



# Investor Presentation

## Q2 FY 18

7<sup>th</sup> Nov 2017

*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, cash flow projections, 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.*



Cipla Health featured as a **“Best Asian Healthcare Brands 2017”** in Economic Times

## PUBLIC HEALTH HEROES



Dr. Y.K. Hamied felicitated by **Columbia University Mailman School of Public Health** for his extraordinary humanitarian, social efforts & pioneering role in the fight against the HIV and AIDS epidemic



Ms. Samina Vaziralli featured among **Most Powerful Women in Indian Business** by Business Today

## Strong Growth in India Business

Cost containment initiatives & operating leverage driving EBITDA Margin

### Financials-Q2

**Revenue Rs 4082 crs**

↑9% vs. LY, ↑16% vs. Q1FY18

[↑ ~11.4% vs LY on a like-to-like basis adjusted for GST ]

**@ 19.7% EBITDA**

(↑ 18% vs. LY, ↑24% vs. Q1FY18 )

### Growth Momentum Continued

	YoY Growth	On a like-to-like basis GST adj growth at ~ 19%
India Business	↑12%	
South Africa	↑10%	
Europe	↑18%	
API	↑92%	

### US: Launches & Filings

Pipeline trajectory continues to improve

**Filed 5 ANDAs**

On target to file 20-25 in the FY

**Awaited product approvals coming through**

Ramp-up in US launches expected

### Full year forecast

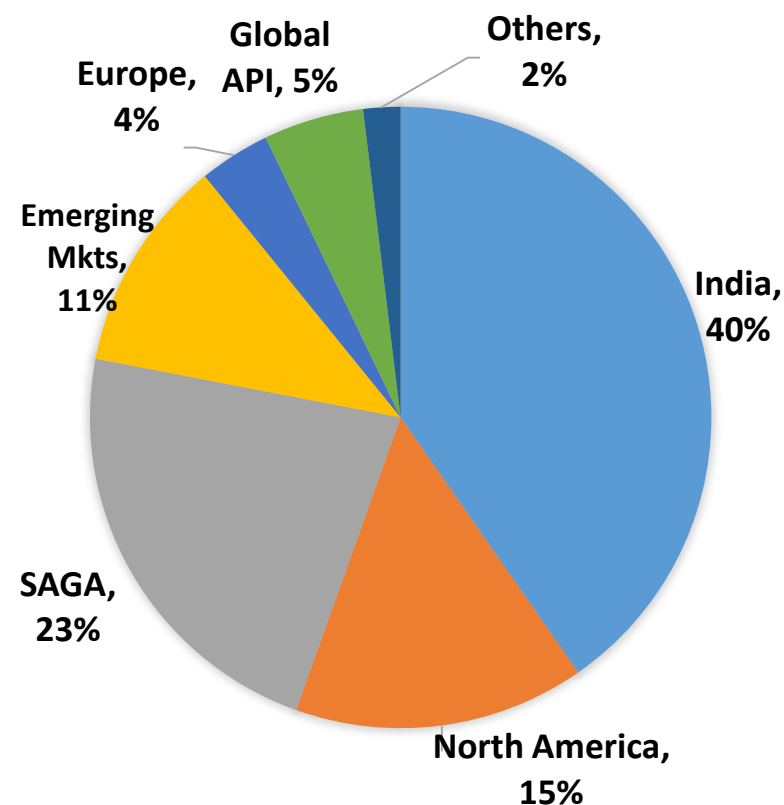
On track to meet the **EBITDA target**

**R&D to scale up in H2FY18**

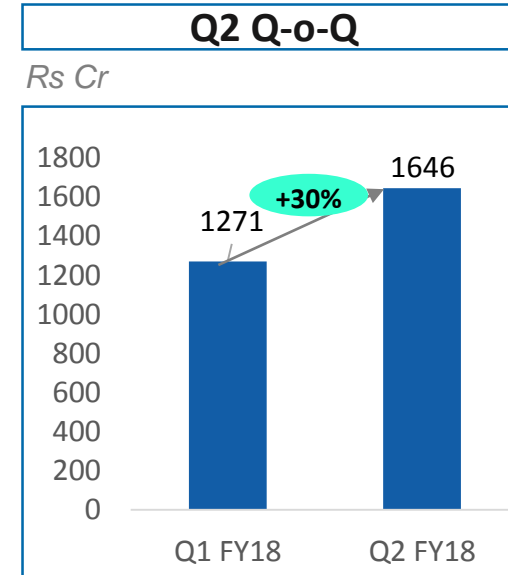
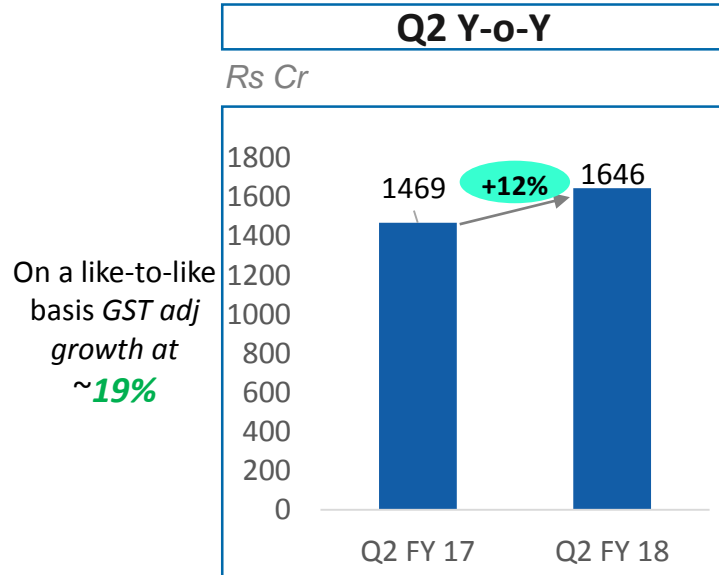
## Q2 FY18 (Consolidated)

	Actuals (Rs Cr)	vs Q2 FY 17
<b>Total Income from Operations</b>	<b>4,082</b>	<b>9%</b>
<i>a) Domestic Sales</i>	<i>1,677</i>	<i>10%</i>
<i>b) Int'l Sales</i>	<i>2,311</i>	<i>7%</i>
<i>c) Other Operating Income</i>	<i>94</i>	<i>19%</i>
EBITDA	804	<b>18%</b>
<b>EBITDA %</b>	<b>19.7%</b>	
PBT	573	<b>29%</b>
PBT %	14.0%	
PAT	423	<b>19%</b>
PAT %	10.4%	

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



<sup>1</sup> Others: Includes CNV business, Vet and others; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access



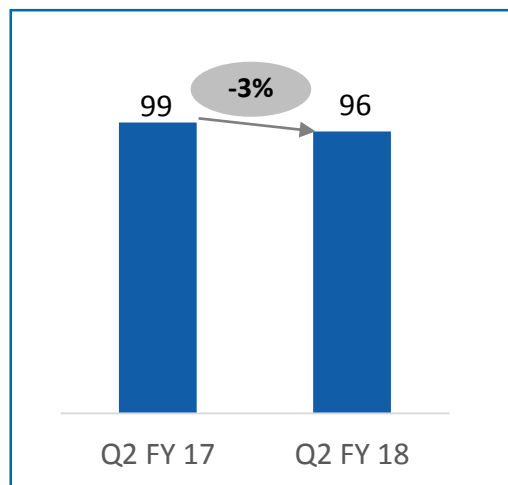
## Key Business Highlights<sup>1</sup>

- Continue to serve patients with various awareness initiatives and programs
  - ❖ Respiratory: Created 0.5mn touch points through diagnosis and patient counselling infrastructure
  - ❖ Cardio-Metabolic: As part of 'Be In Touch' initiative, screened & counselled almost 100,000 patients for early diagnosis and better care management in Hypertension and Diabetes
- Overall company performance in-line with market; Key TAs delivered above market performance including Cardiac (9% Vs Mkt 3%), Urology (8% Vs Mkt 4%), Respiratory inhalation (6% Vs Mkt 3%), CNS (9% Vs Mkt -1%)
- Diabetes franchise gaining momentum with traction in brands Prominad (Canagliflozin) and Vysov (Vildagliptin)
- Strategic partnership with Serum Institute of India
  - ❖ Launched Onco-BCG (Bacillus Calmette-Guerin) to improved our portfolio in Oncology/Urology

<sup>1</sup> IMS Q2FY18

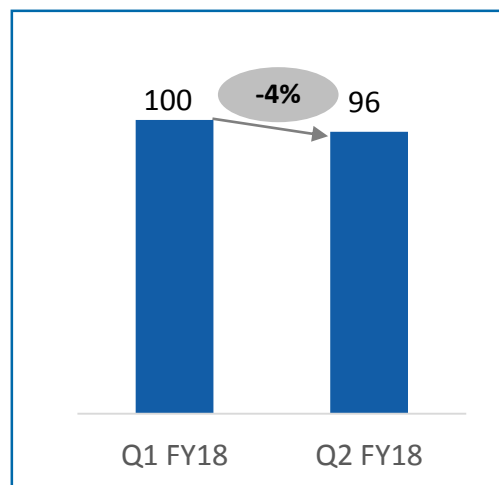
## Q2 Y-o-Y

\$ Mn



## Q2 Q-o-Q

\$ Mn

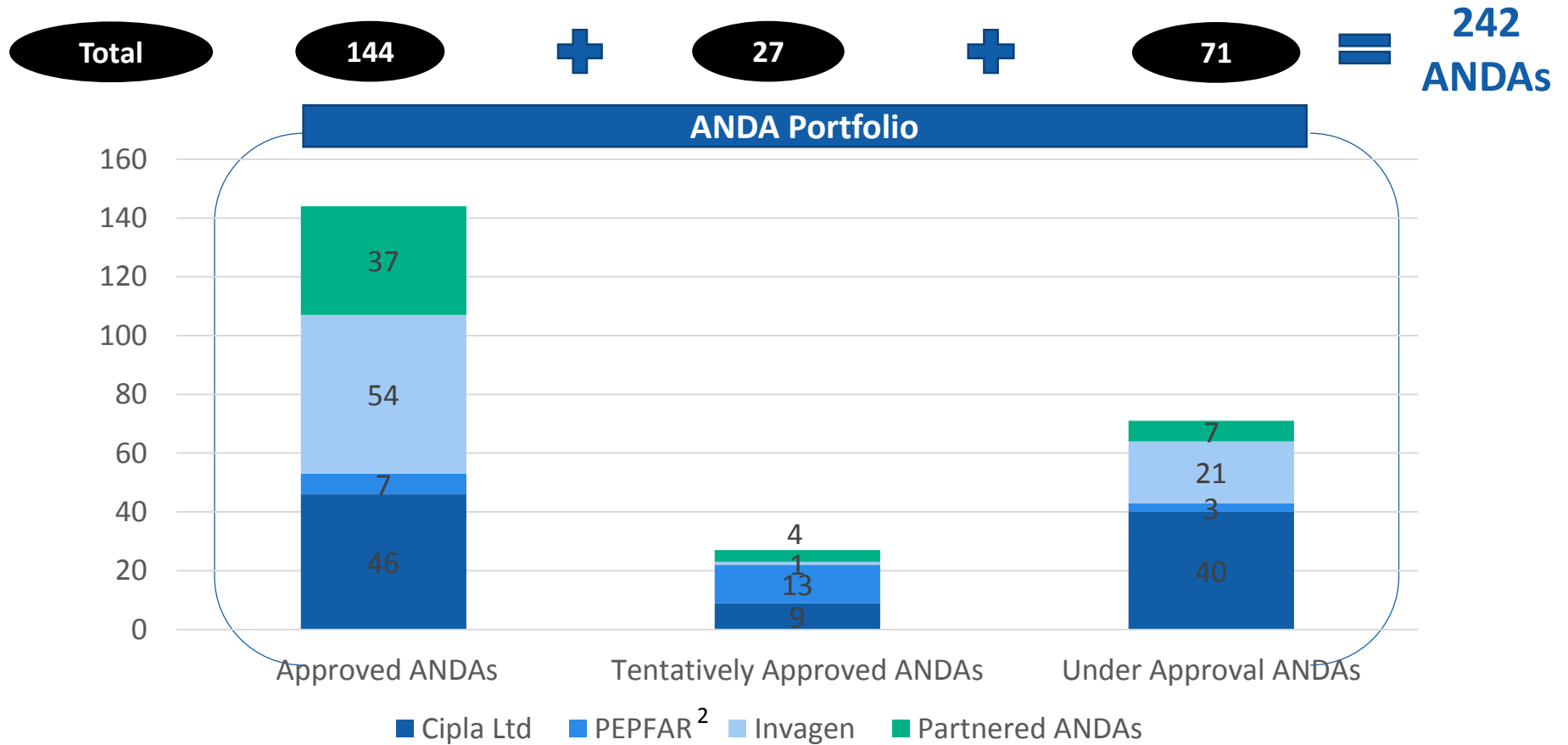


## Key Business Highlights

- Approval received for Sevelamer from the Invagen pipeline; Ramp-up expected in the US launch trajectory in the current and upcoming quarters with a good mix of differentiated product launches
- Consistently ranked amongst the Top 10 most dispensed generic companies in the US
- Strong performance across key existing and new products
  - 10 of the 47<sup>1,2</sup> (21% of portfolio) are in the leadership (#1) position.
  - 30 of 47 (64%) products ranked among top 3
- Filed 5 products in Q2FY18; filing expected to intensify in the remaining part of the fiscal with a target to file 20- 25 ANDAs in the full year

1 Market statistics as per IMS MAT Sept'17 | 2 Products covered under IMS

# ANDA<sup>1</sup> Portfolio & Pipeline (As on 30<sup>th</sup> Sept'17)

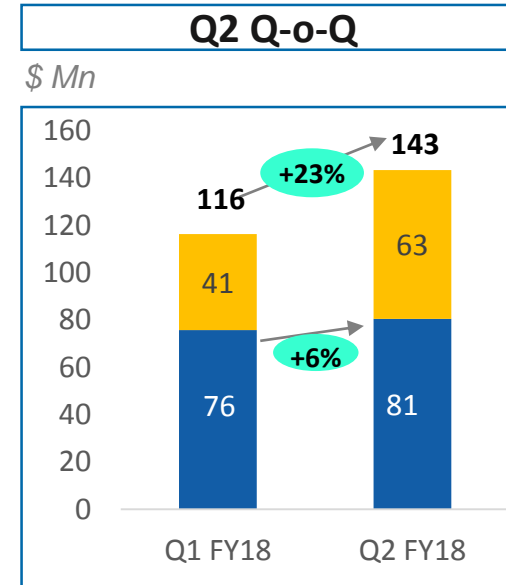
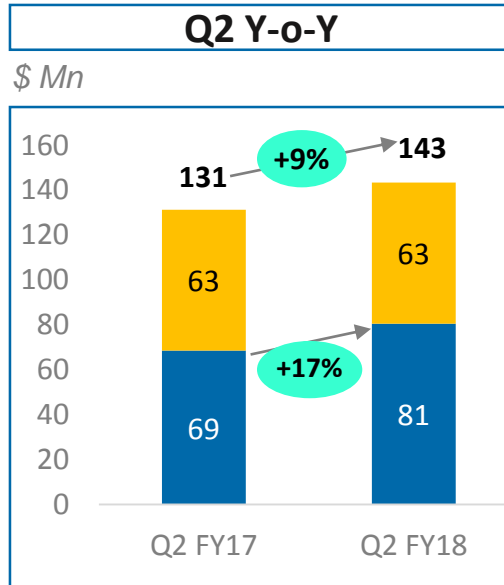


1 Does not include the approval of Sevelamer; Does not include Vet product ANDAs

2 PEPFAR approved ANDAs can be commercialised in US



# SAGA: South Africa, Sub-Saharan Africa and Cipla Global Access

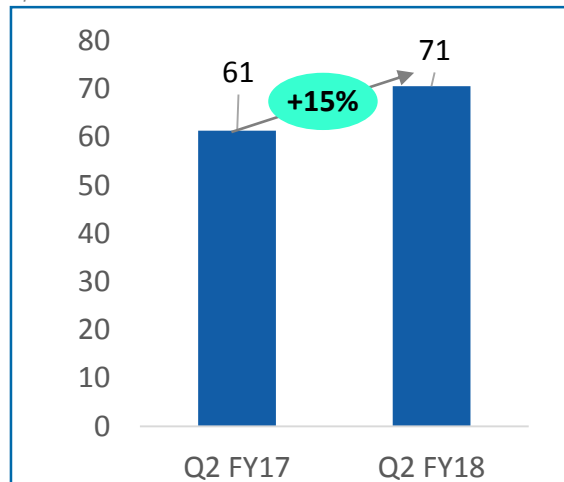


## Key Business Highlights

- South Africa (SA) business delivered its highest quarterly sales in history of R1.06bn growing +10% vs last year in local currency
- Above market growth in South Africa private market; As per IMS MAT Sept'17, Cipla grew ahead of the market at 11.3% in the private market vs 9.5% market growth
- Cipla maintained its overall ranking in SA as the 4th largest pharmaceutical company; including the tender business, Cipla is the 3rd largest pharma company in SA
- We launched 8 New products in H1 FY18 with a combined total market value of R490m in South Africa
- Global access business grew 7% over last year; increasingly focusing on partnering with other regional governments to increase access to affordable care in various parts of Africa

## Emerging Markets<sup>1</sup>

\$ Mn

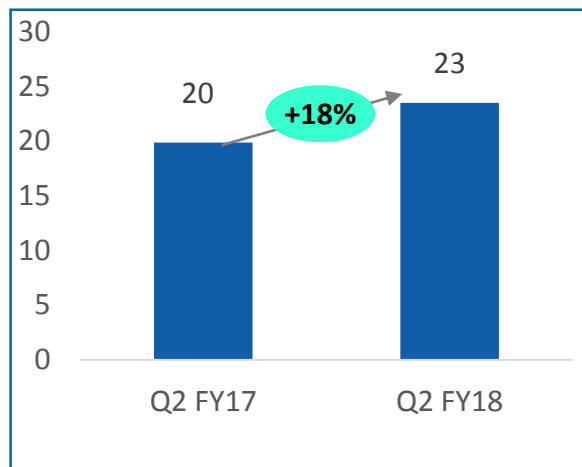


- Double digit in-market sales growth across key DTM markets
- FPSM in Australia received well and has witnessed strong uptake.
- Deepening respiratory franchise to other markets within emerging markets territories.

1. Includes formulations business of markets other than US, India, SAGA and Europe

## Europe

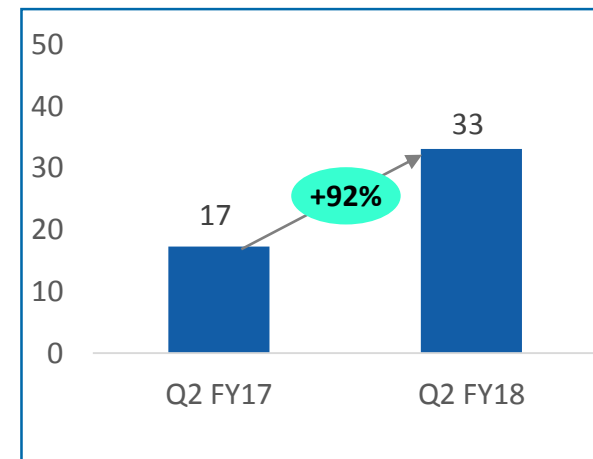
\$ Mn



- Back on growth trajectory with 18% growth for Q2 FY18
- Launched FPSM in Ireland during the quarter; to launch soon in other parts of Europe including Sweden and Finland.
- Improvement in overall profitability driven by focus on high margin SKUs and nimble operations

## API

\$ Mn



- YoY sales growth driven by sales in certain key molecules for US
- Improvement in product mix driving profitability further
- Continued focus on Seeding/lock-ins to provide stability and long term growth

**US**

Awaited product approvals coming through; **5 ANDAs** filed in Q2FY18

**India**

Diabetes franchise gaining momentum with traction in brands **Prominad (Canagliflozin)** and **Vysov (Vildagliptin)**

**South Africa**

Strong private market growth in South Africa; Cipla grew ahead of the market at **11.3%**

**Specialty**

Completion of Phase 1A study for **Tizanidine patch** in-licensed from MedRx; results under analysis

**Compliance**

Manufacturing and R&D sites remain in a state of compliance and control

# Thank you

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