

Revised Release

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

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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 (tCO₂e) 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

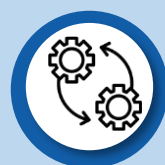
Overall EBITDA¹



EBITDA Margin 24.8%
Q3FY21

↑ 69% (YoY Growth)
Sustained Cost Optimization

One India strategy progressing well



Overall revenue ↑ 22%
(YoY Growth)

6th Consecutive quarter of double-digit growth in **prescription business**

Solid traction in top consumer brands

↑ 15%
Nicotex

↑ 58%
Cofsils

(YoY Growth)
#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



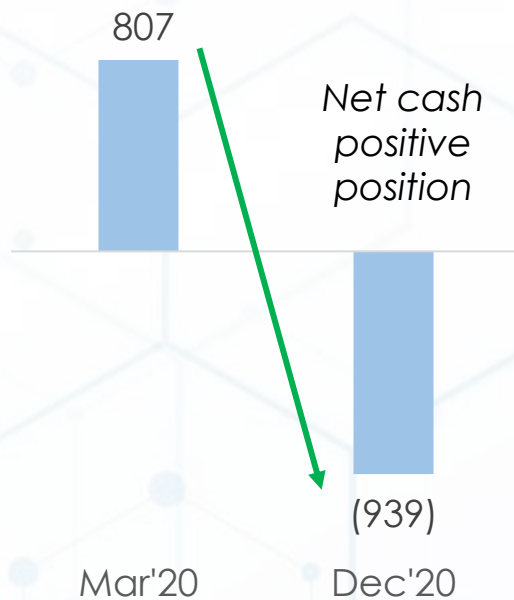
↑ 18%
(YoY growth in \$ Terms)

1. Includes one-time income from a litigation settlement

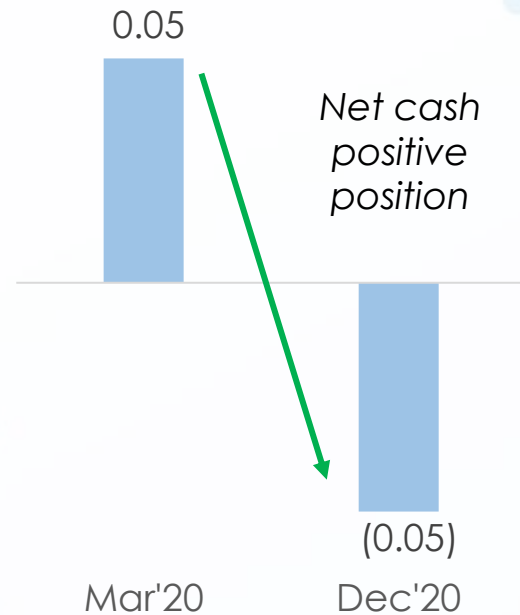
Strong balance sheet and robust free cash flow generation

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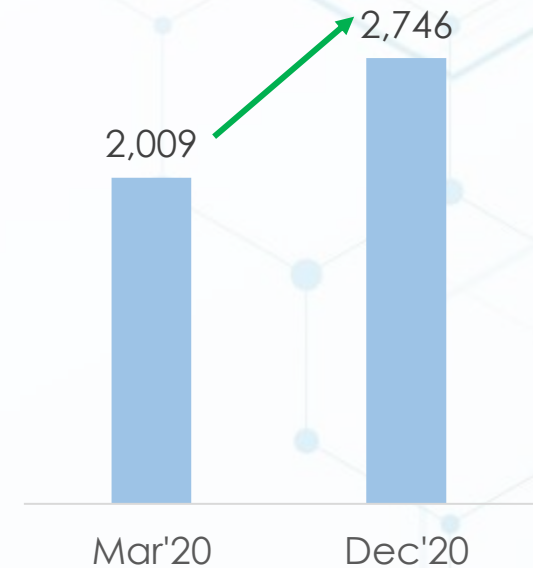
Net Debt (INR Cr)



Net Debt / Equity



Cash Balances¹ (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 ²	1,281	69%
EBITDA % of revenue	24.8%	744 bps
PAT	748	113%
PAT % of revenue	14.5%	644 bps

R&D

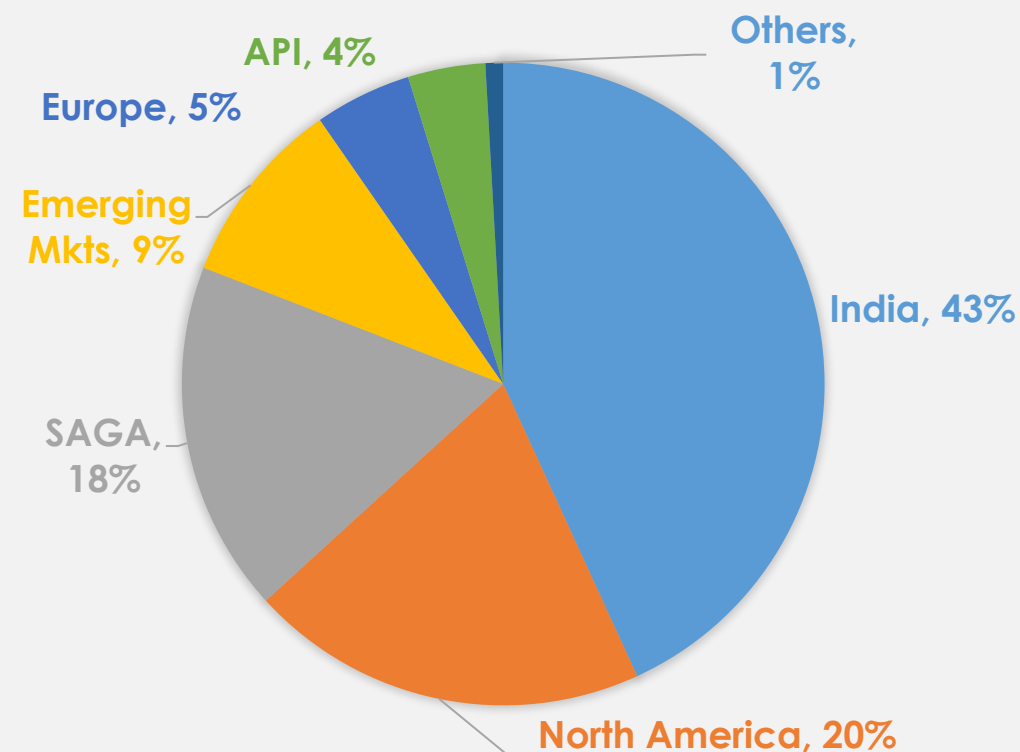
INR 221 Cr

Focused R&D investments

EBITDA²

INR 1,281 Cr | 24.8% ↑ 69% YoY

Revenue¹ Break-up



One India (Rx + Gx+ CHL¹): 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 ²	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



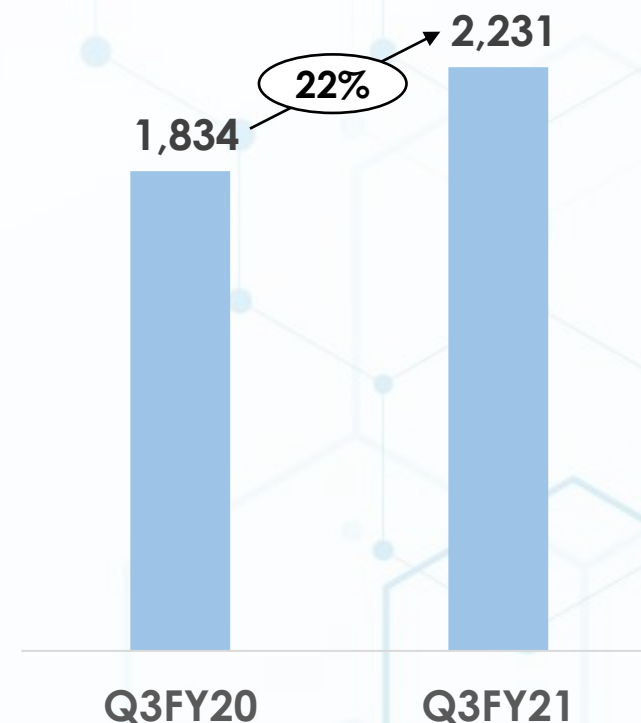
Consumer health business:

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

INR 250 Cr+
(9MFY21 revenue)

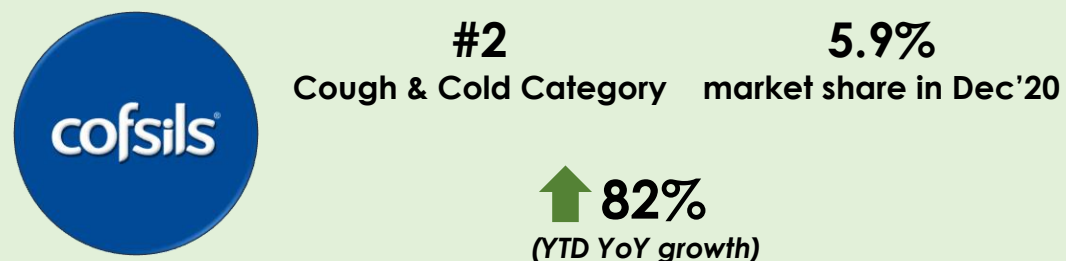
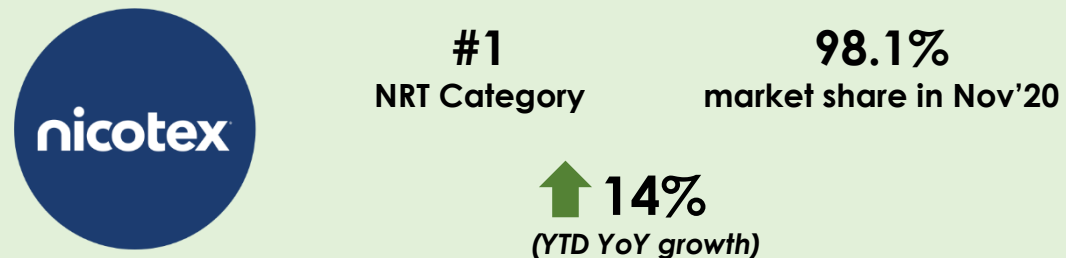
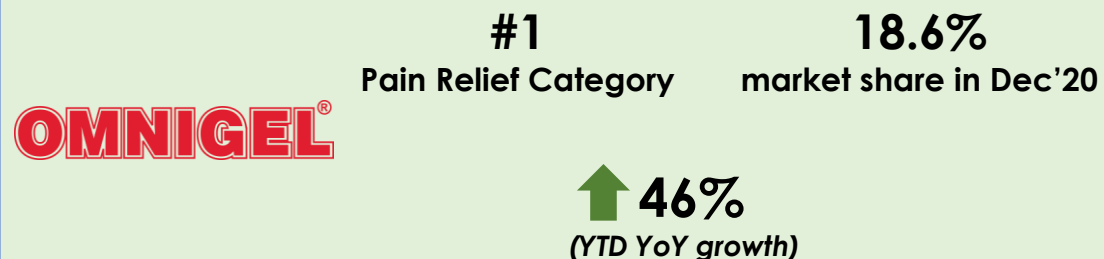
One India Q3 Y-o-Y

Rs. Cr

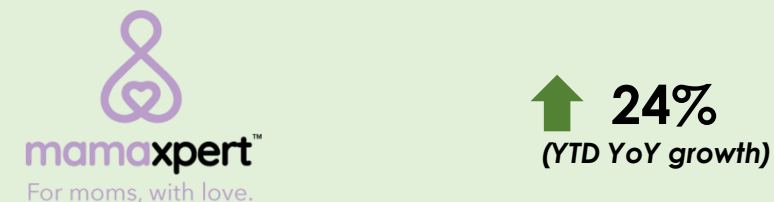


Solid traction across top consumer brands

Anchor consumer brands



Emerging consumer brands



SAGA¹: 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 ²	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

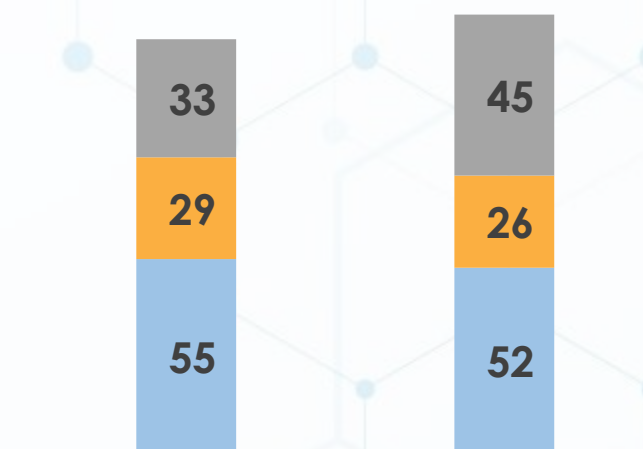


Sub-Saharan Africa (SSA) & Cipla Global Access (CGA)

- ❖ **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 ¹ 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%

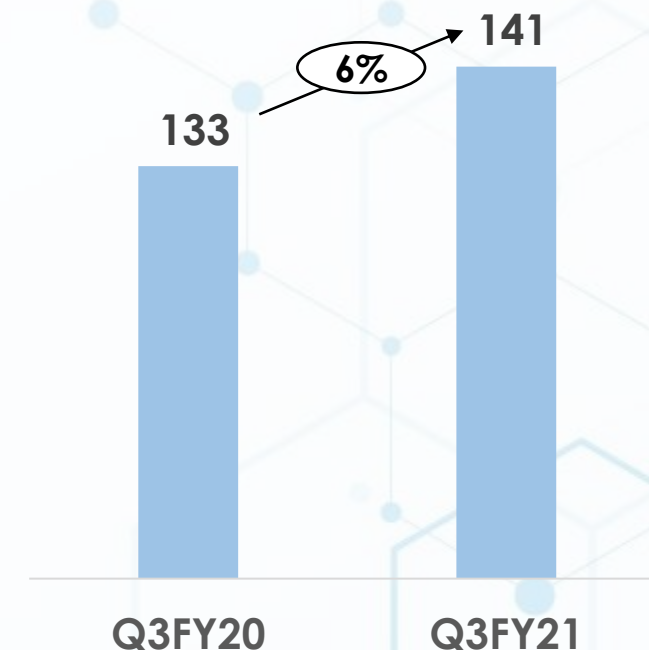


Pipeline update

- ❖ **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

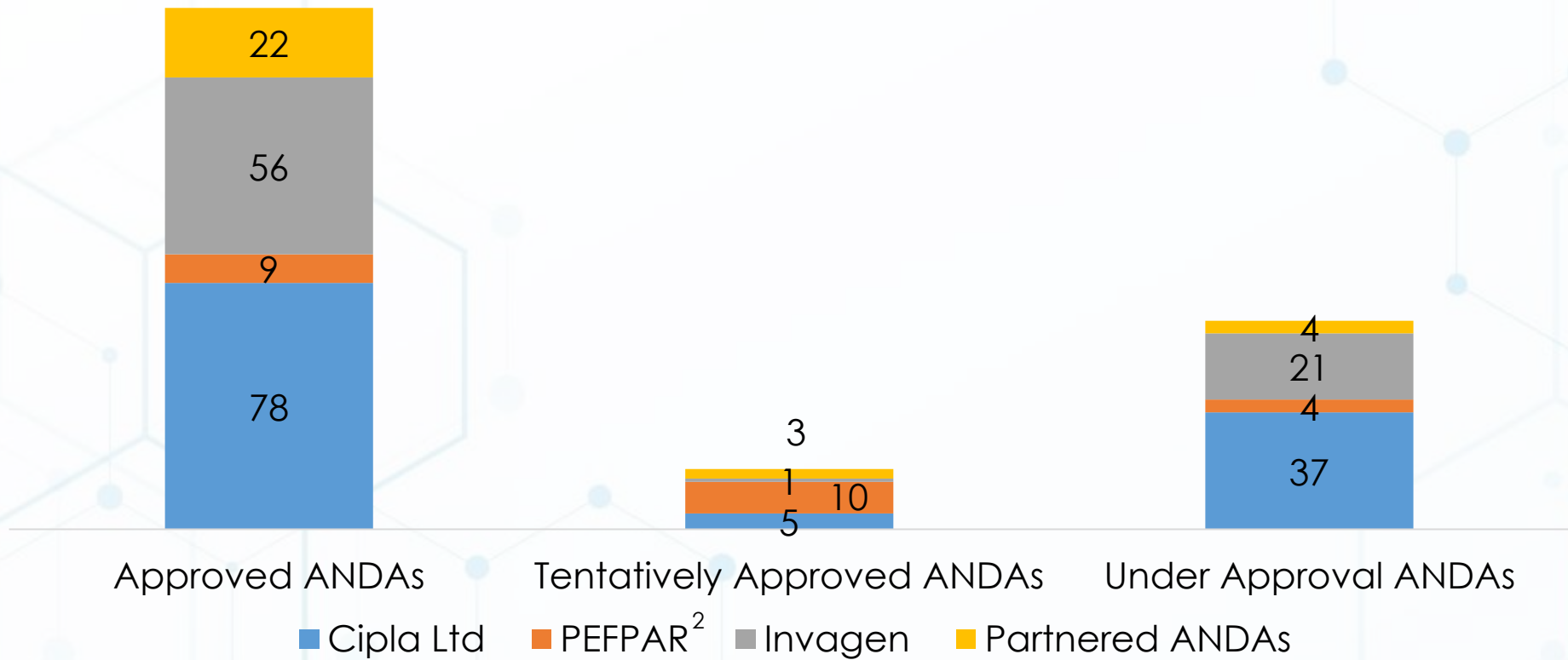
\$ Mn



ANDA¹ Portfolio & Pipeline (As on 31st December 2020)



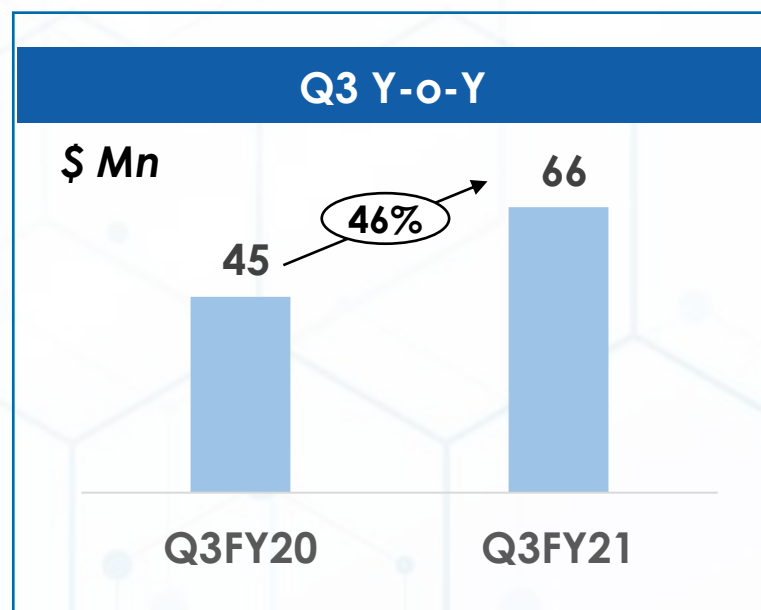
Total ANDAs	165	+	19	+	66	=	250
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1 Does not include Vet product ANDAs

2 PEPFAR approved ANDAs can be commercialised in US

Emerging Markets

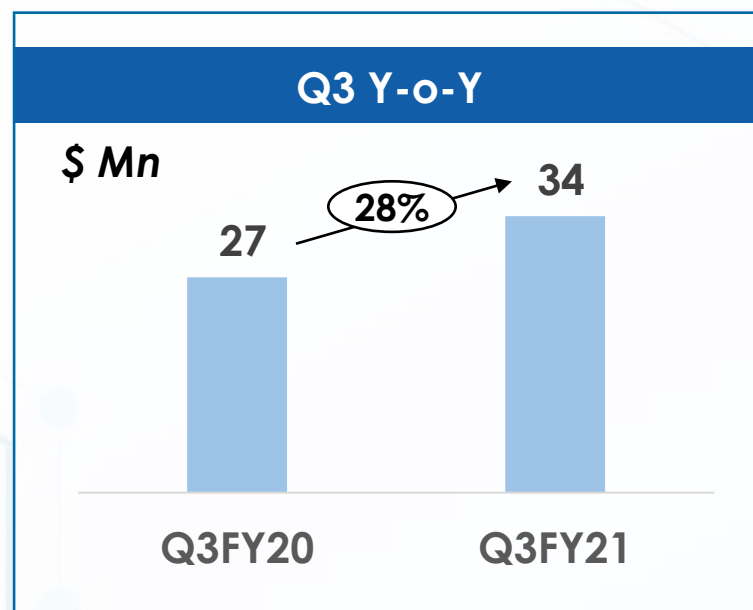


Key Business Highlights



- ❖ Continued demand across all regions
- ❖ #1 Indian exporter to emerging markets¹

Europe

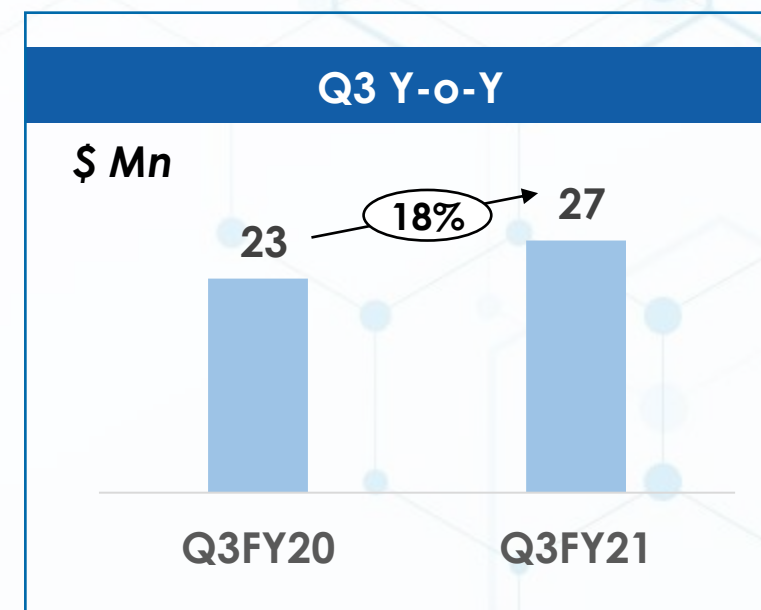


Key Business Highlights



- ❖ Consistent in-market performance and market share gains in key DTMs²
- ❖ FPSM pMDI market share is ~20%³ and Beclomethasone 12.8%³ 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 ESG¹ practices**



Sustained expansion in RoIC over the long term



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Thank You

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