



EY Entrepreneur of the year-2013



FROST & SULLIVAN Best Practices-2013



Business today/YES bank Excellence Awards-2013



Date: 14 March 2024

To BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	To National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (E) Mumbai-400051
Security Code: 540596	Symbol: ERIS

SUBJECT: INVESTOR PRESENTATION

Dear Sir/Madam,

Pursuant to the requirement of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the investor presentation made by the Company.

Thanking you.

Yours faithfully,

Eris Lifesciences Limited

Milind Talegaonkar
Company Secretary and Compliance Officer

Encl: a/a

Registered & Corporate Office:

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**Eris Proposes to Acquire
India Branded Formulations
business of Biocon Biologics
and
19% stake in Swiss Parenterals**

Presentation

14th March 2024

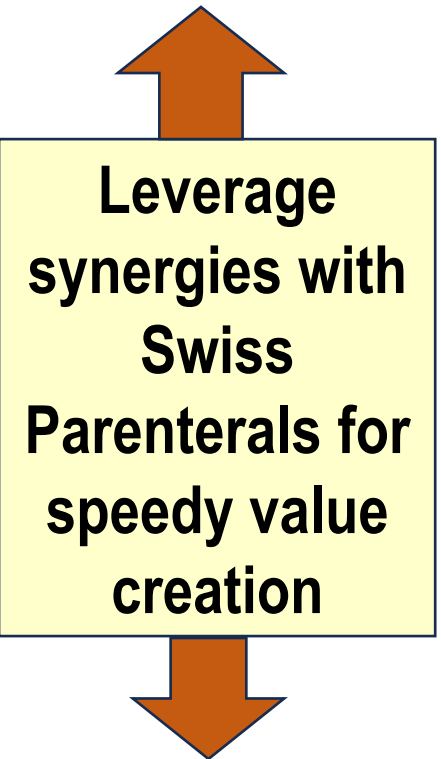
ACQUISITION OF BIOCON BUSINESS – TWO KEY STRATEGIC OBJECTIVES

Eris proposes to acquire
BIOCON's
Indian Branded
Formulations business



(1) Jumpstarting India
Branded Sterile Injectable
Business - Entry into
Critical Care and Oncology

(2) Leadership in Insulin
and a ~ Rs. 1000 crore
Anti-Diabetes Franchise



SWISS PARENTERALS + BIOCON – SHARING THE BIG PICTURE NOW

Swiss Parenterals – Feb '24

- Dossier driven sterile injectable business in RoW Markets
- Product range – 190+ unique molecules, pipeline of 40+ new molecules
- New growth opportunities enabled
 - **India Branded Injectables**
 - OSD in RoW Markets
 - Injectables in RoW Markets

Biocon India Branded Business – Mar '24

- **Branded injectable business with revenue INR. 360+ cr p.a. and an attractive product portfolio spanning Insulins, Critical Care and Oncology**
- Basalog and Insugen - largest Indian brands of Glargine and Human Insulin – each being a Rs. 100+ crore brand
- Entry into Oncology with 3 mainstream MABs ~ INR 80 cr

SWISS PARENTERALS + BIOCON DEALS – WHAT WE EXPECT TO MAKE OF THEM

- Biocon business with revenue base of **Rs. 360+ crore** - ideal **launch platform** to address the **India injectables market**
- **Quick scale up** of Biocon revenue base with **new product launches** from **Swiss Parenterals'** current basket and pipeline of **230+ molecules**
- Transition of Biocon team to Eris pursuant to deal will ensure **continuity** of **doctor and channel relationships**
- The deal will create the **5th largest Diabetes care** portfolio in India with a revenue base approaching **Rs. 1000 crore p.a.**, with **significant footprints** in **Oral** anti-diabetes as well as **Injectable** anti-diabetes
- Eris **Insulin** franchise to **leapfrog** to **leadership** position with addition of **two INR 100+ cr brands** – **Insugen** and **Basalog**
- Significant **margin expansion in acquired portfolio** by leveraging Swiss' manufacturing (**in-sourcing**) and long-term **supply agreements** with **Biocon**

Targeting our next
1000 crore Vertical
3-4% market share
in the INR 30,000+
crore Indian
Injectables market
in 3-4 years

ERIS JOURNEY IN THE INSULIN BUSINESS

- Eris entered the India Insulin market in **Jan 2022** with the formation of a 70:30 Joint Venture with MJ Biopharm Ltd.
- Commercialised two products **Xsulin** (Recombinant Human Insulin) and **Xglar** (Glargine)
- Achieved quick scale-up of a **greenfield** business
 - FY23 – Revenue INR **18** crore
 - FY24 9M – Revenue INR **31** crore
 - Jan-Feb 2024 – monthly sales run-rate of INR **5** crore
- Targeting launch of **Liraglutide** (GLP-1 agonist) in April 2024

BIOCON'S INSULIN PORTFOLIO WILL LEAPFROG US TO A LEADERSHIP POSITION

BASALOG[®]

- Largest Indian brand of Glargine in the market
- The only Glargine biosimilar with clinical data on **complete interchangeability with the innovator product Lantus**
- Expansion in **market share** (volume) from 8.2% to **10.5%** in the last 4 yrs; market share of **14%** (by value)

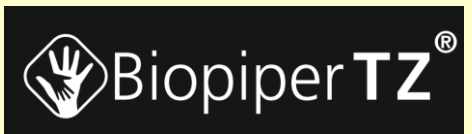
Insugen[®]

- Largest Indian brand of Recombinant Human Insulin in the market
- Expansion in **market share** (volume) from 9.5% to **11%** in the last 4 yrs; market share of **10%** (by value)

- Combined revenue of ~ INR 200 crore p.a.
- Will continue existing brands Xsulin and Xglar as well – higher share of voice in the market

BIOCON'S CRITICAL CARE PORTFOLIO AND SYNERGIES WITH SWISS PARENTERALS

Leading Brands



Business Highlights and Synergies with SPL

- Revenue base of **INR 80 cr.** p.a. with leading brands in Immunoglobulins, Human Albumin, Enoxaparin, Heparin, Piperacillin+Tazobactam and Meropenem
- **Comprehensive hospital coverage** across the country; field-team of **70+** personnel
- **Immediate** opportunity to start **cross-selling** the **Swiss Parenterals product portfolio** through this channel – including niche inhalation anaesthetics **Sevoflurane** and **Isoflurane**
- **Margin expansion** opportunity by leveraging the **Swiss Parenterals manufacturing** footprint for insourcing and technology transfer

ONCOLOGY – THE BIOCON BUSINESS BRINGS US THREE SIGNIFICANT MABs



- **Nimotuzumab** - India's first novel MAB for head and neck cancer
- Potential additional cancer indications (approved in other world markets) – Pancreatic, Nasopharyngeal, Esophageal, Glioma



- **First biosimilars of Trastuzumab** (Roche's Herceptin) approved in the world; co-developed by Biocon and Viatrix
- Large indications - HER-2 positive breast cancer and metastatic gastric cancer
- Combined **market share of 9%** in a market growing at **31% p.a.** (2-yr CAGR)



- Biosimilars of **Bevacizumab**, approved for treatment of metastatic colorectal cancer and other types of lung, kidney, cervical, ovarian and brain cancers
- Potential additional indications – Liver Cancer (approved in the US) and Breast Cancer (approved in Europe)
- Combined **market share of 6%** in a market growing at **26% p.a.** (2-yr CAGR)

- Revenue of ~ INR 80 crore p.a.
- Employee base of 40 including 30+ Medical Reps
- Distinctive product portfolio with room for business expansion through new product launches

THE DEAL IS IN LINE WITH THE SALIENT FEATURES OF OUR M&A STRATEGY...

- **Expand** our presence in **existing** therapies and/ or **Enter New** Therapies
- Turn around **fundamentally good** businesses that are **sub-optimally run**
- Target **quick value creation** – turnaround in **12-18** months from acquisition
- “**Owner Manager**” mindset – “roll up our sleeves and do the hard work” to create value
- Financial Metrics – **1-yr** forward EBIDTA multiple of **10-12x**, **Growth** potential, **EBIDTA** margin expansion potential, Deal **IRR**

...WHICH HAVE DELIVERED TANGIBLE IMPACT OVER THE YEARS

Year	Target	Deal Rationale	Business Impact
2017	<ul style="list-style-type: none"> Strides India Branded Formulations Business 	<ul style="list-style-type: none"> Scale-up of VMN franchise (Renerve) Entry into CNS therapy 	<ul style="list-style-type: none"> 2.5x growth in Renerve 4x scale up in CNS business 9x growth in Zomelis Quick turnaround in Derma businesses acquired in FY23; EBIDTA margin expansion to 35% in FY24
2019	<ul style="list-style-type: none"> Zomelis brand from Novartis 	<ul style="list-style-type: none"> Entry into DPP4 segment (Diabetes) 	
FY23	<ul style="list-style-type: none"> Oaknet Healthcare Derma brands - Glenmark & DRL 	<ul style="list-style-type: none"> Dermatology – entry and scale-up 	
Nov '23	<ul style="list-style-type: none"> Biocon's Nephrology & Dermatology businesses 	<ul style="list-style-type: none"> Dermatology – entry into Psoriasis Entry into Nephrology therapy 	
Feb '24 Mar '24	<ul style="list-style-type: none"> Swiss Parenterals Ltd. Biocon India Branded business 	<ul style="list-style-type: none"> India Sterile Injectables Platform #1 in Insulin; Rs. 1000 cr. in Diabetes Sterile & OSD exports to RoW 	

BIOCON INDIA BRANDED FORMULATIONS BUSINESS – DEAL CONTOURS

- Eris has signed a definitive agreement to acquire the Indian Branded Formulations **business** of Biocon Biologics Ltd.
- The scope of the acquisition includes the following aspects as a going concern:
 - The entire Indian Branded Formulations business with a current revenue run-rate of **INR 30 crore per month.**
 - **Trademarks/ licenses** pertaining to all mother brands
 - **Net Working Capital** including Inventory, Debtors and Creditors
- Over **435** employees (including ~ **325 Reps**) **will join Eris pursuant to the transaction**
- **10-year Supply Agreement** signed with Biocon for sourcing Drug Substance and Drug Products, with an option to **Technology Transfer** to the manufacturing location/s of Eris' choice
- The Consideration is **INR 1,242 crore (including Net Working Capital)** and will be funded through debt financing
- The transaction is expected to achieve financial closure before **15th April 2024**

STREAMLINING CORPORATE STRUCTURE AND REBUILDING BALANCE SHEET STRENGTH

- **Eris Lifesciences to acquire additional 19% stake in Swiss Parenterals** from Eris Promoter group – a **temporary/ bridge arrangement** to be **reversed**
- **Committed to deleverage** balance sheet
 - Sustained strong **cashflow** (avg **OCF = 75%** of EBIDTA for last 6 years) will enable **debt servicing** and **principal repayment** from FY25 onwards
 - Net Debt at end of **FY25** to be **< 2x of 1-yr forward EBIDTA**

ALL BUILDING BLOCKS ARE NOW IN PLACE FOR INR 5000 CRORE REVENUE

Growth Engines added - May 2022 – Mar 2024

1. Injectable Anti-Diabetes (Insulins, GLP-1)
2. Dermatology
3. Platform for Indian Sterile Injectables market
4. Nephrology
5. Oncology
6. Platform for OSD Exports
7. RoW Sterile Injectables

Strategic Objectives FY25-FY28

- Integration of/ Value Creation from FY24 deals
- Deleveraging Balance Sheet
- **INR 5,000 cr. Revenue in FY28**



THANK YOU