



EY Entrepreneur of the year-2013



FROST & SULLIVAN
Best Practices-2013



Business today/YES bank
Excellence Awards-2013



Date: May 21, 2019

To The Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Security Code: 540596	To National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (E) Mumbai-400051 Symbol: ERIS
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SUBJECT: INVESTOR PRESENTATION

Dear Sir/Madam,

Pursuant to the requirement of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached investor presentation to be made by the Company.

Thanking you.

For Eris Lifesciences Limited

Milind Talegaonkar
Company Secretary and Compliance Officer

Encl.:a/a

Registered & Corporate Office:

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CIN: L24232GJ2007PLC049867

ERIS LIFESCIENCES LTD

Q4 19 and FY 19
INVESTOR PRESENTATION

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and the underlying assumptions and statements, other than those based on historical facts, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in the markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in the healthcare sector
- Changes in the laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in the political conditions in India and in other global economies.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events, unless it is required by Law.

FY 19 – BUSINESS HIGHLIGHTS

- **Strong Growth Momentum Regained**
 - Substantial yoy growth in H2 19 (16.7% vs 9.9% for IPM) after slower growth in H1 19 (2.4% vs 9.3% for IPM) *
 - High Q4 19 yoy growth 22.3% vs 9.9% for IPM *
- **Business more chronic in nature than ever – 85% of FY 19 sales from chronic and sub chronic therapies ***
- **New Collaborations**
 - Partnered with Medtronic Plc for a diabetes monitoring initiative
 - Agreement with Microlife for nationwide distribution of Circa 120/80
 - In-Licensing of three products –
 - Two will be ready for commercialisation by Q2 20
 - One is in regulatory approval phase
- **Inventory reduction at stockists in Q4 19 for sustainable future growth**
- **Discontinuation of Triglimisave LS for regulatory compliance leads to loss in sales of approximately INR 200 mn**

* Source: AIOCD Mar'19

FY 19 – FINANCIAL HIGHLIGHTS

- Acquired additional 6.71% of Kinedex Healthcare Private Ltd in FY 19. In April 2019 acquired balance holding making it a wholly owned subsidiary
- In April 2019 prepaid entire term loan achieving debt free status

PATIENT CENTRICITY – OUR CORE DNA

IMPROVING HEALTH OUTCOMES

PATIENT CARE INITIATIVES

Identifying and addressing gaps in the healthcare delivery ecosystem to improve health outcomes



59,000 ABPMs
30,000 Holter on Calls

Helping Cardiologists, Diabetologists, Nephrologists manage risks of hypertension



1,24,000
Patients screened

Educating patients regarding Foetal Origin of Adult diseases



50,000 Office and Home
Blood Pressure Measurements

Generating the first biggest epidemiological data in the country on prevalence of hypertension



9,200 CGM conducted

Enabling thousands of patients to receive continuous blood glucose monitoring



1,00,000
Patients counselled

Guiding patients in mobility related pain management

WHAT'S NEW AT ERIS



Financial Express CFO of the Year Awards 2019

Eris wins in the Medium Enterprises (Manufacturing Industry) Category



First of Its Kind Initiative in India

World's first Smart Continuous Glucose Monitoring System - **Guardian Connect**

Eris and Medtronic collaborate to bring to India US FDA approved device for real time glucose monitoring



National Best Employer Brand 2018

Eris wins out of 100 brands

Q4 19

Q4 19 – INCOME STATEMENT

Consolidated INR mn	Q4 19	Q4 18	Q4 19 yoy GR
Sale of Products	2,111	2,081	1.5%
Other Operating Income	37	41	
Revenue from Operations	2,148	2,122	1.2%
Gross Profit	1,799	1,792	0.4%
Gross Profit Margins	83.8%	84.5%	
Employee cost	472	416	13.6%
as % of Revenue	22.0%	19.6%	
Other Expenses	706	659	7.0%
as % of Revenue	32.8%	31.1%	
Op EBITDA	622	717	-13.4%
Op EBITDA margin	28.9%	33.8%	
Depreciation and Amortisation	112	91	23.7%
Op EBIT	509	627	-18.7%
Op EBIT margin	23.7%	29.5%	
Finance cost	44	78	-42.9%
Other Income	117	73	60.5%
PBT	582	622	-6.4%
PBT margin	27.1%	29.3%	
Taxes	44	61	-29.0%
Net Profit	539	561	-3.9%
Net Profit margin	25.1%	26.4%	

Subdued Sales in Q4 19 due to inventory rationalisation at stockists

Q4 19 – ENTITY WISE SALES

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Sale of Products INR mn	Q4 19	Q4 18	Q4 19 yoy GR
Consolidated	2,111	2,081	1.5%
Stand alone	1,946	1,900	2.4%
Base (includes UTH products)	1,651	1,589	3.9%
Strides	295	311	-5.1%
Subsidiaries	165	209	-21.1%
Aprica	100	69	44.9%
Kinedex	67	110	-39.1%
UTH *	-2	30	
Inter company sales	-	-28	

Source: Audited Financial Statements

* Sale in UTH subsidiary prior to products shifting to Eris Standalone and before Inter company sales

Q4 19 – BUSINESS MORE CHRONIC THAN EVER

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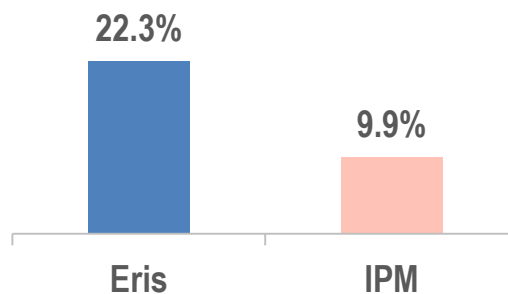


Sale of Products INR mn		Q4 19	Q4 18	Q4 19 yoy GR
Consolidated	100%	2,111	2,081	1.5%
Chronic + Sub Chronic Therapies	86%	1,810	1,726	4.9%
Acute Therapies	14%	301	355	-15.2%

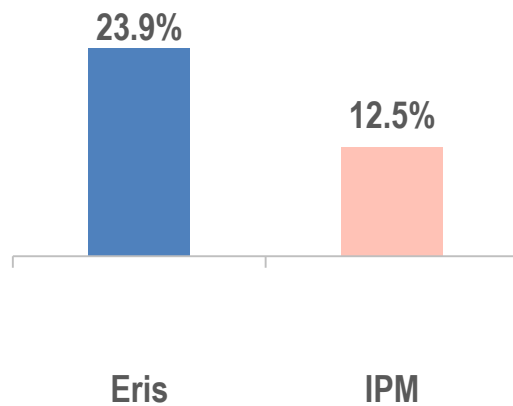
Q4 19 – SUBSTANTIAL SECONDARY GROWTH

Q4 19 yoy GR

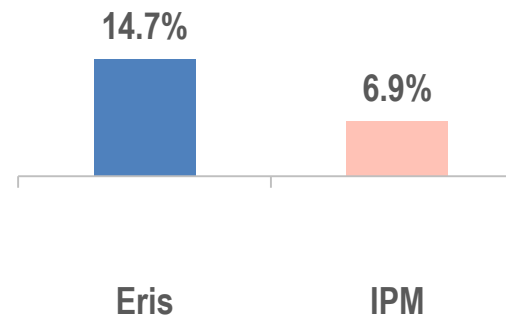
Total



Chronic + Sub Chronic Therapies



Acute Therapies



Q4 19 - PRESCRIPTIONS GROWTH TRENDS

Prescription Ranking*



CARDIOLOGY



DIABETOLOGY



GASTRO



NEUROLOGY



CONSULTING
PHYSICIAN

FY 19

FY 19 – INCOME STATEMENT

Consolidated INR mn	FY 19	FY 18	FY 19 yoy Gr
Sale of Products	9,672	8,271	16.9%
Other Operating Income	150	285	
Revenue from Operations	9,822	8,556	14.8%
Gross Profit	8,285	7,215	14.8%
Gross Profit Margins	84.4%	84.3%	
Employee cost	1,907	1,573	21.2%
as % of Revenue	19.4%	18.4%	
Other Expenses	2,929	2,422	20.9%
as % of Revenue	29.8%	28.3%	
Op EBITDA	3,449	3,220	7.1%
Op EBITDA margin	35.1%	37.6%	
Depreciation and Amortisation	364	256	41.8%
Op EBIT	3,086	2,964	4.1%
Op EBIT margin	31.4%	34.6%	
Finance cost	229	106	117.0%
Other Income	317	264	20.0%
PBT	3,174	3,122	1.6%
PBT margin	32.3%	36.5%	
Taxes	262	173	51.9%
Net Profit	2,911	2,950	-1.3%
Net Profit margin	29.6%	34.5%	

Source: Audited Financial Statements

FY 19 – ENTITY WISE SALES

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Sale of Products INR mn	FY 19	FY 18	FY 19 yoy GR
Consolidated	9,672	8,271	16.9%
Stand alone	8,811	7,323	20.3%
Base (includes UTH products)	7,240	6,791	6.6%
Strides	1,571	532	
Subsidiaries	872	975	-10.6%
Aprica	463	395	17.2%
Kinedex	398	512	-22.3%
UTH *	11	68	
Inter company sales	-11	-27	

Base business growth subdued

- Discontinuation of Triglomisave LS for regulatory compliance led to loss in sales of approximately INR 200 mn
- Inventory rationalisation at stockists

Source: Audited Financial Statements

* Sale in UTH subsidiary prior to products shifting to Eris Standalone and before intercompany sales

FY 19 – BUSINESS MORE CHRONIC THAN EVER

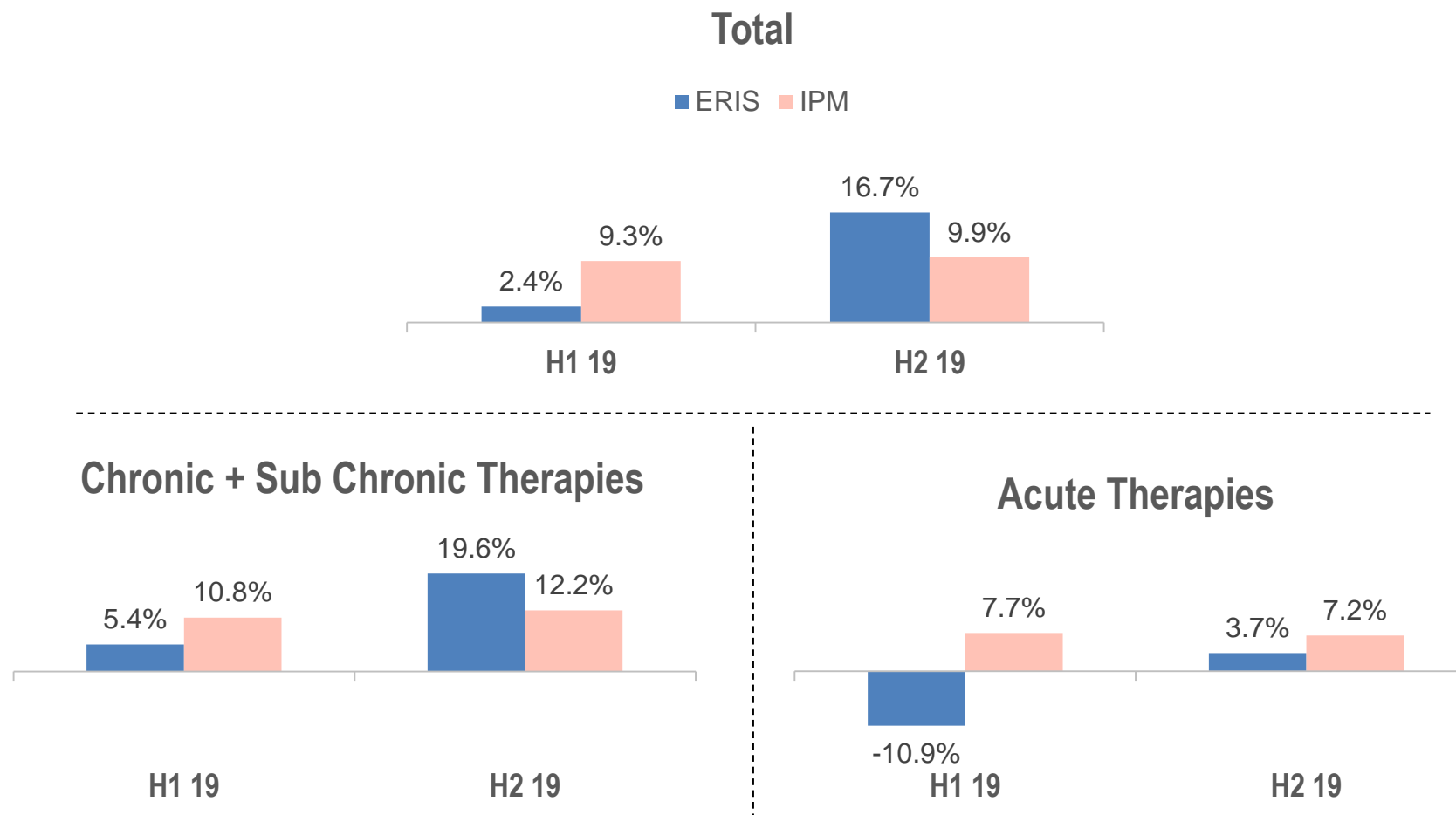
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Sale of Products INR mn		FY 19	FY 18	FY 19 yoy GR
Consolidated	100%	9,672	8,271	16.9%
Chronic + Sub Chronic Therapies	85%	8,207	6,862	19.6%
Acute Therapies	15%	1,465	1,409	4.0%

85% of Sales from fast growing chronic and sub chronic therapies against 83% for FY 18. For IPM, chronic and sub chronic therapies 53% of sales in FY 19 and 52% in FY 18 *

H1 and H2 19 – SUBSTANTIAL SECONDARY yoy GR in H2 19



FY 19 – PRESCRIPTIONS GROWTH TRENDS

Prescription Ranking*



CARDIOLOGY



DIABETOLOGY



GASTRO



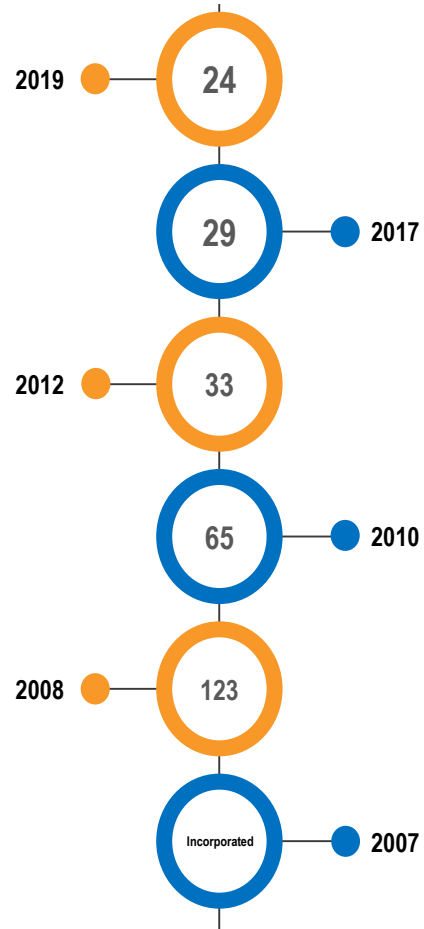
NEUROLOGY



CONSULTING
PHYSICIAN

FY 19 – ERIS RANK PROGRESSION & BRAND HEALTH

Eris Lifesciences Rank Progression



Top 10 Mother Brands contribute 63% to total sales

	Market Share FY 19	Sales Val FY 19 (INR Mn)	Brand Growth	Market Growth	Brand Rank
TOP 10 Total	6.0%	7,736	14.6%	13.1%	---
GLIMISAVE	5.8%	2,212	13.1%	11.5%	6
ERITEL	5.1%	1,235	18.1%	16.9%	5
OLMIN	7.1%	601	10.0%	8.7%	4
TENDIA	6.6%	598	36.1%	36.5%	5
RENERVE	4.2%	591	3.6%	6.0%	4
REMYLIN	5.7%	556	14.3%	8.2%	5
RABONIK	4.2%	553	3.2%	7.6%	7
TAYO	4.4%	500	-1.1%	11.2%	5
LNBLOC	11.5%	494	21.6%	23.9%	2
CYBLEX	7.2%	396	51.7%	12.0%	6

FY 19 – KEY METRICS

YPM
Lacs per month

4.1

MRs

2,000

Medical &
Research Team

40

CFAs

23

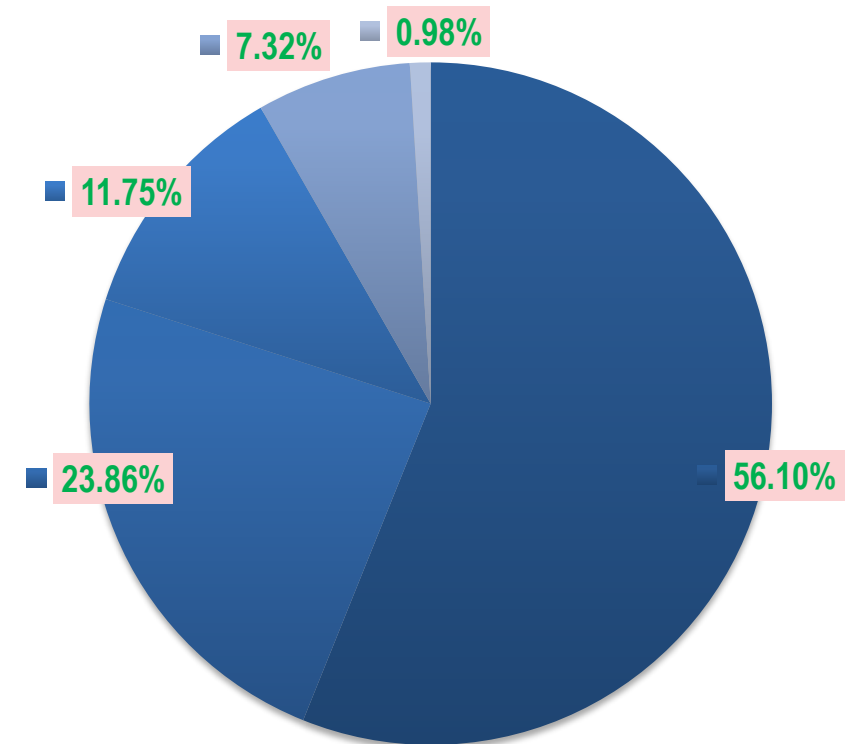
Stockists

1,950+

Retail chemists

5,00,000+

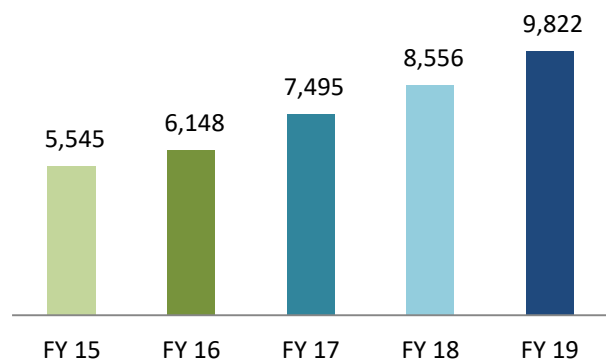
Shareholding Pattern as on 31 Mar 19



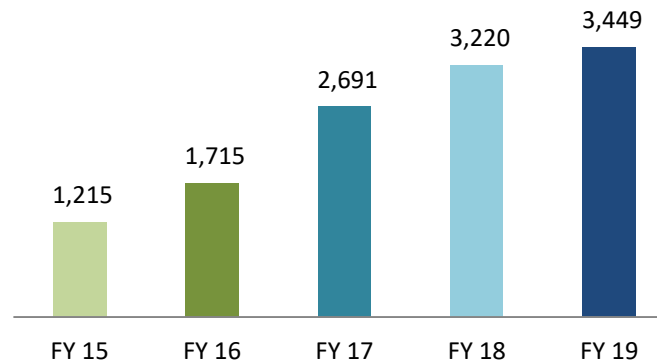
■ Promoter ■ Public ■ MF ■ FPI ■ Other

FY 15 – FY 19 KEY PERFORMANCE INDICATORS

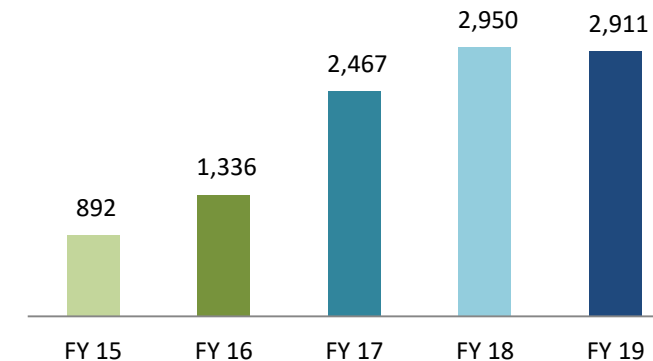
Revenue From Operation



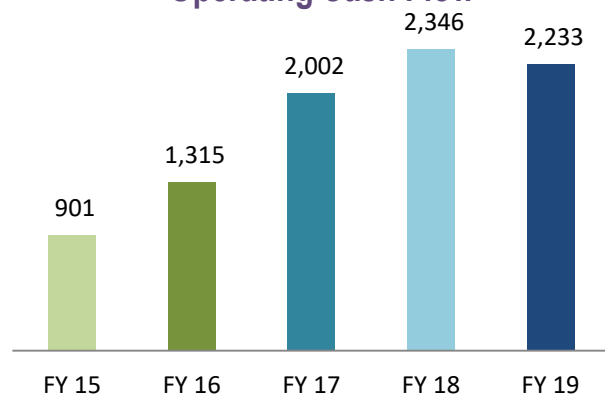
Operating EBITDA



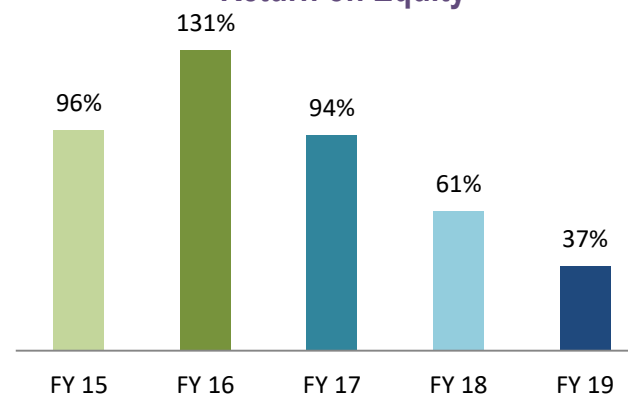
Profit After Tax



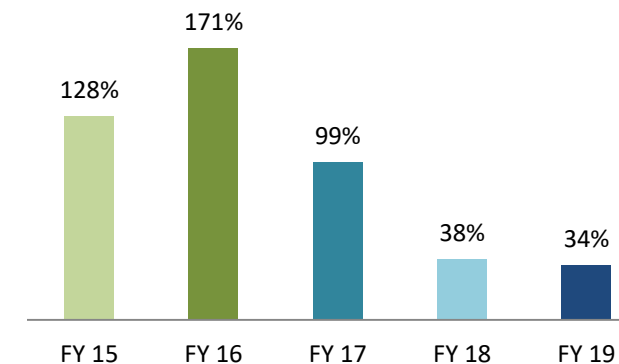
Operating Cash Flow



Return on Equity



Return on Capital Employed



THANK YOU