

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: Unaudited Financial Results for the Third Quarter and Nine Months ended December 31, 2021

Pursuant to Regulations 30 and 33 of the SEBI LODR, 2015, we wish to inform you that the Board at its meeting held today approved the Unaudited Financial Results for the Third Quarter and Nine Months ended December 31, 2021.

The said meeting of the Board commenced at 3.30 p.m. and concluded at 6.20 p.m.

The copy of the said results together with Management Discussion & Analysis, Press Release and Limited Review Report of the Auditors is enclosed herewith.

These are also being made available on the website of the Company at www.glenmarklifesciences.com

You are requested to take the same on record.

Thanking You.

Yours faithfully,
For Glenmark Life Sciences Limited

A handwritten signature in blue ink, appearing to read 'Rudolf Corriea', with a horizontal line underneath.

Rudolf Corriea
Company Secretary & Compliance Officer



Encl: As above

Glenmark Life Sciences reports revenue growth of 4.5% and PAT growth of 11.1% YoY for Q3 FY22

Mumbai, February 08, 2022: Glenmark Life Sciences Limited (GLS), a leading developer and manufacturer of select, high-value, non-commoditized, Active Pharmaceutical Ingredients (APIs) in chronic therapeutic areas, today announced its result for quarter ended December 31, 2021.

For the third quarter of FY22, GLS registered revenue from operations of ₹ 5,225.0 Mn, recording a YoY growth of 4.5%. Revenues from the Generic API segment increased 0.9% YoY to ₹ 4,714.6 Mn during the quarter whereas CDMO grew by 45.1% to ₹ 405.7 Mn. 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

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was at ₹ 1,496.0 Mn for the third quarter with margin at 28.6%.

Profit after Tax (PAT) was at ₹1,037.1 Mn, registering a growth of 11.1% against the corresponding quarter of the previous financial year.

For the nine months ended 31 Dec FY22, GLS registered revenue from operations of ₹ 16,091.6 Mn, recording a YoY growth of 13.5%. Revenues from the Generic API segment increased 12.0% YoY to ₹ 14,564.7 Mn whereas CDMO grew by 30.9% to ₹ 1,285.0 Mn. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) grew by 14.7% to ₹ 4,834.6 Mn with margin at 30.0%. Profit after Tax (PAT) was at ₹3,198.3 Mn, registering a growth of 29.5% against the same period last year.

Commenting on the company's performance **Dr. Yasir Rawjee, MD & CEO, Glenmark Life Sciences Limited** said, "At Glenmark Life Sciences 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."

Dr. Rawjee further added, "The brownfield expansion for generic APIs at Dahej is well underway, which will substantially increase our capacity. We have also undertaken expansion at the Ankleshwar site to facilitate backward integration and the overall growth in demand. We also plan to commence the construction of a modern green-field manufacturing facility at Solapur, in the beginning of the next financial year. Going forward, we will continue to invest in expansion and in building our pipeline of products for sustainable long-term growth"

According to **Bhavesh Pujara, CFO, Glenmark Life Sciences Limited**, "Our business delivered a top-line growth of 4.5% during the quarter and 13.5% for 9M FY22 over higher base of COVID product sales last year. Our operations and supply chain have managed to ensure supply continuity in the face of challenges posed by the ongoing pandemic. The margins have been impacted by high input costs and energy prices, yet we remain focused on driving cost optimization and efficiency improvement to sustain a profitable growth trajectory."

The Company filed 6 DMF/CEPs across major markets during Q3 FY22 and cumulative filing stands at 418 as on 31st December, 2021.

About Glenmark Life Sciences Ltd (GLS)

Glenmark Life Sciences Limited (BSE: 543322, NSE: GLS), is a leading developer and manufacturer of select, high-value, non-commoditized, active pharmaceutical ingredients (APIs) in chronic therapeutic areas such as cardiovascular disease, central nervous system disease, pain management and diabetes. The company is increasingly providing CDMO services to a range of multinational and specialty pharmaceutical companies.

It has a diversified portfolio of more than 120 molecules and supplies its products to customers in India, Europe, North America, Latin America, Japan and the rest of the world (ROW). The company's 4 manufacturing facilities are located in Ankleshwar, Dahej, Mohol and Kurkumbh with a total installed capacity of 725+ KL, which are regularly inspected by global regulators such as USFDA, PMDA (Japan) and EDQM (Europe).

GLS is a subsidiary of Glenmark Pharmaceuticals Limited and has recently been listed on BSE/NSE.

Learn more about Glenmark Life Sciences Limited on [www. https://www.glenmarklifesciences.com/](https://www.glenmarklifesciences.com/)

For any further queries please contact:

Soumi Rao

General Manager – Corporate Communications

Email: Soumi.Rao@glenmarklifesciences.com

Mobile: 9870196931

Management Discussion & Analysis for the Third Quarter of FY22

FINANCIAL PERFORMANCE

(₹ in Million)	Q3 FY22	Q2 FY22	Q3 FY21	QoQ %	YoY %	9M FY22	9M FY21	YoY %
Revenue from Operations	5,225.0	5,617.6	5,002.3	(7.0%)	4.5%	16,091.6	14,180.0	13.5%
EBITDA	1,496.0	1,694.3	1,552.0	(11.7%)	(3.6%)	4,834.6	4,216.6	14.7%
EBITDA Margins	28.6%	30.2%	31.0%	(160 bps)	(240 bps)	30.0%	29.7%	30 bps
PAT	1,037.1	1,152.0	933.6	(10.0%)	11.1%	3,198.3	2,469.0	29.5%

Highlights for Q3-FY22

- Revenue from Operations grew by 4.5% YoY during the quarter to ₹ 5,225.0 Mn
- EBITDA for quarter was at ₹ 1,496.0 Mn, margins stood at 28.6%
- PAT grew by 11.1% YoY to ₹ 1,037.1 Mn
- R&D expenditure for the quarter was at ₹ 153.9 Mn, 2.9% of sales
- Capital expenditure for the quarter was ₹ 319.8 Mn
- Working capital as on 31 December, 2021 is ₹ 8,905.2 Mn, at 152 days on sales
- ROCE was 30.6% and Fixed assets turnover ratio was 3.6 times for 9M FY22 (on an annualized basis)

BUSINESS PERFORMANCE & COMMENTARY

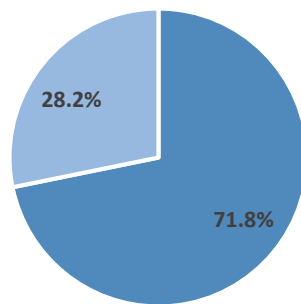
A. Segment Performance:

(₹ in Million)	Q3 FY22	Q2 FY22	Q3 FY21	QoQ %	YoY %	9M FY22	9M FY21	YoY %
Generic API	4,714.6	5,046.7	4,674.8	(6.6%)	0.9%	14,564.7	13,006.2	12.0%
CDMO	405.7	490.4	279.5	(17.3%)	45.1%	1,285.0	981.7	30.9%
Other Operating Revenue	104.7	80.5	48.0	30.1%	118.1%	241.9	192.1	25.9%
Revenue from Operations	5,225.0	5,617.6	5,002.3	(7.0%)	4.5%	16,091.6	14,180.0	13.5%

- Generic API revenues during the quarter increased by 0.9% YoY and by 12.0% in 9M FY22.
- 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
- CDMO revenues registered a YoY growth of 45.1% in Q3FY22 and 30.9% in 9M FY22.

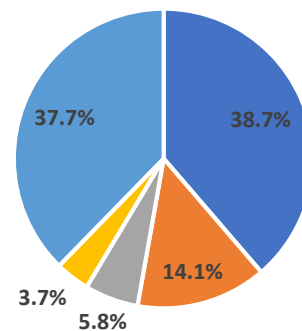
B. Market and Therapeutic Area Mix (9M FY22)

Market mix



■ Regulated ■ Emerging

Therapy mix



■ CVS ■ CNS ■ Diabetes ■ Pain Management ■ Others

- Regulated markets account for 71.8% of Net Sales in 9M FY22, growing at 28.3% YoY
- Emerging markets account for 28.2% of Net Sales in 9M FY22, declined by 12.7% YoY
- 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

OTHER BUSINESS HIGHLIGHTS

- We filed 6 DMF/CEPs across major markets ((i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia) during the quarter and cumulative filing stand at 418 as on 31st December, 2021
- Capacity expansion plans: Capital Expenditure during 9M FY 22 was ₹ 786.8 Mn.
 - At our Ankleshwar facility, 3 new pharma modules became fully operational in Plant #17 during the period ended December, 2021
 - The brownfield expansion for generics API products at our Dahej facility is well underway. Civil construction work is ongoing to build Plant #6 that will have 4 independent modules for manufacture of large to medium-scale APIs. We expect to commission these modules in two phases during Q1 FY23 and Q3 of FY23. With this expansion, Dahej plant capacity will become 2.4x of the existing capacity
 - Project work is ongoing to build plant #7 for Oncology products that will have 3 independent modules for medium scale manufacturing. We expect to commission this plant during Q1 of FY23
- We plan to commence construction work at our newly acquired land for the planned greenfield site at Chincholi Industrial Area, Solapur in the beginning of next financial year
- Generic API Segment
 - We have 4 complex iron compounds in our development pipeline with global market size of more than USD 2.5 billion (Source: IQVIA MAT Jun'21)
 - We also have 7 products in the oncology space with global market size of more than USD 14 billion (Source: IQVIA MAT Jun'21)
- CDMO Segment
 - 3 commercial projects with multinational and specialty pharmaceutical companies
 - 4th project to be commercial by Q3 FY23

Disclaimer

Some of the information in the document, especially information with respect to our plans and strategies, may contain certain forward-looking statements that involve risks and uncertainties. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements depending upon economic conditions, government policies and other incidental factors. Such statements should not be regarded by recipients as a substitute for the exercise of their own judgment. The company undertakes no obligation to update or revise any forward-looking statement whether as a result of new information, future events or otherwise. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

(₹ in Millions, unless otherwise stated)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31 Dec'21	30 Sep'21	31 Dec'20	31 Dec'21	31 Dec'20	31 Mar'21
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
	Revenue from Operations	5,224.99	5,617.61	5,002.29	16,091.57	14,180.02	18,851.65
	Other Income	35.34	20.89	3.72	96.09	4.70	8.11
	Total Income	5,260.33	5,638.50	5,006.01	16,187.66	14,184.72	18,859.76
II	Expenses						
	Cost of Materials Consumed	2,386.36	2,417.34	2,431.54	7,402.91	7,495.76	9,761.98
	Changes in Inventories of Finished Goods and Work-in-Progress	185.36	294.83	4.61	474.71	(365.49)	(707.01)
	Employee Benefits Expense	441.31	485.67	376.37	1,296.40	1,116.41	1,491.31
	Finance Costs	0.61	72.26	216.50	278.37	663.69	875.47
	Depreciation and Amortisation Expense	97.39	96.65	83.60	283.23	249.68	333.94
	Other Expenses	751.32	746.40	641.49	2,179.06	1,721.45	2,394.63
	Total Expenses	3,862.35	4,113.15	3,754.11	11,914.68	10,881.50	14,150.32
III	Profit Before Tax (I-II)	1,397.98	1,525.35	1,251.90	4,272.98	3,303.22	4,709.44
IV	Tax Expenses						
	Current Tax	319.36	365.43	297.51	1,007.22	780.02	1,127.46
	Deferred Tax	41.49	7.91	20.78	67.49	54.23	66.17
	Total Tax Expenses	360.85	373.34	318.29	1,074.71	834.25	1,193.63
V	Profit for the Period / Year (III-IV)	1,037.13	1,152.01	933.61	3,198.27	2,468.97	3,515.81
VI	Other Comprehensive Income (OCI) Items that will not be reclassified to profit or loss						
	(a) Re-measurement of the post-employment benefit obligation	0.94	(1.81)	(5.15)	(2.63)	(9.56)	(7.03)
	(b) Income tax relating to the above	(0.24)	0.46	1.30	0.66	2.41	1.77
	Total Other Comprehensive Income / (Loss)	0.70	(1.35)	(3.85)	(1.97)	(7.15)	(5.26)
VII	Total Comprehensive Income for the Period / Year (V+VI)	1,037.83	1,150.66	929.76	3,196.30	2,461.82	3,510.55
VIII	Earnings per equity share (Face Value of ₹ 2/- each) (Not Annualised except for the year ended 31st March)						
	(a) Basic (in ₹)	8.65	9.83	8.66	27.60	22.90	32.61
	(b) Diluted (in ₹)	8.65	9.82	8.66	27.59	22.90	32.61
IX	Paid up Equity Share Capital, Equity Shares of ₹ 2/- each	245.05	245.05	19.60	245.05	19.60	19.60
X	Other Equity excluding Revaluation Reserve						7,507.87

See accompanying notes to the Financial Results

SIGNED FOR
IDENTIFICATION
PURPOSES ONLY



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.

T: 91 22 68297979 CIN: U74900PN2011PLC139963 E: complianceofficer@glenmarklifesciences.com

W: www.glenmarklifesciences.com

Notes:

- The Financial Results have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The above Financial Results were reviewed by Audit Committee at their meeting held on February 08, 2022 and thereafter approved and taken on record by the Board of Directors at their meeting held on February 08, 2022. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results and have issued an unmodified conclusion on the said results.
- The Company considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability of receivables, tangible / intangible assets and other financial and non-financial assets. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial statements. The Company has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of these assets. The Company will continue to closely monitor any material changes to future economic conditions.
- Details of Utilisation of IPO Proceeds is as under:

(₹ in millions)

Particulars	Estimated net proceeds as per Prospectus	Revised Net Proceeds	Utilised up to 31 Dec'21	Unutilised as on 31 Dec'21
Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018	8,000.00	8,000.00	8,000.00	-
Funding the capital expenditure requirements	1,527.64	1,527.64	327.27	1,200.37
General corporate purposes	576.75	494.40	476.27	18.13
Total	10,104.39	10,022.04	8,803.54	1,218.50

Unutilised amount as at December 31, 2021 were held in monitoring agency account and in deposits with scheduled commercial bank.

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5. The Company has identified only one segment i.e. Active Pharmaceutical Ingredient (API) as reporting segment based on the information reviewed by Chief Operating Decision Maker (CODM).
6. As at December 31, 2021, pursuant to Employee Stock Option Plan 2021, 9,51,734 options were outstanding, which upon exercise are convertible into equivalent number of equity shares.

For Glenmark Life Sciences Limited



Yasir Rawjee
Managing Director & CEO

Mumbai, February 08, 2022



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Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Glenmark Life Sciences Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Glenmark Life Sciences Limited ('the Company') for the quarter ended 31 December 2021 and the year to date results for the period 1 April 2021 to 31 December 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

Partner

Membership No. 504662

UDIN: 22504662AAUOVD3532

Place: New Delhi

Date: 08 February 2022

eSigned using Cloud DSC
(Leegality.com - qgyH2bS)
Ashish Gupta

Date: Tue Feb 08 17:42:16 IST
2022

