



MOREPEN



Date: 17/02/2020

To,

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Scrip Code: 500288

Subject: Investors Presentation (Q3'FY20) February 2020

Dear Sir,

Please find enclosed the **Investors Presentation (Q3'FY20) February 2020**, based on the financial performance of the Company for the Quarter and Nine months ended 31st December, 2019.

Kindly acknowledge the receipt and take it on your record.

Thanking you.

Yours faithfully,

For Morepen Laboratories Limited


(Vipul Kumar Srivastava)
Company Secretary ★

Encl.: As Above

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The Joy Of Growing Together

INVESTORS PRESENTATION (Q3'FY20) FEBRUARY 2020

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Highlights of Q3'FY20 Performance

₹ crores

- **Net Sales Revenue** in Q3'FY20 up by **9%** at Rs. 226.91 crore as compared to Q3'FY19 .
- **Net Profit before tax** up by **19.7%** at Rs. 10.82 crore against Rs.9.04 crores in Q3'FY19 .
- **Cash Profits** up by **2.8%** at Rs. 19.36 crore against Rs.18.84 crores last year same quarter .
- **Domestic Sales** up by **22%** to Rs.136.76 crores as against Rs.111.90 crores .
- **Rosuvastatin export** jumps **171%** and **Loratadine export** up by **25%** in Q3'FY20 as compared to Q3'FY19
- **Domestic API Sales** registered an impressive growth of **76%** in Q3'FY20 .
- **Atorvastatin Domestic sale** spurs **146%** in Q3'FY20 Vs Q3'FY19 .
- **Nebulisers'** quarterly sales jump up by **89%** in Q3'FY20 as compared to Q3'FY19.
- **Branded Formulations** quarterly sales have recorded a handsome **growth of 35%**.
- **Net profit after tax** grew by **21.3%** at Rs. 10.81 crores as compared to Rs. 8.91 crores for Q3'FY19 .

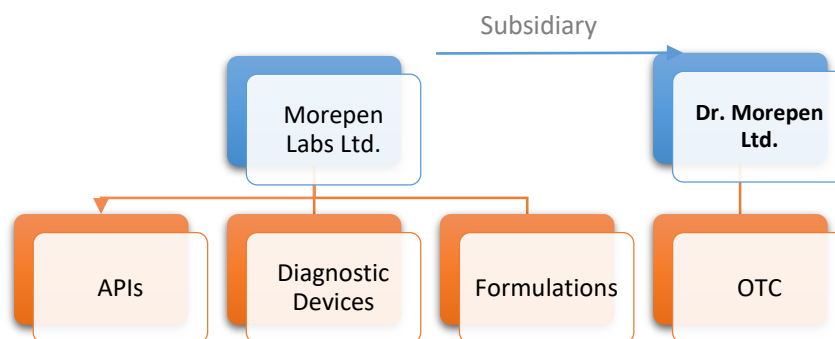
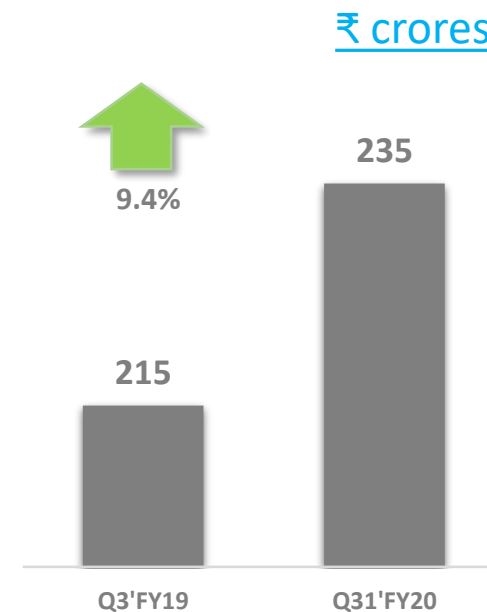
Highlights of 9M'FY20 Performance

₹ crores

- **Net Sales Revenue** in 9M'FY20 up by 17.7% at Rs. 637.26 crore as compared to 9M'FY19 .
- **Net Profit before tax** up by **50.2%** at **Rs. 27.74** crore against Rs.18.47 crores in 9M'FY19 .
- **Cash Profits** up by 18.6% at Rs. 56.02 crore against Rs.47.23 crores in 9M'FY19.
- **API sales** up by **25%** with an impressive growth of **35% in Domestic** and **22% in Exports** .
- **Atorvastatin Domestic sales revenue** jumps by **164%** and **Rosuvastatin export** spurs **62 %** in 9M'FY20 Vs 9M'FY19.
- **Devices Sale revenue** has grew by 15% at Rs. 128.42 crore in 9M'FY20 vs. Rs. 111.98 of 9M'FY19.
- **Blood Glucose Monitors'** sales jump up by **20%** and **Nebulisers'** by **77%**.
- **Branded Formulations** sales have recorded a growth of 21% .
- **OTC Portfolio expanded** with growth rate of 15% at Rs. 46.84 crores .
- **Profit after tax** up by **22.9%** to **Rs. 22.55 crores** as compared to Rs. 18.35 9M'FY19 after **one-time adjustment of Rs.5.15 crores** in Q2'FY20 .

Segments wise growth:

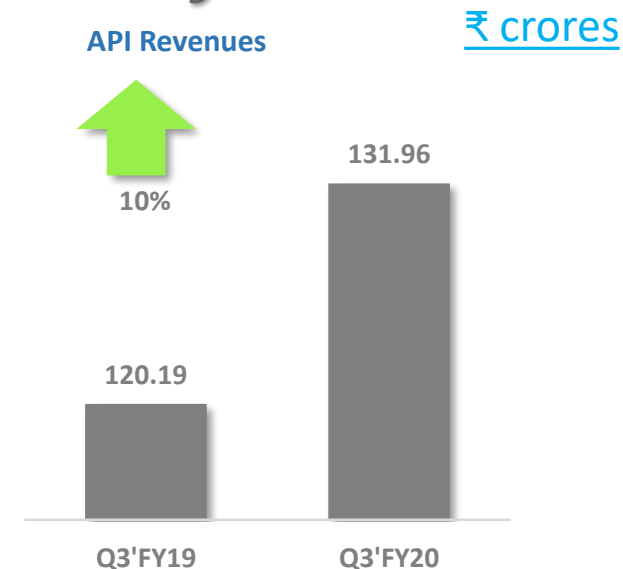
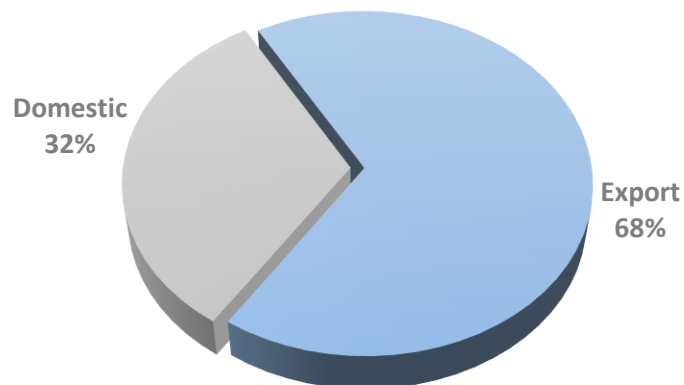
- **Overall business** for the Quarter (Q3'FY20) has grown at **9.4%** as compared to Q3'FY19
- **API Business** has grown at **10%** for the Q3'FY20 and still contributes 56% to the consolidated sales revenue and 62% to the standalone revenue including its exports.
- **Home Diagnostic Devices** business which contributes 20% to the topline has maintained same pace in Q3'FY20 as Q3'FY19.
- **Finished dosage** business has registered a growth of 10% for Q3'FY20 as compared to Q3'FY19. While the Branded Formulations among the category registered a handsome growth of 35% .
- **OTC Business** has shown good growth by **22%** in Q3'FY20.



Segments	Q3'FY20	Q3'FY19	Y-o-Y Growth
APIs	131.96	120.19	10%
Diagnostics	42.87	42.40	1%
Formulations	35.52	32.22	10%
OTC	17.65	14.42	22%

API: Domestic sale leads the way

- **API business** retains its lion's share of **57%** and has **grown at 10%** on quarter on quarter basis.
- **API Domestic business** has got a jump of **76%** with
 - **Atorvastatin -146%**
 - **Montelukast - 70%**
 - **Loratadine - 39%**
 - **New Molecules - 334% growth**
- In the **Export market**, **Rosuvastatin** has registered **171% growth** and **Loratadine** scores **25% growth** during the Q3'FY20 as compared to Q3'FY19
- **Overall, APIs molecules** have grown by **10%** at Rs. 111.54 crore from Rs. 101.37 crore of last year .
- **New Molecules** have shown good growth of **20%** and **Intermediates** have declined by **3%** in Q3'FY20

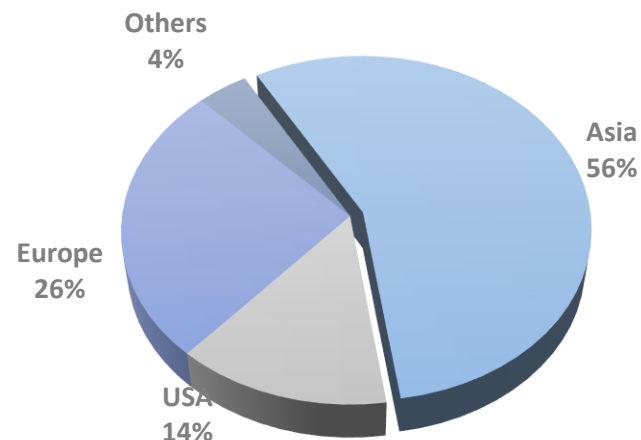
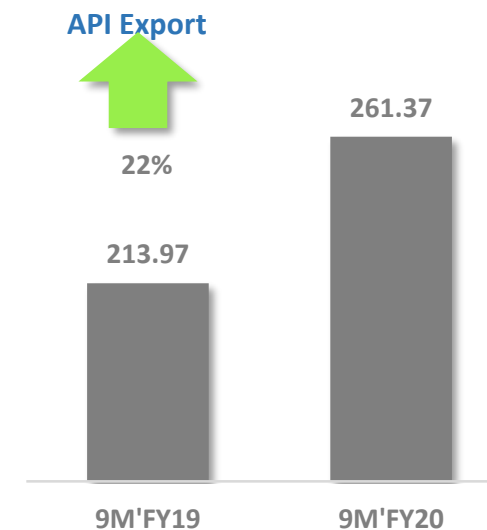


Main Products	Q3'FY20	Q3'FY19	Growth
APIs	111.54	101.37	10%
Intermediates	9.17	9.44	(3%)
New Molecules	11.26	9.39	20%

APAC Region outperforms in Exports

₹ crores

- **Asia Pacific Export business** has got 54% share in the export business for the 9M'FY20 period and a jump of **21%** as compared to 9M'FY19, with major growth registered from following markets:
 - Bangladesh
 - Israel
 - China
 - Sri Lanka
 - Egypt
 - Lebanon
- **USA Business** has **grown by 22%**, while Europe market has shown a good increase of **14%**
- **Other semi-regulated markets** have given an excellent upside of **76%**



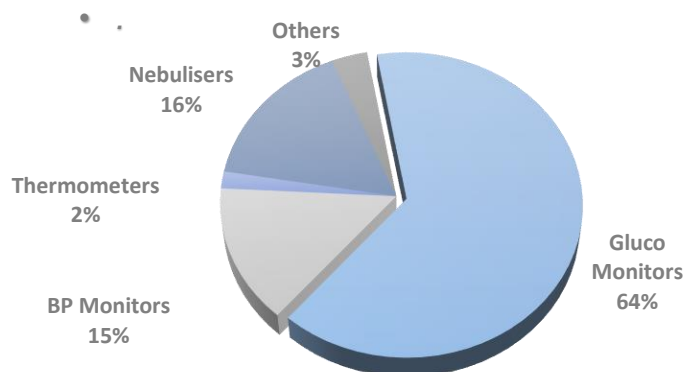
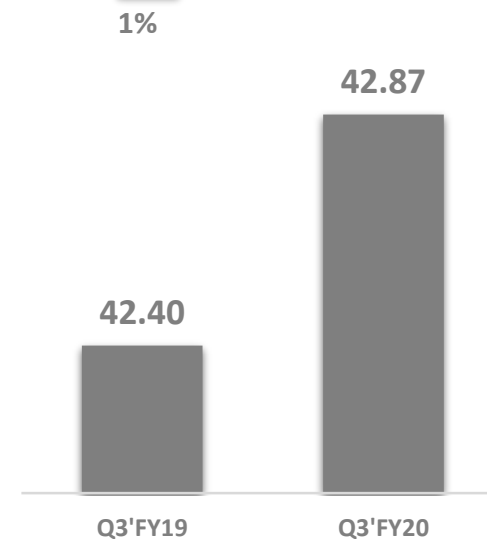
Region	9M'FY20	9M'FY19	Growth
APAC	140.07	115.88	21%
USA	34.78	28.49	22%
Europe	65.39	57.60	14%
Others	21.14	12.00	76%

Devices Business – Performance



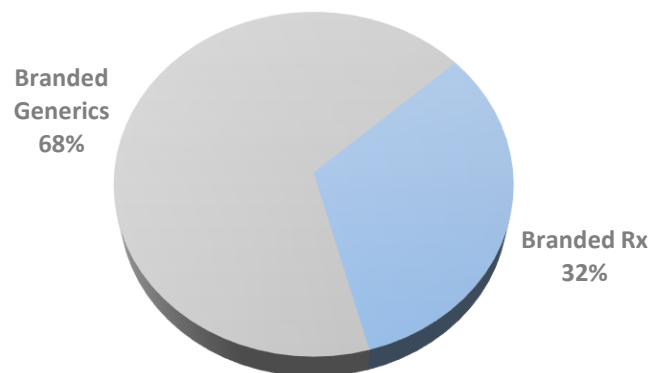
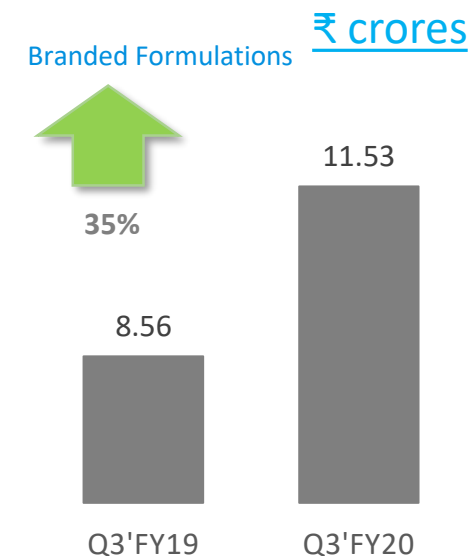
₹ crores

- **Home Devices portfolio** has maintained the same pace during the quarter compared to same period last year .
- **Nebuliser sales** have marked a impressive growth of **89%** in Q3'FY20 as against Q3'FY19.
- **Total Gluco monitors installed** have crossed 3.30 million target.
- **The company has achieved a milestone of having sold 400 million glucose testing strips (tests).**
- **Other devices range contributing** to the kitty has achieved a growth of 28% during the quarter which comprises mainly Weighing scales , Stethoscope, Air purifier and Vaporizer.



Prescription drugs sales up

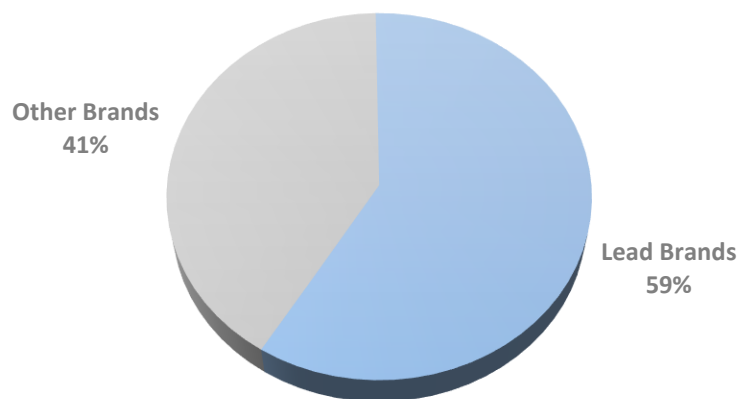
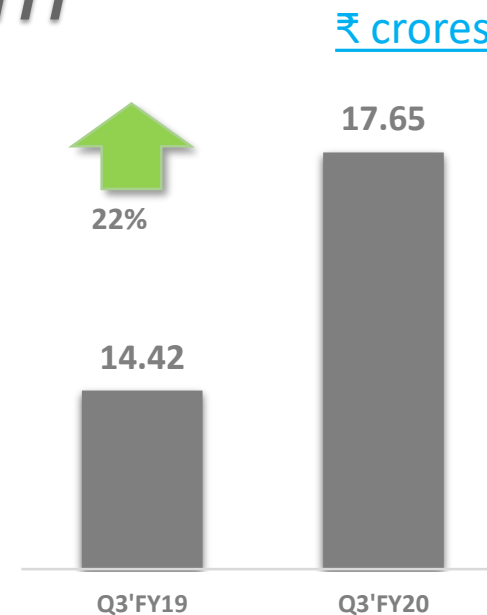
- **Branded Prescription (Rx)** products has grown by 35% during the Q3'FY'20 with major contribution coming from main brands like Salutm, Rhythmix, Klarim, Bacikid, Metmore , Intebac and Cefopen.
- Overall Finished Dosages has grown by 10% in Q3'FY'20 as compared to last year same quarter .
- **Branded Generics** business has registered a marginal growth of 1.4% during the quarter in the Q3'FY20 vs. Q3'FY19 .



Segments	Q3'FY20	Q3'FY19	Y-o-Y Growth
Branded Rx	11.53	8.56	35%
Branded Generics	23.99	23.66	1.4%

OTC Business gains momentum

- **Total OTC category** has registered a growth of 22% during the quarter .
- **Isabgol and Barnd Shaing** have grown by 50% and 28% respectively .
- **OTC Business** has launched many new products to its Health Basket in the nutritional and preventive healthcare segment.
- New products include **Active Smile, Dr. Morepen Daily, MTP Kit, VCalci, Clean & Pure, Liv Healthy, Head-X, Dr. Morepen Aid, Dr. Morepen Buds, Cold-EX, Paachan-Arishta and Adult Nasal Spray.**



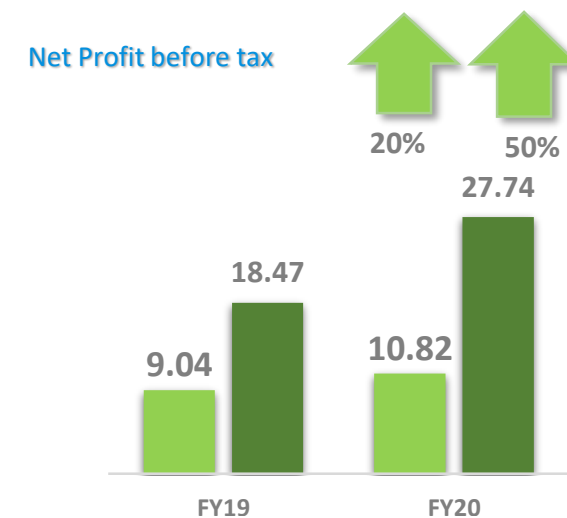
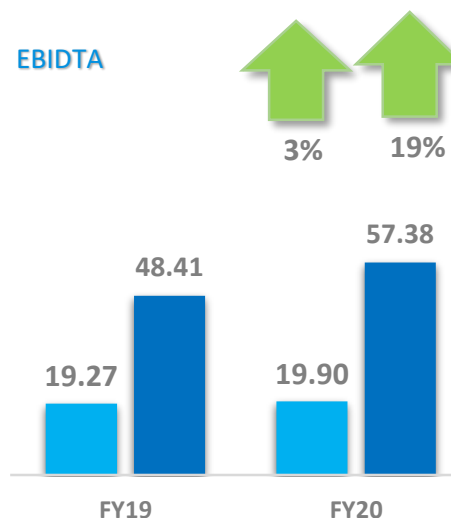
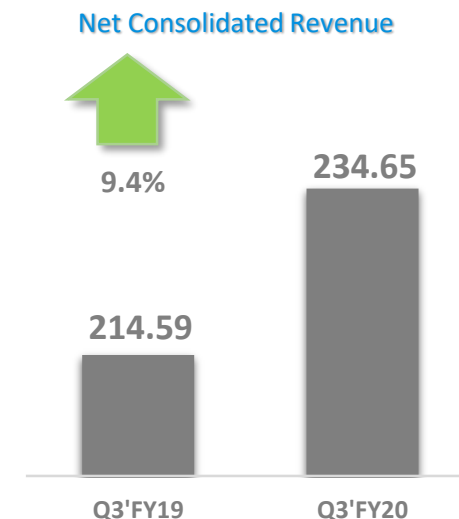
Segments	Q3'FY20	Q3'FY19	Y-o-Y Growth
Lead Brands	10.42	9.20	13%
Other Brands	7.22	5.22	39%



Net Profit after tax rises

- **EBIDTA** number has grown up by **18.5%** during the 9M'FY20 as compared to corresponding 9M'FY19 .
- **Cash Profits** during 9M'FY20 and **Cash surplus** has increased by **18.6%** as compared to 9M'FY19.
- **Net profit before tax** has risen to Rs. 27.74 crores as against Rs.18.47 crores in 9M'FY19, an increase of 50% and for the Q3'FY20 it has gone up by 20% .
- **Net profit after tax** for the Q3'FY20 is Rs.10.81 crores as compared to Rs.8.91 in Q3'FY19 registering a **growth of 21%**.

₹ crores



Q3'FY20 Performance - Standalone

₹ crores

	Q3'FY20	Q3'FY19	Y-o-Y Growth	9M'FY20	9M'FY19	Y-o-Y Growth
Net Revenue	218.09	200.76	8.6%	610.53	513.81	18.8%
Expenditure	199.71	181.56	10%	554.72	466.21	18.9%
EBIDTA	18.38	19.20	(4.2%)	55.81	47.60	17.2%
Interest	0.54	0.42	29.7%	1.35	1.15	16.9%
Cash Surplus	17.84	18.78	(5%)	54.47	46.45	17.3%
Dep. & Amortization	7.93	9.05	(12.3%)	26.46	27.06	(2.2%)
Profit before Tax	9.91	9.74	1.7%	28.00	19.39	44.4%
One time Income Tax Adjustment			-	5.15	-	-
Net Profit	9.91	9.74	1.7%	22.85	19.39	17.9%

Q3'FY20 Performance - Consolidated

₹ crores

	Q3'FY20	Q3'FY19	Y-o-Y Growth	9M'FY20	9M'FY19	Y-o-Y Growth
Net Revenue	234.65	214.59	9.4%	654.15	552.47	18.4%
Expenditure	214.75	195.32	9.9%	596.77	504.05	18.4%
EBIDTA	19.90	19.27	3.3%	57.38	48.41	18.5%
Interest	0.54	0.43	27.7%	1.36	1.18	15.1%
Cash Surplus	19.36	18.84	2.8%	56.02	47.23	18.6%
Dep. & Amortization	8.54	9.80	(12.9%)	28.28	28.76	(1.7%)
Profit before Tax	10.82	9.04	19.7%	27.74	18.47	50.2%
One time Income Tax Adjustment	(0.01)	(0.13)	-	(5.19)	(0.13)	-
Net Profit	10.81	8.91	21.3%	22.55	18.35	22.9%



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