



MOREPEN
The Joy Of Growing Together

INVESTORS PRESENTATION (Q3) FEBRUARY 2019

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Synopsis of Q3'FY19 Performance

₹ crores

	Consolidated Q3'FY19	Consolidated Q3'FY18	Y-o-Y Growth
Net Revenue	214.58	155.89	37.6%
Expenditure	195.32	136.84	42.8%
EBIDTA	19.27	19.06	1.1%
Interest	0.43	0.91	(53.4%)
Cash Surplus	18.84	18.15	3.9%
Dep. & Amortization	9.80	7.70	27.2%
Income Tax	(0.13)	(0.01)	
Net Profit	8.91	10.43	(14.5%)

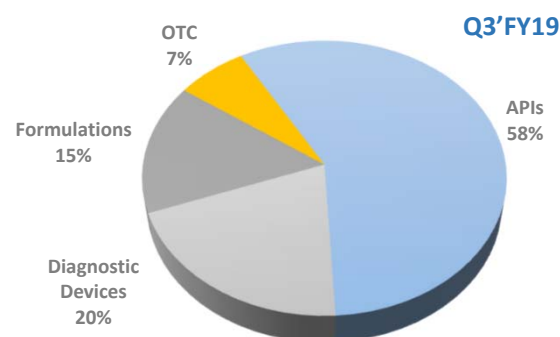
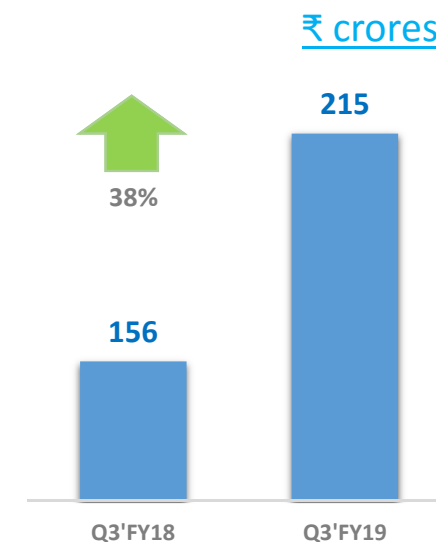
Highlights of Q3'FY19 Performance

₹ crores

- **Net Revenue** up by **38%** at Rs. 214.58 crore backed by improved sales revenue from API and Home Diagnostics . **Export sales** up by **83 %** at Rs. 96.56 crore
- **Montelukast** sales have grown by **60%**; **Export** turnover jumps by **213%**. **Loratadine** recorded remarkable growth amongst bulk drugs in the quarter @**64%**; 54% growth in the export.
- **Blood Glucose Monitors** have grown by **77%** this quarter and **Thermometers'** quarterly sales increased by **101%**. Overall **Diagnostic Devices** sales grew by **53%** in Q3'FY19.
- **Dr. Morepen Basket** quarterly sales have recorded a growth of **20%** in the **branded OTC** category.
- **Interest Cost** falls further by 53% from Rs.0.91 crore in Q3 FY 2017-18 to Rs. 0.43 crore only in Q3'FY19.
- **Net Profit after tax** down by **14 %** at Rs. 8.91 crore as compared to Rs. 10.43 crore in Q3'FY18
- **During the quarter**, the shortage of raw materials and prices increase continued in respect of raw materials being imported from China. This has significantly effected the profitability of the company for the quarter.

Segments wise growth

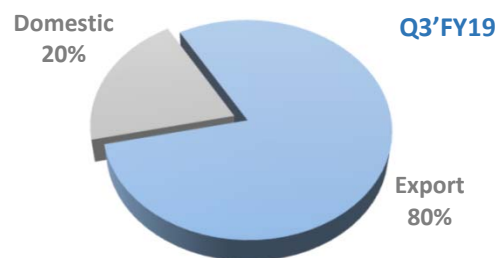
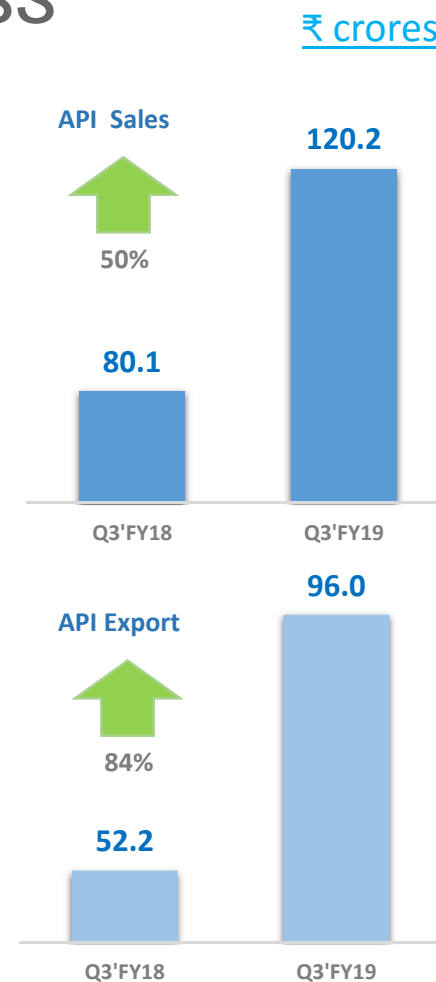
- **Overall business** for the Quarter (Q3'FY19) has grown at **38%** as compared to Q3'FY18
- **API Export** has shown extremely good results having grown at **84%** for the Q3'FY19. Total API business contributed 58% to the quarterly sales.
- **Home Diagnostic Devices** business which contributes 20% of the topline has registered good growth of **53%** in Q3'FY19
- **Finished dosage** business having 15% contribution in the quarterly sales has maintained almost the same pace for Q3'FY19 as compared to Q3'FY18.
- While **Dr. Morepen branded portfolio** has grown up by 20%, **OTC Business** registered a minor fall of 0.8% in Q3'FY19 as compared to Q3'FY18.



Segments	Q3'FY18	Q3'FY19	Y-o-Y Growth
APIs	80.10	120.19	50%
Diagnostics Devices	27.75	42.40	53%
Formulations	32.03	32.22	0.6%
OTC Products	14.53	14.42	(0.8%)
Total for quarter	155.90	214.58	38%

API: Increasing Export Business

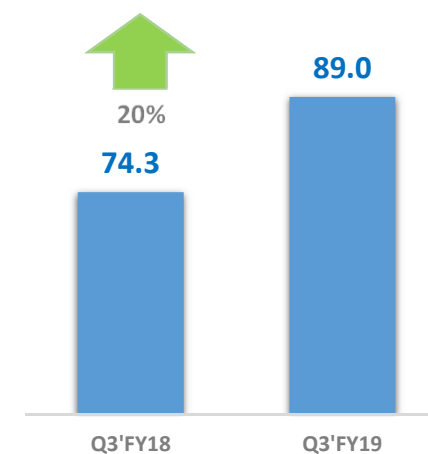
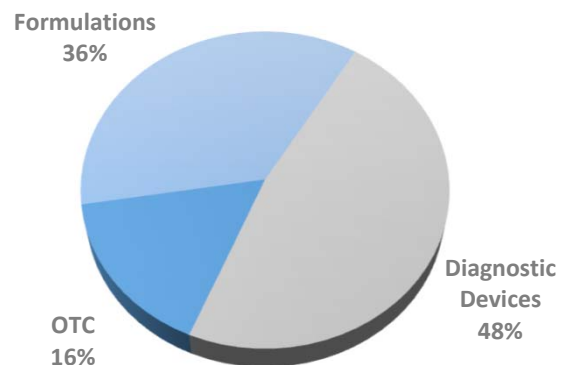
- **API Export** has got a jump of **84%** during the Q3'FY19 as compared to Q3'FY18 while total API business has grown by 50%
- **Loratadine** sales has grown by **64%** in Q3'FY19 on Y-to-Y basis. Export of Loratadine has gone up by **54%** this quarter Q3'FY19
- **Montelukast** export has registered an jump of **213%** in Q3'FY19 as compared to Q3'FY18. Trial shipments to US markets have started post USFDA approval of the plant in April this year in the domestic market.
- **Atorvastatin** export has gone up by **54%** during the quarter while total sales of Atorvastatin is up by 41%. Company has got **USFDA has got approval** of the **Baddi** plant for export of **Atorvastatin** last quarter, and the Atorvastatin business is going to get big boost in the coming years.
- **Rosuvastatin** export has also grown by **14%** during the Q3'FY19.
- **During the quarter**, the shortage of raw materials and prices increase continued in respect of raw materials being imported from China. This has significantly effected the profitability of the company for the quarter.



Growing Branded Portfolio:

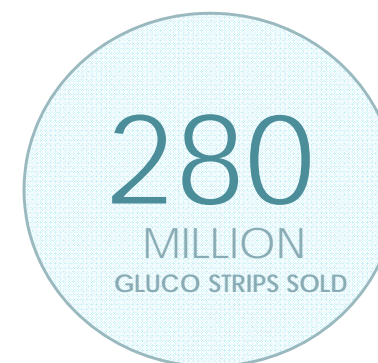
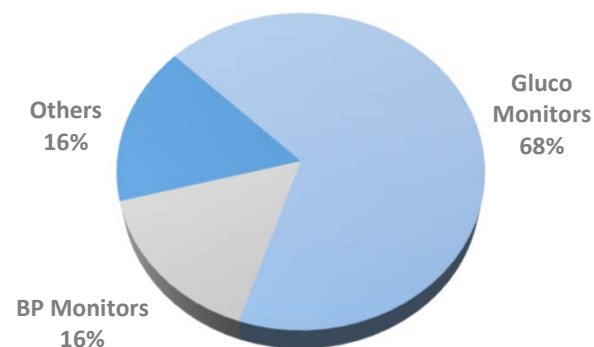
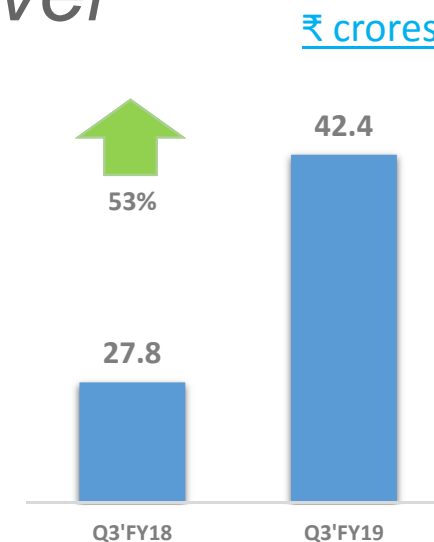
₹ crores

- **Dr. Morepen brand basket** has grown from Rs. 74.30 crores to Rs. 89.03 crores for the Q3'FY19 and has registered an upside of 20% as compared Q3'FY18
- Within the basket, **Diagnostic Devices** business has registered a growth of **53%** while **Finished Dosages** has registered a minor growth of 0.6%.
- **Dr. Morepen Over the counter (OTC)** products have slightly declined by 0.8% in Q3'FY19



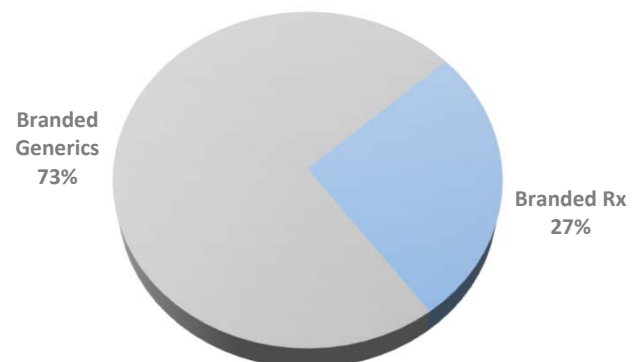
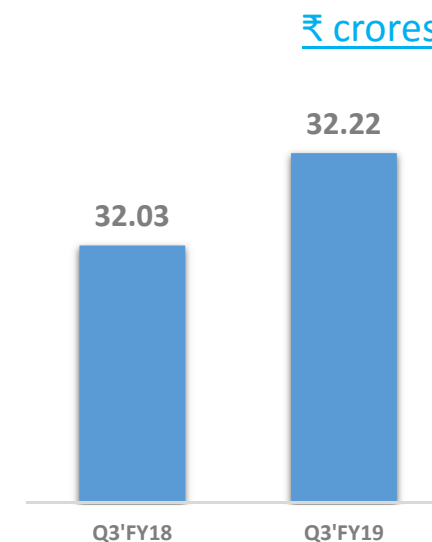
Devices Business - Growth Driver

- **Home Devices portfolio** has been growing with fast pace and has recorded a growth of **53%** during the quarter.
- **Blood Glucose Monitors** have marked a growth of **77%** in Q3'FY19 as against Q3'FY18. Total Gluco monitors installed during Q3'FY19 were double than Q3'FY18 and have crossed 2 million target.
- The company has achieved a milestone of having **sold 280 million glucose testing strips (tests)**. No. of strips sold during the Q3'FY19 were 90% more than Q3'FY18.
- **Thermometer's** sales have grown by **101%** during the Quarter as compared to Q3'FY18



Finished Dosages:

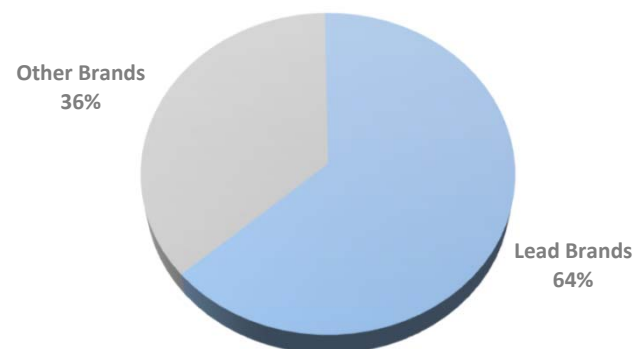
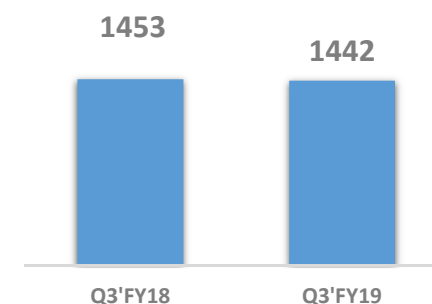
- **Finished Dosages** has reported slight increase of **0.6%** in Q3FY'19 as compared to last year same quarter.
- **Branded Prescription (Rx)** products has grown by **15%** during the Q3'FY'19
- Good growth is seen in Antibiotics (**45%**) products and Gastrointestinal(10%)
- **Branded Generics** business has registered a decline of **4%** during the Q3'FY'19 due to price fluctuations in market reflecting increased prices of imports from China



OTC Business:

₹ crores

- **Total OTC** category has registered a slight decline of **0.8%** during the quarter.
- **Lemolate** Sales have gone up strongly by **14%** during the Q3'FY19 on Y-to-Y basis
- Other **small brands** which are distribution and reach based have declined by 22% in the Q3'FY19.
- The company has **launched a new product "Forever Young"** packed with 21 powerful herbs and minerals, in sexual wellness category this quarter which is expected to give good boost to Dr. Morepen presence in the category.





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JOY

Thank You

