



February 3, 2022

✓ **BSE Limited**

Department of Corporate Services,
P. J. Towers,
Dalal Street,
MUMBAI - 400 001.

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Dear Sir/Madam,

Sub: Information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Pursuant to Regulation 30(2) read with Schedule III Part A Para A(4)(h) of the Listing Regulations, enclosed is a Press Release, inter alia covering the unaudited financial results of the Company for the quarter and nine-months ended December 31, 2021.

Kindly confirm having noted the above.

Thanking you,

FOR LUPIN LIMITED

**R. V. SATAM
COMPANY SECRETARY
(ACS-11973)**



Encl.: a/a.

LUPIN LIMITED

Registered Office: 3rd Floor, Kalpataru Inspire, Off W. E. Highway, Santacruz (East), Mumbai - 400 055 India. Tel : (91-22) 6640 2323.

Corporate Identity Number: L24100MH1983PLC029442

www.lupin.com

Lupin Quarter 3 FY2022 Results

Mumbai, February 3, 2022: Pharma major Lupin Limited [BSE: 500257 | NSE: LUPIN] reported its financial performance for the quarter ending December 31, 2021. These unaudited results were taken on record by the Board of Directors at a meeting held today.

Financial Highlights – Consolidated IND-AS

Amt in INR mn

Particulars	Quarter				
	Q3 FY2022	Q2 FY2022	QoQ Growth %	Q3 FY2021	YoY Growth %
Sales	40,875	40,034	↑ 2.1%	39,173	↑ 4.3%
EBITDA	4,039*	6,285	↓ 35.7%	7,998	↓ 49.5%
EBITDA Margin (%)	9.9%	15.7%	↓ 580 bps	20.4%	↓ 1050 bps
PBT	1,671*	3,825**	↓ 56.3%	5,247	↓ 68.2%

* Excluding one-time expenses of INR 1932 mn Q3 FY22 EBITDA was **INR 5971 mn** and PBT was **INR 3603 mn**

** Adjusted for Impairment & Business Compensation Expenses in Q2 FY2022

Income Statement highlights – Q3 FY2022

- ❖ Gross Profit was INR 23,929 mn compared to INR 23,769 mn in Q2 FY2022, with margin of 58.5%
- ❖ Personnel cost was 18.2% of sales at INR 7,438 mn compared to INR 7,586 mn in Q2 FY2022
- ❖ Manufacturing and other expenses were 33.1% of sales at INR 13,518 mn compared to INR 11,425 mn in Q2 FY2022
- ❖ The financial results include one-time expenses² of INR 1932 mn, excluding which the EBITDA (before Fx and Other income) was 13.7% of sales
- ❖ Investment in R&D for the quarter was INR 3,546 mn (8.7% of sales)

Balance Sheet highlights

- ❖ Operating working capital was INR 65,680 mn as on December 31, 2021
- ❖ Capital Expenditure for the quarter was INR 2,787 mn and INR 5,295 mn for 9M FY2022
- ❖ Net Debt as on December 31, 2021 stands at INR 22,448 mn
- ❖ Net Debt-Equity for the company as on December 31, 2021 stands at 0.18

Commenting on the results, Mr. Nilesh Gupta, Managing Director, Lupin Limited said, “We are on the path of sustained growth across markets. Our inhalation portfolio continues to build share in the U.S. and helped register double-digit growth sequentially, despite pricing and demand challenges on seasonal products. The inflationary environment has impacted margins, but we remain focussed on margin and EBITDA improvement as we deliver on key product launches, cost optimization and improving efficiencies, especially by H2 FY23”

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Consolidated Financial Results Q3 FY2022

Amt in INR mn

Particulars	Q3 FY2022	% of sales	Q2 FY2022	% of sales	QoQ Gr%	Q3 FY2021	% of sales	YoY Gr%
Sales	40,875	100.0%	40,034	100.0%	2.1%	39,173	100.0%	4.3%
Other operating income	734	1.8%	879	2.2%	-16.5%	1,001	2.6%	-26.7%
Total Revenue from operations	41,609	101.8%	40,913	102.2%	1.7%	40,174	102.6%	3.6%
Material cost	16,946	41.5%	16,265	40.6%	4.2%	13,750	35.1%	23.2%
Gross Profit (Excl. Other op. income)¹	23,929	58.5%	23,769	59.4%	0.7%	25,423	64.9%	-5.9%
Employee cost	7,438	18.2%	7,586	18.9%	-2.0%	7,068	18.0%	5.2%
Manufacturing & Other expenses ^{1/2}	13,518	33.1%	11,425	28.5%	18.3%	11,287	28.8%	19.8%
Other Income	341	0.8%	728	1.8%	-53.2%	212	0.5%	60.8%
Forex Loss / (Gain)	9	0.0%	80	0.2%	-88.8%	282	0.7%	-96.8%
EBITDA²	4,039	9.9%	6,285	15.7%	-35.7%	7,999	20.4%	-49.5%
Depreciation, Amortization & Impairment Expense	2,034	5.0%	2,116	5.3%	-3.9%	2,443	6.2%	-16.7%
EBIT	2,005	4.9%	4,169	10.4%	-51.9%	5,556	14.2%	-63.9%
Finance cost	334	0.8%	344	0.9%	-2.9%	309	0.8%	8.1%
Adjusted Profit Before Tax (PBT)	1,671	4.1%	3,825	9.6%	-56.3%	5,247	13.4%	-68.2%
Business Compensation Expense ³	-	0.0%	18,796	47.0%		-	0.0%	
Impairment Expense ⁴	-	0.0%	7,077	17.7%		-	0.0%	
Profit Before Tax (PBT)²	1,671	4.1%	(22,048)	-55.1%		5,247	13.4%	
Tax ⁵	(3,820)	-9.3%	(1,099)	-2.7%		835	2.1%	
Profit After Tax (PAT)	5,491	13.4%	(20,949)	-52.3%		4,412	11.3%	
(+) Share of Profit from JV	0	0.0%	0	0.0%		2	0.0%	
(-) Non-Controlling Interest	36	0.1%	31	0.1%		31	0.1%	
Profit/(Loss) for the period	5,455	13.3%	(20,980)	-52.4%		4,383	11.2%	

- Royalty/Profit Share Expenses on certain in-licensed/partnered products have been reclassified to Material Costs from Manufacturing and Other expenses starting Q1 FY2022. On a comparable basis, the Gross Margin adjusted for such change would be 63.6% of sales in Q3 FY2021. Manufacturing & Other Expenses adjusted for this change related to Royalty/Profit Share Expenses would be 27.5% of sales in Q3 FY2021.
- Other expenses include the impact of one-time expenses of INR 1932 mn related to residual Metformin returns from retail and consumers not identified previously, and a provision for aged stock returns of Osetamivir given lack of an active flu season for the past two years.
- In Q2 FY2022 we had created provision of INR 18,796 mn [including INR 387 mn towards litigation and settlement related expenses] under Glumetza class actions. The amounts due to the two plaintiffs group was settled in Q3.
- Q2 FY2022 includes impairment Expense of INR 7,077 mn for impairment of Solosec® IP.
- The current tax is computed basis the concept of likely Effective Tax Rate for the year. The one-time items in Q2 create an impact on the overall profitability for first 9M, which is negative. Hence basis average ETR concept as per standards, we see a credit in tax line.

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Consolidated Financial Results 9M FY2022

Amt in INR mn

Particulars	9M FY2022	% of sales	9M FY2021	% of sales	YoY Gr%
Sales	123,283	100.0%	111,677	100.0%	10.4%
Other operating income	1,942	1.6%	2,125	1.9%	-8.6%
Total Revenue from operations	125,225	101.6%	113,802	101.9%	10.0%
Material cost	48,490	39.3%	40,446	36.2%	19.9%
Gross Profit (Excl. Other op. income)¹	74,793	60.7%	71,231	63.8%	5.0%
Employee cost	22,862	18.5%	21,857	19.6%	4.6%
Manufacturing & Other expenses ^{1/2}	35,174	28.5%	32,010	28.7%	9.9%
Other Income	1,269	1.0%	890	0.8%	42.6%
Forex Loss / (Gain)	(282)	-0.2%	1,005	0.9%	-128.1%
EBITDA	20,250	16.4%	19,374	17.3%	4.5%
Depreciation, Amortization & Impairment Expense	6,238	5.1%	6,717	6.0%	-7.1%
EBIT	14,012	11.4%	12,657	11.3%	10.7%
Finance cost	1,013	0.8%	1,088	1.0%	-6.9%
Adjusted Profit Before Tax (PBT)	12,999	10.5%	11,569	10.4%	12.4%
Business Compensation Expense ³	18,796	15.2%	-	0.0%	
Impairment Expense ⁴	7,077	5.7%	-	0.0%	
Profit Before Tax (PBT)	(12,874)	-10.4%	11,569	10.4%	
Tax ⁵	(2,896)	-2.3%	3,945	3.5%	
Profit After Tax (PAT)	(9,978)	-8.1%	7,624	6.8%	
(+) Share of Profit from JV	2	0.0%	12	0.0%	
(-) Non-Controlling Interest	125	0.1%	74	0.1%	
Profit/(Loss) for the period	(10,101)	-8.2%	7,562	6.8%	

- Royalty/Profit Share Expenses on certain in-licensed/partnered products have been reclassified to Material Costs from Manufacturing and Other expenses starting Q1 FY2022. On a comparable basis, the Gross Margin adjusted for such change would be 63% of sales in 9M FY2021. Manufacturing & Other Expenses adjusted for this change related to Royalty/Profit Share Expenses would be 27.9% of sales in 9M FY2021.
- Other expenses include the impact of one-time expenses of INR 1932 mn related to residual Metformin returns from retail and consumers not identified previously, and a provision for aged stock returns of Osetamivir given lack of an active flu season for the past two years.
- In Q2 FY2022 we had created provision of INR 18,796 mn [including INR 387 mn towards litigation and settlement related expenses] under Glumetza class actions. The amounts due to the two plaintiffs group was settled in Q3.
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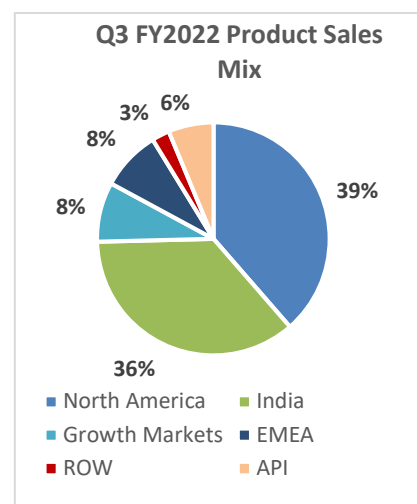
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Sales Mix

Amt in INR mn

Particulars	Q3 FY22	Q2 FY22	Growth QoQ	Q3 FY21	Growth YoY
North America	15,775	14,291	10.4%	14,424	9.4%
India	14,733	15,435	-4.5%	13,669	7.8%
Growth Markets	3,390	3,490	-2.9%	3,314	2.3%
EMEA	3,422	3,484	-1.8%	3,272	4.6%
ROW	991	656	51.0%	1,056	-6.1%
Total Formulations	38,311	37,356	2.6%	35,735	7.2%
API	2,564	2,678	-4.3%	3,438	-25.4%
Consolidated Sales	40,875	40,034	2.1%	39,173	4.3%



Operational Highlights

North America

North America sales for Q3 FY2022 were INR 15,775 mn, up 10.4% compared to INR 14,291 mn in Q2 FY2022, up 9.4% as compared to INR 14,424 mn in Q3 FY2021; accounting for 39% of Lupin's global sales.

Q3 FY2022 sales were USD 202 mn compared to USD 184 mn in Q2 FY2022 and USD 188 mn in Q3 FY2021.

The Company filed 3 ANDAs in the quarter, received 3 ANDA approvals from the U.S. FDA, and launched 2 products in the quarter in the U.S. market. The Company now has 167 products in the U.S. generics market.

Lupin continues to be the 3rd largest pharmaceutical player in both U.S. generic market and U.S. total market by prescriptions (IQVIA MAT November 2021). Lupin is the market leader in 58 products in the U.S. generics market and amongst the Top 3 in 119 of its marketed products (IQVIA September 2021).

India

India formulation sales for Q3 FY2022 were INR 14,733 mn, down 4.5% as compared to INR 15,435 mn in Q2 FY2022, up 7.8% as compared to INR 13,669 mn in Q3 FY2021; accounting for 36% of Lupin's global sales.

India Region Formulations sales grew by 11.9% in the quarter as compared to Q3 FY2021. The company launched 1 brand in the Respiratory segment and 2 brands in the Cardiac segment in the quarter.

Lupin is the 6th largest company in the Indian Pharmaceutical Market (IQVIA MAT December 2021).

Growth Markets (LATAM and APAC)

Growth Markets registered sales of INR 3,390 mn for Q3 FY2022, down 2.9% compared to INR 3,490 mn in Q2 FY2022, up 2.3% as compared to INR 3,314 mn in Q3 FY2021; accounting for 8% of Lupin's global sales.

Brazil sales were BRL 49 mn for Q3 FY2022 compared to BRL 48 mn for Q2 FY2022 and BRL 66 mn for Q3 FY2021.

Mexico sales were MXN 195 mn for Q3 FY2022 compared to MXN 172 mn for Q2 FY2022 and MXN 188 mn for Q3 FY2021.

Philippines sales were PHP 401 mn for Q3 FY2022 compared to PHP 643 mn for Q2 FY2022 and PHP 367 mn for Q3 FY2021.

Australia sales were AUD 17.8 mn for Q3 FY2022 compared to AUD 18.3 mn for Q2 FY2022 and AUD 15.7 mn for Q3 FY2021.

Europe, Middle-East and Africa (EMEA)

EMEA sales for Q3 FY2022 were INR 3,422 mn, down 1.8% compared to INR 3,484 mn in Q2 FY2022, up 4.6% compared to INR 3,272 mn in Q3 FY2021; accounting for 8% of Lupin's global sales.

South Africa sales for Q3 FY2022 were ZAR 319 mn, compared to ZAR 357 mn in Q2 FY2022 and ZAR 323 mn in Q3 FY2021. Lupin is the 6th largest player in South Africa in the total generics market (IQVIA November 2021).

Germany sales for Q3 FY2022 were EUR 8.8 mn, compared to EUR 7.9 mn in Q2 FY2022 and EUR 8.1 mn in Q3 FY2021.

Global API

Global API sales for Q3 FY2022 were INR 2,564 mn, down 4.3% compared to INR 2,678 mn in Q2 FY2022, down 25.4% as compared to INR 3,438 mn in Q3 FY2021; accounting for 6% of Lupin's global sales.

Research and Development

Investment in R&D amounted to INR 3,546 mn (8.7% of sales) for Q3 FY2022 as compared to INR 3,300 mn (8.2% of sales) for Q2 FY2022.

Lupin received approval for 3 ANDAs from the U.S. FDA in the quarter. Cumulative ANDA filings with the U.S. FDA stand at 447 as of December 31, 2021, with the company having received 295 approvals to date.

The Company now has 50 First-to-File (FTF) filings including 20 exclusive FTF opportunities. Cumulative U.S. DMF filings stand at 196 as of December 31, 2021.

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About Lupin

Lupin is an innovation-led transnational pharmaceutical company headquartered in Mumbai, India. The Company develops and commercializes a wide range of branded and generic formulations, biotechnology products and APIs in over 100 markets in the U.S., India, South Africa and across Asia Pacific (APAC), Latin America (LATAM), Europe and Middle-East regions.

The Company enjoys leadership position in the cardiovascular, anti-diabetic, and respiratory segments and has significant presence in the anti-infective, gastro-intestinal (GI), central nervous system (CNS) and women's health areas. Lupin is the third largest pharmaceutical company in the U.S. by prescriptions. The company invested 9.6% of its revenue on research and development in FY21.

Lupin has 15 manufacturing sites, 7 research centres, more than 20,000 professionals working globally, and has been consistently recognized as a 'Great Place to Work' in the Biotechnology & Pharmaceuticals sector.

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Facebook: <http://www.facebook.com/LupinWorld/>

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