

LUPIN LIMITED

Investor presentation
Q1 FY2020

Aug 08, 2019

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OF LUPIN



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 obtained 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; trends toward 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.

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The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

Lupin – Awards and Accolades

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- **McKesson Supplier of the Year Award - 2019**
- **Walmart Supplier of the Year Award - 2018**
- **Cardinal Supply Chain Excellence Award – 2018**
- **Dr. Desh Bandhu Gupta** inducted into the ‘**Hall of Fame**’, **CNBC-TV18 – India Business Leader Awards 2018**
- **Vinita Gupta: Vogue and IBM Businesswoman of the year - 2018**
- **Vinita Gupta** selected **Women of Worth** by Outlook Business - 2018
- **Vinita Gupta** listed in **Top 50 Most Powerful Women in Business** by Fortune India - 2018
- Lupin ranked **No.1 in the Biotech and Pharma**, and amongst **Top 50 large organisations** in the list of top 100 – **Great Place to Work 2019**
- **India Pharma Innovation of the Year 2019** - Department of Pharmaceuticals, Govt. of India
- **India Pharma Bulk Drug Company of the Year 2018** - Department of Pharmaceuticals, Govt. of India
- **“BEST Award”** from **ATD – 2019**



INDIA
BUSINESS
LEADER
AWARDS

IBLA



**Great
Place
To
Work**

Best Workplaces™
in Biotechnology & Pharmaceuticals

INDIA

2019

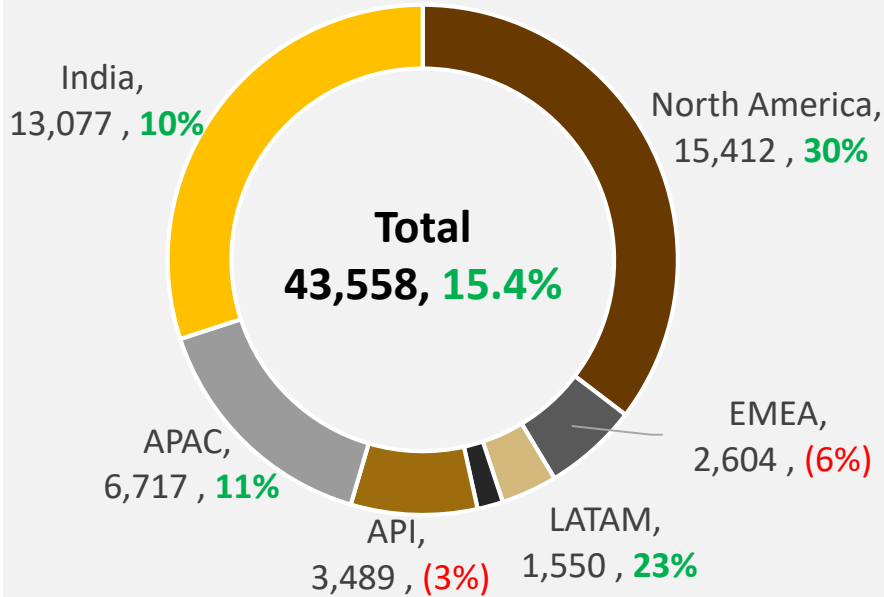
VOGUE

FORTUNE
INDIA

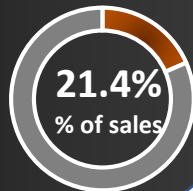
Walmart

OUTLOOK
BUSINESS

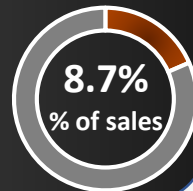
Sales (INR mn, YoY growth)



EBITDA
INR 9,325 mn



R&D
INR 3,785 mn



Mr. Nilesh.D.Gupta
Managing Director
Lupin Limited

“We are pleased with the robust all-round performance in our key markets, marking a healthy start for the fiscal year. This year is critical as we are committed to delivering on our strategic growth drivers, including commercialization of Complex Generics, ramp-up of our Specialty business and delivering on operational and cost efficiencies. Regulatory compliance remains a top organizational priority and we are making steady progress.”

Important developments

Commercial

- 5 new launches in the US including an inhalation and a dermatology generic
- Continued to benefit from gRanexa exclusivity
- India branded formulations (grew 12.3% YoY) continued to outpace IPM growth
- Robust growth in Japan and recovery in Latam

Pipeline

- Advanced inhalation pipeline: gFostair filed in EU
- Received USFDA approval for 5 ANDAs

Regulatory

- Received EIR for Aurangabad and Pithampur Unit 3 facility
- OAI status retained for Goa and Pithampur Unit-2 facility

Strategic Vision

Well Diversified Pharma Business

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Strong Foundation

Amongst the Top 10 generic companies in the World

Complex Generics Focus

Focus on delivering high barrier products

Specialty Focus

Committed to building a strong specialty business

Sustain and Grow

- Major revenue contributor now
- Maximize on capability to maintain leadership in US
- Outperform in India
- Attain scale in other EM's

Portfolio Execution

- Deliver on key complex generics, esp. Inhalation and Injectables
- Continue filing P4 and semi-exclusive generics
- Execute on biosimilars

Build

- Create a meaningful Women's Health business in US
- Neurology / CNS focus in other developed markets

Q1 FY2020 Financial Results Review

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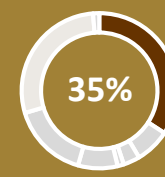


P&L Highlights – Q1 FY2020

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Amount in INR mn	Q1 FY20	% of sales	Q4 FY19	% of sales	QoQ growth	Q1 FY19	% of sales	YoY growth
Net sales	43,558	100.0%	43,259	100.0%	0.7%	37,746	100.0%	15.4%
Other operating income	626		804			814		
Total revenue	44,184		44,063		0.3%	38,560		14.6%
Gross profit (excl. other operating income)	28,058	64.4%	29,181	67.5%	(3.8%)	23,304	61.7%	20.4%
EBITDA	9,325	21.4%	9,588	22.2%	(2.7%)	7,112	18.8%	31.1%
PBT before exceptional item	5,298	12.2%	5,925	13.7%	(10.6%)	3,835	10.2%	38.2%
Exceptional item	-		(22)	-	-	-	-	-
PBT after exceptional item	5,298	12.2%	5,947	13.7%	(10.9%)	3,835	10.2%	38.2%
Net Profit after exceptional items	3,031	7.0%	2,896	6.7%	4.7%	2,028	5.4%	49.5%
Add: Exceptional items	-	-	(22)	-	-	-	-	-
Net Profit before exceptional items	3,031	7.0%	2,874	6.6%	5.5%	2,028	5.4%	49.5%



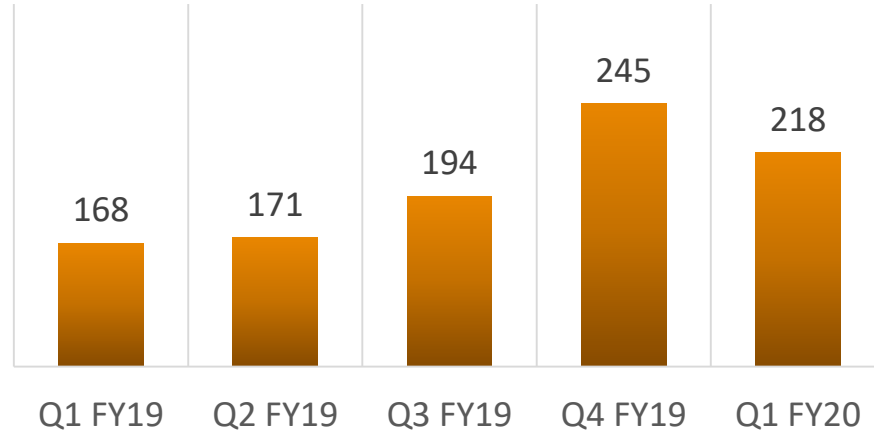
Q1FY20	
YoY	QoQ
↑ 30.0%	↓ 11.5%

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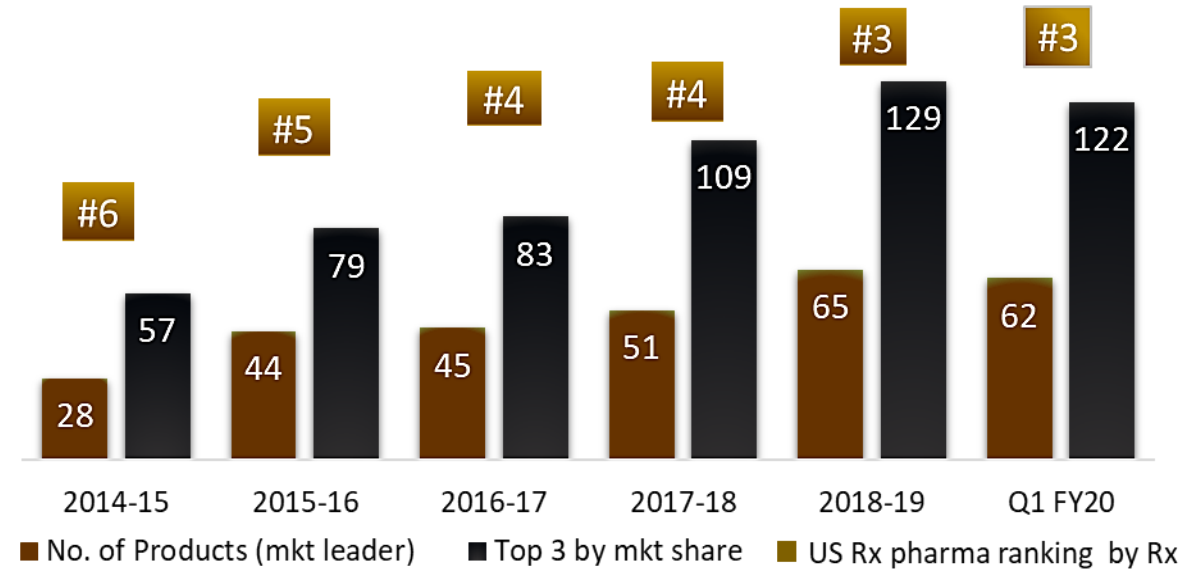
US revenues buoyant driven by gRanexa and new launches

US quarterly sales (\$ mn)



31.4% average market share¹

Lupin consolidating its position in US¹



US portfolio progressing

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No of launches
(during the quarter)

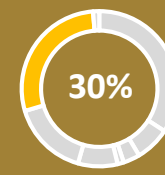
175

Products marketed
(cumulative)

152

Filings pending approval
(cumulative)

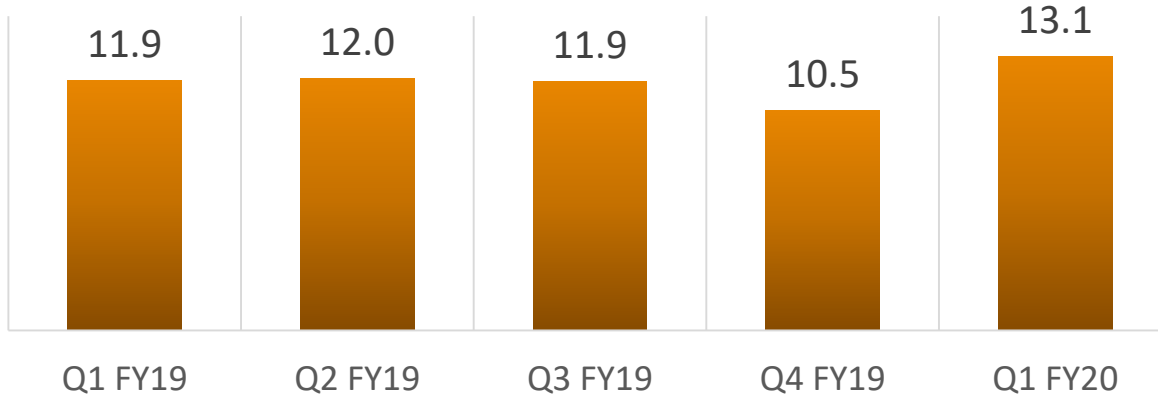
- Complex generics - launched gSynthroid (Levothyroxine) – expect ramp up going forward
- Solosec™ – Ongoing strategic initiatives to drive prescriptions and maximize its potential
- 40 FTF's incl. 15 exclusive FTF await USFDA approval



Q1FY20	
YoY	QoQ
↑ 9.7%	↑ 24.2%

India business continues to be robust

India quarterly Sales (INR bn)



Strong portfolio

2 brands in Top 100

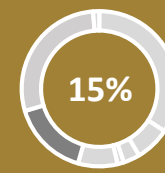
8 brands in Top 300

BRANDS	RANK (MAT Jun'19)
GLUCONORM-G	31
HUMINSULIN	57
BUDAMATE	107
GIBTULIO	178
TONACT	185
ONDERO	220
RABLET – D	228
IVABRAD	292

Consistently outpacing industry growth

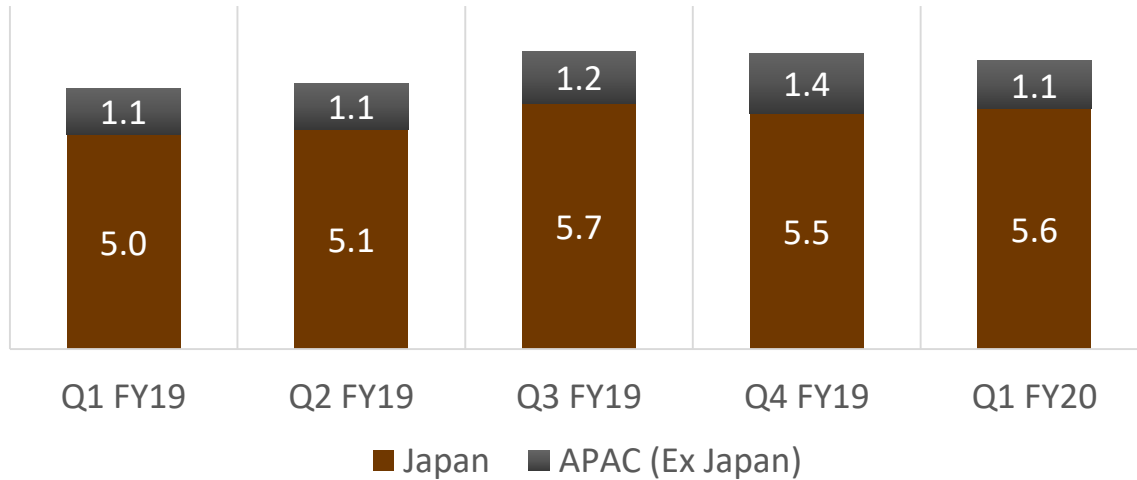
Therapy	4 Year CAGR%		Lupin Rank ¹	
	Market	Lupin	MAT Jun-15	MAT Jun-19
Acute	8%	7%	14	13
Chronic	11%	16%	5	4
Cardiac	9%	10%	2	3
Anti-diabetics	14%	24%	5	3
Respiratory	10%	17%	6	2

- India branded formulations grew 12.3% YoY
- 60% Chronic contribution¹; Leadership across cardiac (#3), diabetes (#3), and respiratory (#2)
- Ranked #1 in New Introductions (NI – 12 months); 3 of our brands feature amongst top 5 NI in Anti-diabetes
- PCPM tracking at INR 0.77 mn per month in Q1FY20 (INR 0.7 mn in FY19; INR 0.63 mn in FY18)



Q1FY20	
YoY	QoQ
↑ 10.5%	↓ 2.7%

APAC sales evolution (INR bn)



Performance highlights

Japan

- Growth driven by strong volume uptick in baseline products
- Maintained leadership (#1) in the generic CNS market (19% volume share)
- On track to launch bEtanercept in H2FY20
- Bipresso® Q1 sales up 311% YoY ; Entered into co-promotion agreement for Bipresso with Yoshitomi that has strong CNS marketing capabilities with 170+ MRs

Australia

- 4th largest Gx player¹

Japan business snapshot

5th

Largest generic pharma company in Japan¹

9%

YoY growth in cc revenues

17%

Kyowa - non generic revenue contribution (during the quarter)

Developed

EU5

- Germany: EUR 7.8 mn sales in Q1 FY20
- ARV's, Women's Health and CNS are the key focus therapeutic segments
- NaMuscla™ - Launched with Orphan drug designation in UK, Germany and France; Partnering discussions in advanced stages for other EU markets

Emerging markets

South Africa

- 5th largest generics player²
- Q1 FY20 revenues were ZAR 250 mn
- Market leader in CVS space

Brazil

- BRL 47 mn sales in Q1 FY20 (up 86% YoY)
- Making significant progress into the prescription dermatology segment

Mexico

- MXN 167 mn sales in Q1FY20 (up 5% YoY); superior performance in Anti-Allergy segment
- Grin is #2 (in units) ophthalmic player

API + Global Institutional

- Q1 FY20 revenues grew 19.8% QoQ
- Leadership in anti-TB Institutional business

Manufacturing and R&D – Diverse Global Network

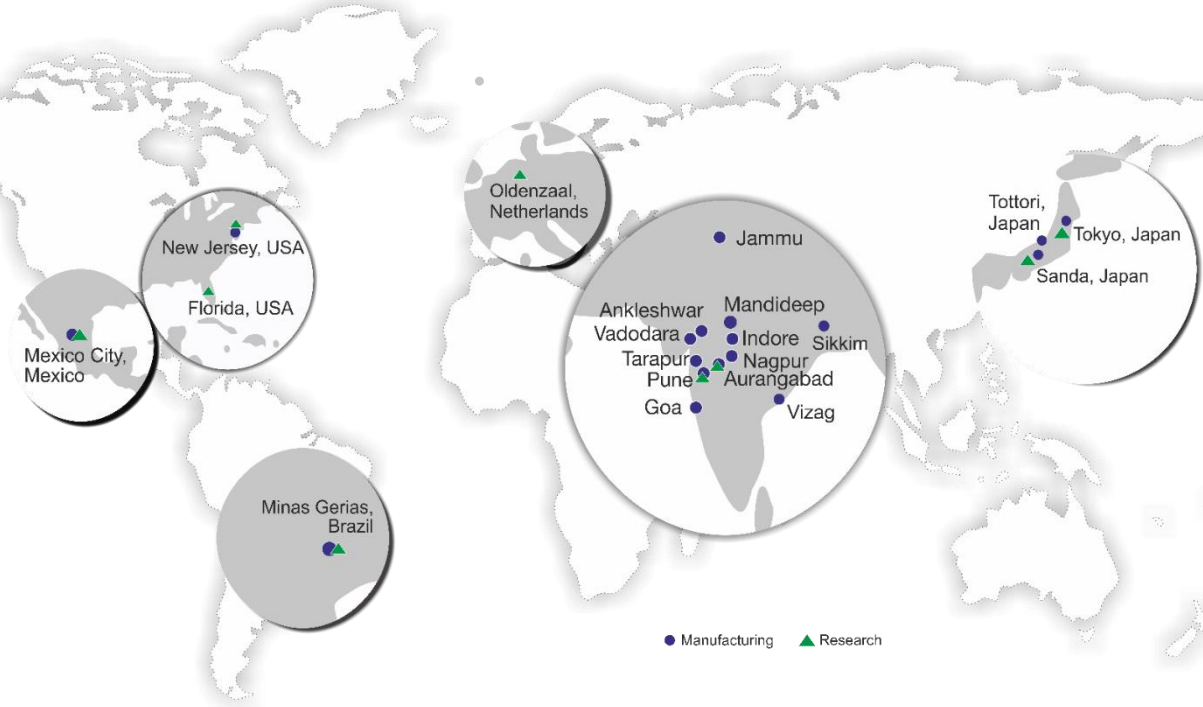
Global Commercial Presence		
100	25	9
Countries where products are sold	Countries with marketing offices	Countries with subsidiaries



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Manufacturing Sites

- 12 USFDA inspected sites
- 30 bn+ extended unit capacity
- Range of capabilities from API to formulations including oral solids, topicals, ophthalmics, injectables



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R&D Sites

- 422 US ANDAs; 270 approved
- 40 pending US First to Files
- Inhalation, Injectable and Biosimilar platforms well positioned to capitalize potential opportunities

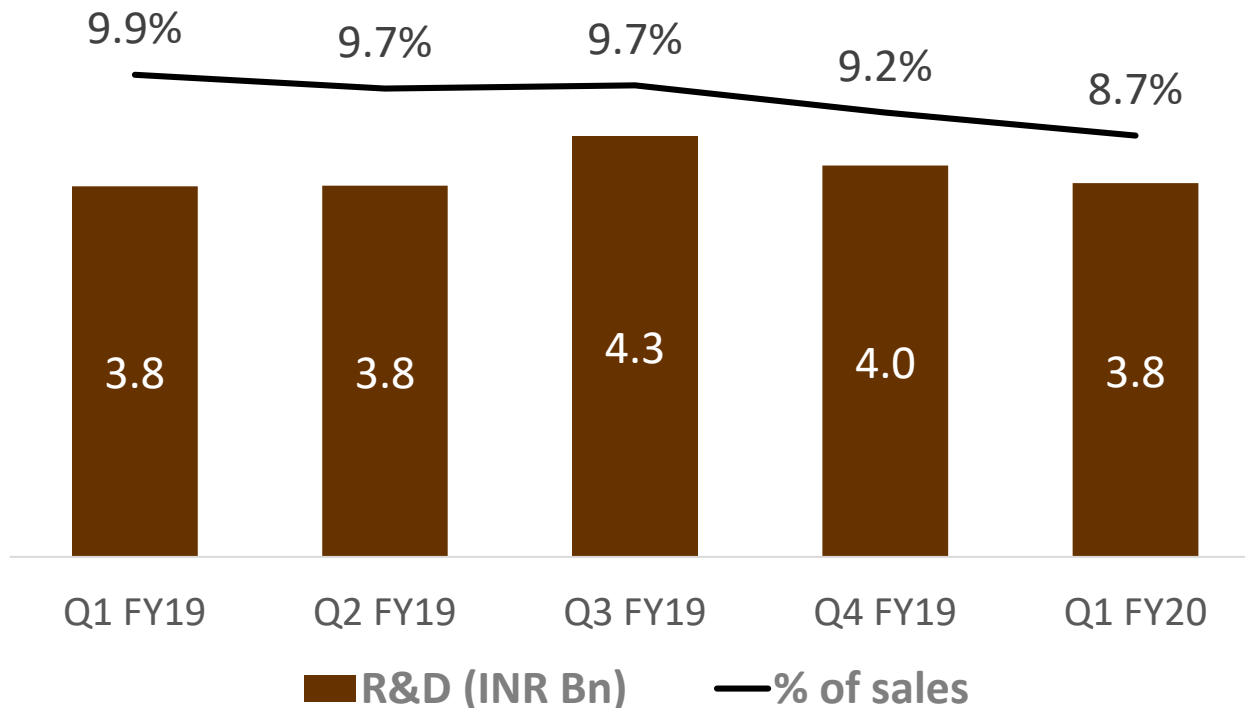
R&D – Higher focus on complex products and FTFs

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Invested INR 3.8 bn or 8.7% of sales on R&D in Q1FY20 at 9 R&D sites globally

Optimizing R&D spend



US Pipeline

422 cumulative filings

152 pending approval

40 First to files
(15 excl. FTF's)

THANK YOU!

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