Financial Results Q1 FY23

July 28th, 2022

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.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

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, 2022 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.

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Q1 FY23 - Financial Highlights

Rs. Cr

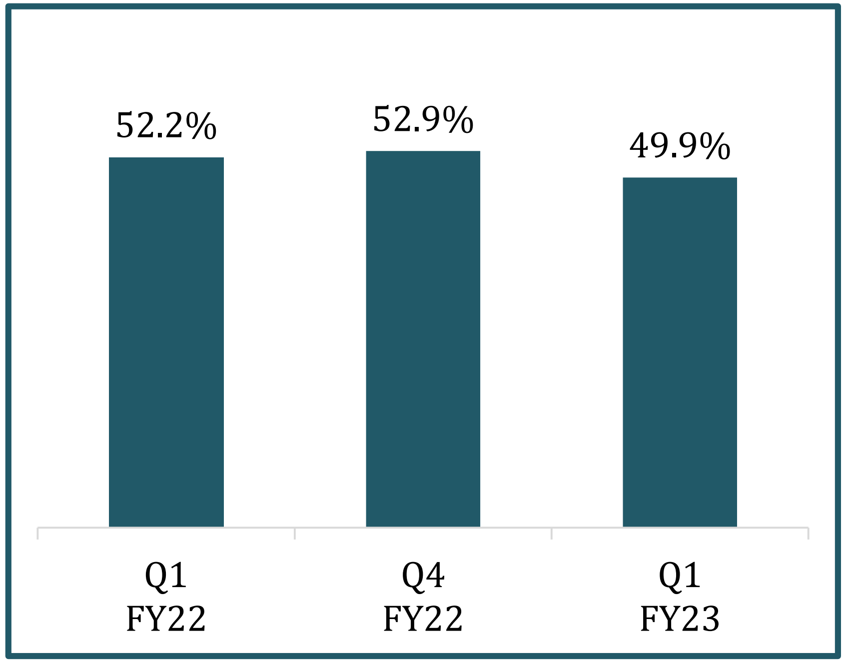
A quarter with strong growth in profits

	Q1 FY23	YoY Gr%	QoQ Gr%
Revenues	5,215	6%	(4)%
EBITDA	1,779	75%	37%
PBT	1,466	97%	490%
PAT	1,188	108%	1,257%

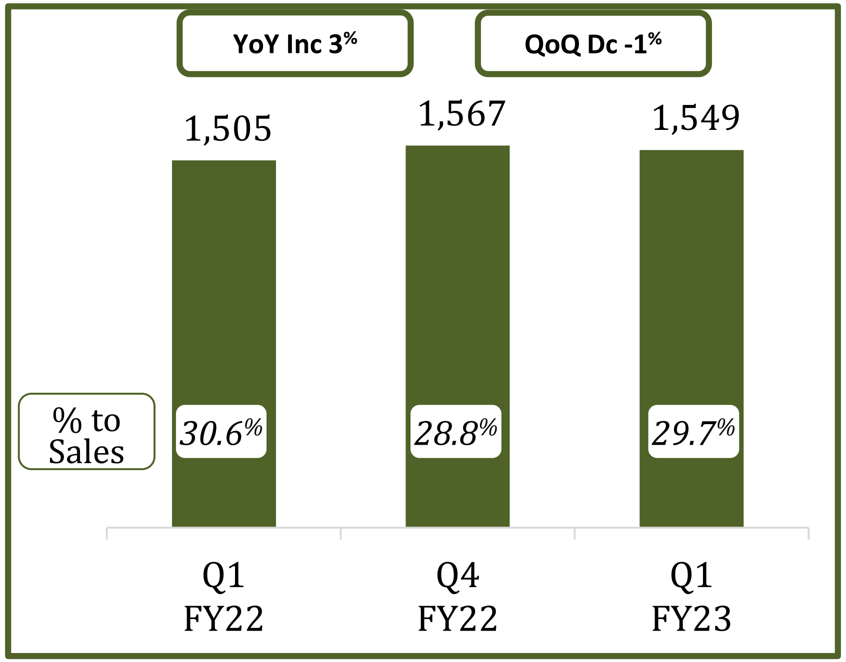
Focusing on productivity while continuing to invest for growth

Rs. Cr

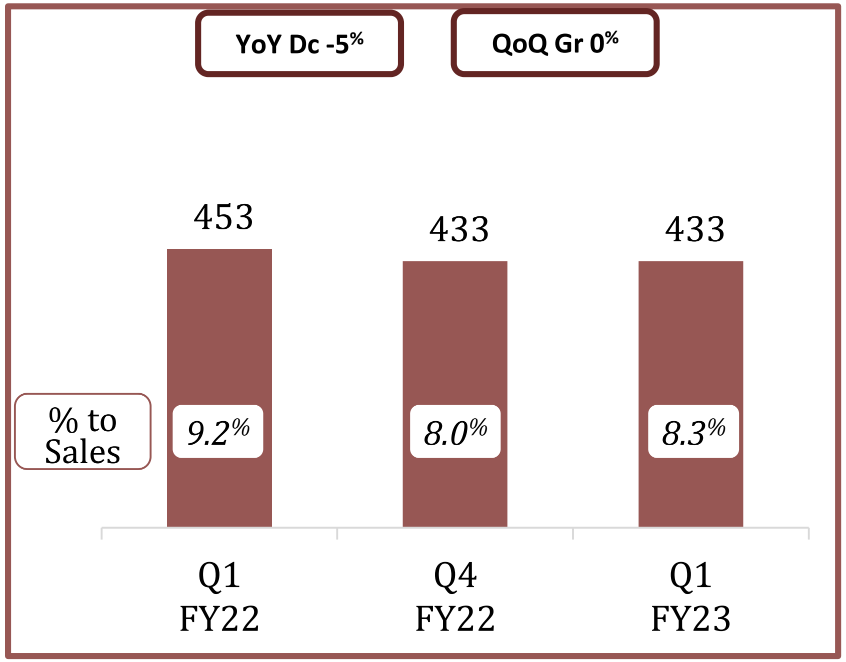
Gross margin



SG&A Expenses



R&D Expenses



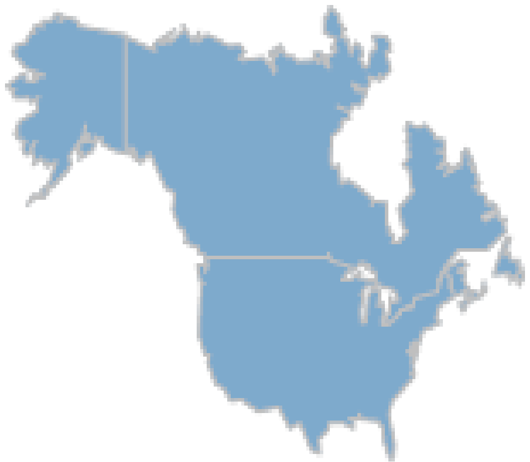
North America –Strong launch momentum continues | Incremental competition in a few of our key assets

Revenues

Q1 FY23 Rs. **1,782 cr**

YoY Gr +2%

QoQ Dc -11%



- **Strong launch momentum** continues - Launched **Six products in US** and one in Canada
- Incremental competition seen in few key assets viz. gSuboxone and Icosapent
- Price erosion is in line with last few quarters trend
- **US filing update:**
  - ANDAs filed – 3
  - Cumulative pending for approval - 86 (83 ANDAs + 3 NDAs).
    - 44 Para IV filings
    - 24 expected to have FTF status

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India – Healthy double digit growth

Revenues

Q1 FY23 Rs. **1,334 cr**

YoY Gr +26%

QoQ Gr +38%

- **Divested few of non-core brands** allowing us to focus on our core brands
- **Healthy double digit growth** adjusted for divestments in current quarter and the covid product sales during Q1 FY22
- **Launched 5 new brands** during the year including Cidmus (chronic brand acquired from Novartis)
- **Ranked 10th** as per IQVIA June 2022 report.

IQVIA growth rates

Jun 2022	FTM	MQT	MAT
IPM	13.2%	-1.8%	8.3%
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FTM: For the month | MQT: Moving quarterly total | MAT: Moving annual total

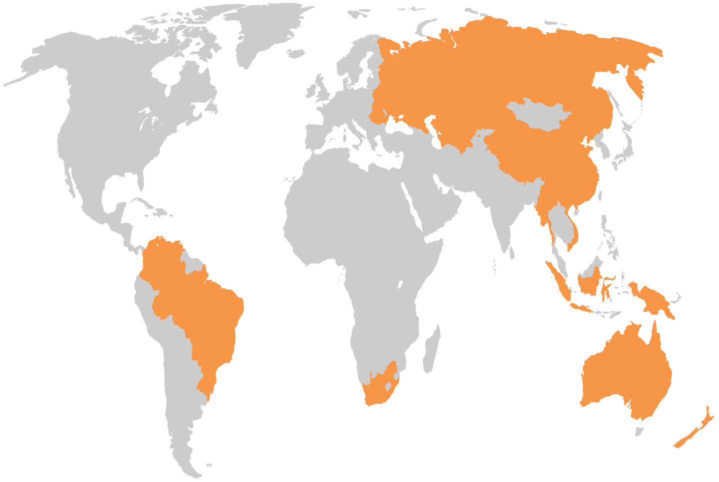
Emerging Markets – Healthy growth adjusted for covid product sales in last year

Revenues

Q1 FY23 Rs. **903 cr**

YoY Dc -1%

QoQ Dc -25%



₹ Cr

Region	Q1 FY23	YoY Gr	QoQ Gr
Russia	321	*-9%*	*-53%*
CISR	192	*33%*	*-16%*
RoW	390	*-6%*	*36%*
EM	**903**	***-1%***	***-25%***

- **Decline due to:**
  - **Higher base effect**: Covid product sales in Q1 FY22 and brand divestment income in Q4 FY22
  - **Normalization of stock-holding in Russia,** which went up in Q4 FY22
- **Launched 25 new products** across emerging markets during Q1 FY23.

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Europe – Double digit growth in constant currency

Revenues

Q1 FY23 Rs. **414 cr**

YoY Gr 4%

QoQ Dc -7%

₹ Cr

Region	Q1 FY23	YoY Gr	QoQ Gr
Germany	221	*-1%*	*-17%*
UK/OL	107	*-8%*	*3%*
France, Italy, Spain & others	86	*44%*	*17%*
Europe	**414**	***4%***	***-7%***

- **Base business:** Good traction in volume, offset by price erosion
- **Good traction in new product launches –** launched 9 products across EU countries
- Sales started from Medical Cannabis business (Nimbus)

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PSAI – Business grew adjusted for covid product sales in last year

Revenues

Q1 FY23 Rs. **709 cr**

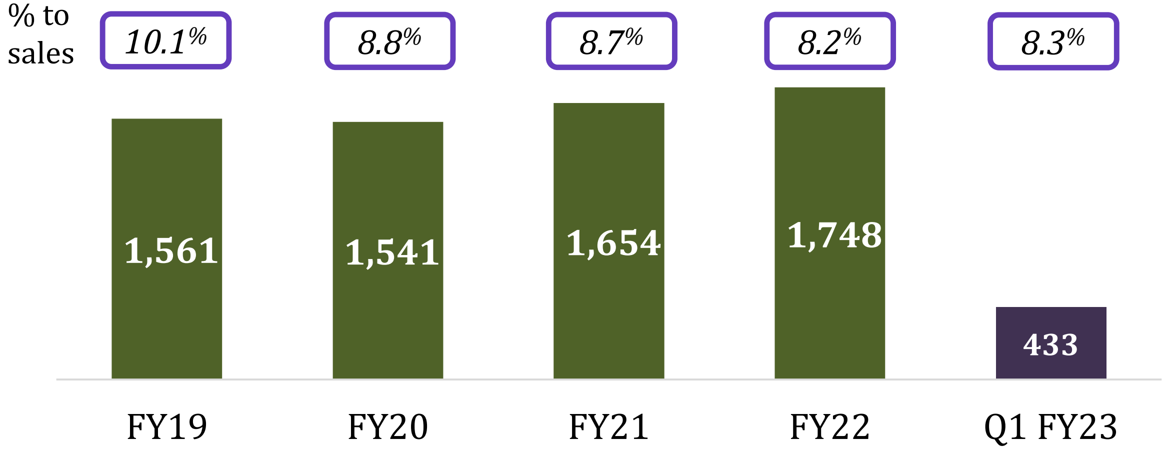
YoY Dc -6%

QoQ Dc -6%

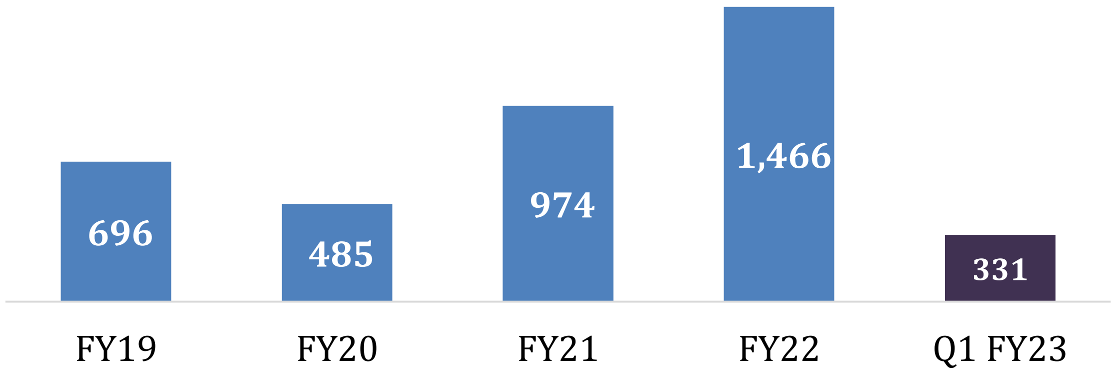
- Decline seen on account of higher base due to covid product sales in last year
- New product sales contribution continues in-line with the trend
- Remains a key business for us for both Captive API supplies and External sales
- 11 DMF's filed globally

R&D, Capex & Cash flows

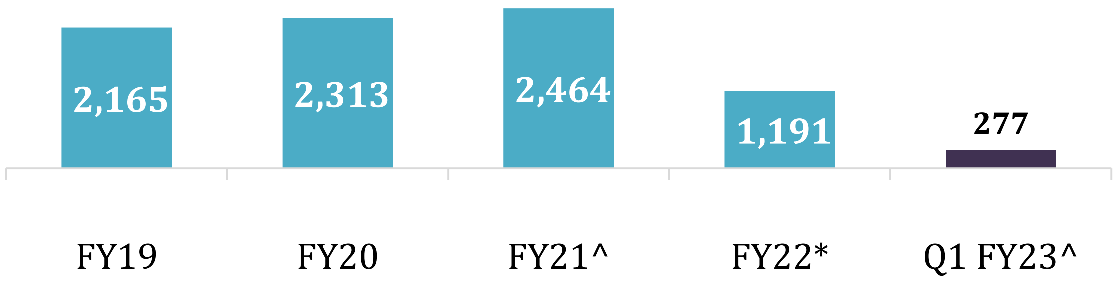
R&D expenses (Rs. Cr)



Capex (Rs. Cr)



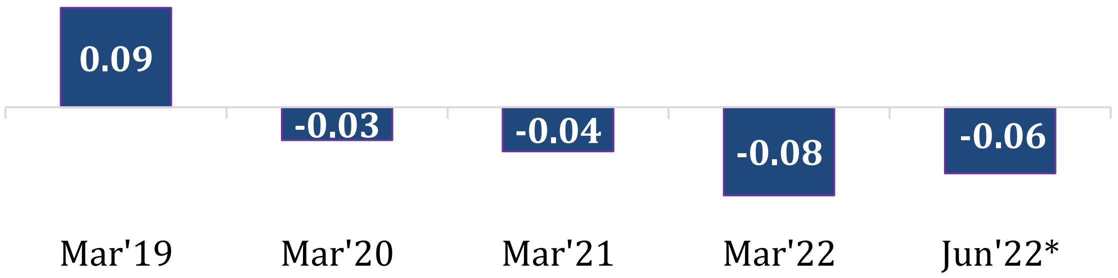
Free cash flow (Rs. Cr)



^ *Before acquisition related payouts*

* *FCF lower due to planned unwinding of receivable discounting*

Net Debt / Equity



* *Net Surplus (Adjusted for non-current cash & borrowings) stood at Rs. 1,275 Cr as on June 30th, 2022*

Key Priorities

Diversified business model with broad based growth levers

- Build robust product pipelines
- Strengthen capabilities – people, digital and processes
- Invest in new avenues (Horizon 2) of growth
- Drive productivity improvement
- Integrate ESG into business

THANK YOU