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15th May 2025

To,

BSE LIMITED
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400051

Dear Sirs,

Subject: Transcript of Analyst / Institutional Investor Meetings

We wish to inform you that pursuant to Regulation 30(6) of Schedule III, of the Listing Obligations and Disclosure requirements (LODR), Regulations, 2015, please find enclosed the link for video recording & transcript link uploaded on the website at https://india-pharma.gsk.com/en-in/investors/analyst-meets/ of the Analyst / Institutional Meeting held on 13th May 2025.

Thanking you,

Yours faithfully
For **GlaxoSmithKline Pharmaceuticals Limited**

Ajay Avinash Nadkarni
Digitally signed by Ajay Avinash Nadkarni
Date: 2025.05.15 15:52:07 +05'30'

Ajay Nadkarni
Vice President – Administration, Real Estate
& Company Secretary

CIN: L24239MH1924PLC001151

“GlaxoSmithKline Pharmaceuticals Limited

Q4 FY2025 and Full Year Earnings Call”

May 13, 2025

MANAGEMENT: **MR. BHUSHAN AKSHIKAR – MANAGING DIRECTOR – GLAXOSMITHKLINE PHARMACEUTICALS LIMITED**
MR. JUBY CHANDY – CHIEF FINANCIAL OFFICER – GLAXOSMITHKLINE PHARMACEUTICALS LIMITED

Moderator: Hi, good evening, everyone. This is Zico Pereira, your moderator from Chorus Call. Welcome to the GlaxoSmithKline Pharmaceuticals Limited Q4 FY 2025 and Full Year Earnings Call.

From the management at GlaxoSmithKline Pharmaceuticals Limited, we have Mr. Bhushan Akshikar, Managing Director, GlaxoSmithKline Pharmaceuticals Limited and Mr. Juby Chandy, Chief Financial Officer, GlaxoSmithKline Pharmaceuticals Limited. By participating in this event, you consent to the recording, distribution, and publication of this event. Kindly note that this call is meant for investors and analysts only.

All participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation from the management concludes. I now hand the conference over to Mr. Bhushan Akshikar. Thank you and over to you, sir.

Bhushan Akshikar: Thank you very much once again for setting that context. A very good afternoon to all the investors and the analyst community. As we commit every quarter, we just concluded our board meeting and here we are to share the results of Q4 and the full year financial year 2025.

Before I begin, I think I just want to start off from where we left last time. We continue to be one of the most broadly diversified healthcare companies operating in India. We are in our first year of our second century of commercial operations, so indeed a privilege and honor to share the full year financial results.

As we had shared, the progress continues to be broad-based as a fairly diversified commercial operation. We operate at both ends of the spectrum and if you see the general medicines portfolio, which really is the mainstay of touching millions of lives almost on a daily basis, we have had a fairly stable performance in Q4. Contrary to our expectations, the external landscape did not evolve as well as we had expected, especially in comparison to Q4 of the previous financial year.

Nevertheless, in a market that saw stunted growth, especially around acute segments of the Indian pharmaceutical market, our brands continue to hold sway across the portfolio. If you have seen our evolution index, as well as our growth, held their numbers. If you see our EIs (Evolution Index), which are the best reflection of our prescription support, continue to be ahead of 100, which means you've done better than the market, and the same story played out for our pediatric vaccine business.

Something that I had talked to you a couple of quarters back in terms of really becoming a frame of reference for accelerating our digital ways of working, we continue to move strength to strength and with this quarter, we had a significant contribution in terms of our digital strategy apart from our frontline sales reps who meet and detail and promote our products to healthcare practitioners.

We've also been able to continue to unlock value by having more than 400,000 unique HCP touchpoints through our omni-channel and digital strategy. So, in terms of the sheer number of touchpoints, we continue to move quarter to quarter and really unlock value through our digital ways.

So, from that perspective, we clearly move to some of the main brand performances. You've seen the mainstay of our brand. So, if you look at a majority of the period between April 2024 and March 2025, Augmentin has continued to be holding the market leadership within the broad market as well as the anti-infectives segment.

Not only that, we have improved our market shares and our evolution index. So, I think the same applies to Ceftum, the same applies to T-Bact. So, our mainstay, which is the anti-infectives portfolio, in spite of a suppressed external growth of just about 3%, if you look at our volume growth, we've really held the share as well as grown our market growth.

An area of importance and increasing relevance continues to be our investments in our respiratory portfolio. One of the things that I've been talking about is how do we continue to build our growth platforms and the new assets that we have in the form of Trelegy Ellipta, as well as Nucala, and continue to move from strength to strength every single month. We have done well and especially in Q4, we have created new benchmarks in terms of our evolution index as well as the number of sheer patients that we were able to touch.

As we all know, the single inhalation triple therapy continues to be the biggest growth driver within the respiratory space and Trelegy, which is our biggest global asset in the general medicines portfolio, continues to be a cornerstone of our future respiratory strategy, even in India. Something that we've been betting on and I've been sharing with you the progress. So, for the quarter four, we've tweaked our strategies after really spending energy and building -- and building shingles awareness in the country over the last several quarters.

We've continued to hold our awareness at a certain level, but I think the good news is with every passing month, especially if you see on that bar graph, for quarter four, we've been able to have almost 20,000 doses [of Shingrix], touching 10,000 doses in a single month of March alone to really have new patients being empowered to take charge of preventive medicine, especially to prevent a dreadfully painful disease like shingles and herpes.

We not only continue to build our energy around the adult vaccination ecosystem, but we also on a monthly basis, we have new wins in the form of not only HCP [Healthcare Practitioners] recommendations, but examples of really creating those adult vaccination ecosystems, especially around joint business plans that we're putting together in the hospital setting where patients have easy access.

And we can complete that golden journey from the time that a patient hears about prevention and actually gets a jab in his or her arm. So, we continue to invest, we continue to remain absolutely confident about the way forward in building the vaccination ecosystem for adults, led by Shingrix in the coming quarters.

So, as you would see in the financials, the second century of our operations becomes even more exciting. As we had said in the last quarter, in this coming financial year, we will also have the launch of new growth areas, especially new therapies, like oncology, and it's an exciting year ahead. But for now, based on the strategic elements that I just shared with you in the broad-based portfolio of products and businesses that we have, we'll now spend some time looking at the financials, and we'll spend more time on the question-answers in the coming few minutes. Juby, over to you.

Juby Chandy: Thank you, Bhushan. Good evening to all of you. I'll take some time to share with you, I'll give you a bit more flavor on the financials, which you might have already seen, which we released to the market. Firstly, we made strong progress both on every level of financials during the year, and I'll take you through a bit more detail in the coming slides.

But if you see the revenue block, INR 3723 crores, which is a 9% growth, and this is predominantly led by volume growth. Our general medicine business, more of the established brands in that portfolio, volume growth of 8% we have seen for the full year.

Specialty segment, which we have taken a bet to invest more during the year. We've seen a growth of 35%. Pead [Pediatric] vaccines remain stable with 12% growth. Shingrix, Bhushan just spoke about that and shared more details. There also we made a great start during the year. All our key brands have been gaining market share and outperforming the market.

EBITDA growth, this is the highlight of this financial year. It's INR 1169 crore, which is a growth of 30%, and we have significantly improved our EBITDA margins from 26% last year to 31% this year. EBITDA margins have improved predominantly on gross margin and operating leverage, which we had.

Gross margins have improved both on pricing side, as well as better pricing on the raw materials. On SG&A, we've seen cost optimization and cost consciousness have driven us to help to be on tab on SG&A. SG&A as a percentage of sales have decreased close to 4 percentage and our field productivity has also improved 9 percentage..

PAT is keeping the same trend, 32% growth and 25 percentage as a margin point. Again, the highlight here is all the profits have been converted to cash. We are sitting at a balance sheet date estimated close to INR 2,500 crores cash, very healthy balance sheet. We are a zero debt company and EPS growth of 32 percentage. Again, all the return metrics have improved during the year. And you would have also noticed the Board has declared a final dividend of 42 per share. This is in addition to the interim dividend, which we had declared in the last quarter.

I'll take a moment to showcase the progress we have made. If you remember 2 years back during the NLEM time, me and Bhushan came and shared a strategy and articulated how we are moving up with the volume led strategy and some of the new launches we have. We were planning then. So we made significant progress since then. If you see over the last 2 years, we made improvements in the gross margin. Our EBITDA profile has improved from 23% to 31% over the last few years. We were able to contain our employment cost. As we speak, we are at 15.7 as a percentage of sales. This has come down significantly. That's why operating leverage is at the end of the place.

And if you see the return on capital employed and return on net worth, both are tracking upwards and high double digit percentages. Again, market cap is a reflection of all these things and we have seen significant improvement in the market cap over the last few years. So that's a short summary of the full year, as well as the improvements we have made in the last couple of years.

Now move on to the quarter. You could see the similar trend in the quarter. The revenue growth has been 6%, predominantly led by volume growth. It's been a soft quarter for antibiotics. That's why it's a bit muted compared to the full year, but we've been gaining market share across our portfolio. Specialty portfolio has been doing quite well. It's been growing double digit. Pediatric vaccines 10% growth and Shingrix again driving performance on the vaccine portfolio. EBITDA margin, you could see the same trend, the growth and the margin profile keeping up. 30% growth on EBITDA for the quarter and PAT, 36% growth. Our cash position is very strong and that's some context in which we have declared a strong dividend as well. So that's it. A quick summary on the financials. We can open the floor for any questions.

Bhushan Akshikar: Thank you, Juby. I think the whole idea is to spend more time answering questions from our investors.

Moderator: Thank you. We will now begin the question-and-answer session. Our first question comes from the line of Pritesh Chheda. May I request you to accept the prompt on your screen? Introduce yourself and go ahead with your question, please.

Pritesh Chheda: Yes, I wanted to ask you on the margin side. So, you know, we see a newer margin in quarter four now at about 34%. And last full year, we have gone through a large round of margin upgrade via the SGA line leverage. Any comments on the incremental margin expansion possibility over the full year of 31% which you reported? And obviously, last year, there were fallouts by the management on the reasons for the margin upgrade. So, should 34% exit is a reference one can refer to, or you have any other comments on the margin upside?

Juby Chandy: So, let me take that question, Bhushan. So, firstly, I think a business is seasonal. So, different quarters have different margins. So, for guidance, you might have to take the full year margin, which is a bit of margin of 31.4. This is what we are tracking as a sustainable margin. Now, you might have noticed the margin profile has gone up significantly, a lot of low hanging fruit. So, lots of changes we have made and we are at a perhaps at a stabilization stage. So, at this stage, you should not expect a big change in the margin profile upwards.

Pritesh Chheda: Okay. My second question is on the new launches. So, we had a lot of products for approval in India, especially on the onco [oncology] and the respiratory side. So, any update you want to share on the possible launches, if any, this year and next year?

Bhushan Akshikar: So, I will take that question, Mr. Pritesh. So, first of all, thank you very much for asking around the margin and I think I echo Juby's sentiment. Our endeavour will be to sustain that margin, annual margin as opposed to seeing any opportunities for further expansion.

Having said that, I think, which also means our ability to invest in the new business line, especially in the high growth areas like oncology. As I had shared in the last investor call, we have the marketing authorization for two of our global assets; Dostarlimab which is the brand -- the trademark is Jemperli and Niraparib, which is Zejula, respectively, in gynecological malignancy. So, those are the first two ones, which will go off the block in terms of a long sequence in this coming financial year.

We will continue to update the investor community because, as I have said, in the previous investor meetings, we have global clinical trials ongoing for a section of Indian patients as well and that would help us accelerate some of the regulatory timelines in terms of rules. But to begin with, our launch sequence is first focused on these two assets within oncology, namely Jemperli in endometrial cancer and Zejula in ovarian cancer.

Pritesh Chheda: Okay. So, most products are in onco [Oncology]?

Bhushan Akshikar: The first two ones, the first two innovative assets will be in oncology. That's how I would answer that.

Pritesh Chheda: So, the two launches this year, you are referring to is the onco launch, right?

Bhushan Akshikar: As I said, the first ones that will go off the block next month. As I said, we have clinical trials ongoing. As you would expect, there are regulatory timelines of which quarter of which we would love to launch some of these assets sooner than later. Rule 101 is yet to play out in terms of the finer details. So, we have a slew of products in oncology as well as vaccines. And to begin with, these are the two assets where we have full visibility and that's what we are sharing with you.

Pritesh Chheda: My last question, sir, is on the general medicines performance this year, which is a fairly robust performance considering the market. So, an 8% volume growth for a base portfolio is a fairly strong number. So, what went into this growth and what is the sustainable growth you think in the general medicines portfolio? That will be my last question. So, the reason for this stronger growth, what exactly we need to do it? What efforts have we put? And what should be a sustainable?

Bhushan Akshikar: Probably, Mr. Pritesh, we will require two hours to answer your first question, but I will definitely give you an abridged version of it. Clearly, what defines the success of some of these iconic assets that we have in the general medicines portfolio is the science behind why some of these brands continue to be, as I keep saying, not trademarks, but these are trust marks. And if you have to dial up that trust with healthcare practitioners, patients at large, we need to keep investing in science.

So, I think we've unlocked some significant value, especially in the area of antibiotics, for example, in creating something called India Infection Index, which really allows physicians to take real-time decisions in choosing the appropriate antibacterial, even the major issues of antimicrobial resistance that we have in our country. So, there are areas which have really helped us unlock value, and I think we will continue to invest in these areas moving forward.

The second question that you had was in terms of how do we see? So, obviously, many of these brands will continue to be the frames of reference within their respective therapy areas. And our endeavor as a team will be to continue to beat the market growth so that we continue to leverage and deliver similar performances in the coming quarters for the gen med portfolio.

Moderator: Our next question comes from Viraj Mithani. May I request you to accept the prompt on your screen? Introduce yourself and go ahead with your question, please. Mr. Viraj Mithani, may I request you to accept the prompt on your screen and go ahead with your question, please?

Viraj Mithani: My question is in terms of the launches…

Moderator: Sorry to interrupt you, Mr. Viraj. May I request you to use the handset, please? We are unable to hear you clearly, sir.

Viraj Mithani: So, my question is, there are two launches. One is in the oncological segment, which you said and one is in the respiratory. So, can you give some color in terms of the profitability, growth profile and the profitability of the company? Would it change the margins and any color is useful for us? I know you don't give guidance, but you can at least give some color. That's my first question.

Bhushan Akshikar: So, clearly, I talked about assets in oncology. Now, as we all are aware, oncology is a highly specialized, very focused area. So, you don't require armies of thousand reps on the ground. Given the nature of the landscape, these are very nimble-footed teams led by high science, evolving data readouts. So, that's where most of the investments will happen.

I've also said in one of the earlier calls that it will be our endeavor to build the next growth platforms at GSK India to not only sustain the performance of our base businesses in gen med and periodic vaccines, but also bolt-on these new growth levers led by, for example, Shingrix and then now oncology.

We also talked about products like Trelegy and Nucala in the past. And I think if you look at the freshness index in terms of the contribution of some of these assets over the last couple of years, this business didn't exist for us. Today, it contributes about INR120 crores-INR130 crores annual revenues. And the idea is to continue to build.

And you can imagine, in spite of those investments that we have made, the margin has only improved. You've seen in Juby's slides where we've shown how the margins have evolved. So, our endeavor will be to sustain the margins and the top line. We've made a very clear aspiration in terms of what will it take for us to continue to touch millions of lives with our gen med [general medicines] portfolio and our pediatric vaccine portfolio but also transform the operating model with the launch of innovative assets.

So, both would happen concurrently. I don't think I can hazard a response in terms of giving you guidance on the margin, but it will be our endeavor to hold the margins is the best I can tell you.

Viraj Mithani: So, my next question is...

Bhushan Akshikar: I'm sorry, Viraj, but there's some problem with the audio. Your voice is coming and going. I can't hear you clearly.

Viraj Mithani: My next question is, if I'm supposed to visualize Glaxo [GlaxoSmithKline Pharmaceuticals] five years from now, what kind of company should I be it visualizing as? Gen med plus the specialty, plus the vaccine, or plus something else?

Bhushan Akshikar: Well, I mean, for a company that has endured and endured for more than 100 years, a five-year period would probably, wouldn't do justice to the heritage that we've created, the trust that we have gained, but more importantly, the next century to which we are committed in India. So, I think, as I said, our ambition will be to continue to bring energy because many of these trust marks that I talked of will remain relevant in the Indian setting.

But how do you really accelerate the launch of our innovative assets and continue to be the frame of reference of everything around innovation in this country, which we've done for the last 100, 101 years now? That will be the way I will see it. So, I'm not going to focus only on the next five years. I think the organization has outlived generations based on the trust. So, that's where our focus will be.

Of course, in doing so, delivering the fair share of returns to our shareholders who remain committed over this 55, 60 years journey since the time you were listed. So, I think that remains the overarching principle for us.

Viraj Mithani: Sir, my last question is, any launches on the parents' [GSK Plc] table this year?

Bhushan Akshikar: I just talked about it. I think the previous question was on the same lines. I talked about two assets that will get launched in the next few months in the area of oncology.

Moderator: Our next question is a text question from Swathi from Zen Securities. Can you please provide revenue breakup in percentage from patented drugs, OTC, and prescription drug sales?

Bhushan Akshikar: You want to take that, Juby? But I can give a quick... So first of all, we don't... I mean, typically, we don't give segment-wise analysis because it's a broad portfolio of products. As I said, we operate at both ends of the spectrum. But if I were to give you a thumb rule, we right now have about 80%, 70% or 80% of our business coming from the pharmaceutical business.

We don't have any OTC products. So, all our products are ethically prescribed. We have feet on the street. We have reps who go and promote our products. And the balance is the vaccines portfolio. So, that's how we are structured right now. I hope I answered you, Swati.

Moderator: Thank you. Our next question is a text question from Deepak Malik from Carnelian Capital. Please share your guidance for FY26 in terms of revenue and EBITDA margins.

Bhushan Akshikar: Do you want to take that, Juby? We don't give guidance...

Juby Chandy: We don't give forward guidance on statements and EBITDA margin. So, that's it.

Moderator: Thank you. We have another question from Mr. Deepak Malik from Carnelian Capital. Please share new product launches for FY26.

Bhushan Akshikar: I think I just answered this earlier. So, we have... Apart from focusing on contemporizing our GenMed portfolio, so we're always looking at opportunities to launch line extensions for some of our big brands. And that will be continued. So, we have big brands like Calpol, Augmentin, Eltroxin. And it will be our endeavor to continue to breathe new life by way of extending the life cycles of many of these trust marks.

But apart from that, from the innovative abstract portfolio, we have Zejula and Jemperli from the oncology portfolio, which will get launched in the immediate next couple of months.

Moderator: Thank you. Our next question comes from Gokul Maheshwari from Awriga Capital. In the press release, you have stated that you intend to grow above market growth in FY2026. In the past, there was an aspiration to grow in double digit. Does that aspiration still hold?

Bhushan Akshikar: Yes, absolutely. Our aspiration continues to hold. And that's something...So, if you've seen the IQVIA prognosis, the market is supposed to grow anywhere between 8% to 9%. And that's why you said we want to ensure that we deliver above market growth. So, the answer is yes.

Moderator: Thank you. We have a text question from Deepak Malik from Carnelian Capital. Please share the opportunity size, competitive landscape, and revenue potential for Jemperli and Zejula.

Bhushan Akshikar: As you would imagine, Mr. Malik, every single indication has a different opportunity size. The going in position, as you may be aware, Zejula is indicated as a first-line maintenance treatment in ovarian cancer. Amongst gynecological malignancies, ovarian cancer, endometrial cancer, they are among the top five.

So, if you look at the prevalence, if you look at the incidence, we have almost 6.6 per lakh population in terms of ovarian cancer. That's the prevalence right now. So, the idea is to really capitalize on the opportunity that Zejula offers as a first-line maintenance in ovarian.

And we are, of course, launching as a second-line indication for endometrial for Jemperli. Again, a significant opportunity. Concurrently, in line with our global strategy, we'll be pursuing first-line. And of course, there are ongoing trials for this asset in several other indications. So, each indication will open up new opportunities. So, I think we can always spend time looking at how each of these opportunities will pan out.

But as you may be aware, the oncology therapy area is one of the fastest growing areas. And as a clear opportunity that we have in the form of the first immunotherapy that GSK will launch, it will be our endeavor to ensure that maximum patients benefit within the approved indications for which we will be launching this to begin with.

Moderator: Thank you. Our next text question comes from Ravi Purohit from Securities Investment Management Pvt. Ltd. While we have done well on the antibiotic portfolio and vaccines, we have some very strong brands in the derma space. That's one space with a lot of potential. Yet, we have not seen GSK talking, discussing much on these. It will be great if you could share some of the initiatives we might be taking in that space. Thanks.

Bhushan Akshikar: Always good to hear from you, Mr. Purohit. Thanks for attending, like every time. Yes, I think I didn't give a flavor, a specific color on our derma portfolio.

But if you look at the specific quarter, in spite of the sluggish growth that we had in anti-infectives and pain, where we primarily have some of our big antibiotic brands, and of course, the big paracetamol brand sitting. In spite of our very sluggish growth there, we were able to deliver, you saw the 6% growth for the quarter. And it was all volume-led.

But I think the good news was the silver lining in that performance was the strong performance of the derms business, which grew in double digits for the quarter. Most of the brands have done exceedingly well throughout the year. Yes, I have not calling out derms, but we continue to be the number one player in the derms segment, again, going around science.

So clearly, I think derms is one area where we continue to invest and look for opportunities to even grow further. Thanks for asking that, Mr. Purohit.

Moderator: Thank you. Our next text question comes from Ravi Purohit from Securities Investment Management Pvt. Ltd. Is there an opportunity for us to be able to export some of the medicines to our associates, especially in Southeast Asia and African regions? A lot of our brands are well known, not just in India, but globally. If India is able to make it cheaper, can this be one of the growth opportunities?

Bhushan Akshikar: Well, Mr. Purohit, first and foremost, it's a great question. Thanks for asking that. In the past, we've done that. We used to be a sourcing base. Some of our factories used to cater to the external demand. Today, as we speak, we have still our manufacturing operations. We still have a state-of-the-art site, which is operational in the Nashik area, which caters to almost one-third, more than one-third of our top line revenues of our general medicines business, all manufactured locally within our factory.

To begin with, we do manufacture for WHO from that factory, something that we supply as a part of our commitment to eliminate lymphatic filariasis. We do manufacture products here, which are supplied not just to the Indian government and the health ministry here, but the idea is to take it to the next level.

Will we be able to commercialize this and take it to... That's not a part of the remit right now. I think the focus is clearly to use all our expertise in accelerating the innovation pipeline, and that's where we would probably spend more energy and time.

I think the supply chain strategy continues to be an important element when I look at the overall GSK India strategy. I think right now the whole emphasis is on accelerating new launches from our global pipeline, because as I said, we have some exciting opportunities lined up, including some of the trials that are happening in India. So that's where the focus will be.

Moderator: Thank you. Our next text question comes from Mahesh Vyas from UTI Mutual Funds. How much can be TAM for next two onco products, which will be launched and also in terms of usage, in terms of stages of patients, in terms of range-bound market size?

Bhushan Akshikar: Well, I mean, it's a great question. And as you would expect for any oncology asset, I said that in one of the earlier questions, the going in position for both the assets is the approved indications that we have. And as I said, Zejula, which is Niraparib, is indicated as the first-line maintenance in ovarian cancer.

There are trials going on for the same asset in different other malignancies right now, including in India. And each of these presents significant commercial opportunities. But as you would expect, we all have to wait for the data readouts, for the data to be presented in oncology congresses.

And that's where we probably are able to give you color in terms of the size. Going in position, again, might sound repetitive, but we have approval for second-line endometrial, which is still a significant opportunity for Jemperli, dostarlimab. The same asset is being evaluated by way of clinical trials, even happening in India, for colorectal, which is colon cancer, for head and neck, for non-small lung cells.

So there are different trials ongoing. And as I said, each of these presents a completely unique opportunity. But to begin with, we have the going in position for these two assets in the approval of indications that we have.

Moderator: Thank you. We have a text question from Ravi Purohit from Securities Investment Management, Private Limited. Given that we are now doing parallel clinical trials for global as well as India market, should we expect future new launches to come with shorter intervals compared to their global launches in India? Thanks. And I would like to congratulate the entire team led by Mr. Akshikar to getting growth back for GSK in India.

Bhushan Akshikar: Mr. Purohit, thank you very much for the reassurance and confidence one more time. Yes, I think the whole idea is to get the drug lag, the launch lag reduced. And that's the whole intent of having almost 19 global clinical trials happening in India as we speak, in the areas of oncology, in the areas of hepatology. There's a global asset that we have, which might be the first functional cure for chronic hepatitis B infection.

And so assets like that, which are completely innovative are undergoing trials here. With this data, we can always engage with the regulatory agencies, especially in the context of Rule 101 to see accelerated launch timelines. And that's the real intent of ensuring that patients in India can benefit without having to have long lag times between global launch and within India. So the answer is yes to your first question. And thanks once again for your second point.

Moderator: Thank you. Our next question comes from the line of Mr. Deepak Malik.

Deepak Malik: Yes, hi, this is Deepak from Carnelian. So thanks for taking my question. So my first question is, so next year, you said that you intend to deliver growth more than the IPM growth, which is around 8%, 9%. So in this, how do you see the pricing growth, especially in the portfolio, which is under the NLEM and in the rest of the portfolio? Because last year, I believe that pricing was an issue where we were not growing. Volume growth was very healthy. So next year, so how do you see the pricing growth in your overall portfolio?

Bhushan Akshikar: Thank you very much, Mr. Deepak. I'll take the first part and probably hand it over to Juby if he wants to add anything. Yes, if you look at the last two years, we've had our performance underpinned by strong volume growth. I mean, right from the time we had inclusion of some of our big assets in the NLEM list and therefore becoming a part of the pricing control order end of 22, the last two years have largely been volume led. And I think that will continue for us.

To your specific question around pricing, yes, we couldn't dial in any price hikes last year. More than half of our portfolio in general medicines is under price control. So that obviously leverage is not available for us. We've seen this year, the government has already announced a WPI high curve, I think 1.75. So that's something that we can dial in at appropriate times for the portfolio, which is under price control.

And the rest as and when we have opportunities, we will ensure without, of course, ensuring the right balance between what the price is for the patients and consumers. So the answer is yes, that's a lever. But again, compared to the past, we don't see this as the main driver. I think our strategy will still continue to be driven largely by volumes because that really is the best metric to tell you the health of the business, because that's the closest unit to your prescription generation that you're doing as a company. Mr. Juby if you want to add something.

Juby Chandy: I think I would just add a couple more points. One is, if you understand our portfolio close to 38% of our portfolio is under price control, we call it an NLEM. So that 38% of our portfolio, whatever WPI price increase comes from the government, we'll take it. Okay, so that part, depending on what comes out, that will be playing out as it goes. The remaining 60%, wherever there are opportunities at the end of the day, most of our products are generalized, there is a volume play.

So wherever there is an opportunity compared to competition, it doesn't make it less competitive for us, we'll take a price increase. So basically, we are very active on the pricing, wherever there's an opportunity we'll take, particularly on the NLEM part based on the WPI, non NLEM part based on the competitiveness.

Deepak Malik: Thanks. So here, if I see the comparison, like many of the Indian companies which are like quite big in the domestic pharma, like Torrent and the other companies. So there I see their volume growth is hardly 1% or 2%, 3% and like 7%, 8% kind of price increase they take. But here GSK like even in the 60% of the portfolio, we have not seen much of the price increase. So any reason that we refrain from taking price increases for the portfolio under the NLEM, I can understand, but even in the rest of the portfolio, there's hardly any price increases over the last 2 years. And going forward also, we are not that keen. So any reason for that?

Juby Chandy: The rest of the portfolio, we take price increases, just get blended and you are not seeing that. This year what happened, the NLEM portfolio, there was an increased discount strategy to drive the volume that's getting blended there. At the same time, vaccine portfolio, we are not able to take price increase to manage the competitiveness. Rest of the portfolio, we take on price increase.

Bhushan Akshikar: So Mr. Deepak, I think I will also jump in. Clearly, we do not have an allergy for price hikes and ensuring that we are not leaving any money on the table, especially from a shareholder value standpoint. But I think having said that, we are also mindful of the elasticity where we can take, we are definitely not losing, we are not leaving any money on the table.

Moving forward, I don't know whether I conveyed, it's not that we don't want to take, but the point I made was, it's largely a volume-led strategy because compared to many other companies as an organization, we have at least 11, 12 assets which are significant in size when you have an annual revenue of more than INR100 crores, INR150 crores of annual sales and you have 11 brands, 12 brands which are more than that sales value. I mean, every incremental prescription that you generate or unit that you generate is only going to multiply.

I think that's the going and driving strategy. On top of that, price hikes are like a cherry on the cake. I mean, we will not leave anything, but that's not the main driver for our business.

Deepak Malik: Fair enough. And I appreciate that we prefer the volume growth instead of price growth because that is the way you get the small market share. Second, I have an observation here. So, in IQVIA, whenever people then share the growth numbers for the month and for the quarter, for GSK it's always a very low number is being shared like 1% or 2% kind of growth or maybe decline also.

Our numbers which we have reported are always very superior to the one which is shown by the IQVIA. Any reason why our reported primary sale number and secondary sale numbers doesn't match? The difference in our case is quite high if I compare with the other companies where the difference is 1% or 2% kind of, but here the difference is very high?

Bhushan Akshikar: Absolutely. That's a great question. So, if you look at some of our key brands, the reflection is very, very similar. So, if you look at the top assets, our top key brands, big size brands, the reflection as you would see in the external syndicated research data, whether it is IQVIA or any other is very similar. I think where we have a sizable non-promoted portfolio which operates.

So these are brands which are not promoted. We either have a distribution model and that's a sizable portfolio about INR300 crores. That's where the reflections are completely differing. Plus, the vaccine market is usually under-reported if you see what we report in vaccines because that doesn't go through the normal channels of pharmacies and medical stores and general distributors. So, clearly there is an under-reflection in some of those therapy areas. But if you look at, if you stick to the big brands, the reflections are very similar. But that's really the underlying.

Deepak Malik: But then base is also the same. So, in the base also, then vaccine will not be there. So, on a base number, if there is such a strong volume growth in like general medicine category, so at least that should be reflective?

Bhushan Akshikar: So, you can take, as I said, when you look at, when you splice and dice, when you look at some of the big brands, the growths are absolutely, that's why you would see some of our brands which continue to be at the top of the pharma industry rankings. We have at least three or four brands which are in the top 20, 30, including the number one brand. So, those are brands where we don't see any differing views because those are exactly aligned with what we do in the market.

Juby Chandy: I think just to add the IQVIA reporting on the innovative effects and the vaccines, particularly both for the sake of growth as well as for the base, it is not aligned and it's not correct. So, that is where we have this disconnect is coming.

Deepak Malik: Thank you. Thanks for taking my question.

Moderator: Thank you. Our next question is a text question from Nikhil Upadhyay from SIMPL. For Zejula and Jemperli, we have been investing in market development for last 2 quarters. So, how many doctors have we touched base and what is the total doctor population we would need to reach?

Bhushan Akshikar: So, it's a good question and we are putting, as we speak, obviously we have the new oncology business head in place. The recruitments are going, as we speak, the recruitments are going full swing. We've also invested largely on the medical side. So, that's where the investments are going.

As I've said earlier also, medical oncology or Hematology are areas which are very tightly, you don't have more than 1500 medical oncologists in this country. So, you don't need an army of 1000 people on the ground to cover. These are small nimble-footed teams and that's exactly where we are putting energy.

So, we've been investing around creating knowledge around science. The actual visits will start from our commercial team members only in the coming days. So, that's where we are as of now.

Moderator: Thank you. The next question from Nikhil Upadhyay from SIMPL. For focused brands and vaccine portfolio, how has our doctor coverage increased in last 3 years versus 3 years back? How has our prescription doctor increased? From here on, do you see more opportunities to increase our doctor coverage or will the higher growth be led by increased prescription?

Bhushan Akshikar: There are 3-4 questions there but I'll try and answer the first one. I think 2 years ago when I presented to the investor community what we were doing on the digital side, I did mention that although our absolute face-to-face coverage had gone down, because we had optimized our selling field force on the ground but we had dialed up a significant Omni-channel digital strategy. What do I mean by that?

We have healthcare practitioners who have consented to us to reach out to them through different channels, through different touch points and that becomes an important area for us. To answer your question, today we cover almost 2,75,000 distinct unique healthcare practitioners in the country.

But on top of these doctors whom we meet physically face-to-face through our reps on the ground, we also have a significant number of doctors whom we don't cover face-to-face but have also consented to reach out via Emailers, via WhatsApp or different touch points and that's where we create.

Our reach has actually gone up by more than 40% on top of what we had. That's what I presented. I think if you remember the numbers that I presented and we also uploaded that, the 4 lakh plus touch points that we talk of, our reach and coverage has in fact increased over the last couple of years and we look at efficient ways to continue to do that apart from of course the sales team. These additional touch points will only supplement and complement the great work done by the field force on the ground.

Moderator: Thank you. Our last question comes from the line of Mahesh Vyas from UTI Mutual Funds. Breakup of CMO and in-house manufacturing. For Shingrix, how do you see in terms of years 3, 5, 7, 9 that the vaccine will be fully accessible, available also in terms of awareness to the masses? How Salesforce plans working for this?

Bhushan Akshikar: Great question. Thank you very much. The first question, we have our own site in Nashik as I said. Plus we work with 20 CMOs who cater to our so almost 99% of all that we do in our general medicines portfolio is locally manufactured except for maybe an inhaler that comes from outside.

Otherwise everything is locally manufactured. One-third coming from our own site, two-thirds coming from the balance 20 CMOs. That's the breakup. That's the first question.

On the Shingrix front, I think it's a great opportunity to do some market shaping because as you can imagine, when you create a new category, it is I always say it's not a 100-meter sprint. It's an endurance sport where every quarter, every year you're learning, you're creating something different. Today nobody worries about where to get a pediatric vaccine. We all know the pediatrician is the default vaccination point. She or he will keep and store vaccines and when a baby or infant needs and that was created by GSK more than two decades ago. They are putting a similar energy in creating the adult vaccination ecosystem to really dial up this whole importance of preventive medicine. And to begin with, of course, our focus is on shingles prevention.

As many of you may be aware, we have a flu vaccine. That's another one where we continue to build the yeoman service to create the adult vaccination ecosystem. Moving forward, we have trials ongoing even in India for our RSV, respiratory syncytial virus vaccine, which will be the next adult vaccine.

It's a long drawn approach and when changes happen, as I said, if you see that slide also, from a point where we were selling 2,000 and 3,000 and 4,000 doses, we started touching 10,000 doses on a monthly basis. At a certain point, it doesn't follow a linear curve. It follows a different pattern.

I wouldn't call it exponential as yet, but it follows a different curve completely because more and more people are getting aware. More and more people are coming and asking how to prevent this painful and debilitating condition and that's where we pivoted. You asked me a question about the sales team.

We always say that these are not sales reps, these are adult vaccination ecosystem creators. The idea is to really partner with hospitals, health HCOs, with clinics, to really understand how to create that ecosystem where when a patient comes, he or she is not only coming for treatment, but also talks about prevention of some of these diseases.

I think that's the approach we've taken and that's why we've pivoted our strategy now towards creating that ecosystem in about 4,000 clinics and some of the biggest hospitals in the country. That's the approach and your question around 3 years, 5 years, 7 years. The idea is very simple.

We have more than 10 to 12 million Indians in this country who are more than 50 years in age who are not only eligible to prevent shingles as a disease, but also have concomitant diseases or indications where they're at a greater risk from getting this painful disease. That's the focus. With every passing month, we're getting more leverage, more acceptance, more awareness and that's something that will continue and we'll see continued traction from GSK in this area.

Moderator: Thank you. Please note our last text question comes from Swathi from Zen Securities. Hi sir, your view on changing regulations, government interest towards prescribing generic medicines instead of brand name medication and GSK's preparations to deal with this?

Bhushan Akshikar: So again, we have to see this is, I won't call it sub diseases, but there are hearings going on in the Supreme Court based on a case that was filed by an association. So we have to watch this space. This is not the first time there have been individual states that have come up with strictures on similar lines.

But as you can imagine, health being a state subject across the Board, although there is no reimbursement of any kind in our country. Eventually, when a healthcare practitioner prescribes a medicine, he or she is prescribing it because of the evidence, body of evidence, the trust that the healthcare practitioner has.

And that's why some of the assets or some of the brands that you see, they're made around science. It's not just about what a brand does or what a molecule does, what a product does. It's also about where that brand should not be used in terms of the adverse events or the side effect profile. And that's what companies bring to the table.

I think it's a long drawn conversation. In our industry associations, I'm sure all of us are deeply engaged to watch this space and also shape this external landscape in terms of a better understanding of why it is important that the patients have the choice, healthcare practitioners have the choice.

Anyway, on the other hand, you have a very strong code in the form of, and you see PMP already drafted, already gathered it. So the Uniform Code of Pharmaceutical Marketing Practices is already in place, which serves as a great guardrail for pharmaceutical companies to operate in.

When it comes to trust, I think we'll have to watch this space closely, continue to engage with the right stakeholders across the group, including advocacy groups, so that patients continue to get the benefit of the best medicine and not compromise quality. Because even one patient's life cannot be taken at risk with.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for closing comments.

Bhushan Akshikar: Thank you very much. I think once again, as we've committed, I think almost 2.5 years ago, I and Juby made a commitment that every quarter, we'll come and share with you the progress that we're making and update you on the journey that we are on.

As I said in my first opening slide, we are remarkably proud of the 100-year journey, but even more proud that as we started the second century of our operations in India, we will continue to focus not only in bringing innovative assets, but also protecting the interests of all our shareholders and the investor community.

Thank you very much for your interest this evening. Thank you once again, and look forward to seeing you in the next quarter. Bye for now.

Moderator: Thank you. On behalf of GlaxoSmithKline Pharmaceuticals Limited, we conclude this conference. Thank you for joining us, and you may now disconnect your lines.