



EY Entrepreneur of the year-2013



FROST & SULLIVAN  
Best Practices-2013



Business today/YES bank  
Excellence Awards-2013



**Date: 3<sup>rd</sup> August, 2021**

<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: CORPORATE PRESENTATION**

Dear Sir/Madam,

Pursuant to the requirement of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached corporate presentation made by the Company.

Thanking you.

**For Eris Lifesciences Limited**

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

**Encl.:a/a**

**Registered & Corporate Office:**

8<sup>th</sup> Floor, Commerce House - IV, Prahlad Nagar, Ahmedabad - 380 015, Gujarat, India

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CIN: L24232GJ2007PLC049867

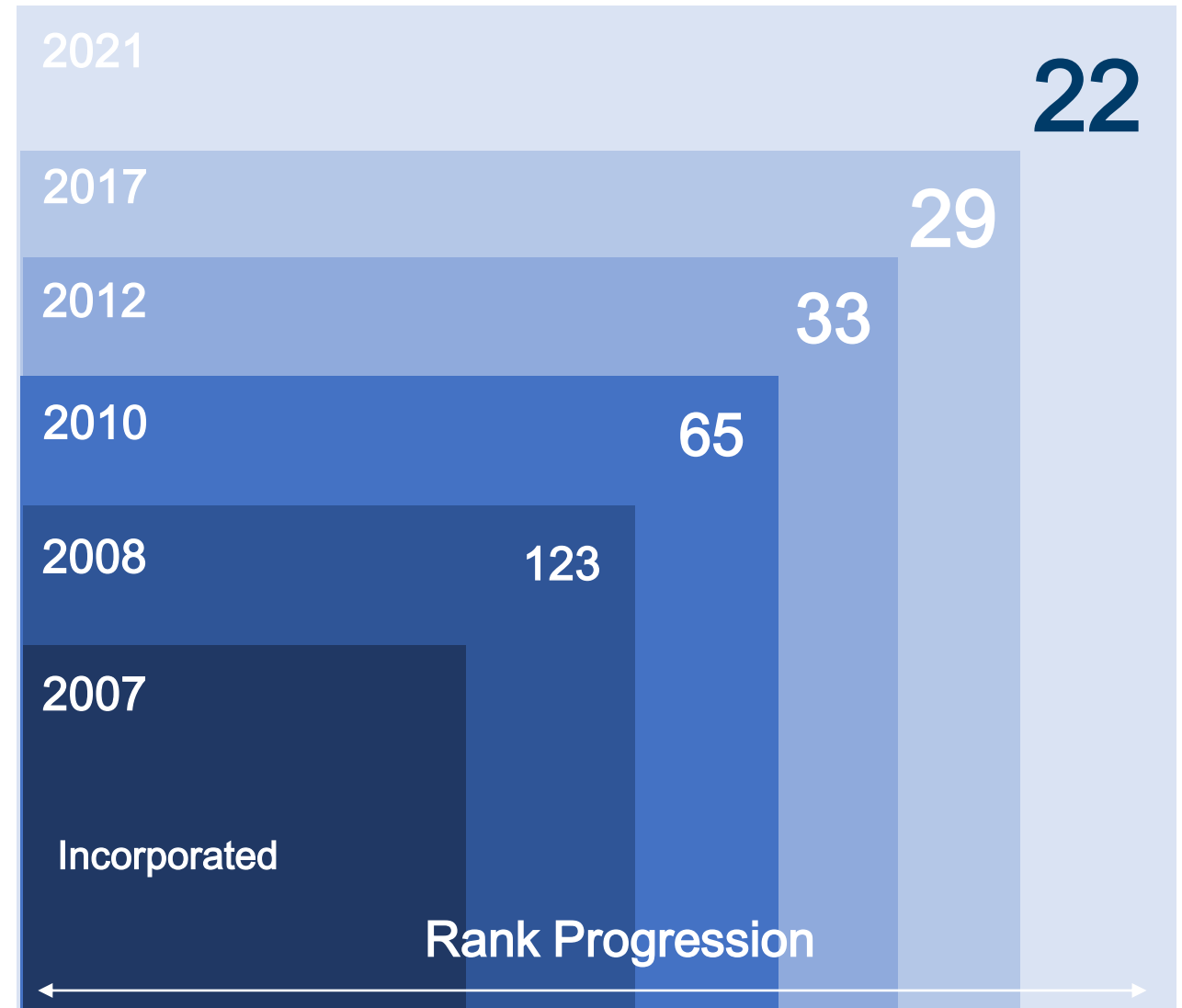


# Eris Lifesciences

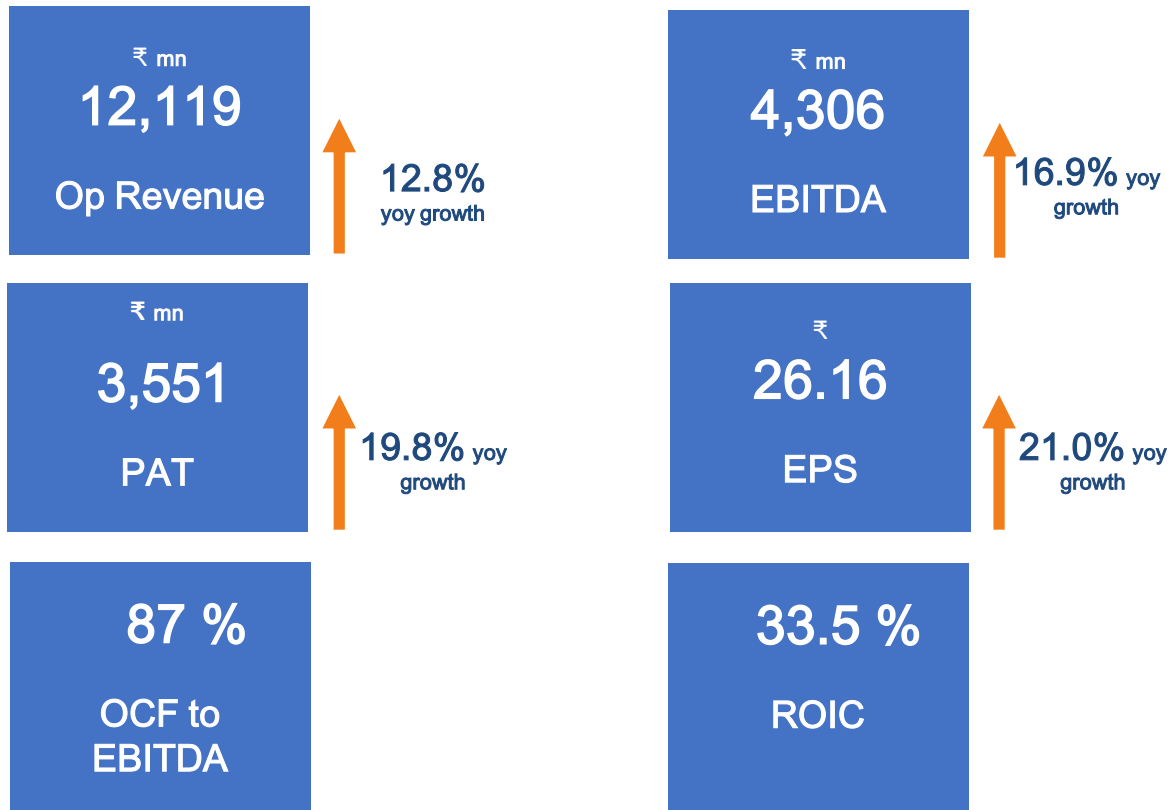
## Corporate Presentation

July 2021

- Only **Indian listed** pharmano with a **pure-play Domestic Branded** Formulations model
- **Youngest** among India's **Top-25** domestic branded formulation pharmanos
- **Chronic** and **Sub-Chronic** therapies account for **91%** of business
- **Focused** portfolio with **Top 15 Mother Brands** accounting for **~80%** of revenue
- **Ten** out of Top-15 mother brands are ranked among the **Top-5** in respective segments
- **High prescription ranks** with super-specialists and high-end consulting physicians
- **NLEM** Exposure **~7%** (lowest among Top-25 domestic branded pharmanos)
- **Fully integrated** business model; over **70%** of products sold are **manufactured in-house**
- **Pan-India sales and distribution** presence



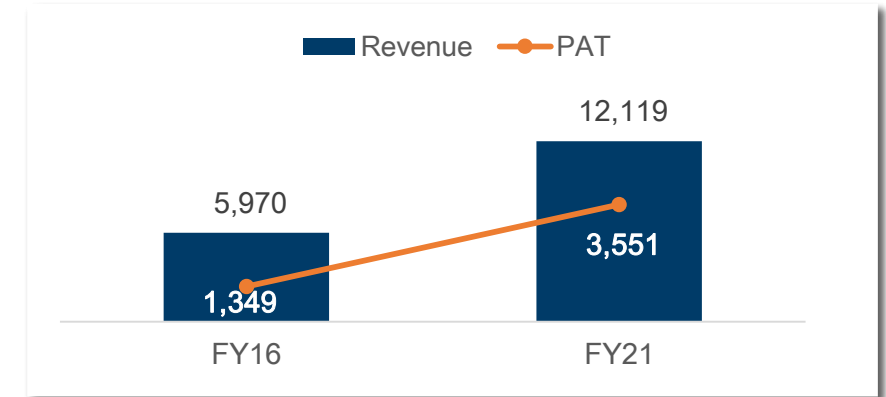
# Financial Snapshot



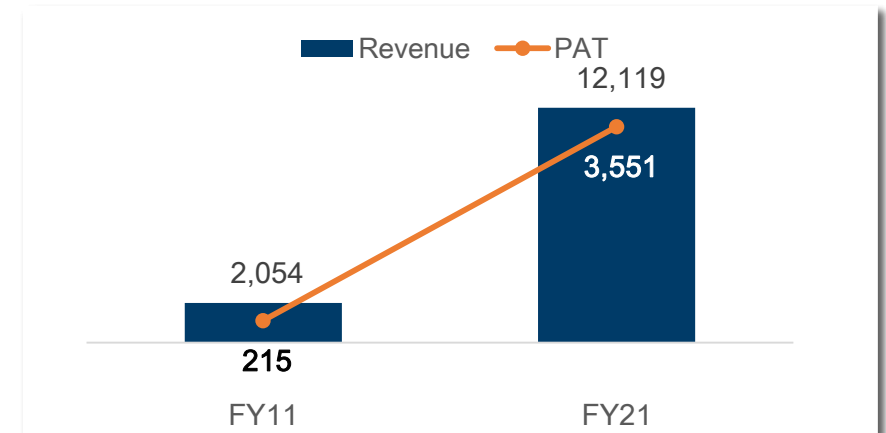
Headline consolidated financials for FY21

- ✓ **Net Debt free** since inception
- ✓ Maintained **ROIC at >= 30%** over **last 12 years**
- ✓ Among the highest **cashflow generating** companies in the industry

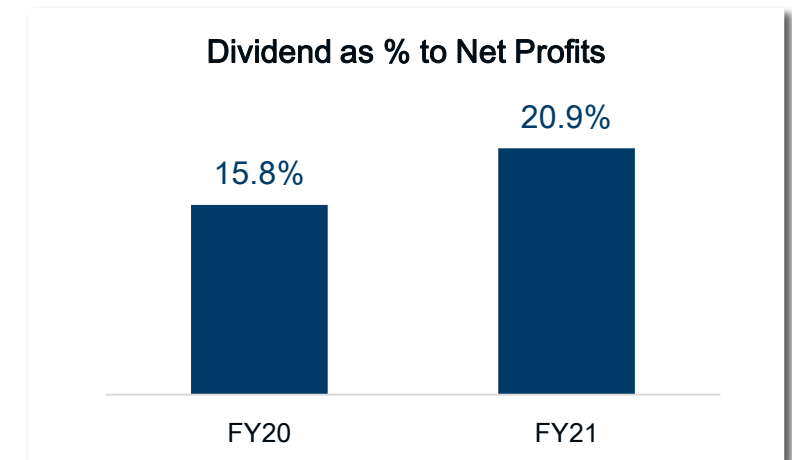
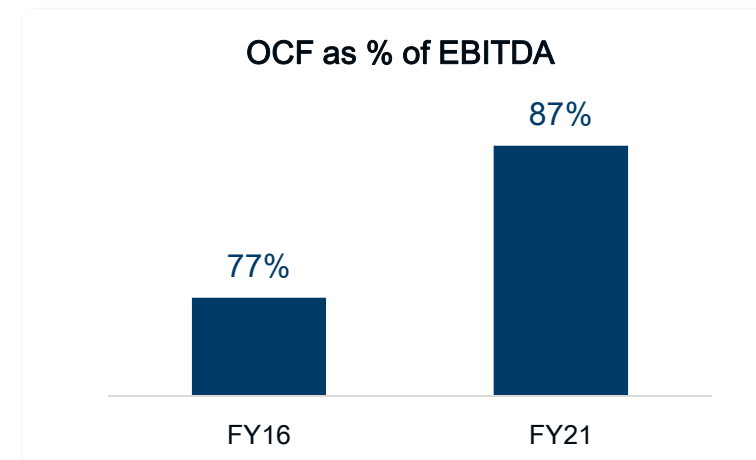
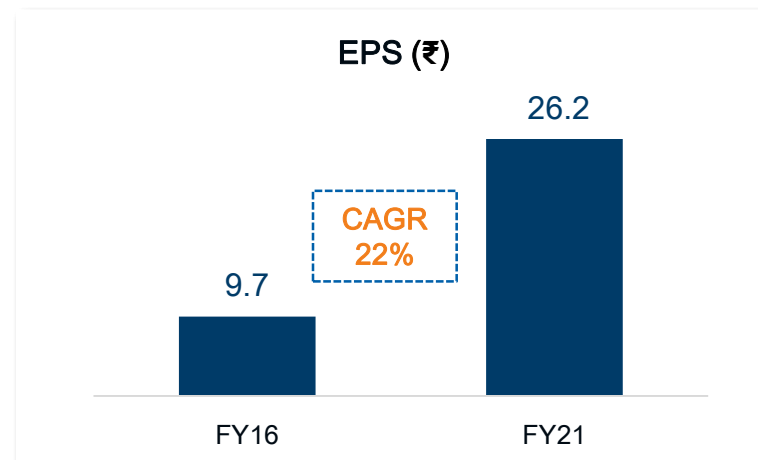
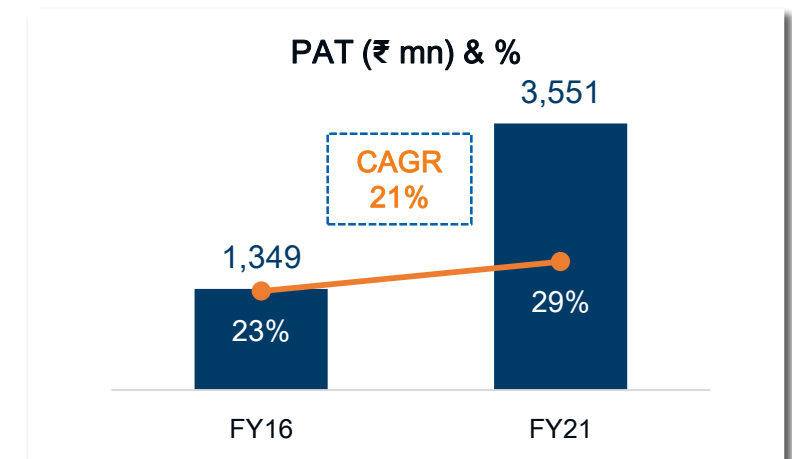
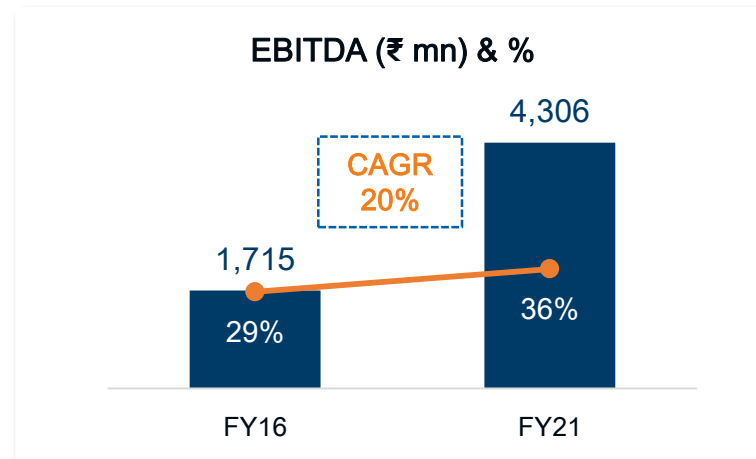
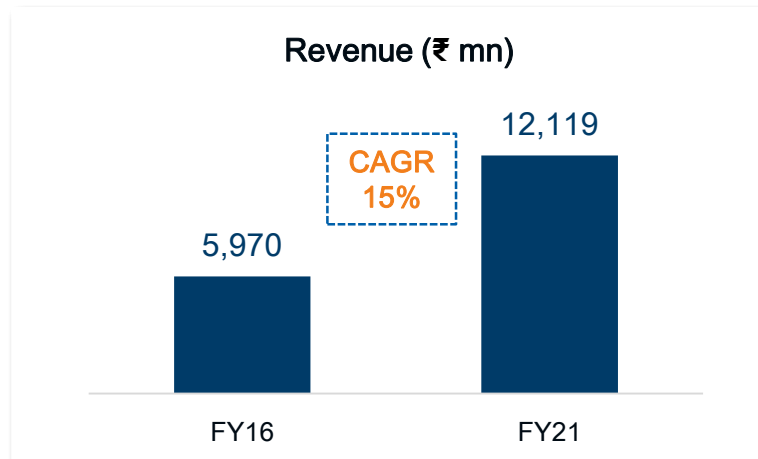
## Revenues up 2x and PAT up 2.6x in last 5 years



## Revenues up 6x and PAT up 17x in last 10 years



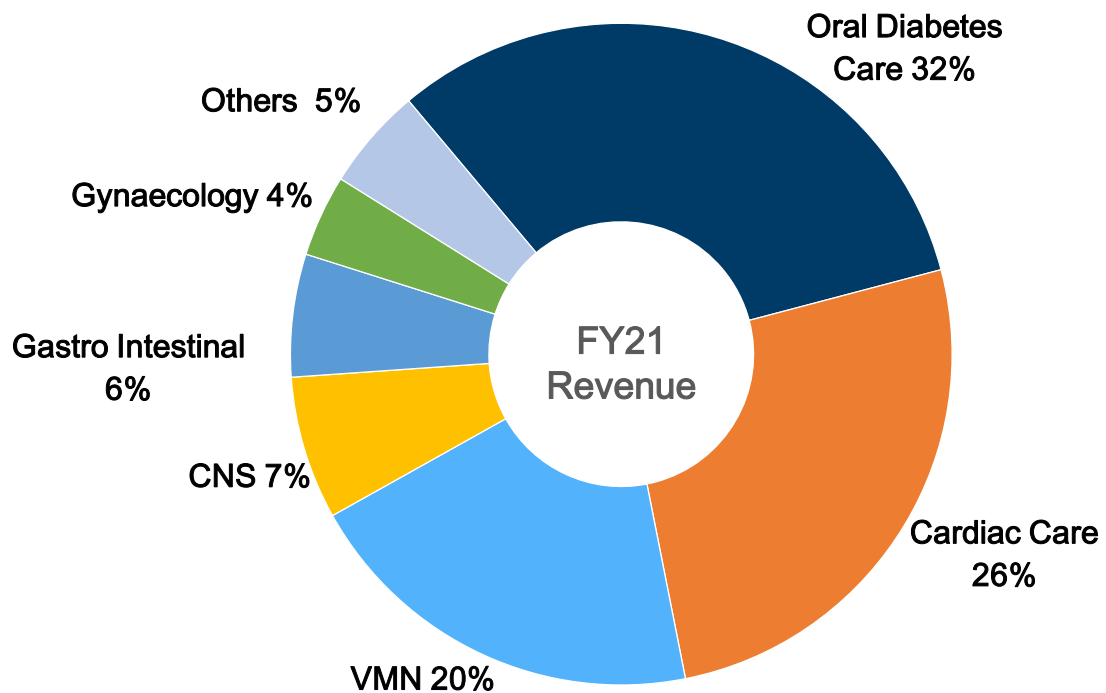
# Track Record of Value-accretive Growth



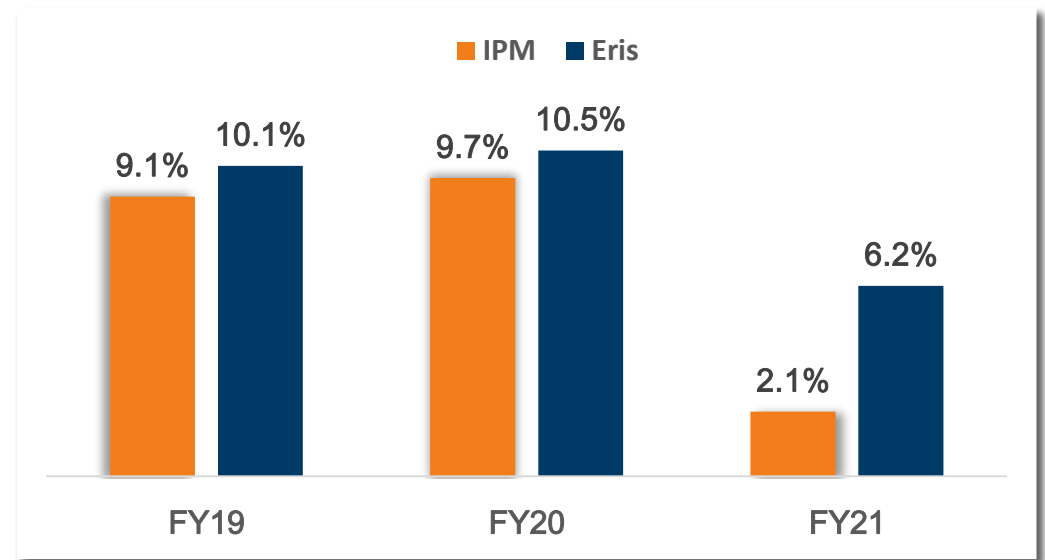
# Chronic and Sub-Chronic Focus with Market-Leading Growth



- An India-focused branded formulations business with **91%** revenues from **Chronic and Sub-chronic therapies**, primarily **Oral Diabetes Care, Cardiac Care and VMN**
- **10 of our Top-15** mother brands are **ranked** among the **Top-5** in their respective categories
- Pivoted around **super-specialists** and **high-end consulting physicians**

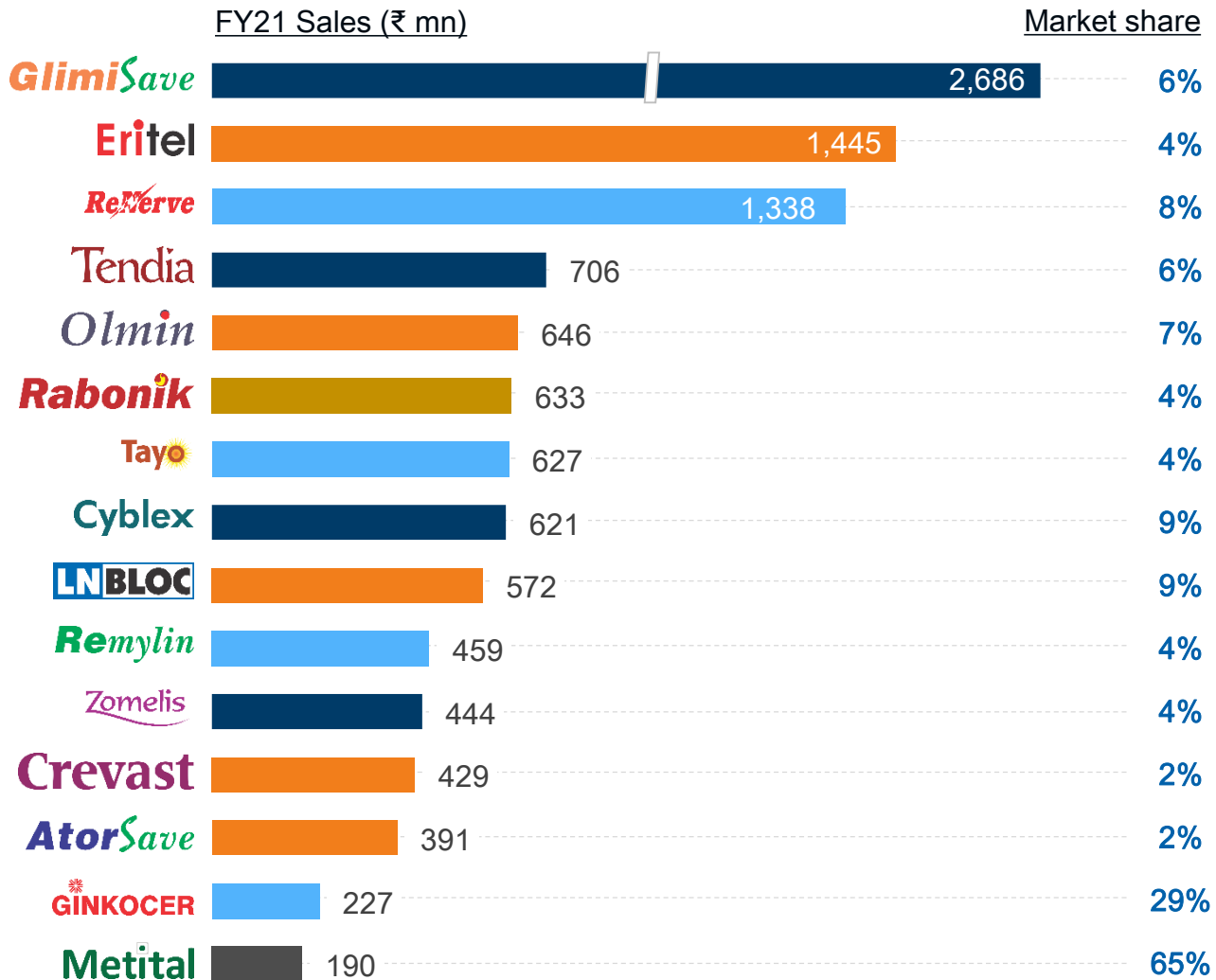


## Growth of Eris vs. the Indian Pharma Market (IPM)

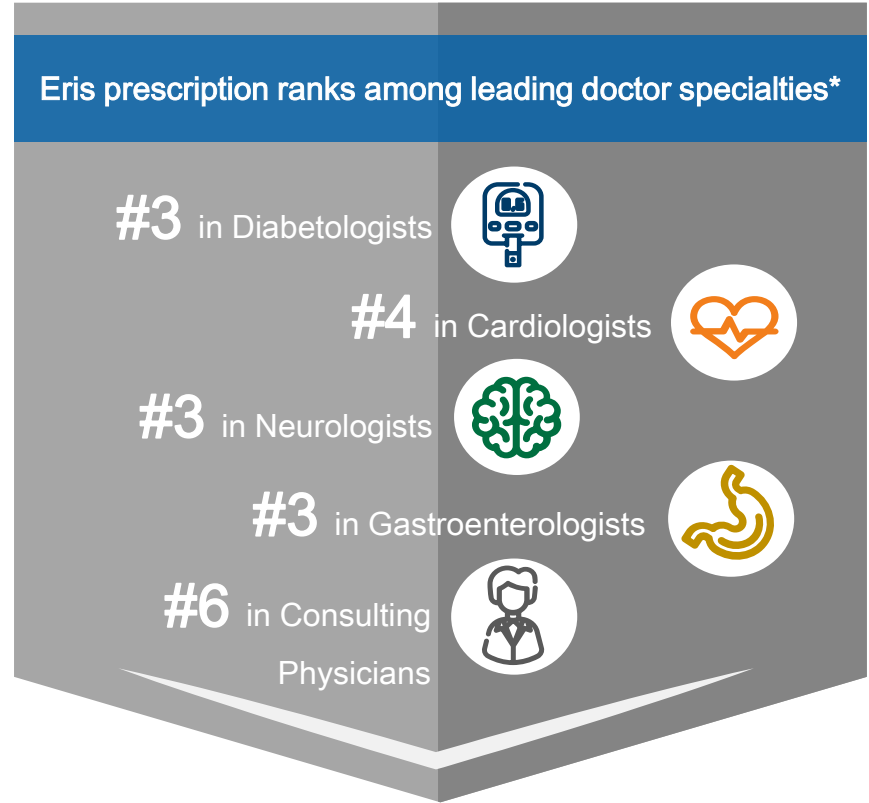


Eris has outperformed the IPM for 3 years in a row

## Our Top 15 Mother Brands contribute ~ 80% of our revenue



## High prescription ranks among super-specialists



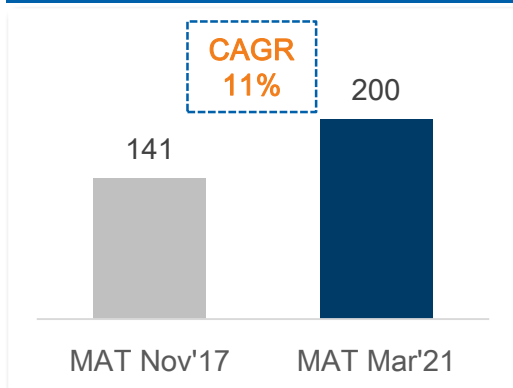
## Indian Branded Formulation Business of Strides Shasun (2017)

- Discontinued tail-end brands; focused attention on Top-5 brands in the portfolio (Renerve, Raricap, Ginkocer, Serlift & Desval)
- Optimized field force; ramped up field force productivity by ~ 2.5x in 3 years
- In-sourced manufacturing of key products to Guwahati facility – reducing portfolio COGS from 35% to 22%

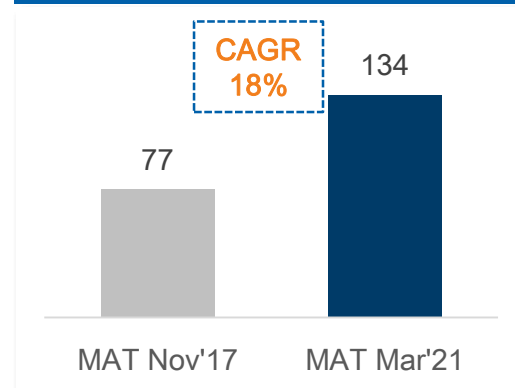
## Zomelis (2019)

- Consistently ranked #1 among all (83) Gx versions of Vildagliptin; #3 including innovator brands
- 4.4x growth in monthly sales run rate since acquisition
- FY21 Exit market shares of ~ 11% (in Gx) and ~ 5% (overall molecule) in March 2021
- Reduced Zomelis COGS by 500+ bps since acquisition, by insourcing manufacturing to Guwahati facility

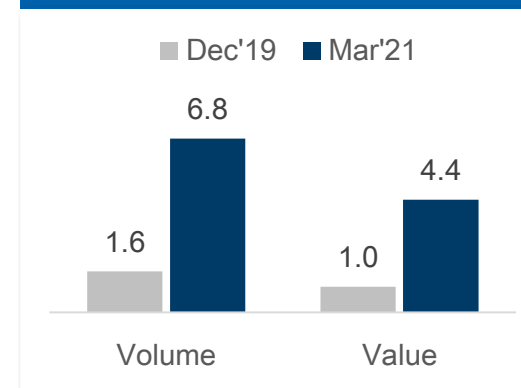
### Top-5 brands revenue growth (₹ cr)



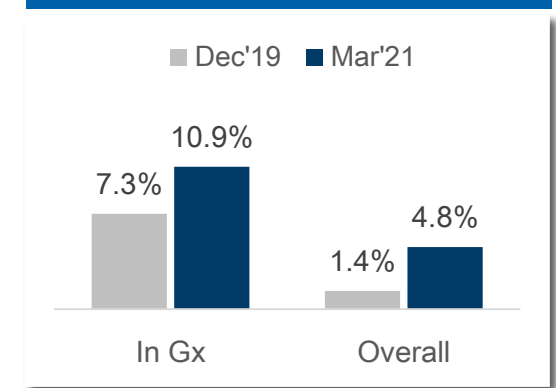
### Renerve revenue growth (₹ cr)



### Zomelis monthly sales run-rate



### Zomelis market share (%)



After absorbing a 7% degrowth on account of GST implementation

Zomelis Sales volume in mn tabs, sales value in ₹ Cr., market share by value



# Three Pillars of Our Market Engagement



The core focus of our market engagement is to enable clinicians to **improve clinical outcomes in patients** through timely and precision diagnosis and treatment

1

Dissemination of latest **scientific knowledge** through CMEs and Webinars

2

Generation of **actionable scientific evidence** through India-centric studies

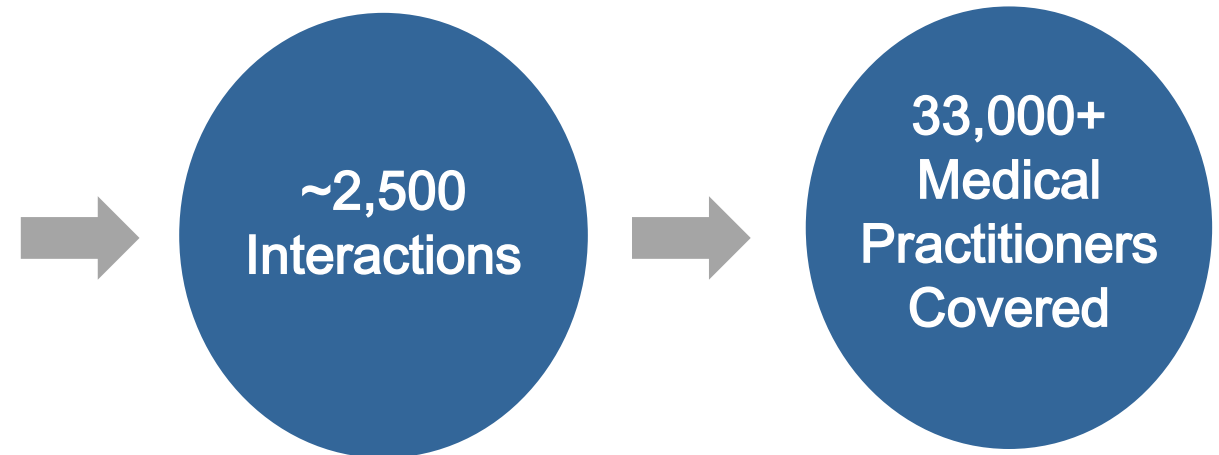
3

Patient Care and support programmes for **precision diagnosis and treatment**

# 1. Leading the Digital Dissemination of Scientific Knowledge

- As a prominent **stakeholder** in the **enhancement of scientific knowledge**, Eris conducted **~2,500** interactions in FY21 covering **33,000+** doctors
- Discussion topics included developments in the **cardio-metabolic** segment, impact of **Covid** on heart health and metabolic disease, **epilepsy, anaemia, gastroenterology** and **overall immunity**
- Conducted seamlessly on **digital platforms, adapting** quickly to the demands of the situation

Topics of Discussion	#Digital Meetings	#Attendees
Dapagliflozin and Diabetes Care	676	7,064
Dapagliflozin and Heart Failure	115	9,344
Vildagliptin and Glycemic Variability	255	3,084
Immuno-Metabolism- the new paradigm in metabolic practice	157	1,297
Brivaracetam and Epilepsy management	48	695
Unmet needs in Iron Deficiency (Anaemia)	320	2,499
The Big Clinical Challenge – Building Immunity	102	1,937
Covid 19 and Gastroenterology	225	2,200



## 2. Pioneering India-centric Studies to Generate Actionable Scientific Evidence



A landmark study covering 18,918 patients & 1,233 Doctors across 355 Cities in 15 Indian states

Published in Journal of Hypertension, the official journal of the International Society of Hypertension and the European Society of Hypertension

IHS revealed

**18.2%**

of the respondents were found to have **masked hypertension** and

**23.7%**

of respondents were found to have **white-coat hypertension** and were misdiagnosed

It was also found that **Indians have a higher average resting heart rate of 80 beats per minute**, higher than the desired rate of 72 beats per minute.

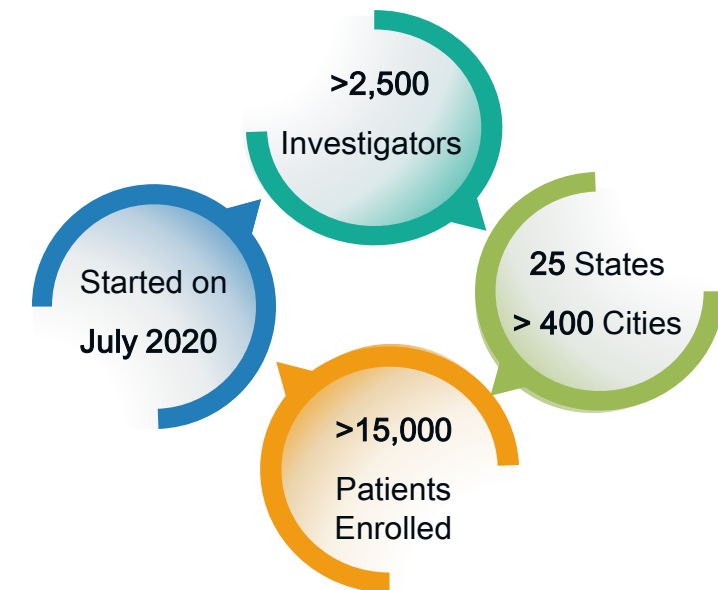
**45.7%**

of respondents (23.7%) white-coat hypertension + (18.2%) masked hypertension were unaware of their high blood pressure

- Dr. Willem Verberk, PhD.



The First of its Kind study for Newly Detected Indian Diabetics across 25 Indian States



Objective – Assessment of phenotypic characteristics and cardiovascular risk in newly diagnosed Type-2 diabetic patients in India

# 3. Patient Care – Driving Precision Diagnosis and Better Lifecycle Management



- ✓ Our **Patient Care Initiatives (PCI) platform** enables us to bring **cutting-edge healthcare solutions** to our patients through the involvement and cooperation of **Key Opinion Leaders** in our specialty businesses
- ✓ Initiatives focused on bringing **state-of-the-art diagnostic facilities** and **subsequent treatment options**
- ✓ Helped **tens of thousands of patients** towards healthier lives through initiatives such as the **ABPM, HBPM, CGM, Sleep Studies, and Holter on Call**
- ✓ Took our Patient Care programme to newer highs after the pandemic, in terms of increased screenings and involvement of thousands of medical practitioners
- ✓ Field staff conducted over **540 ABPMs** and **~450 Holter tests** in **June 2020** amidst the pandemic, keeping **patient needs at the forefront**

# Our Manufacturing Infrastructure

WHO-GMP manufacturing facility in Guwahati, Assam

100,000 Built-up area (sq. ft)

345+ Products manufactured

74% of revenues from products manufactured at Guwahati in FY21

## Capacity utilization for Prescription Products

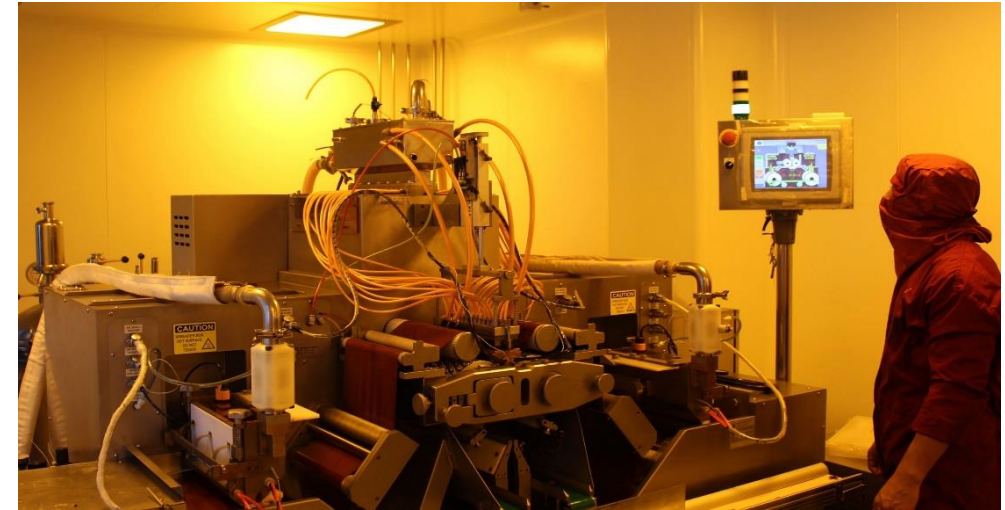
Products	Capacity* (in Mn units)	Output (in Mn units)	Capacity Utilisation
Tablets	2000	1130	57%
Capsules	200	80	40%
Sachets	40	1	3%
Soft Gel Tablets	50	47	94%

## Capacity utilization for Supplements and Nutraceuticals

Products	Capacity* (in Mn units)	Output (in Mn units)	Capacity Utilisation
Tablets	66	7	11%
Capsules	46	21	46%
Sachets	2	0	0%

The Guwahati facility enjoys Income tax exemption till FY 24 and GST subsidies till FY 25

## WHO GMP facility in Guwahati, Assam

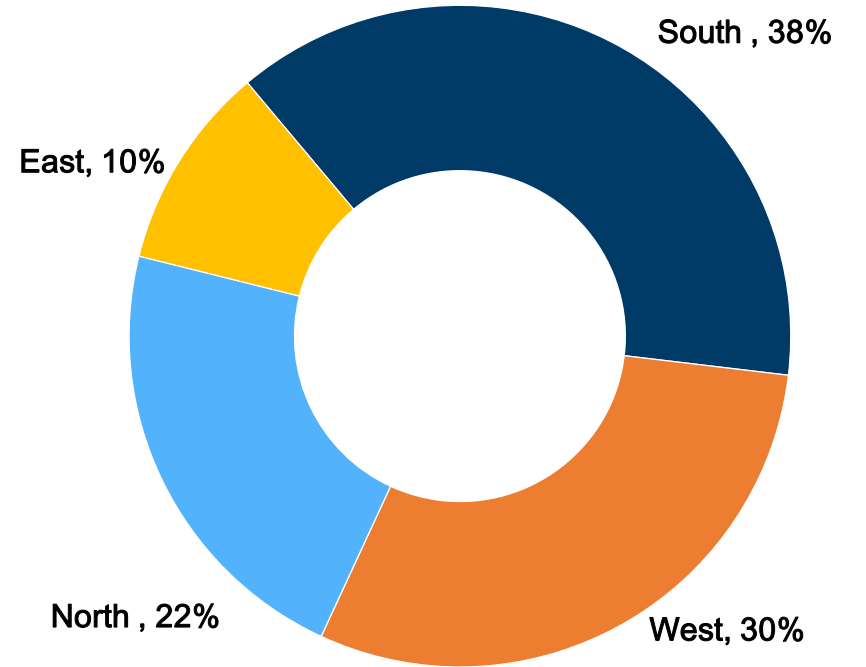


## Greenfield facility coming up in Gujarat (FY23)

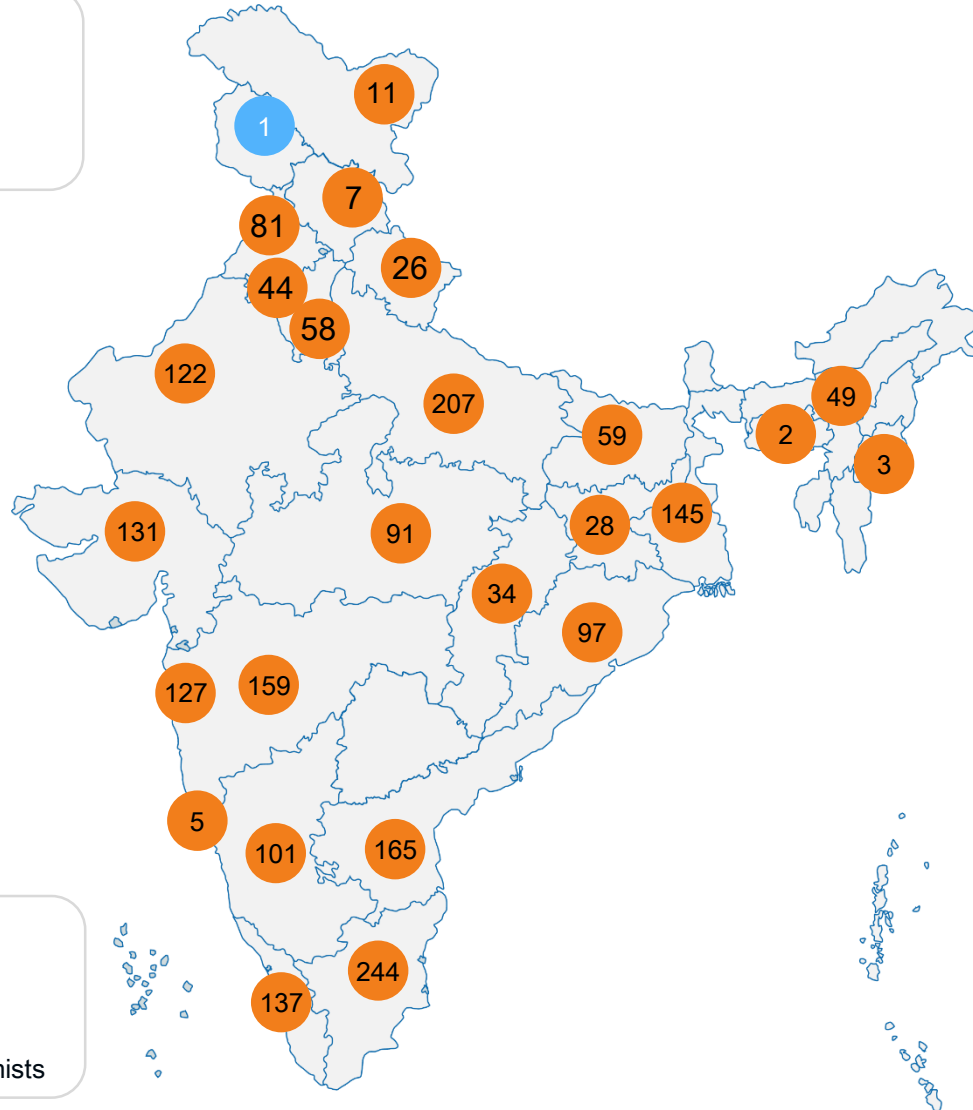
- Planning to commission before the end of FY23 in Gujarat; footprint 10-12x of that of Guwahati facility
- To consist of Oral Solid Dose, Sterile Injectables, Oral Liquids and a Pharma R&D Block
- Phase-I capex estimated at Rs 120-130 cr of which Rs 90-100 cr will be deployed in FY22 entirely from internal accruals

# Pan-India Sales Presence and Distribution Network

Region-wise sales distribution (FY21)



- Stockists
- Super Stockists



- 2** Central Warehouses
- 23** Sales Depots
- 2,133** Stockists
- 5,00,000+** Retail Chemists



Amit Bakshi

Chairman and  
Managing Director



Krishnakumar V

Executive Director &  
Chief Operating Officer



Inderjit Singh Negi

Executive Director



Kaushal Shah

Executive Director



Rajeev Dalal

Independent Director



Vijaya Sampath

Independent Director



Prashant Gupta

Independent Director

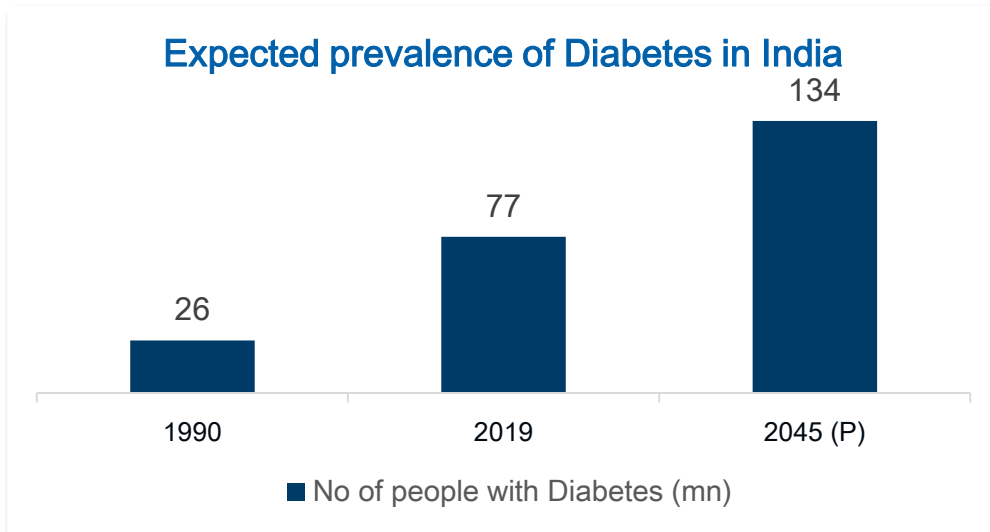
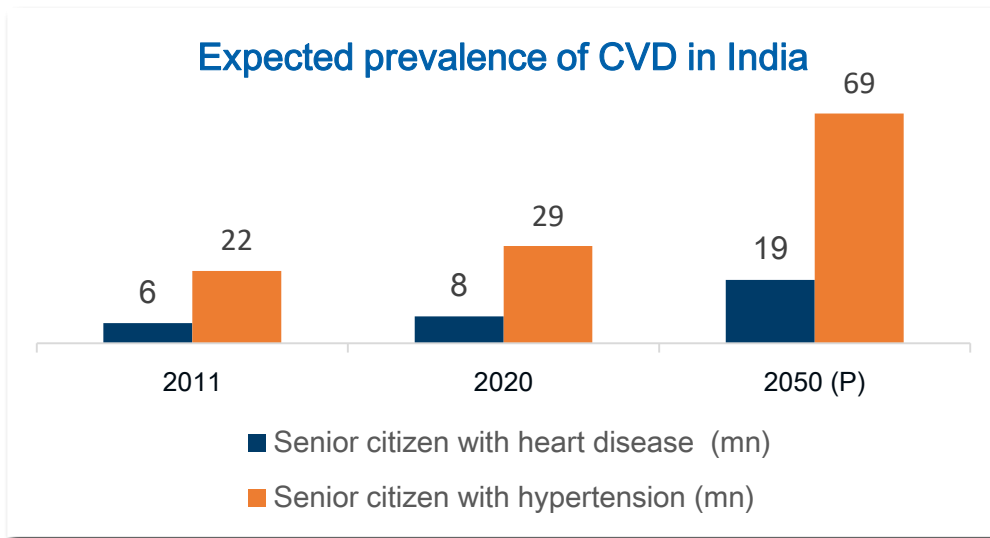


Kalpana Unadkat

Independent Director

- Eight-member Board of Directors, comprising of four Executive Directors and four Independent Directors, including two women directors
- We place significant emphasis on corporate governance, consistently striving to adopt best-in-class governance practices

# Lifestyle Diseases Uptrend – A Large Market Opportunity for Eris



- ✓ Significant increase in prevalence of non-communicable diseases (NCDs) in India; **share of heart disease** and **metabolic disorders projected to expand** in the years to come
- ✓ India is called the “**Diabetes capital of the world**” - **77 mn prevalent cases and projected at 134 mn by 2045** - not including the incidence of Covid-triggered Diabetes
- ✓ The Average **onset age for Diabetes** in India is **41 years** – likely to be **preponed by a few years** due to use of **steroids in COVID** management
- ✓ Significant expansion projected in Diabetes patient pool on account of Covid; studies underway to determine impact of Covid on insulin-producing beta cells in the pancreas
- ✓ Prevalence of cardiac diseases projected to increase from **37 mn cases in 2020 to 88 mn cases by 2050**



# Hence the Enduring Pillars of Our Business Strategy



DOMESTIC  
BRANDED  
FORMULATIONS

CHRONIC AND  
SUB-CHRONIC  
THERAPIES

SPECIALISTS AND  
CONSULTING  
PHYSICIANS

1

## Expansion of power-brands' franchise

- Our **business model of building strong and sustainable brands** has enabled us to maintain our growth trajectory during pandemic periods (Wave 1 as well as Wave 2) when MR-Doctor interactions were severely constrained
- There has been a clear shift in prescriber preference towards established brands; this bodes well for us with **ten of our Top-15 mother brands** being **ranked among the Top-5** in their respective categories
- Our **market standing in Diabetes** positions us well to take the lead in the management of post-Covid early-onset Diabetes (“**unmasking of Diabetes**”) – **Zomelis and Gluxit** are highly strategic products for us in this regard

2

## New product pipeline

- We have an exciting **pipeline of patent expiration** opportunities coming up in the **cardio-metabolic segment** over the next 3-4 years
- We are **well-positioned** in the cardio-metabolic space to gain significant leverage from these expirations; our **successes in Zomelis and Gluxit** bear testimony in this regard
- We plan to **launch 10+ new products** in FY 22 – we have launched 3 new products in Q1 FY22 including **Zomelis SG (Vildagliptin + Remogliflozin)**

3

Expansion of  
physician  
coverage

- We plan to significantly expand our coverage of **Specialists and Consulting Physicians** in the next 5 years

4

Therapeutic  
diversification

- We are investing in **diversification opportunities** in high-growth areas like **neurology, women's health and dermatology**

5

In-licensing and  
acquisitions

- On the back of **value-accretive deals** (e.g., Strides, Zomelis), we continue to look for **high-return inorganic opportunities** to complement our organic growth initiatives

Expect to organically deliver 15% growth in FY22

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 materialise, 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.



## Eris Lifesciences Ltd.

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CIN: L24232GJ2007PLC049867

Website : [www.eris.co.in](http://www.eris.co.in)

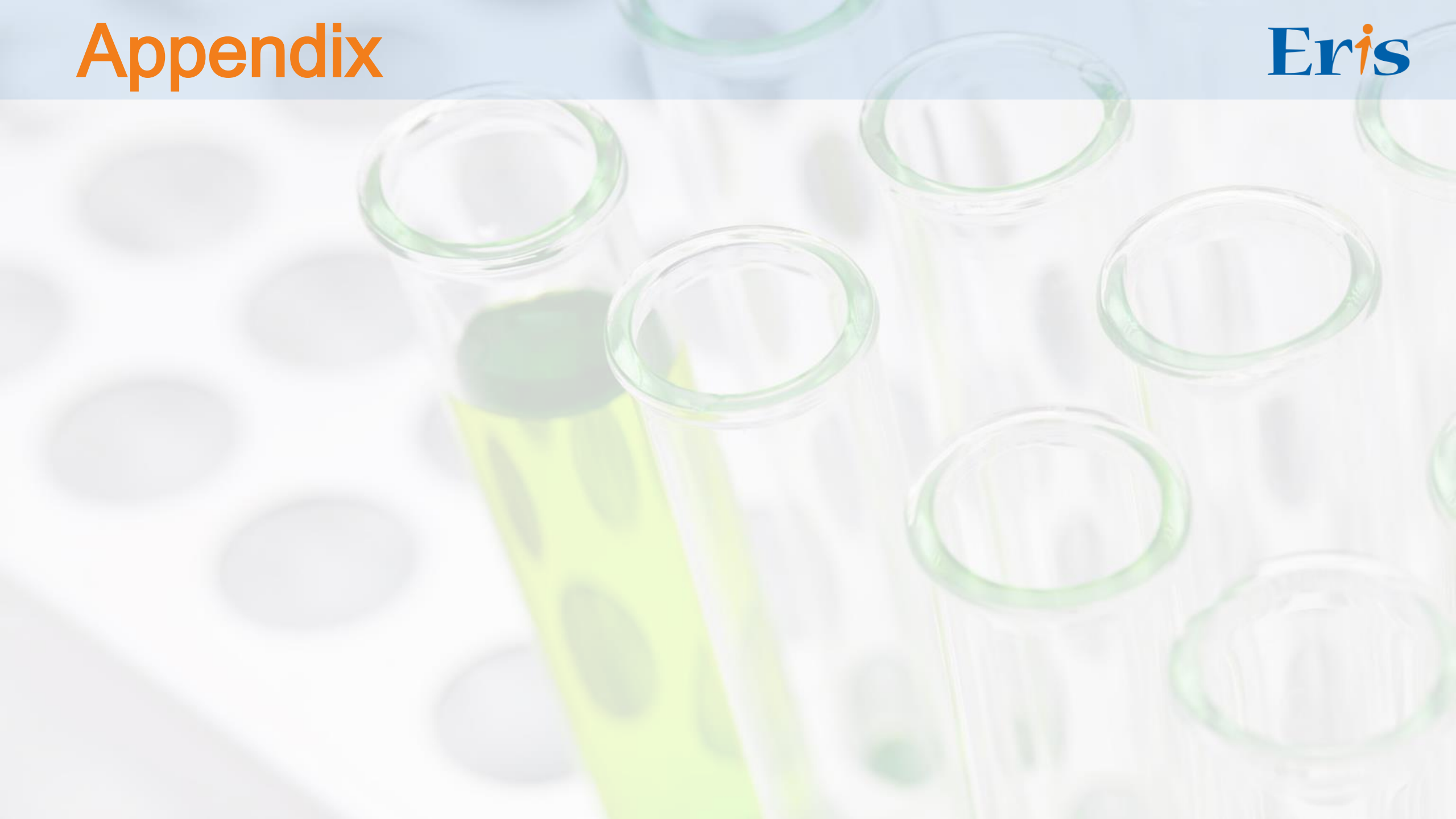
### IR Contact

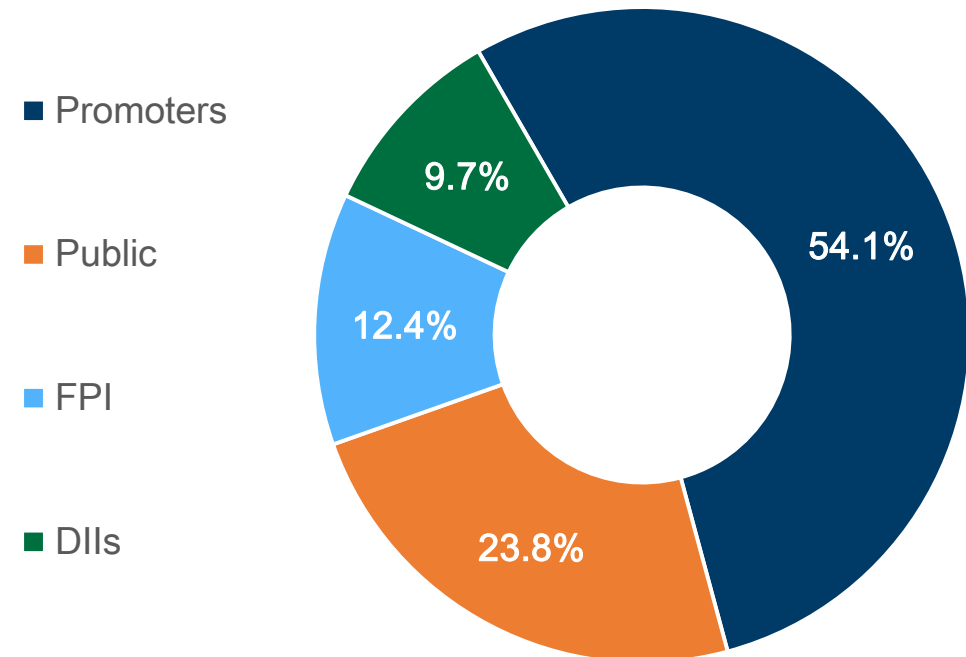
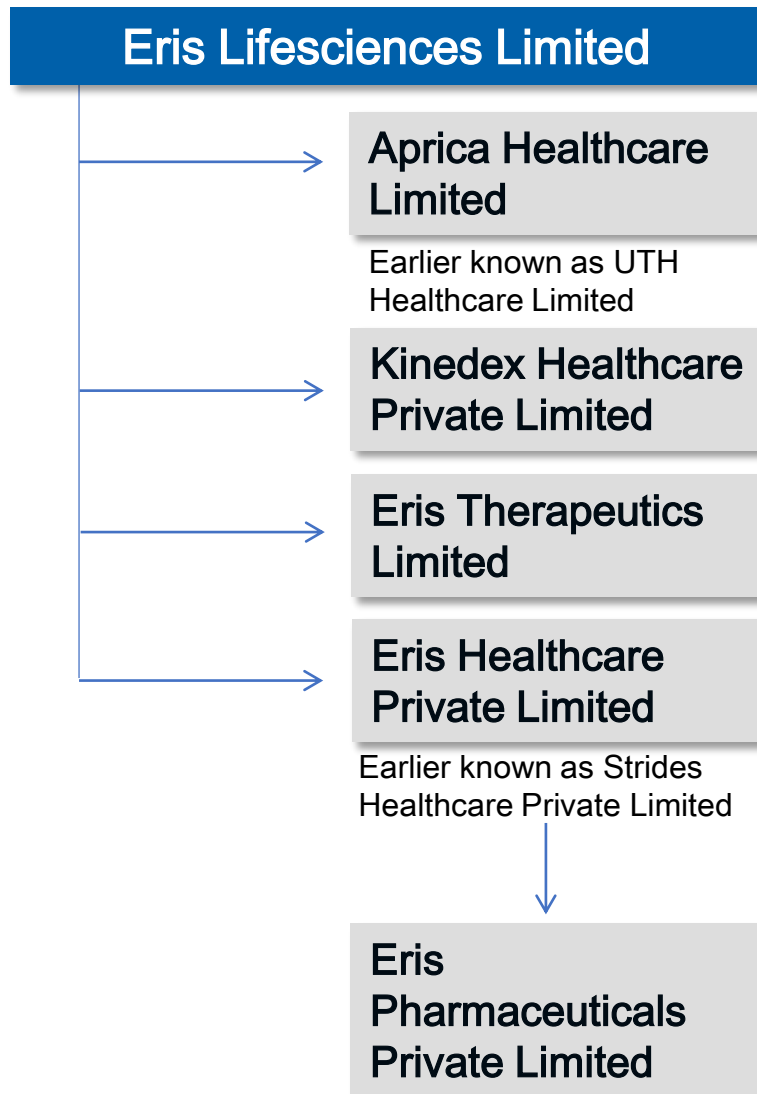
Kruti Raval

[kruti@erislifesciences.com](mailto:kruti@erislifesciences.com)

# Appendix

Eris





Promoter shares are unencumbered

Shareholding pattern is as on 31 March 2021

NSE Symbol	ERIS
BSE Ticker	540596
Market Cap (₹ Mn)	82,147 mn
Shares Outstanding (Mn)	136
Industry	Pharmaceuticals

# Financial Summary (1/2)



P&L Summary	FY17	FY18	FY19	FY20	FY21
Revenue	7,495	8,556	9,822	10,741	12,119
Gross Profit	6,449	7,215	8,285	9,025	9,736
Gross Profit Margin (%)	86.0%	84.3%	84.4%	84.0%	80.3%
Operating EBITDA	2,691	3,220	3,449	3,684	4,306
Operating EBITDA Margin (%)	35.9%	37.6%	35.1%	34.3%	35.5%
PBT	2,704	3,122	3,174	3,314	3,945
PBT Margin (%)	36.1%	36.5%	32.3%	30.9%	32.6%
PAT	2,466	2,950	2,911	2,965	3,551
PAT Margin (%)	32.9%	34.5%	29.6%	27.6%	29.3%
EPS	17.95	21.39	21.15	21.61	26.16
Dividend (per share)	0	0	0	2.87	5.50
<b>Cash Flow Generation</b>					
Operating Cash Flow (OCF)	2,002	2,346	2,230	2,712	3,754
OCF as % of EBITDA	74.4%	72.9%	64.7%	73.6%	87.2%



# Financial Summary (2/2)



	FY17	FY18	FY19	FY20	FY21
<b>Margin (%)</b>					
Gross Margin	86.0%	84.3%	84.4%	84.0%	80.3%
EBITDA Margin	35.9%	37.6%	35.1%	34.3%	35.5%
EBIT Margin	32.9%	34.6%	31.4%	29.6%	32.0%
PAT Margin	32.9%	34.5%	29.6%	27.6%	29.3%
<b>Return (%)</b>					
RoIC	127%	66%	39%	30%	34%
RoE	126%	74%	44%	30%	31%
<b>Others</b>					
Debt/Equity	0.0	0.4	0.2	0.0	0.0
EPS (₹)	17.95	21.39	21.15	21.61	26.16
<b>Working Capital (in days)</b>					
Receivables	24	28	31	53	42
Inventory	27	28	31	24	28
Payables	19	39	31	34	31
Net Working Capital	32	18	31	43	40

BS Summary	Mar'17	Mar'18	Mar'19	Mar'20	Mar'21
Share Capital	138	138	138	136	136
Reserves	5,534	8,476	11,368	12,828	15,628
<b>Shareholders Fund</b>	5,672	8,614	11,506	12,964	15,764
<b>Borrowed Funds *</b>	6	3,768	1,764	61	45
Tangible Assets	557	526	553	873	779
Intangible Assets	1,760	7,185	7,072	7,919	7,776
Treasury Investments + Cash & Bank Balances	3,057	3,760	3,634	1,453	4,166

# Key Brands in Oral Diabetes Care and VMN therapies

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 ~4,500 cr Glimepiride and combinations market

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

**Cyblex** rank 5 in the ~650 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 ~1,000 cr Vildagliptin and combinations market

**Tendia** rank 5 - in the ~1,100 cr Tenzeligliptin and combinations market

## SGLT 2 Inhibitors

**Gluxit** rank 1 - among Gx brands and rank 3 including innovator brands in the Dapagliflozin market

VMN: speciality focus in core molecules leads to high ranks

**ReNerve** rank 2 in the ~1,700 cr Methylcobalamin and combinations market

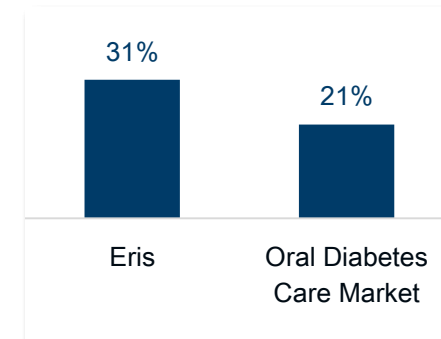
**Tayo** rank 5 in the ~1,400 cr Cholecalciferol and combinations market

**GINKOCER** rank 1 in the ~100 cr Ginkgo Bilboa + combination market with 29% market share

**ZAC-D** Key new launch in Q2FY21 – Combining the power of Zinc, Vit A, C and D in a convenient chewable tablet

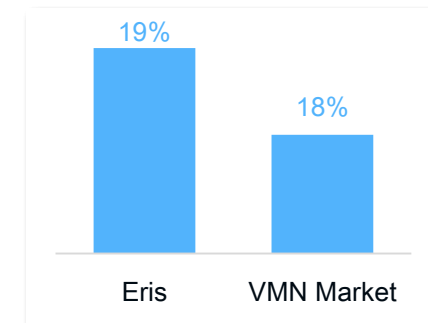
Coupled with continued outperformance in key therapies as compared to the market

CAGR over F11-FY21



1.5X faster

CAGR over F11-FY21



1.1X faster

# Key Brands in Cardiovascular Therapy

High rank in Anti-Hypertensives: the fastest growing and largest segment of Cardiac Care

**Eritel** rank 5 in the ~3,500 cr Telmisartan and combinations market

**Eritel CH** rank 4 in the Telmisartan + Chlorthalidone market

**Eritel LN** rank 2 in the Telmisartan + Cilnidipine market

**Olmin** rank 4 in the ~1,000 cr Olmesartan and combinations market

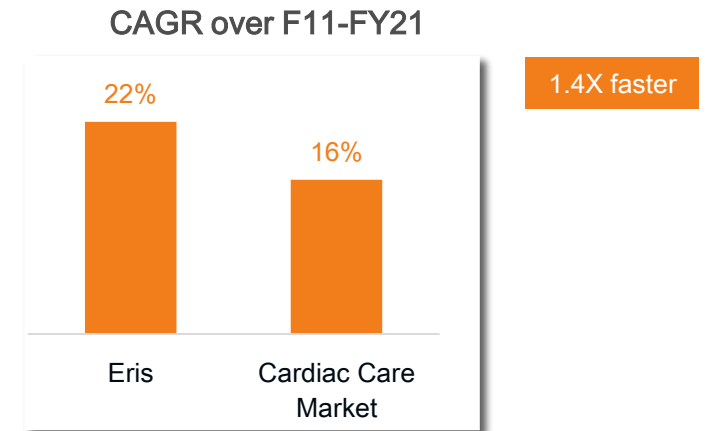
**Olmin Trio** rank 1 in Olmesartan + Cilnidipine + Chlorthalidone market

**Olmin CH** rank 3 in Olmesartan + Chlorthalidone market

**LNBLOC** rank 2 in the ~600 cr Cilnidipine and combinations market

**LNBeta** rank 1 in Nebivolol + Cilnidipine market

Coupled with continued outperformance in key therapies as compared to the market



**THANK YOU**

**Eris Lifesciences**