

January 27, 2023

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

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 Code: 543322

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



Glenmark Life Sciences Limited

Corporate Office: 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri (E), Mumbai 400 099, India

Registered Office: Plot No 170-172, Chandramouli Industrial Estate, Mohol Bazarpath, Solapur - 413 213, India

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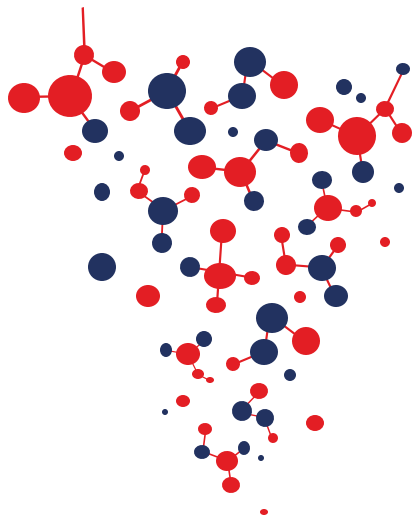
# Glenmark Life Sciences Ltd.

Investor Presentation

Q3 & 9M FY23



 **glenmark**  
LIFE SCIENCES



# Financial Performance Review

# Q3 FY23 – Highlights



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

*“I am pleased to report that the Company has continued its upward trajectory to witness steady growth both on sequential as well as YoY basis on the back of a robust performance of our external business. India, Europe and LATAM were the main catalysts for growth whereas US witnessed healthy recovery. The GPL business saw strong recovery in the current quarter while the CDMO business was sluggish, and we expect it to pick up strongly from Q4 onwards.*

*During 9MFY23, we launched 5 new products, and continue to cross sell our wide product basket to existing customers across different geographies. Overall, as the three levers of our business (External, GPL and CDMO) are on track to perform well, I am confident of delivering steady growth with stable margins in the coming quarters.”*

REVENUE **5,407** 3.5% 6.2%  
(IN ₹ MILLIONS) YoY QoQ

EBITDA **1,521** 1.6% (1.0%)  
(IN ₹ MILLIONS) YoY QoQ

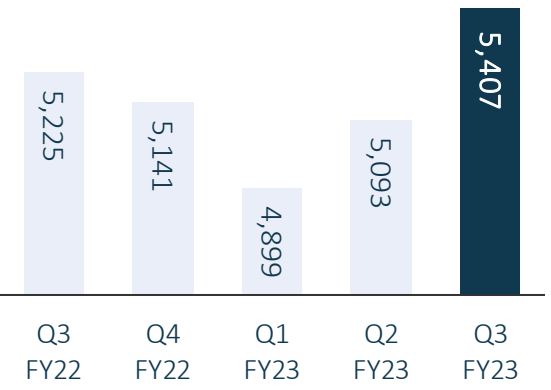
PAT **1,050** 1.2% (1.8%)  
(IN ₹ MILLIONS) YoY QoQ

- GLS registered a revenue of ₹ 5,407 Mn for Q3 FY23 from operations, recording a growth of 6.2% QoQ and growth of 3.5% YoY.
- External business (ex-GPL) continue to see good traction growing 2% QoQ and 24% YoY driven by regulated markets
- GPL business saw strong recovery of 19% on sequential basis
- Gross Margins are at 51.0 %, up 20 bps YoY driven by product mix and PLI scheme benefit
- EBITDA margins at 28.1% remain steady on YoY basis, with a slight sequential decline mainly due lower gross margins

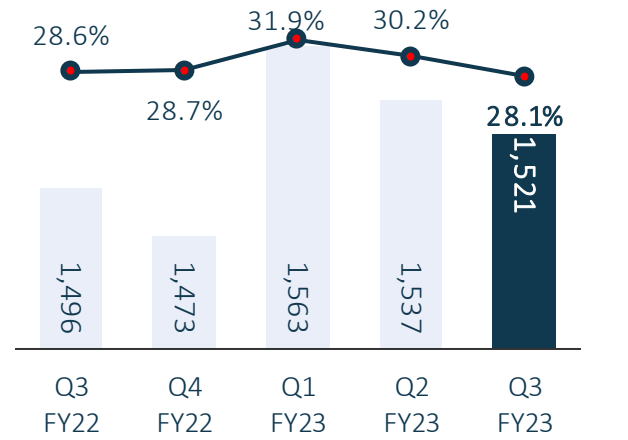
# Q3 & 9M FY23 Performance

Sustaining a profitable growth trajectory despite cost & supply chain headwinds

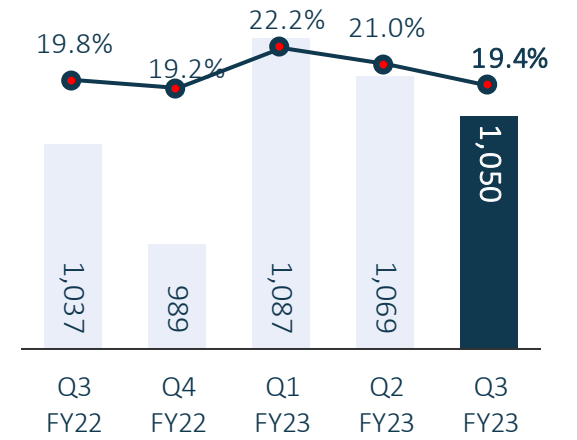
## Revenue (In ₹ Millions)



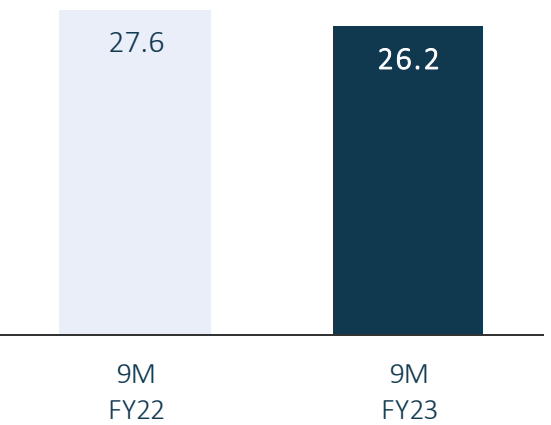
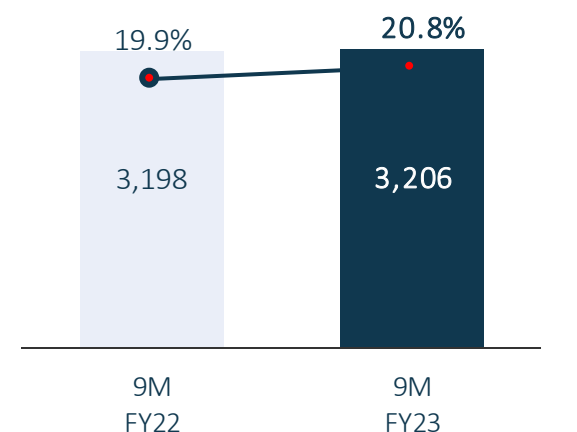
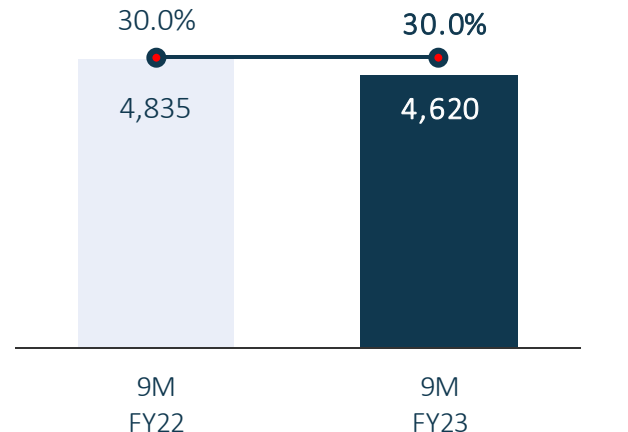
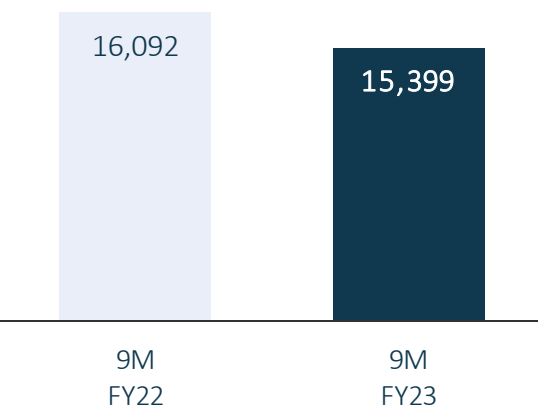
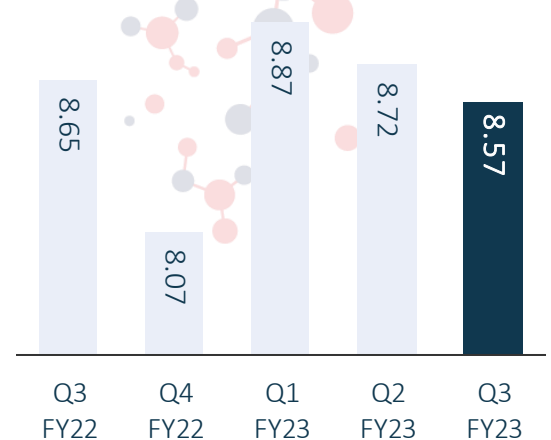
## EBITDA (In ₹ Millions)



## PAT (In ₹ Millions)



## EPS (In ₹)

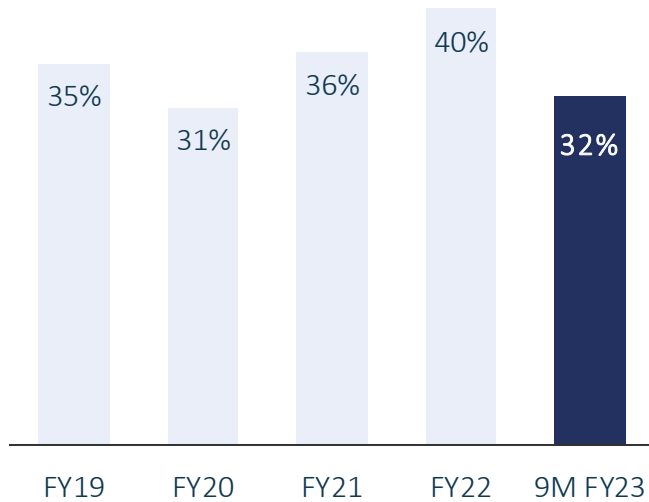


# P&L Highlights – Q3 & 9M FY23

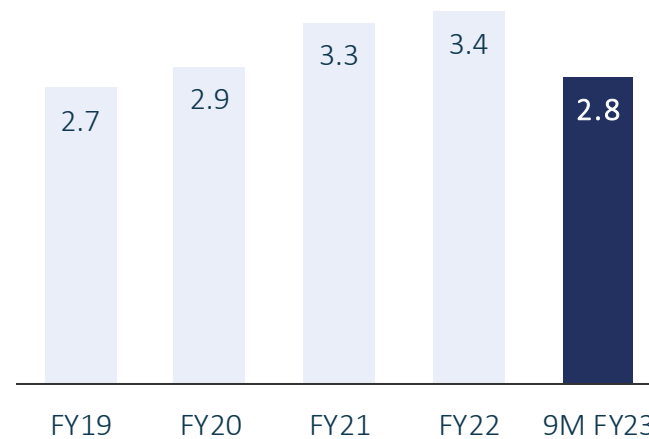
Particulars (In ₹ Millions)	Q3 FY23	Q2 FY23	QoQ	Q3 FY22	YoY	9M FY23	9M FY22	YoY
Revenue from Operations	5,407	5,093	6.2%	5,225	3.5%	15,399	16,092	-4.3%
Gross Profit	2,759	2,693	2.4%	2,653	4.0%	8,062	8,214	-1.9%
Gross Profit (%)	51.0%	52.9%		50.8%		52.4%	51.0%	
Other Income	66	100	-34.1%	35	87.0%	261	96	171.8%
Employee Benefits Expense	485	474	2.5%	441	10.0%	1,364	1,296	5.2%
Other Expenses	819	783	4.6%	751	9.0%	2,340	2,179	7.4%
<b>EBITDA</b>	<b>1,521</b>	<b>1,537</b>	<b>-1.0%</b>	<b>1,496</b>	<b>1.6%</b>	<b>4,620</b>	<b>4,835</b>	<b>-4.4%</b>
<b>EBITDA Margin (%)</b>	<b>28.1%</b>	<b>30.2%</b>		<b>28.6%</b>		<b>30.0%</b>	<b>30.0%</b>	
Depreciation and Amortisation Expense	108	99	8.3%	97	10.5%	306	283	8.0%
Finance Costs	2	1	20.0%	1	163.3%	4	278	-98.5%
PBT	1,411	1,436	-1.7%	1,398	1.0%	4,310	4,273	0.9%
PBT Margin (%)	26.1%	28.2%		26.8%		28.0%	26.6%	
<b>PAT</b>	<b>1,050</b>	<b>1,069</b>	<b>-1.8%</b>	<b>1,037.0</b>	<b>1.2%</b>	<b>3,206</b>	<b>3,198</b>	<b>0.2%</b>
<b>Net Margin (%)</b>	<b>19.4%</b>	<b>21.0%</b>		<b>19.8%</b>		<b>20.8%</b>	<b>19.9%</b>	

# Strong Returns Indicators

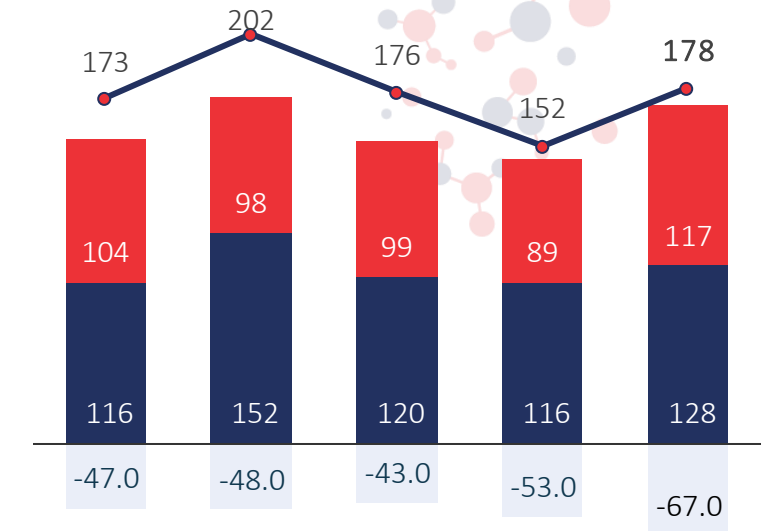
## ROICE



## Fixed Assets Turnover



## Working Capital Days



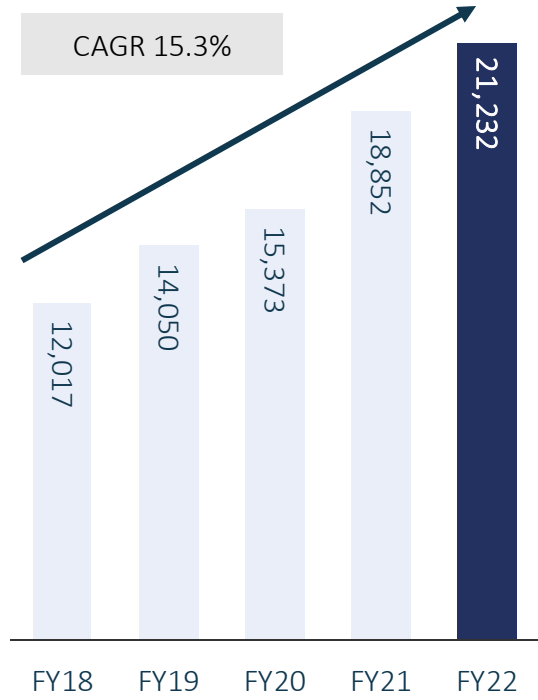
- ROICE is tracking at 32% – Higher capital employed driven by Capex
- FATR is ~3 times – Asset turn trending slightly lower due to Capex cycle
- WC days at 178 days – Strategic decision to hold higher inventory to ride out the global uncertainty

Note: Numbers of FY19 are based on Proforma Financials. ROICE is calculated as EBIT excluding interest income/Closing Capital Employed excluding CWIP and Cash

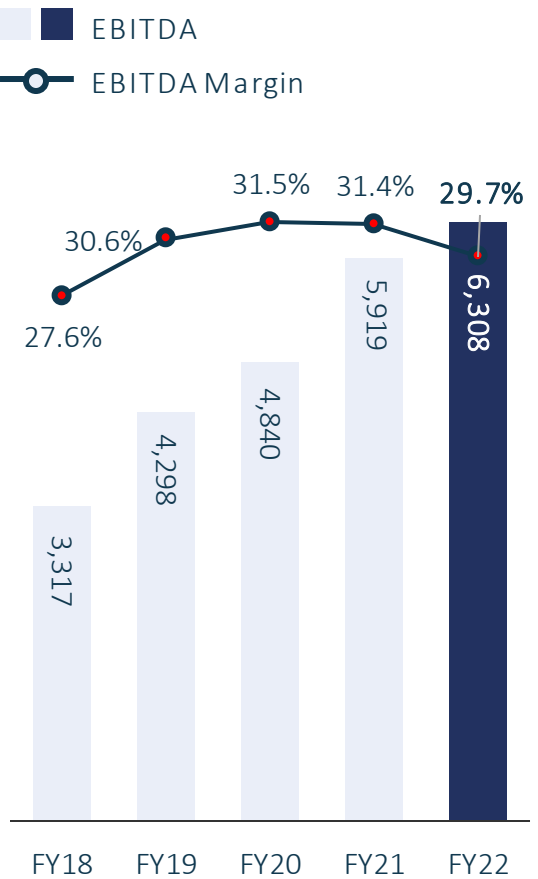
# Financial Performance Track Record

Robust growth and profitability indicators over the years

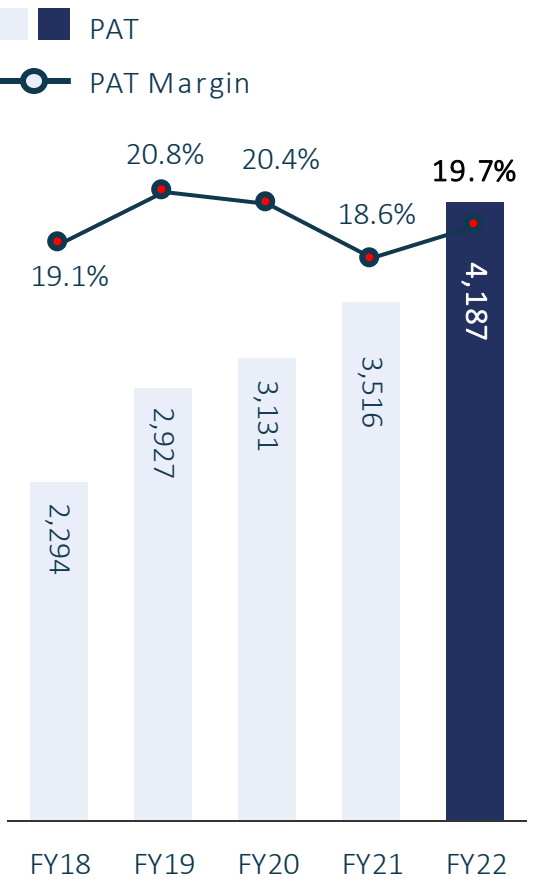
## Revenue (In ₹ Millions)



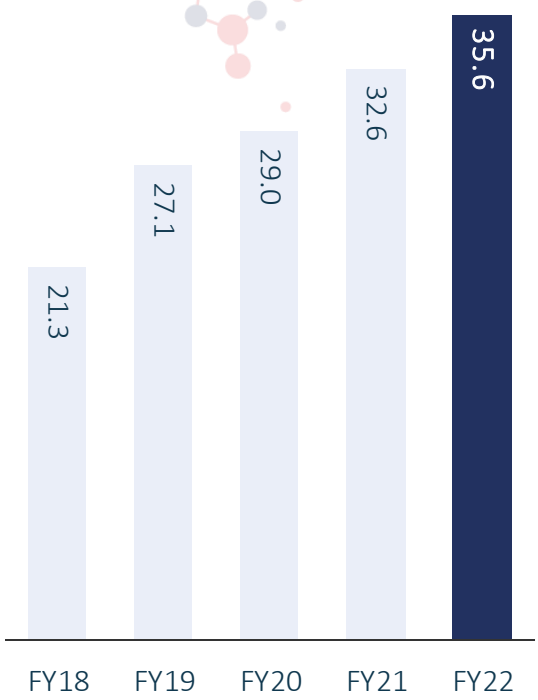
## EBITDA (In ₹ Millions)



## PAT (In ₹ Millions)



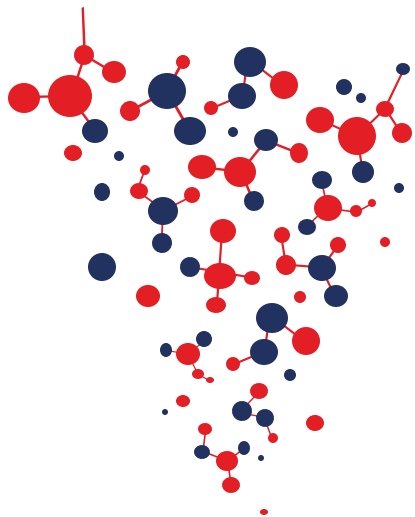
## EPS (In ₹)



Note: Numbers of FY18 and FY19 are based on Proforma Financials.

Amounts in INR Millions except EPS

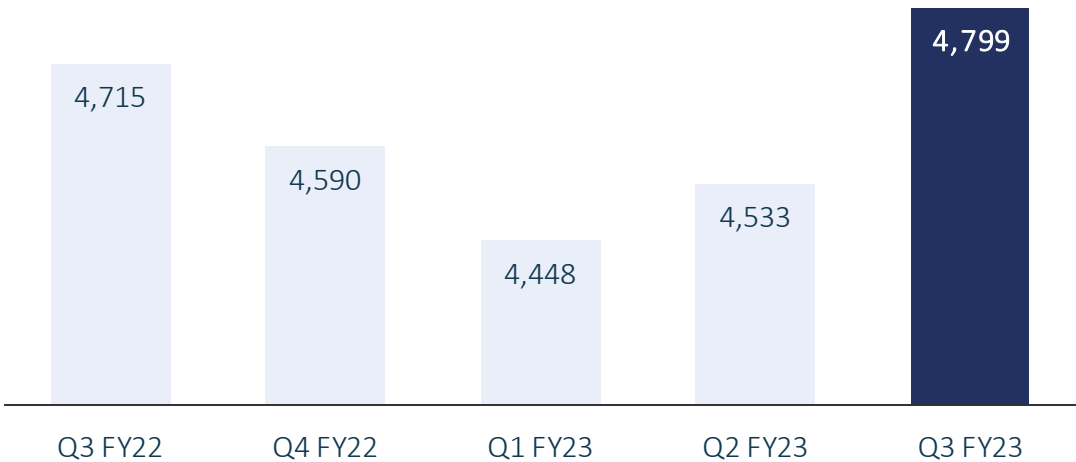




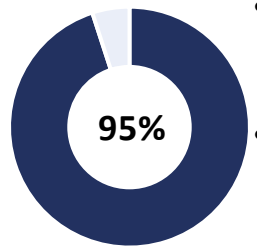
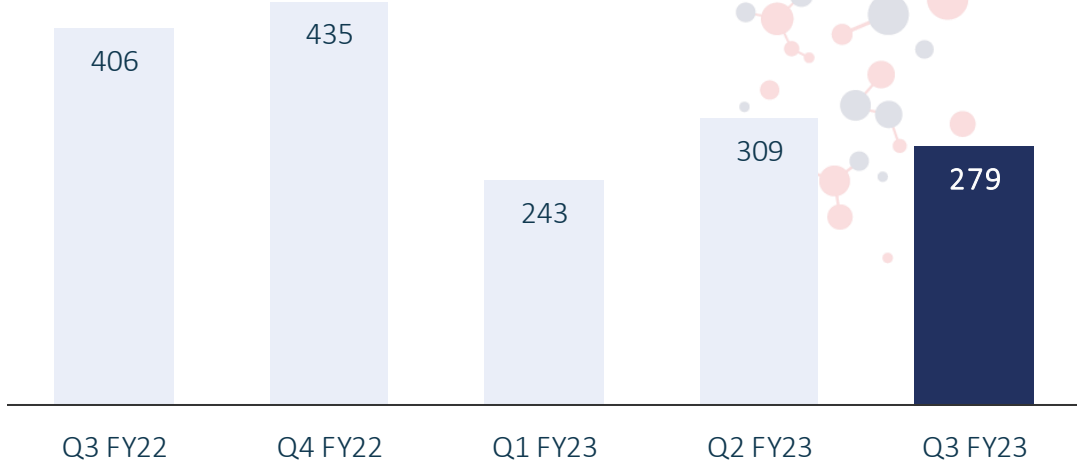
# Business Performance Review

# Segment Performance – Generic & CDMO business

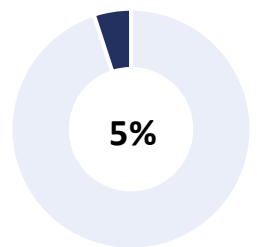
## Generic API (Revenue In ₹ Millions)



## CDMO (Revenue In ₹ Millions)

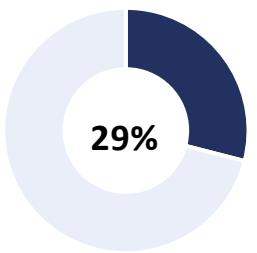
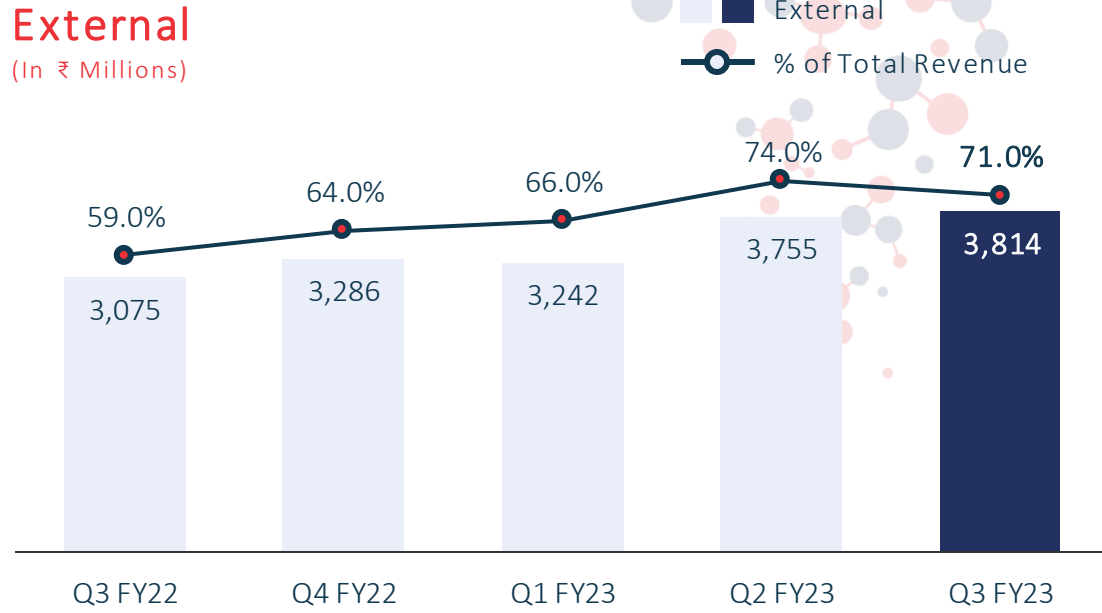
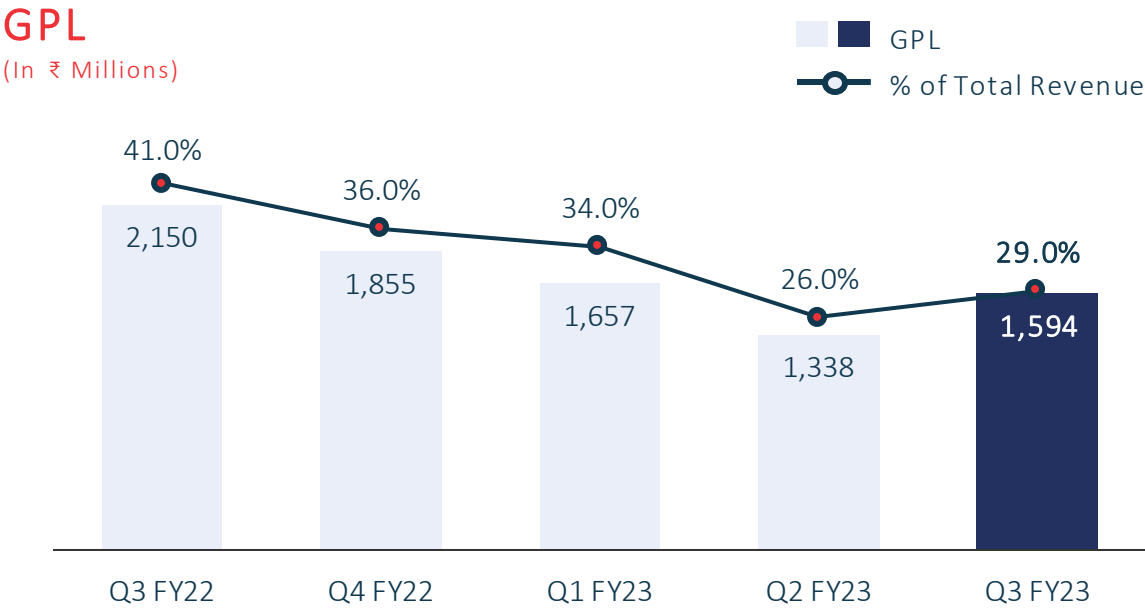


- Generic API revenues in Q3FY23 increased 5.9% QoQ and increased 1.8% YoY
- Regulated markets business continues the strong growth momentum
- India, Europe and LATAM delivered strong performance while US witnessed healthy recovery

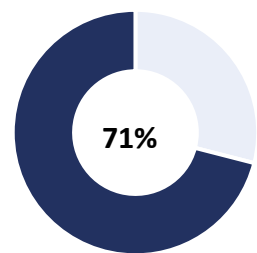


- CDMO revenues in Q3FY23 decreased by 9.6% QoQ
- Demand is expected to be picked up from Q4FY23
- 4th CDMO project is stalled due to regulatory delays at the customer's end
- Multiple discussions ongoing with companies globally for additional business opportunities

# Segment Performance – GPL vs. External



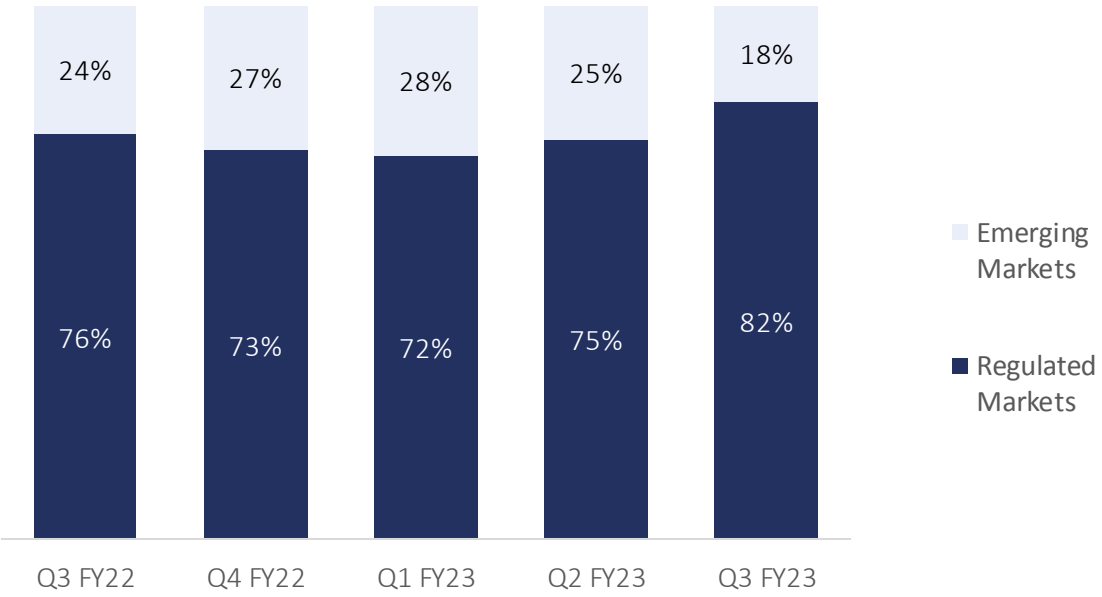
- GPL business in Q3 FY23 increased 19% QoQ and decreased by 26% YoY
- GPL business recovery is expected to continue in coming quarters



- External business grew strongly by 2% QoQ and 24% YoY
- External business was driven by healthy growth in regulated markets

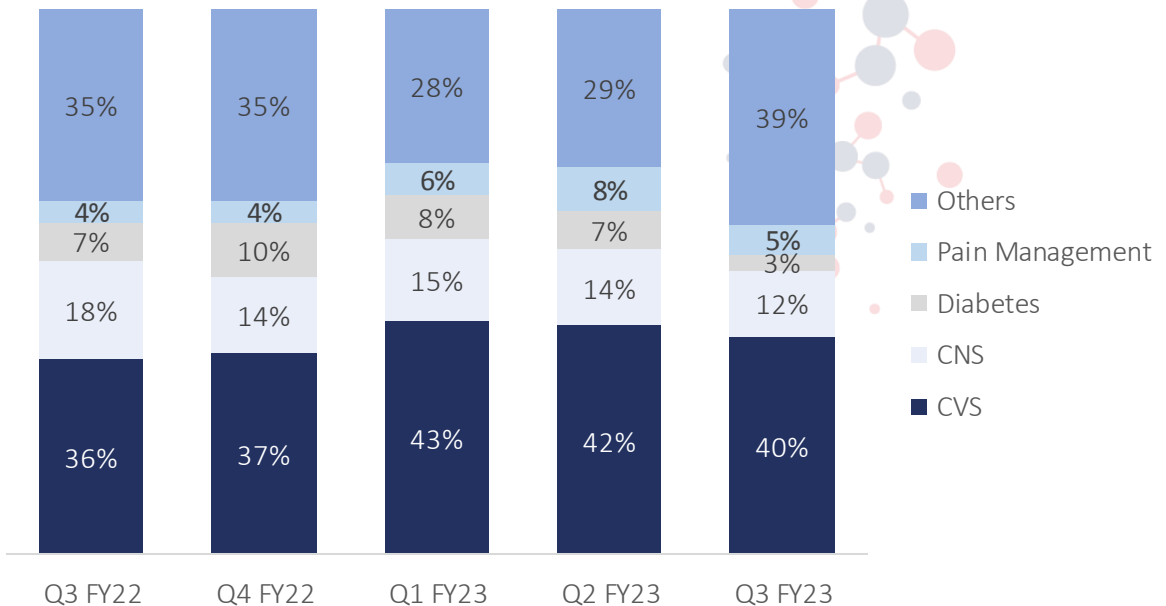
# Market and Therapeutic Area Mix

## Market Mix

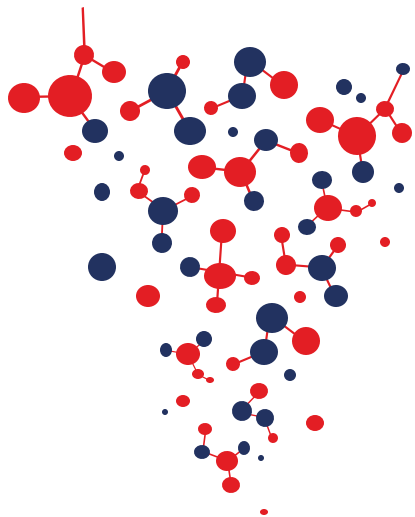


- Regulated markets contribution has increased to ~82% of the total portfolio
- Regulated markets growth was driven by steady growth in external business along with robust recovery in GPL business

## Therapeutic Area Mix



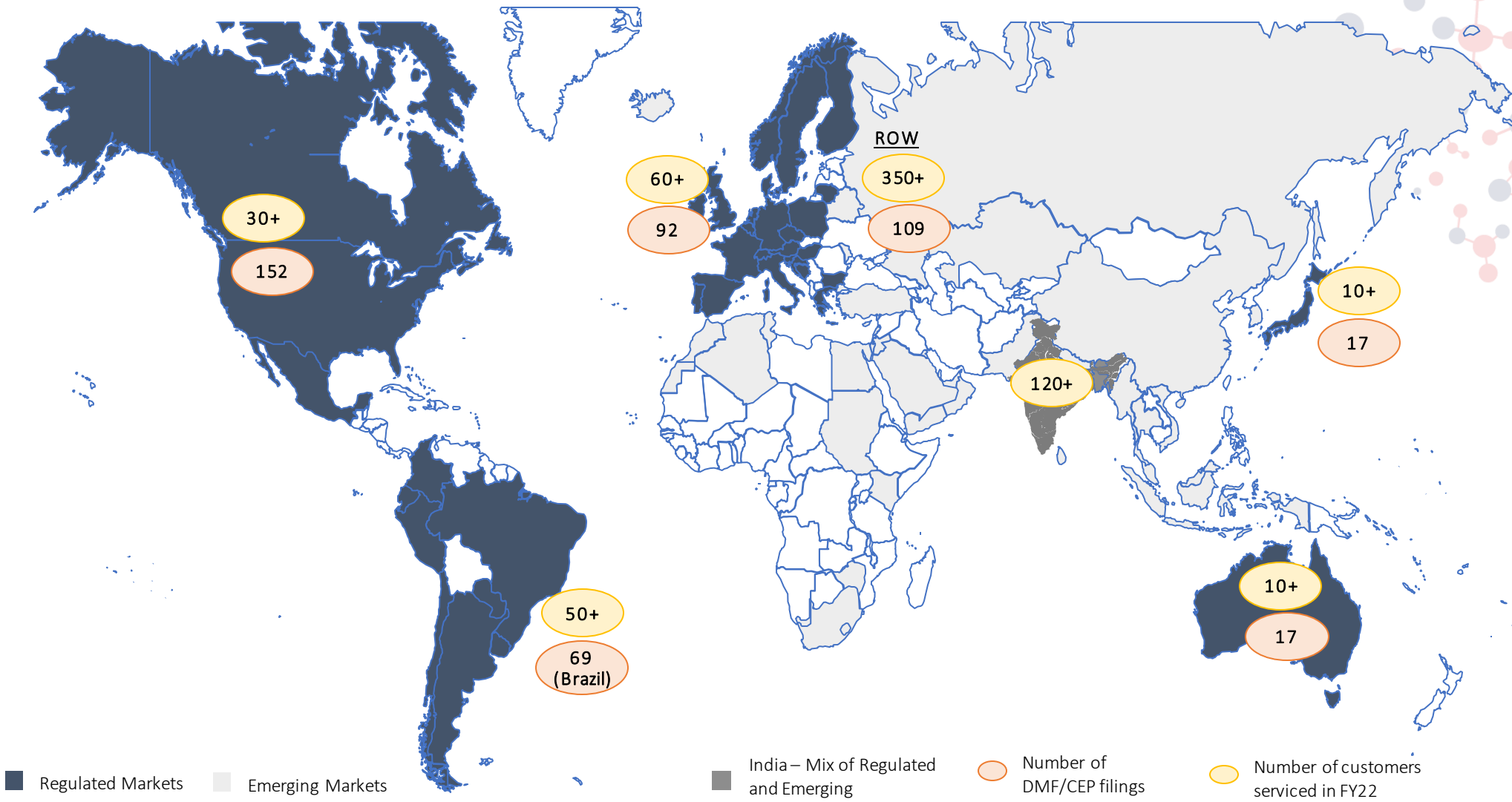
- CVS portfolio continues the steady growth on YoY Basis
- Our key focused area of chronic therapies contributed 61% of the net sales
- Others include mainly acute segment with wide range of therapies



# Company Overview

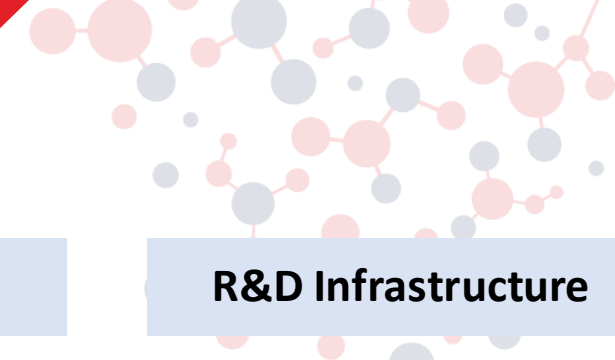
# Global Footprint

- Filed 456 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



As of December 31, 2022

# Quality-focused, compliant manufacturing & R&D infrastructure



## Manufacturing Infrastructure

Location	Annual Installed Capacity (Dec-22)	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	381.9 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

\* Additional 240 KL capacity added / commercialized in November 2022

## R&D Infrastructure

### Mahape, Navi Mumbai

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

### Mahape, Navi Mumbai

- Cost improvement programs and process improvements

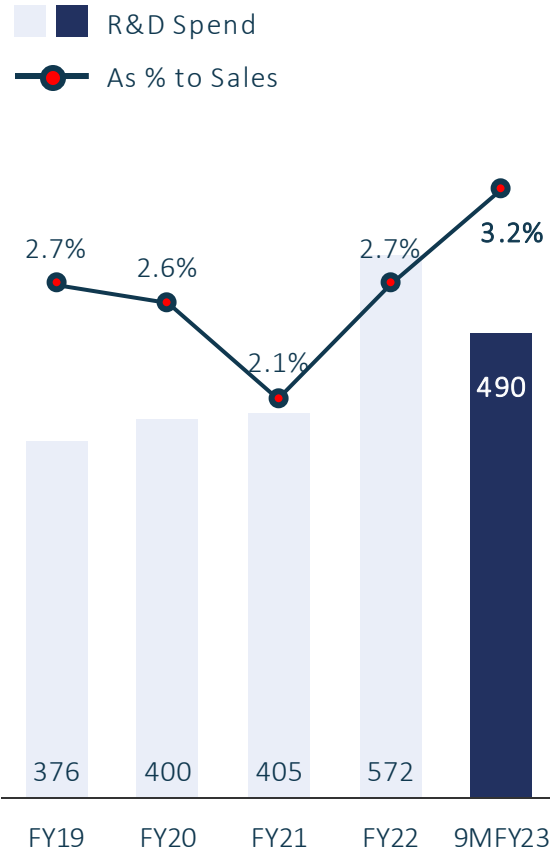
### Dahej, Gujarat

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

# R&D Capabilities

## R&D Spend

(In ₹ Millions)

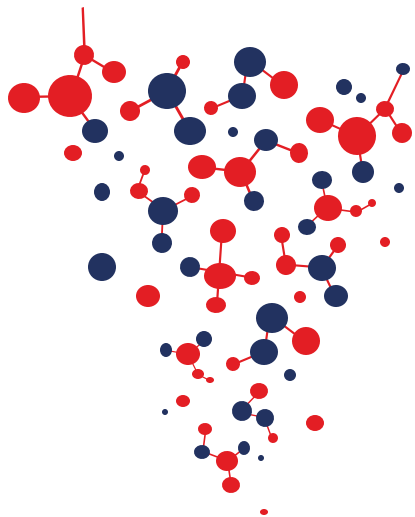


## Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	Australia	ROW	Total
CVS	36	31	4	17	10	26	124
CNS	35	20	7	13	1	13	89
Diabetes	9	4	-	8	-	12	33
Pain Management	1	2	-	4	1	8	16
Others	71	35	6	27	5	50	194
<b>Total</b>	<b>152</b>	<b>92</b>	<b>17</b>	<b>69</b>	<b>17</b>	<b>109</b>	<b>456</b>

- DMF/CEPs filing continues across major markets in Q3 FY23, taking the total cumulative filings to 456 as on Dec 31, 2022.
- 3 Iron compounds in Portfolio of which - Regulatory filing completed for 1 iron compound, other iron compounds at advanced stage and initial stage of development with cumulative global market size of more than USD 1.8 billion (Source: IQVIA MAT Sep'22)
- There are currently 8 high potent API in the portfolio with global market size of more than USD 18 billion (Source: IQVIA MAT Sep'22). 4 products are in an advanced stage of development out of the 8 products and remaining in the development stage.





# Strategy Going Forward

# Strategic Growth Levers

## New Growth levers

2

- ✓ Ramp up CDMO portfolio
- ✓ Expand into complex API platforms
- ✓ Iron compounds
- ✓ Oncology

## Operational efficiencies

4

- ✓ Debottlenecking
- ✓ 2nd/3rd generation process adoption
- ✓ Backward integration
- ✓ Reduce carbon footprint
- ✓ Adoption of flow chemistry in manufacturing
- ✓ Pursue AVD opportunities

## 1 Gx API Business

- ✓ New product launches
- ✓ Geographical expansion
- ✓ Focus on new markets becoming more regulated
- ✓ Pursue 2nd source opportunities with top generic players

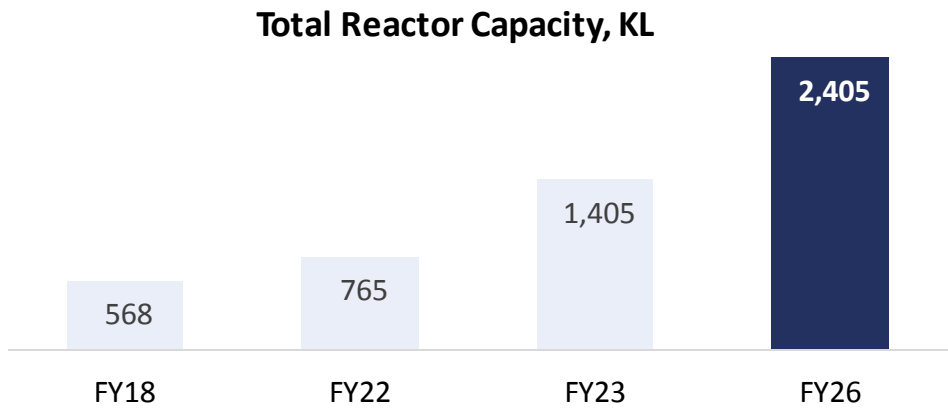
## 3 Capacity

- ✓ Capacity expansion
- ✓ Greenfield – Solapur, 1000KL
- ✓ Brownfield – Dahej, 240KL (Completed)
- ✓ Oncology block – Dahej (Completed)
- ✓ Backward integration – Ankleshwar (400KL)
- ✓ Build R&D capability for new growth levers

# Future Capacity Expansion Plan

Expansion Type	Division	Location	Current Capacity	Status & Planned Capacity	Operational Timelines
Brownfield	API	Dahej	381.9 KL	240 KL capacity added in Nov 2022	-
Brownfield	Intermediate	Ankleshwar	550.2 KL	Under Construction 400 KL	Q4 FY23
Brownfield	Oncology	Dahej	-	Completed	-
Greenfield	API	Solapur	-	EC Received for 1,000 KL	FY24 - FY26

Capacity Progress by Year



- ✓ API capacity expansion of 240 KL and Oncology facility at Dahej has been completed
- ✓ Backward Integration plant at Ankleshwar is under construction

# Thank You

**FOR FURTHER INFORMATION CONTACT**

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**T:** 91 22 68297979

**CIN:** U74900PN2011PLC139963

**Website:** [www.glenmarklifesciences.com](http://www.glenmarklifesciences.com)