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Financial Results Q3 FY23

Jan 25th, 2023

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 Dec 31, 2021, Jun 30, 2022, Sep 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.

Q3 FY23 - Financial Highlights

Rs. Cr

Highest ever Sales, Profits and Free cash flows in a quarter

	Q3 FY23	YoY Gr%	QoQ Gr%
Revenues	6,770	27%	7%
EBITDA	1,966	55%	2%
PBT	1,635	68%	1%
PAT	1,247	77%	12%

Free cash flow for the quarter: Rs.1,975 Cr

Good progress in Biosimilars

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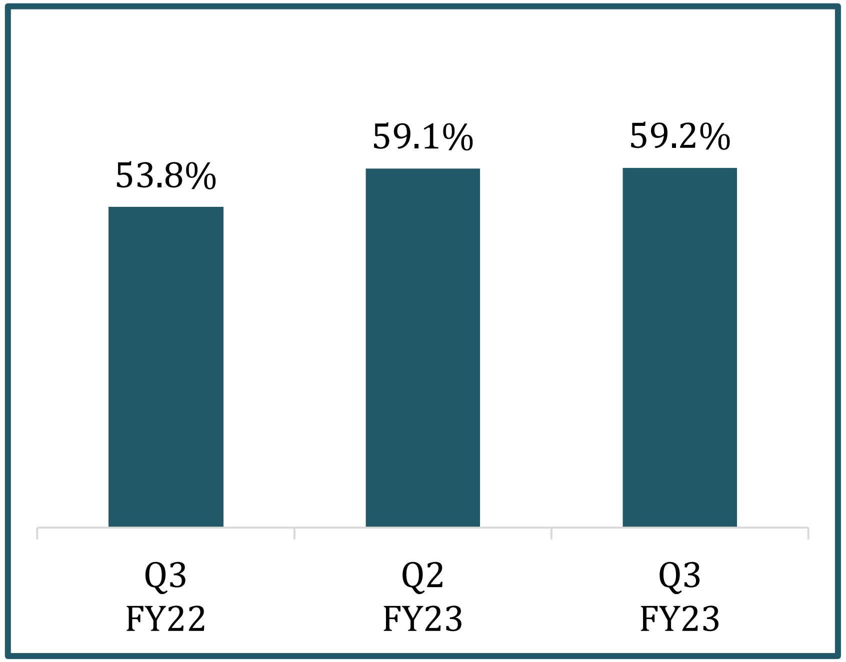
We continue to drive productivity while investing for future growth

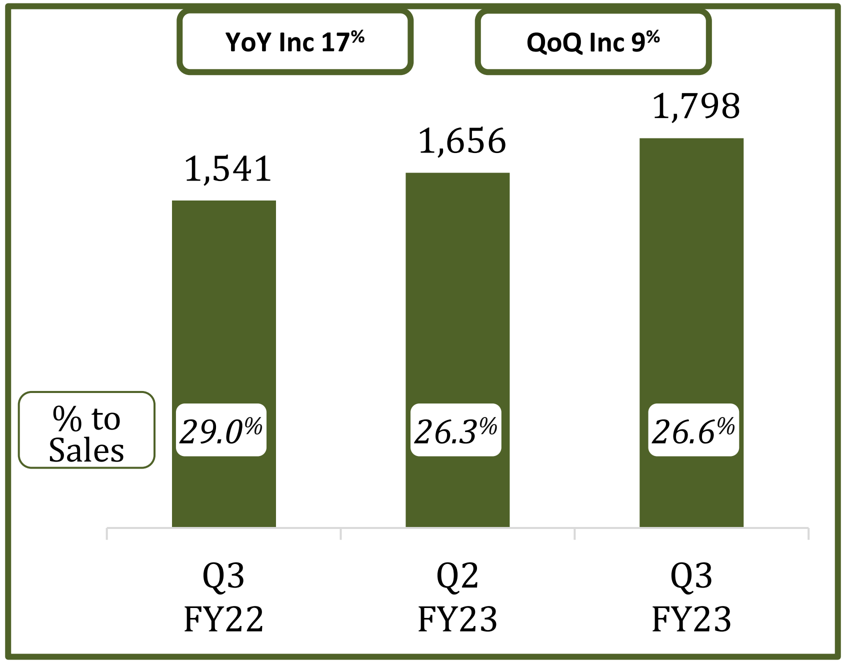
Rs. Cr

Gross margin



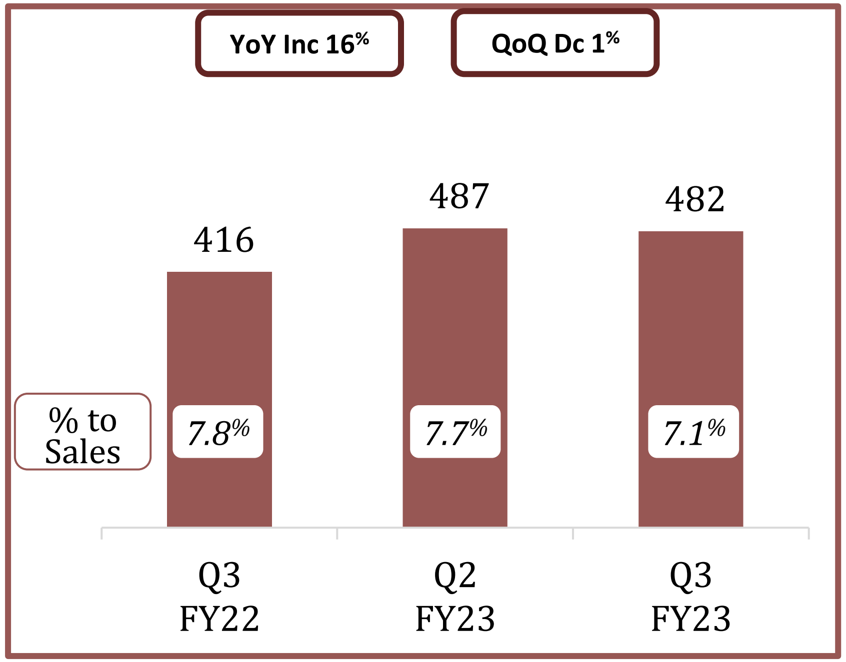
Led by better product mix and new products

SG&A Expenses



Increase due to continued investment behind growth & certain one-off expenses

R&D Expenses



Driven by Biosimilars and Generics

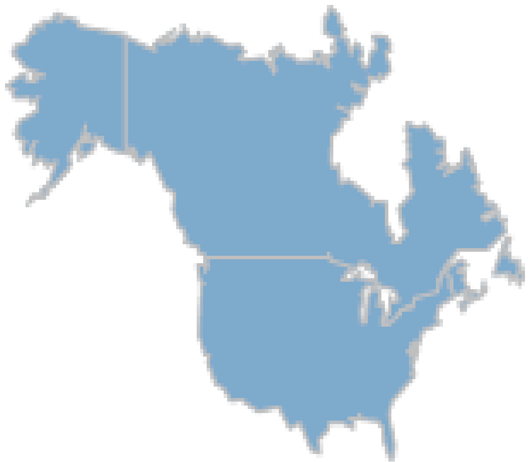
North America – Continues with strong growth momentum

Revenues

Q3 FY23 Rs. **3,057 cr**

YoY Gr +64%

QoQ Gr +9%



- Strong growth in YoY sales driven by new launches and beneficial forex rates
- Sequential growth driven by key base products and scale up of recent launches
- Price erosion is largely in line with past few quarters trend
- Launched 5 products in US during the quarter
- **US filing update:**
  - ANDAs filed – One
  - Cumulative pending for approval - 78 (75 ANDAs + 3 NDAs).
    - 41 Para IV filings
    - 21 expected to have FTF status

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India – Steady growth

Revenues

Q3 FY23 Rs. **1,127 cr**

YoY Gr +10%

QoQ Dc -2%

- **YoY growth** primarily driven by new launches including acquired / in-licensed products
- **Cidmus** became **#1 brand** in heart failure category
- **Launched 2 new brands** during the quarter
- **Ranked 10th** on MQT & MAT basis as of December 2022

Dec 2022	FTM	MQT	MAT
IPM	12.7%	10.0%	6.5%
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FTM: For the month | MQT: Moving quarterly total | MAT: Moving annual total

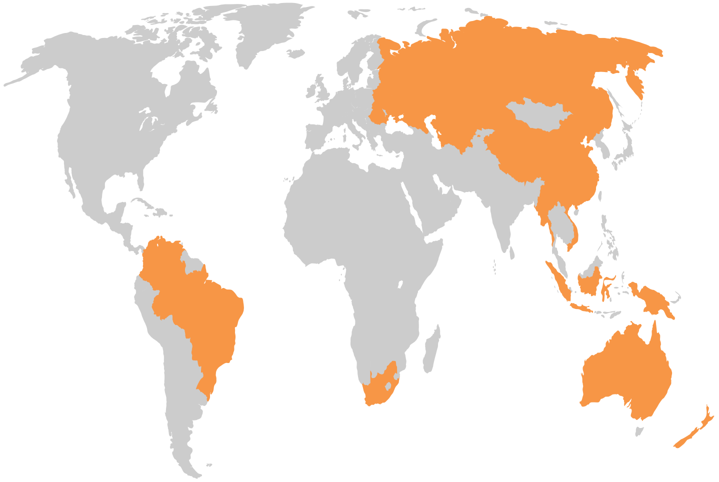
Emerging Markets – Strong growth led by Russia

Revenues

Q3 FY23 Rs. **1,310 cr**

YoY Gr 14%

QoQ Gr 7%



₹ Cr

Region	Q3 FY23	YoY Gr	QoQ Gr
Russia	687	*45%*	*16%*
CISR	224	*-6%*	*4%*
RoW	398	*-10%*	*-4%*
EM	**1,310**	***14%***	***7%***

- **Russia** – Strong growth led by base business including biosimilars and favorable forex rates
- **CISR** – YoY decline primarily due to adverse forex rates
- **RoW** – Double digit YoY growth adjusted for covid product sales in last year
- Strong launch momentum continues. **Launched 29 new products** across emerging markets during Q3 FY23

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Europe – Steady growth in business

Revenues

Q3 FY23 Rs. **430 cr**

YoY Gr 6% **QoQ Gr 2%**

₹ Cr

Region	Q3 FY23	YoY Gr	QoQ Gr
Germany	221	*-1%*	*-6%*
UK/OL	125	*25%*	*16%*
France, Italy, Spain & others	84	*3%*	*8%*
Europe	**430**	***6%***	***2%***

- Growth driven by new products partially offset by adverse forex rates
- **11 new product launches** across various markets in Europe

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PSAI – Rebound in sales over previous quarter

Revenues

Q3 FY23 Rs. **776 cr**

YoY Gr 7%

QoQ Gr 21%

- **YoY** – Growth supported by favorable forex rates
- **QoQ** – Improvement in base business volumes

Filings:

	Q3 FY23
Global DMFs filed	30
US DMFs included above	2

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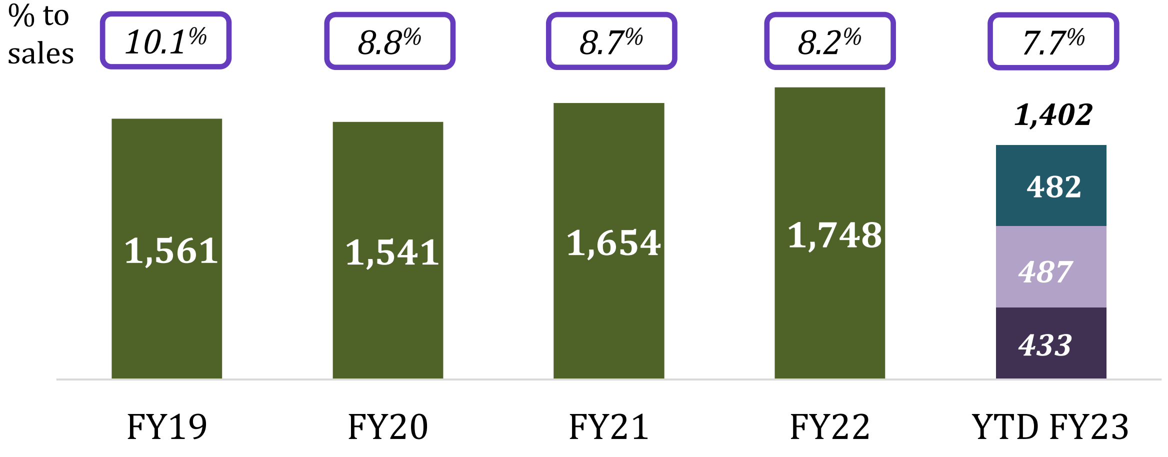
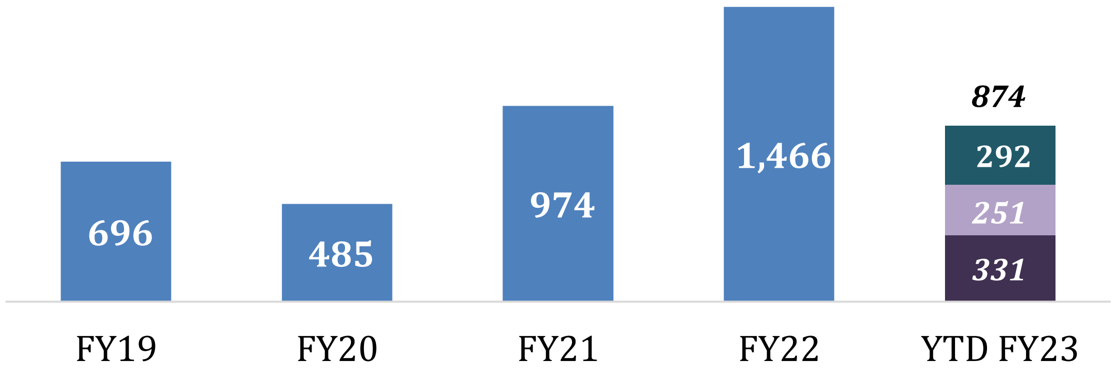
R&D, Capex & Cash flows

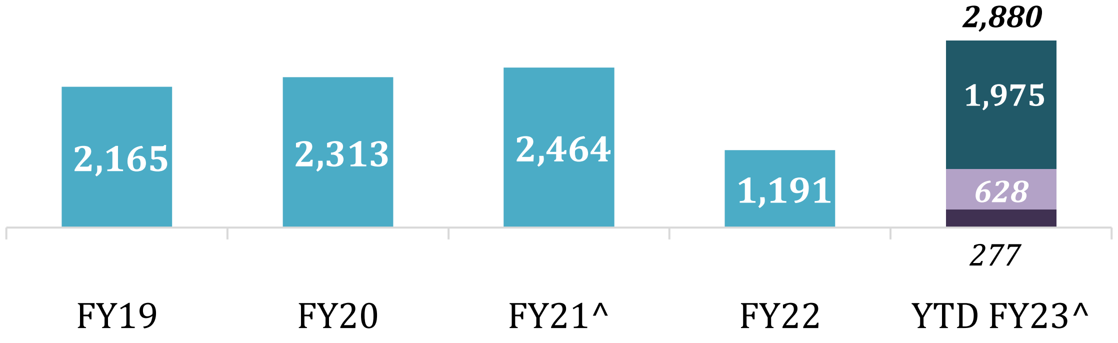
R&D expenses (Rs. Cr)



Capex (Rs. Cr)

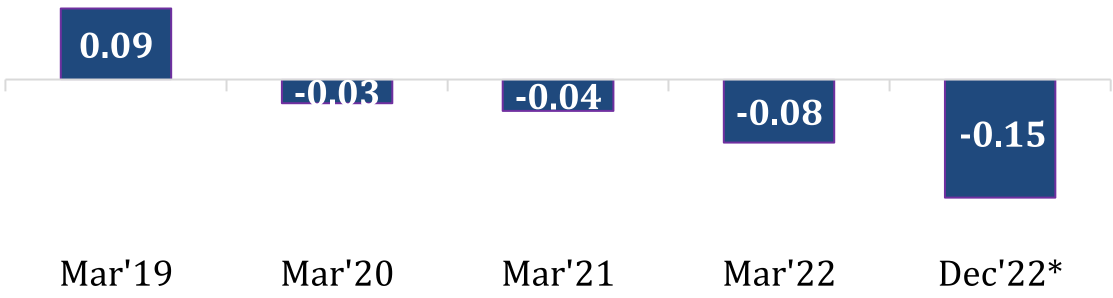


Free cash flow (Rs. Cr)



^ Before acquisition related payouts

Net Debt / Equity



* Net Surplus (Adjusted for non-current cash & borrowings) stood at Rs. 3,401 Cr as on Dec 31st, 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