05th June, 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: 539523</strong></td>
<td><strong>Scrip Symbol: ALKEM</strong></td>
</tr>
</tbody>
</table>

Dear Sirs,

**Sub: Press Release and Analyst Presentation on Q4FY20 and FY20 Results**

With reference to relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith press release and analyst presentation on Q4FY20 and FY20 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
Press Release

Alkem reports Q4FY20 and FY20 Results

Mumbai, June 5, 2020: Alkem Laboratories Ltd (Alkem) today announced its standalone and consolidated financial results for the fourth quarter & twelve months ending March 31, 2020. These results were taken on record by the Board of Directors at a meeting held in Mumbai today.

Key financial highlights of Q4FY20

* Revenue from Operations was ₹ 20,490 million, year-on-year growth of 10.6%
  - India sales were ₹ 12,576 million, year-on-year growth of 3.3%
  - International sales were ₹ 7,523 million, year-on-year growth of 23.4%
* Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 3,030 million, resulting in EBITDA margin of 14.8% vs. 12.6% in Q4FY19. EBITDA grew by 29.6% YoY
* R&D expenses for the quarter was ₹ 1,253 million, or 6.1% of Revenue from Operations compared to ₹ 1,392 million in Q4FY19 at 7.5% of Revenue from Operations
* Profit before tax (PBT) was ₹ 2,353 million, a growth of 18.4% compared to Q4FY19
* Net Profit (after Minority Interest) was ₹ 1,888 million, year-on-year growth of 12.8%

Key financial highlights of FY20

* Revenue from Operations was ₹ 83,444 million, year-on-year growth of 13.4%
  - India sales were ₹ 54,540 million, year-on-year growth of 11.9%
  - International sales were ₹ 27,380 million, year-on-year growth of 14.5%
* Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was ₹ 14,734 million, resulting in EBITDA margin of 17.7% vs. 15.2% in FY19. EBITDA grew by 32.2% YoY
* R&D expenses for FY20 was ₹ 4,726 million, or 5.7% of Revenue from Operations compared to ₹ 4,622 million in FY19 at 6.3% of Revenue from Operations
* Profit before tax (PBT) was ₹ 12,598 million, a growth of 32.0% compared to FY19
* Net Profit (after Minority Interest) was ₹ 11,271 million, year-on-year growth of 48.2%

Commenting on the results, Sandeep Singh, Managing Director, Alkem said, “Adjusting for the impact of delay in transportation due to lockdown which led to lower booking of sales in the month of March 2020, our India business delivered a healthy double digit growth during the quarter and the year. Our US business also complimented well with a robust growth on the back of new product launches and market share gains. The Company’s EBITDA margins improved by more than 200 bps during the quarter and the year, thereby highlighting our ongoing efforts towards cost optimization and process improvement. While FY21 has started on a challenging note due to COVID-19, we are positive that the inherent business strengths that we have built over the years in terms of strong brands, marketing and distribution infrastructure and R&D investments, will help us to navigate through these testing times and deliver a sustainable and a profitable growth.”
Operational Highlights

India Business

In Q4FY20, the Company’s India sales grew by 3.3% YoY, recording a sales of ₹ 12,576 million as compared to ₹ 12,176 million in Q4FY19. For FY20, the Company’s India sales grew by 11.9% to ₹ 54,540 million compared to ₹ 48,742 million in FY19.

As per IQVIA data, during the quarter, the Company registered value growth of 8.8% YoY, compared to the Indian Pharmaceutical Market (IPM) growth of 9.6% YoY. For the twelve months ended March 2020, the Company’s secondary sales grew by 16.9% YoY compared to IPM growth of 10.8% YoY. The outperformance during the year was mainly led by the anti-infectives segment in which the Company grew at more than 1.5x the therapy growth rate. Also in the vitamins / minerals / nutrient segment, the Company grew at more than 2x the therapy growth rate. 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. This outperformance was driven by the Company’s 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 Q4FY20 and FY20 is as shown below:

<table>
<thead>
<tr>
<th>Key Therapy segment</th>
<th>Q4FY20</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Alkem Rank</td>
<td>YoY change in Rank*</td>
</tr>
<tr>
<td>Anti-infectives</td>
<td>1</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Gastro Intestinal</td>
<td>3</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Pain / Analgesics</td>
<td>3</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Vitamins / Minerals / Nutrients</td>
<td>4</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Neuro / CNS</td>
<td>7</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Derma</td>
<td>16</td>
<td>+1</td>
</tr>
<tr>
<td>Cardiac</td>
<td>27</td>
<td>-1</td>
</tr>
<tr>
<td>Anti-Diabetic</td>
<td>21</td>
<td>+1</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>Unchanged</td>
</tr>
</tbody>
</table>

*Positive change in rank reflects improvement over same period previous year
Source: IQVIA Data March 2020

International Business

In Q4FY20, the Company’s International sales grew by 23.4% YoY, recording sales of ₹ 7,523 million as compared to ₹ 6,097 million in Q4FY19. For FY20, the Company’s International sales grew by 14.5% to ₹ 27,380 million compared to ₹ 23,917 million in FY19.

- **US sales** for the quarter was ₹ 6,068 million, recording a year-on-year growth of 25.8%. For FY20, US sales was ₹ 21,997 million, up 16.0% compared to FY19.
• Other International Markets sales for the quarter was ₹1,455 million, recording a year-on-year growth of 14.2%. For FY20, Other International Markets sales was ₹5,382 million, up 8.7% compared to FY19.

R&D Investments

During the quarter, the Company filed 7 abbreviated new drug applications (ANDAs) with the US FDA and received 7 approvals (including 2 tentative approval). For FY20, the Company filed 18 ANDAs with the US FDA and received 22 approvals (including 6 tentative approval).

As on March 31, 2020, the Company filed a total of 142 ANDAs and 2 new drug applications (NDA) with the US FDA. Of these, it has received approvals for 87 ANDAs (including 13 tentative approvals) and 2 NDAs. The NDAs include the brand Marinol which the Company acquired from AbbVie Inc.

Update on US FDA inspection

<table>
<thead>
<tr>
<th>Facility</th>
<th>Capability</th>
<th>Last inspection</th>
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# EIR – Establishment Inspection Report
Q4FY20 and FY20 Conference Call at 4:30pm IST, June 5, 2020

Alkem will organize a conference call for investors and analysts on Friday, June 5, 2020 from 4:30pm to 5:30pm IST to discuss its Q4FY20 and FY20 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: 4:30 pm to 5:30 pm IST (GMT + 5:30) on Friday, June 5, 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 March 2020). 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.
Steady revenue growth accompanied by improvement in EBITDA margin

- **Revenue from Operations** in Q4FY20 grew by 10.6% YoY, accompanied by 220bps YoY improvement in EBITDA margin. Adjusting for the delay in transportation due to lockdown in the month of March 2020, the growth would have been higher.

- **Profit After Tax** for the quarter grew by 12.8% compared to the previous year.

- **India Business**: As per secondary sales data by IQVIA, the Company’s secondary sales growth in Q4FY20 was 8.8% YoY. Similarly for the twelve months ended March 2020, secondary sales growth was 16.9% YoY.

- **US Business** grew by 25.8% YoY in Q4FY20 and 16.0% YoY in FY20, largely driven by new product launches.
  - The US business crossed an important revenue milestone of US$300mn during the financial year.

- **US FDA inspection** - All the 6 manufacturing facilities which have been inspected by the US FDA has an EIR.

- **R&D expenses** during the quarter was at 6.1% of revenue from operations and 5.7% for the financial year.

- **ANDA filings**: The Company filed 18 ANDAs and received 22 ANDA approvals (including 6 tentative) from the US FDA during the year.
Key Financial Highlights – Q4FY20

Revenue from Operations

Q4FY19: 18,530
Q4FY20: 20,490
YoY: 10.6%

India sales

Q4FY19: 12,176
Q4FY20: 12,576
YoY: 3.3%

International sales

Q4FY19: 6,097
Q4FY20: 7,523
YoY: 23.4%

All figures in ₹ mn
### Key Financial Highlights – Q4FY20

#### Gross Profit and Gross Margin

<table>
<thead>
<tr>
<th></th>
<th>Q4FY19</th>
<th>Q4FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Profit</td>
<td>10,775</td>
<td>11,546</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>58.1%</td>
<td>56.4%</td>
</tr>
</tbody>
</table>

YoY: 7.2%

#### EBITDA and EBITDA Margin

<table>
<thead>
<tr>
<th></th>
<th>Q4FY19</th>
<th>Q4FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>2,338</td>
<td>3,030</td>
</tr>
<tr>
<td>Margin</td>
<td>12.6%</td>
<td>14.8%</td>
</tr>
</tbody>
</table>

YoY: 29.6%

#### PBT (before Minority Interest)

<table>
<thead>
<tr>
<th></th>
<th>Q4FY19</th>
<th>Q4FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,988</td>
<td>2,353</td>
</tr>
</tbody>
</table>

YoY: 18.4%

#### PAT (after Minority Interest)

<table>
<thead>
<tr>
<th></th>
<th>Q4FY19</th>
<th>Q4FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAT</td>
<td>1,674</td>
<td>1,888</td>
</tr>
</tbody>
</table>

YoY: 12.8%

All figures in ₹ mn
### Key Financial Highlights

#### Consolidated Financials

<table>
<thead>
<tr>
<th>Particulars (₹ mn)</th>
<th>FY20</th>
<th>FY19</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from Operations</td>
<td>83,444</td>
<td>73,572</td>
<td>13.4%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>49,994</td>
<td>44,122</td>
<td>13.3%</td>
</tr>
<tr>
<td>Gross Profit margin</td>
<td>59.9%</td>
<td>60.0%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>14,734</td>
<td>11,148</td>
<td>32.2%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>17.7%</td>
<td>15.2%</td>
<td></td>
</tr>
<tr>
<td>PBT</td>
<td>12,598</td>
<td>9,547</td>
<td>32.0%</td>
</tr>
<tr>
<td>PBT margin</td>
<td>15.1%</td>
<td>13.0%</td>
<td></td>
</tr>
<tr>
<td>PAT (After Minority Interest)</td>
<td>11,271</td>
<td>7,605</td>
<td>48.2%</td>
</tr>
<tr>
<td>PAT margin</td>
<td>13.5%</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>EPS (₹ / share)</td>
<td>94.26</td>
<td>63.61</td>
<td></td>
</tr>
</tbody>
</table>
India Business: Q4FY20 Sales of ₹ 12,576 million (3.3% YoY growth)

- India sales contributed 62.6% to total sales in Q4FY20
- In Q4FY20, Company’s secondary sales grew by 8.8% YoY vs. IPM growth of 9.6% YoY. In FY20, the Company’s secondary sales grew ahead of the IPM with growth of 16.9% vs. IPM growth of 10.8% (Source: IQVIA data)
- This outperformance during the year 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. In Vitamins / Minerals / Nutrients segment also, the Company grew at 2x the therapy growth rate (Source: IQVIA data)
- During the year, the Company improved its ranking in the chronic therapy segments like Derma and Anti-Diabetes. In therapy areas of Neuro / CNS and Cardiac, the Company grew significantly ahead of the therapy growth rates (Source: IQVIA data)

Q4FY20 – India Sales (₹ mn)

<table>
<thead>
<tr>
<th></th>
<th>Q4FY19</th>
<th>Q4FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>12,176</td>
<td>12,576</td>
</tr>
</tbody>
</table>

FY20 – India Sales (₹ mn)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>48,742</td>
<td>54,540</td>
</tr>
</tbody>
</table>
Outperformance across most of the major therapeutic areas in FY20

Established therapeutic areas of Alkem

- **Anti-infectives**: 21.4% (Alkem) vs 13.3% (Indian)
- **Gastro-intestinal**: 10.8% (Alkem) vs 8.7% (Indian)
- **Pain/ Analgesics**: 10.8% (Alkem) vs 11.6% (Indian)
- **Vitamins/ Minerals / Nutrients**: 20.7% (Alkem) vs 10.0% (Indian)

Emerging therapeutic areas of Alkem

- **Anti-diabetic**: 29.4% (Alkem) vs 11.8% (Indian)
- **Cardiac**: 23.7% (Alkem) vs 11.8% (Indian)
- **Neuro/ CNS**: 13.6% (Alkem) vs 9.0% (Indian)
- **Derma**: 14.7% (Alkem) vs 8.6% (Indian)

Source: IQVIA data ¹ Domestic formulations sales; ² For 12 months ended March 31, 2020

Market rank

- Established: 1 (Alkem) vs 3 (Indian)
- Emerging: 21 (Alkem) vs 26 (Indian)
US Business: Q4FY20 Sales of ₹6,068 million (25.8% growth YoY)

- US sales contributed 30.2% to total sales in Q4FY20
- Growth in US dollar terms was 22.7% YoY during the quarter - mainly driven by new product launches and market share gains
- The US business crossed revenue milestone of US$300 mn during the financial year
- In Q4FY20, the Company filed 7 ANDAs with the US FDA and received 7 approvals (including 2 tentative approval)
- As on March 31, 2020, the Company has filed a total of 144 ANDAs (including 2 NDA) with the US FDA and has received 89 approvals (including 13 tentative approvals and 2 NDA)
# Update on the US FDA inspection

EIR for all the six facilities inspected by the US FDA

<table>
<thead>
<tr>
<th>Facility</th>
<th>Scope</th>
<th>Last inspection</th>
<th>Status post last inspection</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Louis (US)</td>
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# EIR – Establishment Inspection Report
Other International Business: Q4FY20 Sales of ₹ 1,455 million (14.2% growth YoY)

- Other International Market sales contributed 7.2% to total sales in Q4FY20
- 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 FY20
Shareholding pattern as on March 31, 2020

- **Promoter & Promoter Group**: 65.88%
- **Institution**: 15.41%
- **Non-Institution**: 18.70%

**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

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