

The image features a background split diagonally. The left side shows a close-up of two hands clasped together, with one hand wearing a grey ribbed sweater cuff. The right side is a solid blue field with a white molecular or hexagonal network pattern. The Cipla logo is positioned in the top right corner.

**Cipla**

# Investor Presentation

Q3FY21

29-1-2021

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# In Q3, we continued our efforts globally in combating Covid-19 and delivering on our promise of 'Caring for life'

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## Patients

- ❖ **2 lac+** severe COVID patients served during the quarter; **4 lac+** during the pandemic



## Physicians

- ❖ **600+** virtual conferences & webinars engaging **75k+** physicians
- ❖ **Teleconsultation support** to physicians
- ❖ Developing knowledge building in partnership with leading universities for physicians



## Employees

- ❖ **Hybrid return to office approach** with stringent safety protocols; option to **work from home**

## Comprehensive Covid-19 portfolio for diagnosis and treatment



**Cipremi®**  
Remdesivir



**Ciplenza®**  
Favipiravir



**Actemra®**  
Tocilizumab



**CIPHANDS®**  
Sanitizer range



**ELIFast®**  
COVID-19 antibody detection for India



**CIPtest®**  
Rapid Antigen Detection Test for Covid-19 diagnosis



**Covi-G®**  
COVID-19 rapid antibody detection for EMEU



# We commissioned the largest open access solar power plant under group captive scheme in Maharashtra

**Cipla**



## **Largest open access solar power plant in the state**

- ❖ 30 MW solar group captive project in Tuljapur, Maharashtra spread across an area of 11 acres
- ❖ Project in partnership with AMP Solar Power System Ltd.



## **Securing green energy requirements for manufacturing units**

- ❖ Renewable power for Kurkumbh and Patalganga units
- ❖ ~35,000 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) emissions avoided over 25 years of project life



## **Growing solar energy portfolio**

- ❖ 48MW added through various initiatives since FY19
- ❖ 4 manufacturing units now on renewable power



## **Continued commitment to 2025 sustainability goals**

- ❖ By 2025, Cipla plans to achieve carbon and water neutrality, zerowaste to landfill, anti-microbial resistance stewardship and green chemistry



**Relentless commitment towards contributing to a greener environment by promoting the use of cleaner and renewable sources of energy**

## Strong demand, sustained cost optimization and operational excellence drives Q3 performance

### Overall Revenue



**↑ 18%** (YoY Growth)

Solid performance across geographies

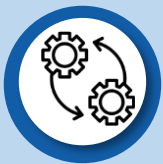
### Overall EBITDA<sup>1</sup>



**EBITDA Margin 24.8%**  
Q3FY21

**↑ 69%** (YoY Growth)  
**Sustained Cost Optimization**

### One India strategy progressing well



**Overall revenue ↑ 22%**  
(YoY Growth)

**6<sup>th</sup>** Consecutive quarter of double-digit growth in **prescription business**

### Solid traction in top consumer brands

(YoY Growth)  
**↑ 15%** Nicotex **↑ 58%** Cofsils **#1 in pain relief** Omnigel

### South Africa performance in-line



**Overall SAGA ↑ 6%**  
(YoY growth in \$ Terms)

**Fastest** growing amongst top 5 corporations in **South Africa private market**

**SSA ↑ 15%** (YoY growth in \$ Terms)  
**CGA ↑ 63%**

### North America continues to scale-up



**US\$141Mn** Q3FY21 Revenues **↑ 6%**  
(YoY Growth)

Continued traction in Albuterol and new launches

**gRevlimid settlement** strengthens complex generic pipeline

### EMEU



**Emerging markets ↑ 46%**  
**Europe ↑ 28%**  
(YoY growth in \$ Terms)

### API



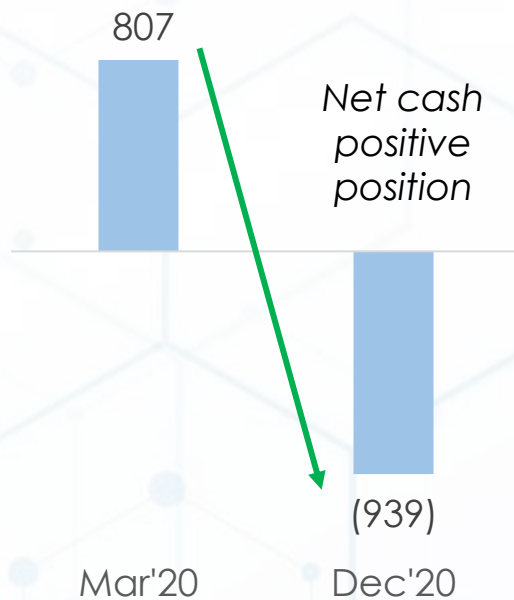
**↑ 18%**  
(YoY growth in \$ Terms)

1. Includes one-time income from Lenalidomide settlement with Celgene

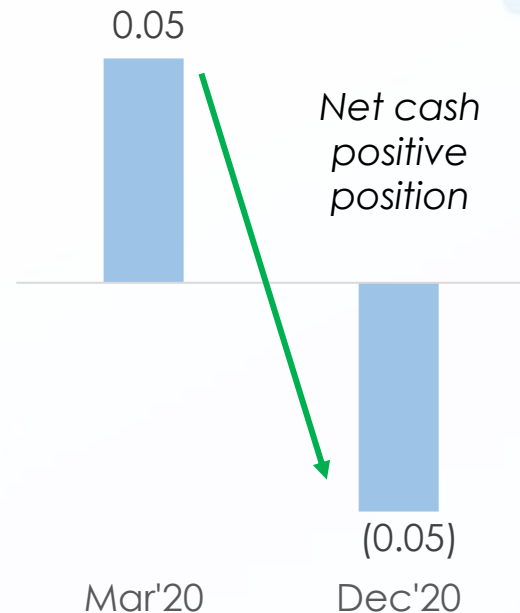
# Strong balance sheet and robust free cash flow generation

# Cipla

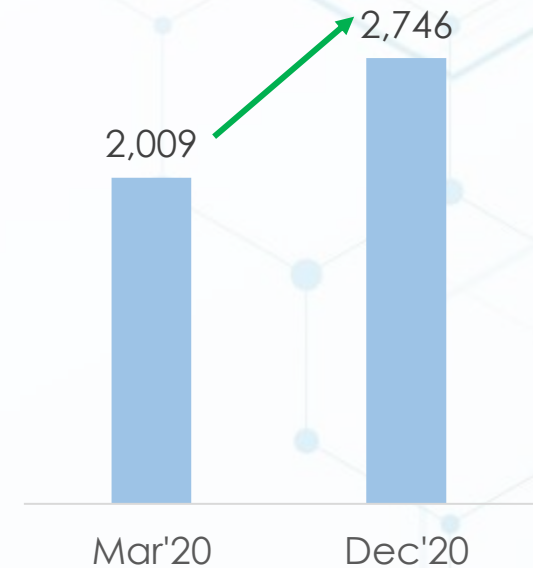
## Net Debt (INR Cr)



## Net Debt / Equity



## Cash Balances<sup>1</sup> (INR Cr)



- Continued governance on cash and liquidity management
- Focused efforts on working capital management and robust free cash flow generation
- \$137Mn invagen loan repaid **1 year ahead of schedule**; INR 300 cr working capital loan in India repaid during the quarter
- **Net cash positive position** continues at December-20 end reflects strong balance sheet strength

1. included cash and cash equivalents and current investments

## Revenues

INR 5,169 Cr

↑ 18% YoY

### Q3 FY21 (Consolidated)

	Actuals (Rs Cr)	vs Q3 FY 20
Total Revenue from Operations	5,169	18%
EBITDA <sup>2</sup>	1,281	69%
EBITDA % of revenue	24.8%	744 bps
PAT	748	113%
PAT % of revenue	14.5%	644 bps

## R&D

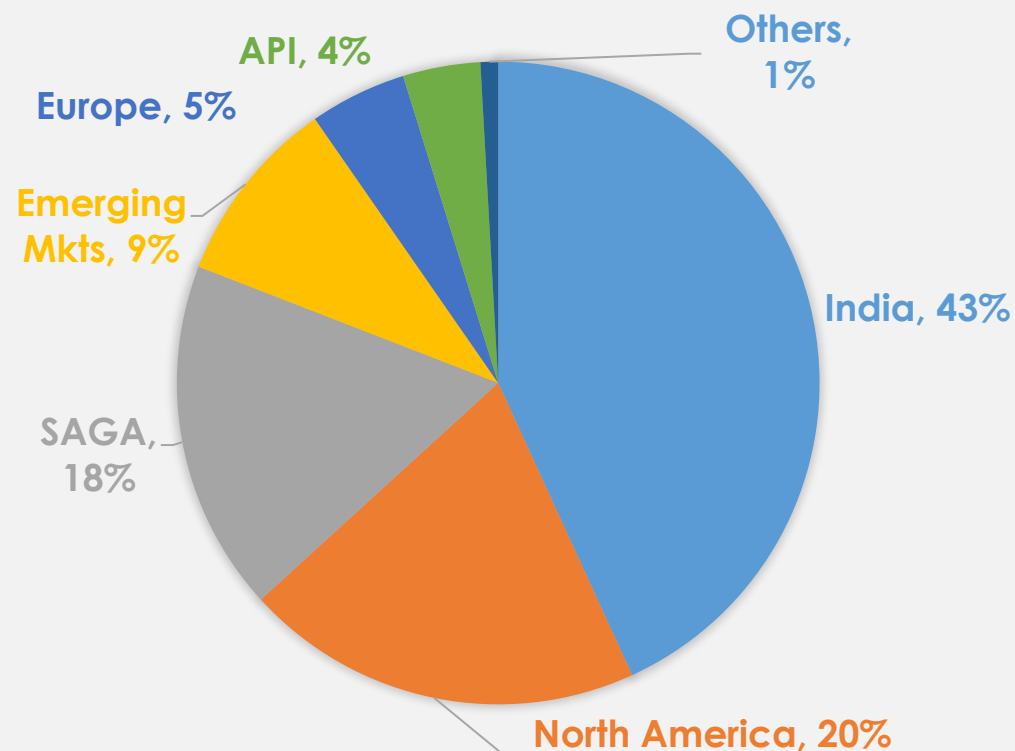
INR 221 Cr

Focused R&D investments

## EBITDA<sup>2</sup>

INR 1,281 Cr | 24.8% ↑ 69% YoY

### Revenue<sup>1</sup> Break-up





## One India (Rx + Gx+ CHL<sup>1</sup>): Consistent execution driving growth across businesses in India

### Key Business Highlights



#### Prescription business

- ❖ Growth led by covid-19 portfolio, healthy traction in respiratory and chronic therapies, recovery in hospital and acute businesses with opening-up of OPDs

**↑ 25%**  
(YoY growth)

Therapy <sup>2</sup>	Market Rank	Market share	Cipla Growth	Market growth
Overall Chronic	2	8.1%	6%	10%
Respiratory	1	25.4%	14%	-4%
Urology	1	14.4%	8%	7%
Cardiac	5	5.2%	9%	15%
Derma	11	2.7%	15%	8%



#### Trade generics business:

- ❖ **7% YoY growth** adjusted for brands transitioned to consumer health business.
- ❖ Healthy seasonal demand across regions



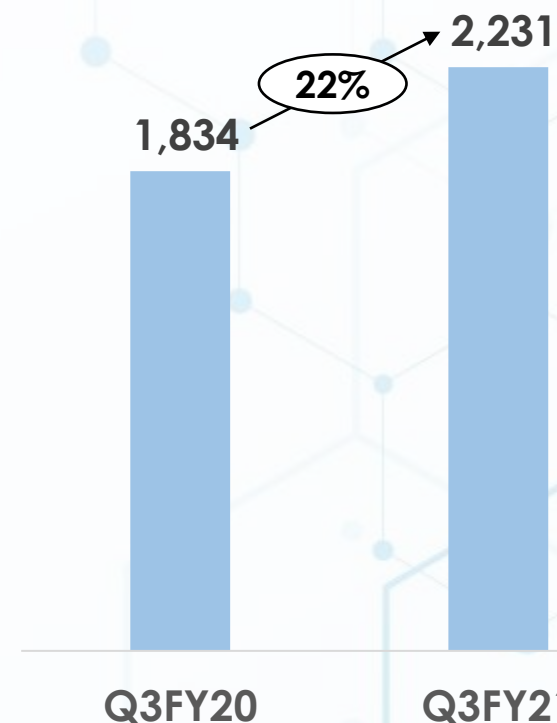
#### Consumer health business:

- ❖ Strong demand for organic products and continued traction in our consumer brands post transfer from trade generics business

**INR 250 Cr+**  
(9MFY21 revenue)

### One India Q3 Y-o-Y

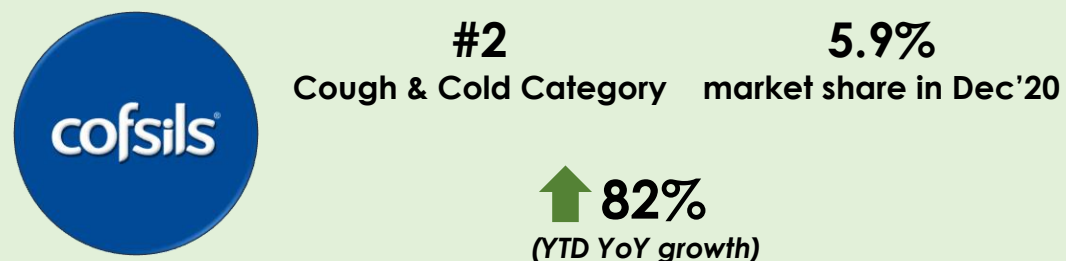
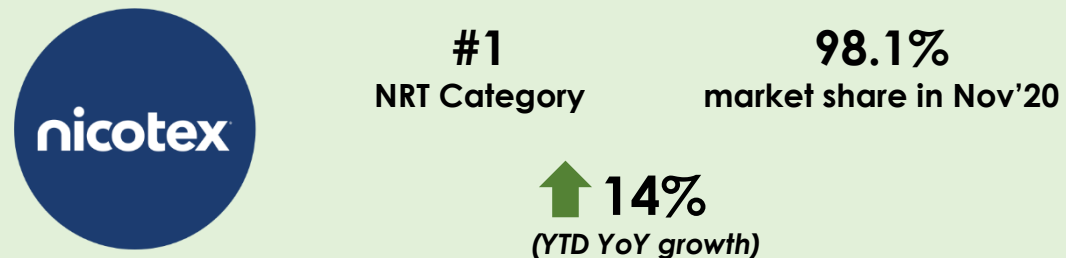
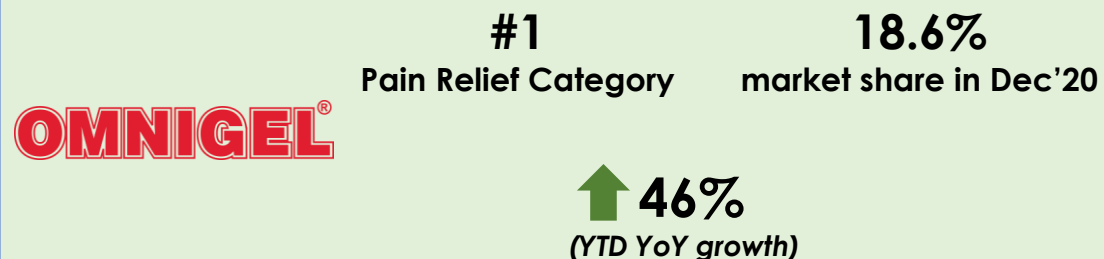
Rs. Cr



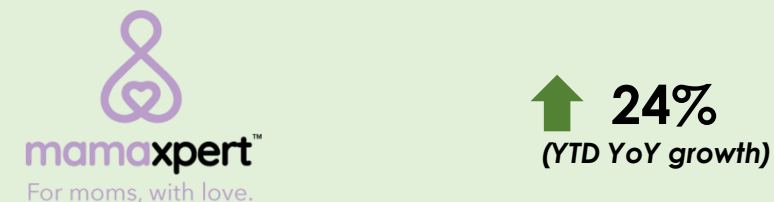


## Solid traction across top consumer brands

### Anchor consumer brands



### Emerging consumer brands



## SAGA<sup>1</sup>: South Africa, Sub-Saharan Africa and Cipla Global Access

### Key Business Highlights



#### South Africa

❖ Overall business in-line with last year for the quarter in ZAR terms

#### Private market

↑ **11%**  
(9MFY21 YoY growth in ZAR Terms)

#### Tender market

↑ **8%**  
(9MFY21 YoY growth in ZAR Terms)

Market Segment <sup>2</sup>	Market Rank	Market share	Cipla Growth	Market growth
South Africa private	3	7.1%	2.4%	-2.0%
South Africa OTC	3	7.2%	6.4%	3.3%



**Continued expansion of product portfolio:** Strategic partnership with Alvogen for 4 oncology products

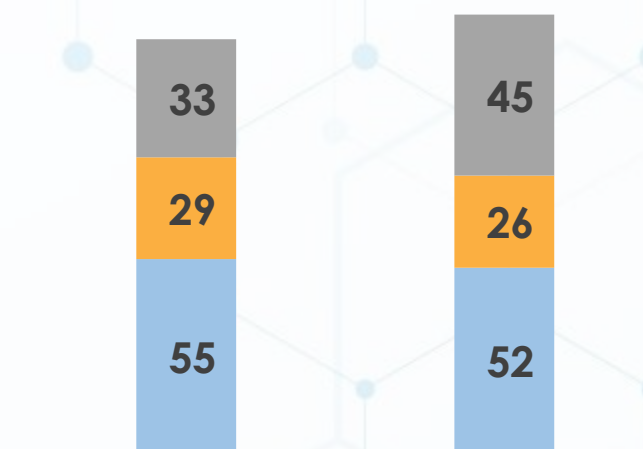


#### Sub-Saharan Africa (SSA) & Cipla Global Access (CGA)

- ❖ **SSA:** 15% YoY growth in \$ terms on strong commercial execution
- ❖ **CGA:** 63% YoY growth in \$ terms on higher order delivery in the quarter

### Q3 Y-o-Y

\$ Mn



Q3FY20

Q3FY21

South Africa Private  
South Africa Tender

Others (SSA & CGA)

## North America: Momentum continues driven by traction in new launches

### Key Business Highlights



#### US Generics ramp-up continues

- ❖ Continued expansion in market share for Albuterol and traction in other assets along with growth in the institutional channel
- ❖ In 9MFY21, the US business continues to deliver robust profitability
- ❖ US respiratory franchise **\$100Mn+** in 9MFY21

Albuterol HFA market <sup>1</sup> segment	TRx Market Rank	TRx Market share
gProventil	1	84.6%
Generic market (AG + Gx)	3	15.7%
Total market (Brand + AG + Gx)	3	12.3%

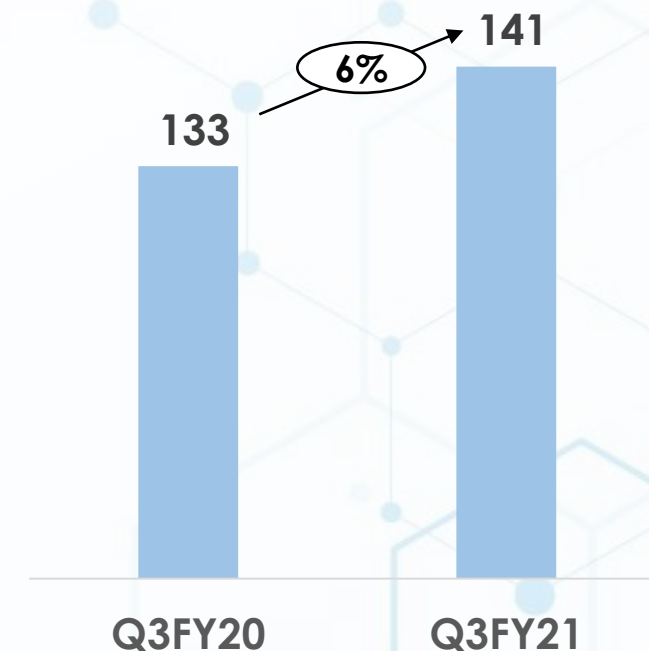


#### Pipeline update

- ❖ **gAdvair** is under active review; continuous engagement with agency
- ❖ **2 inhalation assets** to move into clinical trials shortly
- ❖ **gRevlimid** settlement **improves earnings visibility** and **enhances complex product portfolio**

### Q3 Y-o-Y

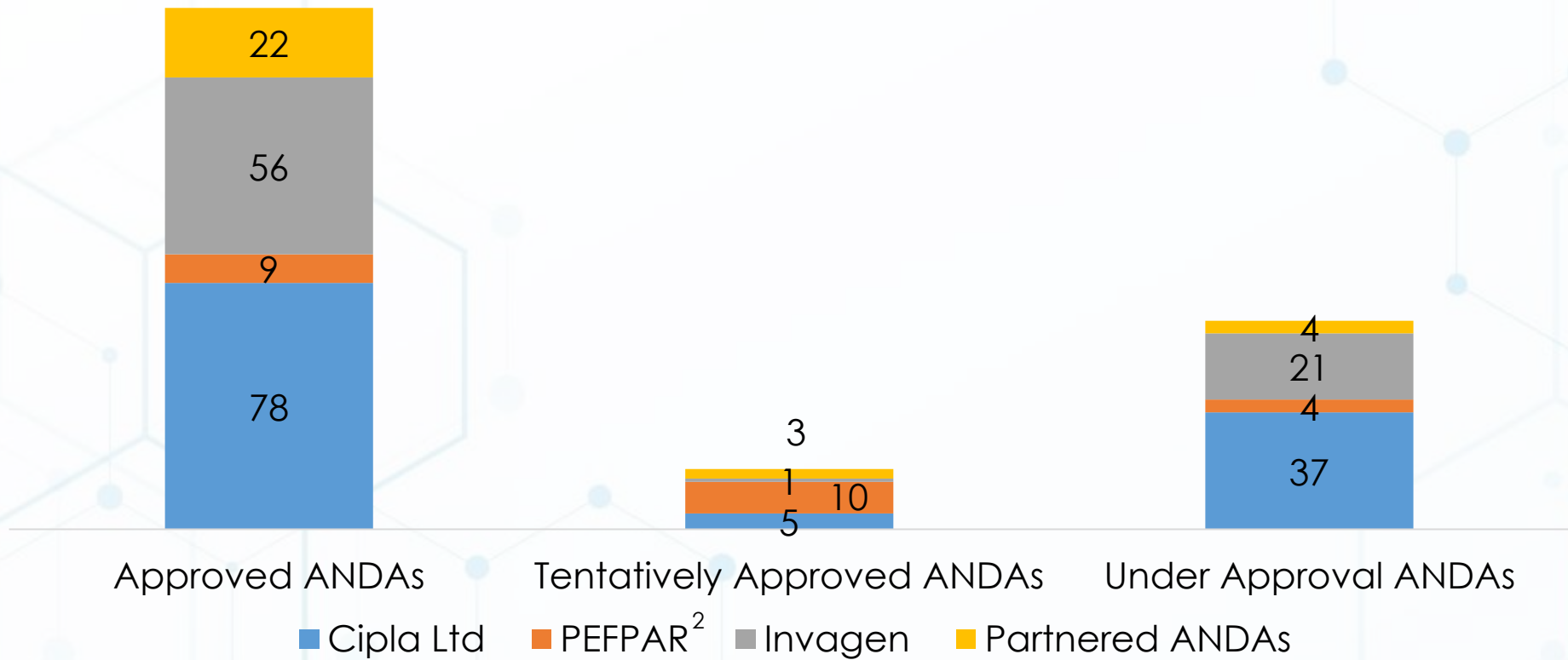
\$ Mn



# ANDA<sup>1</sup> Portfolio & Pipeline (As on 31<sup>st</sup> December 2020)



Total ANDAs	165	+	19	+	66	=	250
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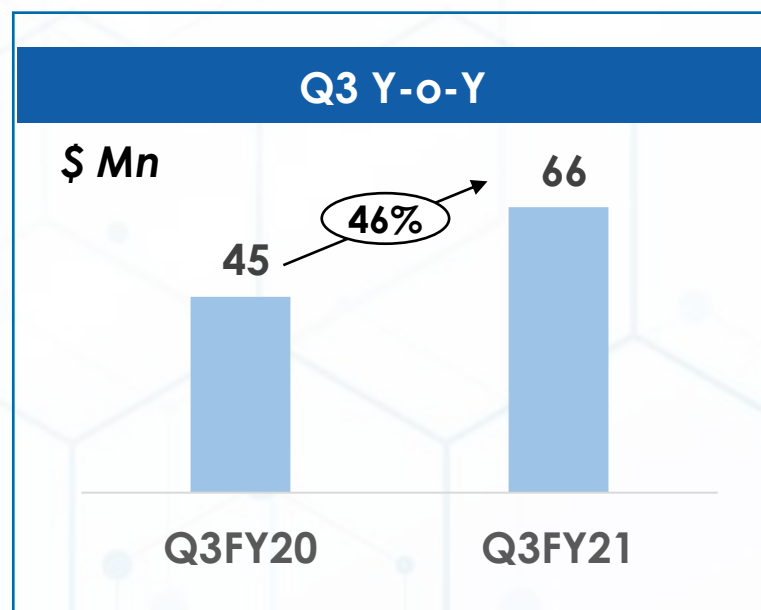


1 Does not include Vet product ANDAs

2 PEPFAR approved ANDAs can be commercialised in US



### Emerging Markets

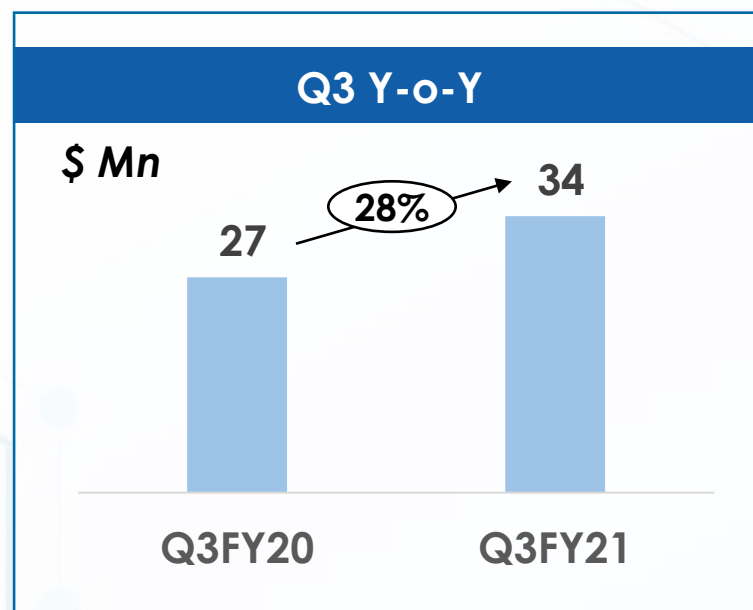


### Key Business Highlights



- ❖ Continued demand across all regions
- ❖ #1 Indian exporter to emerging markets<sup>1</sup>

### Europe

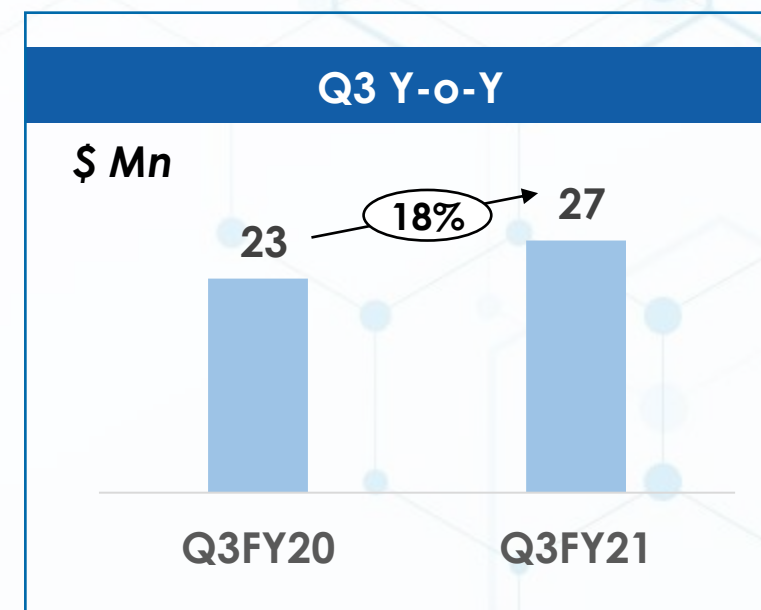


### Key Business Highlights



- ❖ Consistent in-market performance and market share gains in key DTMs<sup>2</sup>
- ❖ FPSM pMDI market share is ~20%<sup>3</sup> and Beclomethasone 12.8%<sup>3</sup> in UK

### API



### Key Business Highlights



- ❖ Seamless execution of orderbook and well-entrenched customer relationships
- ❖ Continued traction with global seedings & lock-ins

## Our priorities include



**Maintain market beating growth** in large branded and unbranded generic franchises of India, South Africa and **augment consumer wellness franchise**



Expanding **lung leadership** globally and maximising value opportunity in **US complex generics by prioritizing key launches** with focused execution and collaborating with regulatory authorities



Scaling up businesses across branded and generic DTMs of Europe and Emerging markets through **execution on organic and partnered launches**



**Accelerating digital transformation** to capitalize opportunities and growth opportunities across markets



Focus on **regulatory compliance across manufacturing** locations and embrace **best-in class globally benchmarked ESG<sup>1</sup> practices**



**Sustained expansion in RoIC** over the long term



# Cipla

## Thank You

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