

July 21, 2023

**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), 2015, we are enclosing herewith the Investor Presentation – Q1 FY 23-24.

You are requested to take the same on record.

Thanking You.

Yours faithfully,
For Glenmark Life Sciences Limited

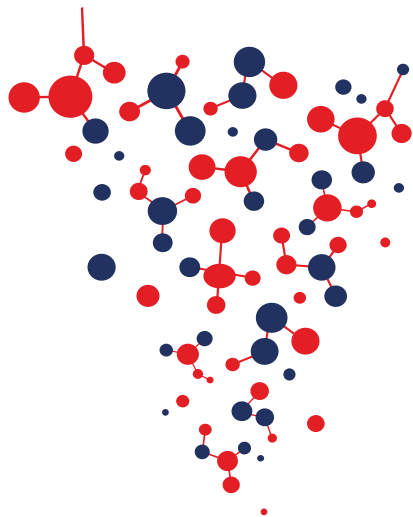
**Rudalf Corriea
Company Secretary & Compliance Officer
Encl: As above**

Glenmark Life Sciences Ltd.

Investor Presentation

Q1 FY24





Financial Performance Review



Dr. Yasir Rawjee
Managing Director &
Chief Executive Officer

“Our performance in the quarter was driven by Generic API and the CDMO businesses. Geographically, US, Europe, ROW and India markets spearheaded this growth.

We remain focused on our strategic priorities of building capacities as well as strengthening our product pipeline. This coupled with an improved demand environment and supply situation will act as catalyst for growth in the coming quarters.”

REVENUE
(IN ₹ MILLIONS) **5,785** 18.1% YoY (6.9%) QoQ

EBITDA
(IN ₹ MILLIONS) **1,950** 24.8% YoY (6.8%) QoQ

PAT
(IN ₹ MILLIONS) **1,355** 24.6% YoY (7.5%) QoQ

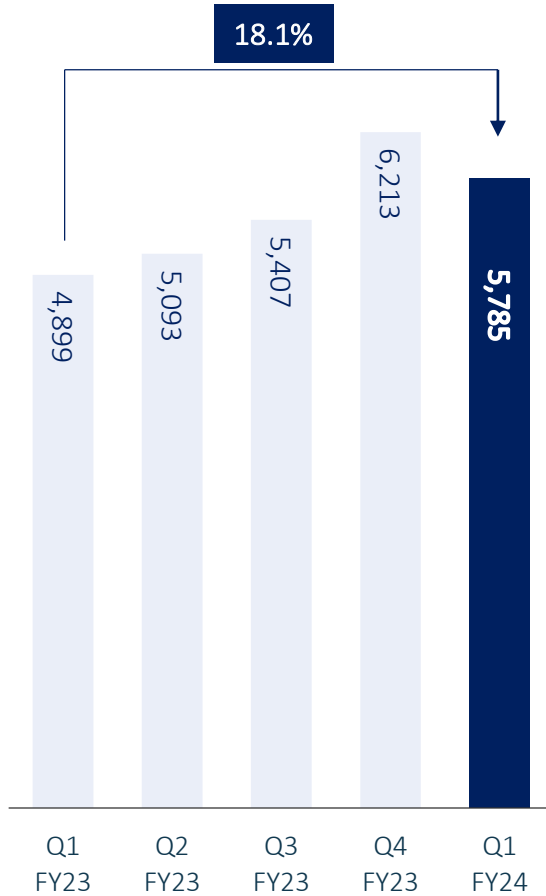
- GLS registered a revenue from operations of ₹ 5,785 Mn for Q1 FY24, recording a strong growth of 18.1% YoY and a decline of 6.9% compared to high base of Q4 FY23
- External business and GPL business both continue to deliver strong growth momentum growing around 17.8% YoY and 18.6% YoY respectively
- CDMO business has grown strongly by 91% on YoY basis
- Gross Margins improved strongly in Q1 FY24 trending at 57.1%, up 220 bps QoQ and 380 bps YoY; driven by lower input costs and better product mix
- EBITDA margins are at 33.7% up 180 bps YoY; driven by higher gross margin and offset by higher operating cost

Q1 FY24 Performance

Strong growth with stable margins

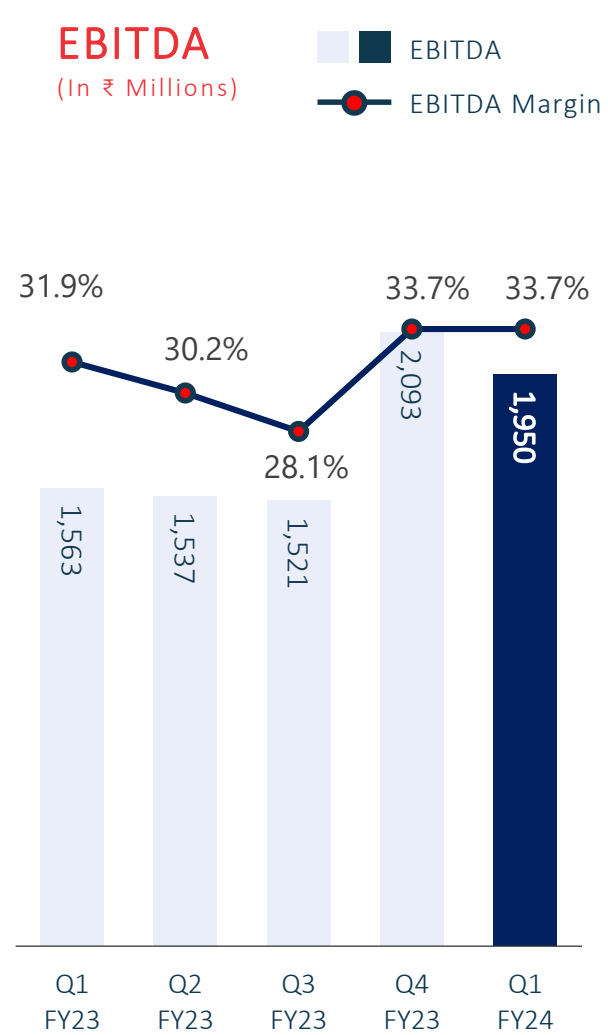
Revenue

(In ₹ Millions)



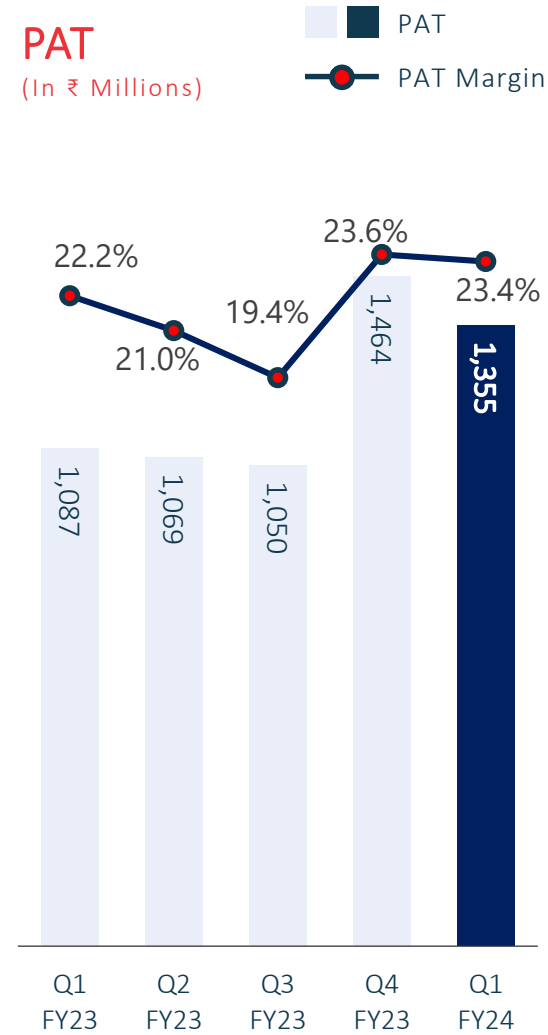
EBITDA

(In ₹ Millions)



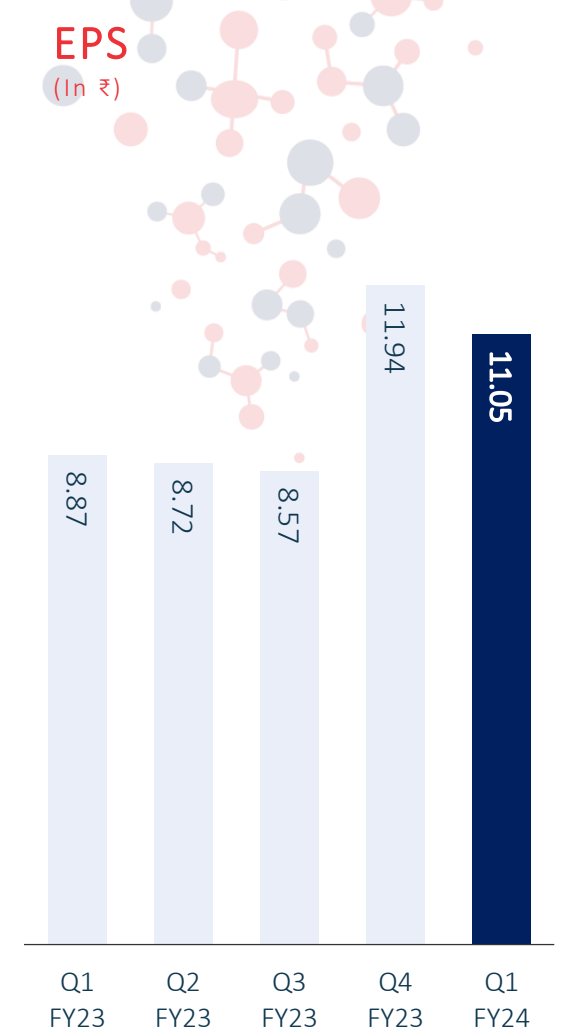
PAT

(In ₹ Millions)



EPS

(In ₹)

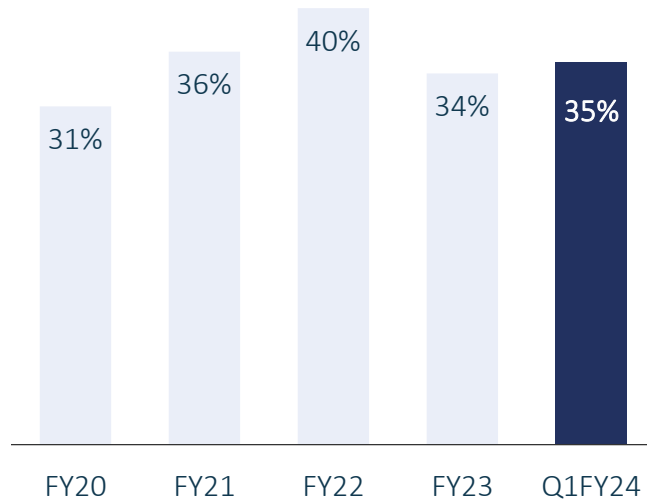


P&L Highlights | Q1 FY24

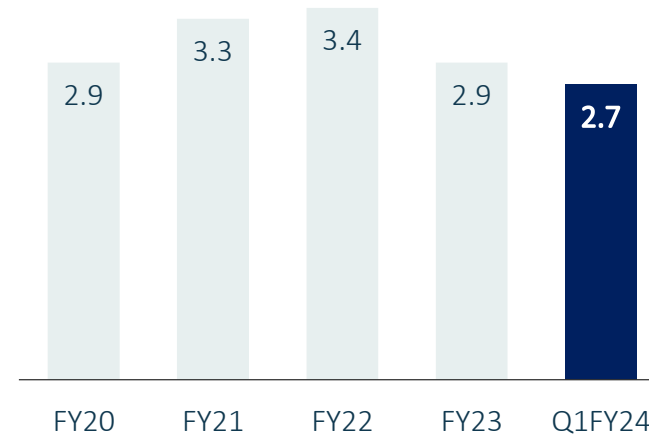
Particulars (In ₹ Millions)	Q1 FY24	Q4 FY23	QoQ	Q1 FY23	YoY	FY23
Revenue from Operations	5,785	6,213	-6.9%	4,899	18.1%	21,612
Gross Profit	3,304	3,409	-3.1%	2,610	26.6%	11,471
Gross Profit (%)	57.1%	54.9%		53.3%		53.1%
Other Income	18	28	-34.7%	95	-80.5%	290
Employee Benefits Expense	481	438	9.9%	405	19.0%	1,802
Other Expenses	891	907	-1.7%	737	20.8%	3,247
EBITDA	1,950	2,093	-6.8%	1,563	24.8%	6,712
EBITDA Margin (%)	33.7%	33.7%		31.9%		31.1%
Depreciation and Amortisation Expense	126	115	9.5%	99	27.7%	421
Finance Costs	4	1	231.8%	1	193.5%	5
PBT	1,820	1,976	-7.9%	1,462	24.4%	6,286
PBT Margin (%)	31.5%	31.81%		29.85%		29.1%
PAT	1,355	1,464	-7.5%	1,087	24.6%	4,670
Net Margin (%)	23.4%	23.6%		22.2%		21.6%

Strong Returns Indicators

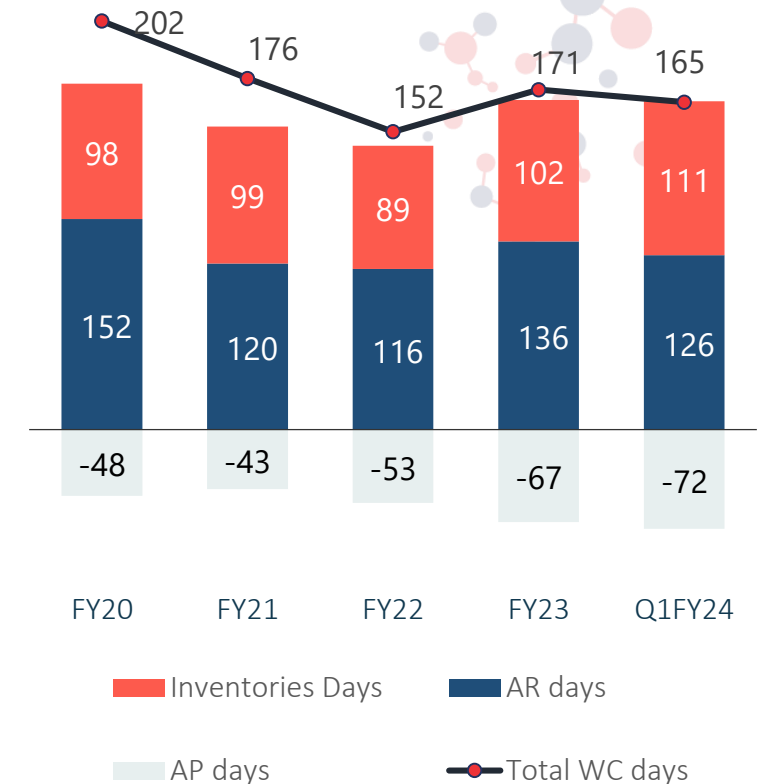
ROICE



Fixed Assets Turnover



Working Capital Days

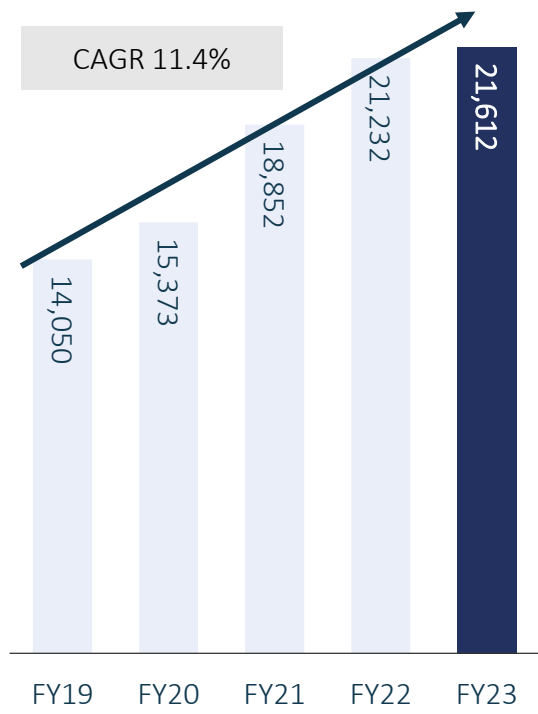


- **ROICE** is tracking at ~35% – Higher capital employed driven by completed Capex
- **FATR** is 2.7 times – Asset turn trending slightly lower due to Capex cycle
- **WC days** at 165 days – Improved working capital due to better Debtor and Payable days offset by higher inventory days
- **Strong Balance Sheet** – Strong free cash generation of INR 982 mn during the quarter leading to Cash & Cash Equivalents of INR 3,820 mn as on 30th June 2023.

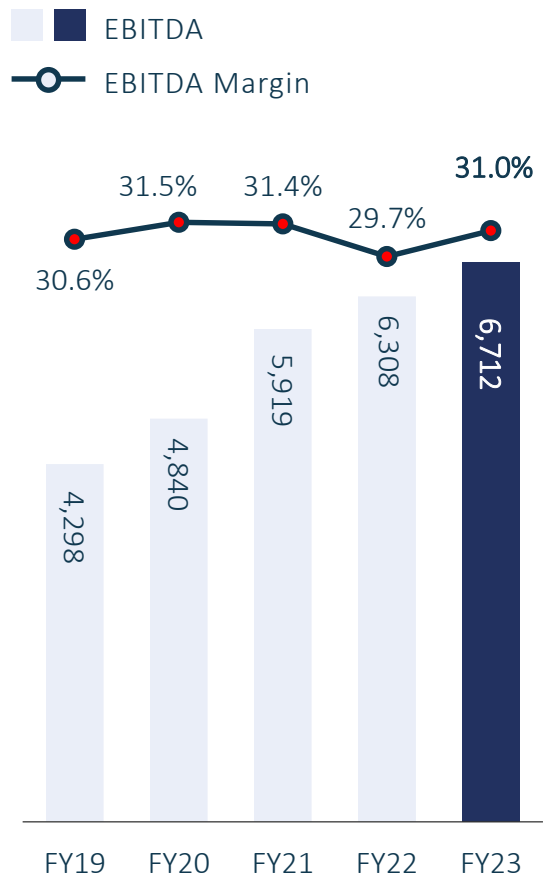
Financial Performance Track Record

Robust growth and profitability indicators over the years

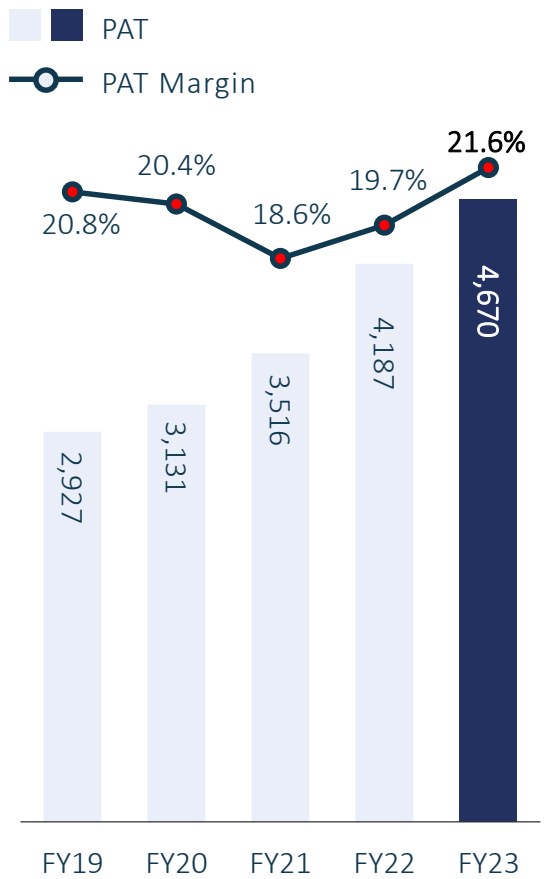
Revenue (In ₹ Millions)



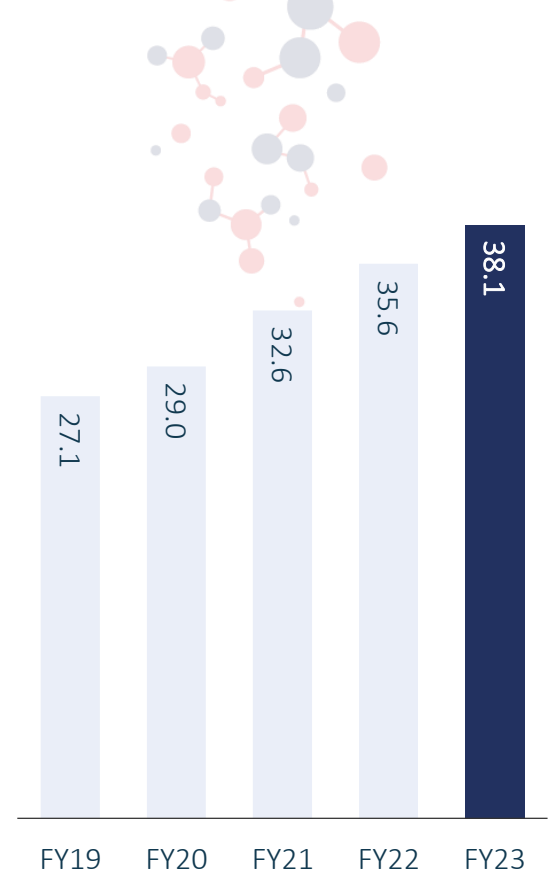
EBITDA (In ₹ Millions)



PAT (In ₹ Millions)

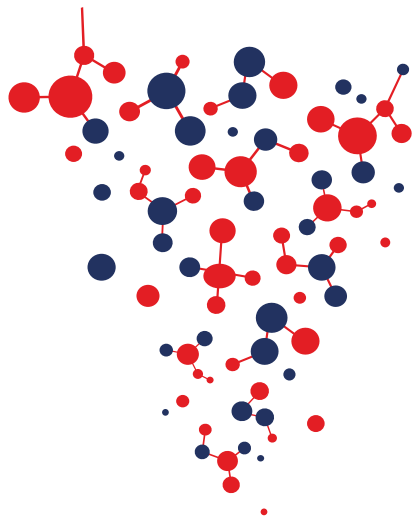


EPS (In ₹)



Note: Numbers of FY19 are based on Proforma Financials.

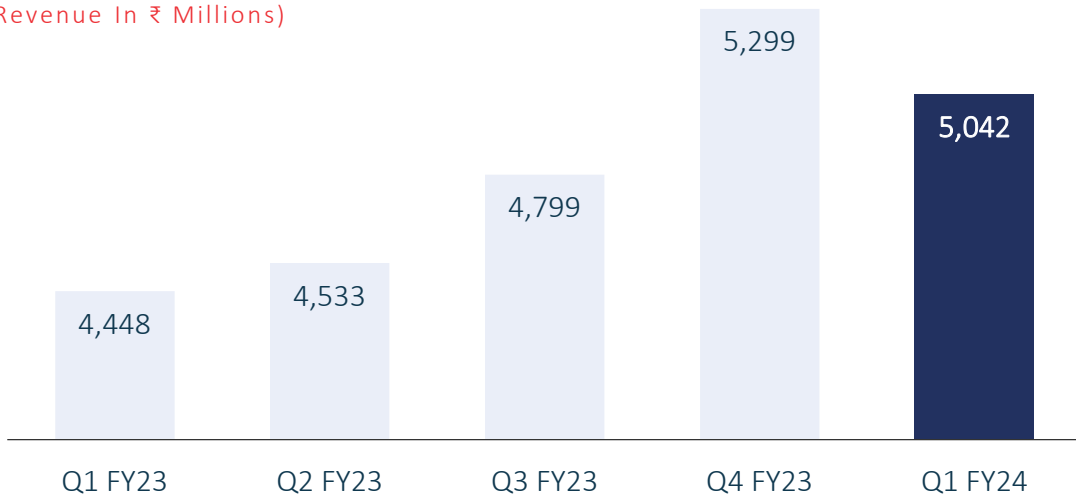
Amounts in INR Millions except EPS



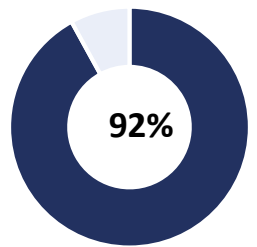
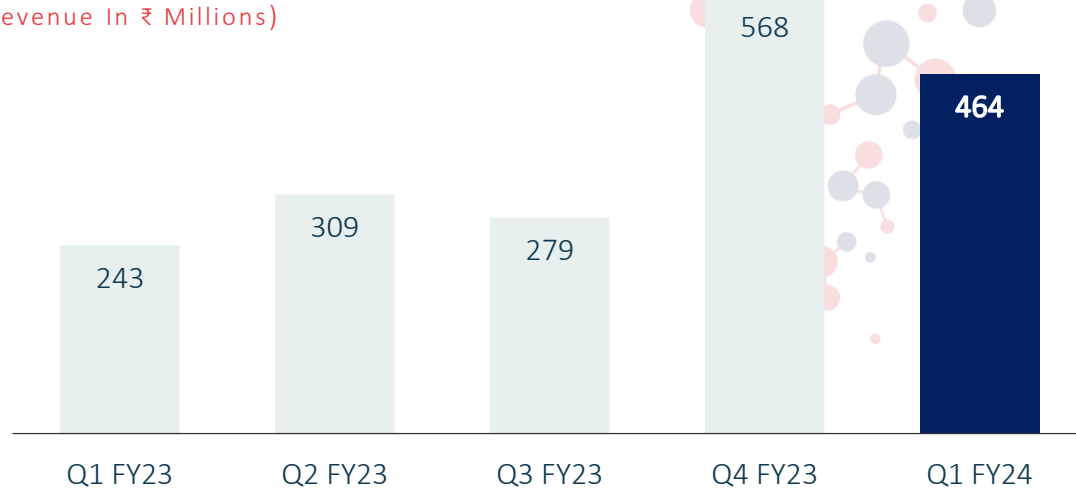
Business Performance Review

Segment Performance | Generic & CDMO business

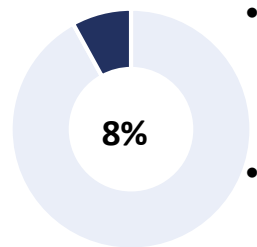
Generic API (Revenue In ₹ Millions)



CDMO (Revenue In ₹ Millions)

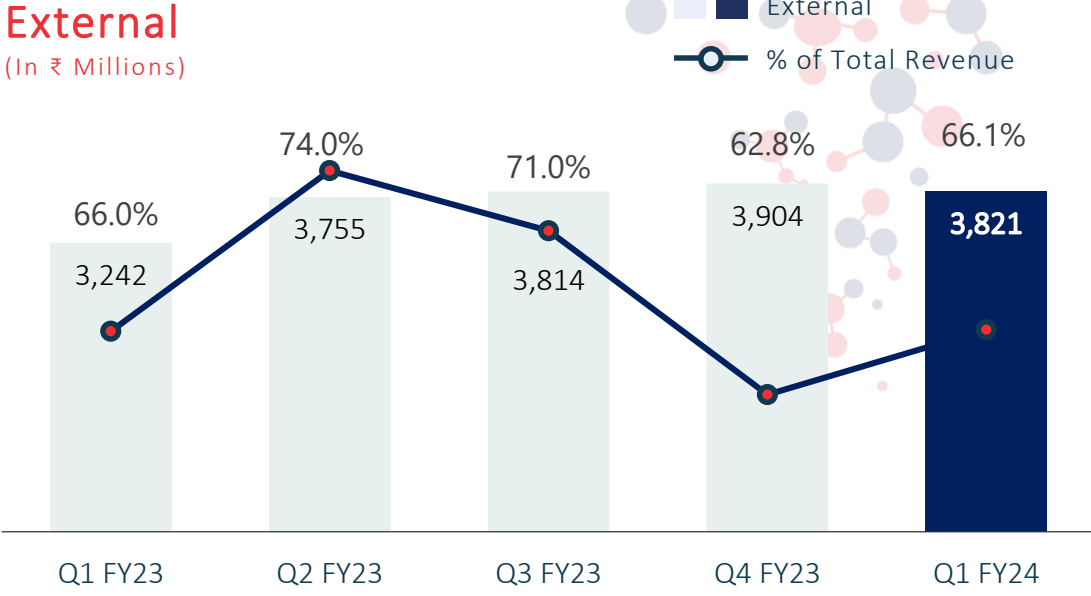
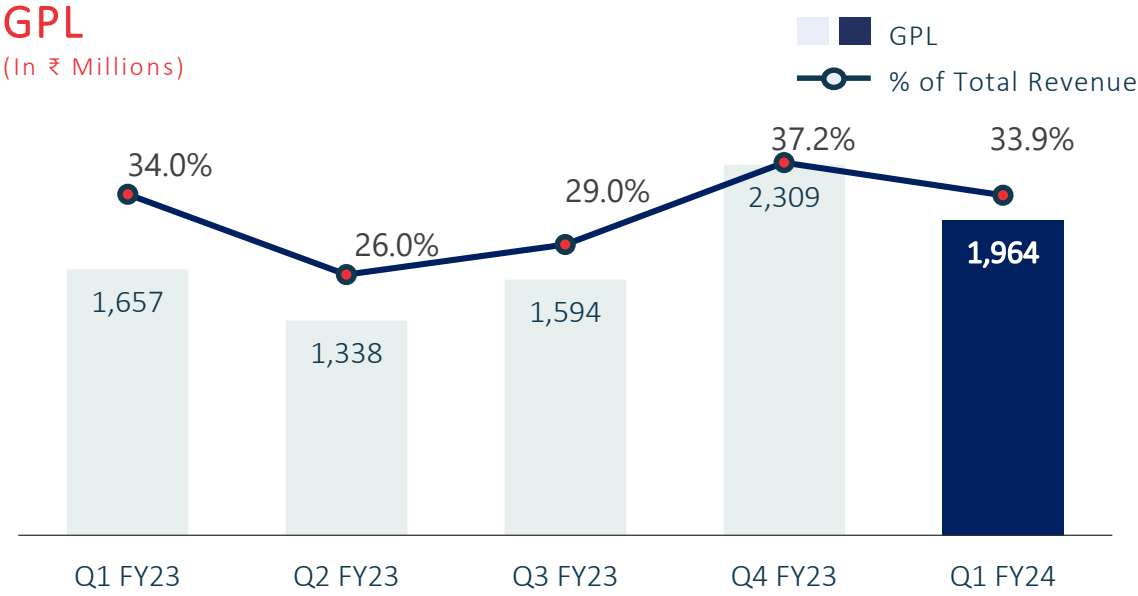


- Generic API revenues in Q1FY24 increased by 13.3% YoY and decreased by 4.9% QoQ
- Generic API business was driven by strong growth in regulated markets and supported by steady growth in emerging market.
- Regulated markets were driven by sustained growth momentum in US & Europe market coupled with strong performance in the India market driven by Ex-GPL business



- CDMO business continued the strong growth momentum growing 91% on YoY basis driven by healthy recovery in demand
- Multiple discussions ongoing with companies globally for additional business opportunities

Segment Performance | GPL vs. External

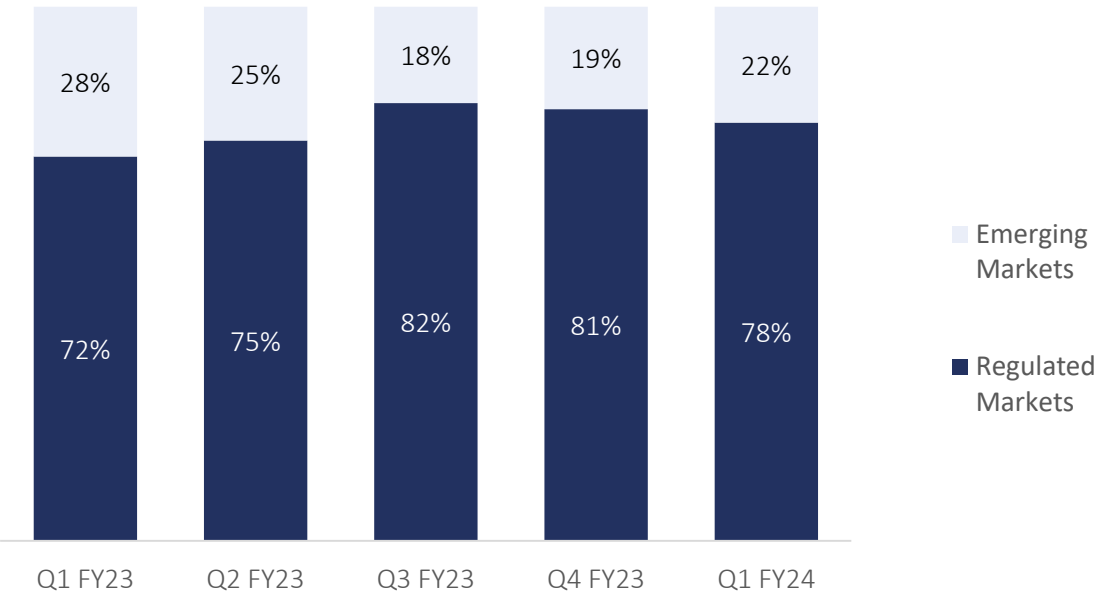


- GPL business in Q1 FY24 increased 18.6% YoY and decreased by 14.9% QoQ
- GPL business driven by strong demand in the frontend markets, expected to continue in coming quarters

- External business grew strongly by 17.8% YoY with a slight de-growth of 2.1% sequentially
- External business was driven by strong growth in regulated markets as well as robust pick up in CDMO business

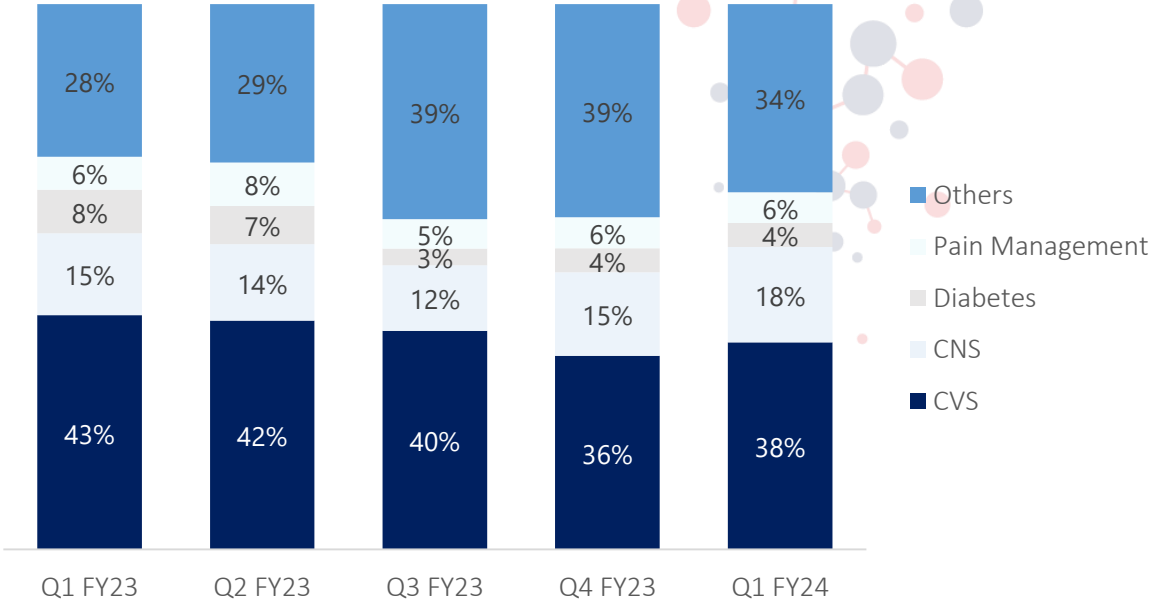
Market and Therapeutic Area Mix

Market Mix

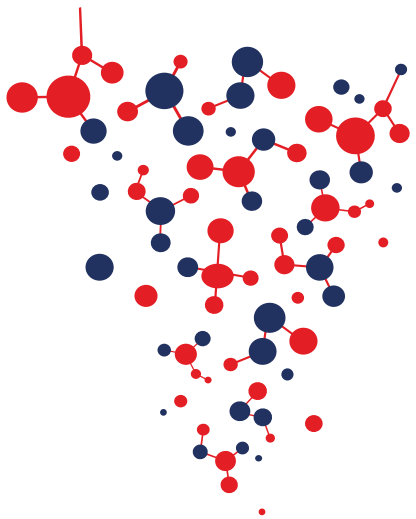


- Regulated markets contribution is at 78% in Q1 FY24 driven by growth in US, Europe, India and CDMO business.
- During Q1 FY24, regulated market contributed 78% of the total portfolio compared to 72% in Q1 FY23

Therapeutic Area Mix



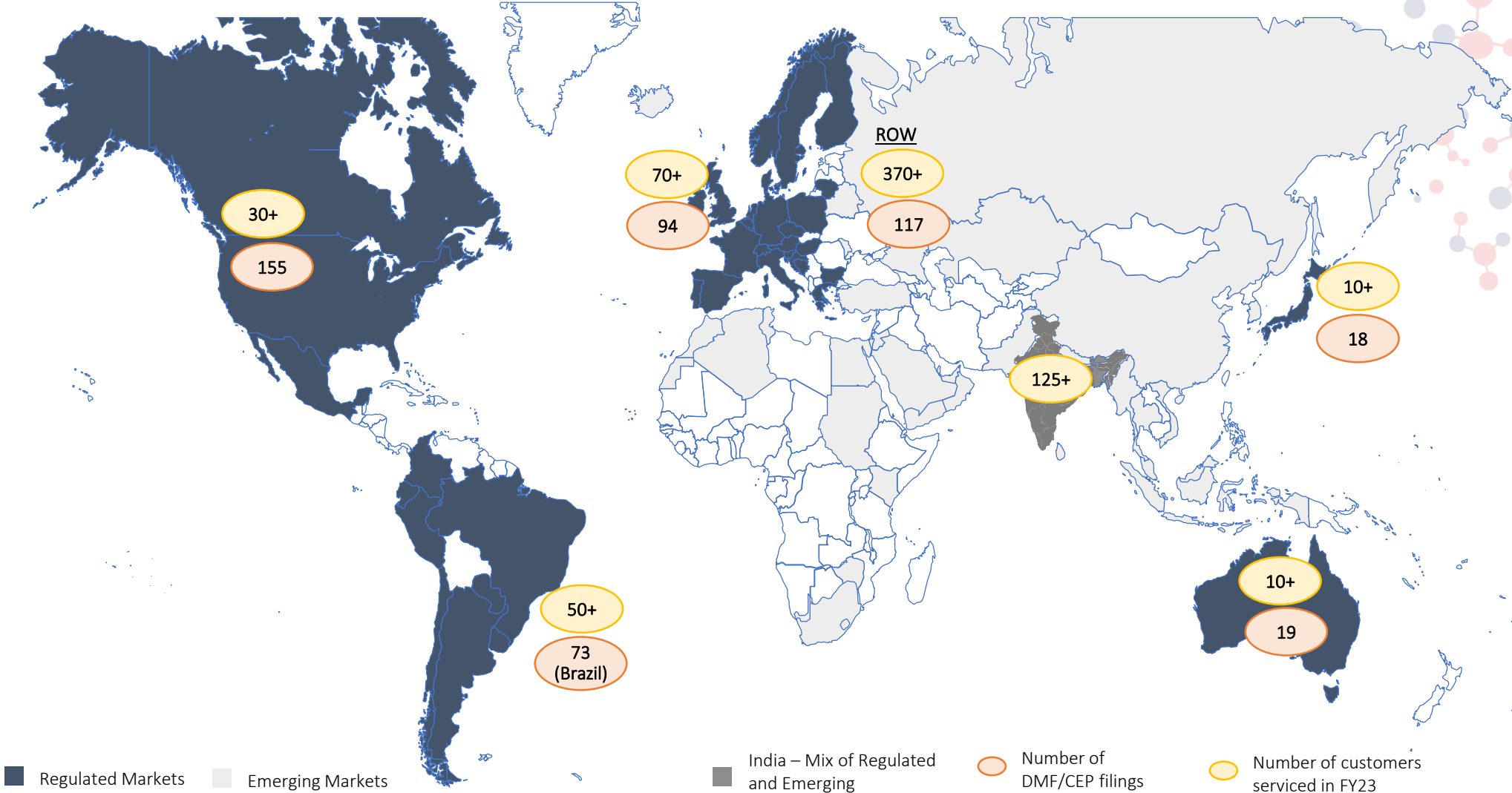
- CVS, CNS and pain management portfolio continued to deliver a strong growth
- Our key focused area of chronic therapies contributed 66% of the revenue in Q1 FY24.



Company Overview

Global Footprint

- Filed 476 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia

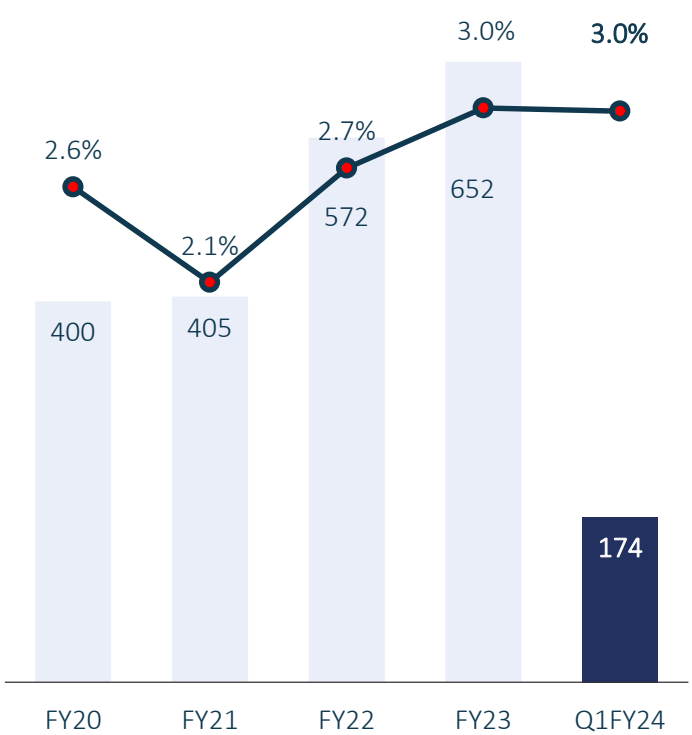


As of June 30, 2023

R&D Capabilities

R&D Spend (In ₹ Millions)

■ R&D Spend
● As % to Sales



Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	Australia	ROW	Total
CVS	37	31	4	20	10	30	132
CNS	35	22	8	13	1	14	93
Diabetes	9	4		8		12	33
Pain Management	1	2		4	1	8	16
Others	73	35	6	28	7	53	202
Total	155	94	18	73	19	117	476

- DMF/CEPs filing continues across major markets in Q1 FY24, taking the total cumulative filings to 476 as on 30 June, 2023.
- 1 New Complex molecule added to the portfolio backed by customer interests, summing up a addressable market for the basket of complex products to \$ 676 Mn (Source: IQVIA, MAT March 23). The basket is seeded with 6+ customers. One molecule filed and rest are under development.
- 1 New iron complex added to the existing grid of 3 molecules, each backed by customer interest. Filing completed for 1 iron complex with 2 others in advanced stages of development. Total addressable market of \$1.8 Bn (Source: IQVIA, MAT March 23).
- 2 New high potent / oncology molecules added to the current grid of 9 products, with a total addressable market of ~\$19 Bn (Source: IQVIA, MAT March 23) and 10+ customer tie-ups. 4 products validated and 5 are under advanced stages of development.

Quality-focused, compliant manufacturing & R&D infrastructure



Manufacturing Infrastructure

Location	Annual Installed Capacity (Jun-23)	Last USFDA Inspection Date	Approvals
Ankleshwar, Gujarat	742.2 KL*	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA
Dahej, Gujarat	381.9 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

* Additional 192 KL intermediate capacity added in March 2023 and 208KL will be further added to the capacity in FY24 at Ankleshwar, Gujarat.

R&D Infrastructure

Mahape, Navi Mumbai

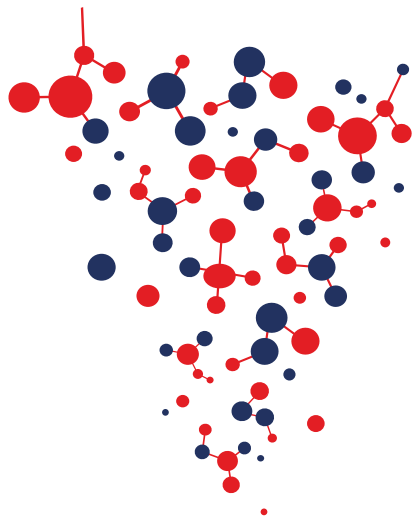
- R&D for new product development and complex molecules
- High-end analytical equipment for characterization

Ankleshwar, Gujarat

- Cost improvement programs and process improvements

Dahej, Gujarat

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



Strategy Going Forward

Strategic Growth Levers

New Growth levers

2

- ✓ Ramp up CDMO portfolio
- ✓ Expand into complex API platforms
- ✓ Iron compounds
- ✓ Oncology

Operational efficiencies

4

- ✓ Debottlenecking
- ✓ 2nd/3rd generation process adoption
- ✓ Backward integration
- ✓ Reduce carbon footprint
- ✓ Adoption of flow chemistry in manufacturing
- ✓ Pursue AVD opportunities

1 Gx API Business

- ✓ New product launches
- ✓ Geographical expansion
- ✓ Focus on new markets becoming more regulated
- ✓ Pursue 2nd source opportunities with top generic players

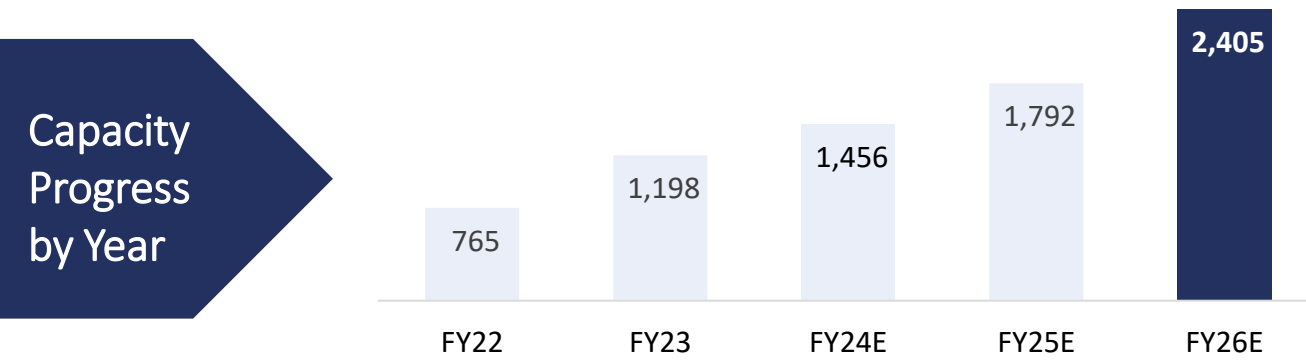
3 Capacity

- ✓ Capacity expansion
- ✓ Greenfield – Solapur, 1000MT (CTE Received)
- ✓ Brownfield – Dahej, 240KL (Completed)
- ✓ Oncology block – Dahej (Completed)
- ✓ Backward integration – Ankleshwar (400 KL of which 192 KL is completed)
- ✓ Build R&D capability for new growth levers

Future Capacity Expansion Plan

Expansion Type	Division	Location	Status & Planned Capacity	Operational Timelines
Brownfield	API / Intermediate	Ankleshwar	208 KL (Under Construction) Planned addition of 280KL-300KL	FY24 FY25-FY26
Brownfield	API	Dahej	Planned addition of 220KL-240KL	FY24-FY26
Greenfield	API	Solapur	CTE received for 1,000MT ~500 KL capacity will be operational by FY26	FY26

Total Reactor Capacity Expansion Plan (KL)



- ✓ **Backward Integration plant at Ankleshwar of 208KL is under construction.**
- ✓ **Engineering work started for construction at Solapur Plant of 200KL (Phase 1).**
- ✓ **Solapur's further capacity expansion will be calibrated as per the volume demand**

Thank You

FOR FURTHER INFORMATION CONTACT

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ERNST & YOUNG LLP – INVESTOR RELATIONS

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