

**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

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: Outcome of Board Meeting held on 13th November, 2024

Dear Sir(s)/ Madam,

This is with reference to our earlier intimation dated 05th November, 2024, pursuant to Regulation 30 read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), regarding holding of Board Meeting on Wednesday, 13th November, 2024 to *inter alia* approve the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2024.

The Board of Directors at its meeting held today, i.e. 13th November, 2024 has approved the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2024. A copy of the said Financial Results and Limited Review Report of the Statutory Auditors of the Company, as required under Regulation 33 of the SEBI LODR Regulations, is enclosed herewith.

The meeting of the Board of Directors of the Company commenced at 11.00 a.m. and concluded at 01.00 p.m.

Request you to kindly take the same on record.

Sincerely,
For Alkem Laboratories Limited


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Alkem Laboratories Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and six months ended September 30, 2024 ("the Statement") which includes one branch of the Group located at Nepal being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to this report.
5. 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 6 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information / financial results of five subsidiaries included in the consolidated unaudited financial results, whose interim financial information / financial results reflect total assets of Rs. 13,000.71 million as at September 30, 2024

**Deloitte
Haskins & Sells LLP**

and, total revenues of Rs 4,339.29 million and Rs 7,970.69 million for the quarter and six months ended September 30, 2024 respectively, total net profit after tax of Rs 404.42 million and Rs. 745.72 million for the quarter and six months ended September 30, 2024 respectively and total comprehensive income of Rs 438.51 million and Rs 790.41 million for the quarter and six months ended September 30, 2024 respectively and net cash outflows of Rs. 945.14 million for the six months ended September 30, 2024, as considered in the Statement. These interim financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the 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 reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

7. The consolidated unaudited financial results includes the interim financial information of eighteen subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of Rs. 11,791.44 million as at September 30, 2024 and, total revenue of Rs 1,892.68 million and Rs 3,603.18 million for the quarter and six months ended September 30, 2024 respectively, total profit after tax of Rs 139.59 million and Rs 124.67 million for the quarter and six months ended September 30, 2024 respectively and total comprehensive income of Rs 214.24 million and Rs 221.74 million for the quarter and six months ended September 30, 2024 respectively and net cash outflows of Rs. 554.39 million for the six months ended September 30, 2024, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Other Matter

8. The comparative financial information of the Group for the quarter and six months ended September 30, 2023, for the quarter ended June 30, 2024 and for the year ended March 31, 2024 prepared in accordance with Ind AS included in this Statement have been reviewed / audited, as applicable, by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information dated November 07, 2023, August 09, 2024 and May 29, 2024 respectively, expressed an unmodified conclusion / opinion, as applicable.

Our conclusion on the statement is not modified in respect of this matter.

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For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 240469308KEZZB3181)

Place: Mumbai
Date: November 13, 2024

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REVIEW REPORT

(Referred to in paragraph 4 under Independent Auditor's Review Report of even date)

Sr No	Name of the component	Relationship
1	Alkem Laboratories Limited	Parent
2	Alkem Laboratories Limited (Nepal Branch)	Branch
3	S&B Holdings S.a.r.l,	Wholly Owned Subsidiary
4	The Pharma Network LLC, USA (TPN)	Wholly Owned Subsidiary
5	Ascend Laboratories LLC, USA	Wholly Owned Subsidiary of TPN
6	S & B Pharma LLC	Wholly Owned Subsidiary of TPN
7	Pharmacor Pty Limited, Australia	Wholly Owned Subsidiary
8	Enzene Biosciences ltd, India	Subsidiary
9	Ascend Laboratories (PTY) ltd, South Africa	Wholly Owned Subsidiary
10	Cachet Pharmaceuticals Pvt ltd	Subsidiary
11	Indchemie Health Specialities Pvt ltd, India	Subsidiary
12	Alkem Laboratories Corporation, Philippines	Wholly Owned Subsidiary
13	Ascend GmbH, Germany	Wholly Owned Subsidiary
14	Ascend Laboratories SON BHD., Malaysia	Wholly Owned Subsidiary
15	Ascend Laboratories SpA Chile (Ascend Chile)	Wholly Owned Subsidiary
16	Pharma Network SpA, Chile	Wholly Owned Subsidiary of Ascend Chile
17	Ascend Laboratories S.A. DE C.V., Mexico	Wholly Owned Subsidiary of Ascend Chile
18	Alkem Laboratories Korea Inc Korea	Wholly Owned Subsidiary
19	Pharmacor Ltd, Kenya	Wholly Owned Subsidiary
20	The Pharma Network LLP, Kazakhstan	Wholly Owned Subsidiary
21	Ascend Laboratories (UK) Ltd, UK	Wholly Owned Subsidiary
22	Ascend Laboratories Ltd, Canada	Wholly Owned Subsidiary
23	Alkem Foundation. India	Wholly Owned Subsidiary
24	Connect 2 Clinic Private Limited, India	Wholly Owned Subsidiary
25	Ascend Laboratories SAS, Colombia	Wholly Owned Subsidiary
26	Pharmacor Limited, New Zealand	Wholly Owned Subsidiary
27	Enzene Inc., USA	Wholly Owned Subsidiary of Enzene Biosciences Ltd, India
28	Alkem Medtech Private Limited, India	Wholly Owned Subsidiary
29	Alixer Nexgen Therapeutics Limited (Incorporated on July 12, 2024)	Wholly Owned Subsidiary
30	Alkem Wellness Limited (incorporated on September 16, 2024)	Wholly Owned Subsidiary

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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 and Six months ended 30 September 2024

(₹ In Million except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1 Income						
(a) Revenue from Operations	34,146.7	30,318.2	34,401.7	64,464.9	64,078.9	126,675.8
(b) Other Income	1,344.8	1,203.1	631.9	2,547.9	1,290.3	3,108.4
Total Income	35,491.5	31,521.3	35,033.6	67,012.8	65,369.2	129,784.2
2 Expenses						
(a) Cost of materials consumed	9,021.7	8,371.6	8,247.1	17,393.3	16,572.9	32,945.9
(b) Purchases of stock-in-trade	3,539.2	3,826.6	4,318.9	7,365.8	7,873.6	16,288.7
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(513.9)	(1,438.7)	704.7	(1,952.6)	809.9	141.2
(d) Employee benefits expense	6,104.9	6,022.7	5,553.8	12,127.6	11,230.3	22,010.1
(e) Finance costs	281.4	291.1	303.2	572.5	600.9	1,124.1
(f) Depreciation and amortisation expense	789.1	804.8	739.0	1,593.9	1,463.1	2,993.0
(g) Other expenses	8,466.5	7,449.6	8,109.9	15,916.1	16,233.0	32,835.0
Total Expenses	27,688.9	25,327.7	27,976.6	53,016.6	54,783.7	108,338.0
3 Profit before exceptional items and tax (1) - (2)	7,802.6	6,193.6	7,057.0	13,996.2	10,585.5	21,446.2
4 Exceptional items (refer note 4)	-	-	(576.6)	-	(576.6)	(1,214.9)
5 Profit before tax (3) + (4)	7,802.6	6,193.6	6,480.4	13,996.2	10,008.9	20,231.3
6 Tax expense / (credit)						
(a) Current tax	1,558.8	1,244.3	1,590.5	2,803.1	2,248.3	4,222.8
(b) Deferred tax	(775.8)	(553.1)	(1,259.0)	(1,328.9)	(1,266.4)	(2,106.1)
Total Tax Expense (a + b)	783.0	691.2	331.5	1,474.2	981.9	2,116.7
7 Profit for the period (5) - (6)	7,019.6	5,502.4	6,148.9	12,522.0	9,027.0	18,114.6
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(66.4)	(49.8)	(29.8)	(116.2)	(69.3)	(93.4)
(ii) Income tax relating to items that will not be reclassified to profit or loss	21.4	16.0	10.6	37.4	23.7	29.8
(b) (i) Items that will be reclassified to profit or loss	106.0	74.9	129.1	180.9	267.7	264.0
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total Other Comprehensive Income (net of tax)	61.0	41.1	109.9	102.1	222.1	200.4
9 Total Comprehensive Income for the period (7) + (8)	7,080.6	5,543.5	6,258.8	12,624.1	9,249.1	18,315.0
10 Profit attributable to						
a) Owners of the Company	6,886.4	5,451.6	6,205.2	12,338.0	9,072.5	17,957.7
b) Non-Controlling Interest	133.2	50.8	(56.3)	184.0	(45.5)	156.9
11 Other Comprehensive Income attributable to						
a) Owners of the Company	68.5	44.1	111.8	112.6	228.7	206.5
b) Non-Controlling Interest	(7.5)	(3.0)	(1.9)	(10.5)	(6.6)	(6.1)
12 Total Comprehensive Income attributable to						
a) Owners of the Company	6,954.9	5,495.7	6,317.0	12,450.6	9,301.2	18,164.2
b) Non-Controlling Interest	125.7	47.8	(58.2)	173.5	(52.1)	150.8
13 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1	239.1
14 Other Equity						102,881.5
15 Earnings Per Share (not annualised)						
(a) Basic (₹)	57.60	45.60	51.90	103.20	75.88	150.19
(b) Diluted (₹)	57.60	45.60	51.90	103.20	75.88	150.19

Statement of Unaudited Consolidated Assets and Liabilities as at 30 September 2024

(₹ in Million)

Particulars	As at 30 September 2024 (Unaudited)	As at 31 March 2024 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	20,128.5	21,614.6
(b) Right of use assets	2,564.2	2,471.7
(c) Capital work-in-progress	2,918.9	1,484.0
(d) Goodwill	4,192.0	4,167.4
(e) Other intangible assets	458.6	474.1
(f) Intangible assets under development	723.0	101.7
(g) Financial Assets		
(i) Other investments	8,234.3	3,348.0
(ii) Other financial assets	2,748.9	1,202.2
(h) Deferred tax assets (net)	16,532.6	15,148.3
(i) Other tax assets (net)	582.9	781.7
(j) Other non-current assets	993.6	839.5
Total Non-current assets	60,077.5	51,633.2
2 Current assets		
(a) Inventories	29,121.8	26,611.8
(b) Financial Assets		
(i) Investments	3,366.3	1,489.9
(ii) Trade receivables	24,981.1	22,528.1
(iii) Cash and cash equivalents	4,125.8	4,550.7
(iv) Bank balances other than (iii) above	15,396.7	11,242.8
(v) Loans	146.9	90.7
(vi) Other financial assets	24,507.6	29,302.0
(c) Other current assets	8,100.3	6,299.8
Total Current assets	109,746.5	104,115.8
3 Assets held for sale	1,346.3	-
TOTAL ASSETS	171,170.3	155,749.0
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	114,689.4	102,881.5
Equity attributable to owners of the Company	114,928.5	103,120.6
(c) Non-controlling interest	4,172.3	4,023.4
Total Equity	119,100.8	107,144.0
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,259.5	400.0
(ii) Lease liabilities	2,133.3	1,892.6
(iii) Other financial liabilities	3,488.2	3,109.9
(b) Provisions	3,173.6	2,998.6
(c) Other non-current liabilities	238.9	258.4
Total Non-Current liabilities	10,293.5	8,659.5
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	11,103.2	11,739.7
(ii) Lease liabilities	283.0	151.8
(iii) Trade payables		
Dues of Micro and Small Enterprises	647.4	670.0
Dues of Creditors other than Micro and Small Enterprises	18,215.1	16,811.2
(iv) Other financial liabilities	6,815.1	6,457.7
(b) Other current liabilities	2,293.5	2,296.6
(c) Provisions	1,493.1	1,268.7
(d) Current tax Liabilities (Net)	862.7	549.9
Total Current liabilities	41,713.1	39,945.5
4 Liabilities classified as held for sale	62.9	-
TOTAL EQUITY AND LIABILITIES	171,170.3	155,749.0

Statement of Unaudited Consolidated Cash flow for the period ended 30 September 2024

(₹ in million)

Particulars	For the period ended	For the period ended
	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
A Cash Flow from Operating Activities:		
Profit before Tax	13,996.2	10,008.9
<u>Adjustments for:</u>		
Depreciation and amortisation expense	1,593.9	1,463.1
Liabilities no longer required written back	(1.0)	-
Profit on sale of investments (net)	(0.9)	(24.1)
Unrealised (gain) / loss on fair valuation of investments (net)	(193.2)	(75.2)
Loss on sale / write off of property plant and equipment (net)	42.6	13.2
Employee stock compensation expenses	79.3	49.2
Unrealised foreign currency (gain) / loss on revaluation (net)	(141.0)	645.6
Dividend Income	(1.6)	(1.2)
Interest Income	(1,810.2)	(1,164.6)
Impairment loss on property, plant and equipment	17.5	576.6
Interest expenses	572.5	600.9
Provision for doubtful advances	11.7	-
Expected credit loss on receivables	76.1	328.4
Rent received	(3.6)	-
Subtotal of Adjustments	242.1	2,411.9
Operating profit before working capital changes	14,238.3	12,420.8
Adjustments for changes in working capital:		
(Increase) in trade receivables	(2,513.8)	(3,680.6)
Decrease/ (Increase) in loans, other financial assets and other assets	306.0	(762.4)
(Increase) / Decrease in inventories	(2,510.0)	542.8
Increase in trade payable, other financial liabilities and other liabilities	2,028.8	2,406.2
Increase in provisions	160.1	359.9
Subtotal of adjustments	(2,528.9)	(1,134.1)
Cash generated from operations	11,709.4	11,286.7
Less: Income taxes paid (net of refund)	(2,291.5)	(1,937.5)
Net Cash generated from operating activities	9,417.9	9,349.2
B Cash Flow from Investing Activities:		
Purchases of property, plant and equipment (including capital work in progress, other intangible assets and intangible assets under development)	(3,065.4)	(1,163.0)
Proceeds from disposal of property, plant and equipment	85.4	20.2
Investments made in fixed deposits	(16,585.3)	(6,298.0)
Redemption of fixed deposits	15,466.6	-
Investments in other than bank deposits	(6,730.0)	-
Redemption of investments other than bank deposits	161.3	66.3
Dividend received	1.6	1.2
Interest received	1,683.9	1,121.3
Rent received	3.6	-
Net cash (used in) investing activities	(8,978.3)	(6,252.0)
C Cash Flow from Financing Activities:		
Proceeds from non-current borrowings (net)	916.6	-
(Repayment of) / Proceeds from current borrowings (net)	(2,895.0)	(735.3)
Dividend paid	(622.3)	(1,220.2)
Principal repayment of lease liabilities	(188.6)	(162.3)
Interest paid	(420.7)	(499.4)
Net cash (used in) financing activities	(3,210.0)	(2,617.2)
D Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)	(2,770.4)	480.0
E Cash & Cash Equivalents as at the beginning of the year	663.1	2,738.0
Add/Less: Effect of exchange difference on foreign currency cash and cash equivalents	159.9	(9.8)
F Cash & Cash Equivalents as at the end of the period (D+E)	(1,947.4)	3,208.2

Notes:

- Components of cash and cash equivalents for the purpose of Cash flow as per IND AS 7:

Cash and cash equivalents	4,125.8	3,208.2
Loans repayable on demand from banks	(6,073.2)	-
Total cash and cash equivalents	(1,947.4)	3,208.2
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - "Statement of Cash Flows".

Notes to the Consolidated Financial results:

- 1 The above unaudited consolidated financial results are prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The Consolidated Financial results are prepared in accordance with Ind AS 110 'Consolidated Financial Statements'.
- 2 The above unaudited consolidated financial results of the Group were reviewed and recommended by the Audit Committee on 12 November 2024 and subsequently approved by the Board of Directors at its meeting held on 13 November 2024. The auditors have issued an unmodified review report on the financial results for the quarter and six months ended 30 September 2024.
- 3 The comparative financial information of the Group for the quarter ended 30 June 2024, comparative quarter and six months ended 30 September 2023 and for the year ended 31 March 2024, prepared in accordance with Ind AS included in this statement have been reviewed/ audited by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information are dated 09 August 2024, 07 November 2023 and 29 May 2024 respectively.
- 4 Exceptional item for the quarter ended 30 September 2023 included impairment loss of ₹ 576.6 Million towards its plant located at St. Louis, USA.

Exceptional items for the year ended 31 March 2024 included impairment loss of ₹ 576.6 Million and ₹ 415.6 Million towards its plant located at St. Louis, USA and Indore respectively and net loss of ₹ 222.7 Million (net of recovery) on account of cyber security.

In the current quarter ended 30 September 2024, the Parent Company as part of its ongoing initiative of networking strategy and optimization of manufacturing facilities has identified divestment of its Indore facility. Consequently, related assets and liabilities are disclosed as held for sale. These assets and liabilities have been carried at cost as the same are lower than the fair value expected out of sale.
- 5 As approved by the Members of the Parent Company at the Annual General Meeting held on 30 August 2024, the Company has disbursed a final dividend of ₹ 5 (Rupees Five Only) per equity share (face value of ₹ 2 each).
- 6 The Group operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment information has been made.

Place: Mumbai
Date: 13 November 2024

By Order of the Board
For Alkem Laboratories Limited


B.N. Singh
Executive Chairman
DIN: 00760310

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Alkem Laboratories Limited** ("the Company"), which includes a branch located at Nepal, for the quarter and six months ended September 30, 2024, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 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. Based on our review conducted as stated in paragraph 3 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter

5. The comparative financial information of the Company for the quarter and six months ended September 30, 2023, for the quarter ended June 30, 2024 and for the year ended March 31, 2024 prepared in accordance with Ind AS included in this Statement have been reviewed / audited, as applicable, by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information dated November 07, 2023, August 09, 2024 and May 29, 2024 respectively, expressed an unmodified conclusion / opinion, as applicable.

Our conclusion on the statement is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Rupen K. Bhatt
(Partner)
(Membership No. 046930)
(UDIN: 24046930BKEZZA9692)

Place: Mumbai
Date: November 13, 2024



ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

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

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

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

Statement of Unaudited Standalone Financial Results for the Quarter and Six months ended 30 September 2024

(₹ in Million except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1 Income						
(a) Revenue from Operations	28,719.7	25,001.0	26,345.9	53,720.7	48,877.6	97,477.2
(b) Other Income	1,201.9	1,061.0	618.4	2,282.9	1,265.4	3,059.9
Total Income	29,921.6	26,062.0	26,964.3	55,983.6	50,143.0	100,537.1
2 Expenses						
(a) Cost of materials consumed	7,322.9	7,612.3	7,071.2	14,935.2	13,964.9	27,499.3
(b) Purchases of stock-in-trade	3,154.0	2,073.6	2,823.9	5,227.6	5,275.6	11,287.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	393.7	(856.6)	106.6	(462.9)	(525.7)	(713.1)
(d) Employee benefits expense	4,297.6	4,259.0	3,951.8	8,556.6	8,092.4	15,602.8
(e) Finance costs	175.7	214.4	187.0	390.1	401.2	819.1
(f) Depreciation and amortisation expense	625.8	643.5	590.2	1,269.4	1,171.3	2,443.5
(g) Other expenses	6,275.1	5,706.4	5,846.4	11,981.5	12,186.9	24,149.9
Total Expenses	22,244.9	19,652.6	20,577.1	41,897.5	40,566.6	81,088.5
3 Profit before exceptional items and tax (1) - (2)	7,676.7	6,409.4	6,387.2	14,086.1	9,576.4	19,448.6
4 Exceptional items (refer note 4)	-	-	-	-	-	(538.3)
5 Profit before tax (3) + (4)	7,676.7	6,409.4	6,387.2	14,086.1	9,576.4	18,810.3
6 Tax expense / (credit)						
(a) Current tax	1,323.2	1,112.6	1,114.8	2,435.8	1,654.1	3,332.8
(b) Deferred tax	(622.3)	(535.7)	(1,192.7)	(1,158.0)	(1,257.2)	(1,994.0)
Total Tax expense / (credit) (a + b)	700.9	576.9	(77.9)	1,277.8	396.9	1,338.8
7 Profit for the period after tax (5 - 6)	6,975.8	5,832.5	6,465.1	12,808.3	9,179.5	17,471.5
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(38.3)	(38.2)	(24.1)	(76.5)	(48.2)	(66.8)
(ii) Income tax relating to items that will not be reclassified to profit or loss	13.3	13.4	8.4	26.7	16.8	23.3
(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)	(25.0)	(24.8)	(15.7)	(49.8)	(31.4)	(43.5)
9 Total Comprehensive Income for the period (7) + (8)	6,950.8	5,807.7	6,449.4	12,758.5	9,148.1	17,428.0
10 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1	239.1
11 Other Equity						105,307.0
12 Earnings Per Share (not annualised)						
(a) Basic (₹)	58.34	48.78	54.07	107.12	76.77	146.13
(b) Diluted (₹)	58.34	48.78	54.07	107.12	76.77	146.13

Statement of Unaudited Standalone Assets and Liabilities as at 30 September 2024

(₹ in Million)

Particulars	As at 30 September 2024 (Unaudited)	As at 31 March 2024 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	14,984.2	16,596.7
(b) Right of use assets	910.0	879.6
(c) Capital work-in-progress	655.1	499.3
(d) Other intangible assets	311.9	346.1
(e) Intangible assets under development	408.5	408.5
(f) Financial Assets		
(i) Investment in subsidiaries	27,511.4	25,502.6
(ii) Other Investments	6,021.0	1,349.6
(iii) Loans	3.6	3.5
(iv) Other financial assets	2,381.1	520.6
(h) Deferred tax assets (net)	14,051.2	12,866.6
(i) Other tax assets (net)	202.9	492.2
(j) Other non-current assets	739.1	511.9
Total Non-current assets	68,180.0	59,977.2
2 Current assets		
(a) Inventories	19,167.0	18,495.6
(b) Financial Assets		
(i) Investments	3,301.2	1,437.6
(ii) Trade receivables	18,273.9	17,536.4
(iii) Cash and cash equivalents	688.4	389.5
(iv) Bank balances other than (iii) above	12,150.0	10,269.0
(v) Loans	32.3	39.5
(vi) Other financial assets	21,544.5	25,414.6
(c) Other current assets	6,570.2	6,818.6
Total Current assets	81,727.5	80,400.8
3 Assets held for sale	1,346.3	-
TOTAL ASSETS	151,253.8	140,378.0
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	117,467.6	105,307.0
Total Equity	117,706.7	105,546.1
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Lease liabilities	499.2	376.0
(ii) Other financial liabilities	921.7	690.6
(b) Provisions	2,565.0	2,455.8
(c) Other non-current liabilities	226.9	245.5
Total Non-Current liabilities	4,212.8	3,767.9
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	5,073.4	9,572.3
(ii) Lease liabilities	193.1	103.8
(iii) Trade payables		
Dues of Micro and Small Enterprises	537.7	587.6
Dues of creditors other than Micro and Small Enterprises	16,770.7	15,121.8
(iv) Other financial liabilities	3,744.0	3,379.9
(b) Other current liabilities	1,023.5	1,192.2
(c) Provisions	1,270.0	1,106.4
(d) Current tax Liabilities (Net)	659.0	-
Total Current liabilities	29,271.4	31,064.0
4 Liabilities classified as held for sale	62.9	-
TOTAL EQUITY AND LIABILITIES	151,253.8	140,378.0

Statement of Unaudited Standalone Cash Flow for the period ended 30 September 2024

(₹ in million)

Particulars	For six months ended 30 September 2024 (Unaudited)	For six months ended 30 September 2023 (Unaudited)
A. Cash Flow from Operating Activities:		
Profit before tax	14,086.1	9,576.4
Adjustments for:		
Depreciation and amortisation expense	1,269.4	1,171.3
Impairment loss on property, plant and equipment	17.5	-
Unrealised gain on fair valuation of investments (net)	(192.0)	(74.8)
Loss/ (profit) on sale of investments (net)	3.9	(19.3)
Loss on sale / write off of property plant and equipment (net)	42.9	14.0
Dividend income	(26.1)	(26.1)
Provision for doubtful advances	11.7	-
Interest income	(1,511.8)	(942.0)
Interest expenses	390.1	401.2
Expected credit loss on receivables	71.3	257.6
Rental income	(13.6)	-
Unrealised foreign currency (gain) / loss on revaluation (net)	(88.4)	403.9
Subtotal of Adjustments	(25.1)	1,185.8
Operating profit before working capital changes	14,061.0	10,762.2
Adjustments for changes in working capital:		
(Increase) / Decrease in trade receivables	(805.1)	511.7
(Increase) / Decrease in loans, other financial assets and other assets	340.7	(420.6)
Increase in inventories	(671.4)	(559.8)
Increase in trade payable, other financial liabilities and other liabilities	2,057.7	1,863.3
Increase in provisions	88.6	77.7
Subtotal of Adjustments	1,010.5	1,472.3
Cash generated from operations	15,071.5	12,234.5
Less: Income taxes paid (net of refund)	(1,487.4)	(1,643.4)
Net cash generated from operating activities	13,584.1	10,591.1
B. Cash Flow from Investing Activities:		
Purchases of property, plant and equipment (including capital work in progress, other intangible assets and intangible assets under development)	(1,041.2)	(609.5)
Proceeds from disposal of property, plant and equipment	69.3	16.1
Investments in subsidiaries	(2,008.9)	-
Investments made in fixed deposits	(14,939.4)	(6,119.6)
Redemption of fixed deposits	15,032.2	-
Investments in other than bank deposits	(6,397.0)	-
Redemption of investments other than bank deposits	108.0	130.4
Dividend received	26.1	26.1
Interest received	1,288.7	899.5
Rent received	13.6	-
Net cash used in investing activities	(7,848.6)	(5,657.0)
C. Cash Flow from Financing Activities:		
Repayment of current borrowings (net)	(2,806.3)	(3,231.5)
Principal repayment of lease liabilities	(99.1)	(72.4)
Dividend paid	(597.8)	(1,195.7)
Interest paid	(256.6)	(302.3)
Net cash used in financing activities	(3,759.8)	(4,801.9)
D Net increase in cash and cash equivalents (A+B+C)	1,975.7	132.2
E Cash and cash equivalents as at beginning of the year	(1,330.7)	50.1
F Cash and cash equivalents as at end of the period (D+E)	645.0	182.3

Notes:

- 1 Components of cash and cash equivalents for the purpose of Cash flow as per IND AS 7:

Cash and cash equivalents	688.4	182.3
Loans repayable on demand from banks	(43.4)	-
Total cash and cash equivalents	645.0	182.3

- 2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows"

Notes to the Standalone Financial results:

- 1 The above unaudited standalone financial results are prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 2 The above unaudited standalone financial results of the Company were reviewed and recommended by the Audit Committee on 12 November 2024 and subsequently approved by the Board of Directors at its meeting held on 13 November 2024. The auditors have issued an unmodified review report on the financial results for the quarter and six months ended 30 September 2024.
- 3 The comparative financial information of the Company for the quarter ended 30 June 2024, comparative quarter and six months ended 30 September 2023 and for the year ended 31 March 2024, prepared in accordance with Ind AS included in this statement have been reviewed/ audited by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information are dated 09 August 2024, 07 November 2023 and 29 May 2024 respectively.
- 4 Exceptional items for the year ended 31 March 2024 includes impairment loss of ₹ 415.6 Million towards its plant located at Indore and net loss of ₹ 222.7 Million (net of recovery) on account of cyber security. In the current quarter ended 30 September 2024, the Company as a part of its ongoing initiative of networking strategy and optimization of manufacturing facilities has identified divestment of its Indore facility. Consequently, related assets and liabilities are disclosed as held for sale. These assets and liabilities have been carried at cost as the same are lower than the fair value expected out of sale.
- 5 As approved by the Members of the Company at the Annual General Meeting held on 30 August 2024, the Company has disbursed a final dividend of ₹ 5 (Rupees Five Only) per equity share (face value of ₹ 2 each).
- 6 The Company operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment information has been made.

Place: Mumbai
Date: 13 November 2024

By Order of the Board
For Alkem Laboratories Limited



B.N. Singh
Executive Chairman
DIN: 00760310

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](#).

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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

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

Purvi Shah

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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.

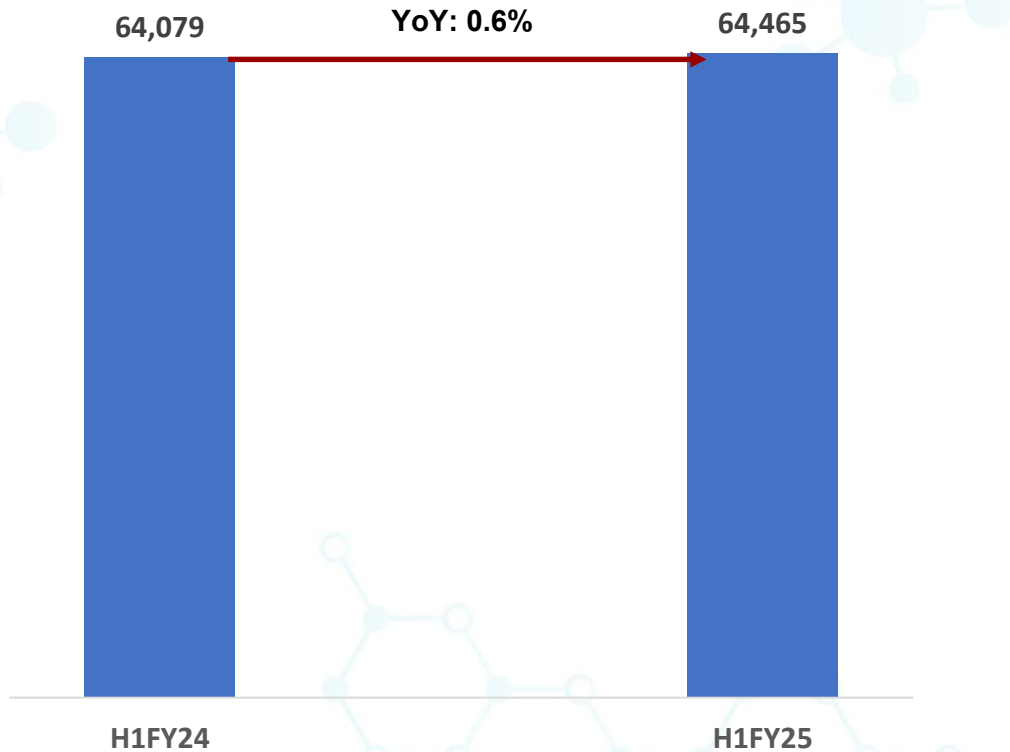
Key Highlights of H1FY25

- 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%.
 - The contribution of domestic sales to total sales in H1FY25 was 70.4% vs. 67.1% in H1FY24.
 - 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%.
- 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.

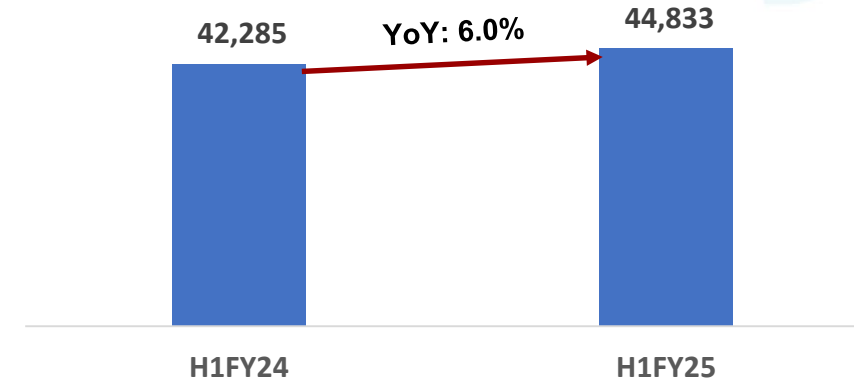
Key Financial Highlights – H1FY25 (Consolidated)

All figures in ₹ Mn

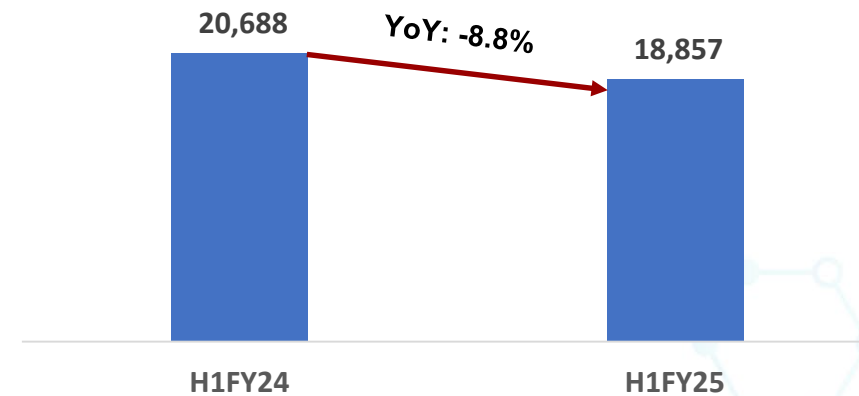
Total Revenue from Operations



Domestic sales



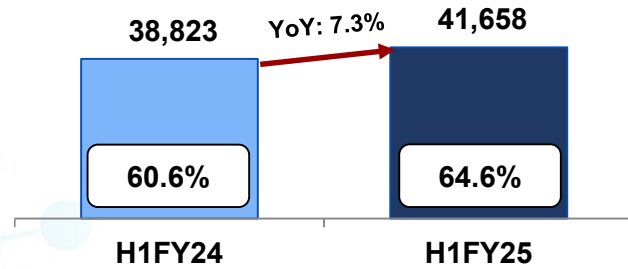
International sales



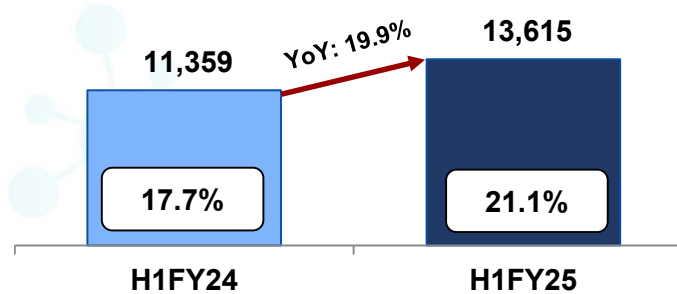
Key Financial Highlights – H1FY25 (Consolidated)

All figures in ₹ Mn

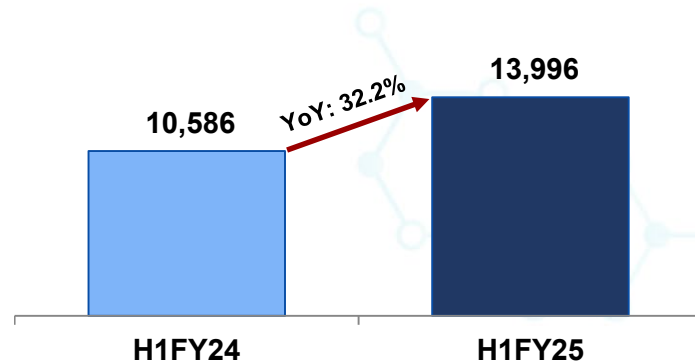
Gross Profit and Gross Margin



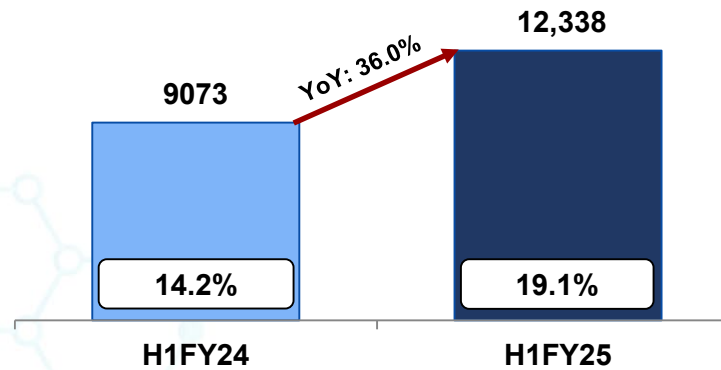
EBITDA and EBITDA Margin



PBT (before exceptional item)



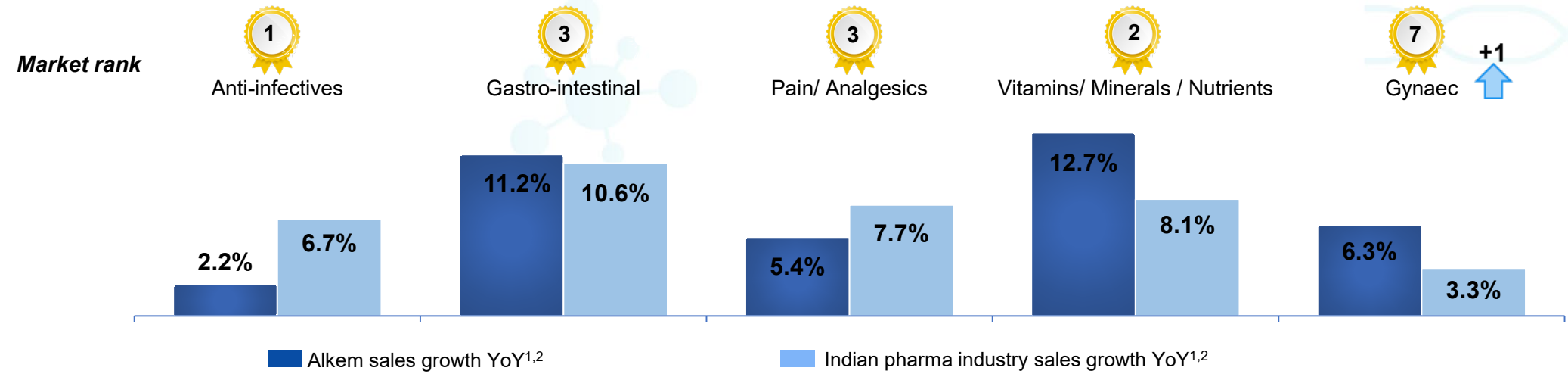
PAT (after Minority Interest)



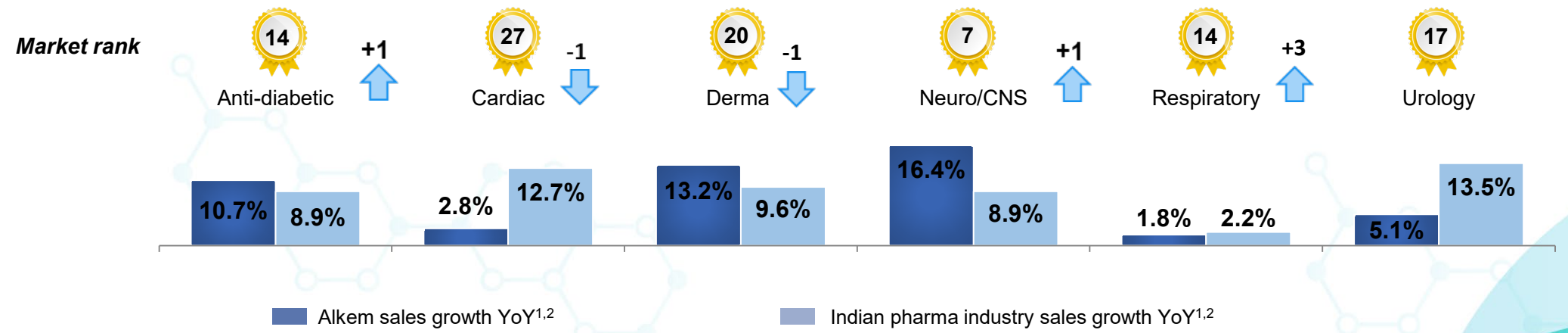
India - Secondary Sales Performance

Mixed performance across all major therapeutic segments in H1FY25

Acute Therapies



Chronic Therapies



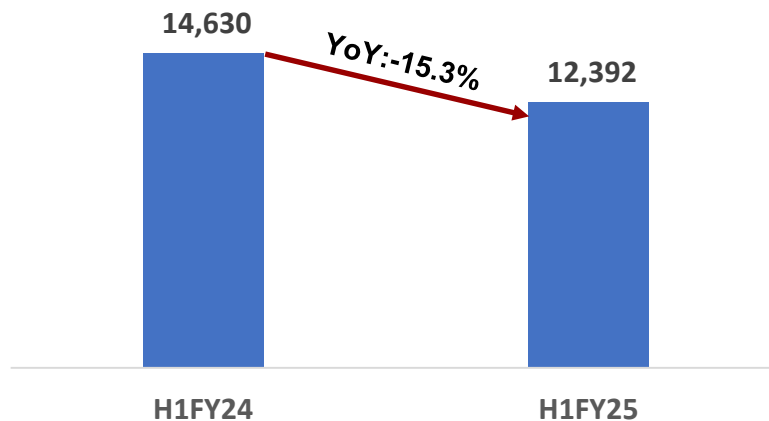
Source: IQVIA SSA data ¹ Domestic formulations sales; ² For six months ended September 30, 2024.

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
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

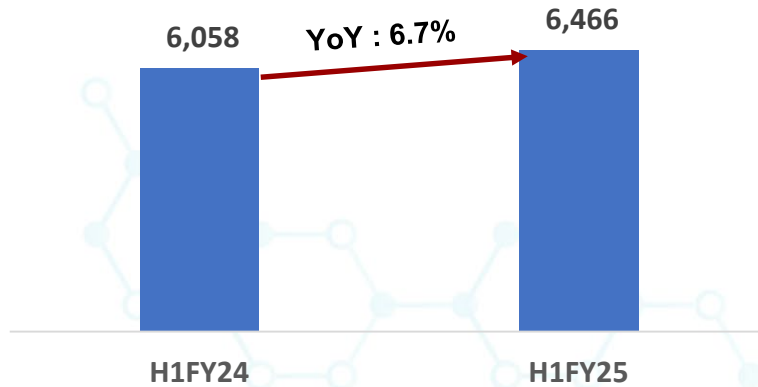
Note: USFDA conducted a virtual inspection at our manufacturing facilities in Daman from October 5th to 7th, 2020.

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)



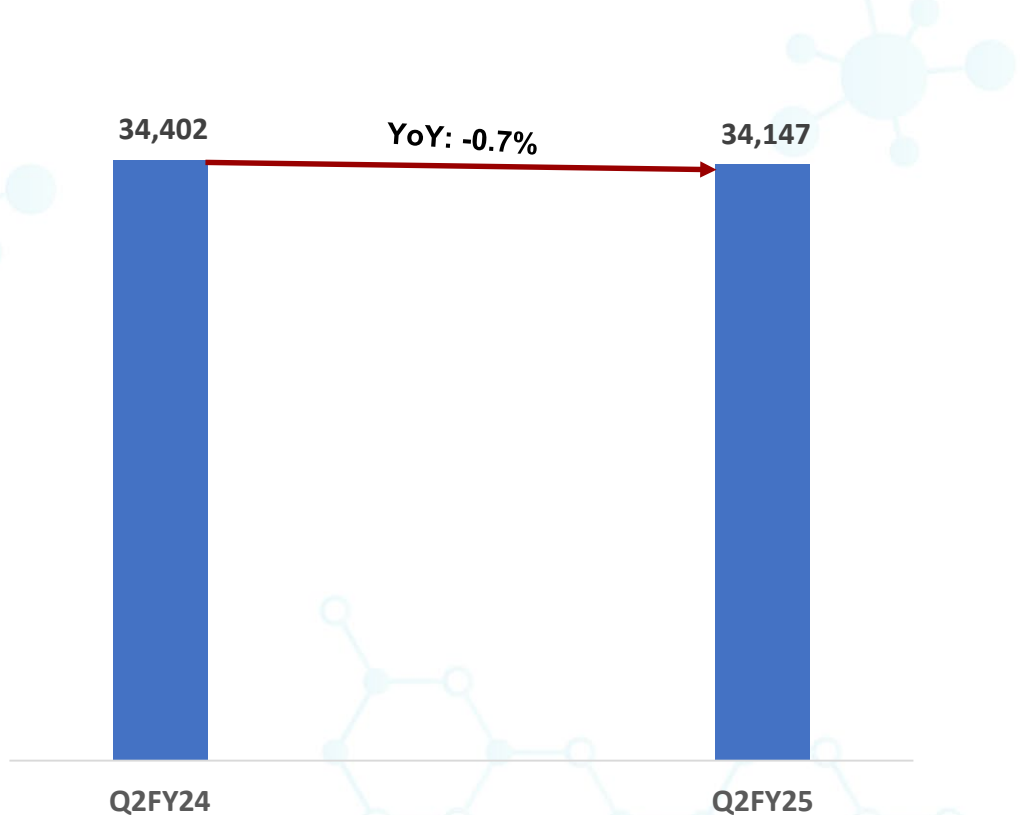
Key Highlights of Q2FY25

- 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.

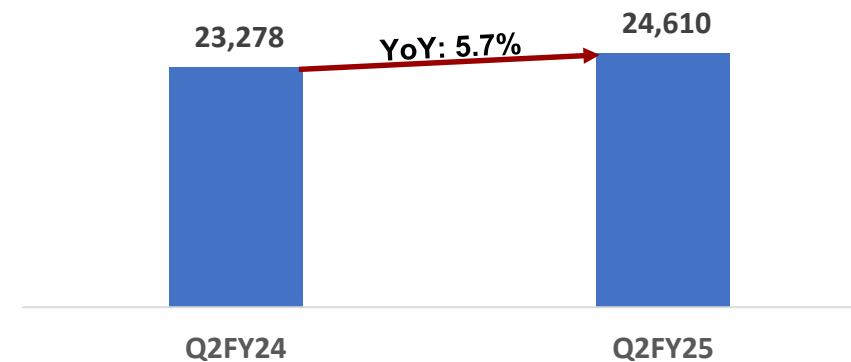
Key Financial Highlights – Q2FY25 (Consolidated)

All figures in ₹ Mn

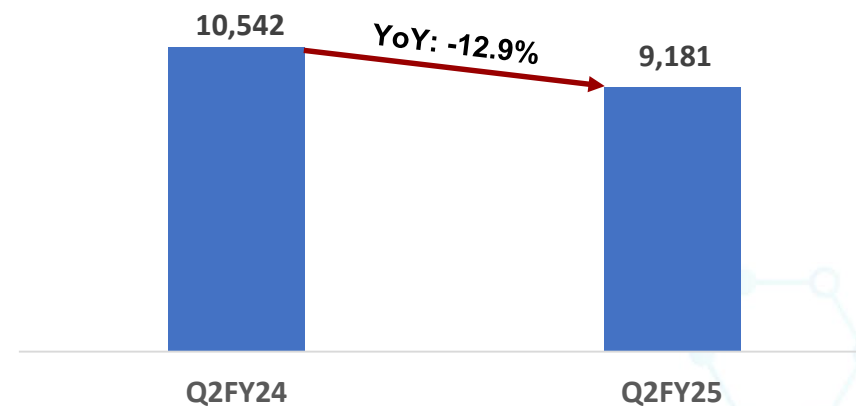
Total Revenue from Operations



Domestic sales



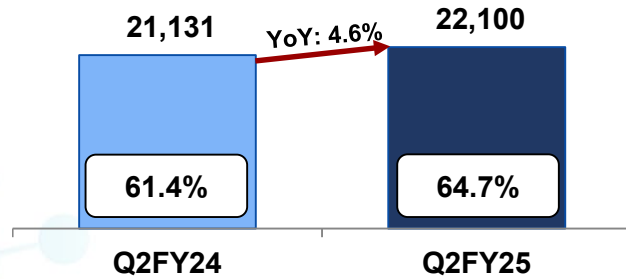
International sales



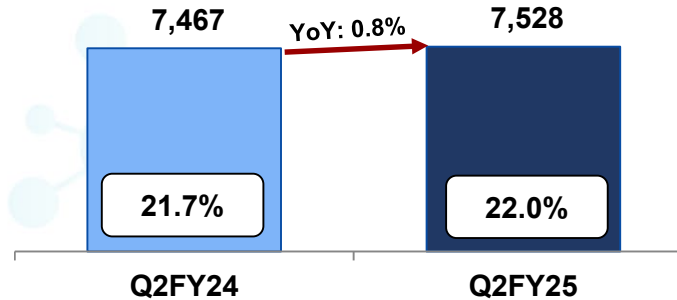
Key Financial Highlights – Q2FY25 (Consolidated)

All figures in ₹ Mn

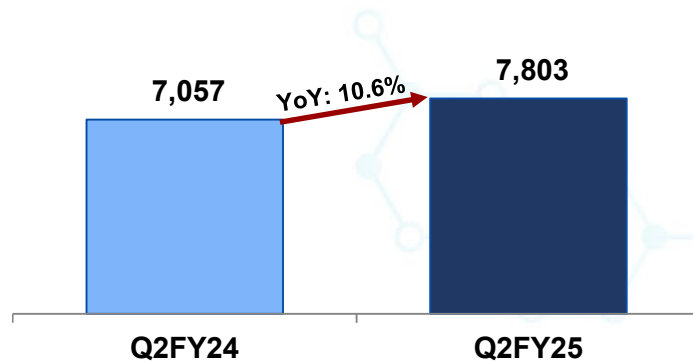
Gross Profit and Gross Margin



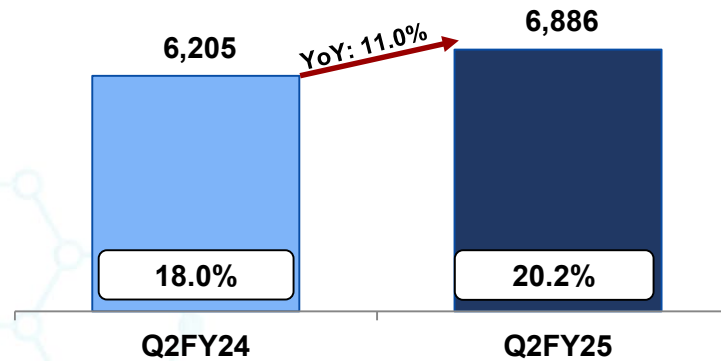
EBITDA and EBITDA Margin



PBT (before exceptional item)



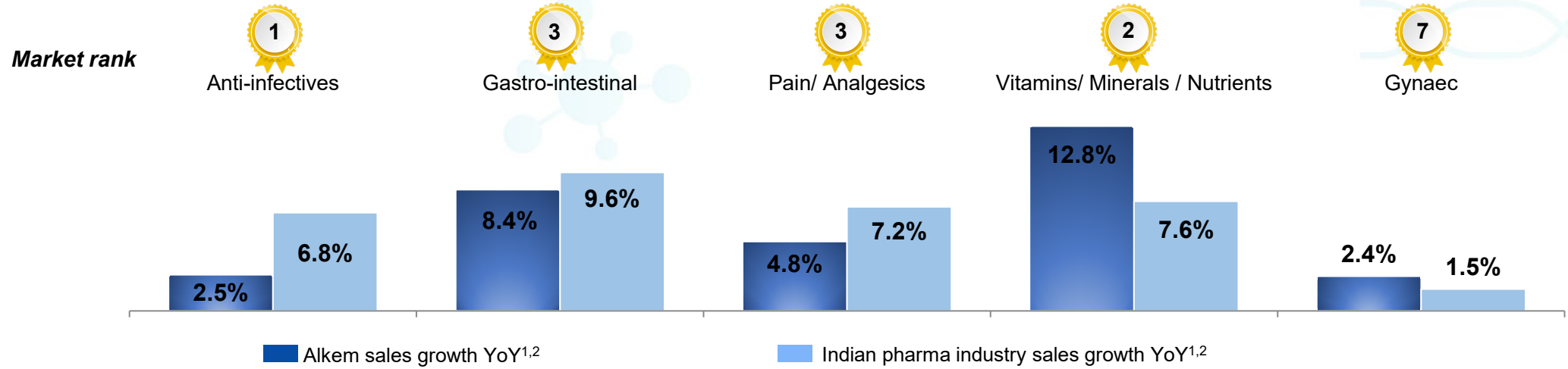
PAT (after Minority Interest)



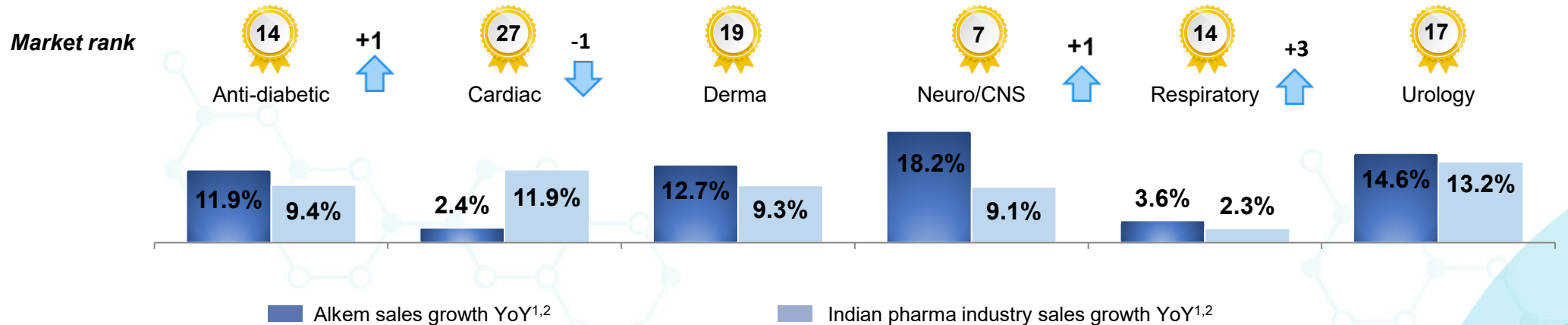
India - Secondary Sales Performance

Mixed performance across all major therapeutic segments in Q2FY25

Acute Therapies



Chronic Therapies



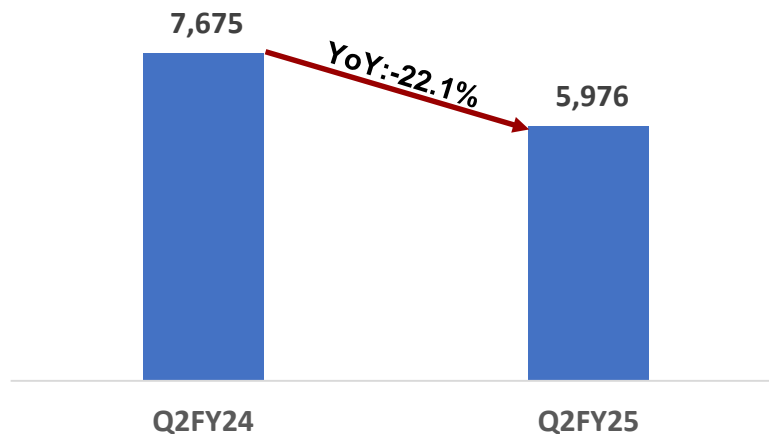
Source: IQVIA SSA data ¹ Domestic formulations sales; ² For three months ended September 30, 2024.

US Business Update

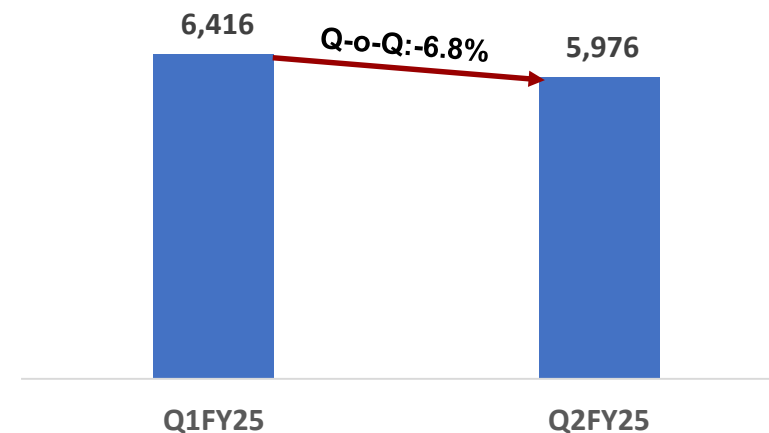
Q2FY25 Sales of ₹ 5,976 million (22.1% YoY de-growth)

- 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)

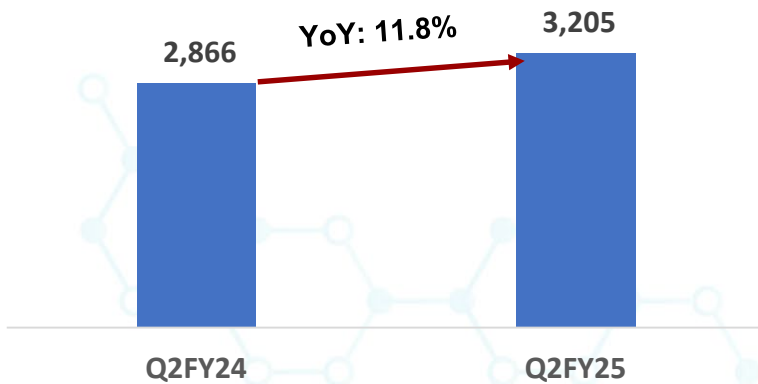


Other International Market Update

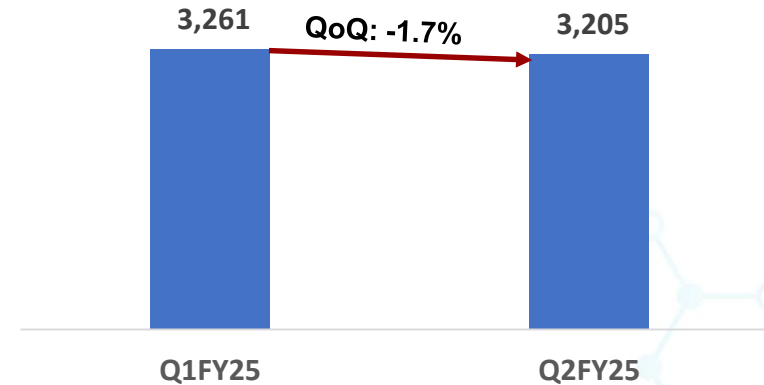
Q2FY25 Sales of ₹ 3,205 million (11.8% YoY growth)

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

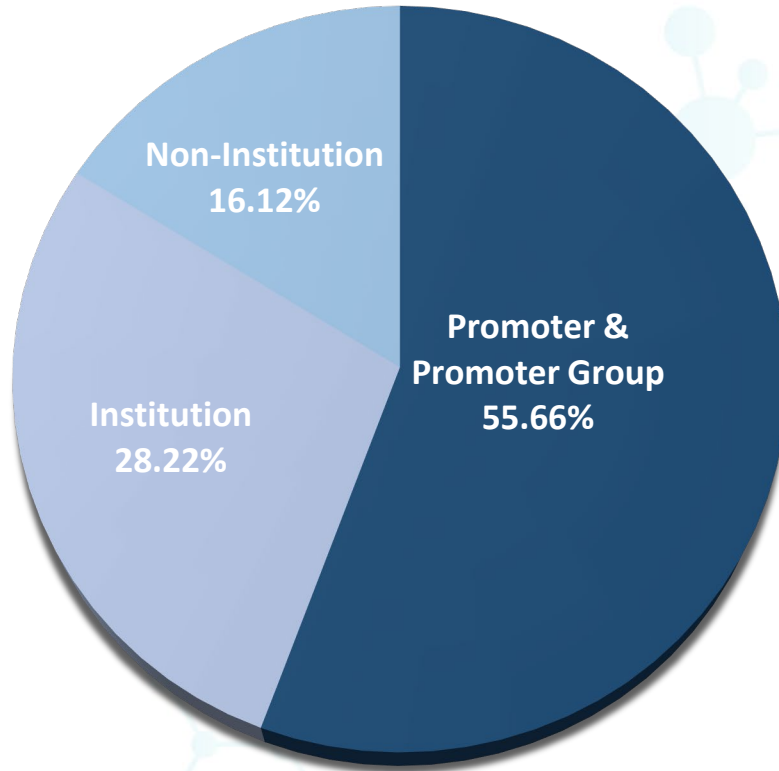
Q2FY25 – Other International Sales (₹ Mn)



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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