



Windlas Biotech Limited

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CIN-L74899UR2001PLC033407

February 08, 2023

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 and nine months ended December 31, 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 9M & Q3 FY23 Financial Results

- ✓ Exports revenue grew 124% YoY for Q3 FY23
- ✓ Trade Generics revenue grew 42% YoY for Q3 FY23
- ✓ EBITDA margins expanded for 9M and Q3 FY23
- ✓ Appointed Ms. Komal Gupta as the CEO

Wednesday, 08th February 2023, 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 and nine months ended December 31, 2022.

Consolidated Highlights –

9MFY23 Highlights:

- Revenue from operations stood at Rs. 372.4 crores as against Rs.343.8 crores, a growth of 8.3% YoY.
- **EBITDA** stood at Rs. 43.8 crores as against Rs. 38.6 crores YoY, a growth of 13.5% YoY. **EBITDA Margin (%)** came in at 11.8%.
- **PAT** stood at Rs. 31.2 crores as against Rs. 23.3 crores, a growth of 33.8% YoY. **PAT Margin (%)** came in at 8.4%.

Q3FY23 Highlights:

- Revenue from operations stood at Rs. 119.7 crores as against Rs. 117.6 crores, a growth of 1.8% YoY.
- **EBITDA** stood at Rs. 13.9 crores as against Rs. 13.0 crores YoY, a growth of 7.0% YoY. **EBITDA Margin (%)** came in at 11.7%.
- **PAT** stood at Rs. 9.2 crores as against Rs. 8.3 crores, a growth of 10.5% YoY. **PAT Margin (%)** came in at 7.7%.

Vertical Performance Update

Particulars (In Rs. Crores)	9M FY23	9M FY22	YoY	Q3 FY23	Q3 FY22	YoY
CDMO	287.9	282.8	2%	85.9	95.9	(10)%
Trade Generics	68.4	46.1	49%	24.0	16.8	42%
Exports	12.8	11.5	12%	8.4	3.7	124%

CDMO Vertical Highlights

- 9M and Q3FY23 revenue for the CDMO vertical stood at Rs. 287.9 crores and Rs. 85.9 crores, up 2% and down 10% YoY respectively.
- CDMO vertical contributed approximately 77% and 72% for 9M and Q3FY23 respectively to the consolidated revenue.

Trade Generics Vertical Highlights

- 9M and Q3FY23 revenue for the Trade Generics vertical stood at Rs. 68.4 crores and Rs. 24.0 crores, up 49% and 42% YoY respectively.
- Trade Generics vertical contributed approximately 18% and 20% for 9M and Q3FY23 respectively to the consolidated revenue.

Exports Vertical Highlights

- 9M and Q3FY23 revenue for the Exports vertical stood at Rs. 12.8 crores and Rs. 8.4 crores, up 12% and 124% YoY respectively.
- Exports vertical contributed approximately 3% and 7% for 9M and Q3FY23 respectively to the consolidated revenue.

Commenting on the results Mr. Hitesh Windlass, Managing Director – Windlas Biotech said, *“Revenues for 9M FY23 stood at Rs. 372.4 Crores, up 8% from the corresponding period last year. The Q3 FY23 top line grew by 2% YoY. EBITDA margins witnessed expansion in the nine months and quarter and stood at 11.8% and 11.7% respectively, indicating effective cost management and the ability to pass on the risk of input price volatility. Growth in the exports and trade generics vertical for the quarter remained sturdy registering a growth of 124% and 42% YoY respectively. However, overall growth remained largely flattish due to degrowth in the CDMO vertical.*

After a lacklustre first half, the IPM growth picked pace during the second half of the calendar year 2022. However, a sizeable portion of this growth was led by a strong performance in the anti-infectives segment, particularly anti-biotics. The company doesn't have a presence in this therapy.

Our sustained efforts in the CDMO segment including new patent expiry launches, gaining wallet share from current customers, attracting new clients, and introducing distinctive products supported by superior R&D have ensured that the company continues to be the top choice for numerous pharmaceutical companies in diabetes, cardiology, and gastro space. Additionally, the government's thrust on quality should improve business prospects for well-established organized players like Windlas Biotech.

In terms of our injectables facility, the company expects the completion by the end of September 2023.

Windlas' Domestic Trade Generics segment is experiencing exceptional growth, which is supported by a rapidly expanding distributor network. The trade generics market is largely underserved and offers numerous growth opportunities. Rising consumer demand for high-quality generics and government initiatives that will boost generic adoption and reliance in India are anticipated to be the primary

external tailwinds for the upcoming growth phase of the Domestic Trade Generics vertical. Branding, channel expansion, the introduction of a new product, and regional expansion are also internal growth factors.

The company's initiatives in the form of numerous dossier filings and entry into newer and more regulated markets has led to robust growth this quarter. However, we believe a large part this growth is fag ended growth and that we're yet to reap the full benefits of the various initiatives undertaken in this vertical.

In an effort to award its shareholders, the Board of Directors had approved a share buyback program under which the company will repurchase up to Rs. 25 crores of the outstanding shares. The company has bought back Rs. 9.88 Crores (till 25th January 2023) which sums up to a total of 3,87,238 shares.

It gives me immense pleasure to share the appointment of Ms. Komal Gupta as the CEO. Her extensive industry experience and prowess will further aid the company in driving the next leg of growth. The Company is in the process of appointing the new Chief Financial Officer shortly. In the interim, Ms. Komal Gupta will continue to assume the responsibilities of a Chief Financial Officer.

Windlas Biotech holds a disciplined and prudent capital allocation policy and is committed to deploy capital where we believe we can create the most value for our shareholders, while also growing our business and establishing a strategic reserve for potential inorganic growth opportunities."

Adding further, Ms. Komal Gupta, CEO & CFO - Windlas Biotech said

"At the outset, I would like to say that I am honoured to take on this new position as the CEO of Windlas Biotech and remain committed to working relentlessly for the benefit of our customers, partners, employees, shareholders and all the other stakeholders. Through more than seven years with Windlas Biotech, I have gained extensive knowledge of its day-to-day operations which will help me further contribute to the company's growth journey.

For 9M FY23 consolidated revenue, EBITDA and PAT grew by 8%, 13% and 34% to Rs. 372.4 crores, Rs. 43.8 crores, Rs. 31.2 crores, respectively. For Q3 FY23 the same grew by 2%, 7% and 11% to Rs. 119.7 crores, Rs. 13.9 crores, Rs. 9.2 crores, respectively.

Gross margins for the quarter were 219 bps higher YoY, and comparable EBITDA margins were 56 bps higher at the quarter's end. The EBITDA margin increased to 11.7% from 11.1% YoY in Q3 FY23.

Around 82% of the Rs. 153.1 crores received in the IPO have been spent on the different purposes detailed in the Prospectus, which totals Rs. 126.2 crores. The company has already begun ordering necessary equipment for the forthcoming injectables project, which is expected to complete by the end of September 2023.

The company has a sizable cash reserve for potential inorganic growth prospects, and its net cash position is strong. As previously stated on various occasions, the company intends to play a big part in market consolidation."

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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