



1st March 2021

My Dear Share Owners,

The Company's Board of Directors have approved the financial results for 3rd Quarter (October-December) of the Financial Year 2020-21. I take this opportunity to share with you the Company's performance along with some key business highlights.

1st Indian Pharmaceutical Company to launch NCE in India in the Anti- Infective space:

Wockhardt is the 1st Indian Pharmaceutical company to launch NCE in the Indian Pharma market. 2 Products have been launched under the Tablet and Injection category under the brand name "EMROK O and EMROK".

Wockhardt UK hosts visit of Mr. Boris Johnson, Prime Minister of UK:

On 30th November 2020, Wockhardt hosted a visit at its Wrexham facility in North Wales of the **Prime Minister of the United Kingdom, Mr. Boris Johnson**.

The UK Government has reserved one fill and finish production line at Wockhardt UK for its exclusive use for 24 months in order to guarantee the supply of vaccines required to fight against COVID-19.

As per the terms of the agreement the company has reserved manufacturing capacity to allow for the supply of multiple vaccines to the UK Government in its fight against COVID-19, including AZD1222, the vaccine co-invented by the University of Oxford and its spin-out company, Vaccitech, and licensed by AstraZeneca.

In the UK, Wockhardt is one of the largest suppliers into the NHS for over 20 years, has had a presence in Wrexham for over two decades and employs over 400 people at its 612,000 square feet high-tech manufacturing facility.

Highlights of Consolidated Financial Statements:

The Company has reported EBITDA of ₹56 crore (as compared to ₹27 crore in the previous quarter i.e. Q2FY21) mainly driven by enhanced Revenue and Cost rationalisation. Profit after Tax (PAT) was ₹15 crore against a marginal profit of ₹4 crore in the previous quarter. PAT for 9MFY21 is ₹ 779 crore as against a loss of ₹117 crore in the corresponding period. The Profit includes Exceptional Items in connection with the transfer of the business comprising 62 products and line extensions along with related assets and liabilities, contracts, permits, intellectual properties, employees, marketing, sales and distribution of the same in the Domestic Branded Division in India, Nepal, Bhutan, Sri Lanka and Maldives, and the manufacturing facility at Baddi, Himachal Pradesh, (together the "**Business Undertaking**"), to Dr. Reddy's Laboratories Limited ("**DRL**") which was completed in Q1FY21.

Q3 (October-December) FY 2020-21

- ◆ Consolidated revenue for the quarter is ₹764 crore, compared to ₹ 869 crore in the previous year.
- ◆ EBITDA before R&D is ₹ 97 crore for Q3FY21, compared to ₹154 crore in previous year.
- ◆ R&D spend at ₹42 crore (5% of sales) and including capital expenditure is at 9% to sales for Q3FY21.



Business Highlights

- ◆ The International Business contributed 84% of the global revenue in Q3FY21.
- ◆ India Business stood at ₹122 crore in Q3FY21 as compared to ₹ 235 crore in Q3FY20. The Continuing Business stood at ₹ 122 in Q3FY21 (PY ₹114 crore) registering growth of 7%.
- ◆ Emerging Markets Business of the Company stood at ₹128 crore in Q3FY21 (PY ₹138 crore).
- ◆ UK Business during the quarter stood at ₹301 crore in Q3FY21 (PY ₹219 crore).
- ◆ US Business stood at ₹135 crore contributing to 18% of the Global Revenues in Q3FY21.
- ◆ Irish Business stood at ₹46 crore in Q3FY21 (PY ₹38 crore).
- ◆ French Operations stood flat at ₹14 crore in Q3FY21 as compared to Q3FY20.

9M (April-December) FY 2020-21

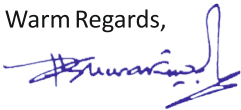
- ◆ Consolidated revenue for 9MFY21 is ₹2,130 crore, compared to ₹2,534 crore in the previous year.
- ◆ EBITDA before R&D is ₹158 crore for 9MFY21, compared to ₹373 crore in previous year.
- ◆ R&D spend at ₹124 crore (6% of sales) and including capital expenditure is at 9% to sales for 9MFY21.

Business Highlights

- ◆ The International Business contributed 83% of the global revenue in 9MFY21.
- ◆ India Business stood at ₹362 crore in 9MFY21 as compared to ₹706 crore in 9MFY20. De-growth is mainly on account of lower sales in Quality Generics division and in some of the therapeutic areas. India Business continued operations contributed to 14% of the Global Revenue.
- ◆ Emerging Markets Business of the Company stood at ₹435 crore in 9MFY21 showing a growth of 5% compared to the previous year (PY ₹414 crore).
- ◆ UK Business stood at ₹752 crore in 9MFY21 (PY ₹666 crore) recording a 13% growth. UK Business contributed about 35% of Global Revenue.
- ◆ US Business stood at ₹349 crore contributing to 16% of the Global Revenues in 9MFY21.
- ◆ Irish Business stood at ₹113 crore in 9MFY21 (PY ₹114 crore).
- ◆ French Operations stood at ₹50 crore in 9MFY21 as compared to ₹48 crore in 9MFY20.

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.

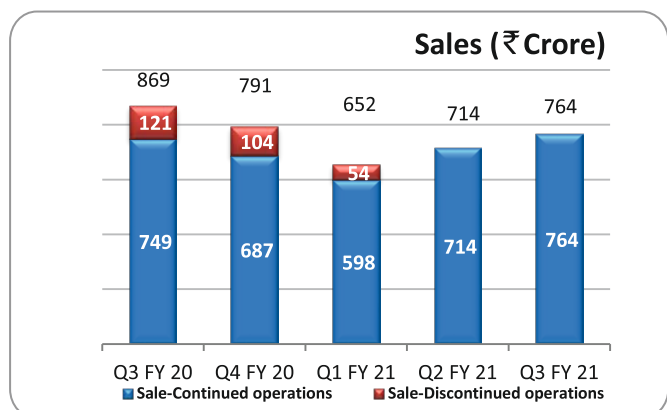
Warm Regards,



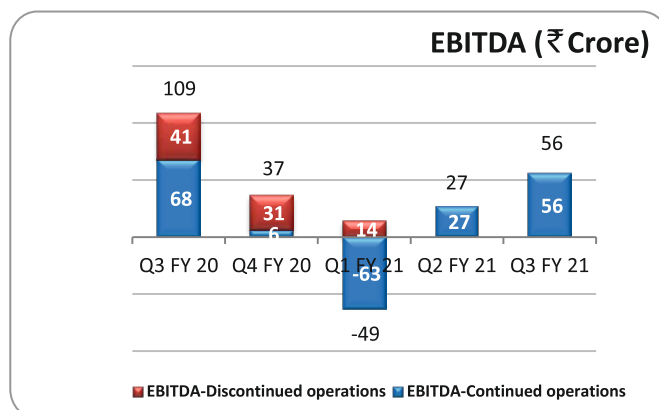
Dr. Habil Khorakiwala
Founder Chairman

PERFORMANCE HIGHLIGHTS

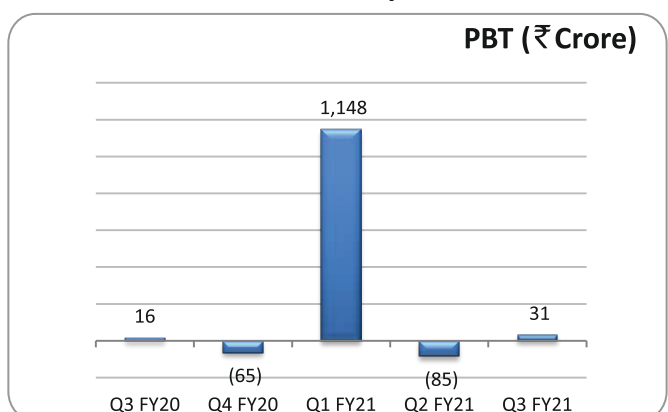
Sales Performance over the period:



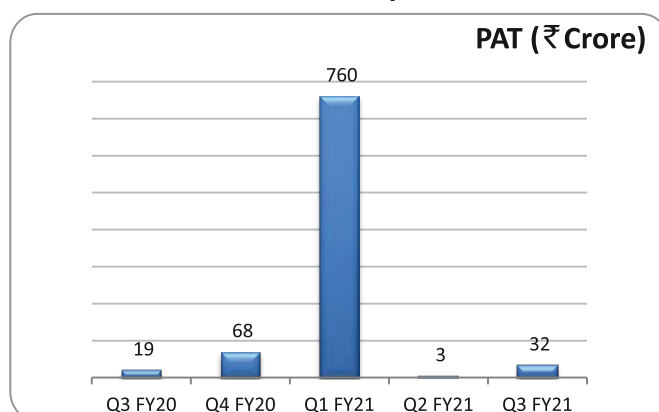
EBITDA over the period:



PBT over the period:



PAT over the period:



Consolidated Financials – Q3FY21:

- Consolidated revenues at ₹764 crore in Q3FY21 vs. ₹869 crore in Q3FY20, a de-growth of ~12%.
 - India Business Continued operations **grew by 7%** in Q3FY21 compared to Q3FY20.
 - Emerging Markets Business de-grew by 7% in Q3FY21 compared to Q3FY20.
 - UK revenues **grew by 28%** in GBP terms in Q3FY21 over Q3FY20.
 - US Business de-grew by 40% in Q3FY21 compared to Q3FY20 in dollar terms.
- Gross Margins at **59%** during Q3FY21 compared to **60%** in Q3FY20.
- EBITDA at ₹56 crore compared to ₹109 crore in Q3FY20.

Consolidated Financials – 9MFY21:

- Consolidated revenues at ₹ 2,130 crore in 9MFY21 vs ₹ 2,534 crore in 9MFY20, a de-growth of ~16%.
 - India Business Continued operations de-grew by 6% in 9MFY21 compared to 9MFY20.
 - Emerging Markets Business **grew by 5%** in 9MFY21 compared to 9MFY20.
 - UK revenues **grew by 5%** in GBP terms in 9MFY21 over 9MFY20.
 - US Business de-grew by 40% in 9MFY21 compared to 9MFY20 in dollar terms.
- Gross Margins at **61%** during 9MFY21 **up by 1%** compared to 9MFY20.
- EBITDA at ₹34 crore compared to ₹208 crore in 9MFY20.

BUSINESS HIGHLIGHTS

• International Operations

- At ₹643 crore, contributes 84% of global revenues for Q3FY21, **grew by 1%** as compared to Q3FY20.
- At ₹1,768 crore, contributes 83% of global revenues for 9MFY21, de-grew by 3% as compared to 9MFY20.

• India & Emerging Markets Business

- India and Emerging Markets contributed 33% of the global revenues in Q3FY21 and 37% in 9MFY21.
- NCE launched in India Branded business during 9MFY21.
- India Business continued operations stood at ₹122 crore showing a growth of 7% compared to Q3FY20 and India Business discontinued operations were NIL compared to ₹121 crore in Q3FY20. India Business continued operations stood at ₹308 crore in 9MFY21 compared to ₹328 crore in 9MFY20 and India Business discontinued operations were ₹54 crore in 9MFY21 compared to ₹377 crore in 9MFY20.
- Emerging Markets Business stood at ₹128 crore in Q3FY21 showing a de-growth of 7% compared to ₹138 crore in Q3FY20. Emerging Markets Business stood at ₹435 crore in 9MFY21 compared to ₹414 crore in 9MFY20.

• Europe Business & UK

- Europe Operations (including France) contributed 50% of the Global Revenues in Q3FY21 and 46% in 9MFY21. Revenues from EU Operations (excluding France) were at ₹365 crore in Q3FY21 and ₹934 crore in 9MFY21. Revenues from French Operations stood flat at ₹14 crore in Q3FY21 compared to Q3FY20 and at ₹50 crore in 9MFY21 compared to ₹48 crore in 9MFY20.

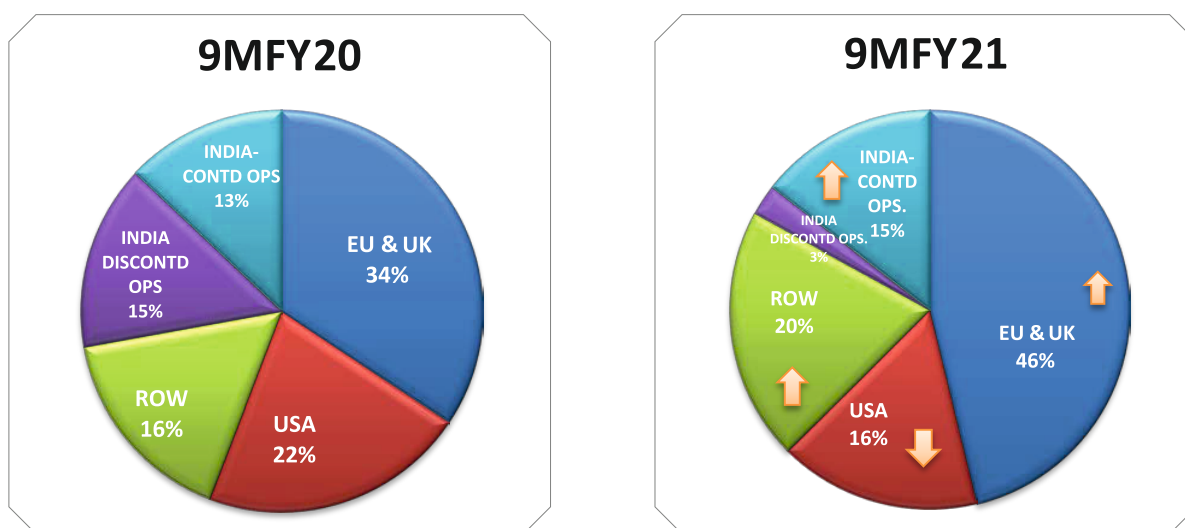
• UK Operations (including Pinewood's UK Business)

- UK revenues stood at ₹301 crore in Q3FY21 vs ₹219 crore in Q3FY20, representing growth of 38% in INR terms (and **grew by 28% in GBP terms** in Q3FY21 over Q3FY20). UK revenues stood at ₹752 crore in 9MFY21 vs. ₹666 crore in 9MFY20, representing growth of 13% in INR terms (and **grew by 5%** in GBP terms in 9MFY21 over 9MFY20).
- Irish Business revenues were at ₹46 crore in Q3FY21 vs. ₹38 crore in Q3FY20, grew by 23% in Q3FY21 in INR terms (**grew by 11% in Euro terms**). Irish Business revenues were at ₹113 crore in 9MFY21 vs. ₹114 crore in 9MFY20, de-grew by 1% in 9MFY21 in INR terms (and 9% in Euro terms).

• US Business

- US Business contributed to 18% of the Global Revenues in Q3FY21 compared to 25% in the Q3FY20. Revenues from the US Business were at ₹135 crore in Q3FY21 versus ₹213 crore in Q3FY20. US Business contributed to 16% of the Global Revenues in 9MFY21 compared to 21% in the 9MFY20. Revenues from the US Business were at ₹349 crore in 9MFY21 versus ₹544 crore in 9MFY20.
- Total pending ANDAs as on 30th December, 2020 is 33.

SHARE OF GLOBAL REVENUES



FINANCIALS

Consolidated P&L

₹ Crore

Particulars	Q3 FY21	Q2 FY21	Q3 FY20	9M FY21	9M FY20
Revenues from Operations	764	714	869	2130	2534
Material Consumption	314	292	348	835	1019
Gross Margins	450	422	522	1295	1516
<i>Gross Margin %</i>	<i>59%</i>	<i>59%</i>	<i>60%</i>	<i>61%</i>	<i>60%</i>
Staff Cost	183	177	188	566	589
R&D Expenses	42	45	45	124	165
Other Expenditure*	169	173	180	572	554
Total Expenditure	708	687	760	2097	2326
EBITDA*	56	27	109	34	208
<i>EBITDA Margin</i>	<i>7%</i>	<i>4%</i>	<i>13%</i>	<i>2%</i>	<i>8%</i>
EBITDA before R&D*	97	72	154	158	373
<i>EBITDA Margin before R&D</i>	<i>13%</i>	<i>10%</i>	<i>18%</i>	<i>7%</i>	<i>15%</i>
Interest Expenses (Net)*	60	61	79	194	214
(Income)/Expense due to Exchange Rate Fluctuation	(3)	11	(25)	17	(14)
Depreciation*	68	57	56	181	165
Other Income / (Loss)	101	16	17	125	25
Profit/(Loss) Before Tax before exceptional items	31	(85)	16	(234)	(132)
Exceptional Items	-	-	-	1,328	-
Profit/(Loss) before Tax	31	(85)	16	1094	(132)
Tax Expense (Including Deferred Tax)	(1)	(88)	(3)	299	(20)
Profit After Tax (PAT)	32	3	19	795	(112)
Less: Non-Controlling Interest	17	(0)	10	17	6
PAT after Non-Controlling Interest	15	4	9	779	(117)
<i>PAT after Non-Controlling Interest Margin %</i>	<i>2%</i>	<i>0%</i>	<i>1%</i>	<i>37%</i>	<i>-5%</i>

*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