

January 31, 2019

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: **Investors/Analysts Presentation**

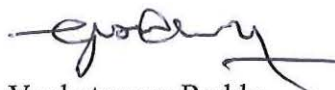
Please refer to our letter dated January 28, 2019, wherein we have intimated the schedule of Investors/Analysts call to be held on February 01, 2019. In this connection, we enclose herewith the presentation to the Investors/Analysts on the Unaudited Financial Results of the Company for the Quarter and Nine Months period ended December 31, 2018.

The presentation is also being uploaded on the website of the Company – www.lauruslabs.com.

Please take the information on record.

Thanking you,

Yours sincerely,
For Laurus Labs Limited


G. Venkateswar Reddy
Company Secretary





LAURUS LABS LIMITED

Q3 & 9M FY19

RESULTS PRESENTATION

January 31, 2019

BSE: 540222
NSE : LAURUSLABS

Disclaimer



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

Laurus Labs Limited (Laurus) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Business Snapshot

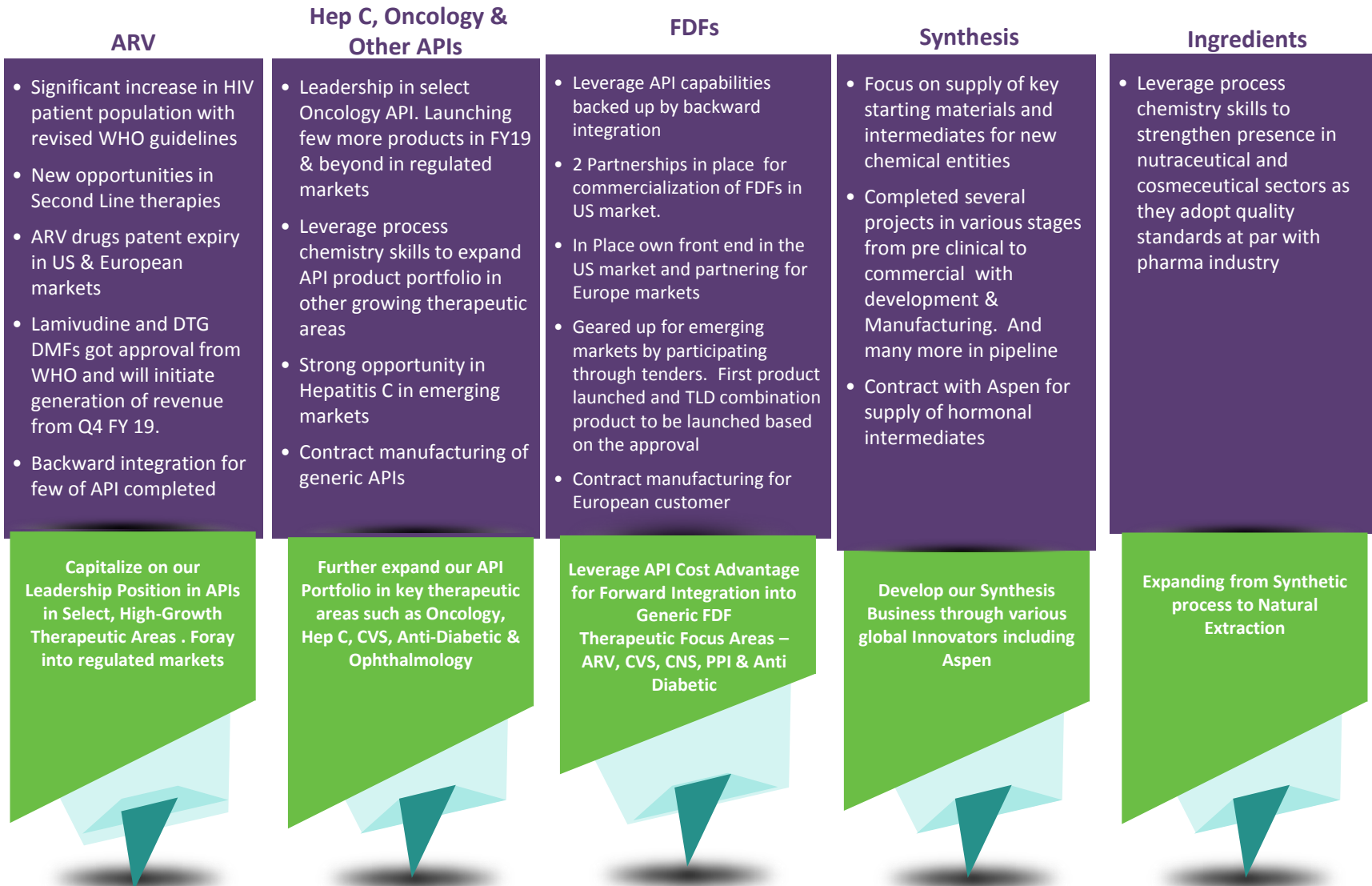


	LAURUS Generics <small>Active Pharmaceutical Ingredients & Intermediates</small>	LAURUS Generics <small>Finished Dosage Forms</small>	LAURUS Synthesis <small>Contract Development & Manufacturing Services</small>	LAURUS Ingredients <small>Specialty Ingredients for Nutraceutical & Allied Industry</small>
Overview	<ul style="list-style-type: none"> Development, manufacture and sale of active pharmaceutical ingredients (APIs) and advanced intermediates 	<ul style="list-style-type: none"> Developing and manufacturing oral solid formulations 	<ul style="list-style-type: none"> Contract development and manufacturing services for global pharmaceutical companies 	<ul style="list-style-type: none"> Sale and manufacture of specialty ingredients for use in nutraceuticals, dietary supplements and cosmeceutical products
Product and Service Offerings	<ul style="list-style-type: none"> Anti-retroviral (ARV) Hepatitis C Oncology Anti-diabetic Large volume APIs for cardiovascular, anti-asthmatic, gastroenterology therapeutic areas Small volume APIs for the ophthalmic therapeutic area 	<ul style="list-style-type: none"> ARVs Anti-diabetic Cardio Vascular Proton Pump Inhibitors CNS 	<ul style="list-style-type: none"> Commercial scale contract manufacturing Clinical phase supplies Analytical and research services Several projects executed 	<ul style="list-style-type: none"> Nutraceuticals, dietary supplements and cosmeceutical products Set up a dedicated block in Unit 4 for global partner, C2 Pharma
Filings	<ul style="list-style-type: none"> Commercialized 50+ products 51 DMFs filed 	<ul style="list-style-type: none"> Filed 18 ANDAs with USFDA 3 dossier in Canada, 5 dossiers in Europe, 6 dossier with WHO, 2 dossier in South Africa, 2 dossier in India & 81 in ROW. In addition, completed 1 product validations. 3 ANDAs Approved 	<ul style="list-style-type: none"> Commenced commercial supplies from Unit 5 	<ul style="list-style-type: none"> NA
Infrastructure	<ul style="list-style-type: none"> 4 Manufacturing facilities, (2,847 KL) (1) (2) 	<ul style="list-style-type: none"> 5 bn Units / year capacity. 	<ul style="list-style-type: none"> Dedicated manufacturing (Unit – 5) Capacity (125 KL) for Aspen. 	<ul style="list-style-type: none"> Manufacturing facilities⁽²⁾

(1) Includes ingredients products excluding Unit 2 API & Kilo lab capacity

(2) APIs, Ingredients and Synthesis (other than Aspen supplies) are manufacturing at Unit 1,3,4 & 6

Strategy in Motion



Formulations Business – Global Approach



- Extensive Manufacturing capabilities across markets with commitment to maintain highest quality standards – “One Quality Standard for All Markets”
- Current FDF Manufacturing Capacity - **5 bn tab/caps with total Capex investment of ~INR 4,280 mn**
- Tenofovir (TDF) ANDA rights transferred to CASI Pharma for a consideration of ~\$3 mn of which ~\$2 mn received in Q3 FY19 - Milestone Payments. Laurus continues to sell TDF in other countries.
- **Dossier Filings**

Therapy	US ANDA	Europe	Canada	Africa	Asia
ARV	10	3	2	68	6
Anti- Diabetic	3	1	-	3	2
CVS	1	-	-	-	-
CNS	1	1	-	2	-
Autoimmune	1	-	1	-	-
Pulmonary (IPF)	2	-	-	-	-
Total	18*	5	3	73	8

* Have 2 Para IV opportunities and ~7 FTF opportunities in US market with addressable current market size of \$10 bn

- **Inspection status for Formulations manufacturing Unit (Unit 2)**

Region	Agency	Audit Status
USA	USFDA	EIR Received
Europe	JAZMP – Slovenia, and BGV Hamburg	Certificate Received
ROW	WHO – Geneva	Certificate Received
Europe	JAZMP – Slovenia, and BGV Hamburg	Certificate Received
Africa	Tanzania FDA, National Drug Authority – Uganda, PMPB – Malawi, and Pharmacy & Poisons Board – Kenya	Approvals Received

Formulations Strategy for Developed Markets



Overview	US, EU, Canada remains our key focus markets by focusing on the combination of commercialised high volume products, first to file, Para IV opportunity based on IP to address short, medium and long term strategy.
Target Markets	USA, Europe and Canada
Key Therapeutic Areas	ARV, Anti Diabetic, CVS, CNS and others
US Filings	<ul style="list-style-type: none"> • Cumulatively filed 18 ANDAs • Have filed 2 Para IV and 7 FTFs with opportunities worth over \$ 10 Billion* annual sales in US • Targeting ~10 ANDA Filings per year
US Approvals	3 Final Approvals and 1 tentative approval received
US Partnerships	<ul style="list-style-type: none"> • Re negotiated partnerships with DRL and Rising Pharma by reducing products under partnership from 18 to 7 products. 11 products will be developed by Laurus which was concluded in the second quarter by paying necessary development fees back to the partner • Exploring possibility of marketing in-licensed products by Laurus.
EU Overview	Followed with partnering model for supply of FDF products and also contract manufacturing. Incremental expenditure incurred for filings in 2 nd quarter
EU Filings	Filed 5 Dossiers for ARV & Anti Diabetic products
Approach	<ul style="list-style-type: none"> • To participate in various country specific tenders and partnering for marketing • Commercial supplies under Contract Manufacturing for an European Customer commenced in Q3 FY19

* Source: IMS Q3 CY 2017

Formulations Strategy for Emerging Markets

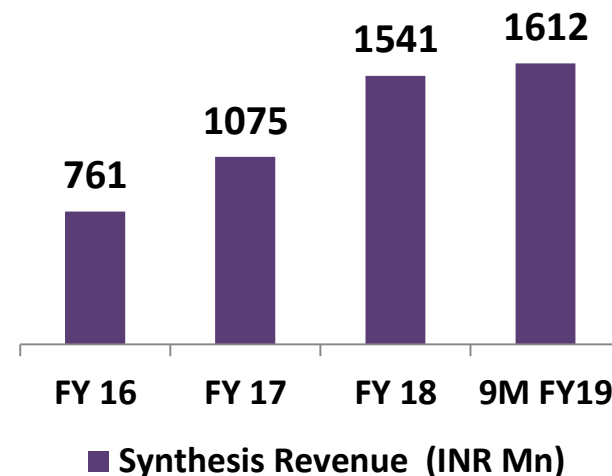


Overview	Emerging Markets of Africa & ARV Tender business remains the forefront of our Formulations Strategy. Integrated approach is key to success and Laurus is well positioned to garner this opportunity
Target Market	Emerging Markets – Global fund tenders, WHO Tender, PEPFAR Tender, Various African In-Country Tenders
Therapeutic Areas	ARV
Addressable Market Size	<ul style="list-style-type: none"> • ~\$ 2 Billion in Generic Accessible markets • Commenced Tenofovir (TDF) Sales in Africa and awaiting participation in tenders for TLD (Tenofovir, Lamivudine, Dolutegravir) Combination
Filings	<p>TLE₆₀₀ & TLE₄₀₀ (Tenofovir, Lamivudine, Efavirenz) combinations filed in October 2018 and January 2019 respectively.</p> <p>Over 50 product registrations filed in various African & Asian Countries</p>
Approvals	<ul style="list-style-type: none"> • Have received approval for TLD under Global Fund-ERP which enables us to participate in various In-Country Tenders. TLD Approval from USFDA expected in 1st week of February 2019 and from WHO before March 2019. • Tenofovir approved by WHO and USFDA and also in several EU countries.
Future Filings	<ul style="list-style-type: none"> • Development of other combinations for first line and second line therapy is active and expected to be ready for filing before Dec 2019.
Growth Potential	Three out of four major combination drugs [TLD, TLE ₆₀₀ , TLE ₄₀₀] are filed with the regulatory authorities. Total patients growth is expected to be in high single digit and treatment to reach about 25 mn patients by 2022

Synthesis Business Strategy



Overview	<ul style="list-style-type: none"> State-of-the-art cGMP facilities to manufacture NCEs Can support early stage, late stage and commercial launch supply requirements Working with Global Innovator Companies Around 50% of the business revenue comes from ASPEN & the rest from CDMO services
Target Market	USA, Europe and Japan
Approvals	Units Approved by key regulatory agencies of US, EU, Japan
Growth Potential	<ul style="list-style-type: none"> Commencement of commercial supplies from Unit 5 to ASPEN New business opportunities for manufacturing from several global companies





Transformation of Business Model





Strong R&D Capabilities



- “Research-first” approach – Set up dedicated R&D center in Hyderabad in 2006 prior to commissioning API manufacturing facility in 2007 and further expansion completed in 2017.

- R&D team comprising 800 plus scientists (~24% of total employee strength) including over 55 PhDs

- Kilo Lab at R&D center accredited by international regulators

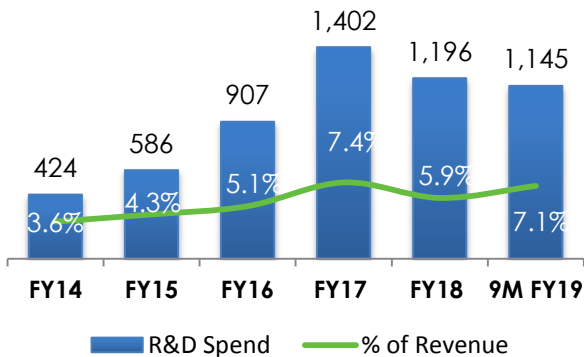
- Currently setting up new R&D center in Visakhapatnam



Key Accreditations



Increasing R&D Spend (INR mn)



50+

Products commercialized since inception

51

Filed DMFs

234

Patents filed

73

Patents granted

18

ANDAs & NDA /
Dossiers filed

- R & D spent includes OPEX, CAPEX and RMC of FDF validation batches
- FY 17 numbers are high due to additional CAPEX and initial FDF validation batches

Quality Focus & Regulatory Audits



We maintain consistent quality, efficiency and product safety.

We have adopted uniform manufacturing standards across all facilities to achieve standardized quality for all markets. Good manufacturing practices across all the manufacturing facilities, encompassing all areas of business processes right from supply chain to product delivery.



Regular Inspection at different manufacturing units

2018	USFDA, ANVISA (Brazil)
2017	WHO, USFDA, EU (Germany)
2016	USFDA
2015	WHO, USFDA, EU (Germany)
2014	WHO, USFDA, CDSCO
2013	WHO
2012	USFDA
2011	KFDA, USFDA, WHO
2010	MHRA
2009	TGA, USFDA



Manufacturing Facilities at Parawada, Vizag

Unit-I



- Located at Jawaharlal Nehru Pharma City, Vishakhapatnam, India.
- API manufacturing facility and includes capacity for ingredients, synthesis and contract manufacturing.
- Commenced operations in 2007.
- 316 reactors with 1,142 Kilo Liters capacity.
- Received approvals from US FDA, WHO-Geneva, NIP – Hungary, KFDA, COFEPRIS & PMDA.

Unit-III



- Located at Jawaharlal Nehru Pharma City, Vishakhapatnam, India.
- API manufacturing facility and includes capacity for ingredients, synthesis and contract manufacturing.
- Commenced operations in 2015.
- 195 reactors with 1,360 Kilo Litres capacity.
- Received approvals from USFDA, WHO – Geneva, & NIP – Hungary .

Unit-V



- Located at Jawaharlal Nehru Pharma City, Vishakhapatnam, India. (SEZ)
- A dedicated Hormone and Steroid facility for Aspen
- Commenced operations in 2017.
- 46 reactors with 125 Kilo Litres capacity .

Manufacturing Facilities at Achutapuram, Vizag



Unit-II



- Located at APIIC, Achutapuram, Visakhapatnam, India. (SEZ)
- FDF and API manufacturing facility
- Commenced operations in 2017.
- FDF - capacity of 5 bn tablets/capsules per year.
- API block with 12 reactors with 83 Kilo Liters capacity.
- Received approvals from BVG Hamburg Germany, USFDA, WHO – Geneva

Unit-IV



- Located at APIIC, Achutapuram, Visakhapatnam, India. (SEZ)
- API manufacturing facility and includes capacity for ingredients, synthesis and contract manufacturing.
- Commercial operations in 2018
- 32 reactors with 85 Kilo Liters capacity
- Received approval from COFEPRIS - Mexico

Unit-VI



- Located at APIIC, Achutapuram, Visakhapatnam, India.
- API manufacturing facility.
- Commercial operations in 2018
- 44 reactors with 260 Kilo Liters capacity.
- Successful completion of USFDA inspection with 1 observation

Business Highlights – Q3 & 9M FY 19



Overall

- Total Income at INR 16,568 mn during the 9M FY19 (Y-o-Y) grown by 11 % and INR 5,295 mn during quarter grown by 11% Y-o-Y.
- R & D spent of INR 1,145 mn and 7.1 % as percentage of sales during 9M FY19.

Generic API

- Filed 234 patent applications and 73 patent granted as on Dec 31, 2018
- Capacity expansion completed for Lamivudine.
- USFDA inspection of Unit VI completed with 1 procedural observation

Synthesis & Ingredients

- New Business opportunities from Innovator/Pharma companies will accelerate further growth.

Generic FDF

- TLD Approval from USFDA expected in 1st week of February 19 and from WHO before March -19.
- TLE₆₀₀ filed in October -18 with USFDA & WHO
- TLE₄₀₀ filed in January -19 with USFDA & WHO
- 1 product validation completed for formulation apart from filling of 18 ANDAs & NDA
- FDF Opex of INR 941 mn which includes INR 395 mn related to the R&D during 9MFY19.

Performance Highlights - Abridged Profit & Loss statement



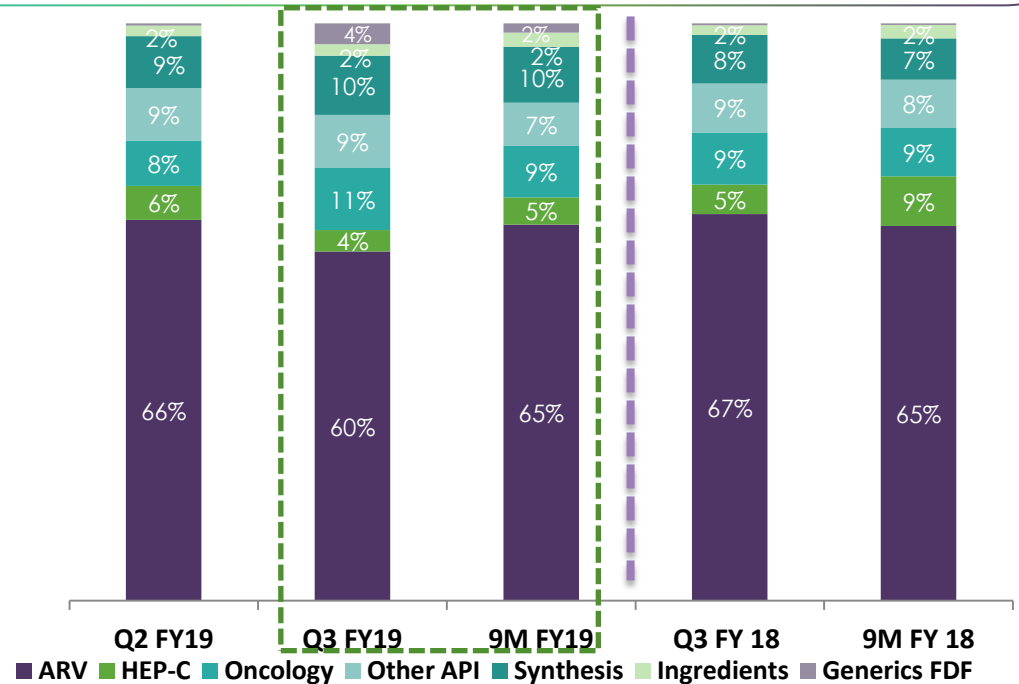
Particulars (Rs. mn)	Q3 FY19	Q3 FY18	Growth % (Q3 FY19 Vs. Q3 FY 18)	Q2 FY19	Growth % (Q3 FY19 Vs. Q2 FY 19)	9M FY19	9M FY18	Growth % (9M FY19 Vs. 9M FY 18)
Total Revenues from Operations (Net)	5,295	4,789	10.6%	5,883	-10.0%	16,568	14,959	10.8%
Total Expenditure	5,081	4,403		5,770		16,041	13,467	
EBITDA	891	972	-8.3%	862	3.4%	2,578	3,198	-19.4%
Margins	16.8%	20.3%		14.7%		15.6%	21.4%	
PBT	228	486	-53.1%	218	4.6%	672	1,733	-61.2%
Margins	4.3%	10.1%		3.7%		4.1%	11.6%	
PAT	178	349	-49.0%	162	9.9%	506	1,225	-58.7%
Margins	3.4%	7.3%		2.8%		3.1%	8.2%	
EPS (Diluted)	1.7	3.3	-48.5%	1.5	13.3%	4.8	11.5	-58.3%
	(Not annualised)	(Not annualised)		(Not annualised)		(Not annualised)	(Not annualised)	

- Exchange rate per US\$ stood at INR 65.04 by 31st Mar 18, INR 72.55 by 30th Sep 18, INR 69.79 by 31st Dec 18 and appreciated by INR 2.76 (3.80%) comparing to Q2 resulted a forex gain of INR 113 mn in Q3 and depreciated by INR 4.75 (7.30%) comparing to Mar 18 resulted INR 110 mn loss for FY 19 YTD.
- There is no significant price increase of raw materials in Q3, based on overall backward integration/alternative sourcing for a few intermediates already implemented and some are in pipeline.
- Cost of borrowing has increased by 0.5% due to increase in base lending rates.



Drivers of Revenue – Division wise revenue breakup

- **Total Revenues** grew by 11% for the quarter (Y-o-Y) and 11% for 9M (Y-o-Y)
- **Generic API**
 - **ARV** Segment registered a healthy growth of ~11% in 9M (Y-o-Y) on the back of improved volumes. Q3 Revenue stood at INR 3,202 mn due to lower off take from couple of customers. We are on track for delivering high single digit growth for FY19.
 - **HEP-C** business continues to remain muted. The segment recorded sales of INR 197 mn for Q3 FY19 & INR 782 mn for 9M FY19, registering de-growth. However, we are confident of improved sales in Q4 FY19.
 - **Oncology** business showed robust growth of 31% for the quarter (Y-o-Y) & 18% for 9M (Y-o-Y) on the back of new capacity additions
 - **Other API** sales grew over 20% for the quarter (Y-o-Y). Sales remained flat for 9M (Y-o-Y) because of lower sales in Q1 FY19.
- **Synthesis** Business continues to report robust revenue growth growing by 34% for the quarter (Y-o-Y), and 51% in 9M (Y-o-Y), with increase in revenue from Unit 5 and also with improved contribution from CMO business.
- **Generic FDF** business recorded sales of INR191 mn in Q3FY19, resulting in 9M FY19 sales of INR 264 mn. On the back of ANDA Sale to CASI Pharma
- **Ingredients** revenue grew 14% for 9M(Y-o-Y)

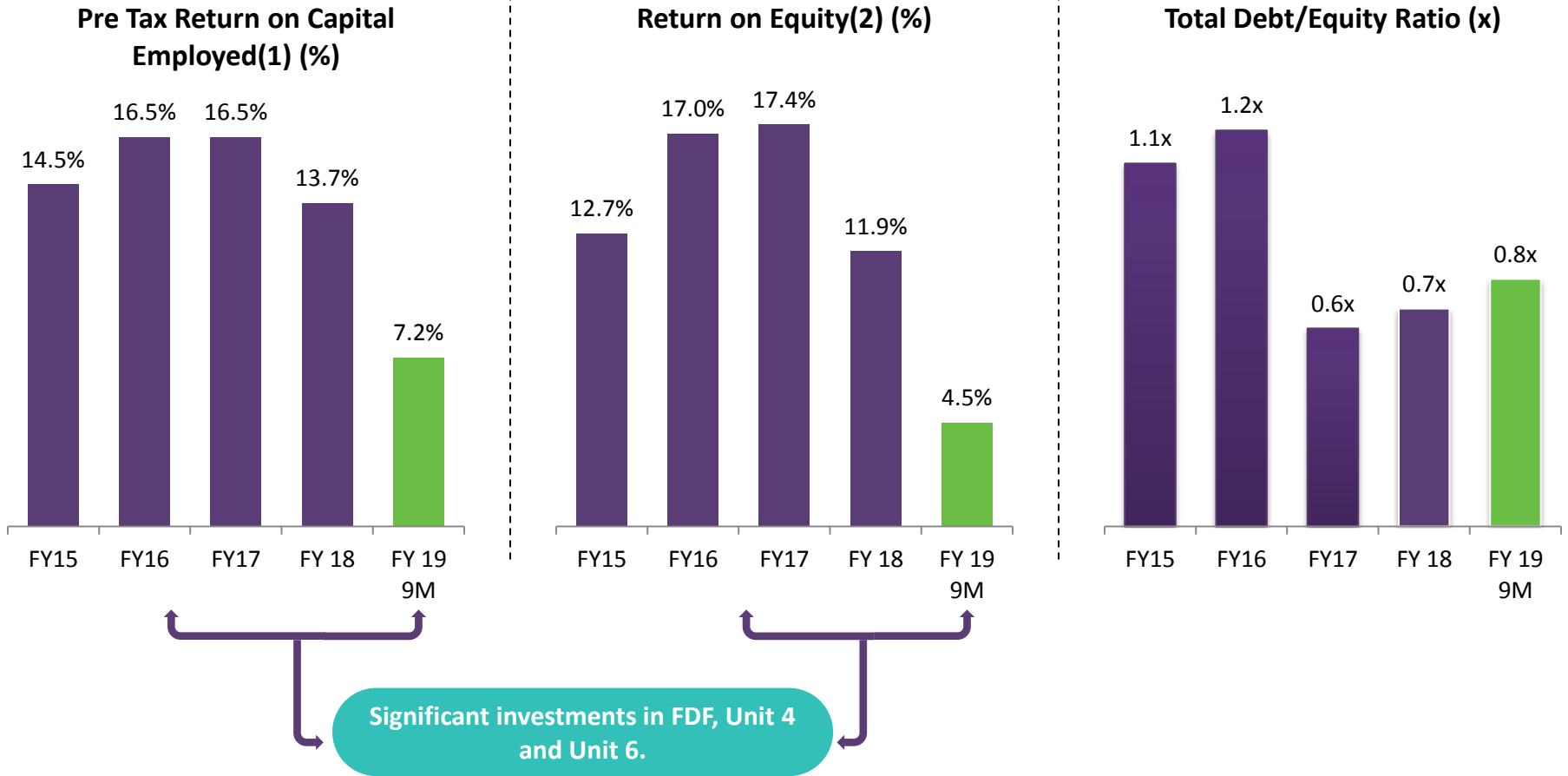


Segments (INR mn)	Q2 FY19	Q3 FY19	9M FY19	Q3 FY18	9M FY18	Growth Q3 (Y-o-Y)	Growth 9M (Y-o-Y)
ARV	3,882	3,202	10,794	3,208	9,709	-0.2%	11%
HEP-C	344	197	782	244	1,288	-19%	-39%
Oncology	465	569	1,474	433	1,254	31%	18%
Other API	533	489	1,239	406	1,250	20%	-1%
Synthesis	530	541	1,612	404	1,067	34%	51%
Ingredients	107	106	403	79	353	34%	14%
Generics FDF	22	191	264	15	38	1,173%	595%
Total Revenue	5,883	5,295	16,568	4,789	14,959	11%	11%

Note: Consolidated financials as per Ind-AS

Established Track Record Of Delivering Growth

– Efficient Use of Capital and Prudent Leverage

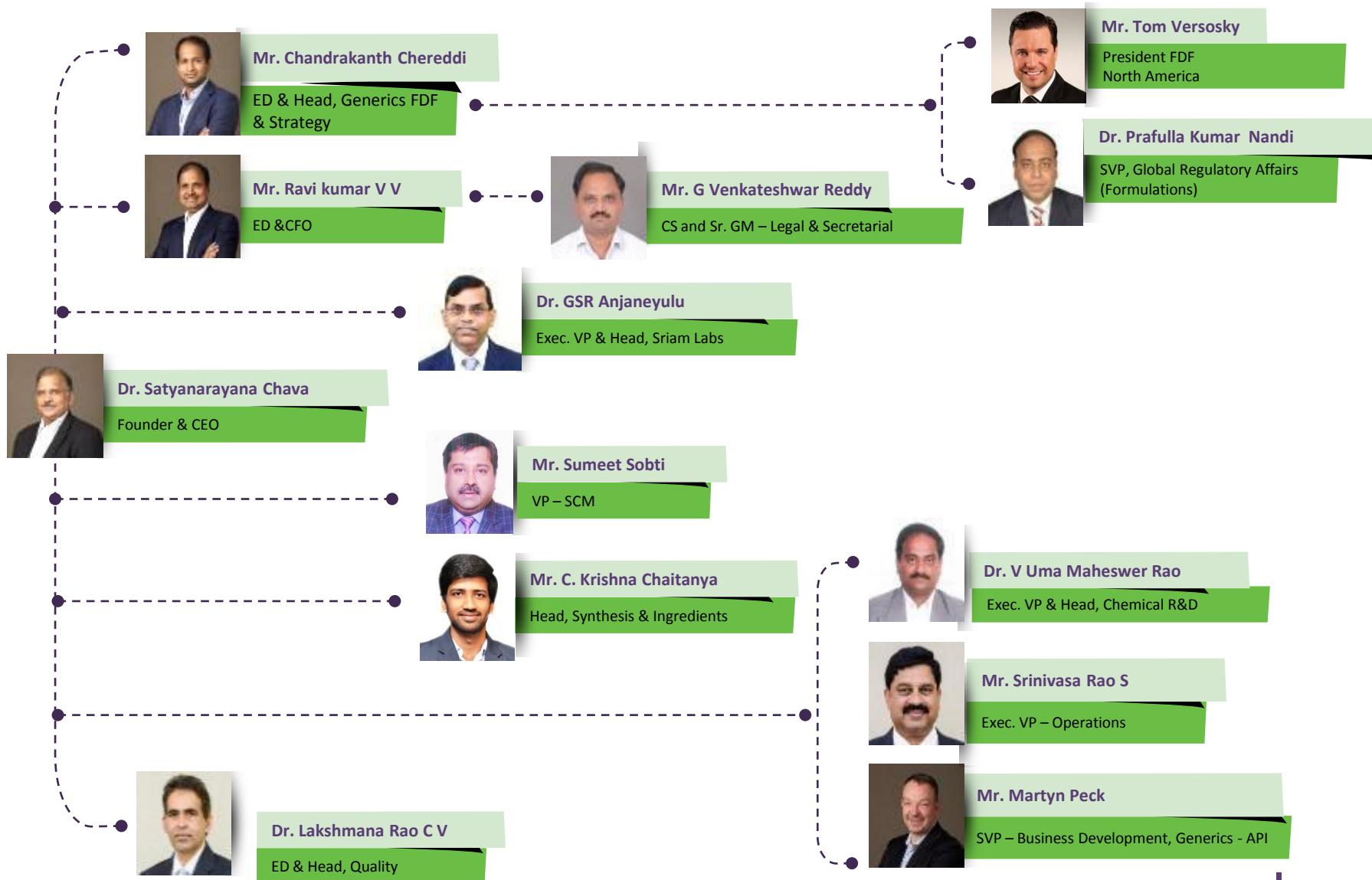


FY 19 9M ratios are calculated based on 9M annualized.

Note: Based on consolidated financials as per Ind AS

- (1) Pre-tax RoCE is calculated as EBIT/Average Capital Employed. Capital employed is defined as Net Worth + Long Term and Short Term Borrowings + Current Portion of Long Term Borrowing - Cash
- (2) RoE is calculated as PAT/Average Net Worth

Management Team





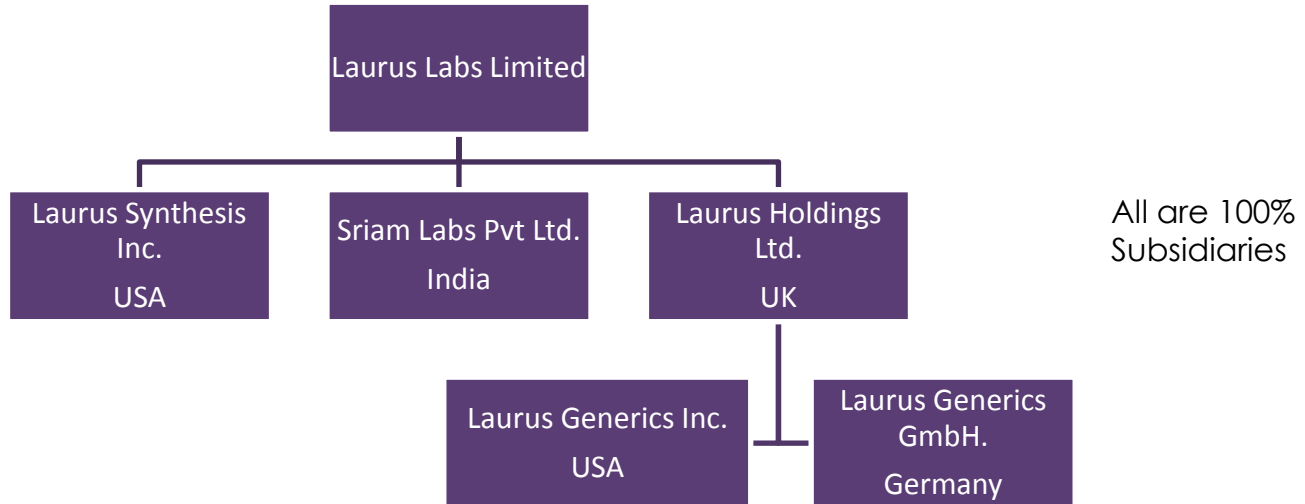
Executive Directors	
Name	Background
Dr Satyanarayana Chava	<ul style="list-style-type: none"> Whole-time Director, Founder and Chief Executive Officer
Ravi Kumar V V	<ul style="list-style-type: none"> Whole-time Director and CFO
Chandrakanth Chereddi	<ul style="list-style-type: none"> Whole-time Director and Head of Generic FDF and Strategy
Dr Lakshmana Rao C V	<ul style="list-style-type: none"> Whole-time Director and Head, Quality

Non-Executive Directors	
Name	Background
Dr. M. Venu Gopala Rao	<ul style="list-style-type: none"> Non Executive Chairman and Independent Director
Narendra Ostawal	<ul style="list-style-type: none"> Managing Director of Warburg Pincus India Private Limited
Aruna Rajendra Bhinge	<ul style="list-style-type: none"> Independent Director; Former Head of Food Security Agenda, APAC at Syngenta India Limited
Dr. Rajesh Koshy Chandy	<ul style="list-style-type: none"> Independent Director; Professor of Marketing at the London Business School
Ramesh Subrahmanian	<ul style="list-style-type: none"> Independent Director; Founder and Director of Alchemy Advisors
Dr. Ravindranath Kancherla	<ul style="list-style-type: none"> Independent Director and Founder-Member and Treasurer of ELSA of Asia in Singapore and Chairman of Global Hospitals

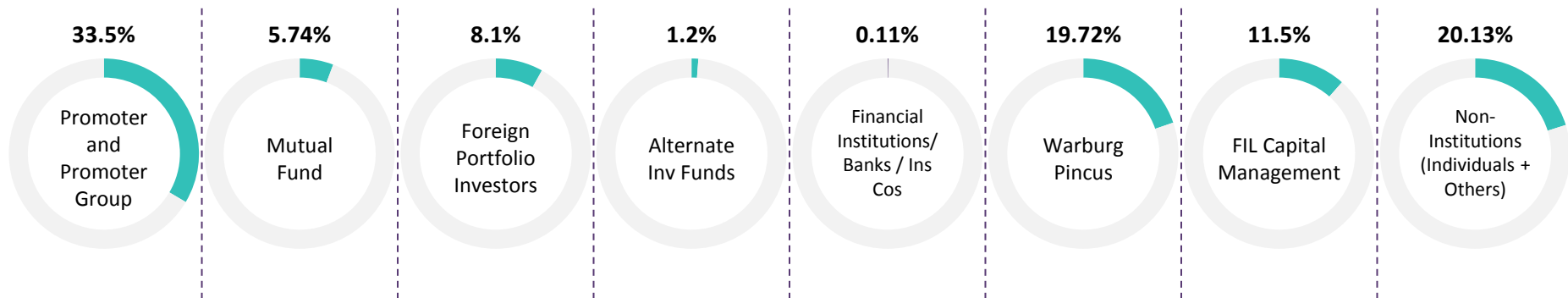


Ownership Structure

Corporate Structure



Shareholding pattern *



* As of 31st December 2018

Laurus Labs is a Fortune 500 Company, Great Place To Work and one of the India's Best Workplace in 2018



Laurus Labs is listed in the Fortune 500 Companies List in India



Laurus Labs is certified as "Great Place to Work" for the year 2018.



Laurus Labs is recognized as one of the Best Work Places in Biotechnology, Pharmaceuticals & Health Care sector for the year 2018



Results Conference Call



Results conference call on Friday February 01, 2019 at 4:00 PM IST

Details of the conference call are as follows:

Timing	4:00 PM IST on Friday, February 01, 2019
Conference dial-in Universal Dial-In	+91 22 6280 1214 +91 22 7115 8115
India Local access Number	+91 7045671221 Available all over India
Singapore Toll Free	8001012045
Hong Kong Toll Free	800964448
USA Toll Free	18667462133
UK Toll Free	08081011573



Contact us

About Laurus Labs Ltd.

Laurus Labs is a leading research and development driven pharmaceutical company in India. The Company has grown consistently to become one of the leading manufacturers of Active Pharmaceutical Ingredients (APIs) for anti-retroviral (ARV) and Hepatitis C. Laurus also manufactures APIs in Oncology and other therapeutic areas. Its strategic and early investments in R&D and manufacturing infrastructure have enabled it to become one of the leading suppliers of APIs in the ARV therapeutic area. Laurus Labs also forayed into Finished Dosages Forms capabilities on the back of existing strengths in APIs. The Company is also driving growth opportunities in the Synthesis and Ingredients businesses. **Corporate Identification No: L24239AP2005PLC047518.**

For more information about us, please visit www.lauruslabs.com or contact:

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Thank You