

July 27, 2023

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

Sub: **Press Release**

Please find enclosed the Press Release on the financial results for the quarter ended June 30, 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 announces Q1 FY24 results Revenues at ₹ 1,182 Cr; EBITDA at ₹ 168 Cr

Hyderabad, July 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 Q1 FY24 results.

### Q1 FY24:

- Revenue at ₹ 1,182 crs, - 23 % (Y-o-Y)
- EBITDA at ₹ 168 crs, - 63 % (Y-o-Y)
- EBITDA margins at 14.2 %
- PAT at ₹ 25 crs, - 90 % (Y-o-Y)
- PAT margins at 2.1 %
- EPS (Diluted) for the period at ₹ 0.5 per share (not annualised)

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

*“While our operating results this quarter were primarily impacted by lower sales, operational deleverage and elevated expenses, the underlying demand for key growth portfolio within Non-ARVs generics and CDMO progress remains strong and healthy. ARV business have incrementally stabilised on overall basis and therefore we remain optimistic in our H2 growth prospects as indicated earlier. During the quarter, Laurus continued to advance its R&D driven commercial strategy by successful signing its first multi-year commercial partnership in Crop science and further deepening commitment into emerging CGT technology platform. Our CDMO growth projects are on track with Animal health manufacturing block commissioned recently and dedicated R&D centre coming online in late FY24. We remain committed to ensuring greater business resilience and long term performance, with growing scientific capabilities remaining the source of our company’s energy and value creation.”*

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

*“We delivered subdued financial performance for Q1FY24. We achieved ₹ 1,182 crs in revenues, representing 23% decline, and ₹ 168 crs EBITDA, resulting to 14.2% margin. Performance mainly affected by operational deleverage, material drop in the CDMO business, price fall in ARV portfolio over last year. We are anticipating rebound from H2, with recovering revenue trend, positives from cost improvement programs and raw material price stabilisation. Our future capex projects towards strengthening CDMO and Bio division is advancing as per schedule and Debt leverage position remains comfortable”*

## Business Highlights:

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### Overall

- Total Income for Q1FY24 decreased by 23% to ₹ 1,182 crs (Y-o-Y)
- Performance was impacted by transient demand weakness in both APIs and FDF business while CDMO business performance improvement on track
- R & D spends at ₹ 47 crs and ~4% of Revenues for Q1FY24
- Capex for quarter reported at ₹ 203 crs; 17% of Revenues - Nearly in-line

### Generic FDF

- FDF business generated revenue of ₹ 285 crs during Q1FY24; decreased 18% due to seasonally lower offtake in ARV business coupled with weak pricing
- Developed markets revenues increased on higher volumes during the quarter. FY24 holds good potential; with higher volumes of existing products from Europe and New approvals from North America
- Q1FY24 Developed Market filings: 1 product dossiers were filed and a total of 3 approvals received (including Tentative approvals)
- NDA for novel HIV pediatric ODF tentatively approved by USFDA
- Cumulatively filed 38 ANDAs in US with 16 PARA IV filings and 11 FTF opportunities
- Small molecules DP capacities at 10 billion unit annually - gradual ramp-up through FY24

### Generic API

- API business reported revenues of ₹ 597 crs, during Q1FY24; increased 2%. However, declined 16% sequentially driven by transitional shipment impact in non-ARVs
- ARV business continues steady momentum and witnessed volume led improvement, growing +6% YoY and +17% sequentially.
- Other APIs for Q1FY24 was impacted; -1% YoY (-42% QoQ); stabilization visible in Q2 as CMO order book continue to look better
- Filed 337 patents out of that 214 patents granted as of June'23
- Filed 82 DMFs till date

### CDMO-Synthesis

- Revenues declined by 57% YoY at ₹ 250 crs due to comparison with Q1 FY 23 given large PO supplies last year
- Baseline projects continue to accelerate and expect to lead the upcoming growth, supported by solid outsourcing trend
- Multi-Year Commercial Contract signed with leading Global Crop Science company
- Actively working on over 60 projects and On-going supplies for four commercial APIs and several intermediates.

- Integrated capability expansion on track – Animal Health unit inaugurated and commercial supplies to begin from Oct'23. R&D center on line by FY24 end

### Bio Division

- Strong growth continued with +67% YoY growth and sequentially during Q1FY24 with revenues of ₹ 50 cr
- The growth was led by CDMO services, expanded customer base and recognition of few delayed shipments
- Enhanced technical expertise in bio-enzyme catalysis to promote application in small molecule commercial DS projects and explore new opportunities in Semi-synthetic biology
- Large scale fermentation capacity R3 to be executed 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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