

**Sun Pharmaceutical Industries Limited**

SUN HOUSE, CTS No. 201 B/1,  
Western Express Highway, Goregaon (E),  
Mumbai 400063, India  
Tel.: (91-22) 4324 4324 Fax.: (91-22) 4324 4343  
CIN: L24230GJ1993PLC019050  
www.sunpharma.com



**16 January 2023.**

National Stock Exchange of India Limited,  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai- 400 051

BSE Limited,  
Market Operations Dept.  
P. J. Towers,  
Dalal Street,  
Mumbai - 400 001

**Scrip Symbol: SUNPHARMA**

**Scrip Code: 524715**

**Sub: Investor Presentation**

Dear Sir / Madam,

Please find enclosed herewith the investor presentation, which we shall be uploading on our website after sending this letter to you.

This is for your information and dissemination.

Thanking you,

Yours faithfully,  
For **Sun Pharmaceutical Industries Limited**

(Anoop Deshpande)  
**Company Secretary and Compliance Officer**



# Creating Lasting Value

Investor Presentation - December 2022



NSE:SUNPHARMA | BSE:524715 |  
Bloomberg:SUNP IN | Reuters:SUN.BO

[WWW.SUNPHARMA.COM](http://WWW.SUNPHARMA.COM)

# Disclaimer

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue" and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. Sun Pharmaceutical Industries Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

<b>1</b>	<b>At a Glance</b>
<b>2</b>	<b>Our Global Specialty Portfolio</b>
<b>3</b>	<b>Revenue Composition &amp; Company History</b>
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# Sun Pharma at a glance



4<sup>th</sup> Largest specialty generic company globally\*

Market Presence

Presence in more than 100 countries

Addressable Segments

Specialty products, branded generics, generics & APIs

Specialty

Scaling up Global Specialty portfolio

US

Ranked 9<sup>th</sup> in US generics market<sup>##</sup>

India

Largest pharma company in India <sup>\*\*</sup>

Emerging Markets

Amongst the largest Indian Pharma Companies in Emerging Markets

Rest of World Markets

Expanding presence in Rest of World Markets

Manufacturing Footprint

43 manufacturing sites across the world

Quality Compliance

Several facilities approved by global regulators incl. USFDA

R&D and Manufacturing

Capabilities across dosage forms like injectables, sprays, ointments, creams, liquids, tablets and capsules

Employees

38,000+ global employees

\*Source: Evaluate Pharma Estimates for 12 months ended Dec 2021

<sup>##</sup> Source: IQVIA data for 12 months ended Nov 2022

<sup>\*\*</sup> As per AIOCD AWACS data for 12 months ended Sept'22

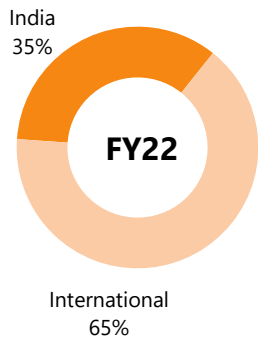
# Sun Pharma today

## US Formulations

- 9<sup>th</sup> largest generics company in US\* with a strong pipeline (92 ANDAs & 13 NDAs awaiting approval)
- Presence in Specialty branded & generics segments with more than 570 approved products
- FY22 sales: Rs 113,737 mn

## India Branded Generics

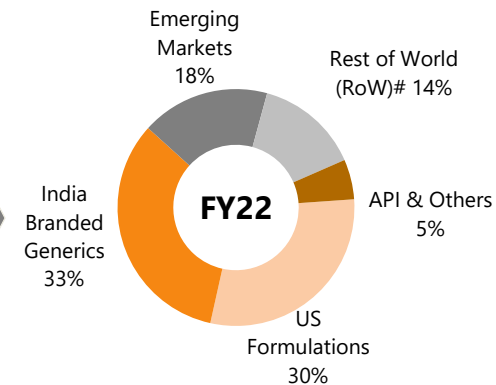
- No.1 ranked with 12 classes of doctors
- Leading position in high growth chronic therapies
- Specializes in technically complex products
- FY22 sales: Rs 127,593 mn



Geographical  
sales split

- Market cap: US\$ 29 Bn <sup>(1)</sup>
- Gross sales: Rs 384,264 mn
- EBITDA: Rs 103,977 mn (26.9% margin)
- R&D investment: 5.8% of Sales
- Globalized supply chain
- Strong balance sheet
- 54% owned by promoter group

Revenue share



## Emerging Markets

- Presence in about 80 countries across Africa, Americas, Asia and Eastern & Central Europe
- Focus markets – Romania, Russia, South Africa, Brazil & Mexico and complementary & affiliated markets
- FY22 sales: Rs 67,432 mn

## Rest of World (RoW)

- Presence across key markets in Western Europe, Canada, Japan, Israel, A&NZ and other markets
- Product portfolio includes specialty products, differentiated offerings for hospitals, injectables & generics for retail market
- FY22 sales: Rs 54,545 mn

Note:

(1) As of Dec, 30 2022 using spot exchange rate of INR /USD = 82.72

# Includes Western Europe, Canada, Japan, Australia & New Zealand, Israel and other markets.

\* Source: IQVIA data for 12 months ended Nov 2022

# Driving sustainable long term growth

- Enhance share of specialty business
- Achieve differentiation by focusing on technically complex products
- Focus on key markets to achieve critical mass
- Speed to market
- Ensure sustained compliance with global regulatory standards
- Sustainability - committed to Governance, Community upliftment, Access to affordable healthcare & Environment conservation

- Optimize operational costs
- Vertically integrated operations



- Increase contribution of specialty and complex products
- Future investments directed towards differentiated products

- Use acquisitions to bridge gaps
- Focus on access to products, technology, market presence
- Ensure acquisitions yield targeted return on investment
- Focus on payback timelines

# Global specialty portfolio



- Treatment of adults with moderate-to-severe plaque psoriasis who are candidates for systemic therapy or phototherapy
- Launch US-Oct'18, Australia- Dec'18, Europe- (by Almirall) from Dec' 18, Japan- Sept'20, Canada- Oct'21
- Long term clinical data shows that the significant response rate seen in 52 & 64 weeks were maintained over five years
- Evaluating new indications for Ilumya: Phase-2 data shows potential to improve joint & skin symptoms of Psoriatic Arthritis. Commenced Phase-3 trials in 2020
- Out licensed to CMS for Greater China & to Hikma for Middle East & North Africa



- To increase tear production in patients with keratoconjunctivitis sicca (dry eye)
- US launch in Oct'19, Canada in Jan'22
- Out-licensed to CMS for Greater China in June 2019



- Topical treatment of acne vulgaris in patients 12 years of age and older
- US launch in Nov'21



- Treatment of severe recalcitrant nodular acne in non-pregnant patients 12 years of age and older with multiple inflammatory nodules with a diameter of 5 mm or greater
- US launch in Feb'20



- For photodynamic therapy (treatment) of minimally to moderately thick actinic keratoses of the face or scalp, or actinic keratoses of the upper extremities
- Currently marketed in the US

ILUMETRI® is a registered trade mark of Almirall.  
All brand names and trademarks are the property of their respective owners



# Global specialty portfolio



- Treatment of adult patients with locally advanced basal cell carcinoma (BCC) that has recurred following surgery or radiation therapy, or those who are not candidates for surgery or radiation therapy.
- Currently marketed in US, Canada, Germany, France, Denmark, Switzerland, Spain, Italy, Australia and Israel



- In combination with methylprednisolone for the treatment of patients with metastatic castration resistant prostate cancer (CRPC).
- US launch in May'18



- Treatment of postoperative inflammation and prevention of ocular pain in patients undergoing cataract surgery
- US launch in Nov'16



- For the reduction of elevated intraocular pressure (IOP) in patients with open-angle glaucoma or ocular hypertension.
- US launch in Jan'19



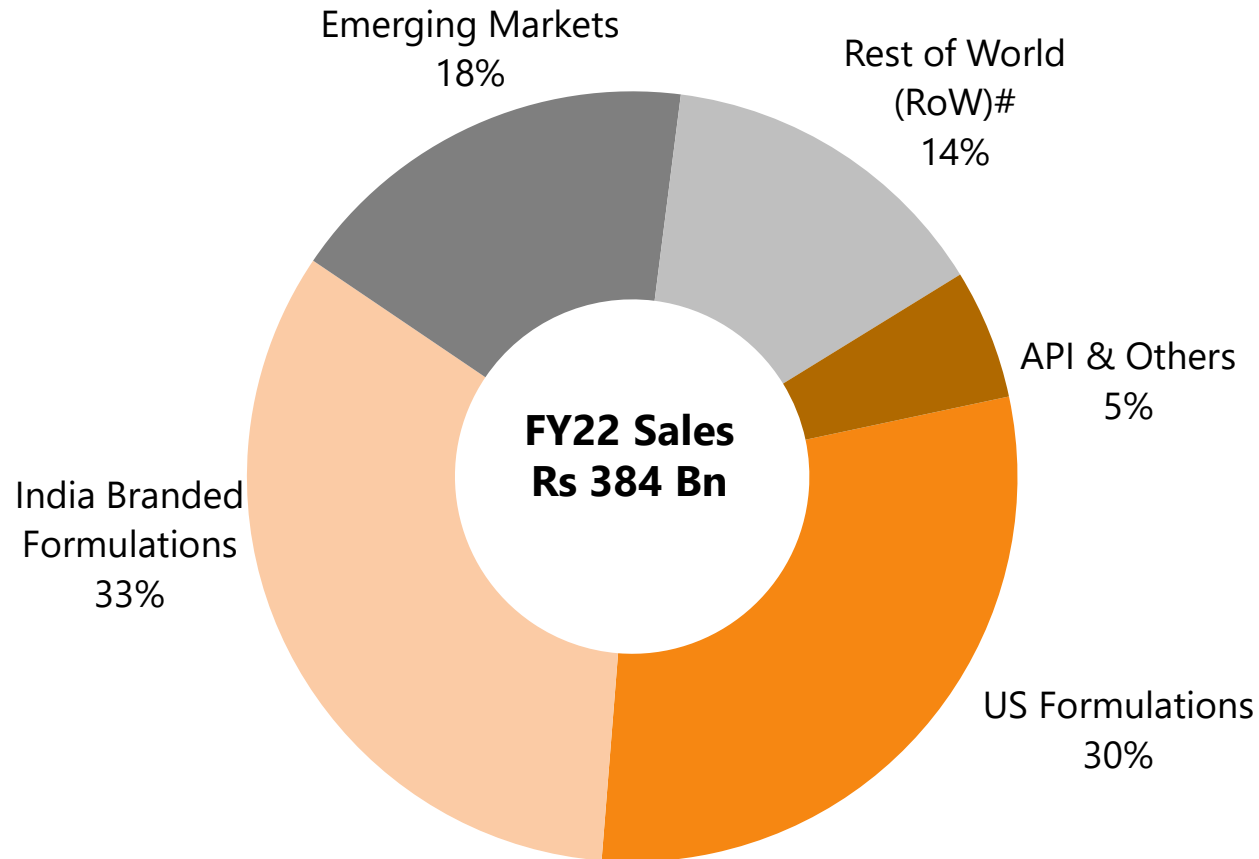
- Products using sprinkle technology for patients who have difficulty swallowing
- Sprinkle versions of metoprolol (cardiology), rosuvastatin (cardiology) & duloxetine (neuro-psychiatry) commercialized in US between 2018-2019
- Therapeutic solutions for long-term care (LTC) patients

ILUMETRI® is a registered trade mark of Almirall.  
All brand names and trademarks are the property of their respective owners

# Specialty pipeline

Molecule/Asset	Indication	Route of Administration	Mechanism of Action	Pre-clinical	Phase-1	Phase-2	Phase-3	Registration	Approved
Ilumya (tildrakizumab)	Psoriatic Arthritis	Injection	IL-23 Antagonist						
SCD-044	Psoriasis, Atopic Dermatitis	Oral	Selective SIPR1 Agonist						
MM-II	Treatment of pain in osteoarthritis	Injection	Liposomal intra-articular lubrication						
GL0034	Type 2 Diabetes	Injection	GLP-1R Agonist						

# Diversified revenue base

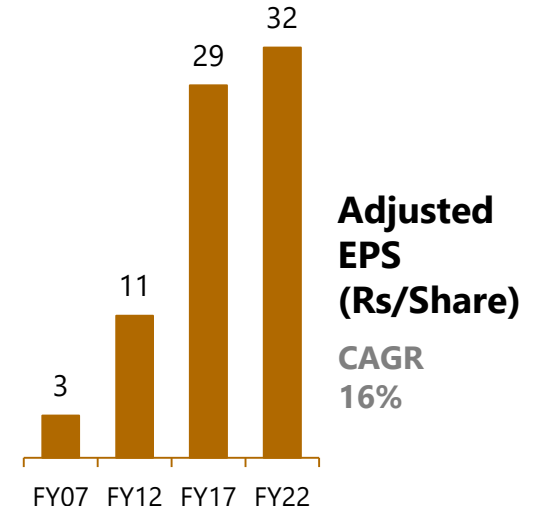
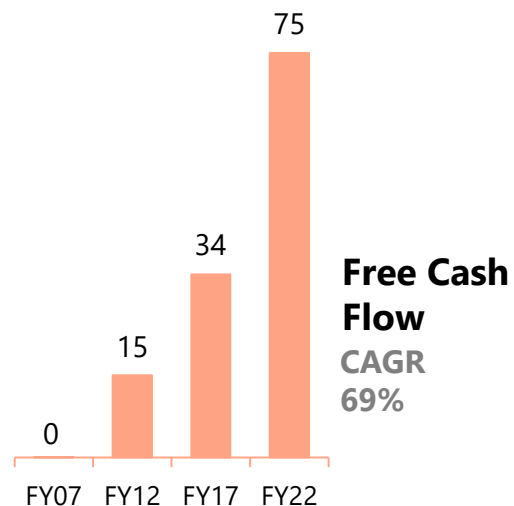
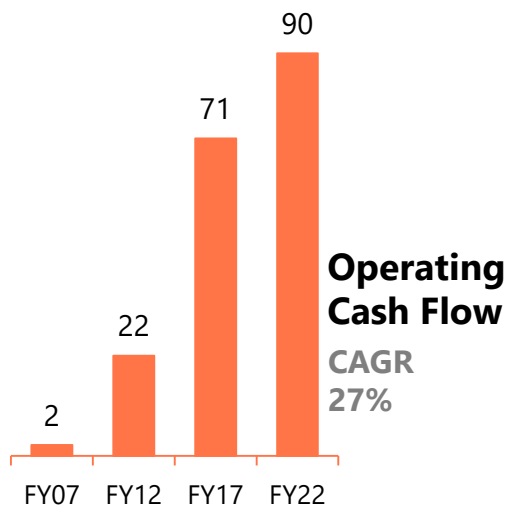
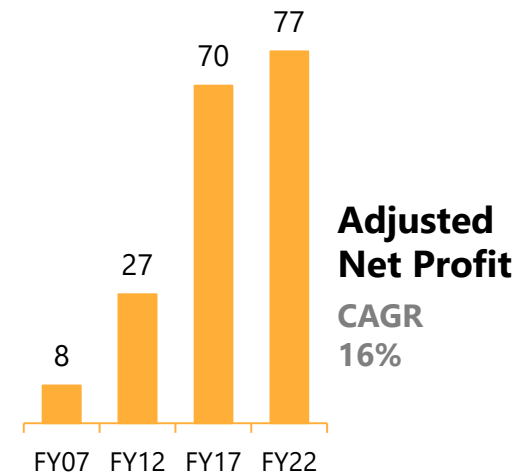
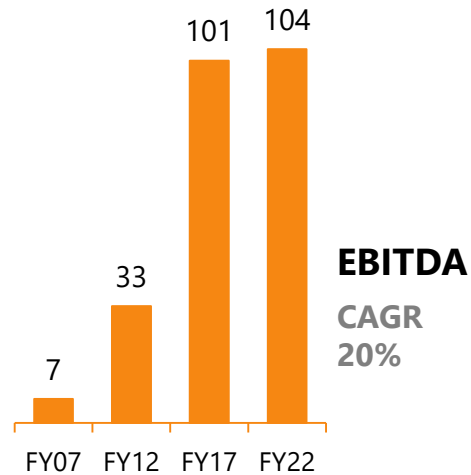
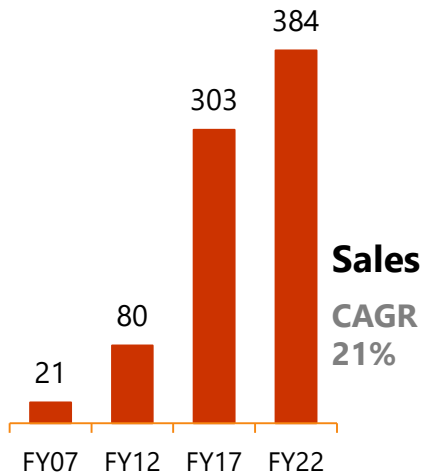


# Includes Western Europe, Canada, Japan, Australia & New Zealand, Israel and other markets.

# Impressive track record of growth

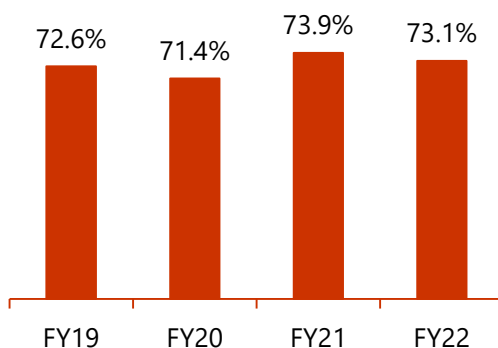
(All Figures in Rs Bn)

CAGR for FY07-FY22

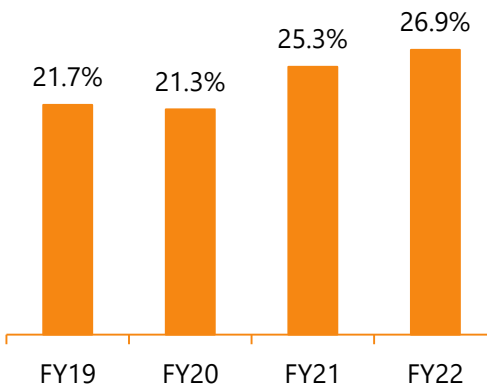


# Strong profitability and return ratios

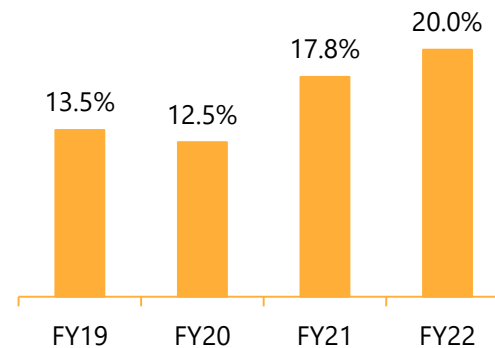
## Gross Margin #



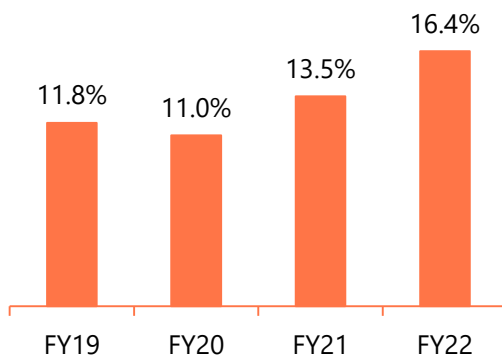
## EBITDA Margin



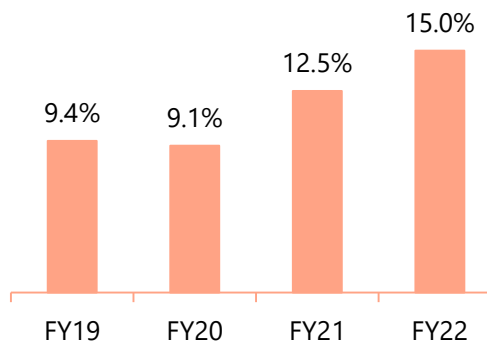
## Adjusted Net Profit Margin



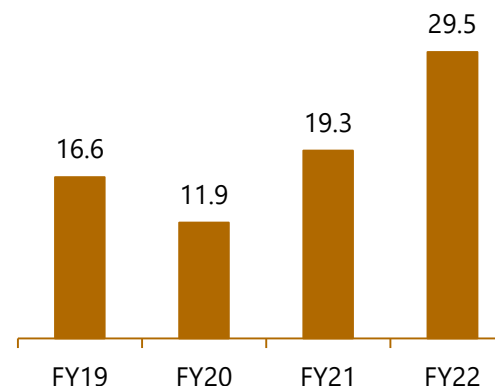
## ROCE



## ROE



## Market Cap (USD Bn)



# Gross margin= (Sales - Material Cost)/Sales\*100)

ROCE & ROE exclude one-time exceptional charges

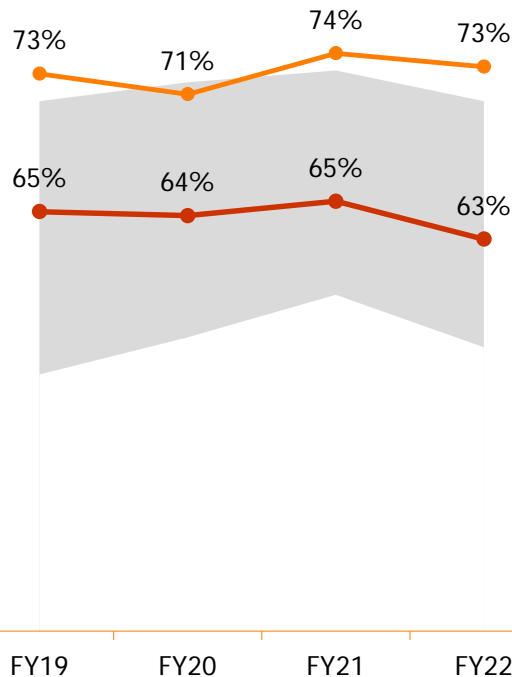
ROCE = EBIT / Average of (Total Assets – Current Liabilities)

ROE = Net Profit / Average Shareholders Equity

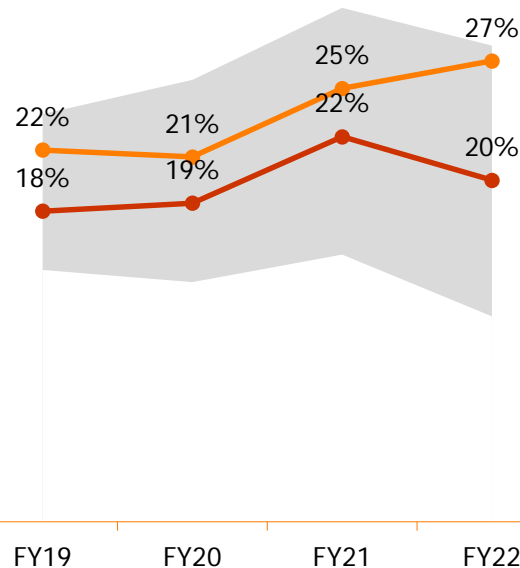
(Market Cap as on 31st March )

# Best in class profitability

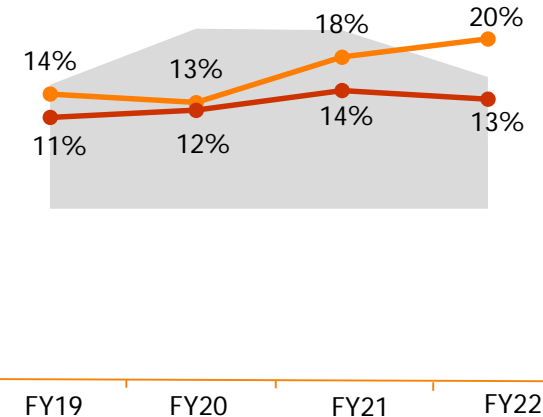
## Gross Margin



## EBITDA Margin



## Adjusted Net Profit Margin

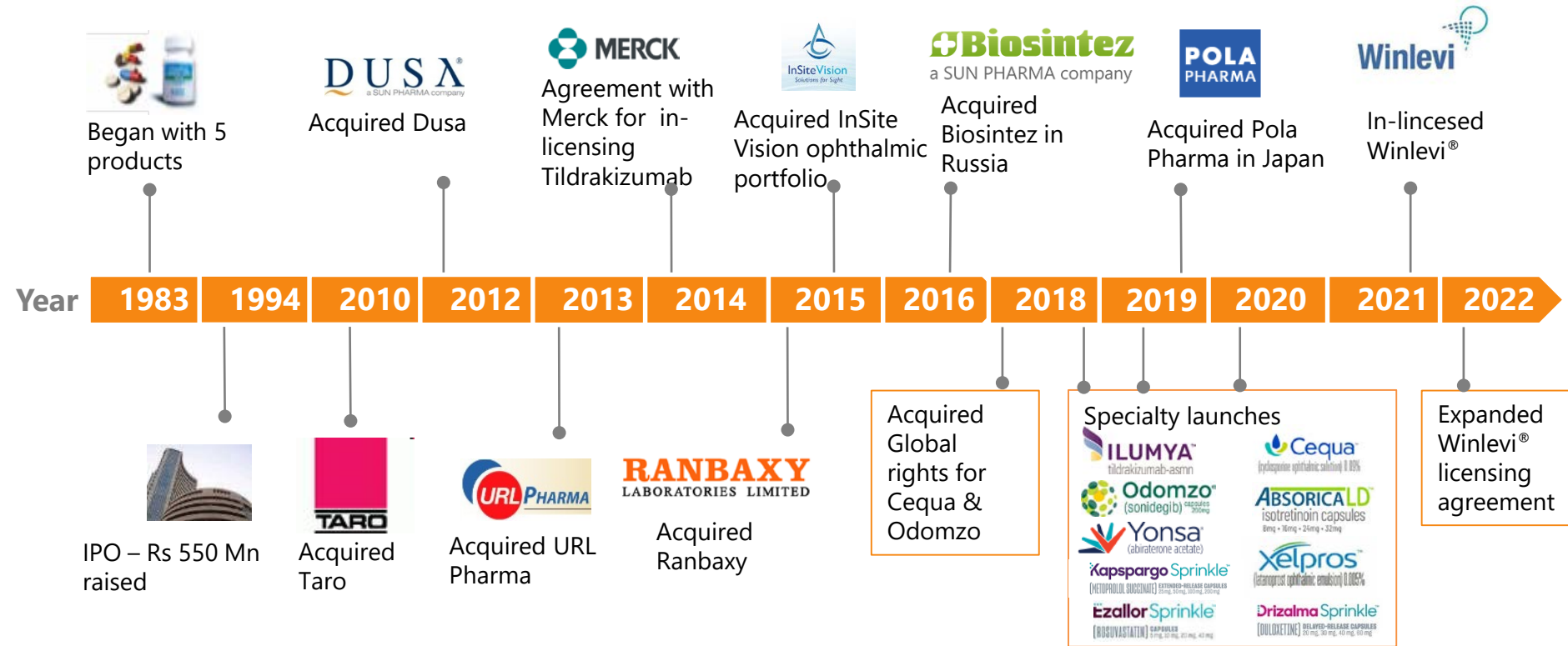


Gross margin =  $(\text{Net Sales} - \text{Material Cost}) / \text{Net Sales} \times 100$

—●— Sun Pharma    ■ Range of Top 9 Indian Pharma Cos.    —●— Average

#Top 9 Indian Pharma company include Aurobindo, Zydus Lifesciences, Cipla, Dr. Reddy's, Glenmark, Ipca, Lupin, Torrent and Alkem Lab.

# Creating a global company: Timeline



## Sun Pharma Today



38,000+ Global Employee Base



Invested ~Rs 225 Bn in R&D till date (Since 1994)



Part of NSE Nifty & BSE Sensex in India



43 Manufacturing facilities across 6 Continents



65% of sales from international markets

# Key deals & rationale

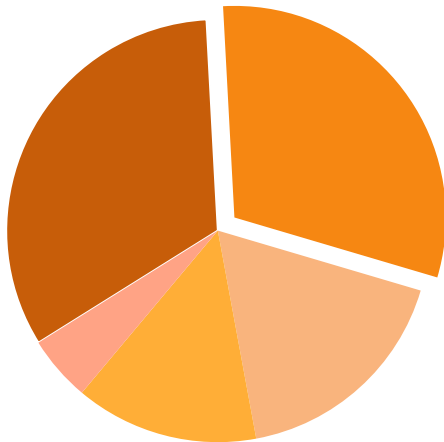
Year	Deals	Country	Rationale
2022	Acquired Uractiv™ Portfolio from Fiterman Pharma	Romania	Expand non-prescription product basket in Romania and neighbouring markets
2022	Expanded Winlevi® In-licensing agreement	Japan, Australia, New Zealand, Brazil, Mexico & Russia	Increasing across to new markets for Winlevi
2022	Taro (Sun's subsidiary) acquired Alchemee Business from Galderma	US, Japan & Canada	Acquired the "Proactiv", "Restorative Elements" and "In Defense of Skin" brands. Strengthens Taro's OTC portfolio
2021	In-licensed Winlevi® (clascoterone cream 1%)	US & Canada	Topical treatment of acne vulgaris
2020	Exclusive Out licensing agreement with Hikma for Ilumya (Tildrakizumab)	Middle East & North Africa	Registration and commercialization of the product in all Middle East & North Africa (MENA) markets.
2020	In-licensing agreement with SPARC for SCD-044	Global	Potential indication in psoriasis, atopic dermatitis & other auto-immune disorders
2019	Out-licensing agreement with Astrazeneca UK for ready-to-use infusion oncology products	Mainland China	Access to oncology market in Mainland China
2019	Licensing agreement with CMS for Tildrakizumab, Cequa & 8 generic products	Greater China	Access to Greater China market
2018	Acquired Pola Pharma in Japan	Japan	Access to Japanese dermatology market



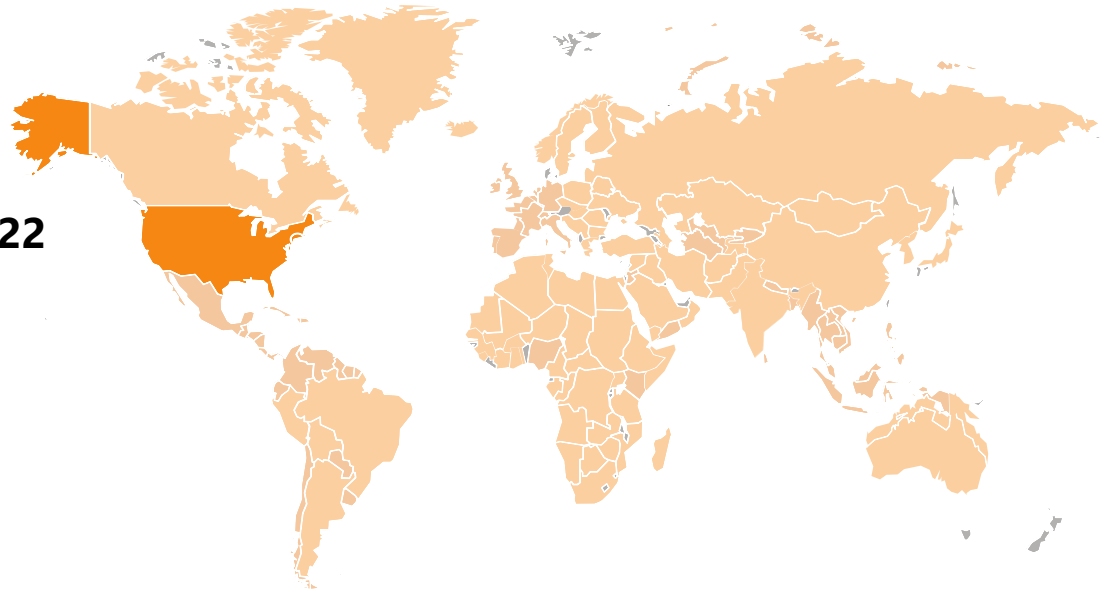
# Key deals & rationale

Year	Deals	Country	Rationale
2016	Acquired global rights for Cequa & Odomzo	Global	Enhances specialty pipeline
2016	Acquired Biosintez	Russia	Local manufacturing capability to enhance presence in Russian market
2016	Out-licensed Tildrakizumab to Almirall	Europe	Access to European market for Tildrakizumab
2016	Acquired 14 brands from Novartis	Japan	Entry into Japan
2015	Acquired InSite Vision Inc.	US	Strengthens branded ophthalmic portfolio in U.S.
2015	Sun Pharma – Ranbaxy Merger	Global Markets	Strengthen position in the Global Generic Pharma Industry, No.1 Pharma Company in India & Strong positioning in Emerging Markets
2014	Tildrakizumab, a biologic In-licensed from Merck	Global Markets	Strengthening the specialty product pipeline
2014	Acquired Pharmalucence	US	Access to sterile injectable capacity in the US
2012	Acquired DUSA Pharma, Inc.	US	Access to specialty drug-device combination in dermatology segment
2010	Acquired Taro Pharmaceutical Industries Ltd.	Israel	Access to dermatology generic portfolio Manufacturing facilities at Israel & Canada
1997	Acquired Caraco	US	Entry into US Market

# US Formulations



**30% of FY22  
Revenues**



# US highlights



9<sup>th</sup> Largest Pharma Company in the US Generics Market\*

## Dermatology Segment

Ranked 2<sup>nd</sup> by prescriptions<sup>##</sup> in the US dermatology market

## Comprehensive Portfolio\*\*

Wide basket of 609 ANDAs & 67 NDAs filed and 517 ANDAs & 54 NDAs approved across multiple therapies

## Robust Pipeline\*\*

92 ANDAs & 13 NDAs pending approval with USFDA

## Market Presence

Presence in branded, generics & OTC segments

## Flexible Manufacturing

Integrated manufacturer with onshore/ offshore capabilities

## Versatile Dosage Forms

Liquids, Creams, Ointments, Gels, Sprays, Injectables, Tablets, Capsules, Drug-Device combination

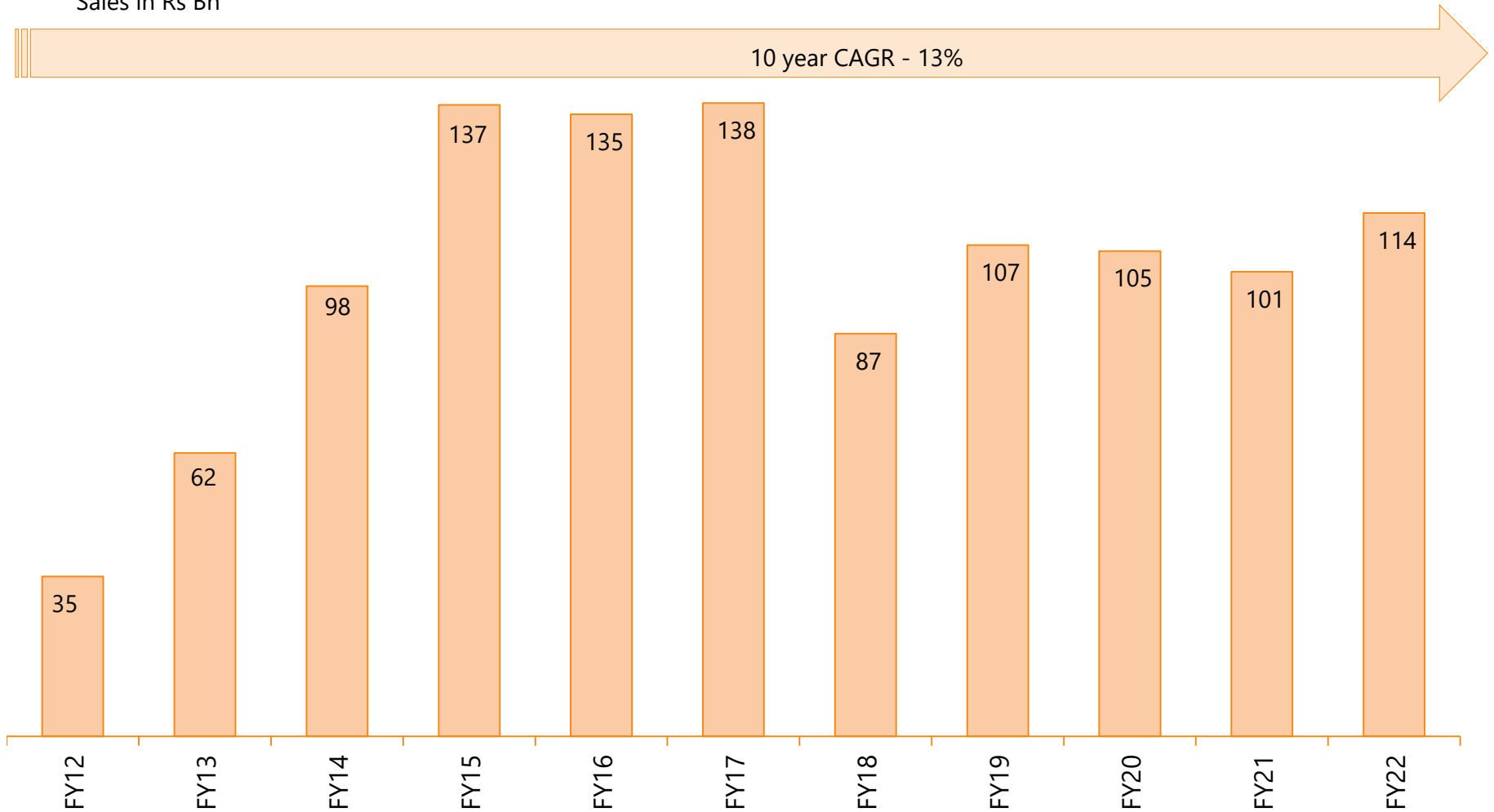
\*\*All data as of 30-Sept-2022

\* Source: IQVIA data for 12 months ended Nov 2022

## Source: IQVIA data for 12 months ended Nov 2022

# US formulations: revenue progression

Sales in Rs Bn

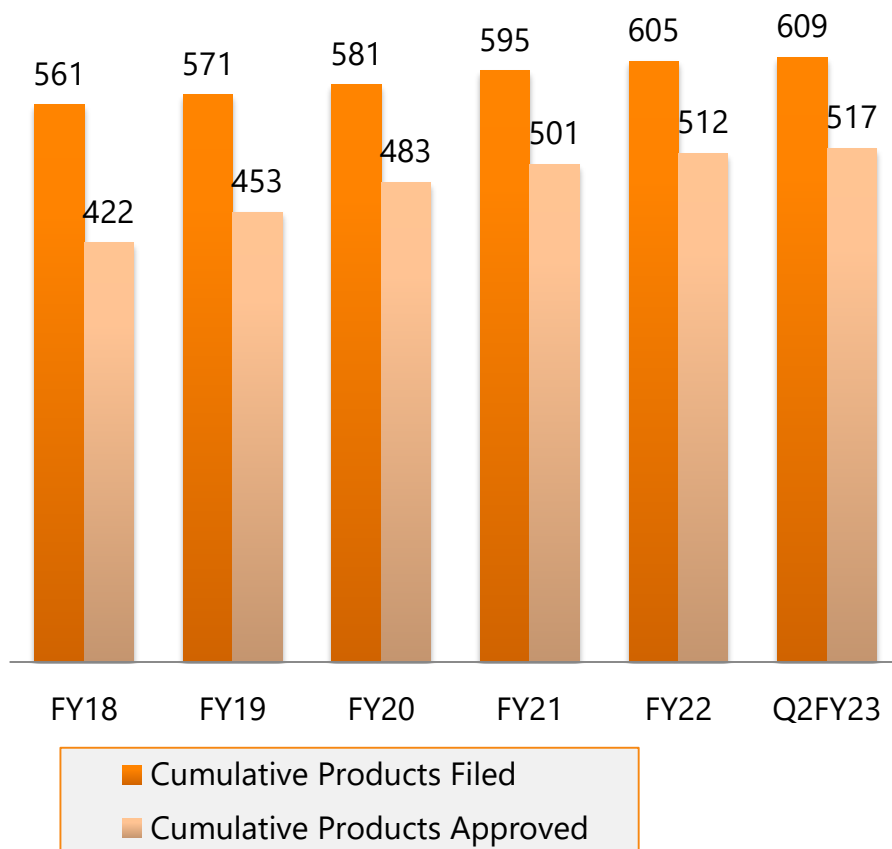


# Milestones in US formulations

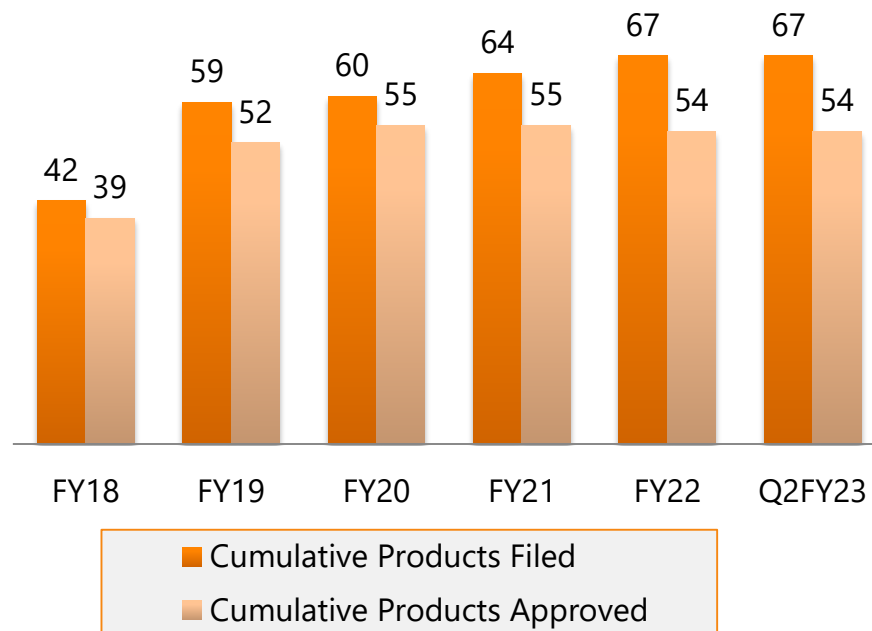
FY23	<ul style="list-style-type: none"> <li>• In-licensed SEZABY (phenobarbital sodium injection) for US market.</li> </ul>
FY22	<ul style="list-style-type: none"> <li>• Launched Winlevi® (clascoterone cream 1%) in the US</li> </ul>
FY21	<ul style="list-style-type: none"> <li>• Presented long term clinical data for Ilumya &amp; other clinical insights for Odomzo &amp; Levulan at American Academy of Dermatology Conference</li> <li>• Presented Pre-clinical data for GL0034 (GLP-1R agonist) at American Diabetes Association Conference</li> </ul>
FY20	<ul style="list-style-type: none"> <li>• Launched Cequa in US</li> <li>• Launched Absorica LD in the US</li> </ul>
FY19	<ul style="list-style-type: none"> <li>• Launched Ilumya &amp; Yonsa in US</li> <li>• Received USFDA approval for Cequa</li> <li>• Launched Xelpros in the US</li> <li>• Launched Ready-to-Infuse INFUGEM™</li> </ul>
FY18	<ul style="list-style-type: none"> <li>• Launched Odomzo in the US</li> <li>• US FDA approval for Ilumya</li> </ul>
FY17	<ul style="list-style-type: none"> <li>• Tildrakizumab filing in US &amp; Europe</li> <li>• Acquired Ocular Technologies giving access to Cequa, a product for dry eyes.</li> <li>• Acquired Odomzo- branded oncology product from Novartis</li> </ul>
FY13	<ul style="list-style-type: none"> <li>• Acquired DUSA - Entry in branded specialty market</li> </ul>
FY10	<ul style="list-style-type: none"> <li>• Acquired Taro Pharma – Entry into US dermatology market</li> </ul>
FY98	<ul style="list-style-type: none"> <li>• Entry in US through Caraco acquisition</li> </ul>

# ANDA & NDA pipeline

## ANDAs Filed and Approved (Cumulative)



## NDA Filed and Approved (Cumulative)



(All data as of 30-Sept-2022)

# India Branded Formulations



**33% of FY22  
Revenues**



# India highlights

## Largest Pharma Company in India

### Market Position\*\*

No. 1 ranked with 8.6% market share

### Prescription Ranking##

No. 1 ranked by prescriptions with 12 different classes of doctors

### Chronic Segment

Market leader in the chronic segment

### Acute Segment

Strong positioning in the acute segment

### Product Offering

Technically complex products and a complete therapy basket

### Strong Brand Positioning\*\*

32 brands in India's top 300 pharmaceutical brands

### De-risked Growth\*\*

Top 10 Brands contribute approx. 18% of India revenues – low product concentration

### Sales Strength

11,149 strong field force\*

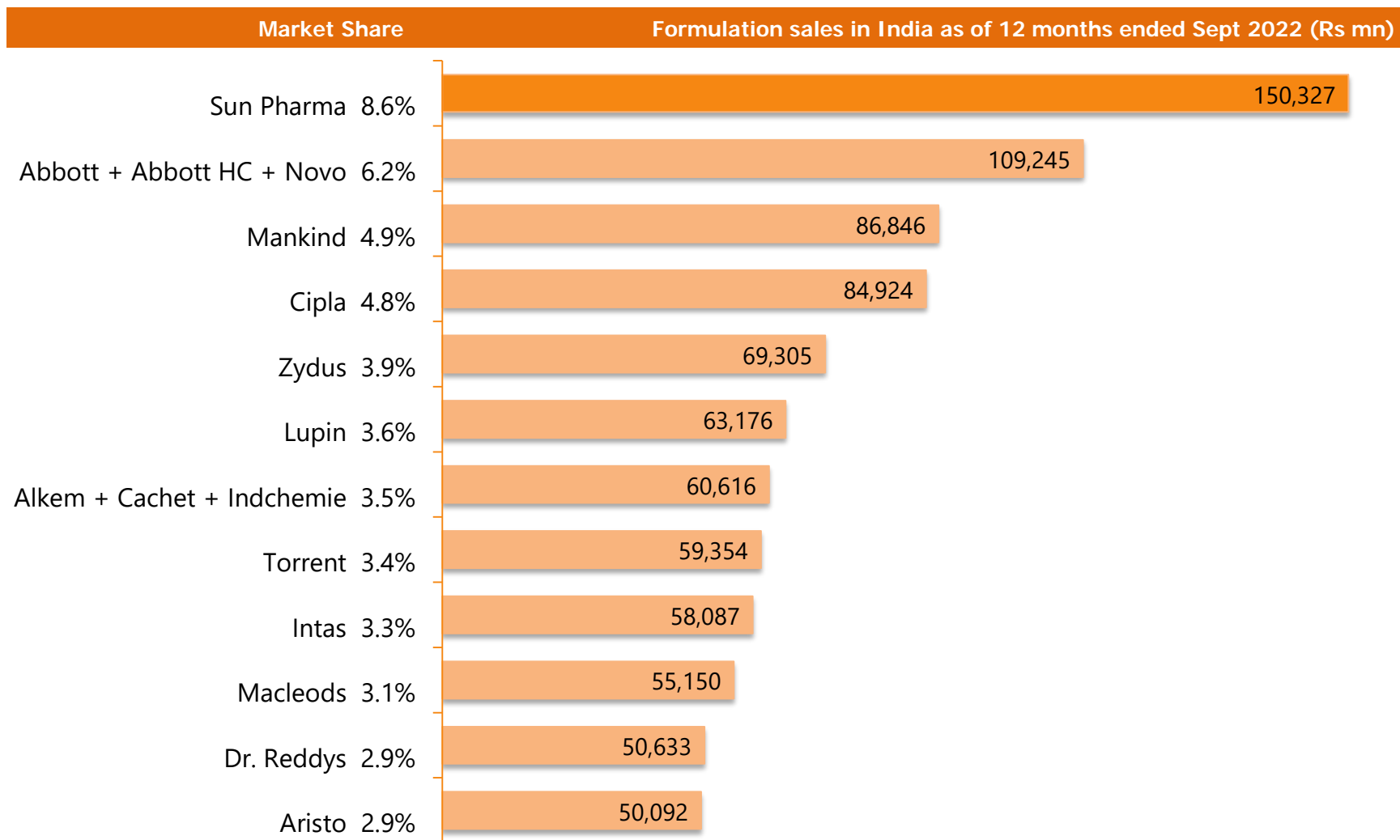
\*\* As per AIOCD AWACS data for 12 months ended Sept'22

## As per SMSRC data for June'22

\* As of March 31st, 2022

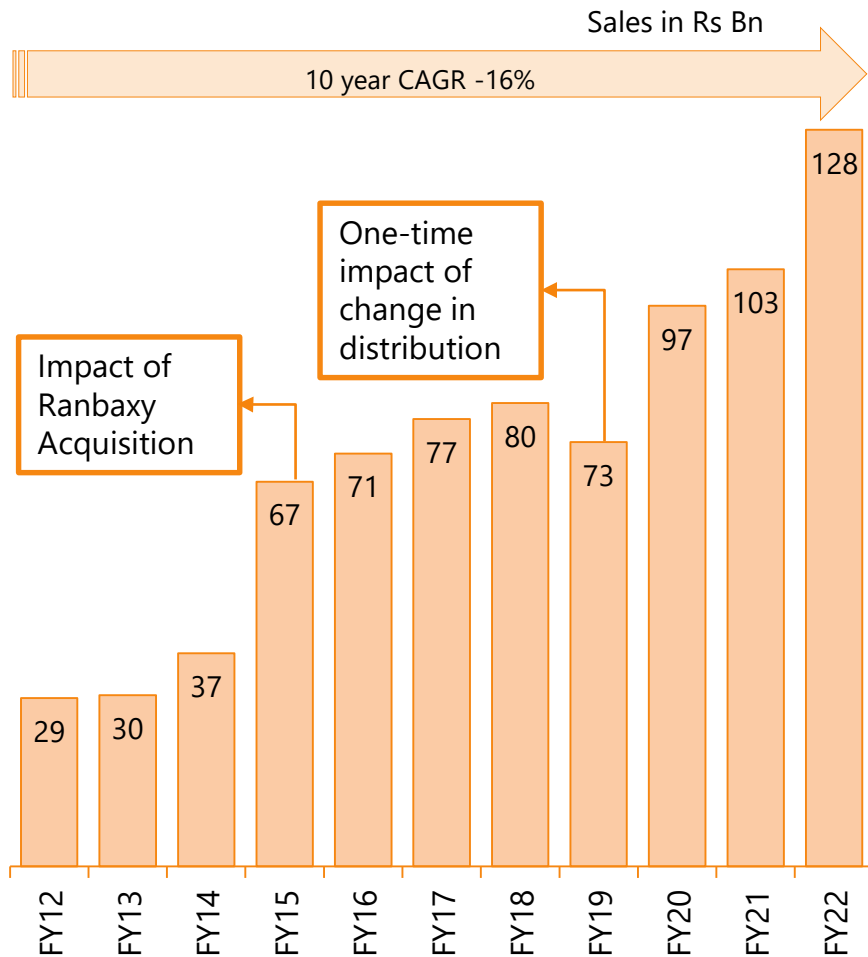


# Largest pharma company in India

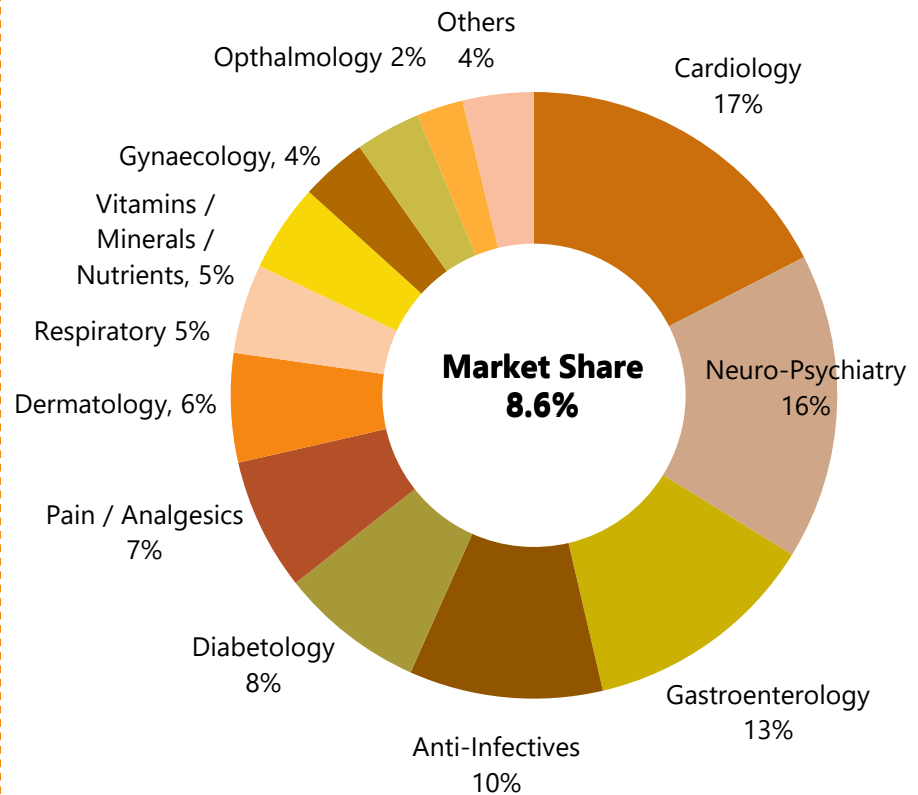


Source: AIOCD AWACS MAT Sept 2022

# India: revenue progression



## Therapeutic breadth\*\*



\*\* As per AIOCD AWACS – Sept'22

# Leadership across therapeutic areas\*

Number 1 Ranking with 12 Doctor Categories\*

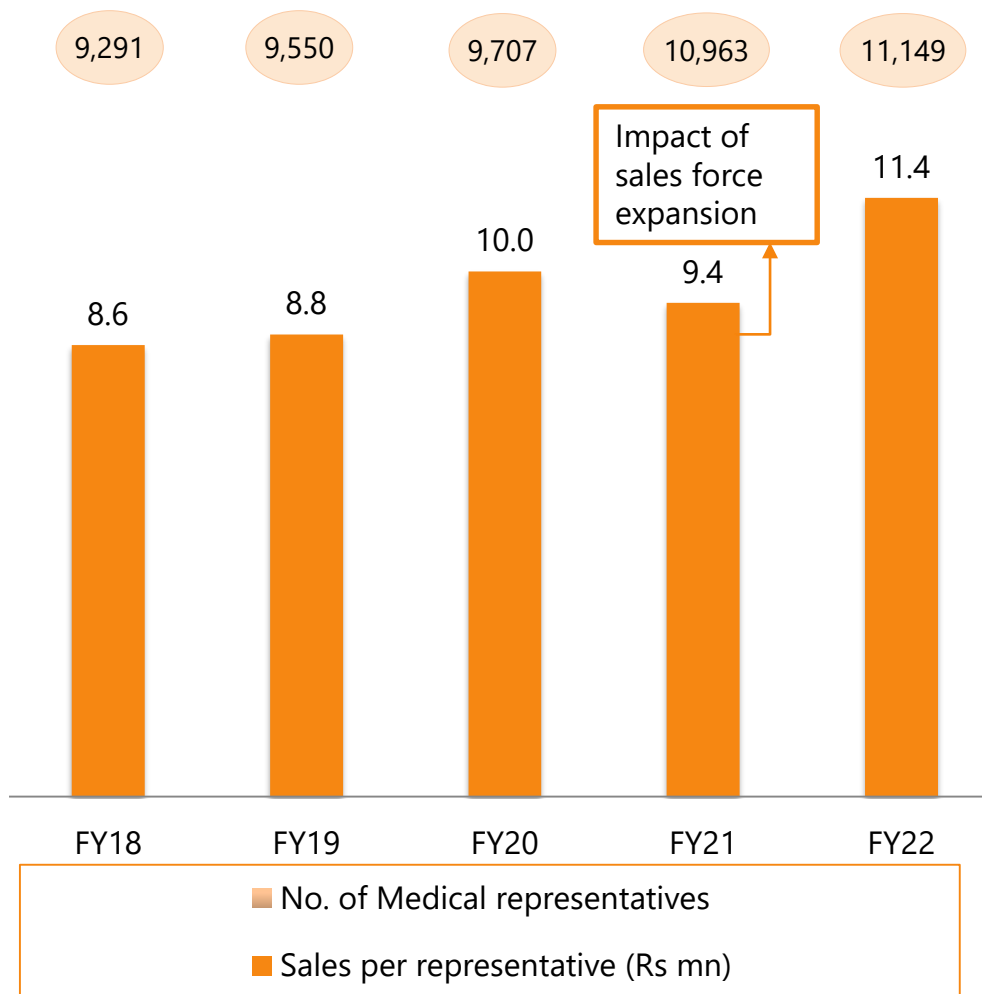
Specialist	Prescription Ranking				
	June '18	June '19	June '20	June '21	June '22
Psychiatrists	1	1	1	1	1
Neurologists	1	1	1	1	1
Cardiologists	1	1	1	1	1
Orthopaedic	1	1	1	1	1
Gastroenterologists	1	1	1	1	1
Diabetologists	1	1	1	1	1
Consulting Physicians	1	1	1	1	1
Dermatologists	1	1	1	1	1
Urologists	1	1	1	1	1
Chest Physicians	1	2	1	1	1
Nephrologists	1	1	1	2	1
ENT	2	2	2	2	1
Ophthalmologists	2	1	2	2	2
Oncologists	1	2	2	3	3

\*Ranks based on prescription share

Source-Strategic Marketing Solutions and Research Centre (SMSRC) Prescription Data

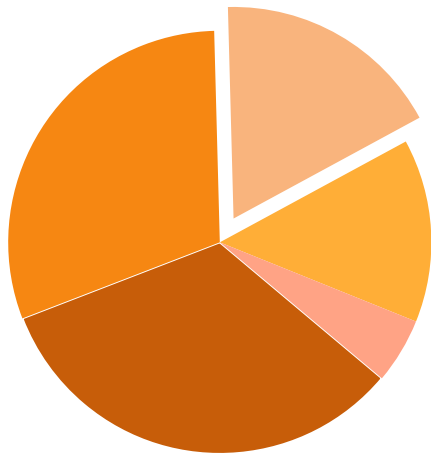
# Best-in-class field force productivity

## Sales Per Medical Representative (Rs mn)

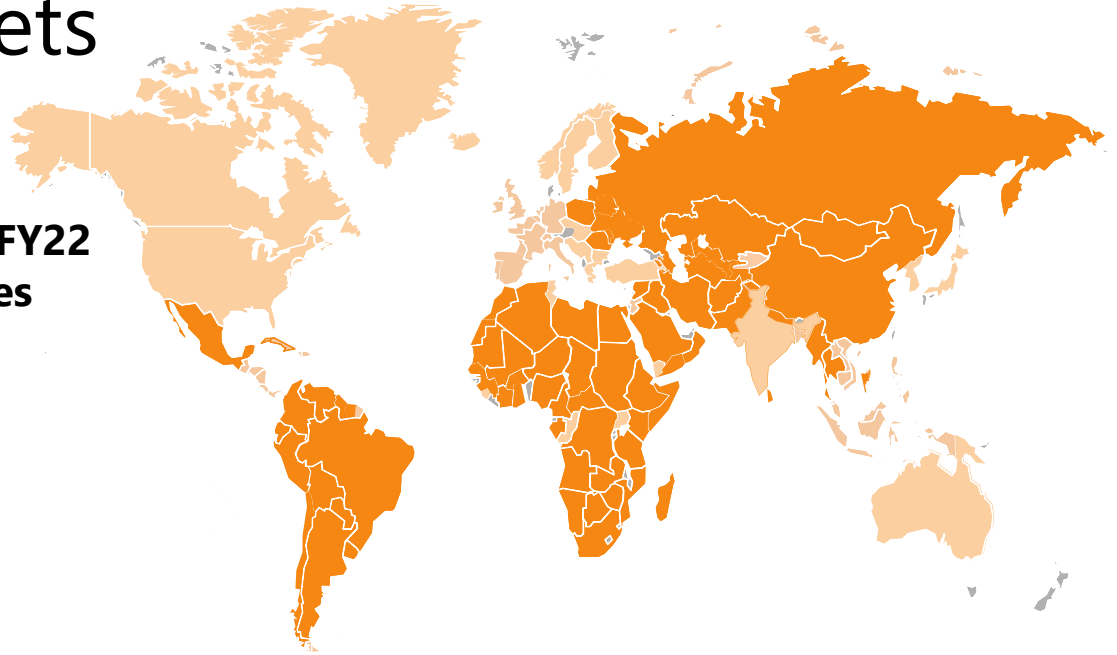


- Well trained and scientifically oriented sales representatives team with strong performance track record
- Highest field force productivity amongst key players in India
- Expanded sales force strength in FY21 to enhance geographical & doctor reach and improve brand focus

# Emerging Markets



**18% of FY22 Revenues**



# Emerging Markets highlights

## Amongst the leading Indian Companies in Emerging Markets

### Global footprint

Presence in about 80 markets

### Focus Markets

Romania, Russia, South Africa, Brazil, Mexico and complementary & affiliated markets

### Product Portfolio

Extensive basket of branded products

### Customer Focus

Strong relationships with doctors and medical practitioners

### Sales Force

Approximately 2,200 sales representatives

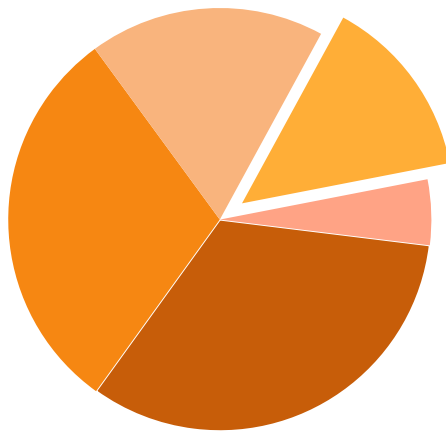
### Opportunity

Favourable macroeconomic parameters to drive pharmaceutical consumption in the long-term

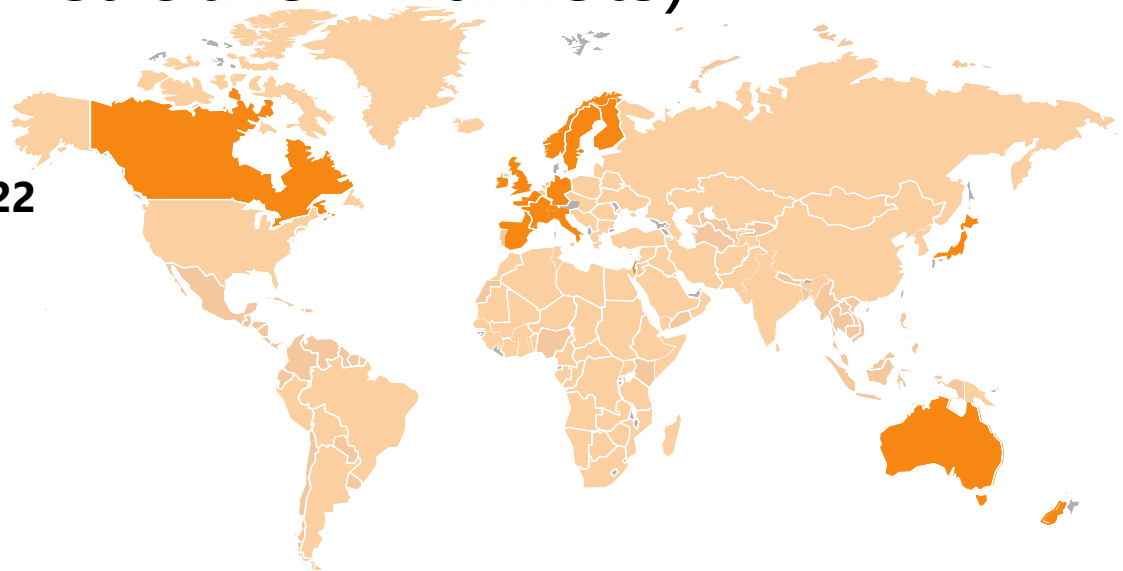
### Local Manufacturing

Across 7 countries

## Rest of World (Western Europe, Canada, Japan, ANZ, Israel & other markets)



**14% of FY22  
Revenues**



# Rest of World highlights

## Amongst the leading Indian Companies

### Market Presence

- Western Europe, Canada, A&NZ, Japan, Israel and others

### Product Portfolio

- Expanding basket including specialty, hospital & retail products

### Focus

- Development and commercialization of complex generics and differentiated products

### Sales Force

- Distribution led model &
- Sales force for Specialty products

### Local Manufacturing

- In Canada, Japan, Australia, Israel and Hungary + supplies from India facilities

### Japan Presence

- Acquired 14 established prescription brands from Novartis in March 2016
- Acquired Pola Pharma in Japan in Jan 2019
- Launched Ilumya in Japan in September 2020

### Canada Presence

- Portfolio of generics and specialty products
- Specialty products - Launched Ilumya in October 2021 and Cequa in January 2022



# Global Consumer Healthcare



# Global Consumer Healthcare highlights

## An attractive opportunity

### India

Amongst the top 10 consumer healthcare companies

### Global Presence

Presence in over 20+ countries

### Focus Markets

Romania, South Africa, Nigeria, Myanmar, Ukraine, Poland, Thailand, Belarus, Kazakhstan, Nepal, Morocco, UAE and Oman

### Strong Brand Equity

Enjoys strong brand equity in 4 countries

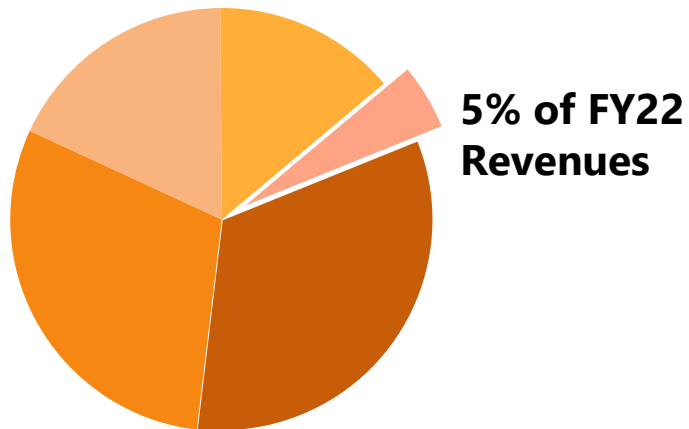
### Sales Force

Promoted through dedicated sales force in each market

### Strong Positioning

Amongst top 10 consumer healthcare companies in India, Romania, Nigeria & Myanmar

# Active Pharmaceutical Ingredients (API)



# API highlights

## Backward Integration – Strategic Importance

### Strategic Importance

Backward integration provides cost competitiveness and supply reliability

### Customers

Large generic and innovator companies

### Product Portfolio

Approximately 370 APIs

### Pipeline Development

20-30 APIs scaled up annually

### Regulatory approvals

376 DMF/CEP approvals & 489 DMF/CEP Filings to date

### Manufacturing

Across 14 facilities

# Research & Development



# Research & Development

Cumulative R&D spend of ~Rs 225 Bn to date

## R&D Spend

R&D spend at 5.8% of sales for FY22

## Capabilities

Finished dosage development, biological support, chemistry and new drug development

## Organization

Approx. 2,700 headcount globally with R&D capabilities across dosage forms

## IPR Support

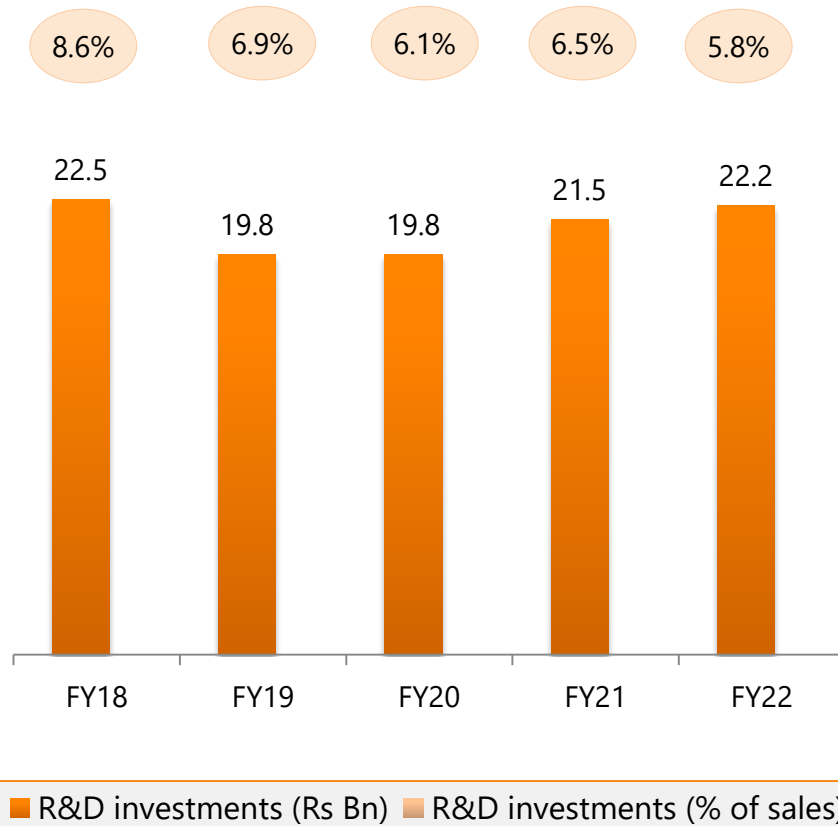
Strong team of intellectual property experts supporting R&D

## Focus

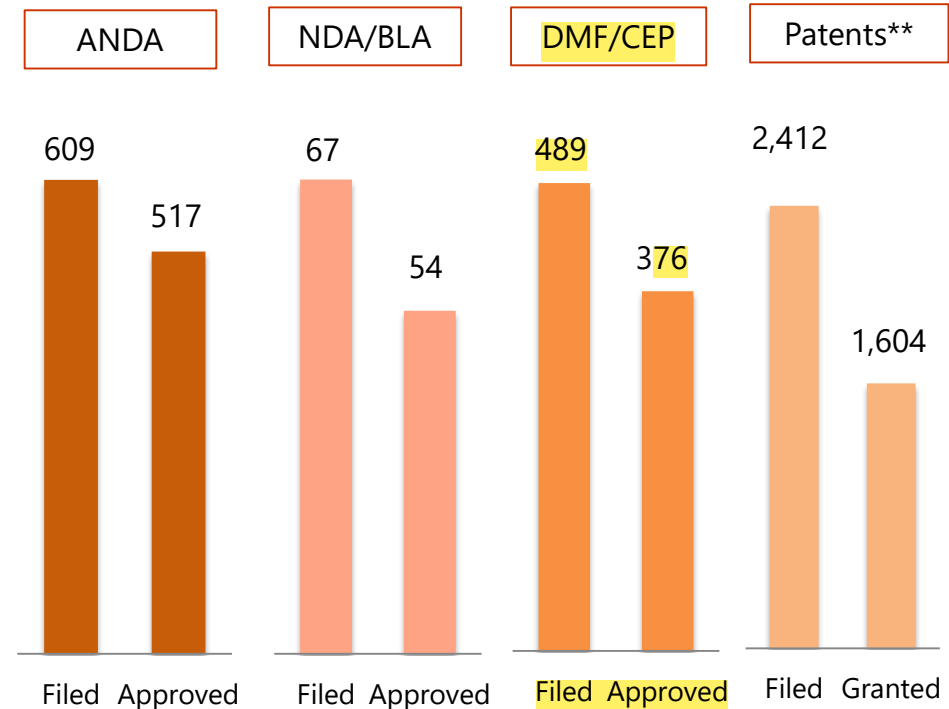
Developing non infringing formulations and development of specialty/complex products

# R&D Investments

## R&D investments



## Filings and Approvals



\*\* Excludes expired/abandoned patents

(All data as of 30-Sept-2022)



# Global Manufacturing





# Global Manufacturing highlights

## World Class manufacturing infrastructure

### Extensive Global Footprint

43 manufacturing facilities across India, the Americas, Asia, Africa, Australia and Europe

### Integrated Network

Vertically integrated network across six continents enabling high quality, low cost and a quick market entry across the geographies

### Wide Capabilities

One of the few companies that has set up integrated manufacturing capability for the production of oncology, hormones, peptides and steroidal drugs

### High Quality

Many facilities approved by US FDA, UK MHRA, EMEA and other international regulatory authorities

### Dosage Forms

Ability to manufacture a variety of dosage forms – Orals, Creams, Ointments, Injectables, Sprays, Liquids

# Manufacturing Facilities

## 43 manufacturing sites

- Formulation
  - India : 15, US : 3
  - Canada, Japan, Hungary, Israel, Bangladesh, South Africa, Malaysia, Romania, Egypt, Nigeria and Russia : 1 each
  - Capacities available for a variety of finished dosages
- API
  - India : 9, Australia : 2, Israel : 1, US : 1, Hungary : 1

### Orals

- Tablets / Capsules
- Semisolids
- Liquids
- Suppository

### Injectables / Sterile

- Vials
- Ampoules
- Pre-filled Syringes
- Gels
- Lyophilized Units
- Dry powder
- Eye drops
- MDI
- Aerosols

### Topicals

- Creams
- Ointments

# Corporate Governance

Our philosophy on corporate governance envisages working towards high levels of transparency, accountability and consistent value systems across all facets of operations



## Lead Independent Director



### **Dr. Pawan Goenka**

Former MD & CEO of Mahindra & Mahindra Ltd.

## Independent Director



### **Gautam B. Doshi**

Professional with expertise in M&A, Taxation, Accounting & Corp. and Commercial Laws.

## Independent Director



### **Rama Bijapurkar**

Independent management consultant & Professor of Management Practice at IIM, Ahmedabad

## Independent Director



### **Sanjay Asher**

Senior Partner with M/s. Crawford Bayley & Co.

# Key Financials



# Summary Financials



Market Capitalisation Rs 2,403 Bn / US\$ 29 Bn (as of 30<sup>th</sup> Dec 2022)

( All Figures in Rs mn )

	FY18	YoY	FY19 **	YoY	FY20	YoY	FY21	YoY	FY22	YoY
<b>P&amp;L Summary</b>										
Sales	260,659	-14%	286,863	10%	323,252	13%	332,331	3%	384,264	16%
Gross Profit	186,413	-16%	208,173	12%	230,947	11%	245,430	6%	280,749	14%
EBITDA	56,081	-36%	63,076	12%	69,898	11%	84,914	21%	103,977	22%
Net Profit	20,957	-70%	26,654	27%	37,649	41%	29,038	-23%	32,727	13%
Net Profit (Adjusted)	33,006 #	-53%	38,798 #	18%	40,256 #	4%	59,317 #	47%	76,671 #	29%
R&D Spend	22,489	-3%	19,847	-12%	19,739	-1%	21,499	9%	22,194	3%

	Mar'18	YoY	Mar'19	YoY	Mar'20	YoY	Mar'21	YoY	Mar'22	YoY
<b>BS Summary</b>										
Shareholders Funds	383,141	5%	414,091	8%	452,645	9%	464,628	3%	480,112	3%
Loan Funds	97,518	21%	98,934	1%	75,783	-23%	35,235	-54%	9,307	-74%
Net Fixed Assets	157,110	5%	172,919	10%	175,858	2%	168,322	-4%	171,971	2%
Investments	71,430	499%	79,030	11%	101,431	28%	96,125	-5%	128,486	34%
Cash and Bank Balances	99,290	-34%	72,760	-27%	64,876	-11%	64,455	-1%	50,334	-22%
Inventory	68,810	1%	78,860	15%	78,750	0%	89,970	14%	89,968	0%
Sundry Debtors	78,150	9%	88,840	14%	94,212	6%	90,614	-4%	105,929	17%
Sundry Creditors	47,660	8%	41,480	-13%	35,836	-14%	39,737	11%	44,793	13%

# FY18 - Adjusted for Rs 12.1 Bn provision related to Modafinil settlement & deferred tax adjustment

# FY19 - Adjusted for Rs 12 Bn provision related to Modafinil settlement

\*\*FY19 - Includes a one-time sales reduction of Rs 10,850mn related to change in distribution for India business

# FY20 - Adjusted for Rs 2.6 Bn provision (related to Dusa US DoJ settlement of Rs 1.6 Bn and Indirect Tax provision of Rs 1.0 Bn in India)

# FY21 - Adjusted for Rs 30.3 Bn provision (related to Taro US – DOJ & MDL settlement Rs 42.2 Bn, Rs 0.9 Bn provision related to UK Citalopram case, Rs 4.1 Bn related to deferred tax gain. Taro provisions are adjusted for minority interest)

# FY22 - Adjusted for Rs 43.9 Bn provision (for US litigation related to Ranbaxy Meijer & Others Rs 39,357 mn, Japan (plant) loss Rs 382 mn, Dexasite impairment Rs 1,503 mn., US MDL (Taro) Rs 3,465 mn (after adjusting for Taro minority of Rs 960 mn) & Deferred Tax gain = Rs 5,178 mn offset by MAT Credit reversal of Rs 4,410 mn).

# Sales Break-up

**In Rs Bn**

Sales

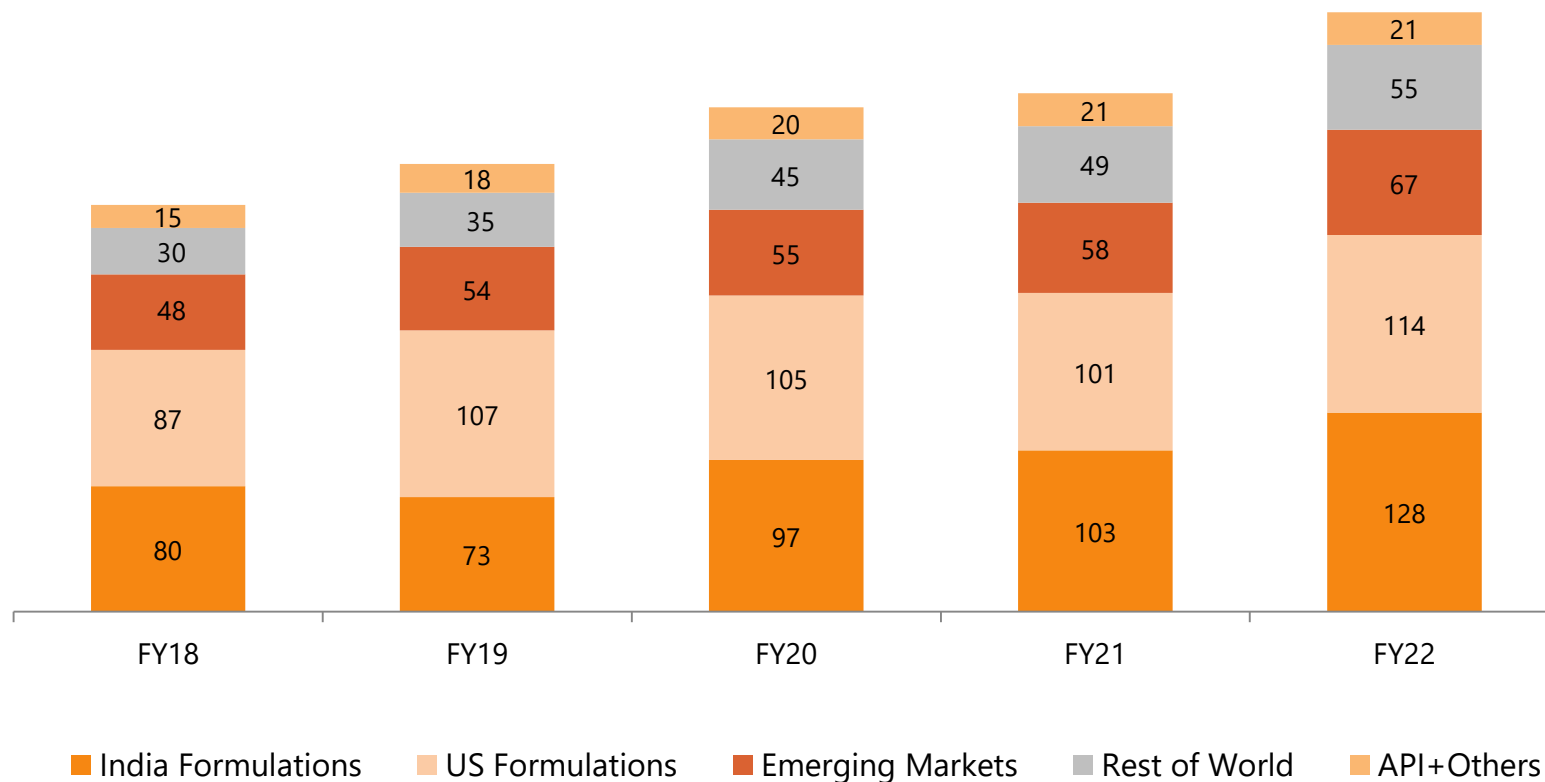
261

287

323

332

384



# EBITDA Trend

**In Rs Bn**

Sales

261

287

323

332

384

% of Sales

28.5%

27.4%

28.6%

26.1%

26.9%

20.6%

20.8%

19.7%

20.6%

19.0%

31.0%

30.8%

31.8%

28.5%

28.0%

21.2%

21.7%

21.3%

25.3%

26.9%

FY18

FY19

FY20

FY21

FY22

EBITDA

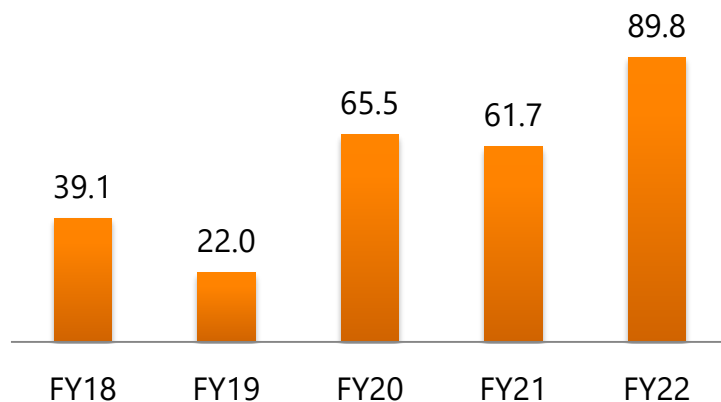
Other Expenditure

Personnel Costs

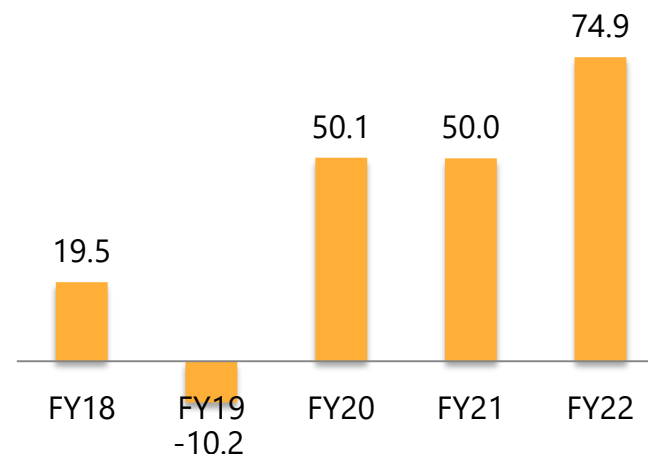
Material Costs

# Cash Flow & Debt

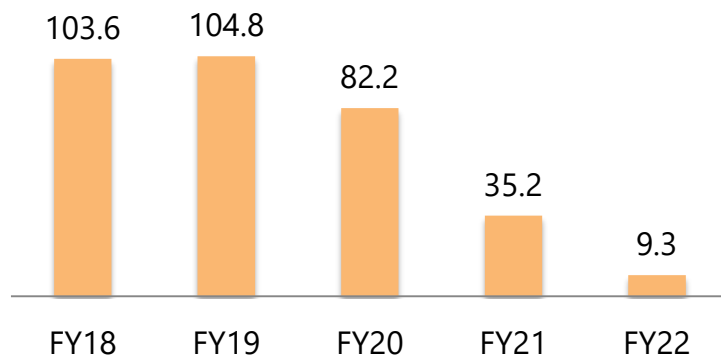
## Net Cash From Operating Activities (Rs Bn)



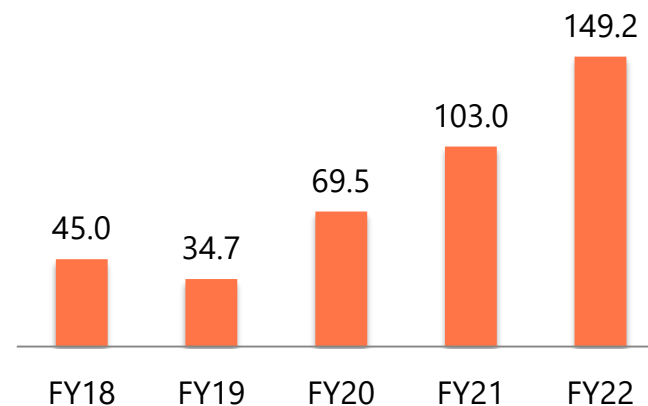
## Free Cash Flow (Rs Bn)



## Gross Debt (Rs Bn)



## Net Cash (Excluding Debt) (Rs Bn)





# Financial Ratios

	FY18	FY19**	FY20	FY21	FY22
<b>Growth (%)</b>					
Sales	(13.9)	10.1	12.7	2.8	15.6
Gross Profit	(15.8)	11.7	10.9	6.3	14.4
EBITDA	(44.4)	12.5	10.8	21.5	22.5
Net Profit	(69.9)	27.2	41.3	(22.9)	12.7
Net Profit (Adjusted)	(52.6) #	17.5 #	3.8 #	47.4 #	29.3 #
<b>Margins (%)</b>					
Gross Margin	71.5	72.6	71.4	73.9	73.1
EBITDA Margin (%)	21.2	21.7	21.3	25.3	26.9
Net Margin	8.0	9.3	11.6	8.7	8.5
Net Margin (Adjusted)	12.7 #	13.5 #	12.5 #	17.8 #	20.0 #
<b>Return (%)</b>					
ROCE	11.1	11.8	11.0	13.5	16.4
ROE	8.7	9.4	9.1	12.5	15.0
<b>Others</b>					
Debt / Equity	0.25	0.24	0.17	0.08	0.02
Fully Diluted EPS	8.7	11.1	15.7	12.1	13.6
Fully Diluted EPS (Adjusted)	13.8 #	16.2 #	16.8 #	24.7 #	32.0 #
<b>R&amp;D Spend % of Net Sales</b>					
Revenue	7.9	6.6	6.0	6.4	5.6
Capital	0.7	0.3	0.1	0.1	0.2

# FY18 - Adjusted for Rs 12.1 Bn provision related to Modafinil settlement & deferred tax adjustment

# FY19 - Adjusted for Rs 12 Bn provision related to Modafinil settlement

\*\*FY19 - Includes a one-time sales reduction of Rs 10,850mn related to change in distribution for India business

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# Key Financials Q2 & H1 FY23



( All Figures in Rs mn )

	Q2 FY23	Q2 FY22	CHANGE	H1FY23	H1FY22	CHANGE
Gross Sales	108,092	95,567	13.1%	214,532	192,262	11.6%
Revenue from operation	109,523	96,259	13.8%	217,140	193,447	12.2%
Gross Profit	81,011	70,349	15.2%	158,449	140,549	12.7%
Gross Margin	74.9%	73.6%		73.9%	73.1%	
EBITDA	29,566	26,299	12.4%	58,409	54,510	7.2%
EBITDA Margin	27.0%	27.3%		26.9%	28.2%	
Net Profit	22,622	20,470	10.5%	43,231	34,912	23.8%
Net margin	20.9%	21.4%		20.2%	18.2% <sup>#</sup>	
<b>Net Profit (Adjusted)</b>	<b>22,622</b>	<b>20,470</b>	<b>10.5%</b>	<b>43,231</b>	<b>40,263</b>	<b>7.4%</b>
Net margin (Adjusted)	20.9%	21.4%		20.2%	20.9%	
R&D	5,710	5,364	6.4%	10,318	11,290	-8.6%
R&D as % of Net Sales	5.3%	5.6%		4.8%	5.9%	
EPS (Diluted) INR	9.4	8.5	10.5%	18.0	14.6 <sup>#</sup>	23.8%
EPS (Diluted) INR (Adjusted)	9.4	8.5	10.5%	18.0	16.8	7.4%

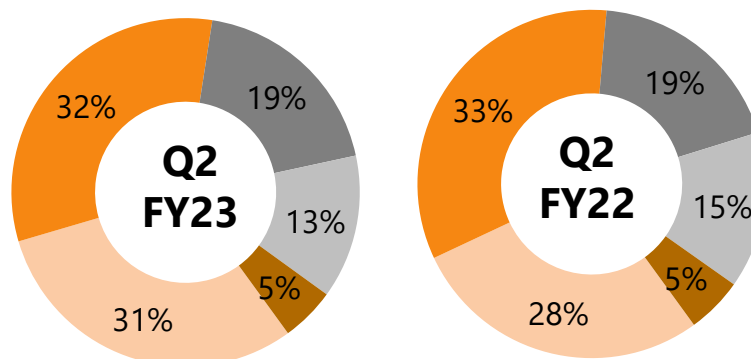
<sup>#</sup> H1FY22- Adjusted for Rs 5.3 Bn provision (related to (i) US MDL (Taro) =Rs 4,425 mn (ii) Japan (plant)=Rs 382 mn (iii) Dexasite impairment=Rs 1,503 mn. (after adjusting for Taro minority of Rs 960 mn)

# Sales Breakup Q2 & H1 FY23

( All Figures in Rs mn )

	Q2 FY23	Q2 FY22	CHANGE	H1FY23	H1FY22	CHANGE
<b>Formulation</b>						
India	34,600	31,878	8.5%	68,471	64,962	5.4%
US	32,913	26,773	22.9%	65,350	54,773	19.3%
Emerging Markets	20,704	18,005	15.0%	39,615	34,058	16.3%
ROW <sup>#</sup>	14,441	13,926	3.7%	29,119	27,606	5.5%
<i>Sub-total</i>	102,658	90,582	13.3%	202,555	181,399	11.7%
ÀPI	4,730	4,358	8.5%	10,717	9,507	12.7%
Others	704	627	12.4%	1,260	1,356	-7.1%
<b>Gross Sales</b>	<b>108,092</b>	<b>95,567</b>	<b>13.1%</b>	<b>214,532</b>	<b>192,262</b>	<b>11.6%</b>

- US Formulations
- India Branded Generics
- Emerging Markets
- Rest of World
- API & Others



# ROW includes Western Europe, Canada, Japan, Australia, New Zealand, Israel and other markets

# Sun Pharma - Focus Areas



## US Business

- Enhance share of specialty/branded business
- Continue to focus on complex generics and high entry barrier segments
- Ensure broad product offering to customers across multiple dosage forms

## India Business

- Focus on productivity enhancement
- Maintain leadership position in a fiercely competitive market
- Continuously innovate to ensure high brand equity with doctors
- Continue to evaluate in-licensing opportunities for latest generation patented products

## EM & RoW Business

- Gain critical mass in key markets
- Enhance product basket in emerging markets
- Focus on profitable growth

## Global Consumer Healthcare

- Maintain leadership in existing markets through focus on innovative solutions
- Enhance presence in high growth markets

# Sun Pharma - Focus Areas



## Sustainability

- Unwavering focus on sustainability, built on a legacy rooted in caring for people, communities and the planet.
- Committed to Governance, Community upliftment, Access to affordable healthcare & Environment conservation

## R&D

- Focus on developing complex products across multiple dosage forms
- Invest to further build the specialty pipeline

## Regulatory/ Quality

- Ensuring 24x7 compliance to cGMP
- Continuously enhance systems, processes, human capabilities to ensure compliance with global regulatory standards

## Financial

- Target high-single digit to low double-digit consolidated topline growth for FY23
- Focus on sustainable and profitable growth
- Focus on improving overall return ratios

# Sun Pharma at a glance



4<sup>th</sup> Largest specialty generic company globally\*

Market Presence

Presence in more than 100 countries

Addressable Segments

Specialty products, branded generics, generics & APIs

Specialty

Scaling up Global Specialty portfolio

US

Ranked 9<sup>th</sup> in US generics market<sup>##</sup>

India

Largest pharma company in India <sup>\*\*</sup>

Emerging Markets

Amongst the largest Indian Pharma Companies in Emerging Markets

Rest of World Markets

Expanding presence in Rest of World Markets

Manufacturing Footprint

43 manufacturing sites across the world

Quality Compliance

Several facilities approved by global regulators incl. USFDA

R&D and Manufacturing

Capabilities across dosage forms like injectables, sprays, ointments, creams, liquids, tablets and capsules

Employees

38,000+ global employees

\*Source: Evaluate Pharma Estimates for 12 months ended Dec 2021

<sup>##</sup> Source: IQVIA data for 12 months ended Nov 2022

<sup>\*\*</sup> As per AIOCD AWACS data for 12 months ended Sept'22



# Thank You!

**For more information please contact**

## **Investors**

**Dr. Abhishek Sharma**

Tel : +91 22 4324 4324, Xtn 2929

Tel Direct +91 22 4324 2929

abhi.sharma@sunpharma.com

## **Corporate Address**

**SUN HOUSE**, CTS No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai 400063

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