

Mumbai, 7<sup>th</sup> November, 2019

**Wockhardt H1FY20 sales at Rs. 1,665 crore,  
 EBITDA in H1 FY 20 at Rs.99 crore up by 23%**

|                               | Q2-FY20           | Q1-FY20           | Q2-FY19           | H1-FY20           | H1-FY19           |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                               | Jul - Sep<br>2019 | Apr - Jun<br>2019 | Jul - Sep<br>2018 | Apr - Sep<br>2019 | Apr - Sep<br>2018 |
|                               | INR Cr            | INR Cr            | INR Cr            | INR Cr            | INR Cr            |
| <b>Sales</b>                  | <b>802</b>        | <b>863</b>        | <b>1,125</b>      | <b>1,665</b>      | <b>2,133</b>      |
| <b>EBITDA before R&amp;D*</b> | <b>103</b>        | <b>116</b>        | <b>134</b>        | <b>219</b>        | <b>224</b>        |
| <b>EBITDA % to Sales</b>      | <b>12.8%</b>      | <b>13.5%</b>      | <b>11.9%</b>      | <b>13.2%</b>      | <b>10.5%</b>      |
| <b>R&amp;D</b>                | <b>60</b>         | <b>60</b>         | <b>82</b>         | <b>120</b>        | <b>143</b>        |
| <b>R&amp;D % to Sales</b>     | <b>7.4%</b>       | <b>7.0%</b>       | <b>7.3%</b>       | <b>7.2%</b>       | <b>6.7%</b>       |
| <b>EBITDA*</b>                | <b>43</b>         | <b>56</b>         | <b>52</b>         | <b>99</b>         | <b>81</b>         |
| <b>EBITDA Margins %</b>       | <b>5.4%</b>       | <b>6.5%</b>       | <b>4.6%</b>       | <b>6.0%</b>       | <b>3.8%</b>       |
| <b>PBT</b>                    | <b>(71)</b>       | <b>(78)</b>       | <b>(32)</b>       | <b>(148)</b>      | <b>(132)</b>      |
| <b>Profit After Tax</b>       | <b>(82)</b>       | <b>(45)</b>       | <b>(23)</b>       | <b>(127)</b>      | <b>(109)</b>      |
| <b>PAT Margins %</b>          | <b>-10.2%</b>     | <b>-5.2%</b>      | <b>-2.0%</b>      | <b>-7.6%</b>      | <b>-5.1%</b>      |
| <b>EPS (Rs)</b>               | <b>(7.4)</b>      | <b>(4.1)</b>      | <b>(2.1)</b>      | <b>(11.5)</b>     | <b>(9.9)</b>      |

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

Wockhardt Limited, the Pharmaceutical and Biotechnology major, reported its 2<sup>nd</sup> Quarter Results for Financial Year 2019-20, today.

**Business review for the 2<sup>nd</sup> quarter and half year ended 30<sup>th</sup> September, 2019:**

The business performance of the Company during the quarter ended 30<sup>th</sup> September, 2019 remained steady. However, H1FY20 EBITDA showed an improvement from Rs. 81 crore to Rs. 99 crore over previous year.

Sales during Q2 FY20 were at Rs. 802 crore, lower by 29% as compared to corresponding quarter of previous year.

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.

**US Business** stood at Rs.145 crore in Q2FY20 as compared to Rs.186 crore in Q2FY19. US Business contributed 18% of the Global Revenue.

**Emerging Market Business** of the Company stood at Rs.132 crore in Q2FY20 (PY Rs.144 crore). Emerging Market business contributed about 16% of the Global Revenue

**UK Business** during the quarter stood at Rs.223 crore in Q2FY20 (PY Rs.251 crore). UK Business contributed about 28% of Global Revenue.

**Irish Business** was Rs.39 crore in Q2FY20 (PY Rs.42 crore).

**India Business** stood at Rs.227 crore in Q2FY20 as compared to Rs.455 crore in Q2FY19. The de-growth is mainly on account of lower sales in Quality Generics division and in some of the therapeutic areas. India Business contributed 28% of the Global Revenue.

**Total EU Business** contributed 37% of the Global Revenue.

Research & Development expenditure during the quarter was at Rs.60 crore (7% to sales) and including capital expenditure is at 13% to sales.

Capital expenditure during the quarter was Rs.71 crore.

#### **Half year ended 30<sup>th</sup> September, 2019:**

**US Business** stood at Rs.331 crore in H1FY20 as compared to Rs.369 crore in H1FY19. US Business contributed 20% of the Global Revenue.

**Emerging Market Business** of the Company recorded a growth of 5% in H1FY20 over H1FY19 and contributed about Rs.276 crore. (about 17% of the Global Revenue)

**UK Business** stood at Rs.447 crore in H1FY20 as compared to Rs.489 crore in H1FY19. UK Business contributed about 27% of Global Revenue.

**Irish Business** stood at Rs.77 crore in H1FY20 as compared to Rs.86 crore H1FY19. Irish business contributed to about 5% of the Global Revenue.

**India Business** stood at Rs.471 crore in H1FY20 as compared to Rs.850 crore in H1FY19. The de-growth is mainly on account of lower sales in Quality Generics division and in some of the therapeutic areas. India Business contributed 28% of the Global Revenue.

**Total EU Business** contributed 35% of the Global Revenue.

Research & Development expenditure during H1FY20 was at Rs.120 crore (7% to sales) and including capital expenditure is at 13% to sales.

Capital expenditure during H1FY20 was Rs.121 crore.

#### **Debt Repayment :**

During the half year ended 30<sup>th</sup> September, 2019 the Company repaid Rs. 408 crore towards various Long term debt obligations as per schedule. Total Long term outstanding debts as on 30<sup>th</sup> September, 2019 was Rs. 2,098 crore as compared to Rs. 2,789 crore as on 30<sup>th</sup> September, 2018 and Rs 2,469 crore as on 31<sup>st</sup> March, 2019. Gross Debt- Equity ratio as on 30<sup>th</sup> September 2019 stood at 0.94

#### **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 30<sup>th</sup> September, 2019** taking the cumulative filings to 3,157. The company was granted 9 patents during the quarter and now holds 708 patents.

#### **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.

**PRESS RELEASE**



**Wockhardt Limited**

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Wockhardt is employing over 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.