

November 6, 2023

Listing Department
BSE LIMITED

P. J. Towers, Dalal Street,
Mumbai-400 001

Code: 531 335

Listing Department
NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, C/1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Code: ZYDUSWELL

Sub: **Outcome of Board Meeting**

Ref.: **Unaudited financial results for the quarter and half year ended on September 30, 2023 pursuant to regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”)**

Dear Sir / Madam,

The Board of Directors at their meeting held today i.e. November 6, 2023, based on the recommendations of Audit Committee, approved the unaudited financial results for the quarter and half year ended on September 30, 2023.

In this regard, please find enclosed the following:

1. the unaudited financial results (standalone and consolidated) for the quarter and half year ended on September 30, 2023, reviewed by the Audit Committee and taken on record by the Board of Directors, today i.e. November 6, 2023 pursuant to regulation 33 of the Listing Regulations.
2. the Limited Review Reports of Mukesh M. Shah & Co., Chartered Accountants and the Statutory Auditors of the Company certifying the limited review of the unaudited financial results (standalone and consolidated) of the Company for the quarter and half year ended on September 30, 2023 pursuant to regulation 33 of the Listing Regulations.

The Trading Window under SEBI (Prohibition of Insider Trading) Regulations, 2015 shall remain closed until Wednesday, November 8, 2023 and shall re-open for trading for all Directors and Designated Persons on and from Thursday, November 9, 2023.

Zydus Wellness Limited

Regd. Office: ‘Zydus Corporate Park’, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad – 382481, India.

Phone No.: +91-79-71800000; **Website:** www.zyduswellness.com

CIN: L15201GJ1994PLC023490

The Board meeting commenced at 10.50 a.m. and concluded at 11.45 a.m.

Please find the same in order.

Thanking you,

Yours faithfully,
For, **ZYDUS WELLNESS LIMITED**

NANDISH P. JOSHI
COMPANY SECRETARY

Encl.: As above

Zydus Wellness Limited

Regd. Office: 'Zydus Corporate Park', Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,
S. G. Highway, Ahmedabad – 382481, India.

Phone No.: +91-79-71800000; **Website:** www.zyduswellness.com

CIN: L15201GJ1994PLC023490

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023

| Sr. No. | Particulars | ₹ in Millions | | | | | |
|---------|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|-------------------|
| | | Quarter Ended | | | Half Year Ended | | Year Ended |
| | | September 30, 2023 | June 30, 2023 | September 30, 2022 | September 30, 2023 | September 30, 2022 | March 31, 2023 |
| | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Audited] | |
| 1 | Income | | | | | | |
| a | Revenue from operations | | | | | | |
| i | Sales | 496 | 516 | 592 | 1,012 | 1,132 | 2,183 |
| ii | Other operating income | 82 | 85 | 79 | 167 | 156 | 329 |
| | Total Revenue from operations | 578 | 601 | 671 | 1,179 | 1,288 | 2,512 |
| b | Other income | 46 | 41 | 29 | 87 | 66 | 135 |
| | Total Income | 624 | 642 | 700 | 1,266 | 1,354 | 2,647 |
| 2 | Expenses | | | | | | |
| a | Cost of materials consumed | 368 | 382 | 432 | 750 | 847 | 1,649 |
| b | Changes in inventories of finished goods and work-in-progress | (1) | 5 | 14 | 4 | 22 | 14 |
| c | Employee benefits expense | 81 | 76 | 80 | 157 | 155 | 291 |
| d | Finance costs | 8 | - | - | 8 | 4 | 11 |
| e | Depreciation and amortisation expense | 9 | 9 | 11 | 18 | 18 | 35 |
| f | Other expenses | 56 | 66 | 21 | 122 | 87 | 178 |
| g | Net gain on foreign currency transactions | (1) | - | (1) | (1) | (2) | (3) |
| | Total Expenses | 520 | 538 | 557 | 1,058 | 1,131 | 2,175 |
| 3 | Profit before tax [1-2] | 104 | 104 | 143 | 208 | 223 | 472 |
| 4 | Tax expense | | | | | | |
| a | Current tax | - | (2) | - | (2) | - | - |
| b | Deferred tax | 26 | 24 | (5) | 50 | (5) | (192) |
| | Total tax expense | 26 | 22 | (5) | 48 | (5) | (192) |
| 5 | Net Profit [3-4] | 78 | 82 | 148 | 160 | 228 | 664 |
| 6 | Other Comprehensive Income [OCI] | | | | | | |
| a | Items that will not be reclassified to profit or loss [net of tax] | (1) | (2) | (8) | (3) | (8) | (5) |
| | Total Other Comprehensive Income [net of tax] | (1) | (2) | (8) | (3) | (8) | (5) |
| 7 | Total Comprehensive Income [5+6] | 77 | 80 | 140 | 157 | 220 | 659 |
| 8 | Paid-up equity share capital [Face Value ₹ 10/- each] | 636 | 636 | 636 | 636 | 636 | 636 |
| 9 | Reserve excluding Revaluation Reserve | | | | | | 39,707 |
| 10 | Earnings per share [not annualised for the quarter and half year] | | | | | | |
| a | Basic [₹] | 1.23 | 1.29 | 2.32 | 2.51 | 3.57 | 10.44 |
| b | Diluted [₹] | 1.23 | 1.29 | 2.32 | 2.51 | 3.57 | 10.44 |

Notes :

- The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on November 6, 2023. The Statutory Auditors have carried out Limited Review of the aforesaid results.
- The Company operates in one segment, namely "Consumer Products".
- Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Standalone Statement of Assets and Liabilities

| Particulars | ₹ in Millions | |
|---|-----------------------|-------------------|
| | As at | |
| | September 30, 2023 | March 31, 2023 |
| | [Unaudited] | [Audited] |
| ASSETS: | | |
| Non-current assets: | | |
| Property, plant and equipment | 309 | 316 |
| Capital work-in-progress | 27 | 5 |
| Goodwill | 228 | 228 |
| Other intangible assets | 1 | 1 |
| Financial assets: | | |
| Investments | 36,713 | 36,713 |
| Loans | 1,232 | 1,170 |
| Other financial assets | 5 | 5 |
| Deferred tax asset [net] | 419 | 468 |
| Other non-current assets | 3 | 8 |
| Assets for tax [net] | 55 | 54 |
| Total Non Current Assets | 38,992 | 38,968 |
| Current assets: | | |
| Inventories | 82 | 90 |
| Financial assets: | | |
| Investment | 195 | 269 |
| Trade receivables | 92 | 29 |
| Cash and cash equivalents | 35 | 149 |
| Bank balance other than cash and cash equivalents | 4 | 5 |
| Loans | 1,242 | 867 |
| Other current financial assets | 113 | 68 |
| Other current assets | 210 | 223 |
| Total Current Assets | 1,973 | 1,700 |
| Total Assets | 40,965 | 40,668 |
| EQUITY AND LIABILITIES: | | |
| EQUITY: | | |
| Equity share capital | 636 | 636 |
| Other equity | 39,546 | 39,707 |
| Total Equity | 40,182 | 40,343 |
| LIABILITIES: | | |
| Non-current liabilities: | | |
| Financial liabilities: | | |
| Lease liabilities | - | 1 |
| Other financial liabilities | 11 | 11 |
| Provisions | 30 | 28 |
| Total Non Current Liabilities | 41 | 40 |
| Current liabilities: | | |
| Financial liabilities: | | |
| Borrowings | 500 | - |
| Lease liabilities | 2 | 2 |
| Trade payables: | | |
| Due to micro and small enterprises | 12 | 9 |
| Due to other than micro and small enterprises | 185 | 193 |
| Other financial liabilities | 20 | 47 |
| Other current liabilities | 10 | 23 |
| Provisions | 13 | 11 |
| Total Current Liabilities | 742 | 285 |
| Total Equity & Liabilities | 40,965 | 40,668 |

Unaudited Standalone Statement of Cash Flows

| Particulars | ₹ in Millions | |
|---|--------------------|--------------------|
| | Half Year Ended | |
| | September 30, 2023 | September 30, 2022 |
| A. Cash flow from operating activities: | | |
| Profit before tax | 208 | 223 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 18 | 18 |
| Net gain on disposal of Property, plant and equipment | (1) | - |
| Expected credit loss on trade receivables [net] | 1 | - |
| Net gain on sale of investments | (4) | (1) |
| Net gain on investments mandatorily measured at fair value through statement of profit and loss | (1) | - |
| Interest income | (81) | (65) |
| Finance costs | 8 | 4 |
| Effect of foreign exchange movement in borrowings | (1) | - |
| Provision for employee benefits | - | 9 |
| Provisions for probable product expiry claims and return of goods | - | (1) |
| Operating profit before working capital changes | 147 | 187 |
| Adjustments for: | | |
| Increase in trade receivables | (64) | (201) |
| Decrease in other assets | 10 | 10 |
| Decrease in inventories | 8 | 14 |
| Decrease in other liabilities | (39) | (6) |
| Decrease in trade payables | (2) | (60) |
| Cash generated from/ [used in] operations | 60 | (56) |
| Direct taxes paid [net of refunds] | 1 | (22) |
| Net cash from/ [used in] operating activities | 61 | (78) |
| B. Cash flows from investing activities: | | |
| Purchase of property, plant and equipment and other intangibles assets | (38) | (35) |
| Proceeds from sale of Property, plant and equipment | 11 | 1 |
| Repayment of loan by subsidiaries | 200 | 780 |
| Loan given to subsidiaries | (636) | - |
| Proceeds from liquid mutual funds [net] | 79 | 121 |
| Interest received | 36 | 46 |
| Net cash from/ [used in] investing activities | (348) | 913 |
| C. Cash flows from financing activities: | | |
| Current Borrowings [net - (repayment) / taken] | 500 | (460) |
| Repayment of lease liabilities | (1) | (1) |
| Interest paid | (8) | (6) |
| Dividend paid | (319) | (318) |
| Net cash from/ [used in] financing activities | 172 | (785) |
| Net increase/ [decrease] in cash and cash equivalents [A+B+C] | (115) | 50 |
| Cash and cash equivalents at the beginning of the year | 154 | 574 |
| Cash and cash equivalents at the end of the year * | 39 | 624 |

*Cash and cash equivalents comprise of ⁽¹⁾:

| Particulars | ₹ in Millions | |
|--|--------------------|--------------------|
| | As at | |
| | September 30, 2023 | September 30, 2022 |
| a. Cash and cash equivalents | 35 | 618 |
| b. Bank balance other than cash and cash equivalents | 4 | 6 |
| c. Total | 39 | 624 |

⁽¹⁾ Until previous year, investment in liquid mutual funds were considered as cash and cash equivalents. The same have been regrouped to correspond with the figures of the current reporting period.

Additional Information:

Summary of Cash and cash equivalents, liquid mutual funds and fixed deposits more than twelve months:

| Particulars | ₹ in Millions | |
|---|--------------------|--------------------|
| | As at | |
| | September 30, 2023 | September 30, 2022 |
| a. Cash and cash equivalents (as above) | 39 | 624 |
| b. Investment in liquid mutual funds | 195 | - |
| c. Total | 234 | 624 |

By Order of the Board,
For Zydus Wellness Limited,



Dr. Sharvil P. Patel
Chairman

DIN: 00131995

Place: Ahmedabad
Date: November 6, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

To,
The Board of Directors,
Zydus Wellness Limited

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of **Zydus Wellness Limited** ['the Company'], for the quarter and half year ended on September 30, 2023 ['the Statement'] attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: November 6, 2023
UDIN: 230301908447F33171



For Mukesh M. Shah & Co
Chartered Accountants
Firm Registration No. 106625W

A handwritten signature in black ink, appearing to read "Mukesh M. Shah".

Mukesh M. Shah
Partner
Membership No. 030190

Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023

| Sr. No. | Particulars | ₹ in Millions | | | | | |
|---------|---|--------------------|---------------|--------------------|--------------------|--------------------|----------------|
| | | Quarter Ended | | | Half Year Ended | | Year Ended |
| | | September 30, 2023 | June 30, 2023 | September 30, 2022 | September 30, 2023 | September 30, 2022 | March 31, 2023 |
| | | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Audited] |
| 1 | Income | | | | | | |
| a | Revenue from operations | | | | | | |
| i | Sales | 4,379 | 6,992 | 4,267 | 11,371 | 11,197 | 22,426 |
| ii | Other operating income | 20 | 29 | 24 | 49 | 58 | 122 |
| | Total Revenue from operations | 4,399 | 7,021 | 4,291 | 11,420 | 11,255 | 22,548 |
| b | Other income | 41 | 24 | 14 | 65 | 34 | 49 |
| | Total Income | 4,440 | 7,045 | 4,305 | 11,485 | 11,289 | 22,597 |
| 2 | Expenses | | | | | | |
| a | Cost of materials consumed | 1,815 | 2,702 | 2,091 | 4,517 | 4,593 | 11,002 |
| b | Purchases of stock-in-trade | 137 | 358 | 138 | 495 | 463 | 1,143 |
| c | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 460 | 270 | 206 | 730 | 565 | (685) |
| d | Employee benefits expense | 483 | 473 | 436 | 956 | 887 | 1,673 |
| e | Finance costs | 65 | 51 | 30 | 116 | 71 | 161 |
| f | Depreciation and amortisation expense | 58 | 62 | 64 | 120 | 125 | 250 |
| g | Advertisement and promotion expense | 507 | 1,044 | 517 | 1,551 | 1,479 | 2,587 |
| h | Other expenses | 831 | 1,009 | 744 | 1,840 | 1,632 | 3,454 |
| i | Net [gain]/ loss on foreign currency transactions | (2) | - | (3) | (2) | (7) | 2 |
| | Total Expenses | 4,354 | 5,969 | 4,223 | 10,323 | 9,808 | 19,587 |
| 3 | Profit before exceptional items and tax [1-2] | 86 | 1,076 | 82 | 1,162 | 1,481 | 3,010 |
| 4 | Exceptional items [net] [Refer Note 4] | - | 142 | - | 142 | 29 | 101 |
| 5 | Profit before tax [3-4] | 86 | 934 | 82 | 1,020 | 1,452 | 2,909 |
| 6 | Tax expense | | | | | | |
| a | Current tax | - | (2) | - | (2) | - | - |
| b | Deferred tax [Refer Note 5] | 27 | (168) | (3) | (141) | (3) | (195) |
| | Total tax expense | 27 | (170) | (3) | (143) | (3) | (195) |
| 7 | Net Profit [5-6] | 59 | 1,104 | 85 | 1,163 | 1,455 | 3,104 |
| 8 | Other Comprehensive Income [OCI] | | | | | | |
| a | Items that will not be reclassified to profit or loss [net of tax] | - | (1) | (2) | (1) | (4) | (1) |
| b | Items that will be reclassified to profit or loss | (1) | - | 1 | (1) | 3 | 1 |
| | Total Other Comprehensive Income [net of tax] | (1) | (1) | (1) | (2) | (1) | - |
| 9 | Total Comprehensive Income [7+8] | 58 | 1,103 | 84 | 1,161 | 1,454 | 3,104 |
| 10 | Total Comprehensive Income attributable to: | | | | | | |
| a | Owners of the Parent | 58 | 1,103 | 84 | 1,161 | 1,454 | 3,104 |
| 11 | Paid-up equity share capital [Face Value ₹ 10/- each] | 636 | 636 | 636 | 636 | 636 | 636 |
| 12 | Reserve excluding Revaluation Reserve | | | | | | 50,590 |
| 13 | Earnings per share [not annualised for the quarter and half year] | | | | | | |
| a | Basic [₹] - After exceptional items | 0.93 | 17.35 | 1.33 | 18.28 | 22.86 | 48.78 |
| b | Basic [₹] - Before exceptional items | 0.93 | 19.58 | 1.33 | 20.51 | 23.32 | 50.36 |
| c | Diluted [₹] - After exceptional items | 0.93 | 17.35 | 1.33 | 18.28 | 22.86 | 48.78 |
| d | Diluted [₹] - Before exceptional items | 0.93 | 19.58 | 1.33 | 20.51 | 23.32 | 50.36 |

Notes :

- The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on November 6, 2023. The Statutory Auditors have carried out Limited Review of the aforesaid results.
- The Group operates in one segment, namely "Consumer Products".
- Due to seasonality of some of the Group's products, Group's Revenues and Group's Profits are skewed in favour of the first and last quarters of the financial year. Hence the performance of these quarters is not representative and cannot be generalised for other quarters.
- Exceptional items comprise:

| Sr. No. | Particulars | ₹ in Millions | | | | | |
|---------|---|--------------------|---------------|--------------------|--------------------|--------------------|----------------|
| | | Quarter Ended | | | Half Year Ended | | Year Ended |
| | | September 30, 2023 | June 30, 2023 | September 30, 2022 | September 30, 2023 | September 30, 2022 | March 31, 2023 |
| | | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Audited] |
| i. | As a part of manufacturing and supply chain network optimisation and to make manufacturing operations leaner and agile to the consumer needs, the Group had conducted a strategic review of its manufacturing footprint. In view of the same, the Board of Directors of Zydus Wellness Product Limited (ZWPL), a wholly owned subsidiary Company of the Group, at their meeting held on June 17, 2022, passed a resolution to cease the operations of Sitarganj manufacturing facility. The expenses incurred so far in connection with the cessation of Sitarganj facility have been classified as Exceptional items | - | 177 | - | 177 | 29 | 101 |
| ii. | ZWPL has sold its assets located at Rabale, Mumbai which were classified as "Assets held for sale" from Property, Plant and Equipment in the previous financial year (as per Ind AS 105), the corresponding gain have been recognized as Exceptional items | - | (35) | - | (35) | - | - |
| Total | | - | 142 | - | 142 | 29 | 101 |

- Deferred tax expense for the quarter ended June 30, 2023 and half year ended September 30, 2023, includes recognition of Minimum Alternate Tax (MAT) credit entitlement amounting to ₹ 188 Millions.
- Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.
- The detailed standalone results are available on the Company's website: www.zyduswellness.com, on the website of BSE [www.bseindia.com] and on the website of NSE [www.nseindia.com]. The summarised standalone financial results of the Company are as below:

| Sr. No. | Particulars | ₹ in Millions | | | | | |
|---------|-----------------------------------|--------------------|---------------|--------------------|--------------------|--------------------|----------------|
| | | Quarter Ended | | | Half Year Ended | | Year Ended |
| | | September 30, 2023 | June 30, 2023 | September 30, 2022 | September 30, 2023 | September 30, 2022 | March 31, 2023 |
| | | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Unaudited] | [Audited] |
| i. | Revenue from operations | 578 | 601 | 671 | 1,179 | 1,288 | 2,512 |
| ii. | Profit before tax | 104 | 104 | 143 | 208 | 223 | 472 |
| iii. | Profit after tax | 78 | 82 | 148 | 160 | 228 | 664 |
| iv. | Other Comprehensive Income | (1) | (2) | (8) | (3) | (8) | (5) |
| v. | Total Comprehensive Income | 77 | 80 | 140 | 157 | 220 | 659 |

Consolidated Statement of Assets and Liabilities

| Particulars | ₹ in Millions | |
|---|-----------------------|-------------------|
| | As at | |
| | September 30, 2023 | March 31, 2023 |
| | [Unaudited] | [Audited] |
| ASSETS: | | |
| Non-current assets: | | |
| Property, plant and equipment | 2,725 | 2,704 |
| Capital work-in-progress | 148 | 130 |
| Goodwill | 39,200 | 39,200 |
| Other intangible assets | 5,420 | 5,420 |
| Financial assets: | | |
| Loans | - | 20 |
| Other financial assets | 44 | 43 |
| Deferred tax asset [net] | 1,634 | 1,493 |
| Other non-current assets | 147 | 168 |
| Assets for tax [net] | 82 | 68 |
| Total Non Current Assets | 49,400 | 49,246 |
| Current assets: | | |
| Inventories | 3,658 | 4,575 |
| Financial assets: | | |
| Investment | 642 | 700 |
| Trade receivables | 1,289 | 2,078 |
| Cash and cash equivalents | 353 | 370 |
| Bank balance other than cash and cash equivalents | 1,546 | 11 |
| Loans | 24 | 4 |
| Other current financial assets | 349 | 249 |
| Other current assets | 1,051 | 1,091 |
| Total Current Assets | 8,912 | 9,078 |
| Assets classified as held for sale | - | 7 |
| Total Assets | 58,312 | 58,331 |
| EQUITY AND LIABILITIES: | | |
| EQUITY: | | |
| Equity share capital | 636 | 636 |
| Other equity | 51,434 | 50,590 |
| Total Equity | 52,070 | 51,226 |
| LIABILITIES: | | |
| Non-current liabilities: | | |
| Financial liabilities: | | |
| Lease liabilities | 27 | 35 |
| Other financial liabilities | 16 | 13 |
| Provisions | 140 | 133 |
| Total Non Current Liabilities | 183 | 181 |
| Current liabilities: | | |
| Financial liabilities: | | |
| Borrowings | 3,480 | 2,925 |
| Lease liabilities | 13 | 13 |
| Trade payables: | | |
| Due to micro and small enterprises | 55 | 168 |
| Due to other than micro and small enterprises | 1,899 | 2,965 |
| Other financial liabilities | 105 | 191 |
| Other current liabilities | 231 | 386 |
| Provisions | 276 | 276 |
| Total Current Liabilities | 6,059 | 6,924 |
| Total Equity & Liabilities | 58,312 | 58,331 |

Unaudited Consolidated Statement of Cash Flows

| Particulars | ₹ in Millions | |
|---|-----------------------|-----------------------|
| | Half Year Ended | |
| | September 30, 2023 | September 30, 2022 |
| A. Cash flow from operating activities: | | |
| Profit before tax | 1,020 | 1,452 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 120 | 125 |
| Net [gain]/ loss on disposal of property, plant and equipment and asset held for sale | (37) | 1 |
| Expected credit loss on trade receivables [net] | 7 | - |
| Net gain on sale of investments | (13) | (11) |
| Gain on investments mandatorily measured at fair value through statement of profit and loss | (2) | - |
| Interest income | (47) | (22) |
| Finance costs | 116 | 71 |
| Amortisation of deferred revenue on government grants | (3) | (3) |
| Provision for employee benefits | 6 | 3 |
| Operating profit before working capital changes | 1,167 | 1,616 |
| Adjustments for: | | |
| Decrease in trade receivables | 798 | 375 |
| Increase in other assets | (69) | (5) |
| Decrease in inventories | 917 | 459 |
| Decrease in other liabilities | (286) | (140) |
| Decrease in trade payables | (1,147) | (1,158) |
| Cash generated from operations | 1,380 | 1,147 |
| Direct taxes paid [net of refunds] | (12) | (27) |
| Net cash from operating activities | 1,368 | 1,120 |
| B. Cash flows from investing activities: | | |
| Purchase of property, plant and equipment and other intangibles assets | (139) | (167) |
| Proceeds from sale of property, plant and equipment and assets held for sale | 19 | 1 |
| Proceeds from liquid mutual funds [net] | 73 | 281 |
| Proceeds from/ [Investment in] non-current fixed deposit [net] | (1) | 1 |
| Interest received | 47 | 22 |
| Net cash from/ [used in] investing activities | (1) | 138 |
| C. Cash flows from financing activities: | | |
| Repayment of non-current borrowings | (625) | (1,250) |
| Current Borrowings [net - (repayment) / taken] | 1,180 | (460) |
| Repayment of lease liabilities | (8) | (9) |
| Interest paid | (77) | (78) |
| Dividend paid | (319) | (318) |
| Net cash from/ [used in] financing activities | 151 | (2,115) |
| Net increase/ [decrease] in cash and cash equivalents [A+B+C] | 1,518 | (857) |
| Cash and cash equivalents at the beginning of the year | 381 | 1,698 |
| Cash and cash equivalents at the end of the year * | 1,899 | 841 |

*Cash and cash equivalents comprise of ⁽¹⁾:

| Particulars | ₹ in Millions | |
|--|-----------------------|-----------------------|
| | As at | |
| | September 30, 2023 | September 30, 2022 |
| a. Cash and cash equivalents | 353 | 829 |
| b. Bank balance other than cash and cash equivalents | 1,546 | 12 |
| c. Total | 1,899 | 841 |

⁽¹⁾ Until previous year, investment in liquid mutual funds were considered as cash and cash equivalents. The same have been regrouped to correspond with the figures of the current reporting period.

Additional Information:

Summary of Cash and cash equivalents, liquid mutual funds and fixed deposits more than twelve months:

| Particulars | ₹ in Millions | |
|---|-----------------------|-----------------------|
| | As at | |
| | September 30, 2023 | September 30, 2022 |
| a. Cash and cash equivalents (as above) | 1,899 | 841 |
| b. Investment in liquid mutual funds | 642 | - |
| c. Fixed deposits more than twelve months | 5 | 4 |
| d. Total | 2,546 | 845 |

By Order of the Board,
For Zydus Wellness Limited,



Dr. Sharvil P. Patel
Chairman
DIN: 00131995

Place: Ahmedabad
Date: November 6, 2023.

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

To,
The Board of Directors,
Zydus Wellness Limited

1. We have reviewed the accompanying statement of Consolidated unaudited financial results of **Zydus Wellness Limited** ['the Parent'] and its subsidiaries [the Parent and its subsidiaries together referred to as 'the Group'] for the quarter and half year ended on September 30, 2023 ['the Statement'] attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ("the Listing Regulations").
2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the financial results of the following entities:

- a) Parent Company
 - i) Zydus Wellness Limited
- b) Subsidiary Companies
 - i) Zydus Wellness Products Limited
 - ii) Liva Nutritions Limited
 - iii) Liva Investments Limited
 - iv) Zydus Wellness International DMCC
 - v) Zydus Wellness (BD) Pvt Limited

5. Based on our review conducted and procedures performed as stated in Paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information of 3 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect [the figures reported below are before giving effect to consolidation adjustments] total assets of ₹ 37,446 million as at September 30, 2023, total income of ₹ 4,329 million and ₹ 11,278 million for the quarter and half year ended September 30, 2023 respectively, total net loss after tax of ₹ 664 million and ₹ 549 million for the quarter and half year ended September 30, 2023 respectively, total comprehensive income of ₹ (663) million and ₹ (547) million for the quarter and half year ended September 30, 2023 respectively and net cash inflows of ₹ 1,628 million for the half year ended September 30, 2023, as considered in the Statement. This interim financial information has been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

7. The consolidated financial results also include the financial information of 2 subsidiary companies included in the consolidated unaudited financial results, whose interim financial information reflect [the figures reported below are before giving effect to consolidation adjustments] total assets of ₹ 259 million as at September 30, 2023, total income of ₹ 165 million and ₹ 310 million for the quarter and half year ended September 30, 2023 respectively, total net Loss after tax of ₹ 10 million and ₹ 38 million for the quarter and half year ended September 30, 2023 respectively, total comprehensive income of ₹ (10) million and ₹ (38) million for the quarter and half year ended September 30, 2023 respectively and net cash inflows of ₹ 3 million for the half year ended September 30, 2023, as considered in the Statement. No limited review of this financial information has been carried out by the auditors of the subsidiary; however, according to the information and explanations given to us by the Management, these interim financial results/ information are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information as certified by the management.

Place: Ahmedabad

Date: November 6, 2023

UDIN: 23030190B6Y YFR6500



For Mukesh M. Shah & Co
Chartered Accountants
Firm Registration No. 106625W

Mukesh M. Shah
Partner
Membership No. 030190