

April 27, 2023

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 year ended March 31, 2023.

Please take the information on record.

Thanking you,

Yours sincerely,
For **Laurus Labs Limited**

G. Venkateswar Reddy
Company Secretary &
Compliance Officer

Encl: As above

Laurus Labs delivers strong FY23 results Revenues at ₹ 6,041 Cr and 22% growth EBITDA at ₹ 1,594 Cr and 26.4% margin

Hyderabad, April 27, 2023: Laurus Labs Ltd. (Laurus BSE: 540222, NSE: LAURUSLABS, ISIN: INE947Q01028), a leading research and development driven pharmaceutical and biotech company in India announces its Q4 & Full year FY23 results.

FY23 :

- Revenue at ₹ 6,041 crs, increased 22 % (Y-o-Y)
- EBITDA at ₹ 1,594 crs, increased by 11 % (Y-o-Y)
- EBITDA margins at 26.4 %
- PAT at ₹ 790 crs, decreased by 4 % (Y-o-Y)
- PAT margins at 13.1 %
- EPS (Diluted) (face value of ₹ 2/-) at ₹ 14.6 per share

Q4 FY23 :

- Revenue at ₹ 1,381 crs, decreased 3 % (Y-o-Y)
- EBITDA at ₹ 287 crs, decreased by 28 % (Y-o-Y)
- EBITDA margins at 20.8 %
- PAT at ₹ 103 crs, decreased by 55 % (Y-o-Y)
- PAT margins at 7.5 %
- EPS (Diluted) for the period at ₹ 1.9 per share (not annualised)
- Interim Dividend of INR 1.2/- per share.

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

FY23 has been a year of significant achievement and meaningful progress despite a challenging macro environment. We delivered strong full year results driven by robust underlying business performance in our key growth pillars CDMO, and Non-ARVs generic portfolio. Our R&D driven commercial strategy continued to make advancements at speed and we are making efficient use of strongly linked technology platform and manufacturing excellence to seize new business opportunities, and widening our target market. Our investment programs are well on track with a focus on long-term success. We are also continuing to drive forward our sustainability agenda.

We are entering FY24 with greater confidence that we're creating a sustainable engine that will bring forth greater business resilience and generate long term sustainable value for stakeholders well into next decade

Commenting on the results, V V Ravi Kumar, Executive Director & Chief Financial Officer said;

“We delivered good financial performance for FY23 in line with our revised outlook. We achieved ₹ 6,041 crs in revenues, representing 22% revenues growth, and ₹ 1,594 crs EBITDA, equating to 26.4% margin. Business mix had positively contributed to margins but the negative operating leverage on new capacities commissioned, higher inflation and Fx impact led to the overall margin fall compared to last year. We are working on several initiatives around efficiency improvement, which should partly mitigate its impact in FY24. Our future capex projects towards strengthening CDMO and Non-ARV generics are advancing as per schedule and Debt leverage position remains comfortable.

Our Q4 results were challenging driven by steep fall in CDMO revenues and higher upfront cost of Capex projects and R&D Projects. We achieved, ₹ 1,381 crs in revenues, representing 3% revenues decline, and ₹ 287 crs EBITDA, resulting in 20.8% margin

Business Highlights:

Overall

- Total Income for FY23 increased by 22% to ₹ 6,041 crs; Total Income for Q4 at ₹ 1,381 crs decreased 3% (Y-o-Y)
- Full year performance driven by Non-ARV business, especially CDMO and API business which compensated for FDF sales decline.
- R & D spent at ₹ 211 crs and ~3.5% of Revenues in FY23
- Successful execution of a large purchase order with Big pharma improved visibility with big pharma
- Dedicated \$100mn+ investment in CDMO in the state of art CDMO R&D & Animal Health. facility on track
- +28% Capacity expansion in small molecules to 7.5 mn Ltr
- Increased business in CMO project pipeline & Started new Sterile lab
- ImmunoACT initiated Ph-II/III for CD19 CAR-T candidate. Established first state-of-art GMP CAR-T cell therapy facility in Navi-Mumbai
- Implementation of Biocatalysis and Enzyme platform and Progress on Continuous flow technology, SMB, ODFs etc
- The Board of Directors, at their meeting held on April 27, 2023, approved the payment of an interim dividend of ₹ 1.2/- per share.

Generic FDF

- FDF business generated revenue of ₹ 1,140 crs during FY23; decreased 39% due to significant drop in procurement from Global agencies and adverse pricing drop
- Q4 Revenues decreased by 20% YoY to ₹393 crs but continued to show strong rebound from Q2 lows
- Selected by The Global Fund as ‘Panel Supplier’ to produce ARV drugs for 2023-2025 period.

- Europe business expanding in FY 24 with higher volume of existing products. New approvals from North America will trigger further growth in FY24
- FY23 Developed Market filings: 13 product dossiers were filed and a total of 11 approvals received (including Tentative approvals)
- During FY23, filed First New Drug Application (NDA) with the US FDA for Pediatric HIV based on ODF technology platform
- Cumulatively filed 37 ANDAs in US with 16 PARA IV filings and 11 FTF opportunities
- Formulation capabilities expansion at Unit 2 – by 4 billion units annually. Gradual commercial production ramp-up expected

Generic API

- API business reported revenues of ₹ 2,609 crs, increased by 28%. Q4 revenues increased 32% YoY to ₹ 714 crs
- ARV business continues steady momentum and witnessed volume led improvement, growing +17% YoY during Q4 and +21% in FY23
- Other APIs segment reported strong growth for Q4 and FY23 at +38% and +56% following ramp up in the new contract supplies
- Filed 335 patents out of that 208 patents granted as of Mar'23
- Filed 79 DMFs till date (vs. FY22: 73 DMFs)

CDMO-Synthesis

- CDMO in FY23 delivered robust growth of 136% at ₹ 2,167 crs driven by delivery of large purchase order and accelerated demand from existing and new clients
- Q4 Revenues declined by 37% YoY at ₹ 228 crs due completion of purchase order related material supplies in Dec'22
- Baseline projects continue to accelerate and expect to lead the upcoming growth, supported by solid outsourcing trend
- Actively working on over 60 projects and On-going supplies for four commercial APIs and several intermediates.
- Expansion in CDMO capability on track to include new opportunities and new platform technologies

Bio Division

- Delivered solid recovery with +31% YoY growth and sequential +109% growth in Q4 sales of ₹ 46 crs. Overall FY23 grew +25% to ₹ 125 crs
- Driven by unprecedented growth in the CDMO
- Enhanced technical expertise in bio materials and biocatalysis to promote application in small molecule commercial opportunities. New site R3 in design finalization phase - Expansion in phased manner

About Laurus | Founded in 2005, Laurus Labs is a research-driven pharmaceutical and biotechnology company with an aim to improve the quality of life for millions around the world. We have a global leadership position in select Active Pharmaceutical Ingredients (APIs) including anti-retroviral, oncology drugs (incl High Potent APIs), Cardiovascular, and Gastro therapeutics. We also offer integrated CMO and Contract Development and Manufacturing Organization (CDMO) services to Global Innovators from Clinical phase drug development to commercial manufacturing.

We are passionate about continuous technological advances for Smart and Green chemistry skills to driven efficiencies and sustainable manufacturing backed by proven regulatory inspection and quality foundation. Laurus employs 6500+ people, including around 1050+ scientists at more than 11 facilities approved by global agencies USFDA, WHO-Geneva, Japan-PDMA, UK-MHRA, EMA, TGA etc. During FY2023 Laurus generated ₹ 6,041 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, consistently Certified Great Place to Work and Rated "BBB" by leading MSCI ESG Ratings. Corporate Identification No: L24239AP2005PLC047518.

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

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