

August 04, 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: Unaudited Financial Results for the First Quarter ended June 30, 2022

Pursuant to Regulations 30 and 33 of the SEBI LODR, 2015, we wish to inform you that the Board at its meeting held today approved the Unaudited Financial Results for the First Quarter ended June 30, 2022.

The said meeting of the Board commenced at 3.30 p.m. and concluded at 6.05 p.m.

The copy of the said results together with Management Discussion & Analysis, Press Release and Limited Review Report of the Auditors is enclosed herewith.

These are also being made available on the website of the Company at www.glenmarklifesciences.com

You are requested to take the same on record.

Thanking You.

Yours faithfully,
For Glenmark Life Sciences Limited



Rudolf Corriea
Company Secretary & Compliance Officer

Encl: As above



Glenmark Life Sciences reports Q1 FY23 Results

PAT growth of 7.7% YoY for Q1 FY23

CVS and CNS therapies lead the growth of the generic API portfolio

Mumbai, August 04, 2022: Glenmark Life Sciences Limited (GLS), a leading developer and manufacturer of select, high-value, non-commoditized, Active Pharmaceutical Ingredients (APIs) in chronic therapeutic areas, today announced its result for the quarter ended June 30, 2022.

Financial Highlights:

- GLS registered revenue from operations of ₹ 4,898.7 Mn for Q1 FY23, recording a YoY decline of 6.7% due to high base of COVID products sales last year. (+6.5% YoY excluding COVID products)
- Gross margins for the quarter improved to 53.3% mainly driven by booking of PLI scheme incentive. Gross Margins excluding PLI scheme incentive were stable at 52.0 % driven by better product mix and cost optimization efforts.
- Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was at ₹ 1,562.6 Mn for Q1 FY23 with margin at 31.9%.
- Profit After Tax (PAT) was at ₹ 1,087.3 Mn in Q1 FY23, registering a growth of 7.7% YoY.

Commenting on the company's performance, Dr. Yasir Rawjee, MD & CEO, Glenmark Life Sciences Limited said, *"We are pleased with our performance in this quarter with the overall business growing steadily, ex-covid products. India, LATAM, and ROW continue to lead our growth with Europe being soft due to supply chain issues. Generic API business saw a healthy growth of 7.1% YoY ex-covid products, whereas CDMO business witnessed an impact due to inventory rationalisation at customers' end. We are witnessing improvement in demand for APIs across geographies, and I am optimistic about continuing the growth momentum in coming quarters"*

Dr. Rawjee further added, *"Our CAPEX plans are slightly delayed but we expect closure on some of these investments by the end of Q2 FY23. Our brownfield projects continue to be on track and will be completed by the end of this fiscal year. The addition of these new capacities will facilitate sustainable growth as we expand our product portfolio and continue to deliver higher volumes for existing products in the coming years."*

Tushar Mistry, CFO, Glenmark Life Sciences Limited said, *"The quarter saw a steady growth of 6.5% YoY, excluding covid product sales. Generic API business (ex-covid) saw strong growth momentum in this challenging period driven by CVS and CNS therapeutic APIs. We delivered higher margins for the quarter driven by cost improvement measures, better product mix, passing of incremental cost to select clients, and PLI scheme incentives. Our bottom line was further driven by lower interest cost. Our focus continues to be on growing steadily while maintaining the margin profile as we build capacities for future growth."*

Business Highlights:

- Revenues from the Generic API segment decreased by 7.4% YoY due to a high base of COVID products sales last year (+7.1% YoY excluding COVID products) and the CDMO business registered a decline of 37.6% YoY in Q1 FY23.
- Regulated markets contribution remains stable at ~72% with flattish growth YOY. Emerging markets witnessed growth of 23.7% YOY excluding COVID products

PRESS RELEASE

For Immediate dissemination



- CVS and CNS portfolio led the growth in Q1 FY23. Our key focused area of chronic therapies contributed 72.6% of the net sales
- The Company has filed 3 DMF/CEPs across major markets during Q1 FY23 and cumulative filing stands at 436 as on June 30, 2022.
- The Company has received Environmental Clearance for the installation of 1000 KL capacity for the planned greenfield site at Chincholi Industrial Area, Solapur and construction work will begin in the current financial year.

About Glenmark Life Sciences Ltd (GLS)

Glenmark Life Sciences Limited (BSE: 543322, NSE: GLS), is a leading developer and manufacturer of select, high-value, non-commoditized, active pharmaceutical ingredients (APIs) in chronic therapeutic areas such as cardiovascular disease, central nervous system disease, pain management and diabetes. The company is increasingly providing CDMO services to a range of multinational and speciality pharmaceutical companies.

It has a diversified portfolio of more than 128 molecules and supplies its products to customers in India, Europe, North America, Latin America, Japan and the rest of the world (ROW). The company's 4 manufacturing facilities are located in Ankleshwar, Dahej, Mohol and Kurkumbh with a total installed capacity of 765 KL, which are regularly inspected by global regulators such as USFDA, PMDA (Japan) and EDQM (Europe).

GLS is a subsidiary of Glenmark Pharmaceuticals Limited and has recently been listed on BSE/NSE.

Learn more about Glenmark Life Sciences Limited on [www. https://www.glenmarklifesciences.com/](https://www.glenmarklifesciences.com/)

For any further queries please contact:

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Ernst & Young LLP – Investor Relations

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Management Discussion & Analysis for the First Quarter of FY23

FINANCIAL PERFORMANCE

| (₹ in Million) | Q1 FY23 | Q4 FY22 | Q1 FY22 | QoQ % | YoY % |
|-------------------------|---------|---------|---------|--------|--------|
| Revenue from Operations | 4,898.7 | 5,140.6 | 5,249.0 | (4.7%) | (6.7%) |
| EBITDA | 1,562.6 | 1,473.1 | 1,644.4 | 6.1% | (5.0%) |
| EBITDA Margins | 31.9% | 28.7% | 31.3% | 320bps | 60bps |
| PAT | 1,087.3 | 989.0 | 1,009.1 | 9.9% | 7.7% |

Highlights for Q1 FY23

- Revenue from Operations declined by 6.7% YoY to ₹ 4,898.7 Mn (+6.5% YoY excluding COVID products)
- Gross margins improved to 53.3% mainly driven by booking of PLI scheme incentive. Gross Margins excluding PLI scheme incentive were stable at 52.0 % driven by better product mix and cost optimization efforts.
- EBITDA was at ₹ 1,562.6 Mn, margins stood at 31.9%
- R&D expenditure was at ₹ 153.5 Mn, 3.1% of sales
- Capital expenditure was at ₹ 412.0 Mn
- Working capital at 168 days on sales
- PAT was at ₹ 1,087.3 Mn, margins stood at 22.2%
- ROICE (adjusted for Cash and CWIP) was 37.0% and Fixed assets turnover ratio at 3x

BUSINESS PERFORMANCE & COMMENTARY

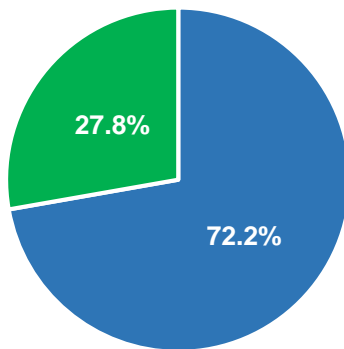
A. Segment Performance (Q1 FY23):

| (₹ in Million) | Q1 FY23 | Q4 FY22 | Q1 FY22 | QoQ % | YoY % |
|--------------------------------|----------------|----------------|----------------|---------------|---------------|
| Generic API | 4,448.2 | 4,589.6 | 4,803.4 | (3.1%) | (7.4%) |
| CDMO | 242.7 | 435.1 | 388.9 | (44.2%) | (37.6%) |
| Other Operating Revenue | 207.8 | 115.9 | 56.7 | 79.3% | 266.5% |
| Revenue from Operations | 4,898.7 | 5,140.6 | 5,249.0 | (4.7%) | (6.7%) |

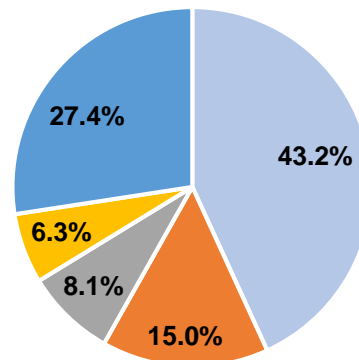
- Generic API revenues decreased by 7.4% YoY (+7.1% YoY excluding COVID products)
- CDMO revenues witnessed decline of 37.6% YoY in Q1 FY23 due to inventory rationalisation at customers' end

B. Market and Therapeutic Area Mix (Q1 FY23)

Market Mix



Therapy Mix



■ Regulated markets ■ Emerging markets ■ CVS ■ CNS ■ Diabetes ■ Pain management ■ Others

- Regulated markets contribution remains stable at ~72% with flattish growth YOY
- Emerging markets witnessed growth of 23.7% YOY (excluding COVID products)
- CVS and CNS portfolio led the growth in Q1FY23. Our key focused area of chronic therapies contributed 72.6% of the net sales

OTHER BUSINESS HIGHLIGHTS

A. Product Pipeline

- The Company filed 3 DMF/CEPs during the quarter. With this our cumulative filing stands at 436 DMF/CEPs across major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia)
- Generic API Segment
 - Regulatory filing completed for 1 iron compound and other 2 complex iron compounds in our development stage with cumulative global market size of more than USD 1.8 billion (Source: IQVIA MAT Mar'22)
 - We also have 7 products in the oncology space with global market size of more than USD 15 billion (Source: IQVIA MAT Mar'22). 3 products in advanced stage of development out of 7 products and remaining in development stage.
- CDMO Segment
 - Multiple discussions ongoing with companies globally for additional business opportunities

B. Capex update

- The brownfield expansion for generics API products at our Dahej facility is well underway for manufacturing of large to medium-scale APIs. We have already started few validations in one module in Q1 FY23 and expect to commission the modules by Q2 FY23. With this expansion, Dahej plant will add another 240 KL of capacity.
- Project work is ongoing to build plant #7 for Oncology products at Dahej that will have 2 independent modules for medium scale manufacturing. We expect to commission this plant during Q2 FY23.
- Intermediate manufacturing block at Ankleshwar Site with manufacturing capacity of 400 KL shall be operational by Q3 FY23.
- The Company has received Environmental Clearance for installation of 1000 KL capacity for planned greenfield site at Chincholi Industrial Area, Solapur and construction work will begin in the current financial year.

Disclaimer

Some of the information in the document, especially information with respect to our plans and strategies, may contain certain forward-looking statements that involve risks and uncertainties. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements depending upon economic conditions, government policies and other incidental factors. Such statements should not be regarded by recipients as a substitute for the exercise of their own judgment. The company undertakes no obligation to update or revise any forward-looking statement whether as a result of new information, future events or otherwise. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.

For any further queries please contact:

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Ernst & Young LLP – Investor Relations

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER 30th JUNE, 2022

(₹ in Millions, unless otherwise stated)

| Sr. No. | Particulars | Quarter ended | | | Year ended |
|-------------|--|---------------------------|------------------------|---------------------------|------------------------|
| | | 30 June'22 (Unaudited) | 31 Mar'22 (Audited) | 30 June'21 (Unaudited) | 31 Mar'22 (Audited) |
| I | Income | | | | |
| | Revenue from Operations | 4,898.70 | 5,140.57 | 5,248.97 | 21,232.14 |
| | Other Income | 94.93 | 50.95 | 39.86 | 147.04 |
| | Total Income | 4,993.63 | 5,191.52 | 5,288.83 | 21,379.18 |
| II | Expenses | | | | |
| | Cost of Materials Consumed | 2,612.50 | 2,612.72 | 2,599.21 | 10,015.63 |
| | Changes in Inventories of Finished Goods and Work-in-Progress | (323.50) | (61.47) | (5.48) | 413.24 |
| | Employee Benefits Expense | 404.56 | 390.83 | 369.42 | 1,687.23 |
| | Finance Costs | 1.35 | 1.25 | 205.50 | 279.62 |
| | Depreciation and Amortisation Expense | 98.79 | 95.54 | 89.19 | 378.77 |
| | Other Expenses | 737.46 | 776.38 | 681.34 | 2,955.44 |
| | Total Expenses | 3,531.16 | 3,815.25 | 3,939.18 | 15,729.93 |
| III | Profit Before Tax (I-II) | 1,462.47 | 1,376.27 | 1,349.65 | 5,649.25 |
| IV | Tax Expenses | | | | |
| | Current Tax | 362.29 | 369.05 | 322.43 | 1,376.27 |
| | Deferred Tax | 12.85 | 18.25 | 18.09 | 85.74 |
| | Total Tax Expenses | 375.14 | 387.30 | 340.52 | 1,462.01 |
| V | Profit for the Period / Year (III-IV) | 1,087.33 | 988.97 | 1,009.13 | 4,187.24 |
| VI | Other Comprehensive Income (OCI) Items that will not be reclassified to profit or loss | | | | |
| | (a) Re-measurement of the post-employment benefit obligation | 0.39 | 3.93 | (1.76) | 1.30 |
| | (b) Income tax relating to the above | (0.10) | (0.99) | 0.44 | (0.33) |
| | Total Other Comprehensive Income / (Loss) | 0.29 | 2.94 | (1.32) | 0.97 |
| VII | Total Comprehensive Income for the Period / Year (V+VI) | 1,087.62 | 991.91 | 1,007.81 | 4,188.21 |
| VIII | Earnings per equity share (Face Value of ₹ 2/- each) (Not Annualised except for the year ended 31st March) | | | | |
| | (a) Basic (in ₹) | 8.87 | 8.07 | 9.36 | 35.63 |
| | (b) Diluted (in ₹) | 8.87 | 8.07 | 9.36 | 35.63 |
| IX | Paid up Equity Share Capital, Equity Shares of ₹ 2/- each | 245.05 | 245.05 | 215.61 | 245.05 |
| X | Other Equity excluding Revaluation Reserve | | | | 20,298.07 |

See accompanying notes to the Financial Results



Glenmark Life Sciences Limited

Corporate Office: 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri (E), Mumbai, 400 099, India. Registered Office: Plot No. 170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur - 413 213, India.
T: 91 22 68297979 CIN: L74900PN2011PLC139963 E: complianceofficer@glenmarklifesciences.com
W: www.glenmarklifesciences.com

Notes:

1. The Financial Results have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
2. The above Financial Results were reviewed by Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on August 04, 2022. These results have been subjected to limited review by statutory auditor who have issued an unmodified conclusion on the said results.
3. Details of Utilisation of IPO Proceeds is as under:

(₹ in millions)

| Particulars | Estimated net proceeds as per Prospectus | Revised Net Proceeds | Utilised up to 30 Jun'22 | Unutilised as on 30 Jun'22 |
|---|--|----------------------|--------------------------|----------------------------|
| Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018 | 8,000.00 | 8,000.00 | 8,000.00 | - |
| Funding the capital expenditure requirements | 1,527.64 | 1,527.64 | 762.05 | 765.59 |
| General corporate purposes | 576.75 | 494.40 | 494.40 | - |
| Total | 10,104.39 | 10,022.04 | 9,256.45 | 765.59 |

Unutilised amount as at June 30, 2022 were held in monitoring agency account and in deposits with scheduled commercial bank.

4. The Company has identified only one segment i.e. Active Pharmaceutical Ingredient (API) as reporting segment based on the information reviewed by Chief Operating Decision Maker (CODM).
5. As at June 30, 2022, pursuant to Employee Stock Option Plan 2021, 8,88,885 options were outstanding, which upon exercise are convertible into equivalent number of equity shares.

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6. The figures for the quarter ended 31st March are the balancing figures between the audited figures in respect of the full financial year and the unaudited year to date figures upto the third quarter of the financial year 2021-22.

For Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO



Mumbai, August 04, 2022

Glenmark Life Sciences Limited

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F +91 124 4628001

Independent Auditor's Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Glenmark Life Sciences Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Glenmark Life Sciences Limited ('the Company') for the quarter ended 30 June 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker ChandioK & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta
Digitally signed
by Ashish Gupta
Date:
2022.08.04
18:04:12 +05'30'



Ashish Gupta
Partner
Membership No. 504662

UDIN: 22504662AOFDDX7909

Place: New Delhi
Date: 4 August 2022