



ajanta pharma limited



Investor Presentation

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These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include, but are not limited to Ajanta Pharma's ability to successfully implement its strategy, the Company's growth and expansion plans, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, cash flow projections, exposure to market risks as well as other risks.

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Ajanta Pharma Overview



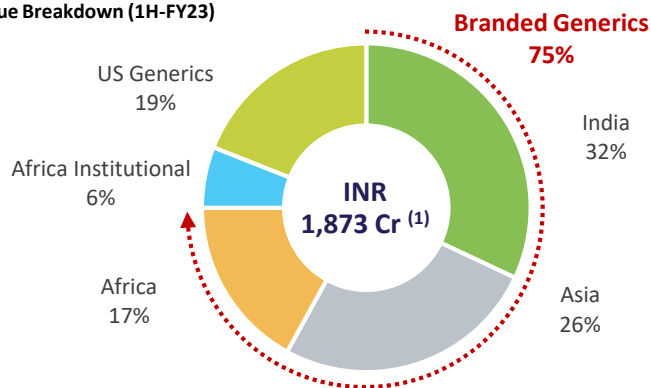
Who Are We Today? - Diversified Branded Generics Company Led by a Strong India Business

Company Overview

- ✓ **Well-diversified branded** business spread across India, Africa and Asia
- ✓ **Strong Product Portfolio** with track record of out-growing the Market led by **first-to-market strategy**
- ✓ **Chronic focused portfolio** with deep presence in Cardiac, Ophthal, Derma and Pain therapy areas in the Domestic Market
- ✓ **Front-end model** across geographies
- ✓ **7,000+ Ajantaites** from different nationalities
- ✓ **7 world class manufacturing** facilities located in India

Diversified Revenue Streams

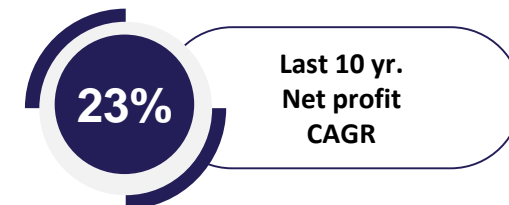
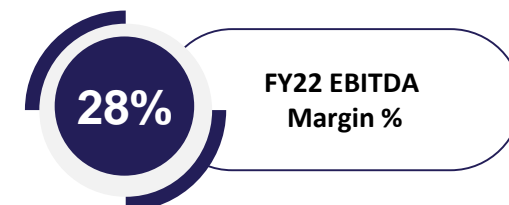
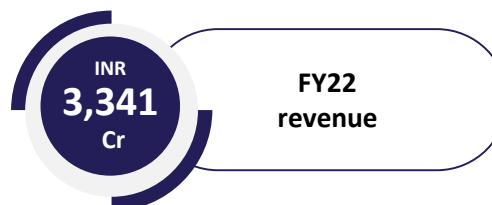
Revenue Breakdown (1H-FY23)



Source: IQVIA September MAT 2022

Note: All data as of Sep-22 unless otherwise indicated; (1) Excluding other operating income

Operational and Financial Highlights



Ajanta Pharma – At a Glance

Focused on
Branded
Generics



16%

Branded Generics
Revenue CAGR (FY19-FY22)



4,200 MRs

(front-end model across all geographies)



21

INR 25+ Cr Brands

Strong
Domestic
Franchise



~2x

Outperformance
to IPM (MAT Sep 21'-22')



45th -> 27th

Rank improvement
(Mar-13 to Sep-22)



2nd

Rank in Ophthalmology

Financial
Metrics



3,341

FY22 Revenue from Operations
(INR Cr)



28%

FY22
EBITDA Margin



27%

FY22 ROCE⁽¹⁾

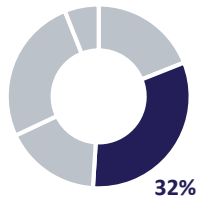
Source: IQVIA September MAT 2022

Note: All data as of Sep-22 unless otherwise specified; (1) ROCE calculated as EBIT / (Net worth + Lease liability + Deferred tax liability)

Overview of our Geographic Segments

Branded Generics India

1H-23 Revenue %



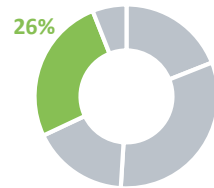
4
Segments

~50%
First to market

300+
Products

Branded Generics Asia

1H-23 Revenue %



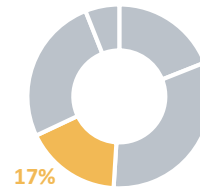
7
Segments

Leadership
In Sub therapeutic segments

200+
Products

Branded Generics Africa

1H-23 Revenue %



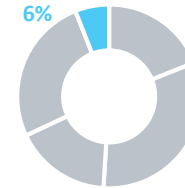
7
Segments

Leading
Brands in segments

200+
Products

Institutional Africa

1H-23 Revenue %



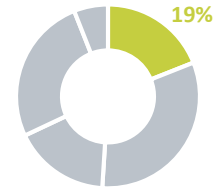
1Bn+
Patients Treated

1st
Generic prequalified by WHO

Anti Malaria
Segment

US Generics

1H-23 Revenue %



43
Approved ANDAs

21
Under Approval ANDAs

~10-12
FY23
ANDA Filing Target

Note: All data as of Sep-22 unless otherwise specified

Domestic Formulations Business Overview

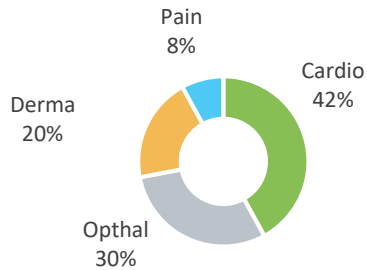


India - Scaled Franchise with Track Record of Consistent Organic Growth

27th Rank in IPM **5th** Rank in Covered Market **65%** Chronic Sales **12%** DPCO Exposure **2,800+** MRs **250,000+** Doctors Covered

Focused Presence with Rank Improvement Across Therapies

IQVIA Sep. MAT 2022

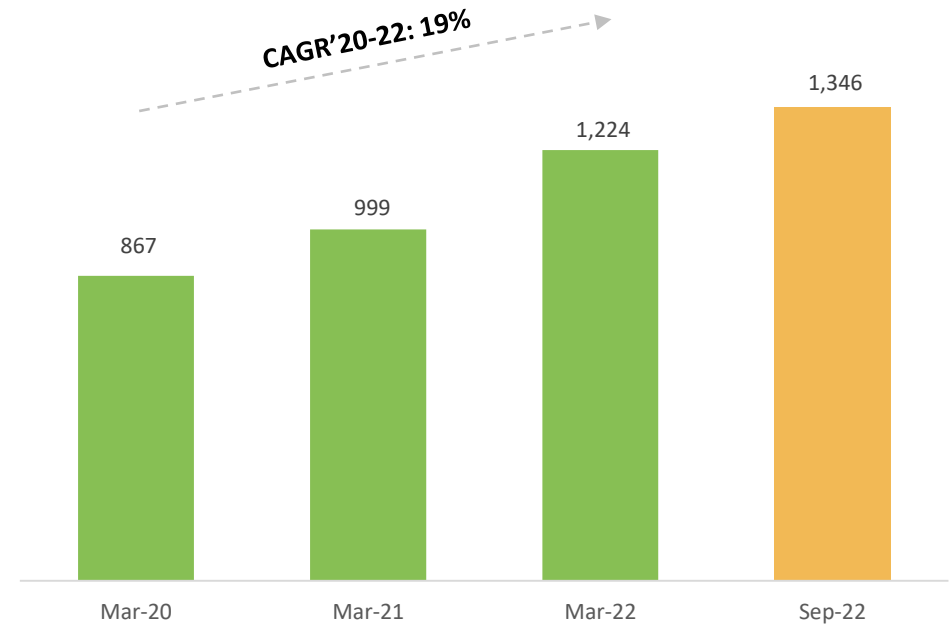


India Ranking

Therapies	March 2013	September 2022
Ophthalmology	#5	#2
Cardiology	#28	#17
Dermatology	#15	#14
Pain Management	-	#28






















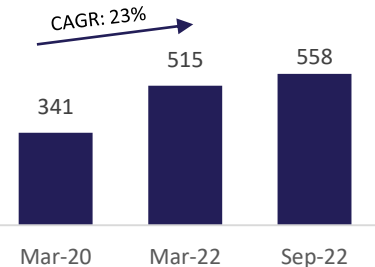
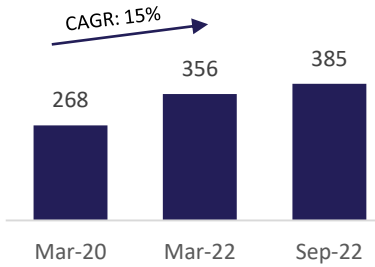
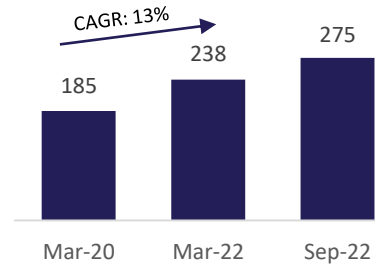
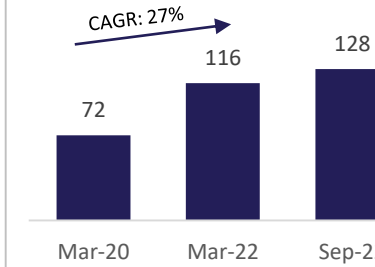
Track record of Revenue Growth

IQVIA MAT Sales (INR Cr)



Sources: IQVIA September MAT 2022
Note: All data as of Sep-22 unless otherwise specified

Focused Presence in Key Therapy Areas

	 Cardiac	 Ophthal	 Derma	 Pain
CVM rank ⁽¹⁾	#9	#2	#2	#14
Contribution to India revenue (1H-FY23)	42%	30%	20%	8%
Top Brands	    	    	    	 
MAT Sales (INR Cr) ⁽¹⁾	<p>CAGR: 23%</p> 	<p>CAGR: 15%</p> 	<p>CAGR: 13%</p> 	<p>CAGR: 27%</p> 

Source: IQVIA September MAT 2022
 Note: All data as of Sep-22 unless otherwise specified

Strong Brand Portfolio with Track Record of Consistent Growth

9
























INR 25 Cr Brands (Sep-22)

54%

MAT contribution from Top 10 brands (Sep-22)

16

New launches in FY22

Brand name	Molecule	Therapy	MAT Sales (INR Cr) Sep-22	Brand CAGR / Segment CAGR (4-yr) ⁽¹⁾	Brand rank		FY22 Market share
					Mar-18	Mar-22	
 Met XL ²⁵	Metoprolol and Combinations	Cardiac	267	18% / 13% 	#1	#1	 15%
 Aterfit CV	Atorvastatin and Combinations	Cardiac	71	3% / 6%	#5	#5	 6%
 MELACARE	Hydroquinone and Combinations	Derma	71	3% / 4%	#2	#2	 16%
 Rosufit	Rosuvastatin and Combinations	Cardiac	68	4% / 15%	#4	#6	3%
 Cinod	Cilnidipine and Combinations	Cardiac	65	13% / 20%	#3	#3	 5%
 Feburic [®]	Febuxostat	Pain / Analgesics	63	13% / 9% 	#2	#2	 20%
 apdrops	Moxifloxacin and Combinations	Ophthal	42	10% / 10% 	#3	#2	 11%
 Aquasoft	Emollients, Calamine and Combinations	Derma	33	16% / 10% 	#11	#7	2%
 Softdrops	Carboxymethylcellulose and Glycerin	Ophthal	26	11% / 10% 	#1	#1	 66%
 Cilamet XL	Cilnidipine and Metoprolol	Cardiac	21	18% / 26%	#2	#2	 28%

8 out of top 10 brands ranked amongst the top 5 in their molecule segment

Source: IQVIA September MAT 2022
Note: (1) MAT Mar 19-22



Indicated brands that are ranked amongst the top 5 in their molecule segment

Distinctive Strategy of Launching Novel First-to-Market Products...

50%

First to launch products in portfolio

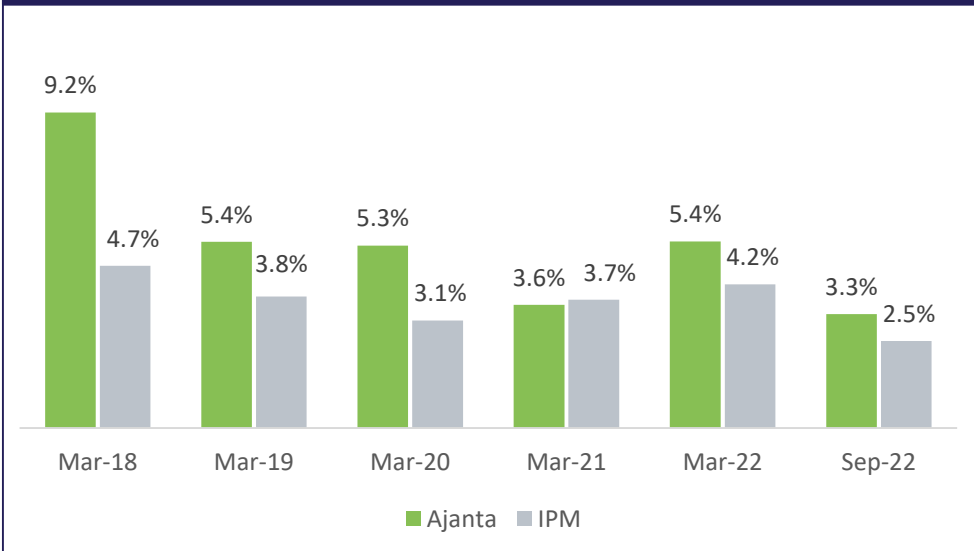
150+

1st to Market Products

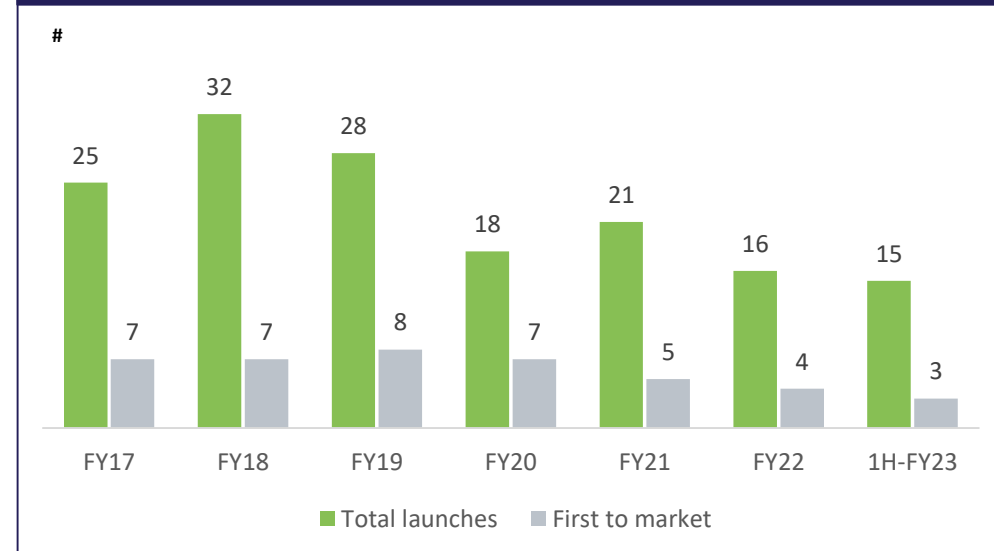
4

1st to Market launches in FY22

MAT Growth from New Launches (%)



of new launches in the domestic market



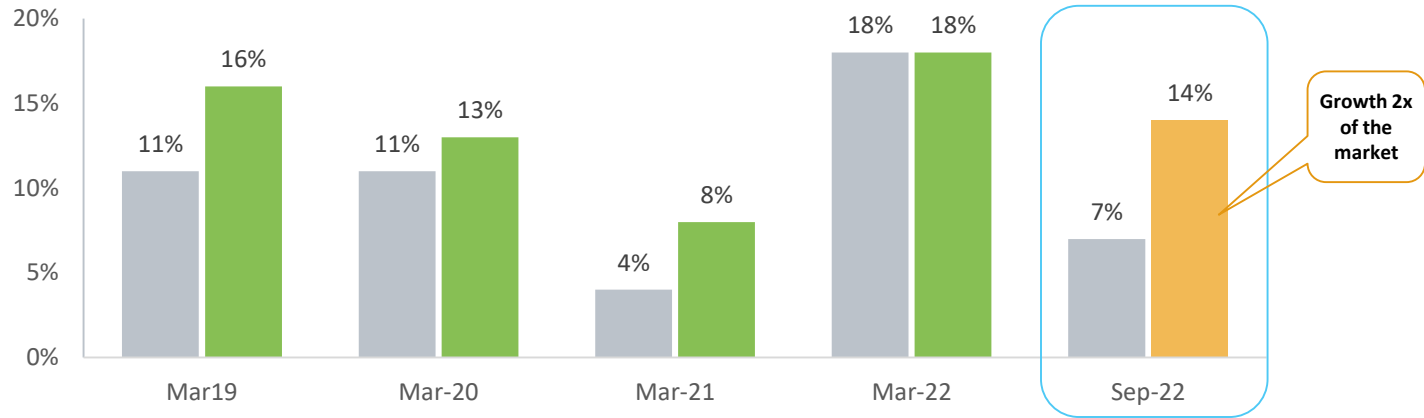
The first-to-market launches have either been with a differentiated delivery system or combinations of existing molecules

Ajanta Pharma's strategy of focusing on niche, first-to-market products gives it an early mover advantage

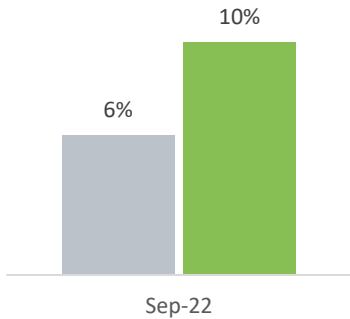
Source: IQVIA September MAT 2022

...driving Ajanta's Outperformance vs. the IPM in the Last Five Years

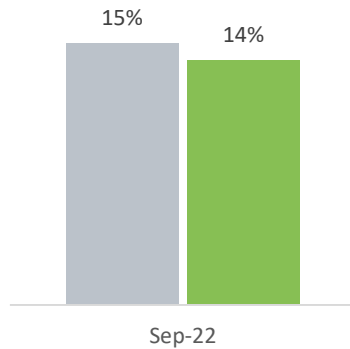
IPM Growth vs. Ajanta Growth



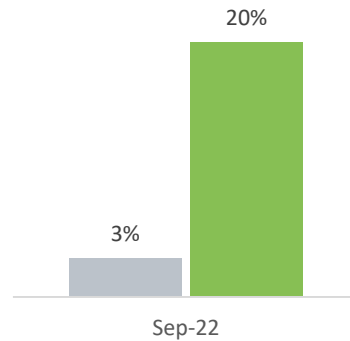
Cardiac



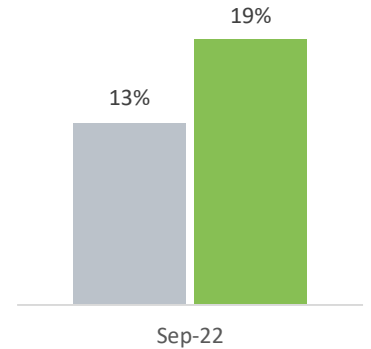
Opthal



Derma



Pain



■ Ajanta Pharma ■ IPM

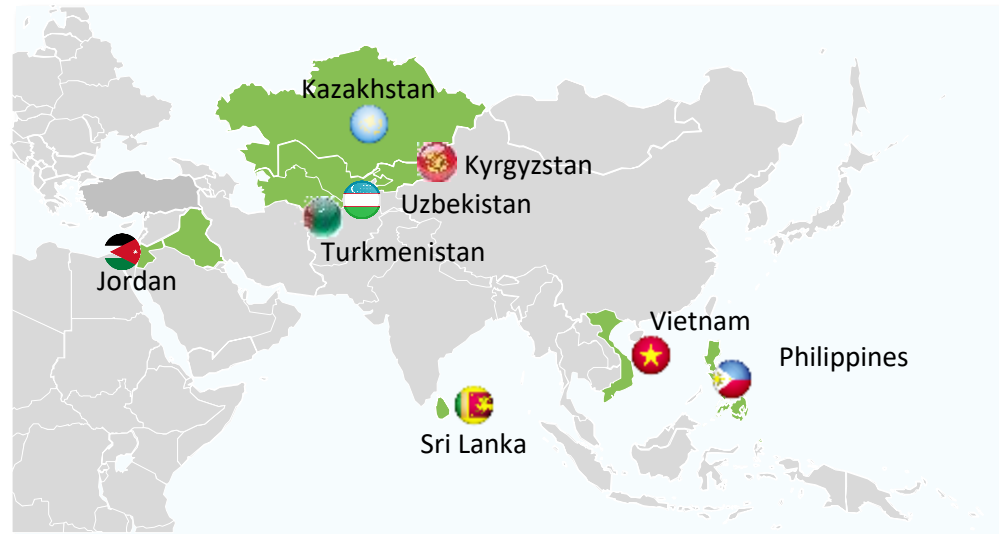
Source: IQVIA September MAT 2022

Asia Branded Business Overview



Asia Business – Front-End Presence in All the Markets Provides Additional Edge

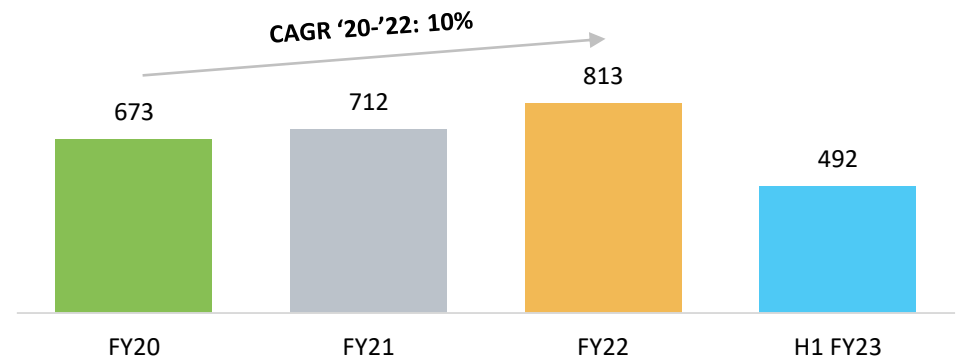
Front-End Presence in 10 Asian Markets



Overview

- **Branded generics presence in 10 countries**
- Philippines and the Middle East are the key markets
 - **Philippines is the largest Asian market**
 - **Ranks among the top 20** and is among the **fastest-growing companies** in the Philippines market
- Therapy presence across cardiac, diabetes, Ophthal, pain, anti-biotics, gastro, anti-histamines, respiratory

Revenue (INR Cr.)

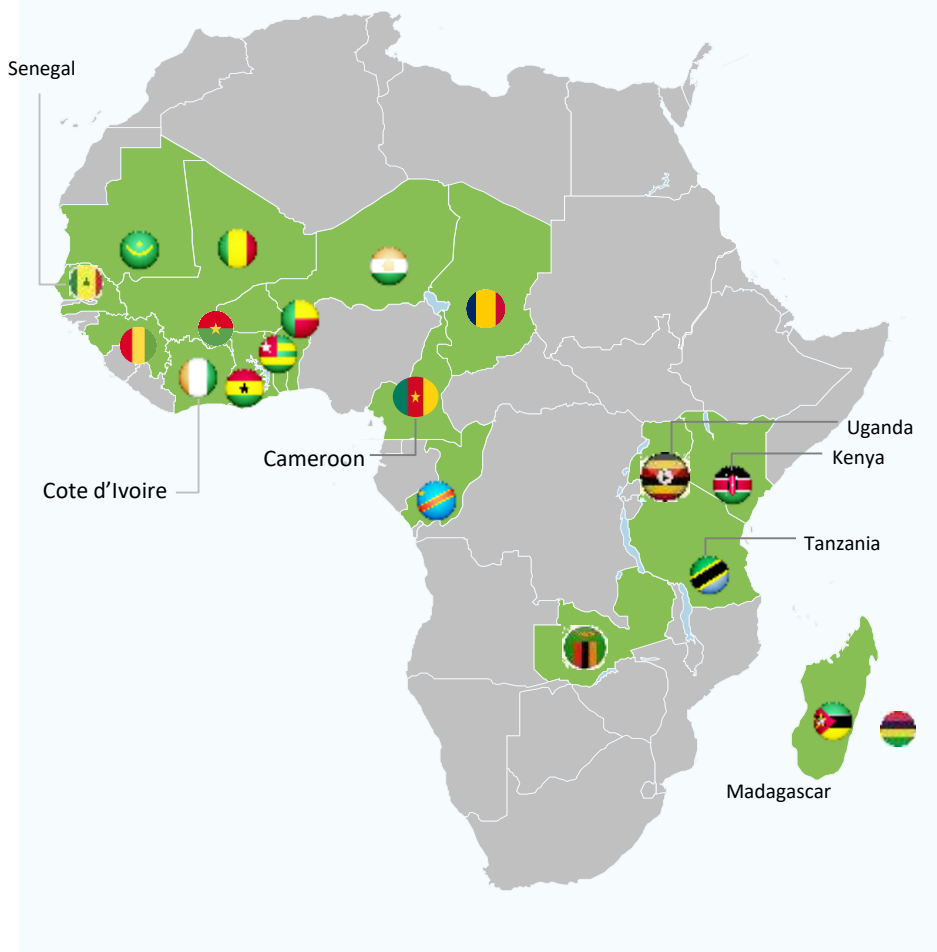


Africa Branded Business Overview



Africa Business – Branded business Growing at Healthy Double-Digit Rate Over the Last Three Years

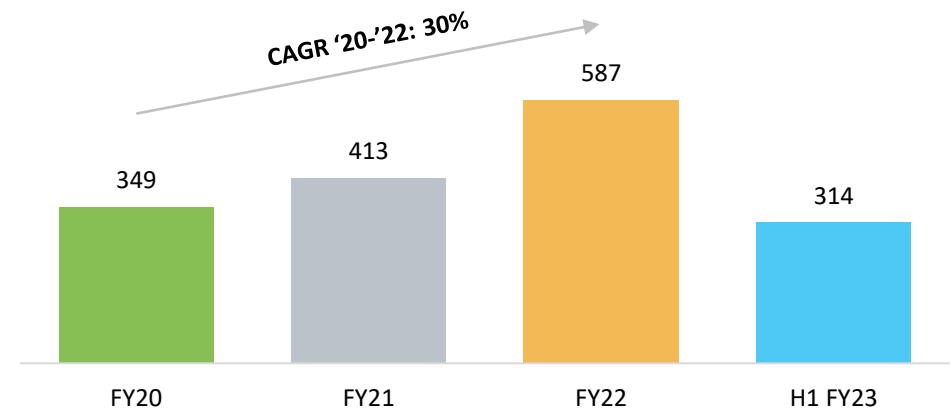
Front-end Presence in 20 African Countries



Overview

- Spread over 20 countries across Franco Africa and Anglo Africa
- 2nd largest player in Franco Africa
- Therapy presence across cardiac, diabetes, Ophthal, pain, anti-biotics, gastro, anti-histamines, respiratory

Revenue (INR Cr)



Africa Institutional Business Overview



Africa Institutional Business – Tender-Driven Business with Supplies to Key Funding Agencies

Overview



1st Generic Company
to obtain
WHO Pre-Qualification

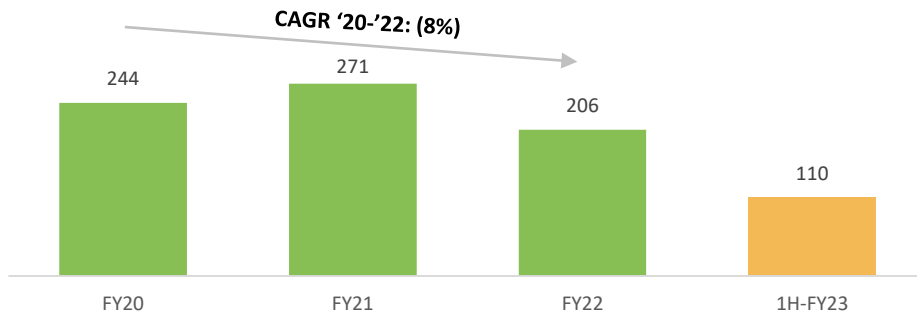
for difficult anti-malarial product



Artemether + Lumefantrine Tabs

Treated **1 Billion+** Patients

Revenue (INR Cr)



Key Customers



US Business Overview

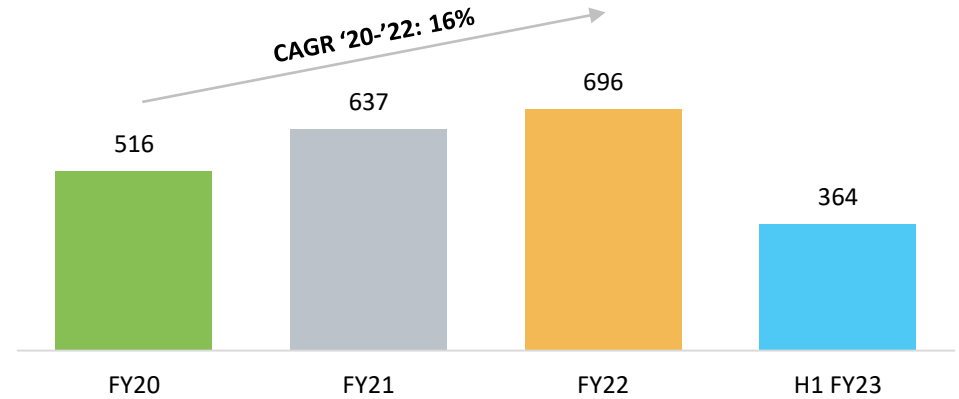


US – Gradually Scaling Generics Business Driven by New Launches

Overview

- Started off in 2013 with own front-end
- Strategy of **selective play in the market** with the launch of **limited competition products**
- Expecting **accelerated flow of ANDA approvals** in coming quarters
- Commercialized **39 products**
- On an average, **launching around 8-10 products annually**

Revenue (INR Cr)



New Product Approvals Expected to Pick Up

As of 1H-FY23 (cumulatively)

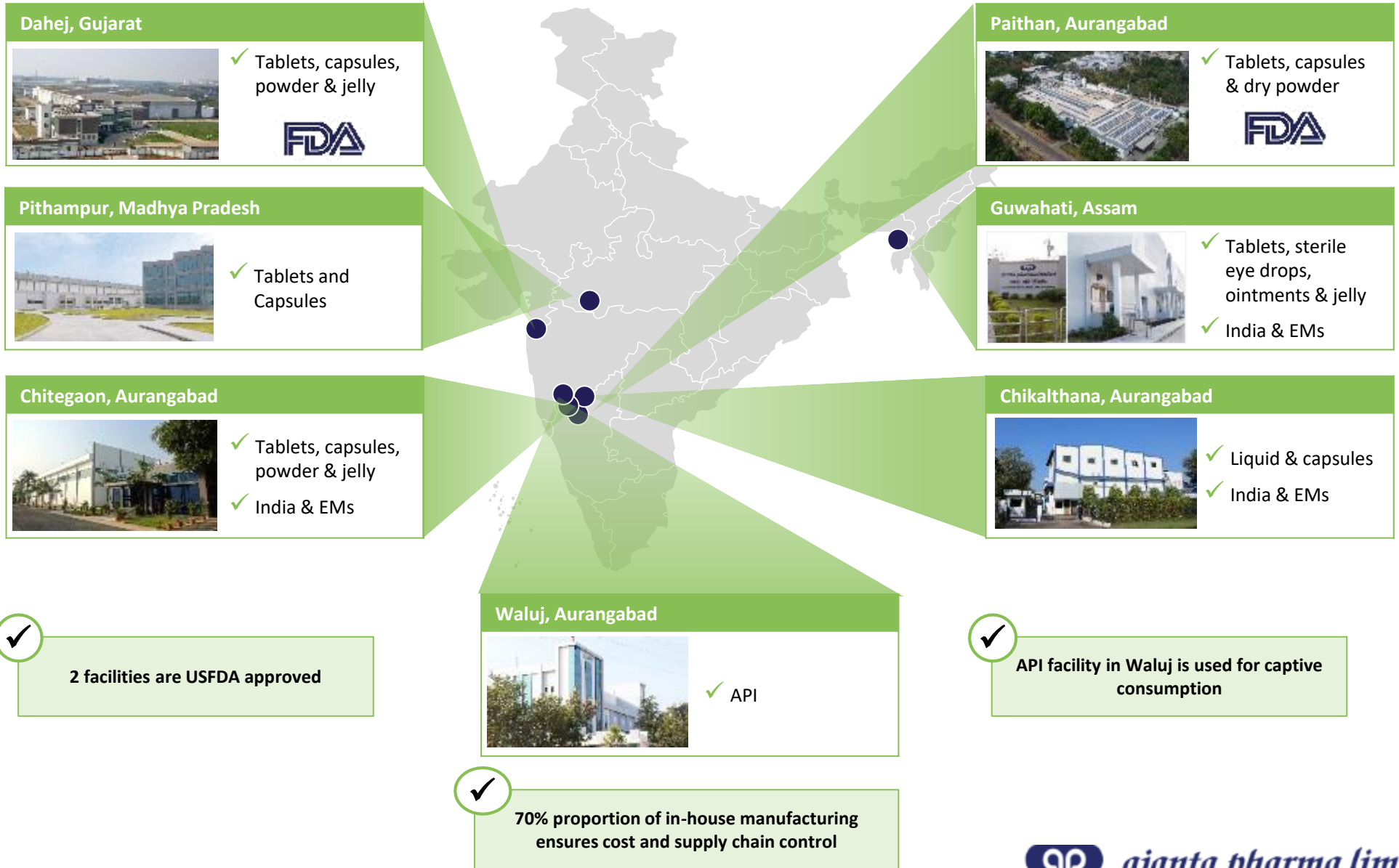


Target of filing 10-12 ANDAs annually

Manufacturing and R&D Overview



Expansive Manufacturing Footprint with 7 World Class Facilities...



...Supported by a State-of-the-Art R&D Centre in Mumbai, India

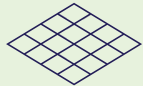
Ajanta Research Centre, Mumbai



850+
Scientists



6%
Revenue spent on R&D



100,000 sq. ft.
Area with latest equipment

✓ Focus on developing complex / difficult-to-make products by using latest technologies

Strong Capabilities



Formulation Development



Analytical Method
Development & Validation



API Development



Bio-Analytical Testing Lab



Drug Regulatory Affairs



IPR & QA

Wide Spectrum of Dosage Form Capabilities

Tablets

- Immediate release
- Extended release
- Delayed release
- Dispersible
- Chewable



Capsules

- Immediate release
- Extended release
- Delayed release



Ointments,
creams, lotions



Sterile eye drops



Injectable



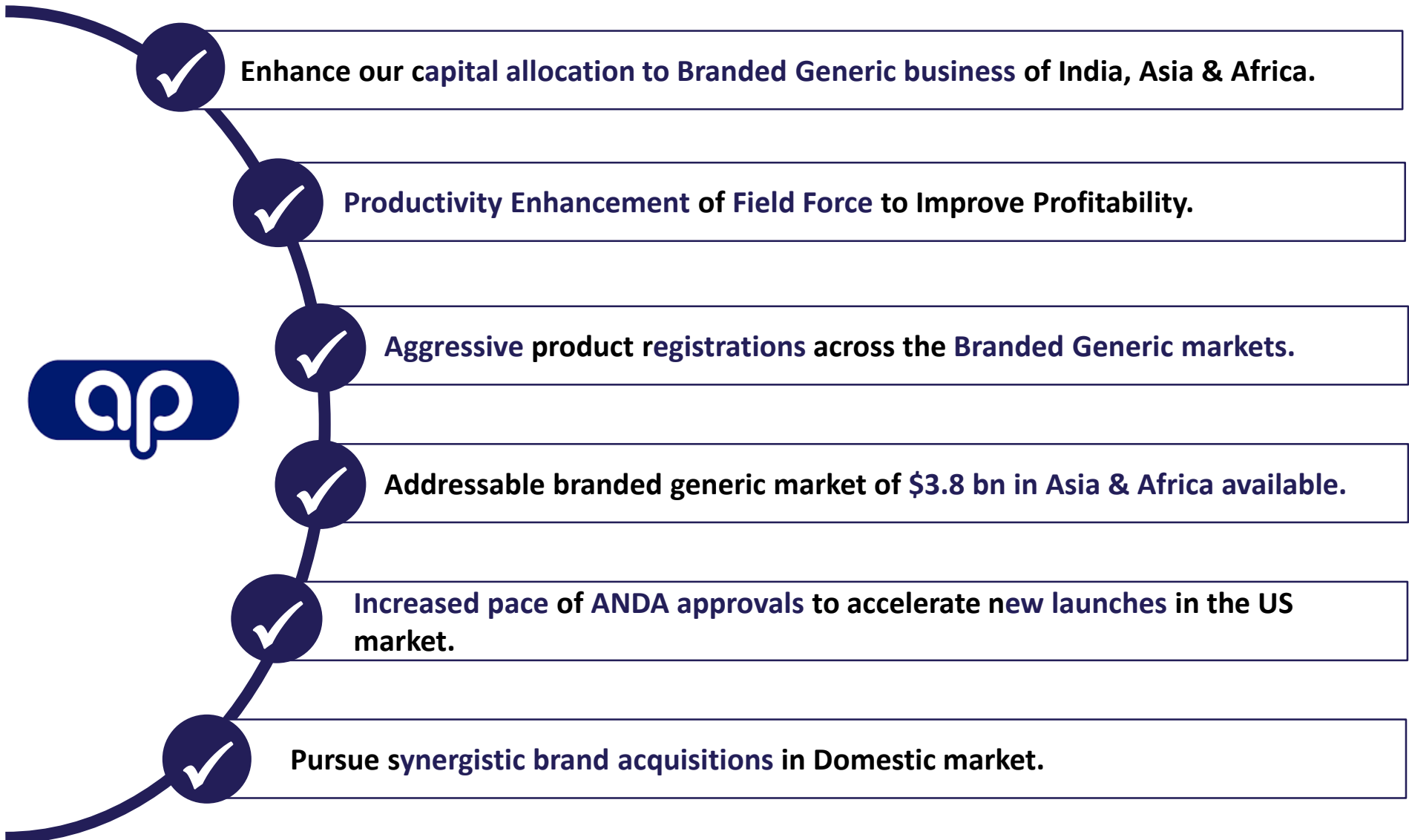
Oral jelly



Strategy Initiatives and Levers for Growth



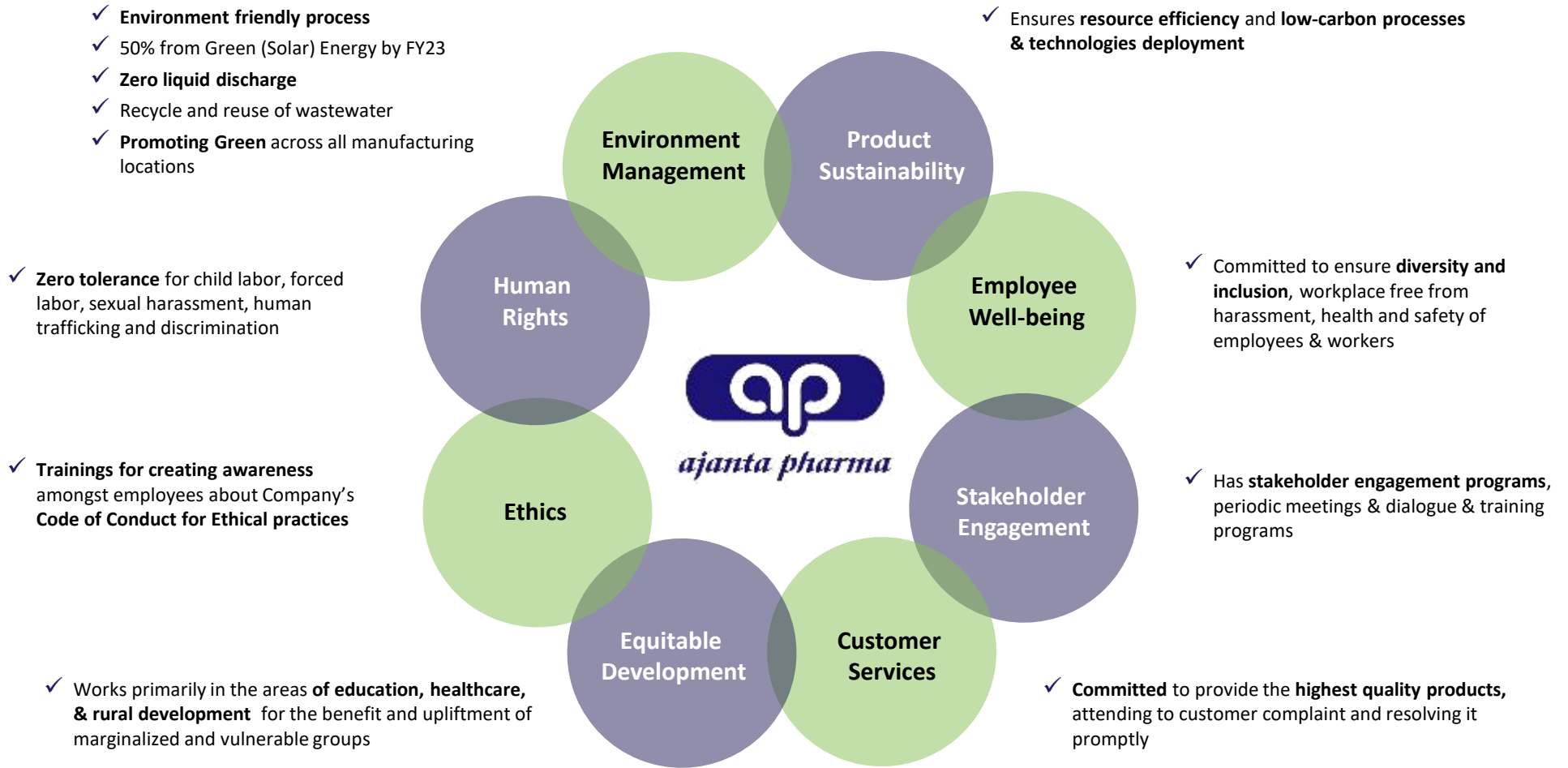
Strategy Initiatives and Levers for Growth



Sustainability Initiatives



Effective Business Practices with Key Principles in Place



g-pam.com

ACG-pam

www.acg-pam.com

Financial Overview

Year	Revenue	Profit
2010	100	20
2011	110	22
2012	120	24
2013	130	26
2014	140	28
2015	150	30
2016	160	32
2017	170	34
2018	180	36
2019	190	38
2020	200	40
2021	210	42
2022	220	44
2023	230	46
2024	240	48
2025	250	50
2026	260	52
2027	270	54
2028	280	56
2029	290	58
2030	300	60

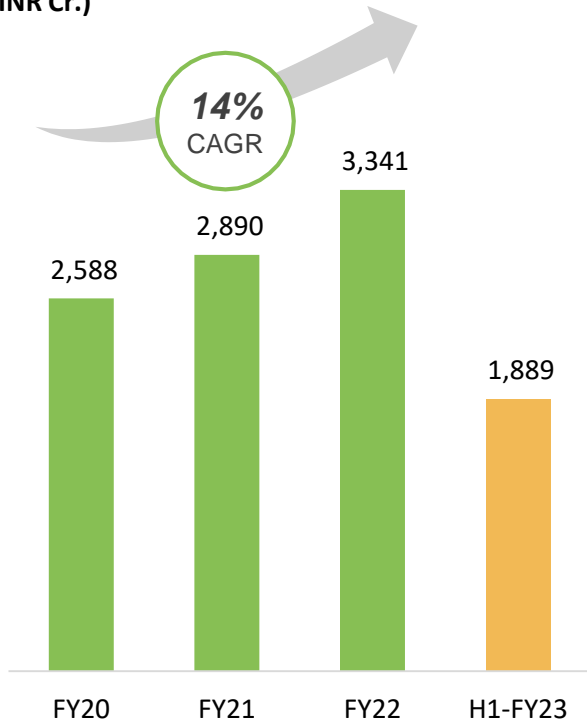
AF 90T



Track Record of Rapid Growth and High Profitability

Revenue

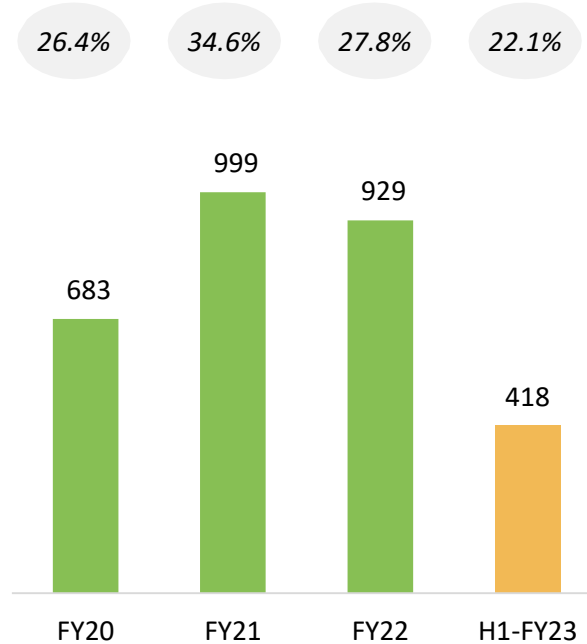
(INR Cr.)



✓ Demonstrated strong execution with ~14% revenue CAGR from FY20-22

EBITDA and Margin %

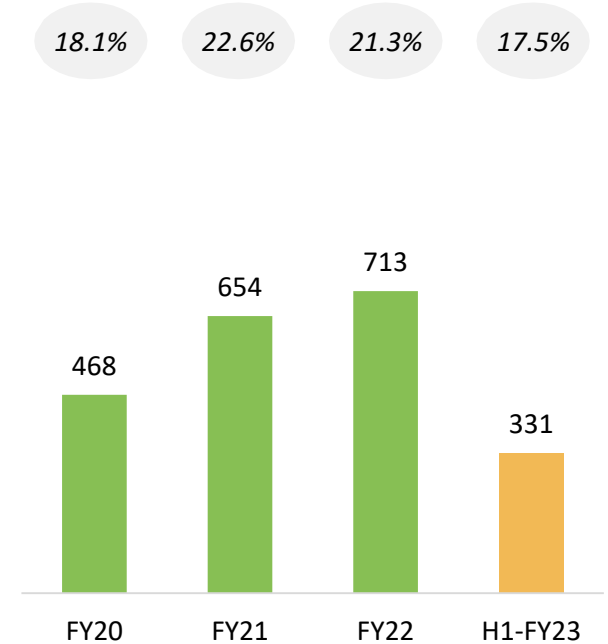
(INR Cr.)



✓ Attractive margin profile led by predominantly branded nature of the business

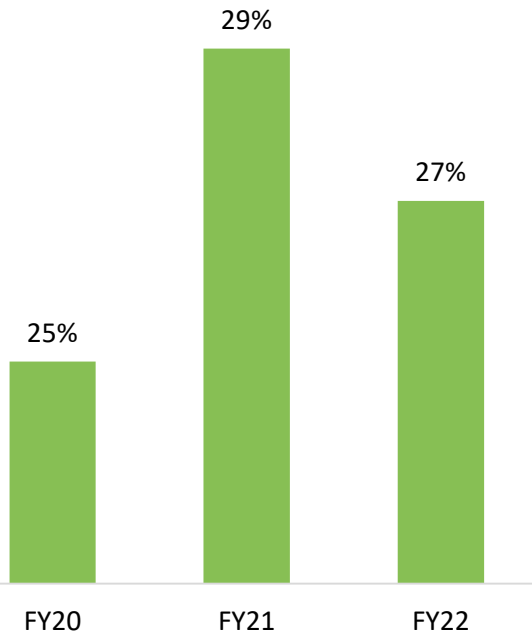
PAT and Margin %

(INR Cr.)

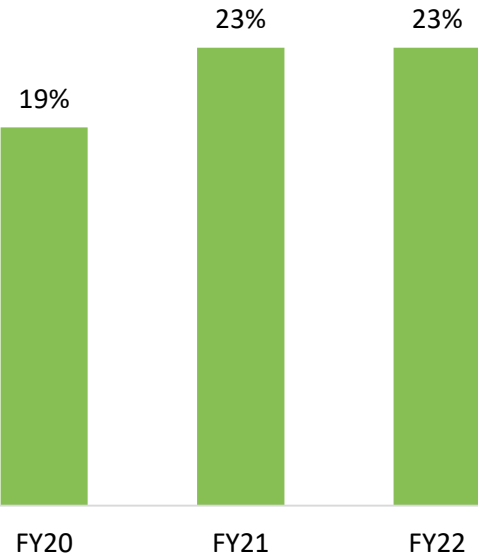


Attractive Return Metrics and Healthy Cash Flows

ROCE %⁽¹⁾

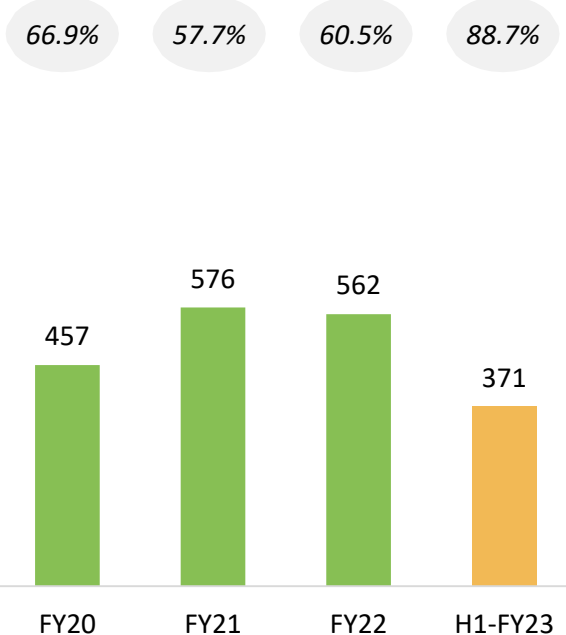


ROE %⁽²⁾



CFO and Cash Conversion Ratio⁽³⁾

(INR Cr.)



Strong focus on capital efficient operations and generating value for investors



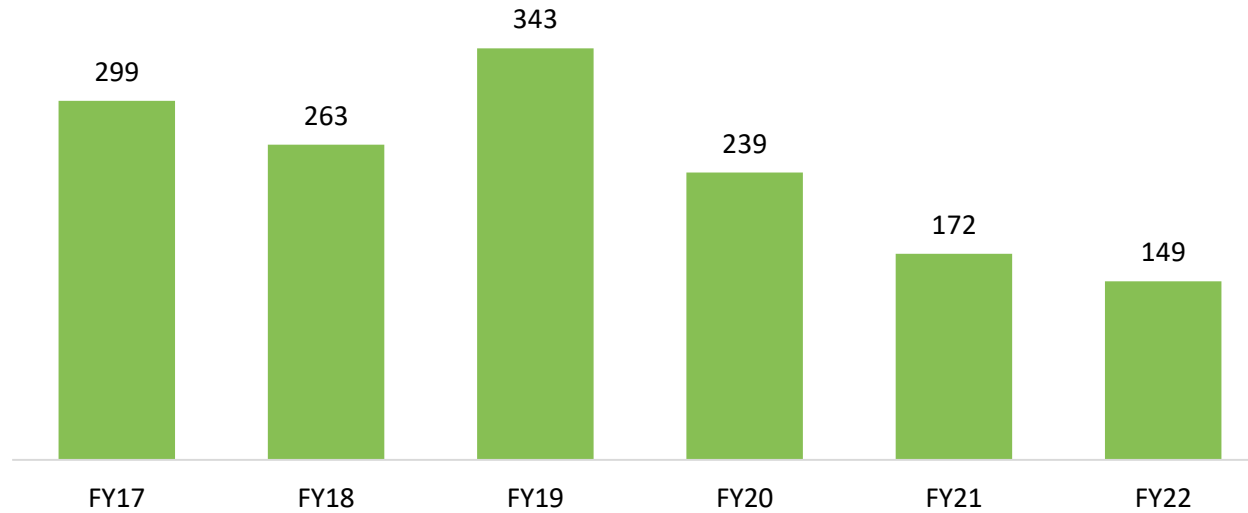
High cash conversion ratio of ~60% in FY22

Note: 1. ROCE calculated as EBIT / (Net worth + Lease liability + Deferred tax liability)
 2. ROE calculated as Net profit / Average net worth
 3. Cash Conversion Ratio calculated as CFO (CashFlow from Operations) / EBITDA

Overview of Capex Cycle

Aggressive Capex Cycle Over FY17-22

(INR Cr.)



- ➔ Invested close to ~INR 15b in capex over the last five years, in its Guwahati / Dahej / Paithan facilities
- ➔ These facilities are now operating at utilization levels of 50-55% and should suffice for growth over the next four years
- ➔ With most of the capex complete, company is expected to consistently generate positive FCF and witness ROCE accretion in the future

Management Team & Industry Accolades



Led by an Experienced Management Team...

Experienced Management Team...



Yogesh Agrawal
Managing Director
 Years of experience: 26+



Rajesh Agrawal
Joint Managing Director
 Years of experience: 23+



...Recognized by the Industry...



Deloitte
 Oct 2022



*Best Overall Generic
 Manufacturer*

DIANA award⁽¹⁾
 Jun 2021 & 2019



*Top Export Performer
 Award*

Federation of Indian Export
 Organizations
 Apr 2018

...With Strong Corporate Governance

- ✓ Strong board & best governance practices in place
- ✓ Robust internal process & policies supported by external parties (Auditor – BSR & Co. LLP)

Note: (1) In less than \$100m sales category

...Widely Recognized for its Efforts



TIME

Awarded
Young Maker of the Year

by the hands of

**Hon. Prime Minister
Narendra Modi**

FORTUNE
INDIA



Giants of Tomorrow

by the hands of
Mr. Nitin Gadkari
Union Minister,
Government of India

FORTUNE
INDIA



3rd Largest Wealth Creator

by the hands of
Mr. Piyush Goyal
Union Minister,
Government of India

CNBC
आवाज़



CEO of the Year – Next Gen

by the hands of
Mr. Raman Singh
Union Minister,
Government of India

Appendix



P&L Snapshot

(INR Cr)	FY20	FY21	FY22	H1-FY23
Revenue from operations	2,588	2,890	3,341	1,889
COGS	(656)	(645)	(832)	(540)
Gross profit	1,932	2,245	2,509	1,349
<i>Margin (%)</i>	<i>75%</i>	<i>78%</i>	<i>75%</i>	<i>71%</i>
Employee benefit expense	(486)	(548)	(646)	(369)
Other expenses	(763)	(698)	(934)	(562)
EBITDA	683	999	929	418
<i>Margin (%)</i>	<i>26%</i>	<i>35%</i>	<i>28%</i>	<i>22%</i>
Depreciation and amortisation expense	(96)	(116)	(125)	(64)
Finance costs	(12)	(8)	(10)	(2)
Other income	92	26	116	73
Exceptional Item	(4)	-	-	-
PBT	664	900	909	425
Tax expense	(196)	(246)	(197)	(94)
PAT	468	654	713	331
<i>Margin (%)</i>	<i>18%</i>	<i>23%</i>	<i>21%</i>	<i>18%</i>
Other comprehensive income	6	(6)	(8)	7
Total comprehensive income	473	647	705	338

Balance Sheet

(INR Cr)	FY20	FY21	FY22	H1-FY23
ASSETS				
Non-current assets				
Property, plant and equipment	1,447	1,449	1,442	1,414
Capital work-in-progress	132	108	153	182
Right for use assets	25	92	70	74
Other non-current assets	73	103	126	130
Sub-total - Non-current assets	1,677	1,752	1,791	1,800
Current assets				
Inventories	496	766	791	749
Trade receivables	775	738	1,020	1,180
Bank balance including investments	272	385	334	615
Other current assets	99	138	120	104
Sub-total - Current assets	1,642	2,027	2,265	2,648
TOTAL - Assets	3,319	3,779	4,056	4,448
EQUITY AND LIABILITIES				
Equity				
Equity share capital	18	17	17	26
Other equity	2,581	2,979	3,247	3,578
Sub total – Shareholders’ funds	2,599	2,996	3,264	3,604
Non-current liabilities				
Non-current liabilities	114	134	144	144
Sub total – Non-current liabilities	114	134	144	144
Current liabilities				
Borrowings	43	-	-	-
Trade payables	362	374	327	388
Other current liabilities	201	275	321	312
Sub total – Current liabilities	606	649	648	700
TOTAL – Equity and Liabilities	3,319	3,779	4,056	4,448

Cash Flow Statement

(INR Cr)	FY20	FY21	FY22	H1-FY23
A. Cash flow from operating activities				
Profit before tax	664	900	909	425
Adjustment for non-operating, non-cash items	71	115	92	12
Operating cash flow before working capital changes	735	1,015	1,002	437
Changes in working capital:				
Decrease / (increase) in trade receivables	(268)	31	(270)	(97)
Decrease / (increase) in inventories	(59)	(271)	(26)	43
Decrease / (increase) in other assets	24	(28)	50	23
Increase / (decrease) in trade payables	133	11	(48)	60
Increase / (decrease) in other liabilities	47	49	93	(21)
Cash generated from operating activities	612	807	801	446
Net income tax paid	(155)	(230)	(239)	(75)
Net cash generated from operating activities	457	576	562	371
B. Cash flow from investing activities				
Capital expenditure	(239)	(172)	(149)	(86)
Purchase of current investments	(278)	(742)	(1,038)	(176)
Other investing activities	293	632	1,113	18
Net cash used in investing activities	(224)	(282)	(74)	(243)
C. Cash flow from financing activities				
Proceeds / (repayment) of borrowings (net)	10	(44)	0	(0)
Interest paid	(7)	(5)	(7)	1
Payment for buyback of equity shares	-	(135)	(286)	-
Other financing activities	(131)	(134)	(167)	(8)
Net cash used in financing activities	(129)	(318)	(460)	(7)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	104	(24)	28	121
Cash and cash equivalents as at the beginning of the year	95	202	178	206
Cash and cash equivalents as at the end of the year	199	178	205	327