



## Q2 FY18 Investor Presentation

# Safe Harbor Statement

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and the underlying assumptions and statements, other than those based on historical facts, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in the markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in the healthcare sector
- Changes in the laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in the political conditions in India and in other global economies.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

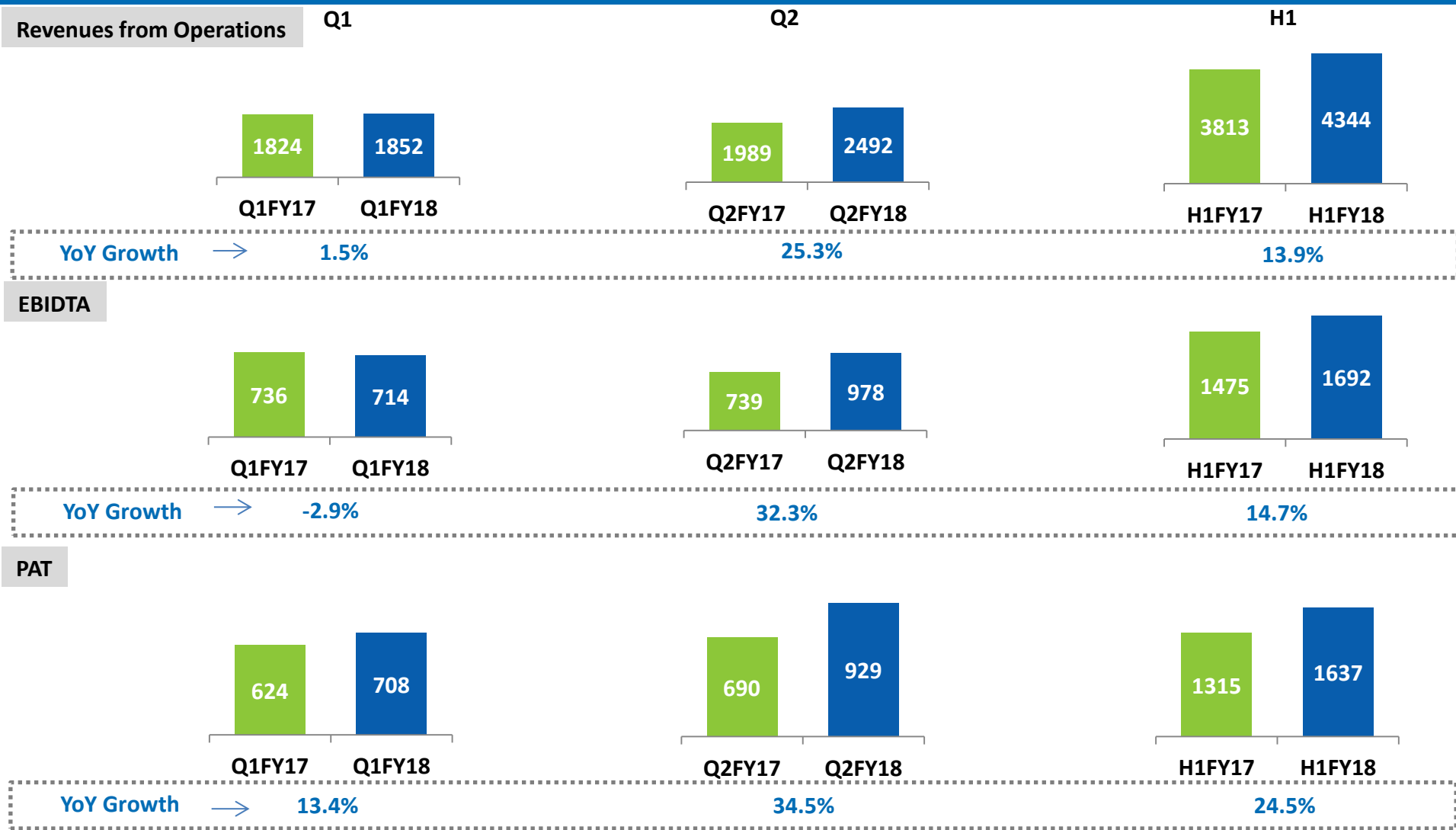
Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events, unless it is required by Law.



## Section 1

### Key Financial Highlights

# H1 FY 2018 : Key Financial Highlights



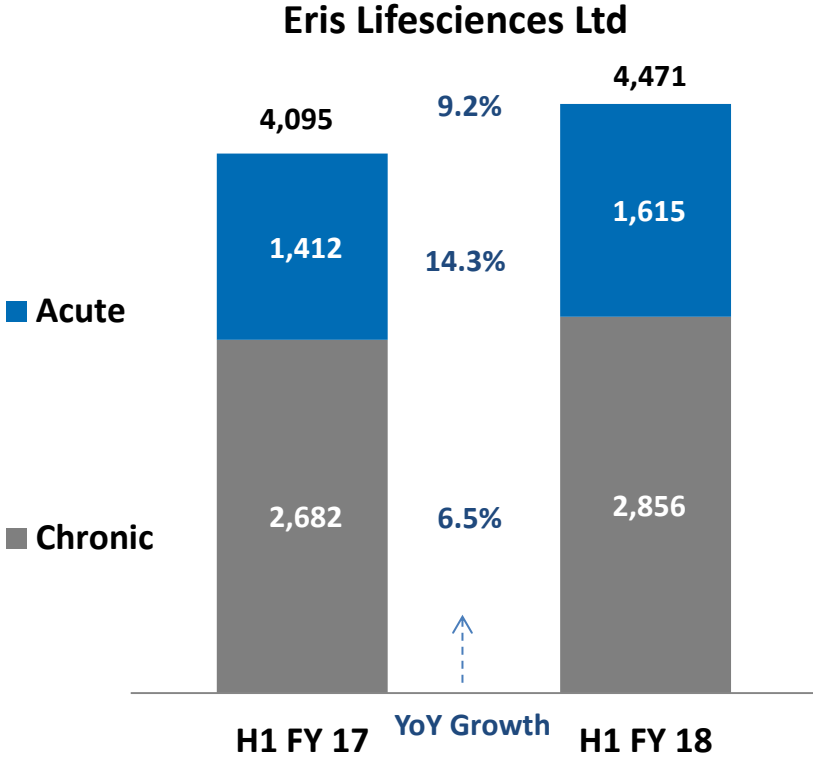
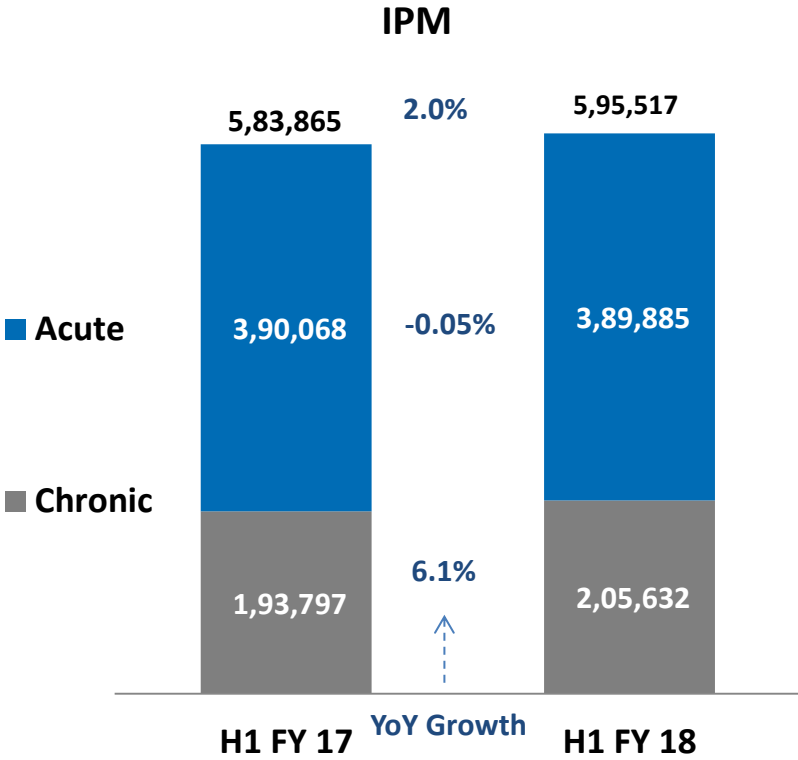
All figures in INR MN



## Section 2

### Business Overview

# H1 FY 2018 : Revenue comparison of Eris with IPM



All figures in INR MN  
Source IMS TSA MAT Sep 17

# Our business segments

## Revenue Contribution

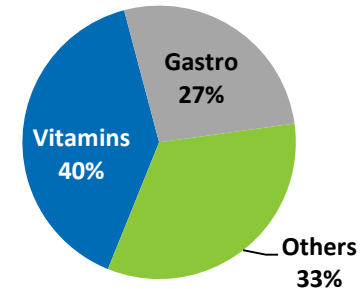
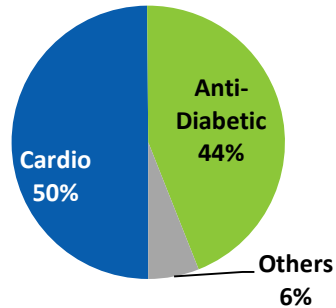
### Chronic

- ✓ INR 5491 MN (FY 17)/ INR 2856MN (H1 FY 18)
- ✓ 65.6%(FY 17)/ 63.9%(H1 FY 18)
- ✓ Revenue CAGR(FY 13-17) : 28.9%
- ✓ H1 FY18 YoY Revenue Growth : 6.5%

### Specialty Acute

- ✓ INR 2885 MN (FY 17)/ INR 1615 MN (H1 FY 18)
- ✓ 34.4%(FY 17)/ 36.1%(H1 FY 18)
- ✓ Revenue CAGR(FY 13-17) : 12.0%
- ✓ H1 FY18 YoY Revenue Growth :14.3%

## TA Wise Revenue Mix



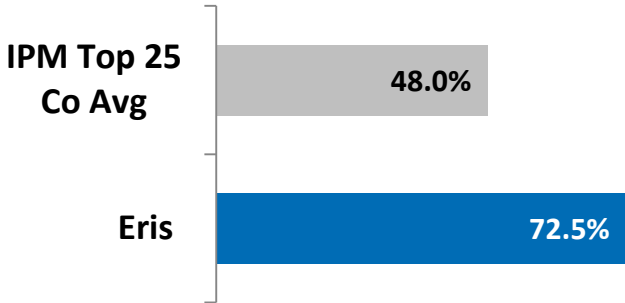
## Our DNA

- ✓ **Chronic therapies and lifestyle disorders**
- ✓ **Super specialty acute**
- ✓ **Clinically differentiated products/ Unmet need**
- ✓ **Complimentary portfolios**

# Strong brand & Specialty focus

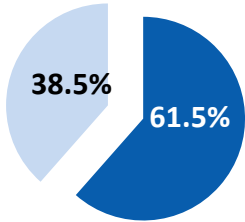


## Top 10 Mother brands revenue contribution



## IPM

### Prescription contribution



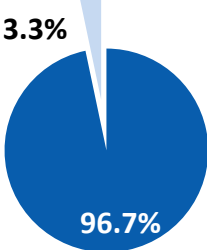
■ Specialists & Super Specialists

## Top 25 mother brands revenue contribution



## ERIS

### Prescription contribution



■ Specialists & Super Specialists

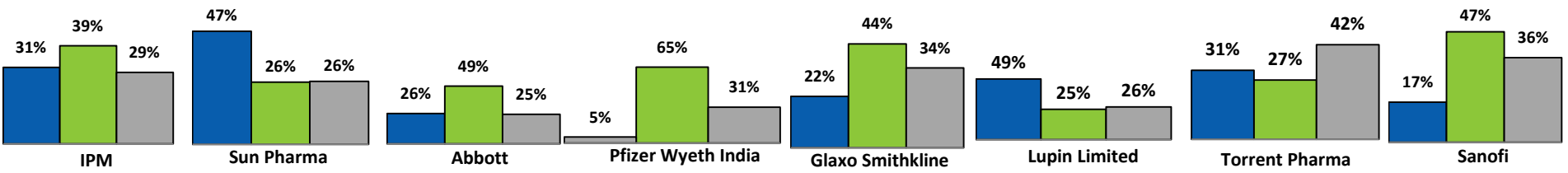
- ✓ Significantly higher contribution from Top 10 and Top 25 mother brands
- ✓ High focus on super-specialists and specialists



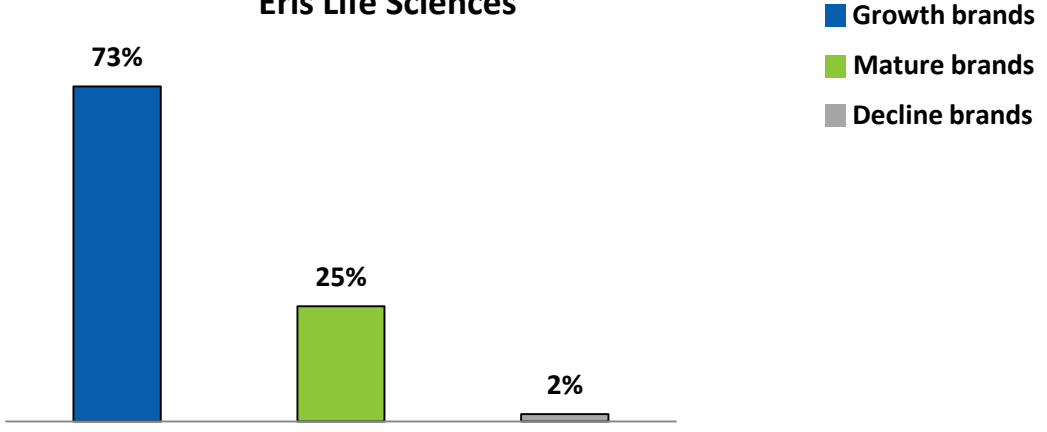
# Superior lifecycle profile of brands vis-à-vis IPM



Prescription contribution from lifecycle stages of pharmaceutical molecules constituting product portfolio of respective companies <sup>(1)</sup>



## Eris Life Sciences



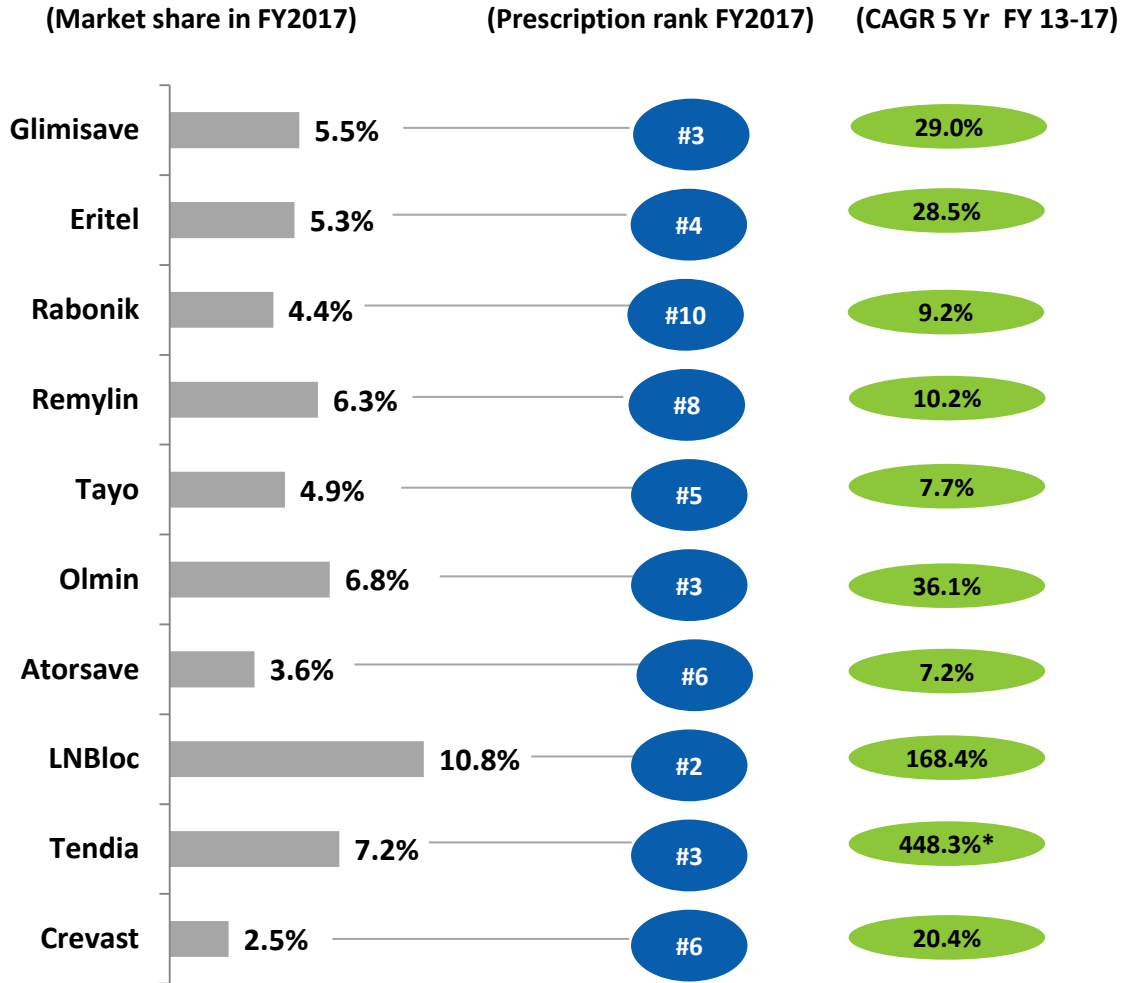
- Growth brands
- Mature brands
- Decline brands

Source: SMSRC data for MAT February 2017

Note:

1. Growth, mature and decline phases refer to rate of growth in prescriptions of pharmaceutical molecules (all molecules taken together) at a CAGR of 8% minus 1% minus 5% respectively, for the relevant period

# Our Top 10 Brands



✓ Our Top 10 brands have leading market position in their respective Therapeutic Areas

39 of our 255 brand extensions<sup>^</sup> fall under DPCO, which contributed to 12.03% & 10.52% of our revenues for FY 17 & Q1 FY 18 respectively



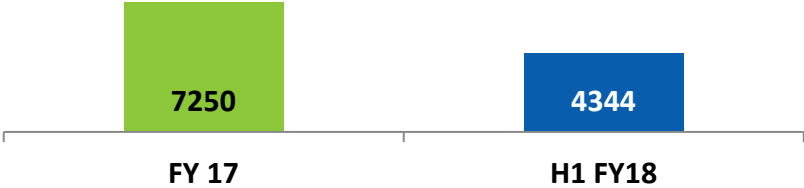
## Section 3

# Financial Performance & Business Strategy

# Company Productivity : H1 FY 18



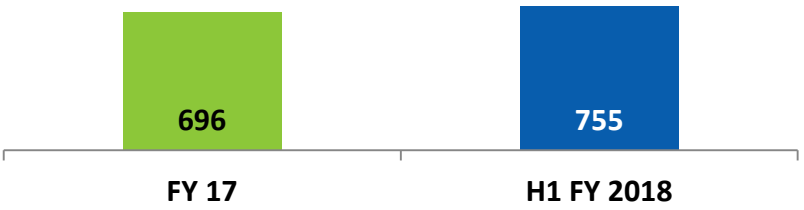
Sales Revenues



Medical Representatives



Field Managers

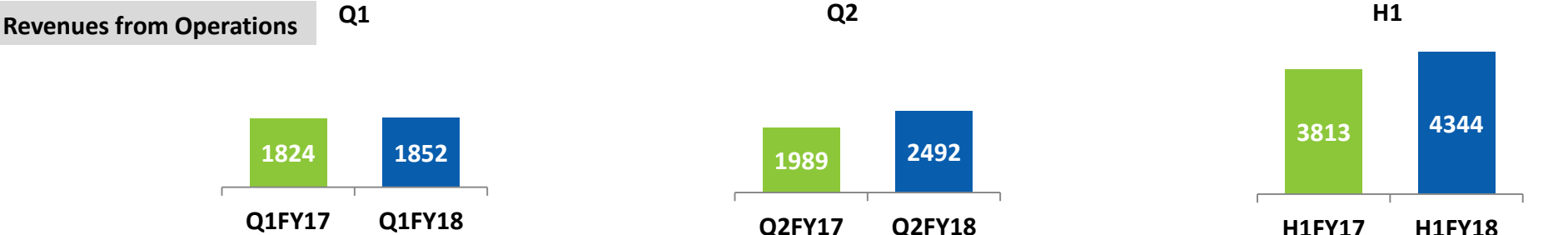


Yield per man per Month

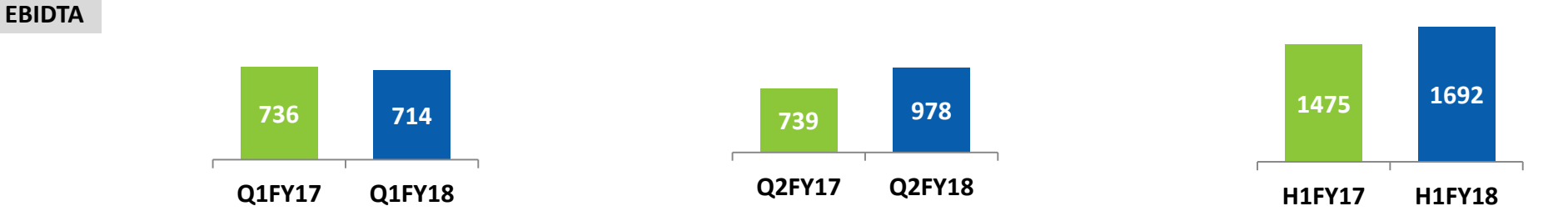


- Yield per man per month in INR lakhs
- Revenue in INR MN

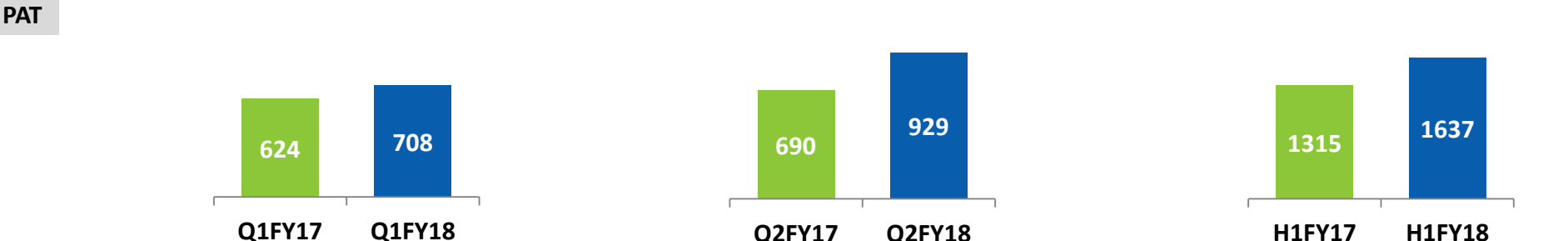
# Financial Performance : H1 FY 2018



**YoY Growth** → 1.5% (Q1), 25.3% (Q2), 13.9% (H1)



**YoY Growth** → -2.9% (Q1), 32.3% (Q2), 14.7% (H1)



**YoY Growth** → 13.4% (Q1), 34.5% (Q2), 24.5% (H1)

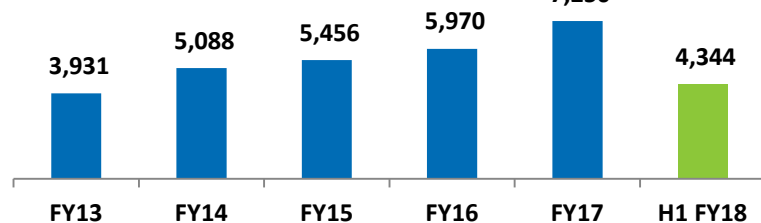
All figures in INR MN

# Financial Performance : H1 FY 2018



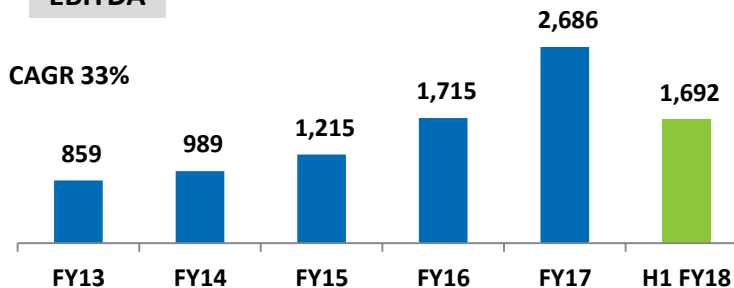
## Revenues from Operations

CAGR 16.5%



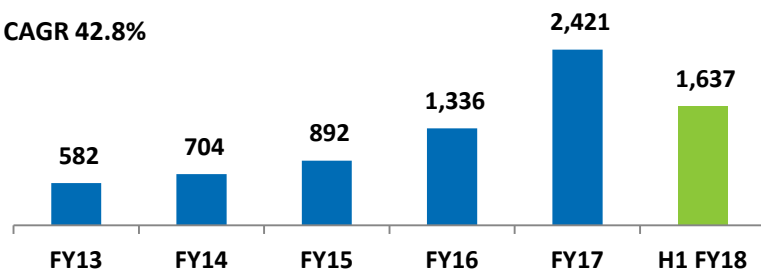
## EBITDA

CAGR 33%

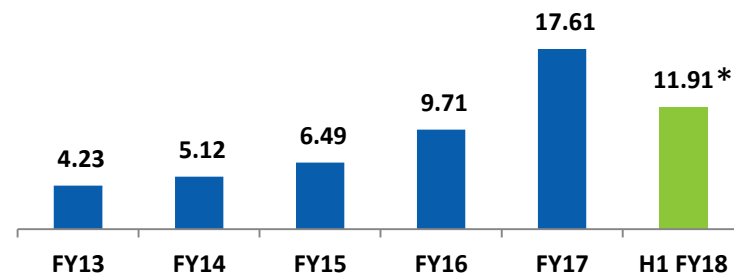


## PAT

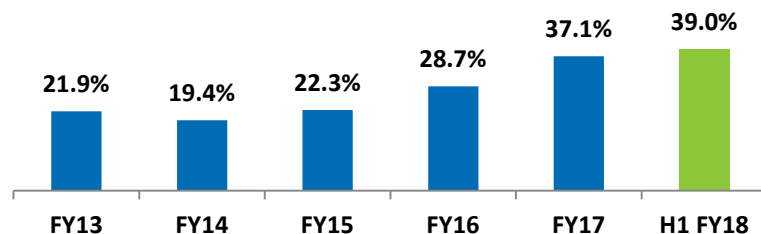
CAGR 42.8%



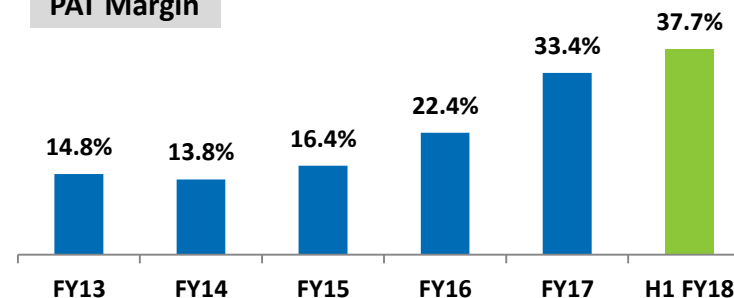
## EPS



## EBITDA Margin



## PAT Margin

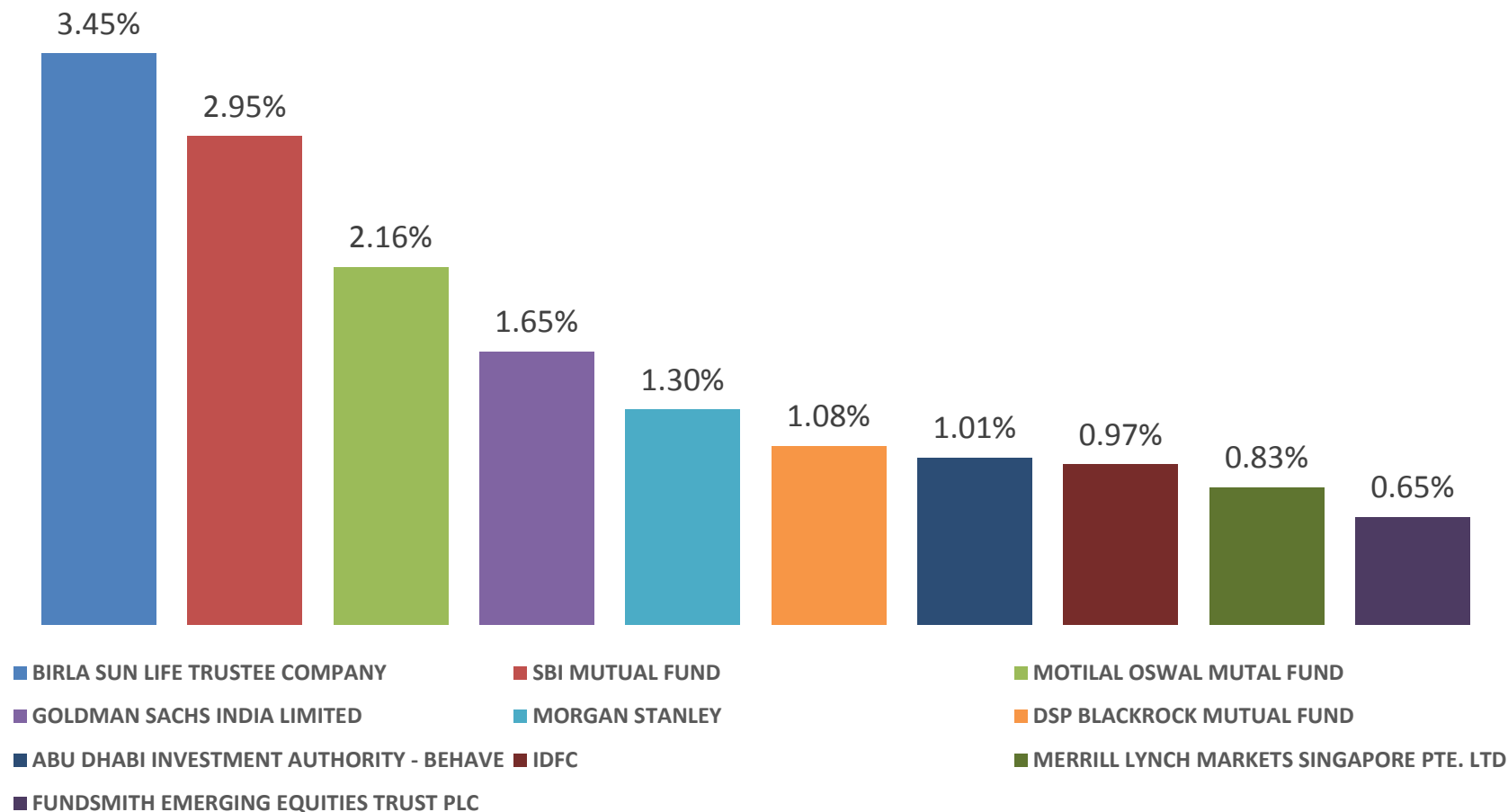


All figures are consolidated & in INR MN

(FY 13-FY17 figures are restated)

CAGR is for 5 years FY13-FY17;\* EPS (INR) is for H1 FY18, not annualized

# Top 10 Institutional Investors as on 30th Sep 2017



\* Based on grouping assumptions

# Way Forward

Consolidate	Expand	In-Licensing	Future Patent Expiries	Strategic Acquisitions
<ul style="list-style-type: none"> <li>• New Categories within existing Therapeutic Areas(TAs)</li> <li>• Product lifecycle management, new product extensions</li> <li>• Further leverage diagnostics &amp; technology, doctor/ patient engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Lifestyle/ Chronic portfolio</li> <li>- Neurology</li> <li>- Women's health</li> <li>- Bone health and mobility disorder</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage our existing sales, marketing, distribution &amp; manufacturing capabilities</li> <li>• In Dec 2016, entered in distribution agreement with India Medtronic for 'I-Port Advance' injection port</li> </ul>	<ul style="list-style-type: none"> <li>• Identified 6 key products in Cardiovascular and Anti-diabetes segment</li> <li>- Total market size of approx. INR 20 bn</li> <li>- Patents to expire by FY 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Acquired majority stake in Kinedex Healthcare Pvt. Ltd.</li> <li>• Acquired 40 trademarks from Amay Pharma in 2HFY17</li> <li>• Acquired entire shareholding of UTH healthcare Ltd</li> </ul>
<p><b>Consolidate</b> our position in TAs where we have significant presence</p>	<p><b>Target &amp; Enhance</b> Our presence in large high-growth TAs</p>	<p><b>In-Licensing and development opportunities</b></p>	<p><b>Target Future patent expiries</b></p>	<p>Enhance our product line and capabilities through <b>strategic acquisitions</b></p>