Alembic Pharmaceuticals Limited

Investor Presentation

Q3FY25

Feb 03, 2025

Safe Harbour 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.

Quarterly Snapshot

INR Bn

Revenue 16.93	↑ 4% YoY	↑ 3% QoQ	R&D 7% of Sales
EBIDTA 2.71	↑ 1% YoY	↑ 5% QoQ	EBIDTA Margin 16%
Net Profit 1.38	↓ -23% YoY	↓ -10% QoQ	Net Profit Margin 8.2%

Key Highlights :

India Branded Business : India Branded Business recorded 3% growth with topline of INR 6.14 billion for Q3 FY25.

US Generics : Growth of 10% on YoY basis is driven by ramp up of the key launches and market share gain in few existing products. New launches to drive growth in coming quarter.

Ex-US Generics : Momentum continued for Q3 as well with a 10% growth on YoY basis. Demand outlook remains strong. Product registrations and dossier extensions to new markets are on track to accelerate growth.

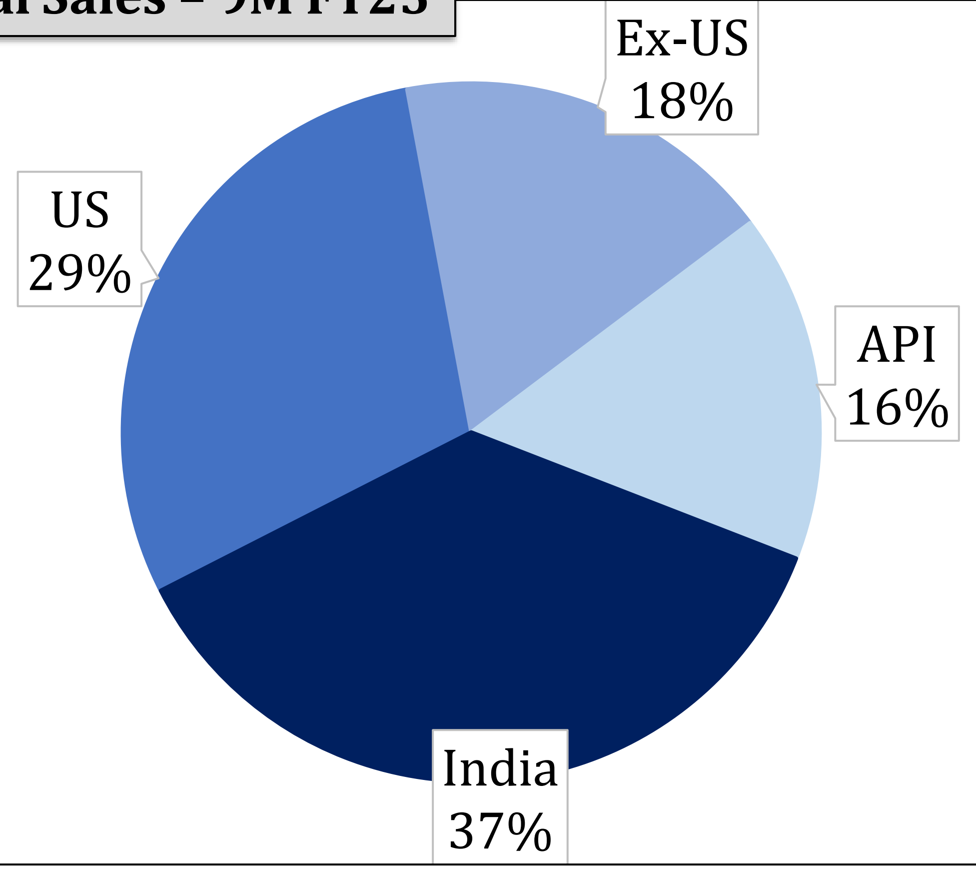
API : Decline of 10% on YoY basis, on account of low off-take from few selected customers and the pricing headwinds. Anticipate good growth in coming quarters backed by decent order book.

Revenue Snapshot

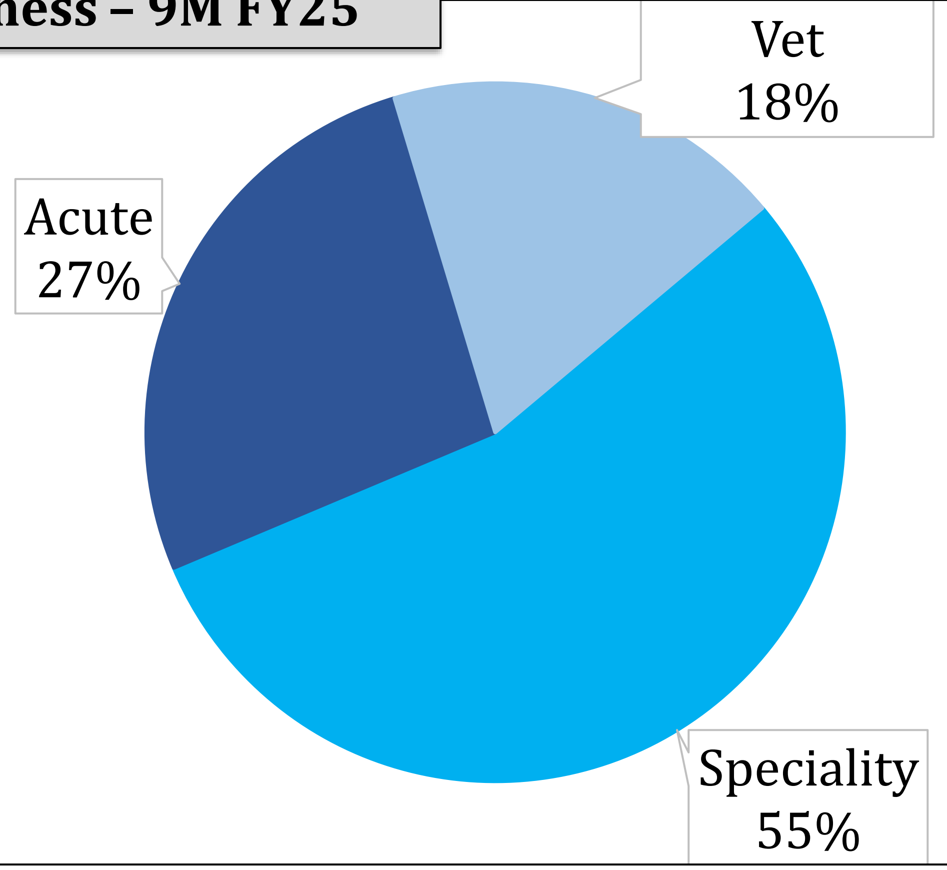
INR Bn

Business	Q3 FY25	Q3 FY24	Y-o-Y	Q2 FY25	Q-o-Q	9M FY25	9M FY24	Y-o-Y
Formulations								
India	6.14	5.96	3%	6.09	1%	17.95	16.97	6%
US	5.21	4.74	10%	4.67	11%	14.49	13.08	11%
Ex-US	2.99	2.72	10%	2.98	1%	8.68	7.90	10%
API	2.59	2.89	-10%	2.74	-5%	7.91	9.16	-14%
Total Revenue	**16.93**	**16.31**	**4%**	**16.48**	**3%**	**49.02**	**47.12**	**4%**

Geographical Sales – 9M FY25

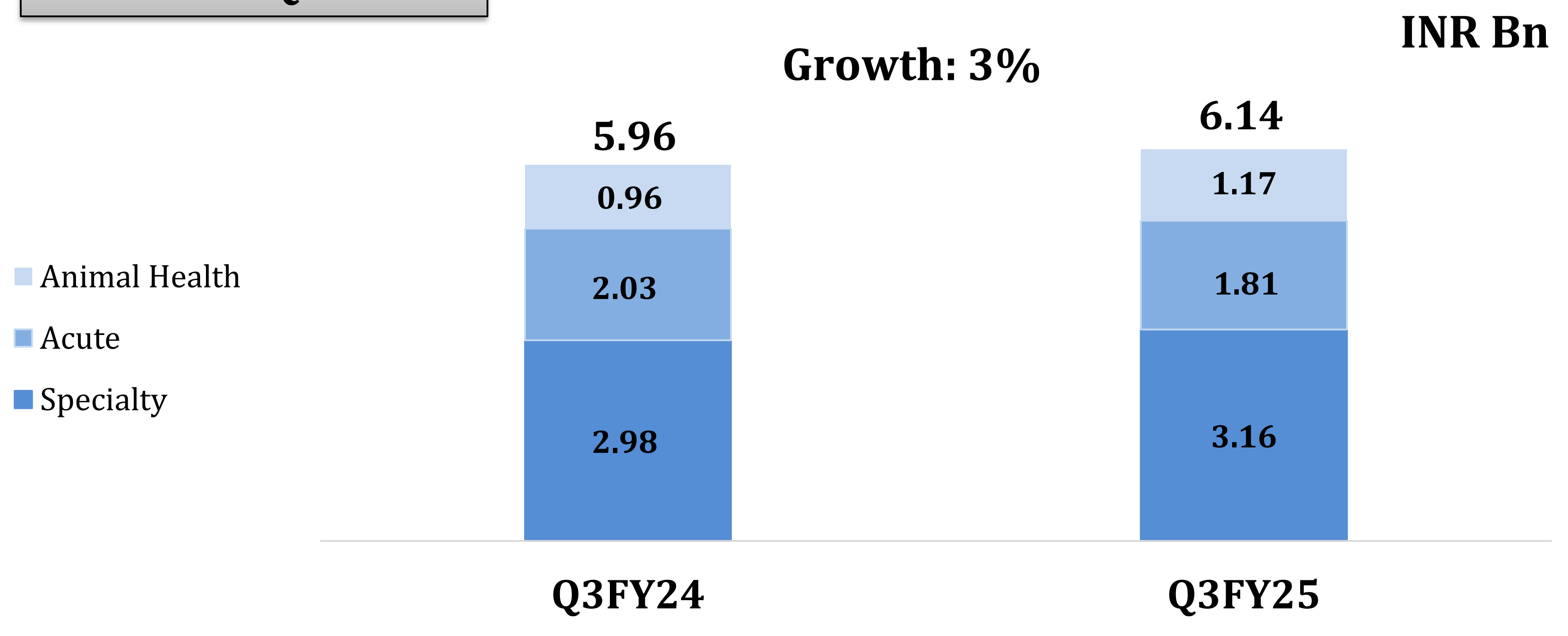


India Business – 9M FY25

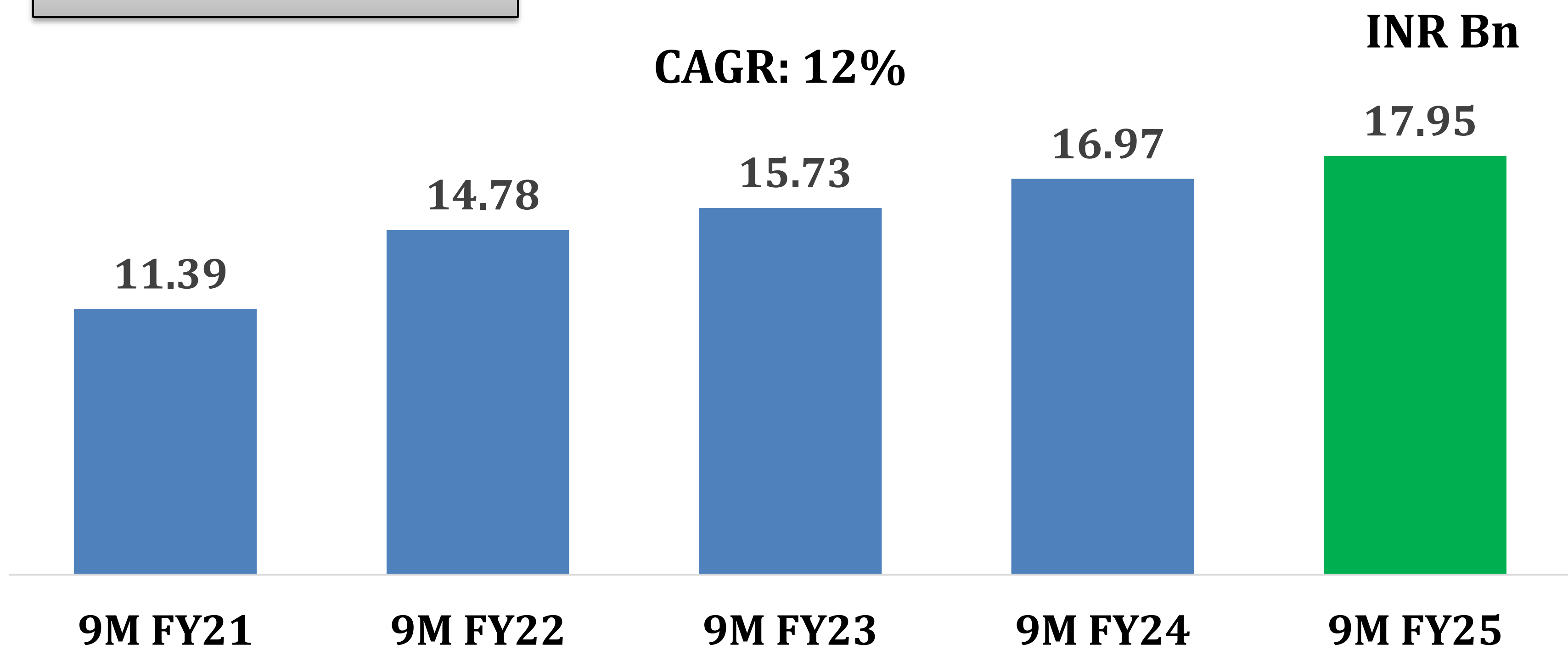


Diversified Therapy Presence

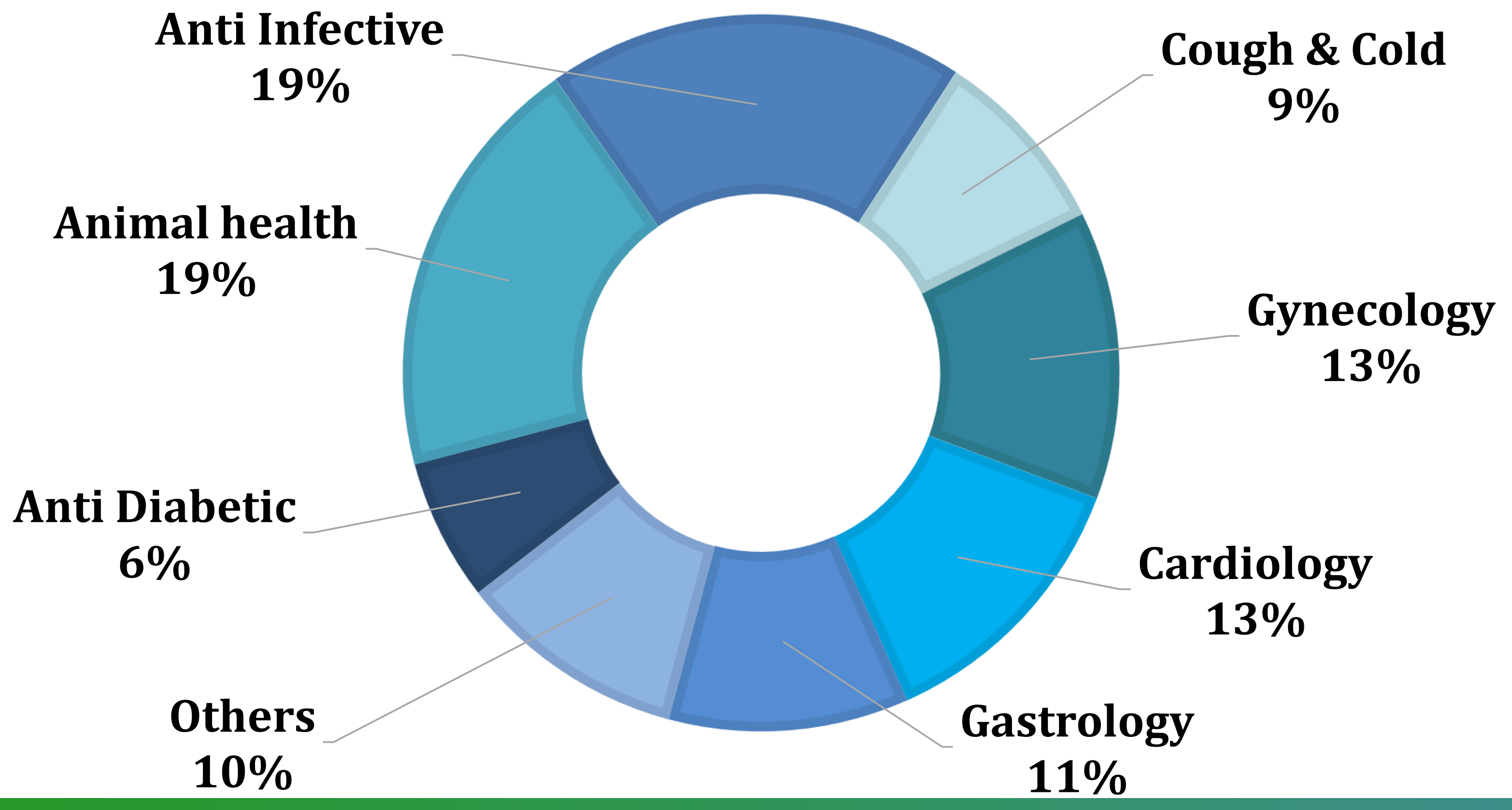
Revenue – Q3 FY25



Revenue – 9M FY25



Sales Mix – Q3 FY25



- India Business recorded 3% growth with topline of INR 6.14 billion for the quarter.
- Alembic ranked 20th in IPM.
- 13% Product portfolio in NLEM.
- 5200+ MRs with 21 Marketing divisions.
- Market share is 1.4% of Indian Pharma space and 4 brands with revenue of INR 1 billion (Source: IQVIA MAT Dec-24)

Branded Business – Rx driven rankings

Alembic Touching Lives over 100 years

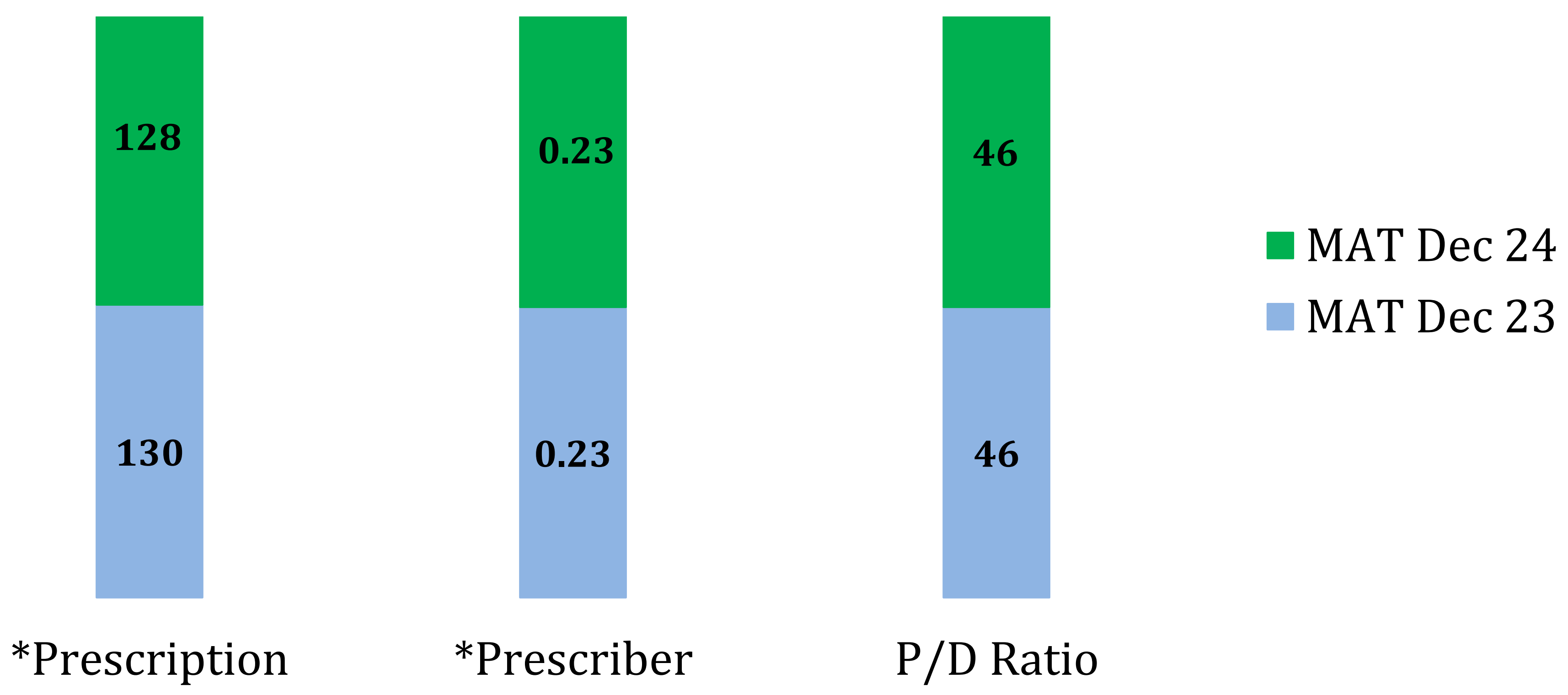
Top Brands with Rank and Market Share

BRANDS	Rank Q3 FY 25*	MS% Q3 FY 25	BRANDS	Rank Q3 FY 25*	MS% Q3 FY 25
AZITHRAL	1	30.8	CLOFF	3	13.5
ALTHROCIN	1	87.1	SHARKOFERROL	3	6.6
CRINA-NCR	1	28.3	BLADMIR	3	11.5
ROXID	1	94.8	VELDROP	3	5.1
LACTONIC	1	50.3	BILAMBIC-M	3	7.1
DELTONE	1	63.0	ISOFIT SR	3	15.5
GERIJOINT	1	29.7	TRAVISIGHT	3	12.7
ELATA	1	49.4	OVIGYN	3	14.7
CETANIL	2	7.4	ULGEL	4	9.0
GESTOFIT SR	2	18.9	ETRIK	4	5.4
ESTROPLUS	2	34.9	PROTINULES	4	11.8
FREEGO	2	12.2	TELLZY	5	4.3
WIKORYL	3	10.6	REKOOL	5	5.1
BROZEET-LS	3	6.8	RICHAR-CR	5	4.1
ISOFIT	3	5.1	ULGE-RAFT	5	6.1

*Above ranks are based on respective Molecule group

Driving overall Prescription Business

*Figures in Mn



- Prescription wise Alembic ranks at 18th Position.
- Alembic's prescription stands at 128 million as per MAT Dec 24.

Source: IQVIA Dec-24

High focus therapies

- Gynecology, Anti Diabetic, Ophthalmology and Dermatology have shown good growth.

Q3 FY25 Growth Comparison		
Therapy	**APL**	**Market***
Gynaecology	7%	5%
Anti Diabetic	15%	17%
Ophthalmology	12%	13%
Dermatology	13%	15%

*Above market growth are based on respective Molecule group

Source: IQVIA Qtr Dec-24

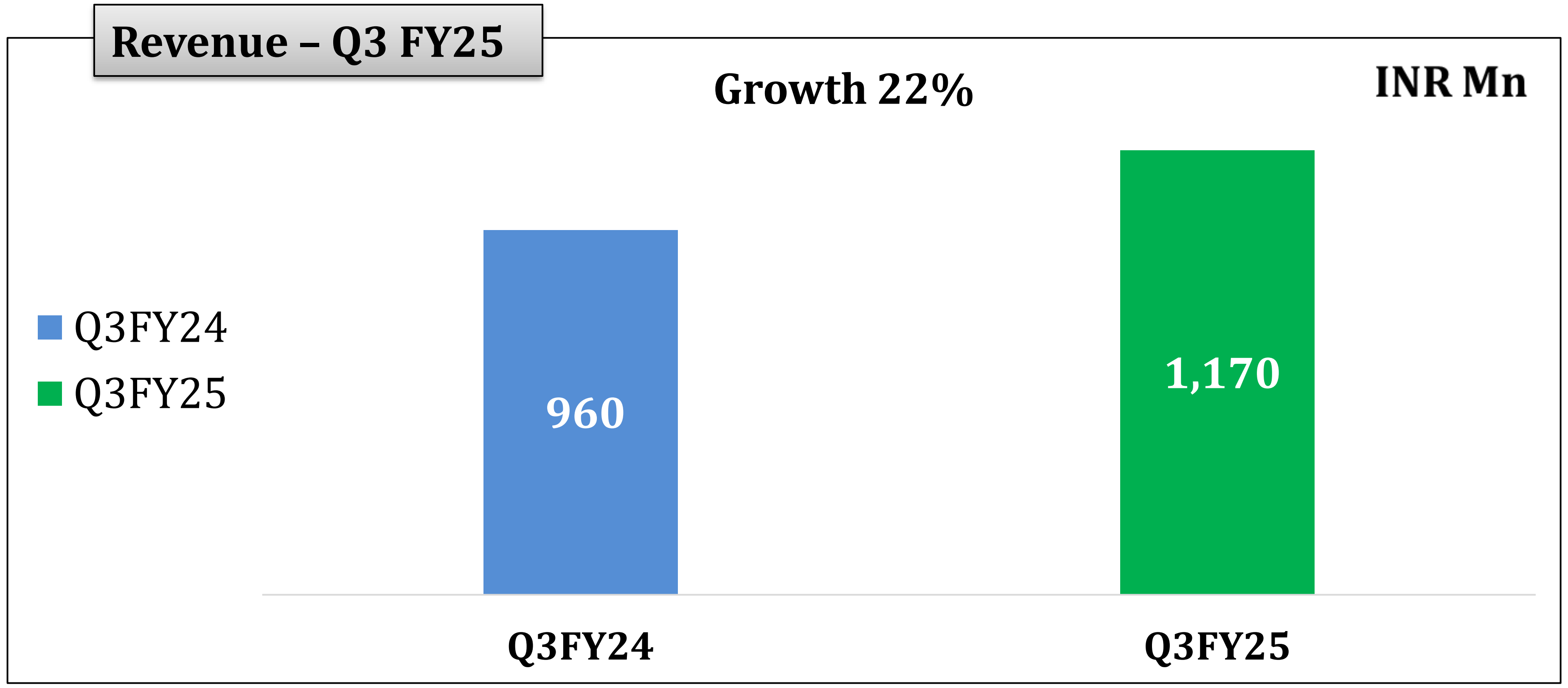
New Launches

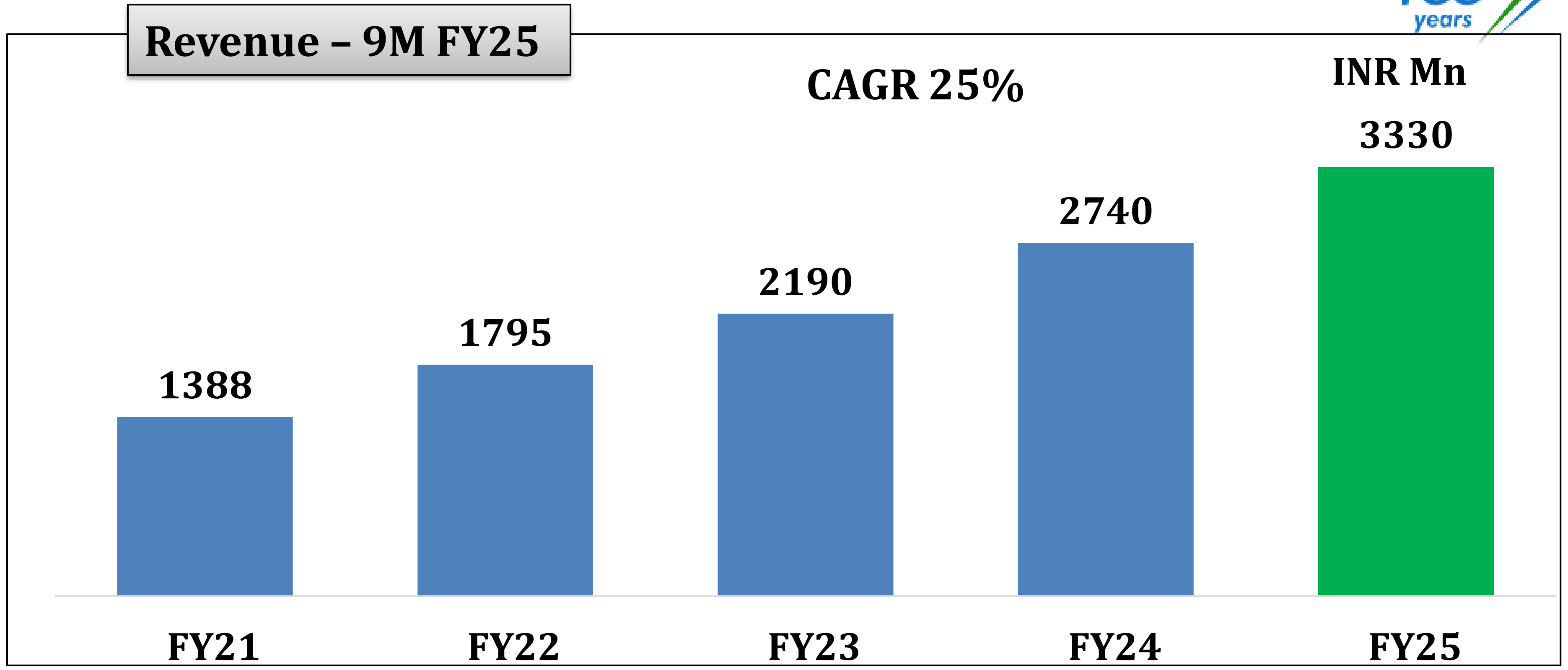
New launches continue to do well along with promising future launches across key segments.

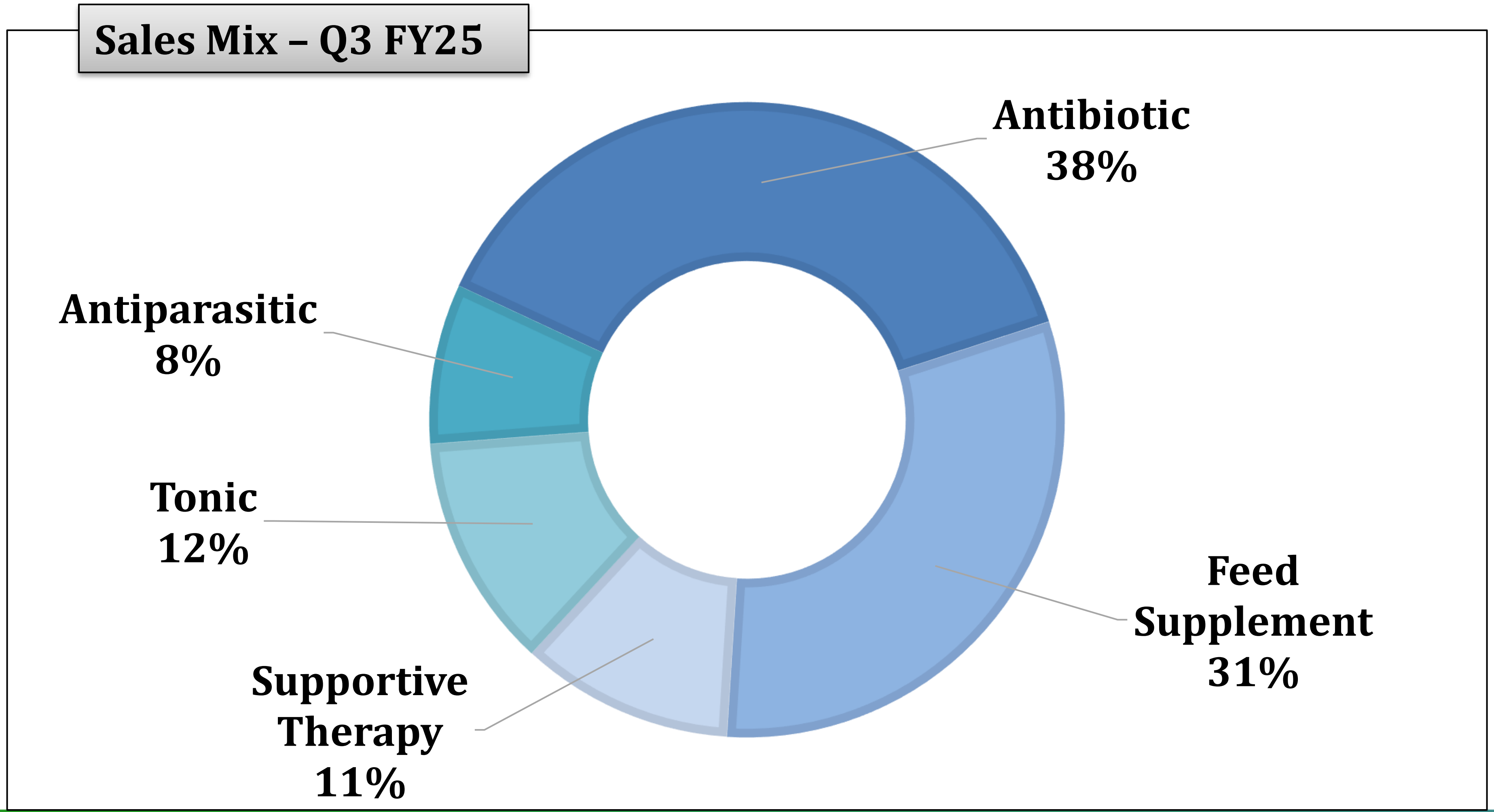
Therapy	Molecule	Brands	Launch	Q3 FY25 INR Mn
Gynecology	Dydrogesterone / Dydrogesterone SR	ISOFIT/ISOFIT SR	2022	183
	Iron Ferric	RICHAR-FCM/TUFEHART	2023	36
Gastrointestinal	Raft Mkt	ULGERAFT/EVARAFT/EXCERAFT	2022	81
Oral Anti Diabetic	Dapaglifozin + Sitagliptin + Metformin	VOAGE-MS/SITALEMBIC-MD	2023	68
	Dapaglifozin + Vildagliptin+Metformin	GLIPY-DM	2023	14
Ortho	Tofacitinib	TOFALEMBIC/TOFAZIFF/JAKBIC	2023	13

Source: IQVIA Qtr Dec-24

Animal Health Business







- Operating in Livestock and Poultry and Companion animal market.
- Leaders in Hematinic and Antibiotic market with Sharkoferrol, Moxel, Xceft and Mceft brands.
- Animal Health business recorded growth of 22%. Basket of strong brands continue to drive outperformance.
- Brand basket:

Annual Sales value	INR Mn			
	Above 300	200-300	100-200	20-100
No of brands	4	2	5	18

Technology transforming business

- Deployment of Ipads for MR interaction with the Healthcare Medical Professional's (HMP's) - Upgrading our scope to communicate medico-marketing content to the HMP for our brands along with an increased time spend during calls.

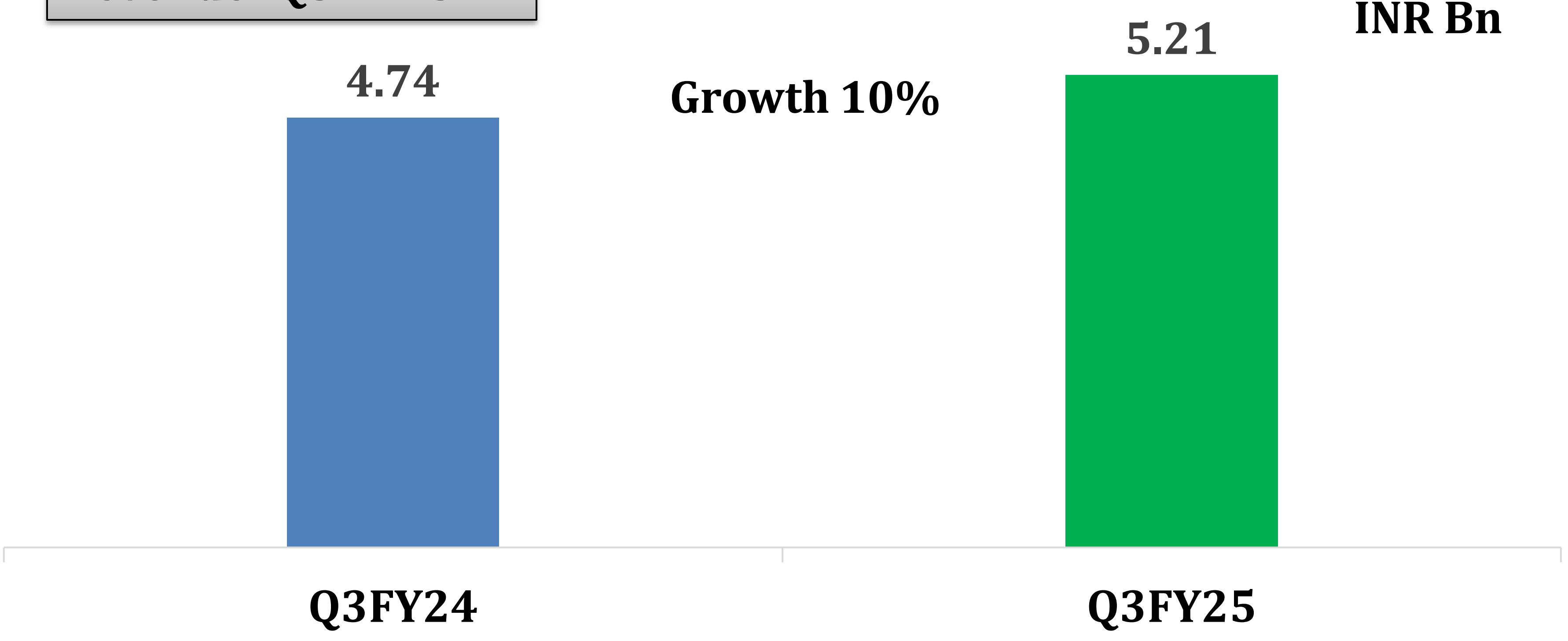
- Upgraded to SalesForce platform for India field force to get better control, consistency in execution and drive better orientation towards HMP's. Salesforce platform will help field force to get 360 degree view of HMP's on real-time basis.

- Upgradation of data-platform modernization by deploying SNOWFLAKE for real-time big data analytics to accelerate business.

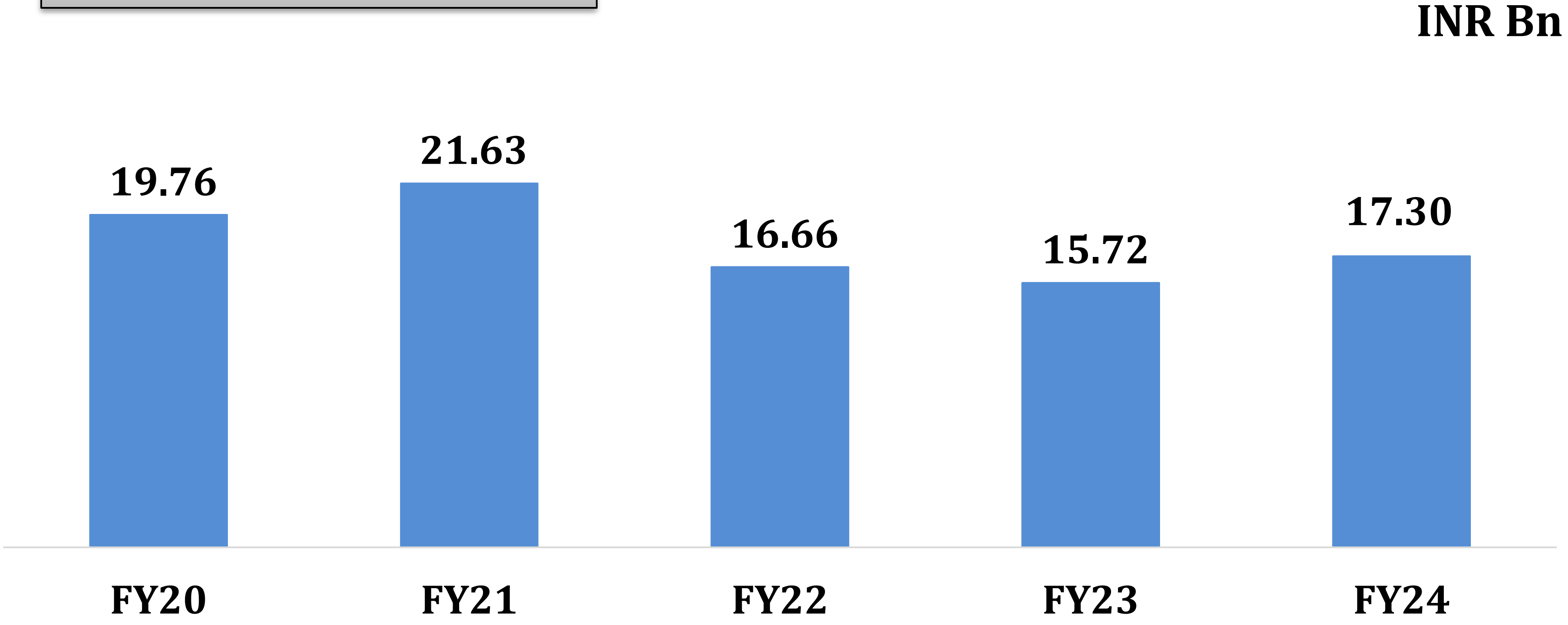
- Deployment of GenAI-powered conversational BOT (to be named Alembic's Ask TARA) on WhatsApp by the company to resolve queries, guide, support, and enhance the productivity of the employees. Development of this AI capability has been done using OpenAI's latest GEN-AI models & AWS cloud infrastructure and it is going to be launched in phases.

US Business

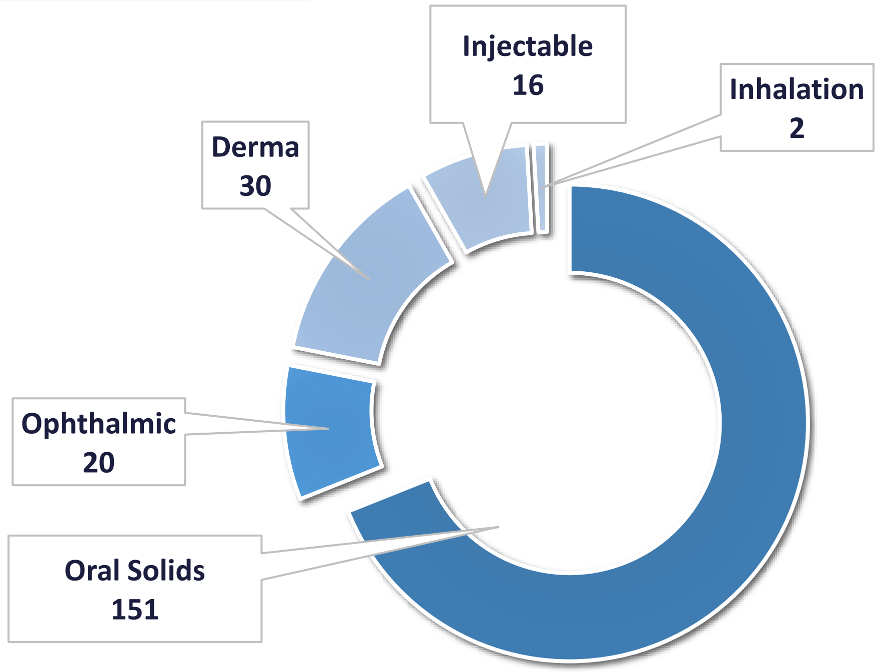
Revenue- Q3 FY25



Revenue – Last 5 years



Approved ANDAs



Total – 219*

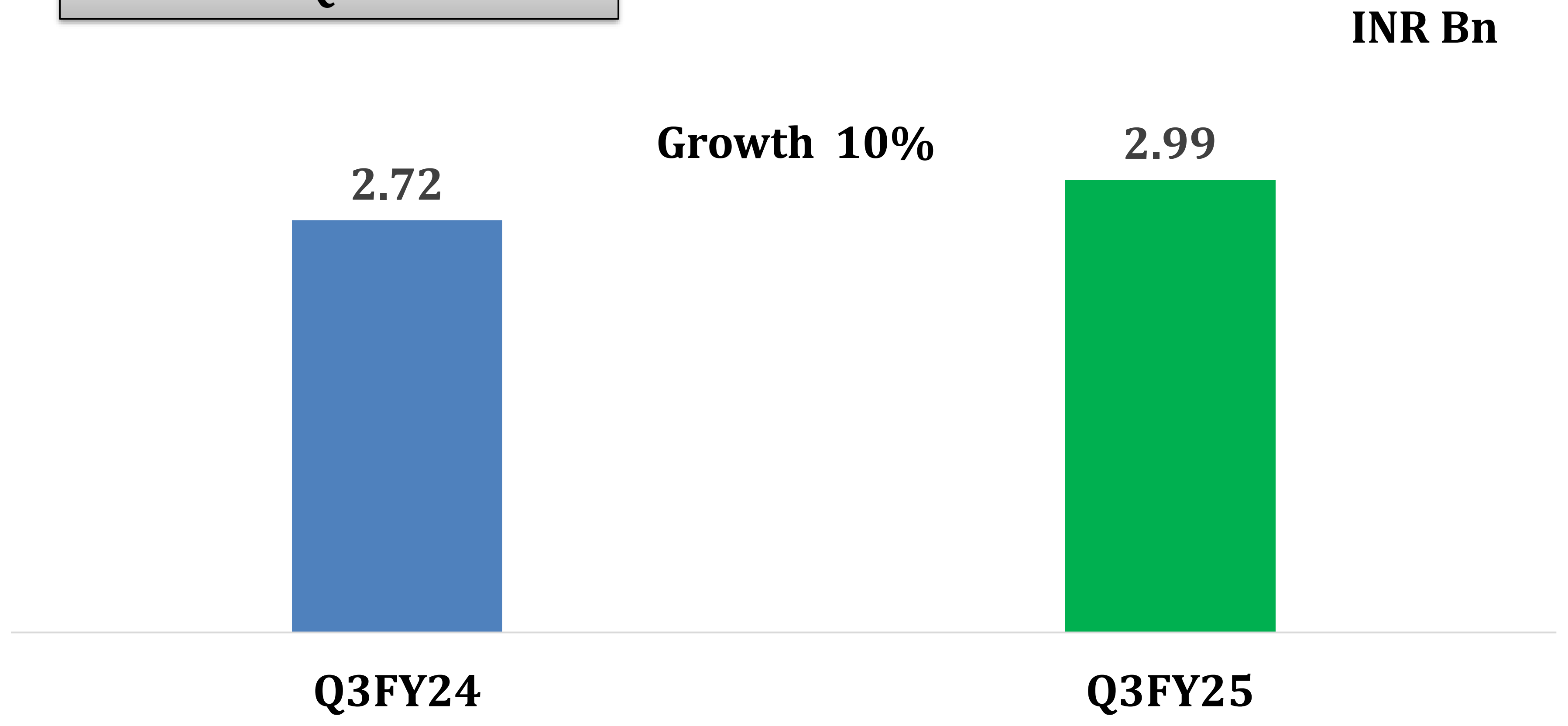
** Includes 27 Tentative Approval*

Q3FY25 : - 0 ANDA Filings, 6 Final Approvals
YTD FY25 : - 4 ANDA Filings, 22 Final approvals
Cumulative : - 263 ANDA Filings, 219 Approvals* and 159 Products Launched so far

- Well-established US front end with strong customer base.
- 2 products launched in Q3FY25. Cumulatively 159 products launched in the US market.
- 5+ expected product launches in Q4 FY25.
- Products from new facilities to drive growth in coming quarters.
- Capacity expansion in Oral solids is underway to meet immediate demand in US and Ex-US market.

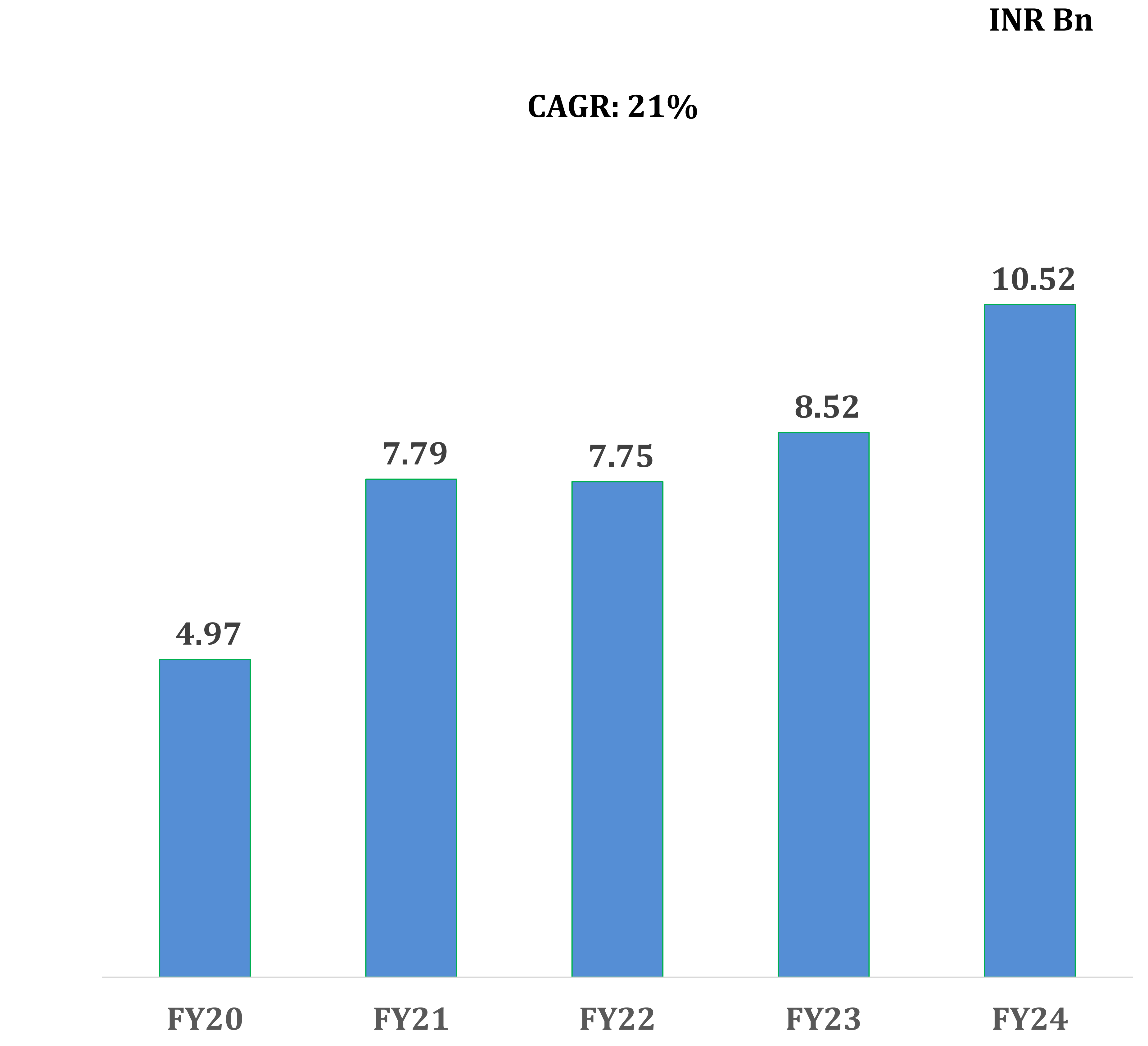
Ex-US Business

Revenue – Q3 FY25



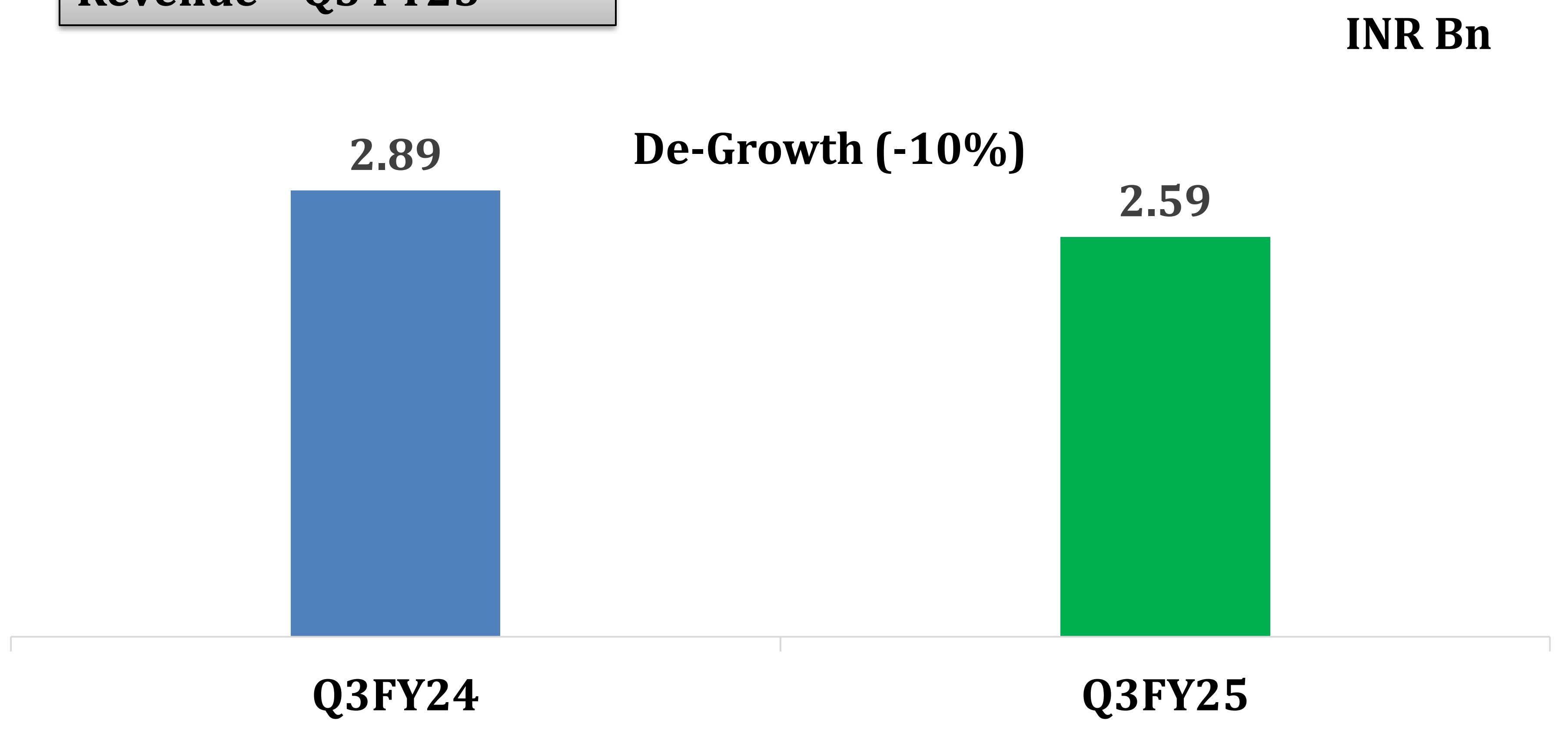
- Growth of 10% driven by high demand across the markets.
- Ex-US driven by partnership in following key markets
  - Europe, Canada, Australia, Brazil and South Africa.
- Sales operations intensified in Chile.
- Future growth will be fueled by new launches and territory expansions.

Revenue – Last 5 years



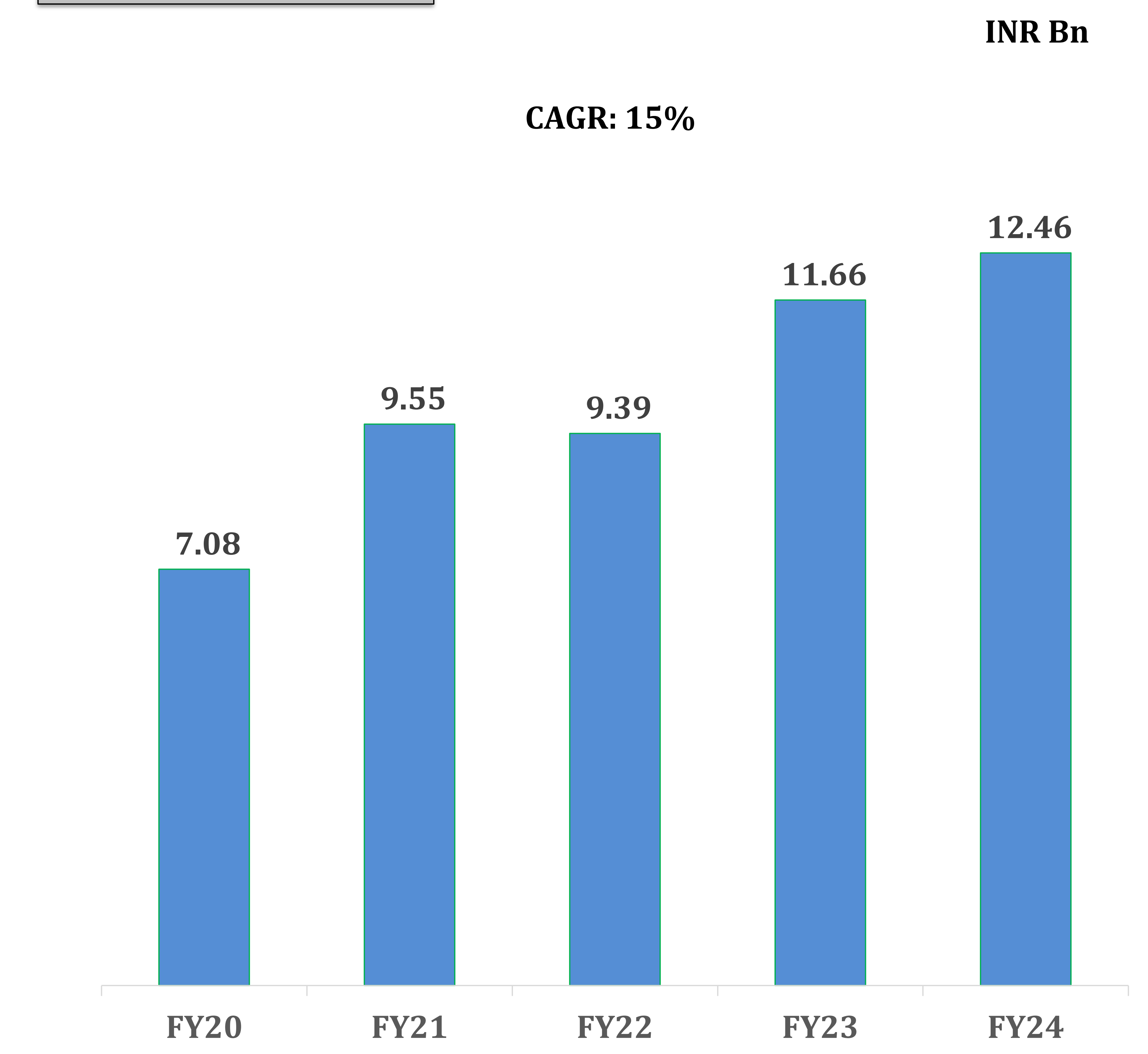
API Business

Revenue – Q3 FY25



- Decline of 10% on YoY basis, on account of the pricing headwinds and low off–take from few selected customers.
- 1 US DMF filed in Q3 FY25. 135 Cumulative DMF filings with the US FDA.
- Expect steady growth for this business.
- Persistent Focus on cost efficiency to improve the position in competitive market.
- Future capacity expansion is on track.

Revenue – Last 5 years



R&D

Dosage form wise ANDA approval and Launch

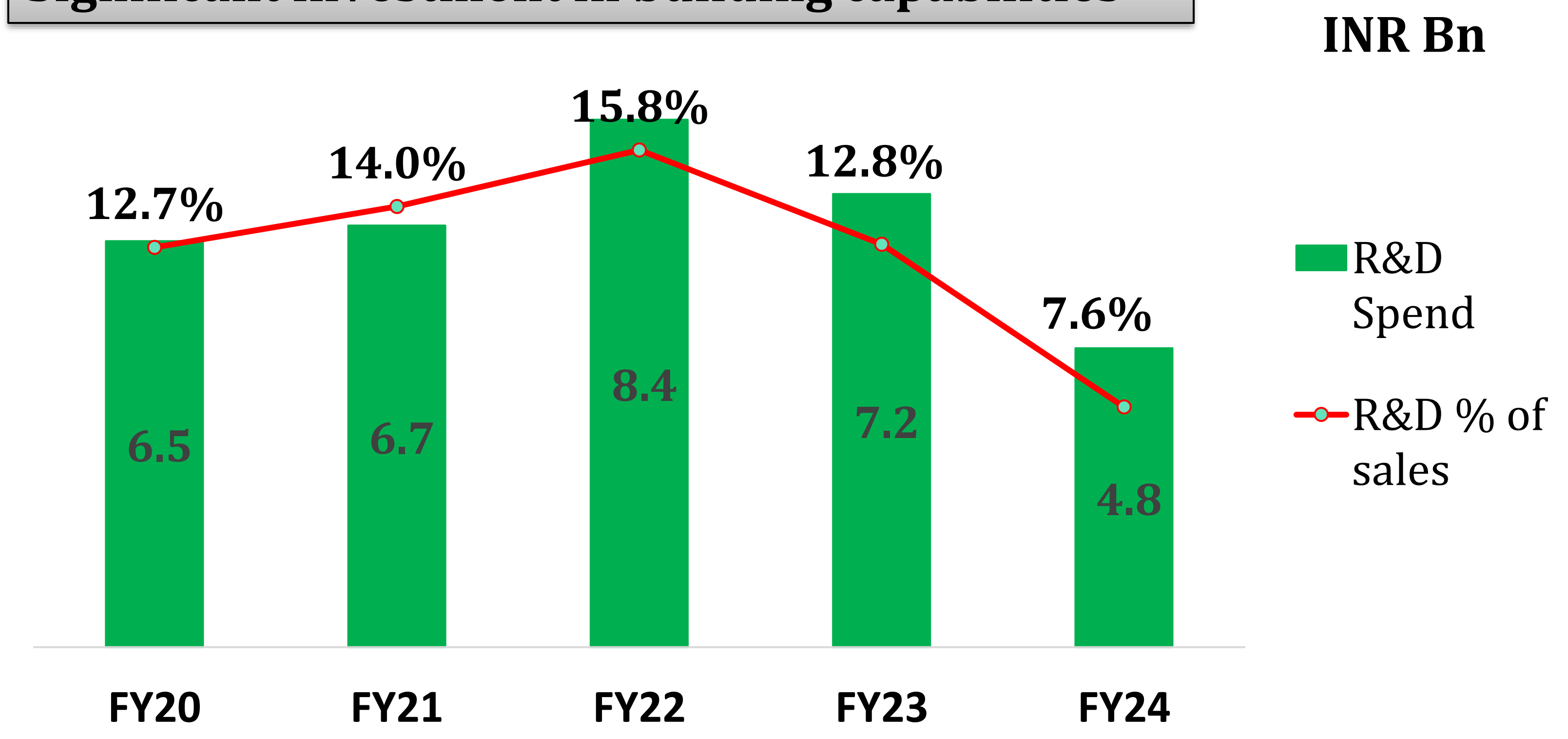
Dosage Forms	Q3FY25	
	Approval*	Launch
OSD	5	2
Injectable - Gen	0	0
Injectable - Onco	0	0
Ophthalmology	2	0
Dermatology	0	0
Other	0	0
Total	**7**	**2**

*Includes tentative approvals; Q3FY25 – 1

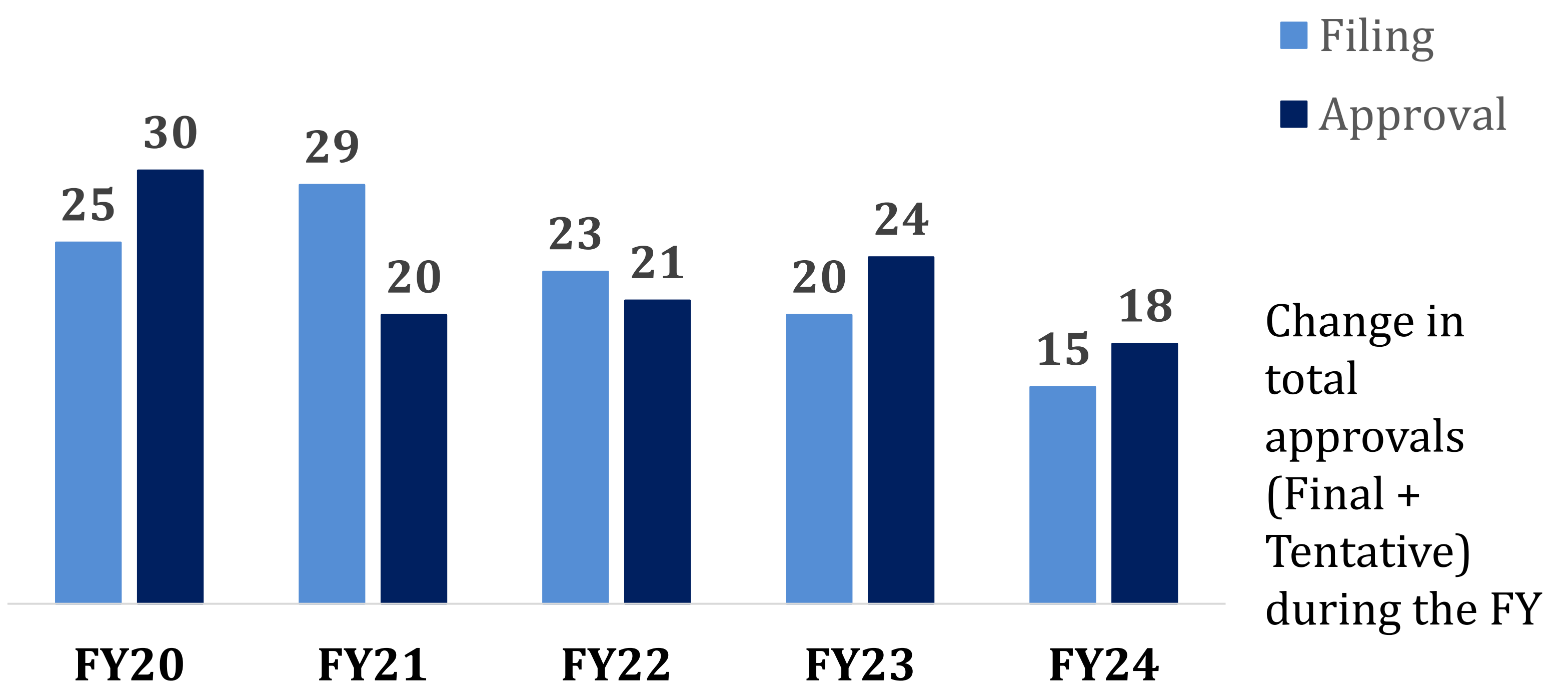
R&D Capabilities

Formulation : Vadodara and Hyderabad
API : Vadodara and Hyderabad
Bio Centre : Vadodara

Significant investment in building capabilities

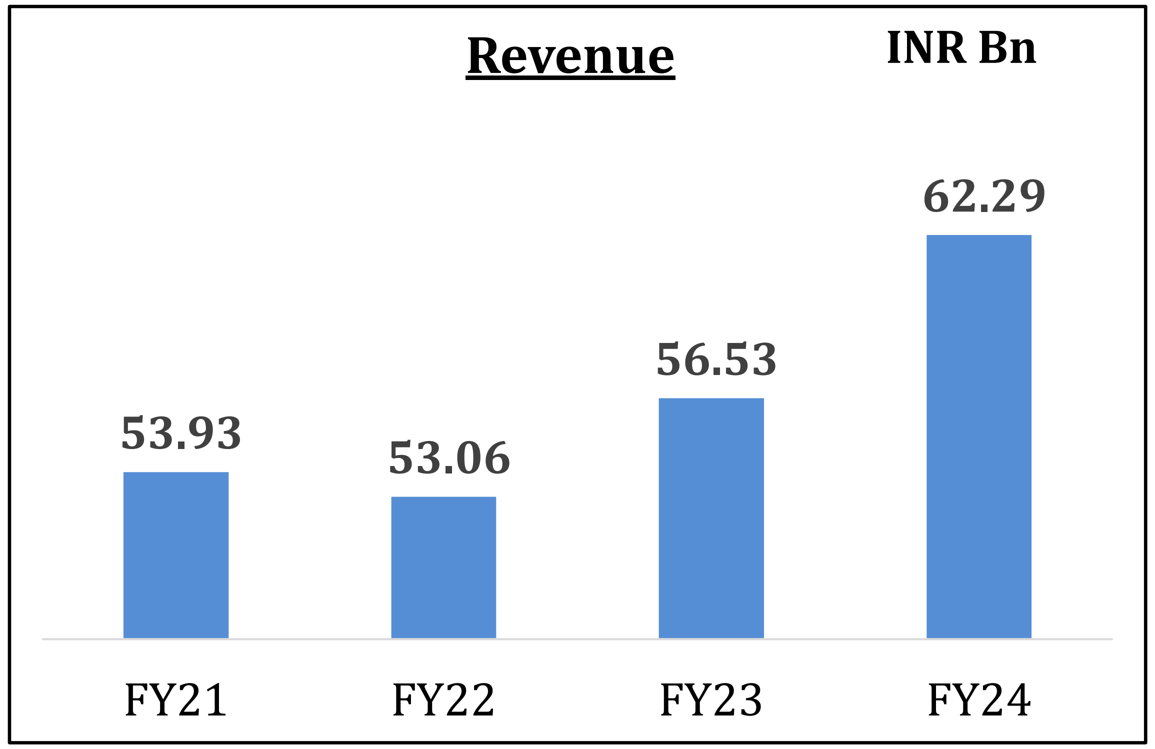


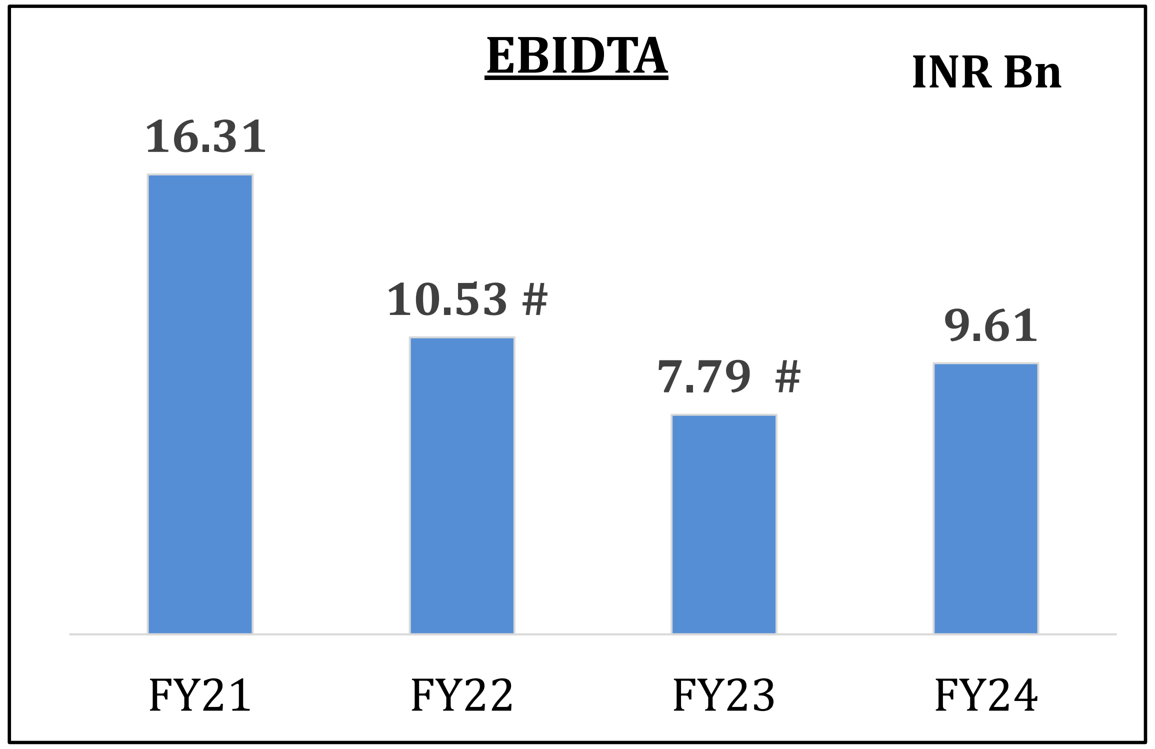
Resulting in rising ANDA – Accelerated filings & approvals #

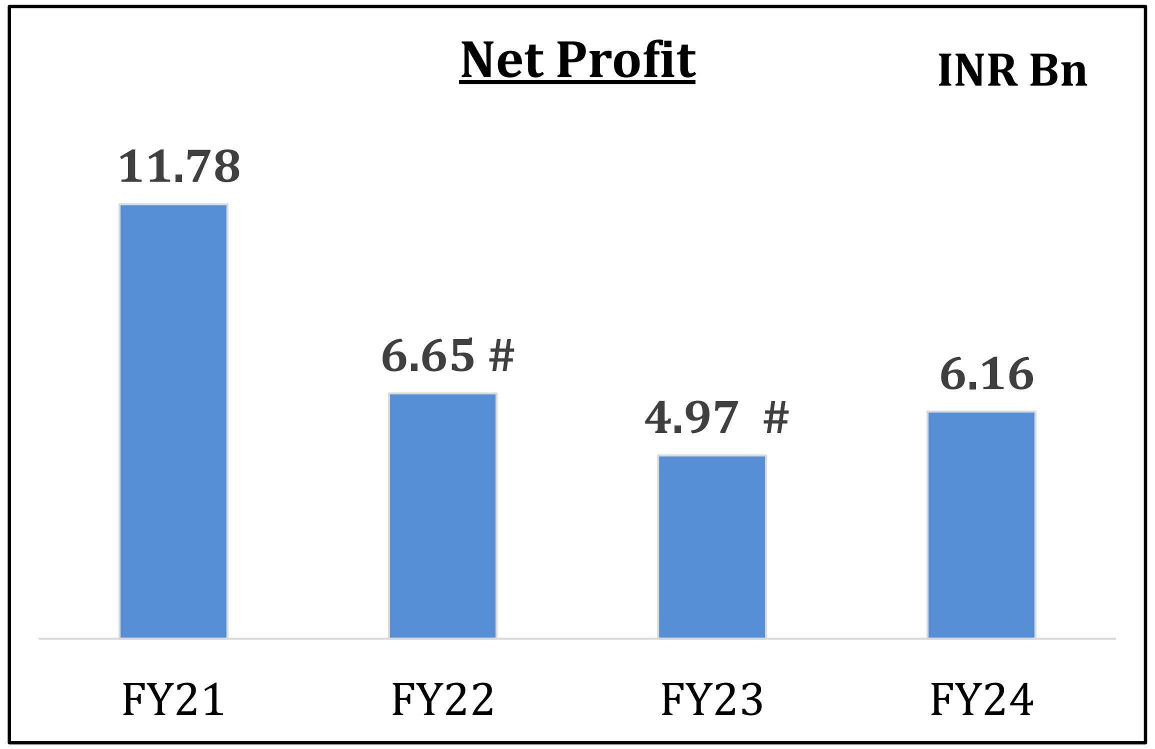


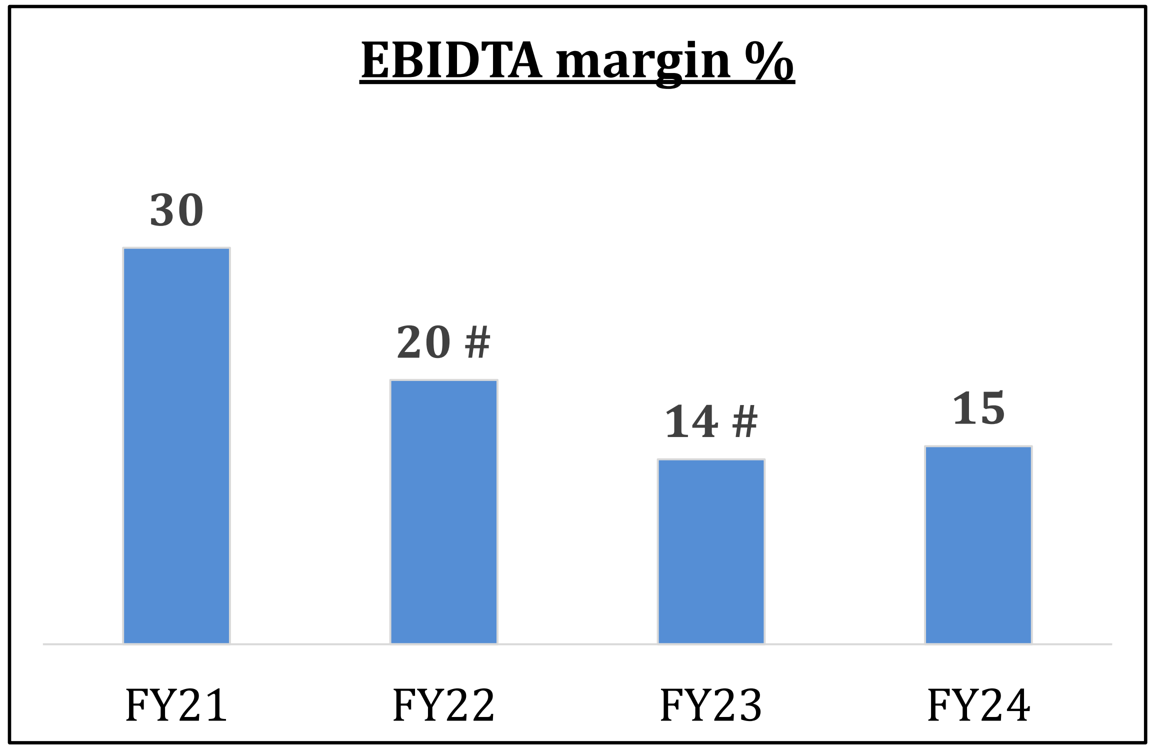
Approval numbers in trend is different as the final approvals received during current FY are previously counted as tentative approvals in earlier FYs.

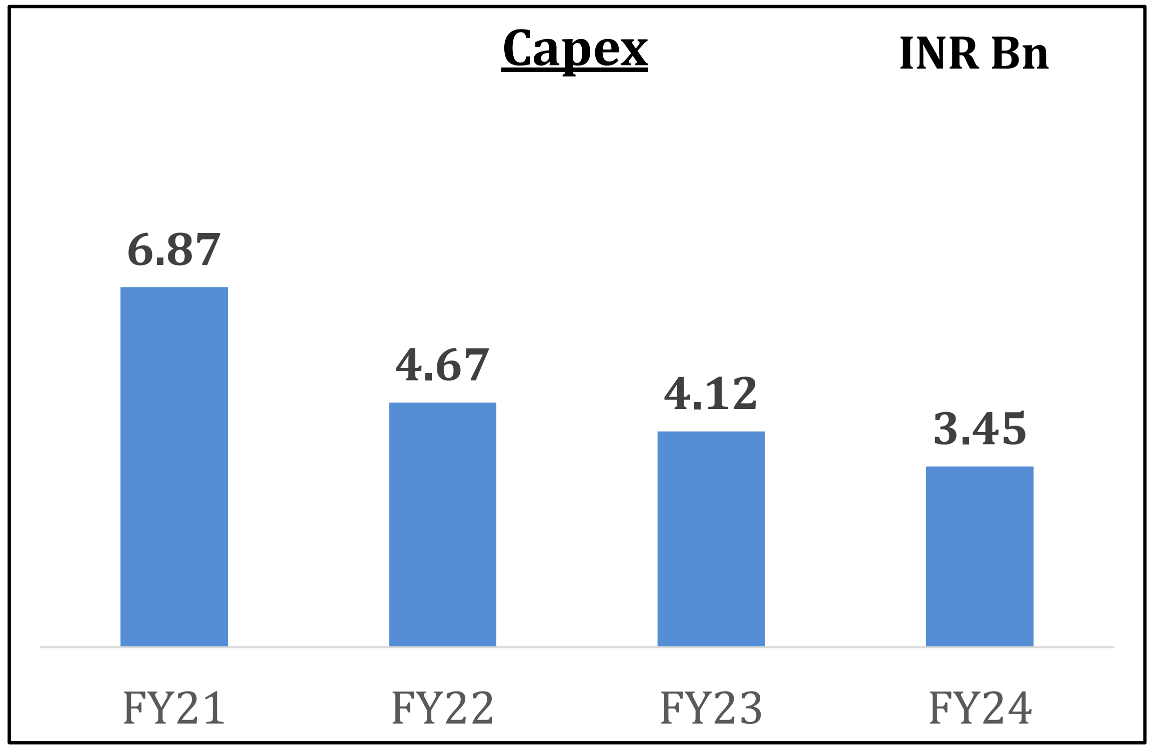
Yearly Financials

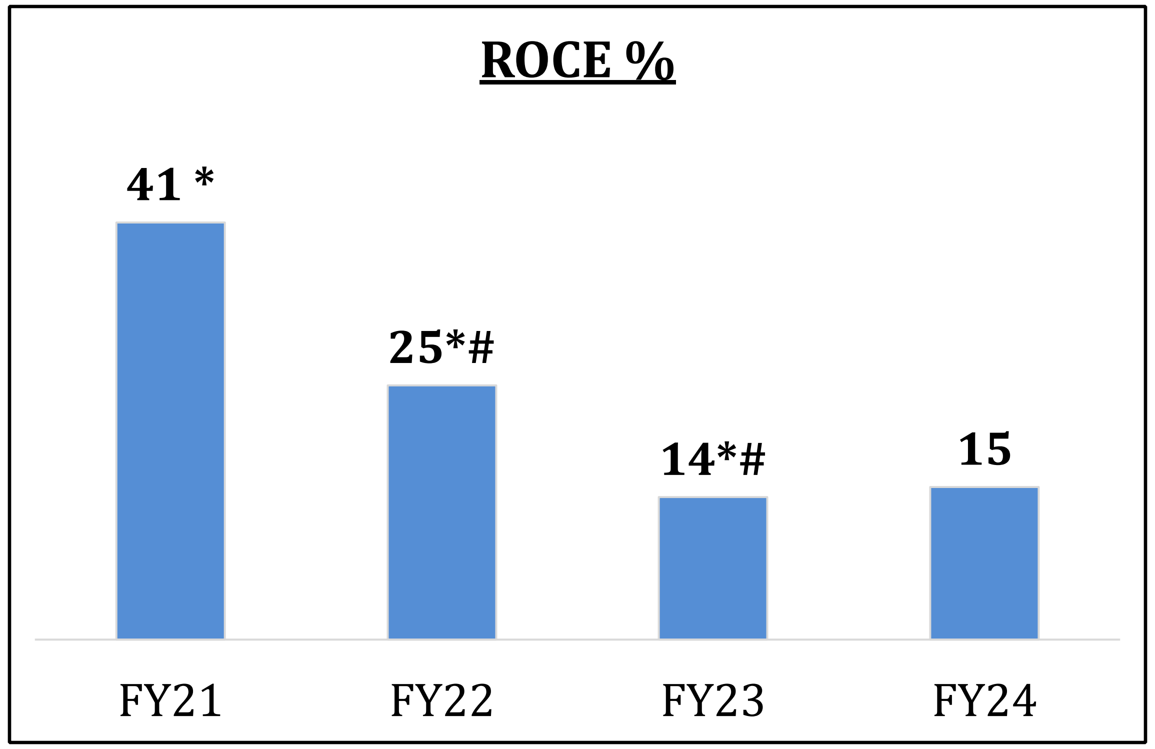












*** Capital excludes New Projects**

 # Note : FY22 & FY23 numbers are without considering one-time impact of Aleor write off for better comparison.

Alembic
Touching Lives over 100 years

Enhancing ESG compliance

Commissioned **12 MW** Solar park at Bhatpur, Gujarat

Developed **82 Nos**. of recharge well and planted **20,000** Trees so far

19% Reduction in Indirect **Energy Consumption**

28% Reduction in **Water Consumption**(KL/MT)

16% Reduction (YoY) in Total GHG **Emissions** (Scope 1&2)(TCO2)

21% Reduction in **Hazardous Waste** (MT/MT of Production)

Nearly 1,11,714 benefited through our CSR Initiatives

Programmes namely Shiksha Setu and Vikas supporting over 1000 students

Sneh Shakti Stitching Unit and the Farmer Empowerment to create opportunities for self advancement

4-Tier risk governance system (The Board, Audit Committee, Risk Management Committee and Leadership Team) in place to ensure identification, assessment and effective management of risks

Governance structure and policies & codes driving business conduct and ethical norms of behaviour

Targets:

- **Net-Zero** by 2040
- **Water Neutrality** by 2027
- Plant 50,000 trees by 2027

- API-Unit-2 has been bestowed with the "**International Safety Merit Award**" organized by the British Safety Council for its dedication to good health and safety management and best practices, for year 2024

- Alembic has been awarded with Silver Award in recently concluded **Times Now Global Sustainability Alliance SDG Summit 2024** for **Best Climate Action Project**

Strategic Roadmap

Business	Initiatives in FY24	Plan for FY25
The India Business	• Increased focus on the animal health space with therapy leading products. • Deployment of Ipads for MR interaction with the Healthcare Medical Professional's (HMP's) • Upgraded to SalesForce platform for India field force to get better control, consistency in execution and drive better orientation towards HMP's.	• Improve depth in the current strength with new launches planned in FY 25 & launches done in FY 24. • Upgradation of data-platform by deploying SNOWFLAKE for real-time big data analytics. • Invest in a new facility which will drive business growth.
The US Generics Business	• Commercial operations ramped up from new facilities backed by product launches and Market share gain • Launched 27 products • Received final approval for 15 products • Filed 15 ANDAs	• Focus on timely product launches across the dosage forms • Enhance the proportion of Complex products in the overall portfolio
The RoW Generics Business	• Established an office in Mexico • Sales operations ramped up in Chile • Initiated product registrations in UAE market	• Expand physical presence in MENA region by initiating operations in various countries • Expand product portfolio with dossier extension of Non-OSD products across the regions

Company Overview

Company at a Glance

Mission
Improve healthcare with innovation, commitment and trust

Prescribers in India
2,33,000

Team size
14,500 +

Field Force
5,200 +

Manufacturing facilities
9

Brands
201

ANDA filings
263 (Dec 31, 2024)

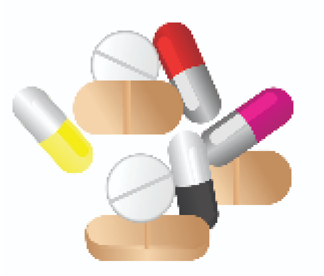
Net Zero
2040

R&D Centres
2

Products in US
159

Value Proposition

Alembic
Touching Lives over 100 years



Developing specialty drug pipeline for India

Supplying APIs to 60+ countries globally

Ranks 20th in the Indian formulations market

Exploring opportunities in Injectables

Consistent and High Dividend Payout

Established a presence in Chile & UAE

Strengthening presence in Canada, South Africa, LATAM & Middle East

Expanding product portfolio in US

The Journey

Alembic
Touching Lives over 100 years

1907
Established by Amin Family

2006
FDA approved API facility

2007
Acquired Dabur's Indian Cardiology, GI and Gynecology brands

2008
FDA approved Formulation facility

2009
Multiple divisions to address chronic therapies launched

2010
Pharmaceutical business demerged from Alembic Group

2012
Formed a JV, Rhizen, for NCE Research

2013
Launched first NDA with a partner. Commenced filing in EU, Australia & Brazil

2015
Launched Aripiprazole. Established US front-end: transition to direct marketing

2016
Formed a JV, Aleor, for dermatology portfolio

2019
Azithral crossed Rs. 250 crore mark as per ORG IMS, MAT Dec 2019

2022
Azithral ranked 16^{th} highest selling brand. Aleor Dermaceuticals merged with Alembic Pharma

2023
Started commercialization of products from Injectables and Oncology facilities

Robust Infrastructure

Location	Dosage Form	Last USFDA Audit
International Generics		
F1 – Panelav	General Oral Solids	July'24*
F2 – Panelav	Oncology Oral Solids	Mar'24*
	Oncology Injectables	Oct'24
F3 – Karkhadi	General Injectables Ophthalmic	Mar'23*
F4 – Jarod	General Oral Solids	Nov'24
F5 - Karkhadi	Various derma forms	Mar'23*
API		
API I & II – Panelav		Dec'18*
API III – Karkhadi		Jan'20*

***EIRs in place.**

F2 – Injectables : USFDA Audit cleared without any 483 observations. EIR Awaited.
F4 : Response of observations (FDA Form 483) is submitted. EIR Awaited.

F2 - Panelav

F3 - Karkhadi

F4 - Jarod

F5 - Karkhadi

Thank you

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