

November 11, 2020

To Listing Department, NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (E), MUMBAI -400 051 Company Code No. AUROPHARMA	To The Corporate Relations Department BSE LIMITED Phiroz Jeejeebhoy Towers, 25 th floor, Dalal Street, MUMBAI -400 001 Company Code No. 524804
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Dear Sir,

Sub: Investor / Analysts Presentation

Please refer to our letter dated November 10, 2020 wherein we have intimated the schedule of Investors/ Analysts call on November 12, 2020. In this connection, we enclose herewith the presentation that would be used in the Investors / Analysts call on the Un-audited Financial Results of the Company for the second Quarter ended September 30, 2020. The presentation is also being uploaded in the following weblink of the Company.

<https://www.aurobindo.com/investors/results-reports-presentations/investor-presentations/>

Please take the information on record.

Thanking you,

Yours faithfully,
For **AUROBINDO PHARMA LIMITED**



B. Adi Reddy
Company Secretary

Encl.: As Above





AUROBINDO PHARMA LTD **Earnings Presentation**

November 2020



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This presentation contains statements that constitute “forward looking statements” including and without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance.

While these forward looking statements represent our judgment and future expectations concerning the development of our business, such statements reflect various assumptions concerning future developments and a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, regulatory and legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance.

Aurobindo Pharma undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

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Q2FY21 Business & Financial Highlights

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Financial Performance

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Filing Snapshot

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R&D – Speciality pipeline under development

04



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Q2FY21 Business & Financial Highlights

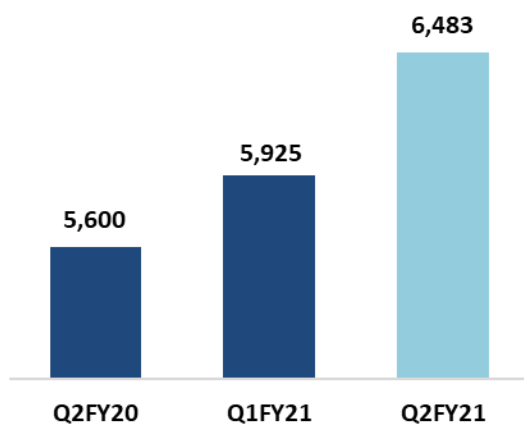
Consolidated Financial Performance – Q2 FY21



In Rs Cr

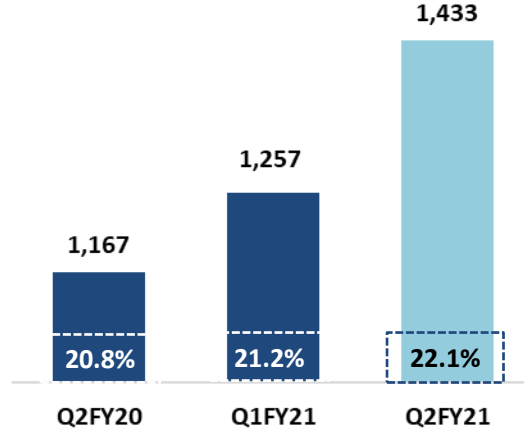
Revenue

↑ 15.8% YoY
↑ 9.4% QoQ



EBITDA

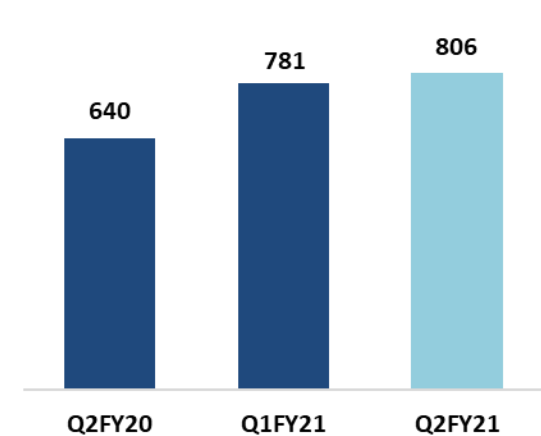
↑ 22.7% YoY
↑ 14.0% QoQ



EBITDA Margin

Profit After Tax

↑ 26.0% YoY
↑ 3.3% QoQ



Consolidated Financial & Business Highlights – Q2 FY21



Revenue from operations at Rs. 6,483.4 crore, witnessed a growth of 15.8% YoY

EBIDTA before Forex and Other income at Rs. 1,432.8 crore, an increase of 22.7% YoY; EBITDA margin is at 22.1%

Net Profit after JV share, minority interest at Rs. 806.2 crore, up by 26.0%

Research & Development (R&D) spend at Rs. 407.5 crore, 6.3% of revenue

Basic & Diluted EPS is Rs. 13.75 per share

Net organic capex for the quarter ~US\$ 37 million

Net Debt to Equity at the end of Sep 2020 is 0.08x

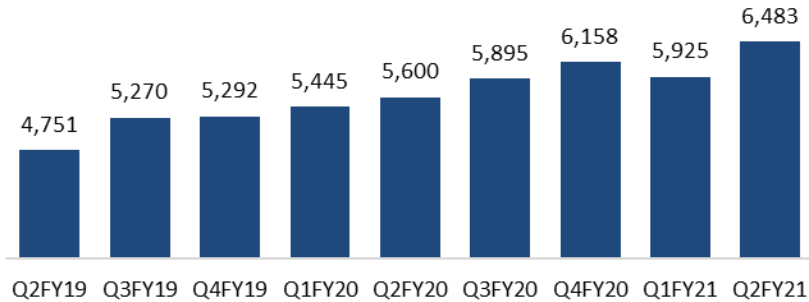
Net Debt¹ at the of Sep 2020 is at US\$ 194 Mn

Return on Capital Employed (RoCE) for H1FY21 is 20.3% vs. 18.2% in FY20

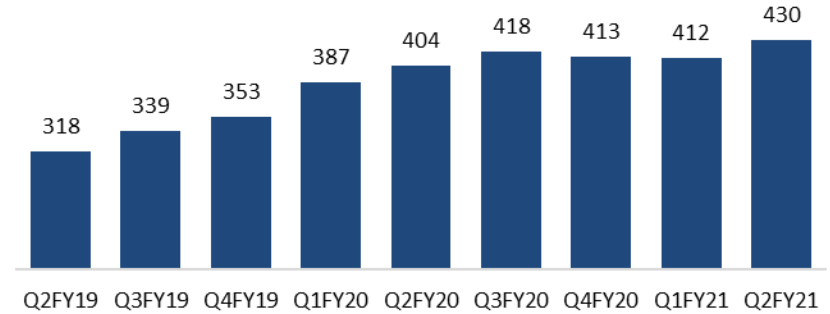
Consistent Quarterly Performance



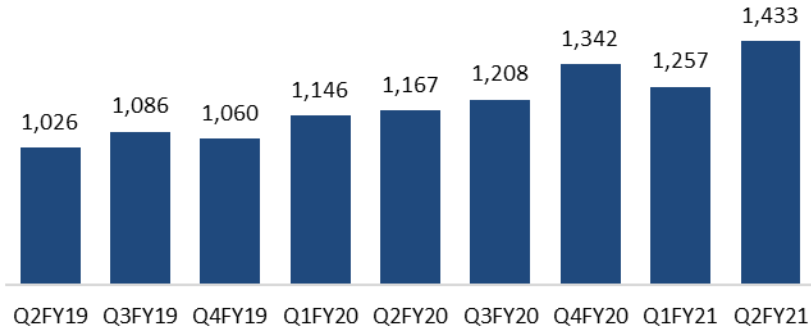
Revenue (Rs Cr)



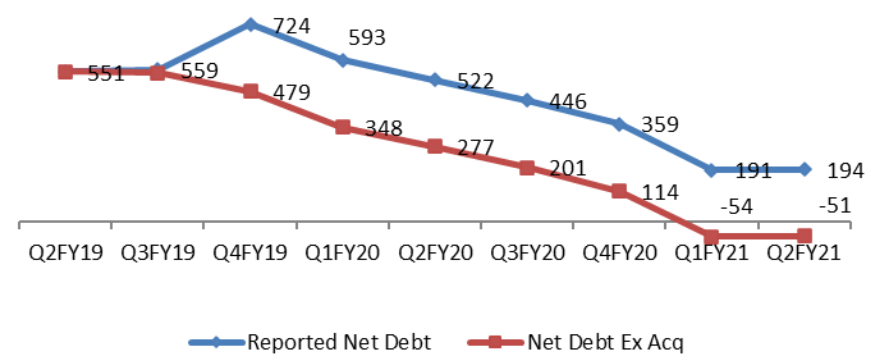
US Revenue (\$ Mn)



EBITDA (Rs Cr)



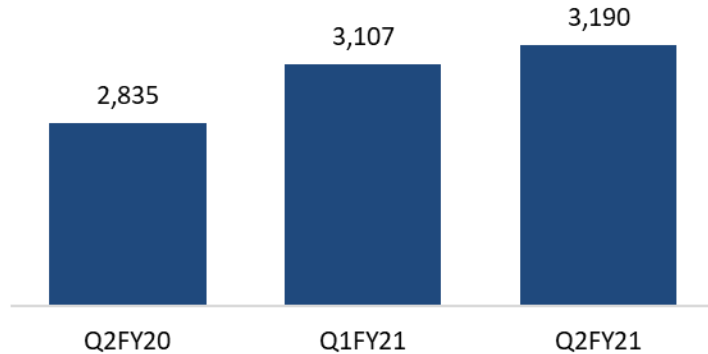
Net Debt (\$ Mn) - Reported & Without Acquisitions



US Business Performance Highlights



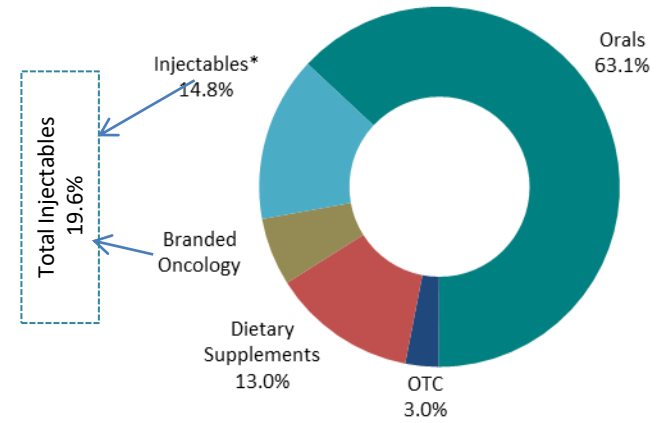
Revenue (Rs Cr)



US Formulations

- US revenue in Q2FY21 witnessed a growth of 12.5% YoY to Rs 3,189.8 crore, accounting 49.2% of consolidated revenue. On constant currency basis, revenue grew by 6.6% YoY to US\$ 430 million
- Filed 24 ANDAs with USFDA including 10 injectables in Q2FY21
- Received final approval for 10 ANDAs in Q2FY21
- The company has launched 17 products during the quarter including 6 injectable

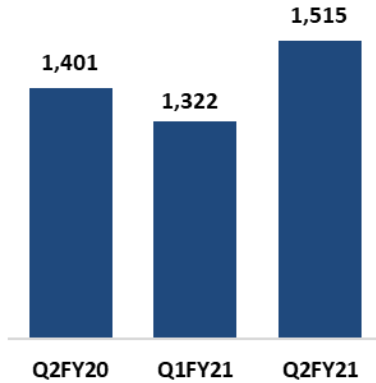
Revenue Mix H1FY21



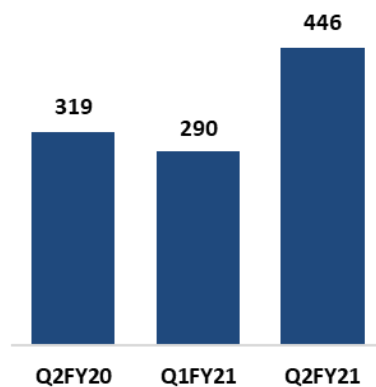
Europe, ARV, Growth Markets, API Business Performance Highlights



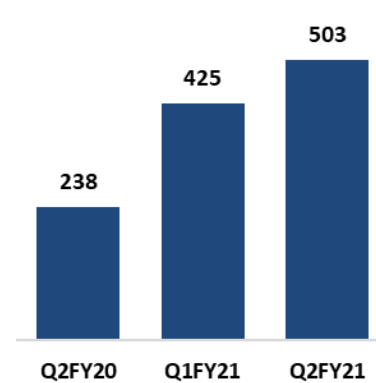
Europe Revenues



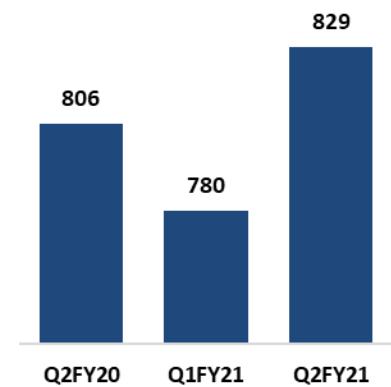
Growth Markets Revenues



ARV Revenues



API Revenues



- Europe revenue in Q2FY21 increased by 8.1% YoY to Rs 1,514.8 crore, accounting 23.4% of consolidated revenue. Europe business has recovered and witnessed a growth 14.6% sequentially after Q1FY21 was impacted by stocking up at the beginning of pandemic.

- Revenue from Growth markets formulations in Q2FY21 increased by 39.9% YoY to Rs. 446.5 Cr and accounted for 6.9% of revenue. Growth Markets has recovered and witnessed a growth 54% sequentially after the previous quarter was impacted due to stocking up at the beginning of pandemic.

- ARV business revenue for Q2FY21 was at Rs 502.7 Cr compared to Rs 237.9 Cr in Q2FY20, an increase of 111.4% YoY and accounted for 7.8% of revenue.
- The increased conversion from TLE to TLD across the geographies has led to the growth

- In Q2FY21, API business posted a revenue of Rs 829.0 Cr, an increase of 2.9% YoY and contributed 12.8% to the consolidated revenues
- The company filed 9 DMFs with USFDA during the quarter.



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Financial Performance

Consolidated Financial Performance



Rs Cr	Q2FY21	Q2FY20	(%) Chg	Q1FY21	(%) Chg
Revenue from operations	6,483.4	5,600.5	15.8	5,924.8	9.4
Gross Profit	3,967.7	3,232.2	22.8	3,517.4	12.8
<i>Gross Margin</i>	<i>61.2%</i>	<i>57.7%</i>		<i>59.4%</i>	
Overheads	2,534.9	2,064.7	22.8	2,260.0	12.2
EBITDA (before forex and other income)	1,432.8	1,167.5	22.7	1,257.4	14.0
EBITDA Margin	22.1%	20.8%		21.2%	
Fx Gain/Loss	6.6	-27.2		22.2	
Other income	47.2	20.6	128.8	93.4	-49.5
Finance Cost	15.7	40.9	-61.6	21.1	-25.4
Depreciation	257.3	243.3	5.8	255.5	0.7
PBT before Exceptional items	1,213.5	876.6	38.4	1,096.4	10.7
Exceptional item	0.0	-12.8		0.0	
PAT (after JV share, minority interest)	806.2	639.9	26.0	780.6	3.3
EPS	13.75	10.92		13.32	
Average Fx rate US\$1 = INR	75.3915	70.2658		75.3915	

Financial Performance – 5 Year trend

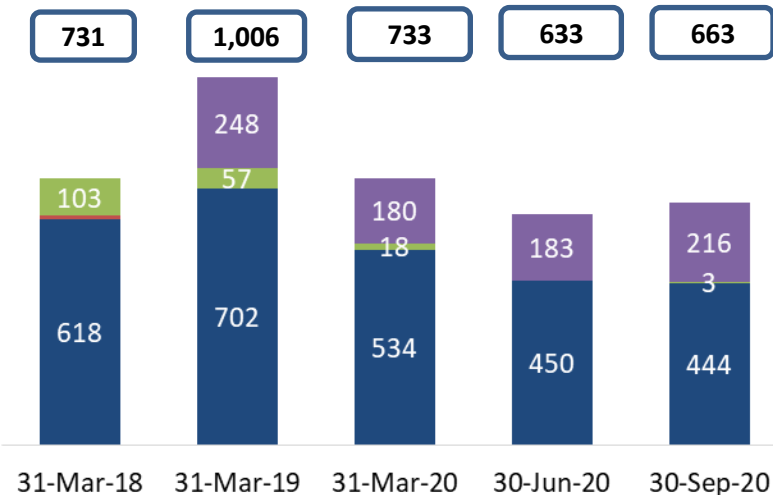


Rs. Cr	FY16	FY17	FY18	FY19	FY20
Revenue	13,955	15,090	16,500	19,564	23,099
Gross Profit	7,793	8,656	9,747	10,851	13,363
Gross Profit Margin	55.8%	57.4%	59.1%	55.5%	57.9%
EBITDA	3,188	3,434	3,789	3,952	4,864
EBITDA Margin	22.8%	22.8%	23.0%	20.2%	21.1%
Net Profit	2,025	2,302	2,423	2,365	2,831
Net Profit Margin	14.5%	15.3%	14.7%	12.1%	12.3%
EPS (Rs.)	34.66	39.33	41.36	40.36	48.32
Total Equity	7,290	9,374	11,682	13,892	16,818
Net Debt	4,241	2,851	3,508	5,010	2,718
RoE (%)	32.5%	27.6%	23.0%	18.4%	18.4%
RoCE (%)*	25.8%	24.9%	22.7%	17.9%	18.2%
Net Debt / Equity (x)	0.58	0.30	0.30	0.36	0.16
Net Debt / EBITDA (x)	1.33	0.83	0.93	1.27	0.56

Debt Profile



Fx Loan US\$ Mn



- Bridge loan*
- Other Term Loans (Subsidiaries) & Unsecured Loans
- ECB - APL
- Working Capital

Debt as on (Rs Crore)	Mar-18	Mar-19	Mar-20	June-20	Sep-20
Closing Rate 1 US\$ = INR	65.17	69.155	75.6650	75.5050	73.770
Fx Loan restated in INR	4,766.9	6,959.0	5,549.2	4,776.0	4,888.1
Rupee Loan	4.1	8.1	16.9	0.6	100
Gross Debt	4,771.0	6,967.1	5,566.1	4,776.6	4,988.1
Cash Balance & Short-term Investments	1,263.6	1,959.1	2,847.7	3,331.8	3,560.7
Net Debt	3,507.4	5,008.1	2,718.4	1,444.8	1,427.5
Net Debt (US\$ Mn)	538.2	724.2	359.1	191.3	193.5
Finance Cost	2.0%	3.2%	2.1%	1.5%	1.3%

Net Debt Movement (US\$ Mn)

	H1FY21
Cash Flow from Business after working capital & Others	262
Capex	-86
Free Cash Flow before dividend	176
Dividend	-10
Free Cash flow after dividend	166

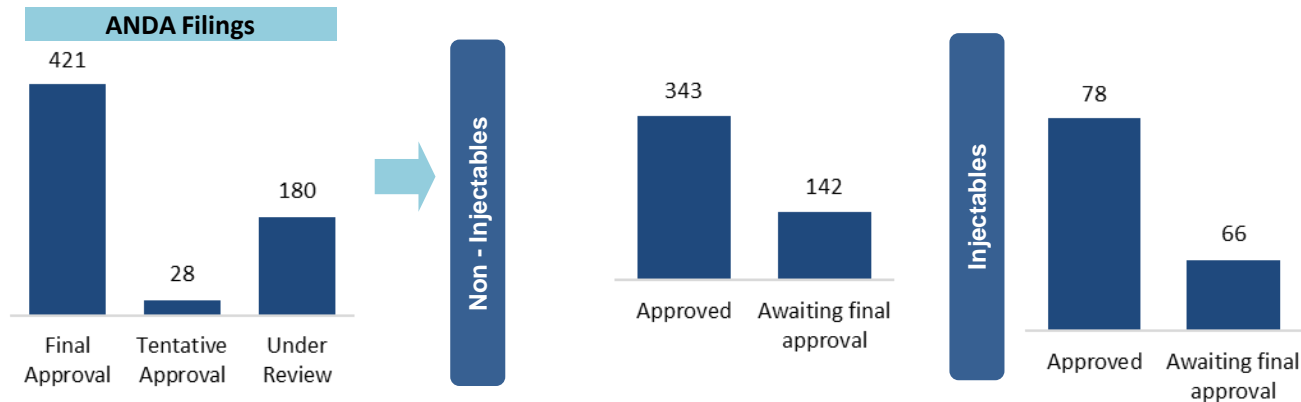
	Value (US\$ Mn)
Open Net Debt	359
Free Cash Flow	166
Closing Net Debt	194



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Filing Status

US Filings Snapshot as on 30th Sep 2020



Unit wise ANDA Filings

Site	Details	Final Approval	Tentative Approval*	Under Review	Total
Unit III	Oral Formulations	116	9	5	130
Unit IV	Injectables & Ophthalmics	72		54	126
Unit VIB	Cephalosporins Oral	11		1	12
Unit VII (SEZ)	Oral Formulations	136	13	21	170
Unit X	Oral Formulations	18	2	50	70
Unit XII	Penicillin Oral & Injectables	20			20
Aurolife & Aurolife - II	Orals & topicals	23	1	11	35
AuroNext	Penem Injectables	2			2
Eugia	Oral & Injectable Formulations	13	3	24	40
APL Healthcare	Oral Formulations	7		12	19
Others		3		2	5
Total		421	28	180	629

Therapy	ANDAs	Addressable Market Size (US\$ Bn)
CNS	106	23.2
CVS	94	29.7
ARV**	41	3.8
Gastroenterological	35	3.3
SSP & Cephs	31	0.6
Oncology & Hormones	41	14.1
Anti Diabetic	22	19.7
Controlled Substances	15	1.2
Respiratory (inc. Nasal)	18	1.3
Ophthalmics	15	3.4
Dermatology	3	0.9
Penem	2	0.3
Others	206	17.8
Total	629	119.2

As per IQVIA Sep MAT 2020, addressable Market at US\$ 119.2Bn including ~US\$ 93.1 Bn for Under Review and Tentative Approvals

*Tentative Approvals (TAs) include 8 ANDAs approved under PEPFAR; ** Does not include the addressable market of the products approved under PEPFAR; Awaiting final approval includes Tentative Approvals

Filing details



Category	As at Mar 15	As at Mar 16	As at Mar 17	As at Mar 18	As at Mar 19	As at June 19	As at Mar 20	As at Jun 20	As at Sep 20	Approvals
Formulations										
US*	376	398	429	478	541	551	586	604	629	449 (FA: 421, TA:28)
Europe**	1,756	2,224	2,521	2,848	3,003	3,082	3,214	3,248	3,278	2,635 Dossiers (295 products)
SA**	345	376	401	415	430	434	436	314	331	206 Registrations (102 products)
Canada***	83	105	121	137	150	154	160	165	174	148 products
Total	2,560	3,103	3,472	3,878	4,124	4,221	4,396	4,331	4,412	
API										
US***	192	205	220	227	242	250	254	257	249	
Europe**	1,601	1,689	1,735	1,814	1,834	1,845	1,861	1,870	1,870	
CoS	114	118	125	131	139	140	147	148	152	
Others**	681	715	749	803	932	968	1,096	1,127	1,158	
Total	2,588	2,727	2,829	2,975	3,147	3,203	3,358	3,402	3,429	

*Includes filings made from AuroLife Pharma LLC, USA (net of ANDAs withdrawn)

includes multiple registration; *excludes withdrawn

*US DMF filings have decreased in Q2FY21 vs. Q1FY21 as some of the DMFs were turned into inactive

@The number of filings have come down from 3,810 as on 31st Mar 2020 due to SAHPR backlog clearance program. As per the program long awaiting pending dossiers are now resubmitted and some of the dossiers are withdrawn



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R&D – Speciality pipeline under development

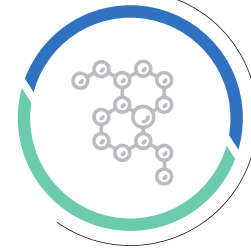
Focus on Building a Diverse and Robust Specialty Products Portfolio



Biosimilars



Inhalers



Oncology & Hormones



Topicals



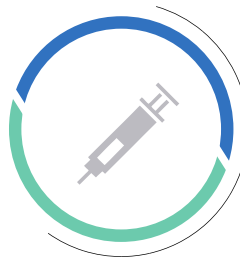
Transdermal Patches



Nasals



Depot Injections



Vaccines



Focus on Building a Diverse and Robust Specialty Products Portfolio - Biologics



- Our Biologics Division is a fully integrated company (CuraTeQ Biologics Pvt Ltd) focused on developing and manufacturing high quality biosimilars
- We are developing thirteen biosimilars in two phases (first and second wave) including immunotherapy products i.e. these trigger immune system against cancer cells
- Four first wave products are in various stages of clinical trials and three second wave products will complete pre-clinical studies to advance to clinical stage in the next year
- Global current market size of products under development is over US\$ 50 billion
- Our pipeline of biosimilars addresses Oncology, Autoimmune, Respiratory and Ophthalmology therapeutic segments
- We believe in serving patients across the globe with *“One quality product for all markets”*
- Integrated footprint with R&D, QC, QA, bulk manufacturing, fill and finish capabilities spread across 1,40,000 sq ft in a single campus
- GS-Xceed platform is used in cell line development, which translates into stable protein expression and high cell culture yield (>4.0 g/L)
- Facility designed as per highest standards to meet EMEA and FDA requirements

Initial biosimilars candidates in development – Market Opportunity over US\$ 20 bn

Molecule (market size in USD Bn)	Therapy	Current Status
BP01 (6.5 bn)	Oncology	Phase I completed; Application submitted for licensure enabling Phase 3 global trial in a EU country
BP14 (5.1 bn)	Oncology	Licensure enabling clinical trials in progress
BP13 (1.7 bn)	Oncology	Licensure enabling clinical trials in progress
BP02 (6.2 bn)	Oncology	Licensure enabling clinical trials in progress
BP05 (4.3 bn)	Ophthalmology	Phase III to start early FY2021-22

Facility has ample space for adding more capacities



Focus on Building a Diverse and Robust Specialty Products Portfolio



	Topicals	Transdermal Patches	Inhalers	Nasals
Number of Products	37	8	8	6
Addressable Market Size	\$4.4 Bn	\$3.2 Bn	\$10.0 Bn	\$1.3 Bn
Filing Status	ANDAs*: 3	To start from FY21	To start from FY21	ANDAs*: 2
Filing Target	To file 3-4 products in FY21 and rest over next 3-4 years	To file all products over next 3-4 years	To file all products over next 3-4 years	To file all products over next 3 years
Products Approved	-	-	-	1
Revenue generation to start from	FY22	FY23	Post FY23	FY21

Focus on Building a Diverse and Robust Specialty Products Portfolio



Oncology & Hormones

Depot Injection

Vaccines

Number of Products

84

3

5

Addressable Market Size

\$41.1 Bn

\$3.3 Bn

\$6.2 Bn^

Filing Status

ANDAs*: Oncology- 30
& Hormones- 10

To start from FY22

To start from FY22

Filing Target

To file all products over
next 3-4 years

Plans to file all products
in next 3-4 years

PCV vaccine to be filed in
India in FY22

Products Approved

13 ANDAs*

-

-

Revenue generation to start from

Started from Q1FY20

FY23


FY22/FY23



Investors Contact

Investor Relations team

 ir@aurobindo.com

 040-66725401

Thank You