

**Regd. Office :**  
'Zydus Tower',  
Satellite Cross Roads,  
Ahmedabad 380 015. India.  
Phone : +91-79-2686 8100 (20 Lines)  
Fax : +91-79-2686 2368  
www.zyduscadila.com  
CIN:L24230GJ1995PLC025878

January 7, 2017

<p>BSE Limited 1<sup>st</sup> Floor, P J Towers, Dalal Street <u>Mumbai – 400 001</u></p> <p>Kind Attn.: Mr. Sanjay Golecha/ Mr. Gopalkrishnan</p>	<p>National Stock Exchange of India Limited Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra – Kurla Compelx, bandra [East], <u>Mumbai – 400 051</u></p> <p>Kind Attn.: Famroze Pochara Asst. Vice President</p>
<p><b>Date:</b> January 7, 2017</p>	
<p><b>Re.:</b> JP Morgan Investor Conference</p>	

Dear Sir / Madam,


Pursuant to Regulation 30 of SEBI [Listing Obligations and Disclosure Requirement] Regulations, 2015, we hereby inform that the Company is going to participate in JP Morgan Investor Conference scheduled to be held on January 9, 2017 to January 12, 2017 in US. We enclose herewith the presentation to be made to the investors for your ready reference.

Please bring the aforesaid news to the notice of the members of the exchange and the investors' at large.

Thanking you,

Yours faithfully,

For, **CADILA HEALTHCARE LIMITED**

  
**UPEN H. SHAH**  
**COMPANY SECRETARY**



Encl.: As above



# Cadila Healthcare Limited

## Investor Presentation

November 2016



# Well integrated pharma player with global footprints

> 60 years

Operational experience

9<sup>th</sup> largest

Generic co. in US in terms of prescriptions

1<sup>st</sup> Indian Company

To discover & develop an NCE in-house : Lipaglyn (Saroglitazar)

~ \$ 1.5bn

Global Revenues

Among top 5

Pharmaceutical companies in India

1<sup>st</sup> Company

To launch biosimilar of Adalimumab anywhere in the world

>16% CAGR

In global revenues and net profits (FY'11-FY'16)

16 brands

Among top 300 brands in India

21 Biosimilars

In pipeline, including 6 novel biologics

~20% CAGR

In net worth (FY'11-FY'16)

20000+ employees

Across the globe, with 1200+ for R&D

1220 patents

Filed globally

~ \$ 6 bn

 Market Cap

30 mfg. sites

Producing > 15bn pills annually

8 R&D Centers

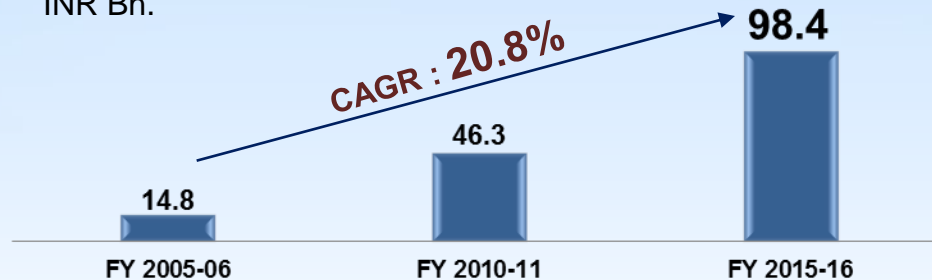
For NCE, APIs, Generic formulations, Biosimilars and Vaccines



# Track Record of Value Creation...

**Total Income  
from  
Operations**

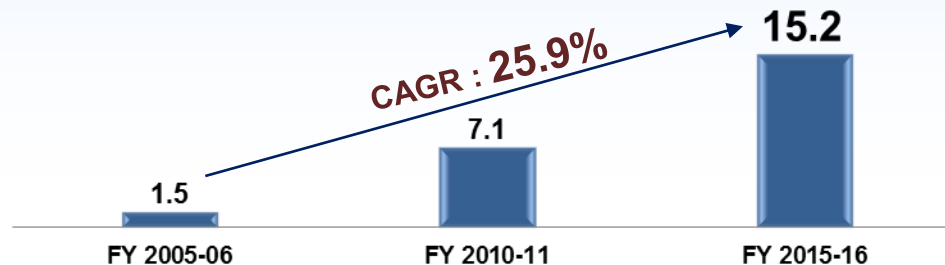
INR Bn.



... which gave us  
**significant external  
recognition**

**Net Profit**

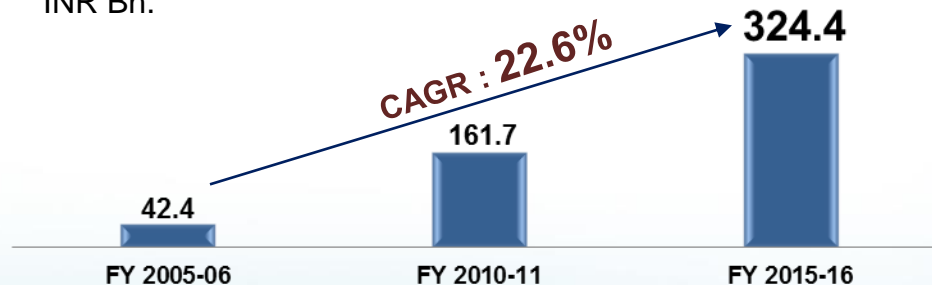
INR Bn.



**CII  
Industrial  
Innovation  
Awards  
2015**

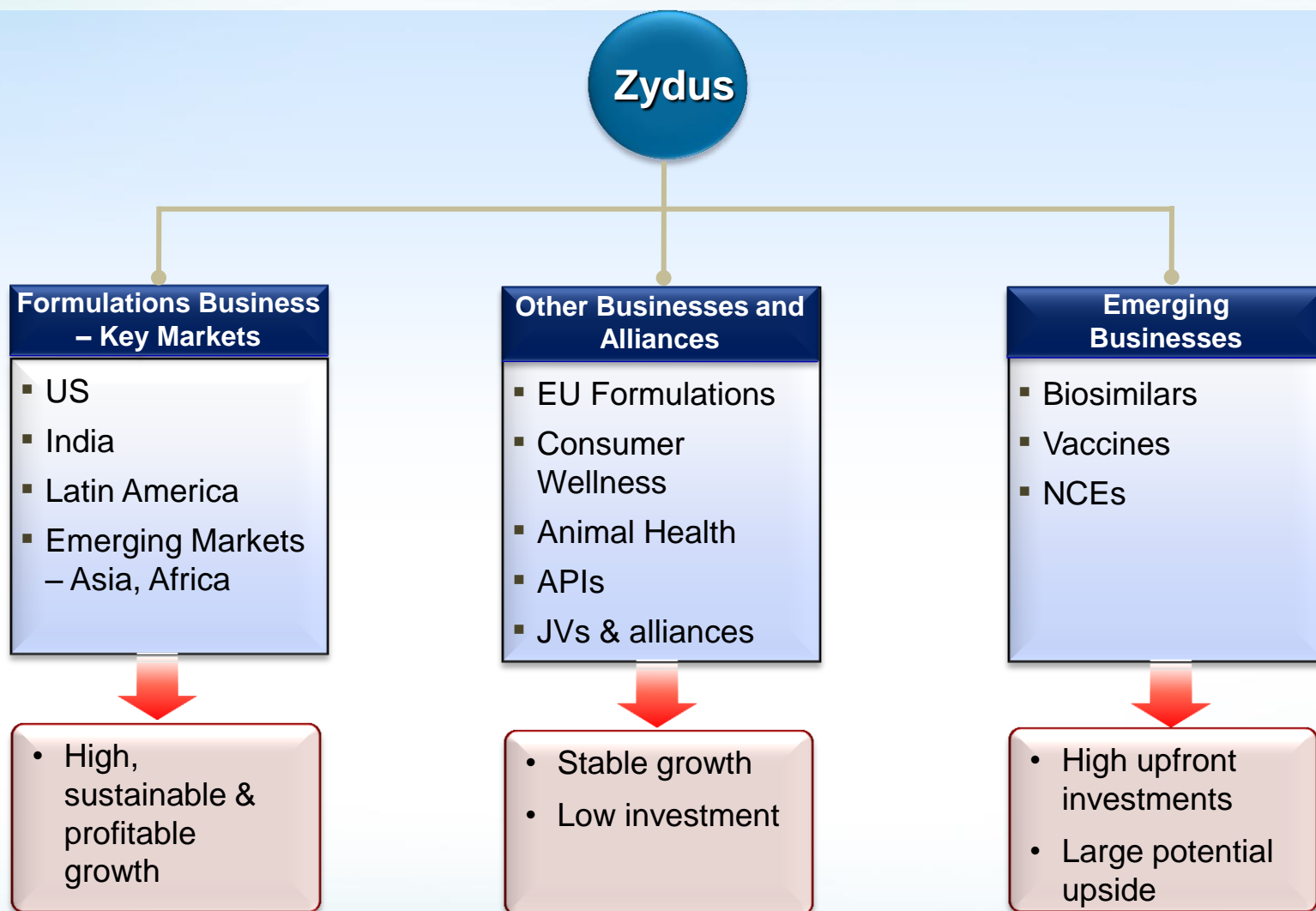
**Market  
Capitalisation  
\***

INR Bn.



**CNBC –  
TV 18  
India  
Innovator  
Award 2013**

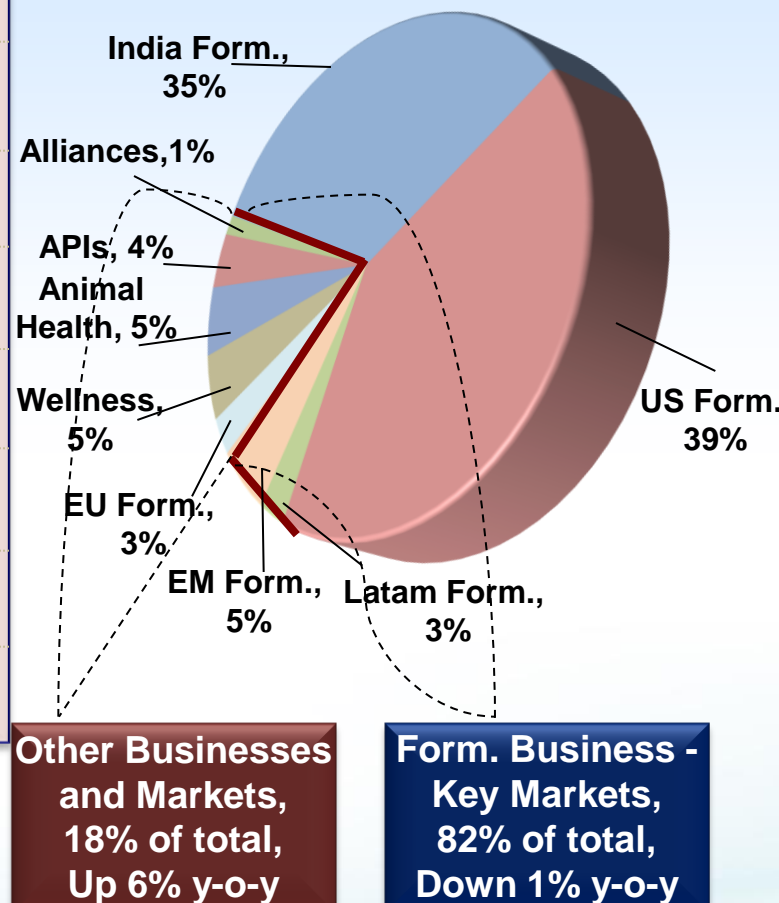
# Key businesses for ZyNext journey



# Key Financial Numbers – H1 2016-17

Consolidated (Rs. Mio.)	Amount	Gr.%
Total Income from Operations	47,366	-1.8%
EBIDT	10,399	-12.5%
EBIDT % to Income from Ops.	22.0%	
Profit before tax	8,752	-17.7%
PBT % to Income from Ops.	18.5%	
Net Profit	6,938	-25.8%
Net Profit % to Income from Ops.	14.6%	
R&D Spend % to Income from Ops.	6.6%	
Debt net of cash (as at 30-Sep-16)	18,363	
Capex (H1 2016-17)	7,022	

## Segment-wise Gross Sales \*



\* Gross Sales = Rs. 46,491 Mio.

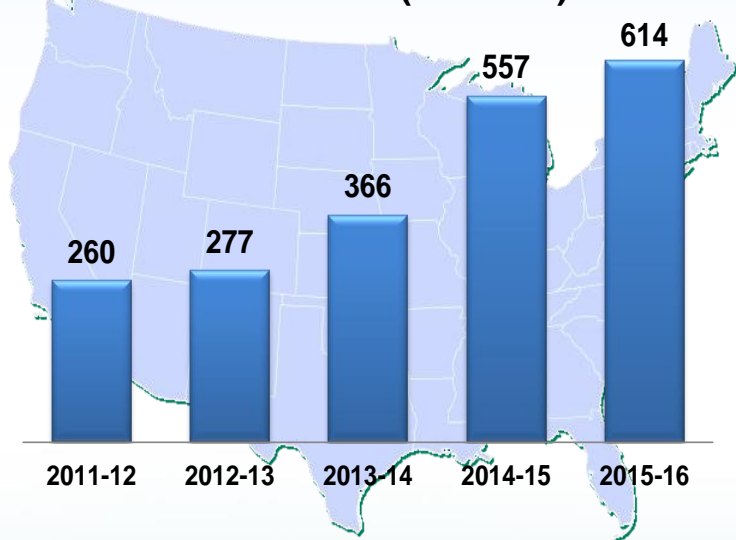


# US formulations – 9<sup>th</sup> largest generic player (based on scripts)

Market size\* : ~\$ 67 bn  
Market growth\* : -1%  
Zydus size\*\* : ~ \$ 614 mn  
Zydus growth\*\* : 10%

## 24% CAGR in Sales (Last 5 years)

Gross Sales (USD mn)



## Aspirations

- Be amongst the top 10 generic cos. in US with continued strong focus on customer needs
- One of the significant contributors to revenues and profits

## Strengths to be leveraged

- Sale of generic oral solids and injectable products
- Strong sales and marketing base – long-term relationships with large whole-sellers & retail chains
- Cost efficient manufacturing and supply chain
- Robust regulatory pipeline - 275+ ANDA fillings, 105+ approvals
- Alliance with innovator pharma companies for sale of authorized generics (AGs)
- 75+ products launched so far (incl. 9 AGs)
- Among top 3 for ~3/4<sup>th</sup> of the products marketed in US
- Ranked 9<sup>th</sup> among US generic companies based on scripts (Source : IMS MAT September,2016 Report).

# US formulations – strong product pipeline

## Growing Focus on Complex Generics

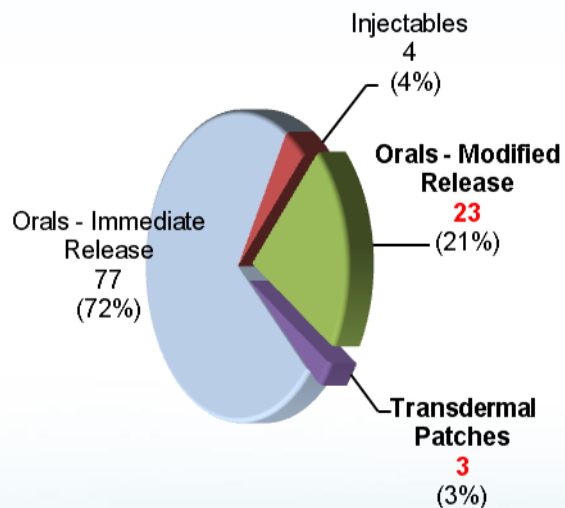
- Immediate Release Oral Solids
- Injectables
- Controlled Substances



- Modified Release Oral Solids
- Transdermals
- Topicals
- Nasal Sprays

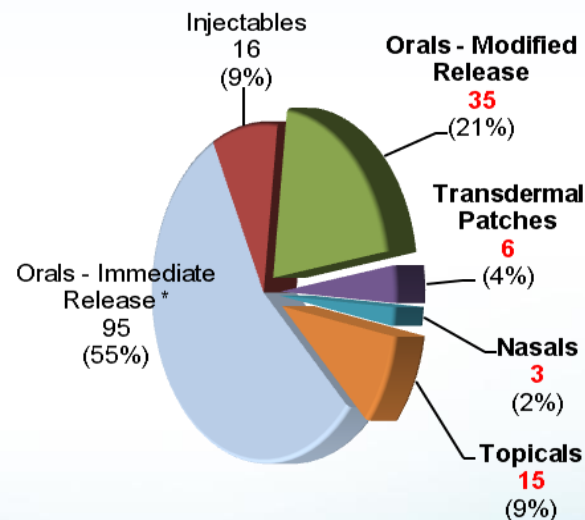
**Total Approved ANDAs – 107<sup>(1)</sup>**

As on September 30, 2016



**Total ANDAs Pending Approval – 170**

As on September 30, 2016





# India formulations – 4<sup>th</sup> largest player

## Aspirations

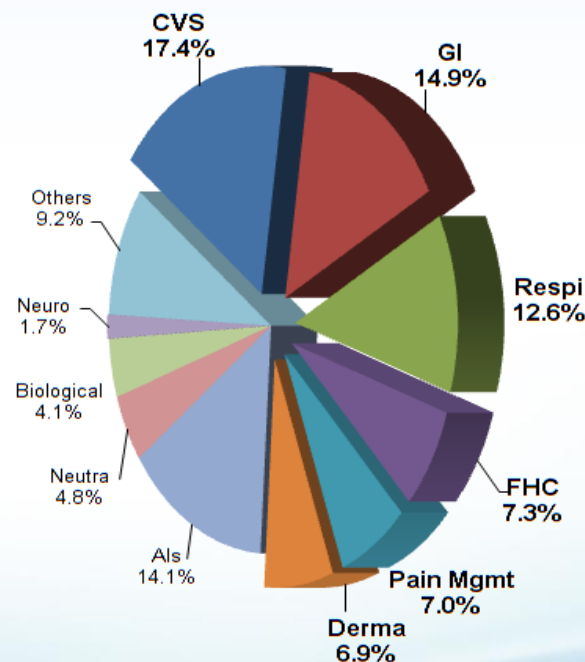
- Leadership in respiratory, female healthcare and pain mgt. area, among top 5 players in GI, CVS and derma
- Continue to be one of the significant contributors to revenues and profits

## Strengths to be leveraged

- One of the largest market players with leading positions in key therapy areas
- Strong brand equity : 16 brands among top 300 in India
- New product launches : 35 during H1 2016-17 (incl. line extensions), with 8 First-in-India
- Alliances with global players for new product launches – Sovihep (Sofosbuvir)
- First company in the world, which launched –
  - Lipaglyn® (Saroglitazar in Q2 FY 14), the first NCE discovered and developed by an Indian company
  - Exemptia® (Q3 FY 15), world's first biosimilar of Adalimumab

Market size*	: Rs. 1030 bn+
Market growth*	: 11%
Zydus size**	: Rs. 43.5 bn+
Market Share**	: 4.2%
Zydus growth**	: 9%

## Key therapies : ~66% of total sales#



CVS = Cardiovasculars  
 GI = Gastro Intestinals  
 Respi = Respiratory  
 FHC = Female Healthcare  
 Derma = Dermatology  
 Als = Anti Infectives  
 Neutra = Neutraceuticals  
 Neuro = Neurologicals

# Latin America formulations

**Aspirations : To establish strong base with aggressive product launches**

## Brazil

Mkt. Size\* :  
~ **BR\$ 83 bn.**  
Mkt. Gr. : ~ **5%**

- Presence in branded generics and generic generics segments with a continued focus on brand building initiatives
- Robust product pipeline from India - 96 filings, 45 approvals
- Focused segments (Branded) – female healthcare, hepatology, CNS, CVS, Nutraceuticals and Pain Mgt.
- Product launches : 25+ branded, 20+ generic generics

## Mexico

Mkt. Size\* :  
~ **US\$ 8 bn.**  
Mkt. Gr. : ~ **-8%**

- Focus therapy area (Branded) – CNS
- Building product pipeline from India – 40+ filings and 35+ approvals so far
- Commenced commercial operations in 2013 with launch of first product from India
- Launched 20 products in the market so far.

## In overall Latin America :

Zydus Size\*\* :  
**Rs. 2,177 mn**  
Zydus growth\*\* : **24% in constant currency**

# Emerging Markets formulations

Market size\* : ~ \$ 13 bn  
Market growth\* : ~ 12-13%  
Zydus size\*\* : Rs. 4,760 mn  
Zydus growth\*\* : 17%

## Aspirations

- To strengthen the position in different markets of Asia and Africa

## Strengths to be leveraged

- Operations in different markets of Asia Pacific and Africa and Middle East region with leadership position in several of these markets.
- Focus on brand building initiatives and strengthening branded generics portfolio to ensure sustainable growth in topline and bottomline.
- Increased product development activities supported by strong regulatory teams.
- Commenced biosimilars business in emerging markets by launching the first biosimilar viz. Pegihep in FY 2015-16.



## Other businesses (1/2)

### EU formulations



Mkt. Size\* : ~Euro 5.4 bn (France + Spain Gx)  
Mkt. Gr. : 4%  
Zydus Size \*\*: Rs. 2,956 mn  
Zydus Gr. : -12%

**Aspirations : To be a relevant player in generic markets of France and Spain**

- Among top 10 in France, among top 20 in Spain
- Expansion through new products : launched ~150 molecules in France and ~110 molecules in Spain so far (incl. several 'Day 1')
- Leveraging India cost advantage : 200+ new products and 65+ site transfer filings so far, >50% of sales supplied from India

### Consumer Wellness



Zydus Size \*\*: Rs. 4,570 mn  
Zydus Gr. : 3%



**Aspirations : To create niches in wellness space through innovation**

- Leadership in sugar substitutes (~94% market share) and in couple of sub-categories viz. scrub and peel-off of skin care products.
- Continued thrust on different marketing initiatives to grow the categories and market share of different brands.

## Other Businesses (2/2)

### Animal Health

Zydus Size \*:  
**Rs. 3,169 mn**  
Zydus Gr. : **3%**

#### Aspirations : To be a comprehensive, global animal healthcare provider

- One of India's leading animal healthcare players.
- Acquired select brands and manufacturing operations in India from Zoetis, a global animal healthcare company so as to expand business in India.
- Presence in key markets across Europe, South America, Asia and Africa through Bremer Pharma, Germany.

### APIs

Zydus Size \*:  
**Rs. 3,647 mn**  
Zydus Gr. :-**2%**

#### Aspirations : To be a 'reliable' service provider to customers

- Backward integration capabilities to meet captive API requirements.
- Operations in India, US and select markets of Europe, Latin America, Asia Pacific and Middle East regions.
- Continuous endeavour to improve service levels by improving cost competitiveness and continuous process improvement.

# Joint Ventures and Alliances – leveraging strengths

**Aspirations : Value creation through win-win alliances and be a partner of choice**

## Zydus Takeda JV

- State-of-the-art mfg. facility for APIs of Takeda
- Expanded the facility to manufacture complex high-end APIs
- Commercial supply of 10 products (incl. 2 for validation)

## Zydus Hospira JV

- State-of-the-art cytotoxic facility approved by leading authorities like MHRA, USFDA, TGA, Health Canada
- Commercial supply of 12 products for EU market and 8 products for US market

## Bayer Zydus JV

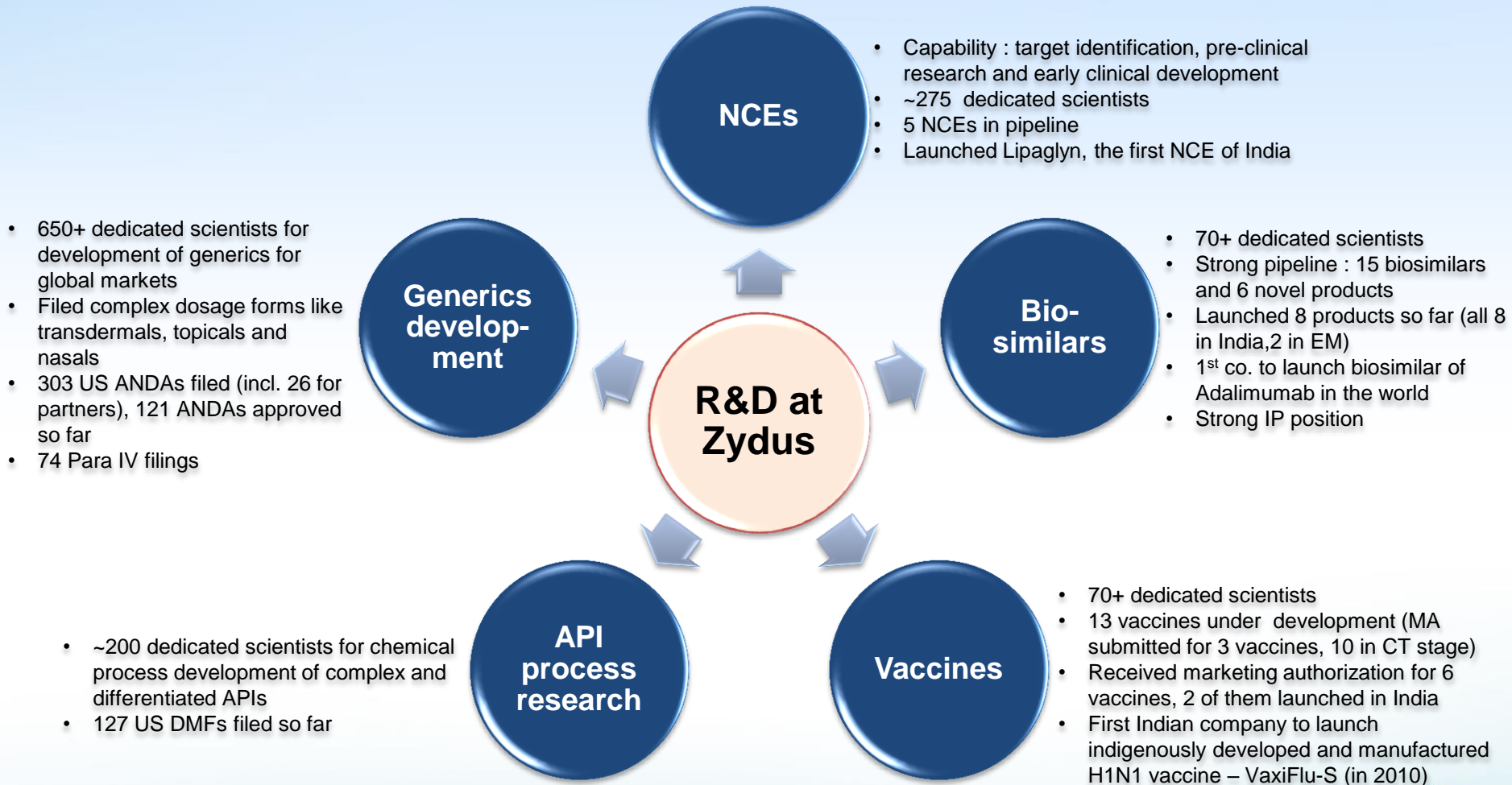
- Operates in female healthcare, metabolic disorders, diagnostic imaging, CVS, diabetes and oncology segments in India
- Leveraging strengths of Bayer's optimized product portfolio and Zydus' marketing and distribution capabilities
- JV scope covers launch of innovator products of Bayer

## Alliances with other partners

- 26 ANDAs filed for various partners, 14 approved, 11 commercialised.
- Received the first NDA approval from US FDA which was filed on behalf of a partner.
- Commercial supply of 14 products so far under the out-licensing deal with Abbott



# Strong focus on R&D



# Biosimilars and Vaccines – emerging businesses

**Aspirations : Leverage technological edge to unlock substantial value and create pillars for future growth.**

## Strengths to be leveraged

### Biosimilars

- Dedicated facilities for bulk and finished formulations
- 70+ experienced scientists
- Strong pipeline: 15 biosimilars and 6 novel products
- Strong IP position either through own patent or non-infringing processes

### Vaccines

- Dedicated R&D and mfg. facilities
- 70+ experienced scientists
- 10 vaccines under different stages of clinical development
- Received MA for 6 vaccines in India, 3 vaccines submitted for MA

## Biosimilar pipeline

No	Product	Indication	Cloning	Process Devp.	Pre-Clinical Devp.	Regulatory Permission	Clinical Devp.	Mktg. Authorisation
1	G-CSF	Oncology	LAUNCHED (in India)					
2	Peg G-CSF	Oncology						
3	IFN $\alpha$ -2b	Infectious diseases						
4	Teriparatide	Osteoporosis						
5	Adalimumab	Inflammation						
6	Trastuzumab	Oncology						
7	Peg IFN $\alpha$ -2b	Infectious diseases	Launched in India and EM (Myanmar)					
8	EPO	Oncology/Nephrology						
9	MAB 1	Oncology/RA						
10	MAB 2	Oncology						
11	Prod 1	AMI						
12	Prod 2	Fertility						
13	MAB 3	Rabies						
14	PEG-EPO	Nephrology						
15	Prod 3	Oncology						
16	MAB 4	Osteoporosis						
17	MAB 5	Oncology						
18	Prod 4	Oncology						
19	Prod 5	Oncology						
20	Prod 6	Oncology						
21	Prod 7	Complement mediated disease						

# NCE Research

**Aspirations : Add more NCEs in pipeline to drive towards becoming a research based pharma co. by 2020**

## Key strengths

- State-of-the art research facility
- Capability of target identification to pre-clinical research / early clinical development
- ~275 scientists dedicated for NCE research
- Strong scientific advisory board comprising of world's renowned scientists, academicians and clinicians



**Zydus**  
dedicated to life

## NCE Pipeline

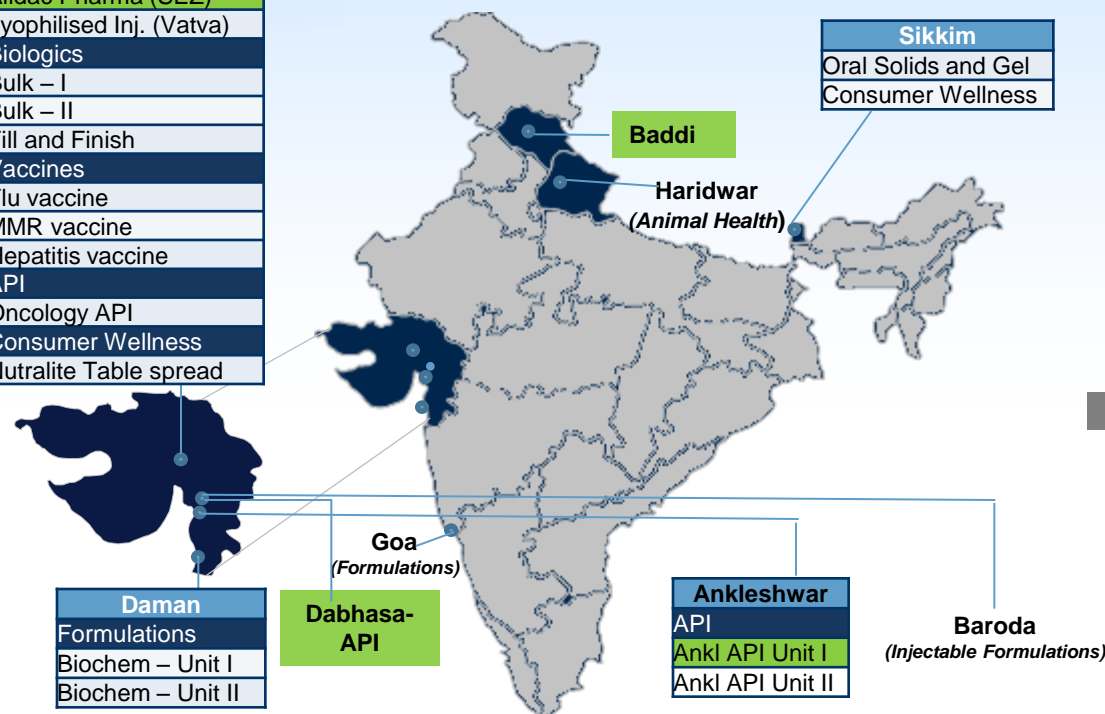
Project	Target	Indication	Drug Discovery	Lead optimisation	Pre-clinical Development	IND	Phase I	Phase II	Phase III	NDA
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Dyslipidemia	First glitazar to be approved in the world. Launched in India as "LIPAGLYN"							
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Hypertriglyceridemia	First glitazar to be approved in the world. Launched in India as "LIPAGLYN"							
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Lipodystrophy								
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Nonalcoholic Steatohepatitis								
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Type 2 Diabetes								
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Hypertriglyceridemia	Clinical trials going on in US							
Saroglitazar	PPAR- $\alpha$ , $\gamma$	Nonalcoholic Steatohepatitis	Clinical trials going on in US							
ZYH7	PPAR- $\alpha$	Dyslipidemia								
ZYDPLA1	DPP-IV inhibitor	Type 2 Diabetes	Clinical trials going on in US							
ZYAN1	HIF - inhibitor	Anemia								
ZYTP1	PARP - inhibitor	Oncology								



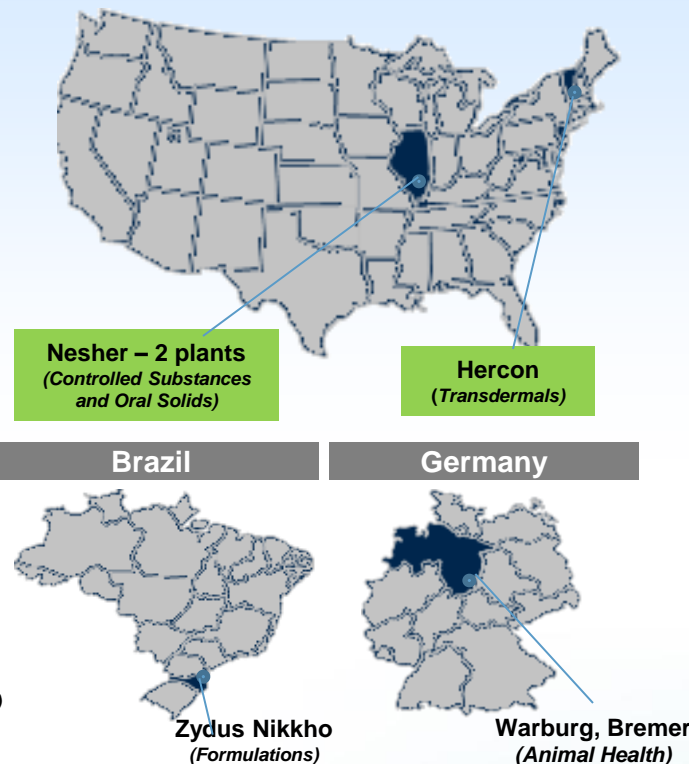
# World class infrastructure to support ZyNext journey

Ahmedabad
Formulations
Oral Solids (Moraiya)
Oral Solids (SEZ)
Topicals
Transdermal (SEZ)
Alidac Pharma (SEZ)
Lyophilised Inj. (Vatva)
Biologics
Bulk – I
Bulk – II
Fill and Finish
Vaccines
Flu vaccine
MMR vaccine
Hepatitis vaccine
API
Oncology API
Consumer Wellness
Nutralite Table spread

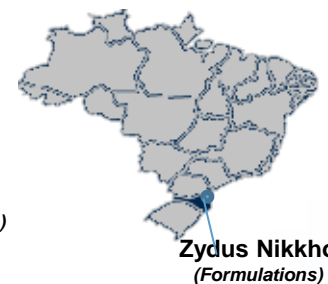
## India



## U.S.



## Brazil



## Germany



Total facilities – 30 (Formulations – 16, APIs – 4, Vaccines – 3, Biosimilars – 3, Consumer – 2, Animal Health – 2)

Total facilities inspected by US FDA – 11 (Formulations – 9, APIs – 2)

# Key strategies for ZyNext journey

1

**Strong execution focus for the U.S. market; drive growth with continuous focus on product launches**

2

**Focus on difficult to develop and manufacture and specialty products to improve margins**

3

**In India, focus on high growth Therapeutic Areas, outperform the domestic market and improve operational efficiency through increasing sales force productivity and technological advancement**

4

**Leverage strong platform of biosimilars and vaccines business**

5

**Select inorganic growth to expand in India, U.S. and Emerging Markets, acquire capability platforms and move forward in value chain on specialty and branded business**





# Thank You.

---

## Safe Harbour Statement

*This presentation may include certain “forward looking statements”, based on current expectations, within the meaning of applicable laws and regulations. Actual results may differ and the company does not guarantee realization of these statements. The Company also disclaims any obligation to revise any forward-looking statements. The readers may use their own judgment and are advised to make their own calculations before deciding on any matter based on the information given herein.*

*No part of this presentation may be reproduced, quoted or circulated without prior written approval from Cadila Healthcare Ltd.*