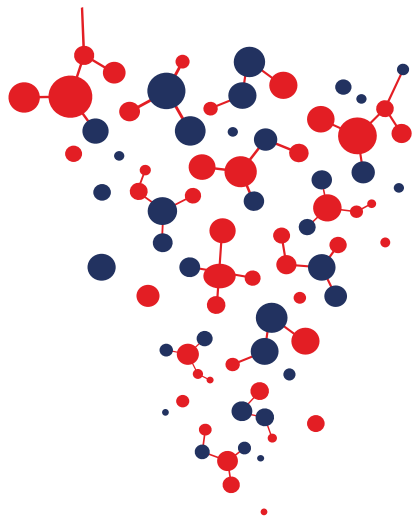


Glenmark Life Sciences Ltd.

Investor Presentation

Q2 FY24





Financial Performance Review



Dr. Yasir Rawjee
Managing Director &
Chief Executive Officer

"I am pleased to share that we continue to deliver remarkable growth, propelled by a robust GPL business and steady external API business. Geographically, regulated markets including the US, Europe, LATAM and India continue to spearhead our growth. In light of the announced change in ownership, I see this development as a pivotal opportunity to augment our standing in the API industry and continue the trajectory characterised by growth and healthy margins.

Looking ahead, enhanced visibility towards the H2FY24 demand for our generic API and CDMO business bolsters our confidence of delivering growth in FY24"

REVENUE
(IN ₹ MILLIONS) **5,954** 16.9% YoY 2.9% QoQ

EBITDA
(IN ₹ MILLIONS) **1,725** 12.2% YoY (11.5%) QoQ

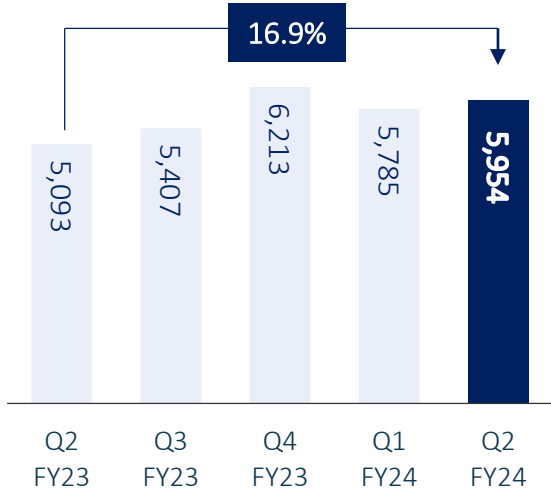
PAT
(IN ₹ MILLIONS) **1,187** 11.1% YoY (12.3%) QoQ

- GLS registered a revenue from operations of ₹ 5,954 Mn for Q2FY24, recording a strong growth of 16.9% YoY and 2.9% QoQ
- Gross Margins improved in Q2FY24 trending at 54.1%, up 120 bps YoY; EBITDA margins at 29.0% down 120 bps YoY; driven by better gross margin and higher employee expense
- Revenue from Generic API business was Rs. 5,428 Mn, up 19.7% YoY whereas CDMO business revenue was Rs. 253 Mn, down 18.1% YoY
- Generated strong free cash flow of Rs. 1,535 Mn leading to Cash and Cash Equivalents as of 30th September 2023 at Rs. 4,430 Mn

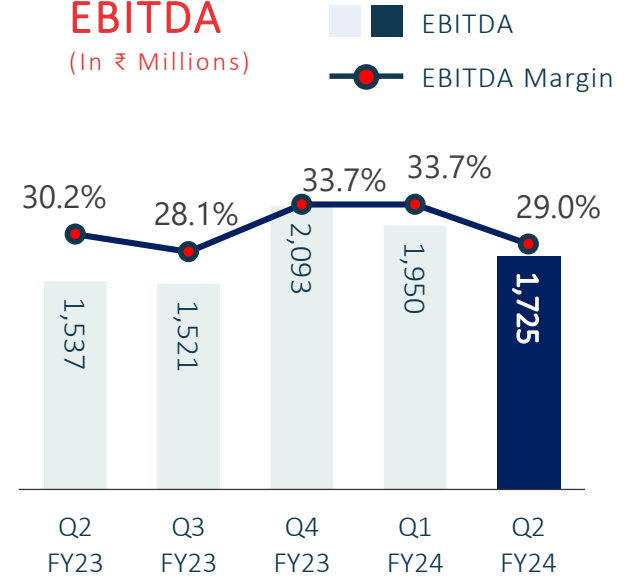
Q2 & H1 FY24 Performance

Strong growth with stable margins

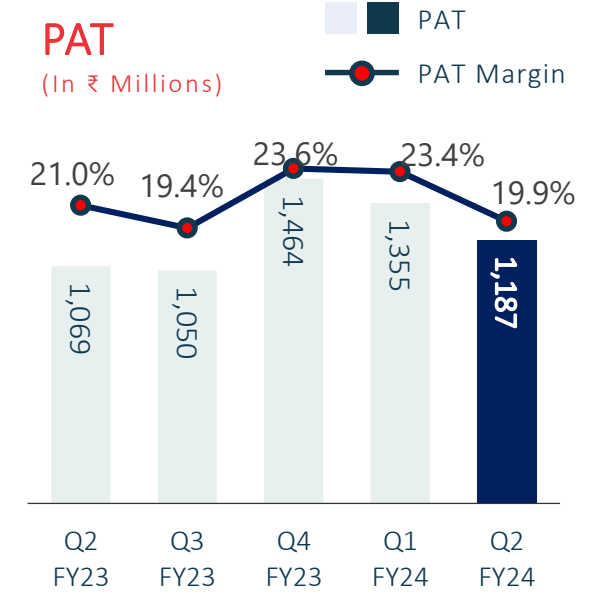
Revenue (In ₹ Millions)



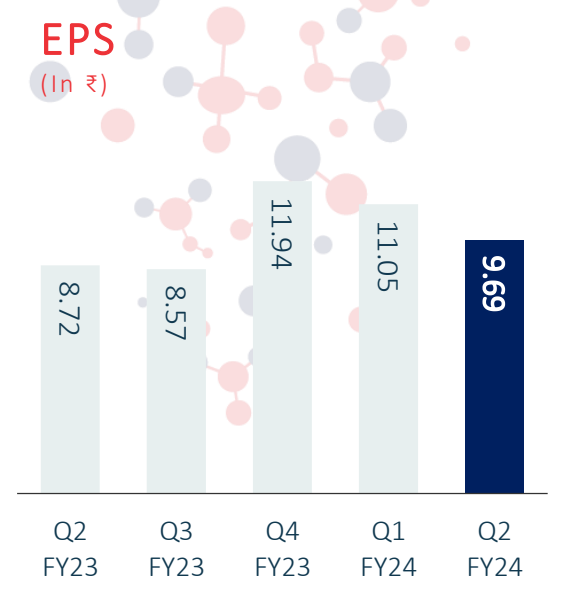
EBITDA (In ₹ Millions)



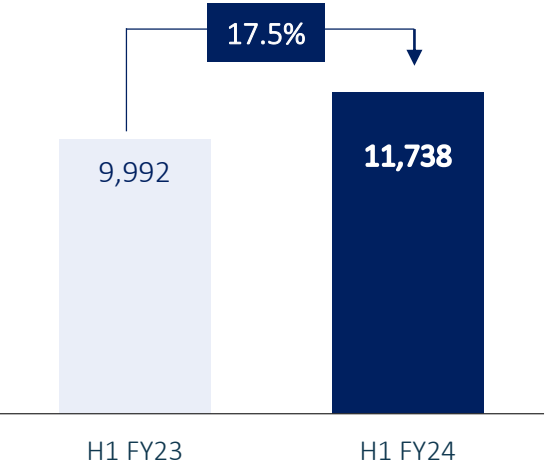
PAT (In ₹ Millions)



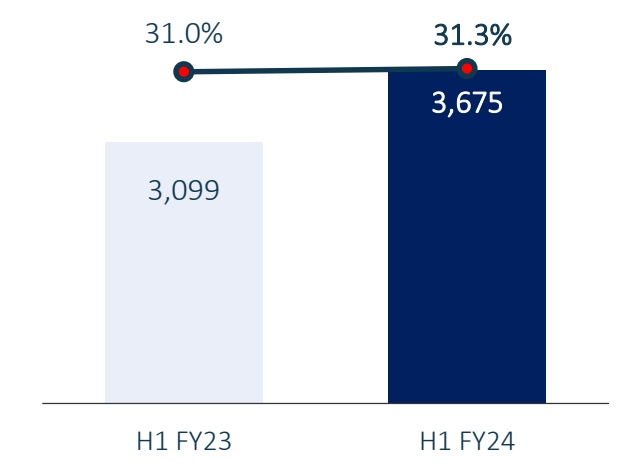
EPS (In ₹)



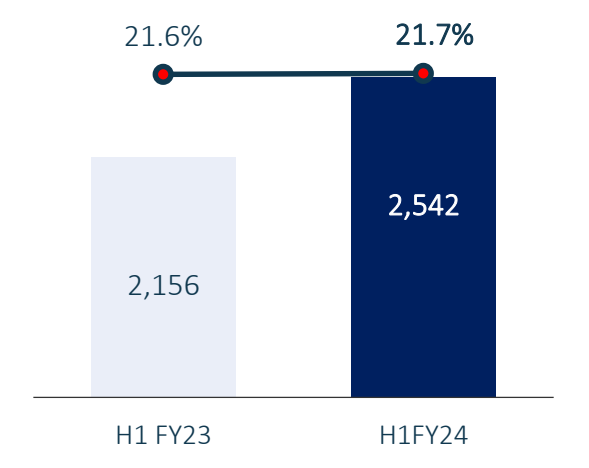
17.5%



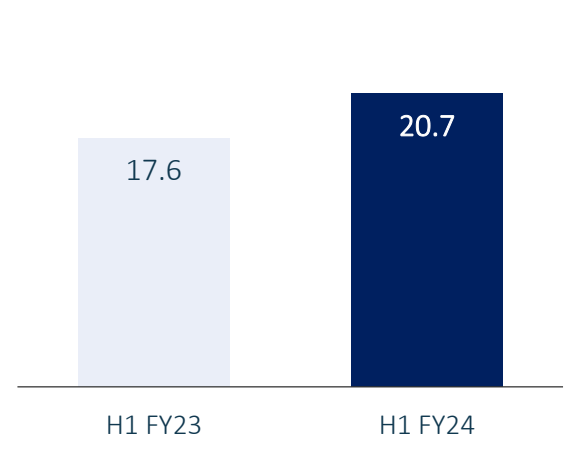
31.0%



21.6%



21.7%

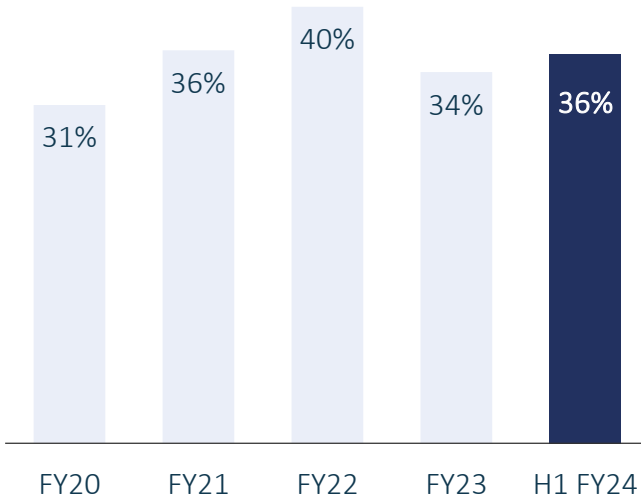


P&L Highlights | Q2 & H1 FY24

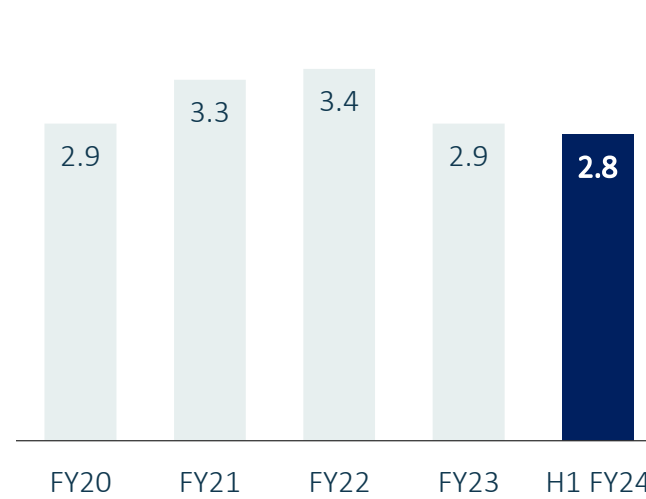
Particulars (In ₹ Millions)	Q2 FY24	Q1 FY24	QoQ	Q2 FY23	YoY	H1 FY24	H1 FY23	YoY
Revenue from Operations	5,954	5,785	2.9%	5,093	16.9%	11,738	9,992	17.5%
Gross Profit	3,223	3,304	-2.5%	2,693	19.7%	6,527	5,303	23.1%
Gross Profit (%)	54.1%	57.1%		52.9%		55.6%	53.1%	
Other Income	54	18	198.2%	100	-46.3%	72	195	-63.0%
Employee Benefits Expense	667	481	38.6%	474	40.7%	1,148	878	30.8%
Other Expenses	885	891	-0.7%	783	13.0%	1,776	1,521	16.8%
EBITDA	1,725	1,950	-11.5%	1,536	12.2%	3,675	3,099	18.6%
EBITDA Margin (%)	29.0%	33.7%		30.2%		31.3%	31.0%	
Depreciation and Amortisation Expense	131	126	4.1%	99	32.9%	257	198	30.0%
Finance Costs	4	4	0.6%	1	195.3%	8	3	164.9%
PBT	1,589	1,820	-12.7%	1,436	10.7%	3,409	2,898	17.6%
PBT Margin (%)	26.7%	31.5%		28.2%		29.0%	29.0%	
PAT	1,187	1,355	-12.3%	1,069	11.1%	2,542	2,156	17.9%
Net Margin (%)	19.9%	23.4%		21.0%		21.7%	21.6%	

Strong Returns Indicators

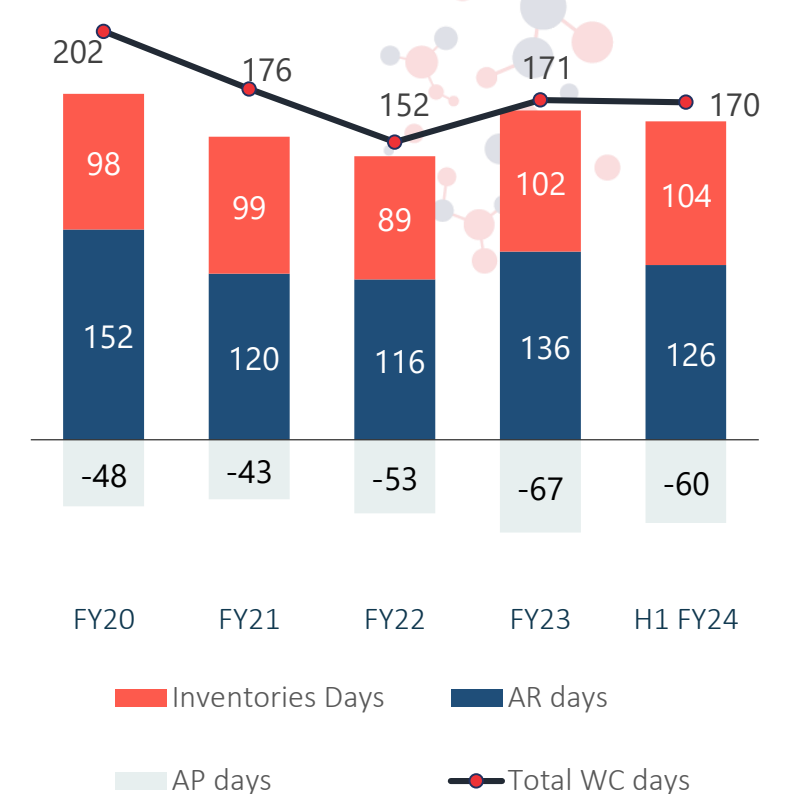
ROICE



Fixed Assets Turnover



Working Capital Days

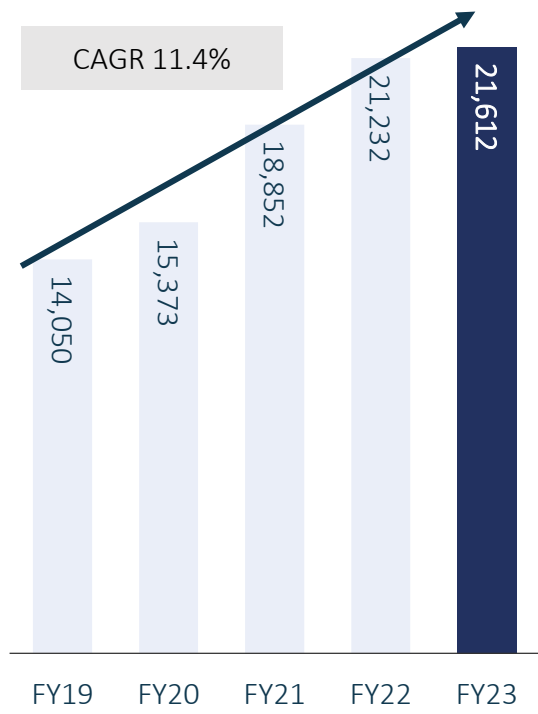


- **ROICE** is tracking at ~36% – Higher capital employed driven by calibrated Capex strategy
- **FATR** is 2.8 times – Asset turn trending slightly lower due to Capex cycle
- **WC days** at 170 days – Improved working capital due to better Debtor offset by higher inventory days and lower Payable days
- **Strong Balance Sheet** – Strong free cash generation of ₹ 1,535 mn during the quarter leading to Cash & Cash Equivalents of ₹ 4,430 mn as on 30th Sept 2023

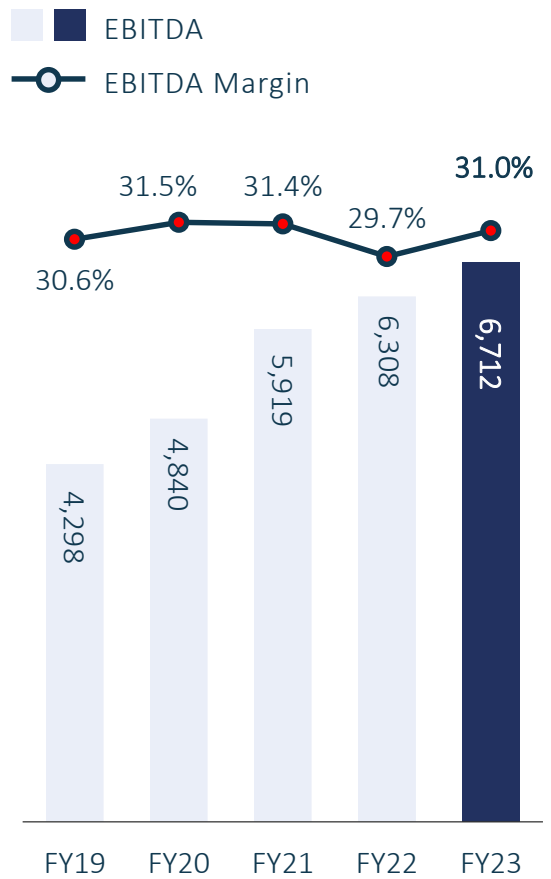
Financial Performance Track Record

Robust growth and profitability indicators over the years

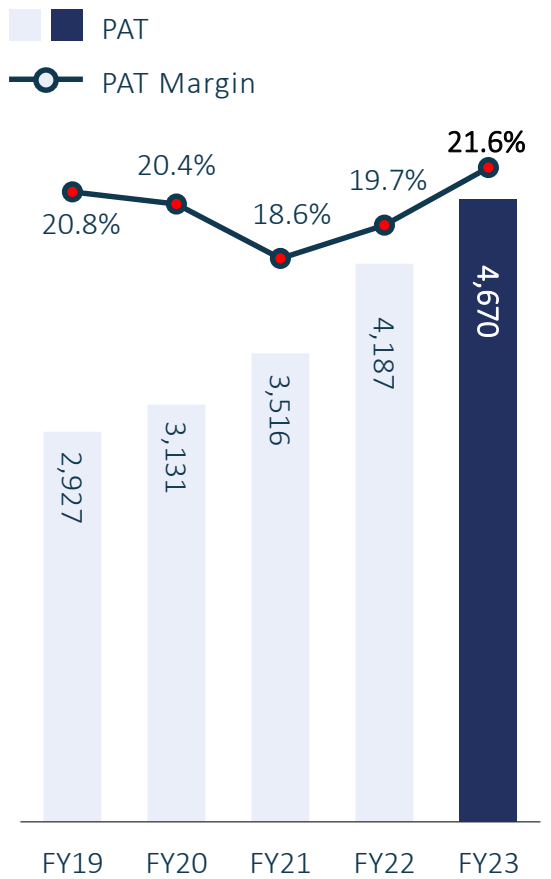
Revenue (In ₹ Millions)



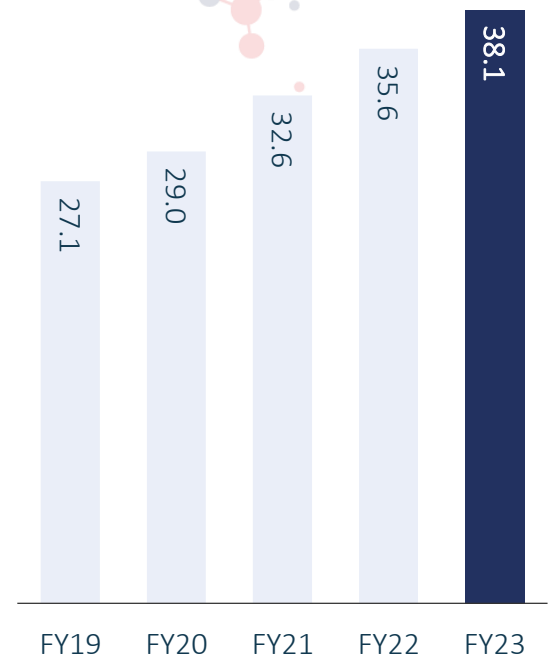
EBITDA (In ₹ Millions)



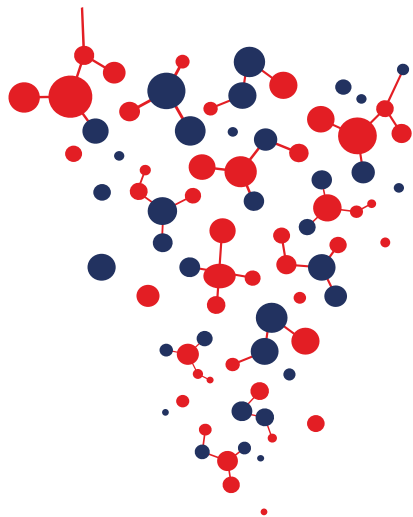
PAT (In ₹ Millions)



EPS (In ₹)



Note: Numbers of FY19 are based on Proforma Financials.

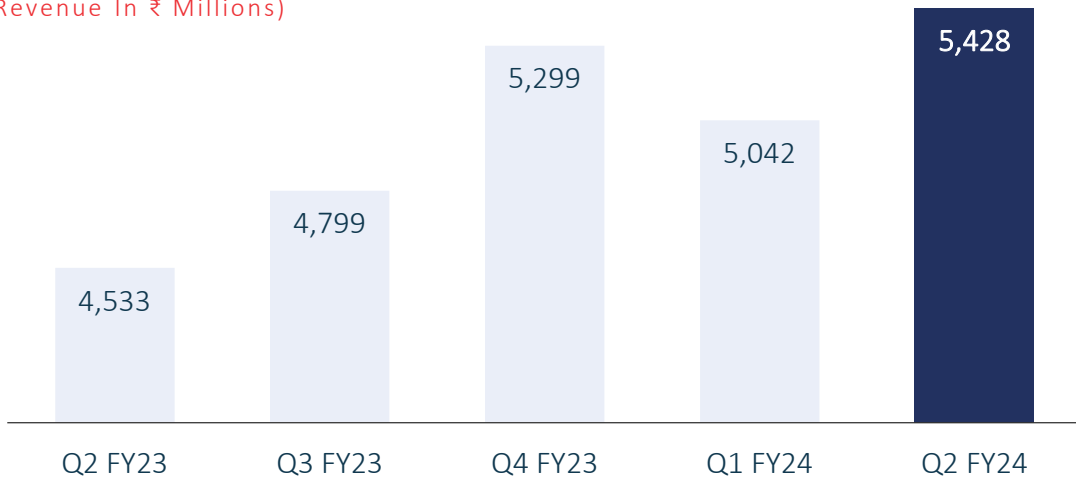


Business Performance Review

Segment Performance | Generic & CDMO business

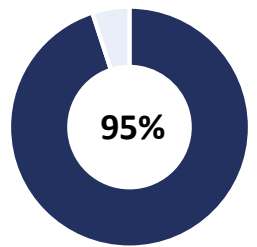
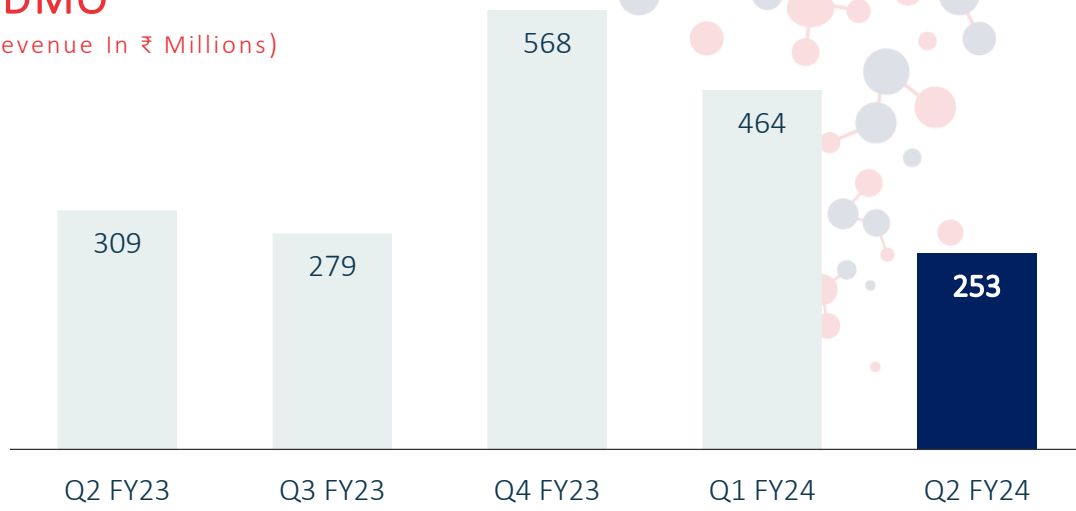
Generic API

(Revenue In ₹ Millions)

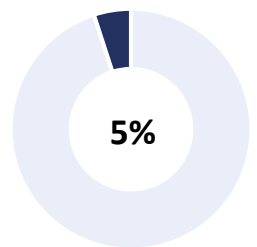


CDMO

(Revenue In ₹ Millions)



- Generic API revenues in Q2FY24 increased by 19.7% YoY and by 7.7% QoQ
- Generic API business was driven by robust growth in regulated markets
- Regions like US, LATAM and Europe contributed to strong growth momentum

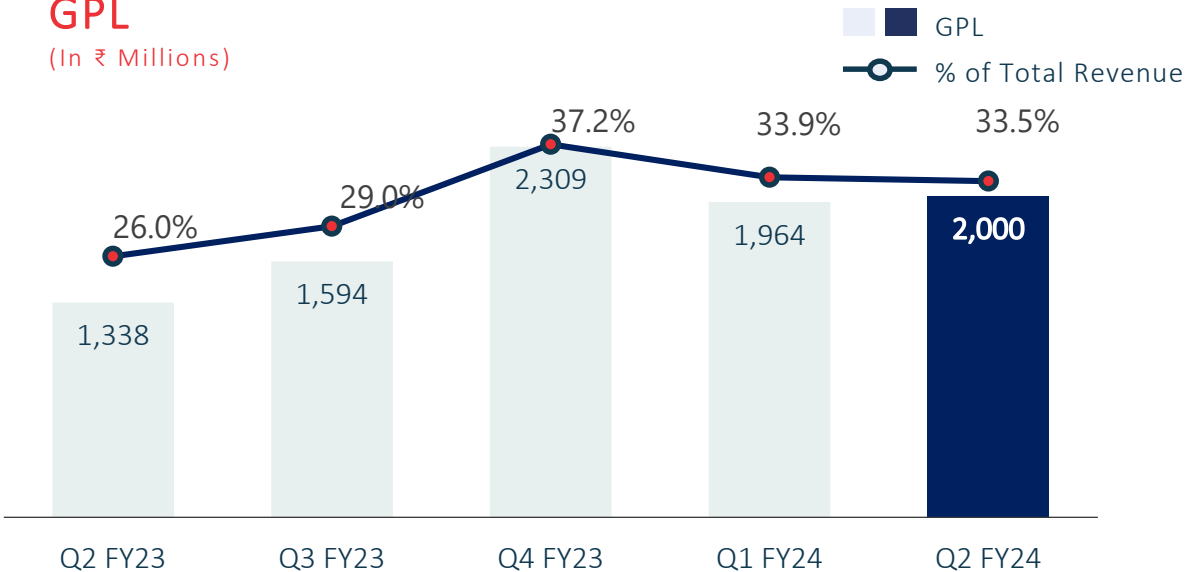


- CDMO business witnessed a de-growth of 18.1% on YoY basis driven by temporary low demand for one of the CDMO products
- Multiple discussions ongoing with companies globally for additional business opportunities

Segment Performance | GPL vs. External

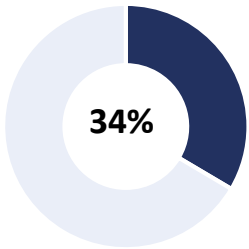
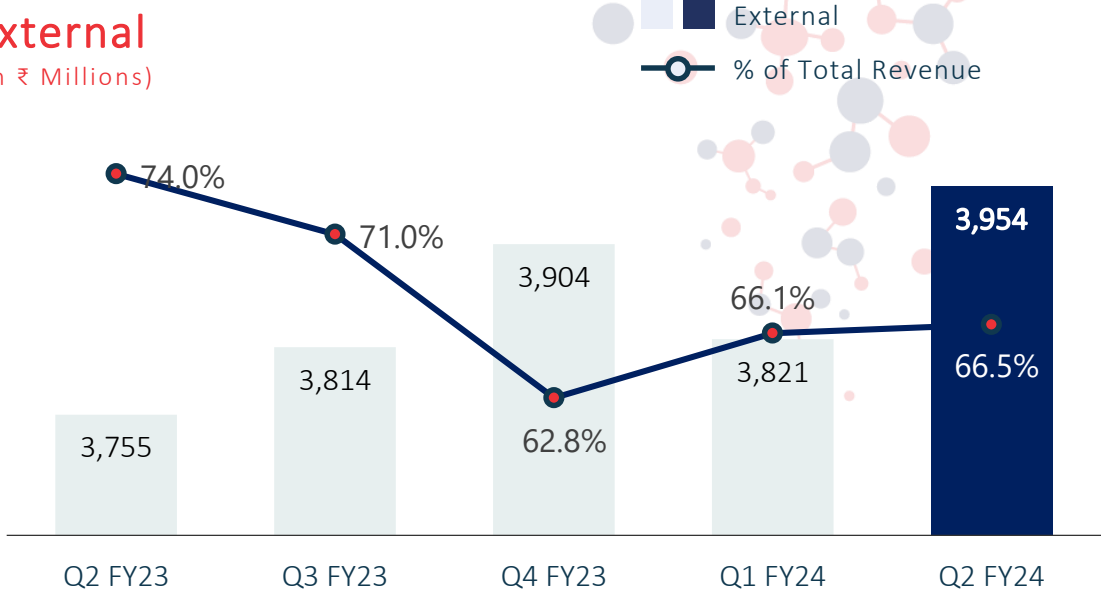
GPL

(In ₹ Millions)

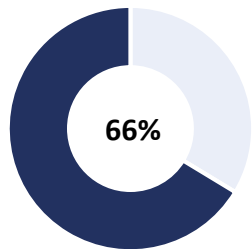


External

(In ₹ Millions)



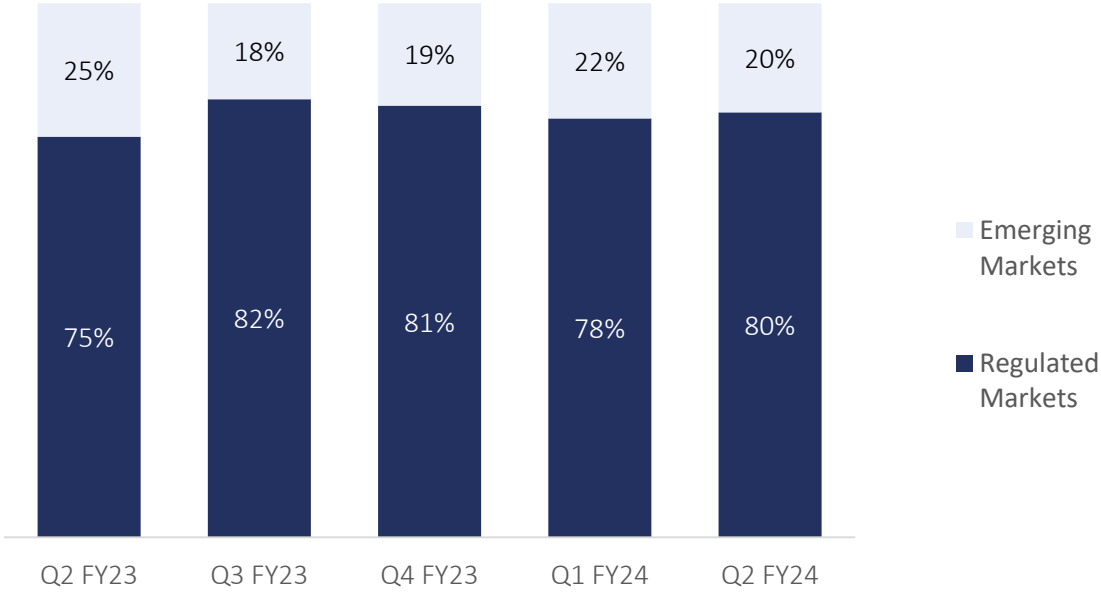
- GPL business in Q2FY24 increased 49.5% YoY and by 1.8% QoQ
- GPL business contributes 33.5% of the total revenue from operations



- External business grew by 5.3% YoY and 3.5% QoQ
- Slower growth in external business was due to subdued growth in CDMO business whereas external generic API business grew strongly in regulated markets

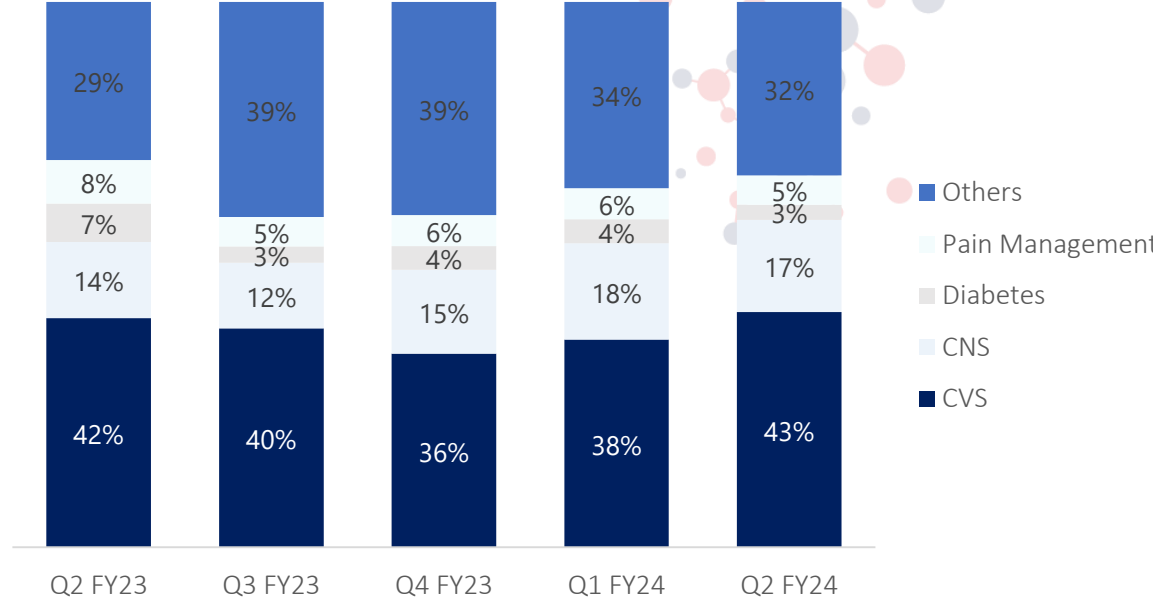
Market and Therapeutic Area Mix

Market Mix

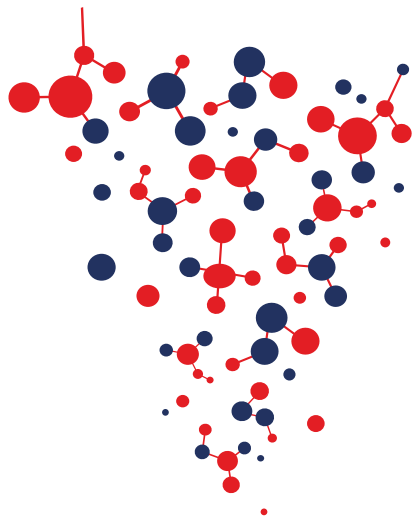


- Regulated markets contribution is at 80% in Q2FY24 driven by growth in US, LATAM, Europe and India
- During Q2FY24, regulated market contributed 80% of the total portfolio compared to 75% in Q2FY23

Therapeutic Area Mix



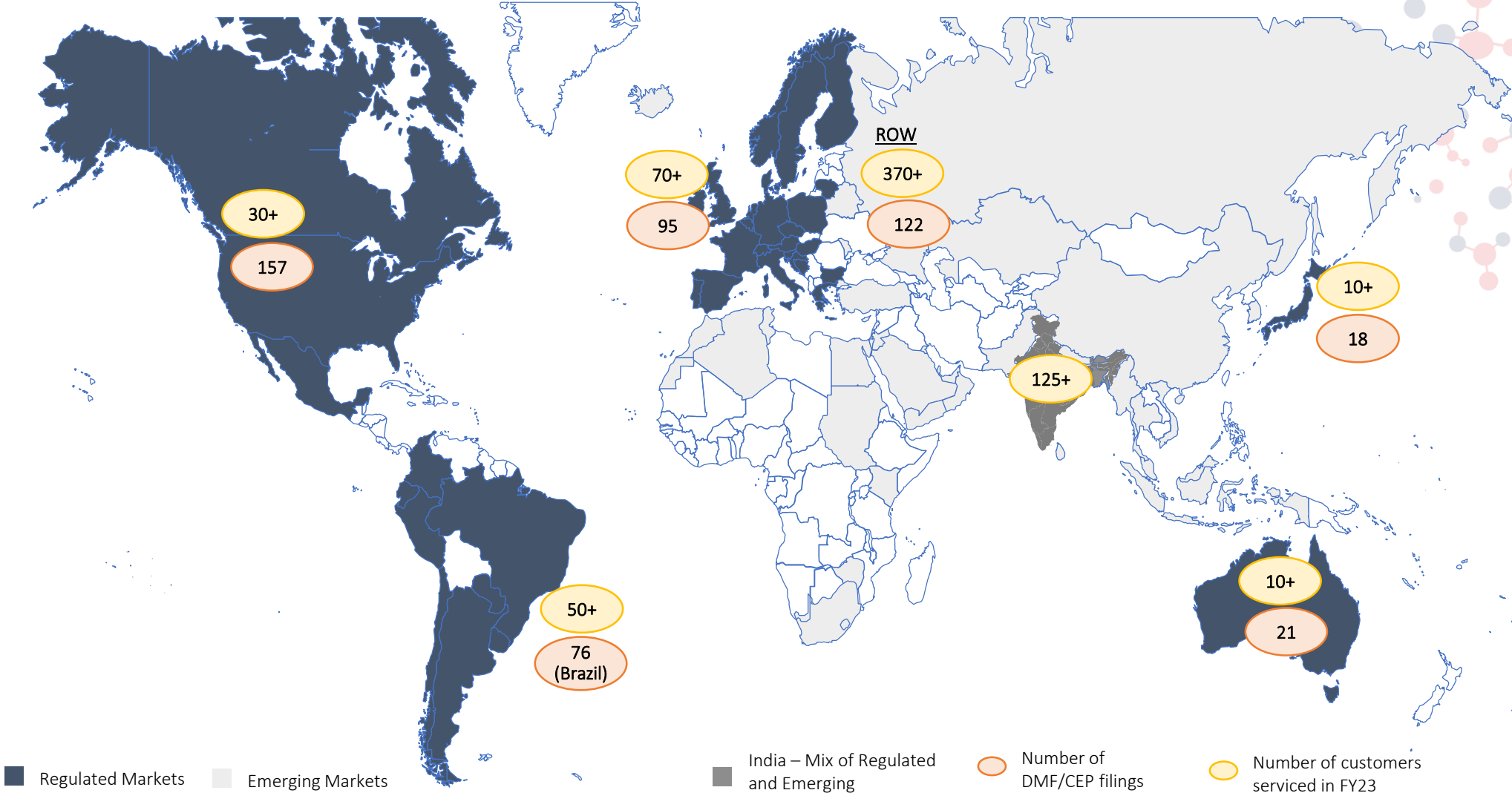
- CVS and CNS portfolio continued to deliver a strong growth
- Our key focused area of chronic therapies contributed 68% of the revenue in Q2FY24



Company Overview

Global Footprint

- Filed 489 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



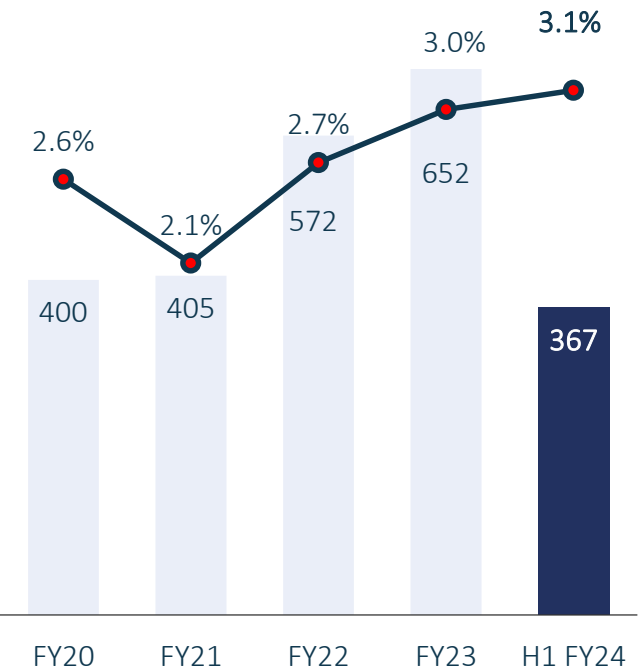
As of Sep 30, 2023

R&D Capabilities

R&D Spend

(In ₹ Millions)

■ R&D Spend
● As % to Sales



Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	Australia	ROW	Total
CVS	37	31	4	21	10	33	136
CNS	36	22	8	13	2	14	95
Diabetes	9	5	-	8	-	12	34
Pain Management	1	2	-	4	1	8	16
Others	74	35	6	30	8	55	208
Total	157	95	18	76	21	122	489

- DMF/CEPs filing continues across major markets in Q2FY24, taking the total cumulative filings to 489 as on 30 Sep, 2023.
- 3 new products added to the grid of which 1 is High potent API (HP API) / oncology molecule and 2 are synthetic small molecules.
- The HP API portfolio now extends to 12 products with an addressable market of \$21bn (Source: IQVIA, MAT June 23). 3 products are validated and 3 products are in advanced stage of development.
- Development progressing well for new iron complex added last quarter to the existing grid of 3 molecules, each backed by customer interest. Filing completed for 1 iron complex with 2 others in advanced stages of development. Total addressable market of \$1.8 bn (Source: IQVIA, MAT June 23).

Quality-focused, compliant manufacturing & R&D infrastructure



Manufacturing Infrastructure

Location	Annual Installed Capacity (Jun-23)	Last USFDA Inspection Date	Approvals
Ankleshwar, Gujarat	742.2 KL*	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA
Dahej, Gujarat	381.9 KL	Oct 2018	USFDA, EDQM (Europe), PMDA (Japan), KFDA (South Korea)
Mohol, Maharashtra	49.1 KL	March 2018	USFDA, Maharashtra FDA
Kurkumbh, Maharashtra	24.6 KL	-NA-	Maharashtra FDA

* Additional 208KL will be further added to the capacity in FY24 at Ankleshwar, Gujarat.

R&D Infrastructure

Mahape, Navi Mumbai

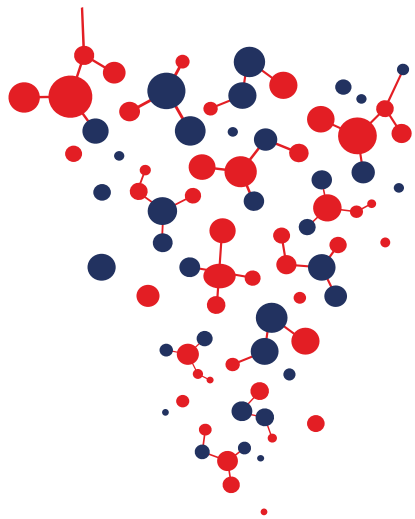
- R&D for new product development and complex molecules
- High-end analytical equipment for characterization

Ankleshwar, Gujarat

- Cost improvement programs and process improvements

Dahej, Gujarat

- Oncology R&D
- Cost improvement programs and process improvements



Strategy Going Forward

Strategic Growth Levers

New Growth levers

2

- ✓ Ramp up CDMO portfolio
- ✓ Expand into complex API platforms
- ✓ Iron compounds
- ✓ Oncology

Operational efficiencies

4

- ✓ Debottlenecking
- ✓ 2nd/3rd generation process adoption
- ✓ Backward integration
- ✓ Reduce carbon footprint
- ✓ Adoption of flow chemistry in manufacturing
- ✓ Pursue AVD opportunities

1 Gx API Business

- ✓ New product launches
- ✓ Geographical expansion
- ✓ Focus on new markets becoming more regulated
- ✓ Pursue 2nd source opportunities with top generic players

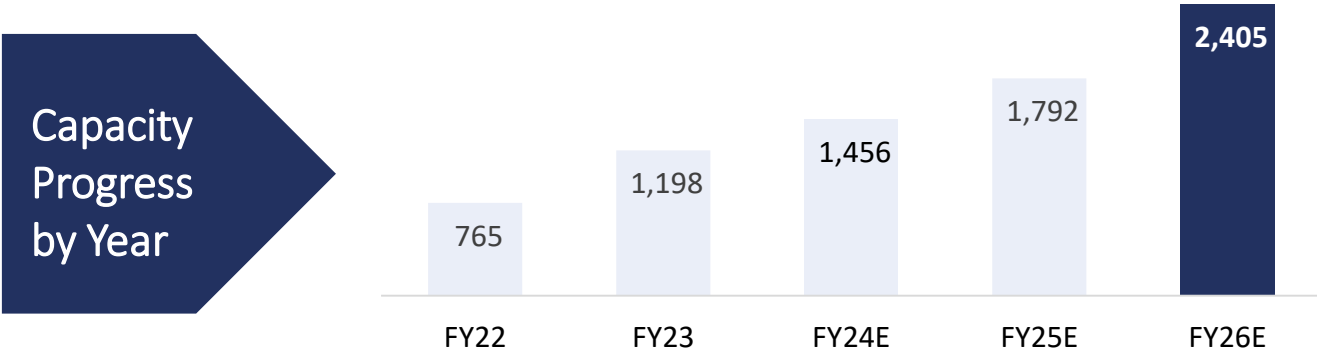
3 Capacity

- ✓ Greenfield – Solapur, 1000MT (CTE Received)
- ✓ Brownfield – Dahej, 240KL (Completed)
- ✓ Oncology block – Dahej (Completed)
- ✓ Backward integration – Ankleshwar (400 KL of which 192 KL is completed)
- ✓ Build R&D capability for new growth levers

Future Capacity Expansion Plan

Expansion Type	Division	Location	Status & Planned Capacity	Operational Timelines
Brownfield	API / Intermediate	Ankleshwar	208 KL (Under Construction) Planned addition of 280KL-300KL	FY24 FY25-FY26
Brownfield	API	Dahej	Planned addition of 220KL-240KL	FY24-FY26
Greenfield	API	Solapur	CTE received for 1,000MT ~500 KL capacity will be operational by FY26	FY26

Total Reactor Capacity Expansion Plan (KL)



- ✓ **Backward Integration plant at Ankleshwar of 208KL is under construction.**
- ✓ **Engineering work started for construction at Solapur Plant of 200KL (Phase 1).**
- ✓ **Solapur's further capacity expansion will be calibrated as per the volume demand**

Thank You

FOR FURTHER INFORMATION CONTACT

Email: complianceofficer@glenmarklifesciences.com

ERNST & YOUNG LLP – INVESTOR RELATIONS

DIWAKAR PINGLE

Email: Diwakar.Pingle@in.ey.com

RAHUL THAKUR

Email: Rahul.Thakur@in.ey.com

CORPORATE OFFICE:

4th Floor, OIA House, 470, Cardinal
Gracious Road, Andheri (E), Mumbai,
400 099, India.

REGISTERED OFFICE:

Plot No. 170-172, Chandramouli
Industrial Estate, Mohol Bazarpath,
Solapur - 413 213, India.

T: 91 22 68297979

CIN: U74900PN2011PLC139963

Website: www.glenmarklifesciences.com