



## Investor Presentation

Q2 FY 2024

October 31<sup>st</sup>, 2023

# Important Disclosure

Except for the historical information contained herein, statements in this presentation and any subsequent discussions, which include words or phrases such as 'will', 'aim', 'will likely result', 'would', 'believe', 'may', 'expect', 'will continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'likely', 'project', 'on-course', 'should', 'potential', 'pipeline', 'guidance', 'will pursue' 'trend line' and similar expressions or variations of such expressions may constitute 'forward-looking statements'.

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.

Ajanta Pharma Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

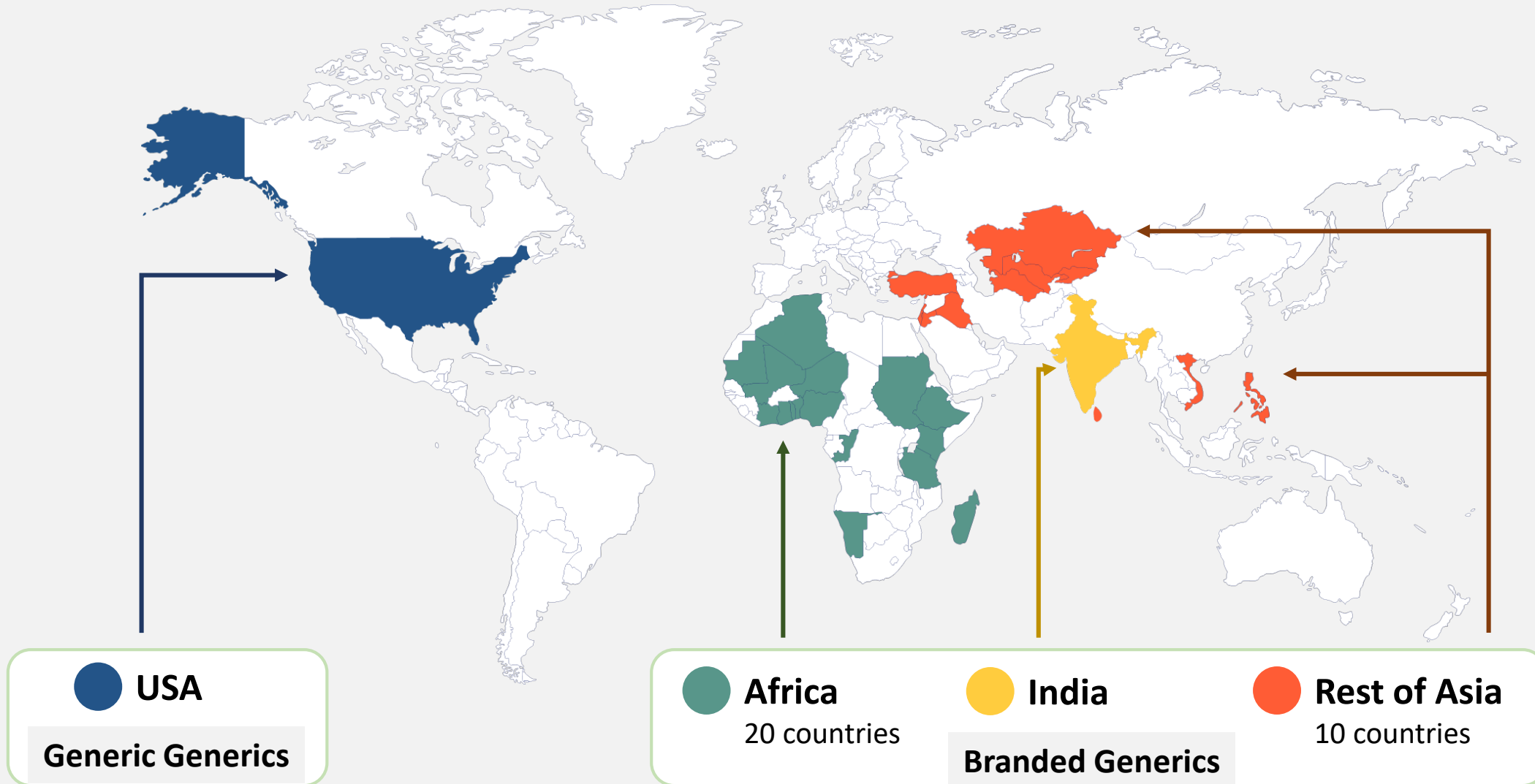
These materials are not a prospectus, a statement in lieu of a prospectus, an offering circular, an invitation or an advertisement or an offer document under the Indian Companies Act, 2013 together with the rules and regulations made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States or in any other jurisdiction.

# Contents

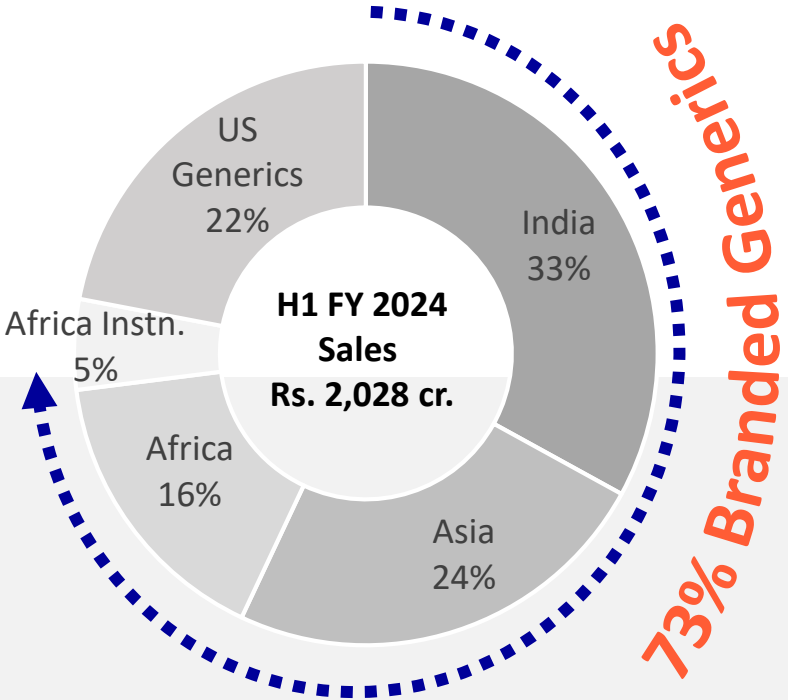
- 1 Ajanta at a Glance
- 2 Branded Generic Business  
India, Asia, Africa - Market diversification enables growth
- 3 US Generic Business  
Selective play & normalized price erosion assists growth
- 4 Africa Institution Business  
In-line performance
- 5 R&D & Manufacturing  
The backbone
- 6 Financials  
Improving margins with better GC & focus on costs
- 7 Strategy Initiatives  
Levers for growth
- 8 Sustainability Initiatives  
Committed to sustainable practices

# Ajanta at a Glance

# We are present in 30 countries globally



# Our business is focused on **Branded Generics** which is Sure, Sustainable & Scalable



**50%**  
of our products are **1<sup>st</sup> to Market**

**500+**  
**Brands** across therapeutic segments

**4,500+**  
**Medical Representatives** globally for promotion of products

# Market diversification in **Branded Generics** allows continued growth



3

Regions

India  
Africa  
Asia

Chronic

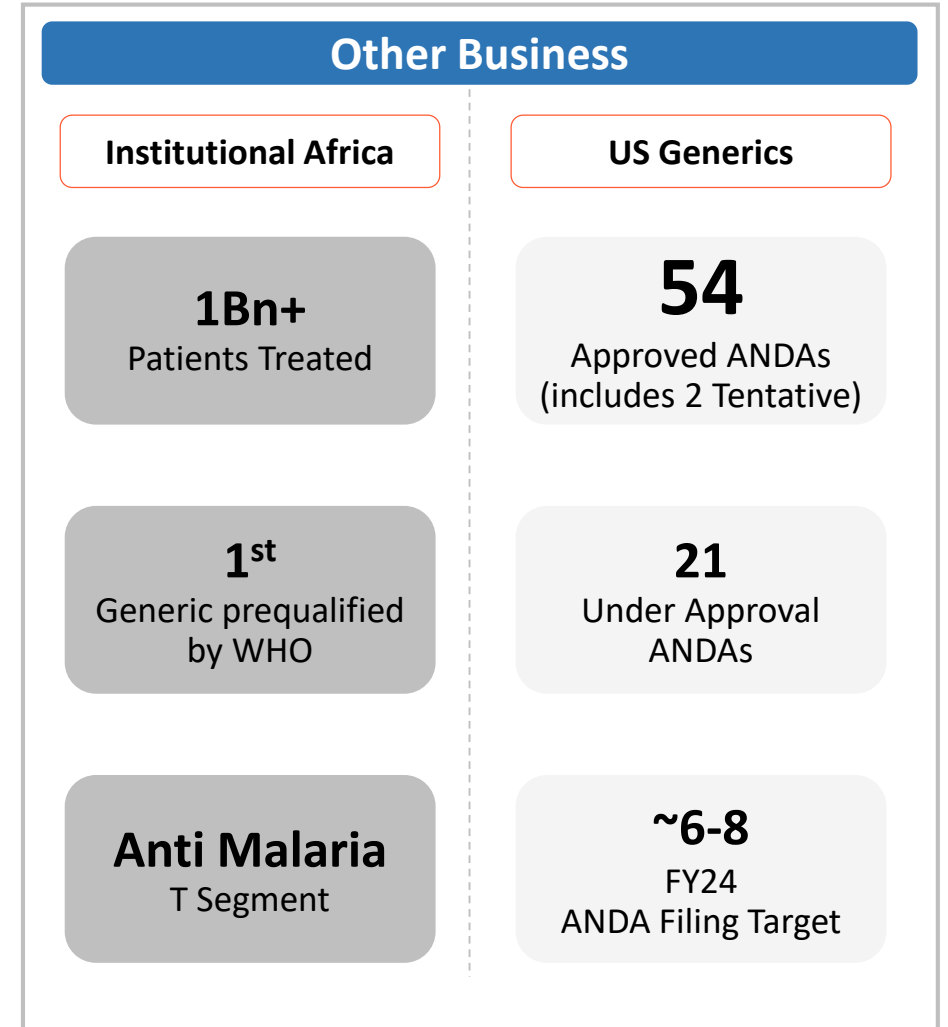
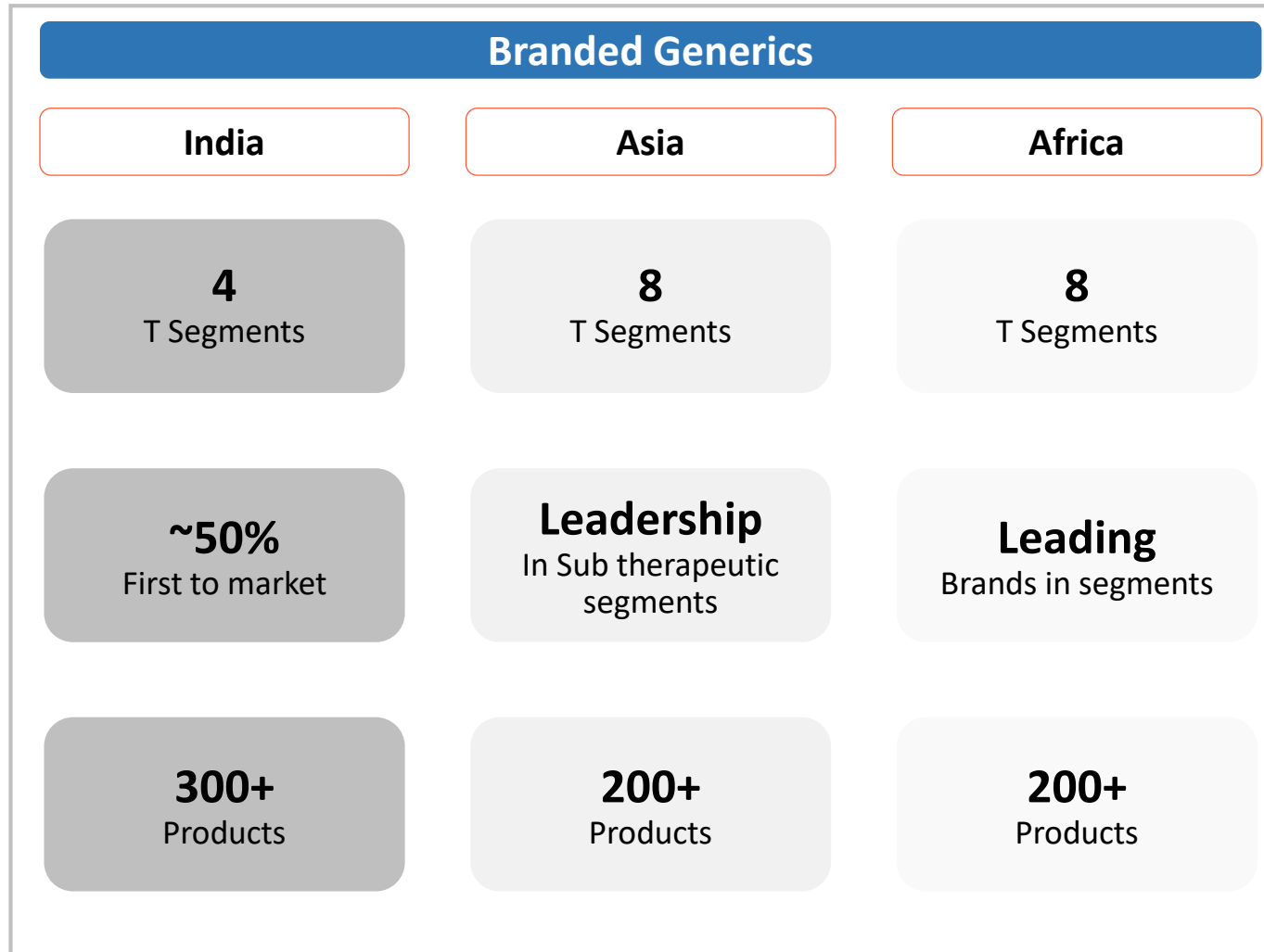
Focused therapies

Cardiac  
Diabetics  
Ophthal  
Derma  
Pain

Leadership

In **Sub-Therapeutic**  
Segments

# Our Business is **well diversified** & gives us an edge





**Branded  
Generic  
Business**

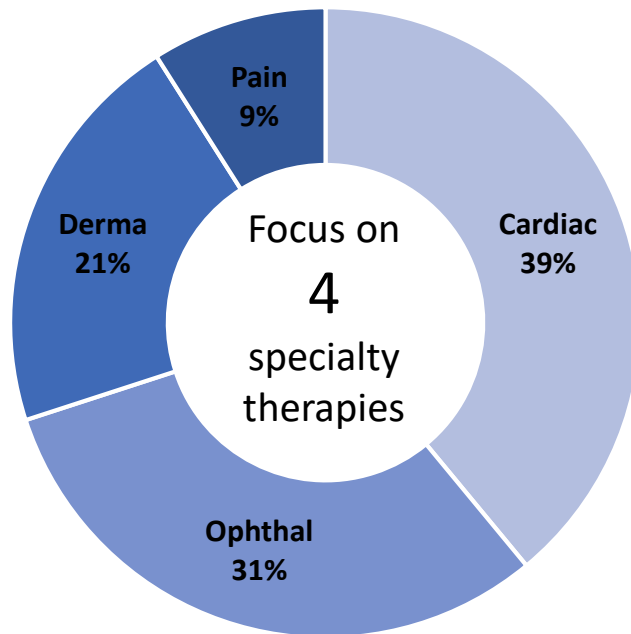
**India**

**Healthy  
Growth**

# We have a strong brand franchise in India

## Sales Contribution

(IQVIA MAT Sep 2023)



**65%**

Chronic Sales

**12%**

DPCO Exposure

**50%+**

1<sup>st</sup> to market products

**2,800+**

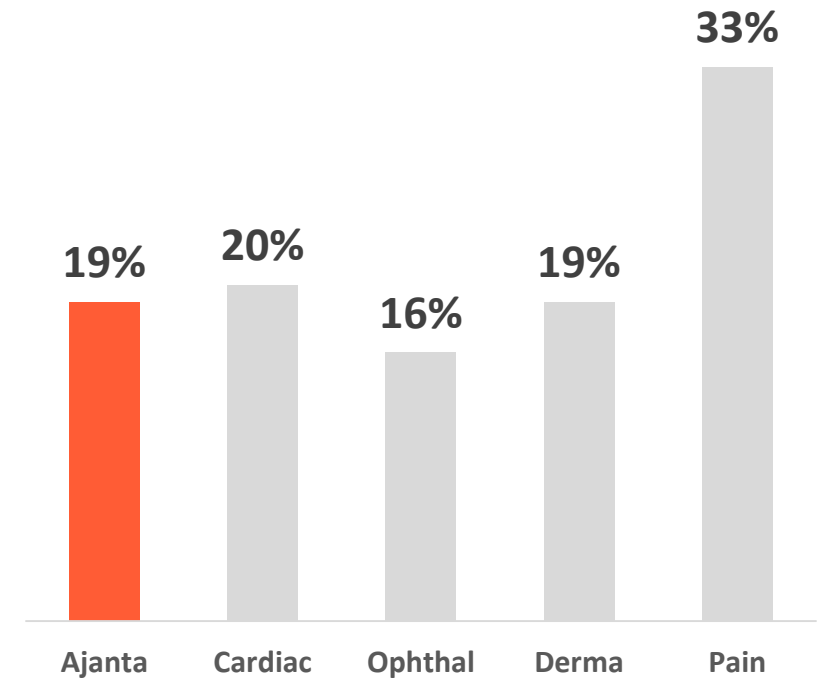
MRs

**250,000+**

Doctors Covered

## 4 year CAGR

(IQVIA MAT Mar 2020 - 2023)



# Our leading brands continue to show **healthy growth**

**10**

INR **25+ Cr.** Brands

**57%**

contribution from **Top 10** brands

**10**

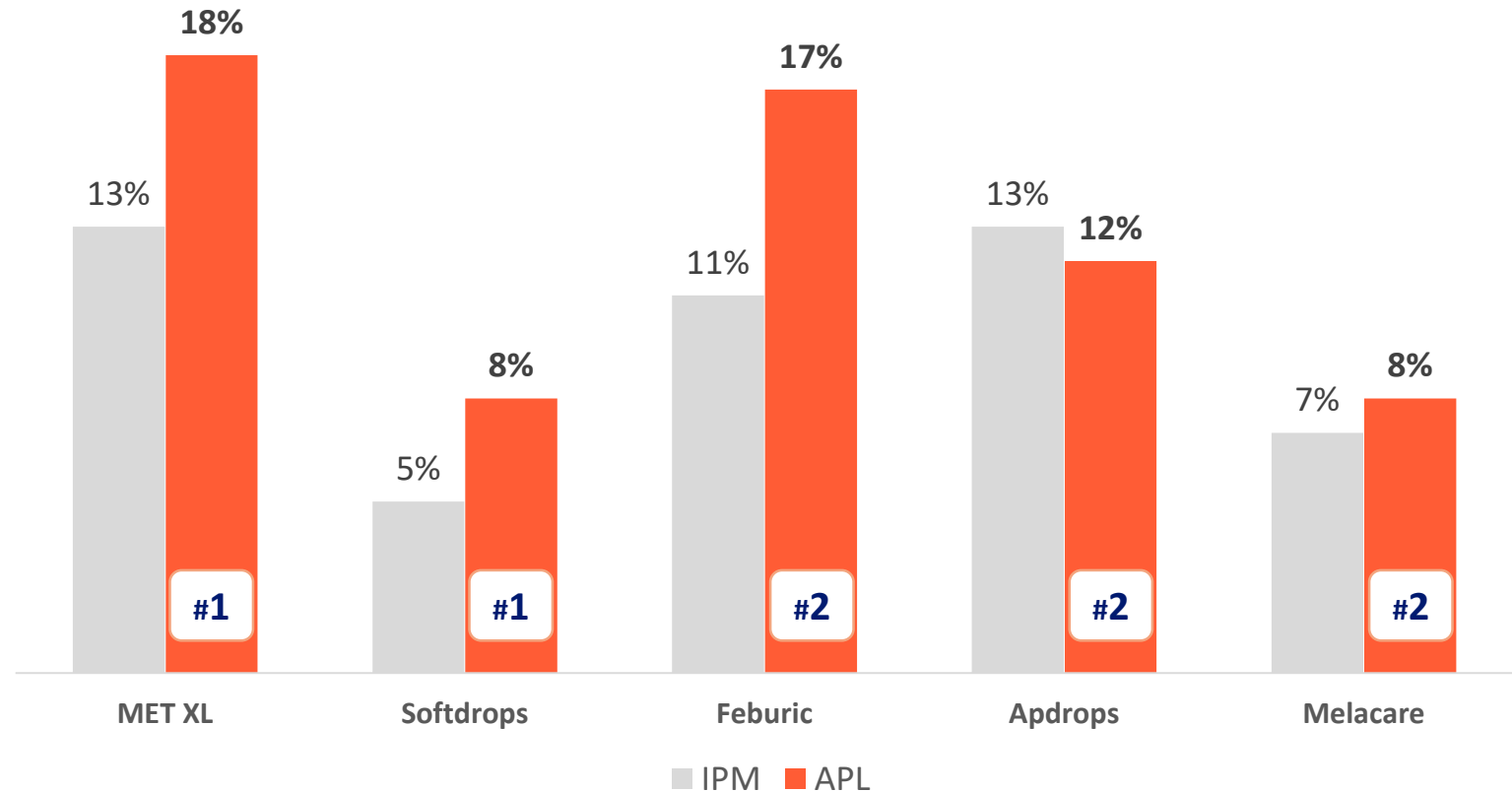
**New launches** in H1 FY24

**4**

**1<sup>st</sup> to market** in H1 FY24

Source: IQVIA MAT Sep 2023

**4 year CAGR**  
(IQVIA MAT Mar 2020 - 2023)

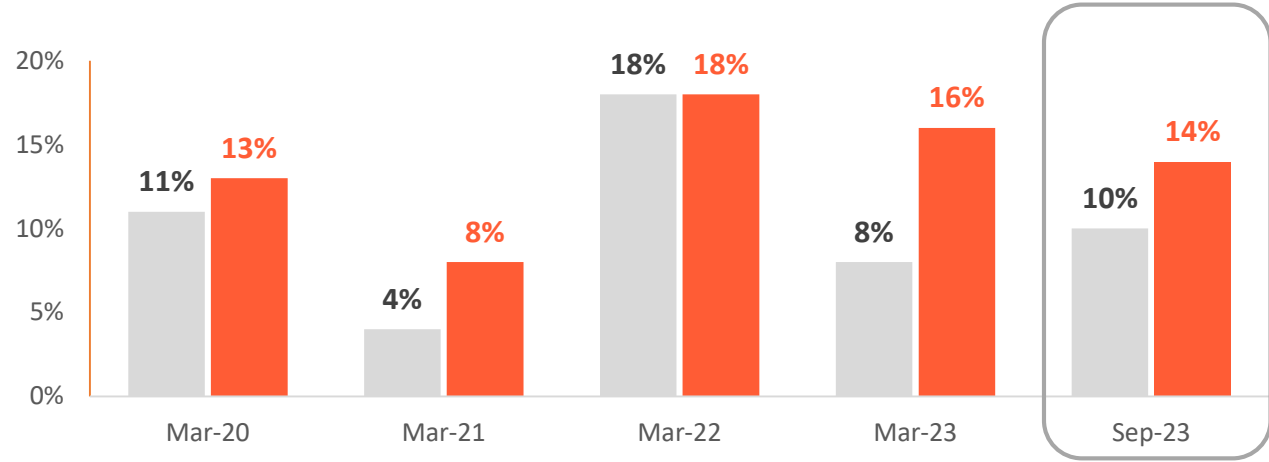


# Brand Rank in product category

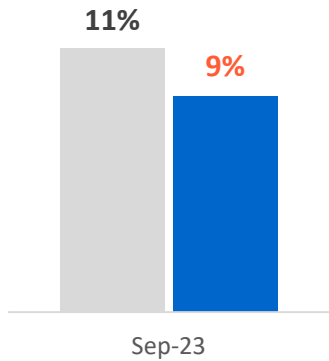
IPM = Indian Pharmaceutical Market, Source: IQVIA, MAT

# We continue to **outperform** industry growth

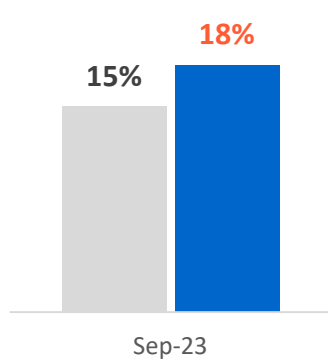
IPM Growth vs. Ajanta Growth



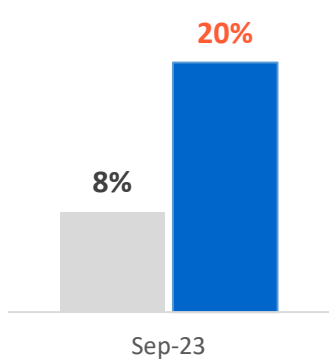
Cardiac



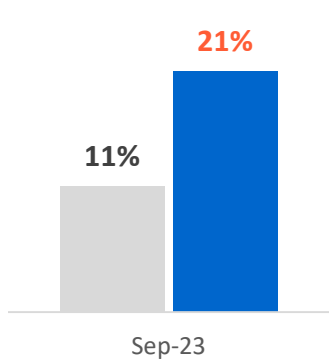
Ophthalmal



Derma

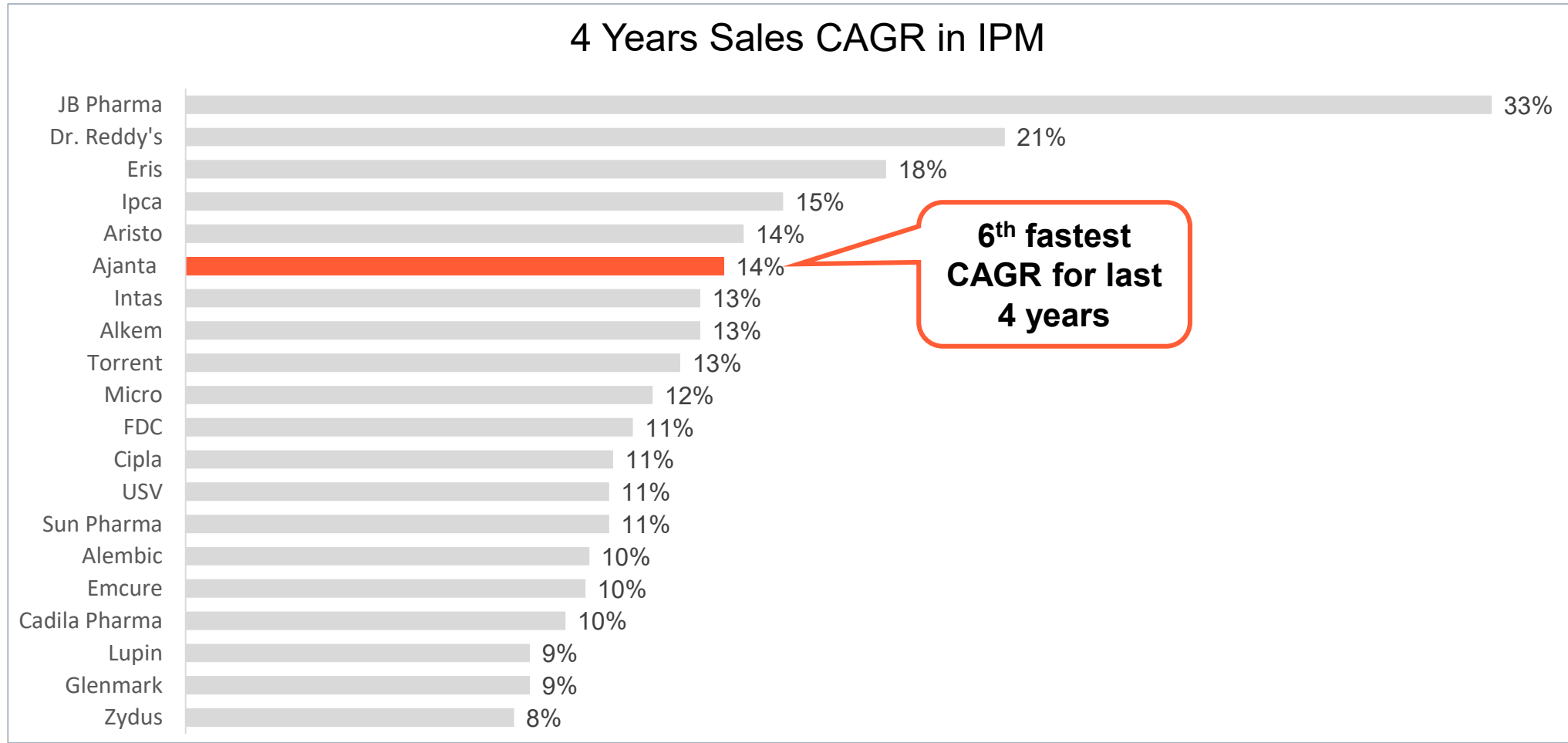


Pain



■ IPM   ■ Ajanta Pharma

# Our CAGR for last 4 years place us as 6<sup>th</sup> fastest



# Branded Generic Business

## Asia & Africa

Addressing the  
headwinds

# We have **wide presence** in markets & therapies



## Key Markets

Africa, South East Asia, Middle East Asia  
& Central Asia

## Leadership

In **many**  
sub-therapeutic segments

Among

## Top 10

**Players** in many markets

# We were pioneers for **front-end** presence in EM

10

New launches in  
H1 FY 2024

New Focus

Strengthening in countries  
of small presence

Pipeline

Of **healthy**  
product registrations

## Major Therapeutic segments



Cardiac



Diabetes



Ophthal



Pain



Derma



Gastro



Anti  
Histamine

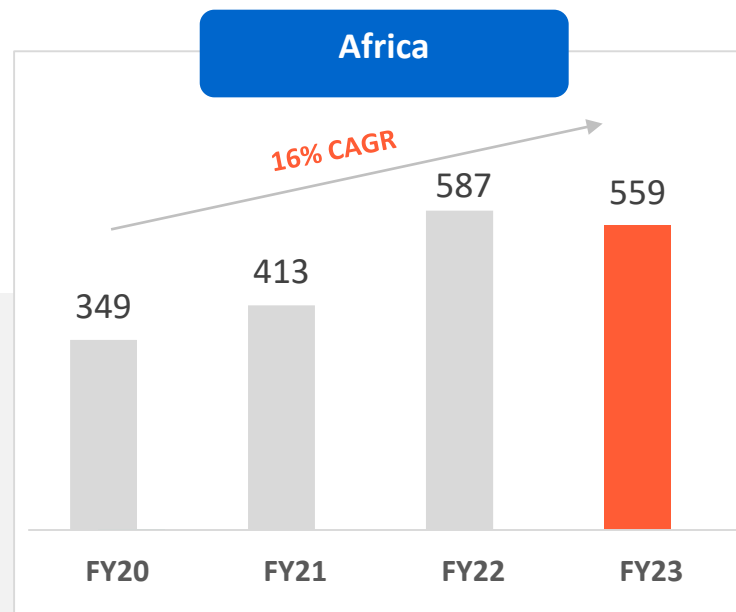
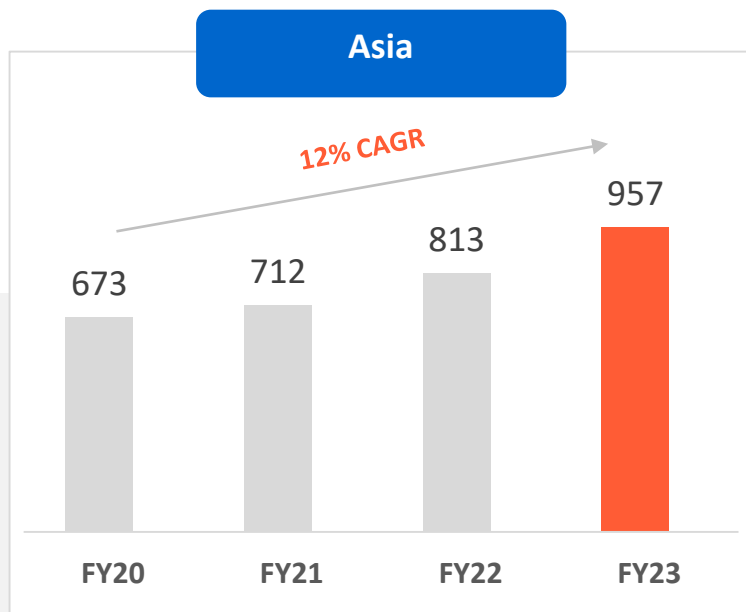


Respiratory



# We are **confident** to grow consistently in EM

Revenue (Rs. Cr.)



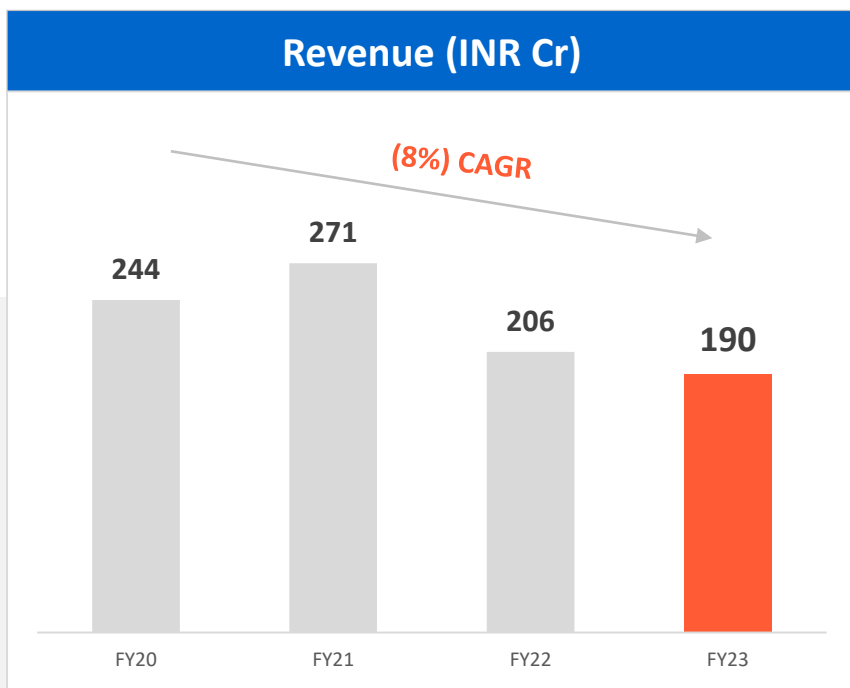
**4 years**  
Consistent growth  
both in Asia & Africa

**Institution  
Business**

**Africa**

**In-line  
performance**

# Our Institution business is of **Anti-Malaria** in Africa



1<sup>st</sup>

Generic company to obtain  
WHO Pre-Qualification

1 Billion+

Patients **treated**  
till date

Stagnates

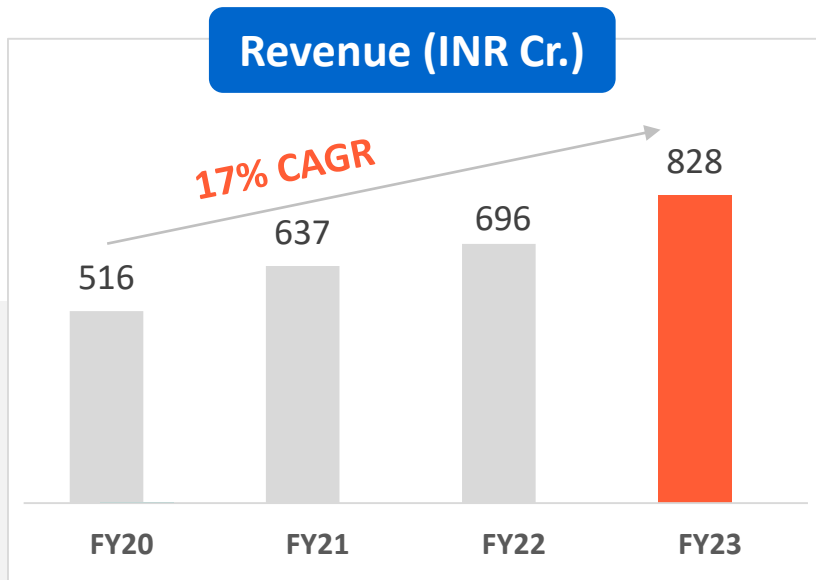
Due to **lower procurement**  
by aid agencies

**Generic  
Business**

**USA**

**Selective play  
assists growth**

# Our US strategy of selective play pays



54

ANDA **approvals**  
(includes 2 tentative)

42

Products  
**on shelf**

2

**Launched** during H1 FY 2024  
(Planned 5 to 6 during FY 2024)

5

ANDA **filed** in H1 FY 2024,  
target 6~8 this year

21

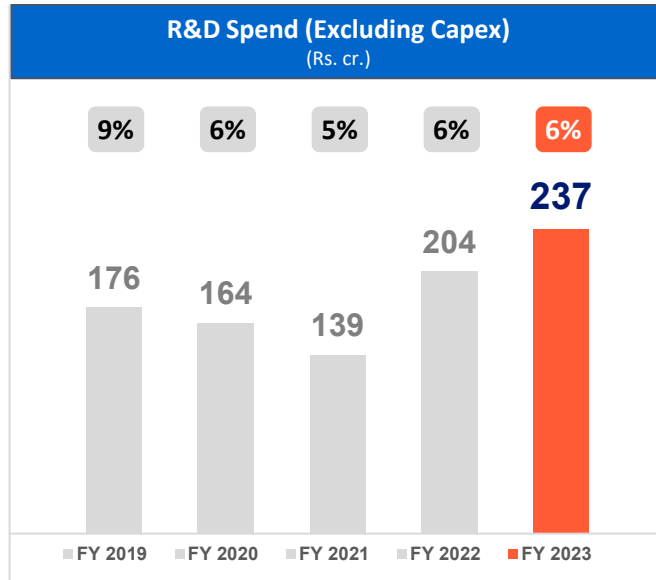
**Pending** approvals

# R&D & Manufacturing

**Strong  
Capabilities**

**The backbone**

# Our R&D continues to provide **product innovation**



## Strong Capabilities

- **800+** Scientists
- Formulation Development
- Analytical Development
- API Development
- Bio-Analytical Lab
- Drug Regulatory Affairs
- IPR

**Q2 FY 2024 - Rs. 50 cr. (Rs. 59 cr.) (5%)**  
**H1 FY 2024 - Rs. 105 cr. (Rs. 113 cr.) (5%)**

# Our 7 plants are **best in class**



**Paithan  
(Maharashtra)**



**Tablets, Capsules & Powder**

**Dahej  
(Gujarat)**



**Tablets, Capsules & Powder**

**Guwahati  
(Assam)**



**Tablets, Capsules, Ointments & Sterile Eye Drops**

**Pithampur  
(Madhya Pradesh)**



**Tablets & Capsules**



# Financial Highlights

**Improving  
margins**

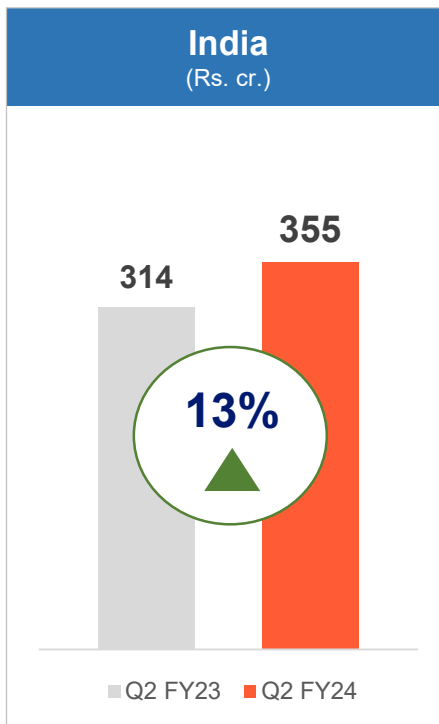
# Branded Generics Sales **continues** to grow

**Q2**

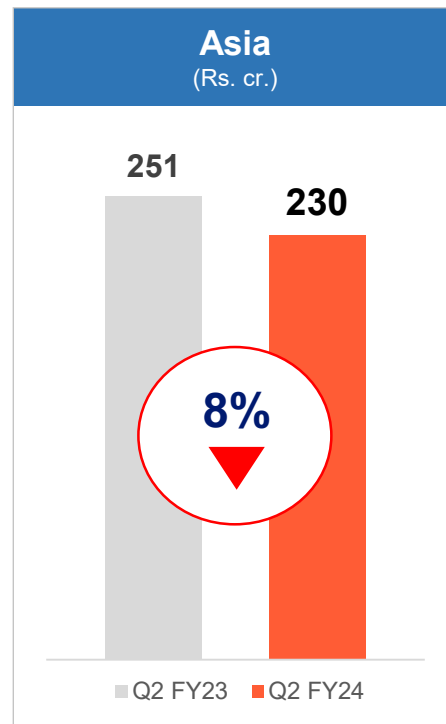
Consolidated

**73%**  
of Total Revenue

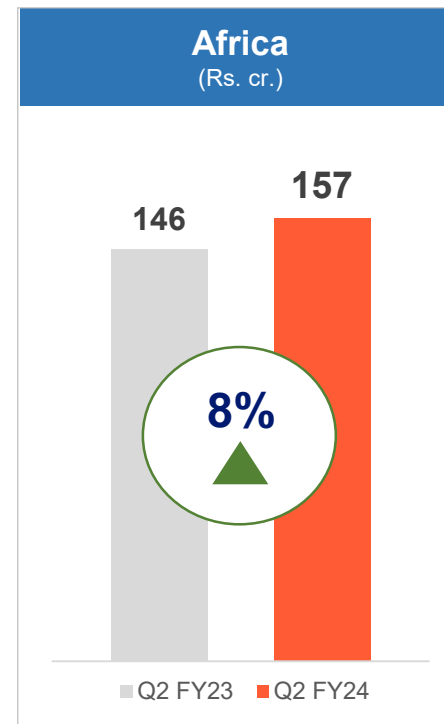
**35%**  
of Total Revenue



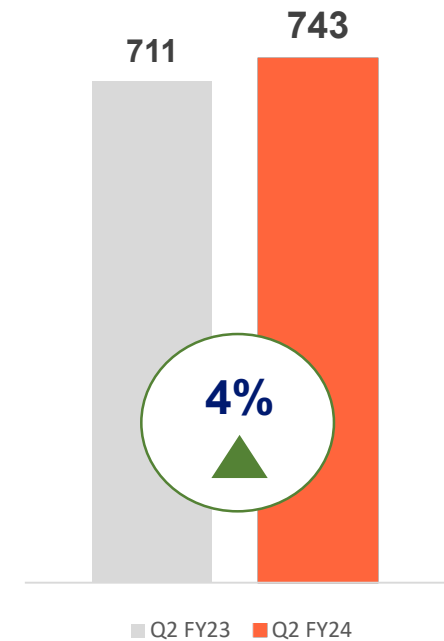
**23%**  
of Total Revenue



**15%**  
of Total Revenue

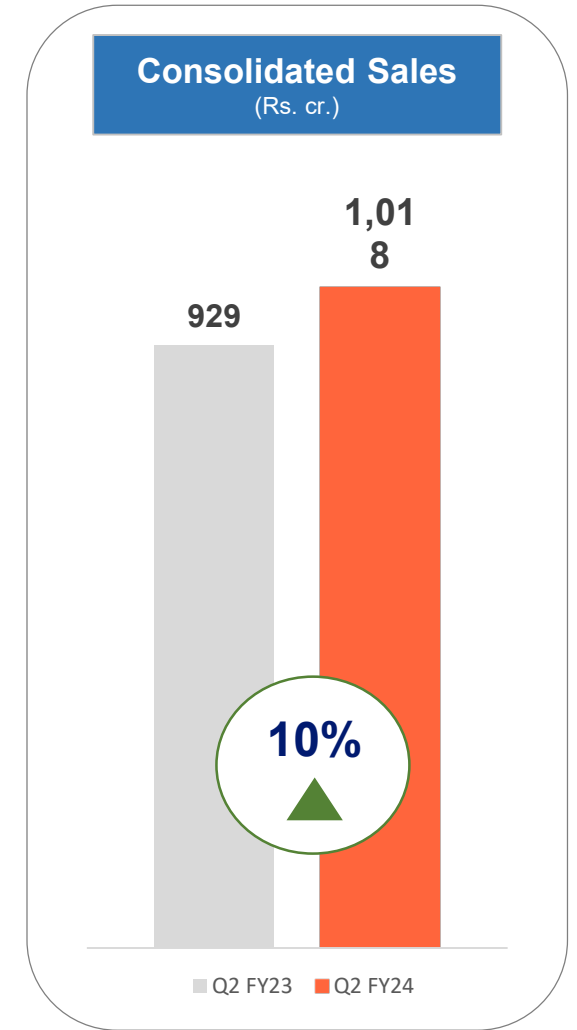
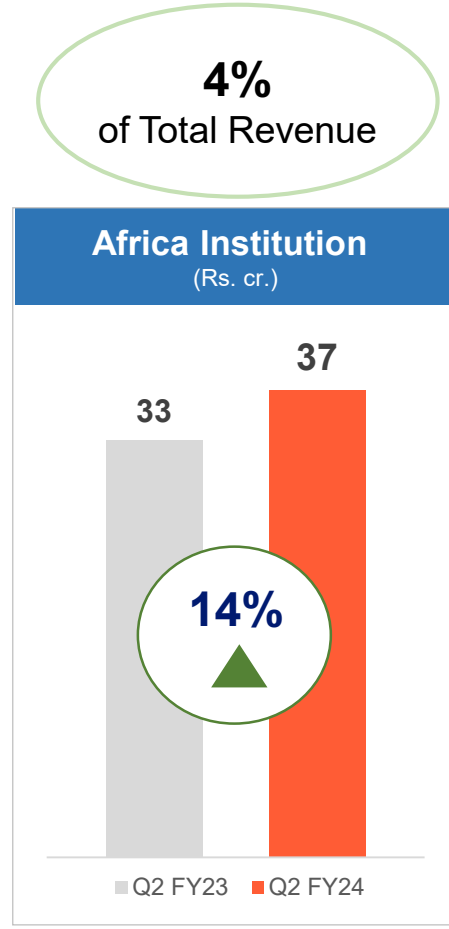
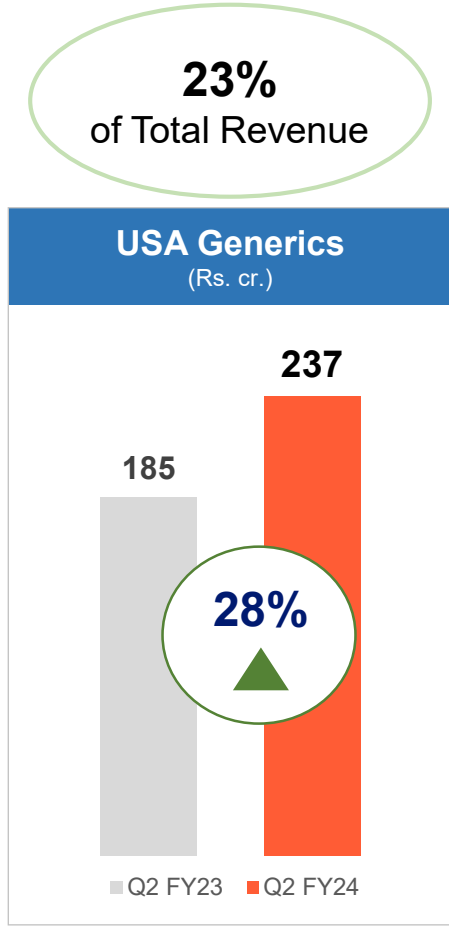
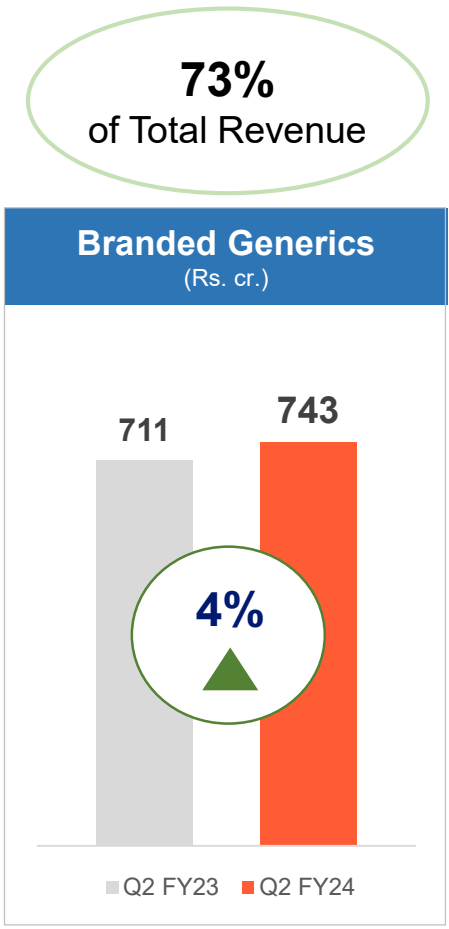


**Total**  
(Rs. cr.)



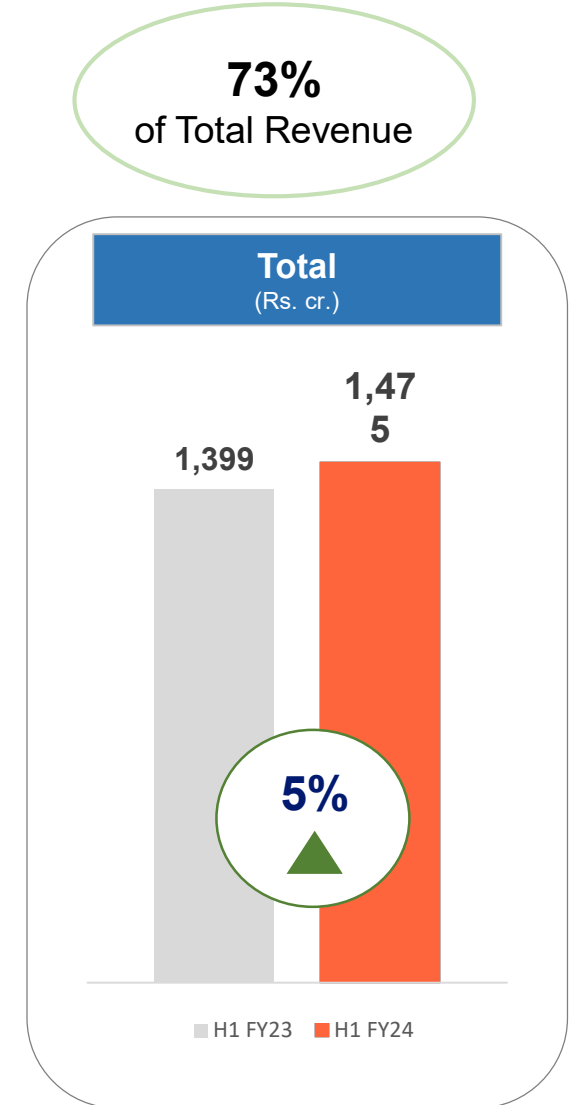
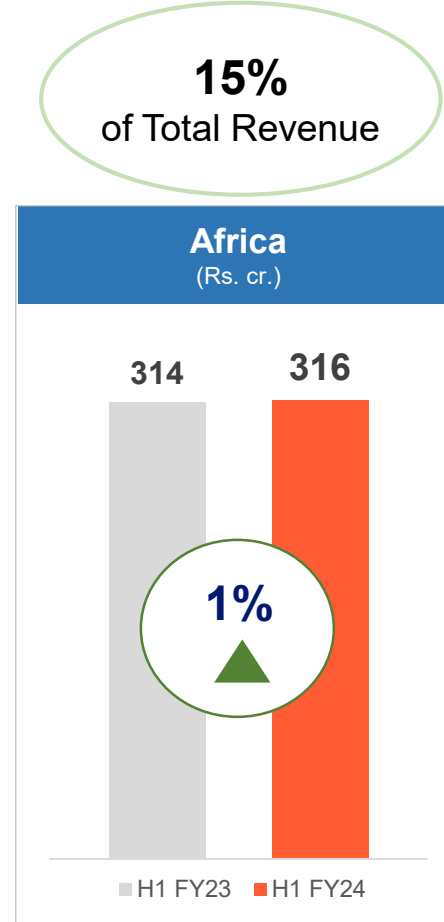
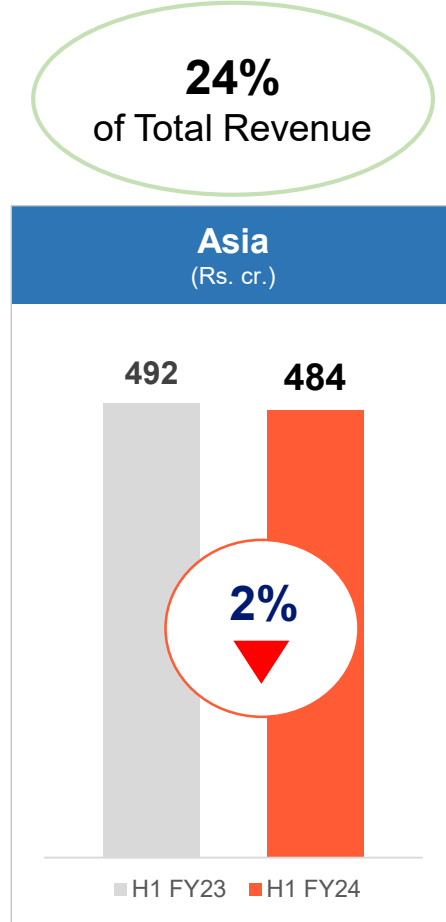
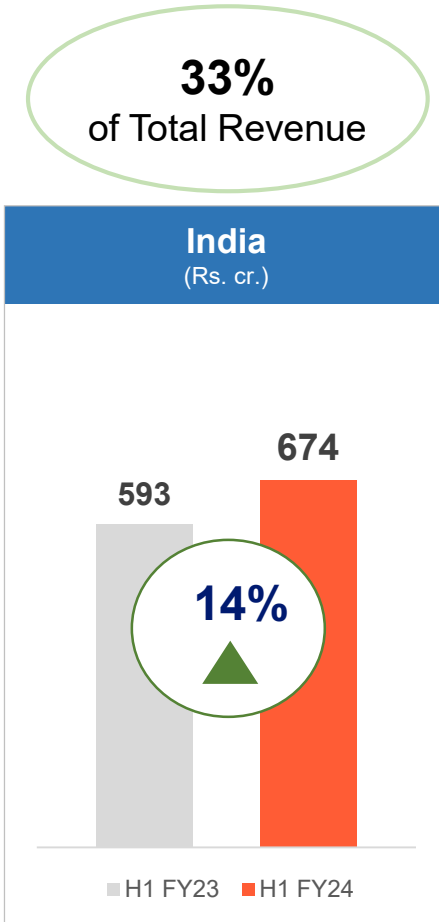
# So also Total Sales continues to grow

**Q2**  
Consolidated



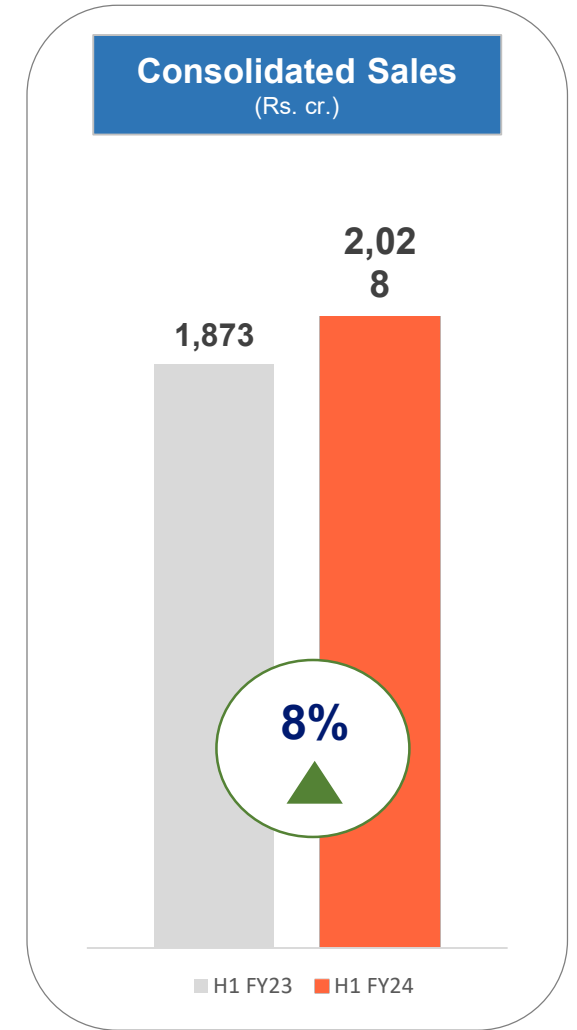
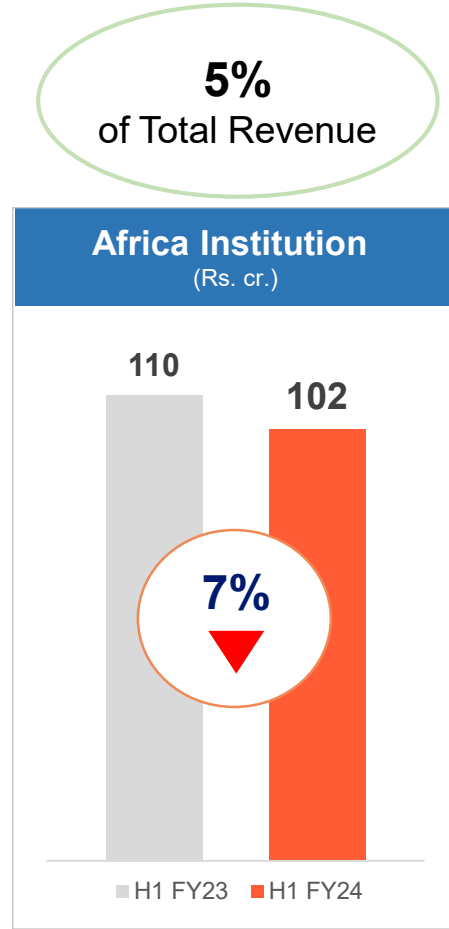
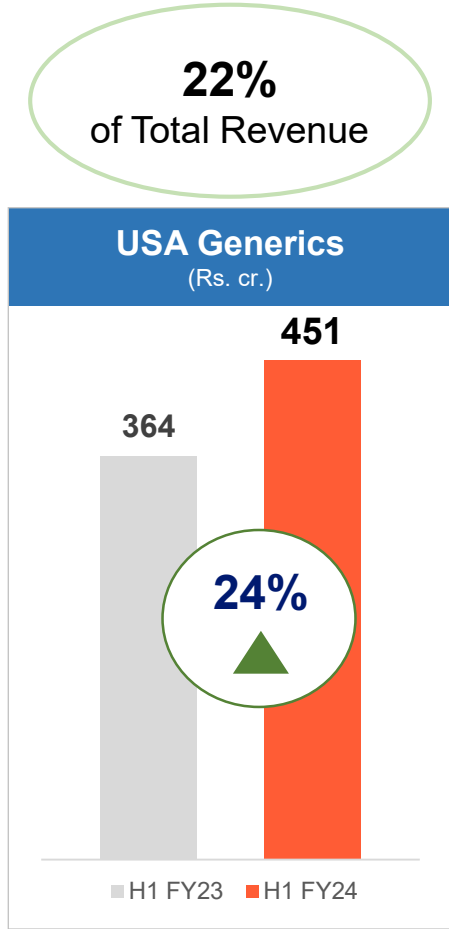
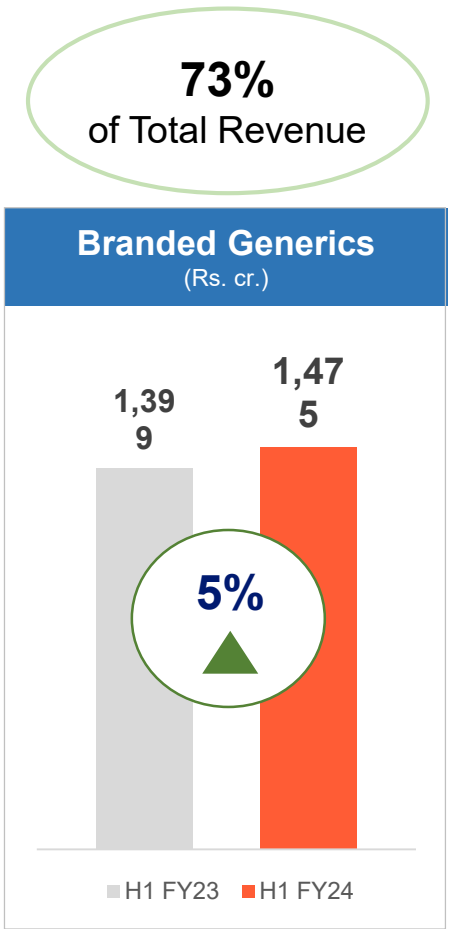
# India takes the lead in Branded Generics Sales

**H1**  
Consolidated



# US takes the lead for overall growth

**H1**  
Consolidated



# EBITDA @ 28% with consistent efforts

**Q2**  
Consolidated

Rs. Cr.	Q2 FY 2023	% to RO	Q2 FY 2024	% to RO	% Growth
Revenue from Operations (RO)	938		1,028		10%
COGS	(260)	28%	(256)	25%	
<b>Gross Profit</b>	<b>678</b>		<b>772</b>		<b>14%</b>
Employee Benefit	(186)	20%	(222)	22%	19%
Other Expenses	(295)	31%	(259)	25%	(12%)
<b>EBITDA</b>	<b>196</b>	<b>21%</b>	<b>291</b>	<b>28%</b>	<b>48%</b>
Depreciation	(33)	3%	(34)	3%	
Finance Cost	(1)	0%	(2)	0%	
Other Income	40	4%	21	2%	
<b>Profit Before Tax</b>	<b>203</b>	<b>22%</b>	<b>276</b>	<b>27%</b>	<b>36%</b>
Tax Expense	(46)	5%	(81)	8%	
<b>Net Profit</b>	<b>157</b>	<b>17%</b>	<b>195</b>	<b>19%</b>	<b>25%</b>
Other Comprehensive Income	2	0%	7	1%	
<b>Total Comprehensive Income</b>	<b>159</b>	<b>17%</b>	<b>202</b>	<b>20%</b>	<b>28%</b>

# Profitability improves with cost focus

## H1

Consolidated

Rs. Cr.	H1 FY 2023	% to RO	H1 FY 2024	% to RO	% Growth
Revenue from Operations (RO)	1,889		2,049		8%
COGS	(540)	29%	(508)	25%	
<b>Gross Profit</b>	<b>1,349</b>		<b>1,541</b>		<b>14%</b>
Employee Benefit	(369)	19%	(435)	21%	18%
Other Expenses	(562)	30%	(534)	26%	(5%)
<b>EBITDA</b>	<b>418</b>	<b>22%</b>	<b>572</b>	<b>28%</b>	<b>37%</b>
Depreciation	(64)	3%	(67)	3%	
Finance Cost	(2)	0%	(3)	0%	
Other Income	73	4%	43	2%	
<b>Profit Before Tax</b>	<b>425</b>	<b>23%</b>	<b>545</b>	<b>27%</b>	<b>28%</b>
Tax Expense	(94)	5%	(142)	7%	
<b>Net Profit</b>	<b>331</b>	<b>18%</b>	<b>403</b>	<b>20%</b>	<b>22%</b>
Other Comprehensive Income	7	0%	4	0%	
<b>Total Comprehensive Income</b>	<b>338</b>	<b>18%</b>	<b>407</b>	<b>20%</b>	<b>20%</b>

# Efficient Balance Sheet (Consolidated)

**H1**  
Consolidated

Rs. Cr.	FY 2023		H1 FY 2024	
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	1,416		1,406	
Capital Work-in-Progress	209		205	
Right for use assets	81		79	
Other non-current assets	139		181	
<b>Sub-total - Non-current assets</b>	<b>1,845</b>	<b>39%</b>	<b>1,870</b>	<b>42%</b>
<b>Current Assets</b>				
Inventories	816	80 days	786	71 days
Trade Receivables	1,057	104 days	1,141	103 days
Bank Balance incld. Investments	841		476	
Other Current Assets	120		160	
<b>Sub-total - Current Assets</b>	<b>2,834</b>	<b>61%</b>	<b>2,563</b>	<b>58%</b>
<b>TOTAL - ASSETS</b>	<b>4,679</b>		<b>4,433</b>	



# Healthy Shareholders fund in Balance Sheet (Consolidated)

**H1**

Consolidated

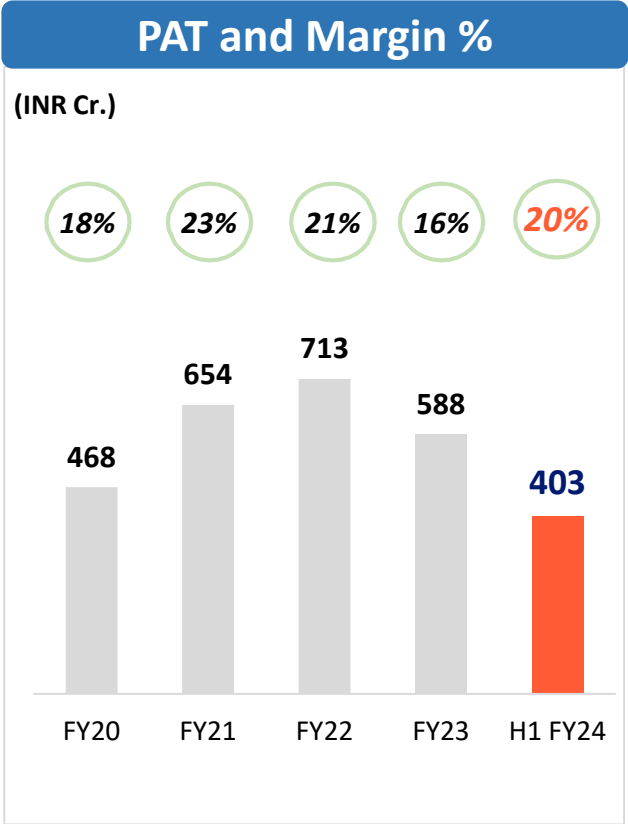
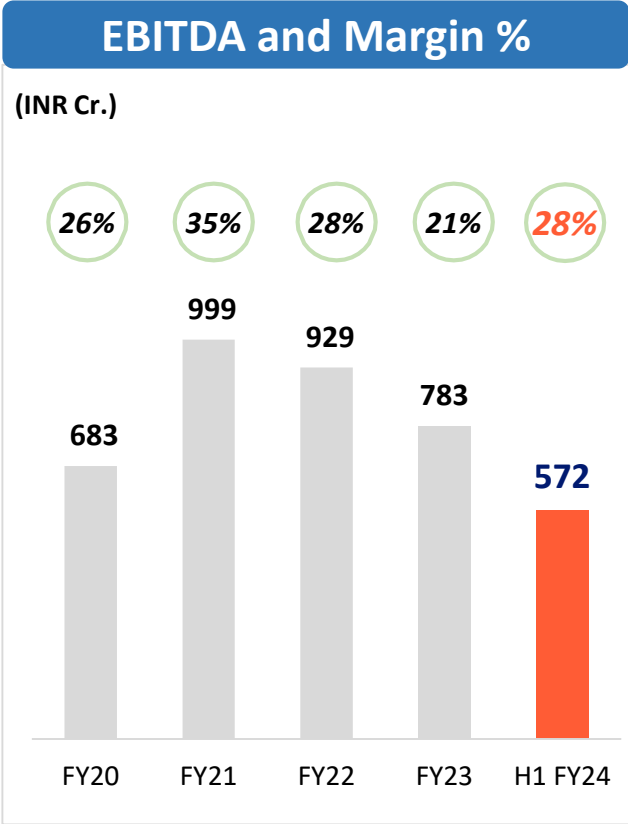
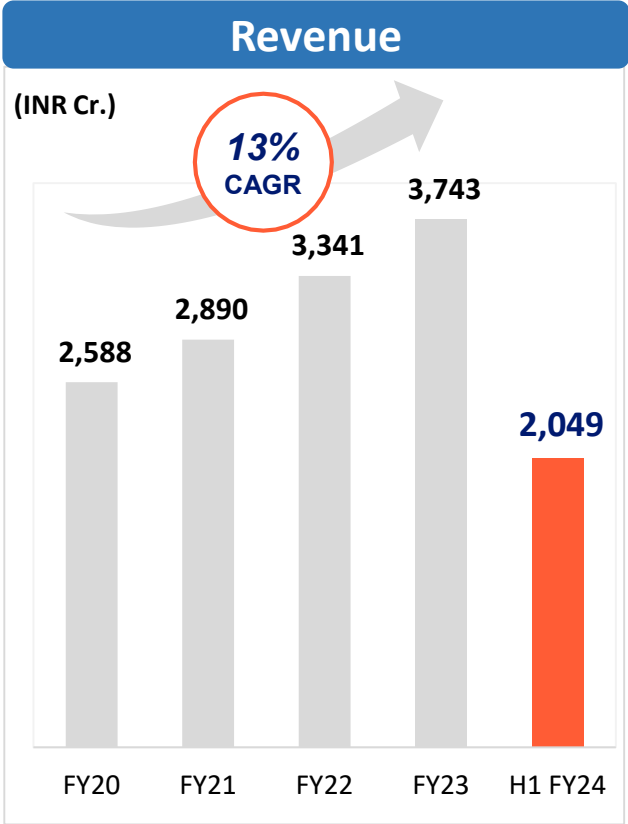
Rs. Cr.	FY 2023		H1 FY 2024	
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	25		25	
Other Equity	3,363		3,457	
<b>Sub Total – Shareholders’ Funds</b>	<b>3,388</b>	<b>72%</b>	<b>3,482</b>	<b>79%</b>
<b>Non-current Liabilities</b>				
Non-current Liabilities	152		152	
<b>Sub Total – Non-Current Liab.</b>	<b>152</b>	<b>3%</b>	<b>152</b>	<b>3%</b>
<b>Current Liabilities</b>				
Trade payables	423	79 days	361	58 days
Other current liabilities	716		438	
<b>Sub Total – Current Liabilities</b>	<b>1,139</b>	<b>25%</b>	<b>799</b>	<b>18%</b>
<b>TOTAL – Equity and Liabilities</b>	<b>4,679</b>		<b>4,433</b>	

# Managing Cash Flow **efficiently** (Consolidated)

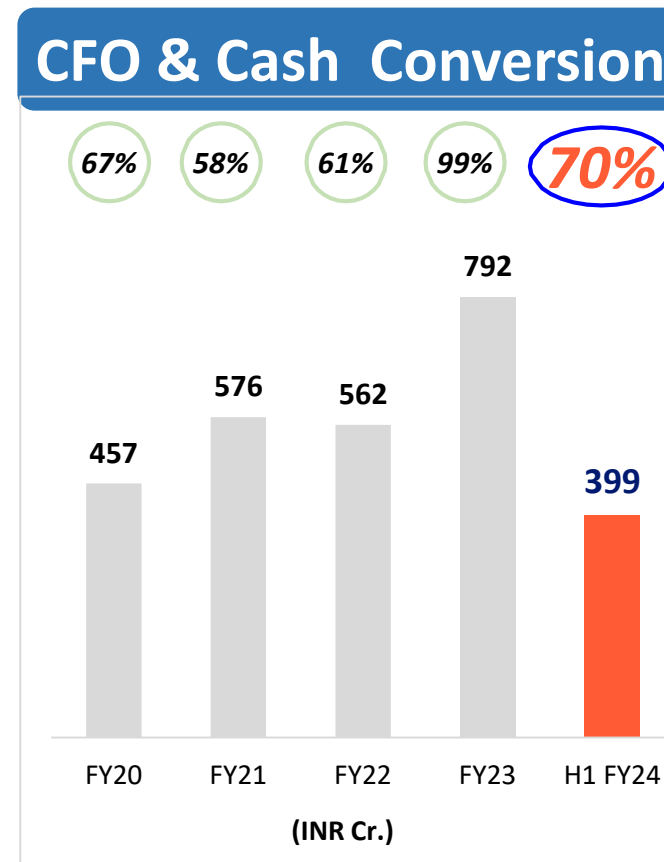
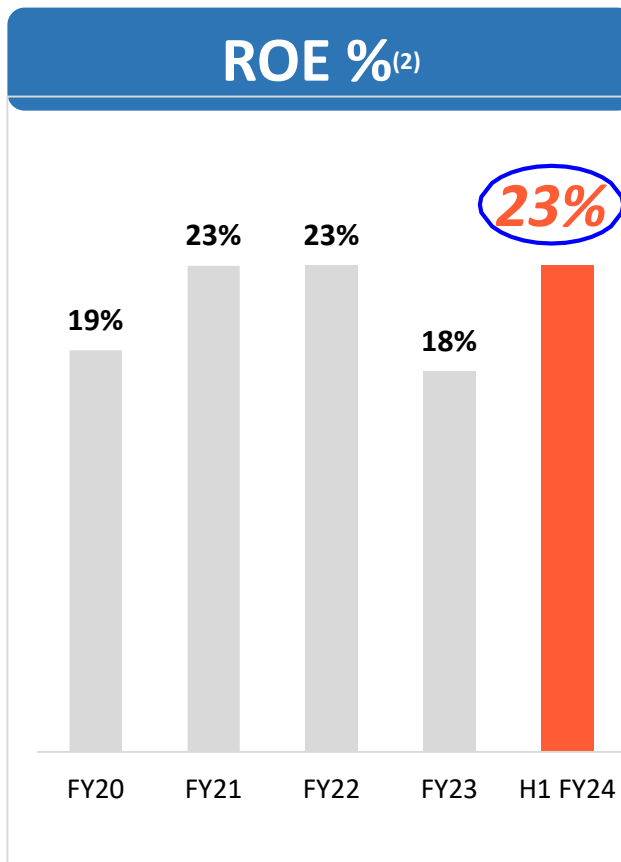
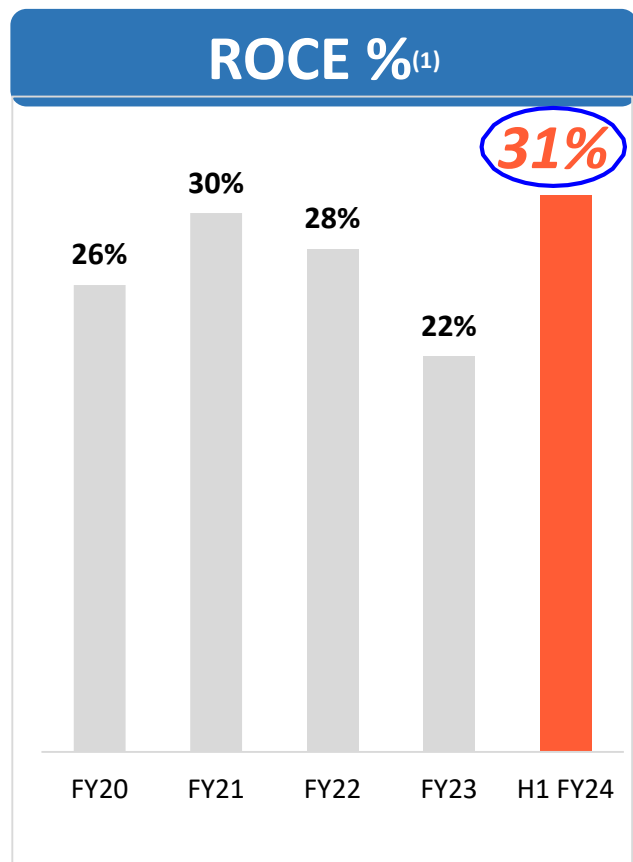
**H1**  
Consolidated

Rs. Cr.	FY 2023	H1 FY 2024
<b>Opening Cash and Cash Equivalents</b>	<b>206</b>	<b>330</b>
Cash flows from:		
a) Operating Activities	792	399
b) Investing Activities	(560)	246
c) Financing Activities	(108)	(713)
<b>Closing Cash and Cash Equivalents</b>	<b>330</b>	<b>262</b>

# We have track record of **consistent growth**

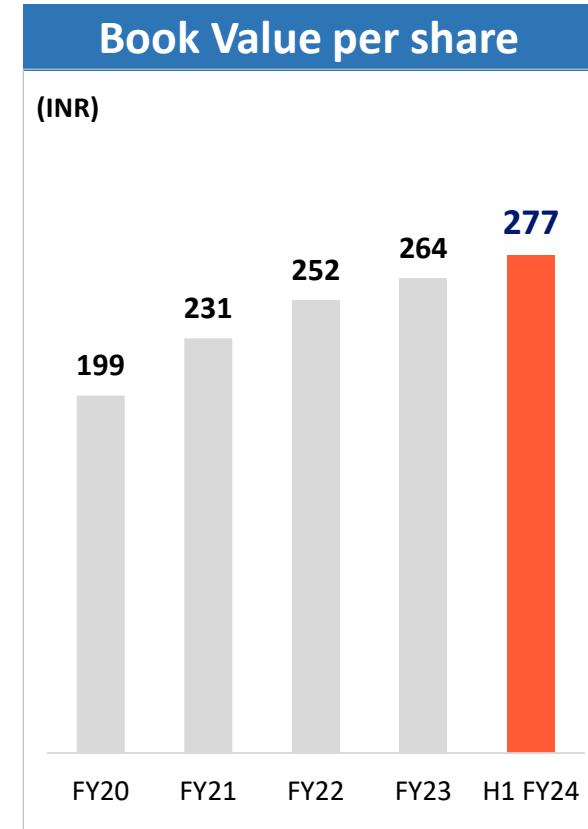
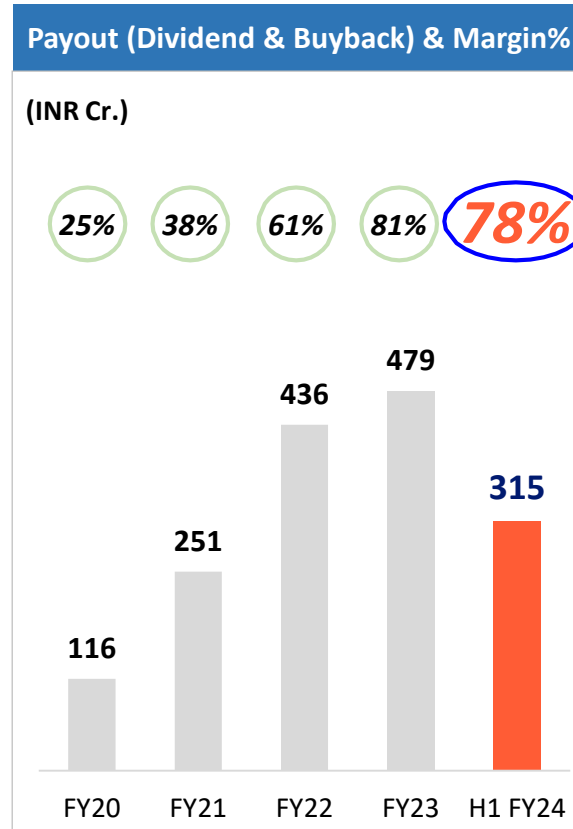
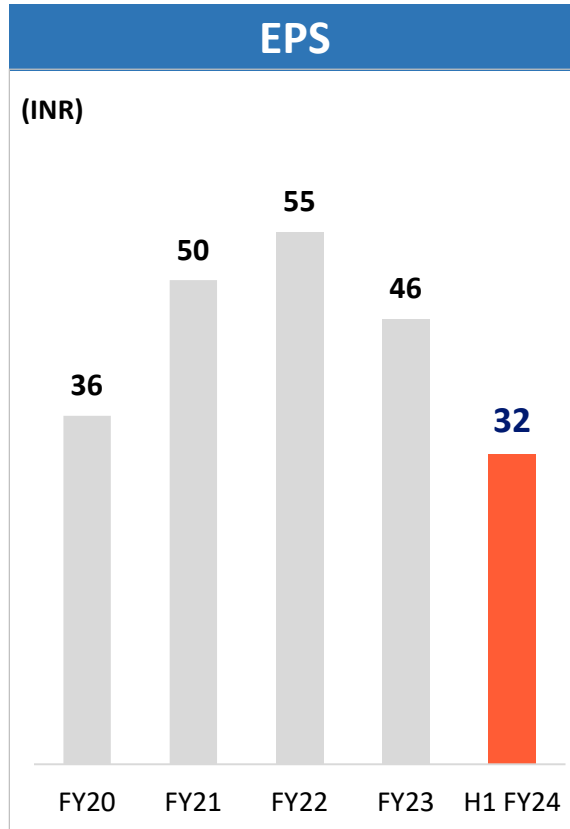


# Our return metrics & cash flows are **healthy**



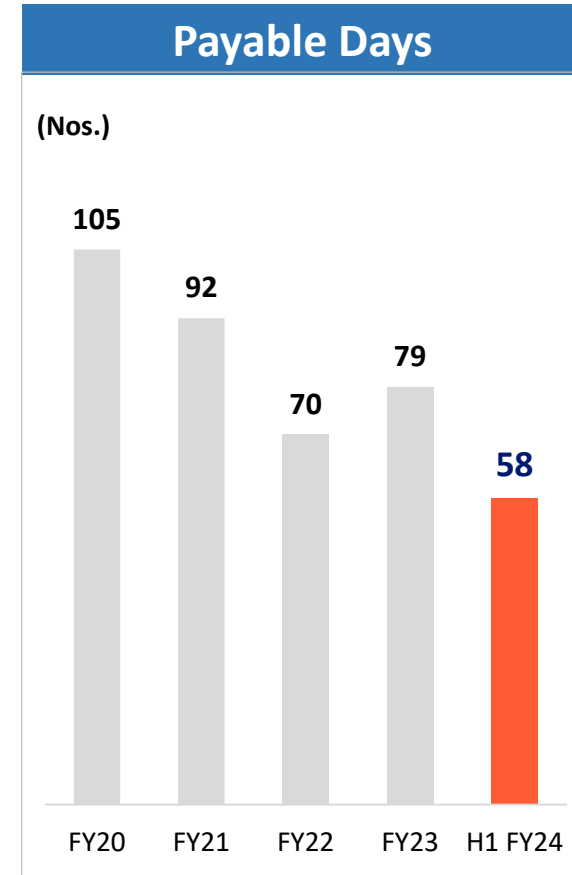
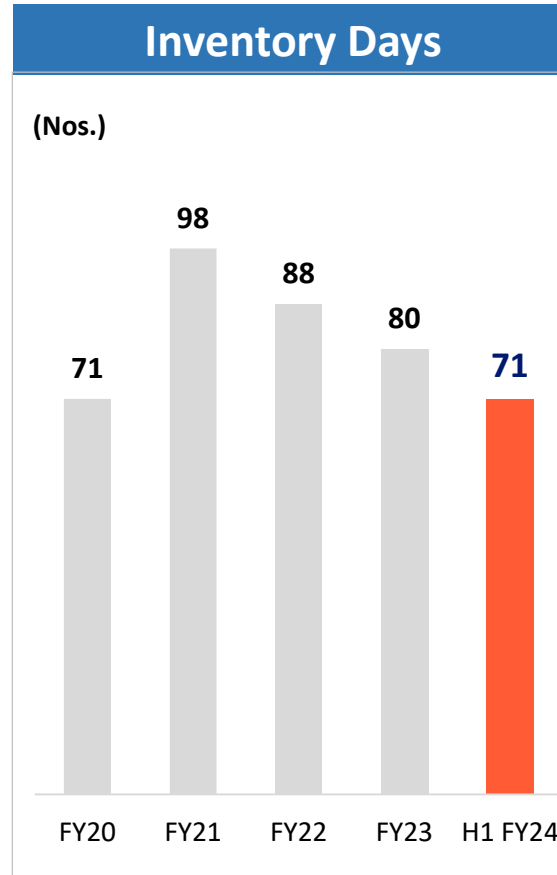
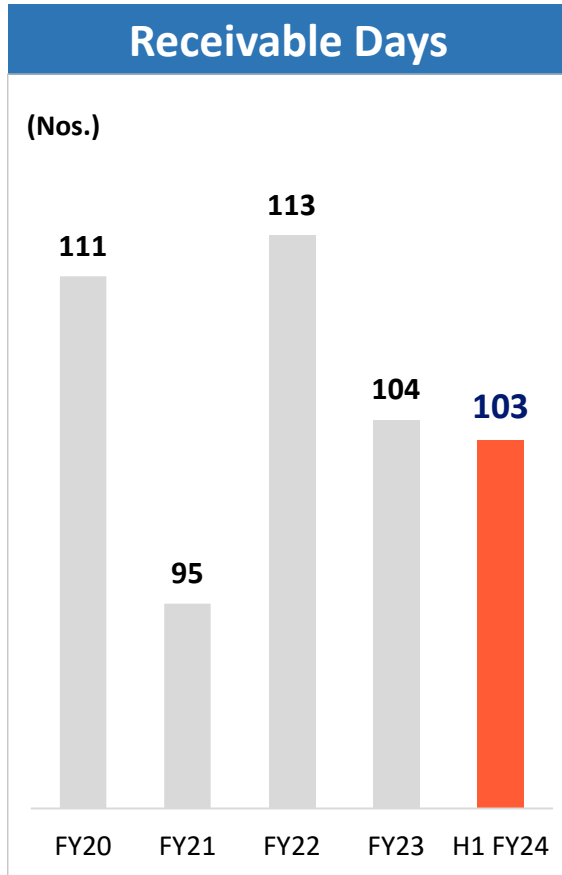
Note: 1. ROCE calculated as EBIT / (Net worth + Lease liability + Deferred tax liability)  
 2. ROE calculated as Net profit / Average net worth  
 3. Cash Conversion Ratio calculated as CFO (CashFlow from Operations) / EBITDA

# So also Earnings & Pay Out



\* Bonus issue in April 2022 adjusted in all years for calculation of EPS & Book Value.

# We continue to **improve** on working capital front



# Strategy Initiatives

## Levers for Growth

# Strategy **in place**



## Branded Generics

Capital allocation to continue for **mid teen growth**

## USA

**Judicious** capital allocation on new filing

## Productivity

Empowering **field force** for enhancement

## Optimize

Operational **costs**

## M&A

Synergistic **brand acquisitions** in India



# Sustainability Initiatives

# We are committed for **sustainability**

## Environment

**50% from Solar Energy** by FY 2025  
Recycle and reuse of wastewater

## Quality First

Resource efficiency & **low-carbon** processes  
Highest quality products with **no recalls**

## Zero Tolerance

for **child labor, forced labor, sexual harassment**  
& discrimination

## CSR

Education, Healthcare & Rural Development for  
**benefit of marginalized & vulnerable**

# Earning Call Details

# Q2 FY24 Earnings Conference Call

## Earnings Conference Call Dial-in Information

<b>Date and Time</b>	<b>October 31, 2023 at</b> <b>1600 – 1700 hrs IST</b> <b>1830 – 1930 hrs SST/HKT</b> <b>1130 – 1230 hrs BST</b> <b>0630 – 0730 hrs US ET</b>
<b>Dial-in Numbers</b>	
<b>Universal Access</b>	Primary Access: +91 22 6280 1542 +91 22 7115 8372
<b>International Toll Free Number</b>	USA: 18667462133 UK: 08081011573 Hong Kong: 800964648 Singapore: 8001012045

# Thank you

For more information please visit our website:

[www.ajantapharma.com](http://www.ajantapharma.com)

For regular updates follow us on twitter

[www.twitter.com/ajantapharmaltd](http://www.twitter.com/ajantapharmaltd)

For specific queries, contact:

**Rajeev Agarwal: 022-66061377**

[rajeev.agarwal@ajantapharma.com](mailto:rajeev.agarwal@ajantapharma.com)

**Abhineet Kumar: 022-66061814**

[abhineet.kumar@ajantapharma.com](mailto:abhineet.kumar@ajantapharma.com)

**Ajanta House, Charkop, Kandivli (W), Mumbai 400  
067**

**CIN No. - L24230MH1979PLC022059**