



LINCOLN
PHARMACEUTICALS LTD.
HEALTHCARE FOR ALL

*Providing **Affordable and Innovative** medicines for healthier lives*

Q3 FY2016 Earnings Presentation
March 2016

Highlights of the Quarter

9M FY2016 vs. 9M FY2015

- Net Revenue of Rs. 2,790 million, up 43.3%
- EBITDA of Rs. 363 million, up 42.5%
 - EBITDA margin of 13.0%
- PBT of Rs. 269 million, up 63.5%
 - PBT margin of 9.6%
- PAT of Rs. 197 million, up 53.8%
 - PAT margin of 7.1%
- Total Debt of Rs. 643 million
 - Total Debt / Equity of 0.4x and Net Debt to LTM EBITDA of 1.2x

Management Perspective

“We are pleased to announce a stellar performance with over 40% growth in our revenue during the nine months of the fiscal year. Our growth was broad-based across all the therapeutic areas. Of the total sales during the nine months, around 29% was contributed by exports business. The profitability during the period ended December 2015 included the benefit from fuel cost savings on account of commissioning of wind mill during the fiscal year.

Various strategic initiatives undertaken during the year coupled with operational efficiencies is expected to pave way for our future topline growth as well as further enhancement of profitability.”

Mr. Mahendra G. Patel, Managing Director

Performance Overview

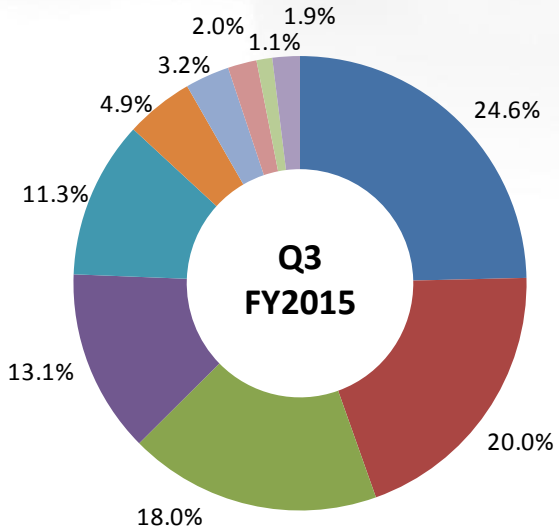
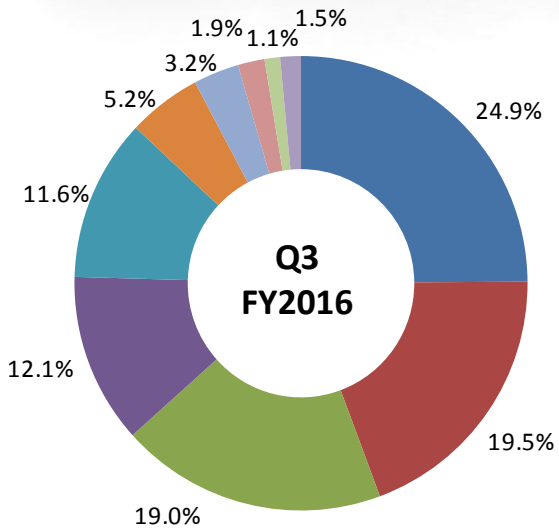
Consolidated Financial Performance

| Particulars (Rs. million) | Q3 | | y-o-y | Q2 | | Nine Months | | y-o-y |
|---------------------------|--------|--------|------------|--------|------------|-------------|--------|------------|
| | FY2016 | FY2015 | Growth (%) | FY2016 | Growth (%) | FY2016 | FY2015 | Growth (%) |
| Net Revenue | 1,080 | 675 | 59.9% | 954 | 13.2% | 2,790 | 1,947 | 43.3% |
| EBITDA | 132 | 63 | 107.5% | 117 | 12.3% | 363 | 255 | 42.5% |
| Margin (%) | 12.2% | 9.4% | | 12.3% | | 13.0% | 13.1% | |
| Profit Before Tax (PBT) | 98 | 35 | 180.2% | 87 | 12.6% | 269 | 165 | 63.5% |
| Margin (%) | 9.1% | 5.2% | | 9.2% | | 9.6% | 8.5% | |
| Profit After Tax (PAT) | 65 | 25 | 156.6% | 67 | (3.5)% | 197 | 128 | 53.8% |
| Margin (%) | 6.0% | 3.7% | | 7.0% | | 7.1% | 6.6% | |
| Basic EPS (Rs.) | 3.95 | 1.59 | 148.4% | 4.10 | (3.7)% | 12.06 | 7.86 | 53.4% |

Performance Overview

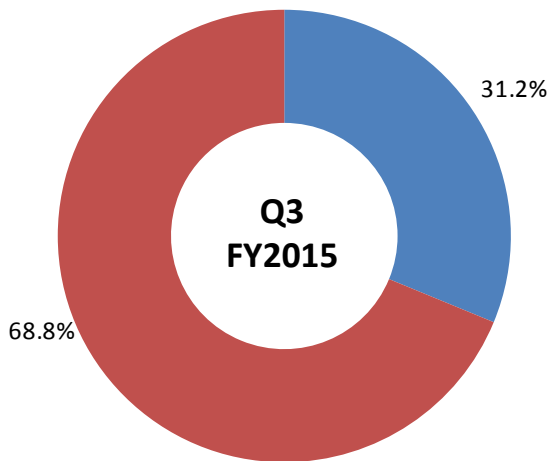
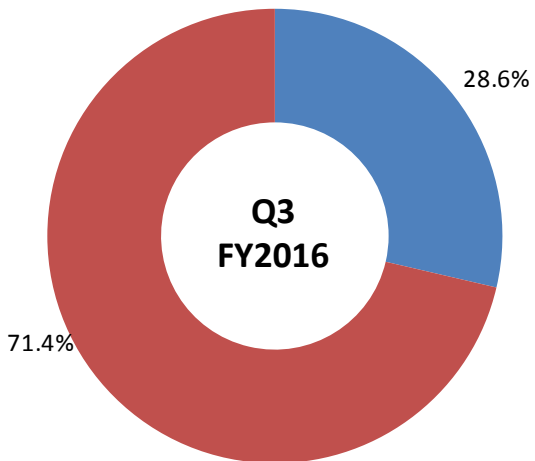
Revenue Breakup

Therapeutic Area



- General Anti Infectives
- Respiratory Systems
- Alimentary Tract and Metabolism
- Genito Urinary System and Sex Hormones
- Musculo-Skeletal System
- Parasitology
- Blood and Blood Forming Organs
- Cardiovascular System
- Central Nervous System
- Others

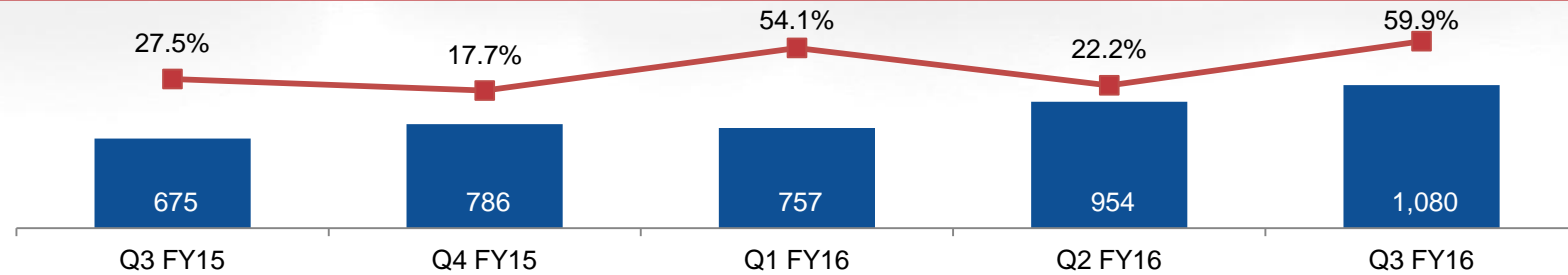
Geography



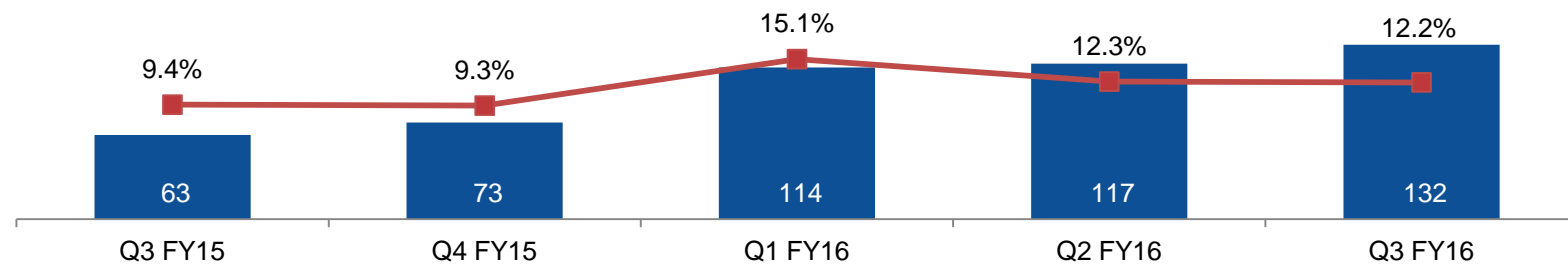
- International
- Domestic

Performance Trend

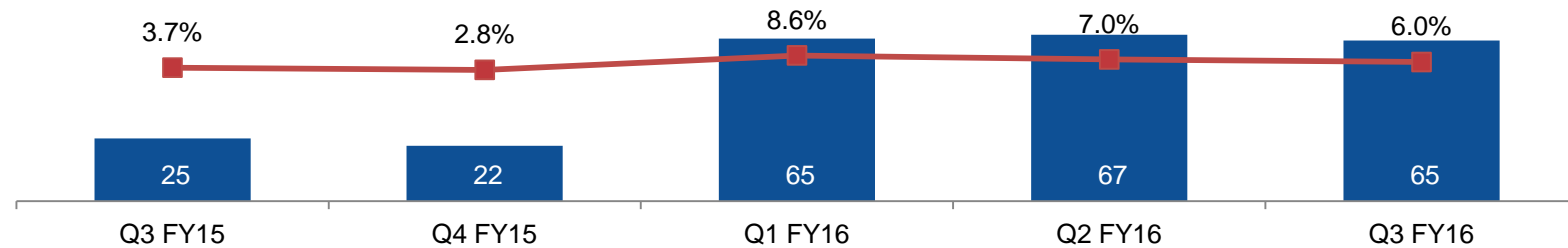
Net Revenue (Rs. Million) and Y-o-Y Growth (%)



EBITDA (Rs. Million) and Margin (%)



PAT (Rs. Million) and Margin (%)



Highlights

- Our robust revenue growth was driven by strong performance across all therapeutic areas
- Performance of our domestic as well as export market continued to remain strong
- Decline in total expenses due to lower fuel cost also contributed to the improved profitability
 - This cost savings was on account of commissioning of wind mill during the previous quarter

Leverage Profile

| (Rs. million) | 31-Dec-2015 | 30-Sep-2015 |
|--|-------------|-------------|
| Long Term Debt | 226 | 226 |
| Short Term Debt | 417 | 412 |
| Total Debt | 643 | 638 |
| Less: Cash & Cash Equivalents | 137 | 164 |
| Net Debt / (Net Cash) | 506 | 474 |
| Net Worth | 1,454 | 1,379 |
| Net Debt / EBITDA (x)¹ | 1.2x | 1.3x |
| Total Debt / Net Worth (x) | 0.4x | 0.5x |

Note:

1. Based on LTM EBITDA

Credit Rating

- The Company's debt facilities have been assigned the following ratings by CRISIL
 - Long term bank facilities: **A-**
 - Short term bank facilities: **A2+**

Strategic Initiatives

1 New Launches

- Launched the Dermatology Division with a team of approximately 50 people
- Introduced 15 products under this division

2 Capacity expansion

- Completed the expansion of Unit 1 (Tablet, Capsule & Ointment), which resulted in trebling of the current capacity
- Also upgraded the existing facility to enhance efficiency

3 Expansion of wind mill capacity

- Completed setting up of a new wind mill (capacity: 2.1 MW); 5 million units of electricity for captive consumption
- Significant reduction in fuel cost in the coming quarters

4 New facility to cater to international markets

- Plan for setting up a beta-lactam antibiotics manufacturing plant is on schedule
- Started construction of the facility

5 Field force expansion and entering into new international geographies

- Added approx. 80 members to the field force to increase capacity utilization in the domestic market
- New approvals from Namibia, Sudan, Ethiopia, Zimbabwe, Yemen and Libya to increase international volumes

A Leading Pharmaceutical Company

15+
Therapeutic Areas

1000+
Registered Products

5000 Stockiest
22 C&F Agents

550 Field Staff

44th
Rank in AIOCD
July 2014 in covered markets



4 Patents Granted
25 Patents Applications

773 Registered Dossiers
580 Ongoing Applications

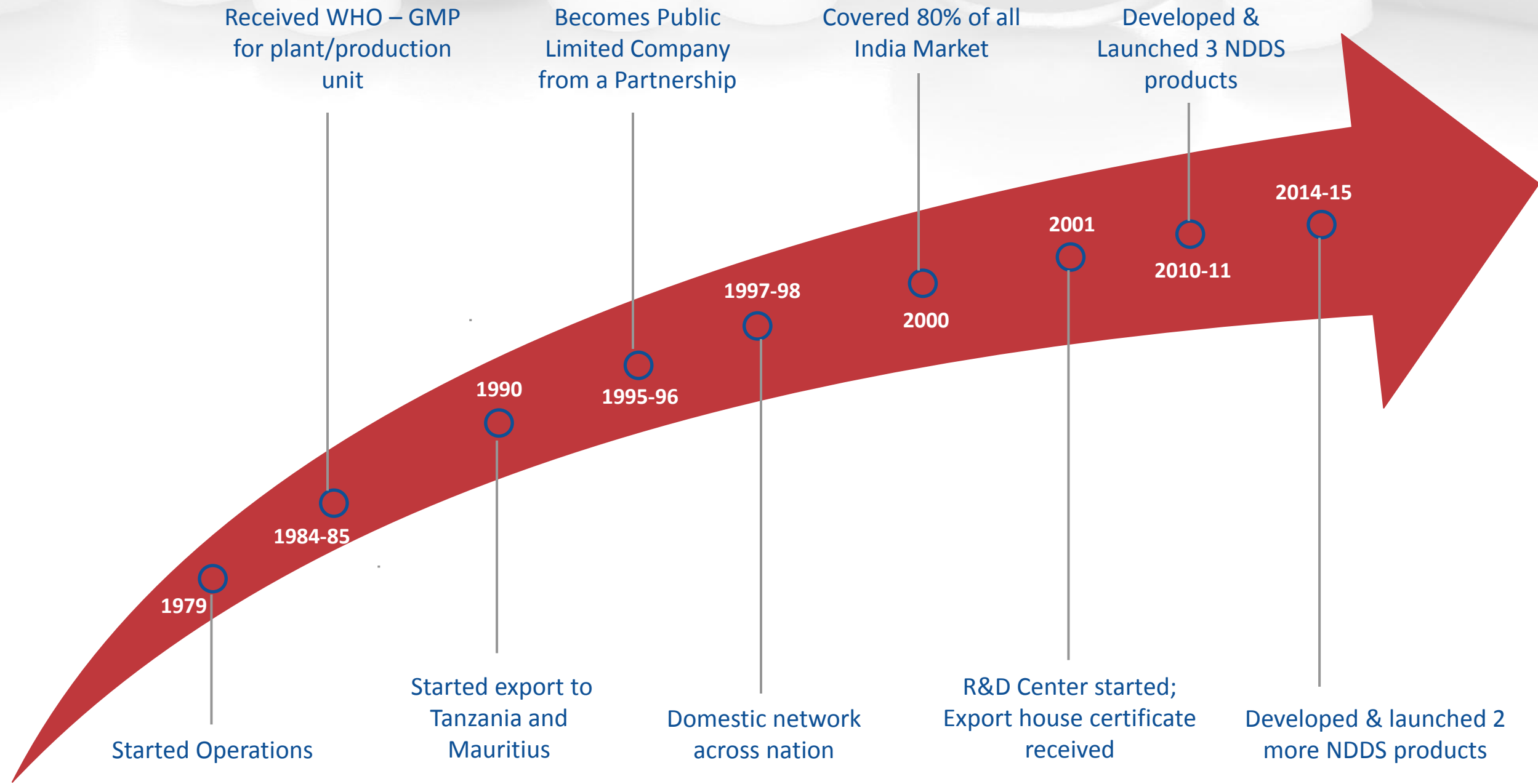
500+
SKUs

300+
Formulations Developed

30+
Scientists

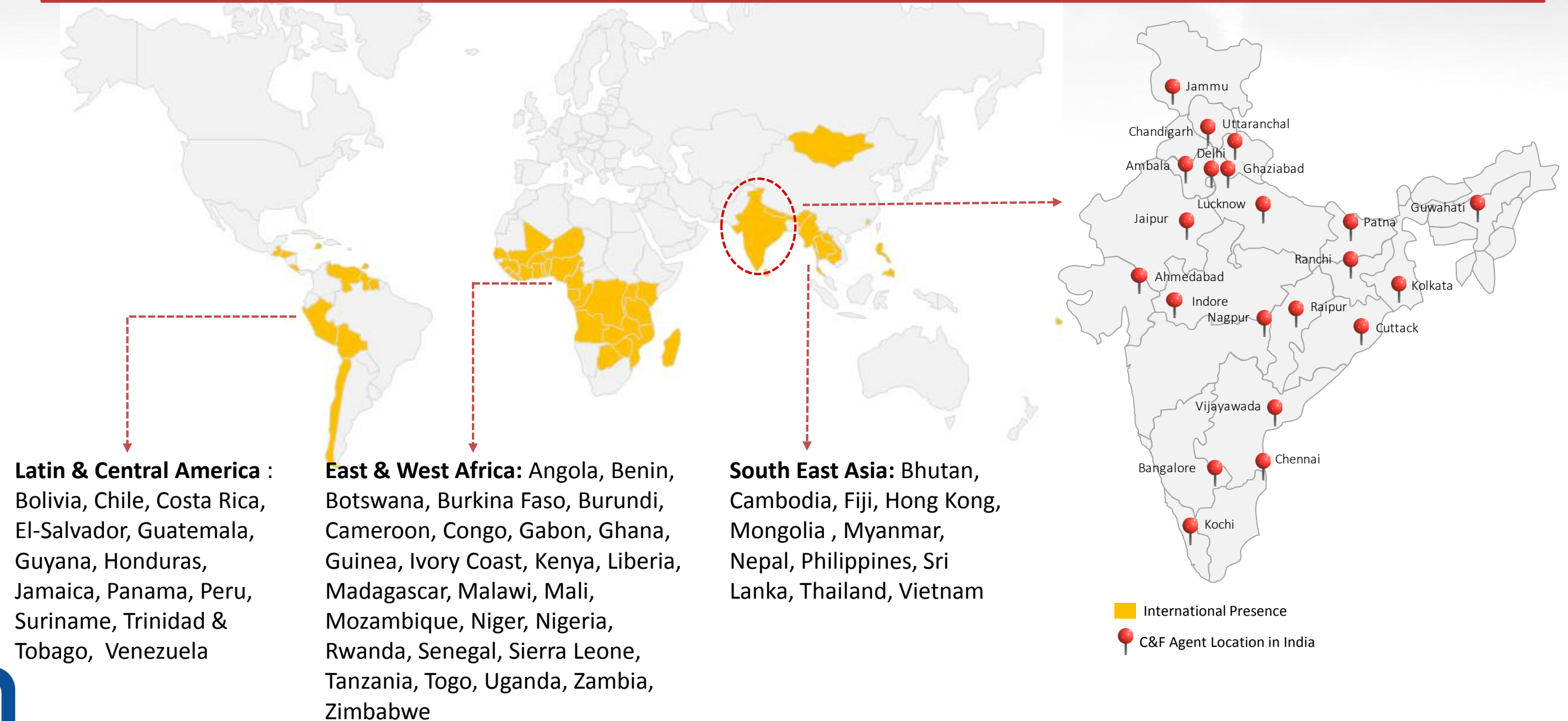


Key Milestones



Global Footprint

Presence over 50 countries in Latin America, Africa and Asia Pacific; 22 states across India



Best-in-Class Facilities



Certifications: WHO-GMP Certified; ISO9001:2008 Certified



R&D Center: Approved by Government of India; Team of 30 scientists for R&D



Green Energy: Windmill project for energy saving

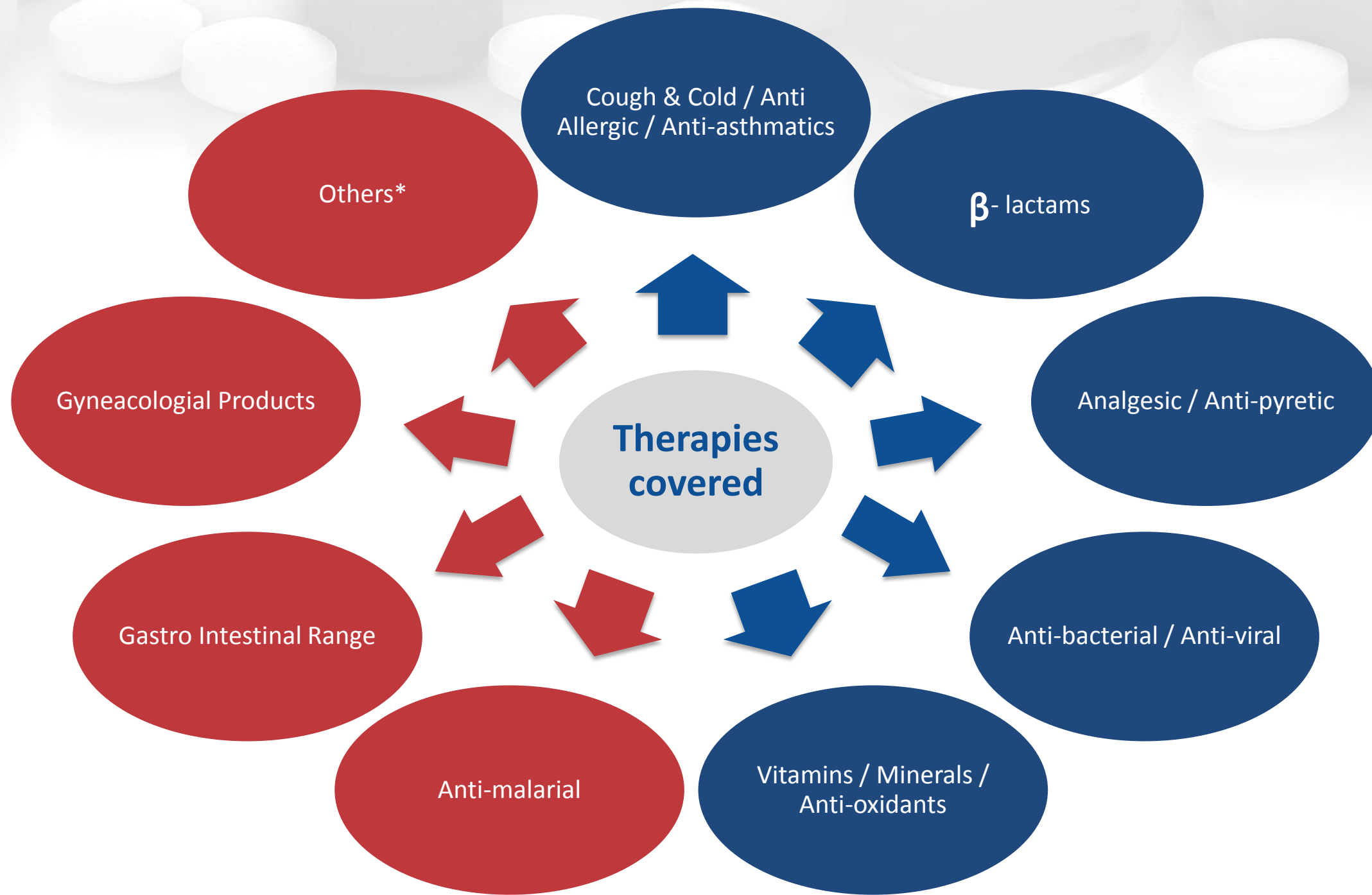
Dosage Forms Produced at Unit 1

| Description | Annual Capacity | Unit |
|---------------------------------|-----------------|----------|
| Tablet (Compression & Coating) | 1,680,000,000 | Tablets |
| Total Packing (Strip + Blister) | 1,680,000,000 | Packs |
| Tablet (Granulation) | 10,200,000 | Kg |
| Capsule (Filling) | 360,000,000 | Capsules |
| Dry Syrup (Filling) | 6,000,000 | Bottles |
| Ointment (Filling) | 9,600,000 | Tubes |
| Ointment (Packing) | 9,600,000 | Packs |

Dosage Forms Produced at Unit 2

| Description | Size | Annual Capacity | Unit |
|----------------------|------------------|-----------------|----------|
| Liquid Ampoules | 1 ml to 5 ml | 60,000,000 | Ampoules |
| | 10 ml | 30,576,000 | Ampoules |
| Liquid Vials | 2 ml to 10 ml | 15,600,000 | Vials |
| | 10 ml to 30 ml | 15,600,000 | Vials |
| Oral Liquids | 60 ml to 100 ml | 18,000,000 | Bottles |
| | 150 ml to 200 ml | 18,000,000 | Bottles |
| Dry Powder Injection | 100 mg | 22,464,000 | Vials |

Wide Spectrum of Therapeutic Coverage



Key Brands – Domestic Markets

NAMCOLD-SR

Nimesulide 100 mg + Loratidine 5 mg + Ambroxol 30 mg
+ Phenylephrine 20 mg Sustain Release Tablets

DOMITM up

Each squirts (spray) delivers 2 mg
Ondansetron Hydrochloride

Tinnex?

Caroverine 160 mg/8 ml
Injection

EAK

Effective Anti- Malarial Kingpin

PROLIN³⁰⁰ SR Natural

Natural micronized
progesterone 300 mg SR Tablets

CHARGE UP

11 Antioxidants + 33 Essential
Micronutrients +
5 Amino Acids

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NAMCOLD-DX

Dextromethorphan Polistirex 30 mg Suspension

LUTHER AQUA

α - β Arteether 150mg/ml Injection

PROGUT

Saccharomyces Boulardii (Lyophilized) 282.5 mg Sachet

CALBONE-500

Calcium Carbonate 1250 mg+ Vit. D3 250 I.U. Tablets

TRIXON-1g

Ceftriaxone 1 g Injectible

SOLUDINE-M

Povidone-iodine 5% + Tinidazole 2 % Ointment 10/20 Grams

Key Brands – International Markets

FLUCAN

Fluconazole 150 mg Tablets

Pa12

1000 mg programmed release
Paracetamol PROGLETS

Start 60

Artesunate 60 mg Injectable

FLUCOMOL

Anti Cold Capsules

Glygen 1 & 2

Glimepiride 1mg/2 ml Tablets

CLOTRILIN - U

Clotrimazole 2% w/w Cream

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ARH

α - β Arteether Injection 150mg/ 2 ml

Koflame

Ibuprofen 50 mg + Paracetamol
325 mg Tablets

Losa 50

Losartan Potassium 50 mg Tablets

Vomistat

Ondansetron 2 mg/ml Injection

AMLIN-5

Amlodipine Besylate 5 mg Tablets

M-FORLIN 500

Metformin HCL 500 mg Tablets

Key Recent Developments

- **Paracetamol 1000 mg programmed release tablet**
 - Unique bi layered proplet designed for programmed release drug delivery
 - 12 hours action with 30% IR and 70% SR release activity
 - BID with more patient compliance and is Hepato-friendly



- **Caroverine injection**
 - Sterile formulation for relief from Tinnitus
 - Tie-up with PHAFAG. AG (Switzerland)
 - Given through slow IV infusion
 - Aqueous technology

- **Arteether injection 150 mg/ml**
 - Unique low-viscosity sterile formulation for malaria
 - Less painful and low volume (1 ml) IM formulation
 - Convenient patient administration
 - Patented technology



Key Recent Developments

- **Namcold DX**

- First time in India: 'Extended Release' Oral Suspension
- The only liquid cough suppressant that works for upto 12 hours
- BID dose with more patient compliance
- Available in alcohol free delicious orange flavor



- **Domi Up Spray**

- Meter dose pump
- Each squirt (spray) accurately delivers 2 mg Ondansetron Hydrochloride
- Faster onset of action
- Prompt relief from nausea & vomiting
- Convenient for patient over Injectable
- Better patients compliance

Disclaimer

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Lincoln Pharmaceuticals’ future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Lincoln Pharmaceuticals undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



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