



EY Entrepreneur of the year-2013



FROST & SULLIVAN  
2013 BEST PRACTICES AWARD  
Consumer Strategy Leadership Award, India



Business today/YES bank  
Excellence Awards-2013



**Date: 17 January 2023**

<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: 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**

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

**Encl: a/a**

**Registered & Corporate Office:**

Shivarth Ambit, Plot No. 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad – 380054  
Phone: +91-79-69661000/1001 • Email: eris@erislifesciences.com • Web Site: www.eris.co.in • CIN: L24232GJ2007PLC049867

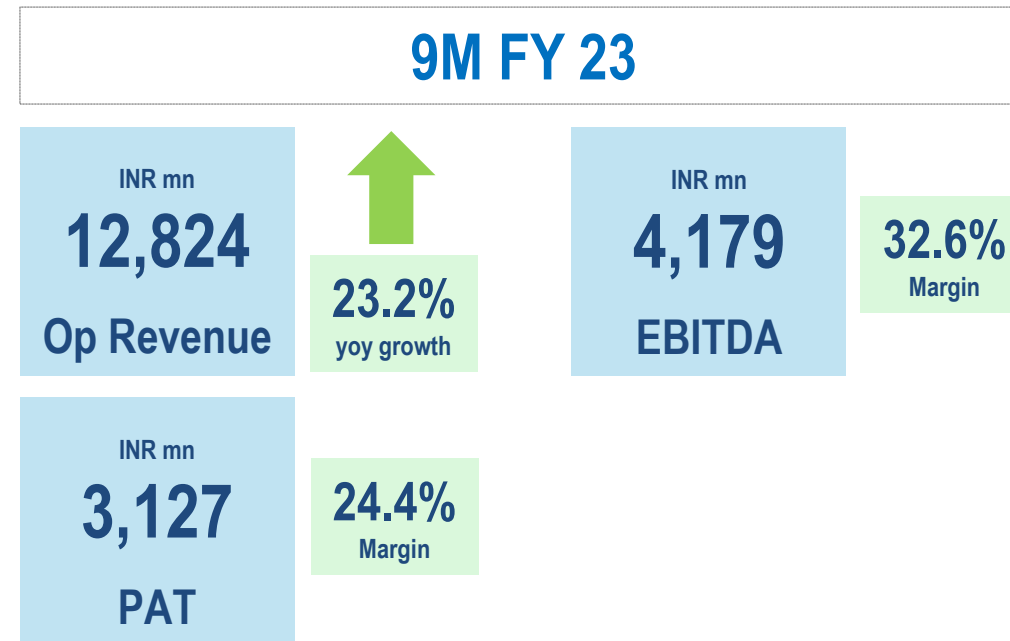
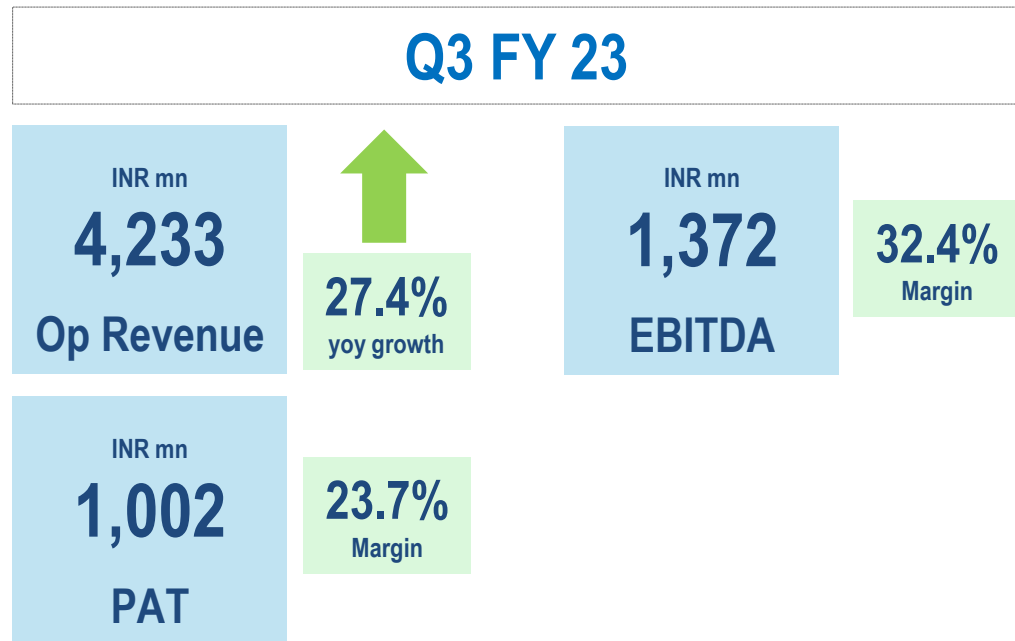


**Q3 FY 23 and 9M FY 23  
INVESTOR PRESENTATION  
17<sup>th</sup> Jan 2023**

# ERIS PROPOSES TO ACQUIRE DERMATOLOGY BRANDS FROM GLENMARK

- Eris proposes to acquire a portfolio of **9 Dermatology brands** from Glenmark – these brands are **Onabet, Halobate, Sorvate, Demelan, Luligee, Dosestil, Revize, Powercort** and **Aceret**
- Onabet, Halovate and Sorvate are **ranked #1** in their respective segments, while Demelan, Dosestil and Aceret rank **among the Top-3 brands** in their respective segments
- The portfolio has an annual revenue base of ~ **INR 850 mn**
- The Purchase Consideration is **INR 3,400 million\***; the deal will be financed through borrowings; we expect the transaction to achieve financial closure very soon
- This acquisition **deepens our presence in Medical Dermatology - anti-fungal & anti-psoriasis** segments
- This acquisition also strengthens our presence in the Dermatology therapy
  - **Increases** our **market** share in our **Covered Market** from **2.8%** to **4.6%**
  - **Improves** our **rank** in our **Covered Market** from **#12** to **#6**
- Post deal, the Derma therapy's contribution to Eris revenue will increase from **7.6%** to **12.7%**

# FINANCIAL AND BUSINESS HIGHLIGHTS – Q3 FY 23 AND 9M FY 23



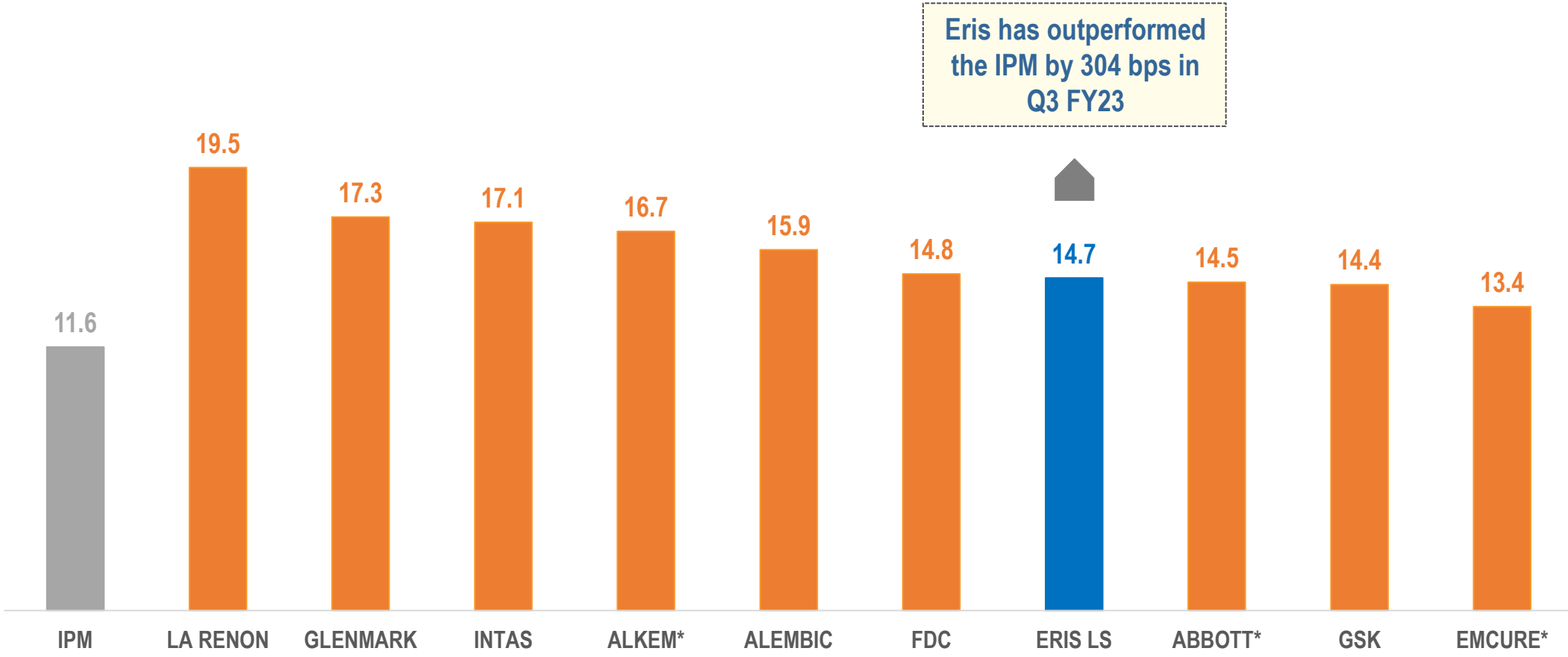
- Oaknet tracking to **exceed INR 50 cr EBITDA** in first year of acquisition – Q3 Revenue **INR 60 cr**, EBITDA margin **27%**
- **3-year CAGR of 48%** in new-generation anti-diabetes therapies (**DPP4/SGLT2 segments**) spearheaded by
  - **Zomelis** – Dec '22 MAT revenue crosses **Rs. 92 crore**; ranks **#1** among generics
  - **Gluxit** – Dec '22 MAT revenue crosses **Rs. 51 crore**; ranks **#2** among generics
- Eris MJ (**Insulin Business**) crosses a quarterly **run-rate of INR 6 crore** revenue in **Q3**

# Q3 FY 23 AND 9M FY 23 – ENTITY WISE MARGIN PROFILE

Entity	Q3 FY 23				9m FY 23				EBITDA Margin	
	Op Revenue	YoY Gr	EBITDA	YoY Gr	Op Revenue	YoY Gr	EBITDA	YoY Gr	9m FY 23	9m FY 22
Eris (Standalone)	3,320	9%	1,264	3%	10,161	9%	3,936	3%	38.7%	41%
Oaknet (BGx)	597		159		1,593		388		24.3%	
Aprica (BGx)	140	-5%	3	-90%	468	-4%	67	-30%	14.2%	19.5%
EHPL (TGx)	146	-29%	-7	-89%	593	-31%	-30	-15%		
Eris M J (Insulin)	62		-40		114		-146			
Eris Therapeutics Ltd.	1		-7		1		-15			
Eris Pharmaceuticals P.Ltd			-0		-		-0			
Inter co adjustments	-34		-0		-107		-21			
<b>Consol. Op Revenue</b>	<b>4,232</b>	<b>27%</b>	<b>1,372</b>	<b>13%</b>	<b>12,824</b>	<b>23%</b>	<b>4,179</b>	<b>8%</b>	<b>32.6%</b>	<b>37.3%</b>

- Q3 FY23 consolidated revenue growth **27%** (28% in Q2)
- Consolidated EBITDA margins for Q3 FY23 of **32.4%** and 9M FY23 of **32.6%** – in line with expectation
- Expecting to deliver **25-26% revenue** growth and **14-15% EBITDA** growth in FY23

# ERIS RANKS AMONG THE TOP-10 FASTEST GROWING COMPANIES IN Q3 FY23



**Eris continues to be amongst the Top-10 companies (by growth)**

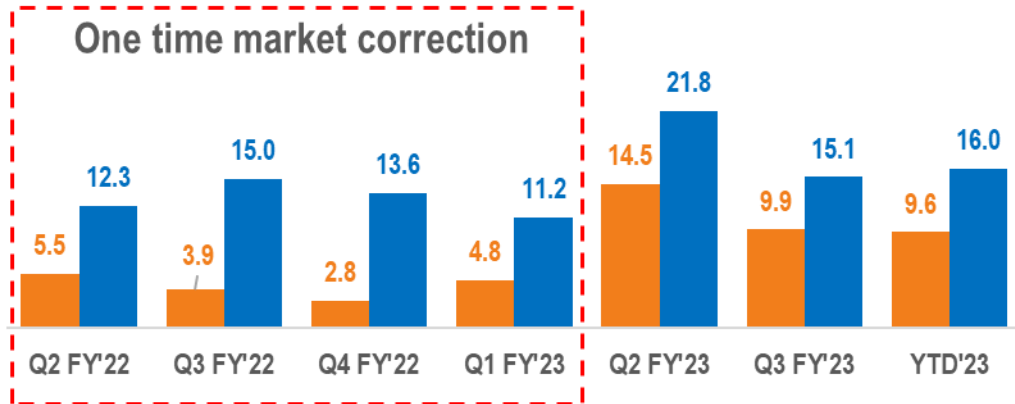
Source: AWACS Pharmatrac data for the period Oct-Dec'21 – Oct-Dec'22  
Graph represents the 10 fastest growing peers on a GROWTH basis for the period Oct-Dec'21 – Oct-Dec'22 from the IPM Top-25 companies (Exc. Himalaya)

# ERIS CONTINUES TO GROW AHEAD OF THE MARKET IN CARDIOMETABOLIC AND THREE EMERGING THERAPIES

Eris grew at **14.7%** in Q3 FY 23 vs. IPM growth of **11.6%**;  
**Outperformed IPM in 5 core therapies - Cardio-Metabolic, VMN, CNS & Women's Health**

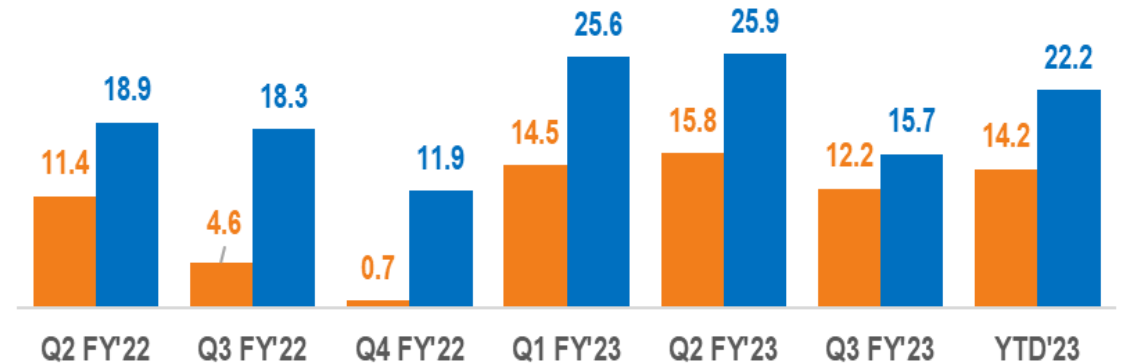
IPM Eris

## Cardio-Metabolic : 54% of Eris



- **Cardio-metabolic segment - Eris outperforms IPM in 17 out of last 18 quarters by a healthy margin**
- **Cardiometabolic market sustains growth momentum since Q2 FY23 after a one-time correction (4% growth) during the preceding 4 quarters**

## Emerging Specialties: 21% (Derma, CNS, Women's Health)

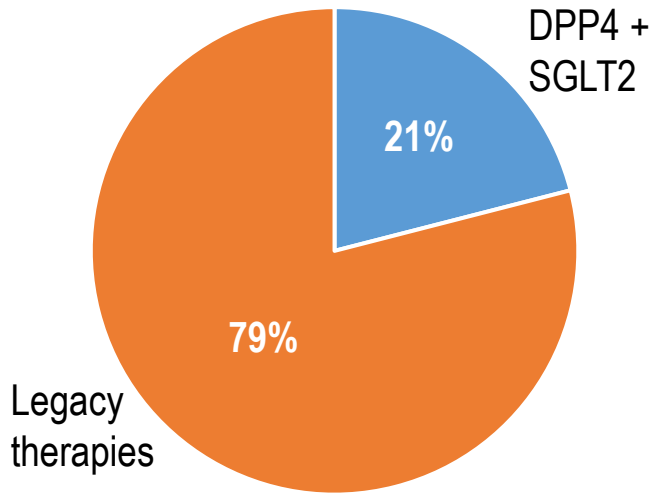


- Eris has achieved a **critical mass** of combined revenue of **INR 436 crore p.a.**
- Growing significantly ahead of the market
  - **Q3 FY23 – Eris 15.7% vs. Market 12.2%**
  - **Last 6 quarters - Eris 19.4% vs. Market 9.9%**

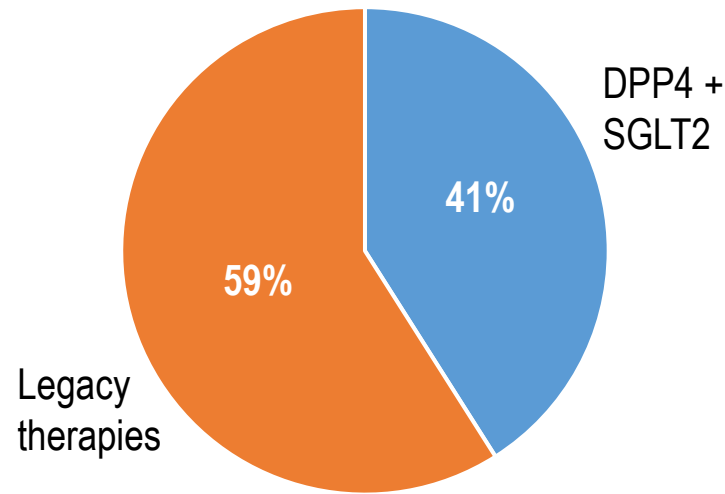
# 3-YEAR CAGR OF 48% IN NEW-GENERATION ANTI-DIABETES THERAPIES

## Share of new generation (DPP4+SGLT2) therapies in Eris Anti-Diabetes Portfolio

Dec 2019

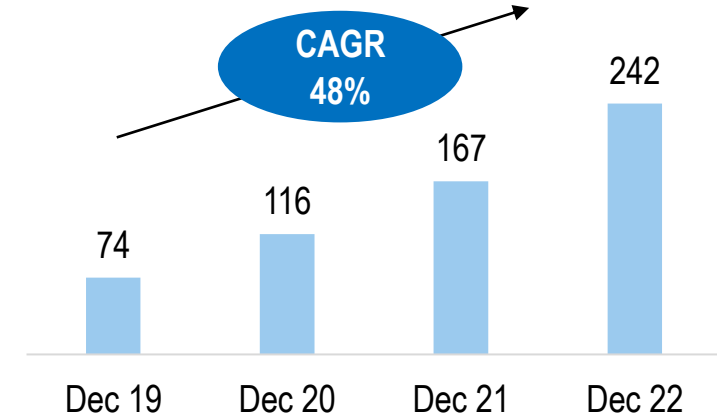


Dec 2022



## Eris revenue from DPP4+SGLT2

INR Crore



## Leading Mother Brands of Eris

Zomelis Gluxit  
Tendia Glura

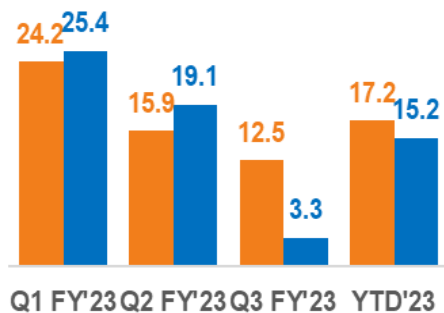
- These therapies have accounted for a **43-44% share** of the total OHA market (for the last 3 years) and will shape the evolution of Diabetes treatment for the **next 10-15 years**
- We have successfully leveraged our **Patient Care Platform** and **Specialist Engagement** to build a significant **early mover advantage** in this segment.



# THREE EMERGING THERAPIES (21% OF REVENUE) GREW AT 22% FOR 9M FY23

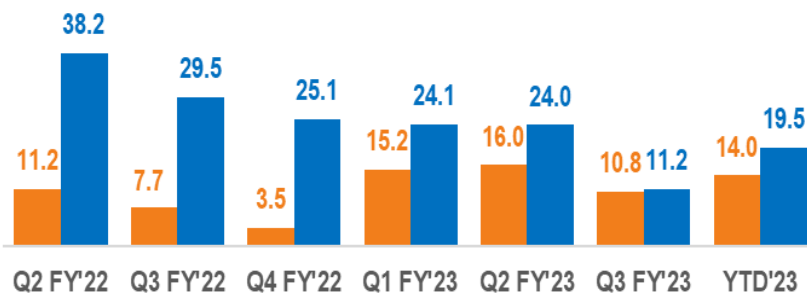
IPM Eris

## Derma: 8% of Eris



**Derma** – Continued traction post the acquisition of Oaknet in May 2022

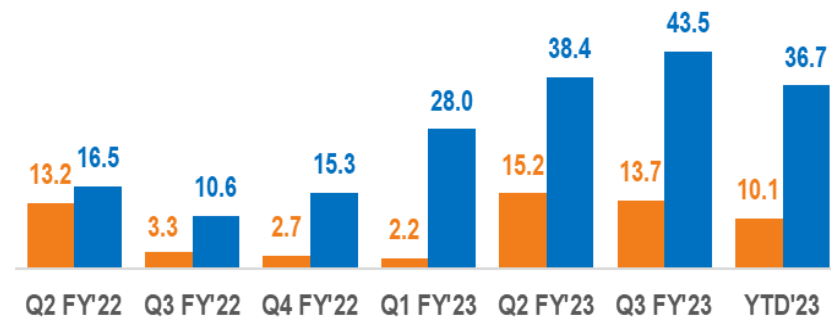
## CNS : 7% of Eris



**CNS segment** – Eris outperforms IPM by a healthy margin for 7 consecutive quarters

- Q3 FY23 – Eris 11.2% growth vs. Market 10.8%
- Last 6 qtrs – Eris 25.4% growth vs. Market 10.7%

## Women's Health : 6% of Eris

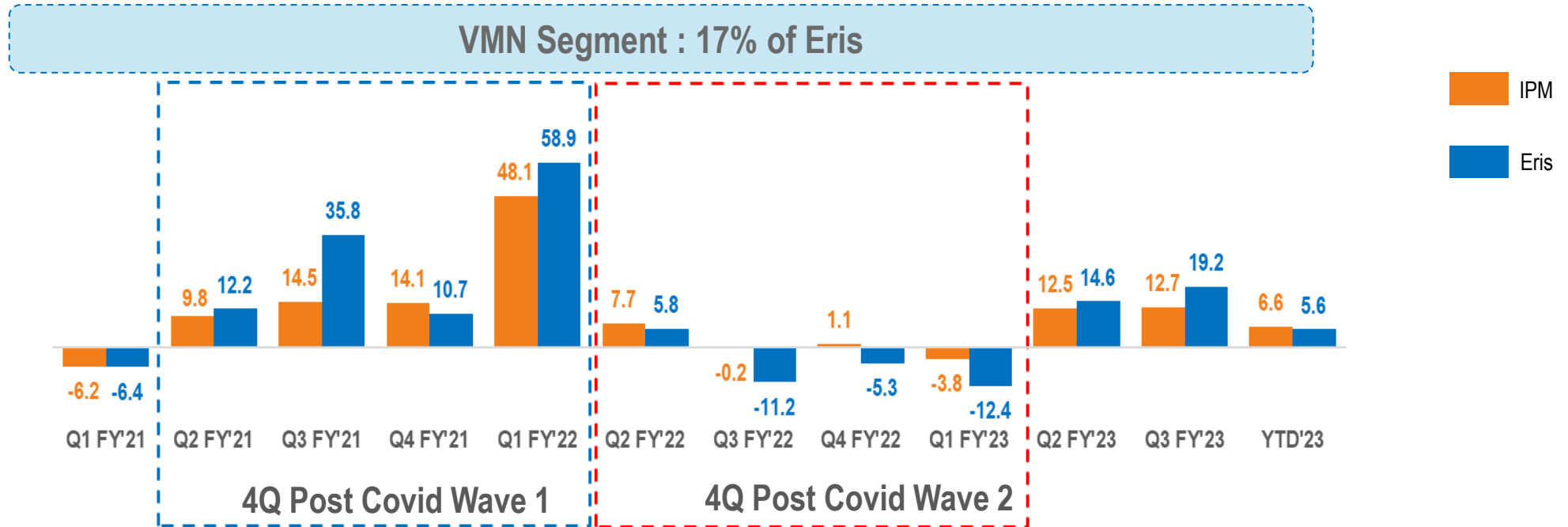


**Women's Health segment** – Eris outperforms IPM for 6 consecutive quarters

- Q3 FY23 – Eris 43.5% growth vs. Market 13.7%
- Last 6 qtrs – Eris 25.4% growth vs. Market 8.4%

**Strong momentum on therapy diversification with 3 emerging therapies (Dermatology, CNS & Women's Health) collectively accounting for 21% of Branded Formulations revenue and YTD growth of 22%**

# VMN MARKET HAS BOUNCED BACK; ERIS GREW 658 BPS AHEAD OF MARKET IN Q3



- **VMN** segment in Q3 - **Eris 19.2%** growth vs. **Market 12.7%**
- **VMN Market** seems to be **recovering** from **extreme volatility** post the Covid pandemic
  - **High average** growth of **22%** seen during Q2 FY21 to Q1 FY22 (4 quarters post Covid Wave 1), and
  - **Low average** growth of **1%** (on the high base) seen from Q2 FY22 to Q1 FY23 (4 quarters post Covid Wave 2)

# ERIS MAINTAINS HIGH PRESCRIPTION RANKING AMONG DOCTOR SPECIALTIES

## Eris Prescription Ranking\* among Doctor Specialties



**DIABETOLOGISTS #**

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**CARDIOLOGISTS**

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**NEUROLOGISTS**

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**GASTROENTEROLOGISTS**

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**CONSULTING  
PHYSICIANS**

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**DERMATOLOGISTS**

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# POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (1/3)

Therapy wide presence in **Oral Diabetes Care** with **power brands** holding high ranks in **Newer-generation fast-growing** molecules

## Sulfonylurea

**GlimiSave** **rank 6** in the **≈5,100 cr** Glimepiride and combinations market

**Glimisave MV** **rank 2** in Glimepiride + Voglibose + Metformin

**Cyblex** **rank 4** in the **≈760 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 **≈1,500 cr** Vildagliptin and combinations market

**Tendia** **rank 2** in the **≈1,100 cr** Teneligliptin and combinations market

**Glura** Our newly launched brand in Sitagliptin market

## SGLT 2 Inhibitors

**Gluxit** **rank 2** among Gx brands and **rank 4** including innovator brands in the Dapagliflozin market

# POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (2/3)

## Strong presence in Anti-Hypertensives: the largest segment of Cardiac

<b>Eritel</b>	rank 5	in the <b>≈4,200 cr</b> Telmisartan and combinations market
Eritel CH	rank 5	in Telmisartan + Chlorthalidone market
Eritel LN	rank 2	in Telmisartan + Cilnidipine market
<b>Olmin</b>	rank 4	in the <b>≈800 cr</b> Olmesartan and combinations market
Olmin Trio	rank 2	in Olmesartan + Cilnidipine + Chlorthalidone market
Olmin CH	rank 2	in Olmesartan + Chlorthalidone market
<b>LN BLOC</b>	rank 2	in the <b>≈750 cr</b> Cilnidipine and combinations market
LN Beta	rank 1	in Nebivolol + Cilnidipine market

## VMN: Specialty focus in core molecules

<b>ReNerve</b>	rank 2	in the <b>≈2,500 cr</b> Methylcobalamin and combinations market
<b>Tayo</b>	rank 6	in the <b>≈2,000 cr</b> Cholecalciferol and combinations market
<b>GINKOCER</b>	rank 1	in the <b>≈100 cr</b> Ginkgo Biloba + combination market with <b>37% market share</b>

# POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (3/3)

## Leading brands in Medical Dermatology

<b>Cosvate</b>	<b>rank 1</b>	in the <b>≈500 cr</b> Clobetasol and combinations market <b>16% market share</b>
<b>Cosvate-GM</b>	<b>rank 1</b>	Clobetasol + Gentamicin + Miconazole market
<b>Cosmelite</b>	<b>rank 4</b>	in Melasma Therapy

## Emerging presence in CNS

<b>Serlift</b>	<b>rank 3</b>	in the Sertraline market with <b>16% market share</b>
<b>DESVAL</b>	<b>rank 4</b>	in the Divalproex market

## Strategic Launches in Women's Healthcare

<b>Metital</b>	<b>rank 4</b>	in the <b>Rs. 300+ crore</b> Myo-inositol and combinations market <b>7% market share</b>
<b>Drólute</b>		Our newly launched brand in the <b>Rs. 790+ crore</b> Dydrogesterone market
<b>Raricap<sup>®</sup>FCM</b>		Our newly launched brand in Ferric Carboxymaltose market

# Q3 FY 23 AND 9M FY 23 - STANDALONE INCOME STATEMENT

Standalone INR Millions	Q3 FY 23	Q3 FY 22	Q3 FY 23 yoy GR	9m FY 23	9m FY 22	9m FY 23 yoy GR
Sale of Products	3,268	3,002	8.8%	9,988	9,167	9.0%
Other Operating Income	53	44	19.0%	174	169	2.6%
<b>Revenue from Operations</b>	<b>3,320</b>	<b>3,046</b>	<b>9.0%</b>	<b>10,161</b>	<b>9,336</b>	<b>8.8%</b>
Gross Profit	2,740	2,523	8.6%	8,285	7,838	5.7%
<b>Gross Profit Margin</b>	<b>82.5%</b>	<b>82.8%</b>		<b>81.5%</b>	<b>84.0%</b>	
Employee Cost as % of Revenue	618 18.6%	548 18.0%	12.7%	1,919 18.9%	1,679 18.0%	14.3%
Other Expenses as % of Revenue	858 25.8%	747 24.5%	14.9%	2,429 23.9%	2,336 25.0%	4.0%
EBITDA	1,264	1,228	2.9%	3,936	3,824	2.9%
<b>EBITDA Margin</b>	<b>38.1%</b>	<b>40.3%</b>		<b>38.7%</b>	<b>41.0%</b>	
Depreciation	165	135		474	364	
Finance Cost	31	8	310.7%	179	20	786.5%
Other Income	35	58		130	199	
PBT	1,102	1,143	-3.6%	3,414	3,639	-6.2%
<b>PBT Margin</b>	<b>33.2%</b>	<b>37.5%</b>		<b>33.6%</b>	<b>39.0%</b>	
Taxes	109	103	5.7%	312	334	-6.6%
Net Profit	994	1,041	-4.5%	3,102	3,305	-6.1%
<b>Net Profit Margin</b>	<b>29.9%</b>	<b>34.2%</b>		<b>30.5%</b>	<b>35.4%</b>	

- Q3 FY23 standalone operating revenue of Rs. 332 crore, which represents a growth of 9% yoy
- 9M FY23 standalone operating revenue grew by ~ 9% to Rs. 1,016 crore
- Q3 standalone gross margin of 82.5% - comparable to Q3 FY22 Gross Margin of 82.8%
- 9M standalone gross margin of 81.5% vs. 84% in 9M of FY22 – largely driven by higher incidence of new products in FY23
- Added ~ 200 MRs since the start of FY23, employee expense for Q3 grew by 12.7% and for 9M by 14.3%
- Q3 Standalone EBITDA of Rs. 126 crore and 9M standalone EBITDA of ~ Rs. 394 crore
- Q3 standalone Net Profit of Rs. ~ 100 crore, which represents a margin of 30% and includes Oaknet related impact on Treasury Income & Finance Cost

# Q3 FY 23 AND 9M FY 23 - CONSOLIDATED INCOME STATEMENT

Consolidated INR Millions	Q3 FY 23	Q3 FY 22	Q3 FY 23 yoy GR	9m FY 23	9m FY 22	9m FY 23 yoy GR
Sale of Products	4,178	3,281	27.4%	12,652	10,251	23.4%
Other Operating Income	54	41	32.7%	171	160	6.8%
<b>Revenue from Operations</b>	<b>4,233</b>	<b>3,322</b>	<b>27.4%</b>	<b>12,824</b>	<b>10,411</b>	<b>23.2%</b>
Gross Profit	3,345	2,707	23.6%	10,028	8,444	18.8%
<b>Gross Profit Margin</b>	<b>79.0%</b>	<b>81.5%</b>		<b>78.2%</b>	<b>81.1%</b>	
Employee Cost	870	612	42.2%	2,603	1,884	38.2%
<b>as % of Revenue</b>	<b>20.6%</b>	<b>18.4%</b>		<b>20.3%</b>	<b>18.1%</b>	
Other Expenses	1,103	878	25.6%	3,246	2,680	21.1%
<b>as % of Revenue</b>	<b>26.1%</b>	<b>26.4%</b>		<b>25.3%</b>	<b>25.7%</b>	
EBITDA	1,372	1,217	12.7%	4,179	3,881	7.7%
<b>EBITDA Margin</b>	<b>32.4%</b>	<b>36.6%</b>		<b>32.6%</b>	<b>37.3%</b>	
Depreciation	299	169	77.1%	820	463	
Finance Cost	30	10	189.7%	173	29	499.5%
Other Income	22	52		101	180	
PBT	1,065	1,090	-2.2%	3,287	3,569	-7.9%
<b>PBT Margin</b>	<b>25.2%</b>	<b>32.8%</b>		<b>25.6%</b>	<b>34.3%</b>	
Taxes	63	82	-23.2%	161	310	-48.3%
Net Profit	1,002	1,008	-0.5%	3,127	3,258	-4.0%
<b>Net Profit Margin</b>	<b>23.7%</b>	<b>30.3%</b>		<b>24.4%</b>	<b>31.3%</b>	

- Q3 consolidated operating revenue Rs. 423 cr, which represents a growth of 27.4% YoY.
- 9M FY 23 consolidated operating revenue grew by 23.2% to Rs. 1,282 crore
- Oaknet continues growth momentum
  - Q3 Revenue INR 60 cr
  - Q3 EBITDA INR 16 cr (27% margin)
  - Tracking to exceed Rs. 50 crore EBITDA in FY23 – one full year ahead of expectation
- Consolidated EBITDA margin of 32.4% in Q3 FY23 and 32.6% in 9M FY23 – in line with guidance for FY 23
- Q3 consolidated PAT of Rs. 100 cr – 24% margin - inclusive of Oaknet-related impact on Depreciation, Treasury Income & Finance Cost



# ERIS CONTINUES TO EXECUTE SUCCESSFULLY ON GROWTH DRIVERS (1/2)

1

## Expansion of power-brands' franchise

- Our business model of building **strong and sustainable brands** enables us to consistently **outperform the market**
  - Eris delivered a growth of **15%** in **Q3 FY23** vs. a market growth of **12%**
  - Eris delivered a growth of **19%** in **Q2 FY23** vs. a market growth of **13%**
  - **Cardiometabolic** therapy (YTD) – Eris **15%** growth vs. Market **12%**
  - **3 Emerging** Specialties (YTD) – Eris **22%** growth vs. Market **14%**

2

## New product pipeline

- We have an exciting **pipeline of patent expiration** opportunities coming up in the **cardio-metabolic segment** over the next 3 years which we are well positioned to leverage
- We will expand our **injectable anti-diabetes** franchise consisting of **Xsulin** (Human Insulin), **Xglar** (Glargine) and **GLP1** Agonists through our Eris MJ subsidiary having a 200-strong field-force
- New product launches in **Medical Dermatology** and **Cosmetology** through the Oaknet platform; expansion of our product range in **CNS** and **Women's Health** therapies
- We had planned **15+** new product launches for FY 23 including **5-6** significant launches, most of which have been launched between Apr-Dec 2022 – this includes **XGlar, Zomelis D, Glura, Gluxit S, Gluxit Trio and FCM Injection**

# ERIS CONTINUES TO EXECUTE SUCCESSFULLY ON GROWTH DRIVERS (2/2)

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
- We have added ~ **200 Reps** to the Eris field-force since the start of the year

4

## Therapeutic Diversification

- Strong momentum on therapy diversification with **3 emerging therapies (Derma, CNS & Women's Health)** accounting for **21%** of Branded Formulations revenue and growing at **22% p.a. YTD** (vs. the market growth of **14%**)
- We will continue to invest in these therapies in **organic** as well as **inorganic** growth

5

## Inorganic opportunities

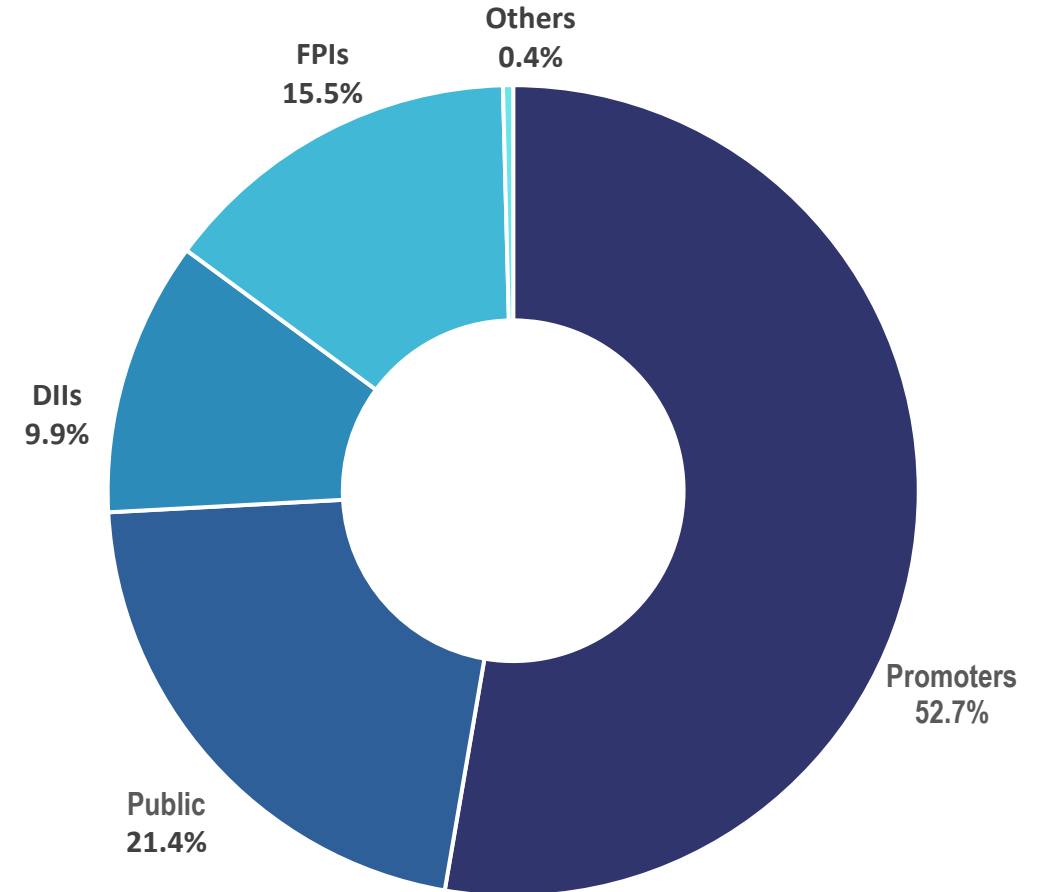
- Our acquisition of the **Zomelis** brand has created **significant value** with **Sales** having scaled up **Nine-fold (9x) in 3 years** from acquisition
- **Oaknet**, our acquisition in May 2022, is **emerging** as a clear **success story** in value creation; is tracking to exceed **Rs. 50 cr.** EBITDA in **FY23** – **one full year ahead** of our expectation
- We will continue to look for such **high-return inorganic opportunities** to complement our organic growth initiatives

**FY 23 guidance – Revenue growth of 25-26% and EBITDA growth of 14-15%**

# SHAREHOLDER PROFILE

## Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder		As on 31-Dec-22	As on 30-Sep-22	As on 30-Jun-22
		648*	711*	667*
<b>Promoters</b>		<b>52.70%</b>	<b>52.29%</b>	<b>52.30%</b>
1	Chrys Capital (Emerald Investment Limited)	7.58%	7.58%	7.58%
2	UTI Mutual Fund	5.99%	5.92%	5.78%
3	Vanguard	1.71%	1.71%	1.66%
4	Aditya Birla Sun Life Mutual Fund	1.62%	1.69%	1.73%
5	Kuwait Investment Authority Fund	1.47%	0.75%	0.86%
6	Franklin Templeton Mutual Fund	1.26%	1.31%	1.35%
7	HSBC Mutual Fund (L & T MF)	0.88%	0.88%	0.88%
8	Steinberg India Fund	0.54%	0.54%	0.54%
9	Kotak Mutual Fund	0.52%	1.15%	1.15%
10	Government Pension Fund Global - Norges Bank	0.52%	0.52%	0.52%
11	Tata Mutual Fund	0.38%	0.38%	0.38%
12	Ellipsis Partners LLC	0.36%	0.36%	0.36%
13	Malabar Select Fund	0.33%	0.42%	0.45%
14	Shinsei UTI JV	0.29%	0.29%	0.31%
15	Newmark Capital	0.24%	0.24%	0.24%



\*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**

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