

PRESS RELEASE

Piramal Pharma Limited Announces Consolidated Results for Q3 and 9M FY2024

Mumbai, India | January 30, 2024: Piramal Pharma Limited (NSE: PPLPHARMA | BSE: 543635), a leading global pharmaceuticals company, today announced its standalone and consolidated results for the Third Quarter (Q3) and Nine Months (9M) ended 31st December 2023.

Consolidated Financial Highlights

(In INR Crores)

Particulars	Q3 FY24	Q3 FY23	YoY Growth	9M FY24	9M FY23	YoY Growth
Revenue from Operations	1,959	1,716	14%	5,619	4,918	14%
CDMO	1,134	1,010	12%	3,101	2,720	14%
Complex Hospital Generic (CHG)	576	514	12%	1,782	1,584	13%
India Consumer Healthcare (ICH)	252	226	12%	747	664	13%
EBITDA	330	170	94%	815	478[#]	71%
EBITDA Margin	17%	10%		15%	10%	
PAT (after exceptional item)	10	(90)	NA	(83)	(237)	NA
PAT (before exceptional item) *	35	(90)	NA	(59)	(231)	NA

9M FY2023 EBITDA had one-time inventory margin impact of INR 68 Crores

* Q3 FY24 Exceptional item of Rs.32 Crores is related to non-recurring charges towards product recall triggered by our third-party supplier

Key Highlights for Q3 and 9M FY2024

- **Revenue from Operations** grew by 14% YoY both in Q3FY24 and 9MFY24, driven by double digit growth across all the three businesses
- **EBITDA** grew by 94% YoY and 71% YoY in Q3FY24 and 9MFY24 respectively, primarily driven by operating leverage, reduction in raw material cost & energy prices, cost optimization, and operational excellence initiatives
- **Net Debt / EBITDA** ratio has improved over the last three quarters on account of healthy growth in EBITDA and repayment of debt from the proceeds of the recently concluded Rights Issue
- **Sustainability** - Taken a target to reduce Scope 1 and Scope 2 emissions by 42% by FY30 (with baseline of FY22), which is in accordance with 1.5^o C trajectory suggested by SBTi. Further we have also taken a target to reduce Scope 3 emissions by 25% by FY30 (with baseline of FY22)

Nandini Piramal, Chairperson, Piramal Pharma Limited said, “We continue to build on our improved performance in FY24 with 14% YoY revenue growth in Q3 along with a significant improvement in EBITDA margin. Our CDMO business is delivering healthy growth with robust order inflows, especially for differentiated offerings and innovation related work. Our Inhalation Anesthesia portfolio is registering good volume growth in our key market of US and is also seeing increasing traction in ROW markets. Our India Consumer Healthcare business is delivering steady growth driven by our power brands and contribution from new product launches.

On the sustainability front, we have taken significant reduction targets for our Scope 1, 2 and 3 GHG emissions by FY2030. We are also working on multiple initiatives in the areas of water conservation, responsible waste disposal, gender diversity, employee safety, sustainable supply chain and community development.

We look forward to continuing our momentum in Q4 and end the financial year on a positive note.”

Key Business Highlights for Q3FY24 and 9MFY24

Contract Development and Manufacturing Organization (CDMO):

- Continued momentum with significant YoY growth in new orders* in 9M FY2024 vs 9M FY2023, more specifically in commercial manufacturing of on-patent molecules
- Recent order inflows have had higher quotient of innovation related work with good demand for our differentiated offerings
- During the quarter we received our first integrated anti-body drug conjugate (ADC) order involving monoclonal antibodies. Three sites involved – Lexington, Grangemouth and Yapan
- Continue to see improvement in profitability of our CDMO business driven by revenue growth, favorable revenue mix, normalization of raw material cost and cost optimization initiatives
- MHRA (UK) inspection of the newly commissioned multipurpose state-of-the-art ADC manufacturing facility at Grangemouth is scheduled for February 2024
- Maintained our quality track record – All our recently audited facilities by the US FDA have an EIR. Also, successfully closed over 140 customer audits in 9M FY2024
- Key challenges include partial recovery in biotech funding environment and clinical / regulatory attrition at customer end

Complex Hospital Generics (CHG):

- Volume growth in the inhalation anaesthesia portfolio in the US market, partly offset by lower market prices
- Increasing traction in our inhalation anaesthesia portfolio in the non-US markets
- Expanding our capacities to meeting growing demand of inhalation anaesthesia products. Also focus on improving output through greater operating efficiencies
- Improvement in profitability during Q3 and 9M FY2024 mainly led by cost optimization initiatives, yield improvement and better product and market mix
- Launched 3 new injectable products in Q3 FY2024 in the US and Europe. Building a pipeline of 25 new products which are at various stages of development with current addressable market size of over \$2bn
- Key challenges include geopolitical risk, adverse currency movement (presence in over 100 countries), price erosion / lower realizations due to higher competition, and third-party development and supply chain risk in the injectable portfolio

India Consumer Healthcare (ICH):

- YoY improvement in EBITDA margin in 9MFY24 driven by operating leverage
- 6 new products and 3 new SKUs launched during Q3 FY2024. Over 100 new products launched between FY21 to FY24
- Continued to invest in media and trade spends to drive growth in power brands. Promotional spends during 9M FY2024 was at 13% of ICH revenue
- Power Brands – Littles, Lacto Calamine, Polycrol, Tetmosol and I-range, grew by 12% YoY in 9MFY24 and contributed to 41% of ICH sales
- E-commerce grew at about 17% YoY in Q3 FY2024, contributing 16% to ICH revenue. Presence across 20+ e-commerce platforms including own direct-to-customer website -Wellify.in

*New development and commercial orders. These are over and above the existing multi-year manufacturing relationships

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

Particulars	Quarterly					Nine Months		
	Q3FY24	Q3FY23	YoY Change	Q2FY24	QoQ Change	9MFY24	9MFY23	YoY Change
Revenue from Operations	1,959	1,716	14%	1,911	3%	5,619	4,918	14%
Other Income	62	83	(25)%	49	25%	149	201	(26)%
Total Income	2,020	1,799	12%	1,961	3%	5,768	5,119	13%
Material Cost	675	625	8%	638	6%	1,940	1,864	4%
Employee Expenses	524	492	6%	516	2%	1,535	1,423	8%
Other Expenses	491	511	(4)%	492	0%	1,478	1,355	9%
EBITDA	330	170	94%	315	5%	815	478	71%
Interest Expenses	106	95	12%	110	(4)%	334	240	39%
Depreciation	186	164	13%	185	1%	544	492	11%
Profit Before Tax	38	(89)	NA	20	84%	(63)	(255)	NA
Tax	9	17	(44)%	35	(73)%	35	22	64%
Share of net profit of associates	14	16	(10)%	19	(27)%	47	47	2%
Net Profit after Tax	42	(90)	NA	5	744%	(51)	(230)	NA
Exceptional item*	(32)	0	NA	0	NA	(32)	(7)	NA
Net Profit after Tax after exceptional item	10	(90)	NA	5	101%	(83)	(237)	NA
Net Profit after Tax before exceptional item	35	(90)	NA	5	594%	(59)	(231)	NA

9M FY23 EBITDA had one-time inventory margin impact of Rs.68 Crore

*Related to non-recurring charges towards product recall triggered by a third-party supplier

Q3 and 9M FY2024 Earnings Conference Call

Piramal Pharma Limited will be hosting a conference call for investors / analysts on **31st January 2024 from 5:00 PM to 5:45 PM (IST) to discuss its Q3 and 9M FY2024 Results.**

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

Event	Location & Time	Telephone Number
Conference call on 31 st January, 2024	India – 05:00 PM IST	+91 22 6280 1461 / +91 22 7115 8320 (Primary Number) 1 800 120 1221 (Toll free number)
	USA – 06:30 AM (Eastern Time – New York)	Toll free number 18667462133
	UK – 11:30 AM (London Time)	Toll free number 08081011573
	Singapore – 07:30 PM (Singapore Time)	Toll free number 8001012045
	Hong Kong – 07:30 PM (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=2184854&linkSecurityString=cc1d80a24	

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, AbbVie Therapeutics India Private Limited (formerly Allergan India Pvt Ltd), a joint venture between Allergan (now part of AbbVie) and PPL, 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](#).

For Media Queries:

Rajiv Banerjee
Group Head - Corporate Communications
rajiv.banerjee@piramal.com

For Investors:

Gagan Borana
General Manager - Investor Relations & Sustainability
gagan.borana@piramal.com