

BSR & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's Report

To the Board of Directors of Alkem Laboratories Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Alkem Laboratories Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2022, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- include the annual financial results of the entities mentioned in Annexure I to the Statement
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

Registered Office:

BSR & Co. (a partnership firm with Registration No. BSR1223) converted into BSR & 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

Independent Auditor's Report (Continued)

Alkem Laboratories Limited

accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial results/ financial



Independent Auditor's Report (Continued)

Alkem Laboratories Limited

information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

- a. The consolidated annual financial results include the audited financial results of 18 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 16,067 million as at 31 March 2022, total revenue (before consolidation adjustments) of Rs. 16,689 million, total net profit after tax (before consolidation adjustments) of Rs. 407 million and net cash inflows (before consolidation adjustments) of Rs. 267 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditor's reports on financial statements of these entities have been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b. The consolidated annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

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



Balajirao Pothana

Partner

Mumbai

13 May 2022

Membership No.: 122632

UDIN:22122632AIWZSA1559

Independent Auditor's Report (Continued)

Alkem Laboratories Limited

Annexure I

List of entities included in consolidated annual financial results.

Sr. No	Name of component	Relationship
1	S & B Holdings B.V., Netherlands (S&B Holdings)	Wholly Owned Subsidiary
2	ThePharmaNetwork, LLC, USA (TPN)	Wholly Owned Subsidiary
3	Ascend Laboratories LLC, USA	Wholly owned Subsidiary of TPN
4	S & B Pharma LLC (w.e.f. 8 April 2020)	Wholly owned Subsidiary of TPN
5	S & B Pharma INC	Wholly Owned Subsidiary of TPN (upto 05 January 2022)
6	Pharmacor Pty Limited, Australia	Wholly Owned Subsidiary
7	Ascend Laboratories (PTY) Ltd, South Africa (formerly known as Alkem Laboratories (PTY) Ltd	Wholly Owned Subsidiary
8	Enzene Biosciences Ltd, India	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
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 (w.e.f. 12 June 2020), India	Wholly Owned Subsidiary
24	Ascend Laboratories S.A.S, Colombia	Wholly Owned Subsidiary



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

Audited Statement of Consolidated Financial Results for the Quarter and Year ended 31 March 2022

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended	
	31.03.2022 Audited (Refer Note 1)	31.12.2021 Unaudited	31.03.2021 Audited (Refer Note 1)	31.03.2022 Audited	31.03.2021 Audited
1 Income					
(a) Revenue from Operations	24,838.6	26,189.8	21,921.6	106,341.9	88,650.1
(b) Other Income	205.2	535.2	462.8	1,626.5	2,332.1
Total Income	25,043.8	26,725.0	22,384.4	107,968.4	90,982.2
2 Expenses					
(a) Cost of materials consumed	9,011.7	7,809.1	6,633.7	32,260.6	23,945.4
(b) Purchases of stock-in-trade	3,020.0	3,788.8	3,456.0	14,897.1	14,377.6
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,718.2)	(1,631.1)	(659.9)	(5,354.8)	(3,338.4)
(d) Employee benefits expense	4,654.9	4,709.0	4,090.4	19,627.1	16,210.3
(e) Finance costs	169.7	105.7	107.1	523.7	589.2
(f) Depreciation and amortisation expense	831.4	774.6	685.1	3,039.6	2,745.8
(g) Other expenses	6,497.9	6,529.5	5,490.4	24,382.7	18,031.3
Total Expenses	22,467.4	22,085.6	19,802.8	89,376.0	72,561.2
3 Profit before exceptional items and tax (1) - (2)	2,576.4	4,639.4	2,581.6	18,592.4	18,421.0
4 Exceptional items (refer note 3)	(149.6)	-	-	(149.6)	-
5 Profit before tax (3) + (4)	2,426.8	4,639.4	2,581.6	18,442.8	18,421.0
6 Tax expense / (credit)					
(a) Current tax	433.5	921.8	811.1	3,619.8	3,965.3
(b) Deferred tax (Refer Note 2)	911.2	(1,615.9)	(721.7)	(1,980.2)	(1,722.0)
Total Tax Expense (a + b)	1,344.7	(694.1)	89.4	1,639.6	2,243.3
7 Profit for the period (5) - (6)	1,082.1	5,333.5	2,492.2	16,803.2	16,177.7
8 Other Comprehensive Income (net of tax)					
(a) (i) Items that will not be reclassified to profit or loss	(18.0)	(14.6)	(57.1)	(90.9)	(89.2)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6.7	4.5	20.3	33.2	29.9
(b) (i) Items that will be reclassified to profit or loss	272.2	52.7	38.1	399.1	(283.7)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other Comprehensive Income (net of tax)	260.9	42.6	1.3	341.4	(343.0)
9 Total Comprehensive Income for the period (7) + (8)	1,343.0	5,376.1	2,493.5	17,144.6	15,834.7
10 Profit attributable to					
a) Owners of the Company	1,075.8	5,256.6	2,399.9	16,456.2	15,850.2
b) Non-Controlling Interest	6.3	76.9	92.3	347.0	327.5
11 Other Comprehensive Income attributable to					
a) Owners of the Company	258.0	41.7	(1.5)	345.5	(339.6)
b) Non-Controlling Interest	2.9	0.9	2.8	(4.1)	(3.4)
12 Total Comprehensive Income attributable to					
a) Owners of the Company	1,333.8	5,298.3	2,398.4	16,801.7	15,510.6
b) Non-Controlling Interest	9.2	77.8	95.1	342.9	324.1
13 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1
14 Other Equity				86,139.9	73,528.2
15 Earnings Per Share (not annualised for the quarters)					
(a) Basic (₹)	9.00	43.96	20.07	137.63	132.57
(b) Diluted (₹)	9.00	43.96	20.07	137.63	132.57

Audited Statement of Consolidated Assets and Liabilities as at 31 March 2022

(₹ in Million)

Particulars	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	22,871.0	22,339.3
(b) Capital work-in-progress	3,394.8	3,932.8
(c) Goodwill	4,030.9	3,953.9
(d) Other Intangible assets	2,115.4	1,636.6
(e) Financial Assets		
(i) Investments	2,316.7	1,539.5
(ii) Loans	80.2	80.2
(iii) Others financial assets	7,106.7	607.9
(f) Deferred tax assets (net)	13,092.6	11,079.1
(g) Non-current tax assets (net)	533.1	171.1
(h) Other non-current assets	796.2	564.0
Total Non-current assets	56,337.6	45,904.4
2 Current assets		
(a) Inventories	30,055.3	23,124.4
(b) Financial Assets		
(i) Investments	1,393.1	1,788.3
(ii) Trade receivables	18,846.0	16,072.1
(iii) Cash and cash equivalents	2,321.8	1,742.2
(iv) Bank balances other than (iii) above	23,464.0	18,162.3
(v) Loans	202.5	187.3
(vi) Others financial assets	1,731.5	2,606.0
(c) Other current assets	6,322.8	5,550.1
(d) Non-current assets held for sale	17.3	55.5
Total Current assets	84,354.3	69,288.2
TOTAL ASSETS	140,691.9	115,192.6
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	86,139.9	73,528.2
Equity attributable to owners of the Company	86,379.0	73,767.3
(c) Non-controlling interest	2,094.3	1,812.8
Total Equity	88,473.3	75,580.1
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	93.8	279.3
(ia) Lease liabilities	664.7	697.1
(b) Provisions	3,327.5	2,507.3
(c) Other non-current liabilities	79.2	88.3
Total Non-Current liabilities	4,165.2	3,572.0
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	25,707.4	16,727.9
(ia) Lease liabilities	216.0	215.5
(ii) Trade payables		
Dues of Micro and Small Enterprises	924.2	1,189.6
Dues of Creditors other than Micro and Small Enterprises	10,809.6	9,504.5
(iii) Other financial liabilities	5,993.8	4,653.9
(b) Other current liabilities	1,503.2	1,193.4
(c) Provisions	2,736.0	2,366.4
(d) Current tax Liabilities (Net)	163.2	189.3
Total Current liabilities	48,053.4	36,040.5
TOTAL EQUITY AND LIABILITIES	140,691.9	115,192.6

Audited Statement of Consolidated Cash flow for the Year ended 31 March 2022

(₹ in million)

Particulars	For the year ended 31 March 2022 (Audited)	For the year ended 31 March 2021 (Audited)
A Cash Flow from Operating Activities:		
Profit before Tax	18,442.8	18,421.0
Adjustments for:		
Depreciation and amortisation expense	3,039.6	2,745.8
Liabilities no longer required written back	(160.1)	-
Profit on sale of investments	(33.8)	(102.6)
Unrealised gain on fair valuation of investments (net)	69.0	(266.9)
Profit on sale of property plant and equipment (net)	14.3	(37.0)
Employee stock compensation expenses	-	1.1
Unrealised foreign currency (gain) / loss on revaluation (net)	(177.0)	9.7
Dividend Income	(1.9)	(0.2)
Recovery of bad debts	-	(114.9)
Profit on sale of brand (net)	-	(351.0)
Interest Income	(1,226.8)	(901.2)
Impairment loss on property, plant and equipment	11.2	-
Interest expenses	523.7	589.2
Allowances for doubtful debts	27.8	82.8
Rent income	-	(8.4)
Subtotal of Adjustments	2,086.0	1,646.4
Operating profit before working capital changes	20,528.8	20,067.4
Adjustments for changes in working capital:		
(Increase) in trade receivables	(2,217.5)	(257.6)
(Increase) / Decrease in loans, other financial assets and other assets	(435.8)	(926.5)
(Increase) in inventories	(6,731.4)	(4,977.0)
Increase / (Decrease) in trade payable, other financial liabilities and other liabilities	3,344.9	2,124.2
Increase in provisions	590.2	625.3
Subtotal of adjustments	(5,449.6)	(3,411.6)
Cash generated from operations	15,079.2	16,655.8
Less: Income taxes paid (net of refund)	(3,969.0)	(4,006.8)
Net Cash generated from operating activities	11,110.2	12,649.0
B Cash Flow from Investing Activities:		
Purchases of property, plant and equipment	(3,388.8)	(1,949.1)
Sale of property, plant and equipment	109.0	104.6
(Purchase of) / Proceeds from sale of investments (net)	(409.3)	(348.3)
Profit on sale of brand (net)	-	351.0
Investment made in bank deposits having maturity of more than 3 months (net)	(11,641.8)	(8,937.9)
Dividend received	1.9	0.2
Interest received	977.7	785.7
Rent received	-	8.4
Net cash used in investing activities	(14,351.3)	(9,985.4)
C Cash Flow from Financing Activities:		
Repayment of non-current borrowings (net)	(192.9)	(387.4)
(Repayment of) / Proceeds from current borrowings (net)	8,820.7	1,784.2
Dividends paid	(4,219.1)	(3,347.8)
Repayment of lease liabilities (net)	(211.7)	(230.3)
Interest and bank charges paid	(401.3)	(536.2)
Net cash used in financing activities	3,795.7	(2,717.5)
D Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)	554.6	(53.9)
E Cash & Cash Equivalents as at the beginning of the year	1,742.2	1,759.4
Add/Less: Effect of exchange difference on foreign currency cash and cash equivalents	25.0	36.7
F Cash & Cash Equivalents as at the end of the period (D+E)	2,321.8	1,742.2

Notes:

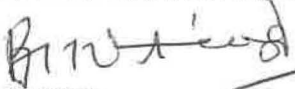
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

Notes to the Consolidated Financial results:

- 1 The above audited consolidated financial results of the Company were reviewed and recommended by the Audit Committee on 12 May 2022 and subsequently approved by the Board of Directors at its meeting held on 13 May 2022. The auditors have expressed an unmodified opinion on the financial results for the year ended 31 March 2022. The figures for the quarter ended 31 March 2022 and 31 March 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to 31 December 2021 and 31 December 2020 respectively, which were subjected to limited review.
- 2 Pursuant to the Board of Directors approval at its meeting held on 25 May 2021 on the proposed plan for restructuring of the USA business operations by bringing both the subsidiaries namely, S & B Pharma Inc, USA ("S & B") and The PharmaNetwork LLC, USA ("TPNC") under a single umbrella by removing intermediary holding company S & B Holdings BV, Netherlands ("S & B BV"), the Company on 4 October 2021 has consummated the transaction whereby TPNC acquired 100% shares of S&B from the Company in exchange of TPNC's shares. Subsequently, with effect from 5 January 2022, S & B now stands dissolved and all its assets and liabilities are now transferred by TPNC as capital contribution in its wholly owned subsidiary S & B Pharma LLC. Consequently, TPNC has recognised deferred tax asset on carry forward losses of erstwhile S & B amounting to Rs.1,086.0 million.
- 3 During the current quarter, the Group has fair valued one of its investments in the USA and considering the contingencies on business projections of the investee company an amount of Rs. 149.6 million has been debited to the Statement of Profit and Loss and disclosed as an exceptional item.
- 4 During the quarter ended 31 March 2022, the Company has paid an interim dividend of ₹ 30 (Rupees Thirty only) per equity share (1500% on the face value of ₹ 2 each) for the financial year 2021-22. The Board of Directors at its meeting held on 13 May 2022 has recommended a final dividend of ₹ 4 (Rupees Four only) per equity share (200% on the face value of ₹ 2 each) for the financial year 2021-22.
- 5 The Group operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

Place: Mumbai
Date: 13 May 2022

By Order of the Board
For Alkem Laboratories Limited


B.N. Singh
Executive Chairman
DIN: 00760310

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's Report

To the Board of Directors of Alkem Laboratories Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Alkem Laboratories Limited (hereinafter referred to as the "Company") for the year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the year ended 31 March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report (Continued)

Alkem Laboratories Limited

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



B S R & Co. LLP

Independent Auditor's Report (Continued)
Alkem Laboratories Limited

Other Matter

The standalone annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248WW-100022



Balajirao Pothana

Partner

Mumbai

13 May 2022

Membership No.: 122632

UDIN: 22122632AIXFBI9293

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

Audited Statement of Standalone Financial Results for the Quarter and Year ended 31 March 2022

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended	
	31.03.2022 Audited (Refer note 1)	31.12.2021 Unaudited	31.03.2021 Audited (Refer note 1)	31.03.2022 Audited	31.03.2021 Audited
1 Income					
(a) Revenue from Operations	20,063.1	21,808.4	19,174.7	88,298.1	72,196.8
(b) Other Income	542.3	632.4	487.7	1,998.9	1,900.1
Total Income	20,605.4	22,440.8	19,662.4	90,297.0	74,096.9
2 Expenses					
(a) Cost of materials consumed	7,660.0	7,331.9	5,765.9	28,497.5	20,465.2
(b) Purchases of stock-in-trade	2,458.9	2,694.6	2,073.9	10,770.4	9,197.9
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,148.7)	(1,748.2)	(200.8)	(3,609.0)	(3,012.9)
(d) Employee benefits expense	3,306.8	3,400.8	2,909.6	14,344.9	11,587.2
(e) Finance costs	130.8	72.6	73.6	379.0	429.3
(f) Depreciation and amortisation expense	550.1	584.3	493.8	2,189.8	1,989.3
(g) Other expenses	5,789.2	5,406.7	4,462.0	20,190.7	14,470.1
Total Expenses	18,747.1	17,742.7	15,578.0	72,763.3	55,126.1
3 Profit before exceptional items and tax (1) - (2)	1,858.3	4,698.1	4,084.4	17,533.7	18,970.8
4 Exceptional items (Refer Note 3)	-	-	(127.8)	-	(127.8)
5 Profit before tax (3) + (4)	1,858.3	4,698.1	3,956.6	17,533.7	18,843.0
6 Tax expense / (credit)					
(a) Current tax	324.1	808.3	709.4	3,038.2	3,318.3
(b) Deferred tax	765.4	(481.1)	(380.2)	(917.0)	(1,326.1)
Total Tax Expense (a + b)	1,089.5	327.2	329.2	2,121.2	1,992.2
7 Profit for the period after tax (5 - 6)	768.8	4,370.9	3,627.4	15,412.5	16,850.8
8 Other Comprehensive Income (net of tax)					
(a) (i) Items that will not be reclassified to profit or loss	(26.8)	(16.0)	(65.7)	(74.7)	(76.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	9.4	5.5	22.9	26.1	26.8
(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)	(17.4)	(10.5)	(42.8)	(48.6)	(49.9)
9 Total Comprehensive Income for the period (7) + (8)	751.4	4,360.4	3,584.6	15,363.9	16,800.9
10 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1
11 Other Equity				87,197.5	76,018.4
12 Earnings Per Share (not annualised for the quarters)					
(a) Basic (₹)	6.43	36.56	30.34	128.90	140.93
(b) Diluted (₹)	6.43	36.56	30.34	128.90	140.93

Audited Statement of Standalone Assets and Liabilities as at 31 March 2022

(₹ in Million)

Particulars	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	17,312.2	16,486.0
(b) Capital work-in-progress	2,324.5	3,232.6
(c) Intangible assets	1,508.5	1,097.6
(d) Investment in subsidiaries	22,770.2	18,770.4
(e) Financial Assets		
(i) Investments	1,164.3	1,131.7
(ii) Loans	178.5	333.2
(iii) Others financial assets	6,282.1	221.3
(f) Deferred tax assets (net)	10,487.4	9,544.3
(g) Non current tax assets (net)	330.5	70.2
(h) Other non-current assets	727.4	524.6
Total Non-current assets	63,085.6	51,411.9
2 Current assets		
(a) Inventories	19,757.3	15,132.6
(b) Financial Assets		
(i) Investments	1,351.6	1,621.7
(ii) Trade receivables	17,682.2	15,565.5
(iii) Cash and cash equivalents	818.2	152.2
(iv) Bank balances other than (iii) above	22,153.9	16,581.4
(v) Loans	145.3	116.1
(vi) Others financial assets	1,542.2	2,377.0
(c) Other current assets	5,138.1	4,713.4
(d) Non-current assets held for sale	17.3	55.5
Total Current assets	68,606.1	56,315.4
TOTAL ASSETS	131,691.7	107,727.3
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	87,197.5	76,018.4
Total Equity	87,436.6	76,257.5
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Lease liabilities	378.4	396.9
(b) Provisions	2,576.3	1,904.2
(c) Other non-current liabilities	62.8	69.3
Total Non-Current liabilities	3,017.5	2,370.4
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	22,455.2	13,328.4
(ia) Lease liabilities	104.2	109.8
(ii) Trade payables		
Dues of Micro and Small Enterprises	794.4	1,044.7
Dues of creditors other than Micro and Small Enterprises	10,315.8	8,484.5
(iii) Other financial liabilities	4,799.1	3,226.9
(b) Other current liabilities	828.7	918.5
(c) Provisions	1,940.2	1,936.5
(d) Current tax Liabilities (Net)	-	50.1
Total Current liabilities	41,237.6	29,099.4
TOTAL EQUITY AND LIABILITIES	131,691.7	107,727.3

Audited Statement of Standalone Cash Flow for the year ended 31 March 2022

(₹ in million)

Particulars	For the year ended 31 March 2022 (Audited)	For the year ended 31 March 2021 (Audited)
A. Cash Flow from Operating Activities:	17,533.7	18,843.0
Profit before tax		
<u>Adjustments for:</u>	2,189.8	1,989.3
Depreciation and amortisation		127.8
Impairment of investment in subsidiaries	(37.6)	(260.6)
Unrealised (gain) / loss on fair valuation of investments (net)	(28.8)	(17.7)
Profit on sale of investments (net)	12.0	23.1
Loss / (profit) on sale of property plant and equipment (net)	(36.8)	-
Dividend income	-	(351.0)
Profit on sale of brand (net)	(1,095.9)	(783.0)
Interest income	379.0	429.3
Interest expenses	1.1	44.6
Allowances for doubtful debts	(140.8)	-
Liabilities no longer required, written back	-	(114.9)
Recovery of bad debts	(162.1)	169.1
Unrealised foreign currency (gain) / loss on revaluation (net)	-	(22.6)
Rent income	1,079.9	1,233.4
Subtotal of Adjustments	18,613.6	20,076.4
Operating profit before working capital changes		
Adjustments for changes in working capital:	(1,728.6)	(599.8)
(Increase) in trade receivables	407.9	(907.8)
(Increase) / Decrease in loans, other financial assets and other assets	(4,624.8)	(4,206.8)
(Increase) in inventories	3,195.0	1,742.0
Increase in trade payable, other financial liabilities and other liabilities	478.8	353.8
Increase in provisions	(2,271.7)	(3,618.6)
Subtotal of Adjustments	16,341.9	16,457.8
Cash generated from operations	(3,348.5)	(3,213.0)
Less: Income taxes paid (net of refund)	12,993.4	13,244.8
Net cash generated from operating activities		
B. Cash Flow from Investing Activities:	(2,448.7)	(1,308.1)
Purchases of property, plant and equipment	105.9	10.5
Sale of property, plant and equipment	304.0	(16.8)
Proceeds from sale of / (Purchase of) investments (net)	-	351.0
Profit on sale of brands (net)	(3,999.8)	(1,796.2)
Investments in subsidiaries	(11,538.2)	(9,139.5)
Investment made in bank deposits having maturity of more than 3 months (net)	36.8	-
Dividend received	846.7	666.6
Interest received	-	22.6
Rent received	(16,693.3)	(11,209.9)
Net Cash used in investing activities		
C. Cash Flow from Financing Activities:	8,929.0	1,757.6
Proceeds from current borrowings (net)	(121.5)	(123.1)
Repayment of lease liabilities (net)	(4,184.8)	(3,347.8)
Dividends paid	(256.8)	(376.3)
Interest paid	4,365.9	(2,089.6)
Net cash (used in)/generated from financing activities	666.0	(54.7)
D. Net (decrease)/increase in cash and cash equivalents (A+B+C)	152.2	206.9
E. Cash and cash equivalents as at beginning of the year	818.2	152.2
F. Cash and cash equivalents as at end of the period (D+E)		

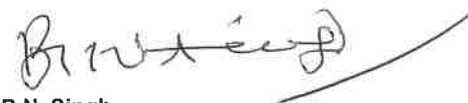
Notes:

- 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 audited standalone financial results of the Company were reviewed and recommended by the Audit Committee on 12 May 2022 and subsequently approved by the Board of Directors at its meeting held on 13 May 2022. The auditors have expressed an unmodified opinion on the financial results for the year ended 31 March 2022. The figures for the quarter ended 31 March 2022 and 31 March 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to the third quarter ended 31 December 2021 and 31 December 2020 respectively, which were subjected to limited review.
- 2 Pursuant to the Board of Directors approval at its meeting held on 25 May 2021 on the proposed plan for restructuring of the USA business operations by bringing both the subsidiaries namely, S & B Pharma Inc, USA ("S & B") and The PharmaNetwork LLC, USA ("TPNC") under a single umbrella by removing intermediary holding company S & B Holdings BV, Netherlands ("S & B BV"), the Company on 4 October 2021 has consummated the transaction whereby TPNC acquired 100% shares of S&B from the Company in exchange of TPNC's shares. Subsequently, with effect from 5 January 2022, S & B now stands dissolved and all its assets and liabilities are now transferred by TPNC as capital contribution in its wholly owned subsidiary S & B Pharma LLC.
- 3 During the previous year, the Company has made an assessment of the recoverable value of investment in its subsidiaries taking into account the decline in operational performance, changes in the outlook of future profitability, weaker market conditions, among other potential indicators. Accordingly an impairment loss of Rs.127.8 Million was recognised towards investment in Alkem Laboratories Corporation, Philippines, a wholly owned subsidiary of the Company in accordance with IND AS 36 'Impairment of assets' and the same has been disclosed as an 'Exceptional item' in the previous year.
- 4 During the quarter ended 31 March 2022, the Company has paid an interim dividend of ₹ 30 (Rupees Thirty only) per equity share (1500% on the face value of ₹ 2 each) for the financial year 2021-22. The Board of Directors at its meeting held on 13 May 2022 has recommended a final dividend of ₹ 4 (Rupees Four only) per equity share (200% on the face value of ₹ 2 each) for the financial year 2021-22.
- 5 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: 13 May 2022

**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 May, 2022

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>
---	--

Dear Sirs,

Sub: Press Release and Analyst Presentation on Q4FY22 and FY22 Results

With reference to relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith press release and analyst presentation on Q4FY22 and FY22 earnings and business updates and the same will be uploaded on the website of the Company.

Kindly take note of the same.

Sincerely,
For Alkem Laboratories Limited


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a



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

Press Release

Alkem reports Q4FY22 and FY22 results

Mumbai, May 13, 2022: Alkem Laboratories Ltd. (Alkem) today announced its standalone and consolidated financial results for the fourth quarter and twelve months ended March 31, 2022. These results were taken on record by the Board of Directors at its meeting held in Mumbai today.

Key highlights of Q4FY22 financial performance

- Total Revenue from Operations was ₹ 24,839 million, year-on-year growth of 13.3%
 - India sales were ₹ 17,187 million, year-on-year growth of 16.7%
 - International sales were ₹ 7,411 million, year-on-year growth of 7.3%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 3,372 million, resulting in EBITDA margin of 13.6% vs. 13.3% in Q4FY21. EBITDA grew by 15.8% YoY
- R&D expenses for the quarter was ₹ 1,634 million, or 6.6% of total revenue from operations compared to ₹ 1,408 million in Q4FY21 at 6.4% of total revenue from operations
- Profit before tax (PBT) was ₹ 2,427 million, a decline of 6.0% compared to Q4FY21
 - Exceptional Item of ₹ 150 million debit was on account of fair value of an investment
- Net Profit (after Minority Interest) was ₹ 1,076 million, year-on-year decline of 55.2%

Key highlights of FY22 financial performance

- Total Revenue from Operations was ₹ 106,342 million, year-on-year growth of 20.0%
 - India sales were ₹ 74,045 million, year-on-year growth of 29.9%
 - International sales were ₹ 31,075 million, year-on-year growth of 2.6%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 20,529 million, resulting in EBITDA margin of 19.3% vs. 21.9% in FY21. EBITDA grew by 5.7% YoY
- R&D expenses for FY22 was ₹ 5,674 million, or 5.3% of total revenue from operations compared to ₹ 5,322 million in FY21 at 6.0% of total revenue from operations
- Profit before tax (PBT) was ₹ 18,443 million, a growth of 0.1% compared to FY21
- Net Profit (after Minority Interest) was ₹ 16,456 million, year-on-year growth of 3.8%

Commenting on the results, Sandeep Singh, Managing Director, Alkem said, *"FY22 was a mixed bag for the Company as our India business did well helped by COVID-19 tailwinds, while our US business faced significant pricing pressure. We forayed in the Indian respiratory segment with the launch of Pulmocare division which received an encouraging response. Our biotech subsidiary Enzene also made good progress with product launches in India and signing multiple product out-licensing deals. Going forward, while we are positive about our growth prospects given the levers we have built over the years, navigating the inflationary pressures of high raw material prices and increased freight rates, would be a key challenge for the Company."*



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

Operational Highlights

Domestic Business

In Q4FY22, the Company's India sales grew by 16.7% YoY, recording sales of ₹ 17,187 million as compared to ₹ 14,732 million in Q4FY21. For FY22, the Company's India sales was ₹ 74,045 million compared to ₹ 56,996 million in FY21 – growth of 29.9% YoY.

As per secondary sales data by IQVIA for the quarter ended March 31, 2022, the Company grew ahead of Indian Pharmaceutical Market (IPM) with growth of 15.3% YoY compared to IPM growth of 9.6% YoY. Even for the full year FY22, the Company outperformed the IPM with growth of 27.6% YoY compared to IPM growth of 18.2% YoY. This outperformance was largely driven by acute therapies like anti-infectives, gastro intestinal, vitamins/minerals/nutrients and pain management which witnessed a good growth during the financial year partly helped by COVID-19 tailwinds. During the financial year, the Company also outperformed the IPM in the chronic therapy areas of neuro / CNS, anti-diabetes and derma. Company gained 3 ranks in the anti-diabetic segment and one rank in the derma segment. Company's recent foray in the respiratory segment has also seen encouraging response with higher than market growth rate. Company's trade generic business continued its healthy growth during Q4FY22 and FY22.

The performance highlights of the key therapeutic segments in Q4FY22 and FY22 are as shown in the table below:

Key Therapy segment	Q4FY22				FY22			
	Alkem Rank	YoY change in Rank*	YoY growth (Alkem)	YoY growth (IPM)	Alkem Rank	YoY change in Rank*	YoY growth (Alkem)	YoY growth (IPM)
Anti-infectives	1	Unchanged	14.5%	15.3%	1	Unchanged	33.8%	35.0%
Gastro Intestinal	3	Unchanged	25.1%	9.0%	3	Unchanged	22.2%	17.4%
Pain / Analgesics	3	Unchanged	10.0%	13.3%	3	Unchanged	22.0%	21.6%
VMN**	2	Unchanged	18.6%	8.0%	2	+2	30.1%	16.4%
Neuro / CNS	9	-1	-6.5%	7.1%	8	Unchanged	18.0%	11.0%
Derma	19	-2	-9.8%	1.5%	18	+1	20.1%	9.6%
Cardiac	27	Unchanged	-3.6%	7.1%	27	Unchanged	7.9%	10.5%
Anti-Diabetic	18	+1	14.7%	4.8%	17	+3	25.6%	7.2%
Respiratory	17	+1	46.8%	38.2%	17	Unchanged	55.5%	44.0%
Total	5	+1	15.3%	9.6%	5	Unchanged	27.6%	18.2%

*Positive change in rank reflects improvement over same period previous year

**VMN – Vitamins / Minerals / Nutrients

Source: IQVIA Data

International Business

In Q4FY22, the Company's International sales grew by 7.3% YoY, recording sales of ₹ 7,411 million as compared to ₹ 6,907 million in Q4FY21. For FY22, the Company's International sales grew by 2.6% to ₹ 31,075 million compared to ₹ 30,288 million in FY21.

**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

- **US sales** for the quarter was ₹ 5,419 million compared to ₹ 5,435 million in Q4FY21, recording a year-on-year decline of 0.3 %. For FY22, US sales was ₹ 23,291 million, compared to ₹ 24,512 million in FY21 - a year-on-year decline of 5.0% YoY.
- **Other International Markets sales** for the quarter was ₹ 1,991 million compared to ₹ 1,472 million in Q4FY21, recording a year-on-year growth of 35.3%. For FY22, Other International Markets sales was ₹ 7,785 million compared to ₹ 5,776 million in FY21 - a year-on-year growth of 34.8% YoY.

R&D Investments

During the quarter, the Company filed 6 abbreviated new drug applications (ANDAs) with the US FDA and received 3 final approvals. For FY22, the Company filed 14 ANDAs with the US FDA and received 21 approvals (including 3 tentative approvals).

As on March 31, 2022, the Company has filed a total of 161 ANDAs and 2 new drug applications (NDA) with the US FDA. Of these, it has received approvals for 121 ANDAs (including 13 tentative approvals) and 2 NDAs.

Update on US FDA Inspections

Facility	Capability	Last inspection	Status post last inspection
Taloja (India)	Bioequivalence Centre	April 2022	Successfully closed inspection without any observations
St. Louis (US)	Formulations	June 2021	Inspection is closed. EIR# received in March 2022
Baddi (India)	Formulations	February 2020	Inspection is closed. EIR# received in March 2020
Daman (India)	Formulations	August 2019	Inspection is closed. EIR# received in October 2019
California (US)	APIs	August 2018	Inspection is closed. EIR# received in October 2018
Ankleshwar (India)	APIs	December 2016	Inspection is closed. EIR# received in March 2017
Mandva (India)	APIs	September 2015	Inspection is closed. EIR# received in March 2016

EIR – Establishment Inspection Report

**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

Q4FY22 and FY22 Conference Call at 4:00pm IST, May 13, 2022

Alkem will organize a conference call for investors and analysts on Friday, May 13, 2022 from 4:00 pm to 5:00 pm IST to discuss its Q4FY22 and FY22 financial results.

Alkem will be represented on the call by Mr. Sandeep Singh, Managing Director and the senior management team.

Motilal Oswal Securities Ltd. will host the call.

Details of the conference call are as under:

Time: 4:00 pm IST (GMT + 5:30) on Friday, May 13, 2022

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

Express Join with Diamond Pass

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=5724561&linkSecurityString=186ba84bb2>

You are requested to dial in 10 mins ahead of the scheduled start time. A transcript of this conference call will also be available on our website www.alkemlabs.com

About Alkem Laboratories Ltd.

Established in 1973 and headquartered in Mumbai, Alkem (NSE: ALKEM, BSE: 539523, Bloomberg: ALKEM.IN, Reuters: ALKE.NS) is a leading Indian pharmaceutical company with global operations, engaged in the development, manufacture and sale of pharmaceutical and nutraceutical products. The Company produces branded generics, generic drugs, active pharmaceutical ingredients (APIs) and nutraceuticals, which it markets in India and International markets. With a portfolio of more than 800 brands in India, Alkem is ranked the fifth largest pharmaceutical company in India in terms of domestic sales (Source: IQVIA March 2022). The Company also has presence in more than 40 international markets, with the United States being its key focus market. For more information on Alkem Laboratories Ltd., please visit www.alkemlabs.com

For further information or queries, please contact**Gagan Borana**

Investor Relations

Tel: +91 22 3982 9960 / Mobile: +91 98190 56333

E-mail: gagan.borana@alkem.com

ALKEM LABORATORIES LIMITED



Investor Presentation
Q4FY22 May 13, 2022

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 in our key global markets.

Should one or more of such risks and uncertainties materialize, 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 it is required by Law.

Key Highlights of FY22

- **Revenue from Operations** grew by 20.0% YoY during FY22, with EBITDA margin at 19.3% and Net Profit growth of 3.8% YoY
- **India Business:** Company's secondary sales in FY22 registered growth of 27.6% YoY compared to IPM growth of 18.2% YoY (Source: IQVIA data)
 - Strong growth in acute therapies partially helped by COVID-19 tailwinds; faster than market growth in chronic therapies
 - Trade Generic business too delivered a robust growth despite the high base of last year
 - Forayed into respiratory segment with launch of Pulmocare division
- **US Business** – Year marked by significant pricing pressure on the base business, partially mitigated by new product launches
- **R&D** expenses during the year increased by 6.6% YoY to ₹ 5.7 billion (5.3% of revenue from operations)
- **Enzene Biosciences** - Received marketing authorization to commercialized three biosimilar products in India in FY22
 - Signed multiple out-licensing & supply partnerships contracts across regulated and semi-regulated markets
- **Healthy Balance Sheet** with net cash of ₹ 9.7 billion as on March 31, 2022

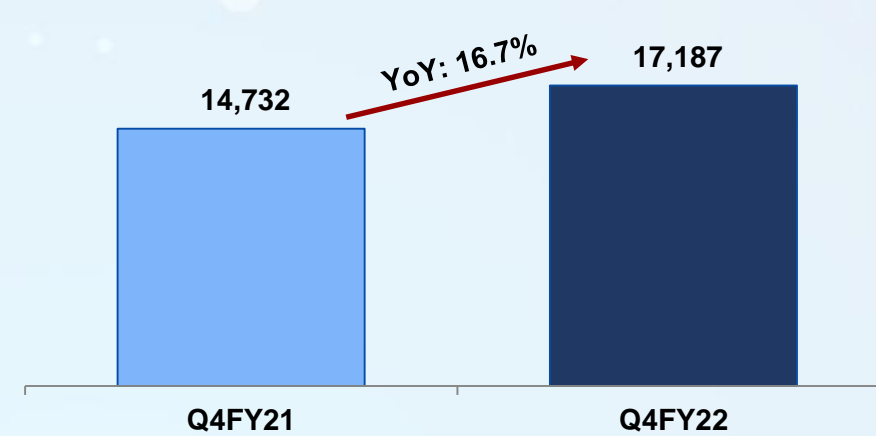
Key Financial Highlights – Q4FY22 (Consolidated)

All figures in ₹ mn

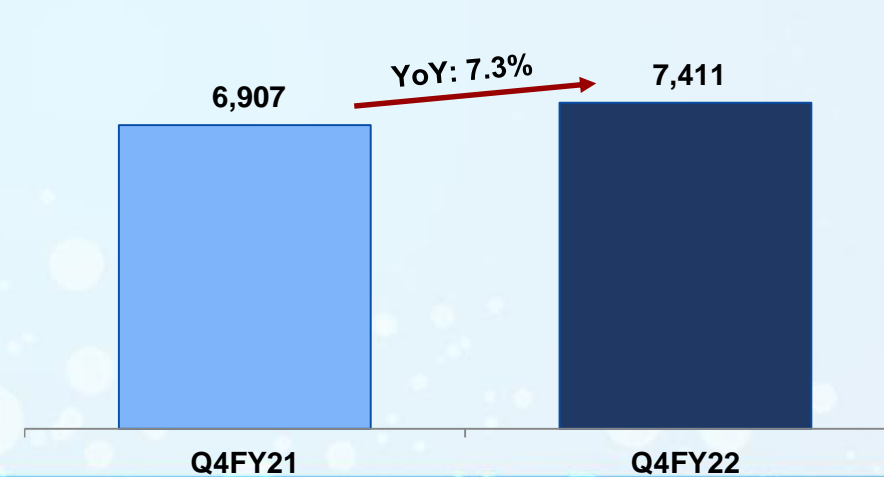
Revenue from Operations



India sales



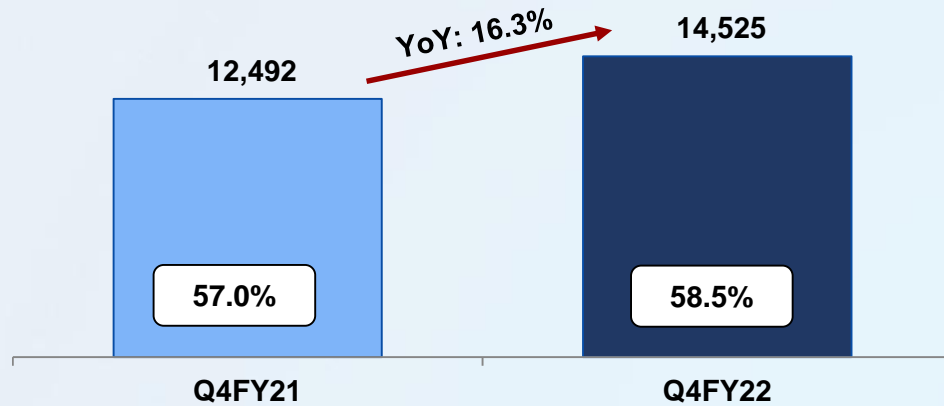
International sales



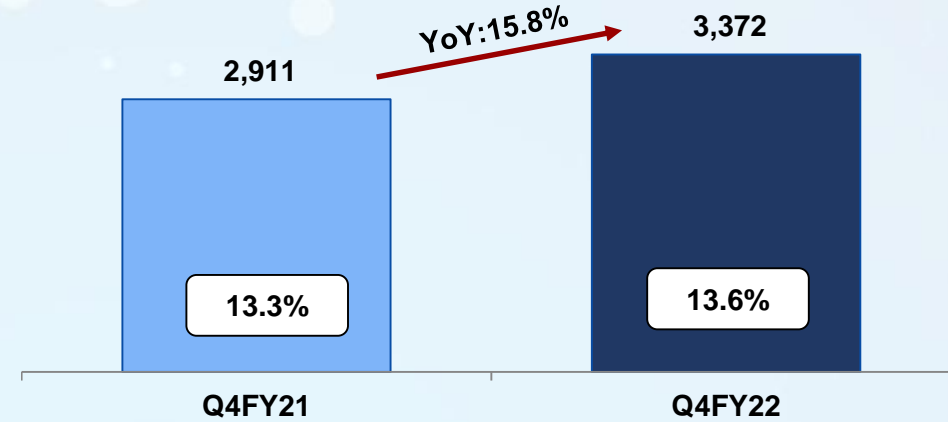
Key Financial Highlights – Q4FY22 (Consolidated)

All figures in ₹ mn

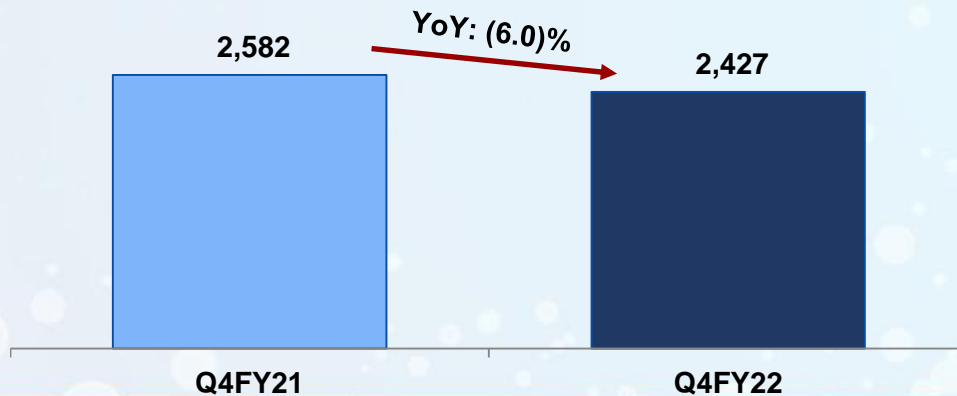
Gross Profit and Gross Margin



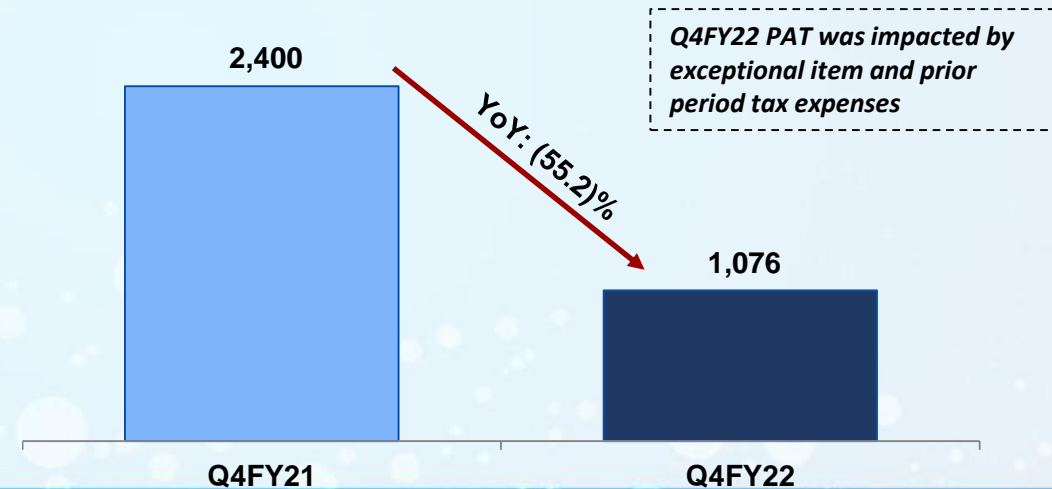
EBITDA and EBITDA Margin



PBT (before Minority Interest)



PAT (after Minority Interest)



Key Financial Highlights – FY22 (Consolidated)

All figures in ₹ mn

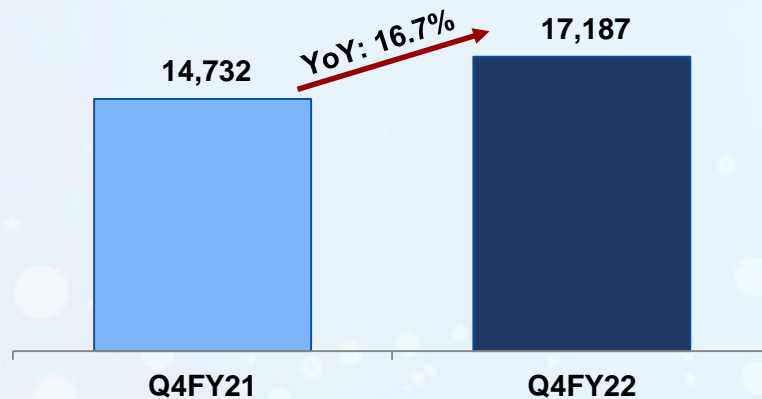
Particulars (₹ mn)	FY22	FY21	YoY growth
Revenue from Operations	106,342	88,650	20.0%
Gross Profit	64,539	53,665	20.3%
Gross Profit margin	60.7%	60.5%	
EBITDA	20,529	19,424	5.7%
EBITDA margin	19.3%	21.9%	
PBT	18,443	18,421	0.1%
PBT margin	17.3%	20.8%	
PAT (After Minority Interest)	16,456	15,850	3.8%
PAT margin	15.5%	17.9%	
EPS (₹ / share)	137.63	132.57	3.8%

India Business

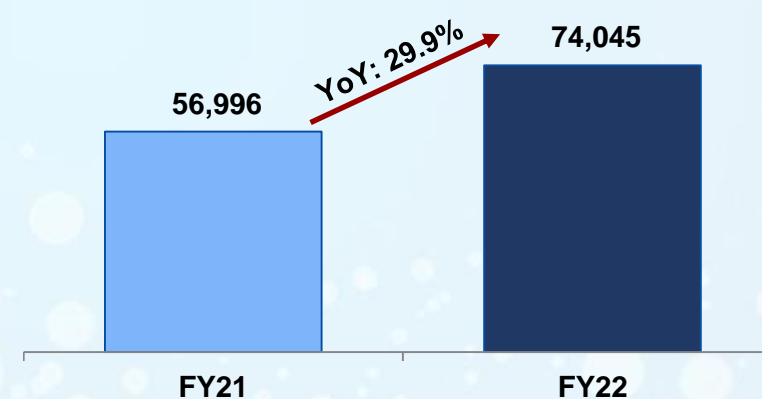
India Business: Q4FY22 Sales of ₹ 17,187 million (16.7% YoY growth)

- India sales contributed 69.9% to total sales in Q4FY22
- In Q4FY22, the Company's secondary sales grew by 15.3% YoY compared to IPM growth of 9.6% YoY (Source: IQVIA data)
- Growth was mainly led by acute therapies like anti-infectives, vitamins / minerals / nutrients, gastrointestinal and pain management segment helped by COVID-19 tailwinds
- During FY22, the Company also outperformed IPM in the chronic therapies like neuro / CNS, cardiac, anti-diabetes and derma
- Company's Trade Generic business delivered a robust growth during the year, despite the high base of last financial year

Q4FY22 – India Sales (₹ mn)



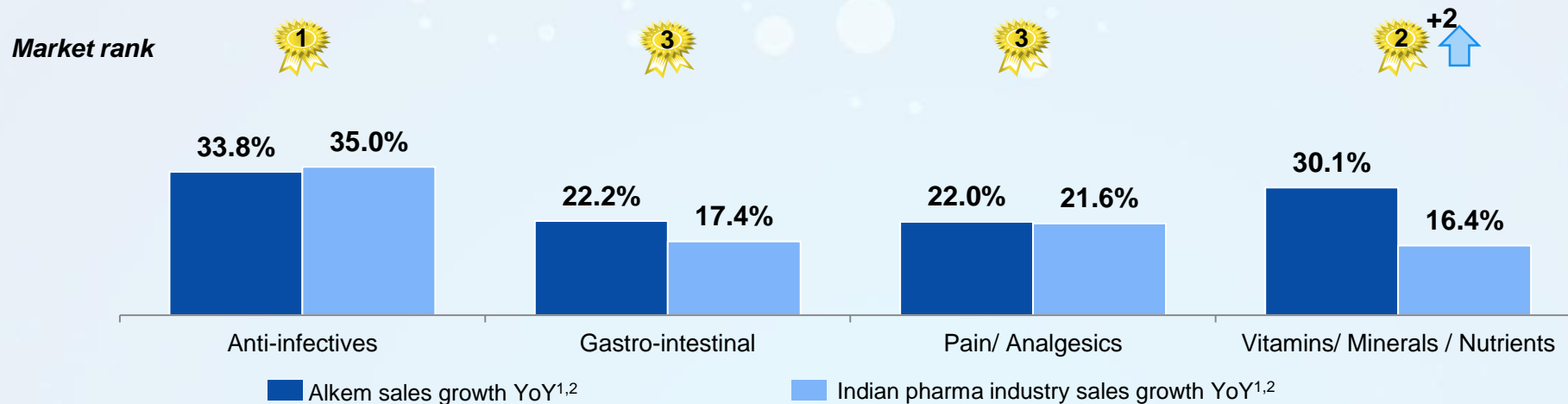
FY22 – India Sales (₹ mn)



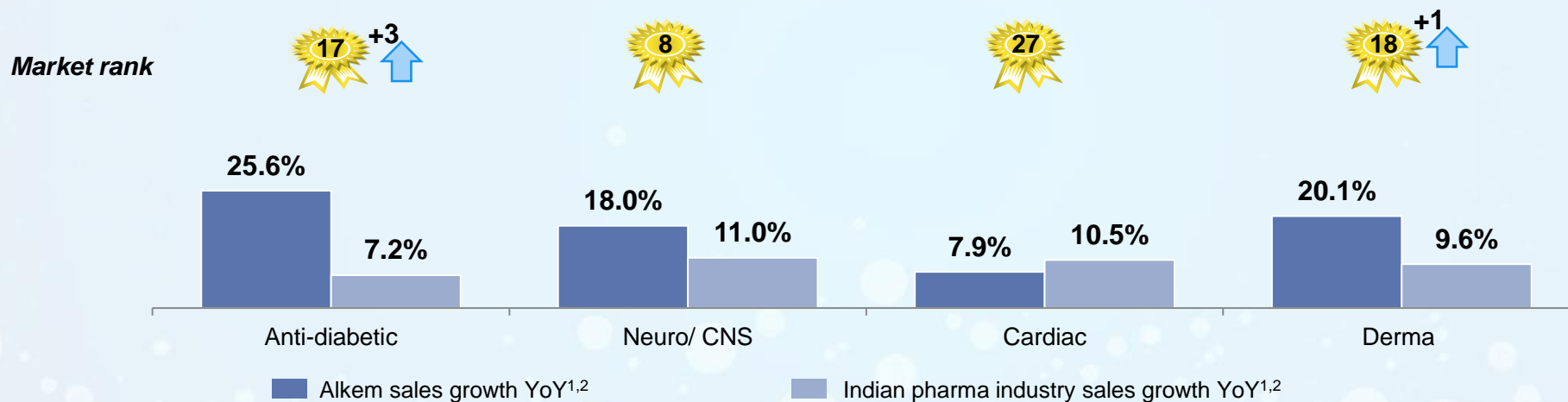
Secondary Sales Performance

Healthy growth across all the major therapeutic segments in FY22

Acute Therapies



Chronic Therapies

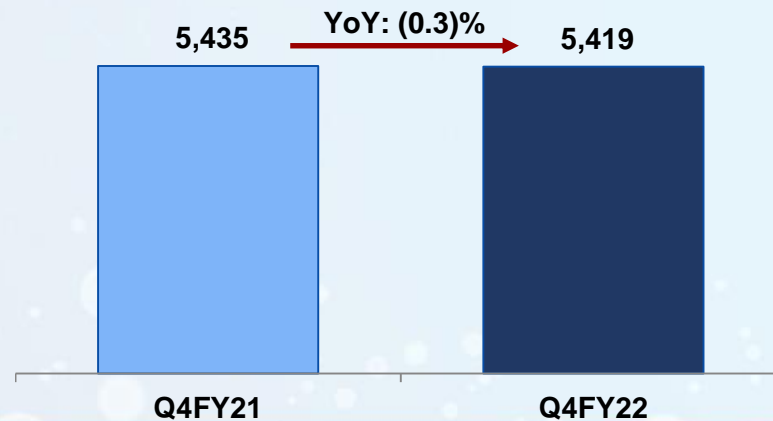


US Business

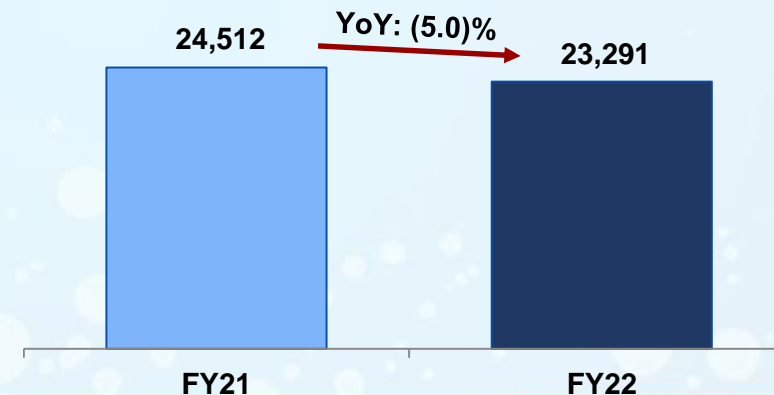
US Business: Q4FY22 Sales of ₹ 5,419 million (YoY decline of 0.3%)

- US sales contributed 22.0% to total sales in Q4FY22
- Growth during the quarter and year was impacted by significant pricing pressure in the US generic market
- During the quarter Q4FY22, the Company filed 6 ANDAs with the US FDA and received 3 final approvals
- As on March 31, 2022, the Company has filed a total of 163 ANDAs (including 2 NDAs) with the US FDA and has received 123 approvals (including 13 tentative approvals and 2 NDAs)
- All the six manufacturing facilities for the US market has an EIR, indicating successful closure of the US FDA inspection

Q4FY22 – US Sales (₹ mn)



FY22 – US Sales (₹ mn)



US Business

Update on US FDA inspections

Manufacturing facility	Capability	Last inspection	Status post last inspection
Taloja (India)	Bioequivalence Centre	April 2022	Successfully closed inspection without any observations
St. Louis (US)	Formulations	June 2021	Inspection is closed. EIR [#] received in March 2022
Baddi (India)	Formulations	February 2020	Inspection is closed. EIR [#] received in March 2020
Daman (India)	Formulations	August 2019	Inspection is closed. EIR [#] received in October 2019
California (US)	APIs	August 2018	Inspection is closed. EIR [#] received in October 2018
Ankleshwar (India)	APIs	December 2016	Inspection is closed. EIR [#] received in March 2017
Mandva (India)	APIs	September 2015	Inspection is closed. EIR [#] received in March 2016

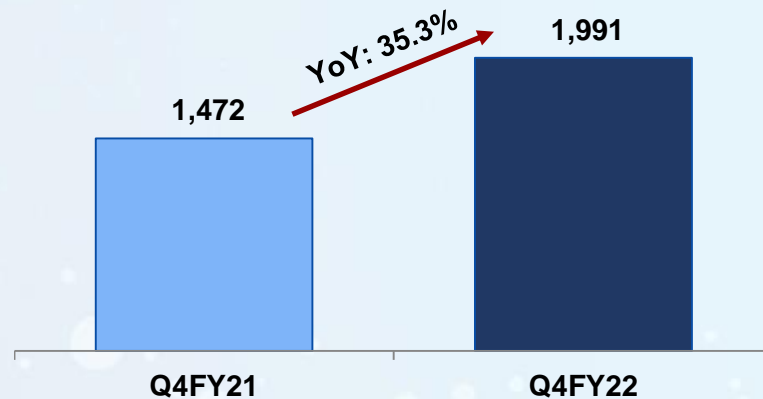
EIR – Establishment Inspection Report

Other International Business

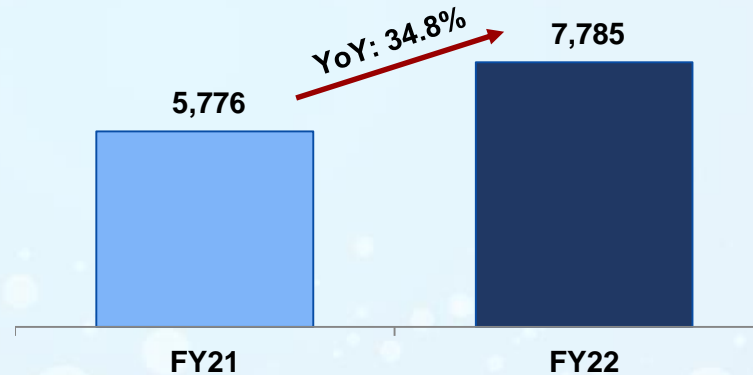
Other International Business: Q4FY22 Sales of ₹ 1,991 million (35.3% YoY growth)

- Other International Market sales contributed 8.1% to total sales in Q4FY22
- The Company has presence in Australia, Europe, South East Asia, Latin America, Africa and CIS
- Key markets like Australia, Chile, Philippines and Kazakhstan registered healthy growth during Q4FY22 and FY22

**Q4FY22 – Other International Sales
(₹ mn)**

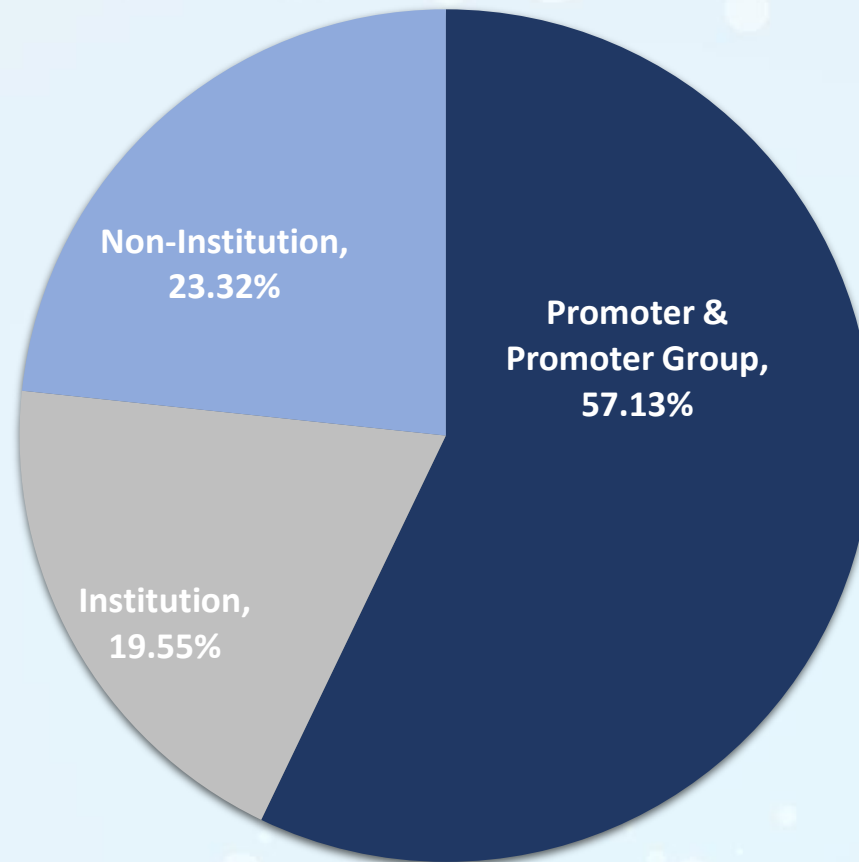


**FY22 – Other International Sales
(₹ mn)**



Latest Shareholding Pattern

Shareholding pattern as on March 31, 2022



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

Thank You

For further information or queries, please contact

Gagan Borana

Investor Relations

Tel: +91 22 3982 9960

E-mail: gagan.borana@alkem.com