

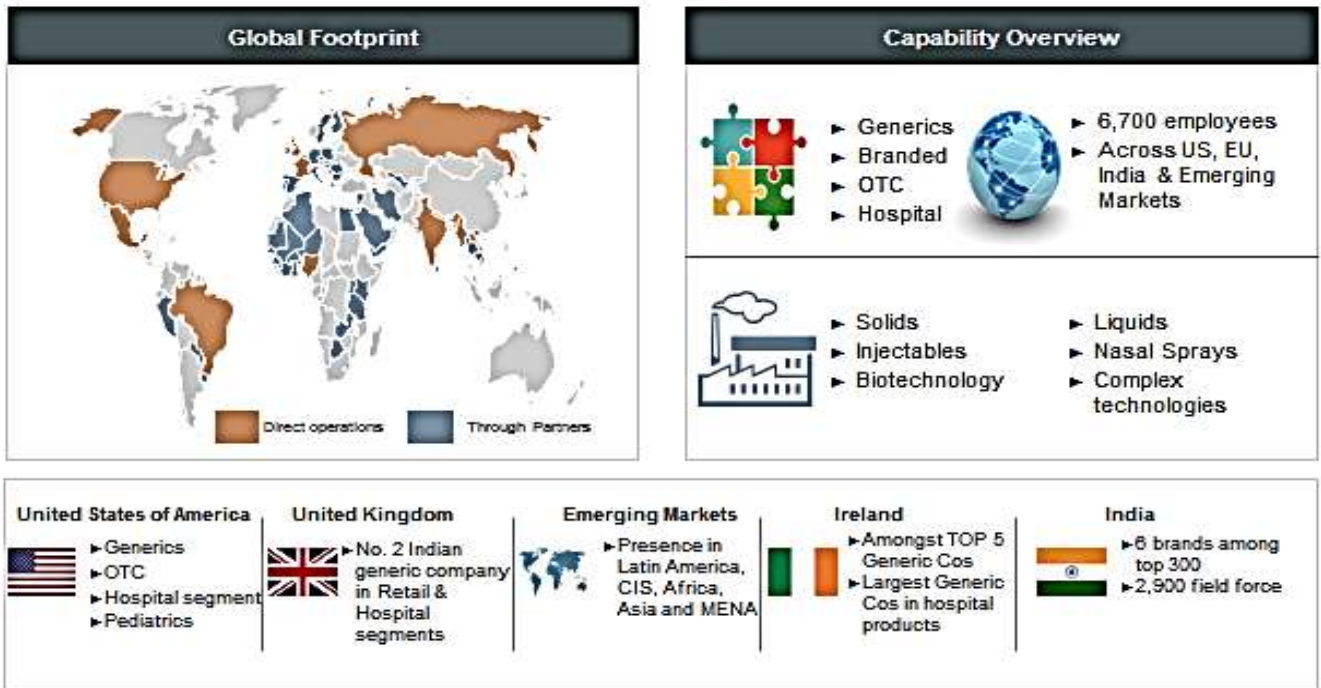


Investor Communication – Q2 FY 20

November 2019

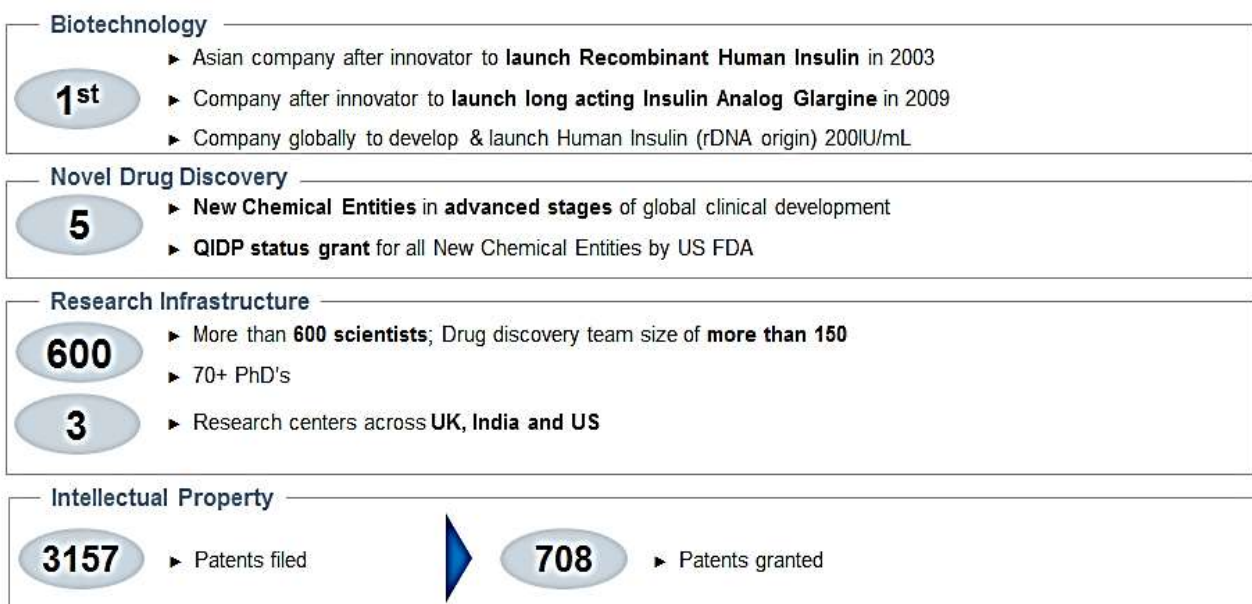


Wockhardt: at a glance



Source: IQVIA, MAT' Mar 2019

Wockhardt : Innovation driven Organisation



Wockhardt : Multi-disciplinary R&D

Increasing focus on innovation and complex technologies


Pharma Generics



Access to affordable, quality drugs

130+ ANDA's approved, 49 US DMF

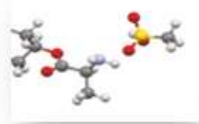
Biotechnology



Diabetes Focus

Insulin, Glargine, EPO, Pen device

Drug Discovery



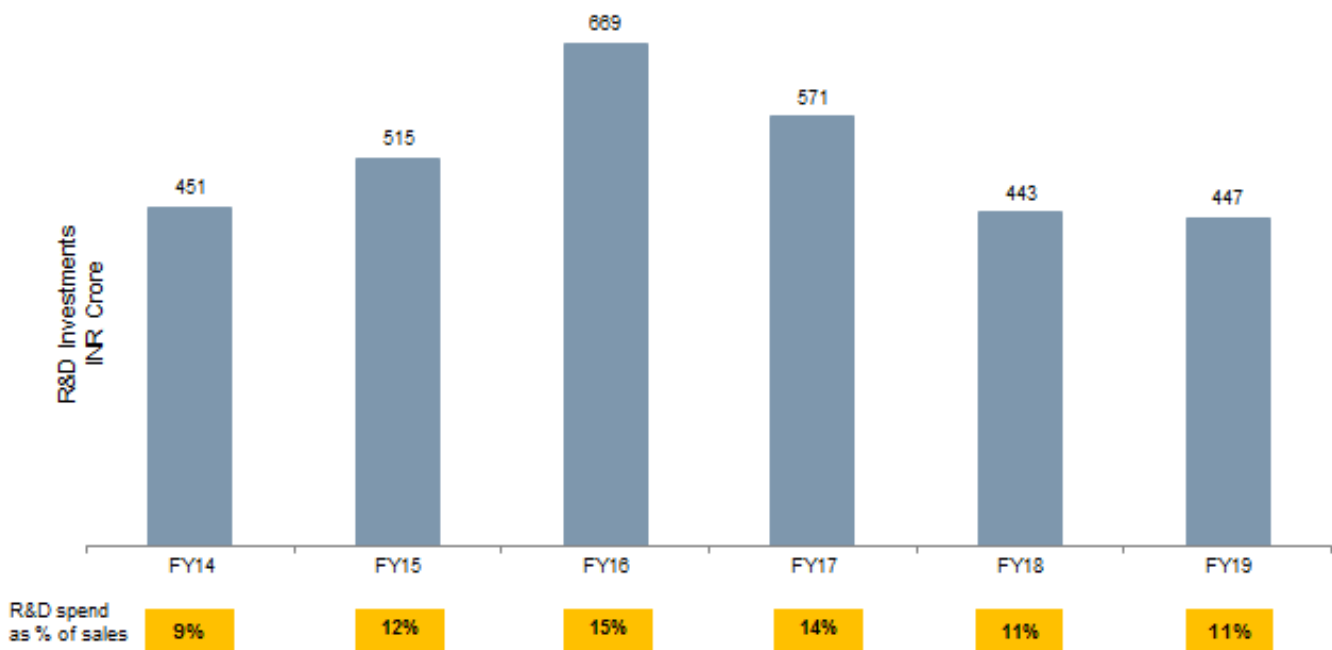
Antibiotics Focus

5 NCEs at clinical stage





QIDP* granted by US-FDA

* Qualified Infectious Disease Product is granted for a product which is active against identified set of resistant pathogens

Wockhardt : Long term commitment in R&D



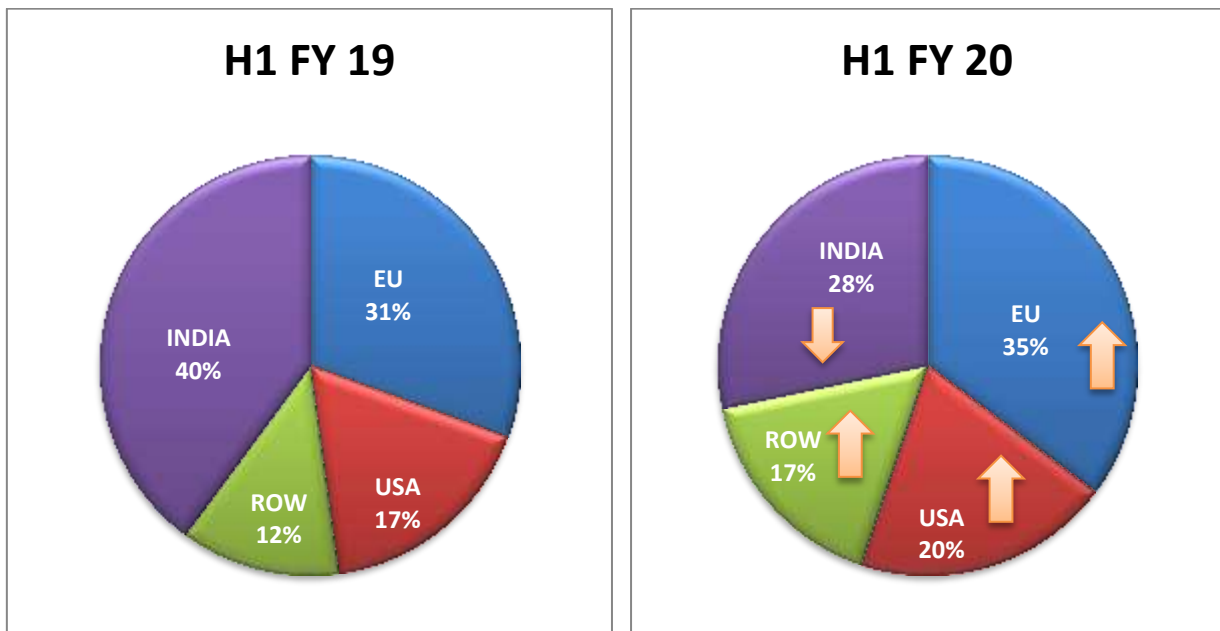
Update on Breakthrough NCE:

	WCK 771 / WCK 2349	WCK 4873	WCK 5222	WCK 4282
				
	NDA Filed in India	Global Phase II /EM Phase III	Global Phase III	Global Phase III
Expected Global Launch	H2 FY20	H2 FY22	H1 FY23	H1 FY24
Potential Indication	ABSSSI	CABP / RTI	cUTI HABP / VABP	cUTI HABP / VABP
Target Division	Critical Care, Derma & Respiratory	Respiratory & Consulting Physicians	Critical Care	Critical Care
	MDR Gram positive Anti-MRSA	Macrolide-resistant Respiratory Pathogens,	Destination therapy for XDR Gram negative Acinetobacter and Pseudomonas	Empiric-use; Carbapenem- sparing Gram negative

All products are granted QIDP by US-FDA for Breakthrough discovery in the field of "Unmet needs"

Note: ABSSSI: Acute bacterial skin and soft tissue infection; CABP: Community-Acquired Bacterial Pneumonia, RTI: Respiratory Tract Infections; MDR: Multi drug resistant; XTR: Extensively drug-resistant; cUTI: Complicated urinary tract infection; HABP: Hospital acquired bacterial pneumonia VABP: Ventilator associated bacterial pneumonia; QIDP: Qualified Infectious disease product;

Share of Global Revenues:-



Region-wise Revenue Highlights

Regions	Currency	Q2 FY 20	Q2 FY 19	H1 FY 20	H1 FY 19
India & Emerging Market					
India	INR Cr	227	455	471	850
Emerging Market	INR Cr	132	144	276	263
EU					
UK	GBP Mn	26	27	51	54
Ireland	Euro Mn	5	5	10	11
Others	Euro Mn	2	4	4	5
USA	USD Mn	21	27	48	54
France	Euro Mn	2	2	4	4
Total Consolidated		802	1,125	1,665	2,133

India Business: de-growth is mainly on account of lower sales in Quality Generics division and in some of the therapeutic areas.

US Business: de-growth is mainly on account of pricing pressure.

R&D Highlights

The focus in strategic R&D initiatives of the Company in the global arena continued to remain one of the key priorities. Such strategic R&D expenses though meant for the future are expensed off.

Total pending ANDAs as on 30th September, 2019 is 52.

Intellectual Property (IP) :

The company's continued pursuit in creating strong **Intellectual Property (IP)** base resulted into filing of 14 patents **during the Quarter ended 30th September, 2019** taking the cumulative filings to 3,157. The company was granted 9 patents during the quarter and now holds 708 patents.

Audit & Internal Controls

Statutory Auditors :

The Company has since appointed M/s BSR & Co LLP, Chartered Accountants as Statutory Auditors at the AGM held on 14th August, 2019. Accordingly, they have carried out maiden Limited Review of the Financial Results for Q2FY20.

Internal Audit :

The Company, since FY 2017-18, adopted Co-sourced model for Internal Audit and accordingly, Ernst & Young LLP has been assisting to carry out the Internal Audit reviews.

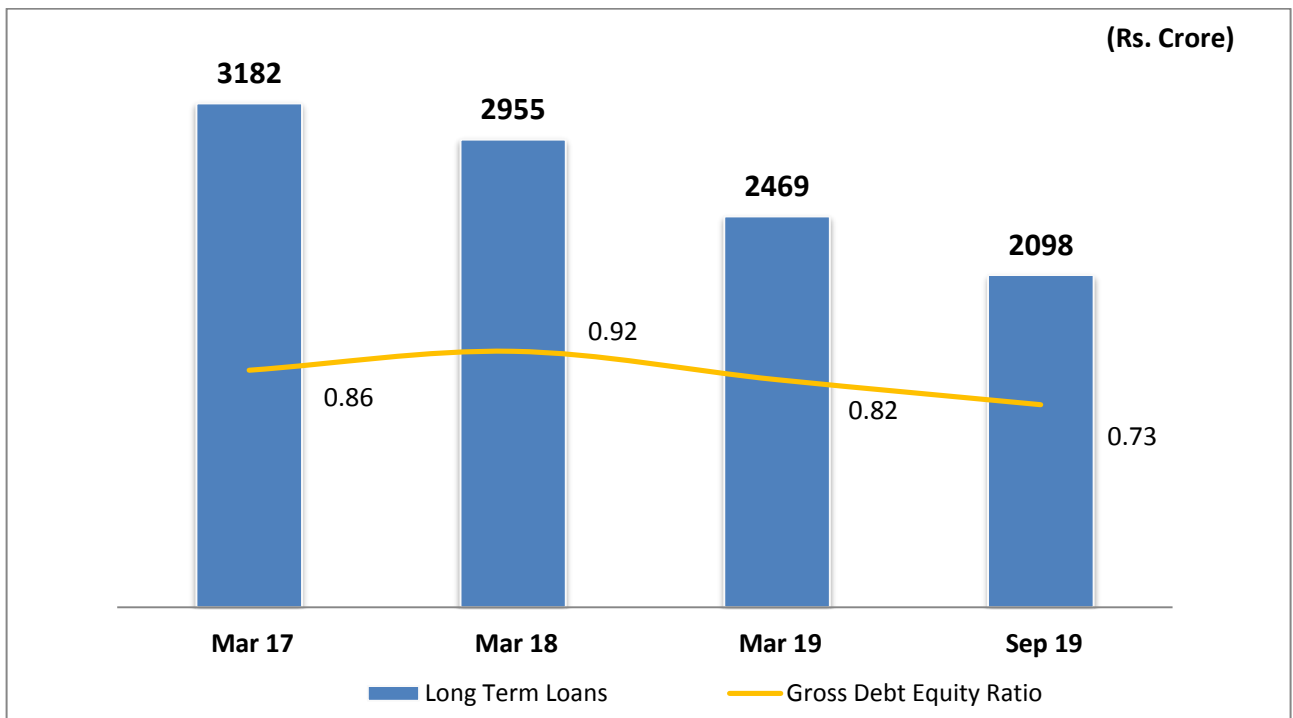
Debt Repayments

During the period ended 30th September, 2019 the Company repaid Rs. 408 crore towards various Long term debt obligations as per schedule.

Total Long term outstanding debts as on 30th September, 2019 was Rs. 2,098 crore as compared to Rs. 2,789 crore as on 30th September, 2018 and Rs. 2,469 crore as on 31st March, 2019.

Gross Debt- Equity ratio as on 30th September, 2019 stood at 0.94

Continuous reduction in Long term Debts:



Note: Long term loan does not include Preference Share Capital. Gross Debt Equity ratio above has been calculated only on the basis of Long Term Loans outstanding.

Consolidated Profit & Loss Statement

Particulars	Q2-FY20	Q1-FY20	Q2-FY19	H1-FY20	H1-FY19
Revenues from Operations	802	863	1125	1665	2133
Material Consumption	321	351	485	671	909
Gross Margins	482	512	640	994	1224
Gross Margin %	60%	59%	57%	60%	57%
Staff Cost	190	211	229	401	447
R&D Expenses	60	60	82	120	143
Other Expenditure*	189	185	277	374	553
Total Expenditure	759	807	1073	1566	2052
EBITDA*	43	56	52	99	81
EBITDA Margin	5%	6%	5%	6%	4%
EBITDA before R&D*	103	116	134	219	224
EBITDA Margin before R&D	13%	13%	12%	13%	11%
Interest Expenses (Net)*	65	71	65	136	138
(Income)/Expense due to Exchange Rate Fluctuation	(4)	16	(15)	11	9
Depreciation*	53	55	40	108	79
Other Income / (Loss)	(0)	8	6	8	14
Profit/(Loss) Before Tax before exceptional items	(71)	(78)	(32)	(148)	(132)
Exceptional Item Profit/(Loss)	-	-	-	-	-
Profit/(Loss) before Tax	(71)	(78)	(32)	(148)	(132)
Tax Expense (Including Deferred Tax)	24	(41)	(1)	(17)	(6)
Profit After Tax (PAT)	(94)	(37)	(31)	(131)	(126)
Less: Non-Controlling Interest	(12)	8	(8)	(4)	(17)
PAT after Non-Controlling Interest	(82)	(45)	(23)	(127)	(109)
PAT after Non-Controlling Interest Margin %	-10%	-5%	-2%	-8%	-5%

*Inclusive of impact of IND AS 116 (Lease Accounting) in H1 FY20.

Consolidated Balance Sheet

Rs. Crore

	Sep 19	Mar 19
Fixed Assets (Incl CWIP)	3,480	3,683
Right of Use Assets (Ind AS 116)	652	-
Goodwill in Consolidation	818	821
Other Assets	755	793
Cash & Bank (Incl Liquid Investments)	250	449
Net Current Assets	877	1,170
Total Assets	6,831	6,916
Shareholders' Funds	2,537	2,675
Non-Controlling Interest	327	330
Long Term Loans	2,098	2,469
Working Capital Loans	602	566
Preference Shares	340	330
Other Liabilities	543	546
Lease Liabilities (Ind AS 116)	384	-
	6,831	6,916

About Wockhardt

Wockhardt is a research based Global Pharmaceutical and Biotech company. Wockhardt's New Drug Discovery programme has focussed on unmet need of Anti-bacterial drugs that are effective against the menace of untreatable superbugs. Wockhardt is the only company in the world where USFDA has given QIDP Status (Qualified Infectious Diseases Programme) for 5 of our Anti-bacterial discovery programmes – 2 of them are Gram Negative and 3 Gram Positive effective against untreatable "Superbugs". It has a comprehensive Drug Discovery team and clinical organisation.

Wockhardt is employing 7000 people and 27 nationalities with presence in USA, UK, Ireland, Switzerland, France, Mexico, Russia and many other countries. It has manufacturing and research facilities in India, USA & UK and a manufacturing facility in Ireland. Wockhardt has a significant presence in USA, Europe and India, with 72% of its global revenues coming from international businesses.

Disclaimer

Except for historical information contained herein, statements in this communication, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue" and similar expressions or variations of such expressions 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, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. Wockhardt Limited does not undertake any obligation to update forward looking statements to reflect events or circumstances after the date thereof.

Contact Information

Investorrelations@wockhardt.com