

**ALKEM LABORATORIES LTD.**

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

- Phone: +91-22-3982 9999 • Fax: 022-2495 2955
- Email: contact@alkem.com • Website: www.alkemlabs.com
- CIN: L00305MH1973PLC174201



10th August, 2023

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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Dear Sirs,

Sub: Outcome of Board Meeting held on 10th August, 2023

Kindly refer to our intimation letter dated 31st July, 2023, pursuant to Regulation 30 read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are enclosing the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June, 2023, duly approved by the Board of Directors of the Company, at its meeting held today, i.e. 10th August, 2023.

A copy of the said Unaudited Financial Results and Limited Review Report of the Statutory Auditors of the Company, as required under Regulation 33 of the Listing Regulations, is enclosed herewith.

The meeting of the Board of Directors of the Company commenced at 11.45 a.m. and concluded at 01.45 p.m.

Kindly take the same on record.

Sincerely,

For **Alkem Laboratories Limited**


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
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Limited Review Report on unaudited consolidated financial results of Alkem Laboratories Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Alkem Laboratories Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 June 2023 ("the Statement") (in which are included financial information from one branch), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Limited Review Report (Continued)

Alkem Laboratories Limited

7. We did not review the interim financial results of 2 subsidiaries included in the Statement, whose interim financial results reflects total revenues (before consolidation adjustments) of Rs. 2,521 million, total net profit after tax (before consolidation adjustments) of Rs. 28 million and total comprehensive income (before consolidation adjustments) of Rs. 18 million, for the quarter ended 30 June 2023, as considered in the Statement. These interim financial results have been reviewed by other auditor whose report have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248WW-100022



Sreeja Marar

Partner

Mumbai

10 August 2023

Membership No.: 111410

UDIN:23111410BGYAVM9654

Limited Review Report (Continued)
Alkem Laboratories Limited

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	Alkem Laboratories Limited	Parent
2	S & B Holdings B V., Netherlands (S&B Holdings)	Wholly Owned Subsidiary
3	The Pharma Network LLC, USA (TPN)	Wholly Owned Subsidiary
4	Ascend Laboratories LLC, USA	Wholly Owned Subsidiary of TPN
5	S & B Pharma LLC	Wholly Owned Subsidiary of TPN
6	Pharmacor Pty Limited, Australia	Wholly Owned Subsidiary
7	Enzene Biosciences Ltd, India	Subsidiary
8	Ascend Laboratories (PTY) Ltd, South Africa	Wholly Owned Subsidiary
9	Cachet Pharmaceuticals Pvt Ltd, India	Subsidiary
10	Indchemie Health Specialities Pvt Ltd , India	Subsidiary
11	Alkem Laboratories Corporation, Philippines	Wholly Owned Subsidiary
12	Ascend GmbH, Germany	Wholly Owned Subsidiary
13	Ascend Laboratories SDN BHD., Malaysia	Wholly Owned Subsidiary
14	Ascend Laboratories SpA Chile (Ascend Chile)	Wholly Owned Subsidiary
15	Pharma Network SpA, Chile	Wholly Owned Subsidiary of Ascend Chile
16	Ascend Laboratories S.A. DE C.V., Mexico	Wholly Owned Subsidiary of Ascend Chile
17	Alkem Laboratories Korea Inc, Korea	Wholly Owned Subsidiary
18	Pharmacor Ltd , Kenya	Wholly Owned Subsidiary

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Limited Review Report (Continued)

Alkem Laboratories Limited

19	The Pharma Network LLP, Kazakhstan	Wholly Owned Subsidiary
20	Ascend Laboratories (UK) Ltd, UK	Wholly Owned Subsidiary
21	Ascend Laboratories Ltd , Canada	Wholly Owned Subsidiary
22	Alkem Foundation. India	Wholly Owned Subsidiary
23	Connect 2 Clinic Private Limited, India	Wholly Owned Subsidiary
24	Ascend Laboratories SAS, Colombia	Wholly Owned Subsidiary
25	Pharmacor Limited, New Zealand	Wholly Owned Subsidiary of Pharmacor Limited, Australia
26	Enzene Inc., USA	Wholly Owned Subsidiary of Enzene Biosciences Ltd, India

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ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

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Tel No:91 22 3982 9999 Fax No: +91 22 2492 7190

Website : www.alkemlabs.com, Email Id : investors@alkem.com

Statement of Unaudited Consolidated Financial Results for the Quarter ended 30 June 2023

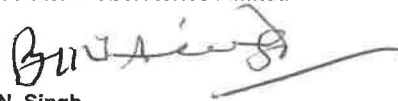
(₹ in Million except per share data)

Particulars	Quarter ended			Year ended
	30.06.2023 Unaudited	31.03.2023 Audited (Refer Note 1)	30.06.2022 Unaudited	31.03.2023 Audited
1 Income				
(a) Revenue from Operations	29,677.2	29,026.0	25,763.8	115,992.6
(b) Other Income	658.4	686.7	514.1	2,160.8
Total Income	30,335.6	29,712.7	26,277.9	118,153.4
2 Expenses				
(a) Cost of materials consumed	8,325.8	7,706.2	6,924.1	30,569.2
(b) Purchases of stock-in-trade	3,554.7	3,466.8	2,980.8	13,875.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	105.2	1,382.2	1,049.4	4,623.7
(d) Employee benefits expense	5,676.5	5,029.8	5,321.5	21,313.5
(e) Finance costs	297.7	289.6	265.0	1,073.6
(f) Depreciation and amortisation expense	724.1	783.2	762.6	3,104.2
(g) Other expenses	8,123.1	7,908.5	7,455.6	29,516.2
Total Expenses	26,807.1	26,566.3	24,759.0	104,075.9
3 Profit before exceptional items and tax (1) - (2)	3,528.5	3,146.4	1,518.9	14,077.5
4 Exceptional items (refer note 2)	-	(1,029.8)	-	(1,029.8)
5 Profit before tax (3) + (4)	3,528.5	2,116.6	1,518.9	13,047.7
6 Tax expense / (credit)				
(a) Current tax	657.8	628.6	349.2	2,739.0
(b) Deferred tax	(7.4)	811.2	(144.8)	240.6
Total Tax Expense (a + b)	650.4	1,439.8	204.4	2,979.6
7 Profit for the period (5) - (6)	2,878.1	676.8	1,314.5	10,068.1
8 Other Comprehensive Income (net of tax)				
(a) (i) Items that will not be reclassified to profit or loss	(39.5)	(13.8)	(1.7)	(48.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	13.1	4.3	0.3	16.1
(b) (i) Items that will be reclassified to profit or loss	138.6	(93.5)	523.6	1,181.6
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Other Comprehensive Income (net of tax)	112.2	(103.0)	522.2	1,149.0
9 Total Comprehensive Income for the period (7) + (8)	2,990.3	573.8	1,836.7	11,217.1
10 Profit attributable to				
a) Owners of the Company	2,867.3	709.8	1,276.4	9,841.7
b) Non-Controlling Interest	10.8	(33.0)	38.1	226.4
11 Other Comprehensive Income attributable to				
a) Owners of the Company	116.9	(103.9)	520.6	1,153.1
b) Non-Controlling Interest	(4.7)	0.9	1.6	(4.1)
12 Total Comprehensive Income attributable to				
a) Owners of the Company	2,984.2	605.9	1,797.0	10,994.8
b) Non-Controlling Interest	6.1	(32.1)	39.7	222.3
13 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1
14 Other Equity				90,213.8
15 Earnings Per Share (not annualised for the quarters)				
(a) Basic (₹)	23.98	5.94	10.68	82.31
(b) Diluted (₹)	23.98	5.94	10.68	82.31

Notes to the Consolidated Financial results:

- 1 The above unaudited consolidated financial results of the Company were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 10 August 2023. The auditors have issued an unmodified review report on the financial results for the quarter ended 30 June 2023. The figures for the quarter ended 31 March 2023 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to 31 December 2022, which were subjected to limited review.
- 2 During the previous year ended 31 March 2023, the Group had considered indicators of impairment of its cash-generating units for factors like decline in operational performance, changes in the outlook of future profitability, and weaker market conditions, among other potential indicators. In respect of one of the manufacturing units located at St. Louis under S & B Pharma LLC, USA, a step-down subsidiary of the Company, where indicators of impairment were identified & estimated the recoverable amount of the assets based on the fair value less costs to sell. The outcome of this exercise as on 31 March 2023 had resulted in the Group recognizing an impairment loss of Rs 1,029.8 Million in the consolidated financial results under 'Exceptional item'. Consequently, deferred tax assets pertaining to the above assets were no longer available for utilisation, and had been derecognised in the consolidated financial statements amounting to Rs. 1,197.2 mn.
- 3 The Group operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

By Order of the Board
For Alkem Laboratories Limited



B.N. Singh
Executive Chairman
DIN: 00760310

Place: Mumbai
Date: 10 August 2023

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
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Limited Review Report on unaudited standalone financial results of Alkem Laboratories Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Alkem Laboratories Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2023 ("the Statement") which includes financial information of one branch.
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it

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B S R & Co. LLP

Limited Review Report (Continued)
Alkem Laboratories Limited

contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Sreeja Marar

Partner

Membership No.: 111410

UDIN:23111410BGYAVL9521

Mumbai

10 August 2023

ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

Regd. Office and Corporate Office: Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra, India.

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Statement of Unaudited Standalone Financial Results for the Quarter ended 30 June 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended
	30.06.2023 Unaudited	31.03.2023 Audited (Refer note 1)	30.06.2022 Unaudited	31.03.2023 Audited
1 Income				
(a) Revenue from Operations	22,531.7	22,379.9	20,583.5	90,545.5
(b) Other Income	647.0	766.0	553.1	2,662.9
Total Income	23,178.7	23,145.9	21,136.6	93,208.4
2 Expenses				
(a) Cost of materials consumed	6,893.7	6,588.8	6,073.1	26,297.8
(b) Purchases of stock-in-trade	2,451.7	2,349.8	1,839.1	9,431.3
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(632.3)	449.2	1,267.7	2,577.3
(d) Employee benefits expense	4,140.6	3,464.0	3,870.3	15,162.2
(e) Finance costs	214.2	217.4	220.2	864.0
(f) Depreciation and amortisation expense	581.1	571.6	568.1	2,298.5
(g) Other expenses	6,340.5	6,208.2	5,700.2	23,307.4
Total Expenses	19,989.5	19,849.0	19,538.7	79,938.5
3 Profit before exceptional items and tax (1) - (2)	3,189.2	3,296.9	1,597.9	13,269.9
4 Exceptional items	-	-	-	-
5 Profit before tax (3) + (4)	3,189.2	3,296.9	1,597.9	13,269.9
6 Tax expense / (credit)				
(a) Current tax	539.3	536.3	275.1	2,275.2
(b) Deferred tax	(64.5)	212.7	(78.2)	(350.0)
Sub-total (a + b)	474.8	749.0	196.9	1,925.2
7 Profit for the period after tax (5 - 6)	2,714.4	2,547.9	1,401.0	11,344.7
8 Other Comprehensive Income (net of tax)				
(a) (i) Items that will not be reclassified to profit or loss	(24.1)	(14.8)	(6.3)	(33.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.4	5.2	2.2	11.8
(b) (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Other Comprehensive Income (net of tax)	(15.7)	(9.6)	(4.1)	(21.9)
9 Total Comprehensive Income for the period (7) + (8)	2,698.7	2,538.3	1,396.9	11,322.8
10 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1
11 Other Equity				93,259.4
12 Earnings Per Share (not annualised for the quarters)				
(a) Basic (₹)	22.70	21.31	11.72	94.88
(b) Diluted (₹)	22.70	21.31	11.72	94.88

Notes to the Standalone Financial results:

- 1 The above unaudited standalone financial results of the Company were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 10 August 2023. The auditors have issued an unmodified review report on the financial results for the quarter ended 30 June 2023. The figures for the quarter ended 31 March 2023 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to the third quarter ended 31 December 2022, which were subjected to limited review.
- 2 The Company operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

By Order of the Board
For Alkem Laboratories Limited



B.N. Singh
Executive Chairman
DIN: 00760310

Place: Mumbai
Date: 10 August 2023