

Q2 FY25 results

Highest-ever quarterly Revenue and EBITDA margin at 26.7%

	Income from Operations	EBITDA	PAT
Q2:	INR 7,051 Cr ↑ 9% YoY	INR 1,886 Cr (26.7%) ↑ 12% YoY	INR 1,303 Cr (18.5%) ↑ 17% YoY

Ex-QCIL which was divested in Q3FY24. Reported growth 6% YoY.

Mumbai, October 29, 2024: Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for the quarter ended September 30th, 2024.

Key highlights for the quarter

- **One-India:** One India Business grew at 5% YoY. Branded Prescription business continued to outpace the market in key Chronic therapies. CHL delivered strong growth at 21% YoY. The business however, witnessed a historically slow seasonal growth in Acute category impacting both Branded Prescription and Trade Generics business.
- **North America:** Delivered quarterly revenue of \$ 237 Mn up by 4% YoY supported by traction in differentiated portfolio.
- **One Africa:** Progressing on the journey of strengthening the Africa story, the North Africa business which was a part of Emerging markets and Europe is now merged with SAGA region which is renamed as One Africa. Momentum continues with overall revenue growth at 22%.
- **Emerging Markets and Europe:** Posted a robust revenue growth of 18% in USD terms.
- **R&D investments:** stand at INR 385 Cr or 5.5% of sales, higher by 2% YoY driven by product filings and developmental efforts.
- **Strong net cash:** Net cash position of INR 7,950 Cr; Debt primarily includes lease liabilities and working capital requirements.

"I am pleased to share that we continue to make considerable progress across our focused markets. In Q2 FY25, we recorded a revenue growth of 9% over last year with a highest-ever EBITDA margin of 26.7%, driven by mix and other operational efficiencies. Our One-India business was impacted during the quarter due to changed seasonal pattern, however key chronic therapies in Branded Prescription business continued to grow faster than the market. Consumer health business grew at a strong 21% YoY. With our concentrated focus in differentiated portfolio, the US business posted a revenue of \$ 237 Mn. In South Africa, we recorded a solid growth of 22% YoY in local currency terms, led by Private Market. Emerging Markets and Europe delivered a robust revenue growth of 18% YoY on the back of deep market focus strategy. Going ahead, focus will be on growing our key markets, further building our flagship brands, investing in future pipeline as well as focusing on resolutions on the regulatory front".

Umang Vohra
MD and Global CEO, Cipla Ltd

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❖ One India Business

Branded Prescription:

The season has been slow during the quarter majorly accounted by a slow market** growth in Anti-infectives, one of our largest therapies, at 4.9% as against last year growth of over 12%. However Chronic therapies like Respiratory, Cardiac and Urology continued to outpace the market growth.

Trade Generics:

The business has been impacted by seasonality with a slow growth in the Acute category. The business is expected to return to its growth trajectory in the coming quarters.

Consumer Health:

Our Consumer health franchise posted a robust growth of 21% YoY. Anchor brands of Nicotex, Omnigel and Cipladine maintained leadership positions in their respective segments.

❖ North America

North America delivered quarterly revenue of \$ 237 Mn up by 4% YoY supported by continued positive traction in differentiated portfolio. In Albuterol, the market share stood at ~19% in the quarter as per IQVIA week ended 20th Sep'2024. The Lanreotide franchise consisting of 505(b)(2) and ANDA assets, reached the market share of ~35% during the quarter, as per IQVIA MAT Aug'24. We have also received 4 new generic drug approvals during the quarter, including one peptide.

❖ One Africa

One Africa recorded a strong double-digit growth of 22% YoY, led by South Africa Private Market. In Private Market, our secondary growth was at a healthy 8.6% versus the market growth of 0.5%. Our South Africa overall private market## now ranks No. 2 in the market with the prescription business maintaining its no.1 position. This growth was propelled by uptick in key therapies, new launches as well as significant growth in OTC portfolio.

❖ Emerging Markets and Europe

Deep market focus strategy in Emerging Markets and Europe has started paying off, with the business delivering a growth of 18% in USD terms with uptick in both DTM and B2B categories, along with sustained overall margins.

** As per IQVIA MAT Sep'24 | ## As per IQVIA MAT Aug'24

QUARTERLY BUSINESS WISE SALES PERFORMANCE (Ex- QCIL)

Business (In INR Cr)	Q2FY25	Q2FY24	Y-o-Y Growth
India (Rx + Gx + CHL [^])	2,948	2,817	5%
North America	1,986	1,887	5%
One Africa [#]	1,068	862	24%
South Africa	799	620	29%
Emerging Markets and Europe	806	677	19%
API	160	147	9%
Others	82	100	-18%
Total	7,051	6,490	9%

[^] CHL – Cipla Health limited | [#] Includes South Africa, North Africa, Sub-Saharan Africa and Cipla Global Access

Note: North Africa broadly includes: Morocco, Algeria, Libya, Egypt and French West Africa; Revenue for Q2FY25 - INR 79 Cr and Q2FY24 - INR 57 Cr

CONSOLIDATED PROFIT & LOSS STATEMENT – Q2 FY25 (Ex- QCIL)

In INR Cr	Q2FY25	Q2FY24	Y-o-Y Growth
Total Income from Operations	7,051	6,490	8.6%
EBITDA	1,886	1,690	11.6%
% of Income from Operations	26.7%	26.0%	70 bps
PAT	1,303	1,115	16.9%

BALANCE SHEET (Reported)

Key Balance Sheet Items (INR Cr)	Sep-24	Jun-24	Mar-24
Equity	28,456	28,058	26,802
Total Debt	461	547	559
Inventory	5,573	5,531	5,238
Cash and Cash Equivalents*	8,412	8,996	8,267
Trade Receivables	5,588	4,990	4,771
Trade Payables	2,675	2,742	2,474
Net Tangible Assets	6,329	6,210	6,047
Goodwill and Intangibles	5,111	4,941	4,713

* Cash & cash equivalents includes current investments, fixed deposits, margin deposits and excluding unclaimed dividend balances

Announcement

Cipla to release Q2FY25 unaudited Financial Results on October 29, 2024

Date: October 29, 2024

- **1600 hrs IST – EARNINGS CONFERENCE CALL**

The Company will host an earnings conference call at 1600 hrs IST (1830 hrs SST/HKT, 1130 hrs BST, 0630 hrs US ET), during which the leadership team will discuss 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	October 29, 2024 at 1600 – 1700 hrs IST 1830 – 1930 hrs SST/HKT 1130 – 1230 hrs BST 0630 – 0730 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 Free Number	USA: 18667462133 UK: 08081011573 Hong Kong: 800964448 Singapore: 8001012045

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 MAT Sep'24), Largest in the pharma prescription market in South Africa (IQVIA MAT Aug'24), and 4th largest by prescription in the US Gx inhalation products (IQVIA MAT Aug'24). 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 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. Cipla Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.