

A large, abstract graphic dominates the center of the page. It consists of several thick, flowing, curved lines that swirl together in a circular motion. The lines are primarily orange and yellow, with some darker orange and blue tones, creating a sense of movement and energy. The background is a solid dark blue.

Driving Transformation Delivering Growth Deepening Sustainability

2022-23 Annual Report

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Cautionary Statement

Certain statements in this Report relating to our business operations and prospects may be forward-looking statements. These statements can be identified by usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are dependent on assumptions, data or methods that may be incorrect or imprecise and hence may be incapable of being realised. Such statements are not guaranteed of future operating, financial and other results, but constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks and uncertainties some of which are beyond our control. We do not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Driving Transformation

Delivering Growth

Deepening Sustainability

Throughout the year, Neuland has made significant strides in its transformation journey. Our focus has been on delivering our targets and building for the long term with the strategic priorities acting as our framework towards a better, stronger, and future-ready organization. We are also transitioning from a product-centric approach to a project-centric mindset, enabling us to become a valued partner to our customers, surpassing their expectations.

As we progress on this transformational journey, we have achieved good growth and resumed our upward trajectory. This growth stands as a testament to the strategic direction we have charted over the past few years and dedicated pursuit of our priorities. Moving forward, we are confident in maintaining this growth momentum as we fortify our business, build a differentiated product portfolio and forge strong customer partnerships.

Our commitment to integrating environmental, social, and governance (ESG) activities into our operations has been intensified, recognising their importance for business sustainability. From adopting a 'zero wastewater discharge' policy and exploring environmentally friendly alternatives in our operations to contributing to the well-being of our local communities and enhancing stakeholder relationships through robust corporate governance, our focus on ESG aspects remains unwavering.

This report serves as a reflection of the past year and insights for the future. Looking ahead, we remain steadfast in driving further transformation, delivering sustained growth and deepening our sustainability efforts. Our central focus remains creating value for our stakeholders and shaping a brighter future for Neuland.

COMPANY OVERVIEW

At the forefront of API development and manufacturing



Neuland Laboratories is a leading, global active pharmaceutical ingredient (API) manufacturing and development organization that caters to the pharmaceutical and biotech industry's chemistry needs. Right from synthesis of pre-clinical compounds to supplying New Chemical Entities (NCEs) and advanced intermediates at various stages in the clinical life-cycle, as well as commercial & generics, we offer agile and flexible API manufacturing and development services.

We cater to over 500 customers in 80+ countries. Our complex chemistry capabilities together with our regulatory-compliant manufacturing facilities have made us a trusted provider of APIs and advanced intermediates. The Company's product portfolio includes over 100 APIs across 10 diverse therapeutic areas.

Our custom development services include a full range of the pharmaceutical industry's chemistry requirements, right from pre-IND through commercial manufacturing. We offer both small-scale clinical trial quantities and full commercial-scale supply with minimal tech transfer timelines. Neuland's peptide synthesis services include production of peptides from milligrams to multi-kilogram scale by standard sequential chemical peptide syntheses and segment condensation strategies. Neuland has expertise in both solution phase, solid phase synthesis and hybrid methodologies.

At Neuland, we are actively integrating sustainability into our business by taking cognizance of stakeholder expectations across environmental, social and governance (ESG) parameters. The spectrum ranges from efficient usage of chemicals and solvents, climate protection, ethical business practices, sustainable supply chain, the health and safety of our people to robust risk management along the value chain.

We are headquartered in Hyderabad, India and our manufacturing and research facilities are situated near Hyderabad. The Company has Business development offices in the US, Europe and Japan.



Our Values

We follow a strong set of values, termed 'The Neuland Way', which spurs integrity and motivation among the workforce.



Neuland in Numbers

Company facts

39+

years of experience

907 KL

API manufacturing capacity

100+

APIs across 10 therapeutic areas

80+

countries where customers are located

950+

Drug Master Files (DMFs) worldwide

65

active US DMFs

73%

revenue from exports

1,573

employees

Financial performance

₹1,200.9 crores

Total Income

₹281.1 crores

EBITDA

₹163.1 crores

Profit after Tax

₹953.2 crores

FY 2022

₹144.3 crores

FY 2022

₹63.5 crores

FY 2022

Environmental, Social and Governance performance

Silver Sustainability rating

given by ECOVADIS FY 2022

3,000+

saplings planted

85%

employees covered under leadership & development interventions



92%

treated wastewater recycled

15%

reduction in carbon usage

Our Revenue by Geography



* % Refers to FY 2023 Sales by end market

OUR INFRASTRUCTURE

Facilities aligned with customer requirements

We have systematically expanded into multiple production facilities, broadened our capabilities and built a robust track record of global regulatory excellence. Investments in infrastructure enhancements continue for meeting evolving customer needs and driving long-term competitiveness.

Manufacturing Facilities

UNIT 1: Bonthapally, Hyderabad



Year of Establishment
1986

API manufacturing capacity
233 KL

Hydrogenation Reaction Volume
7.4 KL

Solvent Recovery System
100 KL/D

Cryogenic Reaction Volume
25 KL

Regulatory approvals
US FDA, EDQM, CFDA, PMDA, et al.

UNIT 2: Pashamylaram, Hyderabad



Year of Establishment
1994

API manufacturing capacity
363 KL

Hydrogenation Reaction Volume
6 KL

Solvent Recovery System
20 KL/D

Cryogenic Reaction Volume
15 KL

Regulatory approvals
US FDA, EDQM, PMDA, ANVISA, et al.

UNIT 3: Gaddapotharam, Hyderabad



Year of Establishment
2017

API manufacturing capacity
305 KL

Hydrogenation Reaction Volume
Facility creation under process

Solvent Recovery System
50 KL/D

Cryogenic Reaction Volume
15 KL

Regulatory approvals
US FDA, EDQM, PMDA, ANVISA, et al.

Research & Development Centre



Development Labs
15

Fume hoods
60

Analytical Labs
-

Dedicated kilo Lab for
Scale up

Dedicated labs for
Peptides

Separate facility for
D2 analogues

Approvals
Department of Scientific and Industrial Research (DSIR), Government of India and US FDA

OUR BUSINESS SEGMENTS

Unified focus: API development and manufacturing

We are a dedicated 100% API provider with our regulatory compliant services focussed on the singular objective of meeting the API requirements of generic and innovator pharmaceutical companies.



Generic Drug Substances

Engaged in the manufacturing of non-exclusive APIs, which are supplied to the leading generic pharmaceutical companies globally.

The vertical has two segments: Prime APIs - comprising large volume, mature molecules, and Specialty APIs – comprising lower volume, complex molecules with less competition.

Strengths

We have earned the identity of a preferred and reliable API supplier in the pharmaceutical industry due to our consistency in product quality, knowledge and ability to deal with niche chemistry, and on-time delivery performance.



Custom Manufacturing Solutions

Engaged in the custom development and manufacturing of New Chemical Entity (NCE) APIs for pharmaceutical and biotech companies bringing new innovations to the market.

We help handle a range of chemistry services from pre-IND through manufacturing that includes small-scale clinical trial quantities as well as full-scale commercial supplies with minimal tech transfer timelines.

Strengths

Our deep understanding of complex chemical processes and manufacturing has enabled us to build a strong track record in delivering custom manufacturing solutions. We are supported in our efforts by our state-of-the-art R&D centre and cGMP-compliant manufacturing facilities.



Business Vertical	Generic Drug Substance		Custom Manufacturing Solutions
Solutions	Development and manufacturing of non-exclusive APIs		Exclusive contract development and manufacturing of NCE APIs
	Prime	Specialty	
Revenue Share	32%	27%	37%
Customers	Generic companies		Innovators
Achievements	950+ DMFs filed 3 New DMFs filed in FY 2023 300+ API processes developed 204 patents filed		Several NCE APIs added in NDA or commercial-stage drugs Support for multiple APIs each year in Phase 2 and Phase 3 clinical candidates