



Q4 FY17 – RESULTS UPDATE



DISCLAIMER

Except for the historical information contained here in, statements in this presentation and the subsequent discussions, which include words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “likely”, “project”, “should”, “potential”, “will pursue”, “will continue” and similar expressions or variations of such expressions may constitute “forward-looking statements”.

These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results, performance or achievements, to differ materially from those projected by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks.

Clarís Lifesciences Limited can not guarantee that the mentioned assumptions and expectations are accurate or will be realized; and also does not undertake any obligation to update forward-looking statements for effect events or circumstances after the date thereof.

SPECIALITY INJECTABLE BUSINESS (MIS) – Quarterly Update

(VALUES IN INR Cr.)

Particulars	Q4 FY17	Q4 FY16	YoY Growth
Sales	206	148	39%
EBIDTA	81	36	125%
EBIDTA Margin (%age)	39%	24%	
PAT	43	8	438%
PAT Margin (%age)	21%	5%	

- Revenues in Q4FY17 stood at Rs. 206 Cr, delivering a YoY growth of 39%. Sales in Regulated market including US has driven the growth of the company in SIB business.
- EBTIDA grew by 125% over the comparable period. Margins for the quarter have improved from 24% to 39% on the back of increase in US sales and Product mix.
- PAT grew by 438% YoY where as the margin improved from 5% to 21% YoY.

SPECIALITY INJECTABLE BUSINESS (MIS) – Annual Update

(VALUES IN INR Cr.)

Particulars	FY17	FY16	YoY Growth
Sales	805	601	34%
EBIDTA	289	165	75%
EBIDTA Margin (%age)	36%	27%	
PAT	150	71	111%
PAT Margin (%age)	19%	12%	

- Revenues in FY17 stood at Rs. 805 Cr, delivering a YoY growth of 34%. Sales in US continues to drive the growth of the company in SIB business with improved margins.
- EBTIDA grew by 75% over the comparable period. EBITDA Margins for the year have improved from 27% to 36% on the back of increase in US sales and Product mix..
- PAT grew by 111% YoY where as the margin improved from 12% to 19% YoY.

SPECIALITY INJECTABLE BUSINESS (MIS) – Total Sales Breakup

(VALUES IN INR Cr.)

Region	FY17	FY16	Growth
USA	516	312	65%
Other Regulated (Ex US) – ORM	130	116	12%
Emerging Markets – EM	159	173	(8%)
Total Sales	805	601	34%

- US sales grew by 65% YoY, favorable market dynamics have resulted into improvement of sales in the US.
- ORM sales has improved by 12% due to increase in sales majorly in UK, Australia, France, Canada, S.Korea.
- EM sales has reduced due to discontinuation of sales in Venezuela.

CLL CONSOLIDATED (MIS)* – Quarterly Results Update

(VALUES IN INR Cr.)

Particulars	Q4 FY17	Q4 FY16	Growth
Revenue	221	158	40%
EBITDA	76	27	181%
EBITDA%	34%	17%	
PAT (Before Share in Loss of Associate)	41	3	1267%
PAT% (Before Share in Loss of Associate)	19%	2%	

- Consolidated revenues in Q4FY17 have grown by 40% YoY. QoQ revenue grew on back of increase in SIB sales, and an improvement in other operating income.
- EBITDA has grown by 181% while margins for the quarter have improved to 34% from 17%. It has improved mainly on account of increased sales of SIB products.
- PAT (Before Share in Loss of Associate) grew by more than 1267% YoY, margin has improved to 19% from 2%. The increase is on account of above mentioned reasons.

* Including the discontinued Injectables Business

(VALUES IN INR Cr.)

Particulars	FY17	FY16	Growth
Revenue	835	732	14%
EBITDA	263	132	99%
EBITDA%	31%	18%	
PAT (Before Share in Loss of Associate)	136	53	157%
PAT% (Before Share in Loss of Associate)	16%	7%	

- Consolidated revenues in FY17 grew by 14% YoY, it has grown on back of increase in US sales. Pass through sales has reduced from Rs. 105 crs to ~Rs. 8 crs in FY17. However, sales from SIB products has increased by 32%.
- EBITDA grew by 99%, while margins for the year improved to 31% from 18%. Improvement was on back of increase in SIB sales, optimization of material cost, reduction in overheads which is partially offset by increase in employment cost.
- PAT YoY has grown by 157% while the PAT margin has improved from 7% to 16% YoY.

* Including the discontinued Injectables Business

NOTE ON DISCONTINUED BUSINESS AS PER IND AS 105

On December 15, 2016 company has entered into definitive agreements with Baxter to transfer its Injectable business to Baxter. The Company is in process of taking various regulatory approvals for the same. Accordingly, the Injectables business is considered as Discontinued Operations in terms of Ind-AS 105.

As per regulation under Clause 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, company has presented the detailed financials of the continued business only and profit and tax expense from the discontinued business has been shown separately. However, in this presentation we have continued with the management representation of the Specialty Injectable Business and Claris Consolidated business not incorporating the Section 105 to allow the investor to see a comparative result.

UPDATE ON THE DEAL WITH BAXTER

Sr.	Approval / Process	Status	Estimated Timeline
01	Shareholders Approval	Completed	
02	FIPB	Completed	
03	FTC – USA	On Track	Jul/Aug 2017
04	Closing	On Track	Aug/Sep 2017

Post closing and receipts of funds, the company will commence work on identifying the best approach to repatriate monies to the shareholders.

Thank You

Claris

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