

November 10, 2021

To,
Dy. General Manager
Department of Corporate Services,
BSE Ltd.,
P. J. Towers, Dalal Street,
Fort, Mumbai – 400 001

Ref: Scrip Code: 543322

To,
The Manager – Listing,
National Stock Exchange of India Ltd.,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Ref: Scrip Name: GLS

Dear Sirs,

Sub: Investor Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the investor presentation.

You are requested to take the same on record.

Thanking You.

Yours faithfully,
For Glenmark Life Sciences Limited



Rudolf Corriea
Company Secretary & Compliance Officer

Encl: As above



Q2 FY22
Investor Presentation
Glenmark Life Sciences Ltd

01

Financial Performance Review

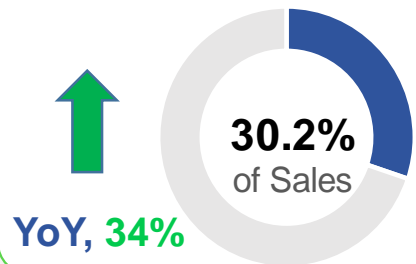


Q2 FY22 – Highlights

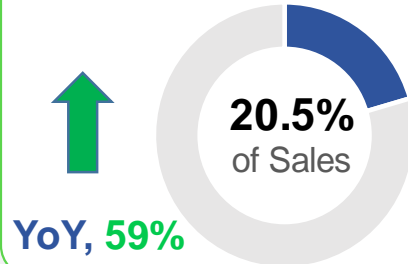
Revenue
INR **5,618 mn**



EBITDA
INR **1,694 mn**



PAT
INR **1,152 mn**



Dr. Yasir Rawjee
*Managing Director
and Chief
Executive Officer*

At Glenmark Life Sciences, both our generic API business and CDMO business have delivered growth for the quarter ended September 30, 2021, fuelled by demand in key regulated markets. We are delighted that the CDMO business has picked up pace this quarter. We will continue to remain focused on our growth levers for sustainable long term growth.”

- YoY Revenue grew at 7.9% in Q2 and 18.4% in H1
- CDMO business rebound growing at 85.1% in Q2 and 25.2% in H1
- Continue to witness strong growth momentum in LATAM, North America and Japan regions
- Substantiated healthy EBITDA margins at 30.2%, growing at 34% in Q2 overcoming headwinds from higher input prices and logistics costs
- PAT margins improved following debt repayment
- Completed acquisition of 40 acre land for planned greenfield facility in Solapur, Maharashtra

P&L Highlights – Q2 FY22

Amounts in INR Millions	Q2 FY22	Q1 FY22	QoQ	Q2 FY21	YoY	H1 FY22	H1 FY21	YoY
Revenue from Operations	5,617.6	5,249.0	7.0%	5,208.1	7.9%	10,866.6	9,177.7	18.4%
Gross Profit	2,905.4	2,655.2	9.4%	2,268.3	28.1%	5,560.7	4,483.6	24.0%
Gross Profit (%)	51.7%	50.6%		43.6%		51.2%	48.9%	
Other Income	20.9	39.9		0.1		60.8	1.0	
Employee Benefits Expense	485.7	369.4	31.5%	424.8	14.3%	855.1	740.0	15.5%
Other Expenses	746.4	681.3	9.5%	574.3	30.0%	1,427.7	1,080.0	32.2%
EBITDA	1,694.3	1,644.4	3.0%	1,269.3	33.5%	3,338.6	2,664.6	25.3%
EBITDA Margin (%)	30.2%	31.3%		24.4%		30.7%	29.0%	
Depreciation and Amortisation Expense	96.7	89.2	8.4%	83.5	15.8%	185.8	166.1	11.9%
Finance Costs	72.3	205.5		219.0		277.8	447.2	
PBT	1,525.4	1,349.7	13.0%	966.8	57.8%	2,875.0	2,051.3	40.2%
PBT Margin (%)	27.2%	25.7%		18.6%		26.5%	22.4%	
PAT	1,152.0	1,009.1	14.2%	724.7	59.0%	2,161.1	1,535.4	40.8%
Net Margin (%)	20.5%	19.2%		13.9%		19.9%	16.7%	

Key Balance Sheet Items and Cash flow

Key Balance Sheet Items

Amounts in INR Millions	As at 30th Sep'21	As at 31st Mar'21
Equity	19,780.0	7,527.5
Total Debt	-	9,328.7
Inventory	5,050.2	5,134.2
Trade Receivables	6,854.1	6,195.0
Trade Payables	2,491.1	2,213.1
Net Tangible Assets	5,993.8	5,789.9
Cash and Cash Equivalent*	4,263.3	1,184.0

* Includes bank deposit

Free Cash Flow

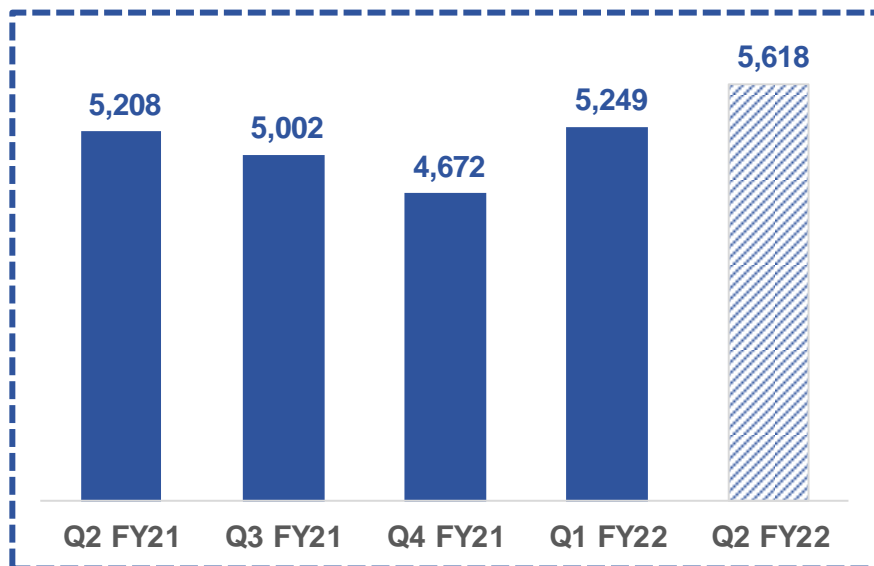
Amounts in INR Millions	H1 FY22	H1 FY21	FY21
Profit Before Tax	2,875.0	2,051.3	4,709.4
Adjustment for Non Operating Items*	510.1	680.6	1,333.1
Changes in Working Capital	218.3	(838.1)	(1,075.8)
Cash generated from Operations	3,603.3	1,893.9	4,966.8
Taxes paid (Net of refunds)	(730.1)	(430.4)	(1,085.6)
Net cash generated from Operating Activities	2,873.3	1,463.5	3,881.1
Capex	(467.3)	(299.7)	(679.9)
Free Cash Flow	2,405.9	1,163.8	3,201.2

*Includes Finance Costs, Depreciation, Interest Income and Unrealised Exchange gain/loss.

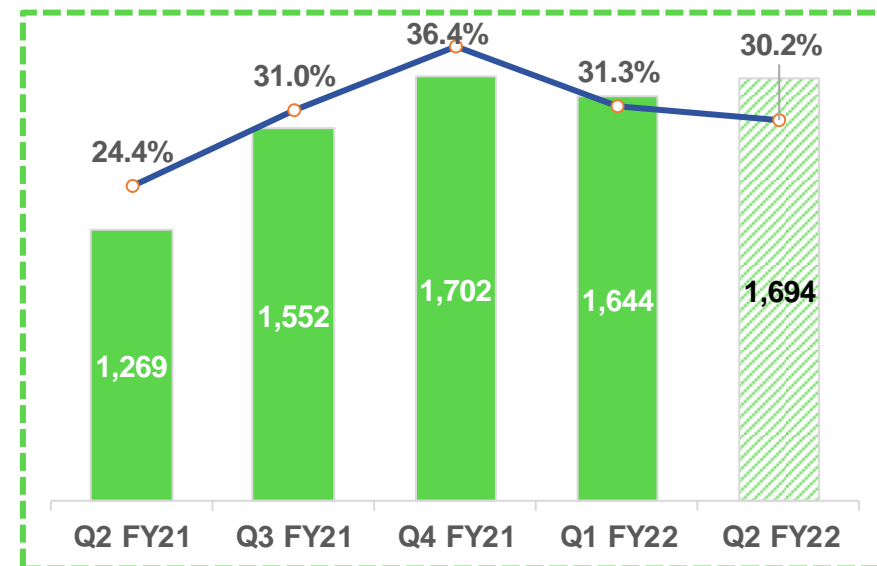
Quarter on Quarter Performance

Sustained growth momentum and improving PAT margins after debt pay-down

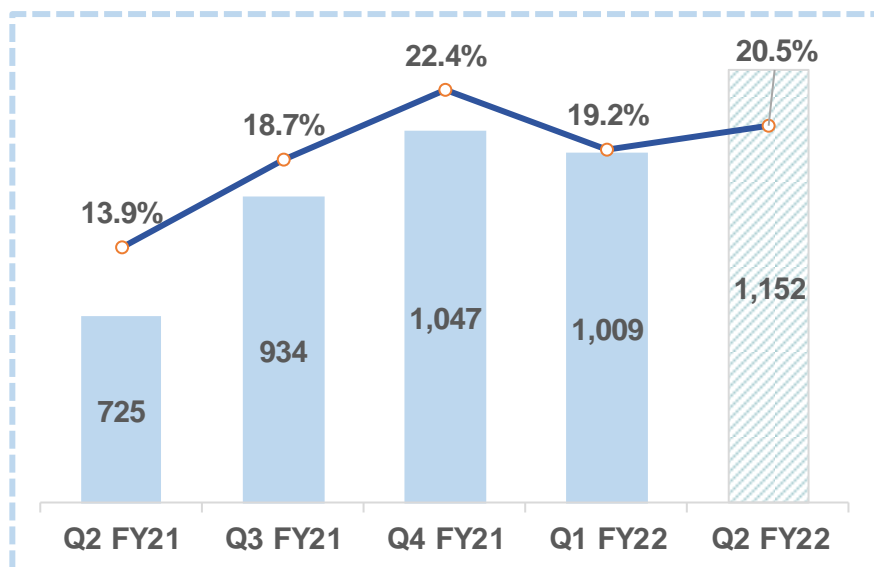
Revenue



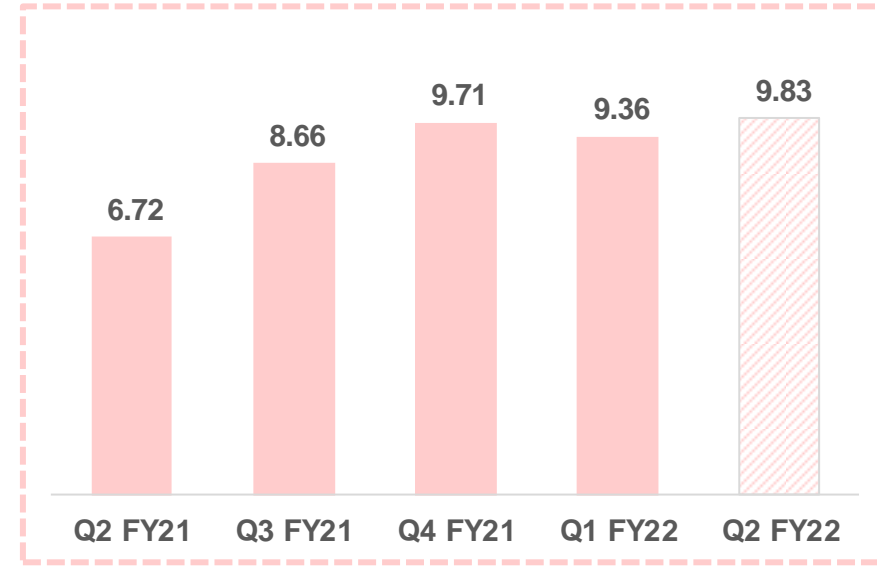
EBITDA



PAT



EPS

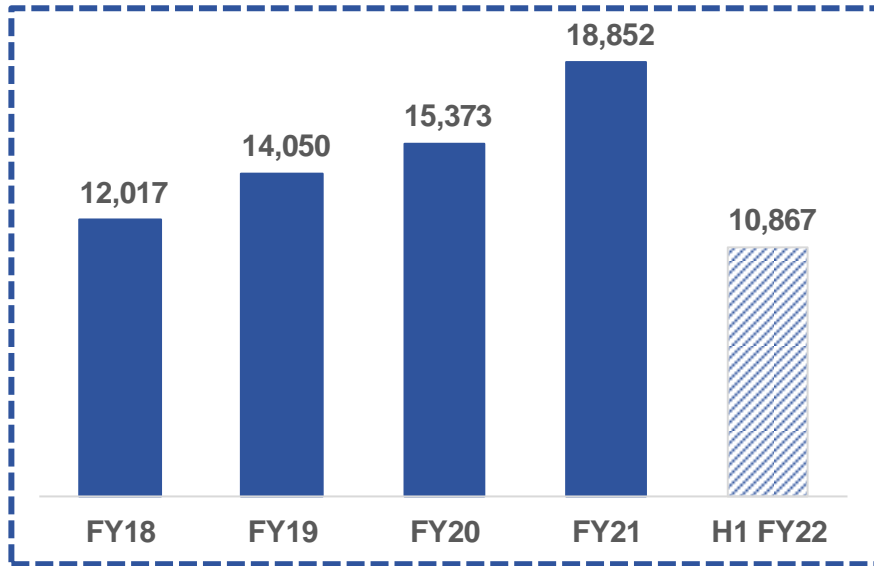


Amounts in INR Millions except EPS

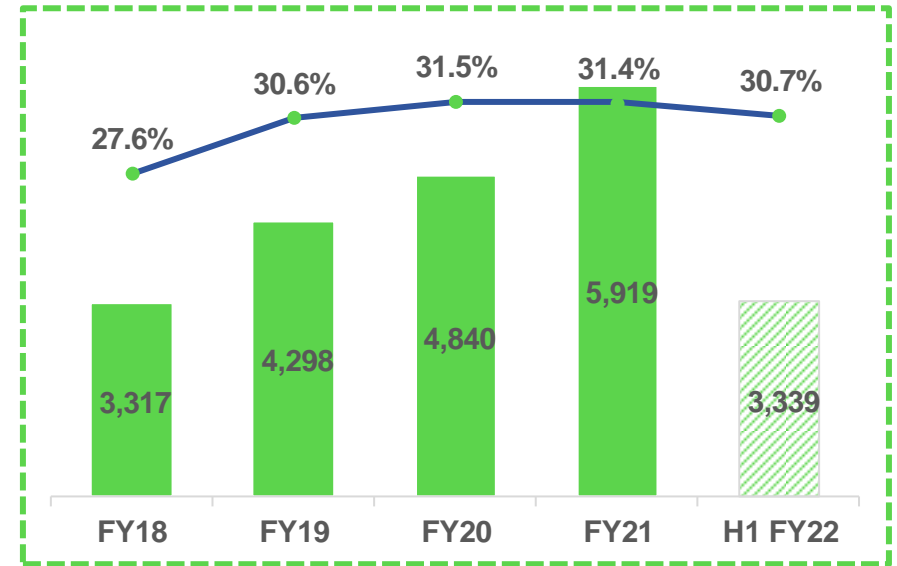
Financial Performance Track Record

Robust growth trajectory with healthy profitability indicators

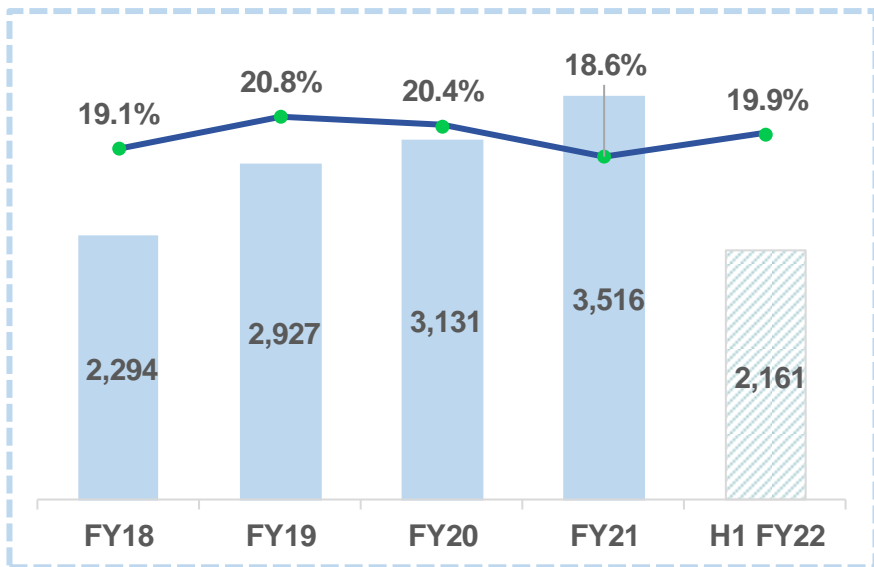
Revenue



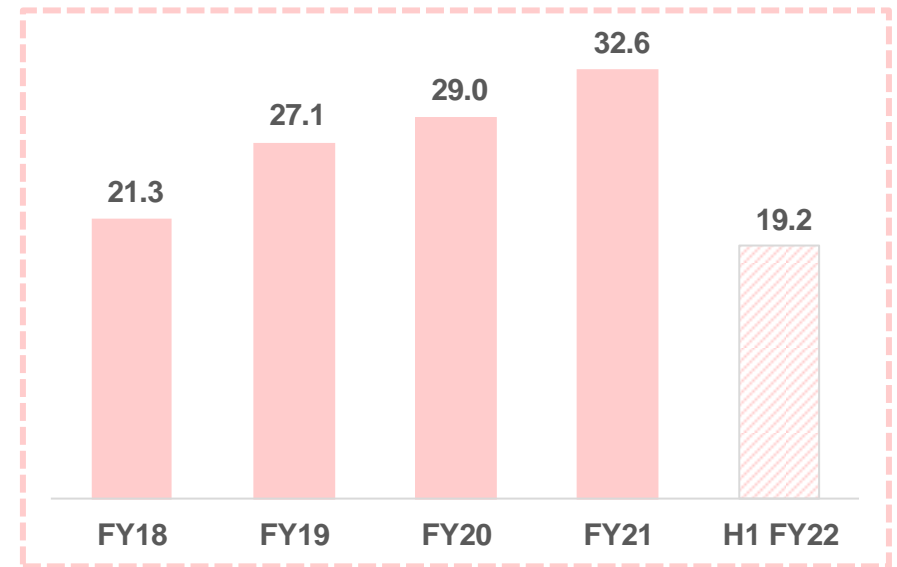
EBITDA



PAT



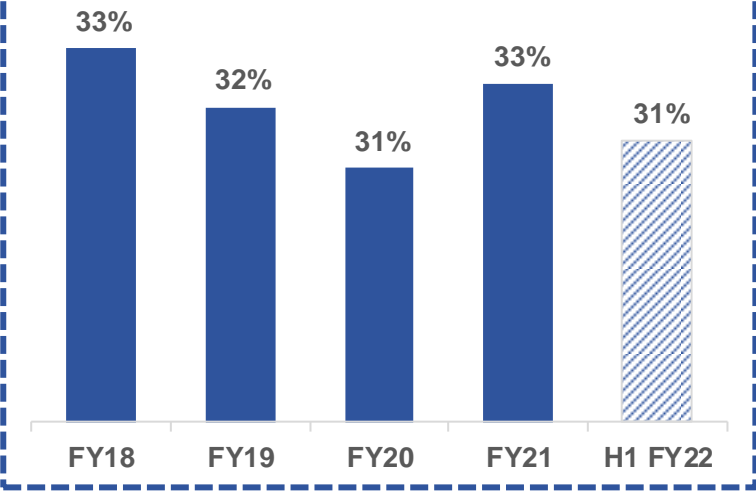
EPS



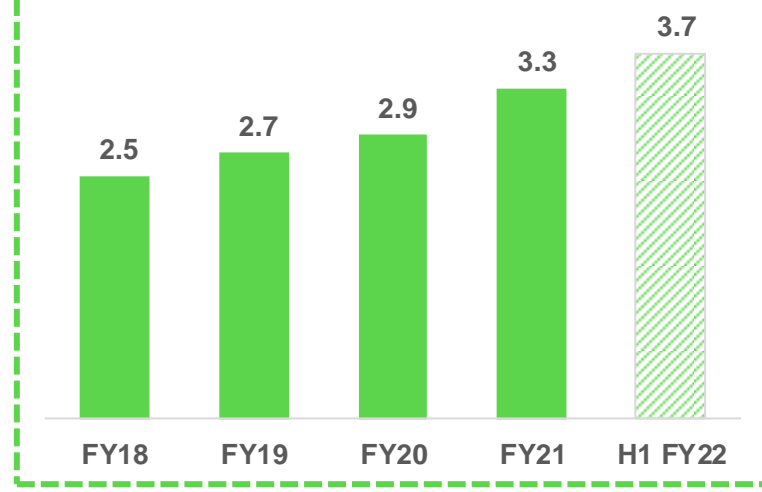
Note: Numbers of FY18 and FY19 are based on Proforma Financials. Amounts in INR Millions except EPS

Strong Returns Indicators

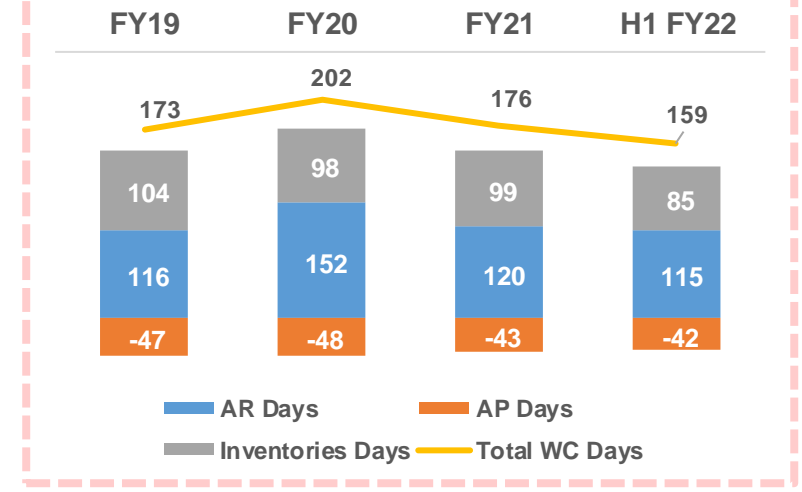
ROCE



Fixed Assets Turnover



Working Capital Days



- FY22 ROCE was 31% for H1 FY22 post IPO.
- FATR was 3.7 times for H1 FY22.
- Continuous improvement in WC days and on track to achieve 145 days to 150 days in the near term.

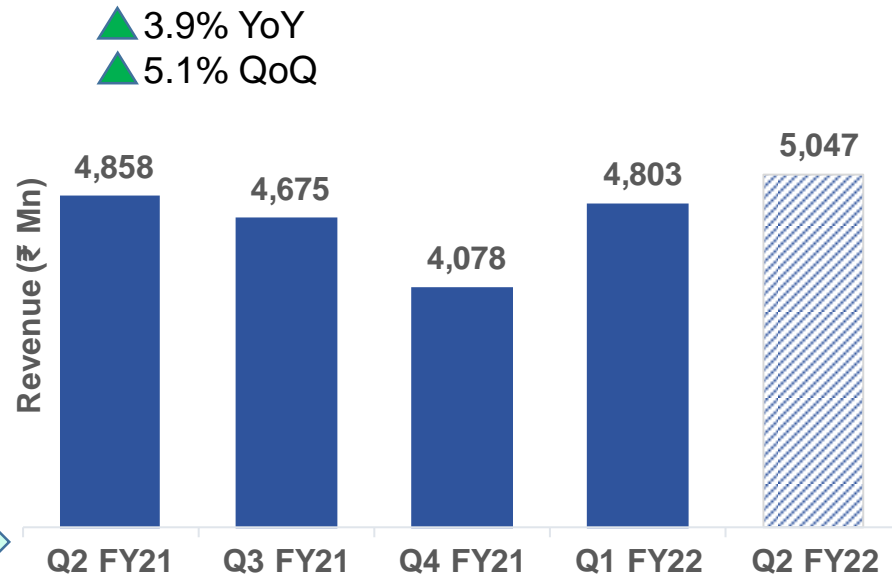
Note: FATR and ROCE for H1 FY22 are annualised. Numbers of FY18 and FY19 are based on Proforma Financials.

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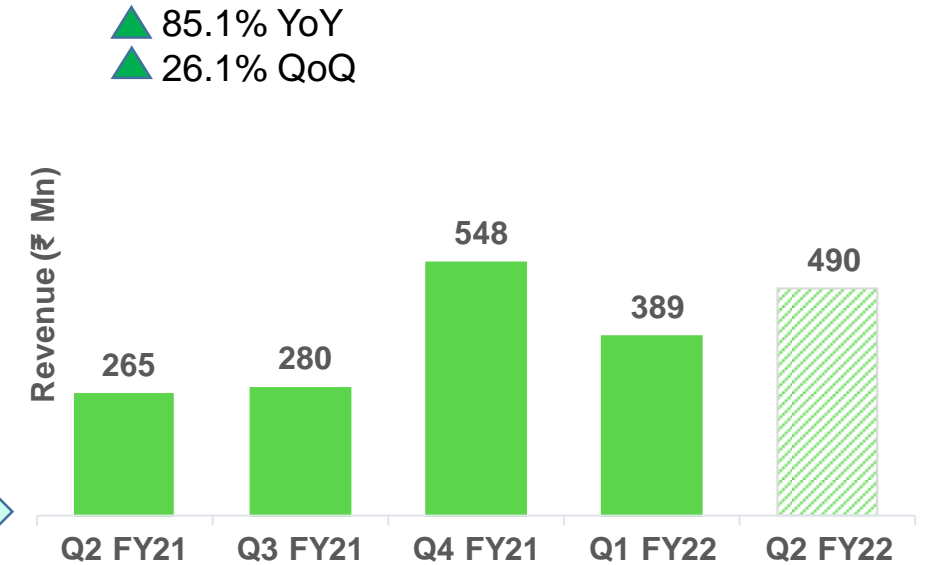
Business Performance Review



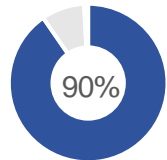
Segment Performance



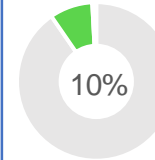
Generic API



CDMO



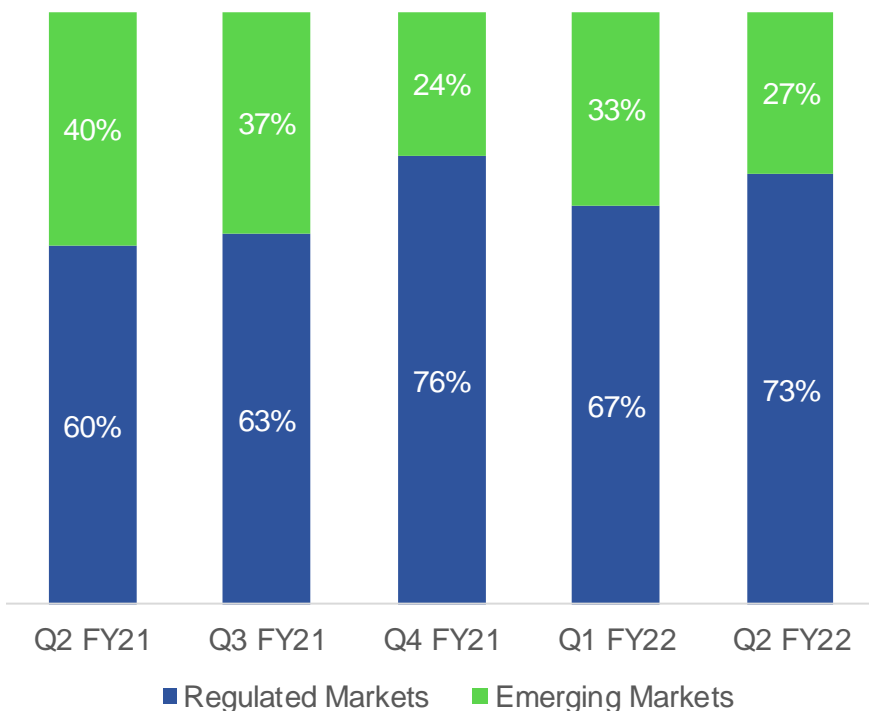
- Generic API revenues in Q2FY22 increased 3.9% YoY on higher base of COVID products in the PY
- Revenues grew 18.2% YoY in H1 FY22
- Continued to witness strong growth momentum in LATAM, North America and Japan



- CDMO revenues registered strong growth of 85.1% in Q2 FY22 and 25.2% in H1FY22
- 3 commercial projects with multinational and specialty pharmaceutical companies
- 4th project to be commercial by Q4 FY22
- Multiple discussions ongoing with companies globally for additional business opportunities

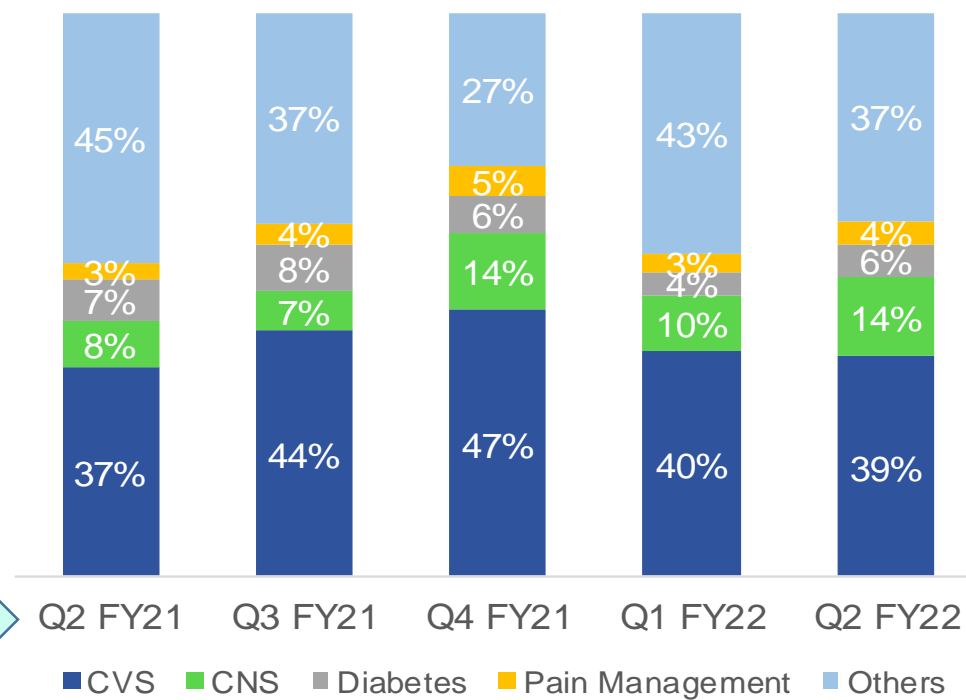
Market and Therapeutic Area Mix

Market Mix



- Regulated markets account for ~70% of Net Sales in H1 FY22, growing at 30.1% YoY
- Emerging markets account for 30% of Net Sales in H1 FY22, declining at 1.3% YoY

Therapeutic Area Mix



- Products from key Chronic Therapeutic Areas (viz CVS, CNS, Diabetes, Pain management) account for 60.2% of Net Sales in H1 FY22, growing at 24.7% YoY.
- Others are mainly acute segment with wide range of therapies

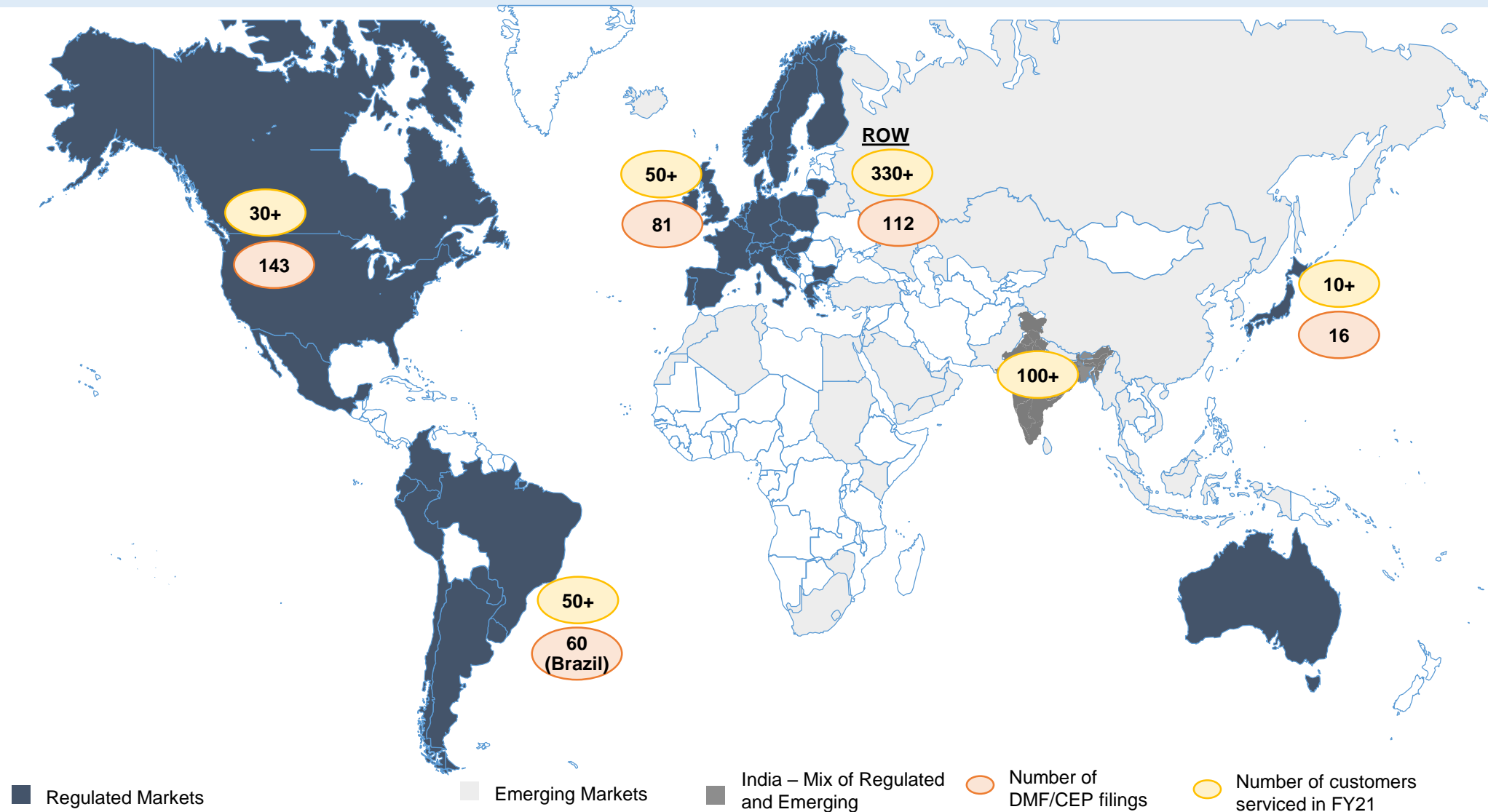
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Company Overview



Global Footprint

Filed 412 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



Quality-focused, compliant manufacturing & R&D infrastructure

Manufacturing Infrastructure			
	Annual Installed Capacity (Mar-21)	Last USFDA Inspection Date	Approvals
Ankleshwar, Gujarat	550.2 KL	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA
Dahej, Gujarat	141.9 KL	Oct 2018	USFDA, EDQM (Europe), PMDA (Japan), KFDA (South Korea)
Mohol, Maharashtra	49.1 KL	March 2018	USFDA, Maharashtra FDA
Kurkumbh, Maharashtra	24.6 KL	-NA-	Maharashtra FDA

R&D Infrastructure

Mahape, Navi Mumbai

- R&D for new product development and complex molecules
- High-end analytical equipment for characterization

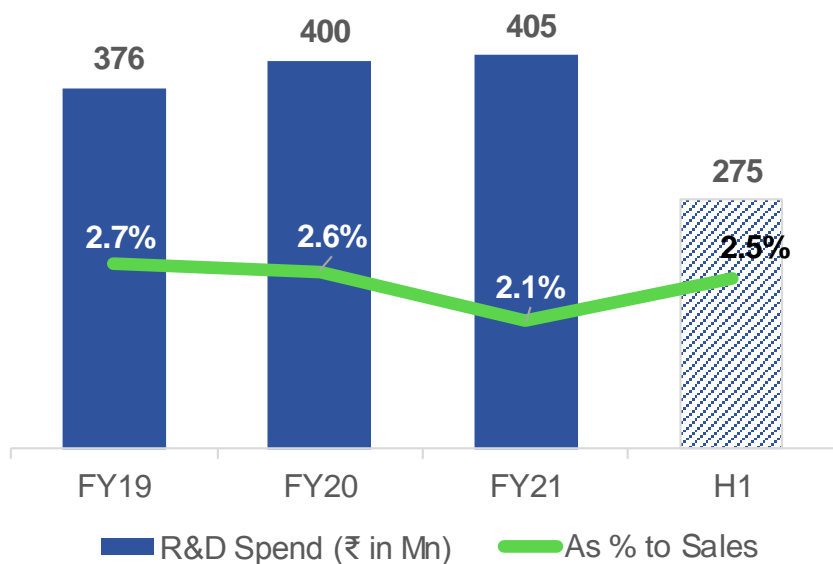
Ankleshwar, Gujarat

- Cost improvement programs and process improvements

Dahej, Gujarat

- Oncology R&D
- Cost improvement programs and process improvements

R&D Capabilities



Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	ROW	Total
CVS	34	27	4	15	34	114
CNS	34	16	7	12	11	80
Diabetes	9	3	-	7	9	28
Pain Management	-	2	-	3	9	14
Others	66	33	5	23	49	176
Total	143	81	16	60	112	412

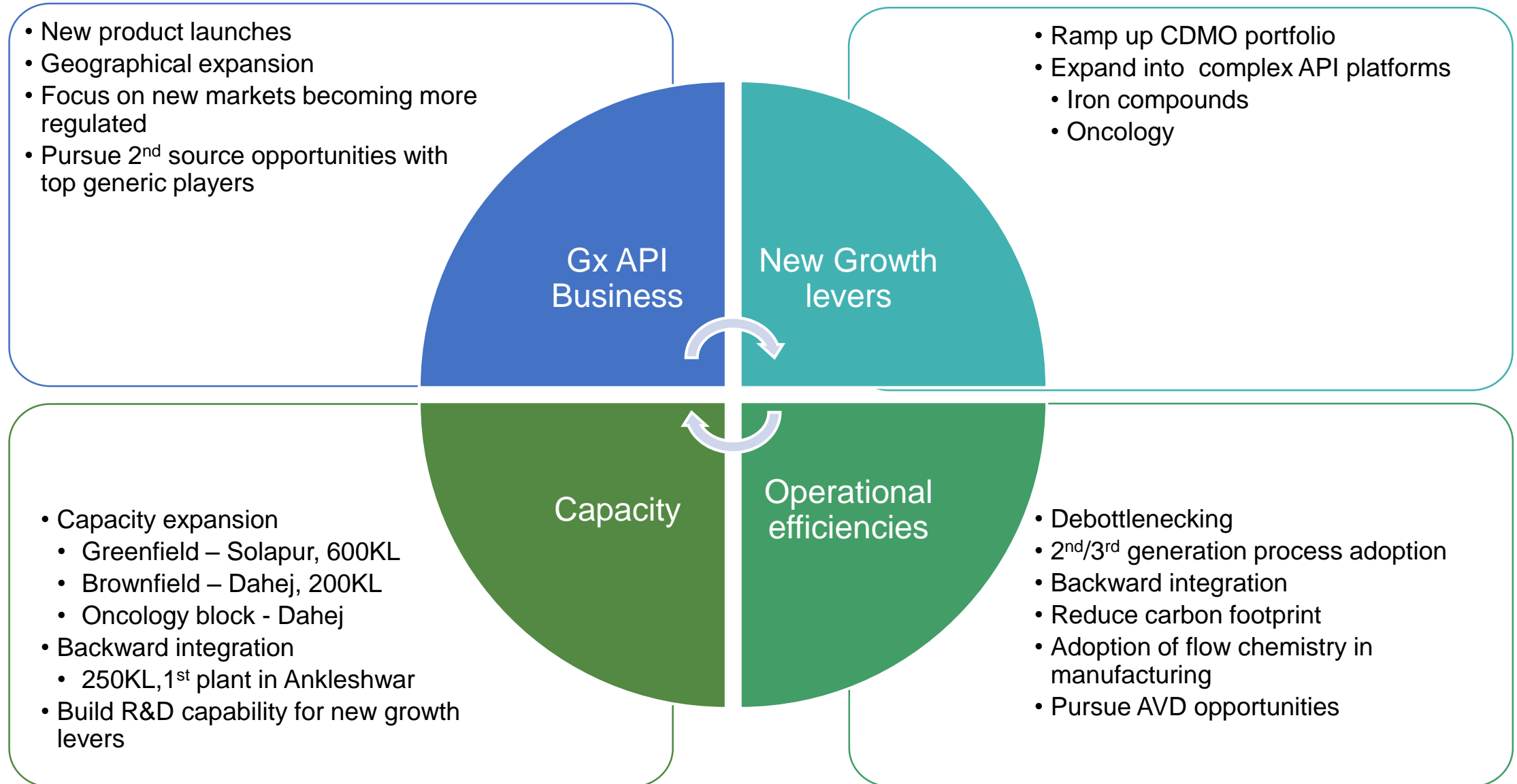
- 5 DMF/CEPs were filled across major markets in Q2 FY22 which take cumulative filings to 412 as on 30th Sep'21.
- ~120 Unique molecules in the portfolio across the globe as of 30th Sep'21.
- 26 products in development pipeline including 4 Iron complex and 7 Oncology products.
- R&D facilities have 213 personnel constituting 13.86% of total permanent employee strength as of 30th Sep'21.

04

Strategy Going Forward



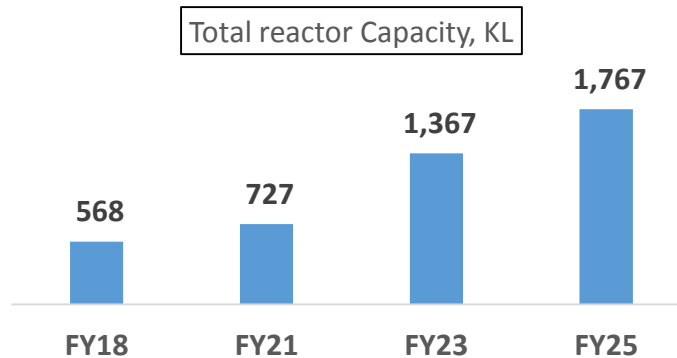
Strategic Growth Levers



Future Capacity Expansion Plan

Expansion Type	Division	Location	Current Capacity	Status & Planned Capacity	Operational Timelines
Brownfield	API	Dahej	141.9 KL	Under Construction 4 Modules -240 KL	Phase I – Q4FY22 Phase II – Q2 FY23
Brownfield	Intermediate	Ankleshwar	550.2 KL	New plant 400 KL	Q2 FY23
Brownfield	Oncology	Dahej	-	3 Modules Under Construction	Q1 FY23
Greenfield	API	Solapur	-	Land acquired 800 KL	FY24 – FY26

Capacity Progress by Year



- ✓ Backward Integration plant at Ankleshwar is planned
- ✓ Oncology facility under construction at Dahej

Thank You

Glenmark Life Sciences Limited

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