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November 24, 2023

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

**Subject: Investor Presentation**

Please find enclosed investor presentation for information and taking on record.

Thanking You,

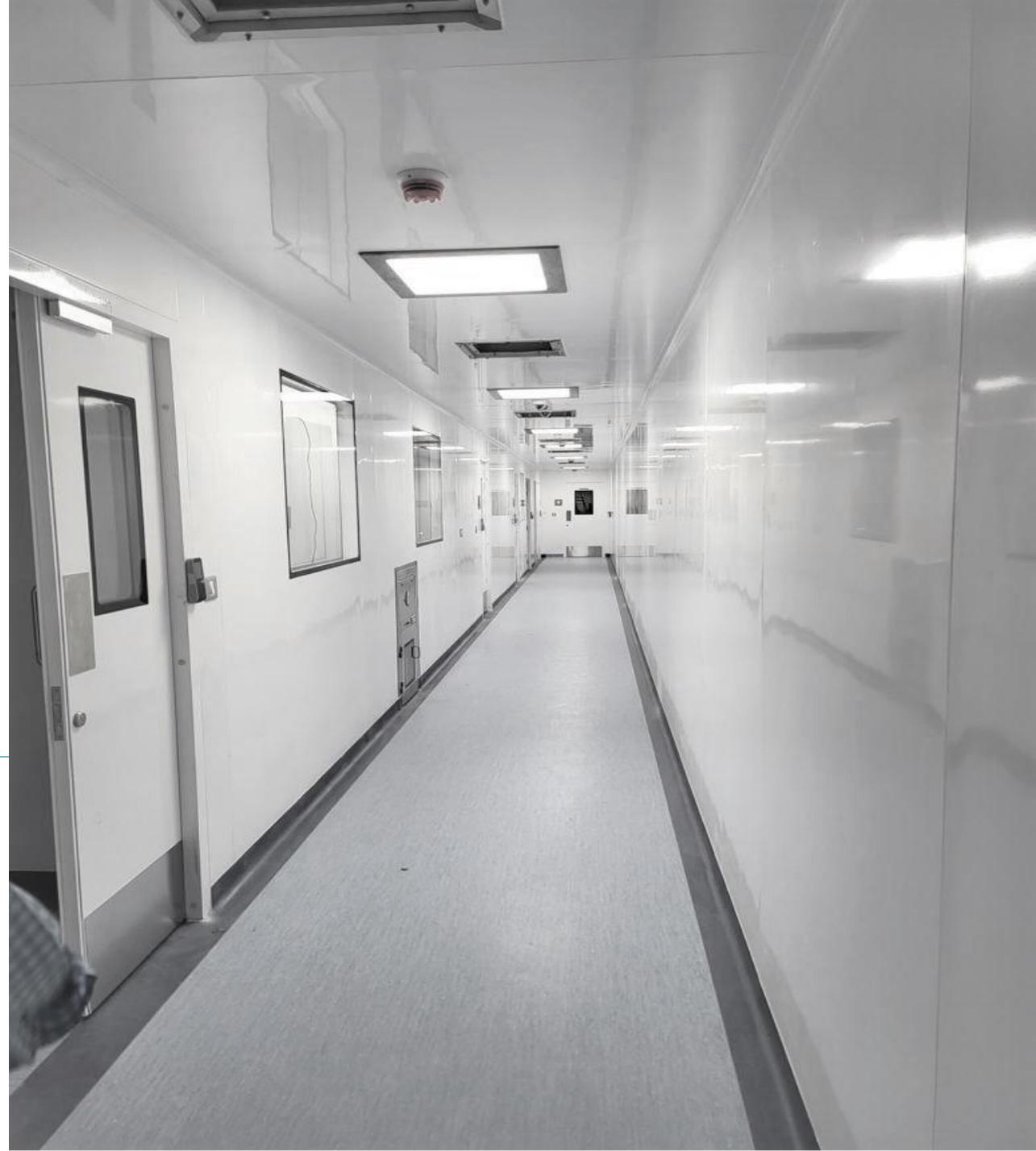
Yours sincerely,  
**For Laurus Labs Limited**

**G. Venkateswar Reddy**  
**Company Secretary &**  
**Compliance Officer**



# Investor Presentation

November 2023



# Safe Harbor Statement

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

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

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

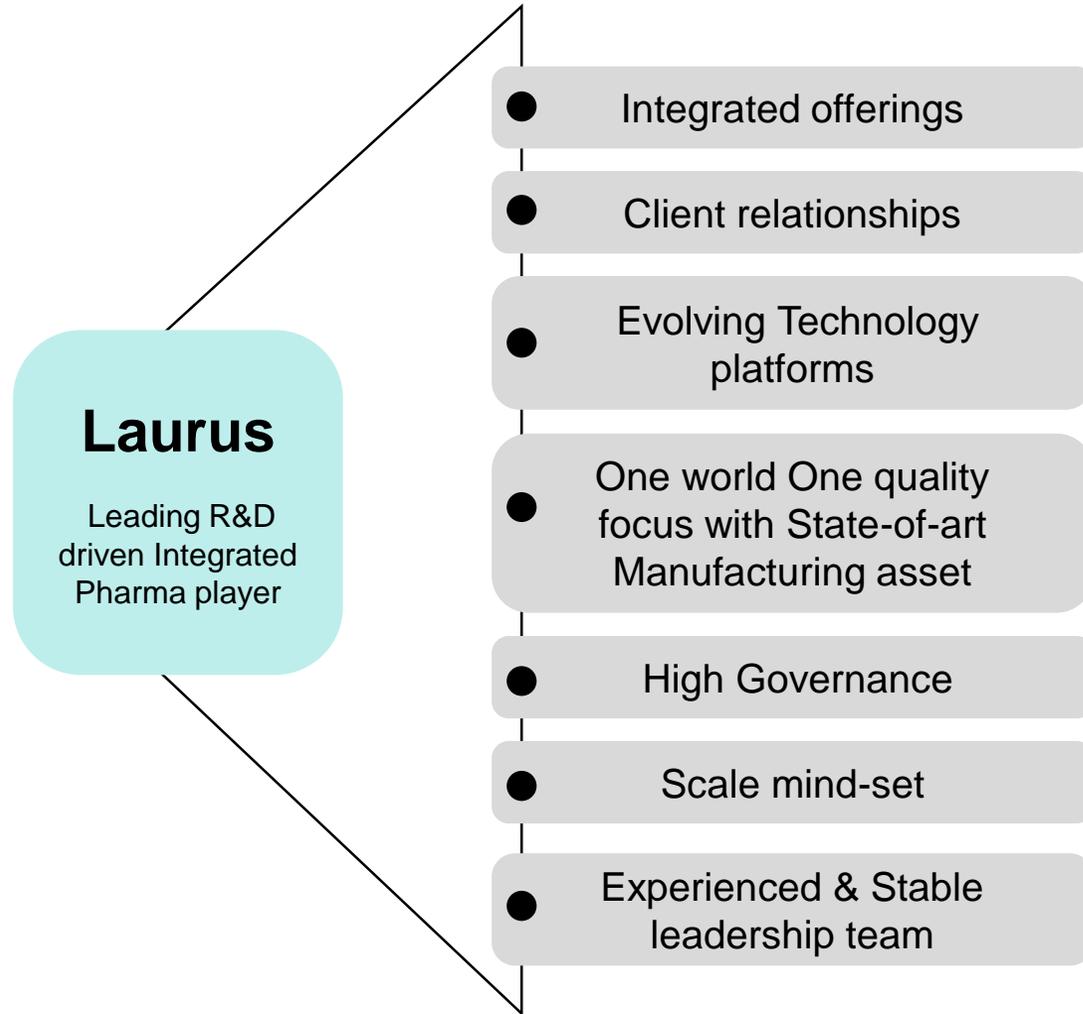
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# Delivering on our Vision to Offer *Integrated solution* to *Global pharma*



## Laurus Vision

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

## Laurus Values

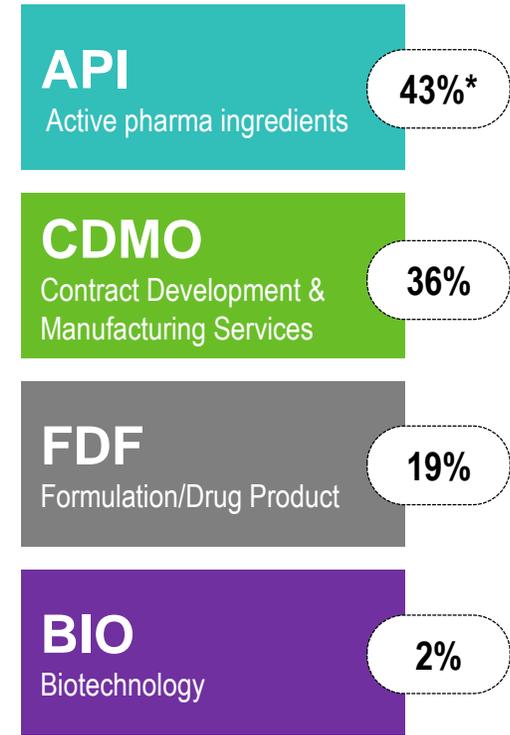
- 1 KNOWLEDGE
- 2 INNOVATION
- 3 EXCELLENCE
- 4 INTEGRITY
- 5 CARE



# Transforming Laurus with Focus & Agility

Laurus Evolution	● One Product		● API Company		● Formulation		● Integrated Pharma	
	2006-2011		2011-2016		2016-2021		Today	
Key Capabilities	<ul style="list-style-type: none"> <li>ARV<sup>4</sup> API supplier with Global leadership in Efavirenz</li> </ul>		<ul style="list-style-type: none"> <li>Small molecule APIs (Diabetic/CV, CNS Ophthal, Onco)</li> <li>HP API and CDMO</li> </ul>		<ul style="list-style-type: none"> <li>Formulation/DP</li> <li>Microbial Fermentation</li> <li>Cell-culture media</li> </ul>		<ul style="list-style-type: none"> <li>Cell &amp; Gene therapy<sup>6</sup></li> <li>Bio-Catalysis</li> <li>Oral Dispersible Film</li> </ul>	
# Employees	883		2,266		4,808		6,500+	
# Scientist	400+		500+		750+		1050+	
Manufacturing	# Sites <sup>1</sup>	1 (FDA approved)	2 (FDA approved)	9 (6 FDA approved)	12 (7 FDA approved)			
	Total volume (KL)	220	1,870	4,638	~7,500			
	OSD (Bn)	-	2	5	10			
	Fermentation (KL)	-	-	10	190			
API portfolio	12		28		61		82	
FDF portfolio <sup>^</sup>	-		-		50		77	
CDMO	Pipeline Projects	-	<20	50	60+			
	Commercial	-	-	4	10			
# Audits	Regulatory <sup>2</sup>	5 (0 CF <sup>3</sup> )	11 (0 CF)	20 (0 CF)	8 (0 CF)			
	Clients	80	171	389	298			

₹ 6,041 Cr Revenues  
26.4% EBITDA  
As on FY 2023

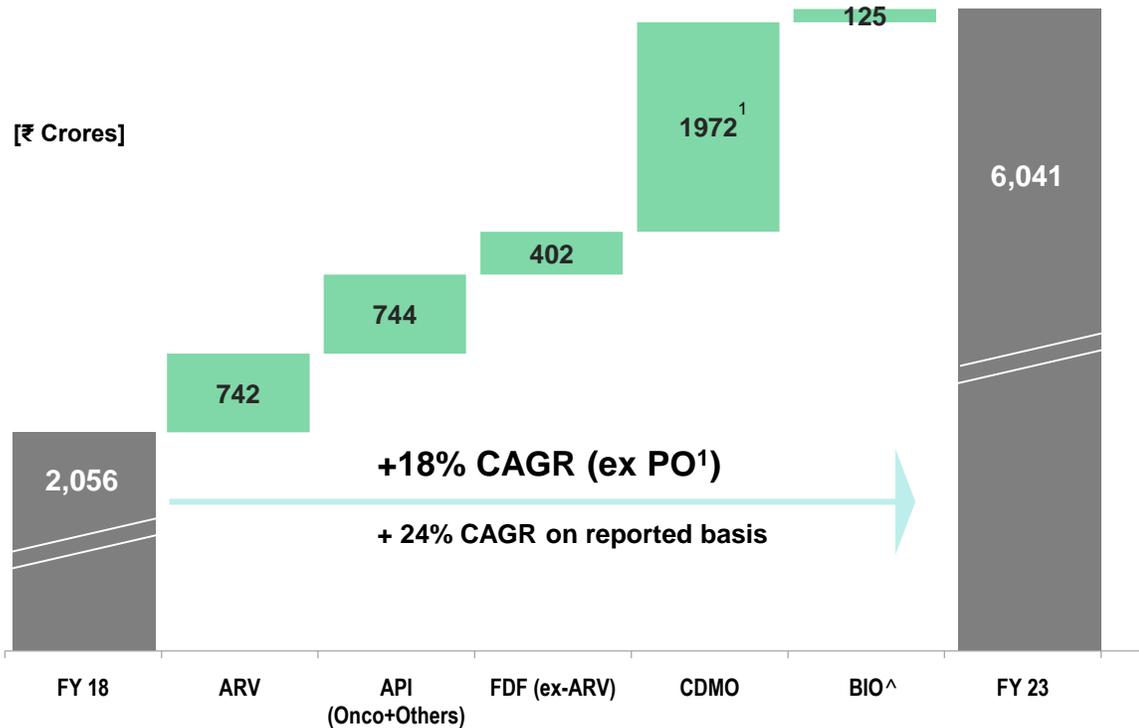


Creating value proposition for stakeholders with Focus on business diversification and operational excellence

\* As % of FY 2023 Revenues including Includes material Purchase Order (PO) supplies to Big Pharma under CDMO division, ^ Developed market (US/EU/Canada)  
<sup>1</sup> Including R&D centers, <sup>2</sup> Only considered Inspection from Key 6 Global Regulators (USFDA/WHO/PMDA/TGA/EMA/MHRA), <sup>3</sup> Critical findings, <sup>4</sup> Anti Retrovirals, <sup>6</sup> Through strategic investments

# Transformation over Last 5 Years - *Diversified* underlying business growth

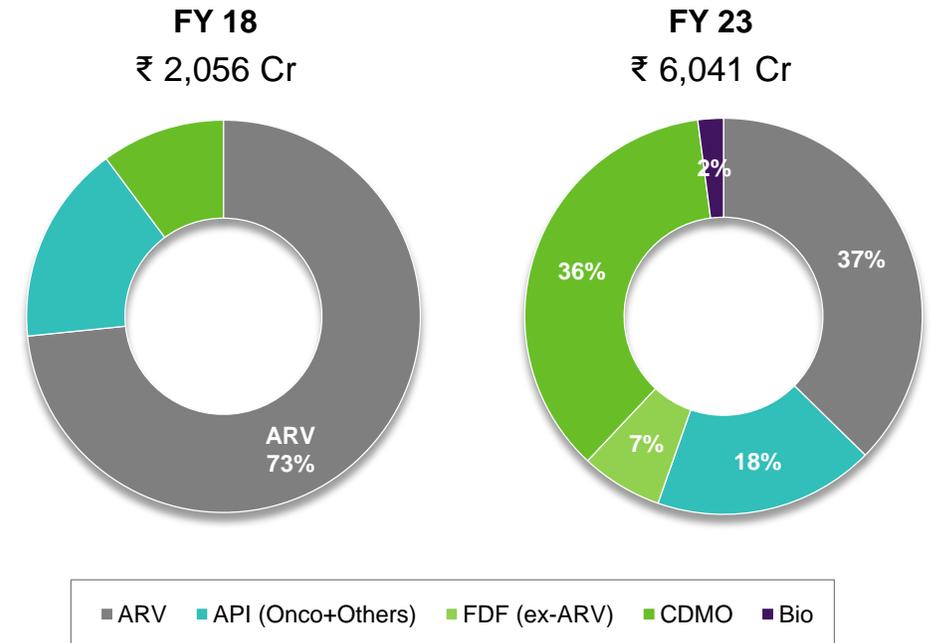
## Strong growth through robust model



<sup>^</sup> Reflects revenues since Feb 2021, when we acquired Laurus Bio

<sup>1</sup> Includes material Purchase Order (PO) supplies to Big Pharma in FY23, the order was completed on Dec-22

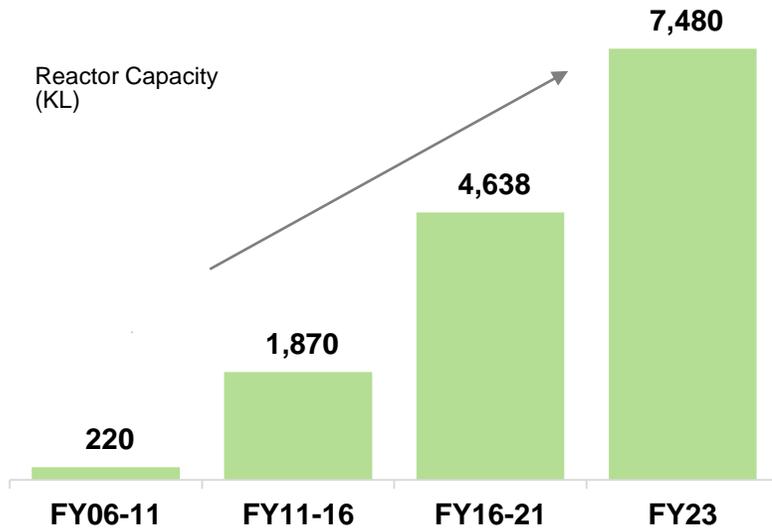
## Diversification of Laurus business



# Enabling customer with our *Leading commercial scale offering*

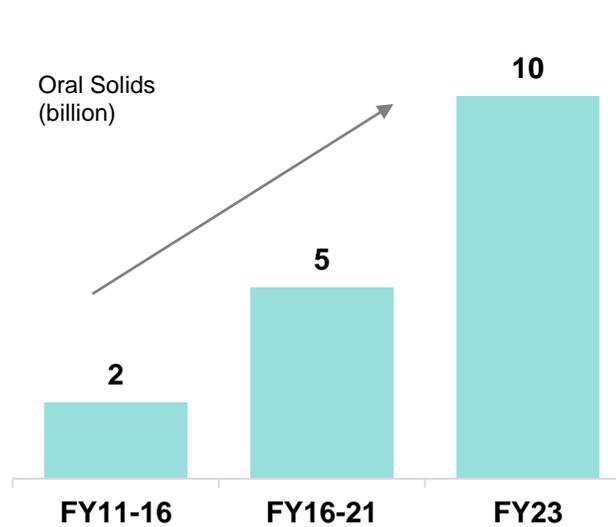
## Reactor Volumes

Over **4x** increase



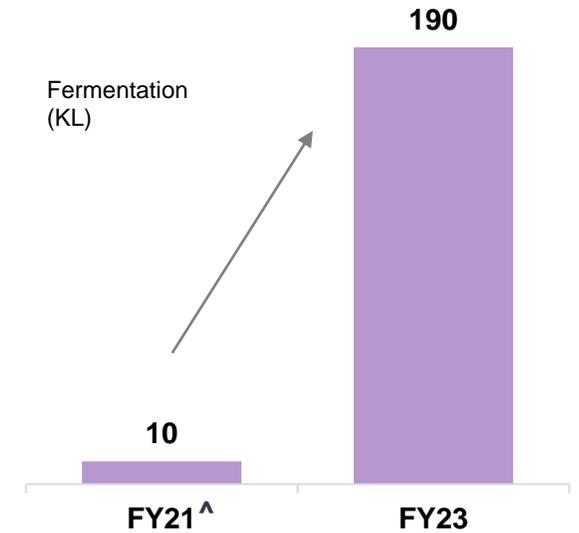
## Drug Product Capacity

Over **5x** increase



## Fermentation Capacity

Expanded **18x** since acquisition



**200+** Global customer including **6** Innovators

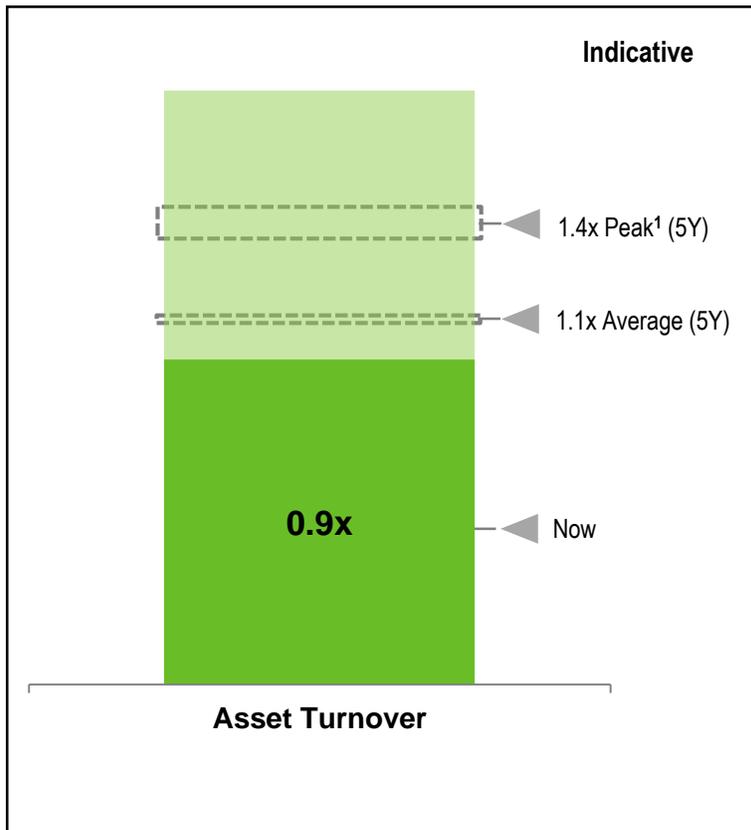
**+500 KL New capacity under construction for FY24 delivery**

**Well positioned for success through leading commercial offering, supported by ongoing growth investment**

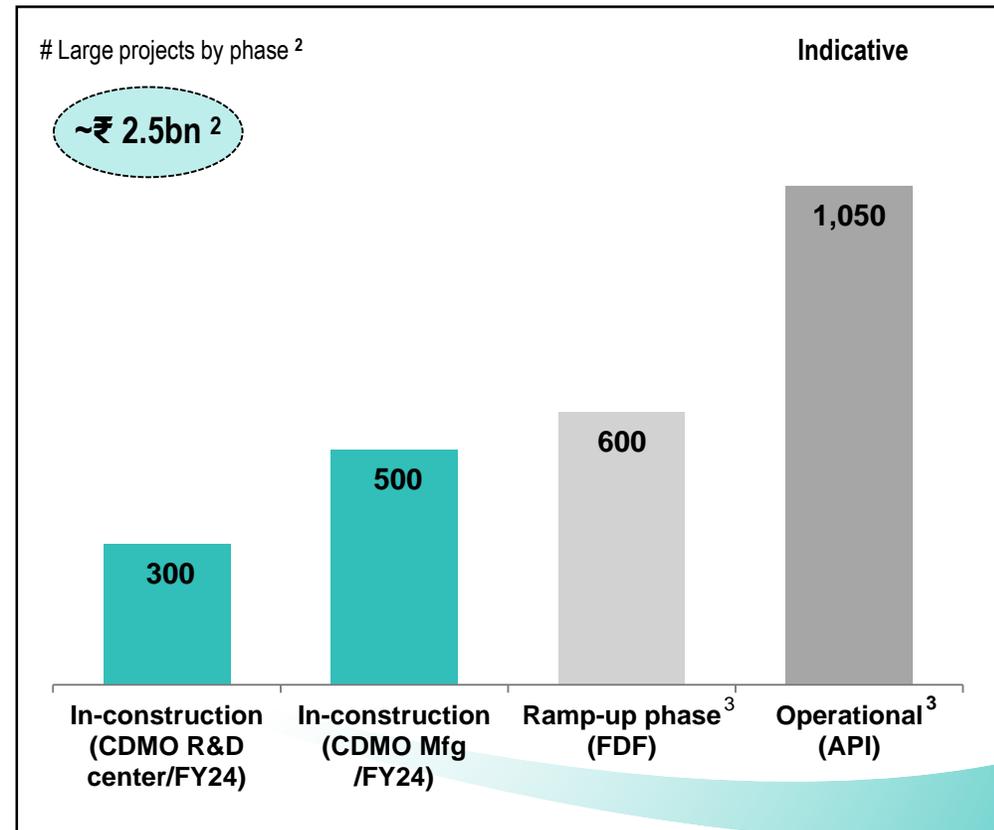
<sup>^</sup> Since Acquisition of Laurus Bio (Feb 2021)

# Optimisation of FY22-24 Capex to drive growth

Laurus asset turns is low and is expected to reach optimal levels



Growth Capex FY22-24 (by phase)



Optimisation underway

- Over 60% of the Capex into API/FDF yet to meaningfully scale-up
- 1/3<sup>rd</sup> CDMO focused Commercial and Development investments already underway and expect to contribute from FY25

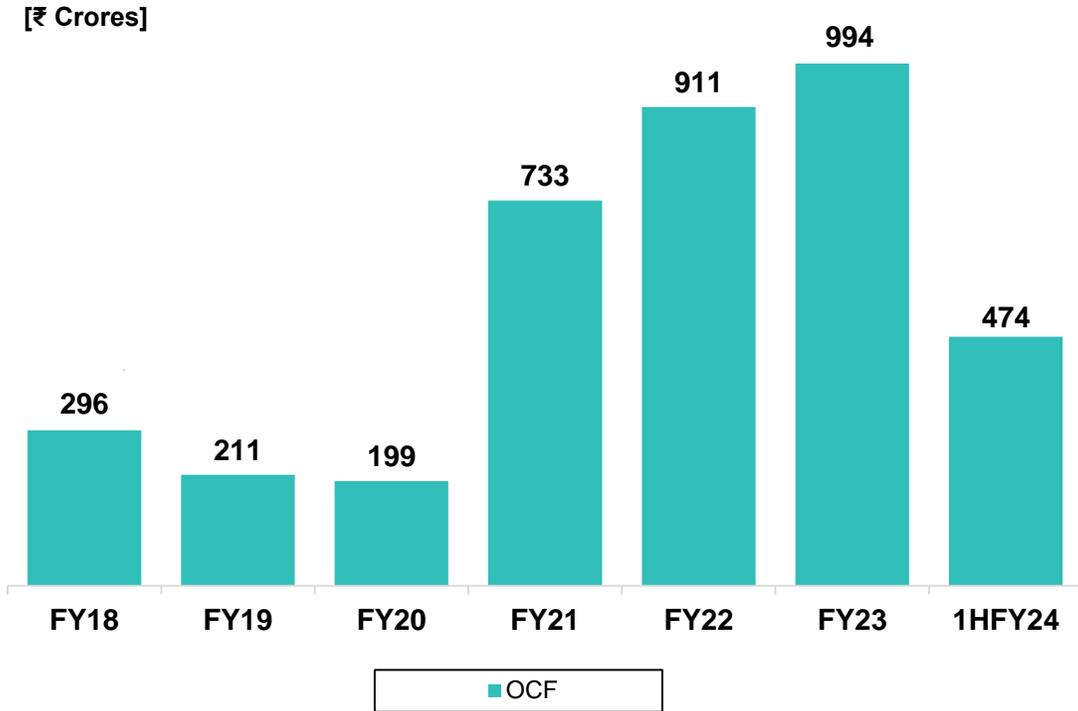
\* Including the New capacities brought on-line in FY22/23 i.e [API: close to +3 million liters reactor volumes & FDF: +5bn units which are yet to reach peak potential

<sup>1</sup> Indicates Maximum capacity absorbing plant maintenance, <sup>2</sup> Planned Capex >300 crore and excluding Land and ETP plant related capex, <sup>4</sup> and excluding Land and ETP

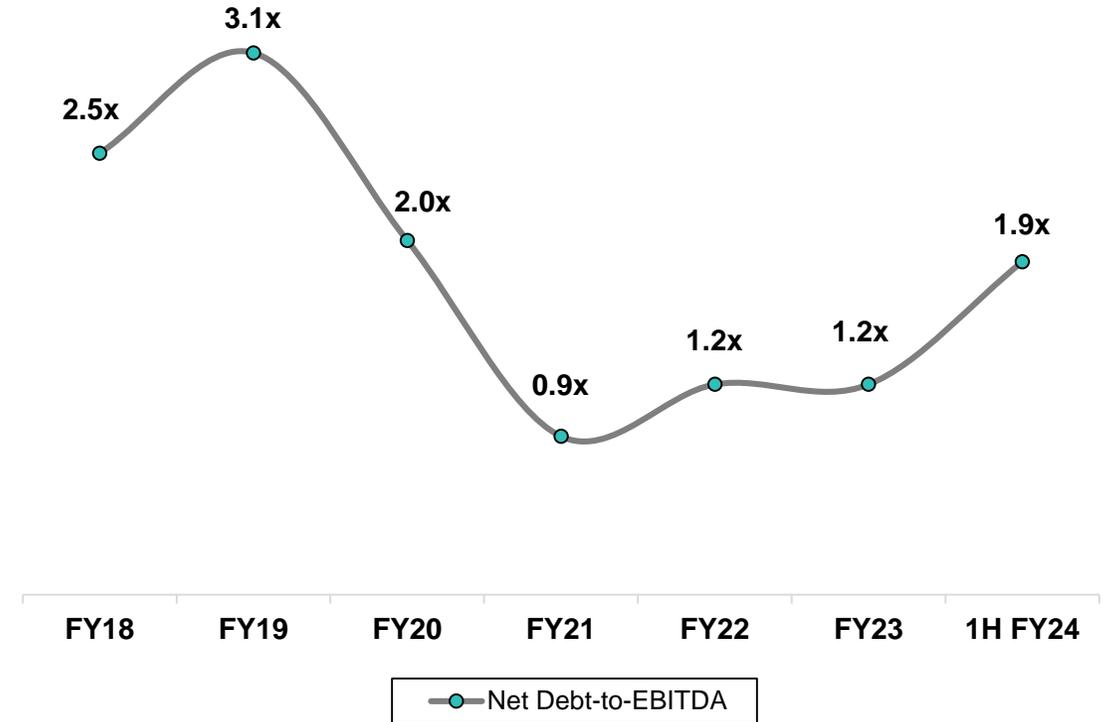
<sup>3</sup> Operational defined as 50% of peak revenue potential & Ramp-up defined as under-utilized or <50% of peak potential

# Healthy OCF and Balance sheet to support growth investments

## Operational Cash Flows



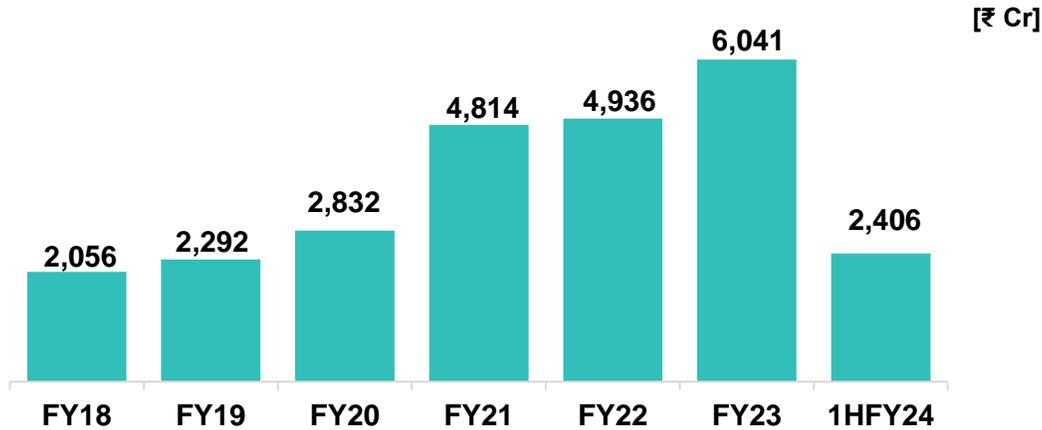
## Leverage Profile



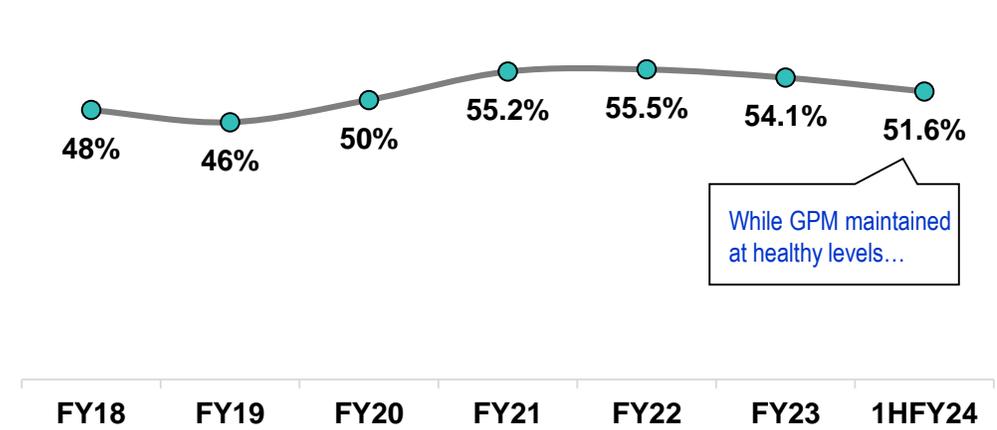
**Committed to Healthy Balance sheet & Sufficient NWC build up to ensure security of supply**

# Financial Highlights FY 2018 till date

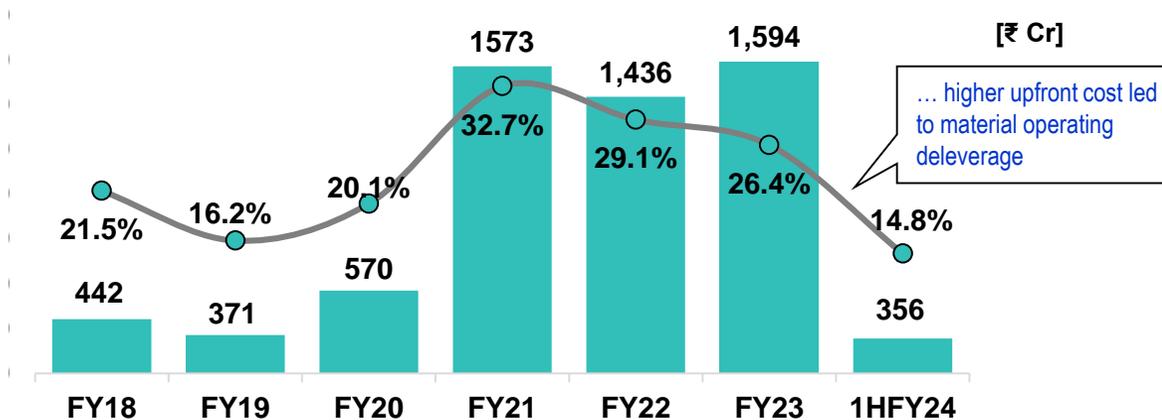
## Revenues



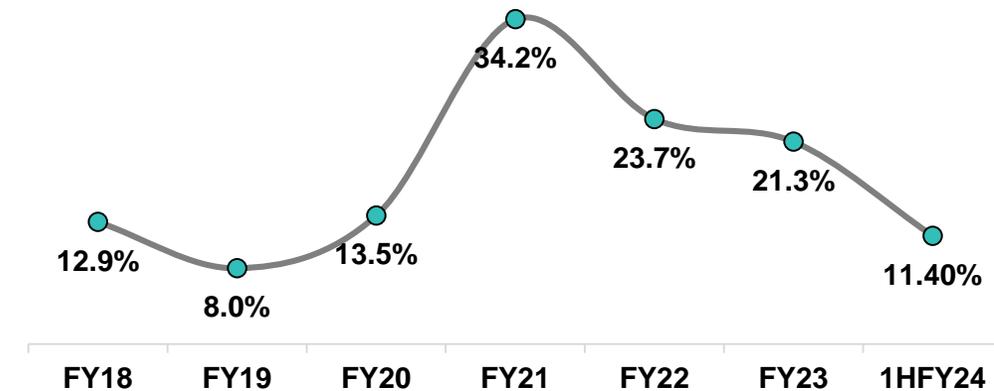
## Gross Margins %



## EBITDA & Margins %



## RoCE<sup>^</sup>

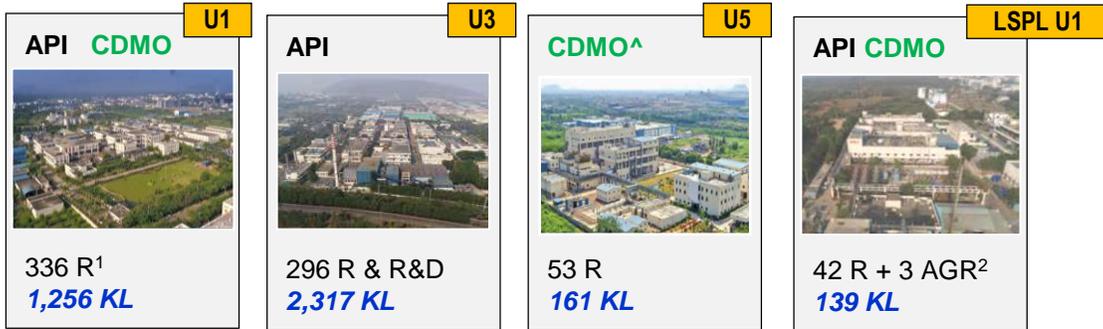


<sup>^</sup> EBIT (TTM)/Capital Employed

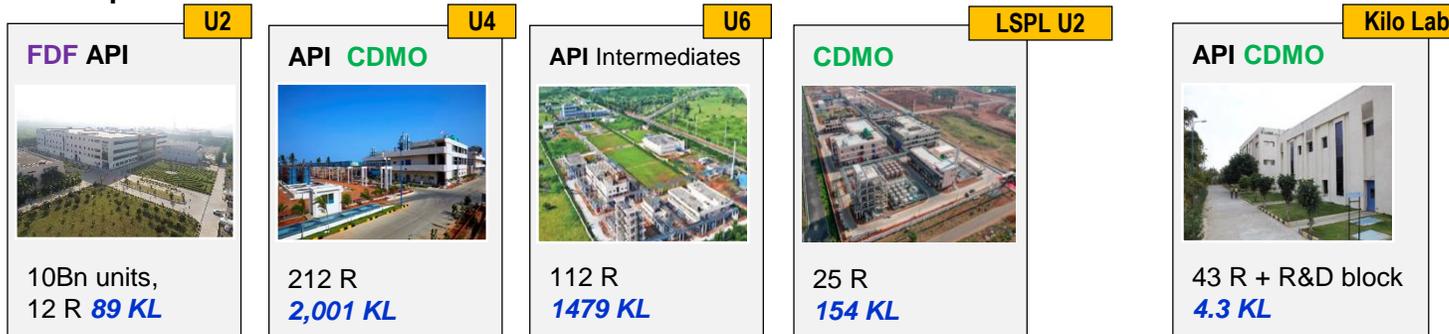
# Manufacturing & Development *network well Invested*

## Visakhapatnam

### Parawada



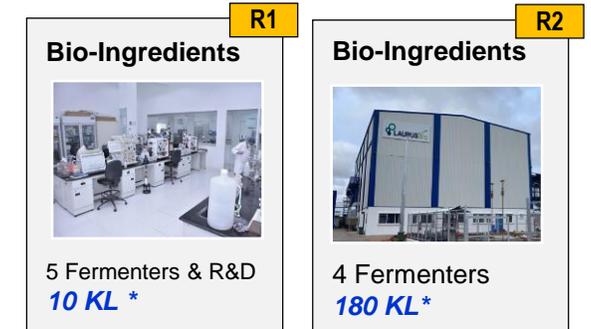
### Atchutapuram



## Hyderabad



## Bangalore



**7.5 Million Lts** Reactor Volumes  
**190 Kilo Lts** Fermentation Capacity

**12 Sites** including R&D

**API / Drug Substance: 8**

**PDF: 1**

**CDMO: 6**

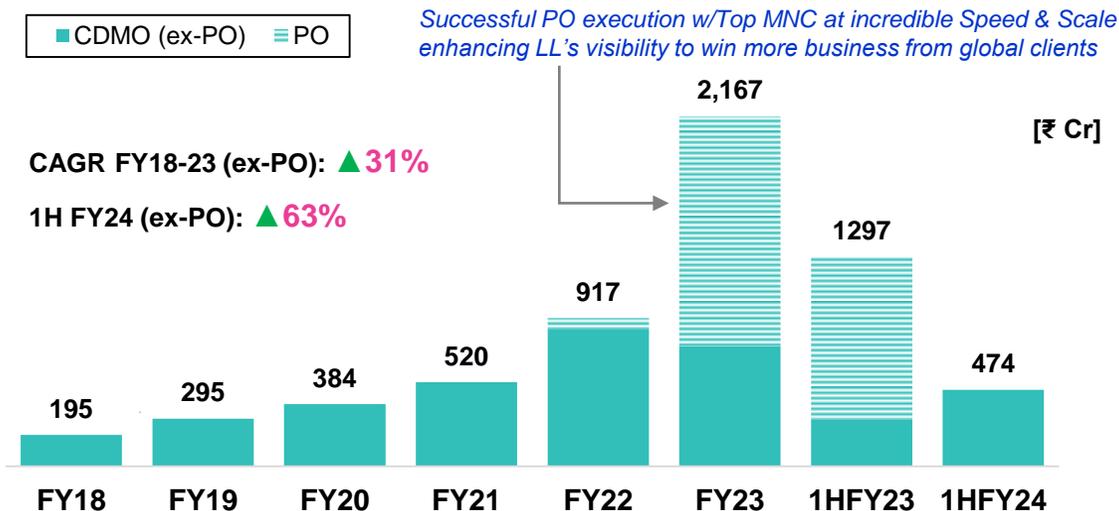
**Bio-Ingredients: 2**

**91 Regulatory Audits** since inception & **44 Audits** from **6 Global Regulators** (USFDA / WHO / PMDA / TGA / EMA / MHRA)

\* Fermentation Capacity in Liter  
1 Reactors, 2 All Glass line Reactors, ^ Hormone and Steroid facility

# 1 CDMO – Recognized Industry player & Strong scientific capabilities

## Revenue Growth



### Market Perspective

- Attractive market trends
- Qualify a Dual source
- Top Tier in highly fragmented market in Asia
- Rising chemical complexity
- Faster time to market

### Offering

- Integrated solution from Clinical to Commercial DS/DP including High-potency (Onco, hormone, steroid)
- Bio-Catalysis platform
- Speed & Flexibility
- Strong IP Protection

## Strategic Priorities

- Cross-selling broad range CDMO capability to access new market (like Animal Health, Ag-chem, Consumer health & other adjacencies)
- Expanding value chain & flexible delivery model
- Scale & Complexity with focus on resilient diversified annuity business
- Expand application of semi-synthetic mfg solution with fermentation
- Large scale purpose facilities for long term manufacturing commitments
- Deliver on Ongoing \$100mn capex on dedicated R&D center / mfg block

## Recent Highlights

- Continued scale up in demand with existing and new clients
- Strong momentum in RFP's from Big pharma & leading bio-techs
- 60+ active projects (Phase I, II and III + CMO). On-going supplies for 10 projects (4 API projects & several intermediates)
- Strengthen partnership on Multi-year contract: 1) On Multi-product DMF with Global Animal Health Co, Commercial validation supplies have started, 2) New product added to Ag-chem relationship on critical AIs supply - Commercial manufacturing to begin in 2HFY25
- CDMO R&D center coming on-line from Mar'24 to support new business

# Delivering our existing CDMO growth projects

## LSPL-U2 Visakhapatnam, 2022 and Now



## CDMO R&D Hyderabad (to be opened in Mar'24)



Focus to built **diversified CDMO engine** beside riding momentum in **NCE clinical projects**

- Animal Health CDMO manufacturing blocks build on track and almost fully contracted with Big Pharma client
- Ag-Chem site (LSPL-U4) under preparation phase - MSA already signed
- R&D center coming on-line from Mar'24 to support new business

1 Exclusive Ag-chem facility built on track – Multi year Development and manufacturing contract already signed

2 Animal Health drug substance manufacturing facility (LSPL-U2) build is on track and Block-1 already operational from Nov 2023 –Capacities almost fully contracted

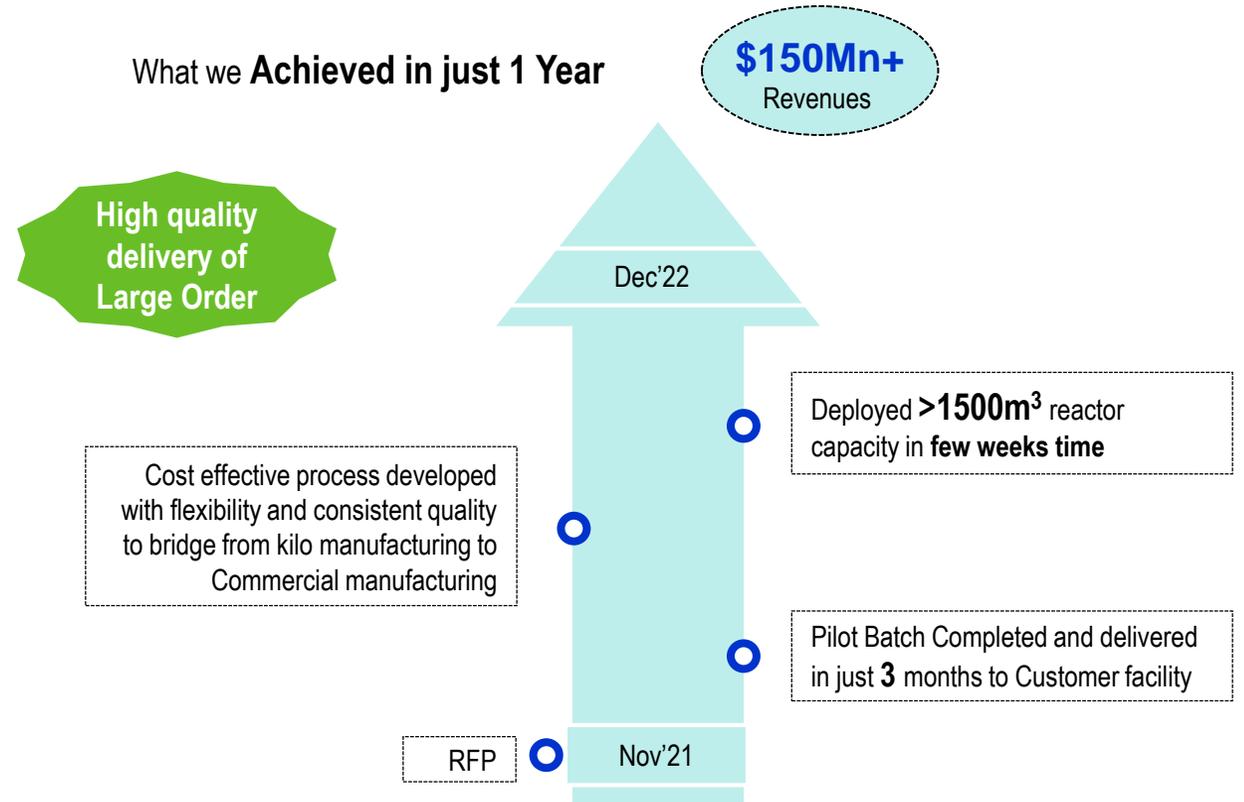
# Driving *CDMO momentum Select case studies ...*

**Case Study 1: Record execution of large Purchase Order with Big pharma **Customer # A**; Winning trust from Global Clients with our integrated CDMO platform, as well as efficient and high quality R&D and Scale manufacturing**

- Based on the Delivery commitments and Speed, several New clinical projects executed with Customer # A and other Global clients considering mandating for high volumes RFPs and complex molecules
- Expanded pipeline in early phase and commercial phase projects
- Demonstrated Laurus capabilities into new technology platforms like biotransformation including enzymatic reactions at scale

Elevates our CDMO positioning and premium reputation amongst Top tier Global Clients in technology, quality, execution and experience

What we **Achieved** in just 1 Year



# Driving *CDMO momentum Select case studies*

## Case Study 2: Agreement with Big pharma **Customer # B** for Animal health API development evidences Laurus solid Process chemistry and high potent capabilities

- Laurus selected from among strong competition that comprised several other Western and Asian CDMOs
- >10 year contract (covers development and GMP mfg of >20 API across On-Patents, early phase NCEs and Life cycle management projects
- Financial commitment from customer to expand manufacturing

### Key Laurus Differentiators for Contract victory

- Wide chemistry range from Lab to Scale
- Handling highly potent APIs
- Agile and efficient resource deployment (execute 10 projects at a time)

Additional investments planned for MB-4 and further  
Discussing opportunities to support DP solution

Cross-sell  
potential

## Case Study 3: Multi-year contract with **Customer # C**, leading Crop Protection player demonstrates leading Process development capabilities

- > 10 year agreement; Scope covers development and manufacturing for One Intermediate project (product is c. under registration. Also focus on distinctive process improvements
- Additional molecules added to scope based on successful execution on first project
- Commercial delivery starting from 2HFY25

**Other area of Interest** (Enzymes, bio catalysis)

### Laurus Differentiators for Contract win

- Knowhow in Complex API & Process efficiency
- Bio-catalysis
- High volume organic synthesis

# ARV business impact *started to stabilise* & retain *market leadership*

## Well positioned across 1L treatment even if Regime shifts

- Better demand visibility in T,L,D<sup>1</sup> with all global Clients
- Developed Novel formulation of pDTG based on new technology and received USFDA approval for world's first paediatric ARV Oral Dispersible Film (ODF) drug. New platform being further explored
- Complex Oral drug BETAF<sup>1</sup> combo (INSTI inhibitor) and TAF filings under various stage of regulatory approval
- LA-CAB<sup>1</sup> Inj (PrEP and Treatment) project development initiated
- **New market access:** 1) Access to South Africa market in next tender cycle and 2) India NACO tender – Already won 20% vol. share for key products recently

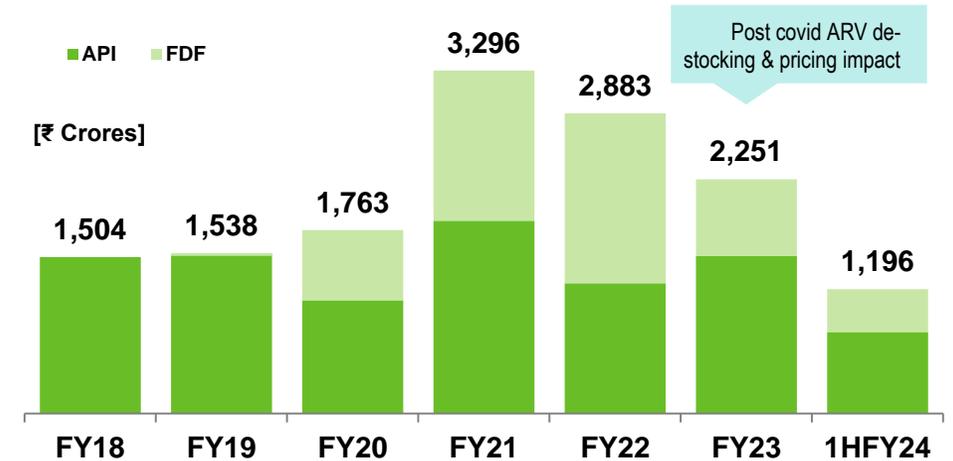
## Expansion in 2L portfolio

- LPV/r Approved, Working on Critical products like DRV/r for adults and pediatric use (partnered with CHAI) and ATV/r

## Cost Improvements

- Achieved >50% of targeted improvement initiatives across Procurement price reduction, Process, and In house manufacturing of few key intermediates

## Well positioned to stabilize ARV sales ~ ₹2.5bn range in medium-term



25-30% share maintained of 28.9Mn LMIC treatment



Panel supplier in Global Fund ARV tender for



2023-25 supplies

ARV Capacities utilized at Optimal levels

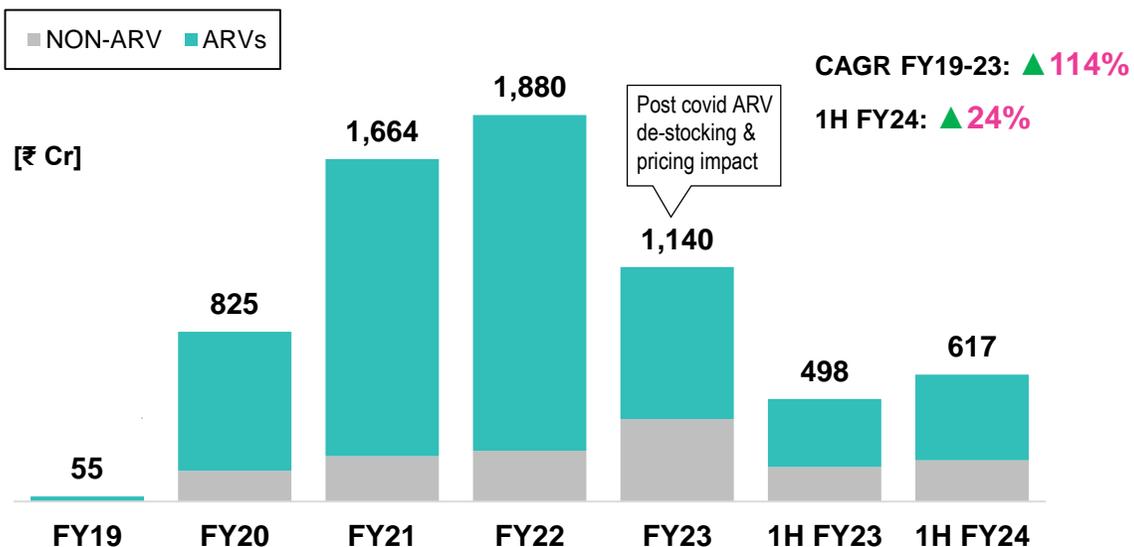


## Channel inventory/Price normalization + Ongoing initiatives on cost driving ARV business confidence

<sup>1</sup> T: Tenofovir, L: Lamivudine, D: Dolutegravir, TAF: Tenofovir alafenamide fumarate, BETAF: Bictegravir/Emtricitabine/TAF, LA-CAB: Long acting Cabotegravir, LPV/r: Lopinavir/ritonavir, DRV/r: Darunavir/ritonavir, ATV/r: Atazanavir/ritonavir, LMIC: Low- and middle-income country

## 2 FDF - Differentiated Pipeline & Integrated approach

### Revenue Growth



#### Market Perspective

- Highly competitive
- Easing pricing pressure
- Increased outsourcing
- Leader in 1L ARV treatment

#### Offering

- Orals & Complex dosage range incl ODF, Fully automated mfg lines
- Development, Analytical, Regulatory expertise & Integrated packaging

### Strategic Priorities

- Build Scale, Optimise & Leverage API+ integrated approach to deliver best quality drugs and consistent supplies
- Expand CMO focused opportunities (Diabetic/CV portfolio)
- Consolidate ARV leadership in 1L+ Access new market
- Increase Non-ARV share & monetize US/EU pipeline opportunity of ~US\$ 80bn+ (>65% in Non-ARVs space)

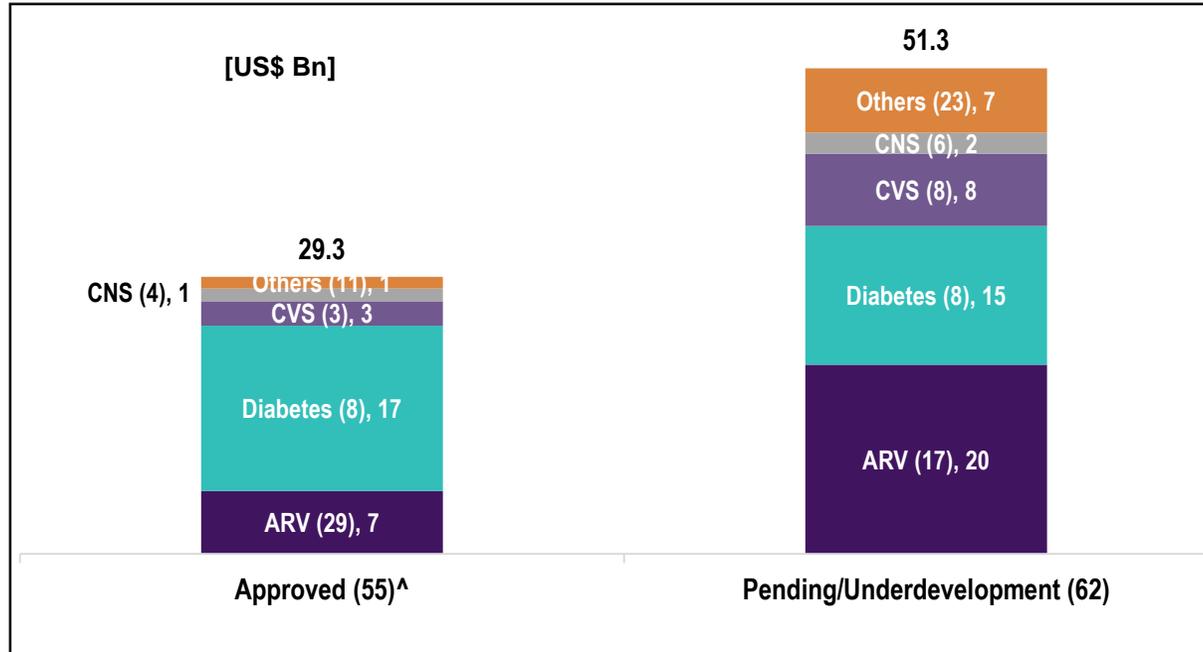
### Recent Highlights

- Overall market dynamics across portfolio remained healthy
- ARV business recovering supported from stable price trend. Achieved over 50% of targeted cost improvement initiatives. Won 20% of recent NACO ARV tender beside on-going Global funds supplies for 2023-25 period
- Increased market share driving Developed market revenue
- Higher volumes of existing products in Europe and New approvals from North America to drive FY24 revenues
- 77 products filings and 55 approvals<sup>1</sup> across US, Canada and Europe

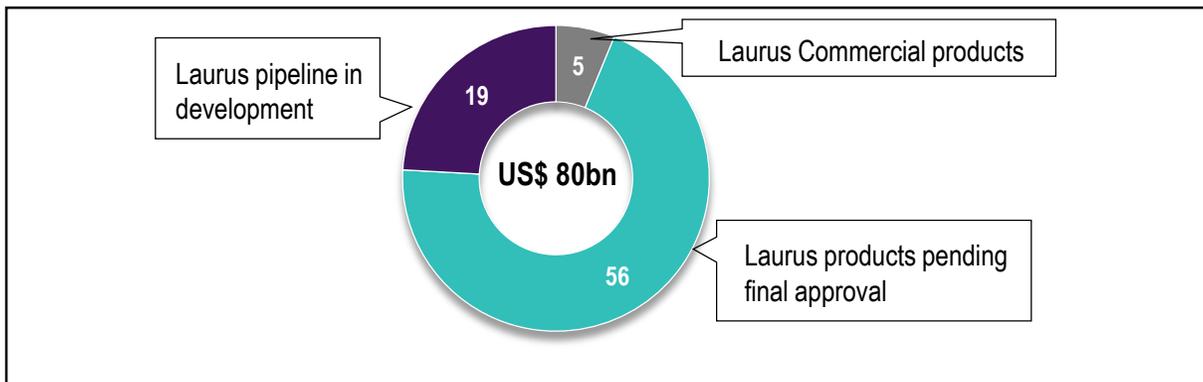
<sup>1</sup> Including Tentative approvals for US market

# Developed markets Pipeline Break down

**Total Addressable Market<sup>1</sup> (by therapy)**



**Laurus Pipeline Status (by market size)**



**Addressing the >US\$ 80bn market opportunity**

(>65% in Non-ARV space)

- Extensive pipeline to capitalize on market opportunity
- Planned BD & CMO partnerships to deliver on high-value CV/Diabetes portfolio
- Large opportunity - US\$35-40bn of drug brand value expecting LOE<sup>2</sup> in 2026-2033

<sup>1</sup> Represents North America (US and Canada) and Europe, Source: IMS, <sup>2</sup> Loss of Exclusivity, <sup>^</sup> Including 13 Tentative approvals for US market

# Visakhapatnam *FDF Site expansion* completed

## Unit - 2



**Total Area: 45 acres**

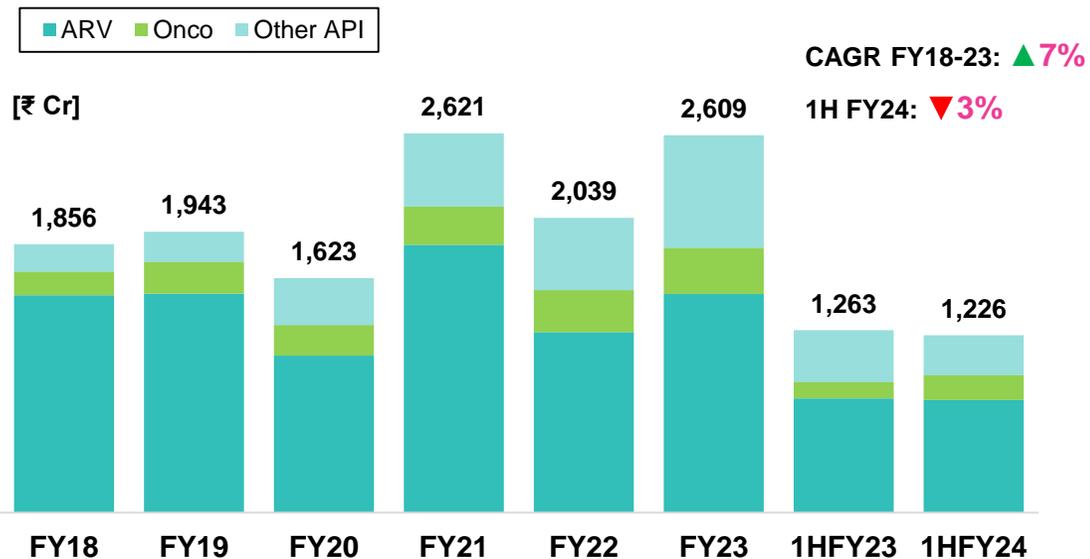
**New Capability** – Spray Dried dispersion, Continuous Tab Manufacturing line, Oral Dispersible Films, Labeling and packaging for commercial products

### **Capacity Expansion:**

- **2x** Oral dose capacity on-line (FDA approved)
- Shell available for additional 5 Bn expansion

### 3 API – Deploy Technical capabilities with Focus on High growth segment

#### Revenue Growth



#### Market Perspective

- Attractive growth rate of +13.5%<sup>1</sup>
- Demand for reliable APIs & Dual sourcing
- Amongst Top Tier in highly fragmented market

#### Offering

- End to end API solution in small & complex API (HP API, Peptides) & Cost leadership
- +50 APIs (40% differentiated API)
- Synthetic biology (e.g. enzymes)
- Large API sites; +7500m<sup>3</sup> capacity

#### Strategic Priorities

- Accelerate cost leadership & Clear focus on commercial strategy
- New CMO partnership in established and high growth molecules (like Diabetic / CV portfolio, Gastro)
- Optimize new capacities in mid-term
- Sufficient capacity to maximize market opportunities
- Strengthen leadership in Highly-potent APIs driven by Oncology

#### Recent Highlights

- Scaled-up in the exiting CMO partnered projects; Strong order book
- +25% development/commercial scale capacity added in last 18 months; focus on capacity filling
- Executing on Continuous Flow technology at large scale
- H1 stable as steady ARV API and strong delivery in Oncology compensated for decline in Other API due to scheduling issue
- Oncology business +50% in H1 on favorable demand dynamics. Upgrading capacities to accommodate increased demand
- ARV seeing stable volume trends with Global customer base expanding & improved pricing in select products

<sup>1</sup> As per Investindia.gov.in

# Visakhapatnam *API Site expansion* completed

## Unit - 4



**Total Area: 44 acres**

- **~2,000 KL** total reactor volume
- Reactor Size: 500L to 3000L
- **Key Capability** – High potent APIs, Continuous flow, Hydrogenation (100L-10KL with ability to handle upto 40 bar pressure condition) and Cyro reactions

# Other *Large API Sites*

Unit - 1



Unit - 3



- **Key Capability** – HP APIs (OEB-4 and OEB-5 <math><1 \mu\text{g}/\text{m}^3</math>, Prep-HPLC, SMB, Micronization (Potent)

**73**  
Acres site  
**3300+ KL**  
Reactor  
volumes

- **Key Capability** – HP APIs (OEB-4 and OEB-5 <math><1 \mu\text{g}/\text{m}^3</math>), Spray Dried Dispersion, Wet Milling, Prep-HPLC, Bio-catalysis reaction, Micronization (Potent)

# Strategic Investments - Journey towards *Delivering cutting-edge technologies*

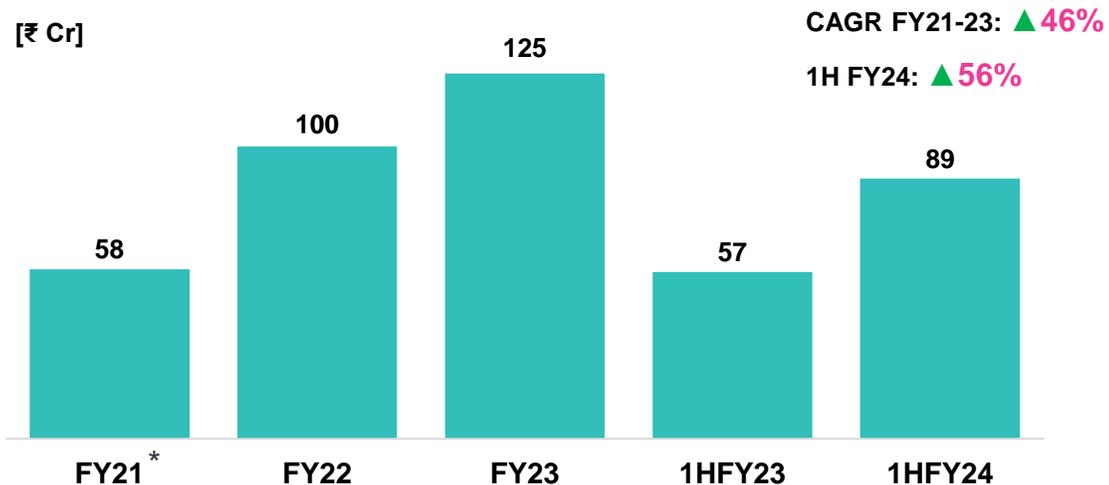
## Recent Collaboration and Initiative

 <p>September 2023</p>	<ul style="list-style-type: none"> <li>Increasing stake to ~88%</li> <li>Integrated offering with capabilities across rh-Protein, Bio-catalysis &amp; precision fermentation</li> </ul>	<p><b>Precision Fermentation</b></p>		<p><b>~ ₹ 450 Crore<sup>^</sup></b>  <b>Cumulative Investment in last 3 years consistent with our Long term Goal</b></p>
 <p>June 2023</p>	<ul style="list-style-type: none"> <li>In-licensed few gene therapy assets and funding support to advance clinical trials</li> <li>Setting-up GLP lab for Vectors and Gene Therapy products</li> </ul>	<p><b>Gene Therapy</b></p>		
 <p>May 2023</p> <p>November 2021</p>	<ul style="list-style-type: none"> <li>Additional infusion; Increasing stake to ~34%. GMP facility on going expansion</li> <li>Phase II completed for CD-19 targeting B-lymphoid malignancies on 60 patients. <i>Maiden product approval received from CDSCO1 (12-Oct 2023)</i></li> <li>Acquired 26.6% in CAR-T cell platform co</li> <li>Aim to bring novel technology to cancer patients at a very affordable pricing</li> </ul>	<p><b>Cell Therapy</b></p>		

**Accessing Advanced platform through our Goal to Invest up to 10% of profits on disruptive technologies**

<sup>1</sup> Central Drugs Standard Control Organization (CDSCO), <sup>^</sup>As on Nov'23 Including consideration paid towards Additional stake in Laurus Bio and Gene therapy spends

## Revenue Growth



### Market Perspective

- Alternate Protein – Nascent stage but long growth run-way, Unfavorable Yield economics
- Demand for Biochemistry mol. derived from fermentation
- Environmental footprint

### Offering

- Precision fermentation
- Animal Origin Free *r*-protein (Food)
- Cell-culture media
- Bio-Catalysis platform
- GMP manufacturing

## Strategic Priorities

- Expand Enzymatic / bio-catalysis application in small molecules CDMO
- Access emerging market opportunities in Nutrition, Health/Personal Care
- Enhance productivity & yield
- Stepwise expansion of large scale fermentation & development process with target to increase Capacity by 10x to 2Mn liter

## Recent Highlights

- Continued demand in CDMO services and customer base expansion
- R2 capacities under optimization with Debottlenecking of downstream coming on-line from Dec'2023
- Expanding bio-catalysis platform application in Clinical/commercial DS projects and explore new opportunities in Semi-synthetic biology
- CDMO focused microbial fermentation R3 unit completed design phase
- Acquired 13.2%<sup>1</sup> additional stake of Laurus Bio - Reflects confidence on growing application of enzyme technology platform both internally and externally, signaling great potential

<sup>1</sup> On 11 Sep 2023 Laurus Lab acquired additional stake in Laurus Bio from one of the Promoters and non-executive director and his family members and also with few employees/ex-employee shareholders. Post acquisition Laurus will hold 87.58% on fully diluted basis in Laurus Bio

\* Based on annualised sales for Laurus Bio at the time of acquisition (Acq date: Feb 2021)

# Achieved breakthrough innovation

- **India's first indigenously developed CAR-T** cell therapy, NexCAR19 granted marketing approval from CDSCO on October 12, 2023
- Treatment eligible for Adult patients with relapsed or refractory B-cell lymphomas and leukemia in India
- Multi-center **Phase I/ II pivotal clinical trial**, conducted with 60 patients; clinical data indicates **~70%** overall response rate (**ORR**)
- **Favorable balance of efficacy and toxicity with low grade CRS<sup>1</sup>**; a significant improvement over other commercially approved CD19-directed CAR-T cell therapies
- **Invested over ₹ 94 crores** in ImmunoAct and further working towards **enhancing** the GMP facility to service more patients

<sup>1</sup> CRS=cytokine release syndrome; CAR T=chimeric antigen receptor T cells



Combination of ImmunoAct R&D pipeline, technology and Laurus support in building manufacturing capabilities will accelerate our pursuit of next generation innovation in cell therapies manufacturing.

# Strong commitment to Environment & ESG

## Sustainability Technologies

### Ongoing investments into Green Technology Platforms

- Bio-catalysis
- Continuous Flow Chemistry

### Sustainability Management across All Sites

- Carbon Emission Intensity (FY23 vs. 22 per Revenue): ↓ 6%<sup>^</sup>
- Water Intensity (FY23 vs. 22 per Revenue): ↓ 14%
- 4% Energy from Renewable sources
- 77% of hazardous waste recycled / co-processed

## Accreditation & Progress

**FY 2023 Integrated report published** - Gain more insight on our enhanced sustainability strategy & commitments

- **Won Several Awards** on EHS best and innovative practices
- **Initiated new system certification ISO 50001:2018** across company
- Launched **“SANKALP”** in association with DSS+ to Enhance Organizational Safety Excellence
- Concept of **double materiality assessment introduced** (aligned with GRI, SASB) to create greater impact

<sup>^</sup> Scope 1,2 and 3

## ESG Focus on UN SDG Priorities



## Well Recognized from ESG Rating agencies



Consecutive “BBB” rated by MSCI ESG Ratings in FY22 & 23



Score improved by 30 points to 43/100 vs LY



Moved to Top quartile for the first time in Dec-22 review



# Strategic Priorities to drive sustainable growth



- 1 Build a bigger moat for CDMO and CMO service business and capitalise on diversification of Outsourcing and Dual sourcing trend
- 2 Leverage comprehensive capabilities and Technology links to further enhance Company positioning and fully capture cross business synergies, as a Trusted and Reliable partner
- 3 Invest in disruptive technology and access new manufacturing opportunities
- 4 Strengthen systems and processes via automation and Digital initiatives to optimize efficiency and delivery
- 5 Consolidate ARV share and Strengthen Global leadership in Oncology, HP APIs & Scaling up of Anti-diabetic, PPI, and CV portfolio
- 6 Talent attraction to support new Growth investments coming on line
- 7 Efficient Capital allocation and advancing ESG



# Appendices

# 1H FY24: Executive Summary

- Overall performance resilient ex-PO<sup>1</sup> ; Core growth rebounding on healthy demand environment in API and FDF business. CDMO business project pipeline scaled up along with expansion of our strategic manufacturing partnerships
- ₹ 2,406 Cr Revenues for H1, declined 23%. Excluding PO, growth was 14%
- ₹ 356 Cr EBITDA resulted in a margin of 15% with higher upfront expense on resource allocation towards growth projects and new initiatives.
- Gross margins maintained at very healthy level
- Continued focus on growth Capex in CDMO division
- CGT technology collaboration achieved breakthrough innovation - NexCAR19, India's First CAR-T approval, Accelerating pursuit for next generation innovation
- Outlook: FY24 to be a consolidation year. H2 priorities 1) includes Higher capacity utilization across network to support growth acceleration, 2) Scale up of the new Animal health commercial asset and 3) Continuous improvement initiatives

<sup>1</sup> FY23 financials information is based on material Purchase Order supplies to Big Pharma, that was completed on Dec-22



# 1H FY24 – Financial Performance

Core growth rebounding on healthy demand environment

## 1H/FY24 Consolidated Financials

[₹Crore]	1H/FY24 <sup>2</sup>	1H/FY23 <sup>1</sup>	Y-o-Y
<b>Revenues</b>	<b>2,406</b>	<b>3,115</b>	<b>-23%</b>
<i>Gross Margins</i>	<i>51.6%</i>	<i>56.3%</i>	<i>-470bps</i>
<b>EBITDA</b>	<b>356</b>	<b>903</b>	<b>-61%</b>
<i>% to Revenues</i>	<i>14.8%</i>	<i>29.0%</i>	<i>-1420bps</i>
PBT	95	684	-86%
<b>Net Profit</b>	<b>62</b>	<b>484</b>	<b>-87%</b>
<i>% to Revenues</i>	<i>2.6%</i>	<i>15.5%</i>	
<b>EPS</b>	<b>1.1</b>	<b>9.0</b>	<b>-88%</b>
	<b>1H/FY24</b>	<b>1H/FY23</b>	<b>Y-o-Y</b>
<b>Operating Cash flow</b>	<b>474</b>	<b>243</b>	<b>95%</b>
<b>Capex</b>	<b>385</b>	<b>416</b>	<b>-7%</b>
<b>Net Debt-to-EBITDA</b>	<b>1.9x</b>	<b>1.3x</b>	<b>46%</b>
<b>ROCE</b>	<b>11.4%</b>	<b>22.7%</b>	<b>-11.3%pts</b>

<sup>1</sup> FY23 financials information is based on material Purchase Order supplies to Big Pharma, that was completed on Dec-22

<sup>2</sup> H1 FY24 results includes 1) Cell & Gene related spends of ₹ 6 Cr under R&D expenses, 2) ImmunoACT share of loss ₹ 3.4 Cr and 3) LSPL Unit 2 expenses ₹ 7 Cr

## Comments

- Revenues : ₹ 2,406 Cr, declined 23% YoY, impacted by particularly strong CDMO-Synthesis revenues in base year, partly off-set by improved performance in API and FDF segment
- Underlying revenues increased by 14% ex-large PO supplies
- Gross Margins : 51.6%, decreased by 470 bps YoY due to change in share from the business divisions
- EBITDA : ₹ 356 Cr, decreased by 61% YoY
- EBITDA Margins : 14.8%, due to negative operating leverage
- Net Profits : ₹ 62 Cr
- Capex nearly in-line; as we continue to deliver on key projects
- ROCE declined on higher CDMO base effect, negative leverage and continued strong capital deployment

# About Laurus Labs

Founded in 2005, Laurus Labs is a research-driven pharmaceutical and biotechnology company with an aim to improve the quality of life for millions around the world. We have a global leadership position in select Active Pharmaceutical Ingredients (APIs) including anti-retroviral, oncology drugs (incl High Potent APIs), Cardiovascular, and Gastro therapeutics. We also offer integrated CMO and Contract Development and Manufacturing Organization (CDMO) services to Global Innovators from Clinical phase drug development to commercial manufacturing.

We are passionate about continuous technological advances for Smart and Green chemistry skills to driven efficiencies and sustainable manufacturing backed by proven regulatory inspection and quality foundation. Laurus employs 6500+ people, including around 1050+ scientists at more than 11 facilities approved by global agencies USFDA, WHO-Geneva, Japan-PDMA, UK-MHRA, EMA, TGA etc. During FY2023 Laurus generated ₹ 6,041 crore in annual revenue and is listed on the BSE (Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. Laurus' proactive stance to conduct business with utmost Transparency, Integrity and Respect for environment & communities have earned it a place in Governance benchmark, consistently Certified Great Place to Work and Rated "BBB" by leading MSCI ESG Ratings. Corporate Identification No: L24239AP2005PLC047518.

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