

Alembic Pharmaceuticals Ltd

Investor Presentation

May-2017

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Safe Harbor Statement

Materials and information provided during this presentation may contain 'forward-looking statements'. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements.

Risks and uncertainties include general industry and market conditions and general domestic and international economic conditions such as interest rate and currency exchange fluctuations. Risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited, to technological advances and patents attained by competitors, challenges inherent in new product development including completion of clinical trials; claims and concerns about product safety and efficacy; obtaining regulatory approvals; domestic and foreign healthcare reforms; trend towards managed care and healthcare cost containment and governmental laws and regulations affecting domestic and foreign operations.

Also, for products that are approved, there are manufacturing and marketing risks and uncertainties, which include, but are not limited, to inability to build production capacity to meet demand, unavailability of raw materials and failure to gain market acceptance.

Milestones

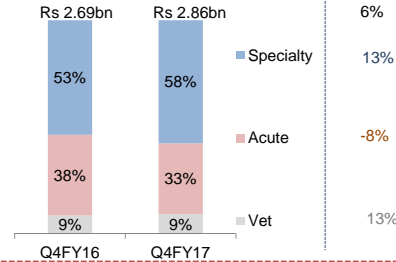
1907	Established by Amin family
2006	FDA approves API facility
2007	Acquired Dabur's Indian Cardiology, GI and Gynaecology brands
2008	FDA approves Formulation facility
2010	Pharmaceuticals business demerged from Alembic – APL listed.
2012	Rhizen JV for NCE research
2013	Launched first NDA with a partner Commenced filing in EU, Australia and Brazil
2014	Alembic Mami JV in Algeria
2015	Launched Aripiprazole on day-1. Established US front-end: transition to direct marketing.
2016	Aleor JV with Orbicular

Highlights – Q4FY17

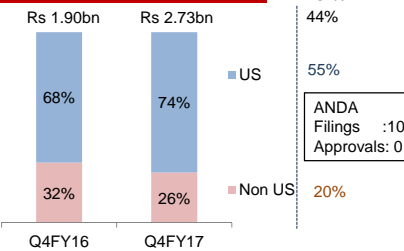
Financial Highlights

Particular (Rs bn)	Q4FY16	Q4FY17	Gr%
Net Sales	6.26	7.40	18%
EBITDA Pre R&D	2.54	2.44	-4%
Margin %	41%	33%	
R&D	1.14	1.13	-1%
R&D %	18%	15%	
EBITDA Post R&D	1.43	1.35	-6%
Margin %	23%	18%	
Net Profit	0.92	0.94	2%

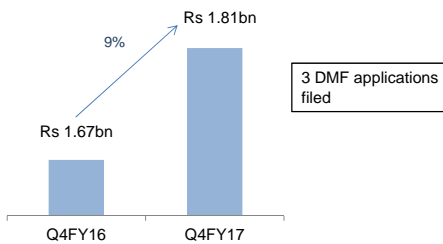
India Formulations



International Formulations



API Business

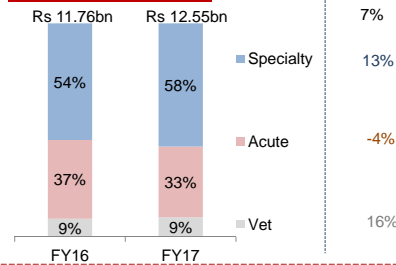


Highlights – FY17

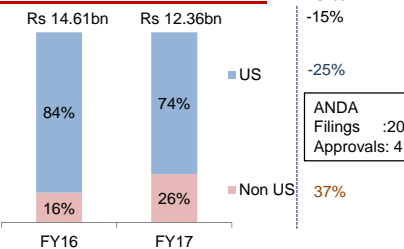
Financial Highlights

Particular (Rs bn)	FY16	FY17	Gr%
Net Sales	31.62	31.31	-1%
EBITDA Pre R&D	13.13	10.29	-22%
Margin %	42%	33%	
R&D	3.16	4.27	35%
R&D %	10%	14%	
EBITDA Post R&D	10.07	6.15	-39%
Margin %	32%	20%	
Net Profit	7.20	4.01	-44%

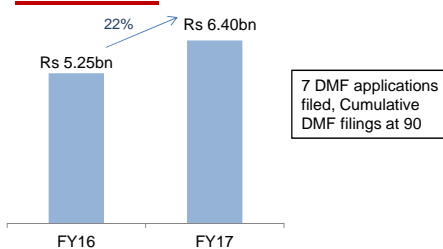
India Formulations

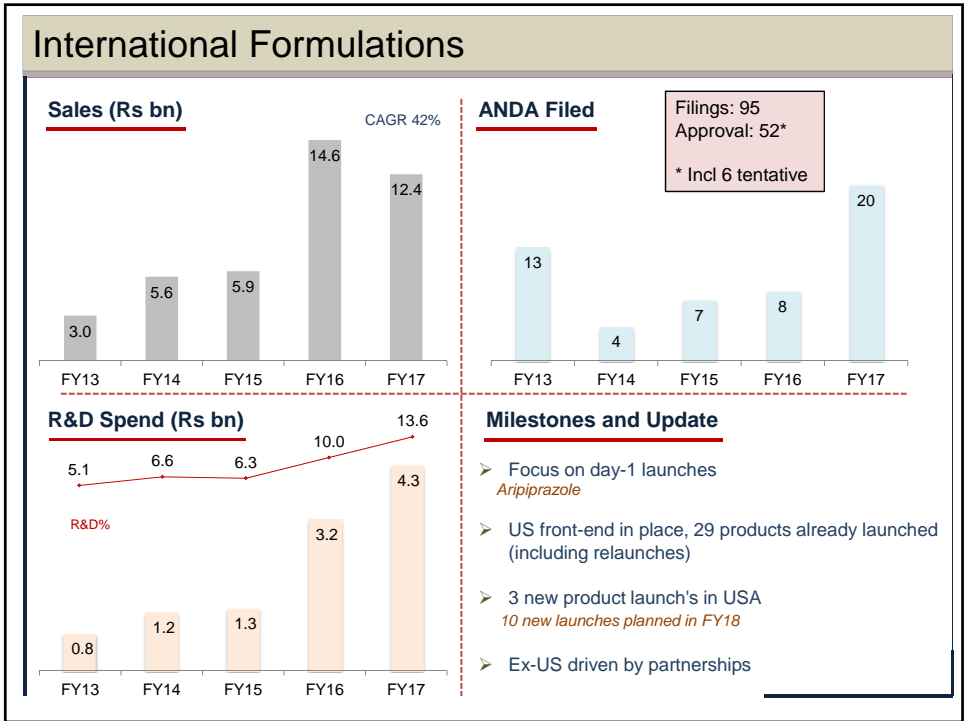
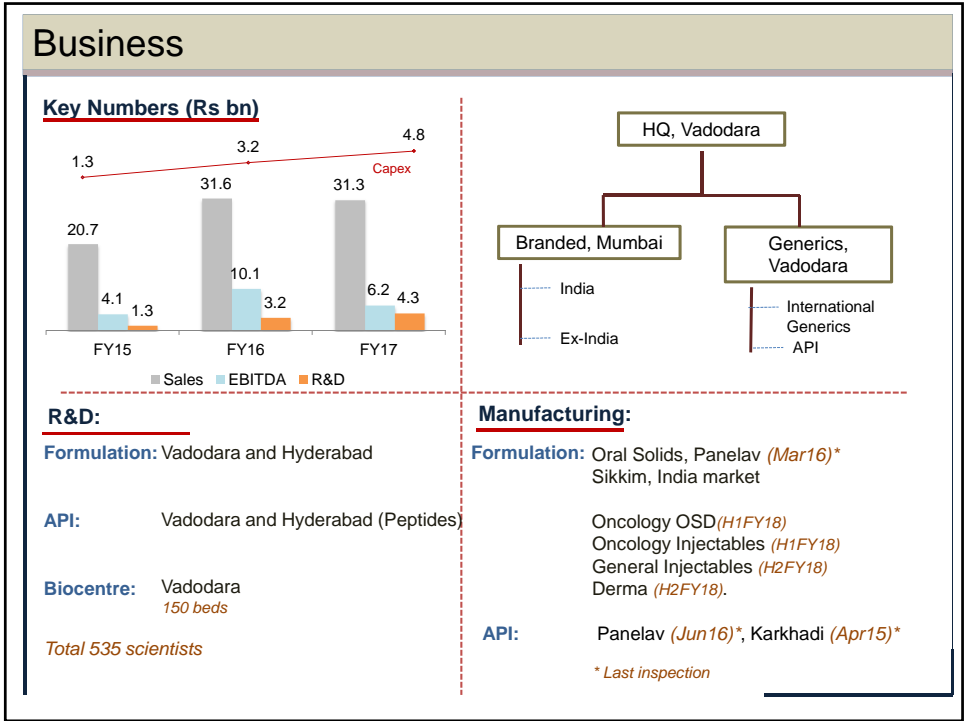


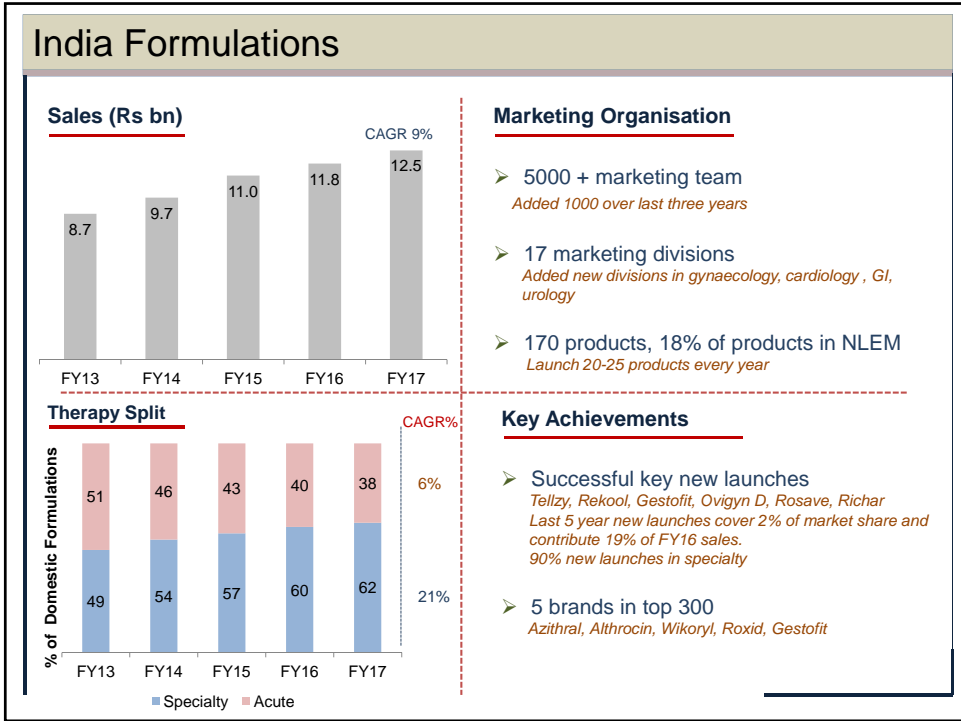
International Formulations



API Business







Therapy-wise Performance FY17

Therapy	FY 2017				FY 2016			
	Therapy Growth (ORG)	Market Share (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)	Therapy Growth (ORG)	Market Share (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)
Cardiology	8	2.05	17	12	15	1.90	33	33
Anti Diabetic	16	1.76	30	18	21	1.58	37	42
Gynaecology	7	2.91	22	28	15	2.56	36	24
Gastrology	8	1.79	1	0	16	1.92	7	6
Dermatological	16	0.43	-1	0	18	0.50	25	-5
Orthopaedic	7	0.93	5	5	12	0.95	9	17
Ophthalmology	11	1.40	16	17	15	1.33	-1	0
Nephro / Uro	13	2.18	21	24	18	2.04	19	13
Anti Infective	5	2.73	1	1	8	2.82	3	2
Cold & Cough	6	4.58	3	0	8	4.72	5	9

(Source : ORG MAR 2017)

Strategy

R&D Pipeline

Dosage Form	FY14	FY17
Oral Solids	✓	✓
Injectables	x	✓
Oncology	x	✓
Dermatology	x	✓
Ophthalmology	x	✓
Inhalation	x	x
Biologics	x	x
NCEs	✓	✓

Growth drivers

R&D: Rapidly expand breadth and quality of pipeline
*Doubled internal OSD grid. injectable, dermatology ophthalmology and oncology. Expanded grid 5 fold
 Partnerships to gain time
 Build manufacturing capacities rapidly, use CMOs*

US: > 80% of R&D spend towards US market
*On ground presence.
 Focus on quality and supply chain*

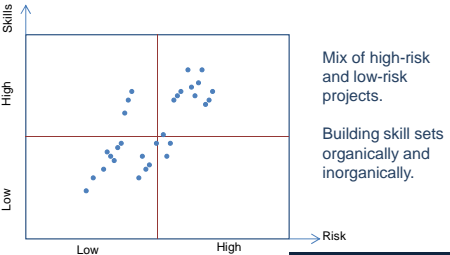
India: Emphasis on specialty segment
Market share in identified therapy-important molecules

Enablers

People: Renewed focus on HR
Talent acquisition and retention

Process: Simple, clear structures
Clear goals and empowerment
Focus on compliance
De-risk with systems
Close monitoring

Pipeline



Financials – 5 years

Sales

Rs 15.3bn (FY13) Rs 31.3bn (FY17)

Region	FY13 (%)	FY17 (%)
International	20%	40%
India	57%	40%
API	23%	20%

CAGR%
 20%
 16%
 9%
 42%

Sales (Rs bn)

CAGR 20%

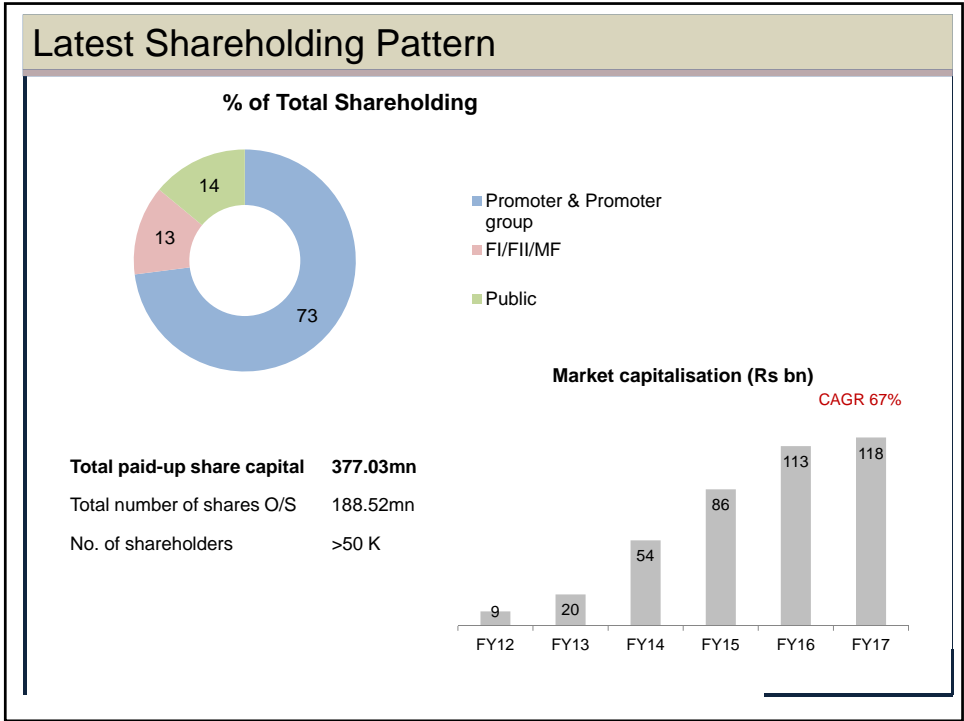
Fiscal Year	Sales (Rs bn)
FY13	15.3
FY14	18.7
FY15	20.7
FY16	31.6
FY17	31.3

EBITDA (Rs bn)

Fiscal Year	EBITDA (Rs bn)	Margins%
FY13	2.5	17%
FY14	3.6	19%
FY15	4.0	19%
FY16	10.1	32%
FY17	6.2	20%

Net Profit (Rs bn)

Fiscal Year	Net Profit (Rs bn)	Margins%
FY13	1.7	11%
FY14	2.4	13%
FY15	2.8	14%
FY16	7.2	23%
FY17	4.0	13%



THANK YOU