

Laurus Labs Limited
Corporate Office
2nd Floor, Serene Chambers, Road No. 7
Banjara Hills, Hyderabad - 500034, Telangana, India
T +91 40 6659 4333, 3980 4333, 2342 0500 / 501
F +91 40 6659 4320 / 3980 4320



October 28, 2021

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
--	---

Dear Sirs,

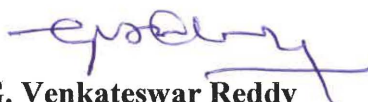
Sub: **Press Release**

Please find enclosed the Press Release on the financial results for the quarter and half year ended September 30, 2021.

Please take the information on record.

Thanking you,

Yours sincerely,
For Laurus Labs Limited


G. Venkateswar Reddy
Company Secretary



Encl: As above

Healthy Growth momentum with 17% revenue growth for H1FY22

Laurus Synthesis (100% Subsidiary) signs multi-year supply contract with a leading Global Life science company

Q2FY22 Revenues: ₹ 1,203 crs +6 % YoY

Q2FY22 EBITDA: ₹ 348 crs, -8 % YoY & Margins at 29 %

Q2FY22 PAT: ₹ 202 crs, -17 % YoY & Margins at 17 %

H1FY22 Revenues: ₹ 2,482 crs +17 % YoY

H1FY22 EBITDA: ₹ 748 crs, +13 % YoY & Margins at 30%

H1FY22 PAT: ₹ 443 crs, + 7 % YoY & Margins at 18 %

Hyderabad, October 28, 2021: Laurus Labs Ltd. (Laurus BSE: 540222, NSE: LAURUSLABS, ISIN: INE947Q01028), a leading research and development driven pharmaceutical and biotech company in India announces its Q2 & H1 FY22 results.

Q2 FY22 Laurus reported:

- Total net revenue ₹ 1,203 crs, up 6 % (Y-o-Y)
- EBITDA ₹ 348 crs, decreased by 8 % (Y-o-Y)
- EBITDA margins at 29 %
- PAT at ₹ 202 crs, decreased by 17 % (Y-o-Y)
- PAT margins at 17 % (Y-o-Y)
- EPS (Diluted) for the period at ₹ 3.7 per share (not annualised), decreased by 18 % (Y-o-Y)
- Declared Interim dividend of ₹ 0.80 /- per share (face value of ₹ 2/-)

H1 FY22 Laurus reported:

- Revenue at ₹ 2,482 crs, up 17 % (Y-o-Y)
- EBITDA ₹ 748 crs, up 13 % (Y-o-Y)
- EBITDA margins at 30 %
- PAT at ₹ 443 crs, up 7 % (Y-o-Y)
- PAT margins at 18 %
- EPS (Diluted)(face value of ₹ 2/-) for the period at ₹ 8.2 per share (not annualised), up by 6% (Y-oY)

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

"The financial performance of the quarter has been tepid and driven by sales growth. While our profits growth had been modest for the quarter, we clocked healthy growth for H1 FY22. We continue to sharpen our execution across our core business despite challenging times. Our sustained traction in FDF and CDMO business was key driver of the growth. We are focusing on positioning our businesses for sustainable long term growth.

"Importantly, I am pleased to share that recently our Laurus Synthesis Pvt Ltd (LSPL) unit has executed a multi-year partnership deal with a leading Global Life science company. The deal entails complete drug development and manufacturing of a portfolio of niche APIs. Under the agreement, LSPL will set up a dedicated manufacturing facility to manufacture and supply APIs. We believe the deal demonstrates our technological capabilities and will mark a significant step forward in our evolution as a valuable partner to the global pharmaceutical industry. We are seeing multiple opportunities from several new and existing customers who are looking to diversify and de-risk their existing supply chain."

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

"While our Q2 results are slightly subdued we achieved healthy momentum for overall H1 FY22. Laurus Labs reported a modest revenue growth of 6% at ₹ 1,203 crs in Q2FY22, due to transient impact of channel de-stocking for ARV business. EBITDA has declined by 8 % to ₹ 348 crs while our EBITDA margins were maintained. In the 1HFY22, our Revenues have grown 17% to ₹ 2,482 crs, driven by strong momentum in FDF and CDMO business. EBITDA has grown by 13 % to ₹ 748 crs and our Margins have sustained over 30%. Our growth accelerators remains on track supported by much needed strategic investments."

Business Highlights:

Overall

- Total Income at ₹ 1,203 crs in Q2 FY22 growing by 6 % (Y-o-Y). Growth is driven by sustained performance in FDF, Synthesis and sequential recovery in Other APIs while ARVs APIs declined
- R & D spent of ₹ 91 crs and 4 % of sales in H1 FY22.

Generic FDF

- FDF business recorded a growth of 10% YoY to ₹ 495 crs (41% of total revenues vs 40% last year)
- Continue to see stable demand environment in ARV segment for LMIC region
- Medicines Patent Pool (MPP) and Merck enter into License Agreement for Molnupiravir, an Investigational Oral Antiviral COVID-19 Medicine to increase broad access in Low and Middle-Income countries. Laurus and MPP have a very long and successful partnership in various HIV and Hep-C medicine licenses, and Laurus will approach MPP for Molnupiravir licenses.
- 2 products dossiers filed in Developed markets in Q2 taking total filings to 7 products for H1FY22
- Cumulatively filed 30 ANDAs in US. We have 14 PARA IV filings and 10 FTF opportunities
- Brownfield expansion to add significant capacity should be operational by the end of FY22

Generic API

- API business reported de-growth for the quarter at 8% YoY to ₹ 527 crs
- Oncology Segments continue to see good traction normalizing for high base effect While Other APIs business recovered vs. Q1FY22
- ARV business impacted due to slightly prolonged channel de-stocking – expect this might begin to rebound from late H2
- Filed 306 patents out of that 165 patents granted as of Sep 30, 2021
- Filed 67 DMFs

Synthesis

- Delivered growth of 34% YoY in Q2 to ₹ 155 crs. For H1, CDMO business grew at 62%
- LSPL signed a multi-year development & manufacturing contract with a leading Global Life science company. Part of the CAPEX to be funded through long term commercial advance by the Customer apart from sponsoring development cost
- Greenfield investment to set up a dedicated R&D center and manufacturing units is progressing as per our expectations

Bio Division

- Clocked sales of ₹ 26 crs as new capacity begin to contribute
- Commissioned our 2nd Fermenter taking the total operational capacity to 90KL. Remaining capacity is expected to get operational before Dec'21.
- Business Integration with Parent is well on track

-ENDS-

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

Pavan Kumar N

Tel: +91 40 3980 4380

Email: mediarelations@lauruslabs.com



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.