To,

Date: 7th November, 2026

The Manager BSE Limited P. J. Towers, Dalal Street Mumbai-400001 **(BSE Scrip Code: 544742)**	The Manager, NSE Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051. **(NSE Symbol: SAIPARENT)**

Dear Sir/Madam,

Unit: Sai Parenterals Limited

Sub: Disclosure under SEBI (Listing and Disclosure Requirements Regulations,2015) Transcript of Earnings call held on 2nd November, 2026.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed the transcript of the earnings conference call conducted on Monday, 2nd November, 2026 at 02:00 p.m. (IST).

The transcript of the earnings call is also available on website of the company i.e., https://www.saiparenterals.com/

This is for the information and records of the exchanges please.

Thanking you,

Yours faithfully,
For Sai Parenterals Limited

ASHWANI SINGH BISHT
Digitally signed by ASHWANI SINGH BISHT
Date: 2026.11.07 16:49:00 +05'30'

Ashwani Singh Bisht
Company Secretary & Compliance Officer

Encl: As above

“Sai Parenterals Limited Q2 FY27 Earnings Conference Call”

November 02, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 2nd November 2026 will prevail.

MANAGEMENT: **MR. ANIL KUMAR KARUSALA – CHAIRMAN AND MANAGING DIRECTOR**
MR. MARK THULBORNE – CHIEF EXECUTIVE OFFICER, NOUMED

ANALYST: **MR. SHASHANK KRISHNAKUMAR – EMKAY GLOBAL FINANCIAL SERVICES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Sai Parenterals Limited Q2 FY27 Earnings Conference Call hosted by Emkay Global Financial Services Limited. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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 the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Shashank Krishnakumar, from Emkay Global Financial Services Limited. Thank you, and over to you, sir.

Shashank Krishnakumar: Hi, thank you. Good afternoon everyone and a very warm welcome to Sai Parenterals Limited's Q2 FY27 earnings call hosted by Emkay Global. I would like to thank the management for giving us the opportunity to host this call.

On the call today, we have the Sai Parenterals management team represented by Anil ji, the Chairman and Managing Director, and Mr. Mark, the Chief Executive Officer of Noumed. I'll now hand over the call to the management team for the opening remarks, and then we'll open the floor for questions. Please go ahead, sir.

Anil Kumar Karusala: Yes, thank you, Shashank. Good evening everyone. Thank you for joining our earnings conference call to discuss the performance of Q2 and H1 FY27. I hope everyone had an opportunity to go through the financial results press release and investor presentation which are uploaded on the stock exchanges as well as on our company's website.

Our Chief Financial Officer, Mr. Anil Kumar, is unable to join us today because of a personal health emergency. We wish him a speedy recovery. In his absence, I will also take you through our consolidated financial results after my opening remarks and Mark’s update.

As I mentioned last quarter, Noumed Pharmaceuticals has been consolidated from 12th November 2025, so our year-on-year comparisons are therefore not comparable. So I will focus mainly on the sequential trend.

Q2 FY27 is the quarter in which our transformation began to show in our profitability. Consolidated revenue from operations rose 9% sequentially to INR196 crores. H1 FY27 revenue was at INR376 crores, around half of our FY27 revenue target of INR750 crore. We have always guided to a 45:55 split between the two halves, with the fourth quarter historically our strongest. So we are ahead of plan.

Gross margin rose from 40.9% in Q1 to 47.5% in Q2. Raw material cost actually fell by about 3% even as revenue grew by 9%. This was driven by tighter inventory management. Inventory was on the higher side last quarter. During Q2, we worked through a major higher-cost inventory, introduced strict first-in-first-out controls and implemented a new ERP system which

has brought inventory levels down materially. These controls remain in place and so we see to keep a gross margin above 45% in the next all coming quarters.

EBITDA grew 67% sequentially to INR41 crores, with EBITDA margin at 21.1% against 13.7% in Q1. Employee and other operating costs together rose by less than 6%, so most of the gross margin gain flowed through to EBITDA. For the first half, EBITDA stood at INR66 crores with margin of 17.6%, already ahead of approximately 17% we guided for the year.

Depreciation/Amortization rose to INR25 crores from INR8 crores in Q1. This reflects the capitalization of Noumed assets and amortization of molecules acquired from Sai Prathyak Laboratories. Despite a more than threshold rise in the depreciation profit before tax held steady quarter on quarter and profit after tax grew 33% to INR10.5 crore. For the first half, PAT stood at INR18.4 crores.

Then I come to IPO proceeds deployed and both acquisitions. Last quarter, I outlined a proposed variation in the use of our IPO proceeds. Shareholders have since approved it, and I'm pleased to report that the both transactions are now complete. We will be investing INR98.8 crores of IPO proceeds, that is INR83.83 crores in Saicriti Pharma, and I already invested INR15 crores in Prathyak Laboratories, each for a 60% stake. The balance of INR3 crores from the amount originally earmarked for the research centre, has been allocated to general corporate purposes.

The purpose for which we raise these funds has not changed. EU GMP-compliant injectable capacity for regulated markets and a dedicated research and development platform. Only the manner of execution has changed and in both cases we have acquired materially larger assets for the same outlay.

So, now, I come to Saicriti Pharma. This new injectable facility on track for July 2027. At Saicriti's site at Gummadidala, outside the Outer Ring Road, foundation works were underway and construction is accelerated. And as our equity comes in, it will progress much more faster. The layout design is complete and purchase orders have been placed for all the four process lines -- liquid and lyophilised injectables, GLP pre-filled syringe injectables, pre-filled and packaged combi-filling for GLP products, dry powder filling, and ampoule filling. Clean utilities and HVAC systems are in detailed engineering. We are targeting completion in July 2027.

The facility is being built to EU GMP and US FDA standards. It will take our injectable capacity to approximately 154.66 million units, about 47% more than the upgrade of Units I and II, would have delivered.

More importantly, it adds two new capabilities: lyophilisation and GLP-1 manufacturing. Our existing domestic critical care franchisee of around INR52 crores will also be manufactured from this facility. Unit I and II at Jeedimetla will be discontinued once it is commissioned. We expect accreditation within about twelve months of completion, with exports from FY28 and Europe from FY29.

The total project cost is estimated at INR215 crores. Our contribution of INR83.83 crores is unchanged from the originally earmarked figure. The promoters of Saicriti fund balance 40% of

equity, and the remainder comes through project debt with a 3-year moratorium and 7 years repayment schedule.

Now, I'll come to Sai Prathyak Laboratories, a group R&D consolidated division. We completed the acquisition of 60% stake in Prathyak Laboratories on 15th September 2026 -- and has been remained renamed as Sai Prathyak Laboratories. It is now our dedicated R&D subsidiary, and all group R&D has been consolidated there. The residual 40% may be acquired through a right of first refusal at the same valuation.

Sai Prathyak brings 65 personnel, including 28 research scientists, with three years of operating history in lyophilised, liposomal, and nano-based complex injectables, and oncology portfolio. Its portfolio spans 174 molecules and 285 SKUs across critical care and oncology. It will develop further products for Sai Parenterals, for Noumed, and for Saicriti.

The biggest advantage of this acquisition is technology transfer. Sai Prathyak has already delivered a complex critical care injectables portfolio. which will be transferred to Saicriti's new facility for our own manufacturing. That means we do not lose time developing products after the Saicriti facility is built. Pre-acquisition molecules remain with Sai Prathyak's existing shareholders, but the Group may use them for its own manufacturing, and Saicriti is entitled to transfer them to the upcoming site.

Until now, Sai Prathyak has been developed only for its own use. And has no revenue stream. From next quarter, we are beginning to sign R&D and CRO development contracts with external clients, with revenue generation projected from FY28.

Our in-house dossiers records supports this R&D platform. We have developed 98 dossiers in-house on Sai standalone, 45 products are commercialized and further 76 are under development, targeted for FY28. Besides them, we sit on 599 approved registrations and more than 451 TGA dossiers acquired with Noumed.

Now I am coming to Unit III expansion. The expansion at Unit III, Bhongir, is almost completed. The new block will start commencing from December 2026. Production capacity will rise from 85.5 million to 155 million units a month, an increase of 81% after completing this new block. The expansion adds a high-capacity ointment manufacturing, a dedicated high-speed capsule filling line, and a high-speed liquid oral manufacturing and filling lines.

Output will ramp up from Q4 FY27, and most of the additional volume will serve Australia and New Zealand. In the fourth quarter, while the Adelaide facility prepares to start the production, we will also supply bulk tablets from India to support it.

Australia accounted for 76% of the export revenue this quarter against 83% in Q1. The Q1 share was higher because Sai stepped in with additional volumes for Noumed when third-party contracted manufacturers fell short. We plan our export capacity broadly 70:30 between Australia and other markets, and this quarter returned to that pattern.
In the Philippines, we added 11 molecules and 22 SKUs during this quarter, led by cardiovascular therapies including telmisartan-amlodipine, sacubitril-valsartan, and rosuvastatin. The Philippines rose to 16% of export revenue from 12% in Q1 FY27.

At today's board meeting, the board approved acquisition of balance 25% stake in SP Analytics Private Limited. On completion, SP Analytics will become a wholly owned subsidiary.

Now, coming to outlook. The first half has run ahead of plan and the second half is seasonally our stronger period. Three developments will shape the next two quarters.

One, the expanded Unit 3 capacity ramps up from Q4 FY27 with most of the increment directed to Australia and New Zealand. Two, the Adelaide facility begins operations, in the Q4 of FY27, with commercially supply expected in Q1 of FY28. It will progressively move Noumed's outsourced volumes in-house and convert a distribution margin into a manufacturing margin. And three, Sai Prathyak begins taking external development contracts, building a new revenue stream for FY28.

We are well placed for FY27. FY27 remains a year of building, and FY28 is when the results of that building should start to show in our performance. With that, I'll hand over to Mr. Mark Thulborne, Chief Executive Officer of Noumed Pharmaceuticals for an update on the Australian platform. Thank you. Over to you, Mark.

Mark Thulborne: Thank you, Anil, and good afternoon everyone. I'd like to cover off three things in our conversation today. One is our contracted book, our portfolio, and our new product development incorporating the discussion around the progress on the Adelaide manufacturing facility. Last quarter I spoke about a 7.5-year exclusive OTC supply contract with the EBOS Group covering across TerryWhite and Pharmacy Choice brands, renewed on the 1st of July 2026. This contract is valued at AUD202 million, and on the 25th of August this year, we renewed a second OTC medicine supply contract with Wesfarmers covering across the brands of Priceline and Pharmacy Health, which is another one of Australia's leading pharmacy chains. This contract has been renewed for a further 3 years and is valued at AUD30 million or approximately INR204 crores. Both renewals carry an expanded product portfolio and a higher agreement of value than the one that they replaced.

Together, these two renewals take our contracted Australia OTC supply business over this period of time to AUD232 million or approximately INR1,506 crores. These are renewals earned through years of consistency and delivering in one of the most tightly regulated markets in the world. Both agreements are built to grow with new products and line extensions added over their terms. We would also hold the exclusive long-term supply agreements as we also hold 451 TGA-approved dossiers.

Our agreements commit us to introducing new products each year. Growing forward development now happens within the Sai Group rather than with us using third parties. Coming to the Adelaide facility, to date we have invested AUD46 million of the AUD53 million planned for Adelaide. The program has been supported by the AUD20 million grant from the Australian Federal Government under the Modern Manufacturing Initiative. And we expect the facility to be commissioned in January of 2027, slightly behind where we previously advised, and this delay has been caused by logistics disruptions due to the Iran conflict. The TGA license inspection is anticipated in second quarter 2027, with the commercial supply expected to commence thereafter upon the granting of the license.

As Mr. Anil indicated, Sai will be supporting the supply of tablets from India and the initial packing operations. Once onshore manufacturing is underway, these things will change directly for us. One, packing that is outsourced today moves in-house, enhancing our current distribution margin, so it resembles more of a manufacturing margin on the same contracted revenue. Second, we will bring the inventory down from 9 months to 10 months closer towards 5 months to 6 months, freeing warehouse space and working capital. And third, supply chain to our pharmacy partners improves and becomes more reliable, a point our recent shipping disruptions have inhibited supply issues. I'll now hand over to Mr. Anil, the Chairman and Managing Director, for further comment.

Anil Kumar Karusala: Thank you, Mark. I'll now take you through our consolidated results compared with Q1 FY27. First, I would like to bring out to your notice that from this quarter, we present other income below EBITDA. Prior periods have been restated on the same basis. On this basis, Q1 FY27 EBITDA is INR24.7 crores at a margin of 13.7% instead of INR27.3 crores at 14.9% as reported last quarter. The difference is entirely other income, and PBT, and PAT remains unchanged.

As mentioned earlier, I'll focus on the sequential comparison with Q1 FY27. Revenue from operations rose 9% to INR196.1 crores from INR179.9 crores in Q1 FY27. Raw material cost fell to INR103.0 crores from INR106.2 crores sequentially, so gross profit rose 26.4% to INR93.1 crores and gross margin improved from 40.9% to 47.5%.

Employee and other expenses together rose by INR2.8 crores. EBITDA therefore rose 67.4% on Q-o-Q basis to INR41.4 crores, and EBITDA margin improved from 13.7% to 21.1%. Depreciation and amortization rose to INR25.1 crores from INR8.1 crores for the four reasons I described earlier. Finance cost eased to INR9 crores from INR9.4 crores. As a result, profit before tax was INR9.9 crores, in line with INR9.8 crores in Q1. We recorded a tax credit of INR0.6 crores this quarter as compared to the tax charge of INR1.9 crores in Q1. Profit after tax therefore rose to 37.7% (Errata: Actual number to be read as 32.7%) to INR10.5 crores from INR7.9 crores with a PAT margin of 5.4%.

Coming to H1 FY27 consolidated performance. For the first half, revenue from operations was INR376.0 crores, above 50% of our full year target of INR750 crores. Gross profit was INR166.7 crores at a margin of 44.3%and EBITDA came in at INR66.1 crores with a margin of 17.6%. After depreciation and amortization of INR33.2 crores and finance cost of INR18.3 crores, profit before tax was INR19.7 crores. Profit after tax was INR18.4 crores.

Coming to revenue mix, CDMO contributed about 73% of Q2 revenue and branded generics about 27%. For the first half, the split was 75:25. Exports made up about 73% of Q2 revenue. Within exports, Australia contributed 76%, the Philippines contributed 16%, South Africa 4%, and other markets at 3%. Private sector customers accounted for 80% of the revenue and institutional customers for 20%.

So, coming to the balance sheet, at 30th September 2026, total borrowing stood at INR357 crores against about INR320 crores at March 2026, and the cash, cash equivalents were INR129 crores. We have spent about INR70 crores on projects in H1FY27, mainly on Adelaide facility and Unit III.

FY26 will be our peak debt year as we complete our capex program, and we expect debt to come down from FY28 and FY29, as these assets start earning. Saicriti's project debt will be raised and sit at the subsidiary level and will be drawn as the construction progresses.

To sum up, the first half is ahead of our plan. Margins have improved and projects are moving from construction to operation. We are all well placed for the second half of the year.

With that, I request the moderator to open the floor for questions. Thank you.

Moderator: Thank you, sir. We will now begin the question-and-answer session. The first question is from the line of Heet from Axis Capital Limited. Please go ahead.

Heet: Yes, hi sir, great set of numbers. So, my one question would be, so the H1 has been really, really strong and previously also we have highlighted that it's 45% of our business. So apart from the strong outlook, any number you would like to quantify in terms of sales growth or in terms of margins? Because margins also this quarter it was around 20.7%. So, any, anything on the, any quantitative guidance?

Anil Kumar Karusala: Yes, thank you, Heet. Thank you very much for the, for your appreciation on the numbers. See, this quarter was, the gross margin was the hero of this, this quarter, according to me. As I said to you in my opening remarks, we have worked very thoroughly on the inventory management, and it's just the beginning. We are going to work through that a lot in the next two, three quarters.

So, and as I promised you in the, my opening remarks, we will try to keep the gross margin above moderate of 45%, in the coming quarters also. And Australia, coming up in the next two quarters, its revenue from its own manufacturing after two quarters will give a strong guidance for the business to come in.

And the three key points what will add more revenue and more margin coming in the next two quarters is - one is the Q3, for Unit 3 which is the ramped-up productions, which is going to start giving the delivery from Q4. And most of that will be dedicated to Australia and New Zealand. So, we see there are a lot of margins coming from there, from Q4.

And the second important is, the Prathyakk Laboratories revenue model, which will start from next quarter, Q4 (to be read as Q4 of FY27) and Q1 of FY28. Currently, it's a non-revenue model which was being developed only for in-house, till date when we took over. Now it's going to start its own revenue base, because we are already in discussions with a few clients for CDMO projects for that, Pratik Laboratories, and we see a lot of margin coming in from there.

So, these would be the two big additions in the next two quarters. And, as I promised you, revenue of INR750 crores, I think we'll be very, very comfortably crossing that.

And the margin side, 17%, whatever I promised, it should be -- we should be seeing you there comfortably, more than above that 17%.

Heet: Got it, got it. Thank you, sir. Also, my second question would be, in the presentation you highlighted biosimilars and mAbs, from 2027-'28 onwards. So, what is the plan of action over here? Just a qualitative thing on this.

Anil Kumar Karusala: Yes, so, Heet, I will be, releasing a paper in a month, about this onco mAbs and the biosimilars. We've already prepared a, a rolling map and, a planning has been put in. It was with my project management consultants. We were evaluating it. It has to be taken to the board and approved, then I'll put the news to the exchanges and in the public domain. Because I can't reveal any information on that.

Heet: So, so just, just one question on that. So will it be India-centric or will it be like, for the global thing.

Anil Kumar Karusala: It will be for the global.

Heet: Okay, okay, okay. I'll just join back the queue. Thank you, sir.

Anil Kumar Karusala: Thank you, thank you.

Moderator: Thank you. The next question is from the line of Mr. Amol Rao from Plutus Wealth LLP. Please go ahead.

Amol Rao: Good afternoon, sir. Thanks for the chance, to ask questions. So, just going through your financial statements, so I noticed that our receivables have increased to around INR250 crores in this first half.

Could you provide some color on this? I mean, what's the reason for this increase? Because, is it because the consolidation has resulted in something untoward, or is there anything else? And secondly, what's the aging profile of this receivable?

Anil Kumar Karusala: Yes, so, you have to divide this into two parts, Amol. One is the branded generic receivables, and the other one is the CDMO and export receivables. The aging of export receivables, and CDMO receivables are between always, less than 120 days. And the other aging branded generics domestic is between anywhere between 130 to 150 days. See, if you see this quarter, there was a little high because the receivables were a little on lower side from two biggest export customers. But the normalization will be -- you can see the normalization in the next, this coming quarter, Q3 and Q4. Mostly it will be in line. This is the one such quarter because this increase in sales also happened in the last one, one and half months, so which is not due. So, it's more of for that number which will normalize in the Q3 and Q4. But as I said to you, all the export receivables aging are less than 90 to 120 days.

And the domestic branded generic formulations, either to the B2B or a private customer or the institution, is anywhere between 120 to 150 days, which was always a challenge for us. So, we are trying to slowly reduce because it used to be a little more high. So, we started reducing it down, but in the next two quarters, maximum three quarters, I think it should be less than 120 days across the board.

Amol Rao: So, it's just basically a timing issue. Things got bunched up towards the end of the quarter, which is why it looks.

Anil Kumar Karusala: Exactly, exactly.

Amol Rao: All right, thank you very much for that clarification, sir. So secondly, sir, I mean, I was just reading some press, I mean, something in the press and, you know, our old, interviews. So, we are talking about the launch of 11 molecules for the Philippines. So, so we had previously announced, I think a USD10 million or USD11 million contract. So, is this covered under that for the Philippines?

Anil Kumar Karusala: Yes.

Amol Rao: Or is that I mean, is it -- there are.

Anil Kumar Karusala: There are wo contracts in Philippines, if you can just recall. One is that USD11 million is an anti-TB contract, which is a specific requirement of the, program of the government of Philippines. That's completely different. Apart from that, our regular business of USD14 million contract is already there before our IPO itself, for a client for our regular products. So, this has to be seen in the two contexts. One is the USD11 million for anti-TB, the USD14 million which we have signed earlier before IPO, for our regular contract.

And the business of Philippines have started in January 2025and for the USD14 million contract. Now the 11 molecules, whatever we have added in this quarter, is mainly predominantly to our regular products. Whatever the 11 products, cardiovascular and everything, we've added as part of our regular portfolio of this USD14 million contract. Whereas this USD11 million contract anti-TB, we have done the validation batches. The commercials will start anywhere from after January 2027, about.

Amol Rao: Got it, sir. Got it. And so last question is a little -- I mean, it's a little bit on your thoughts on Sai Prathyak. Basically the thing is, sir, I mean, you already mentioned that, you know, we should -- I mean, it's going to turn into a revenue generation kind of a business model from Q4 of this year, Q1 of next year. But I mean, in terms of as an investor, how do we assess what could be the revenue potential for this business?

I mean, what could be the possible economic contribution not only to external numbers but also to our internal, internally to our company, sir? I mean any qualitative and quantitative thing would be great.

Anil Kumar Karusala: See, see, you have to view this in a separate angle. One is the first, why we have acquired Sai Prathyak Laboratories. First, we are spending a lot of amount on development within Sai standalone, and we are spending a lot of amount at Noumed level for year-on-year product development.

So, we are spending this amount and outsourcing to the outside R&D centers and the CROs. Now, first thing what we want to plug in the gap is that we want to have our own R&D center in-house because of our growing businesses and growing development and growing CDMO

business. That is the first reason why we bought this, why we have taken over this Sai Prathyak. Now, once that is met and all the revenue, all the R&D development, CRO everything will be done through our Sai Prathyak, both for Noumed and Sai. Our purpose will be resolved in the next two, three quarters.

But as we are already doing this, we also want to extend our services for the outside people, which will be a revenue model for us, and it will be an added revenue to the -- because we have 36 products capacity at Prathyak as of today. As of today, we can develop 36 molecules in any year. So barring, Noumed and the Sai, whatever the leftover is there, I can't tell you the exact number, but whatever the leftover is there, we want to do it for the third-party customers wherein it will start generating the revenue.

So, it is an additional, thing for Sai Prathyak, so we want to employ that. That's the reason we started working with some of the good CDMO customers where we are going and telling them that we have this good lab which we are doing the development. So, we want to have long-term agreements with them. So that will start to unfold in the next FY28, where we will be doing for Noumed, for Sai, and also, we'll be doing for the others.

Amol Rao: So, so if I could, just clarify for my own understanding, what we're trying to do here is that it's not only going to be a cost center which will make us more efficient, but it also basically starts becoming a little bit of a profit or a revenue center to mitigate those costs. That's the long and short of it.

Anil Kumar Karusala: Absolutely, absolutely. It's a self-sufficient and it becomes a revenue model, cost center revenue model.

Amol Rao: All right, so but could we hazard any, any number to what is earnings potential? Just a standalone external earnings potential could be, revenue generation potential. Like…

Anil Kumar Karusala: As of now we have not worked on the numbers, Amol, but by next quarter earnings call I should be able to give some guided guidance on this Sai Prathyak side because we keep on working with so many clients. I'll come up in the next quarter. When I'm there in the next quarter, I'll definitely give guidance on the Sai Prathyak side.

Amol Rao: Thank you so much, Anil sir. Thank you, and wish you all a very happy Diwali, sir.

Anil Kumar Karusala: Thank you, thank you. Happy Diwali for you.

Amol Rao: Thank you, sir.

Moderator: Thank you. The next question is from the line of Mr. Murali, an individual investor. Please go ahead, sir.

Murali: Hello, sir. So just one question. In your slide on injectables, you have mentioned US FDA as well. So, is there a change that you will also look at US FDA from injectable standpoint?

Anil Kumar Karusala: Can you repeat the question a little more louder because I am not able to exactly hear it? Sorry for that.

Murali: No problem. So, so in your slide deck on injectables,

Anil Kumar Karusala: Yes.

Murali: You have mentioned US FDA as well in addition to EU GMP. Are you now, thinking of US FDA as well?

Anil Kumar Karusala: So, I have cleared this question, last time also. I will explain you. See, initially our target was EU GMP, but once we aligned with Saicriti Pharma and we are building a larger project on the JV 60/40, we said why don't we build it for the US FDA standards. Yes, then we took a call, this let's do with the regulatory US FDA standards.

Now going on the business front, our prime focus will be EU GMP and our market focus will be more of a Southeast Asia, Latin America, and Middle East for the next two to three years. So, we will be focusing more on these lines because we are building a lyophilisation, GLP-1 ampoules, and critical care injectables for these markets where we had a complete extensive study report we have generated from this. And we also have a client base in these regions, where we are in discussions for the launching of the injectable space. But said that, as of today, we don't have any idea of launching ourselves into US FDA for at least two, three years.

But we are keeping the option open if there is a CMO client who is coming up to us and who wants to manufacture the product within our site. We are well open for the discussions, and if if it is his product which we have to manufacture, we are open for that. But as Sai projections, maybe we don't have anything on the US side, at least for the next two to three years.

Murali: Okay, thank you, sir. Next, I know you've not given an FY27 actual guidance increase, but do you at this moment for the next three years, is there a forward guidance you can hazard a guess, I guess, as to what could be the CAGR that you're looking to grow your business at?

Anil Kumar Karusala: Probably for the next three years, maybe, it's too pre-emptive, but for the FY28, I will release my guidance in the next earnings call, definitely. So FY28 guidance, I'll coming in the coming earnings call in the month of Jan, Feb, I'll definitely put my earnings call, because too many things we are doing at this point of time, too many revenues are being expected at every level. So, three years, putting up the numbers of guidance at this point of time may be difficult for me, but for FY28, for sure I'll put it on my next earnings call.

Murali: Okay, sir, if possible, I'll squeeze in two more. The site that you're now closing down, right, the injectable earlier one, do you have an idea right now on what you intend to do with that?

Anil Kumar Karusala: Two things might happen now because this becomes a very commercial site, both of them. We have two, three options with doing that. Now we are, we are preparing a comprehensive report to present it to the board, how to capitalize them or how to commercialize them. So, it's under the discussion part. Once it is presented to the board, I will reveal it to the exchanges in the public domain.

Murali: Okay, thank you. And last is on your leadership, next hire, sir. Are you confident on you having a good next line with so many things happening at the same time? Now you're talking about mAbs and biosimilars as well. So how does your next line look like?

Anil Kumar Karusala: Yes, if you see consistently in the last two quarters, the expenses on the people, on the management and people, is increasing, very high when compared to this last year numbers. That itself tells the story. What happening is the senior management under KMP, we have substantially increased in the last six to eight months, and in the next three months to four months, again, there is going to be substantial increase on the KMP side.

So, I'm preparing the entire team at all levels, be it at Saicriti, be it at Sai Australia. We're doing everything to ramp up the bandwidth of the management, to take up the individual responsibilities. And I myself want to focus more on the strategy, not on everyday business.

Murali: Okay, thank you, sir. Thanks for your time.

Anil Kumar Karusala: Thank you. Thank you very much.

Moderator: Thank you. The next question is from the line of Mr. Gopal Bhatt from Baroda BNP Paribas Asset Management. Please go ahead.

Gopal Bhatt: Just double-checking on this, cash flows. So, if I look at last year's numbers also for the 1H FY26, Again, cash flows from operations were negative, and then I see that for the full year they have kind of normalized to positive levels. So, if you could just help me understand the cyclicality in this, in the cash flows and the overall cycle, please.

Anil Kumar Karusala: So, one thing, Gopal, the cash flow for the last year, H1 FY26, is for a standalone because Noumed is done on November 2025, so the Noumed numbers are not there in the cash flow for H1 FY25. So, it may not be right to compare both the things. But still there is a -- I'll give you the explanation about the difference of INR205 crores. So, in that, if you see INR113 crores minus the cash flow, increase and decrease in other financial liabilities, that's an OFS.

We have -- so we have raised INR409 crores from the IPO, out of which INR113 crores has been disbursed to the earlier shareholders under OFS. So, it's majorly because of the OFS of INR113 crores and the increase and decrease in current liabilities and.

Gopal Bhatt: I'm just referring to cash flows from operation, operations. So, that won't include all of that, right? Just operations, I'm saying. So, operations was minus INR60 crores last year and it's minus INR200 crores in this, first half this year. Yes, I understand that you have an acquisition here at all, but I am trying to understand that there there seems to be some kind of cyclicality in the business where you are carrying the receivables, I think, in the first half.

Anil Kumar Karusala: No, that's what I'm telling. If you, if you refer that cash generated from operations, you are talking about INR205 crores minus, am I right?

Gopal Bhatt: INR201 crores for this year.

Anil Kumar Karusala: In that, if you see increase, decrease in other financial liabilities, have you seen that? INR113.1 crores.

Gopal Bhatt: Okay, no, I was just seeing abbreviated. Okay, fine. Okay,

Anil Kumar Karusala: So, so in that, if you see the breakup what we have submitted it to the exchanges. There is one column called increase/decrease in the other financial liabilities. That is INR113.1 crores out of INR200 crores, INR113.1 crores, which is an increase/decrease in the financial liabilities, is towards the OFS payment.

Gopal Bhatt: Okay, fine, got it.

Anil Kumar Karusala: So that is the OFS payment which has gone out of the account, from the proceeds of the IPO.

Gopal Bhatt: Okay.

Anil Kumar Karusala: And the second one is, increase in decrease in payables and current liabilities, and increase in decrease in current liabilities and the term trade payables is almost INR49 crores.

Gopal Bhatt: Okay.

Anil Kumar Karusala: So, these are the two major heads. Otherwise, everything is in line. The major thing has come from the decrease in financial liabilities, decrease in current liabilities and decrease in trade payables.

Gopal Bhatt: Okay, fine. And then if you could explain that, how does it all then normalize back usually by the end of the year?

Anil Kumar Karusala: Because we are sitting on IPO of INR285 crores, where we have cash on the books around - INR110 crores is already there on the books with, in FD deposits is also there. So that's sitting in cash.

Gopal Bhatt: Yes, but I'm just saying that your cash flow from operations for the full year was positive last year as well.

Anil Kumar Karusala: Last year it was INR15.42 crores H1, and this year it is INR129.33 crores.

Gopal Bhatt: I see. I mean, I'm just referring to your presentation, but I am saying that I see INR93 crores as your operation

Anil Kumar Karusala: See, the cash flow whatever we have submitted yesterday to the exchanges. The complete cash flow, we have given a detailed cash flow from where it has come, where it has gone. We have put as a part of the present exchanges information, wherein it clearly emphasizes exactly on which head it has come up and which head is…

Gopal Bhatt: I can understand that. No, no, I do understand that, that I can get into those details also, but I, I'm sure the overall summation would not differ from what you have in the PPT, right? As I said,

I just wanted to understand the business part of it. Not just the number change, but just overall that how come it fluctuates from quite negative to then positive for the end of the year.

Anil Kumar Karusala: Year. One thing is, let's not compare H1 FY26 to H1 FY27, because the reason being it's a standalone with a turnover of INR89 crores last year with a turnover of INR375 crores this year. It is completely different picture. And there is only one subsidiary last year. There are four subsidiaries this year. So, the comparison between H1 FY26 and FY27 may not be the right thing, but on H1 FY27, the the cash flows were majorly because of the operations, both of the…

Gopal Bhatt: The Two items you told me.

Anil Kumar Karusala: Yes, yes, yes.

Gopal Bhatt: Fine, fine. Okay, then I'll I mean, I'll just relook into it and then connect.

Anil Kumar Karusala: Please, please.

Gopal Bhatt: Okay, thank you.

Anil Kumar Karusala: Thank you.

Moderator: Thank you. The next question is from the line of Ms. Bhavika Singhvi from Niveshaay. Please go ahead, ma'am.

Bhavika Singhvi: Yes, am I audible?

Moderator: Yes.

Anil Kumar Karusala: Yes, yes.

Bhavika Singhvi: Yes. Thank you for the opportunity. So, so basically, like I'm new to the company, so just wanted to understand like how we see, to make Sai Parenteral over like next two to three years. Like because we are doing a lot of things, currently. Also I wanted to understand because like, we are doing expansion in complex injectables, oncology, and GLP.

So, first I wanted to get this understanding, like how we try to decide, like, which CDMO players we want to onboard, like, how we have the mindset over it. And also on the product level, as we have our own brand, where we like own manufacturing, where we do the, product selection. So, for like here I wanted an understanding like how we make the decision.

And second, like because we are doing a lot of things, so what currently, challenges we are facing and how we are, like putting, things to resolve that. If you can answer both of them, that would be grateful.

Anil Kumar Karusala: Yes, two things. How do you see Sai in next three years. So, the pace at which we built from the last three years is very, very massive and very fast. So, to keep up the pace for the next three years, we have to work a little more hard, and the proper planning has to be there, and we are doing that.

At end of the three years, if you see, Sai Pratik will be having a very formidable manufacturing facilities, be it dosage forms, be it the regulatory approvals what it will have, and be the kind of products we are going to develop, and the new set of molecules which we are going to work and launch through our, Sai Prathyak.

All this will help to see a different kind of portfolio of products along with the backward integration of manufacturing. So that is what we will be -- you, you name anything, you name onco, will be there. We name, you name, tablets, will be there. We'll be there in mAbs.

At the end of the three years, we want to put up the facilities, backward integration facilities, where we will be covering all dosage forms, and we will be there manufacturing every product. But a very differentiated products, and the product development will be also in-house, and we will be developing a lot of products. In-house development, we will be doing it going forward. One is that.

The second question is about the challenges. So yes, every project integration is a challenge for us, but because of our, 30 years' experience in this manufacturing, we know exactly how to tackle them. But obviously, while finally looking, we will be happy if the integration is completed in fully. So, for us, business is not a challenge, be it at Australia, be it at India. We have the business and the certainty in this business. We have very long-term contracts.

Now constructing the units, going for the capex, completing the capex, making the plants run effectively, and then delivering it and increasing our margins. This is the only thing what we are looking at. That integration part is what we are going to look, in the coming future. And the new bandwidth of management, whatever we have increased, as I told in earlier call also that we are working on that new people around us, new bandwidth of the people around us to take care of every integration part at every level,. Every subsidiary level it has to be integrated in a proper way.

So, there are challenges for the integration parts and we are taking care of that. And finally, by end of that 2030, when this, all these facilities are in full force, you can expect Sai as a very good technology company, both with the development, backward integration, and forward integration.

Moderator: Sir, sorry, but the line for Ms. Bhavika has been disconnected.

Anil Kumar Karusala: Okay.

Moderator: Sir, since we don't have any other further questions, I would like to hand it over to you for any closing comments.

Anil Kumar Karusala: So, thank you very much for your support and the insights, whatever you give us, to us, and we'll be open for any kind of data requirements, anything more understanding on the balance sheet, we'll be open and you can just always write to our CS, CFO, and personally me, which were available - all our emails are available on the website. And thank you very much, and everyone wishing you a happy Diwali. Thank you.

Moderator: Thank you so much, sir. Thank you, ladies and gentlemen. That was the last question for today and the closing remarks from Mr. Anil Kumar Karusala. For any further information, you may reach out to SGA, they are the investor relations advisors. Thank you. Now, on behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.