

Shasun Pharmaceuticals Limited

Corporate Presentation

Updated 30.11.11



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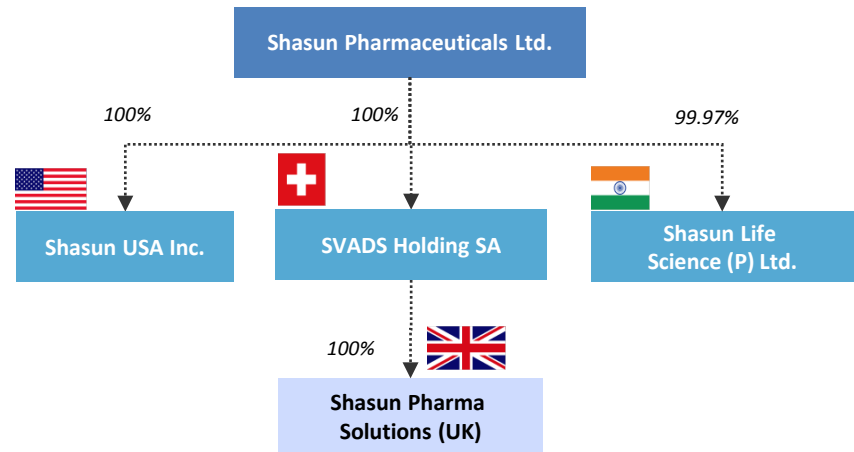
Background

- Incorporated in 1976, based in Chennai, India
 - Manufactures APIs, intermediates and enteric coating excipients with significant presence in key generic products
- More than 1,400 employees across India, UK and the US
- API plants - Cuddalore, Puducherry (India), Dudley (UK)
 - State-of-the-art Research Division in Chennai
 - Oral Dosage Formulations plant in Pondicherry

Key Products

- One of world's largest producers of Ibuprofen, Gabapentin, Ranitidine and Nizatidine
- Significant CRAMS operations in Dudley facility (UK)

Organizational Structure



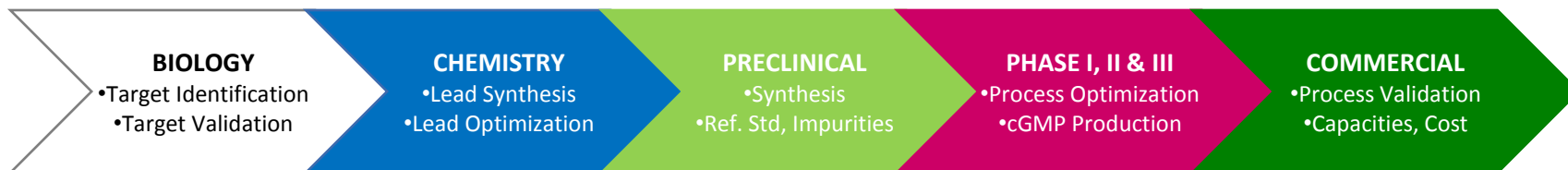
Board of Directors

Name	Position
R. Kannan	Chairman, Non-Executive Director
S. Abhaya Kumar	Managing Director
Dr. S. Devendra	Wholetime Director
S. Vimal Kumar	Wholetime Director
M. Mohan	Wholetime Director
R. Sundara Rajan	Non-Executive Director
N. Subramanian	Non-Executive Director

Key Management

Name	Position
S.Hari Haran	Chief Financial Officer
Dr. Michel Spagnol	President, CRAMS
John Wiper	Director, UK operations
Jitesh Devendra	President, Formulations
Venkateshan Rangachari	SVP, API Marketing
Jaya Muruga Prakash	VP, India Operations
Jatin Kumar	President, New products

Shasun's core activities



CONTRACT DEVELOPMENT (FTEs)

Lead Analogues, Building Blocks, Ref Stds

CUSTOM SYNTHESIS

Pilot Campaigns, Clinical Supply

CONTRACT MANUFACTURING

APIs, Key Intermediates

CONTRACT

FORMULATIONS

BIOPROCESS DEV.

*Expression & Purification
of Recombinant Proteins & MAb*

ANALYTICAL & REGULATORY SUPPORT

Method Development & Validation, Regulatory Filings

Business overview

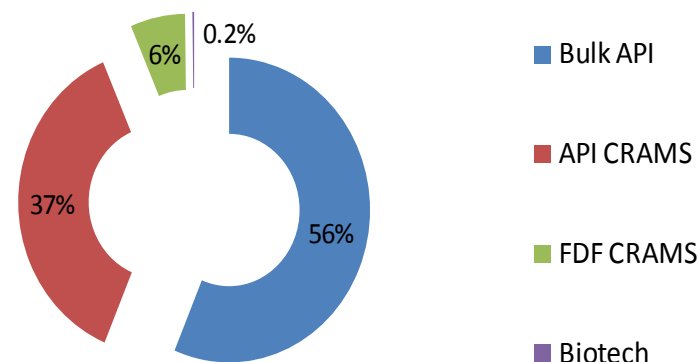
Shasun – Business Segments

- **Active Pharmaceutical Ingredients:**
 - Shasun is the largest manufacturer of Ibuprofen in the world. Its current API portfolio includes Ibuprofen, Nizatidine, Gabapentin and Cycloserine amongst others
- **API Contract Research & Manufacturing (CRAMS):**
 - Shasun’s CRAMS business spans India and UK
 - The Dudley, UK facility has over 40 years of expertise in working with top pharma companies for custom services and manufacturing. It has a very healthy mix of emerging and big pharma clients
- **Finished Dosages – Formulation CRAMS**
 - Provides oral solid dosage development and manufacturing services through its Formulations facility in Pondicherry
 - This facility has undergone successful inspections by US FDA, MHRA (UK) and TPD Health Canada
 - Recently expanded the formulations capacity from 1.4 billion tablets per annum to 5 billion tablets per annum
- **Biotech:**
 - This unit launched Streptokinase, a fibrinolytic drug used for the treatment of heart attacks

Consolidated Financials

(Rs. Mn)	2008	2009	2010	2011
Operating Income*	8,342	7,706	8,061	8,502
EBITDA*	380	53	943	872
– Margin (%)	4.6%	0.7%	11.7%	10.3%
Net profit	246	(1,371)	38	266
– Margin (%)	2.9%	(17.8%)	0.5%	3.1%
Net worth	2,402	1,070	1,178	839
Debt	2,566	3,385	3,266	3,295

Business Segments



Note: * Excluding Forex loss/ gain and profit from sale of assets

The journey.....

2009: Successful USFDA inspection of formulation facility at Pondicherry

2009: Closure of Annan plant at Scotland, UK and operations consolidated

2011: Formed 50:50 JV Shasun NBI LLC in USA with Nanoparticle Biochem

2011: Commercial launch of Olanzapine API in Europe and North America

2011: Major expansion of formulations facility

**Multi - product
Many markets**

2006: UK MHRA approval for formulations unit

2006: Successfully Completed acquisition of Rhodia Pharma Solutions business

1994: Initial public offering
Raised apprx. Rs. 6 Crs

1992: Established US subsidiary

1991: Third manufacturing facility in Cuddalore (for Ranitidine HCL)

1986: Second production facility at Pondicherry (for Ibuprofen)

1976 – 77: Incorporated in Chennai, India
First production facility (for Analgin)

2010: Received commercial order of a leading API product from an Innovator Company





















2010: Finished dosages sales grows 100% and reaches Rs. 50 crores

2010: Achieved leadership position in API product – Gabapentin (finds anti epileptic applications)

2004: Diversified into Formulations

**One product
One market**

Facilities overview

	Dudley UK	SRC Chennai India	Pondicherry India	Cuddalore India
R&D & Chemistry Services				
Analytical Services				
Kilo Laboratories				
Pilot Plant				
Commercial Manufacturing				
Regulatory Services				
Formulation Services				
Biotech				

Shasun – India facilities



Shasun Research Centre



Ibuprofen API facility in Pondicherry

- World largest producer of Ibuprofen
- USFDA /MHRA approved facility
- cGMP operation
- Effluent treatment plant with marine discharge facility
- Pilot Plant for Contract /Custom Manufacturing

API facility in Cuddalore

- Multi-product API facility
- 4 Production Blocks, cGMP operation
- US FDA / MHRA approved

Formulations - Pondicherry

- Commissioned in Dec 2005 ,cGMP operation
- Formulation development capabilities
- Current capacity to manufacture 5 billion units of OSD
- US FDA / MHRA approved
- Contract Formulations to US / EU

Shasun Research Centre (SRC) Chennai

- Contract research and custom synthesis services
- 12 synthetic labs, 6 kilo Labs and 1 scale up facility
- Key customers in Japan, USA and EU which include large MNC Pharma

Biotech Facility – Pondicherry

- Production of recombinant streptokinase
- Facility approved for COPP /WHO

Cuddalore



Pondicherry



SPSL UK – Dudley facility

Proof of concept to commercial supply in one site

Key Capabilities

- **Custom Synthesis API** *Process development, process optimization and technology transfer, R&D chemistry*
- **Customs Manufacturing API** *Clinical Trials supply, kilo-labs and Pilot plants; commercial manufacturing*
- **Analytical and regulatory support** *Development, validations, regulatory filings, and Hazard evaluation*
- **US FDA / MHRA approved**



Plant Details

- 3 production facilities in a 42 acre site, all operations to cGMP
- 450 m³ cGMP reactor capacity
- 32 fume hoods, Kilo lab facilities from 10 to 50L scale
- Commercial biological waste water treatment facility

Manufacturing

- Range of intermediate (20) and API reactor trains (6)
- 300 – 3000 gallon scale
- Low temp., Grignard, Organometallic Friedel-Craft and Carbonylation capabilities
- High temp. Fractionating unit – 30 theoretical phases
- Bulk Br₂, Cl₂, H₂ and Propylene Oxide

Pilot Plant and R&D facility

- Custom Synthesis, Proprietary technology development and world class hazard evaluation labs
- 5 highly flexible pilot plant reactor bays at 50-300 gallon scale
- Glove box facilities, range of isolation and drying equipment
- High temperature fractionating unit – 30 theoretical phases, high vacuum WFE/SPE unit

Growth Strategy

Shasun has unveiled a robust and scalable growth strategy

Growth Drivers

APIs

Formulations

CRAMS

Biotech

New Markets

Technology tie-ups

Capacity expansion

Cost optimization

New products

APIs growth

- Grow Ibuprofen derivatives
- Increase in API capacity
- Focusing on new products development
- New market growth

Formulations growth

- Capacity expansion and new contracts
- Own ANDA filings
- Shasun branded formulations, investment for future

CRAMS growth

- New customers/ new products acquisition in US, EU and Japan
- New facility in Vizag
- Exploit technology differentiation

Biotech/Nanotech growth

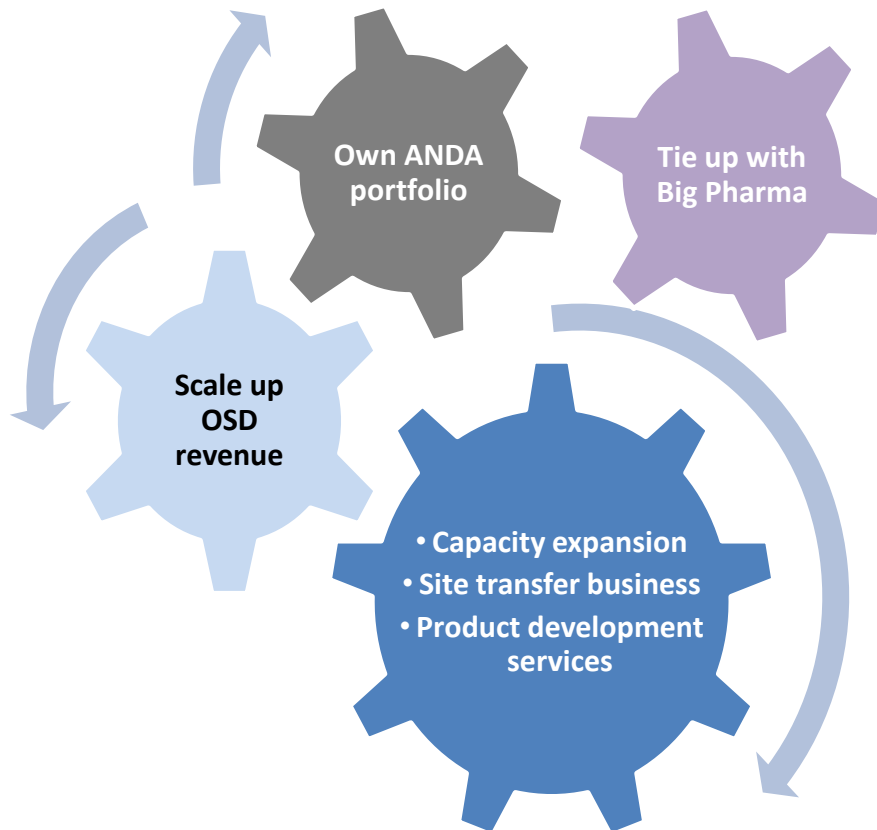
- Exploring biosimilars
- R&D in cutting edge technologies with collaborative efforts
- Nano technology development

API portfolio

Product	Growth drivers
Ibuprofen and Derivates	<ul style="list-style-type: none">▪ Shasun is one of the largest manufacturers of Ibuprofen in the world. Ibuprofen and its derivatives offer new growth opportunities with improved margins
Gabapentin	<ul style="list-style-type: none">▪ The product went generic in US in 2005 and has since then been a significant growth driver for Shasun▪ Capacity expansion will help the growth
Nizatidine	<ul style="list-style-type: none">▪ Nizatidine is an anti-ulcerant drug. Shasun enjoys a major market share in the global market
Cycloserine	<ul style="list-style-type: none">▪ It is used for the treatment of multi – drug resistant TB.
Olanzapine-C	<ul style="list-style-type: none">▪ The Company commercialized the product in EU and North American market in FY 11.
Sevelamer HCl	<ul style="list-style-type: none">▪ Shasun filed DMF in 2009. The drug is going generic in 2013.
Sevelamer Carbonate	<ul style="list-style-type: none">▪ Shasun filed DMF in 2009, The drug is going generic in 2013.
Colesevelam	<ul style="list-style-type: none">▪ Shasun filed DMF in 2009, The drug is going generic in 2014.

Formulations business

Finished Dosage Business remains a major opportunity for Shasun to increase and diversify its revenue base.....



- Further scale-up of OSD revenues through contractual agreements
- While the service oriented model remains the key pillar of the business, Shasun is also investing in building its own ANDA.
- Near term focus on site transfer business and build client relationships
- Product development services to emerging pharma customers on NCE
- Plans to tie-up with Pharma Companies for launch of Patented Products in India

Contract manufacturing pipeline

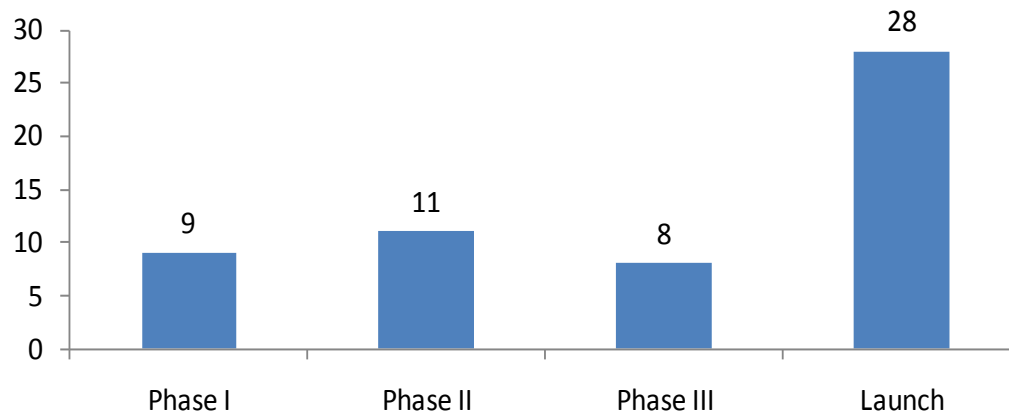
The SPSL portfolio has grown to 28 launched products. The pre launch pipeline remains strong with 19 projects in the clinical phase 2 & 3

SPSL's focus is on its core strengths of safety & quality compliance, continuous improvement and innovation, which has continued to attract new clients.

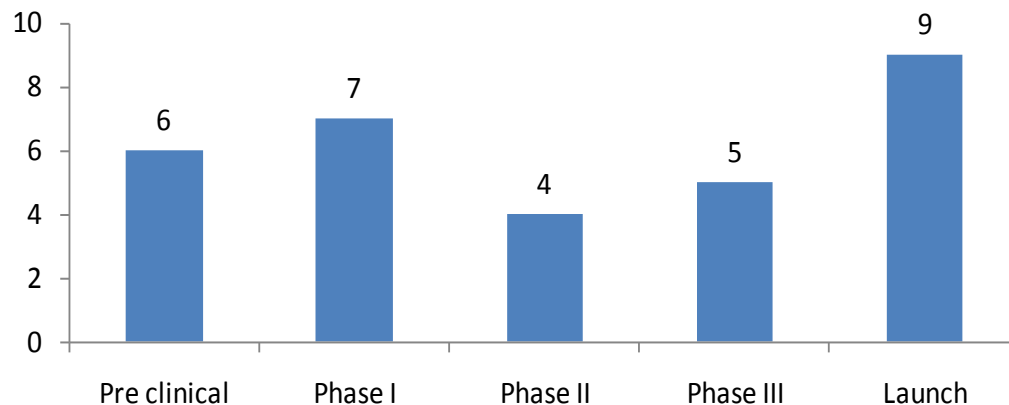
2011, SPSL has hosted 50 customer visits to the Dudley site, of which 11 were new and prospective clients

The Shasun CRAMS business unit has focused on several markets for growth and built many key relationship with innovator companies

API CRAMS – UK Pipeline

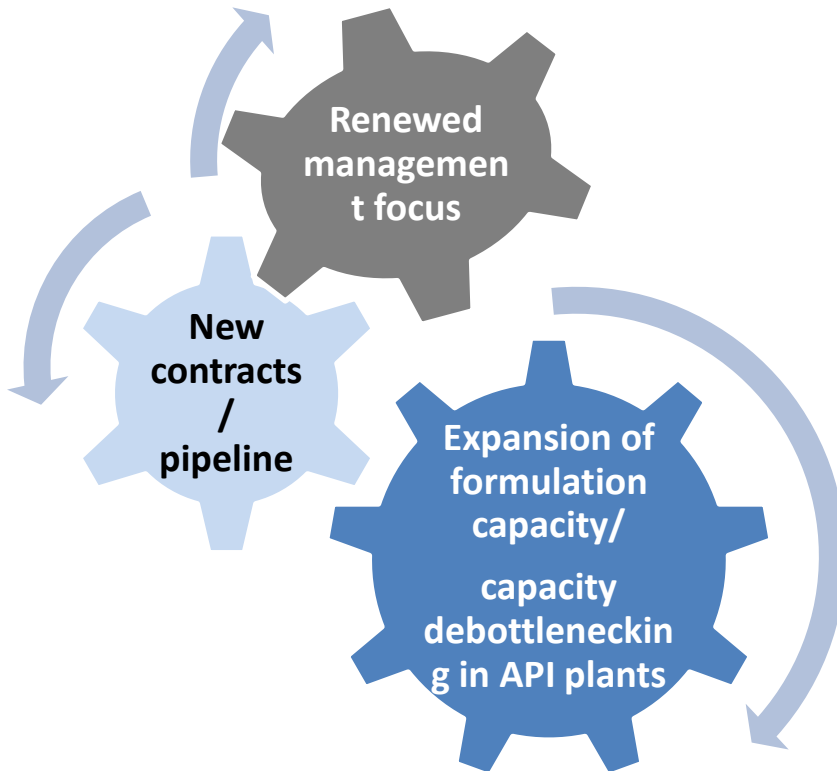


API CRAMS – India Pipeline



We are at the cross roads of strategic positive change.....

Achieving sustainable growth and enhancing shareholder wealth remains our key objective....



- Diversify sales mix
- Create differentiated product / service offerings
- Improving operating margins
- Expansion of API /Formulation capacity
- Enhanced focus on New Business Development
- Expansion into new products/ geographies
- Focus on achieving sustainable growth
- Enhance shareholder returns

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