



Windlas Biotech Limited

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CIN-L74899UR2001PLC033407

Ref No. WBL/SE/2022-2023

August 4, 2022

To
Listing / Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

To
Listing / Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

BSE CODE: 543329

NSE SYMBOL: WINDLAS

Dear Sir/ Madam.

Sub: Press Release

Please find attached herewith press release on un-audited Standalone and Consolidated Financial Results for the Quarter ended June 30, 2022.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Windlas Biotech Limited



Ananta Narayan Panda
Company Secretary & Compliance Officer

Encl: as above

Press Release

Windlas Biotech Limited Reports its Q1FY23 Financial Results

- ✓ Trade Generics vertical grew by 73.2% YoY
- ✓ Consol. EBITDA grew by 11.4% YoY
- ✓ Consol. PAT grew by 46.6% YoY

Thursday, 04th August 2022, Gurugram: Windlas Biotech Limited, one of the top five players in the domestic pharmaceutical formulations contract development and manufacturing organization (“CDMO”) industry in India, reported its audited financials for the quarter ended June 30, 2022.

Consolidated Highlights –**Q1FY23 Highlights:**

- Revenue from operations stood at Rs. 119.9 crores as against Rs. 111.0 crores, a growth of 8.1% YoY.
- **EBITDA** stood at Rs. 13.8 crores as against Rs. 12.4 crores YoY, a growth of 11.4% YoY. **EBITDA Margin (%)** came in at 11.5%.
- **PAT** stood at Rs. 9.8 crores as against Rs. 6.7 crores, a growth of 46.6% YoY. **PAT Margin (%)** came in at 8.2%

Vertical Performance Update

| Particulars (In Rs. Crores) | Q1 FY23 | Q1 FY22 | YoY |
|-----------------------------|---------|---------|--------|
| CDMO | 94.8 | 95.7 | -0.9% |
| Trade Generics | 21.4 | 12.3 | 73.2% |
| Exports | 1.9 | 2.2 | -12.6% |

CDMO Vertical Highlights

- Q1 FY23 revenue for the CDMO vertical remained largely stable at Rs. 94.8 crores
- CDMO vertical contributed approximately 79% for Q1FY23 to the consolidated revenue.

Trade Generics Vertical Highlights

- Q1FY23 revenue for the Trade Generics vertical stood at Rs. 21.4 crores, up 73.2% YoY.
- Trade Generics vertical contributed approximately 18% for Q1FY23 to the consolidated revenue.

Exports Vertical Highlights

- Q1FY23 revenue for the Exports vertical stood at Rs. 1.9 crores compared to Rs. 2.2 crores YoY.

- Exports vertical contributed approximately 2% for Q1FY23 to the consolidated revenue.

Commenting on the results Mr. Hitesh Windlass, Managing Director – Windlas Biotech said, “The company registered a consolidated revenue growth of 8.1% YoY in Q1 FY23, driven by healthy growth in Domestic Trade Generics vertical which grew by 73.2% YoY. The company continued its focus to increase the presence in the chronic and sub-chronic therapies in complex generics products which represent opportunity for significant growth and in turn aid margin expansion. The company’s ability to pass on increase in raw material prices coupled with superior inventory management has helped it sail through cost pressure environment while being able to protect margins.

The company continues to invest in the R&D infrastructure and use its expertise to shift its identity from a supplier to a partner. This has also helped the customers get a first-mover advantage for these innovative products in the domestic market. The business will keep using this value proposition to better serve its clients and add value for them.

The company is seeing a strong traction in the Domestic Trade Generics vertical driven by a rapid increase in stockists and distributor network. The company served a network of 856+ stockists in FY22, up from 703+ in FY21 demonstrating a sharp 20% uptick YoY. There is a tremendous untapped opportunity in this space that the company continues to leverage.

Growth is anticipated to be fuelled by the company's various efforts for the CDMO vertical, which include new patent expiry launches, growing wallet share from current customers, acquiring new clients and launching unique products supported by superior R&D and a planned capacity for injectables. The government initiatives that will increase generic adoption and reliance across India, as well as increased consumer demand for high-quality generics, are anticipated to be the main external tailwinds for the Domestic Trade Generics vertical's upcoming growth phase. Other internal growth drivers include brand building, channel expansion, new product introduction, and geographic expansion. The Exports vertical is poised to grow with the recent conclusion of the SAPHRA and EU-GMP audits which have facilitated entry into the newer and regulated markets.”

Adding further, Ms. Komal Gupta, CFO - Windlas Biotech said “Despite a host of challenges in the business climate, such as the inflationary nature of input costs, supply chain interruptions, and numerous geopolitical risks, the company's financial performance shows excellent operational resilience, operating leverage, and enhanced profitability.

For Q1FY23, consolidated revenue, EBITDA and PAT grew by 8.1%, 11.4% and 46.6% respectively to Rs. 119.9 crores, Rs. 13.8 crores, Rs. 9.8 crores, respectively. This robust growth asserts our company’s long-standing relationships with the customers as well as operational efficiency. The company was able to maintain gross margins consistently above 35% which has been maintained since FY19. EBITDA margins stood at 11.5% as against 11.2% YoY. The margin expansion would’ve been higher in the absence of higher costs for R&D, product development & registration costs. However, R&D will continue to remain a key focus area as the company expects to reap the benefits of it in the years to come. The company incurred Rs. 2.2 crores R&D expenses during Q1 FY23.

Out of the Rs. 152 crores raised in the IPO, the company has spent Rs. 96.0 crores on the different objects outlined in the Prospectus, translating to a utilization of around 63%. Further, the company has started utilizing the cash for the injectables project. The company's net cash position remains strong and as stated before, the company would like to be an active consolidator in the market and thus maintains a healthy reserve for a potential inorganic growth opportunity.”

About Windlas Biotech Limited

The company (Windlas) is amongst the top five players in the domestic pharmaceutical formulations contract development and manufacturing organization (“CDMO”) industry in India in terms of revenue. With over two decades of experience in manufacturing both solid and liquid pharmaceutical dosage forms and significant experience in providing specialized capabilities, including, high potency, controlled substances and low solubility, the Company provides a comprehensive range of CDMO services ranging from product discovery, product development, licensing and commercial manufacturing of generic products, including complex generics, in compliance with current Good Manufacturing Practices (“GMP”) with a focus on improved safety, efficacy and cost.

Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project-related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For more information please contact:



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