



November 22, 2021

My Dear Share Owners,

The Company's Board of Directors have approved the financial results for 2nd Quarter (July-September) of the Financial Year 2021-22. I take this opportunity to share with you the Company's performance this year along with some key business highlights.

Wockhardt and Jemincare partner for novel respiratory antibiotic

Wockhardt Bio AG – a subsidiary of Wockhardt Limited, (“Wockhardt”), a worldwide leader in discovery of novel antibiotics and Jiangxi Jemincare Group Company Limited, China (“Jemincare”), have partnered for Wockhardt's novel patented antibiotic WCK 4873 (INN: Nafithromycin) in People's Republic of China, Hong Kong, Macau and Taiwan for the treatment of community-acquired bacterial pneumonia and other respiratory tract infections.

Under the terms of the definitive agreement, Jemincare will be responsible for exclusive development and commercialization of the Nafithromycin in the select markets. Wockhardt will receive an upfront payment and will be eligible for regulatory-linked milestone payments. Further, Wockhardt would supply the product to Jemincare and will receive royalties on net sales.

RDIF and Wockhardt partner to produce Sputnik V and Sputnik Light vaccines against COVID-19

The Russian Direct Investment Fund (RDIF, Russia's sovereign wealth fund), and Wockhardt Limited, a global pharmaceutical company headquartered in India, have partnered to produce and supply Sputnik V and Sputnik Light vaccines against COVID-19. The agreement was reached under the aegis of Enso Healthcare (part of Enso Group), RDIF's coordination partner for sourcing Sputnik V vaccines in India.

The single dose Sputnik Light vaccine demonstrated 79.4% efficacy according to analysed data taken from 28 days after the injection was administered as part of Russia's mass vaccination programme.

One-shot Sputnik Light vaccine demonstrates 70% efficacy against infection with the Delta variant during the first three months after vaccination. The vaccine is more than 75% effective among subjects under the age of 60. Sputnik Light also provides much higher efficacy against severe diseases and hospitalisation.

Sputnik V demonstrates 83.1% efficacy against the Delta variant of coronavirus - higher than many other vaccines. The vaccine shows 6 times reduction of infection risk. Sputnik V is also 94.4% effective against hospitalisations with 18 times reduction in hospitalisation risk. Sputnik V is based on a proven and well-studied platform of human adenoviral vectors and uses two different vectors for the two shots in a course of vaccination, providing immunity with a longer duration than vaccines using the same delivery mechanism for both shots.

Highlights of Consolidated Financial Statements:

The Company recorded substantial growth in Revenue (up by 21% over previous corresponding quarter) and in EBITDA at ₹109 crore compared to a nominal profit of ₹27 crore in the corresponding quarter of the previous year. Profit after Tax (PAT) for the Quarter was ₹34 crore against ₹(13) crore in the previous quarter. Compared to H1FY21 the Company has recorded a substantial growth in Revenue by 26% and EBITDA has grown many fold at ₹217 crore compared to a loss of ₹(22) crore in H1FY21.

Q2 (July-September) FY 2021-22

- ◆ Consolidated revenue for the quarter is ₹862 crore, compared to ₹714 crore in the previous year.
- ◆ EBITDA before R&D is ₹148 crore for Q2FY22, compared to ₹72 crore in previous year.
- ◆ R&D spend at ₹39 crore (5% of sales) and including capital expenditure is at 7.4% to sales for Q2FY22.



Business Highlights

- ◆ The International Business contributed 78% of the global revenue in Q2FY22.
- ◆ The Continuing India Business stood at ₹187 crore in Q2FY22 (PY ₹127 crore) registering growth of 47%. Total India Business (Continued and Discontinued Operations) stood at ₹187 crore in Q2FY22 as compared to ₹124 crore in Q2FY21 – a growth of 51%.
- ◆ Emerging Markets Business of the Company stood at ₹113 crore in Q2FY22 (PY ₹169 crore).
- ◆ UK Business grew by 66% over previous corresponding quarter and stood at ₹387 crore in Q2FY22 (PY ₹233 crore). UK Business contributed about 45% of Global Revenue. Major growth has come from the COVID-19 Vaccine business.
- ◆ US Business stood at ₹61 crore in Q2FY22 as compared to ₹99 crore in Q2FY21.
- ◆ Irish Business stood at ₹38 crore in Q2FY22 (PY ₹34 crore).

H1 (April-September) FY 2021-22

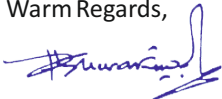
- ◆ Consolidated revenue for H1FY22 is ₹1,722 crore, compared to ₹1,366 crore in the previous year.
- ◆ EBITDA before R&D is ₹290 crore for H1FY22, compared to ₹61 crore in previous year.
- ◆ R&D spend at ₹73 crore (4% of sales) and including capital expenditure is at 8% to sales for H1FY22.

Business Highlights

- ◆ The International Business contributed 80% of the global revenue in H1FY22.
- ◆ The Continuing India Business stood at ₹339 crore in H1FY22 (PY ₹186 crore) registering growth of 82%. Total India Business (Continued and Discontinued Operations) stood at ₹339 crore in H1FY22 as compared to ₹240 crore in H1FY21 – a growth of 41%.
- ◆ Emerging Markets Business of the Company stood at ₹237 crore in H1FY22 (PY ₹308 crore).
- ◆ UK Business grew by 76% over H1FY21 and stood at ₹794 crore in H1FY22 (PY ₹451 crore). UK Business contributed about 46% of Global Revenue. Major growth has come from the COVID-19 Vaccine business.
- ◆ US Business stood at ₹163 crore in H1FY22 as compared to ₹213 crore in H1FY21.
- ◆ Irish Business stood at ₹74 crore in H1FY22 (PY ₹67 crore).

We wish to thank each one of you for your continued support and confidence in Wockhardt. We continue to stay focused and build a strong business at Wockhardt as we solicit your unstinted support.

Warm Regards,

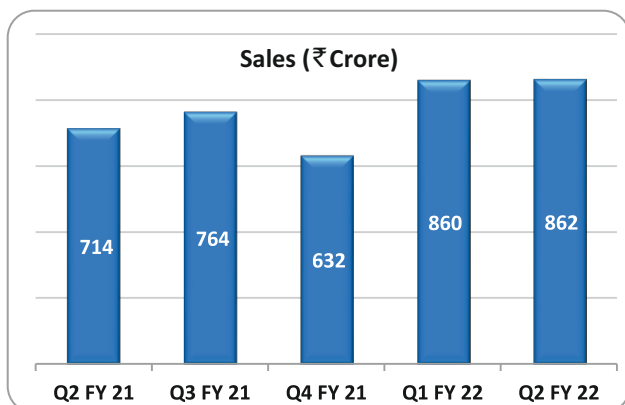


Dr. Habil Khorakiwala
Founder Chairman

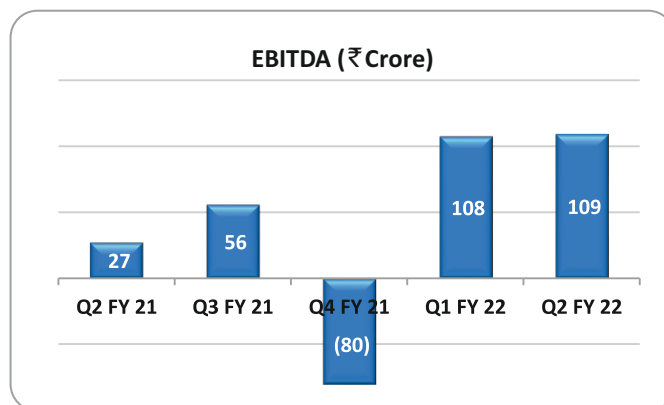


PERFORMANCE HIGHLIGHTS

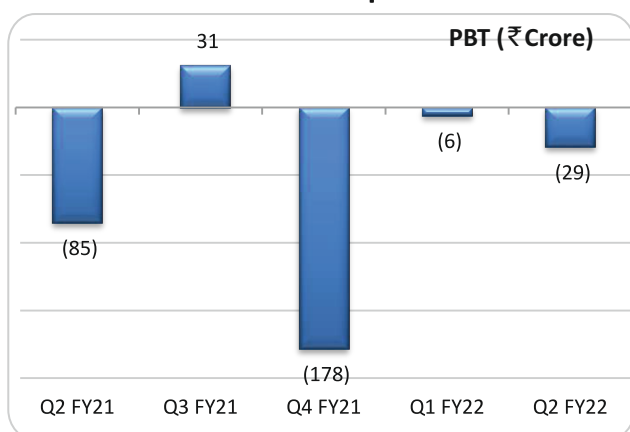
Sales Performance over the period:



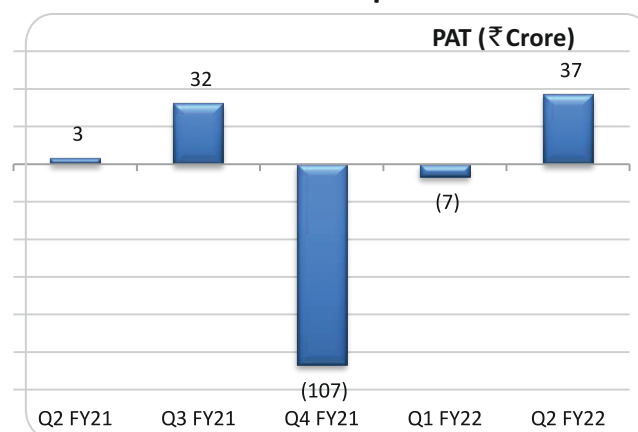
EBITDA over the period:



PBT over the period:



PAT over the period:



Consolidated Financials – Q2FY22:

- Consolidated revenues at ₹862 crore in Q2FY22 vs. ₹714 crore in Q2FY21, a growth of ~21%.
 - India Business Continued operations grew by 47% in Q2FY22 compared to Q2FY21.
 - Emerging Markets Business de-grew by 33% in Q2FY22 compared to Q2FY21.
 - UK revenues grew by 55% in GBP terms in Q2FY22 over Q2FY21.
 - US Business de-grew by 37% in Q2FY22 compared to Q2FY21 in dollar terms.
- Gross Margins at 61% during Q2FY22 compared to 59% in Q2FY21.
- EBITDA at ₹109 crore compared to ₹27 crore in Q2FY21.

Consolidated Financials – H1FY22:

- Consolidated revenues at ₹1,722 crore in H1FY22 vs. ₹1,366 crore in H1FY21, a growth of ~26%.
 - India Business Continued operations grew by 82% in H1FY22 compared to H1FY21.
 - Emerging Markets Business de-grew by 23% in H1FY22 compared to H1FY21.
 - UK revenues grew by 62% in GBP terms in H1FY22 over H1FY21.
 - US Business de-grew by 22% in H1FY22 compared to H1FY21 in dollar terms.
- Gross Margins at 62% during H1FY22 and H1FY21.
- EBITDA at ₹217 crore compared to ₹(22) crore in H1FY21.

BUSINESS HIGHLIGHTS

• International Operations

- At ₹675 crore, contributes 78% of global revenues for Q2FY22, **grew by 14%** as compared to Q2FY21.
- At ₹1,383 crore, contributes 80% of global revenues for H1FY22, **grew by 23%** as compared to H1FY21.

• India & Emerging Markets Business

- India and Emerging Markets contributed 35% of the global revenues in Q2FY22 and 33% of the global revenues in H1FY22.
- The Continuing India Business stood at ₹187 crore in Q2FY22 (PY ₹127 crore) registering growth of 47%. Total India Business (Continued and Discontinued Operations) stood at ₹187 crore in Q2FY22 as compared to ₹124 crore in Q2FY21 – a growth of 51%. The Continuing India Business stood at ₹339 crore in H1FY22 (PY ₹186 crore) registering growth of 82%. Total India Business (Continued and Discontinued Operations) stood at ₹339 crore in H1FY22 as compared to ₹240 crore in H1FY21 – a growth of 41%.
- Emerging Markets Business of the Company stood at ₹113 crore in Q2FY22 (PY ₹169 crore). Emerging Markets Business of the Company stood at ₹237 crore in H1FY22 (PY ₹308 crore).

• Europe Business & UK

- Europe Operations (including France) contributed 58% of the Global Revenues in Q2FY22 and 57% in H1FY22. Revenues from EU Operations (excluding France) were at ₹501 crore in Q2FY22 and at ₹965 crore in H1FY22. Revenues from French Operations were NIL in Q2FY22 compared to ₹20 crore in Q2FY21. Revenues from French Operations stood at ₹18 crore in H1FY22 compared to ₹36 crore in H1FY21.

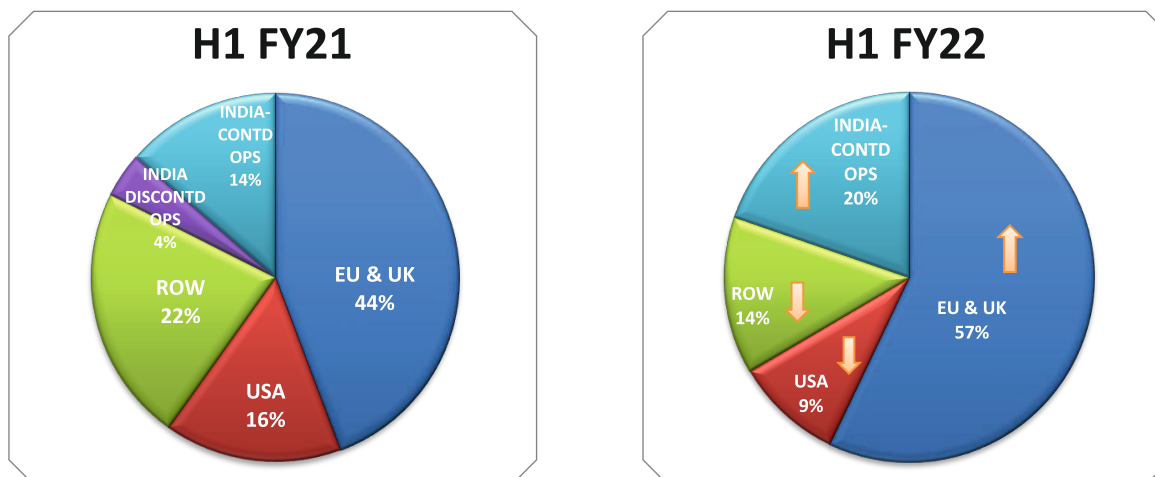
• UK Operations (including Pinewood's UK Business)

- UK revenues stood at ₹387 crore in Q2FY22 vs. ₹233 crore in Q2FY21, representing growth of 66% in INR terms (and **grew by 55% in GBP terms** in Q2FY22 over Q2FY21). UK revenues stood at ₹794 crore in H1FY22 vs. ₹451 crore in H1FY21, representing growth of 76% in INR terms (and **grew by 62% in GBP terms** in H1FY22 over H1FY21).
- Irish Business revenues were at ₹38 crore in Q2FY22 vs. ₹34 crore in Q2FY21, grew by 13% in Q2FY22 in INR terms (**grew by 10% in Euro terms**). Irish Business revenues were at ₹74 crore in H1FY22 vs. ₹67 crore in H1FY21, grew by 11% in H1FY22 in INR terms (**grew by 6% in Euro terms**).

• US Business

- US Business contributed to 7% of the Global Revenues in Q2FY22 compared to 14% in the Q2FY21. Revenues from the US Business were at ₹61 crore in Q2FY22 versus ₹99 crore in Q2FY21. US Business contributed to 9% of the Global Revenues in H1FY22 compared to 16% in the H1FY21. Revenues from the US Business were at ₹163 crore in H1FY22 versus ₹213 crore in H1FY21.
- Total pending ANDAs as on 30th September, 2021 is 29.

SHARE OF GLOBAL REVENUES



FINANCIALS

Consolidated P&L

₹ Crore

Particulars	Q2 FY22	Q1 FY22	Q2 FY21	H1 FY22	H1 FY21
Revenues from Operations	862	860	714	1722	1366
Material Consumption	335	323	292	658	521
Gross Margins	527	537	422	1064	846
Gross Margin %	61%	62%	59%	62%	62%
Staff Cost	168	176	177	343	382
R&D Expenses	39	34	45	73	83
Other Expenditure*	211	220	173	431	402
Total Expenditure	753	752	687	1505	1388
EBITDA*	109	108	27	217	(22)
EBITDA Margin	13%	13%	4%	13%	-2%
EBITDA before R&D*	148	141	72	290	61
EBITDA Margin before R&D	17%	16%	10%	17%	4%
Interest Expenses (Net)*	69	64	61	133	135
(Income)/Expense due to Exchange Rate Fluctuation	13	(13)	11	0	19
Depreciation*	61	64	57	126	113
Other Income / (Loss)	5	2	16	7	24
Profit/(Loss) Before Tax before exceptional items	(29)	(6)	(85)	(35)	(265)
Exceptional Items	-	-	-	-	1,328
Profit/(Loss) before Tax	(29)	(6)	(85)	(35)	1063
Tax Expense (Including Deferred Tax)	(66)	1	(88)	(66)	300
Profit After Tax (PAT)	37	(7)	3	31	763
Less: Non-Controlling Interest	4	6	(0)	10	(1)
PAT after Non-Controlling Interest	34	(13)	4	21	764
PAT after Non-Controlling Interest Margin %	4%	-1%	0%	1%	56%

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

For further clarification, write to: Investor Service Cell, Wockhardt Limited, Wockhardt Towers, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 or Email: investorrelations@wockhardt.com

Visit us at: www.wockhardt.com