GLAND PHARMA LIMITED

August 17, 2026

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Listing Department
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Plot no. C-1, Block G, Bandra Kurla Complex Bandra (East), Mumbai - 400 051
Symbol: GLAND (ISIN: INE068V01023)

Dear Sir/Madam,

Sub: Earnings call Transcript – Q1FY27

Please find enclosed the transcript of the Earnings call for Q1FY27 of the Company held on Monday, August 10, 2026, at 18.30 Hrs. IST. This will also be available on the Company's website and the web link to access the same is https://glandpharma.com/investors/financials

This is for your information and records.

Yours truly,
For Gland Pharma Limited

Pallerlamudi Sampath Kumar

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Sampath Kumar Pallerlamudi
Company Secretary & Compliance Officer

Encl: As above

“Gland Pharma Limited
Q1 FY27 Earnings Conference Call”
August 10, 2026

MANAGEMENT: **MR. SRINIVAS SADU – EXECUTIVE CHAIRMAN – GLAND PHARMA LIMITED**
MR. RAVI MITRA – CHIEF FINANCIAL OFFICER – GLAND PHARMA LIMITED
MR. SHRINIWAS P. DANGE – HEAD, INVESTOR RELATIONS – GLAND PHARMA LIMITED

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Moderator: Ladies and gentlemen, good day, and welcome to the Gland Pharma Limited Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Shriniwas P. Dange, Investor Relations at Gland Pharma Limited. Thank you, and over to you, sir.

Shriniwas P. Dange: Thank you, Dorwin. Good evening, everyone. We welcome you to Gland Pharma earnings conference call for Q1 of FY27. I'm Shriniwas Dange from the Investor Relations team at Gland Pharma. Today, we have Mr. Srinivas Sadu, Executive Chairman; and Mr. Ravi Mitra, Chief Financial Officer from India Office. We will begin the call with the business and operational highlights from Mr. Sadu, followed by the group financial overview by Mr. Ravi.

Before we proceed, I would like to remind everyone that some of the statements made today will be forward-looking and are based on management's current estimates. These statements should be considered in light of the risks associated with our business. This call is being recorded. The playback and script will be available on our website shortly.

With that, I hand over the call to Mr. Sadu for his opening remarks.

Srinivas Sadu: Thank you, Shriniwas. Good evening, everyone, and a warm welcome to all of you to Gland Pharma's earnings call for the first quarter of fiscal year 2027 ended June 30, 2026. I will begin with the business and strategic overview, and Ravi will subsequently walk you through the financial performance for the quarter.

We have started FY27 with a strong momentum, delivering healthy year-on-year growth in revenues, EBITDA and profit after tax. Our performance reflects the resilience of our business model and the successful execution of our strategic priorities.

Growth during the quarter was driven by continued strength in our CDMO and B2B businesses, contribution from recent product launches, increasing volumes from existing products, improved capacity utilization and sustained operational efficiency initiatives across the organization.

For the first quarter of FY27, we reported revenues of INR18,003 million, representing a growth of 20% year-on-year. Adjusted EBITDA for this quarter stood at INR5,102 million with margins of 28%, while profit after tax was INR3,170 million, reflecting a healthy growth of 47% year-on-year with PAT margin of 18%.

The quarter demonstrates our ability to consistently execute on multiple growth drivers while maintaining strong profitability. We continue to benefit from a balanced business mix and differentiated manufacturing capabilities. Continued operating leverage, improved capacity utilization and disciplined cost management have further supported our profitability during the quarter.

Let me now provide an overview of our performance across business segments. Our CDMO business continued to deliver strong growth during the quarter and remains one of the key pillars of our long-term strategy. Revenue from the CDMO segment stood at INR 8,915 million, which grew by 20% year-on-year and contributed 50% of total revenues during the quarter.

Growth was driven by recent product launches and progression of the existing commercial programs. Our customer engagement remains strong, and we continue to attract robust global pharmaceutical companies seeking reliable sterile manufacturing partners.

Our pipeline of development and commercial opportunities remain healthy and provides good visibility for future growth. The continued expansion of our CDMO partner and product portfolio validates our investments in capabilities, infrastructure and customer relationships over the last several years.

Our B2B business revenue stood at INR9,088 million, contributing 50% of total revenues and recorded healthy growth of 19% year-on-year. The growth was supported by increased demand from existing customers, new contract wins and higher volumes across several key products. Recent product launches, together with strong execution and supply reliability have enabled us to deepen customer relationships and expand market share across select products and markets.

Having discussed our performance of business segments, let me now provide an overview of our key geographic markets. The United States continues to be our largest market and delivered another strong quarter. Revenues for the quarter stood at INR9,810 million, reflecting a growth of 32% year-on-year.

Growth in the U.S. was driven by recent product launches from the CDMO segment and volume expansion in existing products. MVI and Dalbavancin has witnessed an encouraging launch and continues to ramp up as expected. During the quarter, we launched 4 products in the U.S. In Europe and other regulatory markets, revenues for the quarter stood at INR4,488 million, reflecting a growth of 11% year-on-year.

Growth was supported by increasing customer engagement, contribution from these launches and improving momentum across both our commercial and CDMO activities. We continue to strengthen our presence in these markets through differentiated products, expanded customer relationships and improved commercial execution.

In the recent past, we have licensed 4 products for various partners across several countries and several active discussions are underway in Europe. In the rest of the world markets, revenues for the quarter stood at INR3,039 million, broadly in line with the corresponding period last year. While demand across several key markets remain healthy, revenues in the quarter were impacted by supply disruptions in Saudi Arabia, one of our important markets.

The award of NUPCO tenders has been delayed, and we expect the results to be announced shortly. Looking ahead, we continue to see attractive opportunities to expand our presence across key international markets, supported by our broad product portfolio and strong manufacturing capabilities.

In India, revenues for the quarter stood at INR666 million. At an overall level growth across geographies reflects the increasing diversification of our revenue base, deeper customer relationships and the success of our strategy to build a balanced presence across regulated and emerging markets. Our recent new launches are doing well. These new products are expected to remain important growth drivers to FY27 and beyond.

In addition to these launches, we are seeing healthy demand across several existing products. Growth has been supported by volume expansion from existing customers and improved competitiveness enabled through our cost optimization initiatives. Increased capacity utilization across manufacturing facilities is further contributing to operating leverage and supporting profitability.

Our CDMO business continues to show strong traction. During the quarter, we secured multiple new CDMO contracts, including a new GLP-1 collaboration and expanded our pipeline across complex injectables, peptides and drug delivery platforms. We continue to see strong customer interest and a growing funnel and opportunities that provides confidence in the long-term growth prospects of this business.

Yesterday, we announced the execution of a strategic manufacturing and supply agreement with one of the leading global pharmaceutical companies for the technology transfer, manufacturing and supply of a portfolio of sterilized injectables to the global markets. The portfolio comprises a diversified basket of oncology and non-oncology products in vials, lyos, ampoules and prefilled syringe presentations, covering both complex and conventional injectable formulations. The agreement is expected to provide strong long-term business visibility with revenue generation anticipated from calendar year 2029.

The current agreement covers 55 SKUs to be manufactured across the 3 sites with scope of adding more products soon. Once all products are commercialized, revenue potential is expected to be approximately USD90 million to USD100 million. Technology transfer activities are planned for completion within 2 years with revenues expected to commence from calendar year 2029.

We have also entered a strategic collaboration with Neuland Laboratories for the manufacture of sterile APIs for microparticle depot products. Long-acting depot formulations continue to represent an attractive and growing pharmaceutical segment globally. And this partnership strengthens our capabilities in complex injectable technologies while complementing our broader strategy of building differentiated and high-value product platforms.

As demand continues to grow across our businesses, capacity creation remains a key strategic priority. Building on our recently announced capex program, we are actively progressing multiple brownfield and greenfield expansion initiatives across our manufacturing network. These investments are intended to support growth from existing products, upcoming launches and increased CDMO demand and newer specialty technology platforms.

We continue to evaluate additional capacity requirements to ensure that we remain well positioned to capture future growth opportunities while maintaining operational flexibility and

best-in-class service levels. Another important strategic development during the quarter is our in-licensing agreement with a China-based development company for the development, manufacturing, commercialization of a niche liposomal product for the U.S. and European markets.

This partnership strengthens our entry into differentiated drug delivery systems and expands our product portfolio. This collaboration has the potential to extend beyond a single product given the partner's extensive pipeline for complex injectable products. Given the development time lines involved, we expect commercial opportunities and meaningful revenue contribution to start from FY30, creating another important long-term growth driver for the company. Our R&D efforts remain focused on building a differentiated pipeline.

During Q1 FY27, we spent INR772 million on R&D, representing around 4% of consolidated revenue. In the U.S., we filed 3 ANDAs, received 7 approvals and launched 4 products. Our pipeline is increasingly focused on complex injectables and differentiated platforms, which will drive long-term value.

Let me now touch upon the continued progress being made across our European manufacturing operations. Cenexi's revenue stood at EUR48 million with an EBITDA of EUR2 million. Despite the disruption of activities caused by the summer heat wave in Europe, the Fontenay facility delivered a good performance, benefiting from the production ramp-up of our new ampoule line and higher operational efficiency.

During the summer shutdown, as part of our ongoing modernization efforts, we will discontinue one of the older ampoule lines and replace it with a new high capacity line. This new line is expected to enter production in early 2027 and will add approximately 30 million ampoules of annual capacity for enhancing efficiency, competitiveness and growth potential for the site.

At the Hérouville facility, activity levels continue to increase steadily. Revenue growth is being supported by higher volumes from 2 products successfully launched during 2025, which continue to gain momentum. We are seeing encouraging customer demand trends, improving utilization levels and steadily strengthening operating profile. Combined with ongoing cost optimization measures, we remain optimistic about the site's performance trajectory.

In Braine-l'Alleud, we secured a prefilled syringe manufacturing program for an injectable orphan drug for European customer. This further strengthens the site's order book and reflects the continued momentum in business development and customer acquisition activities. We continue to see encouraging traction in new business generation across our European operations.

Across the organization, we remain focused on initiatives aimed at improving productivity, procurement efficiency, manufacturing yields, automation and energy optimization. These programs continue to deliver tangible benefits and together with high utilization levels, support margin expansion and long-term competitiveness.

To summarize, we have delivered a strong start to FY27 with healthy growth across revenues and profitability. We continue to strengthen our commercial portfolio, expand our manufacturing capabilities, deepen customer relationships and invest in the future growth

platforms. We remain highly confident in our CDMO strategy, execution capabilities and long-term growth trajectory. Thank you for your continued trust and support.

I will now hand over the call to Ravi for the financial review. Over to you, Ravi.

Ravi Mitra: Thank you, Mr. Sadu. Good evening, everyone, and thank you for joining us today as we review our financial performance for the first quarter of financial year 2027. I am pleased to share that we have delivered a strong start to the year with healthy revenue growth, robust profitability and strong cash generation.

Our performance during the quarter was driven by continued momentum across our CDMO and B2B businesses, contribution from recent product launches, increasing volumes from existing products and the benefits of operating leverage and ongoing cost optimization initiatives.

As the Executive Chairman highlighted earlier, we continue to see encouraging traction across our business segments, geographies and product portfolio, positioning us well for sustained growth in the coming quarters.

Before I discuss the quarterly performance in detail, I would like to mention that as integration benefits between Gland Pharma and Cenexi continue to increase, Cenexi is now fully integrated into our broader CDMO business. Accordingly, its contribution is increasingly reflected in our consolidated performance.

Let me begin with the financial performance for the quarter. For Q1 FY27, our consolidated revenue stood at INR18,003 million, reflecting a growth of 20% year-on-year. Growth during the quarter was driven by continuous contributions from recently launched products, expansion in CDMO revenue and continued volume growth in existing products.

From a business segment perspective, both our CDMO and B2B businesses delivered healthy growth during the quarter. The contribution from CDMO continues to increase and remains an important driver of our long-term growth and profitability profile.

Moving to margins. Overall gross margin for the quarter stood at 65%, reflecting the benefits of a favorable product mix, increasing contribution from CDMO projects, improved operational efficiencies and procurement initiatives. Margin improvement was also supported by yield improvement, alternate sourcing and manufacturing optimization.

Aligned with our strategy of building a differentiated portfolio of complex injectable products and advanced drug delivery platforms, our R&D investments continue to remain healthy. R&D expenditure for the quarter stood at INR772 million, representing approximately 4% of consolidated revenue, an increase from INR723 million in the previous quarter and INR664 million in Q1 FY26, demonstrating a 16% year-on-year increase.

Our investments continue to focus on complex injectable peptides, depot products, drug delivery technologies and liposomal products. We remain committed to strengthening our development pipeline and expanding our technology capabilities to support long-term growth. Coming to profitability. Reported EBITDA for the quarter stood at INR4,930 million with EBITDA margin

at 27%, higher as compared to 24% in corresponding quarter of previous year. This is after excluding forex losses of INR36 million in this quarter.

Adjusted for non-cash ESOP expense of INR172 million, adjusted EBITDA stood at INR5,102 million, reflecting an adjusted EBITDA margin of 28%, up from 25% in the corresponding quarter of the previous year. The year-on-year improvement in profitability was driven by a combination of higher CDMO revenue, favorable contribution margin mix, operating leverage, productivity improvements and cost optimization initiatives.

Continued utilization improvement across our manufacturing operations and the growing contribution from value-added products also supported margin expansion during the quarter. Other income, comprising primarily interest income, stood at INR612 million in Q1 FY26 [Correction: Q1 FY27].

During the quarter, there was a forex loss of INR36 million, which is included in other expense as compared to forex gain of INR508 million in Q4 FY26 and INR39 million in Q1 FY26 included in other income.

Profit after tax for the quarter stood at INR3,170 million, representing a sharp growth of 47% year-on-year with PAT margins of 18%. However, as compared to Q4 FY26, the decline in PAT is largely attributable to forex loss in this quarter vis-a-vis forex gain in the previous quarter.

The effective tax rate for the quarter stood at approximately 27%. Our balance sheet continues to remain strong and provides significant flexibility to invest in future growth opportunities. As of June 30, 2026, total cash and cash equivalents at the group level stood at INR35,466 million.

External debt remained at a minimal level, and our overall financial position continues to be strong and well capitalized. With healthy cash in hand, we are a net cash surplus company with a net cash position of INR32,939 million. Cash flow from operations during the quarter remained healthy at INR3,183 million, reflecting strong operating performance and disciplined working capital management.

Our focus on inventory optimization, receivables management and supply chain efficiency continues to support cash generation while ensuring uninterrupted customer service levels. Capital expenditure during the quarter amounted to INR1,132 million, primarily towards capacity expansion projects, capability enhancement initiatives, infrastructure additions and investments supporting future growth opportunities across our CDMO and fill/finish platforms.

As discussed earlier, we have commenced execution of our recently announced INR2,000 crores capital expenditure program. Ongoing projects of vial, ophthalmic, BFS lines and liposome products, among others at our India sites remain on track. In addition, capacity expansion projects to cater to the anticipated demand arising from increasing CDMO collaboration have been approved and are being prioritized for execution.

These investments are intended to support increasing demand across our existing portfolio, upcoming product launches, expanding CDMO programs, fill/finish opportunities and future product and technology platforms. At Cenexi, the growth capex for the addition of new block

with vial and lyos at BLA and high-speed and ampoule line at Fontenay are also on track to finish by the end of next year. Overall, we are pleased with the strong path to start with FY27.

Quarter reflects the benefits of strategic investments we have made over the last several years in manufacturing infrastructure, capabilities, R&D and customer relationships. With multiple strategic levers in place and optimal cash deployment priorities, we believe we are well positioned to deliver sustainable growth while maintaining a strong profitability profile.

With that, I would now request the moderator to open the line for questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Saion Mukherjee with Nomura.

Saion Mukherjee: Sir, I just wondered if you can throw some light on this strategic manufacturing agreement, which was announced. Is this with a big pharma innovator, kind of, company? Or are these generic products? If you can throw some light?

And the manufacturing would be largely out of India and whether -- you talked about USD90 million, USD100 million of peak revenue potential. So how should we think about once the commercialization starts in 2029, how much time -- how would be the revenues ramp up to those levels of USD90 million, USD100 million, please?

Ravi Mitra: So this is a specialty pharma global company. So the revenue is a mix of generics as well as complex and specialty pharma. So probably 30% - 40% of the revenue comes from specialty business. So the portfolio of what getting transferred to -- these are all from Indian sites, the manufacturing happening at Indian sites.

And it's a mix of all these products, including oncology and non-oncology - across several - spread across different formats and different products. It will also extend into the development pipeline in terms of specialty products, what they have. So the estimate what you gave is the preliminary view of the products, what is getting transferred in next 2 years. But probably there's a potential to add more products in the future.

Now the tech transfer activities will start from September of this year. And the first set of product will be transferred in 24 months. Every quarter, we'll be filing certain. So the 60% of the products are for the U.S. market, about 50%, I would say, 30% - 35% to European market and the rest of the world are about 15% - 20%.

The Cenexi plays a little part in this as well. They wanted an end-to-end solution for the products because it has the global supply. So some of the products which go to Europe, the Cenexi will warehouse certain products and probably package a few and also do a final QP release for the European market. So that's a role Cenexi will play.

But basically, the agreement is with Gland and manufacturing will happen at Gland manufacturing sites. To be fair, without Cenexi, this wouldn't have happened in a way. So that also strengthens our strategic initiative when we acquired Cenexi because otherwise, we couldn't

have provided the full best solution for the partner. And the revenues will ramp up from '29 because the filings will start happening from next year.

And as soon as the products get approved, especially the U.S. ones are an easier one because it's a CB-30 format. So then it started getting launched in CY29. So it will -- the ramp-up will happen from '29 to '30. So hopefully, by CY30, we should see this entire portfolio getting launched.

Saion Mukherjee: That's very clear. And sir, just wanted to understand, like, could we expect or are you, like, looking for such type of contracts, which are like strategic? Can we expect more of such contracts? Or this is, like, one-of-a-kind opportunity?

Srinivas Sadu: So this is -- to be honest, this is what we are looking at because we're trying to give a solution to big pharma, where a lot of very large companies are procuring products from over 80 to 100 different sites because over a period of time, they'll in-license products or getting contract manufacturing.

So now we are reaching out saying that we'll give end-to-end solutions for them for different markets. It also helps them in a way because currently, if the sites are in Europe, it's 5 to 6x more expensive than India. So it also helps to get market share in ROW markets, increase the margins in the products what we're making.

And also with the new situation of branded products to be manufactured in U.S., if they want to move the branded parts to U.S., then their own sites or the CDMO sites what they're doing, then the operational leverage is lost. So companies are looking at these kind of options. And with the track record we have on quality and the breadth of platforms we provide, it's helping us, yes.

Saion Mukherjee: Sir, just one more question before I join back. On capex, you had announced INR2,000 crores capex. One is the timeline around that, and now with these new initiatives, and you also mentioned in your prepared remarks that new capex has also been approved by the Board. So can you share a revised capex estimate now?

Srinivas Sadu: So , I would say for one immediate capex is going to about INR165 crores. We're investing in an isolator line in oncology plant, where several of these oncology products are getting manufactured. Luckily, we could get a line quicker. So that will be installed January of this year. So this is specific, I would say, a priority for us in terms of -- for this project, what we just announced. And there's another capex on the Neuland collaboration, what we said on the API front, Ravi?

Ravi Mitra: Yes. So that -- for that, we'll be building a block. That also has been started the project now. And to answer your question, Saion, so this year, we are going to spend about INR550 crores capex. And this will scale up as and when we start building the brownfield, which we already announced earlier.

Right now, the Suite 10 in Pashamylaram, we are adding a new vial line BFS and ophthalmic line. So along with the recently CDMO contract for which we need to spend capex of INR165 crores mentioned just now, this is going to be our priority. And we -- considering the demand

and volume growth we are looking at, we need to look at brownfield or greenfield quickly, and that's what we are currently working on.

Moderator: Our next question comes from the line of Vivek Gautam with GS Investments.

Vivek Gautam: Congratulations on good numbers, sir. Sir, I just wanted to understand how sustainable is the turnaround of the Cenexi and what were the factors behind it? And was it the one subsidiary which was dragging our performance down and now things have improved a lot. Second question is about the -- what is the opportunity size for us, expected growth rate and our differentiating factor, USP, which can help us in maintaining the growth ahead, sir?

Srinivas Sadu: So from the growth front, we did mention last time that we're looking at 15% CAGR in next 4, 5 years. With the new contract signing, if you look at from current top line, I think this will cover almost like 12% of our current revenue. So if you look 3 years down the line, probably it's still about 9% to 10%.

So we're re-evaluating the CAGR with a few of other contracts we're discussing now with other partners. Probably we'll -- next quarter have more clarity on the growth for the next 4 years. But as of now, with this new contract in place, we are looking at 20% -- around 20% growth next 4 years.

While the current year, we still -- with the constant currency, we're still estimating -- we're not estimating, but probably 15% is clearly achievable. But we're also looking at a couple of lines like the bag line and ophthalmic products we have tight capacity constraints.

Bag line, we're expecting an approval in the third quarter. If it happens as planned, then probably we can cross 15%, but it's a new line to be approved by FDA. So if it's approved by August, September, then probably we'll exceed the 15% growth for this year. But otherwise, we'll -- the constant currency will stick to 15% and then see where it goes for the current year.

But I think next 4 years, we're looking at 20%-odd, but we'll get a clear clarity next quarter, we'll give a clear clarity once we also see how the other initiatives, what we have taken up in the recent past will pan out. Probably we'll get a clear picture by August, September -- September, October.

Moderator: Our next question comes from the line of Neha M. with Bank of America.

Neha M.: Sir, 50% CDMO number that you have indicated for this quarter, if I were to look at FY28 probably exit, I understand the big contract is coming in '29. But in the next 2 years, how much of a business do you think would come from CDMO? And how does it change our margin profile? Is it fair to assume that CDMO has much superior margins versus our existing stand-alone margins?

Srinivas Sadu: So the idea is to balance between CDMO and our B2B business. The target is to reach as a consol basis, in a nearby near term, we're looking at 30% near term as a consol basis. Cenexi growth, the target for Cenexi is the profitability there on the top line. So we need to work -- we are working towards that.

So today, we are at 28% consol EBITDA percent. So near term, we're working towards 30% and we'll see midterm to long term. Ultimately, always we look like a profitable company. We wanted to be a profitable company, hitting those 35% EBITDA.

Hopefully, in the next 3, 4 years, we might reach there once we get all these CDMO contracts on track. But for near term, we're looking at -- because we're also growing other businesses as well in the same range as CDMO, and it's a large base. So we still feel once we hit CY '29, probably there could be a skew that the CDMO business will be larger than the B2B business. But for probably next 2 years, it will be around 50-50 kind of a business.

Neha M.: Understood. And Srinivas, On the Cenexi business, given that we have the impact of heat wave in France, does that mean that second quarter would end up being better than the usual seasonal decline that we see because of the shutdown. It won't be as sharp because some of the shipments would have moved to second quarter. Is that a fair assumption?

Srinivas Sadu: Sorry, can you repeat that?

Neha M.: I think, sir, you mentioned that Cenexi was impacted because of the extreme summer in first quarter. I understand that second quarter usually tends to be seasonally weak. But would the seasonality be lower because some of the shipments would have moved into the second quarter? Would that be a fair assumption?

Srinivas Sadu: It really -- I would say it will be better than last year, for sure. Some -- because some releases couldn't happen last quarter because of the heat wave. The impact was more on the quality release. So that will help a better next quarter over the last year, yes.

Neha M.: And currently, we're still maintaining Cenexi guidance of 200 -- near EUR200 million and high single-digit margins for FY27?

Srinivas Sadu: That's correct. Yes.

Moderator: Our next question comes from the line of Ashish with Leo Capital.

Ashish: Yes. So on GLP-1, could you give us an update on the scale-up of the business? What is the current status of the commercialization and capacity ramp-up?

Srinivas Sadu: So from capacity, the new line is on track. We are taking some exhibit batches from some of the customers whom we have signed up in the last few quarters. We signed a new contract this quarter again, and the transfer activities will happen in the next quarter or two. The new contract what we signed is both for sema and tirzepatide for U.S. and EU markets.

Now we are also evaluating when we said that this year, we're still trying to maintain that 15% constant currency growth. But there are also -- some positives could be upside. One of our customers who has filed in Canada, there could be an opportunity to launch in the last quarter. If that happens, then there could be an upside. But otherwise, as of now, it's more of exhibit batches taking for different customers and then filing and then waiting for them to commercialize.

Ashish: And how should we see -- think about the revenue potential or contribution from GLP-1 over the next 3 years?

Srinivas Sadu: Very limited. We have not assumed too much of that because the major volume will come from the U.S. when it goes in FY30, '31. So we're not considered much in the next few years other than the tech-transfer fees what we get for transferring. So if anything happens in Canada or any other markets for the customers because these are the CDMO business, we don't have a clear visibility on the front-end approval status for these products. So it's very difficult to assume the numbers for them. So that's why we're keeping close to our chest how that pans out, but that will be an upside if it pans out well.

Moderator: Our next question comes from the line of Chintan Sheth with Girik Capital.

Chintan Sheth: Congrats for the good set of numbers as well as continued customer win and project win at our CDMO side. Just one clarification on the opening remarks, the Cenexi revenue you mentioned EUR68 million and EUR2 million EBITDA?

Srinivas Sadu: 48 million. Revenue is EUR48 million revenue and EUR2 million EBITDA.

Chintan Sheth: Okay. It's flat on a Y-o-Y basis, but EBITDA number was okay. So EBITDA, you mentioned that because of the extreme heat wave that also impacted some bit of profitability this quarter.

Srinivas Sadu: No. The profitability is in the same trend like what we said is 4% EBITDA. So by the end of the year, we want to get into double-digit EBITDA.

Chintan Sheth: Okay. Because last year, I think we were at 2% EBITDA, which has improved to 4% this year. Okay. And in terms of the 15 products which are in pipeline, the ANDAs ones, the co-development products, what would be the opportunity size for those? I think seven are 505(b)(2) and eight are ANDAs. If you can enter any time lines around those launches, if you can provide some insight?

Srinivas Sadu: Give me a second. Can we come back to exactly how much is the market.

Chintan Sheth: No worries. No worries. And for the year, what kind of launch pipeline we are looking at? If you can -- any significant ones which can be a swing factor for us in terms of growth? So, I was asking about the new launch pipeline for the current year. We launched 4 molecules this quarter. If you can provide some insight on which are the key molecules to look out for, for the current year, which can contribute to our growth, as you mentioned, there is upside this year?

Srinivas Sadu: So the products what we launched, we have launched MVI, multivitamin. We launched Dalba. We also launched the Sugammadex. And the MVI, we have CGT exclusivity. So we don't see competition coming in soon. It's a very difficult product to make. Dalba, while there is a competition, but still we have enough contracts on place to continue for the next few years.

Chintan Sheth: And expected launches, anything to call out for, which one should focus on?

Srinivas Sadu: We can come back to you later.

Moderator: Our next question is from the line of Karan Vora with Goldman Sachs.

Karan Vora: My first question is with respect to the CDMO business. So just wanted to get a sense with respect to -- do we have in the current base, any products which we are supplying to, say, supplying which have patent protection? And what would that number look like, say, 3 or 5 years out?

Srinivas Sadu: We cannot reveal those numbers because some of these belong to customers. There are a few products which are under 505(b)(2), which has also patents. But if you're talking about innovative products, no, we don't have any innovative products right now.

Karan Vora: Okay. And anything in the pipeline just qualitatively?

Srinivas Sadu: It's under discussion. So it's not yet signed.

Karan Vora: Okay. Got it. And is it fair to assume that some of them could also be on the bio side where we were investing in the bio CDMO front or that is mainly -- this is mainly on the small molecule side, what discussions we are doing?

Srinivas Sadu: It will be on the peptide side, if that answers the question.

Karan Vora: Okay. Got it. And my second question is with respect to the base business growth. So I think we've changed some disclosures. So just wanted to get a sense on what is the Ex-Cenexi growth in the U.S. and ROW markets?

Srinivas Sadu: So the base business has grown by 24%.

Karan Vora: So similar for U.S. and ROW markets?

Srinivas Sadu: Give me a second. U.S. has grown by 32%.

Karan Vora: Okay. U.S., 32% and ROW. And what would also be the constant currency number in that -- within that?

Srinivas Sadu: The constant currency, you can remove forex gain of around 5%. Out of the base business [growth] of 24%-25%, [the growth] because of the forex gain is around 20% or 19%-20%.

Moderator: Our next question comes from the line of Saion Mukherjee with Nomura.

Saion Mukherjee: So just like you have also announced the other 2 contracts. One is with Neuland for, I think, API and then there's a contract on China for a liposomal product. In terms of revenue potential, how should we think about these? And what are the time lines for the revenue from these 2 contracts? I think China, you mentioned 2030, right?

Srinivas Sadu: Yes. So that's more a liposomal in-licensing product where they have already developed this product and is approved for China market using EU RLD. It's a USD3 billion product, estimated USD3 billion in the next 3 years. Currently, it's USD1.6 billion globally and U.S. about USD600 million, USD700 million. And so we got rights for U.S. and EU.

And the technology will transfer, so we will be investing in a compounding suite specifically needed for this and the technology will transfer here and then the BE study will happen and then we'll file in U.S.

So there's a patent production for this product. So we'll try to be there by the patent expiry date. On the Neuland API, we actually had this supply agreement with them before as well in the current suite. But this is an extension of this. We are building a new suite for them.

We cannot really disclose the revenue, but it's more a strategic thing where we are trying to give end-to-end solutions for even other clients who are looking at finished product as well, because we have a microparticle depot technology also with us and very few companies offer sterilization of APIs as well. So current capacity is fully occupied.

And currently, we're only manufacturing 2 APIs. There is another set of 5 to 6 products, which will fall into this category, for which we need this expansion. So this will ease out our current capacity constraint because there are also requirements from other customers who wants this service from us.

And also, we ourselves have this pipeline of products, which we need to develop. So we need that capacity as well. So it's more a strategic thing. It's a combination of what revenue we get from that collaboration as well as what we can get moving forward from our own products and the new contracts what we'll sign from the current capacity.

Saion Mukherjee: Okay, sir. Understood. Sir, my other question was on your complex ANDA pipeline. I think you have like 20-25 such products. And generally, what we see is that a few of them tend to be pretty large. In that sense, those large or the largest opportunities that you have, is that an FY29 kind of an opportunity or something which will be after FY29, you think?

Srinivas Sadu: It's post '29. Some of the big products, especially on the microsphere products, there are a couple of big ones, which is post '29. So currently, there are different stages, some at the clinical stage and some at the exhibit stage, I would say. So there are different stages, but some under patent post '29. But most of the big things are post '29, yes.

Saion Mukherjee: Okay. And sir, also, I understand that you have in your U.S. filings or what you are developing or what you have filed, there's a bunch of products which are like Para 1, Para 2, Para 3, like which are probably already generic. Is that a large opportunity? And how should we sort of think about Gland, sort of, trying to develop such, which seem to be old -- kind of old products?

Srinivas Sadu: So some products are developed many years ago. They are one. Second is we also see a lot of these products where companies are exiting. There is still value in it as an injectable company. And several products where there was no revenues many years ago actually are doing well now. So as an injectable company, we need to have that portfolio.

And the portfolio what you have developed 15 years back, probably those are also there in that list what you're seeing, where there was no ANDA fees and the development was far cheaper than what we do today. So that's why that portfolio got developed over the many years.

Saion Mukherjee: Right, right. And sir, now your U.S.-based revenue would be USD95 million - USD100 million, right, current run rate. And how -- I mean, so how should that sort of play out with all these launches over the next 3 - 4 years, do you think?

Srinivas Sadu: It's a bit more than USD100 million. It's about USD110 million, USD120 million.

Saion Mukherjee: Sorry, sir, can you repeat? You said more than USD100 million currently.

Srinivas Sadu: Yes. Correct.

Saion Mukherjee: And how should that play out like over the next, say, 3 years as you launch these products? Do you think it will materially go up or it would sort of have a more modest growth like most generic companies?

Srinivas Sadu: See, we are getting into newer modalities also in this space. If you look at the entire market is growing probably 3% - 4%. But then you have to see which are the products where we don't have and what is our base and what products we actually never launched. If we launch those products, what will be the growth, right? I mean that's how we have to look at this. So we still feel there's a growth of that business. It's not that it's completely low.

But then the other thing is with the efficiencies what we have in operations, we are able to compete more and grow our own business. So one is how the market is growing. Second is how we are growing.

So if you look at the market growth versus our growth in the U.S., it's always far higher than the market growth because of the new launches what we do and also the current products what is secured by others, we're able to garner those -- that market share to us because of a better cost structure.

Moderator: Our next question comes from the line of Maulik Varia with 360 ONE.

Maulik Varia: Sir, just wanted to understand if there's any progress, any update from our Dr. Reddy's partnership on the biologics. And we were also negotiating with one more partner to set up additional capabilities. So is there any update there?

Srinivas Sadu: Currently, it's a normal business, I would say, it's generating around INR50 crores, INR60 crores a year, and probably it will slowly ramp up a bit in next year or two. But as such, there's not a big contracts which we have signed up in the recent past.

Maulik Varia: Okay. And sir, going ahead, from our complex portfolio, I understand that the contribution is lower currently. But going ahead, would you be able to give us some direction how much as a percentage of our portfolio or in terms of revenue would the complex products become?

Srinivas Sadu: Because most of the complex products is post FY29. And our base business is also very large now compared to that, right? So while it takes -- probably it will take a larger chunk of the U.S. business. But I can't give an exact number because the timing of each product is different, but it will take quite a share of the total business once it gets there.

But when you're saying the growth, what we're saying about 20%-25% [or] 20% when you're growing next 4 years, at the end of those 4 years, probably these products will get launched and probably the next growth driver will be these products as well.

Moderator: Our next question is from the line of Rahul Jeewani with IIFL.

Rahul Jeewani: Sir, can you call out the constant currency growth for the quarter on a consol basis? So we reported 20% growth in INR terms. So what was the constant currency growth at the company consol level?

Ravi Mitra: It's 15%, Rahul.

Rahul Jeewani: 15%. So Ravi, that calculation isn't clear to me because if I look at your Cenexi revenue, the Cenexi revenue would have been flat Y-o-Y. And let's say, the USD INR on a Y-o-Y basis has depreciated by almost close to 10%. So this number looks a bit higher to me in terms of constant currency growth.

Ravi Mitra: So it's a basis of when the products are dispatched. It's not uniformly across every. So average-wise, you have to take. So we have to look at the rate on the particular date of supply and then see the FX impact.

Rahul Jeewani: Okay. And this 15% constant currency growth, which we guide, then if we are using, let's say, the date of shipment of the contract, then it becomes very difficult for you to project the constant currency growth. Wouldn't that be the case?

Ravi Mitra: No. For projection, we take constant currency only. For FX movement, we cannot predict. So all our projection or guidance, what we are giving is the basis of constant currency.

Rahul Jeewani: Okay. Sure, sir. And sir, in the past, when -- for our base business, when we had the 2 sets of businesses, which was IP-led and then the tech transfer business, our understanding was that the tech transfer business used to be lower margin for us as compared to the IP-owned business. Now for this new CDMO contract, which you have won, while this business is tech transfer, would the margins on this tech transfer CDMO business be higher than, let's say, what we would have done on an IP-owned business?

Srinivas Sadu: So the IP-owned business, actually, we are sharing our profit also with the front-end partner. And the tech transfer -- see in the CDMO, there are 2 kinds. One is the B2B tech transfer when we say it's coming from a development lab or another company and then we are taking exhibits and closing down. In the current CDMO, there are 2 types of business.

One is this, which is a smaller portion. The other is the commercialized products coming out from U.S. and Europe, which is the more expensive places to manufacture. So there, we have a leverage where we can have a better margin profile and also the type of products what we are going to make for these companies.

Moderator: Our next question comes from the line of Alankar Garude with KIE.

Alankar Garude: Sir, if we go back a few years, CDMO was relatively much smaller for the company. Can you highlight the top 3 - 4 factors that have driven strong growth in this segment over the past few years and are also driving the healthy outlook going ahead?

Srinivas Sadu: So one is, of course, the portfolio what we have, we're kind of running out of the portfolio in the large one. That's one. Second, the opportunity out there. While everybody talks about the pressure on generic pricing, at the same time, there is an opportunity for players like us because there are companies or leading pharma companies whose manufacturing base is in expensive countries.

That opens up a door for us where we have better operational leverage and better history of quality and then at scale, we can do. So that opens up an opportunity for them where the margins are going down at the end market, so they need to compete. So they need to take those products to a place where they can manufacture cheap. I think that's where it opened up. That's when we thought.

And we also seen interacting with a lot of these customers over the years, they have like 300 - 400 people just managing these relationships across 60 - 70 different sites and different companies. So now we kind of approach them and saying that we'll give a foolproof solution. You can get 3 or 4 different sites under one company with breadth of platforms under one roof.

That's how this got evolved because we looked at opportunity where probably everybody is saying that there's no money in generics, but we're saying, okay, we -- our strength is in manufacturing and quality, why can't we leverage that to offer these services so that they'll be more competitive.

Alankar Garude: Got it, sir. That's helpful. Two smaller questions. One is, can you highlight the profit share in this quarter?

Srinivas Sadu: Profit share is about 9%.

Alankar Garude: Okay. And the final one is, can you reconfirm the time lines for the NDDS project?

Srinivas Sadu: The NDDS project is about '29.

Shriniwas P. Dange: '28.

Srinivas Sadu: '28, sorry, '28 and commercialize '29.

Alankar Garude: Got it. And with a revenue potential of USD25 million to USD30 million?

Srinivas Sadu: That's correct.

Moderator: Ladies and gentlemen, that was the last question for the day. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Shriniwas P. Dange: Thank you, everyone, for joining us today. We appreciate your participation in the question-and-answer session during the call. If you have any follow-up questions, please feel free to reach out to us. We look forward to connecting with you again next quarter. Thank you.

Moderator: Thank you. On behalf of Gland Pharma Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.