GUFIC
BIOSCIENCES LIMITED
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354/LG/SE/NOV/2026/GBSL

November 20, 2026

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001
Scrip Code: 509079

To,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Symbol: GUFICBIO

Subject: Written Transcript of Earnings Conference Call

Dear Sir/Madam,

In continuation of our intimation letter dated November 16, 2026, regarding the Audio Recording of Earnings Conference Call and pursuant to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the written transcript of the Company's Earnings Conference Call held on November 16, 2026 at 04:30 PM.

Kindly take the same on record.

Thanking You,

Yours truly,

For Gufic Biosciences Limited

AMI SHAH
Digitally signed by AMI SHAH
Date: 2026.11.20 10:49:58 +05'30'

Ami Shah
Company Secretary & Compliance Officer
Membership No. A39579

“Gufic Biosciences Limited
Q2 FY27 Earnings Conference Call”
November 16, 2026

Disclaimer: E&OE – This transcript is edited for factual errors.

MANAGEMENT: **MR. PRANAV CHOKSI – CEO & WHOLE-TIME DIRECTOR**
MR. DEVKINANDAN ROONGHTA – CHIEF FINANCIAL OFFICER
MR. AVIK DAS – INVESTOR RELATIONS
MS. AMI SHAH – COMPANY SECRETARY

Moderator: Ladies and gentlemen, good day and welcome to Gufic Biosciences Limited Q2 FY27 Earnings Conference call. As a reminder, all participants' line will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Ami Shah from Gufic Biosciences. Thank you and over to you, ma'am.

Ami Shah: Hi, good afternoon. Thank you. On behalf of Gufic Biosciences Limited, I, Ms. Ami Shah, Company Secretary, welcome you all to our Earnings Conference call for the second quarter and first half of FY26-27. Our results, along with the press release and investor presentations, have already been filed with the stock exchanges and are also available on the company's website.

Joining us today from the management team are Mr. Pranav Choksi, CEO and Director, Mr. Devkinandan Roonghta, CFO, and Mr. Avik Das, Head Investor Relations. We will now begin with opening remarks from Mr. Avik, who will take us through the key highlights of the quarter and half year and after that, Mr. Roonghta, who will highlight on the financial aspects. After that, we will open the line for question and answers.

Please note that this line is being recorded, and the recording will be uploaded to our website later today, and the transcript will also be uploaded within the prescribed timeline. Before we proceed, a brief note on the forward-looking statements. Some of the remarks made on today's call may be forward-looking in nature and reflect management's current views and expectations.

These are subject to risk and uncertainties, and actual results may differ materially from what is stated or implied. We request participants to refer to the disclosures and risk factors in our public filing for further details. With that, I now invite Avik to share his opening remarks. Over to you.

Avik Das: Thank you, Ami, and good evening, everyone, for joining us. The presentation is already with you, so I will not go through the slides. Let me instead share how the quarter looked from where we sit, business by business, and subsequently, Roonghta sir will take you all through the financials.

If we look back at the last 3 months, the common thread is follow-through on all our initiatives in the intended directions which we have guided. Much of what we worked on in Q2 was continuation of things we had started in earlier quarters, and it was good to see several of them move ahead together.

Let me start with Indore, since it has been the center of our conversations for some time now. You will remember that in Q1, the work at the plant was largely about adding capability, the depot suite, and the newer formats. In Q2, the attention moved more towards the regulatory side. The site was registered with the U.S. FDA, and our first product dossier was filed from it. The U.S. FDA has since completed its pre-approval inspection of the facility.

There were three observations, and the team is addressing them within the stipulated timeframe. On Europe, a compliance report has been submitted, and we await certification. The next step

on both fronts rests with the respective authorities now. Alongside this, we hosted audits from prospective partners from the U.S. and U.K. markets, which is encouraging to see at this stage. Inside the plant, the work on new formats carried on.

The depot suite is ready for trials and media fills. The spray-dried route for our lipid-based antifungal is close to completion, and an injectable emulsion format has moved through scale-up. Moreover, output across all our four lines was also higher than in Q1. Staying with markets outside India, let me turn to international business.

What stood out for us this quarter was that registrations and orders came close together. In Saudi Arabia, we received three registrations, and first orders have come in. In Chile, a registration through our partner came along with the first commercial order. We also received the first order for one of our antifungals in U.K. and Germany.

We entered Italy through a partner and extended distribution through Gufic Ireland to five other European countries. It is good to see approvals and orders arriving together. That is what the newer model, where we hold the marketing authorizations ourselves, has been built around. Coming to the domestic business, and first to hospital injectables, here the quarter was about going deeper with what we already have.

In critical care, AWABAC, we launched in June, has settled in well. Its use has widened across corporate, tertiary, and secondary care hospitals. The anti-infective franchise continued to grow, and we improved our position in one of the key antifungal classes. In Sparsh, there is a milestone worth mentioning.

Our own manufactured brands now make up most of the division's business. That is good for the quality of the business, and it ties the division more closely to our own plants. The dual-chamber bag continues to find acceptance at leading institutions, and receivables remain within normal trade terms.

The team has also begun reaching smaller nursing homes through a key account pilot in Mumbai. In women's health, Ferticare continues to lead in recurrent implantation failure with Guficin Alpha. What was satisfying this quarter was the scientific side. A research article on the product was published, and clinical practice recommendations were released.

The Puregraf group also deepened its presence in corporate IVF chains, and Cetrocare was introduced in a prefilled syringe format. In Zenova, the mix continues to move towards prescription-led brands, which now form the larger part of the division. The power brands grew ahead of the division, and the Fertiforce-F range has become a meaningful adjacency on the fertility side.

The division is also working on a few new introductions, which will follow in the second half of the year. On botulinum toxin platform, Stunnox has now completed five years in the market and is the second-largest brand in its segment in India. Much of the quarter's work was around generating India evidence.

A consensus recommendation on dosing in Indian patients was published, and three clinical studies were initiated. We are also seeing adoption within organized clinic chains. Preparations for the dermal filler range from our Canadian partners are progressing, which, over time, rounds out our aesthetic portfolio.

On the therapeutic side, NeuroCare continues to grow steadily in its core indications, and it is extending into adjacent specialties too. In the healthcare division, the Sallaki range continued to grow and holds its leadership in the Boswellia serrata segment. Around it, Gufican Oil was the fastest-growing brand in the division, and Gufispon continued to build. Napro Pure, which the team had been preparing through Q1, is now in the market.

It is the division's first step into allopathic pain management alongside the joint and muscle portfolio it is known for currently. Behind all of this, the R&D work continues in the same three areas: peptides, API self-reliance, and novel drug delivery systems. We also are running multiple clinical programs. We have 17 active and pipeline studies.

The newer formats I mentioned at Indore come out of this work. This is a quarter in brief. It was a quarter of steady progress on work already underway at the plant, in the domestic division, and in international business, and we will keep you updated as we develop further. With that, I will now hand over the call to Roonghta Sir for financial summary. Thank you.

Devkinandan Roonghta: Thank you, Avik. I will be going to highlight the financial result of Q2 of FY 2026-27 versus Q2 of FY 2025-26, as well as the half-yearly result of FY 2026-27 versus the half-yearly result of FY 2025-26. The revenue from operation in Q2 of FY 2026 was INR230.4 crores, compared to Q2 of FY 2027 is INR288.4 crores.

The EBITDA for Q2 of last year, that is FY 2025-26, was INR37.9 crore, whereas the Q2 of FY 2026-27 is INR49.7 crore. The EBITDA margin in Q2 of FY 2025-26 was 16.45%, whereas the Q2 of FY 2026-27 is 17.23%. The profit before tax in Q2 of FY 2025-26 was INR20.5 crore, whereas Q2 of FY 2026-27 is INR31.5 crore.

The PBT margin in Q2 of FY 2025-26 was 8.89% compared to Q2 of FY 2026-27, 10.95%. The profit after tax in Q2 of FY 2025-26 was INR14.9 crores versus Q2 of FY 2026-27 is INR23.5 crore. The PAT margin in Q2 FY 2025-26 was 6.47% compared to Q2 of FY 2026-27 is 8.15%.

Now I am going to give highlight of FY 2026-27 versus FY 2025-26 half-yearly result. The revenue from last year, that is financial year FY 2025-26, is INR457.3 crores compared to half-yearly result of FY 2026-27, INR549.2 crore. The EBITDA in half year FY 2025-26 was INR71.1 crore, whereas half-yearly result for FY 2026-27 is INR96.9 crore.

The EBITDA margin in half year of FY 2025-26 was 15.455% compared to half year of FY 2026-27 is 17.64%. The profit before tax half yearly of FY 2025-26 was INR36.8 crore, whereas the half yearly of FY 2026-27 is INR61.7 crore. The profit after tax in half year of FY 2025-26 was INR27 crore, whereas half yearly of FY 2026-27 is INR46 crore. The PAT margin in previous half-yearly result was 5.90% compared to half-yearly result of FY 2026-27 is 8.38%. Thank you.

Ami Shah: Yes. Hi, Iqra. We can move to the Q&A session.

Moderator: Sure. Thank you very much. We will now begin with the question and answer session. The first question is from the line of Aditya Pal from MSA Capital Partners. Please go ahead.

Aditya Pal: Hi, thank you so much for the opportunity. Just wanted to understand, why our gross margin has dipped this quarter? Is it plainly because of higher API prices, or there is something else to it?

Devkinandan Roonghta: Basically, because of the devaluation of rupees, the import of API prices has been jumped, which is immediately not possible to pass on. Because of that reason, the EBITDA margin has been reduced. The second reason is also there is increasing in the transportation cost in domestic area as well as the international transport cost. These are the two major reasons for dip in the EBITDA margin. But the total dip is from 18.1% to 17.23%. It is a dip of around 0.9%, mainly because of the API and transport prices.

Aditya Pal: You see this normalizing in the next one or two quarters?

Devkinandan Roonghta: Yes, definitely it is going to normalize. In next quarter, I do not know whether it is going to normalize or not, but Q4 is definitely going to normalize.

Aditya Pal: Understood. Sir, how far are we in terms of, one is break even for our Indore plant, and second, when does Indore become EBITDA margin accretive for our overall business?

Devkinandan Roonghta: Basically, now Indore is EBITDA margin breakeven is already happened, but after depreciation and after interest is going to take, we feel that in Q4, the Indore will be going to take care of its interest and depreciation also. The EBITDA margin is today also, in this quarter also, the Indore is breakeven and it has given certain positive contribution.

Aditya Pal: Understood. Just one last question from my side. A couple of weeks back, there was a filing where Indore got a U.S. FDA pre-approval inspection. How does that impact the overall scheme of things for, say, one year? Can we start doing CMO/CDMO work for our U.S. partners with this?

Pranav Choksi: Yes, so Hi, Pranav here. I'll take that question. Yes, the inspection which happened was against the pre-approval inspection, as we already have mentioned, and we were expecting it as the goal date was triggered by one of our partners only for the U.S. market. Since, one, I would say this inspection gave a little bit of a positive output where other people who are waiting for the lines to be approved, they also have started their activity.

Our target is from November to March 2027 to start introduction of other products also in the setup, apart from the two or three which we already have done for one of our CDMO partner and CMO partners. We foresee overall around four to six molecules. Why I'm saying four to six?

For the last two molecules, there is some technical discussion happening, but at least minimum four molecules further to be added between November to March, which will help us to qualify the other lines of Indore also. As we have mentioned earlier, these three Form 483 were non-

critical, so we hope that the compliance already has been given in the stipulated thing last week. We hope that by Q2 or Q3 2028, we should be catering to the U.S. market.

Aditya Pal: Also just on the EU GMP and U.K. regulatory authorities, we've got clearance from their side also. The audit is completed, and we've got clearance from their side also. When does Because now Indore is now The revenue has been delayed for us maybe over the last 18, 24 months. Now all this is completed. How should we see Gufic's growth rate going forward?

Pranav Choksi: So, if you see a little bit of the Indore benefit has come in this quarter, that's why you have seen a little bit rise of revenue. But as you rightly said, this increase is mostly for those markets which we can which are mostly India and ROW markets which we could cater from Indore. The margin expansion and the, what do you call, the more high-end business from Indore, of course, would be obtained, like I say, by Q2, Q3 with the U.S.

I mean, let's say Q3 worst comes 2028 for U.S. For U.K. and EU, like I said, the audit has been done, the compliance has been given. So, we also hope that both by February, March, both U.S., U.K., Europe also. And sometimes, with the U.S. coming in, they also helps to take care of the other countries also, because once you get an EIR, that is being accepted by all other countries also.

So, that will also go through. But we are hoping that by Europe would be a little bit earlier, I would feel, because it's sort of an additional site which will be added to the Navsari existing MA prospects. So, we hope that at least by September 2027, we should enter Europe. And like I said, next three to six months, we should enter U.S. So, that is where the revenue will be captured and the margin expansions will happen for Gufic.

Aditya Pal: Understood. Yes, that's all from my part. Wishing you and the team all the very best. Thank you so much.

Pranav Choksi: Thank you.

Moderator: Thank you. The next question is from the line of Vishal Mehta from Oaklane Capital. Please go ahead.

Vishal Mehta: Hi, Pranav. Am I audible?

Pranav Choksi: Yes, Vishal, you are audible.

Vishal Mehta: Congratulations on great numbers. I just had two questions. One is for Roonghta. The debt has kind of increased quarter-on-quarter, and there has also been some stretch on the working capital. If you could just explain what has been the reason for the same? The second question is, like you said, in 2028, we will have all the benefits flowing in terms of the export market. If I look at, say, three years hence, with existing capacity, what could be the peak potential in terms of top line as well as the ideal level of EBITDA margin you would like to operate on?

Devkinandan Roonghta: Basically, if you see the debtors has been, number of debtors has been reduced from previous quarter. It was around 108 days. Now it has come to 100 days. So debtors has been reduced in

terms of number of days, but amount has been increased because of the increasing the sale. The sale last year was INR230 crore.

This year it was INR288 crore. So because of the additional sale, the debtors has been increased and stock has been increased. Yes, there has been, because of the increasing in the working capital requirement, the borrowing has been jumped, but the inventory has been increased because of the U.S. and Iran war, we have decided to keep at least INR40 crore- INR50 crores extra inventory to have no disturbance in the supply chain. We feel the inventory level, which is around INR370 crore, will come down to INR325 crore-INR330 crores in coming by March 2027.

Pranav Choksi: Yes, and just to add, I think.

Vishal Mehta: Sorry.

Pranav Choksi: Just to add, I think, if you saw the benefit which we took in an inventory built up in, what do you call, March 2026, helped us at least for the first quarter where we could keep the margins and the gross margins intact. Now, the problem, what Roonghta Sir rightly says, as and when the validation studies and everything comes up, in any company, at least for the next, I would say, three to four quarters, you will see some sort of an inventory happening.

Of course, not to the extent of what we are seeing right now. Right now, because the audit and everything was planned back to back, and there will be some liquidation happening. But there will be always some validation inventory being built up specifically for U.S. markets where the batches will be taken.

It's not that whenever we do a CMO activity also, it's basically where we have to procure the RM/PM from them. The ANDAs belong to them. Then again, once the engineering batch plus the exhibit batches are taken, we have to hold the inventory till the actual inspection happens or the Goal date happens.

Once we get the approval of the product, then only we are able to sell the product in the market. That is where you will see some inventory, keeping in mind the U.S. market going up, apart from the INR40 crore-INR50 crores inventory Mr. Roonghta has brought about. At the same time, we also have what we are confident that I mean, we were confident in May also or June also that the war would not be prolonged so much, but we feel we are taking it quarter by quarter.

Maybe this quarter, next quarter, there might be. We have seen some prices from October going down, especially when we visited CPHI for some cephalosporins and some piperacillin. However, meropenems and other hormones and others are still sky-high along with the other utilities.

Right now, it will be difficult for us to comment on that because right now continuation of business and getting. As you know, in any regulated market when we work, we need to ensure that we have the approved vendor, RM/PM all done. Like there was this big shortage of PFSs, of vials also in the middle, which somehow we had to build it up. I would still take it one quarter at a time.

Let's see what happens post Q3, Q4, and how this entire world tapers down. But yes, what you are seeing right now is the main peak of our inventory. Hopefully, we don't need to sustain so much going forward once everything normalizes. Coming to the second point, if you see where you mentioned about debt, we have not taken any long-term loan in the last one year because, like I said, most of the semaglutide investment or even for that matter.

Then liposomal or the depot, what Mr. Avik Das was referring to in his presentation for Indore, all that has been done from internal accruals. So you have seen a sort of a capex addition of INR20 crore-INR30 crore, which anyway we have always given you, think that every year there'll be a INR20 crore-INR30 crores capex coming in, which has been financed for the time being from internal accruals.

I mean, by our own cash flow. At the same time, the revenue of semaglutide has still not been captured in a proper way. I still feel there's a long way to go. Whatever investment done for sema, I think with the markets and the entire. The India market has anyway become a bloodbath, but with our registration happening in 22 countries.

Those revenues should start kicking in from Q1, Q2 next year, by which the investment done this year on the capital part of it, of around INR22 crore-INR25 crore, you will see the benefit. So it's a mixture of creating an infrastructure also of depot, liposomal, semaglutide, which has led to that cash flow. Also, secondly, the inventory as such. Otherwise, like Mr. Roonghta rightly said, the debtors have been controlled more and more. These are the main two reasons. Mr. Roonghta, please correct if I said anything.

Devkinandan Roonghta: Yes, Yes. No, no, sir. 100% right, sir.

Pranav Choksi: Yes.

Vishal Mehta: Great. It is very encouraging to know it is by design and not strategy. One more question was regarding the peak potential of revenue and ideal EBITDA margin.

Pranav Choksi: That is a question we normally stay away with, but yes, we always tell you 15%-20% year-on-year growth is what we expect to do. For EBITDA margin, I think Roonghta sir will be a better person to answer, but for revenue, I think I would say 15%, 20% year-on-year is what we target. Yes, Roonghta sir.

Devkinandan Roonghta: Sir, EBITDA margin for Q2 is 17.23% and for half yearly also 17.64%. I feel that if we are able to generate certain revenue from international market, the EBITDA in next year will go around 18.5%.

Pranav Choksi: I think like I said, a 1% improvement of EBITDA would be a thing. Ideally, if you ask me, anything around 22%-25% eventually after some years is what we are targeting, which is like a normal pharma thing. But the ideal would be 30%, but I think we are still far away because we are a CMO, CDMO, and we have other registration and investment of R&D also happening. But 22%-25% would be the target in the near future, and every year increasing it by 1% is bare minimum 1% is the target going forward.

Vishal Mehta: That's very useful, and that number was very helpful. Thank you so much. I wish you all the best.

Moderator: Thank you. The next question is from the line of Suyash Bhave from Wealth Guardian. Please go ahead.

Suyash Bhave: Yes, thank you for the opportunity. Largely, I have two questions. First is, in general, we have gone through a somewhat of a transition phase with Indore ramping up, and now we are also changing our business strategy in terms of our international market authorizations. We have talked about some INR800-odd million of TAM in our PPT. To be able to address that TAM, till how long would we be required to make more expenses for the dossiers and filing side of things?

Pranav Choksi: Yes, just to clarify. The INR824 million are for those, I think, 10 to 14 SKUs, because they have multiple strengths, which are, to some extent, 80% of them are manufactured in Navsari. Of course, they will all be replicated in Indore also. These are the molecules which have addressable market of INR824 million, and we hope that 10% to 15% of the market share is what we are targeting going forward.

That is only from the certain selective geography of around 22 to 24 countries only. The liposomal and the depots do not form a part of this. This is a separate investment which we did in Indore. Coming to the specifically your question, there is some part of business currently being addressed from Navsari, but there is severe capacity constraint there.

This year, we have spent close to around EUR 1.5 million on getting all these registrations done. The investment would be mostly captured in this financial year. Actually, it started last year, very frankly, from Q4 last year all the way till this year, and it was divided by almost $300,000-$400,000 every quarter.

This would be finishing by March 2027, by which there will be 22 - 23 countries of these 14 SKUs. Eventually, it all comes to around some 156 different MAs which we are targeting, and totally, I think it is some 182 MAs totally by next December, which should come to us. Getting the MA is one thing.

The second thing is then to actually go and start marketing in those markets. The entire peak, I would say, the peak revenue would take around three to four years. However, you can start to get a rise of 3%, 5%, 8% penetration happening year over year and improvements happening where we start getting it for these specific molecules of INR824 million. That is in regard to answer to your this question.

Suyash Bhave: Okay. Broadly, from what I understand, the upfront licensing cost will mostly be done this year?

Pranav Choksi: Yes. The EUR 1.5 million-EUR 1.6 million.

Suyash Bhave: Okay. That is great to know. My second question is regarding botulinum toxin. Can you say what is the current revenue size of it, and how do you see it growing over, say, two odd years?

Pranav Choksi: It is divided into two segments. One is, of course, the aesthetic one and the neuro one. I will give you a combined number of around $3.5 million-$ 3.6 million is what we do on an annualized basis YTD. I am sorry, let us put it MAT numbers. This number we hope to grow by at least minimum 25%-30% year-over-year, especially now with the fillers coming in the aesthetic division by December.

We hope we launch by January. The entry of the fillers will further help us then. Also, like I mentioned in the last investor call, the botulinum toxin has been now, for the therapeutic division, has been given to Mr. Rajesh Kaul also, who will be handling this with Sparsh. There we are seeing some traction.

Going forward, as a domestic market, as per say, we hope that $3.5 million becomes $4.2 million, $4.8 million, and so on and so forth, going forward. Side by side, there is an effort being happening that once we finish the investment on these 14 molecules, the next phase of investment for the international market next year would be botulinum toxin, depo, and liposomal products.

Of course, a part of the investment of the liposomal product has been done this year itself, apart from the EUR 1.5 million for markets like Canada, South Africa, and Europe. Even the depo injections, as well as the botulinum toxin and other some new molecules coming in, not new, the existing molecules from Indore coming in, but new for the company, would be part of the international foray next year. This is about domestic as well as international.

Suyash Bhave: Got it. Understood. Quite encouraging. Thank you.

Moderator: Thank you. The next question is from the line of Ameya D from ValueEquity. Please go ahead.

Ameya D: Hi. I just wanted to know, in Indore

Pranav Choksi: Sorry, I cannot hear you, Ameya. Can you repeat?

Moderator: Can you repeat, Ameya? You are not audible. Since there is no response from the participant, we will move to the next participant. The next question is from the line of Vishal Manchanda from Systematix. Please go ahead.

Vishal Manchanda: Hi, good evening, and thanks for the opportunity. Can you break up your sales between domestics, CMO, international formulations, and APIs for the quarter, and the first half as well?

Pranav Choksi: I will give you for the first half because we always do YTD, what we have. So, it is approximately 48%- 49% would be domestic. Export would be around 25%-26%. Contract manufacturing, because of the sema and other, the aztreonam-avibactam piece has little bit gone up further to around 19% - 20%, and remaining would be APIs and tenders and other things.

Vishal Manchanda: Got it. What is the growth rate for the domestic business on a Y-o-Y basis?

Pranav Choksi: Domestic would be on an average, I think around 12%, and international would be around close to 20%-22%. The CMO business would be lesser. The CMO business would be around 4%-5%.

Vishal Manchanda: Within the international business, is the unregulated market business growing faster than the regulated market?

Pranav Choksi: No. On the contrary, we are very less into the non-regulated, or I would say semi-regulated is the right word, or rest of the world market. That is something which is becoming aggressive now. Most of our revenue majority comes from regulated markets now. I would suggest 65%-70% of our revenue right now would be from regulated markets like Europe, South Africa, Brazil, Colombia, U.K., etc.

Vishal Manchanda: Okay. Just like we were inspected by the EU regulator authorities almost a year back, is it normal to kind of see such extended timelines for the plan to get approved?

Pranav Choksi: Not at all. There was a smoke study which we had to repeat, and in Indore we had to go for that modification. December, the audit happened. We got the, I would say, report by February, March. The modification took us almost two and a half months because we could not stop production.

In order to change the smoke study as per Annex 1 guidelines, which was a new requirement, we had to do some modification, which took almost 45 days. That then finally got ready in June, July, and after that we had taken the batches and then we gave the compliance in the month of September and October first week. This is not a norm.

As you know, in Navsari, we have already gone through three to four EU inspections. This was the first inspection in Indore post Annex 1 guideline implementation. That is where the delay happened. Luckily, it helped us. Whatever changes had to be done in Annex 1 helped us eventually for the USFDA inspection, which was a surprise audit which came in October.

Vishal Manchanda: Okay. The approval should come in by Q4 from U.S. and Europe?

Pranav Choksi: Yes, we hope for both, yes, as of now.

Vishal Manchanda: You said supply should take time for start, time should take around six months to start once you get the approval. Is that right?

Pranav Choksi: Six months to a year, depending on the U.S. business will be handled by our client. That is how they have to be ready, how they are going to take it up. I mean, right now they have given me a notification of Q2, Q3 for them, depending on the certificate coming by, I think, by March.

Going for Europe, since we already have an existing business, there are a lot of pending orders from Europe from Navsari side. Once we get the EU certificate, there will be just a site addition, which normally takes three to six months. That is why I am saying that the European business, according to me, which is in our control, would start faster by September, and the U.S. business would be where we would be depending on our clients.

Vishal Manchanda: Understood. Okay. Any important launches that you are expecting on the domestic front which should help us accelerate this growth rate 12%?

Pranav Choksi: I would always say that there are always some products being stopped which are low GC or not giving, and there will always be new launches happening. There is also sometimes price erosion is happening in the business, which we are in some segments like critical care and hospital. Keeping all this in mind, our efforts are always there to achieve that 12%-15%. In every division, every year we launch one anchor product, and every quarter we try to launch a fill in the blank product. This is a part and parcel of the strategy going forward.

Vishal Manchanda: Right. Any products in the category like botulinum toxin? Products of such complexity, should we expect any of those products, new launches?

Pranav Choksi: Yes, of course. Every year that anchor product which we try to get would be those complex products which are whenever there are complex products are there, they include, there is a phase III happening. Right now there are almost three to four phase III clinical trials happening parallelly for a launch in infertility, for a launch in pain management, for a launch in critical care, and for a launch happening as a additional drug delivery system for botulinum toxin. This keeps on coming. The pipeline will keep on adding up.

Vishal Manchanda: Okay. Just one final one on Dual Chamber Bags. Have you identified other products for launch there?

Pranav Choksi: Yes. We have launched two new products. We are expecting one more product to be launched in October to December, which is an addition to that thing. We hope by March there would be two more. Right now with the capacity and the Sparsh taking the existing products well, we hope that we can launch at least one new DCB product every quarter.

Vishal Manchanda: Any sense on the addressable market for these launches that you highlighted, whatever you would do this year?

Pranav Choksi: Because of the price differential, like I said, I have realized one thing, that India is a very price-sensitive market. Sometimes even when we come with new technologies and new innovations, it takes time for the customer to accept them and pay that premium. So I do not have any specific targets. But yes, we are trying our scientific way and our communication to ensure that the salient features and the basic things are taken care of. So let's hope, because sometimes as a person-

Vishal Manchanda: Addressable market.

Pranav Choksi: Addressable market cannot be compared because it's a new drug delivery system. I cannot say that the entire vial market is INR4,000 crore, or with the bag, I'll get the entire market. Because sometimes adoption for a basic molecule is 5%, sometimes it's 3%, sometimes it's 10%. So difficult for me to answer that.

Vishal Manchanda: Understood.

Pranav Choksi: Yes.

Vishal Manchanda: But these facts would translate into savings for your customers. So essentially, they would be willing to pay that premium. Is that right to say?

Pranav Choksi: I would love to have you as part of my team and come and work in the field when we go. We try to convince them with all those salient features and all the USPs. Indian says all is good say what to make the payment, which is sometimes becomes difficult for us to answer. So I hope you understand that in India.

Vishal Manchanda: Yes, I understand. Thank you very much. Thank you.

Moderator: Thank you. The next question is from the line of Ameya D. from ValueEquity. Please go ahead.

Ameya D: Yes. Hi. I just wanted to ask, on the Indore plant now, considering the commentary that we're hearing now, would we say that maybe Q2 and Q3 of FY 2028 would be that critical point where we start to see real margin gains also from Indore?

Pranav Choksi: Ameya, actually, if you see now, in pharma, the entire process happens in a very, what do you call, we always try to get additional three products, four products, six products. The approvals always come in a phase-wise manner. It never cascades together as one in maybe one quarter. So, as you have seen the revenue jack-up happening quarter to quarter, you should expect a similar jack-up happening, where, yes, you're right, there might be one inflection point which might come next year when you have the entry barrier where suddenly the demand of Navsari is a little bit decluttered with the help of Indore. So that would definitely come.

But eventually, you would see sort of a sustenance of new dossiers being added. Like I was mentioning that we have almost 156 - 182 MAs. Those MAs also coming up. Now, getting those MAs is one thing, then finding the right partner, then waiting for the, either if it's a NHS market or a tender market, waiting for the tender to come, or if it's a private market, then just getting the field online or getting the QP release, all has its own phases and which is there.

So, I would not say that Q2, Q3 will be sudden like an inflection point, but yes, you will see an improvement happening gradually from now till then. Then there'll be one quarter of inflection definitely will come as when you suddenly see the Navsari, I would say, backlog getting cleared because of the Indore capacity, and then you'll again see the normal growth happening also.

Ameya D: Right. Maybe two to three years out, do you see an ideal mix from Indore, from a regulated to non-regulated exports point of view?

Pranav Choksi: I would still keep it regulated. Most of the countries now, as you see, there is nothing like non-regulated anymore. But yes, I can say ROW is there. Now, even like we are having audits of Philippines, Thailand, Cambodia, or even for that matter, now Ethiopia came or others. Even for Central American markets where we have audits coming from Honduras.

Right now, we just had a Russia audit. When I mean Russia, there is one Eurasia audit which happened last week in Indore. All of them is now mostly following the same guidelines. Since we are catering to the U.S. and Europe requirement, all will be the same way. Yes, in terms of revenue mix, I would still predict a regulated market heaviness being there. When I mean a regulated, I don't want to say everything is regulated. I would just say that U.S., Europe, U.K., South Africa, Canada, Colombia, Brazil will still be more heavy-ended for us in terms of revenues than the rest of the world markets.

Ameya D: Okay. Just to squeeze in the last question. If you were to visualize maybe Gufic in 2029 or FY 2030, what do you think are going to be the three biggest differentiators between where you are today and where you would be three years out? I know it's a little bit of a futuristic question, but just wanted to know what you're thinking on this?

Pranav Choksi: Very artistic question. But yes, I would only try to say that, if you see last five years, 10 years, we have evolved in terms of our product mix, in terms of our geography mix, in terms of our, I would say, complexity also of the pipeline mix. In 2029- 2030, we will still continue to evolve into that.

There might be certain business segments, some geography where we see that there is more of a pressure and there's more of headwinds against us. We might be out of it, and we try to always upgrade in terms of geography, upgrade in terms of pipeline, upgrade in terms of, I would say, product category also, where entry barrier and, I would say, competition limits. Just to give you with specific examples instead of talking starry language, going from basic antibiotics were where the start was.

When antibiotics, we entered with economic of scale, and we did a good job. Now, we have our own pipeline products coming, first-time launches coming in, like aztreonam/avibactam and others going forward, like a once-in-a-week antibiotic, once-in-a-antifungal. Then eventually, we went into botulinum toxin, then we went into depots.

We went to liposomal products. Now we are getting into once-in-a-week pain management product, which is under phase III clinical trials. Then we are getting into recombinant molecules. We are getting into other biologics going forward. That is how I hope in the next, not only 2029-2030.

But eventually as a company, we keep on evolving in terms of going up the, I would say, food chain in terms of better pipeline, less entry, I would say more entry barrier to the products which we have, and gradually come out of things which are operational or low-yielding, which sometimes, I would say, make us busy more than required and focus on new innovative things.

Ameya D: Right. Okay. Thank you so much. All the best.

Moderator: Thank you. The next question is from the line of Aditya Pal from MSA Capital Partners. Please go ahead.

Aditya Pal: Hi. Am I audible?

Moderator: Yes.

Aditya Pal: Yes. Thank you so much for the opportunity again. Pranav, just wanted to understand from you, a couple of turns back, you were answering a participant on EBITDA margin, that every year we want to increase our margins by 1%. If I were to understand, maybe say in the next 2 years to 2.5 years?

Once Indore reaches the optimum capacity utilization, there will be two levers at play, right? One will be the gross margins will slightly go up because of the U.S. and European contribution coming in from Indore, and then there will also be operating leverage at play. The inflection point that at least we should think about should be far steeper. Isn't that correct?

Pranav Choksi: Yes, absolutely. If you see right now, because of the pressure which the company was in the last two years because of Indore and other changes which we did in international business registration, we have kept our R&D pipeline little bit suffocated right now. If you ask me, today I have the infrastructure of creating millions of PFS and cartridges, which I am doing as a CMO for semaglutide.

I would love to enter into my own GLP analogs or GLP-1/GIPs or third generation or come up with an FGF-21 also, which eventually would help me where even though I have the concept, I have the thing, I am not spending in the R&D part of it. Even the oral vaccine technology which we have right now, kept it in a very slow burner, keep in mind the priorities are what it is.

When I am saying that we, as a company, whenever we get any surplus or we see that high-end inflection point coming in, we always have a strategy ready which unlocks the next five years, 10 years going forward. It is not the question that if I say I do not do any more R&D, I do not do any pilot, let this business only go on its own, then you are right, then the EBITDA margin would go from 22% to 25% to whatever 30%. That would-

Aditya Pal: No, I understand. I completely. Can I say the business will become a 25%-26% pre-R&D EBITDA margin business, and say post-R&D it will become a 20%-23% business?

Pranav Choksi: Yes, absolutely. That is how we have been over the years. If you see over the years also, I am mentioning-

Aditya Pal: Correct. No, absolutely.

Pranav Choksi: Yes. I think you summarized it well. Yes, I agree with you, what you say.

Aditya Pal: Perfect. We are on good track. Wishing you and the team all the best.

Pranav Choksi: Thank you.

Moderator: Thank you. The next question is from the line of Dheeraj Kumar Reddy from Alpha Sqr. Please go ahead.

Dheeraj Kumar Reddy: Hi, sir. Thanks a lot.

Pranav Choksi: Yes, Dheeraj, you can go ahead.

Dheeraj Kumar Reddy: Yes, Yes. I have a couple of questions, sir. I think I've been going through some of the calls by some of our customers, like in terms of how they are viewing Gufic Biosciences?

Pranav Choksi: When you mean customers, you mean clients?

Dheeraj Kumar Reddy: No, the CMO customers whom you are working with. I mean, I was just trying to understand what is their view on Gufic Biosciences, and every customer, in fact, appreciated Gufic's niche.

Pranav Choksi: Okay. Thank you.

Dheeraj Kumar Reddy: Which Gufic is working on.

Pranav Choksi: Okay.

Dheeraj Kumar Reddy: Yes, so I just wanted to understand, sir, the vision of new drug delivery systems. In fact, Gufic is one of the very few players in India I came across who is really working on it. From a vision standpoint, how are we placed there? Are we thinking on working in terms of more, how many products are we working on? What is the kind of market size? How do you think this category is growing? Maybe I just wanted to understand a bit more on this segment from a three to five-year standpoint?

Pranav Choksi: If I understand your question well, is that you want to understand that in terms of new drug delivery systems, what is our vision and way forward, or new drug delivery systems as a CMO, how will we serve our clients?

Dheeraj Kumar Reddy: Both of them, sir. I think I just wanted to understand both the questions which you just raised. Both the things which?

Pranav Choksi: Yes. So as in the past, we have been evolving from an ampoule to vial to lyophilization to PFS to cartridge, now to dual-chamber bags. Maybe in the future, our clinical trial and a DCGI application for triple-chamber bags will come up. Then once in a week pain management, once in a week antidote.

So always in terms of new drug delivery systems, as well as also patient compliance of having, I would say, sustained-release injectables or controlled-release injectables will be the way in which we will evolve. All this, of course, requires a lot of money and, I would say, R&D and clinical investment, which that is what I was mentioning to the previous gentleman also who asked me, and we will try to always evolve in that way.

Also, as you see, day by day, the industry and the world is also getting more and more commoditized as a pharmaceutical industry is not what it was 20- 30 years ago. Now everything becomes more and more commoditized, and there is always price pressures coming in.

So it is inevitable that we, of course, maintain our efficiency in terms of scale, we maintain our expertise in terms of the current business world we are in, but at the same time, be ready for the next 5 to 10 years, where assuming that someone else comes with a bigger war chest, with a bigger infrastructure, with a bigger everything, utilities, someone from China or anywhere part of the world.

And they just blow us out of the oceans, assuming that we will never have that electricity benefit or the export benefit or XYZ benefit. In such cases, our evolution is inevitable. That is what I am trying to say that, as a company, we always invest in that. We read the botulinum toxin or

the variants coming in the forward in the future, recombinant products, the excipient combinations of making once-a-day or twice-a-day product into once in five days.

Coming up with a depot technology which can be a little bit more efficient instead of using the microsphere. Is it a new technology possible? As I mentioned, right now, GLP-1s like sema and tirzepatide are ruling the world, and they have a lot of traction. Tomorrow, what else can go beyond these GLP-1s which will be much more adequate since now we have an infrastructure in place?

So yes, as a company, to answer you in a nutshell, we always try. We work on 10 things. We are late in three of the things. Three of our things fail. And then out of the remaining four things, eventually work, and then we ensure that those four things take us to the next level of the company. We are never into a mass business, so that will always be our I would say we have to get into niche, and in order to be in niche and continue to grow in niche, we need to keep on reinventing and adding to our pipeline.

Dheeraj Kumar Reddy: Got it, sir. Great. I think maybe if I can squeeze two more questions. My next question is Stunnox only Indian-based product, or you are also looking to probably do exports and you want to probably get into U.S., Europe markets? Is there any case for that?

Pranav Choksi: Sure. Right now, as I mentioned, it is mostly India-based because if I have to go to the U.S. market or any regulated market or any market internationally, we just got a couple of approvals in Central Europe and others, and that will happen. But down the line, yes, to get a new we need to make a new facility or we need to. And that's the reason one of the time we visited also a facility maybe in Korea or somewhere else, which has a dedicated block. Because botulinum toxin is something which can like one teaspoon can kill the world. So it requires a dedicated facility. It requires a lot of investment of managing it, and it also requires also a separate regulatory process in terms of dossier as well as clinical data.

So for me to currently take the botulinum toxin internationally would take another maybe $15 million- $20 million investment, which right now, I would say we are not ready to do that. We want to first focus on the existing pipeline, what we have, and also the Indore facility by which we can get that on course, get the cash flow improved in the next two years, focus on reducing the debt, and then if any opportunity comes, we'll be more than happy to take the product internationally.

Dheeraj Kumar Reddy: Got it. I did not understand why do we need this $15 million-$20 million. Can you just elaborate on that one, please?

Pranav Choksi: If I do a loan licensing, then I do not need around $9 million-$10 million for making a new facility, because for the facility with an isolator, with a line, with a lyophilization setup, and all our topical, because we are working on topical botulinum toxin. This setup normally costs $9 million-$11 million, depending on the interest and everything else, plus the land and all that. Land, luckily, we have with us.

Going forward, the dossier, the clinical batches, the clinical cost for entering into a market like U.S., Europe, or eventually it would make sense just to get a product ready for U.S. and Europe,

so then all markets open up for us. Then there is a separate bioequivalence data. There is also, I would say, a preclinical animal studies required.

Then also maybe phase III required where you have to show your molecule from the biological source is having safety as well as efficacy. All that, the entire thing combined would lead to that sort of an investment going forward. It is not just like a normal injection, it is a biological. It has its own roadmap in terms of investment.

This is the reason I feel we would right now wait for some time, get focused on the India market, make it good, there is enough to work here, and down the line then think for the international market. If we also, if we get a facility maybe in U.S. or Europe, sorry, U.S. or Korea or Europe, where we can just out-license and make the product there and just take it to those markets. But still, there will be at least half, 50% of the cost still need to be done for the clinical and the other dossier cost. This is where I am coming from.

Dheeraj Kumar Reddy: Got it.

Pranav Choksi: Yes.

Dheeraj Kumar Reddy: Got it. Makes sense, sir. My last question is, in peptides, what exactly is Gufic currently working on? I just wanted to understand a bit more in detail. In fact, maybe if you can explain us from a chain standpoint, how large is a chain you are working on? Are we doing complete API or fragments, etc? If you can explain us the thought process there, that would be helpful?

Pranav Choksi: Peptides are of two types. One is a synthetic, one is a recombinant. The synthetic peptides, what we were earlier dependent on outside about the cetrorelix, the leuprolide, octreotide, triptorelin, and all others, we are right now making it in-house, and we are happy, and we are trying to get a dossier done.

Then there are also these complex peptides which come up, which right now only Sun Pharma is one player in India, and is taking over the other for neurological stroke. That is one peptide which we just submitted to DCGI since last year, and we just finished our bioequivalence. Then, of course, there are other peptides for longevity.

There are other peptides also for, what do you call, like I mentioned, beyond the GLP-1, there are now complex GLP analogs, GLP complexes coming in. So those are the ones which are there. This is where the entire spectrum of peptides are. The application will be from longevity, from infertility to, I would say, sepsis management to even, I would say, basic pain and, I think, women issues. So it is a wide spectrum.

Dheeraj Kumar Reddy: Got it, sir. I just wanted to understand where are we working exactly? Is it generic peptides, innovative peptides in terms of the?

Pranav Choksi: If you go through the names which I mentioned, we take care of both generic peptides and the innovative ones also going forward. Of course, I did not name the innovative peptides because of the IP, but the generic peptides like cetrorelix, triptorelin, octreotide, leuprolide, all of them

are the generic ones which we want to make it in-house and we want to file our own. Then the innovative ones came, which I just gave you examples, which we want to go ahead.

Dheeraj Kumar Reddy: Okay, sir. We are also working with any U.S. biotech companies, or is it primarily Indian companies you are working with, sir? Also, we will be making a fully finished API going forward. Is that the case, or we are only working on the fragments?

Pranav Choksi: Right now for synthetic we are doing in-house. We do not have a recombinant peptide facility of our own. There is a Bengaluru-based company which we have just started interacting with, who is setting up a recombinant. We can do a tech transfer there and then we can do it. That is for recombinant ones. The synthetic peptides, we have a facility in-house where we have peptide synthesizers which we are able to do in-house.

Dheeraj Kumar Reddy: Understood. From U.S. Bangalore company-

Moderator: Mr. Reddy, sorry to interrupt you. Can you please rejoin the queue for more questions? Thank you. The next question is from the line of Bhavya Sonawala from Samaasa Capital. Please go ahead.

Bhavya Sonawala: Yes, thank you for the opportunity. Am I audible?

Moderator: Yes.

Pranav Choksi: Please, go ahead.

Bhavya Sonawala: Yes. Just a couple of questions. I think you mentioned to one of the participants that in the domestic business, the growth kind of stays at 12%-15%. Is that how the nature of the business is, or is it because of always there's a molecule that goes in price erosion and then you have to come up with another one?

Pranav Choksi: Yes. As you know, in terms of our domestic revenue of 48%, 49%, the majority of around 50% of that thing is mostly hospital-based business as of now. Here, every year, based on the molecules, there is a price erosion. So even if we grow by 30%, 32%, or 35% in terms of volume increase, our value growth is only 8%-10%, and then a new product launch makes it 2% to 3%.

Now, in the last three years, once we have got into infertility, gynae, ortho, aesthetics, neuro, we are also getting into segments which are more prescription-based or which are not hospital-based, where we can actually see not only, I would say, protection of our existing revenue, but also growth happening year over year, which can be easily calculated.

But since the hospital business will always be on the majority part of it, that will always have that pressure when you suddenly you see a meropenem go from INR50,000 to INR33,000 per kilo. Immediately, we are just adding that to the market, so you'll see the entire revenue fall down by that extent. The same thing would happen to any other anti-infective in terms of hospitals. So keeping that in mind, I'm just giving a disclaimer that 12%-15% is what we feel is achievable, because you never know with this current situation how the API and the supply all will react.

Bhavya Sonawala: Understood. Just one more question on, I think, when we started infertility, we were quite early, and now I think it contributes quite decently. Just trying to understand, it might be too early for this, but what new segment or a larger group of probably drugs do we see that it can kind of contribute in a significant way? Is it aesthetics or something else that, if you can talk about that?

Pranav Choksi: Our efforts are on that beyond hospitals, we want to get into infertility, gynae, ortho, which is pain management as well as arthritis and inflammation, followed by aesthetics. Aesthetics will be toxin fillers and also some fat management. I mean, I would say in terms of visceral fat management going forward along with longevity. Then neuro, we want to come with things. These are the main growth factors, I mean, the growth levers which we are trying to invest in the last two years, and now that will be also going forward. I think these are the segments.

Bhavya Sonawala: Okay. Just a last question. I think in the presentation as well as in the call, you spoke about how the capacity ramp up in Indore is deliberately kind of paced because of waiting for U.S. FDA. Does it mean until we get these certifications, the growth will kind of not be significant, and we are keeping enough capacity for all these certifications to come in?

Pranav Choksi: It's a mixture of both. It's a mixture of both for that, because once you commit a capacity for Europe and U.S., there are contracts in place and there's supplies and a lot of important milestones. Yes, we are sensitive about the capacity to some extent. At the same time, what I meant was that till the U.S. and Europe comes in.

We just don't want to clutter the facility with me-too products and basic products, which are anyway at the end of their product cycle. That is where I feel that since the depots and the liposomal as well as the suspensions, which are the main focus of injectables there, apart from, of course, those 14 SKUs which we have filed, these will be very good enough in terms of our targets and our revenue. That is where we have planned the capacity in such a way that we don't deviate from that.

Bhavya Sonawala: Understood. Thank you so much. All the best. Thank you.

Pranav Choksi: Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take this as the last question for today. I would now like to hand the conference over to Ms. Ami Shah for the closing comments. Over to you.

Ami Shah: Thank you, Iqra, and thank you everyone for your time and for your questions today. We hope we have given the satisfactory response to all. We appreciate your continued interest in Gufic, and if any of the queries still remain unanswered, please feel free to our IR team, and we will be glad to assist. Thank you.

Moderator: Thank you. On behalf of Gufic Biosciences Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.