



EY Entrepreneur of the year-2013



FROST & SULLIVAN
2013 BEST PRACTICES AWARD
Corporate Strategy Leadership Award, India



Business today/YES bank
Excellence Awards-2013



Date: 13th May, 2021

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 investor presentation to be made by the Company.

Thanking you.

For Eris Lifesciences Limited

Milind Talegaonkar
Company Secretary and Compliance Officer

Encl.:a/a

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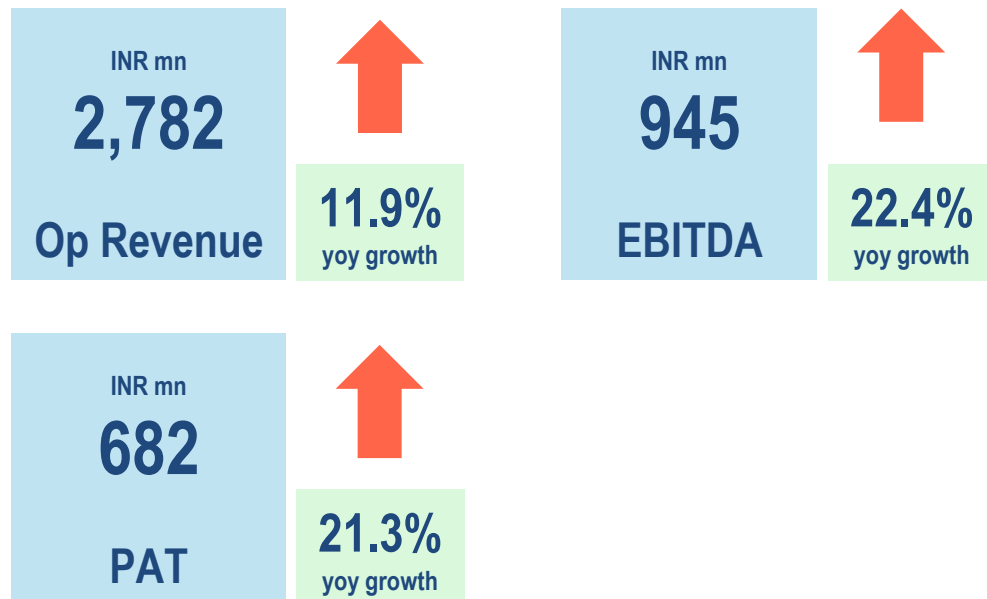
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**Q4 FY 21 and FY 21
INVESTOR PRESENTATION
13th May 2021**

FY 21 FINANCIAL HIGHLIGHTS

Q4 FY 21



FY 21



Debtor days (standalone) down to 37 days in FY 21 from 50 days in FY 20

FY 21 FINANCIAL HIGHLIGHTS (Contd..)

87 %

**OCF to
EBITDA**

81 %

**FCF to
EBITDA**

33.5 %

ROIC *

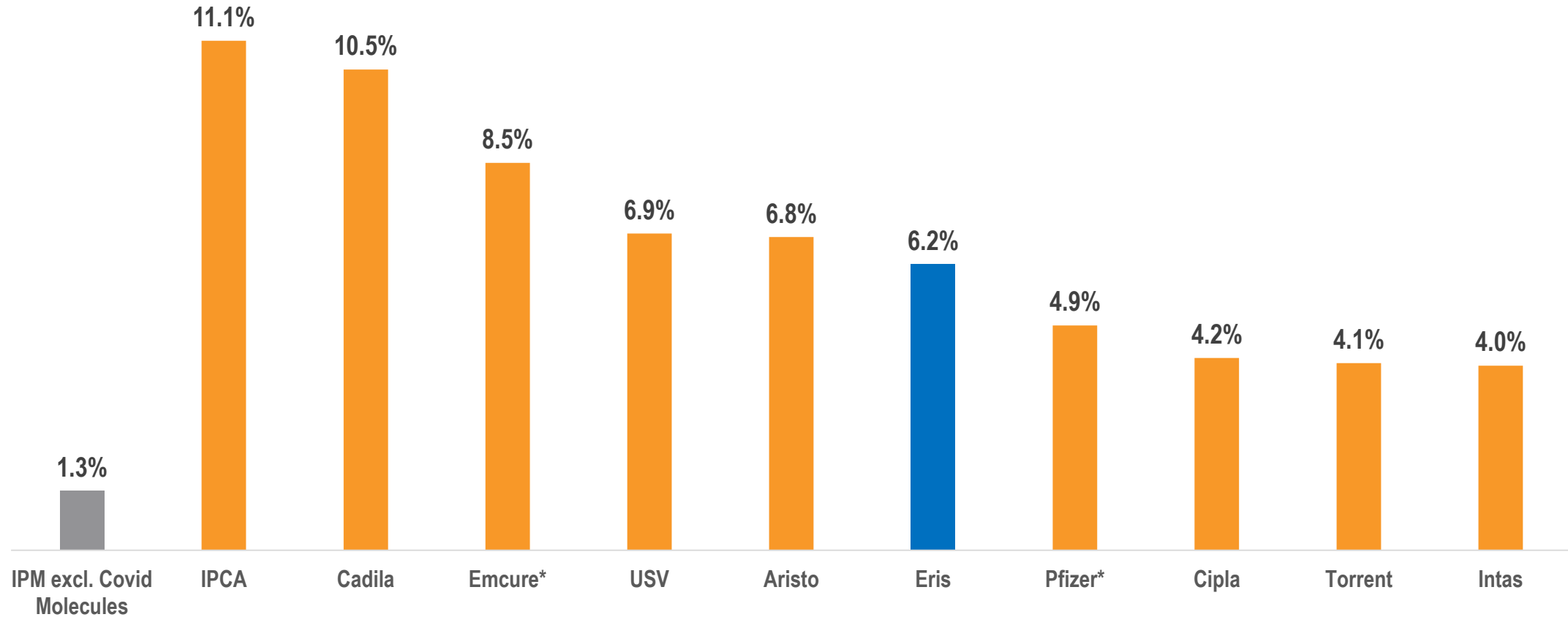
30.7 %

ROE *

- **INR 3,754 mn Operating Cash Flow and INR 3,466 mn Free Cash Flow for FY 21; continue to be among the highest in the industry**
- **INR 5.5 Dividend per share distributed; pay-out ratio ~ 21% of Net Profit for the year**
- **Strengthened Dividend Distribution Policy to provide for distribution of at least 20% of Net Profits as equity dividend each year**
- **Raised the bar on Corporate Governance; 8-member Board with 4 Independent Directors - 3 Directors joined the Board in FY21**
- **Strengthened Senior Management; Professional and Entrepreneurial Management to jointly drive Eris into the next era of growth**

FY 21: ERIS RANKS AMONG THE FASTEST GROWING COMPANIES (ex. Covid Molecules)

FY 21 MAT Growth (excluding Covid Molecules*)



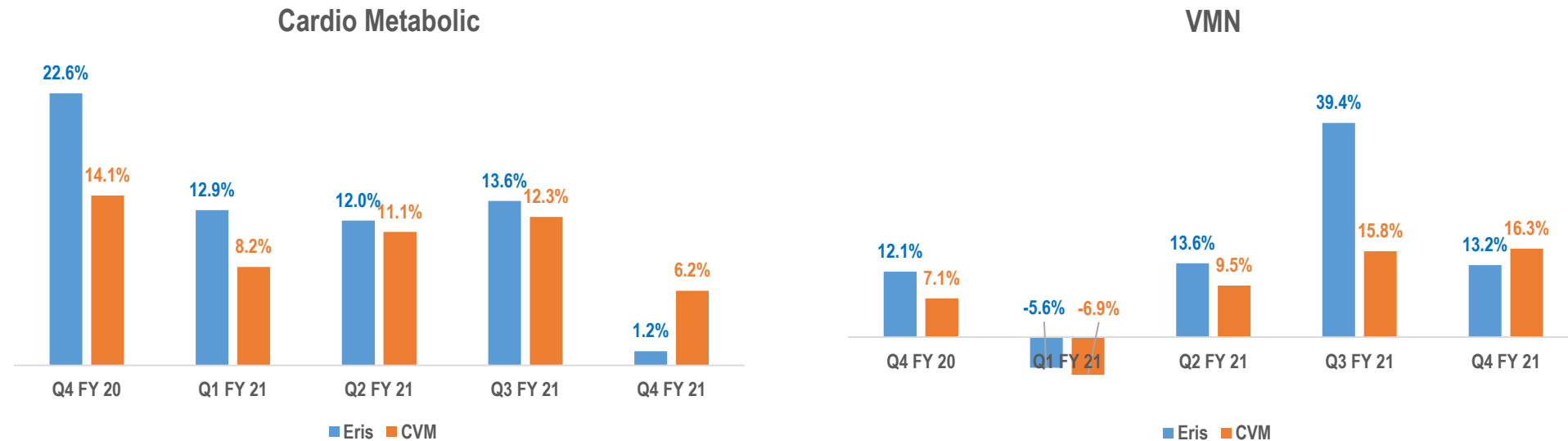
Source: AIOCD MAT Mar 21

*Favipiravir and Remdesivir

Graph represents the 10 fastest growing peers for MAT Mar 21 from the IPM Top-25 companies (Excluding Himalaya)

Q4 FY 21 – BUSINESS HIGHLIGHTS

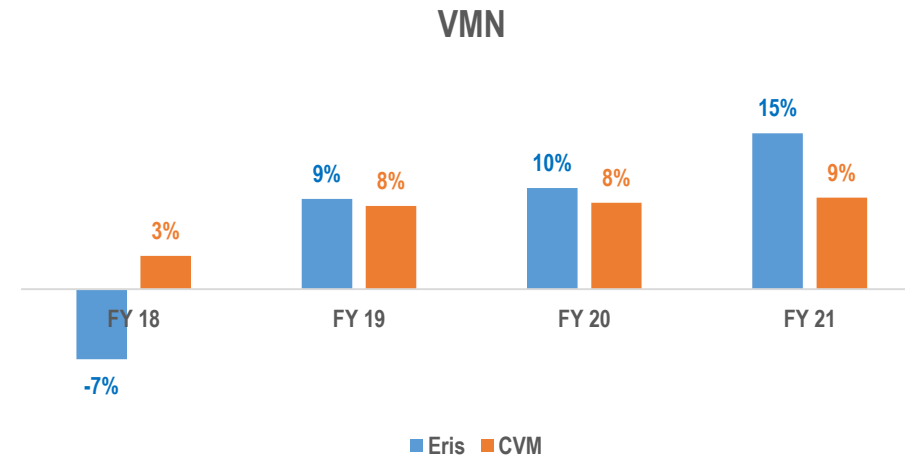
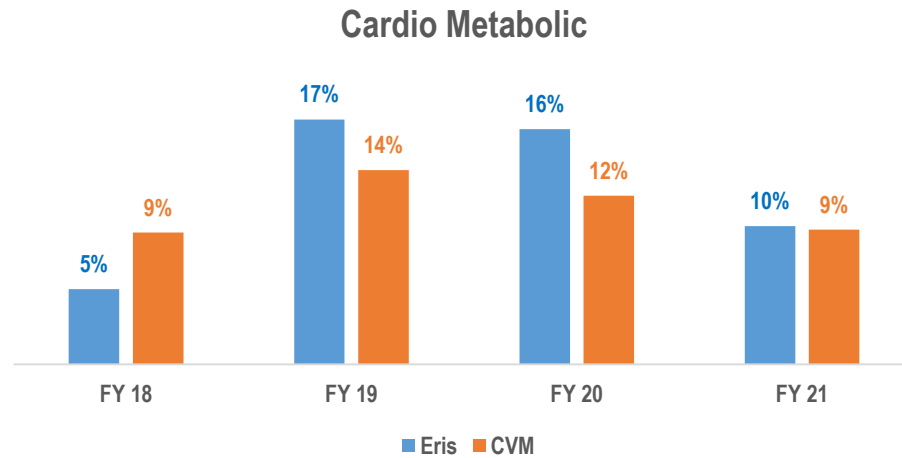
- Eris grew at **2.0%** yoy in Q4 FY 21 due to a **high base effect** in the **core cardio metabolic and VMN segments**.



- Significant new launches** in Q4 FY 21
 - Bricet:** Brivaracetam launch in the CNS segment for treatment of Epilepsy
 - Zayo:** Our offering in Sacubitril+Valsartan, an important product for managing Heart Failure

FY 21 – BUSINESS HIGHLIGHTS

- Eris grew at **6.2%** yoy in FY 21, **outperforming** by **2x** the covered market which grew at 2.9% yoy. This is the **3rd consecutive year** of Eris **outperforming** the covered market and the IPM.
- Core **Cardio metabolic** and **VMN** segments (**79% of total revenue**) **outperform** covered market for the **3rd consecutive year**.

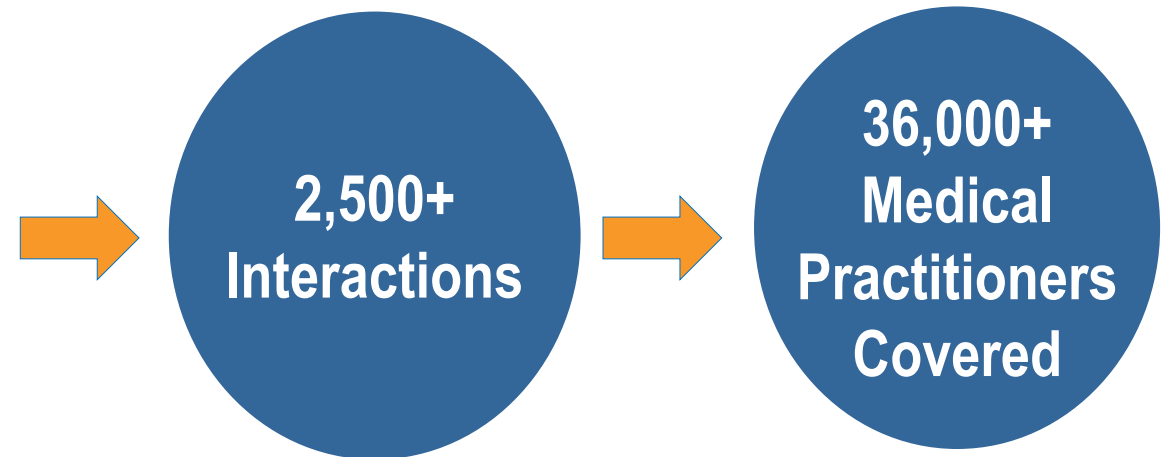


- Significant new launches** in FY 21
 - Gluxit:** Our offering in the strategically important Dapagliflozin (SGLT 2) molecule in Oral Diabetes Care
 - ZAC D:** A unique combination of Zinc and Vit A, C and D in a convenient once-a-day chewable tablet
 - Zayo:** Our offering in Sacubitril+Valsartan, an important product for managing Heart Failure
 - Rivalto:** Our brand in the recently off-patent Rivaroxaban molecule in the Anti Thrombotic segment
 - Bricet:** Brivaracetam launch in the CNS segment for treatment of Epilepsy

SPEARHEADING DIGITAL DISSEMINATION OF SCIENTIFIC KNOWLEDGE

- As a prominent **stakeholder** in the **enhancement of scientific knowledge**, Eris conducted **2,500+** interactions in FY21 covering **36,000+** 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	# Meetings	# Attendees
Dapagliflozin and Diabetes Care	676	7,064
Dapagliflozin and Heart Failure	115	9,344
Vildagliptin and Glycemic Variability	255	3,084
Sacubitril Valsartan – Role in Heart Failure	134	2,910
Immuno-Metabolism - 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



STRENGTHENED PRESCRIPTION RANKING AMONG SUPER-SPECIALISTS

Eris Prescription Ranking* among Doctor Specialties



CARDIOLOGISTS



DIABETOLOGISTS



GASTROENTEROLOGISTS



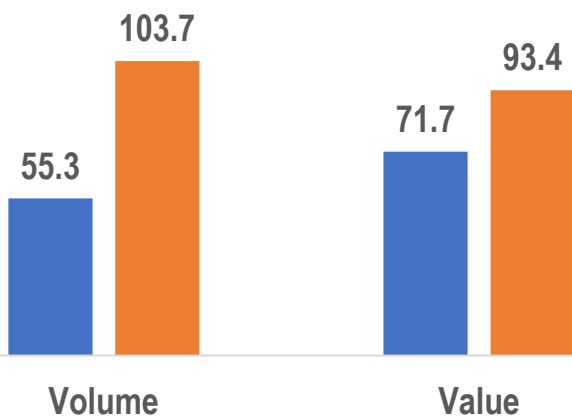
NEUROLOGISTS



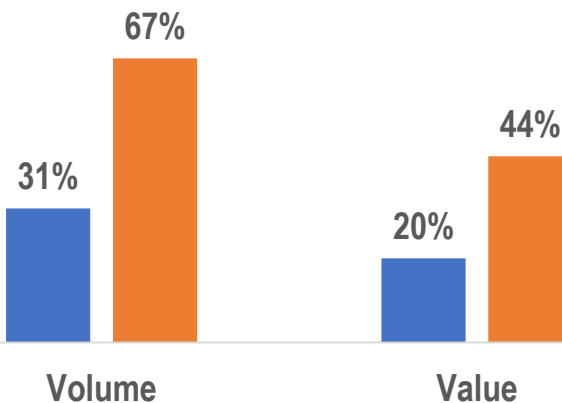
**CONSULTING
PHYSICIANS**

ZOMELIS – ROBUST GROWTH SINCE ACQUISITION

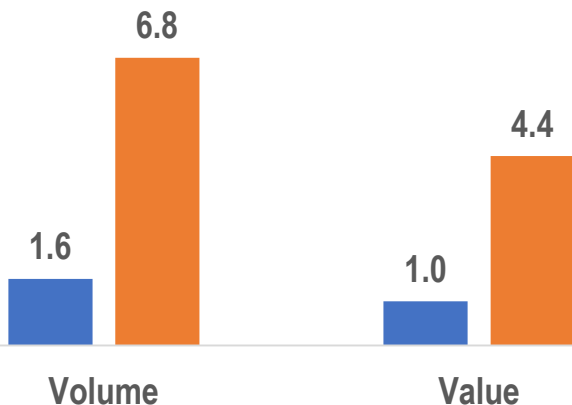
Vildagliptin Molecule



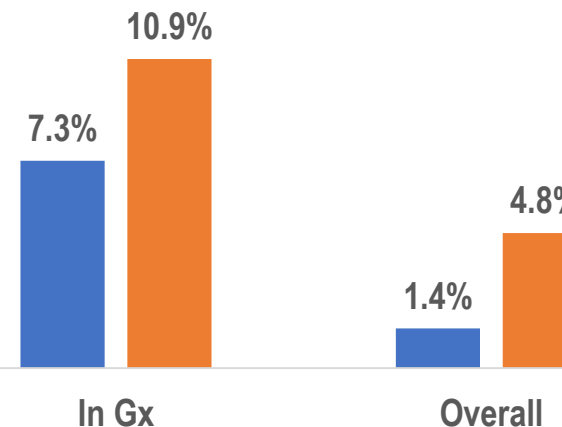
Generics' share of molecule (%)



Zomelis monthly sales run-rate



Zomelis market share (%)



- Consistently ranked #1 among all (83) Gx versions of Vildagliptin; #3 including innovator brands
- 4.4x growth in Zomelis monthly sales run-rate since acquisition
- Growth in market share (by value) from 1.4% to 4.8% (overall) and 7.3% to 10.9% (in Gx)
- Sales run-rate at the end of FY21 = Rs 4.4 crore p.m.

Gluxit

Myoda

Among the first
Generic versions
of Dapagliflozin to
be launched in
Oct 2020

Ranks #1 (by value and
volume) among 30+ Gx
versions of Dapa;
Ranks #1 by volume and #3
by value including
innovator brands

3.6x growth in
monthly sales run
rate since launch;
Exit run-rate of
Rs 2.5 crore pm
in March 2021

FY 21 – POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE 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 & **rank 3** incl. innovator brands in the **≈1,000 cr** Vildagliptin and combinations market

Tendia **rank 5** in the **≈1,100 cr** Teneligliptin and combinations market

SGLT 2

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

FY 21 – POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES

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 Telmisartan + Chlorthalidone market
Eritel LN	rank 2	in 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

New launch in Heart Failure, a strategically important segment in Cardiac Care

Zayo Our brand in **Sacubitril+Valsartan**, an important product for managing **Heart Failure**

VMN: specialty 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 Biloba + combination market with 29% market share
ZAC D		Combining the power of Zinc, Vit A, C and D in a convenient chewable tablet

DRIVERS OF SUSTAINABLE SECULAR GROWTH GOING FORWARD

- Our business model of **building strong and sustainable brands** has enabled us to not only maintain, but also **expand market shares** during the pandemic period when MR-Doctor **interactions** have been severely **constrained**
- **Prescriber preference** has shifted to **established brands** during this period; this has augured well for us with **7 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
- We plan to **launch 10+ new products** (including **3 significant** products) in **FY 22** – our **Zomelis SG (Vildagliptin + Remogliflozin)** brand is the first to be launched in this series
- We are **expanding** our **coverage** of **Cardiologists** and **Consulting Physicians** by **up to 50%** in the next 2 years
- 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 (**among the top 10 players**) in the cardio-metabolic space to gain **significant leverage** from these patent expirations; our **successful launches** of **Gluxit and Zayo** bear **testimony** in this regard

STANDALONE INCOME STATEMENT

Standalone INR Millions	Q4 FY21	Q4 FY20	Q4 FY 21 YOY Gr %	FY21	FY20	FY21 YOY Gr %
Sale of Products	2,527	2,261	11.8%	10,886	10,038	8.5%
Other Operating Income	42	47	-10.3%	202	165	22.6%
Revenue from Operations	2,568	2,307	11.3%	11,088	10,202	8.7%
Gross Profit	2,068	1,978	4.5%	9,103	8,559	6.4%
Gross Profit Margin	80.5%	85.7%		82.1%	83.9%	
Employee Cost	464	510	-9.1%	2,070	1,917	8.0%
as % of Revenue	18.0%	22.1%		18.7%	18.8%	
Other Expenses	664	736	-9.8%	2,860	3,085	-7.3%
as % of Revenue	25.9%	31.9%		25.8%	30.2%	
EBITDA	940	732	28.4%	4,173	3,556	17.4%
EBITDA Margin	36.6%	31.7%		37.6%	34.9%	
Depreciation	101	130	-21.8%	376	449	-16.1%
Finance Cost	2	3	-24.0%	8	19	-58.0%
Other Income	27	-8		100	147	-32.1%
PBT	864	592	46.0%	3,889	3,236	20.2%
PBT Margin	33.7%	25.7%		35.1%	31.7%	
Taxes	171	41	315.8%	383	323	18.5%
Net Profit	693	551	25.8%	3,506	2,913	20.4%
Net Profit Margin	27.0%	23.9%		31.6%	28.5%	

- Operating Revenue grew by 11.3% yoy in Q4 21 and by 8.7% in FY 21
- Owing to a higher contribution from new products, gross margins decreased by 179 bps in FY21; expected to ramp up starting the next quarter as new products scale up, and we start deriving volume benefits in procurement and manufacturing
- YPM in standalone operations grew by ~ 15% to Rs 4.5 lakh p.m. in FY21 from Rs 3.9 lakh p.m. in FY20 (# of MRs in Standalone operations = 2,036)
- Other expenses as % of revenue decreased by 445 bps due to higher productivity and pandemic-driven cost savings
- EBIDTA margin for the year expanded by 278 bps
- Taxes remained in line with 10% of PBT as the Guwahati facility contributed to 74% of total revenue.
- Net Profit margin for the year expanded by 307 bps

Source: Audited Financial Statements

Standalone Sale of Products include intercompany sales from standalone to subsidiaries.

CONSOLIDATED INCOME STATEMENT

Consolidated INR Millions	Q4 FY21	Q4 FY20	Q4 FY 21 YOY Gr %	FY21	FY20	FY21 YOY Gr %
Sale of Products	2,743	2,441	12.4%	11,926	10,582	12.7%
Other Operating Income	40	45	-11.8%	192	159	21.1%
Revenue from Operations	2,782	2,486	11.9%	12,119	10,741	12.8%
Gross Profit	2,178	2,115	3.0%	9,736	9,025	7.9%
Gross Profit Margin	78.3%	85.1%		80.3%	84.0%	
Employee Cost	525	556	-5.6%	2,293	2,057	11.5%
as % of Revenue	18.9%	22.4%		18.9%	19.2%	
Other Expenses	707	786	-10.0%	3,137	3,285	-4.5%
as % of Revenue	25.4%	31.6%		25.9%	30.6%	
EBITDA	945	772	22.4%	4,306	3,684	16.9%
EBITDA Margin	34.0%	31.1%		35.5%	34.3%	
Depreciation	115	143	-20.0%	430	503	-14.5%
Finance Cost	5	4	53.7%	18	22	-16.7%
Other Income	22	-11		87	154	-43.4%
PBT	847	615	37.8%	3,945	3,314	19.1%
PBT Margin	30.5%	24.7%		32.6%	30.9%	
Taxes	165	52	215.5%	394	348	13.0%
Net Profit	682	563	21.3%	3,551	2,965	19.8%
Net Profit Margin	24.5%	22.6%		29.3%	27.6%	

Source: Audited Financial Statements

Branded Formulation Sales

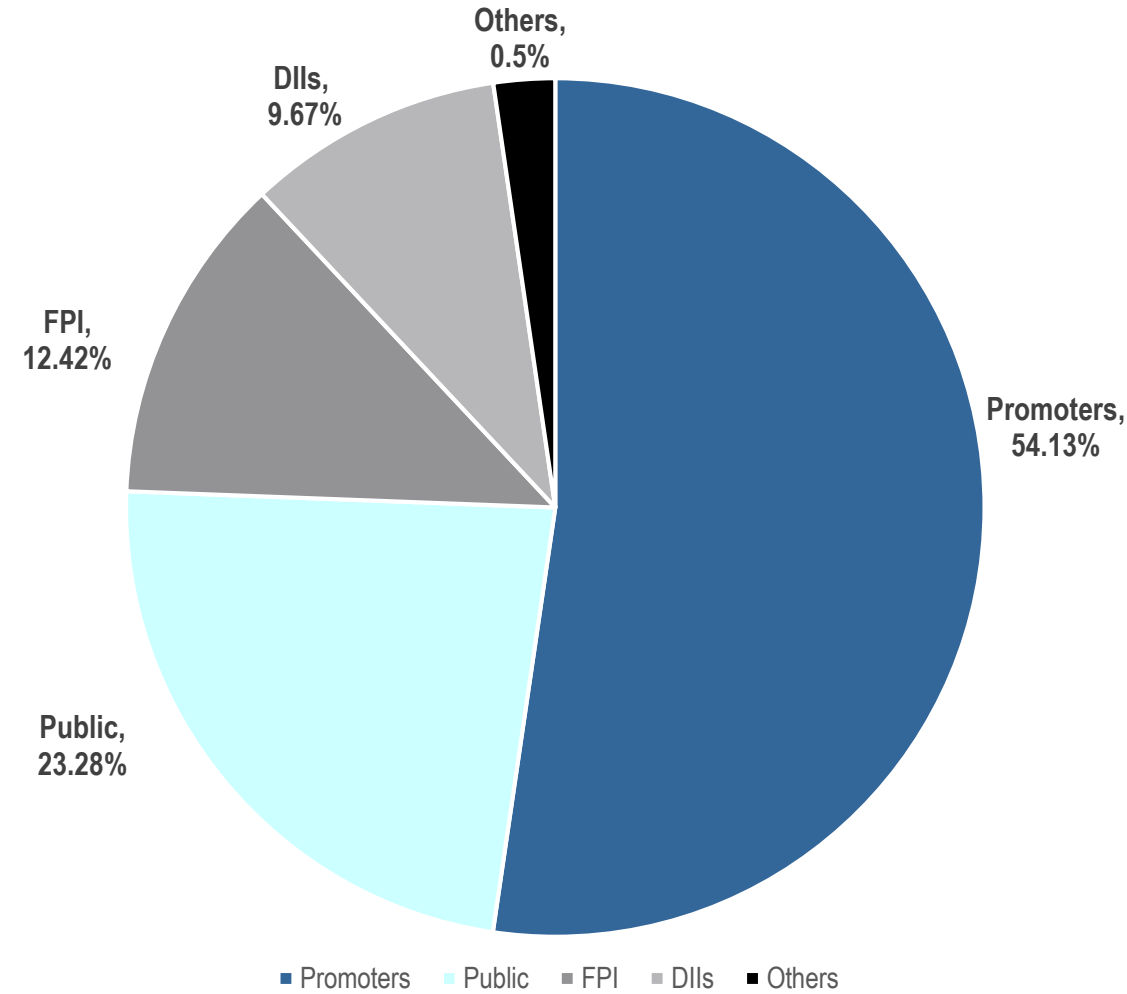
INR Millions	Q4 FY 21	Q4 FY 20	Q4 FY 21 yoy GR	FY 21	FY 20	FY 21 yoy GR
Sale of Products						
Eris	2,482	2,243	10.7%	10,678	9,955	7.2%
Aprica	113	130	-13.1%	546	561	-2.7%
Branded Formulations	2,596	2,374	9.4%	11,224	10,516	6.7%

- Operating Revenue grew by 11.9% yoy in Q4 21 and by 12.8% yoy in FY 21
- Branded Formulations sales grew by 9.4% yoy in Q4 FY21 and 6.7% yoy in FY21
- EHPL Sales for Q4 21 were INR 147 mn and for FY 21 were INR 702 mn
- EBITDA margin for FY21 increased by 123 bps on the back of productivity improvement and pandemic-driven cost savings
- Net Profit margin for the year increased by 170 bps

SHAREHOLDER PROFILE

Shareholding of Promoters and Top 15 Institutional Investors

Sr no	Name of Shareholder	As on 31-Mar-21	As on 31-Dec-20	As on 30-Sep-20
		605*	580*	538*
	Promoters	54.13%	54.23%	54.08%
1	ChrysCapital (Emerald Investment Limited)	5.51%	5.51%	5.51%
2	UTI Mutual Fund	4.38%	3.65%	3.34%
3	Aditya Birla Sun Life Mutual Fund	1.88%	2.38%	2.54%
4	Franklin Templeton Mutual Fund	1.38%	1.38%	1.73%
5	Vanguard	1.11%	0.00%	0.00%
6	Fundsmith Emerging Equities Trust	1.09%	1.09%	1.09%
7	L and T Mutual Fund	0.90%	0.76%	0.76%
8	Kuwait Investment Authority Fund 225	0.87%	1.11%	1.11%
9	Tata Mutual Fund	0.68%	0.94%	0.94%
10	Kotak Mutual Fund	0.61%	0.83%	1.16%
11	Malabar Select Fund	0.45%	0.14%	0.00%
12	Steinberg India Fund	0.44%	0.44%	0.44%
13	Ellipsis Partners LLC	0.36%	0.36%	0.17%
14	Government Pension Fund Global- Norges Bank	0.36%	0.06%	0.06%
15	Shinsei UTI JV	0.24%	0.20%	0.21%



* 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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