



GLAND PHARMA LIMITED

Gland Pharma Limited

Financial Results
Q3 & 9M FY21

22nd January 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.

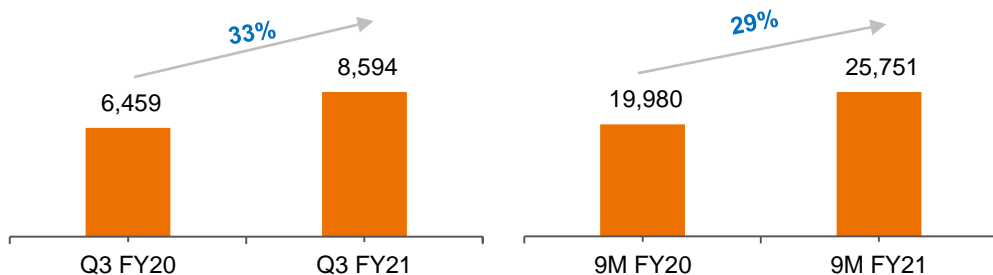
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Financial Highlights (1/3)

Resilient growth across all financial metrics

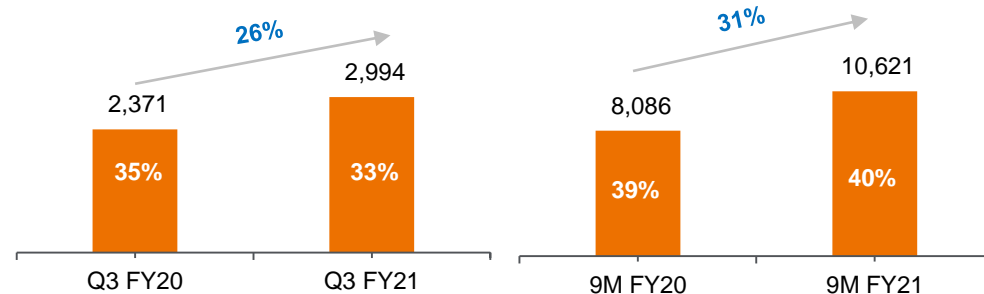
Revenue from Operations

(INR Mn)



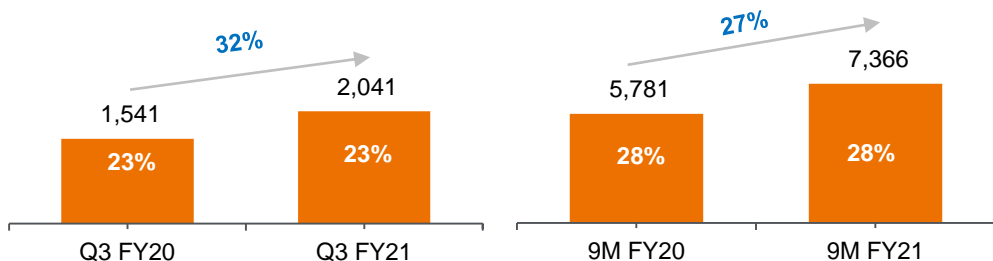
EBITDA ⁽¹⁾ / EBITDA Margin ⁽²⁾

(INR Mn / %)



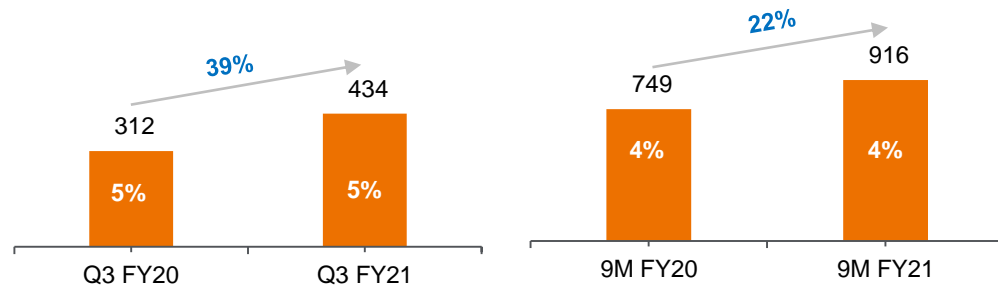
PAT / PAT Margin ⁽³⁾

(INR Mn / %)



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

(INR Mn / %)



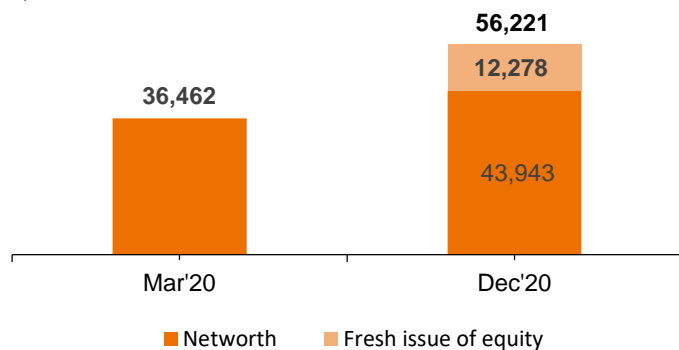
Note: (1) EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense and total tax expense to the profit for the period (2) EBITDA margin = EBITDA / Total Income; (3) PAT margin = Profit for the period / Total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

Financial Highlights (2/3)

Strong balance sheet and cash position

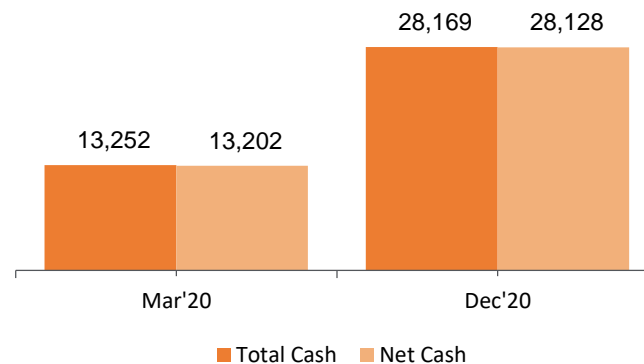
Net Worth ⁽¹⁾

(INR Mn)



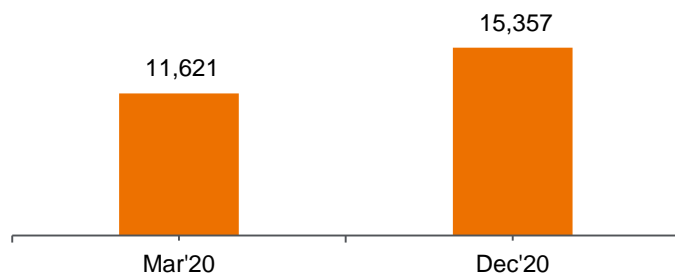
Cash and Bank Balances / Net Cash ⁽²⁾

(INR Mn)



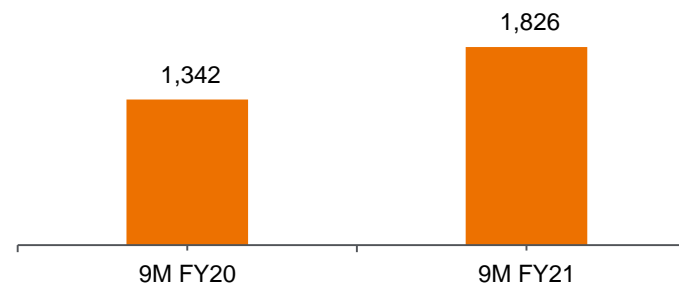
Net Working Capital ⁽³⁾

(INR Mn)



Capital Expenditure

(INR Mn)

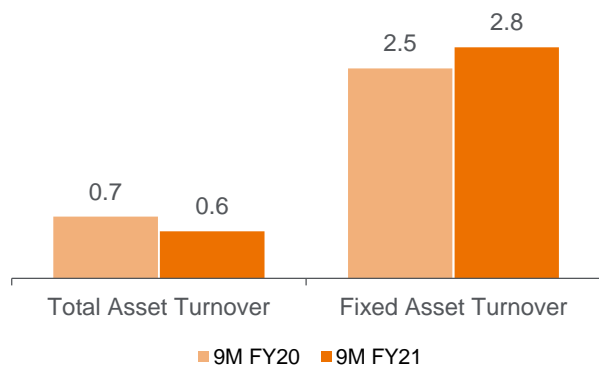


Note: (1) Net Worth refers to sum of equity share capital and other equity. (2) Net Cash refers to Cash and Bank Balances less Non-current borrowings (including current maturities). (3) Net Working Capital refers to Current assets (excluding cash and bank balances) less Current liabilities.

Financial Highlights (3/3)

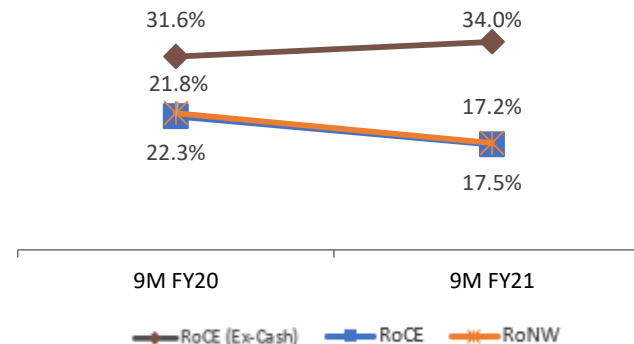
Capital efficient business with healthy return on capital

Asset Turnover Ratio ⁽¹⁾⁽²⁾



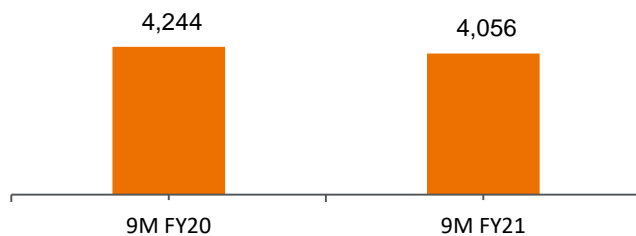
ROCE ⁽³⁾ / RONW ⁽⁴⁾

(Annualised %)



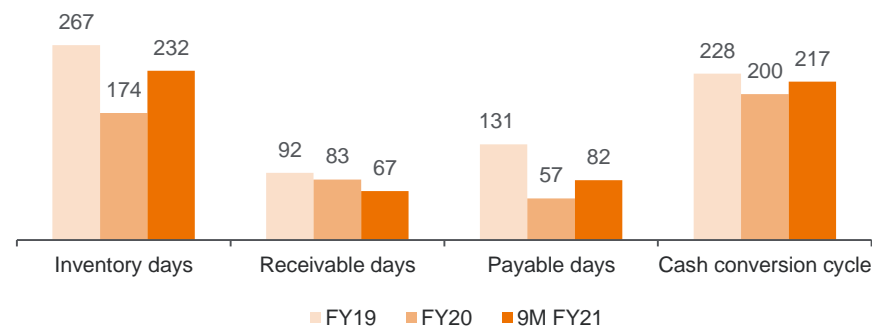
Cash Flow from Operations

(INR Mn)



Cash Conversion Cycle (CCC) ⁽⁵⁾⁽⁶⁾

(# of Days)



Note: (1) Asset Turnover is calculated as Total Income for the period divided by total assets on the last day of the period; (2) Fixed Asset Turnover is calculated as Total Income for the period divided by total fixed assets (Property, plant and equipment on the last day of the period + Right-of-use assets + Capital work in progress on the last day of the period); (3) Return on Capital Employed (ROCE) = Profit for the period / Capital Employed on the last day of the period. Capital Employed represents Total Assets – Current Liabilities; (4) Return on Net Worth (RONW) = Profit for the period / Net Worth on the last day of the period. Net Worth represents sum of equity share capital and other equity; (5) COGS means 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 (6) Receivable days calculated as current trade receivables as on balance sheet date divided by revenue from operations * over 270 / 365 days, inventory days calculated as inventory as on balance sheet date divided by COGS* over 270 / 365 days, & payable days calculated as trade payable as on balance sheet date divided by COGS* over 270 / 365 days. CCC calculated as Receivable days + Inventory days - Payable days

P&L Highlights

Amount in INR Mn	Q3 FY21	Q3 FY20	YoY growth	9M FY21	9M FY20	YoY growth	Q2 FY21
Revenue from operations	8,594	6,459	33.1%	25,751	19,980	28.9%	8,315
Other Income	351	253	38.9%	876	930	-5.8%	204
Total income	8,945	6,712	33.3%	26,627	20,910	27.3%	8,519
Gross Margin⁽¹⁾	4,525	3,685	22.8%	14,748	11,515	28.1%	4,580
<i>% margin</i>	52.7%	57.0%		57.3%	57.6%		55.1%
EBITDA⁽²⁾	2,994	2,371	26.3%	10,621	8,086	31.4%	3,181
<i>% margin⁽³⁾</i>	33.5%	35.3%		39.9%	38.7%		37.3%
PBT	2,732	2,072	31.9%	9,859	7,314	34.8%	2,926
<i>% margin</i>	30.5%	30.9%		37.0%	35.0%		34.4%
PAT	2,041	1,541	32.4%	7,366	5,781⁽⁴⁾	27.4%	2,189
<i>% margin</i>	22.8%	23.0%		27.7%	27.6%		25.7%

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) In Sep 2019, Government of India announced the new Income tax rate. In Q2 FY20 the income tax rate of the company was changed from 34.94% to 25.17% and due to that there was one time impact in Deferred Tax amounting to INR 324 Mn in 9M FY20

USA, Europe, Canada and Australia (Core Markets)

▪ Revenue:

Growth observed on account of new launches, supported by volume growth in existing portfolio with ramping up of capacities

▪ New launches:

Q3 FY21: 6 Product SKUs (4 molecules)

9M FY21: 31 Product SKUs (19 molecules)

▪ US filings update:

As of December 31, 2020, we along with our partners had 282 ANDA filings in the United States, of which 226 were approved and 56 pending approval.

	Q3 FY21	9M FY21
ANDA Filed	12	19
ANDA Approved	6	24 ⁽²⁾
DMFs Filed	1	5

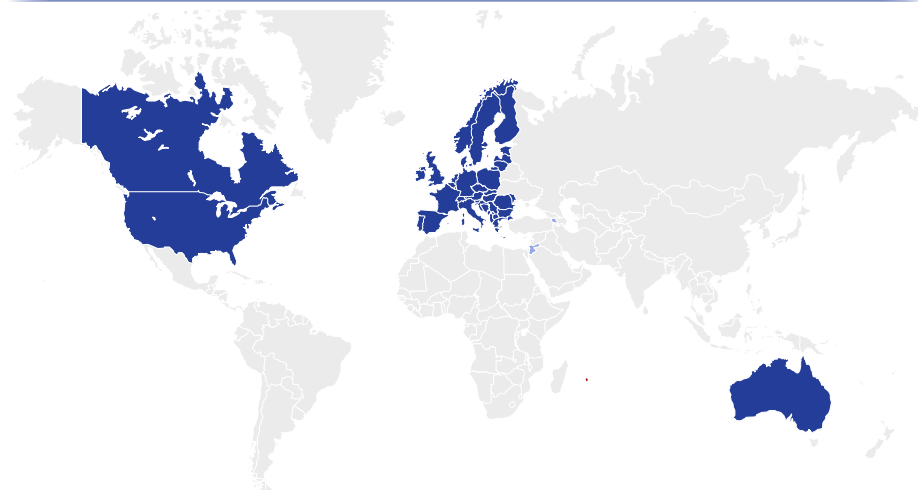
9M FY21: Rs. 17,415 Mn

YoY Growth: 20%

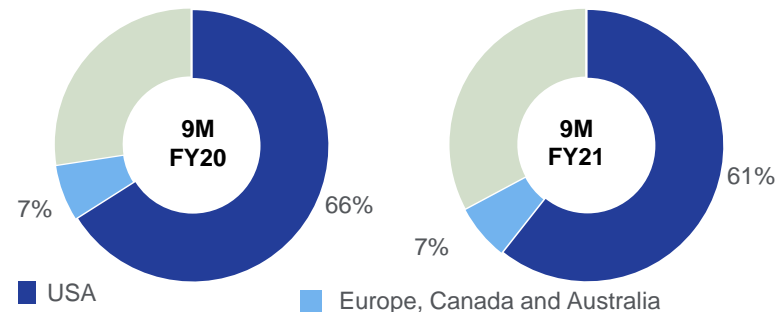
Q3 FY21: Rs. 6,021 Mn

YoY Growth: 24%

Core Markets ⁽¹⁾



Revenue Contribution



Note: ANDA count includes technology transfer ANDAs

(1) Core markets includes USA, Europe, Canada and Australia (2) Includes 5 tentative approvals

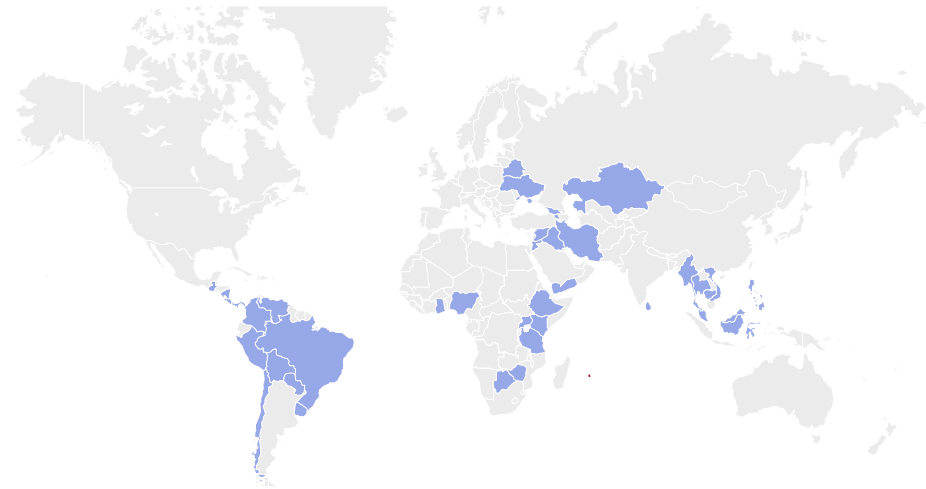
Rest of the World Markets

- Rest of the world markets sales has been driven by new partnerships and increased penetration geographically
- Our ability to respond to the changing market demand during COVID helped us achieve growth in 9M FY21
- Our focus on efficient supply chain management including qualifying additional lines, adding alternate raw material sources, optimizing batch sizes among others have helped meet orders in short lead time
- We have seen strong growth in Singapore, Thailand, Chile, Peru and Israel

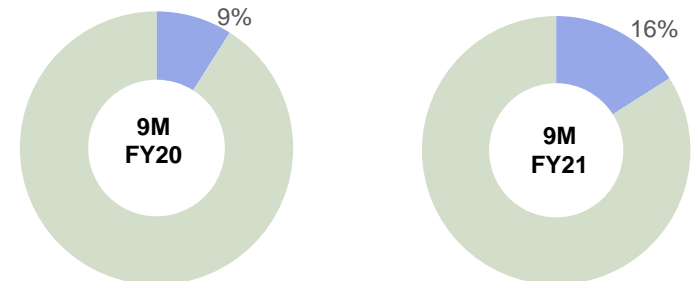
9M FY21: Rs. 4,019 Mn

Q3 FY21: Rs. 1,078 Mn

Rest of the World Markets



Revenue Contribution



Domestic Market

- Domestic markets sales growth has been driven by strong demand of core product portfolio
- Commissioning of new Pre-filled syringe line at Pashamylaram facility helped increase volumes for domestic market
- We also initiated manufacturing of Remdesivir for the domestic market from Pashamylaram facility
- New launches:**
Q3 FY21: 4 Product SKUs (2 molecules)
9M FY21: 10 Product SKUs (4 molecules)

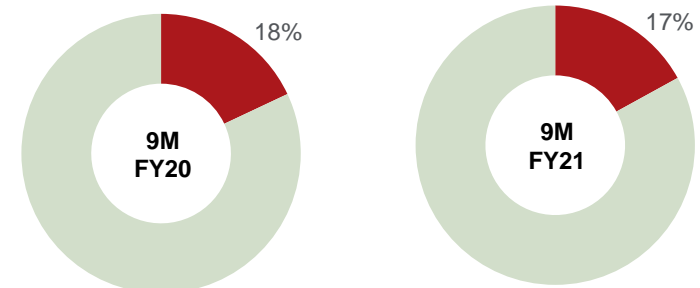
9M FY21: Rs. 4,317 Mn
YoY Growth: 20%

Q3 FY21: Rs. 1,495 Mn
YoY Growth: 25%

Domestic Indian 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



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



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



- ✓ Leverage our strengths in injectable manufacturing to enter in to **vaccine manufacturing** with an annual capacity of up to **40 million vials**



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



GLAND PHARMA LIMITED

Investor Presentation





**Extensive and Vertically Integrated
Injectables Manufacturing Capabilities**

**7 Manufacturing
Facilities –
4 Finished Formulation
and 3 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**

**282 ANDA Filings in
the US ⁽¹⁾ ⁽²⁾:
226 Approved; 56
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
~265 Personnel**

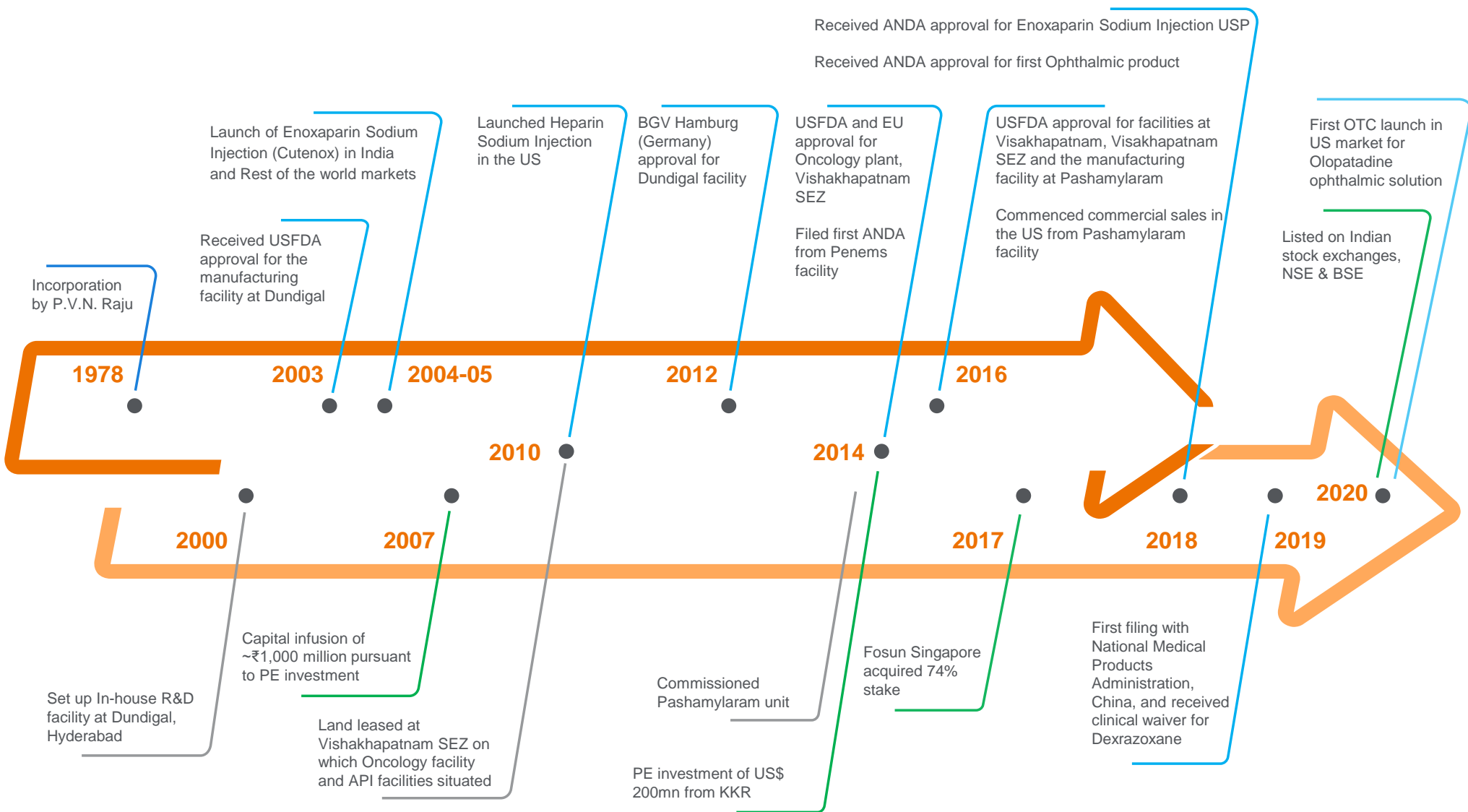
**Track Record of Growth and Profitability
from a Diversified Revenue Base**

**FY15 – 20 ⁽³⁾:
Revenue CAGR: 21.3%
PAT CAGR: 29.9%**

**EBITDA margin⁽⁴⁾⁽⁵⁾
FY20 ⁽³⁾: 39.5% | 9M FY21:
39.9%
PAT margin⁽⁵⁾
FY20: 27.9% | 9M FY21: 27.7%**

Note: (1) As of December 31, 2020. (2) Filed by Gland Pharma, along with partners. (3) Based on Financial Information prepared in accordance with Ind AS (4) EBITDA stands for earnings before interest, taxes, depreciation and amortization which has been arrived at by adding finance expense, depreciation expense, exceptional items and total tax expense to the profit for the year or period. (5) EBITDA margin = EBITDA / Total Income; PAT margin = PAT / Total Income.

Journey



Business Overview

Extensive and Vertically Integrated Manufacturing Capabilities With Consistent Compliance Track Record

7 Facilities

4 Finished
Formulation Facilities
767 million units

&

3 API Facilities
*11,000 kg / year and
R&D Pilot Plant*

Dundigal, Hyderabad

- Sterile Injectables Facility (Flagship)
- API Facility

Pashamylaram, Hyderabad

- Sterile Injectables Facility
- Penems Facility

Vishakhapatnam

- Oncology Facility
- 2 API Facilities

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

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

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 1,165 full-time employees**, 29.95% of total employees⁽¹⁾
- Regular quality management reviews
- **35+ audits per year on average**, including customer audits and regulatory agency audits
- GMP certifications for facilities

Note: (1) As of December 31, 2020.

Business Overview (Cont'd)

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

- **Operating in 60+ countries** as of December 31, 2020
- One of the **fastest growing generic injectables-focused companies** by revenue in the US from 2014 to 2019 ⁽¹⁾
- 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	<ul style="list-style-type: none">• Out-license to Marketing partners• Long term product supply contracts		<ul style="list-style-type: none">• Co-development with Partner• Manufacturing by Gland	<ul style="list-style-type: none">• Fill and finish service• Loan and license agreements	<ul style="list-style-type: none">• Direct marketing of products
Revenue Model	<ul style="list-style-type: none">• License and milestone payments• Selling price per unit dose + Profit Share		<ul style="list-style-type: none">• Tech transfer fee• Selling price per unit dose + Royalty	<ul style="list-style-type: none">• Fixed per unit price	<ul style="list-style-type: none">• Direct sale of products
ANDA Ownership ⁽²⁾	✓	✗	✗	✗	✓
IP Ownership ⁽²⁾	✓	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) As per IQVIA Report. (2) 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

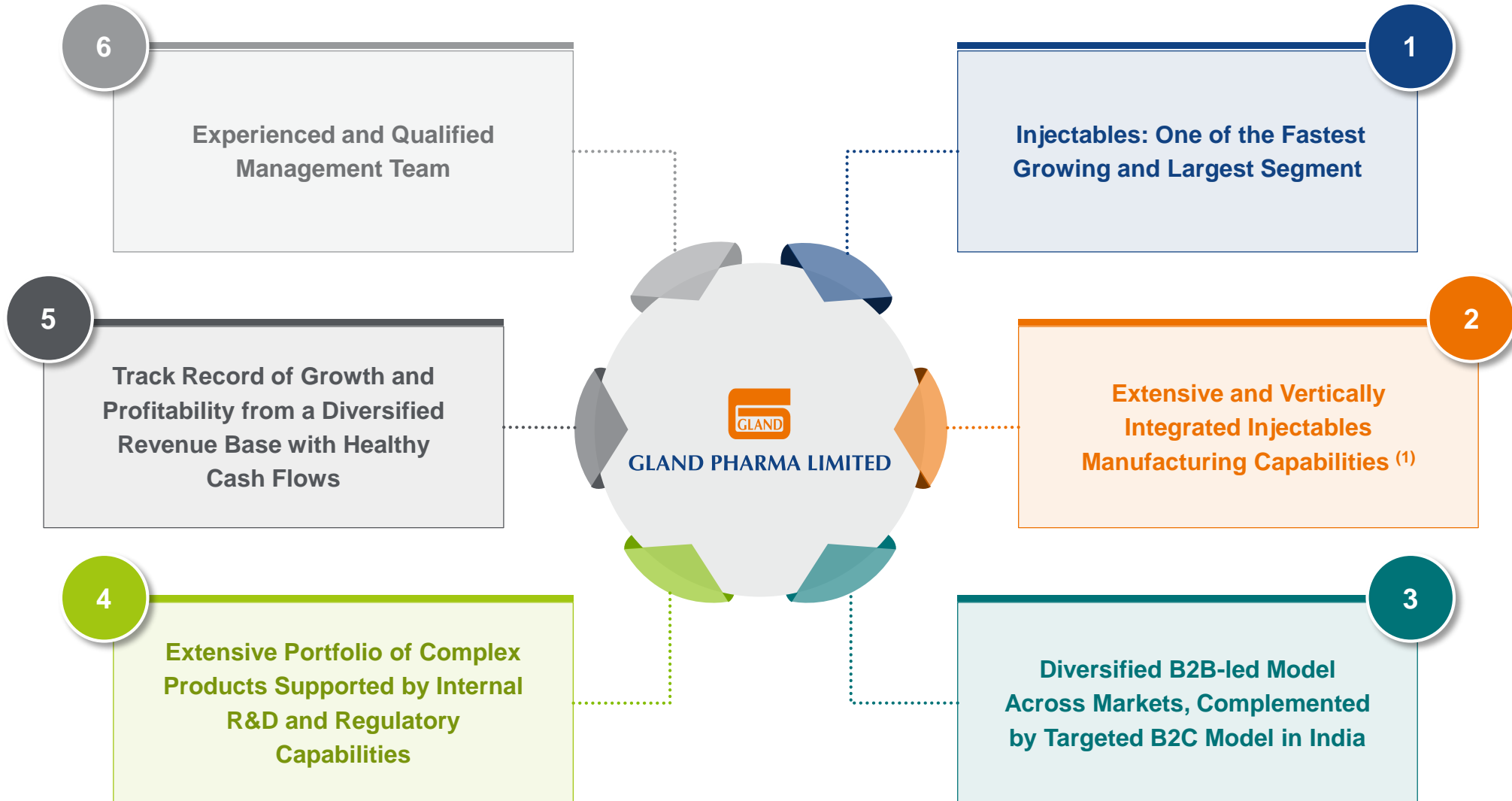
- **~265** personnel team including PhDs, pharmacy post graduates and chemists
- **Plan to set up a new R&D building at Pashamylaram, Hyderabad**
- R&D expertise supports regulatory filings globally

Regulatory Track Record

- 282 ANDA Filings in US – 226 approved; 56 pending ⁽¹⁾
 - Of 282, 113 owned by Gland Pharma out of which 79 are approved and 34 are pending for approval
 - 204 for sterile injectables, 51 for oncology and 27 for ophthalmics related products
- 1,478 product registrations globally, of which 387 in United States, Europe, Canada and Australia, 69 in India and 1022 in Rest of the world ⁽¹⁾

Note: (1) As of December 31, 2020; refer to ANDA filings by Gland Pharma, along with partners.

Key Strengths



Note: (1) 3 API facilities provide in-house manufacturing capabilities for critical APIs. 31 ANDAs covering key products are supported by in-house APIs

Injectables: One of the Largest and Fastest Growing Segment

1

Growth Opportunity

- **Injectable formulations is the fastest growing segment in global pharmaceuticals**, recording a 2014-2019 CAGR of 10.1% vs overall pharma market at 5.8%
- **Global generic injectables market is estimated at c.US\$131bn growing at a 2014-19 CAGR of c. 8%**
 - US the largest market (i.e. c. 33-34% of market) is expected to grow at a c.16% CAGR from 2019-2024E
- **c.US\$61.3bn in injectable brand sales expected to lose patent protection** between 2020-24 (vs c. US\$33bn in sales which lost patent protection lost between 2014-19)

2

Growth Drivers for Injectables

- **Rising prevalence of chronic diseases**
- **Convenience and benefits of New Drug Delivery Systems (“NDDS”)**
- **New market opportunities**
- **Drug shortages in the US** – from 2014 to 2019 c. 40-60% of the shortages have been in injectables space

3

Market Entry Barriers

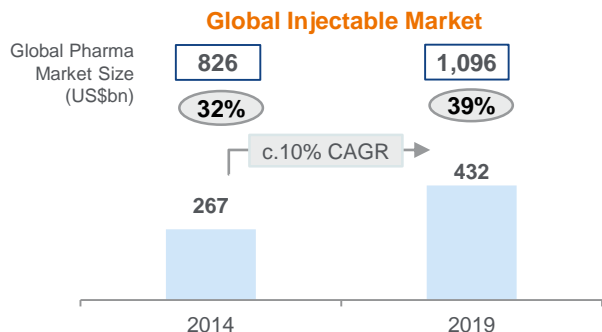
- **High capital investments**
- **Manufacturing complexities to meet stringent quality standards**
- **High level of compliance and regulatory requirements**
- **Consolidation trend expected to favour established players**

Generic Injectables: Growth Opportunity

US\$131bn Market with Multiple Growth Levers Driven by LoEs, Opportunity from Shortages and Ease of Use

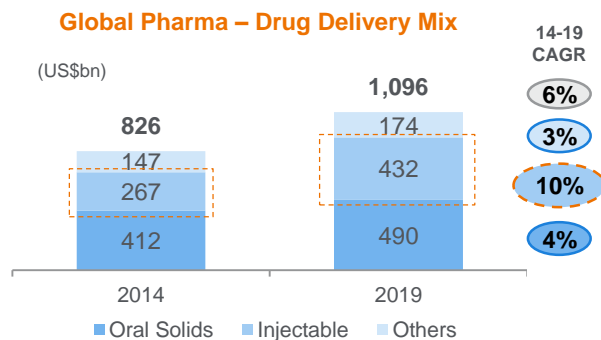
Sizeable Injectable Market ...

✓ *Injectable is a >US\$400bn market*



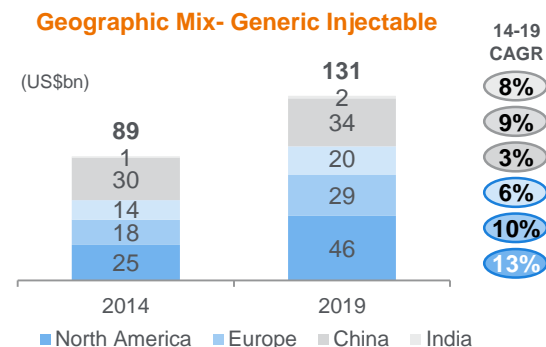
... Growing Faster than Broader Market

✓ *Injectable recorded CAGR of 10.1% vs broader market at 5.8%*



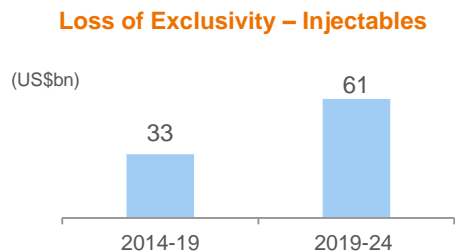
... with Robust Growth in Generics

✓ *Key injectable markets like US, Europe and India demonstrated double digit / high single digit growth*



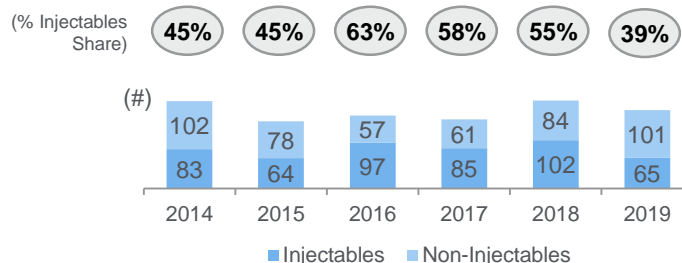
LoE Offering Significant Opportunity

✓ *Significant increase in value of injectable brand sales scheduled to lose exclusivity*



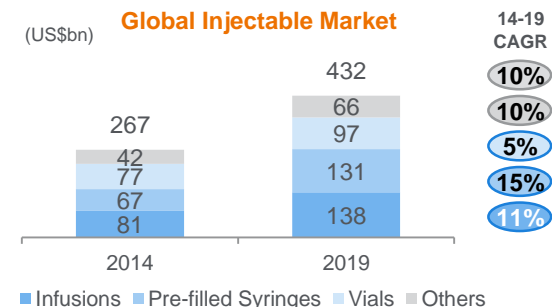
Demand Driven by Drug Shortages

✓ *c.40-60% of US drug shortages are in injectables*



Accessibility and Ease of Use

✓ *Convenience and benefits of New Drug Delivery Systems driving growth across delivery formats*

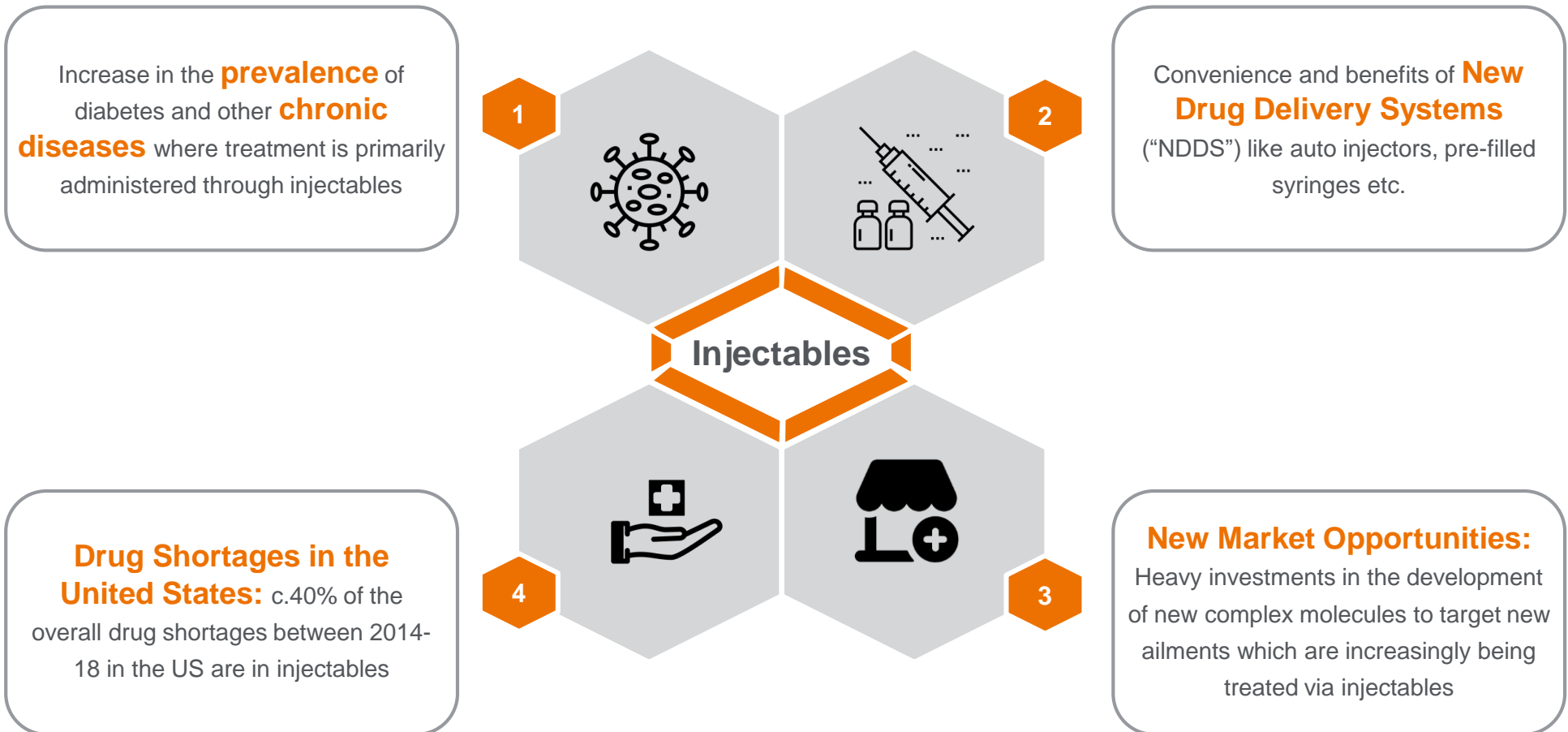


Source: IQVIA Report.

Note: MAT September 2019. (1) Generic Injectable market share as a percentage of overall injectable market in the respective country.

Generic Injectables: Growth Drivers

Injectables Segment has Demonstrated the Fastest Growth among Delivery Formats



Source: IQVIA Report, American Society of Health-System Pharmacists (ASHP) website.

Generic Injectables: Market Entry Barriers



For the US Generic Injectables Market, c.70% of the Market by Value has Less than Half the Number of Manufacturers Compared to the Oral Solids Segment

Extensive & Vertically Integrated Manufacturing Capabilities

Overview



7 Facilities

4

Finished Formulation
Facilities

**767 million
units**

3

API Facilities

**11,000 kg / year
&
R&D Pilot Plant**



23 production lines with flexibility to
accommodate different product requirements



In process of commissioning additional
capacity



Plan to set up a new R&D building at
Pashamylaram, Hyderabad



Greater control over costs and quality and
mitigate supply chain related risks

Manufacturing Footprint



Dundigal, Hyderabad

Dundigal, Hyderabad

Sterile Injectables Facility (Flagship)

- Liquid Vials, Lyophilizers, Ampoules, Pre-filled syringes, Bags and Ophthalmics

API Facility

- R&D pilot plant

USFDA (US),
MHRA (UK),
ANVISA
(Brazil), TGA
(Aus), BGV
(Germany)



Pashamylaram, Hyderabad

Pashamylaram, Hyderabad

Sterile Injectables Facility

- Liquid Vials, Lyophilizers, Ampoules and Pre-filled syringes

Penems Facility

- Vials (2 Lyophilizers), Dry Powder

USFDA (US),
GUB Munich
(Germany)



Visakhapatnam

Vishakhapatnam

Oncology Facility

- Liquid Vials, Lyophilizers

2 API Facilities

- Cumulative capacity of 11,000 kg / year

USFDA (US),
AGES
(Austria), TGA
(Australia),
ANVISA
(Brazil), DMA
(Denmark)

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 December 31, 2020 ⁽¹⁾

Focus on Quality Control



1,165

fulltime employees in Quality Control and Quality Assurance ⁽²⁾



29.95%

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



35+

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 December 31, 2020 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 December 31, 2020.

Diversified Business Model with Focus on Growth & Stability

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

	B2B (c.96% of FY20 Revenue)				B2C (c.4% of FY20 Revenue)
	B2B – IP Led		B2B Tech Transfer	B2B CMO	B2C
	Own Filing	Partner Filing			
Overview	<ul style="list-style-type: none"> Out-license to marketing partners Long term product supply contracts 		<ul style="list-style-type: none"> Co-development with Partner Manufacturing by Gland 	<ul style="list-style-type: none"> Fill and finish service Loan and license agreements 	<ul style="list-style-type: none"> Direct marketing of products
Revenue Model	<ul style="list-style-type: none"> License and milestone payments Selling price per unit dose + Profit Share 		<ul style="list-style-type: none"> Tech transfer fee Selling price per unit dose + Royalties 	<ul style="list-style-type: none"> Fixed per unit price 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Global Pharma Companies 			<ul style="list-style-type: none"> Indian Pharma Companies 	<ul style="list-style-type: none"> 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

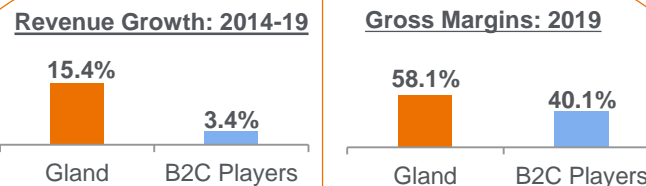
- ✓ Efficient cost profile due to relatively lower SG&A vs B2C players

6 Lower R&D Litigation Risks

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

5 Lower RM¹ / 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



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

Gland has Demonstrated Faster Revenue Growth in Last 5 Years While Generating Superior Margins vs B2C and B2B Players

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

Expanding in new delivery systems:

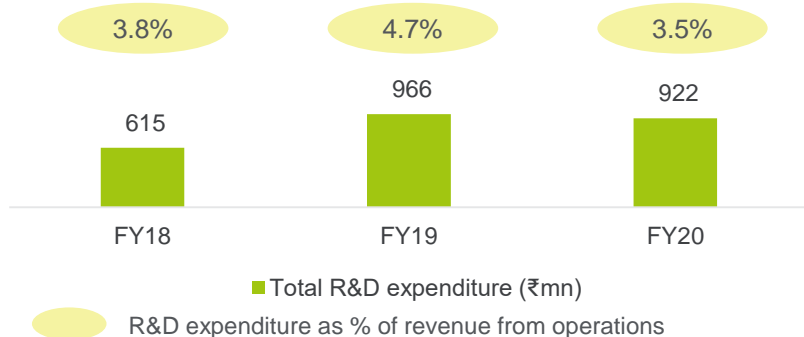
- Pens
- Cartridges

Key products include:

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

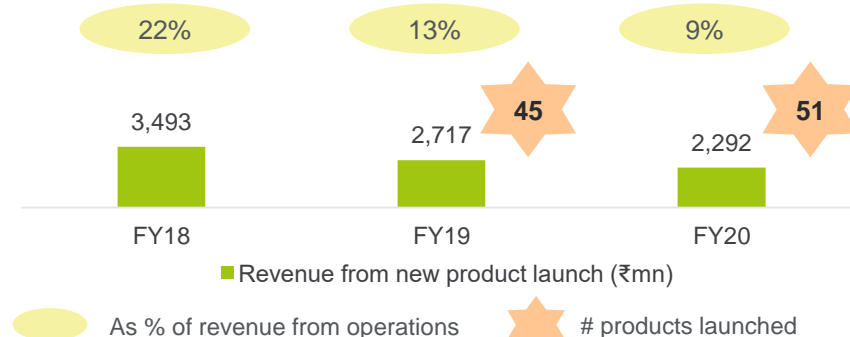
Significant R&D Investment

Centralized R&D team of c.265 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 (**204**), oncology (**51**), ophthalmics (**27**)

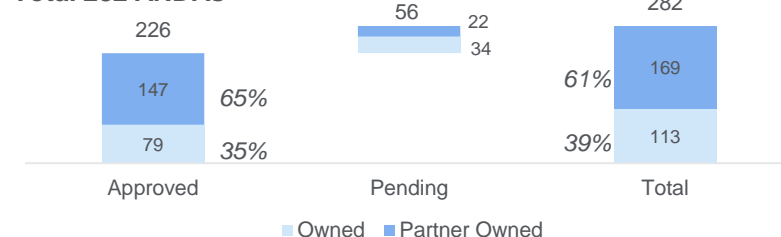
Supportive filings to drive sustainability

- 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

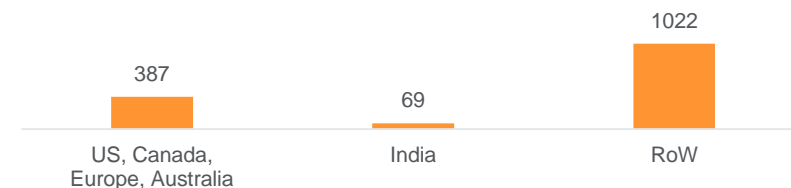
Total 282 ANDAs ⁽¹⁾



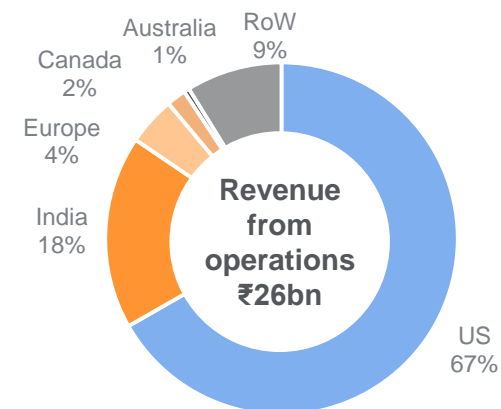
Global Platform of Approved and Filed Registrations

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

Total 1,478 Product Registrations Globally¹



Geographic Breakdown (FY20)



Note: (1) Information in relation to the product filings and registration is as on December 31, 2020.

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 <i>Chairman and Independent Director</i>	<ul style="list-style-type: none"> • 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 <i>MD and CEO</i>	<ul style="list-style-type: none"> • Master's degree in science (pharmaceutics) 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 <i>Non Executive Director</i>	<ul style="list-style-type: none"> • 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
 Yifang Wu <i>Non Executive Director</i>	<ul style="list-style-type: none"> • Masters of administration in communication from Saint Joseph's University (Philadelphia) • Chairman and CEO of Shanghai Fosun Pharmaceutical (Group) Co. Ltd
 Dongming Li <i>Non Executive Director</i>	<ul style="list-style-type: none"> • Bachelor's degree in science from Fudan University • Co-president of Shanghai Fosun Pharmaceutical (Group) Co Ltd
 Xiaohui Guan <i>Non Executive Director</i>	<ul style="list-style-type: none"> • Master's degree in professional accountancy from the Chinese University of Hong Kong • Member of the Association of Chartered Certified Accountants and a non-practising member of the Shanghai Institute of Certified Public Accountants • Senior vice president and CFO of Shanghai Fosun Pharmaceutical (Group) Co. Ltd
 Udo Johannes Vetter <i>Non Executive Director</i>	<ul style="list-style-type: none"> • 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 <i>Independent Director</i>	<ul style="list-style-type: none"> • 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 <i>Independent Director</i>	<ul style="list-style-type: none"> • Bachelor's degree in technology from Indian Institute of Technology, Madras • Post graduate diploma in management from Indian Institute of Management, Bangalore

Professional and Experienced Management Team

Name	Qualification
Management Team	
 Srinivas Sadu <i>Managing Director and Chief Executive Officer</i>	<ul style="list-style-type: none"> • Master's degree in science (pharmaceutics) 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 <i>Chief Financial Officer</i>	<ul style="list-style-type: none"> • 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 <i>Chief Technology Officer</i>	<ul style="list-style-type: none"> • Bachelor's degree in science from Andhra University
 C S Venkatesan <i>Senior Vice President – R&D</i>	<ul style="list-style-type: none"> • Master's degree in science in organic chemistry from Annamalai University • Doctor of philosophy degree from the Indian Institute of Science, Bangalore
 Surapanini Sridevi <i>Senior Vice President – R&D</i>	<ul style="list-style-type: none"> • Master's degree in pharmacy from Banaras Hindu University • Doctor of philosophy degree in pharmaceutical science from Osmania University
 Prakash Baliga <i>Vice President – Strategic Sourcing, Procurement & Commercial</i>	<ul style="list-style-type: none"> • Master's degree in pharmacy from Bangalore University
 Ashish Adhikari <i>Vice President – Operations</i>	<ul style="list-style-type: none"> • Master's degree in engineering from Lamar University, Texas • Executive general management programme from the Indian Institute of Management, Bangalore
 Shilpi Sahay <i>Deputy General Manager of Human Resources</i>	<ul style="list-style-type: none"> • Bachelor's degree in science from the Fergusson College, University of Pune • Executive diploma in human resource management from XLRI, Jamshedpur
 Susheel Ogra <i>Senior General Manager of Sales and Marketing</i>	<ul style="list-style-type: none"> • Bachelor's degree in science from Maulana Azad Memorial College, University of Jammu
 Sampath Kumar Pallerlamudi <i>Company Secretary and Compliance Officer</i>	<ul style="list-style-type: none"> • 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

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 ⁽¹⁾
- 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**

(1) Market cap of US\$ 19.3 bn as of December 31, 2020.

Building Blocks to Implement Future Strategy

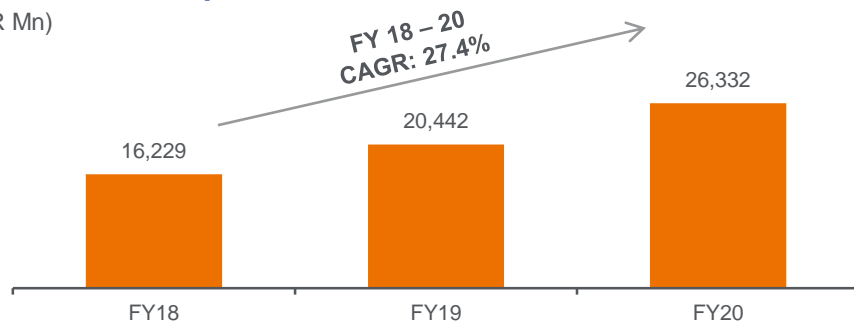


Proven Track Record of Financial Performance

Growth and Profitability from a Diversified Revenue Base

Revenue from Operations

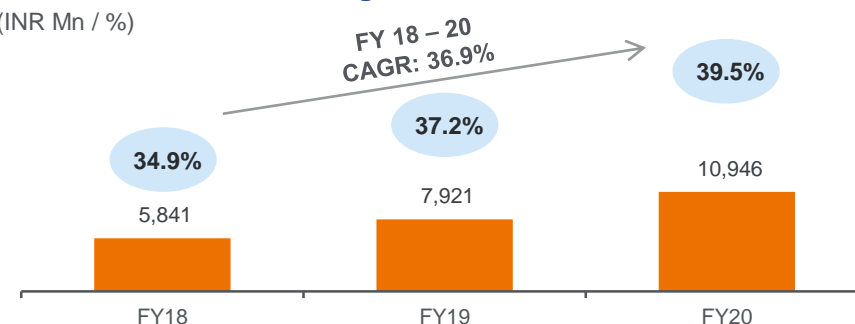
(INR Mn)



Increase in Export Sales, Driven by 51 and 45 New Product Launches in FY20 and FY19 respectively

EBITDA ⁽¹⁾ / EBITDA Margin ⁽²⁾

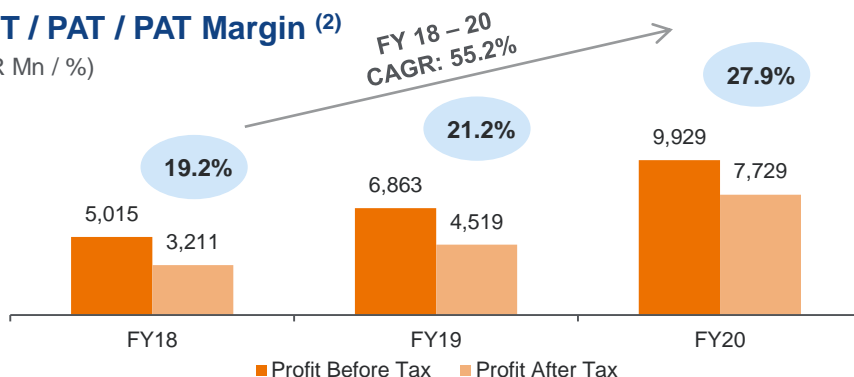
(INR Mn / %)



EBITDA has Grown at 36.9% CAGR from FY18 to FY20

PBT / PAT / PAT Margin ⁽²⁾

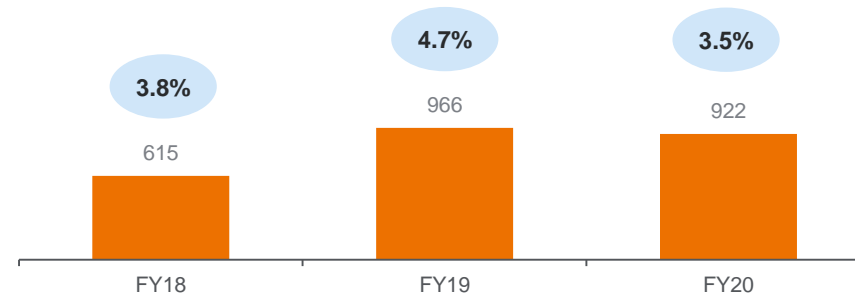
(INR Mn / %)



Increasing PAT Margin Given No Significant Borrowings and Adoption of New Concessional Tax Rate (FY20)

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

(INR Mn / %)



In-house Centralized R&D Lab with Nearly 265 Scientists

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

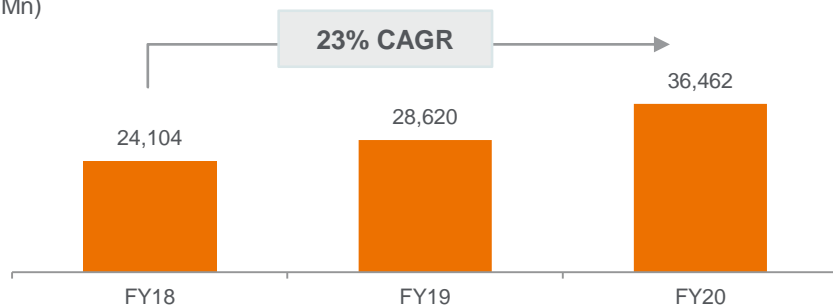
Margin

Proven Track Record of Financial Performance (Cont'd)

Strives to be a Capital Efficient Business. Company has no Significant Borrowings

Net Worth ⁽¹⁾

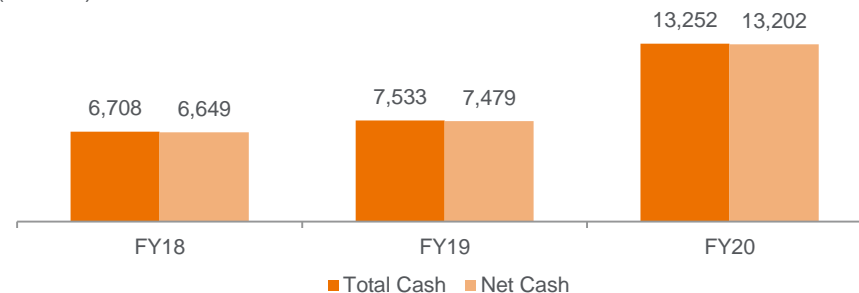
(INR Mn)



Strong Profitability Driving Growth in the Capital Base

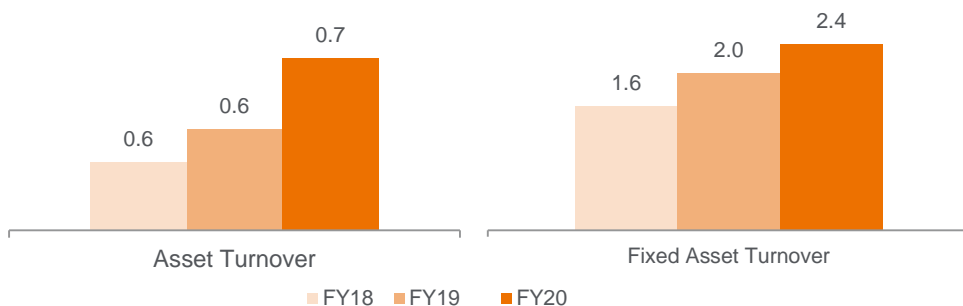
Cash and Bank Balances / Net Cash ⁽²⁾

(INR Mn)



Maintained a Significant Net Cash Position over the Last 3 Years

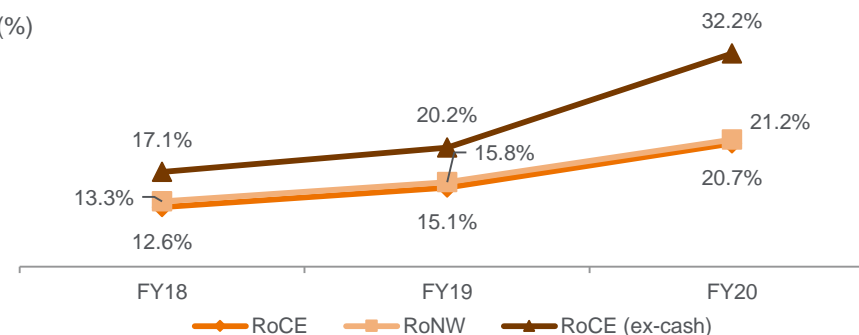
Asset Turnover Ratio ⁽³⁾⁽⁴⁾



Consistent Improvement in Asset Utilization to Generate Revenue

ROCE ⁽⁵⁾ / RONW ⁽⁶⁾

(%)



Consistent Improvement in Profitability

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) Asset Turnover is calculated as Total Income for the year divided by total assets on the last day of the fiscal year. (4) Fixed Asset Turnover is calculated as Total Income for the year divided by total fixed assets (Property, plant and equipment on the last day of the fiscal year + Right-of-use assets + Capital work in progress on the last day of the fiscal year). (5) Return on Capital Employed (ROCE) = Restated profit for the year / Capital Employed on the last day of the fiscal year. Capital Employed represents Total Assets – Current Liabilities. (6) Return on Net Worth (RONW) = Restated profit for the year / Net Worth on the last day of the fiscal year. Net Worth represents sum of equity share capital and other equity;



Registered Office

Gland Pharma Limited

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Near Gandimaisamma 'X' Roads
D.P. Pally, Dundigal Gandimaisamma Mandal
Medchal-Malkajgiri District
Hyderabad 500043, Telangana, India

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