31st January, 2017

BSE Limited
1st Floor, New Trading Wing,
Rotunda Bldg, P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex,
Mumbai – 400 051.

Dear Sir / Madam,

Ref: BSE SCRIP CODE - 500302
NSE SYMBOL - PEL

Sub: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-
Presentation to the Analyst/ Institutional Investor

Further to our letter dated 30th January, 2017 whereby we had given the advance intimation
of Conference Call with Analyst/Institutional Investor, enclosed please find the presentation
to be made to Analyst/Institutional Investors.

Pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015, the presentation is also hosted on the website of the Company.

Kindly take the above on record.

Thanking you,

Yours truly,

For Piramal Enterprises Limited

Chandakamakhija Thadani
Assistant Company Secretary

Encl: a/a
Pharma business portfolio with strong presence both within and outside India

**Piramal Pharma**

FY16 Rev: Rs.3,558 Crores

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**Global Pharma**

FY16 Rev: Rs.3,166 Crores

- End-to-end manufacturing capabilities
- 14 manufacturing facilities
- Portfolio of niche branded generic products
- Distribution to >100 countries

**India Consumer Products**

FY16 Rev: Rs.393 Crores

- Strong portfolio of OTC brands
- 6 brands among top 100 OTC brands
- Large distribution network
- Among top 5 OTC players
Delivering solid growth track record. Acquisitions to boost it further

Growing largely organically since Abbott deal
Pharma Revenues (in Rs. Crores)

<table>
<thead>
<tr>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,604</td>
<td>1,987</td>
<td>2,441</td>
<td>2,820</td>
<td>3,121</td>
<td>3,558</td>
</tr>
</tbody>
</table>

5yrs CAGR – 17%

Seven acquisitions in last two years significantly expanding the revenue base
(in Rs. Crores)

FY2016 Overall Pharma Revenue

Proforma FY2016 Overall Pharma Revenue

Rs. 3,558 Crores

21% Increase

Rs. 4,321 Crores

Note: Proforma FY2016 numbers assumes all the acquisitions (that happened in FY2016 or later) were part of our businesses at the beginning of FY2016.
Global Pharma business
How are we rapidly moving up the value chain?

1. Acquired global businesses to enter into niche capabilities

   - Injectable
   - HPAPI

2. Expanding manufacturing capacities in niche areas

   - ADC
   - Injectable
   - Inhalation Anaesthesia
   - Drug Discovery
How are we rapidly moving up the value chain?

3 Adding differentiated hospital branded generic products organically and inorganically

- **Controlled substances**
  - Rapifen
- **Injectable Anaesthesia**
  - Hypnomidate
- **Desflurane**
- **Intrathecal**

4 Strong product portfolio to leverage global distribution network

- **Leverage global distribution network** by adding differentiated products
- **Differentiated offerings** – Niche branded generics and controlled substances

- **Entry barrier** – Complex to manufacture, sell and distribute resulting in limited competition
- **Expands addressable market size** from US$ 1 bn Inhalation Anaesthesia market to US$20 bn generic hospital product market

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Our strategy of moving up the value chain will enable us boost growth and enhance margins significantly

JAN 2017

PIRAMAL ENTERPRISES LIMITED – PHARMA STRATEGY
How are we increasing the share of products?

Global Pharma Revenue Mix (%)

- Revenue from products grew at a 22% CAGR over last 7 years. Revenue from services continues to grow well driven by niche North American assets & API business in India.
- Acquired niche product portfolios of branded generics - Complex in manufacturing, selling and distribution
- Significantly grown our market share in existing portfolio of Inhalation Anaesthesia
- Entered new markets and significantly expand our presence in key markets

Addition of high margin niche products with limited competition will increase the EBITDA margin
Creating a solid product portfolio

Product Portfolio

Inhalation Anaesthesia
- Desflurane
- Isoflurane
- Sevoflurane
- Halothane

Injectable Anaesthesia / Pain Management
- Sublimaze*
- Sufenta*
- Rapifen*
- Dipidolor*
- Hypnomidate

Intrathecal Severe Spasticity / Pain Management
- Gablofen®
  - Products under development

Other Products
- API Generics
- Vitamins

Differentiated branded hospital generics

To be launched in 2017

* Controlled substances

Announced acquisition from Mallinckrodt LLC in Jan 2017

Acquired from Janssen Pharmaceutica in Oct 2016
Acquired a portfolio of drugs from Mallinckrodt in Jan 2017

**Products**: Agreed to acquire a portfolio of intrathecal spasticity and pain management drugs from Mallinckrodt LLC.

- Product portfolio includes:
  - Gablofen® (baclofen), an intrathecal administration for treatment of severe spasticity
  - Two under development intrathecal pain management products
  - Currently marketed in the US; approved for launch in 8 European Countries
  - In the twelve months ending September 30, 2016, the acquired portfolio generated revenues of US$ 44.6 million

**Consideration**: Upfront cash consideration of US$171 million (~INR 1,160 Crores)

- Up to US$32 million (~INR 215 Crores) payable based on financial performance of acquired assets over next 3 years
What makes this acquisition attractive?

**Product Fit**
- Gablofen® used by doctors and hospitals leverage our US operations and capabilities
- Gablofen® as treatment for severe spasticity and the pain management products under development complement our existing critical care portfolio

**Product Differentiation**
- Gablofen® is the only baclofen drug currently available in prefilled syringes and vials
- Gablofen® presentations are preferred by users due to safety and convenience benefits

**Attractive Niche Market**
- Intrathecal baclofen serves an important medical need for severe spasticity patients.
- Access to this niche market diversifies our offerings in the US market and allows further growth within the global generic hospital drug market of more than US$ 20 billion in size

**Limited Competition**
- Limited alternate treatments are available or under development for these patients
- Few competitors offering intrathecal baclofen

High EBITDA margin of the acquired products to enhance our profitability
Acquired portfolio of niche branded generics from Janssen in Oct 2016

• **Products**: Acquired a portfolio of five injectable anaesthesia & pain management products from Janssen - Sublimaze, Sufenta, Rapifen, Dipidolor, and Hypnomidate
  — Acquisition includes brand names and all related IP associated with products, including know-how to make both API & finished products
  — Janssen to continue to supply finished dosage forms for up to 3 years and API for up to 5 years
  — Janssen to continue to sell the products until Marketing Authorisations are transferred

• **Consideration**: Upfront consideration of US$155 million (~INR 1,030 crores)
  — Up to US$20 million (~INR 130 crores), if the product portfolio achieves certain agreed financial milestones over the next 30 months
What makes this acquisition attractive?

Product fit
- Injectable anaesthesia and pain management products with MA in >50 countries
- All these products fit well with our existing Critical Care product portfolio
- Branded generics (original innovator product was first made by Janssen)

Leverage global distribution
- Maximize value from existing sales infrastructure and partner network into hospitals
- Potential to expand revenue as acquired products are currently not actively promoted in most countries

Large addressable market
- Gives deeper access to the global generic hospital drug market, which is >US$20 billion in size

Greater access to large markets
- Significantly expands our presence in EU, Japan & large EMs
- Increasing presence in these markets likely to boost sales of our existing products

High entry barriers
- 4 out of 5 products are controlled substances. Restricted market entry on account of regulations around controlled substances.

High EBITDA margin of the acquired products to enhance our profitability
14 manufacturing facilities both in East and West – All key sites
USFDA approved

- **LEXINGTON**: High potent injectable development and manufacturing
  - USFDA

- **RIVERVIEW**: HPAPI Development & Manufacturing
  - USFDA

- **AURORA**: API Development & Manufacturing
  - USFDA, MHRA

- **GRANGEMOUTH**: ADC Manufacturing
  - USFDA, MHRA

- **AHMEDABAD**: 2 Sites:
  - Drug Discovery
  - Formulation Development

- **MORPETH**: API & Formulation Development & Manufacturing
  - USFDA, MHRA

- **MUMBAI**: API & Formulations Development
  - MHRA

- **MAHAD**: Vitamins & Minerals Premixes
  - USFDA*, WHO-GMP

- **CHINA**: Sourcing Office
  - USFDA, MHRA

- **PITHAMPUR**: Formulations Manufacturing
  - USFDA, MHRA

- **BETHLEHEM**: Anaesthesia Manufacturing
  - USFDA, MHRA

- **ENNORE**: API Development & Manufacturing

- **DIGWAL**: 2 sites:
  - API Development & Manufacturing
  - USFDA, MHRA
  - Anaesthesia Manufacturing
How are we performing in the areas of compliance, quality and reliability?

In last 5 years, cleared all inspections:
- 24 USFDA inspections
- 43 other regulatory inspections
- 560 customer audits

Recognized at reputed global forums:
- Rated among best global CDMO in quality, reliability & regulatory — 2 years in a row
- Rated as ‘API Supplier of the Year’
- Business head awarded ‘CEO of the year’
- Head of Quality rated among ‘50 most Influential People in Quality’
Strengthening presence in key geographies

**Strong presence in North America**
- Aurora: API Development & manufacturing
- Lexington: Sterile Development & Manufacturing
- Riverview: HPAPI Development & Manufacturing
- Bethlehem: Anaesthesia Manufacturing

**Expanding presence in Europe**
- Grangemouth: ADC Manufacturing
- Morpeth: API & Formulation Development & Manufacturing

<table>
<thead>
<tr>
<th>% Global Business Revenues</th>
<th>35%</th>
<th>34%</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Global Business Assets</td>
<td>31%</td>
<td>40%</td>
</tr>
</tbody>
</table>

**Distribution Presence**
- 30% market share in US in Inhalation Anaesthesia
- Expanding presence in key countries including UK, Italy, Germany, etc.

**Distribution Model**
- Through direct sales force
- Through direct sales force and distributors
Strengthening presence in key geographies

Strong presence in India

- Manufacturing facilities in India
  - Mumbai: API & Formulations Development
  - Digwal: API Development & Manufacturing and Anaesthesia Manufacturing
  - Pithampur: Formulations Manufacturing
  - Ahmedabad: Drug Discovery and Formulations Development
  - Ennore: API Development & Manufacturing
  - Mahad: Vitamins & Minerals Premixes
- 28% of Total Assets of Global business is in India

Expanding Presence in Japan

- Significantly improved Sevoflurane market share in Japan to 56%
- Leading market share for Fentanyl with the only currently approved generic in the market
Growth Strategy: Will continue to deliver strong growth in future

- **Continue to add more products** both organically and inorganically to leverage our strong sales and distribution network
  
  - Continue to look for acquisition opportunities in complex products
  
  - Launching latest generation Inhalation Anaesthesia i.e. Desflurane
  
  - Integrate the acquired products and generate synergies

- **Leverage and expand our end to end manufacturing and service delivering capabilities** (especially in niche capabilities i.e. injectable, HPAPI, ADC etc.)
  
  - Good traction for development business and integrated offerings
  
  - Injectable and HPAPI acquisitions will enable us to cross sell our capabilities of Discovery, ADCs and development & commercial scale manufacturing of Formulations and APIs.

- **Further expand our presence in strong markets** including US, Europe, Japan etc.

- **Continue to maintain focus on quality and compliance**

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**Strong revenue growth track record**

(Rs. Crores)

<table>
<thead>
<tr>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>Proforma FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,409</td>
<td>1,768</td>
<td>2,169</td>
<td>2,506</td>
<td>2,765</td>
<td>3,166</td>
<td>3,872</td>
</tr>
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</table>

CAGR - 18%

Continue to actively look for organic and inorganic opportunities to enhance growth
Enhancing EBITDA Margin

Global Pharma business EBITDA margins (%)

- Acquired high margin products
- Introduction and growth of high margin products (including Desflurane etc.)
- Manufacturing at facilities with niche high-end capabilities
- Higher capacity utilization
- Backward integration for raw materials
- Further leverage global distribution
- Optimise yields and manufacturing processes.
- Cost improvement initiatives

EBITDA Margins to significantly improve in coming years
Why can we create a large and profitable global pharma business?

- Significant market opportunity
- Potential to grow rapidly and expand margins
- Growing organically and inorganically
- End-to-end manufacturing capabilities with niche offerings
- Strong focus on compliance, quality and reliability
- Strong presence in US, Europe, Japan and India
- Offering complete pool of services to large & mid sized Pharma Companies
- Well-positioned to create a large, well-diversified and profitable global pharma business
- Investing to move up the value chain
- Strong portfolio of niche products and services
- Large distribution network reaching >100 countries
India Consumer Products
Strong product portfolio

Six brands among India’s top 100 OTC brands

PEL has strong brand portfolio: Most brands are among the top two in their respective representative market
Developed a large India-wide distribution network

<table>
<thead>
<tr>
<th></th>
<th>FY2008</th>
<th>FY2012</th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No. of towns present</strong></td>
<td>16</td>
<td>481</td>
<td>1,500</td>
</tr>
<tr>
<td><strong>Total Outlet presence</strong></td>
<td>24,000</td>
<td>200,000</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>Chemist Outlet presence</strong></td>
<td>16,000</td>
<td>100,000</td>
<td>220,000</td>
</tr>
<tr>
<td><strong>Field Force</strong></td>
<td>80</td>
<td>800</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Our chemist coverage is now comparable with the top 3 OTC players.
Adding products organically and inorganically

Products added organically

- Instant pain relieving mouth ulcer gel
- A sore throat pain relief product
- Ovulation test kit
- A non-drowsy anti-allergy OTC brand
- Detoxifies the after effects of socializing, etc.

Product portfolios added through acquisition

- 4 brands from Pfizer Ltd
- 5 brands from Organon India & MSD BV
- Baby-care brand ‘Little’s’
- 5 brands from Organon India & MSD BV
- 4 brands from Pfizer Ltd
Strong growth track record

India Consumer Products revenues
(Rs. Crores)

- Integration of acquired portfolios
- Continue to add products both organically (including brand extensions) and through acquisitions
- Reduced stock-outs
- Tap e-commerce, rural, exports & alternate opportunities

Revenues grew by 53% YoY during H1 FY17

CAGR – 18%
Significantly enhancing EBITDA Margin

Conscious choice over last few years to re-invest profits for scaling up the business - Aim to be among top 3 OTC players in India by 2020

Near break-even EBITDA Margin

- Significant addition of new products / brands / brands extensions both organically and inorganically will leverage the domestic distribution network and aid fixed cost amortization resulting in higher margins.

- Using third party vendors has maximised competitiveness through lower manufacturing cost.

- High variable compensation structure for the sales staff will keep overheads low and incentivise higher performance.

Industry Standard Margins
How Consumer Products business can become a significant player for us?

- Significant margin expansion
- Significant market opportunity
- Potential to rapidly grow revenues
- Strong product portfolio
- Strong track record
- Acquiring leading brands or brands with potential to become #1
- Launching new products and extensions
- Leverage large India-wide distribution network

Well-positioned to create a large, well-diversified and profitable India Consumer Products business focusing on niche areas of routine disruption.
Overall
## Overall Revenue and Profitability performance

<table>
<thead>
<tr>
<th>Overall Pharma</th>
<th>FY2016</th>
<th>FY2020 Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Rs. 3,558 Crores</td>
<td>Rs. 6,500 - 7,000 Crores</td>
</tr>
<tr>
<td>Imaging</td>
<td>(Rs. 168 Crores)</td>
<td>NIL</td>
</tr>
<tr>
<td>EBITDA Margins</td>
<td>Single Digit</td>
<td>20% - 25%</td>
</tr>
</tbody>
</table>
Appendix
### Seven value-accretive acquisitions in last two years to boost future growth

#### Pharma Businesses
- **Coldstream (Injectables)**
- **Ash Stevens (HPAPI)**

#### Pharma Products
- **Injectable anaesthesia & pain management products**
- **Intrathecal Severe Spasticity & Pain Management**

#### Consumer Products
- 4 brands from Pfizer Ltd
- 5 brands from Organon India & MSD BV
- Baby-care brand “Little’s”

**Invested ~Rs.3,000 Crores through these acquisitions**
End-to-end manufacturing capabilities for both APIs and Formulations

Discovery

Medicinal & Synthetic chemistry services – India - Ahmedabad

Preclinical

Early phase API

India – Ennore
Canada – Aurora
US – Riverview (HPAPI)

Early phase Formulations

UK – Grangemouth (ADC)
India – Ahmedabad, Mumbai
US – Lexington (Injectables)

Phase 1

Late phase API

India – Digwal, Ennore
Canada – Aurora
UK – Morpeth
US – Riverview (HPAPI)

Late phase Formulations (OSD’s & Steriles)

UK – Morpeth, Grangemouth (ADC)
India – Pithampur, Digwal
US – Lexington (Injectables), Bethlehem

Phase 2

Phase 3

Launch

On-patent

Off-patent
Large global distribution network reaching to over 100 countries

- Presence in 118 countries
- Serving over 6,000 hospitals in the world

- **Both product acquisitions:**
  - Strengthen presence in US, EU, Japan & EMs
  - Enable higher fixed cost amortisation to improve margins

Larger product portfolio will significantly leverage our global distribution capabilities