

**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

09th February, 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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Dear Sirs,

Sub: Outcome of Board Meeting held on 09th February, 2024

In continuation of our letter dated 01st February, 2024 and pursuant to Regulation 30 read with Regulation 33, Regulation 42 and Regulation 43 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Board of Directors of the Company, at its meeting held today i.e. 09th February, 2024 have inter alia:

- a. Approved the Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December, 2023.

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 Listing Regulations is enclosed herewith.

- b. Declared an Interim Dividend of Rs. 35/- (Rupees Thirty Five only) per equity share on the face value of Rs. 2/- per share for financial year 2023-24 pursuant to Regulation 43 read with Regulation 30 of Listing Regulations.

The date of payment of Interim Dividend shall be on and from 01st March, 2024.

Further, as informed vide our letter dated 01st February, 2024, submitted to the Stock Exchanges pursuant to Regulation 42 of the Listing Regulations, the record date for the purpose of payment of Interim Dividend for financial year 2023-24 would be Saturday, 17th February, 2024.

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

Kindly take the same on record.

Sincerely,
For Alkem Laboratories Limited


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

Limited Review Report on unaudited consolidated financial results of Alkem Laboratories Limited for the quarter ended 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 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 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 2023 ("the Statement") (in which are included financial information of 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. 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 Listing Regulations, 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 results of 2 subsidiaries included in the Statement, whose interim financial results reflects total revenues (before consolidation adjustments) of Rs. 2,913 million and Rs. 8,537 million, total net profit after tax (before consolidation adjustments) of Rs. 204 million and Rs. 109 million and total comprehensive income (before consolidation adjustments) of Rs. 204 million and Rs. 95 million for the quarter ended 31 December 2023 and for the period from 01 April 2023 to 31 December 2023 respectively, as considered in the Statement. These interim financial statements 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 reports of the other auditor and the procedures performed by us as stated in paragraph 3 above.

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B S R & Co. LLP

Limited Review Report (Continued)

Alkem Laboratories Limited

Our conclusion is not modified in respect of this matter.

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

Chartered Accountants

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



Sreeja Marar

Partner

Mumbai

09 February 2024

Membership No.: 111410

UDIN:24111410BKGQNP7834

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	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
19	The Pharma Network LLP, Kazakhstan	Wholly Owned Subsidiary

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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 and Nine months ended 31 December 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023 Unaudited	30.09.2023 Unaudited	31.12.2022 Unaudited	31.12.2023 Unaudited	31.12.2022 Unaudited	31.03.2023 Audited
1 Income						
(a) Revenue from Operations	33,238.7	34,401.7	30,409.1	97,317.6	86,966.6	115,992.6
(b) Other Income	936.4	631.9	453.3	2,226.7	1,474.1	2,160.8
Total Income	34,175.1	35,033.6	30,862.4	99,544.3	88,440.7	118,153.4
2 Expenses						
(a) Cost of materials consumed	8,385.4	8,247.1	7,783.7	24,958.3	22,863.0	30,569.2
(b) Purchases of stock-in-trade	4,608.1	4,318.9	4,015.4	12,481.7	10,408.7	13,875.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	51.9	704.7	690.3	861.8	3,241.5	4,623.7
(d) Employee benefits expense	5,721.5	5,553.8	5,253.7	16,951.8	16,283.7	21,313.5
(e) Finance costs	254.6	303.2	270.5	855.5	784.0	1,073.6
(f) Depreciation and amortisation expense	695.6	739.0	784.4	2,158.7	2,321.0	3,104.2
(g) Other expenses	7,395.9	8,109.9	6,675.5	23,628.9	21,607.7	29,516.2
Total Expenses	27,113.0	27,976.6	25,473.5	81,896.7	77,509.6	104,075.9
3 Profit before exceptional items and tax (1) - (2)	7,062.1	7,057.0	5,388.9	17,647.6	10,931.1	14,077.5
4 Exceptional items (refer note 2)	(513.1)	(576.6)	-	(1,089.7)	-	(1,029.8)
5 Profit before tax (3) + (4)	6,549.0	6,480.4	5,388.9	16,557.9	10,931.1	13,047.7
6 Tax expense / (credit)						
(a) Current tax	1,136.0	1,590.5	891.4	3,384.3	2,110.4	2,739.0
(b) Deferred tax	(629.8)	(1,259.0)	(102.1)	(1,896.2)	(570.6)	240.6
Total Tax Expense (a + b)	506.2	331.5	789.3	1,488.1	1,539.8	2,979.6
7 Profit for the period (5) - (6)	6,042.8	6,148.9	4,599.6	15,069.8	9,391.3	10,068.1
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(26.4)	(29.8)	(7.8)	(95.7)	(34.9)	(48.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.2	10.6	2.6	31.9	11.8	16.1
(b) (i) Items that will be reclassified to profit or loss	73.0	129.1	329.4	340.7	1,275.1	1,181.6
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total Other Comprehensive Income (net of tax)	54.8	109.9	324.2	276.9	1,252.0	1,149.0
9 Total Comprehensive Income for the period (7) + (8)	6,097.6	6,258.8	4,923.8	15,346.7	10,643.3	11,217.1
10 Profit attributable to						
a) Owners of the Company	5,949.6	6,205.2	4,547.1	15,022.1	9,131.9	9,841.7
b) Non-Controlling Interest	93.2	(56.3)	52.5	47.7	259.4	226.4
11 Other Comprehensive Income attributable to						
a) Owners of the Company	54.6	111.8	324.8	283.3	1,257.0	1,153.1
b) Non-Controlling Interest	0.2	(1.9)	(0.6)	(6.4)	(5.0)	(4.1)
12 Total Comprehensive Income attributable to						
a) Owners of the Company	6,004.2	6,317.0	4,871.9	15,305.4	10,388.9	10,994.8
b) Non-Controlling Interest	93.4	(58.2)	51.9	41.3	254.4	222.3
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						90,213.8
15 Earnings Per Share (not annualised)						
(a) Basic (₹)	49.76	51.90	38.03	125.64	76.38	82.31
(b) Diluted (₹)	49.76	51.90	38.03	125.64	76.38	82.31

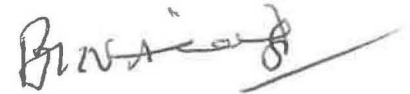
Notes to the Consolidated Financial results:

- 1 The above unaudited consolidated financial results of Alkem Laboratories Limited and its subsidiaries (collectively called the "Group") were reviewed and recommended by the Audit Committee on 8 February 2024 and subsequently approved by the Board of Directors at its meeting held on 9 February 2024. The auditors have issued an unmodified report on the financial results for the quarter and nine months ended 31 December 2023.
- 2 a. During the previous year ended 31 March 2023, the Group had identified indicators of impairment with respect to one of the manufacturing units of S & B Pharma LLC, USA, a step-down subsidiary of the Holding Company located at St. Louis and consequently recognized an impairment loss of ₹ 1,029.8 Million in the consolidated financial results for the year ended March 2023 and an additional impairment loss of Rs 576.6 Million in the consolidated financial results for the quarter ended 30 September 2023 under 'Exceptional items' based on indicative realizable value.

During the year ended 31 March 2023, deferred tax assets pertaining to the above assets were no longer available for utilisation, and were derecognised in the consolidated financial statements amounting to ₹ 1,197.2 million

During the current quarter, the manufacturing unit has been sold at approximately its carrying value.
- b. During the current quarter, a cyber security incident which compromised business email IDs of certain employees at one of the subsidiaries resulted in a fraudulent transfer of funds of approximately ₹ 513.1 Million. The Group employed independent external agencies to investigate the incident and pursuant to this, the Group concluded that the impact of the incident did not extend beyond the above amount which is reported under 'Exceptional items'.
- 3 The Board of Directors at its meeting held on 9 February 2024 have declared an interim dividend of ₹ 35 (Rupees Thirty five only) per equity share (1750% on the face value of ₹ 2 each) for the financial year 2023-24.
- 4 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: 9 February 2024

Limited Review Report (Continued)

Alkem Laboratories Limited

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 Pty Limited, Australia
26	Enzene Inc., USA	Wholly Owned Subsidiary of Enzene Biosciences Ltd, India

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B S R & Co. LLP

Chartered Accountants

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Limited Review Report on unaudited standalone financial results of Alkem Laboratories Limited for the quarter ended 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 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 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 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. 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 contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

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



Sreeja Marar

Partner

Mumbai

09 February 2024

Membership No.: 111410

UDIN:24111410BKGGQ9580

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

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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 Standalone Financial Results for the Quarter and Nine months ended 31 December 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023 Unaudited	30.09.2023 Unaudited	31.12.2022 Unaudited	31.12.2023 Unaudited	31.12.2022 Unaudited	31.03.2023 Audited
1 Income						
(a) Revenue from Operations	24,945.9	26,345.9	22,967.2	73,823.5	68,165.6	90,545.5
(b) Other Income	956.6	618.4	607.4	2,222.0	1,896.9	2,662.9
Total Income	25,902.5	26,964.3	23,574.6	76,045.5	70,062.5	93,208.4
2 Expenses						
(a) Cost of materials consumed	7,007.3	7,071.2	6,887.8	20,972.2	19,709.0	26,297.8
(b) Purchases of stock-in-trade	3,311.8	2,823.9	2,688.9	8,587.4	7,081.5	9,431.3
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(274.1)	106.6	(383.4)	(799.8)	2,128.1	2,577.3
(d) Employee benefits expense	4,076.3	3,951.8	3,698.2	12,168.7	11,698.2	15,162.2
(e) Finance costs	211.1	187.0	226.2	612.3	646.6	864.0
(f) Depreciation and amortisation expense	581.2	590.2	581.4	1,752.5	1,726.9	2,298.5
(g) Other expenses	5,132.0	5,846.4	5,516.0	17,318.9	17,099.2	23,307.4
Total Expenses	20,045.6	20,577.1	19,215.1	60,612.2	60,089.5	79,938.5
3 Profit before exceptional items and tax (1) - (2)	5,856.9	6,387.2	4,359.5	15,433.3	9,973.0	13,269.9
4 Exceptional items (refer note 2)	(513.1)	-	-	(513.1)	-	-
5 Profit before tax (3) + (4)	5,343.8	6,387.2	4,359.5	14,920.2	9,973.0	13,269.9
6 Tax expense / (credit)						
(a) Current tax	904.6	1,114.8	764.0	2,558.7	1,738.9	2,275.2
(b) Deferred tax	(603.1)	(1,192.7)	(293.4)	(1,860.3)	(562.7)	(350.0)
Total Tax Expense (a + b)	301.5	(77.9)	470.6	698.4	1,176.2	1,925.2
7 Profit for the period after tax (5 - 6)	5,042.3	6,465.1	3,888.9	14,221.8	8,796.8	11,344.7
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(24.1)	(24.1)	(6.3)	(72.3)	(18.9)	(33.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.5	8.4	2.2	25.3	6.6	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)	(15.6)	(15.7)	(4.1)	(47.0)	(12.3)	(21.9)
9 Total Comprehensive Income for the period (7) + (8)	5,026.7	6,449.4	3,884.8	14,174.8	8,784.5	11,322.8
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						93,259.4
12 Earnings Per Share (not annualised)						
(a) Basic (₹)	42.17	54.07	32.53	118.95	73.57	94.88
(b) Diluted (₹)	42.17	54.07	32.53	118.95	73.57	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 on 8 February 2024 and subsequently approved by the Board of Directors at its meeting held on 9 February 2024. The auditors have issued an unmodified report on the financial results for the quarter and nine months ended 31 December 2023.
- 2 During the current quarter, a cyber security incident which compromised business email IDs of certain employees at one of the subsidiaries resulted in a fraudulent transfer of funds of approximately ₹ 513.1 Million. The Company employed independent external agencies to investigate the incident and pursuant to this, the Company concluded that the impact of the incident did not extend beyond the above amount which is reported under 'Exceptional items'.
- 3 The Board of Directors at its meeting held on 9 February 2024 have declared an interim dividend of ₹ 35 (Rupees Thirty five only) per equity share (1750% on the face value of ₹ 2 each) for the financial year ending 31 March 2024.
- 4 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: 9 February 2024