

**Analyst viewpoint:** Alkem Laboratories is positioned for robust growth in the short to mid-term, bolstered by strategic expansion initiatives in emerging markets. The company's focus on leveraging a portfolio of over 170 dossiers and targeting the global BioCDMO market indicates a strong commitment to broadening its market footprint. Recent quarterly and QYoQ growth metrics, showing a 13.84% rise, demonstrate resilience in sales performance. The robust performance of products like Glucoryl and new launches in high-growth segments underscores its strategic agility. Additionally, valuation metrics such as the trailing P/E ratio of 27.9 and PEG ratio of 1.59 reflect a reasonable valuation with a promising growth outlook. Efficient capital allocation is evident with a RoE of 18.1% and a conservative debt/equity ratio of 0.05, signaling strong financial health.

Strategic diversification efforts into biosimilars, injectables, and medical devices illustrate Alkem's commitment to sustaining long-term growth. The company's impressive QYoQ PAT growth of 35.47% highlights effective cost management and operational efficiency. Furthermore, Alkem's investment in emerging high-growth markets, supported by a substantial cash position, enhances its capacity to navigate competitive pressures. However, a notable concern is the moderate decline in QoQ sales growth by 2.89%, which could indicate challenges in certain market dynamics. Alkem's balanced approach to expansion and innovation sets a positive trajectory, reinforced by its comprehensive product pipeline and market diversification strategies, marking it as a compelling investment opportunity.

Please read detailed disclosure on next page.