



August 9, 2024

Listing Department
BSE LIMITED
P J Towers, Dalal Street,
Mumbai-400 001

Code: 532321

Listing Department
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Code: ZYDUSLIFE

Re: **Investor Presentation**

Dear Sir,

Please find attached the Investor Presentation on the unaudited financial results for the quarter ended on June 30, 2024.

Please find the same in order.

Thanking you,

Yours faithfully,
For, **ZYDUS LIFESCIENCES LIMITED**

DHAVAL N. SONI
COMPANY SECRETARY

Encl.: As above

Zydus Lifesciences Limited

Regd. Office : 'Zydus Corporate Park', Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,
S. G. Highway, Ahmedabad-382 481, Gujarat, India. | Phone : +91-79-71800000, +91-79-48040000
website : www.zyduslife.com | CIN : L24230GJ1995PLC025878





Zydus Lifesciences Limited

Earnings Presentation: Q1 FY25

9th August, 2024

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Revenues from Operations

Rs. 62,075 mn
 ↑ 21% YoY

R&D

Rs. 3,925 mn
 6.3% of revenues

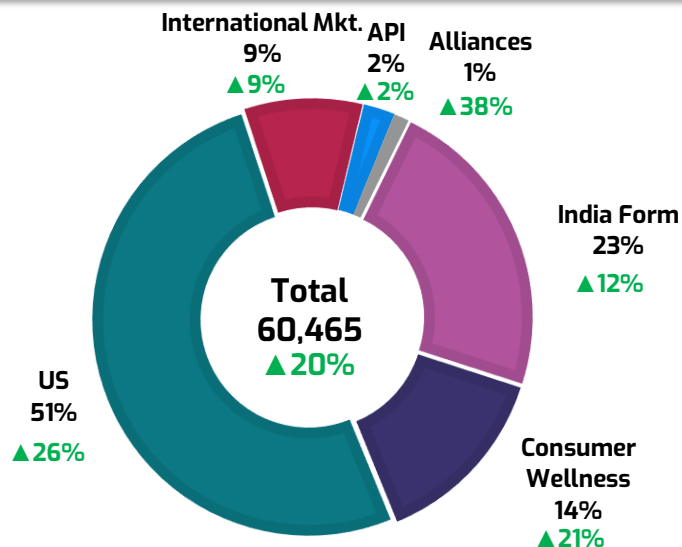
EBITDA & Margin %

Rs. 20,840 mn
 33.6% of revenues
 ↑ 38% YoY

Net Profit

Rs. 14,199 mn
 ↑ 31% YoY

Business-wise Sales Break-up (Rs. mn) and YoY Growth

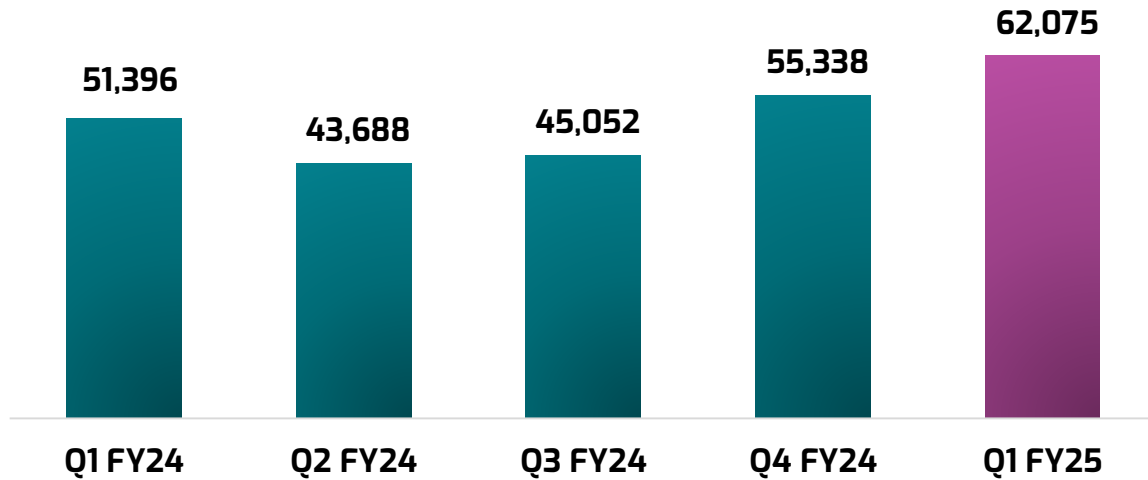


Highlights of Q1 FY25

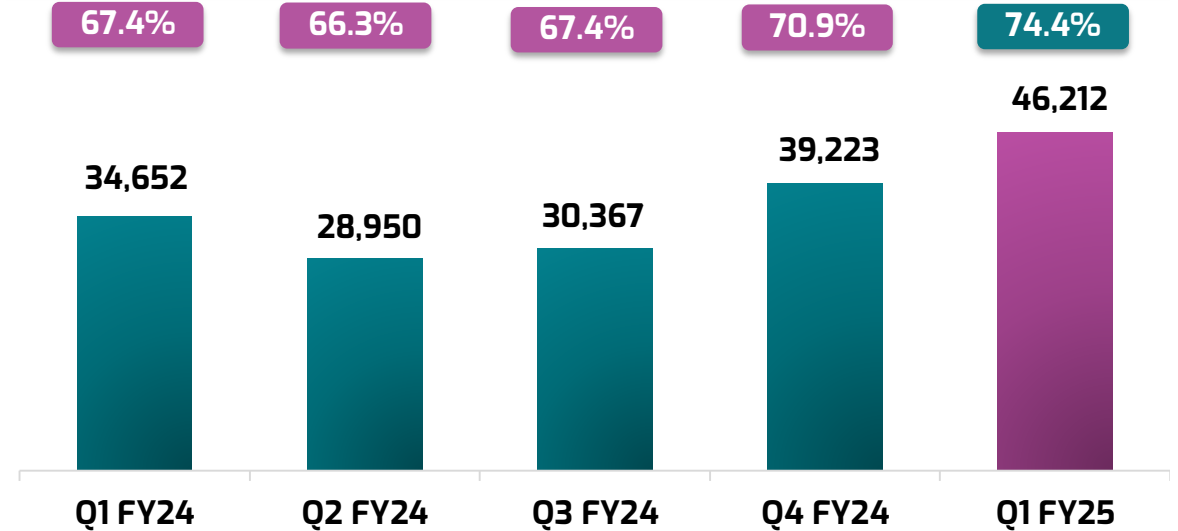
- Total revenues grew **21% YoY**, led by growth **across businesses**.
- **India branded formulations** business posted **double-digit growth** and **outpaced** the market growth both in the **chronic** and **acute** segments.
- **Consumer Wellness** business delivered an **industry leading double-digit growth** aided by **improved demand** scenario and **extended summer**.
- **US formulations** business registered a **robust sequential** and **y-o-y** growth driven by **new launches** and **volume expansion** in **base** portfolio.
- On the **international markets** front, **demand** scenario remained **strong** across **key markets** and drove the growth.
- EBITDA margin stood at **33.6%**, up **430 bps** YoY.
- Capex (organic) for the quarter: **Rs. 3,014 mn**.
- Net cash: Rs. **18,922 mn** (at 30-Jun'24) vs 8,561 mn (at 31-Mar'24)

Key Financial Metrics (1/2)

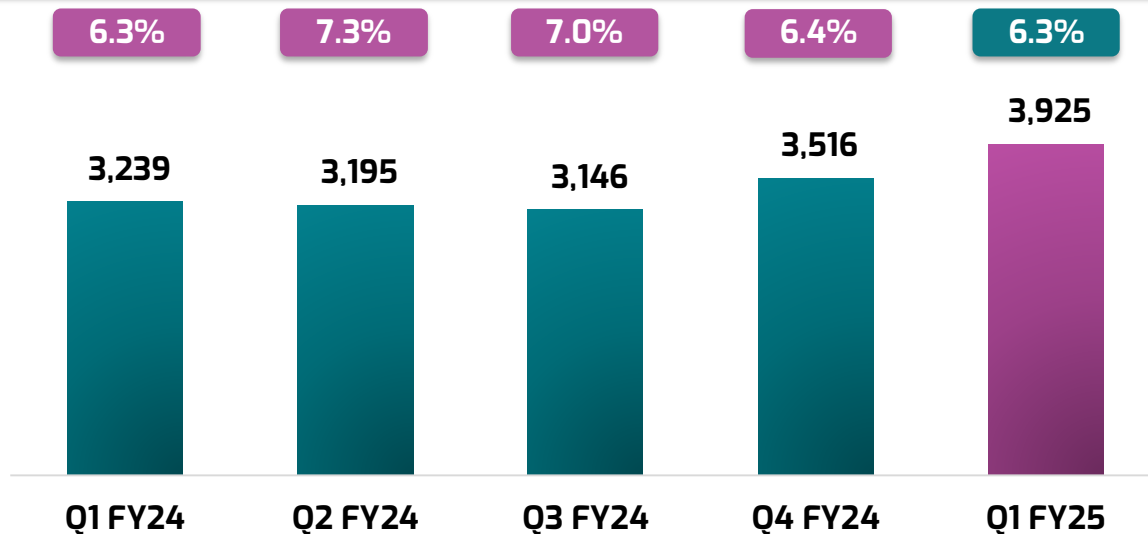
Total Revenues (Rs. mn)



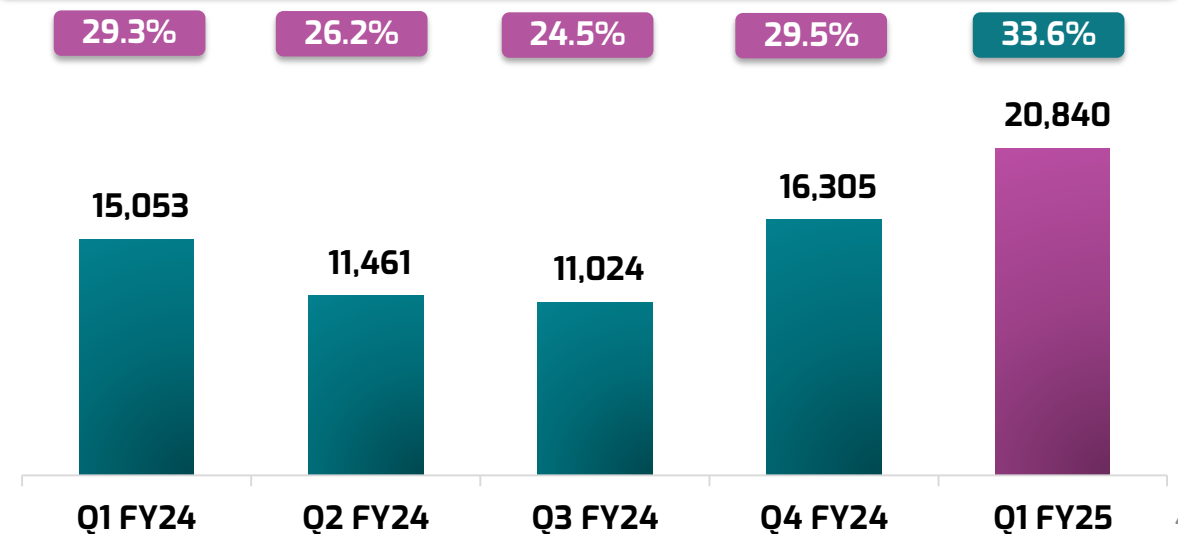
Gross Profit (Rs. mn) and Gross Margin %



Total R&D (Rs. mn) and % to Revenues

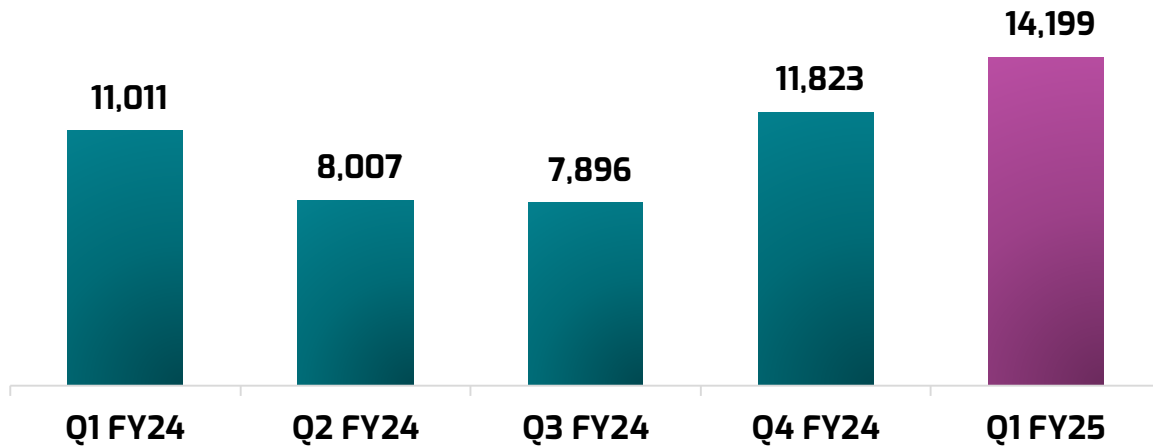


EBITDA (Rs. mn) and EBITDA Margin %

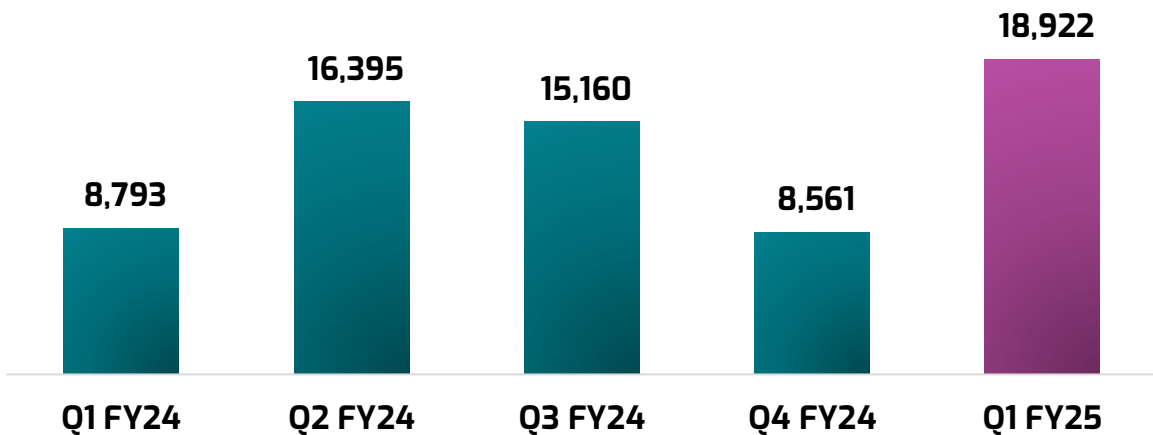


Key Financial Metrics (2/2)

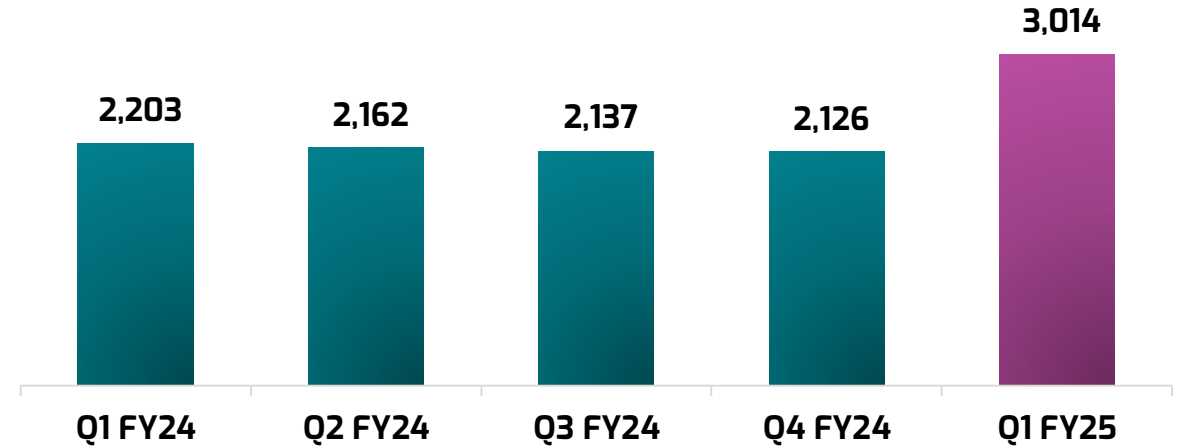
PAT ex. Exceptional (Rs. mn)



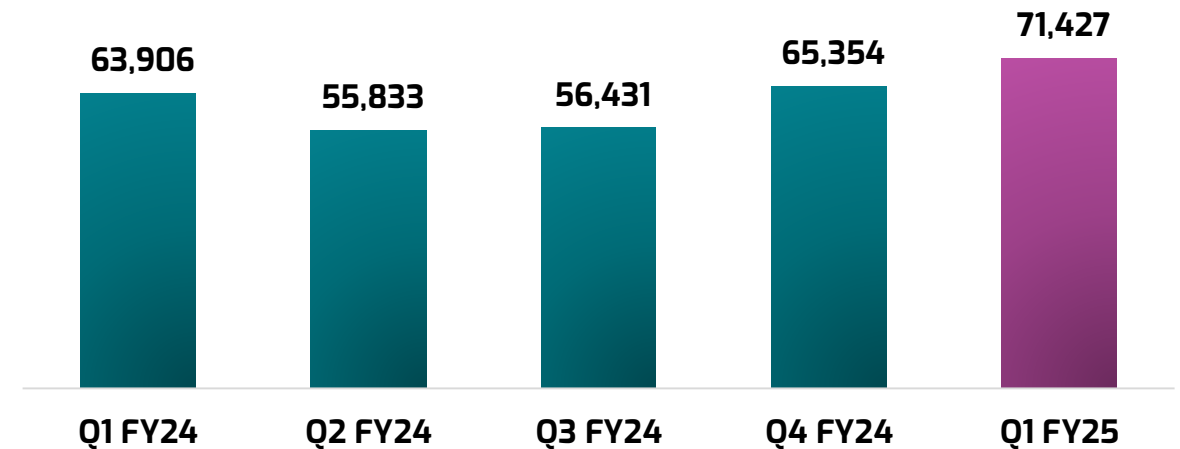
Net Cash (Rs. mn)



Organic Capex (Rs. mn)



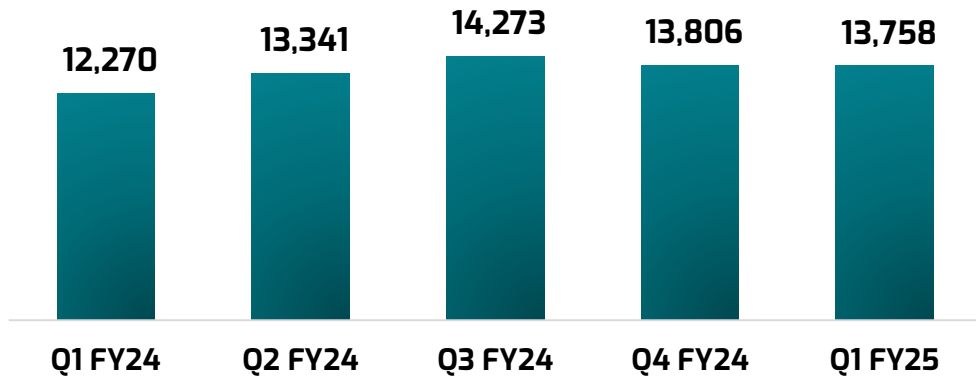
Net Working Capital* (Rs. mn)



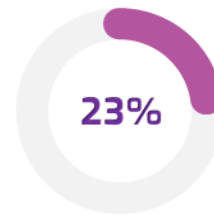
*Net working capital includes Inventory, Trade receivables and Trade payables.

Outperformed market growth on the back of strong volume uptake

India Formulations Sales (Rs. mn)



Q1 FY25 Revenue Contribution



Q1 FY25 Gr.

YoY

12.1%

QoQ

-0.3%

Brand building - a key growth driver

of Brands

1000+

10

500 to 1000

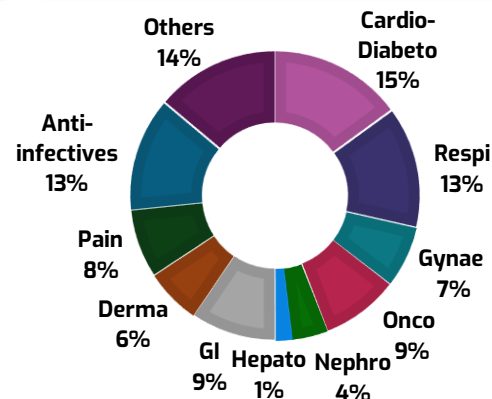
23

250 to 500

34

Brand Value (Rs. Mn)*

Therapy-wise Break-up*



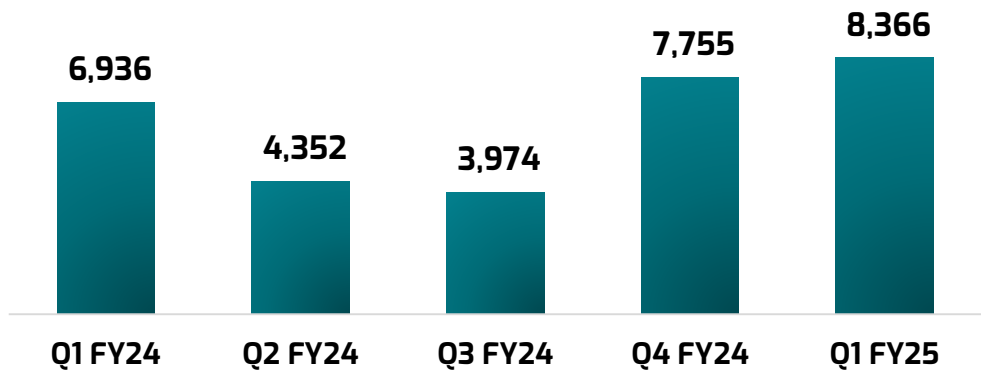
Highlights for the quarter

- Branded business grew **faster** than the market with **13% YoY growth**.
- Pillar brands** and **innovation portfolio** posted **strong volume growth**, driving the overall performance.
- Launched **10 new products** (incl. line extensions) with **3 first-in-India** launches.
- Grew faster** than the market in **key therapies** of Cardiology, Gynaecology, Derma, Respiratory, Anti-infectives, Oncology and Nephrology.
- On the Super Specialty front,
 - Retained **leadership** position in **Nephrology**
 - In **Oncology**, remained the **fastest growing** Indian company
- Share of **Chronic** portfolio has **gone up** consistently over the years and stood at **41.3%***, an **improvement of 430 bps** over the last 3 years.

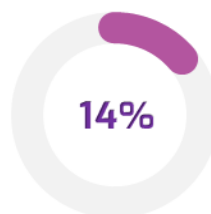
*Source: IQVIA MAT June 24

Strong volume uptake resulted in industry leading growth

Consumer Wellness Sales (Rs. mn)



Q1 FY25 Revenue Contribution



Q1 FY25 Gr.

YoY

20.6%

QoQ

7.9%

Key brands continued to hold dominant market share

Brand Name



Market Share#

59.7%

34.9%

95.9%

6.6%

46.2%

78.2%

4.3%

Facial
Cleansing *

Scrub

Peel
Off

Highlights for the quarter

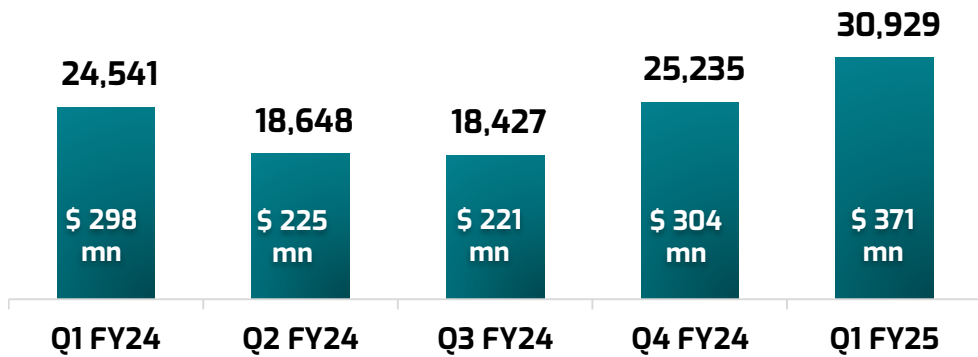
- Growth was **broad based** and largely driven by **17% volume growth**.
- **Personal care** segment **continued to deliver** robust performance with **yet another quarter** of **strong double-digit growth**.
- **Food and nutrition** segment witnessed **recovery** and posted **double-digit growth** as well.
- **Gross margins** continued to **improve** both **sequentially** and on a **y-o-y** basis.

#Source: Nielsen and IQVIA MAT June 2024 report

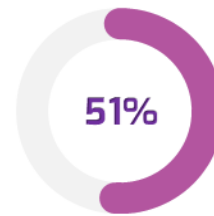
* Facial cleansing segment includes Face wash, Scrub and Peel-off.

New launches and base business volume expansion led to strong growth

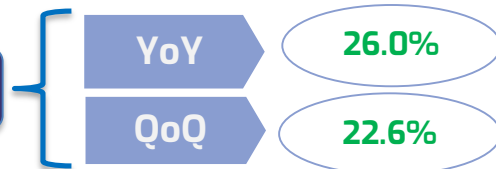
US Formulations Sales (Rs. mn)



Q1 FY25 Revenue Contribution

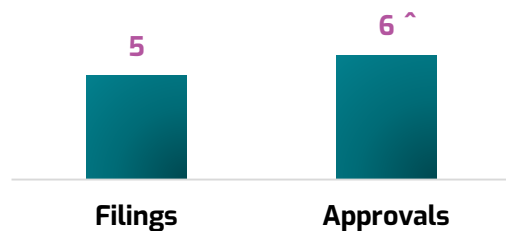


Q1 FY25 Gr.

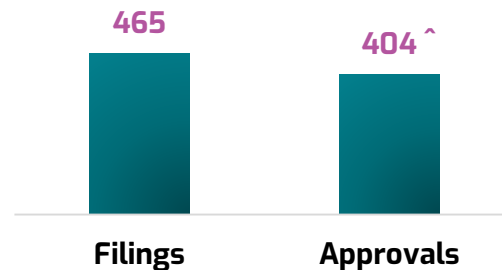


Continued investment to build the generics pipeline

ANDA filings and approvals - Q1 FY25



ANDA filings and approvals - Cumulative



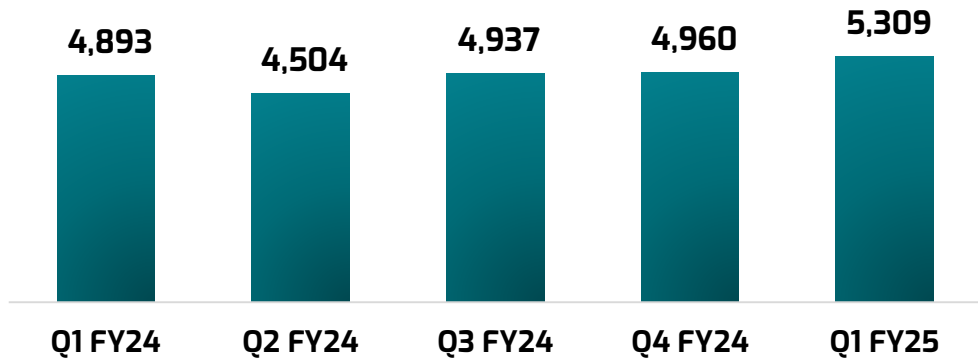
Highlights for the quarter

- Launched **7 new products**.
New launches include the **second 505(b)(2) product** viz. **Zituvimet™** in the area of metabolic disorder management and **Mirabegron ER tablets**.
- Filed 5 ANDAs** and received **approval** for **6 ANDAs** (incl. **2 tentative** approvals).

^ includes 2 tentative approvals in Q1 FY25 and 24 tentative approvals on a cumulative basis.

Healthy demand led growth across key markets

International Markets Formulations Sales (Rs. mn)



Q1 FY25 Gr.

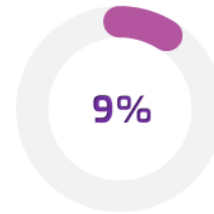
YoY

8.5%

QoQ

7.0%

Q1 FY25 Revenue Contribution



Highlights for the quarter

- **Robust demand** across **key** markets despite ongoing **political** and **economic** challenges in some countries.
- Focused on **expanding** the presence in **select therapies** across **key** markets by leveraging the **global R&D portfolio** of generics and specialty products.

NCE: Saroglitazar Magnesium

- Completed patient recruitment for Phase II(b)/ III clinical trials for PBC indication and Phase II(b) clinical trials for Metabolic Dysfunction-Associated Steatohepatitis (MASH) indication for the US market.

NCE: Usnoflast

- Completed patient recruitment for Phase II clinical trials for Amyotrophic Lateral Sclerosis (ALS) indication.

Biotech R&D

- Submitted marketing authorization application for one of the monoclonal antibodies (mAbs) to the Indian regulator.
- On the novel biologics front, initiated Phase I clinical trials in India for an anti-properdin molecule.
- Recently, in the month of July, 2024, received marketing approvals from the Mexican regulatory authority for two products viz. Bhava™ (a biosimilar of Bevacizumab) and Mamitra™ (a biosimilar of Trastuzumab).

505(b)(2) and Specialty initiatives

- Recently, in the month of July, 2024, received final approval for the third NDA viz. Zituvimet™ XR i.e. Sitagliptin and Metformin Hydrochloride ER tablets in the area of metabolic disorder management.
- With this approval, all three NDAs of Sitagliptin (base) and combination franchise are now approved through 505(b)(2) route. All the three NDAs have received first-cycle approval.

ESG Initiatives: Following a holistic philosophy of sustainability

Overview of ESG initiatives undertaken across different areas



Environment

- **On-site solar** power generation; **increase** in purchase of **solar-wind hybrid** power
- **Increase** in use of **bio-fuel/ hybrid** fuel



Water Management

- Adoption of **Zero Liquid Discharge** approach to **maximize recycle** and **re-use** of water
- **Reduce fresh intake** of water
- Use of **water efficient** technology



Waste Management

- Focus on **reducing** waste generation
- **Responsible disposal** of waste
- **Increase co-processing** of waste



Governance

- **Zero tolerance** for ethical & integrity breach
- **Code of Business Ethics and Conduct** in place for directors and employees



People Initiatives

- **Inclusive work-place** to promote **gender diversity** and **equal opportunities** for all
- Building **positive work culture**, promoting **skill development** and a healthy **work-life balance**



EHS Matters

- **Dedicated EHS cell** at **each mfg. location** to oversee implementation of EHS policy
- **Pre-employment** and **periodical medical check-up** for all the employees

ESG performance (FY24 vs. FY23)

GHG intensity	↓ 3%
Energy intensity	↓ 2%
Water intensity	↓ 9%
Waste intensity	↓ 7%
Share of renewable energy	↑ 3%
# fatal incidents in FY24	Nil
Board independence	60%

Zydus at a Glance

\$2.35
bn
Global Revenues¹

5th
Largest generic Co. in US
in terms of prescription³

8
R&D Centers
For NCE, APIs, Generics, Vaccines
Biosimilars and Wellness products

>35%
Revenues from India
Geography (Formulations
and wellness) in FY24

**Among
Top 3**
In ~55% of product
families marketed in US⁴

1st
Approved product for
NASH in India - (Bilypsa[®] -
Saroglitazar)

\$15.4
bn
Market Capitalization²

7
Brands among Top
300 in India⁵

1st
OSD formulation for anemia
associated with CKD –
Oxemia[™] (Desidustat)

37
Mfg. sites having
capabilities across
dosage forms

>26 K
Zydans globally incl.
>1400 scientists (R&D)

22
Biosimilars in portfolio
(incl. 3 ADCs), launched
14 products in India

1. In FY24, assuming exchange rate of Rs. 82.8 per USD
2. As on 8th August, 2024, exchange rate of Rs. 84 per USD
3. IQVIA MAT June 2024 TRx

4. IQVIA MAT June 2024 TRx
5. As per IQVIA MAT June 2024

Consolidated Financial Performance (reported)

Rs. mn	Q1 FY25	Q1 FY24	YoY gr.	Q4 FY24	QoQ gr.
Total Income from Ops.	62,075	51,396	20.8%	55,338	12.2%
Gross Contribution (GC)	46,214	34,652	33.4%	39,223	17.8%
Gross Margin %	74.4%	67.4%		70.9%	
Employee benefits expenses *	7,820	6,524	19.9%	7,545	3.6%
R&D expenses	3,925	3,239	21.2%	3,516	11.6%
Other operating expenses *	13,377	9,565	39.8%	11,910	12.3%
Net (gain)/loss on foreign currency transactions	252	271	-6.8%	-53	575.5%
EBITDA	20,840	15,053	38.4%	16,305	27.8%
EBITDA Margin %	33.6%	29.3%		29.5%	
Other Income	632	360	75.6%	1,564	-59.6%
Finance cost	322	181	77.9%	346	-6.9%
Depreciation and amortization	2,153	1,798	19.7%	2,053	4.9%
PBT before exceptional items	18,997	13,434	41.4%	15,470	22.8%
Exceptional Expenses/ (Incomes)		142	-100.0%		
Profit before Tax	18,997	13,292	42.9%	15,470	22.8%
Tax expenses	4,361	2,161	101.8%	3,212	35.8%
Share of profit from JVs	189	215	-12.1%	171	10.5%
Profit/(loss) from discontinued ops.		-10	100.0%	32	-100.0%
Minority Interest	626	467	34.0%	638	-1.9%
Reported Net Profit	14,199	10,869	30.6%	11,823	20.1%

* Excludes Research related expenses

Details of Exchange Rate Fluctuations

Rs. mn	Q1 FY25	Q1 FY24	YoY gr. %
A. On operating transactions (above EBITDA line)	233	274	-15.0%
a. Included in COGS	-19	3	-703%
b. Part of other operating expenses (shown separately)	252	271	-7%
B. On foreign currency borrowings (part of finance cost)		4	-100.0%
Total Exchange Rate Fluctuations ('+' = loss, '-' = gain)	233	278	-16.2%

Thank you

For any queries, please contact
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Arvind.Bothra@zyduslife.com
+91-22-62711905

For more information, please visit:
 www.zyduslife.com

 www.linkedin.com/company/zyduslife



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