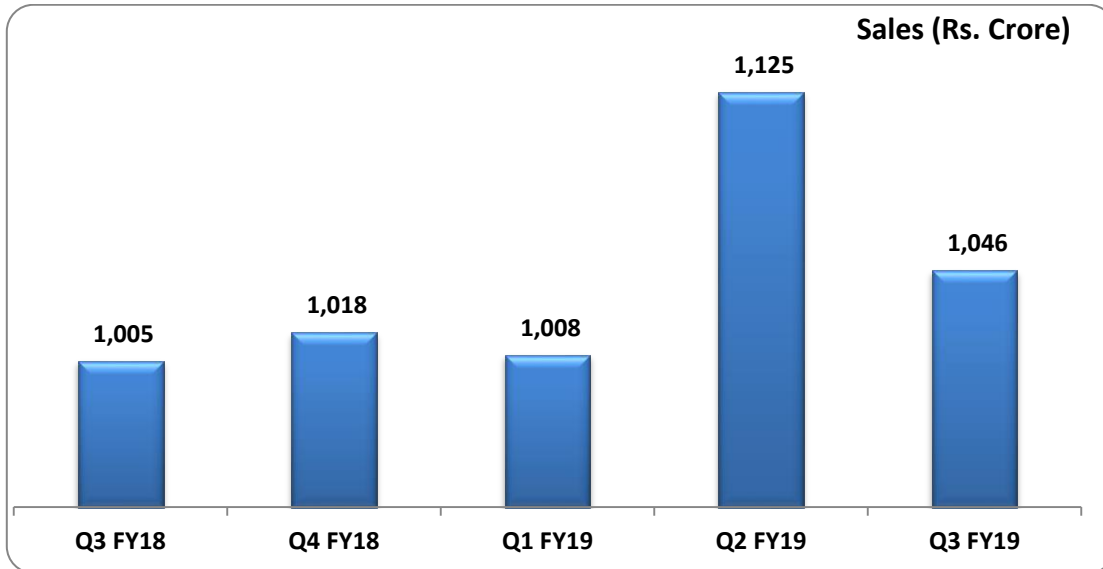


| | |
|----------------------------------|---|
| Sales | <ul style="list-style-type: none">• Q3FY19 : Rs.1,046 crore vs Rs.1,005 crore in PY• 9MFY19 : Rs.3,179 crore vs Rs.2,919 crore in PY |
| EBITDA before R&D | <ul style="list-style-type: none">• Q3FY19 : Rs.98 crore vs Rs.107 crore in PY• 9MFY19: Rs.322 crore vs Rs.185 crore in PY |
| EBITDA | <ul style="list-style-type: none">• Q3FY19 : Rs.19 crore vs Rs.45 crore in PY• 9MFY19: Rs.100 crore vs Rs.(25) crore in PY |
| PAT | <ul style="list-style-type: none">• Q3FY19: Rs.(71) crore vs Rs.(41) crore in PY• 9MFY19 : Rs.(180) crore vs Rs.(454) crore in PY |
| KEY INDICATORS | <ul style="list-style-type: none">• Capital Expenditure of Rs.92 crore during Q3FY19 & Rs.252 crore in 9MFY19 |

INVESTOR COMMUNICATION – Q3FY19

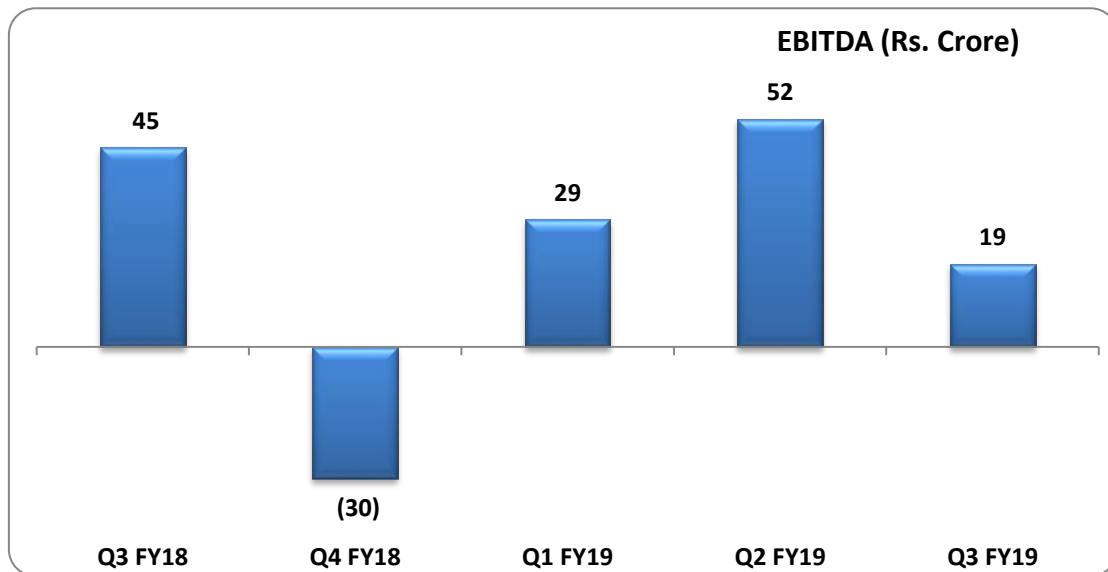
PERFORMANCE HIGHLIGHTS

Sales Performance over the period:



The business performance of the Company during the quarter ended 31st December, 2018 showed marked improvement with Sales growth of 4% over same period of previous year driven by growth in US and Emerging Markets.

EBITDA over the period:



The increase in revenue and gross margin was partially offset by increase in R&D and other expenses leading to decrease in EBITDA from Rs. 45 Crore in Q3 FY 18 to Rs. 19 Crore in current quarter. Costs of on-going remedial measures also continued to impact profitability.

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.

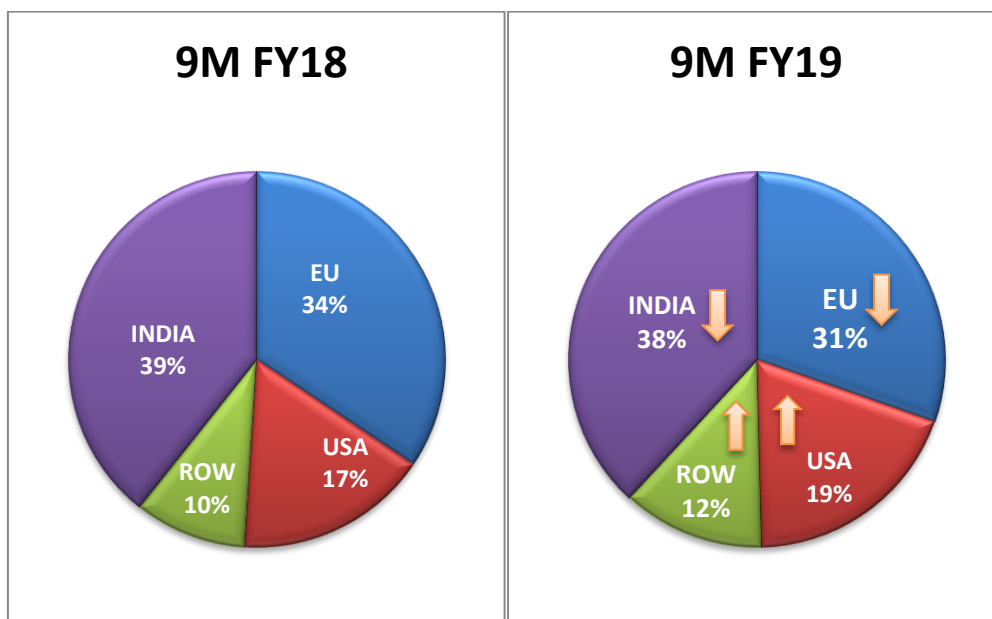
Consolidated Financials – Q3FY19:

- Consolidated revenues at Rs.**1,046** crore in **Q3FY19** vs Rs.**1,005** crore in **Q3FY18**, a growth of ~4%.
 - India Business de- grew by **7%** in Q3FY19 compared to Q3FY18.
 - Emerging market Business grew by **15%** in Q3FY19 compared to Q3FY18.
 - UK revenues de-grew by 13% in GBP terms in Q3FY19 over Q3FY18.
 - US Business grew by 29% in Q3FY19 compared to Q3FY18 in dollar terms mainly on account of New Products launched from Third Party manufacturing sites.
- Gross Margins at **56%** during **Q3FY19**.
- EBITDA at Rs.19 crore compared to Rs. 45 crore in **Q3FY18**.

Consolidated Financials – 9MFY19 :

- Consolidated revenues at Rs.**3,179** crore in **9MFY19** vs Rs.**2,919** crore in **9MFY18**.
 - India Business grew by 6% in 9MFY19 as compared to 9MFY18.
 - Emerging market Business grew by **38%** in 9MFY19 as compared to 9MFY18.
 - UK revenues de-grew by 12% in GBP terms in 9MFY19 compared to 9MFY18.
 - US Business grew by 18% in dollar terms in 9MFY19 as compared to 9MFY18.
- Gross Margins at **57%** during 9MFY19 up by 2% from 9MFY18.
- EBITDA at Rs.100 crore compared to Rs.(25) crore in 9MFY18.

Share of Global Revenues:-



Business Highlights

- International operations**

- at Rs.683 crore, contributes **65%** of global revenues for Q3FY19, grew by 12% as compared to Q3FY18.
- at Rs.1,966 crore, contributes **62%** of global revenues for **9MFY19**, grew by 11% as compared to **9MFY18**.

- India & Emerging Markets Business**

- India and Emerging Markets contributed 47% of the global revenues in Q3FY19 and 50% in 9MFY19.
- 8 new products during 9MFY19.
- India Business de-grew by 7% in Q3FY19 over Q3FY18 and stood at Rs.363 crore in Q3FY19 vs Rs.392 crore in Q3FY18. India Business stood at Rs.1,213 crore for 9MFY19 vs Rs.1,147 crore in 9MFY18.
- Emerging Markets Business grew by 15% in Q3FY19 compared to Q3FY18 and stood at Rs.125 crore in Q3FY19 compared to Rs.109 crore in Q3FY18. During 9MFY19 it stood at Rs.388 crore vs Rs.282 crore of 9MFY18 representing a growth of 38% in 9M FY19.

- **Europe Business**

- Europe Operations (including France) contributed 30% of the Global Revenues in Q3FY19 and 9MFY19. Revenues from EU Operations (excluding France) were at Rs.300 crore in Q3FY19 and at Rs.919 crore during 9MFY19. Revenues from French Operations were at Rs.15 crore in Q3FY19 and Rs.48 crore in 9MFY19 versus Rs.13 crore in Q3FY18 and Rs.43 crore during 9MFY18.

- **UK Operations (including Pinewood's UK business)**

- UK revenues were at Rs.248 crore in Q3FY19 vs Rs.264 crore in Q3FY18, representing a de-growth of 6% in Q3FY19 in INR terms (and de-grew by 13% in GBP terms in Q3FY19 over Q3FY18). UK operations stood at Rs.737 crore in 9MFY19 versus Rs.775 crore in 9MFY18, de-grew by 5% in INR terms (and de-grew by 12% in GBP terms in 9MFY19 over 9MFY18).
- Irish Business revenues were at Rs.35 crore in Q3FY19 vs Rs.42 crore in Q3FY18, de-grew by 16% in Q3FY19 in INR terms (and 23% in Euro terms). During 9MFY19 Irish business grew by 5% in INR terms (Revenues at Rs.121 crore in 9MFY19 versus Rs.115 crore in 9MFY18) and de-grew by 3% in Euro terms.

- **US Business**

- US business for Wockhardt contributed 23% of the Global Revenues in Q3FY19 compared to 17% in the Q3FY18. Revenues from the US Business were at Rs.243 crore in Q3FY19 versus Rs.175 crore in Q3FY18. During 9MFY19 it stood at Rs.612 crore versus Rs.485 crore during 9MFY 18.
- The company received 1 new approval of ANDA during 9MFY19. Total pending ANDAs as on 30th September, 2018 is 70.

• Consolidated P&L

| Particulars | Q3-FY19 | Q2-FY19 | Q3-FY18 | 9M FY19 | 9M FY18 |
|--|--------------|-------------|-------------|--------------|--------------|
| Revenues from Operations | 1046 | 1125 | 1005 | 3179 | 2919 |
| Material Consumption | 464 | 485 | 446 | 1373 | 1325 |
| Gross Margins | 582 | 640 | 559 | 1806 | 1594 |
| <i>Gross Margin %</i> | <i>56%</i> | <i>57%</i> | <i>56%</i> | <i>57%</i> | <i>55%</i> |
| Staff Cost | 220 | 229 | 204 | 667 | 638 |
| R&D Expenses | 79 | 82 | 62 | 222 | 210 |
| Other Expenditure | 264 | 277 | 247 | 817 | 771 |
| Total Expenditure | 1026 | 1073 | 960 | 3079 | 2944 |
| EBITDA | 19 | 52 | 45 | 100 | (25) |
| <i>EBITDA Margin</i> | <i>2%</i> | <i>5%</i> | <i>4%</i> | <i>3%</i> | <i>-1%</i> |
| EBITDA before R&D | 98 | 134 | 107 | 322 | 185 |
| <i>EBITDA Margin before R&D</i> | <i>9%</i> | <i>12%</i> | <i>11%</i> | <i>10%</i> | <i>6%</i> |
| Interest Expenses (Net) | 63 | 63 | 56 | 195 | 169 |
| (Income)/Expense due to Exchange Rate Fluctuation | 37 | (15) | (1) | 46 | (33) |
| Depreciation | 41 | 40 | 38 | 121 | 111 |
| Other Income / (Loss) | 1 | 5 | 31 | 10 | 107 |
| Profit/(Loss) Before Tax before exceptional items | (121) | (32) | (16) | (252) | (165) |
| Exceptional Item Profit/(Loss) | - | - | - | - | (358) |
| Profit/(Loss) before Tax | (121) | (32) | (16) | (252) | (523) |
| Tax Expense (Including Deferred Tax) | (44) | (1) | 27 | (50) | (9) |
| Profit After Tax (PAT) | (77) | (31) | (43) | (203) | (514) |
| Add: Share of Profit/(Loss) from Associates | - | - | - | - | - |
| Less: Non-Controlling Interest | (6) | (8) | (2) | (23) | (60) |
| PAT after Non-Controlling Interest | (71) | (23) | (41) | (180) | (454) |
| <i>PAT after Non-Controlling Interest Margin %</i> | <i>-7%</i> | <i>-2%</i> | <i>-4%</i> | <i>-6%</i> | <i>-16%</i> |

Preference Shares:

During the quarter, the Company issued 4% Non-Convertible Non-Cumulative Redeemable Preference Shares ('NCCRPS'), on preferential basis, for an aggregate amount of Rs. 250 Crore in accordance with the approval of the Shareholders of the Company obtained on December 14, 2018. The NCCRPS were completely subscribed by the members of the promoter group.

The above sum was utilised to redeem the existing Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS Series 2) and Non-Convertible Cumulative Redeemable Preference Shares (NCCRPS Series 2 and Series 3) on its due date of redemption during the quarter. The total amount of redemption was Rs. 271 Crore.

About Wockhardt

Wockhardt is a Global Pharmaceutical and Biotech company employing over 9,000 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 62% of its global revenues coming from international businesses. Wockhardt is home to 600 plus scientists, of whom 70 plus are doctorates. 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”. Wockhardt’s entire Anti-infective portfolio particularly addresses the specific bacterial organism where resistances are high and breakthrough antibiotics are needed.

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