



EY Entrepreneur of the year-2013



FROST & SULLIVAN Best Practices-2013



Business today/YES bank Excellence Awards-2013



**Date: 28<sup>th</sup> January, 2022**

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

**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 made by the Company.

Thanking you.

**For Eris Lifesciences Limited**



**Milind Talegaonkar**  
**Company Secretary and Compliance Officer**

**Encl.:a/a**

**Registered & Corporate Office:**

8<sup>th</sup> Floor, Commerce House - IV, Prahlad Nagar, Ahmedabad - 380 015, Gujarat, India

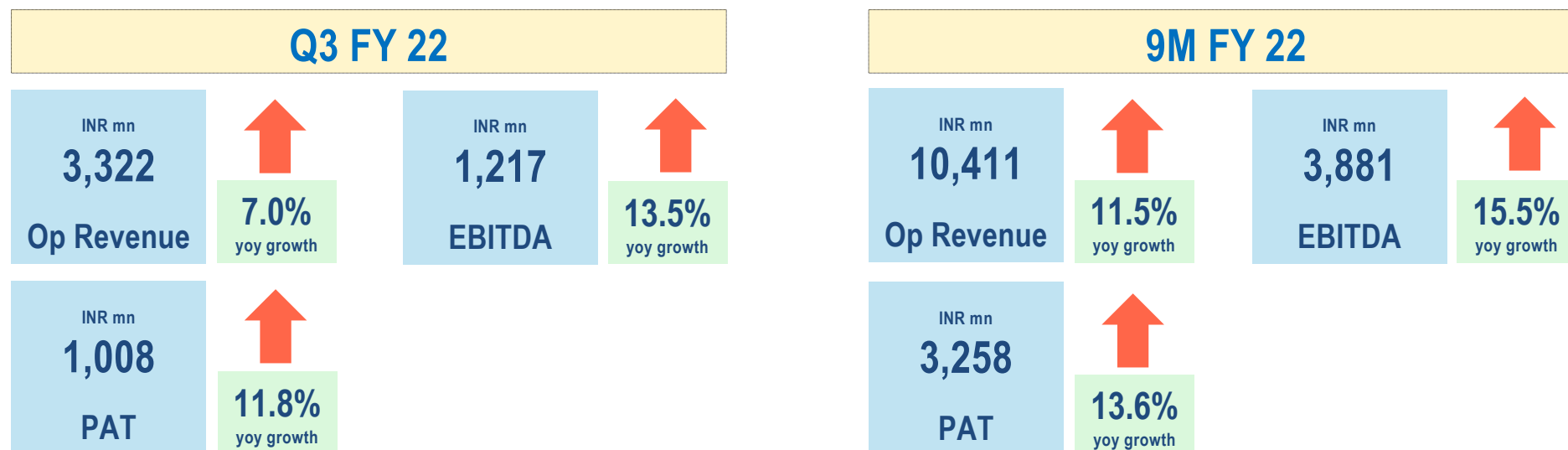
Phone: +91 - 79 - 30451111 / 30179400 - 03 • Fax: +91 - 79 - 30179404 / 30451001 • Email: eris@erislifesciences.com • Web Site: www.eris.co.in

CIN: L24232GJ2007PLC049867



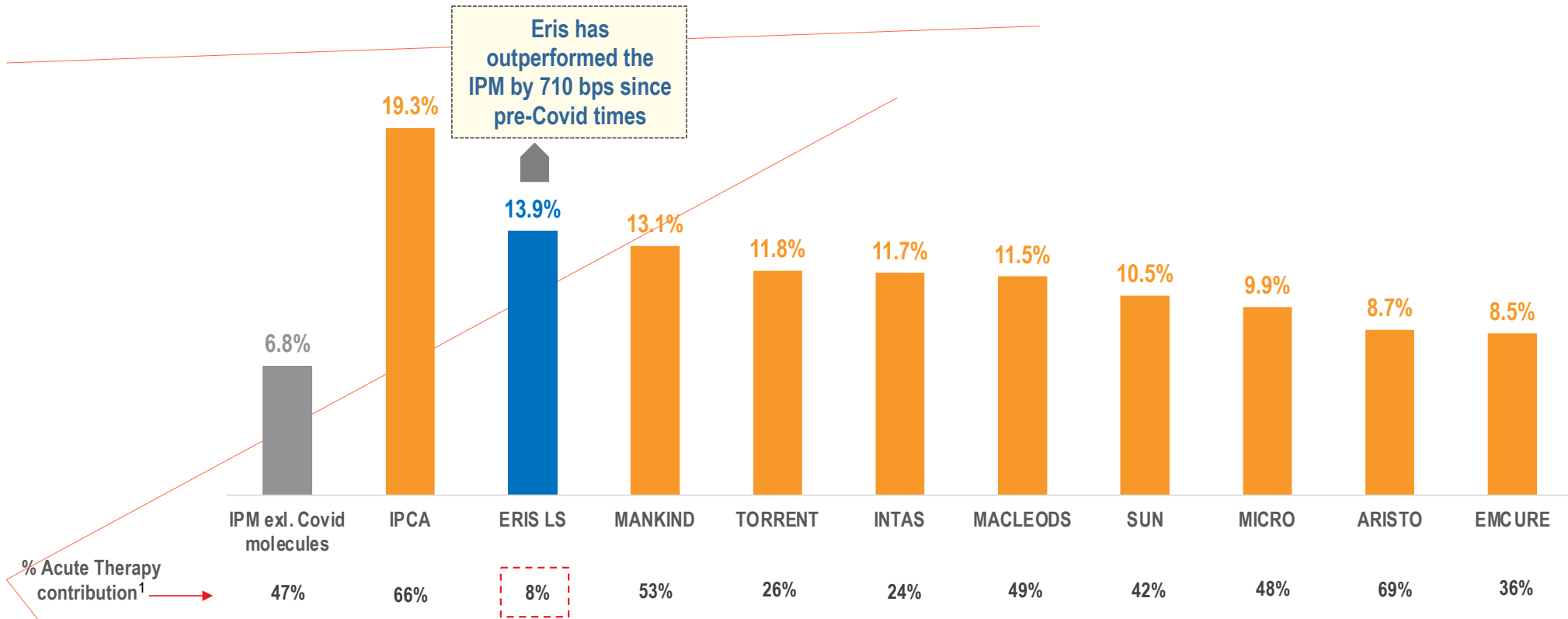
**Q3 FY 22 and 9M FY 22  
INVESTOR PRESENTATION  
28<sup>th</sup> January 2022**

## FINANCIAL HIGHLIGHTS – Q3 FY 22 and 9M FY 22



- Grew by 16.5% YTD in our core Cardio-Metabolic segment despite unprecedented market headwinds in Q2 and Q3 – the cardio-metabolic market growth hit all-time lows of 4.9% in Q2 and 3.3% in Q3, despite a 4-year median growth rate of 11.2% per quarter
- Improvement of 128 bps in consolidated 9M EBIDTA margin and 57 bps in 9M PAT margin due to higher MR productivity
- Growth in standalone YPM to Rs. 5.1 lakh (9M of FY22) compared to Rs. 4.6 lakh (9M of FY21)
- Operating Cashflow @ 73% of EBIDTA for 9M FY22; Guwahati operations accounted for 81% of revenue in 9M FY22
- Standalone debtor days of 41 at the end of Q3 FY22
- Tracking to deliver an EPS growth of 14-15% in FY22, on the back of a 21% EPS growth delivered in FY21

# ERIS HAS GROWN AT TWICE THE MARKET RATE FROM PRE-COVID LEVELS



Eris continues to be the only company in the Top-10 companies (by growth) with a single-digit contribution from Acute therapies

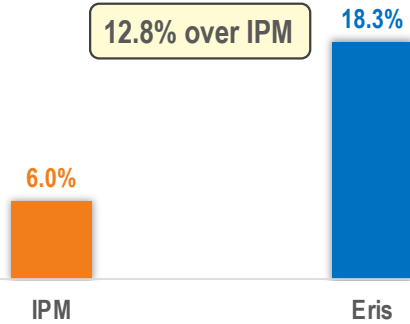
Source: AIOCD Pharmatrac data for the period Dec'19 – Dec'21

\*excluding Favipiravir and Remdesivir, <sup>1</sup> Acute contribution based on MAT Dec 21 Sales

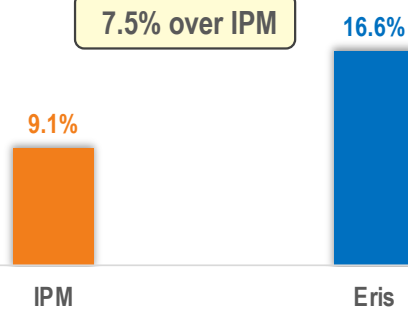
Graph represents the 10 fastest growing peers on a CAGR basis for the period Dec'19 – Dec'21 from the IPM Top-25<sup>3</sup> companies (Exc. Himalaya)

# SUSTAINED OUTPERFORMANCE IN CORE THERAPIES FROM PRE-COVID LEVELS

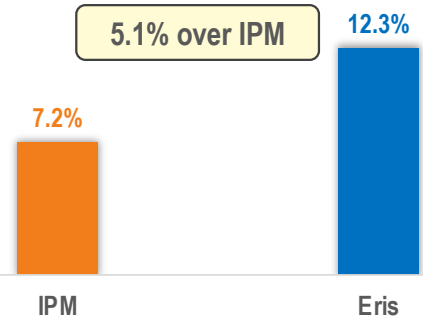
ORAL ANTI-DIABETES : 32% of Eris



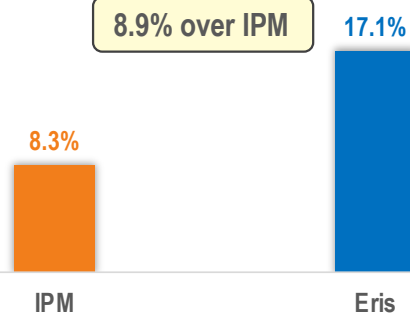
CARDIOLOGY : 27% of Eris



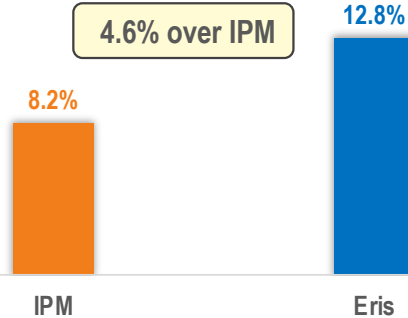
VMN: 20% of Eris



CNS: 8% of Eris



WOMEN'S HEALTH: 4% of Eris

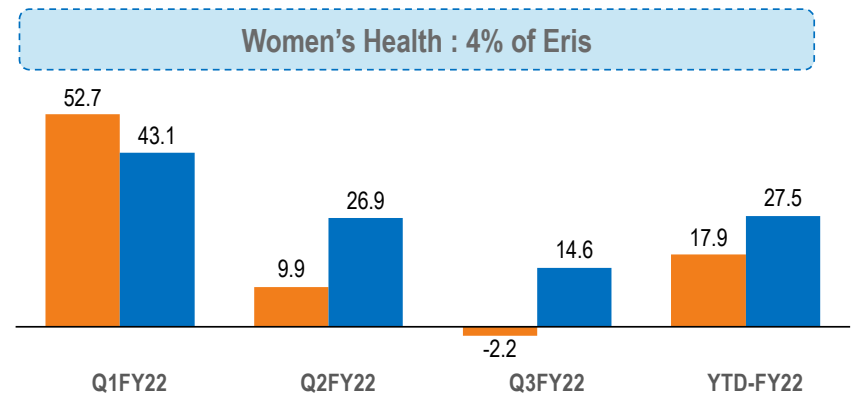
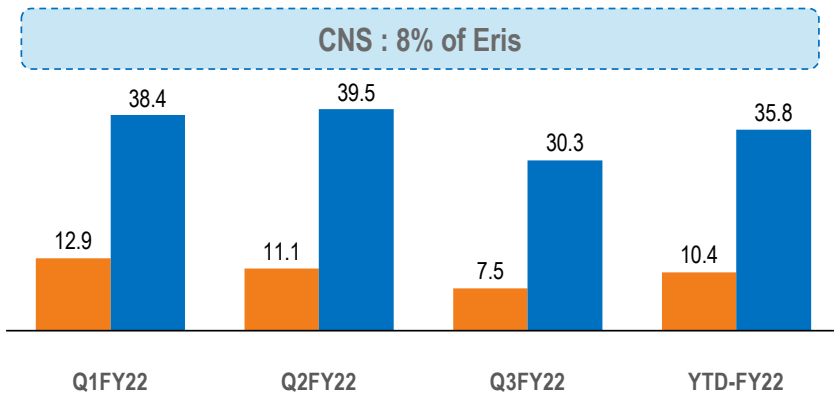
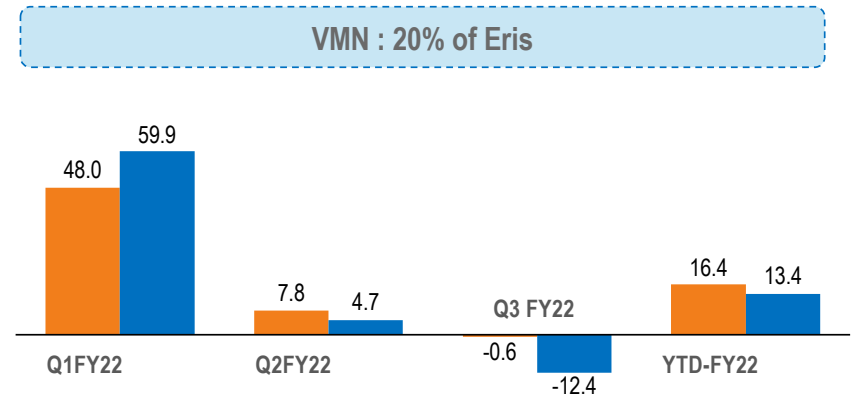
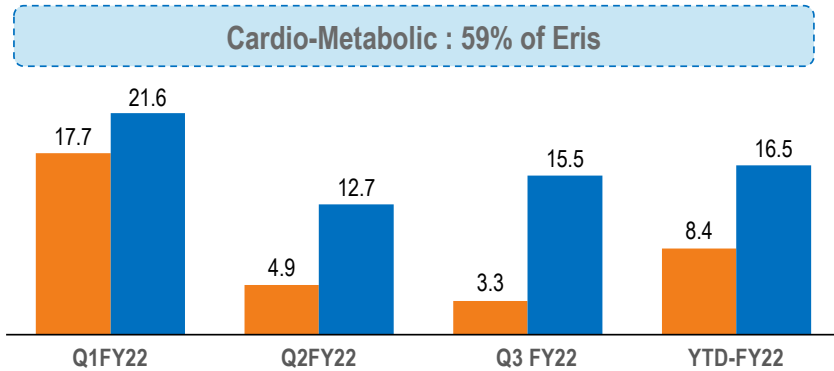


- Eris has grown significantly ahead of market (since pre-Covid levels) in its Top-5 core therapies accounting for 91% of revenue
- Key new product additions during this time – Zomelis, Gluxit, ZACD, Zomelis SG, Baga, Remylin DX, Sonaxa Trio

# CONTINUED OUTPERFORMANCE IN CHRONIC DESPITE A SIGNIFICANT SLOWDOWN IN OUR CORE CARDIO-METABOLIC MARKET IN Q2 AS WELL AS Q3

Eris grew at 7.8% in Q3 FY 22 vs. IPM growth of 5.7%; outperformed IPM in Cardio-Metabolic, CNS & Women's Health therapies

IPM Eris



Source: AIOCD Dec'21 | YTD Growth (Apr-Dec'21 vs. Apr-Dec'20)  
 Graphs represent yoy growth

# LEVERAGING THE INSULIN/ GLP1 OPPORTUNITY THROUGH A JV WITH MJ BIOPHARM



- Leading position in Indian oral anti-diabetes
- Strong credibility with Diabetologists/ Endocrinologists and Key Opinion Leaders
- Deep coverage of specialists and consulting physicians in Metro and Tier-1 markets
- Two blockbuster additions to DPP4/ SGLT2 portfolio in the last 2 years with #1 market ranks
- Unique patient care platform, through which we reach thousands of patients every year
- Debt-free and cash-surplus balance sheet with the ability to invest for the long term

- Launching Human Insulin in Feb 2022
- Dedicated Division with 140 MRs; total strength 200
- Glargine – planned for 2023
- Other pipeline products – Aspart, Lispro, Liraglutide

- Proven capabilities in developing advanced biological formulations from preclinical through to Phase III and regulatory approval
- R&D team of 35+ members (including 3 PhDs) having developed biosimilar formulations of synthetic peptides and r-DNA peptides
- Two WHO-GMP/ PICS compliant manufacturing facilities in India for biologics bulk and formulations based on the microbial fermentation platform
- Track record of having supplied 14+ mn vials p.a. and 4+ mn cartridges p.a. of human insulin to 25+ countries since the year 2015

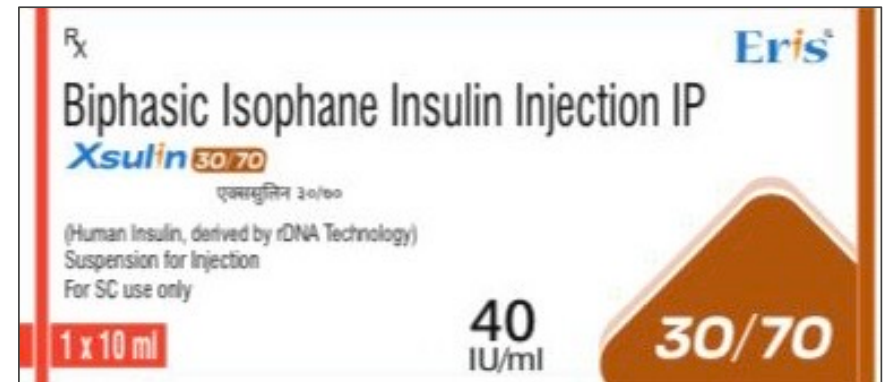
# HUMAN INSULIN WILL BE LAUNCHED IN FEB 2022

## ERIS PEN (FOR INSULIN CARTRIDGE)



## INSULIN VIAL\*

# Xsulin 30/70



\* Monocarton image has been depicted



# ERIS MAINTAINS HIGH PRESCRIPTION RANKING AMONG DOCTOR SPECIALTIES

## Eris Prescription Ranking\* among Doctor Specialties



**DIABETOLOGISTS**

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**CARDIOLOGISTS**

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**NEUROLOGISTS**

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**GASTROENTEROLOGISTS**

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**CONSULTING  
PHYSICIANS**

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Source: SMSRC MAT Oct 2021

\* Rank in Represented Market

## POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (1/2)

Therapy wide presence in Oral Diabetes Care with power brands holding high ranks in Newer-generation fast-growing molecules

### Sulfonylurea

**GlimiSave** rank 6 in the ≈4,700 cr Glimepiride and combinations market

**Glimisave MV** rank 2 in Glimepiride + Voglibose + Metformin

**Cyblex** rank 5 in the ≈700 cr Gliclazide and combinations market

**Cyblex MV** rank 1 in Gliclazide + Voglibose + Metformin

### DPP4 Inhibitors

**Zomelis** rank 1 among Gx & rank 3 incl. innovator brands in the ≈1,200 cr Vildagliptin and combinations market

**Tendia** rank 5 in the ≈1,100 cr Teneligliptin and combinations market

**Zomelis SG** Our newly launched brand in **Remogliflozin + Vildagliptin** combination

### SGLT 2 Inhibitors

**Gluxit** rank 1 among Gx brands and rank 4 including innovator brands in the Dapagliflozin market

## POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (2/2)

### High rank in Anti-Hypertensives: the largest segment of Cardiac Care

<b>Eritel</b>	<b>rank 5</b>	in the <b>≈3,700 cr</b> Telmisartan and combinations market
Eritel CH	rank 5	in Telmisartan + Chlorthalidone market
Eritel LN	rank 2	in Telmisartan + Cilnidipine market
<b>Olmin</b>	<b>rank 5</b>	in the <b>≈900 cr</b> Olmesartan and combinations market
Olmin Trio	rank 2	in Olmesartan + Cilnidipine + Chlorthalidone market
Olmin CH	rank 2	in Olmesartan + Chlorthalidone market
<b>LN BLOC</b>	<b>rank 2</b>	in the <b>≈600 cr</b> Cilnidipine and combinations market
LNBeta	rank 1	in Nebivolol + Cilnidipine market

### VMN: Specialty focus in core molecules leading to high ranks

<b>ReNerve</b>	<b>rank 2</b>	in the <b>≈1,800 cr</b> Methylcobalamin and combinations market
<b>Tayo</b>	<b>rank 6</b>	in the <b>≈1,700 cr</b> Cholecalciferol and combinations market
<b>GINKOCER</b>	<b>rank 1</b>	in the <b>≈100 cr</b> Ginkgo Biloba + combination market with <b>34% market share</b>
<b>ZAC-D</b>		Immunity enhancing supplement; strong traction since launch

## ERIS CONTINUES TO EXECUTE ON GROWTH DRIVERS (1/2)

1

### Expansion of power-brands' franchise

- Our business model of building **strong and sustainable brands** has enabled us to significantly **outperform the market** during the pandemic period (**Eris** CAGR of ~ **14%** vs. **IPM** CAGR of ~ **7%\***) when MR-Doctor interactions were severely constrained for several months in a row
- There has been a clear shift in prescriber preference towards established brands over the last two years; this continues to work well for us with **8 of our Top-15 mother brands** being **ranked among the Top-5** in their respective categories

2

### New product pipeline

- We have an exciting **pipeline of patent expiration** opportunities coming up in the **cardio-metabolic segment** over the next 3-4 years
- We are **well-positioned** to gain significant leverage from these expirations, given our market-leading brands in Vildagliptin (**Zomelis**) and Dapagliflozin (**Gluxit**)
- We will leverage the market opportunity in human insulin, insulin analogues and GLP1 agonists through our joint venture with MJ Biopharm; we are planning to launch **Human Insulin** in **Q4 of FY22** with a dedicated division consisting of **140 MRs**
- Of the **10** new launches planned for FY22, we launched **4** products till Q3; we have **6** launches lined up in Diabetes, CNS and Women's Health in Q4

## ERIS CONTINUES TO EXECUTE ON GROWTH DRIVERS (2/2)

3

### Expansion of physician coverage

- We continue to make good progress in expanding our coverage of **Specialists and Consulting Physicians** in line with our expectations

4

### Therapeutic Diversification

- We continue to invest in **diversification opportunities** in high-growth areas like **CNS (Neuropsychiatry), Women's Health and Dermatology**; our CNS and Women's Health franchises are growing significantly ahead of the market

5

### In-licensing and acquisitions

- On the back of **value-accretive deals** (e.g., Strides, Zomelis), we continue to look for **high-return inorganic opportunities** to complement our organic growth initiatives

Tracking to deliver EPS growth of 14-15% in FY22, on the back of a 21% EPS growth delivered in FY21

## Q3 FY 22 AND 9M FY22 - STANDALONE INCOME STATEMENT

Standalone INR Millions	Q3 FY 22	Q3 FY 21	Q3 FY 22 yoy Gr %	9M FY 22	9M FY 21	9M FY 22 yoy Gr %
Sale of Products	3,002	2,815	6.7%	9,167	8,360	9.7%
Other Operating Income	44	56	-21.8%	169	160	5.7%
<b>Revenue from Operations</b>	<b>3,046</b>	<b>2,871</b>	<b>6.1%</b>	<b>9,336</b>	<b>8,520</b>	<b>9.6%</b>
Gross Profit	2,523	2,366	6.7%	7,838	7,035	11.4%
<b>Gross Profit Margin</b>	<b>82.8%</b>	<b>82.4%</b>		<b>84.0%</b>	<b>82.6%</b>	
Employee Cost	552	539	2.4%	1,695	1,607	5.5%
<b>as % of Revenue</b>	<b>18.1%</b>	<b>18.8%</b>		<b>18.2%</b>	<b>18.9%</b>	
Other Expenses	743	793	-6.3%	2,319	2,196	5.6%
<b>as % of Revenue</b>	<b>24.4%</b>	<b>27.6%</b>		<b>24.8%</b>	<b>25.8%</b>	
EBITDA	1,228	1,033	18.8%	3,824	3,233	18.3%
<b>EBITDA Margin</b>	<b>40.3%</b>	<b>36.0%</b>		<b>41.0%</b>	<b>37.9%</b>	
Depreciation	135	92	46.6%	364	275	32.3%
Finance Cost	8	2	363.6%	20	6	247.8%
Other Income	58	34	70.1%	199	73	175.0%
PBT	1,143	974	17.4%	3,639	3,025	20.3%
<b>PBT Margin</b>	<b>37.5%</b>	<b>33.9%</b>		<b>39.0%</b>	<b>35.5%</b>	
Taxes	103	87	17.5%	334	212	57.6%
Net Profit	1,041	886	17.4%	3,305	2,813	17.5%
<b>Net Profit Margin</b>	<b>34.2%</b>	<b>30.9%</b>		<b>35.4%</b>	<b>33.0%</b>	

- Operating Revenue grew by 6.1% yoy in Q3 FY 22 and by 9.6% yoy in 9M FY 22
- Gross Margin = 84.0% in 9M FY 22; up from 82.6% in 9M FY 21 on the back of a favourable product mix
- EBIDTA Margin = 41.0% in 9M FY 22; up from 37.9% in 9M FY 21 on the back of a favourable product mix and better operating leverage
- Standalone YPM (MR Productivity) grew from Rs 4.6 lakh to Rs. 5.1 lakh in the first 9 months of FY22
- Tax rate for Q3 FY 22 = 9.0% of PBT as the Guwahati facility contributed to 80% of total revenue in Q3 FY 22; 9M effective tax rate stood at 9.2%
- Net Profit Margin = 35.4% in 9M FY 22; up from 33% in 9M FY 21 on the back of a favourable product mix and better operating leverage

Source: Unaudited Financial Statements

Standalone Sale of Products include intercompany sales from standalone entity to subsidiaries.

## Q3 FY 22 AND 9M FY22 - CONSOLIDATED INCOME STATEMENT

Consolidated INR Millions	Q3 FY 22	Q3 FY 21	Q3 FY 22 yoy Gr %	9M FY 22	9M FY 21	9M FY 22 yoy Gr %
Sale of Products	3,281	3,050	7.6%	10,251	9,184	11.6%
Other Operating Income	41	54	-24.1%	160	153	5.0%
<b>Revenue from Operations</b>	<b>3,322</b>	<b>3,104</b>	<b>7.0%</b>	<b>10,411</b>	<b>9,337</b>	<b>11.5%</b>
Gross Profit	2,707	2,540	6.6%	8,444	7,558	11.7%
<b>Gross Profit Margin</b>	<b>81.5%</b>	<b>81.8%</b>		<b>81.1%</b>	<b>81.0%</b>	
Employee Cost	616	597	3.2%	1,901	1,768	7.5%
<b>as % of Revenue</b>	<b>18.5%</b>	<b>19.2%</b>		<b>18.3%</b>	<b>18.9%</b>	
Other Expenses	874	871	0.4%	2,663	2,430	9.6%
<b>as % of Revenue</b>	<b>26.3%</b>	<b>28.0%</b>		<b>25.6%</b>	<b>26.0%</b>	
EBITDA	1,217	1,072	13.5%	3,881	3,361	15.5%
<b>EBITDA Margin</b>	<b>36.6%</b>	<b>34.5%</b>		<b>37.3%</b>	<b>36.0%</b>	
Depreciation	169	106	59.2%	463	315	47.0%
Finance Cost	10	4	159.6%	29	13	129.4%
Other Income	52	31	68.6%	180	65	177.6%
PBT	1,090	993	9.8%	3,569	3,098	15.2%
<b>PBT Margin</b>	<b>32.8%</b>	<b>32.0%</b>		<b>34.3%</b>	<b>33.2%</b>	
Taxes	82	91	-10.2%	310	229	35.7%
Net Profit	1,008	902	11.8%	3,258	2,869	13.6%
<b>Net Profit Margin</b>	<b>30.3%</b>	<b>29.0%</b>		<b>31.3%</b>	<b>30.7%</b>	

### Branded Formulation Sales

INR Millions	Q3 FY 22	Q3 FY 21	Q3 FY 22 yoy Gr %	9M FY 22	9M FY 21	9M FY 22 yoy Gr%
Sale of Products						
Eris	2,946	2,777	6.1%	9,035	8,195	10.2%
Aprica	146	163	-10.3%	483	433	11.6%
<b>Branded Formulations</b>	<b>3,092</b>	<b>2,940</b>	<b>5.2%</b>	<b>9,518</b>	<b>8,628</b>	<b>10.3%</b>

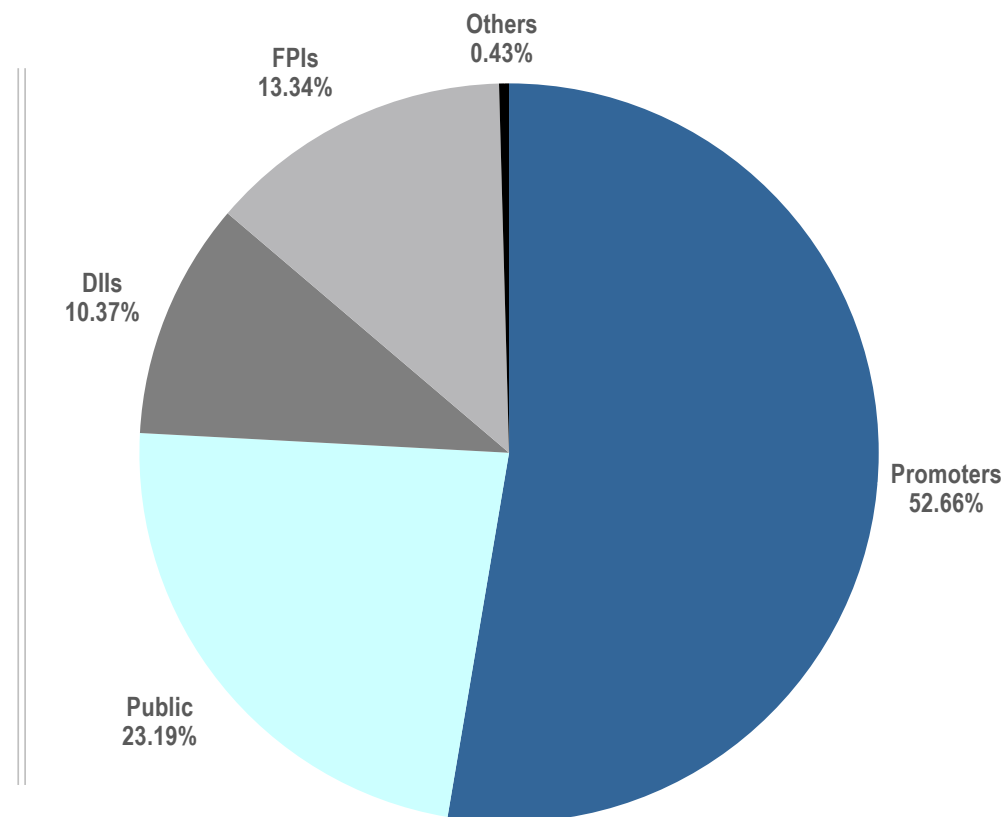
- Operating Revenue grew by 7% yoy in Q3 FY 22 and by 11.5% yoy in 9M FY 22
- Branded Formulations sales grew by 5.2% yoy in Q3 FY 22 and by 10.3% yoy in 9M FY 22
- EBITDA margin for 9M FY 22 was at 37.3% vs. 36% for 9M FY21 – an expansion of 128 bps yoy on the back of better operating leverage
- Net Profit margin for 9M FY 22 was at 31.3% vs. 30.7% for 9M FY21 – an expansion of 57 bps yoy

Source: Unaudited Financial Statements

# SHAREHOLDER PROFILE

## Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder	As on	As on	As on
	31-Dec-21	30-Sep-21	30-Jun-21
	760*	761*	708*
<b>Promoters</b>	<b>52.66%</b>	<b>52.68%</b>	<b>52.69%</b>
1 ChrysCapital (Emerald Investment Limited)	5.50%	5.50%	5.51%
2 UTI Mutual Fund	5.31%	5.18%	5.09%
3 Aditya Birla Sun Life Mutual Fund	1.73%	1.75%	1.78%
4 Vanguard	1.70%	1.69%	1.67%
5 Franklin Templeton Mutual Fund	1.35%	1.38%	1.38%
6 Kotak Mutual Fund	1.15%	0.65%	0.61%
7 L and T Mutual Fund	0.88%	0.90%	0.90%
8 Kuwait Investment Authority Fund 225	0.86%	0.86%	0.86%
9 Fundsmith Emerging Equities Trust	0.58%	1.09%	1.09%
10 Steinberg India Fund	0.54%	0.54%	0.54%
11 Government Pension Fund Global- Norges Bank	0.52%	0.52%	0.52%
12 Malabar Select Fund	0.45%	0.45%	0.45%
13 Tata Mutual Fund	0.38%	0.38%	0.51%
14 Ellipsis Partners LLC	0.36%	0.36%	0.36%
15 Shinsei UTI JV	0.31%	0.30%	0.28%



\*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**

**KRUTI RAVAL**

**INVESTOR RELATIONS**  
**[kruti@erislifesciences.com](mailto:kruti@erislifesciences.com)**