

Q2 FY2024

Earnings Presentation



LINCOLN
PHARMACEUTICALS LTD
HEALTHCARE FOR ALL

GROWING
IS COMMITMENT.

www.lincolnpharma.com

Disclaimer



The information, statements and analysis made in this presentation describing Company's objectives, projections and estimates are forward looking statements. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements depending upon economic conditions, government policies and other incidental factors.

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Corporate Overview

Background

Established in the year 1979, Lincoln Pharma has developed 600+ formulations in 15 therapeutic areas.

Team strength of approx. 1,700 employees.

FY23 - Total Income at Rs. 532.8 Crore & PAT at Rs. 72.9 crore.

Product Portfolio

1700 registered products and another 700 in pipeline.

Focused area includes anti-infective, respiratory system, gynecology, cardio & CNS, anti-diabetic, anti-malaria among others.

Manufacturing

Manufacturing facility at Khatraj, Ahmedabad and Mehsana, Gujarat.

EU-GMP, WHO-GMP, TGA, ISO-9001:2015, ISO-14001:2015 and ISO-45001:2018.

Green facility producing 65% of energy consumption through renewable Solar & Wind Project.

Exports

Exports contribute 57.4% in FY23; Domestic Sales contribute 42.6%

Exports to 60 plus countries currently and plans to expand to 90 countries in next 2-3 years.

Major export markets includes East & West Africa, Central, North & Latin America and South East Asia.

Financials

5 year net profit CAGR of 16%.

Cash and Cash equivalents at Rs. 15.2 crore as on 30 Sep 2023.

Book Value is Rs. 250.86 per share as on 31 Mar 2023.

Market Info

Listed on BSE in 1996.

Market capitalisation of Rs. 1,045 crore as on 30 Sep 2023.

R&D

Awarded with 7 patents; filled 25+ patent applications.

DSIR approved R&D facilities.

75+ R&D professionals including 30 scientists.

Rating

CRISIL has upgraded its ratings on the company's bank facilities to CRISIL/A/Stable and CRISIL A1.

ICRA has reaffirmed the company's long-term and short-term bank facilities to A and A1 respectively.



Q2 FY24 Business Performance & Future Road Map



- Company has continued to experience robust growth across all business verticals in Q2 and H1FY24, all while maintaining net debt-free status. For Q2FY24, company reported Standalone Net Profit of Rs. 27.7 crore, Y-o-Y growth of 16.6%. EBITDA was reported at Rs. 39.8 crore, Y-o-Y growth of 15.2% and Total income of Rs. 164.7 crore Y-o-Y growth of 12.6%. Shareholders at the 29th Annual General Meeting (AGM) approved a dividend of Rs. 1.50 per share for the FY 2022-23.
- **Update on EU Operations** - Company started exporting to Canada. Exports to other EU countries will start in a near future. TGA and EU GMP approvals will help strengthen company's global presence in 90 plus countries.
- **Update on Cephalosporin plant** - Company has successfully completed expansion of the Cephalosporin plant at Mehsana, Gujarat. Commercial production from this plant has started and the company has initiated sales in the domestic markets. Furthermore, the company is in the process of registering the product for export to many countries. In September 2021, the company acquired a plant in Mehsana, Gujarat to launch Cephalosporin products. The plant is expected to contribute sales of around Rs. 150 crore in the next 3 years.
- **As of September 2023**, Foreign Institutional Investors have steadily increased their holding in the company to 2.59%.
- In FY24, company will continue to build a strong portfolio in lifestyle and chronic segment especially women healthcare, dermatology to complement its strong presence in the acute segment. During FY23, WWcompany launched 18 products in the domestic market and filled 130 plus dossiers in the export market. Company has over 1,700 registered products and another 700 in pipeline

Outlook - Company is progressing well on its long-term growth roadmap. We expect better growth in Q3 and Q4 of the financial year, driven by new product launches in both the domestic and export markets as well as improvement in operational efficiency, we expect to achieve revenue of Rs. 750 crore in FY26.



Q2 FY24 Standalone Results

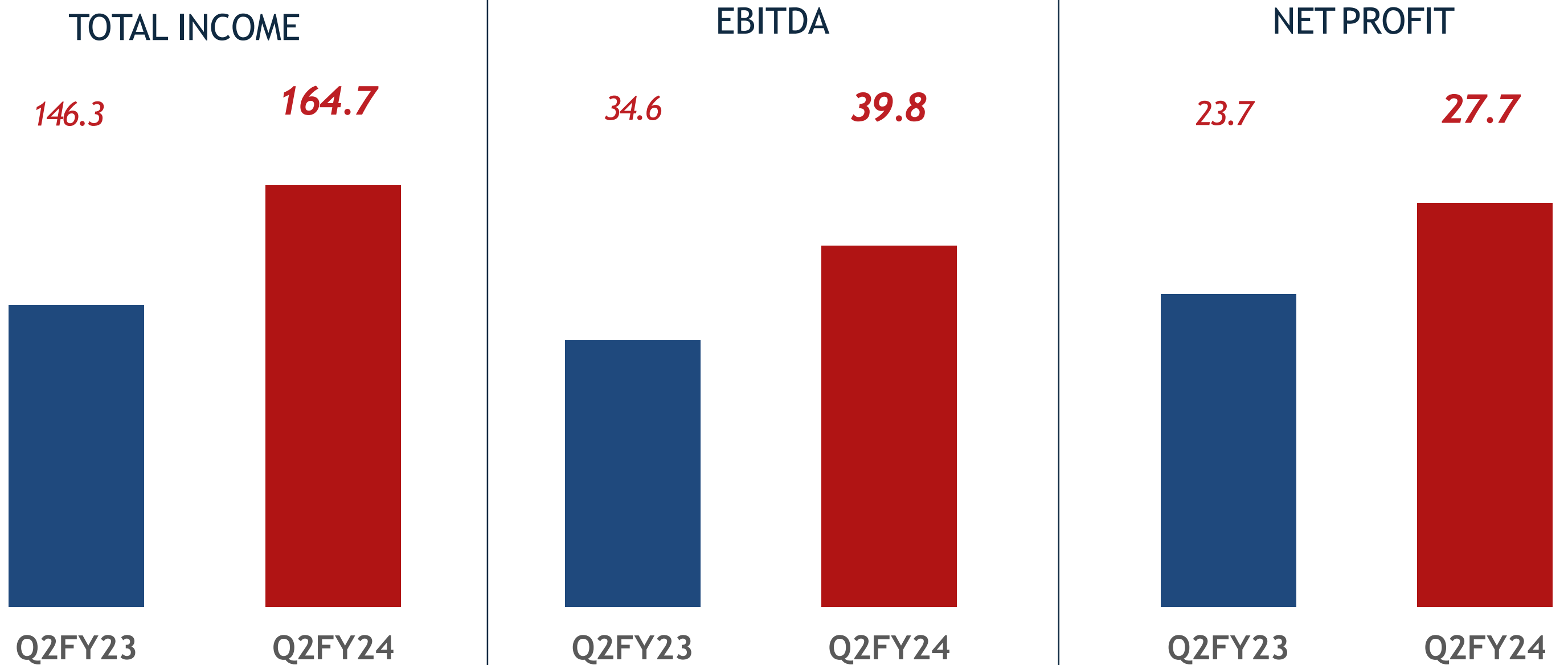


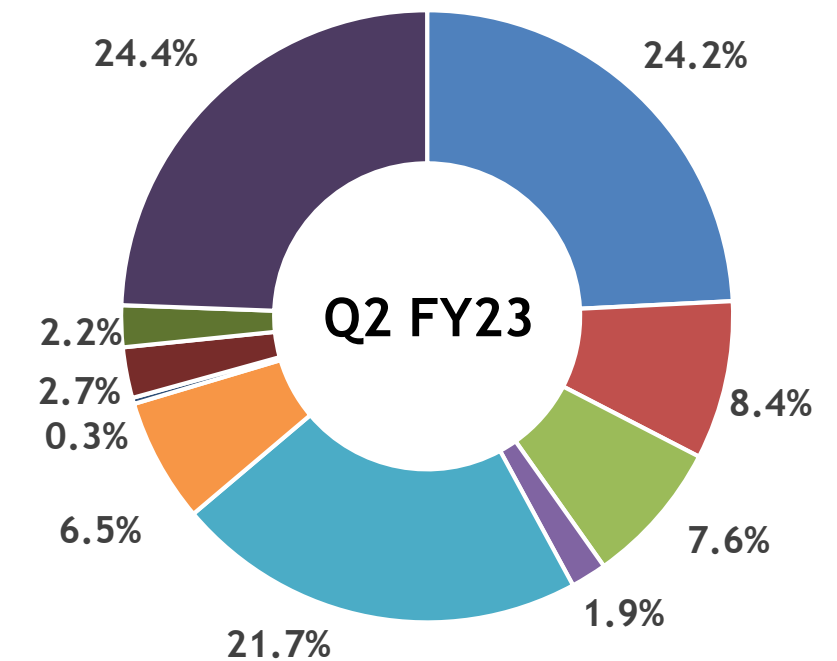
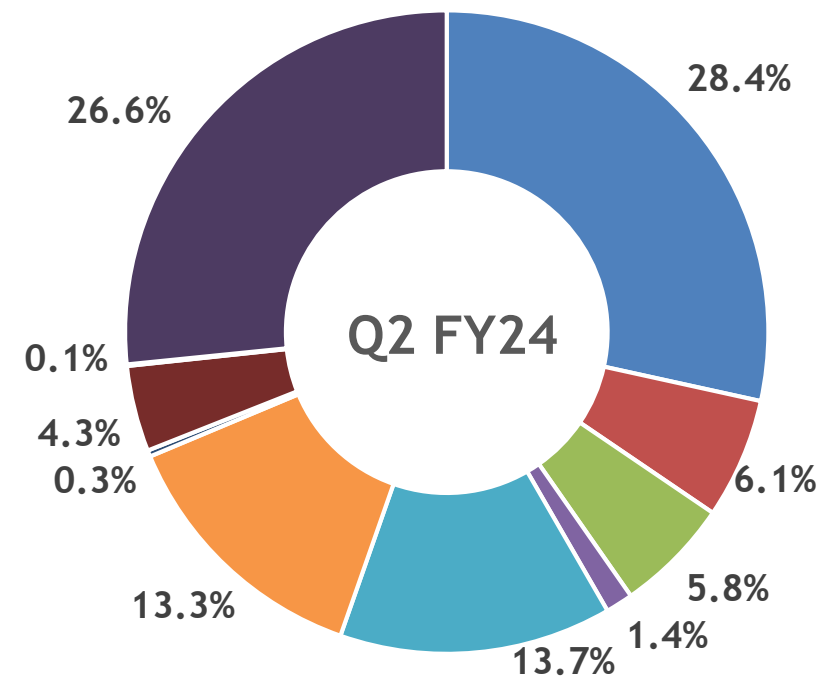
Fig (RsCr)



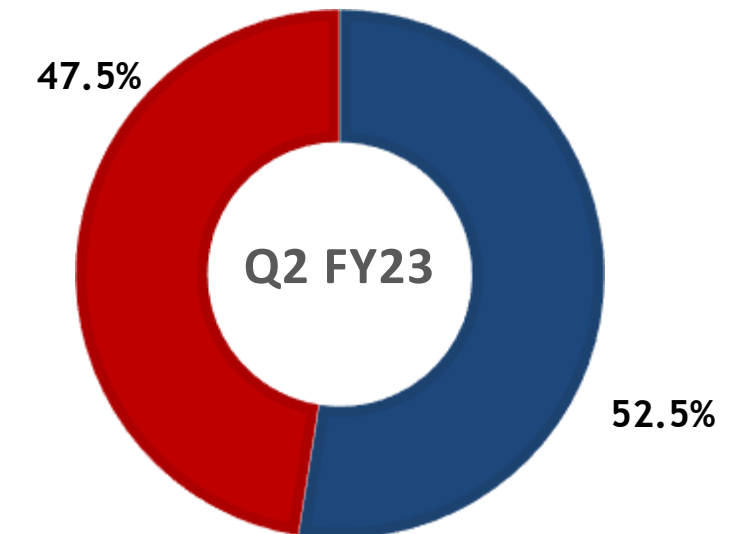
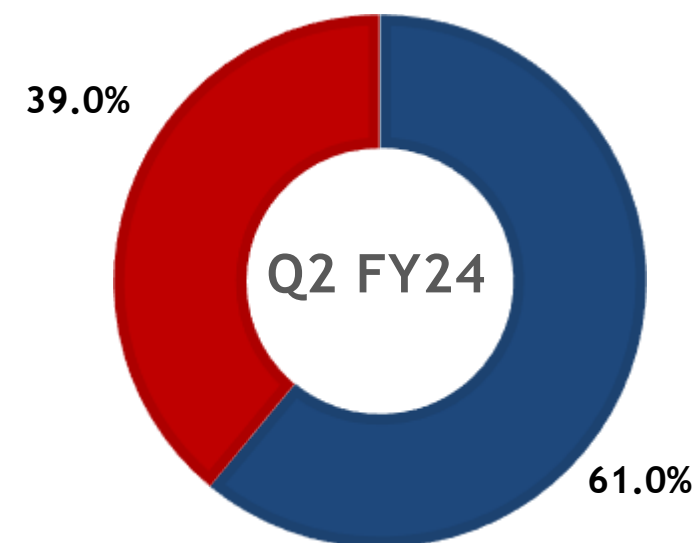
Performance - Focused Therapeutic Areas



Therapy Area	Q2 FY24	Q2 FY23
General Anti Infectives	28.4%	24.2%
Respiratory Systems	6.1%	8.4%
Alimentary Tract and Metabolism	5.8%	7.6%
Genito Urinary System and Sex Hormones	1.4%	1.9%
Musculo-Skeletal System	13.7%	21.7%
Parasitology	13.3%	6.5%
Blood and Blood Forming Organs	0.3%	0.3%
Cardiovascular System	4.3%	2.7%
Central Nervous System	0.1%	2.2%
Others	26.6%	24.4%
Total	100.0%	100.0%



Geography	Q2 FY24	Q2 FY23
Exports	61.0%	52.5%
Domestic Sales	39.0%	47.5%





Performance Overview

STANDALONE FINANCIAL PERFORMANCE (Rs in Cr.)

PARTICULARS	Q2		Y-o-Y	Half Year		Y-o-Y
	FY2024	FY2023	Growth (%)	FY2024	FY2023	Growth (%)
Total Income	164.7	146.3	12.6%	308.0	276.3	11.5%
EBITDA	39.8	34.6	15.2%	68.3	58.0	17.7%
Profit Before Tax	36.9	32.0	15.1%	62.3	53.0	17.7%
Profit After Tax	27.7	23.7	16.6%	46.7	38.7	20.5%
Basic EPS (Rs.)	13.8	11.8	16.6%	23.3	19.3	20.5%

Note: Financials are as per IND-AS



About Lincoln Pharmaceuticals Ltd



Providing Affordable And Innovative Medicines For Healthier Lives.

Vision

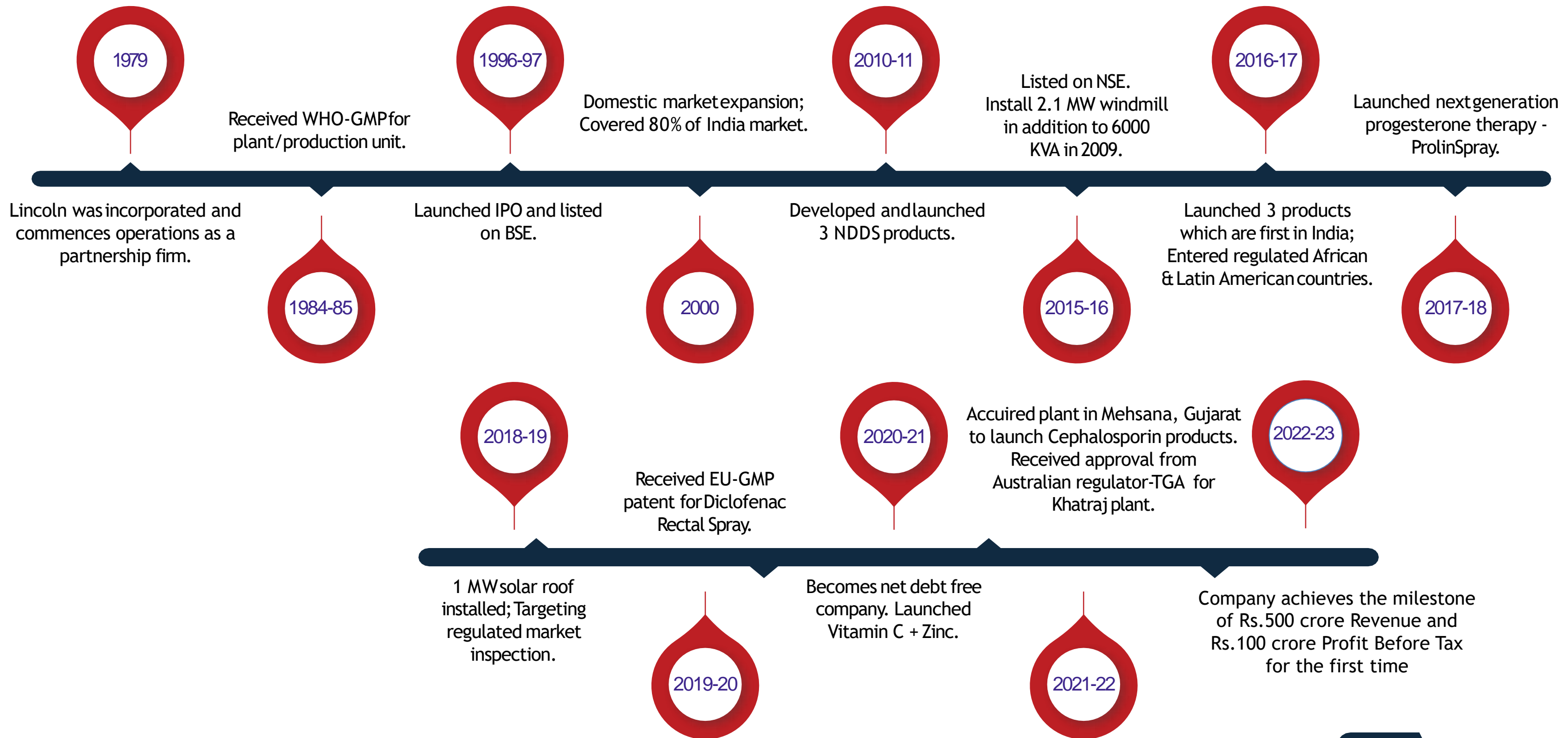
To spark a universal attempt to uncover cures of diseases by focused and targeted R&D, through forging strategic alliances both domestically and internationally.

Mission

Focused on delivering outcomes that meet important medical needs, making quality medicines more accessible and more affordable, and provide solutions for tomorrow's health challenges.

To create "Healthcare for All" an actuality by modest participation of premium low-cost pharma products.

Key Milestones



Growth Drivers - Ready for the Next Big Leap



CAPEX

- Company has successfully completed expansion of the Cephalosporin plant at Mehsana, Gujarat. Commercial production from this plant has started and the company has initiated sales in the domestic markets. Furthermore, the company is in the process of registering the product for export to many countries.
- Cephalosporin Plant is expected to contributed sales of around Rs. 150 crore in next 3 years.

EXPORT NETWORK

- Company started exporting to Canada. Exports to other EU countries will start in a near future. Export Network to increase to 90+ Countries from 60 currently.
- Received an approval from Australia's medicines and medical devices regulator - Therapeutic Goods Administration (TGA) for Khatraj Plant. TGA and EU GMP approvals will help strengthen company's presence in global markets.

STRONG FINANCES

- Liquidity position on a strong foundation, supported by healthy cash accruals, Net debt free status and healthy return ratios.
- For the FY23, company reported healthy ROCE at 19.9%, RONW at 14.5% with Net Profit margin of 14.8%.
- Book Value is Rs. 250.86 per share as on 31 Mar 2023. Cash & Cash equivalents at Rs. 15.2 crore as on 30 Sep 23

NEW PRODUCT

- Company received an approval from WHO-GMP for Tablet, Capsule, dry-powder Suspension products at Cephalosporin plant at Mehsana, Gujarat.
- During FY23, company launched 18 products in the domestic market and filled 130 dossiers in the export market.
- In FY24, company will continue to build a strong portfolio in lifestyle and chronic segment especially women healthcare, dermatology to complement its strong presence in the acute segment.

GROWTH OUTLOOK

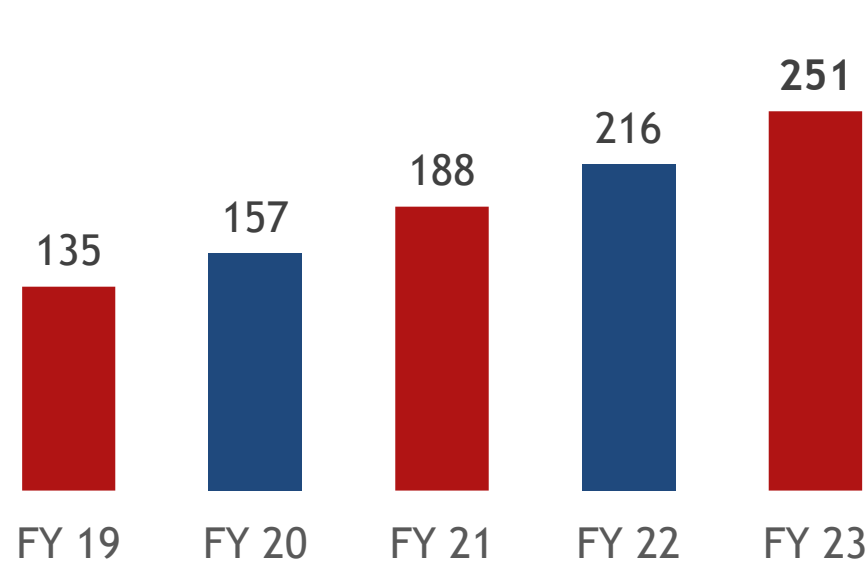
- Company has achieved the milestone of reporting a profit growth every single year from FY13 to FY23. It is among only 16 companies out of 4,200 plus listed companies in the Indian stock exchange to do so as per the analysis of [Morningstar](#).
- Company has achieved the milestone of over Rs. 500 crore Revenue and Rs. 100 crore PBT for the 1st time in FY23
- Commercial operations of Cephalosporin Plant and Export to EU & Australia to commence in a near future and will fuel growth.
- Company aims to maintain healthy growth in Sales, EBITDA and Net profit margins while maintaining 'Net Debt Free' status
- Company has set a target of achieving Rs. 750 crore revenue by FY26 while maintaining or improving its margins.



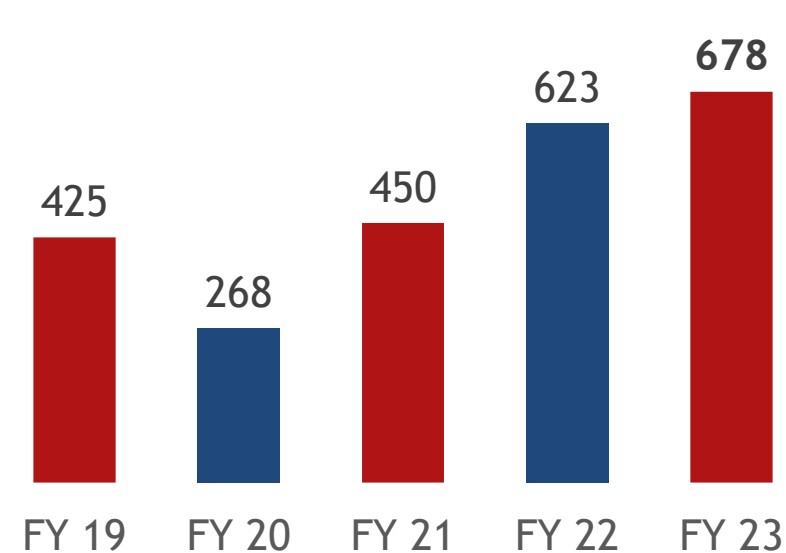
Lincoln Pharmaceuticals Ltd - Financial Overview

Year	Revenue	EBITDA	Net Profit	EPS	Share Price
FY 23	532.8	111.7	72.9	36.4	338.7
FY 18	367.0	57.7	34.7	17.3	210.3
5 Yrs CAGR	7.7%	14.1%	16.0%	16.0%	10.0%

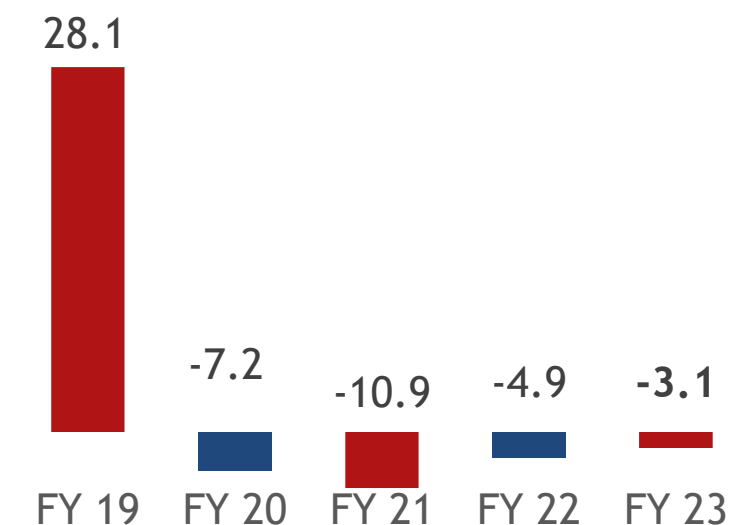
Book Value (Per Share)



Market Cap (Rs Cr)



Net Debt (Rs Cr)

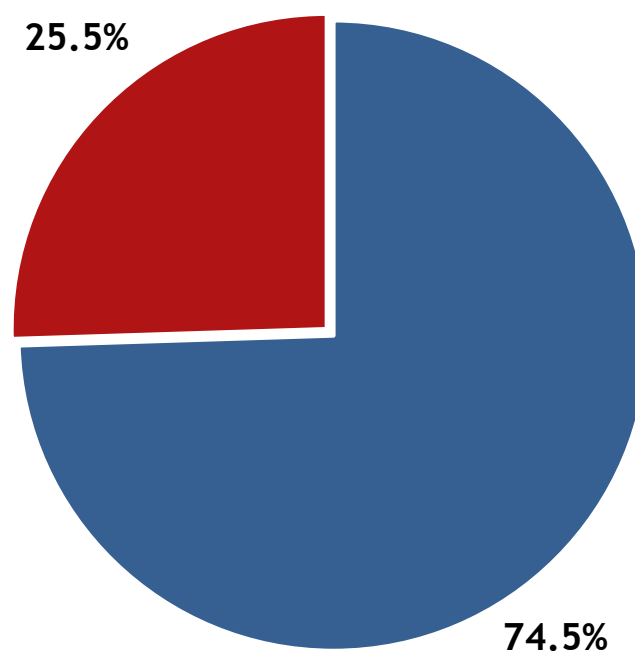


Business Revenue Mix

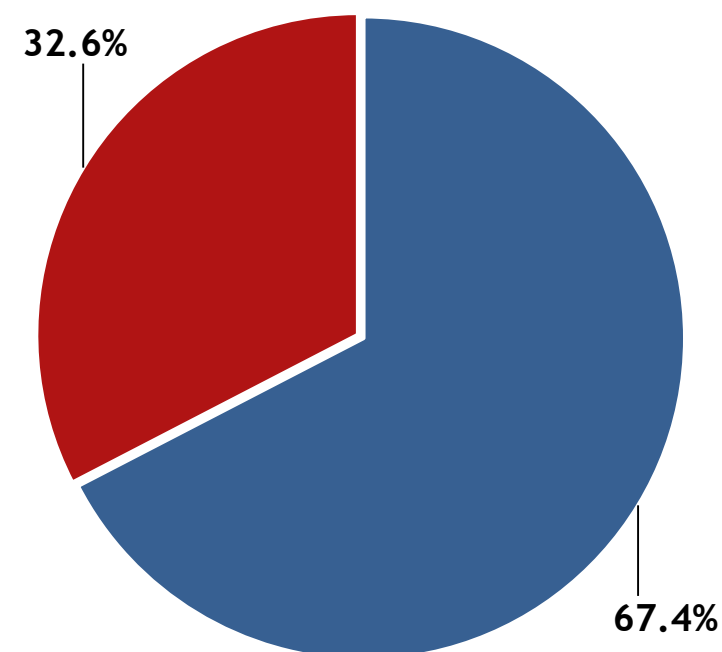


Particulars (Rs. CR)	FY 2013	%	FY 2017	%	FY 2023	%
Domestic Sales	145.03	74.50%	246.6	67.40%	217.20	42.6%
Export	49.67	25.50%	119.27	32.60%	293.11	57.4%

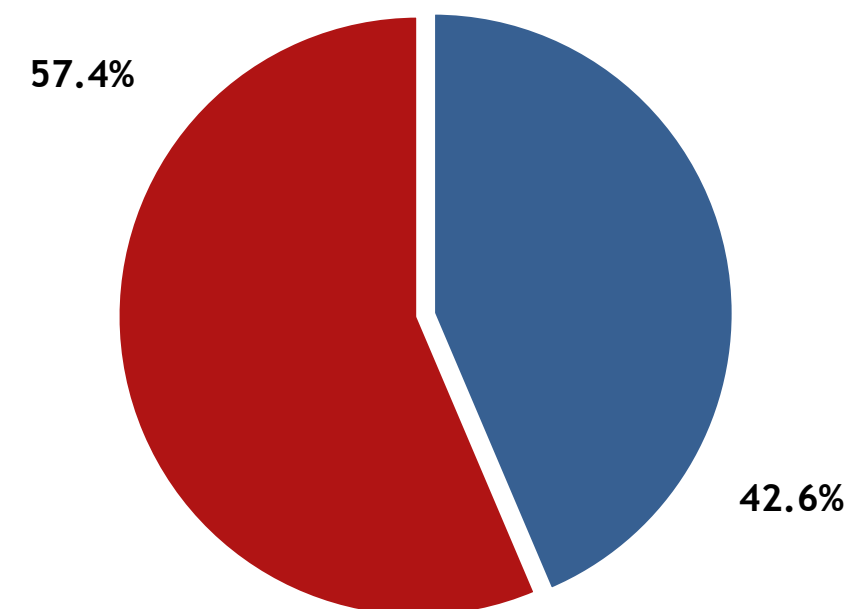
FY13



FY17



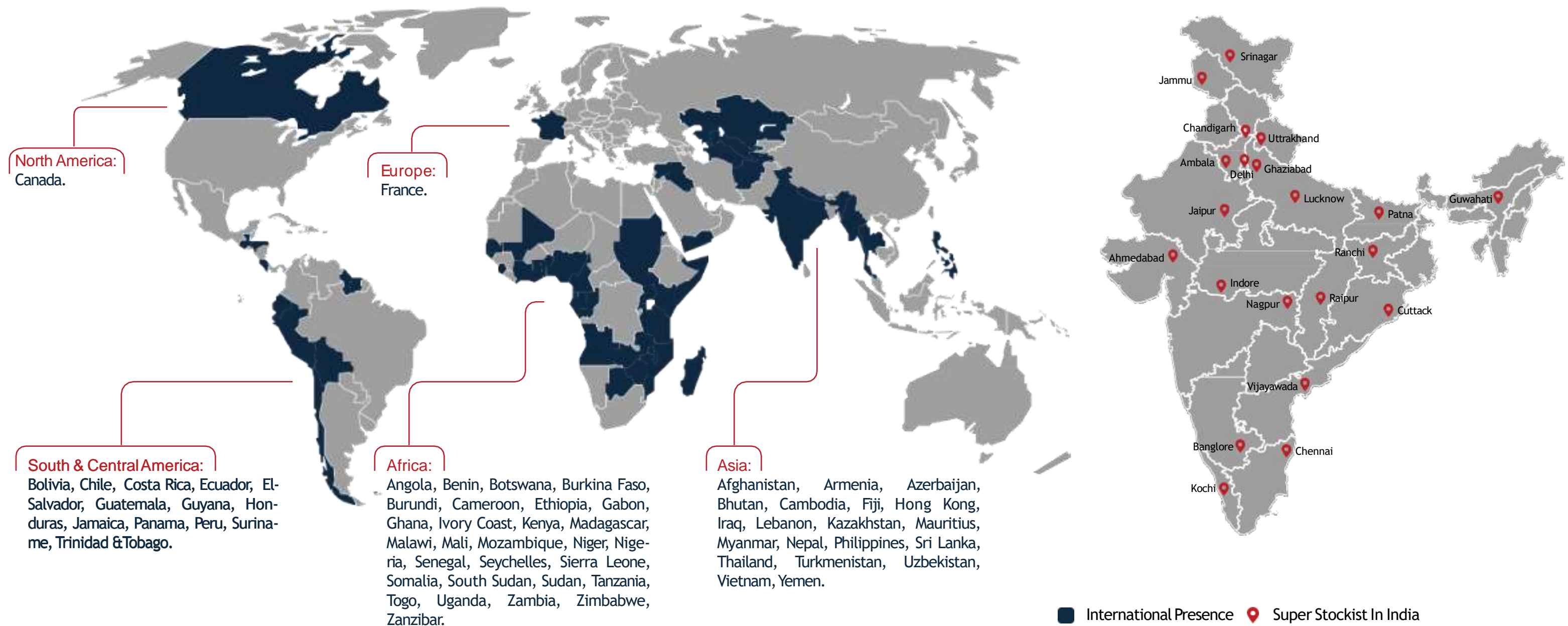
FY23



● DOMESTIC SALES ● EXPORT

Global Footprints

Presence over 60+ countries in Europe, Canada, Latin & North America, Africa, Asia Pacific, South East Asia, and 26 states across India.



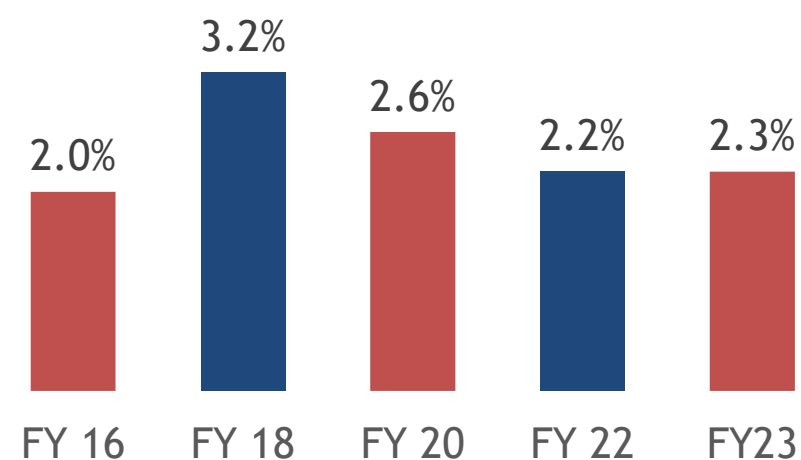
Research & Development



NDDS Formulations Introduced First Time In India by Lincoln

- Anti-Fungal Vagina Spray.
- Diclofenac Rectal Spray.
- Sildenafil Oral Spray.
- Ondansetron Hydrochloride Oral Spray (DOMI-UP).
- Paracetamol 1000mg Programmed Release Tablet (PA-12).
- Micronized Progesterone Vaginal Spray (PROLIN).
- Namcold DX Oral Suspension.
- First one to introduce TINNEX for the relief of Tinnitus.

R&D Expenditure as % of Sales



Research Facilities

R&D Team

Senior Scientist	15
Junior Scientist	18
Analyst	18
Regulatory Personnel	12
Administrative Personnel	09
Others	06
Total	78

Innovations - Lincoln Pharma

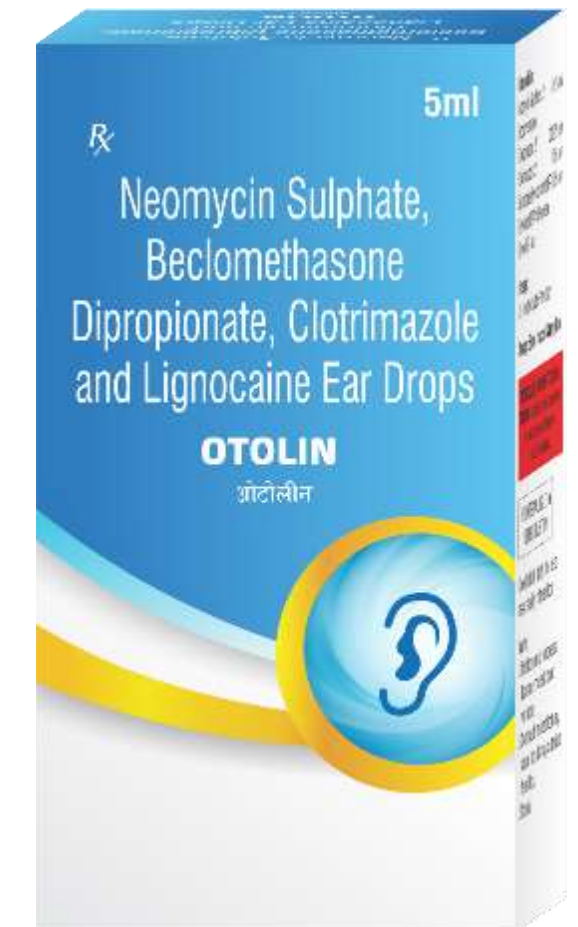
DOMITM up
Ondansetron Hydrochloride 2 mg Oral Spray

TinnexTM
Caroverine 20 mg Capsules
Caroverine 160 mg/8 ml Injection

LUTHER AQUA
 α - β Arteether 150 mg/ml Injection

NAM COLD-Z
Paracetamol 125 mg + Phenylephrine 5 mg + Chlorpheniramine maleate 1 mg + Sodium Citrate 60 mg + Menthol 1 mg / 5 ml Syrup

Pa12^{PROGLET}
1000 mg Programmed Release Paracetamol



VivianTM GEL
Diclofenac Diethylamine 1.16% w/w + Linseed Oil 3.0% w/w + Methyl Salicylate 10% w/w + Menthol 5.0% w/w

CHARGE UPTM
(11 Antioxidants + 33 Essential Micronutrients + 5 Amino acids)

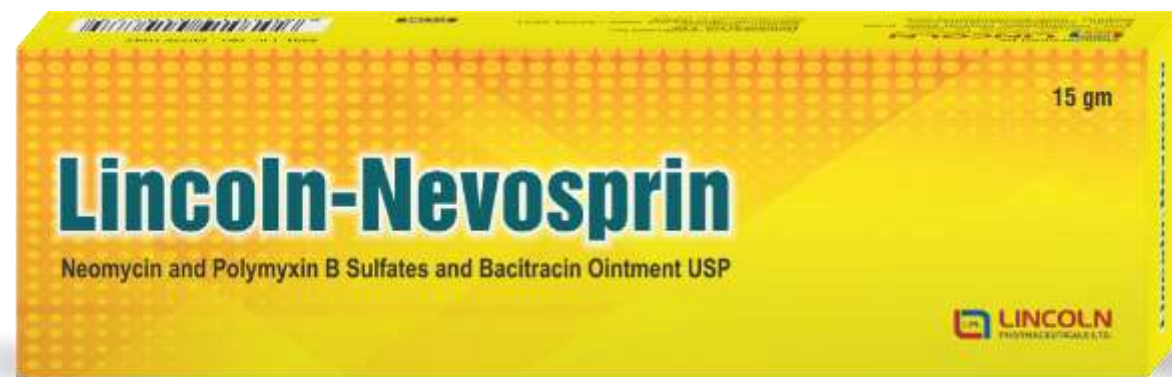


New Launches - Domestic Market





New Launches - International Markets



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

Otology

Anti-Diabetic

Anti-Psychotic/
Anti-Convulsant/
Anti-Depressant

Cardiac/
Anti-Hypertensives/
Diuretic

Anti-Diarrhoeal/
Anti-Spasmodic/
Laxative

Phosphodiesterase
Type 5 Inhibitor
and General
Anesthetics

Best In Class Facilities - Khatraj, Gujarat

Certification

EU-GMP, TGA, WHO-GMP Certified; ISO 9001:2015; ISO-14001:2015 and ISO-45001:2018 Certified.

R&D Center

Approved by Government of India; Team of 30 plus scientists for R&D.

Green Energy

Windmill and 1MW Solar Roof installed. Producing 65% of company's total energy consumption.



Dosage Forms Produced at Unit 1

Description	Annual Capacity	Unit
Tablet (Compression & Coating)	30,000 lacs	Tablets
Tablet (Granulation)	12,00,000	Kg
Capsule (Filling)	2,340 lacs	Capsules
Dry Syrup (Filling)	72,00,000	Bottles
Ointment (Filling General & Sterile)	336 lacs	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



Best in Class Facilities - Mehsana, Gujarat



WHO-GMP Certified; ISO 9001:2015; ISO-14001:2015 and ISO-45001:2018 Certified.

Certification

Approved Team of 10 plus scientists for R&D.

R&D Center

Dosage Forms Produced at Unit 3 OSD and Dry Powder Injection

Description	Size	Annual Capacity	Unit
Tablet (Compression & Coating)		511 lacs	Tablets
Tablet (Granulation)		222768	Kg
Capsule (Filling)		120 lacs	Capsules
Dry Syrup (Filling)		68,14,080	Bottles
Dry Powder Injection	7.5 ml, 10 ml	4,32,00,000	Vials
Dry Powder Injection	20 ml, 30ml	3,00,00,000	Vials



Financial Highlights

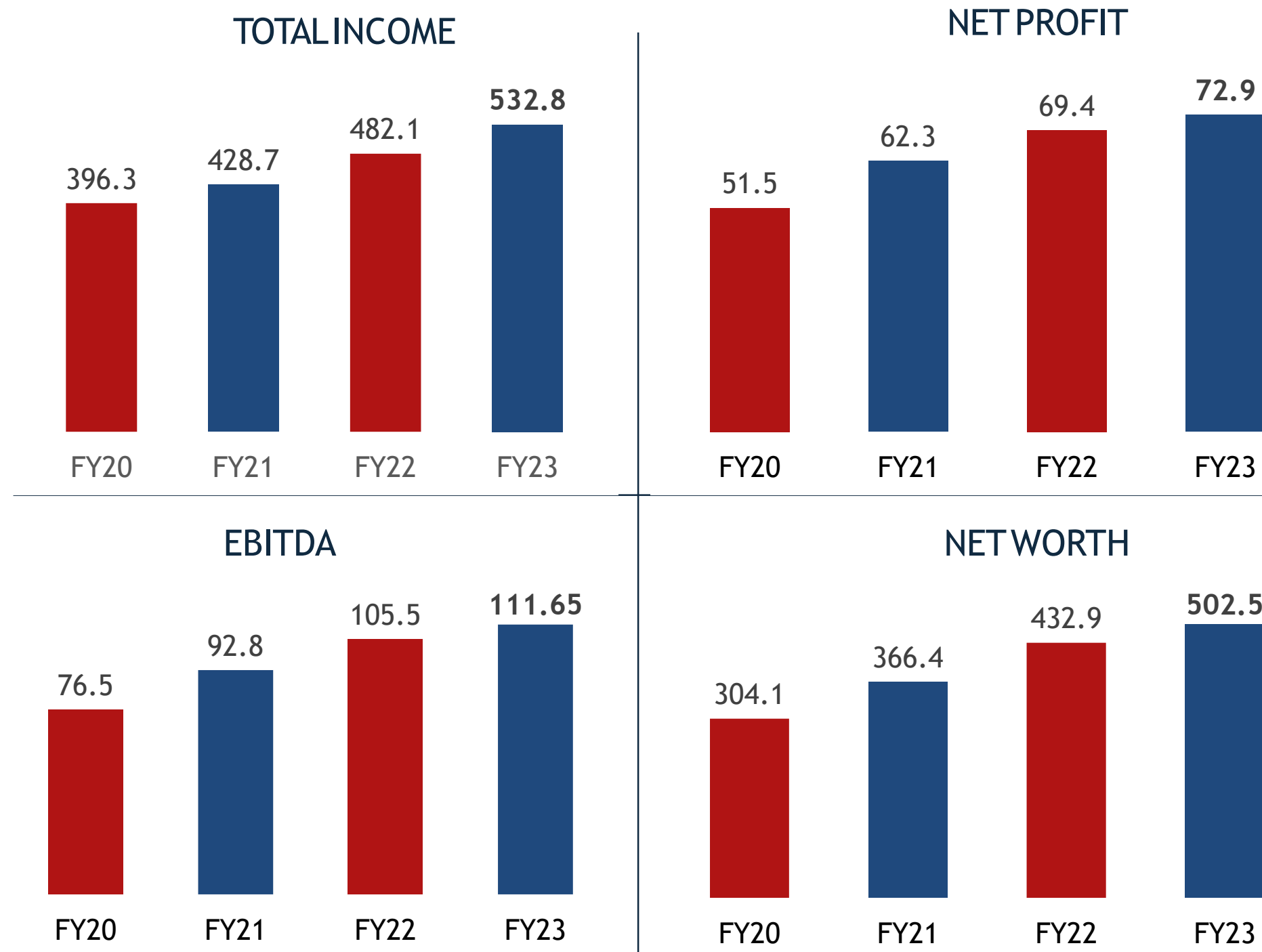
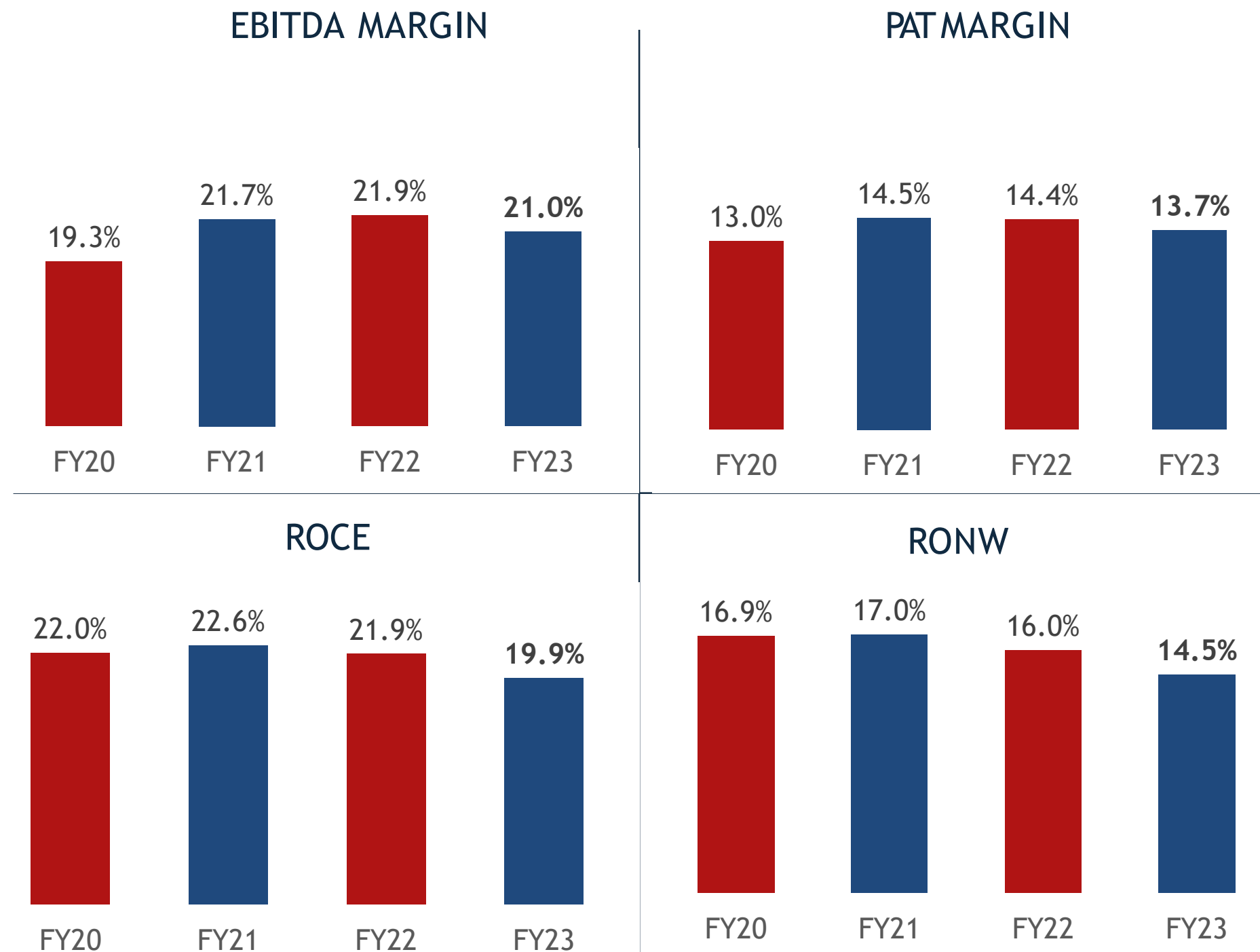


Fig (RsCr)

Profitability Ratios



Share Holding Information

Particulars	September 2023			March 2023		
Investor Category	No of Shareholders	No of Shares Held	Holding (%)	No of Shareholders	No of Shares Held	Holding (%)
Promoter Group	26	1,01,20,412	50.53%	27	94,14,112	47.00%
Public Holding	28,644	99,09,316	49.47%	29,061	1,06,15,616	53.00%
Total	28,670	2,00,29,728	100%	29,088	2,00,29,728	100%



Stock Information	As On 30 Sep 2023
No of Equity Shares	2,00,29,728
Face Value (INR)	10
Share Price (As on 30 Sep 2023)	521.95
52 Week High/Low	543/283.4
Market Capitalisation (As on 30 Sep 2023)	Rs. 1,045Crore



Location



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