



November 24, 2025

To, Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Ref: BSE Scrip Code: 544497	To, The National Stock Exchange of India Ltd. The Listing Department Exchange Plaza, Bandra – Kurla Complex, Mumbai – 400051, NSE Scrip Code: AHCL
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Subject: Sub: Outcome of Q2/H1-FY26 Earnings Conference Call – Transcript

Dear Sir/Madam,

With reference to our letter dated November 14, 2025 related to the Earnings Conference call and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI-LODR'), we would like to inform that the transcript of the Earnings Conference call held on Wednesday, November 19, 2025 at 04:00 P.M. IST, is attached herewith.

This will also be hosted on the Company's website at <https://www.anlon.in/reports.php?subid=15&name=Investor-Meet>

You are requested to take the above information on your record.

Thanking You.

Yours Faithfully,
For ANLON HEALTHCARE LIMITED

**PUNITKUMAR RASADIA
MANAGING DIRECTOR
DIN: 06696258**

ANLON HEALTHCARE LIMITED

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Event Date: 19/11/2025

Time: 04:00 PM.

Event Duration: 01 Hrs 08 Mins

CORPORATE PARTICIPANTS:

Mr. Punitkumar Rasadia

Chairman & Managing Director

Mr. Parth Raorane

Confideleap Partners

Anlon Healthcare Limited Q2 and H1 FY26 Earnings Conference Call Transcript

Hosted by: ConfideLeap Partners

Moderator: Ladies and gentlemen, good evening and welcome to Anlon Healthcare Limited Q2 and H1 FY '26 conference call hosted by Confide Leap Partners. As a reminder, all the participants line will be in listen mode only and there will be an opportunity for you to ask the questions after the presentation concludes. Please note that this conference is being recorded. Before we begin, I would like to point out that this conference may contain forward-looking statement about the company which are based upon the beliefs, opinion and expectation of the company as of the date of the call. This statement do not guarantee the future performance of the company and it may involve risks and uncertainties that are difficult to predict. I would now like to hand over the floor to Mr. Parth from Confide Leap partner. Thank you and over to you, Parth.

Parth: Thanks, Krishna. Good evening, ladies and gentlemen. Uh, Parth here from Confide Leap Partners. We represent the investor relations for Anlon Healthcare Limited. On behalf of Confide Leap Partners, I warmly welcome you all to Q2 and H1 FY '26 earnings call of Anlon Healthcare Limited. The company is represented by Mr. Punit Kumar Rasadia, who's the chairman and managing director at Anlon Healthcare Limited. I would now like to hand over the call to Mr. Punit ji for his opening remarks. Thank you and over to you, Punit ji.

Punit Kumar Rasadia (Chairman & Managing Director, Anlon Healthcare Limited): Yeah. Good afternoon, everyone, and warm welcome to Anlon Healthcare's Q2 and H1 FY '25/'26 earning conference call. For Q2 FY '26, total income stood at INR 52.32 crore, which is over 2x of the 24.21 crore, which was recorded in Q2 FY 25. It's representing 116% year-on-year growth. EBITDA for the quarter grew from INR 7.57 crore to INR 13.77 crore, delivering an 82% increase. Most importantly, PAT increase from INR 2.59 crore to INR 9.32 crores, reflecting nearly 4x jump on year-on-year basis, driven by strong operating leverage and an improved business mix. For the first half of FY 26, total income rose from 62.11 crore to 85.53 crore, 38% year-on-year increase. EBITDA grew 38% from 14.55 crore to 20.01 crore, while PAT doubled from 6.36 crore to 12.86 crore on year-on-year basis, supported by consistent contribution from high-value intermediate and APIs. From a strategic standpoint, H1 FY 26 marks an important phase in Anlon's journey. We strengthen our global compliances footprint with Anvisa approval for our manufacturing facility with zero observation, reflecting our adherence to global GMP standards. We now have 21 DMF filed across major regulated markets with upcoming submission for ketoprofen in the USA and dexketoprofen trometamol in European countries, positioning us for deeper penetration into regulated market in the coming year. Operationally, our Rajkot manufacturing facility continues to perform efficiently, operating at 84% capacity utilization, supported by strong quality system, modern reactor infrastructure and in-house R&D laboratories. The R&D pipeline continues to strengthen with 65 commercial products, 28 in pilot scale product and 49 molecules under lab development, providing long-term visibility for the scale and portfolio diversification. The company is also progressing well on the CDMO opportunity with three molecules under development for two global giant innovator companies currently in the validation stage. Commercialization is scheduled for Q3 FY '27, marking Anlon's entry into the high-value global CDMO space. Looking ahead, our strategic priorities remain centered on scaling into global markets, accelerating DMF-driven expansion, strengthening our portfolio in high-margin APIs and executing our 700 metric ton a year greenfield expansion, which will take our total capacity to 1100 metric ton a year. This expansion will support our ambition to achieve a 30% plus revenue CAGR over the next three years, alongside a structurally improving margin profile. We continue to leverage China Plus One tailwinds, rising global demand for the high-purity intermediates and growing opportunity in nutraceutical, personal care and animal care. With a high compliance platform, strong order visibility and stark operational focus, Anlon Healthcare is well-positioned for sustained long-term growth. Uh, now we can open the floor for question and answer. So Parth, you can start with it.

Moderator: Participants are requested to raise their hands for the question. Also, one can request their question in the Q&A box. We have Mr. Paras Cheda. Sir, you may now unmute and introduce yourself.

Paras Cheda: Yeah. Hello and thank you for this opportunity and sir congratulations for the very strong set of results. Uh, I've just got a couple of queries, sir. I mean, if you can help, you know, throw light on these. So sir, first of all, when is this 700 metric tons plant per- uh, you know, metric ton plant coming up online in terms of the deadline?

Punit Kumar Rasadia: See, we are planning for the expansion within our facility and we have spare own land also, but we are just exploring the option because considering the current

business opportunity and the order books position for next two, three years from our existing and regulatory customer, that if we are going for the expansion then it will take around one and a half year. So company is already trying to explore the opportunity for the ready-made unit also, so we can start the immediate production in the different site for our backward-integrated, non-regulatory KSM and other raw materials.

Paras Cheda: No, sir, uh, so sorry sir, I haven't understood. So 700 metric ton plant, so has that been decided? Are we taking over some plant or setting up a plant?

Punit Kumar Rasadia: It is a year soon.

Paras Cheda: Yeah, please go ahead, sir. Uh, can you pardon? Your voice was broken.

Punit Kumar Rasadia: That will be a greenfield facility.

Paras Cheda: That will be the greenfield facility, right? So when is it coming up in terms of commencement timeline?

Punit Kumar Rasadia: I think we are trying to do it as soon as possible. Uh, most probably within this quarter only and it will take around 16 to 18 month to get the production and trial run, all these activity completions.

Paras Cheda: Achchha. Okay. So the plant commissioning will happen by let's say end of December this year. But the-

Punit Kumar Rasadia: The commissioning will start immediately within this quarter and it will take around 16 to 18 month for the completion.

Paras Cheda: Achchha. For the completion. Okay. Understood. Yes. Yeah. Understood, sir. And, uh, sir, so the current 400 metric ton plant, what would be the peak revenue on that, sir?

Punit Kumar Rasadia: I think this year we are expecting somewhere around 170 to 180 CR from the existing facility at the peak. And this will be the peak? Yeah. There may be a little bit possibility of 10 to 15%.

Paras Cheda: Okay. Right. So for your further growth then, you will need the 700 metric ton plant to come in sort of-

Punit Kumar Rasadia: Exactly.

Paras Cheda: Yeah, either we need to go for the immediate expansion or a immediate inorganic acquisition so we can comprise our whatever the order or opportunity we are having in hand.

Paras Cheda: Right. Right. Right. So the capacity otherwise can become an issue. And sir, of the 700 metric ton, as in when it comes in, what will be the peak revenue at, let's say, um, peak revenue, what would it be at 80% utilization?

Punit Kumar Rasadia: Um, considering, see, practically 100% utilization is not possible in pharma, so we are considering 80 to 85% utilization after 1100 metric ton total capacity. At that time, we are expecting the peak revenue somewhere around 360 to 400 CR.

Paras Cheda: Achchha, 360 to 400, that is inclusive of the current 400 also?

Punit Kumar Rasadia: Yeah. So incremental, broadly you are saying about 200 to 220 crores odd increment?

Punit Kumar Rasadia: Yes.

Paras Cheda: Understood, sir. Understood.

Moderator: Would request Mr. Parasji to please join back the queue since we have a limited time from the management.

Paras Cheda: Okay, fine. I'll come back.

Moderator: Just a quick reminder to everyone, if you have question, please raise your hand using the reaction tab. Next we have Mr. Bhavesh Patel. Sir, you may unmute and introduce yourself.

Bhavesh Patel: Hi. Good afternoon. Uh, and, and, you know, first of all, uh, it's great to hear from you and congratulations on great set of numbers. Uh- Thank you. ... really, really excited about, uh, you know, the company and the future. So my first question is, the greenfield facility that we are talking about, is it like a completely new location? Because especially in pharma, having a second location is great for de-risking. Uh, and the second question is about expansion-related capex, would we require any external money? And then you briefly touched upon inorganic growth by acquisition. So, any, any ideas that you have? Uh, once again, thank you for the opportunity and really excited about the company.

Punit Kumar Rasadia: Yeah. See, first question was we are planning for the expansion with our adjoining land. We are having the spare open land over there, and we have one additional land also. So we are not planning for any phased greenfield expansion where we need to get all the statutory approvals again, but any which ways if you are going for the even with the additional, then also we have to get all the EC compliance and everything, but it is a little bit smoother than the new greenfield project.

Bhavesh Patel: Understood.

Punit Kumar Rasadia: Yeah. And your second question regarding capex and all those things. So in DRHP, when we got the IPO proceed, we have reserved the 31 CR for the new capex expansion. So that fund we are having with us and right now we don't need to get any debt or bank loan for the further new expansion. For this specifically capex.

Bhavesh Patel: Sure. Sure. And the last one about the inorganic acq-

Punit Kumar Rasadia: Regarding inorganic acquisition, can you pardon the question?

Bhavesh Patel: Yeah. The question is, are you looking at, you know, some synergy in terms of acquiring some smaller... I mean, some company which makes sense for the kind of work we are doing?

Punit Kumar Rasadia: Yeah. We are already looking for that and we have identified some facilities also. So what we can do is because all these products which have been registered to regulated market, that is already matured and we are having the big visibility for our next year customer requirement for our products. So our capacity is very less. If we will not supply to our customer, then maybe there is a possibility that they will start to identify the new supplier. So we don't want to lose the business opportunity. That's why we are trying for looking the opportunity for inorganic acquisition also, along with the expansion.

Bhavesh Patel: Sure. And Punit Bhai, just a request. Uh, I know through company secretary we might request a possibility of coming and meeting you and seeing the plant, as an-

Punit Kumar Rasadia: Yeah. Yeah. Anytime. Anytime, Bajwa. Not an issue. Please. Thank you. You just let me know two, three days prior to your visit, so I'll arrange your visit comfortable.

Bhavesh Patel: Wonderful. Thank you very much.

Moderator: Just a quick reminder to everyone, if you have questions, please raise your hand using the reaction tab. Also, one can request their question in the Q&A box. Next we have Mr. Agastya Dave. Sir, you may unmute and introduce yourself.

Agastya Dave: Yeah, hi, this is Agastya Siddharth from CEO Capital. Uh, sir, actually my questions are follow-up on what the first participant asked. Uh, uh, Aapne kaha ki jo naya 700 tons ka plant hai woh December mein commission ho jayega? Ya December mein uska construction shuru...

Punit Kumar Rasadia: We'll start the commissioning. We'll start the commissioning, it will take 16 to 18 months for the completion.

Agastya Dave: So that would mean the construction is going to start in December, right, sir?

Punit Kumar Rasadia: Yes, exactly.

Agastya Dave: Yeah, commissioning would mean ki sab khatam ho gaya, so this is a (in audible) See, basically what happened if we are going with the existing adjoining land then all this utility part and other apart from the production area-

Agastya Dave: Ji.

Punit Kumar Rasadia: That air capacity we already have with our own existing plant.

Agastya Dave: Correct. So construction will be started and parallelly commissioning of the further equipments apart from the production, that will be installed maybe after six to eight months.

Punit Kumar Rasadia: Correct. Correct.

Agastya Dave: Sir, uh, can you give some idea as to the revenues in Q2 which have come from Loxoprofen? And, uh, if you have the breakup between how much revenue came from intermediates and how much came from APIs?

Punit Kumar Rasadia: Mm. Yeah, just hold. See, from APIs we are having in H1 around 70%, and for intermediate it is 27.2.

Agastya Dave: Okay. And this is for H1, sir, you said?

Punit Kumar Rasadia: H1 FY '26.

Agastya Dave: Okay. Okay. And sir (Inaudible). Hmm. (inaudible).

Punit Kumar Rasadia: See, basically what happened last year we were mainly focusing on the domestic customer for our APIs and intermediate.

Agastya Dave: Yes, sir. I remember this.

Punit Kumar Rasadia: Yeah. Yeah, yeah, yeah. So exactly what happened, basically our product registration and everything was at the approval stage. Now we got it that within this year, and we got the advantage on that. So this year domestic API is having the lesser, intermediate is more. And we are trying to manufacturer and supply, having the order from our overseas customer for N-1 specifically for API. Okay. So our intermediate is increased and API contribution is decreased.

Agastya Dave: Okay. So, sir, (inaudible).

Punit Kumar Rasadia: Overall this margin would be almost similar, but we are even getting the better margin in the export N-1 KSM.

Agastya Dave: Okay. Okay. Okay. Because domestic market is highly price sensitive, so you have to always-

Punit Kumar Rasadia: Correct.

Agastya Dave: Final question, sir. Uh, for this quarter, how much was the exports? Uh, this Q2 or Q3? sir, you can probably post it in a presentation later if you don't have the presentation.

PunitKumar Rasadia: Yeah, I'll just send you in the chat box.

Agastya Dave: Perfect, sir. Uh, and sorry, sir. Last question. Uh, what will be the CapEx for this year?

Agastya Dave: CapEx we are planning for at least 32 CR for the expansion. And if we are going for some inorganic acquisition, then it would be around 50 to 55 CR.

Punit Kumar Rasadia: Uh, separately or total?

Agastya Dave: Uh, separately.

Punit Kumar Rasadia: Okay, so 32 plus 55. And 32 will come in the next financial year because all those in-in will not come immediately.

Agastya Dave: Correct. Correct. But the acquisition you said, that size would be around 55 crores?

Punit Kumar Rasadia: Yeah, 50 to 55 CR. Uh, oh, (in Hindi). That will be more than total 1,100 metric ton. So that is what we require t- Understood. It will be more than that.

Agastya Dave: Understood. And we are trying to acquire this facility with the strategic do because we are de-risking the risk for the single unit w- Ji, ji, ji, ji, ji. So it should be separated. So if something happen in future, then there will be no issues on the- To be honest, sir, the first participant was right. You will have to acquire it because otherwise (in Hindi).

Punit Kumar Rasadia: Exactly. We are already facing because we are having the huge order in hands and we are not supplying the material to customer, even whatever quantity they require.

Agastya Dave: Right, sir. Uh, so thank you very much, sir, and all the best, sir. Great performance. Uh- Yes, sir. ... all the best for the acquisition also, sir.

Punit Kumar Rasadia: Thank you. Thank you.

Moderator: Just a quick reminder to everyone, if you have question, please raise your hand using the reaction tab. Also, one can request the question in the Q&A box. Next, we have Mr. Rudraksh Raheja. Sir, you may unmute and introduce yourself.

Rudraksh Raheja: Yeah, thank you for the opportunity, sir. I'm Rudraksh Raheja, representing iThought PMS. Sir, uh, first question is that, uh, you are adding 700 tons capacity and the revenue guidance that you gave is double of what we can do at this capacity. But ideally, we are almost tripling our capacity in volumes. So why this discrepancy?

Punit Kumar Rasadia: Because we are expecting around 16 to 18 months for the completion of the expansion. And we'll hardly get six to seven months in finance area. So that's why that revenue what we are proposing you, that is considering six, seven months revenue after expansion.

Rudraksh Raheja: No, uh, I think the question was at the peak when you are fully utilizing 1,100 tons capacity, how much revenues we can do at that scale? So, 360 to 400 CR it is doubling of that. But see, normally what happen when we are going for the further expansion or inorganic acquisition, our existing site is registered in all the regulatory market. So, if we need to produce more quantity then we have to pull out some of the intermediate which is not coming in the regulatory part. Otherwise, we have to register the new sites also. That will again take the time. So, we are considering our backward integrated raw material, or KSM, which is not required regulatory registration, that we are planning to manufacture over there, and will

increase the capacity in our existing plant. So, it is not like that both capacity will going simultaneously and both will produce the APIs.

Rudraksh Raheja: Understood, sir. Uh, so-

Punit Kumar Rasadia: Are you clear or can I further explain to you that how exactly it will work?

Rudraksh Raheja: Yeah, please go ahead, sir.

Punit Kumar Rasadia: See, uh, actually what happen, I'll give you an example. Suppose if you are manufacturing ketoprofen. So, ketoprofen manufacturing process involves seven to eight chemical step. Now, when we have registered our product in Europe, at that time, as per the mandatory rule, we have to produce at least two stages in our plant which is regulatory registered site for the EDQM Europe. Now, right now, we are manufacturing five to six step in existing plant. If I need to expand my capacity, then I need to pull out two, three steps to the outside, and we have to focus two steps products and capacity enhancement in existing site. So, when we are taking out the N minus 3 or N minus 4 stage out of the existing facility, then revenue contribution will not as good as the ketoprofen. So, we are enhancing the capacity for existing plant, but the product which is getting manufactured in a new expansion or a inorganic acquisition capacity, their cost of selling would be lower than the API price, what we are selling. Considering that, the revenue bifurcation, what we are expecting, at least for one year, would be like that if, uh, as we are already adding the new high-value products, so after two years or three years, we can reach to maybe around 500 to 600 CR for our further new, new two, three products which is already at the CDMO stage.

Rudraksh Raheja: Okay, sir. And sir, will this 1,100 ton kicks in, is that sufficient for that CDMO project that we are doing with innovator companies?

Punit Kumar Rasadia: At least right now, we are considering that for maybe at least next two years it is enough. But if further expansion required, then we are ready for that. Because what is the visibility right now we are having from customer for next two, three years plan, so that 1,100 metric ton would be sufficient for us.

Rudraksh Raheja: Sir, right now we have expanded our EBITDA margin substantially over the last two, three years. Mm-hmm. So, what would be the sustainable number going forward? Uh, for both the expanded and current facility?

Punit Kumar Rasadia: Yes, sir. I think so we can maintain the same EBITDA with the top line of 360 to 400 CR, percentage wise. Or maybe we can improve also because we are having two, three high-value molecule which is almost around \$8.50 dollar a KG, and which is required in metric ton load. So, in which we can, we'll get some better profitability also.

Rudraksh Raheja: And sir, when are we expecting those launches, the high-value molecules?

Punit Kumar Rasadia: Uh, third quarter of next year. Validation is already completed. Three months stability data is pending from customer end, so all this procedure and registration will take at least six months. So, we are expecting by third quarter of next year.

Rudraksh Raheja: Understood, sir. Uh, sir, what would be the share in the revenue mix for our top three molecules, loxoprofen, ketoprofen, and dexketoprofen?

Punit Kumar Rasadia: Uh, this year or projected?

Rudraksh Raheja: I think both figures would help, sir, if you could.

Punit Kumar Rasadia: Mm, top three products we have actually not separated out. We have top 10 products contribution and top five products contribution. So, if you require, then I will work it out for that but for H1 FY26, our top five product contribution is somewhere around 78%.

Rudraksh Raheja: Got it, sir. Sir, uh, I'm trying to understand that our EBITDA margins for an API company are pretty much very high, and uh, if I have looked at the export profile correctly also then we have less than 5% of our revenues coming from exports. So, selling to India with these API, so could you help me understand how we are generating these kind of margins?

Punit Kumar Rasadia: See, we are having two model for the export. Firstly, with the major global companies like in Europe, or Brazil, Japan, we are doing the direct export to them for four while, uh, semi-reg or ROW market, we are having set of our agents in India who is doing merchant export through us, but we are not directly because that agents and payment securities involved. So we are not directly dealing with for Mexico, Colombia and all those country. Even for Lebanon, Syria, Turkey. So that's why direct export figure is five percent. But this year I think we'll close with somewhere around 30% export in this financial year.

Rudraksh Raheja: And sir, what would be the margin differential between domestic and export markets?

Punit Kumar Rasadia: See, basically, no- how we are working is by considering the thumb rule. When we are supplying any product to any domestic customer, we are considering in mind that our raw material cost should not be more than 65% of our selling price. When we are going for the export, at that time we are keeping our raw material cost maximum 50%. So there is a huge gap of 15% for the EBITDA. That means raw material cost and selling price, because in regu-market, we have to obtain the audit every year, and all this audit cost or any observation, we have to do some modification that cost is considered and we are keeping that margin. So there is a difference between 15 to 17% between domestic and export.

Rudraksh Raheja: Got it, sir. And sir, going forward, do we intend to increase this export share, or are you focused-

Punit Kumar Rasadia: Next year, see, considering the current order and all these registrations and approval, all those thing, we are confident to make the at least 60% of export revenue for next financial year.

Rudraksh Raheja: Got it, sir. And sir, the expansion that we have talked about of 700 tons, um, how is that capacity? Is like, uh, is it like a drug-specific capacity, or it will be-

Punit Kumar Rasadia: No, no, no. It is a multipurpose plant.

Rudraksh Raheja: ... tangible?

Punit Kumar Rasadia: It will be the multipurpose plant, so it is not product specific, but we can go for the multiple products as and when, as per the company designing.

Rudraksh Raheja: Got it, sir. And sir, on that 700 tons, are we expanding for our existing molecules, or are you getting any perhaps-

Punit Kumar Rasadia: Yeah, yeah. We are doing it for our existing molecule only.

Rudraksh Raheja: Okay, existing molecules only.

Punit Kumar Rasadia: Yeah, so that is confirmed. Order we are having in hand for that only we are right now expanding.

Rudraksh Raheja: Got it, sir. Uh, sir, could you help us understand your product selection criteria? Like you talked about two high value molecules also, and other launches also. So how do we decide which new molecule we start making and researching and adding in our portfolio? Is it growth rate based, competition based or any specific chemistries we are very much interested in?

Punit Kumar Rasadia: Yes, exactly. See, we are very good in some kind of specific methylation and Friedel-Crafts chemistry. The molecule, the profane series painkiller is highly co-sensitive on the chemistry part with the methylation. And I think we are having the best process and chemistry part compared to China, and we are much competitive than the Chinese manufacturer. And one more thing we are considering, that no raw material should be the China-dependent. Because nowadays, we are also failing the China Plus One policy from our customer, so they are frequently asking us if is there any raw material is imported from China or not. So considering that, we are selecting some molecules in which there should not be any Chinese dependency, along with there is a possibility to become the world's largest in specific molecule. So that is what we are following.

Rudraksh Raheja: Got it, sir. Sir, currently how much KSMs we are procuring from China?

Punit Kumar Rasadia: We are not doing any KSM directly from China. Mostly the solvent and reagent which is getting imported, that is what we are buying from the domestic importer. Otherwise, none of our KSM is from China. Generally what happen when we are selecting any molecule, we are developing the process from basic scratch. Even though we are not manufacturing from scratch, but to be the competitive or to get the upper hands always and reduce the risk of the price war, we always be ready with all this development from the scratch. And this process optimization and everything is going regularly in our R&D. So cost optimization, process optimization, even effluent optimization, everything is going on, and we are not having

any Chinese dependency on any raw material. If there is any Chinese dependency, then we are trying to develop the process and we'll use some manufacturer for specifically manufacturing for us.

Rudraksh Raheja: So from what I'm getting is that you try to be backward integrated from day one.

Punit Kumar Rasadia: Exactly. Exactly. We are fully backward integrated.

Rudraksh Raheja: Would that be... Uh, okay, understood, sir. I'll come back in the queue for if I have more questions.

Punit Kumar Rasadia: Yes. Thank you for your detailed answer, sir.

Moderator: Just a quick reminder to everyone, if you have a question, please raise your hand using the reaction tab. Also, one can request a question in the Q&A box. Next we have Mr. Darshan Trivedi. Sir, you may unmute and introduce yourself.

Darshan Trivedi: Hello. Uh, good evening, sir. Thank you so much for the information. Firstly, congratulations on a great set of results, sir. But, uh, may I question how could you regard, say, a 30% growth for next three years in our PPT?... but the current capacity we are at around 85% utilization. So, and the 700 ton capacity, we are seeing 16 to 18 months. So effectively it will come in FY28 only. So the next year, what will be our revenue target? This year we are seeing the re- we have given a revenue target for 180 to 200 calls. But next year, what do we see? Because we'll be completely utilizing our capacity, and the new plant will also take some time to come. So what is your thought process, sir?

Punit Kumar Rasadia: Yeah, Darsil, as I mentioned that, that's why we are simultaneously explore the inorganic acquisition for our backward integrated raw materials, so that we can increase our API or finished product capacity in existing plant. So that exploration is already going on, and maybe within this month or mostly by mid of next month, we'll come with some outcome and finalizes on the acquisition.

Darshan Trivedi: Okay. Okay. So it is in that advanced stage right now?

Punit Kumar Rasadia: Also, uh, yeah, we'll don't want to lose any business opportunity as of now. So expansion and acquisition both can go the parallel.

Darshan Trivedi: Okay. Okay. Okay. That, okay, understood. So, sir, once the expansion is also done and we have an acquisition, then sir, what will be our game plan? So acquisition will also be backward integrated, and the expansion also you are saying, is more towards the backward integration of our part. So how will it be right? Like how will we maximize our thing? Because that also we are seeing, I think till I remember 1100 megatons we are going for out there also mostly, and in the new capacity also, it is a 700. So we'll have 1800 tons of backward integration and 400 megatons of forward integration. Can you help us out?

Punit Kumar Rasadia: No, Darsil, it's not like that. Actually, if we'll go for the inorganic acquisition, in that case, whatever the expansion we are planning for with our existing plan, that would be considering our finished product and API facility. So backward integrated product will be already there. But that will be the product from where we have to do the regulatory registration. So generally, as per the regulation, N minus two or N minus three from the regulated approval site, and remaining KSM, we can do it outside. So that strategy we are planning. So next year at least we'll not lose any business what we are trying from last two, three years from existing side. And once our new expansion will be ready then, we'll start to offer the further molecule which is already going in pipeline and we are expecting it will be commercialized by 2028.

Darshan Trivedi: Okay. Okay. Okay. Fair, fair enough, sir. Uh, understood that. So, sir, in FY27, what can be our revenue? What do you estimate, sir?

Punit Kumar Rasadia: Next year, honestly, we are expecting minimum 360 to 400 CR after inorganic acquisition.

Darshan Trivedi: Okay. Okay. After the inorganic acquisition. So, and sir, margins with this high revenue, will we get some operating leverage and margins can be higher because of that-

Punit Kumar Rasadia: Mm. We feel that margin would be more or less similar because see, once we'll expand the capacity then we need to bring so many professionals and so I think operating cost would be a little bit higher than compared to what we are having right now.

Darshan Trivedi: Okay. Okay. Okay. Fair enough, sir. But we'll try to keep the almost similar margin or slightly better than that.

Punit Kumar Rasadia: Okay. Okay. Sir, and just sorry, last question from my end. So from what I understand, FY27, our plan is correct. Now, FY28, we will be firing on all three cylinders. You have an existing plant- Exactly. Where we'll have an inorganic opportunity, and the backward, and the new expansion of finished goods. So at that time, sir, what will be our potential for us, sir?

Darshan Trivedi: Uh, I think- In terms of tonnage and revenues, sir, or either or whatever you're comfortable with.

Punit Kumar Rasadia: The tonnage would be somewhere where you're putting the almost the same 600 to 700 metric ton capacity. So our total capacity would be around 18 to 1900.

Darshan Trivedi: Okay. Uh, to add that capacity, what would be our key bar revenue potential, sir?

Punit Kumar Rasadia: Uh, see now it is little bit difficult for me to right now comment on that because the product what we are having in right now for the '27 or '28- Mm-hmm. ... there are mixture of product, but mo-... I can tell you the average what we are expecting right now would be after all three commencement and everything would be somewhere between 520 to 540 CR.

Darshan Trivedi: Okay, okay. Fair, fair enough. So I- But it is not the peak value, but that may be the more or less 550 CR somewhere.

Punit Kumar Rasadia: No, no, no, I understand. So that we can do more, you know, precise ones, our acquisition and everything comes in but- Yes. ... this is our offering so that I understand. Okay, okay, fair enough. And just you can know our order book, sir, that you are... what is our current order book that we have?

Darshan Trivedi: Uh, for next year we are already having the order of somewhere around, uh, you can say 380 CR for the confirmed order- Oh, okay. Perfect. ... for our registered product. For our full revenue, we have ordered only that much. That is a great sign, sir.

Punit Kumar Rasadia: Yes. Oh, okay. Okay. Okay. This is mainly export. 60% exports, right?

Darshan Trivedi: Mm-hmm. Around mainly, majorly 50% export.

Punit Kumar Rasadia: Oh, okay. Okay. 50% export, sir.

Moderator: Would you request Tarsil, sir, to please join back with you- Yeah. Okay. Yeah. ... since we have limited time from the management.

Darshan Trivedi: Yeah. Thank you. Thank you.

Moderator: Just a quick reminder to everyone, if you have question, please raise your hand using the reaction tab. Also, one can ask their question in the Q&A box. Next, we have Nitin, sir. Sir, you may please unmute and introduce yourself.

Nitin: Hello, I'm audible?

Moderator: Yeah, yeah. Yeah.

Nitin: Hi, Punit Pai. Uh, just one question only. Uh, want to understand, uh, in terms of the orga- inorganic expansion, how far you are in negotiation? Has a particular facility identified and, or you're still in between finalizing between two

Punit Kumar Rasadia: See, basically, uh, I think right now we are not having any ... no, it is more or less 5 CR term loan with that, so otherwise the debt equity ratio is not, maybe somewhere around .6 or something.

Nitin: Okay. Okay, understood. And we will have it less than one for sure.

Punit Kumar Rasadia: Yeah, right now we are also having .6 or .63 something.

Nitin: Sure, okay. Great, and I'm really liking what I'm hearing, so all the best, uh, Punit Bhai, and look forward to meeting you when the opportunity is there.

Punit Kumar Rasadia: Sure, why isn't it?

Moderator: Just a quick reminder to everyone, if you have question, please raise your hand using the reaction tab. Also, one can request their question in the Q&A box. Next, we have Mr. Paris. Sir, you may unmute and ask your question.

Paris: Yes, sir. So just a couple of quick questions. Uh, your EBITDA margin going forward, you were saying blended EBITDA margin would be in the region of about 25 to 27%?

Punit Kumar Rasadia: Yes. That sort of, on an annual basis?

Paris: Yeah, it's on annual basis.

Paris: Right. Secondly, sir, uh, we've basically, you know, a majority or bulk of our business is with almost top five customers only. So, I mean, is there a concentration risk currently, and therefore, what are the steps that you are taking to de-risk this?

Punit Kumar Rasadia: Yeah. See, I'll tell you why it is showing the top five customer contributions. You basically, normally we are in the API business, in which there are so many entry barriers, registration, approval process, so it's not like a FMCG or any formulation finished doses company that we are having N number of customers. So the products, I'll tell you, like the dexketoprofen, which is innovated by the Minarini Italian Company. Now, Minarini is having their tablet for the dexketoprofen, which is having the global 60%, around 60% market share with them, and we are the only Indian manufacturer, or maybe the glo- out of their global supply chain, we are the only manufacturer who is supplying them the N-1, the backward integration of the dexketoprofen. So that volume is so big that indirectly we are catering the at least 50 to 60% of the global market share. So that's why the top five customer is showing the major over selling ratio in domestic market, we are working with the two channels. If is there any corporate requirement, then we are supplying directly, otherwise we are having our dealer distributor network in domestic, in North Mumbai and Chennai. So that we are supplying to them, and then they will do this token sale. So in our books, it will comes as a single customer. But I think in India, we are catering more than 125 customers.

Paris: Understood, sir. And sir, this last bit if I can slip in, FY24 saw a significant drop from FY23 revenue, and then again it picked back up. So you know, what is that, uh, 22, uh- See, actually what happened- ... 23, 130

Punit Kumar Rasadia: Yeah, yeah, I got your question. Paris Bhai, I got your question. Actually what happened, in 2022, we filed the DMF in Brazil. So before 2022, Brazilian drug authority and visa was never doing the physical audit for any API manufacturer unless and until it is critical. So that new guideline came in the picture, and when we filed, then at that time, we have been informed for the physical audits, so our customer EMS, who is number two pharma company in Brazil, they have initiated their audit with their own team in India, and they have raised some observation in our production and storage area for modification. For us, we have to take the mandatory shutdown of the four months, so that stops our sales and it reflects in the FY24 results, so that's why the sales was down. Otherwise, FY23 was somewhere around 113 CR, and again, FY25 was 120 CR.

Paris: Right, sir. Understood. Understood, sir. Fine. Thank you.

Moderator: Just a quick reminder for everyone, if you have question, please raise your hand using the reaction tab. Also, one can raise their question in the Q&A box. Next we have Mr. Rudraksh. Uh, sir, you may unmute and ask your question.

Rudraksh Raheja: Thanks again for the opportunity, sir. Uh, sir, we have seen some decline in API share and revenue mix for H1FY26. Uh, it's 27% and for FY25, it was much higher. So- Yes. ... is seasonality aspect involved here?

Punit Kumar Rasadia: Uh, one aspect is seasonality. One aspect is like that, see basically our key hero product was this H1 was ketoprofen and dexketoprofen. So dexketoprofen is the forward integration of the ketoprofen. So we have the set of the customer in India, like Amcure, Sourav Chemicals, Metrochem, who are buying the N-1 of dexketoprofen from us, which is the backward integration of the dexketoprofen, but that molecule is the forward integration of the ketoprofen, so any which ways we have to produce the API ketoprofen, then we have to do the chemical process, then it will supply to the customer, so it will fall in the category of intermediate, but we have any which ways produced the API from that further forward integrated intermediate. That's why that supplied is showing the intermediate contribution higher than compared to last year.

Rudraksh Raheja: So, uh, okay. So what would be the margin differential between API segment and intermediate segment?

Punit Kumar Rasadia: See, API is an intermediate, we are not having that much big margin, but more or less we are having the similar margin, but in API you can say like that one or 2% higher EBITA compared to the intermediates.

Rudraksh Raheja: Understood, sir. Understood. Sir, uh, we talked something along the lines of price inclusion in API market and how we try to have a grip on that. So, uh, in the last year for our set of molecules that we supply, uh, what's the pricing trend and how do you foresee it going for next, let's say, two, three more quarters?

Punit Kumar Rasadia: See, compared to last year, this year our API or intermediate prices are reduced by 10 to 15% because the price war from the China or maybe they are having the huge spare quantity and they want to liquidate due to the pressure in US for the tariff and all those thing. But I think now the market is stable and for considering last three, four months or considering over next years, the confirmed contract, we are not having any price pressure as of now from our customer because we are in this segment and the product what we are manufacturing in which hardly there is only one Indian manufacturer. Otherwise, we are not having any competition from the domestic manufacturer.

Rudraksh Raheja: Got it, sir. Got it. And sir, for this inorganic expansion that we have talked about, how much debt we will need on our books?

Punit Kumar Rasadia: I think we'll not... We have the right now case with us from the IPO proceed and reserve surplus also, so we are not planning for any debt as of now. Debt we'll buy it from our own fund.

Rudraksh Raheja: Okay. And sir, can we fund our own 700 ton expansion also with internal approvals only?

Punit Kumar Rasadia: Yeah, yeah. That... Because in... For that we don't need all those money in the one time, so we'll transfer. We'll do it from our regular cash flow and we'll clear it without any further debt. Basically, we want to keep the company down the line debt-free.

Rudraksh Raheja: Yes, sir. And what would be the time- The best- ... expected timeline for that?

Punit Kumar Rasadia: ... Mr. Rudra, sir, please join the queue since we have a limited time from the management. I think last answer I will give you. The... We are planning that by last quarter of next calendar year, means third quarter of next financial year, we will be the debt-free.

Rudraksh Raheja: Understood. That- So right now the only debt is around 4.5 CR of the term loan. Otherwise, there is no any further outsider debt.

Punit Kumar Rasadia: Yes. Got it, sir.

Moderator: Just a quick reminder to everyone, if you have a question, please raise your hand using the reaction tab. Also, one can request a question in the Q&A box. Next we have Mr. Paris. Uh, sir, you may unmute and ask your question.

Paris: Yeah. Thank you again for this opportunity, sir. Uh, sir, this acquisition that we've talked about, and which would be the capacity would be greater than 1100 metric tons per annum, uh, what kind of peak revenue can this capacity generate, sir?

Punit Kumar Rasadia: From the total or of the separate organic acquisition?

Paris: No, from the inorganic acquisition.

Punit Kumar Rasadia: That would be... Peak revenue would be maximum 300 CR from the current product what we have planned over there. If we'll plan with the new intermediates or our backward integrated high value raw materials, then it can be increased. But right now from our plan advanced intermediate what we are planning, that would be 300 CR.

Paris: Right, sir. And when all the three facilities are, you know, sort of online, the acquired, the expanded and the current- Mm-hmm. ... what kind of peak revenue can be done on that side in FY 28 or beyond?

Punit Kumar Rasadia: But I think peak revenue is very difficult for me to as of now comment on that. But broad, broad range. I mean, it could- But I think average for FY 27, 28, the projects

what we are having in hand or customer commitment after commercialization of the project- Right. ... we can say up to 500 to 550 CR, everything we can reach with all these three facility.

Paris: Right. But now if you want to go beyond that with the same capacity possible or no?

Punit Kumar Rasadia: But then we have to play in our product range also. We have to, I think, reduce the low value product con- which is contributing lower in our revenue, and we have to focus more on the high value product.

Paris: I understand. Instead of going further for acquisition or expansion. But that can be discussed, I think, once our facility will be full for our existing product.

Paris: Right, sir. And sir, just last query of mine. Basically, what safeguards do we have in place to ensure compliance during global audits? Meaning to say, you know, we have this facility currently, you'll acquire some and you will expand also. I mean, ultimately the revenue will be possible, of course, when you have a full time uptime, you know, what we saw otherwise last year or in FY 24. So, you know, how do we ensure that we have 100% sort of uptime?

Punit Kumar Rasadia: Yeah. That is why we are now trying to manufacture our own existing product which is registered in regulatory market in our new acquired facility. We want to manufacture our backward integrated raw material which is not falling in the criteria for the regulatory approval. That facility and product need to be approved by us only. And we have to just submit the report to our DMF. So that will not be the issue for the regulatory compliances in terms of supply the intermediate to our other existing facility.

Paris: Right. And for the acquired entity?

Punit Kumar Rasadia: For the acquired entity only. For new facility for... in our in-house, what we are doing, that will be having the same regulatory requirement. So that we need to approve the... Actually, we need to just add the additional manufacturing capacity within the... our premises. So that is much faster than compared to registering the new facility.

Paris: Right. Typically, how much, I mean, how often does this audit take place? I mean, broadly?

Punit Kumar Rasadia: Generally, what happen, if you are supplying any of your API to any regulatory customer, in this case, they are manufacturing finished dosage and they have to submit the report to their local repres- I mean s- uh, local FDA. If we are supplying to Europe to any customer API, then they have to submit their report of auditing our facility to EDQM, which is regulatory agency. Now, it is not like any fixed time from EDQM to audit that. If customer is audited and EDQM is satisfied, then also it is not coming. But if is there any challenges or something like that, then EDQM will come directly to audit us also. So mostly you can say maybe once in a two-year audit will be triggered. But customer audit every year.

Paris: Acha. Customer will do it every year?

Punit Kumar Rasadia: Every year.

Paris: Understood, sir. I mean, if there is a possibility, uh, any expected timeline for US and EU DMF approvals?

Punit Kumar Rasadia: See, actually what happened, we have not applied for the US purposefully because we are supplying one of our product to Sanofi, Germany. Right. And Sanofi is going to trigger USFDA audit in June 26. So once they will trigger, then all the cost, which is a very huge burden to all the manufacturers, so that cost will be absorbed by the Sanofi and we'll get the USFDA. So DMF, everything is ready, so we are just waiting to trigger the audit from the Sanofi.

Paris: Right. And for EU, sir?

Punit Kumar Rasadia: EU, we already applied the EDQM. We already got the confirmation from them. CP is already applied. Now, EDQM come to any time because all of our customer has regularly audited us. We... In this year also, we have been audited by three to four customers. Right. So by the end of this year, we'll be most likely EU compliant also. EU is already there.

Paris: Acha. It's already there. Okay.

Punit Kumar Rasadia: Yeah. Okay. Thank you, sir. Sir, I might just connect, you know, with you later on, you know?

Paris: Yeah, no, you should. I'll connect with Parth and connect with you.

Paris: Yeah, sure. Thank you. Thank you, sir. Thank you.

Moderator: Just a quick reminder to everyone, if you have question, please raise your hand using the reaction tab. Also, one can request a question in the Q&A box. We believe there are no further questions from anyone. Would now hand over the call to Mr. Parth for the Q&A box.

Parth: So, Punit ji, there are a few questions from the Q&A box. I'll just ge- re- typing the reply.

Punit Kumar Rasadia: Okay, you might as well answer because that will be reflecting in the transcript.

Parth: Yeah, let's see it.

Punit Kumar Rasadia: Rajaram Singh is having the question, "What is the state of-" Yeah, let's see it. "... two new APIs to be launched in November? What is the ramp-up time and revenue potential? This is a timeline for capacity addition and revenue potential."

Parth: See, that two product, Artemether and Lumefantrine, we already started and we have supplied some of the quantity within this month also. So... But it will give us the revenue boost maybe after in last quarter or maybe first from the first quarter of FY26. And what is- Thanks. ... the timeline for capacity addition? I think that we already discussed that additional capacity expansion and inorganic acquisition what we are doing. So that question must be maybe answered. So if is there any further query, Rajaram ji- Yeah. ... then you can ask me.

Parth: There are a couple of more questions which is different- "Please provide the CDMO view, opportunity and company strategy for growth in sector."

Punit Kumar Rasadia: See, we are already working with the two innovator companies. One is in Israel and one is in Europe. So we are having three molec- maybe they're NC molecules with us. It is already developed and scaled up. Pilot validation is already going on. So maybe within this quarter, it will be completed. Then we'll submit the validation quantity to customers. So we are expecting the commercialization of that CDMO projects by third quarter of next financial year.

Parth: Then, "What is the strategy of the company behind entering into new sectors like industrial and fine chemicals? What will be the synergies with existing product? What is the view of the management on entry?"

Punit Kumar Rasadia: See, that is, uh, that is means, so what we are planning for industrial and fine chemicals, there are so many raw materials which is used in the multiple industries. So as we are planning for a one inorganic acquisition where there is a space for manufacturing of some of the basic or industrial chemicals, which is having the huge potential in terms of quantity and revenue, and it is going in the either agro, paint, or any other industries where that all the regulatory compliance is part and everything is not restricted. So we are having the opportunity if we can start in industrial and fine chemicals, then it will give us the additional advantage and de-risking our API intermediate portfolio along with that new segment. So that is the whole major plan to entering in the new space.

Parth: "Sruthi, our trade receivables are 107. When do we expect to convert them into cash? How many of these receivables over six months?"

Punit Kumar Rasadia: Sruthi, out of that 107, I guess around 20, 30 CR is more than six months, which we already mentioned in DRHP. There were some issue with one of our distributor which was expired last year in road accident. But we are recovering it and we are confident that within the end of this financial year, everything will be converted in the cash. And there will be no more due more than 180 days in our books.

Parth: Uh, will sc- current EBITDA margins are sustain in future, but if price correct, what can be the lower end of EBITDA margin range?

Punit Kumar Rasadia: Parasi, EBITDA margin see generally whatever. If you are supplying any of the product in domestic market, it is it will be highly price-sensitive every time. If the government policy will remain the same and most of the APIs is getting imported from China for so many traders in Mumbai, then you'll not have any add on advantage on the EBITDA. But considering the product mix of the domestic and export, we are damn sure on our technology and our operational efficiency that our EBITDA margin will not be less than the 25%. If something will be happen, then we'll have the enough product mix also, so we can try to change the product which will give the better revenue or better EBITDA.

Moderator: As there are no further question, we would now like the management to give the closing remarks.

Punit Kumar Rasadia: Yeah. Thank you everyone for joining this meeting, and I think you everyone have all those query getting solved from me, and whatever other questions or if somebody wants to meet the personally or visit personally, then you can call to Parth and get my contact detail or email address, and we'll definitely have a good meeting with everyone. Thank you for joining Anlon Healthcare Limited Q2 and H1 FY 26 conference call by Confide Lead Partner. Participants may sign off.