

Torrent Pharma announces Q1 FY21 results
EBITDA grows by 19% driven by cost efficiencies and productivity

Revenues & profitability:

- Revenues at Rs. 2,056 crores were up by 2%
- Gross margins were at 74% and EBITDA margins were at 32%
- EBITDA at Rs. 664 crores was up 19%
- Net profit at Rs. 321 crores was up 49%

Commenting on the Q1 results, Executive Chairman Samir Mehta said:

“Q1 continued to witness challenges posed by Covid-19, hampering industry growth in global markets. However, most of our focus markets have seen a steady recovery since June.

In India, despite a challenging market environment, Torrent was able to sustain its base revenue of the previous year with the chronic and sub-chronic portfolio gaining market share. Expenses were lower during the quarter owing to lockdowns which aided margins.

We remain optimistic about a gradual recovery in India, Brazil, US and Germany in the coming quarters.”

Performance summary:

Results	Q1 FY21		Q1 FY20		YoY%
	Rs cr	%	Rs cr	%	
Revenues	2,056		2,022		2%
Gross margins	1,521	74%	1,463	72%	4%
EBITDA	664	32%	558	28%	19%
PAT	321	16%	216	11%	49%
R&D spend	108	5%	136	7%	-21%

India:

- India revenues at Rs 925 crores grew by 2%.
- As per AIOCD, Q1 FY21 growth was 1% v/s IPM growth of -6%
- While the industry growth was negatively impacted due to Covid-19, Torrent's performance was aided by high chronicity of its portfolio
- As of June 30, 2020, MR productivity/month was Rs 7.7 lacs with an MR strength of 4,000

United States:

- US revenues at Rs 373 crores were down by 1%.
- Constant currency sales at \$47 million. Sales were impacted by price erosion on base portfolio and absence of new launches.
- As on June 30, 2020 47 ANDAs were pending approval and 6 tentative approvals were received. 1 ANDA was filed during the quarter.

Brazil:

- Brazil revenues at Rs 140 crores were down by 20%.
- Constant currency sales at R\$ 96 million grew by 1%. As per Close-up data, Q1 FY21 growth for Torrent was 10.5% versus market growth of -0.9%.
- While industry growth was impacted due absence of patient-physician consultations, Torrent was able to maintain its base revenue, due to chronic portfolio and market share gain.

Germany:

- Germany revenues at Rs 246 crores were down by 6%.
- Constant currency sales were Euro 29 million, registering 10% growth on q/q basis. The Company is on track in upgrading its quality management systems.

About Torrent Pharmaceuticals Ltd:

Torrent Pharma, with annual revenues of more than Rs 7,900 crores, is the flagship Company of the Torrent Group, with group revenues of Rs 21,500 crores. Torrent Pharma is 6th largest pharma company in India in terms of Enterprise Value. It is ranked 8th in the Indian Pharmaceuticals Market and is amongst the Top 5 in the therapeutics segments of Cardiovascular (CV), Central Nervous System (CNS), Gastro-intestinal (GI), and Vitamins Minerals Nutritional (VMN).

It is a specialty-focused company with 75% of its revenue in India from chronic & sub-chronic therapies. It has presence in 40 countries and is ranked No. 1 amongst the Indian pharma Companies in Brazil, Germany and Philippines. Torrent has 8 manufacturing facilities (7 in India & 1 in US), of which 5 are USFDA approved. With R&D as the backbone for its growth in domestic & overseas market, it has invested significantly in R&D capabilities with state-of-the-art R&D infrastructure employing around 700 scientists.