



Dedicated To Life

August 11, 2023

Listing Department  
**BSE LIMITED**  
P J Towers, Dalal Street,  
Mumbai-400 001

**Code: 532321**

Listing Department  
**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400 051

**Code: ZYDUSLIFE**

Re: **Investor Presentation**

Dear Sir,

Please find attached the Investor Presentation on the unaudited financial results for the quarter ended on June 30, 2023.

Please find the same in order.

Thanking you,

Yours faithfully,  
For, **ZYDUS LIFESCIENCES LIMITED**

**DHAVAL N. SONI**  
**COMPANY SECRETARY**

Encl.: As above

**Zydus Lifesciences Limited** (formerly known as Cadila Healthcare Limited)

Regd. Office : 'Zydus Corporate Park', Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,  
S. G. Highway, Ahmedabad-382 481, Gujarat, India. | Phone : +91-79-71800000, +91-79-48040000  
website : [www.zyduslife.com](http://www.zyduslife.com) | CIN : L24230GJ1995PLC025878





# Zydus Lifesciences Limited

Earnings Presentation: Q1 FY24

11<sup>th</sup> August, 2023

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# Q1 FY24: At a Glance

## Revenues from Operations

**Rs. 51,396 mn**  
 ↑ 30% YoY

## R&D

**Rs. 3,239 mn**  
 6.3% of revenues

## EBITDA & Margin %

**Rs. 15,053 mn**  
 29.3% of revenues  
 ↑ 81% YoY

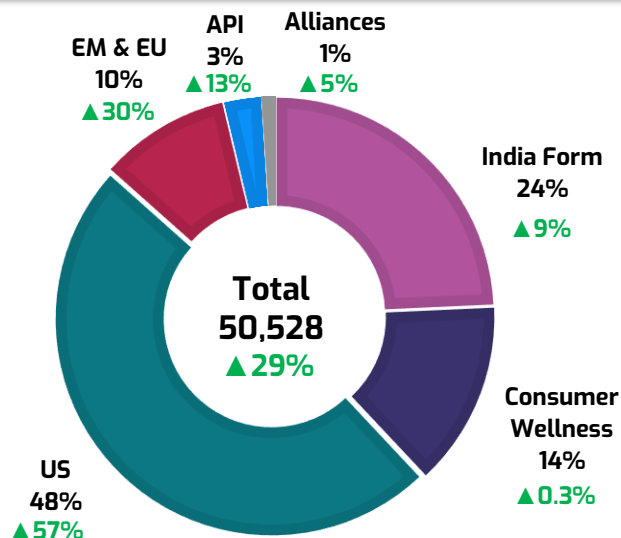
## Net Profit ex. Exceptional

**Rs. 11,011 mn**  
 ↑ 111% YoY

## Highlights of Q1 FY24

- Total revenues grew **30% YoY**, led by **US** and **EM& EU formulations** businesses.
- **Branded formulations** business in India delivered **10% growth YoY**. Excluding the impact of **NLEM led price reduction**, growth was **12% YoY**.
- **Consumer Wellness** business continued to hold **leadership** position in **5 out of 6 brands** in their respective categories.
- **US formulations** business continued to grow on a **sequential basis**, aided by **volume expansion** in existing products and **new launches**.
- All **major** geographies of **Emerging markets** and **Europe** business posted **strong growth**.
- EBITDA margin stood at **29.3%**, up **830 bps YoY** and **420 bps QoQ**.
- Capex (organic) for the quarter: Rs. 2,203 mn.
- Net debt to EBITDA: (-) 0.19x (at 30-Jun'23) vs (-) 0.14x (at 31-Mar'23)

## Business-wise Sales Break-up (Rs. mn) and YoY Growth

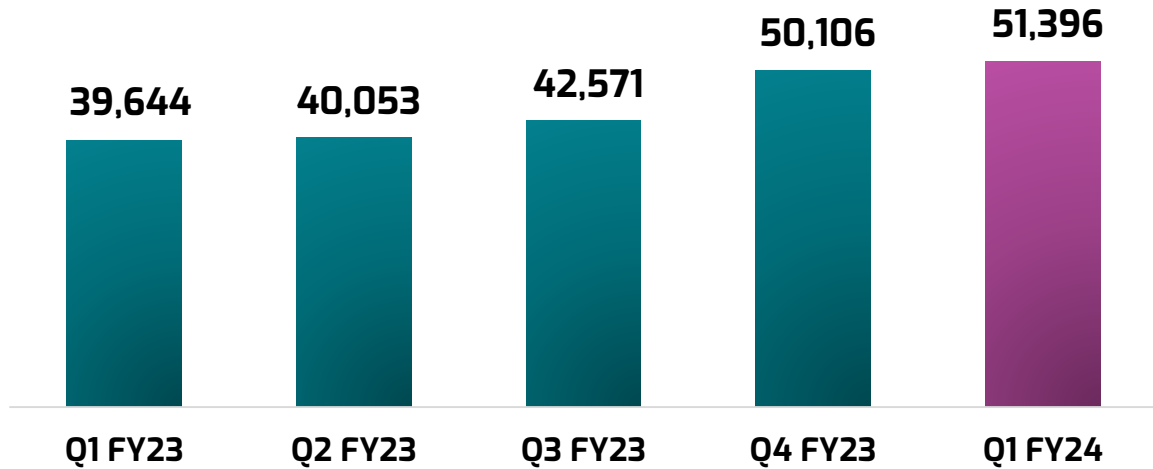


## Regulatory Updates

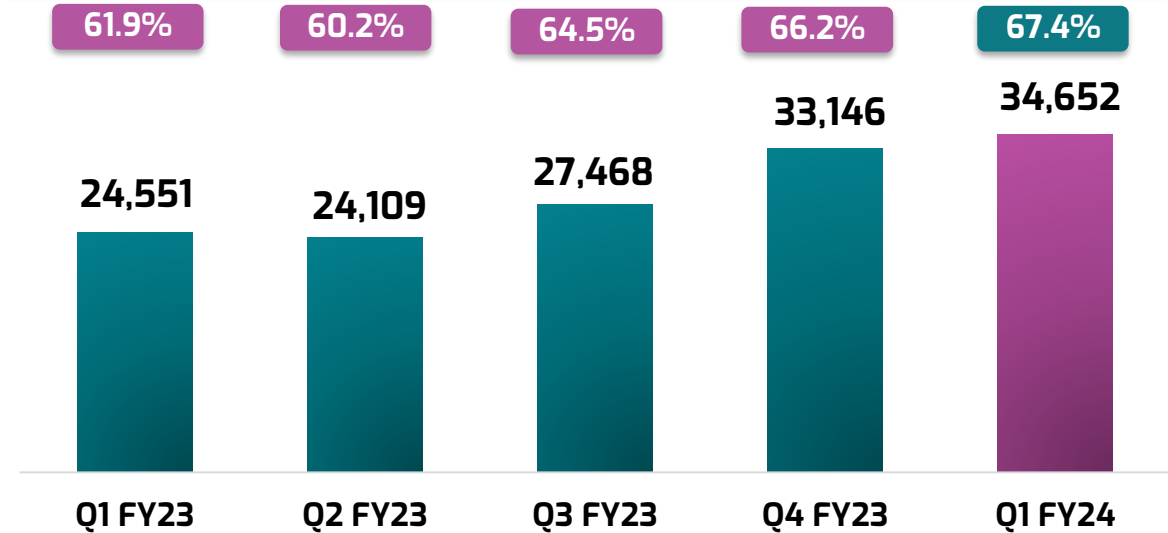
- Oral Solid Dosage (OSD) facility II in Ahmedabad SEZ completed the USFDA Pre-Approval inspection without any observations.
- Biologics fill-finish facility and Animal health formulations manufacturing facility completed the USFDA inspections without any observations.

# Key Financial Metrics (1/2)

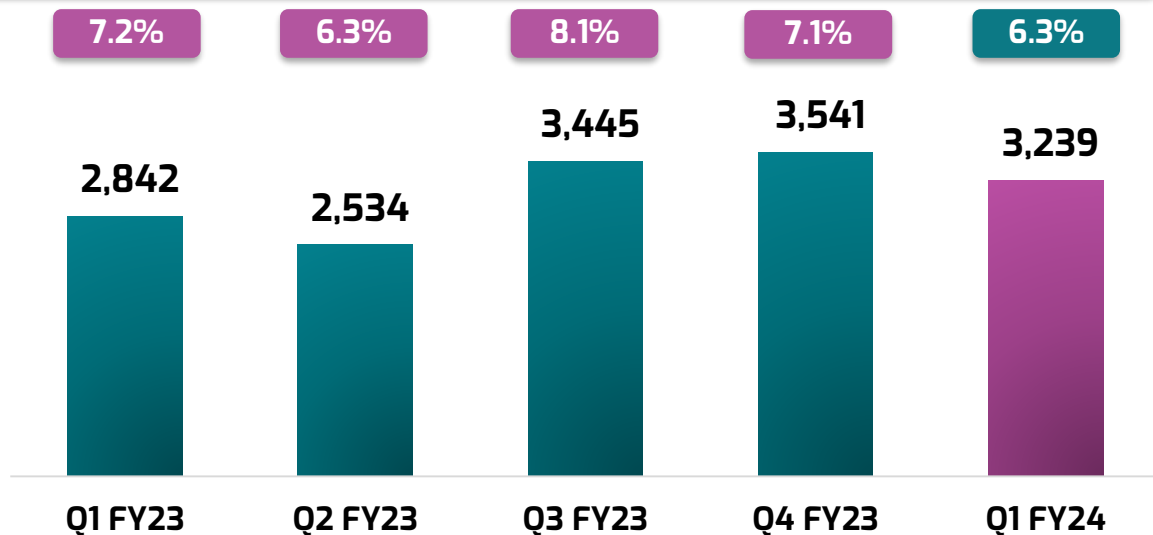
## Total Revenues (Rs. mn)



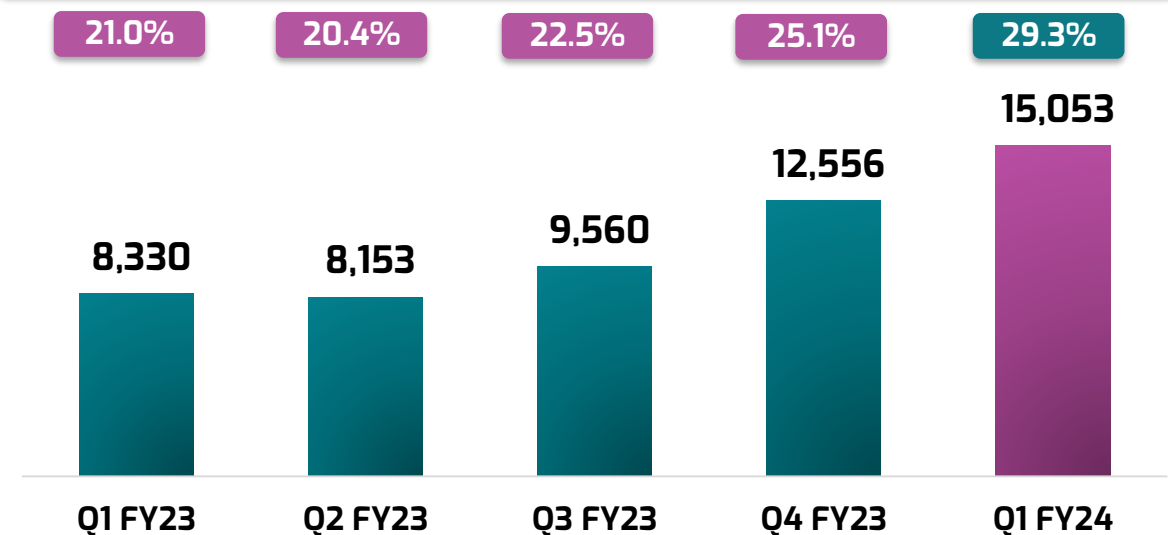
## Gross Profit (Rs. mn) and Gross Margin %



## Total R&D (Rs. mn) and % to Revenues

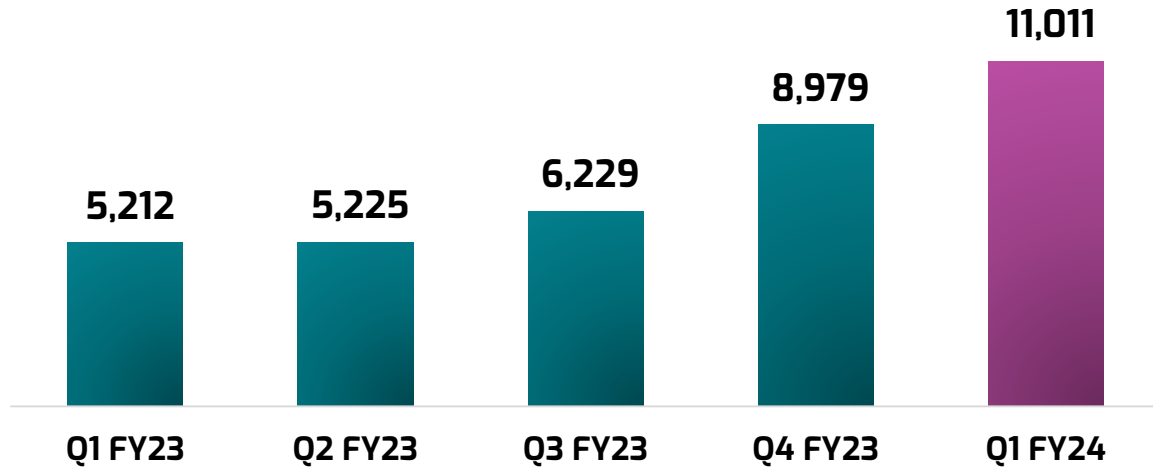


## EBITDA (Rs. mn) and EBITDA Margin %

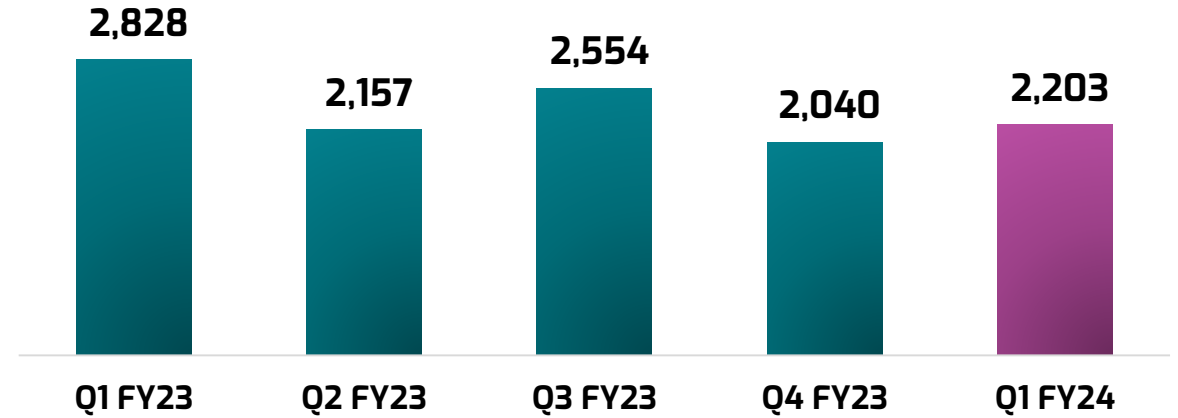


# Key Financial Metrics (2/2)

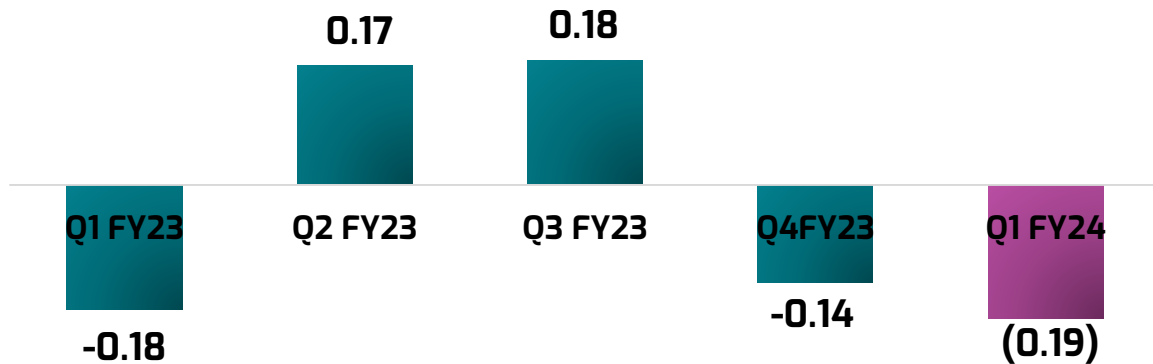
## PAT ex. Exceptional (Rs. mn)



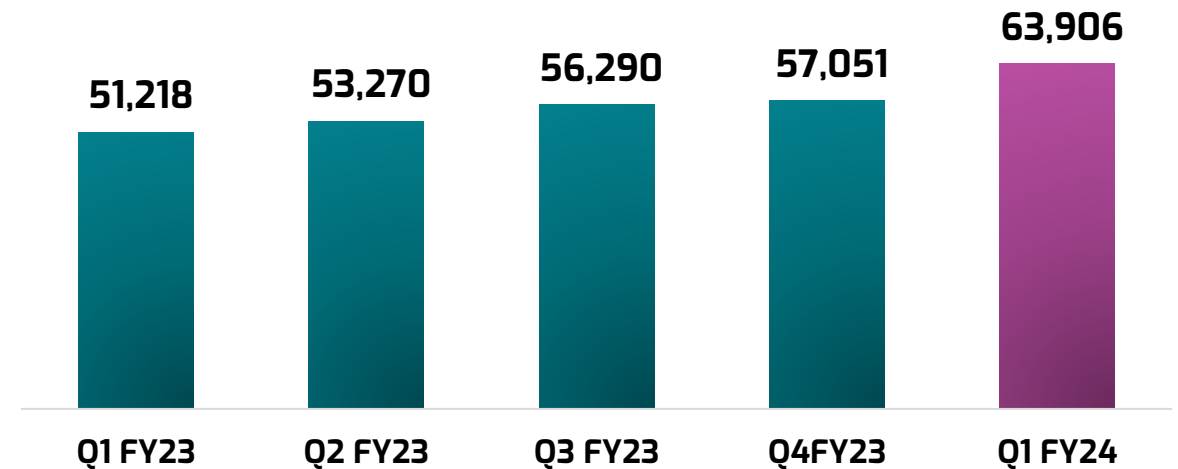
## Organic Capex (Rs. mn)



## Net Debt/ EBITDA



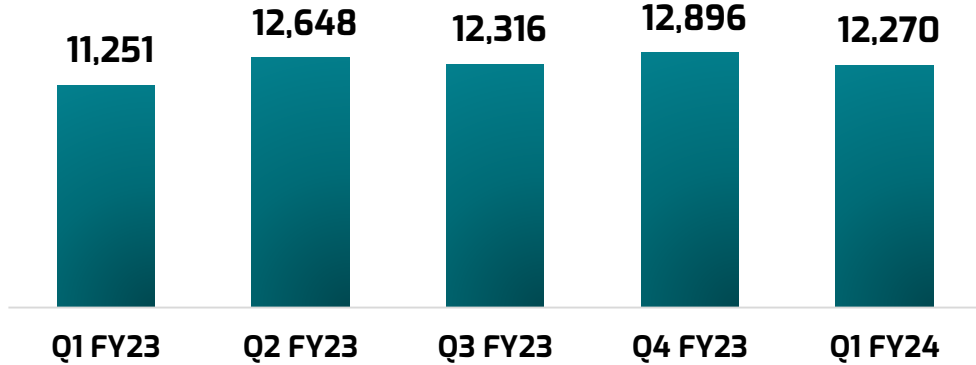
## Net Working Capital\* (Rs. mn)



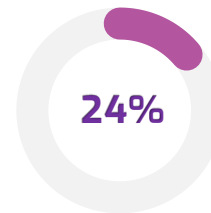
\*Net working capital includes Inventory, Trade receivables and Trade payables.

## Sustained growth momentum driven by focused execution

India Formulations Sales (Rs. mn)



Q1 FY24 Revenue Contribution



Q1 FY24 Gr.



## Brand building - a key growth driver

# of Brands

1000+

12

500 to 1000

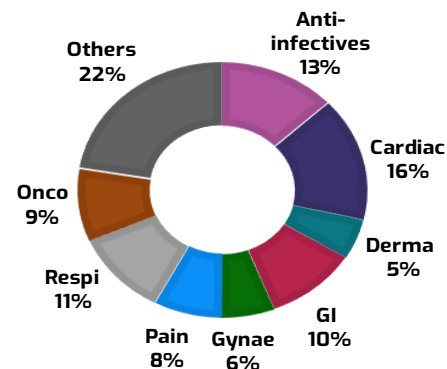
25

250 to 500

37

Brand Value (Rs. Mn)\*

## Therapy-wise Break-up\*

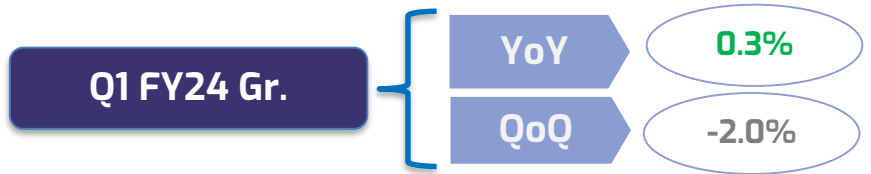
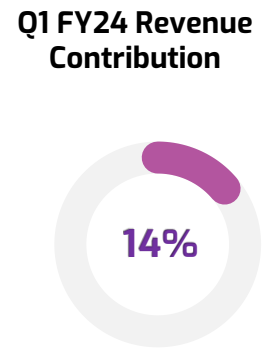
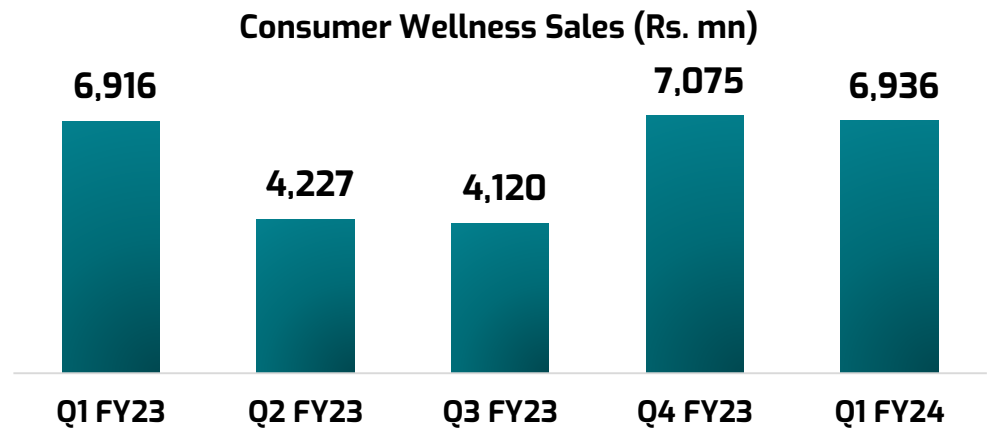


## Highlights for the quarter

- Branded business **grew by 10% YoY**. Excluding the impact of **NLEM led price reduction**, the **growth** was **12% YoY**.
- Continued to work towards **strengthening** the presence in **focused** therapy areas.
- During the quarter, **Lipaglyn®** brand was ranked **47<sup>th</sup> largest brand** in the Indian Pharmaceutical Market (IPM), a **gain of 19 positions** over the previous year.
- Bilypsa®** and **Ujvira™** brands continued to register **volume expansion** through various patient support programs and activities.
- On the Super Specialty front,
  - Retained **leadership** position in **Nephrology** segment and
  - In **Oncology**, continued to grow at the **fastest pace**.

\*Source: AWACS MAT June 23

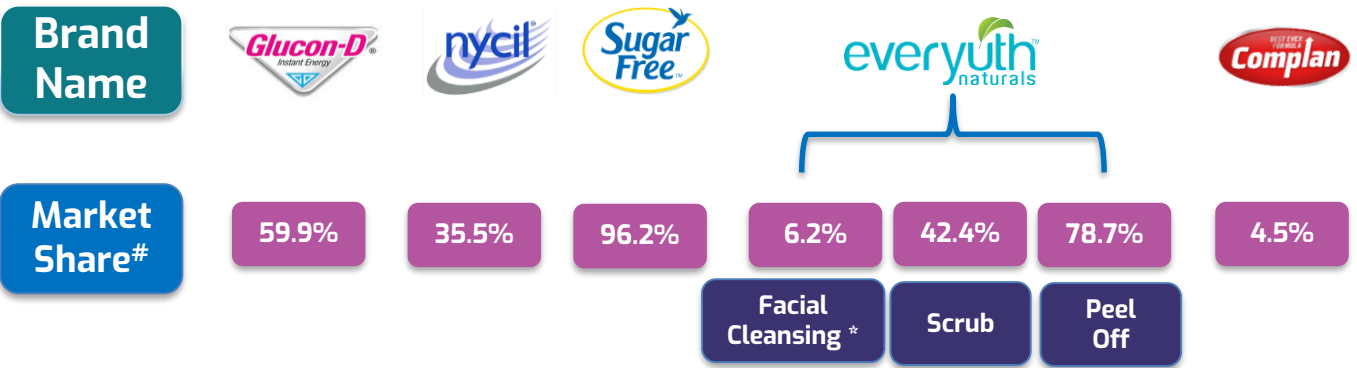
## Leveraging strong brand equity to navigate through challenging times



## Highlights for the quarter

- **Unseasonal rains** during the first half of the quarter impacted the **offtake** of a key summer-oriented brand **Glucon-D®**.
- Rest of the portfolio posted **near double digit growth**.
- **Inflationary pressure** on gross margin **eased** on account of **moderation in commodity prices** on a sequential basis.

## Key brands continued to hold dominant market share

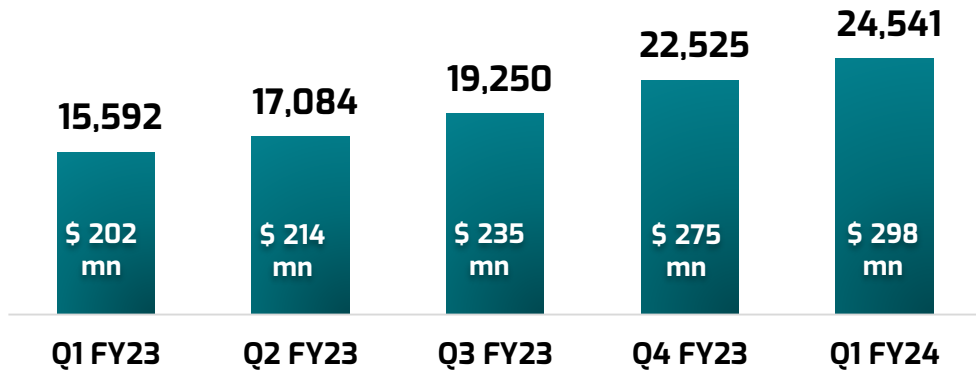


#Source: Nielsen and IQVIA MAT June 2023 report  
 \* Facial cleansing segment includes Face wash, Scrub and Peel-off.

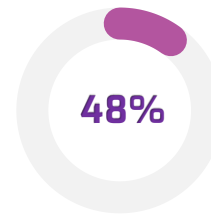


## Delivering sustained sequential growth through the year

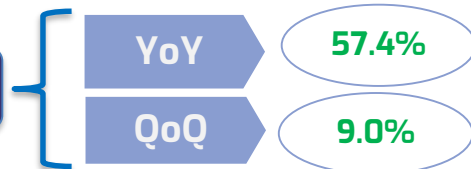
US Formulations Sales (Rs. mn)



Q1 FY24 Revenue Contribution

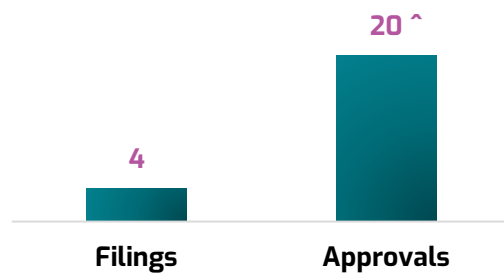


Q1 FY24 Gr.

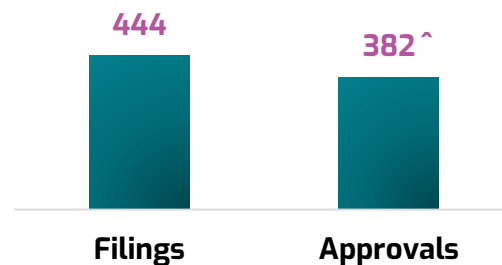


## Continued investment to build the generics pipeline

ANDA filings and approvals - Q1 FY24



ANDA filings and approvals - Cumulative



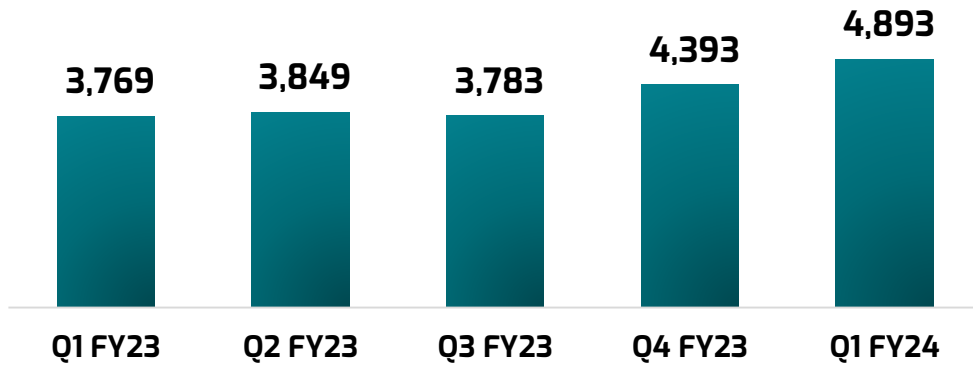
## Highlights for the quarter

- Registered **strong YoY growth** driven by **new launches** and **improvement in base business**.
- On a **sequential basis** too, the business grew on a **high base** of previous quarter.
- Received **20 new product approvals** (incl. 3 tentative approvals) and launched **4 new products**.
- Filed **4 ANDAs** during the quarter.
- 62 ANDAs** pending approval with the USFDA.

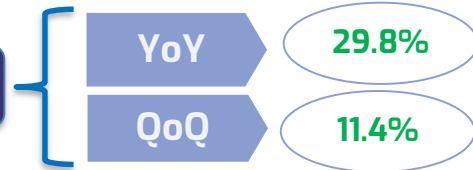
^ includes 3 tentative approvals in Q1 FY24 and 26 tentative approvals on a cumulative basis.

## Base business continued to display robust growth

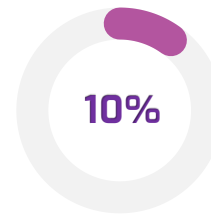
EM & EU Formulations Sales (Rs. mn)



Q1 FY24 Gr.



Q1 FY24 Revenue Contribution



## Highlights for the quarter

- The business continued its growth journey and posted a **robust 30% growth YoY**.
- All the **major markets** delivered **healthy growth** during the quarter

## NCE: Saroglitazar Magnesium

- The molecule is undergoing Phase II(b)/III clinical trials for PBC indication and Phase II(b) clinical trials for NASH indication for the US market. Recruited over 80% of the patients for PBC trials. Patient recruitment is going on as per the plan for NASH trials.
- To generate real world evidence, initiated Phase IV clinical trials in India in NAFLD patients with comorbidities. The trials will enrol approximately 1500 patients. Primary endpoint is to measure the change in liver stiffness from baseline to week 52. The study duration is approximately 56 weeks.

## Biosimilars

- Biosimilars of two mAbs are undergoing clinical trials in India.
- Completed the recruitment of patients for one of the molecules.

## Vaccines

- Commissioned the newly constructed Measles and Rubella (MR) drug substance manufacturing facility.
- Initiated Phase II clinical trials of Hepatitis E vaccine.

# Zydus at a Glance

**~\$2.15**  
bn  
Global Revenues<sup>1</sup>

**5<sup>th</sup>**  
Largest generic Co. in US  
in terms of prescription<sup>3</sup>

**7**  
R&D Centers  
For NCE, APIs, Gx formulations,  
Biosimilars and Vaccines

**>40%**  
Revenues from India  
Geography (Formulations  
and wellness) in FY23

**Among  
Top 3**  
In 65% of product  
families marketed in US<sup>4</sup>

**1<sup>st</sup>**  
Approved product for  
NASH in India - (Bilypsa<sup>®</sup> -  
Saroglitazar)

**\$8.0**  
bn  
Market Capitalization<sup>2</sup>

**12**  
Brands among Top  
300 in India<sup>5</sup>

**1<sup>st</sup>**  
OSD formulation for anemia  
associated with CKD –  
Oxemia<sup>™</sup> (Desidustat)

**36**  
Mfg. sites having  
capabilities across  
dosage forms

**24 K**  
Zydans globally incl.  
>1400 scientists (R&D)

**23**  
Biosimilars in portfolio  
(incl. 2 ADCs), launched  
13 products in India

1. In FY23, assuming exchange rate of Rs. 80.4 per USD  
2. As on 10<sup>th</sup> August, 2023, exchange rate of Rs. 82.8 per USD  
3. IQVIA MAT June 2023 TRx

4. IQVIA MAT March 2023 TRx  
5. As per AWACS MAT June 2023

# Consolidated Financial Performance (reported)

Rs. mn	Q1 FY24	Q1 FY23	YoY gr.	Q4 FY23	QoQ gr.
<b>Total Income from Ops.</b>	<b>51,396</b>	<b>39,644</b>	<b>29.6%</b>	<b>50,106</b>	<b>2.6%</b>
Gross Contribution (GC)	34,652	24,551	41.1%	33,146	4.5%
Gross Margin %	67.4%	61.9%		66.2%	
Employee benefits expenses *	6,524	6,042	8.0%	6,507	0.3%
R&D expenses	3,239	2,842	14.0%	3,541	-8.5%
Other operating expenses	9,565	8,420	13.6%	9,957	-3.9%
Net (gain)/loss on foreign currency transactions	271	-1,083	125.0%	585	-53.8%
<b>EBITDA</b>	<b>15,053</b>	<b>8,330</b>	<b>80.7%</b>	<b>12,556</b>	<b>19.9%</b>
EBITDA Margin %	29.3%	21.0%		25.1%	
Other Income	360	659	-45.4%	378	-4.8%
Finance cost	181	343	-47.2%	277	-34.7%
Depreciation and amortization	1,798	1,807	-0.5%	1,786	0.7%
<b>PBT before exceptional items</b>	<b>13,434</b>	<b>6,839</b>	<b>96.4%</b>	<b>10,871</b>	<b>23.6%</b>
Exceptional Expenses/ (Incomes)	142	29	389.7%	6,013	-97.6%
<b>Profit before Tax</b>	<b>13,292</b>	<b>6,810</b>	<b>95.2%</b>	<b>4,858</b>	<b>173.6%</b>
Tax expenses	2,161	1,184	82.5%	1,372	57.5%
Share of profit from JVs	215	221	-2.7%	118	82.2%
Profit/(loss) from discontinued ops. #	-10	-83	88.0%	-22	54.5%
Minority Interest	467	581	-19.6%	616	-24.2%
<b>Reported Net Profit</b>	<b>10,869</b>	<b>5,183</b>	<b>109.7%</b>	<b>2,966</b>	<b>266.4%</b>

\* Excludes Research related expenses

# Details of Exchange Rate Fluctuations

Rs. mn	Q1 FY24	Q1 FY23	YoY gr. %
<b>A. On operating transactions (above EBITDA line)</b>	<b>274</b>	<b>-1,169</b>	<b>123.5%</b>
a. Included in COGS	3	-86	104%
b. Part of other operating expenses (shown separately)	271	-1,083	
<b>B. On other income</b>	<b>-</b>	<b>-149</b>	<b>100.0%</b>
<b>C. On foreign currency borrowings (part of finance cost)</b>	<b>4</b>	<b>1</b>	<b>300.0%</b>
<b>Total Exchange Rate Fluctuations ('+' = loss, '-' = gain)</b>	<b>278</b>	<b>-1,317</b>	<b>121.1%</b>

# Thank you

For any queries, please contact  
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[Arvind.Bothra@zyduslife.com](mailto:Arvind.Bothra@zyduslife.com)  
+91-22-62711905



For more information, please visit:  
[www.zyduslife.com](http://www.zyduslife.com)



[www.linkedin.com/company/zyduslife](http://www.linkedin.com/company/zyduslife)



## Registered Office:

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Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,  
Sarkhej-Gandhinagar Highway,  
Ahmedabad – 382 481  
Gujarat, India