Dishman Carbogen Amcis

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21st August, 2026

To, **The General Manager** **Department of Corporate Services** **BSE Ltd.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. **Ref.: Scrip Code No. : 540701 (Equity)** **: 975834, 976560, 977467, 977859 and 978062 (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**

SUB: TRANSCRIPT OF EARNINGS CONFERENCE CALL - QUARTER ENDING 30TH JUNE, 2026

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 Monday, 17th August, 2026 to discuss the financial result and performance of the Company for the quarter ended on 30th June, 2026.

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 GAURANGBHAI DAVE
Digitally signed by SHRIMA GAURANGBHAI DAVE
Date: 2026.08.21 17:19:43 +05'30'

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, 2026 Earnings Call

Event Date/Time: August 17, 2026/ 1700 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

Ms. Angela Ameriks

Chief Commercial Officer

Moderator

Good evening, ladies and gentlemen, I am Akash, moderator for the conference call. Welcome to Dishman Carbogen Amcis Limited Q1 FY27 Earnings Conference Call.

We have with us today, Mr. Stephan Fritschi, Chief Executive Officer (Carbogen Amcis); Mr. Harshil Dalal, Global Chief Financial Officer; Mr. Paolo Armanino, Chief Operating Officer, India; Ms. Angela Ameriks, Chief Commercial Officer; and Ms. Krishna Patel from EY.

Asa a reminder, all participants will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during your conference call, please signal an operator by pressing * and then 0 on your touch-tone telephone. Please note this conference is being recorded. I would now like to hand over the floor to Mr. Stephan Fritschi. Thank you and over to you sir.

Stephan Fritschi

Thank you very much. Welcome, everybody, to today's investor call to talk about the Q1 FY26-27 financial results. As you heard, this is Stephan Fritschi. I'm the CEO of Carbogen Amcis. Before we go into the financials, I would like to give some brief operational update about Carbogen Amcis, followed by Paolo's update on Dishman Carbogen Amcis operations. But let's start with our sales activities, what we have done in the past three months.

Quite some changes happened in this area. As you know, I mentioned this in the past, our slogan is, “Be close to the market, be close to the customers”. With this slogan in mind, we have hired a new Global Chief Commercial Officer, namely Angela Ameriks.

I'm very happy to introduce her, and she will address some words to you at the end of this presentation. She brings decades of experience in the CDMO business. She was working for highly recognized CDMOs in the past and brings a remarkable network into our organization. A new sales leadership team has been hired for India as well. This intensifies our focus on our sales activities.

We continue to strengthen our sales force remarkably, and we will keep doing this. All this in mind, we want to be more agile and more active on the market. Some other keynotes. Our SPRINT initiative, you might remember, the SPRINT is our initiative to acquire early phase projects in Carbogen Amcis, is quite successful. It resulted in positive results, and some nice and promising projects could be acquired.

Also, the packaged drug substance product is being continued to be promoted. It's of high interest from our customer sites, especially in the field of the bioconjugation space. Last but not least, close interaction between Dishman Carbogen Amcis and Carbogen Amcis is intensively increased and promoted, and shows some good successes in the market. Multiple processes are being transferred from Carbogen to Dishman in India. Customers will benefit from lower prices, but still get the high quality as usual.

Generally spoken, the order income is picking up, also market pressure is still existing. Let's come to our business units, let me share some words about this, starting with our French subsidiary, the drug product, which is located in Saint-Beauzire. We are more recognized in the drug product market, hence more RFPs are obtained. Also, market shows some challenges, but still, we could increase our quotation rates. Some new projects could be acquired during the last quarter. Some big pharma audits occurred with very positive outcome. This is very promising, and we are confident that we can get into more business with also these big pharmas.

Still in parallel, we keep our cost control rigorously pursued. Drug substance, we could successfully transform multiple Phase II projects into late phase programs. More than 10 late phase projects, including PPQ campaigns, are now in our portfolio, actually more than 13. Among normal APIs, also ADC related molecules with higher priority status at the FDA are secured. This is important for future commercial product supply. Also, inspections are scheduled for later this year. More information to be communicated once it happens.

Recently, a new commercial product from the big pharma has been approved by the U.S. FDA, which adds another commercial product to our portfolio. The co-investment with our Japanese clients is proceeding nicely and it's on track. We're still expecting operational to be in the course of next year. The specialty, that's our cholesterol and Vitamin D and analogues business, has nicely developed in the first quarter, especially the VDA, the Vitamin D and the analogues business, has increased its sales, but also the margin, which is very good news for us.

Also, we got new Wool grease sources with more attractive prices, which could be accessed, and we are confident that this will continue talking to different suppliers. Still, the cost reduction programs across this business unit are still ongoing and result their first signs. New markets for cholesterol, but also Vitamin D and derivatives are accessed and penetrated, for example, in Vietnam, in Africa, South America, etc.

Last but not least, the collaboration with Dishman Carbogen Amcis is very important and it gets increased importance. Numerous transfer activities have been initiated with the goal to produce the corresponding commercial products in India to the benefit of our customers, but also to guarantee higher margins for our group. This is what we call active life cycle management of commercial products. That's an ongoing effort.

With this, I would like to hand over to Paolo, who gives you more information about our Indian operations.

Paolo Armanino

Thank you, Stephan, and good afternoon to all the shareholders. I would like to start mentioning the very recent inspection by the Ministry of Food and Drug Safety from the Republic of South Korea on Naroda site.

The MFDS inspection was successfully completed, and it underscores once again our unwavering commitment to quality, compliance, and operational excellence. These achievements also reflect the dedication and expertise of our team, whose relentless focus enable us to consistently meet the highest standards expected by global regulatory authorities and customers. Just during the last one-year, Naroda site has successfully completed the MFDS Korea and the U.S. FDA is in observation.

As of today, both Bavla and Naroda sites own the certification from all the major international health authorities. From a regulatory standpoint, we keep finding across many countries worldwide, including the APAC and the Latin regions. Just very recently, Dishman Carbogen Amcis Limited was granted in Europe with two CEPs from EDQM.

Additionally, the two new liquid softgel drug products were recently also approved in Myanmar. In the last quarter, we continued our journey, which is aimed to strengthening the relationship with Carbogen Amcis on tech transfer of legacy products and the CDMO business.

The journey is proceeding, as Stephen said, very steadily showcasing a great interaction between teams with a strong focus on the final common target. I'm glad to inform you that a commercial contract was already signed with the U.S. company to tech transfer a legacy project from Switzerland to Bavla site. The activity has been already started, and the project should be completed within this financial year.

I'm pleased to inform you all that second major legacy project tech transfer has been approved by a prominent Swiss MNC, thanks to the strong contribution of the Carbogen Amcis commercial project management. Also in this case, the project has been already initiated. In addition to what just said, three other tech transfer projects from Switzerland to India are in advanced phase of discussion.

As already mentioned by Stephan, from June, we are adding a single point of contact for what concern Carbogen Amcis and Dishman Carbogen Amcis commercial teams. Ms. Angela Ameriks, the Chief Commercial Officer is now leading the group's sales, marketing and marketing intelligence teams. We are all very excited to work with her to strengthen our strategic business development, and we look forward to meeting her in India just in few weeks.

In Naroda, will be business-wise, we are witnessing very interesting development. First of all, we are very proud to have supported with one of our quarterly results of the launch of the microcyclic peptide in the U.S. market just in the last month of July. The U.S. multinational company formally acknowledged the invaluable additional Carbogen Amcis contribution in bringing this breakthrough therapy to the market.

Our Naroda site, we keep working to some specific CDMO businesses related to semiconductor project for Japan and different fine chemical project for the European market. Apart from this, Naroda site keeps receiving also many different inquiry to develop new variants of the old legacy of the quaternary-solved products. For what concerned other CDMO business, we see a steep increase of request for proposal, and several of them are in the final negotiation phase. Meanwhile, we continue to strengthen our system, we keep us exploring new areas for us like providing similar analytical service to customers.

Regarding our softgel drug cooperation, we have seen a significant business grow over the last year and we are very enthusiastic about the new future different opportunities to build long-term CRO/CDMO partnership and support the venture commercialization in different geographical areas.

The great interest we are receiving from very many different customers for India and abroad is providing a strong platform to ensure the development to support the broader objective of establishing solid commercial pipeline.

As Stephan mentioned earlier, we are very confident about the future of the organization, and we remain focused on continuously enhancing our capability while delivering reliable and compliant solutions worldwide, aimed at patient safety and customer success. After I said that, I hand over the call to our new Chief Commercial Officer, Angela Ameriks. Angela, to you.

Angela Ameriks

Thank you, Paolo. Good afternoon, everybody. My name is Angela Ameriks, and it's nice to meet you all. I'm honored to be here today as the Chief Commercial Officer for Dishman Carbogen Amcis. As Stephan referenced, I started my sales career here 21 years ago. After six years, I went on to other top-tier suppliers such as Hovione and Lonza. I'm very much looking forward to getting out there and being closer to the clients by traveling with the team and interacting with our partners face to face, particularly as we're about six weeks away from CPHI.

First and foremost, it's undeniable that we strive for more business. We need to increase our prospecting efforts and work closely with the opportunities that we have to ensure that they close. Also, as previously mentioned, we have added new sales leaders in the past quarter. They each bring unique and relevant skills to their respective areas of the business, and I anticipate that their presence will be impactful.

Not only have we introduced this new stable leadership for the various sales teams, we are also actively recruiting for key roles in Europe, such as the UK and Central Europe, to manage some of the accounts that we have. We have also recently signed a new hire for the U.S. West Coast. He comes with a couple decades of experience and will start on September 1st.

In addition, we will also be adding some inside sales or prospecting roles to specifically find needs for our services business. We are also looking to capitalize on our integrated offer to differentiate ourselves, especially by leveraging all the assets to provide a competitive offer, particularly between the Carbogen Amcis, and the addition entities.

Further, we're looking to close our first deal with Celonic as our biologics partner in our bioconjugation offering. We continue to offer our drug product services at a competitive rate to entice clients to secure work with us across the drug substance in their offering. Last but not least, I'm doing as much as I can to leverage my network to stay close to the market and our competitors. With this, I'll turn it back over to Stephan. Thank you.

Stephan Fritschi

Thank you very much, Angela Thank you also for joining our company and especially our sales team. We are looking forward for great collaboration. Thank you. With this, I would like to hand over to Harshil Dalal, our Chief Financial Officer.

Harshil Dalal

Thank you very much, Stephan. A very good afternoon to all the shareholders. Regarding the financial performance for the quarter ending June 30 2026, it was a soft quarter for us from a numbers perspective, but there were certain specific reasons that we will get into. But overall, the outlook looks quite promising for the year and going into the future.

The income for operations for the quarter ending June 30 stood at INR 6,776 million as compared to INR 7,080 million in the comparable quarter of last year. This represents a 4% de-growth as far as the revenue is concerned. The major reason for the de-growth, actually, we should have grown, but the major reason for the de-growth is one of the orders that was postponed to the latter half of the financial year as compared to what we were expecting should have gone out in Q1 of the year.

That represented almost INR 10 million of value and a significant amount of operating profit as well. The COGS for the quarter stood at INR 1,142 million. The employee expenses at INR 3,891 million, very much in line with what we had in Q4 of the last financial year. The other expenses were also under control at about INR 1,142 million for the quarter.

Overall, because of the lower revenue that we were able to book in Q1 of the financial year, EBITDA stood at INR 600 million as compared to INR 1,406 million in the comparable quarter of the previous financial year. The depreciation and amortization was also very much in line with Q4 of the previous financial year. The finance cost showed a positive impact in the sense that the finance cost reduced as compared to the previous quarter, we were at about INR 370 million for the quarter.

All of this resulted into loss before tax of about INR 512 million and a tax expense of about INR 66 million. We also had a foreign exchange impact on the financials, which is also part of the other expenses, which is to the tune of about INR 117.3 million. This was mainly on account of the fluctuation between the U.S. dollar to the Swiss franc.

As far as the segment-wise breakup is concerned, the CDMO segment posted a revenue of INR 5,343 million for the quarter as compared to INR 6,112 million in the comparable quarter of the last year. The Marketable Molecules segment showed a significant growth. The revenue stood at INR 1,432 million for the quarter as compared to INR 968 million in the Q1FY26. As far as the margins are concerned, the CDMO segment because of the deferment of the revenue and the foreign exchange loss posted an EBITDA margin of 6.3% as compared to 17.9% in the comparable quarter of last year.

The Marketable Molecules segment, which in Q1FY26, there was a huge amount of sales of analogues, and hence, the margin was at 32%. for the quarter ending 30th June, 2026, this was kind of normalized at INR 18.6 million because of higher sales of cholesterol as compared to analogues.

The CapEx that was done in Q1 of the financial year stood at about CHF 4.9 million and the net debt excluding the lease liabilities stood at CHF 153.6 million as of 30th June, '26. This was the financial highlights for the quarter. With this, we would like to open the floor for any questions that any of you might have.

Moderator

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session.

The first question comes from the line of Mr. Harshit Khadka from Robo Capital. Please go ahead, sir.

Harshit Khadka

Yes, sir. What is the revenue target and EBITDA margin target for FY27?

Harshil Dalal

We do expect single-digit growth as far as the revenues are concerned. As far as the EBITDA margin is concerned, it should be similar to what we did last year. Maybe it could be a little bit higher, but that's more or less the guidance.

Harshit Khadka

Okay. What is the color for Q2FY27? What kind of numbers are we expecting?

Harshil Dalal

Well, QoQ, it will be difficult to give a guidance. You know, what we can give is for the full year and ideally for the next three years, but it will be difficult to give at this point of the guidance for Q2.

Harshit Khadka

Right, I understand. What is the aspiration for FY28 and FY29?

Harshil Dalal

FY28-29, what we expect is that there should be a substantial growth that we are seeing at the India operations as well as the CDMO part of the business out of the Swiss entity and out of the French entity, which is our injectables plant.

We do expect at least double-digit growth in the French entity as well as the India operations. All of this should help us to achieve more than 10% growth in the revenue YoY. The EBITDA margin should be closer to the 25-26% that we were doing prior to the EDQM issues that we had at the India sites.

Moderator

Next question comes from the line of Mr. Keshav Goyal from GrayHill Capital. Please go ahead, sir.

Keshav Goyal

Yes. Hi, good evening. Is there anything being done to refinance and maybe reduce the debt? I see that about 1/3rd of the operating profit are going towards just finance cost of the company. Is there any way to reduce the debt load or maybe refinance to a lower cost of capital?

Harshil Dalal

That is something which is already work in progress. What we have done is we had announced in the last Board meeting as well as subsequently we obtained the shareholders' approval for raising funds in foreign currency at the promoter entity level, and infuse those funds in the Indian entity, a high-cost debt which is primarily sitting in India. That is something which currently is being worked upon and we do expect that to happen in the next couple of months or so.

Keshav Goyal

A little follow-up on that. What is the amount expected and what rate of cost is the promoter lending to the company? What kind of effect can we see on the bottom line for the same?

Harshil Dalal

Sure. We have mentioned the specifics of that particular loan, which was approved by the shareholders in the explanatory statement that was sent out. But for your benefit, the total amount for which we have taken the approval is up to CHF 200 million.

I mean, not that the entire CHF 200 million would come in one tranche, but it would be in multiple tranches. The primary purpose is going to be to prepay the high-cost debt as well as utilize this way to finance any future CapEx or working capital requirements. The interest cost is going to be at 4% all-inclusive, and the overall tenor that we are looking at is 10 years.

Keshav Goyal

Perfect. Thank you so much.

Harshil Dalal

Sure.

Moderator

The next question comes from the line of Amish Sanghavi from Anvil Limited. Please go ahead, sir.

Amish Sanghavi

Thank you for the opportunity. I would like to know how many Phase III molecules were commercialized during this quarter?

Harshil Dalal

Well, as Stephan mentioned, we had one molecule which was in Phase III, which received approval. It was not in the quarter ending June 30, but this was just four days back. That was from a big pharma, and, that is the molecule which has now gone into the commercial stage.

Amish Sanghavi

Okay. There was none in Q1, right?

Harshil Dalal

No. There was none in Q1.

Stephan Fritschi

Okay. Last quarter, we could add three late-phase projects, late-phase molecules. Molecules, we were handling in early phase, Phase I and II, and they got promoted into Phase III. That's an add-on information.

Moderator

The next question comes from the line of Mr. Vivian Joshi. Please go ahead, sir.

Vivian Joshi

I probably asked this in the last quarter as well, sir. We are not getting a sense as to when this company becomes like a stable, profitable every quarter kind of a company? Well, after all, you're in the pharma business, and you are, like, now an outlier where you make losses one quarter and profits one quarter.

Harshil Dalal

If you see our business, it's completely B2B. Many of the shipments, when the customer requires the materials, many of this is driven by what they demand and how their molecule is performing, what market needs, etc.

So yes, there would be lumpiness in the business if you look QoQ, and that is something is kind of inherent in our business, especially because we deal with new chemical entities. That is something which is very difficult to take out. That's the reason we say that it's best to look at our business more on a two to three year perspective or at a minimum on a yearly perspective rather than QoQ.

Vivian Joshi

I understand that. I'm just pushing back a little bit on this thing. Normally, mature pharma companies have enough, pipeline and also that at least they make a profit. I can understand fluctuations, but we literally fluctuate from loss and profit. I mean, is there an acceleration at all? Or you have just spoken as like this is how business is in your segment.

Harshil Dalal

Vivian ji say, if you add the CHF 10 million of revenue, which could not be accrued in the current quarter, then the numbers would have looked very differently. If you see our cost base, most of it is fixed in nature, especially the employee cost, which is like 50% of the P&L. That's like fixed in nature.

Even though other expenses, more or less, it's 16%, because a big portion of our revenue comes from the development work that we do in addition to the and the rest is the commercial part. As the revenue keeps on increasing, except for the COGS, which are completely variable, the rest of the expenses are more or less fixed in nature. If you're talking about CHF 10 million of revenue, this could translate close to 70% addition to the EBITDA. That's how the mechanics work. The more we are able to work on the top line, the more it will translate straight away into the EBITDA.

Vivian Joshi

Yeah, I'm just understanding. What is the bottleneck that we're facing on the top line? Because I'm just comparing some normal, like, CDMO company. Usually, they have a very steady kind of a -- and they are also B2B. The B2B logic doesn't apply like, most CDMOs are B2B companies. So, I'm just trying to understand what is the bottleneck which we have internally under understand it in our, like, sales or whatever that we are trying to address?

Harshil Dalal

Well, it depends, you know, which companies you are comparing to. But for us, if you see, the major cost part lies overseas, especially at our Swiss entity. The major cost over there is the employee cost, which has to be incurred in order to get the molecules that we are developing because at any point in time, we'll be working on 700- 800 programs across different phases of development. That's our business model.

We start the journey right with the preclinical Phase I stage of the molecule and walk through the entire life cycle of development. Then at some point, some of these molecules get into the commercial space. I mean, I don't know which other companies you are comparing this, but maybe those companies might have certain large generic molecules as well, which we do not.

They might be having other segments of business, including biologics, which we are not into. From that perspective, for us, yes, there could be swings QoQ. That is something that we saw last year, where we had Q3, which was kind of weak for us. Then Q4 historically has been the strongest quarter for us because it becomes like a Q1 for our customers, and that's why they want most of their shipments.

That's the current cycle we have to go through. Also, after the pandemic, many of our customers, they had also stocked up a lot of quantities where even now we are seeing that many of that destocking is also happening.

Moderator

We have a follow-up question from Mr. Prit Nagersheth from Wealth Finvisor. Please go ahead, sir.

Prit Nagersheth

My question is that I wanted to ask was regarding the fundraise or bringing money into the company.

The promoter was expected to get some funds. Could you share some updates on that and how that's going and by what actually can we expect those funds to come back?

Harshil Dalal

Yeah, that's fine. No problem. That is something which currently is being worked upon. The idea is to conclude in the next, I would say, 60-90 days as far as the fundraise is concerned. We have taken the necessary approvals, which includes the shareholders' approval. Since the funds are going to come by way of an external commercial borrowing into the Indian entity, we have also done all of the necessary compliance from that perspective. It's also about the execution, which needs to happen at the overseas entity. That's when the fund flow should happen.

Prit Nagersheth

The question I have is that for the funds to come, the promoter's entity will be raising that funds on their own name and then they'll bring in the money into the company, right? Is my understanding correct?

Harshil Dalal

That's correct.

P**rit Nagersheth**

Okay. What is the promoter going to be doing to do that? I mean, is it, like, pledging properties? Because this is a very large sum of money.

Harshil Dalal

Yeah, it's going to be a combination. It's going to be largely the personal assets of the promoter as well as, guarantees, etc., everything at, private promoter entity level.

Prit Nagersheth

Okay. And you must have obviously got those offers from bankers over there, and all of those must be in hand, right?

Harshil Dalal

Yes.

Prit Nagersheth

Or is it that you have to go and find the money and all of that? That's why you're asking if you mind telling that.

Harshil Dalal

No. It was only when it was confirmed that we had gone ahead and taken the necessary approvals from the board as well as from the shareholders.

Prit Nagersheth

Okay. Then what is the time needed besides, why do you need another 90 days? Sorry. Just trying to understand.

Harshil Dalal

It involves certain condition precedents that need to be complied with, certain amount of diligence that needs to be done by the banks, then it's about the execution of the documents where again, there are lawyers involved, from different jurisdictions. All of that takes time. Again, July and August is usually kind of the holiday period here in Europe. Just accounting for the same, we believe that the next 60-90 days would be a fair time.

Prit Nagersheth

Okay. One other question I have, Harshil, is that in the past calls, it has been mentioned that there is a net debt position because there is some cash on the books, and then there is debt, right? Then that net debt reduces by the cash that you have on the balance sheet. My question is that, is there a schedule by when that cash would get used to repay the debt?

Because last time when this question was asked, you guys had mentioned that there are some prepayment, clauses or some charges that would hit you guys if you were to use it now. But there has to be a schedule by when you would be able to start doing it. Is that something you can share with us?

Harshil Dalal

Sure. So, there are two parts to it. One is the India part and the second one is the Swiss part. That which is sitting at both these locations, and bulk of the cash is sitting at the Swiss entity level. Ideally speaking, we would have wanted to utilize that cash to pay off the debt in India, but that is something which regulatorily it is not permitted for a subsidiary to give a loan to the parent, etc.

That is the reason the cash which is lying overseas, well, we can bring it in the form of dividends, etc., but again, there will be tax leakage, etc. That cash will be utilized for the purposes overseas at the Swiss entity level, where, again, the cost of borrowing is quite low.

That is the reason why that debt is not being paid off and it is kept as deposits in order to get a positive return on the borrowings that are done at the overseas entity. As far as the India debt is concerned, that is what is planned to be paid off by way of raising the funds at the promoter entity level, and infusing them as an external commercial borrowing.

Prit Nagersheth

But wouldn't that still be the same thing, like the subsidiary paying back the parent?

Harshil Dalal

No, the promoter can give an ECB since it's the shareholder or the promoter entity, it is permitted to give an ECB to the Indian entity, but the subsidiary is not.

Prit Nagersheth

This promoted entity that will directly give money to the Indian entity is what you're saying?

Harshil Dalal

Absolutely, yes.

Prit Nagersheth

Okay. It won't be routed via the subsidiary to the bank?

Harshil Dalal

No. It will be a direct infusion.

Prit Nagersheth

Got you. Okay. All right. Great. Thank you.

Harshil Dalal

Sure. Thank you.

Moderator

We have a follow-up question from Mr. Harshit Khadka from Robo Capital. Please go ahead, sir.

Harshit Khadka

Hi. Thank you for the opportunity again. What is going to be our debt level and interest expense for FY27 and FY28?

Harshil Dalal

Well, from a net debt perspective, I think we should be somewhere around CHF 140-150 million and this is in Swiss franc, and that would be the right way to look at our debt. This is not taking into account any infusion coming in from the promoter entity level.

This is just what is in every situation, we expect that the net debt should reduce by roughly about CHF 8-9 million. As far as the interest expense is concerned, I would say it would be similar to what you see right now, somewhere between INR 35-40 crores. Again, not taking into account the additional promoter infusion.

Harshit Khadka

Okay. Sir, INR 35-40 crores for the full year?

Harshil Dalal

Oh, for the quarter, sorry.

Harshit Khadka

Right. For the full year, we are seeing INR 120 crores?

Harshil Dalal

Roughly about INR 130-140 crores.

Harshit Khadka

All right. Just the margins are expected to be better than last year. We have to do around INR 550 crores of EBITDA for the next three quarters. How confident are we on this?

Harshil Dalal

Well, that is what we are working on. As I explained earlier, we will have to try and see how we can increase the top line because the more revenue that we are able to get, it will straight away translate into the bottom line. That is something that we are working on. As introduced, we have the new Chief Commercial Officer also on board. That is something that we are working on. We are fairly confident to achieve the EBITDA margin similar to at least what we did last year.

Harshit Khadka

Okay. Are our promoters going to pledge the shares of Dishman, which is the listed entity? If yes, by how much?

Harshil Dalal

Well, right now, there is no plan to pledge the shares in order to raise any funds. I mean, if there is a requirement at the promoter entity level, there could be for a brief period or for a smaller amount, but nothing concrete, which has been decided as of now.

Moderator

The next question comes from the line of Mr. Venkata Padavala. Please go ahead, sir.

Venkata Padavala

Yeah, my first question is related to the revenue and the profit guidance for Indian entity for FY27.

Harshil Dalal

The Indian entity, as such, for the current financial year, the revenue should increase by at least 30-35% as compared to the previous year. As far as the margins are concerned, at an operating level, we should be at close to about 10%.

Venkata Padavala

In the last year, con call, so I hear that something, the new projects are coming to Indian entity. Some of the client visits also completed in the last year itself. Can you throw some light on what is the current status of those new projects coming to India?

Harshil Dalal

Sure. As Paolo Armanino, our Chief Operating Officer, already explained, we have already signed one tech transfer from Switzerland to India, and we are in advanced discussions, an advanced stage of concluding three more tech transfer. We also had successful customer visits. Maybe, Paolo, if you want to highlight that a bit more, what happened over the last three to six months?

Paolo Armanino

Yeah. As I mentioned earlier in the chat window, there is a big part of project that we are tech transferring from Switzerland to India. One has been already approved, so we already kicked off. We already start the tech transfer, and it will be completed by this year.

The second tech transfer, which is a major tech transfer, is a major project from Switzerland to India, and it's been already started. Then there are the three, as I said, and those who I should mention before. These are just the tech transfer. Then there are the CDMO business. There are the CDMO businesses.

We are seeing the Naroda site and also at Bavla site. We have seen a big interest in Naroda. As I mentioned before, one of the project in Dishman is also using the API, which has been launched just one month ago in the USA for a big MNC. We see actually really several CDMO business very interesting in Naroda site. At Bavla site, we are seeing big projects coming mostly from the connection with Carbogen Amcis.

We are just closing in this moment. We are in this phase of negotiation with several CDMO projects. Projects which are also growing. There are really many, many, many possibility of the business. There are also businesses within us and the entity Carbogen Amcis assets in Europe.

We are restarting also some API for our entity in Netherlands. This is another project that we are restarting there. There are other businesses which are related to services. We are also exploring this business of externalizing and those services for analytics. There are many new projects coming altogether. The biggest for sure are these projects related to the tech transfer. But we are seeing a very interesting project also coming to Naroda, Bavla, from the new CDMO.

Venkata Padavala

One question relates to this tech transfer product. Is it something tech transfer is related to the ADC drug that we are supplying to Japanese customers? Or is something to other direction?

Harshil Dalal

No. This is not related to the Japanese customer.

Venkata Padavala

Okay. Harshil, one more question. The current Indian entity is going to grow at least, 25-30% this year, right? Can you assume that double-digit growth and overall, entire I mean, Amcis level revenue growth or entire global revenue?

Harshil Dalal

No, for the whole group, we expect it would be in single digits, largely because, one, we have the French entities where, again, it's taking more time than expected to get it to a breakeven stage level. It would take some more time. As Stephan also mentioned earlier, the RFPs have been increasing, some really exciting projects that we are seeing. But all of that getting translated into revenues, it might go into the next financial year.

Apart from that, on the CDMO piece at the Swiss entity, we have seen molecules now moving into Phase III, one of the Phase III molecules going into commercial. But still, just from a market perspective, we had seen a bit of a slowdown as far as the funding in the biotech companies are concerned, who are our main customers as far as the development work is concerned.

We have the SPRINT initiative focusing on the early phase development work. All of that coming to fruition might go into the next financial year. For the current year, we do expect that it would be a single-digit growth.

Moderator

The next question comes from the line of Mr. Ramanuj Chandak. Please go ahead, sir.

Ramanuj Chandak

Sir, my question is regarding goodwill. Right now, how much goodwill is still existing on our balance sheet?

Harshil Dalal

Well, on a consolidated basis, it would be more or less similar to what we had as of 31st March of 26, except that it's restated at the end of every closing period at the closing exchange rate. It should be in excess of INR 4,000 crores.

Ramanuj Chandak

But goodwill is in Swiss entity? Meaning, it is denominated in Swiss franc?

Harshil Dalal

No. This is the goodwill which arose. There were two parts to the goodwill. One is the goodwill which is existing on the India standalone balance sheet, which we amortize over a period of time. Secondly, the goodwill on consolidation. But this figure gets restated at the closing exchange rate because all of this goodwill pertains to the investments that the Indian entity has in its wholly owned subsidiaries.

All of these investments were fair valued in 2017 when we had a merger between the Dishman Pharmaceuticals and Chemicals Limited with its wholly owned subsidiary, Carbogen Amcis India Limited, and hence, the combination was the Dishman Carbogen Amcis Limited entity. That's the goodwill which represents the investments in our wholly owned subsidiaries, which is the goodwill which is restated at the closing exchange rate.

Ramanuj Chandak

Right now, which goodwill are we amortizing?

Harshil Dalal

That's the goodwill that we have on the India standalone balance sheet. I think the outstanding amount would be close to about INR 550 odd crores.

Ramanuj Chandak

Sir, for the remaining goodwill, there is no amortization?

Harshil Dalal

There is no amortization. It is tested for impairment at the end of every financial year

Ramanuj Chandak

Basically, don't you think it would be better for Dishman to have assets that produce income unlike goodwill, which is just an accounting asset? How long it will take for the goodwill to go to zero?

Harshil Dalal

I agree. Well, the goodwill would remain on the balance sheet. Because for the goodwill to be written off, what it means is that the asset in which the investment has been done is not yielding value. But that's not the case. The asset that it represents its investment in a Swiss entity or in a Dutch entity, UK, Shanghai, etc., all of which are yielding value.

That is what the impairment testing happens for at the end of every financial year. That's the goodwill, which arose on account of the consolidation, and that is something which would sit on the balance sheet unless and until we find a way to write it off to the reserves.

Ramanuj Chandak

Yes, sir, it means until March 31 2026, we were amortizing that also?

Harshil Dalal

No, not goodwill on consolidation. It's just goodwill on the standalone balance sheet, which is amortized.

Ramanuj Chandak

Only until when were we amortizing the whole goodwill? Till which quarter?

Harshil Dalal

Never. The whole goodwill has never been amortized. If you take 2017 balance sheet and onwards, the goodwill on consolidation has always remained and restated at the closing exchange rate at the end of every year. The goodwill on the standalone balance sheet, which originally was about INR 1,350 crores, has now been amortized to about INR 550 crores, About INR 800 crores has been written off.

Ramanuj Chandak

Okay. That's it from me.

Harshil Dalal

Sorry, just to complete because the AS does not permit the amortization of the goodwill, but the impairment testing at the end of every reporting period.

Ramanuj Chandak

I mean, how is it determined? How much would the impairment be?

Harshil Dalal

We get external valuation reports done. Basis that valuation is compared with the value which is sitting on the balance sheet. If there is any devaluation that is seen, that is what would be written off.

Moderator

The next question is from the line of Mr. Harshith. Please go ahead.

Harshith

Sir, as you said that you have two Phase III molecules that have been commercialized, sort of revenues, can we expect?

Harshil Dalal

Just a correction there. What we mentioned is that we had two new molecules which entered late Phase III and one molecule which has recently gone commercial, so moved from Phase III.

Harshith

Commercialized, yes. What would be the incremental revenue that we could expect from that molecule? Just an idea.

Harshil Dalal

I think we would have to wait for the customer's feedback on what do the forecast for the next 12 months, 24 months going into the future. Because initially, everybody thinks it's a blockbuster drug, but we'll just have to see. The molecule looks quite promising. It received an accelerated approval. Yes, I mean, at this point, it would be quite premature to give a number.

Harshith

Okay. Sir, on the fund raising side, when we back, you raised around INR 75 crores of new NCD at 10%. Has the ECB refinancing a bit late, every time we are raising funds on the NCD?

Harshil Dalal

Well, that's only for the short-term purposes. But as soon as the ECB funds are in place, we should be able to either repay or prepay many of these facilities. Again, taking into account the lock-in periods, prepayment penalties, etc.

Harshith

Okay. Sir, my next question was on the Japanese innovator that it has got approximately, I would say, 10 approvals of the drug from September to till date. Has any communication been done of big capacity going forward for the drug? Because every month, they are getting approval, for some different geographies also.

Harshil Dalal

As you might be aware, we are already in the process of completing the second co-investment for the customer. That is something that we expect during the course of the next calendar year to get completed. That additional capacity would help us to provide additional quantities to the customer.

Harshith

Okay. One question on the EBITDA side because the Q1 EBITDA was approximately INR 60 crores and your guidance was 20-21% for the full year. The remaining quarters should be done with an average of 200 EBITDA at least. What makes you believe that this margin will be hopefully done for the year?

Harshil Dalal

Well, it won't be 200 for each of the quarters, but we'll have to see again depending upon how the shipments go out, etc. What we are seeing right now is that we should still be able to achieve similar kind of EBITDA as we did last year. The important thing is to focus on the top line.

Harshith

Okay. Another question, has the RBI approval been given to ECB?

Harshil Dalal

Yes.

Harshith

Is there any process RBI has?

Harshil Dalal

Yeah, that’s already done.

Harshith

Okay. Thank you. What was the share of the ADC revenue, sir, in this quarter?

Harshil Dalal

In this quarter, the total ADC, that would be roughly about INR 150 crores.

Harshith

How much? INR 60 crores?

Harshil Dalal

No, INR 150 crores. But this includes everything. Just the linker, the payload, the hyper molecule, everything put together.

Moderator

I hand over the call now to the management for the closing comments.

Stephan Fritschi

Thank you very much for all your interesting questions. I would say, as a summary, all in all, Dishman Carbogen Amcis is very well positioned to conquer additional new business. We are looking very optimistically to our future. We have opened up capacity. We have strengthened our collaboration between Dishman Carbogen Amcis and Carbogen Amcis.

With this, I thank you again for your interest in our company. I would like to close the call and wish you a nice evening. Thank you very much.

Moderator

Thank you, sir. Ladies and gentlemen, this concludes your conference for today. On behalf Dishman Carbogen Amcis, we thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you, and have a pleasant evening.