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October 28, 2021

<b>To</b>  The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 <sup>th</sup> Floor, Dalal Street Mumbai – 400001  <b>Code: 540222</b>	<b>To</b>  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: Investors/Analysts Presentation**

Please find enclosed the presentation to the Investors/Analysts on the Unaudited Financial Results of the Company for the Quarter and Half year ended September 30, 2021, for the Investors/Analysts call scheduled on October 29, 2021, which was already intimated on October 21, 2021.

The presentation is also being uploaded on the website of the Company [www.lauruslabs.com](http://www.lauruslabs.com).

Please take the information on record.

Thanking you,

Yours sincerely,  
For **Laurus Labs Limited**

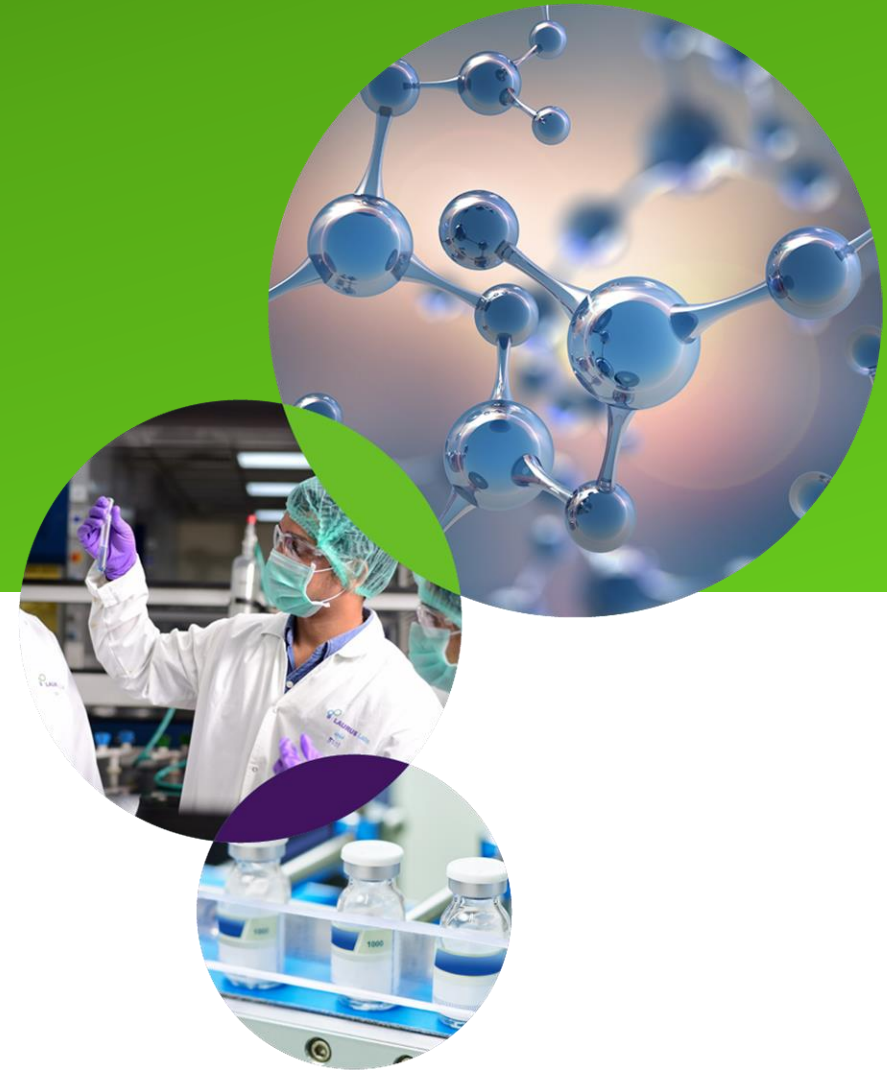
  
**G. Venkateswar Reddy**  
Company Secretary



Encl: As above

# Q2 FY 2022 Financial Results and Business Update

October 28 , 2021



# Safe Harbor Statement

This presentation contains statements that constitute “forward looking statements” including and without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward looking statements represent our judgment and future expectations concerning the development of our business, such statements reflect various assumptions concerning future developments and a number of risks, uncertainties and other important factors that could cause actual developments and results to differ materially from our expectations.

These factors include, but not limited to: 1) Change in the General market and macro-economic conditions for key global markets where we operate, 2) Governmental and regulatory trends, 3) Allocations of funds by the Governments in our key global markets, 4) Successful implementation of our strategy, R&D efforts, growth & expansion plans and technological changes, 5) Movements in currency exchange and interest rates, 6) Increase in the competitive pressures and Technological developments, 7) Changes in the financial conditions of third parties dealing with us, 8) Changes in laws and regulations that apply to our customers, suppliers and Pharmaceutical industry.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of Laurus Labs Limited may vary materially from those described in the relevant forward-looking statements

The information contained in this presentation is current, and if not stated otherwise, made as of the date of this presentation. The Company undertakes no obligation to update or revise any information in this presentation as a result of new information, future events or otherwise.

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# Agenda

- 1 Financial Overview**
- 2 Business review & Strategy**
- 3 Outlook & Guidance**
- 4 Appendix**



# Financial Overview

1

# Financial Performance 2Q/FY22

Favorable margin in base drives muted Profit growth

**Revenues** ₹ 1,203 Cr ▲6% YoY

**EBITDA** ₹ 348 Cr ▼8% YoY

## 2Q/FY22 Consolidated Financials

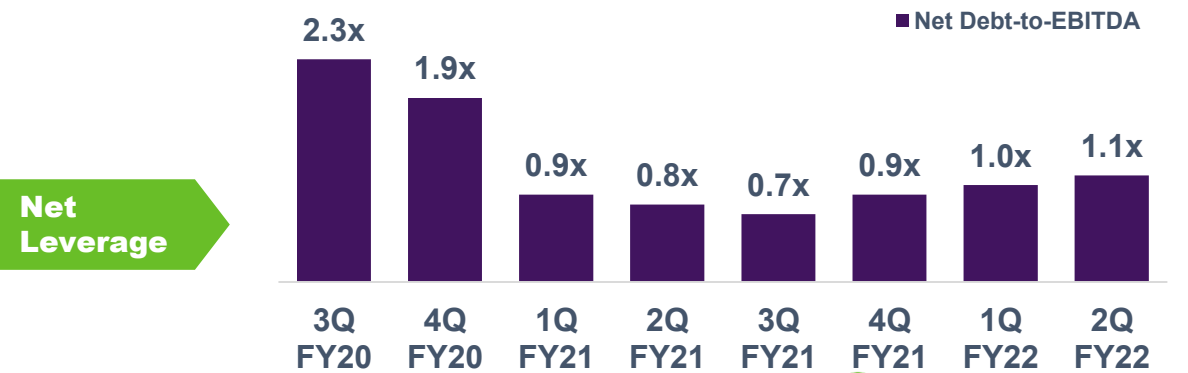
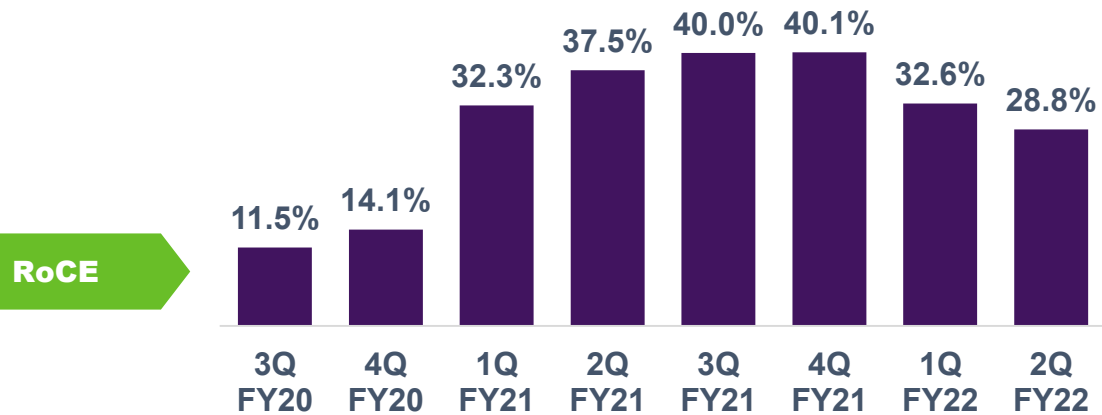
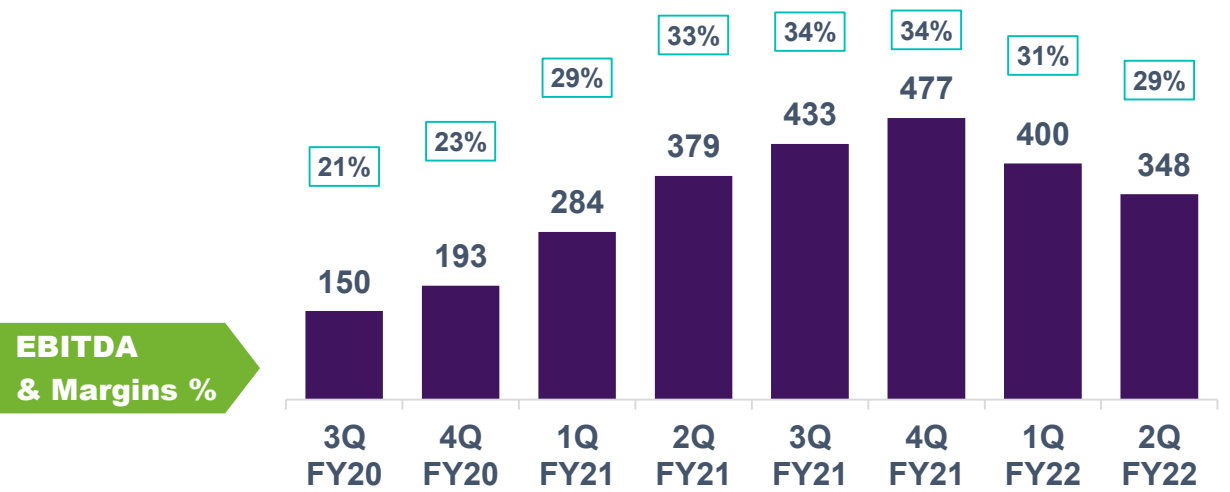
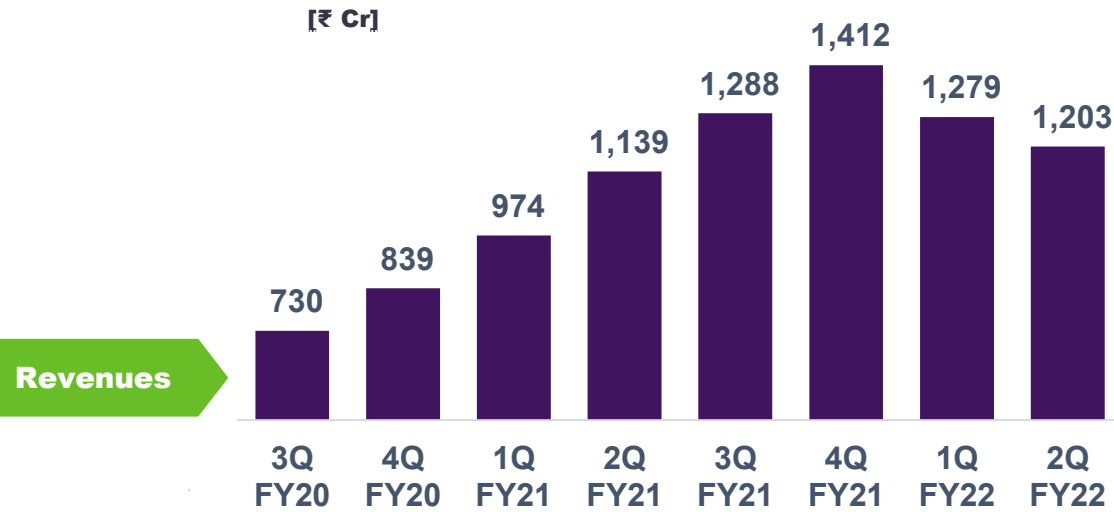
[₹Crore]	1Q/FY22	2Q/FY22	2Q/FY21	Y-o-Y	Q-o-Q
<b>Revenues</b>	1,279	1,203	1,139	6%	-6%
<b>Gross Margins</b>	56.7%	55.7%	56.0%	-30bps	-100bps
<b>EBITDA</b>	400	348	379	-8%	-13%
<b>% to Revenues</b>	31.3%	28.9%	33.3%	-440bps	-230bps
<b>Net Profit</b>	241	202	242	-17%	-16%
<b>% to Revenues</b>	18.8%	16.8%	21.2%		
<b>EPS</b>	4.5	3.7	4.5	-18%	-18%

## Key Highlights

- Revenue from operations has grown 6% YoY. Growth driven by sustained performance in FDF (+10%), Synthesis (+34%) and sequential recovery in Other APIs while ARVs APIs declined
- Gross Margins : 55.7%, decreased by 30 bps YoY.
- EBITDA : ₹ 348 Cr, decreased by -8% YoY.
- EBITDA Margins : 28.9%, decreased 440 bps YoY
- R&D Spend : ₹ 91 Cr for H1FY22 (4% to Sales) and was up 7% YoY
- Tax rate : 22.3% for 2Q and 23% for 1HFY22
- Net Profits : ₹ 202 Cr, decreased by 17% YoY
- Declared Interim dividend of ₹ 0.80 /- per share (face value of ₹ 2/-)

# Summary Quarterly Performance

Consistent delivery



# **Business review & Strategy**

**2**



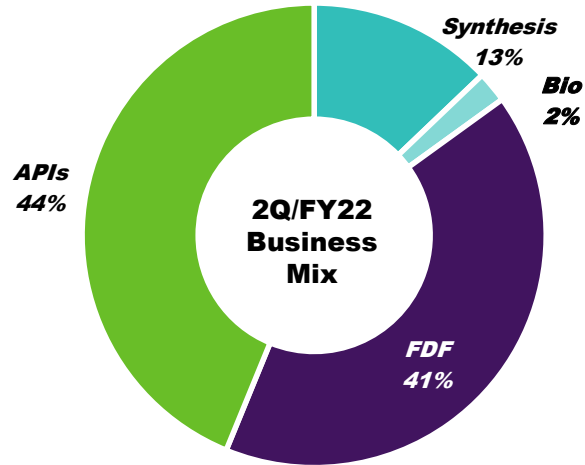


# Business Performance 2Q/FY22

FDF & Synthesis business tracking healthy

## 2Q/FY22 Segment Performance

[₹ Crore]	1Q/FY22	2Q/FY22	2Q/FY21	Y-o-Y	Q-o-Q
<b>FDF</b>	<b>521</b>	<b>495</b>	<b>452</b>	<b>10%</b>	<b>-5%</b>
<b>APIs</b>	<b>549</b>	<b>527</b>	<b>571</b>	<b>-8%</b>	<b>-4%</b>
<b>Synthesis</b>	<b>195</b>	<b>155</b>	<b>116</b>	<b>34%</b>	<b>-21%</b>
<b>Bio</b>	<b>14</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>86%</b>
<b>Total Revenues</b>	<b>1,279</b>	<b>1,203</b>	<b>1,139</b>	<b>6%</b>	<b>-6%</b>

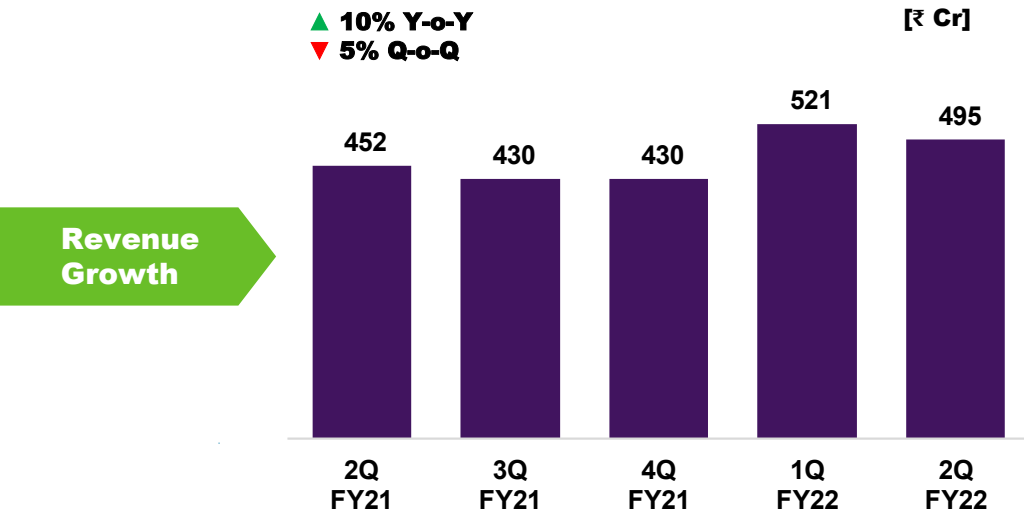


## Key Highlights

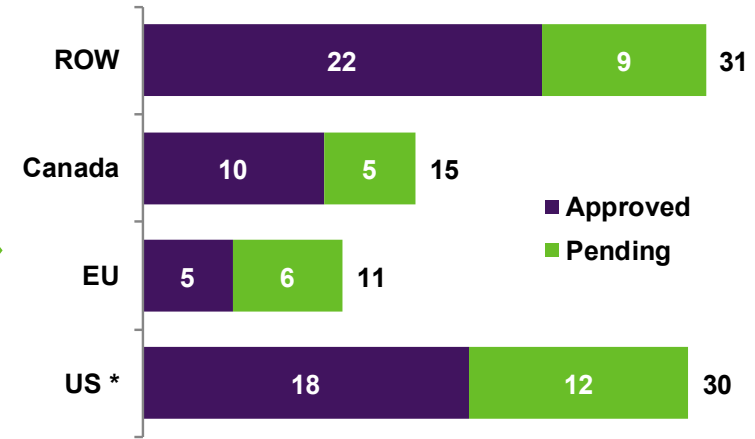
- **Formulation (FDF):** Witnessed +10% growth YoY driven by the ARV segment for LMIC region and developed market sales saw good growth supported by healthy portfolio expansion
- **APIs:** APIs sales were weak dragged by decline in ARV API business (-11% YoY) even as Other APIs witnessed sharp recovery (+49% QoQ). Extended de-stocking by customers in ARVs led to sequential decline
- **Synthesis:** Maintaining strong growth momentum (+34% YoY). Signed new CDMO multi-year partnership with leading Global Lifesciences company for niche APIs. Seeing multiple opportunities from new and existing clients looking to diversify and de-risk their existing supply chain
- **Bio:** Sequentially grown over 80% to ₹ 26cr in Sales. Commissioned 2<sup>nd</sup> fermenter taking the total operational capacity to 90KL. Major benefits from new fermentation capacity in recombinant Food protein to kick-start from Q3. Demand outlook remains strong

# Generic FDF

Stable Core business



## Global Filings Progress



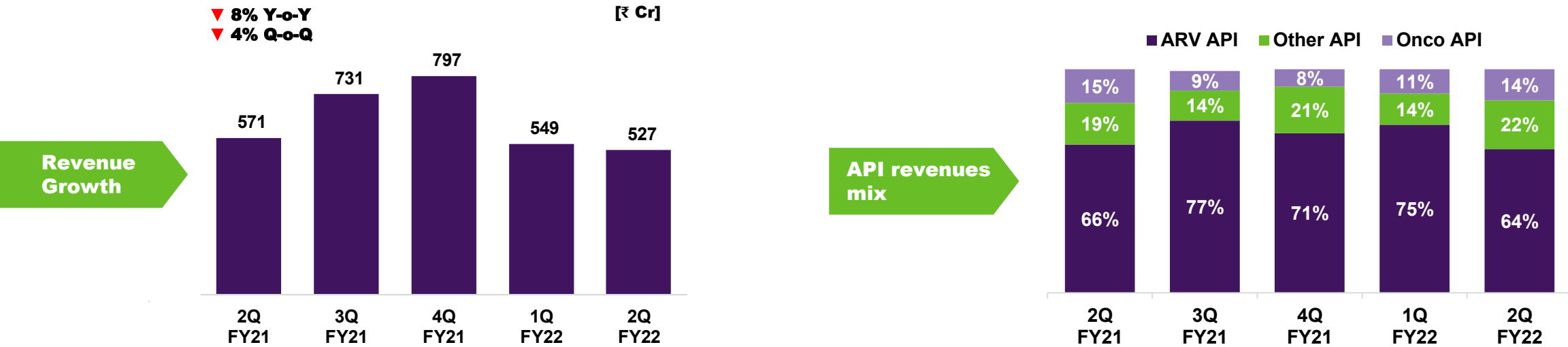
\* Includes 9 Tentative approvals in US

## Key Highlights

- FDF business recorded a growth of 10% YoY to ₹ 495 cr (41% of total revenues vs 40% last year )
- Continue to see stable demand environment in ARV segment for LMIC region. Developed markets sales were strong led by portfolio expansion & share increase for few of in-licensed products
- Medicines Patent Pool (MPP) and Merck enter into License Agreement for Molnupiravir, an Investigational Oral Antiviral COVID-19 Medicine to increase broad access in Low and Middle-Income countries. Laurus and MPP have a very long and successful partnership in various HIV and Hep-C medicine licenses, and Laurus will approach MPP for Molnupiravir licenses.
- **Capacity expansion update:** Brownfield capacity expansion at Unit 2 (to add 4bn units) is on track and expected to get commercialized by 4QFY22. We expect to double our FDF capacity to 10bn units in Mar'22
- **2Q & 1H Global filings:** 2 products were filed in Developed markets in 2Q taking total filings to 7 products for 1HFY22

# Generic APIs

Recovery in Other APIs undercompensate ARV API decline

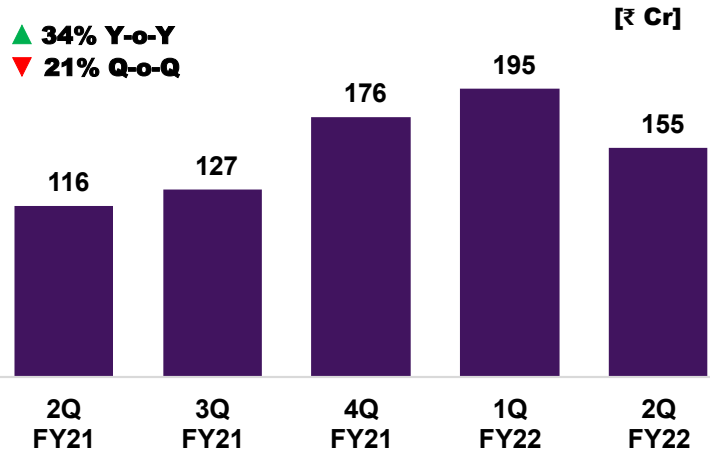


## Key Highlights

- API business reported de-growth for the quarter at 8% YoY to ₹ 527 cr (44% of total revenues vs. 50% last year)
- Oncology Segments continue to see good traction normalizing for high base effect. While Other APIs business (including CV and Diabetes) recovered vs. 1QFY22 (+49% QoQ)
- ARV business declined 11% YoY impacted due to slightly prolonged channel de-stocking. We believe this might begin to rebound from late 2H
- Capacity augmentation in progress in select high growth therapeutic areas. Expect to enhance total reactor volume from ~4600KL to 5600KL by the end of FY22

# CDMO - Synthesis

Accelerating our focus



## Operational Highlights

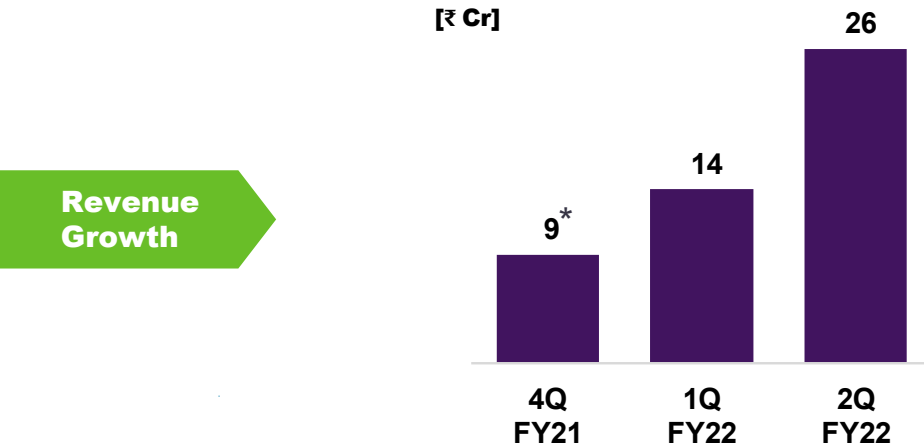
- 1 50 Projects
- 2 4 Commercial Projects
- 3 100+ R&D Scientist
- 4 4 Big Pharma Global Client
- 5 550KL+ dedicated capacity by 4QFY22

## Key Highlights

- Synthesis business maintained its robust growth and delivered growth of 34% YoY during the quarter to ₹ 155 cr. For 1HFY22, CDMO business grew at 62% (13% of total revenues vs. 10% last year)
- **LSPL signed a multi-year development & manufacturing contract with a leading Global Life science company**
  - ✓ The deal entails complete CDMO for a portfolio of niche APIs
  - ✓ LSPL will use part of the existing capacity and also to set up a dedicated manufacturing facility to manufacture and supply APIs
  - ✓ Part of the CAPEX to be funded through long term commercial advance by the Customer apart from sponsoring development cost
  - ✓ Commercial supplies will commence from FY24 onwards
  - ✓ Marks a significant step forward in our evolution as a valuable partner to the global pharmaceutical industry
- By FY23, LSPL to become self reliant subsidiary focusing on CDMO business
- **Capacity expansion update:** Commercialized LSPL unit 1 during 1QFY22. Greenfield investment to set up a dedicated R&D center in Hyderabad (FY23) and two manufacturing units in Vizag (FY24) is progressing as per our expectations

# Laurus Bio - Bio business

Business integration & New capacities broadly on track



**180KL fermentation capacity partially commissioned**



**Acquiring additional land for creating 1MN liters fermentation capacity**



**Leveraging Parent's existing Global Partnership and strong chemistry skills**



**Going ahead, CDMO segment likely to be a major growth contributor**

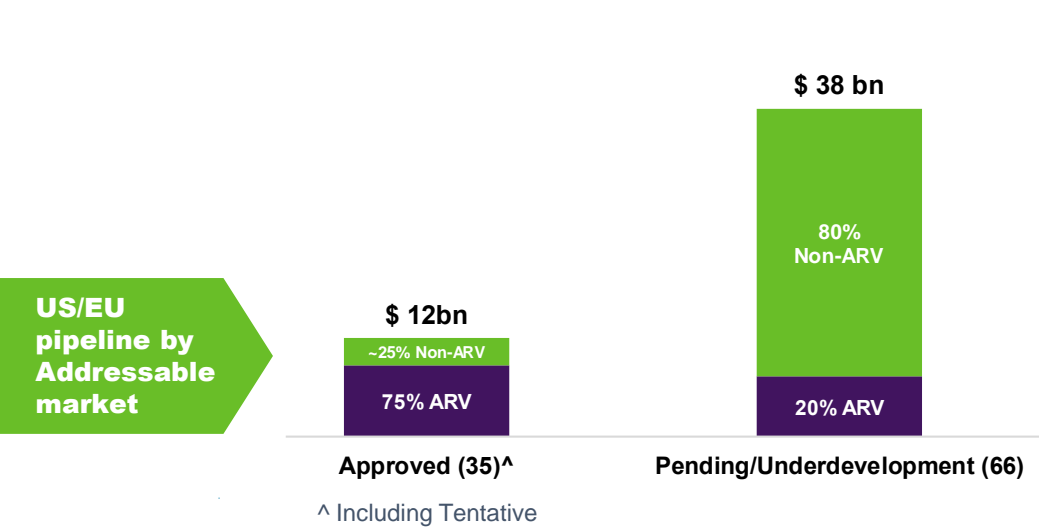
## Key Highlights

- Laurus Bio segment clocked 2Q sales of ₹ 26 cr as new capacity begin to contribute
- During the quarter, we have additionally commissioned our 2<sup>nd</sup> Fermenter taking the total operational capacity to 90KL. Remaining capacity is expected to get operational before Dec'21. The capacity will be used for Developed markets supplies.
- Business Integration with Parent is well on track
- Acquiring additional land for further expansion by creating close to 1 million liters fermentation capacity in Phase 1

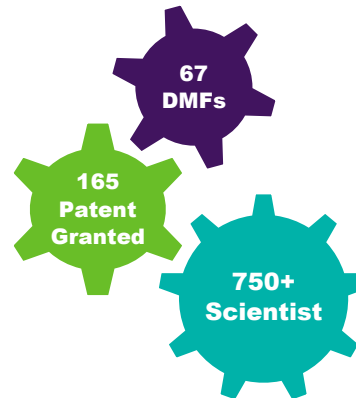
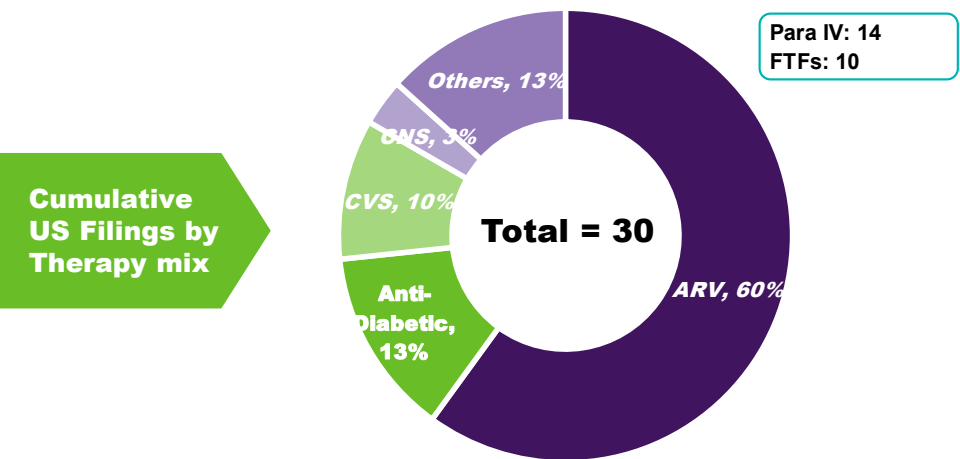
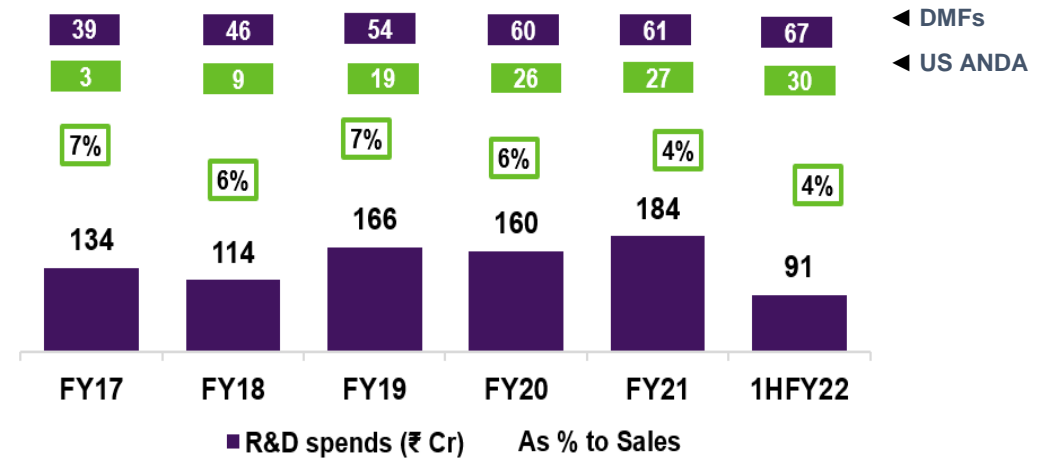
\* Includes Laurus Bio (Formerly known as Richcore) effect for two months post the closure of transaction

# R&D

## Focusing to create a Value Centric Portfolio



**R&D spend & Filing trend (US/EU /Canada)**



### Continue to allocate critical resource to our research initiatives

- Investing in portfolio based on complexity & Scale
- Addressable market for future R&D pipeline at US\$ 38bn+
- Filing pace to increase in FY22 across markets (1HFY22 filings stood at 7 vs. 8 filed in FY21)
- Creating separate R&D center for Synthesis division
- 1H R&D spends 7% YoY to ₹ 91cr (4% to Sales)

\* Additionally, total filings in EU (11) & Canada (15)

# Healthy Regulatory track with unwavering commitment to Quality

Laurus Philosophy  
"One Quality Standard for All Markets"

Facility	Regulatory Certifications	Start Year	Last US FDA – Inspection status	No of USFDA audits (since inception)
<b>Kilo Lab – R&amp;D</b>	USFDA, TGA, KFDA, PMDA, ANVISA Brazil	2006	2021 – Facility Assessment completed by assessment of records by USFDA	4
<b>Unit 1</b>	USFDA, TGA, MHRA-UK, KFDA, WHO-Geneva, PMDA, NIP-Hungary, Russian GMP, Mexican	2007	2019 - EIR Received	6
<b>Unit 2</b>	USFDA, BGV-Hamburg, WHO-Geneva, Tanzania-FDA, NDA-Uganda, PMPB-Malawi, KENYA, MCAZ-Zimbabwe, JAZMP-Slovenia, Ethiopia-FDA, Kazakhstan	2017	2019 – EIR Received	4
<b>Unit 3</b>	USFDA, WHO-Geneva, NIP-Hungary, Russian GMP, Mexican, JAZMP-Slovenia, KFDA, ANVISA	2015	2019 – EIR received	4
<b>Unit 4</b>	WHO-Geneva, USFDA & Mexican	2018	2019 – EIR received	1
<b>Unit 5</b>	None	2017	None	
<b>Unit 6</b>	USFDA	2018	2018 – EIR received	1
<b>LSPL-1</b>	None	2020	Nil	Nil

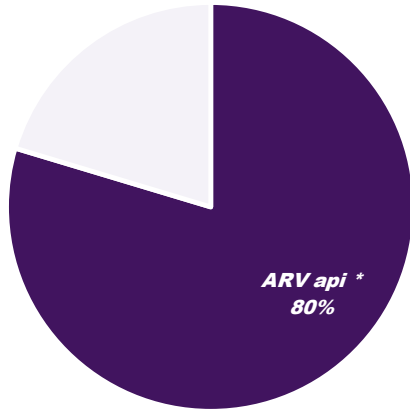
- Strong Quality Culture
- Increased level of digitalization of operations across our manufacturing units
- ~60 Customer audits in FY21 (+100 audits annually pre-pandemic)
- 36 successful site audits by International Health authorities (including USFDA, BGV Hamburg, WHO-Geneva, ANVISA Brazil), since January 2018

# Fundamentally - Diversified our Segment mix

Further Intensifying the Transformation drive

**FY 2017  
(IPO)**

**Revenues: ₹ 1,905cr**

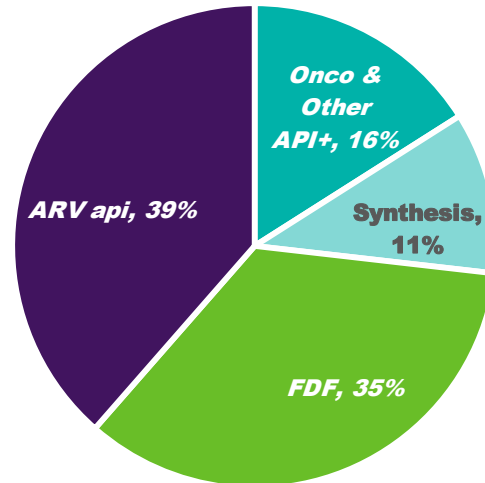


Revenues CAGR: 21%  
EBITDA CAGR: 32%

Diversified without  
compromising on growth

**FY 2021  
(By Segment)**

**Revenues: ₹ 4,813cr**



- ✓ **Integrated Business Approach to create value**
- ✓ **Wider Portfolio basket**
- ✓ **Expanded Market reach**
- ✓ **Strategic foray in Recombinant Proteins & CDMO biologics**

**Continued Organic Investment in manufacturing asset,  
Integrated approach across portfolio, continued Quality focus  
and Capable leadership team**

\* Adjusting for exceptional revenues in Hep C segment, ARV: Anti-Retroviral



# Manufacturing Infrastructure (1/2)

Strong capabilities in Contract Manufacturing – a good fit to multiple strategic alliance

## Jawaharlal Nehru Pharma City, Visakhapatnam



1

### •API, CDMO - Synthesis

- 328 reactors with 1,226 KL capacity
- **Key Approvals:** USFDA, WHO, COFEPRIS, NIP – Hungary, KFDA, PMDA, ANVISA



3

### •API

- 265 reactors with 1,984 KL capacity
- **Key Approvals:** USFDA, WHO, COFEPRIS, NIP – Hungary, KFDA, ANVISA & JAZMP – Slovenia



5

### •CDMO - Synthesis

- 46 reactors with 137 KL capacity
- **Capabilities:** Hormone and Steroid facility

## APIIC, Atchutapuram, Visakhapatnam



2

### •FDF & API

- 6 bn Tablets/Capsules per year
- **Expansion plan:** +4bn unit (FY22-23 phased manner)
- **Key Approvals:** USFDA, WHO, ANVISA, BfArM – Germany & JAZMP – Slovenia and African countries



4

### •API, CDMO - Synthesis

- 83 reactors with 369 KL capacity
- **Key Approvals:** USFDA, WHO, COFEPRIS



6

### •API & Intermediates

- 68 reactors with 758 KL capacity
- **Key Approvals:** USFDA

# Manufacturing Infrastructure (2/2)

## IKP Knowledge Park, Genome Valley, Hyderabad



### •API, CDMO - Synthesis

- 43 reactors and 4.3 KL capacity
- **Key Approvals:** USFDA, KFDA and PMDA

Kilo Lab

## Jawaharlal Nehru Pharma City, Visakhapatnam



### •CDMO- Synthesis LSPL - 1

- 41 reactors with 135 KL capacity
- **Capabilities:** APIs including Ingredients, Synthesis & Contract Manufacturing

## Bibi Nagar (Near Hyderabad)



### •API & Intermediates

- 32 reactors with 81.6 KL capacity
- **Key Approvals:** WHO GMP by CDSCO

\* Laurus Synthesis Pvt Ltd (LSPL)

## Laurus Bio (facility acquired through Richcore)

Bangalore



### •Bio-Ingredients

- Fermentation capacity of 10,750 Liters (2 reactors of 5,000 L & 3 reactors of 250 L), CDMO
- In-house QC lab- suited to microbical testing

R1



### •Bio-Ingredients

- Planned Fermentation capacity of 180K Liters (4 fermenters of 45KL) - 90KL commissioned till date
- CDMO capabilities

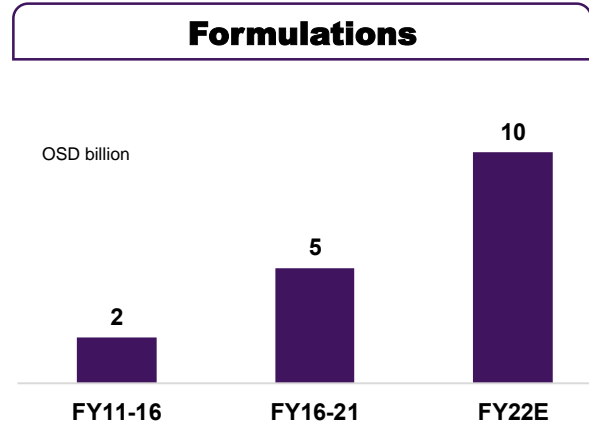
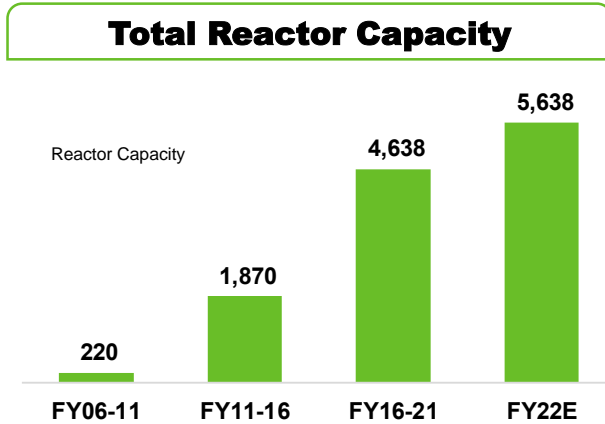
R2

# CAPEX Investments – An overview of on-Going Projects

Re-investing to support Long term growth

Expansion Type	Division	Location	Status & Capacity	Operational Timelines
Brownfield	Formulation	Vizag	Unit 2 - 4 billion units (New building)	Completion by Mar 22
Brownfield	Formulation	Vizag	Unit 2 - 1 billion units (De-bottlenecking)	Completed
Brownfield	API	Vizag	Unit 3, 4, and 6 (1,000KL)	Ongoing
Greenfield	API	Vizag	Unit 7, 8 Land acquired	FY24/25
Greenfield	Formulation	Hyderabad	Unit 9 Land acquired	Phase 1 – FY24
Brownfield	Custom Synthesis	Vizag	Unit 1 (LSPL)	Completed
Greenfield	Custom Synthesis	Vizag	Land acquired (Unit 2 & Unit 4 - LSPL)	FY24
Greenfield	Custom Synthesis	Vizag	Land acquired (Unit 3 LSPL)	FY24/25
Greenfield	R&D Center (Synthesis)	Hyderabad	Land acquired	FY23

Capacity Progress  
by Year



Deepening multi-site manufacturing capabilities



Well-positioned to meet fast growing global demand for NCE drug substances and drug products



# Laurus Vision

*“To become a leading player in offering integrated solutions to global pharmaceutical needs in creating a healthier world”*

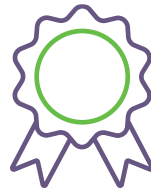
## Our Values



**KNOWLEDGE**



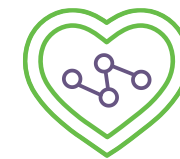
**INNOVATION**



**EXCELLENCE**



**CARE**



**INTEGRITY**

# Board of Directors

Strong Governance Standard from a diverse board



**Dr. M. Venu Gopala Rao**

Non-Executive Chairman & Independent Director

**Key Expertise:** General Management, Manufacturing inefficiencies, and Entrepreneurship

**Key Qualification:** B.Sc (Hons) in Chemical Engineering, Post-Graduate in Pulp and Paper Technology from the Forest Research Institute



**Dr. Satyanarayana Chava**

Executive Director & Chief Executive Officer

**Key Expertise:** +30 years experience across R&D, API process, Manufacturing, Quality Control, Business development, Supply chain, Intellectual Property,

**Key Qualification:** Ph D in Chemistry from Andhra University, Executive MBA from Indian School of Business



**Mr. V V Ravi Kumar**

Executive Director & Chief Financial Officer

**Key Expertise:** +30 years experience in Finance, Information technology, M&A & Strategic alliance, HR, Supply chain and Sustainable Development

**Key Qualification:** /Master's in Commerce, Fellow member of Institute of Cost Accountants of India (formerly ICWAI)



**Dr. Lakshmana Rao C V**

Executive Director

**Key Expertise:** +25 years experience in Quality control, Quality assurance, Regulatory affairs and Corporate Strategy and Implementation

**Key Qualification:** PhD in Chemistry from Andhra University



**Dr. Ravindranath Kancherla**

Non-Executive & Independent Director

**Key Expertise:** Surgeries (Gastroenterology, Laparoscopic), Organ transplantation, Key advisor to Medical Fraternity for liver, pancreatic and bile duct resections. Chairman at Global Hospitals Group

**Key Qualification:** MBBS and Masters in Surgery from Madras University, Fellowship of the UK Royal College of Surgeons FRCS(Glasg) & FRCS(Edin.)



**Mr. Chandrakanth Chereddi**

Non-Executive Director

**Key Expertise:** Project Management, Strategy (ex-McKinsey & Co.), Risk mitigation

**Key Qualification:** B.E from Osmania University, Master's in Electrical and Computer Engineering from University of Illinois, PGP in Management from Indian School of Business



**Mrs. Aruna Bhinge**

Non-Executive & Independent Director

**Key Expertise:** +17 years experience in food Security, Strategic planning (ex-Syngenta India)

**Key Qualification:** Bachelor's from University of Poona, Master's in Science and Post-graduate in Management Studies (MMS) from University of Mumbai



**Dr. Rajesh Koshy Chandy**

Non-Executive & Independent Director

**Key Expertise:** Marketing Professor at London Business School, Business Educator, Writer, Strategy

**Key Qualification:** Bachelor's in Engineering (Electronics and Communications), MBA from University of Oklahoma, Ph.D from University of Southern California, Member American Marketing Association

# Key Management Team

Driven by credible expertise



**Dr. V Uma Maheswer Rao**  
[EVP – Chemical R&D](#)

**Key Expertise:** Extensive experience in process R&D, and API manufacturing process

**Key Qualification:** Ph.D in Chemistry from Osmania University



**Mr. Srinivasa Rao S**  
[EVP – Manufacturing & Operations](#)

**Key Expertise:** +27 years experience in production planning, and execution of manufacturing processes

**Key Qualification:** Masters in Chemistry



**Mr. Krishna Chaitanya Chava**  
[EVP - Synthesis Division](#)

**Key Expertise:** Strategy and Marketing

**Key Qualification:** PG MFAB from ISB, Hyderabad, Masters in Mechanical Engineering from North Carolina State University, B.Tech from BITS Pilani



**Mr. Martyn Oliver James Peck**  
[SVP – Business Development](#)

**Key Expertise:** +21 years experience across sourcing, purchasing, sales and market intelligence

**Key Qualification:** BSc in Biological/Medicinal Chemistry



**Dr. Prafulla Kumar Nandi**  
[SVP - Global Regulatory Affairs](#)

**Key Expertise:** +24 years experience in global regulatory affairs, Products filings, Negotiations with Regulators, Global drug development (US, EU)



**Mr. Thomas Versosky**  
[President - FDF, North America](#)

**Key Expertise:** +16 years experience in US generic across commercial operations, incl. portfolio management, business development, licensing & acquisitions



**Mr. Rajaram Iyer**  
[SVP – Portfolio Management](#)

**Key Expertise:** +23 years expertise in Strategic Planning, Portfolio Management & New business initiatives

**Key Qualification:** Master in Analytical Chemistry, EGMP from IIM-Bangalore, MBA (Operations Research)



**Mr. Narasimha Rao DVL**  
[SVP – Synthesis](#)

**Key Expertise:** 28 years experience. Currently hold Directorship in Laurus Synthesis Pvt Limited (LSPL)

**Key Qualification:** Masters in Science



**Mr. S .Srinivasa Rao**  
[SVP – Manufacturing](#)

**Key Expertise:** +25 years experience in field of production & manufacturing

**Key Qualification:** Masters in Chemistry



**Mr. Ch. Sita Ramaiah**  
[SVP – Finance](#)

**Key Expertise:** +20 years of experience in Treasury, Financial reporting, MIS and Taxation. Holds Directorship in LSPL & Laurus Generics GMBH

**Key Qualification:** Fellow member of Institute of Chartered Accountants of India



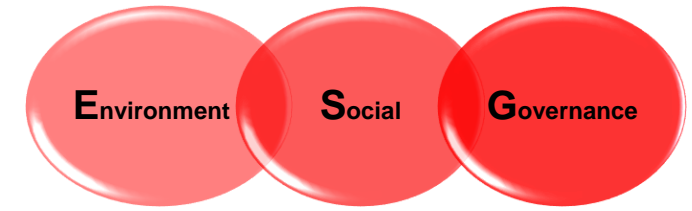
**Mr. Narasimha Rao Chava**  
[SVP – Human Resource](#)

**Key Expertise:** +25 years in the field of administration and Human Resources functions. Holds Directorship in LSPL

**Key Qualification:** Master's in Arts from Andhra University

# ESG Standards & Sustainability (1/2)

Adopting best practices for better future



## Our guiding Principles for Sustainability



Our Approach to Sustainability is embedded in our Core Value Framework. We are committed to creating value for our stakeholders through careful management of resources against focused priorities & inclusion leveraged from Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), United Nations Global Compact (UNGC) and United Nations Sustainable Developmental Goals (UN SDGs).

We strongly believe Environmental, Social, and Governance (ESG) principles support long-term value creation, and therefore we constantly integrated our actions to managing risks and taking advantage of opportunities in key ESG areas which are most relevant to the long-term sustainability of our organization.

Laurus will continue to focus on ESG as a journey of continuous improvement as we assess our approach, monitor our impact, and build toward the future

# ESG Standards & Sustainability (2/2)

- Strictly comply with the Environmental Protection Law and other EHS regulations
- Sustainability initiatives are accredited by multiple agencies including MSCI\* (Global leader in ESG Ratings)
- Rated “A” by MSCI ESG Rating - puts us among top 18% of global pharma companies evaluated on ESG risk tolerance
- Transparent disclosures – Leveraged standards from Internationally recognized GRI Framework & align with SASB guidelines
- At Laurus, we support all 17 UN SDGs and encourage all businesses to consider how they may contribute. We continue to refine our corporate responsibility strategy to align with the SDGs most relevant to our business

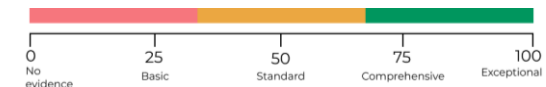
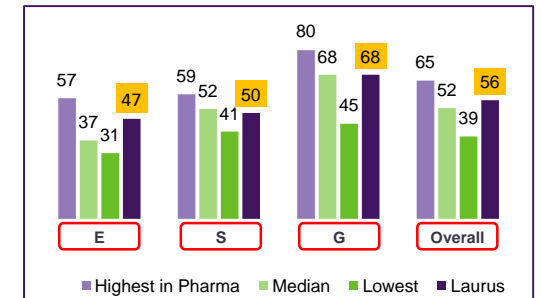
## Our Long-term commitments are aligned with the following SDGs



## External Recognition \*



TOP 50%  
45 - 53



\* S&P Global CRISIL Ranking June'21, MSCI Rating March'21

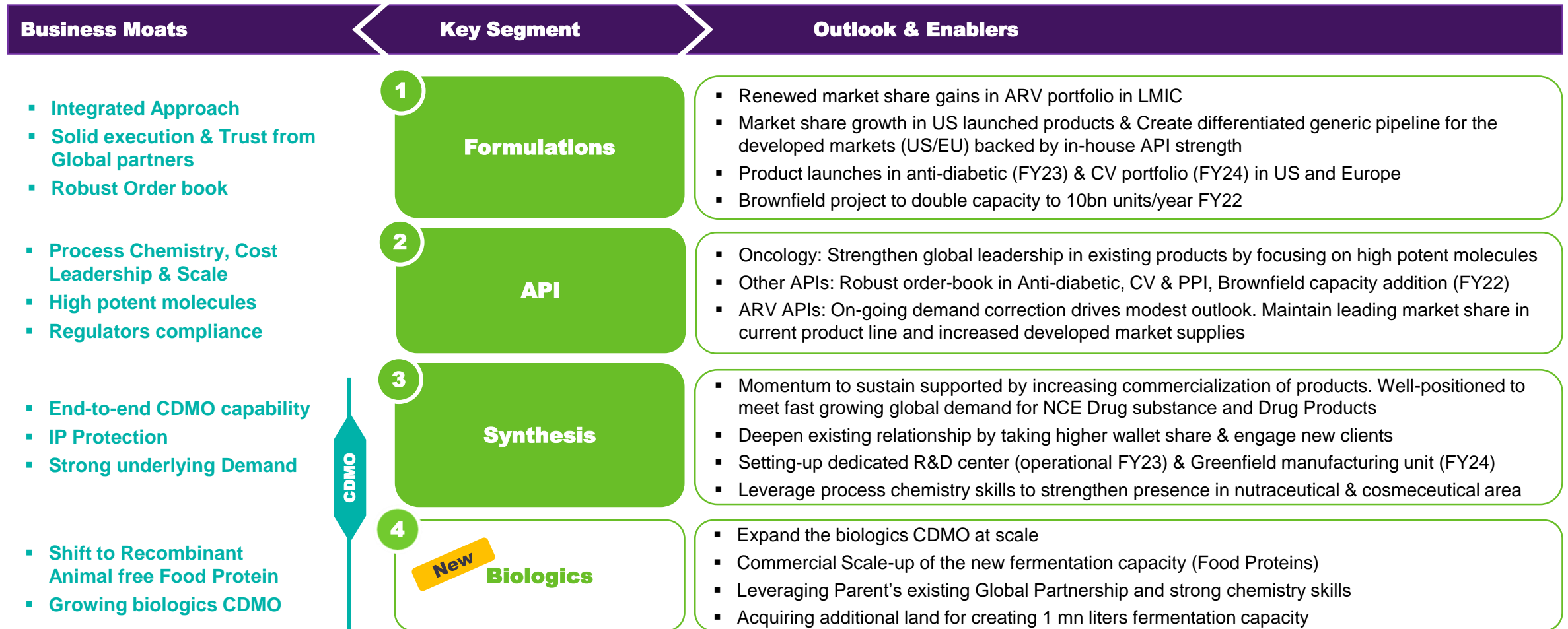




## **Outlook & Guidance**

**3**

# Outlook FY2022 & Ahead



# Laurus Priorities FY2022

Accelerating action for value creation

1

## Business

- Proactive portfolio de-risking, enhanced procurement and operational efficiency
- Integrating & leveraging Richcore acquisition
- Widen technology portfolio and access new market opportunities
- Strengthen position with Big Pharma & market share gains in ARV portfolio
- Focus on talent attraction to support new growth projects

2

## Capital

- Strong Balance sheet and Liquidity to weather unanticipated market conditions
- Committed to efficient capital allocation strategy to build value in long run

3

## Regulatory & Compliance

- Maintain compliance and quality leadership
- Continued review of environmental, social and governance (ESG) measures under expanded leadership

# Appendix

4



# 1H/FY22 – Results summary

Sustaining healthy growth

**Revenues** ₹ 2,482 Cr ▲ 17%

**EBITDA** ₹ 748 Cr ▲ 13%

## 1H/FY22 Consolidated Financials

[₹Crore]	1H/FY22	1H/FY21	Y-o-Y
<b>Revenues</b>	<b>2,482</b>	<b>2,113</b>	<b>17%</b>
<b>Gross Margins</b>	<b>56.2%</b>	<b>55.2%</b>	<b>100Bps</b>
<b>EBITDA</b>	<b>748</b>	<b>663</b>	<b>13%</b>
<b>% to Revenues</b>	<b>30.1%</b>	<b>31.4%</b>	<b>-130bps</b>
<b>Net Profit</b>	<b>443</b>	<b>414</b>	<b>7%</b>
<b>% to Revenues</b>	<b>17.8%</b>	<b>19.6%</b>	
<b>EPS</b>	<b>8.2</b>	<b>7.7</b>	<b>6%</b>
<b>Operating Cash flow</b>	<b>315</b>	<b>337</b>	<b>-7%</b>

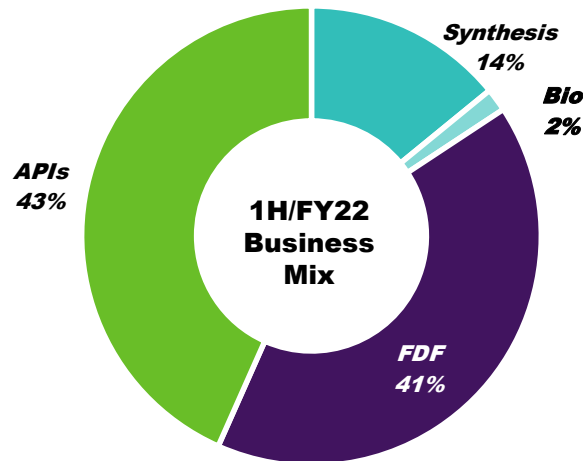
## Key Highlights

- Revenue from operations has grown at healthy 17% YoY. Driven by sustained momentum across all business segments; particularly FDF and Synthesis segments
- Gross Margins stood at 56.2%, expanded 100bps YoY led by improved business mix
- EBITDA : ₹ 748 Cr, grew 13% YoY.
- EBITDA Margins : 30.1%, decreased by 130 bps YoY
- R&D Spend : ₹ 91 Cr (4% to Sales) and was up 7% YoY
- Net Profit : ₹ 443 Cr, grew 7% YoY

# 1H/FY22 – Business performance

## 1H/FY22 Segment Performance

[₹ Crore]	1H/FY22	1H/FY21	Y-o-Y
<b>FDF</b>	<b>1,016</b>	<b>804</b>	<b>26%</b>
<b>APIs</b>	<b>1,076</b>	<b>1,093</b>	<b>-2%</b>
<b>Synthesis</b>	<b>350</b>	<b>216</b>	<b>62%</b>
<b>Bio</b>	<b>40</b>	<b>-</b>	<b>-</b>
<b>Total Revenues</b>	<b>2,482</b>	<b>2,113</b>	<b>17%</b>



## Key Highlights

- **Formulation (FDF):** Reported strong growth of +26% YoY. Continued tendering upside in ARVs, and market share expansion along with new launches in Developed markets were key drivers
- **APIs:** Seeing healthy signs of recovery for Other APIs (CV+Diabetes) in coming quarters. ARV de-stocking to rebound from late 2H
- **Synthesis:** Up +62% in 1H on sustained new client addition and increased business from existing customers. Working on over 50 active projects. Signing up of new CDMO multi-year contract with Global Life science company during 2Q validates our technical expertise and would support growth in coming years. Uniquely positioned to address customer needs at any stage of product lifecycle
- **Bio:** Reported ₹40cr in Sales. 180KL fermentation capacity partially commissioned. Major benefits from new fermentation capacity in recombinant Food protein segment to kick-start from Q3. Demand outlook remains strong

# 15 years of patience, diligence and perseverance

Capabilities	2006-11	2011-16	2016-21
Company transformation	ARV APIs	API company	Pharmaceutical company
Team strength	883	2,266	4,808
No of Scientist at R&D	400+	500+	750+
Manufacturing Units	1 (FDA compliant)	2 (FDA)	8 (5 FDA)
Reactor volume (KL)	220	1,870	4,638
Formulation OSD - billion	-	2	5
Drug Master Files (DMF)	12	28	61
US ANDA – Filed	-	-	27 (7 FTFs)
CDMO Project pipeline	-	<20	50
Projects Commercialized	-	-	4
Patent Filed /Granted	48	218 (32 Granted)	292 (150 Granted)

Consistently creating value proposition for stakeholders

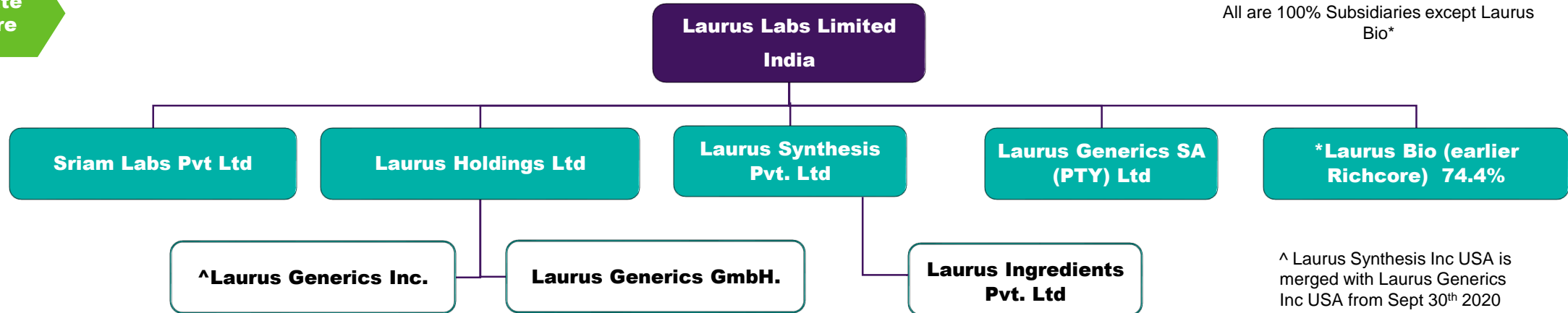
## 2021 Indicators

<b>Revenues</b>	<b>EBITDA</b>	<b>Net Profit</b>	<b>RoCE</b>
• 4813 Crore	• 1573 Crore	• 984 Crore	• 40%

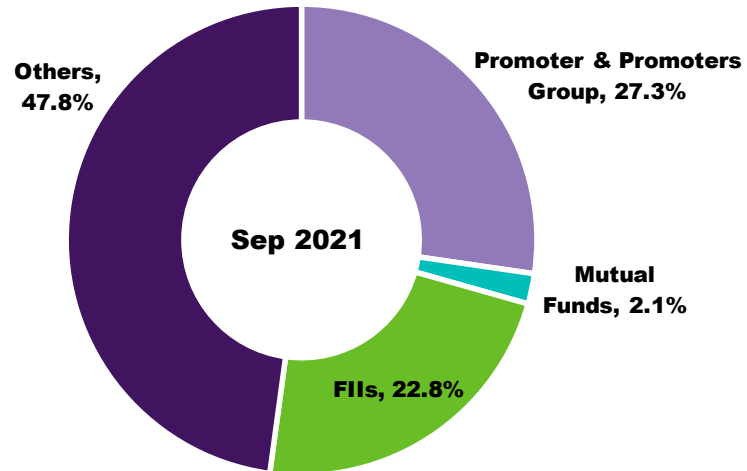
World's leading manufacturers of API: Anti-retroviral, Oncology, cardiovascular, antidiabetic, Anti-asthma, & gastroenterology

# Corporate Structure and Shareholding Details

## Corporate Structure



## Shareholding Details



### Top 5 Holders (Institution / Non-Promoter)

Holder	Stake
Amansa Holdings	3.84%
New World Fund	4.17%
SmallCap World Fund	2.28%
Vanguard	2.28%
LIC	0.75%



# Recognition from Industry



## Great Place to Work

For the third consecutive time in a study conducted by the Great Place to Work® Institute



## Golden Peacock Award

For Excellence in Corporate Governance 2020



## Most Promising company of Year 2021

Awarded by CNBC-TV18 Indian Business Leader Awards



## India Pharma Leader Award

Presented at the 6th edition of the Indian Pharma and Medical Device Awards 2020



## Great Place to Work

Featured in the list of India's Best Workplaces in the Biotechnology & Pharmaceuticals category



## Great Place to Work

Recognized Dr. Satyanarayana Chava, Founder & CEO as one of India's best Leaders in Times of Crisis 2021



## Business Person of the Year 2021

Awarded by Sakshi Excellence Awards

# Conference Call Details

**Results conference call on Friday October 29, 2021 at 11:00 AM IST**  
**Details of the conference call are as follows**

<b>Location</b>	<b>Dial-In Details</b>
Conference dial-in Universal Dial-In	+91 22 6280 1148
India Local access Number	+91 22 7115 8049 Available all over India
Singapore	800 101 2045
Hong Kong	800 964 448
USA	1 866 746 2133
UK	0 808 101 1573

**Link for Diamond pass Registration below**

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=8594330&linkSecurityString=20931ce5d6>

# About Laurus Labs

Laurus Labs is a fully integrated pharmaceutical and biotechnology company, with a leadership position in generic Active Pharmaceutical Ingredients (APIs) and a major focus on anti-retroviral, Hepatitis C, and oncology drugs. We also develop and manufacture oral solid formulations, provide contract research and manufacturing services (CRAMS) to Global pharma companies, and produce specialty ingredients for nutraceuticals, dietary supplements and cosmeceuticals.

We are passionate about advanced chemistry skills. Our proven expertise in bringing innovative solution, manufacturing efficiencies and unwavering quality focus has won us long-standing relationship with our global customers. Laurus employs 4800+ people, including around 750+ scientists at more than 8 facilities approved by major regulatory agencies USFDA, WHO-Geneva, UK-MHRA etc. During FY2021 Laurus generated over ₹ 4,800 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, Certified Great Place to Work and Rated "A" by leading MSCI ESG Ratings. Corporate Identification No: L24239AP2005PLC047518.

## Investor relations contact

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For more information

Please visit our website [www.lauruslabs.com](http://www.lauruslabs.com)



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**Solid Foundation.  
Sound Strategy.**