

November 15, 2017

To,

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor,  
Plot No. C-1, G- Block,  
Bandra - Kurla Complex, Bandra (East)  
Mumbai - 400 051.

BSE Limited  
Corporate Relationship Department  
Floor 25, P.J. Towers  
Dalal Street  
Mumbai 400 001

Symbol: RPGLIFE

Scrip code: 532983

Dear Sir/Madam,

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

Further to our letter dated November 13, 2017, giving advance intimation of upcoming Analyst/Institutional Investors meet in terms of Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company has conducted the Analyst/Institutional Investors meet in Mumbai and the Presentation made to the analysts is enclosed herewith for your records.

Kindly take the above on your record.

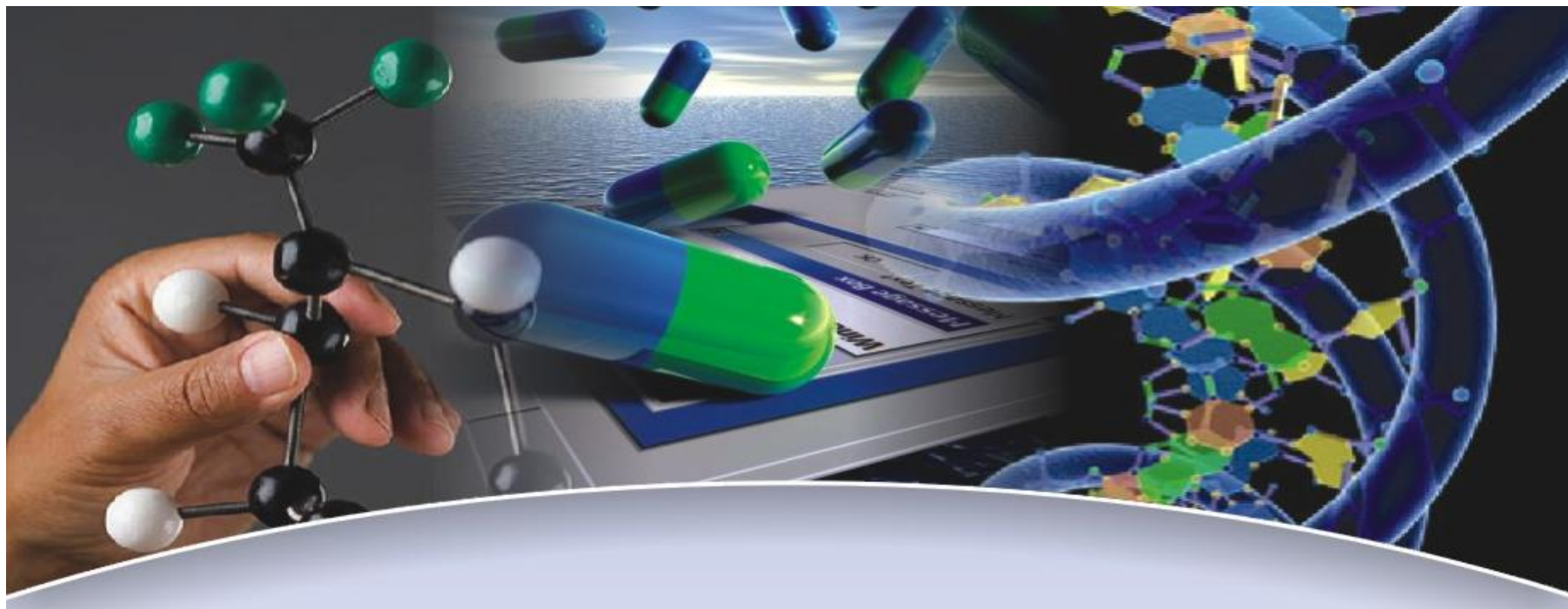
Thanking you,

Yours faithfully,  
For RPG Life Sciences Limited

  
Rajesh Shirambekar  
Head - Legal & Company Secretary



Encl: as above



# Investor Presentation

November 15, 2017



**RPG LIFE SCIENCES**

# Disclaimer

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**Company Overview**

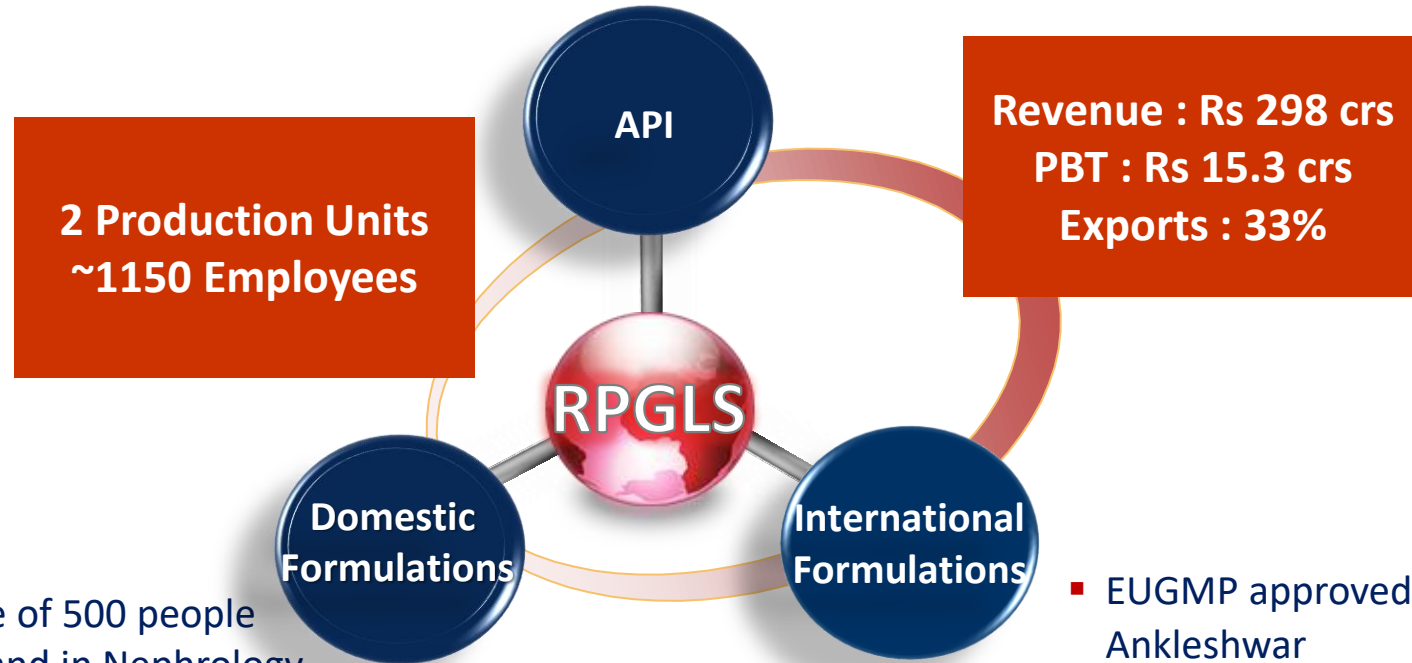
**FY 17 Performance Highlights**

**Strategic Direction**

**Financial Figures**

# Business Overview

- Mostly APIs for captive use
- TGA approved unit in Thane
- Revenue: Rs 43 crs



- Field force of 500 people
- Strong brand in Nephrology
- Strong presence in anti-diarrhoeal, antacid, iron-vitamin segments
- Acquired 7 brands from Sun Pharma last year
- Revenue: Rs 184 crs

- EUGMP approved unit in Ankleshwar
- Immuno-suppressant focus
- Europe, Canada, ROW as main markets
- Revenue: Rs 65 crs

# Management Team



**CT Renganathan**  
*Managing Director*



**BM Sundaram**  
*API, Int'l Form &  
Nephrocare*



**Satesh Singh**  
*Main Division, Neolife,  
Urolife, Glodiance*



**Dr Nitin Gore**  
*Chief Quality Officer*



**Mahesh Narayanaswamy**  
*Finance, IT*



**Himmat Patel**  
*Formulation Mfg*



**Kartick Patra**  
*API Manufacturing*



**Suchitra Tiwari**  
*Regulatory Affairs*



**Tushar Joshi**  
*HR, Admin*

# Board of Directors

Name	Experience
Harsh Vardhan Goenka – Chairman	Chairman, RPG Group
CT Renganathan - Managing Director	Ex-GSK India, Boston Scientific and Eli Lilly
Sachin Nandgaonkar - Non Executive Director	Ex-Senior Partner at BCG
CL Jain – Independent Director	Ex-CFO at Hoechst India
Dr Lalit Kanodia – Independent Director	Founder of Datamatics Global Services Limited
Mahesh Gupta – Independent Director	Group Managing Director of Ashok Piramal Group, Ex-CFO of RPG Group & Nicolas Piramal
Manoj Kumar Maheshwari – Independent Director	Ex-Geoffrey Manners, Wyeth Lederle, JF Laboratories
Yugal Sikri – Independent Director	Ex-Ranbaxy, Novartis, RPG Life Sciences
Narendra Ambwani – Independent Director	Ex-Johnson & Johnson
Zahabiya Khorakiwala – Independent Director	Managing Director at Wockhardt Hospitals

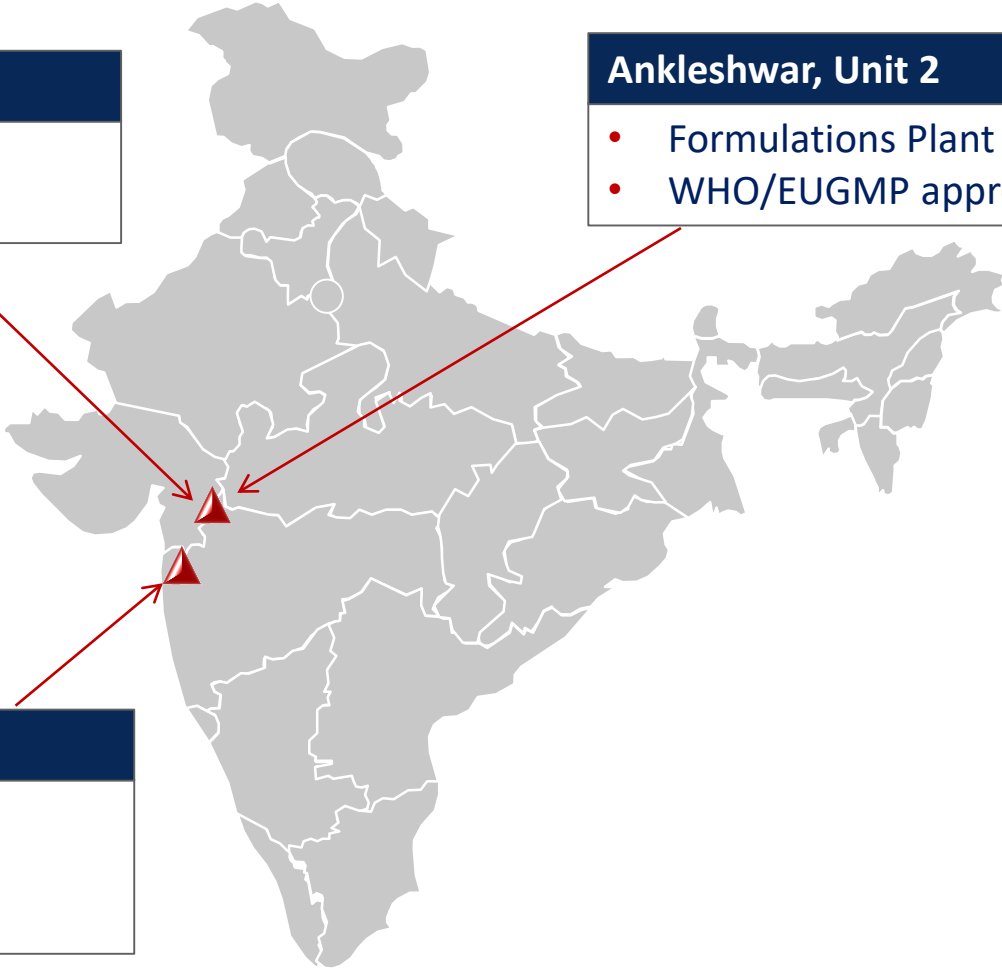
# Manufacturing Facilities

**Ankleshwar, Unit 1**

- Formulations Plant
- WHO approved

**Ankleshwar, Unit 2**

- Formulations Plant
- WHO/EUGMP approved



**Navi Mumbai**

- API Plant
- WHO/EUGMP/TGA approved



# FY 16-17: Second consecutive year of good results

	FY 14-15		FY 15-16		FY 16-17	
	<i>Results</i>		<i>Results</i>		<i>Results</i>	<i>Growth</i>
Sales	210		251		292	16%
PBT	(2.02)		8.4		13.8	64%
PBT %	(1%)		3.3%		4.7%	+140 bps
EPS	0.60		7		12	76%
Share Price	63-123		140-342		240-449	31%
Market Cap	104-203		232-566		400-741	31%

Note : Sales, PBT figures are excluding bio-tech business for all the 3 years to provide a like-to-like comparison. The published gross results are provided at the end of this presentation

# FY 16-17 : Key Updates (1/2)

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## Business portfolio streamlining

- Biotech business divested
- 7 brands acquired from Sun Pharma to strengthen Domestic Formulation business
- Urology division launched; brands from Sun and additional products
- Strong focus on International formulations; growth of 39%

## Improving Financial Performance

- Second consecutive year of good results
- Revenue growth of 16% on a like-to-like basis\*
- PBT of 13.77 crs vs 8.39 crs last year; growth of 64%
- Very strong H1 - Weaker H2; bunching of export orders in H1 and portfolio restructuring in H2

\* without biotech business

# FY 16-17 : Key Updates (2/2)

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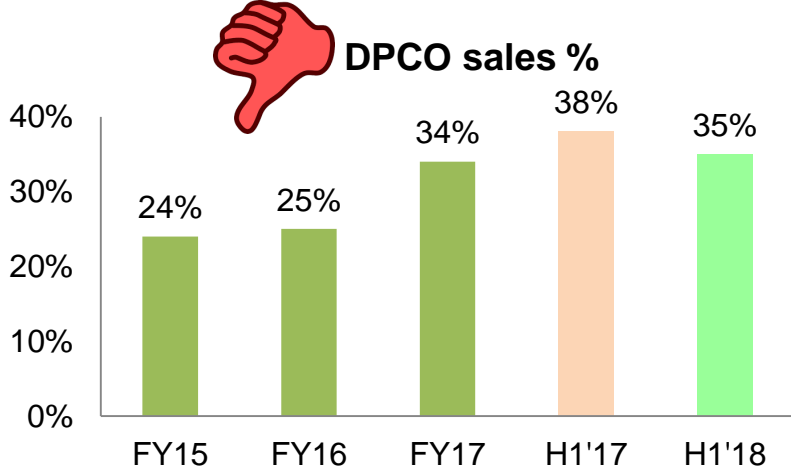
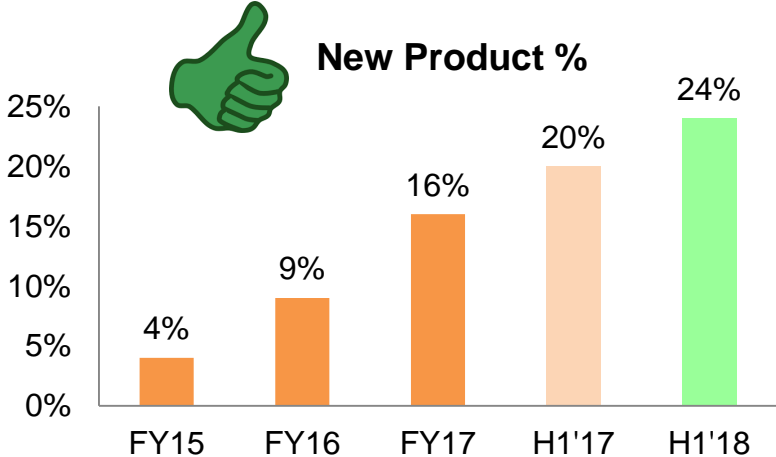
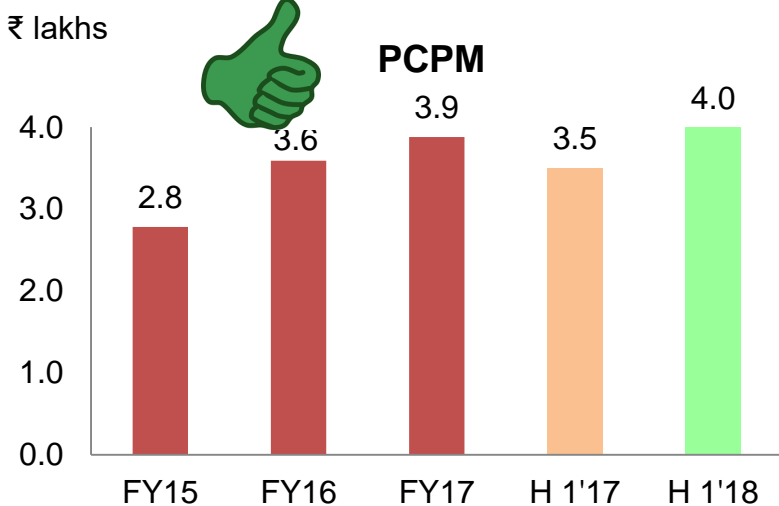
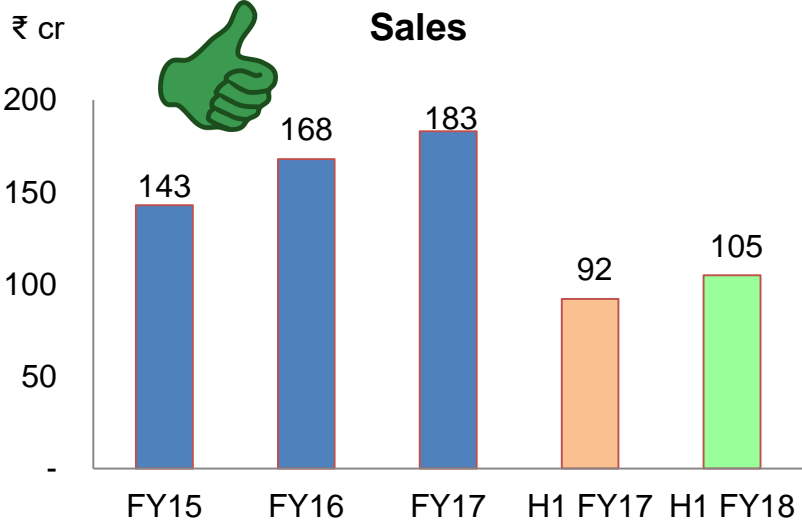
## Further strengthening of India Formulations business

- Continue to perform above industry growth
- PCPM improvement to 3.88 lakhs vs 3.59 lakhs last year
- EBIDTA improvement to 15.8 crs vs 12.4 crs last year
- Romilast & Sildura (brands acquired from Sun) gaining momentum

## Results showing in International Formulations business

- 39% growth over last year; large contribution by ROW
- 56 new product registrations filed in ROW market (39 to be filed in F18)
- Significant progress on building product portfolio for regulated markets
- 2<sup>nd</sup> product (Nicorandil) added; UKMHRA approval received; commercialisation from H2 2018
- Intense efforts to get Ankleshwar production unit ready for USFDA audit in 2018

# India Formulations : Fundamentals getting stronger



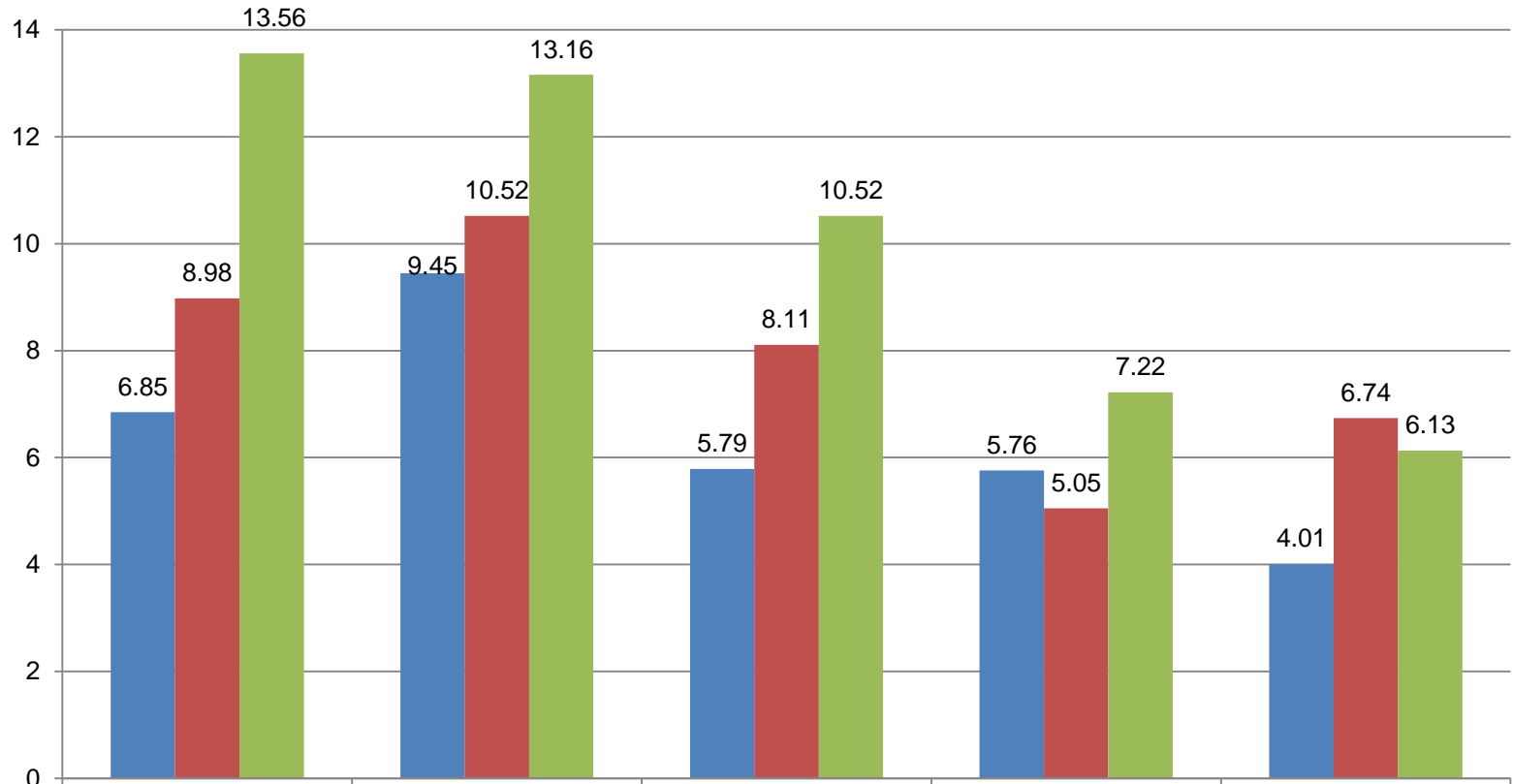
# Main Division : Strong consolidation continues

	FY 14-15	FY 15-16	FY 16-17	Rs. Crs YOY%	H1 FY 18
<b>Sales</b>	<b>86.30</b>	<b>104.5</b>	<b>121.3</b>	<b>+16%</b>	<b>72.1</b>
<b>Gross Margin</b>	<b>41.1</b>	<b>54.9</b>	<b>67.9</b>	<b>+24%</b>	<b>40.1</b>
<i>as % to Sales</i>	<i>48%</i>	<i>53%</i>	<i>56%</i>	<b>+300 bps</b>	<i>55%</i>
<b>EBIDTA</b>	<b>-5.7</b>	<b>3.2</b>	<b>13.8</b>	<b>+331%</b>	<b>9.4</b>
<i>as % to Sales</i>	<i>-7%</i>	<i>3%</i>	<i>11%</i>	<b>+800 bp</b>	<i>13%</i>
<b>PBT</b>	<b>-7.5</b>	<b>1.7</b>	<b>10.6</b>	<b>+523%</b>	<b>6.5</b>
<i>as % to Sales</i>	<i>-9%</i>	<i>2%</i>	<i>9%</i>	<b>+700 bps</b>	<i>9%</i>
<b><i>Other Key Performance Indicators</i></b>					
<b>PCPM (₹ Lakhs)</b>	<b>1.91</b>	<b>2.53</b>	<b>3.15</b>	<b>+25%</b>	<b>3.70</b>
<b>New Product as % to Sales</b>	<b>6%</b>	<b>12%</b>	<b>22%</b>	<b>+10%</b>	<b>26%</b>
<b>DPCO as % to Sales</b>	<b>9%</b>	<b>9%</b>	<b>18%</b>	<b>+9%</b>	<b>21%</b>

# Main Division

# Key Brand Sales

Rs.



	Lomotil	Aldactone	Naprosyn	Tricaine	Minmin Tonic
H1 FY 16	6.85	9.45	5.79	5.76	4.01
H1 FY 17	8.98	10.52	8.11	5.05	6.74
H1 FY 18	13.56	13.16	10.52	7.22	6.13

# Nephro Division : Very profitable, but growth challenged

	FY 15	FY 16	FY 17	YOY%	H1 FY 18
					<i>Rs. Crs</i>
Sales	41.1	47.6	43.6	-8%	22.7
Gross Margin	25.2	27.3	25.5	-7%	13.1
as % to Sales	61%	57%	58%	+100 bp	56%
EBIDTA	11.5	11.0	10.1	-8%	4.6
as % to Sales	28%	23%	23%	-	20%
PBT	10.8	10.3	9.6	-7%	4.3
as % to Sales	26%	22%	22%	-	19%
<b>Other Key Performance Indicators</b>					
PCPM (Rs Lakhs)	11.41	16.52	15.15	-8%	15.76
New Product as % to Sales	0%	1%	2%	-	6%
DPCO as % to Sales	59%	62%	79%	+27%	76%

Note : Value sales growth impacted in FY 17 as more products came under DPCO; also Azoran which was already in DPCO had a 15% price reduction. Volume sales growth for the division is 11%

# Other Divisions: Still early days

## Neolife (Oncology)

- Sales at Rs 9.7 cr; lower than LY by 7%. However H1'18 sales at Rs 6.85 cr higher than corresponding LY of Rs 5.61 cr.
- Declining prices due to very high competitive intensity, large proportion of institutional sales and commodity product basket
- Market growth driven by MABs which is currently a gap for RPGLS.

## Urolife (Urology)

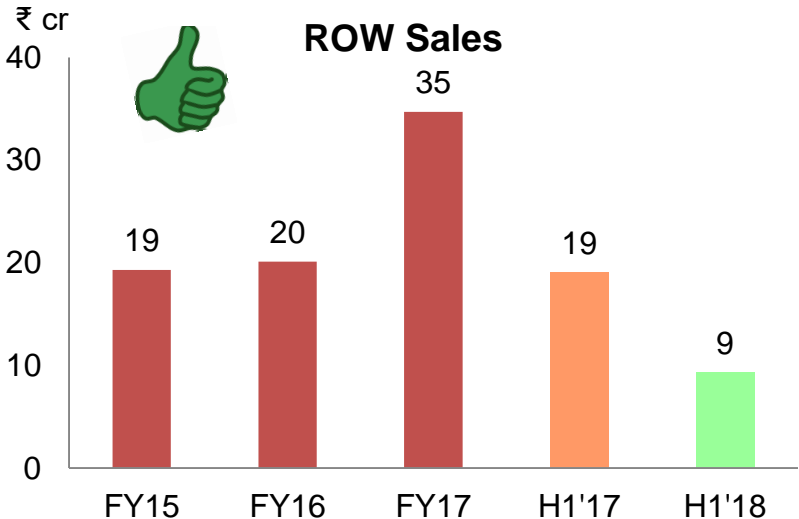
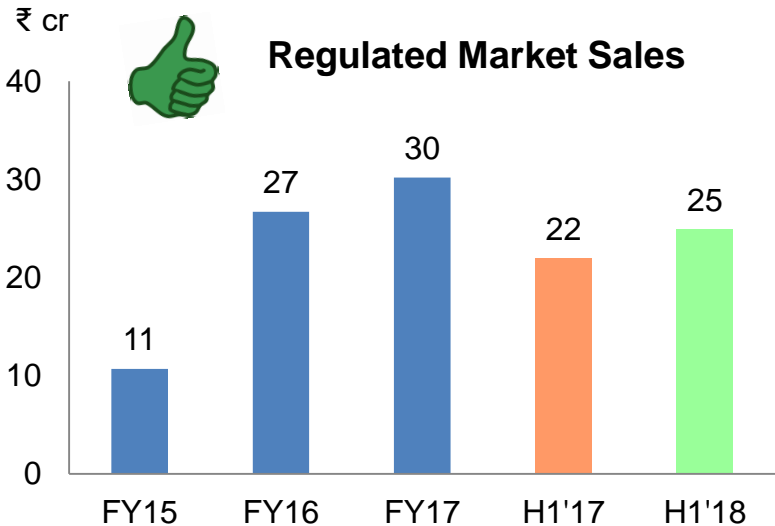
- Recently launched in Jan 17 against a platform of acquired brands from Sun
- Sildura and Tamflo would be key products; have good equity with doctors
- Dedicated team of 60 people created
- Other key products introduced to cover therapy spectrum

## Glodiance (Derma)

- Decision taken to close division .
- Barring a few who have been redeployed most of the field force (28) have got different jobs. October was the last month.
- Stocks would be liquidated by the retained team



# Int'l Formulations: Growth efforts starting to yield results



- Growth driven by increased orders from existing approvals
- Approval received to manufacture Sertraline & Nicorandil. Shipped Sertraline in Q2.
- Also shipped Clotrimoxazole to Tillomed in Q2

- 100% growth achieved
- Growth driven by Myanmar, Mauritius and Egypt
- H 1 sales lower due to lower tender orders from Mauritius. Also shipments to Myanmar were lower for Siloxegene
- Received orders for the first time from Angola.

# Regulated Markets: Product Portfolio

## Existing Products

- Azathioprine
- Mycophenolate Mofetil
- Nicorandil – EUCTD
- Sertraline (Contract Mfg)
- Clotrimoxazole (Contract Mfg)

## Products Under Development

- Sodium Valproate - EUCTD
- Aminocaproic Acid – ANDA
- Azathioprine – ANDA
- Solefinacin - ANDA



# ROW: Increasing market coverage short term focus

Existing Markets	Sales (FY 17 ₹ crs)
Myanmar	12.54
Mauritius	9.63
Egypt	6.29
Kenya	0.89
Vietnam	0.67
Nigeria	0.60
Cambodia	0.10

Markets under development
Honduras
Angola
Nicaragua
Sudan
Ethiopia

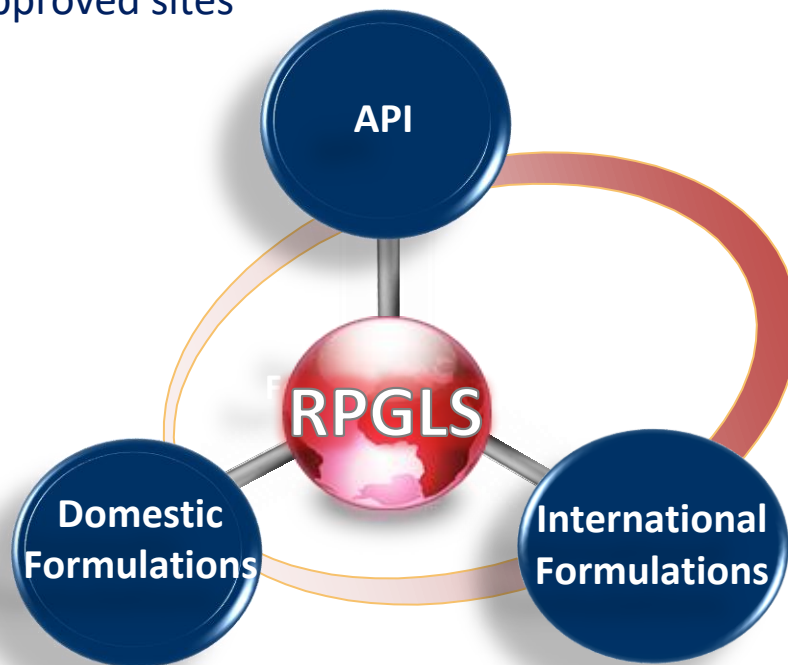
Siloxogene is one of the fastest growing brands in Myanmar

Product expansion through outsourced model



# Strategy: No change; continue to be on same path

- Focus : Captive molecules for Global Formulation
- Approach : Own the technology; outsource manufacturing to USFDA approved sites



- Focus : Few therapy areas/ product segments
- Approach : New products & extensions, field-force productivity enhancement

- Focus : Immediate term-ROW; Medium term – Regulated markets
- Approach : Niche products own-NPD; USFDA approval of production unit

# Financial Figures : Q2 and H1'18

Parameter	Q2FY17	Q1FY18	Q2FY18	QoQ	YoY	H1 FY17	H1 FY18	YoY
	Rs.Cr.							
<b>Net Revenue from Operations</b>	<b>77.22</b>	<b>75.32</b>	<b>89.51</b>	<b>18.8%</b>	<b>15.9%</b>	<b>156.69</b>	<b>164.83</b>	<b>5.2%</b>
Raw Material	28.42	23.70	30.93	30.5%	8.8%	57.69	54.63	-5.3%
<b>Gross margin</b>	<b>48.80</b>	<b>51.62</b>	<b>58.58</b>	<b>13.5%</b>	<b>20.0%</b>	<b>99.00</b>	<b>110.20</b>	<b>11.3%</b>
<b>Gross margin %</b>	<b>63.2%</b>	<b>68.5%</b>	<b>65.4%</b>	<b>(310) bps</b>	<b>220 bps</b>	<b>63.2%</b>	<b>66.9%</b>	<b>360 bps</b>
Employee	18.44	20.42	21.72	6.4%	17.8%	35.31	42.14	19.3%
Other Expenses	23.73	26.38	24.76	-6.1%	4.3%	46.68	51.14	9.6%
<b>EBITDA</b>	<b>6.63</b>	<b>4.82</b>	<b>12.10</b>	<b>151.0%</b>	<b>82.5%</b>	<b>17.01</b>	<b>16.92</b>	<b>-0.5%</b>
<b>EBITDA %</b>	<b>8.6%</b>	<b>6.4%</b>	<b>13.5%</b>	<b>710 bps</b>	<b>490 bps</b>	<b>10.9%</b>	<b>10.3%</b>	<b>(60) bps</b>
Finance Cost	0.18	0.96	1.08	12.5%	500.0%	0.58	2.04	251.7%
Depreciation	2.37	3.48	3.58	2.9%	51.1%	4.61	7.06	53.1%
<b>Operating PBT</b>	<b>4.08</b>	<b>0.38</b>	<b>7.44</b>	<b>1857.9%</b>	<b>82.4%</b>	<b>11.82</b>	<b>7.82</b>	<b>-33.8%</b>
income from Discontinued operations	7.45	-	-	-	-100.0%	8.92	-	-100.0%
Non-Operating income	0.18	0.09	0.06	-33.3%	-66.7%	0.36	0.15	-58.3%
<b>PBT</b>	<b>11.71</b>	<b>0.47</b>	<b>7.50</b>	<b>1495.7%</b>	<b>36.0%</b>	<b>21.10</b>	<b>7.97</b>	<b>-62.2%</b>
<b>PAT</b>	<b>10.30</b>	<b>0.43</b>	<b>6.31</b>	<b>1367.4%</b>	<b>38.7%</b>	<b>19.69</b>	<b>6.74</b>	<b>-65.8%</b>

THANK YOU