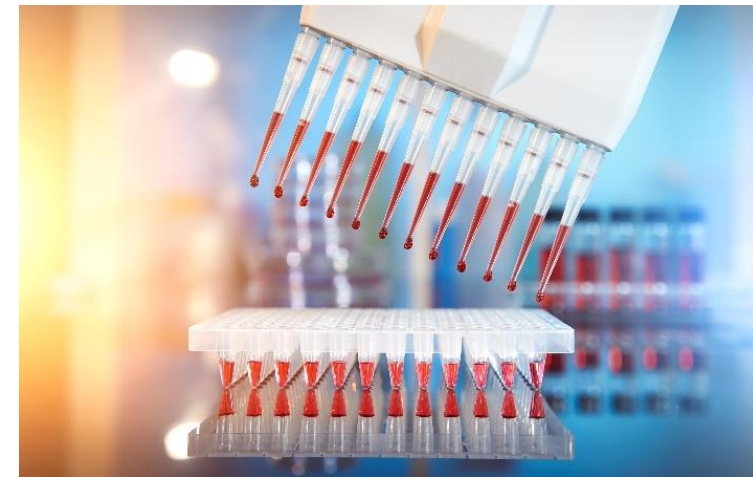




Providing *Affordable* and *Innovative* medicines for healthier lives

## Q1 FY2020 Earnings Presentation



## Q1 FY2020 vs. Q4 FY2019

- Total Income of Rs. 981 million, up 25.1%
- EBITDA of Rs. 203 million, up 97.2%
  - EBITDA margin of 20.7%, up 759 bps
- PBT of Rs. 178 million, up 126.6%
  - PBT margin of 18.2%, improved 815 bps
- PAT of Rs. 127 million, up 49.9%
  - PAT margin of 12.9%, increased 214 bps
- Total Debt of Rs. 425 million
  - Total Debt / Equity of 0.15x and Net Debt to LTM EBITDA of 0.37x

## Management Perspective

*“We are pleased to report robust financial performance during the quarter. The Company has recorded a 97% q-o-q EBITDA growth and 50% q-o-q PAT growth during Q1 FY2020. The growth has been attributed to a strong performance in international markets, our exports sales increased by ~17% q-o-q. EBITDA margin during the quarter up 759bps to 20.7% supported by combination of factors such as significantly higher revenue contribution from products manufactured in house, improved product mix, better working capital management and increased revenue from higher margin markets.*

*Our strong profit generation and enhanced balance sheet will enable us to continue to maximize shareholders value in the medium term. In addition, strong in-house R&D capabilities and immense industry experience coupled with various strategic initiatives, widespread geographic reach and increasing exports revenue provides us confidence to achieve our long term goals.”*

**Mr. Mahendra G. Patel, Managing Director**

# Performance Overview

## Consolidated Financial Performance

Particulars	Q1		y-o-y	Q4	q-o-q
	FY2020	FY2019	Growth (%)	FY2019	Growth (%)
Total Income	981.1	1,021.2	(3.9)%	784.5	25.1%
EBITDA	203.4	255.9	(20.5)%	103.1	97.2%
<i>Margin (%)</i>	20.7%	25.1%		13.1%	
PBT	178.5	226.8	(21.3)%	78.8	126.6%
<i>Margin (%)</i>	18.2%	22.2%		10.0%	
Profit After Tax (PAT)	126.7	160.7	(21.2)%	84.5	49.9%
<i>Margin (%)</i>	12.9%	15.7%		10.8%	
Basic EPS (Rs.)	6.33	8.03	(21.2)%	4.23	49.6%

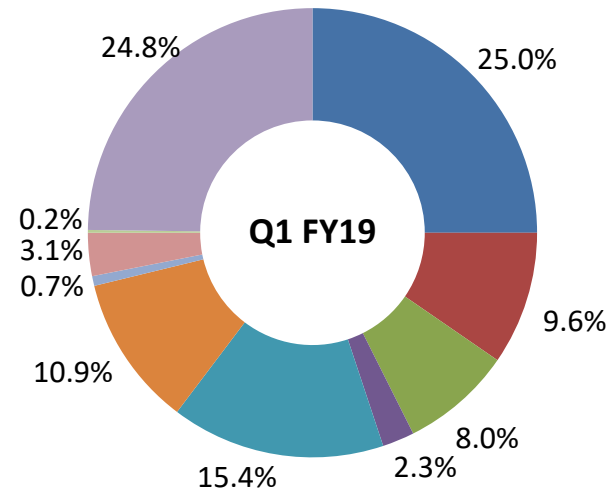
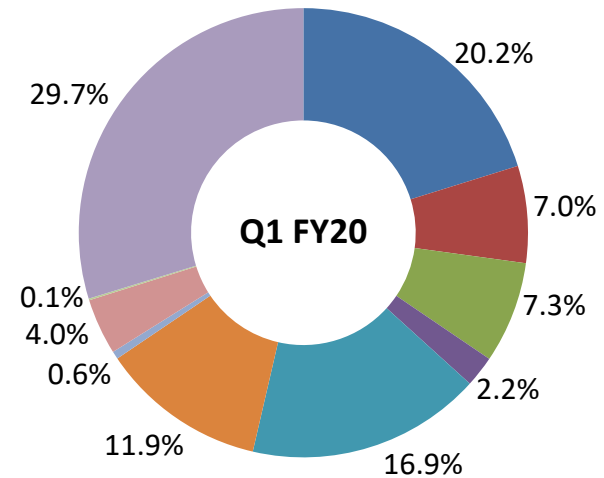
○ On YoY basis financials are not comparable due to change in statutory accounting treatment

Note: Financials are as per IND-AS

# Performance Overview

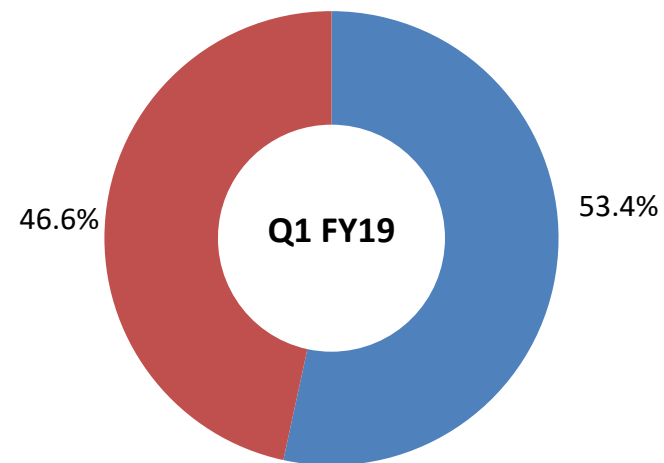
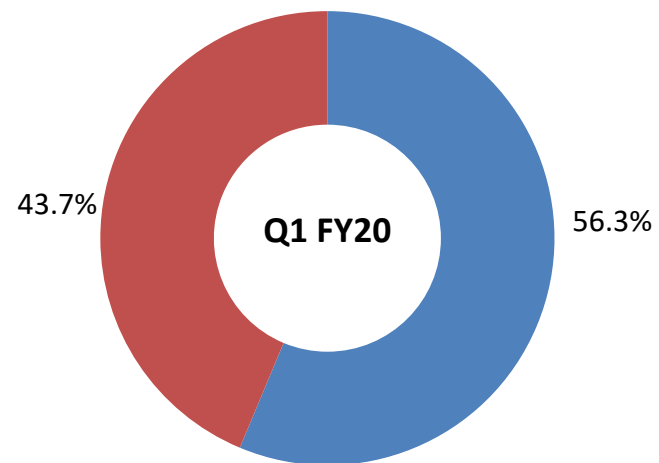
## Revenue Breakup

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

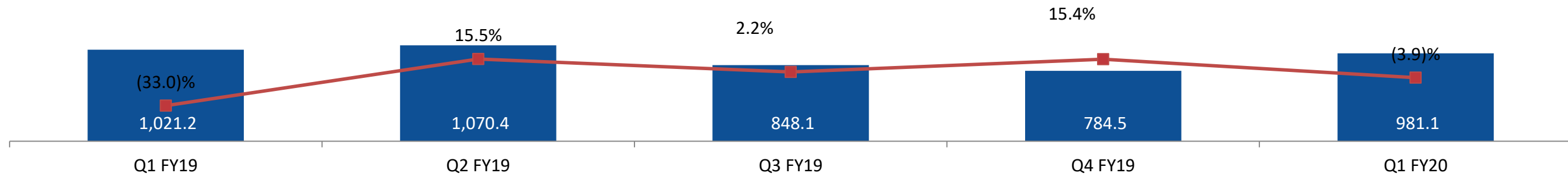
Geography



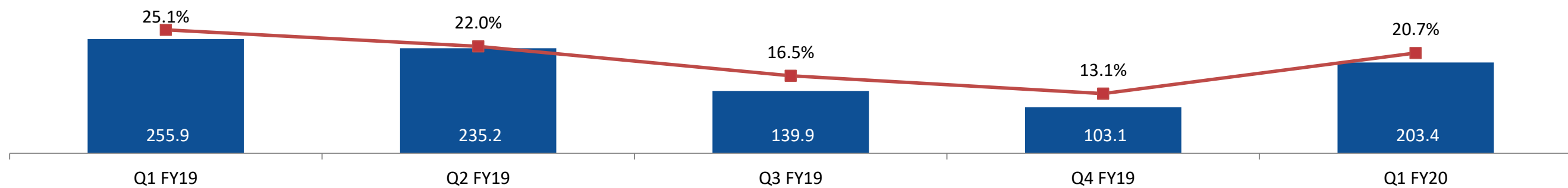
- International
- Domestic

# Performance Trend

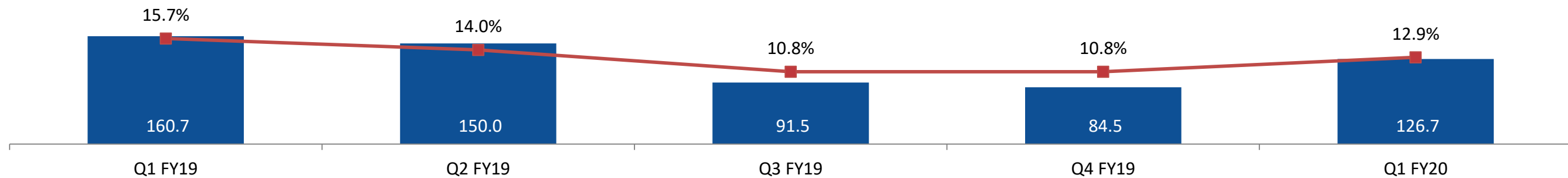
## Total Income (Rs. million) and Y-o-Y Growth (%)



## EBITDA (Rs. million) and Margin (%)



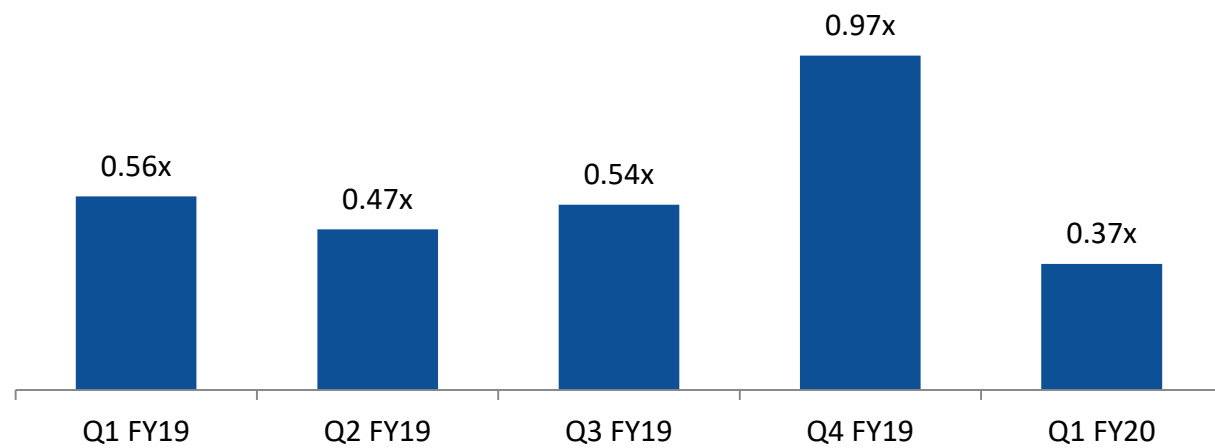
## PAT (Rs. million) and Margin (%)



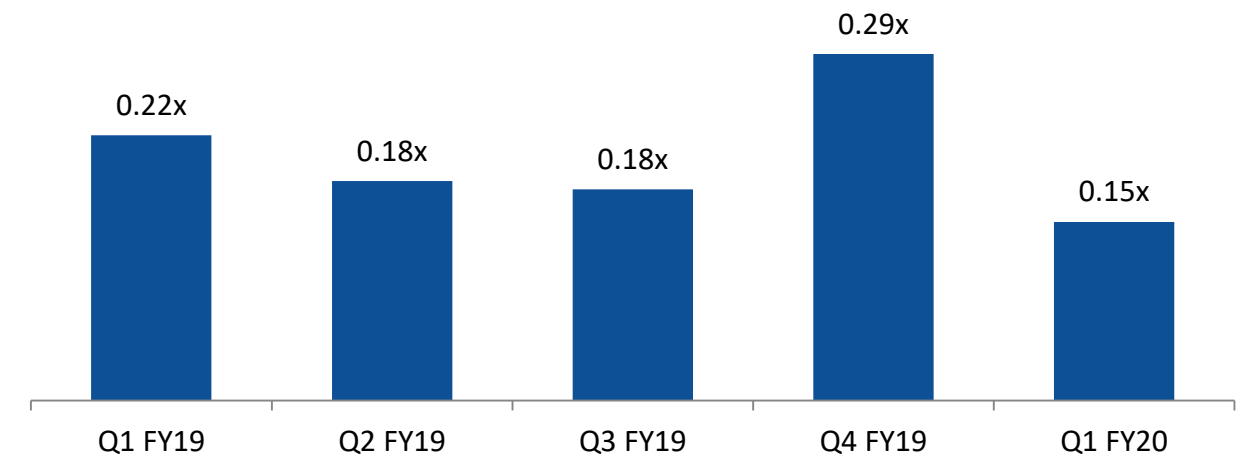
Financials are as per IND-AS

# Performance Trend

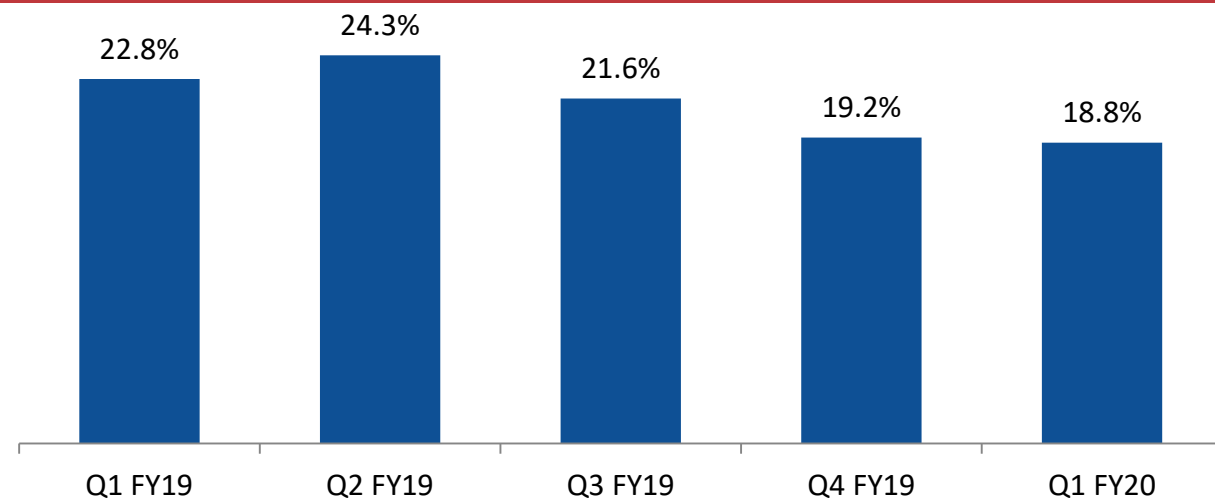
## Net Debt / LTM EBITDA



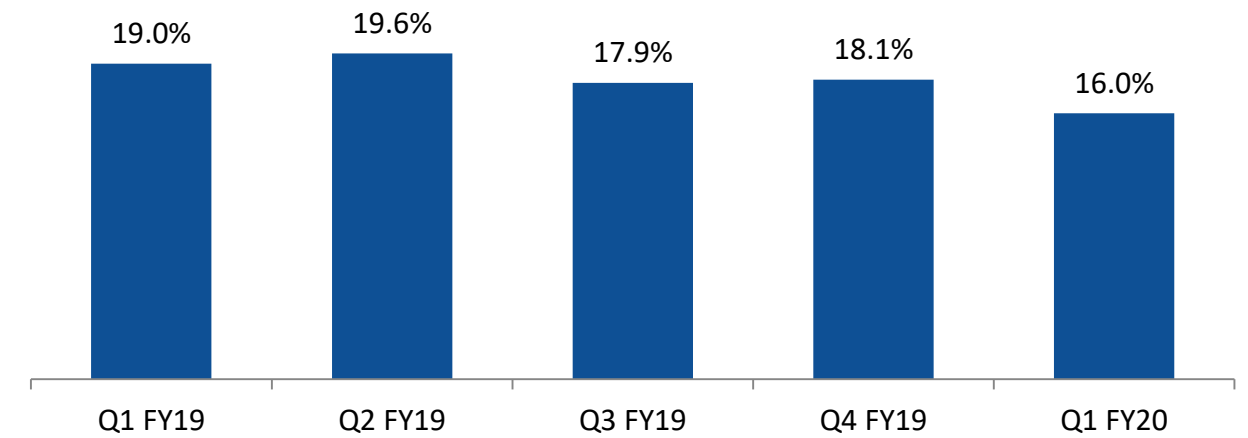
## Total Debt / Net Worth



## ROCE<sup>1</sup>



## RONW<sup>2</sup>



Financials are as per IND-AS

Note:

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

Q1 FY2020 Earnings Presentation

# Leverage Profile

(Rs. million)	June 2019	Mar 2019
Long Term Debt	48	54
Short Term Debt	377	734
<b>Total Debt</b>	<b>425</b>	<b>787</b>
Less: Cash & Cash Equivalents	176	76
<b>Net Debt / (Net Cash)</b>	<b>249</b>	<b>712</b>
Net Worth	2,823	2,696

## 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 Balance sheet numbers are as are as per IND-AS

# Recent Developments

## 1 Becomes the producer of renewable power energy for captive consumption

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- 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

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- Applied to Pollution Control Board for permission of APIs Unit

## 3 International operations

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- 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

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- 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



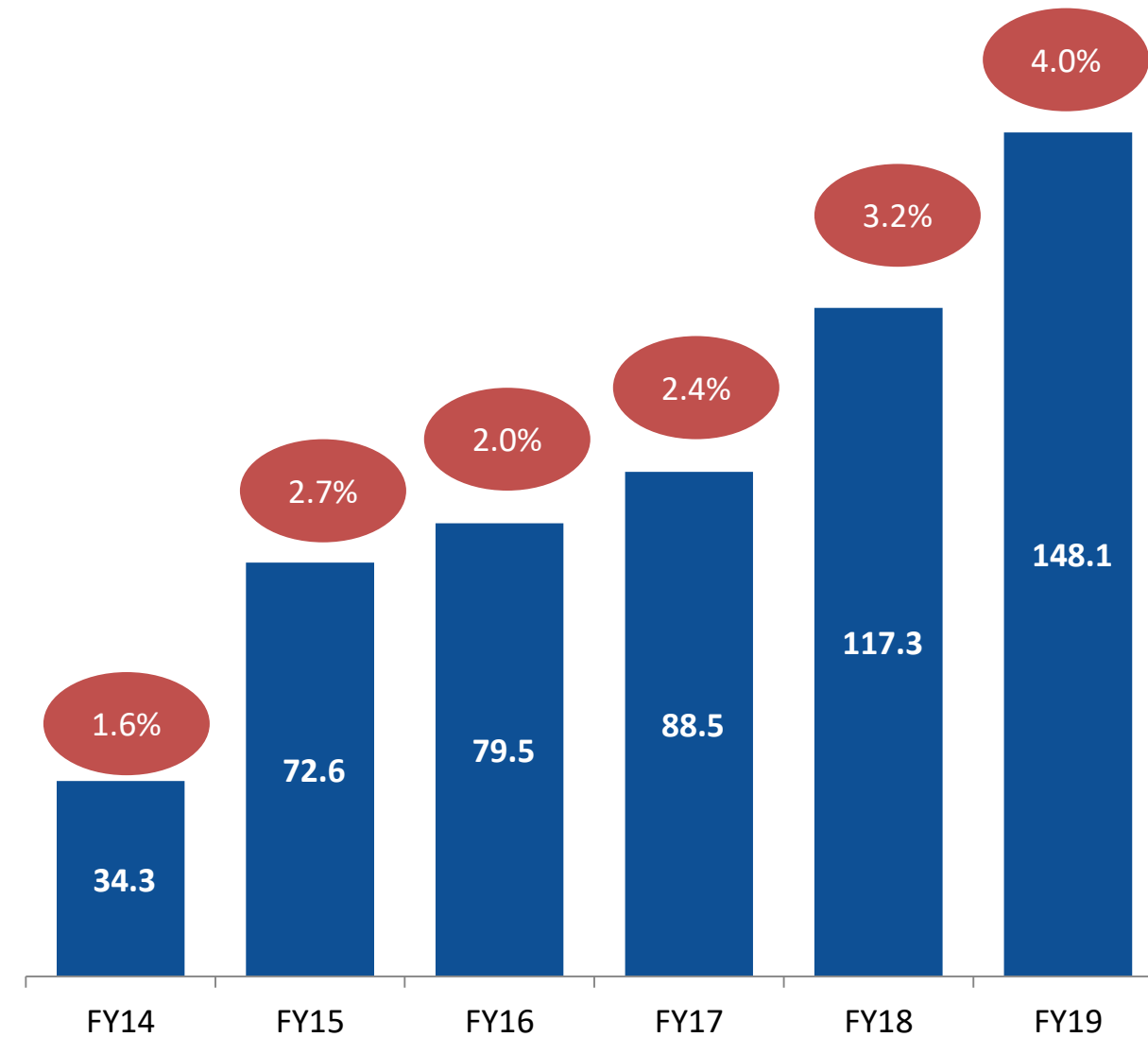
# Research & Development

## Research Facilities



Senior Scientist	15
Junior Scientist	18
Analysts	18
Regulatory Personnel	12
Administrative Personnel	9
Others	6
<b>Total</b>	<b>78</b>

## 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

72<sup>nd</sup>  
Rank in AIOCD  
[Market data, March 2019]

30+  
Scientists

500+  
SKUs

## Market Presence

Presence in  
60+  
Countries

Presence in  
25  
States across India

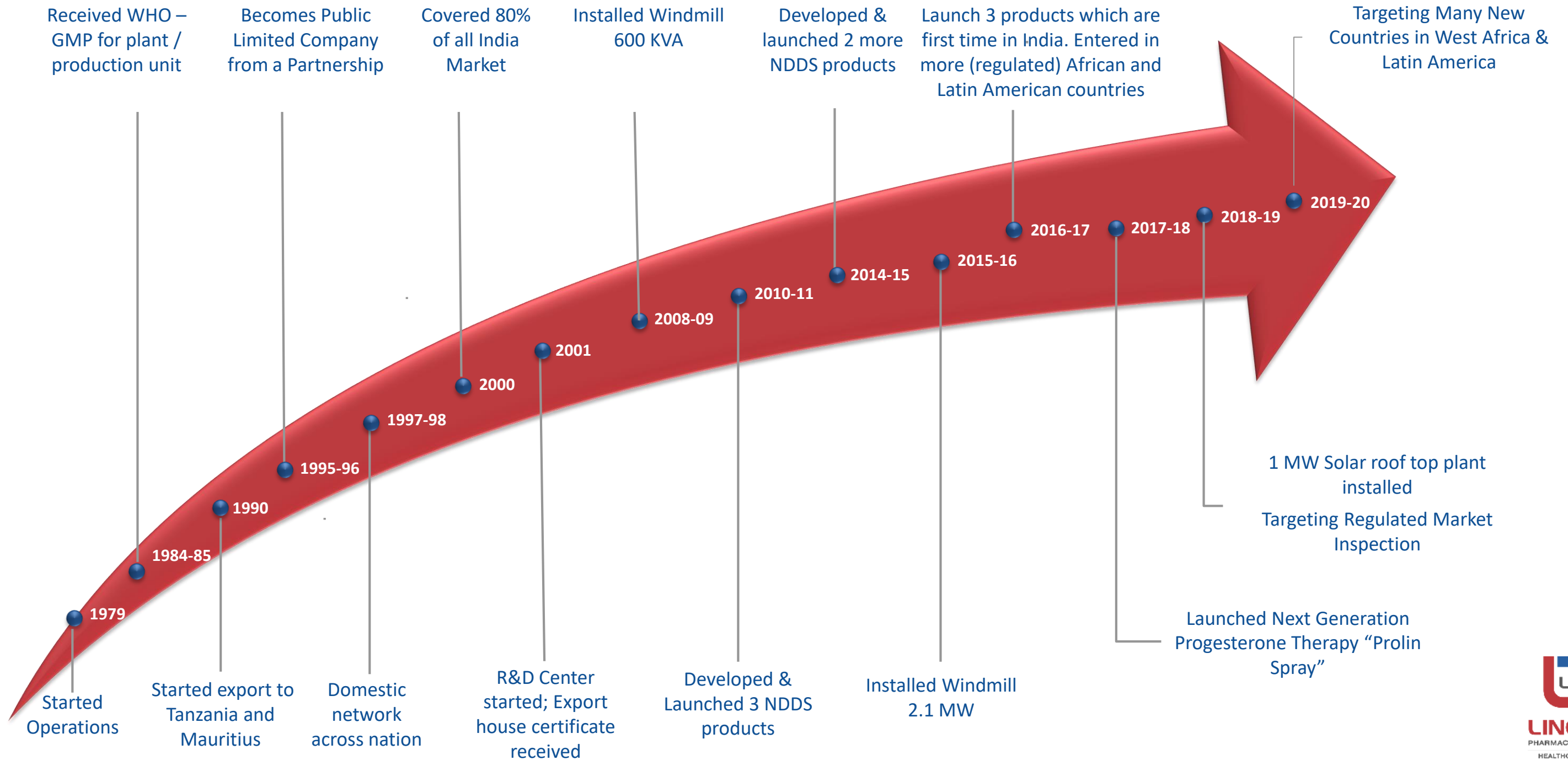
15+  
Therapeutic areas

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



# Best in Class Facilities



**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

**DOMI<sup>up</sup>**

Each squirts (spray) delivers 2  
mg Ondansetron Hydrochloride

**EAK**

Effective Anti-  
Malarial Kingping

**G-Forlin**

Glimepiride 1/2 mg + Extended Release Metformin Hydrochloride 500 mg Tablets

**ITRALIN**

Itraconazole 100mg/200mg Capsules & 400mg SR Tablets

**KEZOLIN** 100 ml

Ketoconazole 2% w/w + Pyriithione zinc 1% w/w Gel

**NAMCOLD**

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

**NAMCOLD-DX**

Dextromethorphan  
Polistirex 30 mg  
Suspension

**Ovalink SR**

Dehydroepiandrosterone  
(Micronized)75mg sustain  
release, folic acid 5 mg  
And Vitamin D<sub>3</sub> 3000 IU

**PROGUT**

Bacillus Clausii 2 Billion Spores / 5 ml Suspension

**PROLIN 300 SR** Natural

Natural micronized  
progesterone 300 mg SR  
Tablets

**PROLIN**

Progesterone  
Vaginal Spray

**SOLUDINE-M**

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

**TEMMY**

Telmisartan 20/40/80 mg Tablets

**Tinnex**

Caroverine 160 mg/8  
ml Injection

**TRIXON-1g**

Ceftriaxone 1 g Injectible

## International Market

**ARH**

$\alpha$ - $\beta$  Arteether Injection  
150mg/ 2 ml

**Arh-L**

Artemether 20 mg & Lumefantrine 120 mg Tablets

**Artelin**

Artesunate for Injection 30/60/120 mg

**Binafin**

Terbinafine Tablets 250 mg

**BUPILIN HEAVY**

Bupivacaine Hydrochloride in Dextrose Injection USP 5 mg / ml

**CLOTRILIN**

Clotrimazole 1% w/w Cream

**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

**MONTELIN**

Montelukast Tablets BP 10 mg

**Pa 12**

1000 mg programmed  
release  
Paracetamol PROGLETS

**Vivian PLUS**

Diclofenac With  
Paracetamol Tablet

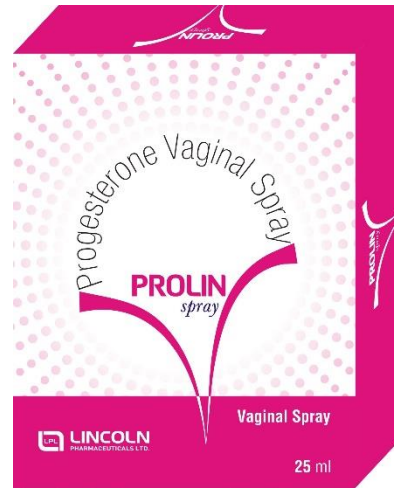
**Vivian GEL**

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 proplet 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



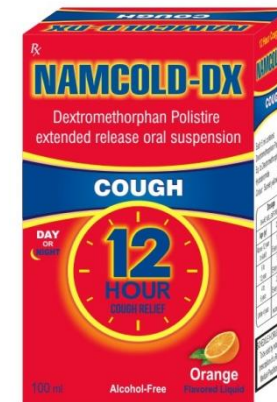


# Key Developments



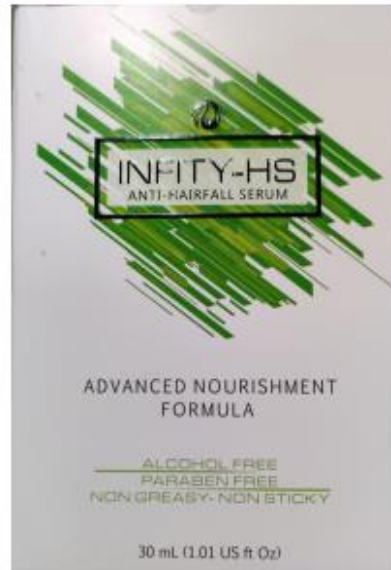
- **Domi Up Spray**
  - Meter dose pump
  - Each squirt (spray) accurately delivers 2 mg Ondansetron Hydrochloride
  - Faster onset of action
  - Prompt relief from nausea & vomiting
  - Convenient for patient over Injectable
  - Better patients compliance

- **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



- **USP INFITY - YS**
  - Most stable derivative of Vitamin C (at 45°C)
  - Easy to penetrate skin
  - Molecular weight of Hyaluronic acid in INFITY – YS is equivalent to 1000 KDal

# Key Developments



- **USP INFINITY - HS**
  - Revitalized the DPC
  - Covering all aspects of Baldness in one solution
  - Powered with the Hair Growth Formula
  - Empowered with Powerful Antioxidant than Vitamin E or Vitamin C

# Disclaimer

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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.

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