

April 27, 2023

**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

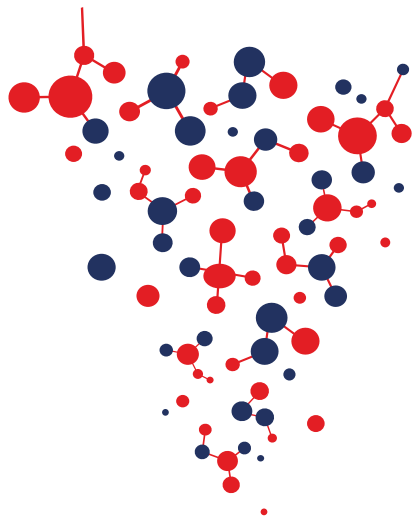
**Rudalf Corriea
Company Secretary & Compliance Officer
Encl: As above**

Glenmark Life Sciences Ltd.

Investor Presentation

Q4 & FY23





Financial Performance Review

Q4 FY23 – Highlights



Dr. Yasir Rawjee
Managing Director &
Chief Executive Officer

“At Glenmark Life Sciences we have concluded the financial year 2023 on a high note delivering revenue from operations of Rs. 621 Cr which grew by 15% on sequential basis and 21% YoY. The growth was driven by strong momentum in the Generic API business as well as significant recovery in demand in the CDMO business. Going forward we shall continue to focus on our strategy to prioritize investment into our growth pillars, build a strong pipeline of products and scale up our business to deliver sustainable long-term growth.”

REVENUE
(IN ₹ MILLIONS) **6,213** 20.9% YoY 14.9% QoQ

EBITDA
(IN ₹ MILLIONS) **2,093** 42.1% YoY 37.6% QoQ

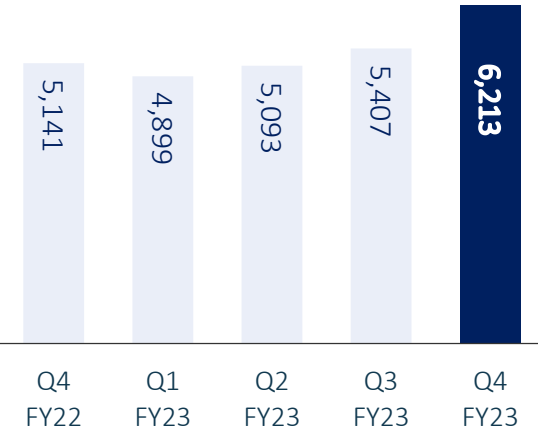
PAT
(IN ₹ MILLIONS) **1,464** 48.0% YoY 39.4% QoQ

- GLS registered a revenue from operations of ₹ 6,213 Mn for Q4 FY23, recording a growth of 14.9% QoQ and growth of 20.9% YoY
- External business (ex-GPL) continue to see strong momentum growing 19% YoY driven by regulated markets.
- GPL business saw strong recovery of 45% on sequential basis & 25% YoY
- Gross Margins continues to remain resilient at 54.9 %, up 385 bps QoQ and 450 bps YoY; driven by higher CDMO contribution, better product mix, PLI scheme benefit and lower input costs
- EBITDA margins are at 33.7% up 560 QoQ bps and 500 bps YoY; mainly due to higher gross margin and lower operating costs

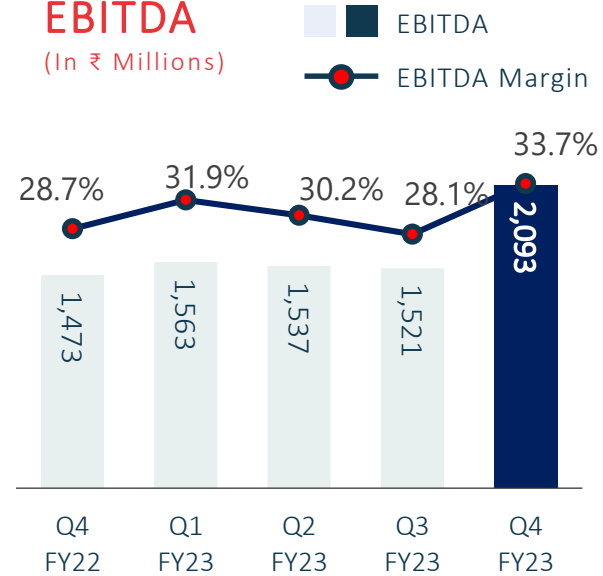
Q4 & FY23 Performance

Steady growth with stable margins

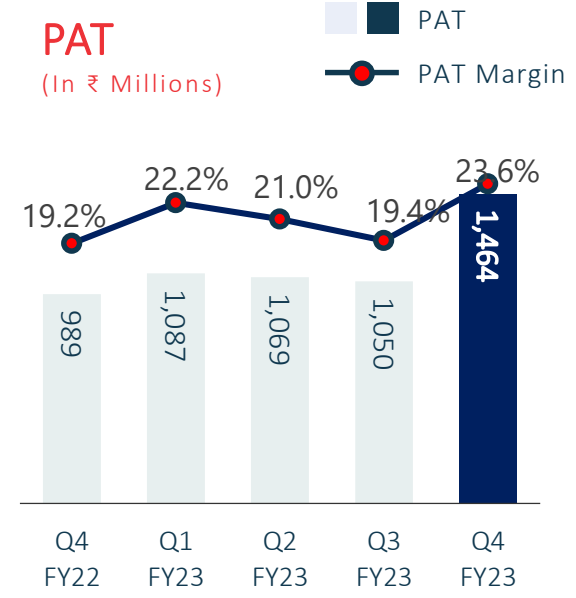
Revenue
(In ₹ Millions)



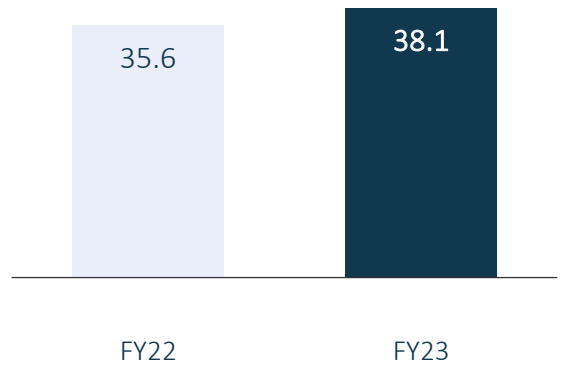
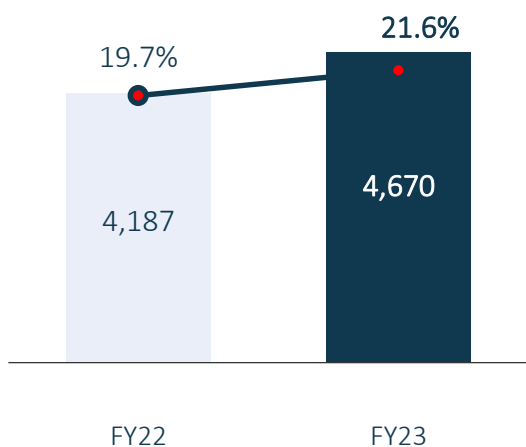
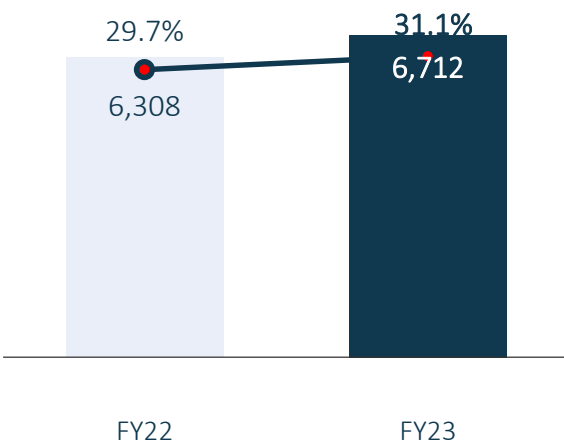
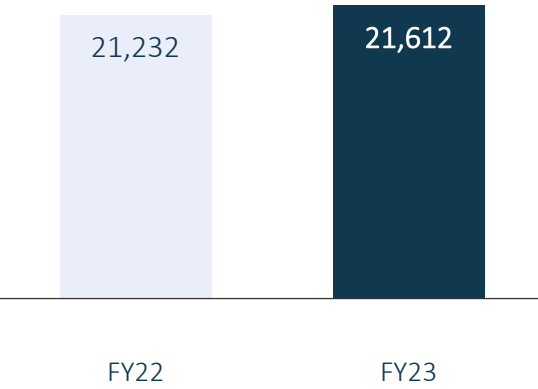
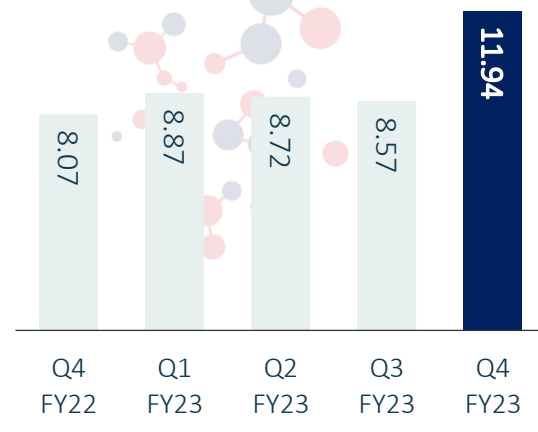
EBITDA
(In ₹ Millions)



PAT
(In ₹ Millions)



EPS
(In ₹)

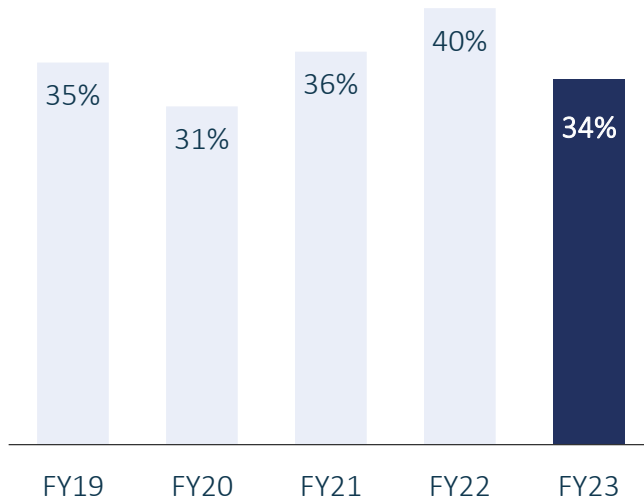


P&L Highlights – Q4 & FY23

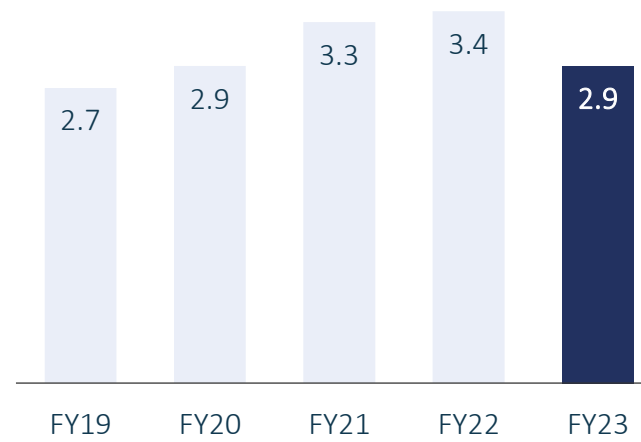
Particulars (In ₹ Millions)	Q4 FY23	Q3 FY23	QoQ	Q4 FY22	YoY	FY23	FY22	YoY
Revenue from Operations	6,213	5,407	14.9%	5,141	20.9%	21,612	21,232	1.8%
Gross Profit	3,409	2,759	23.6%	2,589	31.7%	11,471	10,803	6.2%
Gross Profit (%)	54.9%	51.0%		50.4%		53.1%	50.9%	
Other Income	28	66	-57.1%	51	-44.3%	290	147	96.9%
Employee Benefits Expense	438	485	-9.7%	391	12.1%	1,802	1,687	6.8%
Other Expenses	907	819	10.7%	776	16.8%	3,247	2,955	9.9%
EBITDA	2,093	1,521	37.6%	1,473	42.1%	6,712	6,308	6.4%
EBITDA Margin (%)	33.7%	28.1%		28.7%		31.1%	29.7%	
Depreciation and Amortisation Expense	115	108	7.0%	96	20.5%	421	379	11.1%
Finance Costs	1	2	-25.2%	1	-4.6%	5	280	-98.0%
PBT	1,976	1,411	40.0%	1,376	43.6%	6,286	5,649	11.3%
PBT Margin (%)	31.8%	26.1%		26.8%		29.1%	26.6%	
PAT	1,464	1,050	39.4%	989	48.0%	4,670	4,187	11.5%
Net Margin (%)	23.6%	19.4%		19.2%		21.6%	19.7%	

Strong Returns Indicators

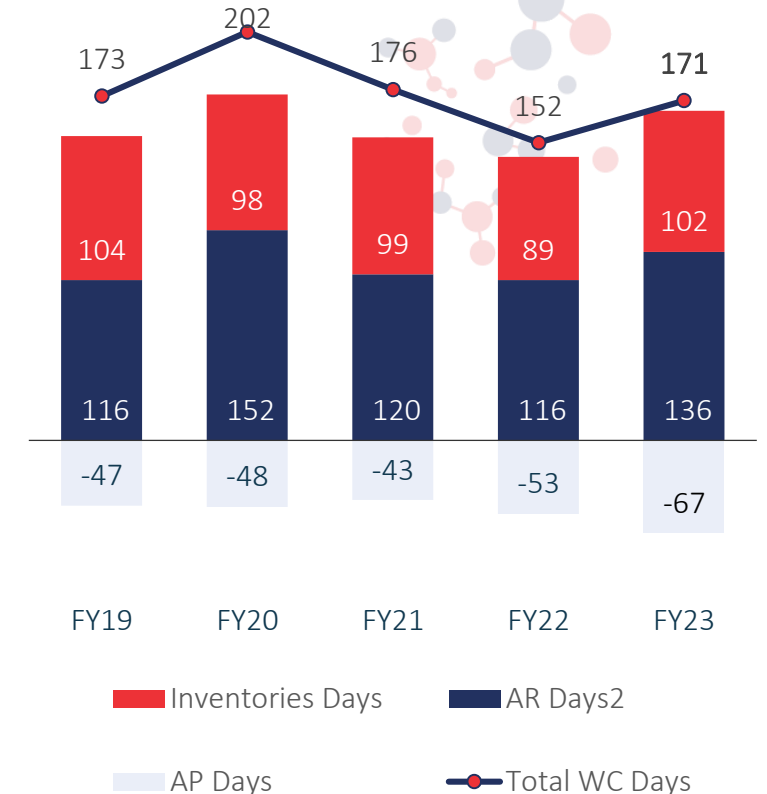
ROICE



Fixed Assets Turnover



Working Capital Days



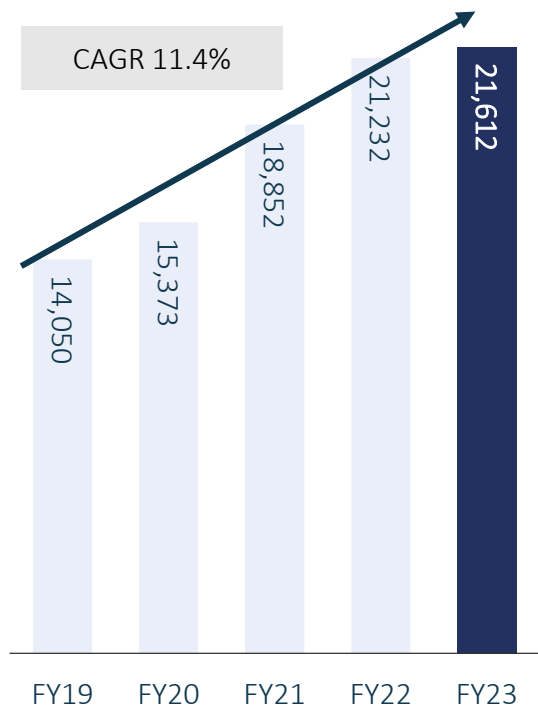
- ROICE is tracking at 33.5% – Higher capital employed driven by completed Capex
- FATR is ~3 times – Asset turn trending slightly lower due to Capex cycle
- WC days at 171 days – Strategic decision to hold higher inventory to ride out the global uncertainty

Note: Numbers of FY19 are based on Proforma Financials. ROICE is calculated as EBIT excluding interest income/ Closing Capital Employed excluding CWIP and Cash

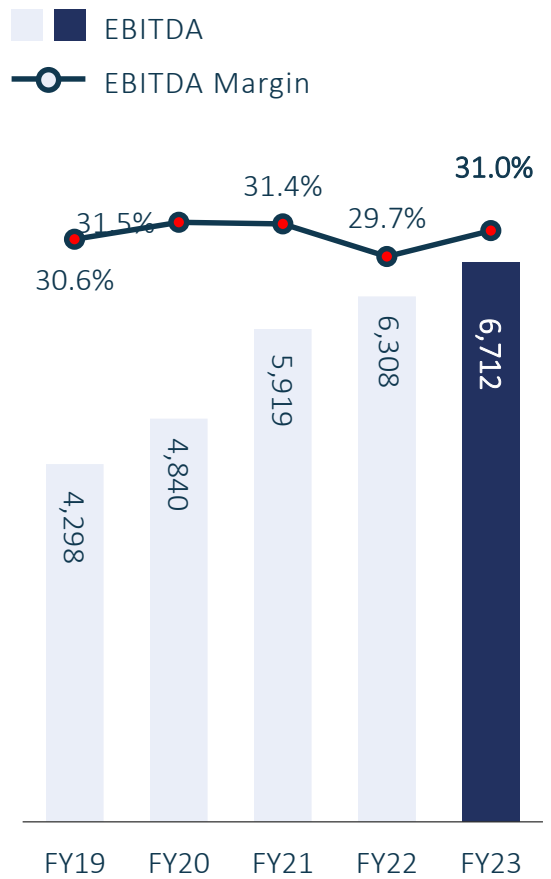
Financial Performance Track Record

Robust growth and profitability indicators over the years

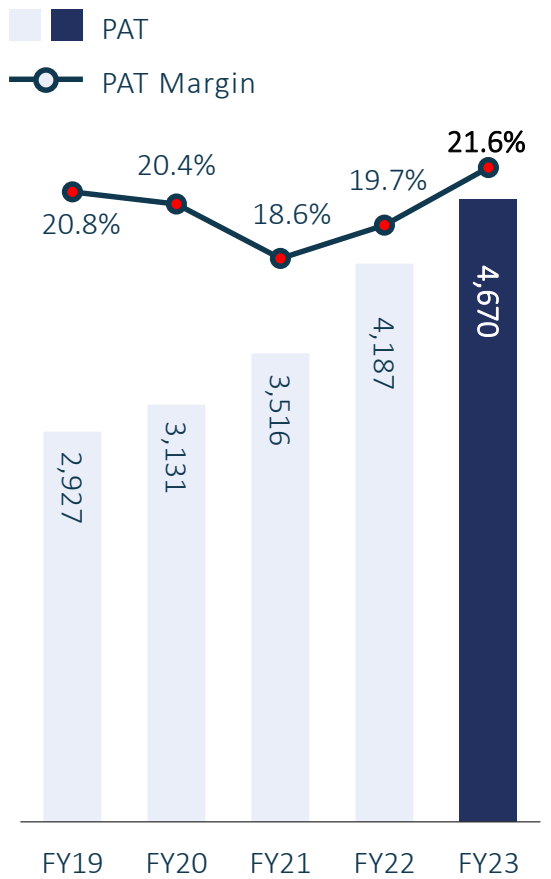
Revenue (In ₹ Millions)



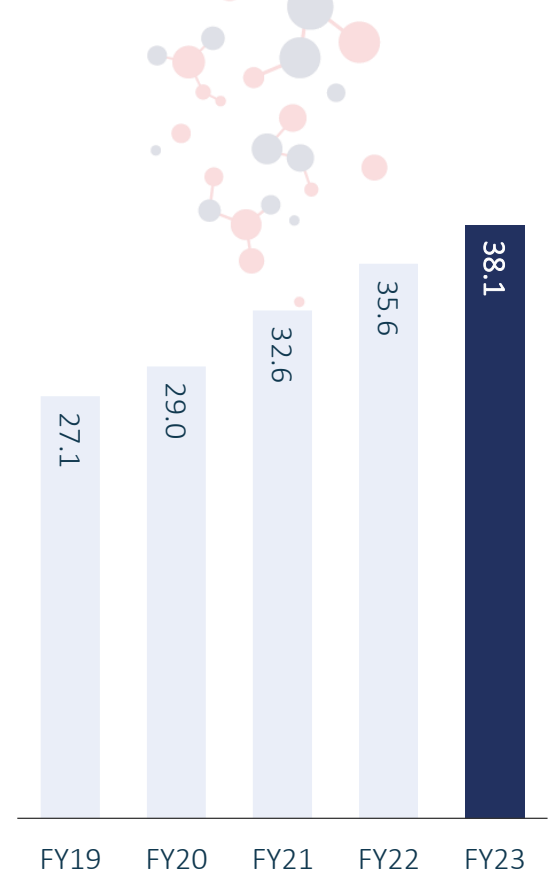
EBITDA (In ₹ Millions)



PAT (In ₹ Millions)

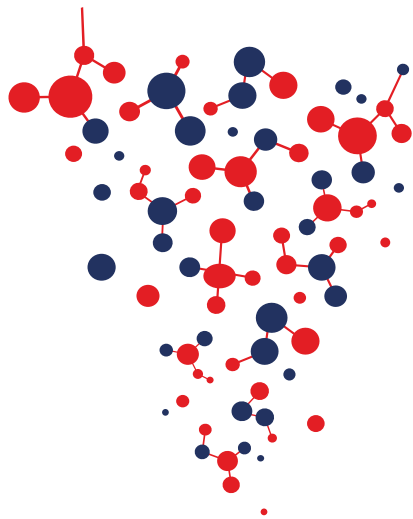


EPS (In ₹)



Note: Numbers of FY19 are based on Proforma Financials.

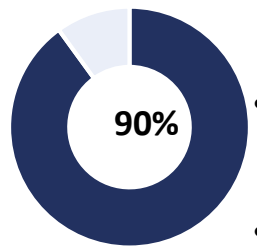
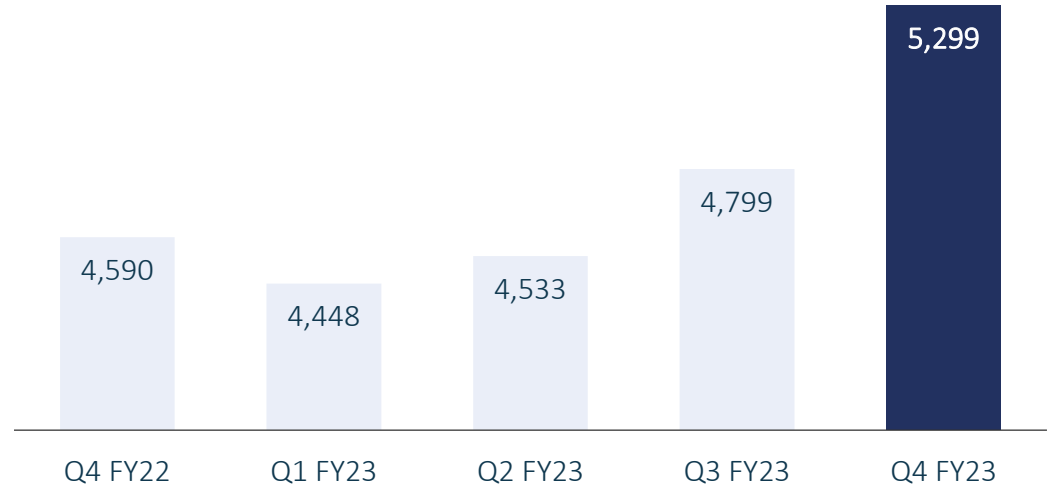
Amounts in INR Millions except EPS



Business Performance Review

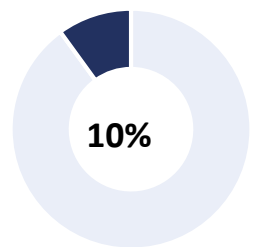
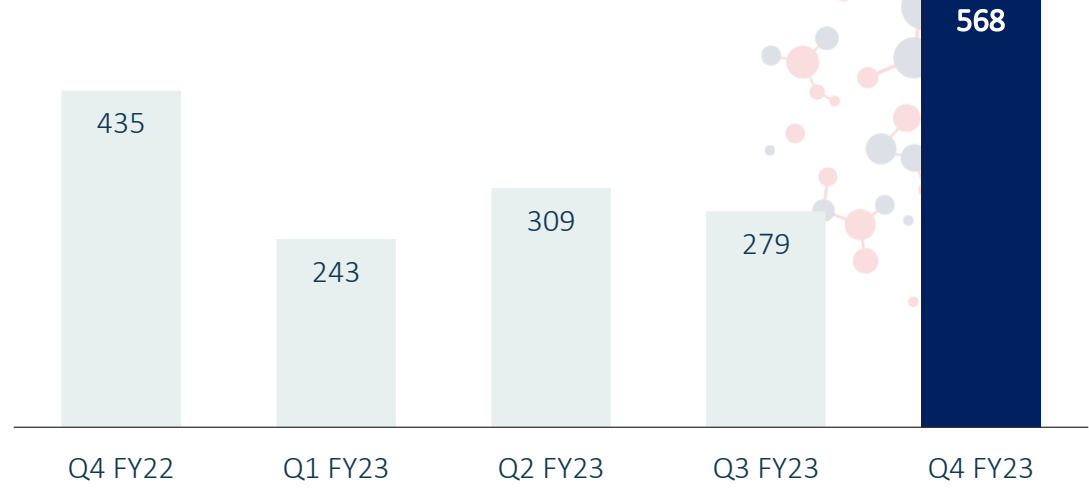
Segment Performance – Generic & CDMO business

Generic API (Revenue In ₹ Millions)



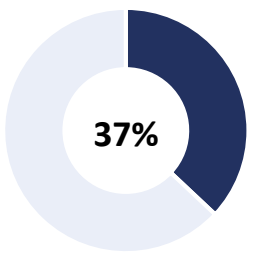
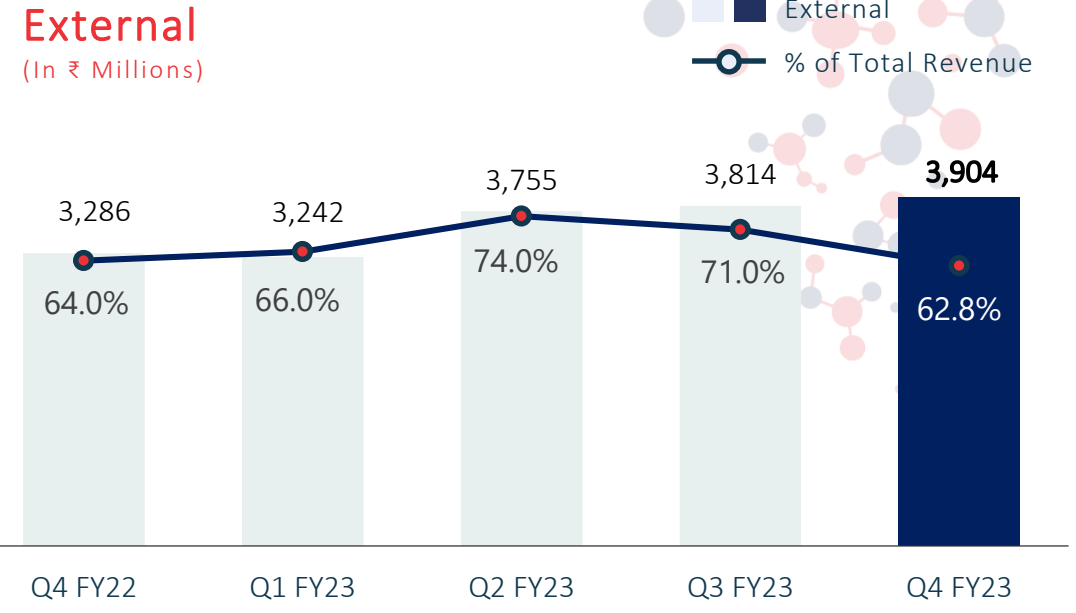
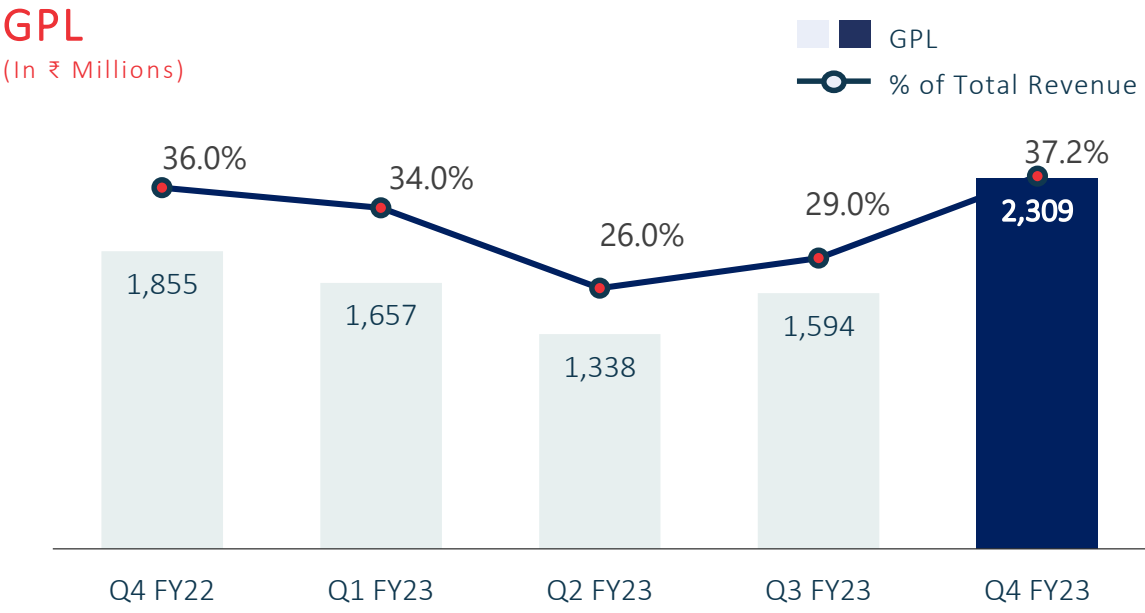
- Generic API revenues in Q4FY23 increased 10.4% QoQ and increased 15.5% YoY
- Steady growth momentum across regulated as well as emerging markets
- Strong recovery in GPL business and steady growth in external API business led the growth

CDMO (Revenue In ₹ Millions)

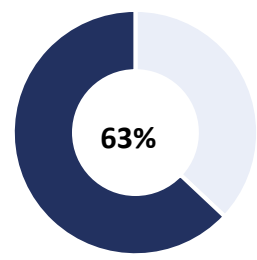


- CDMO business saw robust recovery in Q4FY23 with revenues increasing by 103.1% QoQ and 30.4% YoY driven by pick up in demand which was affected by inventory rationalisation in previous quarters
- Multiple discussions ongoing with companies globally for additional business opportunities

Segment Performance – GPL vs. External



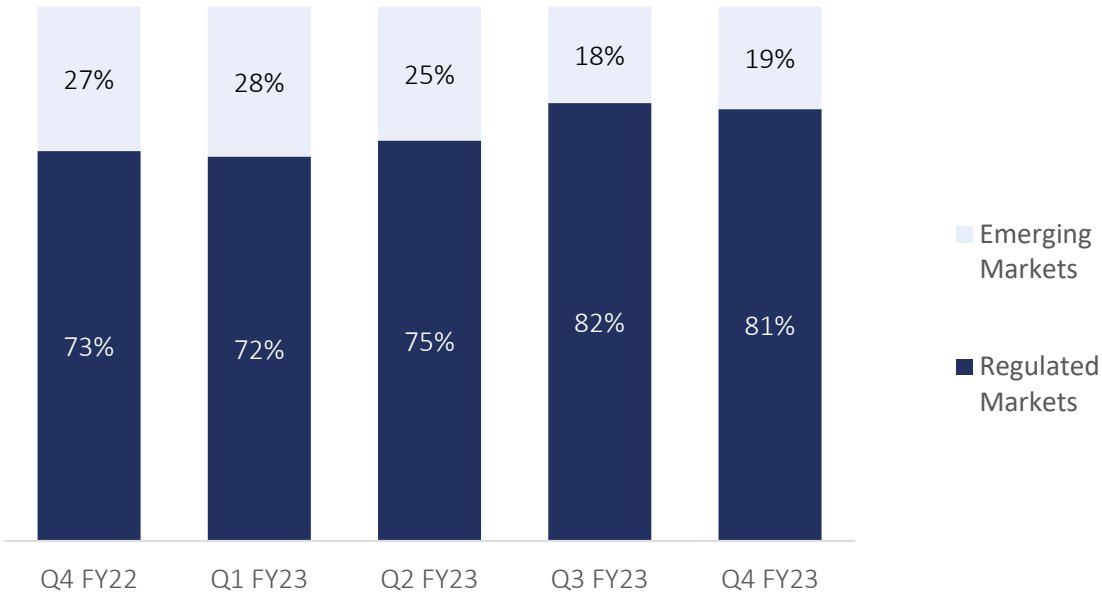
- GPL business in Q4 FY23 increased 45% QoQ and increased by 25% YoY
- Expect GPL business to remain steady in coming quarters



- External business continues growth momentum growing by 2% QoQ and 19% YoY
- External business was driven by strong growth in US, LATAM, and Japan with other geographies remaining stable.

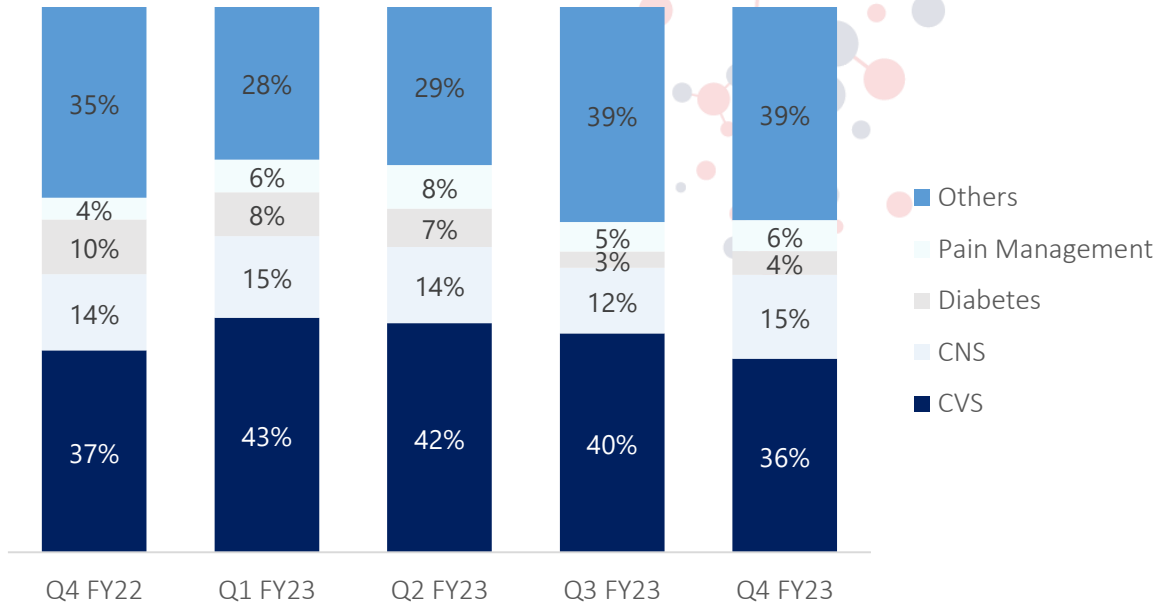
Market and Therapeutic Area Mix

Market Mix

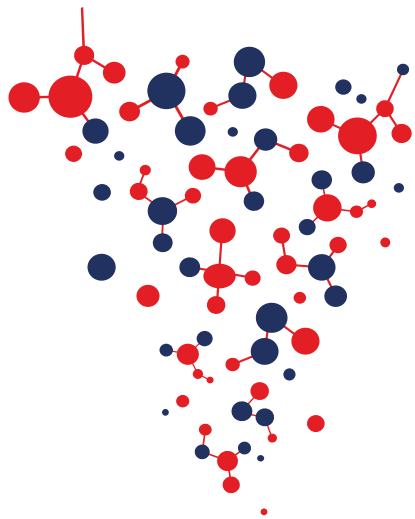


- Regulated markets contribution is at 81% in Q4 FY23 driven by robust recovery in GPL and CDMO business.
- On a full year basis, regulated market contributed 78% of the total portfolio compared to 72% in FY22

Therapeutic Area Mix



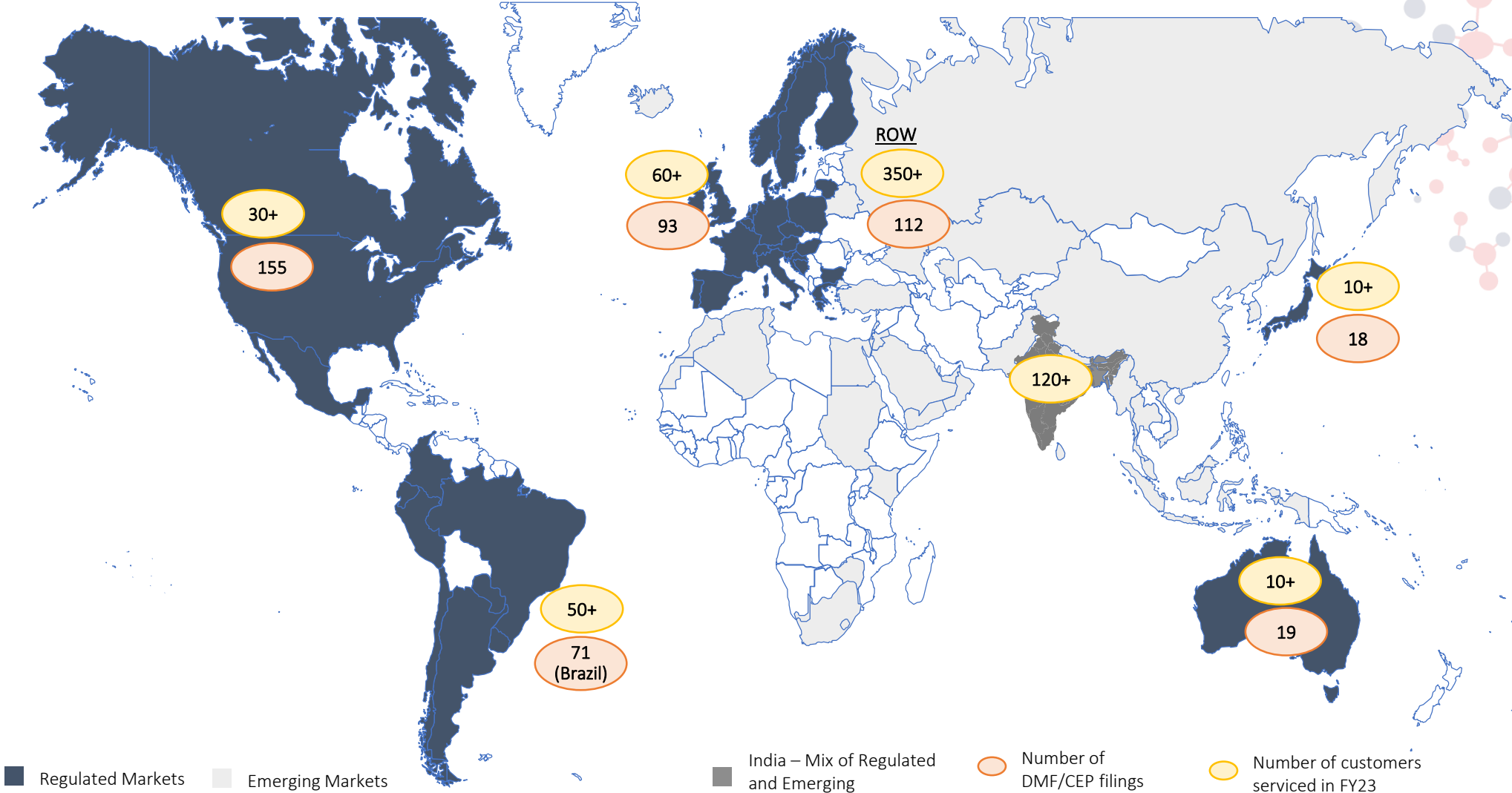
- CVS, CNS and pain management portfolio continues to deliver a steady growth
- Our key focused area of chronic therapies contributed 65% of the net sales on a full year basis.



Company Overview

Global Footprint

- Filed 468 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



As of March 31, 2023

Quality-focused, compliant manufacturing & R&D infrastructure



Manufacturing Infrastructure

Location	Annual Installed Capacity (Mar-23)	Last USFDA Inspection Date	Approvals
Ankleshwar, Gujarat	742.2 KL*	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA
Dahej, Gujarat	381.9 KL*	Oct 2018	USFDA, EDQM (Europe), PMDA (Japan), KFDA (South Korea)
Mohol, Maharashtra	49.1 KL	March 2018	USFDA, Maharashtra FDA
Kurkumbh, Maharashtra	24.6 KL	-NA-	Maharashtra FDA

• Additional 192 KL intermediate capacity added in March 2023 at Ankleshwar and 208KL will be added to the capacity in FY24.

R&D Infrastructure

Mahape, Navi Mumbai

- R&D for new product development and complex molecules
- High-end analytical equipment for characterization

Ankleshwar, Gujarat

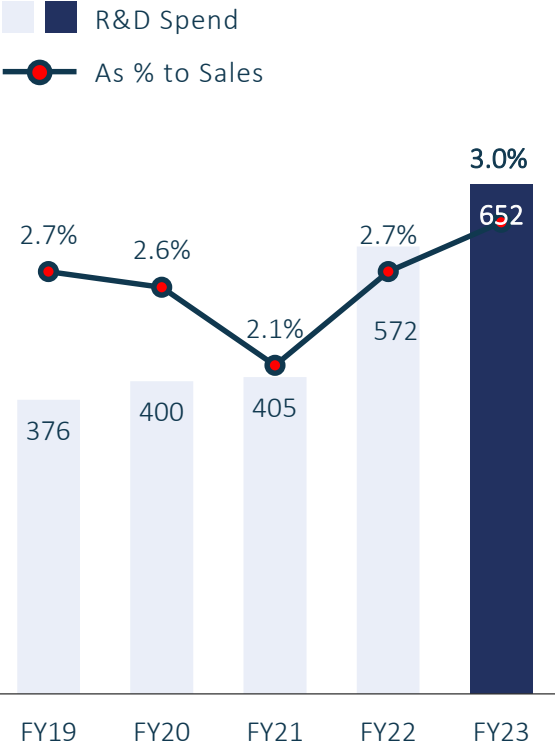
- Cost improvement programs and process improvements

Dahej, Gujarat

- Oncology R&D
- Cost improvement programs and process improvements

R&D Capabilities

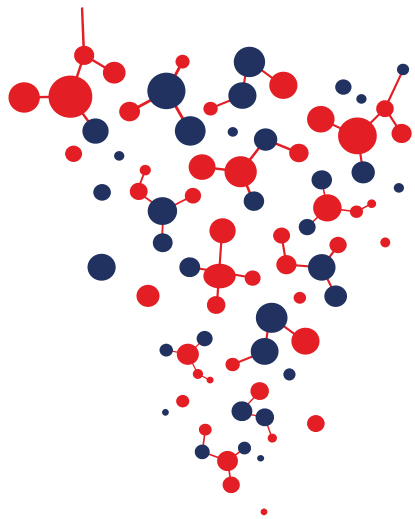
R&D Spend (In ₹ Millions)



Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	Australia	ROW	Total
CVS	37	31	4	18	10	28	128
CNS	35	21	8	13	1	13	91
Diabetes	9	4		8		12	33
Pain Management	1	2		4	1	8	16
Others	73	35	6	28	7	51	200
Total	155	93	18	71	19	112	468

- DMF/CEPs filing continues across major markets in Q4 FY23, taking the total cumulative filings to 468 as on 31 March, 2023.
- 3 Iron compounds in Portfolio of which - Regulatory filing completed for 1 iron compound, other iron compounds at advanced stage and initial stage of development with cumulative global market size of more than USD 1.8 billion (Source: IQVIA MAT Dec'22)
- Addition of 1 new high potent API to the development grid has taken the total number of high potent API in the GLS portfolio to 9, with a global market size of more than USD 19 billion (Source: IQVIA Dec'22) of which 5 products are in an advanced stage of development



Strategy Going Forward

Strategic Growth Levers

New Growth levers

2

- ✓ Ramp up CDMO portfolio
- ✓ Expand into complex API platforms
- ✓ Iron compounds
- ✓ Oncology

Operational efficiencies

4

- ✓ Debottlenecking
- ✓ 2nd/3rd generation process adoption
- ✓ Backward integration
- ✓ Reduce carbon footprint
- ✓ Adoption of flow chemistry in manufacturing
- ✓ Pursue AVD opportunities

1 Gx API Business

- ✓ New product launches
- ✓ Geographical expansion
- ✓ Focus on new markets becoming more regulated
- ✓ Pursue 2nd source opportunities with top generic players

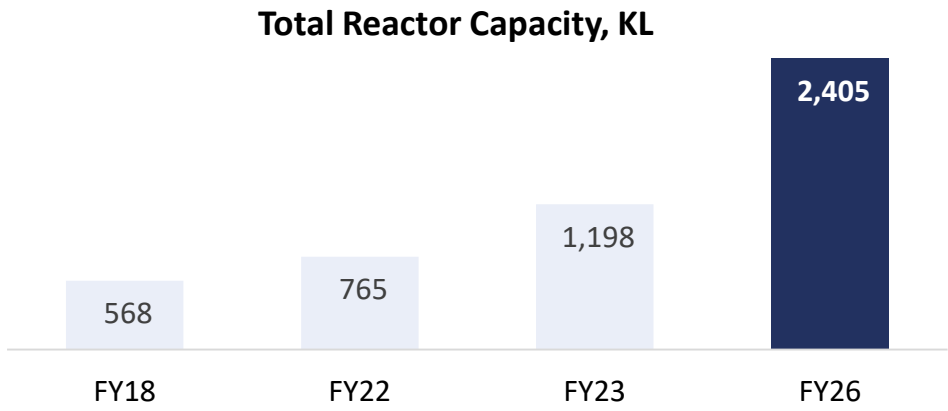
3 Capacity

- ✓ Capacity expansion
- ✓ Greenfield – Solapur, 1000KL –(CTE Received)
- ✓ Brownfield – Dahej, 240KL (Completed)
- ✓ Oncology block – Dahej (Completed)
- ✓ Backward integration – Ankleshwar (400 KL of which 192 KL is completed)
- ✓ Build R&D capability for new growth levers

Future Capacity Expansion Plan

Expansion Type	Division	Location	Current Capacity	Status & Planned Capacity	Operational Timelines
Brownfield	Intermediate	Ankleshwar	742.2 KL	192 KL capacity added in Mar 23. Under Construction 208 KL	Q3 FY24
Greenfield	API	Solapur	-	CTE Received for 1,000 KL	FY24 - FY26

Capacity Progress by Year



- ✓ Capex for API capacity expansion of 240 KL and Oncology facility at Dahej has been completed
- ✓ Backward Integration plant at Ankleshwar of 208KL is under construction

Thank You

FOR FURTHER INFORMATION CONTACT

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ERNST & YOUNG LLP – INVESTOR RELATIONS

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CIN: U74900PN2011PLC139963

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