

Q4 and Full Year FY2019 Earnings Presentation



*Providing
Affordable and Innovative
medicines for healthier lives*





FY2019 vs. FY2018

- Total Income of Rs. 3,718 million, up 1.3%
- EBITDA of Rs. 728 million, up 26.1%
 - EBITDA margin of 19.6%, up 385 bps
- PBT of Rs. 622 million, up 34.4%
 - PBT margin of 16.7%, improved 412 bps
- PAT of Rs. 487 million, up 40.6%
 - PAT margin of 13.1%, increased 366 bps
- Total Debt of Rs. 787 million
 - Total Debt / Equity of 0.29x and Net Debt to LTM EBITDA of 0.97x
- Recommended the dividend of Rs. 1.50 per share for FY2019

Management Perspective

“Continuing on the strong growth momentum we gained during last year, we have reported an robust financial performance during the year primarily on account of increasing export sales and restored demand from the domestic market. Share of export revenue during the year has been increased to 55% from 35% in FY2018. During the year our profitability has been significantly enhanced supported by higher revenue contribution from products manufactured in house, better margin products, increased revenue from higher margin markets. During FY2019, our EBITDA margin is up 385bps to 19.6%.

Going forward, our widespread geographic reach, increasing exports revenue, healthy customer and product base coupled with focus on own manufacturing will continue to support our business. With best in class R&D capabilities supported by strong industry experience and improving market dynamics, we are confident of achieving improved performance and maximize shareholders’ wealth in the near to medium term.”

Mr. Mahendra G. Patel, Managing Director



Consolidated Financial Performance

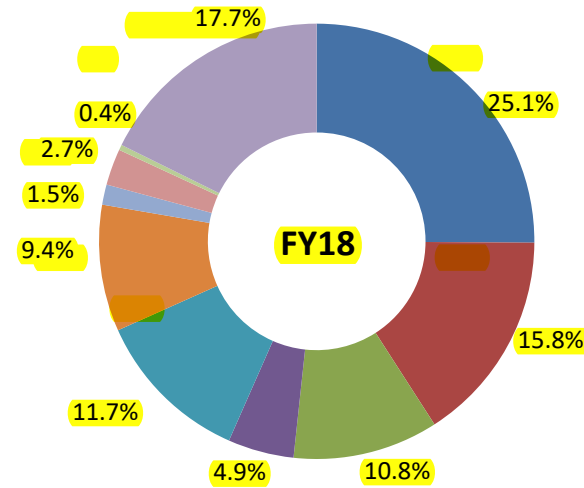
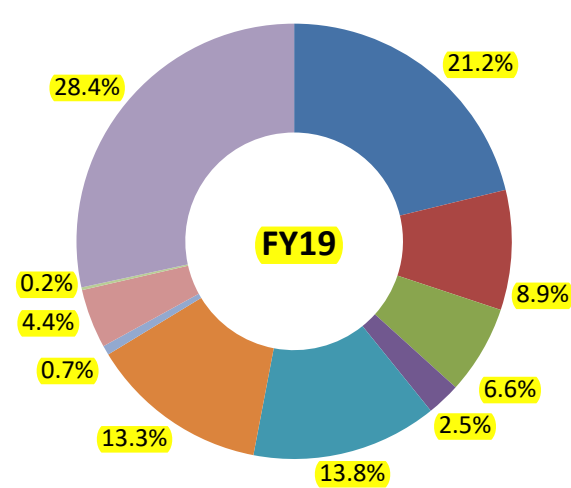
Particulars	Q4		y-o-y Growth (%)	Q3	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY2019	FY2018		FY2019		FY2019	FY2018	
Total Income	784.5	679.7	15.4%	848.1	(7.5)%	3,718.3	3,670.9	1.3%
EBITDA	103.1	105.1	(1.8)%	139.9	(26.3)%	728.3	577.7	26.1%
Margin (%)	13.1%	15.4%		16.5%		19.6%	15.8%	
PBT	78.8	80.4	(2.0)%	113.4	(30.6)%	621.5	462.5	34.4%
Margin (%)	10.0%	11.8%		13.4%		16.7%	12.6%	
Profit After Tax (PAT)	84.5	68.3	23.7%	91.5	(7.6)%	486.7	346.2	40.6%
Margin (%)	10.8%	10.0%		10.8%		13.1%	9.5%	
Basic EPS (Rs.)	4.23	3.42	23.7%	4.57	(7.4)%	24.33	17.31	40.6%

- Profitability during the year improved on the account of:
 - Increased exports sales by 66% to Rs. 2,060 million in FY2019 from Rs. 1,244 million in FY2018
 - Better product mix
 - Fuel cost savings on account of optimum utilization of wind mill and installation of solar system at plant level
 - Depreciating Indian currency



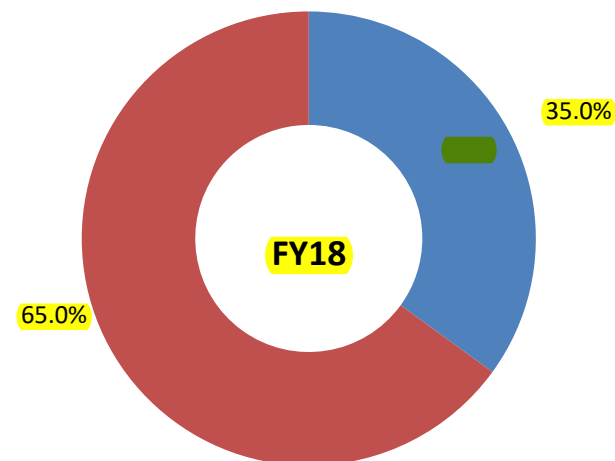
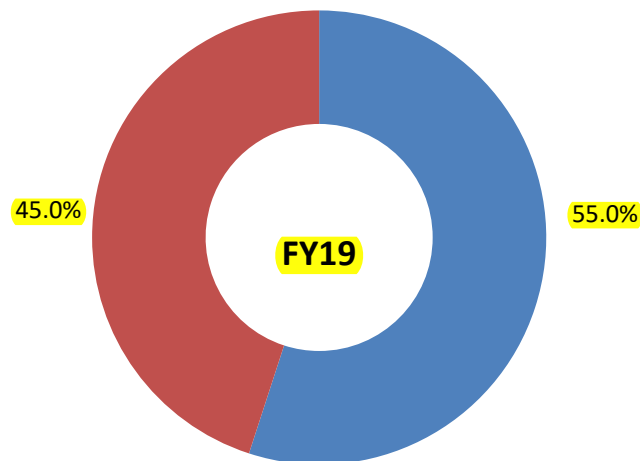
Revenue Breakup

Therapeutic Area



- General Anti Infectives
- Respiratory Systems
- Alimentary Tract and Metabolism
- Genito Urinary System and Sex Hormones
- Musculo-Skeletal System
- Parasitology
- Blood and Blood Forming Organs
- Cardiovascular System
- Central Nervous System
- Others

Geography

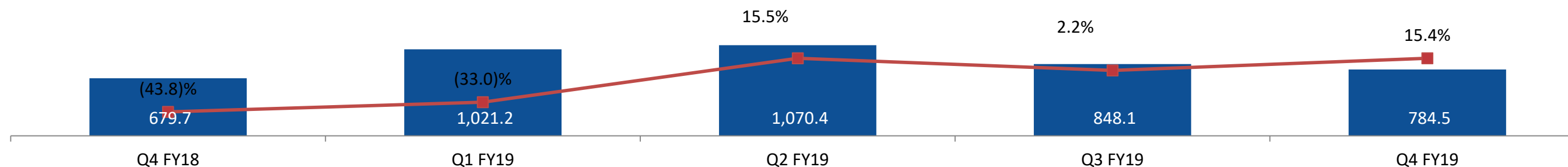


- International
- Domestic

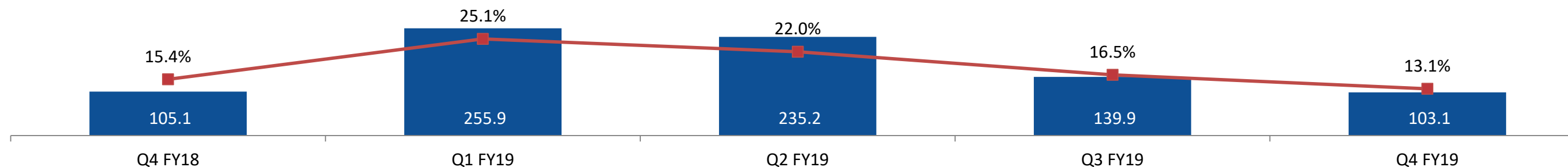
Performance Trend



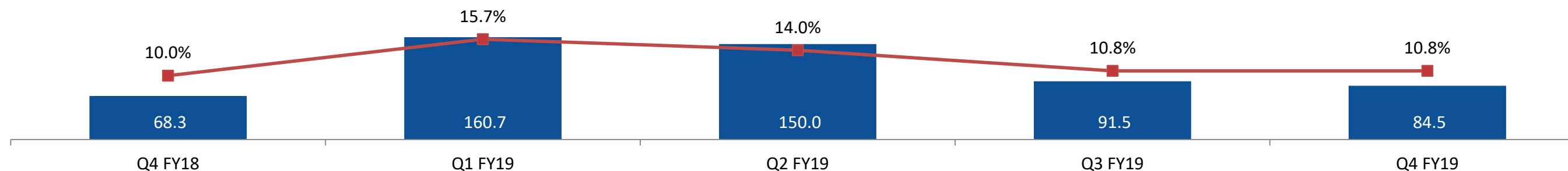
Total Income (Rs. million) and Y-o-Y Growth (%)



EBITDA (Rs. million) and Margin (%)



PAT (Rs. million) and Margin (%)

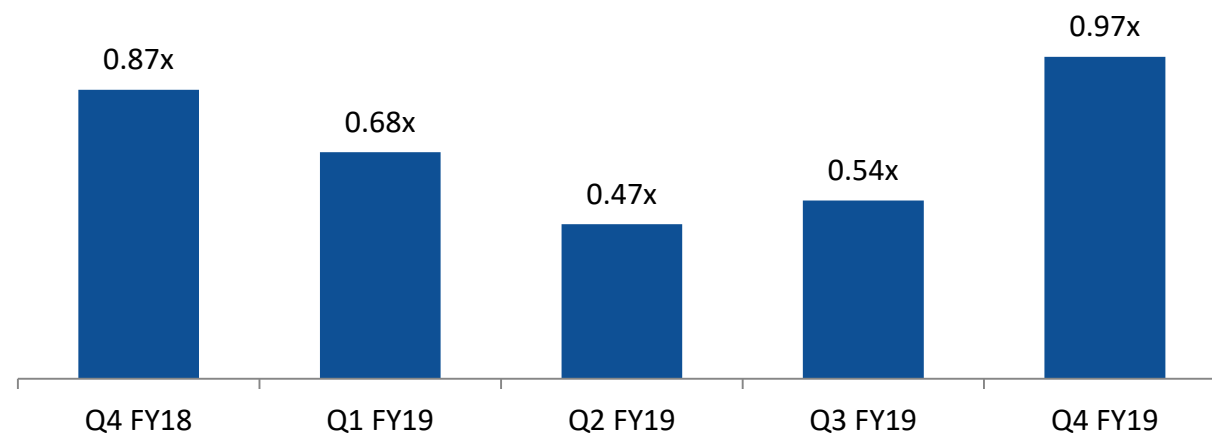


Note: Financials for Q4 FY2018, Q1 FY2019, Q2 FY2019. Q3 FY2019 and Q4 FY2019 are as per IND-AS.

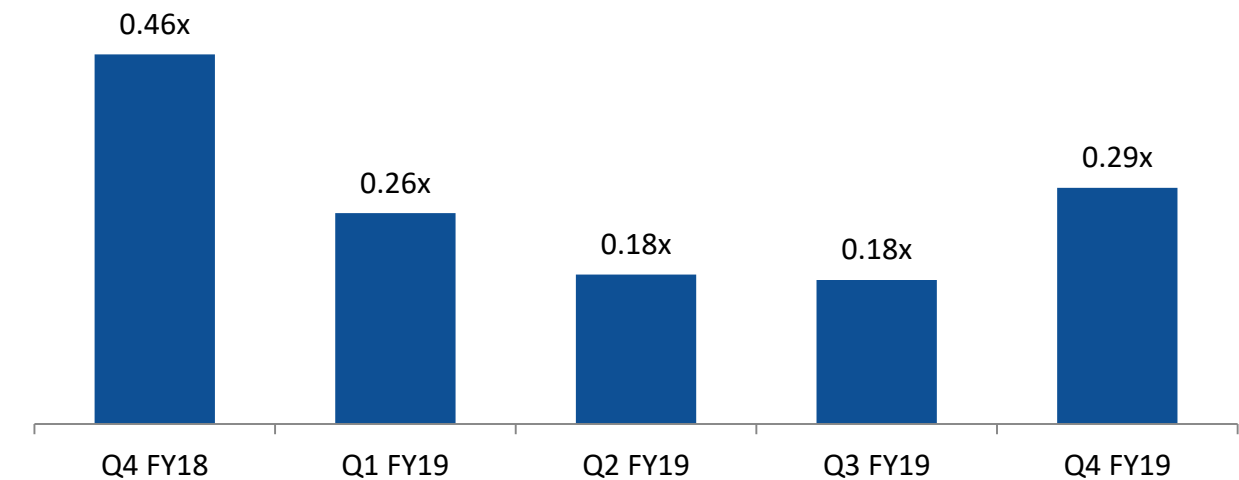
Performance Trend



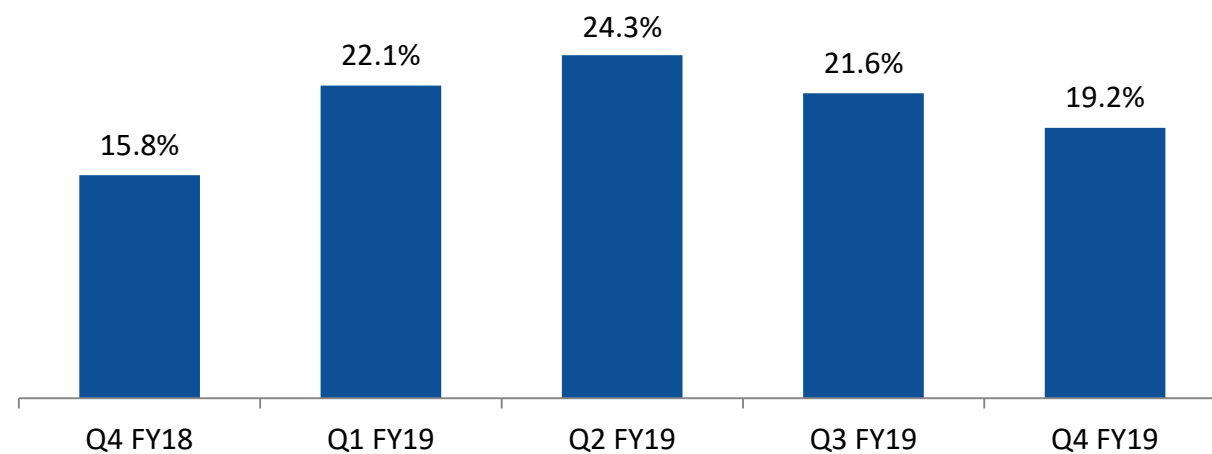
Net Debt / LTM EBITDA



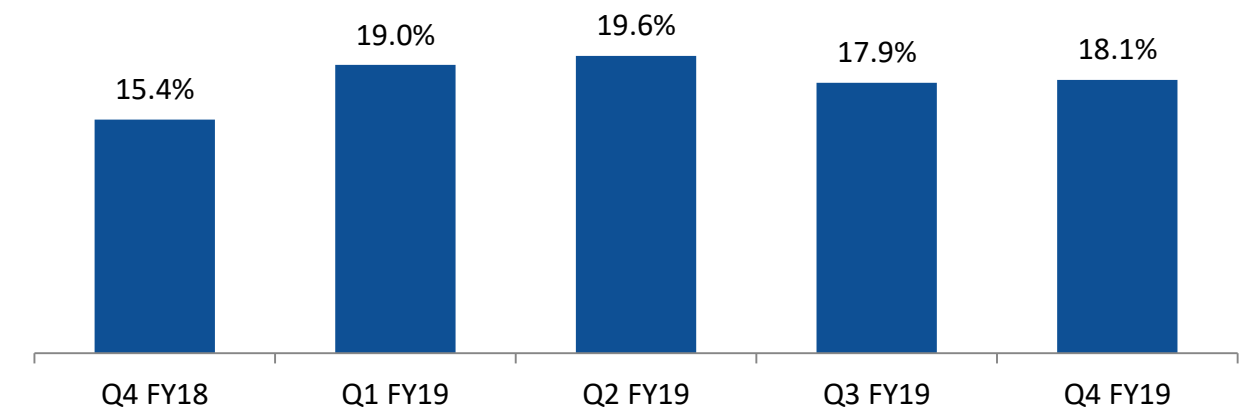
Total Debt / Net Worth



ROCE¹



RONW²



Financials for Q4 FY2018, Q1 FY2019, Q2 FY2019, Q3 FY2019 and Q4 FY2019 are as per IND-AS. Q4 FY2018 balance sheet numbers are as per IND-AS

Note:

1. ROCE calculated as LTM EBIT/ Capital Employed
2. RONW calculated as LTM Net Profit/ Net Worth

Leverage Profile



(Rs. million)	Mar 2019	Mar 2018
Long Term Debt	53.6	105.7
Short Term Debt	733.7	919.6
Total Debt	787.3	1,025.3
Less: Cash & Cash Equivalents	75.8	145.9
Net Debt / (Net Cash)	711.6	879.4
Net Worth	2,696.2	2,245.4

Credit Rating

- CRISIL
 - Long term bank facilities: **A-/Stable**
 - Short term bank facilities: **A2+**
- ICRA
 - Long term bank facilities: **A-**
 - Short term bank facilities: **A2+**

Note Q4 FY2019 balance sheet numbers are as are as per IND-AS

Recent Developments



1

Becomes the producer of renewable power energy for captive consumption

- In addition to two windmills, the Company has also set up a new Solar Plant of 1 MW at factory's rooftop with a capacity of producing 15 Lakh Power Unit PA

2

Setting up API production unit

- Applied to Pollution Control Board for permission of APIs Unit

3

International operations

- Aggressively started the business in Francophone African countries and some of the South East Asia Countries
- Got many registration in different countries like East and West Africa, South East Asia and Latin America

4

Developed many new NDDS formulations and introduced as a first time in India

- Ondansetron Hydrochloride Oral Spray (DOMI-UP)
- Paracetamol 1000 mg Programmed Release Tablet (PA-12)
- Micronized Progesterone Vaginal Spray (PROLIN)
- Namcold DX Oral Suspension
- Caroverine Injection & Capsule (TINNEX): First one to introduce TINNEX for the relief of Tinnitus, tie up with PHAFAG-AG, Switzerland

Research & Development

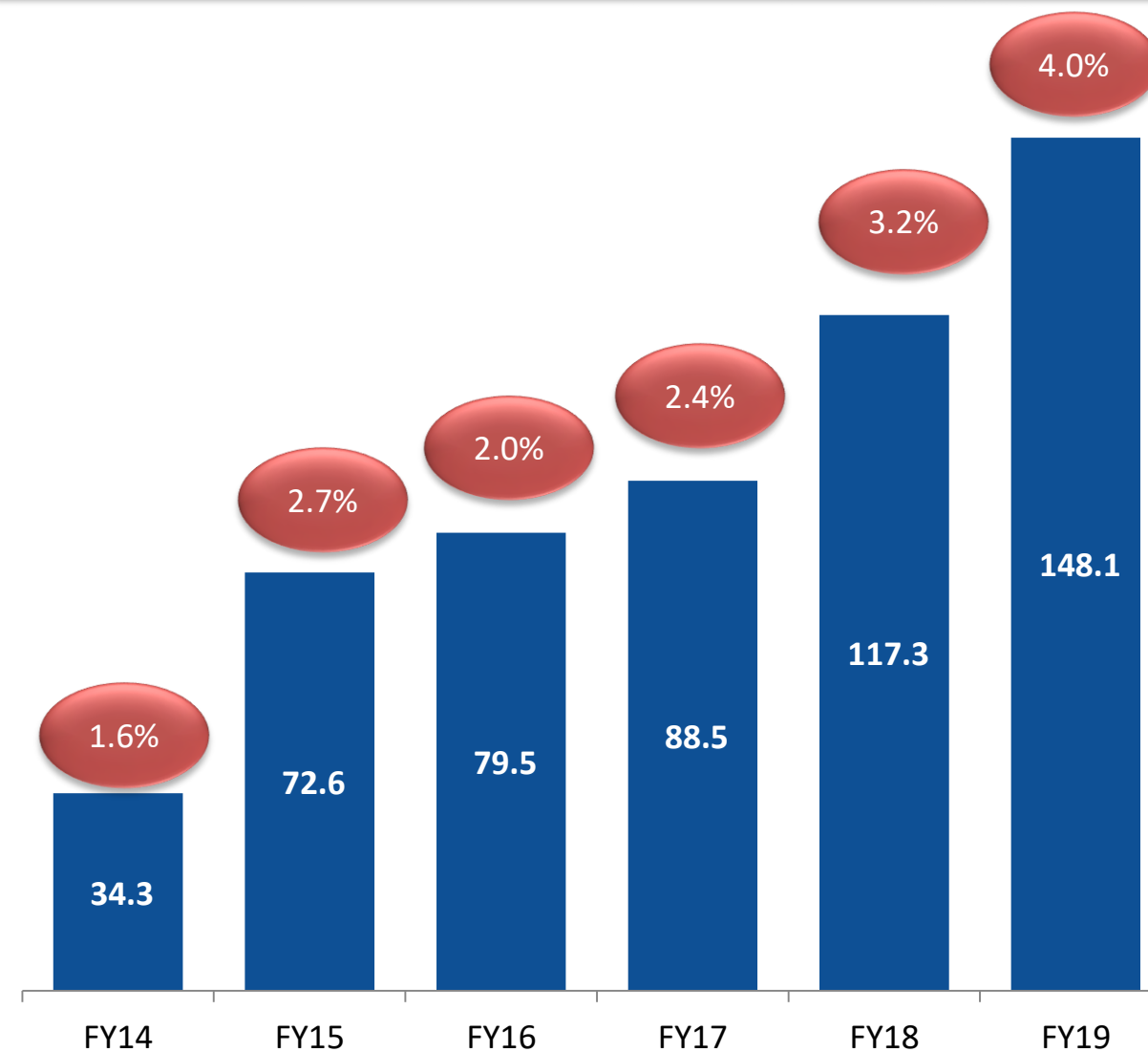


Research Facilities



Senior Scientist	15
Junior Scientist	18
Analysts	18
Regulatory Personnel	12
Administrative Personnel	9
Others	6
Total	78

R&D Expenditure (Rs. mn) and as % of Sales



A Leading Pharmaceutical Company



Research & Development Department

4 Patents granted
25 Patents applications

1,700 Registered products
700 in pipeline

300+
Formulations developed

72nd
Rank in AIOCD
[Market data, March 2019]

30+
Scientists

500+
SKUs

Market Presence

Presence in
60+
Countries

Presence in
25
States across India

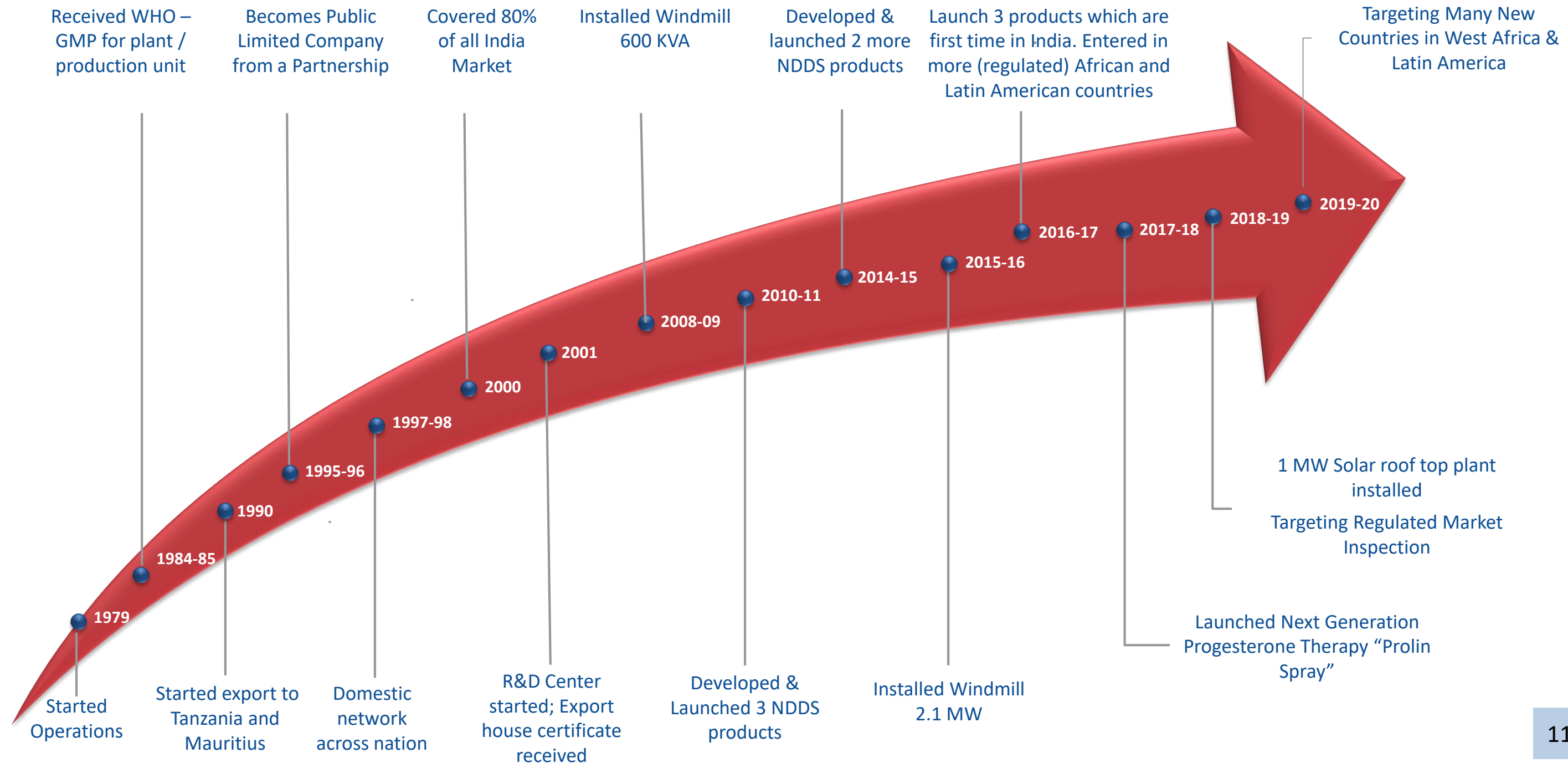
15+
Therapeutic areas

650+ Field staff

21+ C&F agents

15,000+ Prescribers
5,000+ Retailers

Key Milestones



Global Footprint



Presence over 60 + Countries in Europe, Latin America, Africa, Asia Pacific, South East Asia and 25 States across India





Certifications: WHO-GMP Certified; ISO 9001:2015 Certified



R&D Center: Approved by Government of India; Team of 30 scientists for R&D



Green Energy: Windmill project for captive consumption

Dosage Forms Produced at Unit 1

Description	Annual Capacity	Unit
Tablet (Compression & Coating)	21,600 Lakhs	Tablets
Tablet (Granulation)	9,00,000	Kg
Capsule (Filling)	2,340 Lakhs	Capsules
Dry Syrup (Filling)	72,00,000	Bottles
Ointment (Filling)	336 Lakhs	Tubes

Dosage Forms Produced at Unit 2

Description	Size	Annual Capacity	Unit
Liquid Ampoules	1 ml to 5 ml	60,000,000	Ampoules
	10 ml	30,576,000	Ampoules
Liquid Vials	2 ml to 10 ml	15,600,000	Vials
	10 ml to 30 ml	15,600,000	Vials
Oral Liquids	60 ml to 100 ml	18,000,000	Bottles
	150 ml to 200 ml	18,000,000	Bottles
Dry Powder Injection	100 mg	22,464,000	Vials

Wide Spectrum of Therapeutic Coverage



Dermatologist
Preparation

Cough & Cold /
Anti Allergic / Anti-
asthmatics

Gyneacological
Products

Sterile Ophthalmic
Eye
Drops/Ointment

Gastro Intestinal
Range

Anti-malarial

Vitamins / Minerals
/ Anti-oxidants

Anti-bacterial /
Anti-viral/ Anti-
fungal

Analgesic / Anti-
pyretic

Anti-diuretics/
Anti-hypertension

Anti-Diabetic

Anti-Psychotic /
Anti-Convulsant
/Anti-Depressant,
Otology

Cardiac / Anti-
Hypertensives /
Diuretic

Anti-Diarrhoeal /
Anti-Spasmodic /
Laxative

Phosphodiesterase
Type 5 Inhibitor
and General
Anesthetics

Key Brands



Domestic Market

CALBONE-500

Calcium Carbonate 1250 mg+
Vit. D3 250 I.U. Tablets

CHARGE UP

11 Antioxidants + 33 Essential Micronutrients +
5 Amino Acids

DOMITM up

Each squirts (spray) delivers 2
mg Ondansetron Hydrochloride

EAK

Effective Anti- Malarial
Kingping

NAMCOLD

Paracetamol 500 mg + Phenylephrine 5 mg +
Diphenhydramine 25 mg + Caffeine 30 mg Tablets

NAMCOLD-DX

Dextromethorphan
Polistirex 30 mg Suspension

Ovalink SR
ओवालिक एसआर

Dehydroepiandrosterone
(Micronized) 75mg sustain release, folic
acid 5 mg And Vitamin D₃ 3000 IU

PROGUT

Saccharomyces Boulardii
(Lyophilized) 282.5 mg Sachet

PROLIN³⁰⁰ SR Natural

Natural micronized
progesterone 300 mg SR Tablets



Progesterone Vaginal Spray

SOLUDINE-M

Povidone-iodine 5% + Tinidazole 2
% Ointment 10/20 Grams

Tinnex

Caroverine 160 mg/8
ml Injection

TRIXON-1 g

Ceftriaxone 1 g Injectible

International Market

ARH

α - β Arteether Injection
150mg/ 2 ml

Artelin 60

Artesunate for Injection 60 mg

FLUCOMOL

Anti Cold Capsules

Glymet 1 Glymet 2

Glimepiride & Extended Release
Metformin Hydrochloride Tablet

HEPALIN

Heparin Injection 5000 I.U./5ml

Irorich

Iron Sucrose Injection USP 20 mg/ml

Lidocaine

Injection & Gel

Losa 50

Losartan Potassium 50 mg Tablets

Mobyle

Meloxicam Tablets

Pa 12

1000 mg programmed release
Paracetamol PROGLETS

Vivian PLUS

Diclofenac With
Paracetamol Tablet

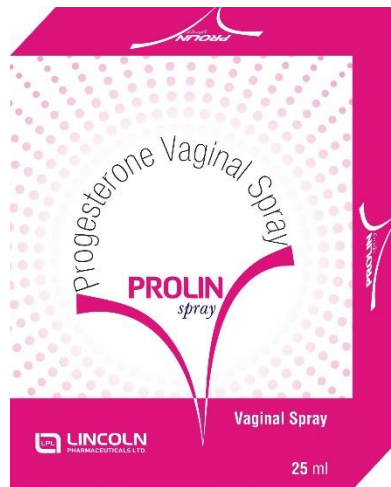
Vivian GEL

Diclofenac, Linseed oil,
Menthol with Methyl
Salicylate Gel

Vomistat

Ondansetron 2mg/ Each
Spray

Key Developments



- **Progesterone spray**

- Unique delivery system for accurate 25mg delivery of micronized progesterone/Spray
- Formulation dispensed in mist form which provides local as well as systemic effect of Progesterone via vaginal route covering large area of vaginal cavity
- Better patient compliance than vaginal tablets, capsules and painful intramuscular injections

- **Paracetamol 1000 mg programmed release tablet**

- Unique bi layered proget designed for programmed release drug delivery
- 12 hours action with 30% IR and 70% SR release activity
- BID with more patient compliance and is Hepato-friendly



- **Caroverine injection**

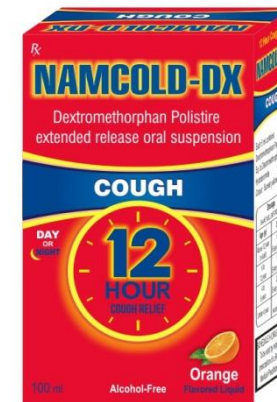
- Sterile formulation for relief from Tinnitus
- Tie-up with PHAFAG. AG (Switzerland)
- Given through slow IV infusion
- Aqueous technology

Key Developments



- **Domi Up Spray**
 - Meter dose pump
 - Each squirt (spray) accurately delivers 2 mg Ondansetron Hydrochloride
 - Faster onset of action
 - Prompt relief from nausea & vomiting
 - Convenient for patient over Injectable
 - Better patients compliance

- **Namcold DX**
 - First time in India: 'Extended Release' Oral Suspension
 - The only liquid cough suppressant that works for upto 12 hours
 - BID dose with more patient compliance
 - Available in alcohol free delicious orange flavor





This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Lincoln Pharmaceuticals’ future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Lincoln Pharmaceuticals undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



CORPORATE OFFICE

LINCOLN HOUSE

B/h. Satyam Complex, Science City Road, Sola,
Ahmedabad – 380 062. Gujarat, INDIA.

Phone :+91-79-67778000 • Fax:+91-79-67778062

E-mail:info@lincolnpharma.com

www.lincolnpharma.co.in

KP Sompura, Finance Head
Lincoln Pharmaceuticals

sompurakp@lincolnpharma.com
+91 79 6777 8000

Ajay Tambhale
Churchgate Partners

LincolnPharma@Churchgatepartners.com
+91 22 6169 5988