

4th November, 2022

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

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 4th November, 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 a dark blue gradient with a white molecular structure pattern of hexagons and dots. A white diagonal line runs from the top center towards the bottom right, separating the logo area from the main content area.

Cipla

The main title 'Investor Presentation' is written in a large, bold, white, sans-serif font, positioned in the lower left quadrant of the slide. The background behind the text is a blurred image of several hands clasped together, suggesting teamwork or support.

Investor Presentation

Q2FY23

4-11-2022

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 including impact of Covid-19 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.

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Q2FY23 Performance

Strong One-India momentum and US differentiated portfolio unlocking drives revenue and profitability

KEY HIGHLIGHTS

Overall Revenue

INR 5,829 Cr

6%
overall
YoY growth

12%
Ex-covid
YoY growth

EBITDA Margin

Overall **22.3%**

Adj. margin¹ **~24%**

R&D Investment²

INR 335 Cr

22%
YoY growth

5.8%
of overall
revenue

BUSINESS UNIT-WISE REVENUE & YOY GROWTH

One-India

6% **15%**
(Overall) (Ex-covid)
YoY growth in INR terms

Robust traction in core portfolio across therapies and business segments

North America

\$ 179 Mn **25%**
YoY growth in \$ terms

Differentiated portfolio unlocking with the launch of Lenalidomide and market share expansion in lanreotide 505b2

SA Private

1% **28%**
YoY in ZAR terms QoQ growth in ZAR terms

Recovery on track; double digit sequential growth

International Markets

\$ 96 Mn

Maintained scale over Q2FY22 ex-covid base, **despite forex volatility**



Cipla Indore's OSD plant designated as an 'Advanced Fourth Industrial Revolution (4IR) Lighthouse' by the World Economic Forum

Continued traction on transforming into a digitally native organization

- Amongst the **first pharmaceutical companies in India and Asia** to be recognized for adopting 4IR technologies to digitally transform operations
- Demonstrates advanced technologies to drive **productivity, workforce engagement, sustainability, and resilience**



GOLDEN PEACOCK A W A R D S

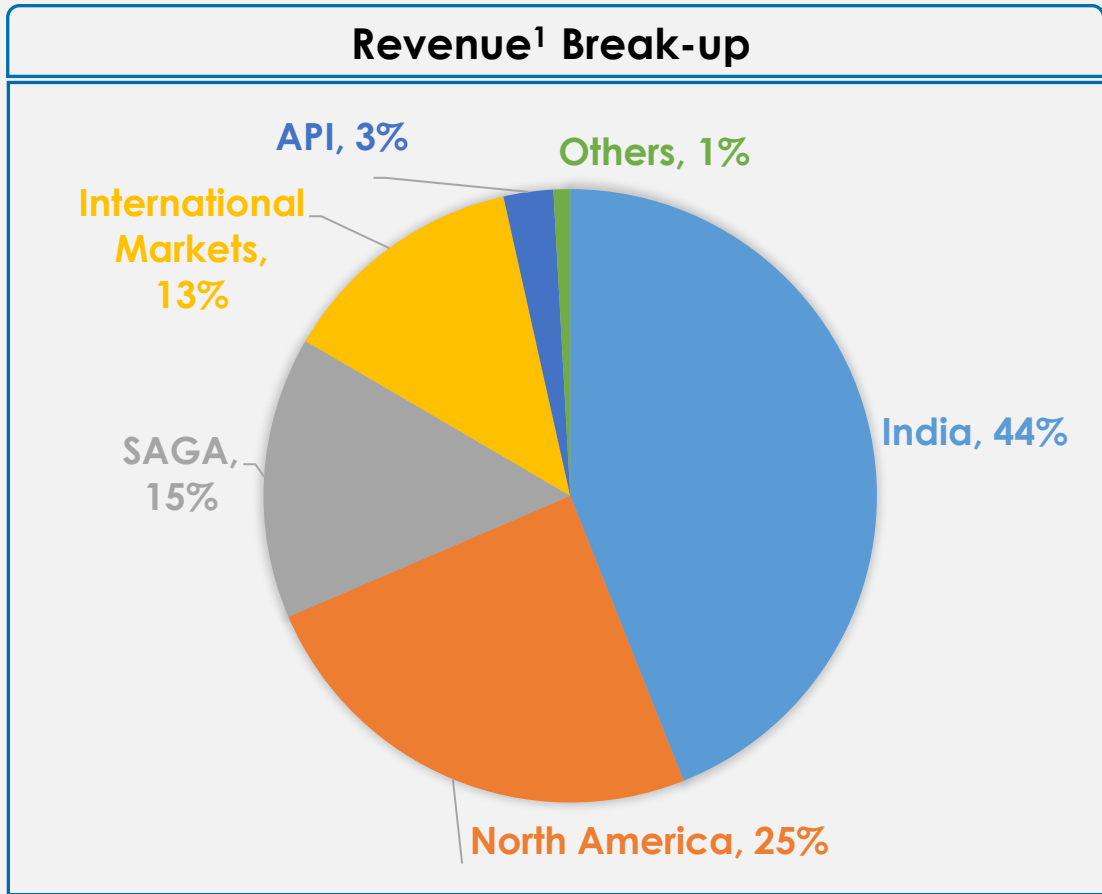
Winner *of* Corporate Governance 2022

Recognition for high corporate governance practices

- Cipla wins Golden Peacock Award for the 3rd time in the last 5 years

Financial Performance – Q2FY23

Revenues INR 5,829 Cr ↑ 6% YoY



EBITDA² INR 1,302 Cr | 22.3% ↑ 6% YoY

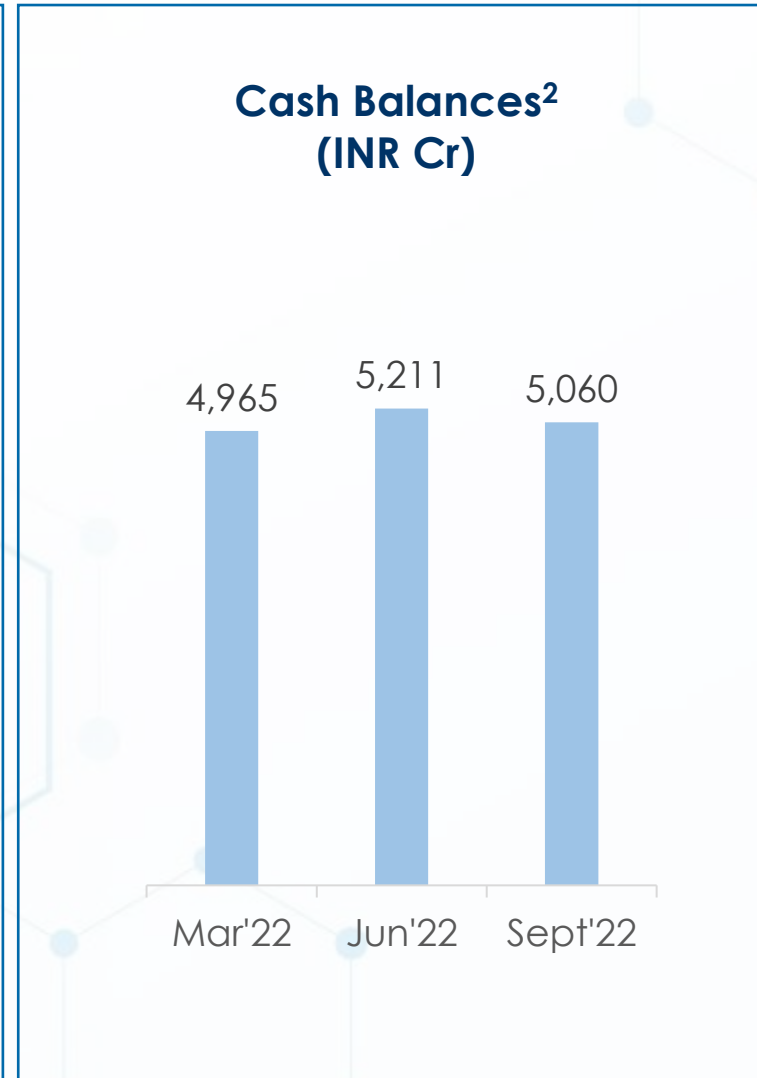
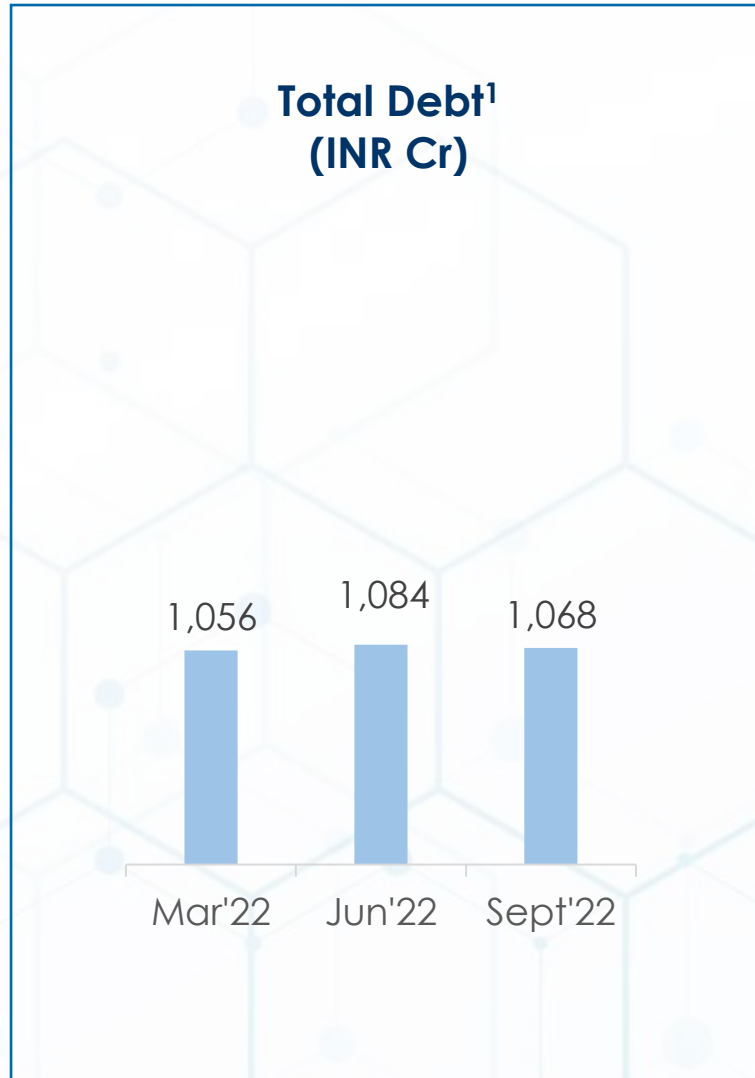
Q2 FY23 (Consolidated)

	Actuals (INR Cr)	vs Q2 FY 22
Total Revenue from Operations	5,829	6%
EBITDA	1,302	6%
EBITDA % of revenue	22.3%	13 bps
PAT	789	10.9%
PAT % of revenue	13.5%	65 bps

R&D³ INR 335 Cr ↑ 22% YoY *Priority projects on track*

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

Continued focus on building balance sheet strength



1. Total debt includes lease liabilities | 2. Includes cash and cash equivalents including fixed deposits, current investments, margin deposits and excluding unclaimed dividend balances | 3. Net Cash = Total Cash balances - Total debt

Branded Prescription

New Science

Synchrobreathe offerings

SABA (Levolin®) | LAMA (Tiova®)
| ICS/LABA (Seroflo®, Maxiflo®, Foracort®)

In-licensing franchise bring novelty to physicians and patients
~550 Cr annualized Ex-covid business

Humalog® [Insulin Lispro I.P. (rDNA Origin) injection]
Trulicity™ (Dulaglutide)

Trade Generics

Emerging Categories

Thyroid Ophthalmic Diabetics Injectables

Consumer Health

Category innovation and expansion

Mothercare | Feminine hygiene

mamaexpert™
For moms, with love.

evexpert™

Foraying into D2C Skincare

rivela
DERMASCIENCE®

Better Reach

Affordable & Early Diagnosis

Expand to **1 lac+** HCPs across **7 specialities** | **Spirofy** spirometer Launched

breathefree A Cipla INITIATIVE | Investment in **ACHIRA**

11 Lac patients counseled

GoApptiv | **Double-digit growth in the matured brand portfolio for YTD Sept'22**

5,500 Stockiest network

90% Retailer network coverage

15,000 Pin codes serviced across India

Channel mix

500k Retailers (including pharmacies) | 700+ Modern trade

40k+ Grocer & others | 9 E-commerce

Digital first

Digital initiatives

Digital Educator
85,000+ patients counseled

24,000+ app downloads

25 Cr+ Views | BerokZindagi #InhalersHainSahi

Cipla DIGITAL HEALTH incorporated

Partnership with E-commerce platforms

19,000 Pin codes | 99% Listing rate! | 90%+ Fill rate!

Integrated web-based interface for stockiest & distributor self-service

Digitally connecting 70k+ retailers

D2C digital media campaigns

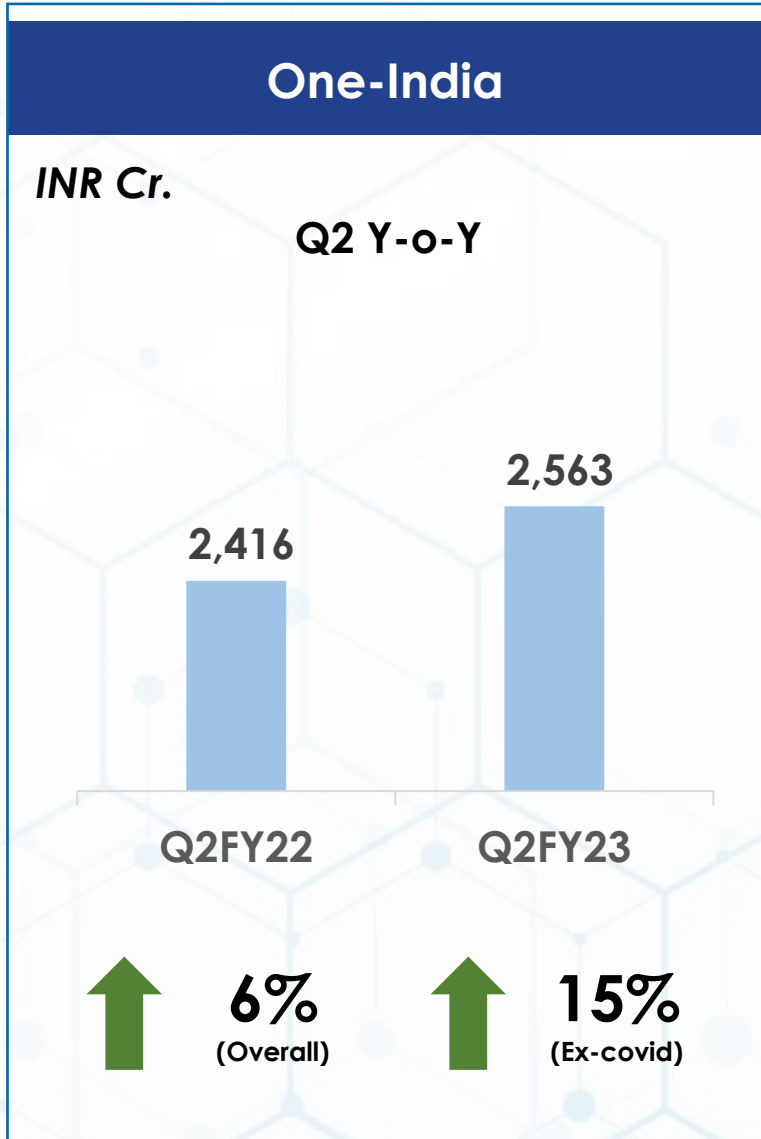
DARD KO SIRF BHAGAO NAHI, JADD SE MITAO
Pesh hai Diclofenac formula yekti ORNIGEL.

Moxirich

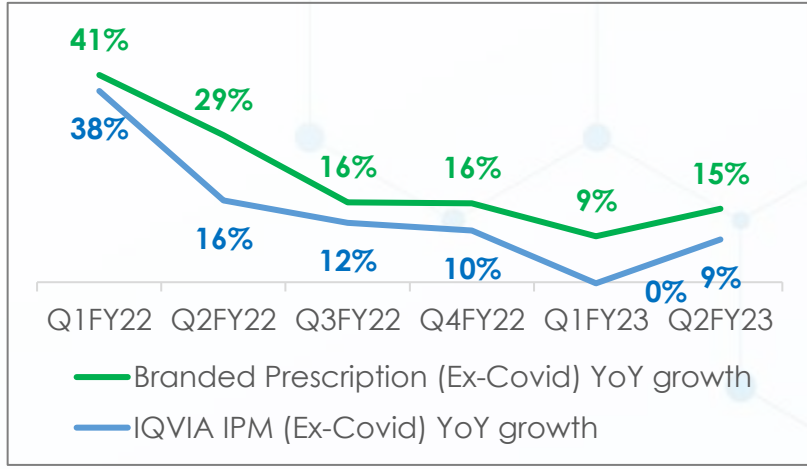
Deep consumer insights and D2C media campaigns driving innovation, translating into winning benefits for consumers

Waselin SHUBH RATHI

One India (Rx + Gx+ CHL¹): Robust core portfolio traction across therapies and business segments



Rx



6th consecutive quarter of market beating growth in core branded prescription business (ex-covid)

Double digit growth across all therapies
Healthy mix of price, volume and contribution from new launches

Gx

Strong traction across flagship brands
Robust order flow from Tier 2-6 & rural towns

↑ **15%**
Q2 YoY Revenue growth in overall business

65%+
YTD Contribution

CHL

↑ **22%**
Q2 YoY revenue growth in overall business
Building brand salience across Digital, TV and print media communication

↑ **14%**
Q2 YoY revenue growth in transitioned consumer brands

1. CHL – Cipla Health Limited | 2. Market data as per IQVIA MAT September 2022

Global consumer wellness franchise improving health outcomes

One-India

675+
INR Cr
H1FY23 revenue

Flagship Brands

OMNIGEL[®]	nicotex	CIPLADINE[®]	cofsils
↑ 26%	↑ 35%	↑ 34%	↑ 8%
prolyte[™] ORS	CIPCAL[®]	Cheston	CLOCIP[®]
↑ 26%	↑ 15%	↑ 8%	↑ 32%

~9%



Contribution of Global Consumer franchise to overall revenues in H1FY23

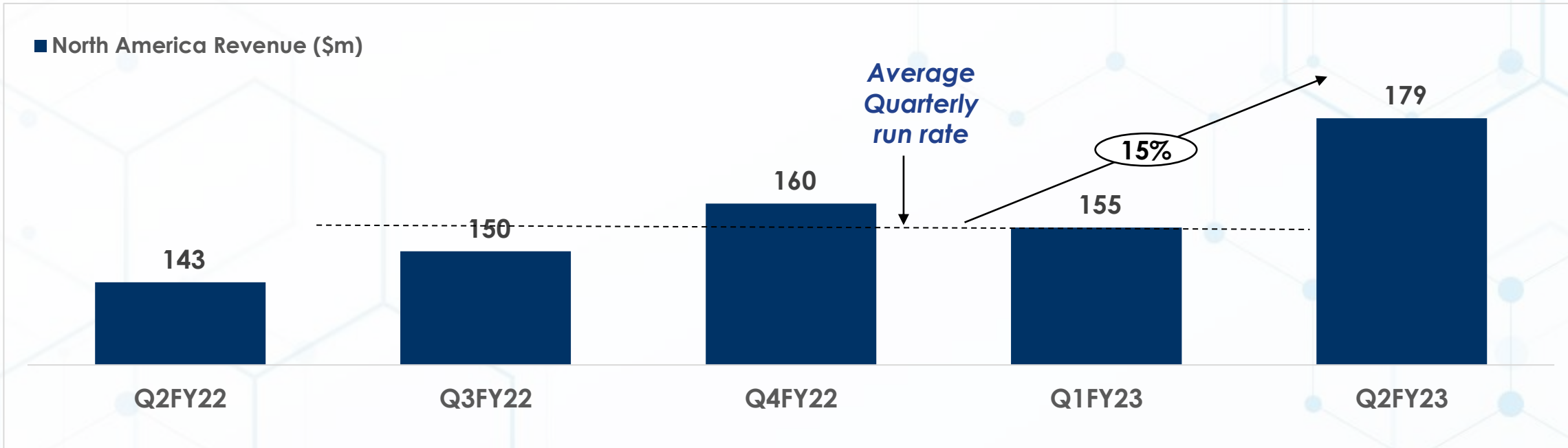
South Africa

650+
ZAR m+
H1FY23 revenue

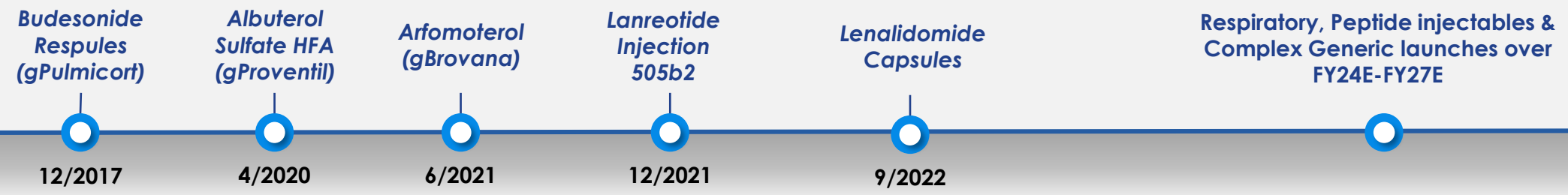
Flagship Brands

BRONCOL Cough Linctus	CORYX Pediatric Syrup	Actin Ciprofloxacin hydrochloride 4 mg	Asthavent Metered Dose Inhaler	ALLECET Syrup
ZAR 70m+	ZAR 60m+	ZAR 45m+	ZAR 40m+	ZAR 30m+

North America: The contribution of differentiated products continues to expand



Key launches and pipeline



North America: Unlocking of differentiated portfolio



Growth driven by successful launch of Lenalidomide and continued market share expansion in Lanreotide 505b2



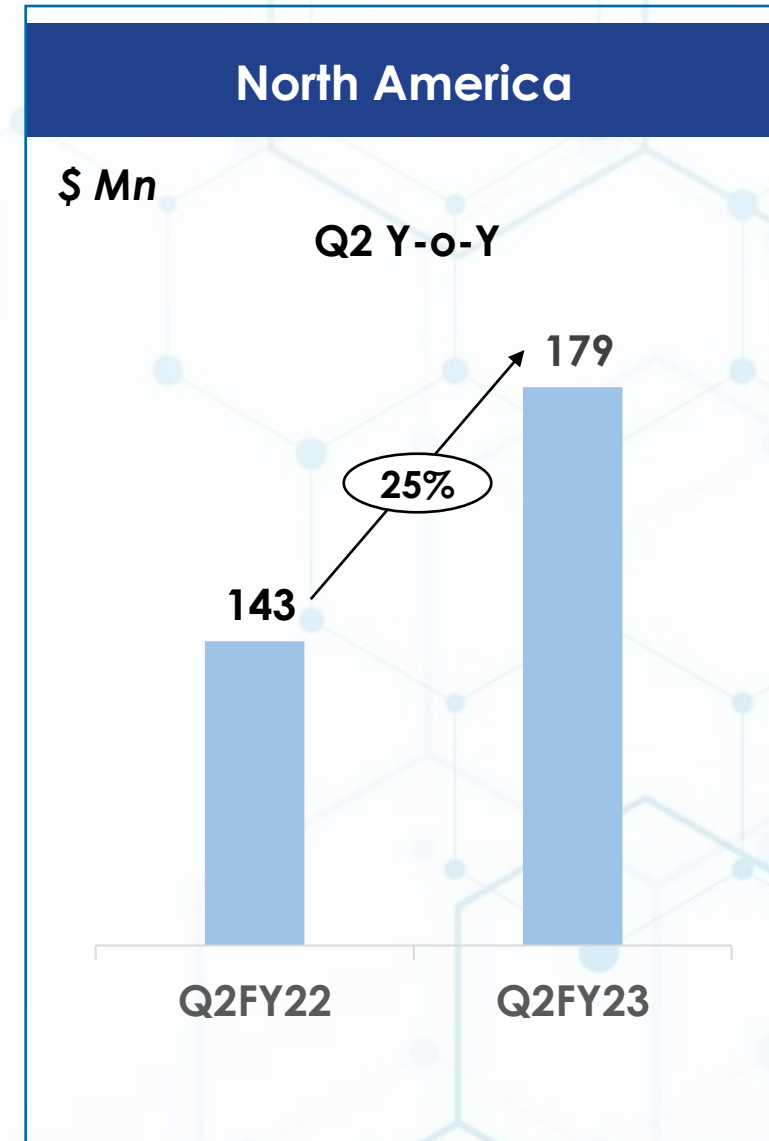
Q4FY22	Q1FY23	Q2FY23
1.9%	4.6%	9.6%

Sustained market share¹ ramp-up in lanreotide 505b2



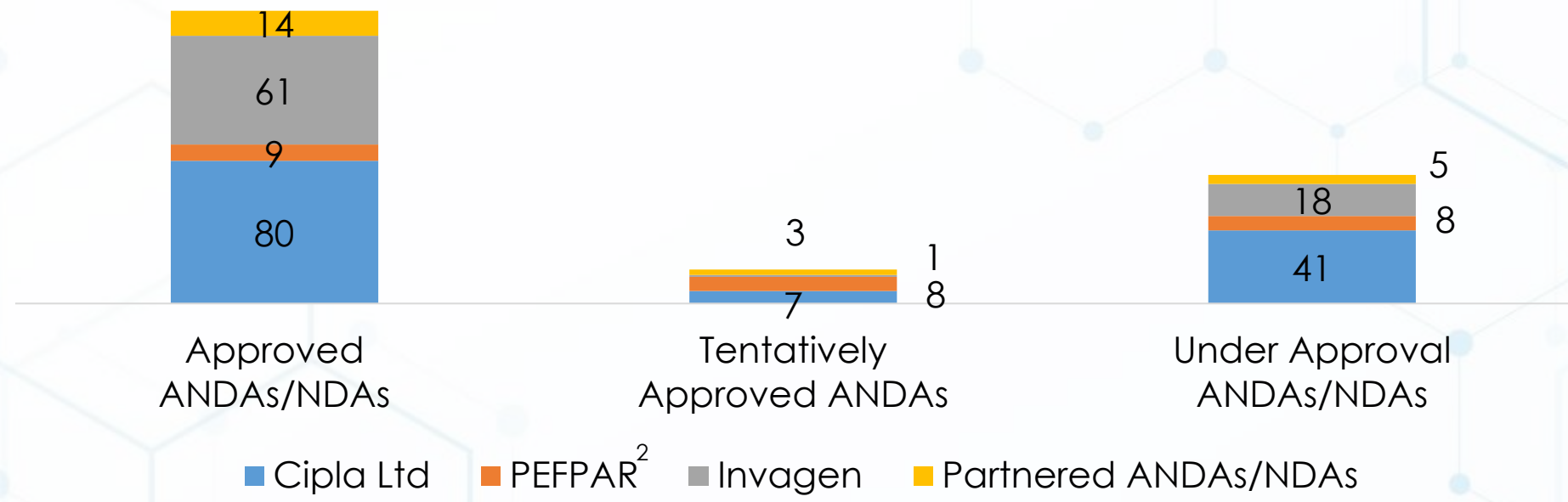
Pipeline update

- ❖ Working with USFDA on **gAdvair**; Pre-approval inspection at Indore plant concluded, establishment inspection report received
- ❖ Clinical trials on a respiratory asset on-going



1. Market data as per IQVIA at respective quarter-end

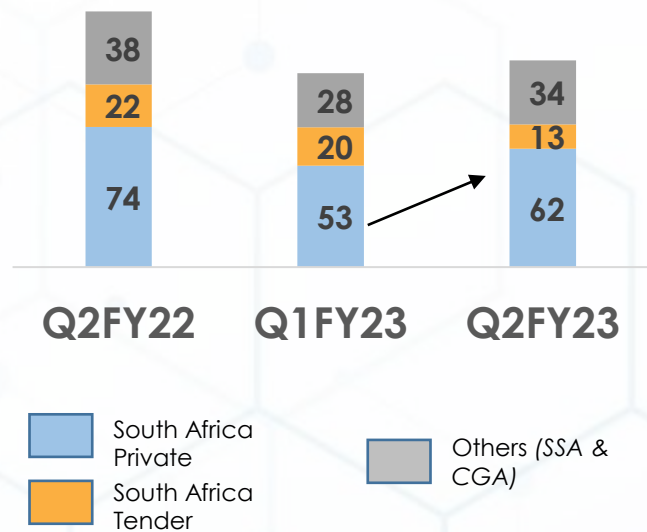
ANDA¹ & NDA Portfolio & Pipeline (As on 30th September 2022)



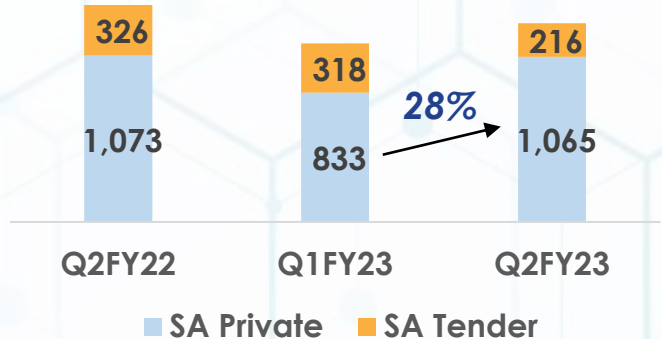
164	+	19	+	72	=	255
Approved ANDAs & NDAs		Tentatively Approved ANDAs		Under Approval ANDAs & NDAs		Total ANDAs & NDAs

1 Does not include Vet product ANDAs
 2 PEPFAR approved ANDAs can be commercialised in US

\$ Mn Q2 Y-o-Y | QoQ



ZAR Mn



South Africa²

- ❖ SA private market recovery on track; **28% sequential growth in ZAR terms**
- ❖ In secondary terms, strong demand continues with overall South Africa private business growing 2x the market
- ❖ Healthy ranks & market position in key therapy areas of Asthma & COPD, Anti-biotics, Cough & Cold and Probiotics
- ❖ Tender business performance in-line with order book delivery

6

Brands launched across multiple therapies in Q2FY23

Market Segment	Market Rank	Market share	Cipla Growth	Market Growth
South Africa prescription	3	7.8%	7.6%	4.2%
South Africa OTC	3	7.2%	6.5%	0.6%
South Africa overall	3	7.5%	7.2%	2.8%

International Markets and API

International Markets



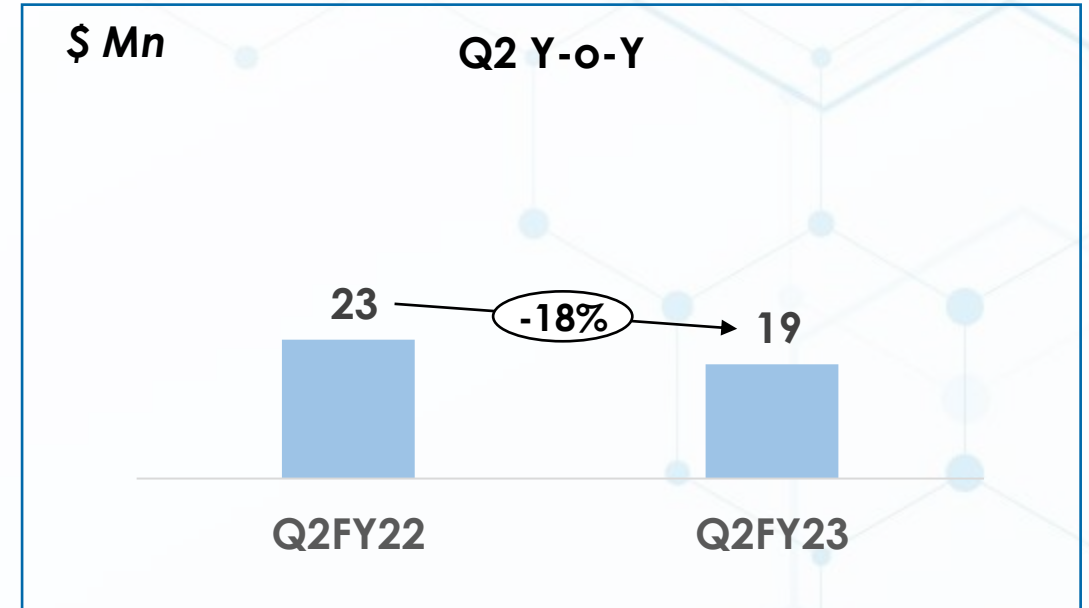
Key Business Highlights



- ❖ Maintained scale over Q2FY22 excluding covid contribution in base, despite forex volatility
- ❖ Strong momentum across focused DTMs¹; double-digit growth in secondary terms

1. DTM – Direct to market

API



Key Business Highlights



- ❖ Continued growth in emerging markets offsetting normalisation in inventory levels for European customers
- ❖ Continued traction with global seedings & lock-ins

Continued progress on FY23 strategic priorities

	<p>Accelerate growth in One-India engine with sharp focus on;</p>	<p>Building big prescription brands across chronic therapies, improved productivity and HCP knowledge partnering</p>	<p>Driving penetration and accessibility of brands for unmet chronic ailments in trade generics</p>	<p>Consumer insighting driving portfolio expansion to address wellness needs and purpose led brand experiences</p>
	<p>Advancement on innovative consumer centric products across emerging channels to accelerate the trajectory of our Global Consumer Wellness franchise across India & South Africa</p>			
	<p>Sustainable scale up our US core formulations sales driven by maximizing value from complex launches and high serviceability of respiratory and peptide franchise; closely monitoring upcoming high value launches in H2FY23</p>			
	<p>Continued execution on branded & generic portfolio, brand-building, portfolio interventions, launch excellence across DTM¹ markets</p>			
	<p>Continued cost focus, calibrated pricing actions and other interventions to navigate inflationary procurement, freight and other cost elements for insulating margins and maintaining consistent upward RoIC² trajectory</p>			
	<p>Driving value through digital adoption across businesses and functions with a dynamic agenda under Cipla Digital Health Ltd.</p>			
	<p>Focus on regulatory compliance across manufacturing facilities and implement globally benchmarked ESG³ practices</p>			

1. Direct to market | 2. Return on Invested Capital (RoIC) = EBITDA - depreciation & amortization ÷ Average [(Fixed assets including goodwill + Current assets excluding cash and cash equivalent) – Current liabilities excluding borrowing]; Calculations based on FY22 reported EBITDA | 3. Environmental, Social, Governance

Profit and Loss statement summary

Particulars	Q2 FY23 (INR Crores)	Q1 FY23 (INR Crores)	Q2 FY22 (INR Crores)
Revenue from sale of products	5,759.3	5,317.9	5,485.8
Other operating income	69.3	57.3	34.0
Income from operations	5,828.5	5,375.2	5,519.8
Material cost	2,160.2	2,024.4	2,136.7
Employee benefits expense	960.8	955.7	877.8
Other expenses	1,405.2	1,251.7	1,279.1
Total expenses	4,526.2	4,231.8	4,293.6
Finance costs	25.5	17.8	38.0
Depreciation, impairment and amortisation expense	299.4	254.4	253.1
Other income	122.9	103.4	60.7
Profit before tax	1,100.4	974.6	995.8
Tax expenses	302.6	268.0	283.8
Share of associate	(0.4)	(0.4)	(2.9)
Profit for the period	797.4	706.1	709.1
Non-controlling interest	8.5	19.7	(2.2)
Profit for the period attributable to Shareholders	788.9	686.4	711.4

Balance sheet summary

Particulars	Sep-22 (INR Crores)	Jun-22 (INR Crores)	Mar-22 (INR Crores)
Property, plant and equipment	5,080.0	5,059.0	5,164.4
Capital work-in-progress	510.1	446.7	382.9
Investment properties	60.5	60.9	61.4
Goodwill	3,143.2	3,146.7	3,137.9
Intangible assets	1,164.2	1,197.4	1,319.6
Intangible assets under development	484.1	478.8	383.3
Investment in associate	116.7	43.5	45.8
Investments	328.3	320.4	309.8
Loans	0.0	0.0	0.0
Other financial assets	100.5	99.7	417.0
Advance tax assets (net)	440.1	441.5	483.6
Deferred tax assets	467.0	458.1	448.8
Other non-current assets	262.2	244.8	218.9
Non-current assets	12,157.0	11,997.5	12,373.6
Inventories	5,441.0	5,547.0	5,350.2
Investments	2,350.9	2,259.5	2,195.0
Trade receivables	3,969.1	3,525.8	3,424.4
Cash and cash equivalents	686.8	1,018.8	677.7
Bank balance other than cash and cash equivalents	1,147.8	1,238.3	1,250.7
Loans	4.7	3.3	3.6
Other financial assets	1,316.7	1,069.7	898.4
Other current assets	971.9	1,007.2	910.7
Total current assets	15,888.9	15,669.6	14,710.8
Assets classified as held for sale	16.9	16.5	16.7
Total assets	28,062.8	27,683.5	27,101.1

Particulars	Sep-22 (INR Crores)	Jun-22 (INR Crores)	Mar-22 (INR Crores)
Share capital	161.4	161.4	161.4
Other equity	21,722.9	21,372.7	20,680.3
Equity attributable to owner	21,884.3	21,534.0	20,841.7
Non-controlling interest	285.1	284.0	275.7
Total equity	22,169.4	21,818.0	21,117.4
Borrowings	12.0	37.5	416.2
Lease Liabilities	143.6	149.4	158.3
Other financial liabilities	110.5	101.6	100.4
Provisions	101.6	100.5	100.2
Deferred tax liabilities	167.8	208.6	244.0
Other non-current liabilities	48.6	51.9	51.5
Total Non-Current Liabilities	584.3	649.6	1,070.5
Borrowings	840.7	829.8	407.9
Trade payables	2,400.8	2,457.8	2,508.1
Lease Liabilities	71.4	67.5	73.4
Other financial liabilities	426.4	396.7	370.8
Other current liabilities	273.0	236.4	311.1
Provisions	1,161.3	1,064.8	1,221.0
Current tax liabilities (net)	135.0	162.4	20.6
Total current liabilities	5,308.6	5,215.3	4,912.9
Liabilities directly associated with assets classified as held for sale	0.6	0.6	0.3
Total equity and liabilities	28,062.8	27,683.5	27,101.1



Cipla

Thank You

Registered Office :

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www.cipla.com