



EY Entrepreneur of the year-2013



FROST & SULLIVAN Best Practices-2013



Business today/YES bank Excellence Awards-2013



Date: 02 August 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
Membership No: A26493

Encl: a/a

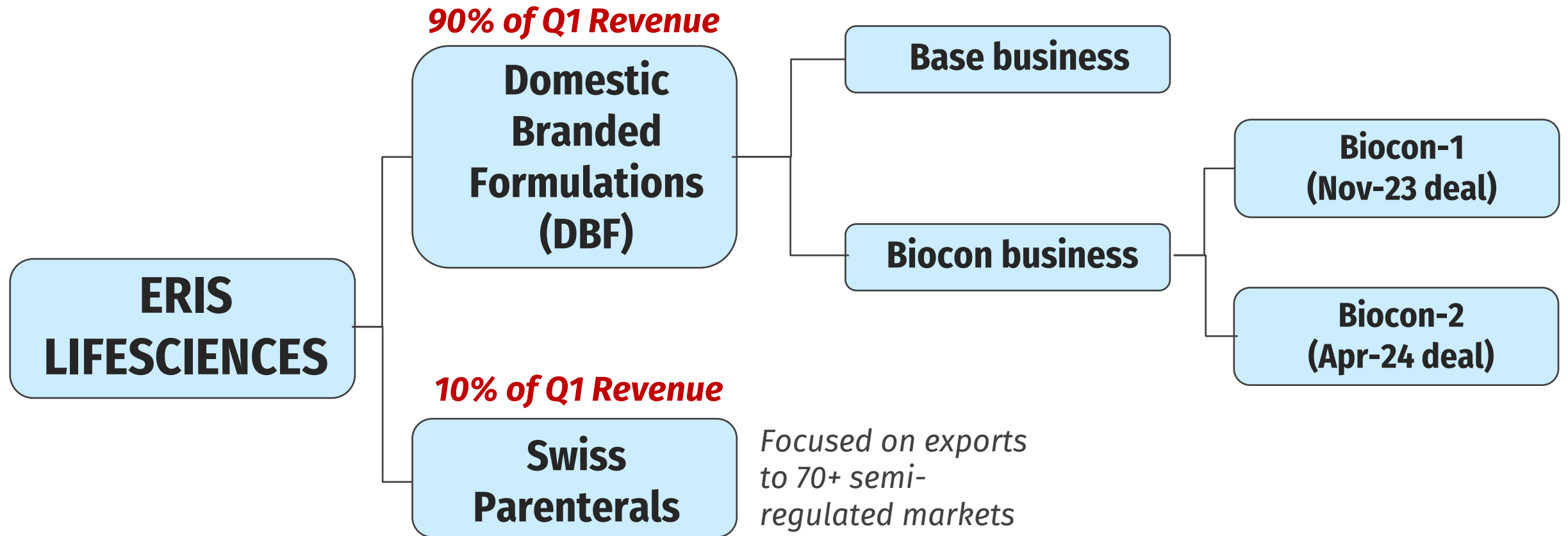
Registered & Corporate Office:

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Q1 FY 25
INVESTOR PRESENTATION
2nd Aug 2024

ERIS STRATEGIC BUSINESS UNITS EXPLAINED



20th

Eris now ranks among the
Top-20* cos. in the **IPM**
- **gained 9 ranks** since our
IPO 7 years ago

Five Brands
INR 100+ Crore

Twelve Brands
INR 50-100 Cr

Base Business Highlights – AWACS Pharmatrac

- Q1 growth **12.7%** vs. CVM growth of **8.1%** - ahead of market by **460 bps** - market-beating growth in **4 out of top 6** therapies
- Oral Anti-Diabetes** market share grows to **5.6%**
- Robust growth in all three “100+ crore” brands:

GlimiSave MV

INR 143 crore

GlimiSave M

INR 123 crore

ReNerve PLUS

INR 135 crore

- New Product** launch and scale-up: Eris ranks **3^{rd*}** in the IPM in **New Products Count** and **Value** (MAT Jun 24)



Base Business – Q1 Financials

- Q1 Organic revenue growth **10%**
- Q1 Gross Margin **86%** - up by **282 bps** on a yoy basis
- Q1 EBIDTA Margin **39%** - **up by 185 bps** on a yoy basis due to productivity gain, gross margin improvement and better fixed cost leverage
- Derma portfolio Q1 Gross Margin up by **400 bps to 80%** on account of insourcing (initiated in Jan 2024)
- Fixed costs (% of Revenue) are down by **97 bps** yoy

FY25 Guidance

- Revenue growth **12-14%**
- EBIDTA Margin **37%**

STRONG START TO BUSINESS INTEGRATION – “BIOCON-1” BUSINESS SEGMENT

(A) Portfolio acquired in Nov-23

- Q1 revenue growth of **16%** driven by strong growth in power brands, with a Q1 YPM of **INR 7.43 lakh**



**40% growth
in Top-7
power
brands**

- Field-teams are well integrated – Derma team augmented to **80 Reps**
- Q1 Gross Margin up by ~ **1,500 bps to 65%** – we expect further upside through planned in-sourcing of brands Psorid & Calpsor later this year
- Q1 EBIDTA margin **39%** vs. **19%** at the time of acquisition – represents a **gain of 2,000 bps in just 6-7 months from acquisition**

FY25 Guidance

- Revenue **INR 125 crore** (**25%** growth on the base of **INR 100 crore** at acquisition)
- EBIDTA Margin **36%** - up by **1,700 bps** over the **19%** margin at acquisition

(B) Portfolio acquired in Apr-24

- **Integrated well ahead** of schedule; delivered **13%** revenue growth in Q1 FY25 with a YPM of **INR 7.8 lakh**
 - **Insulin Segment (Basalog and Insugen)**
 - Strong early traction
 - Marks the addition of two more power brands to our “**100+ crore club**” – bringing the total of our “100+ crore” brands to **Five**
 - **Oncology & Critical Care** – New product launches lined up; a good portion of the critical care portfolio is now getting manufactured at the Swiss facilities
- **Q1 Gross Margin ~ 40%** – we expect a further upside of **up to 1,000 bps** driven by sourcing initiatives
- **Q1 EBIDTA margin 19%** - we expect a further upside in tandem with the improvement in Gross Margin

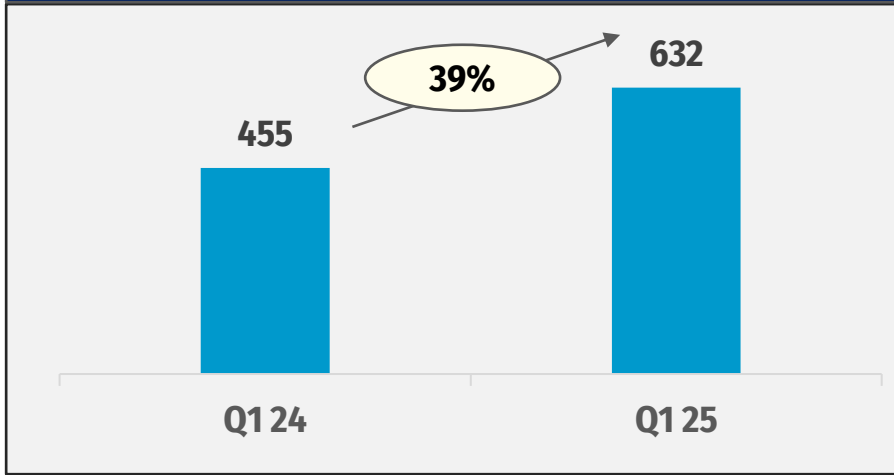
FY25 Guidance

- **Basalog & Insugen combined revenue ~ INR 280 cr.** in FY25 – representing a **40% growth** over the acquired base
- **Total FY25 Insulin franchise revenue (including Xsulin and Xglar) of INR 340-350 crore**
- **Biocon-2 total revenue INR 460 crore (28% growth on the base of INR 360 crore at the time of acquisition)**
- **EBIDTA Margin 28%** - an improvement of **900 bps** over the **19%** margin at the time of acquisition

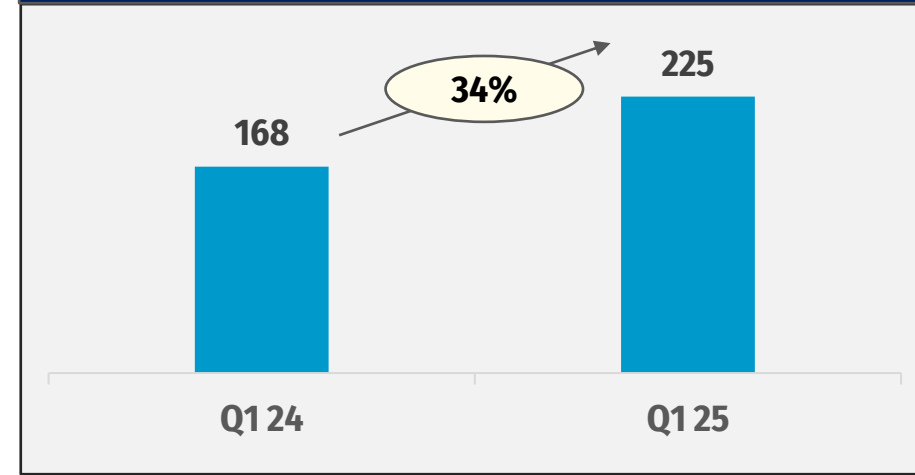
DOMESTIC BRANDED FORMULATIONS (DBF) BUSINESS – Q1 FINANCIAL SUMMARY



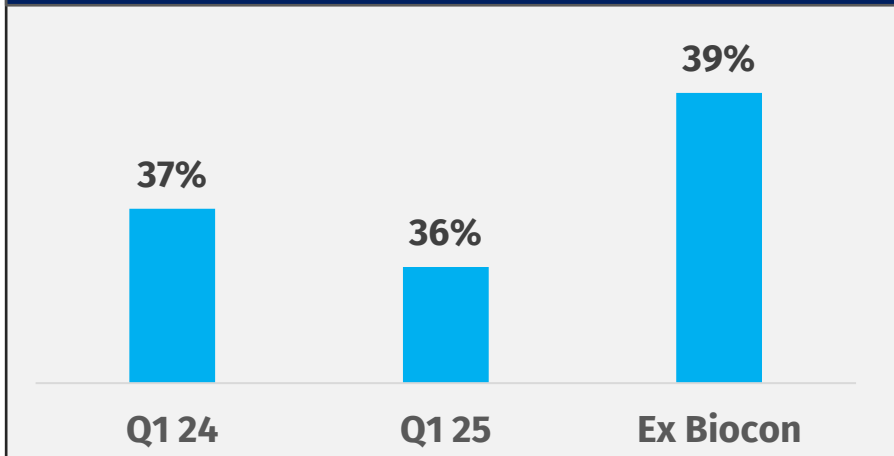
DBF Revenue (INR Crore)



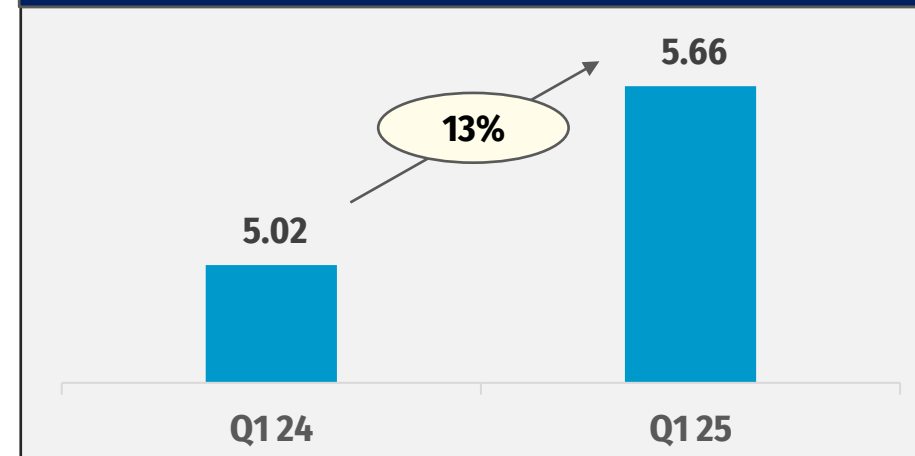
DBF EBIDTA (INR Crore)



DBF EBIDTA Margin (Per Cent)



DBF YPM (INR Lakh)



DBF P&L STATEMENT FOR Q1 – SIGNIFICANT FIXED COST SYNERGIES COMING IN

Total Domestic Branded Formulations	Q1 FY 25	Q1 FY 24	Q1 FY 25
INR Crores			yoy Gr %
Revenue from Operations	632	455	38.9%
Gross Profit	489	379	29.2%
Gross Margin	77.4%	83.3%	
Employee Expenses	127	102	24.9%
<i>as % of Revenue</i>	20.2%	22.4%	
Other Expenses	137	109	26.1%
<i>as % of Revenue</i>	21.7%	23.9%	
EBITDA	225	168	33.7%
EBITDA Margin	35.6%	36.9%	

Integration Benefits Coming In

- Q1 Gross Margin reduction of **584 bps yoy** due to change in product mix (Biocon)
- Fixed expenses (as a % of Revenue) reduce by **446 bps yoy** due to synergies from **business integration**
- Leading to a Q1 EBIDTA margin reduction of only **138 bps**

**FY25
Guidance**

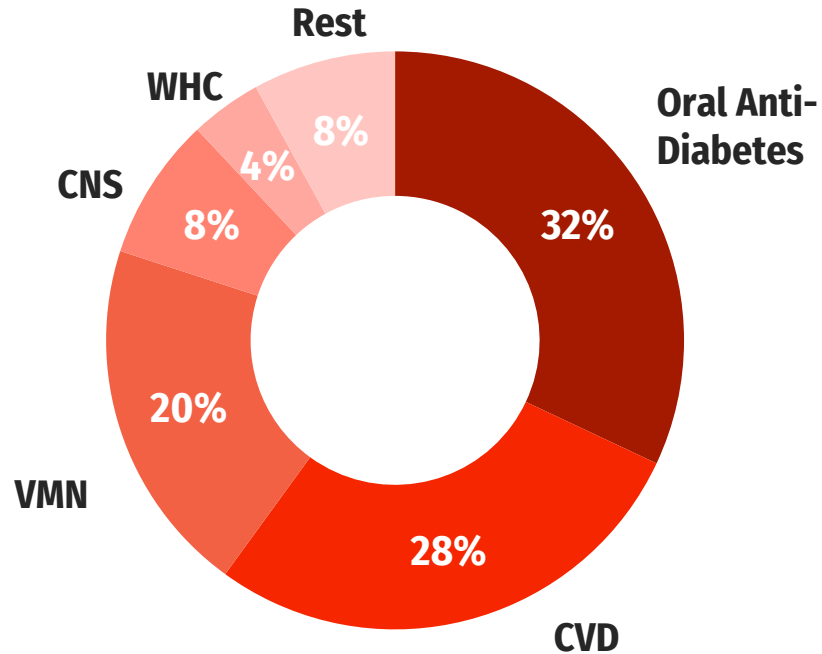
Revenue INR **2,600+** crore with **36%** EBIDTA margin

EVOLUTION FROM A “SPECIALTY” TO A “SPECIALTY + SUPERSPECIALTY” BUSINESS – RESULTING IN SIGNIFICANT HEADROOM FOR GROWTH



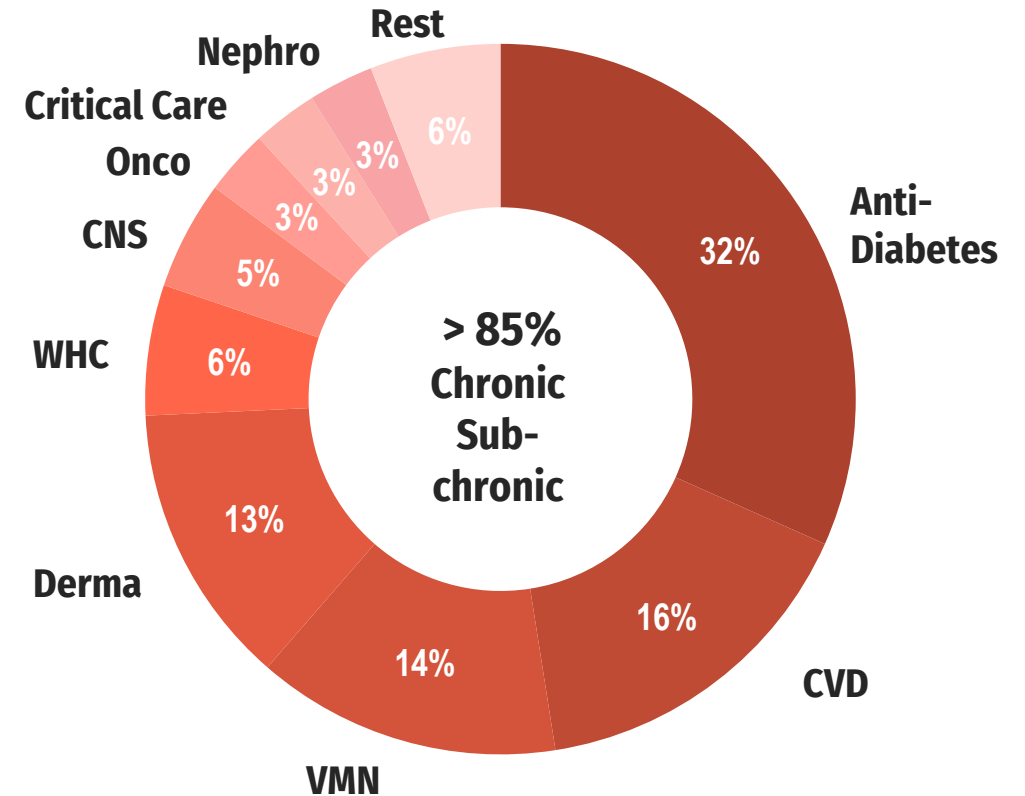
Therapy-wise composition of revenue – MAT Mar'22

100% = INR 1,662 crore



Therapy-wise composition of revenue – MAT Jun'24

100% = INR 3,108 crore



- Chronic/ Sub-chronic still accounts for > 85% of revenue – despite a 2x expansion in the last 2 years
- Entry into Super-specialty segments (Critical Care, Oncology, Nephrology) with 10% plus volume growth



Financial Summary

- Q1 headline financials
 - Revenue INR **73** crore
 - EBIDTA INR **26** crore
- FY25 Guidance
 - Revenue INR **330** crore (growth **13-14%**)
 - EBIDTA INR **115** crore (growth **30%**)

Product Pipeline and Order Book Status

- **185** New Dossiers filed in Q1 across **42** countries
- **11** new products filed in Q1 in the segments of Ophthalmology, CNS and Antibiotics
- R&D pipeline of **90+** products
- Confirmed order book of ~ **INR 130 crore** for delivery in FY25

Powering the domestic injectable business

- Started manufacturing key Biocon Critical Care products
- Started manufacturing key Eris products – e.g., FCM injection
- Product launches in domestic market starting Q2 from Swiss injectable portfolio

Regulatory inspections done in Q1

- Switzerland
- Ukraine
- Brazil ANVISA (pre-inspection)
- EU-GMP (pre-inspection)

CONSOLIDATED P&L Q1 FY25 – GOOD VISIBILITY OF FIXED COST SYNERGIES



Consolidated INR Crores	Q1 FY 25	Q1 FY 24	Q1 FY 25 yoy Gr %
Revenue from Operations	720	467	54.2%
Gross Profit	539	388	38.9%
Gross Margin	74.9%	83.2%	
Employee Cost	133	104	27.4%
as % of Revenue	18.4%	22.3%	
Other Expenses	157	114	36.9%
as % of Revenue	21.7%	24.5%	
EBITDA	250	170	47.3%
EBITDA Margin	34.7%	36.4%	
Depreciation	25	13	92.3%
Amortisation	51	28	82.6%
Finance Cost	60	17	248.0%
Other Income	2	1	64.0%
PBT	115	112	2.5%
PBT Margin	16.0%	24.1%	
Taxes	26	19	37.5%
Effective Tax Rate	22.5%	16.7%	
Net Profit	89	94	-4.5%
Net Profit Margin	12.4%	20.1%	

- Q1 operating **revenue** up by **54.2%** to INR **720** crore
- Q1 **Margin** Movement and Fixed Cost **Synergies**
 - **Gross Margin** down by **829 bps** in Q1 due to significant changes in product/ business mix
 - **EBIDTA Margin (34.7%)** down only by **164 bps** on account of fixed cost synergies starting to kick in
 - **Fixed** Expenses (% of Revenue) down **663 bps** yoy
- Q1 **EBIDTA** of INR **250** crore - yoy growth of **47%**.
- **Amortisation** and **Finance costs** reflect the full impact of all acquisitions made till date
- Effective book tax rate ~ **23%** of PBT; cash tax rate **17%**
- **Q1 PAT = INR 89 cr** - reflects impact of all acquisitions and increase in book tax rate
- Operating Cashflow (**OCF**) ~ **70% of EBIDTA**
- **Cash EPS ~ INR 9.5** – yoy growth **10.3%**
- **Net Debt** as on 30th June = **INR 2,737 crore**

ACQUISITION OF AN APPROVED LL* SITE OF BIOCON – CREATING THE HUB FOR OUR BIOTECH BUSINESS AND GETTING “GLP-1 READY”

The Board has approved a proposal to acquire Chemman Labs at a valuation of **INR 105 crore**

Site Highlights

- Broad-spectrum **biosimilar** fill-finish facility to handle **Insulins, GLP-1, MABs and rDNA** products
- Built to **Biocon** quality specs; **EU-GMP-approvable**
- All **approvals in place** for insulin manufacturing
- Operational capacity for liquid **vials**; initiated expansion to add **Cartridges** and **Prefilled Syringes (PFS)**
- Attractive **fiscal benefits u/s 115BAB**

A key stepping stone to realise our Biotech vision

- “**Eris Biotech Hub**” with injectable manufacturing capability across multiple presentations (**Vials, Cartridges, PFS**) and a wide range of product categories (**Insulins, Analogues, GLP1, MABs, rDNA**)
- Enables us get “**GLP-1 Ready**” – an approved “**fill finish**” site is the most critical component of the “**last mile**” in building competitive advantage for a **scalable and profitable GLP play**

Rationale for “Buy” vs. “Build”

- **Reduction of 18-24 months** of “time to market” as compared to the option of building a greenfield block at AMD unit and getting it approved
- **Immediate realization of margin improvement (up to 1,000 bps)** in our Insulin segment which now has significant scale – **FY25E revenue INR 340-350 crore**

Setting the Stage for our Large Molecules Play



FY 25 – Business Guidance

- Total DBF revenue INR **2,600+** crore with EBIDTA margin of **36%**
 - **Organic** DBF revenue growth of **12-14%** with base business EBIDTA of **37%**
 - **Biocon** business – Total revenue INR **585** crore with EBIDTA margin of **30%**
- Swiss Parenterals – Revenue INR **330** crore with EBIDTA margin **35%**
- Consolidated revenue INR **3,000+** crore with EBIDTA margin of **35%**
- Biocon LL site acquisition – INR **105** crore
- Capex ~ INR **100-120** cr. for Hormones, Insulins & MABs

FY 25 – Key Considerations

- Depreciation ~ INR 100 cr.
- Amortisation ~ INR 205 cr.
- Interest Cost ~ INR 240 cr.
- Cash Tax Rate MAT rate: 17%
- OCF-EBIDTA ratio 70 – 75%

WE REMAIN COMMITTED TO REBUILDING BALANCE SHEET STRENGTH

Balance Sheet strategy shared at the end of FY24 – To reduce Debt to EBIDTA from 3.5x to < 2x in 18 months

	Outstanding Debt* (INR Cr)	Debt to Fiscal-Year EBIDTA*	Key Considerations
As on 31 March 2024 (FY 24) *	3,000	3.5 x	<ul style="list-style-type: none"> • Proforma EBIDTA for FY 24 > INR 850 cr, including full year EBIDTA of deals announced in Q4 FY24 • OCF to EBITDA in FY25 & FY26 ~ 70-75% • Capex in FY25 ~ INR 220 cr & FY26 ~ INR 70-80 cr
As on 31 Mar 2025 (FY 25)	2,600	2.5 x	
As on 30 Sep 2025 (End of H1 FY26)	2,300	1.8 x	
As on 31 Mar 2026 (FY 26)	2,000	1.6 x	

We are on track to reduce leverage as guided

* Outstanding debt includes full debt for acquisitions announced in Mar 2024 (19% stake in Swiss and Biocon's India Formulations Business). Debt to EBIDTA ratio calculated on basis of Proforma EBIDTA assuming full year EBIDTA of above deals

IN CLOSING - STRATEGIC PRIORITIES FOR FY25



1

Base Business

- Organic growth **12-14%** with robust growth in power brands
- EBIDTA margin of **37%**

2

Biocon Business

- Overall revenue growth of **27%** (across both segments acquired)
- **New product launches** to expand CVM and broaden our base
- EBIDTA margin expansion **1,000 bps** driven by synergies from integration

3

Swiss Parenterals

- Revenue ~ INR **330** crore with EBIDTA margin of **35%**
- Expand **product** portfolio and **market** reach in **export** markets
- Build the foundation for scale-up of **OSD exports** starting FY26

4

Balance Sheet

- Rebuild balance sheet strength as per guidance

5

“Large” Molecule Play

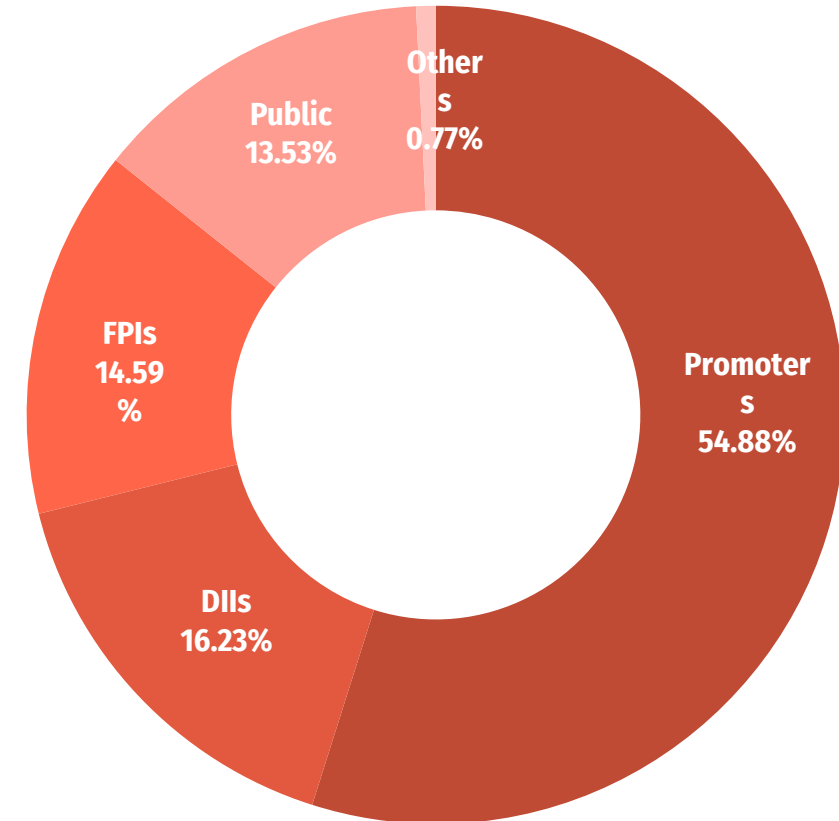
- Create “**stepping stones**” in terms of Manufacturing Capability (**Insulins, GLP1, MABs, Hormones**) as well as Product Basket (through **in-licensing**)



Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder	30-Jun-24 1,023*	31-Mar-24 843*	31-Dec-23 910*
Promoters	54.88%	54.90%	54.90%
HDFC Mutual Fund	7.76%	6.60%	5.39%
Chrys Capital (Emerald Investment Limited)	7.27%	7.27%	7.58%
UTI Mutual Fund	3.95%	4.14%	3.94%
Franklin Templeton Investment Fund	1.53%	1.26%	0.00%
Franklin Templeton Mutual Fund	1.46%	1.46%	1.47%
TATA AIA Life Insurance	0.89%	0.00%	0.00%
UTI Fund – FII	0.81%	0.87%	0.88%
Ellipsis Partners LLC	0.79%	0.79%	0.79%
Steinberg India Fund	0.68%	0.66%	0.54%
Aditya Birla Sun Life Mutual Fund	0.62%	0.87%	1.33%
Kuwait Investment Authority Fund	0.44%	0.79%	1.03%
Bank of India Mutual Fund	0.40%	0.37%	0.34%
Blackrock Funds	0.39%	0.38%	0.31%
Dimensional Funds	0.34%	0.32%	0.29%
New Mark Capital India Fund	0.31%	0.31%	0.31%

Shareholding Pattern



*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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