



EY Entrepreneur of the year-2013



FROST & SULLIVAN
2013 BEST PRACTICES AWARD
Corporate Strategy Leadership Award, India



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Excellence Awards-2013



Date: 04 February 2025

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

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 the investor presentation made by the Company.

Thanking you.

Yours faithfully,

For Eris Lifesciences Limited

Milind Talegaonkar
Company Secretary and Compliance Officer
ICSI Mem. No.: A26493

Encl: a/a

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**Q3 FY 25 and 9M FY 25
INVESTOR PRESENTATION
4th Feb 2025**

DOMESTIC BRANDED FORMULATIONS – 12% ORGANIC GROWTH IN Q3



DBF Headline Financials

Op Revenue (INR Cr)	Q3 FY25	YoY	9M FY25	YoY
Organic Base	529*	12%	1,540**	9%
<i>Ebitda margin</i>	39%		40%	
Biocon - 2	106		313	
<i>Ebitda margin</i>	21%		19%	
Total DBF	635	35%	1,911	35%
<i>Ebitda margin</i>	36%		36%	

DBF Business Highlights

- **Organic DBF growth** bounces back to **12%** in Q3 on the back of
 - New Product Launches
 - Price increases taking effect
- **Expansion** in Base business **EBIDTA margin**
 - Q3 margin **39% (up 237 bps yoy)**
 - 9M margin **40% (up 266 bps yoy)**
- Continued momentum in Business Integration
 - Decline of **518 bps** in 9M Gross Margin
 - Largely offset by **460 bps decline** in 9M Fixed Expenses ratio

Source – Unaudited Financial Statements

*Organic base for Q3 includes Biocon-1 business acquired in Q3 FY24

** Includes Biocon-1 base for Q3 FY24

TOTAL DOMESTIC BRANDED FORMULATIONS P&L – Q3 and 9M FY25



INR Crores	Q3 FY25	Q3 FY24	Growth%	9M FY25	9M FY24	Growth %
Revenue from Operations	635	471	35%	1,911	1,418	35%
Gross Profit	495	391	27%	1,487	1,177	27%
Gross Margin	77.9%	83.0%		77.8%	83%	
Employee Expenses	118	97	21%	362	295	23%
<i>as % of Revenue</i>	18.5%	20.6%		19%	20.8%	
Other Expenses	147	120	24%	430	358	19%
<i>as % of Revenue</i>	23.2%	25.4%		22.5%	25.2%	
EBITDA	230	174	31%	695	524	36%
EBITDA Margin	36.2%	37.0%		36.4%	36.9%	

- YTD Gross Margin reduction of **518 bps yoy** due to change in business mix (Biocon acquisition)
- Largely offset by YTD Fixed expenses (as a % of Revenue) reducing by **460 bps yoy** due to synergies from **business integration**



- We have entered a **strategic partnership** for the **launch** of **Semaglutide** – expect Eris to be **among the first to launch in India**
- Given **Swiss's** capabilities in '**form-fill-finish**' of synthetic peptides in cartridges, we are doing the necessary prework to initiate **dosage-form manufacturing** in due course
- We believe that after the initial launch, there is a strong economic case for the **peptide to make way for recombinant Sema** as in the innovator product
- **Levim** has **completed preclinical** studies for **recombinant Semaglutide** and has obtained **approval** for going ahead with the application process for conduct of **human trials**
- In parallel, we are preparing our **Bhopal** facility **to be ready** to "**form-fill-finish**" the **recombinant Sema** in the medium term

Our "Right to Win"

We will leverage Eris' leading market position for success in the GLP-1 market

- **Top-3 by Prescription rank among Diabetes/ Endocrinologists**
- **Top-5 in overall Diabetes therapy with a 6% market share**
- **Largest Indian company in Insulins with a 10% market share**

NEW PRODUCT LAUNCHES FROM OUR R&D PIPELINE DRIVING GROWTH



- **First-in-market** combinations of **Dapagliflozin** from our R&D pipeline **launched in Q3 FY25 – a differentiated play** in the fast-growing SGLT2 space
 - Dapagliflozin – Bisoprolol
 - Dapagliflozin – Pioglitazone
 - Dapagliflozin – Metoprolol
- **Liraglutide** – Our first **GLP-1** launched in Sep-24; ramped up to **1+ cr. p.m.** sale
- New Product Launch **pipeline for Q4 FY25**
 - Gliclazide – Dapagliflozin – Metformin
 - Gliclazide – Sitagliptin – Metformin
 - Dapagliflozin – Telmisartan
- **Empagliflozin** & Combinations – patent expiration opportunity in Q4 FY25
- **Esaxerenone** – a novel antihypertensive – cleared for BEs and CT; BE study in progress and CT to commence subsequently

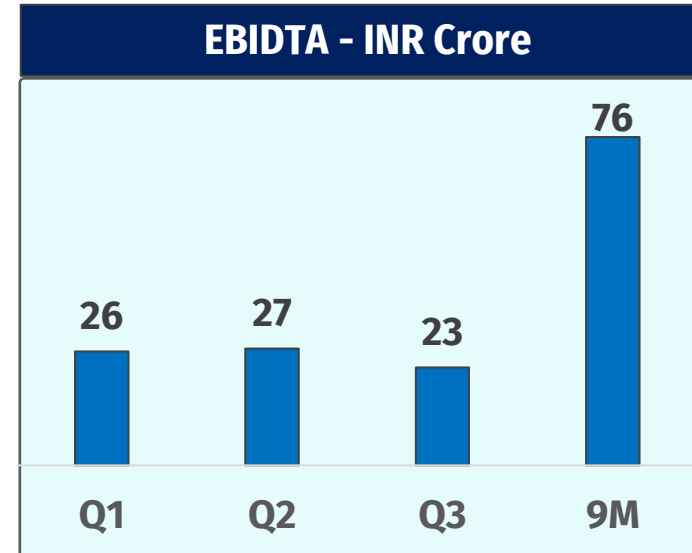
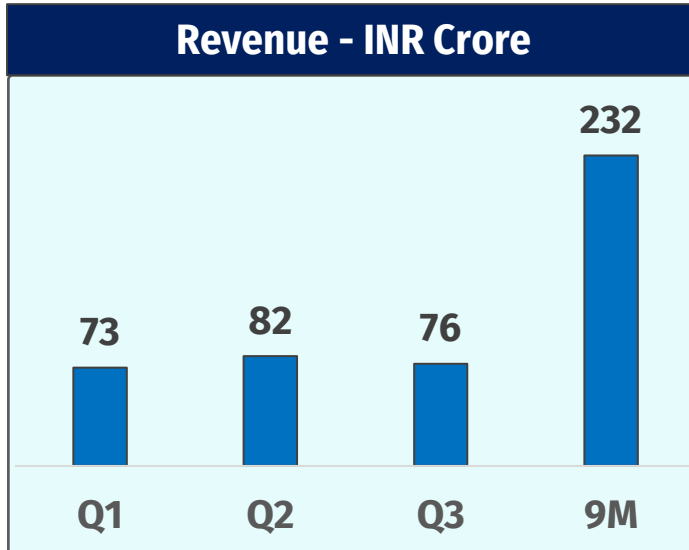


- **Bhopal** facility – “**Form-Fill-Finish**” of **Insulins** to be operational in **FY26**
 - Technology transfer from Biocon underway
 - **Validation** of RHI & Glargine **vials** commenced
 - Insourcing-led **margin benefits in vials** to start accruing from **Q1-FY26**
 - Insourcing of **cartridge fill-finish** and consequent **margin benefits** expected later in the year
 - Will subsequently target **EU-GMP and RoW** market approvals
- **Eris AMD Unit - Oral Solid Dosage** (‘OSD’) **export**
 - Inspected by **two RoW regulatory agencies** last quarter
 - **Brazilian ANVISA** inspection **scheduled in early May 2025**
 - Expecting **OSD Exports** to kickstart in the later part of FY26

New (export) revenue streams being created through our manufacturing footprint, alongside deriving margin benefits in our DBF business



Financial Performance of Base Business – RoW Injectable Exports



- **Base RoW Injectable Business - On track to deliver FY25 guidance INR 330 cr.**
- **Concurrently building the foundation to accelerate the growth trajectory**
 - **Both Swiss sites inspected by Halmed (for EU-GMP) in Q3 FY25**
 - **ANVISA inspection dates confirmed for Swiss sites in Q1 FY26**
 - **Initiated necessary groundwork to commercialise Levim's products across Swiss' existing client base**

SIGNIFICANTLY AHEAD OF GUIDANCE IN DEBT REDUCTION



Plan shared at the start of FY25			Outlook at the end of Q3 FY25		
Debt to EBIDTA < 2x by 30 th Sep '25			1.5x Debt-to-EBIDTA by 30 th Sep '25		
	Outstanding Debt (INR Cr)	Debt to TTM-EBIDTA		Outstanding Debt (INR Cr)	Debt to TTM EBIDTA
As on 31 Mar 2024 (FY 24) *	3,000	3.9 x		3,000	3.9 x
As on 31 Mar 2025 (FY 25)	2,600	2.5 x		~2,100	~2 x
As on 30 Sep 2025 (End of H1 FY26)	2,300	1.8 x		~1,750	~1.5 x

- FY25E Net Debt ~ INR 2,100 cr. vs. guidance INR 2,600 cr. – lower by INR 500 cr.
- H1 - FY26P Net Debt ~ INR 1,750 cr. vs. guidance of INR 2,300 cr. – lower by IN 550 cr.
- Sharp reduction in Debt to TTM EBIDTA ratio
 - 3.9x in FY24A
 - 2.x in FY25E
 - 1.5x in H1 FY26P

* Outstanding debt includes full debt for acquisitions announced in Mar 2024 (19% stake in Swiss and Biocon's India Formulations Business).

ACQUISITIONS STARTING TO DELIVER; TO DRIVE EPS INFLECTION STARTING FY26



Last 4 years' Investment Cycle

	FY 22	FY 25 E		
Assets*	921	~5,500	↑	6x
EPS	29.9	26+	↓	12%

- 6x expansion in asset base, largely driven by acquisitions
- Acquisitions in various stages of value creation – especially Swiss (acquired Feb-24) and Biocon (acquired Apr-24)
- Significant increase in Amortisation & Finance Cost
- Expiration of Guwahati fiscal benefits in FY24 and a sharp increase in effective book tax rate in FY25
- Flat-to-declining EPS trajectory from FY22 to FY25

Outlook – FY26 and Beyond

- Inflection point in EPS growth starting FY26 – with an EPS growth of > 50% expected due to
 - Growth and margin improvement in acquired businesses
 - Debt reduction in FY25 higher by INR 500 cr., lowering interest expenses in FY26
 - Tighter capital management – as evidenced by 9M-FY25 OCF of 103%
- Post FY26, EPS growth will continue to get augmented each year by
 - QoQ debt reduction, and
 - YoY declining book tax rate

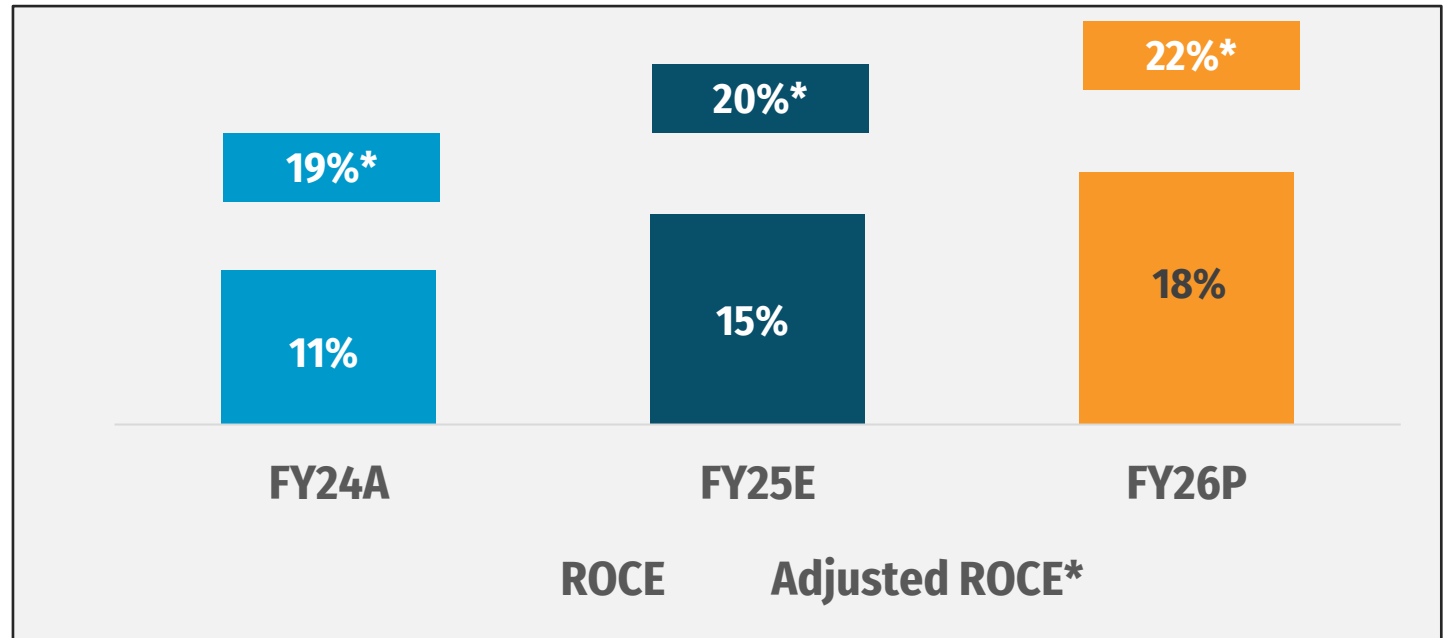
* Sum of Tangible and Intangible assets

ROCE TRAJECTORY SEEN IMPROVING IN TANDEM; TO EXCEED 20% IN FY27

Key Levers at Work

- **Value creation** from acquired businesses driving a robust expansion in **EBIT**
 - Base business growth
 - Margin Expansion
 - Fixed Expenses Leverage
 - Addition of new growth levers
- Optimisation of **Invested Capital**
 - Tightening Working Capital Management
 - Accelerating **debt reduction**
 - Enhancing utilization and **productivity of asset** base

Return On Capital Employed (ROCE)



- **FY26 ROCE** projected at **18%** – up from **11%** in FY24
- **FY26 Adjusted ROCE*** projected ~ **22%** – up from **19%** in FY24

CONSOLIDATED P&L Q3 FY25 – FIXED COST SYNERGIES CONTINUE TO ACCRUE

Consolidated INR Crores	Q3 FY 25	Q3 FY 24	Q3 FY 25 yoy Gr %	9M FY 25	9M FY 24	9M FY 25 yoy Gr %
Revenue from Operations	727	486	49.6%	2,188	1,458	50.1%
Gross Profit	551	397	38.5%	1,645	1,196	37.5%
Gross Margin	75.7%	81.7%		75.2%	82.0%	
Employee Cost	125	99	27.1%	384	301	27.3%
as % of Revenue	17.2%	20.3%		17.5%	20.7%	
Other Expenses	175	123	41.9%	496	369	34.6%
as % of Revenue	24.0%	25.3%		22.7%	25.3%	
EBITDA	250	176	42.6%	765	526	45.3%
EBITDA Margin	34.4%	36.1%		34.9%	36.1%	
Depreciation	24	14	67.6%	68	41	64.9%
Amortisation	57	31	82.2%	169	87	94.0%
Finance Cost	57	18	215.5%	177	52	241.9%
Other Income	4	4	0.5%	10	9	20.1%
PBT	116	116	0.3%	361	355	1.7%
PBT Margin	16.0%	23.8%		16.5%	24.3%	
Taxes	29	14	102.8%	87	37	135.3%
Effective Tax Rate	25.2%	12.4%		24.3%	10.5%	
Net Profit	87	101	-14.3%	273	317	-14.0%
Net Profit Margin	11.9%	20.9%		12.5%	21.8%	

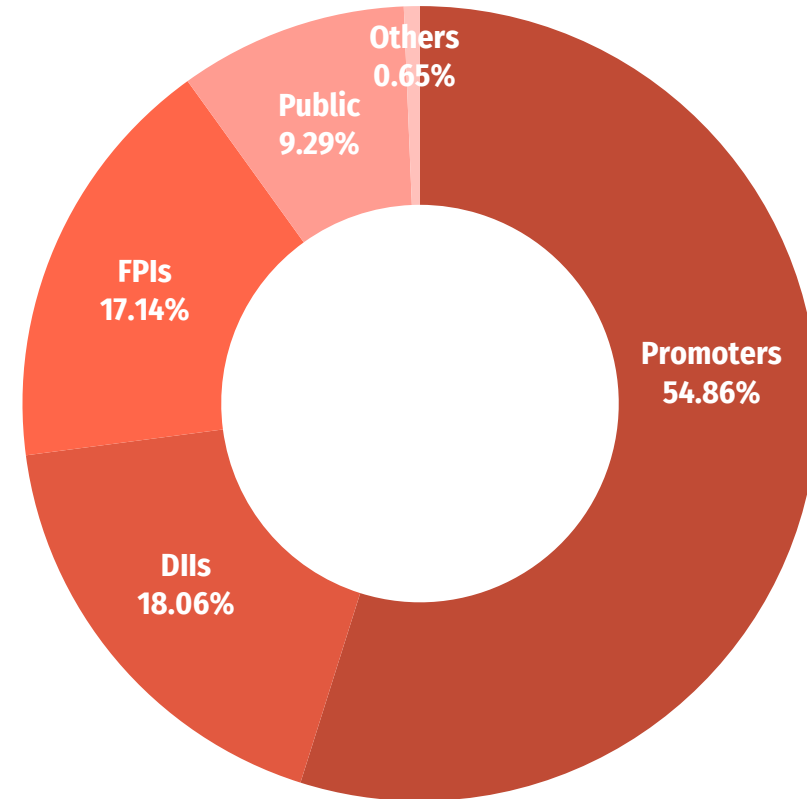
- Q3 consolidated operating **revenue** up by **50%** to INR **727** cr and 9M up by **50%** to INR **2,188** cr
- Q3 **Margin** and Fixed Cost **Synergies**
 - **Gross Margin** down by **604 bps** due to significant changes in product/ business mix
 - **Fixed** Expenses (% of Revenue) down **436 bps** yoy
- Q3 **EBIDTA** INR **250** cr - yoy growth of **43%**
- 9M **EBIDTA** INR **765** cr - yoy growth of **45%**
- Amortisation and Finance costs reflect the full impact of all acquisitions made till date
- Book Tax Rate - **25.2%** in Q3 and **24.3%** YTD
- OCF-to-EBIDTA ratio - **120%** in Q3 and **103%** YTD
- Cash EPS ~ **INR 30 for 9M-FY25**, in-line with 9M-FY24



Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder	31-Dec-24 1,374*	30-Sep-24 1,330*	30-Jun-24 1,023*
Promoters	54.86%	54.87%	54.88%
Chrys Capital (Lilac Investments Ltd)	8.79%	7.26%	7.27%
HDFC Mutual Fund	7.42%	7.54%	7.76%
Franklin Templeton Mutual Fund	3.55%	3.59%	1.46%
UTI Mutual Fund	3.41%	3.81%	3.95%
Vanguard Fund	1.66%	1.58%	0.00%
Franklin Templeton Investment Fund	1.05%	1.41%	1.53%
Blackrock Funds	0.73%	0.39%	0.39%
TATA AIA Life Insurance	0.73%	0.91%	0.89%
Steinberg India Fund	0.68%	0.68%	0.68%
UTI Fund – FII	0.66%	0.76%	0.81%
Aditya Birla Sun Life Mutual Fund	0.58%	0.62%	0.62%
Ellipsis Partners LLC	0.58%	0.58%	0.79%
DSP Mutual Fund	0.49%	0.49%	0.00%
Bank of India Mutual Fund	0.46%	0.43%	0.40%
Government Pension Fund Global	0.44%	0.14%	0.00%

Shareholding Pattern



*Closing share price as per NSE

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.



THANK YOU

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INVESTOR RELATIONS
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