

Glenmark Life Sciences reports Q2 FY23 Results

Revenue growth of 4% QoQ Regulated markets led the growth

Mumbai, October 21, 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 September 30, 2022.

Financial Highlights:

- GLS registered revenue from operations of ₹ 5,093 Mn for Q2 FY23, recording a growth of 4% QoQ and de-growth 4% (ex-covid) over a higher base of Q2 FY22
- Gross Margins for the quarter were at 52.9%, up 120 bps YoY driven by a better product mix and PLI scheme benefit
- Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) was at ₹ 1,537 Mn for Q2 FY23 with margins steady at 30.2%
- Profit After Tax (PAT) for the quarter was at ₹ 1,069 Mn in Q2 FY23, registering a de-growth of 7.2% YoY. PAT Margin for the quarter was at 21% up by 50bps YoY

Commenting on the company's performance, Dr. Yasir Rawjee, MD & CEO, Glenmark Life Sciences Limited said, *"I am pleased to share that despite global uncertainties, the Company exhibited growth on a sequential basis. External businesses (ex-GPL) was the key driver for this quarter, growing 13% YoY basis and 16% QoQ. India, LATAM, and Japan drove the growth during the quarter. The CDMO business also showed momentum, posting 27% growth QoQ."*

Dr. Rawjee further added, *"I am happy to announce that we have completed the Dahej Capex and commenced commercial production from the third quarter. The new capacity will help us achieve the next leg of growth in the coming years. We remain confident of growing steadily in coming quarters with our differentiated products and wide geographical reach."*

Tushar Mistry, CFO, Glenmark Life Sciences Limited said, *"The revenue for this quarter registered a 4% sequential growth despite a substantial degrowth in the GPL business. EBITDA margins at 30.2% was steady. The resilient margin profile in the face of global uncertainties has come on the back of continuous focus on cost improvement programs, efficient supply chain management and the intrinsic fact that our products are high-value niche molecules. With all the planned capex in place, the company is uniquely positioned to address the opportunities with its differentiated product offerings across a wide geography."*

Business Highlights:

- Generic API revenues in Q2 FY23 increased 1.9% QoQ and decreased 4.5% YoY (ex covid). Europe business picked up in Q2 whereas US business witnessed muted demand. LATAM, Japan and India business (ex-GPL) continue the strong growth momentum.
- CDMO revenues in Q2 FY23 increased by 27.1% QoQ.
- Regulated markets contribution increased to 75% with a growth of 7.1% QoQ and de-grown 9.7% YoY. Emerging markets remained stable YoY (ex-covid products).
- The Company has filed 4 DMF/CEPs across major markets during Q2 FY23 and cumulative filing stands at 440 as on September 30, 2022.

PRESS RELEASE

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- The brownfield expansion for Generic API products at Dahej facility is completed with 240 KL capacity coming online from Q3 FY23.
- The brownfield expansion at Dahej for the Oncology plant is completed. Exhibit batches have already started for some of the products.
- Intermediate manufacturing block at the Ankleshwar Site with a manufacturing capacity of 400 KL shall be operational by end of Q3 FY23.

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 137 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 1005 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 is 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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