

**ALKEM LABORATORIES LTD.**

Regd. Office : ALKEM HOUSE, Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013, Maharashtra, India.

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- Email: contact@alkem.com • Website: www.alkemlabs.com
- CIN: L00305MH1973PLC174201

13th November, 2024

To,

The Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. <i>Scrip Code: 539523</i>	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051. <i>Scrip Symbol: ALKEM</i>
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Sub: Press Release and Analyst Presentation on Q2 & H1FY25 Results.

Dear Sir(s)/ Madam,

With reference to relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the press release and analyst presentation on Q2 & H1FY25 earnings and business updates and the same will be uploaded on the website of the Company.

Kindly take a note of the same.

Sincerely,
For **Alkem Laboratories Limited**

Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

Press Release

Alkem reports Q2 & H1FY25 results.

Mumbai, 13 November 2024: Alkem Laboratories Ltd. today announced its standalone and consolidated financial results for the second quarter and half year ended September 30, 2024. The Board of Directors took these results on record at its meeting held in Mumbai today.

Key highlights of H1FY25 financial performance

- Total Revenue from Operations was ₹ 64,465 million, with YoY growth of 0.6%.
 - India sales were ₹ 44,833 million, YoY growth of 6.0%.
 - International sales were ₹ 18,857 million, with YoY de-growth of 8.8%.
- Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA) were ₹ 13,615 million, resulting in an EBITDA margin of 21.1% vs. 17.7% in H1FY24. EBITDA increased by 19.9% YoY.
- R&D expenses for H1FY25 were ₹ 2,722 million, or 4.2% of total revenue from operations, compared to ₹ 2,360 million in H1FY24 at 3.7% of total revenue from operations.
- Profit before tax (PBT) before exceptional item was ₹ 13,996 million, a growth of 32.2% compared to ₹ 10,586 million in H1FY24.
- Net Profit (after Minority Interest) was ₹ 12,338 million, YoY growth of 36.0%.
- As per IQVIA (SSA) data, for H1FY25, the company registered a growth of 7.1% YoY vs. the Indian Pharmaceutical Market (IPM), which grew by 8.2%

Key highlights of Q2FY25 financial performance

- Total Revenue from Operations was ₹ 34,147 million, with YoY de-growth of 0.7%.
 - India sales were ₹ 24,610 million, YoY growth of 5.7%.
 - International sales were ₹ 9,181 million, with YoY de-growth of 12.9%.
- Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA) were ₹ 7,528 million, resulting in an EBITDA margin of 22.0% vs. 21.7% in Q2FY24. EBITDA increased by 0.8% YoY.
- R&D expenses for the quarter were ₹ 1,465 million, or 4.3% of total revenue from operations, compared to ₹ 1,158 million in Q2FY24 at 3.4% of total revenue from operations.
- Profit before tax (PBT) before exceptional item was ₹ 7,803 million, a growth of 10.6% compared to ₹ 7,057 million in Q2FY24.
- Net Profit (after Minority Interest) was ₹ 6,886 million, YoY growth of 11.0%.
- As per IQVIA (SSA) data, for Q2FY25, the company registered a growth of 6.3% YoY vs. the Indian Pharmaceutical Market (IPM), which grew by 7.6%

Commenting on the Q2FY25 results, Dr Vikas Gupta, CEO of Alkem, said,

“We are pleased to share that the outcomes of our strategic initiatives designed to enhance profitability have proven effective. We are prioritising a high-margin product mix, aligning more effectively with market demands, and implementing cost-control measures to mitigate inefficiencies, which are supporting EBITDA margin growth. In the domestic market, our focus remains on augmenting the growth of our large brands and making strategic portfolio additions. We also see significant opportunities for growth in our emerging markets business.”

Operational Highlights

Domestic Business

H1FY25 Key Highlights

- India sales were ₹ 44,833 million, YoY growth of 6.0%.
- The contribution of domestic sales to total sales in H1FY25 was 70.4% vs. 67.1% in H1FY24.
- According to IQVIA (SSA) data, for H1FY25, the company registered a growth of 7.1% YoY compared to the Indian Pharmaceutical Market (IPM), which grew by 8.2%.
- During H1FY25, we have outperformed in six therapies: Gastrointestinal grew by ~1.1X, VMN ~1.6X, Anti-Diabetic grew ~1.2X, Neuro/CNS ~1.8X, Gynaec ~1.9X and Derma ~1.4X.

Q2FY25 Key Highlights

- India sales were ₹ 24,610 million, YoY growth of 5.7%.
- The contribution of domestic sales to total sales in Q2FY25 was 72.8% vs. 68.8% in Q2FY24.
- As per IQVIA (SSA) data, for Q2FY25, the company registered a growth of 6.3% YoY vs. the Indian Pharmaceutical Market (IPM), which grew by 7.6%
- In Q2FY25, we have outperformed seven therapies: VMN grew by 1.7X; Anti-diabetic grew by ~1.3X; Neuro/CNS grew by ~2.0X; Gynaec ~1.6X, Derma ~1.4X, Respiratory ~1.6X and Urology ~1.1X.
- According to IQVIA (SSA) data, our company registered a positive volume growth of 1.1% in a challenging market that witnessed 0% volume growth in Q2 FY25.
- For the first time in history, our brand group, PAN, became the second-ranked brand in the IPM, growing at 12.8% compared to market growth of 7.3% (As per MAT Sep,24, SSA).

Key performance highlights of therapeutic segments in Q2FY25 and H1FY25

Key Therapy segment	Q2FY25				H1FY25			
	Alkem Rank	YoY change in Rank*	YoY growth	YoY growth	Alkem Rank	YoY change in Rank*	YoY growth	YoY growth
			(Alkem)	(IPM)			(Alkem)	(IPM)
ANTI DIABETIC	14	Improved by 1	11.9%	9.4%	14	Improved by 1	10.7%	8.9%
ANTI-INFECTIVES	1	Unchanged	2.5%	6.8%	1	Unchanged	2.2%	6.7%
CARDIAC	27	Declined by 1	2.4%	11.9%	27	Declined by 1	2.8%	12.7%
DERMA	19	Unchanged	12.7%	9.3%	20	Declined by 1	13.2%	9.6%
GASTRO INTESTINAL	3	Unchanged	8.4%	9.6%	3	Unchanged	11.2%	10.6%
GYNAEC	7	Unchanged	2.4%	1.5%	7	Improved by 1	6.3%	3.3%
NEURO / CNS	7	Improved by 1	18.2%	9.1%	7	Improved by 1	16.4%	8.9%
PAIN / ANALGESICS	3	Unchanged	4.8%	7.2%	3	Unchanged	5.4%	7.7%
RESPIRATORY	14	Improved by 3	3.6%	2.3%	14	Improved by 3	1.8%	2.2%
UROLOGY	17	Unchanged	14.6%	13.2%	17	Unchanged	5.1%	13.5%
VMN**	2	Unchanged	12.8%	7.6%	2	Unchanged	12.7%	8.1%
TOTAL	5	Unchanged	6.3%	7.6%	5	Unchanged	7.1%	8.2%

*Positive change in rank reflects improvement over same period previous year

**VMN – Vitamins / Minerals / Nutrients

Source: IQVIA Data (SSA)

International Business

H1FY25 Key Highlights

- International sales were ₹ 18,857 million, with YoY de-growth of 8.8%.
- Overall contribution of US sales to total sales was 19.5% in H1FY25.
- Other International Market sales contributed 10.2% to total sales in H1FY25.
- During H1FY25, the Company filed two products, launched two products in the US and received eight approvals from the USFDA, including two tentative approvals.

Q2FY25 Key Highlights

- International sales were ₹ 9,181 million, with YoY de-growth of 12.9%.
- Overall contribution of US sales to total sales was 17.7% in Q2FY25.
- Other International Market sales contributed 9.5% to total sales in Q2FY25.
- During the quarter, the Company launched one product in the US and received five approvals from the USFDA, including one tentative approval.

Update on USFDA product approvals

- As of September 30, 2024, the Company had filed 178 ANDAs and 2 new drug applications (NDAs) with the USFDA.
- Of these, it had received approvals for 152 ANDAs (including 14 tentative approvals) and 2 NDAs.

Update on USFDA Inspections

Facility	Capability	Inspection Date	Regulatory Status
Baddi (India)	Formulations	Mar-24	EIR Received in June 2024
Daman (India)	Formulations	Aug-19	EIR Received in Oct 2019
Taloja R&D (India)	Bioequivalence Centre	Oct-22	No observation
Ankleshwar (India)	API	Apr-23	EIR Received in July 2023
Mandva (India)	API	Dec-23	EIR Received in Mar 2024
California (USA)	API	Aug-18	EIR Received in Oct 2018

Note: USFDA conducted a virtual inspection at our manufacturing facilities in Daman from October 5th to 7th, 2020.

EIR – Establishment Inspection Report

About Alkem:

Alkem Laboratories Ltd. is a leading Indian pharmaceutical company with a legacy of 50 years in providing high-quality medicines to patients. It is the fifth largest pharmaceutical company in the Indian market, with a dominant position in the therapy areas of anti-infectives, gastrointestinal, pain management drugs and supplements. It also has a growing portfolio of products in chronic therapies such as diabetes, neurology, cardiology, dermatology and urology. It has 19 state-of-the-art manufacturing facilities and cutting-edge research and development (R&D) centers across India and the US to develop and manufacture generic formulations, active pharmaceutical ingredients (APIs) and biosimilars. Apart from India, the company has a meaningful presence in the US, Latin America, Australia, and several other Asian countries. “Inspiring Healthier Lives” is at the core of the values and culture of the organisation and reinforces its steadfast commitment to global health improvement. For more information, please visit www.alkemlabs.com and follow us on [LinkedIn](#), [X](#), [Facebook](#), and [Instagram](#).

Contact

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Invite for Q2 & H1FY25 Conference Call at 4 pm IST, November 13, 2024

Mumbai, November 06, 2024: Alkem Laboratories Ltd. (NSE: ALKEM, BSE: 539523, Bloomberg: ALKEM.IN, Reuters: ALKE.NS) will hold a conference call for investors and analysts on Wednesday, November 13, 2024, from 4:00 pm to 5:00 pm IST to discuss its Q2 and H1FY25 financial results. The call will follow the announcement of the Company's Q2 and H1FY25 financial results on Wednesday, November 13, 2024.

Alkem Laboratories Ltd. will be represented on the call by:

Dr. Vikas Gupta – CEO
Mr. Nitin Agrawal – CFO

Motilal Oswal Securities Ltd. will host the call.

Details of the conference call are as follows:

Time: 4:00 pm IST (GMT + 5:30) on Wednesday, November 13, 2024

Dial in Details:

India: +91 22 6280 1149 / +91 22 7115 8050

International Toll-Free

USA : 1 866 746 2133
UK : 0 808 101 1573
Singapore : 800 101 2045
Hong Kong : 800 964 448

Express Join with Diamond Pass

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=6553086&linkSecurityString=2c22b92002>

You are requested to dial in 10 mins ahead of the scheduled start time.

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E-mail: purvi.shah@alkem.com

Tushar Manudhane

Motilal Oswal Securities Ltd.
Tel.: +91 22 6129 1536 / +91 82911 38039
E-mail: Tushar.Manudhane@motilaloswal.com



Alkem Laboratories Ltd.

Investor Presentation Q2 & H1FY25

November 13, 2024



Safe Harbor Statement

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in India and other key global markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in our key global markets;
- Changes in laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in political conditions in India and our key global markets.

Should one or more of such risks and uncertainties materialise, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events unless the Law requires it.

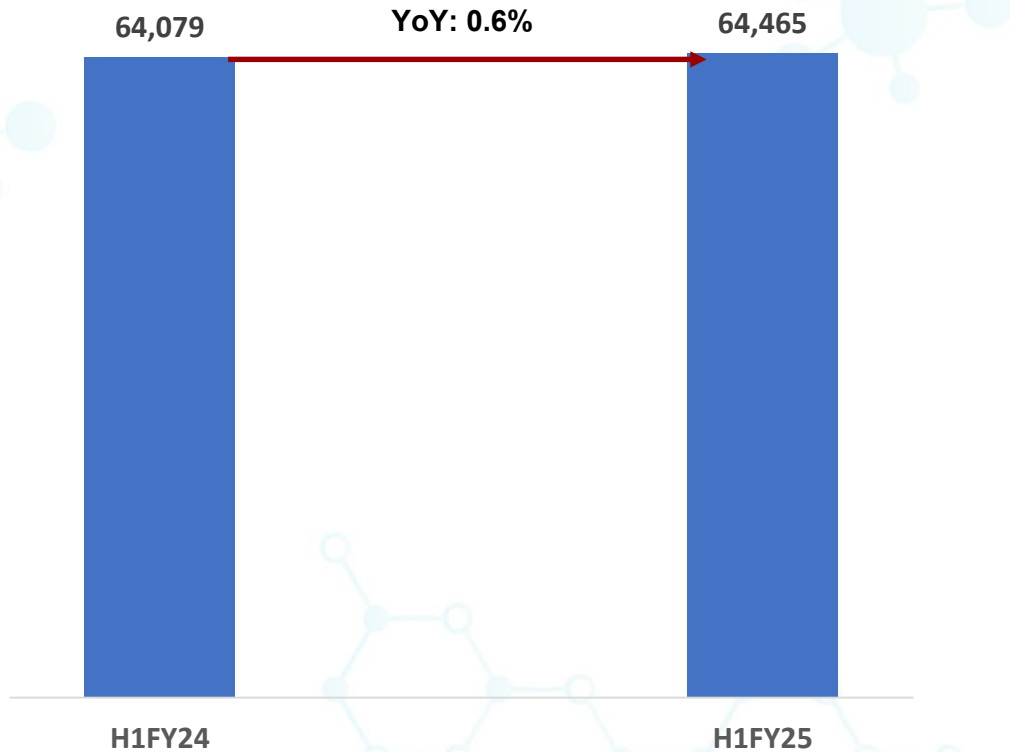
Key Highlights of H1FY25

- Total Revenue from Operations was ₹ 64,465 million, with YoY growth of 0.6%.
 - India sales were ₹ 44,833 million, YoY growth of 6.0%.
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- Net Profit (after Minority Interest) was ₹ 12,338 million, YoY growth of 36.0%.
- According to IQVIA (SSA) data, for H1FY25, the company registered a growth of 7.1% YoY compared to the Indian Pharmaceutical Market (IPM), which grew by 8.2%.
- We outperformed the IPM in six therapies: gastrointestinal, VMN, neuro/CNS, anti-diabetic, derma & gynaec.
- During H1FY25, the Company filed and launched two products each in the US and received eight approvals from the USFDA, including two tentative approvals.
- **Healthy balance sheet** with net cash of ₹42.2 billion as of Sep 30, 2024.

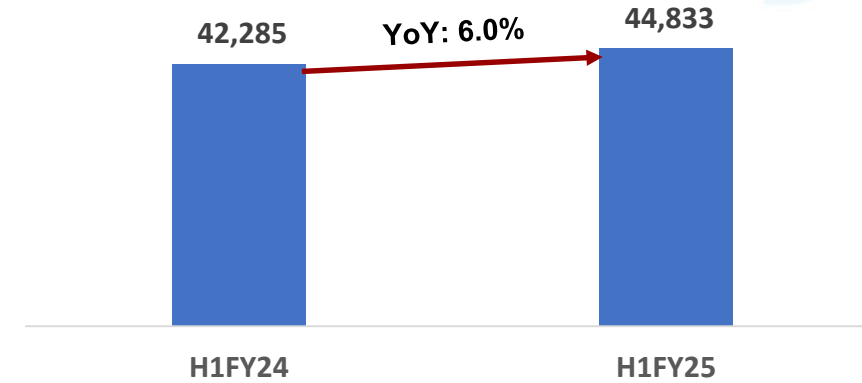
Key Financial Highlights – H1FY25 (Consolidated)

All figures in ₹ Mn

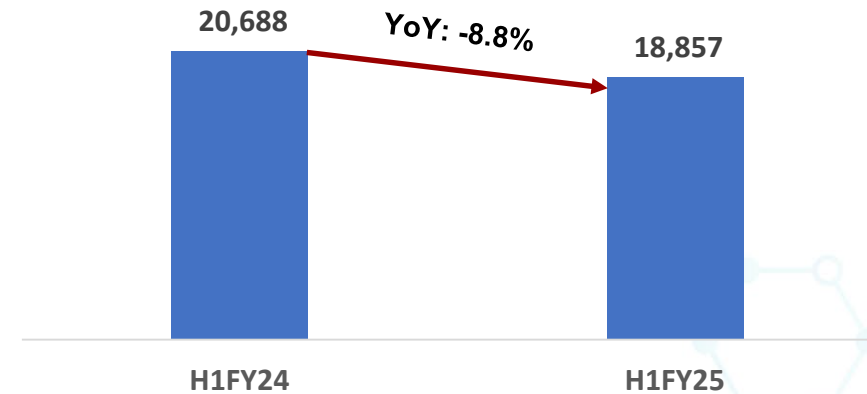
Total Revenue from Operations



Domestic sales



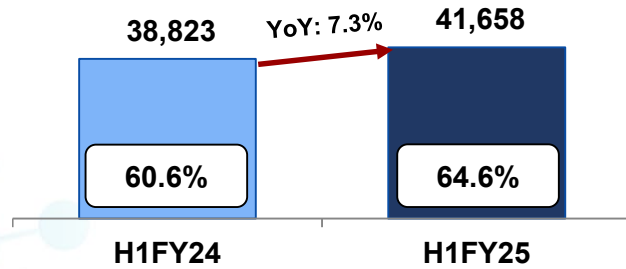
International sales



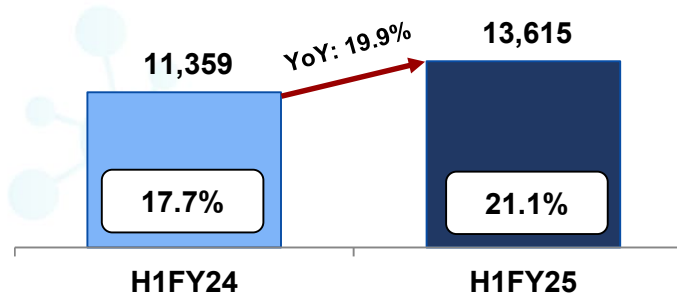
Key Financial Highlights – H1FY25 (Consolidated)

All figures in ₹ Mn

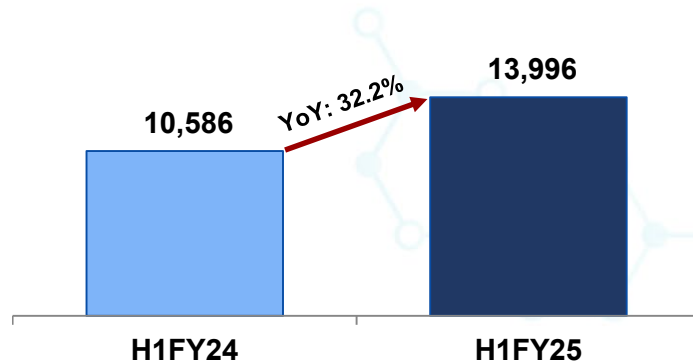
Gross Profit and Gross Margin



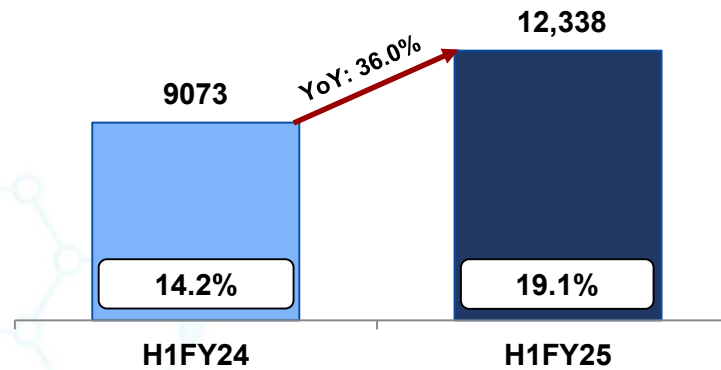
EBITDA and EBITDA Margin



PBT (before exceptional item)



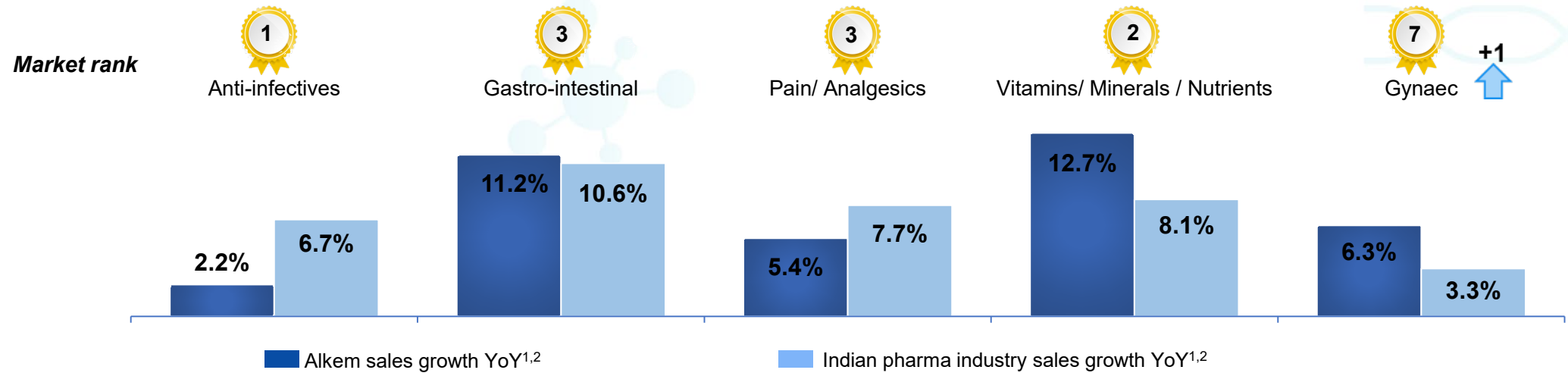
PAT (after Minority Interest)



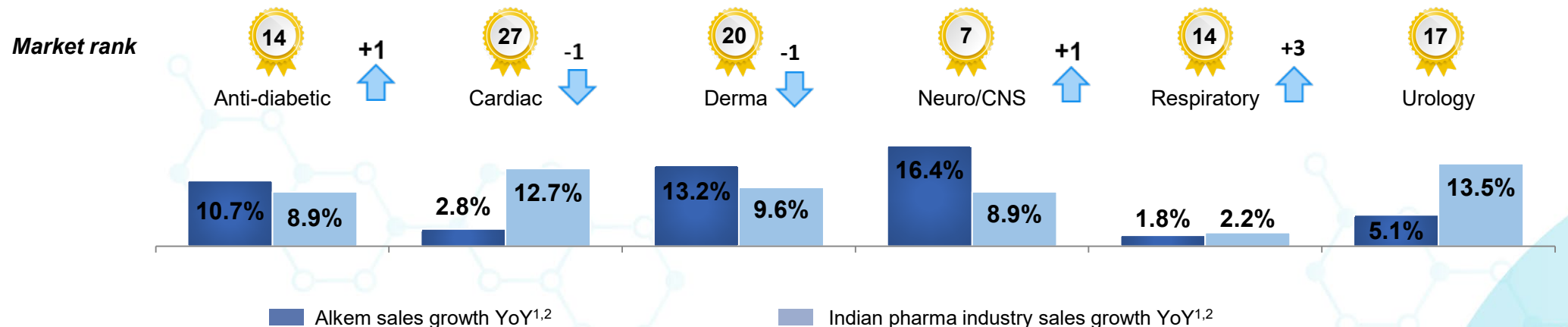
India - Secondary Sales Performance

Mixed performance across all major therapeutic segments in H1FY25

Acute Therapies



Chronic Therapies



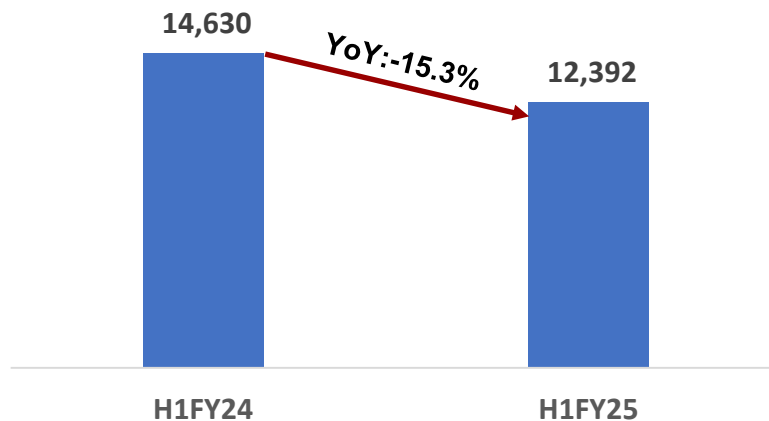
Source: IQVIA SSA data ¹ Domestic formulations sales; ² For six months ended September 30, 2024.

US Business Update

H1FY25 Sales of ₹ 12,392 million (15.3% YoY de-growth)

- Overall contribution of US sales to total sales was 19.5% in H1FY25.
- During H1FY25, the Company filed two products, launched two products in the US and received eight approvals from the USFDA, including two tentative approvals.
- As of September 30, 2024, the Company had filed 178 ANDAs and 2 new drug applications (NDAs) with the USFDA.
- Of these, it had received approvals for 152 ANDAs (including 14 tentative approvals) and 2 NDAs.

H1FY25 – US Sales (₹ Mn)



Update on USFDA inspections as of 30 Sep 24

Facility	Capability	Inspection Date	Regulatory Status
Baddi (India)	Formulations	Mar-24	EIR Received in June 2024
Daman (India)	Formulations	Aug-19	EIR Received in Oct 2019
Taloja R&D (India)	Bioequivalence Centre	Oct-22	No observation
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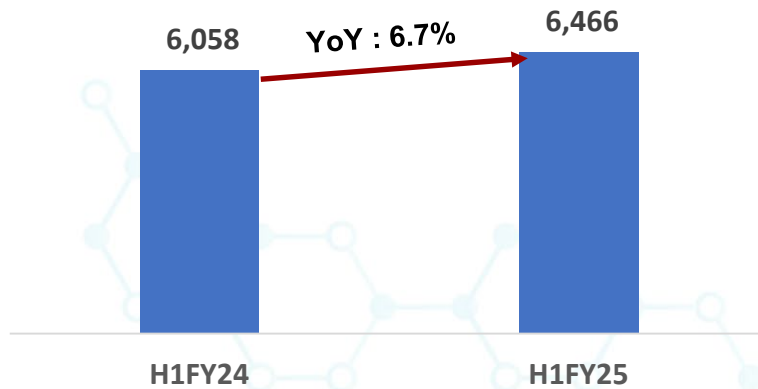
Note: USFDA conducted a virtual inspection at our manufacturing facilities in Daman from October 5th to 7th, 2020.

Other International Market Update

H1FY25 Sales of ₹ 6,466 million (6.7% YoY growth)

- Other International Market sales contributed 10.2% to total sales in H1FY25.
- The Company has a presence mainly in Latin America, Australia and Europe.

H1FY25 – Other International Sales (₹ Mn)



Key Highlights of Q2FY25

- Total Revenue from Operations was ₹ 34,147 million, with YoY de-growth of 0.7%.
 - India sales were ₹ 24,610 million, YoY growth of 5.7%.
 - The contribution of domestic sales to total sales in Q2FY25 was 72.8% vs. 68.8% in Q2FY24.
 - International sales were ₹ 9,181 million, with YoY de-growth of 12.9%.
- Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA) were ₹ 7,528 million, resulting in an EBITDA margin of 22.0% vs. 21.7% in Q2FY24. EBITDA increased by 0.8% YoY.
- R&D expenses for the quarter were ₹ 1,465 million, or 4.3% of total revenue from operations, compared to ₹ 1,158 million in Q2FY24 at 3.4% of total revenue from operations.
- Profit before tax (PBT) before exceptional item was ₹ 7,803 million, a growth of 10.6% compared to ₹ 7,057 million in Q2FY24.
- Net Profit (after Minority Interest) was ₹ 6,886 million, YoY growth of 11.0%.
- As per IQVIA (SSA) data, for Q2FY25, the company registered a growth of 6.3% YoY vs. the Indian Pharmaceutical Market (IPM), which grew by 7.6%
- We outperformed the IPM in seven therapies: VMN, Neuro/CNS, anti-diabetic, derma, gynaec, respiratory and urology.
- During the quarter, the Company launched one product in the US and received five approvals from the USFDA, including one tentative approval.

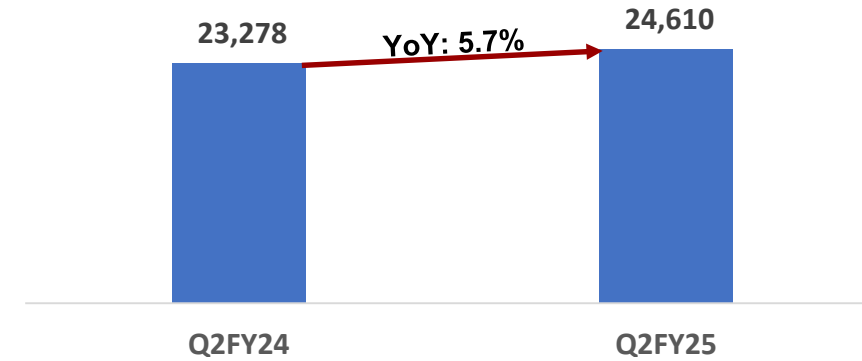
Key Financial Highlights – Q2FY25 (Consolidated)

All figures in ₹ Mn

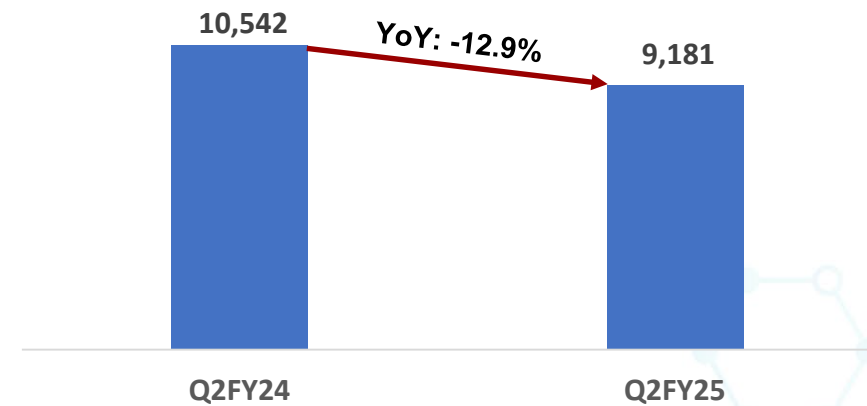
Total Revenue from Operations



Domestic sales



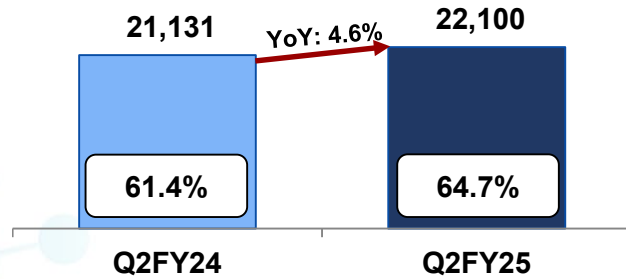
International sales



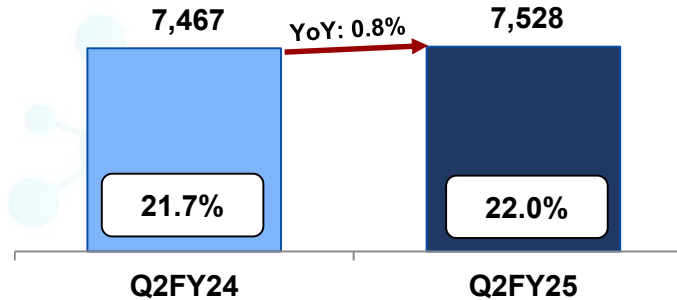
Key Financial Highlights – Q2FY25 (Consolidated)

All figures in ₹ Mn

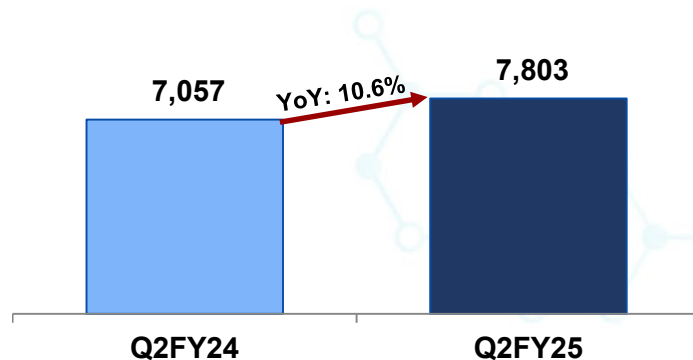
Gross Profit and Gross Margin



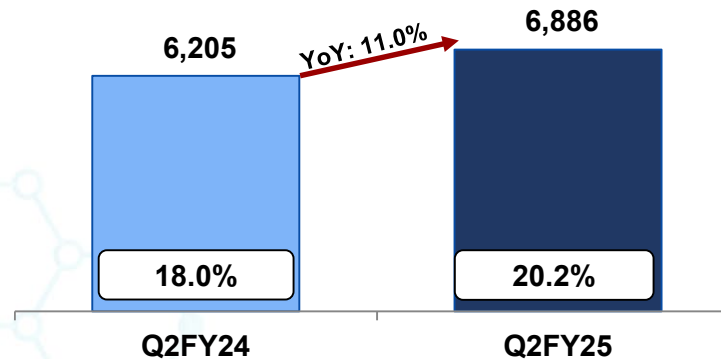
EBITDA and EBITDA Margin



PBT (before exceptional item)



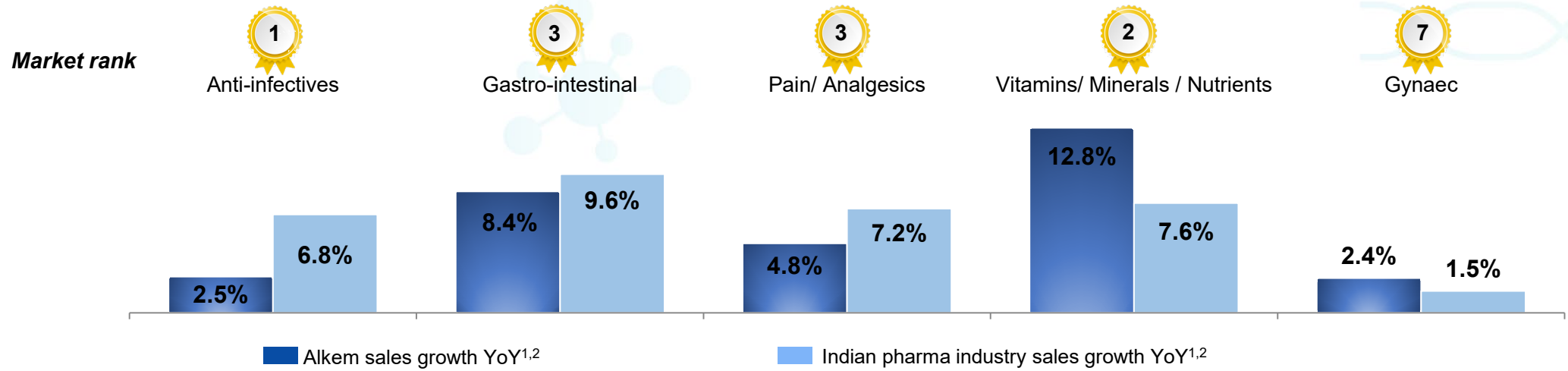
PAT (after Minority Interest)



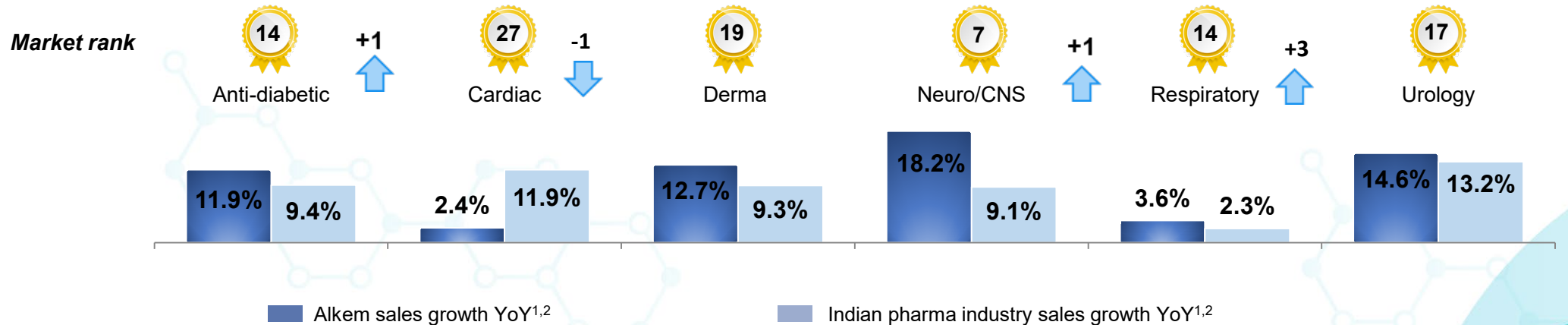
India - Secondary Sales Performance

Mixed performance across all major therapeutic segments in Q2FY25

Acute Therapies



Chronic Therapies



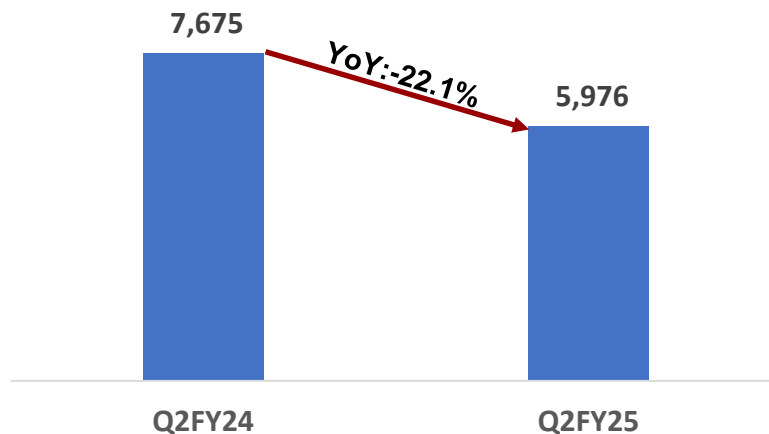
Source: IQVIA SSA data ¹ Domestic formulations sales; ² For three months ended September 30, 2024.

US Business Update

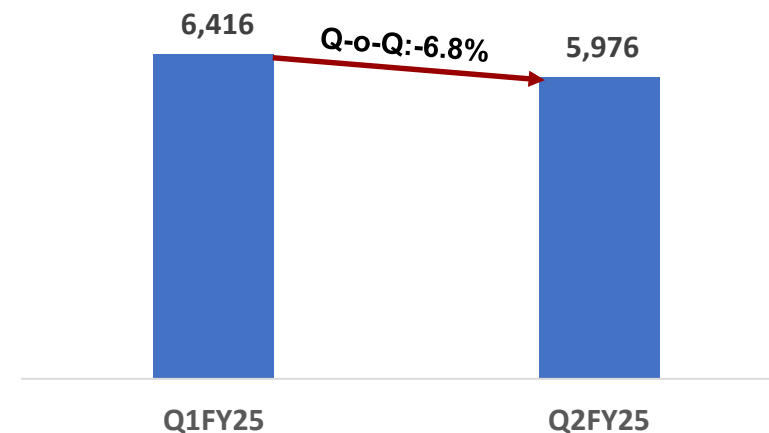
Q2FY25 Sales of ₹ 5,976 million (22.1% YoY de-growth)

- Overall contribution of US sales to total sales was 17.7% in Q2FY25.
- During the quarter, the Company launched one product in the US and received five approvals from the USFDA, including one tentative approval.
- As of September 30, 2024, the Company had filed 178 ANDAs and 2 new drug applications (NDAs) with the USFDA.
- Of these, it had received approvals for 152 ANDAs (including 14 tentative approvals) and 2 NDAs.

Q2FY25 – US Sales (₹ Mn)



Q2FY25 – US Sales (₹ Mn)

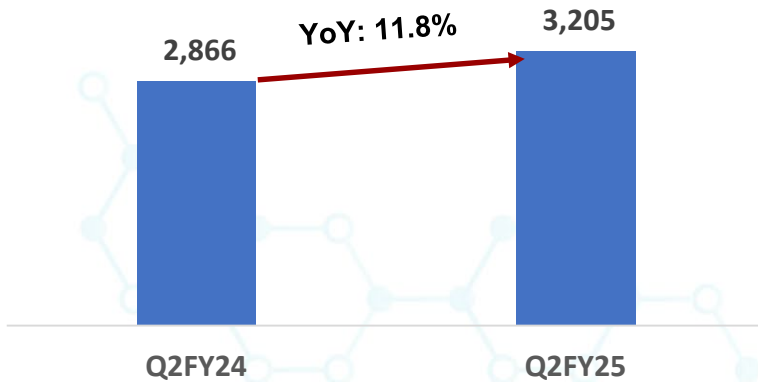


Other International Market Update

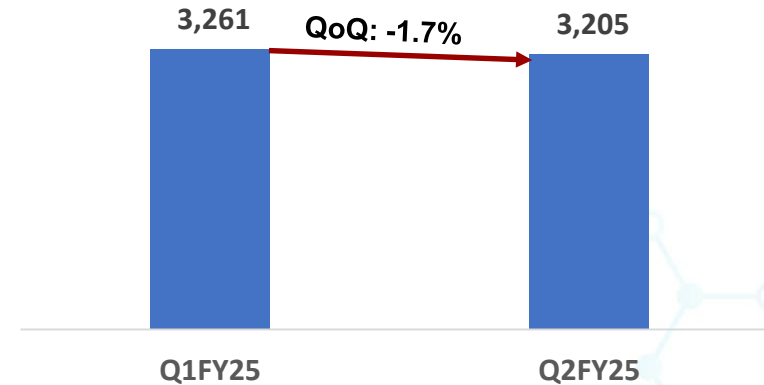
Q2FY25 Sales of ₹ 3,205 million (11.8% YoY growth)

- Other International Market sales contributed 9.5% to total sales in Q2FY25.
- The Company has a presence mainly in Latin America, Australia and Europe.

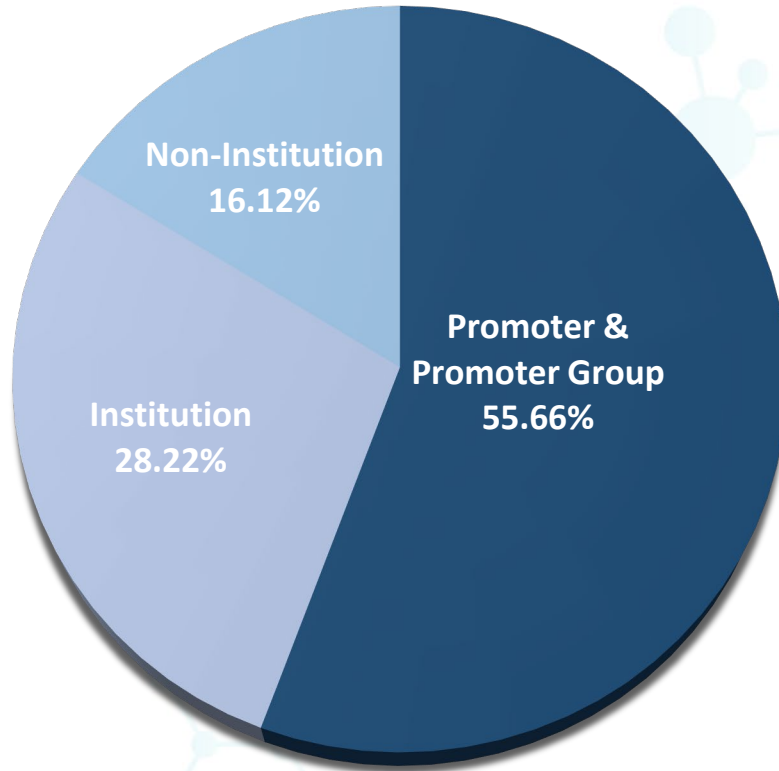
Q2FY25 – Other International Sales (₹ Mn)



Q2FY25 – Other International Sales (₹ Mn)



Shareholding Pattern as on Sep 30, 2024



BSE Ticker	539523
NSE Symbol	ALKEM
Shares Outstanding (Mn)	120
Mcap (Rs in Mn)*	723,727
Free Float Mcap (Rs in Mn)	320,901
Industry	Pharmaceuticals
<i>*Share Price - Rs 6,053 from NSE as of 30th Sep, 2024</i>	

Institution – Mutual Funds, Alternate Investment Funds, Foreign Portfolio Investors, Financial Institutions / Banks

Non-Institution – Public, Other Bodies Corporates, Clearing Members, Non-Resident Indians, Hindu Undivided Family and Trusts

**Share Price - Rs 6,053 from NSE as on 30th Sep, 2024*

Key Financial Highlights – Q2 & H1FY25 (Consolidated)

All figures in ₹ Mn

Particulars	Q2FY25	Q2FY24	YoY growth	H1FY25	H1FY24	YoY growth
Revenue from Operations	34,147	34,402	-0.7%	64,465	64,079	0.6%
Gross Profit	22,100	21,131	4.6%	41,658	38,823	7.3%
Gross Profit Margin	64.7%	61.4%		64.6%	60.6%	
EBITDA	7,528	7,467	0.8%	13,615	11,359	19.9%
EBITDA Margin	22.0%	21.7%		21.1%	17.7%	
PBT (before exceptional item)	7,803	7,057	10.6%	13,996	10,586	32.2%
Exceptional item	0	-577		0	-577	
PBT (after exceptional item)	7,803	6,480	20.4%	13,996	10,009	39.8%
PAT (after Minority interest)	6,886	6,205	11.0%	12,338	9,073	36.0%
PAT Margin	20.2%	18.0%		19.1%	14.2%	
EPS (₹ / share)	57.6	51.9	11.0%	103.2	75.9	36.0%



Thank You

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