

10<sup>th</sup> May, 2022

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| <p>(1) BSE Ltd.<br/>Listing Department<br/>Phiroze Jeejeebhoy Towers<br/>Dalal Street<br/>Mumbai 400 001<br/><b>Scrip Code: 500087</b></p> | <p>(2) National Stock Exchange of India Ltd.<br/>Listing Department<br/>Exchange Plaza, 5<sup>th</sup> floor,<br/>Plot no. C/1, G Block,<br/>Bandra (East), Mumbai - 400 051<br/><b>Scrip Code: 500087</b></p> |
| <p>(3) SOCIETE DE LA BOURSE DE<br/>LUXEMBERG<br/>Societe Anonyme<br/>35A Boulevard Joseph II,<br/>L-1840 Luxembourg</p>                    |  |

Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the investor presentation dated 10<sup>th</sup> May 2022.

This is for your information and record.

Thanking you,

Yours faithfully,  
For **Cipla Limited**

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

Encl: as above

Prepared by: Chirag Hotchandani

The Cipla logo is displayed in a bold, white, sans-serif font in the upper 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 faint, white molecular or hexagonal grid pattern. A thick white diagonal line separates the two background sections.

**Cipla**

# Investor Presentation

Q4FY22

10-5-2022

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# In FY22, we delivered strong performance across our key markets; upward operating profitability trajectory sustained



**Overall Cipla**

Revenue <small>(YoY Growth in INR terms)</small>	EBITDA Margin	R&D Spends <sup>2</sup>
Overall <b>↑ 14%</b>	Overall <b>21%</b>	<b>↑ 21%</b>
Ex-covid <b>↑ 12%</b>	Adj. margin <sup>1</sup> <b>~22%</b>	<small>(YoY Growth)</small>

**One-India**

(YoY Growth in INR terms)

**One India **↑ 27%****

*Prescription business crossing \$1Bn scale; continued traction in trade generics and consumer health*

**North America**

**NA revenue **↑ 8%**** (YoY Growth)

**\$594Mn**

*Continued momentum in respiratory franchise and peptide unlocking*

**SAGA**

**SAGA **↑ 6%**** (YoY Growth in \$ terms)

**SA Private **↑ 15%**** (YoY Growth in ZAR terms)

*Market beating growth in private business on steady launches*

**International Markets & API**

**International Markets **\$385Mn****

*Strong respiratory filings in Europe*

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**API **↓ 5%**** (YoY Growth in \$ terms)

Note:1. Excludes impact of one-time covid inventory and other charges of ~INR 200 crores in Q4 | 2. Opex including depreciation

# Strong traction in One-India and US business drive Q4FY22 performance; Core profitability maintains strong trajectory

# Cipla

## Overall Revenue



**↑ 14%**

(Q4 YoY Growth in INR Terms)

*Sustained traction across branded & generic markets*

## Overall EBITDA



EBITDA Margin

**14.5%**

Adj<sup>1</sup> EBITDA Margin

**18%+**

R&D spends<sup>2</sup>

**↑ 16%**

(YoY Growth)

## One India



**↑ 21%**

(Q4 YoY Growth in INR Terms)

*Sustained momentum across core therapies and traction in flagship brands*

## SAGA



Overall SAGA

**↑ 8%**

(Q4 YoY growth in \$ Terms)

SA Private Market

**↑ 17%**

(Q4 YoY growth in ZAR Terms)

## North America



*Robust momentum in core business; strong traction in respiratory portfolio & peptide unlocking*

**\$160 Mn**

Q4FY22 Revenues

**↑ 17%**

(Q4 YoY growth in \$ Terms)

## International Markets & API



International

**↑ 4%**

(Q4 YoY growth in \$ Terms)



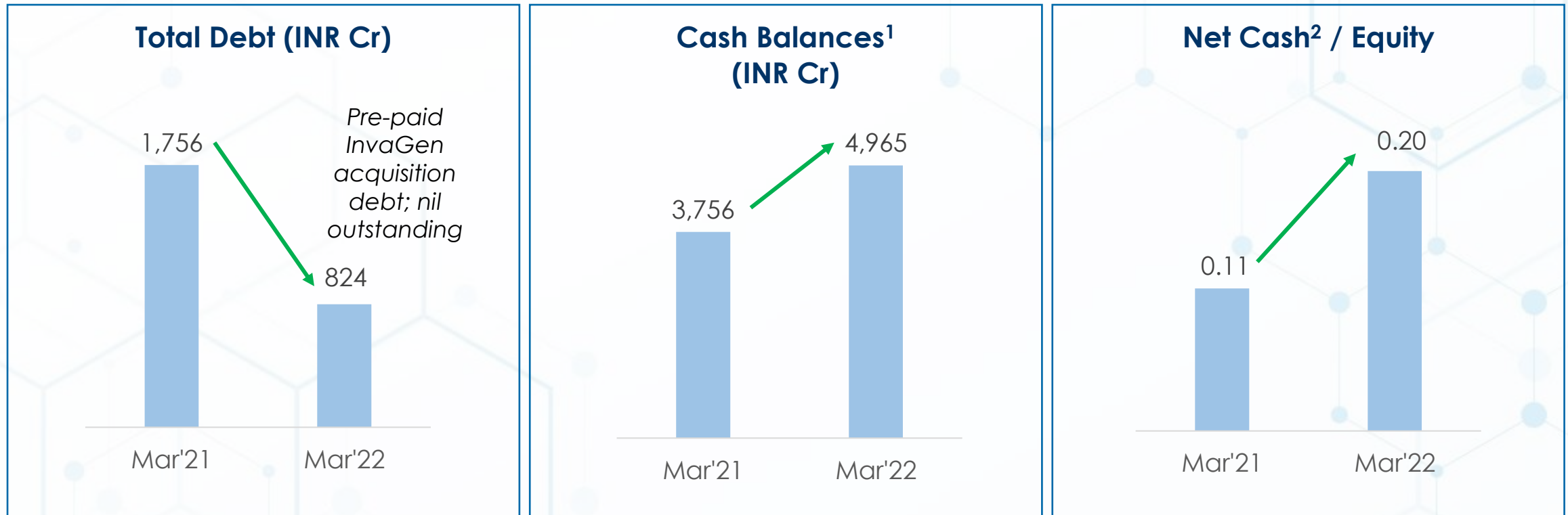
API

**↓ 41%**

(Q4 YoY growth in \$ Terms)



# Continued focus on maintaining a strong balance sheet health and robust free cash flow generation



- Continued governance on cash and liquidity management
- Prudent working capital management and optimised capex and drive robust free cash flow generation
- **Net cash positive position** continues at March-22 end reflects strong balance sheet health

1. Includes cash and cash equivalents including fixed deposits, current investments, margin deposits and excludes unclaimed dividend balances | 2. Net Cash = Total Cash balances - Total debt

## Revenues

INR 5,260 Cr ↑ 14% YoY

## EBITDA<sup>2</sup>

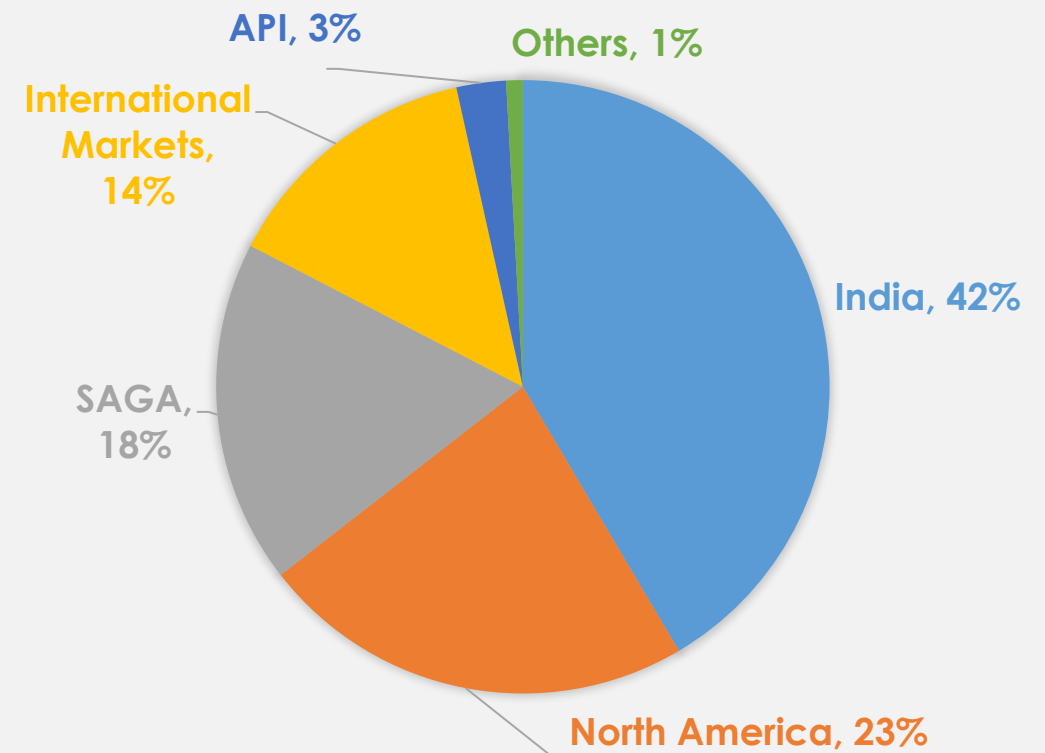
INR 763 Cr | 14.5% ↓ 4% YoY

### Q4 FY22 (Consolidated)

	Actuals (INR Cr)	vs Q4 FY 21
Total Revenue from Operations	5,260	14%
EBITDA <sup>2</sup>	763	-4%
EBITDA % of revenue	14.5%	-279 bps
PAT <sup>3</sup>	362	-12%
PAT % of revenue	6.9%	-209 bps

R&D<sup>4</sup> INR 322 Cr ↑ 16% YoY *Priority projects spend on track*

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



1. India includes Rx + Gx+ CHL; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access; International Markets include Emerging Markets and Europe | 2. Includes one-time covid inventory and other charges | 3. includes impact of impairments | 4. Opex including depreciation | Figures have been rounded-off

## Revenues

INR 21,763 Cr ↑ 14% YoY

## EBITDA

INR 4,578 Cr | 21% ↑ 6% YoY

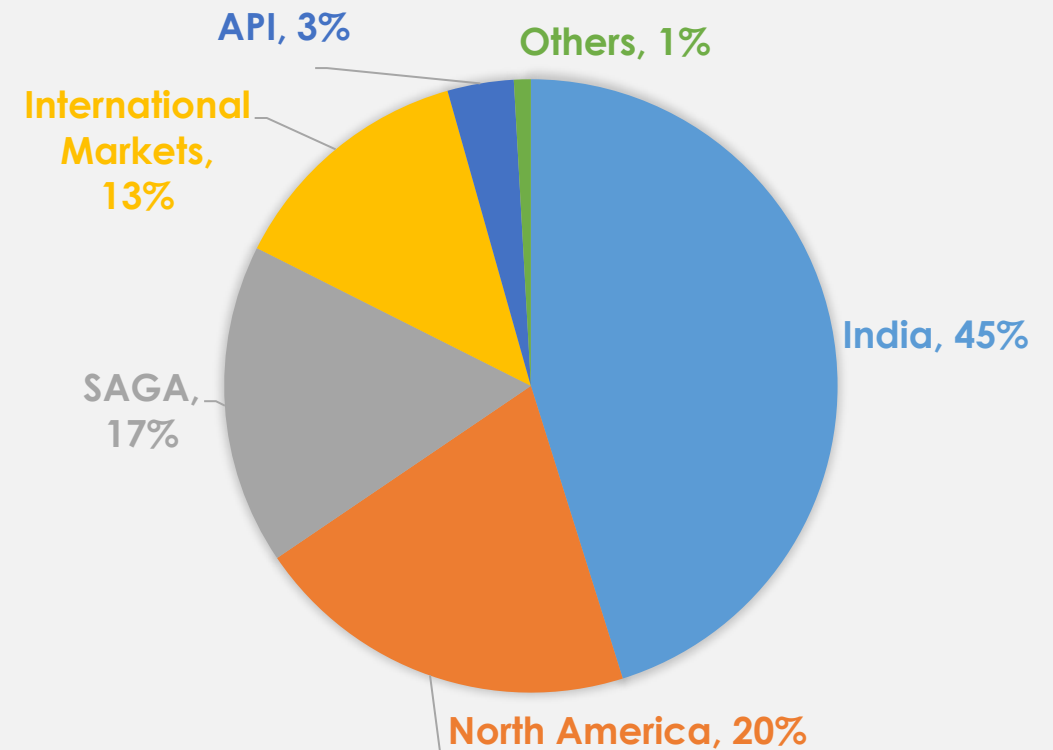
### FY22 (Consolidated)

	Actuals (INR Cr)	vs FY 21
Total Revenue from Operations	21,763	14%
EBITDA <sup>2</sup>	4,578	6%
EBITDA % of revenue	21%	-142 bps
PAT <sup>3</sup>	2,517	4.7%
PAT % of revenue	11.6%	-99 bps

R&D<sup>4</sup> INR 1,122 Cr ↑ 21% YoY

Priority projects spend on track

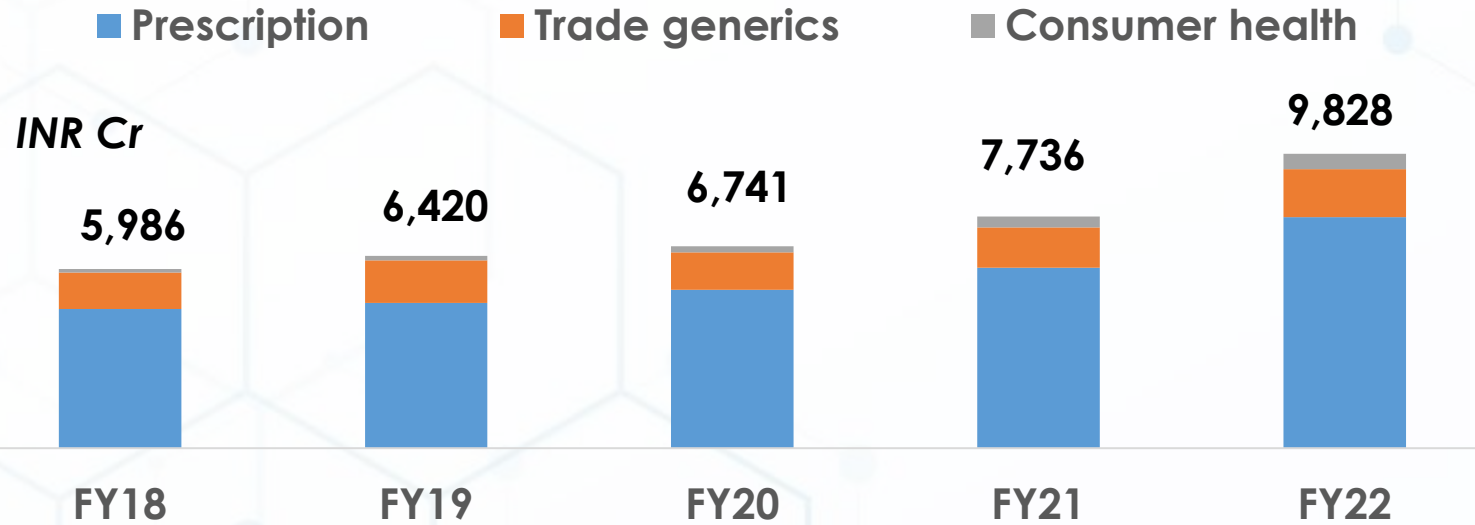
### Revenue<sup>1</sup> Break-up



1. India includes Rx + Gx+ CHL; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access; International Markets include Emerging Markets and Europe | 2. Includes one-time covid inventory and other charges | 3. includes impact of impairments | 4. Opex including depreciation | Figures have been rounded-off



## One India (Rx + Gx+ CHL<sup>1</sup>): Over the last 2 years we have driven strong execution across portfolio and distribution synergies helping us drive growth across the three businesses



**Overall One-India**

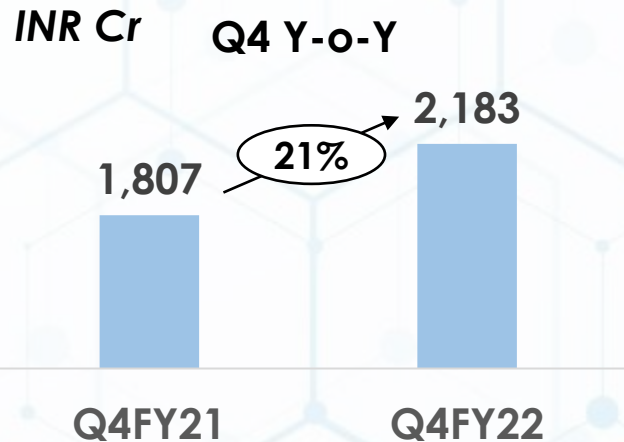
↑ **27%**  
(FY22 YoY growth)

**One-India Ex-Covid**

↑ **25%**  
(FY22 YoY growth)

*Branded Prescription business crossing \$1 Billion scale*

*One-India business tracking close to INR 10,000 Cr. scale*



### Branded prescription business

- ❖ Sustained momentum across therapies in core portfolio
- ❖ Healthy market shares<sup>2</sup> and ranks<sup>2</sup> across therapies

### Trade generics business

- ❖ Strong demand for flagship brands and key therapeutic categories
- ❖ Continued focus on customer engagement for healthy order flows

**19** Brands launched in Q4FY22

### Consumer health business

- ❖ Robust traction in anchor brands as well as transitioned brands
- ❖ On sustainable EBITDA trajectory after break-even achieved in FY22

# Cipla's core branded prescription portfolio therapy mix reflect strong fundamentals across chronic and acute segments; big brands growing bigger in size and brand equity



High-quality branded franchise across chronic and acute therapies

Core Acute portfolio (Ex-Covid) as per IQVIA

**41%** Contribution to Cipla as on MAT Mar-22  
**5%** CAGR over MAT Mar'18-22

Core Chronic portfolio (Ex-Covid) as per IQVIA

**59%** Contribution to Cipla as on MAT Mar-22  
**↑750bps+** in chronic contribution over MAT Mar'18-22  
**13%** CAGR over MAT Mar'18-22

## Cipla's Top Acute Brands with revenue >INR 25Cr as on MAT Mar-22 (IQVIA)

**41**  
Brands



**66%** contribution to core Acute Portfolio (excluding covid)

**~14%** market share in addressable molecule market

**8%** CAGR MAT Mar'18-22

**29** out of **41** Brands with mkt share **15%+** in addressable molecule market

## Cipla's Top Chronic Brands with revenue >INR 25Cr as on MAT Mar-22 (IQVIA)

**32**  
Brands



**~78%** contribution to core Chronic Portfolio (excluding covid)

**32%** market share in addressable molecule market

**15%** CAGR MAT Mar'18-22

**24** out of **33** Brands with mkt share **15%+** in addressable molecule market

Portfolio under NLEM price control grew at a modest pace control over the last 4 years

**23%<sup>1</sup>** of overall domestic branded prescription business is under NLEM price control as on Mar-22

**~6%<sup>1</sup>** revenue CAGR FY18-FY22 for products under NLEM price control as on Mar-22

Note: Core branded prescription portfolio (Acute & Chronic) excludes contribution from covid products | 1. As per company sales

# Global consumer wellness franchise committed to provide a holistic and customized wellness solutions



~8% contribution to overall revenues in FY22; Improving consumer health outcomes

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

**OMNIGEL<sup>®</sup>**  
 ↑ **17%**  
 (FY22 YoY growth)  
**#1**  
 Pain Relief Category  
 (Feb-22)

**nicotex** ↑ **8%**  
 (FY22 YoY growth)  
**#1**  
 NRT\*  
 Category  
 (Dec-21)

**prolyte<sup>™</sup>**  
**ORS** ↑ **57%**  
 (FY22 YoY growth)

**cofsils** ↑ **62%**  
 (FY22 YoY growth)  
**#2**  
 Cough & Cold  
 Category  
 (Feb-22)

**Cheston** ↑ **33%**  
 (FY22 YoY growth)

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

**CIPLADINE<sup>®</sup>** ↑ **32%**  
 (FY22 YoY growth)

**CLOCIP<sup>®</sup>** ↑ **41%**  
 (FY22 YoY growth)

**Rexcof<sup>®</sup>** ↑ **63%**  
 (FY22 YoY growth)

**Maxirich<sup>®</sup>** ↑ **36%**  
 DAILY MULTIVITAMIN  
 (FY22 YoY growth)

## Anchor consumer brands in South Africa

**Cipla Actin**  
 ↑ **8%**  
 (FY22 YoY growth in ZAR Terms)

**CORYX**  
 ↑ **51%**  
 (FY22 YoY growth in ZAR Terms)

**Asthavent**  
 ↑ **7%**  
 (FY22 YoY growth in ZAR Terms)

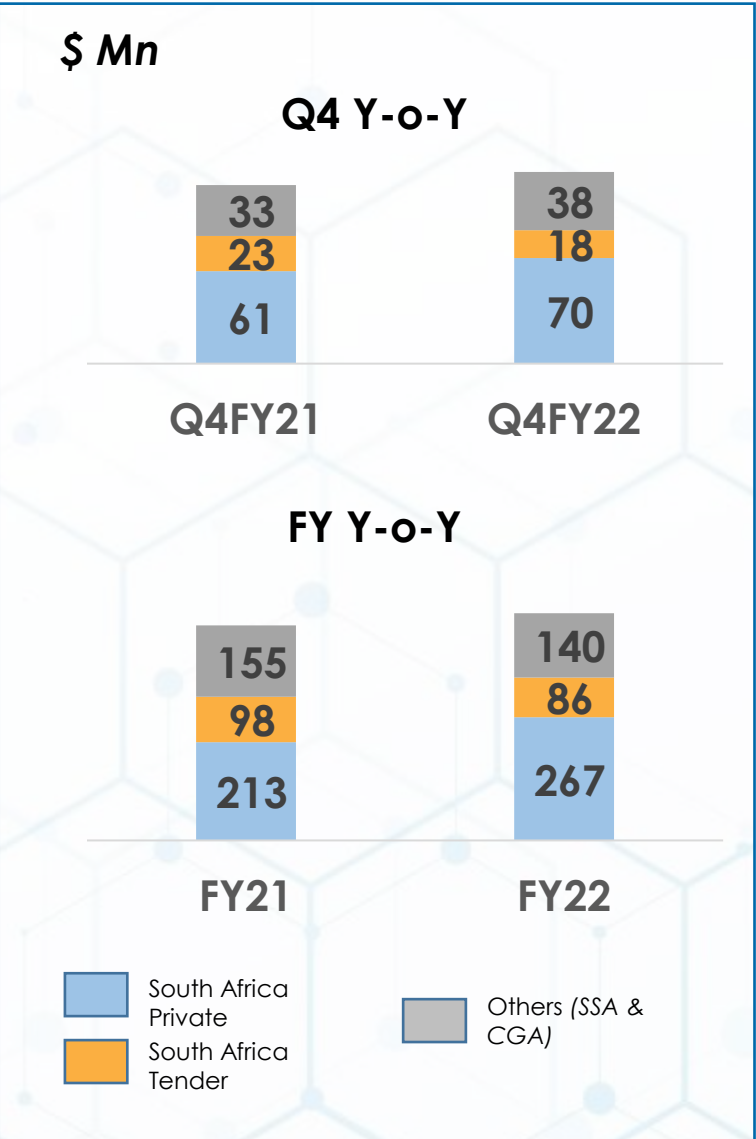
**acurate**  
 ↑ **12%**  
 (FY22 YoY growth in ZAR Terms)

**Flomist**  
 ↑ **21%**  
 (FY22 YoY growth in ZAR Terms)

**BRONCOL**  
 ↑ **55%**  
 (FY22 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



## South Africa<sup>2</sup>

- ❖ Market beating growth continues in South Africa (SA) private business; tender business muted in-line with expectations
- ❖ Growth diversified across base and new product portfolios
- ❖ Continue to maintain leadership positions in key therapy areas

**SA Private market**

**↑ 17%**

*(Q4 YoY growth in ZAR Terms)*

- 5** Brands launched in Q4FY22
- 32** Brands launched in FY22

Market Segment	Market Rank	Market share	Cipla Growth	Market Growth
South Africa prescription	3	7.7%	12.0%	7.9%
South Africa OTC	3	7.1%	12.8%	8.1%
South Africa overall	3	7.5%	12.3%	8.0%



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

- ❖ **SSA:** Maintained scale over last year base driven by continued order flow across regions
- ❖ **CGA:** Performance driven by strong order flow for TLD

1. Financial numbers are rounded off | 2. Market data as per IQVIA MAT March 2022



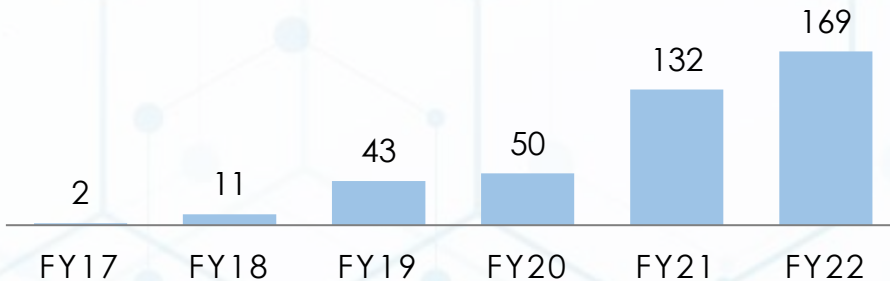
## North America: Continued traction in core formulation business driven by respiratory franchise and peptide assets

### Key Business Highlights



- ❖ Revenue at **multi-quarter high of \$160 Mn**
- ❖ Robust momentum in core formulation business; strong traction in respiratory assets as well as contribution from peptide assets
- ❖ Focus continues on limited competition complex launches

### Revenue from Respiratory products \$Mn<sup>2</sup>



17.2%

Albuterol Total market share<sup>1</sup>

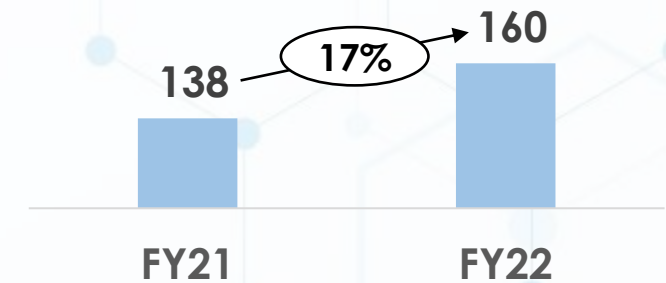
29.8%

Arformoterol Total market share<sup>1</sup>

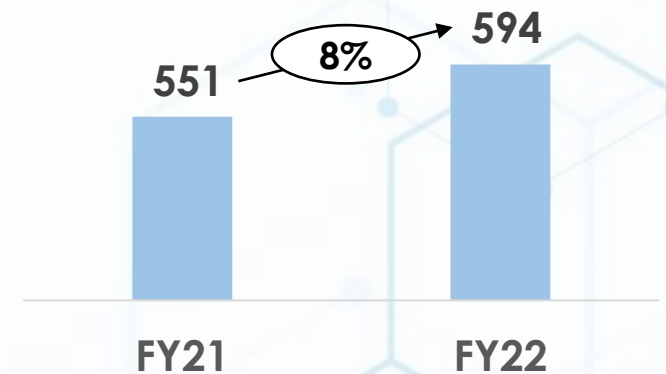
### North America

\$ Mn

Q4 Y-o-Y



FY Y-o-Y



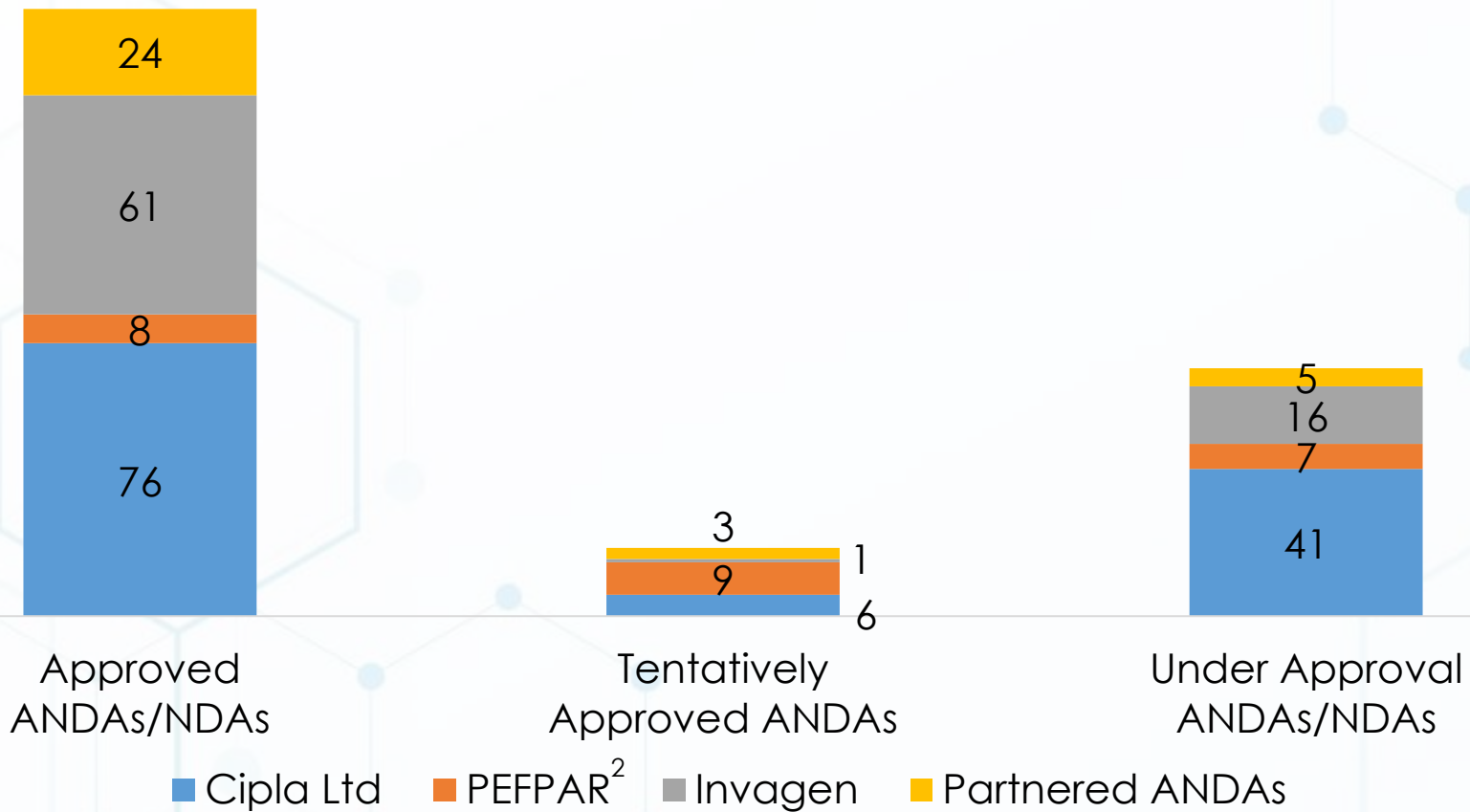
### Pipeline update

- ❖ Working with USFDA on **gAdvair**;
- ❖ Initiated clinical trials on a respiratory asset

# ANDA & NDA<sup>1</sup> Portfolio & Pipeline (As on 31<sup>st</sup> March 2022)



**Total ANDAs & NDAs**      **169**      **+**      **19**      **+**      **69**      **=**      **257**

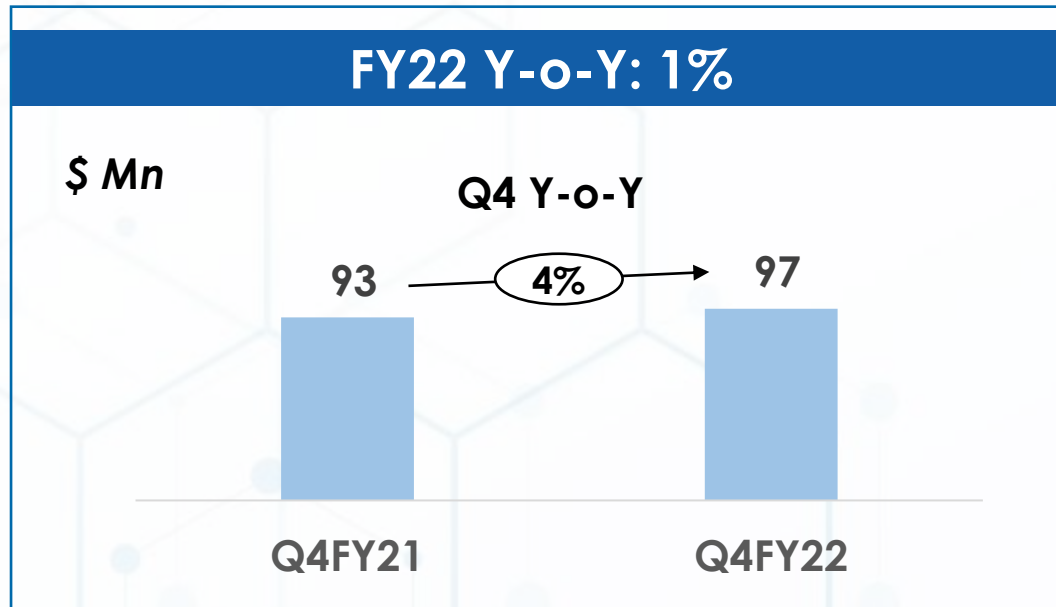


<sup>1</sup> Does not include Vet product ANDAs

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



## International Markets



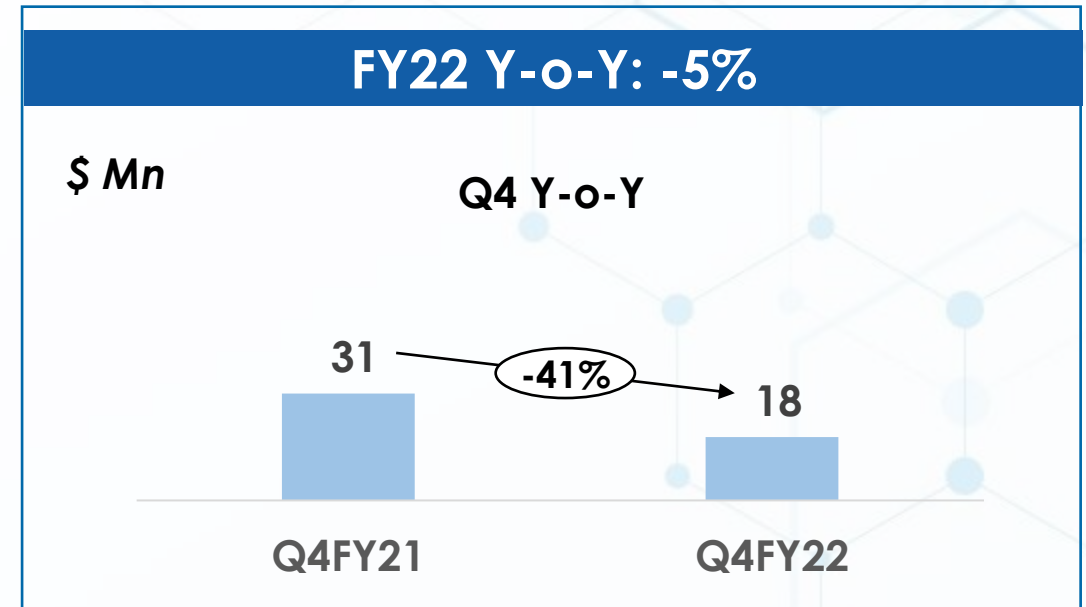
## Key Business Highlights



- ❖ Scale supported by strong DTM<sup>1</sup> growth across geographies; offset emerging market forex volatility and muted B2B demand in Europe
- ❖ Steady double-digit growth in secondary terms during the quarter

1. DTM – Direct to market

## API



## Key Business Highlights



- ❖ Performance attributed to higher Q4FY21 base due to stock-up by customers and one-time profit share on an API supply
- ❖ Continued traction with global seedings & lock-ins

# In FY22, we delivered strong progress on our strategic priorities for FY25

		<u>FY25 targets</u>	<u>YTD FY22 progress</u>
	Expanding lung leadership globally and maximising value opportunity in US complex generics	Incremental opportunity to add \$300Mn-\$500Mn by FY25	Launch & scale-up in respiratory assets Albuterol & Arfomoterol; Peptide portfolio unlocking
	Maintain market-beating growth in large branded and unbranded generic franchises of India & South Africa; augment consumer wellness franchise	Market-beating growth in India & South Africa and 10% share of consumer business	Continued market beating performance in India & SA; share of consumer business <b>~8%</b>
	Focused DTMs <sup>1</sup> and new frontier markets (China & Brazil) for organic growth in Europe and Emerging markets; expanding biosimilar partnerships in key markets	Drive sustainable growth through organic and inorganic levers	Tracking annualized revenue of <b>\$385Mn</b> driven by strong DTM momentum
	Leverage digital capabilities to deliver transformative business and patient outcomes in the new normal	Digital patient care continuum	New digital company incorporated; enabler of digital agenda across functions
	Focus on regulatory compliance across manufacturing locations and embrace best-in class globally benchmarked ESG <sup>2</sup> practices	Global benchmark for quality compliance & ESG	Inclusion in Dow Jones Sustainability Emerging Markets Index
	Consistent upward RoIC <sup>3</sup> trajectory over the long term	RoIC expansion to 17%-20% over the long term	FY22 RoIC at <b>21.6%</b>

1. DTM – Direct to market | 2. Environmental, Social, Governance | 3. Return on Invested Capital (RoIC) = EBITDA - depreciation & amortization ÷ Average [(Fixed assets including goodwill + Current liabilities excluding current debt) / (Current liabilities excluding current debt + Current assets excluding cash and equivalents)]



# Cipla

## Thank You

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