

5<sup>th</sup> August, 2021

(1) BSE Limited  
Listing Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

**Scrip Code: 500087**

(2) National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot no. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051

**Scrip Code: CIPLA EQ**

(3) SOCIETE DE LA BOURSE DE LUXEMBOURG  
Societe Anonyme  
35A Boulevard Joseph II,  
L-1840 Luxembourg

**Sub: Investor Presentation**

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the investor presentation dated 5<sup>th</sup> August, 2021.

Kindly take the above information on record.

Thanking you,

Yours faithfully,  
For **Cipla Limited**

**Rajendra Chopra**  
**Company Secretary**

Encl: as above  
Prepared by: Nishtha Agrawal

The Cipla logo is displayed in white, bold, sans-serif font in the top right corner of the slide. The background of the slide is split: the left side shows a close-up of several hands clasped together in a supportive grip, while the right side is a solid blue field with a white molecular structure pattern of hexagons and dots connected by lines.

**Cipla**

# Investor Presentation

Q1FY22

August 5, 2021

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# Continued progress across our key strategic priorities

# Cipla

## One India



### Growth

- ❖ **Strong traction** across branded prescription, trade generics and consumer wellness
- ❖ Multi-quarter market beating growth in branded prescription
- ❖ **Consumer brands** delivering strong growth post transition
- ❖ **Comprehensive Covid-19 portfolio**



### Market position

- ❖ **3<sup>rd</sup> largest<sup>1</sup>** pharmaceutical company
- ❖ **3<sup>rd</sup> largest<sup>1</sup>** in branded prescription
- ❖ **11 brands<sup>1</sup>** amongst top 100 in IPM
- ❖ **Largest hospital business<sup>2</sup>**
- ❖ **Largest<sup>2</sup>** in trade generics

## South Africa & International Markets

- ❖ Growth **1.5 times** of SA private market<sup>1</sup>
- ❖ **High growth of 8.5%** in SA OTC private market<sup>1</sup>
- ❖ **Consistent launch momentum with three chronic and two OTC brands launches** in Q1FY22

- ❖ **3<sup>rd</sup> rank & 7.1% market share** in SA private market<sup>1</sup>
- ❖ **3<sup>rd</sup> rank & 6.6% market share** in SA OTC private market<sup>1</sup>
- ❖ **Largest Indian exporter<sup>3</sup>** to the emerging markets in FY21

## Global lung leadership & US Generics

- ❖ Strong scale-up in US **Direct to market and institutional space**
- ❖ Respiratory unlocking and **ramp-up in Albuterol for the US markets**
- ❖ **Arformoterol Tartrate Inhalation Solution** launched in Q1FY22

- ❖ Among the **top 10 generic companies in the US** by prescriptions; growing faster than the market growth rate in FY21
- ❖ **3<sup>rd</sup> largest<sup>4</sup>** in overall albuterol market in the US
- ❖ **Second largest<sup>2</sup>** inhaler company with ~141 MDI & DPI sold globally in FY21

## Strong demand-led momentum in core therapies across branded markets and continued respiratory unlocking in the US drive Q1FY22 performance

### Overall Revenue



**↑ 27%** Sustained momentum in branded markets  
(Q1 YoY Growth)

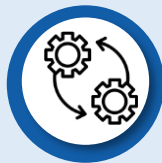
### Overall EBITDA



**↑ 28%**  
(Q1 YoY Growth)

EBITDA Margin **24.5%** **↑ 32**  
(bps YoY)

### One India



**Overall revenue** **↑ 68%**  
(Q1 YoY Growth)

#### Prescription

Continued market beating growth over multiple quarters

#### Trade Generics

Strong demand across regions

#### Consumer Health

Solid traction in core and transferred products

### SAGA



**Overall SAGA** **↑ 13%**  
(Q1 YoY growth in \$ Terms)

#### SA private

**↑ 7%**  
(Q1 YoY growth in ZAR Terms)

#### SSA

**↑ 40%**  
(Q1 YoY growth in \$ Terms)

### North America



**\$141Mn** **↑ 5%**  
Q1FY22 Revenues (Q1 YoY Growth)

Continued market share expansion in overall albuterol market

### International Markets & API



**International Markets** **↓ 14%**  
(Q1 YoY growth in \$ Terms)

Forex challenges in certain markets; recovery expected

**API** **↑ 69%**

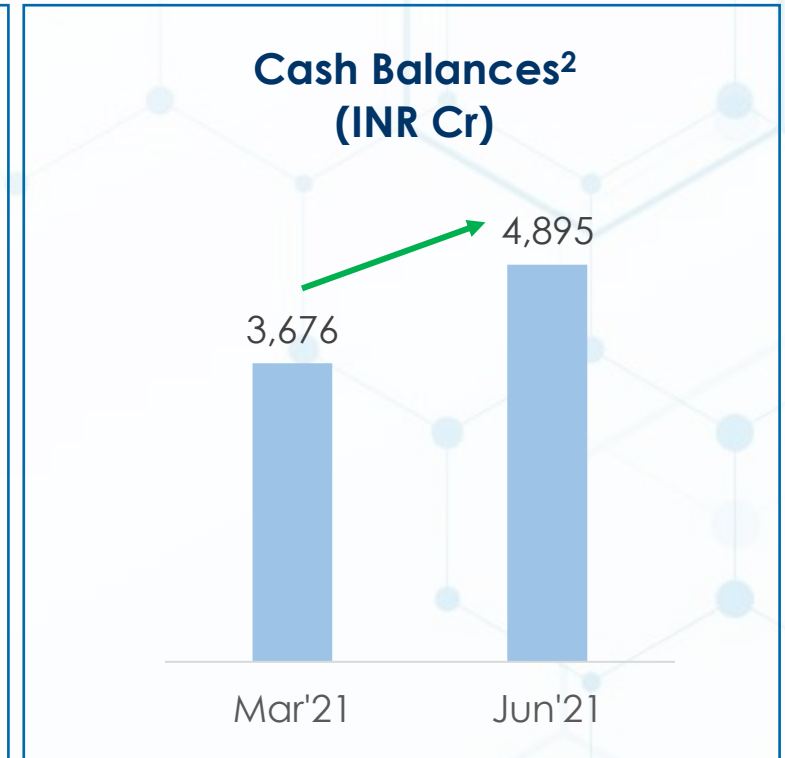
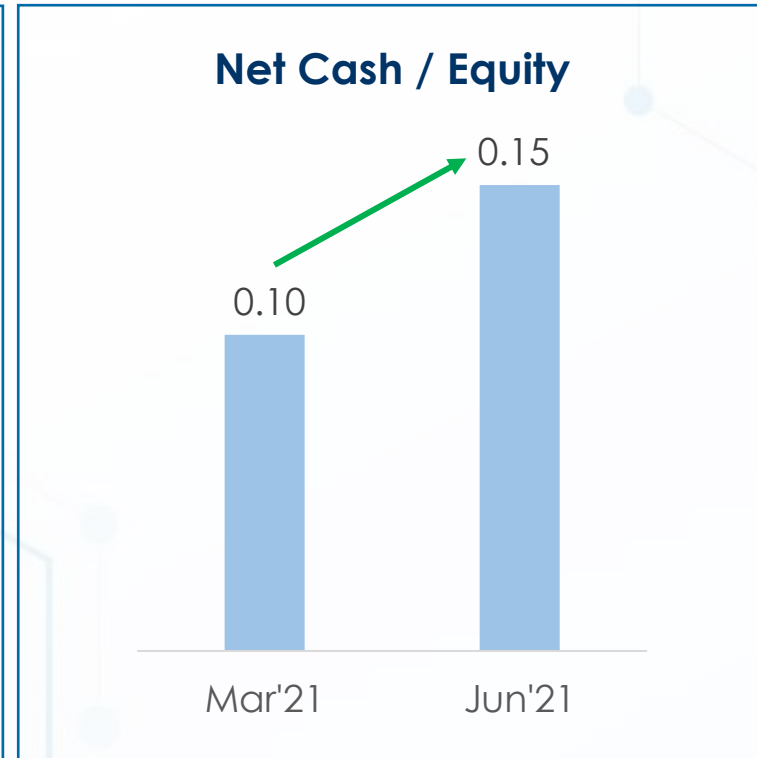
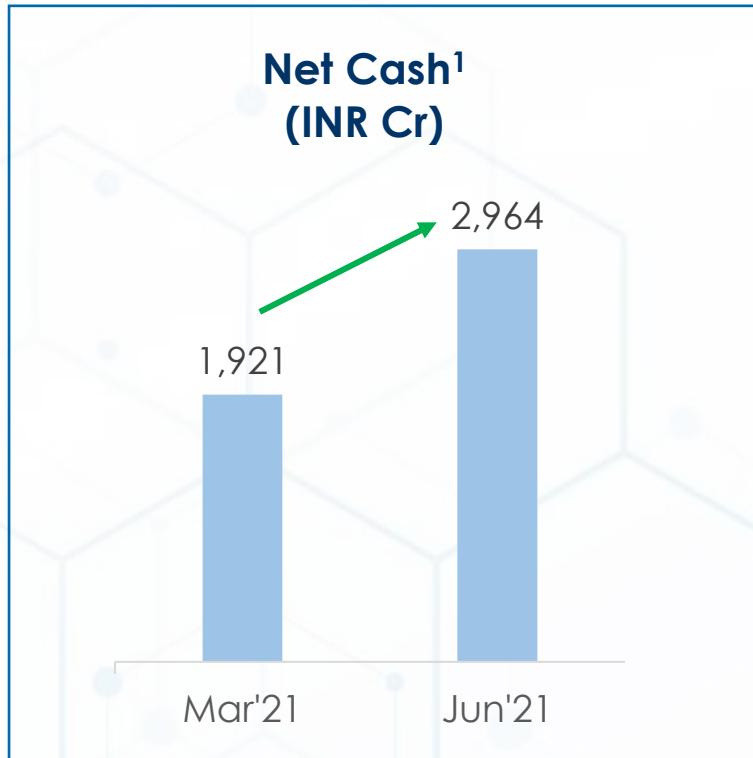
(Q1 YoY growth in \$ Terms)

One-time profit share on API supplies



# Strong capital structure and robust free cash flow generation continues in FY22

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- Continued governance on cash and liquidity management
- Growth in operating profitability and prudent working capital management drives robust free cash flow generation
- **Net cash positive position** continues at June-21 end reflects strong balance sheet health

## Revenues

INR 5,504 Cr ↑ 27% YoY

## EBITDA

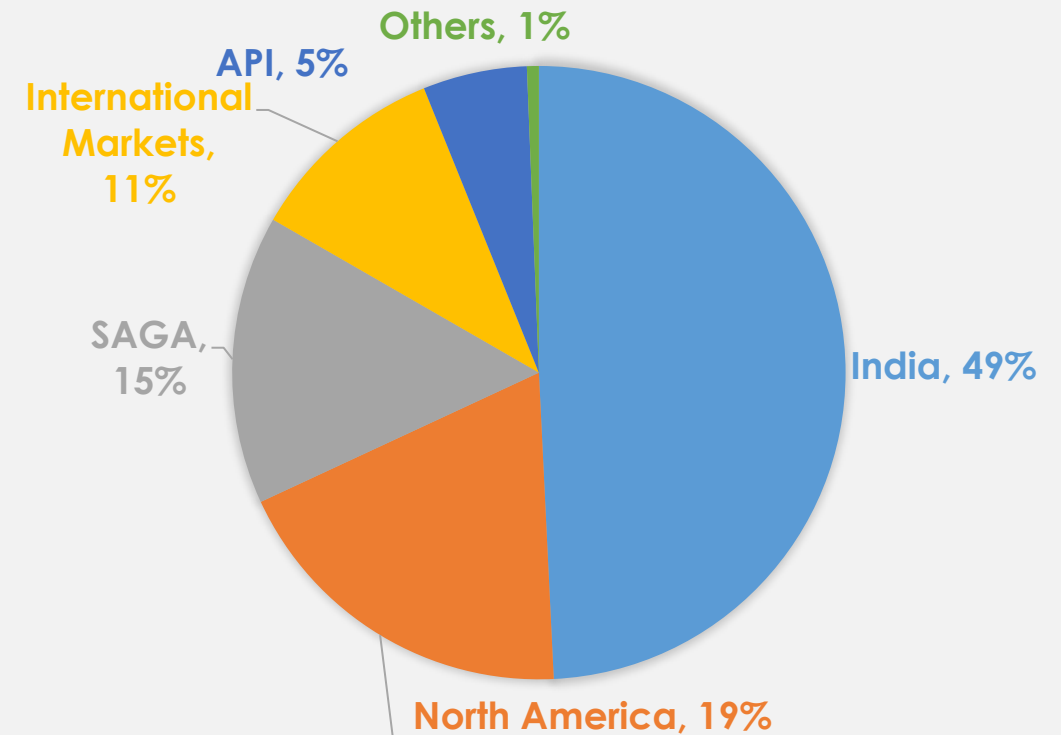
INR 1,346 Cr | 24.5% ↑ 28% YoY

### Q1 FY22 (Consolidated)

	Actuals (Rs Cr)	vs Q1 FY 21
Total Revenue from Operations	5,504	27%
EBITDA	1,346	28%
EBITDA % of revenue	24.5%	32 bps
PAT <sup>2</sup>	715	24%
PAT % of revenue	13.0%	-31 bps

**R&D** INR 264 Cr *Focused R&D investments*

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



## One India (Rx + Gx+ CHL<sup>1</sup>): Consistent execution driving growth across businesses in India

### Key Business Highlights



#### Branded prescription business

- ❖ Strong volume traction in core therapy portfolio
- ❖ Acute and respiratory nebulization recovered well
- ❖ Covid portfolio support from second wave in India

Therapy <sup>2</sup>	Market Rank	Market share	Cipla Growth	Market growth
Overall Chronic	2	8.2%	16%	12%
Respiratory	1	24.0%	14%	4%
Urology	1	14.8%	7%	10%
Anti-infective	3	7.5%	10%	9%
Cardiac	5	5.3%	10%	15%



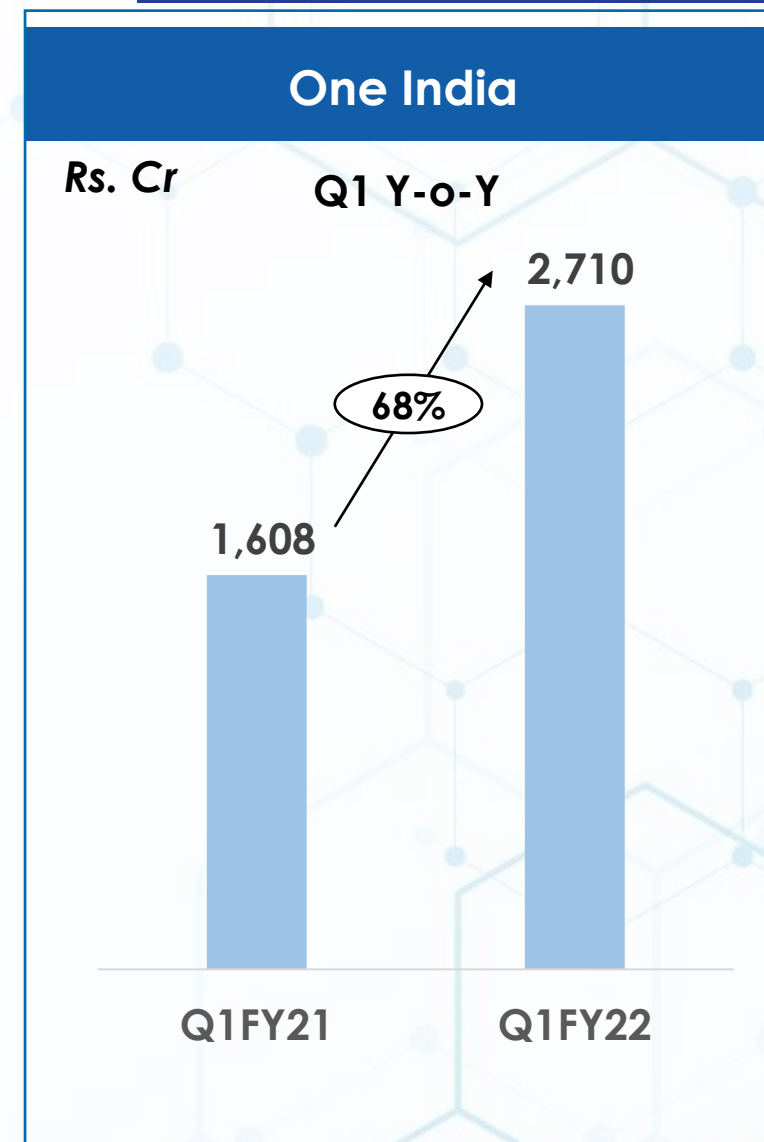
#### Trade generics business

- ❖ Healthy order flow across regions benefiting from strong demand tailwinds across core portfolio and covid ancillary products



#### Consumer health business

- ❖ Continued traction in anchor brands as well as brands transferred from trade generics business





6.9% contribution to overall revenues in Q1FY22; Improving consumer health outcomes

## Anchor consumer brands in India<sup>1</sup>

**OMNIGEL<sup>®</sup>**  
 ↑ **31%** **#1**  
 (Q1FY22 YoY growth) Pain Relief Category (May 2021)

**nicotex** ↑ **3%** **#1**  
 (Q1FY22 YoY growth) NRT\* Category (March 2021)

**CIPCAL**  
 ↑ **65%**  
 (Q1FY22 YoY growth)

**cofsils** ↑ **111%** **#2**  
 (Q1FY22 YoY growth) Cough & Cold Category (May 2021)

## Emerging consumer brands in India<sup>1</sup>

**prolyte<sup>™</sup> ORS** ↑ **128%**  
 (Q1FY22 YoY growth)

**CLOCIP<sup>®</sup>** ↑ **69%**  
 (Q1FY22 YoY growth)

**CIPLADINE<sup>®</sup>** ↑ **150%**  
 (Q1FY22 YoY growth)

**Maxirich<sup>®</sup>** ↑ **195%**  
 DAILY MULTIVITAMIN (Q1FY22 YoY growth)

## Anchor consumer brands in South Africa

**CORYX** ↑ **22%**  
 (Q1FY22 YoY growth in ZAR Terms)

**BRONCOL** ↑ **41%**  
 (Q1FY22 YoY growth in ZAR Terms)

**entiro<sup>™</sup> PROBIOTIC** ↑ **45%**  
 (Q1FY22 YoY growth in ZAR Terms)

**Flomist** ↑ **8%**  
 (Q1FY22 YoY growth in ZAR Terms)

**accurate** ↑ **6%**  
 (Q1FY22 YoY growth in ZAR Terms)

1. Market data as per Nielsen; \*nicotine replacement therapy

# SAGA<sup>1</sup>: South Africa, Sub-Saharan Africa and Cipla Global Access

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## Key Business Highlights



### South Africa

- ❖ Continued market beating growth in South Africa (SA) private business
- ❖ Double digit growth and market share gain in Antiretroviral and oncology private market<sup>2</sup>
- ❖ Moved up three places to 3<sup>rd</sup> in systemic anti-infectives private market<sup>2</sup>

**SA Private market**

**↑ 7%**

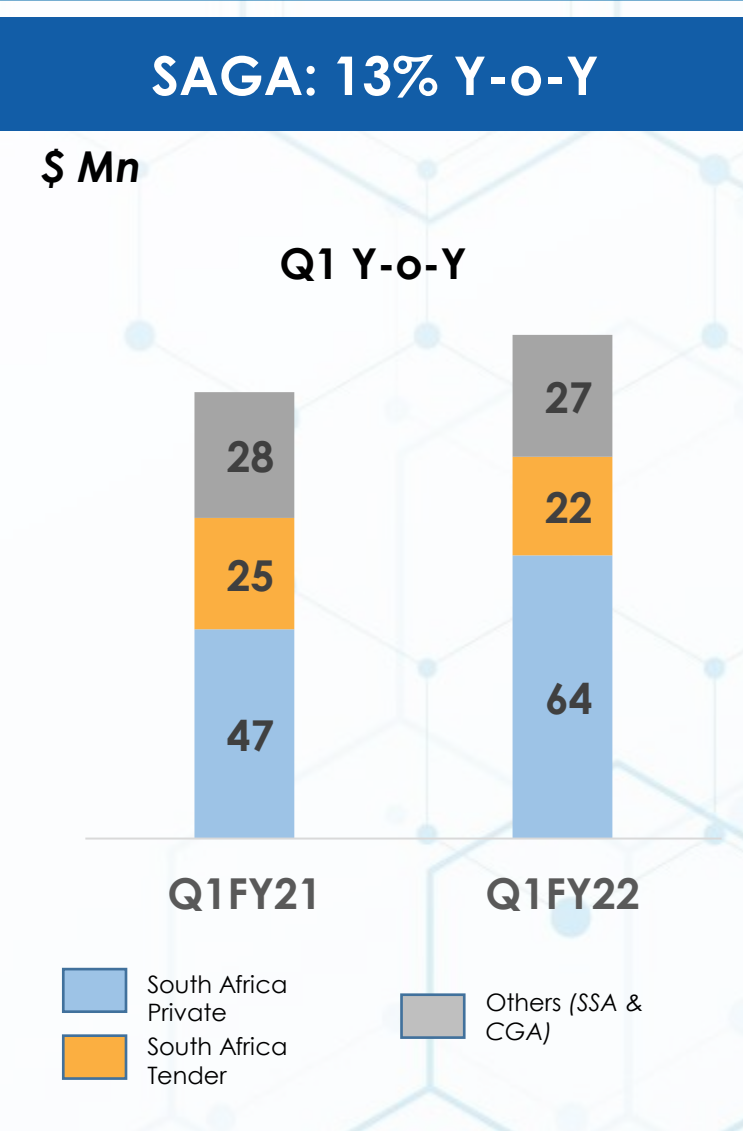
(Q1 YoY growth in ZAR Terms)

Market Segment <sup>2</sup>	Market Rank	Market share	Cipla Growth	Market Growth
South Africa private	3	7.1%	7.6%	5.1%
South Africa OTC	3	6.6%	8.5%	12.2%



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

- ❖ **SSA:** Strong demand seen in markets impacted by Covid-19 as compared to last year
- ❖ **CGA:** Performance in-line with order flow; sales traction witnessed in TLD



1. Financial numbers are rounded off | 2. Market data as per IQVIA MAT June 2021

## North America: Continued traction in core formulation portfolio

### Key Business Highlights



#### US Generics ramp-up continues

- ❖ Continued market share expansion in overall Albuterol market
- ❖ **New approval:** Arformoterol Tartrate Inhalation Solution 15 mcg / 2 mL
- ❖ Entered into the top 10 generic companies in the US by prescriptions in FY21 driven by unlocking of respiratory franchise as well as strong limited competition launches over the last 2-3 years
- ❖ Focus continues on limited competition complex launches

Albuterol HFA market <sup>1</sup> segment	TRx Market Rank	TRx Market share
gProventil	1	89.3%
Generic market (AG + Gx)	3	17.6%
Total market (Brand + AG + Gx)	3	14.1%



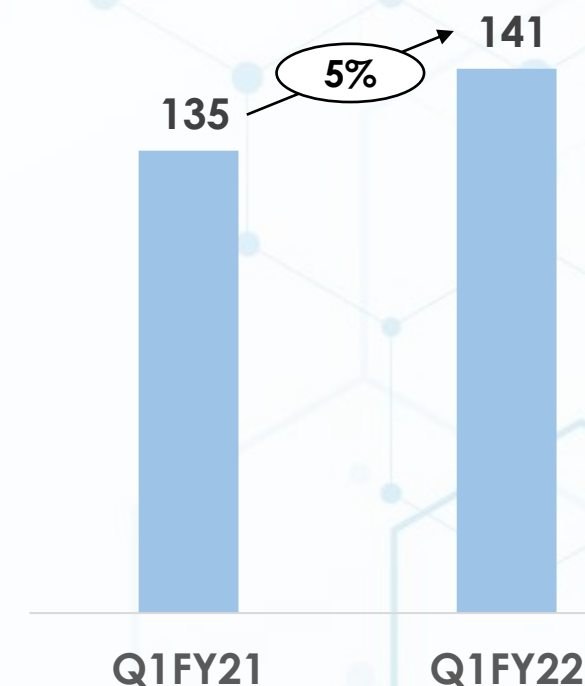
#### Pipeline update

- ❖ Closely working with USFDA on **gAdvair**

### North America

\$ Mn

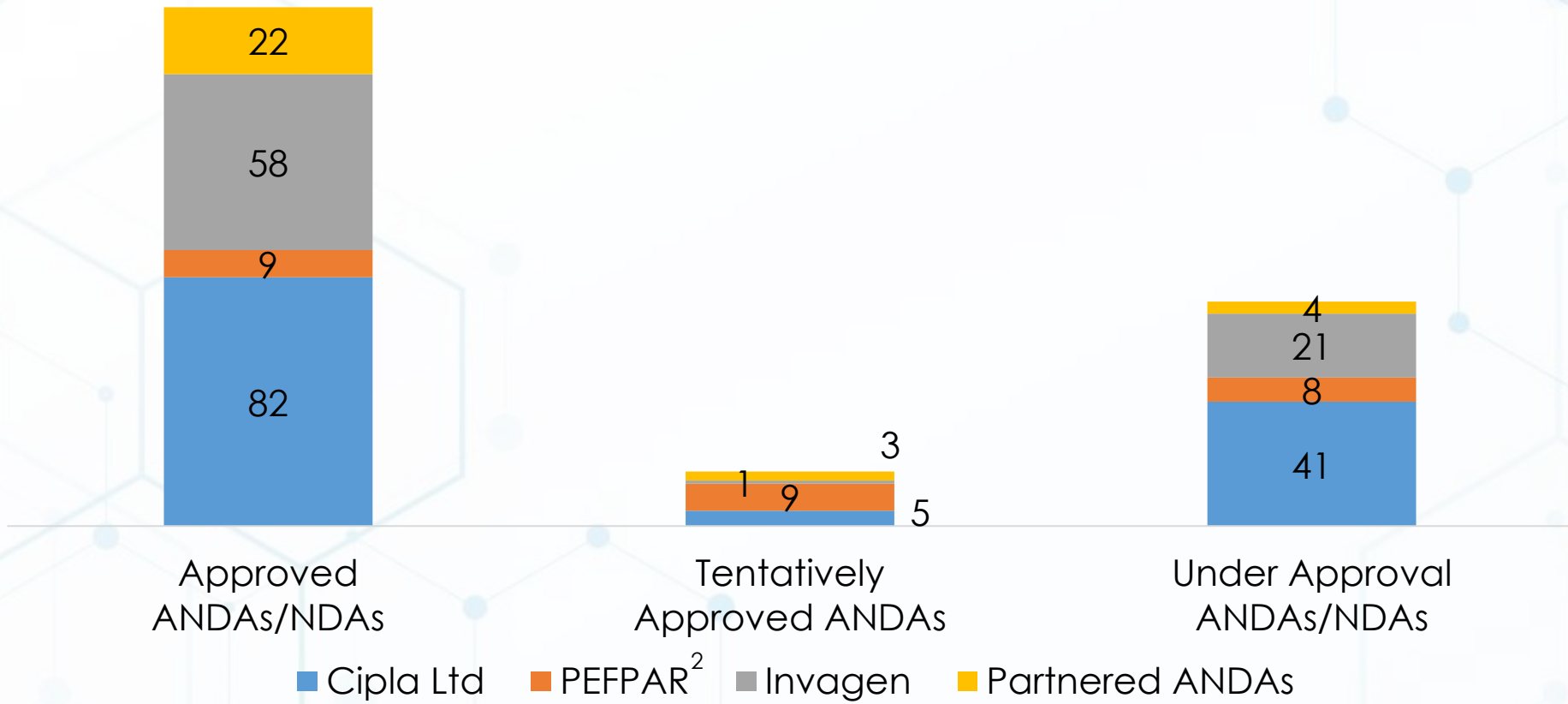
Q1 Y-o-Y



# ANDA & NDA<sup>1</sup> Portfolio & Pipeline (As on 30<sup>th</sup> June 2021)



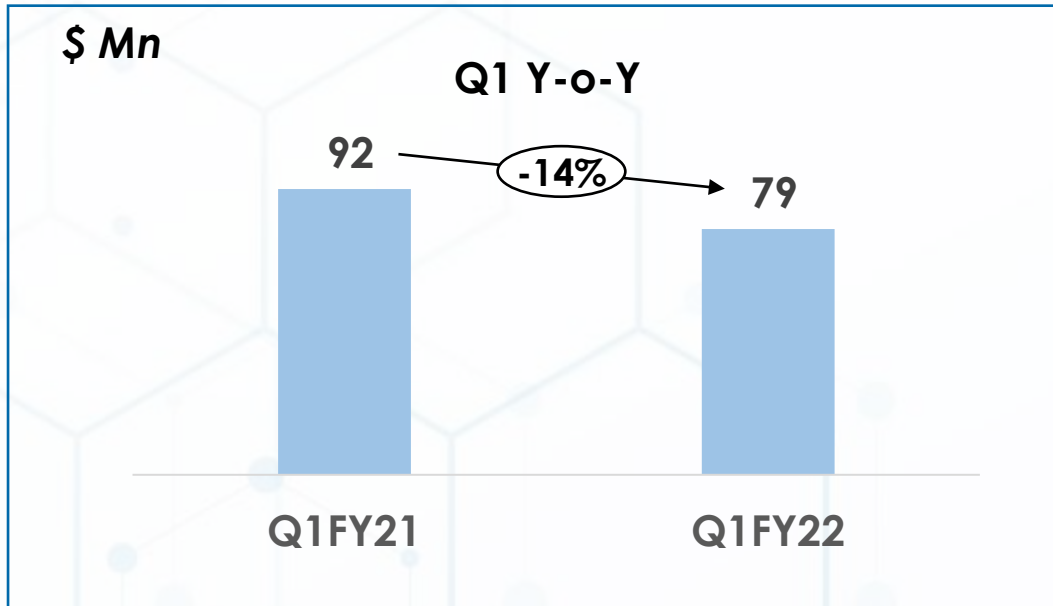
**Total ANDAs & NDAs**      **171**      **+**      **18**      **+**      **74**      **=**      **263**



<sup>1</sup> Does not include Vet product ANDAs

<sup>2</sup> PEPFAR approved ANDAs can be commercialised in US

### International Markets

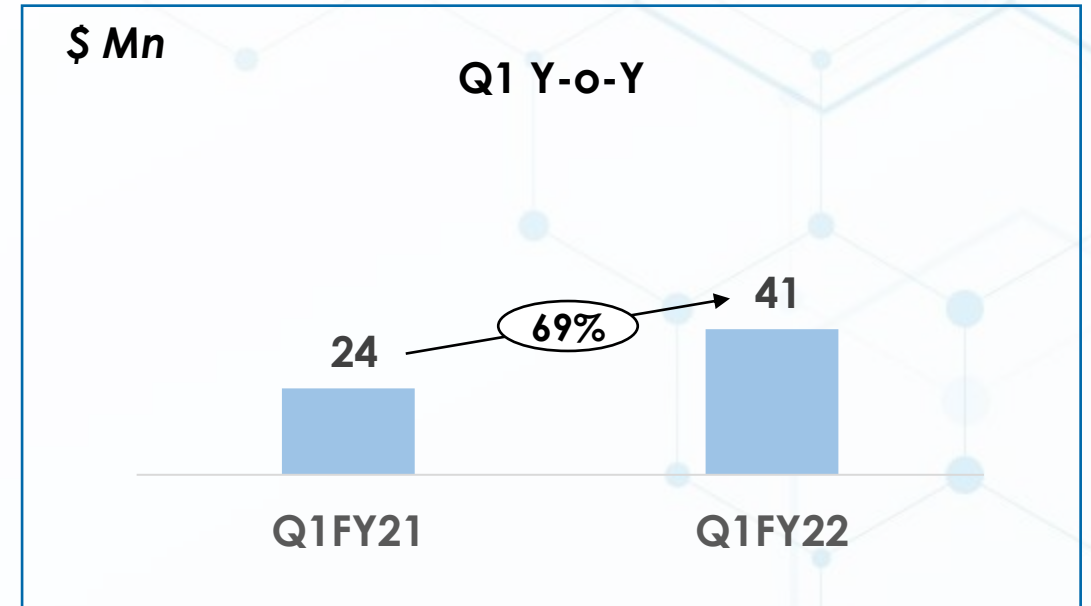


### Key Business Highlights



- ❖ Emerging markets business impacted by timing deferral pertaining to in-country currency allocation for our middle eastern supplies; recovery expected in Q2FY22
- ❖ Strong in-market performance continues across key DTMs

### API



### Key Business Highlights



- ❖ Sales momentum supported by strong customer relationships
- ❖ Revenue include one-time profit share on the commercial supply of an API to a partner
- ❖ Continued traction with global seedings & lock-ins



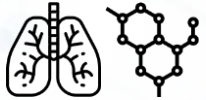
## Our FY22 priorities include



**Ensuring Covid portfolio** availability and maximize patients reach



**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 including biosimilars**



**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 ESG<sup>1</sup> practices**



**Sustained expansion in RoIC** over the long term





# Cipla

## Thank You

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