

Neuland Laboratories Limited

Investor Presentation
Q2FY26 & H1FY26

SAFE HARBOUR

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Table of Content





Q2FY26 & H1FY26 Highlights



SUCHETH DAVULURI

"The record high revenue this quarter driven by CMS commercial projects led to the operating leverage reflected in the EBITDA margins, and we expect this momentum to continue through the rest of the year. Given the investments we are making Neuland is well positioned to take advantage of the number of growth opportunities available to us in both the CDMO as well as the generic APIs space."

SAHARSH DAVULURI

"Customer interest in Neuland's capabilities continues to be on the rise as we see increased engagement with a diverse range of customers. Our reputation and track record as an agile partner is enabling not just new business but for greater share of business from existing customers. Our investments are going according to plan and helping to further differentiate Neuland as a partner of choice."



Q2 & H1 FY26 Business and Financial Highlights



CMS

CMS revenues driven by commercial molecules.

Growth in new projects orders which will be delivered over the course of this and next financial years

GDS

In Prime segment Ezetimibe, and Mirtazapine were the key molecules. Ezetimibe likely to drive growth of the Prime segment

Specialty business subdued, revenue driven by sterile products

Operational Highlights

Unit-2 received EIR post FDA inspection in Q1

1 USDMF filed in Q2 FY26

Unit-1 receives Sword of Honour from the British Safety Council for outstanding Health & Safety practices



Financial Highlights

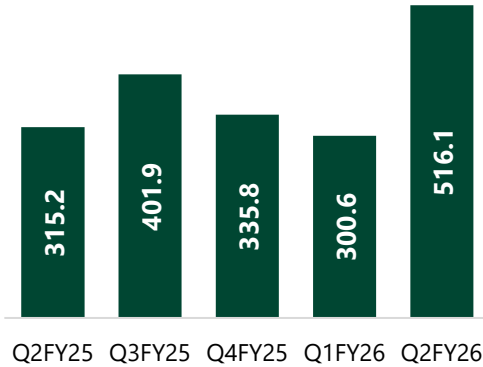
Working capital days of sale at 155 days in Q2FY26 as against 145 days in Q1FY26, mainly on account of increase in receivables.

Capex outflow of Rs170Cr in H1FY26.

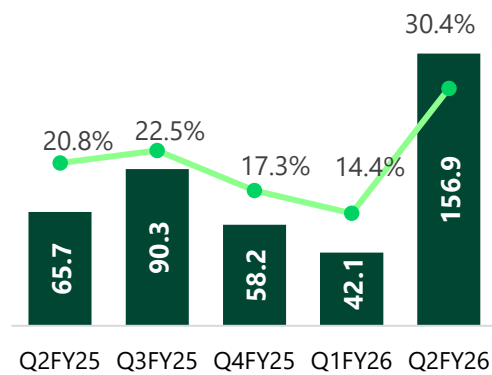
Q2FY26 Financial Highlights



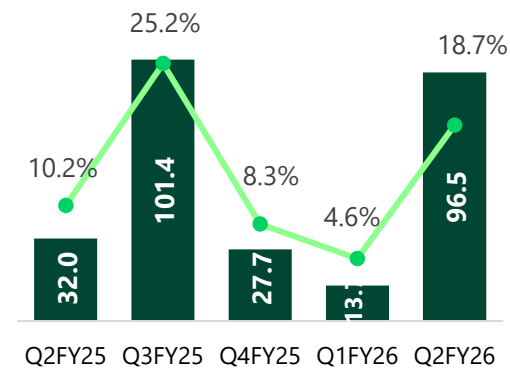
Total Income
(Rs. Cr)



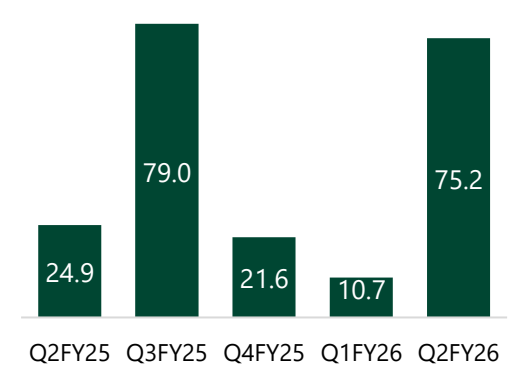
EBITDA
(Rs. Cr)



PAT
(Rs. Cr)



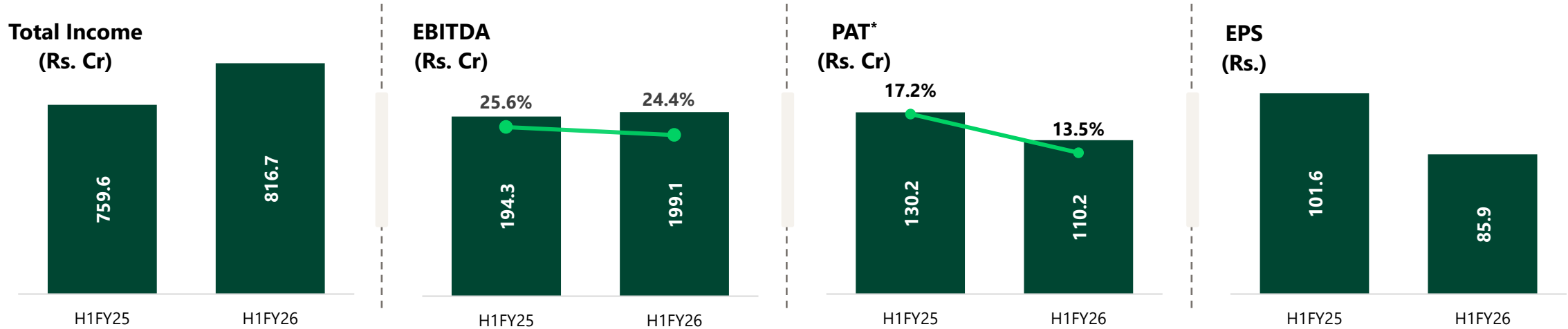
EPS
(Rs.)



Financial Highlights

- Total Income for Q2FY26 at Rs. 516.1 crore (63.7% YoY)
- EBITDA for Q2FY26 at Rs. 156.9 crore (138.8% YoY)
- EBITDA Margin for Q2FY26 at 30.4% (increased by 960 bps YoY)
- PAT for Q2FY26 at Rs. 96.5 crore (201.6% YoY)
- Net Debt stood at Rs. (-6.6) crore as at Q2FY26 end compared to Rs. (94.3) crore as at Q2FY25 end and Rs (164.7) crore as at Q1FY26 end

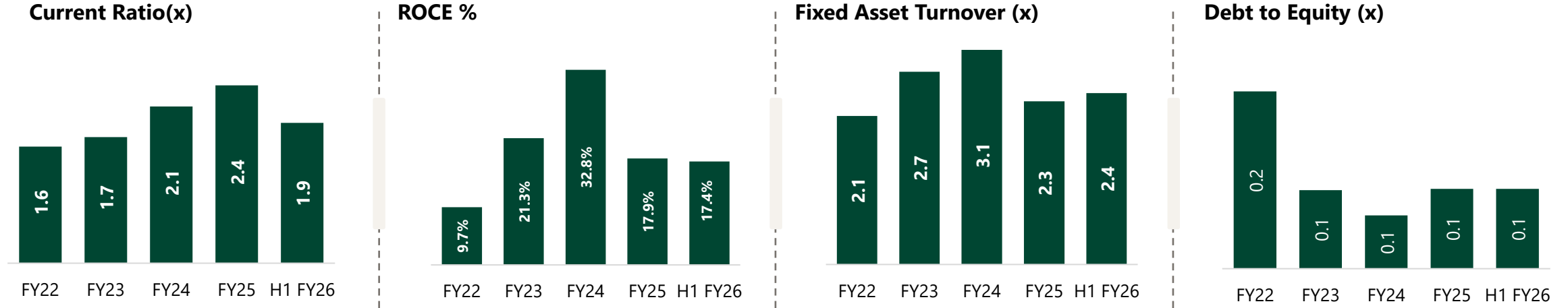
H1 FY26 Financial Highlights



Financial Highlights

- Total Income for H1FY26 at Rs. 816.7 crore (7.5% YoY)
- EBITDA for H1FY26 at Rs. 199.1 crore (2.5% YoY)
- EBITDA Margin for H1FY26 at 24.4% (decreased by 120 bps YoY)
- PAT for FY26 at Rs. 110.2 crore (-15.4% YoY)
- Net Debt stood at Rs. (-6.6) crore as at H1FY26 end compared to Rs. (94.3) crore as at H1FY25 end

Key Balance Sheet Metrics



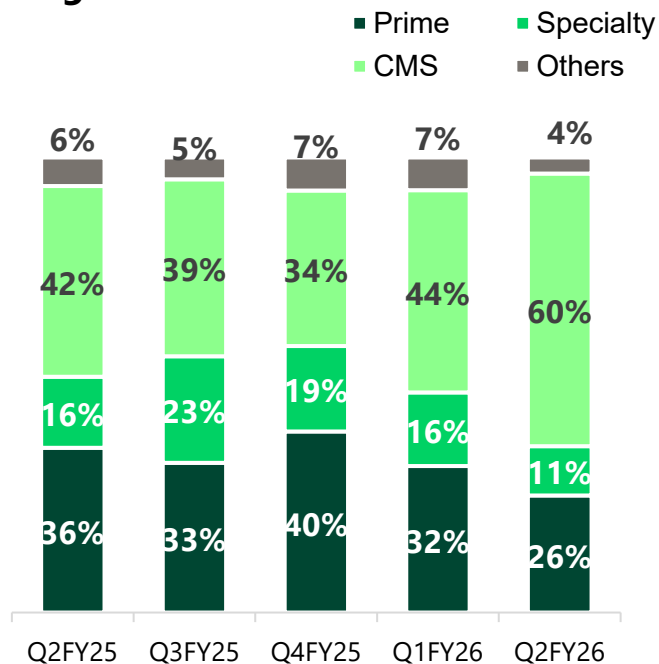
Particulars (Rs Cr)	Mar-22	Mar-23	Mar-24	Mar-25	Sep-25
Shareholder's Funds	835.6	988.4	1,276.5	1,517.8	1,612.3
Net Debt*	212.0	63.0	-32.6	-228.7	-6.6
Tangible Assets (including CWIP and Investment property)	497.2	511.2	575.4	698.2	822.3
Working Capital	376.9	463.0	525.4	440.6	690.8

*Net debt includes investment in Mutual Fund

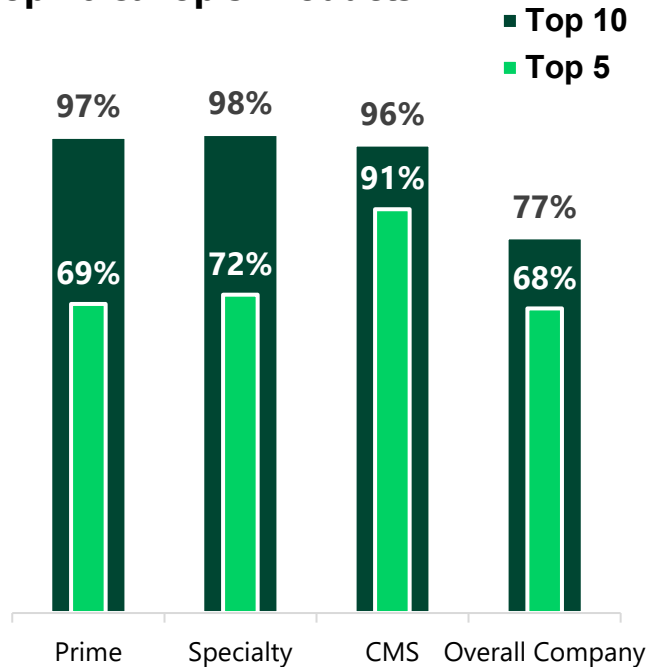
Key Operating Metrics Q2FY26



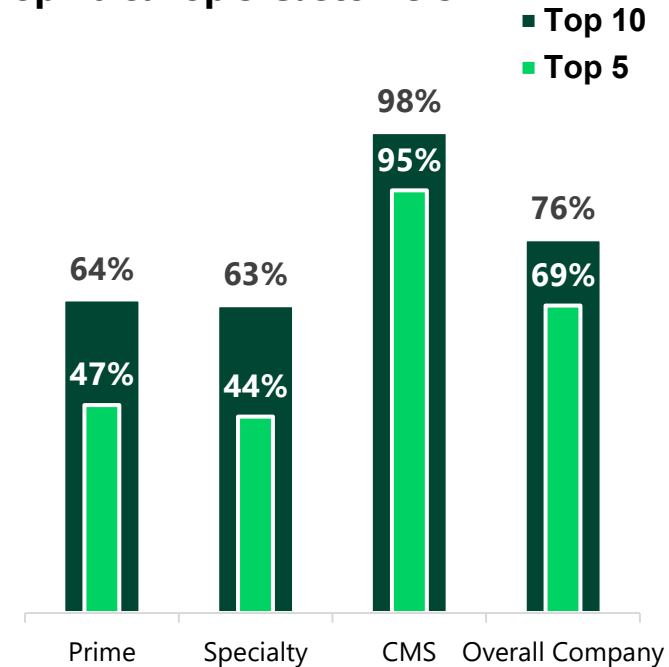
Segment revenue



Top 10 & Top 5 Products



Top 10 & Top 5 Customers



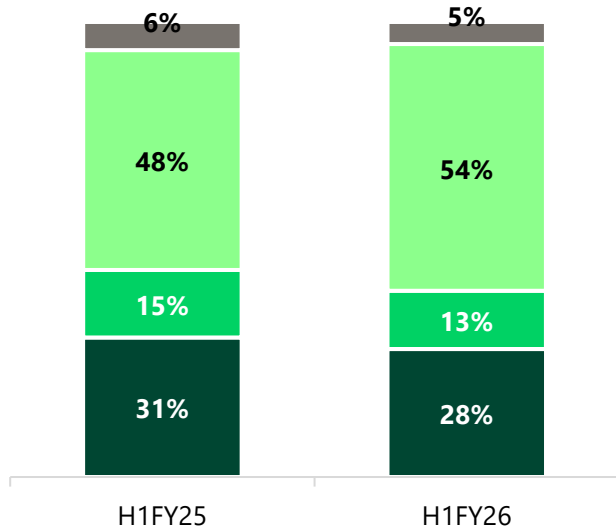
- Steady shift from low margin Prime to high margin Specialty and CMS segments
- CMS business caters to Innovator customers on an exclusive basis, developing and manufacturing APIs/Intermediates in line with rigorous customer expectations hence is highly concentrated in terms of customers
- Specialty segment works on complex products and technologies, hence has a focused approach towards select customers

Key Operating Metrics H1FY26



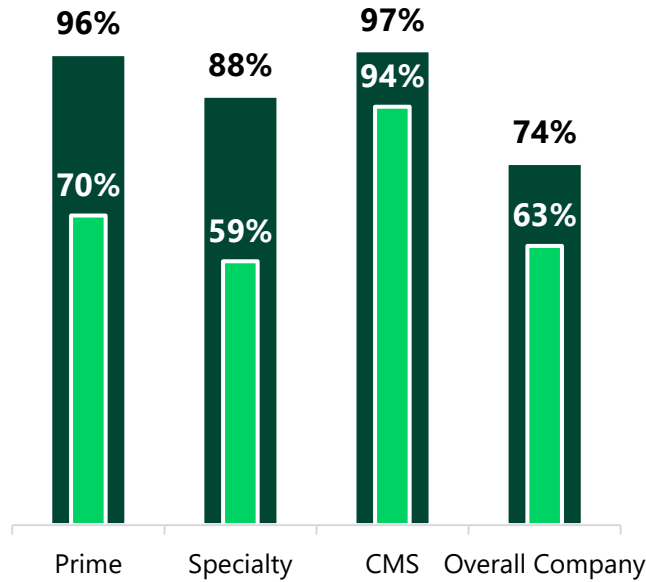
Segment Revenue

■ Prime ■ Specialty
■ CMS ■ Others



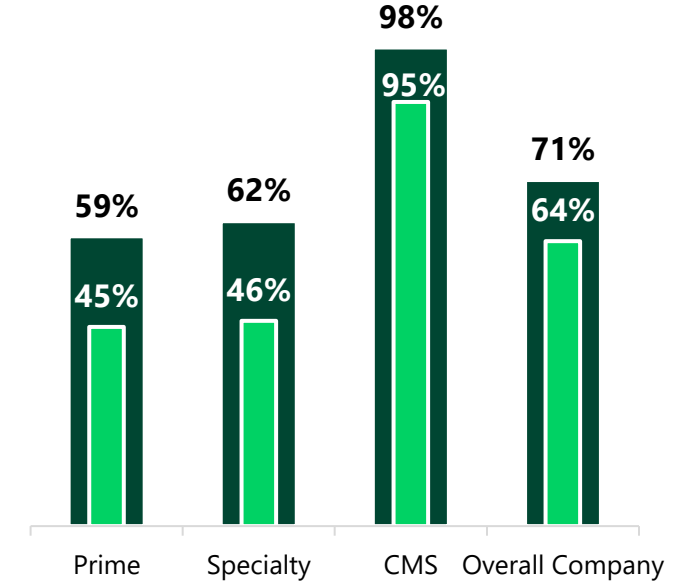
Top 10 & Top 5 Products

■ Top 10 ■ Top 5



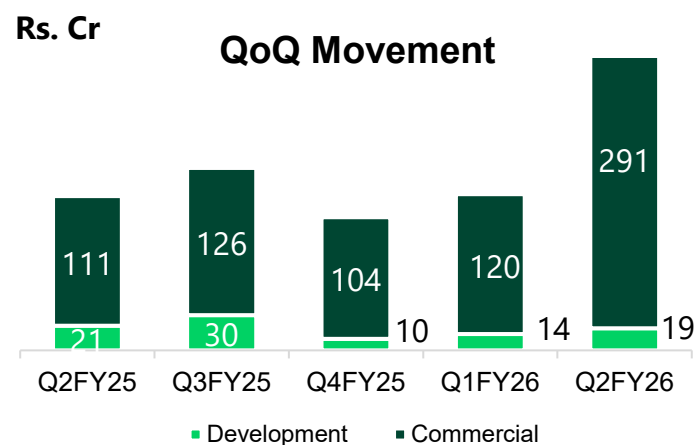
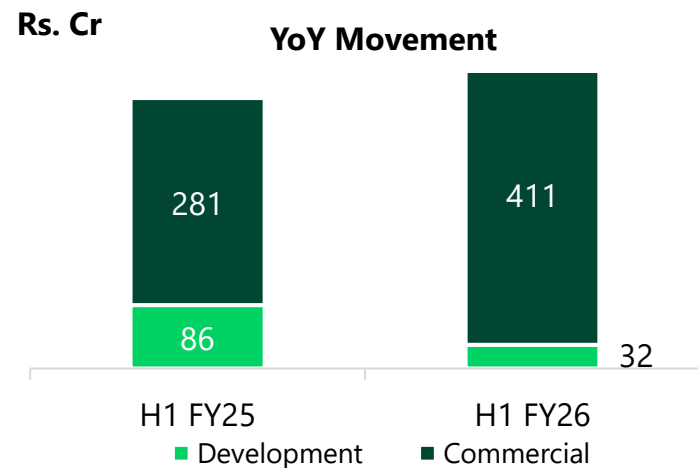
Top 10 & Top 5 Customers

■ Top 10 ■ Top 5



- Steady shift from low margin Prime to high margin Specialty and CMS segments
- CMS business caters to Innovator customers on an exclusive basis, developing and manufacturing APIs/Intermediates in line with rigorous customer expectations hence is highly concentrated in terms of customers
- Specialty segment works on complex products and technologies, hence has a focused approach towards select customers

CMS – Revenue Split & Number of Active Projects



No. of active CMS projects

Q2 FY26	Pre-Clinical	P-1	P-2	P-3	Pre-Reg/Reg	Commercial	Grand Total
API	16	14	13	3	4	8	58
Intermediate	5	10	6	5	4	10	40
Grand Total	21	24	19	8	8	18	98

Q2 FY25	Pre-Clinical	P-1	P-2	P-3	Pre-Reg/Reg	Commercial	Grand Total
API	10	10	11	3	7	9	50
Intermediate	10	7	10	4	6	10	47
Grand Total	20	17	21	7	13	19	97

Q2 FY24	Pre-Clinical	P-1	P-2	P-3	Pre-Reg/Reg	Commercial	Grand Total
API	12	6	12	3	9	8	50
Intermediate	6	4	8	4	6	11	39
Grand Total	18	10	20	7	15	19	89

Q2 FY23	Pre-Clinical	P-1	P-2	P-3	Pre-Reg/Reg	Commercial	Grand Total
API	16	4	7	6	7	9	49
Intermediate	10	6	2	1	7	12	38
Grand Total	26	10	9	7	14	21	87

- Pre-clinical to P-3: Neuland generates revenue by process research & development as well manufacturing quantities for clinical trials
- *Pre-Reg/Reg: Phase-3 complete; Molecules filed but not yet commercial (Earlier labelled as 'Development') or where customer working towards adding Neuland as a second source for a commercial molecule
- Commercial: Neuland generates revenues by manufacturing APIs for commercial novel molecules for innovators
- Steady trend in molecules transitioning from clinical phases to commercialisation resulting in increase in revenue from commercial products



Company Overview

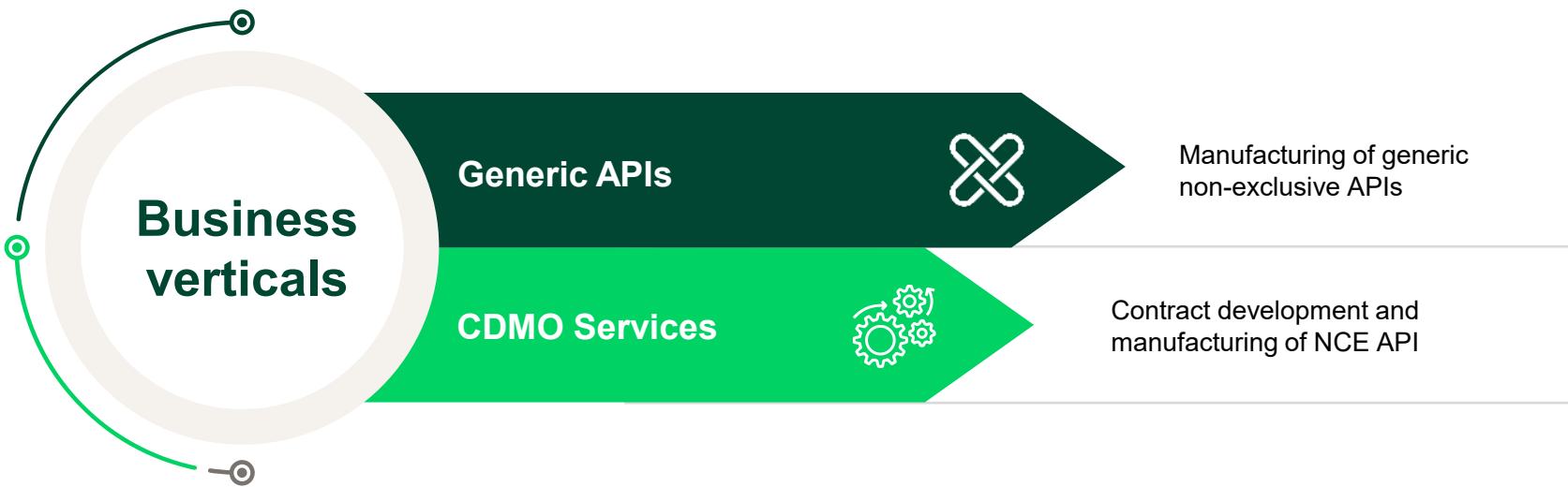
Company Overview



Established in

1984

40 years in API manufacturing and development



Total reactor volume of

**11,74,000
Liters**



Facilities Inspected by USFDA, EMA, PMDA, Rx-360, TGA, KFDA, ANVISA, WHO



Supported 3 NDA filings and 18 IND filings by supplying APIs and CMC documentation
Commercially Manufactured novel APIs and Intermediates for brands



Expertise in manufacture of Deuterated molecules, Cyanation, Solution and Solid phase peptides.
Cyclic peptides and PEGylated peptides, Hydrogenation, Bromination, Chiral molecules manufacture, Cryogenic reactions, Enzymatic reactions, Synthetic portion of fermented molecules, Micronization (D90 <5 micron)



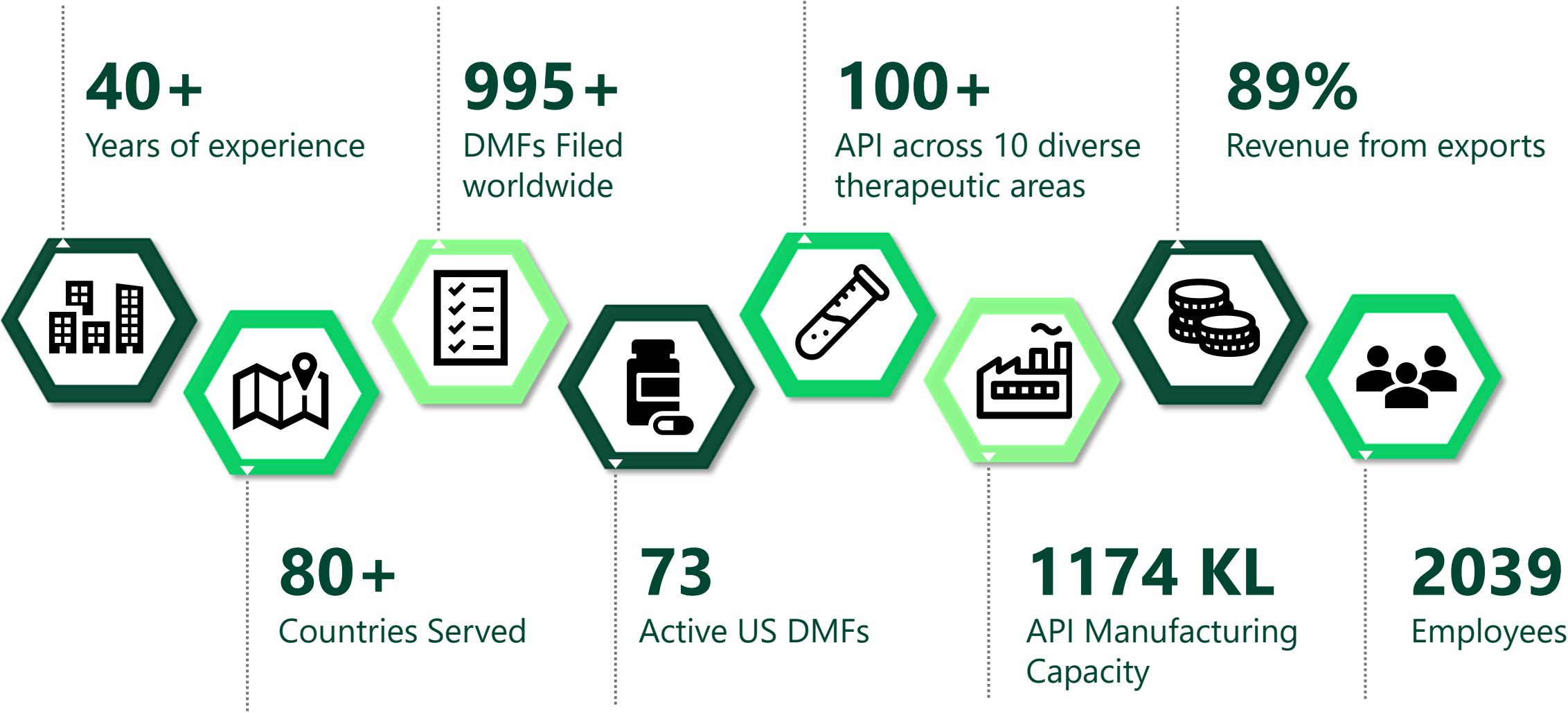
3 cGMP Manufacturing facilities
Chemical R&D Labs
Peptide Labs
Analytical R&D Labs
Process Safety Labs
Hydrogenation Lab



~2039

Employees, 385
Scientists in R&D

Key Facts



Board Of Directors



**Dr. Davuluri
Rama Mohan Rao**
Executive Chairman



Mr. D. Sucheth Rao
Vice Chairman &
Chief Executive
Officer



Mr. D. Saharsh Rao
Vice Chairman &
Managing Director



**Dr. Christopher M.
Cimarusti**
Non-executive
Director



**Ms. Pallavi Joshi
Bhakru**
Independent
Director



**Mr. Homi Rustam
Khusrokhhan**
Independent Director



**Mr. Prasad
Raghavan Menon**
Independent
Director



Mr. Sugata Sircar
Independent Director



**Dr. Ravi Shankar
Gopinath**
Independent Director

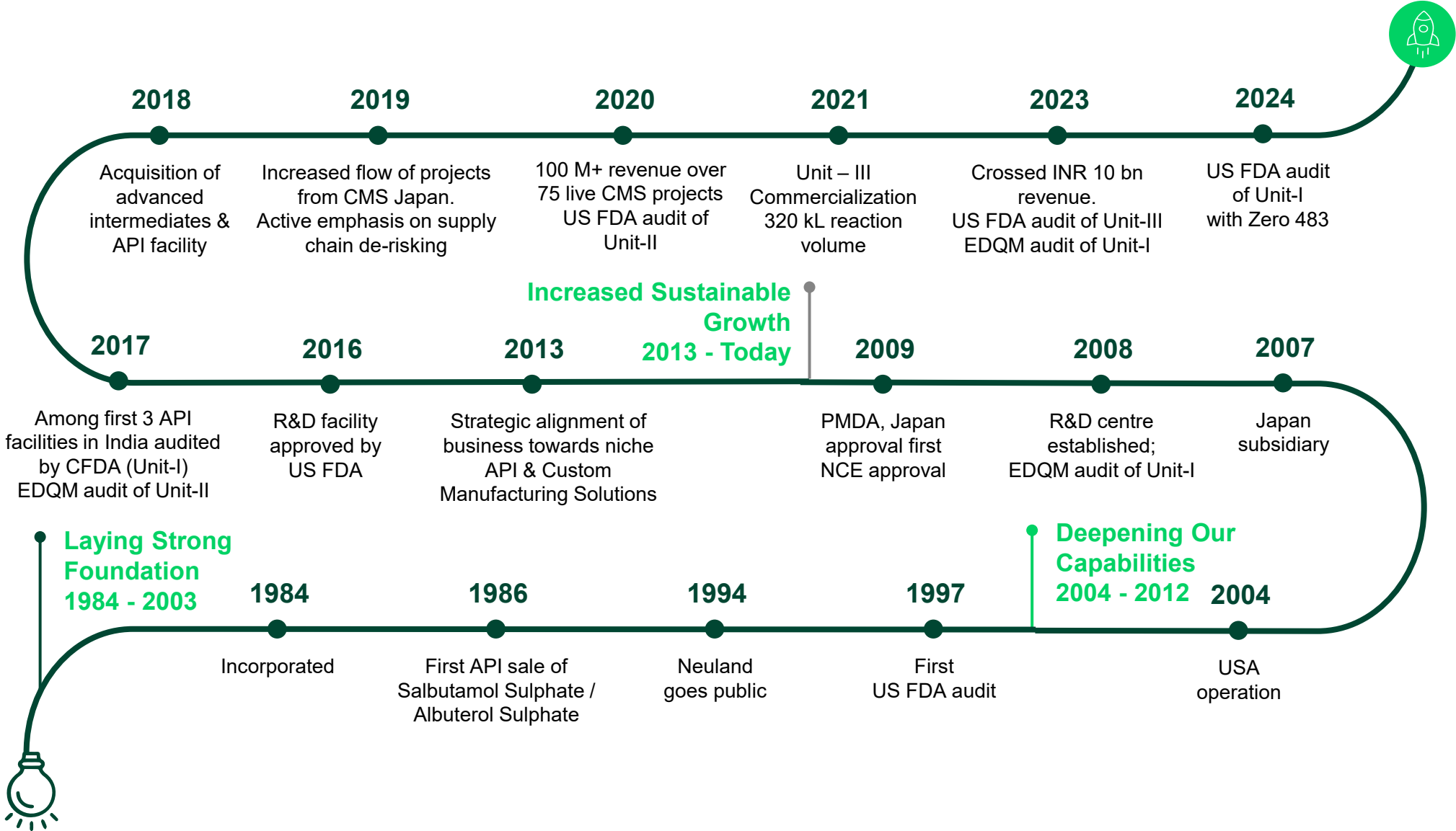
Key Milestones

Our Journey

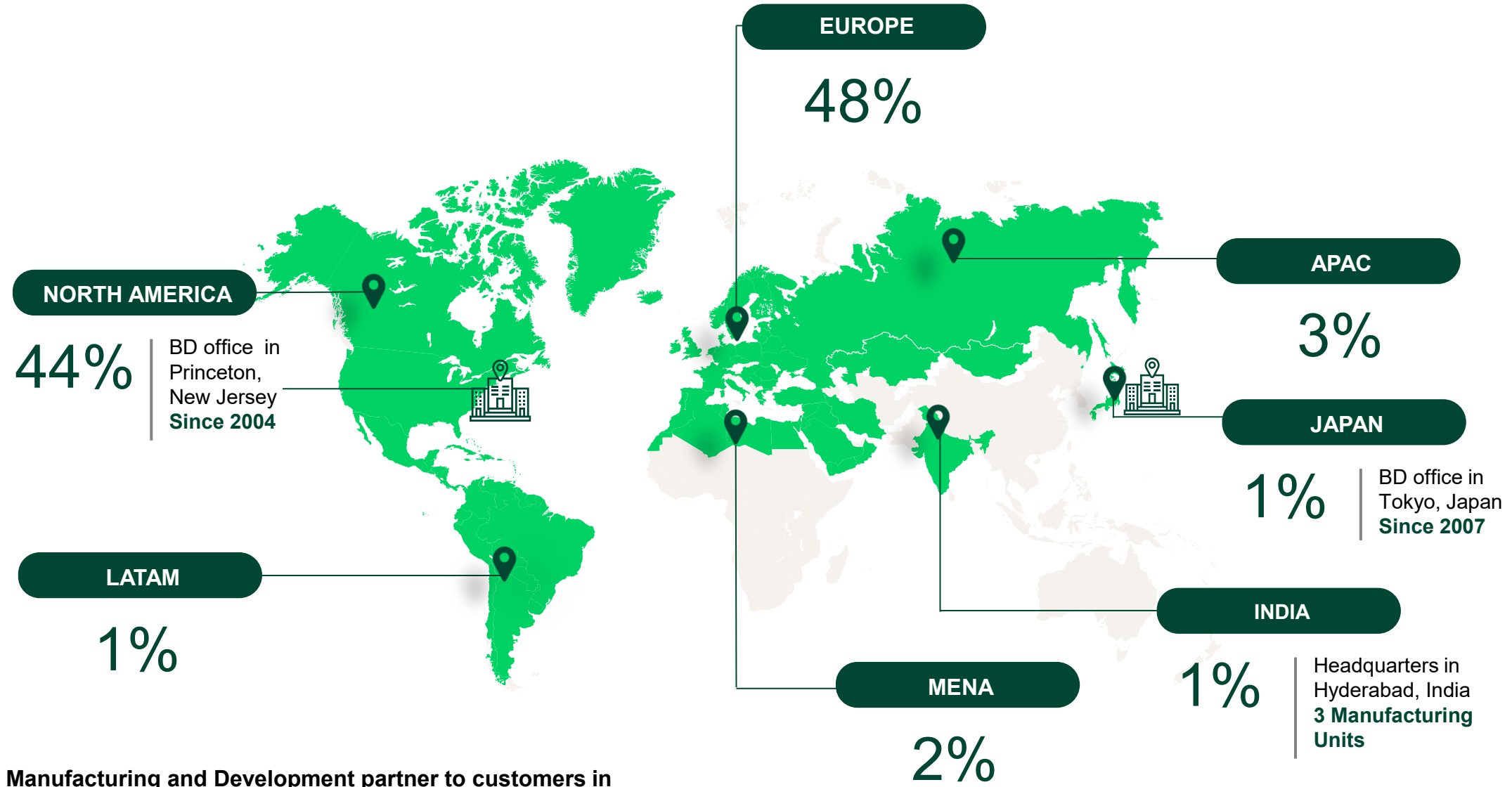


Successfully cleared 17 USFDA inspections

Multiple audits passed with Zero observations



Our Global Presence*



Manufacturing and Development partner to customers in over 80 Countries globally

* - Based on End-Market revenues – H1 FY26

Manufacturing Facilities Overview



UNIT - I

Bonthapally, Hyderabad 258 kL



UNIT - II

Pashamylaram, Hyderabad 381 kL



UNIT - III

Gaddapotharam, Hyderabad 536 kL



Year of
Establishment

1986

1994

2017



Blocks

Block - 1, 2, 3, 4, H, kL & S

Block-1, 2, 3, FC, NMSM, Mini plant(A&B)

Block - 1, 2, 4, 5, 6, 7 & 8



Hydrogenation
Reaction Volume

7.5 kL

6 kL

5 kL



Solvent Recovery
System

100 kL/D

20 kL/D

50 kL/D



Cryogenic
Reaction Volume

25 kL

17 kL

15 kL



Regulatory

USFDA, EDQM, CFDA, PMDA, Et al.

USFDA, EDQM, PMDA, ANVISA, Et al.

Desktop Inspection by USFDA in 2020;
USFDA May 2023, ANVISA (Brazil) 2022

Adding capacities for backward integration and new business

State-of-the-art R&D Centre



Infrastructure

- 15 Development Labs of which 3 are for peptides.
- 70 Fume hoods
- Analytical Labs
- Dedicated Kilo Lab for Scale up
- Approvals for DSIR, Govt. of India and USFDA
- R&D Team of 385 People
- 600 MHz NMR



Neuland's R&D facility had been inspected by USDFA in February 2016 with zero observations

Significant R&D achievements

- Several NCE APIs added in NDA or commercial stage drugs
- Support for multiple APIs each year in Phase 2 and Phase 3 clinical candidates

Generic API business

- 995+ DMFs filed
- 300+ API processes developed
- 204+ patents filed
- 5 new DMFs filed in FY25
- First Peptide DMF filed for Difelikefalin
- 1 new DMF filed in H1 FY26

Regulatory Filings



73

DMFs with
USFDA



32

Filings with
Health Canada



10

Japanese
DMF filed



17

China DMF
filed



25

Filings with
KFDA Korea



28

Filings with
TGA



281

ROW filings
including
Turkey, Mexico,
Brazil etc.



~499

EUDMF filings
across Germany,
France, Poland,
Italy etc.



30

CEPs received
for different
products



995+

Filings till date

**** The numbers on this slide reflect the number of filings, the number of active filings could vary as geographic filings are merged and changes in product portfolio**

Financial Highlights FY2016-2025



Rs. Cr

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Total Income	511.6	588.9	533.7	670.3	766.6	953.0	953.2	1,200.9	1,571.1	1,497.3
EBITDA	81.5	106.9	54.6	61.4	105.3	162.5	144.3	281.1	474.5	342.8
<i>EBITDA Margin</i>	<i>15.9%</i>	<i>18.1%</i>	<i>10.2%</i>	<i>9.2%</i>	<i>13.7%</i>	<i>17.1%</i>	<i>15.1%</i>	<i>23.4%</i>	<i>30.2%</i>	<i>22.9%</i>
PAT	26.4	46.4	11.8	16.1	15.9	80.3	63.5	163.1	299.6	259.4
<i>PAT Margin</i>	<i>5.2%</i>	<i>7.9%</i>	<i>2.2%</i>	<i>2.4%</i>	<i>2.1%</i>	<i>8.4%</i>	<i>6.7%</i>	<i>13.6%</i>	<i>19.1%</i>	<i>17.3%</i>
EPS	29.7	41.6	10.6	12.8	12.4	62.6	49.5	127.1	233.5	202.2
Current Ratio (x)	1.2	1.3	1.2	1.4	1.4	1.5	1.6	1.7	2.1	2.4
ROCE (%)	18.4%	15.9%	5.0%	4.7%	8.9%	13.5%	9.7%	21.3%	32.8%	17.9%
Fixed Asset Turnover (x)	3.7	3.8	3.2	2.9	2.3	2.4	2.1	2.7	3.1	2.3
Debt to Equity (x)	0.9	0.7	0.5	0.3	0.3	0.1	0.2	0.1	0.1	0.1

- FY25 revenues showed a slight decline due to the natural lifecycle of projects in the CMS business. The decline in revenues impacted other financial metrics as a result of the deleverage
- Revenue was impacted in FY2018 as a result of mismatch in capacity vs orders. EBITDA margins in FY19 & FY20 were impacted as a result of spike in RM prices, which led Neuland to actively work towards Supply chain de-risking before the COVID19 pandemic
- ROCE was impacted by due to acquisition of unit III in FY2018 which was commercialized in FY2021. Unit 3 utilisation levels have recently started ramping up and momentum is expected to continue



Business Strategy



Neuland Strategy Framework





Our Businesses

Generic APIs (GDS)



- We are a preferred service provider in the manufacturing of Active Pharmaceutical Ingredients (APIs)
- Have developed processes for over 100 APIs with a strong portfolio of complex molecules
- **Process Investigation Department (PID)** majorly helps our customers to meet their price pressures by way of cutting their total cost of ownership in developing an API thereby achieving excellence in Process development
- API manufacturing heritage of over 40 years
- Flexible 100g to hundreds of tons capacity
- Non-competitive advantage (does not compete in finished formulation)
- Worldwide customer base in 80+ countries
- Proven project management systems
- Impeccable EHS record

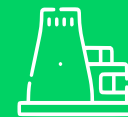


**Facilities &
Capacity**



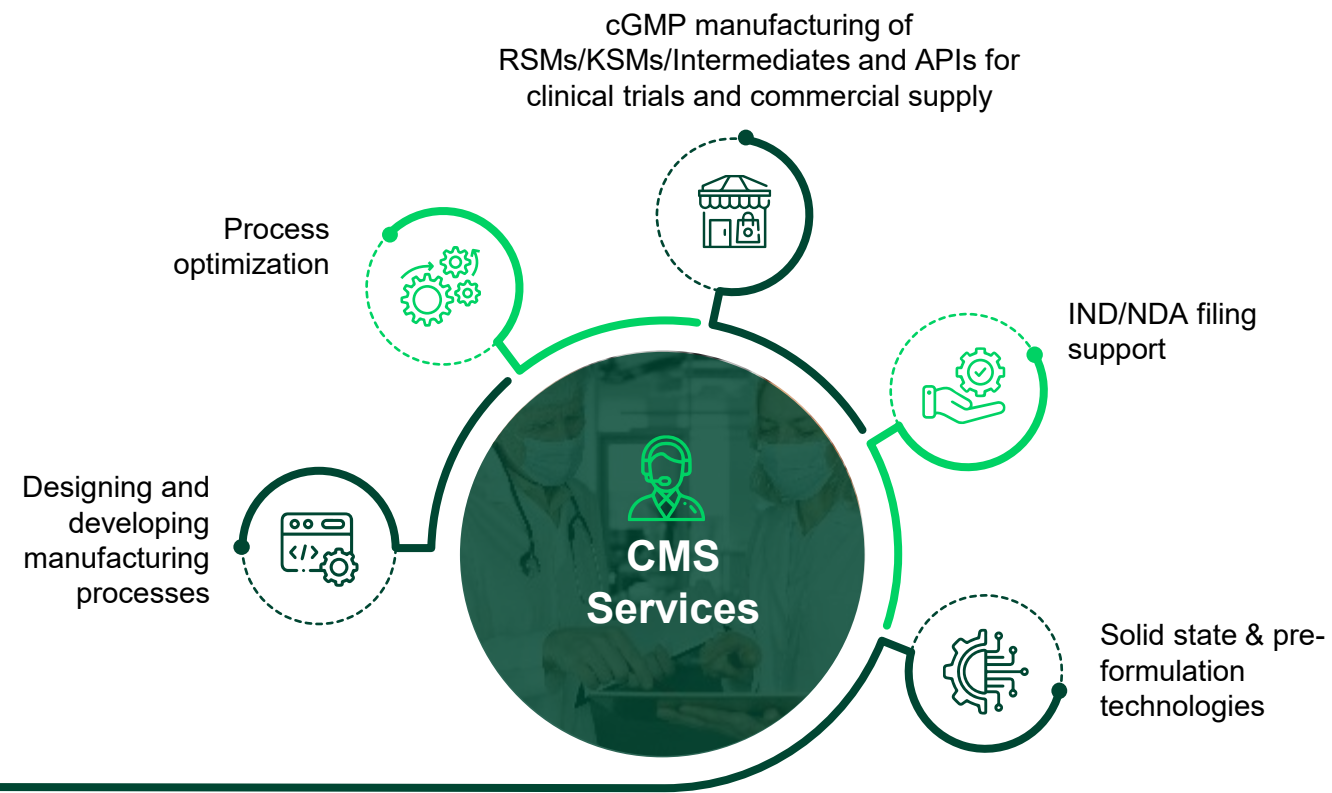
Three US FDA and
cGMP compliant
manufacturing facilities

100 APIs across 10
diverse areas



Total capacity of the reactor volume
11,74,000 liters

CDMO Services (CMS)



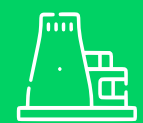
Chemistry & manufacturing capabilities	
Synthetic portion of fermented molecules	Carbohydrate chemistry
Deuterated molecules	Cyclic and PEGylated peptides
Peptides in solid, solution phase & hybrid technology	Organometallic carbon-carbon bond formation
Cyanation, hydrogenation, bromination, cryogenic	Heterocyclic compounds
Steroidal bile acids & vitamin D derivatives	Chiral compounds manufacturing



Facilities & Capacity



Three US FDA and cGMP compliant manufacturing facilities

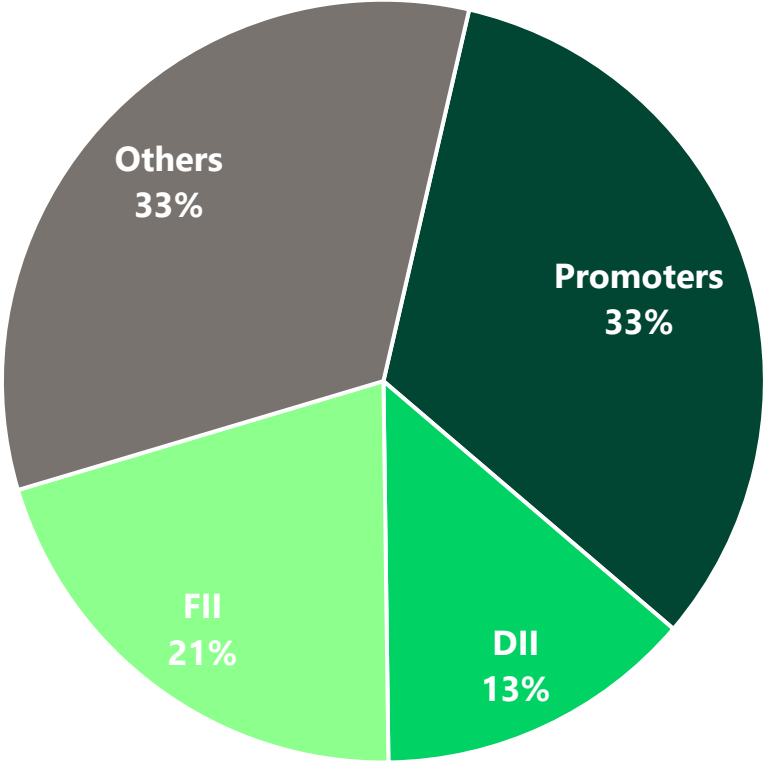


Total capacity of the reactor volume
11,74,000 liters



Shareholder Information

Shareholding Details



Share Information (as on 30 th Sep 2025)	
NSE Ticker	NEULANDLAB
BSE Ticker	524558
Market Cap (Rs. Cr)	18,759.54
% free-float	67.36%
Free-float market cap (Rs. Cr)	12,636
Shares Outstanding	1,28,29,889
3M Average Daily Traded Volume (ADTV) (Shares)*	91,812
3M Average Daily Traded Value (In Rs. Cr)*	128.55
Industry	Pharmaceuticals

* Source: BSE & NSE



Annexure

Profit & Loss Snapshot (Standalone)

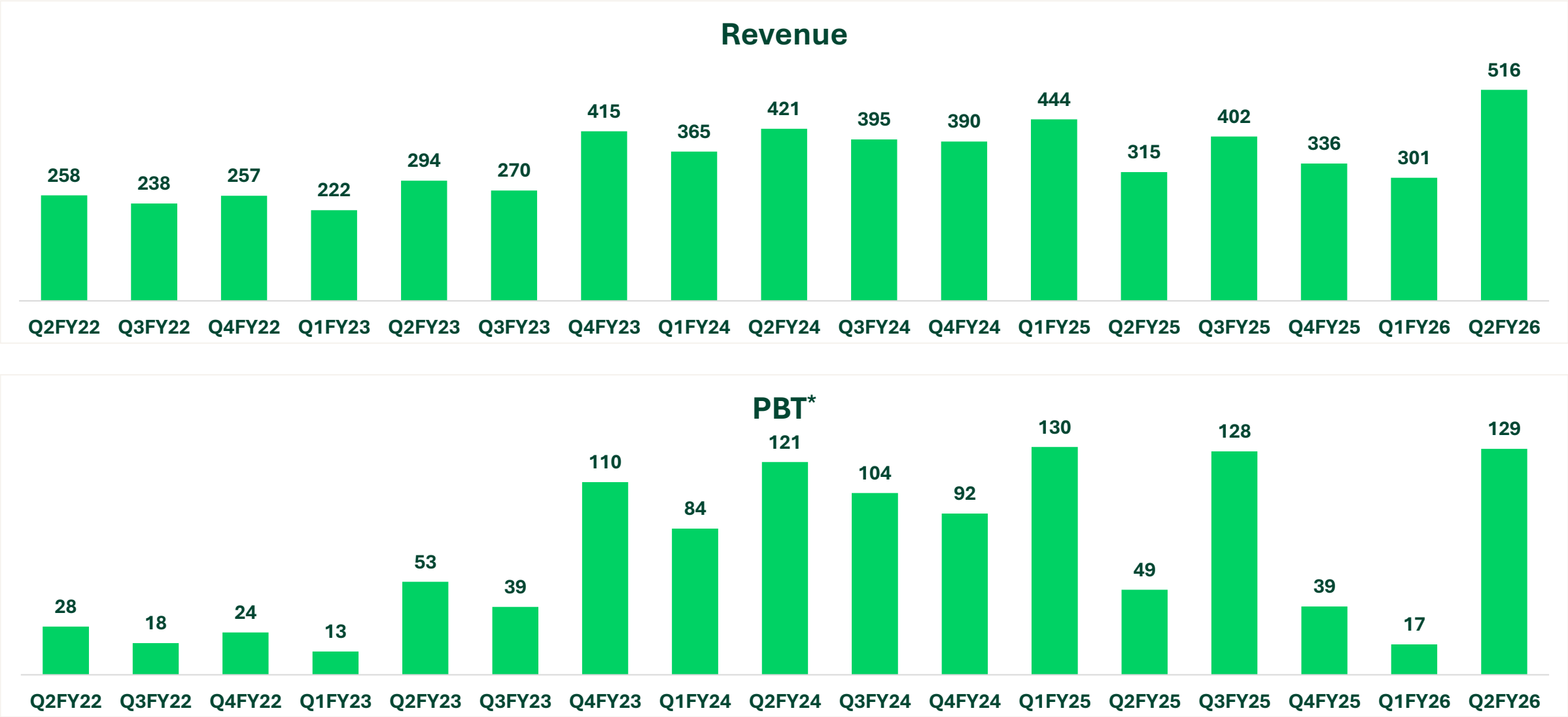


Particulars (Rs Cr)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)
Total Income	516.1	315.2	63.70%	300.6	71.70%
EBITDA	156.9	65.7	138.80%	42.1	272.70%
EBITDA Margin	30.40%	20.80%	960 bps	14.00%	1640 bps
Exceptional Item*	-	-	-	-	-
Profit Before Tax*	129.0	48.5	166.00%	17.4	641.40%
PBT Margin	25.00%	15.40%	960 bps	5.79%	1921 bps
Profit After Tax	96.5	32.0	201.60%	13.7	604.40%
PAT Margin	18.70%	10.10%	860 bps	4.56%	1414 bps
EPS (Rs.)	75.2	24.9	202.00%	10.7	602.80%

Revenue & PBT trend



Rs Cr



* Q1FY25 and Q3FY25 includes exceptional item of profit on investment property of Rs. 20.6 crores and Rs. 55.8 crores respectively



Our Vision

We are creating a healthier world through sustainable practices, trusted partnerships, and agile collaboration

Our Values



Innovation

Innovative in everything we do



Transparency

Transparent and open in our communication



Agility

Agile in our execution



Accountability

Accountable for our delivery



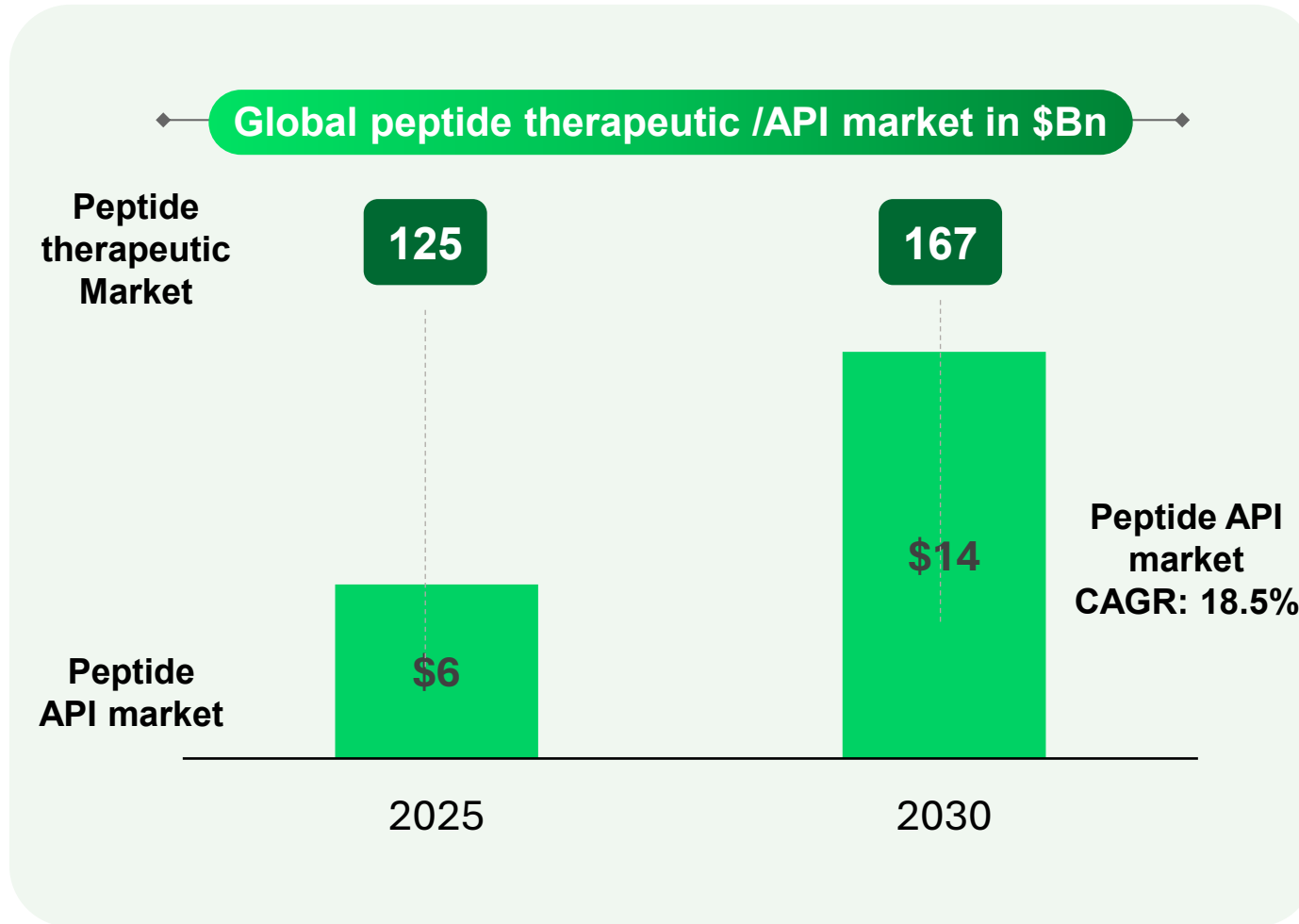
Empathy

Empathy in all our interactions

Vision and Values



Global peptide API market is poised to reach \$14Bn by 2030.



Key market drivers

Peptide API market to scale by ~\$14 bn by 2030 driven mainly by rich peptide pipeline and increasing demand for GLP-1.

2/3rd of peptides in clinical pipeline are being developed by synthetic routes.

Patent cliff of peptides, broadening the availability of these drugs as volume increases expected to offset price declines

Sustainability Framework



Focus	Our Priorities	Our Commitments	Goal Area	Our Key Goals (included in our Executives' and Leaders' Balanced Scorecard)
 Environment	• Effluent and Waste^{3,4} • Water^{3,4} • Emissions and Climate Change^{3,4} • R&D and Innovation^{1,4}	• Reduce both direct and indirect emissions. • Adopt cleaner technologies and improve energy efficiency. • Improve water use efficiency and move toward water neutrality. • Drive sustainable R&D and technology innovation to reduce environmental impact.	Direct emissions (Scope 1 and 2)	• FY 2033-34: 58.8% reduction in Scope 1 and 2. • FY 2049-50: Achieve Net Zero in absolute emissions (subject to residual ~10%)
			Water	• FY 2034-35: Achieve 25% water neutrality FY 2049-50: Achieve 100% water neutrality
			Waste	• Maintain Zero Waste to Landfill • 100% co-processing of waste • Maintain Zero Liquid Discharge status of effluents
			R&D and Innovation	• Adoption of Green Chemistry and aim to achieve Zero solvent carbon footprint
 Social	• Occupational Health and Safety^{3,4} • Human Capital Development^{3,4,5} • Community well-being^{3,5}	• Zero Harm • People well-being and development • Human Rights • Improve Diversity • ESG Awareness and capability building	Zero Harm	• Maintain Zero Fatality • Maintain Nil LTIFR
			People diversity	FY30: • 10% Women in Management Positions • 16% of all hirings will be Women • 0.5% of all employees will be PwD and Other Genders (LGBTQIA+)
 Governance	• Compliance^{3,5} • Business Continuity and disaster recovery^{1,2} • Digitalisation² • Sustainable Supply Chain^{2,5}	• Ethics and Compliance • Excellence in Corporate Governance • Risk and Crisis Management Capability • Integrity in reporting • Sustainable supply chain	Sustainable supply chain	Create a roadmap for sustainable supply chain with key milestones
			Digitalization	>90% of business process digitized across key functions by 2030

Glossary



Term	Description
Active Pharmaceutical Ingredient (API)	Any substance that is intended for incorporation into a finished drug product and is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease, or to affect the structure or any function of the body
Biologic	Biologics can be composed of sugars, proteins, or nucleic acids or complex combinations of these substances, or may be living entities such as cells and tissues.
Commercial molecules	Molecules where Neuland is manufacturing for commercial use after the product has been approved
Custom Manufacturing Solutions (CMS)/ Contract Development and Manufacturing Organization (CDMO)	Develop and manufacture pharmaceutical ingredients and intermediates in line with customer expectations.
Development Molecules	Projects where Phase-3 is over, and molecules have been filed but not yet commercial.
DMF	A Drug Master File (DMF) is a submission to the Food and Drug Administration (FDA) that may be used to provide confidential detailed information about facilities, processes, or articles used in the manufacturing, processing, packaging, and storing of one or more human drugs
GDS	Generic Drug Substance (GDS) segment which includes Prime products and Specialty products
International Council for Harmonisation (ICH) Guidelines	Harmonisation project involving regulatory authorities and pharmaceutical industry to improve efficiency of new drug development and registration processes
New Chemical Entity (NCE)	NCE is granted to “a drug that contains no active moiety that has been approved by FDA in any other application”
Peptides	Peptides are sequences of molecules called amino acids. Peptides of precise sequences may occur naturally in the body, but they may also be produced synthetically or using recombinant DNA technology in bacteria and other living systems. These molecules are used to treat a variety of diseases

Term	Description
Pipeline drugs	Drugs (small or large molecule) under development by a manufacturer
Prime APIs	The prime products which typically include mature APIs with relatively higher competition in API space have historically contributed more than 70% of the total business.
Specialty/ Niche APIs	Molecules in the API space which are complex in nature and are in the nature of ‘high value’ added products and Neuland’s focus has been to develop these molecules from laboratory scale to large commercial quantities
Preclinical study	Preclinical studies take place in animals before any testing in humans is done.
Phase I clinical trial	Researchers test an experimental drug or treatment in a small group of people for the first time.
Phase II clinical trial	The experimental drug or treatment is given to a larger group of people to see if it is effective and to further evaluate its safety.
Phase III clinical trial	The experimental study drug or treatment is given to large groups of people. Researchers confirm its effectiveness, monitor side effects, compare it to commonly used treatments, and collect information that will allow the experimental drug or treatment to be used safely.
Small molecule products	A drug that can enter cells easily because it has a low molecular weight. Once inside the cells, it can affect other molecules, such as proteins, and may cause cancer cells to die. This is different from drugs that have a large molecular weight, which keeps them from getting inside cells easily. Many targeted therapies are small-molecule drugs
USFDA	The US Food and Drug Administration is responsible for protecting the public health by ensuring the safety, efficacy, and security of drugs, biological products, and medical devices

Thank you

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