



# Alembic Pharmaceuticals Limited

**Investor Presentation**  
Q2 and H1FY24

**Nov 7, 2023**

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.

INR Bn

Revenue 15.95	↑ 8% YoY ↑ 7% QoQ	R&D 8% of Sales
EBIDTA 2.18	↑ -6% YoY ↑ 4% QoQ	EBIDTA Margin 14%
Net Profit 1.37	↑ 2% YoY ↑ 13% QoQ	Net Profit Margin 9%

## Key Highlights :

**India Branded Business :** India Branded Business recorded 5% growth with topline of Rs 5.77 Bn for Q2 FY24.

**US Generics :** Growth of 14% on sequential basis is driven by new launches and market share gain in few existing products. Launches from new facilities to drive growth in upcoming quarters.

**Ex-US Generics :** Momentum continued for Q2 as well with a 17% growth on YoY basis. Demand outlook remains strong. Product registrations as well as dossier extensions to new markets are on track to accelerate growth.

**API :** Steady business delivering growth of 10% at Q2 level, largely led by high off-take and better product mix. Anticipate continued growth in API business for upcoming quarters backed by robust order book.

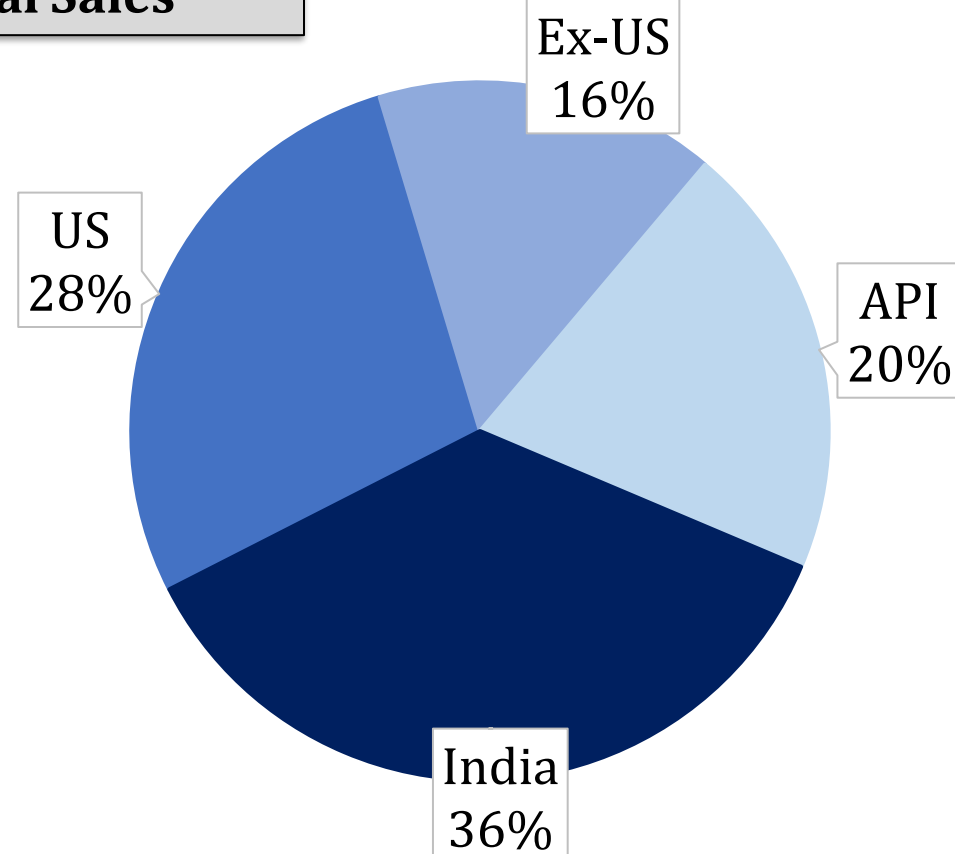
# India branded business driving growth



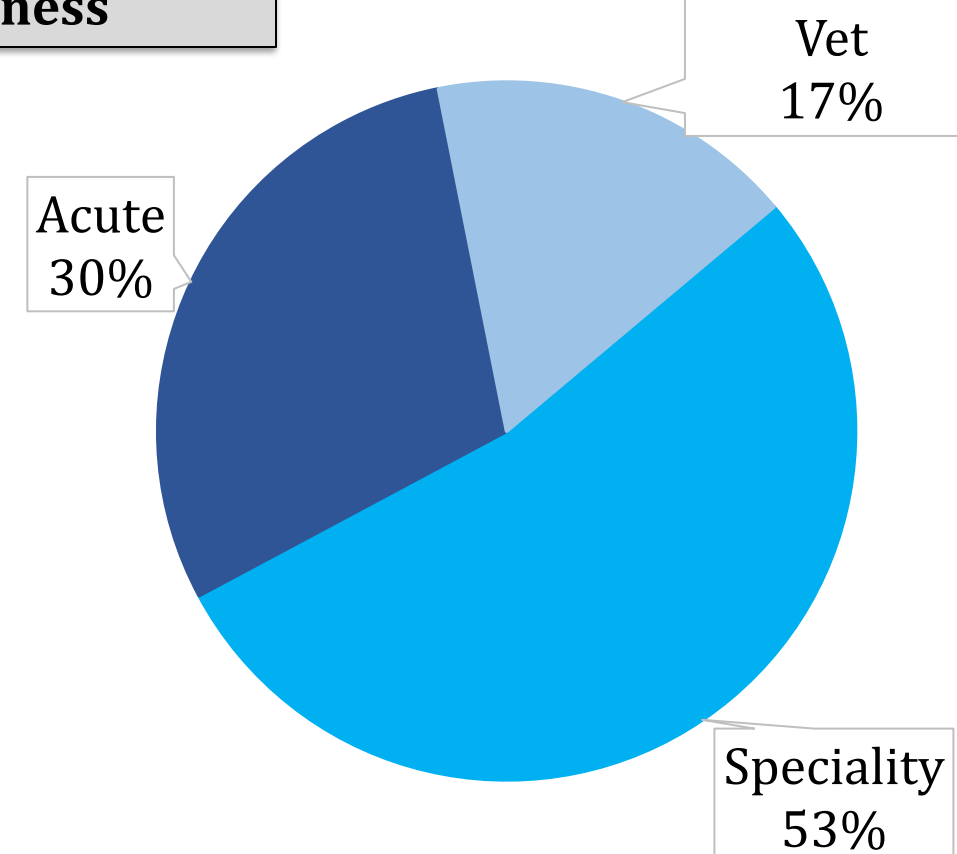
INR Bn

Business	Q2 FY24	Q2 FY23	Y-o-Y	Q1FY24	Q-o-Q	H1 FY24	H1 FY23	Y-o-Y
<b>Formulations</b>								
India	5.77	5.49	5%	5.24	10%	11.01	10.29	7%
US	4.44	4.18	6%	3.90	14%	8.34	7.85	6%
Ex-US	2.52	2.15	17%	2.66	-5%	5.18	3.96	31%
<b>API</b>	3.22	2.94	10%	3.05	5%	6.28	5.27	19%
<b>Total Revenue</b>	<b>15.95</b>	<b>14.75</b>	<b>8%</b>	<b>14.86</b>	<b>7%</b>	<b>30.81</b>	<b>27.37</b>	<b>13%</b>

Geographical Sales

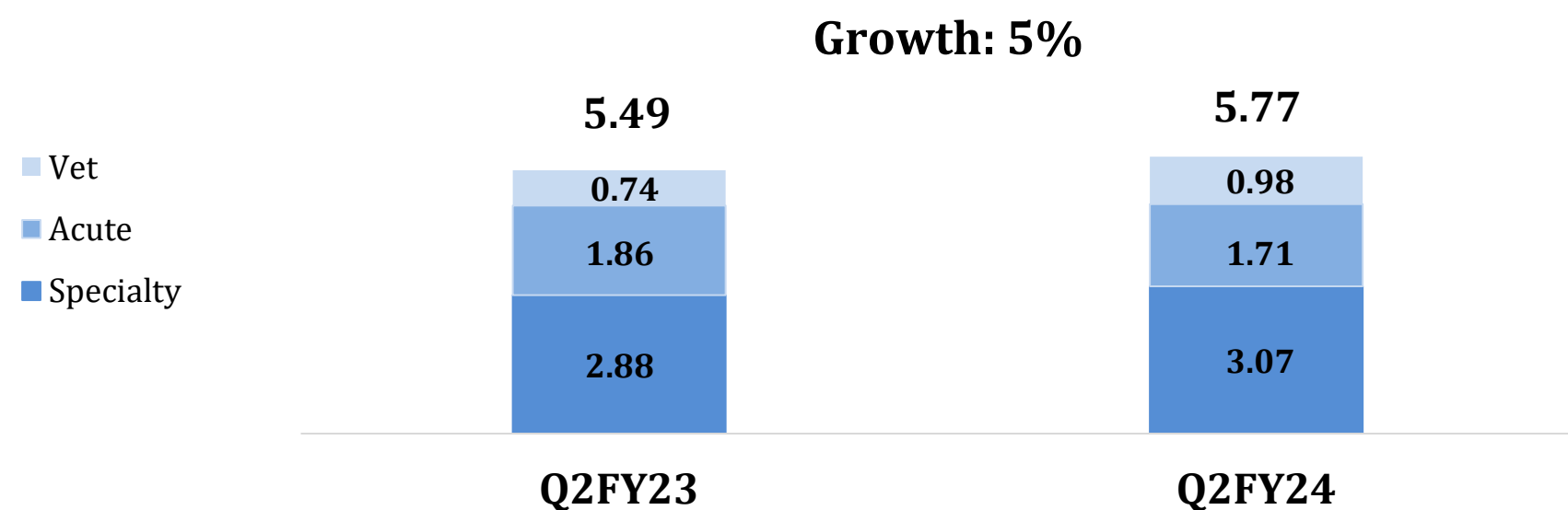


India Business



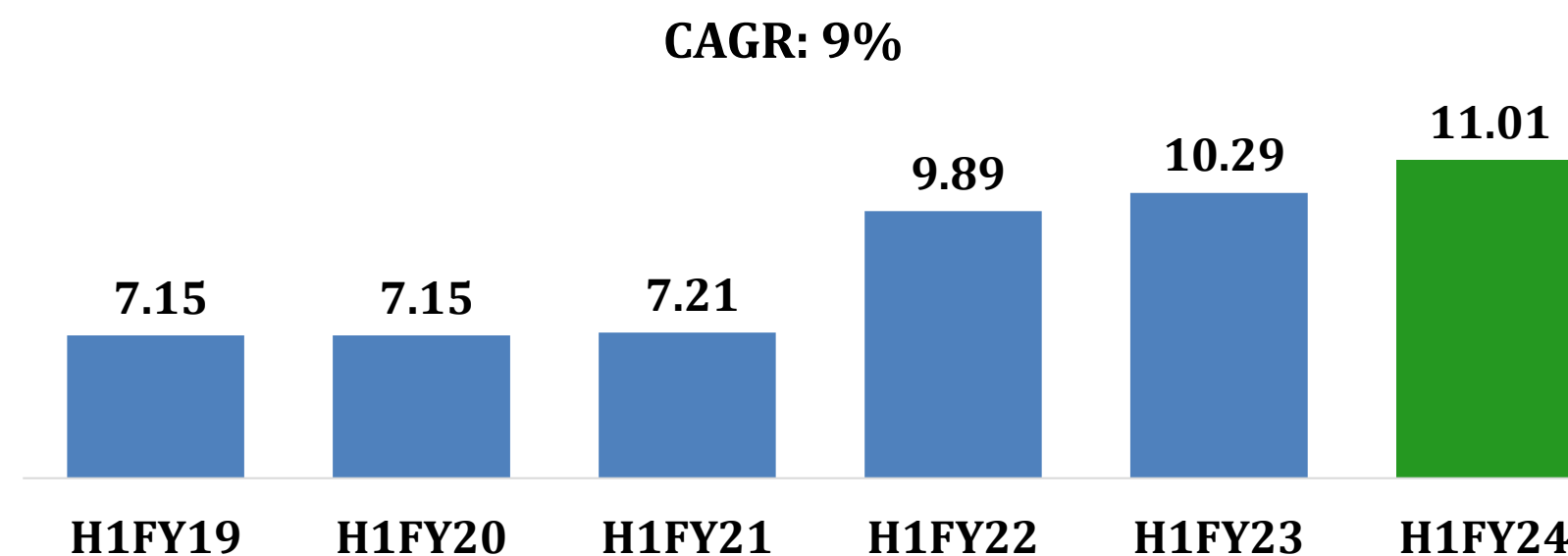
Revenue- Q2 FY 24

INR Bn

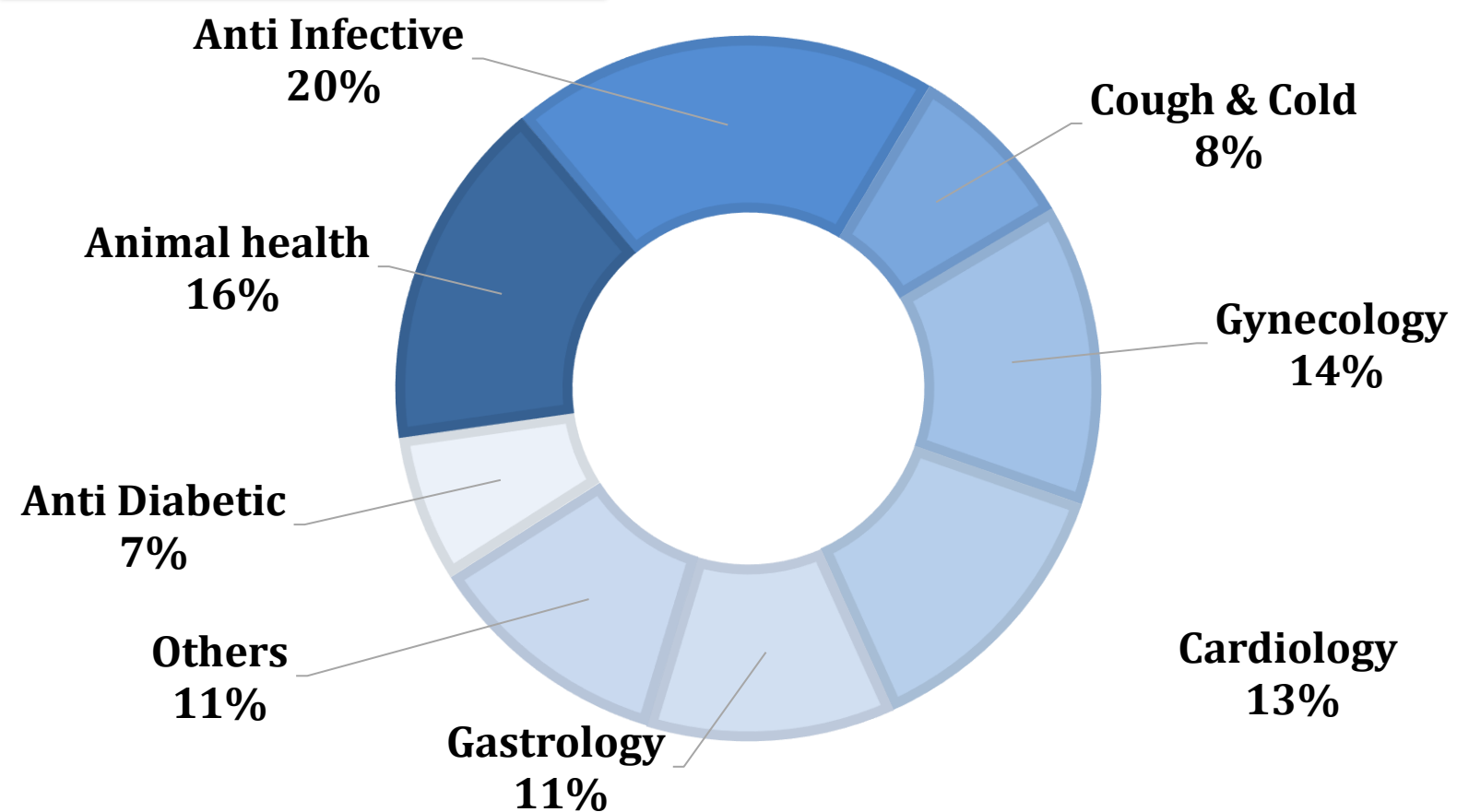


Revenue- H1 FY 24

INR Bn



Sales Mix- Q2 FY 24



- India Branded Business recorded 5% growth with topline of INR 5.77 billion for Q2 FY 24
- 5000+ MRs with 20 Marketing divisions
- Market share is 1.5% of Indian Pharma space and 4 brands with revenue of INR 1 billion (Source: IQVIA MAT Sep-23)
- 14.6% Product portfolio in NLEM

# Branded Business – Rx driven rankings



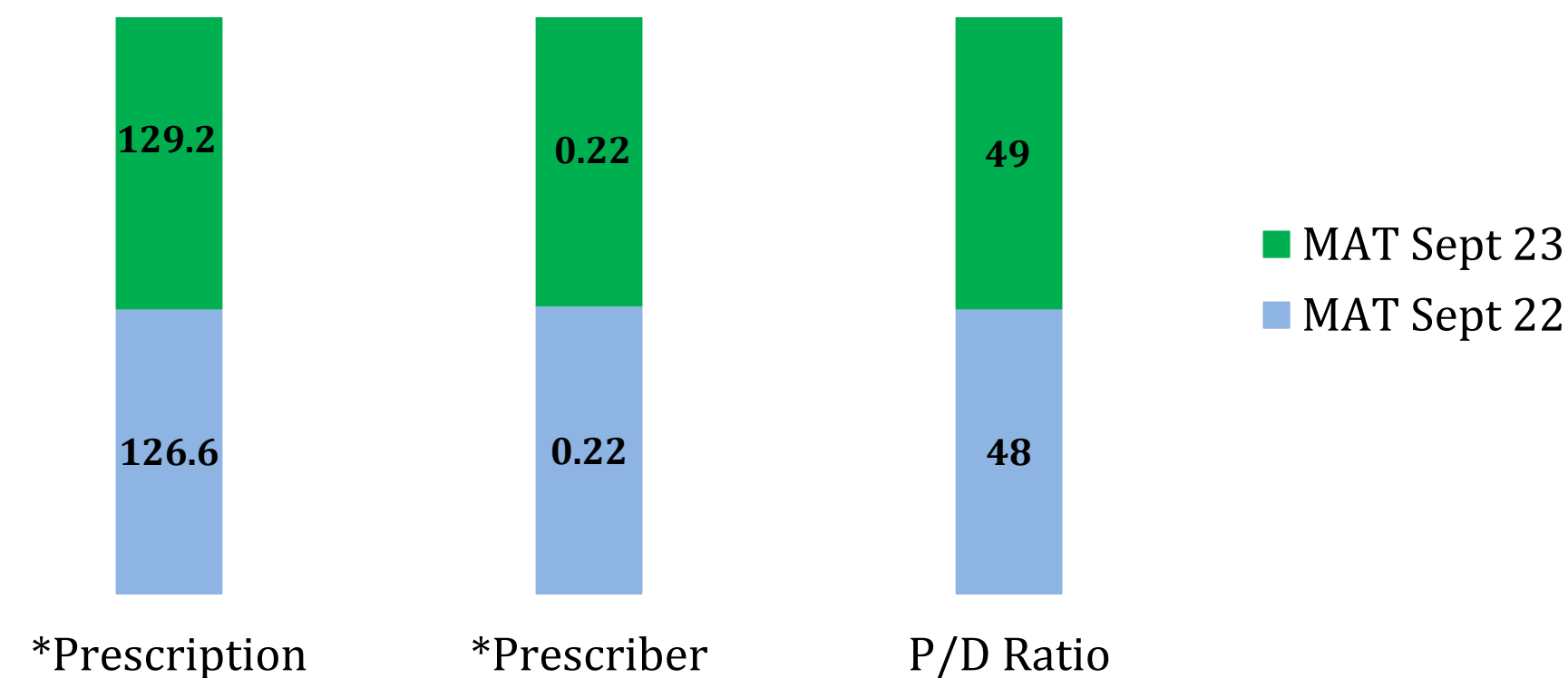
## Top Brands with Rank and Market Share

BRANDS	Rank Q2 FY 24*	MS% Q2 FY 24	BRANDS	Rank Q2 FY 24*	MS% Q2 FY 24
AZITHRAL	1	31.6	CLOFF	3	14.3
ROXID	1	94.6	WIKORYL	3	10.2
ALTHROCIN	1	87.6	ISOFIT	3	5.1
DELTONE	1	66.8	BLADMIR	3	14.4
LACTONIC	1	48.9	TRAVISIGHT	4	12.7
ELATA	1	47.7	ULGEL	4	9.2
OVIGYN	1	34.5	ULGE-RAFT	4	8.7
GERIJOINT	1	27.7	ETRIK	4	6.2
CRINA-NCR	1	27.0	REKOOL	5	5.8
BROZEET-LS	2	6.8	TELLZY	5	4.4
GESTOFIT SR	2	17.6	RICHAR-CR	5	4.3
ESTROPLUS	2	43.1	PROTINULES	5	8.5
FREEGO	2	12.5	CETANIL	5	6.8
BILAMBIC-M	2	7.8	VELDROP	5	4.3
SHARKOFERROL	3	6.2			

\*Above ranks are based on respective Molecule group

## Driving overall Prescription Business

\*Figures in Mn



- Prescription wise Alembic ranks at 18th Position.
- Alembic's prescription base increased from 126.6 million in MAT Sep 22 to 129.2 million in MAT Sep 23, grew by at 2.1%
- P/D ratio improved Year on Year.

Source: IQVIA Sep-23

- Performed relatively better than the market in Antibiotic and Respiratory segments. Underlying factors remain strong despite exceptional under-performance of the market due to unique circumstances in the quarter.
- Gynecology and Gastro segments demonstrated an impressive growth vis-a-vis market.

## Q2 FY23-24 Growth Comparison

Therapy	APL	Market*	Net Growth
Antibiotics OS	-5.8%	-9.3%	3.5%
Antibiotics OL	-12.7%	-15.0%	2.3%
Cough and Cold	-5.7%	-8.8%	3.1%
Allergic Rhinitis	5.6%	-0.2%	5.8%
Gastrointestinal	12.0%	7.2%	4.8%
Gynaecology	13.5%	5.7%	7.8%

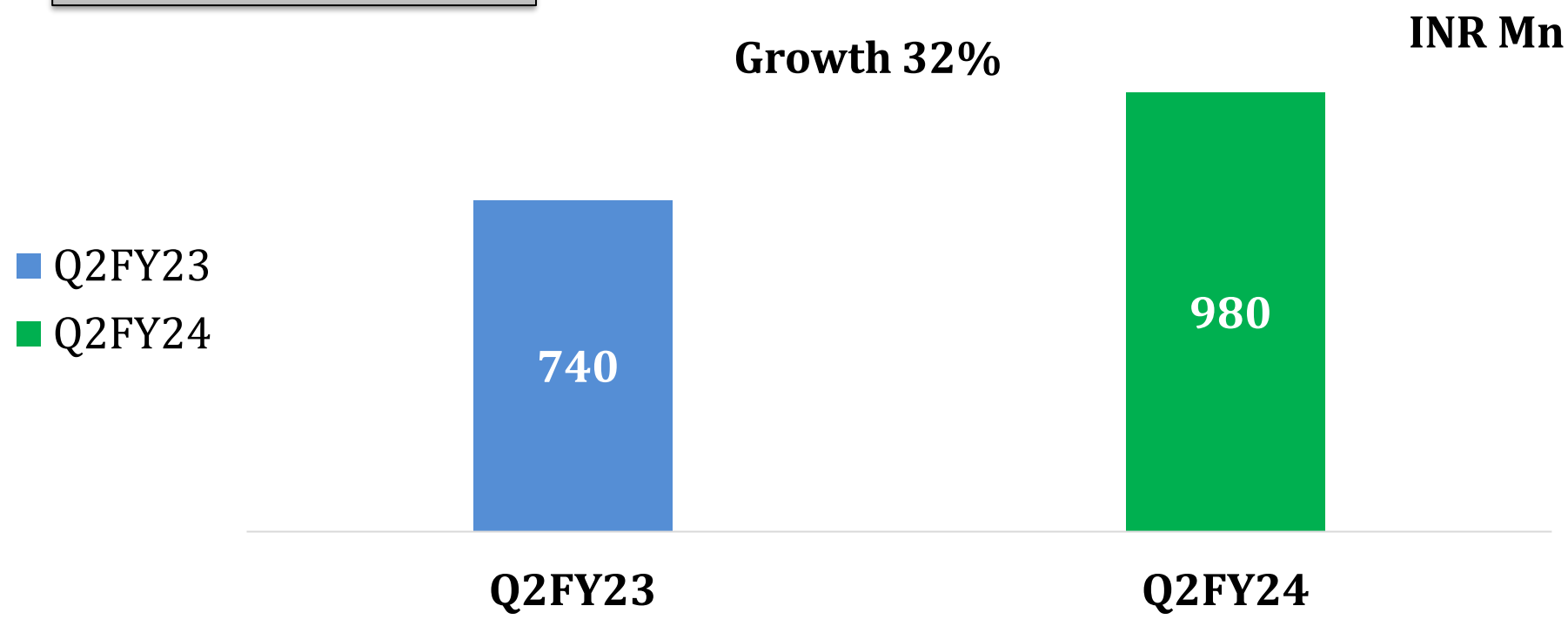
\*Above market growth are based on respective Molecule group

New launches continue to do well along with promising future launches in H2 across key segments.

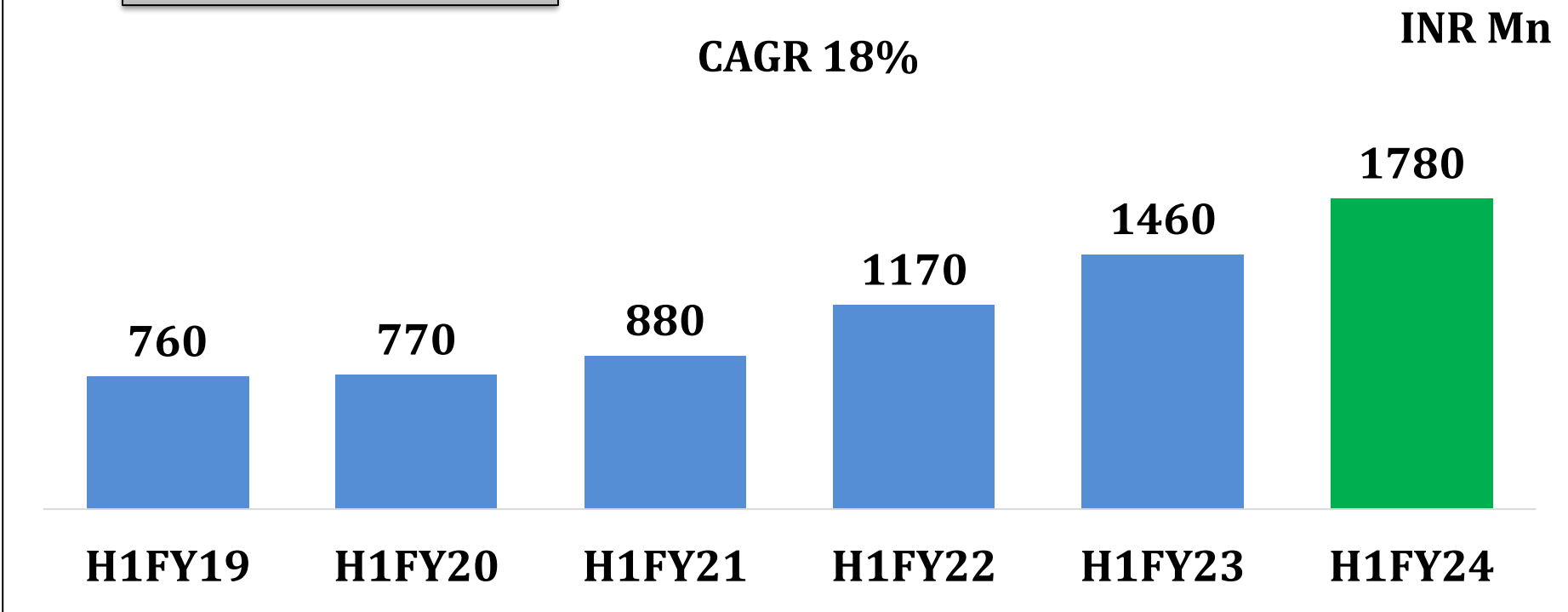
Therapy	Molecule	Brands	Launch	Q2 FY24 INR Mn
Gynecology	Dydrogesterone	ISOFIT	2022	151
Gastrointestinal	Raft Mkt	ULGERAFT	2022	50
		EXCERAFT	2022	10
	Esomeprazole	ESOLEMBIC D	2022	40
Oral Anti Diabetic	Vildagliptin + Metformin	VILDAMBIC-M	2021	38
	Dapaglifozin + Sitagliptin	VOAGE-S	2022	19
		SITALEMBIC-D	2022	12
	Sitagliptin + Metformin	SITALEMBIC-M	2022	22
	Dapaglifozin + Sitagliptin + Metformin	VOAGE-MS	2023	19
	Dapaglifozin + Vildagliptin	GLIPY-D	2022	19
VOAGE-V		2022	10	
Allergic Rhinitis	Montelukast + Bilastine	BILAMBIC-M	2020	50
Antihypertensive	Cilnidipine + Telmisartan + Metoprolol	CETANIL-TM	2021	12
Dry Eye	Hyaluronic Acid	RESYNC	2019/23	17



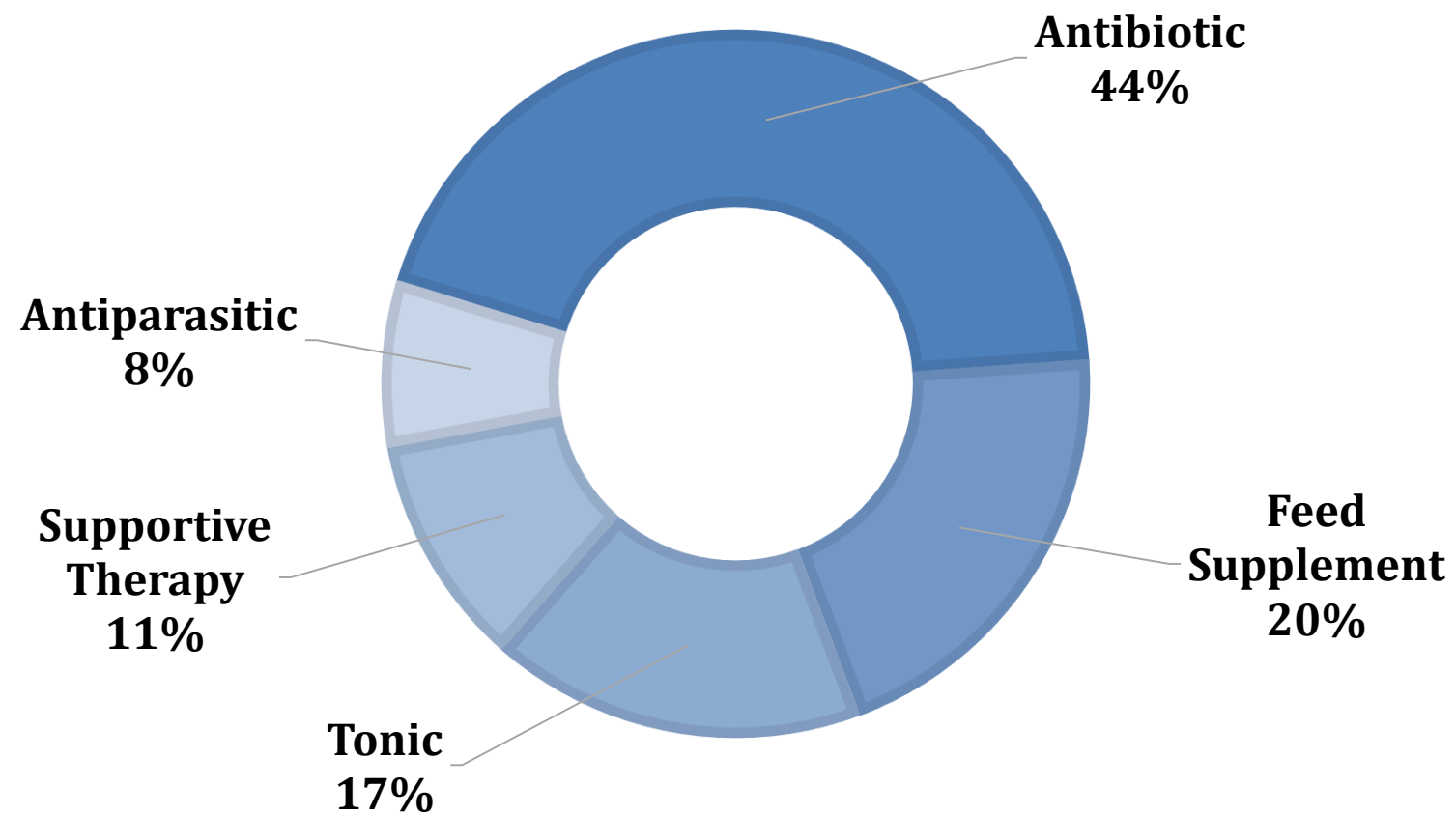
Revenue- Q2 FY24



Revenue- H1 FY24



Sales Mix- Q2 FY24



- Operating in Livestock and Poultry market
- Established new division with a 350 headcount
- Leaders in Hematinic and Antibiotic market with Sharkoferrol, Moxel, Xceft and Mceft brands
- Animal Health business recorded growth of 33% YoY basis
- Brand basket:

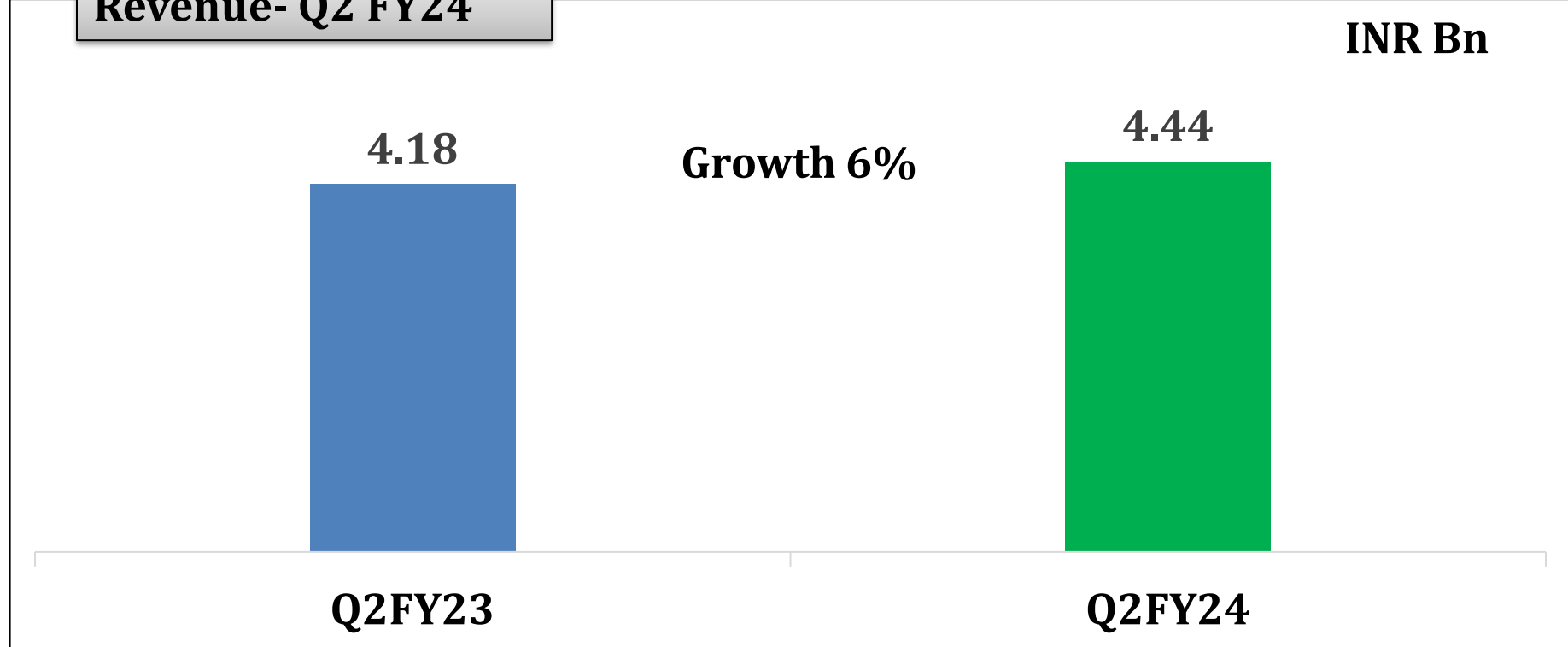
Annual Sales value	INR Mn			
	Above 300	200-300	100-200	20-100
No of brands	3	3	4	16

- Deployment of CLM (closed loop marketing) to digitize Doctor-MR interaction through iPad's and interactive content.
- Launch of world-class Salesforce platform in iPad's for India field force to get consistency in execution to drive customer conversion. Salesforce platform will help field force to be more customer centric though 360 degree view of doctor in real-time.
- Intensive efforts in data-platform modernization by deploying SNOWFLAKE for real-time big data analytics to generate insights and to integrate various data sources (internal and external). This will enable business to have unified view of data in real time for customer conversion and improved productivity of field force.

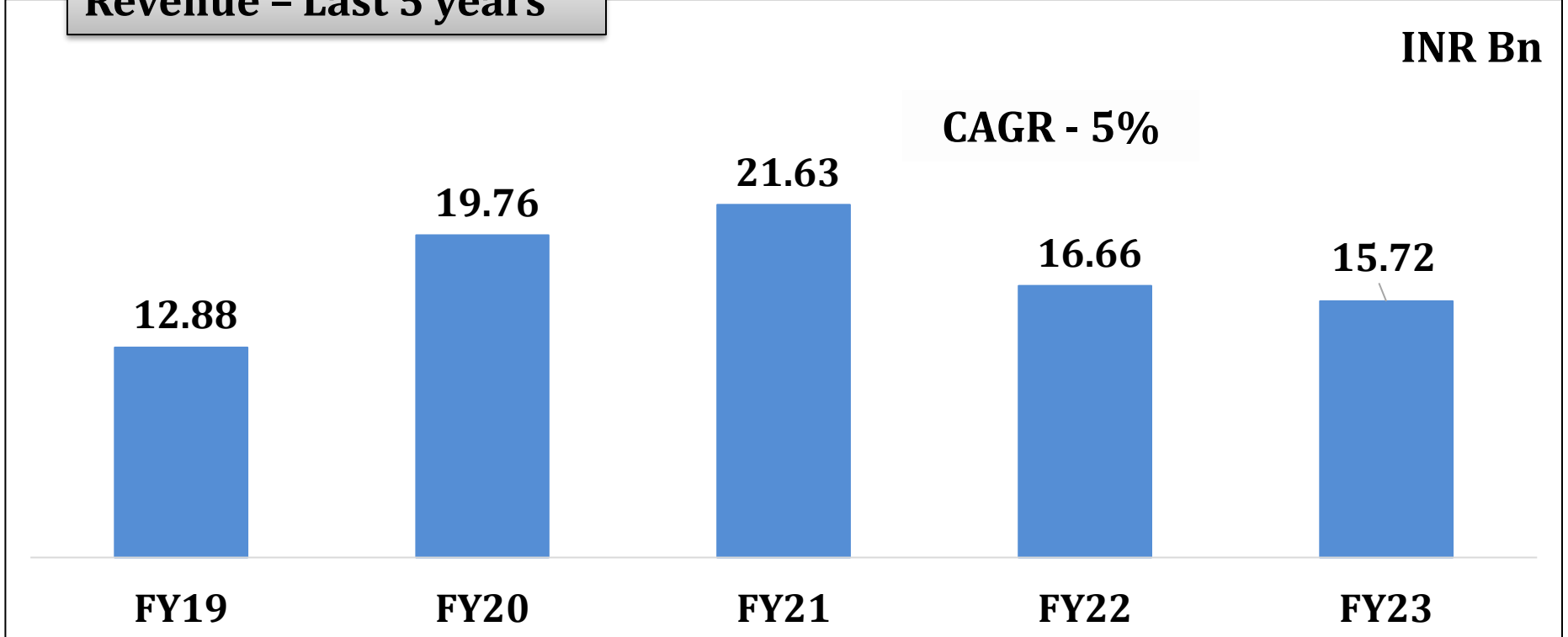
# US Generics market stabilizing...



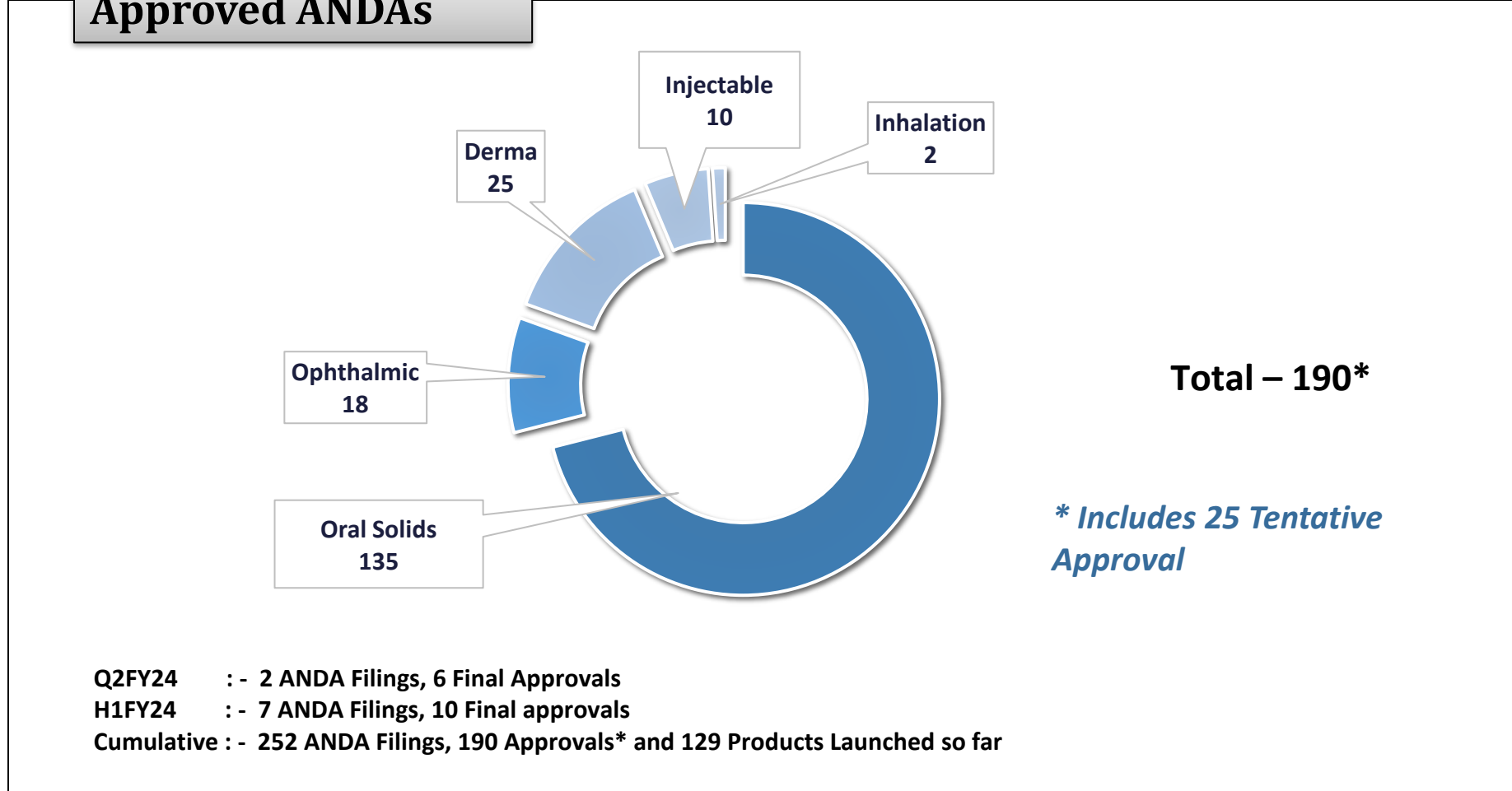
Revenue- Q2 FY24



Revenue - Last 5 years



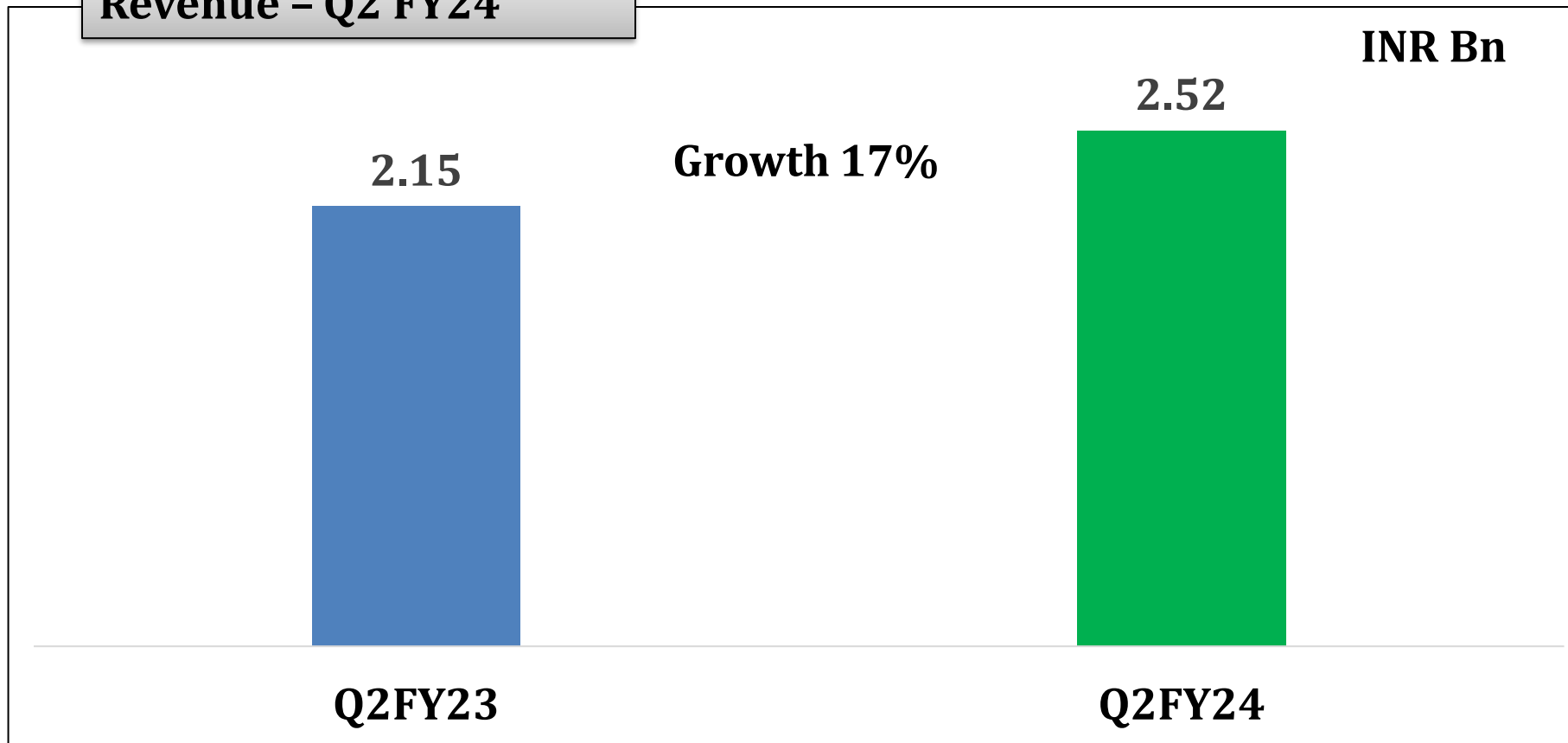
Approved ANDAs



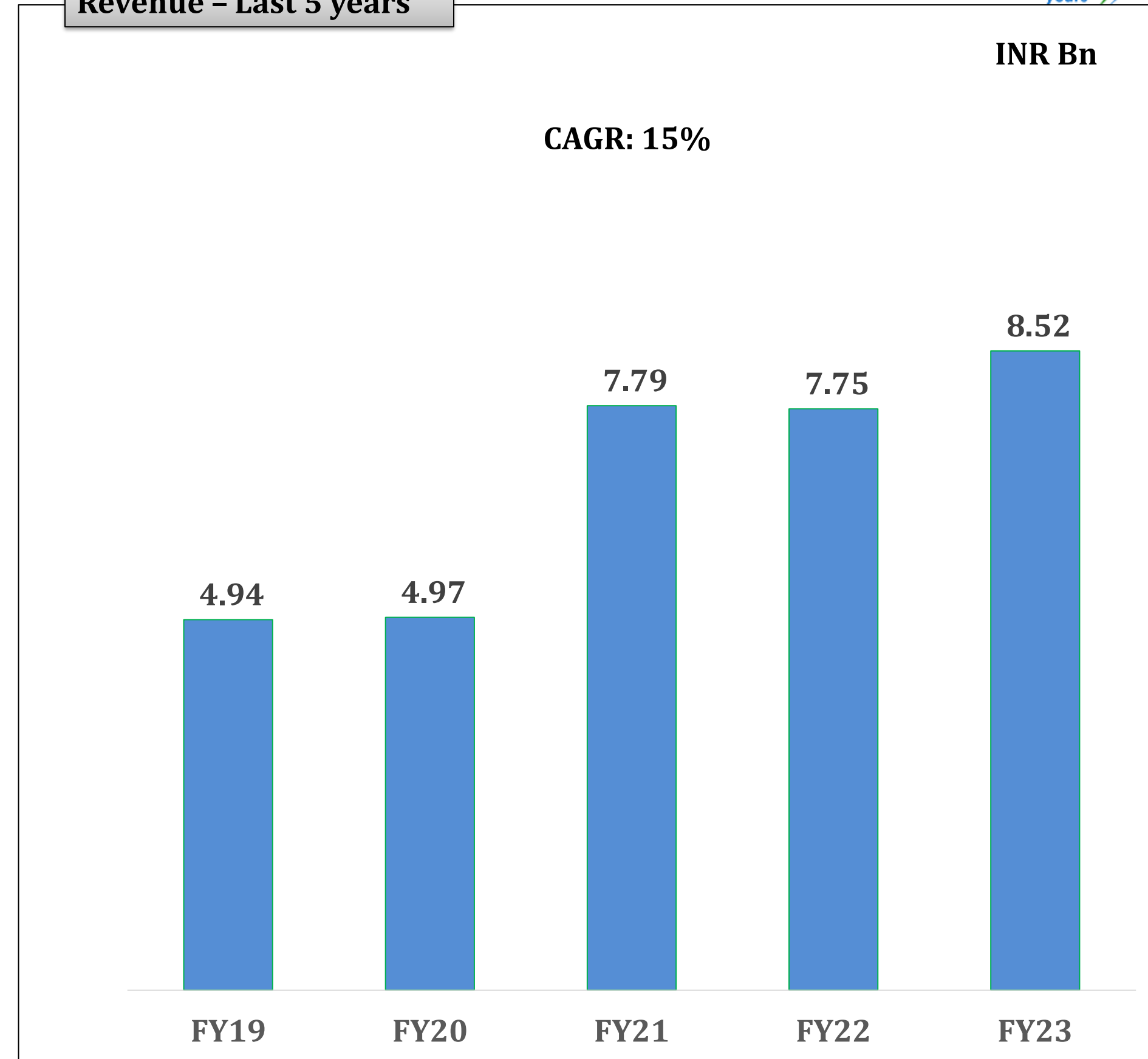
- Well-established US front end with strong customer base
- 3 products launched in Q2FY24. Cumulatively 129 products launched in the US market
- 20+ product launches in FY24
- Launches from new facilities to drive growth in upcoming quarters

# ...ex-US market showing robust growth...

Revenue - Q2 FY24



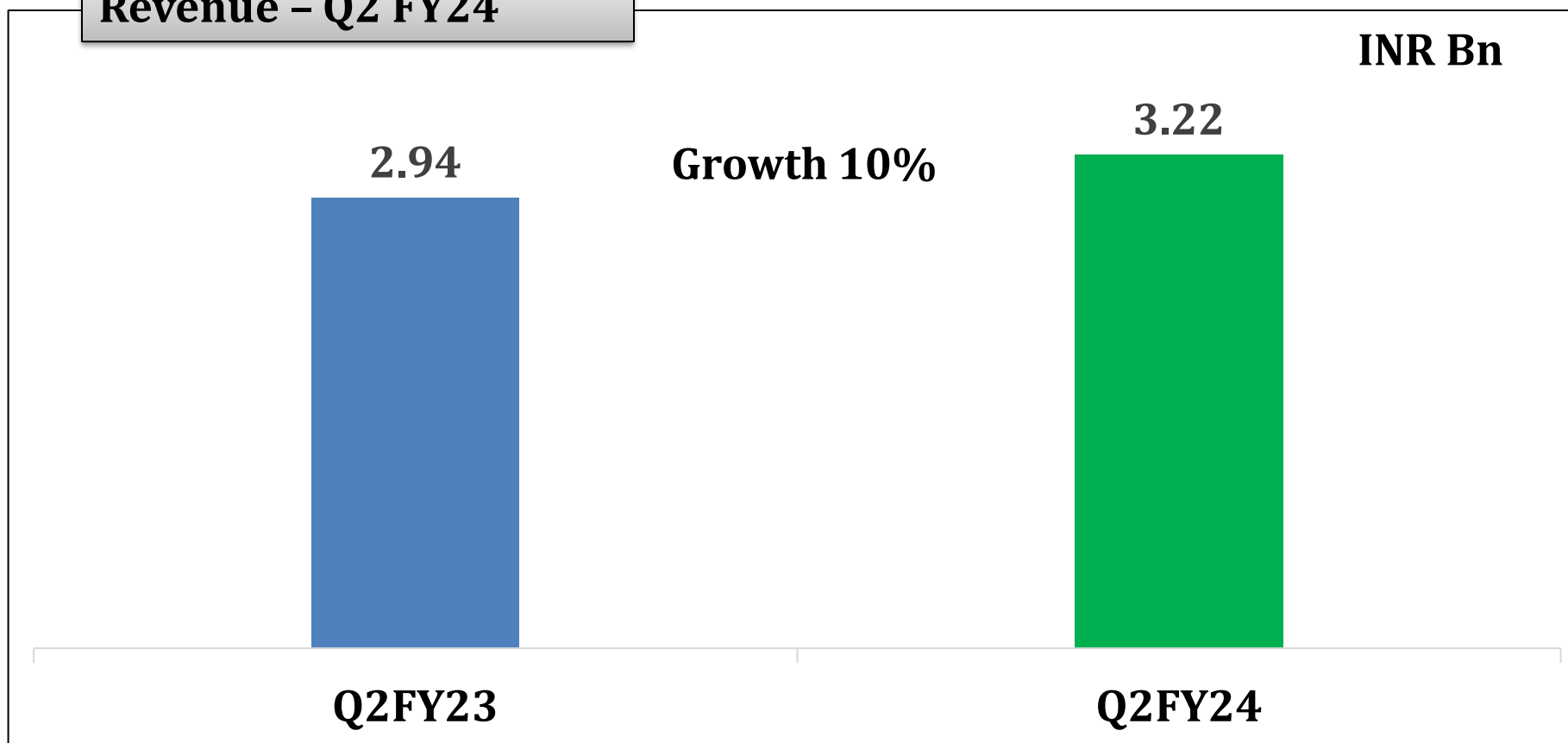
Revenue - Last 5 years



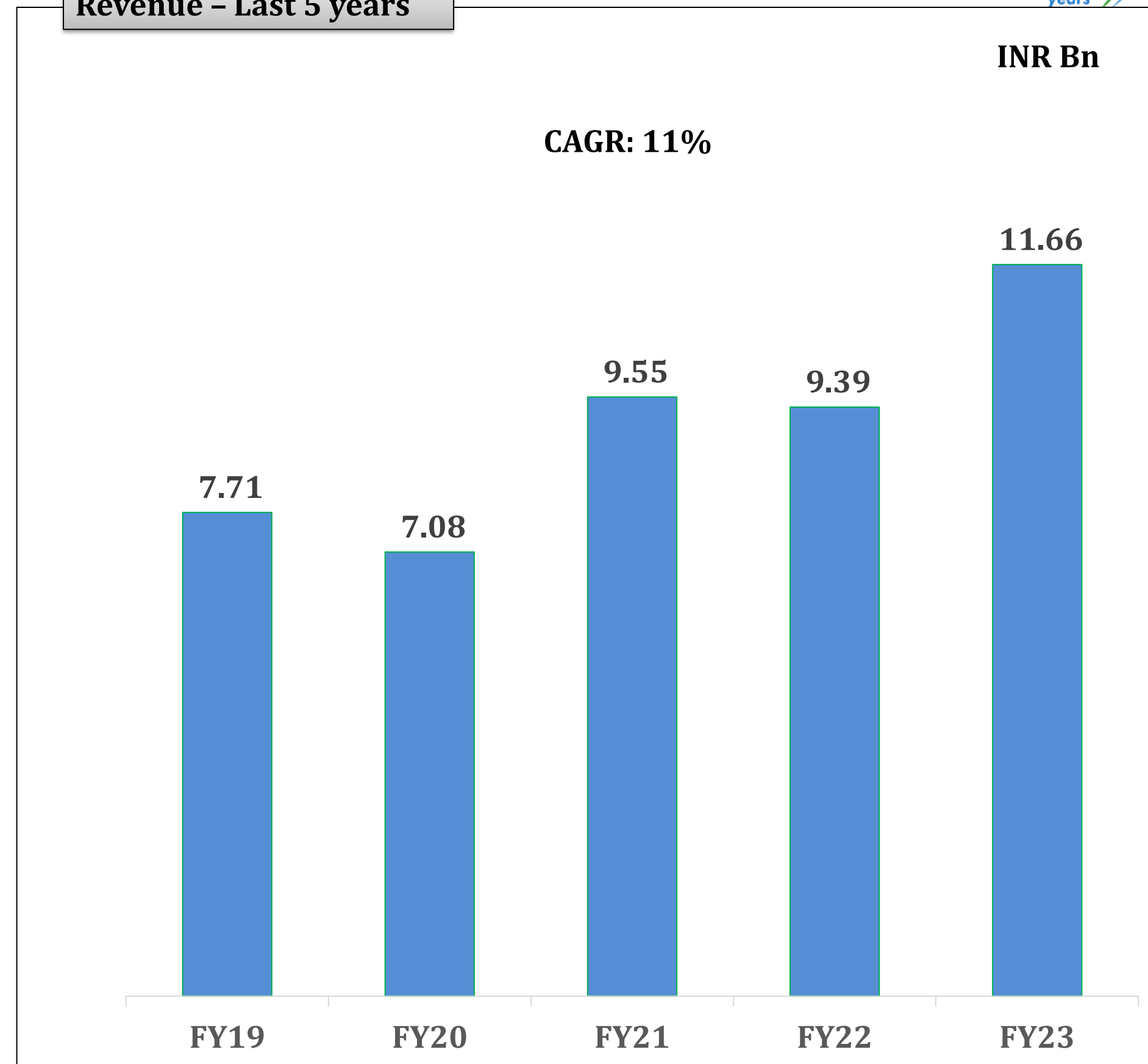
- Recorded 17% growth led by robust demand across markets
- Ex-US driven by partnership
- Presence in following key markets
  - Europe, Canada, Australia, Brazil and South Africa
- Commenced Sales operations in Chile
- Future growth to be driven by New launches and territory expansions

# ...and API market rising steadily

Revenue - Q2 FY24



Revenue - Last 5 years



- Growth of 10% on YoY basis is led by high off-take and better product mix in Q2
- 1 US DMF filed in Q2FY24. 132 Cumulative DMF filings with the US FDA
- Expect steady growth for this business
- Future capacity expansion is on track

## Dosage form wise ANDA approval and Launch

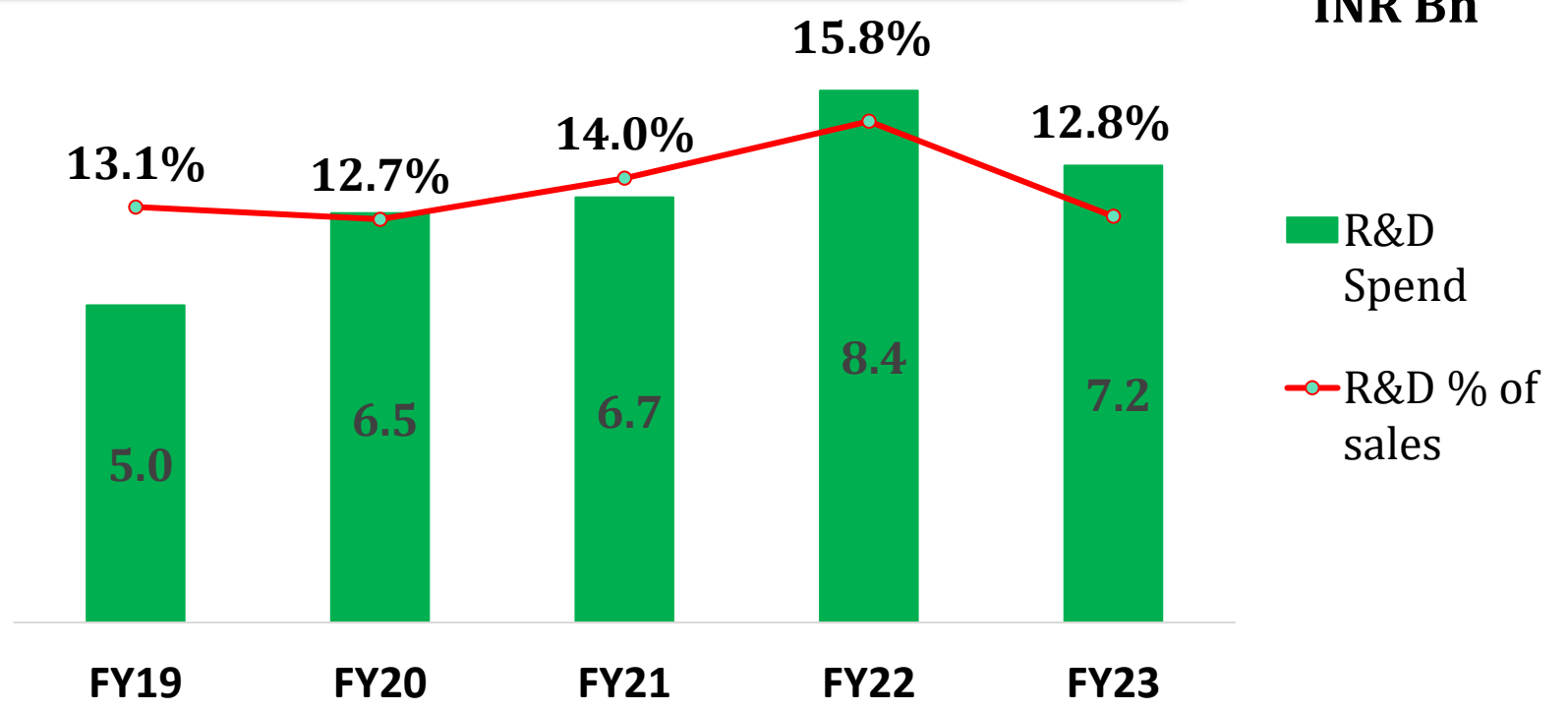
Dosage Forms	Q2FY24		H1 FY24	
	Approval*	Launch	Approval	Launch
OSD	4	2	6	4
Injectable - Gen	0	0	2	1
Injectable - Onco	0	0	0	2
Ophthalmology	2	1	3	1
Dermatology	0	0	0	1
Other	0	0	0	0
<b>Total</b>	<b>6</b>	<b>3</b>	<b>11</b>	<b>9</b>

\*Includes tentative approvals; H1FY24 - 1

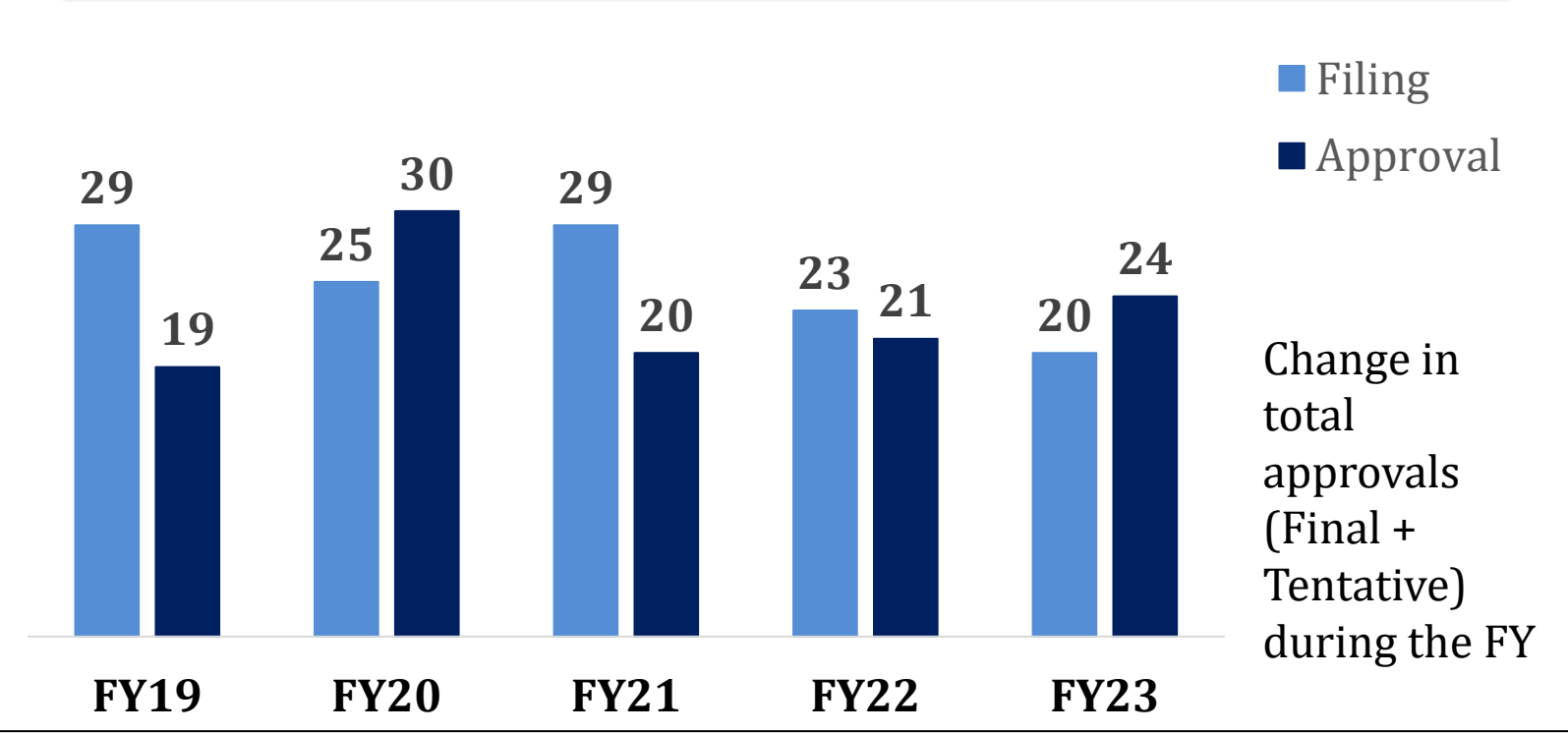
## R&D Capabilities

- Formulation** : Vadodara and Hyderabad
- API** : Vadodara and Hyderabad
- Bio Centre** : Vadodara

## Significant investment in building capabilities

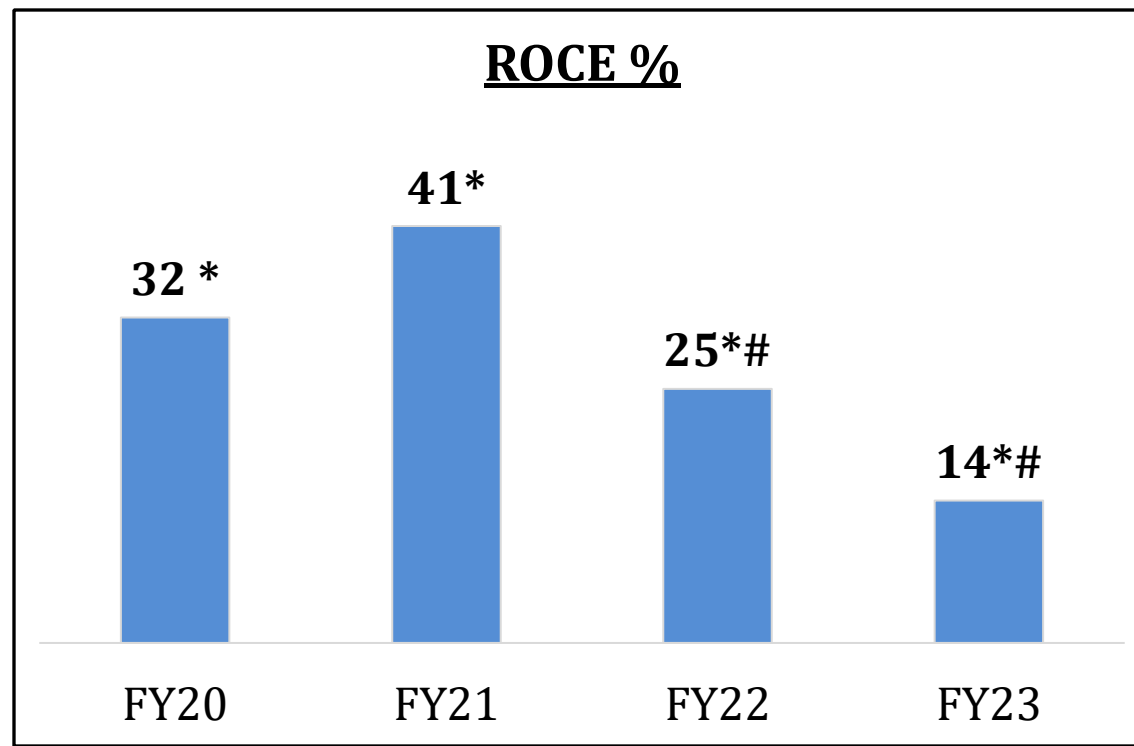
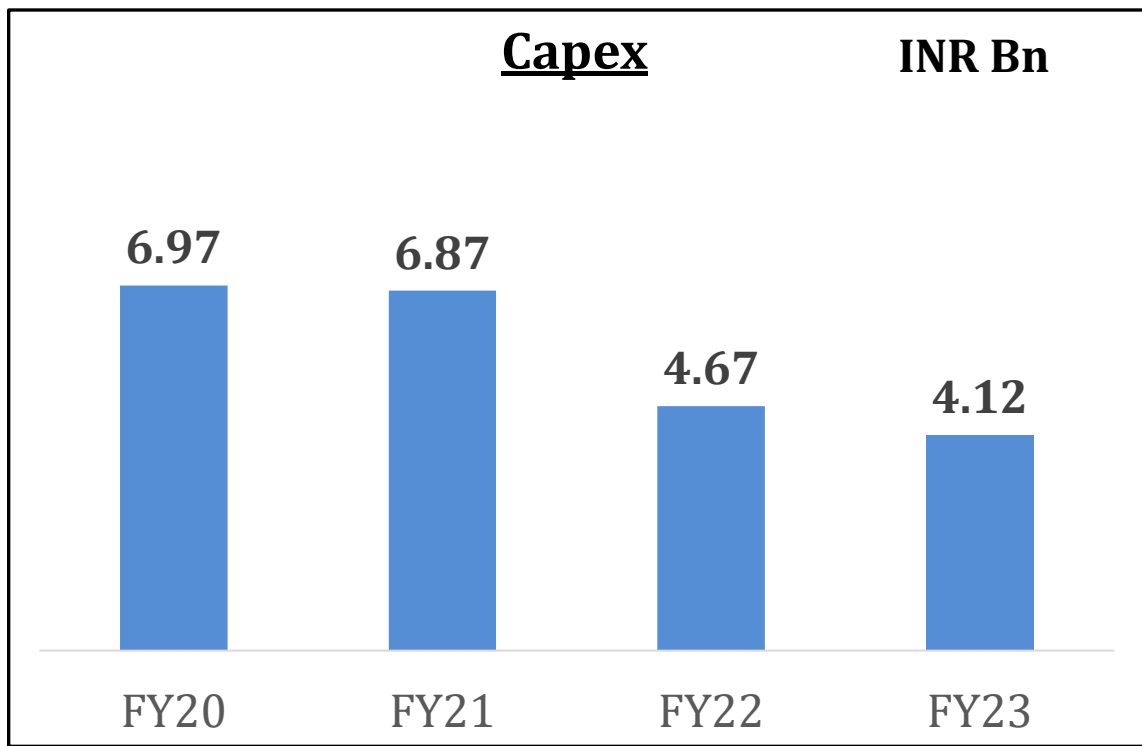
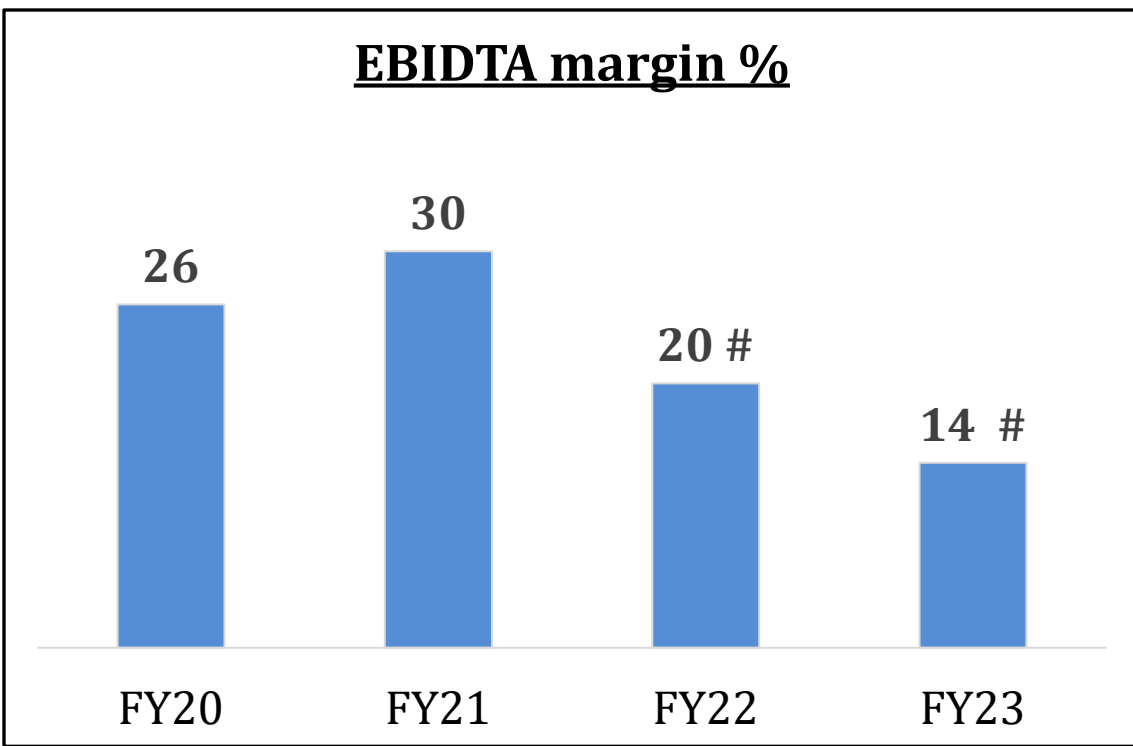
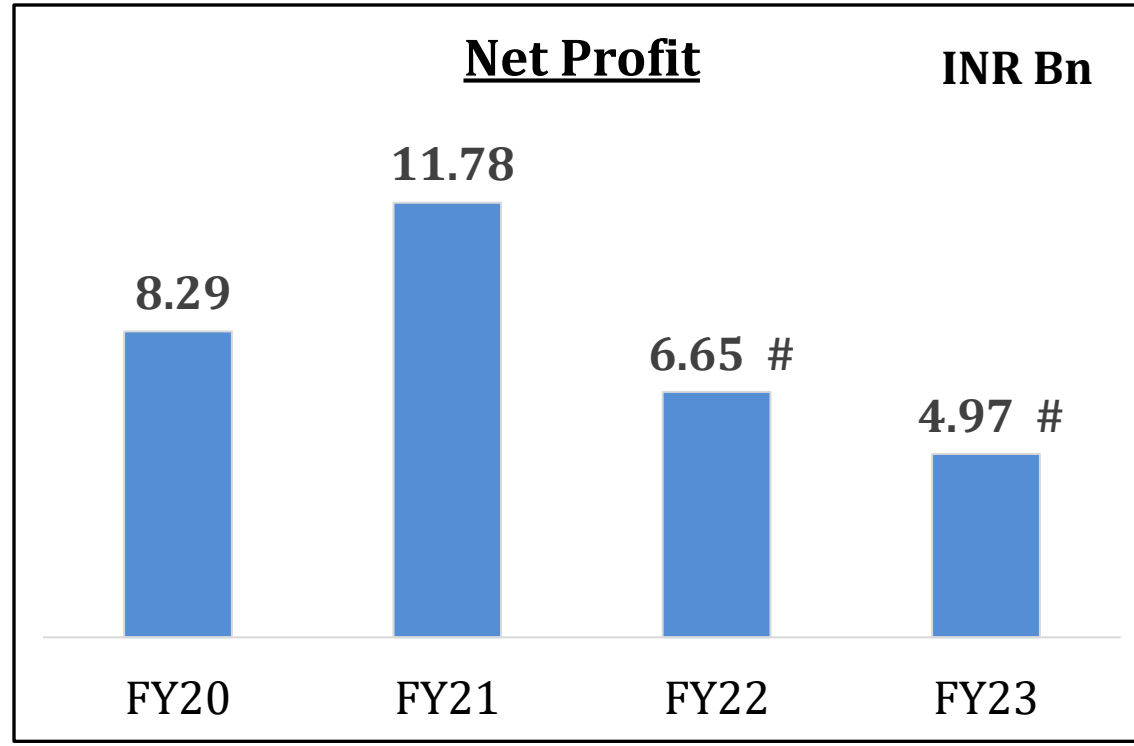
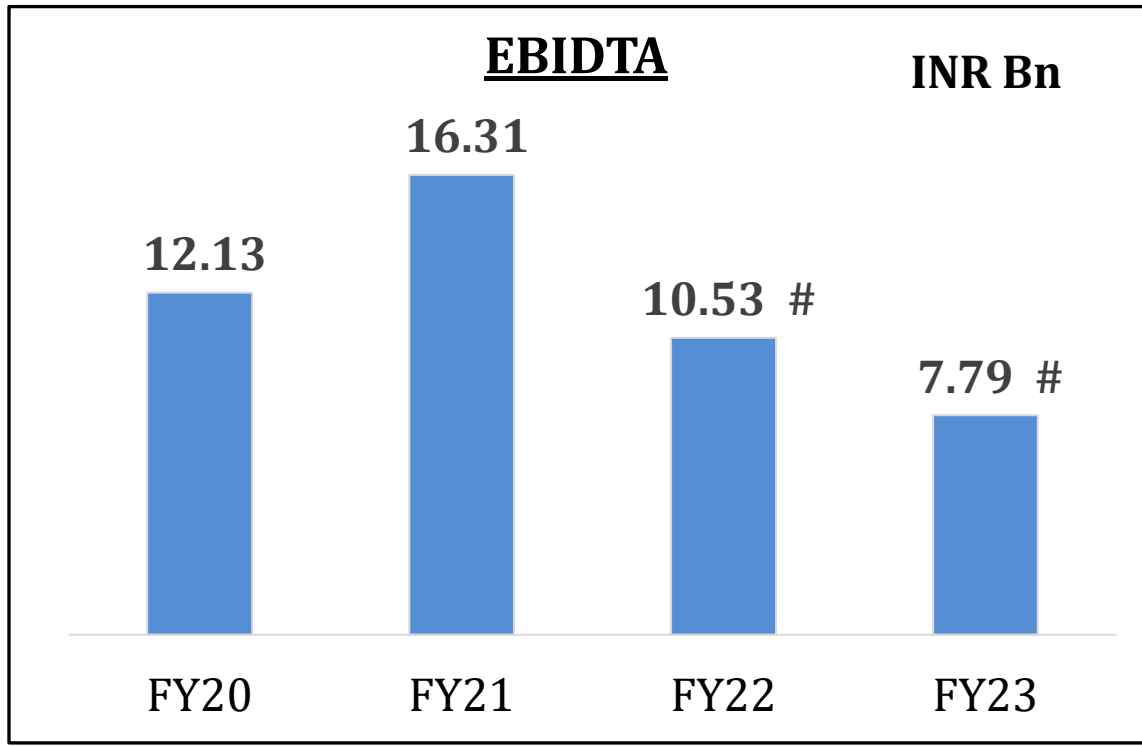
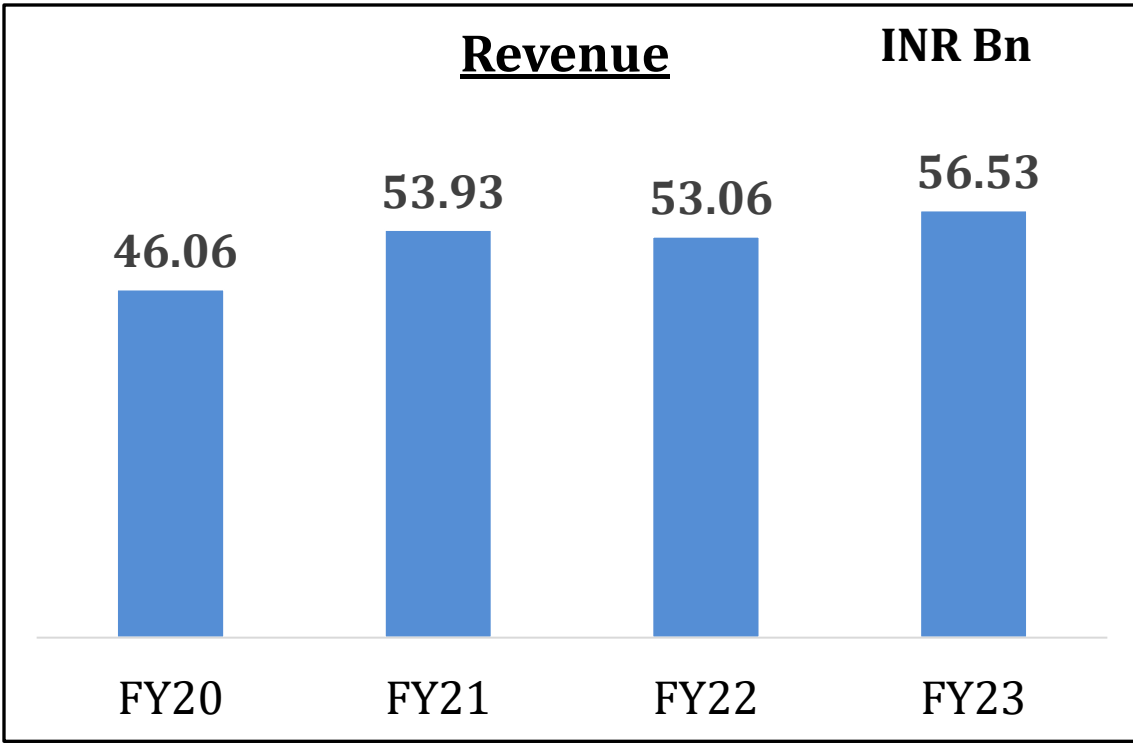


## Resulting in rising ANDA - Accelerated filings & approvals #



# Approval numbers in trend is different as the final approvals received during current FY are previously counted as tentative approvals in earlier FYs.

# Yearly Financials



\* Capital excludes New Projects

# Note : FY22 & FY23 numbers are without considering one-time impact of Aleor write off for better

# Enhancing ESG compliance



19% Reduction in Indirect **Energy Consumption**  
28% Reduction in **Water Consumption**(KL/MT)  
16% Reduction (YoY) in Total GHG **Emissions** (Scope 1&2)(TCO2)  
21% Reduction in **Hazardous Waste** (MT/MT of Production)  
Commissioned **12 MW** Solar park at Bhatpur, Gujarat



Nearly 1,11,714 benefited through our CSR Initiatives  
Programmes namely Shiksha Setu and Vikas supporting over 1000 students  
Sneh Shakti Stitching Unit and the Farmer Empowerment to create opportunities for self advancement



4-Tier risk governance system (The Board, Audit Committee, Risk Management Committee and Leadership Team) in place to ensure identification, assessment and effective management of risks  
Governance structure and policies & codes driving business conduct and ethical norms of behaviour

## Targets:

- **Net-Zero** by 2040
- **Water Neutrality** by 2027
- Plant 50,000 trees by 2027



Business	Initiatives in FY23	Plan for FY24
<b>The India Business</b>	<ul style="list-style-type: none"> <li>Strengthened the presence in specialty therapies with the launch of novel products</li> <li>Increased focus on the animal health space with therapy leading products.</li> </ul>	<ul style="list-style-type: none"> <li>Create new marketing division for increasing sales volumes from high-growth therapies</li> <li>Introduce Data Analytics into onfield operations</li> <li>Invest in a new facility which will drive business growth</li> </ul>
<b>The US Generics Business</b>	<ul style="list-style-type: none"> <li>Launched 18 products</li> <li>Received approval for 22 products</li> <li>Filed 20 ANDAs</li> </ul>	<ul style="list-style-type: none"> <li>Increase the launch of injectable products</li> <li>Introduce oncology products in the market</li> <li>Grow the product basket for dermatology and ophthalmology therapies</li> </ul>
<b>The RoW Generics Business</b>	<ul style="list-style-type: none"> <li>Established a physical presence in Chile and UAE to serve these markets better</li> <li>Strengthened presence in Canada</li> </ul>	<ul style="list-style-type: none"> <li>Establish an office in Mexico</li> <li>Grow presence in the MENA region</li> </ul>

# Company Overview



**Mission**  
Improve healthcare with innovation, commitment and trust



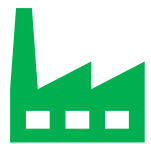
**Prescribers in India**  
2,30,000



**Team size**  
14,500 +



**Field Force**  
5,000 +



**Manufacturing facilities**  
9



**Brands**  
185



**ANDA filings**  
252 (Sep 30, 2023)



**Net Zero**  
2040



**R&D Centres**  
2



**Products in US**  
125 +

# Value Proposition



Developing specialty drug pipeline for India



Supplying APIs to 60+ countries globally



Ranks 20<sup>th</sup> in the Indian formulations market



Exploring opportunities in Injectables



Consistent and High Dividend Payout



Established a presence in Chile & UAE

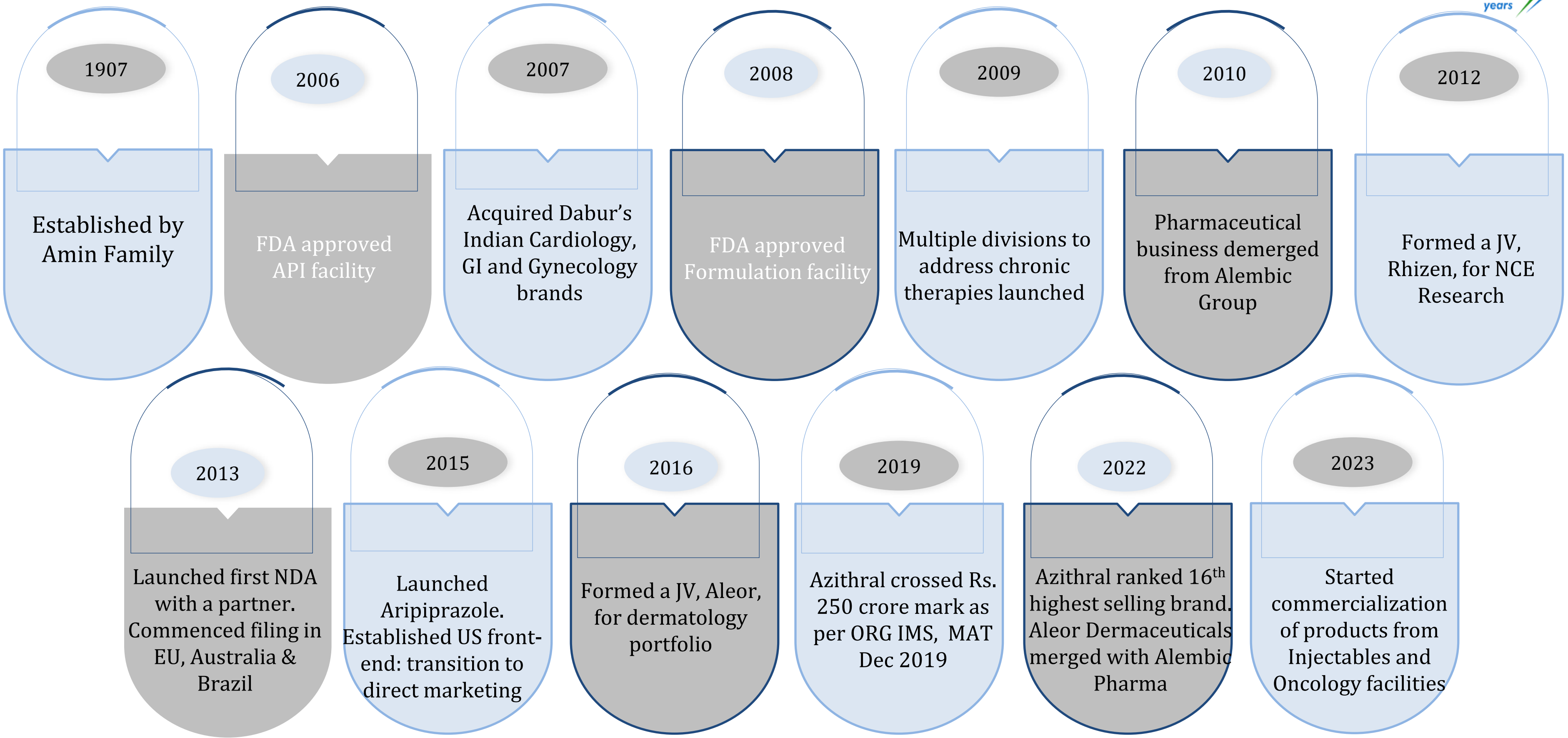


Strengthening presence in Canada, South Africa, LATAM & Middle East



Expanding product portfolio in US

# The Journey



# Robust Infrastructure



Location	Dosage Form	Last USFDA Audit
<b>International Generics</b>		
F1 – Panelav	General Oral Solids	Mar'20
F2 – Panelav	Oncology Oral Solids	Jun'19
	Oncology Injectables	Oct'22
F3 – Karkhadi	General Injectables	Mar'23
	Ophthalmic	
F4 – Jarod	General Oral Solids	Dec'22
Derma - Karkhadi	Various derma forms	Mar'23
<b>API</b>		
API I & II – Panelav		Dec'18
API III – Karkhadi		Jan'20

All EIRs in place



**F2 - Panelav**



**F3 - Karkhadi**



**F4 - Jarod**



**F5 - Karkhadi**

Thank you

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