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August 13, 2019

To
B S E Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001

Scrip Code: 524558

To
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 001

Scrip Code: NEULANLAB
Series: EQ

Dear Sirs,

Sub: Press Release


Please find attached a copy of the Press Release being issued by the Company and the same is being uploaded on the website of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For Neuland Laboratories Limited


Sarada Bhamidipati
Company Secretary



Encl : as above



Q1 FY20 Revenue grew 17.1%; EBITDA grew 89.1% YoY

Hyderabad, India, August 13, 2019 - Neuland Laboratories Limited (NLL) (NSE: NEULANDLAB; BSE-Scrip Code:524558), a pharmaceutical manufacturer providing active pharmaceutical ingredients (APIs), complex intermediates and custom manufacturing solutions services to customers located in around 80 countries, today announced financial results for the first quarter (Q1FY20) ended June 30, 2019.

Financial Highlights

Standalone Q1FY20 (Y-o-Y)

- Total Revenue was Rs. 1,815.3 mn for Q1 FY20 as compared to Rs. 1,550.7 mn for Q1 FY19, reflecting an increase of 17.1%
- EBITDA stood at Rs. 190.9 mn as compared to Rs. 100.9 mn
- EBITDA Margin at 10.5% for Q1FY20 as against 6.5% in Q1FY19
- Net profit stood at Rs. 56.1 mn for Q1FY20 as compared to Rs. 4.1 mn in Q1FY19
- Basic EPS stood at Rs. 4.38 as against Rs. 0.35

Standalone Q1FY20 (Q-o-Q)

- Total Revenue was Rs. 1,815.3 mn as compared to Rs. 1740.0 mn for Q4 FY19
- EBITDA stood at Rs. 190.9 mn as compared to Rs. 197.3 mn
- EBITDA Margin at 10.5% for Q1FY20 as against 11.3%
- Net profit stood at Rs. 56.1 mn for Q1FY20 as compared to Rs. 67.3 mn
- Basic EPS stood at Rs. 4.38 as against Rs. 5.25

Commenting on the performance Mr. Sucheth Davuluri, Vice-Chairman and Chief Executive Officer of the Company said *“We are seeing an all round improvement in business dynamics. Revenue is witnessing consistent growth driven by CMS business which was the largest contributor to growth in this quarter. Better revenue mix and cost optimisation measures are leading towards improvement in profitability. On the balance sheet front we have over the last few quarters worked on improving our working capital efficiency as well as kept our debt at moderate levels. We believe that the performance of this quarter will be a broad indicator of how the rest of the year will pan out.”*

In addition, **Mr. Saharsh Davuluri, Joint Managing Director, Neuland Labs added** *“ We are looking forward to further improvement in performance of our CMS business after last 3 quarters of consistent revenues and a reasonably strong order book. With revenue from CMS business as well as specialty APIs expected to rise, we expect the business margins to improve further in this fiscal.”*

Business Performance

Operational Highlights

- Continued momentum in CMS business with new projects being added across geographies this quarter
- Underwent USFDA audit during the quarter
- Filed USDMF for Ticagrelor during the quarter
- Increasing footprint in new geographies for certain products

Business Saliency

- The operating revenues for the Q1FY20 account for 50.0% (60.3% for Q1FY19 and 51.3% for Q4FY19) from Prime products, 23.2% (20.4% for Q1FY19 and 23.3% for Q4FY19) from Specialty/Niche APIs, 19.2% (12.3% for Q1FY19 and 18.3% for Q4FY19) from CMS business and 7.6% (7.0% for Q1FY19 and 7.1% for Q4FY19) Others which consists of Export Incentives and RM Sales
- From a project perspective, the Company derived CMS revenues from 21 projects (9 for Q1FY19 and 12 for Q4FY19) of which 5 are in commercial stage and remaining 16 being in the clinical stage

CMS Pipeline Details

Q1 FY20	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	10	4	5	4	5	6	34
Intermediate	1	3	1	5	9	10	29
Grand Total	11	7	6	9	14	16	63

Q4 FY19	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	10	4	2	4	5	5	30
Intermediate	0	2	0	6	8	10	26
Grand Total	10	6	2	10	13	15	56

Q1 FY19	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	7	2	2	4	6	5	26
Intermediate	1	1	0	7	2	7	18
Grand Total	8	3	2	11	8	12	44

Q1 FY20 Earnings Call

The company will conduct a one-hour Earnings call at **11:00 AM IST on Wednesday, August 14th , 2019** where the management will discuss the Company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in numbers for this call are **+91 22 6280 1107 / +91 22 7115 8008**. Other numbers are listed in the conference call invite which is posted on our website. Please note that the transcript of the conference call will be uploaded on the company website in due course.

About Neuland Laboratories Limited

For over 35 years, Neuland Labs has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in close to 80 countries. Neuland Labs has developed more than 300 processes and 75 APIs, and it has filed around 57 U.S. drug master files (USDMFs) and over 673 Regulatory filings in the European Union (EU) and other geographies. Its manufacturing facilities are inspected and approved by the U.S. FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the U.S. FDA, TGA (Australia), EDQM (EU), German Health Authority, ANVISA (Brazil), EMA (EU), Cofepris (Mexico), KFDA (Korea), PMDA (Japan), CFDA (China), FSI "SID &GP" Russia, Health Canada, ISO 9001, ISO14001, OHSAS18001 and ISO 27001. For more information, visit www.NeulandLabs.com.



If you have any questions or require further information, please feel free to contact

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