Cipla

29th July, 2022

(1) BSE Ltd.
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Scrip Code: 500087

(2) National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza, 5th floor,
Plot no. C/1, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
Scrip Code: CIPLA

(3) SOCIETE DE LA BOURSE DE LUXEMBERG
Societe Anonyme
35A Boulevard Joseph II,
L-1840 Luxembourg

Sub: Press Release

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Press Release dated 29th July, 2022.

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For **Cipla Limited**

Rajendra Chopra
Company Secretary

Encl: As above

Prepared by: Chirag Hotchandani

Cipla announces Q1FY23 results

Growth momentum continues across core therapies & markets with expansion in base profitability

Income from Operations	EBITDA Margin	PAT Margin
INR 5,375 Cr	INR 1,143 Cr 21.3%	INR 686 Cr 12.8%

Mumbai, July 29, 2022: Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for quarter ended June 30th, 2022.

Key highlights of the quarter

- **One-India:** Sustained momentum in core portfolio across branded prescription, trade generics and consumer health over last year; 9% YoY growth adjusted for covid portfolio
- **SAGA:** Muted growth in South Africa (SA) private primary sales with recovery expected in Q2; strong secondary demand with SA private outperforming market
- **US business**: Reported $155Mn in revenue and 10% YoY growth; steady momentum in core formulation business led by contribution from respiratory and peptide assets
- **R&D investments** stands at INR 274 crores or 5.1 % of sales; Higher 4% YoY driven by on-going clinical trials on a respiratory asset and other developmental efforts

"I am pleased to see the sustained momentum across our key segments with strong secondary growth across geographies. The core portfolio momentum in One-India business continues to be robust driven by strong demand levers. Our US run rate continues to witness consistent traction in respiratory, complex generics and peptide portfolio. We are closely tracking upcoming complex launches in H2FY23. Our reported operating profitability of 21.3% is well within our full year guidance of 21-22% range and has grown double digit vs last year base EBITDA despite multiple cost headwinds. Our cost rigor and calibrated pricing actions have helped offset inflationary cost elements, insulate margins while maintaining high serviceability."

Umang Vohra
MD and Global CEO, Cipla Ltd

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ONE-INDIA

- **One India business** continued core portfolio momentum across businesses adjusted for normalisation in covid contribution
  - **Branded prescription business:** Sustained momentum across therapies in core portfolio driven by pricing & new introductions
  - **Trade generic business:** Healthy traction across our flagship brands with steady order flow across regions; Continued channel engagement and governance
  - **Consumer health:** Robust traction in anchor brands as well as transitioned brands; Sharp consumer insighting and strong on-ground execution

SAGA - SOUTH AFRICA, SUB-SAHARAN AFRICA AND GLOBAL ACCESS

- The **SAGA region** Overall SAGA region declined by 10% on a YoY basis in USD terms
- **South Africa:** Muted growth in private primary sales with recovery expected in Q2FY23; traction in tender business
- In secondary terms, strong demand continues with South Africa private business continuing to outperform market

Market Segment	Market	Market share	Cipla Growth	Market Growth
South Africa prescription	3	7.7%	10%	6.4%
South Africa OTC	3	7.0%	11.6%	8.0%
South Africa overall	3	7.4%	10.6%	7%
Source: IQVIA MAT May 2022				

- **SSA:** Traction driven by continued order flow across regions
- **CGA:** Performance in-line with expectations driven by strong order flow for TLD

NORTH AMERICA

- Reported $155Mn in revenue and 10% YoY growth
- Steady momentum in core formulation business led by contribution from respiratory and peptide assets amongst others

INTERNATIONAL MARKETS (EMERGING MARKETS & EUROPE) & API

- **International Markets**
  - Strong DTM growth across geographies; offset by forex volatility in emerging markets and muted B2B demand in Europe
  - Steady double-digit growth in secondary terms during the quarter

- **API**
  - Performance attributed to higher Q1FY22 base due to one-time profit share on an API supply
  - Continued traction with global seedings & lock-ins

CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q1FY23	Q1FY22	Y-o-Y Growth	Q4FY22	Q-o-Q Growth
Total Revenue from Operations	**5,375**	**5,504**	*-2.3%*	**5,260**	*2.2%*
EBITDA	**1,143**	**1,346**	*-15%*	**763**[1]	*49.9%*
% of Income from Operations	*21.3%*	*24.5%*	*-318bps*	*14.5%*	*678bps*
PAT	**686**	**715**[2]	*-4.0%*	**362**[2]	*89.6%*
% of Income from Operations	*12.8%*	*13.0%*	*-22bps*	*6.9%*	*589bps*

1. Includes one-time covid inventory and other charges | 2. Includes impact of impairments

BUSINESS-WISE SALES PERFORMANCE$

Business (In INR Cr.)	Q1FY23	Q1FY22	Y-o-Y Growth	Q4FY22	Q-o-Q Growth
India (Rx + Gx + CHL)	**2,483**	**2,710**	***-8.4%***	**2,183**	**13.7%**
North America[1]	**1,199**	**1,038**	***15.5%***	**1,209**	**-0.8%**
SAGA#	**788**	**837**	***-5.9%***	**953**	**-17.3%**
South Africa^	***568***	***634***	***-10.4%***	***664***	***-14.4%***
International Markets*	**720**	**582**	***23.6%***	**732**	**-1.7%**
API	**135**	**302**	***-55.2%***	**137**	**-1.4%**
Others	**51**	**36**	***40.6%***	**46**	**10.1%**
Total	**5,375**	**5,504**	***-2.3%***	**5,260**	**2.2%**

$ Financials are rounded-off | # Includes South Africa, Sub-Saharan and Cipla Global Access business, excludes SA Animal Health | ^ Excluding SA Animal Health | * International Markets include Emerging Markets and Europe | CHL – Cipla Health limited

BALANCE SHEET:

Key Balance Sheet Items (In INR Cr.)	Jun-22	Mar-22
Total Equity	**21,818**	**21,117**
Total Debt[1]	**1,084**	**1,056**
Inventory	**5,547**	**5,350**
Cash and Cash Equivalents[2]	**5,211**	**4,965**
Trade Receivables	**3,526**	**3,424**
Net Tangible Assets	**5,567**	**5,609**
Goodwill & Intangibles	**4,823**	**4,841**

1. Total debt includes lease liabilities | 2. Cash & cash equivalents includes current investments, fixed deposits, margin deposits and excluding unclaimed dividend balances

EARNINGS CONFERENCE CALL

The Company will host an earnings conference call at 1800 hrs IST (2030 hrs SST/HKT, 1330 hrs BST, 0830 hrs US ET), during which the leadership team will discuss the financial performance and take questions. A transcript of the conference call will be available at www.cipla.com.

Date and Time	**July 29, 2022** at 1800 – 1900 hrs IST 2030 – 2130 hrs SST/HKT 1330 – 1430 hrs BST 0830 – 0930 hrs US ET
Dial-in Numbers	
Universal Access	Primary Access: **(+91 22 6280 1562) | (+91 22 7115 8387)**
Diamond pass link	Click here to register
Toll Number	USA: **+1 3233868721** UK: **+44 2034785524** Hong Kong: **+852 30186877** Singapore: **+65 31575746**

ABOUT CIPLA LTD

Established in 1935, Cipla is a global pharmaceutical company focused on agile and sustainable growth, complex generics, and deepening portfolio in our home markets of India, South Africa, North America, and key regulated and emerging markets. Our strengths in the respiratory, anti-retroviral, urology, cardiology, anti-infective and CNS segments are well-known. Our 47 manufacturing sites around the world produce 50+ dosage forms and 1,500+ products using cutting-edge technology platforms to cater to our 80+ markets. Cipla is ranked 3rd largest in pharma in India (IQVIA MAT Jun'22), 3rd largest in the pharma private market in South Africa (IQVIA MAT May'22), and is among the most dispensed generic players in the U.S. For over eight decades, making a difference to patients has inspired every aspect of Cipla's work. Our paradigm-changing offer of a triple anti-retroviral therapy in HIV/AIDS at less than a dollar a day in Africa in 2001 is widely acknowledged as having contributed to bringing inclusiveness, accessibility and affordability to the centre of the HIV movement. A responsible corporate citizen, Cipla's humanitarian approach to healthcare in pursuit of its purpose of 'Caring for Life' and deep-rooted community links wherever it is present make it a partner of choice to global health bodies, peers and all stakeholders. For more, please visit www.cipla.com, or click on Twitter, Facebook, LinkedIn.