

August 3, 2022

To
BSE Limited
Phiroze Jeejeebhoy Towers, 25th Floor,
Dalal Street, Mumbai - 400 001

The National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex
Bandra (E), Mumbai - 400 001

Scrip Code: 524558

Scrip Code: NEULANLAB; Series: EQ

Dear Sir/Madam,

Sub: Outcome of Board Meeting - Un-audited Standalone & Consolidated Financial Results for the quarter ended June 30, 2022

Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at their meeting held on even date, i.e. August 3, 2022, has inter alia, approved the Unaudited Financial Results (standalone & consolidated) of the Company for the quarter ended June 30, 2022.

A copy of the Unaudited Financial Results for the quarter ended June 30, 2022 together with the limited review reports (standalone & consolidated) by the Statutory Auditors of the Company and Press Release along with presentation to the Investors/ Analysts, on the Unaudited Financial Results of the Company for the quarter ended June 30, 2022 are enclosed herewith.

The above information will also be available on the website of the Company at www.neulandlabs.com.

The meeting of the Board of Directors of the Company commenced at 11:40 AM (IST) and concluded at 01:20 PM.

This is for your information and records.

Thanking you,

Yours Sincerely,

For Neuland Laboratories Limited



Sarada Bhamidipati
Company Secretary

Encl: As above

Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Neuland Laboratories Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Neuland Laboratories Limited** ('the Company') for the quarter ended June 30, 2022 and the year to-date results for the period April 01, 2022 to June 30, 2022 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Company's Management in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether standalone financial results are free of material misstatements. A review 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 of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W




Amit Kumar Agarwal
Partner
Membership No. 214198

Place: Hyderabad, INDIA
Date: August 03, 2022
UDIN: 22214198AODOCJ4056

NEULAND LABORATORIES LIMITED

11th Floor (5th Office Level), Phoenix IVY Building, Plot No. 573A-III,
Road No 82, Jubilee Hills, Hyderabad - 500033

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2022 (Unaudited)	31.03.2022 (Unaudited)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	Revenue				
	(a) Revenue from operations	22,116.99	25,587.25	20,088.67	95,107.66
	(b) Other income	51.18	63.14	205.59	207.67
	Total Income	22,168.17	25,650.39	20,294.26	95,315.33
2	Expenses				
	(a) Cost of materials consumed	9,624.68	9,771.33	11,617.03	43,755.36
	(b) Changes in inventories of finished goods and work-in-progress	(761.39)	1,989.42	(3,075.77)	(1,541.47)
	(c) Employee benefits expense	4,660.87	4,243.57	4,179.19	17,575.85
	(d) Finance costs	285.80	277.00	384.28	1,349.44
	(e) Depreciation and amortisation expense	1,279.84	1,245.23	1,182.78	4,903.64
	(f) Manufacturing expenses	3,085.66	3,236.32	3,140.52	13,136.31
	(g) Other expenses	2,659.36	2,475.35	1,667.62	7,962.22
	Total expenses	20,834.82	23,238.22	19,095.65	87,141.35
3	Profit before tax (1-2)	1,333.35	2,412.17	1,198.61	8,173.98
4	Tax expense				
	(a) Current tax	410.00	703.04	332.58	2,042.19
	(b) Deferred tax	(60.69)	(473.52)	1.27	(221.55)
5	Profit for the period / year (3-4)	984.04	2,182.65	864.76	6,353.34
6	Other comprehensive income (net of taxes)				
	(a) Items that will not be reclassified to profit or loss				
	Re-measurement gains/(losses) on defined benefit plans	66.13	(248.46)	(14.36)	(396.90)
	Equity instruments through other comprehensive income	(1.51)	(0.19)	2.59	(302.16)
	Tax on items that will not be reclassified to profit or loss	(16.64)	62.53	3.61	99.89
	Total comprehensive income	1,032.02	1,996.53	856.60	5,754.17
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	1,290.05	1,290.05
8	Other equity (excluding revaluation reserve)				82,183.49
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 4)	7.67	17.01	6.74	49.52
	(b) Diluted (refer note 4)	7.67	17.01	6.74	49.52
	See accompanying notes to the financial results				



NOTES:

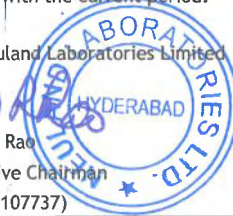
- 1 The financial results for the quarter ended 30 June 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 3rd August 2022.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The operations of the Company are predominantly related to the manufacture and sale of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 4 The EPS for quarters has not been annualised.
- 5 The figures for the quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published figures upto nine months of the relevant financial year.
- 6 The previous period figures have been regrouped/rearranged wherever necessary to make it comparable with the current period.

Place: Hyderabad
Date: 03 August 2022



For Neuland Laboratories Limited


Dr. D R Rao
Executive Chairman
(DIN 00107737)



Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of the Group pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Neuland Laboratories Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of **Neuland Laboratories Limited** ('the Holding Company') and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended June, 30 2022 and the year to-date results for the period from April 01, 2022 to June 30, 2022 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). This statement is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Holding Company's Management 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 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review 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 SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. This Statement includes the results of the following entities:

Sr. No	Name of the Company	Relationship with the Holding Company
1	Neuland Laboratories K.K., Japan	Wholly Owned Subsidiary
2	Neuland Laboratories Inc., USA	Wholly Owned Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement are prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not




disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The consolidated unaudited financial results includes the interim financial information of two subsidiaries (mentioned in paragraph 4 above) which have not been reviewed or audited by their auditors, whose interim financial information reflect total revenue (before consolidation adjustments) of Rs. 237.50 lakhs, total profit after tax (before consolidation adjustments) of Rs. 12.56 lakhs and total other comprehensive income of Rs. 21.48 lakhs (before consolidation adjustments) for the quarter ended June 30, 2022, respectively, as considered in the statement. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Amit Kumar Agarwal
Partner
Membership No. 214198



Place: Hyderabad, INDIA
Date: August 03, 2022
UDIN: 22214198AODNXQ9510

NEULAND LABORATORIES LIMITED
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2022 (Unaudited)	31.03.2022 (Unaudited)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	Revenue				
	(a) Revenue from operations	22,116.99	25,587.25	20,088.67	95,107.66
	(b) Other income	51.18	63.15	205.59	207.68
	Total Income	22,168.17	25,650.40	20,294.26	95,315.34
2	Expenses				
	(a) Cost of materials consumed	9,624.68	9,771.33	11,617.03	43,755.36
	(b) Changes in inventories of finished goods and work-in-progress	(761.39)	1,989.42	(3,075.77)	(1,541.47)
	(c) Employee benefits expense	4,829.97	4,396.96	4,312.86	18,247.23
	(d) Finance costs	285.81	277.03	384.29	1,349.51
	(e) Depreciation and amortisation expense	1,279.93	1,245.41	1,182.88	4,904.02
	(f) Manufacturing expenses	3,085.67	3,236.32	3,140.52	13,136.31
	(g) Other expenses	2,477.59	2,306.41	1,525.13	7,248.13
	Total expenses	20,822.26	23,222.88	19,086.94	87,099.09
3	Profit before tax (1-2)	1,345.91	2,427.52	1,207.32	8,216.25
4	Tax expense				
	(a) Current tax	410.01	710.29	332.59	2,042.90
	(b) Deferred tax	(60.68)	(460.84)	1.28	(208.85)
5	Profit for the period / year (3-4)	996.58	2,178.07	873.45	6,382.20
6	Other comprehensive income (net of taxes)				
	(a) Items that will not be reclassified to profit or loss				
	Re-measurement gains/(losses) on defined benefit plans	66.13	(248.46)	(14.36)	(396.90)
	Equity instruments through other comprehensive income	(1.51)	(0.19)	2.59	(302.16)
	Tax on items that will not be reclassified to profit or loss	(16.64)	62.53	3.61	99.89
	(b) Items to be reclassified to profit or loss				
	Exchange differences in translating the financial statements of a foreign operations	8.94	2.74	6.63	6.18
	Total comprehensive income	1,053.50	1,994.69	871.92	5,789.21
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	1,290.05	1,290.05
8	Other equity (excluding revaluation reserve)				82,676.14
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 5)	7.77	16.97	6.81	49.74
	(b) Diluted (refer note 5)	7.77	16.97	6.81	49.74
	See accompanying notes to the financial results				




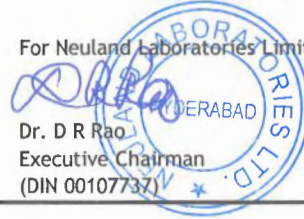
NOTES:

- 1 The financial results for the quarter ended 30 June 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 3rd August 2022.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The Consolidated Financial Results include results of the following wholly owned subsidiaries:
(a) Neuland Laboratories Inc., USA;
(b) Neuland Laboratories KK., Japan.
- 4 The operations of the Company and its subsidiaries are predominantly related to the manufacture and sale of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 5 The EPS for quarters has not been annualised.
- 6 The figures for the quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published figures upto nine months of the relevant financial year.
- 7 The previous period figures have been regrouped/rearranged wherever necessary to make it comparable with the current period.

Place: Hyderabad
Date: 03 August 2022



For Neuland Laboratories Limited

Dr. D R Rao
Executive Chairman
(DIN 00107737)





Neuland Q1FY23 income at Rs.221.7 crore

EBITDA at Rs. 29.0 crore

Hyderabad, India, August 3, 2022 - Neuland Laboratories Limited (NLL) (NSE: NEULANLAB; BSE:524558), a pharmaceutical manufacturer providing active pharmaceutical ingredients (APIs), complex intermediates and custom manufacturing solutions services to customers located in around 80 countries, today announced financial results for the first quarter ended June 30, 2022.

Commenting on the performance Mr. Sucheth Davuluri, Vice-Chairman and Chief Executive Officer of the Company said, *“We had a volatile quarter in which the GDS business saw a decline in revenue as the Prime segment performed below par and impacted EBITDA margins by around 300 bps. However, we witnessed an improved business mix as we saw GDS Specialty revenues from customer launches and pipeline products. We expect the shift in the portfolio to continue and deliver annual performance in line with our plans.”*

In addition, Mr. Saharsh Davuluri, Vice Chairman and Managing Director, Neuland Labs added *“Although the CMS segment saw delays arising from technical complexities, we see promising growth ahead backed by addition of new projects. Our focus internally is on execution excellence and optimization of costs to ensure mitigation against external events. We remain optimistic that our overall business will grow in line with our long-term plans and reflect higher margins due to our focus on delivering challenging projects in line with our clients’ technical needs.”*

Financial Summary

Rs. crore

Particulars	Q1FY23	Q4FY22	QoQ Growth (%)	Q1FY22	YoY Growth (%)
Total Income	221.7	256.5	(13.6)%	202.9	9.2%
EBITDA	29.0	39.3	(26.3)%	27.7	4.8%
EBITDA margin (%)	13.1%	15.3%	(220) bps	13.6%	(50) bps
PAT	9.8	21.8	(54.9)%	8.6	13.8%
PAT margin (%)	4.4%	8.5%	(410) bps	4.3%	10 bps
EPS (Basic) Rs.	7.7	17.0	(54.9)%	6.7	13.8%

Q1 FY23 Earnings Call

The company will conduct a one-hour Earnings call at **17:00 hrs. IST on Wednesday, August 3, 2022** where the management will discuss the Company’s performance and answer questions from participants. To participate in this conference call, please register on the link below:

[Diamond Pass Registration Link](#)



Please note that the transcript of the conference call will be uploaded on the company website in due course.

About Neuland Laboratories Limited

For over 38 years, Neuland Labs has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in close to 80 countries. Neuland Labs has developed more than 300 processes and 75 APIs and has filed over 903+ Regulatory filings in the US (60 active US DMFs), the European Union (EU) and other geographies. Its manufacturing facilities are inspected and approved by the U.S. FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the U.S. FDA, TGA (Australia), EDQM (EU), German Health Authority, ANVISA (Brazil), EMA (EU), Cofepris (Mexico), KFDA (Korea), PMDA (Japan), CFDA (China), FSI "SID &GP" Russia, Health Canada, ISO 9001, ISO14001, OHSAS18001 and ISO 27001. For more information, visit www.NeulandLabs.com.

If you have any questions or require further information, please feel free to contact

IR Department at Neuland

Tel: +91 40 6761 1600

Email: ir@neulandlabs.com

Ravi Udeshi, EY IR

Email: ravi.udeshi@in.ey.com



Earnings Presentation

Q1 FY 23

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Q1FY-23
HIGHLIGHTS



BUSINESS OVERVIEW



CAPABILITIES



FINANCIALS



OUTLOOK



Q1 FY-23 HIGHLIGHTS

SUCHETH DAVULURI



“We had a volatile quarter in which the GDS business saw a decline in revenue as the Prime segment performed below par and impacted EBITDA margins by around 300 bps. However, we witnessed an improved business mix as we saw GDS Specialty revenues from customer launches and pipeline products. We expect the shift in the portfolio to continue and deliver annual performance in line with our plans.”

SAHARSH DAVULURI



“Although the CMS segment saw delays arising from technical complexities, we see promising growth ahead backed by addition of new projects. Our focus internally is on execution excellence and optimization of costs to ensure mitigation against external events. We remain optimistic that our overall business will grow in line with our long-term plans and reflect higher margins due to our focus on delivering challenging projects in line with our clients’ technical needs. ”

Q1 FY23



Business Highlights

- ❖ In Prime segment Levofloxacin, Ciprofloxacin, Mirtazapine and Labetalol performed well
- ❖ Specialty had a decent growth quarter with revenues coming from Donepezil, Salmeterol, Apixaban and Paliperidone Palmitate
- ❖ CMS revenues driven by two baseline products as well as products in various phases of development



Financial Highlights

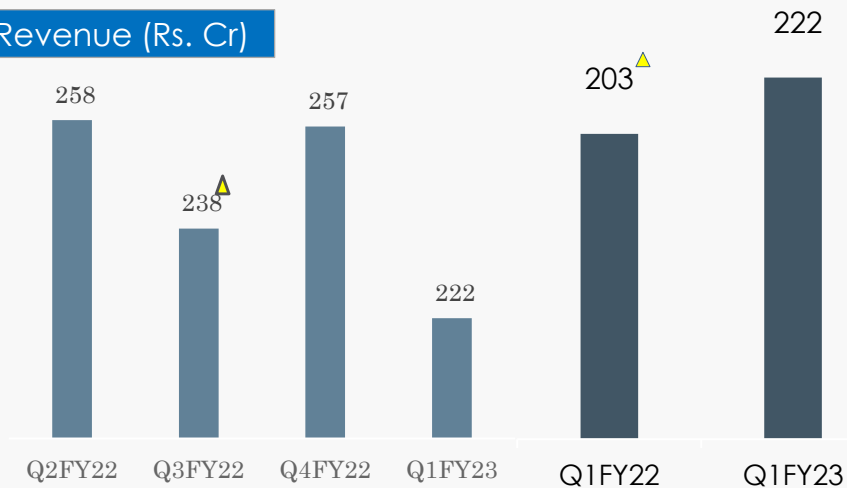
- ❖ Total income was Rs. 221.7 crore in Q1FY23, an increase of 9.2% YoY
- ❖ EBITDA margin decreased by 50 bps from 13.6% to **13.1%** in Q1FY23 due to
 - Increase in input prices, shipping costs and logistics issues
- ❖ PAT increased by 13.8% to Rs. 9.8 crores.

Profit & Loss Snapshot (Standalone)

Particulars (Rs. Cr)	Q1FY23	Q4FY22	QoQ (%)	Q1FY22	YoY (%)
Total Income	221.7	256.5	(13.6)%	202.9	9.2 %
EBITDA	29.0	39.3	(26.3)%	27.7	4.8%
<i>EBITDA Margin</i>	13.1%	15.3%	(220) Bps	13.6%	(50) Bps
Profit Before Tax	13.3	24.1	(44.7)%	12.0	11.2%
<i>Profit Before Tax Margin</i>	6.0%	9.4%	(340) Bps	5.9%	10 bps
Profit After Tax	9.8	21.8	(54.9)%	8.6	13.8%
<i>Profit After Tax Margin</i>	4.4%	8.5%	(410) Bps	4.3%	10 Bps
Earnings Per Share (Rs.)	7.7	17.0	(54.9)%	6.7	13.8%

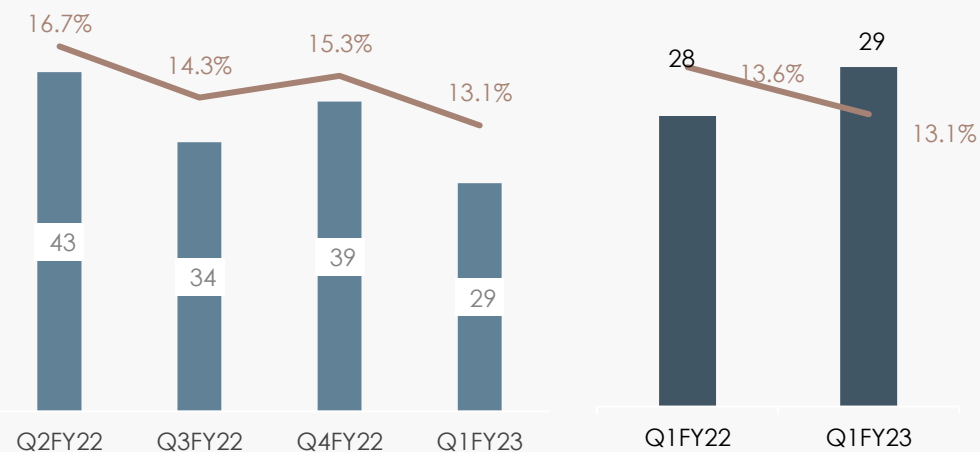
Financials (standalone)

Revenue (Rs. Cr)

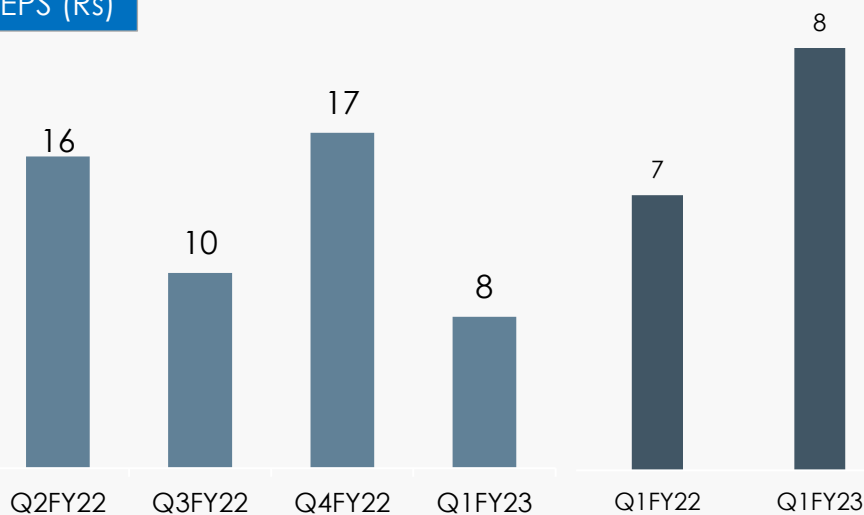


▲ Certain items classified as revenue in Q1 & Q3 have been reclassified as expenses to the tune of Rs. 2.8 Cr

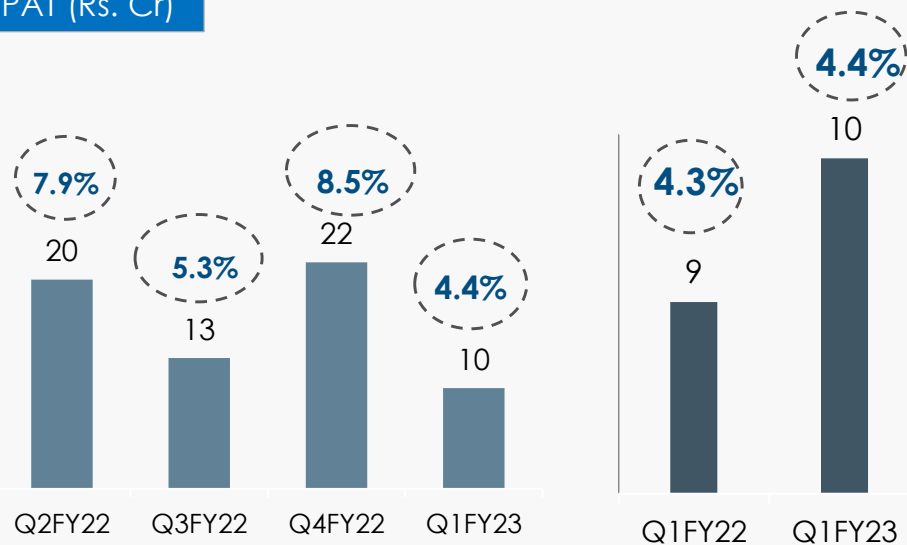
EBITDA (Rs. Cr) and EBITDA Margin (%)



EPS (Rs)



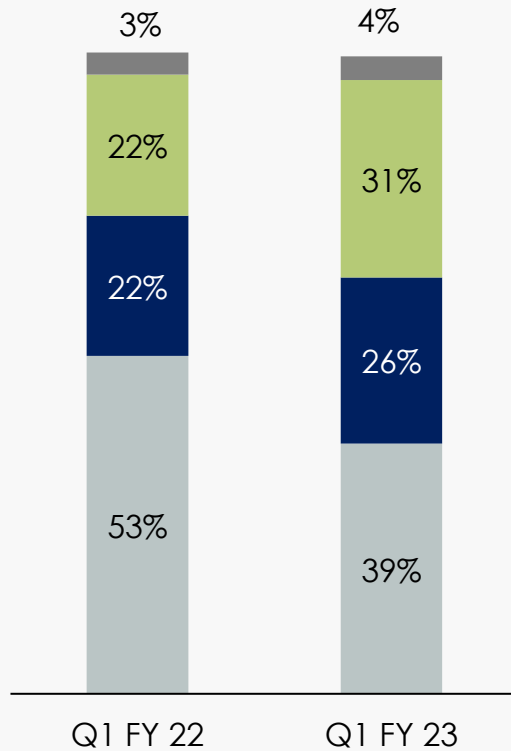
PAT (Rs. Cr)



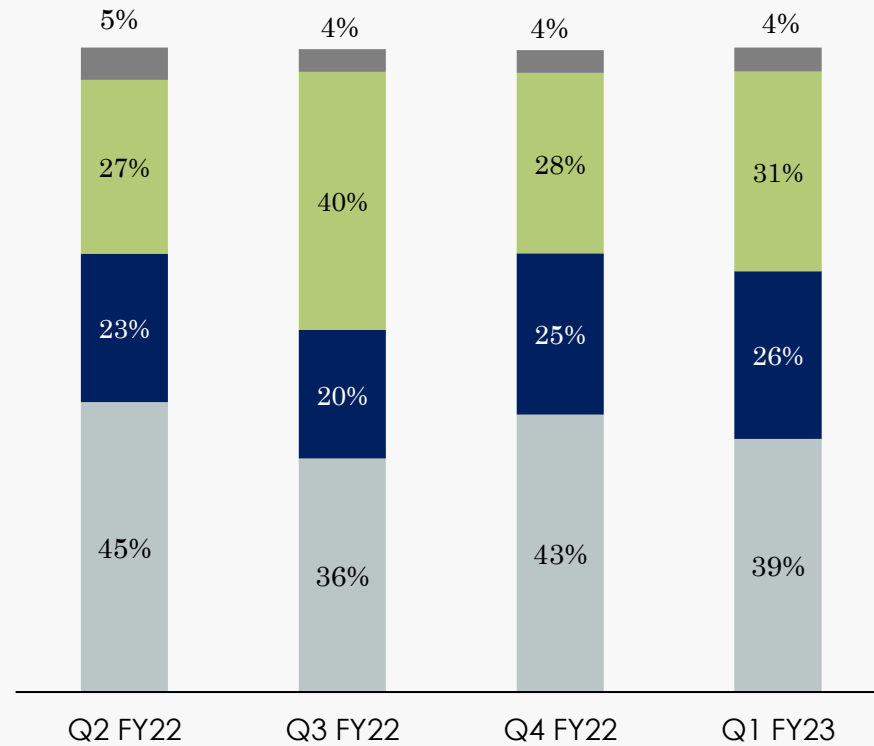
* FY21 Total Income included other income of Rs. 13.09 crores towards profit on sale of investment property

Key Operating Metrics

YoY Analysis



Quarter on Quarter Movement

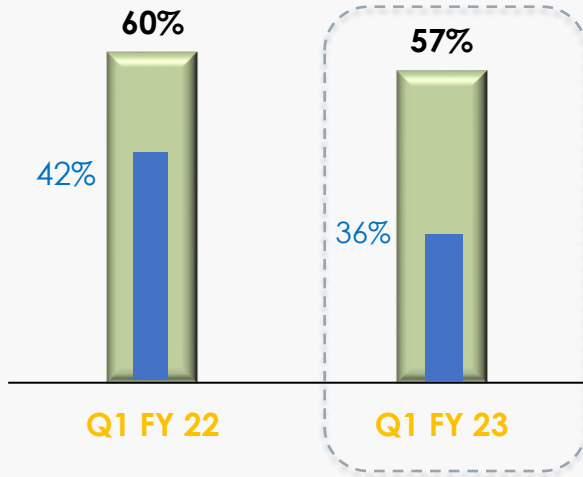


■ Prime ■ Specialty ■ CMS ■ Others

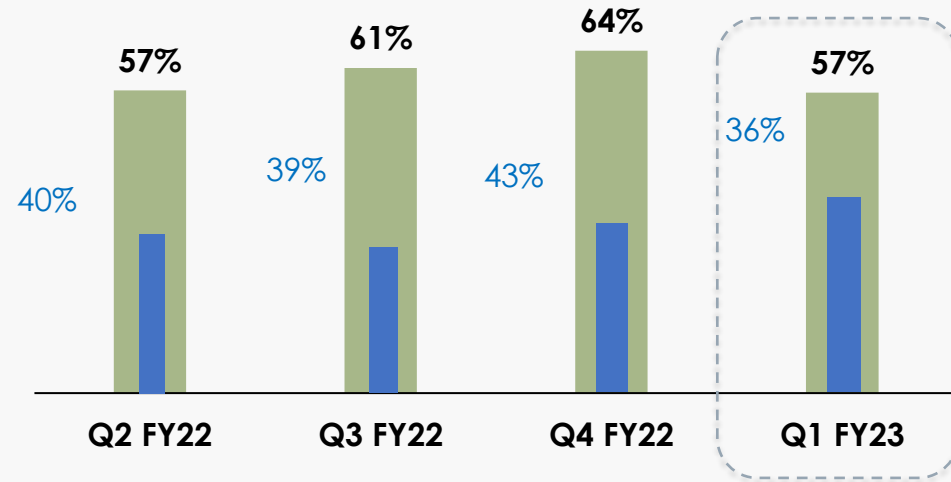
Business Salience (Overall Company)

PRODUCT

YoY Analysis



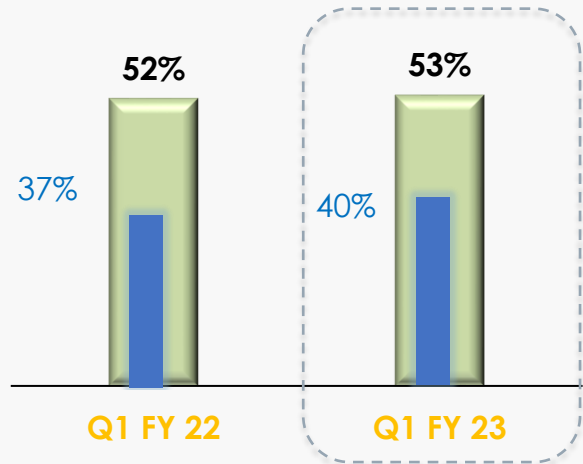
QoQ Movement



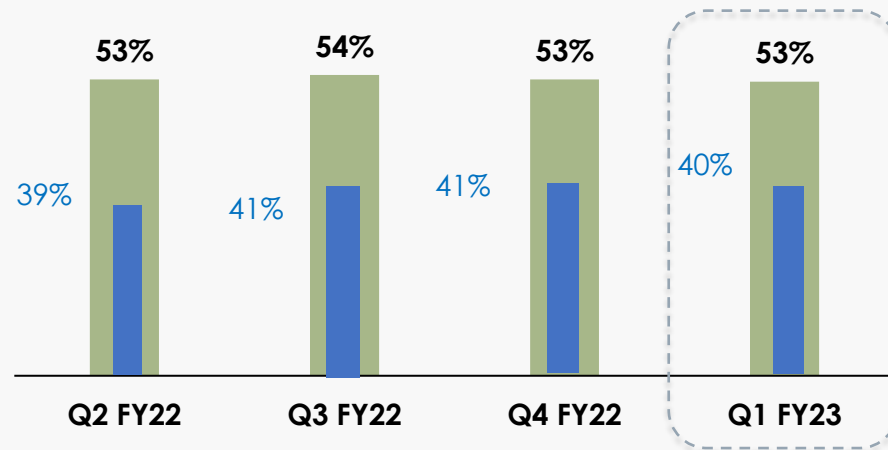
TOP 10
TOP 5
% of Total revenue

CUSTOMER

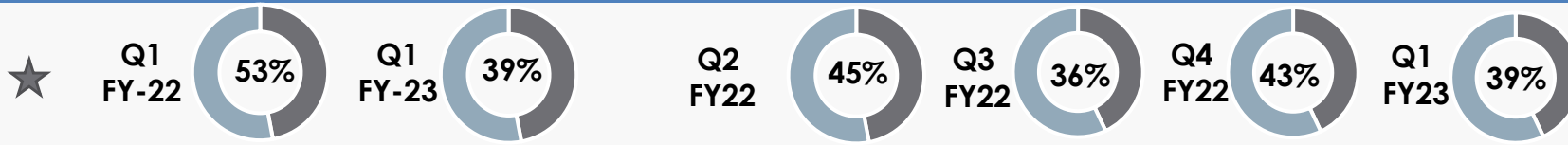
YoY Analysis



QoQ Movement

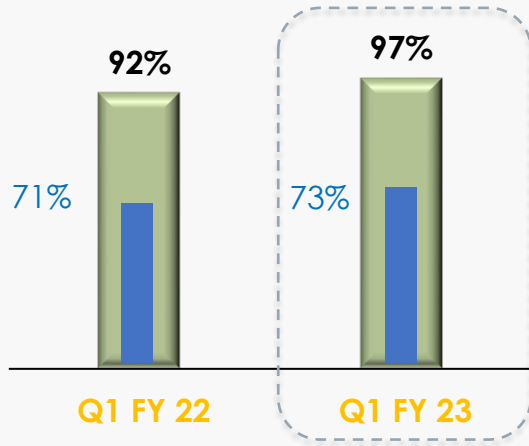


Business Salience (Prime)

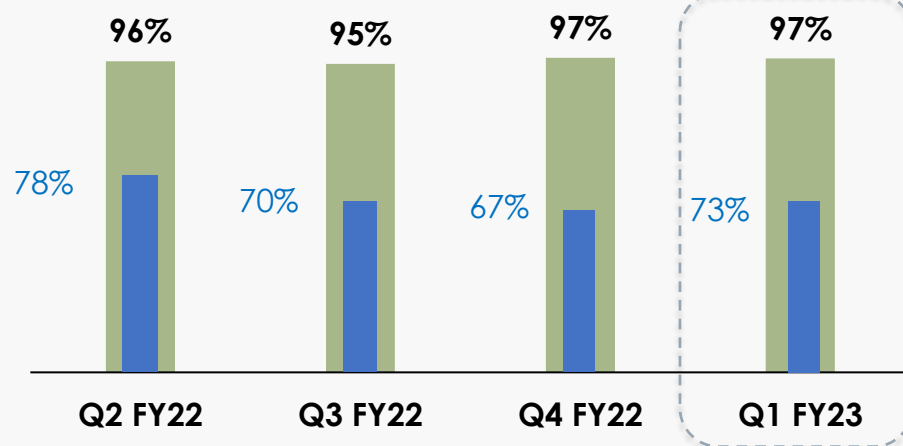


PRODUCT

YoY Analysis



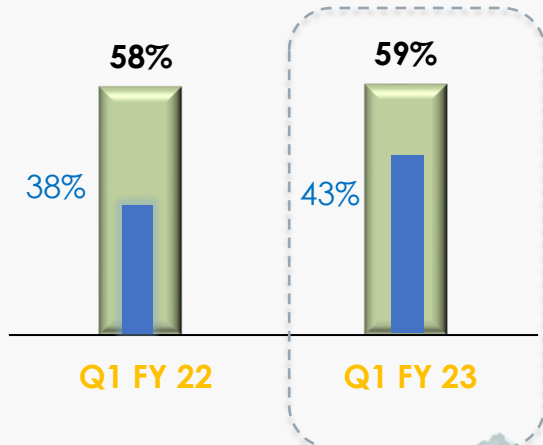
QoQ Movement



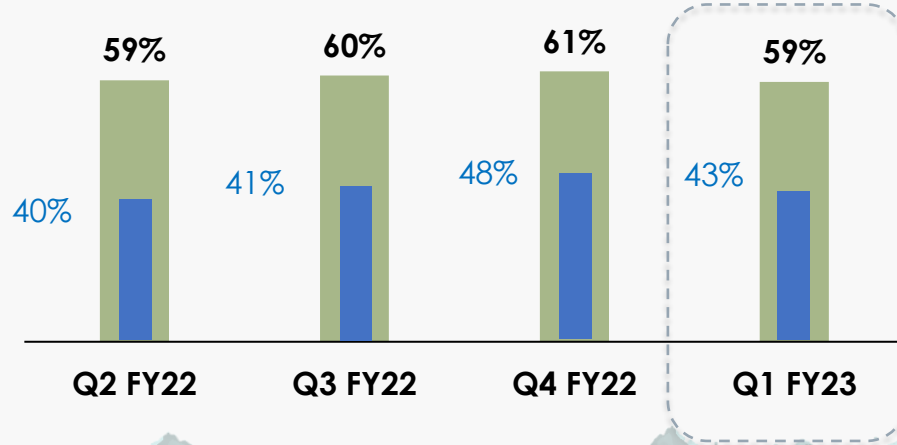
TOP 10
TOP 5
(of Prime revenue)

CUSTOMER

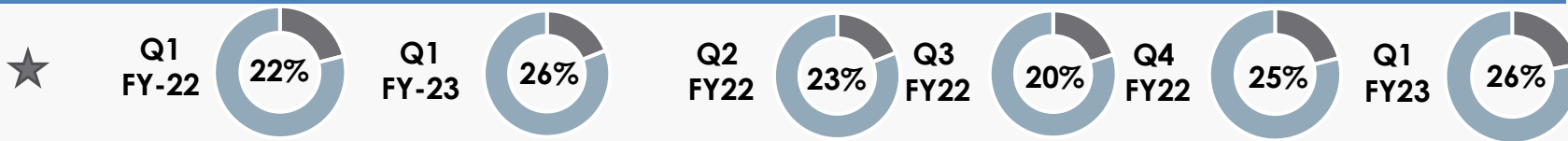
YoY Analysis



QoQ Movement

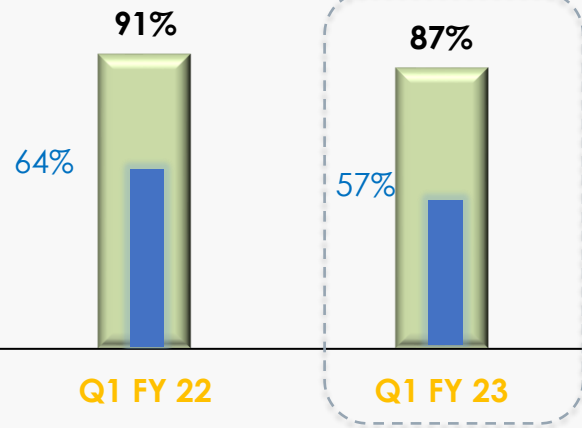


Business Salience (Specialty)

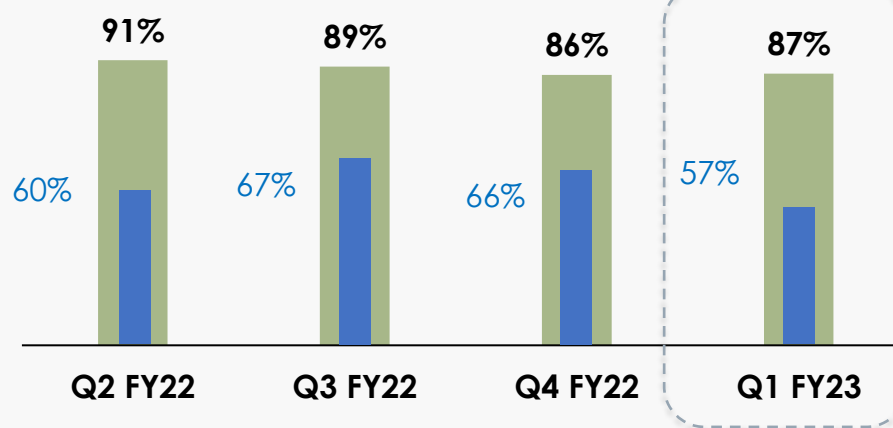


PRODUCT

YoY Analysis



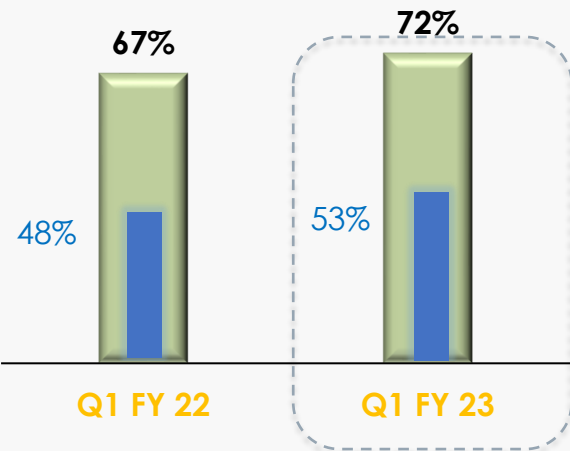
QoQ Movement



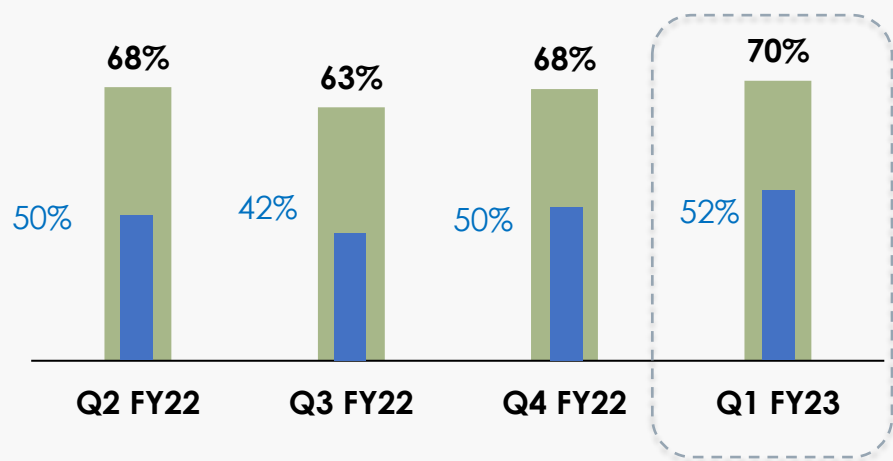
TOP 10
TOP 5
(of Specialty Revenue)

CUSTOMER

YoY Analysis

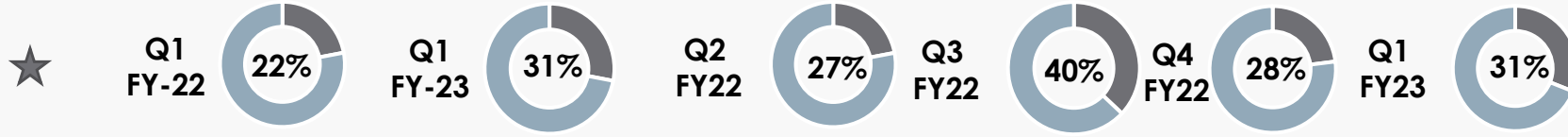


QoQ Movement



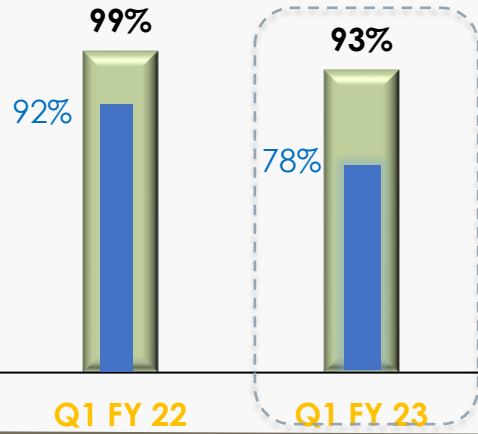
★ % represents Niche / Specialty % from Overall revenue for respective Quarter / YTD

Business Salience (CMS)

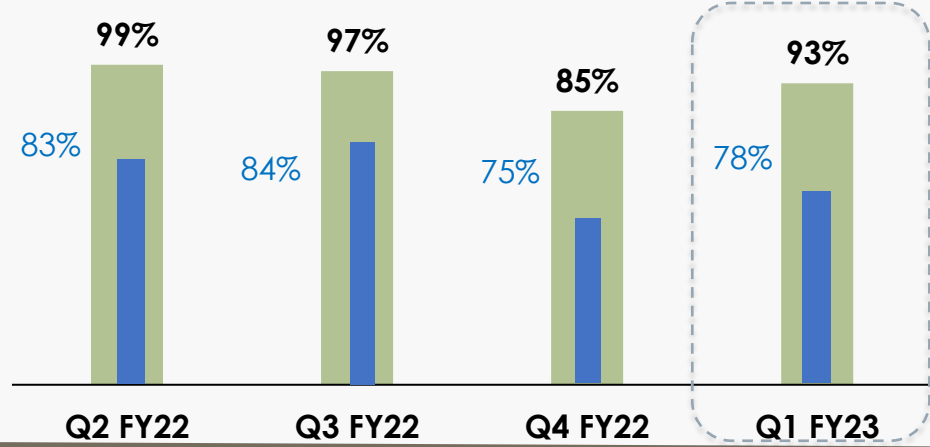


PRODUCT

YoY Analysis



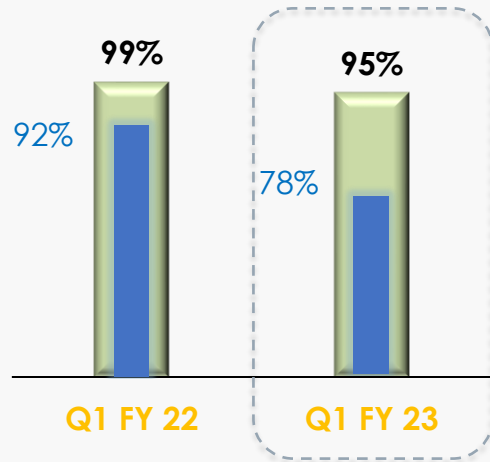
QoQ Movement



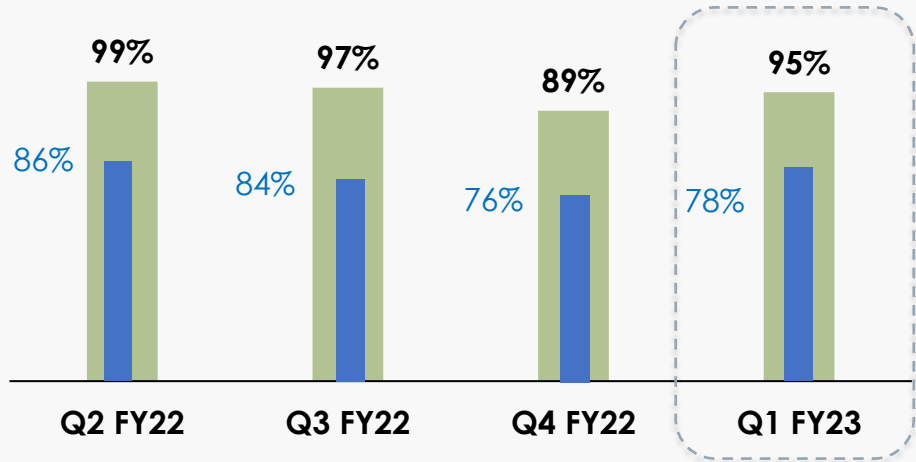
TOP 10
TOP 5
(of CMS revenue)

CUSTOMER

YoY Analysis



QoQ Movement



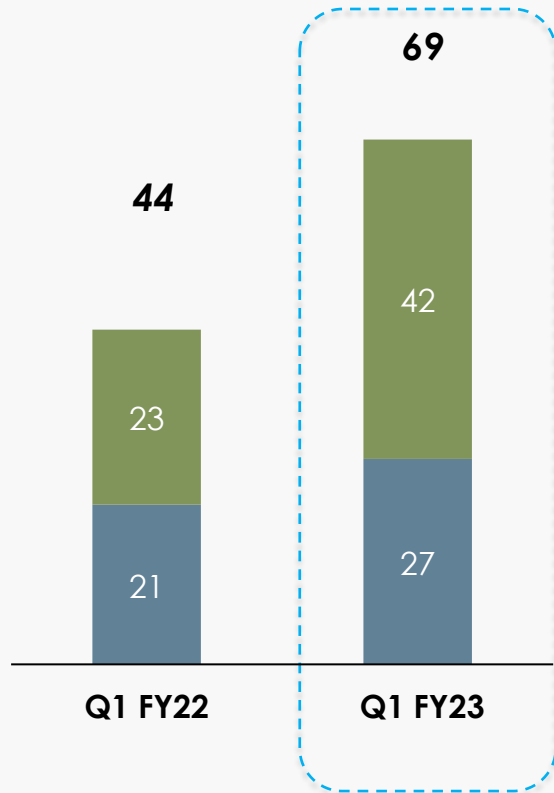
★ % represents CMS % from Overall revenue for respective Quarter / YTD

Key Operating Metrics – CMS Revenue Split

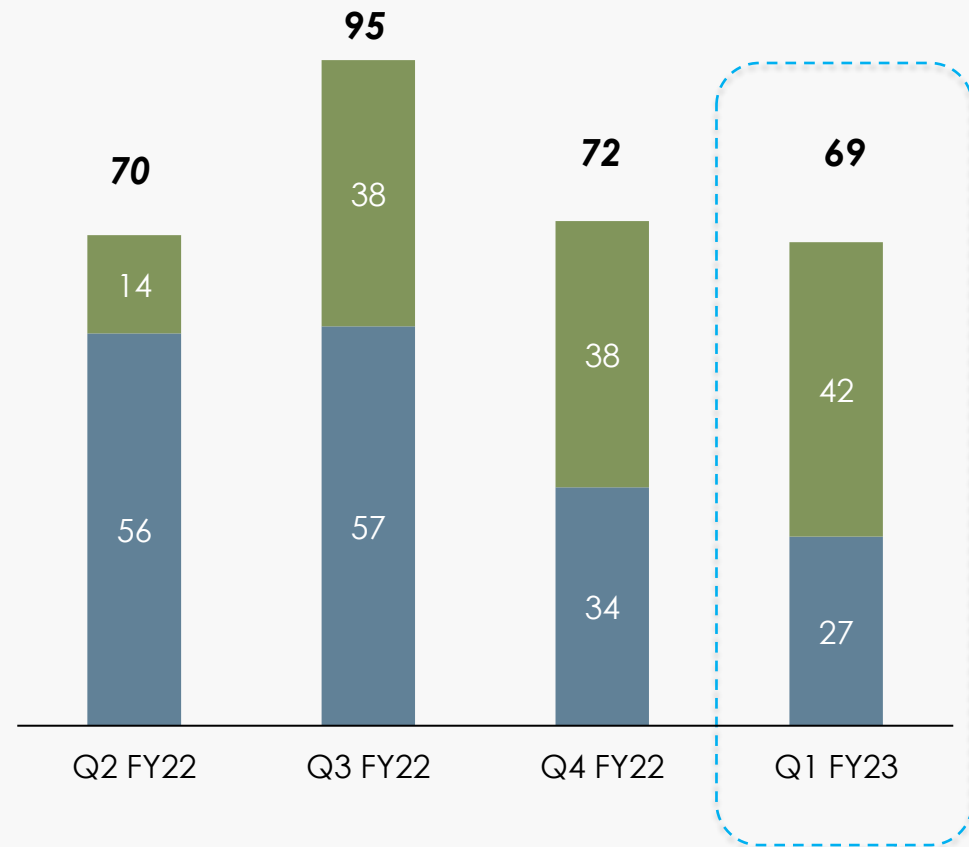
Rs. In Cr

■ Commercial ■ Development

YoY Analysis



Quarter on Quarter Movement



Number of Active CMS Projects

Q1 FY23	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	16	4	7	7	7	9	50
Intermediate	7	5	2	0	8	12	34
Grand Total	23	9	9	7	15	21	84

Q1 FY22	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	15	3	7	3	12	6	46
Intermediate	7	4	2	0	8	11	32
Grand Total	22	7	9	3	20	17	78

Q1 FY21	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	12	4	5	4	9	6	40
Intermediate	7	4	2	6	8	9	36
Grand Total	19	8	7	10	17	15	76

Q1 FY20	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	10	4	5	4	5	6	34
Intermediate	1	3	1	5	9	10	29
Grand Total	11	7	6	9	14	16	63



BUSINESS OVERVIEW

Our Journey – Key Milestones



Successfully cleared 15 USFDA inspections.

Multiple audits passed with no major observations



<p>1984</p> <p>Incorporated</p>	<p>1986</p> <p>First API sale of Salbutamol Sulphate / Albuterol Sulphate</p>	<p>1994</p> <p>Neuland goes public</p>	<p>1997</p> <p>First US FDA Audit</p>	<p>2004</p> <p>USA Operation</p>	<p>2007</p> <p>Japan Subsidiary</p>	<p>2008</p> <p>R&D Centre established; EDQM Audit of Unit-1</p>	<p>2009</p> <p>PMDA, Japan Approval First NCE Approval</p>
<p>2013</p> <p>Strategic alignment of business towards niche API's & Custom Manufacturing Solutions</p>	<p>2015</p> <p>10th US FDA Audit</p>	<p>2016</p> <p>R&D Facility approved by US FDA</p>	<p>2017</p> <p>Among first 3 API facilities in India to be audited by CFDA (Unit-1) EDQM Audit of Unit-2</p>	<p>2018</p> <p>Acquisition of advanced intermediates & API Facility</p>	<p>2019</p> <p>Increased flow of projects from CMS Japan Active emphasis on supply chain de-risking</p>	<p>2020</p> <p>100 Mn+ Revenue over 75 Live CMS Projects 15th US FDA Audit of Unit-2</p>	<p>2021</p> <p>Unit - 3 Commercialization 271 KL Reaction volume</p>

Generic Drug Substance (GDS)

We started as a Prime API manufacturer...

..Added Speciality molecules for complex products..



Capability

- ✓ 3 US FDA and EU GMP compliant manufacturing facilities
- ✓ Collective capacity: ~860 KL



Business Approach

- ✓ Work on molecules either with a business leadership approach or partnership with client
- ✓ Ensure uninterrupted supply with quality commitment



Strategy Forward

- ✓ Maintain leadership position in key molecules
- ✓ Work on process optimization to improve yields, productivity and thus margins



Capability

- ✓ High end complex chemistry capabilities
- ✓ Backend support by R&D department
- ✓ Experience of hurdle free scale up



Business Approach

- ✓ Work with leading companies and help them to meet their technical requirements while being competitive



Strategy Forward

- ✓ Focus on niche APIs with complex chemistry
- ✓ File IP for non infringing processes

Robust manufacturing base placed on the foundation of quality and pureplay API commitment



Services

- ✓ Manufacturing API to customer specifications
- ✓ Designing and developing manufacturing processes
- ✓ Process optimization for competitiveness
- ✓ Complete CMC partner for the API
- ✓ Patent protection for processes



Business Approach

- ✓ Local presence in US, Europe and Japan with technical as well as commercial employees
- ✓ Consultative approach on customer relationships
- ✓ Business targeted on Neuland's technology capabilities and perceived customer needs leading to increased traction



Strategy Forward

- ✓ Add depth in technical capabilities
- ✓ Investment in QBD labs, process engineering and foray into new areas of customer solutions
- ✓ Work effectively on customer relationships and leverage on portfolio expansion
- ✓ Targeting molecules in the later stages of the clinical cycle

Create a sustainable CMS business that is driven by technology and strong customer relationships



CAPABILITIES

Scaled up Manufacturing Facilities over the years



UNIT-1 233 KL
Bonthapally, Hyderabad



UNIT-2 363 KL
Pashamylaram, Hyderabad



UNIT-3 305 KL
Gaddapotharam, Hyderabad

Year of Establishment

1986

1994

2017*

Blocks

Block - 1, 2, 3, 4, H, KL & S

34 Block-1, 2, 3, FC, NMSM, Mini plant 6

Block - 1, 2, 4, 5

Hydrogenation Reaction Volume

7.4KL

6 KL

Facility creation under process

Solvent Recovery System

100KLD

20KLD

50KLD

Cryogenic Reaction Volume

25KL

15 KL

15KL

Regulatory

USFDA, EDQM, CFDA, PMDA, et. al

USFDA, EDQM, PMDA, ANVISA et. al

Desktop Inspection by USFDA in 2020; ANVISA (Brazil) 2022

Adding capacities for new CMS projects and growth of key GDS molecules

R&D Facility, Hyderabad

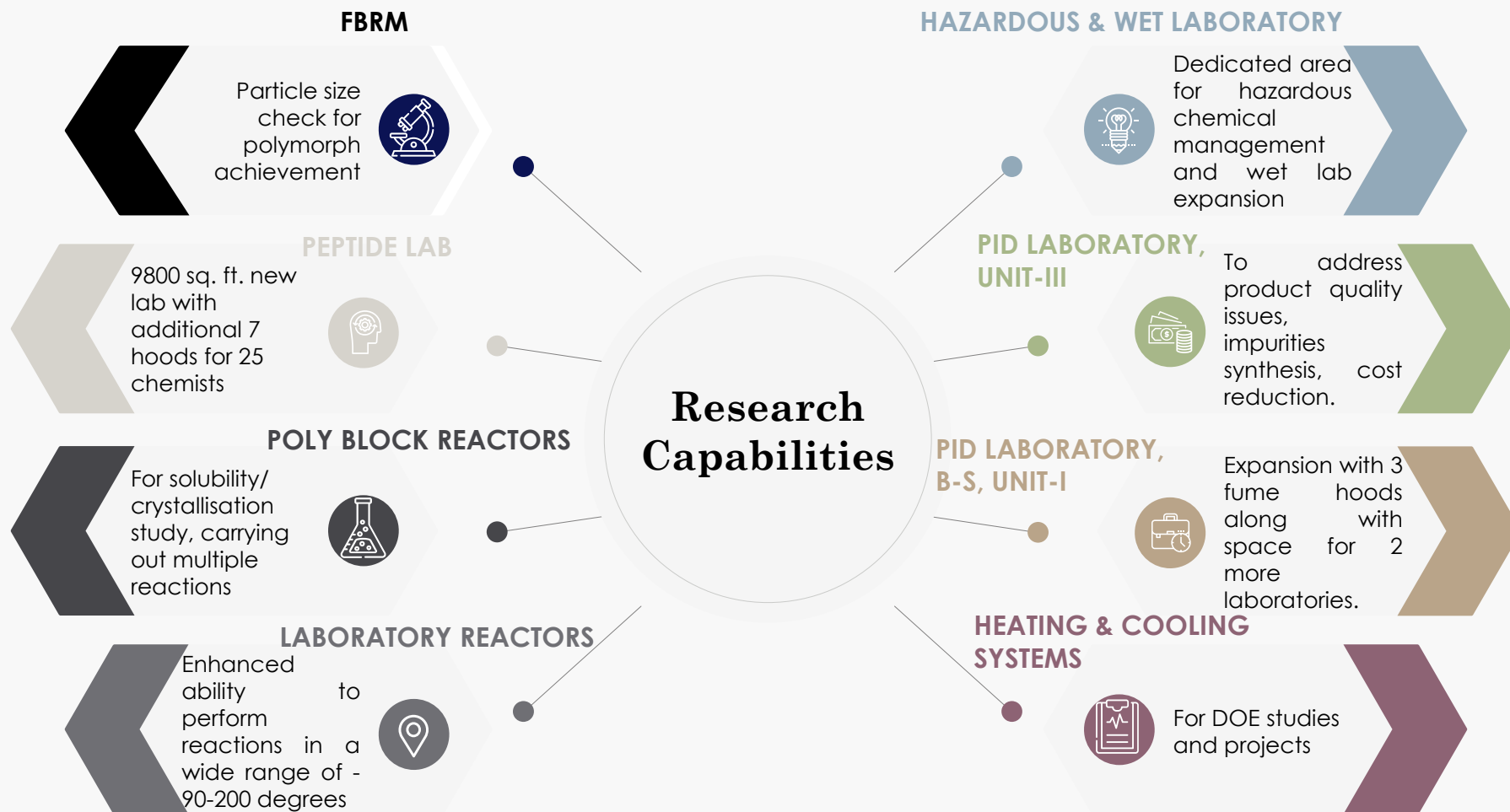


Infrastructure

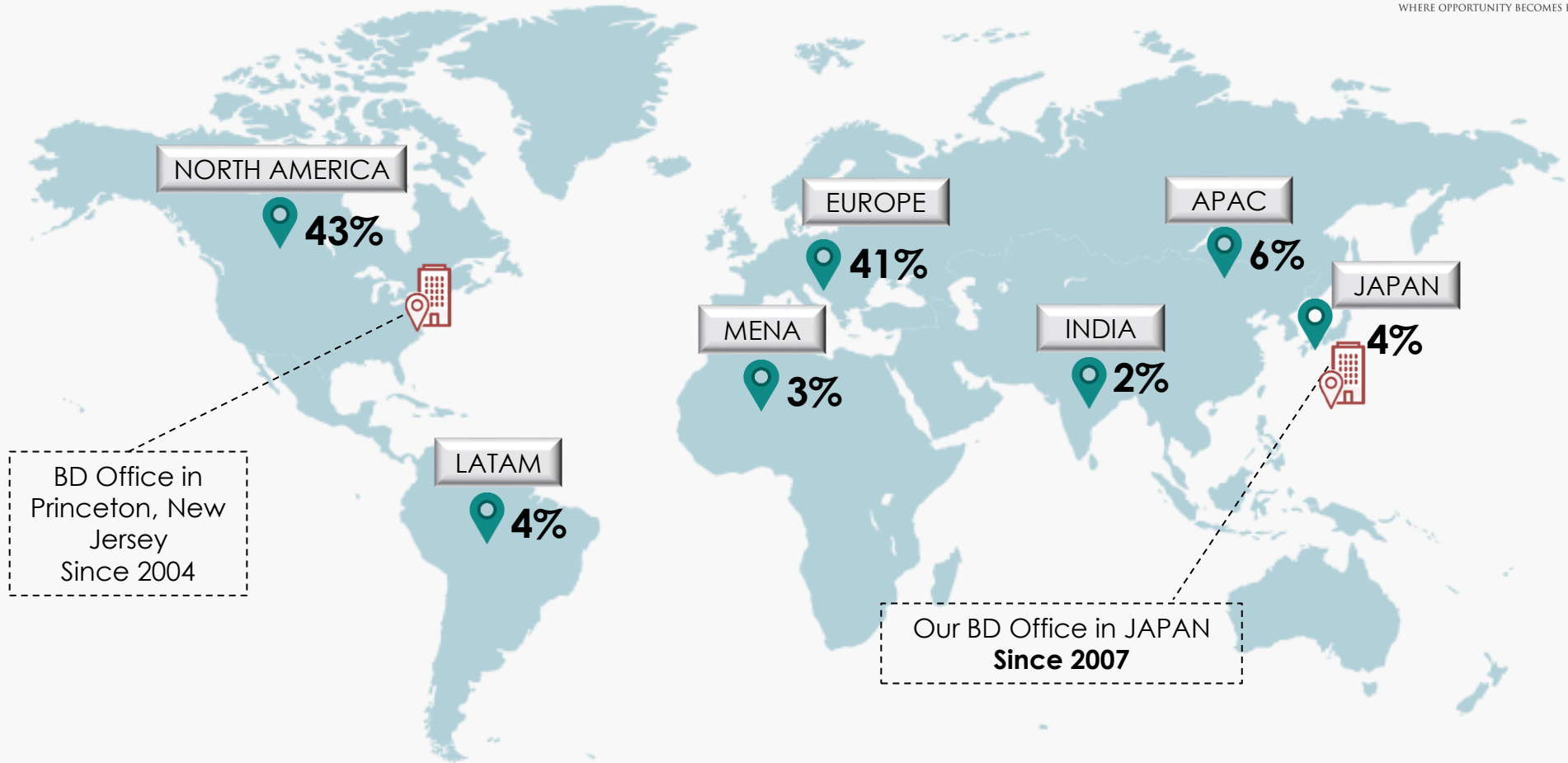
- 15 Development Labs with space for expansion
- 60 Fume hoods
- Analytical Labs
- Dedicated kilo Lab for Scale up
- Dedicated Labs for Peptides
- Separate facility for D2 analogues

Significant R&D Achievements

- Several NCE APIs added in NDA or commercial stage drugs
- Support for multiple APIs each year in Phase 2 and Phase 3 clinical candidates
- Generic API business -
 - ✓ 900+ DMFs filed
 - ✓ 300+ API processes developed
 - ✓ 204+ patents filed. Received USPTO patent for improved process synthesis of Paliperidone Palmitate



Global Presence



% Refers to Q1 FY23 Sales by End market

Regulatory Filings Across Geographies



62

DMFs with
USFDA



Health
Canada

30

Filings with
Health Canada



10

Japanese DMF filed

NMPA

国家药品监督管理局
National Medical Products Administration

20

China DMF filed



19

filings with
KFDA Korea



Australian Government

Department of Health

Therapeutic Goods Administration

23

filings with TGA



233

ROW filings
including Turkey,
Mexico, Brazil etc

~497

EUDMF filings
across
Germany,
France, Poland,
Italy etc



European Directorate
for the Quality
of Medicines
& HealthCare | Direction européenne
de la qualité
du médicament
& soins de santé

COUNCIL OF EUROPE



CONSEIL DE L'EUROPE

27

CEPs Received
for different
products

916+

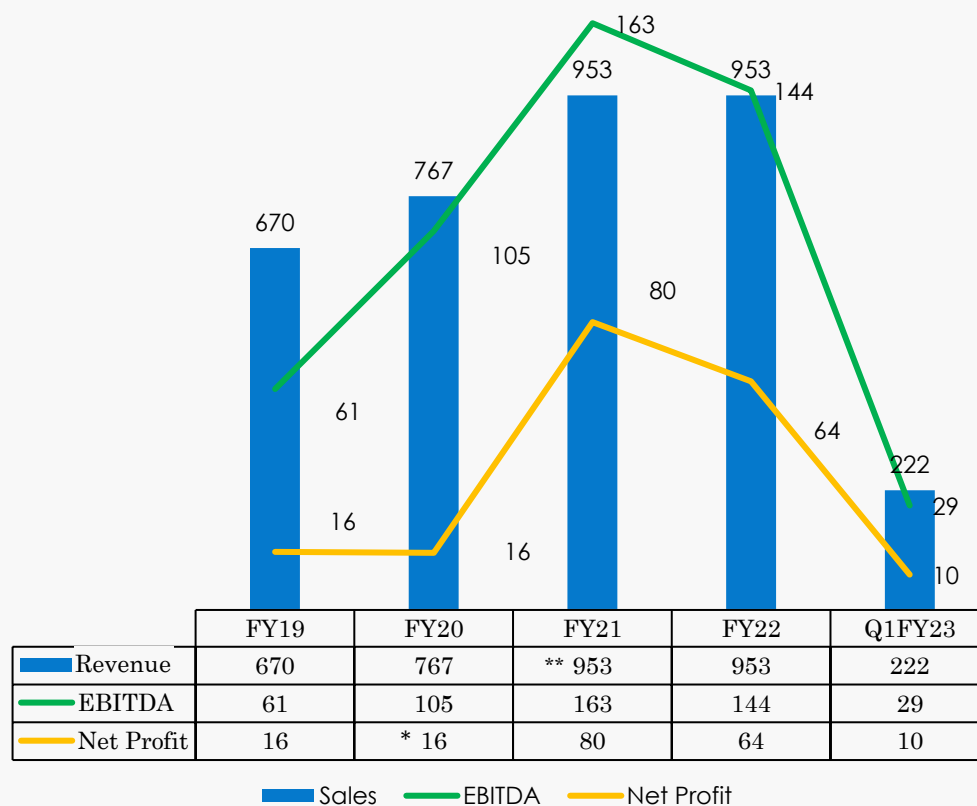
Filings till date

** The numbers on this slide reflect the number of filings, the number of active filings could vary as geographic filings are merged and changes in product portfolio .



FINANCIALS

Rs. In Cr



FINANCIAL PERFORMANCE HIGHLIGHTS

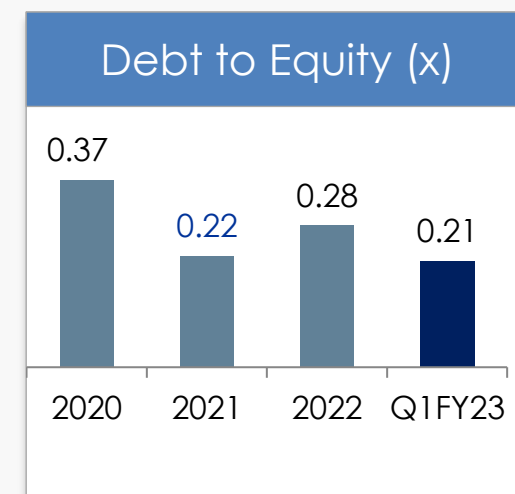
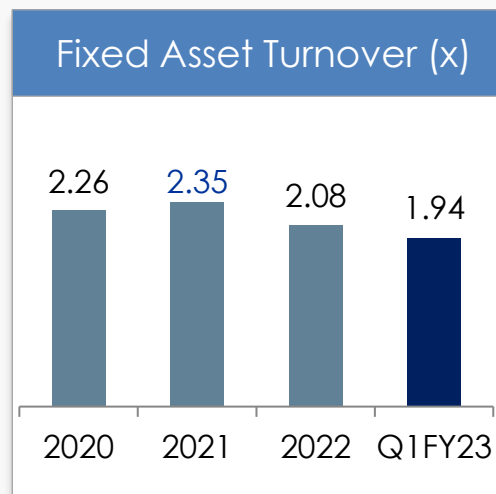
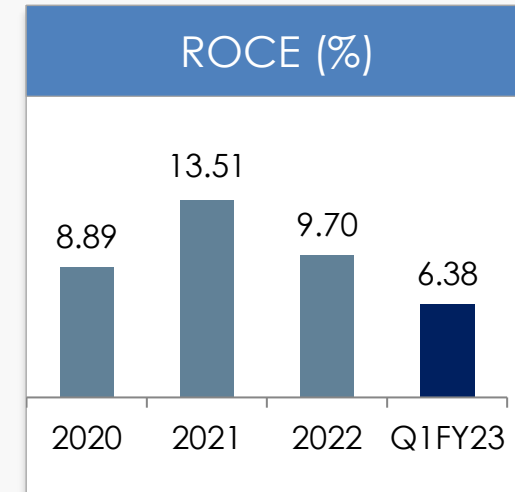
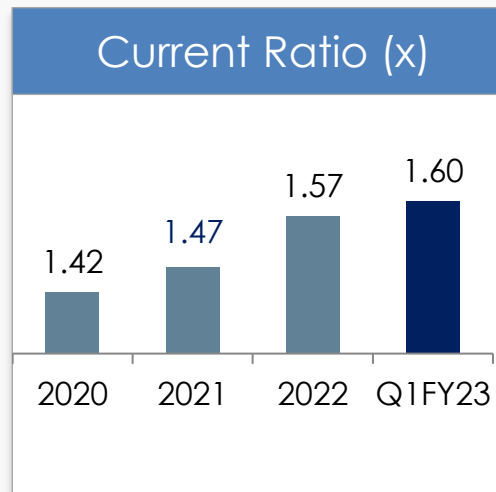
- Revenue CAGR of 12.5% for FY 19-22 led by growth in all 3 businesses
- EBITDA growth of 33.0% CAGR in FY 19-22 due to balanced contribution from both GDS and CMS business
- Shift to CMS and Specialty in overall revenue mix along with resource efficiency steps accelerated profitability

** FY21 included other income of Rs. 13.09 crores towards profit on sale of investment property

* This was after a one-time tax charge of Rs. 23.2 Cr in Q4FY20 that the Company chose to exercise under Section 115BAA of the IT act

Stable Balance Sheet..

Particulars (Rs. Cr)	Mar-20	Mar-21	Mar-22	Jun-22
Shareholders' funds	706	782	836	846
Net Debt	214	152	212	160
Investments	8	7	4	4
Tangible Assets	391	438	497	500
Intangible Assets (Excluding Goodwill)	2	3	2	2
Working Capital	289	309	382	361

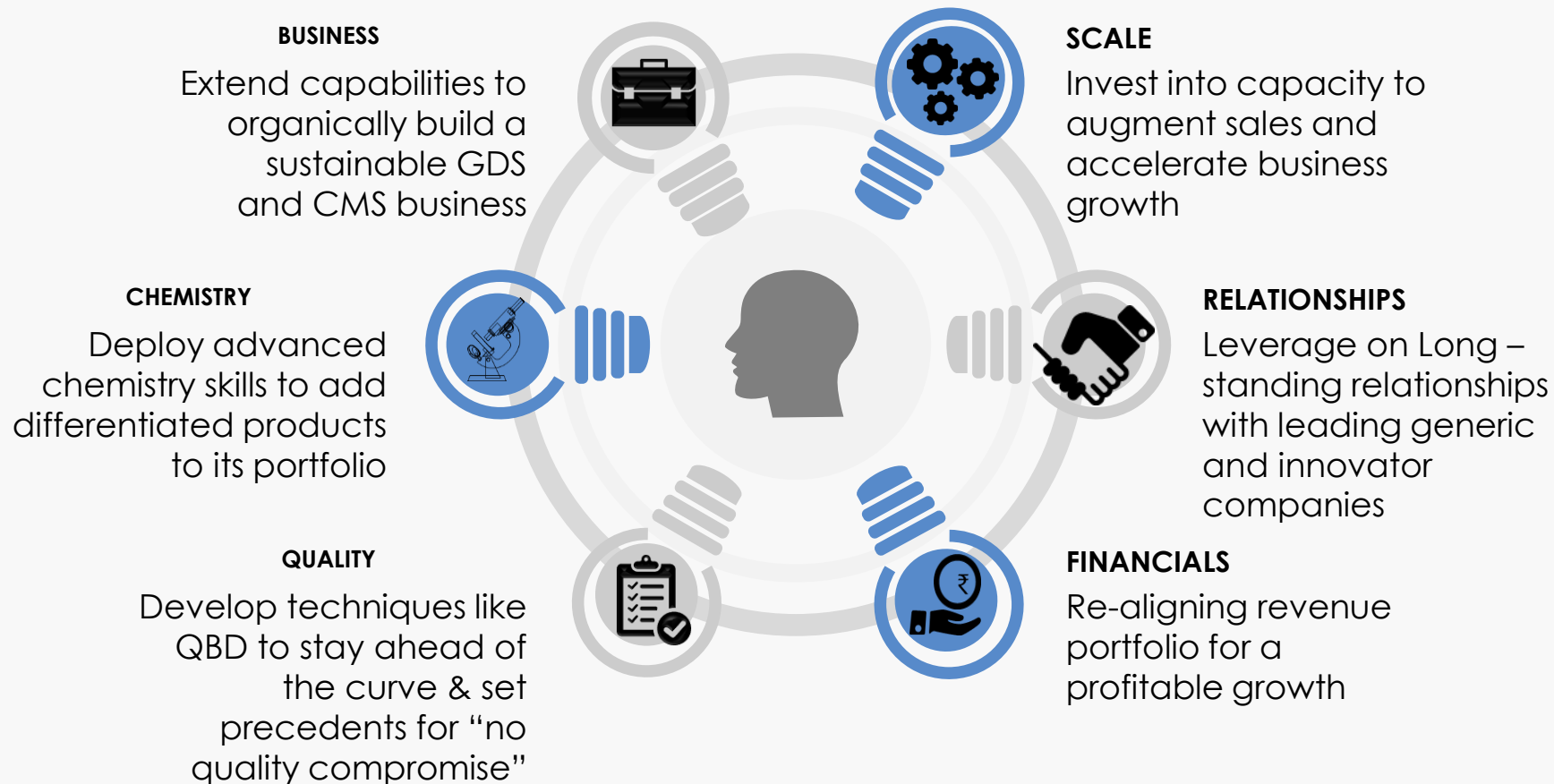




OUTLOOK

..Laying Foundation for our Growth Strategy

CREATE AN ORGANIZATION THAT RESULTS IN VALUE FOR ALL STAKEHOLDERS



Contact Us




For over 38 Years, Neuland Laboratories Ltd. (BSE:524558, NSE: NEULANDLAB) has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in close to 80 countries.

Neuland Labs has developed more than 300 processes and 75 APIs and has filed over 900+ Regulatory filings in the US (62 active US DMFs), the European Union (EU) and other geographies. Its manufacturing facilities are inspected and approved by the U.S. FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the U.S. FDA, TGA (Australia), EDQM (EU), German Health Authority, ANVISA (Brazil), EMA (EU), Cofepris (Mexico), KFDA (Korea), PMDA (Japan), CFDA (China), FSI "SID & GP" Russia, Health Canada, ISO 9001, ISO14001, OHSAS18001 and ISO 27001.

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Thank You