

**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 Q1FY24 results**

Mumbai, August 10, 2023: Alkem Laboratories Ltd. (Alkem) today announced its standalone and consolidated financial results for the first quarter ended June 30, 2023. These results were taken on record by the Board of Directors at its meeting held in Mumbai today.

Key highlights of Q1FY24 financial performance

- Total Revenue from Operations was ₹ 29,677 million, year-on-year growth of 15.2%
 - India sales were ₹ 19,007 million, year-on-year growth of 6.7%
 - International sales were ₹ 10,146 million, year-on-year growth of 33.4%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 3,892 million, resulting in EBITDA margin of 13.1% vs. 7.9% in Q1FY23. EBITDA increased by 91.5% YoY
- R&D expenses for the quarter was ₹ 1,202 million, or 4.1% of total revenue from operations compared to ₹ 1,320 million in Q1FY23 at 5.1% of total revenue from operations
- Profit before tax (PBT) was ₹ 3,529 million, a growth of 132.3% compared to Q1FY23
- Net Profit (after Minority Interest) was ₹ 2,867 million, year-on-year growth of 124.6%

Commenting on the results, Sandeep Singh, Managing Director, Alkem said "We are starting the year on a healthy note, showcasing better operational performance driven by improved margins resulting from softening of select raw material prices, favourable currency impact, easing of freight cost and implementation of some of our cost optimization efforts. Our acute business growth was impacted by delayed onset of monsoon in certain parts of the country, yet we maintain an optimistic outlook for improved growth in Q2. International business achieved robust sales during the quarter, driven by substantial growth in our US operations and complemented by strong performance in non-US markets. Our biosimilar franchise, Enzene is steadily expanding its product portfolio in India, with two successful launches this quarter, bringing the total count of products to six—an impressive achievement for the company. Our cost optimization initiatives have started yielding tangible results and we remain committed on further unlocking operational efficiencies going forward."

**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 Q1FY24, the Company's India sales increased by 6.7% YoY, recording sales of ₹ 19,007 million as compared to ₹ 17,815 million in Q1FY23.

As per secondary sales data by IQVIA for the quarter ended June 30, 2023, the Company delivered a YoY growth of 7.6% compared to Indian Pharmaceutical Market (IPM) growth of 8.5% YoY. Delayed onset of the monsoon has led to slower than industry average growth for the company and more so in acute therapy. However, the company continues to maintain traction in chronic therapies delivering a YoY growth of 15.8% compared to Indian Pharmaceutical Market (IPM) growth of 9.9% YoY. Chronic therapies like Anti-Diabetic, Neuro / CNS and Derma continues to grow much faster than the market thereby gaining market share. The Company continues to feature amongst the top five companies in the Indian pharmaceutical market and has maintained its leadership position in the anti-infective segment. The company has 19 brands which features among top 300 brands and annual sales of over ₹ 1 bn.

The performance highlights of the key therapeutic segments in Q1FY24 are as shown below:

Key Therapy Segment	Q1FY24			
	Alkem Rank	YoY change in Rank*	YoY growth (Alkem)	YoY growth (IPM)
Anti-infectives	1	Unchanged	6.4%	10.5%
Gastro Intestinal	3	Unchanged	4.0%	4.9%
Pain / Analgesics	3	Unchanged	10.1%	9.8%
VMN**	2	Unchanged	4.0%	5.6%
Neuro / CNS	8	+1	12.2%	8.7%
Derma	19	Unchanged	21.4%	8.0%
Cardiac	27	Unchanged	7.5%	9.7%
Respiratory	16	+1	10.9%	11.0%
Anti-Diabetic	15	+1	30.0%	6.5%
Total	5	Unchanged	7.6%	8.5%

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

**VMN – Vitamins / Minerals / Nutrients

Source: IQVIA Data

International Business

In Q1FY24, the Company's International sales increased by 33.4% YoY, recording sales of ₹ 10,146 million as compared to ₹ 7,604 million in Q1FY23.

- **US sales** for the quarter was ₹ 6,955 million, recording a year-on-year growth of 25.0%.
- **Other International Markets sales** for the quarter was ₹ 3,191 million, recording a year-on-year growth of 56.5%.

**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

R&D Investments

During the quarter, the Company filed 1 abbreviated new drug applications (ANDAs) with the US FDA and received 7 approvals (including 1 tentative approval).

As on June 30, 2023, the Company filed a total of 173 ANDAs and 2 new drug applications (NDA) with the USFDA. Of these, it has received approvals for 135 ANDAs (including 14 tentative approvals) and 2 NDAs.

Update on US FDA Inspections

Facility	Capability	Last inspection	Status post last inspection
Ankleshwar (India)	API	April 2023	Inspection is closed. EIR [#] received in July 2023
St. Louis (US)	Formulations	November 2022	Inspection is closed. EIR [#] received in December 2022
Taloja (India)	Bioequivalence Centre	October 2022	Successfully closed without any observations
Indore (India)	Formulations	July 2022	Inspection is closed. EIR [#] received in February 2023
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)	API	August 2018	Inspection is closed. EIR [#] received in October 2018
Mandva (India)	API	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

Q1FY24 Conference Call at 4:00pm IST, August 10, 2023

Alkem will organize a conference call for investors and analysts on Thursday, August 10, 2023 from 4:00pm to 5:00pm IST to discuss its Q1FY24 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 Thursday, August 10, 2023

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=9420919&linkSecurityString=33384ca691>

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 2021). 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

VP Finance

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

E-mail: amit.khandelia@alkem.com