

Glenmark Life Sciences reports Q1 FY23 Results

PAT growth of 7.7% YoY for Q1 FY23

CVS and CNS therapies lead the growth of the generic API portfolio

Mumbai, August 04, 2022: Glenmark Life Sciences Limited (GLS), a leading developer and manufacturer of select, high-value, non-commoditized, Active Pharmaceutical Ingredients (APIs) in chronic therapeutic areas, today announced its result for the quarter ended June 30, 2022.

Financial Highlights:

- GLS registered revenue from operations of ₹ 4,898.7 Mn for Q1 FY23, recording a YoY decline of 6.7% due to high base of COVID products sales last year. (+6.5% YoY excluding COVID products)
- Gross margins for the quarter improved to 53.3% mainly driven by booking of PLI scheme incentive. Gross Margins excluding PLI scheme incentive were stable at 52.0 % driven by better product mix and cost optimization efforts.
- Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was at ₹ 1,562.6 Mn for Q1 FY23 with margin at 31.9%.
- Profit After Tax (PAT) was at ₹ 1,087.3 Mn in Q1 FY23, registering a growth of 7.7% YoY.

Commenting on the company's performance, Dr. Yasir Rawjee, MD & CEO, Glenmark Life Sciences Limited said, *"We are pleased with our performance in this quarter with the overall business growing steadily, ex-covid products. India, LATAM, and ROW continue to lead our growth with Europe being soft due to supply chain issues. Generic API business saw a healthy growth of 7.1% YoY ex-covid products, whereas CDMO business witnessed an impact due to inventory rationalisation at customers' end. We are witnessing improvement in demand for APIs across geographies, and I am optimistic about continuing the growth momentum in coming quarters"*

Dr. Rawjee further added, *"Our CAPEX plans are slightly delayed but we expect closure on some of these investments by the end of Q2 FY23. Our brownfield projects continue to be on track and will be completed by the end of this fiscal year. The addition of these new capacities will facilitate sustainable growth as we expand our product portfolio and continue to deliver higher volumes for existing products in the coming years."*

Tushar Mistry, CFO, Glenmark Life Sciences Limited said, *"The quarter saw a steady growth of 6.5% YoY, excluding covid product sales. Generic API business (ex-covid) saw strong growth momentum in this challenging period driven by CVS and CNS therapeutic APIs. We delivered higher margins for the quarter driven by cost improvement measures, better product mix, passing of incremental cost to select clients, and PLI scheme incentives. Our bottom line was further driven by lower interest cost. Our focus continues to be on growing steadily while maintaining the margin profile as we build capacities for future growth."*

Business Highlights:

- Revenues from the Generic API segment decreased by 7.4% YoY due to a high base of COVID products sales last year (+7.1% YoY excluding COVID products) and the CDMO business registered a decline of 37.6% YoY in Q1 FY23.
- Regulated markets contribution remains stable at ~72% with flattish growth YOY. Emerging markets witnessed growth of 23.7% YOY excluding COVID products

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- CVS and CNS portfolio led the growth in Q1 FY23. Our key focused area of chronic therapies contributed 72.6% of the net sales
- The Company has filed 3 DMF/CEPs across major markets during Q1 FY23 and cumulative filing stands at 436 as on June 30, 2022.
- The Company has received Environmental Clearance for the installation of 1000 KL capacity for the planned greenfield site at Chincholi Industrial Area, Solapur and construction work will begin in the current financial year.

About Glenmark Life Sciences Ltd (GLS)

Glenmark Life Sciences Limited (BSE: 543322, NSE: GLS), is a leading developer and manufacturer of select, high-value, non-commoditized, active pharmaceutical ingredients (APIs) in chronic therapeutic areas such as cardiovascular disease, central nervous system disease, pain management and diabetes. The company is increasingly providing CDMO services to a range of multinational and speciality pharmaceutical companies.

It has a diversified portfolio of more than 128 molecules and supplies its products to customers in India, Europe, North America, Latin America, Japan and the rest of the world (ROW). The company's 4 manufacturing facilities are located in Ankleshwar, Dahej, Mohol and Kurkumbh with a total installed capacity of 765 KL, which are regularly inspected by global regulators such as USFDA, PMDA (Japan) and EDQM (Europe).

GLS is a subsidiary of Glenmark Pharmaceuticals Limited and has recently been listed on BSE/NSE.

Learn more about Glenmark Life Sciences Limited on [www. https://www.glenmarklifesciences.com/](https://www.glenmarklifesciences.com/)

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