



February 25, 2022

My Dear Partners,

We would like to thank you for being part of our journey and providing continuous support as an esteemed shareholder. Your Company is on a growth path and we would expect your continued support in this journey.

The Company's Board of Directors have approved the financial results for 3<sup>rd</sup> Quarter (October-December) 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.

I am pleased to announce your Company has reported a stellar performance in the quarter ended Q3FY22 despite the challenges faced due to the lockdown. Our cost effective measures have resulted in a strong EBITDA growth of 104% from ₹56 crore in Q3FY21 to ₹114 crore in Q3FY22. Revenues growth stood at 12% during the same period at ₹854 crore. The growth is primarily driven by NCEs and the Biosimilars portfolio. NCE portfolio i.e. EMROK and EMROK O grew by 69%. Emerging Markets Business also played a vital role in the growth contribution. The EM business exhibited resilience from the pandemic thereby contributing ₹166 crore in Q3FY22 versus ₹128 crore in Q3FY21 - growth of 30%. The growth reported is testament to traction that the business is gaining in these regions despite the macro environment challenges witnessed in these markets.

#### Highlights of Consolidated Financial Statements:

The Company recorded substantial growth in Revenue (up by 12% over previous corresponding quarter) and in EBITDA at ₹114 crore compared to a profit of ₹56 crore in the corresponding quarter of the previous year. There is Revenue growth of 21% in 9MFY22 over the previous year and substantial improvement in EBITDA at ₹331 crore.

#### Q3 (October-December) FY 2021-22

- ◆ Consolidated revenue for the quarter is ₹854 crore, compared to ₹764 crore in the previous year.
- ◆ EBITDA before R&D is ₹158 crore for Q3FY22, compared to ₹97 crore in previous year.
- ◆ R&D spend at ₹44 crore (5% of sales) and including capital expenditure is at 11.4% to sales for Q3FY22.

#### Business Highlights

- ◆ The International Business contributed 82% of the global revenue in Q3FY22.
- ◆ The India Business stood at ₹158 crore in Q3FY22 (PY ₹123 crore) registering growth of 28%. Total India Business (Continued and Discontinued Operations) stood at ₹158 crore in Q3FY22 as compared to ₹122 crore in Q3FY21 – a growth of 29%.
- ◆ Emerging Markets Business of the Company stood at ₹166 crore in Q3FY22 (PY ₹128 crore) registering a growth of 30%.
- ◆ UK Business grew by 14% over previous corresponding quarter and stood at ₹343 crore in Q3FY22 (PY ₹301 crore). UK Business contributed about 40% of Global Revenue. Major growth has come from the COVID-19 Vaccine business.
- ◆ US Business stood at ₹127 crore in Q3FY22 as compared to ₹135 crore in Q3FY21.
- ◆ Irish Business stood at ₹42 crore in Q3FY22 (PY ₹46 crore).



### 9M (April-December) FY 2021-22

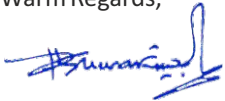
- ◆ Consolidated revenue for 9MFY22 is ₹2,575 crore, compared to ₹2,130 crore in the previous year.
- ◆ EBITDA before R&D is ₹448 crore for 9MFY22, compared to ₹158 crore in previous year.
- ◆ R&D spend at ₹117 crore (5% of sales) and including capital expenditure is at 9.1% to sales for 9MFY22.

### Business Highlights

- ◆ The International Business contributed 81% of the global revenue in 9MFY22.
- ◆ The Continuing India Business stood at ₹497 crore in 9MFY22 (PY ₹308 crore) registering growth of 61%. Total India Business (Continued and Discontinued Operations) stood at ₹497 crore in 9MFY22 as compared to ₹362 crore in 9MFY21 – a growth of 37%.
- ◆ Emerging Markets Business of the Company stood at ₹403 crore in 9MFY22 (PY ₹435 crore).
- ◆ UK Business grew by 51% over 9MFY21 and stood at ₹1,137 crore in 9MFY22 (PY ₹752 crore). UK Business contributed about 44% of Global Revenue. Major growth has come from the COVID-19 Vaccine business.
- ◆ US Business stood at ₹290 crore in 9MFY22 as compared to ₹349 crore in 9MFY21.
- ◆ Irish Business stood at ₹117 crore in 9MFY22 (PY ₹113 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



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## **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.

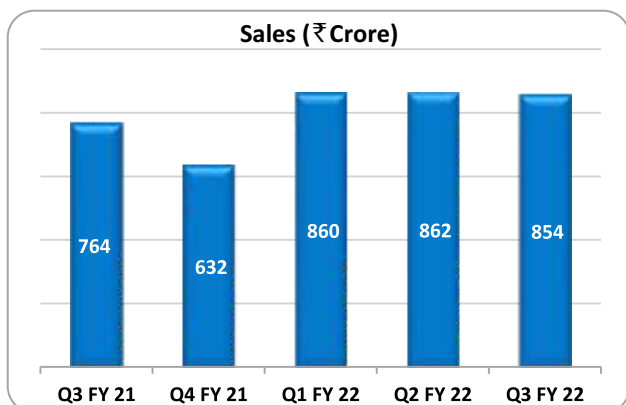
The single dose Sputnik Light vaccine demonstrated 79.4% efficacy according to analysed data taken from 28 days after the injection was administered as part of Russia's mass vaccination programme.

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.

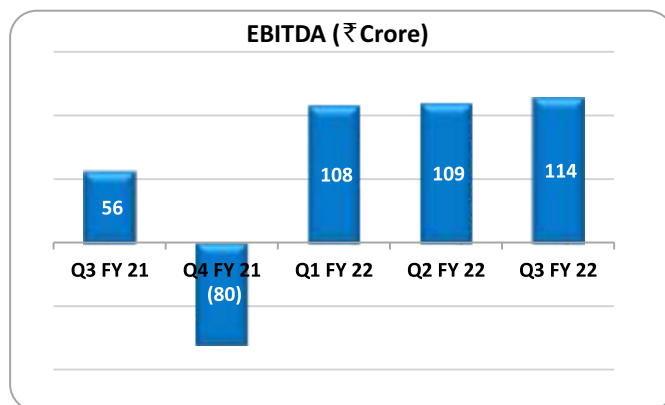
Sputnik V demonstrates 83.1% efficacy against the Delta variant of coronavirus - higher than many other vaccines. The vaccine shows 6 times reduction of infection risk. Sputnik V is also 94.4% effective against hospitalisations with 18 times reduction in hospitalisation risk. Sputnik V is based on a 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.

# PERFORMANCE HIGHLIGHTS

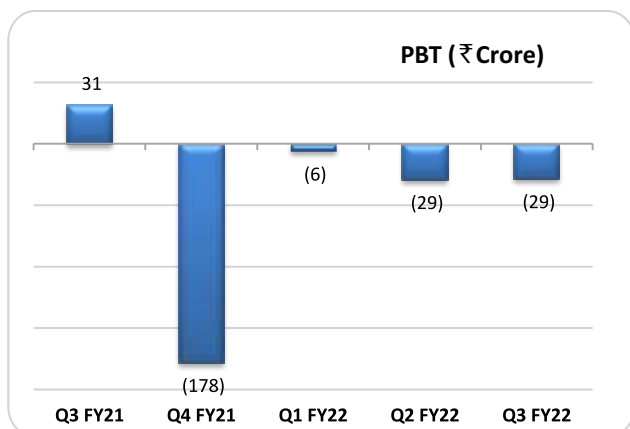
## Sales Performance over the period:



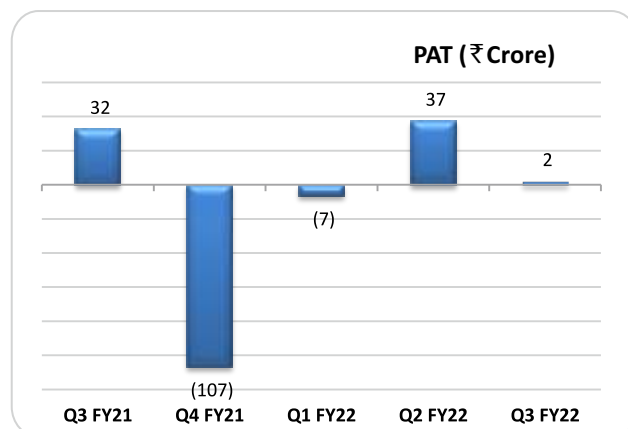
## EBITDA over the period:



## PBT over the period:



## PAT over the period:



### Consolidated Financials – Q3FY22:

- Consolidated revenues at ₹854 crore in Q3FY22 vs. ₹764 crore in Q3FY21, a growth of ~12%.
  - India Business Continued operations grew by 28% in Q3FY22 compared to Q3FY21.
  - Emerging Markets Business grew by 30% in Q3FY22 compared to Q3FY21.
  - UK revenues grew by 8% in GBP terms in Q3FY22 over Q3FY21.
  - US Business de-grew by 6% in Q3FY22 compared to Q3FY21 in dollar terms.
- Gross Margins at 61% during Q3FY22 compared to 59% in Q3FY21.
- EBITDA at ₹114 crore compared to ₹56 crore in Q3FY21.

### Consolidated Financials – 9MFY22:

- Consolidated revenues at ₹2,575 crore in 9MFY22 vs. ₹2,130 crore in 9MFY21, a growth of ~21%.
  - India Business Continued operations grew by 61% in 9MFY22 compared to 9MFY21.
  - Emerging Markets Business de-grew by 7% in 9MFY22 compared to 9MFY21.
  - UK revenues grew by 40% in GBP terms in 9MFY22 over 9MFY21.
  - US Business de-grew by 16% in 9MFY22 compared to 9MFY21 in dollar terms.
- Gross Margins at 62% in 9MFY22 and 61% in 9MFY21.
- EBITDA at ₹331 crore compared to ₹34 crore in 9MFY21.

# BUSINESS HIGHLIGHTS

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## • International Operations

- At ₹697 crore, contributes **82%** of global revenues for Q3FY22, **grew by 8%** as compared to Q3FY21.
- At ₹2,078 crore, contributes **81%** of global revenues for 9MFY22, **grew by 18%** as compared to 9MFY21.

## • India & Emerging Markets Business

- India and Emerging Markets contributed 38% of the global revenues in Q3FY22 and 35% of the global revenues in 9MFY22.
- India business grew by 29% in Q3FY22. The growth is primarily driven by NCEs and the Biosimilars portfolio. NCE portfolio i.e. EMROK and EMROK O has grown by 69% in the current quarter and over 150% in 9MFY22. The Biosimilars portfolio in the anti-diabetic space grew by 28% in 9MFY22.
- Emerging Markets Business of the Company stood at ₹166 crore in Q3FY22 (PY ₹128 crore) with a growth of 30% and for 9MFY22 at ₹403 crore (PY ₹435 crore).

## • Europe Business & UK

- Europe Operations (including France) contributed 47% of the Global Revenues in Q3FY22 and 54% in 9MFY22. Revenues from EU Operations (excluding France) were at ₹403 crore in Q3FY22 and at ₹1,368 crore in 9MFY22. Revenues from French Operations were NIL in Q3FY22 compared to ₹14 crore in Q3FY21. Revenues from French Operations stood at ₹18 crore in 9MFY22 compared to ₹50 crore in 9MFY21.

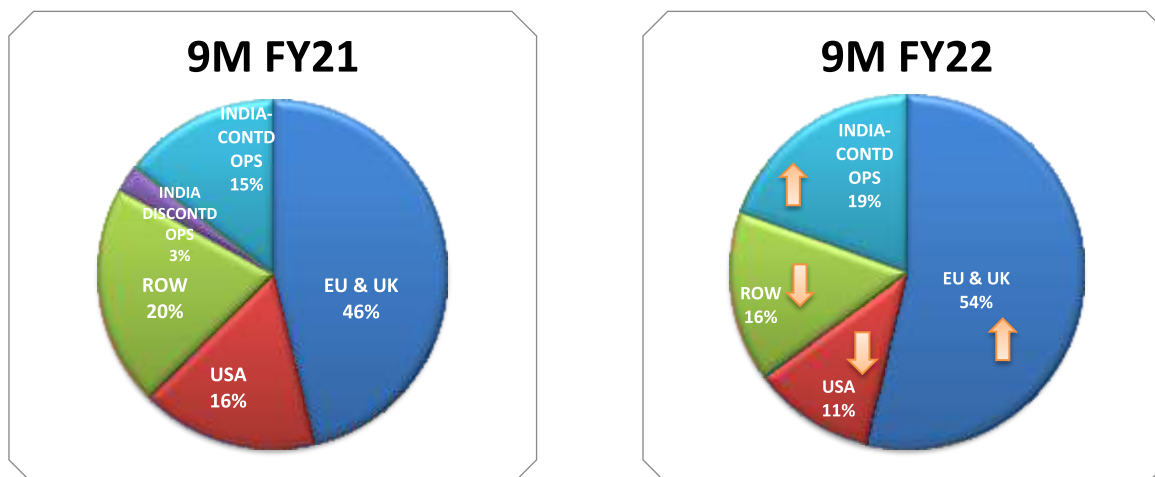
## • UK Operations (including Pinewood's UK Business)

- UK revenues stood at ₹343 crore in Q3FY22 vs ₹301 crore in Q3FY21, representing growth of 14% in INR terms (and **grew by 8% in GBP terms** in Q3FY22 over Q3FY21). UK revenues stood at ₹1,137 crore in 9MFY22 vs ₹752 crore in 9MFY21, representing growth of 51% in INR terms (and **grew by 40% in GBP terms** in 9MFY22 over 9MFY21).
- Irish Business revenues were at ₹42 crore in Q3FY22 vs. ₹46 crore in Q3FY21, de-grew by 8% in Q3FY22 in INR terms (de-grew by 9% in Euro terms). Irish Business revenues were at ₹117 crore in 9MFY22 vs. ₹113 crore in 9MFY21, grew by 3% in 9MFY22 in INR terms (remained flat in Euro terms).

## • US Business

- US Business contributed to 15% of the Global Revenues in Q3FY22 compared to 18% in the Q3FY21. Revenues from the US Business were at ₹127 crore in Q3FY22 versus ₹135 crore in Q3FY21. US Business contributed to 11% of the Global Revenues in 9MFY22 compared to 16% in the 9MFY21. Revenues from the US Business were at ₹290 crore in 9MFY22 versus ₹349 crore in 9MFY21.
- Total pending ANDAs as on 31<sup>st</sup> December, 2021 is 24.

# SHARE OF GLOBAL REVENUES



## FINANCIALS

### Consolidated P&L

₹ Crore

Particulars	Q3 FY22	Q2 FY22	Q3 FY21	9M FY22	9M FY21
<b>Revenues from Operations</b>	854	862	764	2575	2130
Material Consumption	332	335	314	990	835
<b>Gross Margins</b>	522	527	450	1586	1295
<b>Gross Margin %</b>	61%	61%	59%	62%	61%
Staff Cost	179	168	183	522	566
R&D Expenses	44	39	42	117	124
Other Expenditure*	185	211	169	616	572
<b>Total Expenditure</b>	740	753	708	2245	2097
<b>EBITDA*</b>	114	109	56	331	34
<b>EBITDA Margin</b>	13%	13%	7%	13%	2%
<b>EBITDA before R&amp;D*</b>	158	148	97	448	158
<b>EBITDA Margin before R&amp;D</b>	19%	17%	13%	17%	7%
Interest Expenses (Net)*	80	69	60	213	194
(Income)/Expense due to Exchange Rate Fluctuation	2	13	(3)	3	17
Depreciation*	62	61	68	188	181
Other Income / (Loss)	2	5	101	9	125
<b>Profit/(Loss) Before Tax before exceptional items</b>	(29)	(29)	31	(64)	(234)
Exceptional Items	-	-	-	-	1,328
<b>Profit/(Loss) before Tax</b>	(29)	(29)	31	(64)	1094
Tax Expense (Including Deferred Tax)	(30)	(66)	(1)	(96)	299
<b>Profit After Tax (PAT)</b>	2	37	32	32	795
Less: Non-Controlling Interest	9	4	17	18	17
<b>PAT after Non-Controlling Interest</b>	(7)	34	15	14	779
<b>PAT after Non-Controlling Interest Margin %</b>	-1%	4%	2%	1%	37%

\*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

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