



EY Entrepreneur of the year-2013



FROST & SULLIVAN Best Practices-2013



Business today/YES bank Excellence Awards-2013



Date: 13 February 2024

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,

Eris Lifesciences Limited

Milind Talegaonkar
Company Secretary and Compliance Officer

Encl: a/a

Registered & Corporate Office:

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Q3 FY 24 and 9M FY 24

13th Feb 2024

OUR JOURNEY SINCE LISTING – GROWTH IN MARKET RANK FROM #29 to #21

From FY 17 to FY 23

FY 17

- Market Rank #29
- Covered Market ~ INR 34,000 cr

Sources of Capital

- Operating Cashflow ~ INR 2,100 cr.
- +
- External funding at competitive rates

Capital Deployment

- Invested in inorganic growth ~ INR 1,860 cr.
- Capex ~ INR 400 cr.
- Dividend/ Buyback ~ INR 400 cr.

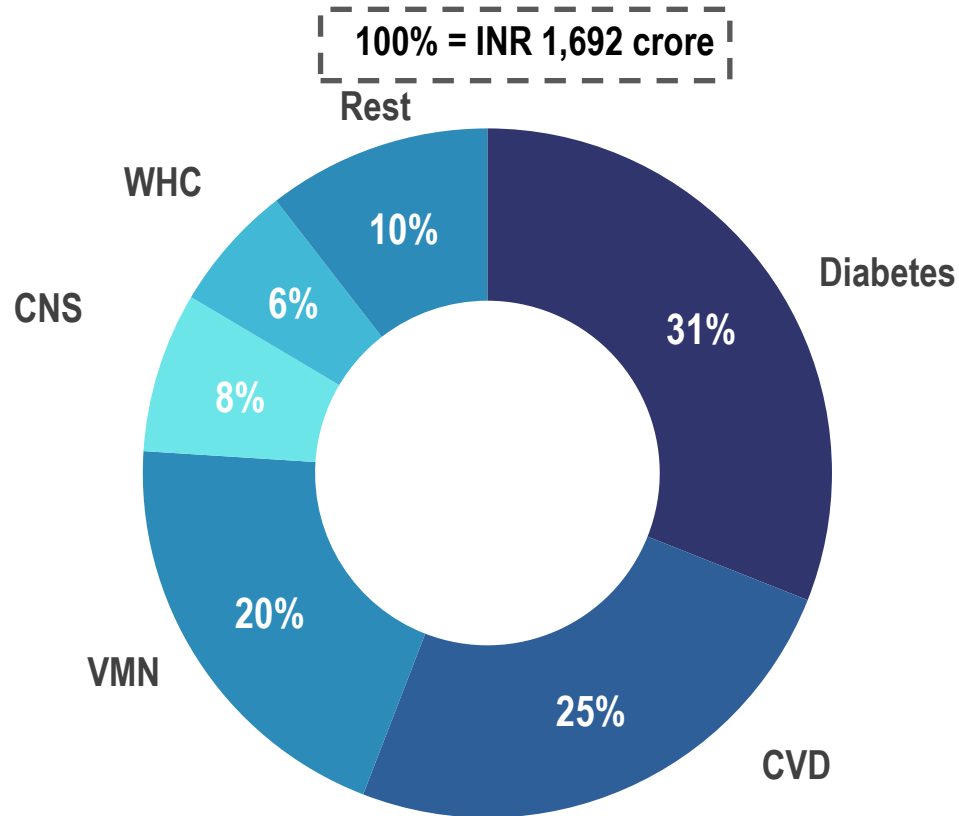
FY 23

- Market Rank #21
- Covered Market ~ INR 90,000 cr

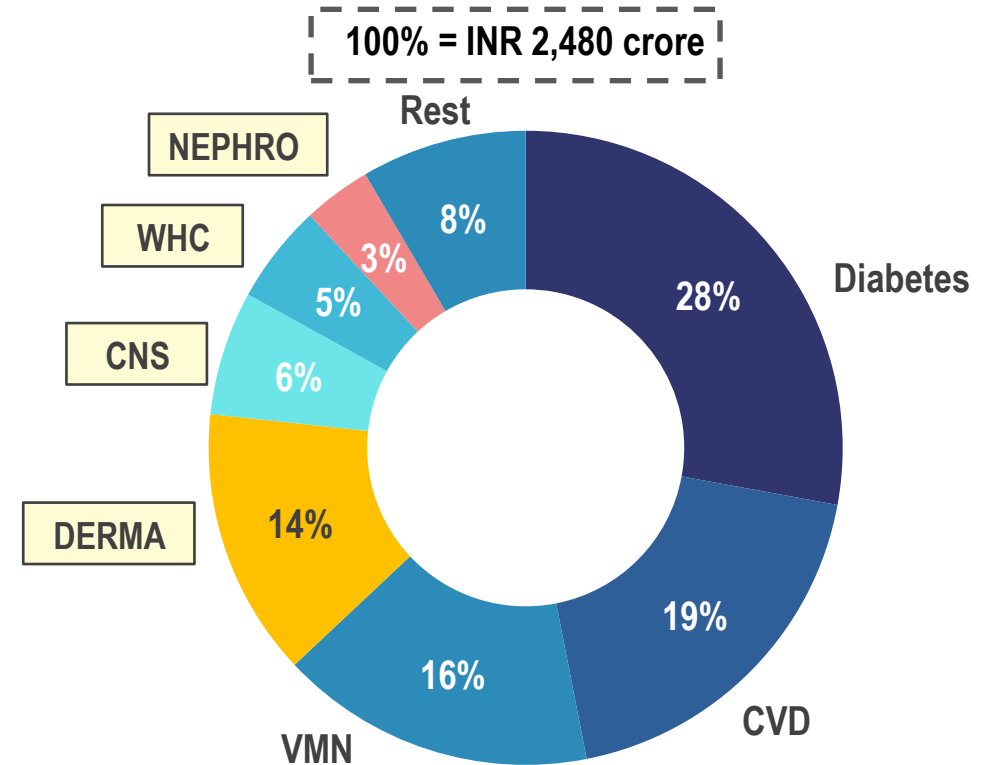
- Balanced Capital Deployment Strategy deploying internal accruals with external funding to drive growth
- Expanded market share in Diabetes from 3.5% to 5% and in VMN from 1% to 2.5%
- Successfully diversified into new therapies – Dermatology, CNS, Women’s Health, Nephrology and Insulins
- Fundamental strength of business model intact – 6-year average Gross Margin > 80%, EBITDA % > 35%, OCF as % of EBITDA > 75%

EMERGING THERAPIES NOW ACCOUNT FOR ~ 30% OF REVENUE

Therapy-wise composition of revenue – MAT Dec'21



Therapy-wise composition of revenue – MAT Dec'23



- Concentration of Top-3 therapies decreased from 76% to 63%
- Emerging Therapies (Derma, CNS, WHC, Nephro) now account for ~ 30% of revenue

CLEAR CUT VALUE-CREATION THROUGH DERMATOLOGY ACQUISITIONS

- Deployed **INR 1,265 cr.** across 3 deals in FY23, primarily to build up our Dermatology franchise
- FY24 expected Revenue ~ **INR 375 cr.** and **EBIDTA ~ INR 130 cr.**
- Significant value creation in less than a year
 - **FY24E EBIDTA margin 35%,**
 - Up from **24% in FY23**
 - And **10% in FY22**
- Financial Discipline – Paid a 1-yr forward **EBIDTA multiple of < 10x** for the acquisition

We are starting to realise that we might be good at turning around under-optimized businesses

EXPECT STRONG CASH GENERATION AND SIGNIFICANT GROWTH AHEAD

- Projected Operating Cashflow during FY24 - FY26 = Rs. 1,800+ crore
- Projected Operating Cashflow during FY24 – FY29 ~ Rs. 6,000+ crore

Vision 2029

**Revenue
INR 5,000
crore**



- **Dossier-Driven Business in**
- **Generic and Specialty Injectables**
- **Focused on RoW Markets**

SWISS PARENTERALS – STRATEGIC ATTRACTIVENESS TO ERIS

STRATEGIC ATTRACTIVENESS TO ERIS

Sterile Injectable Exports to RoW

Swiss derives ~ 100% of its business from the export of Sterile Injectables (SVPs) to 80+ RoW markets in Africa, Asia-Pac, Middle East & LatAm

Platform for an India Sterile Injectables Play

With a strong product portfolio and manufacturing capability, Swiss provides the ideal platform for Eris to launch an India-focused Sterile Injectables business

Manufacturing with marquee regulatory accreditations

Swiss manufactures the widest range of SVPs in its two manufacturing units in Gujarat; these are accredited by ~ 50+ regulatory agencies worldwide including the EU-GMP, Brazilian Anvisa, Mexican Cofepris and Australian TGA

IP-Driven Business Robust pipeline

- Swiss' product range comprises ~ 1000+ active dossiers across 190+ molecules
- Growth pipeline - another 1000+ dossiers across existing and 40+ new molecules

Complex Technologies

15-member R&D team with significant sterile development capability including liposomal, microsphere, oil-based and depot injections

Strong Financials

- FY23 Revenue* INR 280 crore; 37% EBIDTA margin; 25% PAT Margin
- Debt-free and cash accretive business model

ERIS AND SWISS PARENTERALS – NEW GROWTH OPPORTUNITIES AHEAD



Indian Market

Oral Solid Dosages (“OSD”)

- Eris – strong platform as a leading domestic pharmaco
- Present at 8,000+ Mid-sized Hospital OPDs across India

Small Volume Parenterals (“SVP”)

Will leverage (i) Eris platform and (ii) Swiss product range to establish an SVP Branded Formulations business in India

New Addressable Market

Sterile injectables in India is a USD 3.5 billion p.a. market opportunity



RoW Market

Will build an RoW Oral Solid Dose Business by leveraging

- Swiss’ RoW channels
- Eris’ OSD manufacturing
- Eris’ Marketing Expertise

Will invest in expanding Swiss’ (i) Product Range, (ii) Dossier Portfolio and (iii) Market Coverage

RoW Generics presents a USD 120+ bn market opportunity

- Steriles - USD 12+ bn
- Orals - USD 108+ bn

SWISS PARENTERALS MANUFACTURING FOOTPRINT

Unit I



- Liquid Vials & Ampoules
- Lyophilisation
- Pre-filled syringes
- General Dry Powder injections
- Inhalation Anaesthetics
- Sterile Eye/ Ear Drops
- Sterile Eye Ointments

Unit II



- Dedicated blocks for
 - Betalactams
 - Penicillins
 - Cephalosporins
 - Carbapenems
- Additional space available for expansion into betalactam OSD

- Widest range of dosage forms manufactured in small volume parenterals
- Significant installed capacity available – e.g., 100 mn p.a. general vials/ ampoules and 60 mn p.a. for Ceph/ Pens; presently being run as a single-shift operation
- Acquired adjacent plot for construction of Unit-III to augment capacity in niche dosage forms

SWISS PARENTERALS – R&D, REGULATORY AND INTELLECTUAL PROPERTY

R&D Capabilities

- R&D Lab of ~ 2,300 sft. including Formulation Development, Analytical Development and Pilot Plant with state-of-the-art equipment and instrumentation
- Team of 15 R&D professionals with significant experience in sterile dosage forms
- Track record of having developed complex dosage forms including
 - Microsphere/ Liposomal injections
 - Oil-based injections
 - Depot injections

Regulatory Accreditations (Illustrative)



Ideal platform for Eris to leapfrog into (i) Sterile Injectables and (ii) The RoW Markets

Intellectual Property

- Portfolio of 1,000+ active dossiers across 190+ unique molecules in 80+ countries
- Product pipeline encompasses another 1,000+ dossiers across existing and 40+ new molecules including complex dosage forms

ERIS ORAL SOLIDS MANUFACTURING – WILL LEVERAGE TO JUMP-START EXPORTS

Guwahati Unit



- Tablets – 1,440 mn p.a.
- Capsules – 150 mn p.a.
- Softgels – 216 mn p.a.
- Nutritional – 50 mn p.a.

Ahmedabad Unit



- Tablets – 2,160 mn p.a.
- Capsules – 240 mn p.a.
- Ointments – 84 mn p.a.
- Injectables – 36 mn p.a.

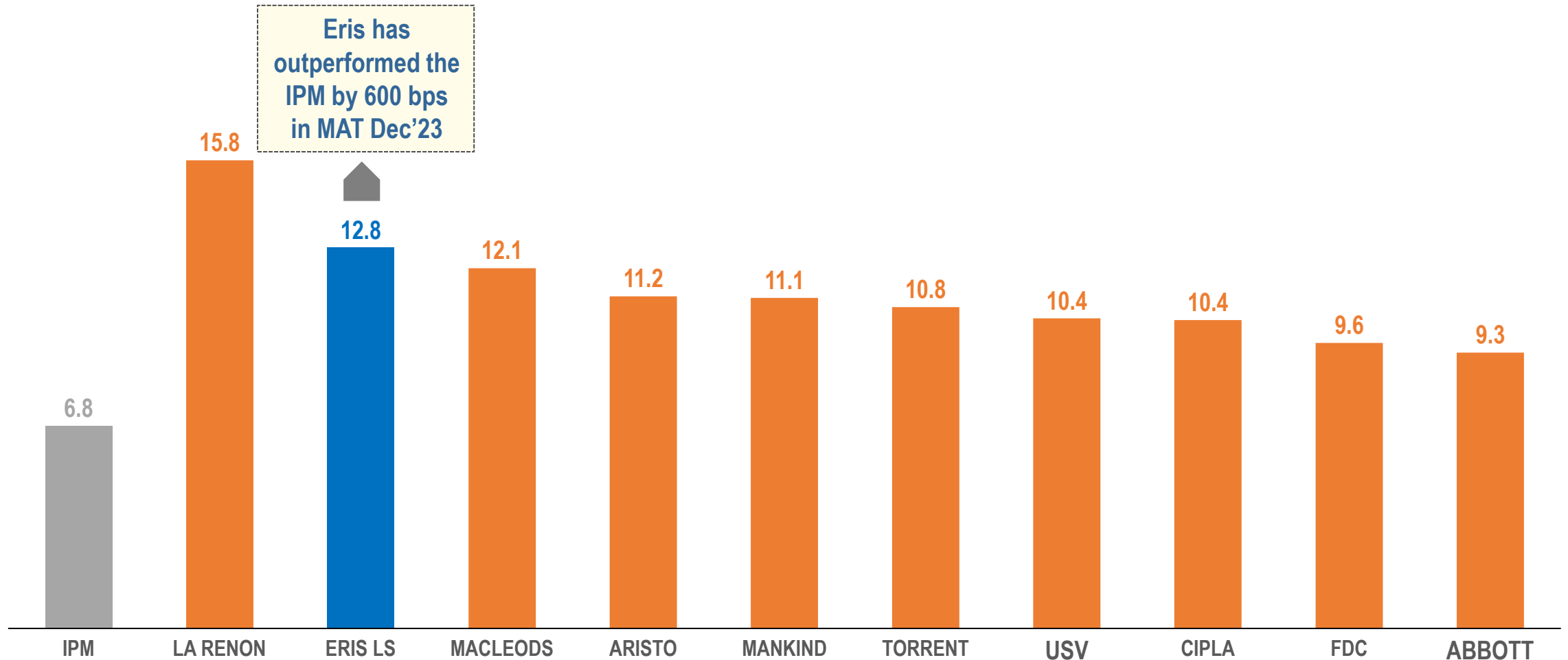
We propose to secure PIC/s approvals for these facilities and jump-start RoW exports by leveraging Swiss' Channel Relationships

← WHO-GMP Compliant →

SWISS PARENTERALS – DEAL CONTOURS

- Swiss Parenterals has been valued at **INR 1,250 crore**, which implies a **11-12x** EBIDTA multiple of FY24E
- Eris has signed a definitive agreement for acquisition of **51%** equity stake in Swiss Parenterals Ltd. (SPL) for a consideration of **INR 637.50 crore**
 - **INR 200 crore** will be paid at Closing
 - The remaining **INR 437.50 crore** will be paid after **12 months** from Closing
- An additional **19%** stake in SPL will be acquired at Closing by the Eris Promoter Group for **INR 237.50 crore** – hence collectively **70%** equity stake to be acquired by Eris and its Promoter Group, thereby **minimizing the additional debt** on Eris Balance Sheet
- The remaining **30%** stake will be held by Naishadh Shah, Director of SPL who will be a **long-term equity partner** in the business and in charge of day-to-day operations and growth
- The Purchase Consideration payable by Eris at Closing (**INR 200 cr.**) will be funded through debt financing
- The transaction is expected to achieve financial closure before **31st March 2024**

ERIS RANKED AMONG THE TOP-10 FASTEST GROWING COMPANIES – DEC MAT'23



Source: AWACS Pharmatrac data for the period MAT DEC'22 – MAT DEC'23

Graph represents the 10 fastest growing peers on a GROWTH basis for the period MAT DEC'22 – MAT DEC'23 from the IPM Top-25 companies

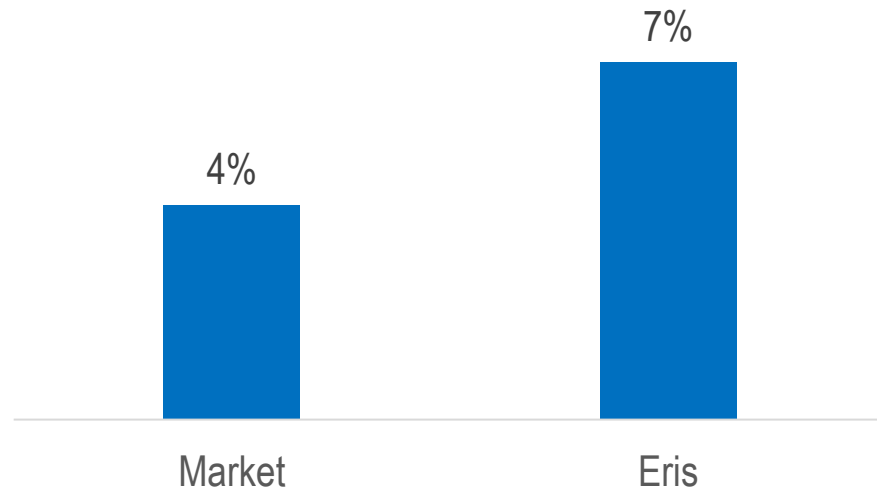
Eris includes Eris + Aprica + Oaknet + Brands acquired from Glenmark, DRL and BIOCON

ERIS - MARKET LEADING GROWTH IN CORE AS WELL AS EMERGING THERAPIES

Core Therapies – 63% of Revenue

Diabetes, Cardiovascular and VMN

Growth in Per Cent (MAT Dec '23)

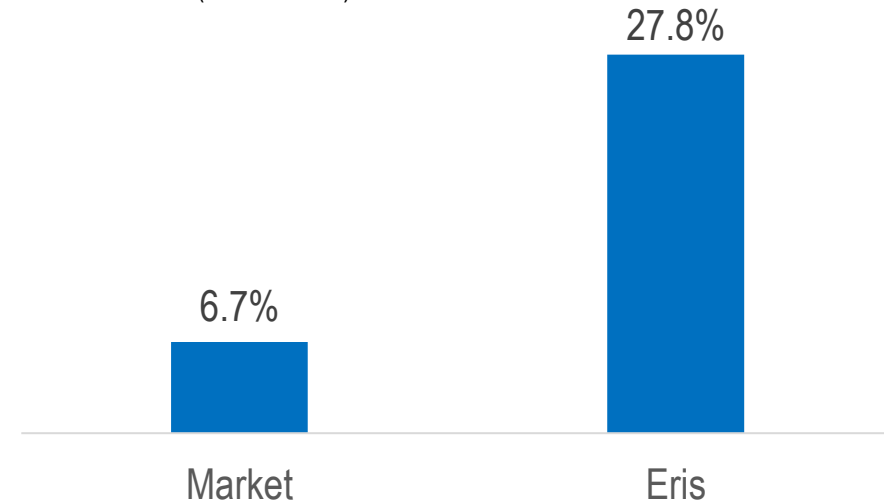


Outperformed in Core Therapies by ~300 bps

Emerging Therapies – 29% of Revenue

Dermatology, CNS, Women's Health & Nephrology

Growth in Per Cent (MAT Dec '23)



Outperformed in Emerging Therapies by ~ 4x

STRATEGIC PRIORITIES FOR FY24 – AN UPDATE AT THE END OF Q3 FY24

Priority articulated at the start of the year

1

- Successful commercialization of our New Product Pipeline

2

- Deepen our presence in Derma/ Cosmetology through new launches

3

- Margin improvement through Derma in-sourcing starting Q4 FY24

4

- Scaling up of our injectable anti-diabetes franchise

Update at the end of Q3 FY24

- First FDCs from own R&D pipeline – Sitagliptin+Gliclazide and Dapagliflozin-Gliclazide - launched in Dec-23
- Strategic launch of new molecule – Empagliflozin + Linagliptin Comb.

- **7** new successful launches YTD
- **4** new launches planned for Q4 FY24

- Commercial production initiated in Dec 2023 ahead of target; expected to ramp-up in the coming months

- Q3 Revenue **Rs. 12+ cr.**; YTD Revenue **Rs. 31+ cr.**; current revenue run-rate **INR 4.8 cr. per month**
- **YPM gain ~ Rs. 1.8 lakh** in FY24; **Q3 YPM ~ Rs. 3.4 lakh**
- Secured DCGI approvals for **Liraglutide** and **Glargine** from MJ's pipeline; lined up for **Q4 launch** with consequent margin improvement

TWO R&D PRODUCTS APPROVED FOR LAUNCH; PIPELINE EXPANDED TO 26 CANDIDATES

Candidates/ Therapy	Development Status	Commercialisation
2 FDCs in Oral Anti-diabetes	Approved by DCGI	Q3 of FY24
2 FDCs in Cardiovascular Disease	Clinical Trials	Q1 of FY25
4 FDCs in Diabetes Disease	Clinical Trials (BE)	Q2 of FY25
1 FDC in Diabetes Disease	Clinical Trials	Q3 of FY25
1 FDC CKD related complication	Clinical Trials	Q4 of FY25
4 FDCs in CKD Gastro-intestinal 2 FDCs in Gynecology 1 FDC in Cardiovascular Disease	Development	FY25
2 New Drugs* in Gastro-intestinal 2 New Drugs* in Neurology 1 New Drug* in CVD Disease 1 New Drug* in Oncology 1 New Drug* in CKD 1 New Drug* in Ortho 1 New Drug* in Pain Management	Development	FY25

Launched in Q3:

- Gliclazide-Dapagliflozin
- Gliclazide-Sitagliptin

Active pipeline of 26 products

- FDCs #17
- New Drugs* #9

* These drugs are commercially approved in the US; we are developing these for the Indian market

THREE MORE MOTHER BRANDS GEARING UP TO JOIN OUR 100 CRORE CLUB SOON

EXISTING 100 CR. CLUB

GlimiSave Rs. 299 cr.

Eritel Rs. 171 cr.

ReNerve Rs. 157 cr.

Zomelis Rs. 107 cr.

WILL ENTER THE 100 CR. CLUB SOON...

Driven by **successful new introductions**
and line extensions,
Tayo, Gluxit and Remylin
Demonstrate significant growth *

Tayo Rs. 66 cr to Rs. 80 cr
(Q3 growth 45%)

Gluxit Rs. 55 cr to Rs. 75 cr
(Q3 growth 21%)

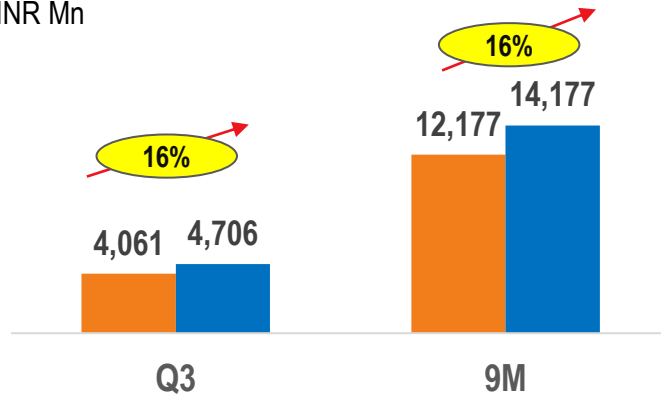
Remylin Rs. 49 cr to Rs. 67 cr
(Q3 growth 51%)

BRANDED FORMULATIONS BUSINESS HIGHLIGHTS – Q3 AND 9M FY24

FY23 FY24

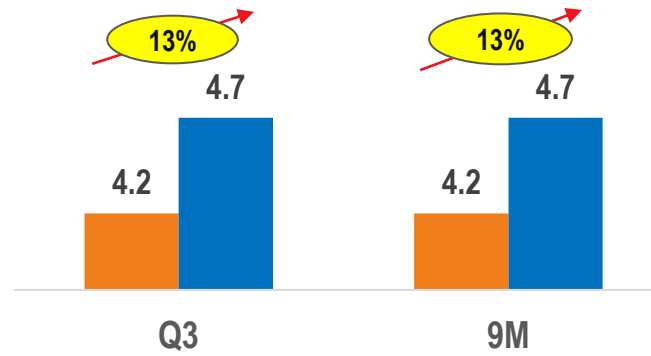
Branded Formulations Revenue

INR Mn



Branded Formulations YPM

INR lakh p.m.

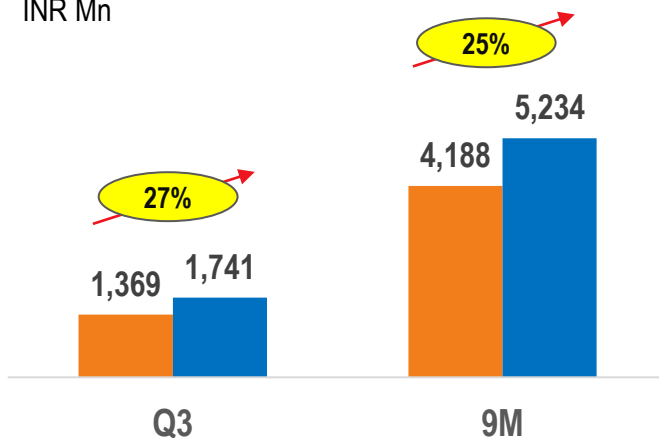


Branded Formulation Highlights - H1 FY24

- **16%** revenue growth in Branded Formulations - **97%** of total revenue - includes Eris Lifesciences, Eris Therapeutics (Gujarat facility), Oaknet and Eris MJ (Insulin); excludes EHPL
- **9M YPM** of Rs. 4.7 lakh – up **13%** yoy
- **Q3 Gross Margin 83%**; up by **187 bps** yoy; growth of **19%** yoy
- **Q3 EBIDTA margin 37%** - up **328 bps** yoy growth of **27%** yoy
- **9M Insulin sales** increases to **Rs. 31 cr.**; Latest monthly run-rate **INR 4.8 cr.**

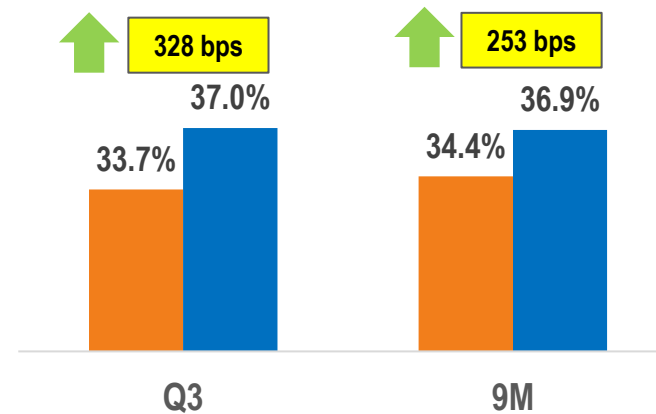
Branded Formulations EBIDTA

INR Mn



EBIDTA Margin

Per Cent



CONSOLIDATED INCOME STATEMENT – Q3 AND 9M FY24

Consolidated INR Millions	Q3 FY 24	Q3 FY 23	Q3 FY 24 yoy Gr %	9M FY 24	9M FY 23	9M FY 24 yoy Gr %
Sale of Products	4,835	4,178	15.7%	14,440	12,652	14.1%
Other Operating Income	28	54	-48.0%	142	171	-17.2%
Revenue from Operations	4,863	4,233	14.9%	14,582	12,824	13.7%
Gross Profit	3,974	3,345	18.8%	11,964	10,028	19.3%
Gross Profit Margin	81.7%	79.0%		82.0%	78.2%	
Employee Cost	987	870	13.4%	3,013	2,603	15.7%
as % of Revenue	20.3%	20.6%		20.7%	20.3%	
Other Expenses	1,232	1,103	11.8%	3,686	3,246	13.6%
as % of Revenue	25.3%	26.1%		25.3%	25.3%	
EBITDA	1,755	1,372	27.9%	5,264	4,179	26.0%
EBITDA Margin	36.1%	32.4%		36.1%	32.6%	
Depreciation	457	299	52.9%	1,287	820	57.0%
Finance Cost	181	30	503.5%	518	173	199.2%
Other Income	42	22	87.6%	87	101	-14.6%
PBT	1,159	1,065	8.8%	3,546	3,287	7.9%
PBT Margin	23.8%	25.2%		24.3%	25.6%	
Taxes	144	63	128.5%	372	161	131.5%
Net Profit	1,015	1,002	1.2%	3,174	3,127	1.5%
Net Profit Margin	20.9%	23.7%		21.8%	24.4%	

- Q3 FY24 operating **revenue** up by **15%** to INR **4,863 million**; YTD operating revenue up by **14%** to INR **14,582 million**
- **Gross Profit** margin up by **270 bps** in Q3 and **385 bps** in 9M; yoy growth **19%** in Q3 and YTD
- EBIDTA ~ INR **1,755 mn** in Q3 with **36%** margin; yoy growth **28%** in Q3 and **26%** YTD
- Operating **Cashflow** ~ **69%** of EBIDTA for Q3 and **73%** of EBIDTA for YTD
- PAT ~ INR **1,015 mn** in Q3 and **INR 3,174 mn** in 9M – reflects impact of FY23 acquisitions
- **YTD Cash EPS** ~ **INR 30** – yoy growth **9%**
- **Net Debt** as on 31st Dec = **INR 8,866 mn**

KEY GROWTH DRIVERS FOR FY 24 – FY 26

1 Growth in Base Business

- Our **Top-20** power brands account for **66%** of our revenues and have grown at **9%** in **MAT Dec'23** **14** out of these brands are ranked among the **Top-5** in their respective segments. We have
 - **4** brands with revenues of Rs. **100+ crore** each
 - **5** brands with revenues of Rs. **70-100 crore** each, and
 - **4** brands with revenues of Rs. **50-70 crore** each
- We expect this portfolio to continue growing well in the coming years along with the generation of **high margins** and **strong cashflows** for investment

2 New product pipeline

- We have **demonstrated our credentials** in being able to secure **market-leading** positions in **patent expiry** opportunities through our brands **Zomelis, Gluxit, Glura, Zayo, Raricap FCM** etc.; we expect to continue leveraging more such opportunities over the **next 2-3 years**
- We have expanded our **own R&D pipeline** to **26 candidates** including several first-in-market FDCs for the Indian market
- We plan to launch **Glargine** and **Liraglutide** from MJ's pipeline in **Q4 FY24**
- We will drive new product launches in **Paediatric Dermatology** and **Cosmetology**

KEY GROWTH DRIVERS FOR FY 24 – FY 26 (Contd..)

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

- **Core Therapies** (Diabetes, CVD & VMN) contribution reduced from **76%** to **63%** of revenue; growth of **7%** vs. **4%** CVM growth – MAT Dec'23
- **Four emerging therapies** (Derma, CNS, Women's Health & Nephro) now account for ~ **30%** of Branded Formulations revenue; growth ~ **28%** vs. **7%** CVM growth - MAT Dec '23

5 Inorganic opportunities

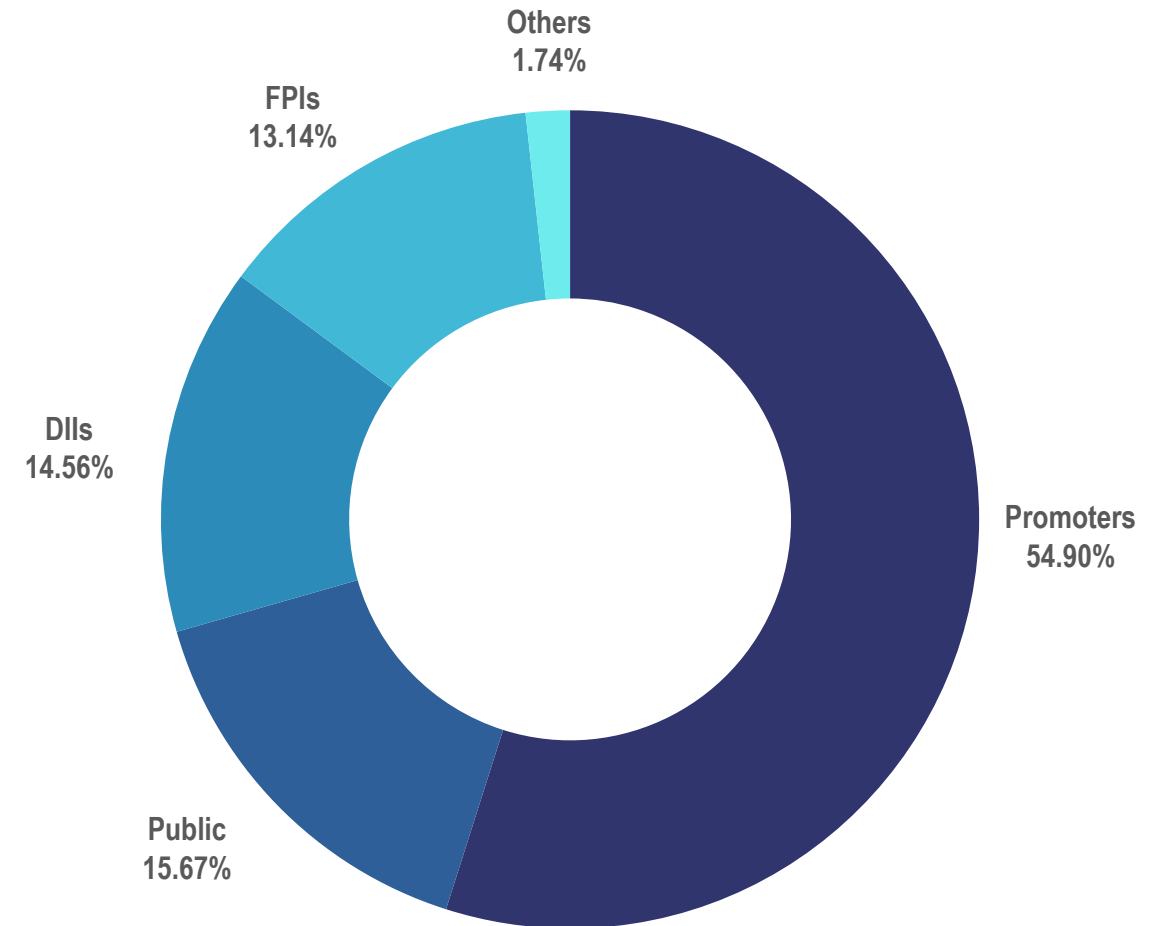
- FY23 Derma deals - EBIDTA margin expansion from **10% in FY22 to 24% in FY23 to 35% in FY24E**; effective acquisition multiple of **< 10X** one-year forward EBIDTA
- Entered the **Nephrology** and Psoriasis segments with the Biocon business buy in Nov '23
- Strategic entry into **Sterile Injectables** and the **RoW** markets through a 51% acquisition in **Swiss Parenterals** in Feb 2024

FY24 Guidance: Revenue INR 2,000 crore, EBIDTA INR 700 crore, PAT INR 410 crore

SHAREHOLDER PROFILE

Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder		As on	As on	As on
		31-Dec-23	30-Sep-23	30-Jun-23
		910*	876*	*699
Promoters		54.90%	54.91%	52.86%
1	Chrys Capital (Emerald Investment Limited)	7.58%	7.58%	7.58%
2	HDFC Mutual Fund	5.39%	4.57%	0.00%
3	UTI Mutual Fund	3.94%	4.74%	5.92%
4	Franklin Templeton Mutual Fund	1.47%	1.47%	1.26%
5	Aditya Birla Sun Life Mutual Fund	1.33%	1.38%	1.47%
6	Plutus Wealth Management LLP	1.10%	1.10%	0.00%
7	Kuwait Investment Authority Fund	1.03%	1.10%	1.47%
8	UTI Funds – FII	0.88%	0.93%	1.20%
9	Ellipsis Partners LLC	0.79%	0.79%	0.79%
10	HSBC Mutual Fund	0.71%	0.71%	0.88%
11	Steinberg India Fund	0.54%	0.54%	0.54%
12	Tata Mutual Fund	0.38%	0.38%	0.38%
13	Bank of India Mutual Fund	0.34%	0.26%	0.00%
14	New Mark Capital India Fund	0.31%	0.31%	0.31%
15	Blackrock Funds	0.31%	0.29%	0.27%



*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
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