

Dear Shareholders,

Good Morning and welcome to the 50th Annual General Meeting of Torrent Pharma. As we gather once again this year, it is my pleasure and privilege to host you today. On behalf of the Board of Directors, Management and Employees, I thank you for taking the time to join us and also for your continued support over the past five decades.

Over the last fifty years we have transformed from a humble startup into a globally respected organization making significant contributions to the healthcare industry and the communities we serve. I am filled with a great sense of gratitude and appreciation for this incredible journey we have undertaken together. Our strong foundation of financial prudence, strategic investments and a relentless focus on long term sustainability have given consistent long term returns creating wealth for our shareholders. The 5 year & 10 year CAGR return on the stock has been 20% and 24% respectively

Our key pillar of capital allocation has been our long term focus on Branded Generics. Over the last two years we have started investing in strategic field force expansions across our key markets with an objective to increase our prescription base and provide a strong platform for new product launches. Further we have also started investing in new branded generic markets which should further add to the resilience of our overall business.

We continue to recognize the value of strategic acquisitions as a means to accelerate our growth and diversify our business. Our recent acquisition of Curatio Healthcare has fortified our position in the Indian Pharma Market and we are now ranked No 6. This acquisition has also put us amongst the top 10 players in the dermatology segment and No. 1 in the Cosmo-Derma segment. This business continues to deliver high teens revenue growth with margin expansion playing out quite well.

On the Macro front, global recovery has slowed down due to high inflation, tighter monetary policy and geopolitical tensions. Despite the headwinds, Indian economy has witnessed robust recovery and has mostly returned to pre-pandemic growth trajectory. We believe the long term prospects for the Pharma Industry continues to be positive with sustained momentum in the Indian Pharma market along with other large emerging markets.

In 22-23, we have grown by 13% in terms of the revenues despite some challenges we faced in our generic businesses of US and Germany. The consolidation across all our branded generic markets which now accounts for over 70%+ of the total revenues has helped us to register an overall strong performance and also improve our profitability. We grew in double digits across all our branded generic markets. Notably, India and Brazil which together contribute to 62% of our revenues, have grown by 16% and 26% respectively.

The Board has recommended a final dividend of Rs. 8 per share. Together with the interim dividend of Rs.14 the total dividend for the year amounts to Rs. 22

The key performance parameters for 22-23:

1. Revenue at Rs 9,620 crores was up by 13%.
2. EBITDA at Rs 2,842 crores was up by 17%.
3. EBITDA margins stood at 30% against 29% in the previous year.
4. Leverage in terms of Net Debt-to- EBITDA stands at 1.6x.
5. R&D spend was 5.4% during the year
6. ROCE was 22%.

Talking about our Key geographies:

India contributed to 52% of the overall revenues, and grew by 16% against the market growth of 9%. Growth was aided by robust performance of top brands, new launches and market outperformance across all our focus therapies. We now have 18 brands in the top 500 brands in IPM with 13 brands above Rs. 100 crores of revenue.

Brazil, our second largest branded generic market grew by 26% against the market growth of 12%. Growth was aided by market share gain, performance of top brands and new launch momentum. We continue to be ranked No.1 amongst Indian players.

Germany has seen sequential growth recovery from H2 of 2022-23 with new tender wins and better growth in the non-tender segments. Our focus areas will include working on cost efficiency efforts to improve market share in the tender segment, expanding non-tender segment & developing new segments. In Germany we continue to be ranked No 1 amongst Indian players.

US, registered stable revenues despite the lack of new product approvals pending USFDA clearance. The base portfolio continued to be impacted by price erosion of mid to high single digit. The Company has 102 ANDA approvals (including 3 tentative approvals) and 46 pending approvals. Our state-of-the-art Oral Oncology manufacturing facility at Gujarat, was cleared by USFDA recently and the Company has also received its first product approval for the US market from the facility.

Our commitment to **sustainability** and responsible practice will continue to remain a top priority. We recognize the importance of environmental stewardship and will continue to minimize our ecological footprint, embrace renewable energy source and drive sustainable practices across our operations. This past year, we have invested in Hybrid Solar –Wind projects to meet our captive power requirement and to reduce our carbon footprints significantly. Our four core ESG pillars will help us to navigate growth in a manner that maximizes stakeholder' value in a sustainable manner.

We have always believed that our success is not solely measured by financial achievements. As a responsible corporate citizen, we have continued to uphold our commitment to corporate social responsibility. Through our **CSR programs**, we have made a positive impact on the communities we serve and the environment in which we operate.

We have continued expanding our flagship CSR program, REACH, and now cumulatively support 1200 villages. Our commitment to providing comprehensive critical care to children is exemplified by a recent strategic shift towards focusing on surgeries at the UNM Children Hospital. 780+ surgeries were conducted during 22-23 and of these 50% were lifesaving critical surgeries. Under the allied initiative

focused on empowering adolescent girls by addressing taboos associated with menstruation and maintaining hygiene, a total of around 27000 beneficiaries across 615 villages were covered.

I would like to acknowledge the **commitment of our employees** who have consistently demonstrated their dedication, passion and expertise. Their relentless efforts and unwavering commitment to excellence have been instrumental in our achievements. We continue to invest in their personal development, training and well-being and by nurturing a culture of continuous learning and innovation we empower them to reach their full potential and drive our Company.

Moving forward our key priorities will be:

1. Continue to strive for market outperformance in Branded Generic markets through new launches and foraying in to newer therapies, strengthening product pipeline for Generic markets
2. Continue to deploy capital to high growth inorganic opportunities and develop them as growth engines over medium to long term.
3. Drive cost efficiency initiatives to improve competitiveness and margins.
4. Build an engaged and empowered workforce with focus on leadership, innovation and productivity.
5. Drive implementation of ESG roadmap and initiatives.

In conclusion, I would like to express my deepest appreciation to all our shareholders for their unwavering support, our dedicated employees for their hard work and commitment, our valued customers for their trust and loyalty. I also express my gratitude to the members of the Board for their continued guidance.

Thank you once again and look forward to a successful year ahead.