

Laurus Labs Limited
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October 29, 2020

To The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street Mumbai – 400001 Code: 540222	To The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 Code: LAURUSLABS
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Dear Sirs,

Sub: **Press Release**

Please find enclosed the Press Release on the financial results for the quarter and half year ended September 30, 2020.

Please take the information on record.

Thanking you,

Yours sincerely,
For **Laurus Labs Limited**

V.V. Ravi Kumar
Executive Director &
Chief Financial Officer



Encl: As above

Revenue growth of 60% and PAT growth of 325% in Q2 FY21

Q2 FY21 Revenues up 60%

Q2 FY21 EBITDA at ₹ 378 crs up 172%, Margins at 33%

Q2 FY21 PAT at ₹ 242 crs, margins at 21%

Hyderabad, October 29, 2020: Laurus Labs Ltd. (Laurus BSE: 540222, NSE: LAURUSLABS, ISIN: INE947Q01010), a leading research and development-driven pharmaceutical Company in India, announces its Q2 & H1 FY21 results.

Consolidated Q2 FY21 Laurus reported:

- Revenue at ₹ 1,139 crs, up 60 % (Y-o-Y)
- EBITDA ₹ 378, up 172% (Y-o-Y)
- EBITDA margins at 33%
- PAT at ₹ 242 crs, up 325% (Y-o-Y)
- PAT margins at 21%
- EPS (Diluted) (face value of ₹ 2/-) for the period at ₹ 4.5 per share (not annualised), up by 309% (Y-o-Y)
- Declared Interim dividend of ₹ 0.80 /- per share (face value of ₹ 2/-)

Consolidated H1 FY21 Laurus reported:

- Revenue at ₹ 2,113 crs, up 67 % (Y-o-Y)
- EBITDA ₹ 663 crs, up 193% (Y-o-Y)
- EBITDA margins at 31%
- PAT at ₹ 414 crs, up 475% (Y-o-Y)
- PAT margins at 20%
- EPS (Diluted) (face value of ₹ 2/-) for the period at ₹ 7.7 per share (not annualised), up by 492% (Y-o-Y)

Commenting on the results announcement, Dr. Satyanarayana Chava – Founder & CEO said;

"Our Consolidated revenue for the quarter increased by 60% driven by growth in all the divisions. Our EBITDA margins continue to improve with better operating leverage, and our profitability has also improved substantially to Rs. 242 crs for the quarter.

Our Formulations business showcased a growth of over 180% for the quarter, mainly led by higher LMIC business and new launches in various markets, the division now contributed ~40% to overall revenues. The generic API division also recorded a healthy growth of 22% for the quarter, led by higher growth in ARV API business owing to higher volumes. Custom Synthesis continues to maintain its growth trajectory with a healthy pipeline and with good visibility.

With a clear roadmap, adequate, and responsible capital allocation for sustainable long-term vision, I am very optimistic about growth for the coming years."

Commenting on the results announcement, V V Ravi Kumar, ED & Chief Financial Officer said;

"Total Revenue from Operations came in at ₹ 1,139 crs, showcasing strong growth of 60% for the quarter. We also saw a further improvement in Gross Margins, led by better product mix. Our EBITDA margins showed improvement at 33% on the back of higher Gross Margins and improved Operating Leverage. Our PAT stood at ₹242 crs for the quarter, showcasing a robust growth of 325%.

With better operational performance, our ROCE on an annualised basis has improved to 37.5%. With improved demand visibility and strong profitability and debt situation, we continue to undertake larger green-field and brown-field CAPEX for all the divisions and initiate new manufacturing units on greenfield basis. We are confident that the new capex will have a shorter payback period."

Business Highlights:**Overall**

- Total Income at ₹ 1,139 crs in Q2 FY21 Up 60 % (Y-o-Y)
- R & D spent of ₹ 85 Cr and 4 % of sales in H1 FY21.
- Laurus Synthesis Inc. USA (100% wholly-owned subsidiary of the Company) is merged with Laurus Generics Inc. USA (Step-down subsidiary of the Company) with effect from September 30, 2020.

Generic FDF

- Revenue growth of 183% for the quarter (Y-o-Y) and 202% for H1 (Y-o-Y).
- Generic FDF business maintains robust growth momentum for the quarter.

- The growth in the quarter was led by higher sales from tender business in LMIC; having a strong order book for coming quarters
- Launched TLE400 in LMIC markets
- Launched TLE400 & TLE600 in US market
- Commenced marketing of products of other manufactures by leveraging our front end
- Contract manufacturing revenues from the EU region has a strong order book for FY21 and beyond
- 2 product validations completed for formulation apart from filling of 26 ANDAs & NDAs
- 8 products received Final Approvals, and 8 products have received Tentative Approvals

Synthesis & Ingredients

- Revenue showcased the growth of 36% for the quarter (Y-o-Y) and 37% for H1 (Y-o-Y)
- Total Number of Active Projects in the CDMO division stood at 49 as of H1 FY21
- State-of-the-art cGMP facilities to manufacture NCEs and Intermediates
- Working with Large Global Innovator Pharmaceutical Companies, mid and small Biotech Companies

Generic API

- Revenue from Generic API segment showcased the growth of 22% for the quarter (Y-o-Y) and 30% for H1 (Y-o-Y)
- The Anti-Viral segment showed growth of 20% for the quarter and 19% for H1 (Y-o-Y) and is expected to have good growth for the full year
- In the Other API segment - Contract manufacturing of Generic APIs showing robust growth 18% in the quarter (Y-o-Y) and 80% for H1 (Y-o-Y)
- Filed 264 patent applications and 130 patent granted as on Sept 30, 2020

-ENDS-

About Laurus Labs Limited

Laurus Labs is a leading research-driven Pharmaceutical Manufacturing Company in India. We have grown to become one of the leading manufacturers of API for Anti-Retroviral (ARV), Oncology, Cardiovascular, Anti-Diabetics, Anti-Asthma, and Gastroenterology. We are thriving on growth opportunities in formulation manufacturing to service all leading markets of North America, Europe, and Low Middle-Income Countries (LMIC). We are driving growth opportunities in Contract Development and Manufacturing through our Synthesis business. Most of our manufacturing facilities approved by major regulatory authorities, USFDA, WHO-Geneva, UK-MHRA, etc. Our approach remains to identify and invest ahead of time with strategic investments in State-of-the-Art R&D and Manufacturing Infrastructure enabling us to become a quality supplier of high volume products.

Corporate Identification No: L24239AP2005PLC047518

For more information about us, please visit <http://www.lauruslabs.com> or Contact particulars:

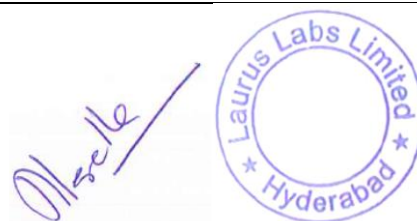
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