competition impacting revenue and margins
  - Higher base of last year due to COVID related products sale
  - Production line shut down at Dundigal facility for Insulin line due to line upgradation
  - Less revenue contribution from new product launches during the year
- **Revenue from operations during the quarter has declined by 29% as compared to corresponding quarter of the previous year due to (Q4FY23 vs Q4FY22):**
  - Production line shut down in Q4FY23 in Pashamylaram Penems facility due to line upgradation
  - Reduced business from domestic B2C division during the year as compared to previous year
- **Revenue from operations during the quarter has declined by 16% as compared to previous quarter of the current year due to (Q4FY23 vs Q3FY23):**
  - Softer off-take in RoW market due to tender seasonality
  - Penem Production line shut down

Completed Acquisition of Cenexi

Gland, through its wholly owned subsidiary, Gland Singapore, has paid an amount of EUR 114.26 Mn and refinanced the outstanding existing loan of EUR 79.46 Mn to complete the acquisition of Cenexi on April 27, 2023.

Cenexi : Business Overview

- Founded in 2004, as carved-out from Roche, Cenexi is a CDMO with deep sterile expertise and track-record in ampoules, PFS and vials, and complex or niche formulations with a focus on high potent steriles and solids
- Revenue of EUR 184 Mn and EBITDA of EUR 23 Mn in CY21; Revenue of EUR 192 Mn and EBITDA of EUR 26 Mn in CY22 with presence across 4 FDA approved manufacturing sites in Europe (3 in France and 1 in Belgium)
- ~ 70% of business is currently from sterile and injectable products which is expected to grow further which increases to ~90% contribution from injectables in next 3 years
- Significant expertise in processing specific substances including hormones, controlled substances and oncology
- Employee strength of 1,345 including 1,225 employees across 4 sites and 120 employees for services

Strategic Objective

- Expand our CDMO offerings in the European market, an addressable CDMO opportunity of ~EUR 4 Bn
- In line with our strategic roadmap of building a European manufacturing presence in sterile injectables
- Access to niche technologies (Needleless Injectors, Ophthalmic Gel, Ointments and Creams)
- Increased customer base in EU including customers in biologics area
- Establish our presence into the branded CDMO space in the future

USA, Europe, Canada, Australia and New Zealand (Core Markets)

- **Revenue:**

We are constantly working on improving material availability and resolving any production delays. Strategic shift at some of our customers has impacted revenues.

- **New launches[2]:**

Q4 FY23: 10 Product SKUs (5 molecules)

FY23: 35 Product SKUs (18 molecules)

- **US filings update:**

As of Mar 31, 2023, we along with our partners had 334 ANDA filings in the United States, of which 263 were approved and 71 pending approval.

	Q4 FY23	FY23
ANDA Filed	9	29
ANDA Approved[3]	7	28
DMFs Filed	6	9

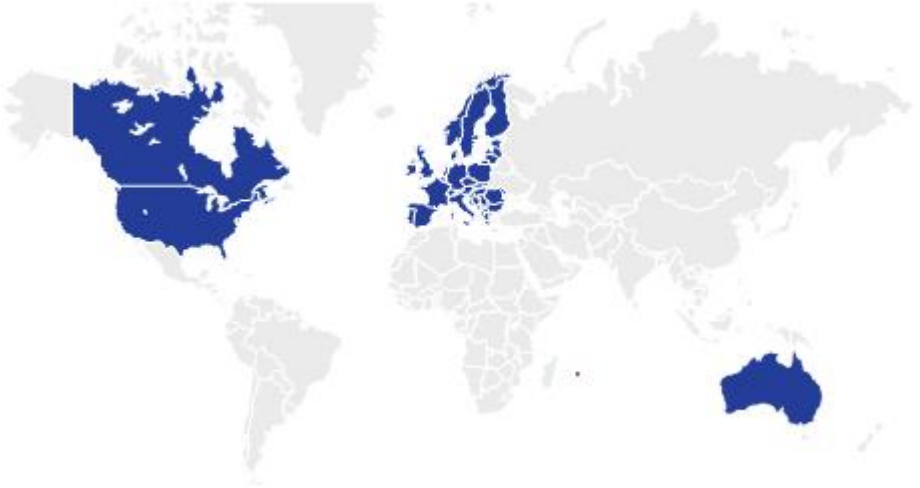
FY23: Rs. 26,851 Mn

YoY Growth: -8%

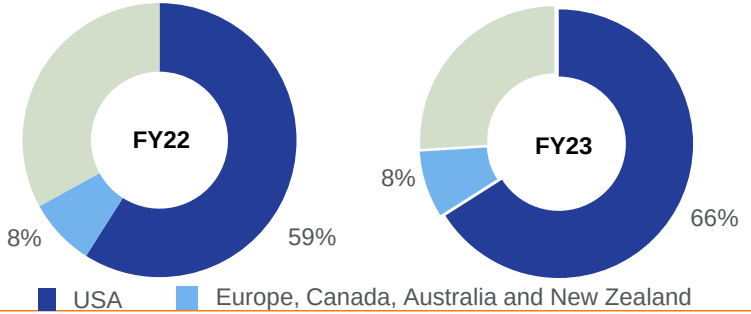
Q4 FY23: Rs. 5,498 Mn

YoY Growth: -23%

Core Markets [1]



Revenue Contribution



Note: ANDA count includes technology transfer ANDAs

(1) Core markets includes USA, Europe, Canada, Australia and New Zealand ; (2) Includes products where launch quantity is dispatched to our partners; (3) Includes final approval received for 1 ANDA which was earlier tentatively approved

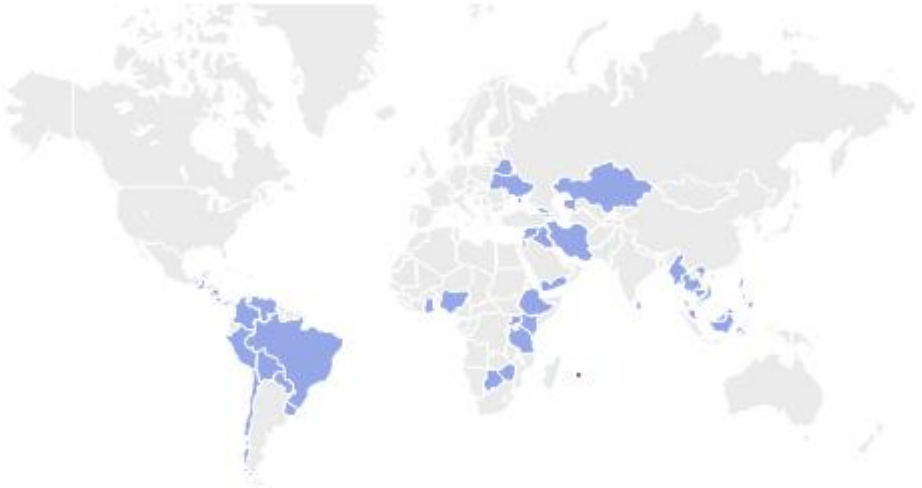
Rest of the World Markets

- Our key markets by revenue contribution continue to remain MENA, LatAm and APAC.
- Enoxaparin Sodium was a key revenue contributor during the year along with other products like Heparin Sodium, Rocuronium Bromide and Dexmedetomidine.
- We registered Dexrazoxane, Tranexamic Acid and Azithromycin in new geographies during the Q4 FY23.
- We maintained healthy inventory of raw materials and packing materials to be able to cater to the demand.

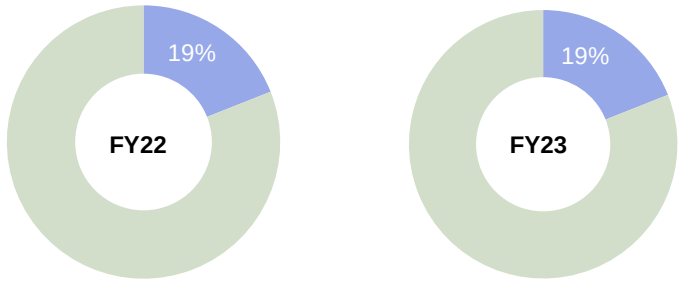
FY23: Rs. 6,894 Mn
YoY Growth: -19%

Q4 FY23: Rs. 1,705 Mn
YoY Growth: -10%

Rest of the World Markets



Revenue Contribution



India (Domestic Market)

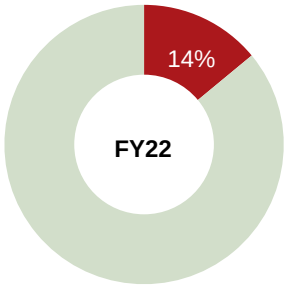
- The India sales stood at 8% of our revenue for Q4 FY23 as compared to 18% in Q4 FY22.
- For the full year FY23, the revenue contribution stood at 7% as compared to 14% in FY22.
- Impact from normalizing of COVID related sales in the Indian market.

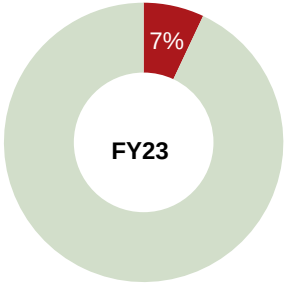
FY23: Rs. 2,501 Mn
YoY Growth: -60%

Q4 FY23: Rs. 647 Mn
YoY Growth: -68%

India (Domestic Market)

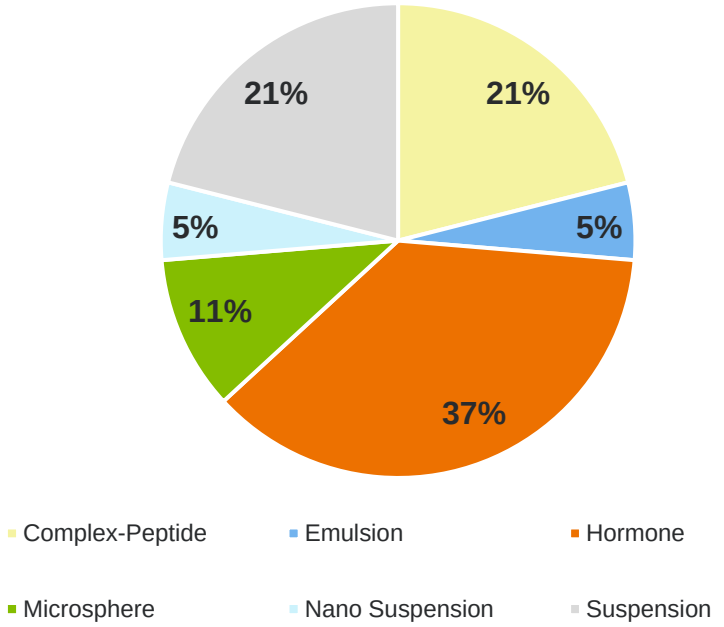
Revenue Contribution





Building complex injectable presence

USA Market Size (~ USD 10 Bn)



Complex injectables pipeline	Total Projects	FY22	FY23	FY24	FY25+
Complex-Peptide	4	1			3
Emulsion	1			1	
Hormone	7	3	3	1	
Microsphere	2				2
Nano Suspension	1				1
Suspension	4			2	2
Grand Total	**19**	**4**	**3**	**4**	**8**

In-house capabilities

- Complex molecules manufacturing infrastructure – Suite 5 with capability to handle Hormones /suspensions is operational and Suite 9 with microsphere(Combi-line) capability will be ready during this year
- Collaborate with external development partners to expedite progress and enable knowledge sharing
- Emphasize on in-house supporting API for the pipeline that helps ascertain progress

Inorganic Focus

- Look for proven development capabilities in complex products that can help us navigate the regulatory framework even for our internal pipeline

Key Focus Areas

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

Working towards building **bio-similar / biologics CDMO capabilities** and exploring collaboration opportunities with established bio-similar players

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

Core Strengths

- State-of-the-art Facilities
- Strong Quality Assurance & Quality Control
- Economies of Scale
- Vertically Integrated
- Diversified Product Portfolio
- Compliance Track Record

GLAND PHARMA LIMITED

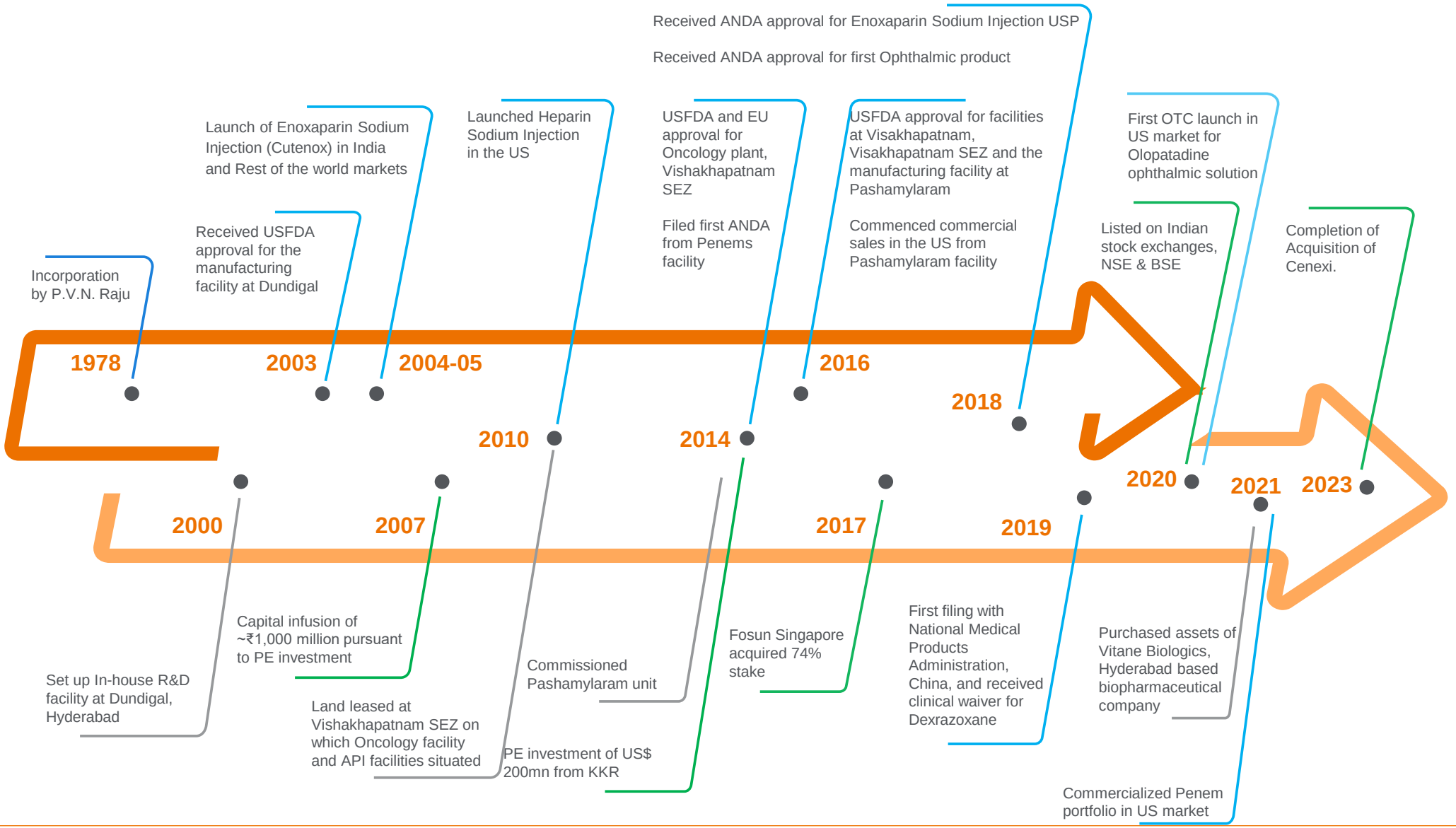
Investor Presentation

Snapshot

Extensive and Vertically Integrated Injectables Manufacturing Capabilities	**8 Manufacturing Facilities – 4 Finished Formulation and 4 API**	**Greater Control Over Manufacturing Processes**
Consistent Compliance Track Record with Range of Regulatory Regimes	**No Warning Letters from USFDA Since Inception of Each Facility**	**334 ANDA Filings in the US [1] [2]: 263 Approved; 71 Pending Approval**
Diversified B2B-led Model Across Markets Complemented by a Targeted B2C Model in India	**Successful Track Record of Operating B2B Model with Leading Pharma Companies**	**Exports to Over 60 Countries[1]**
Wide Portfolio of Complex Products Supported by Internal R&D	**Portfolio of Injectable Products Across Therapeutic Areas and Delivery Systems**	**Centralized R&D Laboratory with Team of ~350 Personnel**
Track Record of Growth and Profitability from a Diversified Revenue Base	**FY20 – 23[3]: Revenue CAGR: 11%**	**FY23[3]: EBITDA margin: 28% [4][5] PAT margin: 20% [5]**

Note: (1) As of March 31, 2023; (2) Filed by Gland Pharma, along with partners; (3) Based on Financial Information prepared in accordance with Ind AS; (4) EBITDA= Profit before tax plus exceptional items plus finance expense plus depreciation and amortization expense minus other income; (5) EBITDA margin = EBITDA / Revenue from operations; (6) PAT margin = Profit for the period / Revenue from operations.

Our Journey


1978
Incorporation by P.V.N. Raju
2000
Set up In-house R&D facility at Dundigal, Hyderabad
2003
Received USFDA approval for the manufacturing facility at Dundigal
2004-05
Launch of Enoxaparin Sodium Injection (Cutenox) in India and Rest of the world markets
2007
Capital infusion of ~₹1,000 million pursuant to PE investment
Land leased at Vishakhapatnam SEZ on which Oncology facility and API facilities situated
2010
Launched Heparin Sodium Injection in the US
Commissioned Pashamylaram unit
PE investment of US$ 200mn from KKR
2014
USFDA and EU approval for Oncology plant, Vishakhapatnam SEZ
Filed first ANDA from Penems facility
Fosun Singapore acquired 74% stake
2016
USFDA approval for facilities at Visakhapatnam, Visakhapatnam SEZ and the manufacturing facility at Pashamylaram
Commenced commercial sales in the US from Pashamylaram facility
2017
2018
Received ANDA approval for Enoxaparin Sodium Injection USP
Received ANDA approval for first Ophthalmic product
2019
First filing with National Medical Products Administration, China, and received clinical waiver for Dexrazoxane
2020
Listed on Indian stock exchanges, NSE & BSE
First OTC launch in US market for Olopatadine ophthalmic solution
2021
Purchased assets of Vitane Biologics, Hyderabad based biopharmaceutical company
Commercialized Penem portfolio in US market
2023
Completion of Acquisition of Cenexi.
Commission of Asset
Investor / Capital Infusion
Launch / Filings

Business Overview

Extensive and Vertically Integrated Manufacturing Capabilities With Consistent Compliance Track Record

8 Facilities

4 Finished Formulation Facilities

~ 1,000 million units

&

4 API Facilities

11,000 kg / year,

R&D Pilot Plant and Biotech Drug Substance Facility

API facilities provide in-house manufacturing capabilities for critical APIs, thereby

- Controlling costs and quality, and
- Mitigating supply chain related risks around key product

Dundigal, Hyderabad
- Sterile Injectables Facility (Flagship)
- API Facility

Pashamylaram, Hyderabad
- Sterile Injectables Facility
- Penems Facility

Vishakhapatnam
- Oncology Facility
- 2 API Facilities

Genome Valley, Hyderabad
- Biotech Drug Substance Facility

Consistent Compliance Track Record

- **No USFDA warnings letters** since inception of each facility
- **Certified as GMP compliant at all manufacturing facilities by the USFDA**
- Certain facilities certified by the **MHRA (UK), ANVISA (Brazil), AGES (Austria), TGA (Australia) and BGV Hamburg (Germany)**

Quality Assurance and Quality Control

- **Team of 1,564 full-time employees**, 32.91% of total employees(1)
- Regular quality management reviews
- **40+ audits per year on average**, including customer audits and regulatory agency audits
- GMP certifications for facilities

Note: (1) As of March 31, 2023.

Business Overview (Cont'd)

Diversified B2B-led Model Across Markets Complemented by B2C Model in India

- **Operating in 60+ countries** as of March 31, 2023
- Successful track record of **operating B2B model with leading companies**, complemented by a B2C model in home market of India leveraging brand strength and sales network

	B2B (Global)				B2C (India)
	B2B – IP Led		B2B Tech Transfer	B2B CMO	B2C
	Own Filing	Partner Filing			
Overview	• Out-license to Marketing partners • Long term product supply contracts		• Co-development with Partner • Manufacturing by Gland	• Fill and finish service • Loan and license agreements	• Direct marketing of products
Revenue Model	• License and milestone payments • Selling price per unit dose + Profit Share		• Tech transfer fee • Selling price per unit dose + Royalty	• Fixed per unit price	• Direct sale of products
ANDA Ownership[1]	✓	✗	✗	✗	✓
IP Ownership[1]	✓	*Co-owned*	✗	✗	✓

Advantages of B2B models

- Grow market share while reducing the marketing investments
- Leverage reputation of marketing partners
- Build reputation as a complex injectables manufacturer with compliance record
- Drive profitability with higher capacity utilization

Note: (1) Reflects typical features of such business models in regulated markets.

Business Overview (Cont'd)

Extensive Portfolio of Complex Products

Present in sterile injectables, oncology and ophthalmics, and focus on complex injectables, NCE-1s, First-to-File products and 505(b)(2) filings

Delivery Systems:

- Liquid vials
- Lyophilized vials
- Pre-filled syringes
- Ampoules
- Bags
- Drops

Therapeutic Areas:

- Anti-diabetic
- Anti-infectives
- Anti-malarials
- Anti-neoplastics (Oncology)
- Blood-related
- Cardiac
- Gastro-intestinal
- Hormones
- Neurological and Central Nervous System
- Ophthalmics and Otologicals
- Pain, neuro-muscular blocking agents & analgesics
- Respiratory
- Vitamins, minerals & nutrients

Internal R&D & Regulatory Capabilities

Centralized R&D Laboratory located at Dundigal, Hyderabad facility, with supporting personnel at each manufacturing facility

- **~350** personnel team including PhDs, pharmacy post graduates and chemists
- **New R&D building at Pashamylaram**, Hyderabad
- R&D expertise supports regulatory filings globally

Regulatory Track Record

- 334 ANDA Filings in US – 263 approved; 71 pending (1)
  - Of 334, 157 owned by Gland Pharma out of which 113 are approved and 44 are pending for approval
  - 248 for sterile injectables, 53 for oncology and 33 for ophthalmics related products
- 1,601 product registrations globally, of which 455 in United States, Europe, Canada, Australia and New Zealand, 70 in India and 1076 in Rest of the world (1)

Note: (1) As of March 31, 2023; refer to ANDA filings by Gland Pharma, along with partners.

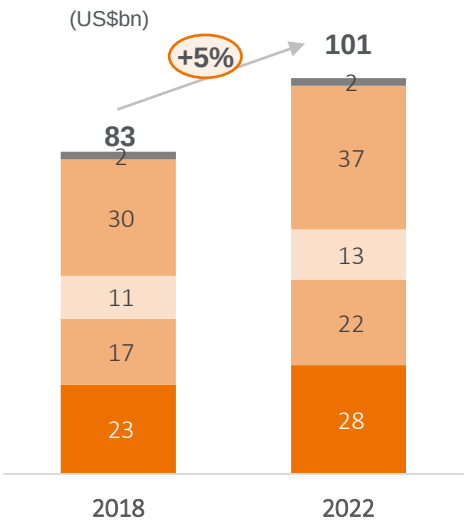
Key Strengths

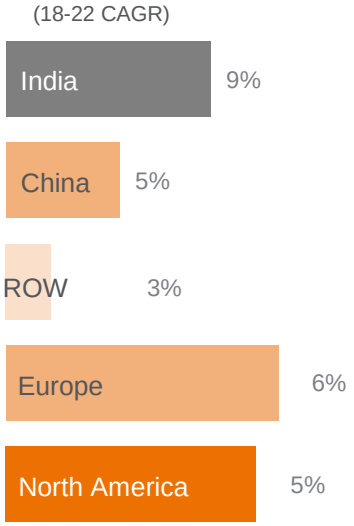
1. Injectables: One of the Fastest Growing and Largest Segment
2. Extensive and Vertically Integrated Injectables Manufacturing Capabilities
3. Diversified B2B-led Model Across Markets, Complemented by Targeted B2C Model in India
4. Extensive Portfolio of Complex Products Supported by Internal R&D and Regulatory Capabilities
5. Track Record of Growth and Profitability from a Diversified Revenue Base with Healthy Cash Flows
6. Experienced and Qualified Management Team

Generic Injectables: Market & Growth Drivers

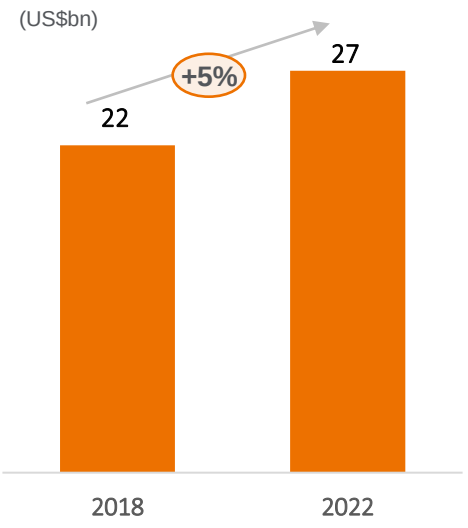
US$101bn Market with Multiple Growth Levers Driven by LoEs, Opportunity from Shortages and Ease of Use

Geographic Mix- Generic Injectable





US Generic Injectable market



The US Generic Injectable market grew from US$ 22 Bn in 2018 to **US$ 27 Bn** in 2022, at a rate of **5%**

Growth drivers for Injectables

Rising prevalence of chronic diseases

Strong increase in the prevalence of diabetes and other chronic diseases – the treatment of which is primarily administered through injectables

Convenience and benefits of New Drug Delivery Systems

Strong increase in the prevalence of diabetes and other chronic diseases – the treatment of which is primarily administered through injectables

New market opportunities

Increasing treatment of new ailments through injectables such as rheumatoid arthritis, multiple sclerosis, cancers and auto-immune disorders

Growth of biologics

Increased use of biologics due to their ease of handling, less overfills and more safety to patients - increasing demand for the injectable drug delivery devices for these formulations

Source: IQVIA Midas Global Pharma Data MAT March 2018-22

Generic Injectables: Market Entry Barriers

2

Manufacturing Complexities to Meet Stringent Quality Standards

Complexities involving sterilisation, packaging, sterile fill/finish, with stability assessment at each stage, among others

3

High Level of Compliance and Regulatory Requirements

High level of regulatory enforcement of cGMP standards

1

Significant Capital Investments

Injectable plants require 1.3x - 1.5x more capex vs oral solids plants due to requirements of sterilisation and/or aseptic manufacturing

4

Stringent Quality Requirements

c.62% of drugs in shortage are associated with manufacturing or product quality problems

Source: IQVIA Report.

Consistent Regulatory Compliance Track Record

Highlights

No warning letters from USFDA (whether as a result of facility inspection or otherwise) since inception of each facility

All facilities Certified GMP compliant by USFDA, and certain facilities by MHRA (UK), ANVISA (Brazil), AGES (Austria), TGA (Australia) and BGV Hamburg (Germany)

WHO GMP certifications from the Drugs Control Administration (Governments of Telangana and Andhra Pradesh, India) (DCA)

3 ISO certifications as of March 31, 2023 (1)

Focus on Quality Control

1,564
fulltime employees in Quality Control and Quality Assurance (2)

33%
of the workforce in Quality Control and Quality Assurance (2)

40+
audits on average per year, including customer audit and regulatory agency audit

Quality Standards throughout the business units and facilities

Quality Improvement

Laboratory Information Management System software for quality control at all manufacturing locations

Corporate Quality Establishment

Corporate reporting structure for identifying and developing standard operating procedures

Quality Audits

Conduct internal audits across all facilities on a quarterly basis

Note: (1) 3 ISO certifications as of March 31, 2023 for quality management, environment management and occupational health and safety management systems applicable to design, development and production of pharmaceuticals and contract manufacture of small volume parenterals. (2) As of March 31, 2023

Diversified Business Model with Focus on Growth & Stability

Diversified B2B-led Model Across Markets, Complemented by a Targeted B2C Model in India

	B2B – IP Led		B2B Tech Transfer	B2B CMO	B2C
	Own Filing	Partner Filing			
Overview	• Out-license to marketing partners • Long term product supply contracts		• Co-development with Partner • Manufacturing by Gland	• Fill and finish service • Loan and license agreements	• Direct marketing of products
Revenue Model	• License and milestone payments • Selling price per unit dose + Profit Share		• Tech transfer fee • Selling price per unit dose + Royalties	• Fixed per unit price	• Direct sale of products
ANDA Ownership (1)	✓	✗	✗	✗	✓
Development (1)	✓	✓	✓ (2)	✗	✓
IP Ownership (1)	✓	*Co-owned*	✗	✗	✓
Marketing Rights (1)	✓	✗	✗	✗	✓
Royalty / Profit Sharing (1)	✓	✓	✓	✗	*Not Applicable*
Key Markets					
Select Clients / Partners	• Global Pharma Companies			• Indian Pharma Companies	• c.2,000 corporate hospitals, nursing homes & govt. facilities

Note: (1). Information reflects typical features of the respective business models in regulated markets. (2). Exhibit batches and stability studies are performed by Gland.

Gland's B2B Model: Salient Features

Advantages Include Stable Cash Flows, Better Profitability Profile, Margin Stability from Natural Hedge Against Raw Material Pricing and End-formulation Pricing Fluctuations

1 Steady / Predictable Cash Flow

- ✓ Long-term supply contracts with marketing partners ranging from 3-5 years
- ✓ Stronger partnerships due to lack of injectables manufacturers with good regulatory track record
- ✓ Products licensed to marketing partners strong in particular therapeutic areas resulting in higher market share

2 Better Operating Profits

- ✓ Efficient cost profile due to relatively lower SG&A vs B2C players

3 Economies of Scale

- ✓ Due to differentiated B2B Model, Gland can derive scale benefit at a product as well as formulation level

4 Lower Working Capital Requirement

- ✓ Lower requirements due to better inventory management, planned payables and better visibility on receivables

5 Lower RM[1] / Formulation Pricing Risk

- ✓ IP-led model helps generate revenue from transfer pricing and profit sharing
- ✓ Revenues and profits through transfer pricing are immune to raw material price fluctuations
- ✓ Transfer pricing also helps regulate any adverse impact from price erosion in end-formulations, as it gets restricted to the profit share component

6 Lower R&D Litigation Risks

- ✓ Reduce risk by partnering with a marketing partner to cover R&D litigation expenses

Source: IQVIA Report.
Note: (1) RM – Raw Material.

Complex Product Portfolio Supported by Strong R&D…

Right Capability Matrix in Products and Delivery Systems

Expertise in synthesis of complex drug molecules:

- Low Molecular Weight Heparins
- Steroids
- Cytotoxics

Present in:

- Oncology
- Ophthalmics and Otologicals
- Blood-related
- Neurological and Central Nervous System
- Pain, neuro-muscular agents and analgesics

Focused on:

- Complex injectables
- NCE-1s
- First-to-File products
- 505(b)(2) filings

Expanding capabilities in:

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

Expanding in new delivery systems:

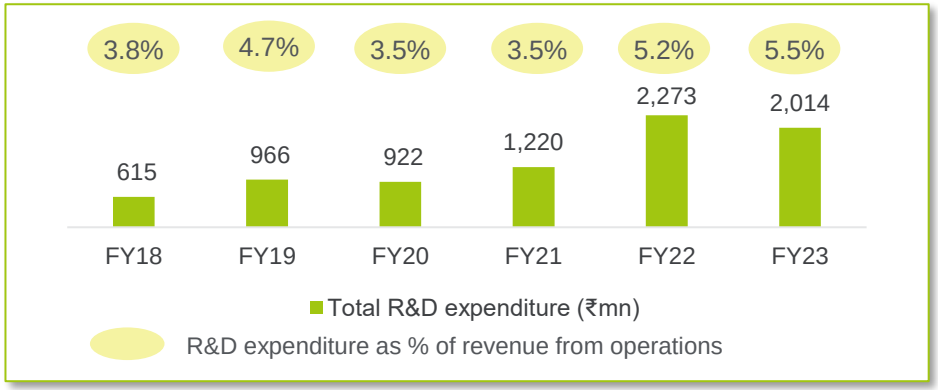
- Pens
- Cartridges

Key products include:

- Cis-Atracurium Besylate
- Enoxaparin Sodium
- Heparin Sodium
- Rocuronium Bromide

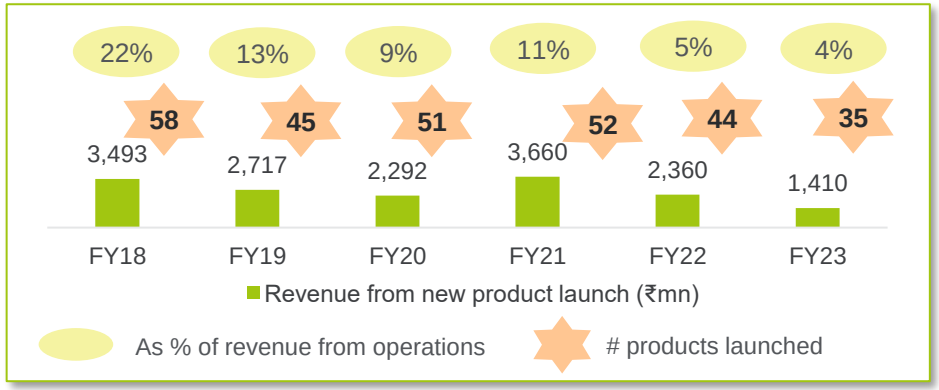
Significant R&D Investment

Centralized R&D team of c.315 members including PhDs, pharmacy post graduates and chemists



Translating into Revenue From New Launches

Track record of coming up with new complex products



…Supported by Proven Regulatory Capabilities

Product Development Capabilities Supported by Regulatory Expertise and Track Record in Filing and Approval of Large Number of Product Registrations

Established Expertise

Broad Range of Filings

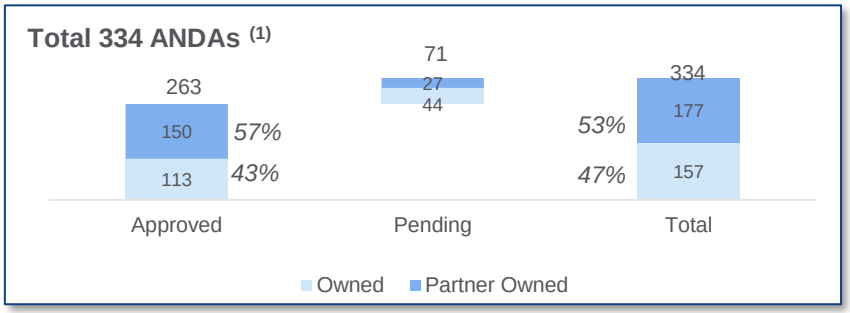
- Different jurisdictions
- Diverse dosage forms
- ANDA filings for sterile injectables **(248)**, oncology **(53)**, ophthalmic **(33)**

Supportive filings to drive sustainability

- Undertaking CBE filings for site and line changes
- Timely filing of applications like CBE/PAS for alternate APIs and components

Successful track record and pipeline

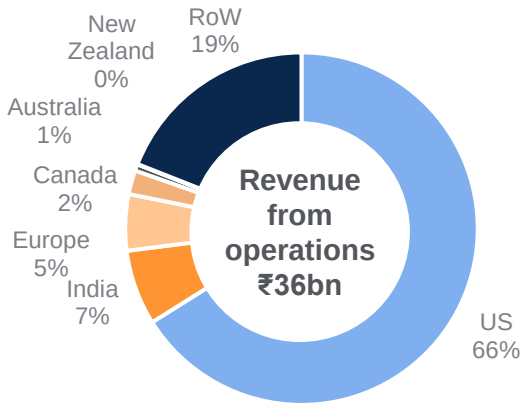
Constantly engaged with regulators including the USFDA



Global Platform of Approved and Filed Registrations

Extensive experience in regulatory requirements of key markets to facilitate new product registrations

Geographic Breakdown (FY23)



Note: (1) Information in relation to the product filings and registration is as on March 31, 2023

Focus on Lifecycle Management of Products

Focus on Lifecycle Management of Products Across Manufacturing, R&D and Supply Chain Processes to Maintain Competitive Advantage Over Peers

Vertical Integration as Differentiator

- Ability to vertically integrate and manufacture critical API which are:
  - **Difficult to source**
  - **Have risk of uncertainty of API supply**
  - **Cost implication**

Operational Efficiencies

- Ability to **maintain cost competitiveness** via efficient management of production costs including the following among others:
  - **Qualifying additional manufacturing lines/sites**
  - **Batch Size Increase**

Supply Chain Efficiencies

- Efficient supply chain management with focus on:
  - Curtailing supply chain costs through **optimal inventory levels;**
  - **Economic order quantities**
- **Timely filing of applications** for alternate APIs and components

R&D

- Continuously work on developing better and economical **analytical methods and efficient manufacturing processes** like Lyo parameters, increased hold times etc.

Corporate Governance Framework Based on Independent Board

Name	Profile
Board of Directors	
 **Yiu Kwan Stanley Lau** *Chairman and Independent Director*	• Bachelor's degree in pharmacy from The School of Pharmacy, University of London • Director on the board of Solasia Pharma K. K. and TaiLai Bioscience Ltd
 **Srinivas Sadu** *MD and CEO*	• Master's degree in science (industrial pharmacy) from Long Island University, New York • Master's degree in business administration from University of Baltimore; • Post graduate certificate in finance & management from London School of Business & Finance
 **Qiyu Chen** *Non Executive Director*	• Bachelor's degree in genetics from Fudan University • Master's degree in business administration from China Europe International Business School • Global partner of the Fosun Group
 **Yao Fang** *Non Executive Director*	• Bachelor's degree in Economics from Fudan University • Master's degree in Business Administration from The Chinese University of Hong Kong. • Executive President of Fosun International Limited
 **Udo Johannes Vetter** *Independent Director*	• Bachelor's degree in science (pharmacy) from the University of Washington • Associated with Vetter / Vetter Pharma group of companies since 1987 and currently, chairman on board of Vetter Pharma (Corporation)
 **Essaji Goolam Vahanvati** *Independent Director*	• Bachelor's degree in law from Government Law College, Mumbai • Working as independent legal practitioner, practicing in the Supreme Court of India and Delhi High Court
 **Satyanarayana Murthy Chavali** *Independent Director*	• Bachelor's degree in technology from Indian Institute of Technology, Madras • Post graduate diploma in management from Indian Institute of Management, Bangalore
 **Naina Lal Kidwai** *Independent Director*	• Bachelors degree in Economics from Delhi University and Masters of business administration from Harvard Business School • Former President of the Federation of Indian Chambers of Commerce and Industry
 **Dr. Jia Ai Zhang** *Non Executive Director*	• Bachelor Degree in Pharmacy from Fudan University and PhD in Pharmaceutics from Oregon State University • Executive President at the Global R&D center of Fosun Pharma

Professional and Experienced Management Team

Name	Qualification
Management Team	
 **Srinivas Sadu** *Managing Director and Chief Executive Officer*	• Master's degree in science (industrial pharmacy) from Long Island University, New York • Master's degree in business administration from University of Baltimore; • Post graduate certificate in finance & management from London School of Business & Finance
 **Ravi Shekhar Mitra** *Chief Financial Officer*	• Bachelor's degree in commerce from University of Calcutta • Associate member of the Institute of Chartered Accountants of India • Associate member of the Institute of Company Secretaries of India
 **K V G K Raju** *Chief Technology Officer*	• Bachelor's degree in science from Andhra University
 **C S Venkatesan** *Senior Vice President – R&D*	• Master's degree in science in organic chemistry from Annamalai University • Doctor of philosophy degree from the Indian Institute of Science, Bangalore
 **Surapanini Sridevi** *Senior Vice President – R&D*	• Master's degree in pharmacy from Banaras Hindu University • Doctor of philosophy degree in pharmaceutical science from Osmania University
 **Prakash Baliga** *Vice President – Strategic Sourcing, Procurement & Commercial*	• Master's degree in pharmacy from Bangalore University
 **Susheel Ogra** *Assistant Vice President – Sales and Marketing*	• Bachelor's degree in science from Maulana Azad Memorial College, University of Jammu
 **Sampath Kumar Pallerlamudi** *Company Secretary and Compliance Officer*	• Bachelor's degree in law from Andhra University Faculty of Law • Post graduate diploma in business management from Institute of Public Enterprise • Associate member of the Institute of Company Secretaries of India

Promoted by Shanghai Fosun Pharma

Shanghai Fosun Pharma is Global Pharmaceutical Major with Extensive Pharmaceutical Manufacturing, Distribution and R&D Expertise Globally

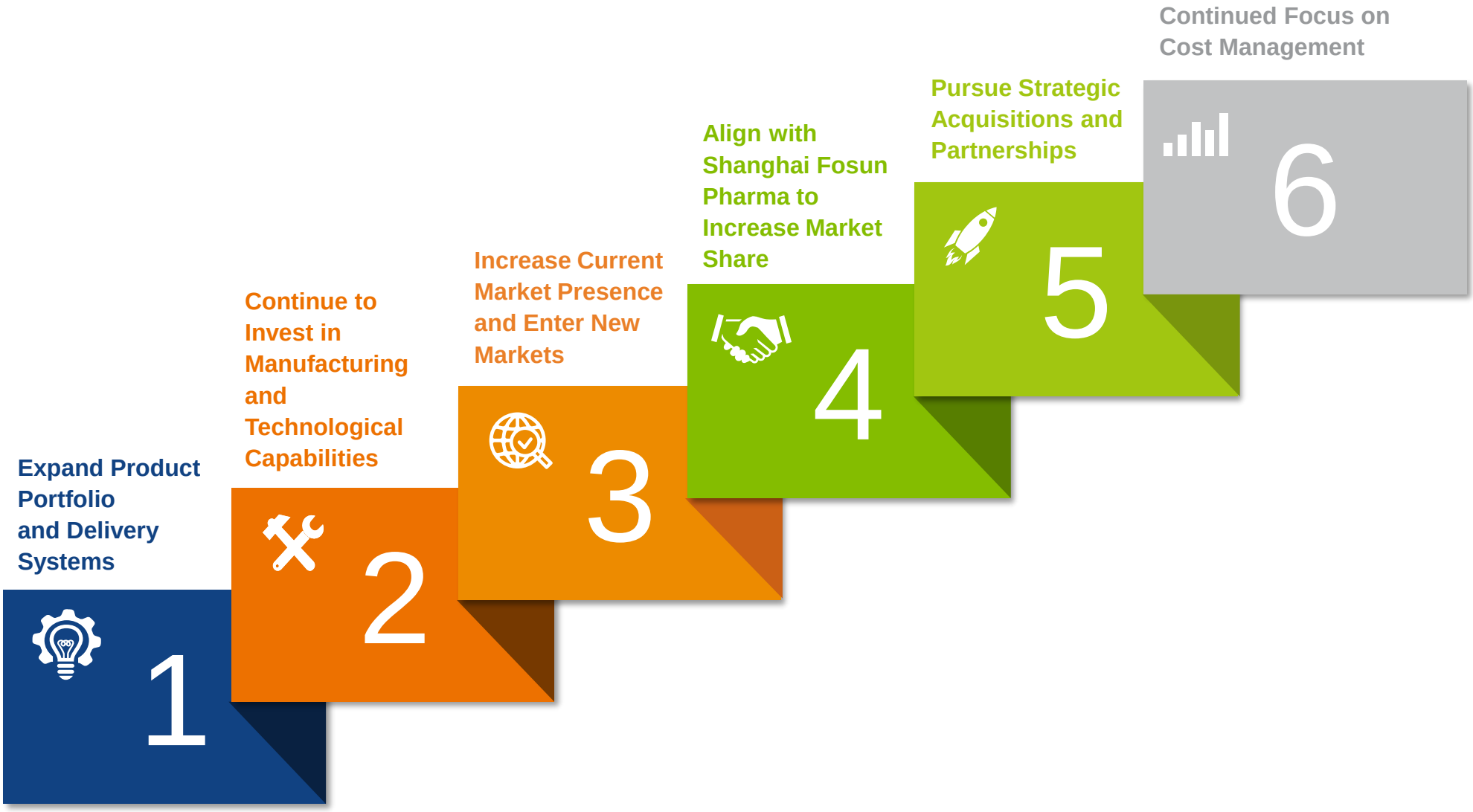
FOSUN PHARMA 复星医药

- Fosun Pharma is a Global pharmaceutical major, whose shares are listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited.
- Relationship with Shanghai Fosun Pharma provides **widened market access opportunities** arising from its own continuing internationalization
- Benefitted from Shanghai Fosun Pharma's **established presence in China and Africa**, both of which we consider to be **key growth markets for injectables**

Continue Strategic Alignment with Shanghai Fosun Pharma to Increase Market Reach

Leverage existing infrastructure and **global presence** to access new markets, including China and Africa	Benefit from **regulatory know-how** to navigate the rapidly evolving healthcare landscape in China	Benefit from **bargaining power** and scale to procure raw materials & equipment from China	Access **extensive sales, logistics and distribution network** to enable market penetration in China	Leverage ability to access key markets to provide **coverage for a portfolio of products**

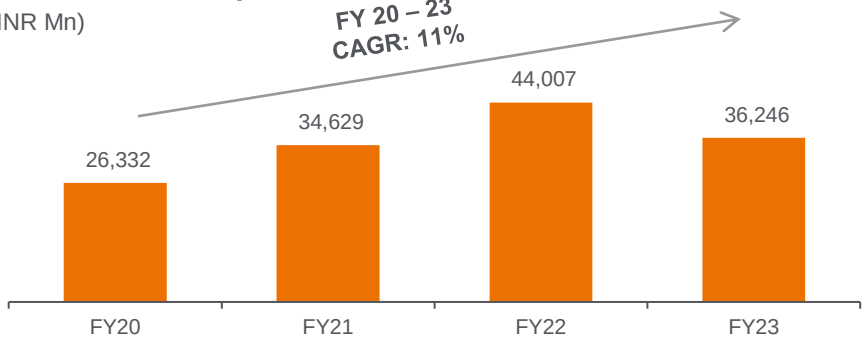
Building Blocks to Implement Future Strategy



Proven Track Record of Financial Performance

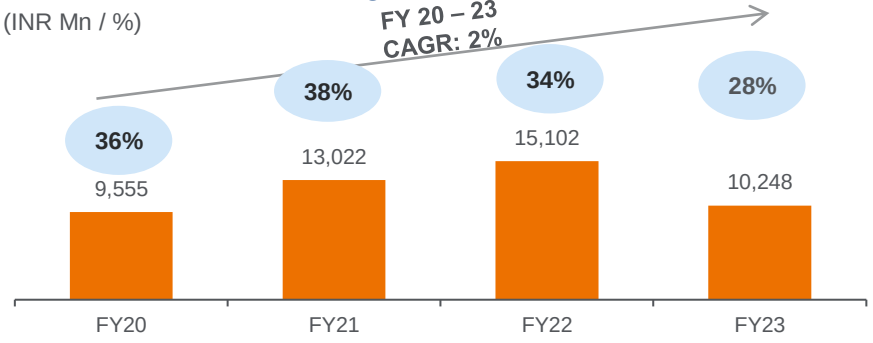
Revenue from Operations

(INR Mn)



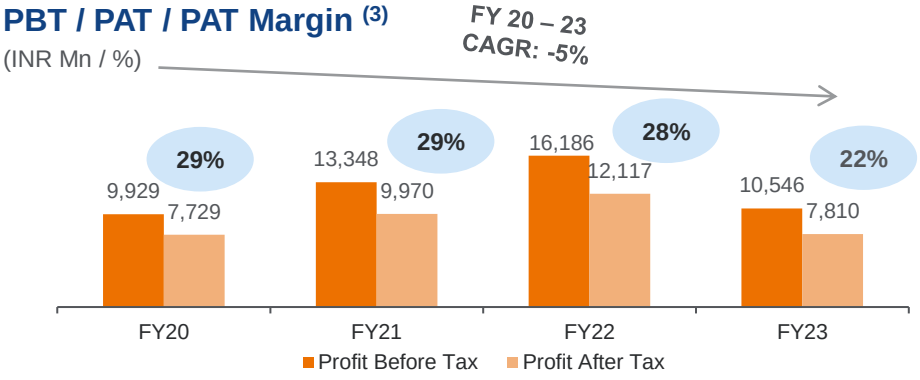
EBITDA (1) / EBITDA Margin (2)

(INR Mn / %)



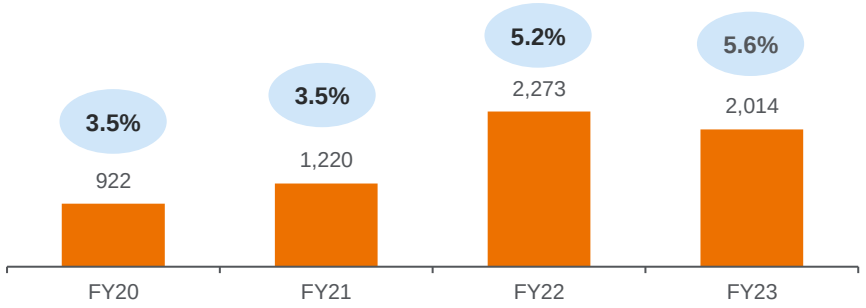
PBT / PAT / PAT Margin (3)

(INR Mn / %)



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

(INR Mn / %)



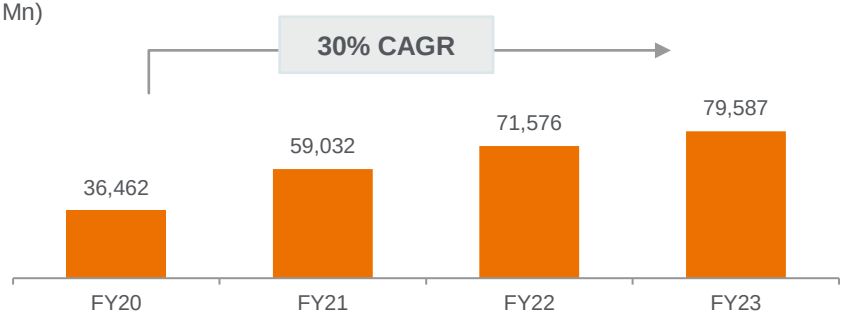
Note: (1) EBITDA= Profit before tax plus exceptional items plus finance expense plus depreciation and amortization expense minus other income; (2) EBITDA margin = EBITDA / Revenue from operations; (3) PAT margin = Profit for the period / Revenue from operations.

Margin

Proven Track Record of Financial Performance (Cont'd)

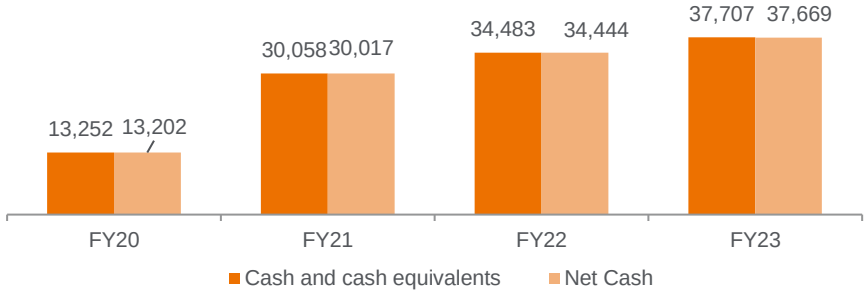
Net Worth (1)

(INR Mn)

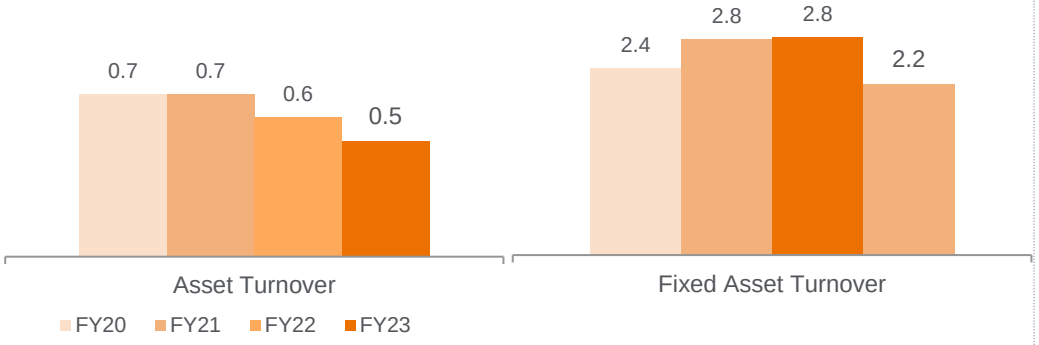


Cash and Bank Balances / Net Cash (2)

(INR Mn)

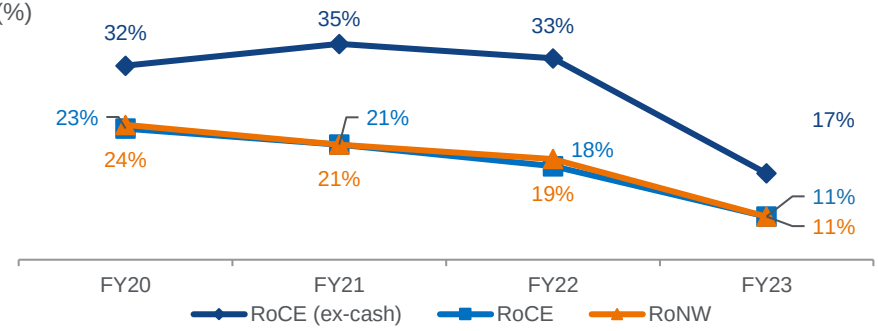


Asset Turnover Ratio (3)(4)



ROCE (ex-cash)(5) / ROCE (6) / RONW (7)

(%)



Note: (1) Asset Turnover is calculated as Revenue from operations for the period divided by average total assets for the period; (2) Fixed Asset Turnover is calculated as Revenue from operations 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 + tax impact on exceptional item)/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 + tax impact on exceptional item)/ Average Capital Employed for the period. Capital Employed represents Total Assets – Current Liabilities; (5) Return on Net Worth (RONW) = Profit for the period before exceptional item net of taxes / 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 365 days (as applicable), Inventory days calculated as average inventory for the period divided by COGS* over 365 days (as applicable), & Payable days calculated as average trade payable for the period divided by COGS* over 365 days (as applicable). CCC calculated as Receivable days + Inventory days - Payable days;

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

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