

20th August, 2025

To, Department of Corporate Services BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Ref.: Scrip Code No. : 540701 (Equity) : 975834 and 976560 (Debt)	To, The Manager, Listing Department, National Stock Exchange of India Ltd. “Exchange Plaza”, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. Ref. : (i) Symbol – DCAL (ii) Series – EQ
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SUB: TRANSCRIPT OF EARNINGS CONFERENCE CALL - QUARTER ENDING 30TH JUNE, 2025

Dear Sir,

Pursuant to Regulations 30 and 51 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, pls. find enclosed herewith transcript of earnings conference call arranged by the Company with Investors on Wednesday, 13th August, 2025 to discuss the financial result and performance of the Company for the quarter ended on 30th June, 2025.

The aforesaid transcript is also being hosted on the website of the Company, www.imdcal.com in accordance with the Regulations 46 and 62 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Kindly take the same on your record.

Thanking You,

Yours faithfully,

For, Dishman Carbogen Amcis Limited**Shrima Dave**
Company Secretary

Encl.: As above



Dishman Carbogen Amcis Limited

Earnings Conference Call Transcript

Event: Dishman Carbogen Amcis Limited – First Quarter Ending June 30, 2025 Earnings Call

Event Date/Time: August 13, 2025/ 1620 HRS

CORPORATE PARTICIPANTS

Harshil Dalal

Global CFO - Dishman Carbogen Amcis Limited

Mr. Paolo Armanino

Chief Operating Officer - Dishman Carbogen Amcis Limited

Mr. Stephan Fritschi

Chief Executive Officer - CARBOGEN AMCIS entities, Company's wholly owned subsidiaries

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY '26 Earnings Conference Call of Dishman Carbogen Amcis Limited.

As a reminder, all participant lines 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 the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

Management of the Company has been represented by Mr. Stephan Fritschi – CEO, Carbogen AMCIS, Mr. Paolo Armanino – COO India, Mr. Harshil Dalal – Global CFO.

I would now hand the conference over to Mr. Stephan Fritschi from Dishman Carbogen AMCIS Limited. Thank you. And over to you, sir.

Stephan Fritschi: Thank you very much. Welcome, everybody, to today's Investor Call to talk about the Q1FY26 financial results. As it was said, I am also happy to welcome Harshil Dalal – our Global Chief Finance Officer, and Paolo Armanino – COO at Dishman in India.

Before we go into financials, I would like to give you some business updates.

I quickly and briefly cover our subsidiaries in Carbogen Amcis, starting with Saint-Beauzire, that is the French subsidiary dealing with drug product. So, it is very good news that we got the GMP certification for the external warehouse. That is the second certificate we got the GMP from the French authorities.

As I said last time, the GMP certification is a prerequisite to get customer business in. And what we see from the market, from customers, it is a positive response to this news. We get more and more projects awarded. The request for proposal has increased and also our win rate has increased, so everything is on a positive side. The business picks up there in the French subsidiary.

The other site which got a GMP certificate is in Shanghai. This was earlier this year, already communicated. Also, this is a door opener for our Chinese market. This is where our focus is now with the Chinese subsidiary. On one side, we would like to get and attract more Chinese customers. That is why we increased the sales force there. And on the other side, we also tightened collaboration with our Indian friends and colleagues here in Dishman. So, this is also positive.

In Switzerland, the operations run, as expected, smoothly. No major issues. There is a strong emphasis on small-scale HIPO activities. They are connected and related to our drug linker business. So there, it is a nice development. Capacity is good and well utilized. This is a part and in addition of the expansion project we discussed last time with our Japanese partner. So there the expansion, the engineering project proceeds also as planned and we are on track.

Generally speaking, the sales activities is one of the focuses we committed, we are committed to. We have increased the sales force, and we are going to continue this specifically in the U.S., but also in Japan and China, with also special focus on Europe, which is in our strategy plan that we want to distribute our focus not solely on the U.S. market, but spread it across the globe. We see also a positive effect here that the order income has picked up, and we are convinced it continues like that.

On a more internal path, we have strengthened our collaboration with the Dishman subsidiaries in Bavla and Naroda. We have multiple big scale projects in collaboration and also in discussion with our partners here in India. Some are standalone activities. Others are in cooperation and collaboration with Carbogen. Part of it is also the active lifecycle management of our commercial products, which is an ongoing process, which we emphasize here as well, to use the cost-effectiveness and efficiency gain that we have in our focus.

The last topic here from my side is a quick word about tariffs. As you all know, it is a challenging topic. At the moment, we are not hit by tariffs on the commercial products because pharma products are today, and I express again today, they are not included. They are excluded from any tariffs. Also, any information, new information can arrive anytime, as you know, and then we need to see what is the real impact.

The good news is that we have limited direct exports to the U.S. So, the majority of our commercial products go to Europe and other countries outside of the U.S. Development activities are considered as services, hence no tariffs on them at the moment. And we think it continues like this, but of course, it is not in our hands and our control.

So, at this moment, I would like to hand over to Paolo, who gives an update about the Indian activities.

Paolo Armanino:

Thank you, Stephan. Thank you, and a good afternoon, everyone.

In the last quarter, we continued our journey, which is currently based on improving operations, develop new businesses, and consolidate compliance at both the Bavla and Naroda site locations.

Just very recently we hosted the USFDA inspection at our Naroda site. It was a surveillance inspection, and it started in the second week of June. The previous USFDA inspection in Naroda is dated six years back, February 2019. The USFDA inspector spent most of his time in the shop floor speaking with doers, which is very common for FDA inspectors. And eventually he appreciated the system in place, the team transparency, and the site preparedness.

The inspection was concluded without a single observation, and hence the no 483 Form was issued. We are currently awaiting for the EIR (Establishment Inspection Report). With this very successful FDA inspection in Naroda site, Dishman Carbogen Amcis has received just in the last 1.5 year all the major regulatory authority approvals from EDQM to PMDA to USFDA in Bavla to USFDA very recently in Naroda.

Quality compliance-wise, we are witnessing an increase of number customer audit at Bavla site, which was very much expected, considered that many old clients want to come and manufacturing again with us.

Operation-wise we deployed several resources to align Naroda site with all the multiple changes made in the previous years at Bavla. And we were able to significantly improve Naroda API manufacturing, QC, and warehouse facility, bringing them to the same Bavla standard levels. The same was recently verified and very much appreciated also by the USFDA inspector. As a part of the same improvement plant, we also started the harmonization of the quality system between the Indian sites, and we expect to have a common system in the near future.

Commercial-wise, as Stephan said, it is very important to mention the tight collaboration between Carbogen Amcis, mainly Switzerland, and Dishman Carbogen Amcis teams. We have seen a steep increase in the request for proposals and in the request for quotation. And we are in daily discussion with Carbogen Amcis colleagues and customers for initiating early phase and commercial new molecule projects.

It is also worth to mention that the collaboration between Carbogen Amcis and Dishman Carbogen Amcis is increasing day by day, not only at commercial level, but also at technical level, especially at R&D and project management level.

Very important, as also mentioned by Stephan, we are evaluating several current businesses, not only for Bavla site, but we see several big opportunity looming also for Naroda, especially in non-API business.

Last but far from least, we are very proud to inform you that several soft-gel drug products, especially vitamins and analogs, manufactured at our drug product facility at Bavla site were approved in different Asian Pacific and South American countries. And some of them, the commercialization under the Dishman Carbogen brand name already started.

This is the starting of a complete new journey for us. And we are now fully committed to also produce highly quality drug products to strengthen the pharmaceutical industry and ensure globally the patient safety.

And after having said that, I hand over the call to our global CFO – Harshil Dalal.

Harshil Dalal:

Thank you very much, Paolo. Hello, everybody. A very good evening to all of you.

I will just quickly run you through the financials for the quarter ended 30th June 2025.

As far as the revenue is concerned, we already saw growth of about 35% as compared to Q1 of last year. So, from Rs. 523 crores, the revenue stood at about Rs. 708 crores for the quarter ended June 30th.

The cost stood at about 14% as a percentage of the revenue as compared to about 13% in the comparable quarter of last year. And if you see historically, our cost have been in the range of about 18%, 19%. The reason why it was lower is because bulk of the revenue was contributed by some of the late phase development projects as compared to the early phase.

The employee expenses, they stood at about Rs. 352 crores as compared to Rs. 317 crores. So, that is an increase of about 11% as compared to Q1 of last year. Part of this increase is on account of the Swiss franc fluctuation and the major impact that we saw was on the employee expenses. Other expenses were more or less in line with Q1 of last year. It stood at about Rs. 117 crores.

Overall, all of this translated into an EBITDA of about Rs. 140.68 crores as compared to Rs. 28.97 crores in the comparable quarter of last year. And this translates into an EBITDA margin of about 19.9% for the quarter ended June 30th.

The depreciation and amortization stood at about 81 Rs. crores. And this was higher than the depreciation as compared to the Q1 of last year, mainly because we had the start of operations of both the manufacturing lines in the French facility.

The finance cost stood at about Rs. 42.76 crores, which also includes the foreign exchange impact of about Rs. 2.4 crores. And it was higher than Q1 of last year, largely because of the increase in the interest rates that we have seen during the course of the last financial year. Having said that, we do expect this finance cost to keep on going lower throughout the course of the current financial year.

The tax expense stood at about Rs. 15 crores. And this largely represents the tax expense at Carbogen Amcis, the Swiss entity, as well as at the Dutch entity.

So overall, all of this translated into a profit after tax of Rs. 23.4 crores for the quarter ended 30th June 2025.

From a segment-wise breakup, what we have done is kind of re-looked at our overall segments and try to reclassify it into two broad segments, CDMO and Marketable Molecules in line with how we report in the annual report. The CDMO piece consists of the Swiss entity, Manchester, Shanghai, France, as well as the CDMO business that we have out of India.

All of this put together in the first quarter of the current financial year, the revenue stood at Rs. 611 crores as compared to Rs. 421 crores in the comparable quarter of last year, which represents an increase of about 45%.

The Marketable Molecules segment, which essentially comprises of our vitamin D analogs and cholesterol business that we run out of Netherlands and the quats business that we run out of, Naroda, as well as the soft-gel capsules business. All of that put together, translated into Rs. 96.8 crores of revenue as compared to Rs. 102 crores in the comparable quarter of last year.

From a margin perspective, the CDMO business contributed roughly about 17.9% EBITDA margin in Q1 of this year as compared to 5.8% in comparable quarter last year, while the Marketable Molecules segment, largely driven by the increased margins out of our Dutch facility, contributed 32.4% as compared to 4.5% in Q1 of last financial year.

From a revenue perspective, the CDMO business contributed about 86.3% to the overall business as compared to 13.7% for the Marketable Molecules segment.

As far as our debt position is concerned, the net debt saw a decline as of 30th of June '25, as compared to March 31, '25. The net debt, excluding the lease liability, stood at 149.69 million Swiss francs as compared to 157.6 million Swiss francs as of 31st of March '25. The capital expenditure done in the first quarter of the current financial year stood at about US\$5.6 million.

Apart from this, you know, one of the other business updates that I just wanted to add to what Stephan and Paolo mentioned was a co-investment agreement that we entered into in this particular quarter with a large Japanese customer for the expansion in Switzerland, largely for the ADC product that we supplied.

So, this was a few of the financial highlights. And with that, I would like to open the floor for any questions that you might have. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Subrata Sarkar from Mount Intra. Please go ahead.

Subrata Sarkar: Hi. So, first one bookkeeping question, like, one that we have taken an enabling resolution to issue share. So, just my question is like how serious we are into this? Because previously also I have highlighted like one of the issue we are facing is like our EBITDA is not directly flowing to PAT because of an Rs. 1,500 crore of debt. So, what is our thought on that?

And second, since most of the CAPEX is now behind, from this Rs. 1,500 crore, what kind of year-end debt we are expecting basically at the end of the year?

Harshil Dalal: So, regarding the enabling resolution, obviously from time to time, the Company has fundraising plans and that was the specific reason why we took this enabling resolution. And regarding the debt reduction or reduction of the interest cost, as you may want to put it, you know, we are very much focused on that particular aspect. And we should see, a substantial reduction in the debt going forward, at least on the net debt perspective.

Subrata Sarkar: So, any ballpark numbers for this year, if we can give?

Harshil Dalal: So, for this year, initially we had put up a target of reduction of debt by at least 10 million Swiss francs. And if you see in the first quarter itself, you know, there is a reduction of almost about 8

million. So, we are very much in line to achieve that, but we might want to do even more than that.

Subrata Sarkar: Sir, just one clarification on our marketable molecule. Like why our marketable molecule has not gone up? Is it that we have scaled down some of the non-profitable like vitamin D and other businesses or like what is the outlook? Are we expecting some growth there also on a full-year basis?

Harshil Dalal: So, we would definitely see growth, and that would be reflective in the remaining quarters of the year. But to answer your question, in the first quarter, what we had done, so, if you see our vitamin D business, there are two parts to it. One is the cholesterol business, and the other is the vitamin D analog. And the more profitable business for us is the analog business.

So, on the cholesterol front, again, the cholesterol is broken down into various grades like SF, NF, HP. These are the different grades of cholesterol which have different applications. So, the cholesterol SF, which largely goes into animal feed, we have actually consciously taken a decision to reduce the sales of SF because it was not making that much money for us.

We are looking into ways in how we can improve profitability on that front as well. But in the first quarter, yes, we did take that conscious decision and that resulted into an increase in the margin for that particular segment for us.

Subrata Sarkar: Sir, last two questions. One is like on the tariff front, one clarification like our facility, major facilities are either in India or in Switzerland. And both as of now have not been able to come out with a settlement on the tariff with U.S. So, are we expecting some hit on that front, sir?

Harshil Dalal: So, as of now, you know, as Stephan mentioned, as we stand today, these tariffs are not impacting us because the products that we sell are exempted. What we have done is an analysis of our total shipments, how much goes to the U.S., how much to the rest of the world, and excluding the services business because what we expect is that at least the services business would be insulated from the tariff. But only time will tell.

But as far as the commercial products is concerned, there is a very small portion of the commercial products where the actual shipment happens directly to the factories of our customers in the U.S. So, even though while we might have a contract with the U.S. customer, most of the shipments happen to the European locations of their facilities to formulate the product.

So, from that perspective, we don't expect that that should impact on us even if there is a tariff on the commercial part of the business.

Subrata Sarkar: Sir, my last question, which is more from a business perspective and our capability, like in our ADC and bioconjugate, if you can help me to understand, like, what is our capability? Are we into linkers as well as payload and the entire delivery system? So, what is our capability in the

entire process? And what is outsourced? Or out of that, what parties need other's contribution basically?

Stephan Fritschi:

Thank you very much for the question. If I may give you an answer here. If you look at the antibody drug conjugate, it consists of about three parts. One is the warhead, which is the active ingredient. The middle part is the linker, which connects the warhead with the antibody. The antibody is the third part. And we are producing, in principle, two of the three. And the activities is then also the conjugation.

So, what are we doing? We can produce the warhead in our hipo compartments. So, this is a very skilled activity where we need special containment and skills. So, this we can do. We can produce the linker, which is mostly small peptides. And we can connect the two parts to the drug linker part. And then we can do the conjugation with an antibody. So, the conjugation itself is, again, technically highly demanding. So, it is in a septic, sterile condition, what we have capabilities in Switzerland.

What we cannot do at the moment is producing the antibody. The antibody, to answer your question, we need to outsource or we need to buy the antibody. Most often it is supplied by the customer or we have our partners who can deliver the antibody. So, we take the antibody into our workshop and make the conjugation. So, that is what we are doing in the arena of ADCs.

Subrata Sarkar:

Sir, any thought on like some acquisition for antibody because lot of clients are now looking for since ADC is a very like important now into the system, entire pharma system. So, any thought on some tag-off acquisition on antibody so that we can provide the entire system rather than looking into somebody for that and to create an entire chain of ADC Conjugate, so that we have a wider kind of product and services to offer to the clients?

Stephan Fritschi:

I understand your question. It is also a very good one. At the moment, as I said before, we do not have the capability. And to be honest, it is a very distinct and specific capability and expertise you need to have. And that is why we do not exclude in far future, maybe to acquire something.

But on short term, we establish a collaboration, specifically with one of our partners, with a Company nearby where we have established processes and we are in contract negotiation with them. And in due time, we also communicate as soon as it is possible to talk about this. But the goal is to have a reliable source of antibodies. And this Company has also gotten access to their clients, which produce ADCs. And so this would be even a synergy effect where we can offer a combination of our capabilities.

Subrata Sarkar:

This is all from my side.

Moderator:

The next question is from the line of Meet Mehta from Prasun. Please go ahead.

Meet Mehta:

So, just one quick question. What are the price trends you are seeing for vitamin D compared to the last financial year? And if you could share the average price for the quarter?

Harshil Dalal: I won't have the average selling price per kilo because it depends upon which product, which molecule, you know, and there are different segments as well. Because what we do is we manufacture Calcifediol, Calcitriol, Alpha-Calciferol. So, there are, like, different analogs of vitamin D. So, that would be difficult to give out.

But what I can say is that we have already initiated the efforts in order to try and see how we can bring down the prices of a key ingredient, which is the wool grease, which had actually impacted our profitability over the last 24-36 months. So, you know, we have now alternate suppliers to the existing supplier of the wool grease. And we are in contract negotiation with them as well. And with the existing supplier as well, we are trying to see how we can kind of either terminate the contract, if at all, or maybe reduce the quantities that we procure from them.

So, from the supply chain perspective, those are the efforts that we have taken. And we would see the positive impacts of that in the financials for the Dutch entity.

Moderator: The next question is from the line of Ramanujan. Please go ahead.

Ramanujan Chandak: Sir, we see notes for point #5. The goodwill, which was earlier Rs. 1,326 crores, today it is currently at Rs. 641 crores. So, from this year, there will be no amortization on that.

Harshil Dalal: No, so, this goodwill that you are seeing is on the standalone books and not at a consolidated level. At a consolidated level, the goodwill amount would be much higher, would be close to about Rs. 4,000 crores.

So, essentially, on a consolidated basis, the goodwill consists of two parts. One is the goodwill on consolidation plus the goodwill that is there on the standalone books. The goodwill on the standalone books is something that we write off every year to the tune of roughly about Rs. 6.6 crores every year.

And as far as the rest of the goodwill is concerned, that is just tested for impairment because that essentially represents the investments of the standalone entity into its wholly-owned subsidiaries.

Ramanujan Chandak: So, can you explain how did you arrive to this? Means how did the Board arrived at we don't need any more amortization?

Harshil Dalal: No, we do amortize. Yes, so as per the requirement of IndAS, the goodwill needs to be tested for impairment every year, and it does not require any kind of amortization of the goodwill.

However, what we do is that the goodwill sitting on the standalone books is something that we do write off over a period of time, but we have determined, the Board has determined the useful life of this goodwill to be 99 years.

Ramanujan Chandak: So, it was specifically about Dishman Pharmaceuticals, which was until 2017.

Harshil Dalal: Correct.

Ramanujan Chandak: Means only India business, right?

Harshil Dalal: Dishman Pharmaceuticals and Chemicals Limited represented the entire group, Dishman Pharma being the parent entity. And we had done a reverse merger in 2017, which led to the goodwill being recognized on the balance sheet.

Ramanujan Chandak: Sir, so, as of now, in our total assets, how much percentage of the assets is goodwill only? On a consolidated basis.

Harshil Dalal: Percentage, I will have to take out, but I can tell you the value. That would be, just a second. Please hold on. That is 4,434 crores.

Harshil Dalal: Hi, Raman. Yes, I don't know where we got cut off, but just to explain you or just to let you know, the total goodwill as of 30th of June '25 stood at Rs. 4,434 crores. And this is the goodwill which is tested for impairment every year.

This goodwill gets impacted by the closing foreign exchange rate because most of this goodwill represents the goodwill which has risen because of the investment in the subsidiaries and most of our subsidiaries are located outside of India. So, it gets impacted because of the closing foreign exchange rate.

So, while you see from 31st of March '25 where the goodwill amounts to about Rs. 4,053 crores, that has increased to Rs. 4,400 crores just on account of the foreign exchange rate fluctuation. So, there is no additional goodwill which we have acquired or anything which has happened because of which the goodwill increased.

Ramanujan Chandak: So, my last question is regarding Dishman operations in China. What is the primary purpose of Dishman Carbogen in China? Is it manufacturing pharmaceuticals or is it CDMO research? What is it particularly?

Stephan Fritschi: Well, the primary focus is on CDMO so that we produce on behalf of our customers. In principle, what the majority, what we are doing in Carbogen Amcis is also being done in Shanghai.

We have a combined or mixed business model. One is that we have external, outside China businesses where Shanghai is part of our supply chain. They produce intermediates, API intermediate, and the intermediate is being shipped to Switzerland, where we do the final steps to the API.

They are capable also to produce the API itself. And this is what I mentioned before, the new focus, the most recent focus, to explore more the Chinese market. Because up to now, the Chinese market was not very important for Shanghai because we are lacking the GMP certification. And for the Chinese market, it is very important to have this GMP license.

So, did I explain to your satisfaction?

Ramanujan Chandak: So, I have one doubt. Recently, we are seeing Aurobindo Pharma also has its manufacturing in China. They have decided to make supplies to the European units from China itself. Can we do the same?

Harshil Dalal: You mean supply the intermediates to the European Union?

Ramanujan Chandak: Yes. Means why don't we supply intermediates to France, Switzerland and the UK when we can make it at very cheap price in China, just like others are doing?

Harshil Dalal: No, so we already do that, Ramanujan. So, right now, China is an extended workbench, if you may, of the Swiss entity. So, all of what China produces today goes to the Swiss entity to then manufacture the final API. So, that is something that we are doing today.

What Stephan mentioned is that now that we receive the certification from the Chinese FDA, that opens up a new possibility for us where we can also cater to the entire Chinese market by manufacturing the products in the China facility that we have.

So, for that, you know, what we are trying to do is trying to put efforts on the sales front, including, say, hiring certain salespeople for the Chinese market. So, that will be a completely new revenue stream for us, which is something which could happen now because we recently got this certification from the Chinese FDA.

Ramanujan Chandak: So, I mean, where do our clients primary come from? Which country basically? Means majority of our, where do most of our CDMO clients come from? Is it Europe, USA or Asia?

Stephan Fritschi: You mean in China?

Ramanujan Chandak: Yes.

Stephan Fritschi: In China?

Ramanujan Chandak: When we see a consolidated basis for entire group.

Stephan Fritschi: Well, I would say it is almost an equal split between the U.S., Europe, and also Japan. Japan is still maybe the smallest market in terms of revenue, but this is picking up with our efforts to penetrate the Japanese market more effectively. And one of the good signs is this collaboration we have with this big customer. And there, we are expecting an increase.

So, otherwise, the Europe and U.S. market is almost the same. But, again, just to repeat what Harshil mentioned before, also, we have U.S., American customers and companies as customers. The majority of our product, they go into the European market. So, because they have subsidiaries or their formulation partner is in Europe, and we send our material to Europe.

Ramanujan Chandak: So, where are you expecting the most business to come from in future?

Harshil Dalal: Yes, I mean, as far as if you are talking about the market, the market for us would be U.S., Europe and Japan. So, you know, these three would be our primary market because that is where the innovators are based, that is where the biotech companies are based. And those are our customers. Because our entire focus is on Amcis. So, we are not that much into or hardly into generic part of the business.

Our entire focus is on Amcis. And since the innovators and biotech companies are based here, this would be the primary geographies that we will cater to. And as Stephan mentioned, the share of Japan in the overall mix should keep on increasing as we look into the future, because that is something, I would say, that we have already tapped, but there is a huge growth potential for the Japanese market that we see.

Moderator: The next question is from the line of Smit Shah from JHP Securities. Please go ahead.

Smit Shah: Firstly, congratulations on a good set of numbers. My first question would be regarding the fund raise. So, can you give us a rough timeline and the quantum of it, like what kind of fund raise are you looking at? And this will be majorly for what reason? To pay off the debt or this will be for fresh CAPEX?

Harshil Dalal: So, Smit, what I can say right now is that we obviously have a plan for this fundraise, and that is the reason we took this enabling resolution. Unfortunately, I won't be able to give out much details at this point in time. But yes, I mean, the debt reduction is definitely something which is on the anvil. So, that is for sure. So, that would also result into a reduction in the interest cost.

Smit Shah: I understood. And, sir, one more thing. This quarter, we have categorized the entire revenues into CDMO and Marketable Molecules. Is it possible for us to give a breakup of the four segments that we used to give the revenue breakup and the EBITDA margin breakup?

Harshil Dalal: So, essentially, what we have done is that, since CDMO is a major focus area for us, and what we wanted to, you know, as we have been saying, we have been trying to integrate the entire India business and the Swiss business. So, the right way to look at our business would be more like CDMO as a whole, rather than breaking it up into entities.

Because now, India, while India would keep on getting more and more business, because of the strong customer relationships that Carbogen Amcis has, the revenues might still, on a consolidated basis, be booked under Carbogen Amcis rather than India. So, it all depends upon where the customer relationship actually ends up.

So, that is the reason, you know, it would be good to look at the entire business as one, as CDMO together, rather than to split it between the entities. And that is the reason we give this split as CDMO and the Marketable Molecules.

The Marketable Molecules essentially includes our vitamin D business and part of the Naroda business. And that is also how the reporting also goes into our annual report historically.

So, that was the reason why we said that let's relook at how do we see the segments now and how do we want to position ourselves going into the future. And hence, this was a more logical way to represent it.

Smit Shah: Fair enough. And, sir, usually Q1 is a seasonally weak quarter for most of the CDMO players. But our Q1 was comparatively heavy in terms of sales. So, on this base, can we expect to grow sequentially or at least maintain these levels of revenues? And are we still on target to achieve the guidance that we had given for FY '26 as a whole in terms of revenue, like somewhere around Rs. 3,000 crores top line and 20% to 22% kind of margins? So, if you can give a guidance for FY '26 in terms of revenue and margins.

Harshil Dalal: I would say based upon the Q1 numbers, we look on track to achieve the targets for the current year as well as the outlook overall looks good if you take into account the next three to five years. So, as of now, we don't see any major hiccups. But yes, Q1 was a strong quarter for us. And we do expect that the remaining part of the year should be in line with Q1.

Smit Shah: And sir, just one last question that in Marketable Molecules, this quarter the margins were really high, like 32.4%. So, for the full year, can we maintain these kind of margins or was there some one-off here or if you can provide a guidance for the entire year on the EBITDA margin for the Marketable Molecules?

Harshil Dalal: Yes, I wouldn't say it was a one-off, but it was a conscious decision to reduce the sales of cholesterol SF, as I mentioned earlier. And hence, if you see, the revenue shows a dip while the margins have increased. That is largely because of a larger portion of the vitamin D analogs part of the business.

During the course of the year, you know, we are trying to see how we can reduce the cost of manufacturing the SF, which obviously is a low-margin product as compared to the analogs. So, we would not want to compromise the overall margins to a large extent, but obviously the revenue is also important.

So, we would just try to balance that out a bit. But overall, we do expect that the margins for the full year for that particular segment should be higher than what we posted in the last financial year.

Smit Shah: Understood. That is it from my side, sir.

- Stephan Fritschi:** Thank you very much, Smit, for your question.
- Moderator:** The next question is from the line of Vignesh Ayer from Sequent Investments. Please go ahead.
- Vignesh Ayer:** Thank you for the opportunity and congratulations on a good set of numbers. Two questions from my side, sir. Firstly, sir, I was going through our Q1 presentation, you know, on Slide #4. So, we have a basket of 12 APIs in late Phase 3 development. If I remember correctly from the last presentation, this number was around 14 APIs. So have any of these commercialized or have they been dropped from the pipeline?
- Harshil Dalal:** Yes, for at least two of the APIs, the projects have been put on hold. So, you know, we are just waiting for further clarity from the customers. And hence, since there was if and but, so that was the reason, you know, we have kind of removed it from the Phase 3 number.
- Vignesh Ayer:** I mean, they are on hold, right?
- Harshil Dalal:** Yes, but since right now we don't have a visibility as in when that program will restart or when the customer would go ahead with that project, that was the reason why we have taken it out of the late Phase 3, because there is a possibility that it never begins. So, on a conservative basis, we have just stated where we are confident and where we are already working on the number of APIs that have been mentioned.
- Vignesh Ayer:** Second question is, on our CAPEX side, wanted to understand what would be the number for this year? I mean, we have spent around \$5 million, if I am not wrong. What would be the number for this year?
- Harshil Dalal:** So, overall, for the full year, we had given a guidance of a total CAPEX of about 25 million Swiss francs. So, Q1 was about US\$5.6 million, which is roughly about, what, 4 million Swiss francs. So, we are pretty much below the run rate that we should have had for the Q1. So, overall, we do expect that it should be much lesser than what we had mentioned earlier.
- Vignesh Ayer:** That is all from my side.
- Harshil Dalal:** Thank you, Vignesh.
- Moderator:** The next question is from the line of Satish Bhatt from Tasal Finance. Please go ahead.
- Satish Bhatt:** Hi, Harshil and the entire Dishman team, congrats on a good set of numbers. I had some few questions. I think Paolo mentioned regarding the soft gel business. Can you throw some light on what type of revenue potential you are seeing and how much you have booked this business in the current quarter? Because that is going to come into marketable molecules. One was that.
- The second was question, Harshil, you mentioned that your U.S. net sales to direct customers is hardly anything. Can you just please quantify that amount in terms of percentage of your total CDMO business? How much you give directly to U.S. customers at their factories?

And third is the co-investment with the Japanese customer. So, how much has been committed and what will be our commitment towards that investment? If you can throw some light on that. And I think our China subsidiary has got FDA clearance. So, what type of business we are seeing around the next three to five years? And how we would be competitive with the other Chinese guys here who have already have a well-established business in China? That was the thing. And whether in this quarter, our France subsidiary did an EBITDA loss and whether you can share in terms of the PBT loss was in business?

Harshil Dalal:

Thank you, Satish, for your questions. So, starting with your first question regarding the soft gels, so what the strategy is that right now we are targeting the semi-regulated market. So, we have obtained approvals from some of the countries in the semi-regulated market, and we have started selling to those markets. And maybe, Paolo, if you can just pitch in with more specifics. And the target is to keep on growing this particular business.

So, as you know, we manufacture Calcitriol, Calcifediol as well in Netherlands. So, the idea would be to kind of formulate this into soft-gel capsules. And that is something that we would want to market. But, Paolo, I will also leave it to you if you want to add something more.

Paolo Armanino:

Yes, so what we have seen, very interesting, we got the all approval from countries like Myanmar, and as I mentioned before, Chile, South America. We have seen also Vietnam. So, here is where we see the market. So, here we file several molecules like Calcitriol, Calcifediol, which we are procuring from the Netherlands.

And we see that, basically, the commercial quantities are increasing. And the same that we have seen is also in South America. We have seen also the Russian country requiring more and more these molecules. This is just only one part. So this part, strategically, is very important because it can connect the drug product in India and the API manufacturer in the Netherlands, Carbogen Netherlands.

A second part, which I not mentioned in my brief speech before, is the CRAMS business. We see a very big interest from the Company to do CDO, CDMO here in Bavla. So, we can make, basically, contract manufacturing. So, we can produce soft gel for customers. And we have seen a very big interest also here in India.

So, we are seeing practically an expansion, big expansion of the interest in the organization. We are going with our own products, with the Dishman logo, and there is also CRAMS business going on. So, this is just, of course, for us, this is a business that just started, let's say. But we think that the quantity are picking up and the interest from the Company is picking up, especially in the vitamin and analogs.

Harshil Dalal:

Sorry, Satish, what was the second question?

Satish Bhatt:

Your net U.S. sales.

- Harshil Dalal:** Yes, so the net U.S. sales, I think it was less than 10%. I don't have the exact number, but it was less than 10% of the total CDMO business. So, these are the commercial supplies that go directly to the U.S.
- Satish Bhatt:** And regarding the total co-investment in the new facility at Switzerland for Japanese customer, how much we are going to contribute in that?
- Harshil Dalal:** I mean, as of now, the entire investment comes from the customer. I mean, our contribution would be our internal hours.
- Satish Bhatt:** So, that is around 25-30 million CHF or even more than that?
- Harshil Dalal:** 25 million Swiss francs. This is the second round. In the first round, they put in 15 and we put in 10.
- Satish Bhatt:** And regarding the China business, I think Stephan can throw some light on it. China, how big that business can be and how competitive we are going to be with the big Chinese players?
- Stephan Fritschi:** Well, it is a good question. I haven't got the numbers, but the market itself is huge, similar to the U.S. Even in terms of number of people, it is even bigger. So, we are expecting quite significant, but I cannot give you a number because we are at the very beginning of this process.
- Satish Bhatt:** And actually regarding the France business, how much business did we do or did we make an EBITDA profit or are we still making losses?
- Harshil Dalal:** No, in the first quarter, there was an EBITDA loss. The revenue was at about 4.5 million and the loss was close to about 2 million. So, we do expect that as the business keeps on increasing throughout the course of the year, the EBITDA loss should, on a proportional basis, should actually curtail down.
- Satish Bhatt:** Yes. And this question is to Paolo. Sir, regarding your HiPo facility in India, so when are you going to get some revenues? So, what is the strategy regarding getting orders for your HiPo plant in Bavla?
- Stephan Fritschi:** Yes, that is a very good question. So, this is where we are working very hard within India and Switzerland. So, we are evaluating several projects. We are currently just recently discussing one product, which is a Category-3. And we are trying to evaluate. We also discuss internally with finance how to restart everything. So, this is one of our major targets because we know the quality of the plant. Also, Carbogen Amcis is absolutely very interesting in this plant. So, we are working on this. We have seen some candidates. So, we are positive in restarting the facility in the near future.
- Satish Bhatt:** Thanks, Paolo. Thanks, Harshil. Congrats for the numbers.
- Harshil Dalal:** Thank you very much, Satish.

- Moderator:** The next question is from the line of Nawaz, an individual investor. Please go ahead.
- Nawaz:** First of all, congratulations for the great number. So, I think a few of my peers have already asked questions. So, just I will sort it down. Question #1, sir, what is the order book you have as of now? And the second one is the revenue guidance. For example, we have done 708 this particular quarter. And now we are in the mid of the Quarter 2. Do we feel like the Quarter 2 is going to be better than Quarter 1? And likewise, Quarter 3 and 4? So, how substantial numbers are going to have? Maybe like 708 we have done here. So, whether 10%, 15%, 20%. I need this visibility here actually.
- Harshil Dalal:** So, Nawaz, correct me if I am wrong, but just to understand your question, the first one was in regards to the pipeline.
- Nawaz:** Yes, order book.
- Harshil Dalal:** So, as we have discussed in the presentation, the development pipeline stands at about 117 million Swiss francs as of 30th June '25. And the commercial order book at roughly about 77 million. That's for Carbogen Amcis. Sorry, what was your second question?
- Nawaz:** Second is, we have done 708 crore in Quarter 1, right?
- Harshil Dalal:** Yes.
- Nawaz:** And we are in the mid of the, like almost mid of the Quarter 2. So, we might be having the visibility of how is the quarter going to be, Quarter 2, whether it is better than Quarter 1? And if it is better than Quarter 1, what is the approximate percentage in the top line you are going to see? And likewise, how is the visibility for Quarter 3 and Quarter 4?
- Harshil Dalal:** So, I would not like to give guidance on each of the quarters because of the nature of our business. Overall, you know, things look to be in the right direction on all the fronts. We are trying to work on this integration between Switzerland, India, etc. And the French facility, the revenue should pick up. It should be much higher than what we did in the last financial year.
- Netherlands, we are trying to work on the profitability part as well. Switzerland, as Stephan mentioned, the RFPs have been increasing. So, overall, right now, as a total guidance, things are looking up. And we do expect that the revenues as well as profitability should keep on increasing from here on.
- So, it will be difficult to give what will happen this quarter than in Q3, Q4. But overall, for the full year, and if you take a mid- to long-term view, things look to be on the right track.
- Nawaz:** That's all from my end, sir.
- Moderator:** The next question is from the line of Ramanujan, an individual investor. Please go ahead.

Ramanujan Chandak: Hello.

Harshil Dalal: Hi, Ramanujan.

Ramanujan Chandak: I actually have a small question. Would it be possible for us to actually change the way investors are registering for conference call? Actually, in case of other companies, what is happening? Those companies give us a link two or three days before the conference call, in which investors register their mobile numbers, email IDs, and it becomes easy for them. Is it possible for Dishman to do that same thing?

Harshil Dalal: Yes, of course. I mean, we would like to make life easy for all of us. I know, I mean, the reason why the call was started late was because of our service provider. I mean, they were not able to let the participants in. So, we really apologize for that. But we will make sure that all of the details that you mentioned, which even other companies follow, we would be giving apart from the dial-in number, also the link where you can log in into this call.

So, thank you for your suggestion. Appreciate it. And we will make sure that that is followed from the next quarter call.

Ramanujan Chandak: That's it from my side.

Harshil Dalal: Thank you very much, Ramanujan.

Moderator: Ladies and gentlemen, as that was the last question for today, I will now hand the conference over to the management for the closing comments. Over to you, sir.

Stephan Fritschi: Thank you very much. Thank you for all your interest in this afternoon's call, your questions. And we hope that we could answer them to your satisfaction. And of course, if there is some more, we are available also outside of this. Our Chief Financial Officer will be happy to answer. Thank you very much. And I wish you all a good day and good evening. And talk to you next time.

Harshil Dalal: Thank you very much, everybody.

Paolo Armanino: Thank you. Bye.

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