Chairman's Address to Shareholders

Ladies and gentlemen, respected shareholders, and members of the board.

It is with great privilege that I welcome you to the 45th Annual General Meeting of AstraZeneca Pharma India Ltd. I trust you and your families are in good health.

I extend my heartfelt gratitude for your unwavering trust, encouragement, and support to the Company and its management. Your confidence and support continue to motivate us to strive for excellence.

This AGM is particularly significant for me as it marks my final address as Chairman, with my directorship tenure concluding on September 29, 2024. Reflecting on our journey, I am reminded of the numerous milestones we have achieved and the challenges we have overcome together. From the inception of ambitious projects to the transformative innovations that have defined our growth, every moment has been a testament to our collective dedication and perseverance.

Over the past decade, we have witnessed transformative changes in the healthcare landscape, and I am proud of how AstraZeneca has navigated these shifts with unwavering determination and strategic foresight. Our shared vision has not only propelled us forward but also reinforced our commitment to making a meaningful difference in the lives of millions.

The company's steadfast commitment to pioneering science and innovation has enabled us to significantly improve patient outcomes. We are transforming healthcare for billions of people, moving from preventing and treating diseases to one day curing them. This transformation is driven by our belief that science is key to unlocking the answers, and by harnessing digital technologies, data, and AI, we are accelerating our understanding of disease and increasing our chances of success.

Together, with a shared sense of purpose, we aim to make a positive impact on patients' lives and contribute to a healthier and better future. I extend my heartfelt gratitude to every one of you for your unwavering commitment and passion.

The Director's Report and Audited Financial Statements for the financial year ending March 31, 2024, are with you. Assuming your familiarity with these documents with your permission I will highlight some key updates on our progress over the past year.

Dear Shareholders,

AstraZeneca has relentlessly pursued excellence, innovation, and sustainable growth. Our foundation lies in harnessing the power of science to create transformative medications that significantly improve lives. We believe our responsibility extends beyond profits to making a positive impact on people, society, and the planet.

Over the past year, we have achieved significant milestones, thanks to the dedication of our teams. We have brought groundbreaking innovations to market, delivering life-changing solutions to those in need. Our commitment to making healthcare accessible remains a driving force. We continue to invest in sustainable health systems and infrastructure to create lasting positive impacts on our communities.

We take immense pride in being recognized as an exceptional workplace where sustainability, inclusivity, and diversity are core values. Our culture of continuous learning and a shared sense of purpose drives us to excel in all aspects of our business.

I extend my heartfelt gratitude to each team member for their unwavering commitment, passion, and a strong belief in the Company's purpose of transforming the future of healthcare.

Fiscal highlights for the year 2023-24:

We are proud to share the Company's exceptional progress and accomplishments in FY 2023-24. As a science-led biopharmaceutical company, our commitment to science and sustainable growth has driven us to achieve remarkable milestones. This year, we have seen significant advancements in regulatory approvals, submissions, and pipeline developments, reflecting our dedication to improving lives through transformative medicines.

The Company achieved total revenue of. Rs. 1,330 crores delivering a growth of 29%. Further, the Company achieved a growth of 64% in Profit Before Tax and a significant increase of 63% in EPS.

Aligned with our growth through innovation strategy, the Company's success was driven by innovative products such as Tagrisso, Lynparza, Imfinzi, Fasenra, Brilinta, and the newly launched Enhertu and Koselugo.

- Our **Oncology Business** continued to advance our mission of pushing the boundaries of science to change the cancer care and transform the lives of patients with cancer.
    - **Tagrisso** remains a standard of care for lung cancer patients with an EGFR mutation, both in advanced and early-stage resectable settings. It is one of the Top Ten oncology brands in India as per IPSOS MAT Jun'23 and continues to be the largest oncology brand by sales for AstraZeneca India.
    - **Imfinzi** indicated for both Non-Small Cell and Small Cell Lung Cancer, demonstrated robust growth across lung cancer indications in 2023-24.
    - **Lung Cancer Initiatives**: We launched new initiatives in collaboration with the governments of Karnataka and Goa to increase early diagnosis of lung cancer.
    - A key catalyst for our growth in breast cancer was the launch of **Enhertu** for HER-2 positive metastatic breast cancer in January 2024. Enhertu has been granted breakthrough designation by the USA FDA, highlighting its scientific innovation and potential relevance to meeting the unmet needs of breast cancer patients.
    - **Enhertu**: The launch of Enhertu for HER-2 positive metastatic breast cancer in January 2024 was a key catalyst for our growth in breast cancer. Enhertu has been granted breakthrough designation by the US FDA, highlighting its scientific innovation and relevance to meeting the unmet needs of breast cancer patients.
        - Enhertu also received approval for treating adult patients with unresectable or metastatic HER-2 low breast cancer who have received prior chemotherapy or developed disease recurrence during or within six months of completing adjuvant chemotherapy.

- The BioPharmaceutical division remained steadfast in advancing our mission of providing life-altering solutions to patients.
    - **Brilinta**: Approved for treatment in Acute Coronary Syndrome (ACS) and used in high-risk post-MI patients, Brilinta achieved a 27% growth year-on-year despite loss of exclusivity by the parent company.
    - Fasenra, the No.1 respiratory biologic by value in the country, has significantly impacted the lives of more than 600 patients. With strong patient enrollments, it has redefined the standard of care for the management of severe asthma. This remarkable achievement underscores its status as the first biologic from AstraZeneca to treat Severe Eosinophilic Asthma (SEA).
    - The Company has partnered with Mankind Pharma to expand access to asthma medicines for Indian patients, entering into an exclusive distribution and promotion agreement for Symbicort.

- We forayed into the **Rare Diseases** segment with the launch of Koselugo, the first and only approved therapy for the treatment of pediatric patients with neurofibromatosis type 1 (NF1) who have inoperable plexiform neurofibromas (PN).

These achievements underscore our commitment to transforming healthcare through scientific innovation and strategic collaboration. Thank you for your continued support.

Macro-Economic Overview

India stands as the world's 5th largest economy, boasting an estimated GDP of US$ 3.94 trillion. When adjusted for purchasing power, it ranks third, trailing only behind China and the United States. In 2023, India emerged as the fastest-growing major economy, experiencing a substantial GDP growth of 7.8%.

India's macroeconomic fundamentals have remained robust, with expansion driven by a notable increase in the industrial, manufacturing, and services sectors. This growth has been bolstered by the government’s sustained capital expenditure push, despite global headwinds stemming from geopolitical uncertainties. Looking ahead, India's economy is poised to benefit from strong public investment and continued growth in the manufacturing sector, with a projected GDP growth of 6.8% in 2024 and 6.5% in 2025.

While the global macro-economic environment presents challenges, it also presents new opportunities.

Indian Pharmaceutical Market (IPM)

The Indian Pharmaceutical Market encompasses generic drugs, bulk drugs, OTC medicines, vaccines, contract research & manufacturing (CRAMS), and biosimilars and biologics. India holds the position as the third-largest market globally in terms of pharmaceutical production by volume and ranks fourteenth in terms of value. Notably, India stands as the largest supplier of vaccines and generic drugs globally. Moreover, the Indian pharmaceutical industry ranks among the top 10 attractive segments for Foreign Direct Investment in India, having received a substantial U$ 22.37 billion in FDI from April 2000 to December 2023.

For the fiscal year 2023-24, the estimated size of the Indian Pharmaceutical Market stands at Rs. 2,16,091 crore (US$ 26.04 billion). The market experienced a growth of 7.6%, representing a slight drop from the previous year's growth of 7.9%. Indian companies account for an 83% share of the market's value, experiencing a growth rate of 7.9%, while multinational corporations (MNCs) saw a growth rate of 6.05%.

Operations

Our facility maintained excellent safety and quality performance with zero Lost Time Injuries and seamless supply to patients. We continue to prioritize sustainability, achieving 85% green energy utilization and zero discharge for effluent through water reuse initiatives.

Through the Company’s earlier communications to stock exchanges, it was informed that as part of AstraZeneca's ongoing strategic review of its Global Manufacturing and Supply Network, the Company intends to exit the manufacturing site in Bangalore, in due course. It was also informed that the Company will now explore a buyer for its manufacturing site.

The Company remains committed to advance access to innovative medicines in India, with a clear ambition to be pioneers in science, lead in specialist disease areas, and transform patient outcomes. The Company is fully cognizant of the impact this change can bring and its first responsibility will be towards its employees and meeting the needs of its patients by ensuring an uninterrupted supply of medicines.

Outlook

Inspired by our purpose and values, we are transforming the future of healthcare by unlocking the power of what science can do – for the people, society, and the planet.

The Company has introduced several new products and indication expansions in FY 2023-24. Pathbreaking launches in the Oncology business include Enhertu for adult patients with unresectable or metastatic HER2 positive breast cancer. Enhertu has also received indication approvals for HER2-Low Metastatic Breast Cancer and Locally Advanced or Metastatic Gastric Cancer. Enhertu has gathered considerable momentum and quick acceptance amongst healthcare professionals. The Company's robust portfolio and future pipeline in Oncology will lead the way in transforming outcomes for cancer patients in India.

In CVRM, Forxiga expanded its indication in Heart Failure. The Company has been instrumental in shaping the market for use of SGLT2i class of drugs in this novel indication.

The Company also entered the Rare Disease Market with the launch of Koselugo for treatment of NF1 and plans to expand its portfolio further, leveraging its wide global asset offering.

In FY 2024-25, the Company will continue to strive towards its ambition to be pioneers in science, lead in specialist disease areas, and transform patient outcomes. The Company remains committed to making novel therapies available to patients in India, putting innovation and sustainability at the heart of its operations.

Corporate Social Responsibility

At AstraZeneca, our purpose and our values of doing the right thing, impels us to strive towards building healthier societies, forging partnerships to tackle major health challenges. By using a science led approach and ensuring we act with integrity and in accordance with our values, the Company is transforming the future of healthcare and making a positive impact. The Company seeks to create value beyond the impact of our life changing medicines, by embedding sustainability into everything.

Since 2021, our priority focus areas have been grouped under three interconnected strategic priority pillars-- Access to healthcare, Environmental protection, and Ethics & transparency.

Our flagship programme, the 'Ganga Godavari Screening Programme', aims to identify the incidence of Cancer in women early-on by conducting preventative screenings among underserved communities. Over the year, we have continued our mission to identify cancer incidence early-on by creating awareness and conducting screenings among economically weaker sections of identified communities in Nasik, Patna, and Delhi (Mohalla clinics using AI based breast cancer screening). Alongside, we supported preventative screening camps organized by partners CAPED, ICS and OneStage driving 'Early Detection for Better Outcomes'. The project screened over 10,000 women through 125 camps in ~125 different locations.

The Global Young Health Program (YHP), a partnership with the John Hopkins School of Public Health and Plan International, focuses on enhancing health outcomes for vulnerable youth. This program has reached over 95,000 youths through 43 community activities, aiming to limit risk behaviors and promote long-term health. We have trained 145 youth as peer educators and 75 healthcare workers, engaging 28 government stakeholders to ensure a broader impact on youth health education.

Last year, the Company added a unique dimension to 'Environment Protection' pillar of Corporate Social Responsibility. In response to the critical situation in rural India, where traditional cooking methods pose significant health and environmental challenges, we introduced the concept of 'Improved Cookstoves Distribution for Women Empowerment and Environmental Sustainability'. This initiative aims to address health risks, empower women, and contribute to environmental sustainability by reducing deforestation and lowering greenhouse gas emissions. In collaboration with our partner IICare and OneStage, we installed over 2500 cookstoves in households across Jalna District, (Ambad and Ghanswangi and Jalna Block) benefitting ~7,000–8,000 beneficiaries directly and indirectly.

Additionally, with SankalpTaru Foundation, we have 5,000 geo-tagged trees using Miyawaki and conventional plantation methods, including medicinal, fruit-bearing, and shade-giving trees, at the Open-Air Jail in Devanahalli, Bangalore, Karnataka.

We are dedicated to innovating and accelerating the delivery of sustainable healthcare, committed to building purpose-driven partnerships for a healthy future for everyone.

Acknowledgments

As I conclude my tenure, I reflect with pride on our achievements and look forward with optimism. AstraZeneca's future is bright, and I am confident that the company will continue to reach new heights. I extend my sincere thanks to our dedicated employees, the board of directors, and our shareholders for your unwavering support.

It has been a privilege to serve as your Chairman. I am confident that the incoming leadership will continue to build on our successes and drive AstraZeneca towards even greater accomplishments.

Narayan K Seshadri
Chairman