November 12, 2026

To, The Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 **Scrip code: 544889**	To, The Listing Department National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 **Symbol: SYMBIOTEC**

Sub.: Transcript of the Earnings Conference Call for Analysts and Investors for Q2 FY27.

Ref: Disclosure pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Ma'am,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of Q2 FY27 earnings conference call held on Friday November 06, 2026.

The transcript is also available on the Company's website
https://investor.symbiotec.com/financials?tab=transcripts

This is for your Information and Records.

Thanking you,

For Symbiotec Pharmalab Limited

SALIL JAIN
Digitally signed by SALIL JAIN
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"Symbiotec Pharmalab Limited
Q2 & H1 FY27 Earnings Conference Call"
November 06, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 6th November 2026 will prevail

MANAGEMENT: **MR. ANIL SATWANI – CHAIRMAN AND MANAGING DIRECTOR**
MR. RAGHAVENDER RAMACHANDRAN – CHIEF FINANCIAL OFFICER
MR. SHUBHAM SABOO –HEAD OF COMPLEX INJECTABLE BUSINESS AND MDO
MR. KAPIL MISHRA –HEAD OF STRATEGY WITHIN THE CHAIRMAN AND MANAGING DIRECTOR'S OFFICE
SGA, INVESTOR RELATION ADVISOR

MODERATOR: **MR. HARITH AHAMED – AVENDUS**

Moderator: Ladies and gentlemen, good day and welcome to Symbiotec Pharmalab Limited Q2 and H1 FY27 Earnings Conference Call hosted by Avendus. As a reminder, all participant lines will be in the listen-only mode, and there will be opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an

operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Harith Ahamed from Avendus. Thank you, and over to you, Mr. Ahamed.

Harith Ahamed: Thank you. Good morning, everyone. This is Harith from Avendus. I'd like to welcome you all to the 2Q FY27 earnings call of Symbiotec Pharmalab Limited hosted by Avendus. We're pleased to have with us the management team of Symbiotec represented by Mr. Anil Satwani, Chairman and Managing Director, and Mr. Raghavender Ramachandran, Chief Financial Officer. We'll start with the opening remarks from management, followed by a Q&A session.

Thank you, and over to you, Anil sir.

Anil Satwani: Yes, hi, Anil Satwani this side. Good morning, happy Dhanteras, and happy Diwali to all of you. And what an auspicious day for me to be on call with my shareholders. Thank you for joining us on our Q2 and H1 FY27 earnings conference call today to discuss operational and financial performance.

Today I'm joined by our CFO Raghav and by my team Shubham Saboo and Kapil Mishra from the management team, and of course by SGA, our Investor Relations Advisors. Let me quickly begin with the highlights of the quarter, then take you through our three business verticals and the milestones ahead.

Raghav, our CFO, will then take you, of course, the financial performance, after which we'll be able to or we'll be happy to take your questions. Of course, the reported revenues grew 43% year-on-year in Q2 FY27 and 25% in H1 of FY27, and reported EBITDA grew by 88% in Q2 and 29% in H1 of FY27.

Let me now take you through these three business verticals that we operate within. First, let me begin with our API business, which is the foundation of the company. This remains steady and very strong, delivering 16% revenue growth in Q2 and 11% in H1 FY27, led by volume and the product mix, of course.

We have as, you know, that we have a very distinctive global presence across the top 10 steroid and hormonal API molecules. And this is backed up by over 60 molecules that we manufacture, over 60 molecules that we manufacture within steroid and hormones, and 44 US FDA DMFs that we have filed and 25 European CEPs, and we are still counting.

As I explained last quarter, our customers have qualified us as their primary API source in their own filings. We earned their position, this position through many years of consistent supply and compliance, and needless to say, we intend to keep earning it. It is the reason this business grows steadily.

Our regulatory track record continues to strengthen our position. Over the last 6 months, we have successfully completed 4 major regulatory inspections, and we have received the EIR from

the FDA for both our Rau and Pithampur SEZ facilities, alongside our EU-GMP certification for both sites again.

Together with our leadership in these molecules, these growth drivers and our compliance record, we continue to remain confident in the long-term trajectory for this business. Moving quickly to our complex injectable business vertical.

Over the years, sustained R&D and our hard work, we have built a very niche capability in manufacturing dual-chamber vials, DCVs as we, as we say, a technology that a few companies have taken it to commercial scale and generic and CDMO platform.

Building on this very unique differentiated platform, on 30th September we signed a long-term agreement for the US market with a leading global company for 2 complex injectable products using our DCV, the dual-chamber platform.

Under this agreement, Symbiotec will be responsible for development, regulatory submissions, manufacturing, and supply, while our partners will handle commercialization and distribution in the US market to begin with. Of course, our talks for the other market continue with the same partner, and also we are looking at other options in other geographies.

This agreement offers three revenue streams for us, the development and regulatory milestones that we receive over a visible period of time, revenues from the product supply eventually, likely happening next fiscal year onwards, and share of profits on the partner sales product.

So we have these three revenue streams, the development regulatory milestones, revenue from products, and of course the profit share. During this quarter, we invoiced the completed milestones and received INR53 crores, and this has been recognized as revenue in Q2, and the balance is expected to be recognized in subsequent quarters. And this shall remain consistent on same lines for next couple of years.

Of course, we expect our DCV products to get commercialized next year in FY27-'28, as we have already filed the first ANDA for the DCV product with FDA in September and plan to file second in Quarter 4 this fiscal year. It is worth emphasizing here that these payments relate to just two products and only for the US market where these two products together are having an addressable market of around USD300 million every year.

We are pursuing similar opportunities across other products and geographies for our DCV range of products. Important to be noted, in parallel, we are developing a dual-chamber bag for critical-care setting, which is a ready-to-use product again which takes the same dual chamber platform into a second format.

Remember, we have the first format as dual chamber vial, and we are ready with the proof of concept for another dual chamber format, which is dual chamber bag. And I must also let you know that we are currently exploring the possibility of testosterone injectable CDMO, which is a natural extension of our global positioning in testosterone and other hormone APIs that we have. This is under the exploratory stage.

Very quickly moving on the third vertical, which is fermentation CDMO service business. I'm extremely delighted to confirm that we have signed a pending manufacturing agreement with a Europe-based alternate protein company. Over the years, we have been deploying capex to build large-scale fermentation capacity to serve these customers.

And on this agreement, we begin with the technology transfer and qualification batches at Ujjain at our existing 100 KL scale before we build a much larger scale of 250,000 liters, 250 KL, at our same Ujjain fermentation site. Let me also update you on the contracts we already have in our hand.

Just to remind you, we have a 10-year take-or-pay contract with a US-based alternate protein company. In this, the commercial batches are expected in the first quarter of FY28. We are in the last stage of building downstream capability for this unique alternate protein for the US company and this should start manufacturing this product commercially. We already have the regulatory approvals in place, and this should start commercial manufacturing in Q1 of FY28.

And further, let me also update you that we already have a 5-year take-or-pay contract for insulin drug substance, which is part of our biologics range, and we expect this to be commissioned in Q4 of this fiscal year FY27. And the sales revenues will certainly commence mid next year '27-'28, post our regulatory approvals.

We are almost ready with this facility. We should start validation batches sometimes quarter 4 this fiscal year, and within next 2 quarters or so, once the regulatory approvals are in place, we should be in sales sometimes late mid next fiscal year. That's a Biologics insulin drug substance product.

As you see, our fermentation CDMO services are not limited to biopharmaceuticals just. Our fermentation-based development and manufacturing capabilities open up a much broader biomanufacturing opportunity spanning across industrial biotech products including bio-based polymers, and that widens the range of industries we can serve.

As I said in September, we are not simply selling fermentation tank capacity. Our partners have innovation in the biology, but we help them cross this valley from innovation point all the way to commercialization, which includes, technology improvisation, scale-up, and commercialization up to viable unit economics. And that is a skill we have spent close to two decades by now in fermentation.

Indeed, we believe that our capital cost and our operating cost per unit are, we believe among the most competitive available in the world today. And for the partner, that means no large plant they need to build, no idle capacity they need to carry, and no years lost on the manufacturing learning curve. We provide all this to our partners.

Our first two partners, of course, chose us on that basis, and we intend to win the next ones the same way. Up to last quarter, as you remember, we had this big agreement on the US company for the alt proteins. But today, as I said, I'm delighted to confirm that we have signed our pending agreement with the European for another large alternate product. Of course, our Ujjain facility,

which is a fermentation CDMO site for us, has today 400 kiloliters of fermentation capacity. And this is designed to expand multifold in phases as the contract is signed.

With our anchor agreements in place, active discussions with a few more customers across the globe, we believe we have significant headroom to grow this vertical. Given the supply gap and scarcity of capability to operate large-scale fermenters, we are very well placed to be a preferred partner for many of them. We remain optimistic about this vertical and see ample growth opportunities ahead of us.

Finally, our investment new business vertical, you should know it remains on track. You know that we have already invested over INR1,000 crores in these verticals, and with these anchor agreements in place, our focus shifts squarely to commissioning and execution now. On guidance, we are maintaining our positive outlook of approximately 20% revenue growth and around 25% EBITDA growth for the current fiscal year, with a range of 5% points either side.

Let me close where this is going. Three years ago, Symbiotic was just an API company, and today it's an API company with signed a US injectable partner, a fermentation CDMO with its first two partners already in place, and biologics plant under commissioning. All three came from the same decision taken three times, find a customer problem that cannot be easily solved, fund the solution fully, engineer it ourselves, and then let it earn.

That's the economics. That's the way we look at our business at Symbio. And last 3 years, a significant turnaround has happened from API company to a complex injectable integrated pharma company, entered into a very niche differentiated fermentation-based CDMO business, and here we are.

Thank you, gentlemen. I will now hand over to our CFO Raghav for more detailed walkthrough of our financial performance, and following which we'll be happy to take your questions. Over to Raghav, please.

Raghavender R.: Thank you, Anil, and a very warm welcome to everyone joining our earnings call. Let me take you through the key financial highlights for Q2 and H1 FY27. Consolidated revenue for Q2 FY27 stood at INR280 crores, up 43% year-on-year. For H1 FY27, consolidated revenue grew 25% over the previous year.

The consolidated revenue includes milestone revenue recognized to the extent of INR53 crores from our complex injectable business out of the total completed contractual milestones which we have invoiced to our partners. The balance milestone revenue for the year is expected to be recognized in each of the upcoming quarters.

Revenues from our API business at INR227 crores grew a strong 16% in Q2 FY27 and a steady 11% in H1 FY27. And this growth was largely driven by volume growth across H1. Gross margins in our API business have held steady at over 60% for both Q2 and H1, while the API EBITDA margins were stable at around 30% across the period.

Adjusting for the one-time IPO expenses of INR3 crores debited to the P&L in the quarter, consolidated EBITDA for Q2 stood at INR94 crores compared to INR50 crores for the previous year, a growth of 88% year-on-year. For H1, consolidated EBITDA grew 29% to INR140 crores.

PAT for the quarter stood at INR52 crores and a growth of 169% year- on- year. Lastly, our capex investment for H1 FY27 stood at INR113 crores, and our net debt position as of 30th September was at INR314 crores.

With this, I conclude my section. I would now like to open the floor for questions.

Moderator: Thank you. We will now begin the question and answer session. The first question comes from the line of Dr. Kunal Dhamesha from Macquarie Capital. Please go ahead.

Kunal Dhamesha: Thank you for the opportunity and congratulations on a good set of numbers. The first question on the European alternative protein player, where you signed an agreement. If you could help us understand the potential opportunity size for this agreement? And what should be the profile of the business in terms of the return ratios or profitability that would be helpful?

Anil Satwani: Yes. So as you can imagine that it's not our policy to give you guidance on the specific numbers due to confidentiality reasons. But at a broader level, I can confirm that this is a 10-year take-or-pay agreement. Of course, this is spread out in various phases. To begin with, this is a Phase 0 where we use our existing 100 KL capacities that we have.

This will need a little bit of fine-tuning, so another three months or so we should be able to finish this and start, so called the production from our existing 100 KL, hopefully within this fiscal year. And the next fiscal year, we will also commence the Phase 1 production capacities, which will run under a million-liter capacity. I cannot give you a specific number than this.

And of course, there is a subsequent Phase 2, which will go over a million liters. So put together, we have few million liters of fermentation capacity needed as part of our Phase 1 and Phase 2 over the years. And this runs, of course, into multi-tens of millions of dollars of our toll fees, standalone toll fees. Of course, there'll be raw material cost, but which is a pass-through. But as a CDMO, we are more concerned about our toll fees. And toll fees itself, starting from Phase 1 is in a few tens of millions of dollars.

Kunal Dhamesha: So, so is it fair to say that potentially we start tens of millions of dollars, and can it scale to more like triple-digit million?

Anil Satwani: You see, this kind of facility where we need a sub-million-liter creation, we would need 12 to 15 months to build up our plant. We already have prepared a lot for this because with this customer we are seriously engaged from last couple of quarters. So we have already made a lot of ground in terms of our project timelines, project preparation, detailed project reports, everything has been done, including their technology has been successfully scaled up at our 100K existing facility.

So we have a huge confidence that we should be able to initiate the commercial production from Phase 0. But Phase 0 is not as significant revenue as you can imagine, but the Phase 1 will be

the major revenue, and this will take us 12 to 15 months to build, and some of the regulatory approvals are in progress at India. And of course, in European and US market, they already have the approval for the product.

So I would say FY27-'28, I don't know whether we will be having these significant revenues from this Phase 1. We'll continue to, of course, have this Phase 0 revenue starting end of this fiscal year. So throughout the next fiscal year. But I think '28-'29 will be the best year when we will see these few tens of millions of dollars of toll fees sitting in our P&L.

Kunal Dhamesha: Sure. And what kind of investment, let's say, ramp-up from Phase 0 to Phase 1 to Phase 2 would be required?

Anil Satwani: So, as you know, our model typically is to put the skin of the customer also in the game. So we will not be making 100% investment from our side. We are very sure of the risk that we have to take. So we have the skin of the customer in the game, and they will also be contributing significantly in this project cost. And this project cost, again, it is complex agreement, Phase 0, there are certain investments we are asking them, right?

As a Phase 1, there'll be altogether different investment happening. And Phase 2, but typically, you can imagine a few millions of liters by the end of Phase 2. This should cost us roughly around INR1,000 crores. But a significant part of the investment would be coming from the customer. Of course, we'll also be contributing.

Kunal Dhamesha: And this all will be done at Ujjain facility?

Anil Satwani: Yes, Ujjain site remains our fermentation CDMO site where we have today 32 acres in possession and we have just acquired about 40 more acres. So this has now become a mega 70-72-acre site and we continue to expand on all of our future fermentation CDMO needs capacities from this site.

Kunal Dhamesha: That helps. And second one on the the milestone income that you have recognized for the new product, actually…

Anil Satwani: Sorry, you need to be a little bit louder as I am not…

Kunal Dhamesha: Can you hear me now?

Anil Satwani: Slightly better. Yes.

Kunal Dhamesha: Yes. And second question on the milestone income of INR53 crores for the DCV product, right? And you suggested that there will be continuous milestone payment that would be coming over the next few quarters as well. So should we think of it as more recurring in nature with a similar intensity, or the intensity or the amount could vary, but it could still be recurring over the coming quarters?

Anil Satwani: Yes. Look, I cannot say quarter- on- quarter we will have the similar intensity, but year- on- year we have the similar intensity, of course. And you know the way we build our businesses, whether it is injectable or whether it is a fermentation CDMO, all these businesses are very niche where

we have cracked certain challenges and built it for the customers who need it. And not many companies would offer those kind of products/services.

So in such niche opportunities, differentiated opportunities, it is not very difficult to imagine that these customers pitch in their capital and with respect to the milestones, profit sharing, etcetera. So we have done it in past, as you see our financials, even including Knovea, we have received milestones in past years and we'll continue to now receive on the back of this new sign.

And this is a very recurring revenue. And before this milestone payment stops, much before this, we will have our sales and profit coming in. So by the time, we come to the sales and profit, these milestones will continue to come in. And this is very recurring in nature, not just in the injectable space. Gentlemen, please be appreciated that even on the fermentation side, our customers will also continue to give us the milestones.

Kunal Dhamesha: Sure, that's very helpful. Thank you and all the best.

Anil Satwani: Thank you.

Moderator: Thank you. The next question comes from the line of Smit Doshi from Okane Capital. Please go ahead.

Smit Doshi: Hi, and happy Dhanteras and congratulations for the good set of numbers. So just, I have two questions. First is with regards to, there is any margin differences between bio-manufacturing and biopharma? Because in pharma there are some very kind of the regulatory approval required, but on bio-manufacturing there would be some leverage on that side. So is there any difference in the margin?

And second thing, we are putting a lot of capex behind biomanufacturing. So what kind of customer profile we have right now? And in your presentation there is a mention of 750 kiloliters of additional capacity to be announced. So, can you give some color on that?

Anil Satwani: Yes. So let's talk about this 750 KL. As I said a while before in the first response, that we have this Phase 1 with this European alternate protein innovation company, and this facility needs 12 to 15 months. But this 750 is pointing towards the Phase 1 part of this alternate protein company agreement that we have with Europe. So that's on the 750. And what was your other question?

Smit Doshi: Also on the differential of the margin between biopharma and biomanufacturing?

Anil Satwani: So look, when we look through the business, we typically do not differentiate between biopharma or biomanufacturing. For us, it's business. And, we expect nothing less than 30% as ROC. We expect nothing less than 30% to 40% EBITDA margins. We expect nothing less than 70% to 75 or 80% gross margin. Of course, this varies from product to product, customer to customer, geography to geography, but broadly we do not differentiate. And margin profile in each case will continue to be more or less in the similar horizon.

Smit Doshi: Okay. And in our previous call we have mentioned that we have some advanced discussion of with 5 to 7 customers with regards to that injectable and biopharma side. So is there any update on this?

Anil Satwani: Yes. On the bio-manufacturing, we continue to talk to several customers. If I had to put number, this is definitely around 4 number of customers, and this is at the advanced stage of discussion. As, as and when we have certain MOUs or certain agreements signed, definitely we'll inform all of our shareholders. However, at this juncture, I can only say that there's a tremendous traction in the biomanufacturing space.

Smit Doshi: And on the financial side question, that is some trade receivables increased from INR197 crores to INR268 crores. That is a very huge spike. So can you give some color on this?

Raghavender R.: Yes. Hi, I'm Raghav. On the trade receivables, please note that on 30th September, the last date of the quarter, for September, we have invoiced a significant amount to our partner on account of milestone revenue, so that stood on the last day. But of course, the realization of that comes in the subsequent quarter. So you will see that it will normalize in the subsequent quarter.

Smit Doshi: Okay. Thank you, thank you so much, and congratulations.

Raghavender R.: Thank you.

Moderator: Thank you. The next question comes from the line of Amey Chalke from JM. Please go ahead.

Amey Chalke: Yes. Hi , thank you for taking my questions and congrats to the management on good numbers. First question I have on the base business. Our API-based business have also reported strong growth this quarter in almost mid-teens. So, is it driven by volumes or is there any price component in this growth? And if it is driven by volume, is it sustainable going on?

Anil Satwani: Yes. So, please understand that. Right now the price pressure on the APIs across the verticals, not just steroidal hormone, it continues to play, and it and then we also feel the same pressure. However, because of the volume growth largely that we have seen in our molecules, and also the better geography and product mix where we have higher margins with respect to product, where we have higher margins with respect to geography, that mix we have been concentrating and trying to improvise.

So primarily volume has led to this growth, and also to some extent this geography and product mix that has helped us post this. And as I've always maintained to say that while we have matured in our steroid hormone API business, but this is a story that will continue to remain strong. And that's why we have guided throughout that year- on- year we'll continue to grow in high single digits, or sometimes it could be low double digit, but high single digit is a strong visibility at our end for the next several years, for the next visible time.

Amey Chalke: Sure. So is the realization improvement which you are talking about because of the mix, is it sustainable in nature, or is it maybe a seasonality during this quarter only?

Anil Satwani: Look, about 70% of our business is now more focused towards the regulated markets, and some of the big companies, right? So, and these businesses are very sticky in nature. These are very durable businesses because this gets into the sales only after years of hard work with these customers through qualification process. So, generally whenever we win a customer in a geography like US, Europe, or even some other regulated market, this is a very durable sticky businesses. This will continue.

Amey Chalke: Sure. And one clarification I need. I have joined a bit late, so I'm not sure if it has been already talked about. –On our dual-chamber vial injectable product. We have seen that we have done tie-up for US market. Is there any other tie-up which you would like to highlight for, let's say, Europe or other geographies which you have done, or are you in process of signing it?

Anil Satwani: Yes. So this multi-tens of millions of dollars of milestone from this one company especially focused on the US market, focused on the two products to begin with. Of course, there are 3 to 4 more products that are in the pipeline, and there are other geographies including Europe, including China.

We are actively pursuing our discussion with different partners across different geographies, primarily Europe and China that we are looking at. And as soon as we have the visibility, definitely we'll post you. But, it is not fully monetized as yet. There's more to come. We have only partly monetized this opportunity.

Amey Chalke: So just follow up here. So should we expect similar kind of a contract for other geographies where we can see milestones, or it would be more like a cost-plus contract?

Anil Satwani: Our idea will always be to look for the milestone payments. However, sometimes, some companies may suggest different structures. I do not know. It's early to say. But our preference continues to remain that we insist on the milestone payments to begin with.

Amey Chalke: Sure. If I have like time, then just one more question I had on the biofuels and the Pfizer, Premarin opportunity. If you have any color on these two things which are in work in progress. If there is any development regarding this? Thank you so much. I will join back in the queue.

Anil Satwani: Yes. Unfortunately, on the Premarin, which is the natural conjugated estrogen, we have seen a generic already in the market. But at the same time, we have completed our API development pretty much to the satisfaction of FDA's peak profile expectation. Our part is completed, our validation is largely completed.

However, we need still time for our partner to develop the formulation, and that work is in progress. So we may be a few years away from the launch, because this is a very long-drawn regulatory process. So I do not have anything that I can suggest in the coming quarters which will have a commercial impact, but as soon as we have more news, more updates, I will definitely keep you informed.

Amey Chalke: Sure. Thank you so much.

Anil Satwani: Thank you.

Moderator: Thank you. The next question comes from the line of Harith Ahamed from Avendus Spark. Please go ahead.

Harith Ahamed: Hi, thanks for the opportunity. So, within the API business, it'd be great if you could talk about the classical fermentation APIs, how significant is the contribution currently and the progress that we've made on some of the pipeline molecules within classical fermentation?

Anil Satwani: Yes. So, this classical fermentation is also an interesting space which we have clubbed it as part of the API, and we are using some of the existing capacities that we have at our Pithampur SEZ plant. And we have already begun with a couple of products for the Indian market to begin with, and those DMFs and CEPs are in the process of filing, getting filed with the regulatory authorities.

And we have already developed 6 more products in the pipeline. We have yet to take it to the validation scale. So we expect this classical fermentation portfolio to be around anywhere between half a dozen to a dozen products which will fit into our existing capacities of Pithampur SEZ plant.

However, as and when we have more R&D proof of concepts, because we are also looking at this classical fermentation as an opportunity to use our synthetic biology platform. Because my idea is never to go after a me-too product that some other companies have already done it in past and we are maybe the 5th and 6th company to do it. Our idea is to go after and find our niche, find our differentiation.

And I realized synthetic biology can move the mountains for us, which will essentially allow us to create our proprietary products in the classical fermentation. And that's the desire, that's our long-term goal. However, we haven't seen the first major breakthrough. We may be around the corner because as I have explained earlier, we have a serious tie-up with couple of Synbio, which is synthetic biology contract researchers in Europe and USA.

We are around the corner, but once we have first major breakthrough, each product can be very significant opportunity for us because those will be differentiated proprietary products then for us. But right now, before we hit those proprietary products, idea is to build a critical mass going across various antibiotics, antifungal, antiviral products, whichever are general products for the likes of vancomycin, the fungins, and daptomycins, and so on and so forth, right?

These are all products which we are low-hanging fruit opportunity. These are never easy products, I must say this. But to build on the critical mass, we have started with these, let's say, 6 to 10 products. 2 already that we have commercialized, at least for the Indian market, and more to come. And of course, this business is relatively new.

This will also take us 2 years to 3 years before we are in the regulated markets, before we also hit this synthetic biology-based our proprietary products. So interesting business vertical within the API is the classical fermentation, which is in the making.

Harith Ahamed: Got it, sir. And another very interesting project that you've talked about in the past is our Vegan Vitamin D3 project. And so can you share a bit about the progress of this and the timelines that

you're looking at? And how should we think about the pricing for our vegan vitamin D3 versus the conventional vitamin D3 that's out there?

Anil Satwani: So, first of all, let me give you the status on the manufacturing. This plant is under construction and we are likely to finish this plant and its qualification by the end of this fiscal year. And definitely, starting early next year, we should be selling this vegan D3 at least to the nutraceutical and veterinary markets because those do not necessarily need significant regulatory challenges.

But of course, for the pharma D3, we might need another year to get qualified. But for the nutra and other non-pharma, we should be looking into revenue stream starting next fiscal year. Having said that, on your question on the pricing, we haven't yet determined where are we going to position ourselves? Because we are still trying to do market research.

Currently, you must know that the vegan D3 is, I think, 3 to 4 folds the price of the animal-derived D3. And our technology breakthrough that we have allows us to even compete at the current animal D3 pricing. However, should we do so, or should we continue to be in the premium segment is something that the work is in progress. We continue to do research. As and when I have more visibility, I will definitely share with you.

Harith Ahamed: Yes. Thank you, sir, for that. And last one, with your permission, the CDMO capex that you've called out in the presentation of around 750 KL, so that's an increase from 600 KL that we had in the last quarter presentation. So I was thinking, what exactly has changed for the customer to increase the capacity commitment here?

And then last time you had talked about a roughly 18-month timeline for completing this expansion. So if you could give a updated timeline as well as the revised capex amount and how much of this will be customer funded.

Anil Satwani: Yes. I don't know how much you guys hear me on the D3. Just to summarize, this plant is in the making. We should be able to finish the plant in qualification by end of this fiscal year. And starting early next year, we should be in sales, at least for the non-pharma part of the business, which is less regulatory driven.

And on the pricing position, we have not yet decided. We still continue to evaluate the market. Should we continue to focus only on the premium vegan D3 market, or should we, based on our competitiveness, should we also go and disrupt the animal D3 market using the more or less existing price points.

We're not too sure, we are still in the research mode. So once we have more news, definitely we'll let you know. But plant is at the advanced stages and you should see some revenues coming from early next year.

Harith Ahamed: Got it, sir. That's very clear. I think you got disconnected while I was asking my next question, which was on the new CDMO capex. You've called out a 750 KL expansion in the presentation. So that's an increase from 600 KL which we had mentioned, you know, during the last quarter. So I was looking for an updated timeline and capex for this 750 KL expansion, and then how much of the capex will be customer-funded here?

Anil Satwani: So look, of course, it's good news that customer chose to go with 750 and not just 600. But we had to a little bit revise our agreement on our terms based on this revised capacities, which is a good problem to have. But now this, of course, agreement is behind us. We have to focus on the execution mode.

But, in the CDMO business, capital intensity is also being shared with our customers and strategic partners, right? Many of our projects are supported by long-term you know, sticky take-or-pay arrangements. And in several cases, our partners also participating in the capex.

I cannot disclose for the confidentiality reasons how much they will be contributing, but a significant part of this capex contribution has to come from and will come from the customer. And at large, we remain committed to make a capex at the corporate level anywhere between INR200 crores to INR300 crores every year.

And of course, as our EBITDA improves, we will continue to plough back this operating surplus cash flow in our new capex because we see a lot of traction in biomanufacturing, including the biologics as well. Right now, of course, biologics is more around the insulin, and we are getting into the semaglutide part with the GLP-1.

And we have a lot of customer traction coming on the drug substance side of the biologics. So a lot more to come, a lot more capex in biologics and biomanufacturing. So I cannot give an exact color on each agreement that we have, how much capex to each customer, but we remain within our fiscal discipline of investing INR200 to INR300 crores every year.

Harith Ahamed: Got it, sir. Thank you. I'll get back in the queue.

Moderator: Thank you. A reminder to all the participants, please restrict yourself to two questions. The next question comes from the line of Sanjay Kumar from Xponent Tribe. Please go ahead.

Sanjay Kumar: Hi, sir. Congrats on good numbers. And the first is just a clarification. So the European customer that you've signed, all of Phase 1 750 KL will be dedicated to this customer, or is this part of that?

Anil Satwani: No. This is exclusive arrangement with this customer, so all this is being exclusively for this customer. The new 750, which is Phase 1, and there'll be much more in Phase 2, and all for the same customer, same product. Of course, they have the distribution rights across the globe. They'll be supplying to the US, Europe, and they also see a lot of traction from India, by the way. So it could also be our supplies to Indian market in the coming days.

Sanjay Kumar: Okay. But this customer had already signed the term sheet with Liberation Industries, so will we be second source? Or how does it work with, are we the exclusive supplier for them?

Anil Satwani: Look, I'm not supposed to comment on the competition per se, but I do not know exactly their status with the Liberation, which could be our competition. All I can say that we have a legally binding take-or-pay 10-year agreement on multi-million liter fermentation capacity with this customer for this product.

Sanjay Kumar: Got it. And second question on our…

Anil Satwani: Do your research on this, you will get a lot of information and you will have your answer.

Sanjay Kumar: Yes. They are going through their own struggling. But they only need the 25 million. I thought the customer might fund that and get them up and running, but no issues.

Anil Satwani: Please understand, it's not about this customer, it's not about the capex in the Western world. Capex is always 2x according to my understanding. It is also the opex that decides the unit economics. And exactly this is what we bring on table for our customers. We make their product viable. We take it from their innovation to EBITDA-positive projections in next 18 months.

That's our USP, and this is what customers look for. So it's not about capex, it's also the opex economics. I don't think Western world is in a good position, relatively speaking. Of course, some products will always be there for a variety of reasons, non-economic, but for the economic reason, we are in extremely good position today.

Sanjay Kumar: Got it. And second, on our first alternative meat customer, is the fee per unit of vessel time or is it per kilo of the final product? What is the contracted output here in terms of tonnage?

Anil Satwani: Yes. Again, this remains fairly confidential. But this is another typical CDMO opportunity where we have contracted certain capacity, which runs across 10 years of the take-or-pay agreement. So we have sold our time and capacity.

Sanjay Kumar: Okay. No. Why I wanted to know is, will the USD7 million to USD8 million per year stay flat or can it kind of decay if we improve our yields?

Anil Satwani: So Yes, of course there's an inflationary increase year-on-year, number one. And number two, yes, this is the first - this is tip of an iceberg because they'll be launching this product. Of course they've already launched this product using their pilot scale back in Silicon Valley, and this product is acceptability registered in various markets, and they have also seen huge traction. But everyone wants to just take it one by one.

So once they see the product up and running from this facility and selling globally, I'm sure they are roaring to get into the next agreement with us. And we are just waiting for this first launch to happen, which is likely early next fiscal year. And this plant is in the making. We are at the last stage stages.

We might need another 5 months to 6 months, but come April, come May, first quarter, we should be up and running from this plant for this customer. And once this product is shipped to the US market to begin with, I'm sure they are ready to talk to us for multiples of the capacities that they've already committed with us.

Sanjay Kumar: Amazing. Got it. And final question, the remaining 200 KL in Phase 0, why have we not signed that? I believe we are talking to one fabric customer. We are also talking to one industrial bio-based jet fuel customer. So any color on the remaining 200 KL in Phase 0?

Anil Satwani: Look, again, sometimes I need to be just careful how much can I reveal, but understand we are looking at various opportunities. The existing capacity partly is shared with this American Alt-protein company, and part of this 400 KL will also be shared with this new customer as part of the Phase 0 before we come with this major Phase 1 project.

And part of the facility is being used currently to explore and scale up the products of various companies that we are talking to. So we have to distribute it. Of course, we can grant this limited capacity to just one customer. But the idea is to continue to keep our doors open for other customers to come in and scale up. So it's kind of our investment in there.

We're losing on this revenue possibilities, but at the same time we are creating opportunity for a bigger CDMO using or keeping some of our capacities and doors open. So part of this capacity is currently being used for the scale-up and trials for various customers, for various products that we are engaged with. And part has been signed for this US company, and part now has been signed for this European Alt-protein company.

Sanjay Kumar: Got it. And, and finally, on the DCV, I believe we've applied for the and the product is ready. But in terms of pre-approval inspection from FDA, given we have been API-heavy in the past and formulation is new to us, how are we preparing for the API? Or will there be, or when or when will the inspection from the FDA happen, and how are we preparing for it?

Anil Satwani: So this is an accelerated review. We also received the confirmation from FDA on this accelerated review status, so that's good news. Since we have filed the ANDA sometimes September, we are looking at nothing less than though the goal date remains July, but you know, it's just the first goal date. There will be some queries and it will take another few months.

So we are expecting sometimes in the calendar year '27, the approval from FDA to be in place, both the ANDA approval as well as the FDA inspection. FDA inspection might get triggered because of this our expedited review status now we have acquired. So both FDA inspection and ANDA approval likely in calendar year '27, late part of the calendar year '27. That's what we are estimating.

But again, you know, a complex regulatory approval. But I'm happy to share that this 70,000 pages first ANDA that we submitted to the FDA in September, we received acknowledgement without RTR. With so many companies get it as a first time, but our work was thorough and our partners were helping us and our regulatory, hats off to our regulatory department.

They worked day and night and made sure that we get the acknowledgement hassle-free. So application has been accepted. No change in the goal date, remains July, but definitely going forward we may see some few months delay due to the queries and our response. But we remain optimistic that by the end of calendar year '27, we should get both the approvals, inspection as well as the ANDA.

Sanjay Kumar: Great. Amazing, sir. Amazing. And all the very best. Thank you.

Anil Satwani: Thank you.

Moderator: Thank you. The next question comes from the line of Rahil Dasani from MAPL. Please go ahead.

Rahil Dasani: Yes. Good morning, sir. Thanks for this opportunity. Congrats on the good result. It's good to see that the milestone income came in earlier than expected in Q2 itself compared to H2 as we were expecting before. My question is, was this milestone payment related to the successful ANDA filing, and would it be right to say that the next milestone will only arrive in Q4 once we also file for the ANDA of the second product?

Anil Satwani: So look, I cannot break down too much, because again, because of the confidentiality reason. But I can tell you that this remains consistent over the balance quarters in this current fiscal year, and this will also continue to be there consistently for the next year. So this is very recurring in nature.

This is fairly spread out, not necessarily linear quarter-to-quarter, but definitely linear year-on-year. And of course, we expect sales and revenues to kick in sometimes end of next fiscal year.

Rahil Dasani: Understood. Very clear. My second question basically the 2 products that we have, that we are wanting to venture into. Are these products enough to utilize the 20 million vial facility? And also, is this facility line exclusively for that one customer we signed the agreement in September with?

Anil Satwani: So look, now these are first 2 products and we have 4 products in the pipeline including one product coming from this new customer, right? They have their own preference, right? We have our own pipeline. So put together, this makes it very, very exciting to begin with. And also, we have contracted majority of our capacities with this customer for these 2 products for the US market standalone, but the significant minority that we still have will cater to product number 3, 4, 5 and cater to geographies beyond the US, including Europe and China.

Rahil Dasani: Got it. And the further 5 products that we are planning in this segment, the 505(b)(2)s, are they also for this customer only, or are we trying for some other partner, or maybe some direct sales?

Anil Satwani: They have to - this customer has to do its business due diligence, right? We may have developed this product, and if they like it, they will expand this portfolio from 2 to more than 2. And if they don't like it, definitely we have our own freedom to go and sign up with other distributor or sell it on our own. So that flexibility we have maintained.

Sanjay Kumar: I understood. I have a next question.

Anil Satwani: They have their very important product coming from their side. That is also big. And I think my guess is that in next couple of years, we should be looking at expansion of this line. This is just first of its line, but more to come. Our plant is ready to take more lines in the existing setup as a brownfield expansion. The traction on this facility is very high.

Rahil Dasani: Yes. So this is where I had my third question. So once the product is launched, and since this is a new market for us and this is a new segment for us, and already there is a large incumbent in this product, so do we expect a slower scale-up for this product? And hence that is why we are

not committing further capex like, we have done for a bio-CDMO business by putting the lines much in advance. Is that the right understanding?

Anil Satwani: Yes. Look, we always have to be cognizant of this fact that we need to be fiscally and operationally very disciplined, right? So you can imagine that we are ready with the concept for dual-chamber bags and concept for dual-chamber syringes, but we are not launching it yet. We are not committing on the capex because our idea is to get closer to the sales and revenues from the DCV platform, just as part of the fiscal discipline, nothing else.

But we are actively looking to or scouting for other partners on the bag platform and the syringe platform and also on the testosterone, which is a natural extension to our position that we have on the APIs. So all these 2-3 big opportunities continue to make this Knovea future very exciting. But we are just holding our guns.

We do not want to go all out with our new capex also suddenly. But I think just wait for, you know, maybe a quarter or 2, you will hear from us what is our next capex, whether it is bags or whether it's testosterone, whether it's syringes. And , we continue to remain engaged with the global distributors.

As soon as we have some more development, we will definitely share with you. But as future Knovea on dual-chamber platform, extremely exciting. We have just started with vials. The bags and syringes are yet to come. We are ready with , by the way.

Rahil Dasani: Understood, sir. That is very good to hear. So my next question is around the CDMO capex. While it's really exciting to see that we are committing so much capex and we have also increased our capex from 600 KL to 750 KL now, if you can share more on this, the thought process behind it, especially since our current 400 KL line is not generating any revenue.

And also the second thought is that when I look at global alternative protein companies, majority of them have not done well and, they have failed on maybe even gone bankrupt. So what gives us the confidence that our partner will scale up and hence our capacity will too? Because we have infused a very large capex behind this.

Anil Satwani: So I think you have a valid concern, and your concern is not different from our concern as management. And just to give you a comfort that before any large agreement with any of these innovation companies, we do our business due diligence extensively, as if this is our product, as if this is our skin, right? So, of course, we partly use the risk by having the partners' capital in our company, but that does not mean anything, right?

What means is that how are these companies positioned? There might be 10 companies out there with the alternate protein, but it is typically few companies that succeed, right? And we have seen some of the companies that we worked with for as a US company and now as a European company, these are not the normal startups with negative cash flows. These are very premium startups.

Why I say premium? For the reason that, that kind of technology that they have that will allow them to use our unit economics and become profitable in next 18 months. Two, is that already

piloted and sold and accepted by the world market. So I must confirm that both our US company and European companies, both as partners, they've launched their product from their US and European respective pilot facilities and supplied world over.

Their acceptance has come. We have talked to their customers and seen their take-or-pay contracts with these companies. And not only this, we have seen how much capital they have already been able to raise and how much capital out of which will come our way. So doing these their capital availability in their pocket, their capital raising capacities, and also the product confirmations in the market and their take-or-pay agreements with some of the larger corporations

Only then we go and sign our long-term 10-year take-or-pay agreements with them. So while we may be talking, only doing business with only few companies, because we have to do certain capex, Besides their addition to our capex, Because of this, we have our very, very strict litmus test.

And only when these few premium startup companies which have the product technology and also the capital in their pocket, only then. So just to tell you, this European company is not a normal, typical startup. This is an offshoot of two major MNCs in Europe. Again, I cannot name it.

Rahil Dasani: Agreed. Yes.

Anil Satwani: Yes. And so 50% of the ownership of this innovation company is with these MNCs of Europe and 50% with the venture capital. So they're a very premium company, the capital in pocket already, product already scaled up, supplied to the customers, they have their certain take-or-pay agreements with their customers already in place. Only then we go and commit multi, tens of millions of dollars of capex from our side. So I hope I gave you my opinion.

Rahil Dasani: Yes, sir. That's extremely clear and that's good to hear. So the third thing I wanted to understand was on the insulin plant, I believe we were initially start expecting it to start generating revenues in Q1 itself of next year, and now maybe you are saying mid next year. So if you can share what sort of delays are we seeing, and secondly, if you can share what sort of spend are we making in this unit.

Anil Satwani: So sorry, what was the last question? What kind of?

Rahil Dasani: What kind of spend are we doing? What capex have we put behind this?

Anil Satwani: This is little over INR100 crores as capex, and the delays, primarily because of the project delay by a couple of months. It's not a significant delay, but it's an extremely sensitive, it's an extremely high-end biology facility. Of course, initially we'll be supplying to another Indian customer, Indian partner for the Indian market.

But, of course, we never build anything just for the Indian market. We build something with a global standard. So this is a very 7-star biologics drug substance facility which will start with the Indian customer. But we will definitely go and look for the more regulated market business

coming. So because of this certain structures. By the way, we just hired a subject matter expertise in biologics.

Earlier it was headed by the same biotech, the head of department, and now it is headed by the biologics SME who has all his life done biologics works, right? So he has joined us since last few months. He came and made a few changes looking at the evolving regulatory standards, and that led to a couple of months delay. But this is a very normal expected delay on the project timeline, nothing beyond that I have, I cannot disclose with you. It's only a typical project timeline delay by a couple of months.

Rahil Dasani: Of course. And based on what you are saying, it seems that this Indian customer or the insulin product is not the only thing that we will be doing from the 14 KL unit. We will be doing more things and more products, maybe, is what you are saying.

Anil Satwani: Yes. Absolutely. Because though it is possible for me to go and sign up 100% of our available capacity with a single customer because insulin demand has gone over the roof.

Rahil Dasani: Exactly.

Anil Satwani: And a lot of people can fill and finish because fill and finish capacities are available left and right and that by themselves our customer is building in-house. But it is a drug substance which is science, which is complex, right? Not many people are capable of doing so. So because we are in this very difficult drug substance part of this biologics value chain, we are seeing a lot of companies interested in taking up some of our capacity.

So we have technically only given around 50% of our capacities to this customer, though they can occupy 100% of the capacity. They are willing to sign extended, but we are not doing so because we are looking for higher-value products or maybe the same product for higher-value markets and some of the GLPs and some of other analogs like Glargine and then Aspart and in future Degludec.

So we have just started in the biologics. We are still trying to build our portfolio. We may have started with this insulin as a first opportunity, but we'll build on the GLPs and another insulin analogs and do the CDMO service for many more customers. So we are still doing our research. We are still engaged with a lot of Indian and overseas customers for our drug substance on biologics.

Rahil Dasani: So is the focus only GLPs, or are we also planning or have some things already in hand, some other products where we want to work on in the 14 KL ?

Anil Satwani: No. For time being, as you say, we are a new company in biologics, right? So we are focusing on the insulin analogs and GLPs. That's a limited arena. Of course, there will always be mAbs and so on and so forth, but it's too early to talk about all these things right now. If you heard from me loud and clear, our focus is on insulin and analogs and GLPs.

Rahil Dasani: Makes sense.

Anil Satwani: Which is microbial fermentation. We are not yet in mammalian.

Rahil Dasani: Understood, very clear. Just one last thing on the API segment from my side. Our Top 5 products: Progesterone, Hydrocortisone, Testosterone, Dexamethasone, and Methylprednisolone are a brick contributor for our revenue as of now. How to think about the -- so while you did explain that the demand is not an issue for you, it's a consistent demand, how to think about the realizations and pricing per unit for this?

How has it fared over the last 3 years to 4 years? Because while our base business may not be growing at a very high rate, but but it's providing a very good strong base for our other segments. So to understand the consistency and strength of that business would be helpful.

Anil Satwani: Yes. Look, what is really interesting, in favor of the Symbiotec industry or the normal spaces are backward integration status, which we built, you know, starting from 2008 all the way to 2015. And then, relentless pursuit and qualification with these global customers across the world. This takes ages. And it's been more than 20 years from 2004 when we built the first chemistry GMP plant and 2008 when I started getting into biotech.

So more than two decades and here we are, which essentially mean that because of this backward integration status, we have a make versus buy choice. For some reason that the world, you know, go crazy on the pricing or any other supply chain issues on some of the intermediate, we jolly well do it at our own, right, at our own end, right? And if for some reason the overseas supplier is under price pressure, we better buy it, right?

So this make or buy has allowed us to kind of calibrate our position from time to time and not allow our P&L to go haywire. So this is a full position that we have found ourselves in. Of course, in recent times, because of the solvents increase, this Iran war, and because of all these reasons, the logistic cost and some of the solvent cost has gone up.

But this is not significant in our backward-integrated model. We might have been affected by 2% or 3% on the gross margins. But it's also a temporary phenomenon, I hope so. But larger steroid intermediates starting from phytosterols or some of the advanced intermediates that we may be buying from time-to-time, this continues to remain pretty much under control because of our integration status, make versus buy.

So this is there to stay and we still have quite a lot of accounts, quite a few new geographies, a few little more products in steroid hormones product range that we still have to go into. So story of the steroid hormones has not come to an end, it still continues. But as a conservative company, we do not like to guide with an aggressive progression on our high digit growth business for us

Rahil Dasani: Fair enough. Agreed.

Anil Satwani: This is still high-digit growth business for us.

Rahil Dasani: Got it. And can our margins increase for the…

Moderator: Sorry for interrupting, Mr. Rahil. Ladies and gentlemen – sorry, for interrupting Mr. Rahil. We have reached the end of question-and-answer session due to time constraints. I now hand the conference over to management for closing comments.

Anil Satwani: So, thank you. What an auspicious day today for us to announce some of the developments like signing with a large European customer on our CDMO opportunity. And I'm thankful for all your support, and I can only tell you on this auspicious day that Symbiotic continues to remain very excited, not just for their base API business, but also for their injectable as well as these unique fermentation CDMO opportunities.

And as soon as we have more information, hopefully, between now and the next quarterly call, we should keep you abreast. And thank you for all your wishes, and I am wishing you a very happy Diwali and a prosperous new year to all of you. Thank you.

Harith Ahamed: Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Avendus, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.