13 June, 2023

My Dear Share Owners,

I would like to share with you the Company's performance this year along with some key business highlights.

## BUSINESS HIGHLIGHTS

- **International Operations**
  - Contributed approximately 81% of global revenues for Q4FY23 and 77% for FY23.

- **India & Emerging Markets Business**
  - India and Emerging Markets contributed 44% of the global revenues in Q4FY23 and FY23. India business stood at ₹125 crore in Q4FY23 and contributed approximately 19% of the global revenue in Q4FY23 and 23% in FY23.
  - Emerging Markets Business of the Company stood at ₹173 crore in Q4FY23 compared to ₹148 crore in Q3FY23 registering a growth of 16% and contributed about 25% of the global revenue in Q4FY23 and 21% in FY23.

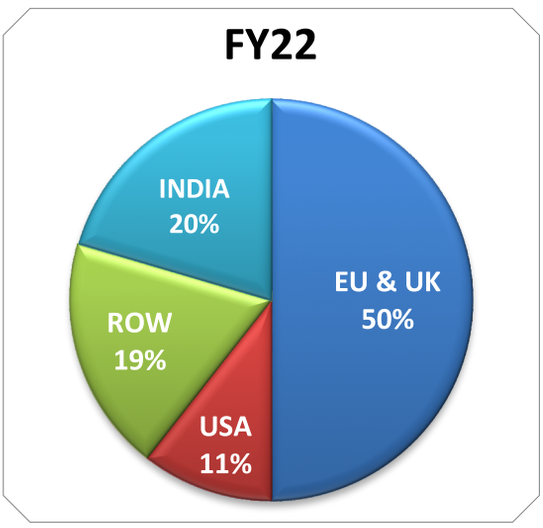
- **Europe Business & UK**
  - Europe Operations (including France) contributed 49% of the Global Revenues in Q4FY23 and 45% in FY23.

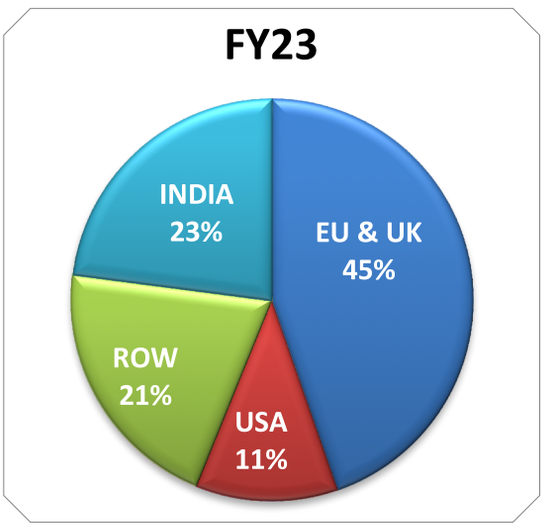
- **UK Operations (including Pinewood's UK Business)**
  - UK revenues stood at ₹242 crore in Q4FY23. For FY23 UK revenues stood at ₹887 crore contributing to 33% of the global revenues. Previous year includes revenue from UK vaccine business.
  - Irish Business revenues also improved to ₹44 crore in Q4FY23 compared to ₹40 crore in Q3FY23.

- **US Business**
  - US Business, which is under re-structuring contributed to 7% of the Global Revenues in Q4FY23 and 11% in FY23.

Ranked # 1 in Healthcare
GREAT PLACE TO WORK® Best Companies to Work for 2015 India

## SHARE OF GLOBAL REVENUES




## PERFORMANCE HIGHLIGHTS

The Company's Board of Directors have approved the financial results for 4th Quarter (January-March) of the Financial Year 2022-23.

**Highlights of Consolidated Financial Statements:**

- The Company recorded a Revenue of ₹2,693 crore in FY23 compared to ₹3,239 crore in previous year.
- EBITDA for the year is ₹143 crore as compared to ₹ 307 crore in the previous year.
- Company's R&D spend during the year was at ₹139 crore (5% of sales) and including capital expenditure is at 10% to sales for FY23.

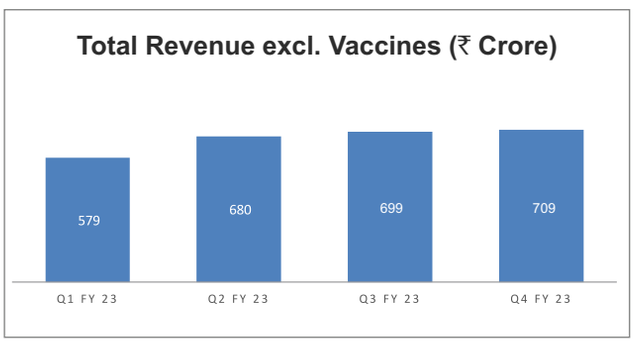
(The corresponding previous year includes revenue and profitability from COVID-19 Vaccines business in UK.)

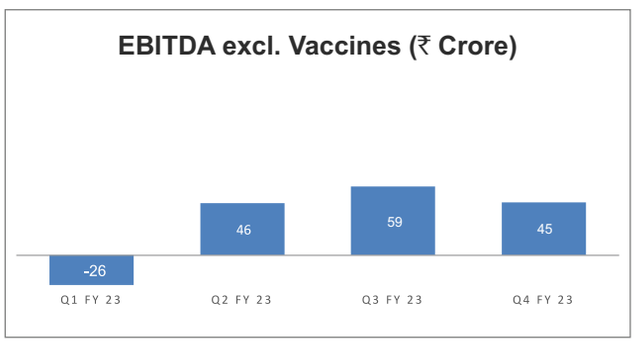
**Q4 (January-March) FY 2022-23**

- Consolidated revenue for the quarter is ₹710 crore compared to ₹666 crore in Q4FY22 registering a growth of 7%.
- EBITDA for the quarter is ₹47 crore as compared to ₹(22) crore in Q4FY22 registering a substantial growth of 314%.
- Company's R&D spend during the previous quarter was at ₹25 crore (3.5% of sales) and including capital expenditure is at 7.1% to sales for Q4FY23.

Ranked # 1 in Healthcare
GREAT PLACE TO WORK® Best Companies to Work for 2015 India

## KEY PERFORMANCE PARAMETER




## BUSINESS OUTLOOK

Wockhardt today is in the cusp of significant changes and a turnaround situation in the next 24 months.

1. **US Business:** We have completely restructured our US business and de-risked our US operations. We have shut down our manufacturing facility at Morton Grove near Chicago. We have focused on few products with high margin manufactured by 3rd party and continue our business following the 80/20 principle, at approximately 40% gross margin. We will also save at least $12 million in costs due to shutdown of manufacturing facility.

2. **Vaccine collaboration in UK:** We have concluded an agreement with Serum Institute for manufacturing of vaccine in our UK facility. We have received £ 10 million as a contribution for reserving manufacturing facility for 150 million doses per annum of vaccine for 15 years. There is also a profit sharing arrangement with 51% / 49 % majority in favour of Wockhardt over and above the base manufacturing cost. Serum has already shortlisted two vaccines for our site. We should be able to manufacture these products within the next 8 - 12 months after exhibit batches and regulatory approval. We are looking to partner with more such vaccine manufacturers in the near future.

3. **Antibiotic Research:** We have been committed for over last 20 years and invested significantly in our Antibiotic Research. Probably, we are the only company in the world to have comprehensive end to end drug discovery programme in Antibiotics. As you are already aware that we have 6 QIDP grant from US FDA which means that there is an unmet need for faster clinical trials and quicker approval process by USFDA.

   a. EMROK: We have already marketed two of our antibiotics, EMROK and EMROK O in India. We expect to receive approval in 8 emerging markets in the next 6-9 months.

b. Jemincare collaboration of WCK 4873 in China: As you may be aware that we have already signed a licensing deal in China with Jemincare for WCK 4873 and received first milestone payment from Jemincare.

c. Phase III clinical study of WCK 4873: Our phase III Clinical Trial for WCK 4873 is expected to conclude by October this year and we will be in Indian market sometime in 2024 after the approval by Drug Controller of India.

d. WCK 5222: There are significant and major developments of our prime asset, WCK 5222.

   i. Increase in resistance: New report by CDC in US hospitals concluded that the resistance to infection on which WCK 5222 works has increased somewhere between 30-80% because of two years of COVID-19. This certainly increases potential for WCK 5222 even more.

   ii. Global Phase III: In August 2022, we have initiated WCK 5222 global clinical trials which is progressing well and we intend to complete Phase 3 Clinical Trial within next 15-18 months and would seek product approval thereafter in USA, Europe, China and India. We expect to market the product sometime in 2025.

   iii. Compassionate use: You will be happy and proud to know as an investor in Wockhardt that WCK 5222 has already saved 5 lives on compassionate use.

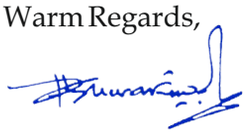
   These were critical patients on ventilators for several weeks and used all new antibiotics available in India and globally. They were all cured and discharged from hospital on completion of treatment in 10 days as WCK 5222, being a beta lactam enhancer, a new class of antibiotic, works dramatically.

e. Collaboration with NIH WCK 6777: National Institutes of Health (NIH), USA is conducting human Phase I clinical trial of MDR Gram-negative antibiotic WCK 6777 targeted for ambulatory settings. This vindicates NIH confidence in the novel once-a-day much needed outpatient-parenteral antimicrobial therapy for MDR infections in ambulatory settings.

These developments only provide a glimpse of the future of your Company. It is like the tip of an iceberg where you can see a very small portion with naked eyes while there is much more strength and opportunities lying underneath.

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