

PRESS RELEASE

Piramal Pharma Limited Announces Consolidated Results for Q2 and H1 FY2024

Mumbai, India | October 27, 2023: Piramal Pharma Limited (NSE: PPLPHARMA | BSE: 543635), a leading global pharmaceuticals company, today announced its consolidated results for the Second Quarter (Q2) and Half Year (H1) ended 30th September 2023.

Consolidated Financial Highlights

(In INR Crores)

Particulars	Q2 FY24	Q2 FY23	YoY Growth	Q1 FY24	QoQ Growth
Revenue from Operation	1,911	1,720	11%	1,749	9%
CDMO	1,068	940	14%	898	19%
Complex Hospital Generic (CHG)	589	562	5%	617	-5%
India Consumer Healthcare (ICH)	256	227	13%	239	7%
EBITDA	315	219	44%	171	85%
EBITDA Margin	16%	13%		10%	
PAT	5	-37		-99	
PAT Margin	0%	-2%		-6%	

Key Highlights for Q2 and H1 FY2024

- Revenue from Operation grew by 11% YoY and 14% YoY in Q2FY24 and H1FY24 respectively, driven by broad base performance across all the three businesses
- EBITDA grew by 44% YoY and 58% YoY in Q2FY24 and H1FY24 respectively, driven by healthy revenue growth and cost optimization measures
- Company successfully completed the Rights Issue of Rs.1,050Cr with subscription of 128%. Net Debt as on 30th September 2023 is Rs.3,823Cr – reduction of Rs.958Cr since 31st March 2023
- Released our FY2023 Sustainability Report outlining our progress in the areas of Environment, Social and Governance (ESG). The Company has taken a target to reduce Scope 1 and Scope 2 emissions by 42% by FY2030 (with baseline of FY2022)

Nandini Piramal, Chairperson, Piramal Pharma Limited said, “We have delivered a healthy performance in the first half of the financial year with 14% revenue growth accompanied by over 300 bps improvement in EBITDA margin. Our CDMO business returned to mid-teen growth with continued order inflows, especially for differentiated offerings and innovation related work. Our capacity expansion for Inhalation Anesthesia products is progressing well as we look to capitalize on the healthy demand in the global market. Our India Consumer Healthcare business is delivering steady growth driven by our power brands. Historically our H2 has been better than H1, both in terms of revenue and profitability. We expect similar trend to play out this financial year as well, more specifically in Q4.

During the quarter, we also successfully completed our Rights Issue and utilized the proceed to reduce our debt. On the ESG front, we released our FY23 Sustainability Report and have also taken a target to reduce our GHG emissions by 42% by FY30 compared to FY22.

We hope to continue our momentum in H2FY24 and end the financial year with a robust performance.”

Key Business Highlights for Q2FY24

Contract Development and Manufacturing Organization (CDMO):

- Continued order inflow momentum in Q2FY24 – over 40% higher orders (development and new commercial orders) received in H1FY24 compared to H1FY23.
- Good revenue growth visibility for FY24 driven by better execution and healthy demand for our differentiated offering. Recent order inflows have had higher quotient of innovation related work with good proportion of commercial manufacturing orders for on-patent molecules
- Revenue contribution from differentiated offerings has grown at 19% CAGR from FY21 to FY23 and contributed to about 37% of CDMO revenues in FY23
- YoY improvement in demand for our generic API business
- Improvement in profitability of our CDMO business driven by revenue growth, favorable revenue mix, normalization of raw material cost and cost optimization initiatives
- First revenue milestone earned from the expanded Grangemouth facility in Q2FY24. This expansion strengthens our presence in antibody drug conjugate market
- Maintained our quality track record – Five facilities (Digwal, Pithampur, Riverview, Sellersville and Lexington) contributing to about 50% of our CDMO revenues have successfully closed US FDA inspections since November 2022

Complex Hospital Generics (CHG):

- Witnessing steady growth on our CHG business primarily on account of healthy volume led growth in Inhalation Anesthesia (IA) products
- Expanding our capacities to meeting growing demand of IA products. Also focus on improving output through greater operating efficiencies
- Maintained our leading positions in Sevoflurane (44% market share) and Baclofen pre-filled syringe and vial (76% market share) in the US market (Source - IQVIA Data MAT Q2 2023)
- Building a pipeline of 28 new products which are various stages of development
- Concluded US FDA inspection at Bethlehem facility with two observations. Both observations relate to system improvement, and none are related to data integrity

India Consumer Healthcare (ICH):

- 7 new products and 2 new SKUs launched during Q2FY24. Over 100 new products launched between FY21 to FY23
- Continued to invest in media and trade spends to drive growth in power brands. Promotional spends during H1 FY2024 was at 14% of ICH revenue
- Power Brands – Littles, Lacto Calamine, Polycrol, Tetmosol and I-range, grew by 15% YoY in H1FY24 and contributed to 42% of ICH sales
- E-commerce grew at about 34% YoY in Q2FY24 and contributed 16% to ICH revenue. We now have presence across more than 20 e-commerce platforms including our own direct-to-customer website -Wellify.in

Consolidated Profit and Loss Statement
(In INR Crores)
Reported Financials

Particulars	Quarterly					Half Yearly		
	Q2FY24	Q2FY23	YoY Change	Q1FY24	QoQ Change	H1FY24	H1FY23	YoY Change
Revenue from Operations	1,911	1,720	11%	1,749	9%	3,660	3,202	14%
Other Income	49	46	6%	38	28%	88	118	-26%
Total Income	1,961	1,766	11%	1,787	10%	3,748	3,320	13%
Material Cost	638	664	-4%	627	2%	1,264	1,238	2%
Employee Expenses	516	470	10%	496	4%	1,012	931	9%
Other Expenses	492	413	19%	494	0%	986	844	17%
EBITDA	315	219	44%	171	85%	485	308[#]	58%
Interest Expenses	110	83	32%	119	-7%	228	145	57%
Depreciation	185	166	11%	174	6%	358	328	9%
Share of net profit of associates	19	11	72%	14	33%	33	31	8%
Profit Before Tax	40	-19	NA	-107	NA	-68	-134	NA
Tax	35	11	212%	-9	NA	26	5	421%
Net Profit after Tax	5	-30	NA	-99	NA	-94	-139	NA
Exceptional item	0	7	NA	0	NA	0	7	NA
Net Profit after Tax after exceptional item	5	-37	NA	-99	NA	-94	-146	NA

H1 FY23 EBITDA had one-time inventory margin impact of Rs.68 Crore

Consolidated Balance Sheet
(In INR Crores)

Key Balance Sheet Items	As at	
	30-Sep-23	31-Mar-23
Total Equity	7,758	6,773
Net Debt	3,823	4,781
Total	11,581	11,555
Net Fixed Assets	9,038	8,887
Tangible Assets	4,691	4,441
Intangible Assets including goodwill	4,347	4,446
Net Working Capital	2,148	2,307
Other Assets [#]	395	361
Total Assets	11,581	11,555

[#] Other Assets include Investments and Deferred Tax Assets (Net)

Q2 and H1 FY2024 Earnings Conference Call

Piramal Pharma Limited will be hosting a conference call for investors / analysts on **30th October 2023** from **9:00 AM to 9:45 AM (IST)** to discuss its **Q2 and H1 FY2024 Results**.

The dial-in details for the call are as under:

Event	Location & Time	Telephone Number
Conference call on 30 th October, 2023	India – 9:00 AM IST	+91 22 6280 1461 / +91 22 7115 8320 (Primary Number)
		1 800 120 1221 (Toll free number)
	USA – 11:30 PM (Eastern Time – New York)	Toll free number 18667462133
	UK – 3:30 AM (London Time)	Toll free number 08081011573
	Singapore – 11:30 AM (Singapore Time)	Toll free number 8001012045
	Hong Kong – 11:30 AM (Hong Kong Time)	Toll free number 800964448
Express Join with Diamond Pass™	Please use this link for prior registration to reduce wait time at the time of joining the call – https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=7279153&linkSecurityString=28e77c0997	

About Piramal Pharma Ltd:

Piramal Pharma Limited (PPL, NSE: PPLPHARMA | BSE: 543635), offers a portfolio of differentiated products and services through its 17 global development and manufacturing facilities and a global distribution network in over 100 countries. PPL includes Piramal Pharma Solutions (PPS), an integrated contract development and manufacturing organization; Piramal Critical Care (PCC), a complex hospital generics business; and the India Consumer Healthcare business, selling over-the-counter products. In addition, one of PPL's associate companies, Allergan India Private Limited is a JV with AbbVie Inc. and has emerged as one of the market leaders in the ophthalmology therapy area. Further, PPL has a minority investment in Yapan Bio Private Limited. In October 2020, PPL received a 20% strategic growth investment from the Carlyle Group.

For more information visit: www.piramal.com/pharma | [Inker1In](#) | [Facebook](#) | [Twitter](#).

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