Financial Results Q4 & FY22

May 19, 2022

Classification | PUBLIC

Safe Harbor Statement

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in India and other key global markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in our key global markets;
- Changes in laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in political conditions in India and in our key global markets.

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For more detailed information on the risks and uncertainties associated with the Company’s business activities, please see the company’s annual report filed in Form 20-F with the US SEC for the fiscal year ended March 31, 2021 and quarterly financial statements filed in Form 6-K with the US SEC for the quarters ended Jun 30, 2021, Sep 30, 2021, Dec 31, 2021 and our other filings with US SEC. Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events.

FY 22: A good year of performance, despite multiple external challenges

- Strong double digit and broad based growth in revenues
- Improved market share in most of our major markets
- Progressed in the productivity journey, which helped us to partially mitigate the pricing pressures and inflation
- Investments continued for pipeline, brands, digitalization and new businesses
- Healthy EBITDA and RoCE (before the impact of impairment and provision for an old litigation)
- Generated strong Free Cash Flows, leading to a net cash surplus of Rs. 1,545 Cr
- Successfully completed acquisition and in-licensing deals

Financial Highlights

Rs. Cr

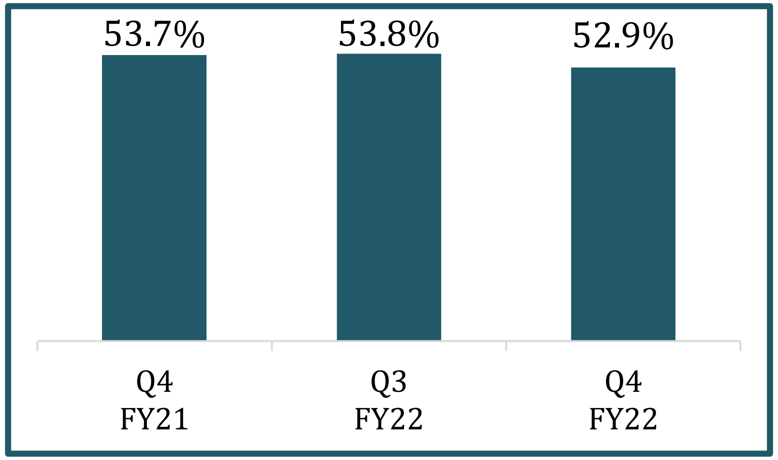
	Q4 FY22	QoQ Gr%	YoY Gr%	FY22	YoY Gr%
Revenues	5,437	2%	15%	21,439	13%
EBITDA	1,298	3%	15%	5,140	8%
PBT*	248	-74%	-60%	3,230	22%
PAT*	88	-88%	-76%	2,357	37%

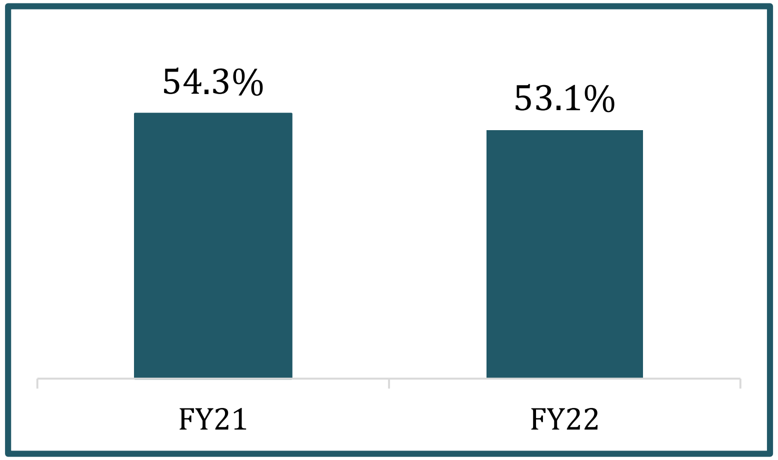
**During Q4 FY22, the profits were impacted due to impairment of Rs. 752 Cr taken on a few non-current assets and provision made towards an old litigation with State of Texas, US of Rs. 98 Cr. Before the impact of these items, Profit before Tax for Q4 is 1,098 Cr (YoY Gr @ 37%) and for FY22 is 4,084 Cr (Gr @ 17%).*

Continued progress on our Productivity journey

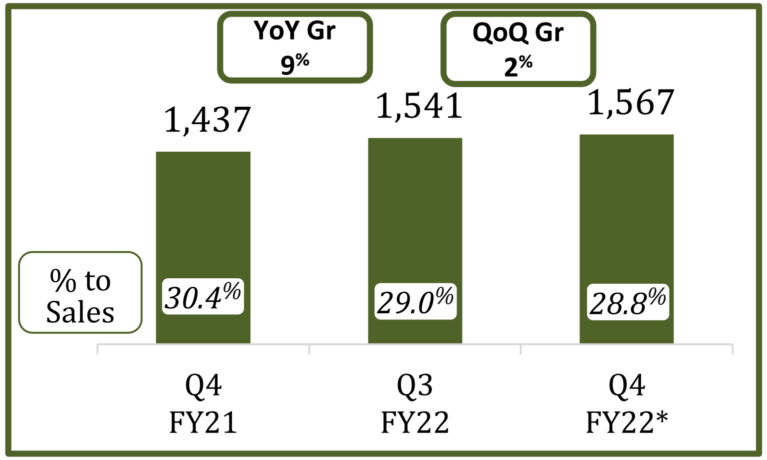
Rs. Cr

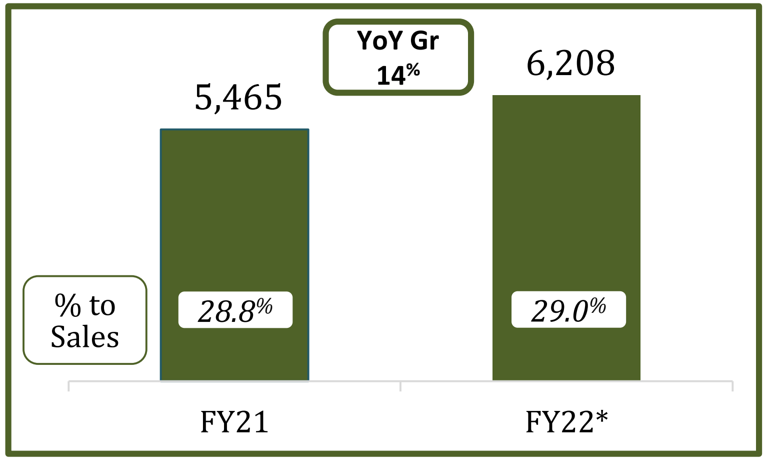
Gross margin





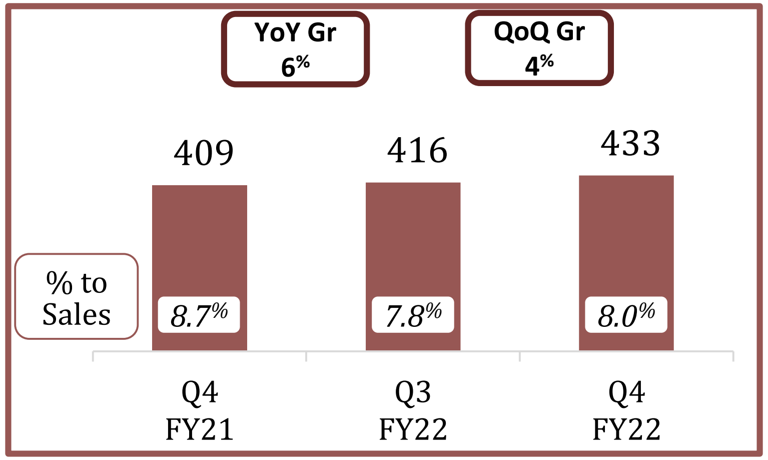
SG&A Expenses

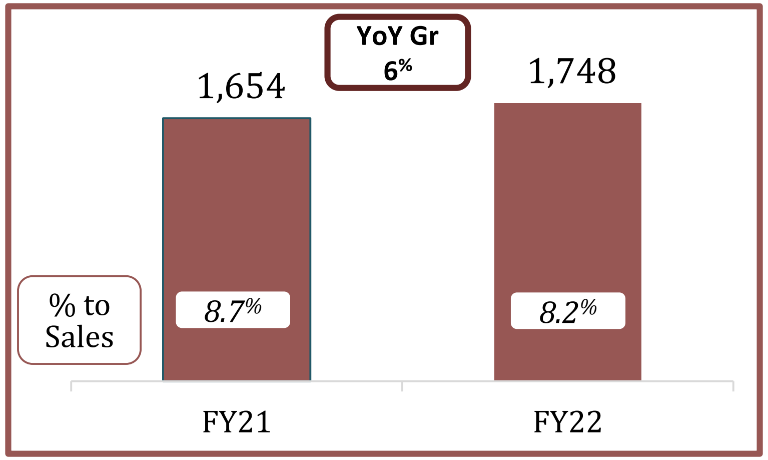




** % to sales - 30 bps improvement in FY22 before provision for Texas litigation*

R&D Expenses





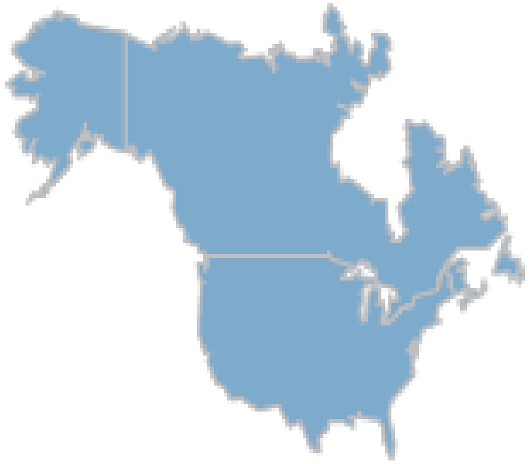
North America – Growing better than the market

Revenues

Q4 FY22 Rs. **1,997 cr**

YoY Gr 14%

QoQ Gr 7%



FY22 Rs. **7,492 cr**

YoY Gr 6%

- During the year, we launched 17 new products including 6 in Canada. Major ones being Icosapent Ethyl capsule and Vasopressin Injection
- Witnessed scale up in existing products gaining market share
- Growth partially offset by price erosion
- As per IQVIA MAT for March' 2022, we have grown @ 6.1% while the generic market in US has declined by 4.1%

US Filings update

	Q4 FY22	FY22
ANDAs filed	2	7
Pending for approval: 90 (87 ANDAs + 3 NDAs)		
44 Para IV filings & 24 expected to have FTF status		

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India – FY22 growth driven by volume and Covid portfolio revenues

Revenues

Q4 FY22 Rs. **969 cr**

YoY Gr 15%

QoQ Dc -6%

FY22 Rs. **4,196 cr**

YoY Gr 26%

- Launched 20 products during the year including Sputnik-V, 2DG & Curhealth
- Growth driven by both base business and covid related products
- We grew better than market in 11 out of 14 therapies, as per IQVIA MAT' 22
- Ranked 11th on MQT basis as of March 2022

IQVIA growth rates

Mar 2022	FTM	MQT	MAT
IPM	4.5%	9.6%	18.2%
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FTM: For the month | MQT: Moving quarterly total | MAT: Moving annual total

- Business development deals with Novartis for few key brands

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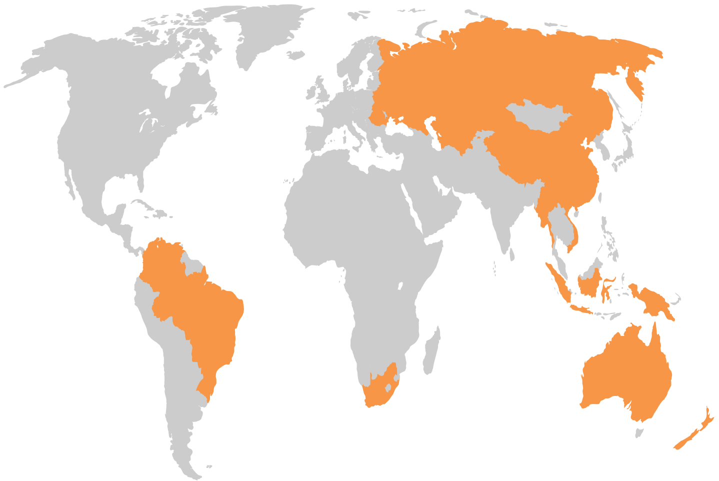
Emerging Markets – Strong growth across markets in FY22

Revenues

Q4 FY22 Rs. **1,201 cr**

YoY Gr 36%

QoQ Gr 4%



FY22 Rs. **4,567 cr**

YoY Gr 30%

₹ Cr

Region	Q4 FY22	YoY Gr	QoQ Gr	FY22	YoY Gr
Russia	686	*70%*	*45%*	2,088	*32%*
CISR	227	*20%*	*-4%*	826	*11%*
RoW	288	*-1%*	*-35%*	1,653	*40%*
EM	**1,201**	***36%***	***4%***	**4,567**	***30%***

- Launched 86 products across EM markets during the year
- Russia - Growth majorly attributable to traction in base business and new product launches. Q4 partially benefited due to stocking up and divestment of two non-core brands.
- CISR - Growth driven by scale-up in Romania, Uzbekistan & Kazakhstan
- ROW - Growth led by scale-up in Brazil & South Africa and aided by revenues from sale of Covid related products in few countries

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Europe – Growth momentum continues

Revenues

Q4 FY22 Rs. **444 cr**

YoY Gr	QoQ Gr
12%	10%

FY22 Rs. **1,663cr**

YoY Gr 8%

₹ Cr

Region	Q4 FY22	YoY Gr	QoQ Gr	FY22	YoY Gr
Germany	267	*20%*	*19%*	937	*2%*
UK/OL	105	*9%*	*5%*	390	*11%*
Others*	73	*-6%*	*-11%*	336	*26%*
Europe	**444**	***12%***	***10%***	**1,663**	***8%***

* Include Italy, France, Spain and other markets

- Growth driven by new product launches. Launched 34 products across various countries during the year
- Growth partially offset by price erosion
- Entered 5 new countries during the year (Netherlands, Ireland, Portugal, Slovakia, Czech Republic)

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PSAI – Growth impacted due to normalization of channel inventory

Revenues

Q4 FY22 Rs. **756 cr**

YoY Dc -5%

QoQ Gr 4%

FY22 Rs. **3,074 cr**

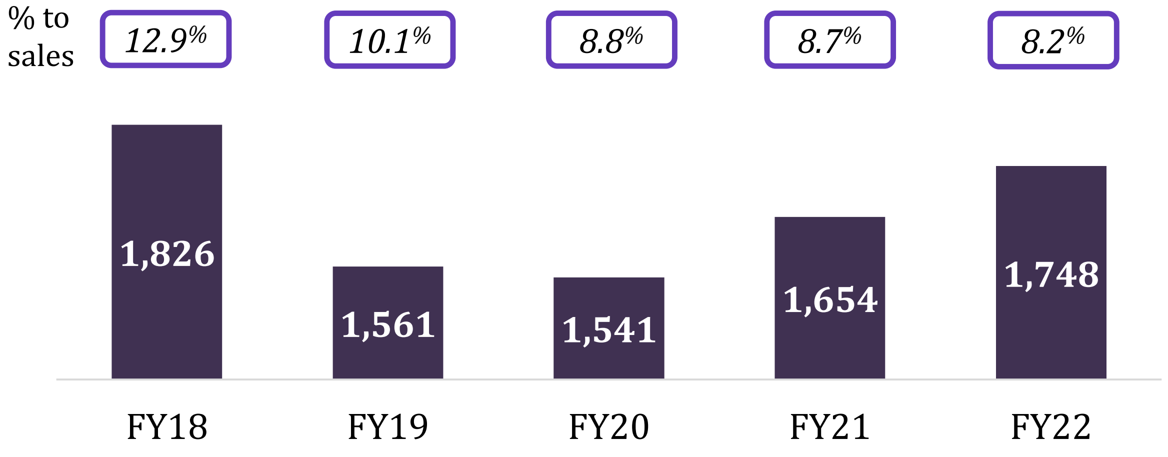
YoY Dc -4%

- Q4 FY22:
  - YoY decline was primarily due to lower volumes and price erosion in some of our products
  - QoQ growth was driven by revenues from new products
- FY22:
  - The decline was majorly on account channel inventory optimization including price erosion in some of our products

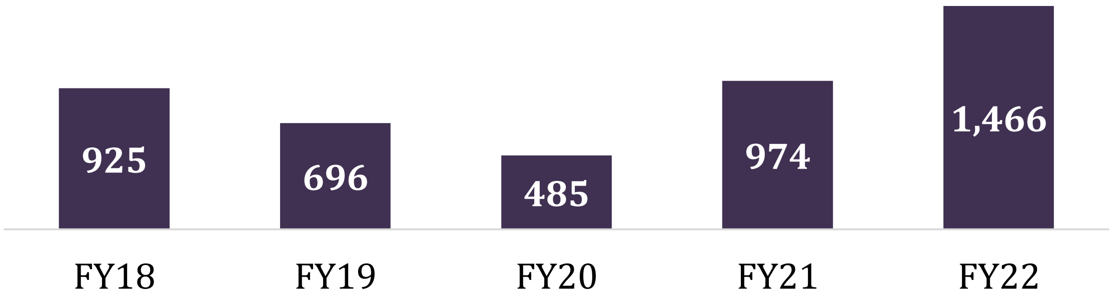
	Q4 FY22	FY22
Global DMFs filed incl. in US	48	139
US DMFs	3	10

R&D, Capex & Cash flows

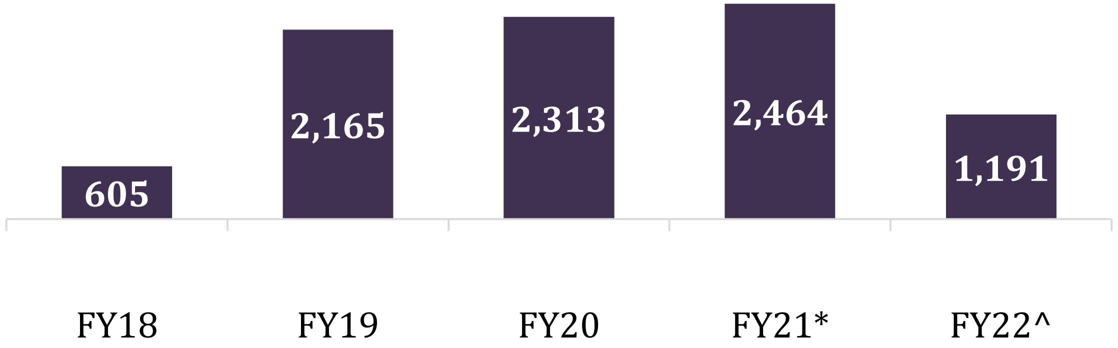
R&D expenses (Rs. Cr)



Capex (Rs. Cr)



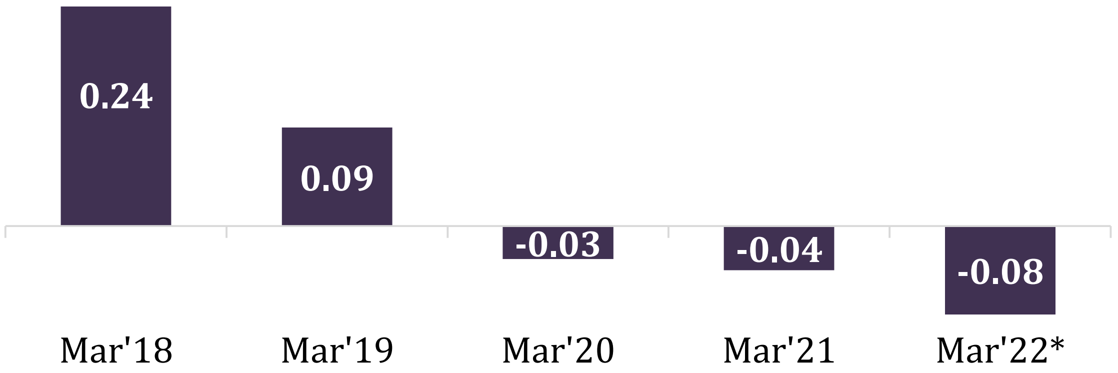
Free cash flow (Rs. Cr)



** FCF before acquisition related payout of Rs. 1,551 Cr to Wockhardt & Rs. 152 Cr to Glenmark*

^ FCF before acquisition related payout to Nimbus of Rs. 34cr. Impacted due to planned unwinding of receivable discounting of 925 Cr.

Net Debt / Equity



* Net cash surplus (Adjusted for non-current cash & borrowings) stood at Rs. 1,545 Cr as on March 31st, 2022

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Key Priorities

Continue to grow core businesses (Horizon 1) and build future growth businesses (Horizon 2)

- Greater integration of Sustainability into business
- Build healthy pipeline of products
- Achieve market leading growth across businesses
- Continue with the productivity improvements
- Investment in capabilities and brands

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