

**Cipla announces Q2 FY21 results**  
**Continued momentum across businesses and sustained cost focus drive EBITDA margin over 23%**

Income from Operations	EBITDA	PAT
<b>INR 5,038 Cr</b> ↑ <b>15% YoY</b>	<b>INR 1,177 Cr   23.4%<sup>1</sup></b> ↑ <b>29% YoY</b>	<b>INR 665 Cr   13.2%<sup>1</sup></b> ↑ <b>41% YoY</b>

1. as a % of revenue

**Mumbai, November 6, 2020:** Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for quarter ended September 30<sup>th</sup>, 2020.

**Key highlights of the quarter**

- **India:** India business grew by 17% YoY with strong growth across the three businesses; continued servicing of patients with Covid-19 portfolio
- **South Africa:** Continued momentum across private and tender businesses drives growth of 14% on a YoY basis in local currency; private and OTC business continues to outpace the market
- **US business:** Reported USD 141Mn led by continued traction in new launches
- **Quality Focus:** Working with USFDA to comprehensively address observations received in Goa
- Continued **net cash** position led by strong cost and collections governance

*"Pleased to see yet another quarter of strong performance across our businesses with overall revenues growing 15% on YoY basis. The performance reflects strong demand backed by resilient operations management. The quarter also saw sustained focus on cost optimization which helped deliver an EBITDA margin of over 23%. We continued to deliver on our promise of Caring for Life by being at the forefront in combatting COVID-19 through a spectrum of offerings, which also helped us deliver market beating performance in India. Our businesses in South Africa, US and other international markets maintained the growth momentum with strong traction in the base business and new launches. In line with our aspiration of being global lung leaders, we will continue our investment towards expanding our global respiratory franchise"*

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

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## INDIA

- The **prescription business** grew **14%** YoY basis supported by continued traction in the Covid portfolio, chronic therapies and modest recovery in the hospital portfolio which offset subdued demand in the acute business
- **Trade generics business** continued its healthy growth on strong demand and high order flow across all regions
- **Consumer health business:** strong demand in consumer brands post transfer from trade generics business

Therapy	Market rank	Market share	Cipla growth	Market growth
<b>Overall Chronic</b>	<b>2</b>	<b>7.6%</b>	<b>9%</b>	<b>9%</b>
Respiratory	1	27.7%	29%	-3%
Inhalation	1	70.3%	10%	7%
Urology	1	14.9%	6%	3%
Cardiology	4	5.5%	13%	15%

Source: IQVIA July-September 2020

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

- Overall South Africa business continued strong momentum to deliver growth of 14% on a YoY basis in local currency for the quarter; new launches significant driver
- Private business grew by 9% YoY and tender business grew by 28% YoY in local currency terms for the quarter

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

- 3<sup>rd</sup> largest pharmaceutical corporation in SA private market with 7.0% market share
- OTC market share stood at 7.2%; maintained 3<sup>rd</sup> rank overall and 1<sup>st</sup> in addressable market; grew at 8.2% while market grew at 2.6%
- Exclusive partnership with Alvotech for commercialisation of 5 biosimilar candidates in immunology and oncology space

1. Market data as per IQVIA MAT September'20

## NORTH AMERICA

- Continued traction in new launches namely Albuterol, Esomeprazole oral suspension and DHE Nasal Spray supporting the base business; Launched dimethyl fumarate DR capsules
- Growth across government and institutional channel driven by portfolio expansion
- US business profitability trending close to company level in H1FY21

## EUROPE, EMERGING MARKETS & API

- The European operations reported 24% growth on a YoY basis in USD terms led by strong performance in key DTM markets.
- The emerging market business maintained scale in USD terms with continued growth across all regions; Remdesivir supplies commenced in multiple emerging markets
- The API business grew at 15% driven by strong sales momentum and orderbook

## CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q2FY21	Q2FY20	Y-o-Y Growth	Q1FY21	Q-o-Q Growth
<b>Total Revenue from Operations</b>	<b>5,038</b>	<b>4,396</b>	15%	<b>4,346</b>	16%
<b>EBITDA</b>	<b>1,177</b>	<b>909</b>	29%	<b>1,049</b>	12%
% of Income from Operations	23.4%	20.7%	266bps	24.1%	-78bps
<b>PAT</b>	<b>665</b>	<b>471</b>	41%	<b>578</b>	15%
% of Income from Operations	13.2%	10.7%	248 bps	13.3%	-9bps

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

Business (In INR Cr.)	Q2FY21	Q2FY20	Y-o-Y Growth	Q1FY21	Q-o-Q Growth
<b>India (Rx + Gx + CHL)</b>	<b>2,090</b>	<b>1,789</b>	17%	<b>1,608</b>	30%
<b>North America</b>	<b>1,049</b>	<b>953</b>	10%	<b>1,021</b>	3%
<b>SAGA<sup>#</sup></b>	<b>924</b>	<b>740</b>	25%	<b>763</b>	21%
<b>South Africa<sup>^</sup></b>	<b>569</b>	<b>546</b>	4%	<b>548</b>	4%
<b>Emerging Markets</b>	<b>474</b>	<b>451</b>	5%	<b>457</b>	4%
<b>Europe</b>	<b>247</b>	<b>190</b>	30%	<b>240</b>	3%
<b>API</b>	<b>189</b>	<b>157</b>	20%	<b>184</b>	2%
<b>Others<sup>*</sup></b>	<b>66</b>	<b>116</b>	-43%	<b>73</b>	-10%
<b>Total</b>	<b>5,038</b>	<b>4,396</b>	15%	<b>4,346</b>	16%

<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.)	September-20	June-20
<b>Equity</b>	<b>17,335</b>	<b>16,698</b>
<b>Total Debt</b>	<b>3,169</b>	<b>3,206</b>
<b>Inventory</b>	<b>4,950</b>	<b>4,603</b>
<b>Cash and Cash Equivalents<sup>*</sup></b>	<b>3,623</b>	<b>3,256</b>
<b>Trade Receivables</b>	<b>3,694</b>	<b>3,552</b>
<b>Net Tangible Assets</b>	<b>5,457</b>	<b>5,566</b>
<b>Goodwill &amp; Intangibles</b>	<b>4,756</b>	<b>4,808</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>November 6, 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)	44443#	November 6, 2020, to November 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 September Jun'20), 3<sup>rd</sup> largest in the pharma private market in South Africa (IQVIA MAT September'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.