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April 30, 2020

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

Sub: Press Release

We enclose herewith the Press Release on the financial results for the quarter and year ended March 31, 2020.

Please take the information on record.

Thanking you,

Yours sincerely,  
For **Laurus Labs Limited**

  
**G. Venkateswar Reddy**  
Company Secretary



Encl: As above

## Highest Ever Profit after Tax at INR 2,553 mn in FY20, growth of 172%

**FY20 Revenues up 24 %**

**FY20 EBITDA at INR 5,695 mn up 53 %, Margins at 20 %**

**FY20 PAT at INR 2,553 mn margins at 9 %**

**Hyderabad, April 30, 2020:** Laurus Labs Ltd. (**Laurus BSE: 540222, NSE: LAURUSLABS, ISIN: INE947Q01010**), a leading research and development-driven pharmaceutical company in India announces its Q4 & FY20 results.

### **Consolidated Q4 FY20 Laurus reported:**

- Revenue at INR. 8,391 mn, up 32 % (Y-o-Y)
- EBITDA INR 1,934 mn, up 71 % (Y-o-Y)
- EBITDA margins at 23 %
- PAT at INR. 1,102 mn, up 155% (Y-o-Y)
- EPS (Diluted) for the period at INR. 10.3 per share (not annualised), up by 151% (Y-o-Y)

### **Consolidated FY20 Laurus reported:**

- Revenue at INR. 28,317 mn, up 24 % (Y-o-Y)
- EBITDA INR 5,695 mn, up 53 % (Y-o-Y)
- EBITDA margins at 20 %
- PAT at INR. 2,553 mn, up 172 % (Y-o-Y)
- EPS (Diluted) for the year at INR. 23.9 per share, up 172 % (Y-o-Y)
- Interim Dividend of INR 1.50/- per share and final Dividend of INR 1.00/- per share.

### **Commenting on the results announcement, Dr. Satyanarayana Chava – Founder & CEO said;**

*"I am very happy to share that we have closed FY20 on a strong footing, recording our Highest ever Revenue, EBITDA and Profit numbers. Our Formulations business led by LMIC tender business continues to deliver robust growth resulting in ~30% revenue contribution for the year. Along with the Tender business we are also seeing many new opportunities in developed markets of North America & Europe. We continue to file 8-10 ANDAs a year as we see many long term opportunities in US generics space. Our Custom Synthesis business has maintained its growth trajectory with higher volumes from the CDMO business.*

*With higher volumes and new product introduction, our Other API business segment has posted healthy growth, we do expect this growth rate to continue and improve in the coming quarters. Our*

Anti Viral API revenues grew on a sequential basis. We expect this business to achieve stable revenues in FY21 and may grow albeit at a lower rate.

Our integrated strategy is delivering outcomes and we are investing in the future to drive sustainable long-term growth. With the improvement in margins and profitability in FY20 and given the variable factor of COVID19, I remain highly optimistic about delivering superior performance on all parameters.”

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

“Our Total Revenues from Operations came in at INR 28,317 mn for FY20. Our Gross Margins continue to show improvement on the back of better product mix from FDF & Custom Synthesis businesses. With the improvement in our Asset turns for all our major units, our EBITDA margins showed a meaningful improvement at 20 % for FY20. All our greenfield Units have turned cash positive this year and reported a pre-tax ROCE of 14 %. With attractive business opportunities and a healthy order book for FY21, we continue to invest in our FDF and API Infrastructure. At the same time, we remain confident of achieving improved return ratios.”

**Business Highlights:**

**Overall**

- Total Income at INR 8,391 mn in Q4 FY20 Up 32 % (Y-o-Y)
- Total Income at INR 28,317 mn in FY20 Up 24 % (Y-o-Y)
- R & D spent of INR 1,602 mn and 5.7% of sales in FY20.
- The Board of Directors, at their meeting held on March 12, 2020 approved for the payment of interim dividend of ₹ 1.50/- per share.
- The Board of Directors, at their meeting held on April 30, 2020, recommended a final dividend of ₹ 1.00/- per share, subject to the approval of shareholders.
- The Board of Directors, at their meeting held on April 30, 2020, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each to face value of Rs. 2/- each (i.e. split of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each), subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company and other regulatory approvals.

**Generic FDF**

- Generic FDF business maintains robust growth momentum for the quarter and year FY20.
  - The growth in the quarter was led by higher sales from tender business in LMIC; having a strong order book for coming quarters
  - Contract manufacturing revenues from EU region has a strong order book for FY20 & FY21
- Hydroxychloroquine launched in March 2020 in the US by our partner

- Pregabalin launched in July 2019 by our partner, continues to enjoy double-digit market share
- 2 product validation completed for formulation apart from filling of 26 ANDAs & NDAs
- 6 products received Final Approvals and 5 products have received Tentative Approvals
- FDF Opex for FY20 stood at INR 1,969 mn which includes INR 714 mn related to the FDF R&D
- Rising Pharmaceuticals and Laurus Labs partnered to support the University of Minnesota to explore the prophylaxis effect of hydroxychloroquine in essential health care workers

### **Synthesis & Ingredients**

- State-of-the-art cGMP facilities to manufacture NCEs and Intermediates
- Integrated projects from Pre Clinical to Commercial stages
- Working with Large Global Innovator Pharmaceutical Companies, mid and small Biotech Companies
- We have added several new projects at various stages
- We are in the process of Incorporating Wholly Owned subsidiary to give desired Focus and dedicated R&D and Manufacturing sites
- Merged Ingredients business division with Custom Synthesis business in order to have clear demarcation on Products and Strategy

### **Generic API**

- The anti-viral segment showed growth and expect to have stable revenues
- Contract manufacturing of Generic APIs showing robust growth
- Capacity enhancement completed for major 1<sup>st</sup> and 2<sup>nd</sup> line ARV APIs
- Filed 257 patent applications and 116 patent granted as on March 31, 2020

**-ENDS-**

## About Laurus Labs Limited

Laurus Labs is a leading research driven Pharmaceutical Manufacturing Company in India. We have grown to become one of the leading manufacturers of API for Anti-Retroviral (ARV), Oncology, Cardiovascular, Anti-Diabetics, Anti-Asthma, and Gastroenterology. We are thriving on growth opportunities in formulation manufacturing to service all leading markets of North America, Europe and Low Middle-Income Countries (LMIC). We are driving growth opportunities in Contract Development and Manufacturing through our Synthesis business. Most of our manufacturing facilities are approved by major regulatory authorities USFDA, WHO-Geneva, UK-MHRA, etc. Our approach remains to identify and invest ahead of time with strategic investments in State-of-the-Art R&D and Manufacturing Infrastructure enabling us to become a quality supplier of high volume products. **Corporate Identification No: L24239AP2005PLC047518**

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

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