

April 20, 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: 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



Q4 FY22
Investor Presentation
Glenmark Life Sciences Ltd

01

Financial Performance Review

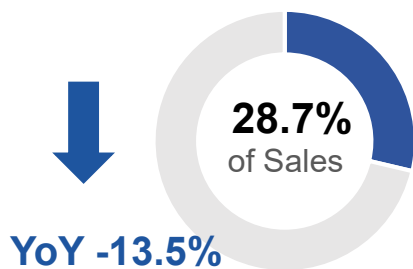


Q4 FY22 – Highlights

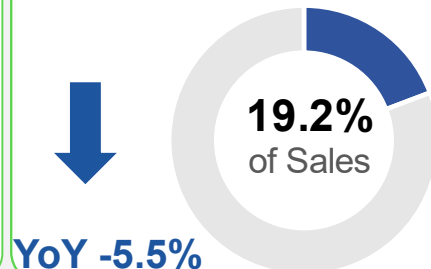
Revenue
INR **5,141 mn**



EBITDA
INR **1,473 mn**



PAT
INR **989 mn**



Dr. Yasir Rawjee

*Managing Director
&
Chief Executive
Officer*

“Our sustained growth in FY22 with solid profitability in a challenging business environment, demonstrates the strength of our business across geographies and segments coupled with a strong focus on operations and R&D.”

- YoY Revenue grew at 10.0% in Q4 and 12.6% in FY 22
- The year witnessed strong growth momentum across key regulated markets
- EBITDA margins for the quarter were at 28.7%, and at 29.7% for FY22
- PAT margins for FY 22 improved following debt repayment
- R&D expenditure at 2.8% during the quarter and 2.7% for FY22
- For FY 22, Capital expenditures were INR 1,451 mn

P&L Highlights – Q4 & FY22

| Amounts in INR Millions | Q4 FY22 | Q3 FY22 | QoQ | Q4 FY21 | YoY | FY22 | FY21 | YoY |
|---------------------------------------|----------------|----------------|--------------|----------------|---------------|-----------------|-----------------|--------------|
| Revenue from Operations | 5,140.6 | 5,225.0 | -1.6% | 4,671.6 | 10.0% | 21,232.1 | 18,851.7 | 12.6% |
| Gross Profit | 2,589.3 | 2,653.3 | -2.4% | 2,746.9 | -5.7% | 10,803.3 | 9,796.7 | 10.3% |
| Gross Profit (%) | 50.4% | 50.8% | | 58.8% | | 50.9% | 52.0% | |
| Other Income | 50.9 | 35.3 | | 3.4 | | 147.0 | 8.1 | |
| Employee Benefits Expense | 390.8 | 441.3 | -11.4% | 374.9 | 4.2% | 1,687.2 | 1,491.3 | 13.1% |
| Other Expenses | 776.4 | 751.3 | 3.3% | 673.2 | 15.3% | 2,955.4 | 2,394.6 | 23.4% |
| EBITDA | 1,473.1 | 1,496.0 | -1.5% | 1,702.3 | -13.5% | 6,307.6 | 5,918.8 | 6.6% |
| EBITDA Margin (%) | 28.7% | 28.6% | | 36.4% | | 29.7% | 31.4% | |
| Depreciation and Amortisation Expense | 95.5 | 97.4 | -1.9% | 84.3 | 13.4% | 378.8 | 333.9 | 13.4% |
| Finance Costs | 1.3 | 0.6 | | 211.8 | | 279.6 | 875.5 | |
| PBT | 1,376.3 | 1,398.0 | -1.6% | 1,406.2 | -2.1% | 5,649.2 | 4,709.4 | 20.0% |
| PBT Margin (%) | 26.8% | 26.8% | | 30.1% | | 26.6% | 25.0% | |
| PAT | 989.0 | 1,037.1 | -4.6% | 1,046.8 | -5.5% | 4,187.2 | 3,515.8 | 19.1% |
| Net Margin (%) | 19.2% | 19.8% | | 22.4% | | 19.7% | 18.6% | |

Key Balance Sheet Items and Cash flow

Key Balance Sheet Items

| Amounts in INR Millions | As at 31st Mar'22 | As at 31st Mar'21 |
|---------------------------|-------------------|-------------------|
| Equity | 20,543.1 | 7,527.5 |
| Total Debt | - | 9,328.7 |
| Inventory | 5,162.4 | 5,134.2 |
| Trade Receivables | 6,734.9 | 6,195.0 |
| Net Tangible Assets | 6,763.4 | 5,789.9 |
| Cash and Cash Equivalent* | 5,122.7 | 1,184.0 |

* Includes bank deposit

Free Cash Flow

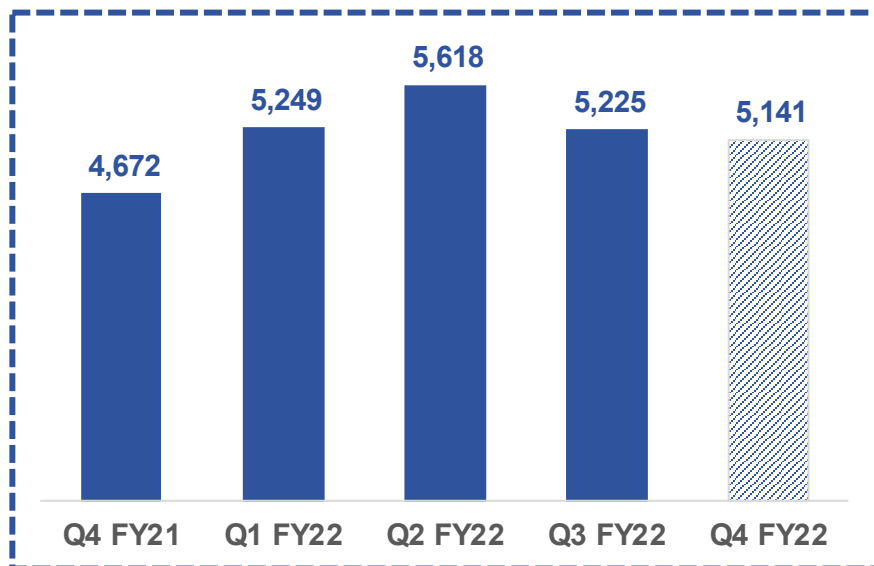
| Amounts in INR Millions | FY22 | FY21 |
|---|----------------|----------------|
| Profit Before Tax | 5,649.3 | 4,709.4 |
| Adjustment for Non Operating Items* | 709.9 | 1,333.1 |
| Changes in Working Capital | 998.4 | (1,075.8) |
| Cash generated from Operations | 7,357.5 | 4,966.8 |
| Taxes paid (Net of refunds) | (1,381.7) | (1,085.6) |
| Net cash generated from Operating Activities | 5,975.8 | 3,881.1 |
| Capex | (1,321.7) | (679.9) |
| Free Cash Flow | 4,654.1 | 3,201.2 |

*Includes Finance Costs, Depreciation, Interest Income and Unrealised Exchange gain/loss.

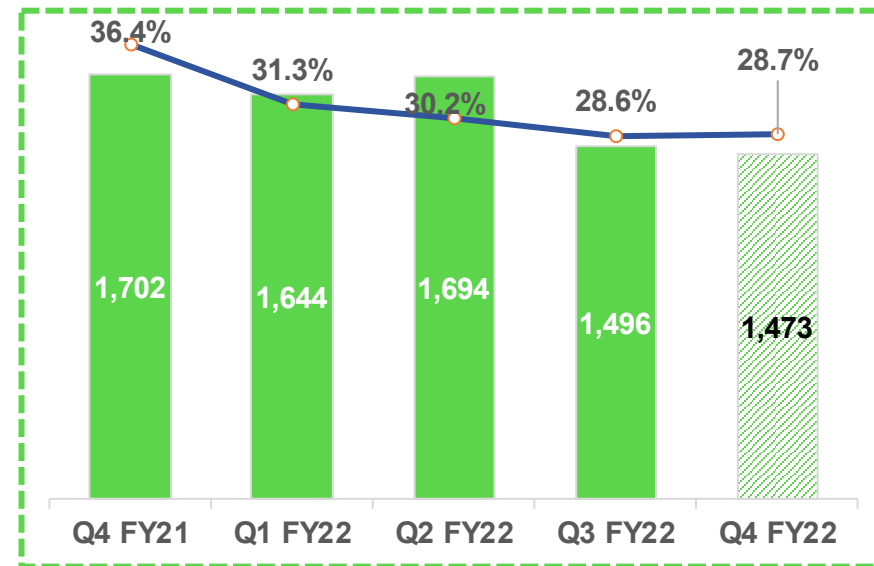
Quarter on Quarter Performance

Sustaining a profitable growth trajectory despite cost headwinds

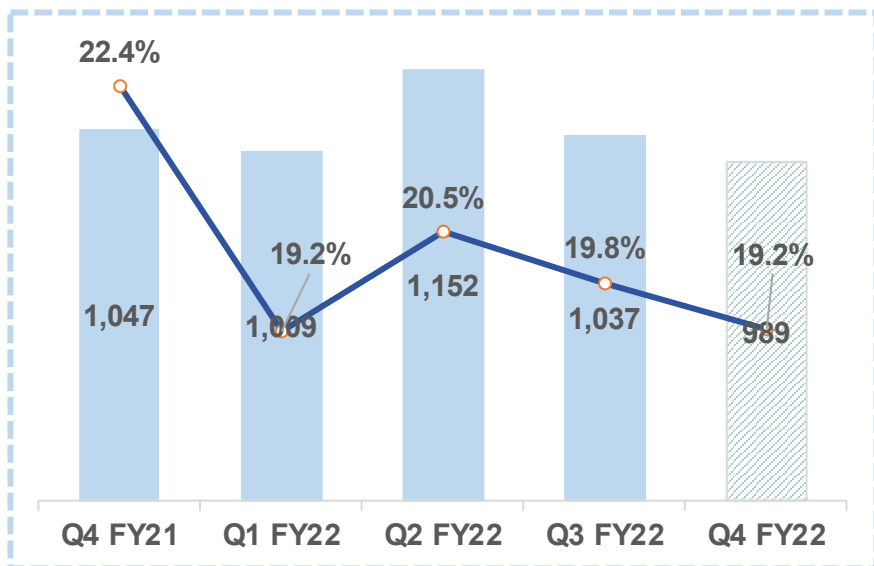
Revenue



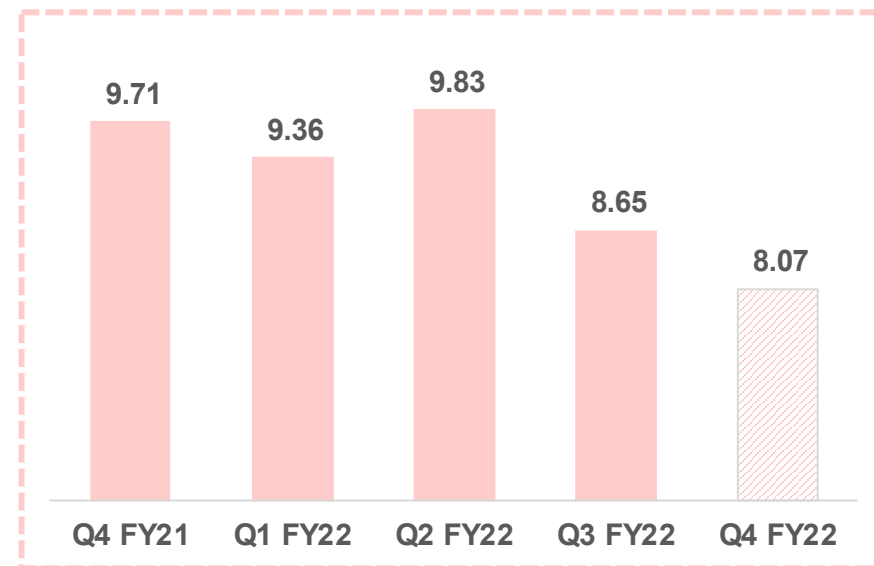
EBITDA



PAT



EPS

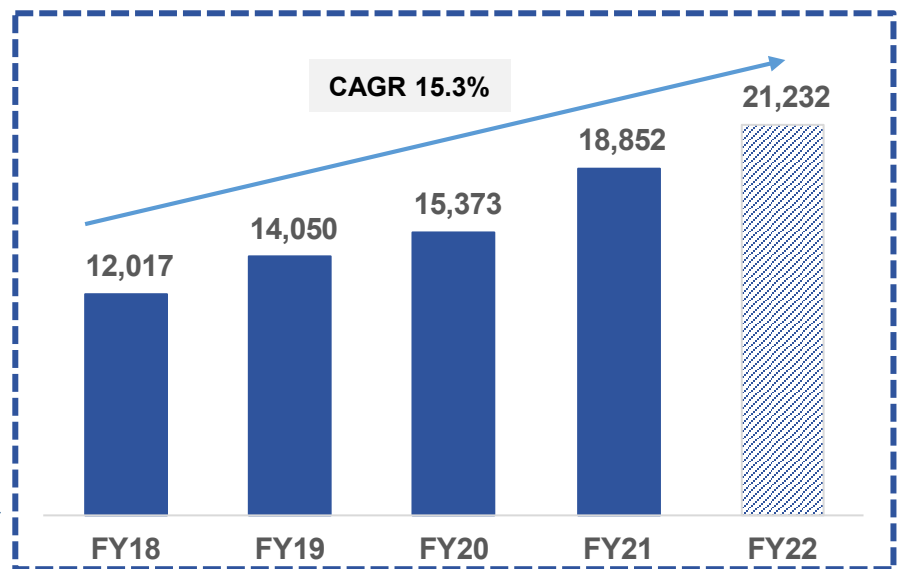


Amounts in INR Millions except EPS

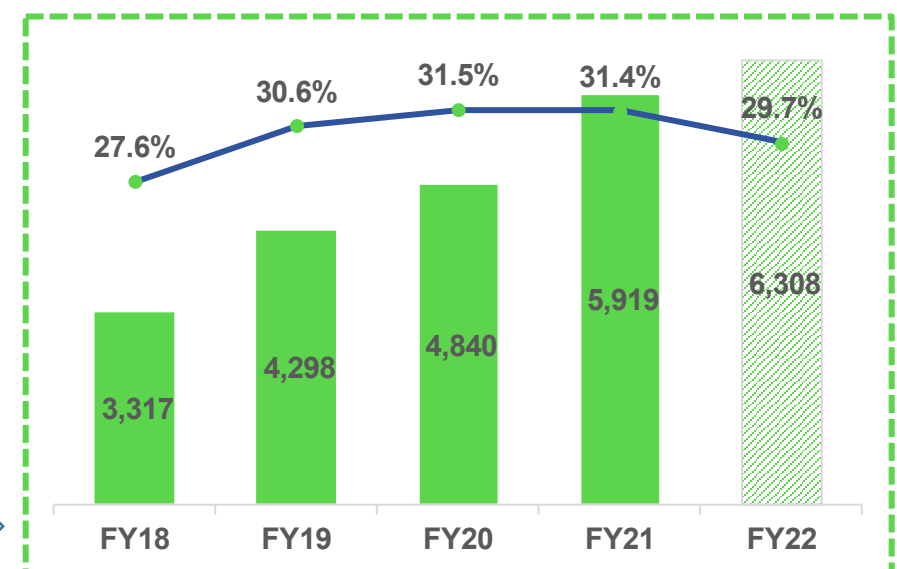
Financial Performance Track Record

Robust growth and profitability indicators over the years

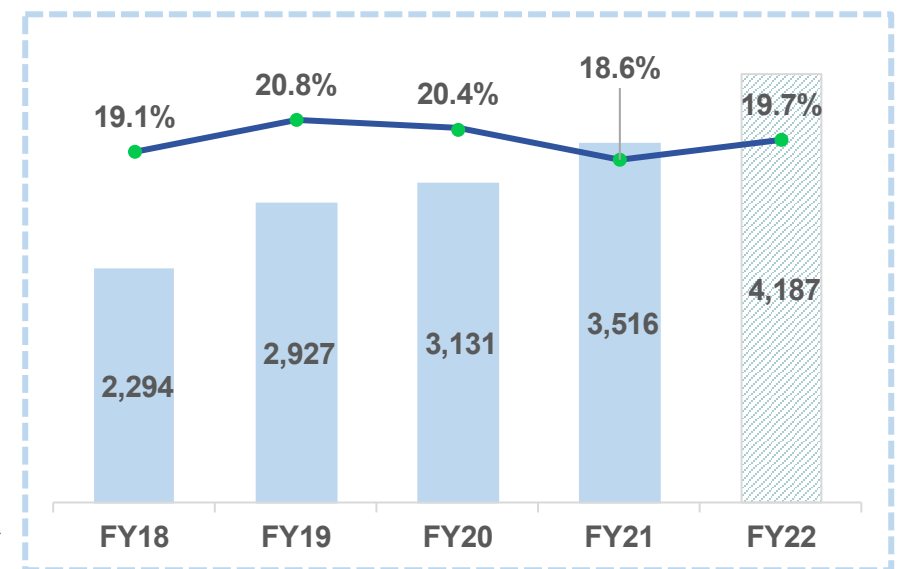
Revenue



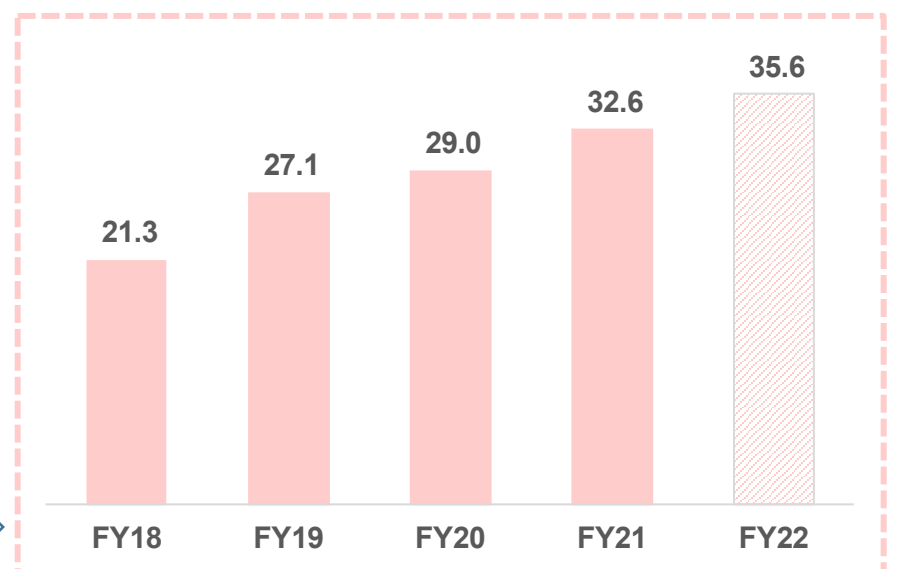
EBITDA



PAT



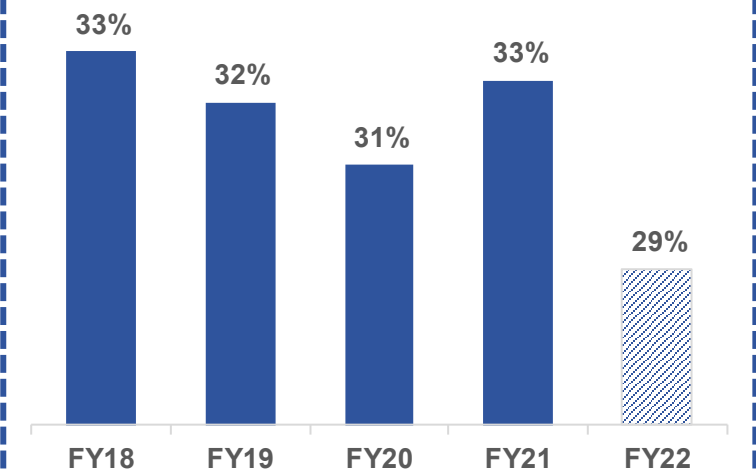
EPS



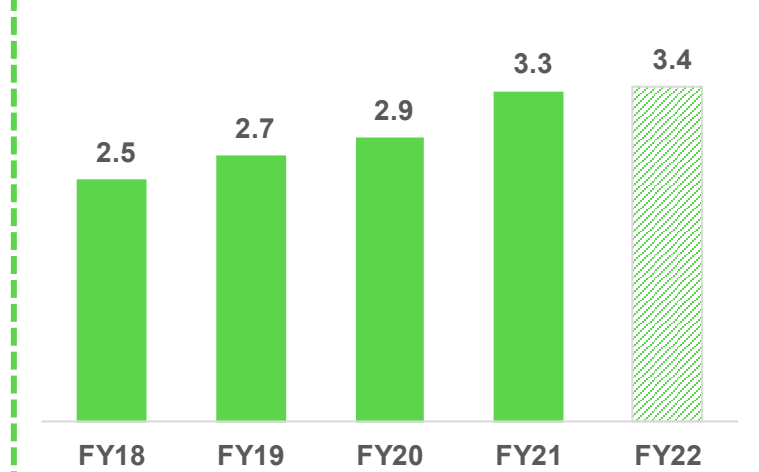
Note: Numbers of FY18 and FY19 are based on Proforma Financials. Amounts in INR Millions except EPS

Strong Returns Indicators

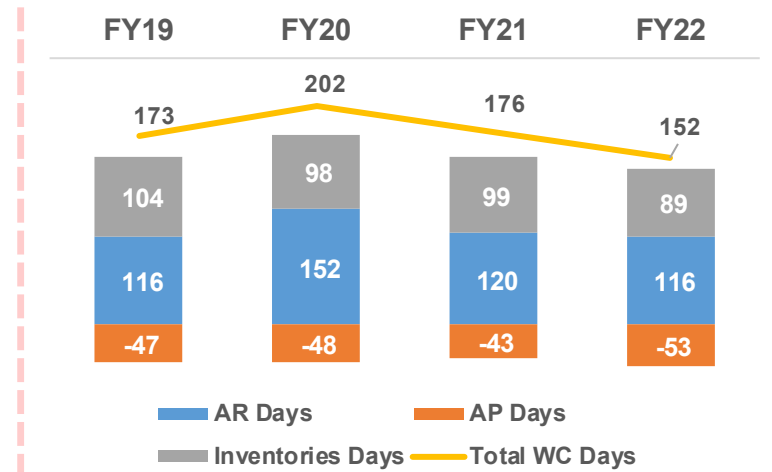
ROCE



Fixed Assets Turnover



Working Capital Days



- ROCE is tracking at 29% for FY22
 - Reduction from last year owing to lower margins and higher capital employed base following IPO
- FATR is 3.4 times for FY22
- Continuous improvement in working capital cycle , WC days improve to 152 days

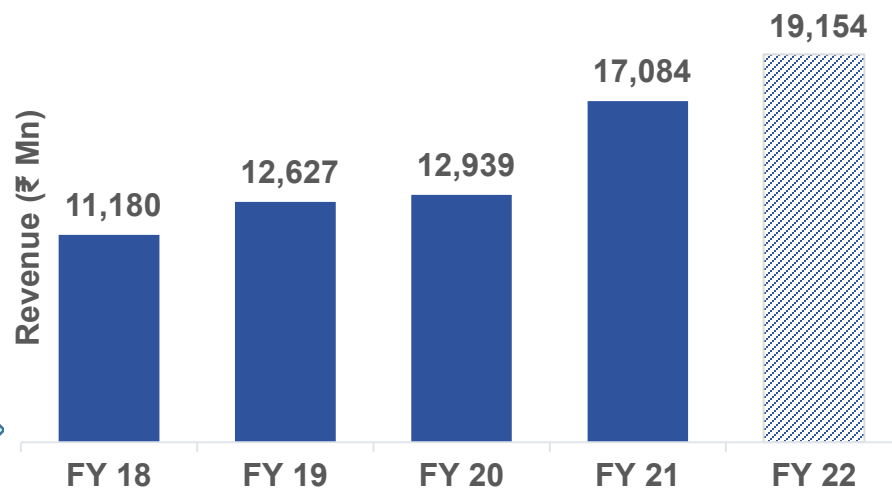
Note: Numbers of FY18 and FY19 are based on Proforma Financials. ROCE is calculated as EBIT/ Closing capital employed

02

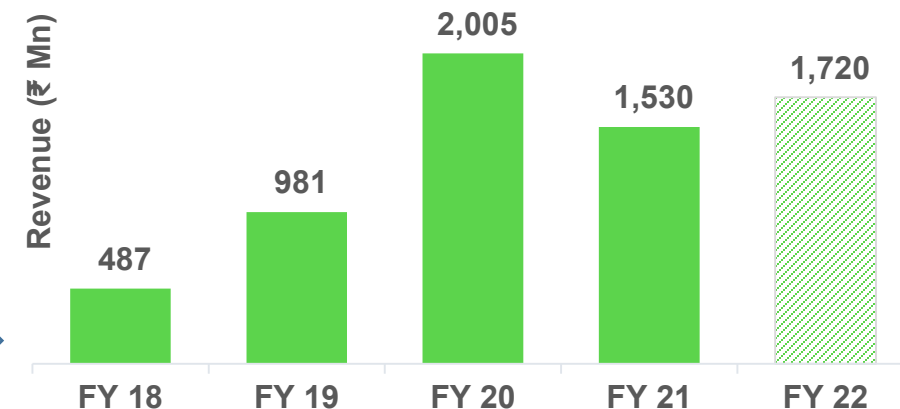
Business Performance Review



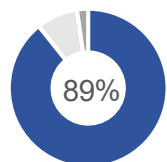
Segment Performance



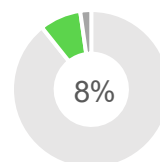
Generic API



CDMO



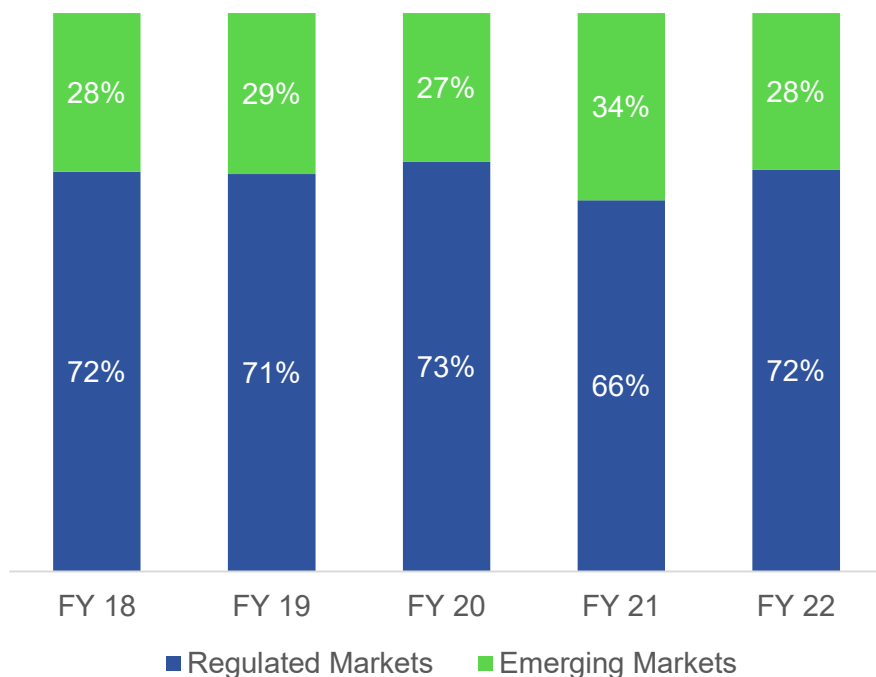
- Generic API revenues in Q4FY22 increased 12.5% YoY
- Revenues grew 12.1% YoY in FY22 over high base of COVID products last year
- Robust growth in LATAM, North America and ROW



- CDMO revenues registered growth of 12.5% in FY22
- 3 commercial projects with multinational and specialty pharmaceutical companies
- 4th project to be commercial by Q3 FY23
- Multiple discussions ongoing with companies globally for additional business opportunities

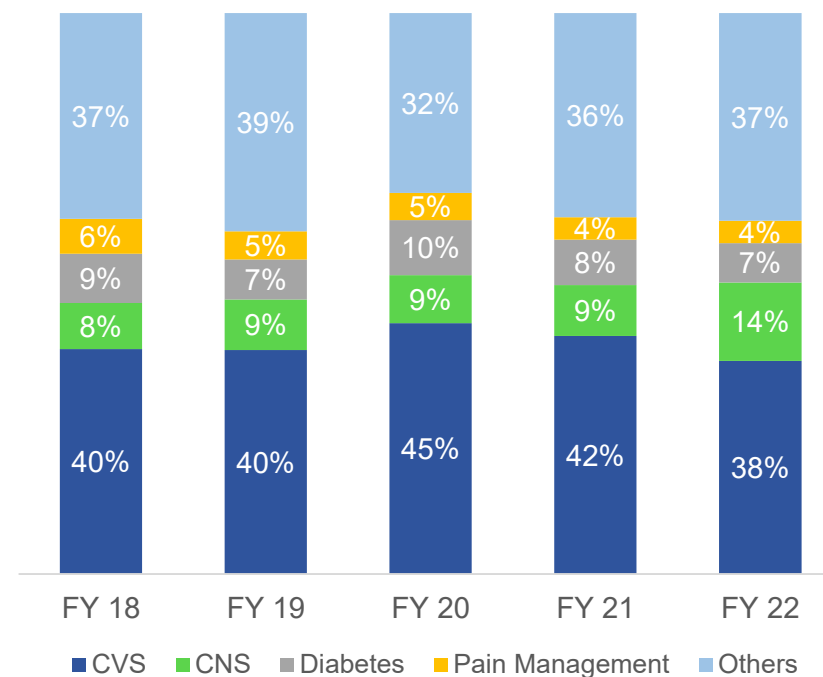
Market and Therapeutic Area Mix

Market Mix



- Regulated markets account for ~72% of Net Sales in FY22, growing at 21.4% YoY
- Emerging markets account for 28% of Net Sales in FY22, declining at 6.3% YoY due to high base of COVID products last year

Therapeutic Area Mix



- Products from key Chronic Therapeutic Areas (viz CVS, CNS, Diabetes, Pain management) account for 62.9% of Net Sales in FY22, growing at 12.7% for the year
- Others include mainly acute segment with wide range of therapies

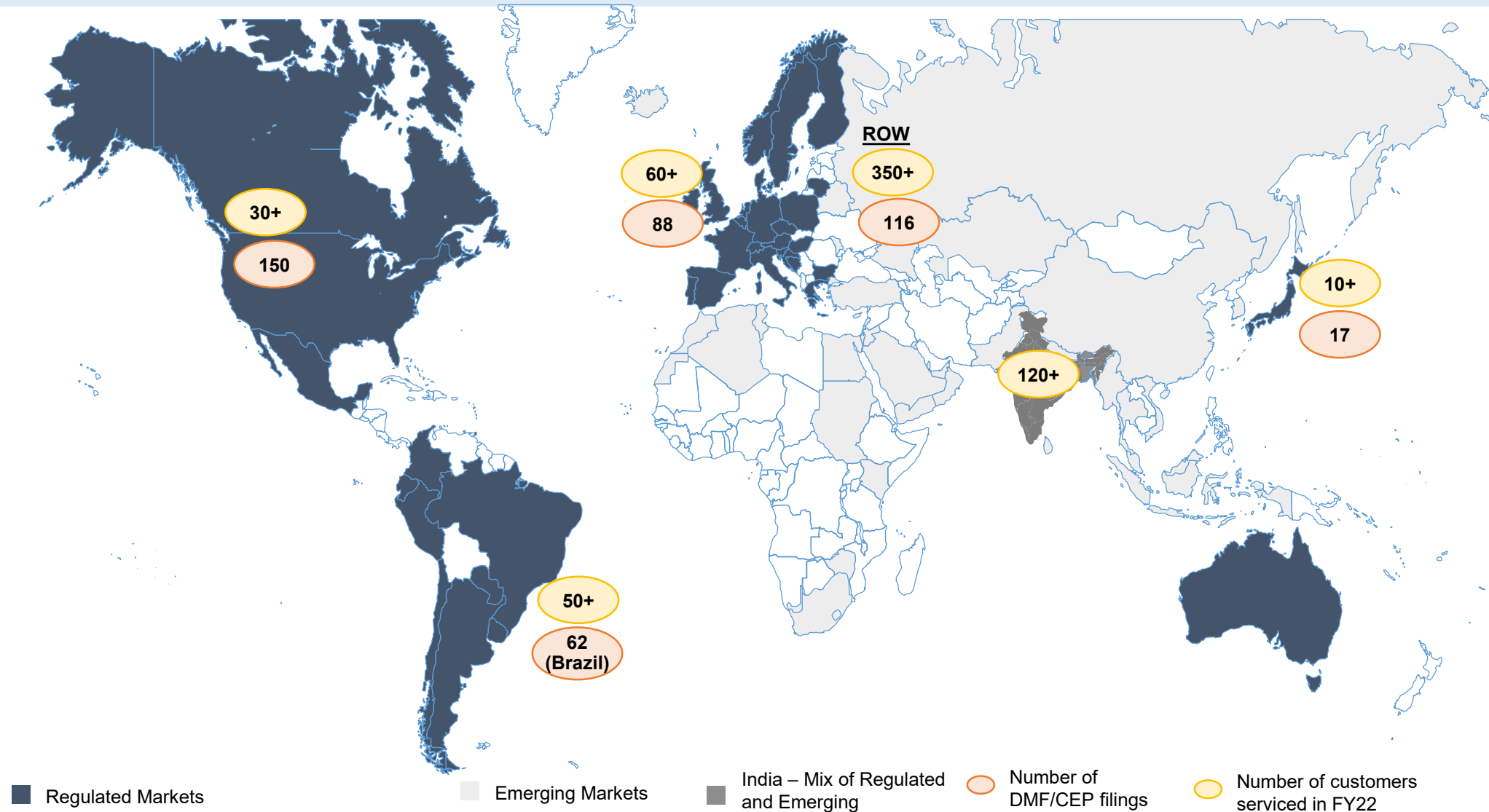
03

Company Overview



Global Footprint

Filed 433 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



■ Regulated Markets

■ Emerging Markets

■ India – Mix of Regulated and Emerging

○ Number of DMF/CEP filings

○ Number of customers serviced in FY22

Quality-focused, compliant manufacturing & R&D infrastructure

Manufacturing Infrastructure

| | Annual Installed Capacity (Mar-22) | Last USFDA Inspection Date | Approvals |
|------------------------------|------------------------------------|----------------------------|--|
| Ankleshwar, Gujarat | 550.2 KL | July 2019 | USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA |
| Dahej, Gujarat | 141.9 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 |

R&D Infrastructure

Mahape, Navi Mumbai

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

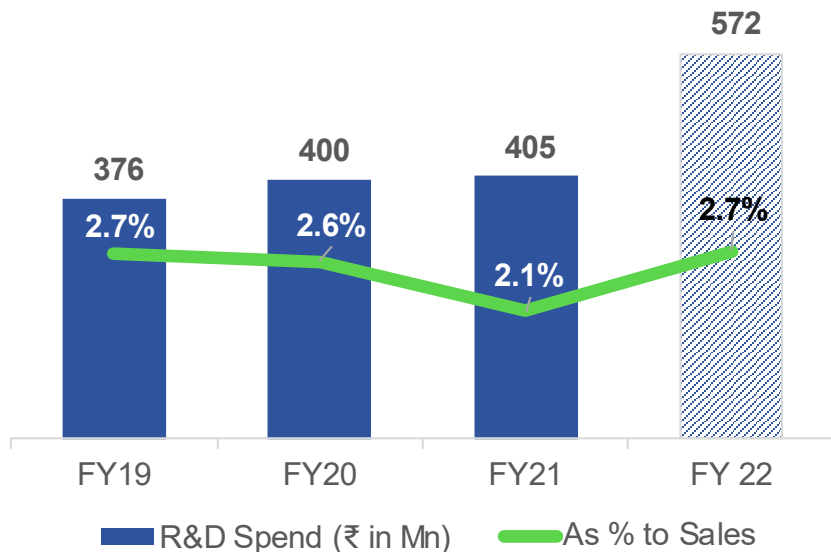
Ankleshwar, Gujarat

- Cost improvement programs and process improvements

Dahej, Gujarat

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

R&D Capabilities



Cumulative Filing Status

| Therapy | North America | Europe | Japan | Brazil | ROW | Total |
|-----------------|---------------|-----------|-----------|-----------|------------|------------|
| CVS | 36 | 30 | 4 | 16 | 35 | 121 |
| CNS | 35 | 19 | 7 | 12 | 12 | 85 |
| Diabetes | 9 | 3 | - | 7 | 10 | 29 |
| Pain Management | 1 | 2 | - | 3 | 9 | 15 |
| Others | 69 | 34 | 6 | 24 | 50 | 183 |
| Total | 150 | 88 | 17 | 62 | 116 | 433 |

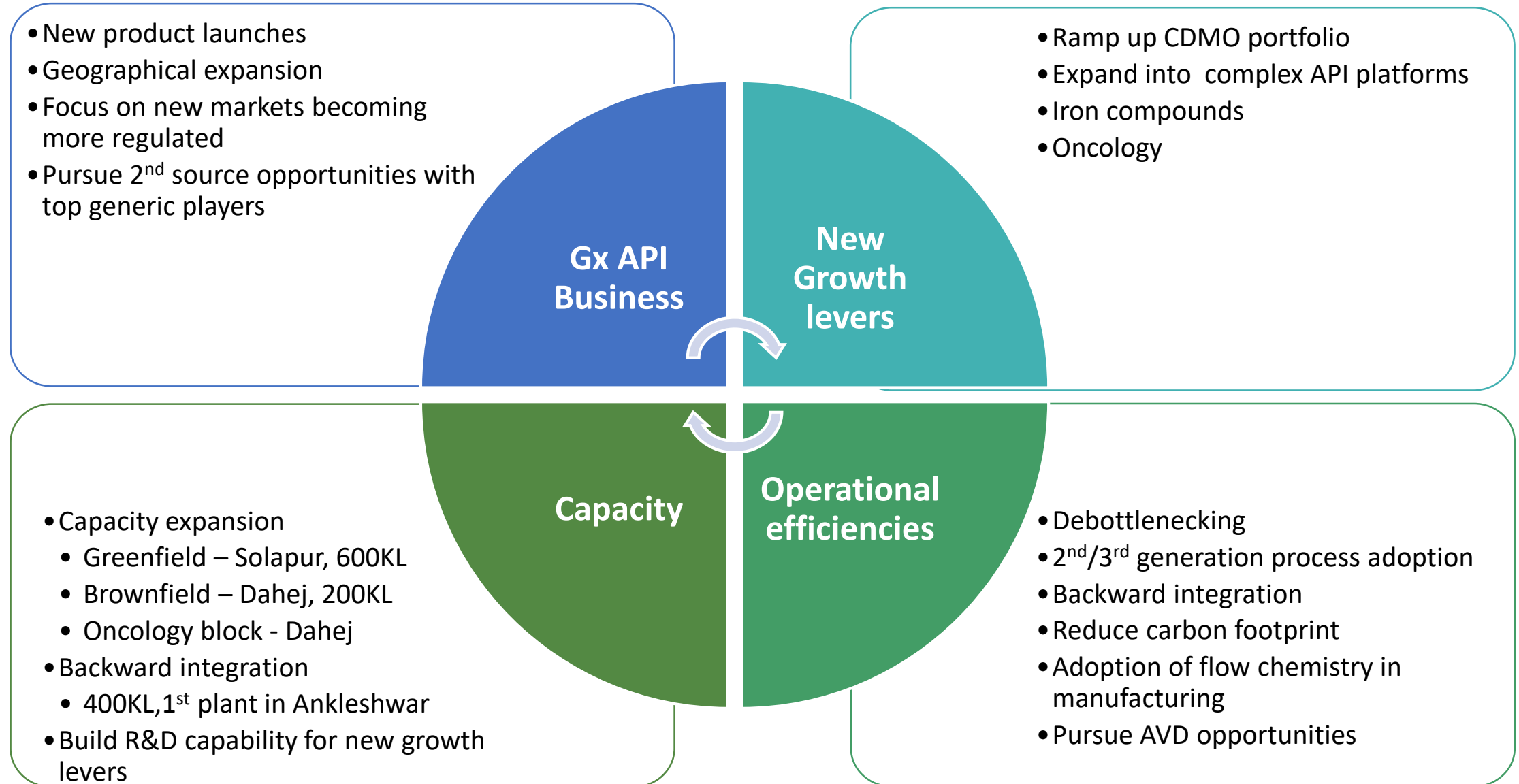
- 15 DMF/CEPs were filled across major markets in Q4 FY22 and 35 DMF/CEPs filled during FY22 which take cumulative filings to 433 as on 31st Mar'22
- ~128 Unique molecules in the portfolio across the globe as of 31st Mar'22.
- 26 products in development pipeline including 4 Iron complex and 7 Oncology products

04

Strategy Going Forward



Strategic Growth Levers

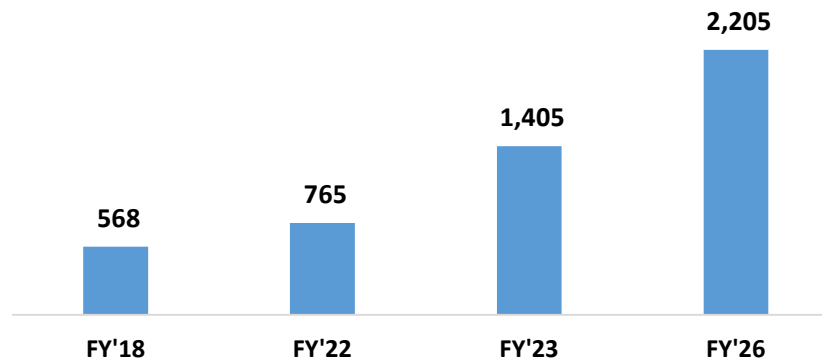


Future Capacity Expansion Plan

| Expansion Type | Division | Location | Current Capacity | Status & Planned Capacity | Operational Timelines |
|----------------|--------------|------------|------------------|---------------------------|-----------------------|
| Brownfield | API | Dahej | 141.9 KL | Under Construction | Phase I – Q4FY22 |
| | | | | 4 Modules -240 KL | Phase II – Q2 FY23 |
| Brownfield | Intermediate | Ankleshwar | 550.2 KL | New plant | Q2 FY23 |
| | | | | 400 KL | |
| Brownfield | Oncology | Dahej | - | 3 Modules | Q1 FY23 |
| | | | | Under Construction | |
| Greenfield | API | Solapur | - | Land acquired | FY24 – FY26 |
| | | | | 800 KL | |

Total Reactor Capacity, KL

Capacity Progress by Year



- ✓ Backward Integration plant at Ankleshwar is planned
- ✓ Oncology facility under construction at Dahej

Thank You

Glenmark Life Sciences Limited

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