



EY Entrepreneur of the year-2013



FROST & SULLIVAN Best Practices-2013



Business today/YES bank Excellence Awards-2013



**Date: 30<sup>th</sup> October, 2021**

<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: CORPORATE PRESENTATION**

Dear Sir/Madam,

Pursuant to the requirement of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached corporate presentation made by the Company.

Thanking you.

**For Eris Lifesciences Limited**

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

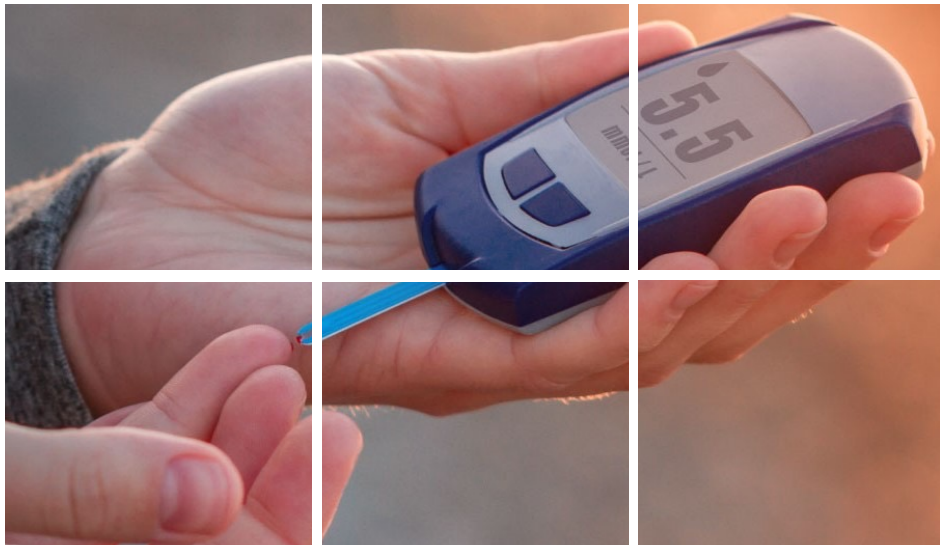
**Encl.:a/a**

**Registered & Corporate Office:**

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CIN: L24232GJ2007PLC049867



# Eris Lifesciences

## Corporate Presentation

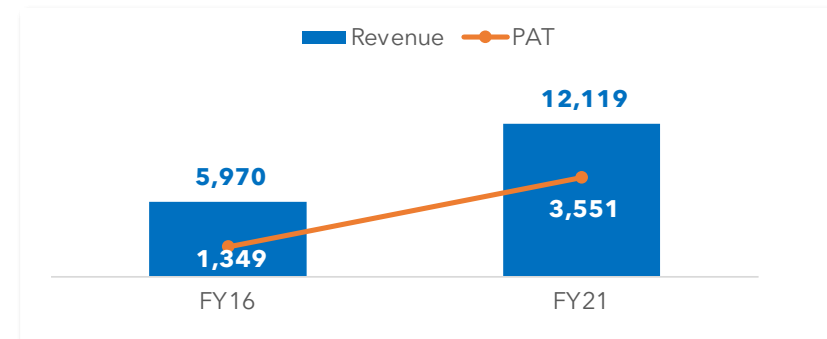
November 2021

# Business Highlights

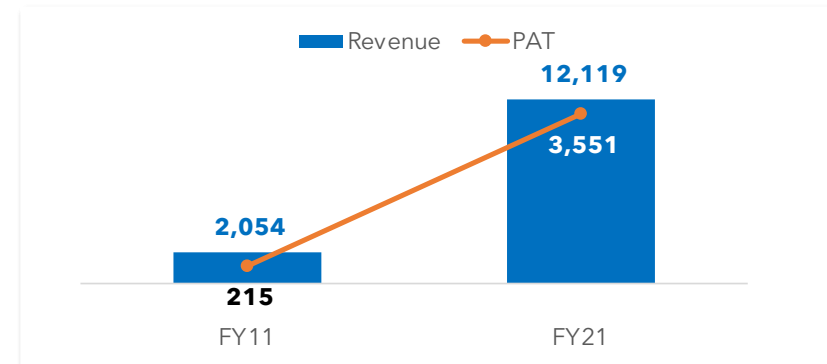


- Only **Indian listed** pharmano with a **pure-play Domestic Branded** Formulations model
- **Youngest** among India's **Top-25** domestic branded formulation pharmanos
- **Chronic** and **Sub-Chronic** therapies account for **92%** of business
- **Focused** portfolio with **Top 15 Mother Brands** accounting for **~75%** of revenue
- **Nine** out of Top-15 mother brands are ranked among the **Top-5** in respective segments
- **High prescription ranks** with super-specialists and high-end consulting physicians
- **NLEM** Exposure **~7%** (lowest among Top-25\* domestic branded pharmanos)
- **Fully integrated** business model; over **81%** of products sold are **manufactured in-house**
- **Pan-India sales and distribution** presence

## Revenues up 2x and PAT up 2.6x in last 5 years



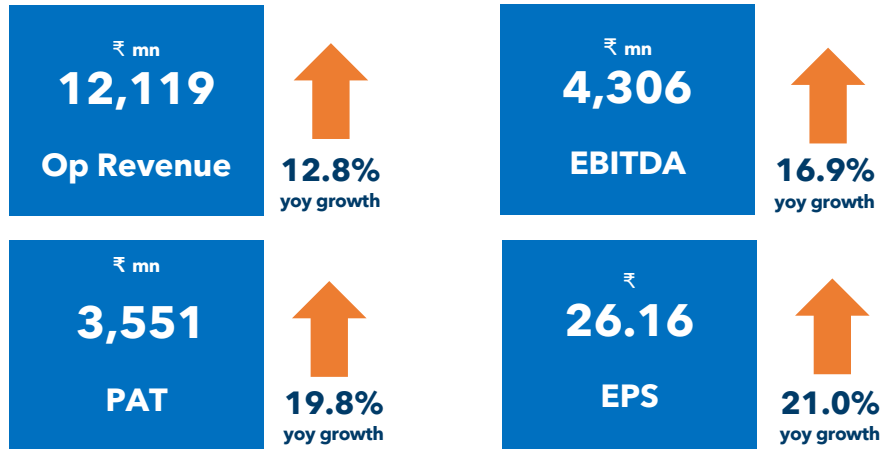
## Revenues up 6x and PAT up 17x in last 10 years



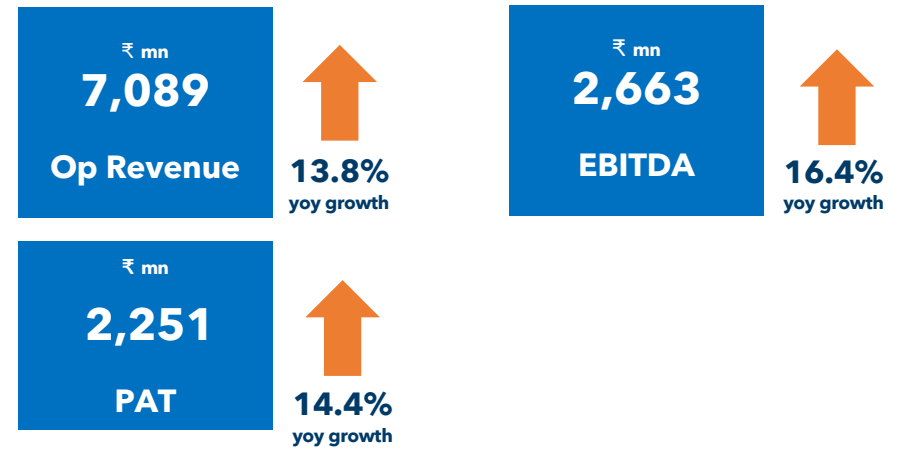
# Financial Snapshot



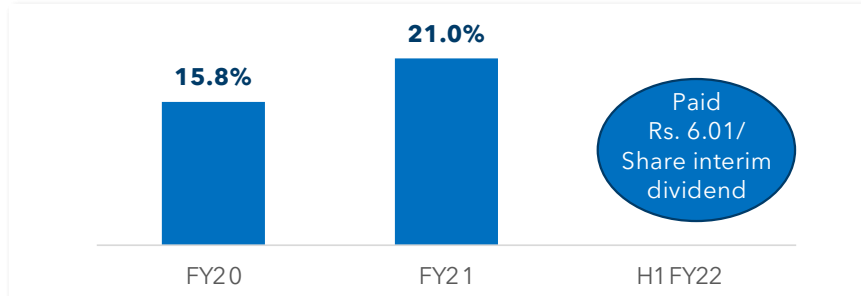
## FY 21



## H1 FY 22

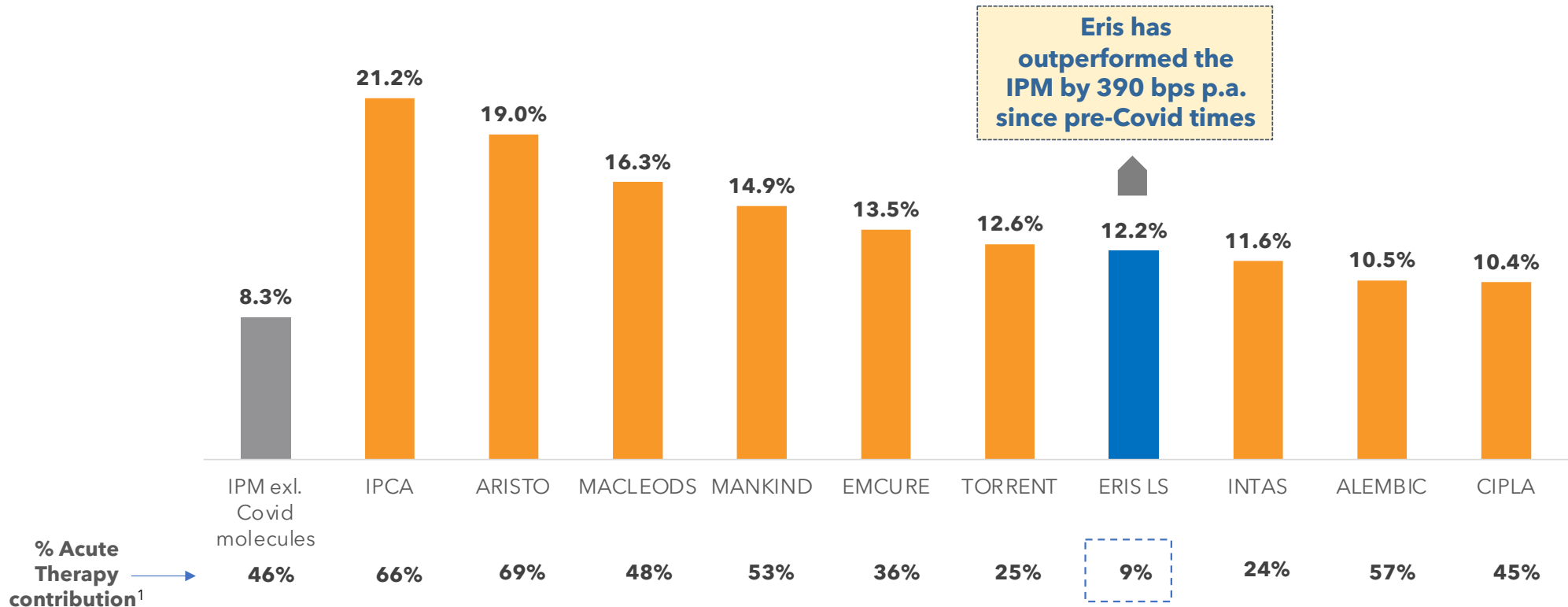


## Dividends as % of net profits



- **Net Debt free** since inception
- Maintained **ROIC at >= 30%** over **last 12 years**
- Among the highest **cash generating** cos in the industry; **operating cash flow** stood at **81%** of EBITDA in FY21
- Will endeavour to maintain a minimum **20%** DPR

# Eris has Maintained Market-Leading Growth from Pre-Covid Levels



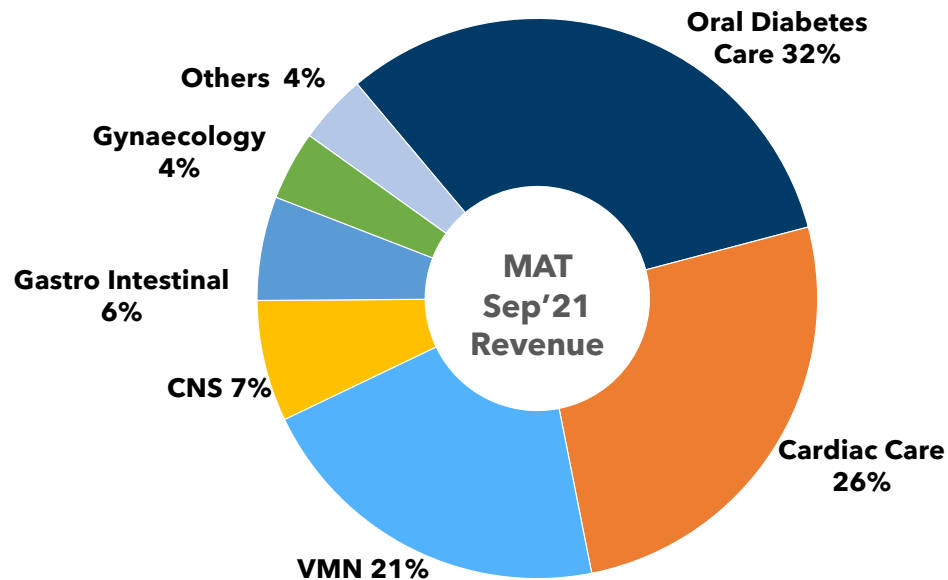
**Eris continues to be the only company in the Top-10 companies (by growth) with a single-digit contribution from Acute therapies**

Source: AIOCD Pharmatrac data for the period Sep'19 - Sep'21  
 \*excluding Favipiravir and Remdesivir, <sup>1</sup> Acute contribution based on MAT Sep 21 Sales  
 Graph represents the 10 fastest growing peers for Sep'19 - Sep'21 from the IPM Top-25 companies (Exc. Himalaya)

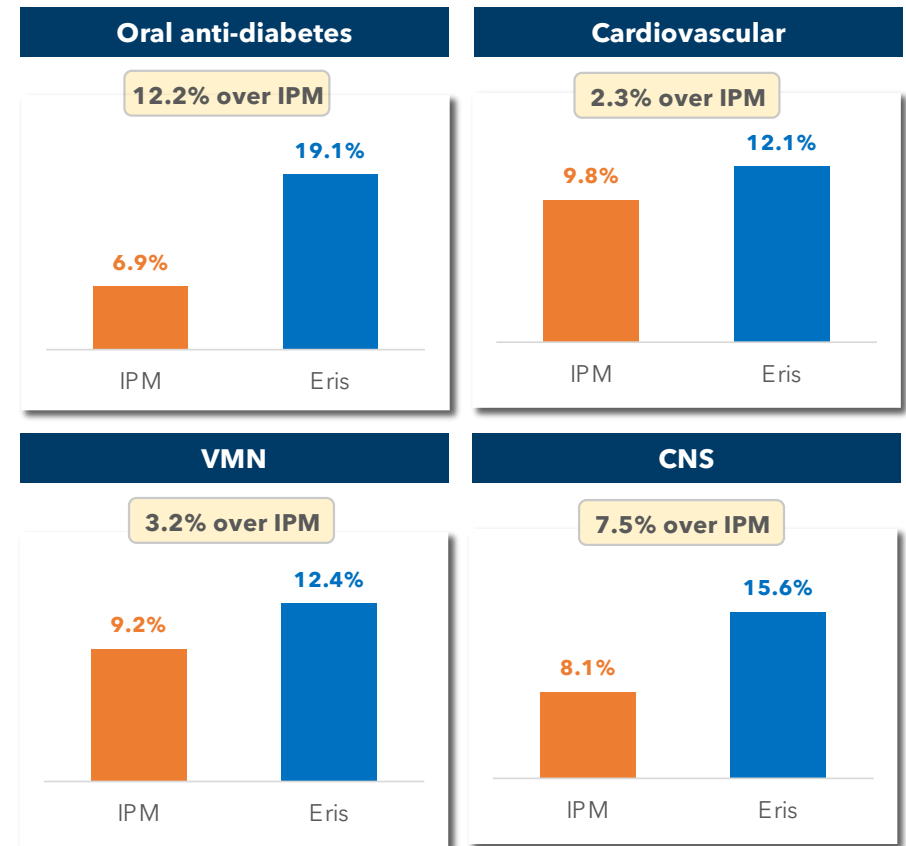
# Chronic and Sub-Chronic focus with outperformance in Core Areas



- An India-focused branded formulations business with **92%** revenues from **Chronic and Sub-chronic therapies**, primarily **Oral Diabetes Care, Cardiac Care and VMN**
- **9 of our Top-15** mother brands are **ranked** among the **Top-5** in their respective categories
- Focused on **super-specialists** and **consulting physicians**



## Outperformance in Core therapies from Pre-Covid levels

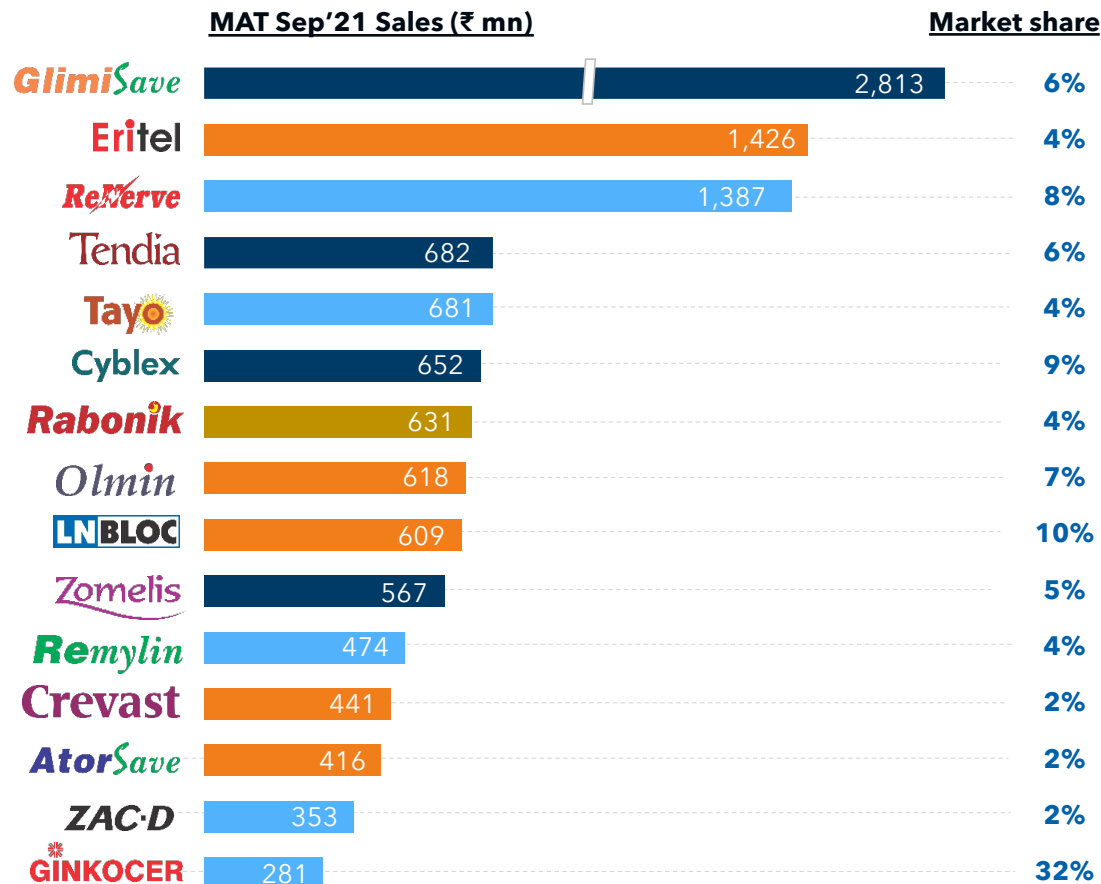


Source: AIOCD MAT Sep'21 AIOCD Pharmatrac data for the period Sep'19 - Sep'21

# Top-15 Power Brands Portfolio Contributes ~ 75% of Revenue



## Our Top 15 Mother Brands contribute ~ 75% of our revenue



## Blockbuster additions to power brand portfolio in the last two years

### Zomelis

- Crossed **INR 54+ crore** of annual revenue
- **Rank #1** among 95+ Gx brands of Vildagliptin
- Monthly **sales run-rate** scaled up **6x** (to Rs. **6 crore pm**) in less than 2 years since acquisition

### Gluxit

- Crossed **INR 25+ crore** revenue in **first** year of launch (Launched in Oct 2020)
- **Rank #1** among 60+ Gx brands of Dapagliflozin
- Monthly **sales run-rate** scaled up **4x** (to Rs. **3 crore pm**) in one year since launch

### ZAC-D

- **Convenient combination** of Zinc, Vit-A, Vit-C and Vit-D targeted at boosting **immunity**
- Crossed **INR 27+ crore** of annual revenue in 13 months from launch

# Eris Enjoys High Prescription Ranks among Super-Specialists



## Eris Prescription Ranks\* among leading Doctor Specialties



**DIABETOLOGISTS**



**CARDIOLOGISTS**



**NEUROLOGISTS**



**GASTROENTEROLOGISTS**



**CONSULTING  
PHYSICIANS**



# Eris Enjoys a Strong Position in the ~ INR 9,000 Crore Oral Anti-Diabetes Market



## Eris ranks in Oral Anti-Diabetes therapy

By Revenue\*



Total # Rx\*\*



Rx Productivity\*\*



## Growth of Eris market share in Oral Anti-Diabetes\*

4.0%

FY16

5.3%

FY21

5.6%

H1FY22

Eris has built a full-service presence in Oral Anti-Diabetes therapy with high market ranks in latest generation molecules (DPP4 and SGLT2 inhibitors)

### Sulfonylureas

*GlimiSave* ..... Rank 6

*GlimiSave MV* ..... Rank 2

*Cyblex* ..... Rank 5

*Cyblex MV* ..... Rank 1

### DPP4 Inhibitors

*Zomelis* ..... Rank 1 among Gx

*Tendia* ..... Rank 5

*Zomelis SG* ..... Rank 2

### SGLT 2 Inhibitors

*Gluxit* ..... Rank 1 among Gx

# Eris Continues to Create Value from Acquisitions



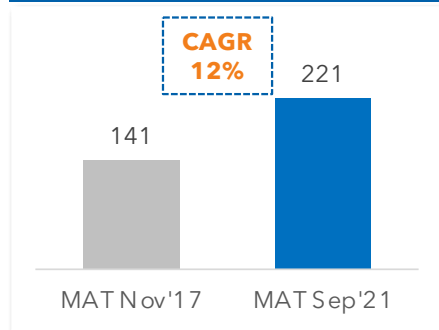
## Indian Branded Formulation Business of Strides Shasun (2017)

- Discontinued tail-end brands; focused attention on Top-5 brands in the portfolio (Renerve, Raricap, Ginkocer, Serlift & Desval)
- Optimized field force; ramped up field force productivity by ~ 2.5x in 3 years
- In-sourced manufacturing of key products to Guwahati facility - reducing portfolio COGS from 35% to 22%

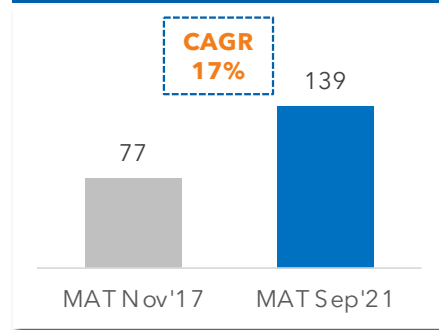
## Zomelis (2019)

- Consistently ranked #1 among all (95+) Gx versions of Vildagliptin; #3 including innovator brands
- 6x growth in monthly sales run rate since acquisition
- Exit market shares of ~ 10% (in Gx) and 5.6% (overall molecule) in September 2021
- Reduced Zomelis COGS by 500+ bps since acquisition, by insourcing manufacturing to Guwahati facility

### Top-5 brands revenue growth (₹ cr)

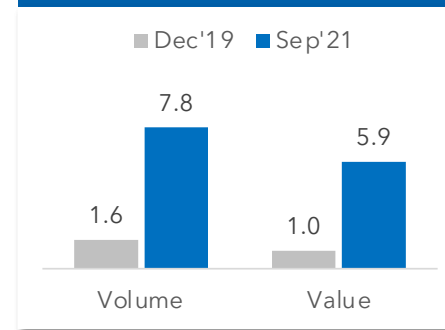


### Renerve revenue growth (₹ cr)



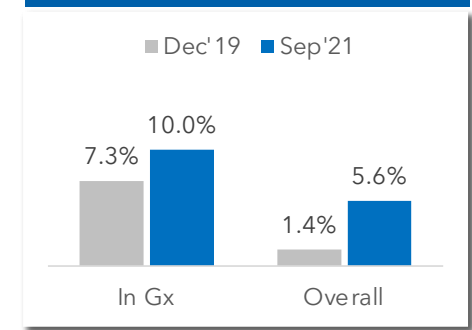
After absorbing a 7% degrowth on account of GST implementation

### Zomelis monthly sales run-rate



Zomelis Sales volume in mn tabs, sales value in ₹ Cr., market share by value

### Zomelis market share (%)



# Three Pillars of Our Market Engagement



The core focus of our market engagement is to enable clinicians to **improve clinical outcomes in patients** through timely and precision diagnosis and treatment

1

Dissemination of latest **scientific knowledge** through CMEs and Webinars

2

Generation of **actionable scientific evidence** through India-centric studies

3

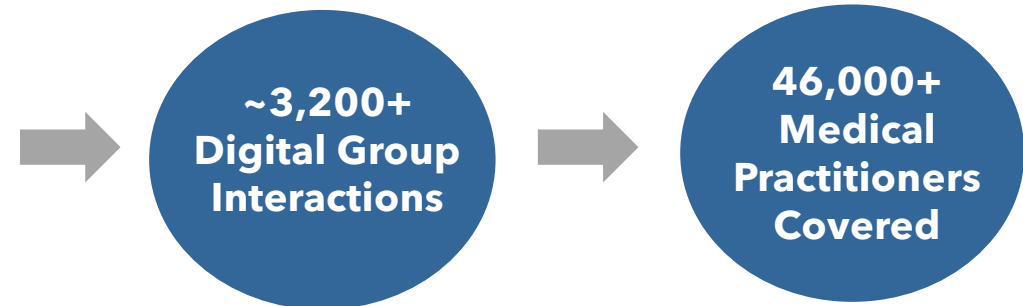
Patient Care initiatives for precision **diagnosis & treatment**

# 1. Leading the Digital Dissemination of Scientific Knowledge since the Start of the Pandemic



- As a prominent stakeholder in the enhancement of scientific knowledge, Eris has conducted ~**3,200+** digital (group) interactions since the start of the pandemic covering **46,000+** doctors
- Discussion topics included developments in the **cardio-metabolic** segment, impact of **Covid** on heart health and metabolic disease, **epilepsy, anaemia, gastroenterology** and **overall immunity**
- Conducted seamlessly on **digital platforms, adapting** quickly to the demands of the situation

Topics of Discussion	#Digital Meetings	#Attendees
Dapagliflozin and Diabetes Care	853	9,164
Dapagliflozin and Heart Failure	115	9,344
Vildagliptin and Glycemic Variability	419	6,007
Immuno-Metabolism- the new paradigm in metabolic practice	157	1,297
Diabetes Prime Time	49	484
Brivaracetam and Epilepsy management	102	1,435
Psychiatry Expert Committee	31	325
Unmet needs in Iron Deficiency (Anaemia)	320	2,499
Pedia Expert	97	420
The Big Clinical Challenge - Building Immunity	102	1,937
Covid 19 and Gastroenterology	225	2,200



Eris is supporting a **first-of-its-kind initiative** called the **Metabolic Roadinar** featuring 18 well-known **Endocrinologists** and **Diabetologists** across the country over 9 episodes, discussing topics related to cardio-metabolic health

## 2. Pioneering India-Centric Studies to Generate Actionable Scientific Evidence - The India Heart Study



### IHS Methodology

The investigators examined the blood pressure of **18,918** participants with the help of 1,233 doctors



**62.7%**  
Male



**37.3%**  
Female

across **15** states  
over a period of **9** months.



### IHS Revealed

**42%** of the participants were misdiagnosed and were unaware of their actual health status



**42% misdiagnosis** - **23.7%** of the respondents had **white-coat hypertension** and **18%** of the respondents had **masked hypertension**



Indians have a higher average resting heart rate of **80 beats per minute**, higher than the desired rate of 72 beats per minute.



### Expert Speak

**White-coat hypertensives** get misdiagnosed as hypertensive and put on anti-hypertensives medication, which increases the risk of hypotension (low blood pressure, less than SBP 90/60 DBP) in such persons.

On the other hand, a **masked hypertensive** may go undiagnosed, running the risk of complications to the heart, kidney, and brain, leading to premature mortality.

- Dr. Willem Verberk, PhD.

The study was accepted and published in the

Journal of  
**Hypertension**

the official journal of



International  
Society of  
Hypertension

&



European  
Society of  
Hypertension

# 3. Patient Care - Driving Precision Diagnosis and Better Disease Management



- Our **Patient Care Initiatives (PCI) platform** enables us to bring **cutting-edge healthcare solutions** to our patients through the involvement and cooperation of **Key Opinion Leaders** in our specialty businesses
- Initiatives focused on bringing **state-of-the-art diagnostic facilities** and **subsequent treatment options**
- Helped **tens of thousands of patients** towards healthier lives through initiatives such as the **ABPM, HBPM, CGM, Sleep Studies, and Holter on Call**
- Took our Patient Care programme to newer highs after the pandemic, in terms of increased screenings and involvement of thousands of medical practitioners especially in **Diabetes**

# Our Manufacturing Infrastructure



WHO-GMP manufacturing facility in Guwahati, Assam

100,000 Built-up area (sq. ft)

345+ Products manufactured

74% of revenue (in FY21) and 81% of revenue (in H1 FY22) from products manufactured at The Guwahati facility

## Capacity utilization for Prescription Products

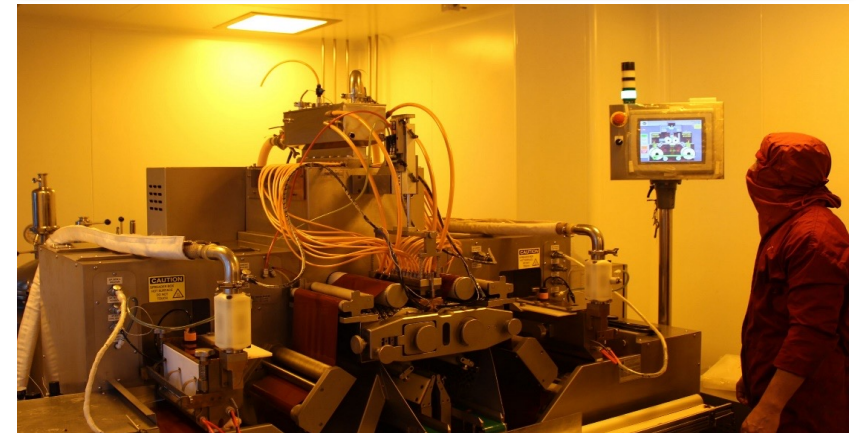
Products	Capacity* (in Mn units)	Output** (in Mn units)	Capacity Utilisation
Tablets	2000	1130	57%
Capsules	200	80	40%
Sachets	40	1	3%
Soft Gel Tablets	50	47	94%

## Capacity utilization for Supplements and Nutraceuticals

Products	Capacity* (in Mn units)	Output** (in Mn units)	Capacity Utilisation
Tablets	66	7	11%
Capsules	46	21	46%
Sachets	2	0	0%

**The Guwahati facility enjoys Income tax exemption till FY 24 and GST subsidies till FY 25**

## WHO GMP facility in Guwahati, Assam



## Greenfield facility coming up in Gujarat (FY23)

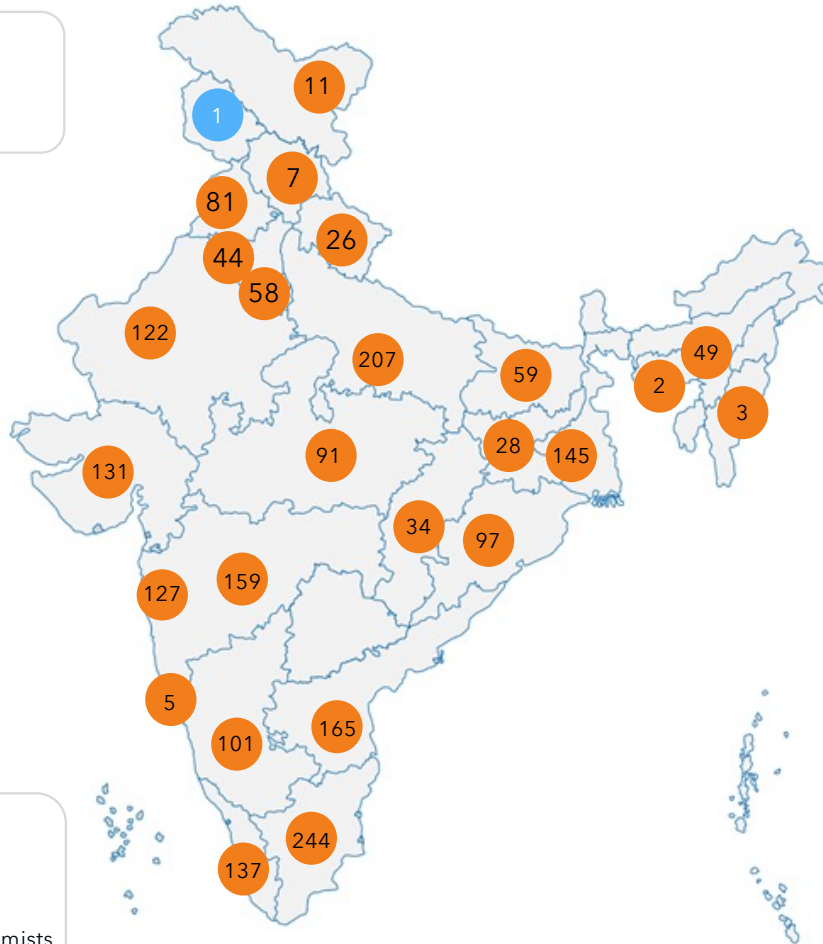
- Planning to commission before the end of FY23 in Gujarat; footprint 10-12x of that of Guwahati facility
- To consist of Oral Solid Dose, Sterile Injectables, Oral Liquids and a Pharma R&D Block
- Phase-I capex estimated at Rs 120-130 cr of which Rs 90-100 cr will be deployed in FY22

\*Installed capacity based on two shifts per day | \*\*For the year ended 31<sup>st</sup> Mar'21

# Pan-India Sales Presence and Distribution Network

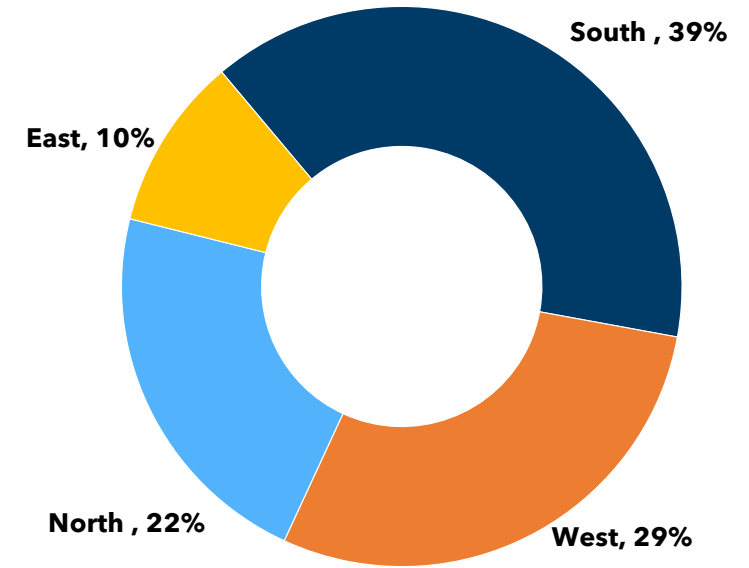


- Stockists
- Super Stockists



- 2** Central Warehouses
- 23** Sales Depots
- 2,133** Stockists
- 5,00,000+** Retail Chemists

**Region-wise sales distribution (H1 FY22)**





# Board of Directors



**Amit Bakshi**

**Chairman and  
Managing Director**



**Krishnakumar V**

**Executive Director &  
Chief Operating Officer**



**Inderjit Singh Negi**

**Executive Director**



**Kaushal Shah**

**Executive Director**



**Rajeev Dalal**

**Independent Director**



**Vijaya Sampath**

**Independent Director**



**Prashant Gupta**

**Independent Director**



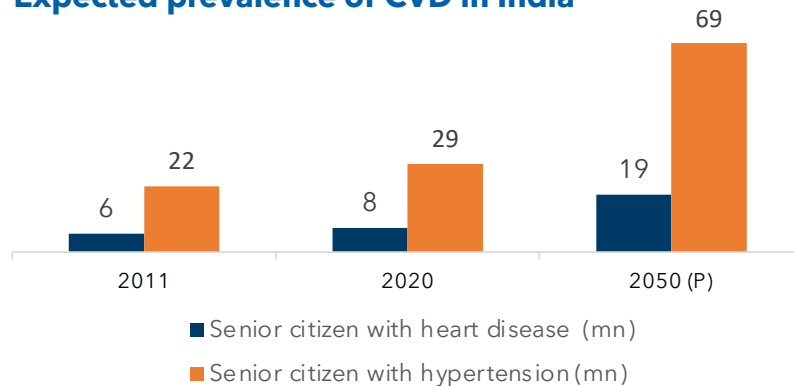
**Kalpana Unadkat**

**Independent Director**

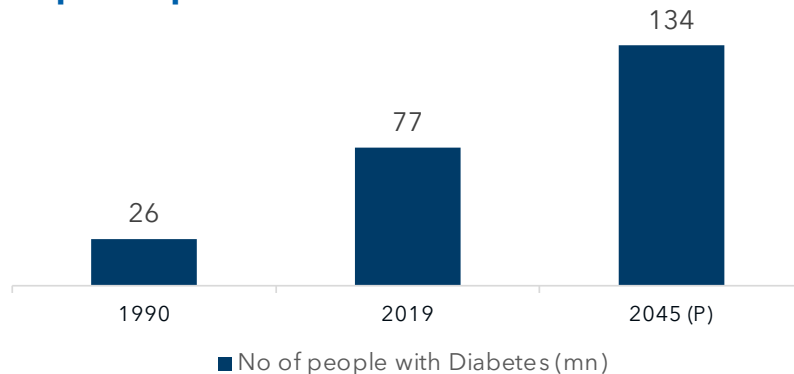
- Eight-member Board of Directors, comprising of four Executive Directors and four Independent Directors, including two women directors
- We place significant emphasis on corporate governance, consistently striving to adopt best-in-class governance practices

# Lifestyle Diseases Uptrend - A Large Market Opportunity

### Expected prevalence of CVD in India



### Expected prevalence of Diabetes in India



- Significant increase in prevalence of non-communicable diseases (NCDs) in India; **share of heart disease** and **metabolic disorders** projected to **expand** in the years to come
- India is called the **“Diabetes capital of the world”** - **77 mn prevalent cases and projected at 134 mn by 2045** - not including the incidence of Covid-triggered Diabetes
- The Average **onset age** for **Diabetes** in India is **41** years - likely to be **preponed by a few years** due to use of **steroids in COVID** management
- Significant expansion projected in Diabetes patient pool on account of Covid; studies underway to determine impact of Covid on insulin-producing beta cells in the pancreas
- Prevalence of cardiac diseases projected to increase from **37 mn** cases in 2020 to **88 mn** cases by 2050

## Hence the Enduring Pillars of Our Business Strategy



**DOMESTIC  
BRANDED  
FORMULATIONS**

**CHRONIC AND  
SUB-CHRONIC  
THERAPIES**

**SPECIALISTS AND  
CONSULTING  
PHYSICIANS**

## Key Growth Drivers (1/2)



1

### Expansion of power-brands' franchise

- Our **business model of building strong and sustainable brands** has enabled us to maintain our growth trajectory during pandemic periods (Wave 1 as well as Wave 2) when MR-Doctor interactions were severely constrained
- There has been a clear shift in prescriber preference towards established brands; this bodes well for us with **9 of our Top-15 mother brands** being **ranked among the Top-5** in their respective categories
- We have started taking the lead in the detection and management of post-Covid early-onset Diabetes ("**unmasking of Diabetes**") through a significant ramp-up in our Patient Care Initiatives involving CGM and HbA1C camps

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** in the cardio-metabolic space to gain significant leverage from these expirations; our **successes in Zomelis and Gluxit** bear testimony in this regard
- Of the **10** new product launches planned for FY22, we have launched **4** products in the first half of the year; we have more launches planned in H2 in the areas of Cardio-metabolic, Wellness and Women's Health

## Key Growth Drivers (2/2)



3

### Expansion of physician coverage

- We are working on significantly expanding our coverage of **Specialists and Consulting Physicians** over the next 5 years

4

### Therapeutic diversification

- We are investing in **diversification opportunities** in high-growth areas like **neurology, women's health and dermatology**

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

**Expect to organically deliver 15% growth in FY22**

## Safe Harbour 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 materialise, 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.



## **Eris Lifesciences Ltd.**

### **CORPORATE OFFICE:**

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100 Feet Rd, Satelite, Prahlad Nagar,  
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CIN: L24232GJ2007PLC049867

Website : [www.eris.co.in](http://www.eris.co.in)

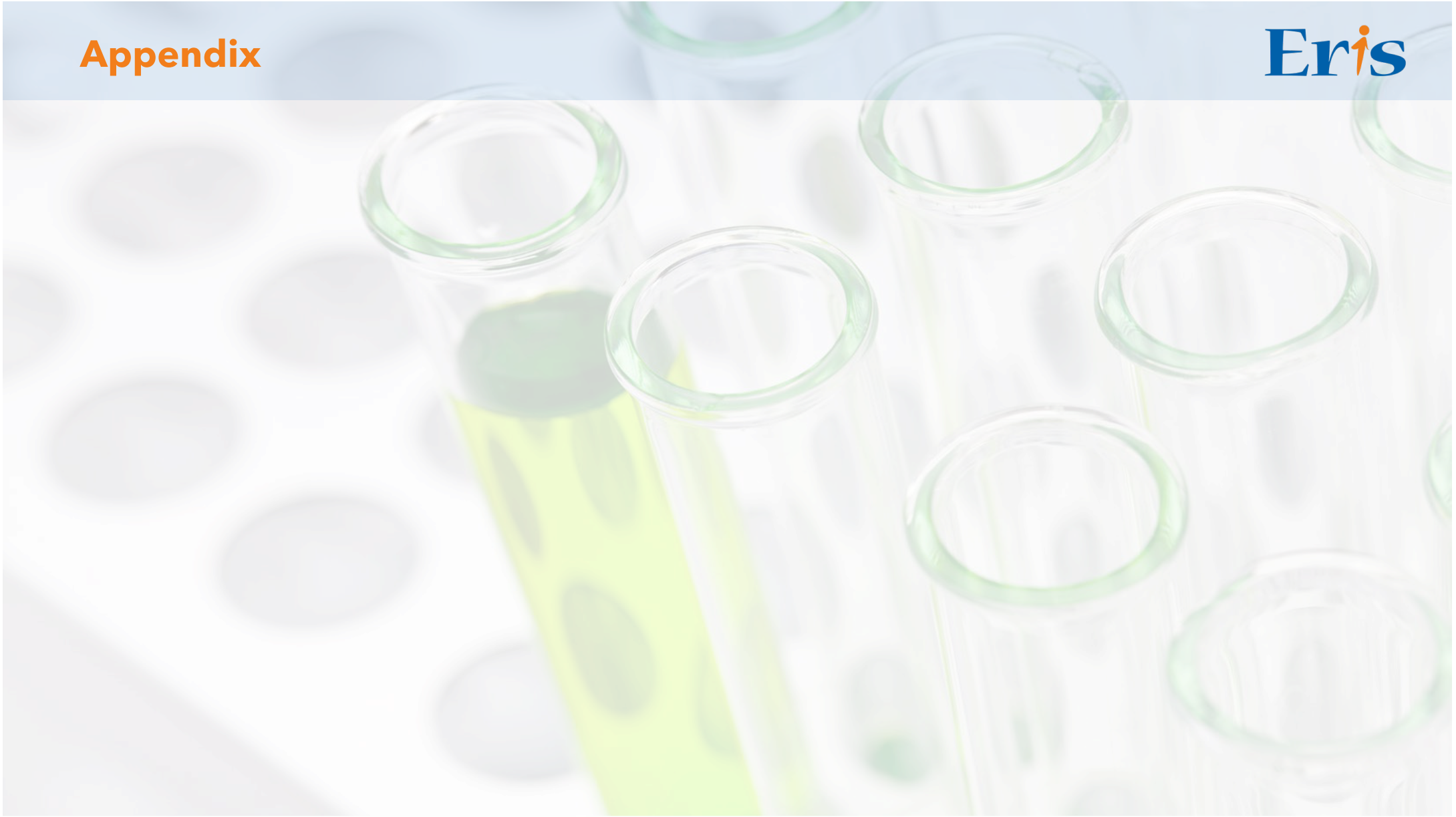
### **IR Contact**

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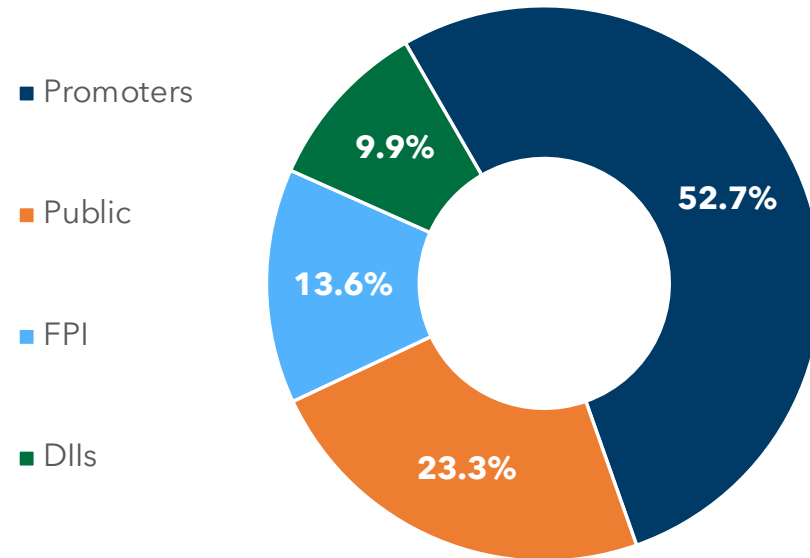
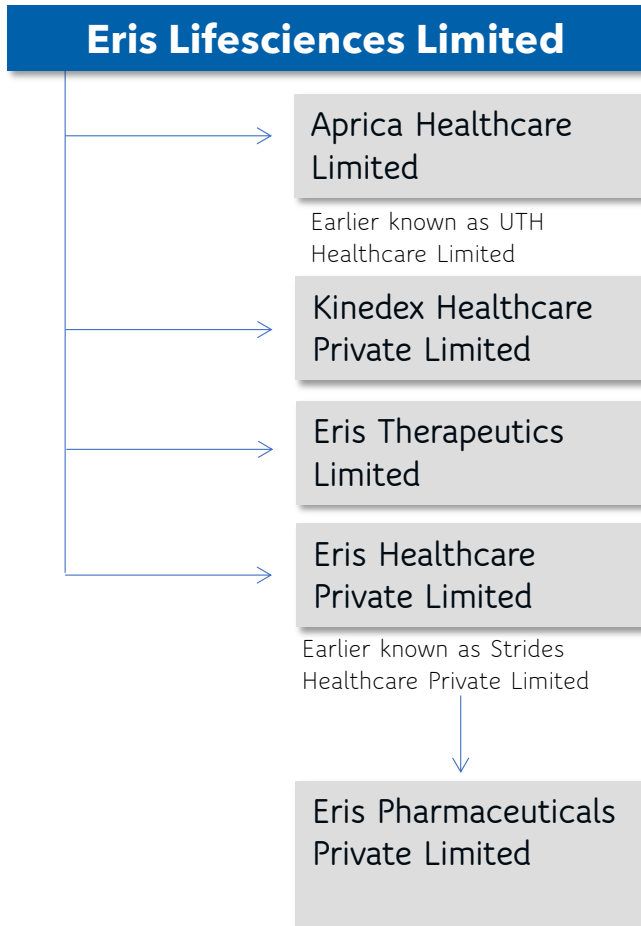
## Appendix

Eris





# Business Structure and Holdings



**Promoter shares are unencumbered**

**Shareholding pattern is as on 30 September 2021**

NSE Symbol	ERIS
BSE Ticker	540596
Market Cap (₹ Mn)	103,331
Shares Outstanding (Mn)	136
Industry	Pharmaceuticals

## Financial Summary (1/2)



P&L Summary	FY17	FY18	FY19	FY20	FY21	H1 FY22
Revenue	7,495	8,556	9,822	10,741	12,119	7,089
Gross Profit	6,449	7,215	8,285	9,025	9,736	5,737
Gross Profit Margin (%)	86.0%	84.3%	84.4%	84.0%	80.3%	80.9%
Operating EBITDA	2,691	3,220	3,449	3,684	4,306	2,663
Operating EBITDA Margin (%)	35.9%	37.6%	35.1%	34.3%	35.5%	37.6%
PBT	2,704	3,122	3,174	3,314	3,945	2,479
PBT Margin (%)	36.1%	36.5%	32.3%	30.9%	32.6%	35.0%
PAT	2,466	2,950	2,911	2,965	3,551	2,251
PAT Margin (%)	32.9%	34.5%	29.6%	27.6%	29.3%	31.7%
EPS	17.95	21.39	21.15	21.61	26.16	16.57
Dividend (per share)	0	0	0	2.87	5.50	6.01
<b>Cash Flow Generation</b>						
Operating Cash Flow (OCF)	2,002	2,346	2,230	2,712	3,754	2,053
OCF as % of EBITDA	74.4%	72.9%	64.7%	73.6%	87.2%	77.1%

Source: Consolidated Financial Statements  
INR mn

## Financial Summary (2/2)



	FY17	FY18	FY19	FY20	FY21	H1 FY22
<b>Margin (%)</b>						
Gross Margin	86.0%	84.3%	84.4%	84.0%	80.3%	80.9%
EBITDA Margin	35.9%	37.6%	35.1%	34.3%	35.5%	37.6%
EBIT Margin	32.9%	34.6%	31.4%	29.6%	32.0%	33.4%
PAT Margin	32.9%	34.5%	29.6%	27.6%	29.3%	31.7%
<b>Return (%)</b>						
RoIC	127%	66%	39%	30%	34%	NA
RoE	126%	74%	44%	30%	31%	NA
<b>Others</b>						
Debt/Equity	0.0	0.4	0.2	0.0	0.0	0.0
EPS (₹)	17.95	21.39	21.15	21.61	26.16	16.57
<b>Working Capital (in days)</b>						
Receivables	24	28	31	53	42	45
Inventory	27	28	31	24	28	29
Payables	19	39	31	34	31	33
Net Working Capital	32	18	31	43	40	41

BS Summary	Mar'17	Mar'18	Mar'19	Mar'20	Mar'21	H1 FY22
Share Capital	138	138	138	136	136	136
Reserves	5,534	8,476	11,368	12,828	15,628	17,120
<b>Shareholders Fund</b>	5,672	8,614	11,506	12,964	15,764	17,256
<b>Borrowed Funds *</b>	6	3,768	1,764	61	45	400
Tangible Assets	557	526	553	873	779	1,379
Intangible Assets	1,760	7,185	7,072	7,919	7,776	7,626
Treasury Investments + Cash & Bank Balances	3,057	3,760	3,634	1,453	4,166	5,195

Source: Consolidated Financial Statements, INR mn | \* Borrowed Funds include Financial Leases | RoIC and RoE are excluding treasury investments, cash & cash equivalents

# Key Brands in Oral Diabetes Care



Therapy wide presence in Oral Diabetes Care with power brands holding high ranks in newer generation fast-growing molecules (DPP4 and SGLT2 inhibitors)

## Sulfonylurea

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

**Glimisave MV** rank 2 in Glimeperide + 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 and rank 3 incl innovator brands - in the ~1,100 cr Vildagliptin and combinations market

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

**Zomelis<sup>®</sup> SG** Our newly launched brand in **Remogliflozin + Vildagliptin** combination

## SGLT 2 Inhibitors

**Gluxit** rank 1 - among Gx brands and rank 3 including innovator brands in the Dapagliflozin market

# Key Brands in Cardiovascular and VMN Therapies



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

**Eritel** rank 5 in the ~3,700 cr Telmisartan and combinations market

**Eritel CH** rank 4 in the Telmisartan + Chlorthalidone market

**Eritel LN** rank 2 in the Telmisartan + Cilnidipine market

**Olmin** rank 5 in the ~1,000 cr Olmesartan and combinations market

**Olmin Trio** rank 1 in Olmesartan + Cilnidipine + Chlorthalidone market

**Olmin CH** rank 3 in Olmesartan + Chlorthalidone market

**LN BLOC** rank 2 in the ~600 cr Cilnidipine and combinations market

**LN Beta** rank 1 in Nebivolol + Cilnidipine market

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

**ReNerve** rank 2 in the ~1,800 cr Methylcobalamin and combinations market

**Tayo** rank 5 in the ~1,600 cr Cholecalciferol and combinations market

**GINKOCER** rank 1 in the ~100 cr Ginkgo Bilobaa + combination market with 32% market share

**ZAC-D** Convenient once-a-day combination of Zinc, Vit-A, Vit-C and Vit-D



**Eris**

**THANK YOU**

**Eris Lifesciences**