



Q4 FY22
Investor Presentation
Glenmark Life Sciences Ltd

01

Financial Performance Review



Q4 FY22 – Highlights

Revenue
INR **5,141 mn**



YoY, 10.0%

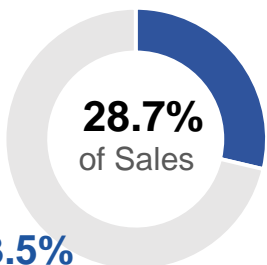


QoQ, -1.6%

EBITDA
INR **1,473 mn**



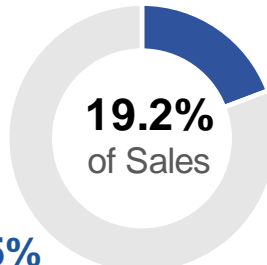
YoY -13.5%



PAT
INR **989 mn**



YoY -5.5%



Dr. Yasir Rawjee

*Managing Director
&
Chief Executive
Officer*

“Our sustained growth in FY22 with solid profitability in a challenging business environment, demonstrates the strength of our business across geographies and segments coupled with a strong focus on operations and R&D.”

- YoY Revenue grew at 10.0% in Q4 and 12.6% in FY 22
- The year witnessed strong growth momentum across key regulated markets
- EBITDA margins for the quarter were at 28.7%, and at 29.7% for FY22
- PAT margins for FY 22 improved following debt repayment
- R&D expenditure at 2.8% during the quarter and 2.7% for FY22
- For FY 22, Capital expenditures were INR 1,451 mn

P&L Highlights – Q4 & FY22

Amounts in INR Millions	Q4 FY22	Q3 FY22	QoQ	Q4 FY21	YoY	FY22	FY21	YoY
Revenue from Operations	5,140.6	5,225.0	-1.6%	4,671.6	10.0%	21,232.1	18,851.7	12.6%
Gross Profit	2,589.3	2,653.3	-2.4%	2,746.9	-5.7%	10,803.3	9,796.7	10.3%
Gross Profit (%)	50.4%	50.8%		58.8%		50.9%	52.0%	
Other Income	50.9	35.3		3.4		147.0	8.1	
Employee Benefits Expense	390.8	441.3	-11.4%	374.9	4.2%	1,687.2	1,491.3	13.1%
Other Expenses	776.4	751.3	3.3%	673.2	15.3%	2,955.4	2,394.6	23.4%
EBITDA	1,473.1	1,496.0	-1.5%	1,702.3	-13.5%	6,307.6	5,918.8	6.6%
EBITDA Margin (%)	28.7%	28.6%		36.4%		29.7%	31.4%	
Depreciation and Amortisation Expense	95.5	97.4	-1.9%	84.3	13.4%	378.8	333.9	13.4%
Finance Costs	1.3	0.6		211.8		279.6	875.5	
PBT	1,376.3	1,398.0	-1.6%	1,406.2	-2.1%	5,649.2	4,709.4	20.0%
PBT Margin (%)	26.8%	26.8%		30.1%		26.6%	25.0%	
PAT	989.0	1,037.1	-4.6%	1,046.8	-5.5%	4,187.2	3,515.8	19.1%
Net Margin (%)	19.2%	19.8%		22.4%		19.7%	18.6%	

Key Balance Sheet Items and Cash flow

Key Balance Sheet Items

Amounts in INR Millions	As at 31st Mar'22	As at 31st Mar'21
Equity	20,543.1	7,527.5
Total Debt	-	9,328.7
Inventory	5,162.4	5,134.2
Trade Receivables	6,734.9	6,195.0
Net Tangible Assets	6,763.4	5,789.9
Cash and Cash Equivalent*	5,122.7	1,184.0

* Includes bank deposit

Free Cash Flow

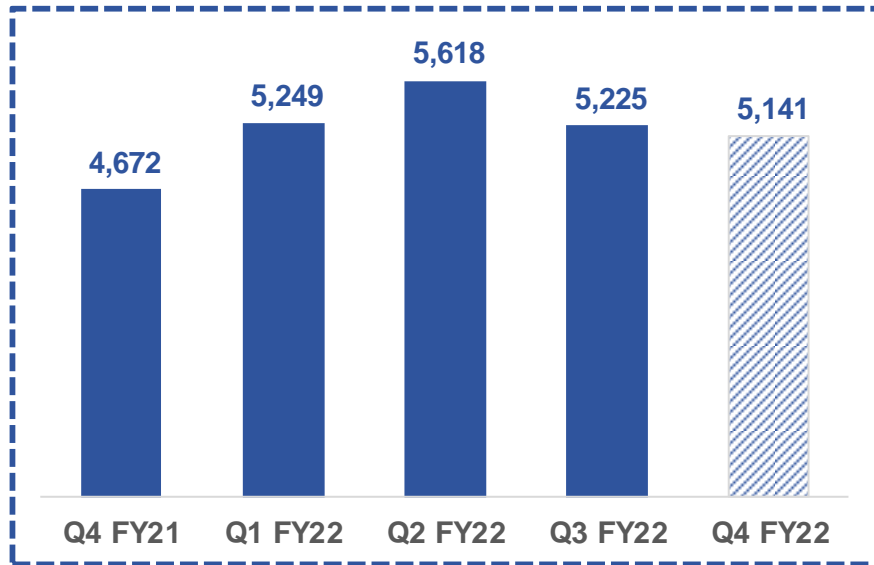
Amounts in INR Millions	FY22	FY21
Profit Before Tax	5,649.3	4,709.4
Adjustment for Non Operating Items*	709.9	1,333.1
Changes in Working Capital	998.4	(1,075.8)
Cash generated from Operations	7,357.5	4,966.8
Taxes paid (Net of refunds)	(1,381.7)	(1,085.6)
Net cash generated from Operating Activities	5,975.8	3,881.1
Capex	(1,321.7)	(679.9)
Free Cash Flow	4,654.1	3,201.2

*Includes Finance Costs, Depreciation, Interest Income and Unrealised Exchange gain/loss.

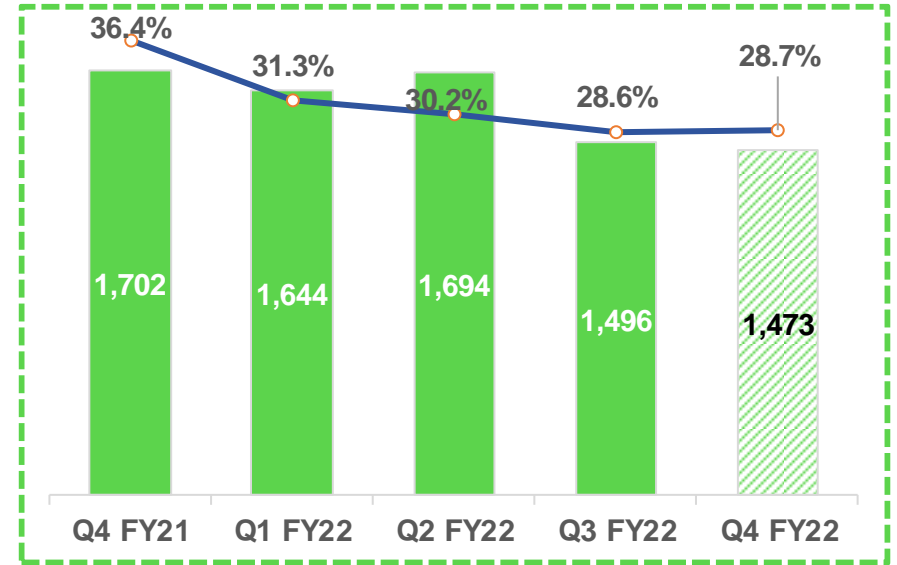
Quarter on Quarter Performance

Sustaining a profitable growth trajectory despite cost headwinds

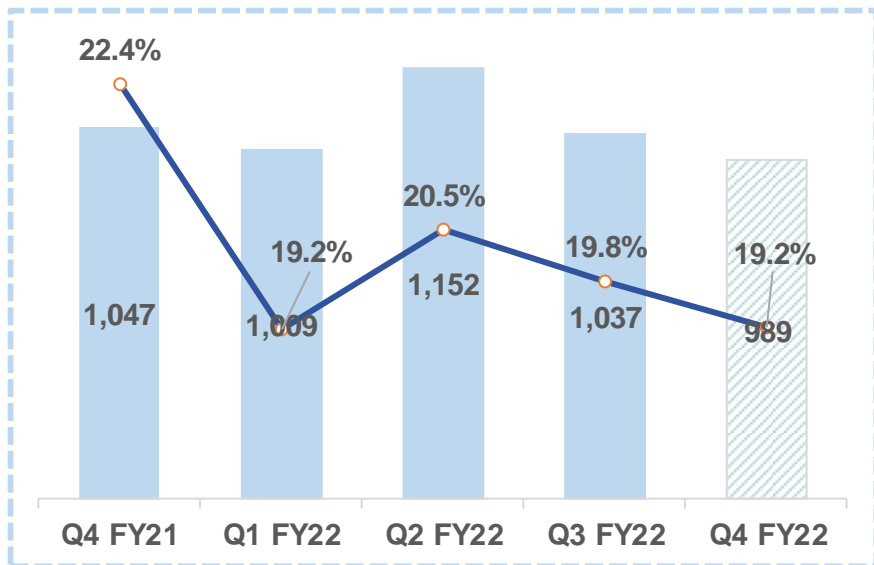
Revenue



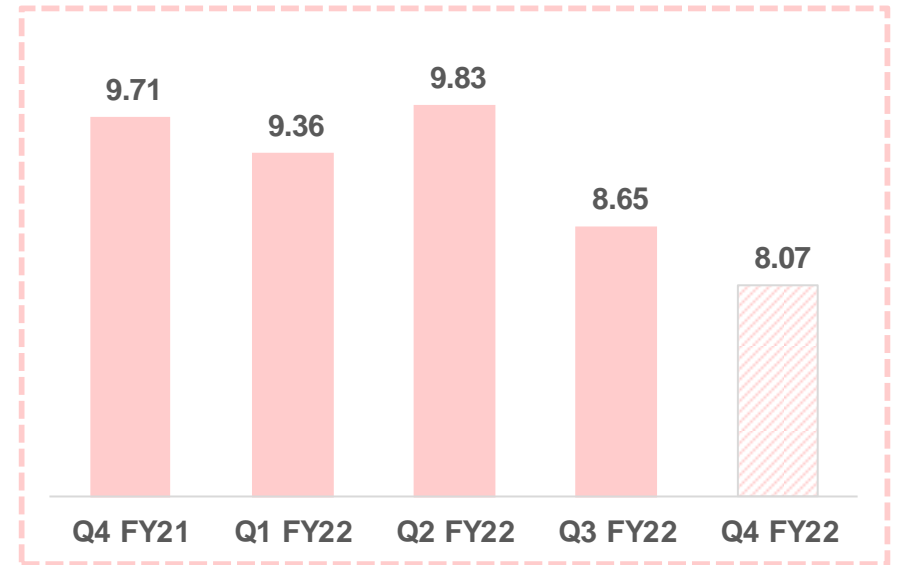
EBITDA



PAT



EPS

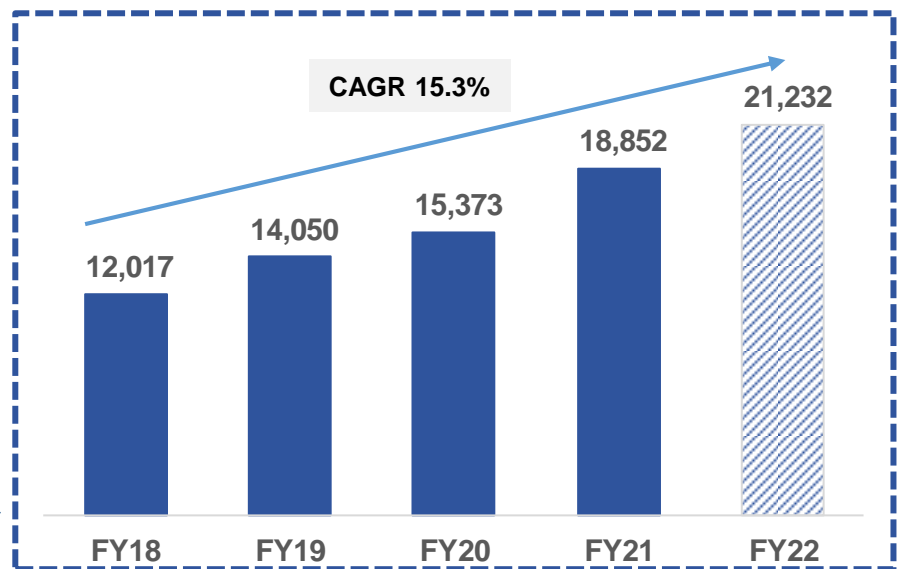


Amounts in INR Millions except EPS

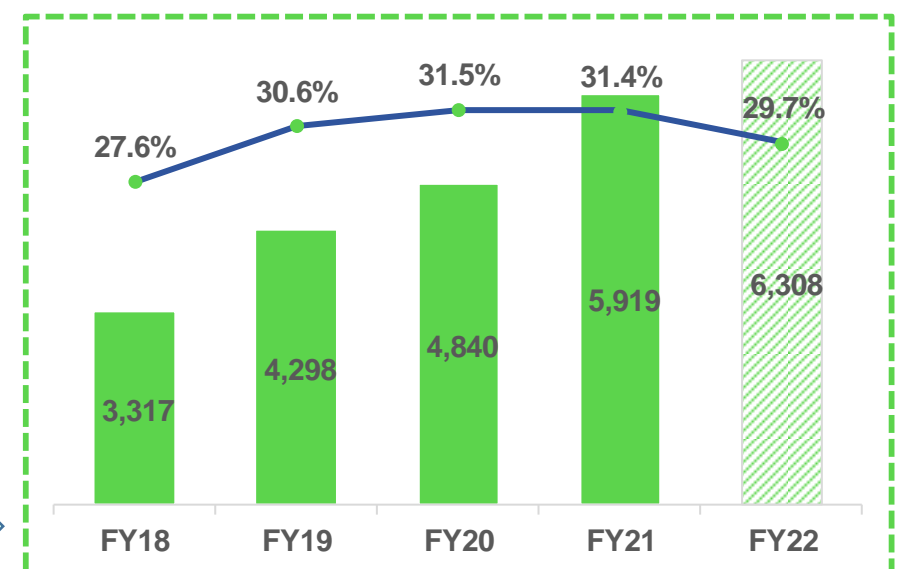
Financial Performance Track Record

Robust growth and profitability indicators over the years

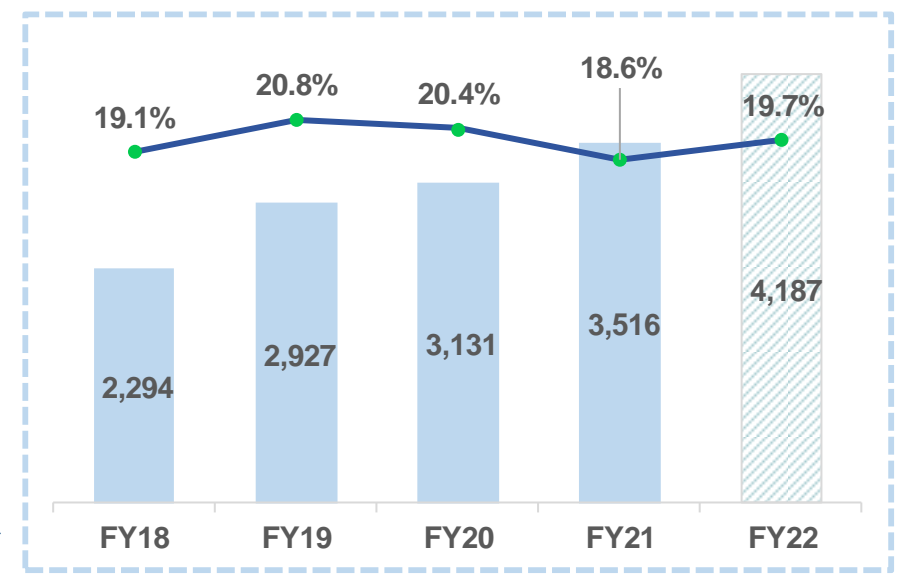
Revenue



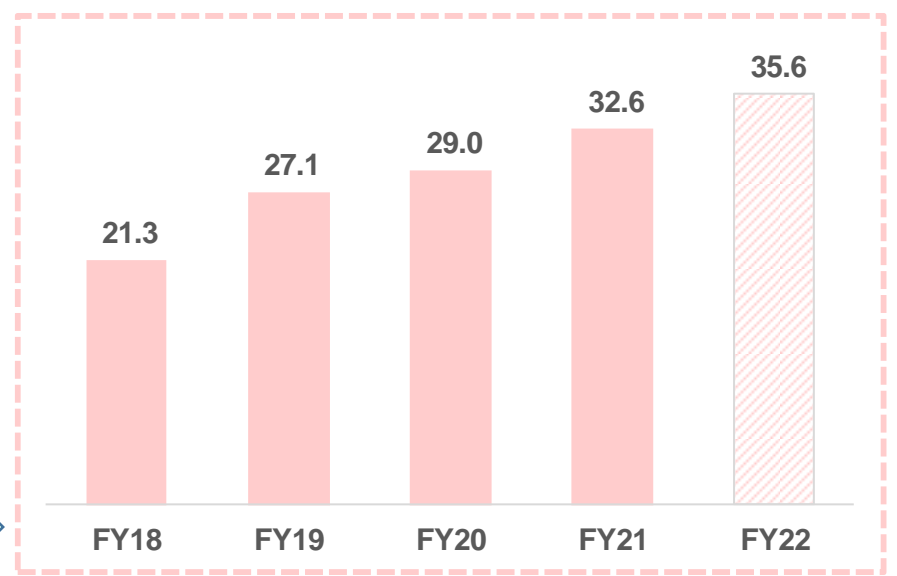
EBITDA



PAT

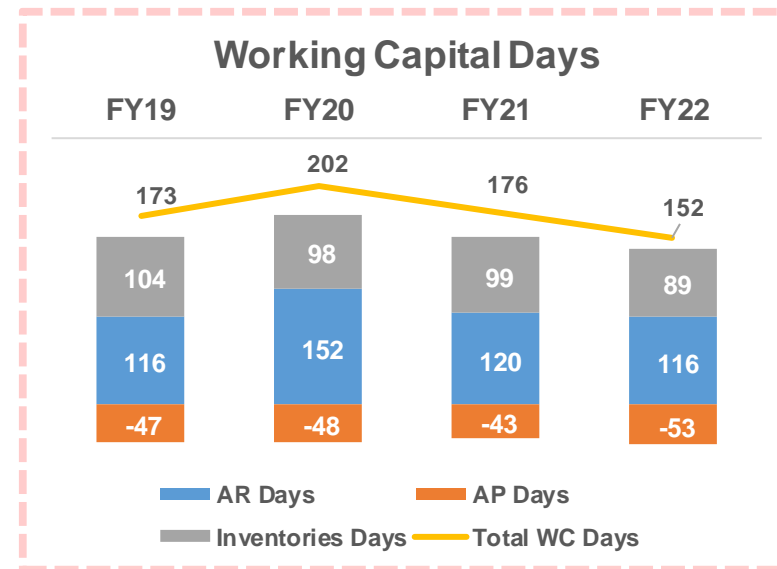
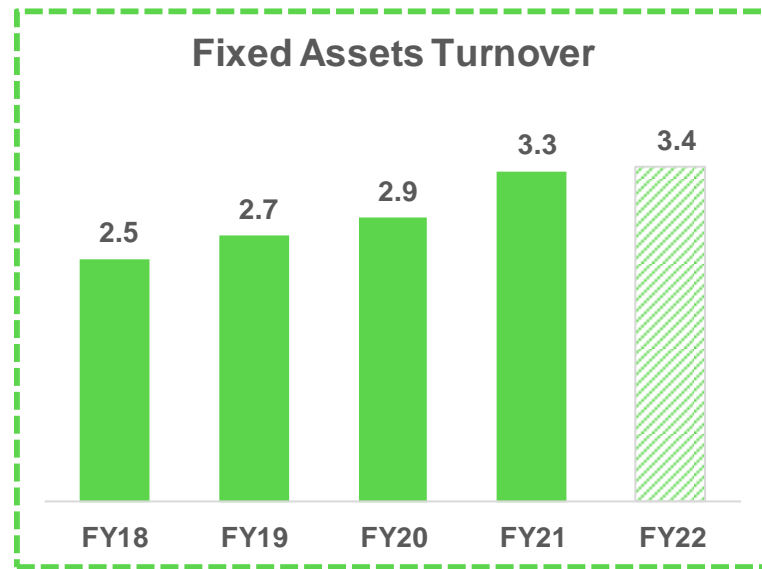
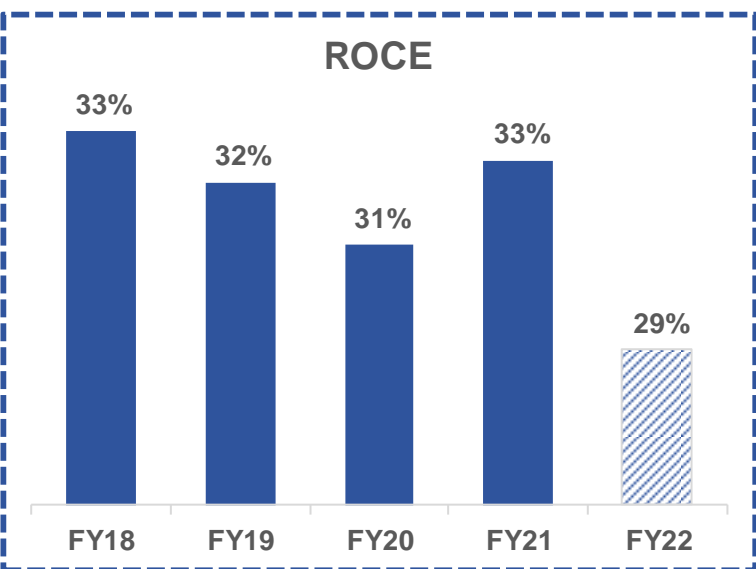


EPS



Note: Numbers of FY18 and FY19 are based on Proforma Financials. Amounts in INR Millions except EPS

Strong Returns Indicators



- ROCE is tracking at 29% for FY22
 - Reduction from last year owing to lower margins and higher capital employed base following IPO
- FATR is 3.4 times for FY22
- Continuous improvement in working capital cycle , WC days improve to 152 days

Note: Numbers of FY18 and FY19 are based on Proforma Financials. ROCE is calculated as EBIT/ Closing capital employed

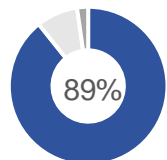
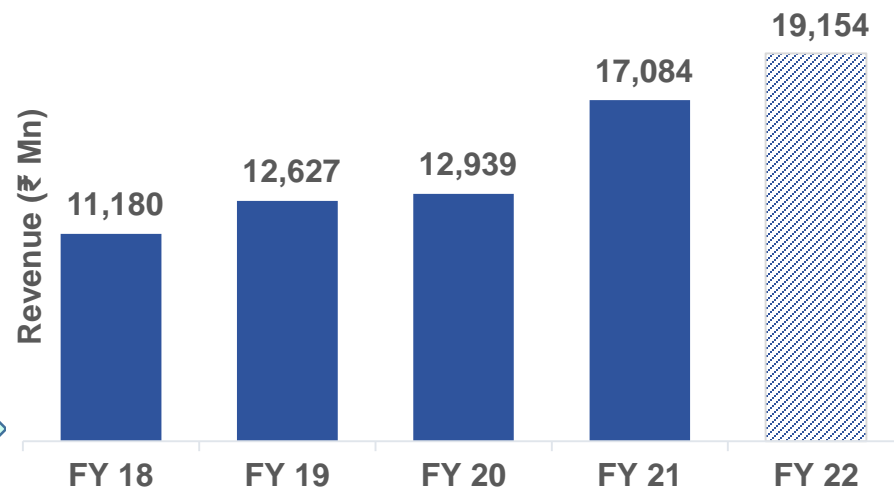
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Business Performance Review



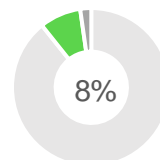
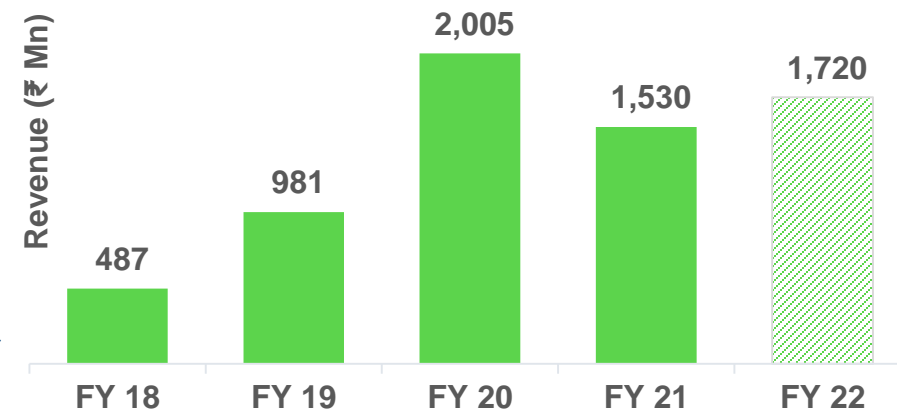
Segment Performance

Generic API



- Generic API revenues in Q4FY22 increased 12.5% YoY
- Revenues grew 12.1% YoY in FY22 over high base of COVID products last year
- Robust growth in LATAM, North America and ROW

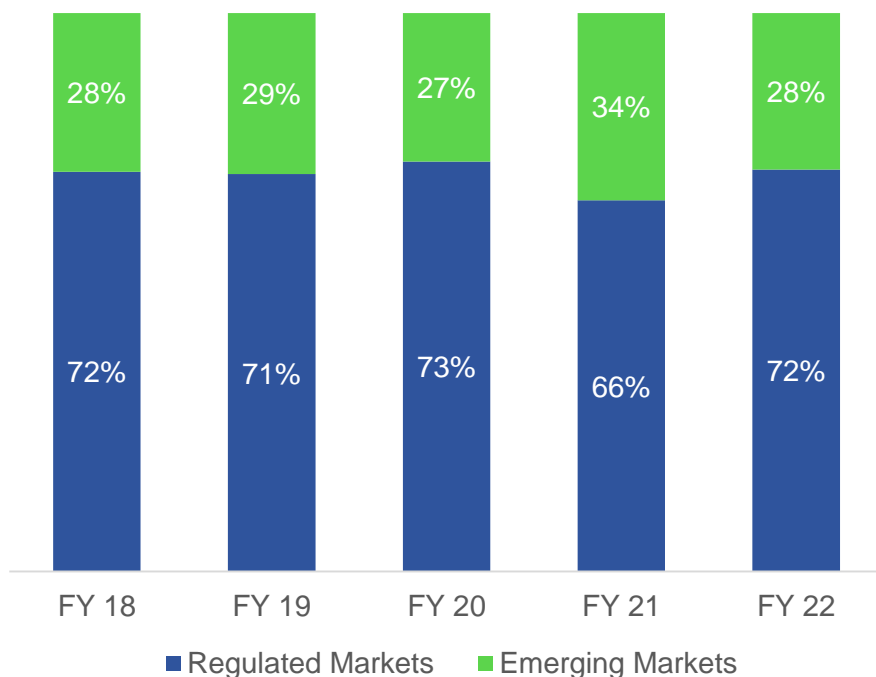
CDMO



- CDMO revenues registered growth of 12.5% in FY22
- 3 commercial projects with multinational and specialty pharmaceutical companies
- 4th project to be commercial by Q3 FY23
- Multiple discussions ongoing with companies globally for additional business opportunities

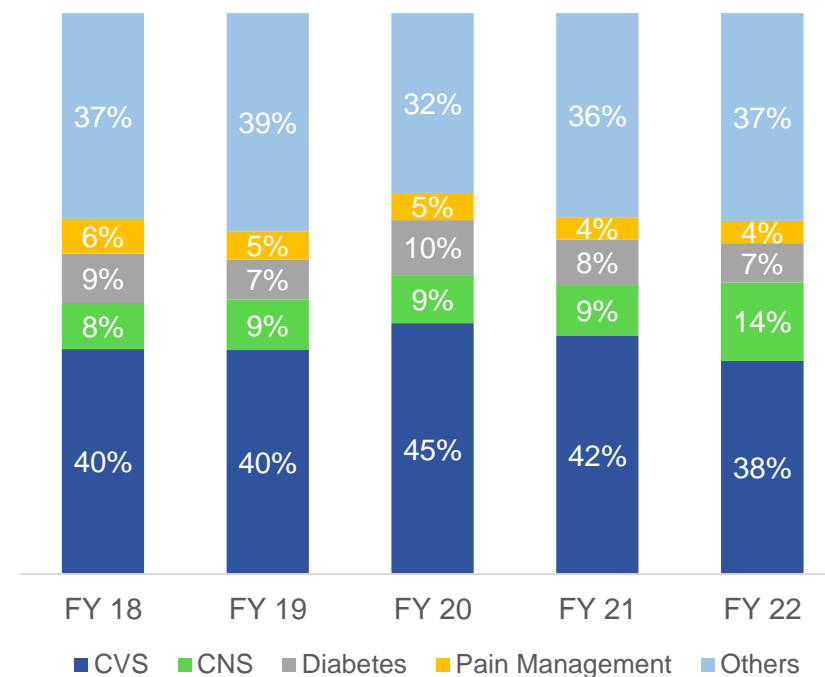
Market and Therapeutic Area Mix

Market Mix



- Regulated markets account for ~72% of Net Sales in FY22, growing at 21.4% YoY
- Emerging markets account for 28% of Net Sales in FY22, declining at 6.3% YoY due to high base of COVID products last year

Therapeutic Area Mix



- Products from key Chronic Therapeutic Areas (viz CVS, CNS, Diabetes, Pain management) account for 62.9% of Net Sales in FY22, growing at 12.7% for the year
- Others include mainly acute segment with wide range of therapies

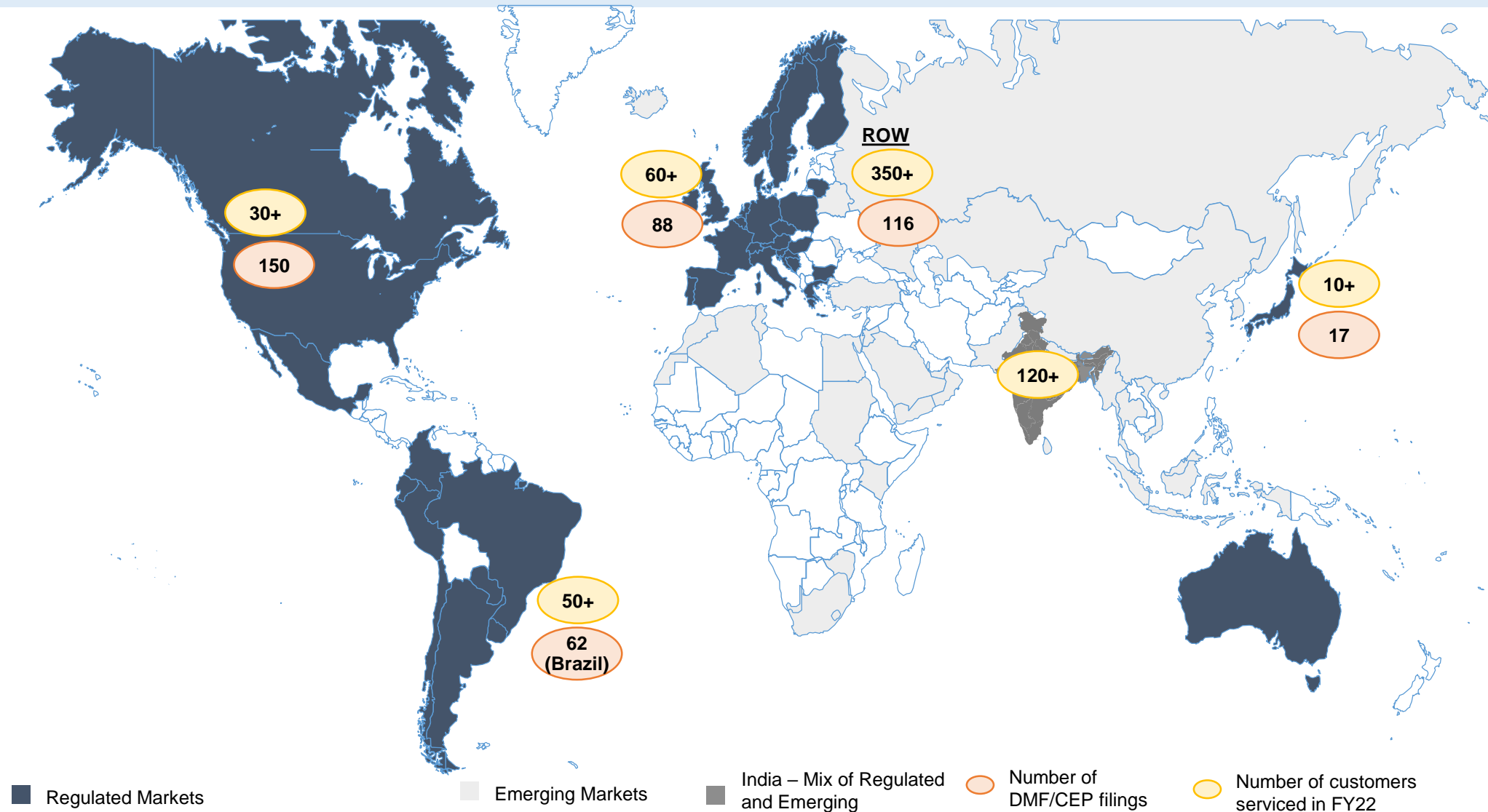
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Company Overview



Global Footprint

Filed 433 DMFs and CEPs across major markets; United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia



■ Regulated Markets

■ Emerging Markets

■ India – Mix of Regulated and Emerging

○ Number of DMF/CEP filings

○ Number of customers serviced in FY22

Quality-focused, compliant manufacturing & R&D infrastructure

Manufacturing Infrastructure

	Annual Installed Capacity (Mar-22)	Last USFDA Inspection Date	Approvals
Ankleshwar, Gujarat	550.2 KL	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe) PMDA (Japan), COFEPRIS (Mexico), Health Canada, KFDA (South Korea), Gujarat FDCA
Dahej, Gujarat	141.9 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

R&D Infrastructure

Mahape, Navi Mumbai

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

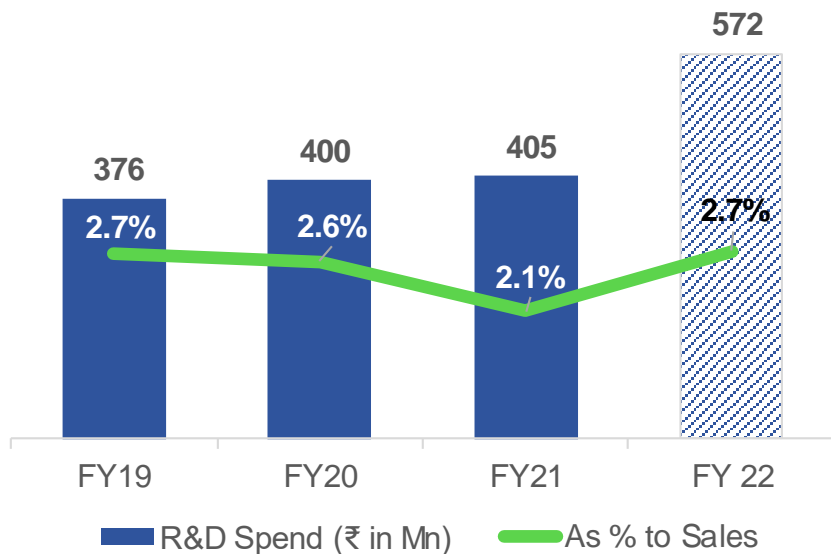
Ankleshwar, Gujarat

- Cost improvement programs and process improvements

Dahej, Gujarat

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

R&D Capabilities



Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	ROW	Total
CVS	36	30	4	16	35	121
CNS	35	19	7	12	12	85
Diabetes	9	3	-	7	10	29
Pain Management	1	2	-	3	9	15
Others	69	34	6	24	50	183
Total	150	88	17	62	116	433

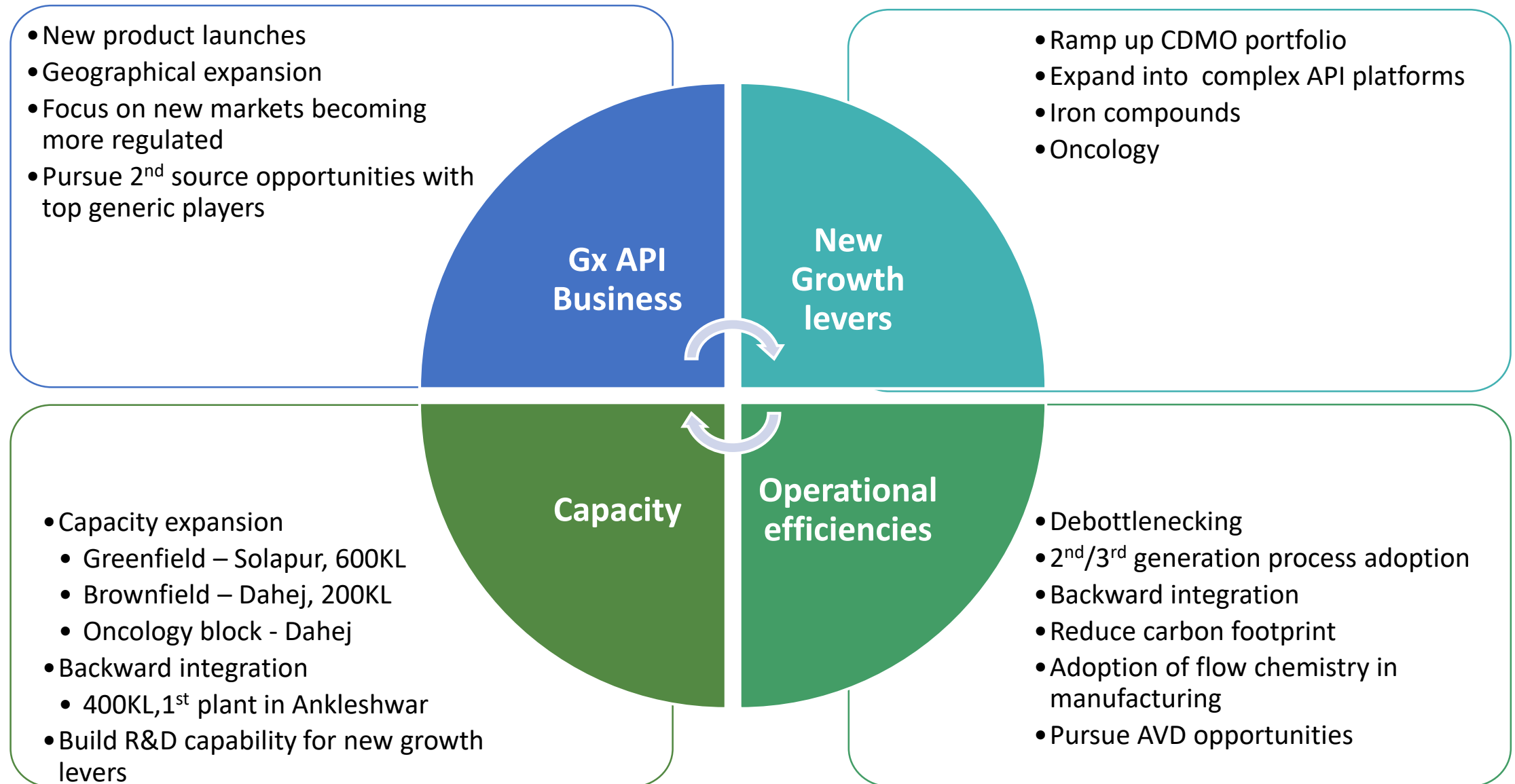
- 15 DMF/CEPs were filled across major markets in Q4 FY22 and 35 DMF/CEPs filled during FY22 which take cumulative filings to 433 as on 31st Mar'22
- ~128 Unique molecules in the portfolio across the globe as of 31st Mar'22.
- 26 products in development pipeline including 4 Iron complex and 7 Oncology products

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Strategy Going Forward



Strategic Growth Levers

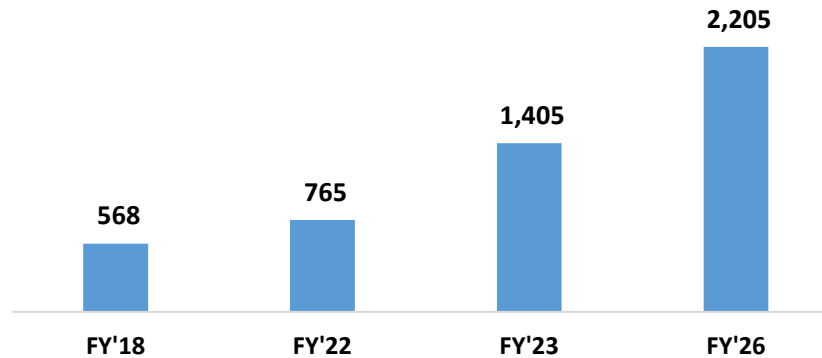


Future Capacity Expansion Plan

Expansion Type	Division	Location	Current Capacity	Status & Planned Capacity	Operational Timelines
Brownfield	API	Dahej	141.9 KL	Under Construction	Phase I – Q4FY22
				4 Modules -240 KL	Phase II – Q2 FY23
Brownfield	Intermediate	Ankleshwar	550.2 KL	New plant 400 KL	Q2 FY23
Brownfield	Oncology	Dahej	-	3 Modules Under Construction	Q1 FY23
Greenfield	API	Solapur	-	Land acquired	FY24 – FY26
				800 KL	

Total Reactor Capacity, KL

Capacity Progress by Year



- ✓ Backward Integration plant at Ankleshwar is planned
- ✓ Oncology facility under construction at Dahej

Thank You

Glenmark Life Sciences Limited

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