

**Cipla announces Q1 FY21 results**  
**Strong execution across businesses and focus on cost optimization drive EBITDA margin to 24%**

Income from Operations	EBITDA	PAT
<b>INR 4,346 Cr</b>	<b>INR 1,049 Cr   24%<sup>1</sup></b>	<b>INR 578 Cr   13%<sup>1</sup></b>
<b>↑ 9% YoY</b>	<b>↑ 16% YoY</b>	<b>↑ 21% YoY</b>

1. as a % of revenue

**Mumbai, August 7, 2020:** Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for quarter ended June 30<sup>th</sup>, 2020.

**Key highlights of the quarter**

- **India:** India business grew by 16% YoY with strong growth across the three businesses
- **South Africa:** Overall business continued the strong growth momentum to deliver growth of 17% on a YoY basis in local currency; private business continues to outpace the market
- **US business:** Reported USD 135mn led by Albuterol ramp-up; 14% QoQ growth
- **Quality Focus:** Working with USFDA to comprehensively address observations received in Goa
- **R&D investments** stand at INR 200 crores or 4.6 % of revenue
- Achieved **zero net debt** position led by strong collections and improved EBITDA

*Extremely pleased to report our Q1FY21 performance which reflects the inherent strength of our business backed by agile and resilient operations, cost control initiatives and continued delivery on our strategic priorities. During the quarter, our businesses actively re-imagined their operating models to drive strong growth across markets of India, South Africa, US and focused execution on cost optimization helped drive the quarter EBITDA to 24%. We are also at the forefront in combatting COVID-19 through our strategic partnerships and a spectrum of offerings in our portfolio. Through these challenging times, we stood by our commitment of enabling equitable access to promising treatments by launching a toll-free helpline to aid patients in procuring vital drugs across therapies. Our global lung leadership aspirations continued to gain momentum along with limited competition launches in the US.*

**Umang Vohra**  
**MD and Global CEO, Cipla Ltd**

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## INDIA

- The Rx business grew 9% YoY led by strong traction in chronic therapies despite lock down challenges
- Trade generics business grew 46% YoY on a base adjusted for CHL transfers
- CHL: Growth driven by strong portfolio expansion; Ciphands generated INR 30+ crore revenue for the quarter

Therapy	Market rank	Market share	Cipla growth	Market growth
<b>Overall Chronic</b>	<b>2</b>	<b>7.4%</b>	<b>7%</b>	<b>5%</b>
Respiratory	1	25.7%	5%	-2%
Inhalation	1	68.9%	6%	4%
Urology	1	16.3%	5%	-6%
Cardiology	4	5.5%	10%	12%

Source: IQVIA April-June 2020

## SAGA - SOUTH AFRICA, SUB-SAHARAN AFRICA AND GLOBAL ACCESS

- Overall South Africa business continued strong momentum to deliver growth of 17% on a YoY basis in local currency for the quarter
- Private business grew by 24% YoY and tender business grew by 6% YoY in local currency terms for the quarter

### Market Performance<sup>1</sup>:

- Private business grew by 6.6% while market declined by 1.2%; continued to be the 3<sup>rd</sup> largest pharmaceutical corporation (Rx + OTC) within the SA private market with 7.2% market share
- OTC market share stood at 7.7%; maintained 3<sup>rd</sup> overall and 1<sup>st</sup> in addressable market; grew at 9.3% while market declined by 0.5%

1. Market data as per IQVIA MAT Jun'20

## NORTH AMERICA

### Pipeline Update:

- **Respiratory unlocking:** Generic Albuterol launched and gaining significant market share in Proventil HFA market
- Litigation settlement with Amgen on Cinacalcet
- **Complex and differentiated pipeline momentum:**
  - Launched dihydroergotamine mesylate nasal spray with 180 day of CGT exclusivity
  - Launch of Icatibant injectable pre-filled syringe

### US Specialty:

- **CNS Out-licensing:** Actively exploring partnerships for the other CNS asset
- Working with USFDA on IV Tramadol NDA on goal date

## EUROPE, EMERGING MARKETS & API

- The European operations reported 9% growth on a YoY basis led by strong performance in key DTM markets.
- The emerging market business grew ~50% on a YoY basis driven by strong demand and base effect from last year; adjusted growth for the quarter is 10% YoY
- The API business grew at 11% adjusted for one-time order in Q1FY20

## CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q1FY21	Q1FY20	Y-o-Y Growth	Q4FY20	Q-o-Q Growth
<b>Total Revenue from Operations</b>	<b>4,346</b>	<b>3,989</b>	9%	<b>4,376</b>	-1%
<b>EBITDA</b>	<b>1,049</b>	<b>905</b>	16%	<b>652</b>	61%
% of Income from Operations	24.1%	22.7%	145bps	14.9%	923bps
<b>PAT</b>	<b>578</b>	<b>478</b>	21%	<b>246</b>	135%
% of Income from Operations	13.3%	12.0%	131bps	5.6%	768bps

## BUSINESS-WISE SALES PERFORMANCE<sup>§</sup>

Business (In INR Cr.)	Q1FY21	Q1FY20	Y-o-Y Growth	Q4FY20	Q-o-Q Growth
<b>India (Rx + Gx + CHL)</b>	<b>1,608</b>	<b>1,388</b>	<b>16%</b>	<b>1,730</b>	<b>-7%</b>
<b>North America</b>	<b>1,021</b>	<b>1,119</b>	<b>-9%</b>	<b>856</b>	<b>19%</b>
<b>SAGA<sup>#</sup></b>	<b>763</b>	<b>691</b>	<b>10%</b>	<b>825</b>	<b>-8%</b>
<b>South Africa<sup>^</sup></b>	<b>548</b>	<b>532</b>	<b>3%</b>	<b>532</b>	<b>3%</b>
<b>Emerging Markets</b>	<b>457</b>	<b>279</b>	<b>64%</b>	<b>415</b>	<b>10%</b>
<b>Europe</b>	<b>240</b>	<b>201</b>	<b>19%</b>	<b>232</b>	<b>3%</b>
<b>API</b>	<b>184</b>	<b>182</b>	<b>1%</b>	<b>247</b>	<b>-25%</b>
<b>Others<sup>*</sup></b>	<b>73</b>	<b>128</b>	<b>-43%</b>	<b>71</b>	<b>2%</b>
<b>Total</b>	<b>4,346</b>	<b>3,989</b>	<b>9%</b>	<b>4,376</b>	<b>-1%</b>

<sup>§</sup> Financials are rounded-off | <sup>#</sup> Includes South Africa, Sub-Saharan and Cipla Global Access business, excludes SA Animal Health |

<sup>^</sup> Excluding SA Animal Health | <sup>\*</sup> Includes CNV business and other elements of Revenue | CHL – Cipla Health limited

## BALANCE SHEET:

Key Balance Sheet Items (In INR Cr.)	June-20	Mar-20
<b>Equity</b>	<b>16,698</b>	<b>16,057</b>
<b>Total Debt</b>	<b>3,206</b>	<b>2,816</b>
<b>Inventory</b>	<b>4,603</b>	<b>4,378</b>
<b>Cash and Cash Equivalents<sup>*</sup></b>	<b>3,256</b>	<b>2,009</b>
<b>Trade Receivables</b>	<b>3,552</b>	<b>3,891</b>
<b>Net Tangible Assets</b>	<b>5,566</b>	<b>5,673</b>
<b>Goodwill &amp; Intangibles</b>	<b>4,808</b>	<b>4,834</b>

<sup>\*</sup> Includes current investment and excluding unclaimed dividend balances

## EARNINGS CONFERENCE CALL

The Company will host an Earnings conference call at 1900 hrs IST (2130 hrs SST/HKT, 1430 hrs BST, 0930 hrs US ET), during which the leadership team will discuss the financial performance and take questions. A transcript of the conference call will be available at [www.cipla.com](http://www.cipla.com).

<b>Earnings Conference Call Dial-in Information Date and Time</b>	<b>August 7, 2020 at</b> 1900 – 2000 hrs IST 2130 – 2230 hrs SST/HKT 1430 – 1530 hrs BST 0930 – 1030 hrs US ET
<b>Dial-in Numbers</b>	
Universal Access	Primary Access: (+91 22 6280 1214)   (+91 22 7115 8115)
Diamond pass link	Click <a href="#">here</a> to register
Local Access	Available all over India: <b>(+91 7045671221)</b>
Toll-free Number	USA: <b>+ 1 3233868721</b> UK: <b>+ 44 2034785524</b> Hong Kong: <b>+ 852 30186877</b> Singapore: <b>+ 65 31575746</b>

### Playback of Earnings Conference Call audio:

Playback of the earnings call will be available after the end of the call on the following number:

	<b>Phone number</b>	<b>Access code</b>	<b>Replay Dates</b>
Local Toll	India (+91 22 71945757) India (+91 22 66635757)	25472#	August 7, 2020, to August 13, 2020

## ABOUT CIPLA LTD

Established in 1935, Cipla is a global pharmaceutical company focused on agile and sustainable growth, complex generics, and deepening portfolio in our home markets of India, South Africa, North America, and key regulated and emerging markets. Our strengths in the respiratory, anti-retroviral, urology, cardiology, anti-infective and CNS segments are well-known. Our 46 manufacturing sites around the world produce 50+ dosage forms and 1,500+ products using cutting-edge technology platforms to cater to our 80+ markets. Cipla is ranked 3<sup>rd</sup> largest in pharma in India (IQVIA MAT Jun'20), 3<sup>rd</sup> largest in the pharma private market in South Africa (IQVIA MAT Jun'20), and is among the most dispensed generic players in the U.S. For over eight decades, making a difference to patients has inspired every aspect of Cipla's work. Our paradigm-changing offer of a triple anti-retroviral therapy in HIV/AIDS at less than a dollar a day in Africa in 2001 is widely acknowledged as having contributed to bringing inclusiveness, accessibility and affordability to the centre of the HIV movement. A responsible corporate citizen, Cipla's humanitarian approach to healthcare in pursuit of its purpose of 'Caring for Life' and deep-rooted community links wherever it is present make it a partner of choice to global health bodies, peers and all stakeholders. For more, please visit [www.cipla.com](http://www.cipla.com), or click on [Twitter](#), [Facebook](#), [LinkedIn](#).

**Disclaimer:** Except for the historical information contained herein, statements in this presentation and the subsequent discussions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties including the impact of Covid-19 and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, fluctuation in earnings, foreign exchange rates, our ability to manage international operations and exports, our exposure to market risks as well as other risks.