

Turning Aspirations Into Reality



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2021-22 highlights

Financial

↑ y-o-y growth

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₹ 4,936 crore
Revenue

↑ 3%

₹ 1,436 crore
EBITDA

↑ -9%

₹ 828 crore
Profit after tax

↑ -16%

Environment

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20,56,18,825 Kwh
Energy consumption

13,36,358 KL
Water consumption

2,782 MT
Waste recycled

Social

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14.5 hours/annum
Average training hours per employee

₹ 11.7 crore
CSR spent

302
Customers served

Turning aspirations into reality

Aspiration is undoubtedly one of strongest emotions of mankind. Aspiration serves as a motivator for people to achieve far-fetched goals and set new milestones. We believe that, at Laurus Labs, it is both our opportunity and responsibility to accentuate the aspirations of our customers by giving addresses to their aspirations.

At Laurus Labs, we have a clear vision to translate our ideas into reality – relying on a foundation of innovation, distinct capabilities and a focused strategy to give direction to our thoughts. Our unwavering efforts to discover new ways of growth, achieve cherished goals, and deliver unrivalled performance enable us to lay the groundwork for long-term growth. This is supported with several approvals anticipated and good progress what we are seeing in multisite capacity expansion across API, formulations and Contract Development and Manufacturing Company (CDMO) division.

Our success is built on the strength of our research and manufacturing capabilities. It enables us to build end-to-end capabilities, create advanced formulations, and meet stringent regulatory requirements. We are at an extremely opportune point in our journey and are excited about not only accelerating and broadening the growth path, but also strategically aiming to expand our foray into the pharmaceutical space while constantly lending stability to a dynamic organisation.





About Laurus Labs

A foundation for the future

We are an innovative research-driven pharmaceutical and biotechnological company that develops cost effective and quality medicines aiming to enhance health outcomes for patients with a continuous focus on quality, access and affordability.

At Laurus Labs, we are a fully integrated pharmaceutical and biotechnology company, with a leadership position in Active Pharmaceutical Ingredients (APIs) in selected high-growth therapeutic areas and major focus on anti-retroviral, Hepatitis C, and oncology drugs. Today, we are one of the leading suppliers of APIs in the ARV therapeutic area for multinational pharmaceutical companies across different parts of the globe.

We are thriving on growth opportunities starting from manufacturing to service to all leading markets of North America, Europe, and Low Middle-income Countries (LMIC). Driving growth opportunities in contract development and manufacturing through our synthesis business, we support drug development and manufacturing programmes for global pharmaceutical and biotech companies at all stages, i.e., from pre-clinical stage to commercialisation.



VISION

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



MISSION

We constantly strive for innovation to enhance quality and to provide affordable integrated pharmaceutical solutions to facilitate wellness and well-being across the globe.



VALUES



Knowledge

Seek to learn constantly to stand out from the crowd



Innovation

Strike out on new paths to go farther



Excellence

Scale new peaks in everything we do



Care

Be diligent, safe and sensible



Integrity

Stand up always for what is right

Business areas

At Laurus Labs, we operate under four business units covering a wide range of therapeutic applications:

1

Generic Formulation (FDF) -

Development and manufacture of oral solid formulations

2

Generics - API - Development, manufacture and sale of APIs and advanced intermediates

3

CDMO-Synthesis - Key starting materials, intermediates and APIs for New Chemical Entities (NCEs)

4

Laurus Bio - Manufacture of animal origin free recombinant products that are safe and sustainable

Numbers that define us

184

Patents granted

73

Drug Master Files (DMFs)

60+

Products commercialised since inception

TOP 10

Generic pharmaceutical companies served

790

Scientists at our R&D centres

5,847 KL

Reactor volumes

5,700+

Employees

9

Manufacturing sites



Business overview

Leveraging integration to grow value across businesses

We offer a broad and integrated portfolio of products and services to the global pharmaceutical industry. The journey from APIs to formulations to synthesis businesses is the outcome of our integrated strategy, which we have successfully executed in all these years. Our four business units cover a wide range of therapeutic applications across the product value chain.

1 Generic Formulation (FDF)



Performance review

- » FDF business grew 13% y-o-y to ₹1,880 core
- » Gradual stabilisation of ARV demand from Global Agencies and Developed markets sales strong over 2020-21 led by portfolio expansion
- » Signed up for MPP license for Pfizer anti-Covid pill Paxlovid to increase the broad access in LMIC markets
- » Brownfield capacity expansion at Unit 2 (to add 4 billion units) is on track and expected to get commercialised by Q1 2022-23
- » 9 product dossiers were filed in Developed markets in 2021-22

Overview

- » Development and manufacture of oral solid formulations for LMIC, North America and European Union (EU) markets
- » Backed by in-house API strengths

Product and service offerings

- » Anti-retroviral (ARV)
- » Anti-diabetic
- » Cardiovascular
- » Proton Pump Inhibitors (PPIs)
- » Central nervous system (CNS)

2021-22 highlights

- » Sustainable ARV business and steady market share gains + new launches in Developed markets are key drivers
- » 10 product dossiers were approved
- » Brownfield lines to get operational before June 2022

38%

Revenue contribution



2

Generics - API



Performance review

- » The division declined 22% y-o-y due to high base effect of excess channel inventories. While overall demand environment stays softer, we remain optimistic about further recovery
- » Overall growth in other APIs and oncology revenues was modest
- » Backed by higher order book visibility, we are accelerating capacity expansion in select high growth therapeutics with total reactor volume of +7,000 KL by the end of 2022-23

41%

Revenue contribution

Overview

- » Development, manufacture and sale of APIs and advanced intermediates
- » Leaders in various high-value and high-volume APIs with a sizeable global market share
- » High potent manufacturing units

Product and service offerings

- » Anti-retroviral (ARV)
- » Anti-diabetic
- » Cardiovascular
- » Proton Pump Inhibitors (PPIs)
- » Oncology

2021-22 highlights

- » Growth impacted from destocking in ARV business at channel level
- » Seeing signs of early recovery and complete stabilisation expected through 2022-23
- » Muted performance for Other APIs; Expect growth rebound supported by new contract supplies ahead
- » 12 DMFs filed
- » Brought new capacity on stream and adding more capacities in high growth non-ARVs



Business overview

3 CDMO - Synthesis



Performance review

- » The CDMO business grew solid at 77% y-o-y due to new client additions and increased business from existing customers
- » Customer base further diversified, US, EU and Japan are still three most important markets
- » Signed new CDMO multi-year partnership with leading Global Lifesciences company for niche APIs. Part of the Capex to be funded through long term commercial advance by the customer apart from sponsoring development cost
- » Secured fresh purchase order from Global Life Science major
- » Commercialised LSPL unit 1. Greenfield investment to set up a dedicated R&D center (2022-23) at Genome Valley, Hyderabad and three manufacturing units in Vizag on track (2023-24/2024-25)

Overview

- » Contract development and manufacturing services for global pharmaceutical companies and several late-stage projects
- » Steroids and hormone manufacturing capability
- » Sale and manufacture of specialty ingredients for use in nutraceuticals, dietary supplements and cosmeceutical products with natural extraction capability

Product and service offerings

- » Commercial scale contract manufacturing
- » Clinical phase supplies
- » Analytical and research services
- » Nutraceuticals, dietary supplements and cosmeceutical products

2021-22 highlights

- » Expanded CDMO capability and customer base
- » New CDMO contracts signed with leading Global Lifesciences company
- » Initiated capex for dedicated R&D center and manufacturing units

19%

Revenue contribution



4

Laurus Bio



Performance review

- » 2021-22 revenues improved materially by +70% over pre-acquisition annualised run-rate led by attractive market opportunities
- » Gradually ramping up on the 180 KL fermentation capacity with our large scale CDMO partners
- » Continue to work on improving products offering and improving go-to-market by leveraging relationship
- » In process to acquire additional land parcel with a plan to create close to 1 million litres fermentation capacity in Phase 1

Overview

- » Precision fermentation and recombinant DNA technology
- » High-volume industrial-scale biotechnology products for food, health, and nutrition markets

Product and service offerings

- » Offer in-depth fermentation-based product development and manufacturing expertise, as a service (CDMO) to novel protein companies and bio-manufacturers — from clone development, strain engineering, process development, and scale-up to large-scale commercial manufacturing, supporting our customers at every step of the microbial precision fermentation value chain.

2021-22 highlights

- » Recorded ₹100 crore in sales
- » Operationalised 180 KL capacity in food proteins

2%

Revenue contribution



Manufacturing facilities




Comprehensive capabilities with extensive reach

We currently have seven manufacturing facilities in Visakhapatnam, Andhra Pradesh, one API facility in Bibinagar near Hyderabad and one R&D centre, equipped with a Kilo Lab, in Hyderabad. At seven of these facilities, we manufacture drug substances and one facility is well-equipped to manufacture both drug products and drug substances. We also have fermentation based capability for Recombinant food proteins at two of our units under Laurus Bio.

IKP Knowledge Park, Genome Valley, Turkapally

Facility	Function	Capacity	Approvals granted
Kilo Lab 	Operational in 2006, this facility deals in pre-commercialisation activities for APIs, ingredients, custom synthesis and contract manufacturing	43 reactors and 4.3 KL capacity	USFDA, KFDA and PMDA

Jawaharlal Nehru Pharma City, Visakhapatnam

Unit 1 	Operational in 2007, this facility deals with API and includes capacity for ingredients, synthesis and contract manufacturing	333 reactors and 1,232 KL capacity	USFDA, WHO – Geneva, NIP – Hungary, KFDA, COFEPRIS, PMDA, ANVISA
Unit 3 	Operational in 2015, this facility deals with APIs and includes capacity for ingredients, synthesis and contract manufacturing	297 reactors and 2,299 KL capacity	USFDA, WHO – Geneva, NIP – Hungary, COFEPRIS, KFDA, ANVISA and JAZMP – Slovenia
Unit 5 (SEZ) 	Operational in 2017, this is a dedicated hormone and steroid facility for Aspen	50 reactors and 151 KL capacity	
LSPL Unit 1 	APIs including ingredients, synthesis and contract manufacturing	42 reactors + 3 all glass reactors with 139 KL capacity	