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January 27, 2022

To The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street Mumbai – 400001 Code: 540222	To The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 Code: LAURUSLABS
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Dear Sirs,

Sub: **Press Release**

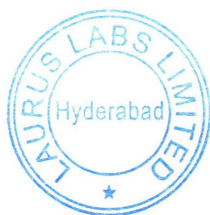
Please find enclosed the Press Release on the financial results for the quarter and nine months ended December 31, 2021.

Please take the information on record.

Thanking you,

Yours sincerely,
For Laurus Labs Limited

G. Venkateswar Reddy
Company Secretary



Encl: As above

Laurus Labs records Revenue of Rs.3,511 Cr with 3% growth for first nine months of FY 22

Hyderabad, January 27, 2022: Laurus Labs Ltd. (Laurus BSE: 540222, NSE: LAURUSLABS, ISIN: INE947Q01028), a leading research and development driven pharmaceutical and biotech company in India announces its Q3 & 9M FY22 results.

9M FY22 :

- Revenue at ₹ 3,511 crs, up 3 % (Y-o-Y)
- EBITDA ₹ 1,038 crs, decreased by 5 % (Y-o-Y)
- EBITDA margins at 30 %
- PAT at ₹ 597 crs, decreased by 13 % (Y-o-Y)
- PAT margins at 17 %
- EPS (Diluted) (face value of ₹ 2/-) for the period at ₹ 11.1 per share (not annualised)

Q3 FY22 :

- Total net revenue ₹ 1,029 crs, decreased 20 % (Y-o-Y)
- EBITDA ₹ 290 crs, decreased by 33 % (Y-o-Y)
- EBITDA margins at 28 %
- PAT at ₹ 154 crs, decreased by 44 % (Y-o-Y)
- PAT margins at 15 % (Y-o-Y)
- EPS (Diluted) for the period at ₹ 2.9 per share (not annualised)

Commenting on the highlights, Founder and Chief Executive Officer Dr. Satyanarayana Chava stated

“Our 9MFY22 results reflects operational resilience overall with better mix and sustained profitability despite of lower revenue from ARV APIs and formulations. Our Q3 results impacted by lower sales of ARV APIs and formulations due to stocking at channel partners and we expect improvement from Q4. However, Strong momentum in our CDMO business continued this quarter with over 60% growth and also seen healthy rebound in API business (ex-ARV) with activity levels picking up. We continue to sharpen our execution as we focus on positioning our businesses for sustainable long term growth”.

Commenting on the results announcement, V V Ravi Kumar, ED & Chief Financial Officer said;

“Laurus Labs reported 9MFY22, our Revenues have grown 3% to ₹ 3,511 crs, driven by Strong CDMO business, steady FDF and likely rebound in Other APIs. EBITDA came at ₹ 1,038 crs with EBITDA margins at 30% as better mix compensated for negative operating leverage. Q3 Revenues of ₹ 1,029 crs, fell 20% YoY, impacted by continued stocking concern in ARV business. Despite a tough environment we have demonstrated healthy Gross Margins expansion due to better mix. EBITDA has declined by 33 % to ₹ 290 crs while our EBITDA margins were largely consistent at 28%.”

Business Highlights:

Overall

- Total Income for 9months at ₹ 3,511 crs with 3% growth and for Q3 FY22 at ₹ 1,029 crs declined by 20 % (Y-o-Y). The growth was impacted due to transient inventory correction of ARV business.
- Core results continues to remain resilient with Strong growth in Synthesis (+62%), and Other APIs (+38%). Drag in ARV business is sharper than expected and appears to have bottomed out
- **R & D spent of ₹ 148 crs and 4 % of sales in 9M FY22.**

Generic FDF

- FDF business generated revenue of Rs.1389 Cr for first 9 months with 13% growth whereas in Q3 with Revenues declined by 13% YoY to ₹ 373 cr
- Expect rebound backed by increased demand for ARV business. Developed markets sales will enhance based on new approvals and launch.
- 1 product Dossier filed in Developed markets in Q3 taking total filings to 8 products for 9MFY22
- **Cumulatively filed 30 ANDAs in US with 14 PARA IV filings and 10 FTF opportunities**
- Brownfield expansion to add significant capacity should be operational by beginning of FY23

Generic API

- API business reported revenue of Rs.1500 Cr for first nine months with de-growth of 18% whereas for Q3 revenue de-grown by 42% YoY to ₹ 424 crs
- Other APIs and Oncology Revenues continued to normalize faster and saw good traction overall (+38% & +33% YoY)
- ARV business impacted due to slightly prolonged channel de-stocking – Continue to believe that this is transient.
- Filed 315 patents out of that 177 patents granted as of Dec 31, 2021
- **Filed 71 DMFs till date**

Synthesis

- Delivered strong growth of 62% for first nine months and 63% in Q3 YoY to ₹ 207 crs.
- Sustained new client addition and increased business from existing customers
- Expansion in CDMO capability on track to include new opportunities and extended service
- Greenfield investment to set up a dedicated R&D center and manufacturing units is progressing as per our expectations

Bio Division

- Segment Sales largely stable and Clocked sales of ₹ 25 crs
- Commissioned remaining two Fermentor taking the total operational capacity to 180KL as on Dec'21. Subsequent benefits of the full operational capacity to reflect from Q4 onwards.
- Acquiring Additional land parcel to Create close to 1 million litres fermentation capacity

About Laurus | Laurus Labs is a fully integrated pharmaceutical and biotechnology company, with a leadership position in generic Active Pharmaceutical Ingredients (APIs) and a major focus on anti-retroviral, Hepatitis C, and oncology drugs. We also develop and manufacture oral solid formulations, provide contract research and manufacturing services (CRAMS) to Global pharma companies, and produce specialty ingredients for nutraceuticals, dietary supplements and cosmeceuticals.

We are passionate about advanced chemistry skills. Our proven expertise in bringing innovative solution, manufacturing efficiencies and unwavering quality focus has won us long-standing relationship with our global customers. Laurus employs 4800+ people, including around 750+ scientists at more than 8 facilities approved by major regulatory agencies USFDA, WHO-Geneva, UK-MHRA etc. During FY2021 Laurus generated over ₹ 4,800 crore in annual revenue and is listed on the BSE (Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. Laurus' proactive stance to conduct business with utmost Transparency, Integrity and Respect for environment & communities have earned it a place in Governance benchmark, Certified Great Place to Work and Rated "A" by leading MSCI ESG Ratings.

Corporate Identification No: L24239AP2005PLC047518

For more information about us, please visit <http://www.lauruslabs.com> or Contact particulars:

Media Relations

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A handwritten signature in blue ink, appearing to read "P. N. K.", is written over the logo.

DISCLAIMER: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Laurus Labs Limited (Laurus) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.