



May 17, 2024

Listing Department  
**BSE LIMITED**  
P J Towers, Dalal Street,  
Mumbai-400 001

**Code: 532321**

Listing Department  
**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400 051

**Code: ZYDUSLIFE**

Re: **Investor Presentation**

Dear Sir,

Please find attached the Investor Presentation on the audited financial results for the quarter / year ended on March 31, 2024.

Please find the same in order.

Thanking you,

Yours faithfully,  
For, **ZYDUS LIFESCIENCES LIMITED**

**DHAVAL N. SONI**  
**COMPANY SECRETARY**

Encl.: As above

**Zydus Lifesciences Limited**

Regd. Office : 'Zydus Corporate Park', Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,  
S. G. Highway, Ahmedabad-382 481, Gujarat, India. | Phone : +91-79-71800000, +91-79-48040000  
website : [www.zyduslife.com](http://www.zyduslife.com) | CIN : L24230GJ1995PLC025878





# Zydus Lifesciences Limited

Earnings Presentation: Q4 and Full Year FY24

17<sup>th</sup> May, 2024

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# Q4 FY24: At a Glance

## Revenues from Operations

**Rs. 55,338 mn**  
 ↑ 10% YoY

## R&D

**Rs. 3,516 mn**  
 6.4% of revenues

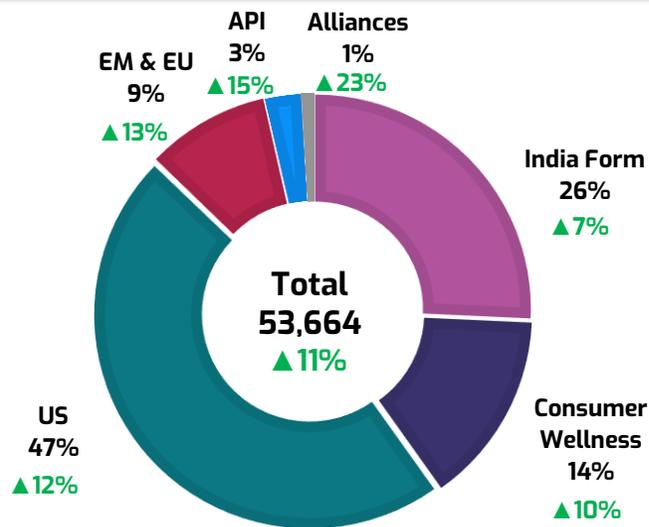
## EBITDA & Margin %

**Rs. 16,305 mn**  
 29.5% of revenues  
 ↑ 30% YoY

## Net Profit ex. Exceptional

**Rs. 11,823 mn**  
 ↑ 32% YoY

## Business-wise Sales Break-up (Rs. mn) and YoY Growth

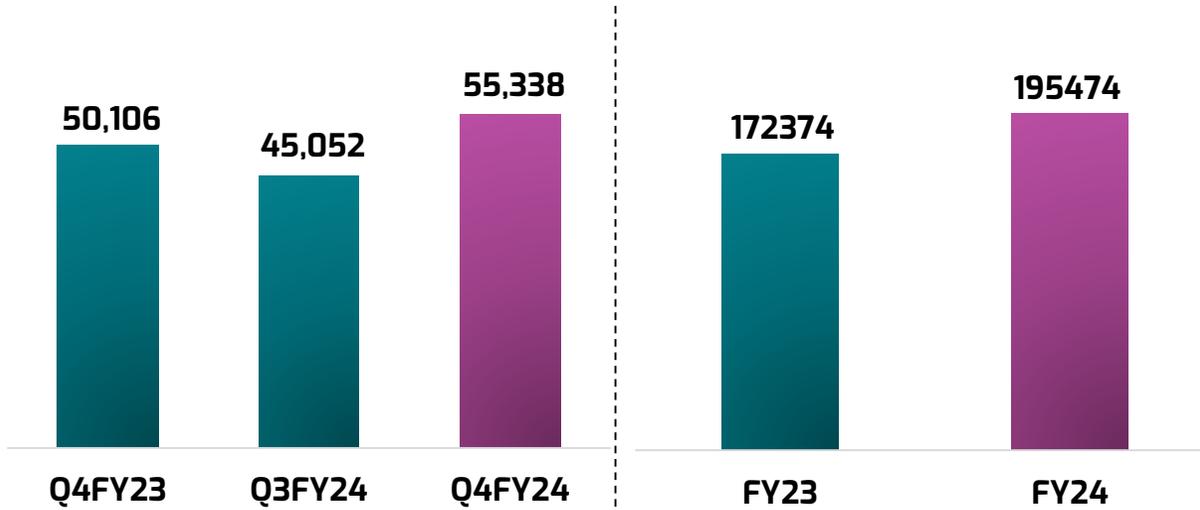


## Highlights of Q4 FY24

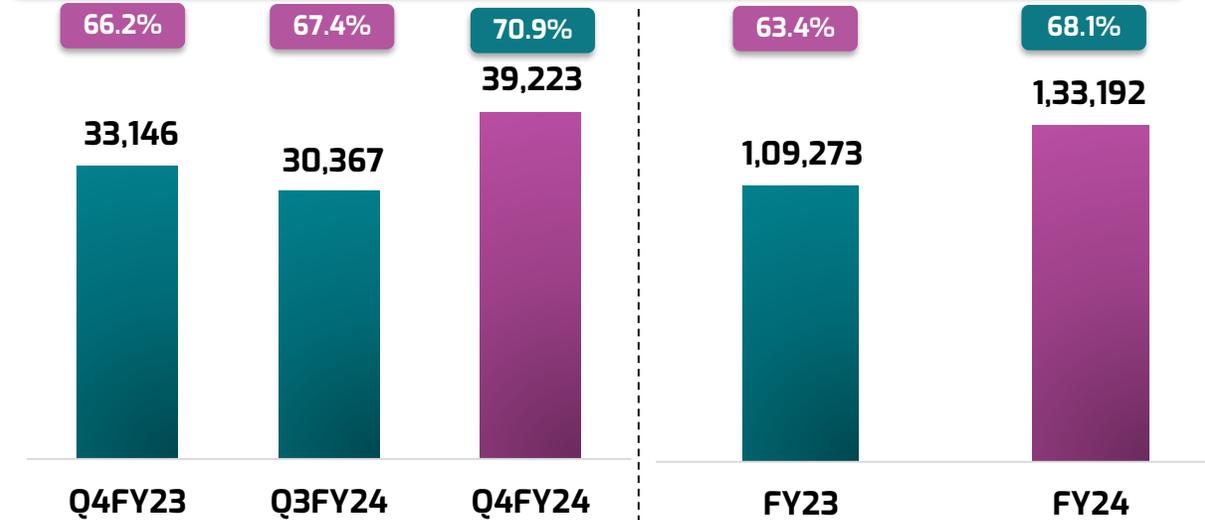
- Total revenues grew **10% YoY**, led by growth across **all key** markets.
- **India branded formulations business** grew **faster** than the market driven by portfolio of **key pillar brands** and **innovation products**.
- In **Consumer Wellness** space, **growth momentum** in **personal care** segment continued while **food and nutrition** segment witnessed **recovery**.
- In the **US, base business** continued the **growth momentum** driven by **volume expansion** and **new launches**.
- **EM & EU formulations** business sustained the **growth momentum** and delivered **double digit growth** for **yet another quarter**.
- EBITDA margin stood at **29.5%, up 440 bps YoY**.
- Capex (organic) for the quarter: Rs. 2,126 mn.
- Net debt to EBITDA: (-) 0.16x (at 31-Mar'24) vs (-) 0.14x (at 31-Mar'23)

# Key Financial Metrics (1/2)

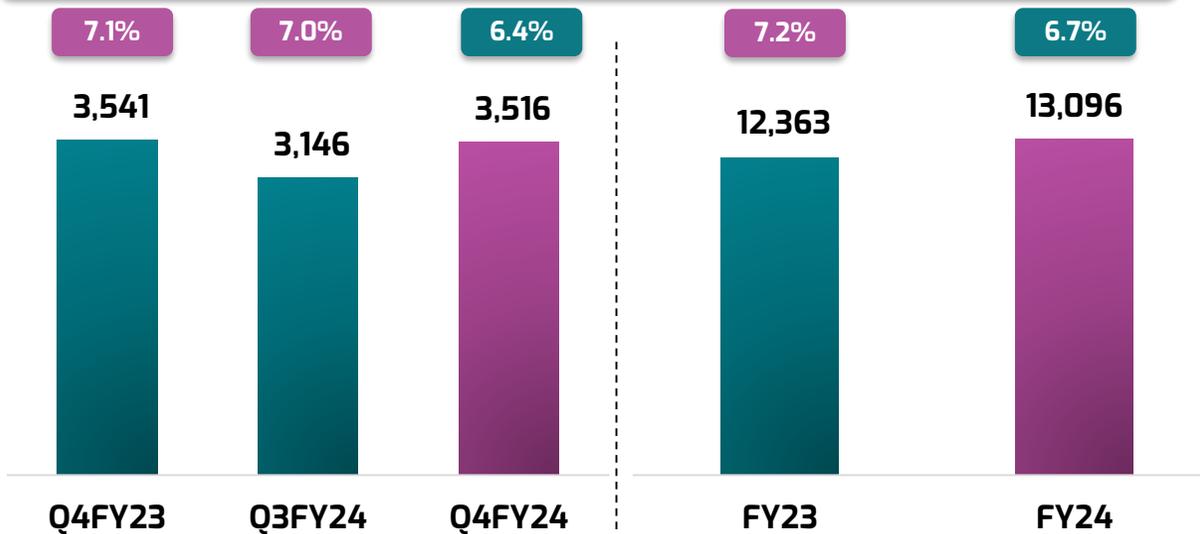
## Total Revenues (Rs. mn)



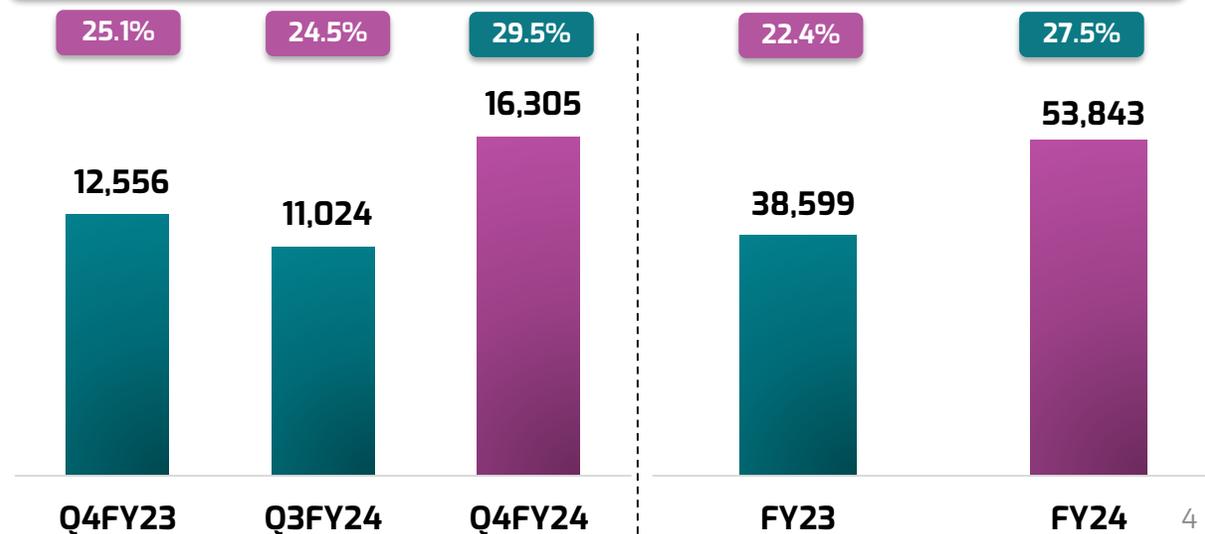
## Gross Profit (Rs. mn) and Gross Margin %



## Total R&D (Rs. mn) and % to Revenues

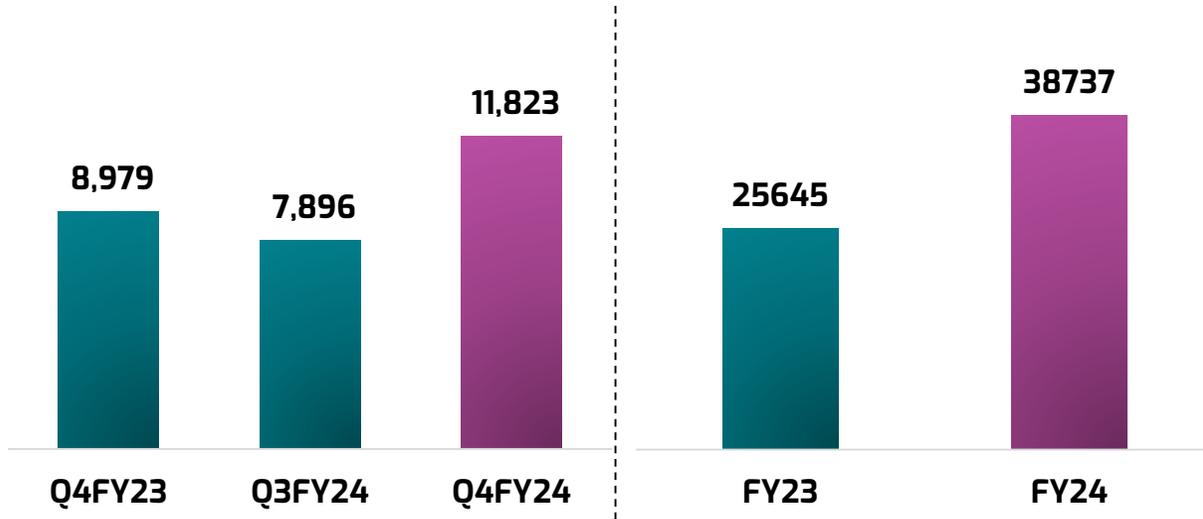


## EBITDA (Rs. mn) and EBITDA Margin %

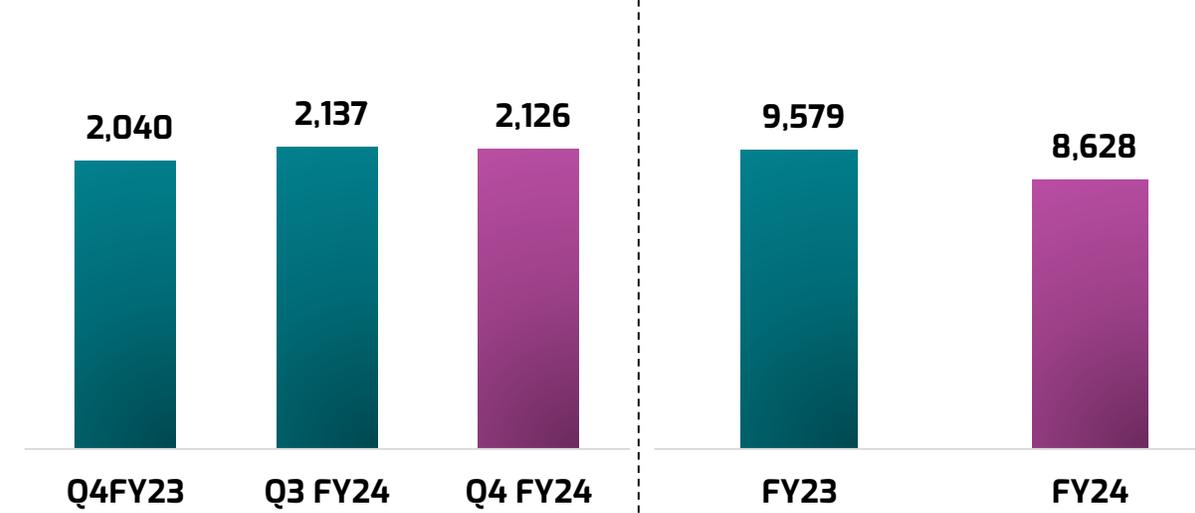


# Key Financial Metrics (2/2)

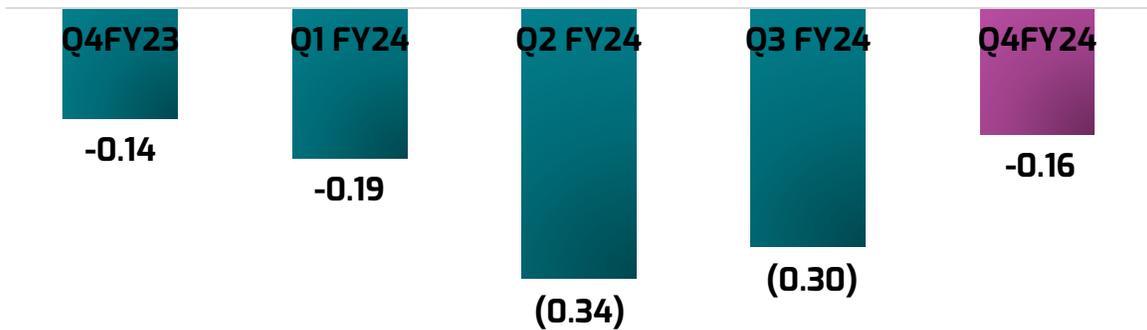
## PAT ex. Exceptional (Rs. mn)



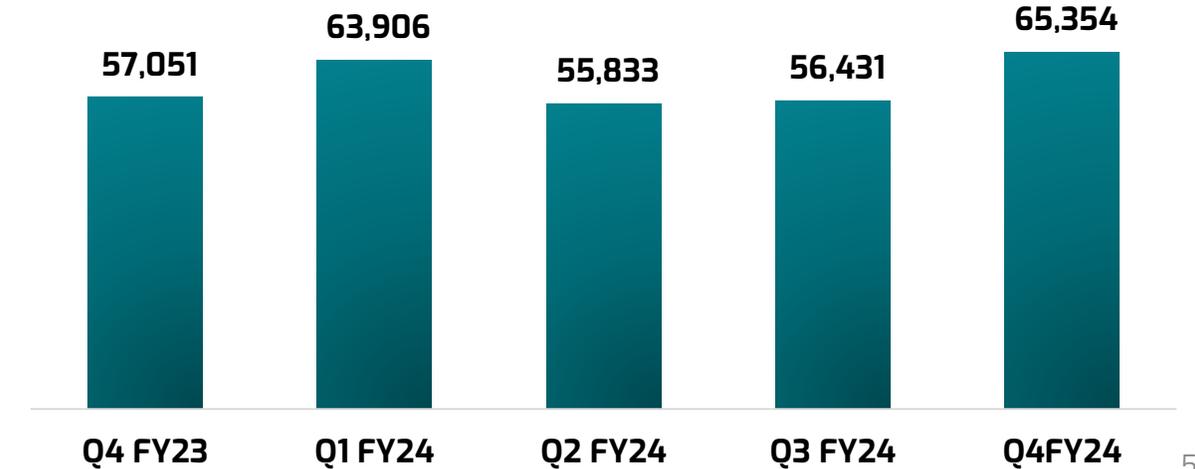
## Organic Capex (Rs. mn)



## Net Debt/ EBITDA



## Net Working Capital\* (Rs. mn)



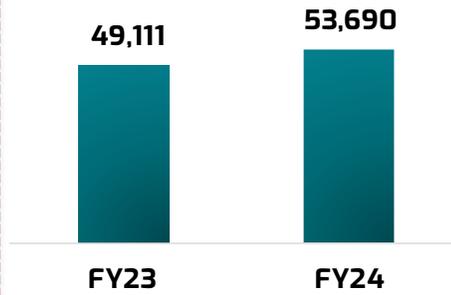
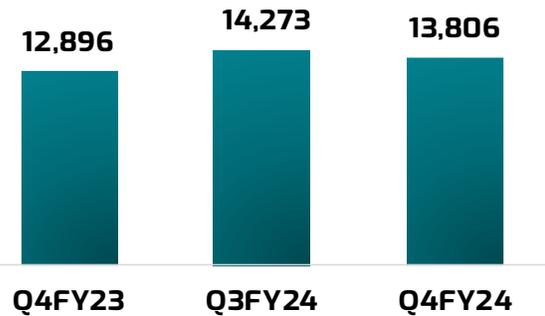
\*Net working capital includes Inventory, Trade receivables and Trade payables.

## Branded business delivered healthy growth

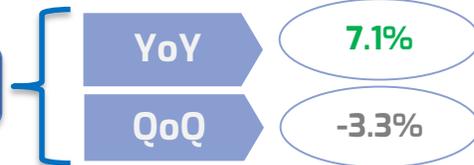
India Formulations Sales (Rs. mn)

Q4 FY24 Revenue Contribution

India Formulations Sales (Rs. mn)



Q4 FY24 Gr.



FY24 Gr.



## Brand building - a key growth driver

Brand Value (Rs. Mn)\*

1000+

# of Brands

9

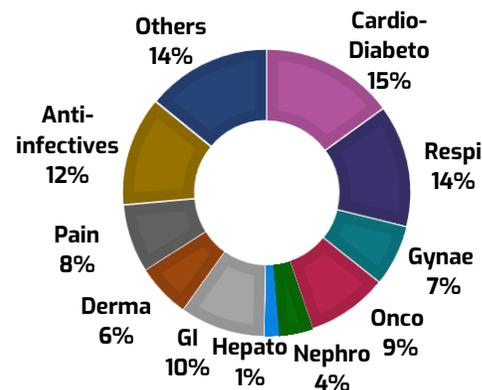
500 to 1000

22

250 to 500

34

## Therapy-wise Break-up\*

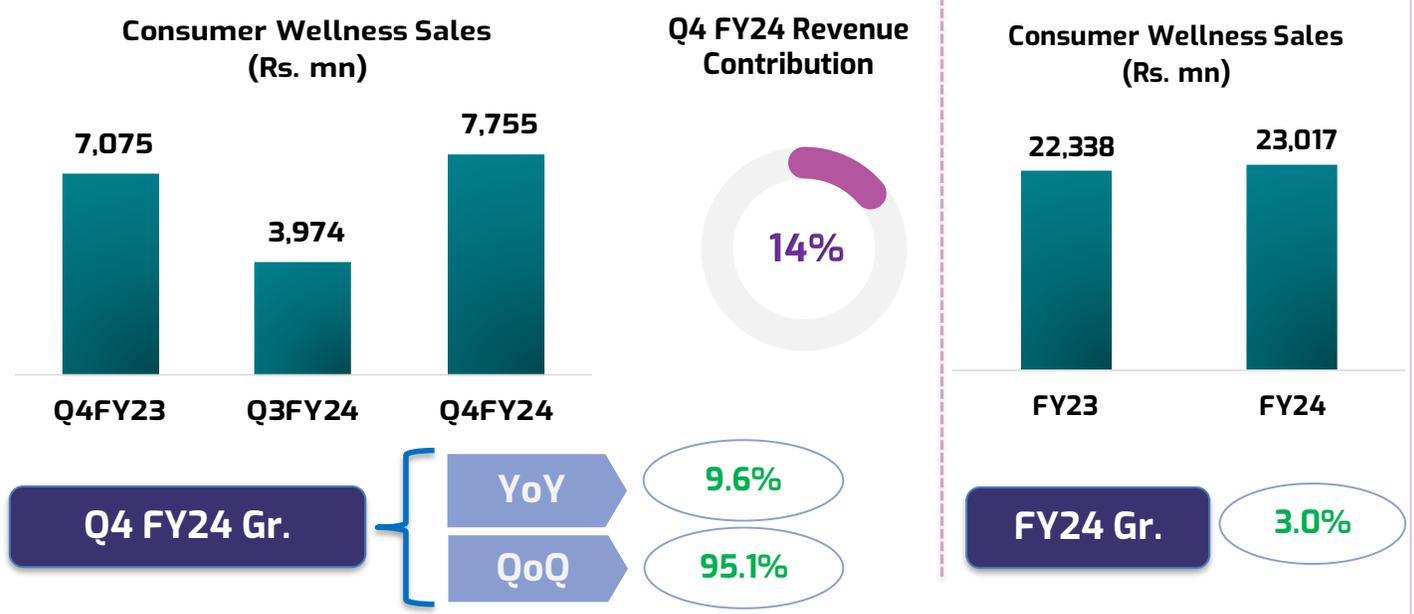


## Highlights for the quarter

- Branded business grew **faster** than the market with **8% YoY growth**.  
Portfolio of **key pillar brands** and **innovation products** were the key growth drivers.
- Gained market share** in **dermatology** and **anti-infective** therapies.
- On the Super Specialty front,
  - Retained **leadership** position in the **nephrology** segment.
  - In the **oncology** segment, remained **amongst** the **fastest growing companies** in India.
- Share of **chronic therapies** was **41.2%** of total India business during the year. **Contribution** of chronic therapies has **gone up** by **360 bps** over **last 3 years\***.

\*Source: IQVIA MAT March 24

## Demand recovery across portfolio further fueled by summer oriented brands



## Highlights for the quarter

- FMCG sector witnessed **gradual recovery** in demand with an **uptick** in demand in **rural India** as well.
- **Personal care** segment, which comprises of **Nycil®** and **EverYuth®** brands, registered **yet another quarter** of **strong growth**.
- Performance of **food and nutrition** segment **improved** with **mid-single digit growth** during the quarter.
- Gross margins **continued** the **upward journey** with an **improvement** of **377 bps** on a **YoY** basis.

## Key brands continued to hold dominant market share



#Source: Nielsen and IQVIA MAT March 2024 report  
 \* Facial cleansing segment includes Face wash, Scrub and Peel-off.

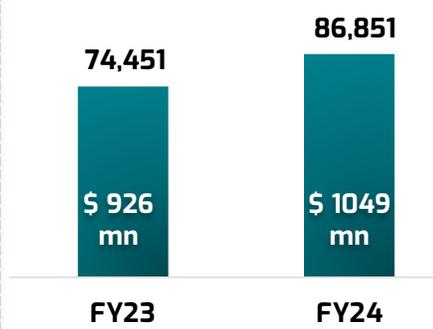
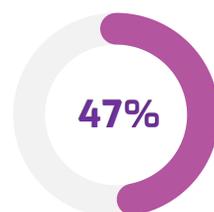
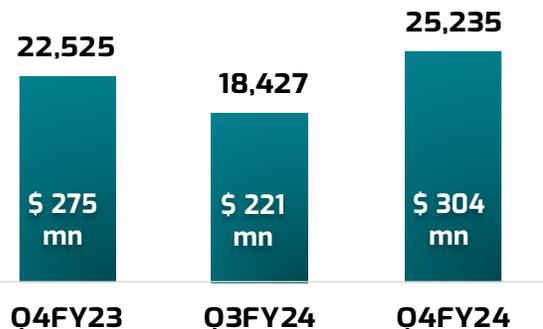
## Crossed US\$ 1 bn revenue milestone (FY24)

## Highlights for the quarter

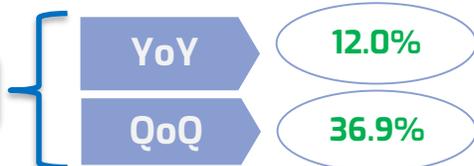
US Formulations Sales (Rs. mn)

Q4 FY24 Revenue Contribution

US Formulations Sales (Rs. mn)



Q4 FY24 Gr.



FY24 Gr.



- Base business **grew sequentially every quarter** through the year driven by **volume expansion** and **new launches**.
- Launched **5 new products** and received **approval** for **12 new products** (incl. 4 tentative approvals).
- For the full year, **filed 20 ANDAs**, received **approval** for **46 new products** (incl. 5 tentative approvals) and launched **29 new products**.

## Continued investment to build the generics pipeline

ANDA filings and approvals - Q4 FY24

ANDA filings and approvals - FY24

ANDA filings and approvals - Cumulative

0

12 ^

20

46 ^

460

402 ^

Filings Approvals

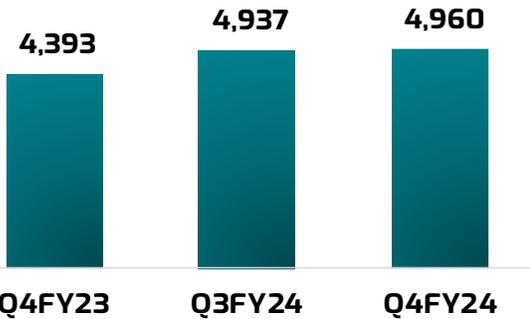
Filings Approvals

Filings Approvals

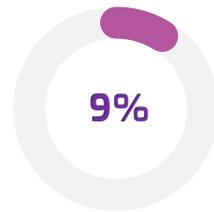
^ includes 4 tentative approvals in Q4 FY24, 5 tentative approvals in FY24 and 22 tentative approvals on a cumulative basis.

## All key markets continued to display strong momentum

EM & EU Formulations Sales (Rs. mn)



Q4 FY24 Revenue Contribution



Q4 FY24 Gr.

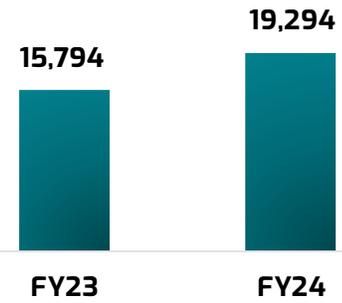
YoY

12.9%

QoQ

0.5%

EM & EU Formulations Sales (Rs. mn)



FY24 Gr.

22.2%

## Highlights for the quarter

- Demand scenario remained **strong** across **key emerging market countries** and in **Europe**.
- Focusing on **scaling up** operations in the **UK** by leveraging the **global R&D portfolio** of **differentiated** and **niche generics** as well as **specialty products**.

## NCE: Saroglitazar Magnesium

- Completed recruitment of patients for Phase II(b)/ III clinical trials for PBC indication for the US market. The trials will study the effects of a molecule relative to placebo over 52 weeks across 100 sites.
- Phase II(b) clinical trials for NASH indication for the US market is advancing as planned.

## NCE: ZYIL1 (Usnoflast)

- Received approval from WHO International Non-proprietary Names (INN) for “Usnoflast” as the recommended name for the molecule. Usnoflast is under clinical development for 4 indications viz. ALS, Parkinson's disease, CAPS and UC.
- Phase II clinical trials are going on for ALS indication. ALS affects approx. 31,000 people in the US and approx. 5,000 new patients are diagnosed every year in the US. Over 30,000 people are estimated to be living with ALS in Europe while in India, approx. 75,000 people are living with ALS. People with ALS have a median survival of approx. two years from diagnosis.
- Recently received USFDA approval to initiate Phase II clinical trials in patients with Parkinson's disease. Over 8.5 mn people world-wide are estimated to be suffering from Parkinson's disease, with 1 mn suffering from the disease in the US. Each year 90,000 new cases of Parkinson's disease are reported in the US.
- We were the first company to establish phase II proof-of-concept in CAPS patients. Results of the study were published in 'Clinical Pharmacology in Drug Development'. Usnoflast holds an 'Orphan Drug Designation' from the USFDA for CAPS.
- Initiated Phase II proof-of-concept study in patients with UC. It is characterized by an irregular, chronic immune response that creates inflammation and ulcers in the mucosa of the large intestine or rectum. In 2023, the prevalence of UC was estimated to be 5 mn cases world-wide.

## NCE: Desidustat

- National Medical Products Administration of China accepted an NDA of the molecule made by China Medical System Holdings Limited (CMS). Phase III clinical trials in China demonstrated positive results.
- In the year 2020, granted an exclusive license for the molecule to CMS for China, Hong Kong, Macau and Taiwan markets.

## Biotech R&D

- Initiated Phase III clinical trials for one product.
- Completed pre-clinical toxicity study for one mAb and submitted the report of the study to RCGM.

## Specialty Initiatives

- Received marketing authorization from the UK MHRA for Nulibry<sup>®</sup> for the treatment of patients in Great Britain (GB) with molybdenum cofactor deficiency (MoCD) Type A, an ultra-rare, life-threatening genetic disorder. It is the first and only treatment in Great Britain for patients with this genetic disorder.
- Recently, acquired worldwide proprietary rights to Zokinvy<sup>®</sup> from Eiger Biopharmaceuticals for the treatment of Hutchinson-Gilford Progeria Syndrome, an ultra-rare, fatal, genetic premature aging disease that accelerate mortality in young patients. Zokinvy<sup>®</sup> is the first and only treatment approved by the USFDA for Progeria. The product is also approved in EU, Great Britain and Japan for the same indication.

# Zydus at a Glance

**\$2.35**  
bn  
Global Revenues<sup>1</sup>

**5<sup>th</sup>**  
Largest generic Co. in US  
in terms of prescription<sup>3</sup>

**7**  
R&D Centers  
For NCE, APIs, Gx formulations,  
Biosimilars and Vaccines

**40%**  
Revenues from India  
Geography (Formulations  
and wellness) in FY24

**Among  
Top 3**  
In ~60% of product  
families marketed in US<sup>4</sup>

**1<sup>st</sup>**  
Approved product for  
NASH in India - (Bilypsa<sup>®</sup> -  
Saroglitazar)

**\$12.2**  
bn  
Market Capitalization<sup>2</sup>

**7**  
Brands among Top  
300 in India<sup>5</sup>

**1<sup>st</sup>**  
OSD formulation for anemia  
associated with CKD –  
Oxemia<sup>™</sup> (Desidustat)

**37**  
Mfg. sites having  
capabilities across  
dosage forms

**>26 K**  
Zydans globally incl.  
>1400 scientists (R&D)

**22**  
Biosimilars in portfolio  
(incl. 3 ADCs), launched  
13 products in India

1. In FY24, assuming exchange rate of Rs. 82.8 per USD  
2. As on 16<sup>th</sup> May, 2024, exchange rate of Rs. 83.4 per USD  
3. IQVIA MAT March 2024 TRx

4. IQVIA MAT March 2024 TRx  
5. As per IQVIA MAT March 2024

# Consolidated Financial Performance (reported)

Rs. mn	Q4 FY24	Q4 FY23	YoY gr. %	Q3 FY24	QoQ gr. %	FY24	FY23	YoY gr. %
<b>Total Income from Ops.</b>	<b>55,338</b>	<b>50,106</b>	<b>10.4%</b>	<b>45,052</b>	<b>22.8%</b>	<b>1,95,474</b>	<b>1,72,374</b>	<b>13.4%</b>
Gross Contribution (GC)	39,223	33,146	18.3%	30,367	29.2%	1,33,192	1,09,273	21.9%
Gross Margin %	70.9%	66.2%		67.4%		68.1%	63.4%	
Employee benefits expenses *	7,546	6,507	16.0%	7,353	2.6%	28,190	24,827	13.5%
R&D expenses	3,516	3,541	-0.7%	3,146	11.8%	13,096	12,363	5.9%
Other operating expenses *	11,909	9,957	19.6%	9,050	31.6%	38,873	36,328	7.0%
Net (gain)/loss on foreign currency transactions	-53	585	-109.1%	-206	74.3%	-810	-2,844	71.5%
<b>EBITDA</b>	<b>16,305</b>	<b>12,556</b>	<b>29.9%</b>	<b>11,024</b>	<b>47.9%</b>	<b>53,843</b>	<b>38,599</b>	<b>39.5%</b>
EBITDA Margin %	29.5%	25.1%		24.5%		27.5%	22.4%	
Other Income	1,564	378	313.8%	377	314.9%	2,841	1,866	52.3%
Finance cost	346	277	24.9%	198	74.7%	812	1,299	-37.5%
Depreciation and amortization	2,053	1,786	14.9%	1,948	5.4%	7,641	7,227	5.7%
<b>PBT before exceptional items</b>	<b>15,470</b>	<b>10,871</b>	<b>42.3%</b>	<b>9,255</b>	<b>67.2%</b>	<b>48,231</b>	<b>31,939</b>	<b>51.0%</b>
Exceptional Expenses/ (Incomes)	-	6,013	-100.0%	-		142	6,042	-97.6%
<b>Profit before Tax</b>	<b>15,470</b>	<b>4,858</b>	<b>218.4%</b>	<b>9,255</b>	<b>67.2%</b>	<b>48,089</b>	<b>25,897</b>	<b>85.7%</b>
Tax expenses	3,212	1,372	134.1%	2,138	50.2%	9,775	5,878	66.3%
Share of profit from JVs	171	118	44.9%	564	-69.7%	1,184	946	25.2%
Profit/(loss) from discontinued ops.	32	-22		218		230	-46	600.0%
Minority Interest	638	616	3.6%	3		1,133	1,316	-13.9%
<b>Reported Net Profit</b>	<b>11,823</b>	<b>2,966</b>	<b>298.6%</b>	<b>7,896</b>	<b>49.7%</b>	<b>38,595</b>	<b>19,603</b>	<b>96.9%</b>

\* Excludes Research related expenses

# Details of Exchange Rate Fluctuations

Rs. mn	Q4 FY24	Q4 FY23	YoY gr. %	FY24	FY23	YoY gr. %
<b>A. On operating transactions (above EBITDA line)</b>	<b>-57</b>	<b>590</b>	<b>-109.7%</b>	<b>-864</b>	<b>-3,049</b>	<b>71.7%</b>
a. Included in COGS	-4	5	-190%	-54	-205	73.9%
b. Part of other operating expenses (shown separately)	-53	585		-810	-2,844	
<b>B. On other income</b>	<b>-</b>	<b>-5</b>	<b>100.0%</b>	<b>-</b>	<b>-258</b>	<b>100.0%</b>
<b>C. On foreign currency borrowings (part of finance cost)</b>				<b>4</b>	<b>1</b>	<b>300.0%</b>
<b>Total Exchange Rate Fluctuations ('+' = loss, '-' = gain)</b>	<b>-57</b>	<b>585</b>	<b>-109.8%</b>	<b>-860</b>	<b>-3,306</b>	<b>74.0%</b>

# Thank you

For any queries, please contact  
Arvind Bothra  
[Arvind.Bothra@zyduslife.com](mailto:Arvind.Bothra@zyduslife.com)  
+91-22-62711905

For more information, please visit:  
 [www.zyduslife.com](http://www.zyduslife.com)

 [www.linkedin.com/company/zyduslife](http://www.linkedin.com/company/zyduslife)



## Registered Office:

Zydus Corporate Park, Scheme No. 63, Survey No. 536,  
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,  
Sarkhej-Gandhinagar Highway,  
Ahmedabad – 382 481  
Gujarat, India