



January 10, 2023

BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

**BSE Scrip Code: 506943**

**Stock Symbol: JBCHEPHARM**

Dear Sir,

**Subject: Presentation at JP Morgan Healthcare Conference, SFO US**

Enclosed please find the presentation proposed to be made by the Company at the JP Morgan Healthcare Conference on Tuesday, January 10, 2023. The presentation is for your records.

Thanking you,

Yours faithfully,  
**For J.B. Chemicals & Pharmaceuticals Ltd.**

**Sandeep Phadnis**  
**Vice President - Secretarial**  
**& Company Secretary**

**Registered Office:**

J.B. Chemicals & Pharmaceuticals Limited,  
CIN: L24390MH1976PLC019380  
Neelam Centre, 'B' Wing, 4<sup>th</sup> Floor, Hind Cycle Road,  
Worli, Mumbai – 400030, T:+91 22 24822222

**Corporate Office:**

J.B. Chemicals & Pharmaceuticals Limited,  
CIN: L24390MH1976PLC019380  
Energy IT Park, Unit A, 8<sup>th</sup> Floor, Appa Saheb Marathe Marg,  
Prabhadevi, Mumbai – 400025, T:+91 22 24395200/5500



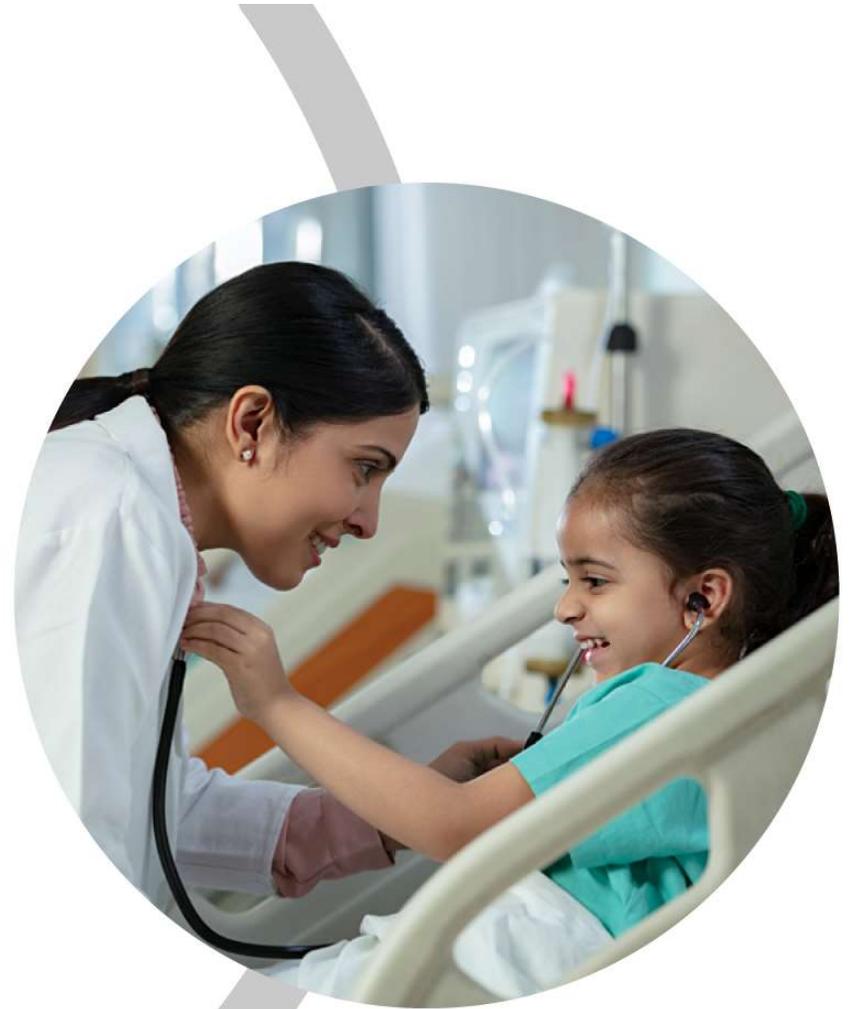
GOOD PEOPLE  
*for* GOOD HEALTH

# JB Pharma (JB Chemicals & Pharmaceuticals Ltd)

NSE : JBCHEPHARM

BSE : JBCHEPHARM

**JP Morgan Healthcare Conference, SFO  
Tuesday, January 10, 2023**



www.jbpharma.com  
Jan 2023

JB Pharma

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GOOD PEOPLE  
for GOOD HEALTH

**Synergistic acquisitions**

**Peak productivity**

**Domestic outperformer**

Focused markets  
RU, CIS, & SA

ESG benchmarked

**20%+ ROCE**

24-26% Operating margin guidance

**Consistency of delivery**

**Strong FCF**

**Dosage forms**

GI leader

ESG benchmarked

Cardiac leader

20%+ ROCE

Global regulatory approvals

**Medicated/Herbal lozenges**

State of the art facilities

**Leadership**

**Key therapies**

**Pillar Brands**

Specialty probiotics leader

Leadership

Pillar Brands

# JB PHARMA

**OROS**

Market-beating

Dosage forms

State of the art facilities

Specialty probiotics leader

Global regulatory approvals

**Cardiac leader**

24-26% Operating margin guidance

**GI leader**

**Market-beating**

**Leadership**

State of the art facilities

**Realigned GTM**

24-26% Operating margin guidance

20%+ ROCE

Synergistic acquisitions

**ESG benchmarked**

Focused markets  
RU, CIS, & SA

**Focused markets**

RU, CIS, & SA  
JB Pharma

# Corporate Snapshot



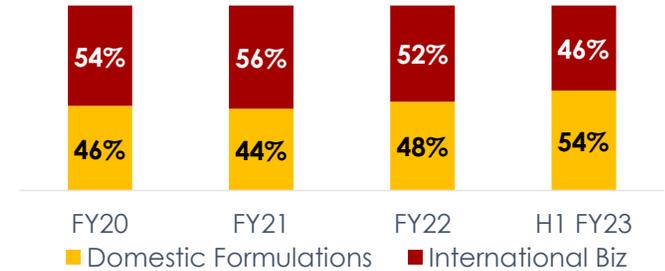
46

Years of operations with consistent track record across multiple businesses

6

Brands among top 300 brands (IQVIA MAT Nov'22 data), contributing over 60% of domestic formulations revenues

Increasing Share of the Domestic Revenue



\$2bn

Market Cap on INR 152 billion (USD 1.85 bn) # Sales : INR 24000 mn in FY 22

24%

Growth in chronic therapies\* in the domestic formulations business

Top 5

Global manufacturer of medicated/herbal lozenges representing a substantial opportunity

2500+

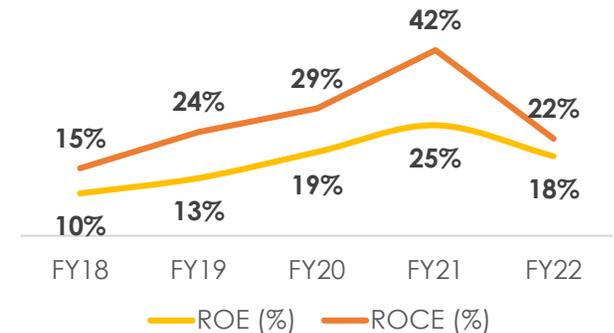
Strong India field force with therapy-focused segmentation

7

Multi-dosage formulation plants with key global regulatory approvals/compliances

\*\*22%

ROCE with consistent cash flow generation generating good returns



\* CAGR over FY20-FY22 IQVIA MAT Oct'22  
 \*\*\* MAT - Moving Average Total

# Market Cap as on 6<sup>th</sup> Jan'23

\*\* ROCE = EBIT/(Net Worth + Debt - Mutual Fund Investments)



# Robust Manufacturing Infrastructure



# World Class Manufacturing Facilities



**7** State of the Art manufacturing facilities

**40+** Global Regulatory Accreditations

**10** Producing a wide array of dosage forms



TABLETS



CAPSULES



LIQUIDS



IV INFUSIONS



VIALS



OINTMENTS



COLD RUBS



LOZENGES



SIPS

# Initiatives & Achievements - FY22



**INR 24240 Mn Revenue**  
~19% growth



**Fastest Growing Company**  
JB retained the spot among top 30 companies in IPM



**\*IPM rank gain from 32 to 25**



**Pro-biotics, Paediatric, Heart Failure Segment**  
3 acquisitions into fast growing

\*IPM – Indian Pharmaceutical Market

Jan 2023

JB Pharma



**17 key new product launches**  
in FY22 with contribution 4%



**Key pillar brands** continue their market beating performance



**Growth in International business**  
in FY22, despite external volatility



**South Africa achieved record growth** in public and private market



**CMO Clientele**  
New elite partners



**Manufacturing Facilities**  
7 Best in class



**A new R&D - 50+ new products**  
under development



**Governance and Policy Strengthening**



**Cost saving initiatives**  
Implemented



**Investor Relations Machinery**



**>20+ HR initiatives**  
under 'PeopleFirst'



**50+ training programs & 1000+ hours** of training & development clocked

# On track to delivering strategic objectives outlined



## Business Growth

Therapy Diversification  
Strengthening the Chronic  
Portfolio  
New Product Launches

Leverage sizeable and  
differentiated CMO  
capabilities in Lozenges

Augment portfolio offering  
through R&D, and M&A  
opportunities focussed on  
India

## Productivity Improvement

Continuous thrust on improving  
productivity & cost structure

Progressive offerings to  
deepen presence with  
current customers and  
international markets

## Stronger Governance

Growth objectives supported  
by new management layer  
and strong governance  
framework



# Domestic (India) Business

## Growth in Domestic(India) business pivoted around 4 key themes



1. Re-Aligned **Go-To-Market** model driving productivity

2. Making **Big Brands Bigger**

3. Increasing contribution from **Chronic Therapies**

4. **Acquisition-led Growth**, via strong brand franchises

# One of the fastest growing companies in its covered market; Consistently maintaining market beating performance



**Fastest Growing**  
company among the  
Top 25 in the India  
Pharma market(IPM)

Ranked **#15** in  
prescriptions in the  
Indian Pharma Market

**Outperformed** the  
CVM growing at 19% vs  
6.5%

Among top 25, JB is the fastest  
growing company in the IPM

**18%** Vs IPM growth  
of 6%

Leadership position  
in the covered markets

**35%** + share in 6  
molecule categories

Position in IPM

**23<sup>rd</sup>** Rank in IPM

No of brands in Top 300

**6** Brands, with 3 years  
CAGR of 20+%

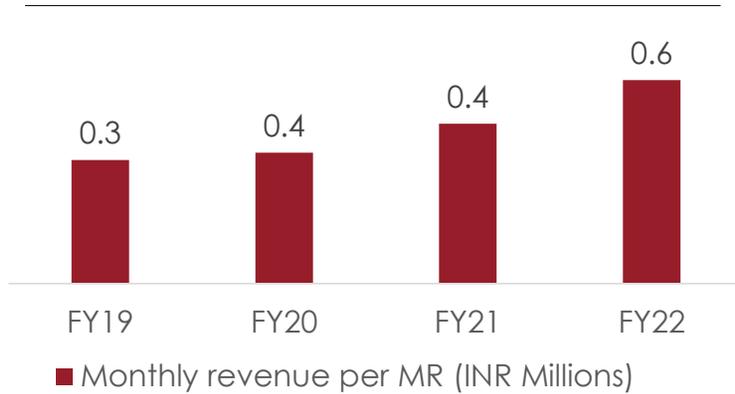
Growth rates and Ranking as per IQVIA MAT  
Dec'22 Numbers

CVM – Covered Market



# 1. Re-Aligned Go-To-Market model driving productivity

Realignment of the Manpower leading to constant improvement in PCPM#



- PCPM stands at INR 0.56 million at the end of FY22, up from INR 0.34 million in FY19
- Entered new segments like pediatric, nephrology, respiratory, diabetes with the existing field force

# PCPM refers to the monthly revenue generated per medical representative  
GI: Gastro Intestinal

Accelerating Growth through new Launches

New Introductions - % to Domestic Sales



**METROGYL O** (GI infections)



**JBTOR** (Diuretics/CKD/CHF)



**DAPACOSE - M** (Diabetes)



## 2. Making Big Brands Bigger

	Rank in IPM*	Rank in CVM*	MS% in CVM*
RANTAC	#39	#2	43%
CILACAR	#47	#1	51%
METROGYL	#145	#1	80%
CILACAR-T	#203	#1	35%
NICARDIA	#204	#1	90%
AZMARDA	#291	#3	17%

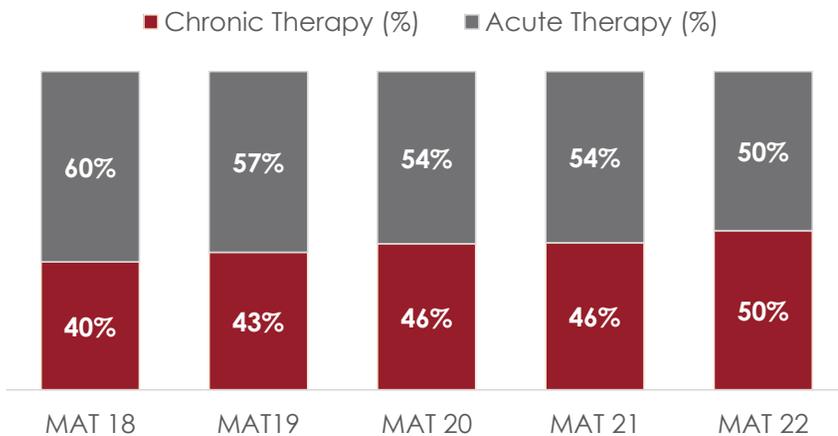
- **6 major brands now feature in the Top 300 IPM Brands\*** with a dominant share in their respective molecule segments
- Re-Aligned GTM<sup>^</sup> model, **backed with lifecycle management / brand line-extensions**, has resulted in market-beating performance
  - Example – **Rantac-OD and MetrogyL ER extensions**
- **Innovative incremental innovation in terms of lifecycle management, diversified therapeutic offerings and wider specialty coverage of brands** with extensions like Nicardia XL with OROS technology, MetrogyL –O, Cilacar – TM, MetrogyL-DG Gel and Ranraft.

\* IQVIA MAT Nov '22 data; ^ GTM = Go-To-Market



### 3. Increasing contribution from Chronic Therapies

**Contribution from Chronic vs Acute Therapies**



- **Consistently increasing** contribution from Chronic Therapies
- FY22 ended with 50% of Domestic sales from Chronic segment - aided by **launches in Heart-Failure, Diabetes and Nephrology**
- **Building big prescription brands** across chronic therapies, **improved productivity** and **HCP knowledge partnering** will be the key levers for achieving growth
- **Acquisition of Azmarda (Sacubitril-Valsartan) from Novartis and Razel (Rosuvastatin) franchise** from Glenmark to further increase the share of Chronic Portfolio

**Expanded presence in prevention/management of Heart Failure, Diabetes & Nephrology**



## 4. Acquisition-led growth, via strong brand franchises (1/3)

- Completed Four Acquisitions in Calendar Year 2022 investing USD 200 mn
- Judicious deployment of Capital and Free Cash flow in value-accretive brands and franchises

サンザイム  
**Sanzyme**

- Extends our presence to the Probiotics segment
- Strong growth prospects with brands like Sporlac

**Azmarda**  
  
*Strengthens the Heart*

- Exciting new therapy for Heart Failure patients
- Strengthens presence in Cardio

**Paediatric portfolio**



- 4 brands acquired from Dr Reddy's
- Enhances our Paediatric portfolio

**Razel**

- Extends presence in Lipid Management
- Improves Cardio offerings

## 4. Acquisition-led growth, via strong brand franchises (1/2)



- Completed Four Acquisitions in Calendar Year 2022 investing USD 200 mn
- Judicious deployment of Capital and Free Cash flow in value-accretive brands and franchises

### SANZYME

Acquisition of Sanzyme portfolio marks our foray into the fast-growing Probiotics segment (3-year CAGR of 14%+)<sup>^</sup>

Sporlac – top 3 brands in Probiotics, with ~8% market share<sup>^</sup> provides significant opportunity for line extensions

Offers potential for revenue synergies through geographic and distribution expansion, along with prescriber overlaps

### AZMARDA

Sizeable market opportunity in Heart-Failure (HF), ARNI<sup>#</sup> is the highest growth category, with a 3-year CAGR of 35%+; significant untapped potential with < 25% of the estimated 15-20 Mn HF patients on therapy

Complementary to our Cardiac portfolio, Azmarda expands presence from Hypertension to Heart-Failure management

Brand franchise revenue at INR 784 mn; exclusive marketing window till LOE<sup>\*</sup>

**Continued...**

<sup>^</sup> IQVIA MAT Jan'22 data; <sup>#</sup>ARNI = angiotensin receptor II blocker - neprilysin inhibitor; <sup>\*</sup> LOE = Loss of exclusivity

## 4. Acquisition-led growth, via strong brand franchises (2/2)



- Completed Four Acquisitions in Calendar Year 2022 investing USD 200 mn
- Judicious deployment of Capital and Free Cash flow in value-accretive brands and franchises

### Pediatric Brands from Dr. Reddys

Acquisition of the pediatric brands helped expand JB's existing portfolio

3 out of 4 brands are among the top 3 players in respective molecules with Z&D and Pedicloryl being market dominators

Complements JB's pediatric division with minimal additional manpower and marketing spends.

### Razel (Rosuvastatin) Franchise from Glenmark

The acquisition marks JB Pharma's entry into the 'Statin' segment which is the largest group in the cardiac therapy

Razel ranks among the top 10 brands in the Rosuvastatin molecule category in the country

Leveraging on existing Go-To-Market model focussed for this segment and further strengthen our chronic portfolio

# Domestic Business - on track towards achieving strategic priorities



	WHEN WE STARTED	CURRENT POSITION	MID TO LONG-TERM OBJECTIVES
<b>IPM Position</b>	Ranked #32 in IPM	Ranking 23 <sup>rd</sup> In IPM	Ranked in IPM Top 20 companies
<b>Contribution from Chronic Therapies</b>	~45% of Domestic sales	50% of Domestic sales	~60% of Domestic sales
<b>Portfolio of Top Brands</b>	5 brands in Top 300	6 brands in top 300 IPM*. Sporlac can be another brand that can enter the top 300 list	8 to 10 brands in Top 300, across 5 therapies
<b>New Launches</b>	1-2 new launches annually	17 products launched in FY22, excluding line extensions	10-12 new launches annually
<b>Prescriber Relationships</b>	Physician relationships	Enhanced ~2,000+ Prescribers across specialities i.e. Cardio, Diabeto, Chest Physicians, Pedia etc.	Specialist relationships e.g. Cardiologist / Nephrologist
<b>Field Force Productivity</b>	Approximately INR 0.34 mn+	Incremental productivity of INR 0.12 mn achieved (INR 0.56 mn in FY22 vs. INR 0.44 mn in FY21)	Annual productivity growth of ~12-14% from current levels



# International Business

# International Business: Distinct Operating Models Across Geographies



## International Formulations



Direct presence in Russia and South Africa

Distributor relationships in the US, Asia, Africa and LatAm

■ Direct front-end presence    ■ Distributor-led model



## CMO



Leading global position in \$ 4.6 bn lozenges market opportunity

Distributor relationships in the US, Asia, Africa and LatAm

## APIs



Leading capabilities with deep customer relationships

Substantial available capacities to drive growth

## Manufacturing Capabilities



Tablets, Capsules, Sachets, Liquids, Topicals, Vials, Lozenges, IV Infusions, Bulk Drugs

## Compliance Approvals



USFDA, UK, EU, Australia, Canada, Russia, Ukraine, South Africa, Brazil, MOH Japan, MOH Korea, Semi-regulated Markets

International Business Revenues\*  
INR 12360 Mn

\*FY22



# Leveraging leading position in Lozenges for future growth in Contract Manufacturing(CMO)



## Contract Manufacturing

-  Top 5 manufacturer of medical/herbal lozenges & working with marquee global pharma/ consumer client base
-  Majority business through own IP; not conventional toll manufacturing
-  Approvals from US, UK, EU, Australia, South Africa, Russia/CIS and Japan
-  Manufacturing, regulatory, development support mechanisms in place – capacities can support growth objectives
-  Newer concepts beyond cough & cold – immunity, IBS/ digestion

## Growth Levers

- Deeper penetration with existing customers: explore new opportunities in more geographies
- Expand focus on high-potential lozenges segment
- Coverage into semi-regulated/other RoW markets
- Volume scale-up on existing capacity
- Leverage capabilities to manufacture wide variety of dosage forms

Lozenges (Vol. in Mn)



Bottles (Vol. in Mn)



**CMO business continues to be a priority area with focus on ROCE and good operating margins**

A graphic on the left side of the slide showing a globe with a stylized airplane flying around it, all in a dark orange color.

# Delivering Value in Challenging Times **H1 FY'23 Highlights**



# A successful H1 FY23 delivery with healthy EBITDA margins

## H1 FY23–Financial Overview

### Financial Performance

#### Total Revenue

15940 mn

33% YoY

#### EBITDA\*

3920 mn

29% YoY

#### PAT

2160 mn

Flat YoY

## H1 FY23–Business Overview

### Business Performance

#### Domestic Formulations

8530 mn

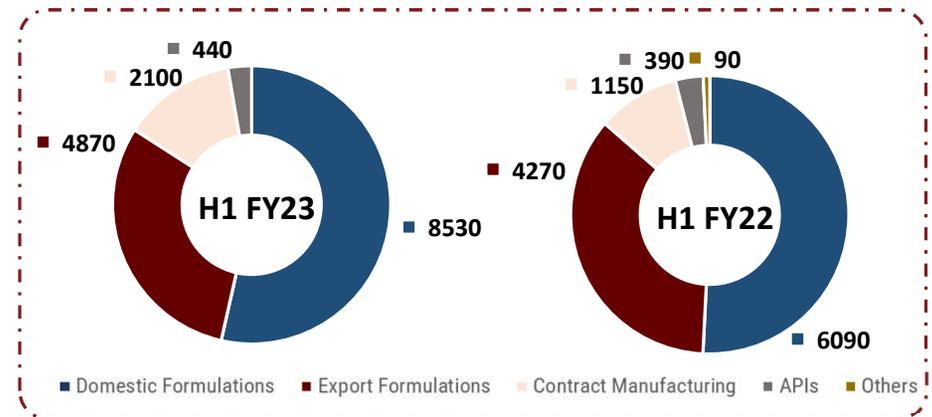
↑ 38% YoY

#### International Business

7410 mn

↑ 28% YoY

JB continued its strong growth momentum, registering YoY growth of 33% in H1 FY23



Domestic Business records **highest ever H1 sales** - Organic revenue growth around mid-teens outpacing industry growth

International business continued its strong momentum growing at 28% to INR 7410 mn in H1 FY23 recording highest ever sales

CMO business delivered H1 sales in excess of INR 2000 mn accounting ~13% of the total business

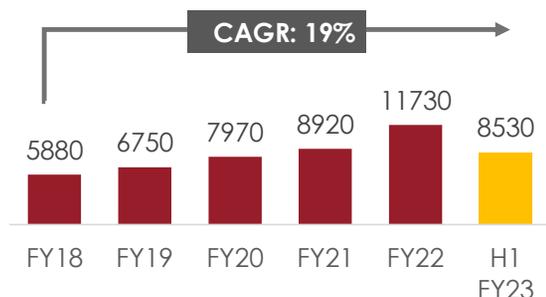
All figures in INR

\* EBITDA excluding non-cash ESOP

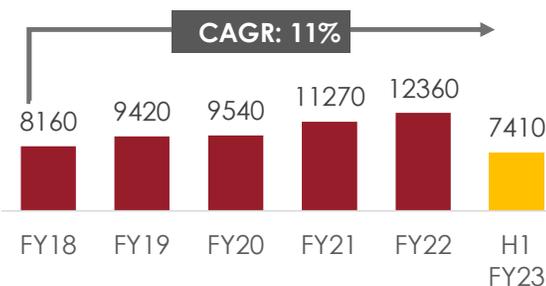
# Consistent Revenue/EBITDA growth over the years



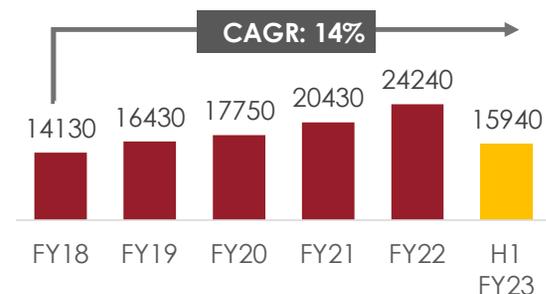
**Domestic Formulations (INR mn)**



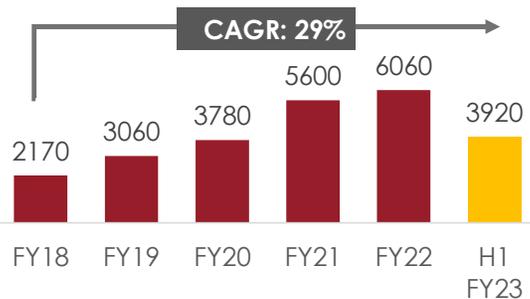
**International Business (INR mn)**



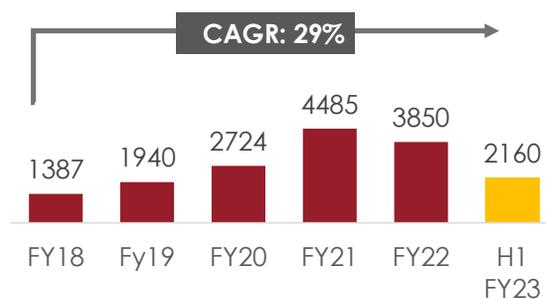
**Revenues (INR mn)**



**Operating Ebitda\* (INR mn)**

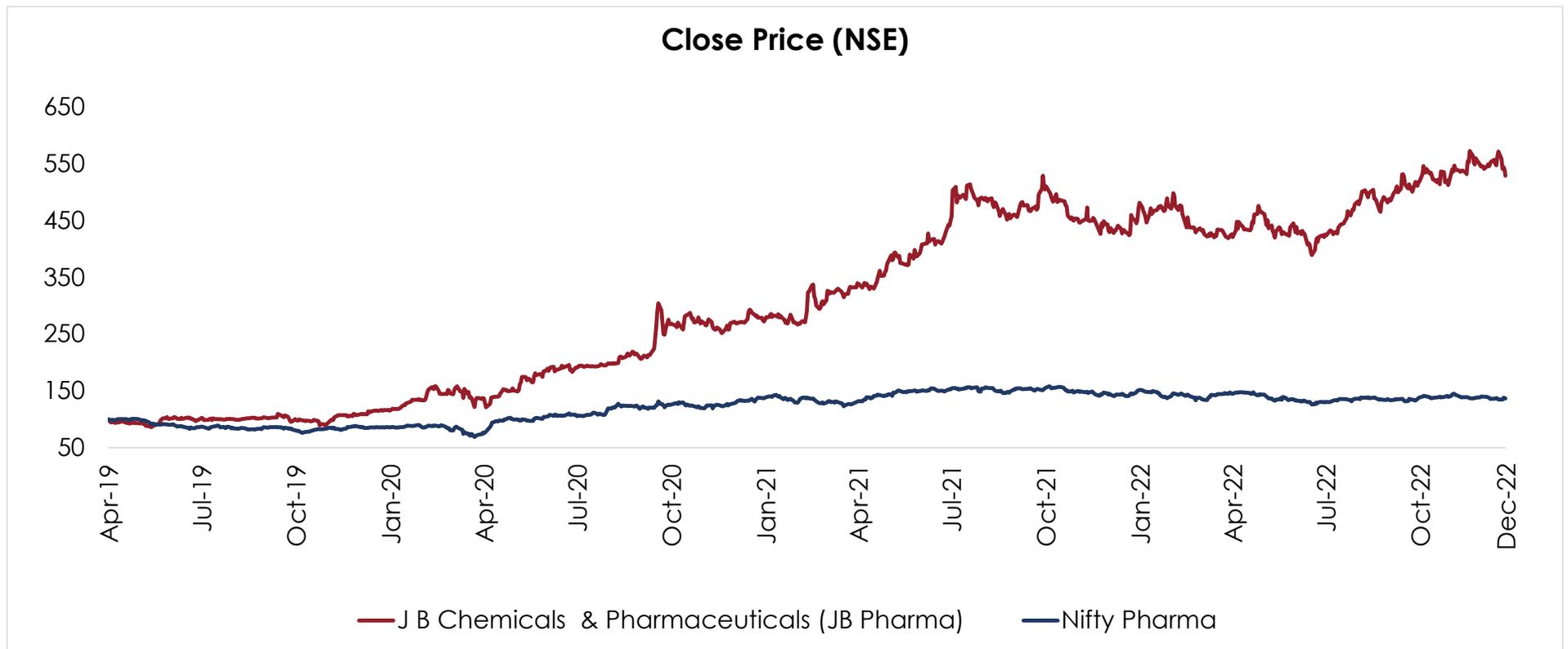


**Profit After Tax (INR mn)**



\* Operating EBITDA excludes non-cash ESOP

# JB Pharma : Outperforming the Nifty Pharma Index



# JB publishes its First Sustainability Report – FY 2021-22



**INTEGRATING SUSTAINABILITY**  
*for* **GOOD HEALTH**

CORPORATE SUSTAINABILITY REPORT  
2021-22



**Reporting Framework:** Report prepared in accordance with the GRI Standards: Core Option, and United Nations Sustainable Development Goals (UN SDGs)

**Reporting Period:** This report covers the sustainability performance of the Company for the period 1st April 2021 till 31st March 2022

**JB Pharma now among the few pharmaceutical companies in the country to release its sustainability report based on the Globally accepted GRI framework**

For detailed sustainability report, please visit:  
<https://jbpharma.com/sustainability-report/>

# JB Pharma – Looking ahead

Growth objectives supported by lean organization structure and strong governance framework



## Domestic business to consistently outperform market growth driven by

- ❑ Big brands becoming bigger
- ❑ Market share & prescription gains in acquired portfolio of probiotics, heart-failure, paediatric and Lipid-lowering segment
- ❑ Life cycle management and new launches

## Continued growth momentum in International business

- ❑ Strong delivery in CMO business aided by new launches
- ❑ Demand revival in specific ROW markets and continuous thrust on improving productivity & cost structure

## Continuous thrust on cost optimization initiatives

- ❑ Deliver operating margins in the range of 24% - 26%, despite inflationary pressure & external market uncertainties
- ❑ Cost savings continue to be area of focus; raw material & power/fuel still seeing sharp inflation

## Continue building culture of governance & higher compliance

- ❑ Focus on ABAC, Legatrix, ECC. Manage changes in tax and regulatory landscape
- ❑ Continue to build upon One JBWay culture and the new corporate identity

**India and CMO business should constitute in the near-term to around 75% - 80% of total revenue. Both businesses generate high ROCE and Operating margins**

**India business should continue to deliver market-beating growth; Focus on increasing chronic share to 60% in the mid-term**

**Our New Identity**



**GOOD PEOPLE**  
*for* **GOOD HEALTH**

**While our  
look has changed,  
our values remain.**

**#ThisIsUs**



GOOD PEOPLE  
*for* GOOD HEALTH

**Thank you**



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