



MOREPEN

Date: 22/06/2020



To,

National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
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Symbol: **MOREPENLAB**

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Dalal Street, Mumbai- 400 001
Phones: 91-22-22721233/4
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Scrip Code: **500288**

Subject: Investors Presentation (Q4'FY20) June, 2020

Dear Sir,

Please find enclosed the **Investors Presentation (Q4'FY20) June, 2020**, based on the financial performance of the Company for the Quarter and Financial Year ended 31st March, 2020.

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

Morepen Laboratories Limited

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CIN NO. L24231 HP1984PLC006028

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MOREPEN
The Joy Of Growing Together

I CHOOSE
JOY

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₹ crores

Highlights of 12M'FY20 Consolidated Performance

- **Net Revenue** in FY20 up by 12% at Rs. **862.55** crore as compared to FY19 .
- **Net Profit before tax** up by **34%** at Rs. **39.11** crore against Rs.29.18 crores in FY19 .
- **Cash Profits** up by 10% at Rs. 76.02 crore against Rs.69.08 crores in FY19.
- **API sales** up by 15% with an impressive growth of **28% in Domestic** and **10% in Exports** .
- **Atorvastatin Domestic revenues** jump by **94%** and **Rosuvastatin exports** up by **30 %** in FY20 Vs FY19.
- **Devices Sale revenue** grew by **20%** at Rs. **168.35** crore in FY20 vs. Rs. **139.75** crore in FY19.
- **Blood Glucose Monitors'** sales jump up by **29%** and **Nebulisers'** by **44%** .
- **Branded Formulations** sales have recorded annual growth of **19%** .
- **OTC Portfolio expanded** with annual growth rate of 19% at Rs. **64.63** crores .
- **Grooming business sale revenue(part of OTC)** jumped by **58%** .
- **Annual Profit after tax (PAT)** up by **16.4%** at Rs. **33.58** crores Vs Rs. **28.84** Crores in FY19
- **One-time Tax (MAT)** hit of Rs.5.15 crores accounted for in FY20 .

Highlights of Q4'FY20 Consolidated Performance

₹ crores

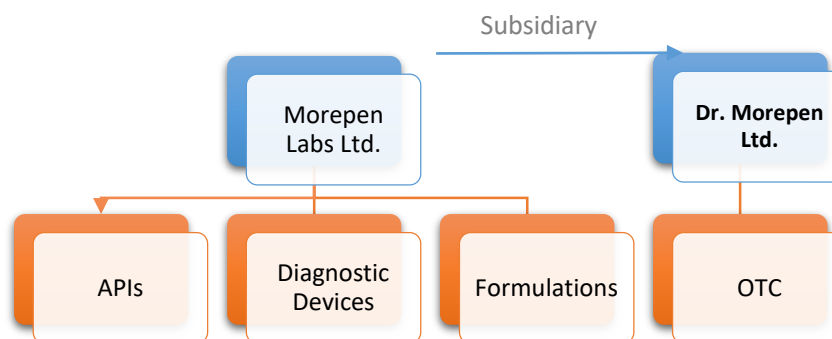
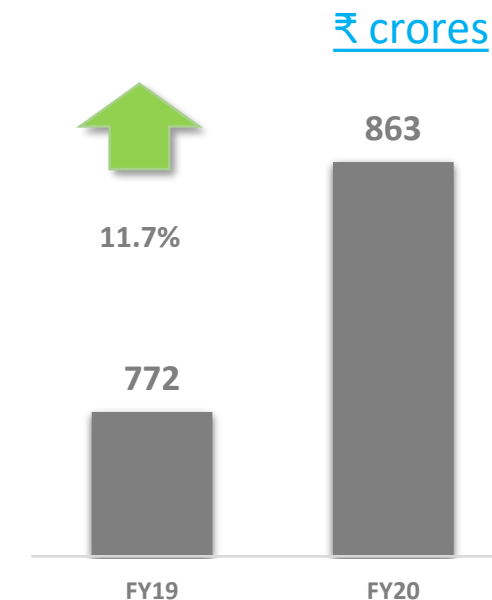
- **Net Revenue** in Q4'FY20 down by **5.2%** at Rs. 208.39 crore as compared to Q4'FY19 .
- **Net Profit before tax** up by **6.2%** at **Rs. 11.36** crore against Rs.10.70 crores in Q4'FY19 .
- **Cash Profits** down by 8.5% at Rs. 19.99 crore against Rs.21.85 crores last year same quarter .
- **Loratadine sales** up by **11%** in Q4'FY20 as compared to Q4'FY19.
- **Domestic API Sales** registered a growth of **11%** in Q4'FY20 .
- **Montelukast Domestic sales** up by **12%** in Q4'FY20 Vs Q4'FY19 .
- **Blood Glucose Monitors sales** jump up by **78%** while **total sales** grew by **44%** in Q4'FY20 Vs Q4'FY19.
- **Formulations** quarterly sales have recorded a **growth of 9.5%**.
- **Branded OTC Business sales** recorded a **whooping growth of 72%** in Q4'FY20 Vs Q4'FY19 .
- **Net profit after tax** grew by **5%** at **Rs. 11.02 crores** as compared to Rs. 10.49 crores for Q4'FY19.

Other Highlights:

- *Company's manufacturing facilities remained functional during the lockdown period with limited manpower and have now resumed 80-90% operations, and it may take some time for things to normalize in the marketplace. As offices continue to remain closed, all senior people are working from home and are managing the operations remotely.*
- *During the lockdown period, the Company launched a wide range of non-contact infrared thermometers, oximeters, hand sanitisers, hand rubs, hand wash, anti-bacterial spray, anti-bacterial soap, disinfectant solutions, face masks, gloves, Vitamin- C gummies for kids, Multivitamins, Chyawanprash and curcumin tablets to fight Covid-19 at ground level.*
- *The Company also got ISO-13485 Certification for its Medical Devices Manufacturing Facility at Baddi (H.P.) BSI (British Standards Institution, U.K.).*
- *The Company also got the license to manufacture Hydroxychloroquine (HCQ). The drug, being prescribed for treatment of Covid-19 patients in India and abroad, is currently undergoing commercial trials.*

Annual Segment wise growth:

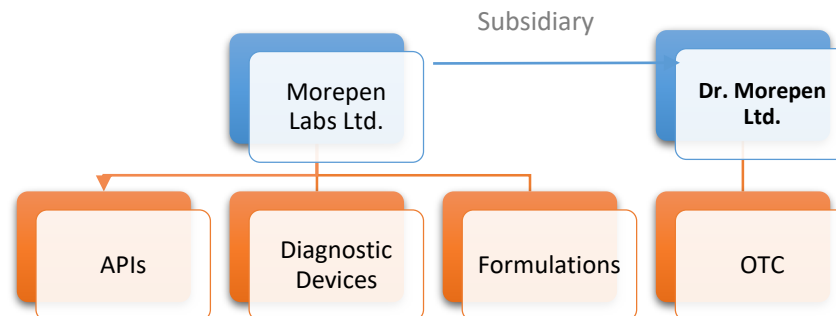
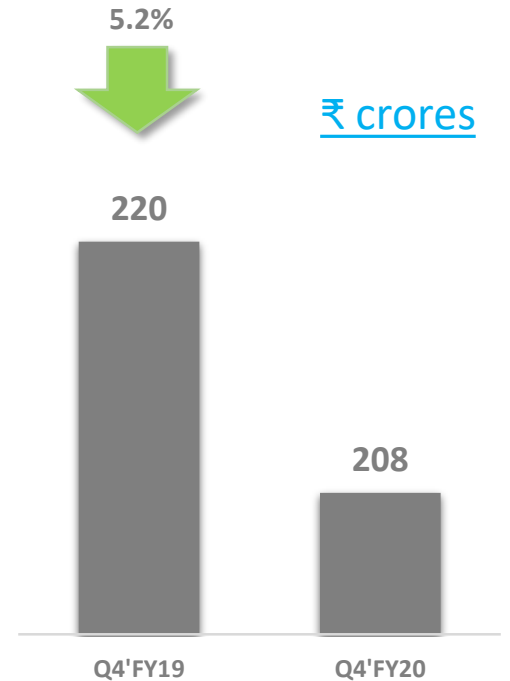
- **Overall business** for the year (12M'FY'20) has registered growth of **12%** as compared to FY19 despite loss of sales in last two weeks of the year on account of the complete lockdown.
- **API Business** has grown at **15%** for the year FY'20 and still contributes 56% to the consolidated sales revenue and **61%** to the standalone revenue including its exports.
- **Home Diagnostic** Devices business constituting **20%** to the topline has shown good growth of **20%** in FY'20 as compared to FY'19.
- **Finished dosage** business: while the Branded Formulations among the category registered a **growth of 19%**, overall business has declined by 10% for the year FY'20 as compared to FY'19..
- **OTC Business** has shown handsome growth by **19%** in the year FY'20.



Segments	FY20	FY19	Y-o-Y Growth
APIs	473.95	413.05	15%
Diagnostics	168.35	139.75	20%
Formulations	137.56	153.17	(10%)
OTC	64.63	54.38	19%

Q4-Segment wise growth :

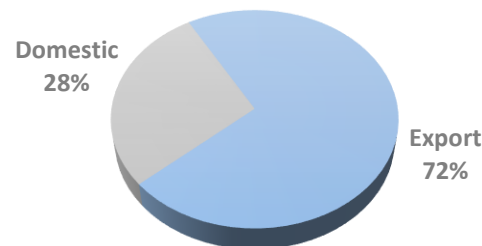
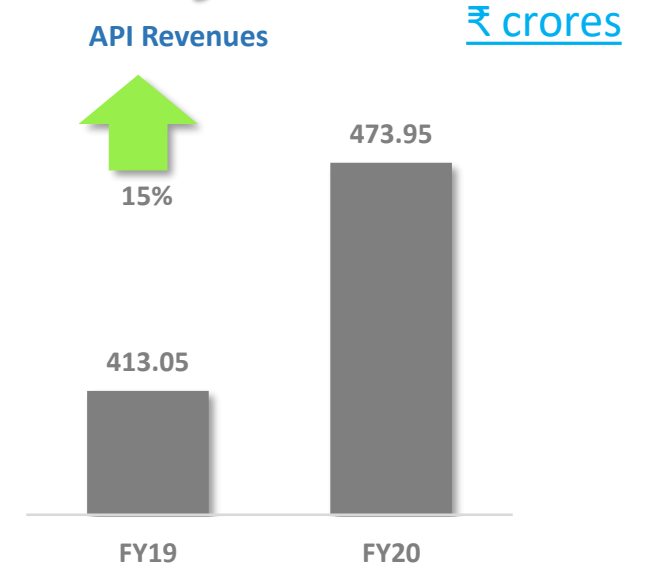
- On account of lockdown in the last two weeks of the March'20, most of the business segments were hit, thereby affecting last quarter sales performance for the company.
- Overall business** for the Quarter (Q4'FY20) has been down at **5.2%** as compared to Q4'FY19.
- API Business** recorded lower revenues by **10%** for the Q4'FY20 and still contributes **61%** to the standalone revenues.
- Home Diagnostic** Devices business constituting 20% to the topline has shown tremendous growth of 44% in Q4'FY20 as compared to Q4'FY19.
- Finished dosage** business has registered a drop of 33% for Q4'FY20 as compared to Q4'FY19. While the Branded Formulations among the category registered a **growth of 9.4%**.
- OTC Business** has shown handsome growth by **31%** in Q4'FY20 over Q4'FY19 by launching new products related to COVID-19.



Segments	Q4'FY20	Q4'FY19	Y-o-Y Growth
APIs	113.20	125.48	(10%)
Diagnostics	39.93	27.77	44%
Formulations	33.08	49.35	(33%)
OTC	17.78	13.58	31%

API: Domestic sale leads the way

- **API business** retains its lion's share of **61%** and has **grown at 15%** on year-on-year basis despite loss of sales on account of lockdown towards the end of March 2020.
- **Company got license to manufacture Hydro Chloroquine (HCQ) and is in the process of doing commercial trials.**
- During the year **API Domestic business** has got a jump of **28%** with
 - Atorvastatin - 94%
 - Montelukast - 19%
 - Rosuvastatin - 15%
 - New Molecules - 120% growth
- In the **Export market**, **Rosuvastatin has registered 30% growth** and **Loratadine scores 18% growth** during the year FY'20 as compared to FY'19.
- **Overall, APIs molecules** have grown by **14%** at Rs. 414.39 crore from Rs. 364.93 crore of last year. **Intermediates and New Molecules have shown good growth of 24% and 23% respectively** in the year FY20.

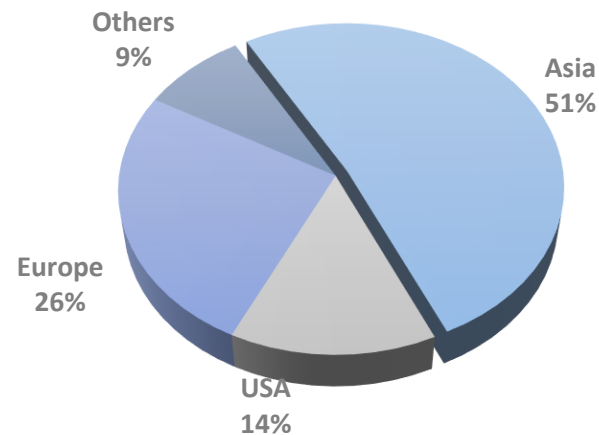
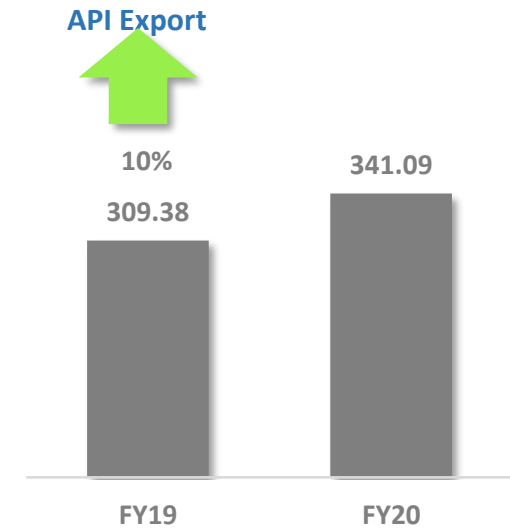


Main Products	FY20	FY19	Growth
APIs	414.39	364.93	14%
Intermediates	31.50	25.30	24%
New Molecules	28.06	22.82	23%

Regulated Markets Exports Spike.

₹ crores

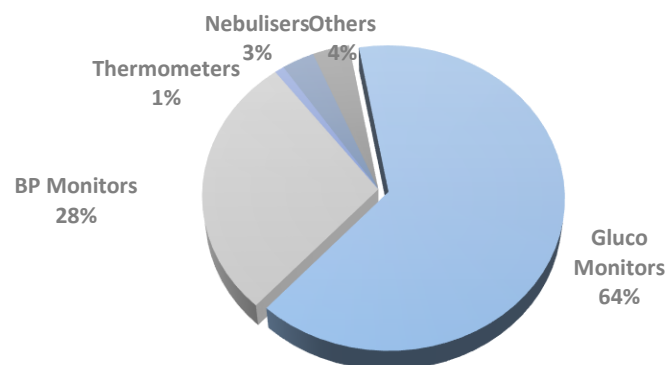
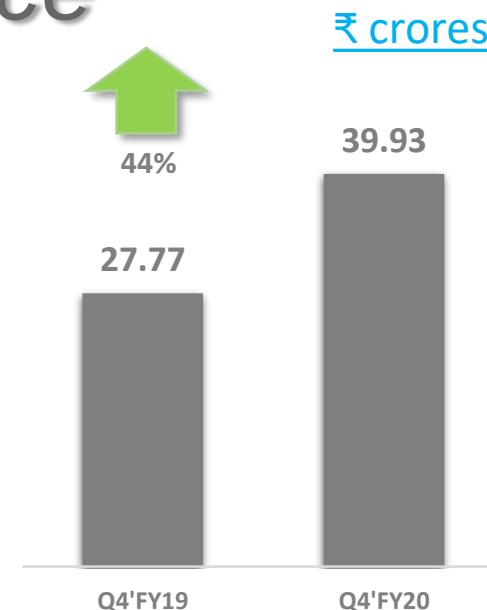
- **Asia pacific Export business** has got **51%** share in the export business for the year FY'20 and a growth of 6% as compared to FY'19.
- **USA Business** has **grown by 15%**, while **Europe market** has shown an increase of **10%**
- **Other semi-regulated markets** have given an excellent growth of **36%**
- **API business** has made good in April & May 20, the loss of export sales in March'20 due to lockdown



Region	FY20	FY19	Growth
APAC	175.52	165.66	6%
USA	48.16	41.87	15%
Europe	88.31	80.52	10%
Others	29.10	21.34	36%

Devices Business – Performance

- **Home Devices portfolio** has achieved remarkable growth during the quarter compared to same period last year. In order to fight the Covid-19 battle, company launched Non-Contact Infrared Thermometers in the month of April 2020.
- **Blood Glucose monitors sales** have marked an impressive growth of 78% in Q4'FY20 as against Q4'FY19. **Blood pressure monitors sales** have registered a good growth of 35% in Q4'FY20 as against Q4'FY19.
- Total Gluco monitors installation have crossed 3.30 million target. The company has achieved a milestone of having **sold over 425 million glucose testing strips (tests)**.
- **Company got ISO-13485 Certification for it's Medical Devices Manufacturing Facility at Baddi (H.P.) BSI (British Standards Institution, U.K.)**



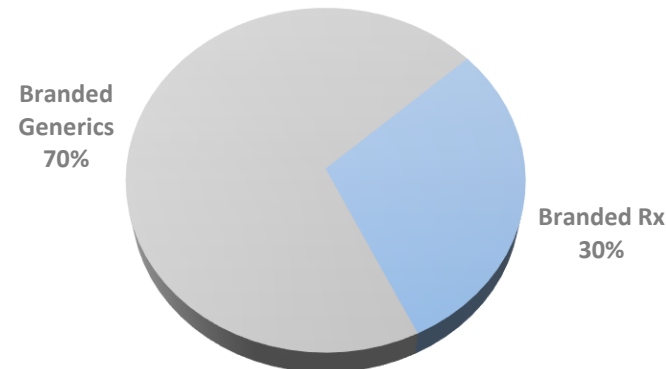
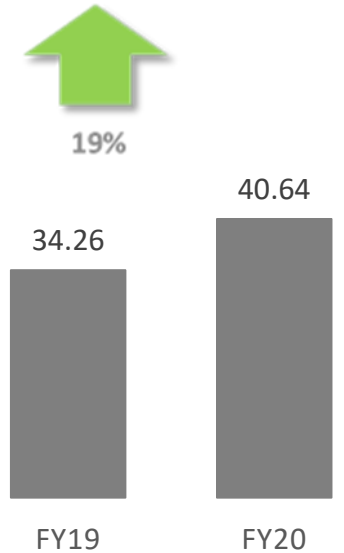
Dr. Morepen
Non-Contact Thermometer



Prescription drugs sales

- **Branded Prescription (Rx)** products has grown by **19%** during the year FY'20 with major contribution coming from main brands like Salutm, Rhythmix, Klarim, Qnergy, Bacikid, Metmore, Intebac and Cefopen. In spite of impact of loss of sales due to lockdown in Mar'20 the business is slowly making recovery April'20 onwards. It may take some time for full recovery.
- Overall Finished Dosages business has come down by 10% in the year FY'20 as compared to last year.
- **Branded Generics** business has declined by 18% during the year FY'20 vs. FY '19.

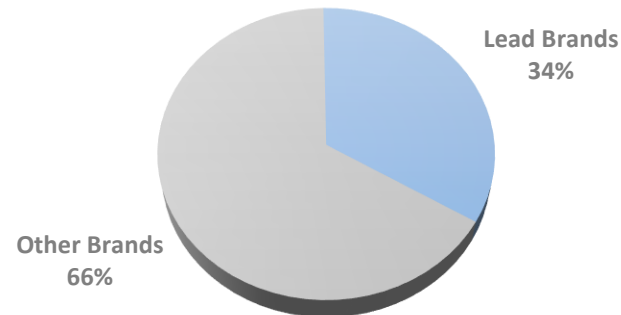
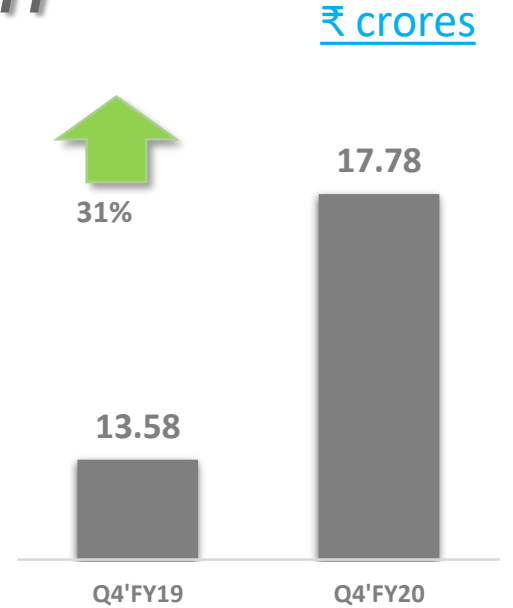
Branded Formulations ₹ crores



Segments	FY20	FY19	Y-o-Y Growth
Branded Rx	40.64	34.26	19%
Branded Generics	96.93	118.92	(18%)

OTC Business gains momentum

- **OTC** category in total has registered a growth of **31%** during the quarter, among that Grooming business has achieved a handsome growth of 29% in Q4'FY20 and 58% in FY'20. **OTC Business** has launched many new products to its Health Basket in the nutritional and preventive healthcare segment during the year.
- A **Yoga Handbook** has been launched on the Yoga International Day.
- 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**.
- Business has been impacted of Covid-19 lockdown in Mar'20 but The Company launched a wide range of **non-contact infrared thermometers**, **oximeters**, **hand sanitisers**, **hand rubs**, **hand wash**, **anti-bacterial spray**, **anti-bacterial soap**, **disinfectant solutions**, **face masks**, **gloves**, **Vitamin- C gummies for kids**, **Multivitamins**, **Chyawanprash** and **curcumin tablets** to fight Covid-19 at ground level



Segments	Q4'FY20	Q4'FY19	Y-o-Y Growth
Lead Brands	6.02	6.23	(3%)
Other Brands	11.76	7.35	60%

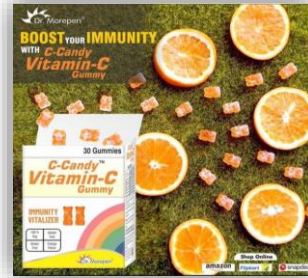


Covid Essentials

The image displays a variety of Dr. Morepen products categorized as COVID-19 essentials. These include:

- Hand Sanitizers:** Dr. Morepen Protect Instant Hand Rub (5L and 100ml bottles), Dr. Morepen Protect Instant Hand Sanitizer (Lemon and Aloe Vera scents), and Dr. Morepen Protect All-in-One Disinfectant Spray.
- Disinfectants:** Dr. Morepen Protect Nitro-Gloves (Medical Examination), Dr. Morepen Burnol Antiseptic Solution (Chlorhexidine Gluconate Solution & Cetrimide Solution), and Dr. Morepen Burnol Antiseptic Soap.
- Personal Protective Equipment (PPE):** Dr. Morepen Face Shield, Dr. Morepen Nitrile Gloves, and Dr. Morepen Medical Examination Masks.
- Supplements:** Dr. Morepen Chyawanprash (Ayurvedic Immunity Booster), Dr. Morepen C-Candy Vitamin-C Gummy (Immunity Vitalizer), Dr. Morepen Daily (Immunity Booster), Dr. Morepen Immuni-Plly Curcumin (Immunity Booster), and Dr. Morepen Immuni-Plly Curcumin (Immunity Booster).
- Thermometer:** A digital infrared thermometer for temperature monitoring.

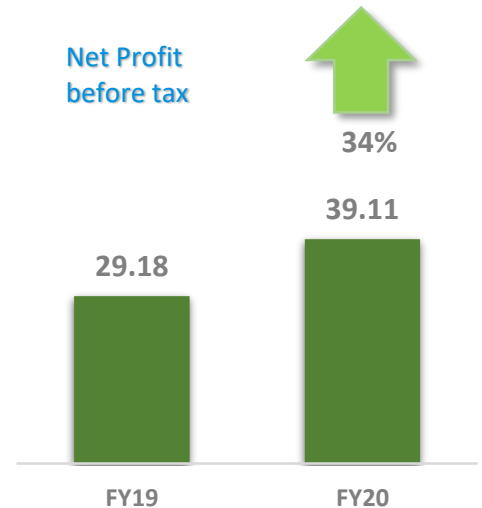
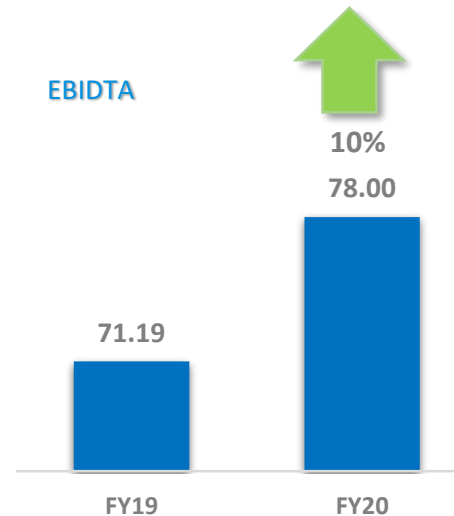
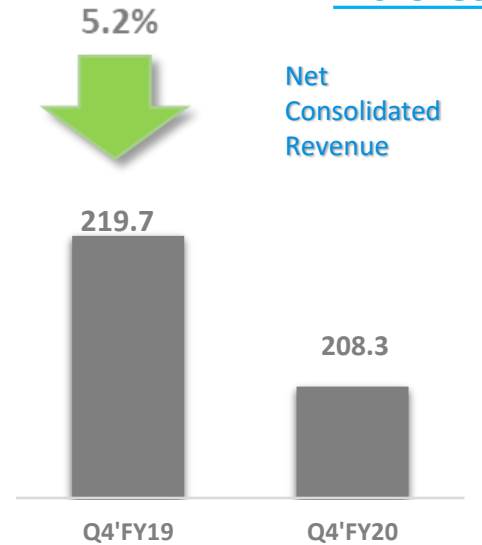
Standing together with you..



Consolidated Net Profit after tax rises

₹ crores

- **EBIDTA** number has grown up by **10%** during the year FY'20 as compared to FY'19 .
- **Cash Profits** during the year FY'20 has increased by **10 %** as compared to FY'19.
- **Net profit before tax** has risen to Rs. 39.11 crores as against Rs.29.18 crores in the year FY19, an increase of **34%** and for the Q4'FY20 it has gone up by **6%** .
- **Net profit after tax**, despite one-time tax (MAT) hit of Rs. 5.15 Crores for the year FY20 is Rs.33.58 crores as compared to Rs. 28.84 crores in FY19 registering a growth of **16%** and a growth of **5%** in Q4.



FY20 Performance - Standalone

₹ crores

	Q4'FY20	Q4'FY19	Y-o-Y Growth	FY20	'FY19	Y-o-Y Growth
Net Revenue	190.87	207.10	(7.8%)	801.40	720.91	11.2%
Expenditure	172.80	186.01	(7.1%)	727.52	652.22	11.5%
EBIDTA	18.07	21.09	(14.3%)	73.88	68.69	7.6%
Interest	0.62	0.92	(32.4%)	1.97	2.07	(5%)
Cash Surplus	17.45	20.17	(13.5%)	71.91	66.62	7.9%
Dep. & Amortization	7.97	10.95	(27.2%)	34.43	38.01	(9.4%)
Profit before Tax	9.48	9.22	2.8%	37.48	28.61	31.0%
One time hit - Income Tax (MAT)	-	-	-	5.15	-	-
Net Profit	9.48	9.22	2.8%	32.33	28.61	13.0%

Q4'FY20 Performance - Consolidated

₹ crores

	Q4'FY20	Q4'FY19	Y-o-Y Growth	FY20	FY19	Y-o-Y Growth
Net Revenue	208.39	219.74	(5.2%)	862.55	772.21	11.7%
Expenditure	187.78	196.97	(4.7%)	784.55	701.02	11.9%
EBIDTA	20.61	22.78	(9.5%)	78.00	71.19	9.6%
Interest	0.62	0.93	(33.3%)	1.98	2.11	(6.2%)
Cash Surplus	19.99	21.85	(8.5%)	76.02	69.08	10%
Dep. & Amortization	8.63	11.15	(22.6%)	36.91	39.90	(7.5%)
Profit before Tax	11.36	10.70	6.2%	39.11	29.18	34%
Tax	(0.34)	(0.21)		(0.38)	(0.34)	
One time hit - Income Tax (MAT)				(5.15)		
Net Profit	11.02	10.49	5.1%	33.58	28.84	16.4%

Thank You

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