7th February, 2020

<table>
<thead>
<tr>
<th>The Corporate Relationship Department</th>
<th>National Stock Exchange of India Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>BSE Limited</td>
<td>Exchange Plaza,</td>
</tr>
<tr>
<td>Phiroze Jeejeebhoy Towers,</td>
<td>Bandra Kurla Complex,</td>
</tr>
<tr>
<td>Dalal Street,</td>
<td>Bandra East,</td>
</tr>
<tr>
<td>Mumbai 400 001.</td>
<td>Mumbai 400 051.</td>
</tr>
<tr>
<td><strong>Scrip Code:</strong> 539523</td>
<td><strong>Scrip Symbol:</strong> ALKEM</td>
</tr>
</tbody>
</table>

Dear Sirs,

Sub: Press Release and Analyst Presentation on Q3FY20 and 9MFY20 Results

With reference to relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith press release and analyst presentation on Q3FY20 and 9MFY20 earnings and business updates and the same will be uploaded on the website of the Company.

Kindly take note of the same.

Sincerely,

For Alkem Laboratories Limited

Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a
Alkem reports Q3FY20 and 9MFY20 Results

Mumbai, February 7, 2020: Alkem Laboratories Ltd (Alkem) today announced its standalone and consolidated financial results for the third quarter & nine months ending December 31, 2019. These results were taken on record by the Board of Directors at a meeting held in Mumbai today.

Key financial highlights of Q3FY20

- Revenue from Operations was Rs.21,818 million, year-on-year growth of 13.3%
  - India sales were Rs.14,239 million, year-on-year growth of 14.1%
  - International sales were Rs.7,253 million, year-on-year growth of 11.0%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs.4,533 million, resulting in EBITDA margin of 20.8% vs. 16.3% in Q3FY19. EBITDA grew by 44.6% YoY
- R&D expenses for the quarter was Rs.1,205 million, or 5.5% of Revenue from Operations compared to Rs.1,195 million in Q3FY19 at 6.2% of Revenue from Operations
- Profit before tax (PBT) was Rs.4,046 million, a growth of 56.8% compared to Q3FY19
- Net Profit (after Minority Interest) was Rs.3,820 million, year-on-year growth of 88.6%

Key financial highlights of 9MFY20

- Revenue from Operations was Rs.62,954 million, year-on-year growth of 14.4%
  - India sales were Rs.41,964 million, year-on-year growth of 14.8%
  - International sales were Rs.19,857 million, year-on-year growth of 11.4%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs.11,704 million, resulting in EBITDA margin of 18.6% vs. 16.0% in 9MFY20. EBITDA grew by 32.9% YoY
- R&D expenses for 9MFY20 was Rs.3,473 million, or 5.5% of Revenue from Operations compared to Rs.3,230 million in 9MFY19 at 5.9% of Revenue from Operations
- Profit before tax (PBT) was Rs.10,245 million, a growth of 35.5% compared to 9MFY19
- Net Profit (after Minority Interest) was Rs.9,383 million, year-on-year growth of 58.2%

Commenting on the results, Sandeep Singh, Managing Director, Alkem said, “Q3FY20 has been a strong quarter for the Company marked by double digit revenue growth and significant expansion in our EBITDA margins. We continued our outperformance in the India market driven by strong brands, effective sales and marketing strategies and new product launches. In the US market also we grew at a healthy pace on the back of new product launches. Our efforts towards cost optimization and process improvement are steadily reflecting in our financials. We look forward to carry this momentum and deliver a sustainable and profitable growth going ahead.”
Operational Highlights

India Business

In Q3FY20, the Company’s India sales grew by 14.1% YoY, recording a sales of Rs.14,239 million as compared to Rs.12,475 million in Q3FY19. For 9MFY20, the Company’s India sales grew by 14.8% to Rs.41,964 million compared to Rs.36,565 million in 9MFY19.

As per IQVIA Data, during the quarter, the Company registered value growth of 15.4% YoY, outperforming the Indian Pharmaceutical Market (IPM) growth of 9.6% YoY. In the anti-infectives segment, which is the Company’s largest therapy segment, it grew at almost 1.5x the therapy growth rate. Also in the vitamins / minerals / nutrient segment, the Company grew at more than 2x the therapy growth rate, thereby gaining one rank in the market. In the chronic therapy segments like neuro / CNS, cardiac, anti-diabetes and derma, the Company continued to grow significantly ahead of the therapy growth rate, thereby gaining market share and improving its market ranking. The Company now features amongst the top six neuro/CNS companies and amongst the top fifteen derma companies in India. This is a result of its strong brands, effective sales and marketing strategies, robust supply chain and distribution network and contribution from new product launches.

The performance highlights in the key therapeutic segments in Q3FY20 and 9MFY20 is as shown below:

| Key Therapy segment | Q3FY20 | | | | | | | 9MFY20 | |  | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|                     | Alkem Rank | YoY change in Rank* | YoY growth (Alkem) | YoY growth (IPM) | Alkem Rank | YoY change in Rank* | YoY growth (Alkem) | YoY growth (IPM) |
| Anti-infectives     | 1      | Unchanged | 20.8% | 12.1% | 1      | Unchanged | 24.8% | 14.6% |
| Gastro Intestinal   | 3      | Unchanged | 7.6%  | 7.0%  | 3      | Unchanged | 14.3% | 9.4%  |
| Pain / Analgesics   | 3      | Unchanged | 8.4%  | 9.7%  | 3      | Unchanged | 12.8% | 12.4% |
| Vitamins / Minerals / Nutrients | 4 | +1 | 17.3% | 7.3% | 4 | Unchanged | 23.9% | 11.0% |
| Neuro / CNS         | 6      | +2     | 16.4% | 7.0%  | 6      | +2     | 15.1% | 8.8%  |
| Anti-Diabetic       | 21     | +1     | 23.5% | 9.4%  | 21     | +1     | 31.5% | 11.7% |

*Positive change in rank reflects improvement over same period previous year
Source: IQVIA Data December 2019

International Business

In Q3FY20, the Company’s International sales grew by 11.0% YoY, recording sales of Rs.7,253 million as compared to Rs.6,532 million in Q3FY19. For 9MFY20, the Company’s International sales grew by 11.4% to Rs.19,857 million compared to Rs.17,820 million in 9MFY19.

- **US sales** for the quarter was Rs.5,837 million, recording a year-on-year growth of 12.6%. For 9MFY20, US sales was Rs.15,930 million, up 12.6% compared to 9MFY19.
• Other International Markets sales for the quarter was Rs.1,416 million, recording a year-on-year growth of 5.0%. For 9MFY20, Other International Markets sales was Rs.3,927 million, up 6.8% compared to 9MFY19.

R&D Investments

During the quarter, the Company filed 4 abbreviated new drug applications (ANDAs) with the US FDA and received 4 approvals (including 1 tentative approval). For 9MFY20, the Company filed 11 ANDAs with the US FDA and received 15 approvals (including 4 tentative approval).

As on December 31, 2019, the Company has filed a total of 135 ANDAs and 1 new drug application (NDA) with the US FDA. Of these, it has received approvals for 80 ANDAs (including 11 tentative approvals) and 1 NDA.

Update on US FDA inspection

<table>
<thead>
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*OAI - Official Action Indicated  
# EIR - Establishment Inspection Report
Q3FY20 and 9MFY20 Conference Call at 5:00pm IST, February 7, 2020

Alkem will organize a conference call for investors and analysts on Friday, February 7, 2020 from 5:00pm to 6:00pm IST to discuss its Q3FY20 and 9MFY20 financial results.

Alkem Laboratories Ltd. will be represented on the call by Mr. Sandeep Singh, Managing Director and the senior management team.

Motilal Oswal Securities will host the call.

Details of the conference call are as under:

Time: 5:00 pm to 6:00 pm IST (GMT + 5:30) on Friday, February 7, 2020.

Dial in Details:
India : +91 22 6280 1149 / +91 22 7115 8050

International Toll Free
USA : 1 866 746 2133
UK : 0 808 101 1573
Singapore : 800 101 2045
Hong Kong : 800 964 448

You are requested to dial in 10 mins ahead of the scheduled start time. A transcript of this conference call will also be available on our website www.alkemlabs.com

About Alkem Laboratories Ltd.
Established in 1973 and headquartered in Mumbai, Alkem (NSE: ALKEM, BSE: 539523, Bloomberg: ALKEM.IN, Reuters: ALKE.NS) is a leading Indian pharmaceutical company with global operations, engaged in the development, manufacture and sale of pharmaceutical and nutraceutical products. The Company produces branded generics, generic drugs, active pharmaceutical ingredients (APIs) and nutraceuticals, which it markets in India and international markets. With a portfolio of more than 800 brands in India, Alkem is ranked the fifth largest pharmaceutical company in India in terms of domestic sales (Source: IQVIA data December 2019). The Company also has presence in more than 50 international markets, with the United States being its key focus market.

For more information on Alkem Laboratories Ltd., please visit www.alkemlabs.com

For further information or queries please contact
Gagan Borana
Investor Relations – Alkem Laboratories Ltd.
Tel: +91 22 3982 9960 / Mobile: +91 98190 56333
E-mail: gagan.borana@alkem.com
Safe Harbor Statement

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in India and other key global markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in our key global markets;
- Changes in laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in political conditions in India and in our key global markets.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements. Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events, unless it is required by Law.
Key Highlights of Q3FY20 and 9MFY20

Strong quarter marked by healthy revenue growth and significant improvement in EBITDA margins

- **Revenue from Operations** grew by 13.3% YoY during the quarter, accompanied by 450 bps YoY improvement in EBITDA margin
- **Profit After Tax** for the quarter grew by 88.6% compared to the previous year
- **India Business**: As per secondary sales data by IQVIA, the Company’s secondary sales growth in Q3FY20 was 15.4% YoY, which is more than 1.5x faster than IPM growth of 9.6% YoY
  - For 9MFY20, the Company’s secondary sales growth was 19.5% YoY – significantly head of IPM growth of 11.2% YoY (Source: IQVIA data)
- **US Business** grew in double digits during Q3FY20 and 9MFY20, largely driven by new product launches
- **R&D** expenses during the quarter was at 5.5% of revenue from operations
  - The Company filed 11 ANDAs and received 15 ANDA approvals (including 4 tentative) from the US FDA in 9MFY20
Key Financial Highlights – Q3FY20

Revenue from Operations

Q3FY19: 19,263
Q3FY20: 21,818
YoY: 13.3%

India sales

Q3FY19: 12,475
Q3FY20: 14,239
YoY: 14.1%

International sales

Q3FY19: 6,532
Q3FY20: 7,253
YoY: 11.0%

All figures in Rs mn
Key Financial Highlights – Q3FY20

Gross Profit and Gross Margin

- Q3FY19: 11,283 (58.6%)
- Q3FY20: 13,474 (61.8%)
  
  YoY: 19.4%

EBITDA and EBITDA Margin

- Q3FY19: 3,135 (16.3%)
- Q3FY20: 4,533 (20.8%)
  
  YoY: 44.6%

PBT (before Minority Interest)

- Q3FY19: 2,581
- Q3FY20: 4,046
  
  YoY: 56.8%

PAT (after Minority Interest)

- Q3FY19: 2,025
- Q3FY20: 3,820
  
  YoY: 88.6%

All figures in Rs mn
## Key Financial Highlights

### 9MFY20 (Consolidated)

<table>
<thead>
<tr>
<th>Particulars (Rs mn)</th>
<th>9MFY20</th>
<th>9MFY19</th>
<th>YoY growth</th>
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</thead>
<tbody>
<tr>
<td>Revenue from Operations</td>
<td>62,954</td>
<td>55,042</td>
<td>14.4%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>38,448</td>
<td>33,348</td>
<td>15.3%</td>
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<tr>
<td>Gross Profit margin</td>
<td>61.1%</td>
<td>60.6%</td>
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</tr>
<tr>
<td>EBITDA</td>
<td>11,704</td>
<td>8,809</td>
<td>32.9%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>18.6%</td>
<td>16.0%</td>
<td></td>
</tr>
<tr>
<td>PBT</td>
<td>10,245</td>
<td>7,559</td>
<td>35.5%</td>
</tr>
<tr>
<td>PBT margin</td>
<td>16.3%</td>
<td>13.7%</td>
<td></td>
</tr>
<tr>
<td>PAT (After Minority Interest)</td>
<td>9,383</td>
<td>5,932</td>
<td>58.2%</td>
</tr>
<tr>
<td>PAT margin</td>
<td>14.9%</td>
<td>10.8%</td>
<td></td>
</tr>
<tr>
<td>EPS (Rs / share)</td>
<td>78.48</td>
<td>49.61</td>
<td></td>
</tr>
</tbody>
</table>
India Business: Q3FY20 Sales of Rs.14,239 million (14.1% YoY growth)

- India sales contributed 66.3% to total sales in Q3FY20

- In Q3FY20, Company’s secondary sales grew by 15.4% YoY - significantly ahead of the IPM growth of 9.6% YoY. Similarly in 9MFY20 also, the Company grew ahead of the IPM with growth of 19.5% compared IPM growth of 11.2% (Source: IQVIA data)

- This outperformance was mainly led by Anti-Infectives segment where the Company grew at more than 1.5x the therapy growth rate and maintained its leadership position (Source: IQVIA data)

- During the quarter, the Company also improved its ranking in the chronic therapy segments like Neuro / CNS, Derma and Anti-Diabetes (Source: IQVIA data)
Secondary Sales Performance

Outperformance across most of the major therapeutic areas in Q3FY20

Market rank

- Established therapeutic areas of Alkem
  - Anti-infectives: 20.8% Alkem growth YoY, 7.6% Indian industry growth YoY
  - Gastro-intestinal: 12.1% Alkem growth YoY, 7% Indian industry growth YoY
  - Pain/Analgesics: 8.4% Alkem growth YoY, 9.7% Indian industry growth YoY
  - Vitamins/Minerals/Nutrients: 17.3% Alkem growth YoY, 7.3% Indian industry growth YoY

- Emerging therapeutic areas of Alkem
  - Anti-diabetic: 23.5% Alkem growth YoY, 9.4% Indian industry growth YoY
  - Cardiac: 17.0% Alkem growth YoY, 9.6% Indian industry growth YoY
  - Neuro/CNS: 16.4% Alkem growth YoY, 7.0% Indian industry growth YoY
  - Derma: 19.2% Alkem growth YoY, 8.9% Indian industry growth YoY

Source: IQVIA data
1 Domestic formulations sales; 2 For 3 months ended December 31, 2019
US Business: Q3FY20 Sales of Rs.5,837 million (12.6% growth YoY)

- US sales contributed 27.2% to total sales in Q3FY20
- The YoY growth in the US business during the quarter was mainly driven by new product launches
- In Q3FY20, the Company filed 4 ANDAs with the US FDA and received 4 approvals (including 1 tentative approval)
- As on December 31, 2019, the Company has filed a total of 136 ANDAs (including 1 NDA) with the US FDA and has received 81 approvals (including 11 tentative approvals and 1 NDA)
## Update on the US FDA inspection

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Other International Business: Q3FY20 Sales of Rs.1,416 million (5.0% growth YoY)

- Other International Market sales contributed 6.6% to total sales in Q3FY20
- The Company has presence in Australia, Europe, South East Asia, Latin America and Africa
- Company’s key markets like Australia, Chile, Philippines and Kazakhstan registered healthy YoY growth during the quarter and 9MFY20

<table>
<thead>
<tr>
<th>Q3FY20 – Other International Sales (Rs mn)</th>
<th>9MFY20 – Other International Sales (Rs mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3FY19: 1,350 YOY: 5.0%</td>
<td>9MFY19: 3,675 YOY: 6.8%</td>
</tr>
<tr>
<td>Q3FY20: 1,416</td>
<td>9MFY20: 3,927</td>
</tr>
</tbody>
</table>
Latest Shareholding Pattern

Shareholding pattern as on December 31, 2019

Promoter & Promoter Group, 66.04%

Institution, 14.72%

Non-Institution, 19.24%

Institution – Mutual Funds, Alternate Investment Funds, Foreign Portfolio Investors, Financial Institutions / Banks

Non-Institution – Public, Other Bodies Corporates, Clearing Members, Non Resident Indians, Hindu Undivided Family and Trusts
Thank You