

FOR IMMEDIATE RELEASE

Sun Pharma reports Q2FY24 results

Q2 Gross Sales at Rs. 120,031 million up 11% YoY

Q2 Net Profit at Rs. 23,755 million up 5% YoY

Mumbai, November 01, 2023: Sun Pharmaceutical Industries Limited (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for the second quarter ending September 30th, 2023.

Highlights of Q2FY24 consolidated financials

- Gross sales at Rs. 120,031 million, growth of 11.0% vs Q2 last year
- India formulation sales at Rs. 38,425 million, up 11.1% vs Q2 last year
- US formulation sales at US\$ 430 million, up 4.2% vs Q2 last year
- Global specialty sales at US\$ 240 million, up 19.3% vs Q2 last year
- Global specialty sales accounted for 16.4% of Q2FY24 sales
- Emerging Markets formulation sales at US\$ 284 million, up 9.4% vs Q2 last year.
- Rest of World formulation sales at US\$ 206 million, up 13.7% vs Q2 last year
- R&D investments at Rs. 7,734 million (6.4% of sales) compared to Rs. 5,710 million (5.3% of sales) for Q2 last year
- EBITDA at Rs. 31,794 million (including other operating revenues), up 7.5% vs Q2 last year. EBITDA margin for Q2 at 26.1% vs 27% for Q2 last year.
- Net profit for the quarter was at Rs. 23,755 million, up 5% YoY

Highlights of H1FY24 consolidated financials

- Gross sales at Rs. 237,883 million, growth of 10.9% over same period last year
- India formulation sales at Rs. 74,029 million, up 8.1% over same period last year
- US formulation sales at US\$ 901 million up by 8.2% over same period last year
- Emerging Markets formulation sales at US\$ 545 million up by 8.0% over same period last year
- Rest of World formulation sales at US\$ 401 million up by 8.0% over same period last year
- EBITDA at Rs. 65,112 million (including other operating revenues), up 11.5% over same period last year, with resulting EBITDA margin of 27%
- Net profit for H1FY24 was at Rs. 43,981 million. Excluding the exceptional items of H1 current year, adjusted net profit was up by 9.2%

Dilip Shanghvi, Managing Director of the Company said, “US FDA’s acceptance of deuruxolitinib NDA for treatment of moderate to severe alopecia areata marks an important milestone. There are limited treatment options for alopecia areata and deuruxolitinib should make a meaningful difference in patient lives, once approved. Similarly, another late stage candidate Nidlegy will potentially complement our Odomzo franchise. Nidlegy’s recent positive phase-3 data in patients with locally advanced fully resectable melanoma positions us to provide patient solutions across a broad spectrum of skin cancers.”



Global Specialty pipeline

Candidate	Indication	Current phase	Next milestone
deuruxolitinib	alopecia areata	Filed with US FDA	PDUFA date in Jul-24
Nidleg TM	skin cancer	First Phase-3 topline reported	Partner to disclose at appropriate time
Ilumya	psoriatic arthritis	Phase-3	First topline data by late-25
MM-II	pain in osteoarthritis	Phase-2 completed	Phase-3 to start in early-24
SCD-044	psoriasis, atopic dermatitis	Phase 2	First topline data by end-24 (atopic dermatitis)
GL0034	Type-2 diabetes	Phase-1 completed	Phase-2 to start by early-24

India Formulations

Sales of formulations in India for Q2FY24 were at Rs. 38,425 million, up 11.1% over Q2 last year. India formulation sales accounted for about 32% of total consolidated sales. For the first half, sales were at Rs. 74,029 million, up 8.1% over H1 last year.

Sun Pharma is ranked No. 1 and market share has increased from 8.3% to 8.4% in the over Rs. 1,895 Billion Indian pharmaceutical market as per AIOCD AWACS MAT Sept-2023 report. As per SMSRC MAT June-2023 report, we are No.1 ranked by prescriptions with 11 different doctor categories. For Q2FY24, the company launched 8 new products in the Indian market.

US Formulations (including Taro)

Formulation sales in the US were US\$ 430 million recording a growth of 4.2% over Q2 last year; accounting for over 30% of total consolidated sales. For the first half, sales were US\$ 901 million recording a growth of 8.2% over same period last year.

Taro Pharmaceuticals

Taro reported net sales of \$148.2 million for quarter ended Sep-23. Excluding the impact of the one-time GTN adjustments in both quarters, the sales growth was mid-single-digit YoY. Net profit for Q2FY24 was US\$ 8.5 million. For the first half, sales were US\$ 307 million, up by 6.9% over H1 last year. Net profit were US\$ 18.6 million compared to US\$ 11.3 million in H1FY23.

Emerging Markets

Formulation sales in Emerging Markets were at US\$ 284 million for Q2, a growth of 9.4% over Q2 last year and accounting for about 19.5% of total consolidated sales for the quarter. For the first half, sales were US\$ 545 million, up by 8% over first half last year.

Rest of World Markets

Formulation sales in Rest of World (ROW) markets, excluding US and Emerging Markets, were US\$ 206 million

in Q2FY24, up by 13.7% over Q2 last year and accounting for approximately 14% of total consolidated sales. For the first half, sales were US\$ 401 million, up by 8.0% over first half last year.

Active Pharmaceutical Ingredients (API)

For Q2FY24, external sales of API were at Rs. 4,972 million, up by 5.1% over Q2 last year. For the first half, API sales were at Rs. 10,368 million, declined by about 3.3% over first half last year. Our API business imparts benefits of vertical integration and continuity of supply chain for our formulations business. We continue to focus on increasing API supply for captive consumption for key products.

Research Update

Consolidated R&D investment for Q2FY24 was Rs. 7,734 million, 6.4% of sales as compared to Rs. 5,710 million for Q2 last year. For the first half, R&D expense was Rs. 14,531 million, or 6.1% of sales.

Our R&D efforts span across both specialty and generic businesses and we continue to invest in building the pipeline for various markets including the US, Emerging Markets, RoW Markets and for India. Our specialty R&D pipeline includes 6 molecules undergoing clinical trials. We have a comprehensive product offering in the US market consisting of approved ANDAs for 526 products while filings for 93 ANDAs await US FDA approval, including 28 tentative approvals. Additionally, the portfolio includes 54 approved NDAs while 13 NDAs await US FDA approval. For the quarter, 3 ANDA were filed and 8 approvals were received.

Sales and R&D snapshot

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
India Formulations	38,425.3	35,603.7	34,600.3	74,029.0	68,471.3	136,031.2
US Formulations	35,504.1	38,708.7	32,912.6	74,212.8	65,349.7	135,352.6
Emerging Market	23,449.0	21,452.2	20,704.2	44,901.2	39,615.0	78,976.6
ROW Formulations	17,000.1	16,040.8	14,440.9	33,040.9	29,119.1	60,425.5
Total Formulations	114,378.5	111,805.4	102,658.0	226,183.9	202,555.1	410,785.9
Bulk	4,972.2	5,395.7	4,729.8	10,367.9	10,716.9	19,723.6
Others	680.4	650.4	704.1	1,330.8	1,259.6	2,279.3
Total Sales	120,031.1	117,851.5	108,091.9	237,882.6	214,531.6	432,788.8
Total R&D Expenditure	7,734.4	6,796.2	5,709.8	14,530.6	10,318.0	23,676.3
Capital	174.8	114.0	126.1	288.8	236.0	599.1
Revenue	7,559.6	6,682.2	5,583.7	14,241.8	10,082.0	23,077.2
Exchange Rates : \$ 1 = ₹	82.66	82.18	79.83			

Disclaimer

Statements in this “Document” describing the Company’s objectives, projections, estimates, expectations, plans or predictions or industry conditions or events may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. The Company undertakes no obligation to update or revise forward looking statements to reflect developments or circumstances that arise or to reflect the occurrence of unanticipated developments/circumstances after the date hereof.

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Earnings Call (06:30 pm IST, November 01, 2023)

The Company will host an earnings call at 06:30 pm IST on November 01, 2023, where management will discuss the Company's performance and answer questions from participants. This call will be accessible through an audio dial-in and a web-cast.

Audio conference Participants can dial-in on the numbers below
Universal numbers: +91 22 6629 0049
+91 22 7194 5729

Pre-registration details Click here [DiamondPassRegistration](#)

Webcast Details will be provided through our website www.sunpharma.com

To participate in the audio call, please dial the numbers provided above, ten minutes ahead of the scheduled start time. The operator will provide instructions on asking questions before the call. The transcript and audio recording of the event will be available at www.sunpharma.com.

Disclaimer:

Statements in this "Document" describing the Company's objectives, projections, estimates, expectations, plans or predictions or industry conditions or events may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. The Company undertakes no obligation to update or revise forward looking statements to reflect developments or circumstances that arise or to reflect the occurrence of unanticipated developments/circumstances after the date hereof.

About Sun Pharmaceutical Industries Limited (CIN - L24230GJ1993PLC019050):

Sun Pharma is the world's fourth largest specialty generics company with presence in Specialty, Generics and Consumer Healthcare products. It is the largest pharmaceutical company in India and is a leading generic company in the US as well as Global Emerging Markets. Sun's high growth Global Specialty portfolio spans innovative products in dermatology, ophthalmology, and onco-dermatology and accounts for over 16% of company sales. The company's vertically integrated operations deliver high-quality medicines, trusted by physicians and consumers in over 100 countries. Its manufacturing facilities are spread across six continents. Sun Pharma is proud of its multi-cultural workforce drawn from over 50 nations. For further information, please visit www.sunpharma.com and follow us on "X" @SunPharma_Live

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