Date: 13/08/2019

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
Tel No: (022) 26598100 - 8114
Fax No: (022) 26598120
Symbol: MOREPENLAB

BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
Phones: 91-22-22721233/4
Fax: 91-22-2272 3121
Scrip Code: 500288

Subject: Investor Presentation – Q1 August, 2019

Dear Sir,

Please find enclosed the Investor Presentation – Q1 August, 2019, based on the financial performance of the Company for the quarter ended 30th June, 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
Disclaimer:
This presentation has been prepared by Morepen Laboratories Limited ("Company") solely for information purposes without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation contains expressed or implied forward looking statements, including discussions of our future plans, strategy, research and deployment activities and products in pipeline. Such forward looking statements reflect current views of the Company or its subsidiaries regarding future events, and involve known or unknown risks, uncertainties and other factors that may cause actual results to be different from any future results expressed or implied by such statements.

This presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this presentation. All actions and statements made herein or otherwise shall be subject to the applicable laws and regulations as amended from time to time. This presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this presentation is expressly excluded.

The Company is providing the information in this presentation as of date and does not undertake any obligation as to the regular updating of the information as a result of new information, future events or otherwise.

The contents of this presentation are confidential and should not be distributed, published or reproduced, in whole or part, or disclosed by recipients, either directly or indirectly, to any other person. It is advised that prior to acting upon this presentation independent consultation / advice may be obtained and necessary due diligence, investigations, etc. may be conducted at the end of the recipient.

This presentation does not constitute or form part of and should not be construed, either directly or indirectly, as any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company by any person in any jurisdiction. This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular, an advertisement or an offer document under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India.
• **Net Sales Revenue** in Q1’FY20 up by 25.4% at Rs. 186.70 crore as compared to Q1’FY19.

• **Net Profit after tax** up by 256% at Rs. 8.41 crore against Rs.2.36 crores in Q1’FY19.

• **Cash Profits up by** 70% at Rs. 19.31 crore against Rs.11.38 crores last year same quarter.

• **API sales up by 44%** with an impressive growth of 50% in Exports and 33% in domestic market.

• **Montelukast export jumps 210 % and Atorvastatin Export spurs 57% in Q1’FY20 Vs Q1FY19**

• **Blood Glucose Monitors’ quarterly sales jump up by 30%** and Nebulisers’ by 118%.

• **Branded Formulations** quarterly sales have recorded a growth of 25%.

• **Company gets accreditation for its In- House R&D Centre** at Baddi (HP) form Department of Scientific & Industrial Research, Govt. of India Delhi.
Segments wise growth:

- **Overall business for the Quarter (Q1 FY20)** has grown at 24% as compared to Q1 FY19.

- **API Business** has shown extremely good results having grown at 44% for the Q1 FY20 and still contributes 56% including its exports.

- **Home Diagnostic Devices business** which contributes 20% of the topline has registered a growth of 16% in Q1 FY20.

- **Finished dosage** business having 17% contribution in the quarterly sales has registered a decline of 6% for Q1 FY20 as compared to Q1 FY19. Branded Formulations among the category registered a growth of 25%.

- **OTC Business** has grown by 6% in Q1 FY20.

---

<table>
<thead>
<tr>
<th>Segments</th>
<th>Q1’FY20</th>
<th>Q1’FY19</th>
<th>Y-o-Y Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIs</td>
<td>112.42</td>
<td>77.91</td>
<td>44%</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>40.03</td>
<td>34.58</td>
<td>16%</td>
</tr>
<tr>
<td>Formulations</td>
<td>34.25</td>
<td>36.34</td>
<td>(6%)</td>
</tr>
<tr>
<td>OTC</td>
<td>14.16</td>
<td>13.31</td>
<td>6%</td>
</tr>
</tbody>
</table>
API: Export leads the way

- **API Export business** has got a jump of 50% with:
  - Montelukast registering 210% growth
  - Atorvastatin 57% growth
  - New Molecules registering 346% growth

- **Domestic business** has grown by 33% during the Q1 FY20 as compared to Q1 FY19 at Rs. 32.91 crore with:
  - Rosuvastatin & Atorvastatin registering 262% each
  - Loratadine 28% growth

- **APIs** have grown by 41% at Rs. 100.12 crore from Rs. 71.17 crore of last year.

- **New Molecules** have shown remarkable growth of 650% by touching Rs. 6.19 Crore from a small base of Rs. 0.83 crores Q1 FY19

---

<table>
<thead>
<tr>
<th>Main Products</th>
<th>Q1'FY20</th>
<th>Q1'FY19</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>APIs</td>
<td>100.12</td>
<td>71.17</td>
<td>41%</td>
</tr>
<tr>
<td>Intermediates</td>
<td>6.11</td>
<td>5.91</td>
<td>3%</td>
</tr>
<tr>
<td>New Molecules</td>
<td>6.19</td>
<td>0.83</td>
<td>650%</td>
</tr>
</tbody>
</table>
APAC Region outperforms

- Asia pacific Export business has got 58% share in the export business for the quarter and a jump of 79% as compared to Q1 FY19, with major growth registered from following markets:
  - Bangladesh
  - Iran
  - China
  - Japan
  - Israel
  - Thailand
  - Korea
- While USA business has grown by 37%, Europe market has shown an increase of only 4%
- Other semi-regulated markets have come up with an upside of 2%
Devices Business – Solid Performance

- **Home Devices portfolio** has been growing with fast pace and has recorded a growth of 16% during the quarter.

- **Blood Gluco Monitors** have marked a growth of 30% in Q1 FY20 as against Q1 FY19. Total Gluco monitors installed have crossed 3 million target.

- The company has achieved a milestone of having sold around 325 million glucose testing strips (tests). No. of strips sold during the QFY20 were 34% more than Q1FY19.

- **Nebulizer** sales have grown by 118% during the Quarter as compared to Q1FY19 which is very encouraging for the company.
Prescription drugs sales up

• Overall Finished Dosages has not performed well in this quarter due to general slowdown and the business has declined by 6% in Q1FY’20 as compared to last year same quarter.

• Branded Prescription (Rx) products has grown by 25% during the Q1FY’20 with major contribution coming from main brands like Saltum, Rhythmix, Acifix, Klarim, and Cefopen. Old Gastro brand DOM has registered a small decline.

• During this quarter Pharma Division has launched new generation probiotics (Brand: Intebact) with international technology tie from Vesale Pharma, Belgium and has received very good response from the market.

• Branded Generics business has de-grown by 15% during the quarter due to general slowdown in the industry.

<table>
<thead>
<tr>
<th>Segments</th>
<th>Q1’FY20</th>
<th>Q1’FY19</th>
<th>Y-o-Y Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branded Rx</td>
<td>10.83</td>
<td>8.66</td>
<td>25%</td>
</tr>
<tr>
<td>Branded Generics</td>
<td>23.42</td>
<td>27.68</td>
<td>(15%)</td>
</tr>
</tbody>
</table>
OTC Business remains stable

- Total OTC category has registered a growth of 6% during the quarter.
- OTC Brand Sharing and other lead brands Lemolate and Burnol have registered decline during the quarter.
- ORS and Pain-X brands have grown by 88% and 44% respectively on a small base.
- Other small brands which are distribution and reach based have got a substantial gain of 82% in the sales in the Q1 FY20.

<table>
<thead>
<tr>
<th>Segments</th>
<th>Q1'FY20</th>
<th>Q1'FY19</th>
<th>Y-o-Y Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Brands</td>
<td>7.02</td>
<td>6.23</td>
<td>(13%)</td>
</tr>
<tr>
<td>Other Brands</td>
<td>7.14</td>
<td>7.08</td>
<td>1%</td>
</tr>
</tbody>
</table>

[Graph showing growth in Q1 FY20 and Q1 FY19]
Net Profit jumps many folds

- **EBIDTA** number has grown up by 67% during the Quarter as compared to corresponding Quarter last year.

- Quantum jump in Cash Profits during Q1FY20 and Cash surplus has increased by 70% as compared to Q1FY19.

- **Net profit after tax** has risen to Rs. 8.41 crores as against Rs. 2.36 crores in Q1FY19, an increase of 256%.
## Synopsis of Q1’FY20 Performance

<table>
<thead>
<tr>
<th></th>
<th>Standalone Q1’FY20</th>
<th>Standalone Q1’FY19</th>
<th>Y-o-Y Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenue</strong></td>
<td>189.75</td>
<td>150.91</td>
<td>25.7%</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td>170.02</td>
<td>139.10</td>
<td>22.2%</td>
</tr>
<tr>
<td><strong>EBIDTA</strong></td>
<td>19.73</td>
<td>11.81</td>
<td>66.9%</td>
</tr>
<tr>
<td><strong>Interest</strong></td>
<td>0.42</td>
<td>0.43</td>
<td>(2.1%)</td>
</tr>
<tr>
<td><strong>Cash Surplus</strong></td>
<td>19.31</td>
<td>11.38</td>
<td>69.6%</td>
</tr>
<tr>
<td><strong>Dep. &amp; Amortization</strong></td>
<td>10.90</td>
<td>8.83</td>
<td>23.4%</td>
</tr>
<tr>
<td><strong>Income Tax</strong></td>
<td>-</td>
<td>0.19</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>8.41</td>
<td>2.36</td>
<td>255.7%</td>
</tr>
</tbody>
</table>
## Synopsis of Q1’FY20 Performance

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Q1’FY20</th>
<th>Consolidated Q1’FY19</th>
<th>Y-o-Y Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenue</strong></td>
<td>203.26</td>
<td>163.80</td>
<td>24.1%</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td>183.65</td>
<td>151.55</td>
<td>21.1%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>19.61</td>
<td>12.25</td>
<td>60.0%</td>
</tr>
<tr>
<td><strong>Interest</strong></td>
<td>0.43</td>
<td>0.44</td>
<td>(3.3%)</td>
</tr>
<tr>
<td><strong>Cash Surplus</strong></td>
<td>19.18</td>
<td>11.81</td>
<td>62.4%</td>
</tr>
<tr>
<td><strong>Dep. &amp; Amortization</strong></td>
<td>11.50</td>
<td>9.16</td>
<td>25.6%</td>
</tr>
<tr>
<td><strong>Income Tax</strong></td>
<td>0.02</td>
<td>0.19</td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>7.66</td>
<td>2.46</td>
<td>210.9%</td>
</tr>
</tbody>
</table>
Thank You

I CHOOSE

JOY

MOREPEN

The Joy Of Growing Together