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Financial Results
Q2 FY23

Oct 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 Sep 30, 2021, Dec 31, 2021, June 30, 2022 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.

Q2 FY23 - Financial Highlights

Rs. Cr

Highest ever Revenues, EBITDA & PBT in a quarter

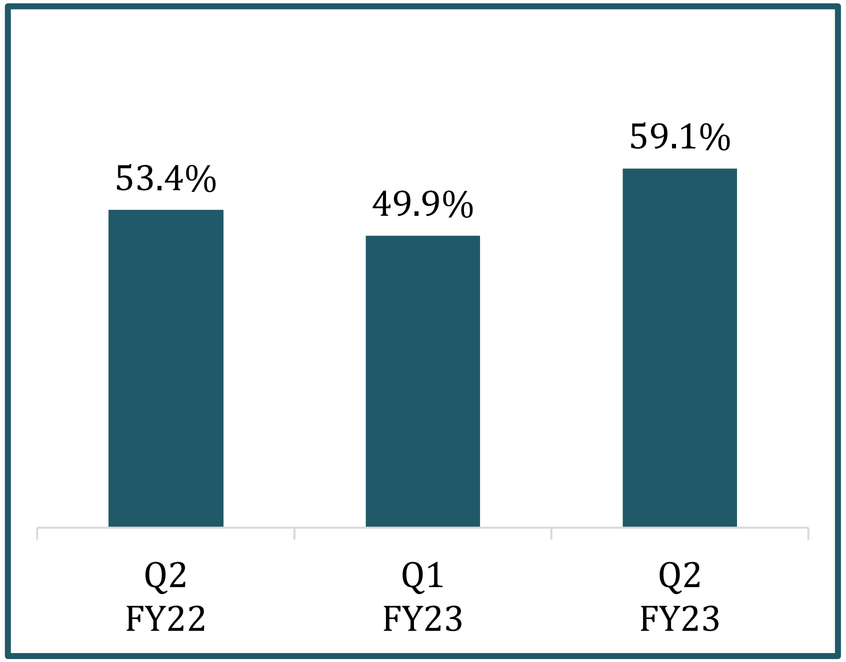
	Q1 FY23	YoY Gr%	QoQ Gr%
Revenues	6,306	9%	21%
EBITDA	1,932	24%	9%
PBT	1,611	27%	10%
PAT	1,113	12%	(6)%

Our largest manufacturing facility in Hyderabad, joins Global Lighthouse Network of the World Economic Forum

We continue to drive productivity while investing for future growth

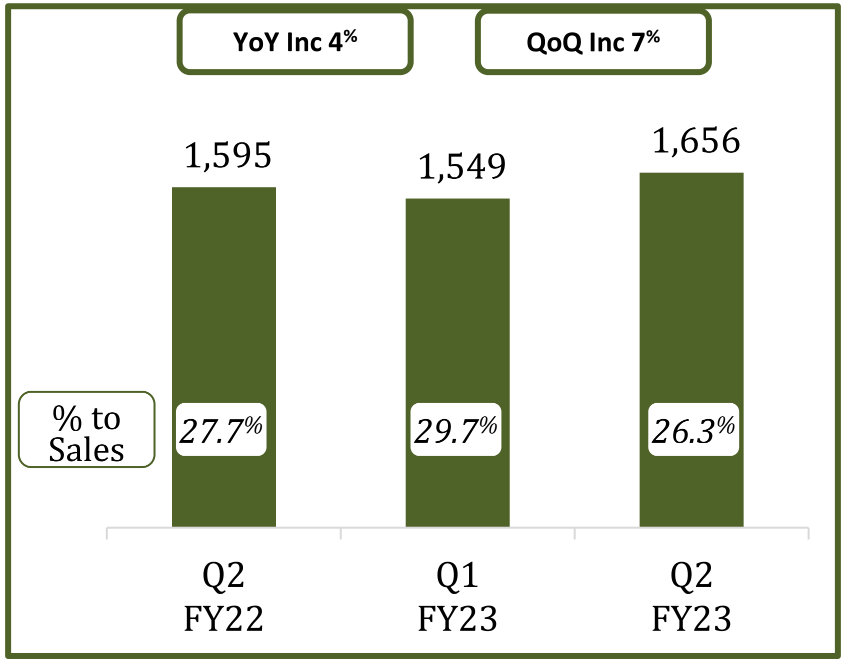
Rs. Cr

Gross margin



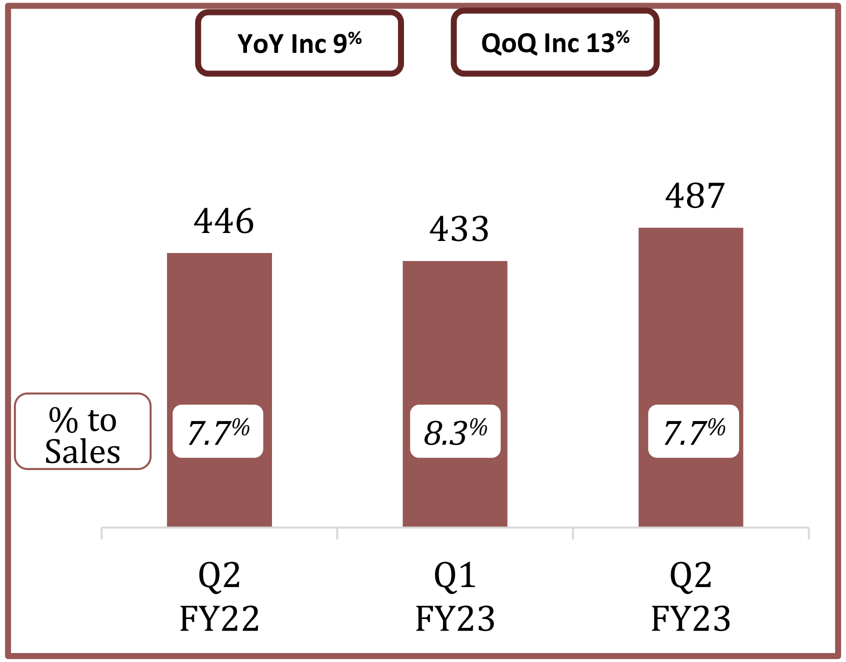
Led by better product mix including new products

SG&A Expenses



In line with business growth

R&D Expenses



Includes investments in Generics, Biosimilars and NCEs

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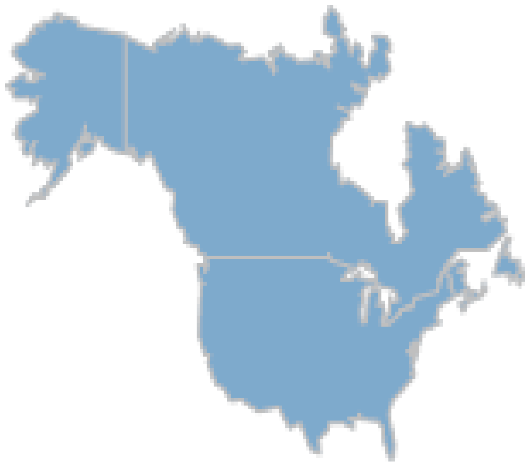
North America – Significant growth driven by the Lenalidomide launch

Revenues

Q2 FY23 Rs. **2,800 cr**

YoY Gr +48%

QoQ Gr +57%



- Strong growth in sales driven by new product launches
- **Launched** seven products including Lenalidomide capsules (as part of the volume limited settlement with innovator) in the US
- Price erosion continues to be within normal range
- **US filing update:**
  - ANDAs filed – One
  - Cumulative pending for approval - 81 (78 ANDAs + 3 NDAs)
    - 42 Para IV filings
    - 22 expected to have FTF status

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India – Steady growth momentum adjusted for one-offs

Revenues

Q2 FY23 Rs. **1,150 cr**

YoY Gr +1%

QoQ Gr -14%

- **Double digit YoY growth** adjusted for covid sales in Q2 FY22
- **Mid single digit QoQ growth** adjusted for divestment income in Q1 FY23
- **Launched 2 new brands** during the quarter - Stig and Curaprox
- **Ranked 11th** on MQT basis as of Sep 2022, as per IQVIA

IQVIA growth rates

Sep 2022	FTM	MQT	MAT
IPM	6.2%	8.2%	6.6%
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FTM: For the month | MQT: Moving quarterly total | MAT: Moving annual total
IPM: Indian pharmaceutical market

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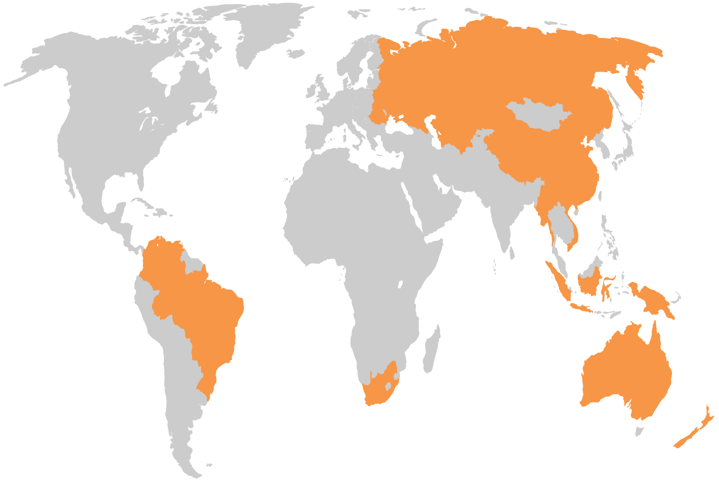
Emerging Markets – Russia sales reverted to normal levels

Revenues

Q2 FY23 Rs. **1,225 cr**

YoY Dc -6%

QoQ Gr 36%



₹ Cr

Region	Q2 FY23	YoY Gr	QoQ Gr
Russia	595	*4%*	*85%*
CISR	216	*-1%*	*13%*
RoW	414	*-18%*	*6%*
EM	**1,225**	***-6%***	***36%***

- **Overall mid-single digit YoY growth** adjusted for covid sales
- **Russia** – Sales back to normal level post channel stock normalization in previous quarter
- **CISR** – QoQ growth driven by pick-up in base business volumes
- **RoW** – **Double digit YoY growth** adjusted for covid sales
- Strong launch momentum continues - **Launched 31 new products** in EM

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Europe – Double digit growth in constant currency

Revenues

Q2 FY23 Rs. **420 cr**

YoY Gr **2%**

QoQ Gr **1%**

₹ Cr

Region	Q2 FY23	YoY Gr	QoQ Gr
Germany	234	*5%*	*6%*
UK/OL	108	*-15%*	*1%*
France, Italy, Spain & others	78	*24%*	*-9%*
Europe	**420**	***2%***	***1%***

- **10 new product launches**
- Traction seen in base business volumes
- Partly offset by price erosion in some molecules

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PSAI – Muted quarter adjusted for Covid sales in last year

Revenues

Q2 FY23 Rs. **643 cr**

YoY Dc -23%

QoQ Dc -9%

- **Mid single digit growth YoY,** adjusted for covid product sales
- Challenges due to low volume traction in some key products
- New product sales contribution continues in-line with the trend

Filings: Pick-up in filings during the quarter

	Q2 FY23
Global DMFs filed	24
US DMFs included above	3

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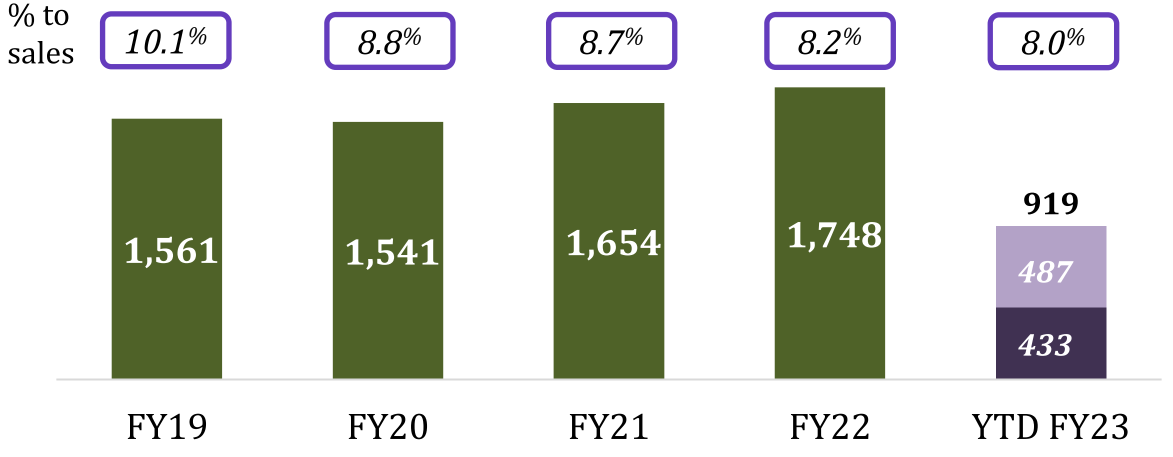
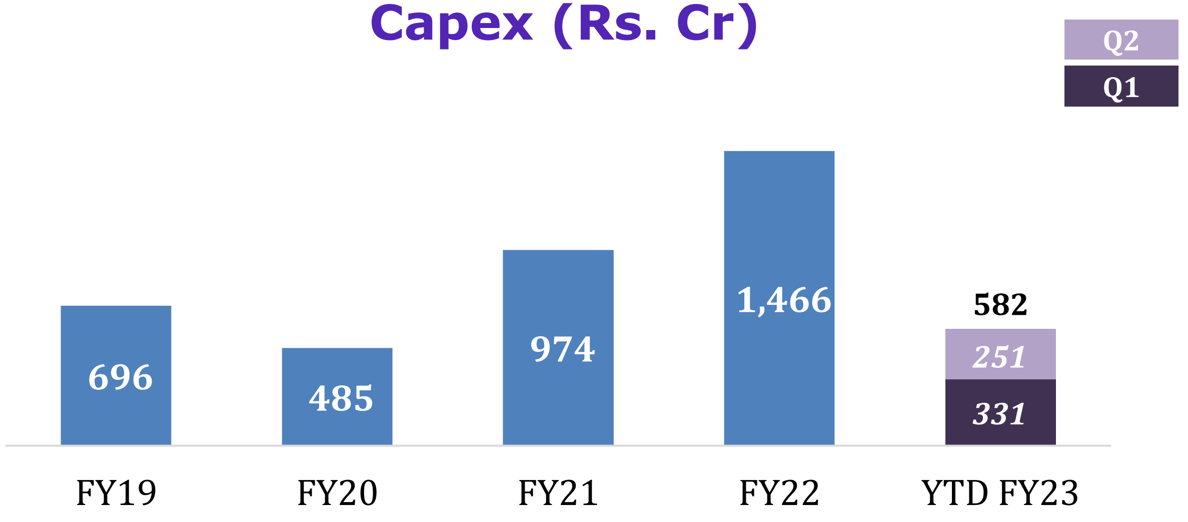
R&D, Capex & Cash flows

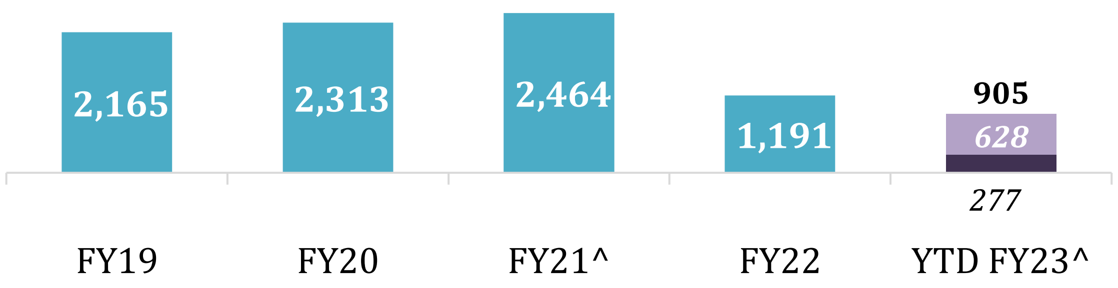
R&D expenses (Rs. Cr)



Capex (Rs. Cr)

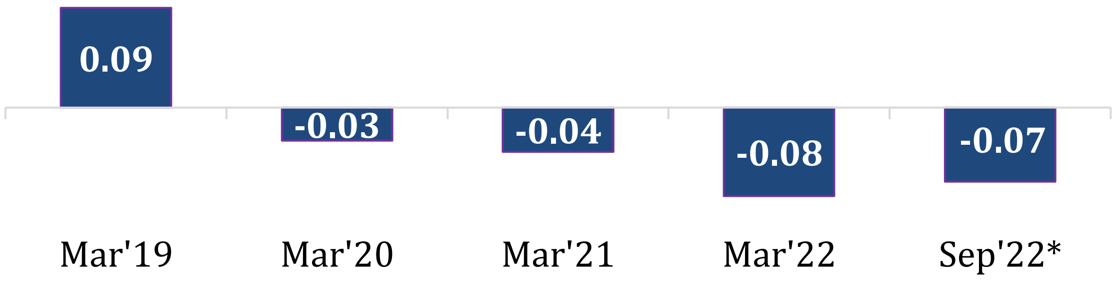


Free cash flow (Rs. Cr)



^ *Before acquisition related payouts*

Net Debt / Equity



* *Net Surplus (Adjusted for non-current cash & borrowings) stood at Rs. 1,373 Cr as on Sep 30th, 2022*

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Key Priorities

Diversified business model with broad based growth levers

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

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THANK YOU
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