



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 underlying assumptions and other statements that are other than statements of historical fact, 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 India and other key global 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 our key global markets;
- Changes in 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 political conditions in India and in our key global markets.

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.



Key Highlights of Q3FY20 and 9MFY20

Strong quarter marked by healthy revenue growth and significant improvement in EBITDA margins

- **Revenue from Operations** grew by 13.3% YoY during the quarter, accompanied by 450 bps YoY improvement in EBITDA margin
- **Profit After Tax** for the quarter grew by 88.6% compared to the previous year
- **India Business:** As per secondary sales data by IQVIA, the Company's secondary sales growth in Q3FY20 was 15.4% YoY, which is more than 1.5x faster than IPM growth of 9.6% YoY
 - For 9MFY20, the Company's secondary sales growth was 19.5% YoY – significantly head of IPM growth of 11.2% YoY (Source: IQVIA data)
- **US Business** grew in double digits during Q3FY20 and 9MFY20, largely driven by new product launches
- **R&D** expenses during the quarter was at 5.5% of revenue from operations
 - The Company filed 11 ANDAs and received 15 ANDA approvals (including 4 tentative) from the US FDA in 9MFY20

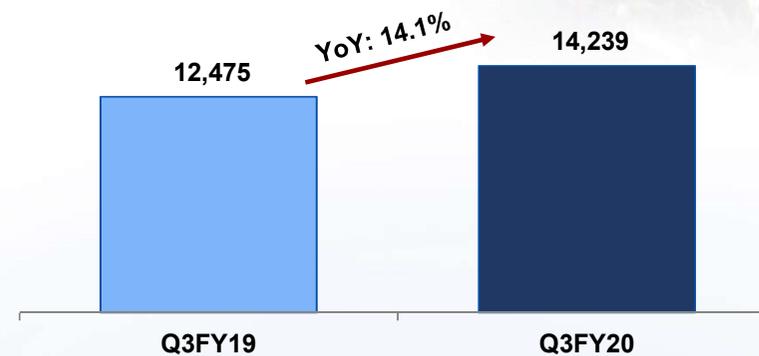
Key Financial Highlights – Q3FY20

All figures in Rs mn

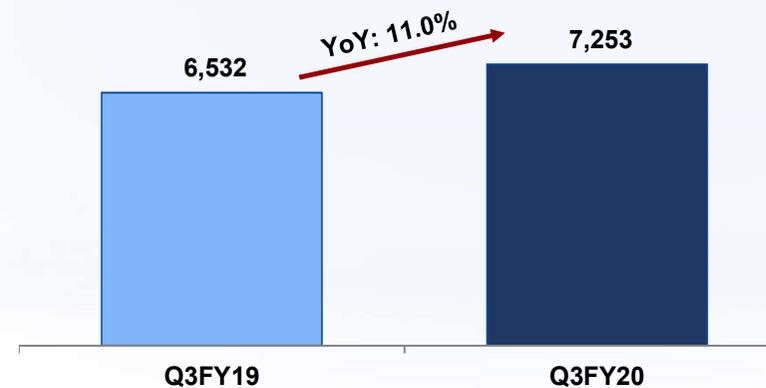
Revenue from Operations



India sales



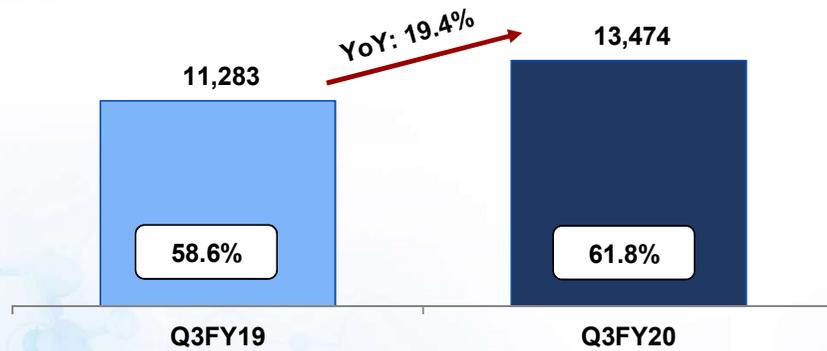
International sales



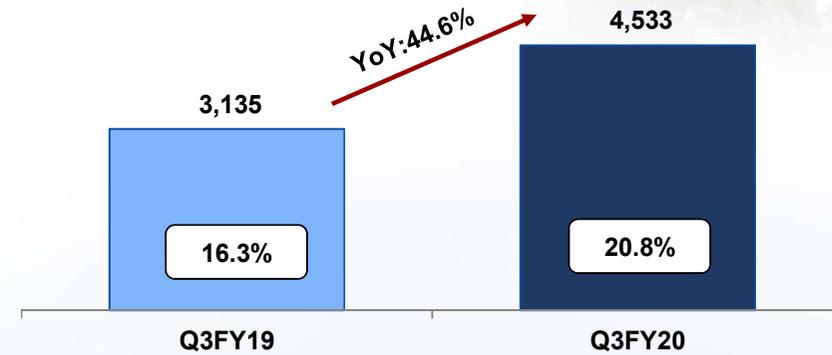
Key Financial Highlights – Q3FY20

All figures in Rs mn

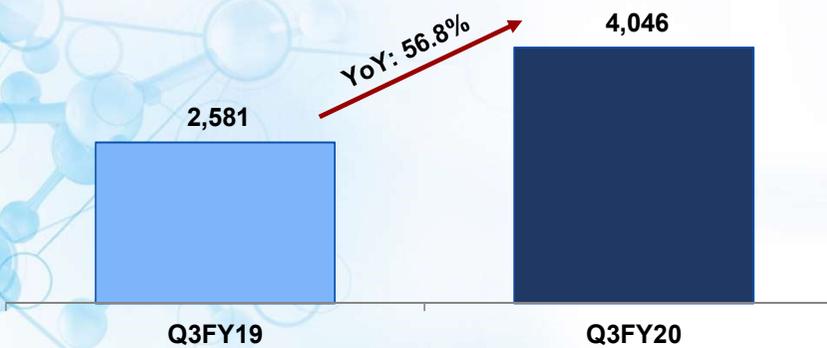
Gross Profit and Gross Margin



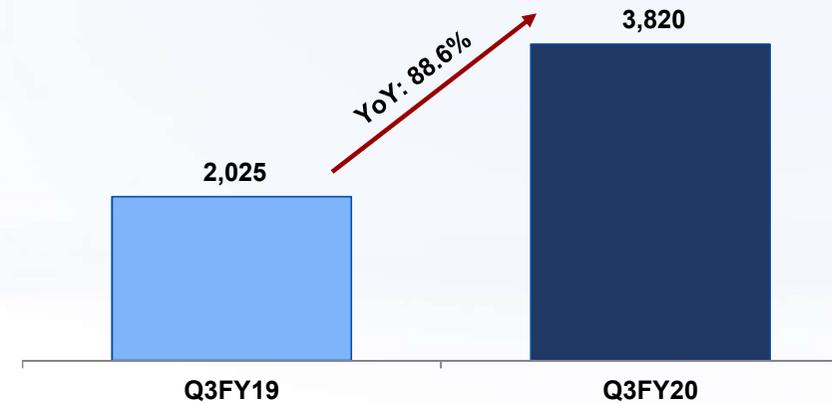
EBITDA and EBITDA Margin



PBT (before Minority Interest)



PAT (after Minority Interest)



Key Financial Highlights

9MFY20 (Consolidated)

Particulars (Rs mn)	9MFY20	9MFY19	YoY growth
Revenue from Operations	62,954	55,042	14.4%
Gross Profit	38,448	33,348	15.3%
Gross Profit margin	61.1%	60.6%	
EBITDA	11,704	8,809	32.9%
EBITDA margin	18.6%	16.0%	
PBT	10,245	7,559	35.5%
PBT margin	16.3%	13.7%	
PAT (After Minority Interest)	9,383	5,932	58.2%
PAT margin	14.9%	10.8%	
EPS (Rs / share)	78.48	49.61	

India Business

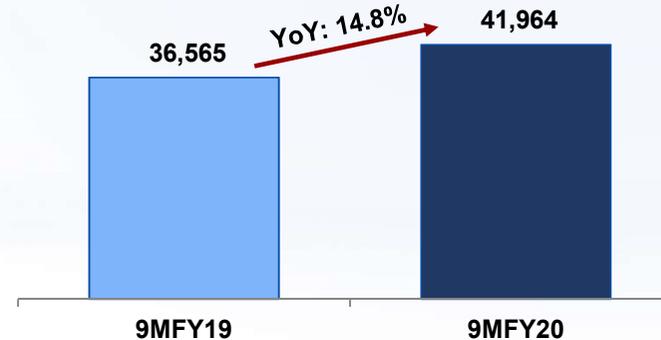
India Business: Q3FY20 Sales of Rs.14,239 million (14.1% YoY growth)

- India sales contributed 66.3% to total sales in Q3FY20
- In Q3FY20, Company's secondary sales grew by 15.4% YoY - significantly ahead of the IPM growth of 9.6% YoY. Similarly in 9MFY20 also, the Company grew ahead of the IPM with growth of 19.5% compared IPM growth of 11.2% (Source: IQVIA data)
- This outperformance was mainly led by Anti-Infectives segment where the Company grew at more than 1.5x the therapy growth rate and maintained its leadership position (Source: IQVIA data)
- During the quarter, the Company also improved its ranking in the chronic therapy segments like Neuro / CNS, Derma and Anti-Diabetes (Source: IQVIA data)

Q3FY20 – India Sales (Rs mn)



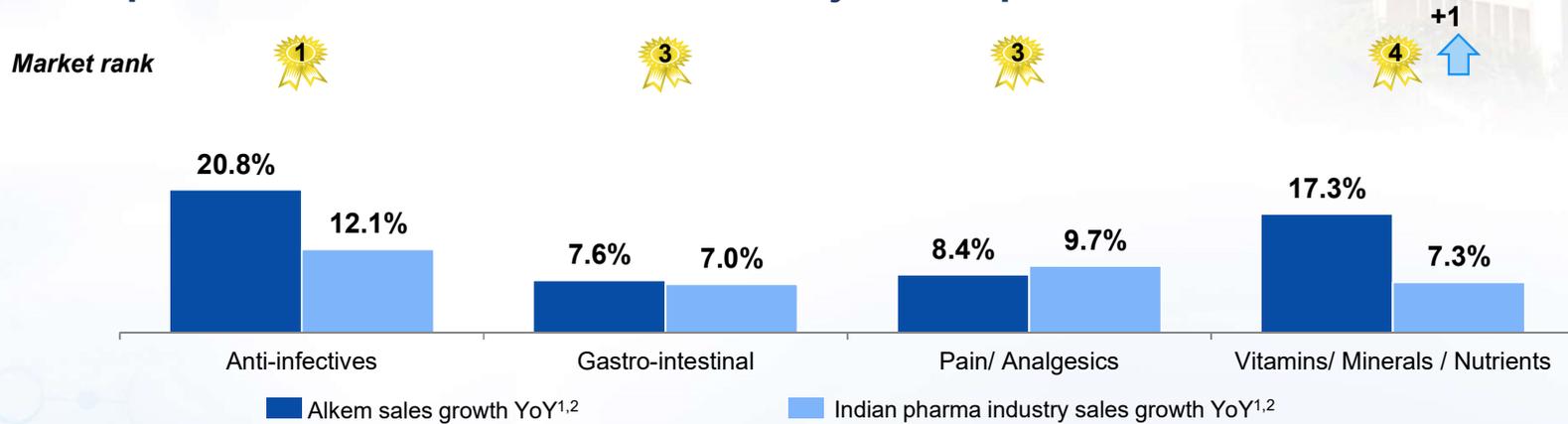
9MFY20 – India Sales (Rs mn)



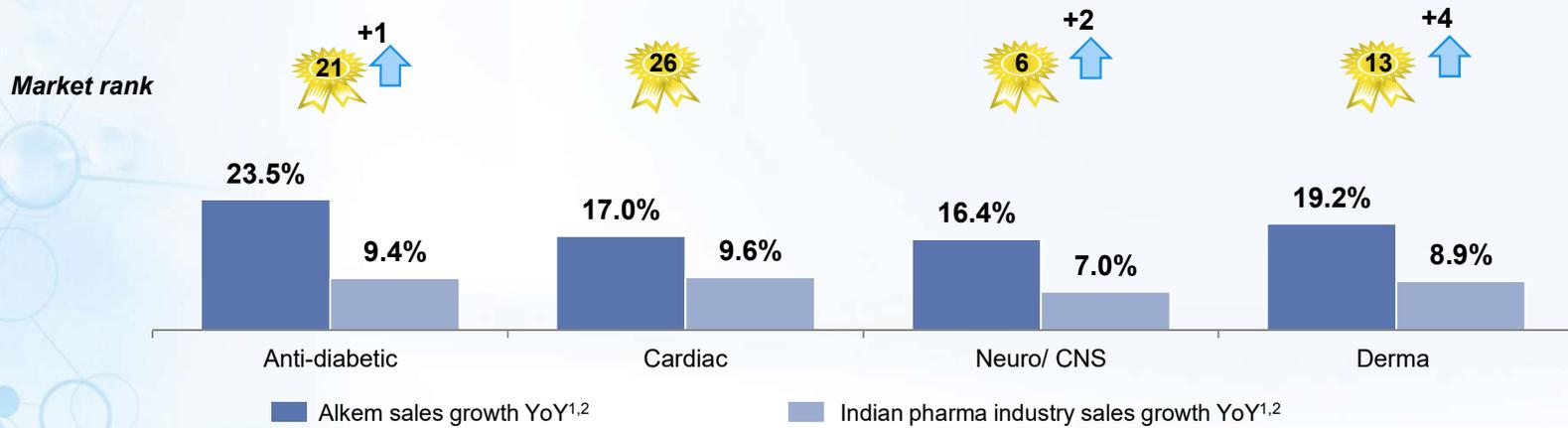
Secondary Sales Performance

Outperformance across most of the major therapeutic areas in Q3FY20

Established therapeutic areas of Alkem



Emerging therapeutic areas of Alkem



Source: IQVIA data ¹ Domestic formulations sales; ² For 3 months ended December 31, 2019



US Business

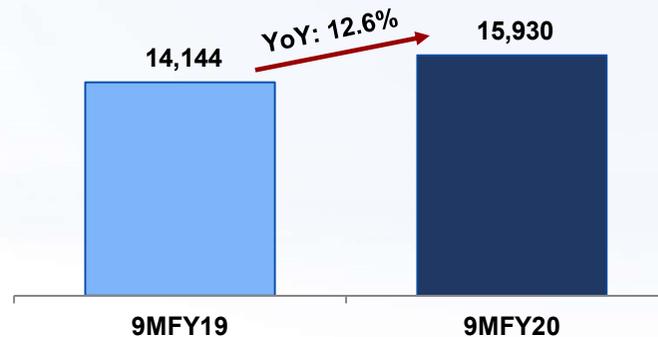
US Business: Q3FY20 Sales of Rs.5,837 million (12.6% growth YoY)

- US sales contributed 27.2% to total sales in Q3FY20
- The YoY growth in the US business during the quarter was mainly driven by new product launches
- In Q3FY20, the Company filed 4 ANDAs with the US FDA and received 4 approvals (including 1 tentative approval)
- As on December 31, 2019, the Company has filed a total of 136 ANDAs (including 1 NDA) with the US FDA and has received 81 approvals (including 11 tentative approvals and 1 NDA)

Q3FY20 – US Sales (Rs mn)



9MFY20 – US Sales (Rs mn)



Update on the US FDA inspection

Facility	Scope	Last inspection	Status post last inspection
Baddi (India)	Formulation	August 2019	Successfully closed without any observations
Daman (India)	Formulation	August 2019	EIR# received in October 2019, thereby successfully closing the inspection
St. Louis (US)	Formulation	February - March 2019	Received Form 483 with 8 observations. Plant classified as OAI*
California (US)	API	August 2018	Successfully closed without any observations
Ankleshwar (India)	API	December 2016	EIR# received in March 2017, thereby successfully closing the inspection
Mandva (India)	API	September 2015	EIR# received in March 2016, thereby successfully closing the inspection

*OAI – Official Action Indicated

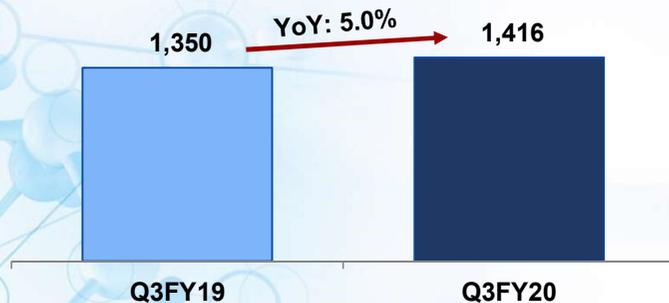
EIR – Establishment Inspection Report

Other International Business

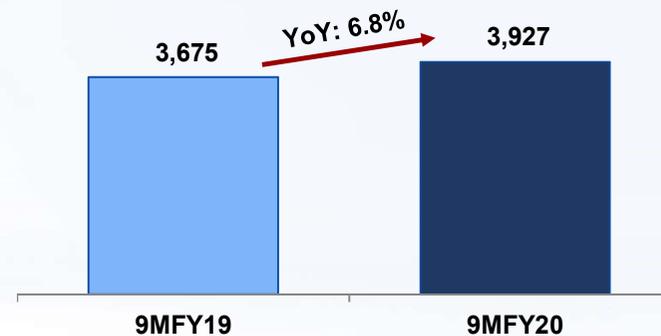
Other International Business: Q3FY20 Sales of Rs.1,416 million (5.0% growth YoY)

- Other International Market sales contributed 6.6% to total sales in Q3FY20
- The Company has presence in Australia, Europe, South East Asia, Latin America and Africa
- Company's key markets like Australia, Chile, Philippines and Kazakhstan registered healthy YoY growth during the quarter and 9MFY20

**Q3FY20 – Other International Sales
(Rs mn)**

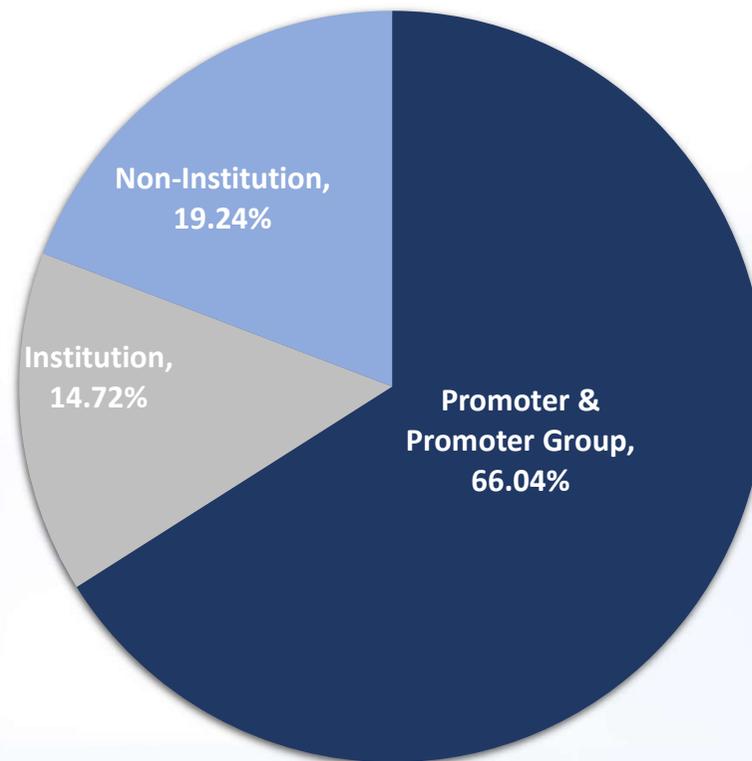


**9MFY20 – Other International Sales
(Rs mn)**



Latest Shareholding Pattern

Shareholding pattern as on December 31, 2019



Institution – Mutual Funds, Alternate Investment Funds, Foreign Portfolio Investors, Financial Institutions / Banks

Non-Institution – Public, Other Bodies Corporates, Clearing Members, Non Resident Indians, Hindu Undivided Family and Trusts



Thank You

