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. Cipla Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Information relating to any medical products or medical devices contained herein is provided by Cipla for general information purposes only. Information on any of the medical products or medical devices may vary from country-to-country. A reference to a medical product or a medical device does not imply that such medical product or medical device is available in your country. The commercial availability of the medical products or medical devices listed herein in your country is dependent on the validity and status of existing patents and/or marketing authorizations related to each. An independent enquiry regarding the availability of each medical product or medical device should be made for each individual country.

The product information contained herein is not intended to provide complete medical information, and is not intended to be used as an alternative to consulting with qualified doctors or health care professionals.

Nothing contained herein should be construed as giving of advice or the making of a recommendation and it should not be relied on as the basis for any decision or action. It is important to only rely on the advice of a health care professional.
We are structuring our businesses for long-term sustainable growth and see strong growth opportunities across our key markets.

1. ‘One-India’
   Bringing together the might of 3 businesses
   - Leveraging strengths across India prescription, Trade generics and Consumer health businesses
   - Strong synergies across portfolio, distribution and consumer focused initiatives

2. South Africa and Emerging Markets
   Private market execution in SA; consolidated presence in EMs
   - Strong private market franchise in South Africa; continue to strengthen market leadership in the OTC space as tender business normalizes across the region
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Investor Presentation: Q3FY20
Key highlights:
Continued growth momentum across key businesses

1. Strong Financial Performance
   - Revenues: Overall ~18.5% (Q3 YoY Growth)
   - Adj. EBITDA: 13% Q3 YoY Growth

2. Continued growth across key markets
   - India Rx: 14% (Q3 YoY Growth)
   - India Gx: 7% (Q3 YoY Growth)
   - South Africa: 20% (Q3 YoY Growth)

3. Momentum continues in the US business
   - Retained share in key product categories
   - US$133mn Q3 Revenues
   - 13% Q3 YoY Growth

4. R&D and Pipeline Progress
   - Q3 R&D at INR 308cr or ~7% to sales:
   - Respiratory trials well on-track for Advair
   - Establishment Inspection Report (EIR) received for Invagen and Patalganga indicating closure of inspection
   - US FDA audit at Bangalore API facility ended with procedural observations
   - Closely working with US FDA to comprehensively address Goa observations

Investor Presentation: Q3FY20
Expanding RoCE profile; Continued focus on maintaining balance sheet health with strong cash flow generation

- Focused efforts on working capital management and cash generation initiatives
- Reduction in Net Debt/Equity despite continued growth and strategic investments

**Net Debt**

<table>
<thead>
<tr>
<th></th>
<th>Mar'19</th>
<th>Dec'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,581</td>
<td>594</td>
</tr>
</tbody>
</table>

**Net Debt / Equity**

<table>
<thead>
<tr>
<th></th>
<th>Mar'19</th>
<th>Dec'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>0.10</td>
<td>0.04</td>
</tr>
</tbody>
</table>

**RoCE (Pre Tax)**

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>TTM Dec¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>10.9%</td>
<td>12.3%</td>
<td>13.9%</td>
</tr>
</tbody>
</table>

¹ Trailing Twelve Months
## Financial Performance – Q3FY20

### Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Actuals (Rs Cr)</th>
<th>vs Q3 FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue from Operations</td>
<td>4,371</td>
<td>9%</td>
</tr>
<tr>
<td>a) Domestic Sales</td>
<td>1,841</td>
<td>15%</td>
</tr>
<tr>
<td>b) Int’l Sales</td>
<td>2,394</td>
<td>4%</td>
</tr>
<tr>
<td>c) Other Operating Income</td>
<td>136</td>
<td>35%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>758</td>
<td>5%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>17.3%</td>
<td></td>
</tr>
<tr>
<td>PAT</td>
<td>351</td>
<td>6%</td>
</tr>
<tr>
<td>PAT %</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

Q3 FY20 (Consolidated)

- **Adj. EBITDA**: 18.5% (↑ 13%)

### Revenue Break-up

- **India**: 41%
- **North America**: 22%
- **Emerging Mkts**: 7%
- **SAGA**: 19%
- **Europe**: 4%
- **Others**: 3%
- **Global API**: 4%

1. Adjusted for overhead charge on FG inventory movement in Q3 - ~120bps
2. Others: Includes CNV business, Vet and others; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access; Percentages have been rounded-off

Investor Presentation: Q3FY20
India (Rx + Gx): Second consecutive quarter of 13%+ growth in India prescription; Trade Gx comes back to YoY growth

### Key Business Highlights

- **Trade generics business delivered growth of 7% on a year on year basis.**
- **The prescription business grew 14% on a YoY basis driven by performance across both chronic and acute therapies.**
- Continued growth investments: Acquired Vysoy and in-licensed Elores brands, Berok Zindagi 2 on-going.

<table>
<thead>
<tr>
<th>Therapy</th>
<th>Market Rank</th>
<th>Market Share</th>
<th>Cipla Growth</th>
<th>Market Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Chronic</td>
<td>2</td>
<td>7.85%</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>Respiratory Inhalation</td>
<td>1</td>
<td>68%</td>
<td>14%</td>
<td>12%</td>
</tr>
<tr>
<td>Urology</td>
<td>1</td>
<td>14.5%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Cardiology</td>
<td>4</td>
<td>5.6%</td>
<td>14%</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Investor Presentation: Q3FY20**

1. Market data as per IQVIA MAT Dec’19
South Africa private market continued the momentum growing over 2 times the market at 6.5% as per IQVIA MAT Dec’19

Cipla continues to rank as the 3rd largest pharmaceutical corporation within the South African private market, in both volume and value

Sub-Saharan Africa business grew by 12% on a year on year basis and the CGA business also delivered a growth of 7% over last year

1. Financial numbers are rounded off
North America: Momentum continues behind retained share on key assets and new launches

Key Business Highlights

• Continue to retain share in key product categories despite multiple competitors entering the market; contribution from Cinacalcet in value terms largely normalized now.

• During Q3, the gross margin expanded by over ~350bps vs the same quarter last year. On a YTD basis, the gross margin expansion is ~750bps.

• Pipeline Update:
  o Progressing well on trials for Advair
  o R&D spends to come off the peak as the Advair generic trial gets over; focused portfolio investments going forward

• US Specialty:
  o As per plan, NDA for IV Tramadol submitted in Dec via Avenue Therapeutics
  o Investments focused towards Institutional business; out-licensing opportunities being explored for CNS assets

Q3 Y-o-Y

- $ Mn

- 118 (13%) to 133
ANDA¹ Portfolio & Pipeline (As on 31ˢᵗ Dec 2019)

Total = 257 ANDAs

1. Does not include Vet product ANDAs
2. PEPFAR approved ANDAs can be commercialised in US
**EM, Europe and API**

### Emerging Markets

<table>
<thead>
<tr>
<th>Q3 FY19</th>
<th>Q3 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>$55</td>
<td>$45</td>
</tr>
</tbody>
</table>

-17% decrease

### Europe

<table>
<thead>
<tr>
<th>Q3 FY19</th>
<th>Q3 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27</td>
<td>$27</td>
</tr>
</tbody>
</table>

### API

<table>
<thead>
<tr>
<th>Q3 FY19</th>
<th>Q3 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>$22</td>
<td>$23</td>
</tr>
</tbody>
</table>

1. Direct-to-Market

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**Strengthening portfolio offering in key markets:**

- The quarter saw the commercialization of products in the market for our partnership with Novartis in Australia and Sri Lanka
- Progress on the Biosimilar pipeline on target
- Strong performance in key DTM\(^1\) markets
- Overall FPSM UK market share at 15% as per ePACT Oct data
- Performance in key accounts drives overall growth for the quarter
- Momentum continues in Seedings & Lock-ins worldwide to build future pipeline

---

1. Direct-to-Market
Key priorities for the upcoming quarters:

1. **India**
   - Leverage on the momentum and continue to drive performance across both prescription and generics
   - Execute on the One-India strategy leveraging synergies across the 3 businesses

2. **South Africa**
   - Continue growth momentum in the private market portfolio to deliver growth in the overall business
   - Continue to be a dominant player in the OTC space and drive further growth in the Mirren portfolio

3. **US:**
   - Focus on maximizing value opportunity in key commercial assets
   - Continue to track Respiratory filings closely; focused investments going forward
   - Finalize out-licensing for CNS Specialty assets

4. **Quality and Compliance**
   - Work with US FDA to comprehensively address the observations in Goa
   - Continue to operate our facilities globally with the highest level of compliance and control
To Recap: We are structuring our businesses for long-term sustainable growth and see strong growth opportunities across our key markets.

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Thank you

Registered Office:
Cipla Limited, Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

For any queries, please contact
Naveen Bansal
Investor.Relations@cipla.com

For more information please visit
www.cipla.com