

OVERVIEW

Thur, 18th Nov' 21

- Glenmark Pharmaceuticals is a global, integrated, innovation-led pharmaceutical company, with a presence in the world's major markets.
- Glenmark Pharmaceuticals reorganised itself into three different entities: Glenmark Pharmaceuticals, Glenmark Life Sciences (~83% held API subsidiary), Ichnos Sciences(100% U.S. based innovation subsidiary).
- The company considers merger and acquisition investment to be a potential component of its operational growth strategy for expanding.
- Glenmark's product categories include novel molecular entities, formulations, and API products.

KEY STRENGTH

- Ranks among the world's top 50 Generics and Biosimilars companies.
- 14th Rank in Indian Pharma Market.
- 15th largest amongst US generic pharma companies in terms of volume.
- #2 in Dermatology, #3 in Respiratory, #6 in Cardiology, Amongst the top 15 Oncology and Diabetes.

ACIEVEMENTS

- Glenmark is ranked 15th in the US amongst generic companies (in terms of volume) and 17th in terms of total prescriptions.
- FabiFlu®(a global antiviral medication to treat mild to moderate COVID-19) becomes the #1 brand in Indian Pharma Market in its very first year
- 3.5 Bn sales in one month, first brand to achieve this in India.
- 21 in-licensing deals signed during the year.
- First company to receive emergency use authorization in India.
- First company to launch Remogliflozin etabonnet, a novel SGLT2 inhibitor for diabetes in India.

GROWTH & VISION

- The API subsidiary (Glenmark Life Sciences) is expected to show robust growth, with the world looking at India to de-risk its supply chain for its API needs.
- Over the next five years, Glenmark Life Sciences furthering its ambition to become one of the leading API and CDMO companies in India.
- Plan to expand the size and scope of our business by diversifying our customer base in existing markets and increasing our geographic market coverage in both regulated and rest of the world markets.

FUTURE OUTLOOK

- Focus for FY22 comprises deepening our presence in existing geographies and expanding their portfolio in new markets.
- Also working on building a strong, global compliance framework, and investing in further automation across their manufacturing plants, to drive quality and efficiency.
- Glenmark Life Sciences plans to develop a new manufacturing facility in India to manufacture generic APIs during FY 2022-2023.
- Expect to see robust growth across major geographies and emerging markets.

FINANCIAL HIGHLIGHTS

- Glenmark's consolidated revenue recorded an increase of 2.8% to reach Rs. 1,09,439 Mn, as against Rs. 1,06,410 Mn over the previous corresponding period.
- Net Profit stood at Rs. 9,701 Mn in FY-21, as against Rs. 7,760 Mn in the previous fiscal (a growth of 25%).
- Dividend of Rs. 705.42 million (Rs. 2.5/- per equity share of Rs. 1 each) distributed.

Growth Rates % (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue	3.9	6.5	8.0	13.9
Operating Income	33.9	10.8	8.1	10.4
Earnings/Share	25.0	7.8	6.6	7.5
Dividends	25.0	7.7	4.6	20.1
Book Value/Share	16.4	8.1	10.6	12.8
Stock Total Return	3.4	-7.7	-10.3	5.1
Market +/-	-27.9	-23.9	-21.5	-4.3

Valuation Ratio	Current	5Yr Avg	Ind	Mkt.
Price/Earnings	13.5	22.6	28.0	16.0
Forward P/E	-	-	-	-
Price/Cash Flow	11.3	28.8	46.0	10.4
Price/Free Cash Flow	26.2	50.1	-	-
Dividend Yield %	0.5	0.4	0.7	2.6
Price/Book	1.6	3.4	4.0	2.2
Price/Sales	1.2	2.0	4.0	-

Profitability Ratio	Current	5Yr Avg	Ind.	Mkt.
Return on Equity	13.8	15.8	14.4	15.4
Return on Asset	6.6	6.6	8.3	5.6
Gross Margin	64.2	65.8	60.8	-
Operating Margin	15.7	14.4	20.6	-
Net Margin	9.0	9.0	14.5	21.6
Inventory Turns	1.8	1.6	1.6	-
Fixed Asset Turns	2.8	3.0	2.6	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	11,381	14,287
Inventories	22,768	25,310
Receivables	—	—
Current Assets	73,596	80,732
Fixed Assets	42,035	43,370
Intangibles	23,349	23,982
Total Assets	1,56,036	1,66,135
Payables	25,060	24,944
Short-Term Debt	7,986	11,823
Current Liabilities	42,010	47,839
Long-Term Debt	38,888	24,052
Total Liabilities	85,393	76,135
Total Equity	70,646	86,612

Source: Company filings & Analyst Research

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