

FOR IMMEDIATE RELEASE

Sun Pharma reports full year and Q4 results for FY22

*Full Year FY22 Gross Sales up 15.6% YoY, EBITDA up 23.6% & Adjusted Net Profit up 29%
FY22 ROCE improved 288bps to 16.4%, ROIC by 306bps to 21% & ROE by 256bps to 15%
Q4 Gross Sales up 11% YoY, EBITDA up 14.6% & Adjusted Net Profit up 18%*

Mumbai, May 30, 2022: Sun Pharmaceutical Industries Limited (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for the fourth quarter & full year ending March 31st, 2022.

Highlights of full year FY22 consolidated financials

- Consolidated sales from operations at Rs. 384,264 million, growth of 15.6% over same period last year.
- India formulation sales at Rs. 127,593 million, up by 23% over same period last year.
- US formulation sales at US\$ 1,526 million up by 12% over same period last year.
- Emerging Markets formulation sales at US\$ 905 million up by 16% over same period last year.
- Rest of World formulation sales at US\$ 732 million, up by 11% over same period last year.
- R&D investments at Rs. 22,194 million compared to Rs. 21,499 million for FY22
- EBITDA at Rs. 101,697 million up about 23.6% over last year, with EBITDA margin at 26.5%, an expansion of 170bps YoY.
- Excluding the exceptional items, adjusted net profit for FY22 was at Rs. 76,671 million, up about 29% YoY. Reported net profit for full year FY22 was at Rs. 32,727 million compared to Rs. 29,038 million, up by about 13% over last year.
- Excluding exceptional items, ROCE improved by 288bps to 16.4%, ROIC by 306bps to 21% while ROE has improved by 256bps to 15%

Highlights of Q4FY22 consolidated financials

- Consolidated sales from operations at Rs. 93,861 million, growth of 11% over Q4 last year
- India formulation sales at Rs. 30,956 million, up 16% over same quarter last year
- US formulation sales at US\$ 389 million, growth of 5% over Q4 last year
- Emerging Markets formulation sales at US\$ 206 million, up by 7% over Q4 last year
- Rest of World formulation sales at US\$ 178 million, up by 7% over same quarter last year
- R&D investments at Rs. 5,433 million compared to Rs. 5,571 million for Q4FY21
- EBITDA at Rs. 22,797 million, up by about 14.6% over Q4 last year, with EBITDA margin at 24.3%
- Adjusted net profit for the quarter was at Rs. 15,821 million, up by 18% YoY, after excluding the exceptional items of Rs. 39,357 million & exceptional tax gain of Rs. 764 million. Reported net loss for Q4FY22 was at Rs. 22,772 million.

These results were taken on record by the Board of Directors at a meeting held today. The Board has proposed a final dividend of Rs. 3.0 per share for the year FY22. This is in addition to the interim dividend of Rs. 7.0 per share paid in FY22, taking the total dividend for FY22 to Rs. 10.0 per share compared to Rs. 7.5 per share for FY21.

Dilip Shanghvi, Managing Director of the Company said, "FY22 was a good year with strong topline and EBITDA growth. All our geographies have recorded double digit growth and profitability has improved despite rising costs. The specialty business continues to ramp-up strongly with global Ilumya sales recording 81% growth to reach US\$315 million in FY22. Our India business continues to grow faster than market, leading to increase in market share. We continue to focus on expanding our global specialty business, growing all our businesses and on improving operational efficiencies."

Sun Pharmaceutical Industries Limited

SUN HOUSE, CTS No. 201 B/1,
Western Express Highway, Goregaon (E),
Mumbai 400063, India
Tel.: (91-22) 4324 4324 Fax.: (91-22) 4324 4343
CIN: L24230GJ1993PLC019050
www.sunpharma.com



Debt Repayment

The company has repaid debt of about US\$ 355 million in FY22 compared to the debt as of March 31, 2021.

India Business – Market Leadership

For the full year FY22, sales of formulations in India were at 127,593 million, up by 23% over the same period last year. For Q4FY22 sales were at Rs. 30,956 million, up by 16% over Q4 last year and accounting for 33% of total sales.

Sun Pharma is ranked No. 1 and holds 8.3% market share in the over Rs. 1,688 Billion Indian pharmaceutical market as per AIOCD AWACS MAT March-2022 report. For Q4FY22, the company launched 11 new products in the Indian market.

US Formulations (including Taro)

Formulation sales in the US for the full year FY22 were US\$ 1,526 million recording a growth of 12% over the same period last year. For Q4FY22, sales were US\$ 389 million, a growth of 5% over Q4 last year and accounting for about 31% of total consolidated sales.

Taro Performance

Taro's full year FY22 sales were US\$ 561 million, up by about 2% over same period last year. Excluding the impact from the settlement and loss contingencies charges in both periods, adjusted net profit for full year FY22 was US\$126.4 million compared to US\$ 141.4 million in FY21. Taro's reported net profit for FY22 was US\$ 58.3 million. Taro posted Q4FY22 sales of US\$ 143 million, down 3% YoY and net profit of about US\$ 27.4 million, lower by 11.6% over adjusted net profit of Q4 last year.

Emerging Markets

Our formulation sales in Emerging Markets for the full year FY22 were at US\$ 905 million, up by 16% over the same period last year. Emerging Markets sales were at US\$ 206 million for Q4, a growth of 7% over Q4 last year and accounting for about 17% of total consolidated sales for the quarter.

Rest of World Markets

Formulation sales in Rest of World (RoW) markets, excluding US and Emerging Markets, for the full year FY22 were at US\$ 732 million, up by about 11% over the same period last year. RoW market sales were at US\$ 178 million in Q4FY22, up by about 7% over Q4 last year and accounting for approximately 14% of total consolidated sales.

Active Pharmaceutical Ingredients (API): Strategic strength

For the full year FY22, external API sales were at Rs. 18,354 million, lower by about 6% over the same period last year. For Q4FY22, external sales of API were at Rs. 4,137 million, lower by about 5% over Q4 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 supplies for captive consumption relating to our key products.

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Research – Investing for future

For the full year FY22, consolidated R&D investments were at Rs. 22,194 million, or 5.8% of sales; while for Q4FY22 it stands at Rs. 5,433 million.

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 4 molecules undergoing clinical trials. We have a comprehensive product offering in the US market consisting of approved ANDAs for 512 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, 7 ANDAs and 1 NDA were filed while approvals included 1 ANDA and 1 NDA.

Revenue Breakup and R&D Investments

(₹ in Mn)

Particulars	Quarter ended			Year ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
India Formulations	30,956.3	31,675.6	26,708.6	127,593.4	103,432.1
US Formulations	29,245.8	29,717.7	26,988.4	113,736.6	100,921.2
Emerging Market	15,474.5	17,899.1	14,015.2	67,431.6	57,839.7
ROW Formulations	13,407.0	13,531.5	12,168.0	54,544.5	48,955.8
Total Formulations	89,083.6	92,823.9	79,880.2	363,306.1	311,148.8
Bulk	4,136.7	4,710.3	4,356.8	18,354.3	19,503.5
Others	640.5	607.5	400.4	2,603.8	1,678.5
Total Sales	93,860.8	98,141.7	84,637.4	384,264.2	332,330.8
Total R&D Expenditure	5,432.9	5,471.0	5,571.1	22,194.0	21,499.4
Capital Expenditure	243.8	246.8	184.6	868.9	471.2
Revenue Expenditure	5,189.1	5,224.2	5,386.5	21,325.1	21,028.2
Exchange Rate : US\$ 1 = ₹	75.21	74.94	72.91		

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, May 30, 2022)

The Company will host an earnings call at 06.30 pm IST on May 30, 2022, where senior 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 number: +91 22 6629 0049
+91 22 7194 5729

Pre-registration details Click here [DiamondPassRegistration](#)
(to avoid wait time)

Playback of call: +91 22 7194 5757, *PlaybackCode:* 49431

Web-cast More details will be provided through our website, www.sunpharma.com

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

About Sun Pharmaceutical Industries Limited (CIN - L24230GJ1993PLC019050):

Sun Pharma is the world's fourth largest specialty generic pharmaceutical company and India's top pharmaceutical company. A vertically integrated business and a skilled team enables it to deliver high-quality products, trusted by customers and patients in over 100 countries across the world, at affordable prices. Its global presence is supported by manufacturing facilities spread across 6 continents and approved by multiple regulatory agencies, coupled with a multi-cultural workforce comprising over 50 nationalities. Sun Pharma fosters excellence through innovation supported by strong R&D capabilities across multiple R&D centers, with investments of approximately 6% of annual revenues in R&D. For further information, please visit www.sunpharma.com & follow us on Twitter @SunPharma_Live

Contacts

Investors:

Nimish Desai
Tel +91 22 4324 4324, Xtn 2778
Tel Direct +91 22 4324 2778
Mobile +91-98203 30182
E mail nimish.desai@sunpharma.com

Media:

Gaurav Chugh
Tel +91 22 4324 4324, Xtn 5373
Tel Direct +91 22 4324 5373
Mobile +91 98104 71414
E mail Gaurav.chugh@sunpharma.com