

# Alembic Pharmaceuticals Limited



## Investor Presentation

July 2015

**BSE Code: 533573**

**NSE Code: APLLTD**

**Bloomberg Code: ALPM:IN**

**Reuters Code: ALEM.NS**

**[www.alembic-india.com](http://www.alembic-india.com)**



# 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.

# The Journey so far

**1907**

Alembic Ltd. starts manufacturing tinctures and alcohol at Vadodara

**1940**

Starts manufacturing cough syrup, vitamins, tonics and sculpture drugs

**1961**

Penicillin plant inaugurated

**1971**

Becomes 1<sup>st</sup> Indian company to manufacture Erythromycin

**1972**

Launched it under brand 'ALTHROCIN'

**2007**

Acquires Non-Oncology Division of Dabur Pharma - enters high margin segments such as Cardiology, Diabetes, Gastro and Gynaecology

**2004**

R&D facility set up at Vadodara

**2006**

Receives USFDA approval for API and Formulation facilities

**2001**

Starts manufacturing of Cephalosporin C

**2003**

Formulation facility set up for Regulated markets

**2010**

"Azithral" sales crosses INR 1bn  
Demerger of pharma business from Alembic Ltd. – Alembic Pharmaceuticals Ltd. Formed

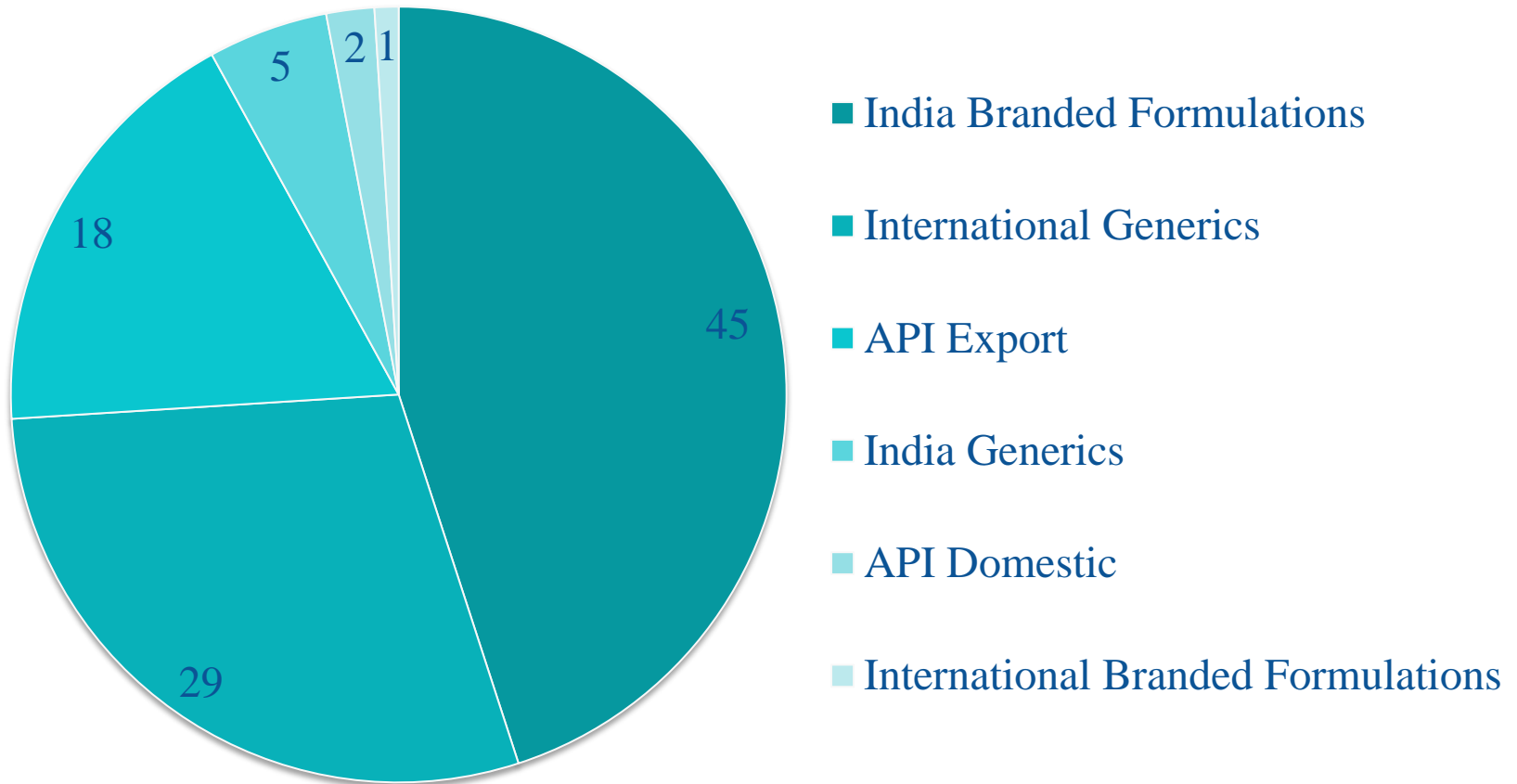
**2011**

Receives ANVISA approval  
Aggressive ANDA & DMF filings

**2015**

Cumulatively filings made for 68 ANDAs/NDAs and 73 DMFs  
18 Marketing divisions in operation for India business

## % of the total sales



## State-of-the-art Analytical & IPR infrastructure



### R&D facility

R&D centre has been recognized by DSIR, Govt. of India

High-end R&D equipment- NMR XRD, TGA, DSC, LCMS

World-class infrastructure

### F&D Capabilities

Commissioned new F&D center in Hyderabad with 40 scientist

Expertise in Drug Deliveries and Niche formulations

Well-defined Processes and Quality Systems

### Bio Equivalence Centre

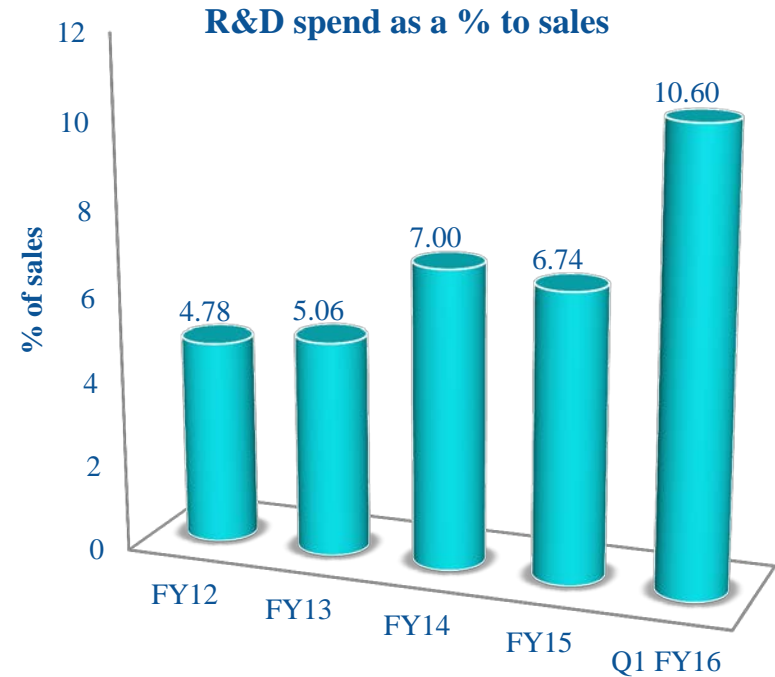
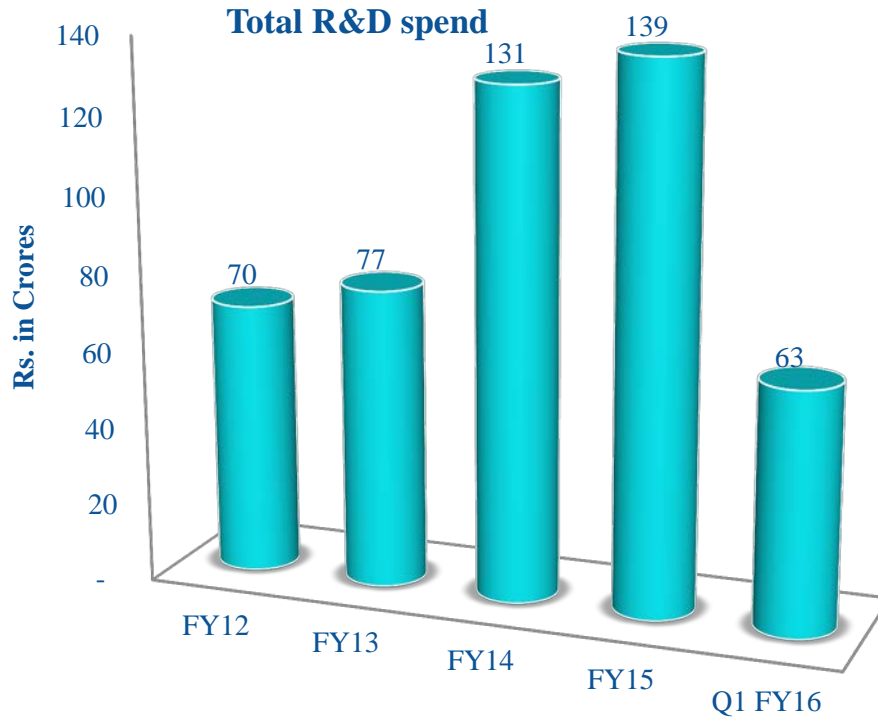
State-of-the art 90-bedded Bio Centre

100 Pilot studies

50 Pivotal Studies



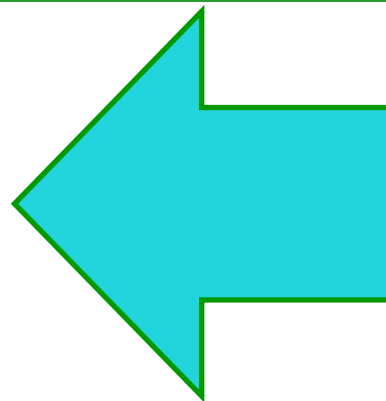
# R&D spends to continue rising



- Highly talented pool of 450 research scientists working to address complex genericisation opportunities, novel drug delivery systems and new technology platforms
- The Company has filed cumulatively 68 ANDAs/NDA and 73 DMFs with USFDA upto period ended 30<sup>th</sup> June 2015

# State of the Art Manufacturing Facilities

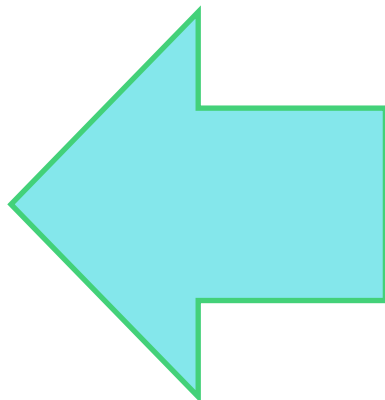
## Formulations



Located at Panelav, Gujarat

**USFDA, MCC, MHRA, ANVISA & TPD**  
approved – for Generic exports

Capacity - 7 bn tablets / capsules p.a.

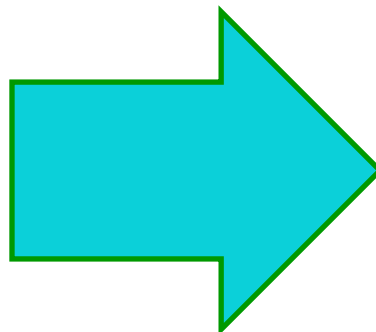


Located at Baddi, Himachal Pradesh  
**WHO GMP** approved

Manufactures branded formulations and caters  
to domestic market

Capacity 2 bn tablets / capsules p.a, 0.15 bn  
bottles p.a.

Located at Panelav and Karkhadi, Gujarat  
**USFDA, EDQM, TGA, WHO** approved



## APIs

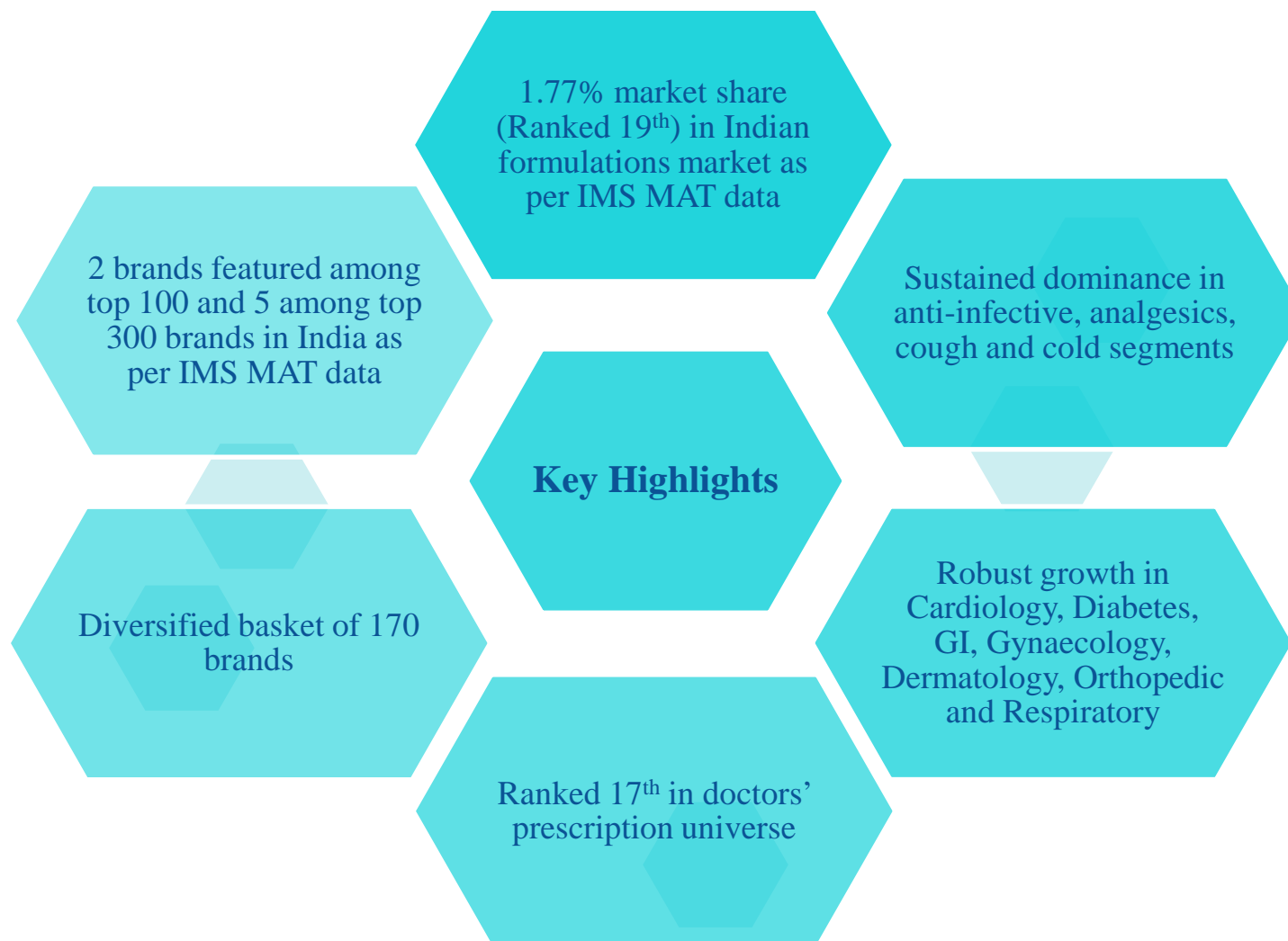


**Formulations business  
accounts for ~80% of revenues**



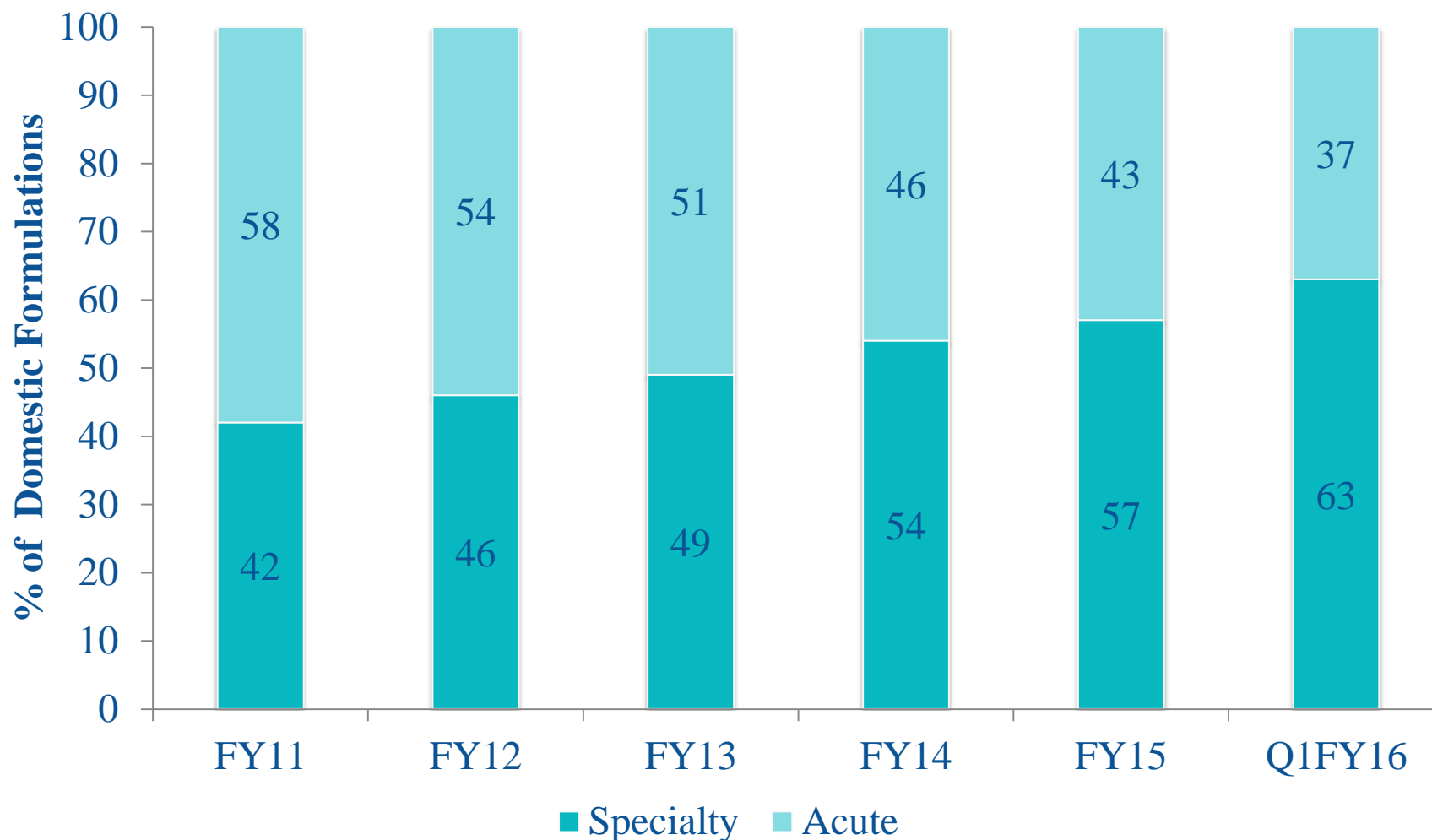
Branded business continues to grow

# Strong domestic market presence



# Continued shift towards Specialty therapies

## Therapy Dominance

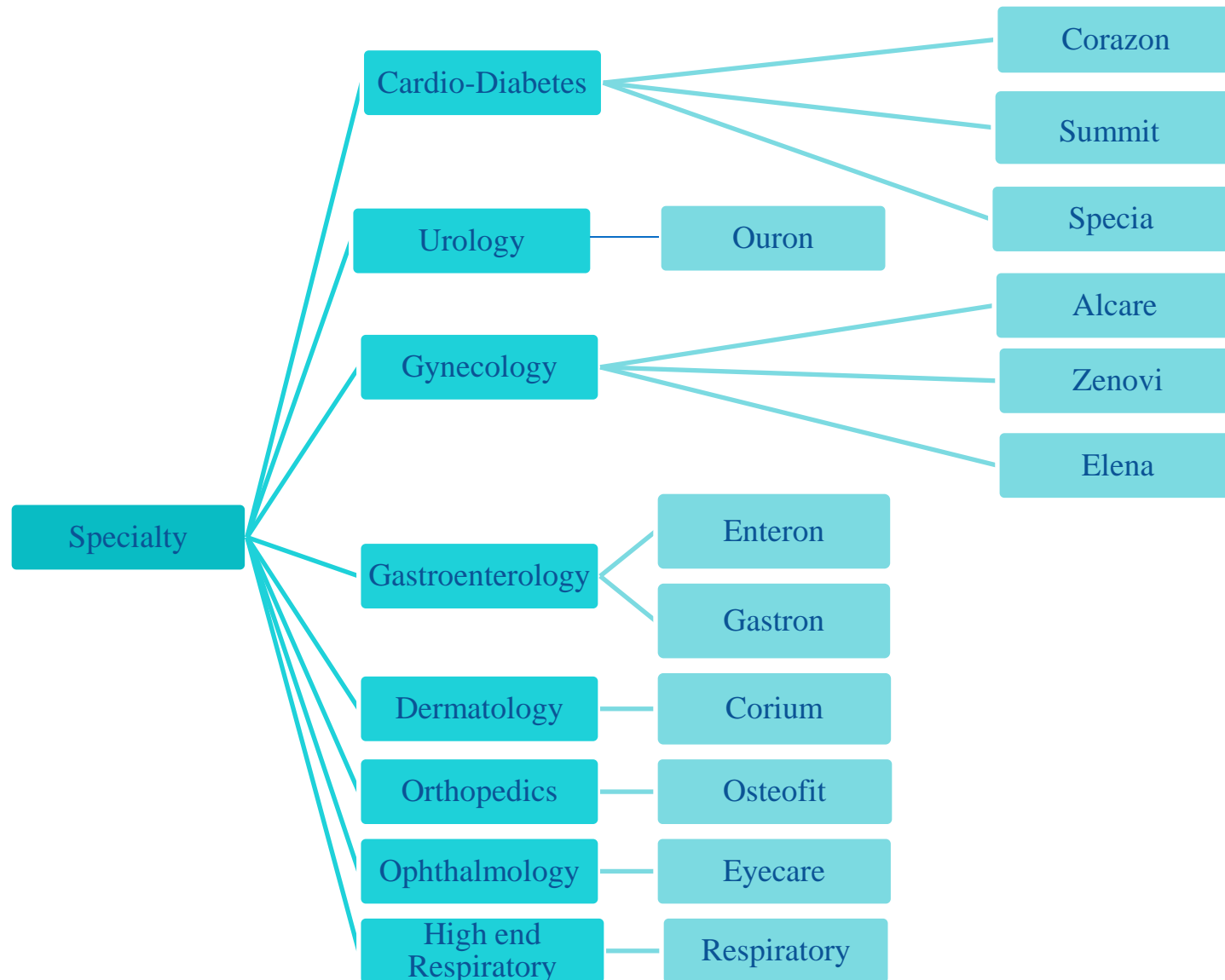


# Therapy-wise Performance Q1 FY16

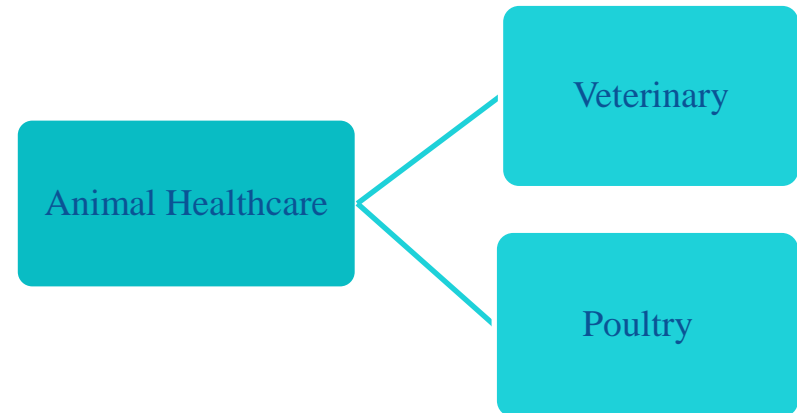
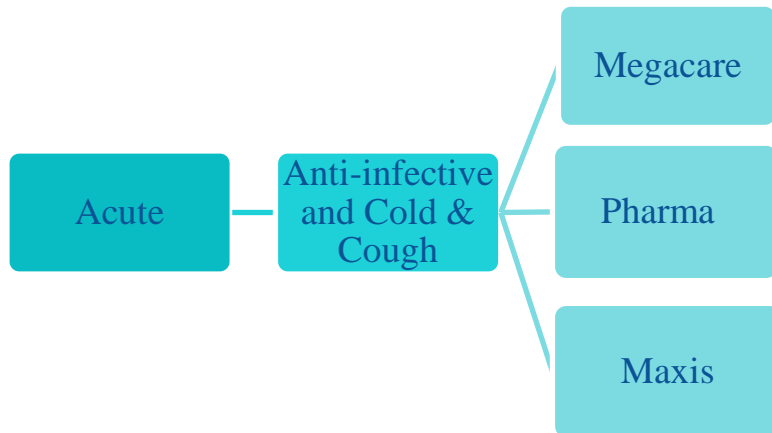
	JUN QTR 2015				JUN QTR 2014			
Therapy	Therapy Growth (ORG)	Market Share (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)	Therapy Growth (ORG)	Market Share (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)
Cardiology	14	1.97	47	35	12	1.53	22	34
Anti Diabetic	19	1.55	41	31	22	1.30	25	34
Gynaecology	12	2.58	39	22	11	2.08	22	39
Gastrology	15	2.23	12	16	13	2.27	11	20
Dermatological	20	0.50	54	26	20	0.39	44	49
Orthopaedic	12	0.96	0	20	13	1.08	12	18
Ophthalmology	16	1.21	-17	-17	18	1.70	21	12
Nephro / Uro	20	1.80	12	5	12	1.94	13	23
Anti Infective	5	3.36	4	8	8	3.39	-4	1
Cold & Cough	6	5.25	12	23	6	4.95	5	10
<b>OVERALL</b>	<b>13</b>	<b>1.69</b>	<b>19</b>	<b>18</b>	<b>13</b>	<b>1.60</b>	<b>9</b>	<b>16</b>

(Source : ORG June 2015)

# Marketing Divisions - Specialty



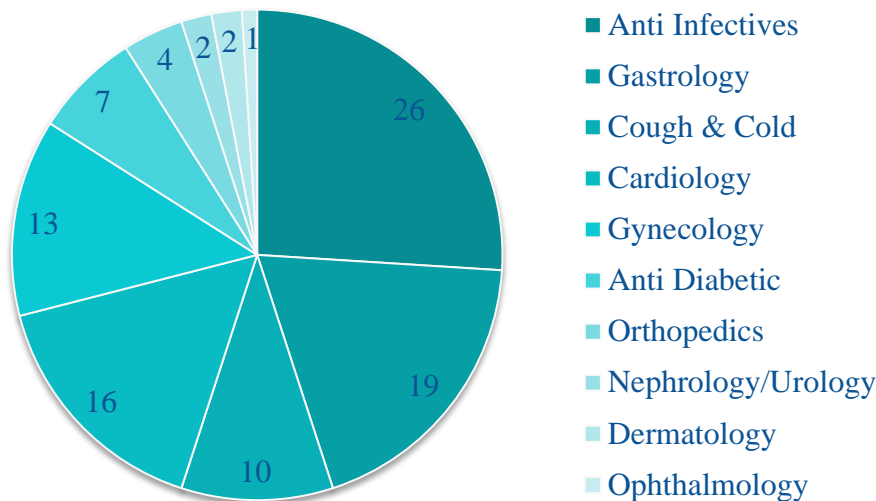




# Key Therapies & Brands

## Therapeutic Segment-wise Break-up (Q1FY16)

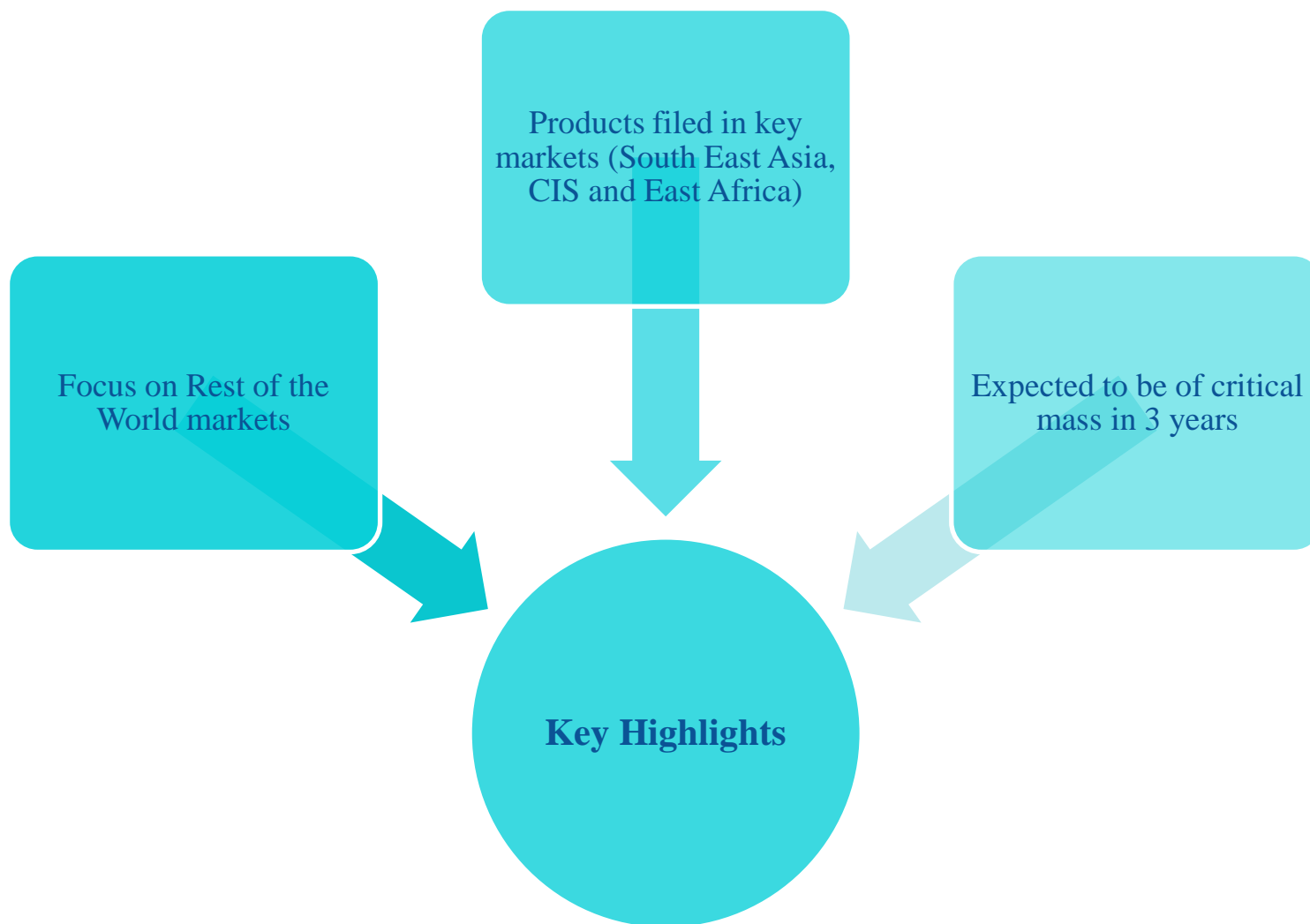
% of total domestic formulation revenue



- Launched 12 product SKUs in the domestic market in Q1FY16.

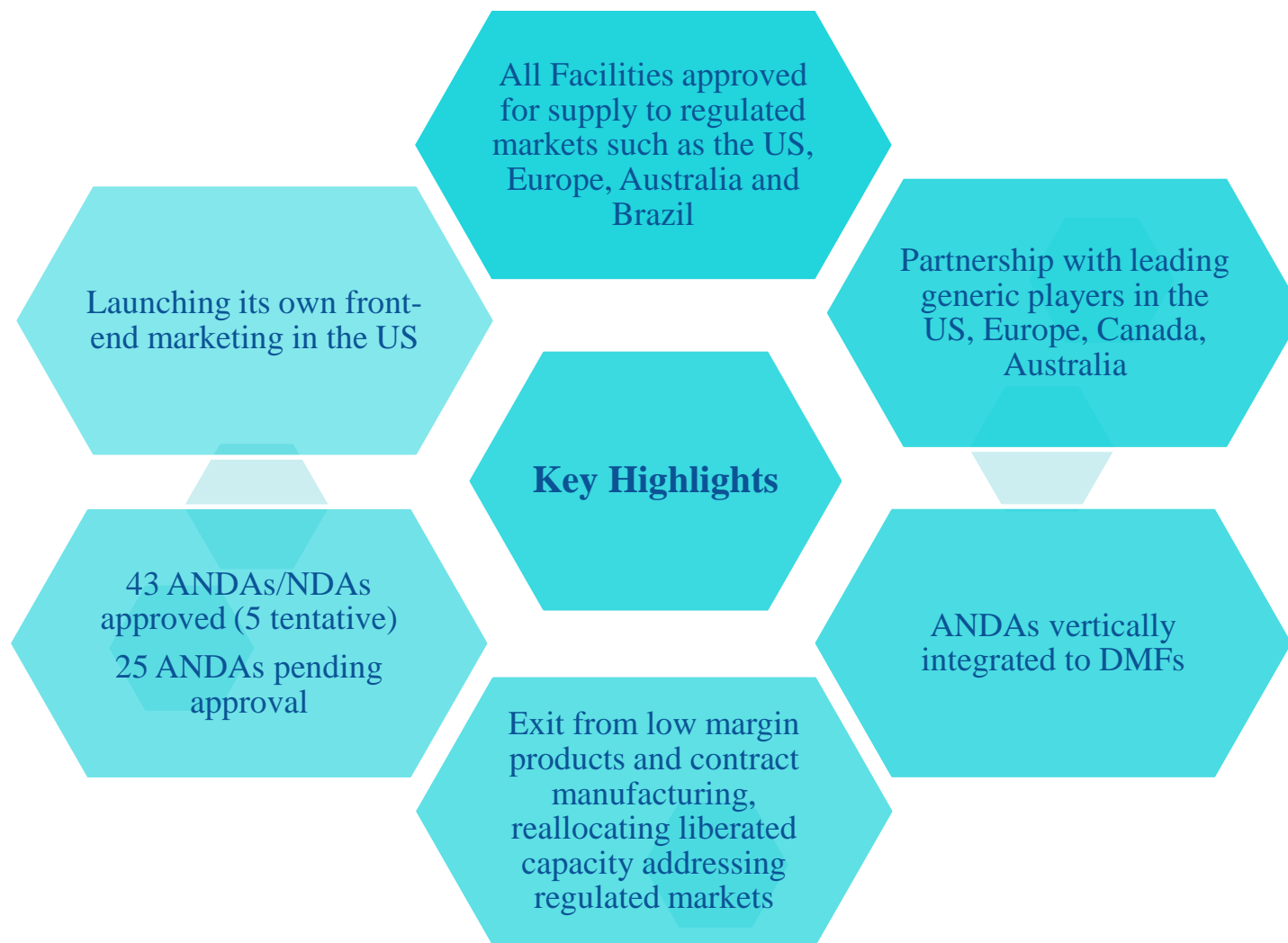
Brand Name	Therapeutic Area	Ranking
Azithral	Anti-infective	33
Althrocin	Anti-infective	66
Wikoryl	Respiratory	161
Roxid	Anti-infective	175
Gestofit	Gynecology	260

- 5% market share in the cough and cold segment
- 5000+ marketing team



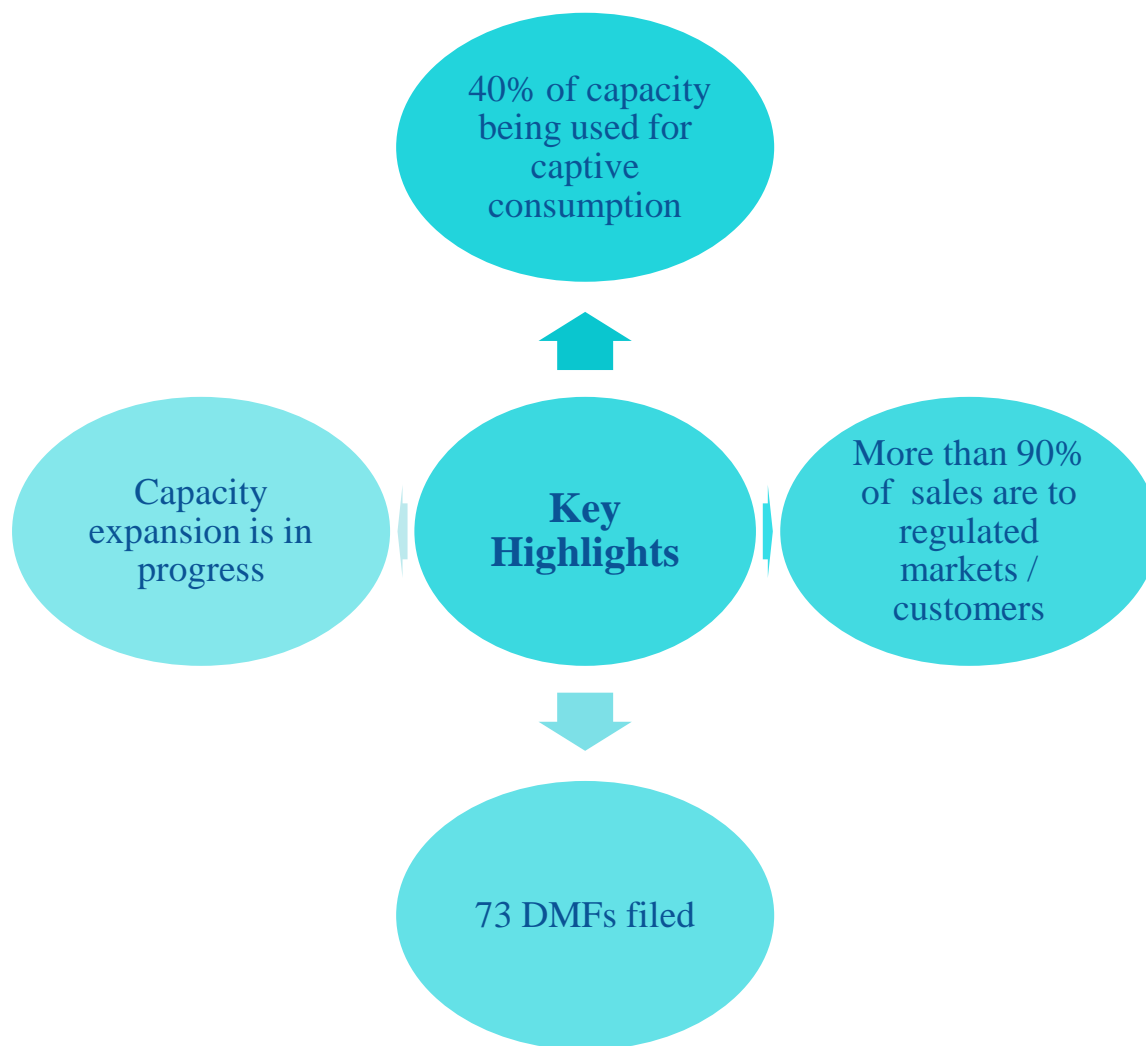
International Generics will be the  
growth driver

# Fast emerging player in international generics





API business accounts for ~20% of  
revenues

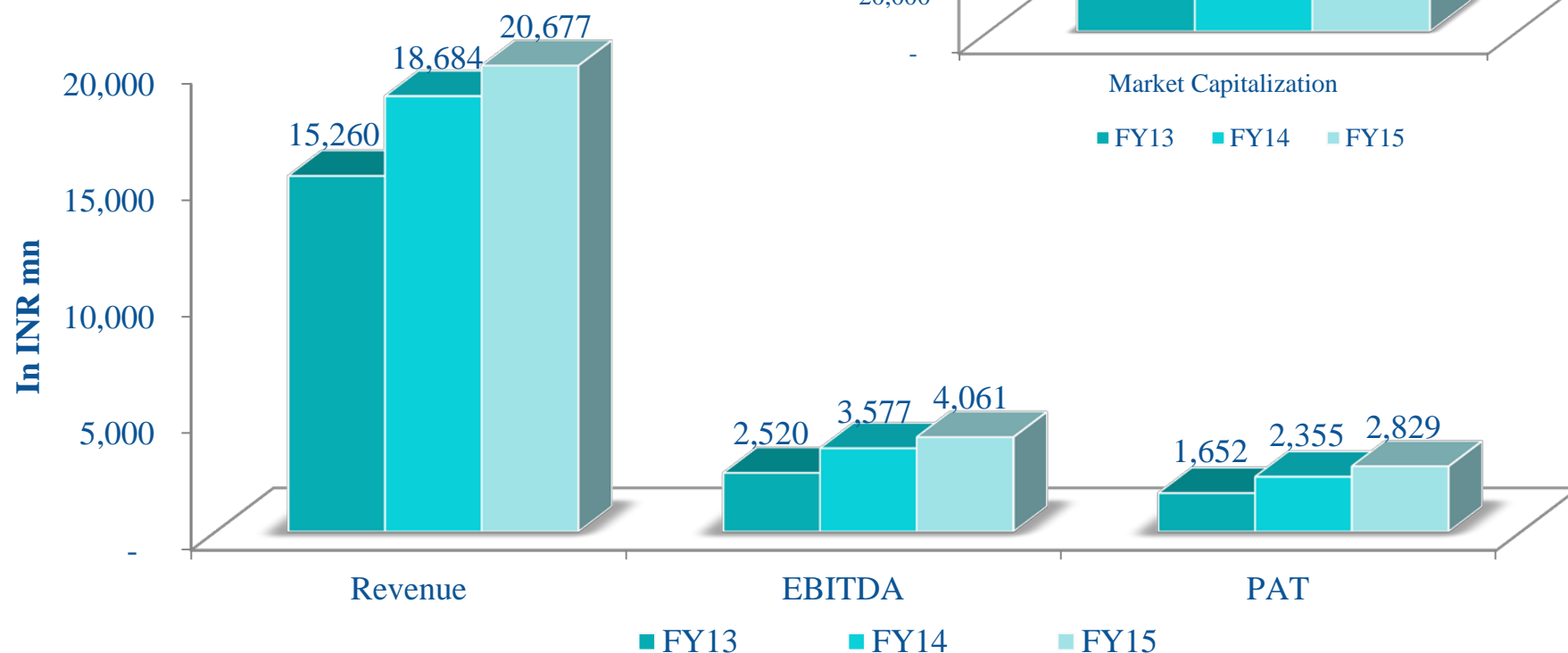


# Financial Snapshot

# Focus on shareholder value creation

## CAGR

Revenue	16%
EBITDA	27%
PAT	31%
Market Capitalization	108%



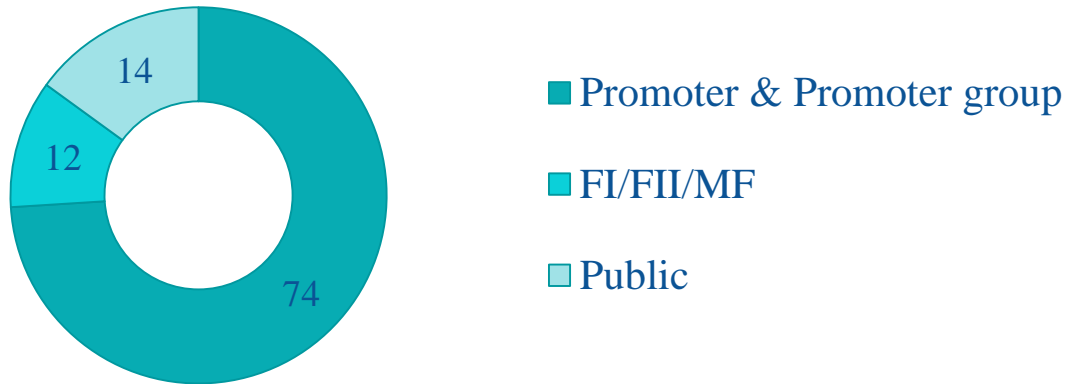
# Financial Highlights

Particulars (INR mn)	Q1FY16	Q1FY15	%Growth	FY 14-15	FY 13-14	%Growth
<b>Formulations Revenue</b>						
India						
Branded	2627	2233	18%	9808	8506	15%
Generics	286	252	13%	1227	1207	2%
International						
Branded	84	227	-63%	635	736	-14%
Generics	1677	1138	47%	5185	4684	11%
<b>API Revenue</b>	1168	1063	10%	3665	3389	8%
Exports Incentives	61	48		157	162	
<b>Total Revenue</b>	5903	4961	19%	20677	18684	11%
EBITDA	1020	960	6%	4061	3577	14%
<i>EBITDA %</i>	<i>17%</i>	<i>19%</i>		<i>19.6%</i>	<i>19.1%</i>	
PAT	699	647	8%	2829	2355	20%
<i>PAT %</i>	<i>12%</i>	<i>13%</i>		<i>13.7%</i>	<i>12.6%</i>	
EPS	3.71	3.43		15.01	12.49	
Book Value/share				51.14	35.84	43%
Debt				2635	1094	141%
<i>ROCE %</i>				<i>28.7%</i>	<i>39.7%</i>	



# Latest Shareholding Pattern

**% of Total Shareholding**



Market capitalization	INR 125 bn
Total paid-up share capital	377.03mn
Total number of shares O/S	188.52mn
No. of shareholders	50 K
Free float market capitalization	INR 32 bn

# Way forward

# Strategy going forward

- Continue to focus on complex products. Expect to launch 7-9 products every year for the next three years in the US markets
- Commercial launch in USA through our own front end.
- Filing ANDAs/MAs in other international markets such as Europe, Australia, Canada, Brazil and South Africa
- Sustained focus on R&D and F&D activities to build robust pipeline of products for regulated markets
- Continued focus on progressive therapies for sustainable growth and increased market share for India Branded business
- Building pipeline for ROW markets.

# Conference call details

<b>Date : Monday, July 31, 2015</b> <b>Time : 05.30 pm IST</b>	
India - Primary Number	+91 22 39381028
India - Secondary Number	+91 22 67468328
USA	1 866 746 2133
UK	0 808 101 1573
Singapore Toll Free No.	800 101 2045
Hong Kong Toll Free No.	800 964 448

## About Alembic Pharmaceuticals Limited

Alembic Pharmaceuticals Limited, a vertically integrated research and development pharmaceutical company, has been at the forefront of healthcare since 1907. Headquartered in India, Alembic is a publicly listed company that manufactures and markets generic pharmaceutical products all over the world. Alembic's state of the art research and manufacturing facilities are approved by regulatory authorities all over the world including the US FDA. Alembic is one of the leaders in branded generics in India. Alembic's brands, marketed through a marketing team of over 5000 are well recognized by doctors and patients.

Information about the company can be found at:

**[www.alembic-india.com](http://www.alembic-india.com)**;(Reuters:ALEM.NS) (Bloomberg:ALPM:IN) (NSE:APLLTD) (BSE:533573)

For updates and specific queries please feel free to contact

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