8th June 2018

Dear Sirs,

Please find enclosed Press Release published by Unitaid, Geneva, dated 8th June, 2018, with respect to its agreement with the Company, to lower the price of the first combination therapy (containing co-trimoxazole, isoniazid and vitamin B6) that prevents opportunistic infections in people living with HIV.

Kindly acknowledge the receipt.

Thank you,

Yours faithfully,
For Cipla Limited

[Signature]
Rajendra Chopra
Company Secretary

Encl: as above

Prepared by: Ketaki Kadam
Price cut on medicine will help preserve the health of more people living with HIV

Geneva, 8 June 2018 — Unitaid and Indian drug manufacturer Cipla Ltd. struck a landmark agreement today that will lower the price of the first combination therapy (containing co-trimoxazole, isoniazid and vitamin B6) that prevents opportunistic infections in people living with HIV.

The HIV virus can weaken the immune system, increasing the risk of dangerous infection by bacteria and viruses.

Under this agreement, Cipla will reduce the ceiling price of the medicine by more than 30 percent from US$ 3 to US$ 1.99 per person, per month, for all public-sector procurers in low- and middle-income countries. The price of the product is expected to come down more as governments and international funding bodies procure larger quantities for their HIV treatment programmes.

“Unitaid-funded projects are putting more people on improved HIV treatment, but we continue to see high rates of opportunistic infections,” Unitaid Executive Director Lelio Marmora said. “By preventing these deadly infections, more people living with HIV will lead healthier lives.”

Additional manufacturers of this product are expected to enter the market in due course, bringing competition and greater supply to meet patient demand. Unitaid, meanwhile, will continue working with governments, international funding bodies, and its implementing partners to speed the introduction of the new therapy into countries’ HIV treatment programmes.

The drug, known as Q-TIB, has been on the market since 2017, but its high price has put it out of reach of countries’ health budgets.

"Despite great progress in the global response to HIV, up to one third of people living with HIV seek care only when they have advanced disease. They often present with a range of serious opportunistic infections," said Dr Gottfried Hirnschall, director of WHO’s HIV Department. "Providing access to new combination therapies in the form of a single pill daily will make it easier and more affordable to prevent these common infections and help save lives."

In 2016, about one million people died of AIDS-related illnesses, according to WHO. Of those, most died from TB, bacterial and fungal infections.
“We very much welcome this initiative,” said Dr. Osamu Kunii, head of the Global Fund’s Strategy, Investment and Impact Division. “This single combination of medicines in one tablet has several critical advantages over separate tablets. By reducing the number of pills people need to take, we will see better medication adherence resulting in improved health outcomes.”

The collaboration is part of Unitaid’s broader effort to expand access to a package of essential products for screening, preventing and treating the most prevalent opportunistic infections in people living with HIV.

The combination therapy is a once-daily pill that protects in three ways: against TB, the leading cause of death among people with HIV; and against other life-threatening bacterial, and protozoan infections. The new combination is expected to be particularly effective in reducing TB, because it will increase the use of isoniazid, the TB-fighting component whose availability has been inconsistent.

Q-TIB was prequalified by WHO in 2017, which authorizes it to be procured and distributed by international funding bodies, such as the Global Fund and the U.S. President's Emergency Plan for AIDS Relief (PEPFAR).

MEDIA CONTACTS:
Andrew Hurst, Unitaid, Geneva – tel. +41 22 791 3859, hursta@unitaid.who.int
Dominique De Santis, Unitaid, Geneva – tel. +41 78 911 5327, desantisd@unitaid.who.int

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Unitaid

Unitaid invests in new ways to prevent, diagnose and treat HIV/AIDS, hepatitis C, tuberculosis and malaria more quickly, affordably and effectively. It brings the power of new medical discoveries to the people who most need them. And it helps set the stage for the large-scale introduction of new health products by collaborating with governments and funding partners such as PEPFAR and the Global Fund.