

November 17, 2022

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 Madam/ Sir,

**Subject: Investors Presentation - Glenmark Life Sciences Limited Investor Day 2022**

Further to our earlier communication dated November 17, 2022, attached is a copy of the presentation that was made at Glenmark Life Sciences Limited Investor Day 2022 which was scheduled today in Mumbai, with minor corrections.

Kindly take the same on record and acknowledge receipt.

Thanking you

Yours faithfully,  
**For Glenmark Life Sciences Limited**

**Rudalf Corriea**  
**Company Secretary & Compliance Officer**

Encl: As above

# Renewed Focus for Sustainable Growth

Glenmark Life Sciences – Investor Day

17th Nov 2022

The St. Regis, Mumbai



 **glenmark**  
LIFE SCIENCES

# State of the Market

Healthcare budgets,  
worldwide, under stress

Countries encouraging local production to  
secure supply and control costs

✓ Formulations  
✗ API

India (and China) continue to be  
relevant due to advantages

- In manpower
- Infrastructure cost
- Technology and supply ecosystem

Higher Outsourcing  
(to India & China)



Sustainable Supply



Quality & Affordability

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# GLS in a Sweet Spot



Parameters	Commodity Players	GLS	Specialty
<b>Growth Strategy/USP</b>	Scale and cost leadership	Portfolio Depth and Process efficiency	Technology & Regulatory complexity
<b>Volumes/Capex</b>	●	●	●
<b>Asset Turns</b>	●	●	●
<b>Competition</b>	●	●	●
<b>Dependence on Top Products</b>	●	●	●
<b>Margin Resilience (to headwinds)</b>	●	●	●

# Path towards a Sustainable business

- A** Widen Geographic Presence for Generic APIs. Diversify customer base and increase CDMO Footprint
- B** Increase portfolio depth. Add complex molecules with higher entry barrier. Create new platforms e.g. Oncology.
- C** Maintain Sustainable Operations through Quality, Environmental and Safety compliance
- D** Calibrate capex and working capital spends

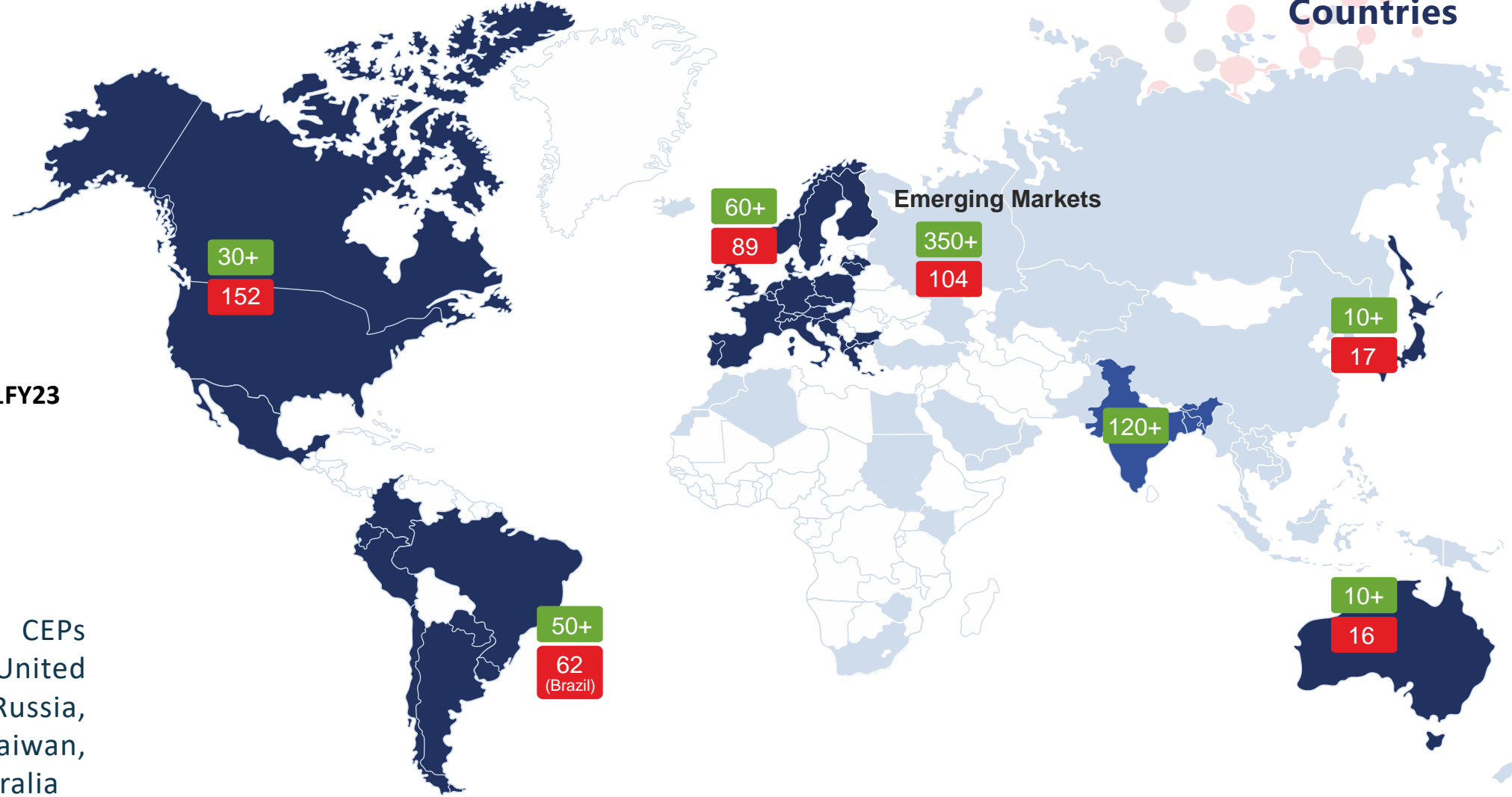
# Wide Global Footprint

**65**  
Countries

- Regulated Markets
- Emerging Markets
- India - Mix of Regulated and Emerging
- Number of Customers as of H1FY23
- Number of DMF/CEP Filings as of H1FY23

**440**

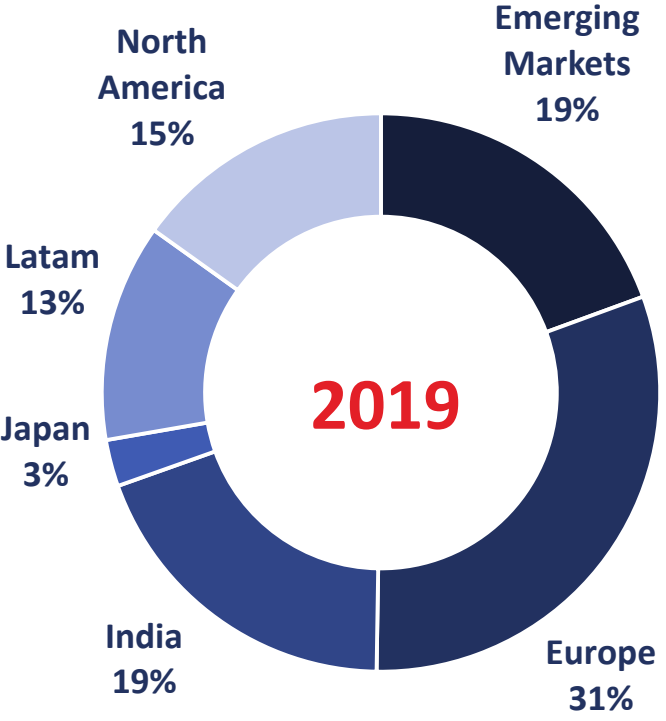
Filed 440 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



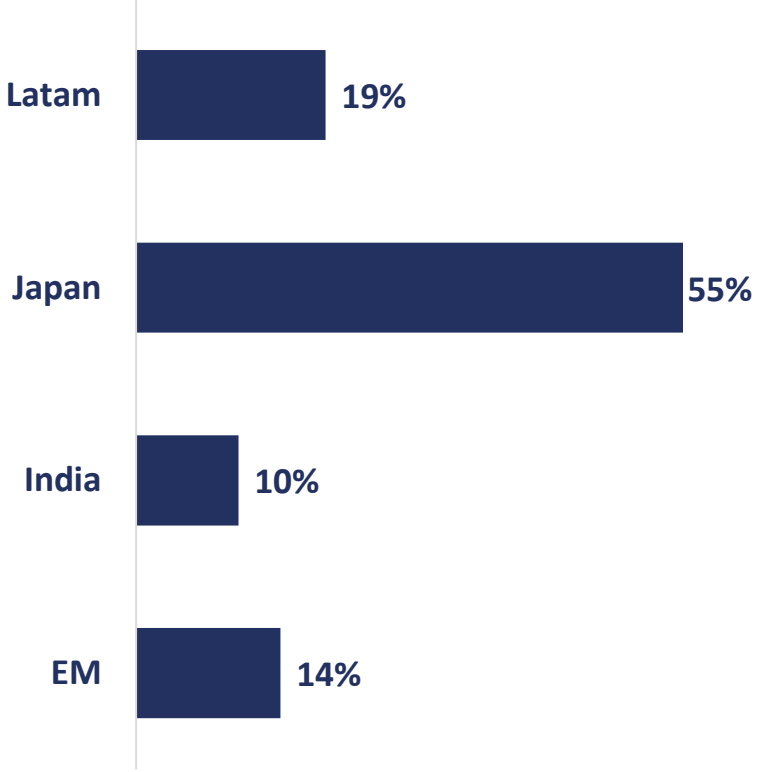
# Strategic Market Expansion



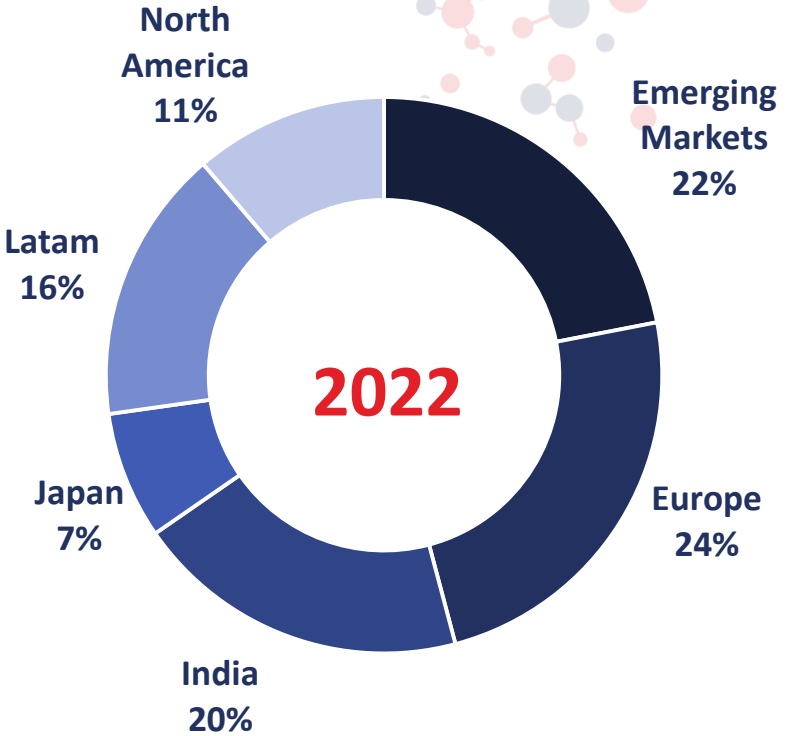
Revenue Break-up



Other markets Geographic Growth from 2019 to 2022 (3 year CAGR)\*



Revenue Break-up



(Note: Excluding sales to GPL)

(Note: India growth – ex GPL numbers)

(Note: Excluding sales to GPL)

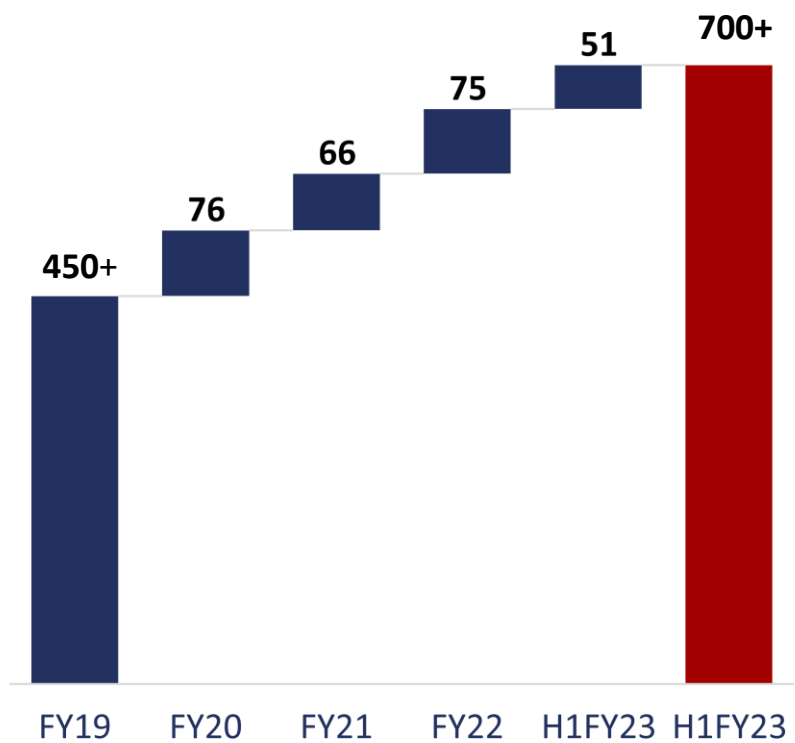
# Diversified Customer Base

**700+** Total number of customers

**16** Of the world's 20 largest generics companies as customers

**75%** Business is from repeat customers since 2019

Customer addition



	Top 1	Top 5	Top 15
Revenue contribution by customers	13.6%	25.2%	39.3%
APIs with the Customers	<b>12</b>	<b>26</b>	<b>52</b>
Top Customers Contribution (% of Revenue)	 FY19: 17.2%   FY22: 13.6%	 FY19: 34.7%   FY22: 25.2%	 FY19: 50.7%   FY22: 39.3%

Note: Products-related data is on external sales (ex-GPL) as a base



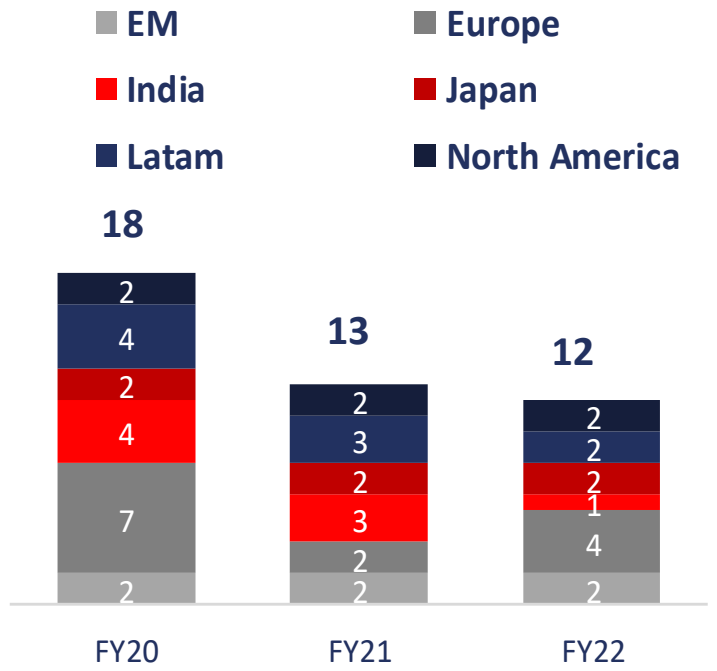
# Portfolio Enhanced for near-term Opportunities

**137** Total number of APIs

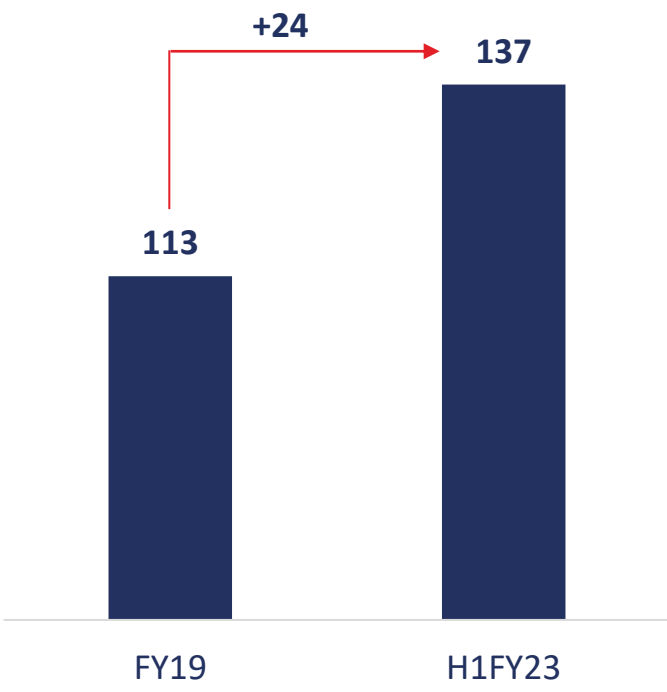
**24** New APIs launched since 2019

**43** Existing APIs extended to new markets and customers since 2019

## Existing APIs extended to new markets



## Unique APIs added



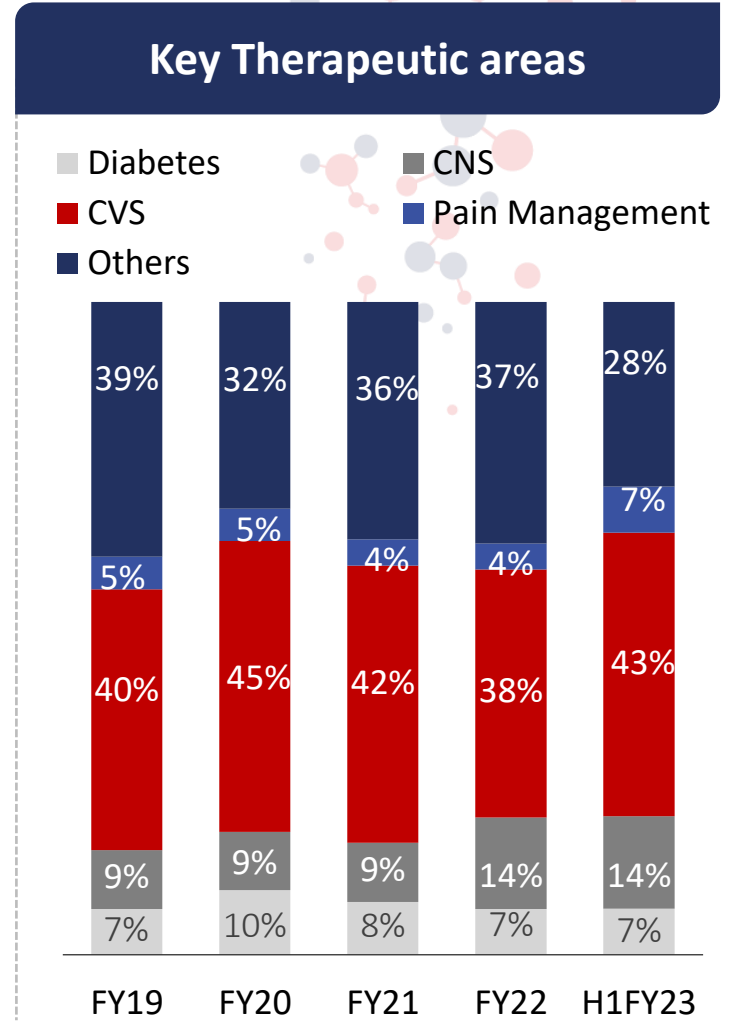
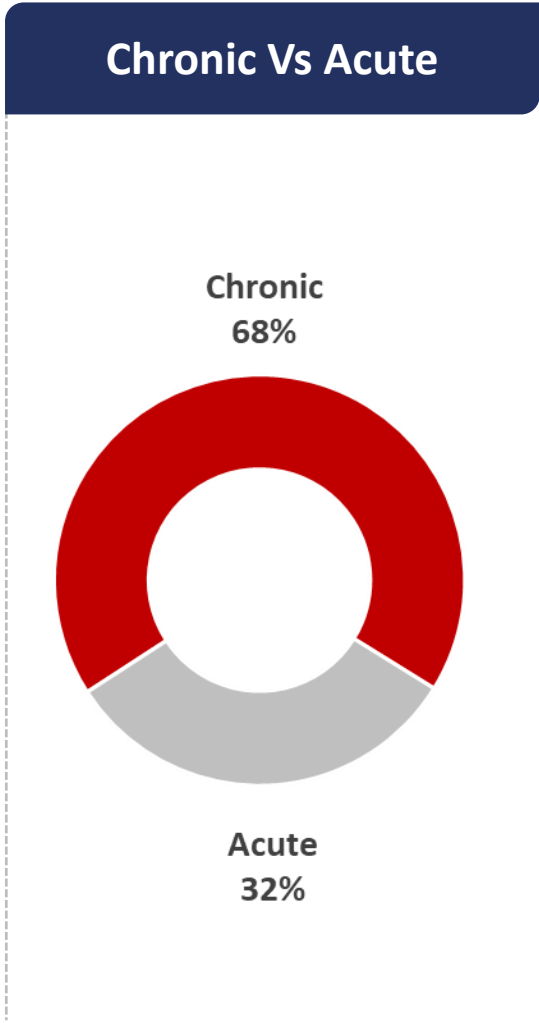
## Market share of our APIs as per June 2022

No. of Products	Market Share
9	> 30%
8	20 - 30%
23	10 - 20%
80+	< 10%

Note: ▪ FY20 – 3 products extended to multiple markets  
 ▪ FY21 and FY22 – 1 product extended to multiple markets

# Broader Portfolio reduces dependence on Top APIs

	Top 5	Top 15
Revenue contribution by APIs		
No. of Customers	55	219
Evolution of Top APIs (% of Revenue)		



# Key Drivers for Sustainable Operations



- 3 US-FDA Inspected plants
- Excellent track record with regulatory inspections
- 38 Regulatory inspections since 2015

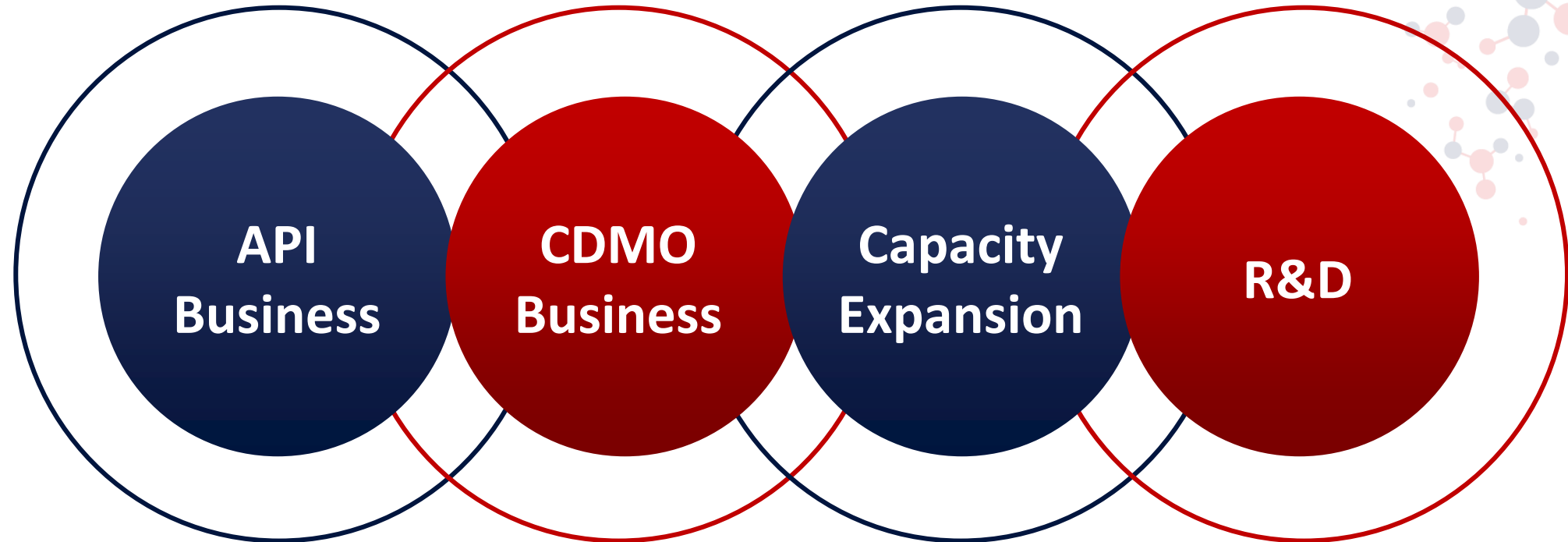
- Process Safety
- Engineering Controls
- Personal protective equipment

- Control of Solid, Liquid and Gaseous Waste
- Conservation of Water and Energy

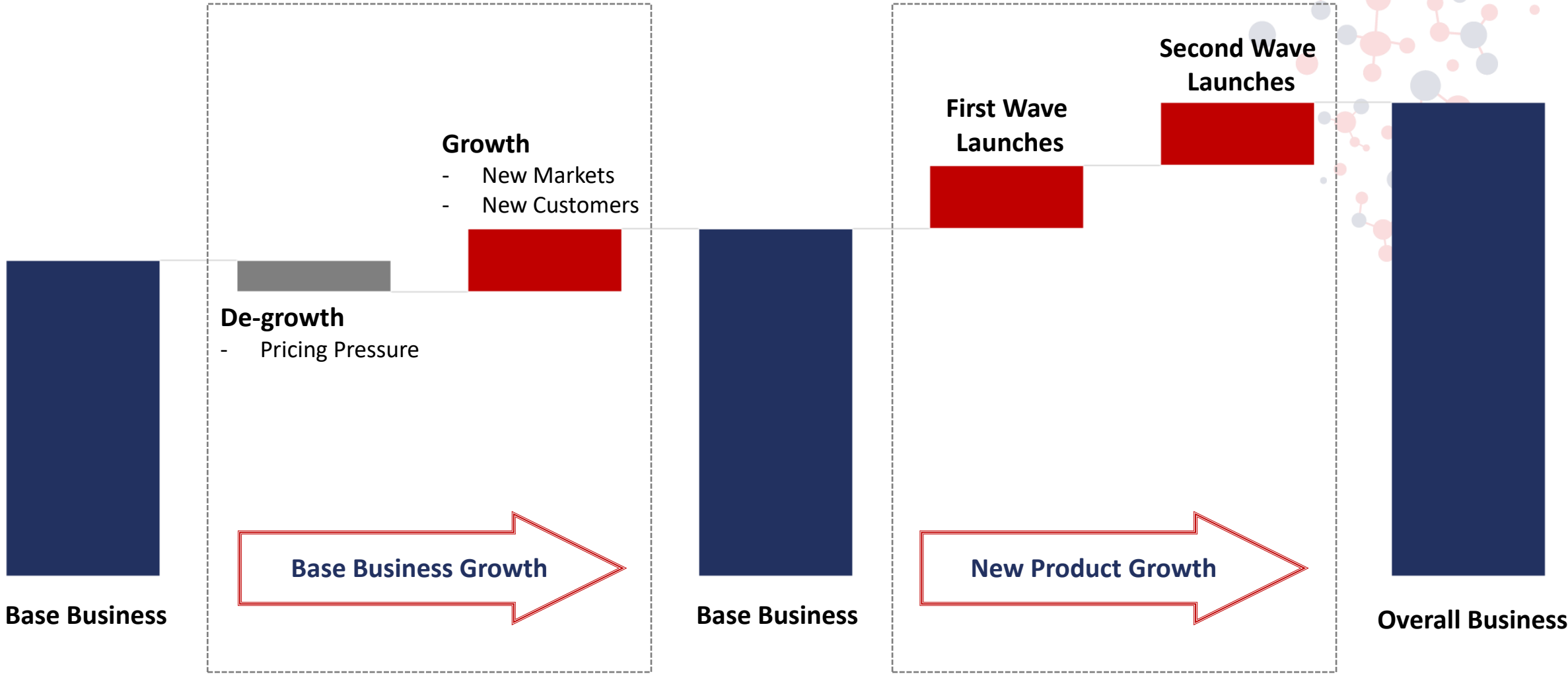
- Skill Development & Career Growth
- Promoting a participative culture

- Material Savings
- Operational Savings
- Supply Chain Efficiency

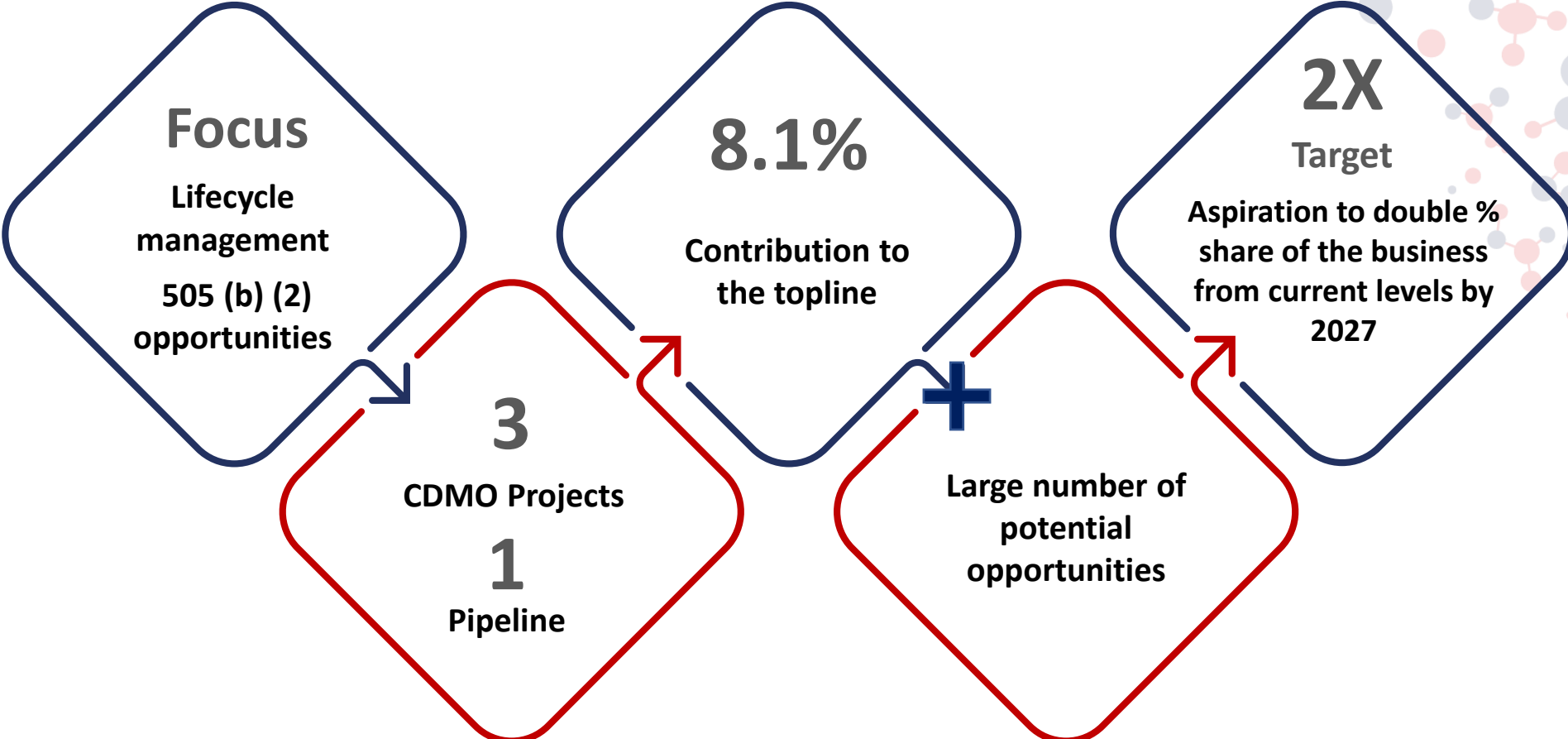
# Our Growth Strategy



# Growth Strategy - API Business

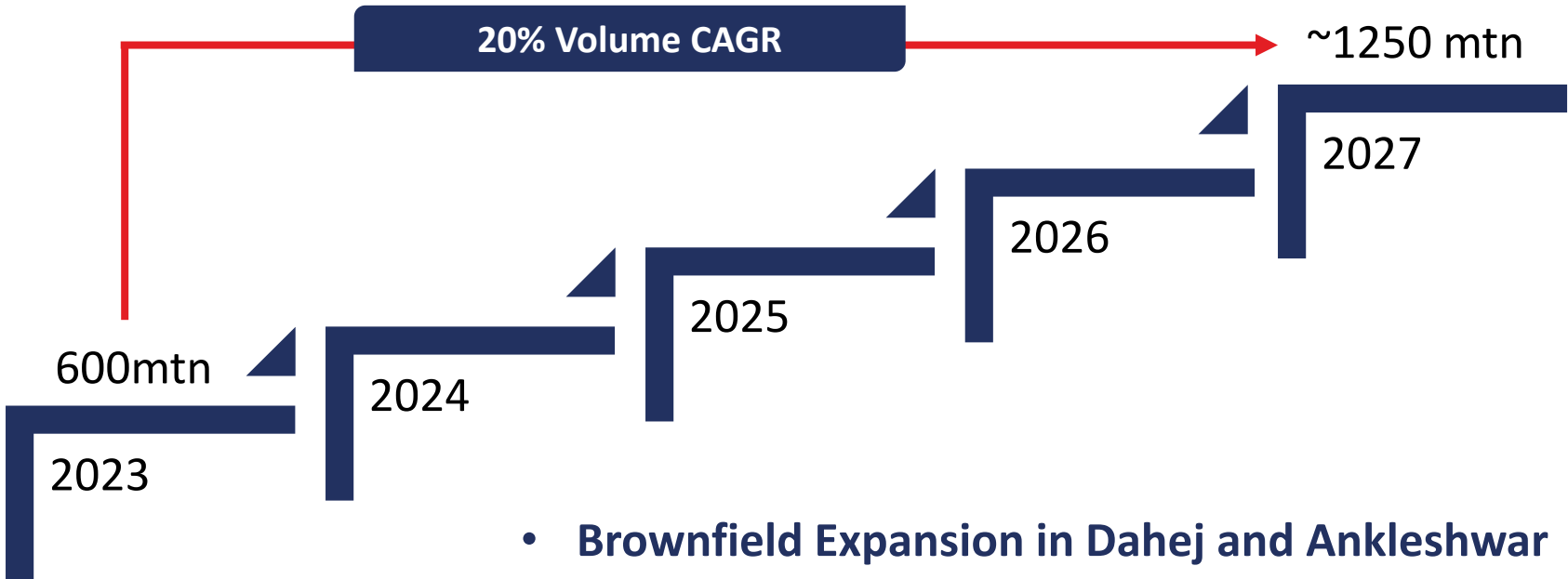


# Growth Strategy - CDMO Business



# Growth Strategy - Gradually Building Capacities

Calibrated capex to drive performance and growth



- Brownfield Expansion in Dahej and Ankleshwar
- Greenfield Expansion in Solapur

**150-200** Capex every year  
(INR cr)

**2.5-3x** FATR to remain stable

**Stable Cash Flows**  
to fund the CAPEX

# Growth Strategy - Aggressive R&D Investments

**03** R&D Centres  
(Mahape, Ankleshwar, and Dahej)

**2.8%** R&D Spend

**~300** R&D Personnel

### Focus Areas

- New Product Development
  - Focus in Complex APIs
- Process Efficiency improvement
  - Next Gen Processes

### Backward Integration

- Value Capture in key APIs
- Control of Supply chain and build resilience to external challenges

**26** Products in development pipeline

- 2 Iron complexes
- 7 Oncology products

**17%** Of total employee strength

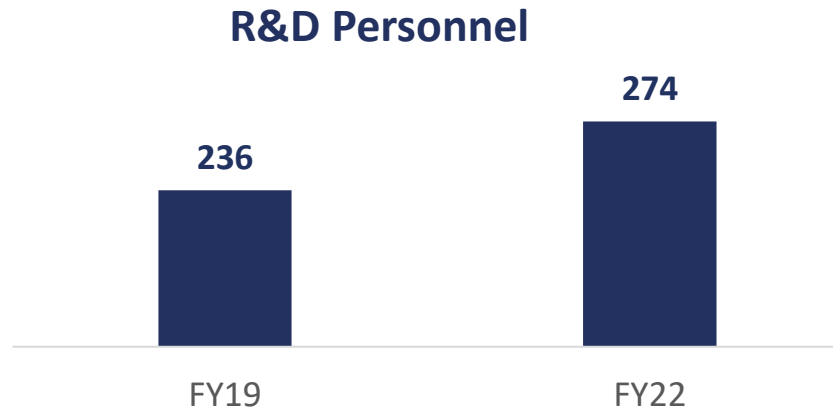
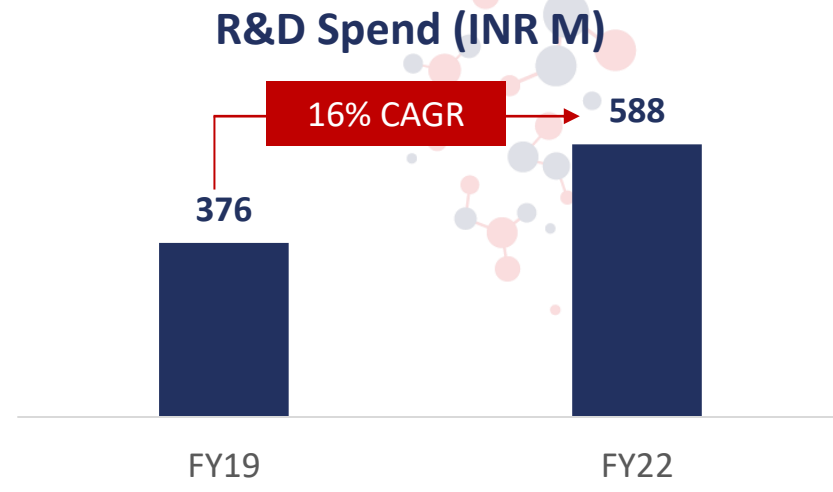
**76** Owned/co-owned patents in several countries

### Product Characterisation

- Impurity characterisation and solid-state studies
- Techniques like LC-MS, GC-MS, ICP-MS, PXRD, DSC, TGA, etc.

- Cost leadership in key APIs
- Enhance competitive position and improve market share

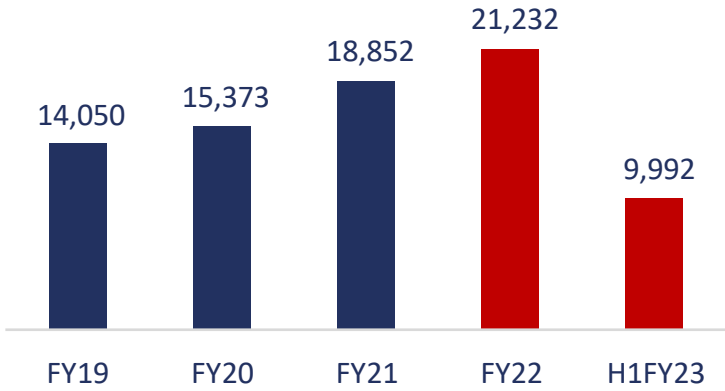
Aggressive Investment in product pipeline and cost improvement programs to stay ahead of the curve



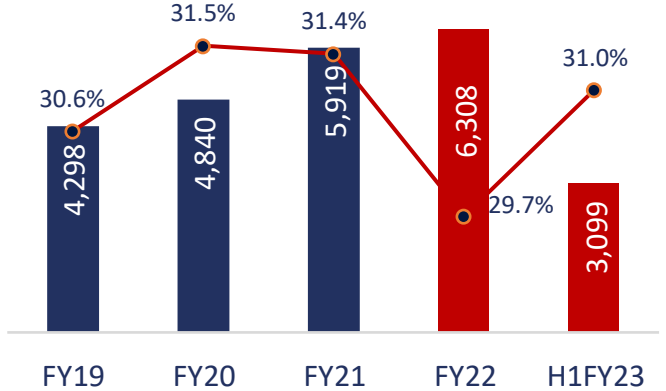


# Financial Highlights

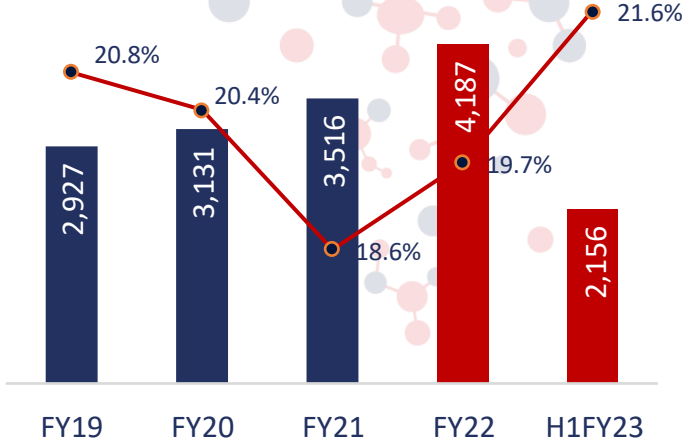
Revenue (₹m)



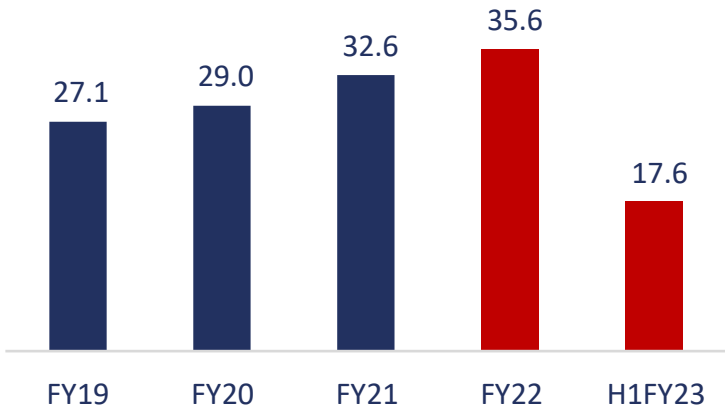
EBITDA (₹m)



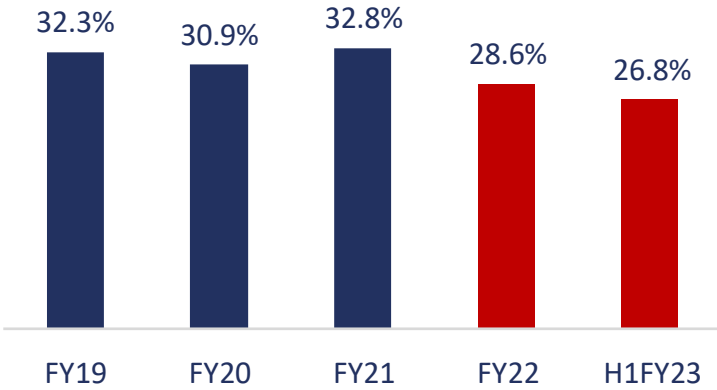
PAT (₹m)



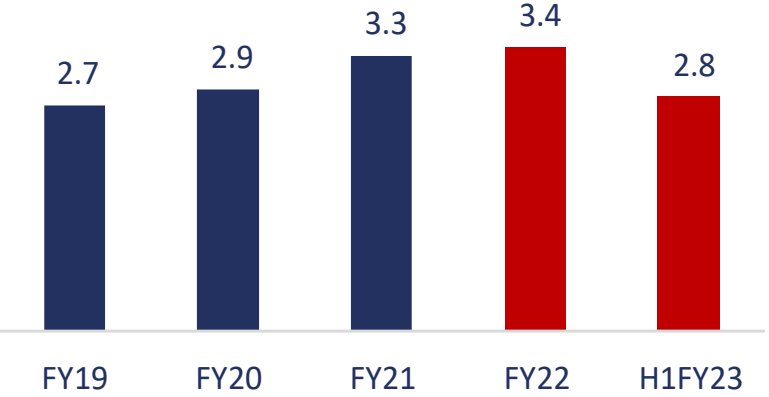
EPS (₹)



ROCE



FATR



# Financial Highlights

₹ millions	2019	2020	2021	2022	H1FY23
<b>Income Statement</b>					
Revenue from Operations	14,050	15,373	18,852	21,232	9,992
EBITDA for the year	4,298	4,840	5,919	6,308	3,099
Profit for the year	2,927	3,131	3,516	4,187	2,156
Basic EPS	27.1	29.0	32.6	35.6	17.6
<b>Balance Sheet</b>					
Total Equity	881	4,017	7,527	20,543	21,427
Fixed Assets	5,303	5,498	5,790	6,763	7,751
Cash and cash equivalents	21	100	1,156	5,122	3,645
Total Debt	11,622	10,592	9,329	-	-
<b>Working Capital</b>					
Inventory	4,008	4,128	5,134	5,162	6,366
Receivables	4,481	6,386	6,195	6,735	7,256
Payables	-1,829	-2,011	-2,213	-3,077	-3,949
Operating Working Capital	6,660	8,503	9,116	8,820	9,673
No. of Days	173	202	177	152	173



# 74%

**EBITDA to FCF conversion**  
(FY22)

# ~5%

**Dividend Yield**  
(FY22)

Mid Teens  
Growth

CDMO – To  
Double by 2027

Stable  
Margins

Stable Cash Flow  
to fund the Capex

Industry Leading  
Dividend Payout

# Q&A