

Renewed Focus for Sustainable Growth

Glenmark Life Sciences – Investor Day

17th Nov 2022

The St. Regis, Mumbai



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State of the Market

Healthcare budgets,
worldwide, under stress

Countries encouraging local production to
secure supply and control costs

✓ Formulations
✗ API

India (and China) continue to be
relevant due to advantages

- In manpower
- Infrastructure cost
- Technology and supply ecosystem

Higher Outsourcing
(to India & China)



Sustainable Supply



Quality & Affordability

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GLS in a Sweet Spot



Parameters	Commodity Players	GLS	Specialty
Growth Strategy/USP	Scale and cost leadership	Portfolio Depth and Process efficiency	Technology & Regulatory complexity
Volumes/Capex	●	●	●
Asset Turns	●	●	●
Competition	●	●	●
Dependence on Top Products	●	●	●
Margin Resilience (to headwinds)	●	●	●

Path towards a Sustainable business

- A** Widen Geographic Presence for Generic APIs. Diversify customer base and increase CDMO Footprint
- B** Increase portfolio depth. Add complex molecules with higher entry barrier. Create new platforms e.g. Oncology.
- C** Maintain Sustainable Operations through Quality, Environmental and Safety compliance
- D** Calibrate capex and working capital spends

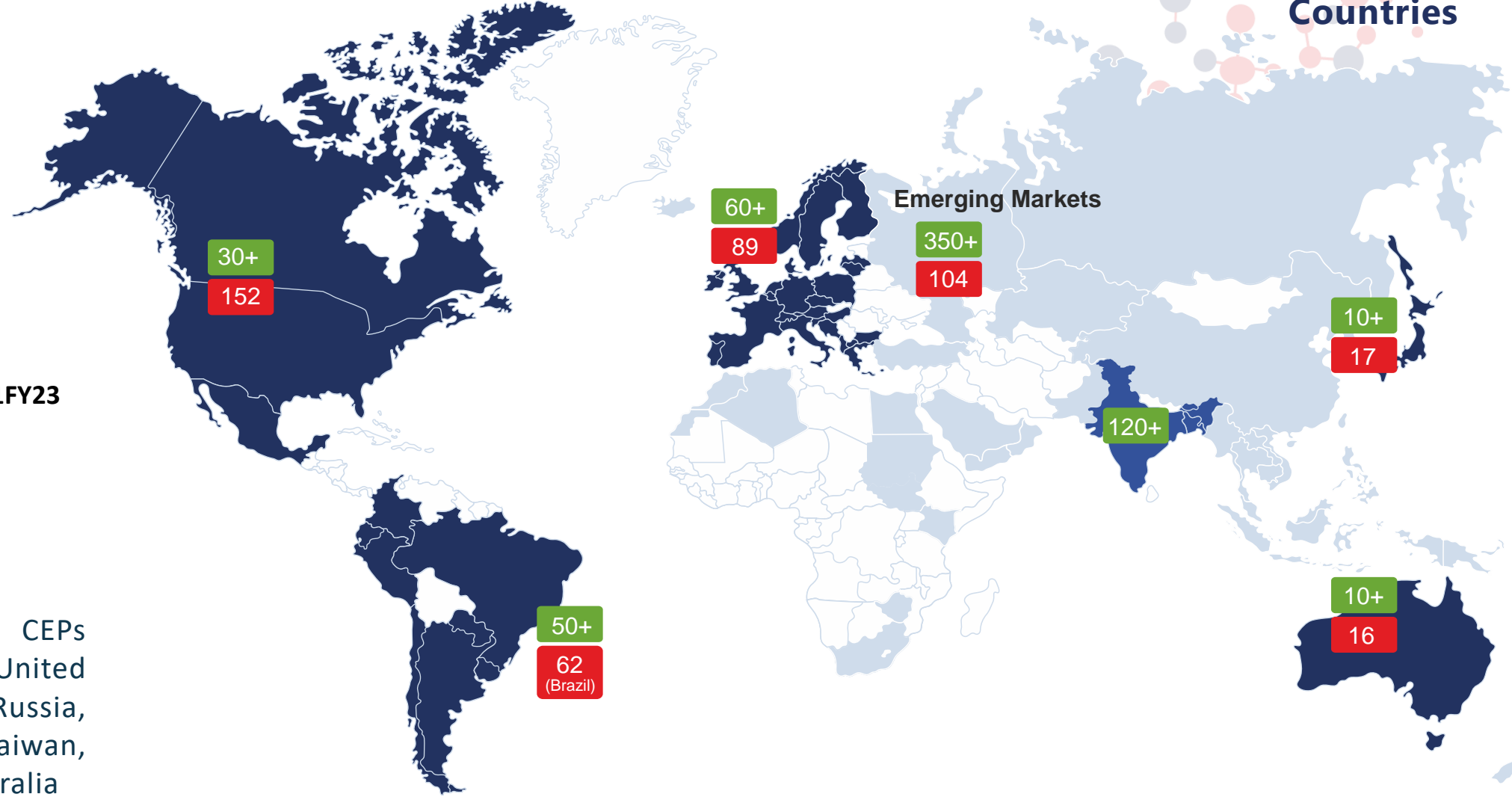
Wide Global Footprint

65
Countries

- Regulated Markets
- Emerging Markets
- India - Mix of Regulated and Emerging
- Number of Customers as of H1FY23
- Number of DMF/CEP Filings as of H1FY23

440

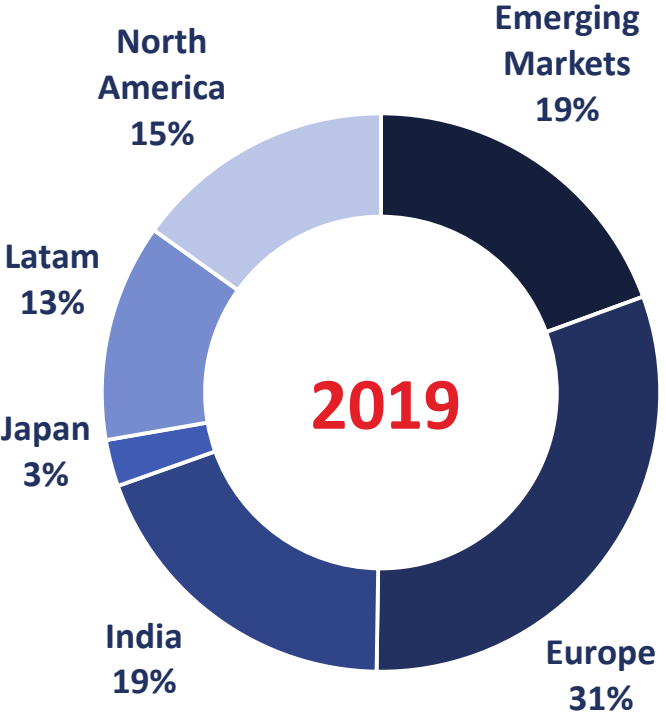
Filed 440 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



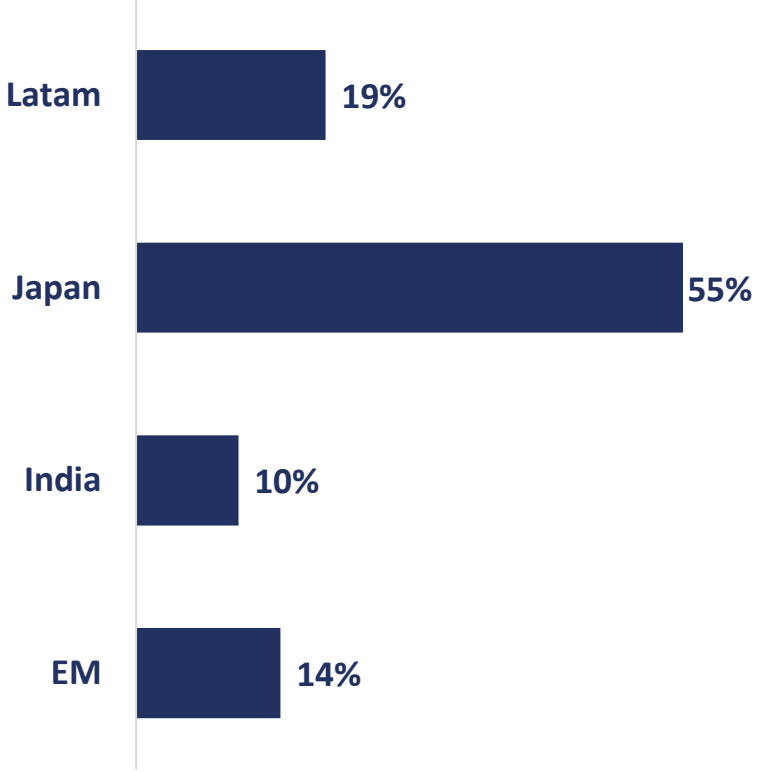
Strategic Market Expansion



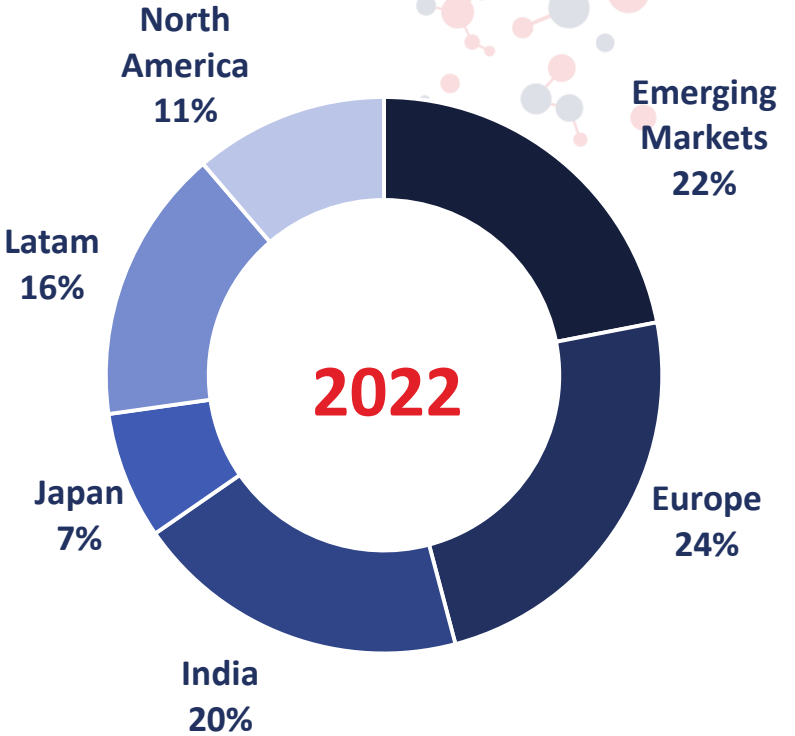
Revenue Break-up



Other markets Geographic Growth from 2019 to 2022 (3 year CAGR)*



Revenue Break-up



(Note: Excluding sales to GPL)

(Note: India growth – ex GPL numbers)

(Note: Excluding sales to GPL)

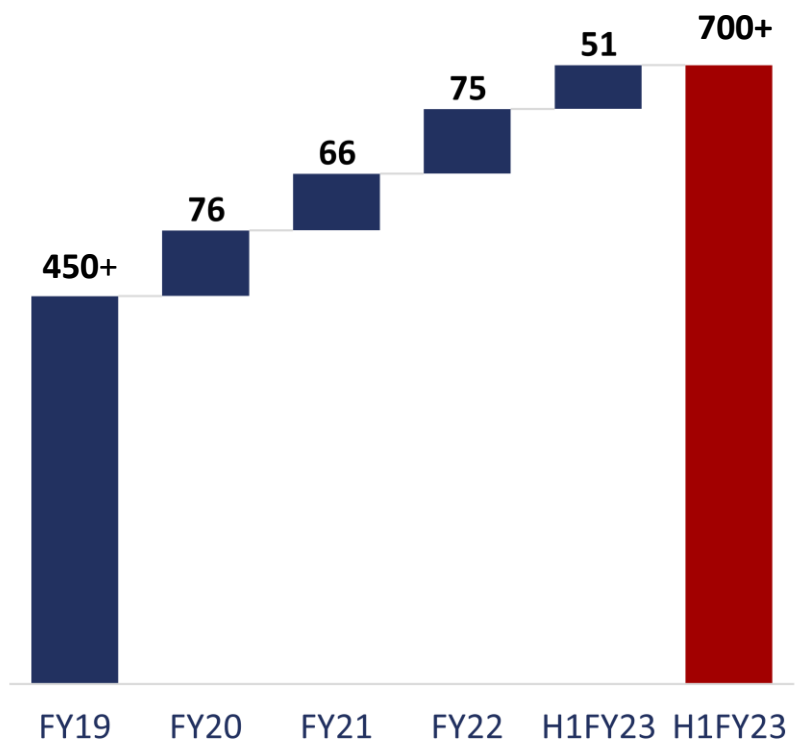
Diversified Customer Base

700+ Total number of customers

16 Of the world's 20 largest generics companies as customers

75% Business is from repeat customers since 2019

Customer addition



	Top 1	Top 5	Top 15
Revenue contribution by customers	13.6%	25.2%	39.3%
APIs with the Customers	12	26	52
Top Customers Contribution (% of Revenue)	 FY19: 17.2% FY22: 13.6%	 FY19: 34.7% FY22: 25.2%	 FY19: 50.7% FY22: 39.3%

Note: Products-related data is on external sales (ex-GPL) as a base

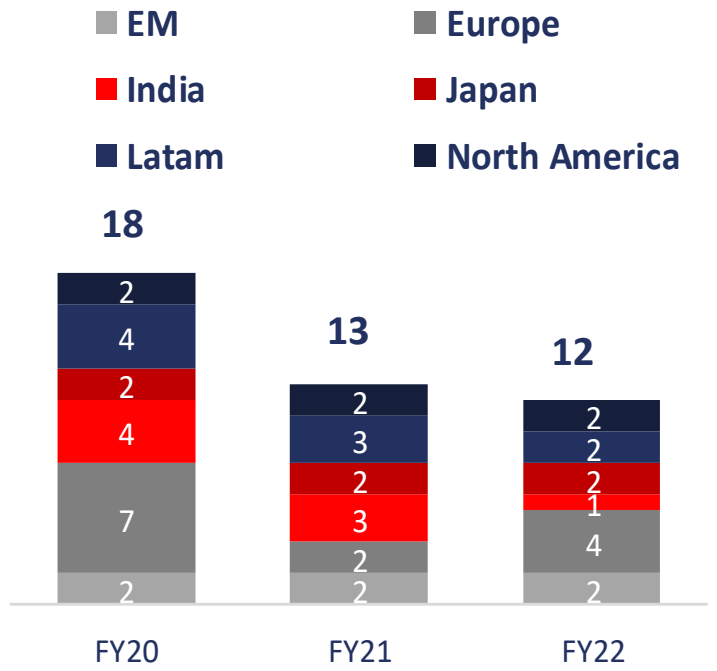
Portfolio Enhanced for near-term Opportunities

137 Total number of APIs

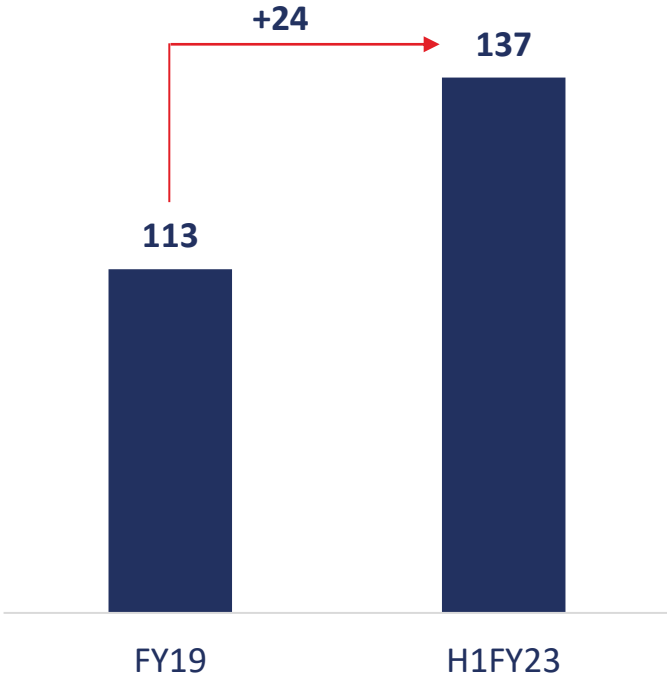
24 New APIs launched since 2019

43 Existing APIs extended to new markets and customers since 2019

Existing APIs extended to new markets



Unique APIs added



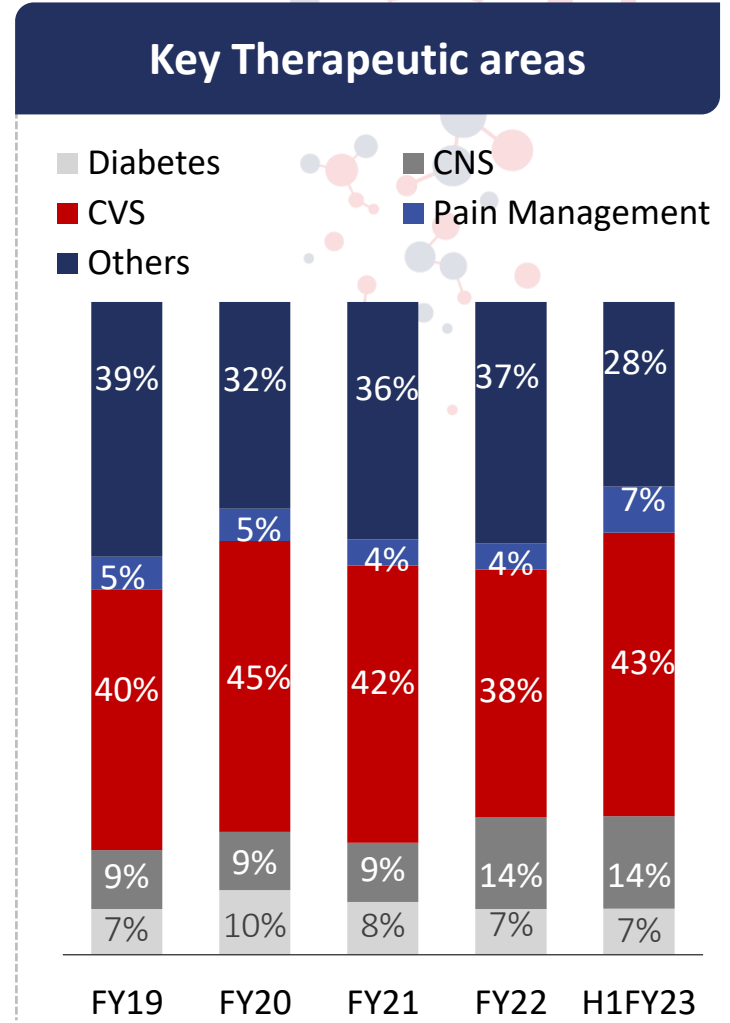
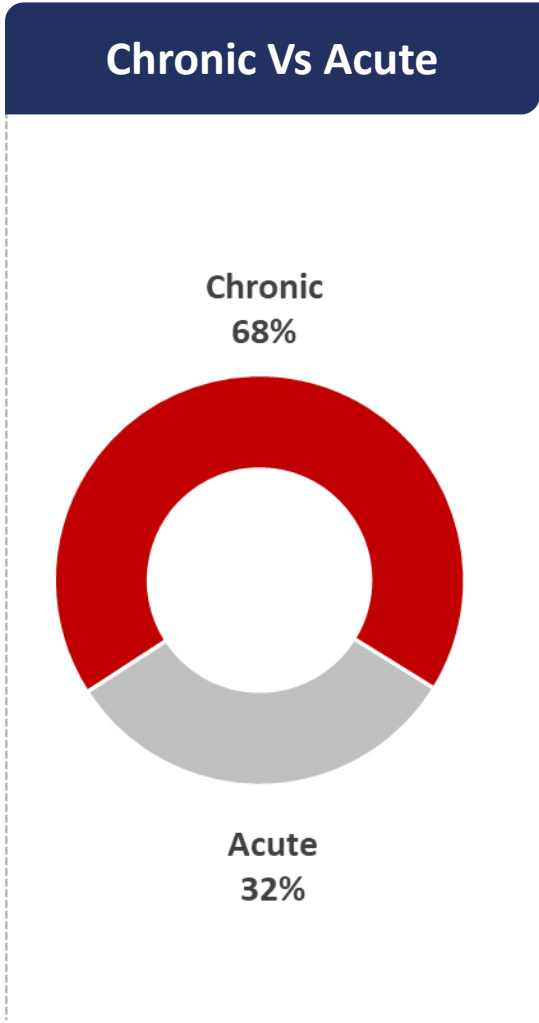
Market share of our APIs as per June 2022

No. of Products	Market Share
9	> 30%
8	20 - 30%
23	10 - 20%
80+	< 10%

Note: ▪ FY20 – 3 products extended to multiple markets
 ▪ FY21 and FY22 – 1 product extended to multiple markets

Broader Portfolio reduces dependence on Top APIs

	Top 5	Top 15
Revenue contribution by APIs		
No. of Customers	55	219
Evolution of Top APIs (% of Revenue)		



Key Drivers for Sustainable Operations



- 3 US-FDA Inspected plants
- Excellent track record with regulatory inspections
- 38 Regulatory inspections since 2015

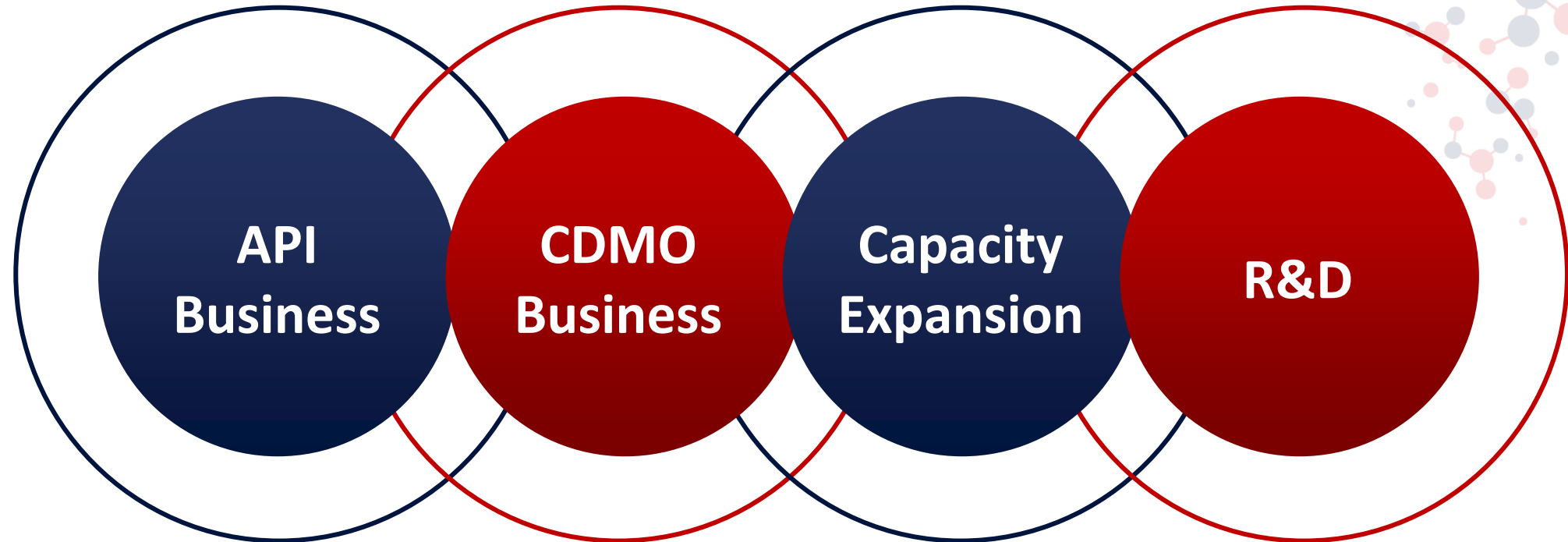
- Process Safety
- Engineering Controls
- Personal protective equipment

- Control of Solid, Liquid and Gaseous Waste
- Conservation of Water and Energy

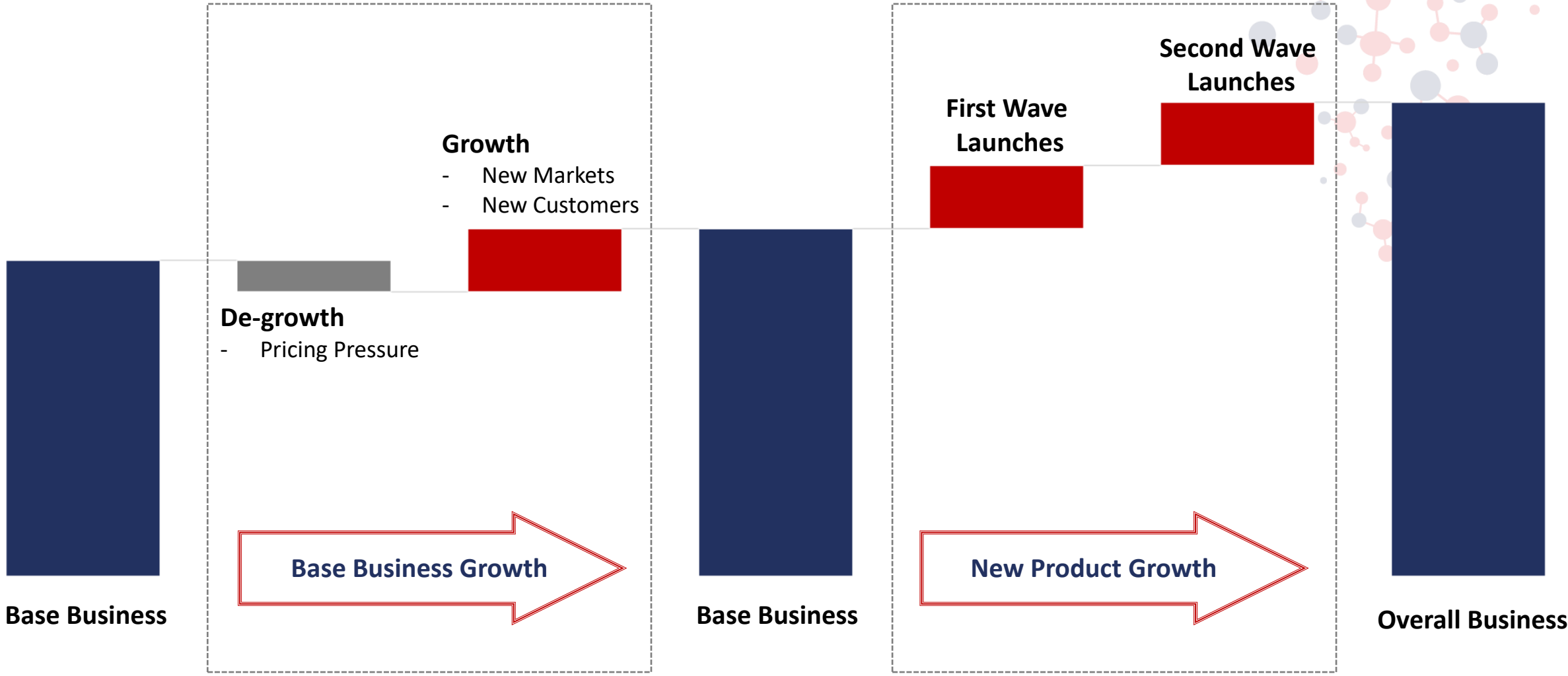
- Skill Development & Career Growth
- Promoting a participative culture

- Material Savings
- Operational Savings
- Supply Chain Efficiency

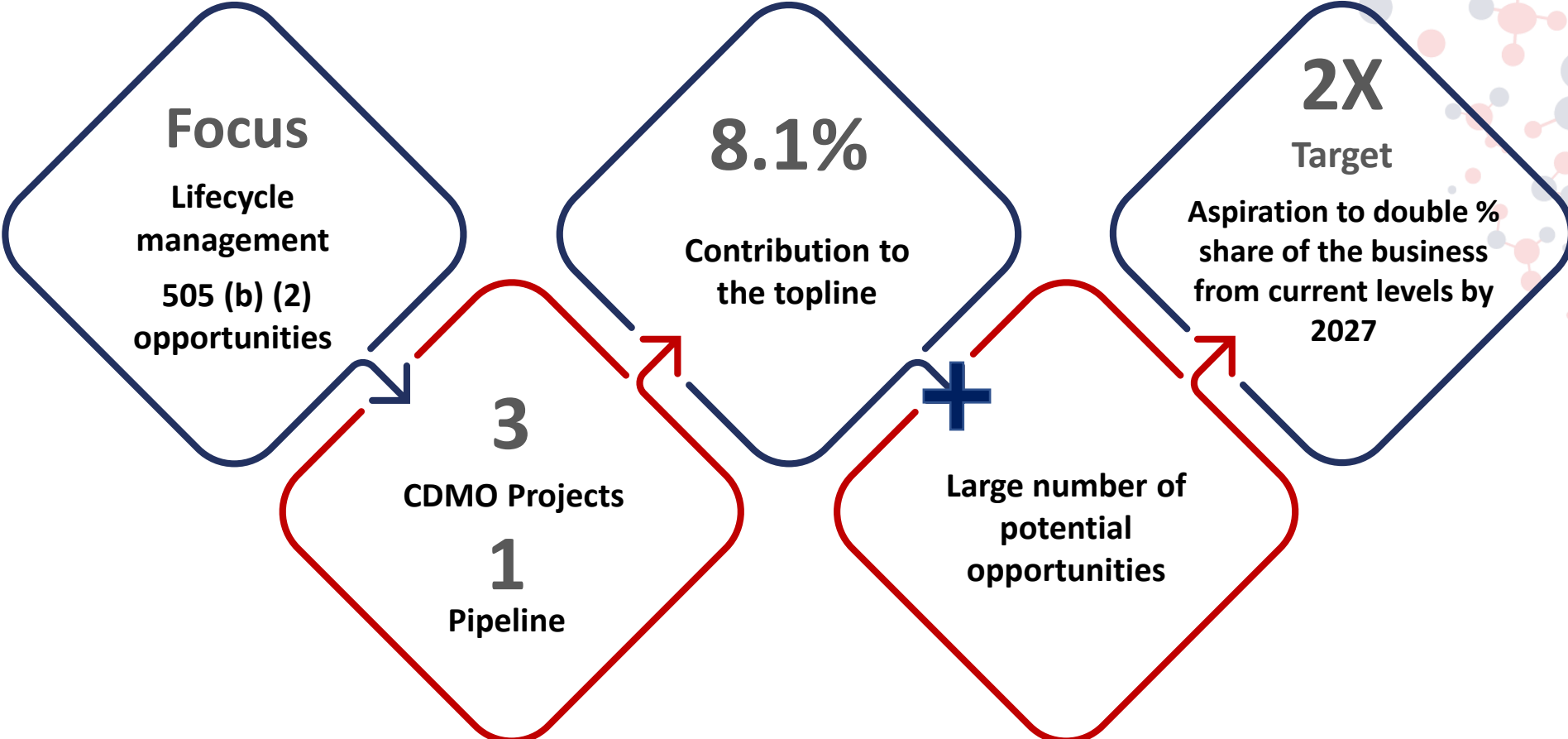
Our Growth Strategy



Growth Strategy - API Business

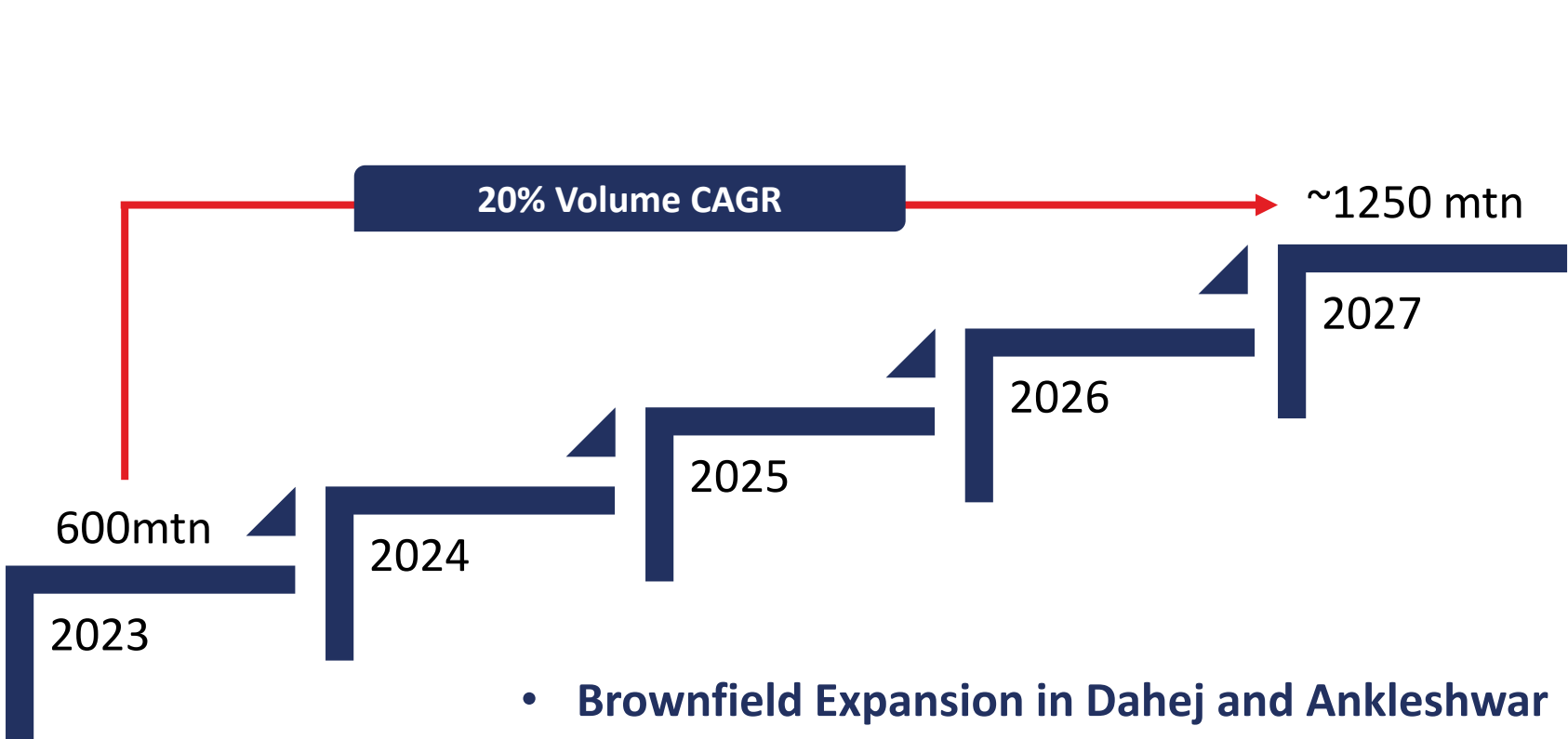


Growth Strategy - CDMO Business



Growth Strategy - Gradually Building Capacities

Calibrated capex to drive performance and growth



- Brownfield Expansion in Dahej and Ankleshwar
- Greenfield Expansion in Solapur

150-200 Capex every year
(INR cr)

2.5-3x FATR to remain stable

Stable Cash Flows
to fund the CAPEX

Growth Strategy - Aggressive R&D Investments

03 R&D Centres
(Mahape, Ankleshwar, and Dahej)

2.8% R&D Spend

~300 R&D Personnel

Focus Areas

- New Product Development
 - Focus in Complex APIs
- Process Efficiency improvement
 - Next Gen Processes

Backward Integration

- Value Capture in key APIs
- Control of Supply chain and build resilience to external challenges

26 Products in development pipeline

- 2 Iron complexes
- 7 Oncology products

17% Of total employee strength

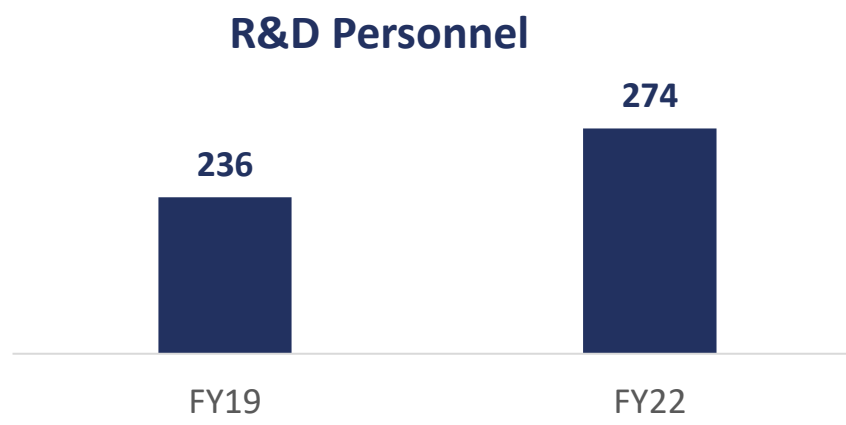
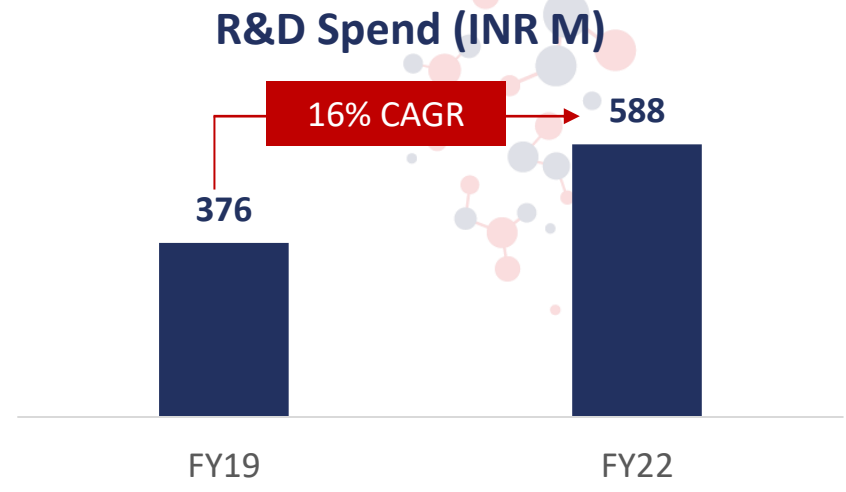
76 Owned/co-owned patents in several countries

Product Characterisation

- Impurity characterisation and solid-state studies
- Techniques like LC-MS, GC-MS, ICP-MS, PXRD, DSC, TGA, etc.

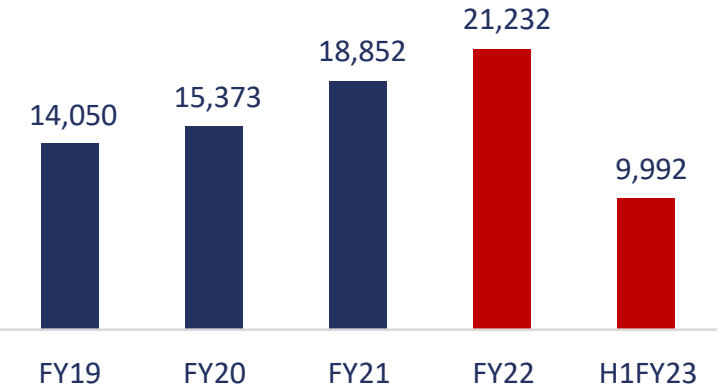
- Cost leadership in key APIs
- Enhance competitive position and improve market share

Aggressive Investment in product pipeline and cost improvement programs to stay ahead of the curve

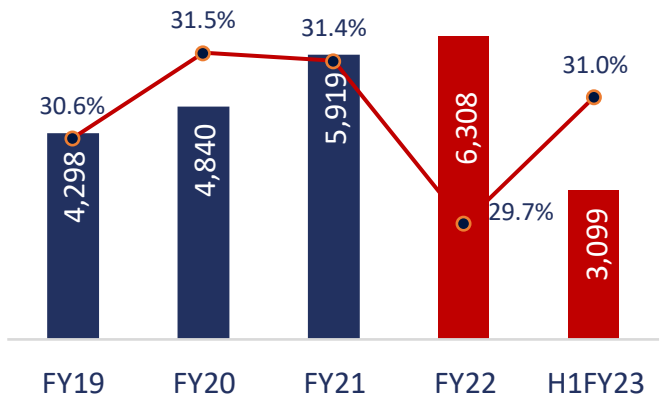


Financial Highlights

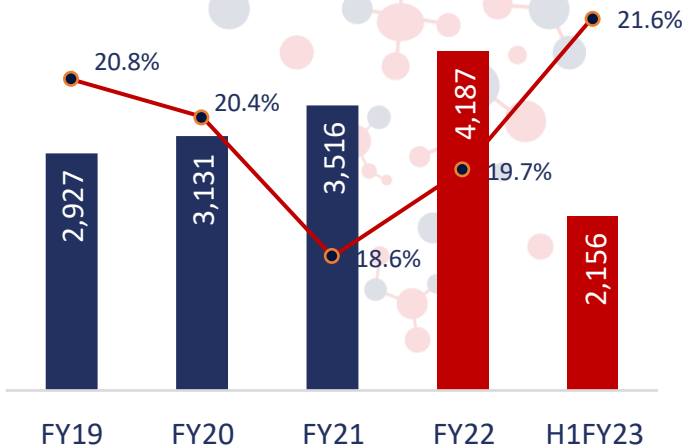
Revenue (₹m)



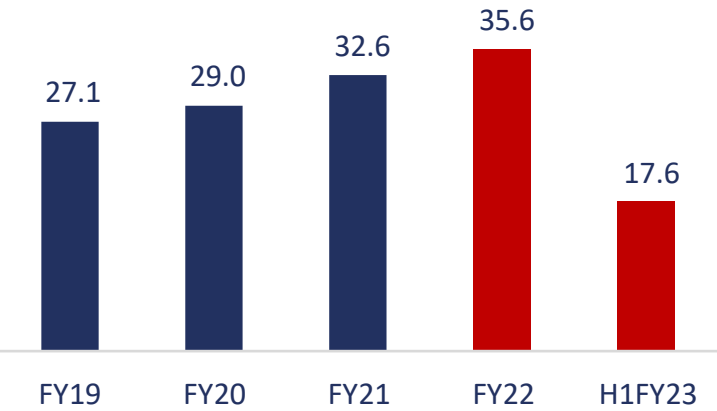
EBITDA (₹m)



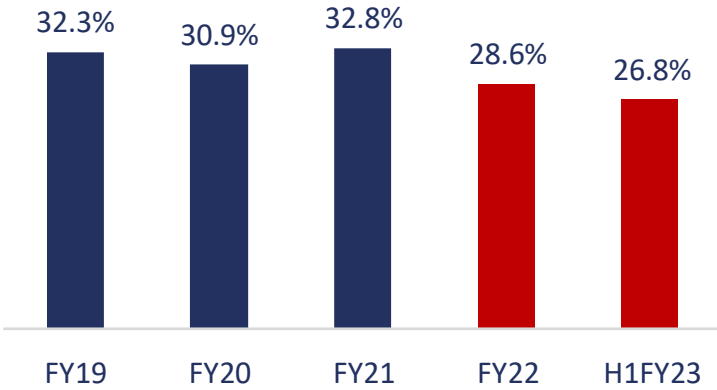
PAT (₹m)



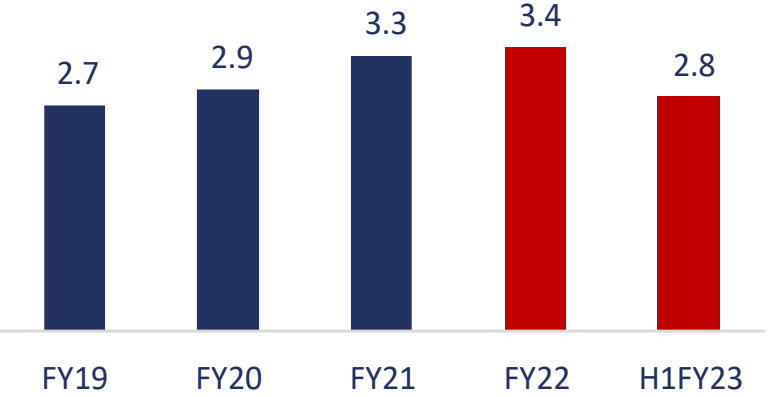
EPS (₹)



ROCE



FATR



Financial Highlights

₹ millions	2019	2020	2021	2022	H1FY23
Income Statement					
Revenue from Operations	14,050	15,373	18,852	21,232	9,992
EBITDA for the year	4,298	4,840	5,919	6,308	3,099
Profit for the year	2,927	3,131	3,516	4,187	2,156
Basic EPS	27.1	29.0	32.6	35.6	17.6
Balance Sheet					
Total Equity	881	4,017	7,527	20,543	21,427
Fixed Assets	5,303	5,498	5,790	6,763	7,751
Cash and cash equivalents	21	100	1,156	5,122	3,645
Total Debt	11,622	10,592	9,329	-	-
Working Capital					
Inventory	4,008	4,128	5,134	5,162	6,366
Receivables	4,481	6,386	6,195	6,735	7,256
Payables	-1,829	-2,011	-2,213	-3,077	-3,949
Operating Working Capital	6,660	8,503	9,116	8,820	9,673
No. of Days	173	202	177	152	173



74%

EBITDA to FCF conversion
(FY22)

~5%

Dividend Yield
(FY22)

Mid Teens
Growth

CDMO – To
Double by 2027

Stable
Margins

Stable Cash Flow
to fund the Capex

Industry Leading
Dividend Payout

Q&A