

MOREPEN



Press Release

Morepen Labs begins FY 2018-19 with a sound performance in the first quarter

Company reports 93 per cent rise in its consolidated net profit and 26 per cent rise in its consolidated net sales revenue in Q1 of FY 2018-19

Highlights Q1 FY 2018-19 (Consolidated):

- **Net Sales Revenue** up by 26 per cent at Rs. 161.81 crore backed by improved sales revenue from Home Diagnostics, Formulations and OTC Businesses.
- **Domestic sales** up by 71 per cent at Rs. 108.20 crore. **EBIDTA** rises by 10.4 per cent at Rs. 12.25 crore.
- **Net Profit before tax** up by 108 per cent at Rs. 2.65 crore.
- **Net Profit after tax** up by 93 per cent at Rs. 2.46 crore.
- **Montelukast** records highest growth amongst bulk drugs in the quarter @ 55 per cent.
- **Blood Glucose Monitors'** quarterly sales jump up by a whopping 78 per cent & **Blood Pressure Monitors'** by 28 per cent. Overall **Diagnostic Products** segment grew by 51 per cent in Q1 FY2018-19.
- **Antibiotics** quarterly sales jump up by a huge 133 per cent followed by **Vitamins & Gastro** by 117 per cent & 64 per cent respectively.
- In the **branded OTC category**, Sales of **Lemolate** went up by 94 per cent and that of **Burnol** by 35 per cent.
- **Dr. Morepen Basket** quarterly sales have recorded a growth of 72 per cent.
- **Interest cost** falls further by 67 per cent from 1.33 crore in Q1 FY 2017-18 to Rs. 44 lakhs only in Q1 FY 2018-19.
- Company gets **USFDA approval** for its two plants at Baddi and Masulkhana in Himachal Pradesh for bulk drugs Atorvastatin Calcium and Montelukast Sodium.

New Delhi, August 13, 2018: Morepen Laboratories Ltd. has reported a 93 per cent rise in its **consolidated net profit** at Rs. 2.46 crore, on consolidated **net sales**

Morepen Laboratories Limited

Corp. Off.: 4th Floor, Antriksh Bhawan, 22 K.G.Marg, New Delhi- 110 001, INDIA
Tel.: +91-11-23324443, 23712025, E-mail: corporate@morepen.com, Website: www.morepen.com
CIN NO. L24231 HP1984PLC006028

Plant & Regd. Off.: Morepen Village, Malkumajra, Naggarh Road, Baddi, Distt. Solan (H.P.) -173205
Tel.: +91-1795-266401-03, 244590, Fax: +91-1795-244591, E-mail: plants@morepen.com



MOREPEN



revenue of Rs. 161.81 crore in the first quarter (Q1) of FY 2018-19. The consolidated net sales revenue has grown up by 26 per cent in Q1 FY 2018-19 from Rs. 128.41 crore in Q1 FY 2017-18 backed by improved sales revenue from home diagnostics, formulations and OTC businesses. The company's **consolidated net profit before tax** in Q1 FY 2018-19 grew up by 108 percent at Rs. 2.65 crore from Rs. 1.27 crore in the corresponding quarter of the previous fiscal.

The company's expanding domestic reach assisted in achieving a higher topline in Q1 FY 2018-19. **Domestic sales** registered a growth of 71 per cent in Q1 at Rs. 108.20 crore. **EBIDTA** in Q1 FY 2018-19 increased by 10.4 per cent at Rs. 12.25 crore, **Interest Cost** fell by 67 per cent at Rs. 44 Lakhs only and cash profit increased by 21 per cent at Rs. 11.81 crore. With only one lender remaining to be paid, **the company aims to become a zero debt company in the second quarter of FY 2018-19.**

This was disclosed by **Mr. Sushil Suri, Chairman and Managing Director, Morepen Laboratories Ltd.**, after the Q1 (FY18-19) results board meeting here on Monday. "Having serviced its debt obligation successfully, the company now aims to utilise its available resources to invest in R&D infrastructure, capacity enhancement & process improvements to fuel the future growth." Mr. Suri said.

Synopsis of Q1 FY 2018- 19-Performance (Consolidated):

Rs. in Crores

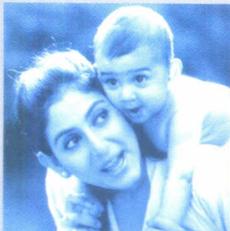
Particulars	Q1		
	FY 2017-18	FY 2018-19	% Growth
Consolidated Sales Revenue	128.41	161.81	26%
Total Consolidated Revenue	132.04	163.74	24%
Expenditure	120.94	151.49	25.3%
EBIDTA	11.10	12.25	10.4%
Interest	1.33	0.44	(66.9%)
Cash Surplus	9.78	11.81	20.8%
Net Profit before tax	1.27	2.65	107.8%
Net Profit after tax	1.27	2.46	93%

Morepen Laboratories Limited

Corp. Off.: 4th Floor, Antriksh Bhawan, 22 K.G.Marg, New Delhi- 110 001, INDIA
 Tel.: +91-11-23324443, 23712025, E-mail: corporate@morepen.com, Website: www.morepen.com
 CIN NO. L24231 HP1984PLC006028

Plant & Regd. Off.: Morepen Village, Malkumajra, Nalagarh Road, Baddi, Distt. Solan (H.P.) -173205
 Tel.: +91-1795-266401-03, 244590, Fax: +91-1795-244591, E-mail: plants@morepen.com





MOREPEN



The **bulk drugs (API) segment** contributed around 48 per cent to the company's total turnover in Q1 FY 2018-19. Morepen Lab's bulk drug Montelukast Sodium has once again emerged as a growth accelerator for the company in Q1 FY 2018-19, followed by Rosuvastatin. Sales from Montelukast Sodium increased by 55 per cent in Q1 at Rs. 23.67 crore and sales from Rosuvastatin increased by 10 percent. Montelukast's trial shipments to USA market has already started in the quarter under consideration.

The entire "**Dr. Morepen**" **brand portfolio** did well during Q1 FY 2018-19 and recorded sales revenue of Rs. 83.54 crore as against revenue of Rs. 48.53 crore in the corresponding quarter of the previous fiscal, registering a growth of 72 per cent.

Sales from **Formulations business** in Q1 FY 2018-19 went up by 101 per cent and that from **Brand sharing** by 102 per cent. Total sales revenue from both the businesses jumped significantly to Rs. 36.34 crore in Q1 FY 2018-19 as compared to Rs. 18.06 crore in the corresponding quarter of the previous fiscal.

The overall Home Diagnostic Segment recorded total quarterly sales at Rs. 34.58 crore in Q1 FY 2018-19, registering a rise of 51 per cent vis-a-vis corresponding quarter of the previous fiscal. **Blood Glucose Monitors** and **Blood Pressure Monitors** recorded highest growth in the quarter @ 78 percent and 28 percent respectively. The combined sales revenue of **Blood Glucose Monitors** and **Blood Pressure Monitors** in the quarter increased to Rs. 31.48 crore as compared to Rs. 19.06 crore in the corresponding quarter of previous fiscal, registering a growth of 65 per cent. Looking at increasing incidence of diabetic cases in India, the **Blood Glucose Monitors** and **Blood Pressure Monitors** segment offers great opportunity for growth in the coming years. In all, **200 million Glucometer** strips have been sold by the company till date.

The overall branded OTC category grew up by 69 per cent. Sales of **Lemolate** went up by 94 per cent and that of **Burnol** by 35 per cent. **Isabgol** and **Grooming range** grew by 65 per cent and 47 per cent respectively.

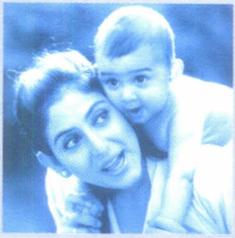
Morepen Laboratories Ltd. has received **US FDA** (*United States Food and Drug Administration*) approvals for both its bulk drugs manufacturing facilities situated in Himachal Pradesh. While the Baddi facility has got **US FDA** approval for the



Morepen Laboratories Limited

Corp. Off.: 4th Floor, Anriksh Bhawan, 22 K.G. Marg, New Delhi- 110 001, INDIA
Tel.: +91-11-23324443, 23712025, E-mail: corporate@morepen.com, Website: www.morepen.com
CIN NO. L24231 HP1984PLC006028

Plant & Regd. Off.: Morepen Village, Malkumajra, Bagalgarh Road, Baddi, Distt. Solan (H.P.) -173205
Tel.: +91-1795-266401-03, 244590, Fax: +91-1795-244591, E-mail: plants@morepen.com



MOREPEN



manufacture of bulk drug “**Atorvastatin Calcium**”, a Cholesterol reducing drug, the Masulkhana facility has recently got the nod for manufacturing an anti-asthma bulk drug “**Montelukast Sodium**” for export to the US market. It is significant to note here that **the US market size for these two bulk drugs is Rs. 7,000 crore approximately.**

About Morepen Laboratories Ltd.

Morepen Laboratories Ltd. is a 34-year old, Rs. 600 Cr. pharmaceutical and healthcare products company. The company went public in the year 1993 and is currently listed at both the Bombay Stock Exchange as well as the National Stock Exchange.

Morepen is engaged in the manufacturing and sale of APIs/ Bulk Drugs, Home Diagnostics, Formulations and OTC products. The company's state-of-the-art manufacturing facility at Baddi (Himachal Pradesh) comprises a scientifically integrated complex of 10 plants, each with a specific product profile.

The USFDA approved plant at Masulkhana is for manufacture of Loratadine, an anti-allergy drug – internationally known as Claritin. Desloratadine and the new blockbuster drug Montelukast is also manufactured at this FDA approved site. The large and spread out manufacturing facility at Baddi has EU GMP & WHO GMP Standards and manufactures latest and much in demand APIs like Atorvastatin, Rosuvastatin, Fexofenadine and others for regulated markets of Europe, USA and also for non-regulated markets across the globe.

Morepen markets over 100 branded formulations under six major therapeutic segments in the domestic market. The company's manufacturing facilities are backed by a strong dedicated team of research and development (R&D) professionals who ensure stringent quality standards. In Home - Diagnostics business, Morepen has a formidable presence in Blood Glucose Monitors and Blood Pressure Monitors, in the domestic markets. The company's OTC brands are being promoted under its wholly owned subsidiary Dr. Morepen Limited. Dr. Morepen's famous OTC product line, including Burnol, Lemolate, Sat-Isabgol, Pain-X and others, has a significant presence in the domestic market.



Morepen Laboratories Limited

Corp. Off.: 4th Floor, Antriksh Bhawan, 22 K.G. Marg, New Delhi- 110 001, INDIA
Tel.: +91-11-23324443, 23712025, E-mail: corporate@morepen.com, Website: www.morepen.com
CIN NO. L24231 HP1984PLC006028

Plant & Regd. Off.: Morepen Village, Malkumajra, Nalagarh Road, Baddi, Distt. Solan (H.P.) -173205
Tel.: +91-1795-266401-03, 244590, Fax: +91-1795-244591, E-mail: plants@morepen.com