



AUROBINDO
Committed to healthier life!

LEADING VERTICALLY INTEGRATED GENERIC PLAYER

Investor Presentation - May 2019





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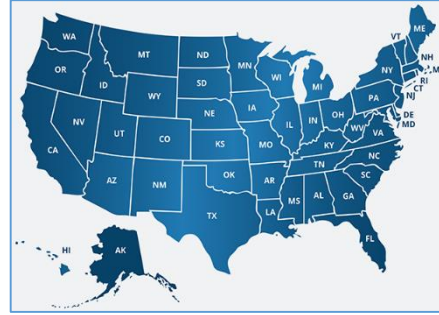
Aurobindo Pharma – Overview



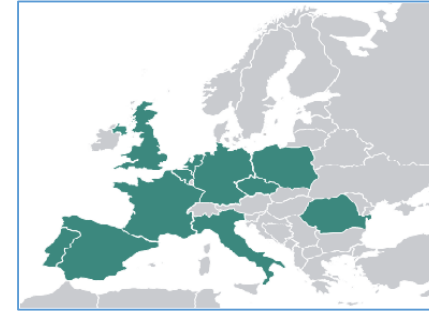
10th Largest generic
company by sales
globally#



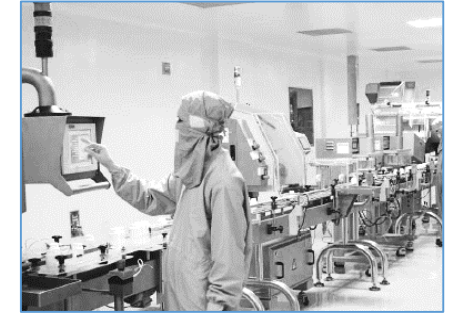
2nd Largest listed
Indian Pharmaceutical
company by revenues*



2nd Largest generic
Company by Rx
dispensed in the US**



Amongst Top 10 Gx
companies in **4 out**
of **Top 5** Europe
Countries@



32 years
in existence



\$ 2.8 Bn
Global Revenues in
FY19



27 Manufacturing
Facilities globally



155+
Markets Presence



>33 Billion
Diverse dosage forms
manufactured in FY19



>22,000
Employees



The Journey So Far...

1992-2006

- Started API manufacturing
- Initial Public Offering ('95)
- Entered formulation business ('02)

Pre-2006

API Focus

2006-08

- Acquired UK based Milpharm
- Acquired formulations facility, AuroLife, in US

2009-12

- Commenced Aurolife operations
- Received first approval for controlled substance drug in US

2013

- Commenced marketing specialty injectables in USA
- Building capabilities in Penem and Oncology

2006 - 2013

**Formulation Focus
+
Establishing Global Footprint**

2014 - 16

- Acquired Western European commercial operations from Actavis
- Acquired Natrol
- Established OTC presence
- Entered into Biosimilars and Vaccines
- Filed first peptide DMF

2017-19

- Acquired Generis in Portugal and Apotex Inc's businesses in 5 European countries
- Focus on differentiated technology platforms and Specialty Pharmaceuticals
- Acquired R&D assets from Advent Pharmaceuticals Pty, Australia
- Acquired a portfolio of 7 marketed oncology injectable products from Spectrum Pharmaceuticals Inc.
- Entered into a definitive agreement to acquire dermatology and oral solids businesses from Sandoz Inc., USA

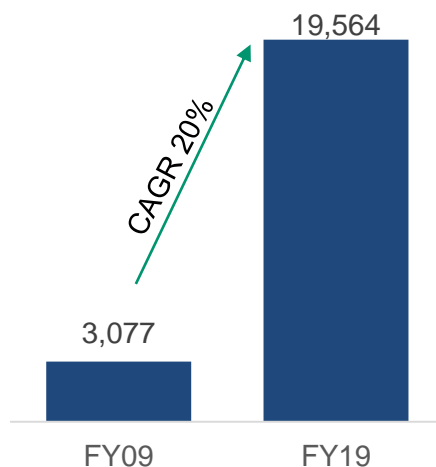
2014-2019

**Strengthening market penetration in the
US & EU
+
Expanding into Specialty Products**

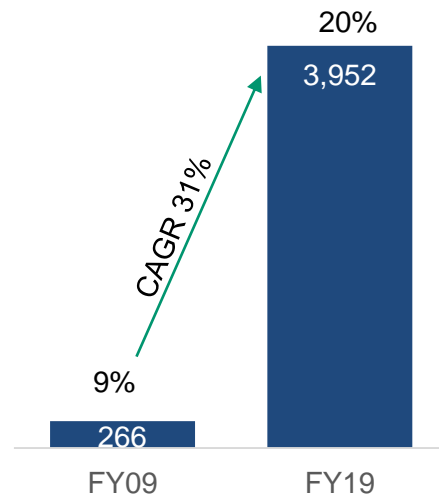
Emerged into a leading global generic player



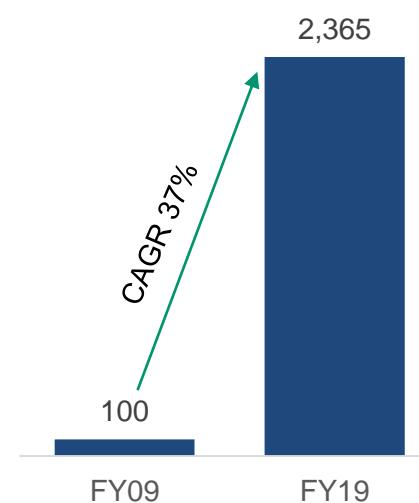
Revenue (INR Cr)



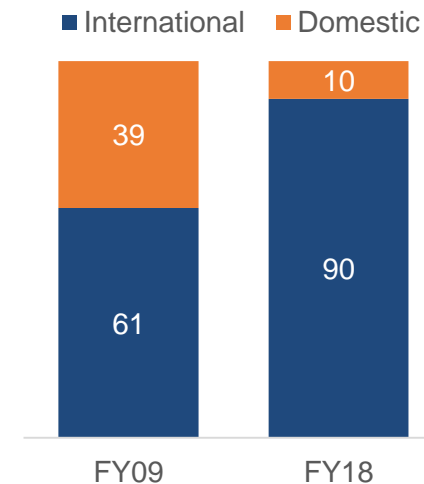
EBITDA (INR Cr) & Margin



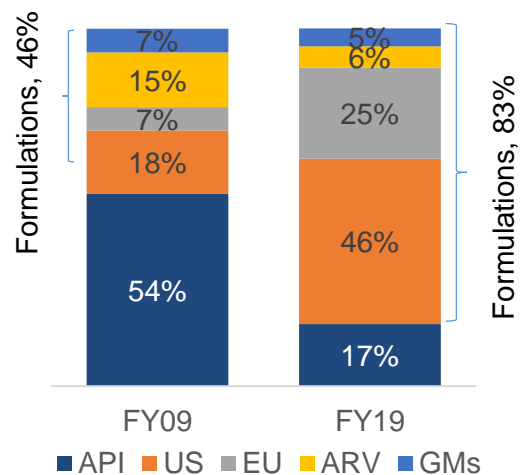
Net Profit (INR Cr)



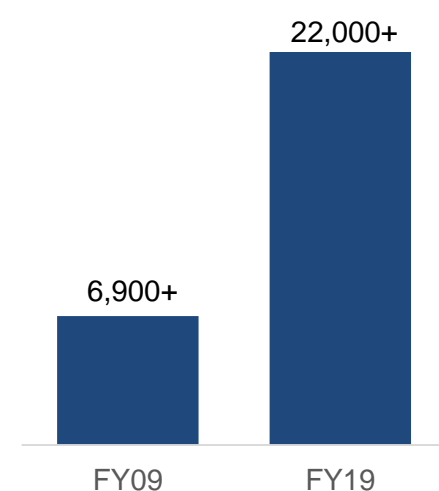
Geographical Revenue Mix



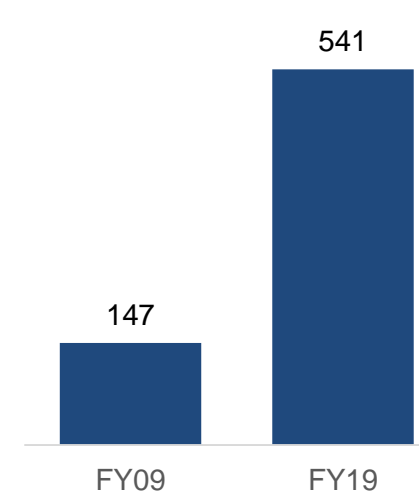
Business Mix



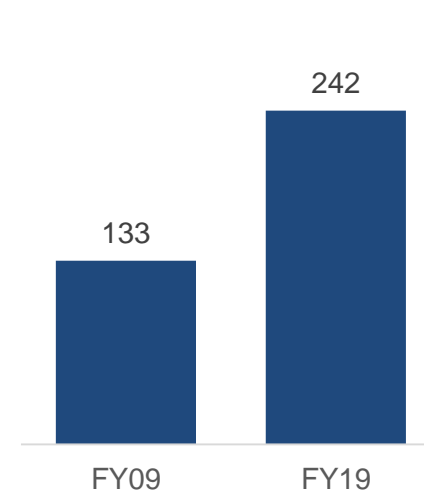
Employee Base



ANDAs – Filing Status



DMFs – Filing Status



Core Strengths



Scale & Diversity

- Among Top 3 in >63% of commercial portfolio in US⁽¹⁾ in terms of prescriptions
- Large US portfolio⁽²⁾ - 541 ANDAs filed; 377 with final approval, 26 Tentative approval⁽³⁾, and 138 under review
- Extensive product portfolio & pipeline across the globe
- Experienced and focused leadership team
- Building diversified product basket in speciality segments
- Through M&As, adding more specialized products, new technologies and scale in our core markets

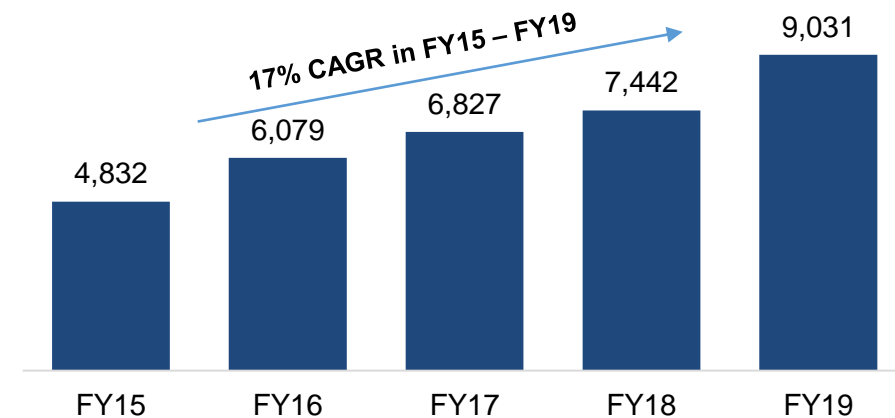
Strengths

- Large manufacturing facilities inspected by various regulatory authorities including US FDA and EMA
- Over the last 3 years, ~ 150 ANDAs were filed including 63 ANDAs in FY19
- High level of vertical integration; around 70% of API requirement is manufactured in-house
- Focus on complying with global quality and EHS standards
- Dedicated commercial and BD teams focused on developing new partnerships
- Speed and effectiveness in execution

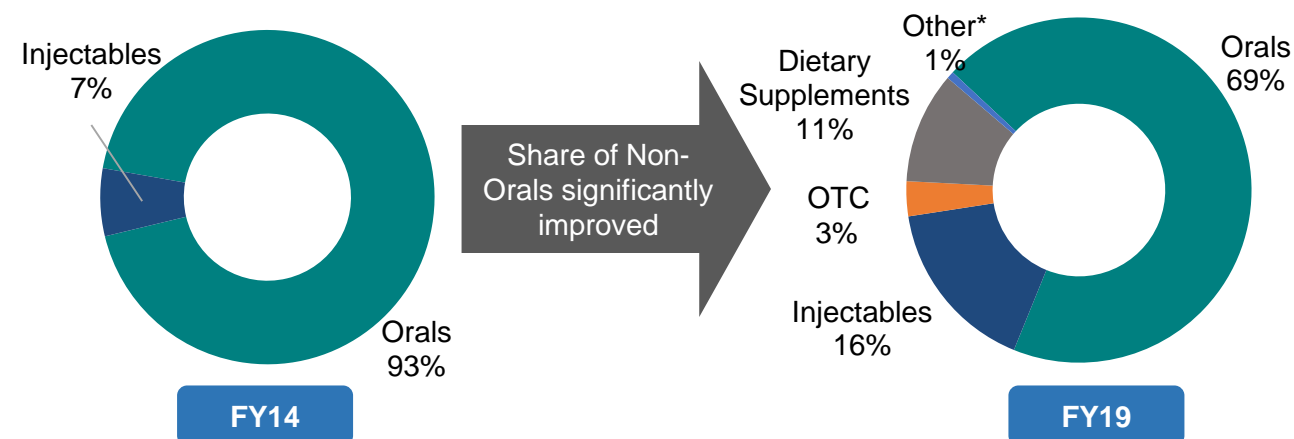
US Business Highlights



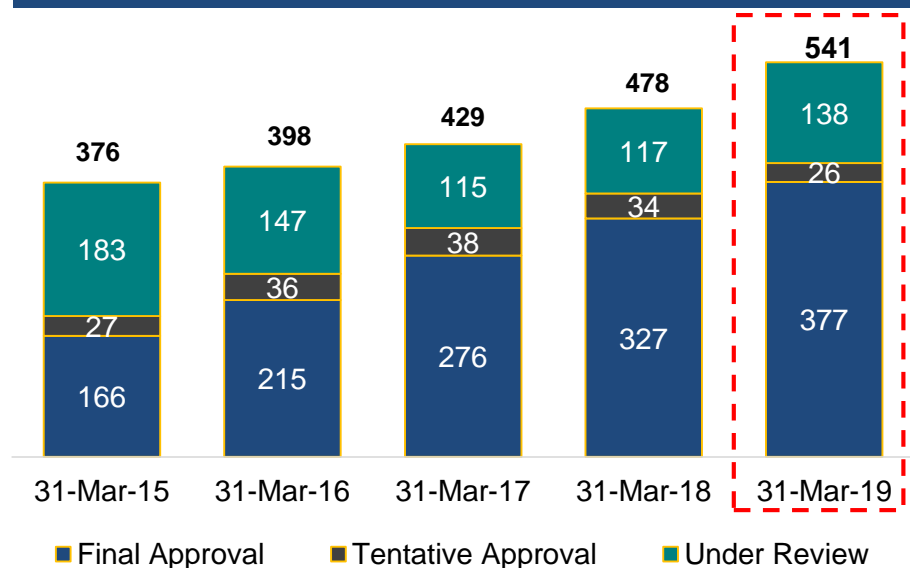
Revenue (INR Cr)



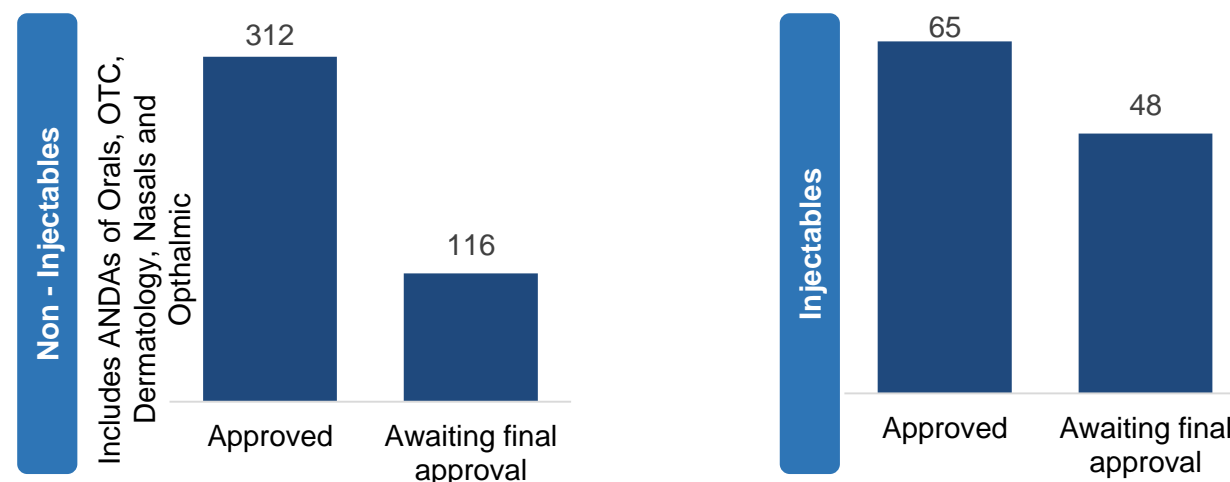
Revenue Mix



Cumulative ANDA Filings and Approvals



Filing Mix



US Business – Segment Wise Highlights



Orals

- 69% of overall US business in FY19
- Rx share increased to 7.0% (MAT Mar 2019) from 5.3% (MAT Mar 2018)*
- Filed 36 ANDAs and launched 33 products in FY19
- Future pipeline includes
 - ✓ *Controlled substances with ADF*
 - ✓ *Oncology*
 - ✓ *505b2 products for select patient segments*



Injectables

- 16% of overall US business in FY19
- Filed 21 ANDAs and launched 12 products in FY19
- Future pipeline includes
 - ✓ *Complex injectables including microspheres*
 - ✓ *Oncology*
 - ✓ *Hormones*



OTC

- 3% of overall US business in FY19
- Filed 6 ANDAs and Launched 5 ANDAs based products in FY19
- Future pipeline includes
 - ✓ *Rx to OTC switch opportunities*
 - ✓ *Branded OTC*



Dietary Supplements

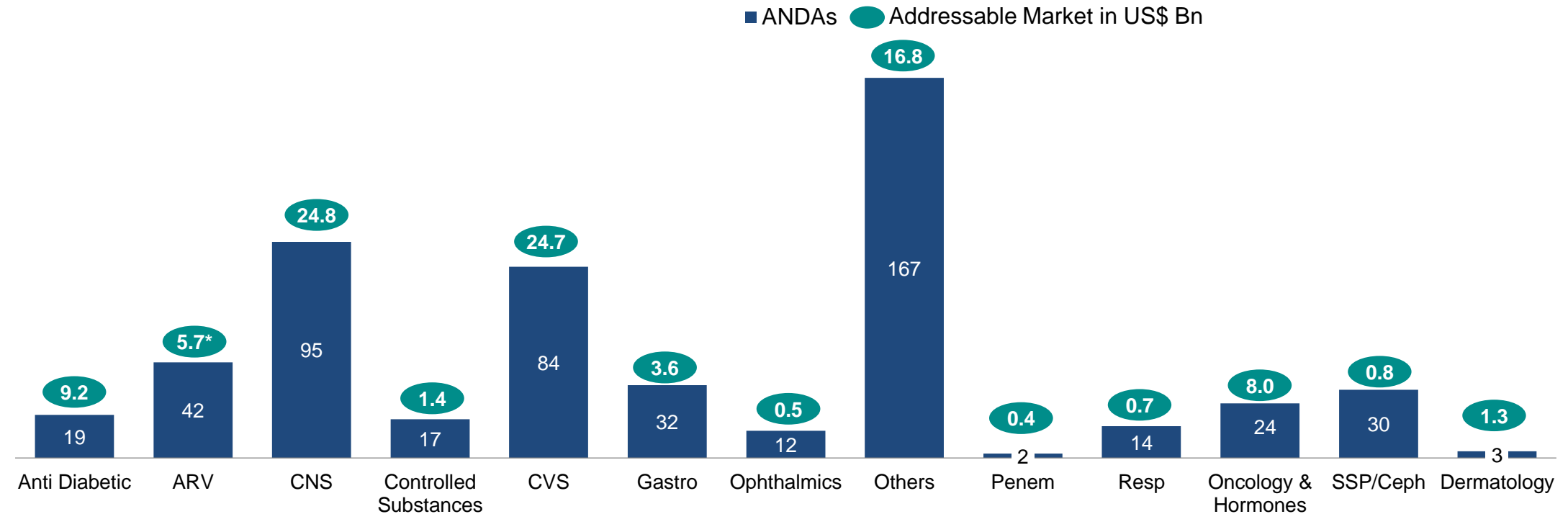
- 11% of overall US business in FY19
- Introduced Gummies
- Future growth drivers includes
 - ✓ *New product introduction*
 - ✓ *Geographical expansion*





US: Expanding Portfolio Mix Towards Differentiated Products

Portfolio mix is complemented with the introduction of high-value products



Addressable Market at US\$ 97.8 Bn including ~US\$ 65.7 Bn for Under Review and Tentatively approved ANDAs

Future pipeline to include Oncology, Hormones, Depot injections, Inhalers, Biosimilars, topicals & Patches

Addressable market refers to the market size as per IQVIA. Data is for the total 541 ANDAs filed by the company

Sandoz's Dermatology and Oral Solids Businesses – Acquisition* overview



- Aurobindo Pharma USA Inc. entered into a definitive agreement with Sandoz Inc., USA to acquire its dermatology and oral solids businesses
- Acquired portfolio with c.70% revenue contribution by oral solids and c.30% by dermatology, before any potential FTC – led divestments
- The acquired portfolio is expected to generate over \$0.9 billion in sales for the first 12 months after completion of the transaction for Aurobindo, before any potential FTC-led divestments
- Acquisition also adds 3 manufacturing facilities in the US
- Acquired portfolio consists of authorized generics and in-licensed products opening up future opportunities for Aurobindo
- Adds a leading dermatology franchise
 - ✓ #2 Dermatology player in the US
 - ✓ Dermatology presence across generics, branded and OTC
 - ✓ Well established dermatology focused commercial and manufacturing infrastructure
- Further diversified portfolio with addition of approximately 300 products including projects in development
- Significant synergy and value creation potential from the acquisition



Melville, Long Island, NY

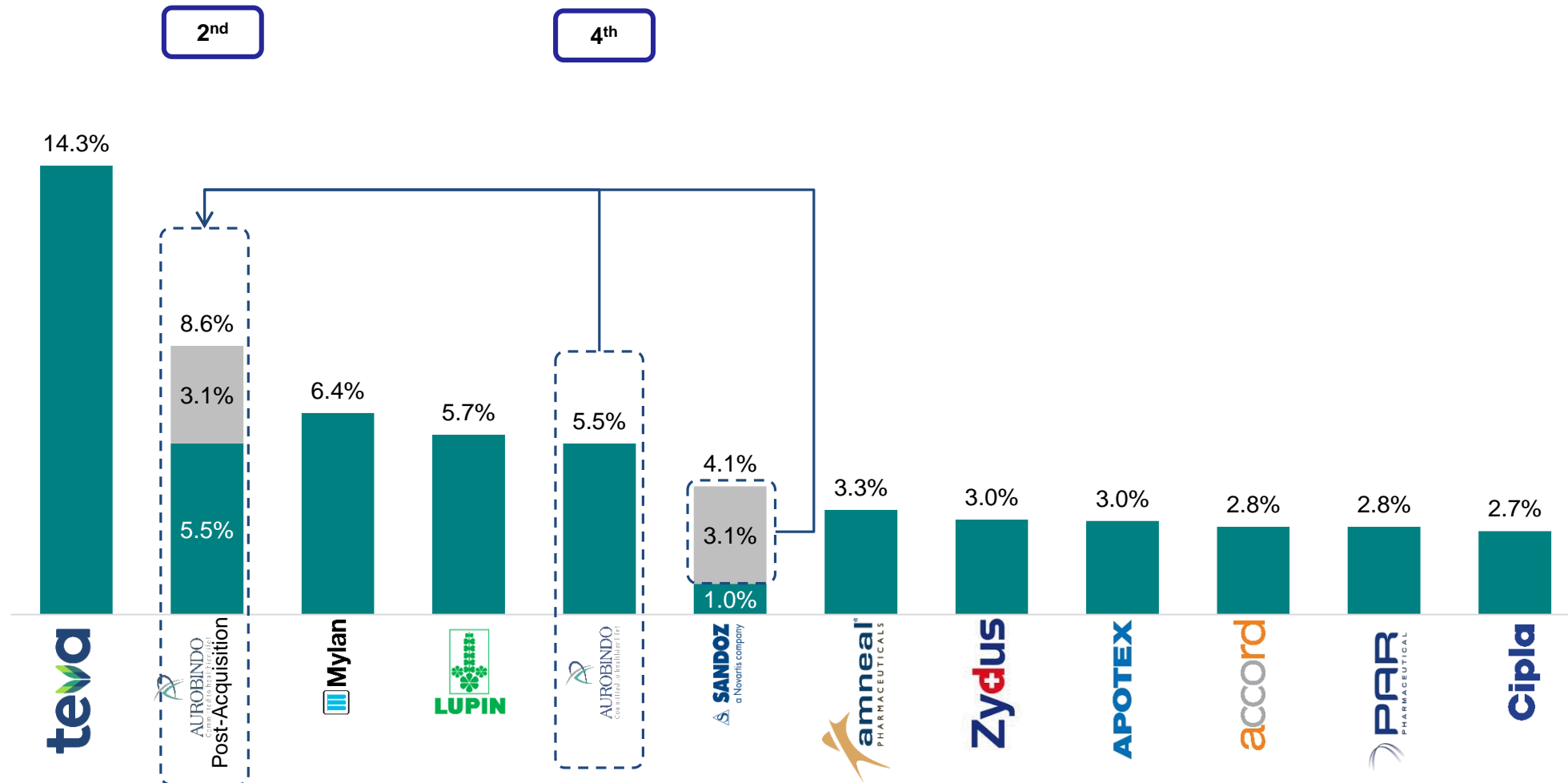


Hicksville, Long Island, NY

Aurobindo would become the 2nd Largest Generic Player in the US Post Sandoz's businesses acquisition



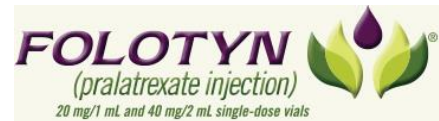
Market Share in the US by Number of Prescriptions Dispensed



Acquisition of branded oncology injectables from Spectrum Pharmaceuticals - Overview



- Acrotech Biopharma, a step-down subsidiary of Aurobindo Pharma Limited has acquired portfolio of seven marketed oncology injectable products from Spectrum Pharmaceuticals
- Acquisition brings-in an experienced branded commercial infrastructure in the US
- Acquired portfolio is expected to generate a revenue of around \$100 million for the first 12 months post completion of the transaction
- Transaction will be EPS accretive from first full year of ownership



Franchise provides leadership position in the PTCL market



Trusted community oncology franchise providing practice value and patient resources in mCRC



Market leading branded conditioning agent in bone marrow transplant



Highly effective and efficient radioimmunotherapy treatment for patients with FL



Unique treatment option for patients in rare form ALL with material growth opportunity in broader ALL and NHL markets

EU Business Highlights



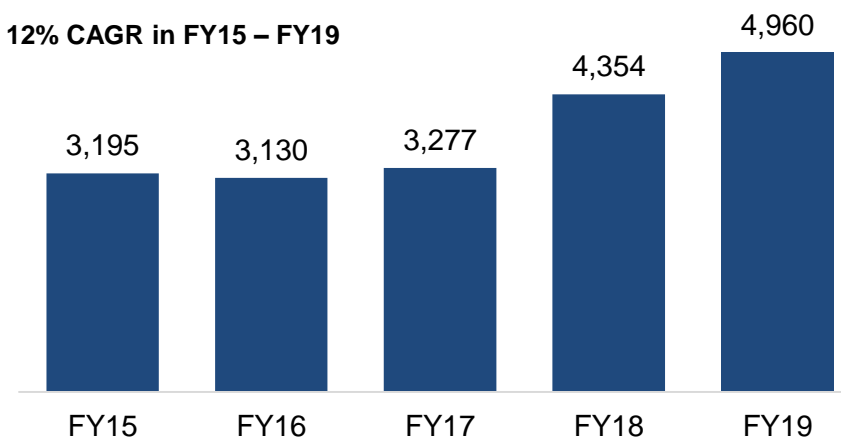
- Strong foothold in Europe
 - Operations in 11 countries with full fledged Pharmacy, Hospital and Tender sales infrastructure with commercialized 450+ INNs
 - Ranks amongst the Top 10[@] Generic companies in four out of Top-5 EU countries. France & Germany are top 2 markets for the company
 - Turned around loss-making business units through increasing a) switch to cost-competitive manufacturing locations and, b) operational efficiencies

Recent Acquisition

- Acquired Apotex Inc's operations in 5 European countries in Feb 2019
 - Establishes Aurobindo as one of the leading generics companies in Europe
 - Gains well-established commercial network in 5 countries including those in Eastern European countries i.e. Poland and Czech Republic
 - Creates significant value opportunity through multiple avenues for revenue growth and cost synergies

Revenue (INR Cr)

12% CAGR in FY15 – FY19

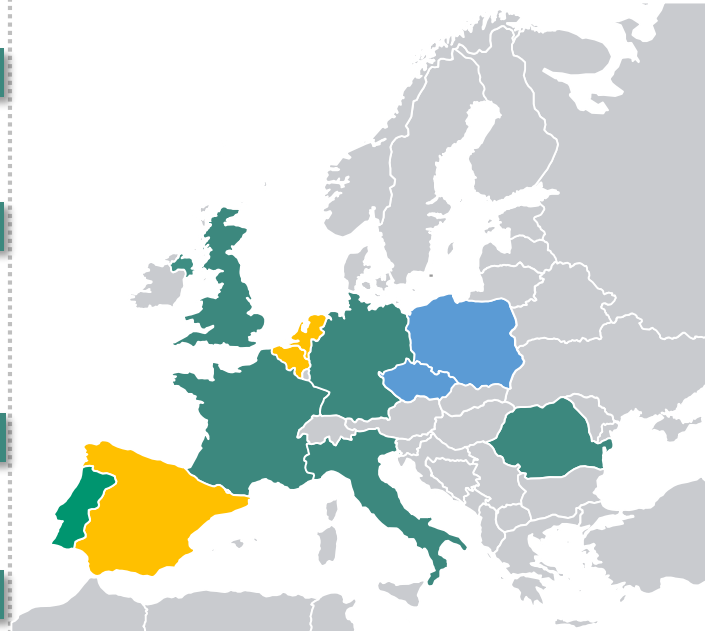


Key growth drivers

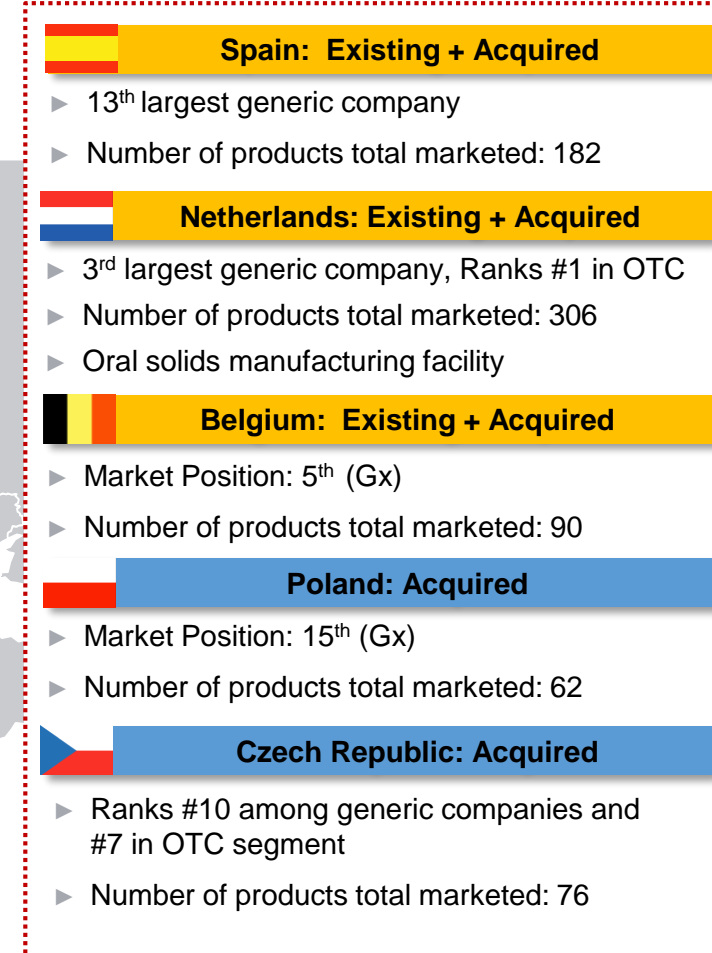
- ✓ Portfolio Expansion through launches of targeted Day 1 products, Oncology range, Hormones, Niche low volume Injectables and Orals. Pipeline of over 250 products under development
- ✓ Opportunity of > \$ 5 Bn of addressable sales coming off patent in our key markets in near term (2019-2020) and > \$ 13 Bn in the medium term (2021-2022)[#]
- ✓ Future growth potential in countries like Italy, Spain, Portugal & France as the penetration of generics improve



Aurobindo's Footprint in Europe Post Apotex Acquisition



- Existing Presence
- Existing + Acquired
- Entry into new geographies





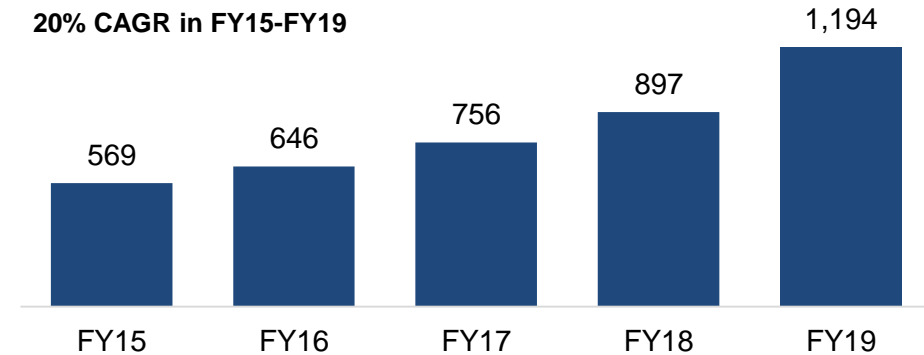
Growth Markets & ARV Business – Highlights

Growth Markets Business

- Key markets includes Canada, Brazil and South Africa
- Targeted to build branded generics presence in select markets
- In the process of strengthening operations and portfolio in specific identified countries
- Future product launches in Oncology and specialty injectables

Revenue (INR Cr)

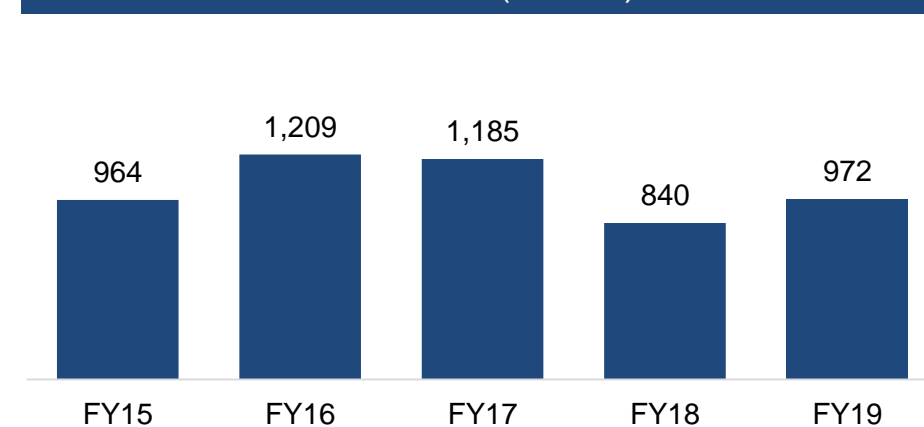
20% CAGR in FY15-FY19



ARV Business

- Focus on global tenders floated by Multi-Lateral Organizations like Global Fund, USAID/PEPFAR and Country specific MOH tenders
- Supplies life-saving ARV's to ~3 Mn HIV patients spread over more than 125 countries
- Comprehensive portfolio of 32 products in 1L Adults, 2L Adults and pediatric formulations
- Filed over 1,100 ARV dossiers for registrations across the globe

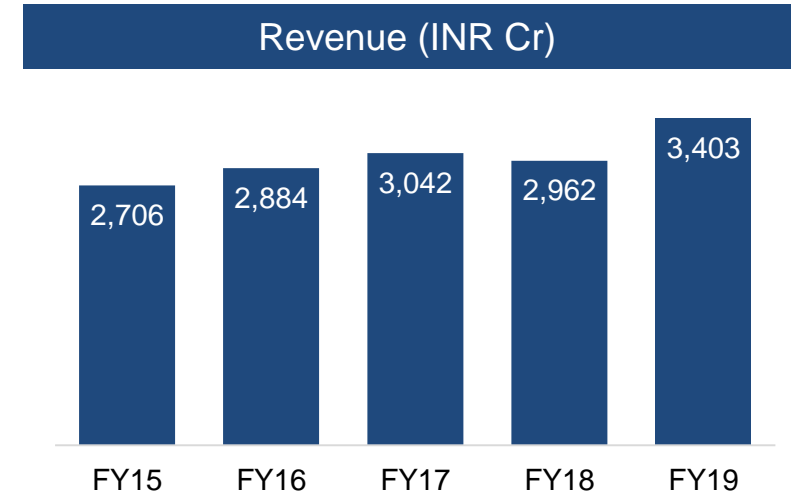
Revenue (INR Cr)





API Business - Highlights

- API capacity is strategic in-terms of vertical integration and supply reliability
- Additional investments are made for capacity creation and capability building
- Customers include innovator and large generic companies
- API business continue to focus on complex products with varying volumes
- Focus on continuous improvement of manufacturing processes to meet market needs
- Continue to have sustained growth in more advanced regulated markets (EU, Japan & USA)
- API facilities have been inspected by various regulatory authorities including USFDA and UK MHRA





Consolidated Financial Performance

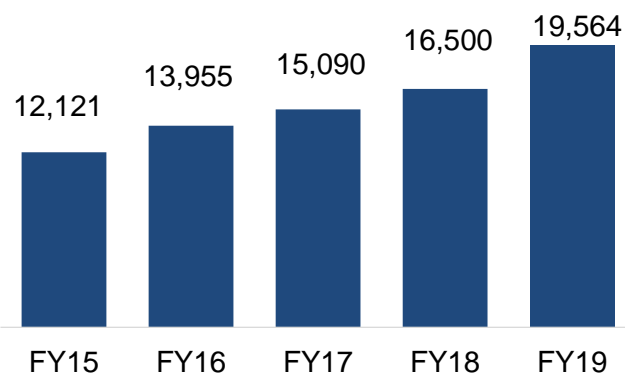
Value INR Cr	Q4 FY19	Q4 FY18	% Chg	Q3 FY19	% Chg
Formulations	4,373.6	3,248.6	34.6	4,347.8	0.6
API	916.8	799.6	14.6	921.7	-0.5
<i>Formulations % of sales</i>	<i>82.7%</i>	<i>80.2%</i>		<i>82.5%</i>	
Revenue from Operations	5,292.2	4,049.1	30.7	5,269.7	0.4
Gross Profit	2,919.6	2,379.6	22.7	2,879.8	1.4
Overheads	1,859.3	1,575.6	18.0	1,793.4	3.7
EBIDTA (before Forex & other income)	1,060.3	804.0	31.9	1,086.4	-2.4
	20.0%	19.9%		20.6%	
Fx Gain / (Loss)	-2.8	-15.9		50.5	
Other Income	32.3	43.8	-26.4	13.4	140.8
Finance Cost	50.1	24.7	102.6	47.7	5.1
Depreciation	186.6	156.6	19.1	163.1	14.4
PBT from ordinary activities	853.0	650.6	31.1	939.5	-9.2
Exceptional items*	-36.2	0.0		-25.0	
PAT (after JV share, minority interest)	585.4	528.5	10.8	712.2	-17.8
EPS	9.99	9.02		12.15	
Avg Fx Rate US\$ 1= INR	70.3265	64.2782		71.8527	

*Exceptional items for the period represents acquisition related costs

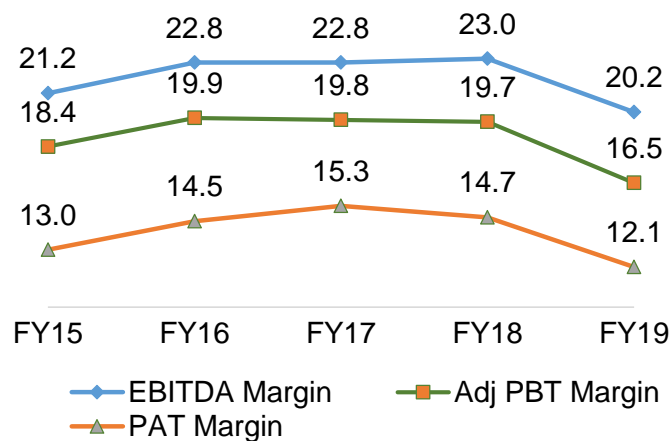
Financial Performance



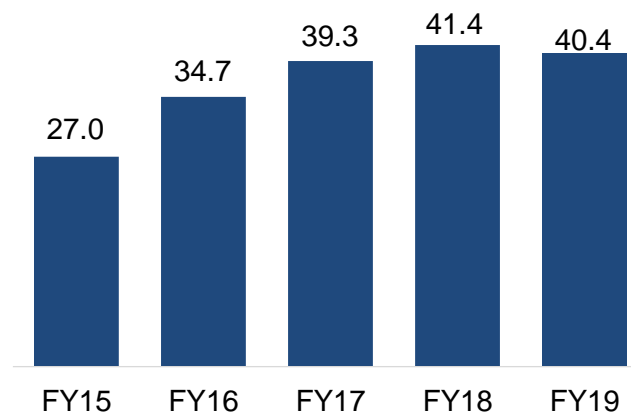
Revenue from Operations (INR Cr)



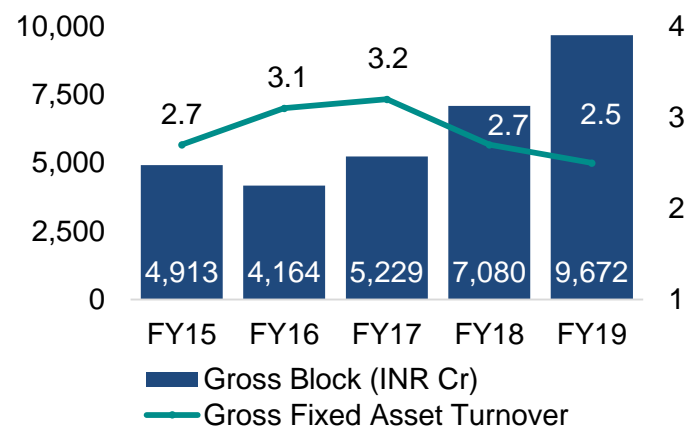
EBITDA & PAT Margin (%)



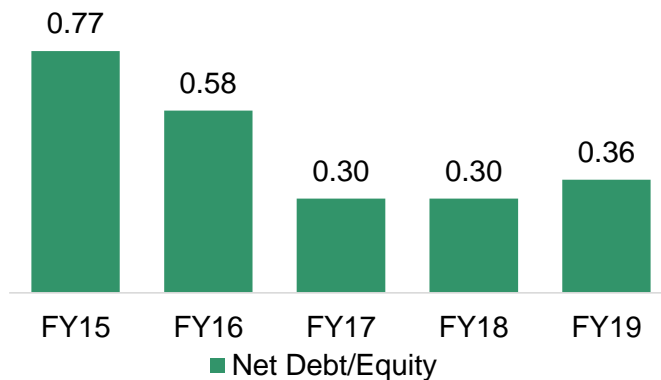
EPS (INR/Share)



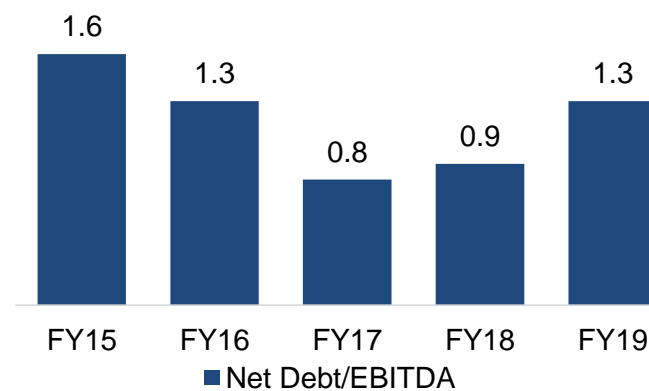
Gross Block & Fixed Asset Turnover



Net debt / Equity



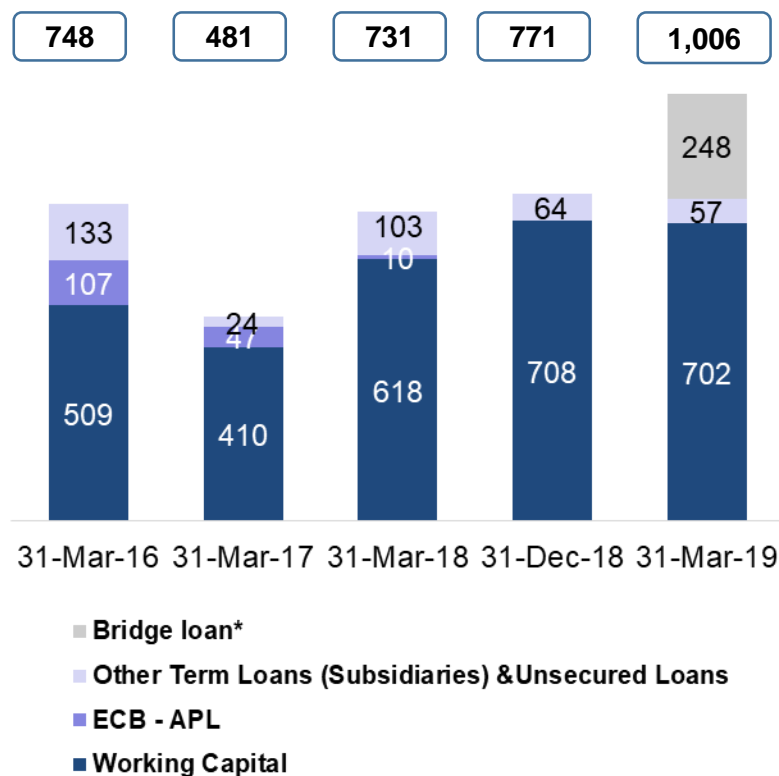
Net Debt/EBITDA



Debt Profile



Fx Loan US\$ Mn



Debt as on (INR Cr)	Mar-16	Mar-17	Mar-18	Dec-18	Mar-19
Closing Rate ¹ US\$ = INR	66.25	64.85	65.17	69.775	69.155
Fx Loan restated in INR	4,956.7	3,121.5	4,766.9	5,381.8	6,959.0
Rupee Loan	46.9	244.8	4.1	289.7	8.1
Sales Tax Deferment	41.9	0.0	0.0	0.0	0.0
Gross Debt	5,045.6	3,366.3	4,771.0	5,671.5	6,967.1
Cash Balance	805.2	519.5	1,263.6	1,774.2	1,959.1
Net Debt	4,240.3	2,846.9	3,507.4	3,897.3	5,008.1
Net Debt (US\$ Mn)	640	439.0	538.2	558.6	724.2
Finance Cost	1.8%	1.5%	2.0%	3.3%	3.2%

*Loans taken for acquisitions

Fx Debt and Fx Cash Balance are reinstated



Focus on Building a Diverse and Robust Specialty Products Portfolio



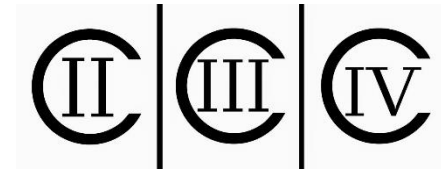
Oncology & Hormones



Peptides



Depot Injections



Controlled Substances



Topicals



Transdermal Patches



Inhalers



Nasals



Biosimilars



Vaccines








505(b)(2) products



Consumer Healthcare

Focus on Building a Diverse and Robust Specialty Products Portfolio (1/2)



					
	Oncology & Hormones	Topicals	Nasals	Peptides	Depot Injection
Products under development	79	22	5	14	4
Addressable Market Size	\$45 Bn	\$5 Bn	\$0.5 Bn	\$12.2 Bn	\$3.6 Bn
Filing Status	ANDAs*: Oncology- 13 & Hormones- 9	ANDAs*: 3	ANDAs*: 2	6 DMFs filed*	To start from FY21
Filing Target	To file all products over next 3 years	To file all products over next 2-3 years	To file all products by FY20	Plans to file 5 more DMFs over next 18 months	Plans to file all products by FY22
Products Approved	4 ANDAs*	-	-	6 DMFs	-
Revenue generation to start from	Q1FY20	FY21	FY20 / FY21	FY21	FY22

Focus on Building a Diverse and Robust Specialty Products Portfolio (2/2)



	Transdermal Patches	Inhalers	Biologics	Vaccines
Products under development	8	9	6*	1
Addressable Market Size	\$3.2 Bn	\$9.5 Bn	\$35 Bn	\$6.2 Bn
Filing to start from	FY20	FY20	FY21	FY21
Filing Target	To file all products over next 3 years	To file all products over next 3 years	First set of products to filed by FY22	FY21
Products Approved	-	-	-	-
Revenue generation to start from	FY21	FY22	FY22	FY22

*First wave;



Enhanced Research & Development Capabilities

5 R&D centers in Hyderabad, India >1,500 scientists and analysts

- Focused on difficult to develop APIs, peptides, etc.
- Develop modern process technologies like enzyme chemistry
- Dosage Form R&D for developing niche oral, sterile and specialty injectable products
- Portfolio of more than 800 products
- **Biologics:** Developing diverse pipeline of biosimilars in Oncology and Immunology. CHO-GS based cell lines with productivity of ~ 4.0 g/L

1 R&D center in Dayton, New Jersey – 25 scientists and analysts

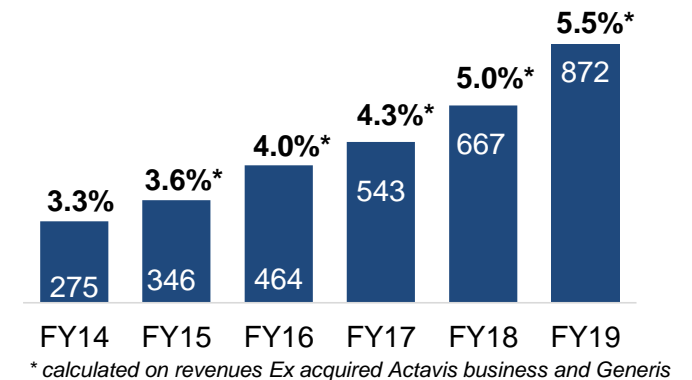
- Developing depot injectable and tamper/abuse-resistant technology products
- Concentrating on development of various niche oral formulation and controlled substances
- Portfolio of more than 30 products

1 R&D center in Raleigh, North Carolina – 40 scientist and analysts

- Developing various respiratory and nasal products, including inhalers
- Dermal Delivery portfolio including transdermal and topical products
- Portfolio of more than 40 products

All R&D centres have world-class talent and are equipped with state of the art infrastructure
Supported by well qualified and trained Regulatory and Intellectual Property teams

R&D Spend – INR Cr (as % of revenue)



Annexure

Filing details as on 31st Mar 2019




















Category	As at Mar 14	As at Mar 15	As at Mar 16	As at Mar 17	As at Mar 18	As at Mar 19	Approvals
Formulations							
US*	336	376	398	429	478	541	403 (FA: 377, TA:26)
Europe**	1,542	1,756	2,224	2,521	2,848	3003	2,385 Dossiers (259 products)
SA**	334	345	376	401	415	430	208 Registrations (98 products)
Canada***	72	83	105	121	137	150	133 products
Total	2,284	2,560	3,103	3,472	3,878	4,124	
API							
US***	181	192	205	220	227	242	
Europe**	1,504	1,601	1,689	1,735	1,814	1,834	
CoS	106	114	118	125	131	139	
Others**	627	681	715	749	803	932	
Total	2,418	2,588	2,727	2,829	2,975	3,147	



Extensive Manufacturing Base with High Quality Control and Compliance

Finished Dose Formulations

Site	Product Capabilities
 Unit III	Non antibiotics, ARVs / Orals
 Unit IV	Injectables (Non-antibiotics)&Ophthalmics
 Unit VI B	Cephalosporin / Orals
 Unit VII	Non antibiotics, ARVs / Orals
 Unit XII	Antibiotics, injectables, Orals
 AuroNext	Penem formulations
 Brazil Unit	Antibiotics
 Eugia*	Oncology & Hormones
 AuroLife	Non antibiotic & Controlled substances
 AuroHealth	Pharma OTC / Orals and Liquids
 Natrol	Nutraceuticals
 Unit X	Non antibiotics, Solid Orals
 Unit XV	Non antibiotics, Solid & Liquid Orals (EU)
 Unit XVI	Antibiotics, Injectables
 APL Healthcare	Pharma OTC, Solid Orals
 Generis	Non antibiotics Orals
 Netherlands	Non antibiotics Orals














Large manufacturing capabilities approved by key regulators for a diversified product portfolio with technology & expertise for specialty formulations

Vertically integrated operations from conception to commercialization

Setting up manufacturing facilities for Biosimilars and Vaccines

* Under construction / Yet to be operationalized

Active Pharma Ingredients

Site	Product Capabilities
 Unit I	CVS, CNS, Anti-Allergics, Non-Sterile
 Unit IA	Cephalosporin
 Unit II	Intermediates for non antibiotics, Penems
 Unit V	Antibiotics (Sterile & Non-sterile)
 Unit VIA	Cephalosporins (Sterile)
 Unit VIII	ARV, CVS, CNS (Non-sterile)
 Unit IX	Intermediates
 Unit XI	Non antibiotics
 Unit XI U	Antibiotics (Non-sterile)
 Unit XIV	CVS, Anti fungal
 Silicon LS	Penems (Non-sterile)
 AuroNext	Penems (Sterile)
 AuroPeptide	Peptides

High specification manufacturing plants approved by key regulators equipped by site dedicated control laboratories located in India

API plants equipped with particle size modifications systems to supply compacted and micronized materials

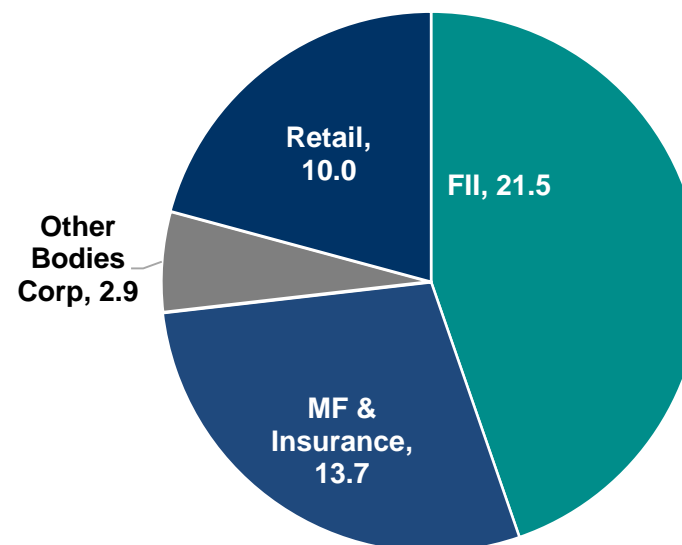
Shareholding Pattern



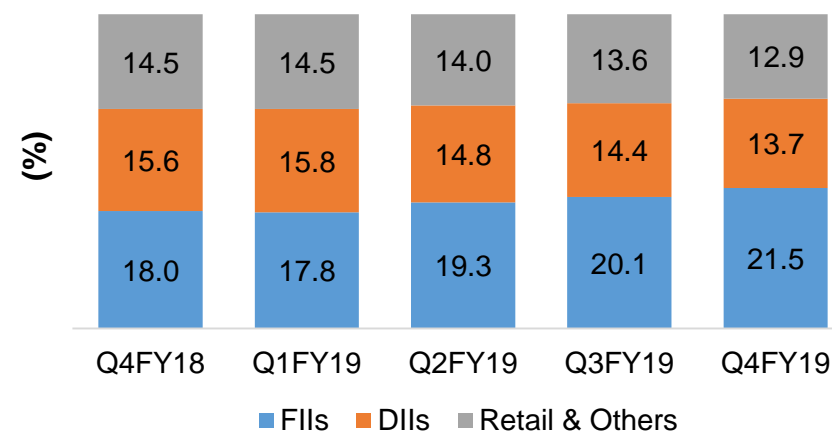
Group	As on 31 Mar 17	As on 31 Mar 18	As on 31 Mar 19
Promoter Group	51.9%	51.9%	51.9%
FII	21.0%	18.0%	21.5%
MF & Insurance	12.4%	15.6%	13.7%
Other Bodies Corporates	3.6%	2.9%	2.9%
Retail Investors	11.1%	11.4%	10.0%
Total	100%	100%	100%
Equity Shares (in Cr)	58.6	58.6	58.6
Face Value (INR)	1	1	1
Equity Capital (INR Cr)	58.6	58.6	58.6
M-Cap at close (INR Bn)	384.9	326.8	459.4
Shareholder family (# '000)	189.3	218.0	181.1

APL has not raised any funds post IPO

Non-Promoter Holding 48.1% as on 31st Mar 2019



Non-Promoter Holding Movement over last 5 quarters



Thank You



For updates and specific queries, please visit our website www.aurobindo.com

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