

## Cipla announces Q1FY23 results

Growth momentum continues across core therapies & markets  
with expansion in base profitability

Income from Operations

**INR 5,375 Cr**

EBITDA Margin

**INR 1,143 Cr**  
**21.3%**

PAT Margin

**INR 686 Cr**  
**12.8%**

**Mumbai, July 29, 2022:** Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for quarter ended June 30<sup>th</sup>, 2022.

### Key highlights of the quarter

- **One-India:** Sustained momentum in core portfolio across branded prescription, trade generics and consumer health over last year; 9% YoY growth adjusted for covid portfolio
- **SAGA:** Muted growth in South Africa (SA) private primary sales with recovery expected in Q2; strong secondary demand with SA private outperforming market
- **US business:** Reported \$155Mn in revenue and 10% YoY growth; steady momentum in core formulation business led by contribution from respiratory and peptide assets
- **R&D investments** stands at INR 274 crores or 5.1 % of sales; Higher 4% YoY driven by on-going clinical trials on a respiratory asset and other developmental efforts

*"I am pleased to see the sustained momentum across our key segments with strong secondary growth across geographies. The core portfolio momentum in One-India business continues to be robust driven by strong demand levers. Our US run rate continues to witness consistent traction in respiratory, complex generics and peptide portfolio. We are closely tracking upcoming complex launches in H2FY23. Our reported operating profitability of 21.3% is well within our full year guidance of 21-22% range and has grown double digit vs last year base EBITDA despite multiple cost headwinds. Our cost rigor and calibrated pricing actions have helped offset inflationary cost elements, insulate margins while maintaining high serviceability."*

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

### For Queries Contact:

**Corporate Communications**  
Heena Kanal  
CorpComm@cipla.com

**Investor Relations**  
Naveen Bansal  
Investor.Relations@cipla.com

**Cipla Ltd.**  
Cipla House,  
Peninsula Business Park,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai-400013

## ONE-INDIA

- ❖ **One India business** continued core portfolio momentum across businesses adjusted for normalisation in covid contribution
  - **Branded prescription business:** Sustained momentum across therapies in core portfolio driven by pricing & new introductions
  - **Trade generic business:** Healthy traction across our flagship brands with steady order flow across regions; Continued channel engagement and governance
  - **Consumer health:** Robust traction in anchor brands as well as transitioned brands; Sharp consumer insighting and strong on-ground execution

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

- ❖ The **SAGA region** Overall SAGA region declined by 10% on a YoY basis in USD terms
- ❖ **South Africa:** Muted growth in private primary sales with recovery expected in Q2FY23; traction in tender business
- ❖ In secondary terms, strong demand continues with South Africa private business continuing to outperform market

Market Segment	Market	Market share	Cipla Growth	Market Growth
South Africa prescription	3	7.7%	10%	6.4%
South Africa OTC	3	7.0%	11.6%	8.0%
South Africa overall	3	7.4%	10.6%	7%

Source: IQVIA MAT May 2022

- ❖ **SSA:** Traction driven by continued order flow across regions
- ❖ **CGA:** Performance in-line with expectations driven by strong order flow for TLD

## NORTH AMERICA

- ❖ Reported \$155Mn in revenue and 10% YoY growth
- ❖ Steady momentum in core formulation business led by contribution from respiratory and peptide assets amongst others

## INTERNATIONAL MARKETS (EMERGING MARKETS & EUROPE) & API

- ❖ **International Markets**
  - Strong DTM growth across geographies; offset by forex volatility in emerging markets and muted B2B demand in Europe
  - Steady double-digit growth in secondary terms during the quarter
- ❖ **API**
  - Performance attributed to higher Q1FY22 base due to one-time profit share on an API supply
  - Continued traction with global seedings & lock-ins

## CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q1FY23	Q1FY22	Y-o-Y Growth	Q4FY22	Q-o-Q Growth
<b>Total Revenue from Operations</b>	<b>5,375</b>	<b>5,504</b>	-2.3%	<b>5,260</b>	2.2%
<b>EBITDA</b>	<b>1,143</b>	<b>1,346</b>	-15%	<b>763<sup>1</sup></b>	49.9%
% of Income from Operations	21.3%	24.5%	-318bps	14.5%	678bps
<b>PAT</b>	<b>686</b>	<b>715<sup>2</sup></b>	-4.0%	<b>362<sup>2</sup></b>	89.6%
% of Income from Operations	12.8%	13.0%	-22bps	6.9%	589bps

1. Includes one-time covid inventory and other charges | 2. Includes impact of impairments

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

Business (In INR Cr.)	Q1FY23	Q1FY22	Y-o-Y Growth	Q4FY22	Q-o-Q Growth
<b>India (Rx + Gx + CHL)</b>	<b>2,483</b>	<b>2,710</b>	<b>-8.4%</b>	<b>2,183</b>	<b>13.7%</b>
<b>North America<sup>1</sup></b>	<b>1,199</b>	<b>1,038</b>	<b>15.5%</b>	<b>1,209</b>	<b>-0.8%</b>
<b>SAGA<sup>#</sup></b>	<b>788</b>	<b>837</b>	<b>-5.9%</b>	<b>953</b>	<b>-17.3%</b>
<i>South Africa<sup>^</sup></i>	<i>568</i>	<i>634</i>	<i>-10.4%</i>	<i>664</i>	<i>-14.4%</i>
<b>International Markets<sup>*</sup></b>	<b>720</b>	<b>582</b>	<b>23.6%</b>	<b>732</b>	<b>-1.7%</b>
<b>API</b>	<b>135</b>	<b>302</b>	<b>-55.2%</b>	<b>137</b>	<b>-1.4%</b>
<b>Others</b>	<b>51</b>	<b>36</b>	<b>40.6%</b>	<b>46</b>	<b>10.1%</b>
<b>Total</b>	<b>5,375</b>	<b>5,504</b>	<b>-2.3%</b>	<b>5,260</b>	<b>2.2%</b>

§ Financials are rounded-off | # Includes South Africa, Sub-Saharan and Cipla Global Access business, excludes SA Animal Health | ^ Excluding SA Animal Health | \* International Markets include Emerging Markets and Europe | CHL – Cipla Health limited

## BALANCE SHEET:

Key Balance Sheet Items (In INR Cr.)	Jun-22	Mar-22
<b>Total Equity</b>	<b>21,818</b>	<b>21,117</b>
<b>Total Debt<sup>1</sup></b>	<b>1,084</b>	<b>1,056</b>
<b>Inventory</b>	<b>5,547</b>	<b>5,350</b>
<b>Cash and Cash Equivalents<sup>2</sup></b>	<b>5,211</b>	<b>4,965</b>
<b>Trade Receivables</b>	<b>3,526</b>	<b>3,424</b>
<b>Net Tangible Assets</b>	<b>5,567</b>	<b>5,609</b>
<b>Goodwill &amp; Intangibles</b>	<b>4,823</b>	<b>4,841</b>

1. Total debt includes lease liabilities | 2. Cash & cash equivalents includes current investments, fixed deposits, margin deposits and excluding unclaimed dividend balances

## EARNINGS CONFERENCE CALL

The Company will host an earnings conference call at 1800 hrs IST (2030 hrs SST/HKT, 1330 hrs BST, 0830 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>Date and Time</b>	<b>July 29, 2022</b> at 1800 – 1900 hrs IST 2030 – 2130 hrs SST/HKT 1330 – 1430 hrs BST 0830 – 0930 hrs US ET
<b>Dial-in Numbers</b>	
Universal Access	Primary Access: <b>(+91 22 6280 1562)   (+91 22 7115 8387)</b>
Diamond pass link	Click <a href="#">here</a> to register
Toll Number	USA: <b>+1 3233868721</b> UK: <b>+44 2034785524</b> Hong Kong: <b>+852 30186877</b> Singapore: <b>+65 31575746</b>

## 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 47 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'22), 3<sup>rd</sup> largest in the pharma private market in South Africa (IQVIA MAT May'22), 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 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. In addition, the COVID-19 pandemic has created uncertainty and inability to predict the extent to which the pandemic will continue to adversely impact our business operations, financial performance, results of operations, financial position and the achievement of our strategic objectives. Cipla Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.