Global generic enterprise moving up the value chain to Specialty
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.

This document and its contents is not intended to endorse, advertise, promote or recommend the use of any products listed in it which are for representation purpose only, some of which are reference listed drugs of which the Company has approved, under approval or under development generic equivalents. The prefixes “g” and “generic” used interchangeably indicate the generic versions of the named brand drugs.
Established in 1935, Cipla is a pioneer in the Indian pharmaceutical industry

Cipla started as a small Indian enterprise, committed to the nation’s quest for self-sufficiency – today it has transformed into a world-class global pharmaceutical player.

83 YEARS OF CARING

$2.4B Revenues
18.6% EBITDA

$2.4B Revenues
18.6% EBITDA

80+ Markets
23,000+ Employees

44 state of art Manufacturing facilities
50+ Dosage forms

Note: Data as per FY18 numbers
At Cipla, we are well positioned to …

1. **Strengthen leadership position** in branded markets of India, South Africa and EMs

2. Establish our **footprint in new growth markets** - Brazil and China

3. Continue to deliver on **complex generic assets in US** *(including key Respiratory assets)*

4. Accelerate **innovation-led journey** with key Specialty investments in US

5. Continue our track record of a **high quality global pharmaceutical manufacturer**

6. Remain core to our purpose of ‘**Caring for Life**’ and putting **patients’ interest** first
Cipla has substantially strengthened its financial profile and Governance

- Significant expansion in EBITDA margins, cash flow and balance sheet health improvement

18.6%
EBITDA Margin
(FY18)

+150bps
Improvement in RoIC
(FY18)

0.15
Net Debt/ Equity
(Sept’18)

Continue momentum on ambitious cost optimization programs in order to boost margin profile and future growth

1. Accelerated impact: ~$100 M savings identified from 1000+ ideas in 18 months; 60% ideas already implemented and accruing

2. Institutionalized cost culture: 250+ people driving cost initiatives on a daily basis across functions; setup of dedicated central & functional Continuous Improvement (CI) teams to drive the program

Golden Peacock Award for Excellence in Corporate Governance – 2018
We have enhanced our global footprint with…

… strong portfolio and execution capabilities across our **branded market franchises** in India, South Africa and key emerging markets (including Europe)

**EM and Europe**
- In-licensed Biosimilars franchise in EMs
- Respiratory launches in Europe
- Targeting new growth markets in Brazil and China

**India**
- Therapy focused Medical-Representatives structure
- Specialty molecules – partnerships with Big Pharma
- Respiratory – Patient outreach ‘Berok Zindagi’ Campaign

South Africa
- Teva partnership – Biosimilar launches
- OTC Expansion – acquisition of Mirren
- Regional strategy for Africa (SAGA Launch)
Our journey to build an innovation led business is getting accelerated

- Enhanced play in the US generics market with key complex assets
- Significant focus and investments in the US Specialty business

**US Generics Business Growth**

| 5x Organic DTM | From $40M in FY17 to ~$200M* US business |

| Key Complex Assets Approved | Diclofenac, Metoprolol, Isoproterenol, Testosterone injection |

| On track to file 20+ ANDAs in FY19 |

| gAdvair Trials initiated |

**Specialty Business Investments**

| IV Tramadol |

**Cipla’s first large specialty transaction** – major milestone towards our US hospital specialty strategy - USD 215 mn# investment

$35mn to be invested as first tranche for 33.3% equity stake; second tranche contingent on key label conditions

**Multiple additional institutional assets under late-stage evaluation**

*Q4 FY19 estimated sales annualized ; # Excluding CVRs
India: Continues to be a key component of Cipla’s growth story, providing a strong base for global expansion

Therapy-wise revenue breakup

- Respiratory: 31%
- Anti-infectives: 21%
- Gastro-Intestinal: 6%
- Cardio-Metabolic: 13%
- CNS: 5%
- Urology: 5%
- Antivirals: 4%
- Others: 15%

Continued Growth across our Portfolio

- 4 therapies ranked amongst top 3 - contributing to 62% of Cipla’s revenue share
- 25 of the top 30 brands outpacing market by 2-3%

Consumer access programs

- Targeting improved outcomes through a combination of pharma & digital therapeutics
- Ecosystem for affordable treatment for oncology patients
- Launched patient management solutions for physicians

Diversifying and expanding business lines through in-licensing

Oncology
- Tocilizumab (Actemra®)
- Bevacizumab (Syndyma®)
- Trastuzumab (Biceltis®)
- Rituximab (Ikgdar®)

Diabetes
- Canagliflozin (Prominad®)
- Mannkind
- Inhaled Insulin (Afrezza®)
- Vildagliptin (Vysov®)
- Eli Lilly
- Insulin Glargine (Basaglar®)
- Janssen

Cardiology
- Sacubitril + Valsartan (Azmarda®)
- Roche
- Novartis

1. As per Cipla’s internal analysis | 2. IQVIA (IMS) MAT Nov’18 | 3. IQVIA (IMS) MAT Sept’18; IPM: Indian Pharmaceuticals Market

The trademarks contained herein are the registered trademarks of the respective companies in India
We have started our ‘Beyond The Pill’ journey Reimagining our Future, Ecosystem and Roles in our core markets

Expanding across the value chain in home markets

- **#BerokZindagi**
  - Inhaler awareness campaign

- **Breathefree**
  - Campaign for asthma/COPD awareness

- **Awareness**
  - Low cost Spirometers
  - Breathe-o-meters
  - Peak flow meters

- **Diagnosis**
  - Smart inhalers
  - Financing options
  - Digital Stethoscope

- **Treatment**
  - Chronic Disease Management through digital therapeutic
  - Integrated HC Ecosystem
  - Clinic management solutions

Patient

Prescriber
SAGA*: 3rd largest in private market in South Africa; Growing through partnerships and expansion of OTC and biosimilar portfolio

Cipla South Africa

3rd Largest Private Market Player

3x Market Growth @ 11.5%¹

6.5% Market Share

Continued Portfolio Expansion in the Prescription Business

Cipla’s New Triple Combination Antiretroviral Drug Approved by SAHPRA

Tenofvir Lamivudine Dolutegravir (TLD)

Cipla’s first Breath Actuated Inhaler launch

TEVA Partnership

- First Biosimilar Launch in SA

OTC: Key driver for growth

- In the categories where we play, 1 out of every 4 patients leave a pharmacy with a Cipla OTC product²

Strengthened OTC in SA with Mirren acquisition

* SAGA: South Africa, Sub Saharan Africa and Cipla Global Access business | Note: Cipla SA data is considered inclusive of Mirren.
1. IQVIA (IMS) MAT Nov’18. | 2. IQVIA (IMS) MAT Sep’18
1 SAGA*: Expanding patient access in Sub-Saharan Africa by making ‘In Africa for Africa’

Cipla QCIL in Uganda

- Government of Uganda guaranteed offtake extended to FY29
- Secured offtake with Government of Zambia for supply of ARVs, ACTs and hepatitis treatments

Only supplier of
Artesunate Rectocaps (anti-malarials)
Lopinavir + Ritonavir pellets (HIV/AIDS)

WHO approval – Q-TiB, a Cipla world-first FDC single-tablet aimed at reducing mortality from comorbidity burden among HIV patients

New partnership agreements signed for
Expanding access to affordable cancer treatment in Africa

*I SAGA: South Africa, Sub Saharan Africa and Cipla Global Access business*
EM EU: Exhibited entrepreneurial spirit, managed market volatility, dialled up inorganic quotient

Diversified risk profile across 50+ markets by limiting DTM to 13 markets

Expansion of respiratory portfolio across various European markets

Significant investments towards improving Awareness, Detection & Adherence in Emerging markets via strong consumer access programs such as #ScoreUp#SaveYourLungs#CommittedToZero

Expansion through organic investments and inorganic partnerships

Cipla Brazil to be the next innovation engine in the country on Oncology

New mfg plant in Morocco

Inhalers plant in North Africa

Gearing up for the game in China via partnerships in Respi

Strong Biosimilars pipeline through partnerships

Trastuzumab
select countries in APAC, MENA and LATAM

Bevacizumab
select countries in APAC, MENA and LATAM

Rituximab
select countries in North Africa
US: With strong development pipeline and flagging off new Institutional business

**Growth Portfolio: Institutional CNS, Respiratory, Oncology**

US Contribution* in overall revenues

- FY '19 Est: 19%
- FY '20: ~30%
- FY '21
- FY '22
- FY '23

**Filings: In-line with guidance**

- Filings: In-line with Guidance (20+ in FY19 on-track)
- gAdvair: Phase III Started

**Focus on Specialty (Respiratory & CNS) & Institutional**

- Acquired Phase 3 pain-management asset IV Tramadol
- Tizanidine transdermal patch under-development
- Active exploration of acquisition / in-licensing

**Organic growth drivers**

- Organic DTM: $40M to $200#M US business
- 3 Big Launches: Diclofenac, Budesonide, Isoproterenol
- Key Approvals: Low competition products: Isoproterenol, Testosterone injection

* FY '19 onwards, for illustrative purposes only - not to scale; # Q4 FY19 estimated sales annualized
### Split of top 30 projects

- **Respiratory**
  - Simple: 5
  - Medium: 13
  - Complex: 12

- **Anti-HIV**
  - Simple: 6
  - Medium: 3
  - Complex: 4

- **Anti-infectives**
  - Simple: 3
  - Medium: 3
  - Complex: 14

- **Oncology**
  - Simple: 4
  - Medium: 2
  - Complex: 10

### Dosage form

- **Orals**
  - Topicals: 10
  - Inhalation: 9

- **Solids**
  - Topicals: 5

- **Injectables**
  - Topicals: 2

### Complexity

- **Simple**
  - Respiratory: 5
  - Anti-HIV: 6
  - Anti-infectives: 3
  - Oncology: 4

- **Medium**
  - Respiratory: 13
  - Anti-HIV: 3
  - Anti-infectives: 3
  - Oncology: 2

- **Complex**
  - Respiratory: 12
  - Anti-HIV: 4
  - Anti-infectives: 14
  - Oncology: 10

### Brand sales value

- **< $100mn**
  - Respiratory: 13
  - Anti-HIV: 4
  - Anti-infectives: 13
  - Oncology: 13

- **$100-500mn**
  - Respiratory: 5
  - Anti-HIV: 2
  - Anti-infectives: 3
  - Oncology: 10

- **> $500mn**
  - Respiratory: 4
  - Anti-HIV: 0
  - Anti-infectives: 0
  - Oncology: 0

### US: Filings for under-development products in the US will bolster future growth

- **18 Para IV Filings**
  - Primarily in Respiratory, Anti-HIV and Oncology

- **14+ limited competition products**

- **Respiratory, Anti-HIV and Oncology pipeline has a brand market size of ~ US$ 20bn**

Of the 100+ development projects, top 30 have market size of > US$ 25bn

1. Competition stats are as per Cipla’s analysis
US: Focusing on limited competition opportunities through tech and product centricity

Pipeline of **30+ Products** with **$23B** market size leveraging our **Scientific Capabilities**

- **Innovative Technology Platforms**
  - Internal Development
  - Inhalation technology
  - Suspension based liquids
  - Liposome/Nano injections
  - Peptide based Injection

- **16+ Products** with **$32B** market size leveraging **External Partnerships**
  - **Innovative Technology Platforms**
    - Microspheres Depot
    - Insulin-analogues/Biosimilars
    - Complex API’s
    - Others

L O W   C O M P E T I T I O N   P R O D U C T S
Cipla has signed the agreement to acquire US-based Avenue Therapeutics

We are on our journey to realize our long term aspiration of becoming a Global Specialty Pharma

Cipla’s first large specialty transaction – major milestone towards our US hospital specialty strategy – USD 215mn investment

$35mn to be invested as first tranche for 33.3% equity stake; second tranche contingent on key label conditions

**IV TRAMADOL**

- Addresses unmet need in post-op pain management
- Expected to be the first Schedule-4 IV drug in US
- Dual action mechanism with low risk of addiction

1. Excluding Contingent Value Rights based on performance
Cipla continues to focus on excellence in quality and compliance across manufacturing locations

Finished formulations
- 30+ formulations facilities
- 50+ dosage forms
- 1500+ products

APIs
- 5+ API facilities
- 1000+ tons capacity

74\(^1\) successful audits conducted by global regulatory bodies across our facilities\(^2\)

1. Total of 2015, 2016, 2017 and 2018; includes Invagen facility audits for 2016 & 2017
2. Select sites also have approvals from Denmark, France, Uganda, Singapore, Latvia, Tanzania, Kenya, Russia and various other countries

Increased automation to further strengthen quality and control processes

22 successful audits in 2018 alone including 5 USFDA audits
Overall, we are on the path to make our business more sustainable

We aspire to go “Beyond the pill” and offer solutions to our patients, in our quest to be a “Global Specialty Company”

**PRODUCTS & SERVICES**

- **Plain vanilla generics**
- **Complex Generics**
  - NCEs
- **Conventional distribution** (Direct / B2B)

**Interchangeability**

- Low
- High

**Price Premium**

- Low
- High

**Complexity of Products**

- Low
- High

**Move up the value**

- “Patient Centric”
- “Beyond the Pill”
- “Pure Gx / BGx”

**Create Ecosystems** - rebuild and extend our role by going beyond the pill working with governments to improve diagnostics and financing. To be replicated in EM

**Home Markets**

- India
- SA
- EM

**Home Markets**

- “Beyond the Pill”

**Shaping ecosystem**

- Integrated with Patient’s Ecosystem into Supply Chain

**Conventional distribution** (Direct / B2B)

- **Complex Generics**
  - NDDS, 505b2s, biosimilars, insulins, tech platforms, etc.

- **Addresses unmet patient need**
  - Sustained protection from generics, Promoted to concentrated physician sets, Valued by payers
To recap, Cipla is well positioned to …

1. Strengthen leadership position in branded markets of India & South Africa

2. Establish our footprint in new growth markets - Brazil and China

3. Continue to deliver on complex generic assets in US (including key Respiratory assets)

4. Accelerate innovation-led journey with key Specialty investments in US

5. Continue our track record of a high quality global pharmaceutical manufacturer

6. Remain core to our purpose of ‘Caring for Life’ and putting patients’ interest first
Thank You

Contact Details

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

For any general queries, Reach us at:  
Naveen.Bansal1@cipla.com  
Investor.Relations@cipla.com  

For more information please visit  
www.cipla.com