

Sun Pharmaceutical Industries Limited
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CIN: L24230GJ1993PLC019050



January 31, 2024

National Stock Exchange of India Limited
Scrip Symbol: SUNPHARMA

BSE Limited
Scrip Code: 524715

Subject: Press Release

Dear Sir / Madam,

We are pleased to enclose herewith our Press Release relating to financial results for the third quarter ending December 31st, 2023, which we shall be releasing after sending this letter to you.

Thank You,

For **Sun Pharmaceutical Industries Limited**

(Anoop Deshpande)
Company Secretary and Compliance Officer
ICSI Membership No.: A23983

FOR IMMEDIATE RELEASE

Sun Pharma reports Q3FY24 results

Q3 Gross Sales at Rs. 121,569 million up 9.5% YoY
Q3 Adjusted Net Profit at Rs. 25,936 million up 19.7% YoY

Mumbai, January 31, 2024: Sun Pharmaceutical Industries Limited (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for the quarter ending December 31st, 2023.

Highlights of Q3FY24 consolidated financials*

- Gross sales at Rs. 121,569 million, growth of 9.5%
- India formulation sales at Rs. 37,785 million, up 11.4%
- US formulation sales at US\$ 477 million, up 13.2%
- Global specialty sales at US\$ 296 million, including US\$20 million milestone received in Q3. Ex-milestones, up 24.2%
- Global specialty sales, ex-milestone, accounted for 19.2% of Q3FY24 sales
- Emerging Markets formulation sales at US\$ 252 million, lower by 2.3%
- Rest of World formulation sales at US\$ 214 million, up 12.9%
- R&D investments at Rs. 8,245 million compared to Rs. 6,702 million for Q3FY23
- EBITDA at Rs. 34,768 million (including other operating revenues), up 15.8%. EBITDA margin for Q3 at 28.1% vs 26.7% during Q3FY23
- Adjusted net profit (excluding the exceptional items) for Q3FY24 was Rs. 25,936 million, up 19.7%. Reported net profit for Q3FY24 was Rs. 25,238 million compared to Rs. 21,660 mn during Q3FY23

Highlights of 9mFY24 consolidated financials*

- Gross sales at Rs. 359,451 million, growth of 10.4%
- India formulation sales at Rs. 111,814 million, up 9.2%
- US formulation sales at US\$ 1,378 million up 9.8%
- Emerging Markets formulation sales at US\$ 796 million, up 4.5%
- Rest of World formulation sales at US\$ 615 million, up 9.7%
- EBITDA at Rs. 99,880 million (including other operating revenues), up 12.9%, with resulting EBITDA margin of 27.4%
- Net profit for 9mFY24 was Rs. 69,218 million. Like for like, adjusted net profit at Rs. 73,145 million, up 12.7%

These results were taken on record by the Board of Directors at a meeting held today. The Board has declared an interim dividend of Rs. 8.50 per share for the year FY24 against Rs. 7.50 per share interim dividend for the previous year.

Dilip Shanghvi, Managing Director of the Company said, “We are pleased by our continued broad-based growth including in Global Specialty. We are keenly looking forward to EMA filing of Nidlegly in coming months. Once approved, Nidlegly will significantly expand our onco-derm franchise in Europe.”

* Growth measured vs same period last financial year

India Formulations

Sales of formulations in India for Q3FY24 were Rs. 37,785 million, up 11.4% and accounting for about 31% of total sales. For the first 9 months, sales were at Rs. 111,814 million, up 9.2%.

Sun Pharma is ranked No. 1 and market share at 8.5% in the over Rs. 1,933 Billion Indian pharmaceutical market as per AIOCD AWACS MAT Dec-2023 report. As per SMSRC MAT Oct-2023 report, we are ranked No.1 by prescriptions with 12 different doctor categories. For Q3FY24, the company launched 28 new products in the Indian market.

US Formulations (including Taro)

Formulation sales in the US were US\$ 477 million recording a growth of 13.2% and accounting for over 33% of total sales. For the first nine months, sales were US\$ 1,378 million, recording a growth of 9.8%.

Taro Pharmaceuticals

Taro reported net sales of \$ 157 million for quarter ended Dec-23, up 12.9% principally due to new launches and Gross-to-Net (“GTN”) adjustments. Excluding the impact of GTN adjustments, sales growth was in high single digit. Net profit for Q3FY24 was US\$ 20.2 million compared to US\$ 7.3 million in Q3FY23. For the first nine months, sales were US\$ 464 million, up by 8.9% due to one-time GTN adjustments. Excluding, these adjustments, the sales growth was mid-single digit. Net profit for 9mFY24 was US\$ 38.8 million compared to US\$ 18.5 million in 9mFY23.

Recently, Sun has signed a definitive merger agreement with Taro to acquire the remaining stake that it doesn't already own. The agreed price of US\$43.00 per share is poised to deliver 48% premium to unaffected price on May 25, 2023. Merger agreement is subject to various closing conditions including shareholder approval.

Emerging Markets

Formulation sales in Emerging Markets were US\$ 252 million for Q3, lower by 2.3% and accounting for about 17% of total sales impacted by adverse currency movements. For the first nine months, sales were US\$ 796 million, up by 4.5% over the same period last year.

Rest of World Markets

Formulation sales in Rest of World (ROW) markets, were US\$ 214 million in Q3FY24, up 12.9% and accounting for approximately 15% of total sales. For the first nine months, sales were US\$ 615 million, up 9.7%.

Active Pharmaceutical Ingredients (API)

For Q3FY24, external sales of API were Rs. 4,661 million, lower by 9.6%. For the first nine months, API sales were Rs. 15,029 million which declined by 5.3%. We continue to focus on increasing API supply for captive consumption for key products.

Research Update

Consolidated R&D investment for Q3FY24 was Rs. 8,245 million, 6.8% of sales as compared to Rs. 6,702 million for Q3FY23. For the first nine months, R&D expense was Rs. 22,776 million, or 6.3% of sales.

Our R&D efforts span across both specialty and generic businesses and we continue to invest in strengthening product pipeline for various markets. Our specialty R&D pipeline comprises 6 molecules undergoing clinical studies. We have a comprehensive product offering in the US market consisting of 529 approved ANDAs while filings for 95 ANDAs await US FDA approval, including 29 tentative approvals. Additionally, the portfolio includes 54 approved NDAs while 13 NDAs await US FDA approval. For the quarter, 5 ANDA were filed and 3 approvals were received.

Global Specialty pipeline

Candidate	Indication	Current phase	Next milestone
deuruxolitinib	alopecia areata	Filed with US FDA	PDUFA date in Jul-24
Nidlegly TM (EU, ANZ rights with Sun)	melanoma and non-melanoma skin cancers	Phase-3 topline data in locally advanced fully resectable melanoma released	Submission of MA application in locally advanced fully resectable melanoma to EMA during H1CY24
Ilumya	psoriatic arthritis	Phase-3	Topline data during H2CY25
MM-II	pain in osteoarthritis	Phase-2 completed	Phase-3 to start in H2CY24
SCD-044	psoriasis, atopic dermatitis	Phase 2	Topline data by H2CY24 (atopic dermatitis)
GL0034	Type-2 diabetes	Phase-1 completed	Phase-2 to start by H2CY24

Sales and R&D snapshot

Particulars	Quarter ended			Nine Month ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
India Formulations	37,785.3	38,425.3	33,918.7	111,814.3	102,390.0	136,031.2
US Formulations	39,735.6	35,504.1	34,659.7	113,948.4	100,009.4	135,352.6
Emerging Market	20,945.6	23,449.0	21,157.9	65,846.8	60,772.9	78,976.6
ROW Formulations	17,797.0	17,000.1	15,562.5	50,837.9	44,681.6	60,425.5
Total Formulations	116,263.5	114,378.5	105,298.8	342,447.4	307,853.9	410,785.9
Bulk	4,660.7	4,972.2	5,154.3	15,028.6	15,871.2	19,723.5
Others	644.4	680.4	548.3	1,975.2	1,807.9	2,279.3
Total Sales	121,568.6	120,031.1	111,001.4	359,451.2	325,533.0	432,788.7
Total R&D Expenditure	8,245.4	7,734.4	6,701.7	22,776.0	17,019.7	23,676.3
Capital	129.2	174.8	162.7	418.0	398.7	599.1
Revenue	8,116.2	7,559.6	6,539.0	22,358.0	16,621.0	23,077.2
Exchange Rates : \$ 1 = ₹	83.27	82.66	82.22			

Disclaimer

Statements in this “Document” describing the Company’s objectives, projections, estimates, expectations, plans or predictions or industry conditions or events may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. The Company undertakes no obligation to update or revise forward looking

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statements to reflect developments or circumstances that arise or to reflect the occurrence of unanticipated developments/circumstances after the date hereof.

Earnings Call (06.30 pm IST, January 31, 2024)

The Company will host an earnings call at 06.30 pm IST on January 31, 2024, where senior management will discuss the Company's performance and answer questions from participants. This call will be accessible through an audio dial-in and a web-cast.

Audio conference Participants can dial-in on the numbers below
Universal number: +91 22 6629 0049
+91 22 7194 5729

Pre-registration details Click here [DiamondPassRegistration](#)

Web-cast More details will be provided through our website, www.sunpharma.com

To participate in the audio call, please dial the numbers provided above five to ten minutes ahead of the scheduled start time. The operator will provide instructions on asking questions before the call. The transcript of the event will be available at www.sunpharma.com. The playback will be available for a few days.

Disclaimer:

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About Sun Pharmaceutical Industries Limited (CIN - L24230GJ1993PLC019050):

Sun Pharma is the world's fourth largest specialty generics company with presence in Specialty, Generics and Consumer Healthcare products. It is the largest pharmaceutical company in India and is a leading generic company in the US as well as Global Emerging Markets. Sun's high growth Global Specialty portfolio spans innovative products in dermatology, ophthalmology, and onco-dermatology and accounts for over 16% of company sales. The company's vertically integrated operations deliver high-quality medicines, trusted by physicians and consumers in over 100 countries. Its manufacturing facilities are spread across six continents. Sun Pharma is proud of its multi-cultural workforce drawn from over 50 nations. For further information, please visit www.sunpharma.com and follow us on "X" @SunPharma_Live

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