

6th November, 2020

(1) BSE Limited
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

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

Scrip Code: 500087

Scrip Code: CIPLA EQ

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

Sub: Press Release

Dear Sir/ Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Press Release dated 6th November 2020.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For **Cipla Limited**

Rajendra Chopra
Company Secretary

Encl: as above

Prepared by: Mandar Kurghode

Cipla announces Q2 FY21 results
Continued momentum across businesses and sustained cost focus drive EBITDA margin over 23%

Income from Operations

INR 5,038 Cr

↑15% YoY

EBITDA

INR 1,177 Cr | 23.4%¹

↑29% YoY

PAT

INR 665 Cr | 13.2%¹

↑41% YoY

^{1.} as a % of revenue

Mumbai, November 6, 2020: Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for quarter ended September 30th, 2020.

Key highlights of the quarter

- **India:** India business grew by 17% YoY with strong growth across the three businesses; continued servicing of patients with Covid-19 portfolio
- **South Africa:** Continued momentum across private and tender businesses drives growth of 14% on a YoY basis in local currency; private and OTC business continues to outpace the market
- **US business:** Reported USD 141Mn led by continued traction in new launches
- **Quality Focus:** Working with USFDA to comprehensively address observations received in Goa
- Continued **net cash** position led by strong cost and collections governance

"Pleased to see yet another quarter of strong performance across our businesses with overall revenues growing 15% on YoY basis. The performance reflects strong demand backed by resilient operations management. The quarter also saw sustained focus on cost optimization which helped deliver an EBITDA margin of over 23%. We continued to deliver on our promise of Caring for Life by being at the forefront in combatting COVID-19 through a spectrum of offerings, which also helped us deliver market beating performance in India. Our businesses in South Africa, US and other international markets maintained the growth momentum with strong traction in the base business and new launches. In line with our aspiration of being global lung leaders, we will continue our investment towards expanding our global respiratory franchise"

Umang Vohra
MD and Global CEO, Cipla Ltd

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INDIA

- The **prescription business** grew **14%** YoY basis supported by continued traction in the Covid portfolio, chronic therapies and modest recovery in the hospital portfolio which offset subdued demand in the acute business
- **Trade generics business** continued its healthy growth on strong demand and high order flow across all regions
- **Consumer health business:** strong demand in consumer brands post transfer from trade generics business

Therapy	Market rank	Market share	Cipla growth	Market growth
Overall Chronic	2	7.6%	9%	9%
Respiratory	1	27.7%	29%	-3%
Inhalation	1	70.3%	10%	7%
Urology	1	14.9%	6%	3%
Cardiology	4	5.5%	13%	15%

Source: IQVIA July-September 2020

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

- Overall South Africa business continued strong momentum to deliver growth of 14% on a YoY basis in local currency for the quarter; new launches significant driver
- Private business grew by 9% YoY and tender business grew by 28% YoY in local currency terms for the quarter

Market Performance¹:

- 3rd largest pharmaceutical corporation in SA private market with 7.0% market share
- OTC market share stood at 7.2%; maintained 3rd rank overall and 1st in addressable market; grew at 8.2% while market grew at 2.6%
- Exclusive partnership with Alvotech for commercialisation of 5 biosimilar candidates in immunology and oncology space

1. Market data as per IQVIA MAT September'20

NORTH AMERICA

- Continued traction in new launches namely Albuterol, Esomeprazole oral suspension and DHE Nasal Spray supporting the base business; Launched dimethyl fumarate DR capsules
- Growth across government and institutional channel driven by portfolio expansion
- US business profitability trending close to company level in H1FY21

EUROPE, EMERGING MARKETS & API

- The European operations reported 24% growth on a YoY basis in USD terms led by strong performance in key DTM markets.
- The emerging market business maintained scale in USD terms with continued growth across all regions; Remdesivir supplies commenced in multiple emerging markets
- The API business grew at 15% driven by strong sales momentum and orderbook

CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q2FY21	Q2FY20	Y-o-Y Growth	Q1FY21	Q-o-Q Growth
Total Revenue from Operations	5,038	4,396	15%	4,346	16%
EBITDA	1,177	909	29%	1,049	12%
% of Income from Operations	23.4%	20.7%	266bps	24.1%	-78bps
PAT	665	471	41%	578	15%
% of Income from Operations	13.2%	10.7%	248 bps	13.3%	-9bps

BUSINESS-WISE SALES PERFORMANCE^{\$}

Business (In INR Cr.)	Q2FY21	Q2FY20	Y-o-Y Growth	Q1FY21	Q-o-Q Growth
India (Rx + Gx + CHL)	2,090	1,789	17%	1,608	30%
North America	1,049	953	10%	1,021	3%
SAGA[#]	924	740	25%	763	21%
South Africa[^]	569	546	4%	548	4%
Emerging Markets	474	451	5%	457	4%
Europe	247	190	30%	240	3%
API	189	157	20%	184	2%
Others[*]	66	116	-43%	73	-10%
Total	5,038	4,396	15%	4,346	16%

^{\$} Financials are rounded-off | [#] Includes South Africa, Sub-Saharan and Cipla Global Access business, excludes SA Animal Health |

[^] Excluding SA Animal Health | ^{*} Includes CNV business and other elements of Revenue | CHL – Cipla Health limited

BALANCE SHEET:

Key Balance Sheet Items (In INR Cr.)	September-20	June-20
Equity	17,335	16,698
Total Debt	3,169	3,206
Inventory	4,950	4,603
Cash and Cash Equivalents[*]	3,623	3,256
Trade Receivables	3,694	3,552
Net Tangible Assets	5,457	5,566
Goodwill & Intangibles	4,756	4,808

^{*} Includes current investment and excluding unclaimed dividend balances

EARNINGS CONFERENCE CALL

The Company will host an Earnings conference call at 1900 hrs IST (2130 hrs SST/HKT, 1430 hrs BST, 0930 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.

Earnings Conference Call Dial-in Information Date and Time	November 6, 2020 at 1900 – 2000 hrs IST 2130 – 2230 hrs SST/HKT 1430 – 1530 hrs BST 0930 – 1030 hrs US ET
Dial-in Numbers	
Universal Access	Primary Access: (+91 22 6280 1214) (+91 22 7115 8115)
Diamond pass link	Click here to register
Local Access	Available all over India: (+91 7045671221)
Toll-free Number	USA: + 1 3233868721 UK: + 44 2034785524 Hong Kong: + 852 30186877 Singapore: + 65 31575746

Playback of Earnings Conference Call audio:

Playback of the earnings call will be available after the end of the call on the following number:

	Phone number	Access code	Replay Dates
Local Toll	India (+91 22 71945757) India (+91 22 66635757)	44443#	November 6, 2020, to November 13, 2020

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 46 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 September Jun'20), 3rd largest in the pharma private market in South Africa (IQVIA MAT September'20), 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](#).

Disclaimer: Except for the historical information contained herein, statements in this presentation and the subsequent discussions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties including the impact of Covid-19 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, our ability to obtain regulatory approvals, technological changes, fluctuation in earnings, foreign exchange rates, our ability to manage international operations and exports, our exposure to market risks as well as other risks.