

February 08, 2022

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





**Q3 FY22**  
**Investor Presentation**  
**Glenmark Life Sciences Ltd**

# 01

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## Financial Performance Review

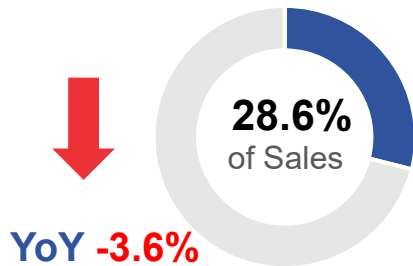


# Q3 FY22 – Highlights

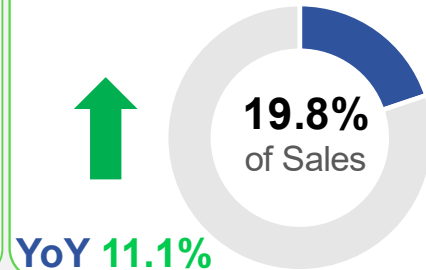
**Revenue**  
INR 5,225 mn



**EBITDA**  
INR 1,496 mn



**PAT**  
INR 1,037 mn



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

“We have delivered a steady performance in Q3FY22 with a healthy EBITDA margin. While the generic API business growth was muted due to the base effect of COVID API sales last year, we continued our strong momentum in the CDMO business fuelled by healthy demand and growth in the regulated markets. Our overall results reflect our operational resilience.”

- YoY Revenue grew at 4.5% in Q3 and 13.5% in 9M FY 22.
- CDMO business is growing at 45.1% in Q3 and 30.9% in 9M FY 22
- During the quarter, revenues from the regulated markets witnessed healthy growth whereas revenues from the emerging markets were lower due to high base of COVID products sales last year
- EBITDA margins for the quarter were at 28.6%, compared to 30.2% in Q2 FY22 and 31% during Q3 of FY21
- R&D expenditure at 2.9% during the quarter and 2.7% for 9M FY22
- PAT margins improved following debt repayment

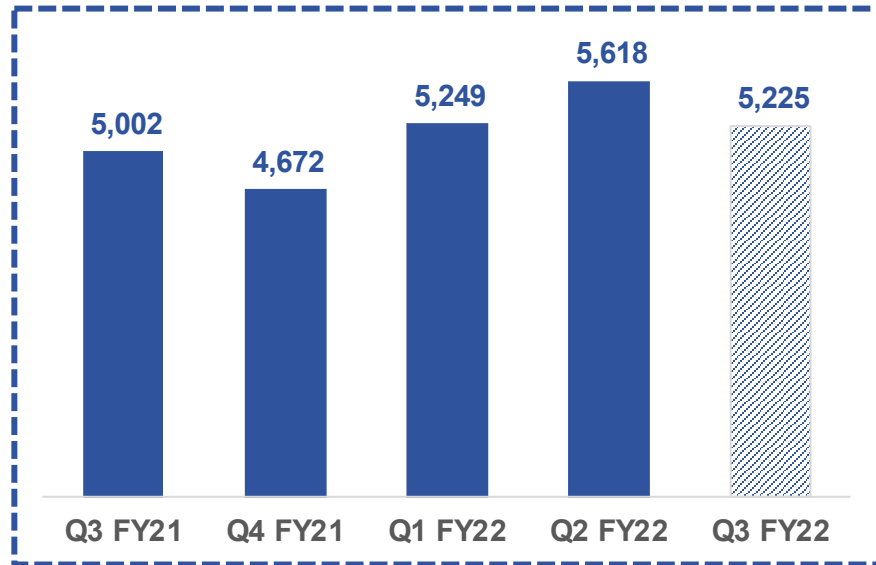
# P&L Highlights – Q3 & 9M FY22

Amounts in INR Millions	Q3 FY22	Q2 FY22	QoQ	Q3 FY21	YoY	9M FY22	9M FY21	YoY
<b>Revenue from Operations</b>	<b>5,225</b>	<b>5,618</b>	<b>-7.0%</b>	<b>5,002</b>	<b>4.5%</b>	<b>16,092</b>	<b>14,180</b>	<b>13.5%</b>
Gross Profit	2,653	2,905	-8.7%	2,566	3.4%	8,214	7,050	16.5%
Gross Profit (%)	50.8%	51.7%		51.3%		51.0%	49.7%	
Other Income	35	21		4		96	5	
Employee Benefits Expense	441	486	-9.1%	376	17.3%	1,296	1,116	16.1%
Other Expenses	751	746	0.7%	641	17.1%	2,179	1,721	26.6%
<b>EBITDA</b>	<b>1,496</b>	<b>1,694</b>	<b>-11.7%</b>	<b>1,552</b>	<b>-3.6%</b>	<b>4,835</b>	<b>4,217</b>	<b>14.7%</b>
<b>EBITDA Margin (%)</b>	<b>28.6%</b>	<b>30.2%</b>		<b>31.0%</b>		<b>30.0%</b>	<b>29.7%</b>	
Depreciation and Amortisation Expense	97	97	0.8%	84	16.5%	283	250	13.4%
Finance Costs	1	72		217		278	664	
PBT	1,398	1,525	-8.4%	1,252	11.7%	4,273	3,303	29.4%
PBT Margin (%)	26.8%	27.2%		25.0%		26.6%	23.3%	
<b>PAT</b>	<b>1,037</b>	<b>1,152</b>	<b>-10.0%</b>	<b>934</b>	<b>11.1%</b>	<b>3,198</b>	<b>2,469</b>	<b>29.5%</b>
<b>Net Margin (%)</b>	<b>19.8%</b>	<b>20.5%</b>		<b>18.7%</b>		<b>19.9%</b>	<b>17.4%</b>	

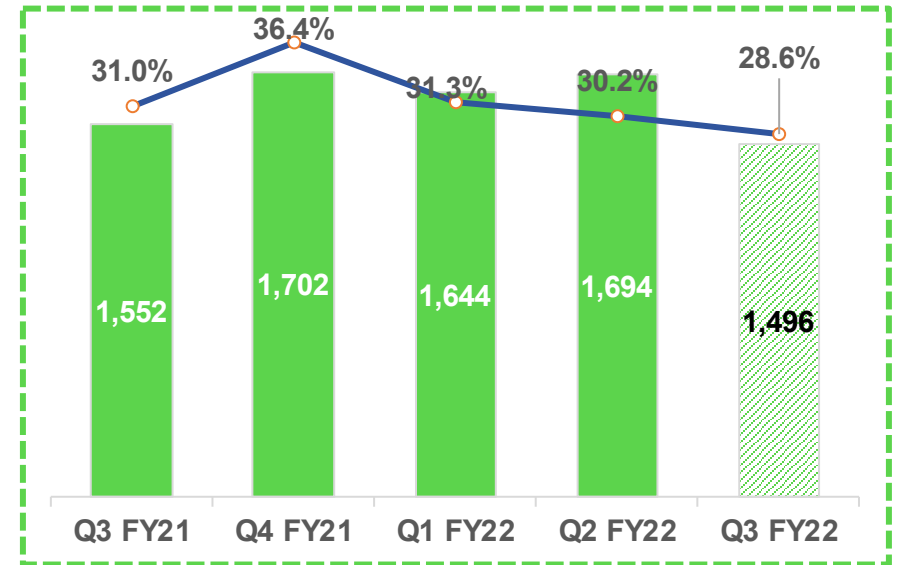
# Quarter on Quarter Performance

Sustaining a profitable growth trajectory

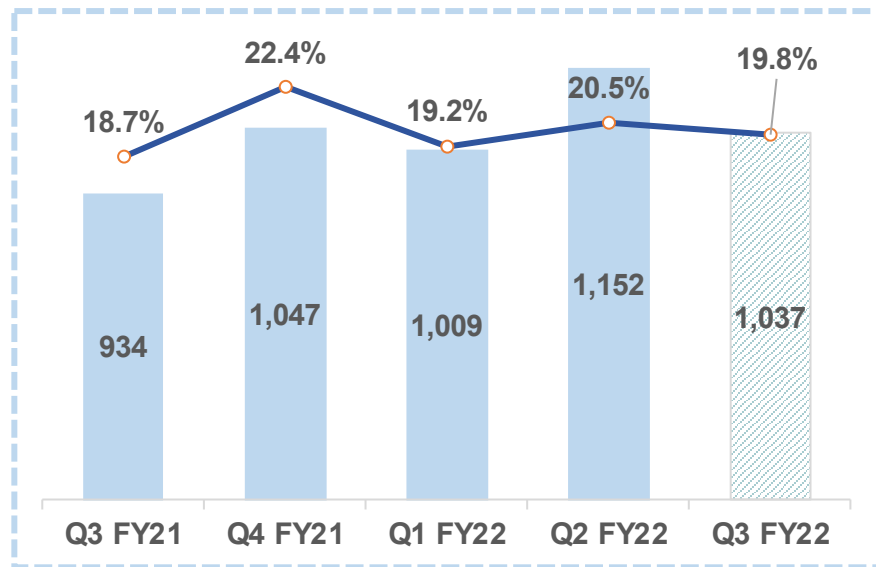
Revenue



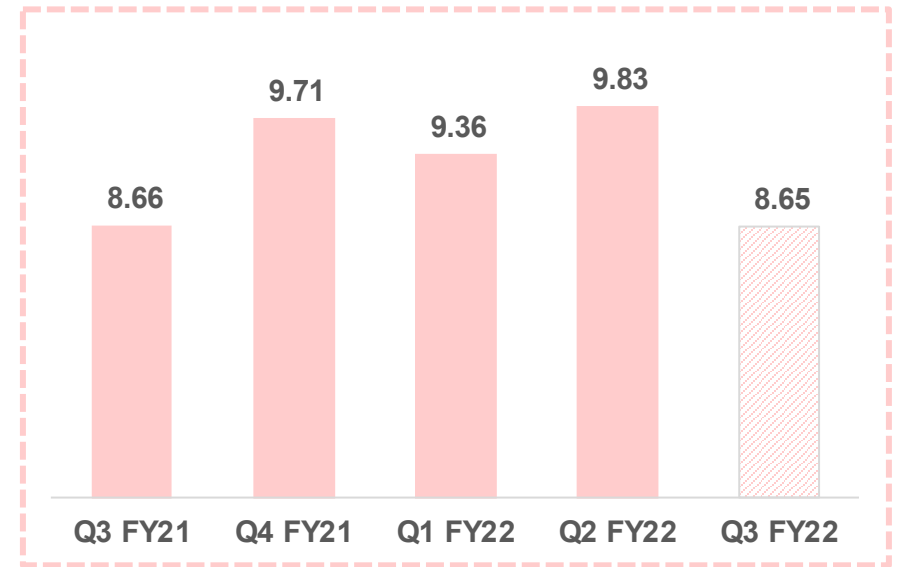
EBITDA



PAT



EPS

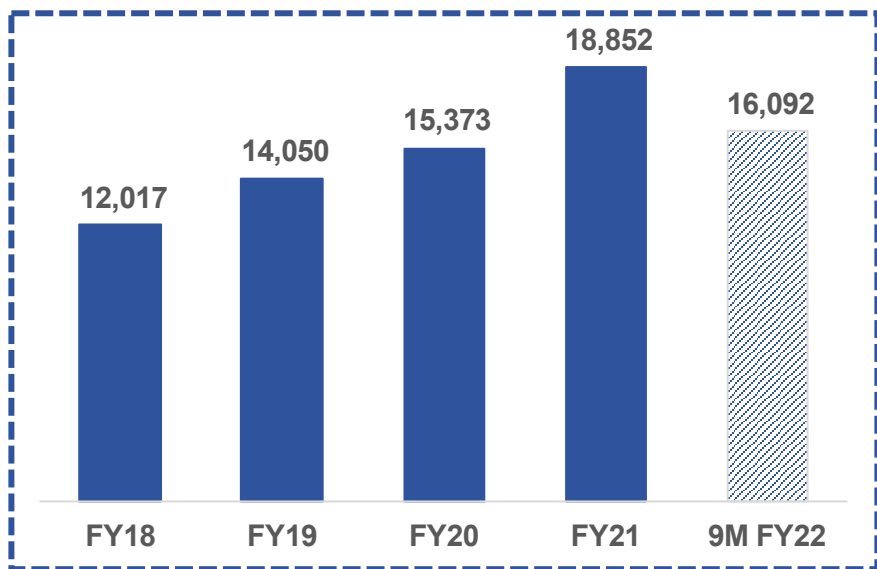


Amounts in INR Millions except EPS

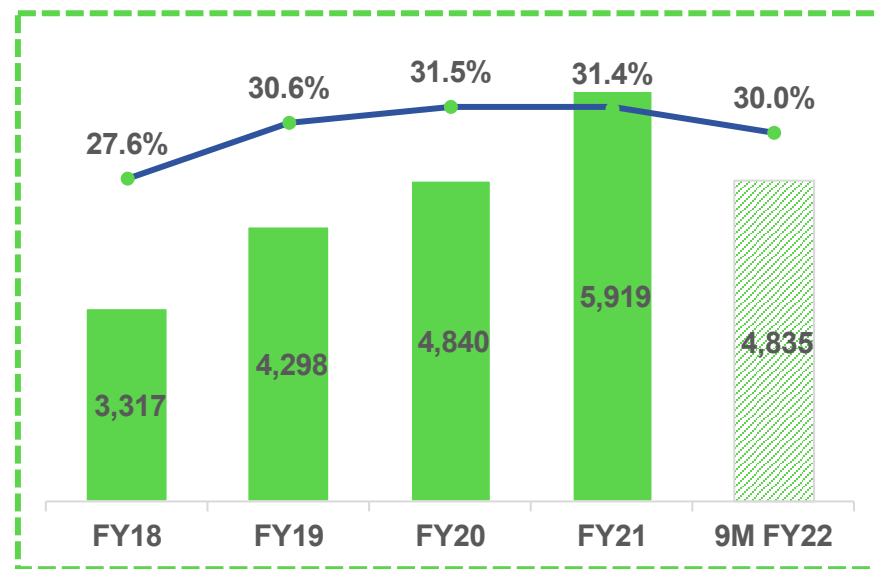
# Financial Performance Track Record

Robust growth and profitability indicators over the years

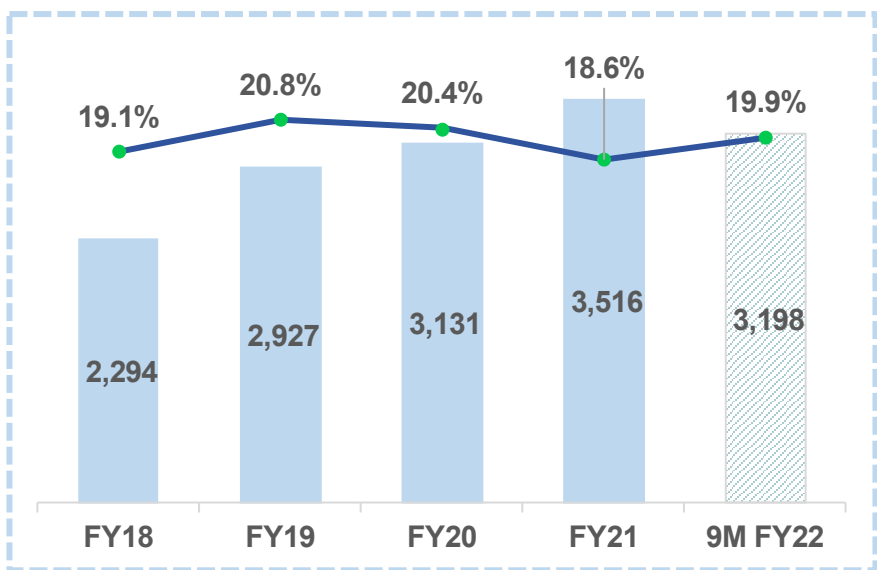
Revenue



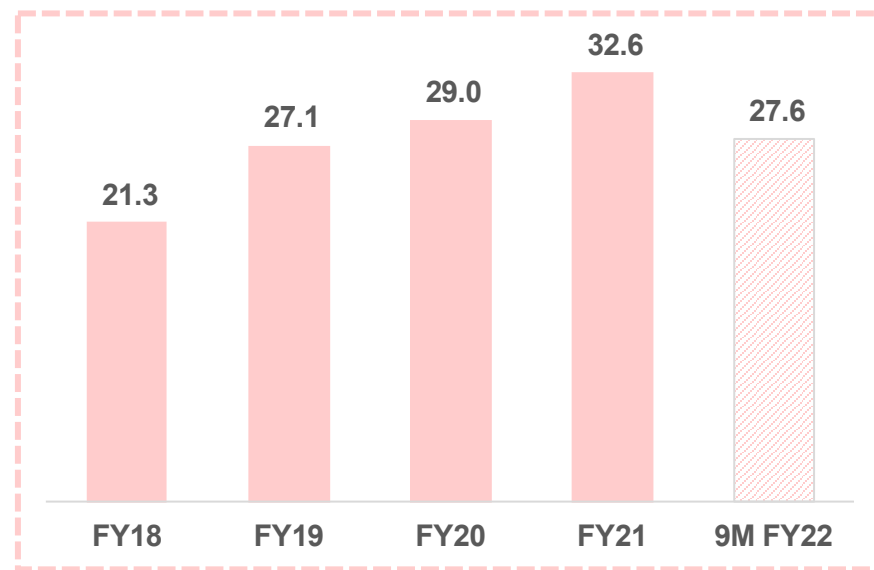
EBITDA



PAT



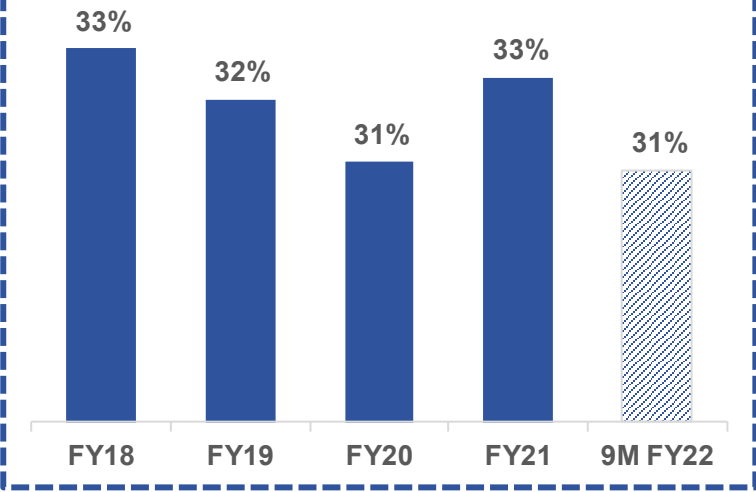
EPS



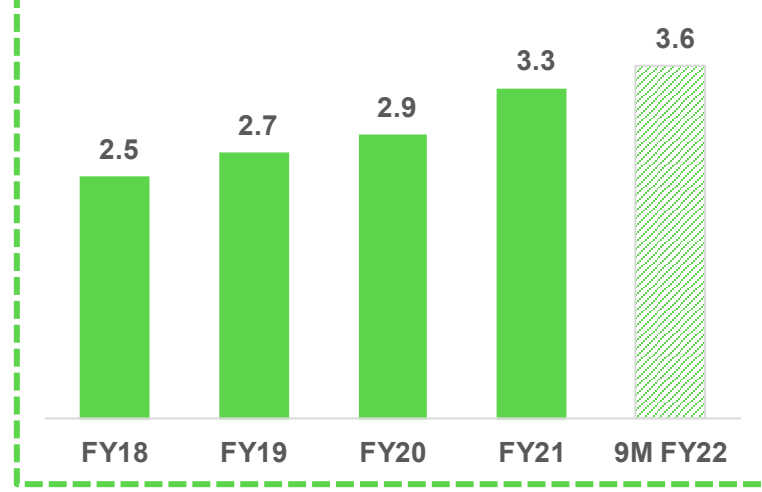
Note: Numbers of FY18 and FY19 are based on Proforma Financials. Amounts in INR Millions except EPS

# Strong Returns Indicators

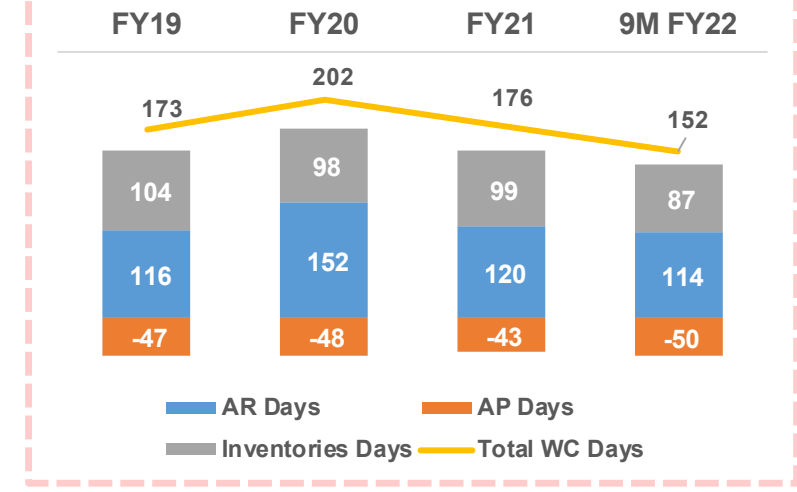
### ROCE



### Fixed Assets Turnover



### Working Capital Days



- ROCE is tracking at 31% for 9M FY22.
- FATR is 3.6 times for 9M FY22.
- Continuous improvement in working capital cycle, WC days improve to 152 days

Note: FATR and ROCE for 9M FY22 are annualised. Numbers of FY18 and FY19 are based on Proforma Financials. ROCE is calculated as EBIT/ Closing capital employed



02

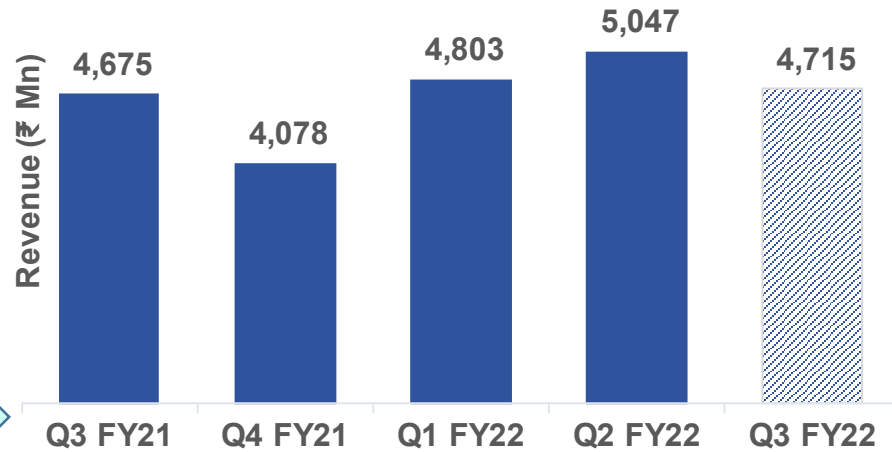
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## Business Performance Review



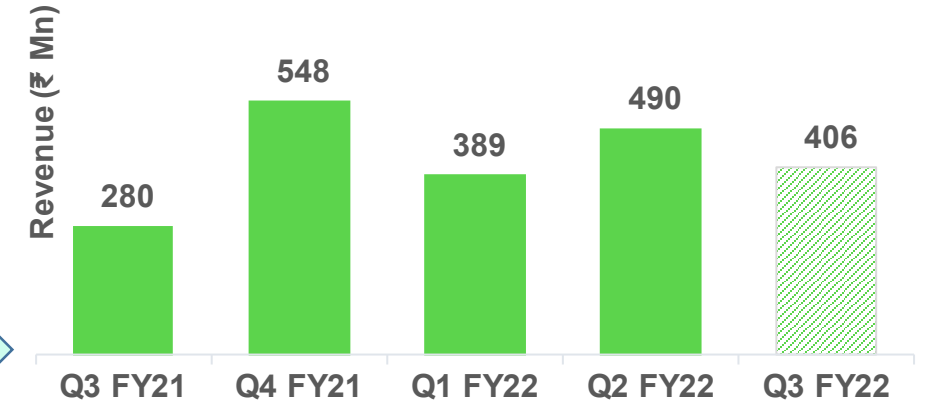
# Segment Performance

▲ 0.9% YoY  
▼ -6.6% QoQ

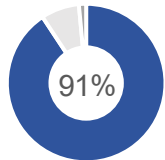


Generic API

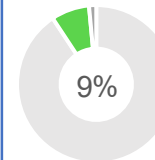
▲ 45.1% YoY  
▼ -17.3% QoQ



CDMO



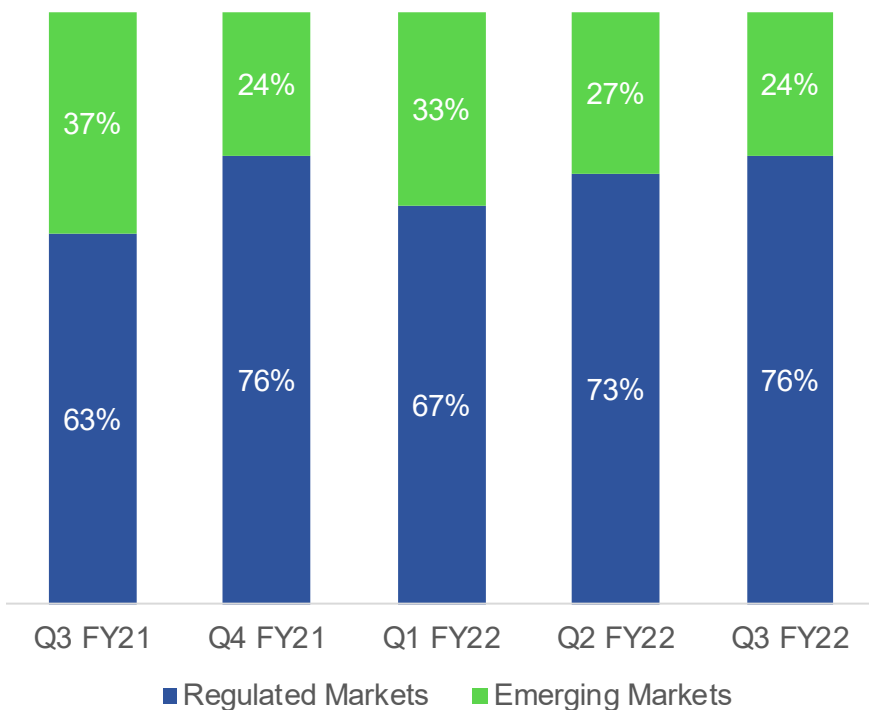
- Generic API revenues in Q3FY22 increased 0.9% YoY, low growth is largely due to COVID portfolio sales in the base
- Revenues grew 12.0% YoY in 9M FY22
- Robust growth in LATAM, North America and Japan



- CDMO revenues registered strong growth of 45.1% YoY in Q3 FY22 and 30.9% in 9 M FY22
- 3 commercial projects with multinational and specialty pharmaceutical companies
- 4<sup>th</sup> project to be commercial by Q3 FY23
- Multiple discussions ongoing with companies globally for additional business opportunities

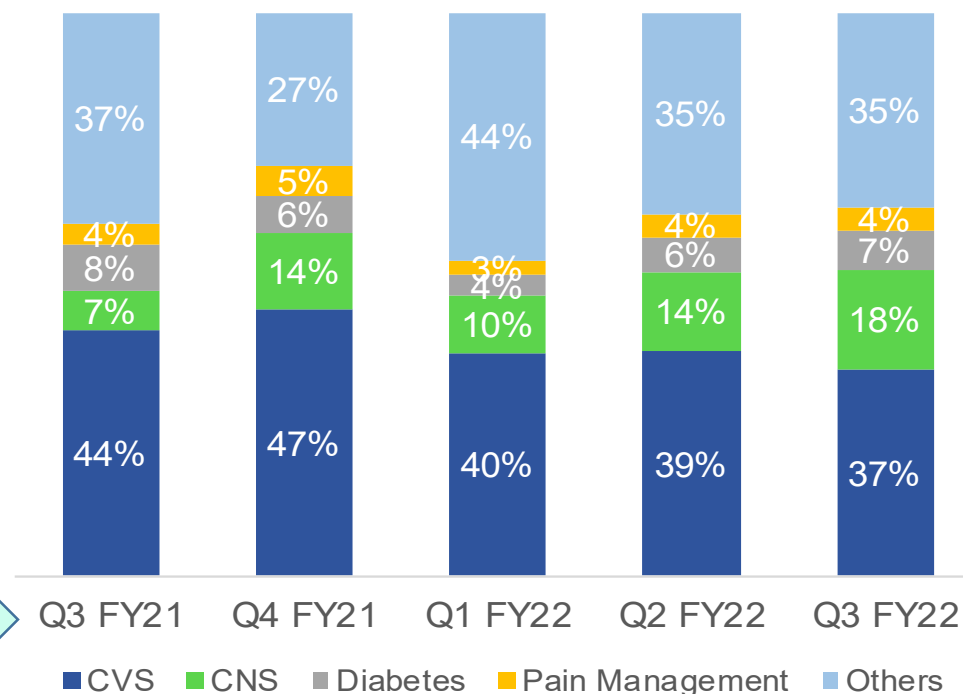
# Market and Therapeutic Area Mix

## Market Mix



- Regulated markets account for ~72% of Net Sales in 9M FY22, growing at 28.3% YoY
- Emerging markets account for 28% of Net Sales in 9M FY22, declining at 12.7% YoY

## Therapeutic Area Mix



- Products from key Chronic Therapeutic Areas (viz CVS, CNS, Diabetes, Pain management) account for 62.3% of Net Sales in 9M FY22, growing at 19.1% YoY.
- Others are mainly acute segment with wide range of therapies

# 03

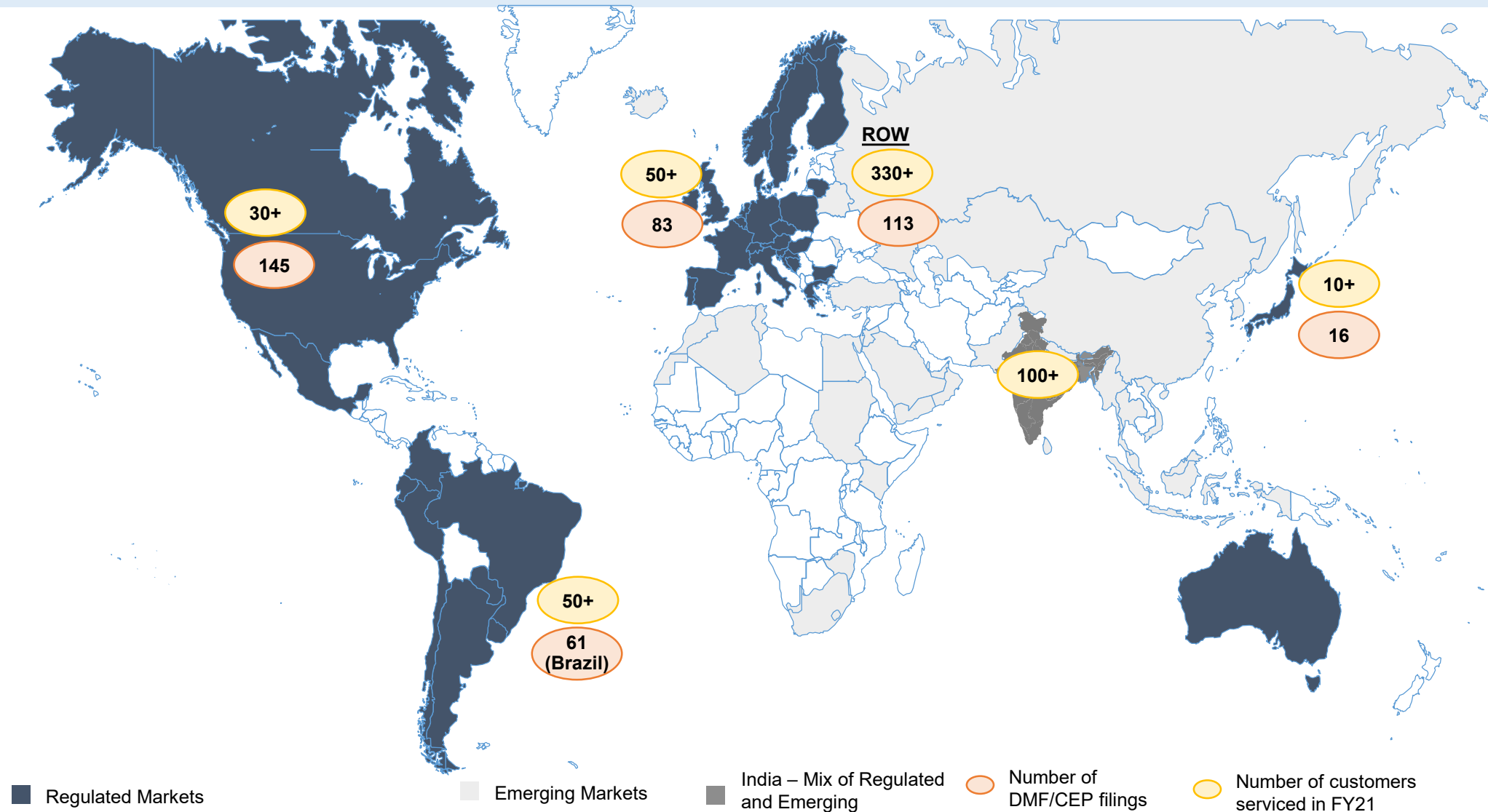
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## Company Overview



# Global Footprint

Filed 418 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
<b>Ankleshwar, Gujarat</b>	550.2 KL	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA
<b>Dahej, Gujarat</b>	141.9 KL	Oct 2018	USFDA, EDQM (Europe), PMDA (Japan), KFDA (South Korea)
<b>Mohol, Maharashtra</b>	49.1 KL	March 2018	USFDA, Maharashtra FDA
<b>Kurkumbh, Maharashtra</b>	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

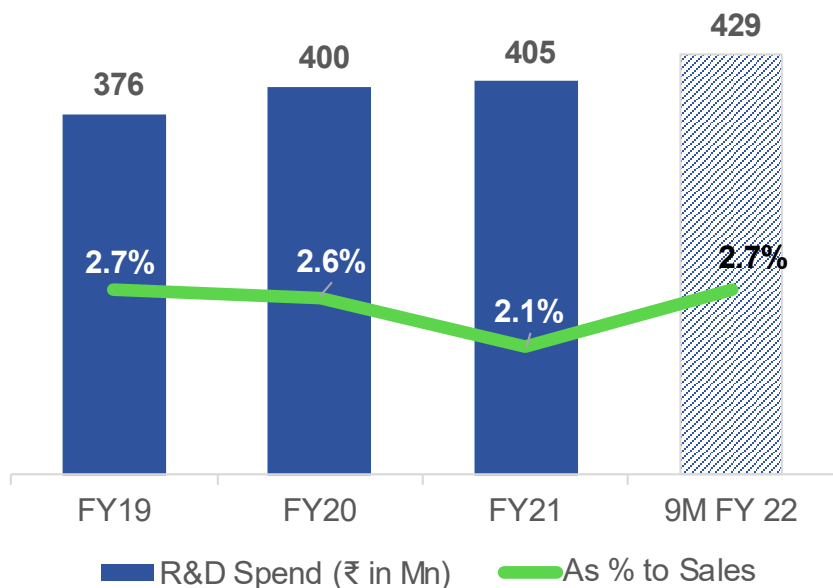
**Ankleshwar, Gujarat**

- 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	28	4	16	34	116
CNS	34	17	7	12	12	82
Diabetes	9	3	-	7	9	28
Pain Management	-	2	-	3	9	14
Others	68	33	5	23	49	178
<b>Total</b>	<b>145</b>	<b>83</b>	<b>16</b>	<b>61</b>	<b>113</b>	<b>418</b>

- 6 DMF/CEPs were filled across major markets in Q3 FY22 and 20 DMF/CEPs filled during 9 M FY22 which take cumulative filings to 418 as on 31<sup>st</sup> Dec'21
- ~120 Unique molecules in the portfolio across the globe as of 31<sup>st</sup> Dec'21.
- 26 products in development pipeline including 4 Iron complex and 7 Oncology products
- R&D facilities have 274 personnel constituting 16.9% of total permanent employee strength as of 31<sup>st</sup> Dec'21

04

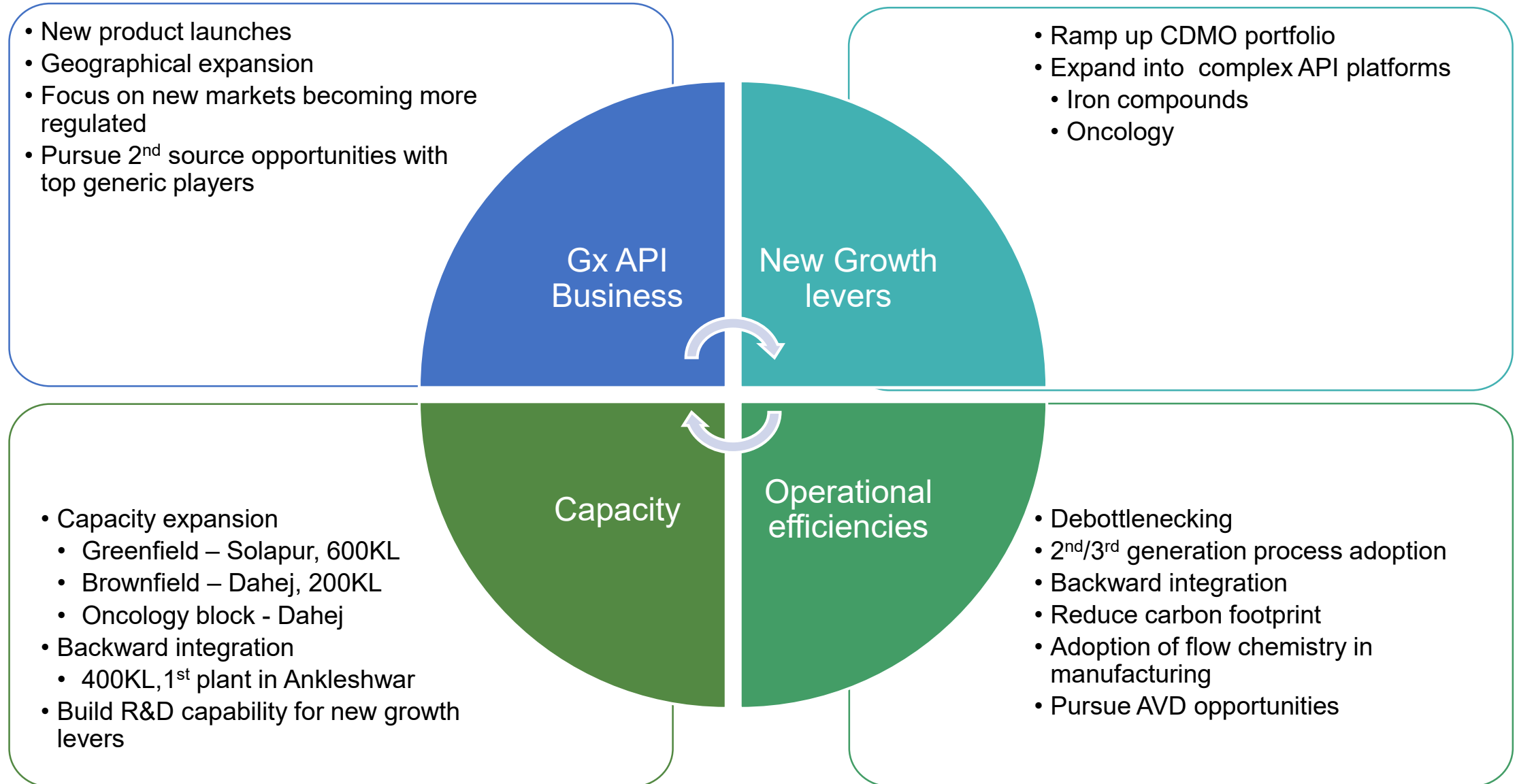
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Strategy Going Forward





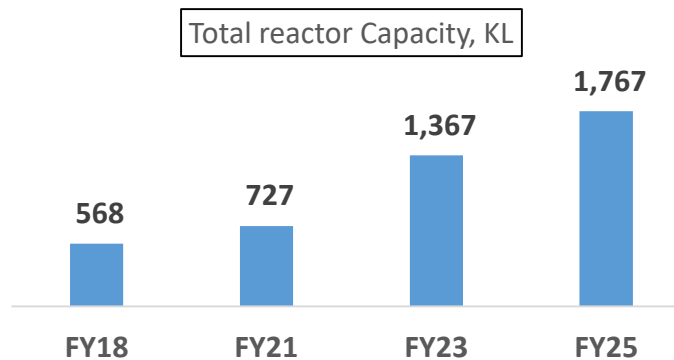
# Strategic Growth Levers



# 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 – Q1FY23 Phase II – Q3 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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