



8<sup>th</sup> September, 2020

<b>To,</b> <b>Department of Corporate Services</b> <b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	<b>To,</b> <b>The Manager,</b> <b>Listing Department,</b> <b>National Stock Exchange of India Ltd.</b> “Exchange Plaza”, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.
<b>Ref.: Scrip Code No. : 540701</b>	<b>Ref. : (i) Symbol – DCAL</b> <b>(ii) Series – EQ</b>

**SUB: INVESTORS PRESENTATION ON UN-AUDITED FINANCIAL RESULT FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE, 2020 – REGULATION: 30**

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, pl. find enclosed herewith Presentation on financial result for the quarter ended 30<sup>th</sup> June, 2020 to be made to Analyst and Investors.

The aforesaid presentation is also being hosted on the website of the Company, [www.dishmangroup.com](http://www.dishmangroup.com) in accordance with the Regulation 46 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**

*Shr. Dave*  
**Shrinda Dave**  
**Company Secretary**



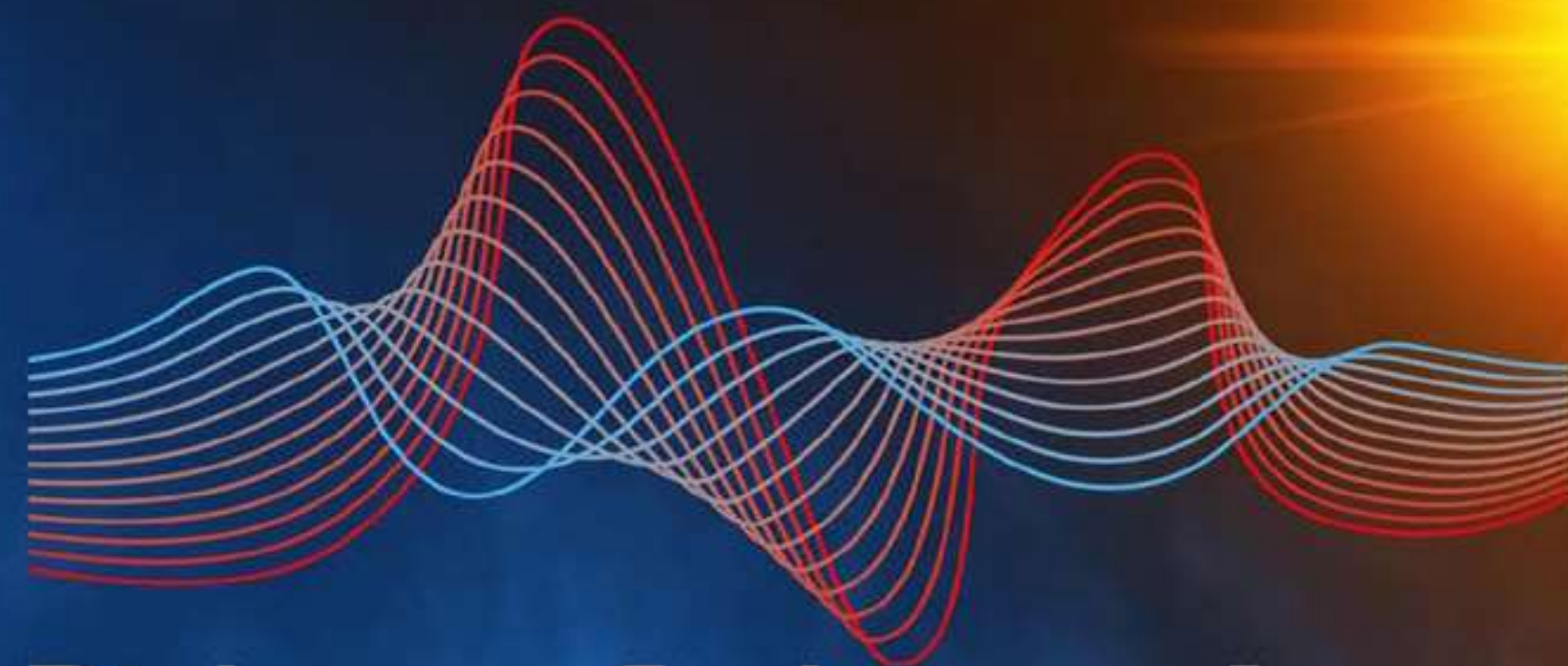
Encl.: As above

**Dishman Carbogen Amcis Limited**

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Website : [www.dishmangroup.com](http://www.dishmangroup.com)

Government Recognised Export House  
CIN No. : L74900GJ2007PLC051338



# Dishman Carbogen Amcis

OUR SYNERGY BRINGS YOUR SCIENCE TO LIFE

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**Quarter ended June 30<sup>th</sup>, 2020**

**September 2020**

# SAFE HARBOR STATEMENT



This presentation and the following discussion may contain “forward looking statements” by Dishman Carbogen Amcis Limited (‘Dishman’ or the ‘Company’) that are not historical in nature. These forward-looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Dishman about the business, industry and markets in which Dishman operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Dishman’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Dishman.

In particular, such statements should not be regarded as a projection of future performance of Dishman. It should be noted that the actual performance or achievements of Dishman may vary significantly from such statements.

# Dishman in a Nutshell



**4** decades

*of Long-Standing Track Record in*

CRAMS

APIS

SPECIALTY CHEMICALS

**2,200+** Team Strength

*Committed Members Embracing our Culture of Innovation & Sustainability*

Dedicated Team/Scientist Working in R&D - 950+

50% of Technical Staff holding Ph.D

**25**

*Multi-Purpose MANUFACTURING FACILITIES Globally*

**28**

*RESEARCH & DEVELOPMENT and HIPO LABS*

**Global Health Authorities**

*Approved & Recognised by*

USFDA, MEB, SWISS MEDIC, ANSM, WHO, MFDS, PMDA

*Solving Complex Problems for*

**250+** Clients

**USD 160 M**

*BUSINESS PIPELINE / ORDER-BOOK*

**4**

*Successful IN-ORGANIC GROWTH TRANSACTIONS*

*Operations in*



India, Switzerland, UK, France and the Netherlands

**18** Phase III molecules

**04** New Products Commercialized (April 2019-June 2020)

**20** Total Commercialized Molecules

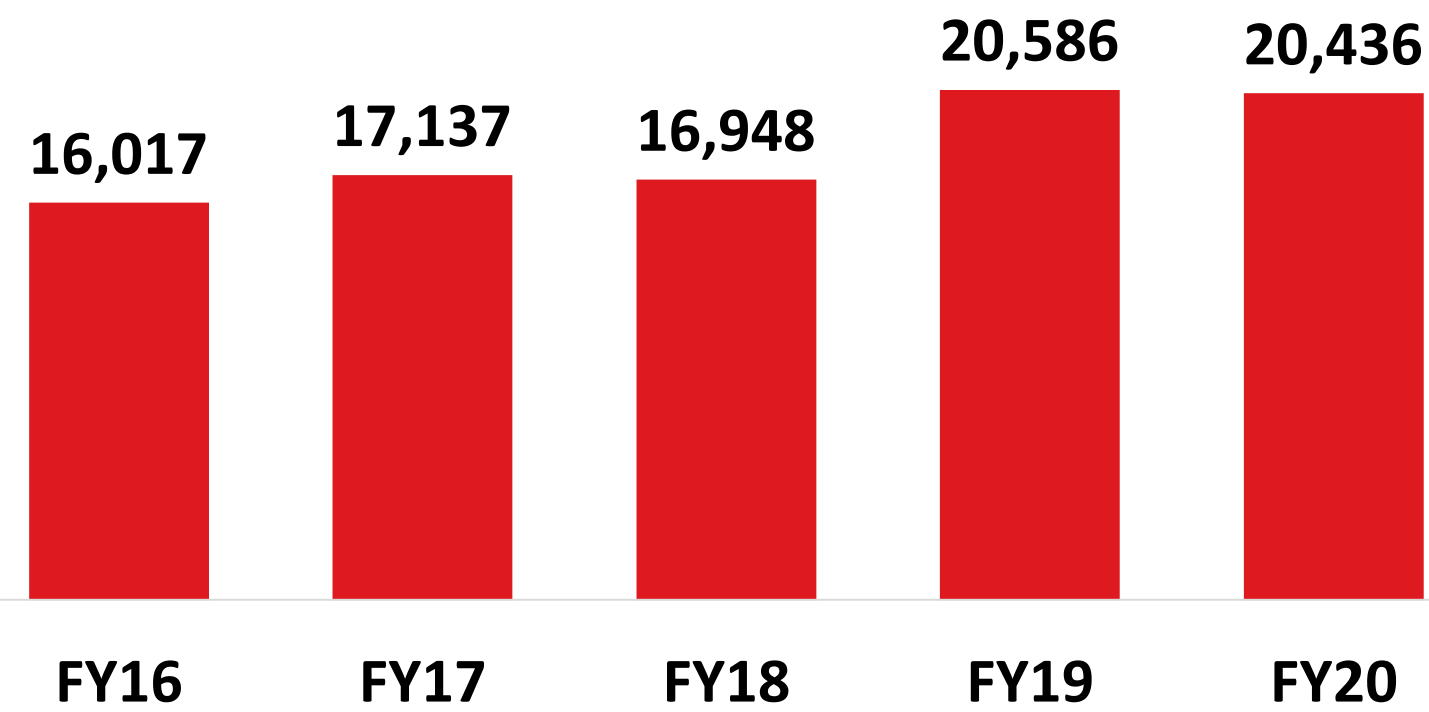
*Next phase of Vitamin D Analogues underway, with*

**2** patent applications

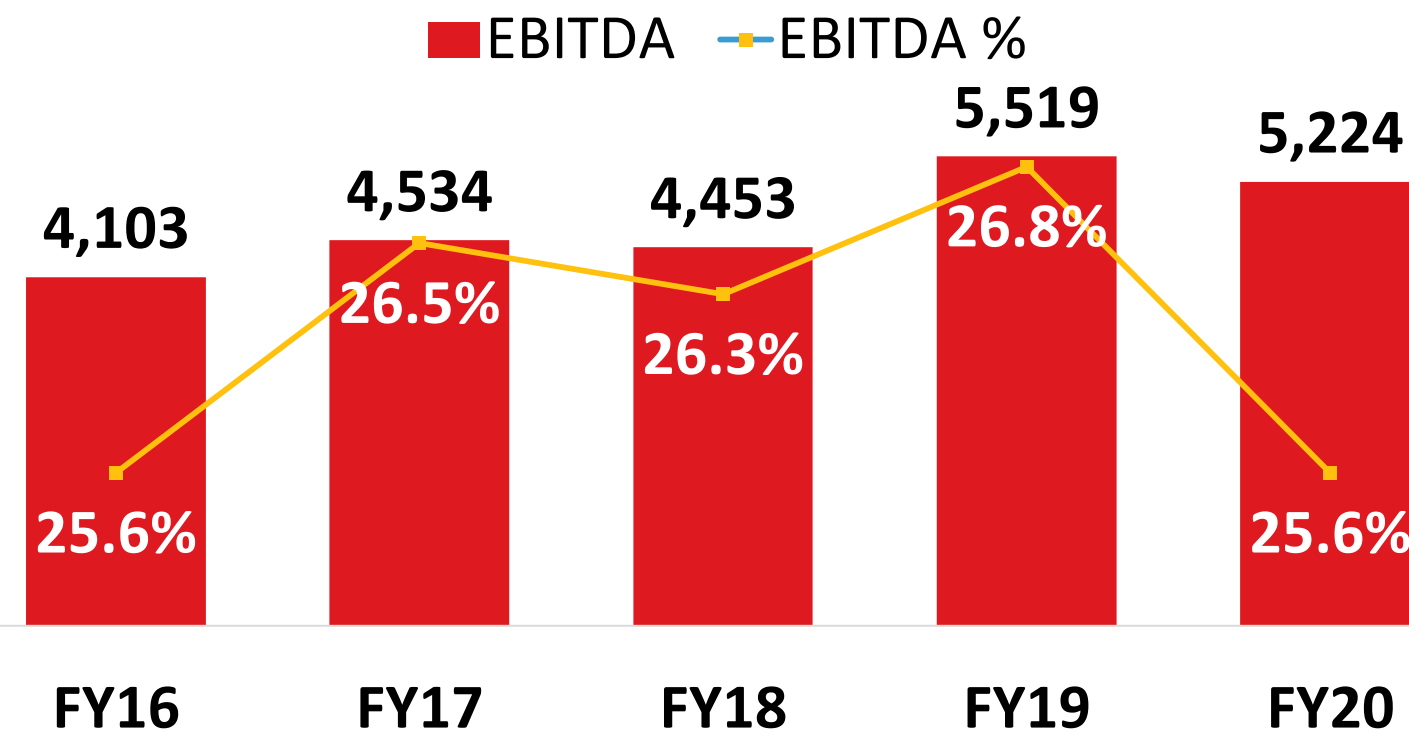
*and plans for Phase 1/2 trials in Obesity*

# Past Performance at a Glance

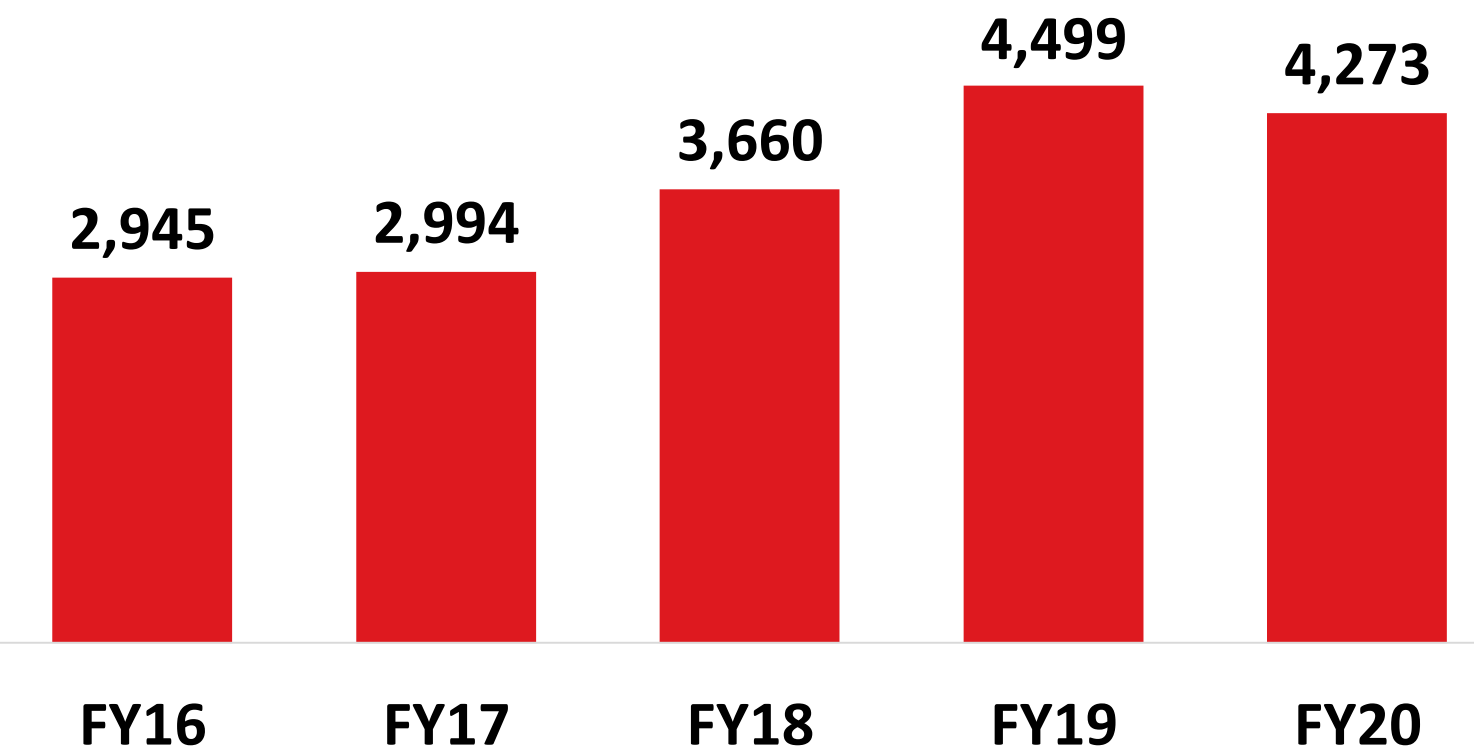
## Revenue from Operations (₹ mn)



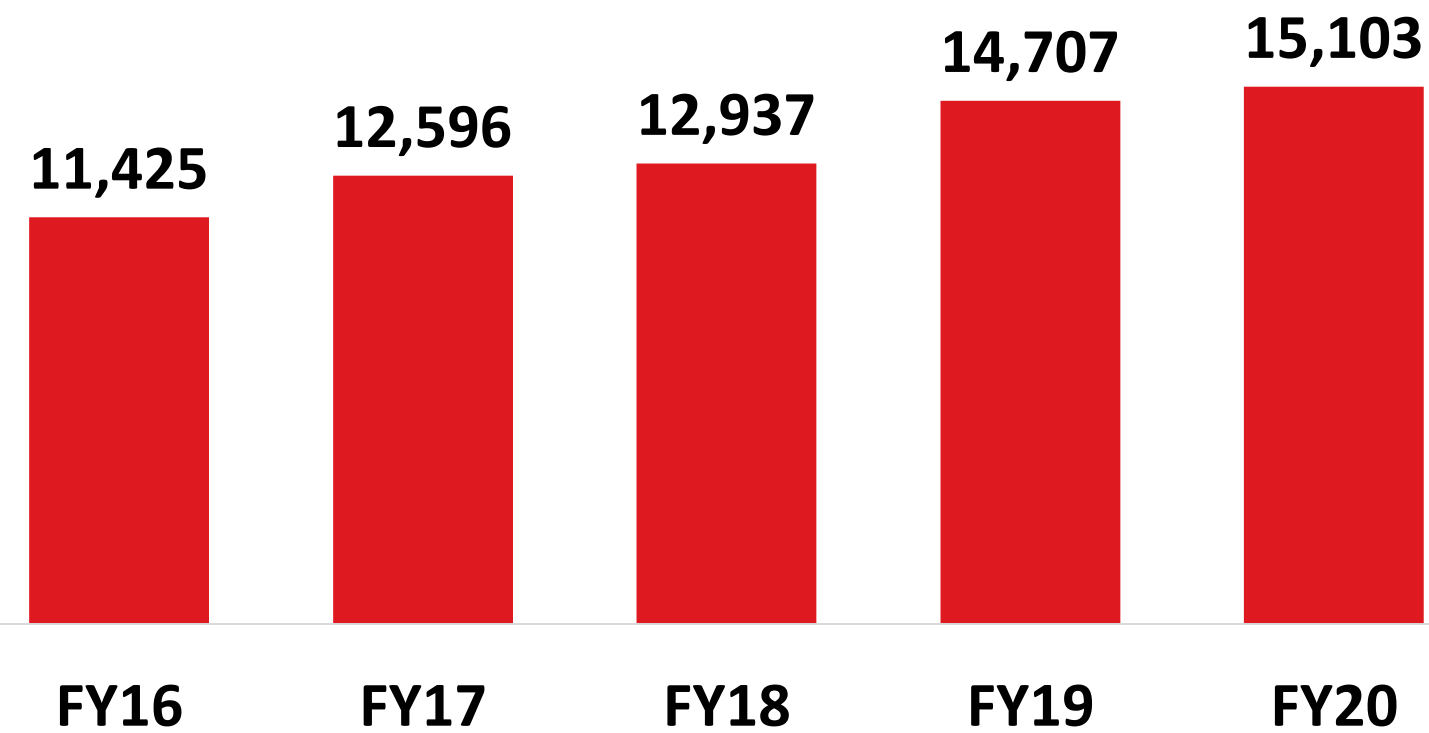
## EBITDA and EBITDA %



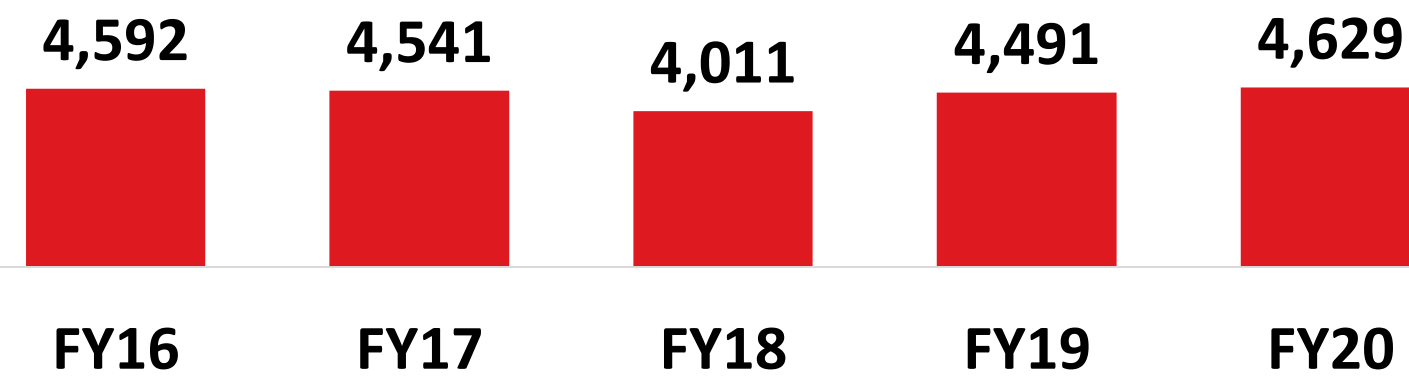
## Cash Profit (₹ mn)



## CRAMS (₹ mn)



## Marketable Molecules (₹ mn)



- The company has a strong basket of about 18 APIs in Phase III development.
- The company is focused on improving its capacity utilization at its manufacturing facilities by targeting small and mid-sized global biotech companies and diversifying across new geographies.
- Due to the current and prospective opportunities, the company has decided to set up additional development and small-scale manufacturing facilities in Switzerland and France.

# AGENDA

**01** Quarter Highlights

**02** Company Overview

**03** Industry Overview



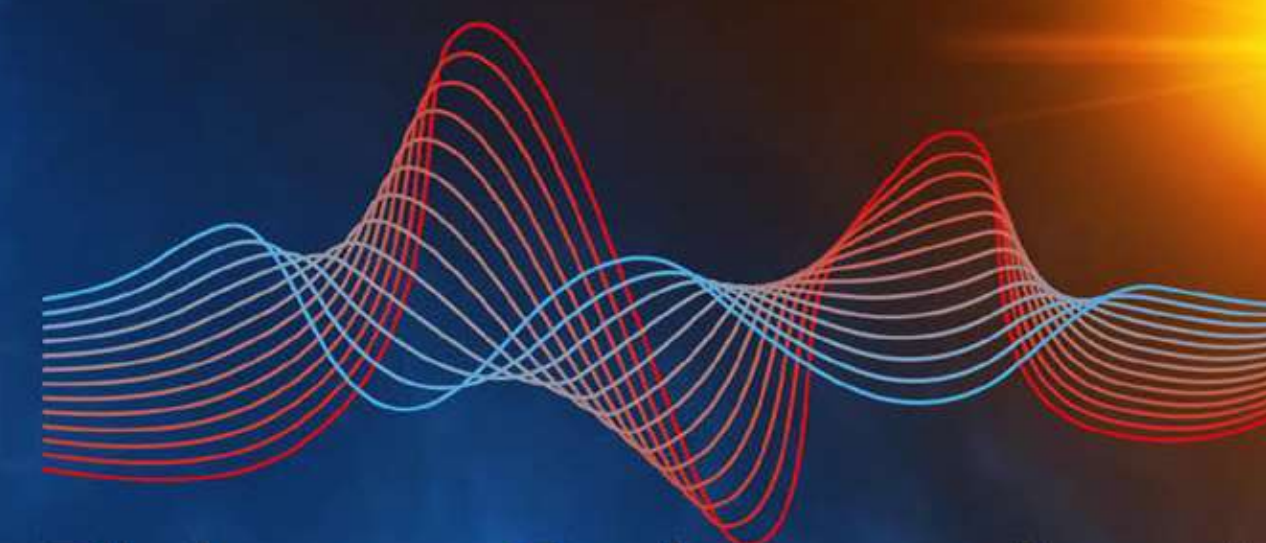
CARBOGEN  
AMCIS  
A Dishman Group Company



CARBOGEN  
AMCIS

A Dishman Group Company

# QUARTER HIGHLIGHTS



Dishman Carbogen Amcis

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# Impact due to Covid-19



## **Cautionary Statement**

The business operations remained shutdown temporarily during the quarter owing to the lockdown imposed due to Covid-19 pandemic. Moreover, the business was also impacted due to certain observations from the European Directorate for the Quality of Medicines & HealthCare (EDQM) audit during inspection of the Bavla site for the company's product Dihydrotestosterone. As such, the results for the current quarter (Q1 FY21) are not comparable with previous quarters due to truncated period of operations in the current quarter.

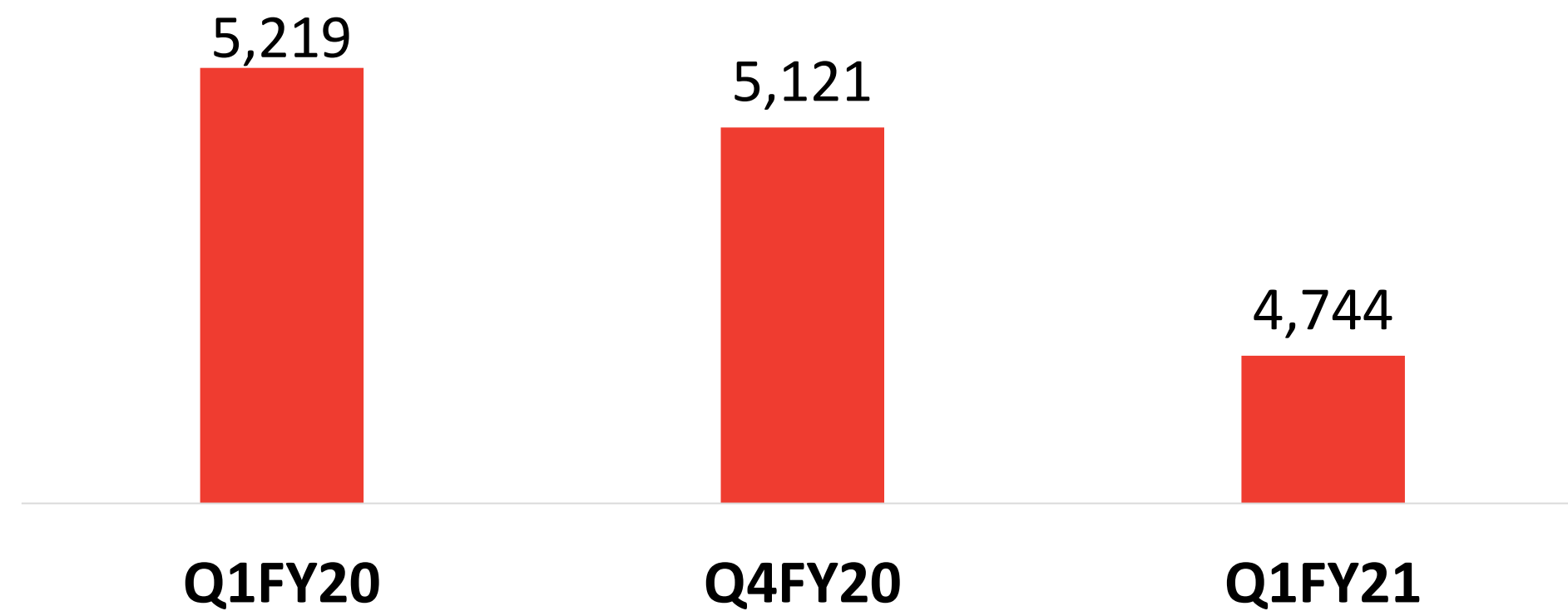
The performance is expected to normalize during upcoming quarters due to resumption of business operations on the back of unlocking of economy. Moreover, the company has appointed consultants to supplement the team in India in order to rectify the deficiencies highlighted during EDQM audit. The company has submitted the Corrective Action Plan to the EDQM authority on August 21, 2020 and started its implementation.



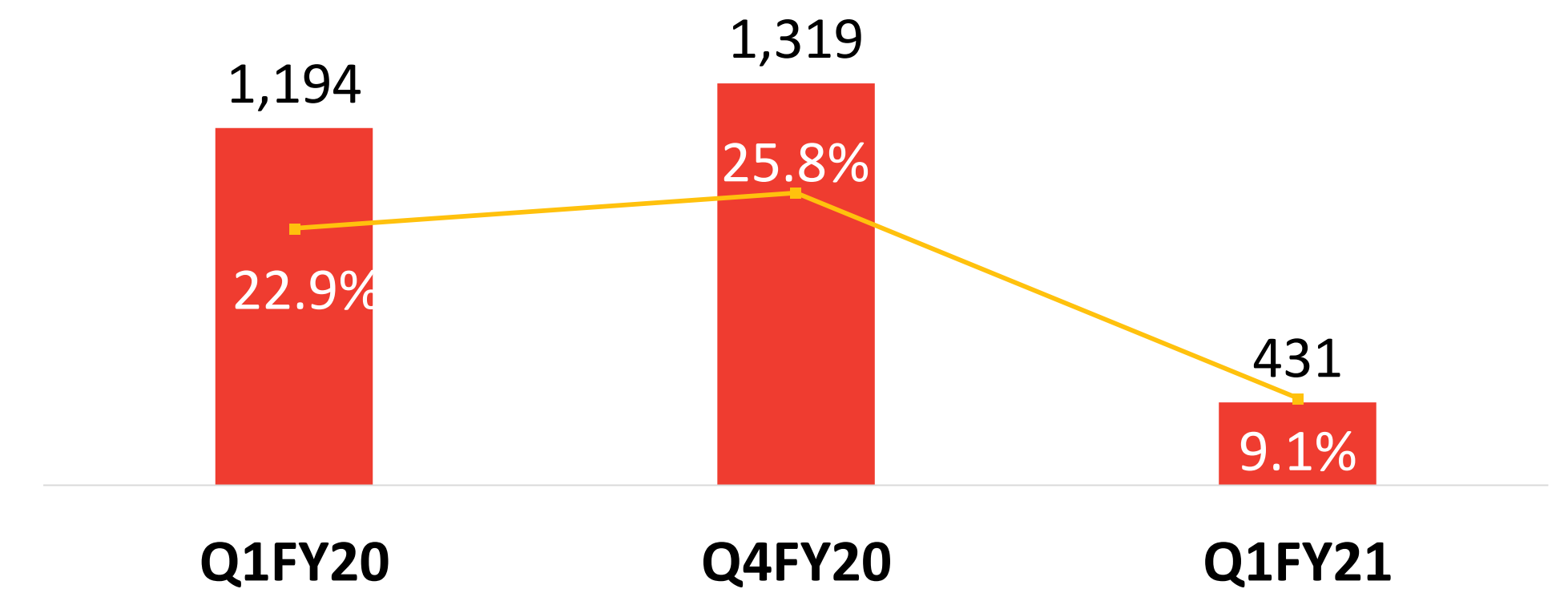
# Q1 FY21 RESULT HIGHLIGHTS



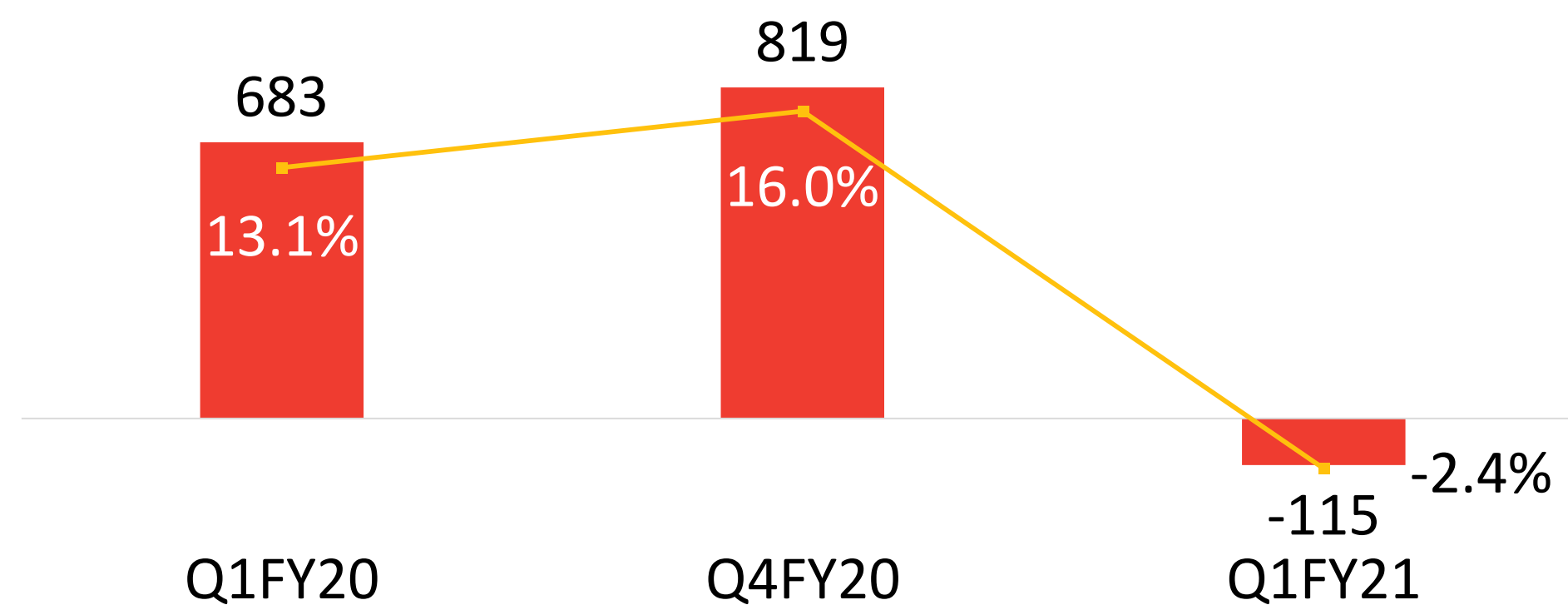
## REVENUE (₹ mn)



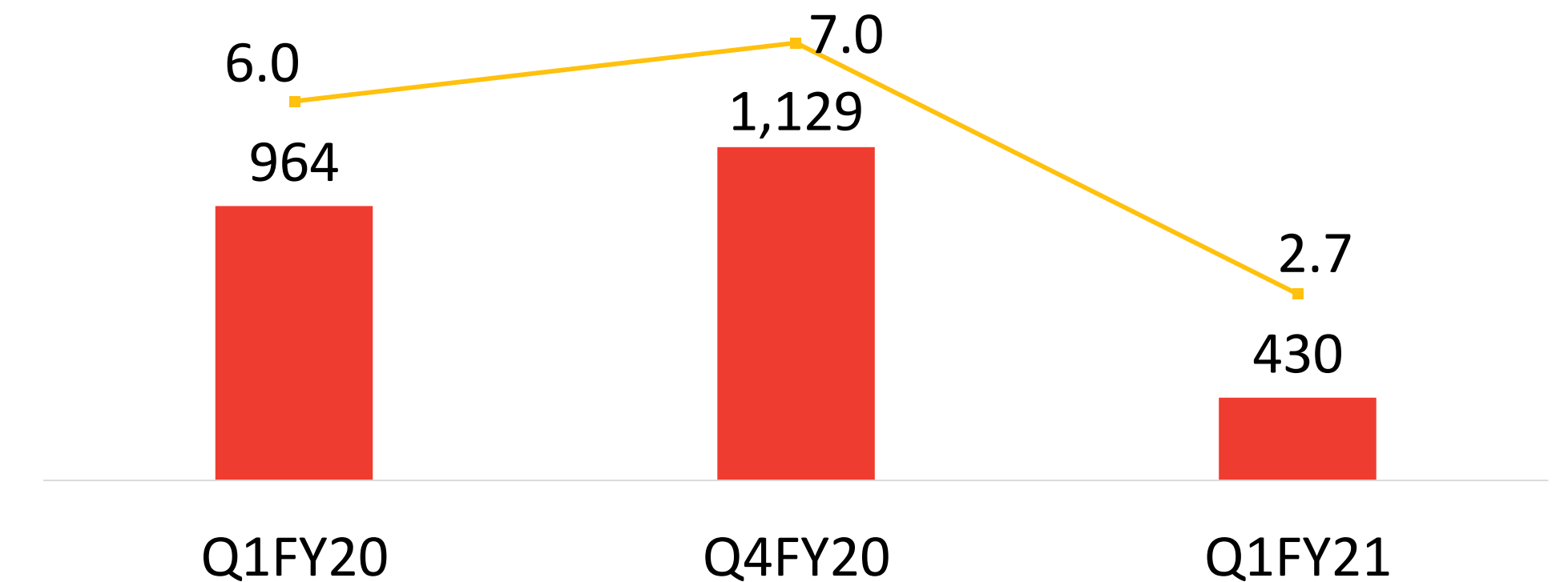
## EBITDA (₹ mn) & EBITDA MARGIN\*



## ADJUSTED PBT# (₹ mn) & PBT MARGIN



## CASH PAT@ (₹ mn) & CASH EPS



\*EBITDA excluding other income

#PBT is adjusted to include the additional goodwill amortization of Rs. 221.1 mn

@Cash PAT = Adjusted PAT + (Depreciation - additional goodwill amortization), adjusted for merger impact  
Adjusted PAT = Adjusted PBT - Normalized tax rate of 25%

# CONSOLIDATED P&L STATEMENT



Particulars (₹ mn)	Q1 FY21	Q1 FY20	YoY %	Q4 FY20	QoQ %	FY20
Revenue from Operations	4,751.3	5,012.9	-5.2%	5,028.3	-5.5%	19,732.6
Other Operating Income	-7.2	206.1	-	92.9	-	703.4
<b>Total Revenue</b>	<b>4,744.1</b>	<b>5,219.0</b>	<b>-9.1%</b>	<b>5,121.2</b>	<b>-7.4%</b>	<b>20,436.0</b>
COGS	1,487.4	1,302.6	14.2%	1,113.1	33.6%	4,338.4
Employee Expenses	2,140.2	1,935.8	10.6%	2,011.0	6.4%	7,622.7
Other Expenses	685.9	786.4	-12.8%	678.2	1.1%	3,250.5
<b>EBITDA</b>	<b>430.6</b>	<b>1,194.2</b>	<b>-63.9%</b>	<b>1,318.9</b>	<b>-67.4%</b>	<b>5,224.4</b>
<i>EBITDA Margin %</i>	<i>9.1%</i>	<i>22.9%</i>	<i>-1,381 bps</i>	<i>25.8%</i>	<i>-1,668 bps</i>	<i>25.6%</i>
Other Income	86.2	78.3	10.1%	211.9	-59.3%	444.6
Depreciation & Amortization	737.0	672.6	9.6%	735.2	0.2%	2,828.7
Finance Cost (Incl. Forex Impact)	115.5	137.9	-16.2%	197.4	-41.5%	619.5
<b>Profit Before Tax</b>	<b>-335.7</b>	<b>462.0</b>	<b>-</b>	<b>598.2</b>	<b>-</b>	<b>2,220.8</b>
Current Tax	104.7	167.7	-37.5%	-118.7	188.2%	269.6
Deferred Tax	-226.2	-48.8	-	-3.0	-	148.2
Tax Expense	-121.5	118.9	-	-121.7	-	417.8
<i>% Tax Rate</i>	<i>-</i>	<i>25.7%</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>18.8%</i>
<b>Profit After Tax</b>	<b>-214.3</b>	<b>343.1</b>	<b>-</b>	<b>719.9</b>	<b>-</b>	<b>1,803.0</b>
<i>PAT Margin %</i>	<i>-4.5%</i>	<i>6.6%</i>	<i>-1,109 bps</i>	<i>14.1%</i>	<i>-1,857 bps</i>	<i>8.8%</i>
EPS	-1.37	2.13	-	4.47	-	11.20

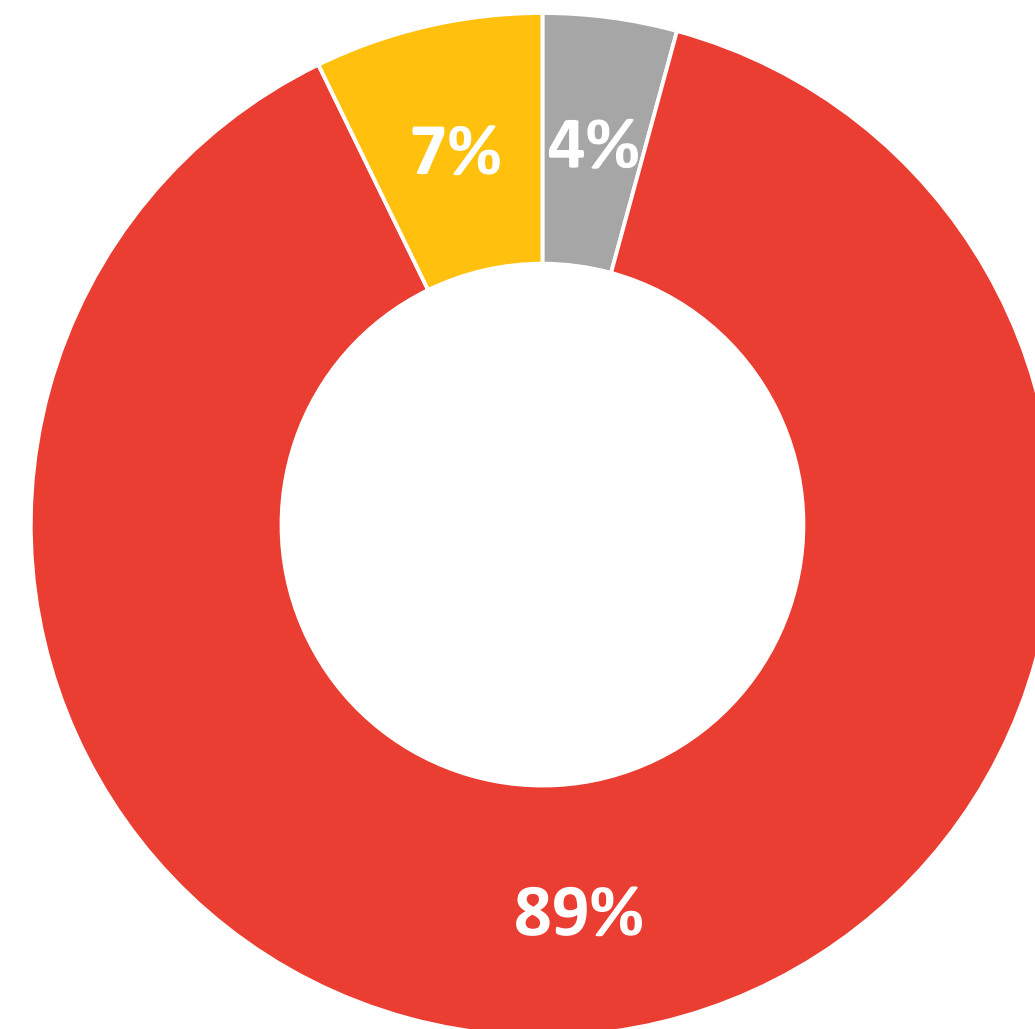
# SEGMENT WISE REVENUE ANALYSIS

Revenues – Segment wise Breakup (₹ mn)	Q1 FY21	Q1 FY20	Q4 FY20	FY20
<b>CRAMS</b>				
CRAMS- India	147.8	767.3	916.7	3,323.5
CRAMS – Switzerland, France & China	3,089.8	2,631.7	2,783.2	10,815.3
CRAMS - UK	251.8	375.3	152.2	964.5
<b>CRAMS Total</b>	<b>3,489.4</b>	<b>3,774.4</b>	<b>3,852.1</b>	<b>15,103.3</b>
<b>Marketable Molecules</b>				
Carbogen Amcis BV	728.5	726.4	649.6	2,498.8
Others	533.4	512.1	526.4	2,130.4
<b>Marketable Molecules Total</b>	<b>1,261.9</b>	<b>1,238.5</b>	<b>1,175.9</b>	<b>4,629.2</b>
<b>Grand Total</b>	<b>4,751.3</b>	<b>5,012.9</b>	<b>5,028.0</b>	<b>19,732.6</b>

# SEGMENT WISE REVENUE BREAK-UP

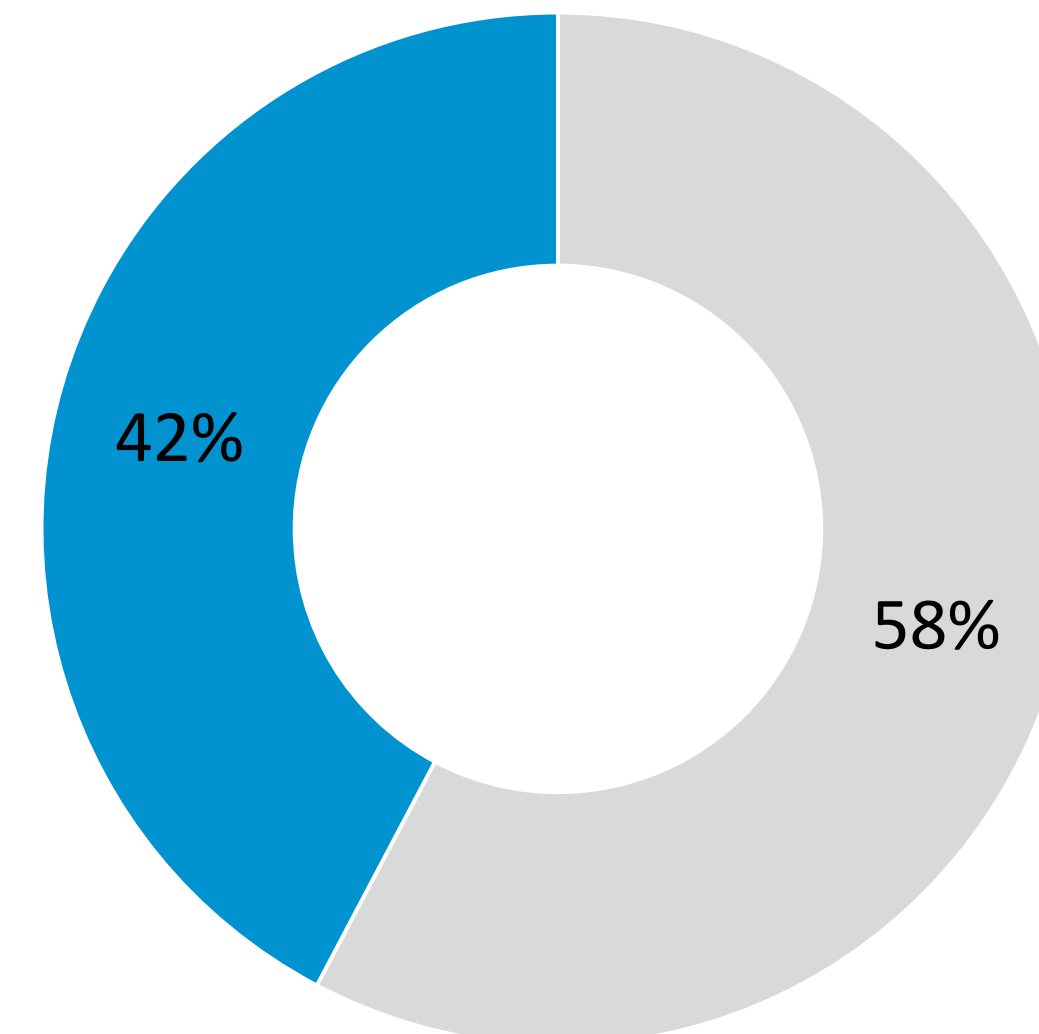
## Total Operating Revenue - Q1 FY21

### CRAMS – 73.4%



- CRAMS - India
- CRAMS - Switzerland & France
- CRAMS - UK

### Marketable Molecules – 26.6%



- Carbogen Amcis BV
- Others

# SEGMENT-WISE MARGIN ANALYSIS

EBITDA Margin* %	Q1 FY21	Q1 FY20	Q4 FY20	FY20
<b>CRAMS</b>				
CRAMS- India	NA	51.6%	53.4%	55.5%
CRAMS – Switzerland, France & China	16.2%	18.2%	20.8%	20.4%
CRAMS - UK	15.3%	11.9%	14.4%	16.4%
<b>Marketable Molecules</b>				
Carbogen Amcis BV	32.3%	31.0%	26.9%	32.0%
Others	12.9%	9.8%	10.2%	10.1%

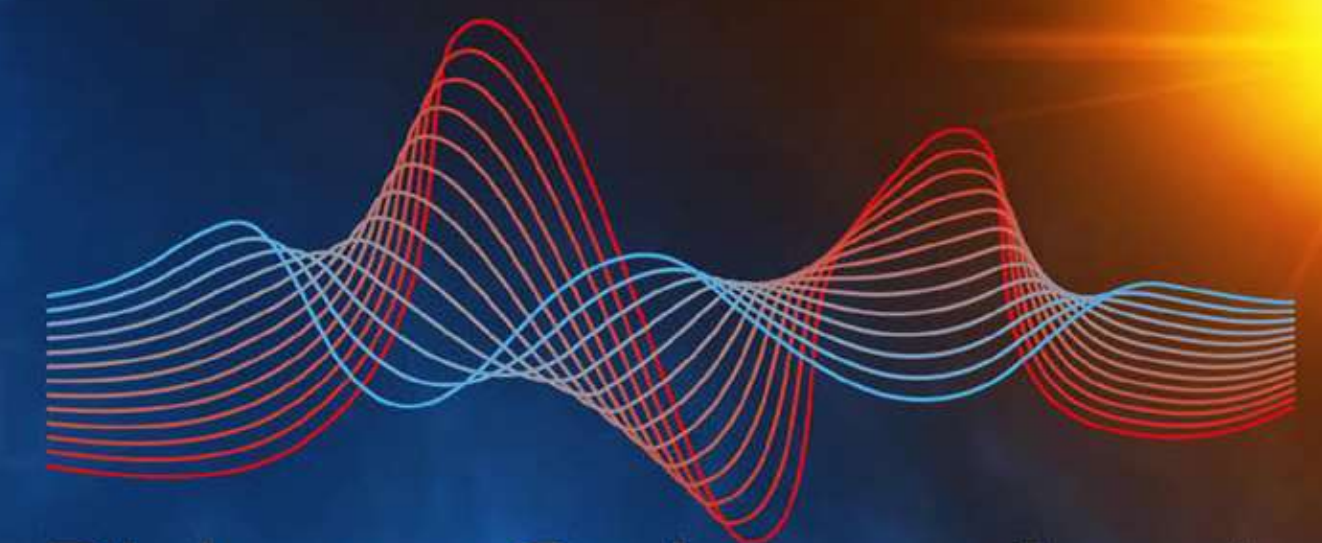
\*EBITDA includes Forex loss of Rs. 14.93 crore on account of FX hedges and MTM on certain FX loans

# Q1 FY21 RESULT HIGHLIGHTS



- Total Revenues at Rs 4,744.1 mn in Q1 FY 2021 down by 9.1% YoY
- CRAMS revenue decreased 7.6% YoY primarily due to :
  - CRAMS India revenue decreased by 80.7% YoY, due to impact of COVID-19 pandemic and risk analysis measures undertaken due to EDQM audit observations
  - CRAMS Carbogen Amcis AG revenue increased by 17.4% owing to shipment of certain products, which could not be sent in the last quarter (Q4 FY20) as per customer requirements and completed in the current quarter (Q1 FY21)
  - CRAMS UK revenue decreased by 32.9%, as its revenues of intermediates and starting material is not linear. As compared to previous quarter (Q4 FY20) the revenue has jumped by almost 90%
- EBITDA Margin at 9.1% in Q1 FY21, affected by:
  - Lower sales of CRAMs in India business impacted by COVID-19 and EDQM audit
  - Foreign exchange loss of Rs. 14.93 crores on account of FX hedges and MTM on certain FX loans
  - Increased employment expenses and higher share of Phase I/Phase II molecules in the development revenue in Carbogen Amcis AG where the margins are lower
- Net Debt (excluding lease liabilities) as on June 30, 2020 at USD 99.10 mn as compared to USD 100.05 mn as on March 31, 2020

# COMPANY OVERVIEW



Dishman Carbogen Amcis  
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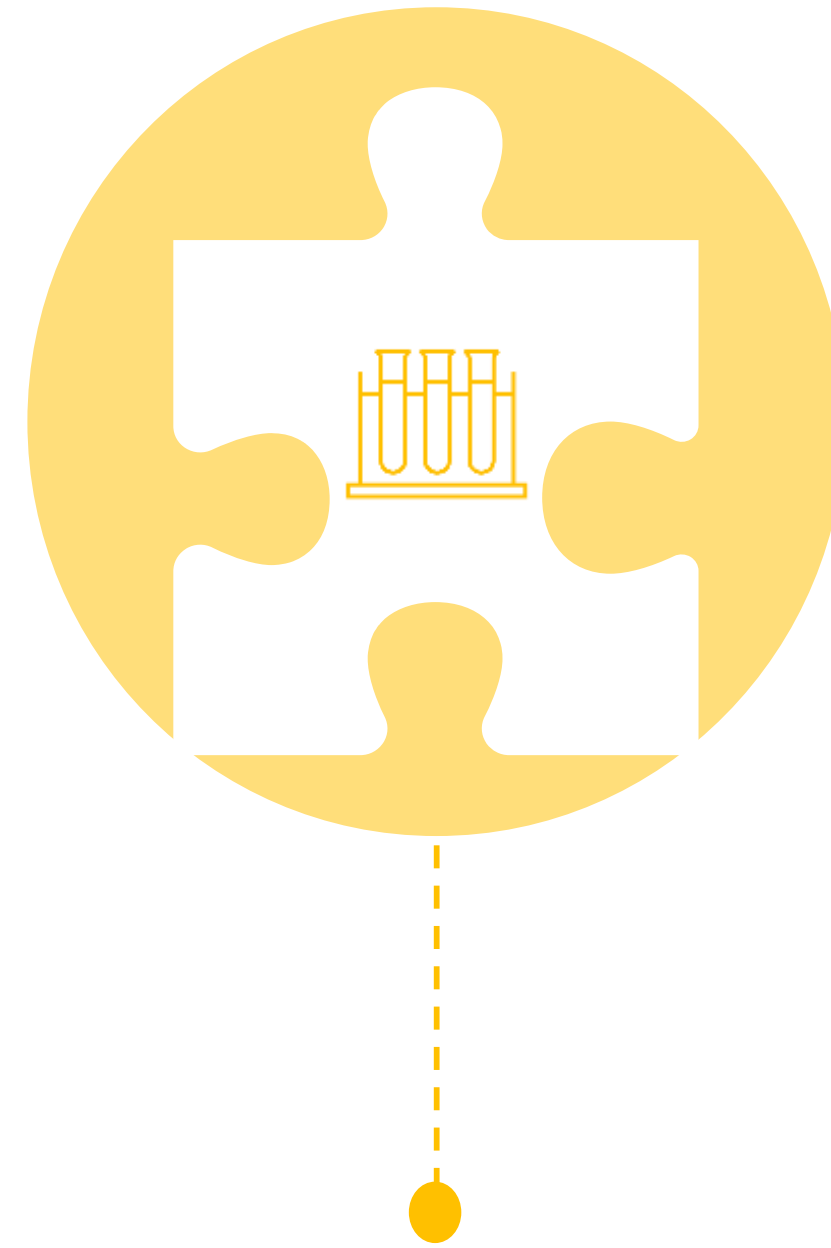
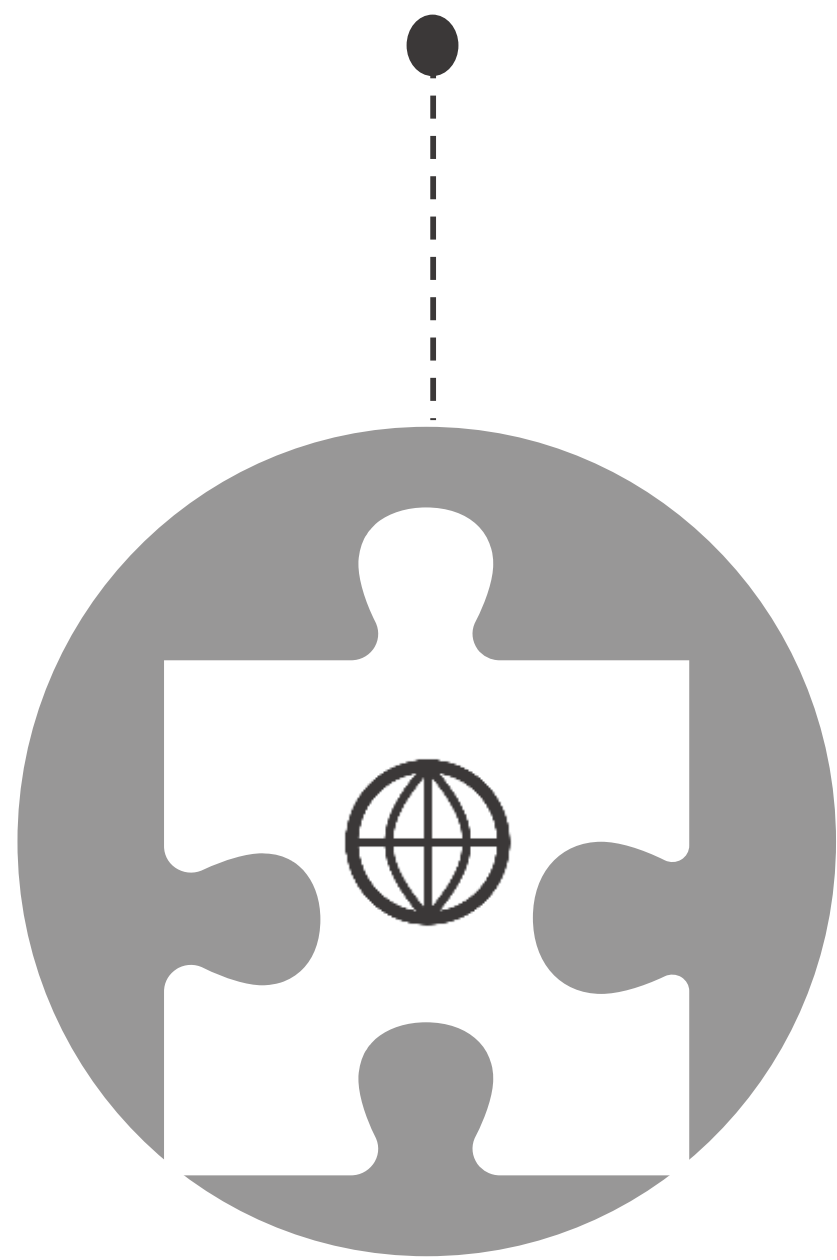


- Established in 1983, Dishman Carbogen Amcis Limited is a fully integrated CRAMS (Contract Research & Manufacturing) company with strong capabilities right from process research & development to late stage clinical and commercial manufacturing and supply of API to innovator pharmaceutical companies.
- The Company has global presence with development and manufacturing sites at Switzerland, UK, France, Netherlands, India and China.
- Dishman provides end-to-end integrated high-value niche CRAMS offering and has comprehensive product offerings which include APIs, High Potent APIs, Intermediates, Phase Transfer Catalysts, Vitamin D Analogues, Cholesterol, Lanolin-related products, Antiseptic and Disinfectant formulations.



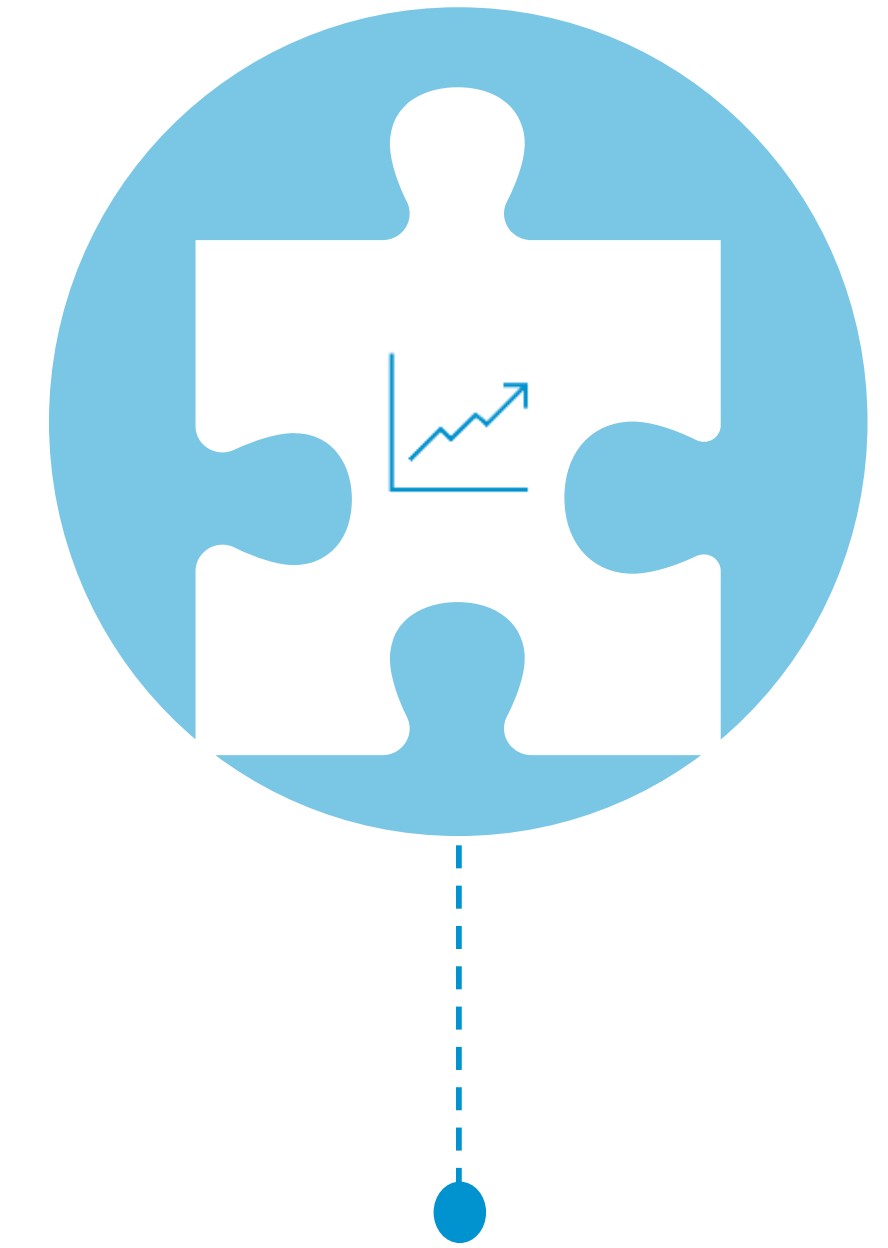
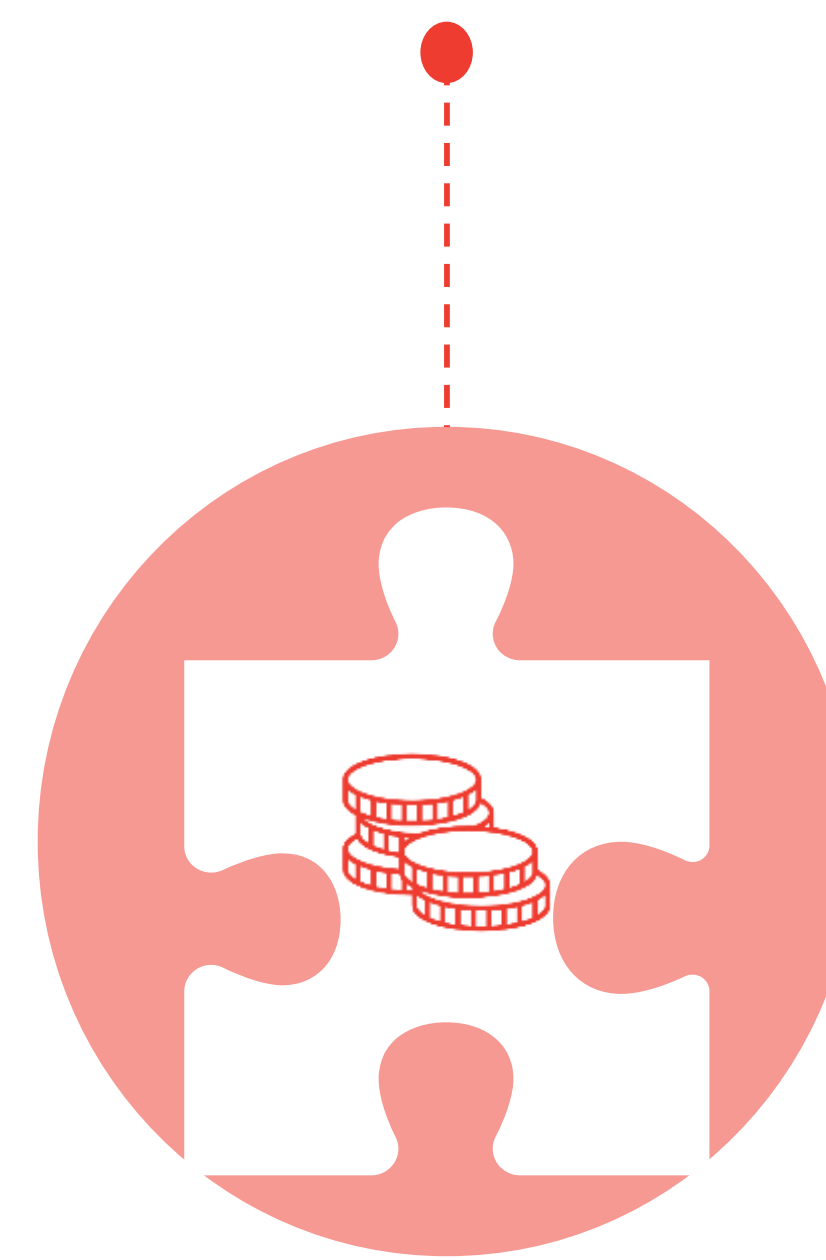
# KEY STRENGTHS

Preferred global outsourcing partner with capabilities across the entire CRAMS value chain



Strong chemistry skills

Upfront investment of more than ₹10,000 mn in large scale multi-purpose manufacturing capacities



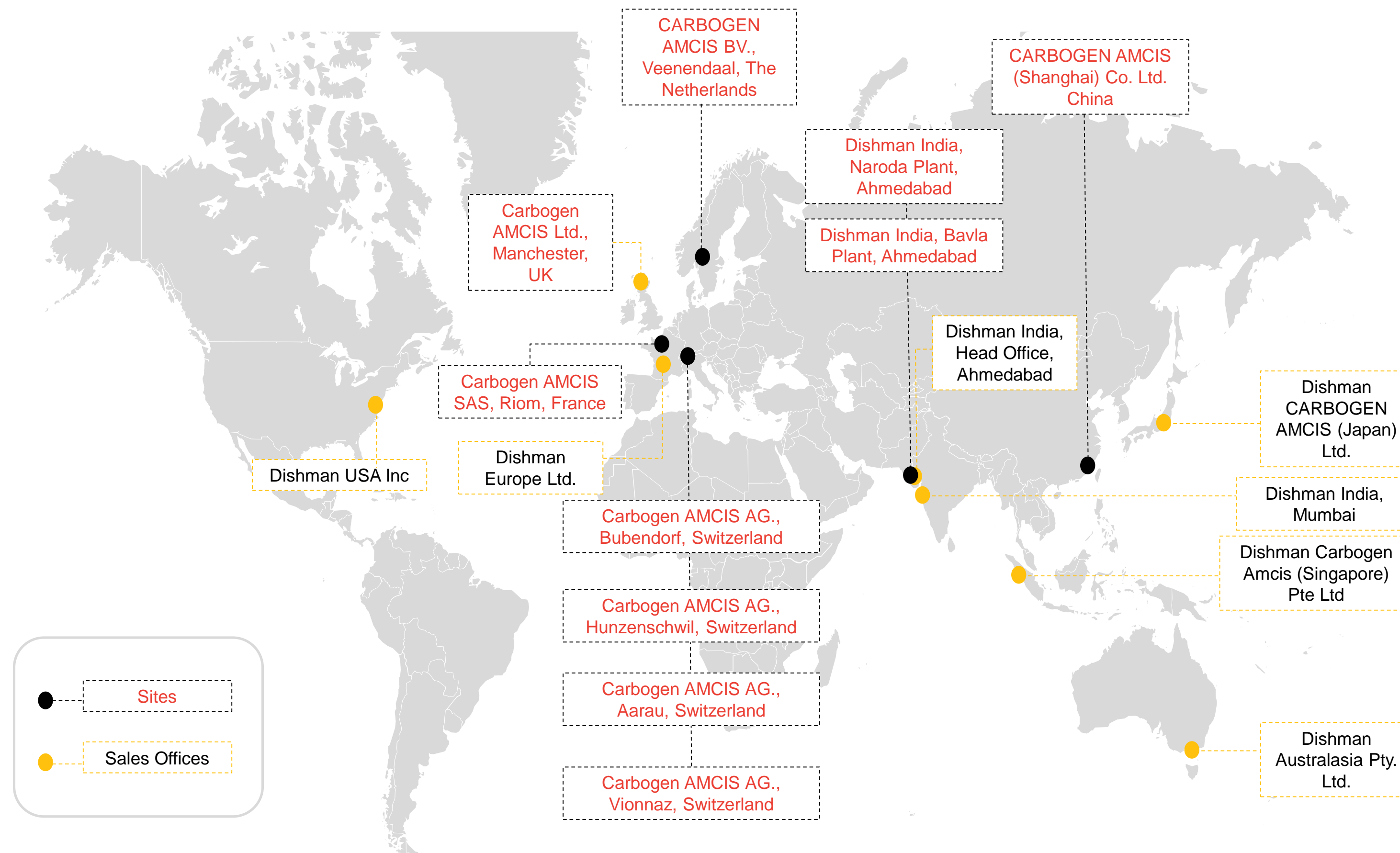
The HIPO facility at Bavla, India is the largest HIPO facility in Asia. Dishman is at forefront to gain from the high margin HIPO opportunity in the Oncology space

# ROBUST R&D CAPABILITIES

Facilities are approved by recognised health agencies:

USFDA, MEB, SWISS MEDIC, ANSM, WHO, MFDS, PMDA

MANUFACTURING FACILITIES



## Superior Chemistry Skills & Capabilities

- 28 dedicated R&D labs with multiple shift R&D operations, including HIPO labs
- 25 multi-purpose facilities at Bavla, Naroda, Manchester, Switzerland, Netherlands and Shanghai
- 1 dedicated production facility for APIs and Intermediates at Bavla
- 7,500 m<sup>2</sup> floor space of R&D at Switzerland, Manchester and Bavla
- State of the art HIPO Capabilities
- 750 m<sup>3</sup> of reactor capacity at Bavla, 230 m<sup>3</sup> at Naroda and 63 m<sup>3</sup> at Shanghai

# PREFERRED GLOBAL OUTSOURCING PARTNER



**INTEGRATED ACROSS THE VALUE CHAIN**

**STRONG CHEMISTRY CAPABILITIES**

**CLOSE PROXIMITY TO CLIENTS WITH GLOBAL PRESENCE**

**LARGE SCALE MANUFACTURING CAPACITIES**

Integrated CRAMS Player present along the entire value chain from building blocks to commercialization and product launch stage

## Drug Lifecycle Management

- Preclinical to commercial manufacturing capabilities.
- Ensures seamless process & technology transfer from lab to plant.
- Single partner for R&D, process development and commercial production.

## Strong R&D Capabilities

- Globally, Dishman group has ~550 scientists, with 50+ doctorates as senior scientists.

## Close Proximity to Clients

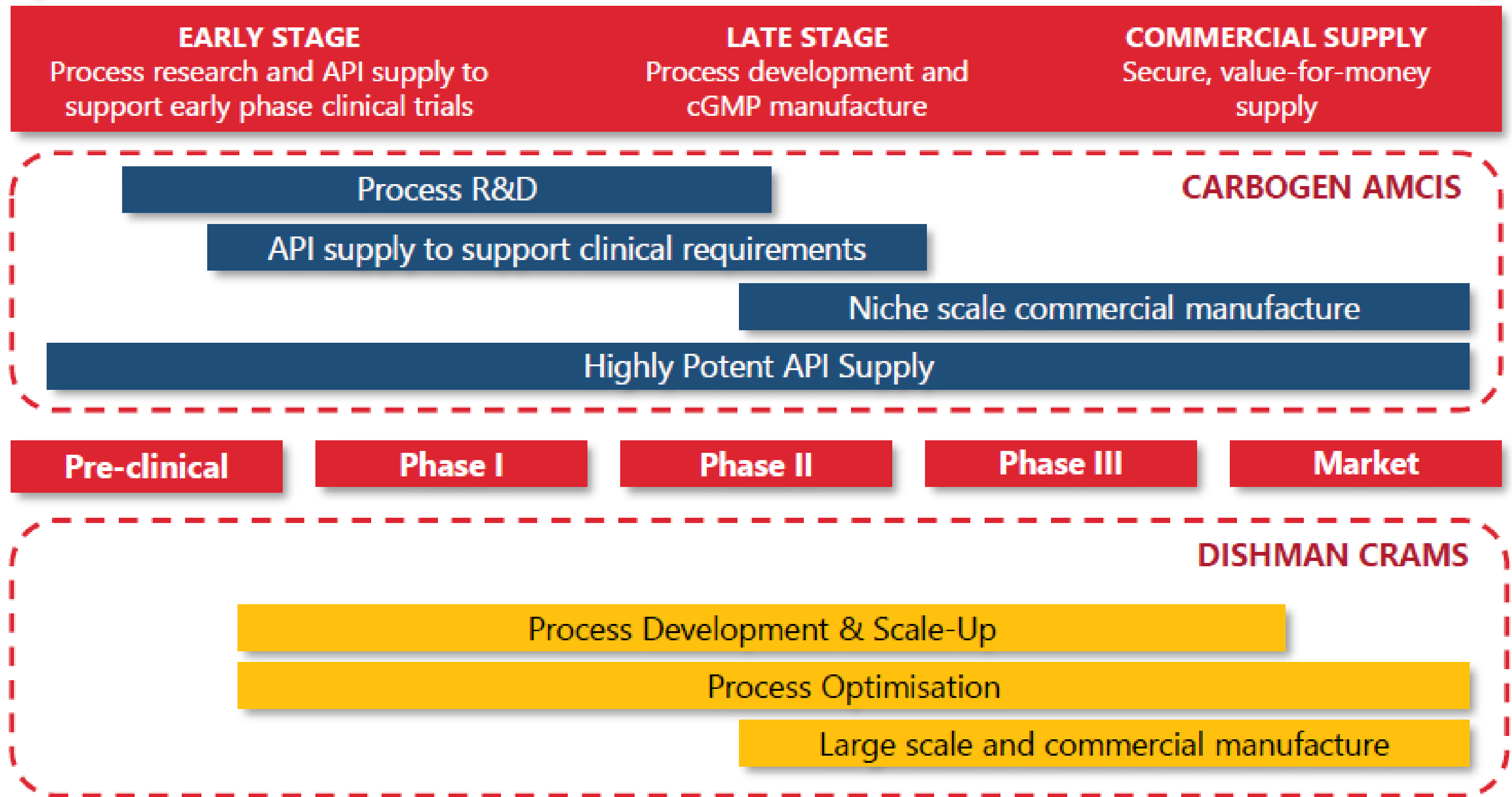
- Local representation, local support in all major markets.
- Front end via CA with access to more than 200 established customer relationships of CA.
- Trust & Confidence of customers for entire drug life cycle engagement

## Large Scale Mfg. Capacity

- Dedicated USFDA inspected production facilities.
- Asia's largest HIPO facility in Bavla.
- Large capacities provide competitive edge to win big long-term contracts

# INTEGRATED CRAMS PLAYER

## Integrated CRAMS Player – Strong Capabilities across the Value Chain



### CARBOGEN AMCIS (CA) STRONG RESEARCH CAPABILITIES

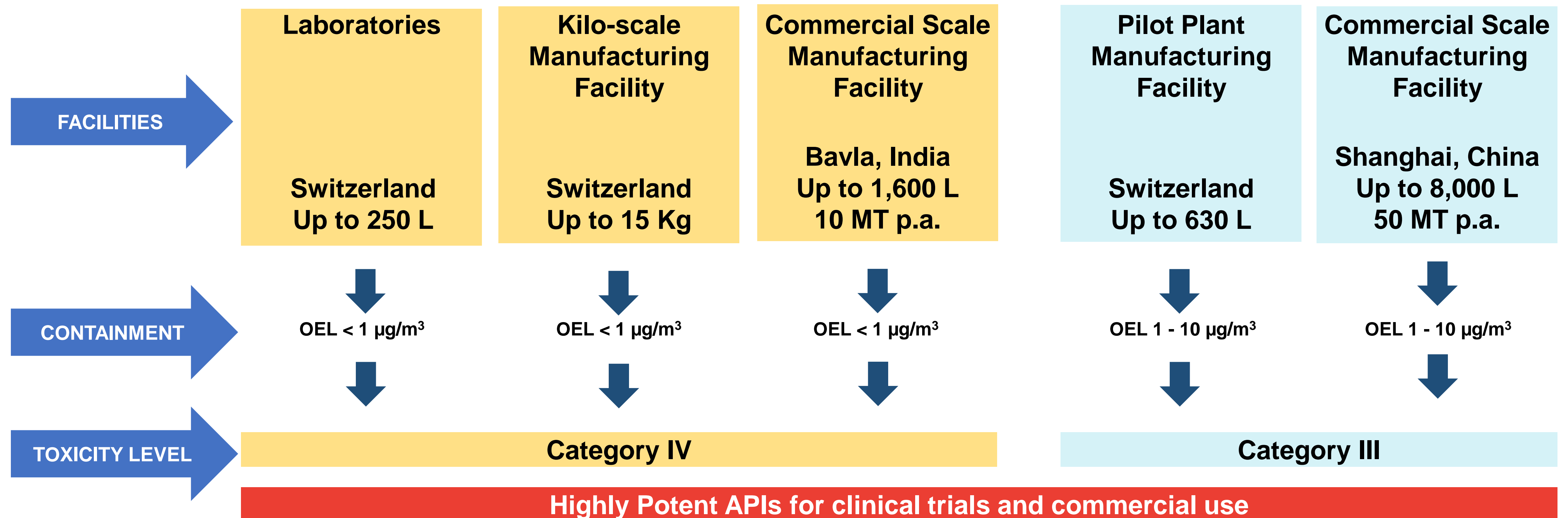
- Focus is on supporting the development process from bench to market
- Process research and development to the supply of APIs for preclinical studies, clinical trials and commercial use

### DISHMAN INDIA STRONG MANUFACTURING CAPABILITIES

- Large dedicated R&D center with multiple shift R&D operations (India)
- Multi purpose and dedicated production facilities for APIs, intermediates ( Europe and China)
- Dedicated API manufacturing capacities (India, China)

# CUTTING EDGE HIPO CAPABILITIES

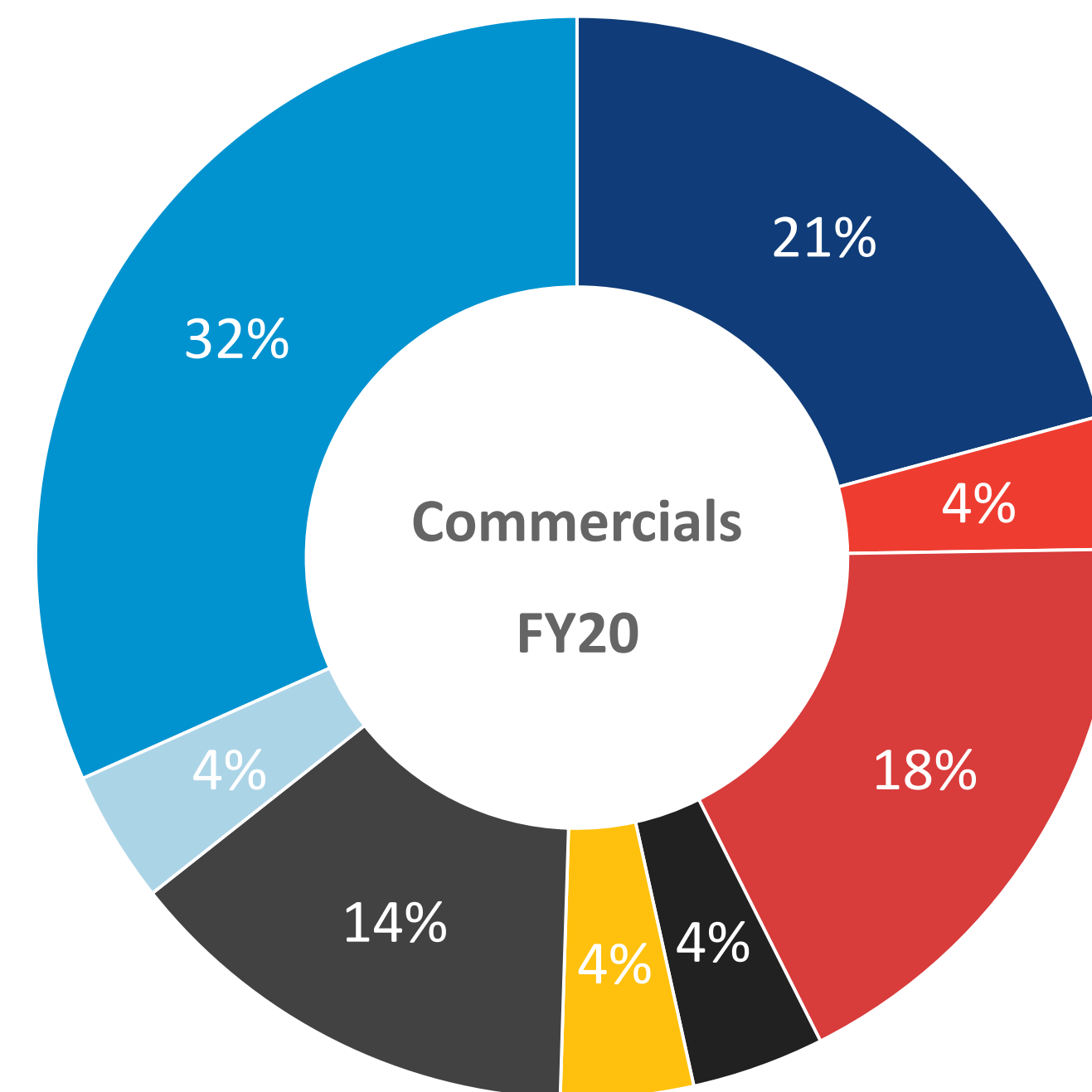
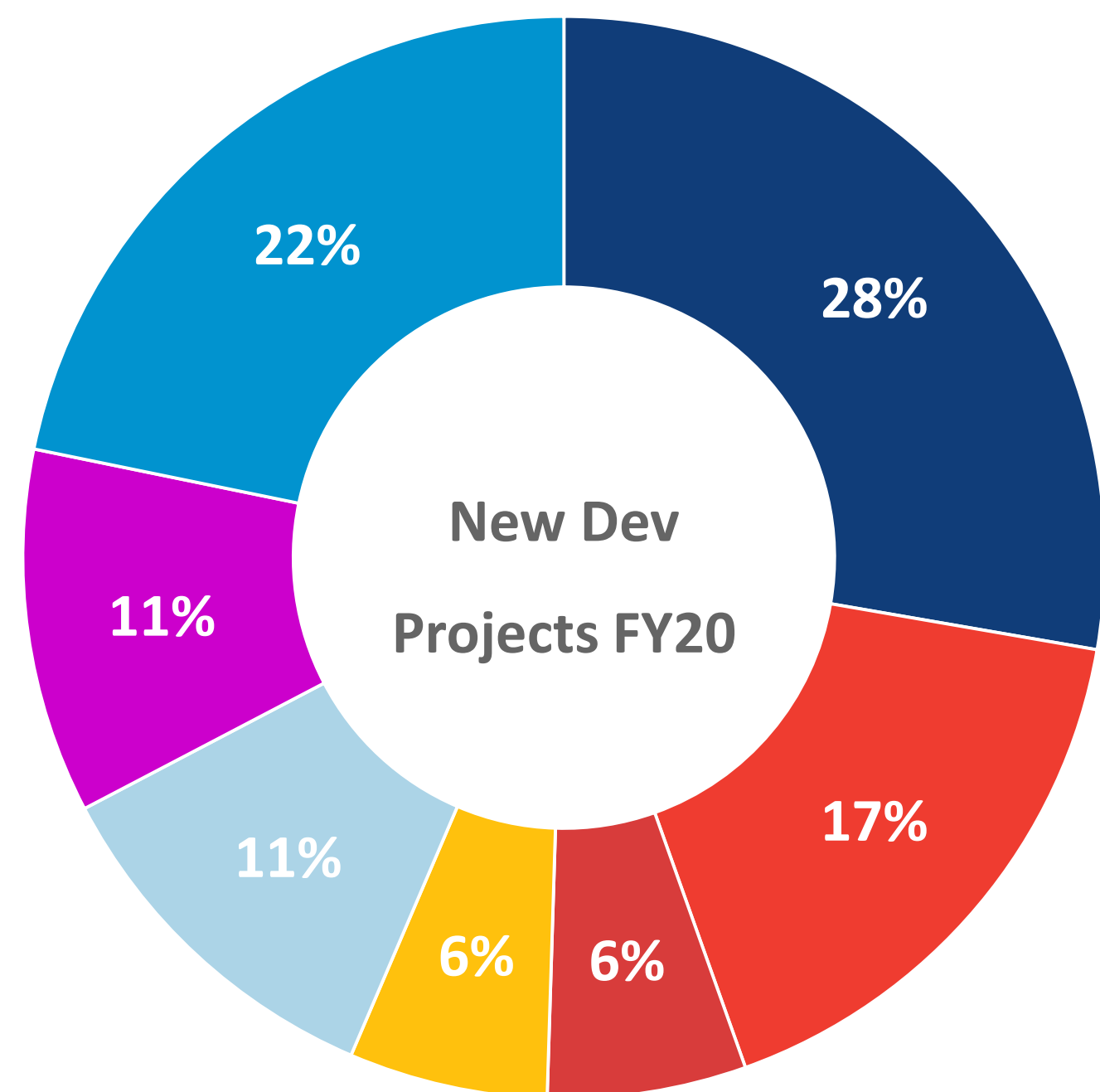
- The HIPO facility at Bavla, India, is one of the kind facility in the world and the largest facility in Asia. The facility has a sound mix of Kilo lab and full-scale manufacturing units to cater to both small volume and large volume orders.
- State of the art containment services, with all cGMP compliant facilities with an ability to operate for preclinical testing, clinical trials and commercial use.
- Facilities range from laboratory scale for process research and development to large scale manufacturing on 8,000 L scale, with an ability to handle the highest category IV compounds (high toxicity levels).



# THERAPEUTIC AREA SPLIT

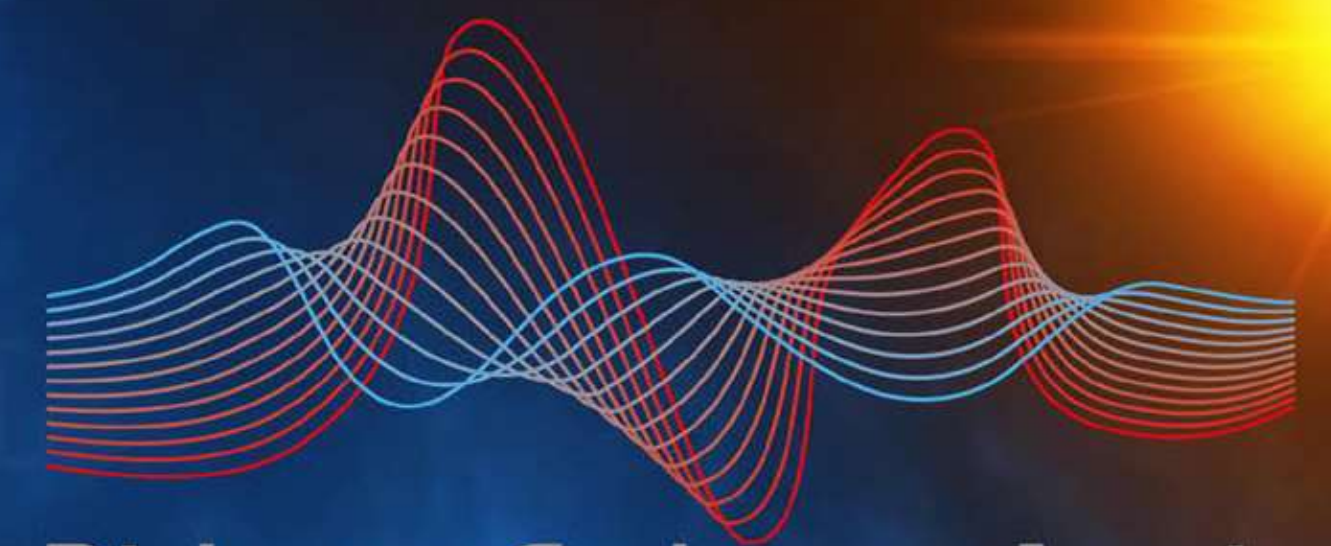
## DEVELOPMENT

## COMMERCIAL



- Cancer
- ADC-Warhead/ADC
- Eyes
- Antibiotic
- Blood/Immunology
- Hormone/Metabolism
- Pain/Nerves
- Diabetes
- Various APIs
- Non-APIs/Intermediates

# INDUSTRY OVERVIEW



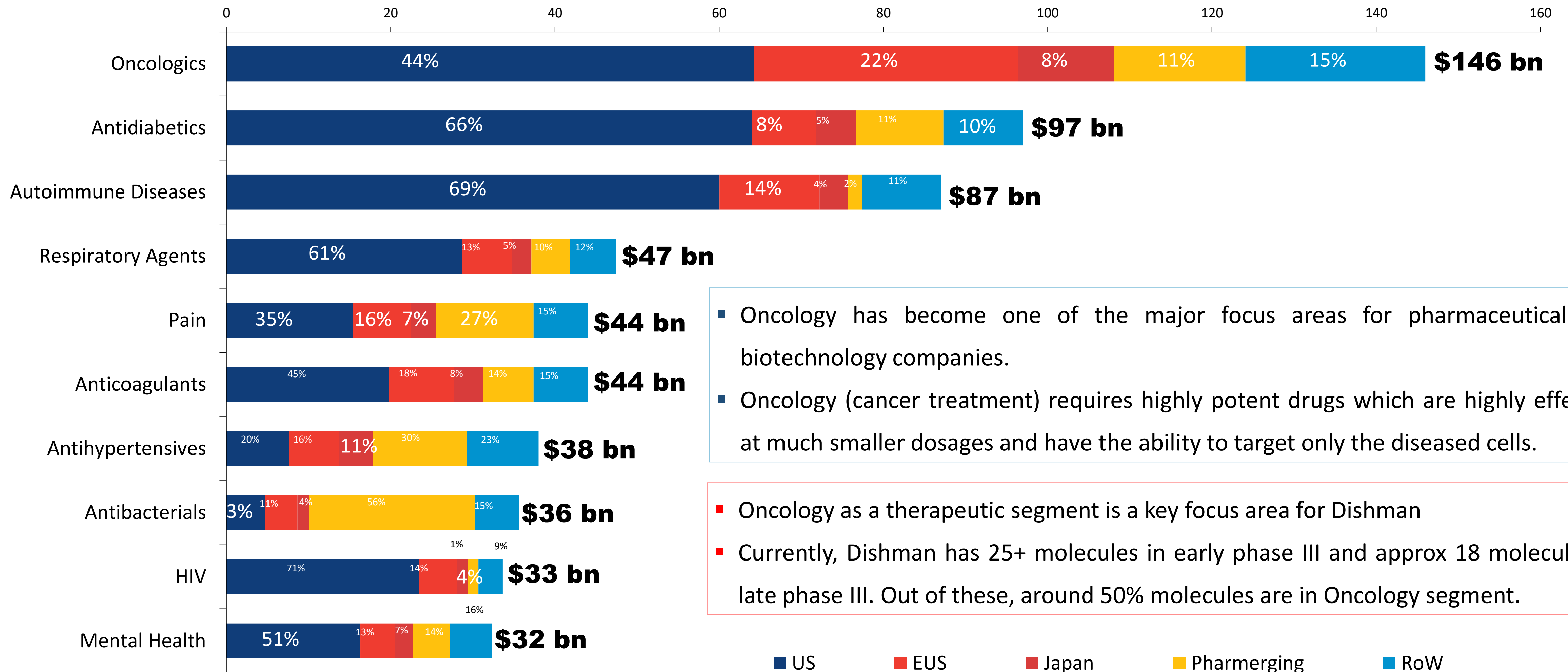
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# 2019 Global Sales by Therapy Areas

## Specialty areas dominate sales and growth driven by developed markets

Top 10 Therapy Areas (US\$ bn) - 2019



- Oncology has become one of the major focus areas for pharmaceutical and biotechnology companies.
- Oncology (cancer treatment) requires highly potent drugs which are highly effective at much smaller dosages and have the ability to target only the diseased cells.

- Oncology as a therapeutic segment is a key focus area for Dishman
- Currently, Dishman has 25+ molecules in early phase III and approx 18 molecules in late phase III. Out of these, around 50% molecules are in Oncology segment.

■ US ■ EUS ■ Japan ■ Pharmerging ■ RoW

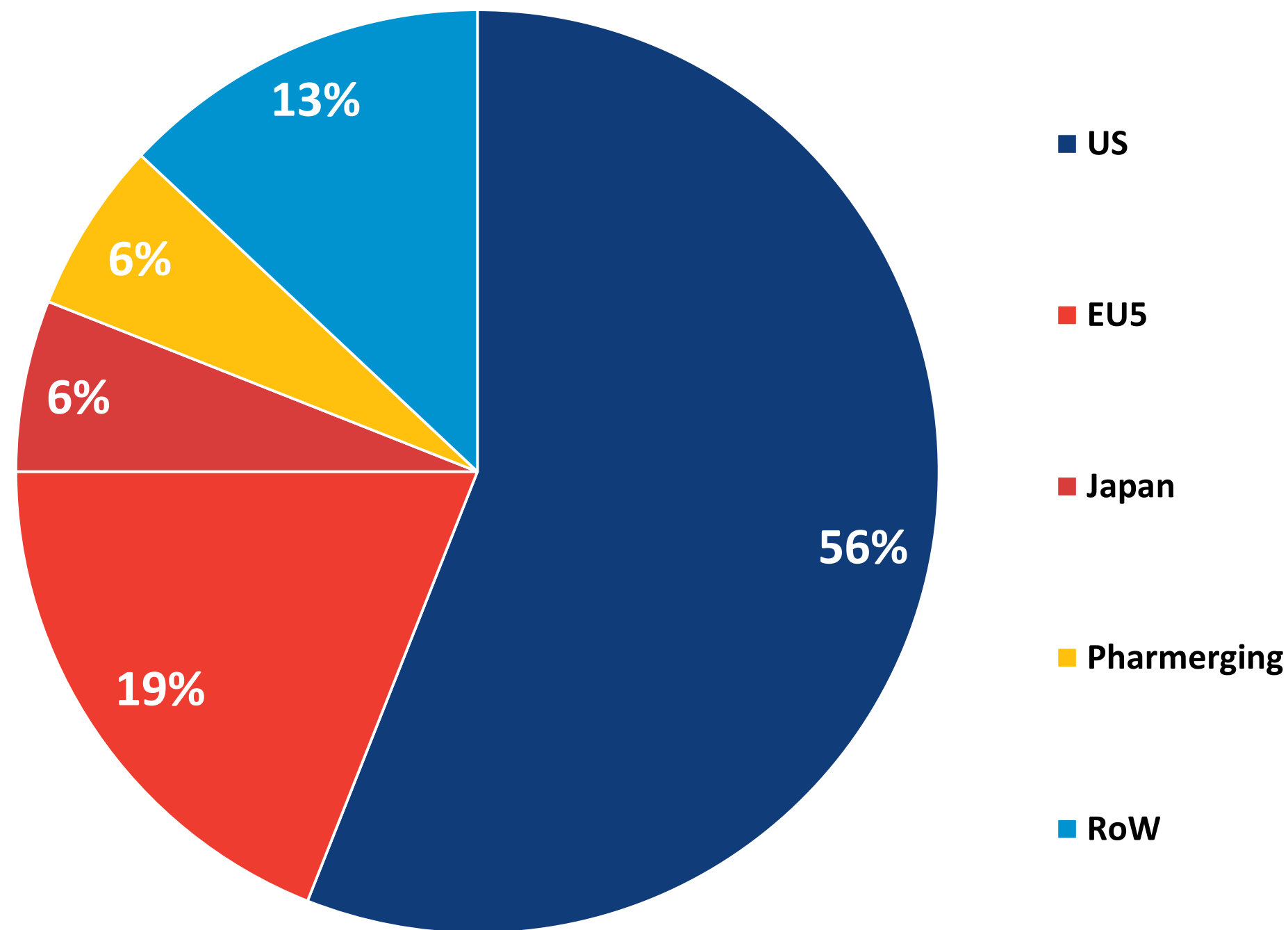


# SPECIALTY: MARKET SHARE & GROWTH

## Developed countries account for >80% of specialty market

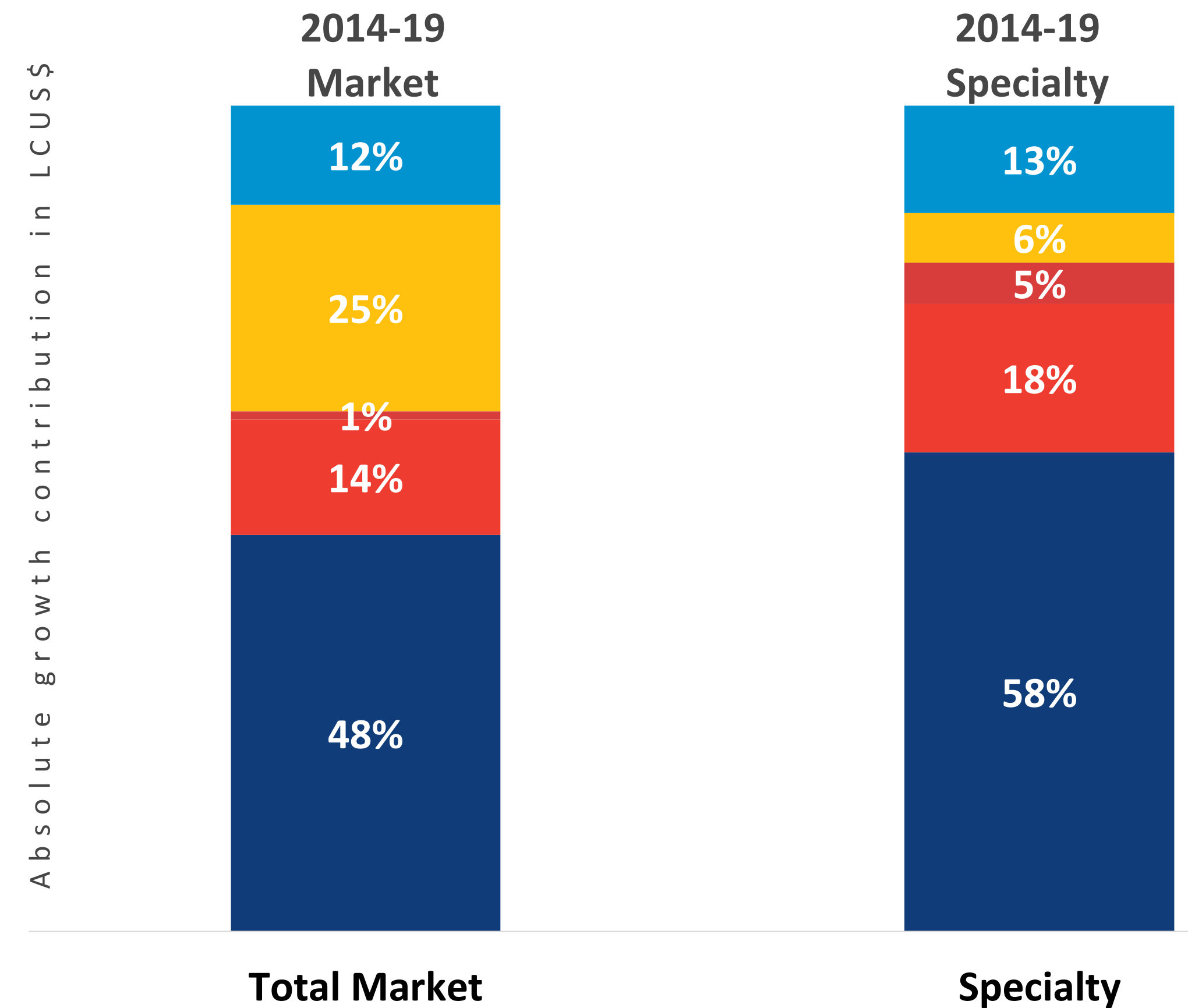
Specialty: Region Market Share 2019

81% of all specialty sales from 7 countries



Source: IQVIA MIDAS Q4 2019, Rx only; Venezuela excluded due to currency fluctuation

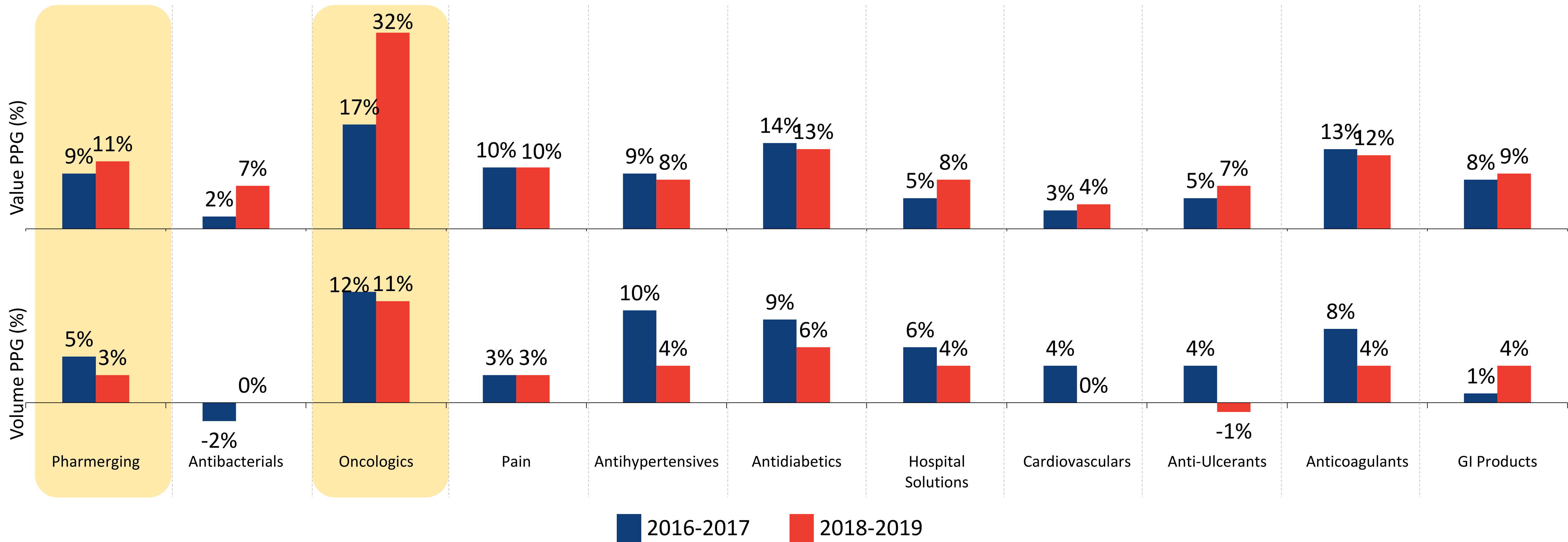
Region Contribution to Global Growth



# PHARMERGING MARKETS - ONCOLOGY LEADS GROWTH



## Pharmerging Top 10 therapy areas, value and volume growth



Note :Rx only; Traditional Chinese medicines excluded; SU used for volume growth and LCUS used for value growth

Source: IQVIA MIDAS MAT Q4 2019

### **Dishman**

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Gujarat, India

[www.dishmangroup.com](http://www.dishmangroup.com)

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Switzerland

[www.carbogen-amcis.com](http://www.carbogen-amcis.com)

# Thank you!

## **FOR FURTHER QUERIES**

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Group CFO

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