

13<sup>rd</sup> February 2024

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**Sub: Presentation for Analyst / Institutional Investor Meetings**

Dear Sir/Madam,

In furtherance to our intimation dated 1<sup>st</sup> December 2023 with respect to our participation at the Nuvama India Conference 2024, the presentation to be discussed at the conference is enclosed and the same is also available on our website at [www.cipla.com](http://www.cipla.com).

Kindly take the above information on record.

Thanking you,  
Yours faithfully,  
**For Cipla Limited**

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

Prepared by: Chirag Hotchandani

**Cipla**

# Nuvama India Conference 2024



**Ashish Adukia - Global Chief Financial Officer**  
**Jasdeep Singh - Global Chief Strategy Officer**

# DISCLAIMER

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**1** Journey  
So Far

**2** India  
Trends

**3** Cipla Way  
Forward





# Journey So Far



**Established in 1935:** Grown into one of the most respected companies globally

**Cipla**



**85+**  
Markets



**\$3 Bn**  
Revenues



**24%+**  
EBITDA



**47**  
State of art  
manufacturing  
facilities



**50+**  
Dosage  
forms



**26,000+**  
Employees

Note: Revenue and EBITDA of last 4 qtrs (Q4' FY23 – Q3' FY24)

# Performance for purpose

Strong execution to establish market leadership, build differentiated pipeline and accelerate our journey to being a global healthcare company

# Cipla

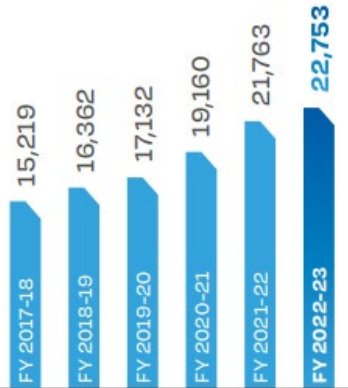
## Revenue from Operations

(₹ in crores)



**8%**

5-year CAGR



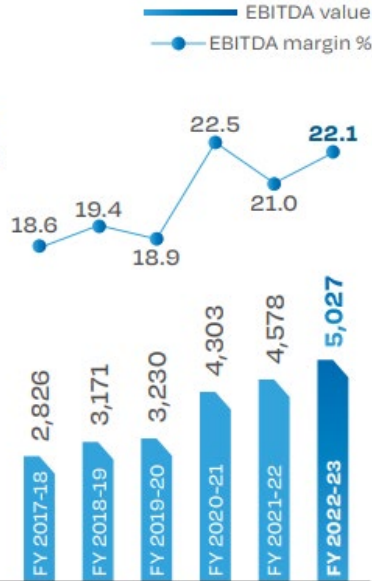
## EBITDA and EBITDA Margin<sup>1</sup>

(₹ in crores)



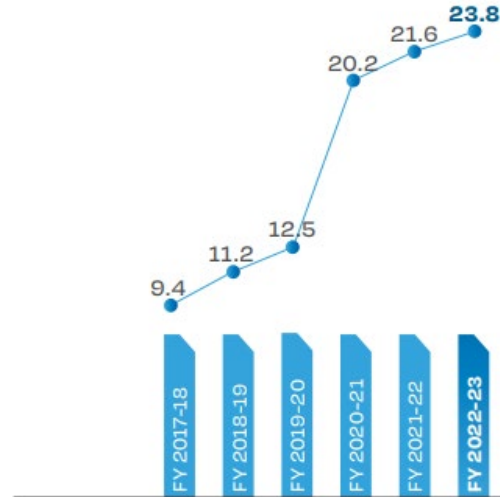
**12%**

5-year CAGR



## Return on Invested Capital (RoIC)<sup>3</sup>

(in %)



Dividend payout<sup>2</sup>

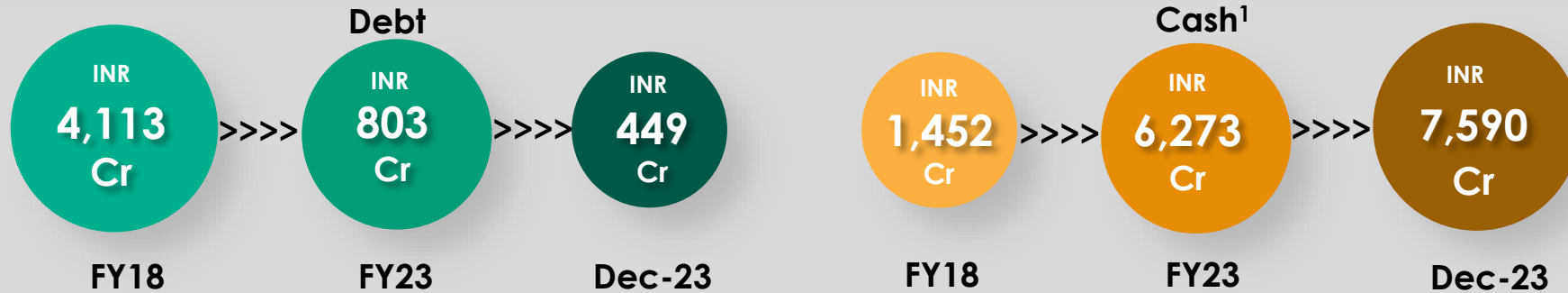
**FY 23 : 686 Cr**

**5Y Avg. : 460 Cr**

R&D Investment<sup>3</sup>

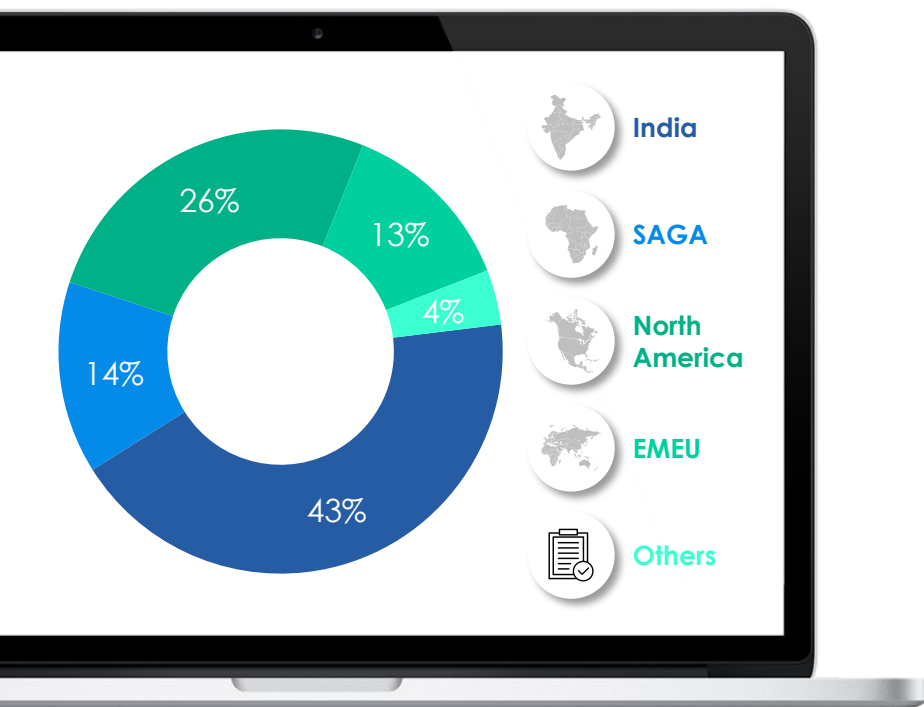
**FY 23 : 1,343 Cr**

**5Y Avg. : 1,140 Cr**



1. Cash and Cash Equivalents; 2. Since FY19; 3. R&D Including depreciation from FY18-FY23

# Global footprint with strong portfolio and execution capabilities across its key markets



1. Revenue share as per FY'23 Annual report | 2. SAGA includes South Africa, Cipla Global Access and Sub-Saharan Africa # EMEU – Emerging Markets and Europe

## India

- 3<sup>rd</sup> largest** in the India domestic Rx market; Leadership in Gx
- 1<sup>st</sup> rank** in Respiratory; top 5 in Urology and Anti-infectives
- 7,500+ field force** detailing to HCPs across the country – 85% physicians prescribe at-least one Cipla product
- Over 5 Lac+ no of downloads** - Digital Breathefree
- Strengthened presence in tier 2 & tier 3 cities** – GoApptiv & other initiatives

## SAGA

- 3<sup>rd</sup> largest player** in private Rx market in SA
- OTC Expansion** (acquisition of Actor Pharma)

## North America

- Fastest growing generic player**; #11 by prescriptions in volume in FY'23
- Adopted portfolio & customer diversification strategy**
- Established 505 (b) (2) & Para IV verticals**

## EM and Europe

- Presence across **50+ markets** in EM and **20+ markets** in EU with **2,000+ SKUs** and **35+ dosage**
- Building presence in deeper markets by collaborating with local partners**



# Leverage innovation for growth

1650 scientists | 5 R&D facilities | 303 patents granted till date

## New Products Launched

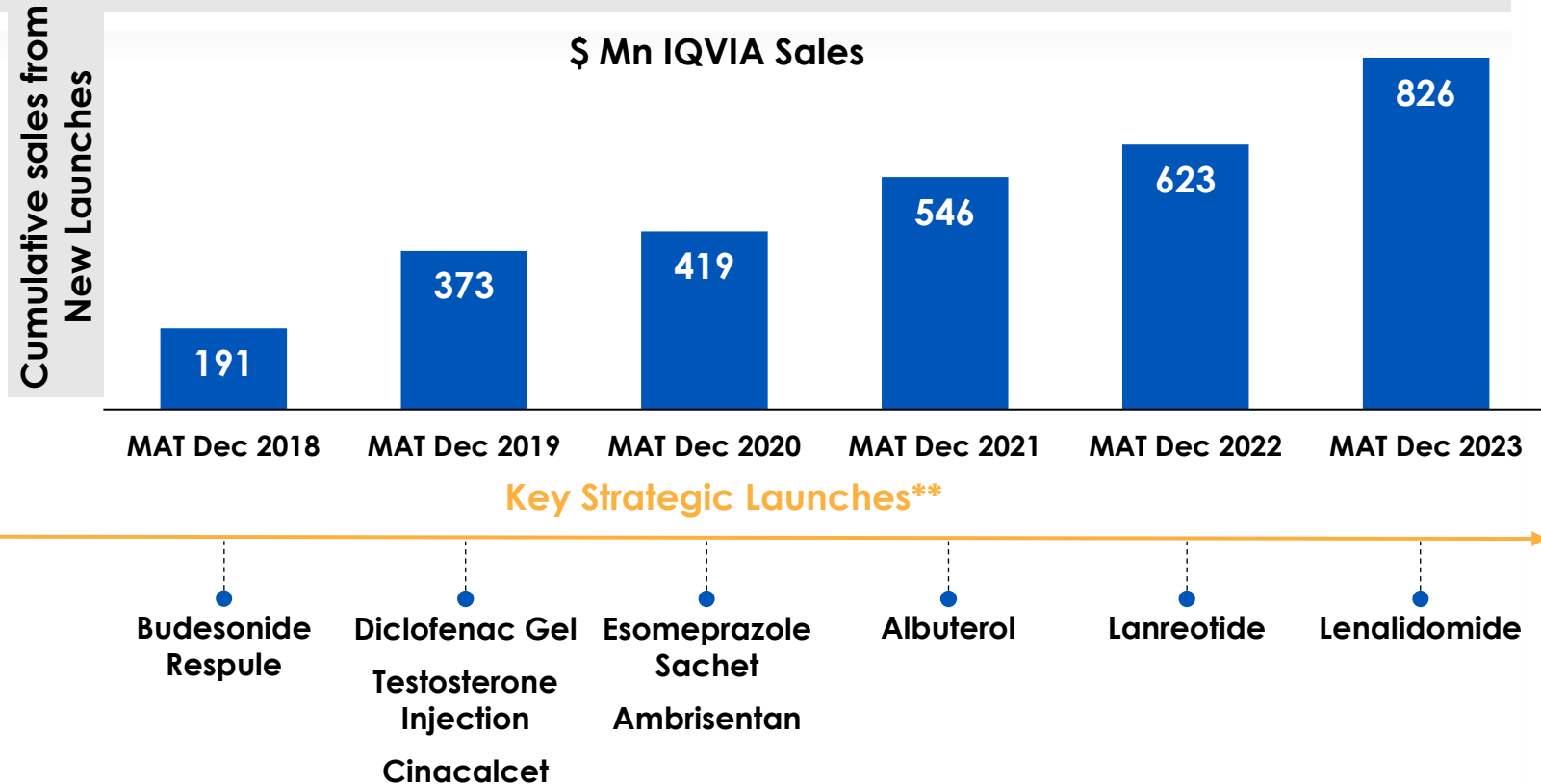


## Geography-wise product launches in FY 2022-23



## Investment in niche/complex opportunities in the U.S.

**55+** New Product launches since 2017



\* All launches since 2017, IQVIA Dec MAT 2023 | \*\*Sub-set of all launches in the FY

# Cipla stays anchored to its motto – “None shall be denied” **Cipla**

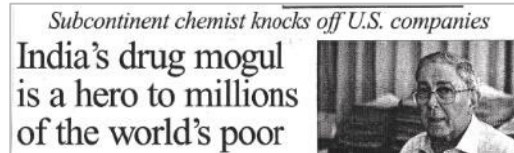
Strong R&D leveraged to develop solutions that address unmet medical needs, improve access to life-saving medicines

## Cipla continues to innovate in HIV

### Then: Offered ARV triple combo

During the AIDS crisis in the late 90s, Cipla utilized its formulation capabilities to provide ARV medicines to under-served patients

**‘\$1 per day’**



### Now: Worked with DNDi for Quadrimune

Launched a heat-stable, sweet pediatric combination that does not require refrigeration in SAGA

**1<sup>st</sup> 4-in-1 FDC**

Abacavir + Lamivudine + Lopinavir + Ritonavir

## Our Endeavor to improve access continues

### Inhaled anti-fungal

Ongoing global phase-2B & India phase-2 clinical trials

**PULMAZOLE™**

### Leuprolide 3M Depot injection

Launched peptide based, long acting 505(b)(2) product for advanced prostate cancer

### Lanreotide Injection

Key complex NDA developed & commercialised

### Lenalidomide Capsule

For blood related malignancies including multiple myeloma

# Cipla remained at the forefront of Covid care, displaying unwavering resilience

Cipla accelerated 'Access to life-saving drugs' for Covid and launched multiple products

01

## Antibody Cocktail



02

## Antivirals



03

## Immunosuppressants



04

## RT-PCR testing and Antigen testing Kits



Served **1.2 Lacs** patients  
Available at **>3000+** hospitals



Set-up Covid helpline: Received 100 to 300 calls on a day-to-day basis



CMO in Egypt; Supplied Remdesivir to Emerging markets

# India Trends





# Patient Pool: Growth of ~20% expected between 2021 and 2030

Reducing fertility rates, ageing population, increasing chronic ailments and better awareness among patients are resulting in higher patient pool

## Evolving Demographics

India ageing, **elderly to make up 20% of population by 2050** increasing the demand for age-related healthcare services significantly

## Increasing Awareness Among Patients

With over **700 million internet users** in India, As per BCG the Indian digital health market is projected to grow at CAGR of **27%** from 2020 to 2024.

## Proportion of Chronic Ailments

India is projected to house over **134 million diabetics** by 2045. Cancer cases expected to increase by **12%** by 2025

## Lifestyle Changes

NCDs account for around **63% of all deaths in India. Obesity expected to affect over 5%** of the country's Adult population by 2025

## Pollution-Related Ailments

Home to the world's most polluted cities, over **1.7 million deaths in India (18% of all deaths)** were attributable to air pollution contaminated water sources contribute to gastrointestinal diseases, hepatitis, and other health issues.



# Trends in Surgery | Advanced technologies driving adoption of both High-end complex and minimally invasive surgeries

## Hi-Tech complex surgeries

Such as Bi-valve replacement, Ortho surgery etc



### Joint replacement

Knee replacement surgeries up **2.5x in 5 yr**



### Spine: very complex, specialized skillsets, higher surgical value

**60%** of the Indian population will have a significant episode of spine-related problem once in their lifespan



**Trauma: Large volume, good quality is a need of the market**  
Value of the trauma fixation devices market within India was expected to be over **\$100m in 2022 \*\***

## Minimally Invasive Procedures

Estimated increase of over **30%** in the past five years in major metro cities.

### Robotics and AI Integration

Over **5,000** robotic-assisted procedures reported annually in leading hospitals. The market for surgical robotics expected to grow at CAGR of **20%** from \$64.9 million in 2016 to **\$349.3 million by 2025**

### Day Care Surgery

**40%** growth rate in metros, driven by advancements in surgical techniques and **patient preference for convenience**. Procedures such as cataract surgery and minor cosmetic surgeries performed on an outpatient basis.



# Surge in Preventive Care | With Curative Healthcare remaining heavily strained, focus has been shifting to Preventive Healthcare

Over **60%** now prioritize regular health check-ups a significant increase from a decade ago

- HCIs spend INR 4k-10k per annum on Preventive Healthcare
- Willing to pay 20%-50% more in future

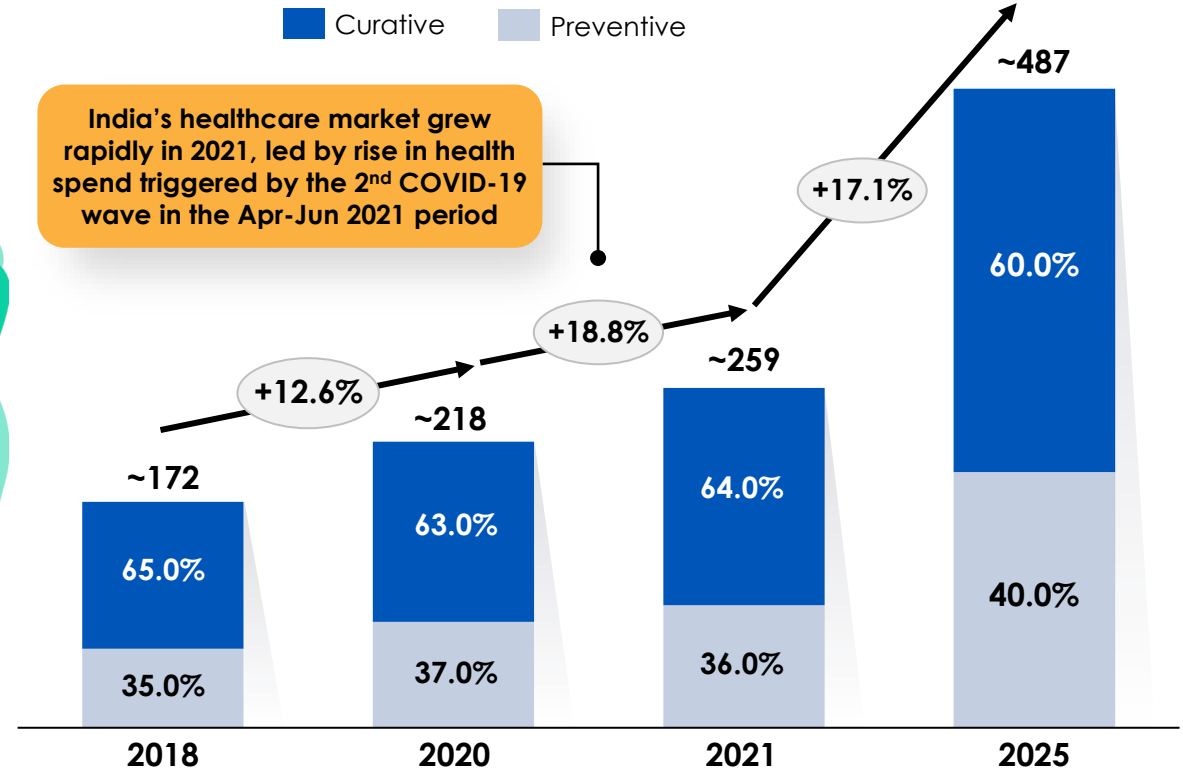
### Corporate wellness programs

Participation increase of up to **70%** in major cities, reflecting growing employer investment in health initiatives.

The use of health apps and wearables has seen a **four-fold increase** among the urban population in the last five years.

Preventive Healthcare Market  
Expected to contribute **40%** of the Healthcare spends in 2025, up from 36% in 2021\*

## Indian Healthcare Spend in \$ Bn (Private + Government)



# Trends in Diagnostics | Accurate, accessible, and personalized diagnosis to expand patient pool and improve clinical outcomes



## Advanced Imaging Technologies (AIT)

Valued at \$9.54 Bn in 2022 and is estimated to expand at CAGR of

**8%\***

from 2022 to 2030 and will reach \$17.54 Bn in 2030. Increasing use of PET-CT and MRI with Advanced tech adoption



## Point-of-Care Testing (POCT)

The market for POCT in India is expected to grow by **17%\*\*** annually. With urban clinics and pharmacies expanding their offerings for rapid tests, reflecting a growing **demand for immediate results**



## Genomic Testing (GT)

Expected to grow at a CAGR of

**7%#**

From \$ 61 Mn in 2022 to \$90 Mn by 2028 .

The use of genomic tests for cancer therapy selection has increased by over

**50%** in leading hospitals in metro cities

\* Insights10 - <https://www.insights10.com/report/india-diagnostic-imaging-services-market/#:~:text=%24%203999,reach%20%2417.54%20Bn%20in%202030.>

\*\* – Ken Research - <https://www.kenresearch.com/blog/2023/01/india-poct-sector/>

#. TechSci Research - <https://www.techsciresearch.com/report/india-genetic-testing-market/7813.html>



# Town 2-6 towns expected to account for incremental healthcare growth

Last 4 years CAGR of chronic medicines in T2-T6 is 11% vs 9.8% for metros



01

## Government initiatives and support

### **Policies and schemes**

Ayushman Bharat PM-JAY aim to provide **health insurance to 50cr** beneficiaries encouraging private players to establish healthcare facilities in underserved area

### **Infrastructure development**

Subsidies and incentives for setting up hospitals and clinics, have been pivotal.



02

## Rising healthcare awareness and demand

### **Increased health awareness**

Facilitated by digital penetration. This awareness is creating demand for quality healthcare services

### **Growing middle class**

Higher disposable incomes, is willing to spend on better healthcare services.



03

## Technological advancements

### **Telemedicine and digital health**

The adoption of telemedicine provided easier access to specialist healthcare services

### **Digital health platforms**

Facilitating consultations, diagnostic services, and e-pharmacy services, bridging the urban-rural divide.



04

## Private sector investment

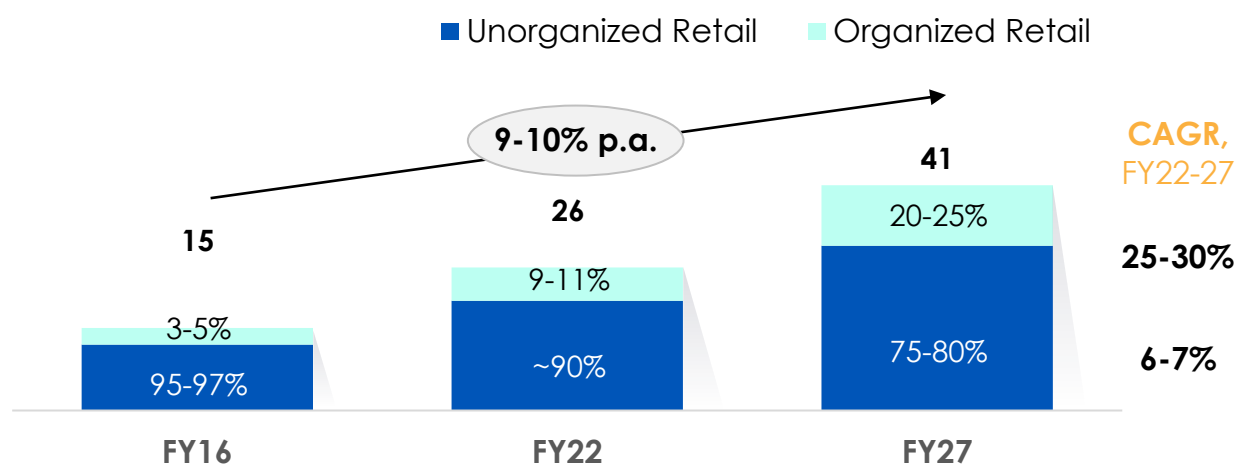
### **Private healthcare chains expansion**

Increased investment in Tier 2-6 cities for setting up multispecialty hospitals, diagnostic centers, and specialty clinics.

# Channel play should be designed to accommodate both organized & unorganized retail

Organized players expected to garner a market share of 20-25% by 2027

~80% chemists still will be a part of unorganized retail



- 01 Traditional trade will continue to have a high dependence on medicines supply
- 02 Penetration of organized players is limited to Metros, Tier 1 □ Tier 2-6 growth will be driven through traditional trade
- 03 Data analytics & insights both from organized & unorganized retail will be critical for pharma industry to design efficiency & drive growth

# Generative AI: A once-in-a-generation technology surges into healthcare industry

Gen AI applications to  
contribute **\$64 billion** to  
Indian healthcare in seven years

## Enhanced efficiency and productivity

Outpatient journeys and clinical documentation for improved patient care. Shortage of both clinical and non-clinical talent (e.g., only 64 doctors per 100,000 patients compared to the global average of 150 per 100,000)

## Improved diagnostic accuracy

Earlier and more accurate diagnoses, particularly in complex cases such as cancer

## Personalized medicines

Enabling personalized treatment plans, improve the efficacy of treatments and reduce side effects,

## Operational cost reduction

Optimize hospital operations, from inventory management to patient flow, significantly reducing waste and operational costs.

## Expansion into new services

Such as virtual health assistants, remote patient monitoring, and predictive health analytics.

## NASSCOM 2021 Report

Indian healthcare is expected to **reach \$372 Bn** by 2022 and data & AI has the potential to add **\$25-\$30 Bn** to India's GDP by 2025

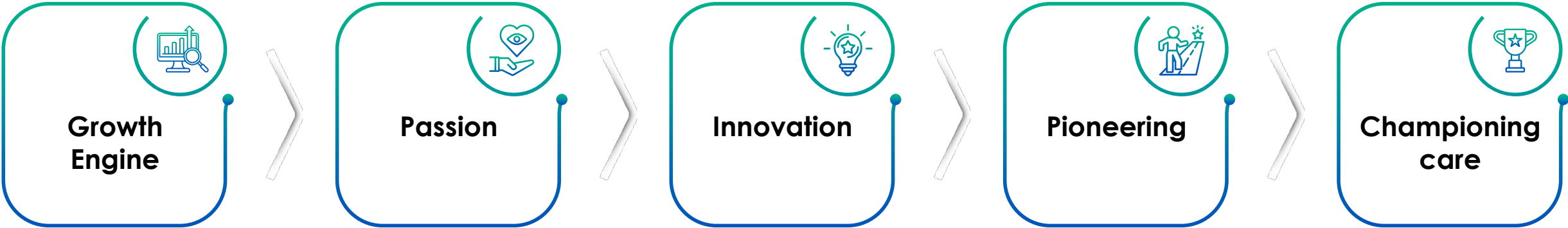


# Cipla Way Forward

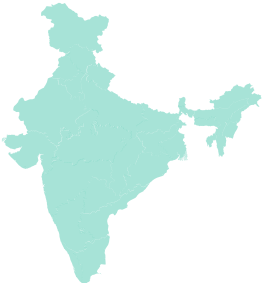




# Cipla is making strategic moves to offer “Beyond the Pill”



# Future Fit Cipla: Aspiration to build bolder presence across key markets



**ONE INDIA**



**SOUTH AFRICA**



**NORTH AMERICA**



**INTERNATIONAL MARKETS**

To be **2<sup>nd</sup>** Largest Pharma company in Rx Market; Continue Leadership in Gx

To be **Largest Pharma** co in Rx( Private market) & OTC

To be **2<sup>nd</sup>** Largest Gx by respiratory prescriptions in the US

To **2x** revenue  


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**\$100** Mn+ ->  
**2** countries

# Future Fit Cipla: Redefining Respiratory – Bridging the ecosystem from Illness to Wellness



## Diagnosis



Launched **Spirofy** and working on **Spiro Next Gen**



H1 FY 24

**Impulse Oscillometer (iOS)**

## Digital



Next generation digital asset – a SaMD for lung health screening



**Estimated Launch H2 FY 24**

## Awareness and Adoption



Increase adoption of inhalers by addressing key myths



Increase awareness amidst kids and parents on use of inhalers for kids

## Breathfree Wellness Centres



Bringing Lung Care to patients **Directly**

Better diet management

Counsellors for smoking deaddiction

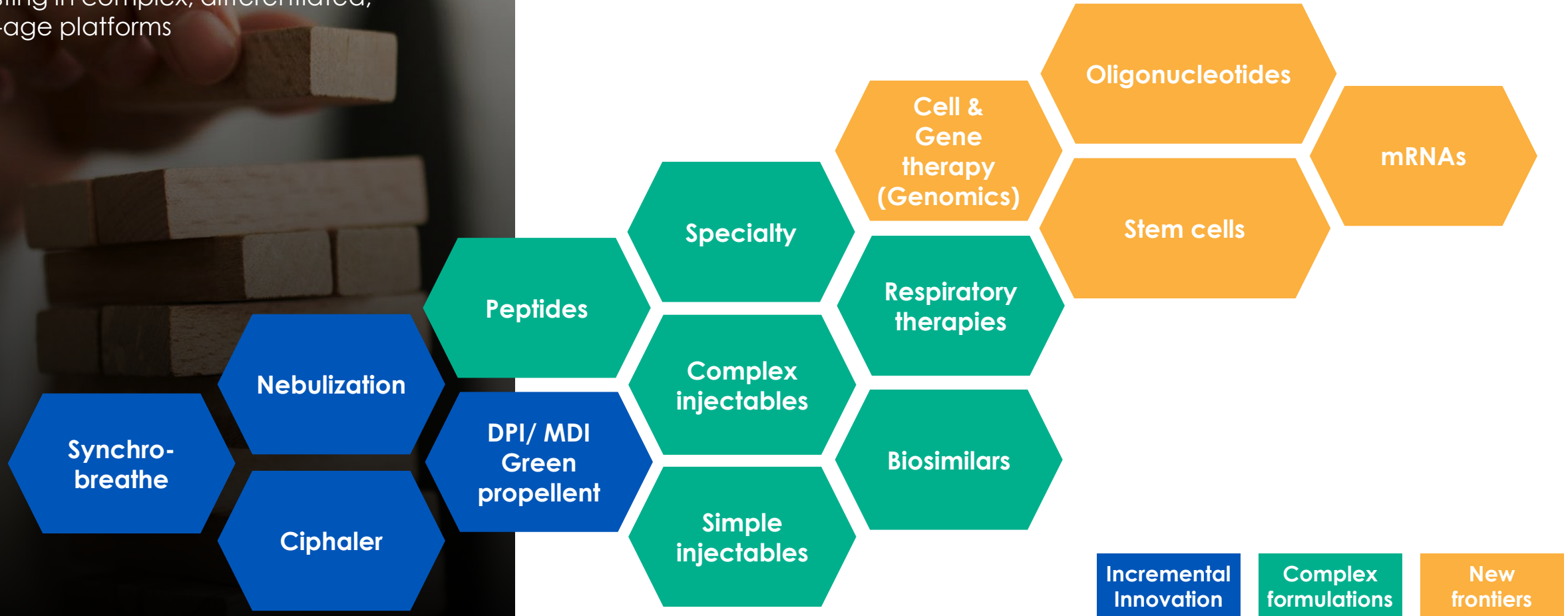


POC & Advance

Physiotherapists & trainers

# Future Fit Cipla: Stay relevant , Build “Beyond the Pill”

Investing in complex, differentiated,  
new-age platforms





# Future Fit Cipla: To lead, grow into an integrated healthcare player



High engagement with Start-up ecosystem via VC Investments



Entering **POC model** by Leveraging Cipla's reach with doctors, clinics, nursing homes



## Cippoint

<15 mins TAT

Launched in January 2023



## Achira (In-development)

15-30 mins TAT

A **fully load-and-go** instrument



## Neodocs

Conducting pilot for the UTI test kit

# Future Fit Cipla: Sustainability Champion

CARING FOR PEOPLE,  
PLANET AND PURPOSE



Cipla



## Culture

**Great places to work** certified and strive to be in the top 100 companies across industries

Build a **culture of inclusion** – Enhancing diversity across demographics while increasing gender diversity by 100 bps yoy

**Champion and Role Model the “Cipla Way”**

## Crusader for Health & Crisis

AMR Access

**4** Generics & **2** innovative products in pipeline

University partnerships, surveillances, IAIH, AMR alliance memberships

## ESG and Compliance

Carbon neutral by 2025

Initiated Net zero and Scope 3 journey

Water positive by 2025

cGMP; Best-in-class Corporate Governance practices



# Cipla

## Thank You

### Registered Office :

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

For any queries, please contact

**Ajinkya Pandharkar**

[Investor.Relations@cipla.com](mailto:Investor.Relations@cipla.com)

**Diksha Maheshwari**

[Investor.Relations@cipla.com](mailto:Investor.Relations@cipla.com)

For more information please visit

[www.cipla.com](http://www.cipla.com)