

B S R & Co. LLP

Chartered Accountants

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Limited Review Report on unaudited consolidated financial results of Alkem Laboratories Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Alkem Laboratories Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement") which includes interim financial information of one branch, being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Registered Office

Limited Review Report (Continued)

Alkem Laboratories Limited

6. We did not review the interim financial results of 2 subsidiaries included in the Statement, whose interim financial results reflects total revenues (before consolidation adjustments) of Rs 2,675 million and Rs. 7,977 million, total net profit after tax (before consolidation adjustments) of Rs. 103 million and Rs. 547 million and total comprehensive income (before consolidation adjustments) of Rs. 102 million and Rs 536 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

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

Chartered Accountants

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



Balajirao Pothana

Partner

Mumbai

10 February 2023

Membership No.: 122632

UDIN:23122632BGZF1300

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1.	Alkem Laboratories Limited	Parent
2.	S & B Holdings 8 V., Netherlands (S&B Holdings)	Wholly Owned Subsidiary
3.	ThePharmaNetwork, LLC, USA (TPN)	Wholly Owned Subsidiary
4.	Ascend Laboratories LLC, USA	Wholly Owned Subsidiary of TPN
5.	S & B Pharma LLC	Wholly owned Subsidiary of TPN
6.	Pharmacor Pty Limited, Australia	Wholly Owned Subsidiary
7.	Enzene Biosciences Ltd, India	Subsidiary
8.	Ascend Laboratories (PTY) Ltd, South Africa (formerly known as Alkem Laboratories (PTY) Ltd)	Wholly Owned Subsidiary
9.	Cachet Pharmaceuticals Pvt Ltd, India	Subsidiary
10.	Indchemie Health Specialities Pvt Ltd, India	Subsidiary
11.	Alkem Laboratories Corporation, Philippines	Wholly Owned Subsidiary
12.	Ascend GmbH, Germany	Wholly Owned Subsidiary
13.	Ascend Laboratories SDN BHD., Malaysia	Wholly Owned Subsidiary
14.	Ascend Laboratories SpA, Chile (Ascend Chile)	Wholly Owned Subsidiary

Limited Review Report (Continued)

Alkem Laboratories Limited

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, India	Wholly Owned Subsidiary
24.	Ascend Laboratories SAS, Colombia	Wholly Owned Subsidiary
25.	S & B Pharma Inc., USA	Wholly Owned Subsidiary of TPN (upto 05 January 2022)
26.	Pharmacor Limited, New Zealand	Wholly Owned Subsidiary of Pharmacor Pty Limited, Australia
27.	Enzene Inc., USA	Wholly Owned Subsidiary of Enzene Biosciences Ltd, India

16.

ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

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

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

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

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine months ended 31 December 2022

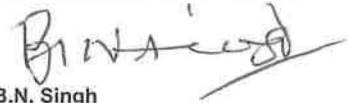
(₹ in Million except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2022 Unaudited	30.09.2022 Unaudited	31.12.2021 Unaudited	31.12.2022 Unaudited	31.12.2021 Unaudited	31.03.2022 Audited
1 Income						
(a) Revenue from Operations	30,409.1	30,793.7	26,189.8	86,966.6	81,503.3	106,341.9
(b) Other Income	453.3	506.7	535.2	1,474.1	1,421.3	1,626.5
Total Income	30,862.4	31,300.4	26,725.0	88,440.7	82,924.6	107,968.4
2 Expenses						
(a) Cost of materials consumed	7,783.7	8,155.2	7,809.1	22,863.0	23,248.9	32,260.6
(b) Purchases of stock-in-trade	4,015.4	3,412.5	3,788.8	10,408.7	11,877.1	14,897.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	690.3	1,501.8	(1,631.1)	3,241.5	(3,636.6)	(5,354.8)
(d) Employee benefits expense	5,253.7	5,708.5	4,709.0	16,283.7	14,972.2	19,627.1
(e) Finance costs	270.5	248.5	105.7	784.0	354.0	523.7
(f) Depreciation and amortisation expense	784.4	774.0	774.6	2,321.0	2,208.2	3,039.6
(g) Other expenses	6,675.5	7,476.6	6,529.5	21,607.7	17,884.8	24,382.7
Total Expenses	25,473.5	27,277.1	22,085.6	77,509.6	66,908.6	89,376.0
3 Profit before exceptional items and tax (1) - (2)	5,388.9	4,023.3	4,639.4	10,931.1	16,016.0	18,592.4
4 Exceptional items (refer note 3)	-	-	-	-	-	(149.6)
5 Profit before tax (3) + (4)	5,388.9	4,023.3	4,639.4	10,931.1	16,016.0	18,442.8
6 Tax expense / (credit)						
(a) Current tax	891.4	869.8	921.8	2,110.4	3,186.3	3,619.8
(b) Deferred tax	(102.1)	(323.7)	(1,615.9)	(570.6)	(2,891.4)	(1,980.2)
Total Tax Expense (a + b)	789.3	546.1	(694.1)	1,539.8	294.9	1,639.6
7 Profit for the period (5) - (6)	4,599.6	3,477.2	5,333.5	9,391.3	15,721.1	16,803.2
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(7.8)	(25.4)	(14.6)	(34.9)	(72.9)	(90.9)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.6	8.9	4.5	11.8	26.5	33.2
(b) (i) Items that will be reclassified to profit or loss	329.4	422.1	52.7	1,275.1	126.9	399.1
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total Other Comprehensive Income (net of tax)	324.2	405.6	42.6	1,252.0	80.5	341.4
9 Total Comprehensive Income for the period (7) + (8)	4,923.8	3,882.8	5,376.1	10,643.3	15,801.6	17,144.6
10 Profit attributable to						
a) Owners of the Company	4,547.1	3,308.4	5,256.6	9,131.9	15,380.4	16,456.2
b) Non-Controlling Interest	52.5	168.8	76.9	259.4	340.7	347.0
11 Other Comprehensive Income attributable to						
a) Owners of the Company	324.8	411.6	41.7	1,257.0	87.5	345.5
b) Non-Controlling Interest	(0.6)	(6.0)	0.9	(5.0)	(7.0)	(4.1)
12 Total Comprehensive Income attributable to						
a) Owners of the Company	4,871.9	3,720.0	5,298.3	10,388.9	15,467.9	16,801.7
b) Non-Controlling Interest	51.9	162.8	77.8	254.4	333.7	342.9
13 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1	239.1
14 Other Equity						86,139.9
15 Earnings Per Share (not annualised for the periods)						
(a) Basic (₹)	38.03	27.67	43.96	76.38	128.64	137.63
(b) Diluted (₹)	38.03	27.67	43.96	76.38	128.64	137.63

Notes to the Consolidated Financial results:

- 1 The above unaudited consolidated financial results of the Company were reviewed and recommended by the Audit Committee on 9 February 2023 and subsequently approved by the Board of Directors at its meeting held on 10 February 2023. The auditors have issued an unmodified report on the financial results for the quarter and nine months ended 31 December 2022.
- 2 The Company has entered into a Securities Subscription Agreement and Shareholders' Agreement dated 23 December 2022 with Enzene Biosciences Limited, a subsidiary of the Company ("Enzene"), Eight Roads Ventures India Healthcare IV, L.P. ("Eight Roads Ventures") and F-Prime Capital Partners Life Sciences Fund VI LP ("F-Prime Capital") towards subscription of Compulsorily Convertible Preference Shares ('CCPS') by Eight Roads Ventures and F-Prime Capital in Enzene for a consideration of Rs.1,614.8 million which is equivalent to 8% of the subsidiary's equity valuation.
- 3 During the previous year, 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 This being the 50th year of incorporation of the Company, the Board of Directors at its meeting held on 10 February 2023 have declared a Special Dividend of ₹ 25 (Rupees Twenty five only) per equity share. In addition to the Special Dividend, the Board have also declared an interim dividend of ₹ 15 (Rupees Fifteen only) per equity share amounting to a total interim dividend of ₹ 40 (Rupees Forty only) per equity share (2000% on the face value of ₹ 2 each) for the financial year ending 31 March 2023.
- 5 The Group operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

By Order of the Board
For Alkem Laboratories Limited



B.N. Singh
Executive Chairman
DIN: 00760310

Place: Mumbai
Date: 10 February 2023

**ALKEM LABORATORIES LTD.**

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- CIN: L00305MH1973PLC174201

10th February, 2023

The Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. <i>Scrip Code: 539523</i>	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051. <i>Scrip Symbol: ALKEM</i>
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Dear Sirs,

Sub: Press Release and Analyst Presentation on Q3FY23 and 9MFY23 Results

With reference to relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the press release and analyst presentation on Q3FY23 and 9MFY23 earnings and business updates and the same will be uploaded on the website of the Company.

Kindly take a note of the same.

Sincerely,

For **Alkem Laboratories Limited**

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NARANG

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MANISH NARANG
Date: 2023.02.10
13:48:16 +05'30'

Manish Narang

President - Legal, Company Secretary & Compliance Officer

Encl.: a/a



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Press Release

Alkem reports Q3FY23 and 9MFY23 results

Mumbai, February 10, 2023: Alkem Laboratories Ltd. (Alkem) today announced its standalone and consolidated financial results for the third quarter and nine months ended December 31, 2022. These results were taken on record by the Board of Directors at its meeting held in Mumbai today.

Key highlights of Q3FY23 financial performance

- Total Revenue from Operations was ₹ 30,409 million, year-on-year growth of 16.1%
 - India sales were ₹ 19,922 million, year-on-year growth of 9.7%
 - International sales were ₹ 9,928 million, year-on-year growth of 28.8%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 5,990 million, resulting in EBITDA margin of 19.7% vs. 19.0% in Q3FY22. EBITDA grew by 20.2% YoY
- R&D expenses for the quarter was ₹ 1,297 million, or 4.3% of total revenue from operations compared to ₹ 1,449 million in Q3FY22 at 5.5% of total revenue from operations
- Profit before tax (PBT) was ₹ 5,389 million, a growth of 16.2% compared to Q3FY22
- Net Profit (after Minority Interest) was ₹ 4,547 million, year-on-year decline of 13.5%

Key highlights of 9MFY23 financial performance

- Total Revenue from Operations was ₹ 86,967 million, year-on-year growth of 6.7%
 - India sales were ₹ 59,898 million, year-on-year growth of 5.3%
 - International sales were ₹ 25,823 million, year-on-year growth of 9.1%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 12,562 million, resulting in EBITDA margin of 14.4% vs. 21.1% in 9MFY23. EBITDA declined by 26.8% YoY
- R&D expenses for 9MFY23 was ₹ 3,922 million, or 4.5% of total revenue from operations compared to ₹ 4,039 million in 9MFY22 at 5.0% of total revenue from operations
- Profit before tax (PBT) was ₹ 10,931 million, a decline of 31.7% compared to 9MFY22
- Net Profit (after Minority Interest) was ₹ 9,132 million, year-on-year decline of 40.6%

Commenting on the results, Sandeep Singh, Managing Director, Alkem said, *“Building on the pace of Q1 and Q2, our domestic branded franchise delivered strong growth in Q3, beating market by more than 600 basis points [16.7% Alkem Vs 10.0% IPM]. After two quarters of subdued performance, our US business posted strong growth in Q3 on the back of good season. In a recent development, our biosimilar franchise, Enzene Biosciences, raised about ₹ 161 Crs and partnered with Eight Roads Ventures and F-Prime Capital. This further instils our confidence and reaffirms our journey towards building a leading global biologics company that leverages innovation to enhance global health. During the quarter, the company generated healthy cash flows in excess of ₹ 5 bn which has helped us further strengthen our balance sheet with strong net cash position of ₹ 19 bn.”*



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Operational Highlights

Domestic Business

In Q3FY23, the Company's India sales grew by 9.7% YoY, recording sales of ₹ 19,922 million as compared to ₹ 18,156 million in Q3FY22. For 9MFY23, the Company's India sales was ₹ 59,898 million compared to ₹ 56,858 million in 9MFY22 – growth of 5.3% YoY.

As per secondary sales data by IQVIA for the quarter ended December 31, 2022, the Company sales grew ahead of Indian Pharmaceutical Market (IPM) with growth of 16.7% YoY compared to IPM growth of 10.0% YoY. Even for 9MFY23, the Company outperformed the IPM with growth of 10.0% YoY compared to IPM growth of 5.6% YoY. This outperformance was driven by all round strong outperformance across acute therapies like anti-infective, gastrointestinal, vitamins/minerals/nutrients and pain management both in Q3FY23 and 9MFY23. In Q3FY23, Company's chronic therapies like anti-diabetes and Neuro/ CNS grew in excess of 30% gaining three ranks in anti- diabetes and two rank in Neuro/ CNS. The Company continues to feature amongst the top five companies in the Indian pharmaceutical market. The Company has 19 brands which feature among top 300 brands in IPM and have annual sales of over ₹ 1bn.

The performance highlights of the key therapeutic segments in Q3FY23 and 9MFY23 are as shown in the table below:

Key Therapy segment	Q3FY23				9MFY23			
	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	14.0%	11.3%	1	Unchanged	3.0%	0.2%
Gastro Intestinal	3	Unchanged	12.8%	8.1%	3	Unchanged	18.2%	11.5%
Pain / Analgesics	3	Unchanged	21.0%	12.0%	3	Unchanged	16.9%	11.4%
VMN**	2	Unchanged	10.2%	7.9%	2	Unchanged	2.6%	1.9%
Neuro / CNS	7	+2	31.1%	10.4%	8	Unchanged	15.2%	11.0%
Anti-Diabetic	15	+3	31.2%	6.1%	16	+3	26.8%	6.0%
Derma	18	-1	20.5%	7.3%	18	Unchanged	11.0%	5.2%
Cardiac	28	-1	7.7%	11.2%	28	-1	-0.8%	7.2%
Total	5	Unchanged	16.7%	10.0%	5	Unchanged	10.0%	5.6%

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

**VMN – Vitamins / Minerals / Nutrients

Source: IQVIA Data



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International Business

In Q3FY23, the Company's International sales grew by 28.8% YoY, recording sales of ₹ 9,928 million as compared to ₹ 7,710 million in Q3FY22. For 9MFY23, the Company's International sales grew by 9.1% to ₹ 25,823 million compared to ₹ 23,665 million in 9MFY22.

- **US sales** for the quarter was ₹ 7,612 million, recording a year-on-year growth of 32.8%. For 9MFY23, US sales was ₹ 19,217 million, compared to ₹ 17,871 million in 9MFY22 - a growth of 7.5% YoY.
- **Other International Markets sales** for the quarter was ₹ 2,316 million, recording a year-on-year growth of 17.1%. For 9MFY23, Other International Markets sales was ₹ 6,606 million compared to ₹ 5,793 million in 9MFY22 - a growth of 14.0% YoY.

R&D Investments

During the quarter, the Company filed 2 abbreviated new drug applications (ANDAs) with the US FDA and received 3 approvals (including 1 tentative approval). For 9MFY23, the Company filed 8 abbreviated new drug applications (ANDAs) with the US FDA and received 11 approvals (including 4 tentative approvals).

As on December 31, 2022, the Company filed a total of 169 ANDAs and 2 new drug applications (NDA) with the USFDA. Of these, it has received approvals for 129 ANDAs (including 14 tentative approvals) and 2 NDAs.

Update on US FDA Inspections

Facility	Capability	Last inspection	Status post last inspection
St. Louis (US)	Formulations	November 2022	EIR [#] received in December 2022, thereby successfully closing the inspection.
Taloja (India)	Bioequivalence Centre	October 2022	Successfully closed without any observations.
Indore (India)	Formulations	July 2022	Received 1 observation. The Company has already submitted a detailed response to the US FDA on the corrective and preventive actions it is taking to address them.
Baddi (India)	Formulations	February 2020	EIR [#] received in March 2020, thereby successfully closing the inspection.
Daman (India)	Formulations	August 2019	EIR [#] received in October 2019, thereby successfully closing the inspection.
California (US)	APIs	August 2018	Successfully closed without any observations. EIR received in October 2018.
Ankleshwar (India)	APIs	December 2016	EIR [#] received in March 2017, thereby successfully closing the inspection.
Mandva (India)	APIs	September 2015	EIR [#] received in March 2016, thereby successfully closing the inspection.

EIR – Establishment Inspection Report



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Q3FY23 and 9MFY23 Conference Call at 5:00pm IST, February 10, 2023

Alkem will organize a conference call for investors and analysts on Friday, February 10, 2023 from 5:00 pm to 6:00 pm IST to discuss its Q3FY23 and 9MFY23 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: 5:00 pm IST (GMT + 5:30) on Friday, November 11, 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

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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

Amit Kumar Khandelia

AVP Finance

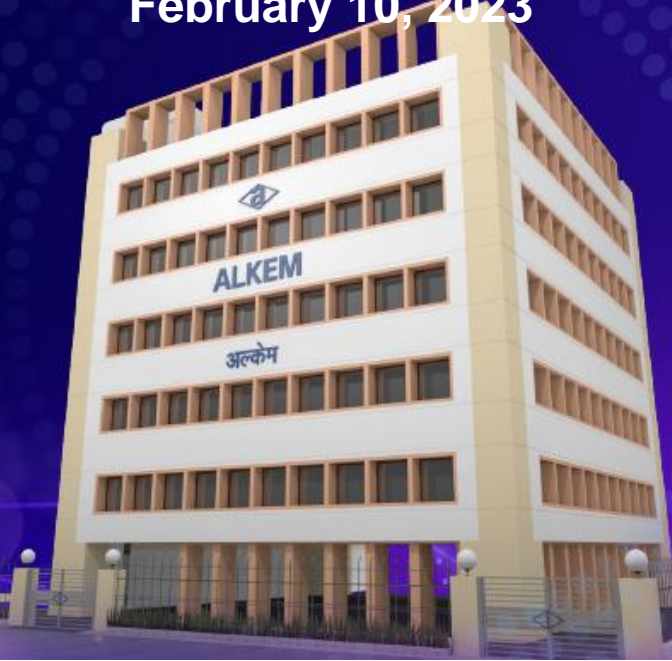
Tel: +91 22 3982 9999 / Mobile: +91 99309 70362

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Alkem Laboratories Ltd.

Investor Presentation Q3FY23
February 10, 2023



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 Q3FY23 and 9MFY23

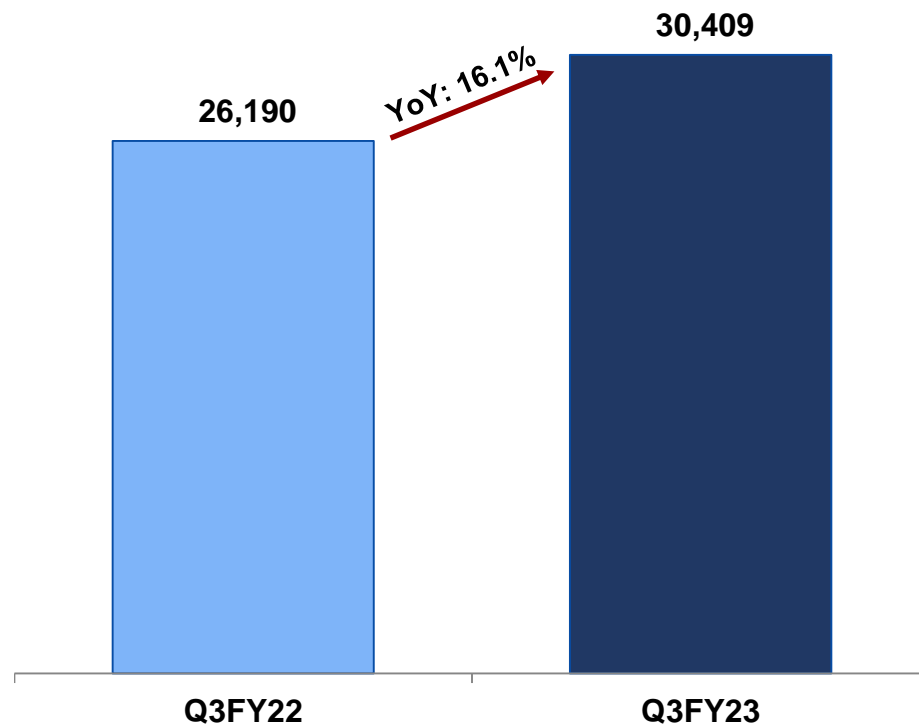
- **Revenue from Operation** grew 16.1% YoY during the quarter, with EBITDA margin of 19.7% and Net Profit margin of 15.0%
- **India Business:** As per IQVIA, Company's sales in Q3FY23 registered growth of 16.7% YoY compared to IPM growth of 10.0% YoY
 - Consistently outperforming market in excess of 500 basis points from last two quarters.
 - Volume and price led growth picking up after muted Q1FY23.
 - Anti-diabetic and Neuro/ CNS leading from the front and growing in excess of 30% during the quarter.
- **US Business** posted strong growth led by good season after two quarters of subdued performance.
- **R&D expenses** in the quarter was ₹1.3 billion at 4.3 % of revenue from operations
 - The Company filed 2 ANDAs with the US FDA and received 3 approvals (including 1 tentative approval) in Q3FY23
- **Enzene Bio-sciences**
 - Raised ₹161 Crs and partnered with Eight Roads Ventures and F-Prime Capital.
 - Launched Adalimumab in domestic market taking the total tally to 4 commercial launches.
 - Received approval for Cetuximab, 5th biosimilar for the Indian market.
- **Healthy Balance Sheet** with net cash of ₹19 billion as on December 31, 2022

Key Financial Highlights – Q3FY23 (Consolidated)

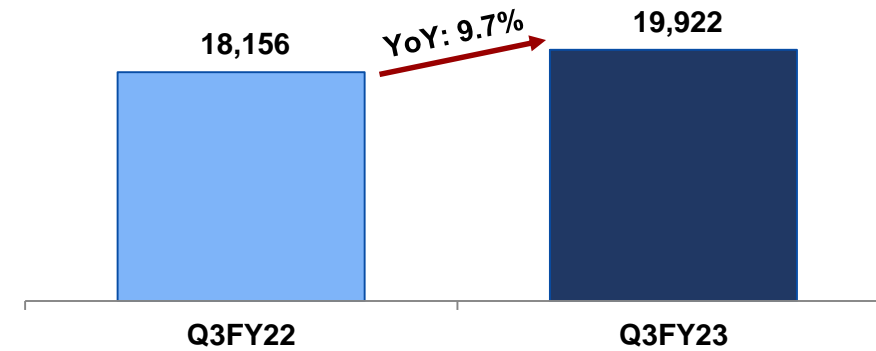


All figures in ₹ mn

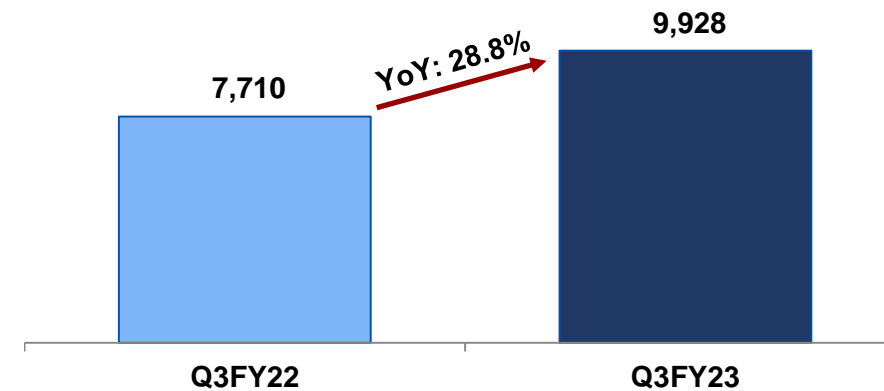
Revenue from Operations



India sales



International sales

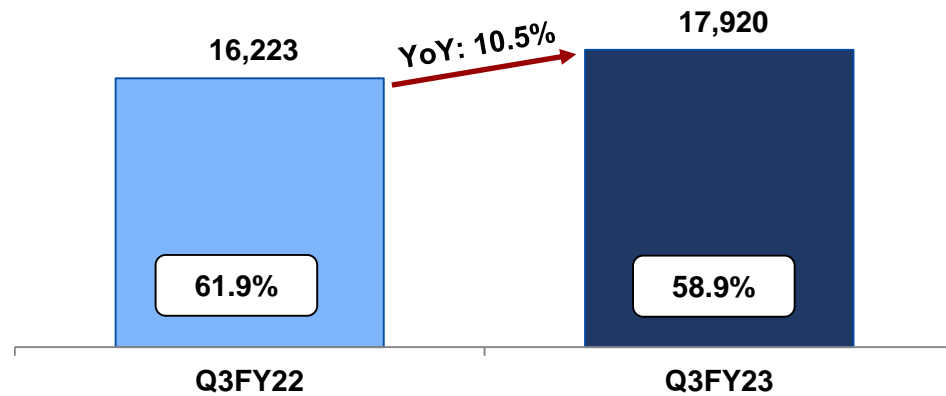


Key Financial Highlights – Q3FY23 (Consolidated)

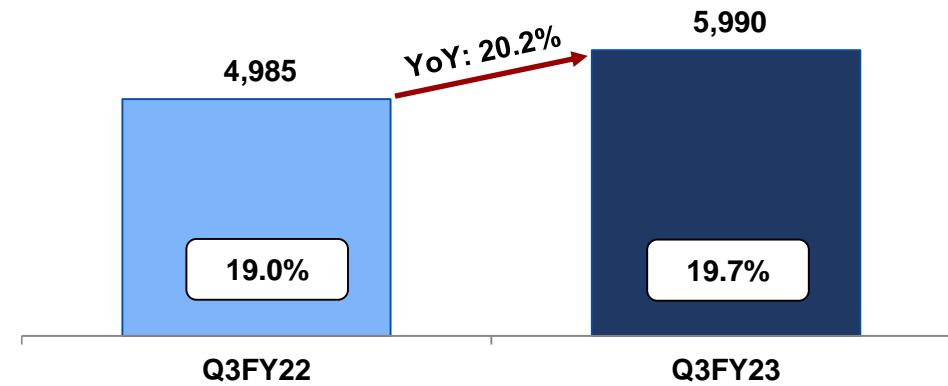


All figures in ₹ mn

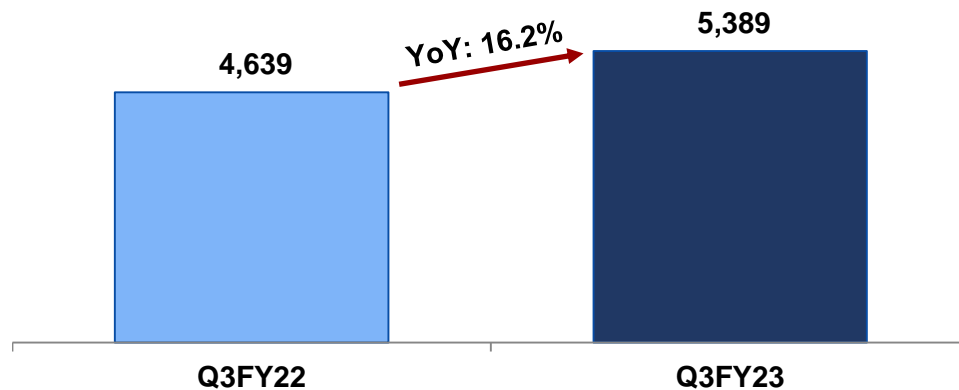
Gross Profit and Gross Margin



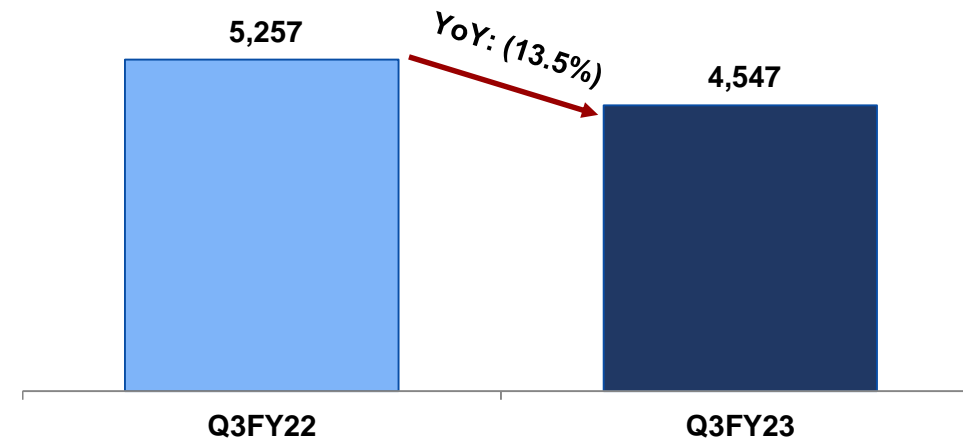
EBITDA and EBITDA Margin



PBT



PAT (after Minority Interest)



Key Financial Highlights – 9MFY23 (Consolidated)



All figures in ₹ mn

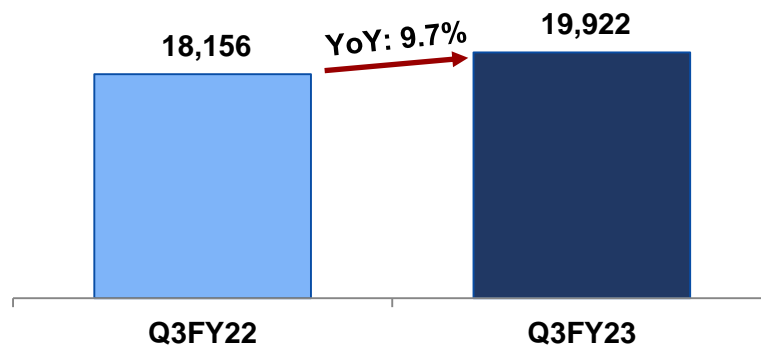
Particulars (₹ mn)	9MFY23	9MFY22	YoY growth
Revenue from Operations	86,967	81,503	6.7%
Gross Profit	50,453	50,014	0.9%
Gross Profit margin	58.0%	61.4%	
EBITDA	12,562	17,157	-26.8%
EBITDA margin	14.4%	21.1%	
PBT	10,931	16,016	-31.7%
PBT margin	12.6%	19.7%	
PAT (After Minority Interest)	9,132	15,380	-40.6%
PAT margin	10.5%	18.9%	
EPS (₹ / share)	76.38	128.64	-40.6%

India Business

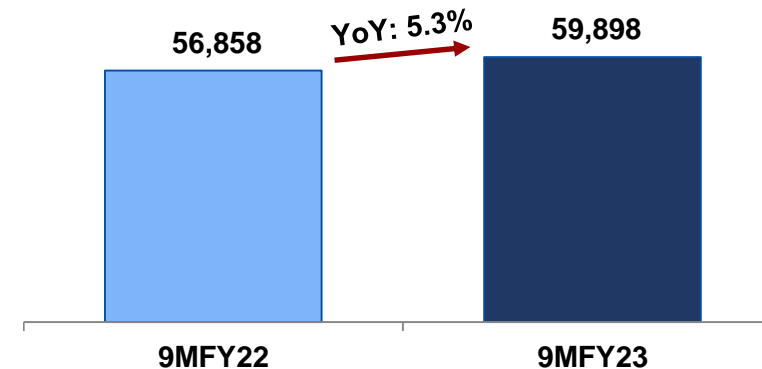
India Business: Q3FY23 Sales of ₹ 19,922 million (9.7% YoY growth)

- India sales contributed 66.7% to total sales in Q3FY23
- As per IQVIA, In Q3FY23, the Company's secondary sales grew by 16.7% compared to IPM growth of 10.0% YoY.
- Outperformance in acute therapies was mainly led by anti-infectives, vitamins / minerals / nutrients, gastrointestinal and pain management segment.
- Outperformance in the chronic therapies was driven by anti-diabetes, Neuro / CNS and derma during the quarter.
- Trade Generic continues to play an important role in growth of the company.

Q3FY23 – India Sales (₹ mn)



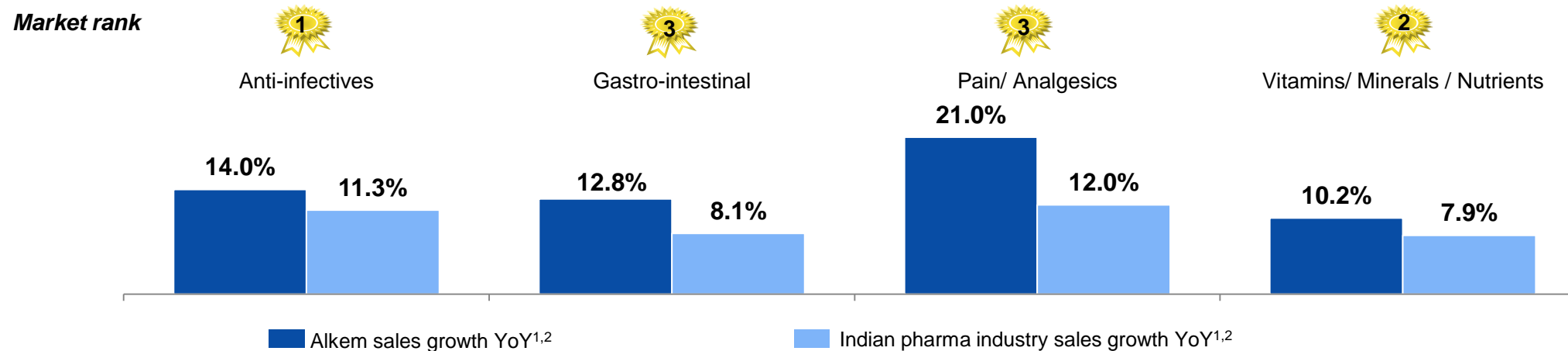
9MFY23 – India Sales (₹ mn)



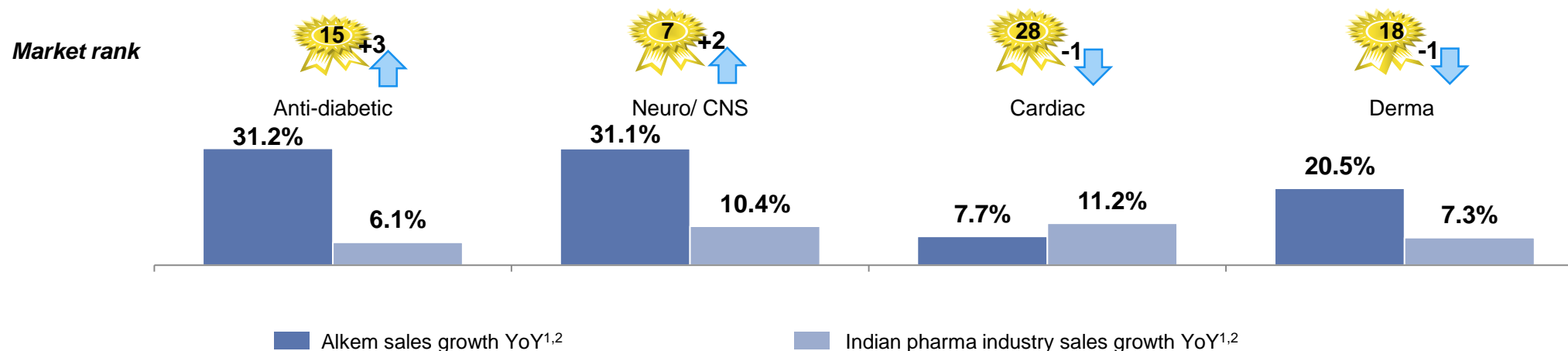
Secondary Sales Performance

Market beating performance across major therapeutic segments in Q3FY23

Acute Therapies



Chronic Therapies



Source: IQVIA data ¹ Domestic formulations sales; ² For 3 months ended December 31, 2022

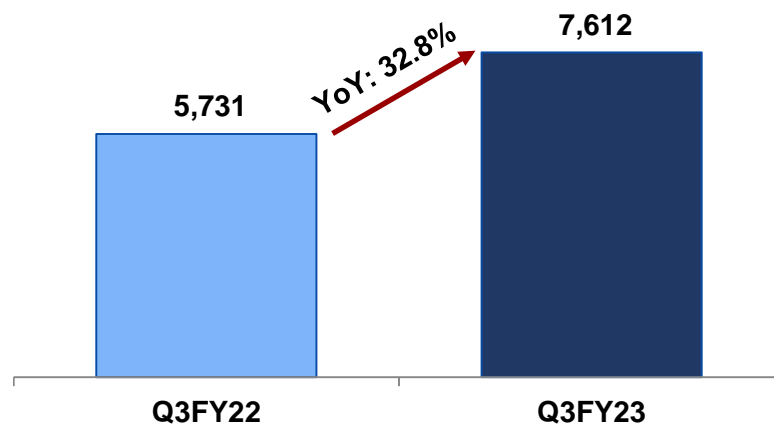
US Business



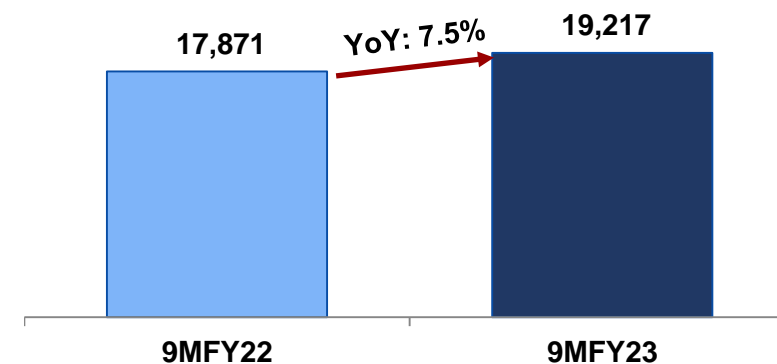
US Business: Q3FY23 Sales of ₹ 7,612 million (32.8% YoY growth)

- US sales contributed 25.5% to total sales in Q3FY23
- During the quarter, the US business registered sequential growth of 26.0% over Q2FY23
- In Q3FY23, the Company filed 2 ANDAs with the US FDA and received 3 approvals (including 1 tentative approval)
- As on December 31, 2022, the Company filed a total of 169 ANDAs and 2 new drug applications (NDA) with the US FDA and has received approvals for 129 ANDAs (including 14 tentative approvals) and 2 NDAs.

Q3FY23 – US Sales (₹ mn)



9MFY23 – US Sales (₹ mn)



US Business



Update on US FDA inspections

Facility	Capability	Last inspection	Status post last inspection
St. Louis (US)	Formulations	November 2022	Inspection is closed. EIR# received in December 2022
Taloja (India)	Bioequivalence Centre	October 2022	Successfully closed inspection without any observations.
Indore	Formulations	July 2022	Received 1 observation. The Company has already submitted a detailed response to the US FDA on the corrective and preventive actions it is taking to address them.
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

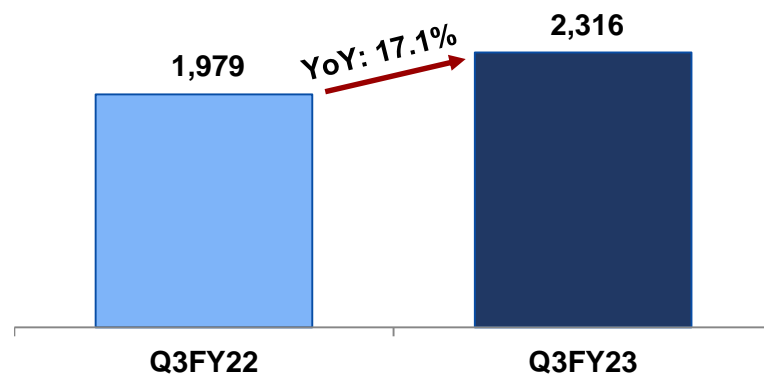
EIR – Establishment Inspection Report

Other International Business

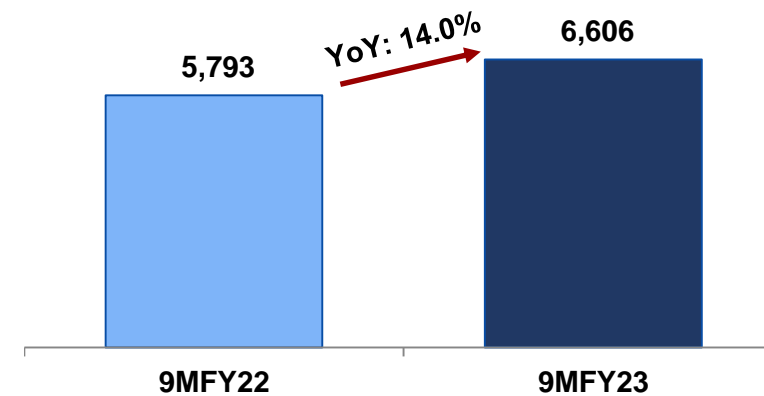
Other International Business: Q3FY23 Sales of ₹ 2,316 million (17.1% YoY growth)

- Other International Market sales contributed 7.8 % to total sales in Q3FY23
- The Company has presence in Latin America, Australia, Europe, South East Asia, Africa and CIS.
- Growth in other International markets is led by Chile and Kazakhstan in Q3FY23.

Q3FY23 – Other International Sales
(₹ mn)



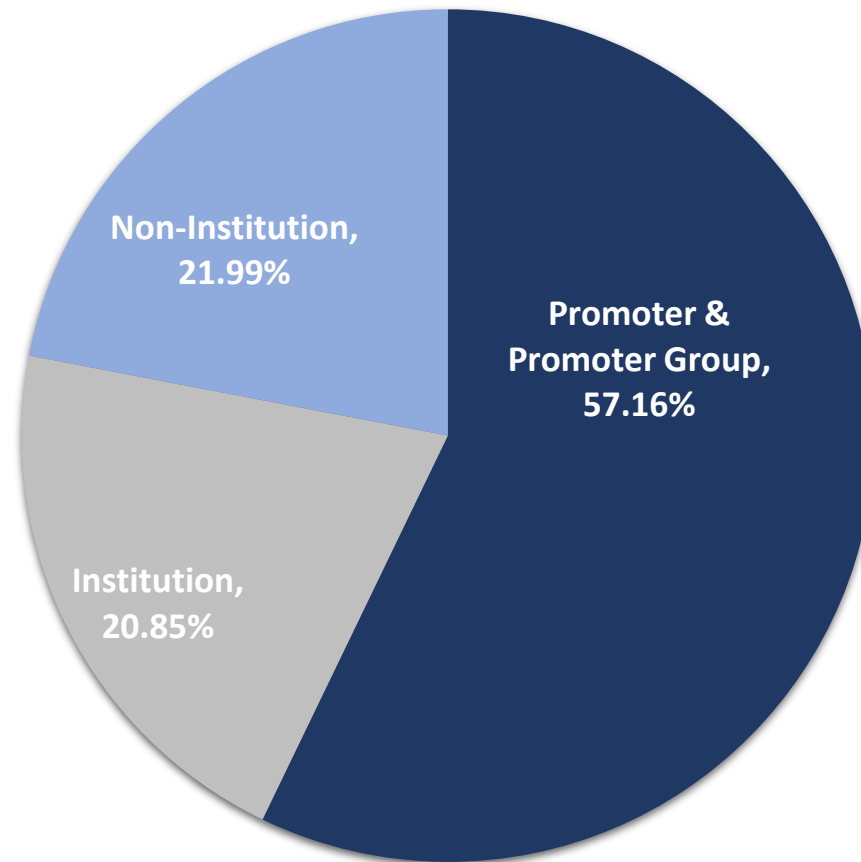
9MFY23 – Other International Sales
(₹ mn)



Latest Shareholding Pattern



Shareholding pattern as on December 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

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AVP Finance

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E-mail: amit.khandelia@alkem.com

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

Limited Review Report on unaudited standalone financial results of Alkem Laboratories Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Alkem Laboratories Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement"), which includes financial information of one branch.
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

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



Balajirao Pothana

Partner

Mumbai

10 February 2023

Membership No.: 122632

UDIN: 23122632BGZFBO8483

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, 2015

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

Page 1 of 1

ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

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

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

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

Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended 31 December 2022

(₹ in Million except per share data)

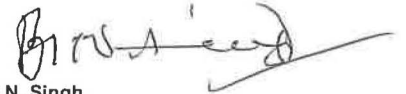
Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2022 Unaudited	30.09.2022 Unaudited	31.12.2021 Unaudited	31.12.2022 Unaudited	31.12.2021 Unaudited	31.03.2022 Audited
1 Income						
(a) Revenue from Operations	22,967.2	24,614.9	21,808.4	68,165.6	68,235.0	88,298.1
(b) Other Income	607.4	736.4	632.4	1,896.9	1,456.6	1,998.9
Total Income	23,574.6	25,351.3	22,440.8	70,062.5	69,691.6	90,297.0
2 Expenses						
(a) Cost of materials consumed	6,887.8	6,748.1	7,331.9	19,709.0	20,837.5	28,497.5
(b) Purchases of stock-in-trade	2,688.9	2,553.5	2,694.6	7,081.5	8,311.5	10,770.4
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(383.4)	1,243.8	(1,748.2)	2,128.1	(2,460.3)	(3,609.0)
(d) Employee benefits expense	3,698.2	4,129.7	3,400.8	11,698.2	11,038.1	14,344.9
(e) Finance costs	226.2	200.2	72.6	646.6	248.2	379.0
(f) Depreciation and amortisation expense	581.4	577.4	584.3	1,726.9	1,639.7	2,189.8
(g) Other expenses	5,516.0	5,883.0	5,406.7	17,099.2	14,401.5	20,190.7
Total Expenses	19,215.1	21,335.7	17,742.7	60,089.5	54,016.2	72,763.3
3 Profit before exceptional items and tax (1) - (2)	4,359.5	4,015.6	4,698.1	9,973.0	15,675.4	17,533.7
4 Exceptional items	-	-	-	-	-	-
5 Profit before tax (3) + (4)	4,359.5	4,015.6	4,698.1	9,973.0	15,675.4	17,533.7
6 Tax expense / (credit)						
(a) Current tax	764.0	699.8	808.3	1,738.9	2,714.1	3,038.2
(b) Deferred tax	(293.4)	(191.1)	(481.1)	(562.7)	(1,682.4)	(917.0)
Total Tax Expense (a + b)	470.6	508.7	327.2	1,176.2	1,031.7	2,121.2
7 Profit for the period after tax (5 - 6)	3,888.9	3,506.9	4,370.9	8,796.8	14,643.7	15,412.5
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(6.3)	(6.3)	(16.0)	(18.9)	(47.9)	(74.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.2	2.2	5.5	6.6	16.7	26.1
(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)	(4.1)	(4.1)	(10.5)	(12.3)	(31.2)	(48.6)
9 Total Comprehensive Income for the period (7) + (8)	3,884.8	3,502.8	4,360.4	8,784.5	14,612.5	15,363.9
10 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1	239.1
11 Other Equity						87,197.5
12 Earnings Per Share (not annualised for the periods)						
(a) Basic (₹)	32.53	29.33	36.56	73.57	122.47	128.90
(b) Diluted (₹)	32.53	29.33	36.56	73.57	122.47	128.90

WS

Notes to the Standalone Financial results:

- 1 The above unaudited standalone financial results of the Company were reviewed and recommended by the Audit Committee on 9 February 2023 and subsequently approved by the Board of Directors at its meeting held on 10 February 2023. The auditors have issued an unmodified report on the financial results for the quarter and nine months ended 31 December 2022.
- 2 The Company has entered into a Securities Subscription Agreement and Shareholders' Agreement dated 23 December 2022 with Enzene Biosciences Limited, a subsidiary of the Company ("Enzene"), Eight Roads Ventures India Healthcare IV, L.P. ("Eight Roads Ventures") and F-Prime Capital Partners Life Sciences Fund VI LP ("F-Prime Capital") towards subscription of Compulsorily Convertible Preference Shares ('CCPS') by Eight Roads Ventures and F-Prime Capital in Enzene for a consideration of Rs.1,614.8 million which is equivalent to 8% of the subsidiary's equity valuation.
- 3 This being the 50th year of incorporation of the Company, the Board of Directors at its meeting held on 10 February 2023 have declared a Special Dividend of ₹ 25 (Rupees Twenty five only) per equity share. In addition to the Special Dividend, the Board have also declared an interim dividend of ₹ 15 (Rupees Fifteen only) per equity share amounting to a total interim dividend of ₹ 40 (Rupees Forty only) per equity share (2000% on the face value of ₹ 2 each) for the financial year ending 31 March 2023.
- 4 The Company operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

By Order of the Board
For Alkem Laboratories Limited



B.N. Singh
Executive Chairman
DIN: 00760310

Place: Mumbai
Date: 10 February 2023