

January 14, 2020

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

**Sub: Analysts/Investors Meet**

We would like to inform you that we are participating in the 38<sup>th</sup> Annual JP Morgan Healthcare Conference being held in San Francisco, California, USA on 14<sup>th</sup> January, 2020 (US timings). The attached presentation will be used in the aforesaid investor conference. The presentation is also being uploaded on the website 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**





**Aurobindo Pharma**  
**Investor Presentation**

**January 2020**

# Safe Harbor Statement

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This presentation is provided for informational purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any interest in or securities of Aurobindo Pharma, nor shall it, or any part hereof, form the basis of, or be relied on in connection with, any contract therefore.

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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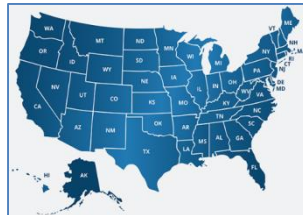
# Company Overview



**10<sup>th</sup>** Largest generic  
company by sales  
globally<sup>#</sup>



**2<sup>nd</sup>** Largest listed  
Indian Pharmaceutical  
company by revenues\*



**2<sup>nd</sup>** Largest generic  
Company by Rx dispensed  
in the US\*\*



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



**33** years  
in existence



**\$ 2.8 Bn**  
Global Revenues in  
FY19



**29** Manufacturing &  
Packaging Facilities  
globally



**155+**  
Markets Presence



**>33 Billion**  
Diverse dosage forms  
manufactured in FY19



**>22,000**  
Employees

# A look back at the calendar year passed by...

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## **Completion of Spectrum's branded oncology products acquisition**

- Successfully completed the acquisition of seven branded oncology products from Spectrum Pharmaceuticals
- Entered into branded segment with this acquisition

## **Conclusion of Apotex's Europe businesses acquisition**

- Successfully closed the transaction of Apotex's Europe businesses which enabled us to enter into markets such as Poland & Czech and increase our penetration in Netherlands, Spain and Belgium markets

## **Commercial operations started in Oncology & Hormones division**

- Commissioned Eugia's manufacturing facility catering to Oncology & Hormones therapies

## **Biosimilars**

- Initiated clinical trails for first set of biosimilars

## **China Market**

- Established a Joint Venture with a) Shandong Luoxin Pharmaceutical Group Stock Co., Ltd., China to manufacture nebulizer inhalation formulation products for China, USA and Europe Markets, b) Shanghai LongJin Investment Company for development, manufacturing, marketing and sale of pharmaceutical products for China, Europe & Emerging Markets
- Setting-up an oral solid manufacturing facility at Taizhou for China Market

# Journey so far...

- Commencement of API Exports
- Initial Public Offering (1995)
- Began production of formulations

- Acquired formulations facility in USA (Aurolife) and Pharmacin in Netherlands

- First approval of Controlled Substance formulations in USA
- Set up AuroPeptide to foray into Peptide business

- Acquired Western European commercial operations from Actavis and US dietary supplements company, Natrol

- Acquired Generis in Portugal
- Focus on differentiated technology platforms and Specialty Pharmaceuticals

- Acquired Apotex Inc's businesses in 5 European countries
- Acquired a portfolio of 7 marketed oncology injectable products from Spectrum Pharmaceuticals Inc.

1992-2002

2006

2007

2010

2012

2013

2014

2016

2017

2018

2019

- Acquired UK based Milpharm

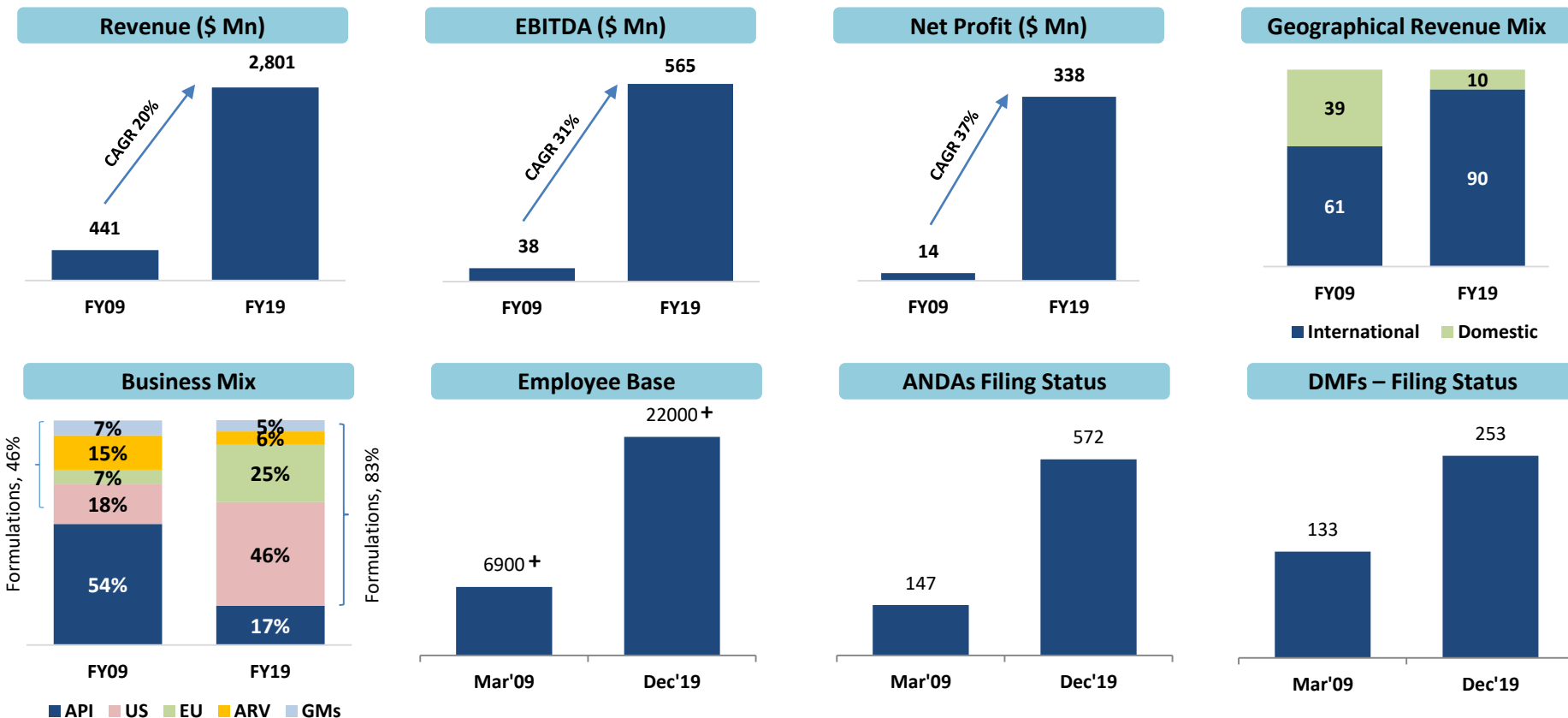
- Commenced operations of SEZ Unit VII and Aurolife, USA facilities and divested Chinese antibiotics facility

- Commenced marketing specialty injectables products in USA through AuroMedics
- Building capabilities in Penem, Oncology & Bio-catalysis

- Entered into Biosimilars and Vaccines
- Filed first peptide DMF

- Entered into a definitive agreement to acquire dermatology and oral solids businesses from Sandoz Inc., USA

# Evolution over last decade



# Core Strengths

## Scale & Diversity

- Among Top 3 in >62% of commercial portfolio in US<sup>(1)</sup> in terms of prescriptions
- Large US portfolio<sup>(2)</sup> - 572 ANDAs filed; 391 with final approval, 27 Tentative approval<sup>(3)</sup>, and 154 under review
- Extensive product portfolio & pipeline across the globe
- High level of vertical integration; around 70% of API requirement is manufactured in-house
- Building diversified product basket in specialty segments
- Through M&As, adding more specialized products, new technologies and scale in our core markets

## Strengths

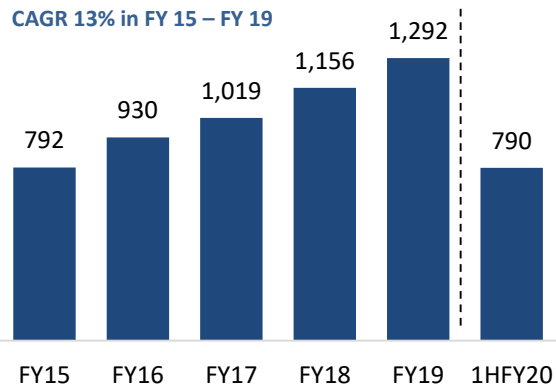
- Large manufacturing facilities inspected by various regulatory authorities including US FDA, EMA etc..
- Over the last 3 years, ~ 150 ANDAs were filed
- Experienced and focused leadership team
- Focus on complying with global quality and EHS standards
- Dedicated commercial and BD teams focused on developing new partnerships
- Speed and effectiveness in execution

(1)Source: IQVIA QTR Sep 2019; (2) As on 31<sup>st</sup> Dec 2019; (3) Tentative approvals include 8 ANDAs approved under PEPFAR

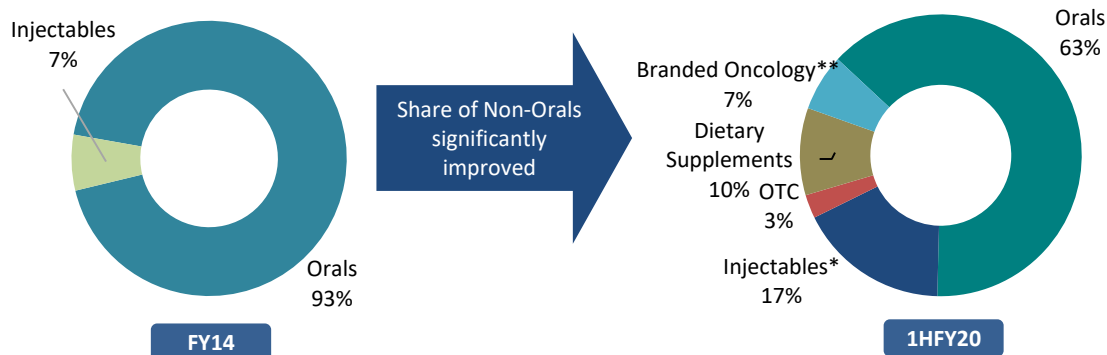
# US Business Overview

Revenue (\$ Mn)

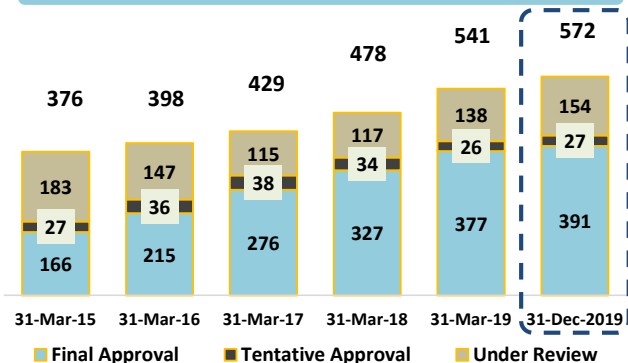
CAGR 13% in FY 15 – FY 19



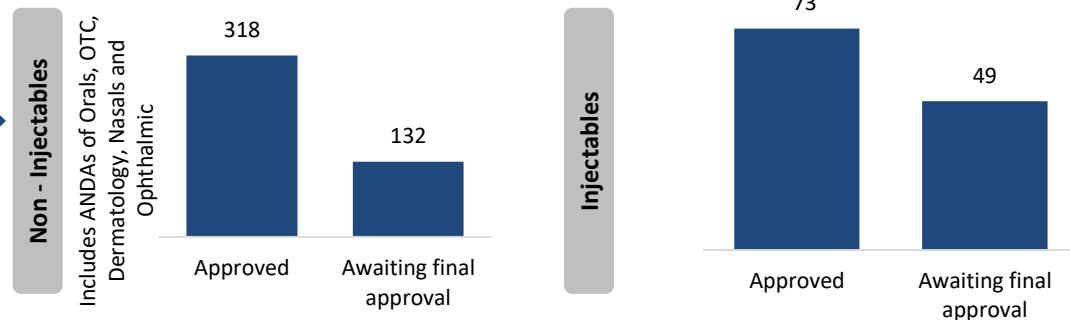
Revenue Mix



Cumulative ANDA Filings & Approvals



Filing Mix



Tentative Approvals as on 31<sup>st</sup> Dec 2019 include 8 ANDAs approved under PEPFAR; \*Auro Medics; \*\*Oncology injectables acquired from Spectrum Pharmaceuticals; Awaiting final approval includes tentative approval

# US Business Segment Wise Highlights



## Orals

- 63% of overall US business in 1HFY20
- Rx share increased to 9.1% (QTR Sep 2019) from 6.7% (QTR Sep 2018)\*
- Filed 39 ANDAs in CY2019
- Awaiting final approval for 121 ANDAs\*\*
- Future pipeline includes
  - ✓ *Controlled substances with ADF*
  - ✓ *Oncology*
  - ✓ *505b2 products for select patient segments*



## Injectables

- 17% of overall US business in 1HFY20
- Filed 15 ANDAs in CY2019
- Awaiting final approval for 49 ANDAs\*\*
- Future pipeline includes
  - ✓ *Complex injectables including depot injections*
  - ✓ *Oncology*
  - ✓ *Hormones*



## Dietary Supplements

- 10% of overall US business in 1HFY20
- Future growth drivers includes
  - ✓ *New product introduction*
  - ✓ *Geographical expansion*



## Branded oncology injectable business

- Acquired portfolio of seven marketed oncology injectable products from Spectrum Pharmaceuticals
- 7% of overall US business in 1HFY20
- Acrotech will continue building out its commercial infrastructure to maximize the value of its current and future products



## OTC

- 3% of overall US business in 1HFY20
- Filed 6 ANDAs in CY2019\*\*
- Future pipeline includes
  - ✓ *Rx to OTC switch opportunities*
  - ✓ *Branded OTC*

## Sandoz's Dermatology and Oral Solids Businesses – Acquisition\*

- 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

# EU Business Overview

## 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<sup>@</sup> 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

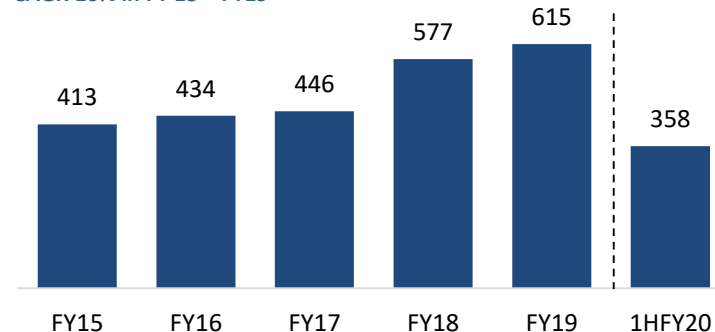
## Recent Acquisition enable to enter into untapped Eastern European markets

- 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

# As per internal estimates – Excluding biologics; @ Source: IQVIA MAT Q2 2019

## Revenue (€ Mn)

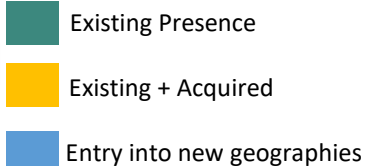
CAGR 10% in FY 15 – FY19



## 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 (2020-2021) and > \$ 13 Bn in the medium term (2021-2023)<sup>#</sup>
- ✓ Future growth potential in countries like Italy, Spain, Portugal & France as the penetration of generics improve

# Aurobindo's Enlarged European Footprint Post-Acquisition of Apotex European Businesses



# Growth Markets & ARV Business – Overview

## Growth Markets Business

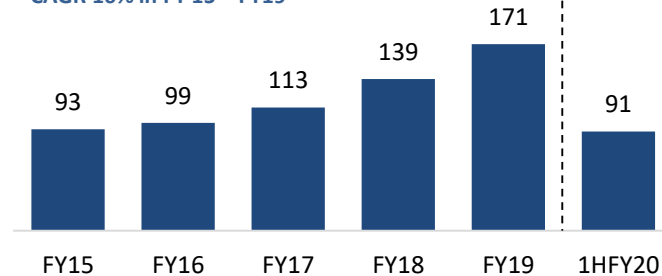
- Growth Markets includes Canada, Brazil, China etc..
- Targeted to build branded generics presence in select markets
- In the process of strengthening operations and portfolio in specific identified countries
- Future product launches in Oncology and Specialty injectables

## ARV Business

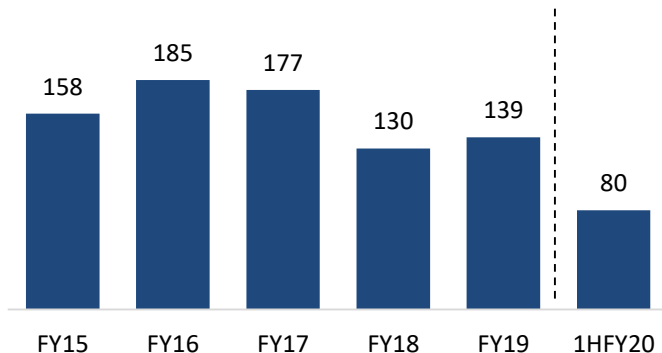
- Focus on global tenders floated by Multi-Lateral Organizations like Global Fund, USAID/PEPFAR and Country specific MOH tenders
- Supplies life-saving ARV's to ~3 Mn HIV patients spread over more than 125 countries
- Comprehensive portfolio of 32 products in 1L Adults, 2L Adults and pediatric formulations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

## Revenue (\$ Mn)

CAGR 16% in FY 15 – FY19

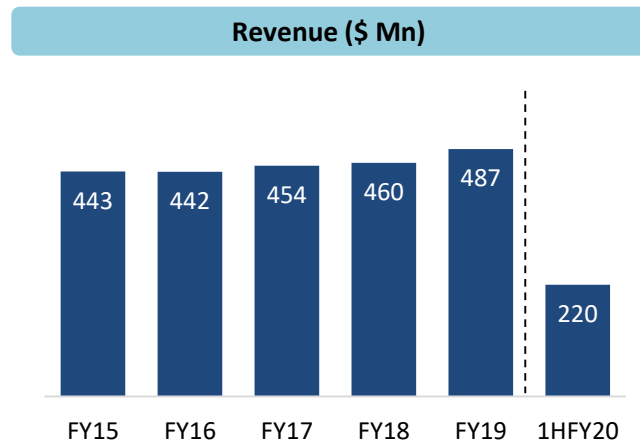


## Revenue (\$ Mn)



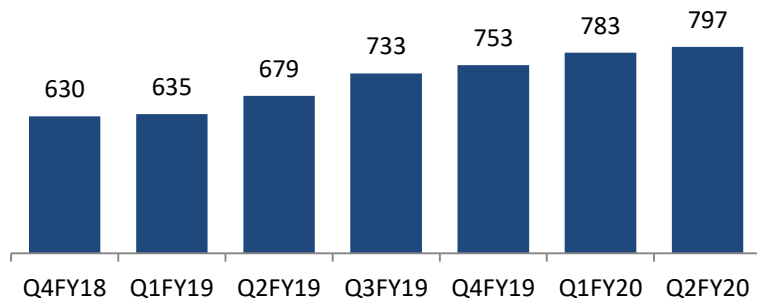
## API Business Overview

- 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

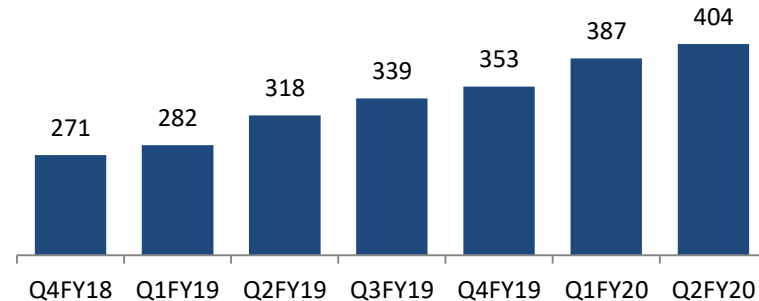


# Consistent Quarterly Performance

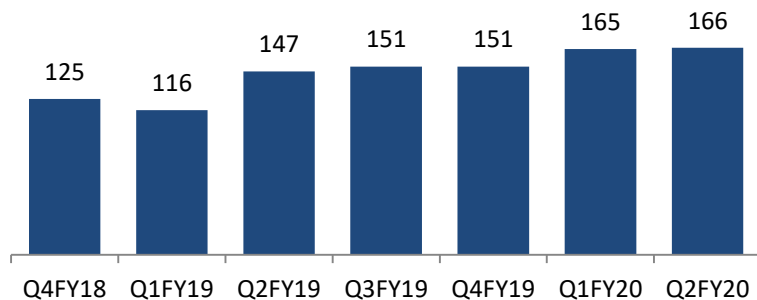
Revenue (\$ Mn)



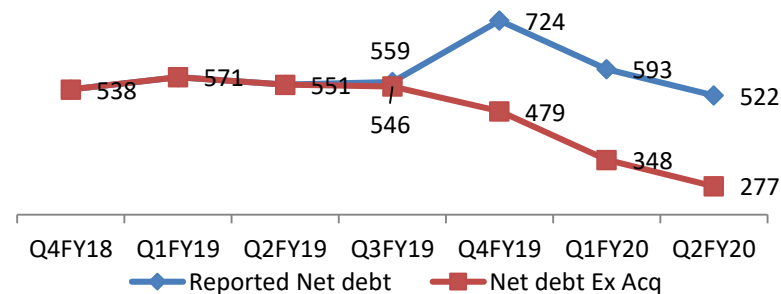
US Revenue (\$ Mn)



EBITDA (\$ Mn)

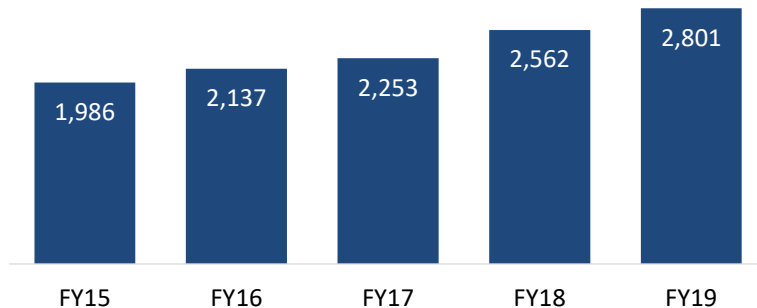


Net Debt Movement (\$ Mn) - Reported & Without Acquisitions

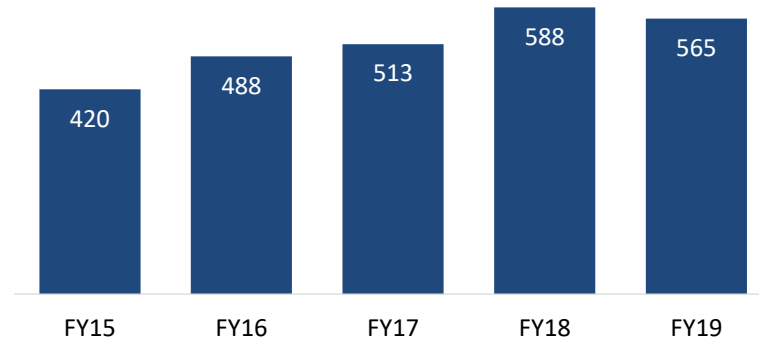


## Financial Snapshot Last 5 Years

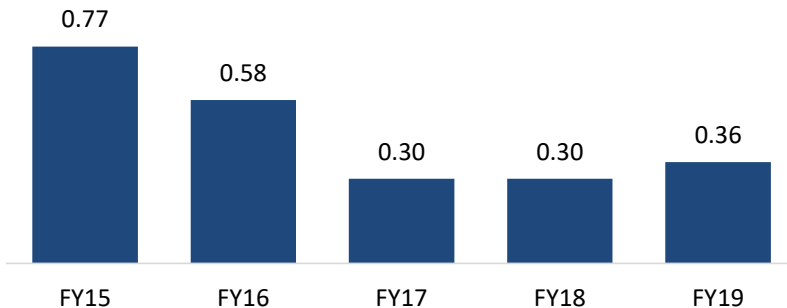
Revenue from operations (\$ Mn)



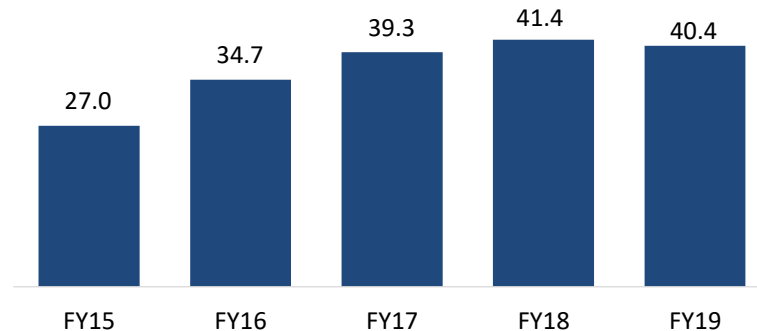
EBITDA (\$ Mn)



Net Debt/Equity



Earnings per share (Rs.)



# Focus on Building a Diverse and Robust Specialty Products Portfolio



Oncology & Hormones



Biosimilars



Depot Injections



Vaccines



Topicals



Transdermal Patches



Inhalers



Nasals



Consumer Healthcare

# Focus on Building a Diverse and Robust Specialty Products Portfolio



## Oncology & Hormones

## Biologics

## Depot Injection

## Vaccines

### Products under development

75+

6\*\*

4

1

### Addressable Market Size

\$45 Bn

\$35 Bn

\$3.6 Bn

\$6.2 Bn

### Filing Status

ANDAs\*: Oncology- 22  
& Hormones- 9

FY21

To start from FY21

FY21

### Filing Target

To file all products over  
next 3-4 years

First set of products to  
filed by FY22

Plans to file all products  
by FY23

FY21

### Products Approved

9 ANDAs\*

-

-

-

### Revenue generation to start from

Q1FY20

FY22

FY22

FY22

# Focus on Building a Diverse and Robust Specialty Products Portfolio



	Topicals	Transdermal Patches	Inhalers	Nasals
Products under development	24	8	9	7
Addressable Market Size	\$4.4 Bn	\$3.3 Bn	\$13.3 Bn	\$1.4 Bn
Filing Status	ANDAs*: 3	FY21	FY21	ANDAs*: 2
Filing Target	To file all products over next 3-4 years	To file all products over next 3 years	To file all products over next 3-4 years	To file all products by end of FY21
Products Approved	-	-	-	-
Revenue generation to start from	FY21	FY22	FY22/FY23	FY20/FY21

# Enhanced Research & Development Capabilities

## 5 R&D centers in Hyderabad, India ~1,600 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

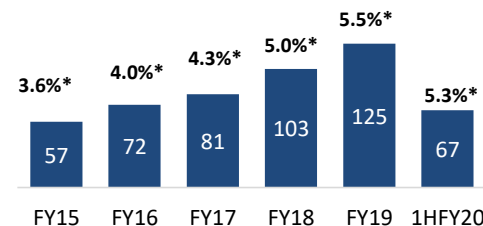
## 1 R&D center in Raleigh, North Carolina – 40 scientist and analysts

- 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 – \$ Mn (as % of revenue)



\* calculated on revenues Ex acquired Actavis, Generis and Apotex businesses



# Thank You

Investors Contact:

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