



Investor Presentation Q1FY19

08-08-2018

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Continued progress on our key FY19 priorities

Key Priorities

1 India: Growth & Therapy Strengthening

↑ **22%**

Product partnerships with **Roche and Eli Lilly**

2 US: Launches & Ramp-up

7 approvals in Q1 including **Isoproterenol** HCl Inj and **Testosterone** Cypionate Inj

3 US Filings Ramp-up

5 ANDAs filed in Q1
On-track for 20+ ANDA filings in FY19

4 South Africa: Growth

↑ **15%**¹ Cipla vs 7% market growth

First-to-Market

Launches planned in Q2 including first biosimilar **Filgrastim** Injection

5 RoW: Growth & Biosimilars

Trastuzumab

deal signed for key Emerging Markets (ANZ, Colombia and Malaysia)

6 Quality & Compliance

EIR for Goa & Indore Plants Received

Continued focus on maintaining compliance & control at all manufacturing locations

¹ IQVIA (IMS) MAT Jun'18

Cipla SA signs a definitive agreement to acquire 100% stake in Mirren (Pty) Ltd.

Deal is subject to SA Competition Commission Approval




Key Transaction Financials	Mirren Revenue FY18	OTC Growth in SA	Valuation Metrics
	ZAR 152m  29% vs. LY	11% ~300bps higher than overall market	ZAR 450m 3x FY18 Sales

<p>Coryx: Cough & Cold</p> <p> 15%</p> <p>Tab & syrup market growth (Cough & Cold)</p> 	<p>Broncol: Cough & Cold</p> <p> 90%</p> <p>Syrup market growth with no codeine (Cough & Cold)</p> 	<p>Tensopyn: Pain Mgmt.</p> <p> 50%</p> <p>Tab & syrup market growth (Pain Mgmt)</p> 	<p>Ultimag: Mag & Zinc Supplement</p> <p> 30%</p> <p>Tab & syrup market growth (Mag & Zinc Supplement)</p> 
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Local manufacturing facility for liquids, OSD & Effervescent

- Synergies & Capabilities**
- Play in the ZAR11Bn OTC market
 - Accelerate OTC business to reach ZAR 1Bn
 - Expand presence in Pain, Cough & Cold therapeutic area
 - Access to local liquid manufacturing facility

Cipla OTC

18% of Cipla overall business  **14%** YOY

Targeted Market
ZAR3bn



Cipla + Mirren

22%+ of Cipla overall business

Targeted Market
ZAR14bn

Financial Performance – Q1FY19

Revenues INR 3,939 Cr **↑12%**
YoY

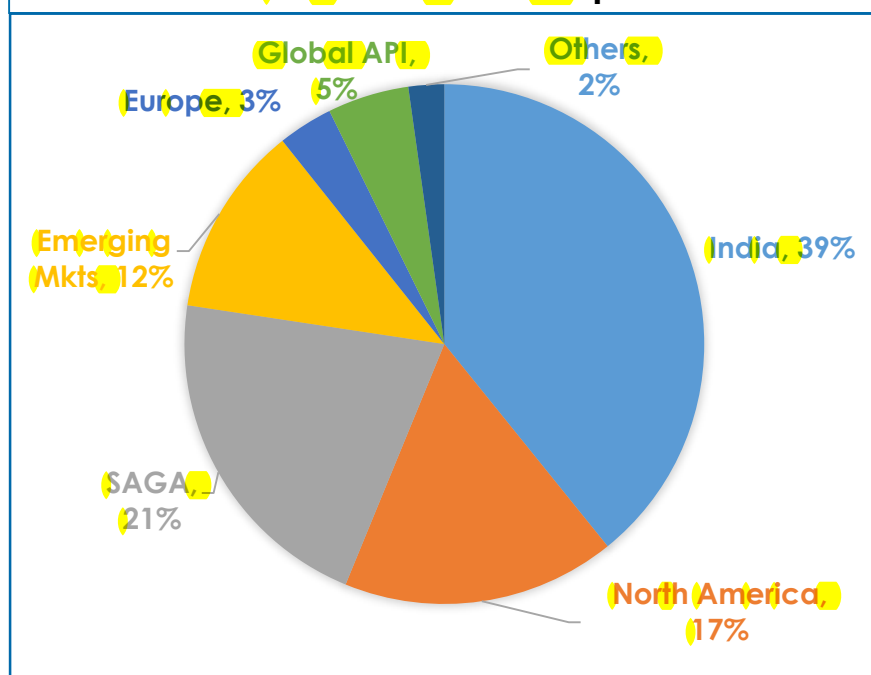
EBITDA 18.4% **↑12%**
YoY

PAT 11.5% **↑10%**
YoY

Q1 FY19 (Consolidated)

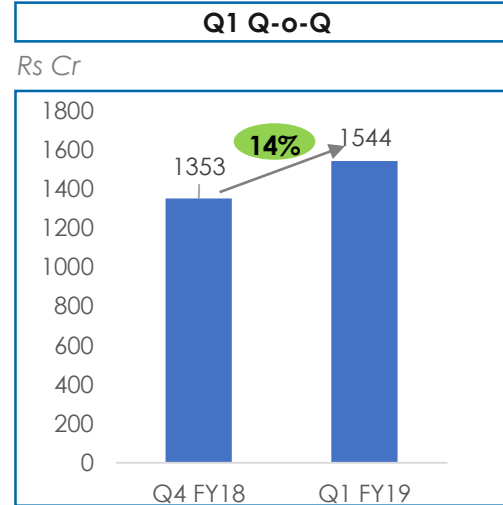
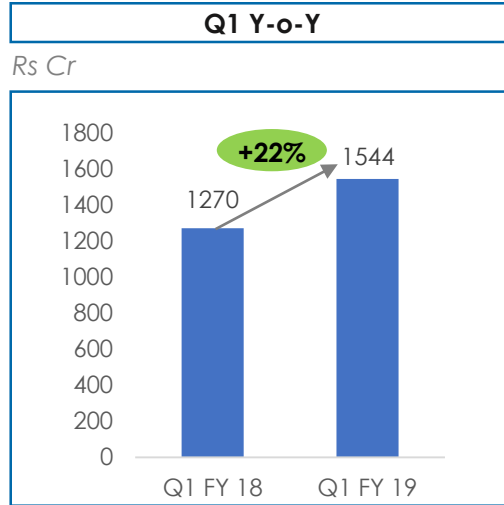
	Actuals (Rs Cr)	vs Q1 FY 18
Total Income from Operations	3,939	12%
a) Domestic Sales	1,559	20%
b) Int'l Sales	2,287	7%
c) Other Operating Income	93	-
EBITDA	726	12%
EBITDA %	18.4%	
PAT	451	10%
PAT %	11.5%	

Revenue¹ Break-up



¹ Others: Includes CNV business, Vet and others; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access; Percentages have been rounded-off

India (Rx + Gx) Sales



Key Business Highlights¹

- Key therapeutic areas delivered above market performance which includes Cardiac (11.3% Vs Mkt 7.5%), Respiratory (11.2% Vs Mkt 9.1%), Urology (14.5% Vs Mkt 13.1%) and CNS (7% Vs Mkt 4.7%)
- Continued leadership position** in Respiratory and Urology and ranked amongst top 5 in CNS, Cardiac and Anti-infectives
- Strategic partnership with Roche** India: Strengthened Oncology portfolio with the launch of 3 MABs (Bevacizumab, Trastuzumab & Rituximab)
- Diabetes franchise development: Partnered with Eli Lilly to market and distribute **insulin glargine injection (Basaglar)²**

1. IQVIA (IMS) MAT Jun'18 | 2. Upon final approval

North America: Driving Value-Play in the US market through rationalization of select product categories and ramp-up of new launches

1 Q1FY19¹
Contribution from new products launches in last 12 months

30%
of Q1FY19 **DTM** Revenues

19%
of Q1FY19 Revenues

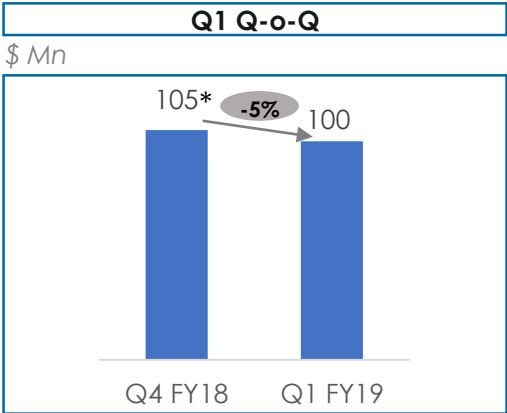
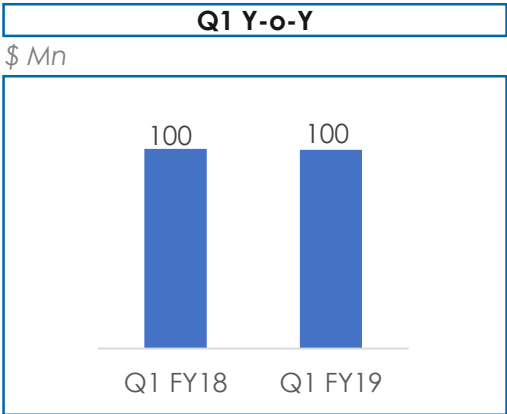
2 Significant Gross Margin Improvement driven by product rationalization and ramp-up of new launches

+300bps
Improvement in overall DTM (Cipla & Invagen) business Gross Margin%

15%pp
Improvement in Cipla DTM business Gross Margin%

~\$5mn impact due to rationalization of low-margin SKUs

90% of new product revenues in Q1 contributed by **Budesonide, Decitabine, Palonosetron & Isoproterenol**



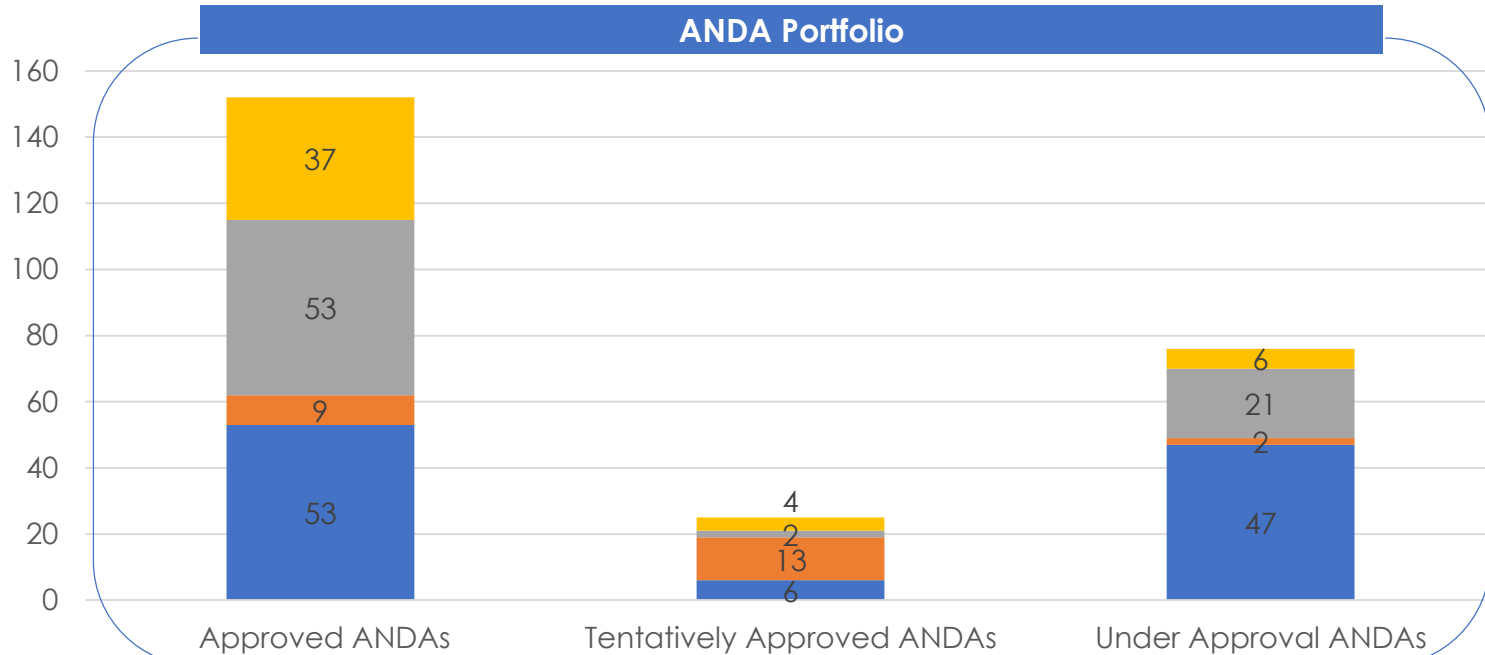
* Excluding one-time income

¹ Only DTM revenues of new launches considered

ANDA¹ Portfolio & Pipeline (As on 30th June 2018)

Cipla

Total
+
152
+
25
+
76
=
253
ANDAs

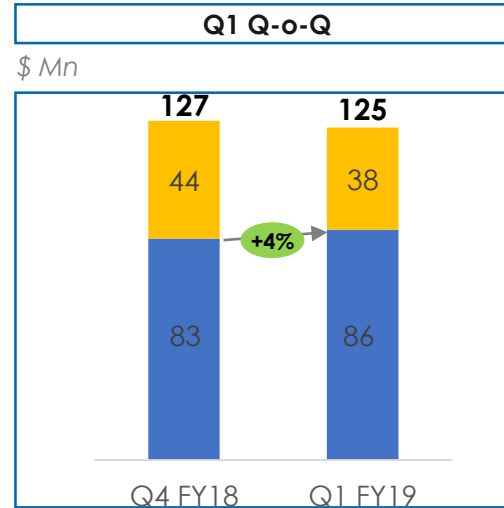
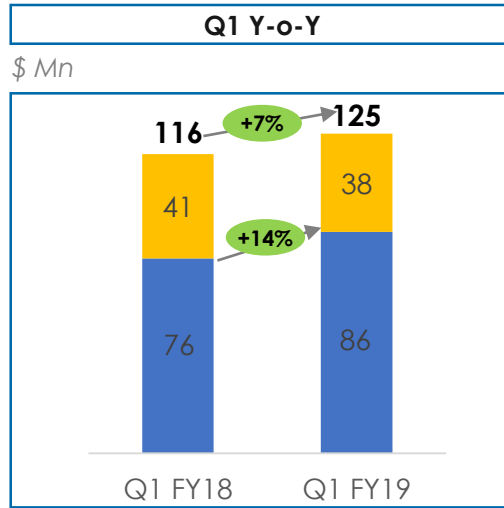


¹ Does not include Vet product ANDAs

■ Cipla Ltd ■ PEPFAR² ■ Invagen ■ Partnered ANDAs

² PEPFAR approved ANDAs can be commercialised in US

SAGA*: South Africa, Sub-Saharan Africa and Cipla Global Access



ZAR Growth
SA: ↑ 14% vs Q1 FY18 normalized for animal health

South Africa
 Others

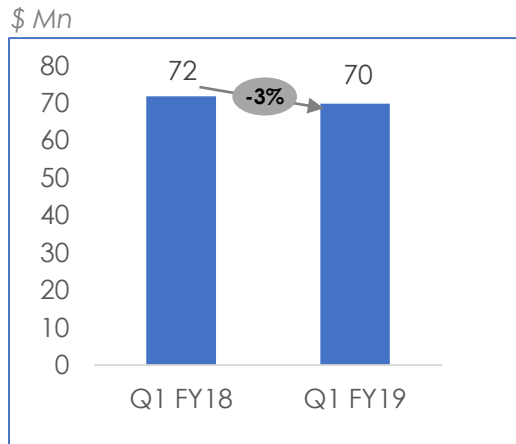
Key Business Highlights¹

- Above market growth in South Africa private market; Cipla continues to outpace market growth at 15% vs 7%
- Cipla maintained its position as the 4th largest pharmaceutical company in the private market with 6% market share
- Strong momentum in **Sereflo Synchrobreathe** growing at 45% vs Q1FY18
- First to market launches planned in Q2 including the **first biosimilar Filgrastim Injection (Teva portfolio)**

¹ IQVIA (IMS) MAT Jun'18

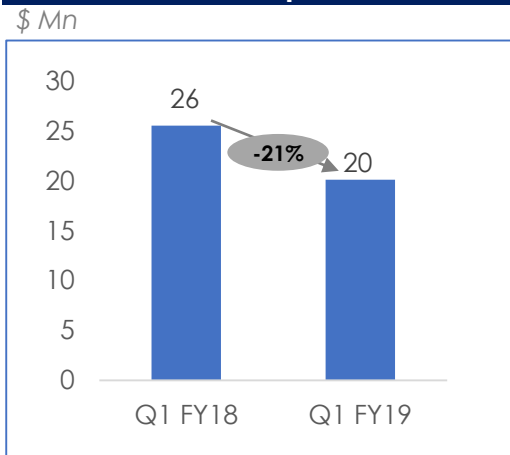
*Financial numbers are rounded off

Emerging Markets



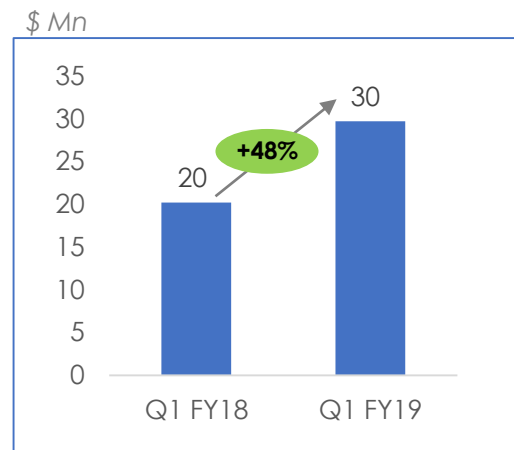
- **ANZ Portfolio:** Azacitidine injection approved in Australia; Dymista launched in NZ
- **Morocco:** Pharma status received for Cipla Morocco plant
- **Colombia:** 5 new product launches and 4 approvals

Europe



- **Europe Hospital segment strategy** execution with Bosentan as the first product
- **UK FPSM:** Continued traction with channel partners

API



- Continued momentum in **seedings and lock-ins**
- **Respiratory** continues to be the largest component (36% of overall) of the business

Recap of progress on our key FY19 priorities and some emerging challenges

India • Strong Y-o-Y growth in India business (↑ 22%)

US • **Differentiated approvals:** Isoproterenol HCl Inj and Testosterone Cypionate Inj
• **Filings:** 5 ANDAs filed in Q1; on track to file 20+ in FY19

South Africa • 15% Cipla vs 7% market growth; first biosimilar launch planned for Q2
• **Mirren*** acquisition to give OTC boost

EM • Biosimilar portfolio development efforts underway
• **Trastuzumab:** deal signed for key Emerging Markets (ANZ, Colombia and Malaysia)

Quality • EIR received for **Goa & Indore** plants

Emerging Challenges

China, commodities and oil linked cost inflation pressure

Continued geo-political volatility in emerging markets

*Deal is subject to South Africa Competition Commission Approval

Thank you

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