



Kwality Pharmaceuticals Ltd

Q1FY27 Investor Presentation





DISCLAIMER

Some of the statements made in this presentation are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of Kwaliti Pharmaceutical Limited about its business, the industry and markets in which it operates. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Kwaliti Pharmaceutical Limited does not undertake to update these forward-looking statements to reflect events or circumstances that may arise.





METRICS	FY26A (Actual)	PREVIOUS FY27 GUIDANCE	UPDATED FY27 GUIDANCE	CHANGE / UPDATE (vs. Previous Guidance)
REVENUE (₹ Crore)	503	650 (+29%)	700+ (+39%+)	 Raised INR 50 Cr+
EBITDA (% Margin)	118 (~23.5% Margin)	176 - 196 (27% - 28% Margin)	189 - 196+ (27% - 28%+ Margin)	 Raised +13 bps
PAT (% Margin)	67 (~13.4% Margin)	100 (~15.3% Margin) (+190 bps)	109+ (~15.5%+ Margin) (+220 bps)	 Raised +30 bps

 **Raised**
Higher growth
visibility

 **Raised**
Stronger operating leverage
and product mix

 **Raised**
Improved profitability
outlook



WE ARE RAISING THE BAR
Increasing our growth and profitability outlook on the back of strong execution and clear visibility

Note: YoY growth rates are for FY27 over FY26



Expertise in Complex Formulation Development & Manufacturing

Future Growth: High Margin critical care, Bio-similar and oncology molecules including peptides

Broad & Diverse Product Offering
1000+ formulations across 25+ therapeutic use
90% Revenue from out-licensing and supplies

4/5 Units EUGMP Approved as per Annex 1 of recent EU guidelines

One Stop Solution Across Key Therapy Areas

01

General

02

Beta Lactam

03

Oncology

04

Cephalosporins

05

Biologics

06

Hormones

Research + Manufacturing + Quality Excellence Achieved

01

1,750+ employees including **90+** in R&D

02

700+ regulatory filings across many countries

03

20+ audits in the past two years

04

70+ countries served, with a diverse global clientele

05

₹162 Cr Revenue in Q1FY27, Net Profit **₹26 Cr**

06

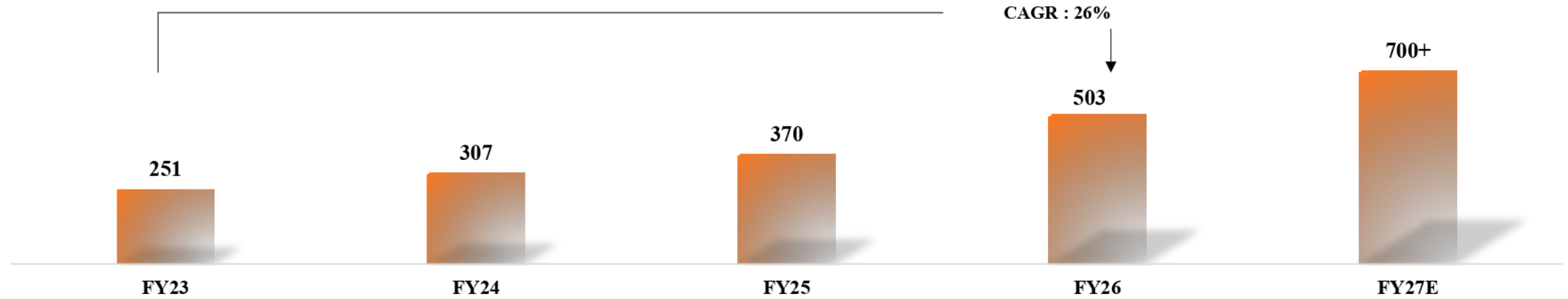
40% Targeting topline growth in FY27



Revenue growth supported by manufacturing scale-up



All values in INR Cr.



Journey so far...

1983

**Company
Founded**

2018

- Manufacturing Facility Upgradation
- PIC/s GMP for Injectable facility
- R&D / QC facility upgradation
- Exports to 40+ markets

2020

- **Migrated to BSE**
- Developing vast portfolio of Injectables
- Initiated market filings

2022

- Established Beta lactam Unit
- Developed 10+ complex products (Microspheres, Liposome, Nanoparticle)

2023

- Established Biological Unit
- EU GMP for Oncology & Cephalosporin Units
- Market filings of KPL's niche products

2024

- Initiated development of KPL 1'st Biologics
- 2 BE studies successfully conducted
- Successful approval and commercialization in High regulated markets - EU / S Africa

2025

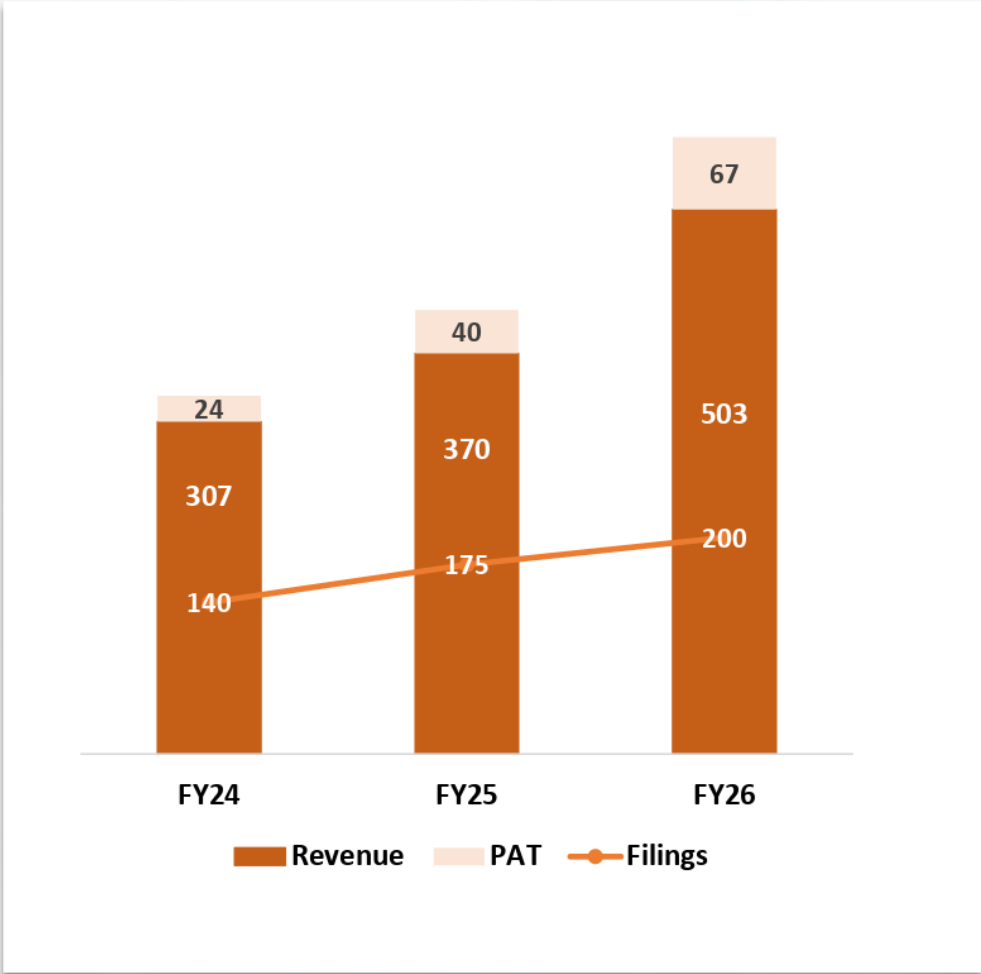
- PICs GMP approval for Beta Lactam unit.
- SFDA approval for General and Beta Lactam.

2026

- EUGMP approval for general and beta lactam units
- BE programmes for 40+molecules ongoing (3+ successfully completed)
- Successful preclinical results for Erythropoietin
- Ongoing capacity expansion in biologics and oncology
- WHO GMP for Biologics (Drug Substance and Drug Product)
- Unit 6 - A dedicated plant for hormones being constructed (Completion by Q3CY26)



Revenue Scale Translating into Profit Acceleration



Key Levers and their performance over years

Key Operational Levers	FY23	FY26	Improvement / Status
Revenue (₹ Cr)	251	503	~2x
Cumulative Filings (Nos.)	75	700+	~1.7x
Capacity Utilisation (Overall)	~35%	~65%+	~1.9x
R&D Spend (% of Revenue)	Less than 1%	~2.5%	Investing for future
Working Capital Cycle (Days)	297	161	-136 Days



Ramesh Arora
Chairman & Managing Director

AREA OF FOCUS

IT, Software and Legal
Agreements & Proceedings

42 Years of Experience



Ajay Arora
Director

AREA OF FOCUS

Raw material procurement and
infrastructure development

31 Years of Experience



Aditya Arora
Director

AREA OF FOCUS

Quality assurance, Quality
control, Regulatory compliance

11 Years of Experience



4/5 units being EU - GMP approved



Unit 1 : General



Unit 3 : Oncology



Unit 5: Biologics



Unit 2 : Beta Lactam



Unit 4 : Cephalosporins



Corporate Head Office

Unit 6 :

Hormones is under construction, expected to commence by H2FY26

01

Successfully completed 20+ regulatory, customer, and vendor audits over the past two years.

02

Proactively upgrades plant practices by benchmarking against Form 483 observations across the industry

03

Centralized CQA team ensures audit learnings are consistently implemented across all manufacturing units

DSIR approved In house R&D "Innovation Centre" at Amritsar Campus



Comprehensive Offerings with Advanced Manufacturing Capabilities



Amritsar Plant (Campus 1)
Himachal plant (Campus 2)

	Unit 1 (General)	Unit 2 (Beta Lactam)	Unit 3 (Oncology)	Unit 4 (Cephalosporins)	Unit 5 (Biologics)	Unit 6 (Hormones)
Capabilities	Oral Solids - Tab/Capsule, Suppositories Ointments/Creams, Oral Liquids Dental Cartridges Injectables (Vials/Ampoules/PFS)	Oral Solids - Tab/Capsule Powder for Injection Dry Syrup Sachet	Oral Solids -Tab/Capsule Injectables (Vials) (Liquid/Lyophilized)	Oral Solids -Tab/Capsule Powder for Injection Dry Syrup	Drug Product - PFS Drug Substance - Sterile Liquid	Sex and Synthetic hormones
Capacities	Tablets - 1800 Million Capsules - 180 Million Ampoules - 200 Million Vials - 200 Million Lyophilized Products - 3 Million Dry Powder Injection - 100 Million PFS - 1 Million Dental Cartridge - 40 Million Suppositories - 40 Million Ointments - 20 Million	Tablets - 3000 Million Capsules - 1500 Million Powder for Injection - 50 Million Dry Syrup - 200 Million Sachet - 100 Million	Tablets - 380 Million Capsules - 38 Million Liquid Injection (Non peptide) - 47 Million Lyophilized Powder & Cake - 15 Million (Peptide based)	Tablets - 205 Million Capsules - 31 Million Powder for Injection - 19 Million Dry Syrup - 7 Million	Bioreactor Capacity - 100 lts (Installing Capacity of 500 lts+) PFS - 1 Million	Under construction
Major Regulatory Accreditation	EU GMP, PICS (Anvisa, Invima, Sfda, Ukraine)	EU GMP, PICS (Anvisa, Invima, Ukraine)	EU GMP, PICS (Anvisa, Invima, Ukraine)	EU GMP, PICS (Anvisa, Invima, Ukraine)	WHO GMP	-



What sets us apart?



01

Diversified portfolio across high entry barrier dosage forms..

02

Open and Flexible Business Model, Powered by in house R&D capabilities for complex molecule development.

03

Globally accredited, strong manufacturing capabilities

04

Wide Presence across 70+ countries

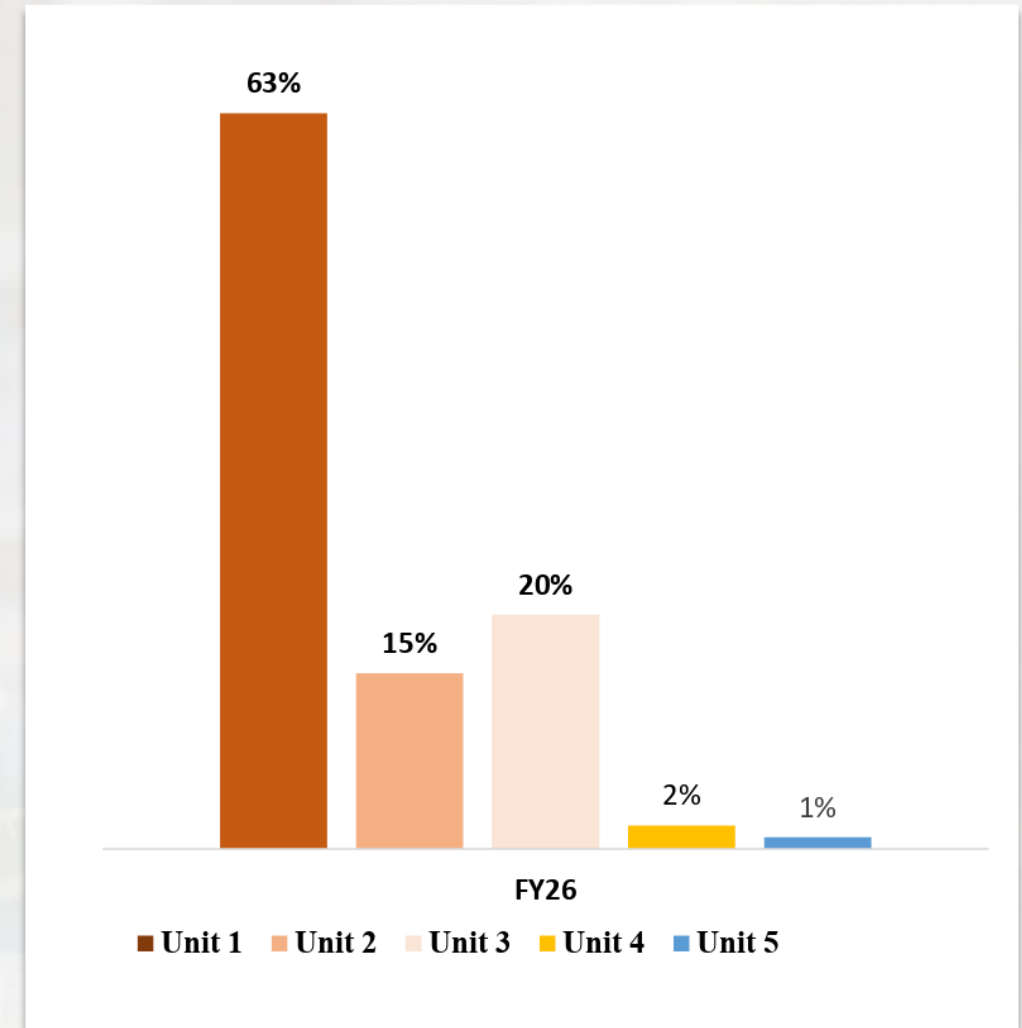
05

Healthy Balance sheet providing headroom for capex



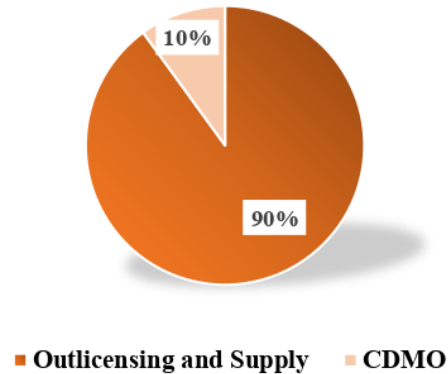
Types	Revenue share %	Therapies
Injectables	43%	Generals, Beta Lactam, Oncology & Cephalosporins
Tablets	40%	Generals, Beta Lactam, Oncology & Cephalosporins
Capsules	6%	Generals, Beta Lactam, Oncology & Cephalosporins
Liquid externals and orals	3%	Generals, Beta Lactam, Oncology & Cephalosporins, Biologics
Creams and ointments	3%	Generals
Dry syrups	2%	Beta Lactam & Cephalosporins
Ophthalmic	1%	General
Sachets	1%	Beta Lactam
Suppositories	1%	General

Unit wise Revenue Split for Q1FY27





Revenue share

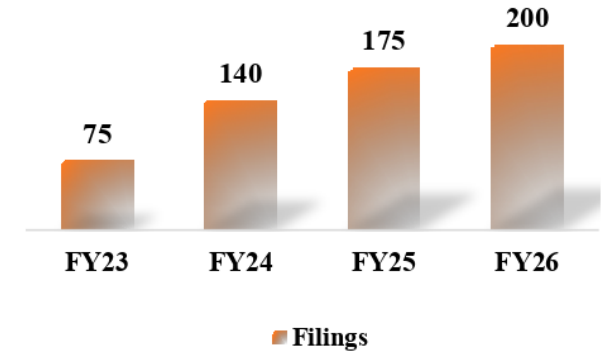


Strategic Partnerships



100+ clients across LATAM, MENA, Europe, Asia & Africa; expand via **700+** filings.

Filings



Tie to Moats

Regulatory Approvals : EU GMP, ANVISA (Brazil), INVIMA (Colombia), etc., prove quality for tough markets.

Affordable niche focus : Vision targets affordable complex molecules with high quality focus

Proven growth : Filings jumped from 75 (2022-23) to 200 (2025-26); exports to LATAM, Africa, MENA via licensing.



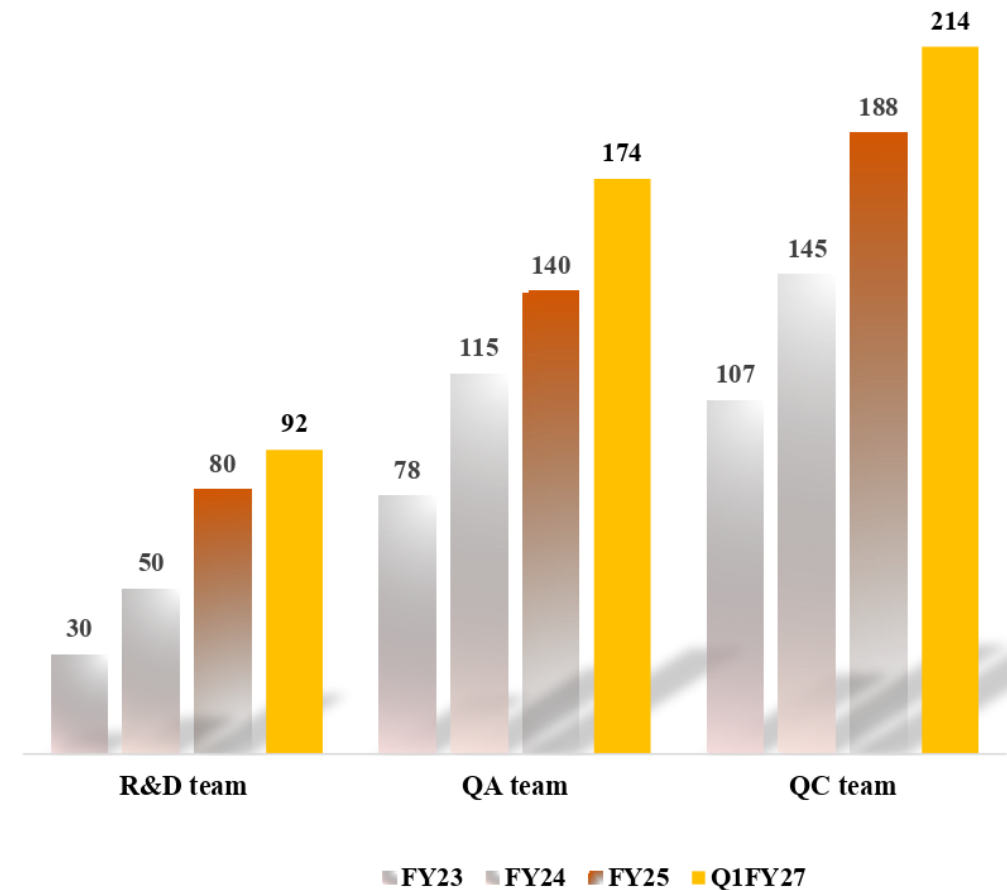
Leverage achieved

Monetizes in - house product development
Enables rapid international expansion
Stable export revenues with limited front - end risk



Metric	Kwality Stats	Benefits
R&D Headcount	80 scientists (DSIR-recognized)	Proves innovation muscle
QA & QC team strength	140+; 188+	Dedicated QA and QC teams function independently across each unit.
Tech Focus	Liposomal Pegylated Injectables, Emulsion Technology, Lyophilized Injectables, Long - acting Injectables, Niche Biological Injectables	High-margin niches (30 - 40%)
Capacity	300M injectables/year + biologics	Serving large and global demand
Capacity Utilization	Multi-block (oncology at 60-70%)	Efficient asset use
Global Certifications	EU GMP, PICS	Opens almost all the markets across the world

Boosting talent, attaining expertise





Core Research Initiatives

01

Biosimilars Development

Building end-to-end biologics development and analytical capabilities to support future biosimilar launches and biologics CDMO engagements.

02

Hypothesis driven innovation

Enhancing existing drug molecules through formulation and process optimization to improve efficacy, safety, and manufacturability for high regulated markets.

03

Oncology Research

Conducting studies to strengthen capabilities in complex and high-value therapeutic segments (OSD & Injectables)

04

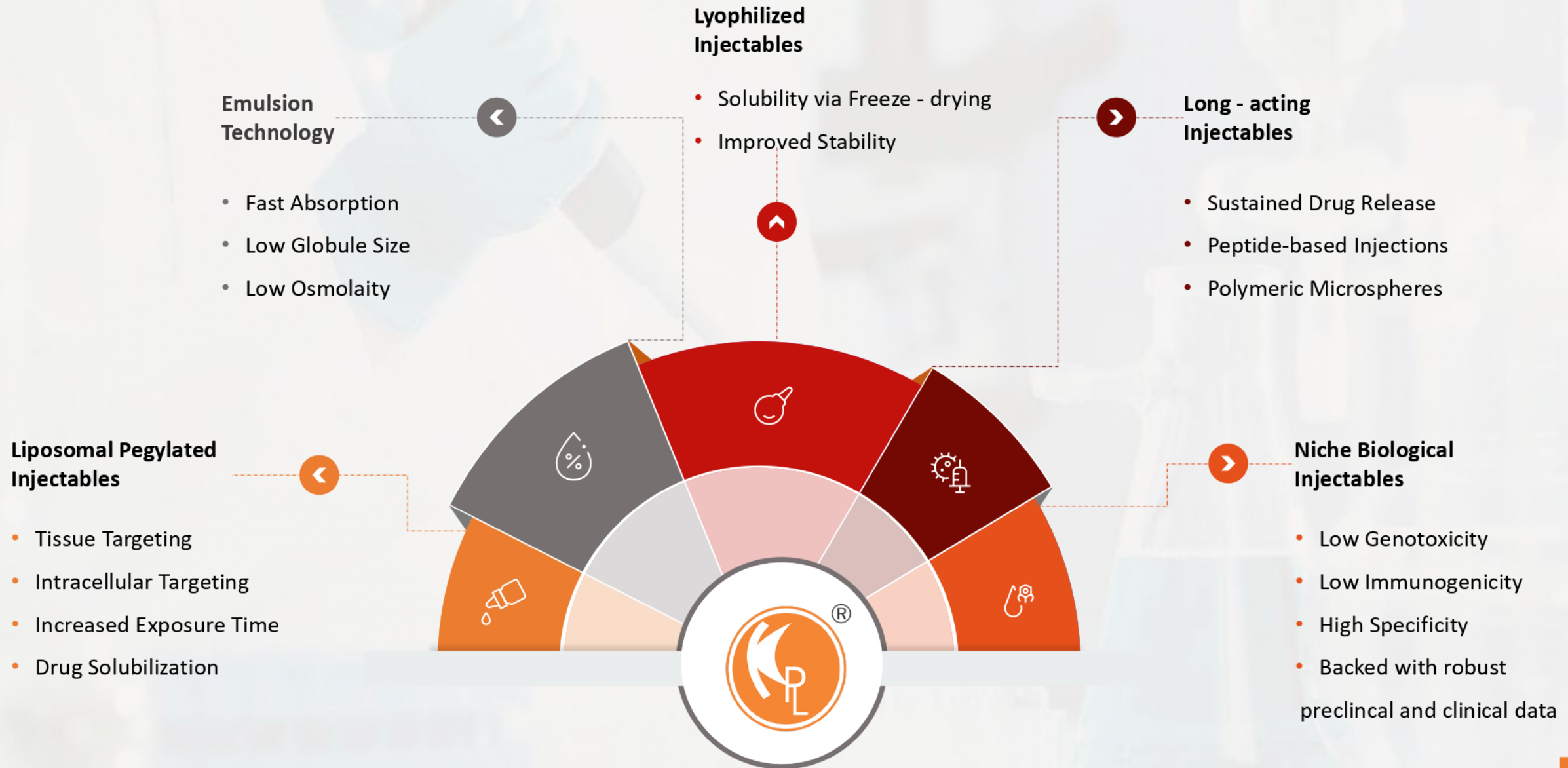
Chronic Disease Research (Exploratory)

Early-stage research focused on chronic and lifestyle diseases, supporting long-term specialty pharma and CDMO opportunities.

05

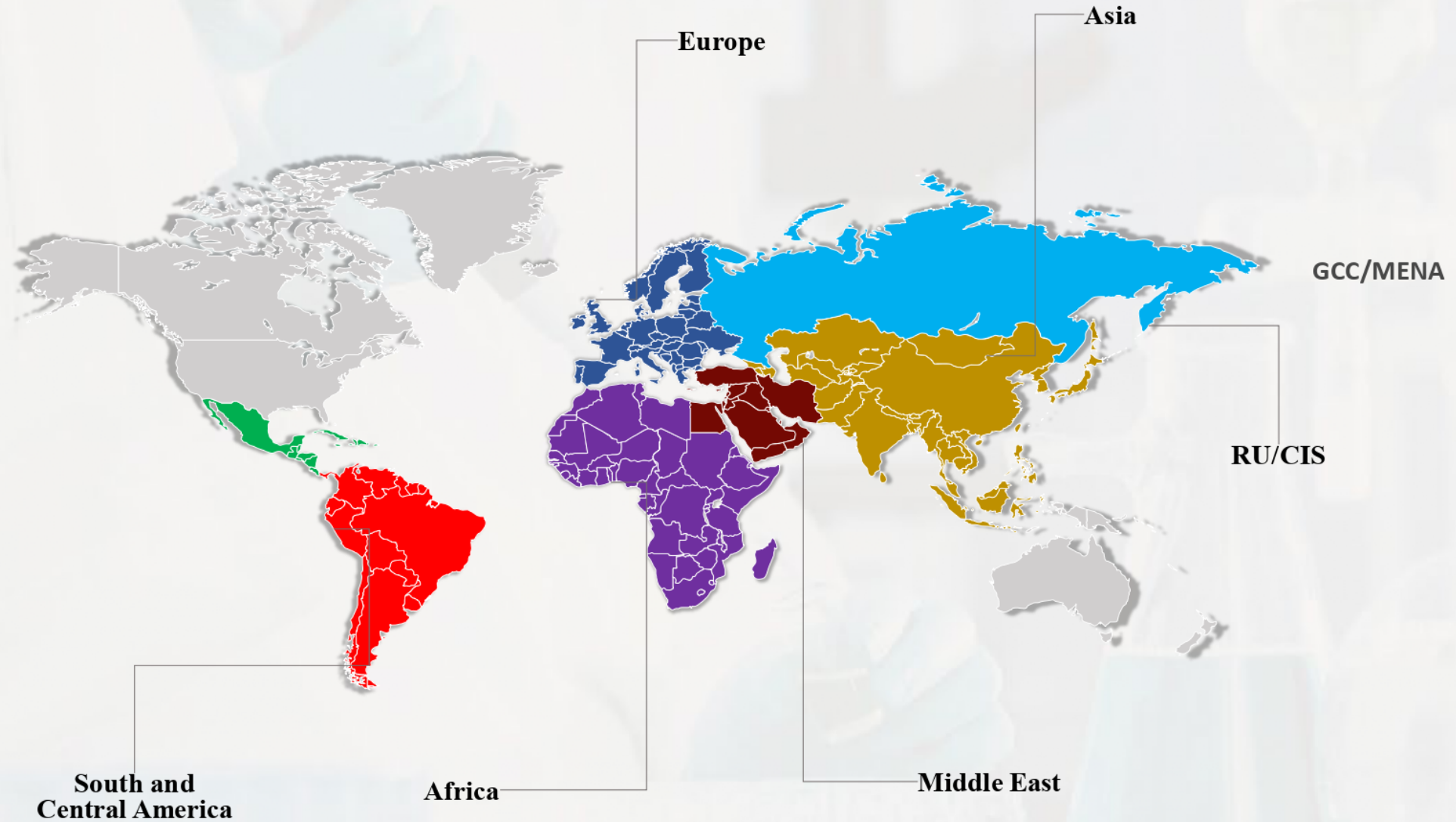
Infrastructure & Capability Expansion

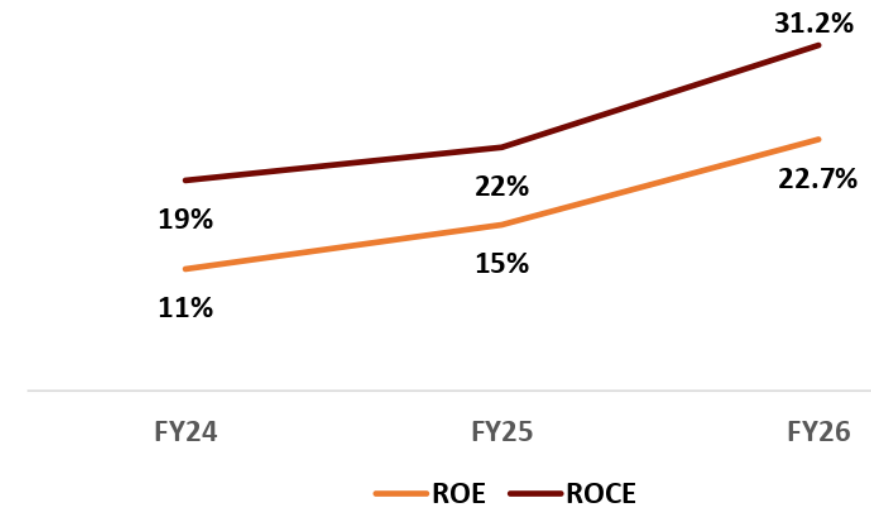
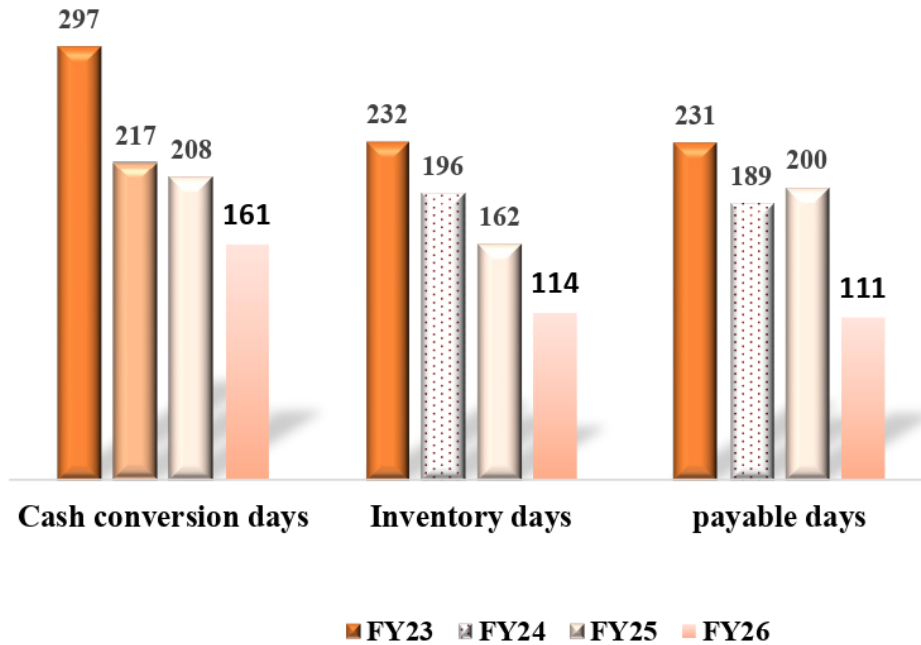
Ongoing investments in increasing R&D capabilities MABs, analytical method development, and laboratory infrastructure to scale complex development work.





Operating in
70+
Markets

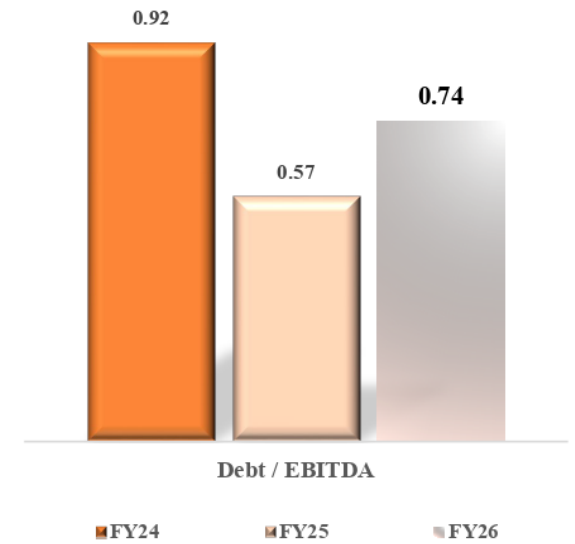
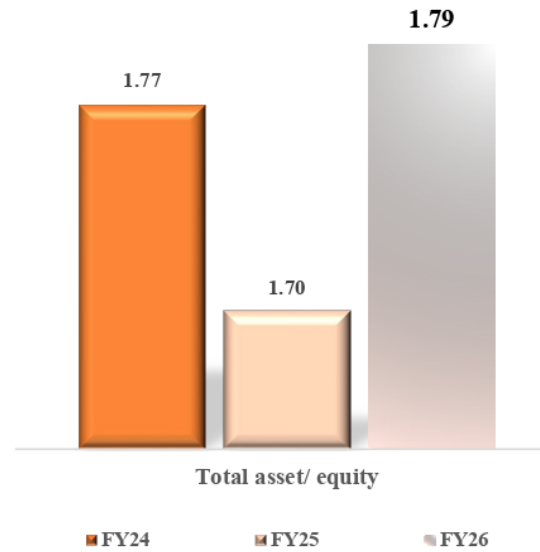
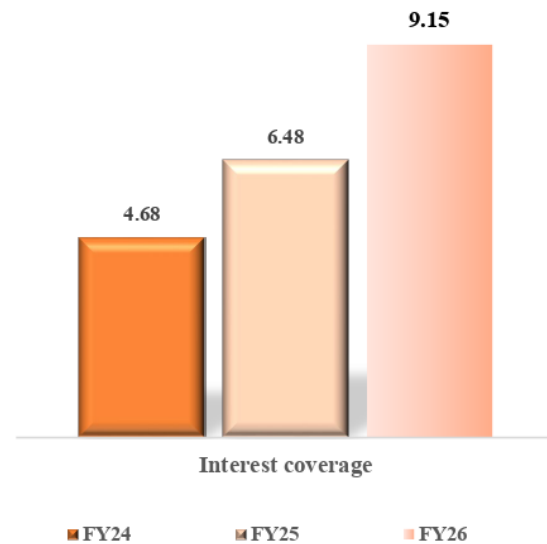
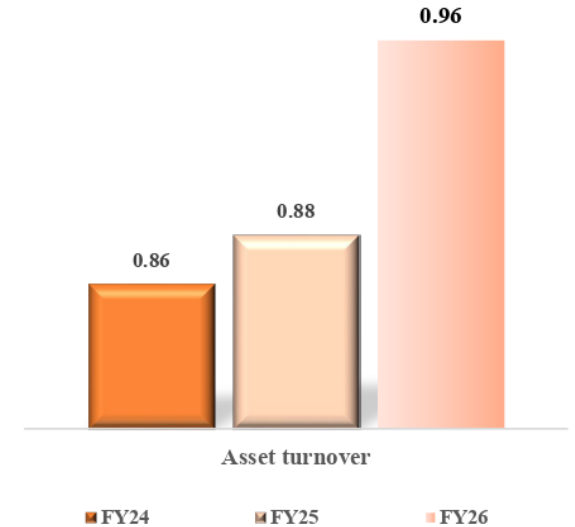
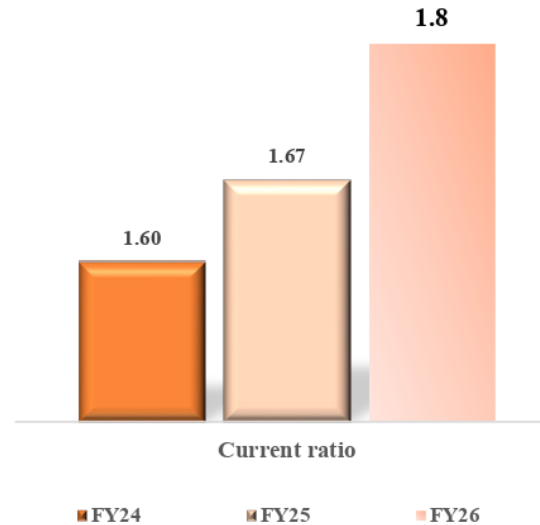
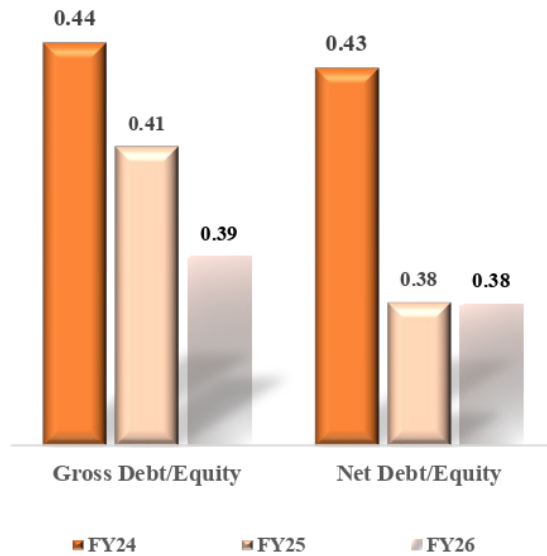




Massive Improvement in cash conversion cycle from 297 days to 161 days backed by strong inventory discipline



Low leverage and strong coverage - significant headroom for capex





Global Accreditations



EU GMP - EUROPE



ANVISA - BRAZIL



MOH - PERU



COFEPRIS - MEXICO



PIC/S



INVIMA - COLOMBIA



FDA - BOTSWANA



MCAZ - ZIMBABWE



TFDA - TANZANIA



FDA - PHILIPPINES



FDA - SAUDI



KMCA - KURDISTAN



FDA - GHANA



FDA - MALI



DPML - IVORY COAST



UAE - GMP



CAMBODIA GMP



IRAQ GMP



FDA - YEMEN



FDA - MALAWI



SRI LANKA - GMP



UGANDA - GMP



FDA - RWANDA

and many more...



Q1FY27 Business Updates





Biologics & Hormones: Building the Next Growth Engines



Strategic capacity additions expand Kwalita beyond traditional formulations into high-entry-barrier specialty products.

BIOLOGICS FACILITY



Development Status

- ✓ Drug Substance + Drug Product capability
- ✓ Pre-clinical success achieved for Erythropoietin

Development Roadmap



Key Highlights

100L

Current
Bioreactor

500L+

Expansion
Completed

~195 Cr+

Planned Capex
(Multi year)

HORMONE MANUFACTURING FACILITY



Construction Progress

- ✓ Dedicated hormone manufacturing plant
- ✓ Plant will be ready by Nov 26

Commercialization Roadmap



Key Highlights

₹65 Cr

Planned
Capex

50%

Capex Already
Incurred

₹150 Cr

Potential Annual
Revenue

“ Management has clarified that the FY29 revenue guidance **excludes contributions from both the Hormone facility and Biologics platform**, creating meaningful upside beyond current guidance.



Construction Update & Commissioning Roadmap

Completion Tracker



Key Milestones

- ✓ Construction commenced **Q2 FY26**
- ✓ Equipment order placed **Q3 FY26**
- Major equipment installed **Q2 FY27**
- Validation runs **Q2 FY27**
- WHO / PICS GMP audit **Q3 FY27**
- Commercial production **Q3 FY27**

Initial Product Portfolio — Unit 6

Category	# Products Shortlisted	Form	Status
Sex Hormones	20+	Injectables	Development Initiated
Synthetic Hormones	20+	OSD + Injectable	Shortlisting Complete
BE Studies Required	10+	OSD	Pipeline Queued

Q1FY27 Financial Performance





01 Expansion in Regulated Markets

- New registrations secured across LATAM (incl. Mexico, Colombia), MENA, GCC, and select Asian markets including Malaysia
- Registered business model driving accelerated market-by-market growth in key geographies

03 Global Market Presence

- Active engagement across LatAm, MENA, GCC, and Asian markets through registered business partnerships
- Strengthened market access footprint with new registrations enabling commercial momentum in new geographies

05 Bioequivalence (BE) & Development Programs

- Continued BE program for 40+ oral solid dosage products across multiple therapies and 3+ in Injectables
- Completed over three BE studies during the quarter

02 Regulatory & Compliance Milestones

- EU-GMP certification received for General and Beta Lactam plants — enabling expanded EU-regulated market access
- Eurasian audit successfully completed for General Plant; supporting entry into Eurasian countries
- SGS audit conducted for Ophthalmic line, reinforcing quality standards for specialised dosage forms

04 Capacity & Infrastructure Expansion

- Ongoing expansion in biologics and oncology capacities
- Construction of a new hormone manufacturing facility underway

06 R&D and Product Pipeline Progress

- 3 generics of currently patented molecules in pipeline - 1 Proof of Concept (PoC) successfully achieved
- EPO pre-clinical outcomes progressed to clinical trial stage; biologics pipeline continues to expand

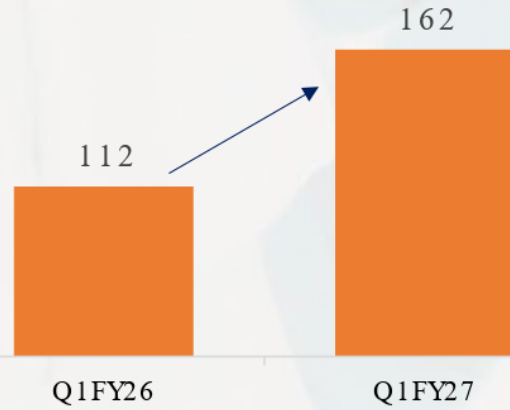


Solid execution reflected in Q1FY27

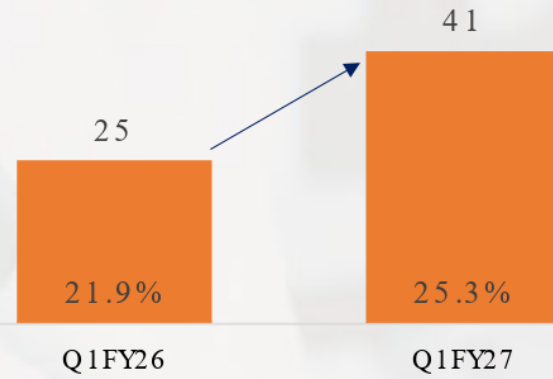


YoY Performance

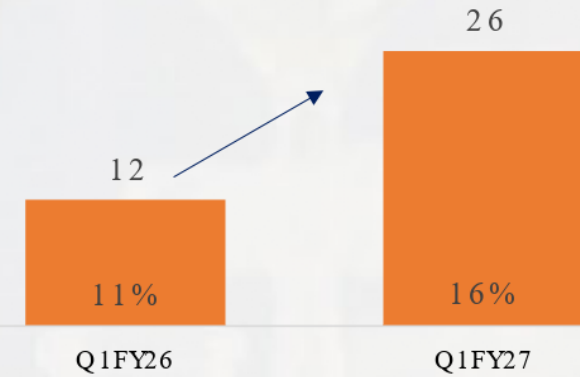
Revenue



EBITDA and Margins (%)

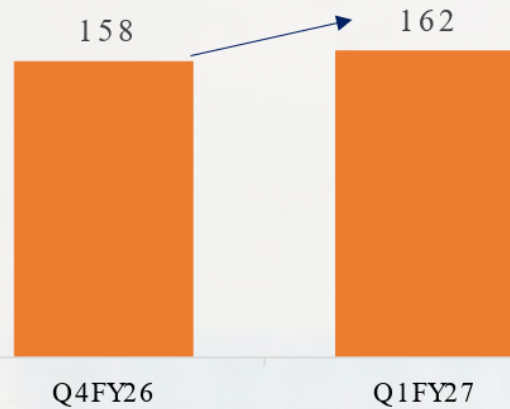


PAT and Margins (%)

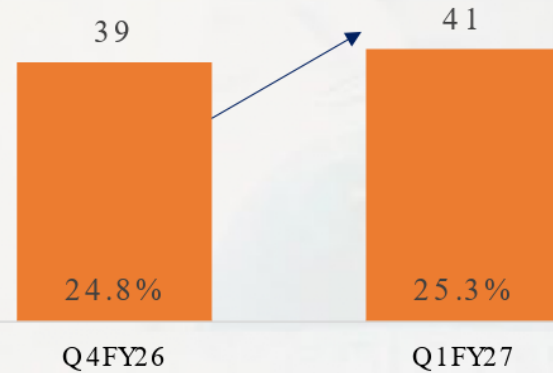


QoQ Performance

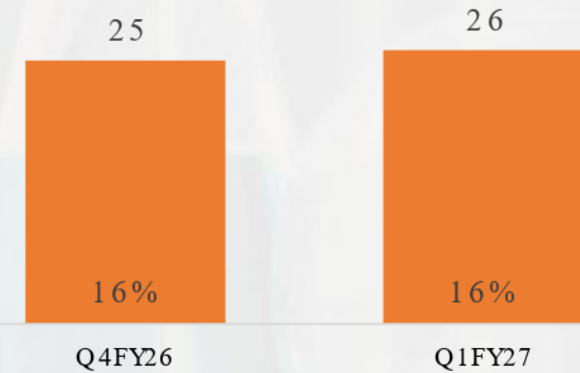
Revenue



EBITDA and Margins (%)



PAT and Margins (%)





Profit and Loss Statement - Q1FY27



Particulars	Q1FY27	Q4FY26	QoQ	Q1FY26	YoY
Revenue from operations (Net)	162.4	157.1	3.4%	111.5	45.7%
(a) Cost of materials consumed	85.3	79.7	7.0%	49.9	70.9%
(b) Purchases of stock-in-trade	0.5	6.0	-91.7%	7.9	-93.7%
(c) Changes in inventories of finished goods work - in - progress and stock - in - trade	1.6	0.9	77.8%	0.07	-
COGS	87.4	86.6	0.9%	57.0	53.3%
Gross Profit	75.0	70.5	6.4%	53.6	39.9%
(d) Employee benefits expense	14.7	14.2	3.5%	12.2	20.5%
(g) Other expenses	19.2	17.5	9.7%	17.1	12.3%
EBITDA	41.1	38.8	5.9%	36.5	12.6%
(e) Finance Cost	2.7	2.9	-6.9%	2.8	-3.6%
(f) Depreciation and amortization expense	5.0	5.3	-5.7%	4.8	4.2%
Other Income	0.6	1.0	-40.0%	0.4	50.0%
Profit before exceptional items and tax	34.0	31.6	7.6%	17.0	100.0%
Exceptional Items	0.0	0.0	-	0.0	-
Profit/Loss before tax	34.0	31.6	7.6%	17.0	100.0%
Tax	8.3	6.4	23.4%	5.1	54.9%
Profit/Loss after Tax	25.7	25.3	3.2%	11.9	119.3%

All values in INR Cr.



Historical Statement of Profit & Loss



Particulars	FY23	FY24	FY25	FY26
Revenue from operations (Net)	251	307	370	503
(a) Cost of materials consumed	113	154	165	241
(b) Purchases of stock-in-trade	0	1	16	17
(c) Changes in inventories of finished goods work - in - progress and stock - in - trade	-3	-1	1	0.3
COGS	110	153	182	258
Gross Profit	141	154	188	245
(d) Employee benefits expense	30	33	44	54
(g) Other expenses	51	55	64	72
EBITDA	60	66	80	118
(e) Finance Cost	6	10	10	10
(f) Depreciation and amortisation expense	15	20	18	19
Other Income	3	2	2	3
Profit before share of profit of equity accounted investees exceptional items and tax	42	38	54	90
Share of profit/(loss) of associates and joint ventures accounted for using equity method (net of income tax)	0	0	0	0
Profit before exceptional items and tax	42	38	54	90
Exceptional Items	17	7		1
Profit/Loss before tax	26	31	54	89
Tax	6	7	14	24
Profit/Loss after Tax	19	24	40	67

All values in INR Cr.



Balance Sheet



Particulars (In INR Cr.)	FY23	FY24	FY25	FY26
ASSETS	354	394	447	592
Non-current assets	146	152	163	186
Property Plant & Equipment	120	139	144	150
Intangible Assets	0	0	2	6
Capital Work in Progress	14	0	0	17
Deferred Tax Assts	0	0	2	3
Investments				
Other Non current Assets	12	13	16	12
Current Assets	207	243	284	406
Inventories	86	78	83	78
Trade Receivables	72	115	154	280
Cash & Bank Balances	3	2	12	1
Bank Balances other than above	4	4	3	3
Other Current Financial Assets	7	16	13	9
Other Current Assets	35	28	18	35

Particulars (In crs)	FY23	FY24	FY25	FY26
EQUITY & LIABILITIES	354	394	447	592
<u>Equity</u>				
Share Capital	10	10	10	10
Other Equity	190	214	254	322
Total Equity attributable	201	224	264	332
Non Controlling Interests	-1	-2	-2	-2
<u>Liabilities</u>				
Non-Current Liabilities				
Borrowings	27	20	15	29
Provision	1	.2	.3	1
Deferred tax liabilities	.4	0	0	0
Other Non current	-	-	-	6
Current Liabilities				
Borrowings	63	79	97	101
Trade Payables	35	44	56	102
Other Current financial Liabilities	3	3	5	5
Other Current Liabilities	19	19	5	9
Provisions	0	0	.1	.3
Current tax liabilities	6	6	6	8

All values in INR Cr.



Cash Flow Statement



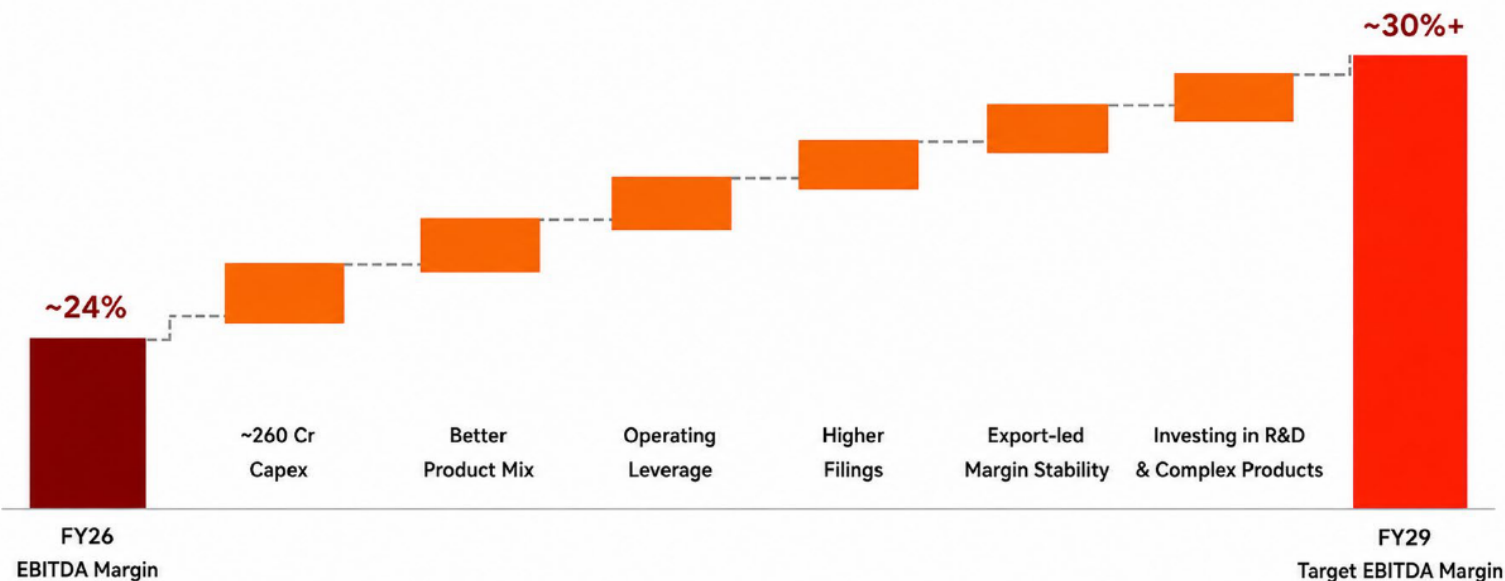
Particulars	FY23	FY24	FY25	FY26
Cashflow from Operating Activities	41.38	42.98	52.72	16.59
Cashflow from Investing Activities	(48.44)	(26.39)	(28.52)	(34.90)
Cashflow from Financing Activities	0.99	(17.39)	(14.44)	7.03
Cash and Cash Equivalents as at end of period/Year	3.07	2.26	12.02	.73



Scaling to next orbit : INR 1000+ Cr FY29 revenue milestone



EBITDA MARGIN EXPANSION WATERFALL (QUALITATIVE)



Expanding to high margin specialty platforms

Commercialize its first biologic, Erythropoietin, in H1 of the next financial year, while continuing to build its presence in complex and niche injectable manufacturing.

Expected Outcome

Margins will go up by 300 bps by FY27



Adhering operational efficiency and cost optimization

Implementing secondary packaging tech transfers in international markets to optimize logistics and local compliance costs, with 10+ projects already completed.

Expected Outcome

Improves cost efficiency & faster entry into markets



Capex-led expansion across Operations

- Scaling Oncology, Biologics, and Hormone capacities to address demand growth
- Advancing new formulations through BE studies
- Expanding capabilities with monoclonal antibodies (MABs)



Unlocking Regulated Market Upside through EU-GMP Readiness

4 of 5 manufacturing plants are EU-GMP approved, with 40+ bio-equivalence programs covering 40+ molecules targeted at highly regulated markets every year

Expected Outcome

Winning global trust.

THANK YOU



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