



Piramal Pharma Day

FEBRUARY 2021



2. Piramal Pharma – Key Highlights

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Pharma business with global operations and footprint



INR 5,419 Cr. (US\$ 742 Mn)
revenue^{1,2,3,6}
26% EBITDA margin^{1,2,3}



15% revenue 9 year CAGR^{2,3,4}
33% EBITDA 9 year CAGR^{2,3,4}



100+
countries with commercial presence



~5,200
employees



14
Development & manufacturing sites
(North America, Europe and India)



70%
revenues from North America,
Europe and Japan



~15
acquisitions successfully executed
and integrated⁵



Nil
Official Action Indicated (OAI)s issued

Notes: (1) FY20 revenue and EBITDA; (2) Excludes financials corresponding to JV with Allergan (Piramal has 49% stake in this JV); (3) CCPL JV (Piramal has 51% stake in this JV) financials have been consolidated on a stake adjusted basis (i.e. 51%) in Complex Hospital Generics segment; (4) CAGR from FY11 to FY20; (5) Since 2011; (6) US\$/INR = 73.07 (as of December 31, 2020)

Key Highlights: Piramal Pharma Limited

- 1 Targeting attractive, large, and growing markets with high entry barriers
- 2 Businesses with strong position in respective market segments
- 3 Best-in-class quality track record
- 4 Patient and customer centricity
- 5 Differentiated competitive positioning across businesses
- 6 Global leadership team
- 7 Proven organic and inorganic growth track record
- 8 Diversified presence across regions, capabilities & customer categories
- 9 Robust financial performance track record

The company has a track record of building scalable differentiated pharma businesses with world class talent in attractive markets through profitable organic and inorganic growth

1

Targeting attractive, large, and growing markets with high entry barriers

Business segment	Target market ¹	Structural growth drivers and high barriers to entry
CDMO	US\$55-70bn⁴ (Global)	<ul style="list-style-type: none"> • Growing pharma R&D and outsourcing, especially by emerging biopharma • Emergence of high growth areas such as ADCs, HPAPIs and sterile injectables • High switching costs and need to reduce time to market for customers
Complex Hospital Generics	Over US\$50bn (Global)	<ul style="list-style-type: none"> • Concentrated market with fewer competitors than other generic markets • Better pricing environment due to market dynamics and challenges around supply • Possibilities of entering into Long term contracts with customers and GPOs
India Consumer Healthcare	US\$6-10bn (India)	<ul style="list-style-type: none"> • Fast growing base of young, urban consumers with increasing health consciousness • Highly underpenetrated consumer healthcare market in India • Evolving retail landscape and emergence of e-commerce channel
Ophthalmology Branded Products	US\$350m (India)	<ul style="list-style-type: none"> • Rising numbers of people with glaucoma or retinal disease as they age • Strong untapped potential with India accounting for 25% of the world's blind

Notes: (1) Management estimates, industry articles; (2) Inhalation anesthesia; (3) Sterile injectables; (4) Estimated market size for small molecules within the CDMO segment

2

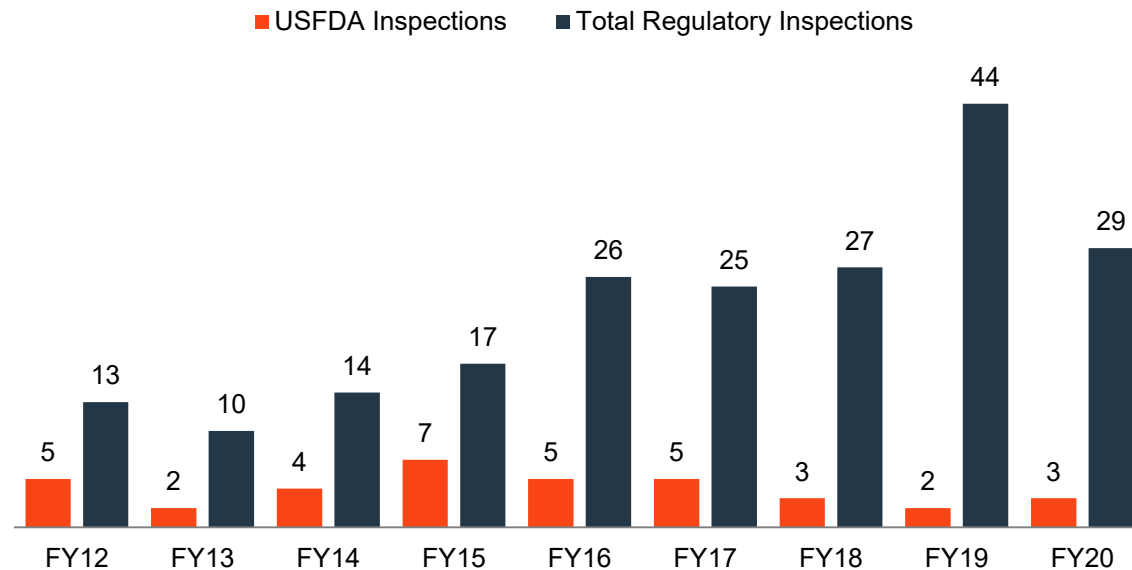
Businesses with strong position in respective market segments

Business segment	Segment overview	Market position ¹	FY20 revenue
CDMO	Presence across the drug lifecycle including discovery, development, clinical and commercial manufacturing of APIs and formulations	13th largest CDMO globally	INR 3,154 Crs (US\$ 432 Mn) ³
Complex Hospital Generics	Presence in inhalation anesthesia, injectable anesthesia and pain management, injectable intrathecal therapy and other injectables	4th largest inhaled anesthesia player globally	INR 1,853 Crs (US\$ 254 Mn) ³
India Consumer Healthcare	Nationwide sales and marketing infrastructure and a portfolio of 21 brands in attractive segments	#11 rank in OTC segment in India	INR 418 Crs (US\$ 57 Mn) ³
Ophthalmology Branded Products	Market leader in the fast growing ophthalmology category in India	#1 in ophthalmology segment in India	INR 393 Crs (US\$ 54 Mn) ³
Total²			INR 5,419 Crs (US\$ 742 Mn) ³

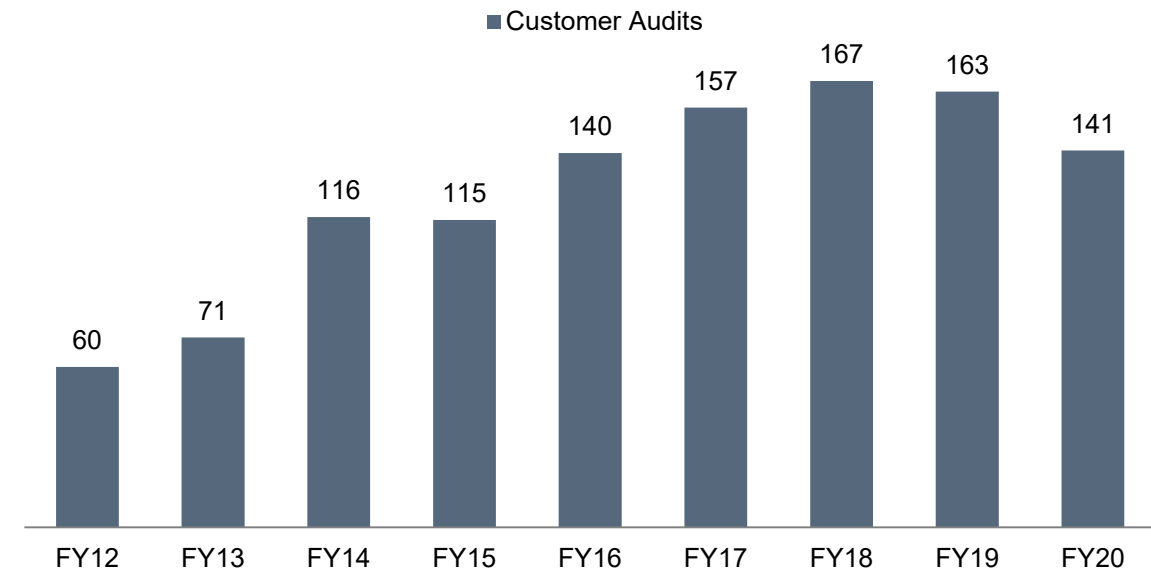
Notes: (1) Management estimates based on relevant set; (2) Revenue of India Ophthalmology Branded Products is not part of INR 5,419 Cr. (US\$ 742 Mn); (3) US\$/INR = 73.07 (as of December 31, 2020)

3 Best-in-class quality track record

200+ Regulatory Inspections with no OAI



~150 audits annually by customers



- ✓ Successfully cleared 36 USFDA inspections, 186 other regulatory inspections, and 1,203 customer audits since start of FY12
- ✓ Successfully completed 17 regulatory inspections and 73 customer audits during FY21
- ✓ No 'Official Action Indicated (OAI)' for any of our USFDA audits
- ✓ Advancement journey from 'Quality for Compliance' to 'Quality as a Culture', with a focus on systems, processes, technology and people
- ✓ Quality function reports directly to a Board Member

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Focus on Patient and Customer Centricity: source of differentiation

Focusing on Customer-centricity and Patient-centricity drives our organization to provide flexible high-quality service while aligning us with our customer partners on our shared goal of serving patients

CDMO

- Customer focused integrated business development function
- Single point of contact for all of the customer's needs
- Firm wide measures to make the customer the focal point of attention
 - Senior management involvement
 - 1-on-1 customer mapping to leadership team for top clients
 - Software suite in place
 - Periodic surveys and workshops
- Dedicated Patient Awareness Councils

Complex Hospital Generics

- Hearing voice of Patients and Customers
- Aligning operations with customer and patient needs
- Cultural and mindset shift to put patients at the center of everything
 - Patient self awareness surveys
 - Patient centricity council
 - Regular customer communication

India Consumer Healthcare

- Expanding access of self-care, to the masses, through traditional distribution channels and Ecommerce
- Ensuring product awareness among consumers and retailers through media and direct communication
- Using first-hand research, custom studies and data analytics in decision making

Evolved from being a 'Product-Centric' business to a 'Customer-Centric' and a 'Patient-Centric' business

5a

CDMO: differentiated competitive positioning



Global integrated service offerings for **innovative** and **generic** drugs **across the entire drug lifecycle** from discovery through to commercial



Services for individual customers and **active pharmaceuticals ingredients** / **finished dosage formulations products** for multiple customers



Expertise in niche, complex and high margin areas like **high potency, antibody drug conjugates, sterile injectables and hormones**



Flexible integrated global manufacturing in **North America, Europe, and India**



Serving as '**strategic partner of choice**' to **big pharma, emerging biopharma** and **generics** companies

5b

Complex Hospital Generics: differentiated competitive positioning



Global complex hospital generics platform



Defensible and differentiated portfolio of inhalation anesthesia and broad portfolio of injectables



Strong product pipeline at various stages of development



Products **sold in over 100 countries** via **direct sales force in key markets including US, UK, Germany and Italy** and distribution partners elsewhere



Vertically integrated for inhalation anesthesia and leveraging relationships with a **global network of partners** for sterile injectables

5c

India Consumer Healthcare: differentiated competitive positioning



Portfolio of 21 brands across categories including analgesics, skin care, VMS¹, kids wellness, digestives, women's health and hygiene & protection (Covid)



Category leading brands including **Saridon**, **Little's**, **Supradyn**, **Tetmosol**, **i-range** and **Lacto Calamine**



Distributed by company's own **field force of 1,200 people**



Direct reach to 200,000+ outlets in 1,500+ towns across India



Leveraging **e-commerce** to further drive sales growth

Notes: (1) Vitamins, Minerals and Supplements

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A highly experienced and global senior management team

Strategic Group Leadership



Nandini Piramal
Chairperson,
Piramal Pharma



Peter DeYoung
CEO, Global Pharma

Business Leadership team



John Fowler
COO – CDMO



Stuart Needleman
CCO – CDMO



Michael Logerfo
President & COO – Complex
Hospital Generics



Nitish Bajaj
CEO – India Consumer
Healthcare

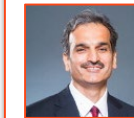
Corporate functions at parent level



Vivek Valsaraj
President & CFO



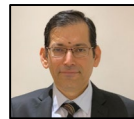
S.K. Honnesh
Group General Counsel



Vikram Bector
President and Group CHRO



Viral Gandhi
President & Group CIO



Jatin Lal
President – M&A



Rashida Najmi
SVP - Global Quality

More than 200 years of experience cumulatively, including over 90 years with the Group

7a

Proven track record of organic & inorganic expansion

Healthy ROI on Organic Investments

Segment	Key organic investments over last 5 years
CDMO	<ul style="list-style-type: none"> Recent examples of good returns on capex <ul style="list-style-type: none"> Discovery Services – addition of labs Development Services site expansion Riverview – additional labs Grangemouth – GMP/WFI
Complex Hospital Generics	<ul style="list-style-type: none"> Recent examples of good returns on capex <ul style="list-style-type: none"> Sevoflurane capacity increase Isoflurane API capacity increase Bottling output increase
India Consumer Healthcare	<ul style="list-style-type: none"> Sales promotion on several brands, key ones include: <ul style="list-style-type: none"> Little's Tetmosol Saridon Lacto Calamine Polycrol

- Recent examples of good returns on capex

- Discovery Services – addition of labs
- Development Services site expansion
- Riverview – additional labs
- Grangemouth – GMP/WFI

- Recent examples of good returns on capex

- Sevoflurane capacity increase
- Isoflurane API capacity increase
- Bottling output increase

- Sales promotion on several brands, key ones include:

- Little's
- Tetmosol
- Saridon
- Lacto Calamine
- Polycrol

~15 acquisitions successfully executed and integrated since 2011

Segment	Key acquisitions over last 5 years
CDMO	<ul style="list-style-type: none"> 5+ acquisitions <ul style="list-style-type: none"> ADC facility in Grangemouth Sterile injectables facility in Lexington High potency API facility in Riverview Oral Solid Formulations in Sellersville
Complex Hospital Generics	<ul style="list-style-type: none"> Multiple successful acquisitions <ul style="list-style-type: none"> Intrathecal therapy portfolio from Mallinckrodt Injectable anesthesia and pain management portfolio from Janssen
India Consumer Healthcare	<ul style="list-style-type: none"> Acquired several brands following a “string of pearls” strategy <ul style="list-style-type: none"> Including i-pill, Naturo lax, Digeplex, Caladryl and Little's

- 5+ acquisitions

- ADC facility in Grangemouth
- Sterile injectables facility in Lexington
- High potency API facility in Riverview
- Oral Solid Formulations in Sellersville

- Multiple successful acquisitions

- Intrathecal therapy portfolio from Mallinckrodt
- Injectable anesthesia and pain management portfolio from Janssen

- Acquired several brands following a “string of pearls” strategy




- Including i-pill, Naturo lax, Digeplex, Caladryl and Little's

Consistent track record of organic and inorganic growth

Notes: (1) GMP/WFI: Good Manufacturing practice / Water for Injection; (2) ADC: Antibody-drug conjugates; (2) US\$/INR = 73.07 (as of December 31, 2020)

7b

Case Studies: M&A transactions

Portfolio	Investment	Initiatives post acquisition	Financial performance (Acquisition vs FY20)
 <p>Ash Stevens (Riverview facility) <i>CDMO</i></p>	US\$ 43 Mn in September 2016	<ul style="list-style-type: none"> • ~US\$14m towards expanding site/capabilities • Set up the highly potent wing and added 2 suites • Leveraging site to provide integrated services • Key site customers now served by other sites as well such as Aurora, Digwal and Ennore • Ongoing investments in HPAPI¹ labs, office expansion 	<p>Revenue: US\$ 20 Mn to US\$ 39 Mn</p> <p>EBITDA Margins increased by 16%</p>
 <p>Intrathecal therapy (Gablofen® & Mitigo™) <i>Complex Hospital Generics</i></p>	US\$ 171 Mn in March 2017	<ul style="list-style-type: none"> • FDA approval and successful launch • Integration into National Accounts team • Increased uptake with large customer accounts 	<p>EBITDA Margins increased by 10%</p>
 <p>Little's Baby care brand <i>India Consumer Healthcare</i></p>	INR 75 Crs (US\$ 10 Mn) in November 2015	<ul style="list-style-type: none"> • Leadership position on key categories such as baby wipes and feeding bottles • Building brand equity via national media campaigns • Strong pipeline of product extensions to be launched through 'E-commerce first' strategy 	<p>Revenue: INR 21 Crs (US\$ 3 Mn) to INR 50 Crs (US\$ 7 Mn) (FY21E)</p>

Notes: (1) High Potency Active Pharmaceuticals Ingredients

8a

Diversified model with global capabilities and focus on regulated markets

14 manufacturing & Development facilities globally – Key sites USFDA inspected

North America

4 manufacturing facilities providing CDMO services
 1 manufacturing facility for inhalation anesthesia
 Substantial Direct Nationwide Sales and Marketing Capability
 Serves major group purchasing organizations (GPO), Integrated delivery networks (IDN) and government customers

Europe

2 manufacturing facilities in UK providing CDMO services
 Direct sales presence in Netherlands, UK, Italy and Germany

Japan

Long history of serving this CDMO customer segment's needs globally and for the Japanese market
 Strong positions through local marketing partners

Rest of World

Distribution partners in ROW markets
 Key markets are Indonesia, South Africa and Brazil

India

6 development and manufacturing facilities providing CDMO services
 1 manufacturing facility for inhalation anesthesia
 1,200 field force delivering direct reach to 2,00,000+ outlets selling consumer healthcare products

CDMO delivery capabilities

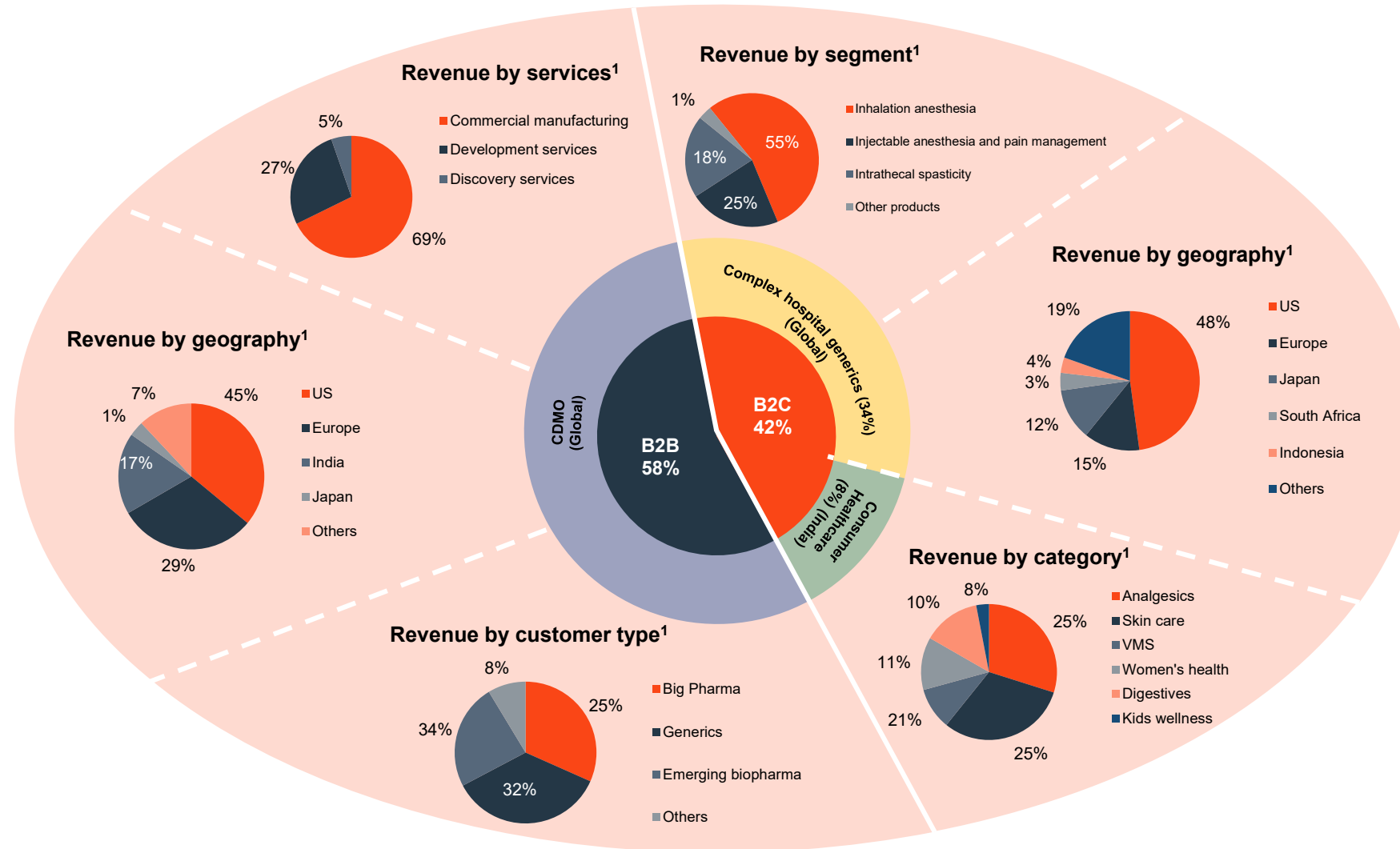
Complex Hospital Generics commercial capabilities

Consumer Healthcare capabilities

Manufacturing presence (map)

8b

Diversified presence across regions, capabilities & customer categories



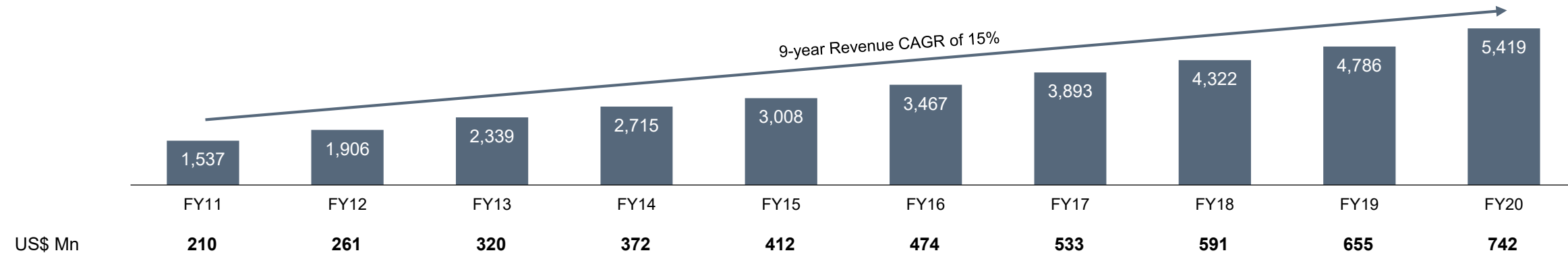
Notes: (1) FY20 revenues

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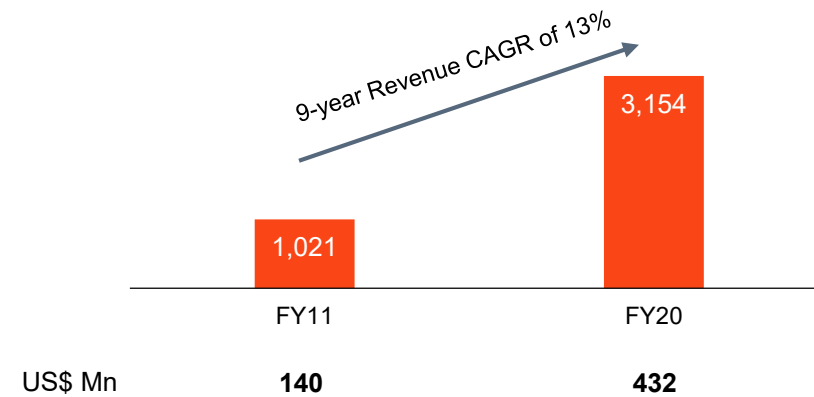
Consistent long-term track-record of revenue growth

Consolidated revenue

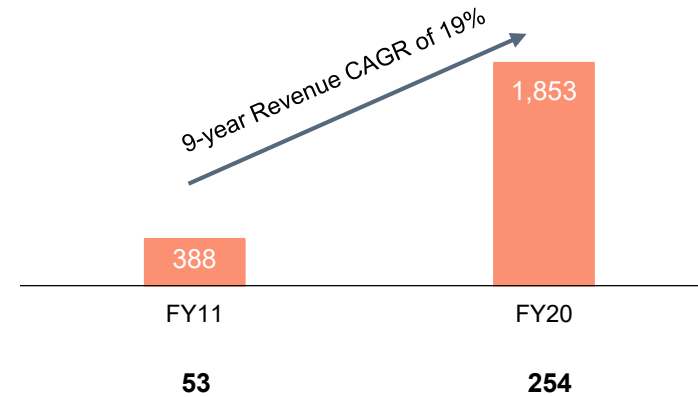
(In INR Crs)



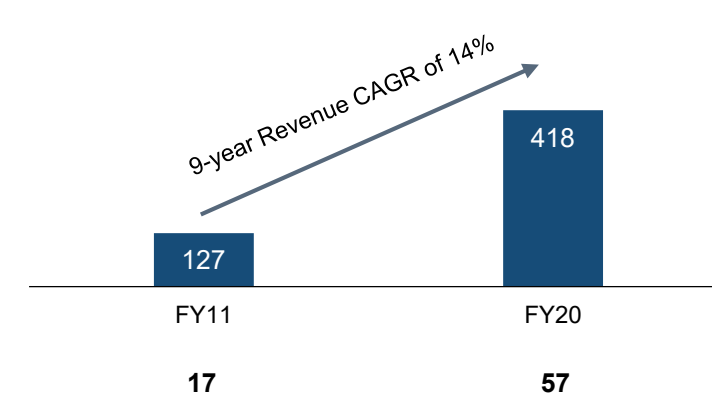
CDMO



Complex Hospital Generics



India Consumer Healthcare

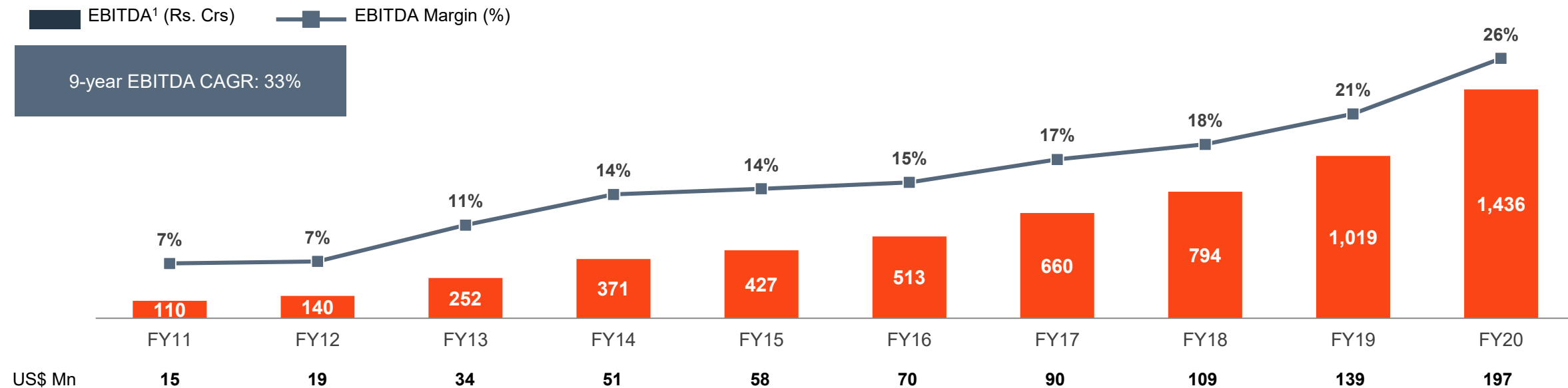


Notes: (1) Consolidated Revenue includes CDMO, Complex Hospital Generics and India Consumer Healthcare and certain Forex income; (2) FY2016-20 results prepared based on IND AS, prior periods are IGAAP

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Significant improvement in EBITDA over the last few years

EBITDA grew 13x since FY11, crossing INR 1,400 Crs (US\$ 197 Mn)² in FY20



Key drivers for margin expansion

- ✓ Synergies from acquisitions of high-margin products
- ✓ Higher capacity utilization of differentiated manufacturing capabilities
- ✓ Better sales realization due to lower competition
- ✓ Backward integration of raw materials
- ✓ Integrated CDMO offerings resulting in higher stickiness
- ✓ Leveraging global and domestic distribution network

Notes: (1) FY2016 - FY2020 results prepared based on IND AS, prior periods are IGAAP; (2) US\$/INR = 73.07 (as of December 31, 2020)



Thank You