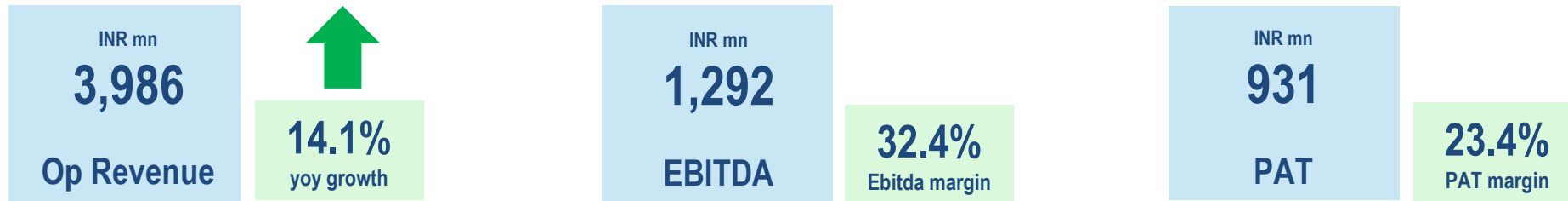




Q1 FY23
INVESTOR PRESENTATION
5th Aug 2022



- **Zomelis** Mother Brand hits a revenue **run rate** of **Rs. 100 cr. p.a.** in just 2.5 years of acquisition, representing a growth of more than **8x in monthly sales** since acquisition
- **Glimisave MV** crosses a MAT revenue of **Rs. 100 cr.**; we expect to have a total of **four Rs. 100+ crore brands** by the end of FY23 including Zomelis, Glimisave M, Glimisave MV and Renerve Plus
- Oaknet business is off to a strong start in Q1 FY23
 - Total Revenue = Rs. **55** crore; Post-deal revenue for Eris = INR **31.5** cr
 - Total EBIDTA = Rs. **10** crore in Q1; this run-rate looks sustainable through the year
- Executed an **in-licensing** agreement with **Biocon** for **Glargin** – expecting **launch in Q3 FY23**

Board approves interim dividend of Rs 7.35 / share

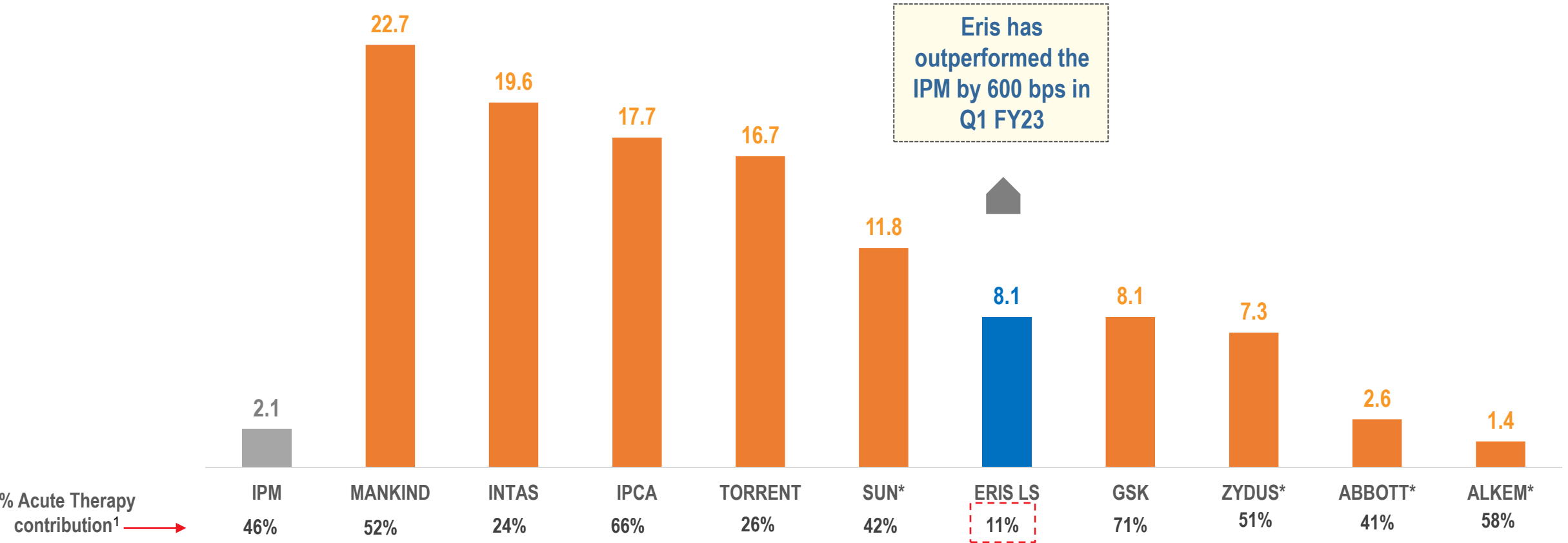
- Expecting **stronger momentum** in core **cardio-metabolic** business in subsequent quarters
 - Sharp **revival** of the market in Jun-July 2022 (**13%** growth)
 - After a 12-month period of slowdown (**4%** growth) from Jun-21 to May-22
- Successfully executing on strategic objective of therapy diversification with **3 emerging therapies (Dermatology, CNS and Women's Health)** collectively accounting for **20%** of Branded Formulations revenue and growing at **> 25% p.a.**
- FY 23 guidance (including Oaknet)
 - Consolidated Revenue growth of **30%**
 - Consolidated EBIDTA growth of **16-17%**
- **Sujesh Vasudevan**, a Pharma industry veteran has joined the Eris Board as an Independent Director; he brings over **30 years** of experience from the pharma industry across leading Indian and global companies in the areas of Sales & Marketing and Business Development.

Q1 FY 23 – ENTITY WISE MARGIN PROFILE

Entity	Q1 FY 23				% of Consol. Revenue	Ebitda Margin	
	Op Revenue	YoY Gr	EBITDA	YoY Gr		Q1 '23	Q1 '22
Eris (Standalone)	3,288	7.3%	1,262	3.0%	82%	38.4%	40.0%
Oaknet (BGx)	315	NA	64	NA	8%	20.4%	NA
Aprica (BGx)	159	-7.0%	32	25.9%	4%	20.0%	14.8%
EHPL (TGx)	239	-23.1%	-1	-110.5%	6%	-0.6%	4.5%
Eris M J (Insulin)	21	NA	-58	NA	1%	-280.4%	NA
Eris Therapeutics Ltd.	0	NA	-3	NA	0%	NA	NA
Inter co adjustments	-35	NA	-2	NA	-1%	7.2%	-0.5%
Consol. Op Revenue	3,986	14.1%	1,292	2.1%	100%	32.4%	36.2%

- Q1 standalone Gross Margin of 82.0% vs. 83.60% for FY22 – decline of 162 bps
 - Product mix variation in Q1 FY23
 - Impact of industry-wide RM cost escalation remains minimal
- EBIDTA margin of Eris standalone business (comprising 82% of revenue) continues to be among the highest in the industry; consistently maintained average EBITDA margin of ~ 39% over the last 6 years
- Eris MJ – Significant investments in people (140 MRs & 60 Managers added in Q4 FY 22) and new product launch/ promotion

ERIS RANKS AMONG THE TOP-10 GROWING FASTEST COMPANIES IN Q1 FY23



Eris continues to be the only company in the Top-10 companies (by growth) with a minimal (11%) contribution from acute therapies

Source: AWACS Pharmatrac data for the period QTR 1 FY'22 – QTR 1 FY'23

¹ Acute contribution based on MAT Jun 22 Sales

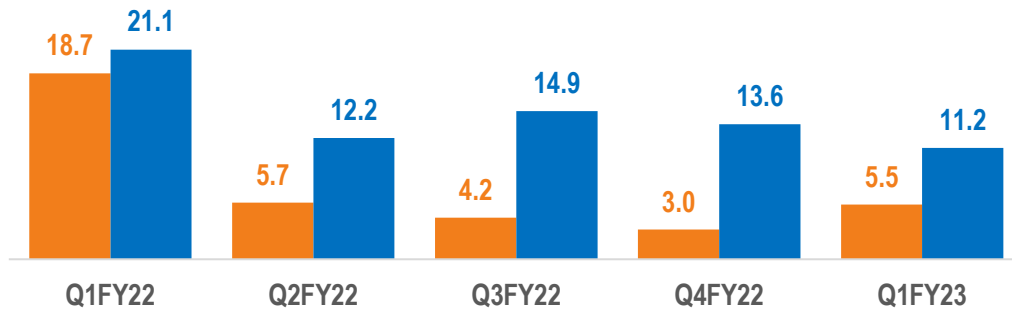
Graph represents the 10 fastest growing peers on a GROWTH basis for the period QTR 1 FY'22 – QTR 1 FY'23 from the IPM Top-25 companies (Exc. Himalaya)

CONTINUES TO OUTPERFORM IN CARDIOMETABOLIC BY A SIGNIFICANT MARGIN

Eris grew at **8.1%** in Q1 FY 23 vs. IPM growth of **2.1%**; **outperformed** IPM in **Cardio-Metabolic, CNS, Derma & Women's Health** therapies

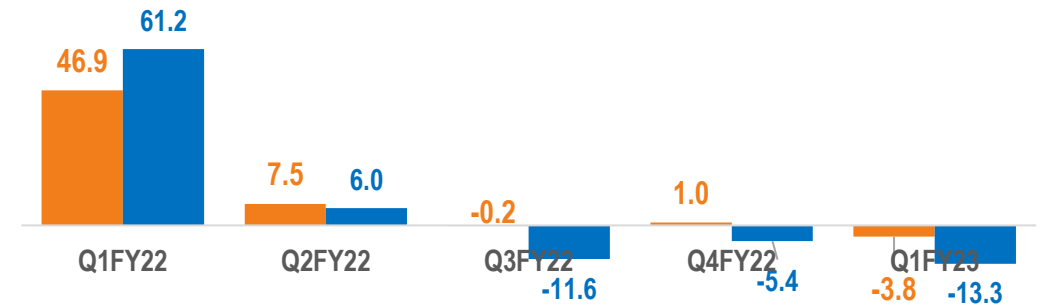
IPM Eris

Cardio-Metabolic : 53% of Eris



- **Cardio-metabolic** segment - **Eris Outperforms** IPM in 15 out of last 16 quarters
- **Cardiometabolic market** sees a strong rebound in growth in June-July 2022 (**13%** growth) after a protracted 12-month slowdown (**4%** growth) during Jun-21 to May-22

VMN : 16% of Eris



- **VMN** segment – Market continues to see **slowdown** post Covid Wave-2 peak in Q1 of FY22
- **Eris VMN** segment growth **impacted** due to **Covid related returns** (mainly ZACD launched during Wave-2)
- **Excluding ZACD**, Eris Q1 VMN growth = **4.8%** (vs IPM growth of **0.5%**)

THREE EMERGING THERAPIES (20% OF REVENUE) GROWING AT 25% PLUS P.A.

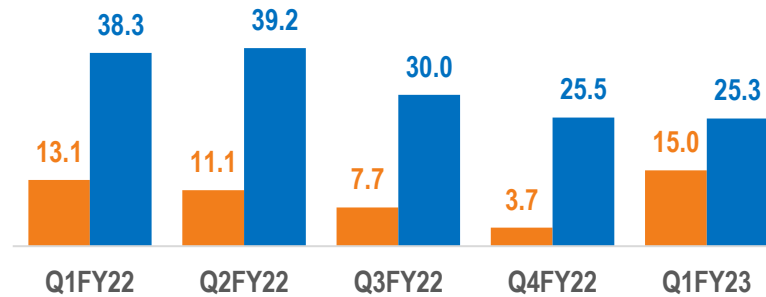
IPM Eris

Derma: 8% of Eris



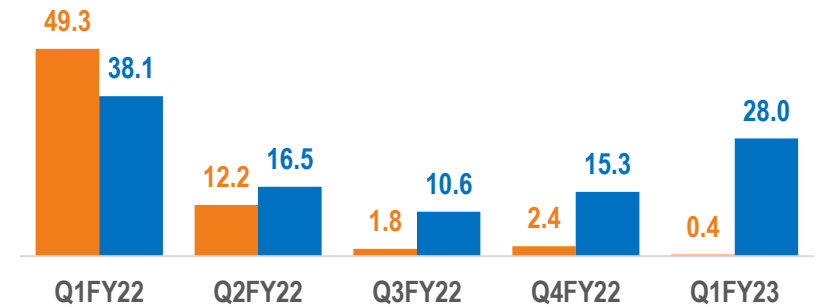
Derma – entered with the acquisition of Oaknet in May 2022

CNS : 7% of Eris



CNS segment – Eris outperforms IPM by a significant margin for 5 consecutive quarters

Women's Health : 5% of Eris



Women's Health segment – Eris outperforms IPM for 4 consecutive quarters

Successfully executing on strategic objective of therapy diversification with 3 emerging therapies (Dermatology, CNS and Women's Health) collectively accounting for 20% of Branded Formulations revenue and growing at > 25% p.a

ERIS MAINTAINS HIGH PRESCRIPTION RANKING AMONG DOCTOR SPECIALTIES

Eris Prescription Ranking* among Doctor Specialties



DIABETOLOGISTS #



CARDIOLOGISTS



NEUROLOGISTS



GASTROENTEROLOGISTS



**CONSULTING
PHYSICIANS**



DERMATOLOGISTS**

POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (1/2)

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 **≈4,800 cr** Glimepiride and combinations market

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

Cyblex **rank 4** in the **≈700 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 **≈1,400 cr** Vildagliptin and combinations market

Tendia **rank 3** in the **≈1,100 cr** Teneeligliptin and combinations market

Glura Our newly launched brand in Sitagliptin market

SGLT 2 Inhibitors

Gluxit **rank 2** among Gx brands and **rank 5** including innovator brands in the Dapagliflozin market

POWER BRANDS CONTINUE TO HAVE LEADING PRESENCE IN CORE THERAPIES (2/2)

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

Eritel	rank 5	in the ≈3,900 cr Telmisartan and combinations market
Eritel CH	rank 5	in Telmisartan + Chlorthalidone market
Eritel LN	rank 2	in Telmisartan + Cilnidipine market
Olmin	rank 4	in the ≈800 cr Olmesartan and combinations market
Olmin Trio	rank 2	in Olmesartan + Cilnidipine + Chlorthalidone market
Olmin CH	rank 3	in Olmesartan + Chlorthalidone market
LN BLOC	rank 2	in the ≈650 cr Cilnidipine and combinations market
LN Beta	rank 1	in Nebivolol + Cilnidipine market

VMN: Specialty focus in core molecules leading to high ranks

ReNerve	rank 2	in the ≈1,900 cr Methylcobalamin and combinations market
Renerve Plus	rank 1	in Methylcobalamin combinations market
Tayo	rank 7	in the ≈1,800 cr Cholecalciferol and combinations market
GINKOCER	rank 1	in the ≈100 cr Ginkgo Biloba + combination market with 36% market share

Q1 FY 23 - STANDALONE INCOME STATEMENT

Standalone INR Millions	Q1 FY 23	Q1 FY 22	Q1 FY 23 yoy GR
Sale of Products	3,220	3,003	7.2%
Other Operating Income	67	60	13.0%
Revenue from Operations	3,288	3,063	7.3%
Gross Profit	2,695	2,598	3.7%
Gross Profit Margin	82.0%	84.8%	
Employee Cost	614	582	5.4%
as % of Revenue	18.7%	19.0%	
Other Expenses	819	791	3.6%
as % of Revenue	24.9%	25.8%	
EBITDA	1,262	1,225	3.0%
EBITDA Margin	38.4%	40.0%	
Depreciation	150	112	33.3%
Finance Cost	72	5	1460.7%
Other Income	34	64	-47.7%
PBT	1,074	1,173	-8.5%
PBT Margin	32.7%	38.3%	
Taxes	118	106	11.3%
Net Profit	956	1,067	-10.4%
Net Profit Margin	29.1%	34.8%	

- Operating Revenue grew by 7.3% yoy in Q1 FY 23 amid continued market slowdown in Apr-May 2022 and Covid related returns
- Q1 growth adjusted for Covid returns = ~ 9% yoy (vs IPM growth of 2.1% and covered market growth of 2.7%).
- Q1 standalone Gross Margin of 82.0% vs. 83.60% for FY22 – decline of 162 bps owing to a product mix variation in Q1; impact of industry-wide RM cost escalation remains minimal
- Added ~ 150 to Field-Force in Q1. Standalone YPM = Rs. 5 lakh
- Finance cost includes interest on financing of Oaknet acquisition
- Tax rate for Q1 FY 23 = 11.0% of PBT as the Guwahati facility contributed to 78% of total revenue in Q1 FY 23. Gujarat facility expected to commence operations in Q4 FY 23
- Net Profit Margin = 29.1% in Q1 FY 23; lower by 577 bps largely driven by Oaknet related impact on Treasury Income & Finance Cost, and impact of interest rate movement on residual treasury income

Q1 FY 23 - CONSOLIDATED INCOME STATEMENT

Consolidated INR Millions	Q1 FY 23	Q1 FY 22	Q1 FY 23 yoy GR
Sale of Products	3,921	3,437	14.1%
Other Operating Income	65	56	16.3%
Revenue from Operations	3,986	3,493	14.1%
Gross Profit	3,135	2,804	11.8%
Gross Profit Margin	78.7%	80.3%	
Employee Cost	786	655	20.0%
as % of Revenue	19.7%	18.8%	
Other Expenses	1,057	884	19.6%
as % of Revenue	26.5%	25.3%	
EBITDA	1,292	1,265	2.1%
EBITDA Margin	32.4%	36.2%	
Depreciation	234	145	61.6%
Finance Cost	72	8	828.0%
Other Income	27	59	-53.3%
PBT	1,013	1,171	-13.5%
PBT Margin	25.4%	33.5%	
Taxes	82	104	-21.5%
Net Profit	931	1,067	-12.7%
Net Profit Margin	23.4%	30.5%	

- Consolidated Operating Revenue grew by 14.1% yoy in Q1 FY 23. Growth adjusted for Covid returns = 15.6% yoy
- Oaknet business is off to a strong start in Q1 FY23
 - Total Revenue = Rs. 55 cr; Post-deal revenue for Eris = INR 31.5 cr
 - Total EBIDTA = Rs. 10 crore in Q1; this run-rate looks sustainable through the year
- Decline in consolidated PAT margin by 719 bps largely driven by Oaknet-related impact on Depreciation, Treasury Income & Finance Cost
- Aprica revenue impacted by continued cardiometabolic market slowdown in Apr-May 2022 (CVM growth 0.1%)
- EHPL revenue impacted by high base of Q1 FY22 (Covid Wave-2)

ERIS CONTINUES TO EXECUTE ON GROWTH DRIVERS (1/2)

1

Expansion of power-brands' franchise

- Our business model of building **strong and sustainable brands** has enabled us to significantly **outperform the market**
- There has been a clear shift in prescriber preference towards established brands over the last two years; this continues to work well for us with **9 of our Top-15 mother brands** being **ranked among the Top-5** in their respective categories
- We have curated a “**Full Service**” approach to **Diabetes Management** with a comprehensive range of oral anti-diabetics, Insulins, Blood Glucometers, HbA1c Monitors and Continuous Glucose Monitors in our product basket

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 which we are well positioned to leverage
- We will leverage the market opportunity in human insulin, insulin analogues and GLP1 agonists through our joint venture with MJ Biopharm; in **Q4 FY22** we launched **Human Insulin** with a dedicated division consisting of **140 MRs**. Expect to launch in-licensed **Glargine** in **Q3 FY23**.
- New product launches in **Medical Dermatology** and **Cosmetology** through the Oaknet platform
- We have planned **15+** new product launches for FY 23 including **5-6** significant launches

ERIS CONTINUES TO EXECUTE ON GROWTH DRIVERS (2/2)

3

Expansion of physician coverage

- We continue to make good progress in expanding our coverage of **Specialists and Consulting Physicians** in line with our expectations
- We have expanded our field-force by **~ 150** in the recent past

4

Therapeutic Diversification

- We continue to invest in **diversification opportunities** in **CNS (Neuropsychiatry), Women's Health** and **Dermatology**
- Successfully executing on strategic objective of therapy diversification with above **3 emerging therapies** collectively accounting for **20%** of Branded Formulations revenue and growing at **> 25% p.a.**

5

In-licensing and acquisitions

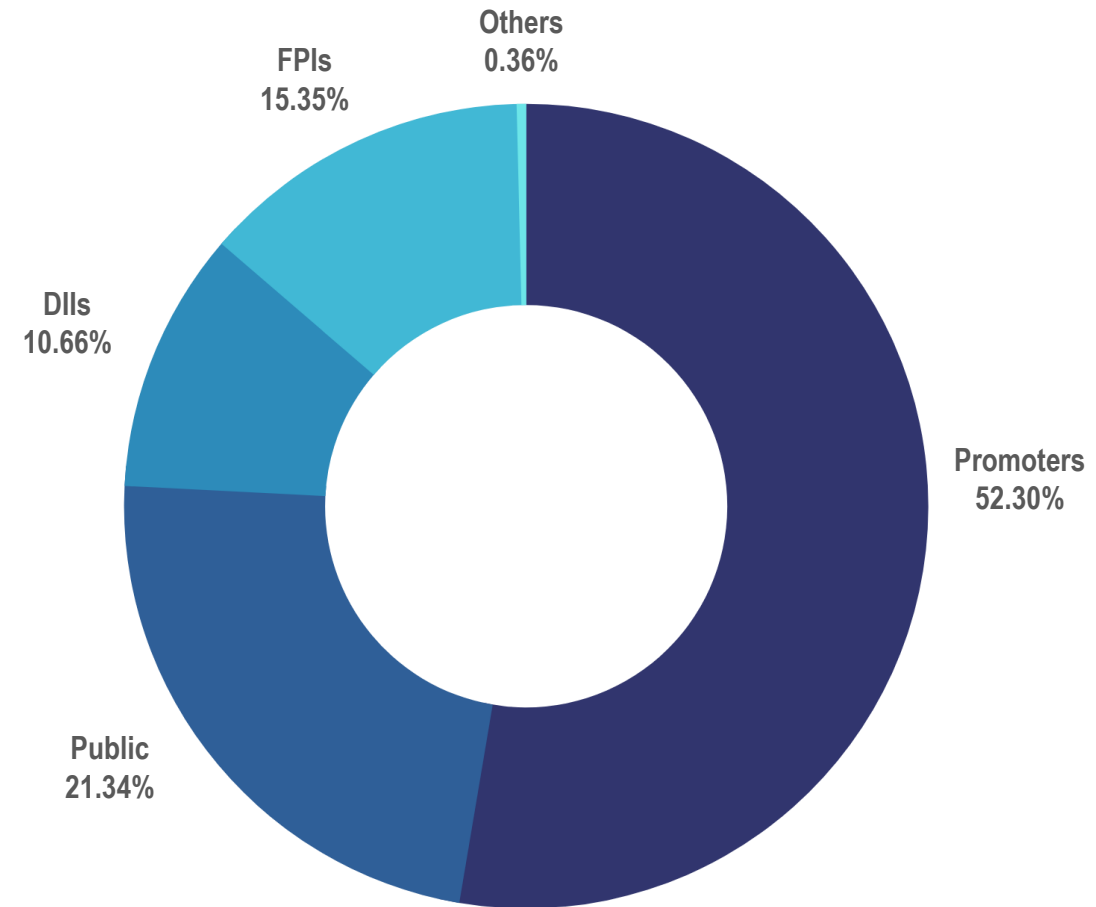
- On the back of **value-accretive deals** (e.g., Strides, Zomelis and Oaknet), we continue to look for **high-return inorganic opportunities** to complement our organic growth initiatives

FY 23 guidance – Revenue growth of 30% and EBIDTA growth of 16-17% including Oaknet

SHAREHOLDER PROFILE

Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder		As on 30-Jun-22	As on 31-Mar-22	As on 31-Dec-21
		667*	689*	760*
Promoters		52.30%	52.66%	52.66%
1	Chrys Capital (Emerald Investment Limited)	7.58%	5.50%	5.50%
2	UTI Mutual Fund	5.78%	5.53%	5.44%
3	Aditya Birla Sun Life Mutual Fund	1.73%	1.73%	1.73%
4	Vanguard	1.66%	1.72%	1.70%
5	Franklin Templeton Mutual Fund	1.35%	1.35%	1.35%
6	Kotak Mutual Fund	1.15%	1.15%	1.15%
7	L and T Mutual Fund	0.88%	0.88%	0.88%
8	Kuwait Investment Authority Fund	0.86%	0.86%	0.86%
9	Fundsmith Emerging Equities Trust	0.58%	0.58%	0.58%
10	Steinberg India Fund	0.54%	0.54%	0.54%
11	Government Pension Fund Global - Norges Bank	0.52%	0.52%	0.52%
12	Malabar Select Fund	0.45%	0.45%	0.45%
13	Tata Mutual Fund	0.38%	0.38%	0.38%
14	Ellipsis Partners LLC	0.36%	0.36%	0.36%
15	Shinsei UTI JV	0.31%	0.30%	0.31%



*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
kruti@erislifesciences.com