



# MOREPEN



**Date: 21/05/2024**

To,

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

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001  
**Scrip Code: 500288**

**Subject: Investors Presentation (Q4'FY24) May, 2024**

Dear Sir/ Madam,

Please find enclosed "Q4' Investors Presentation - May 2024", based on the financial performance of the company for the quarter and financial year ended 31<sup>st</sup> March 2024.

You are requested to take the note of the same in your record.

Thanking you,

Yours faithfully,

**For Morepen Laboratories Limited**

**Vipul Kumar Srivastava**  
**Company Secretary**  
**F-12148**

**Encl.: a/a.**

**Morepen Laboratories Limited**

CIN NO. L24231 HP1984PLC006028

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 **Dr. Morepen<sup>®</sup>**  
**Q4'INVESTOR**  
 PRESENTATION - MAY 2024

*Leading Player in*  
**Medical Devices and APIs**

MOREPEN LABORATORIES LIMITED



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**2** **Business Segments**

**3** **Financial Overview**

**4** **Expansion Playbook**

**5** **Management Team**

# INDEX

1

**Executive Summary**

*Outstanding Performance*

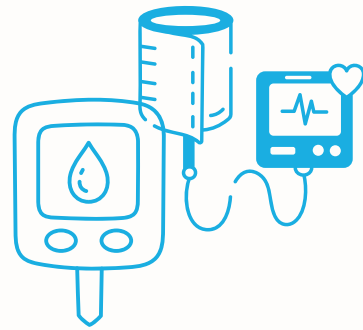
**Medical Devices and APIs**



1

## Executive Summary

### Business Segments:



#### Medical Devices

*Point of Care*



#### APIs

*Bulk Drugs*



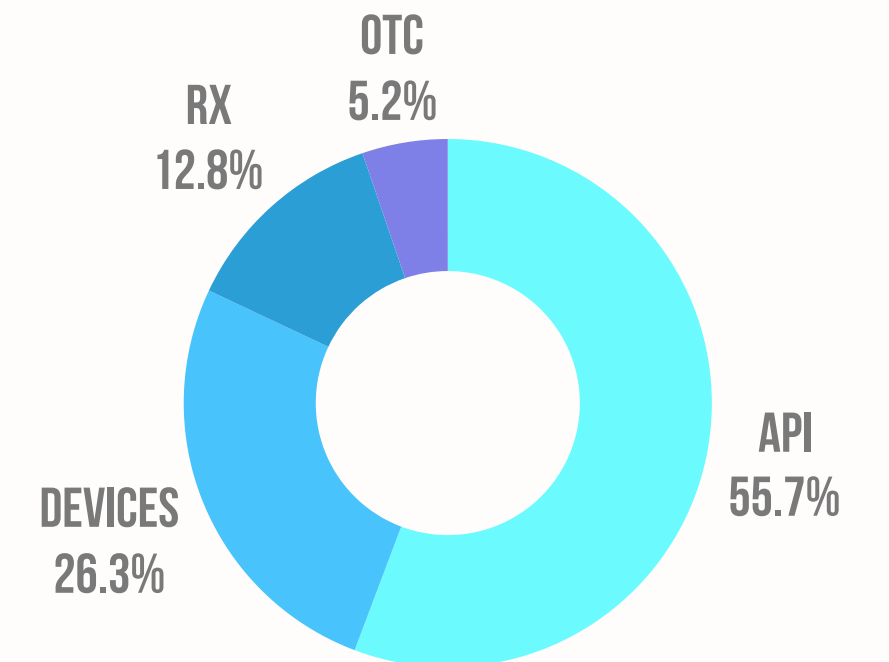
Rx Formulation



OTC Products



Over  
**80%**  
Revenue comes from  
*Medical Devices & APIs*



REVENUE SPLIT FY24

1

## Executive Summary

### Company Positioning:



Market leader  
Glucometers\*



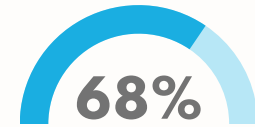
Leading BP Monitor  
manufacturer\*



Category Leaders  
in six APIs\*



Exporting to over 80  
countries



68% Export  
for API



Consistent Growth in  
top and bottom line



Celebrating  
40th year  
of the Journey



Debt Free  
Company\*\*

With Robust Financials with  
negligible interest burden

\*\*Excluding Car loans and LC/OD facility against Fixed Deposits of the company



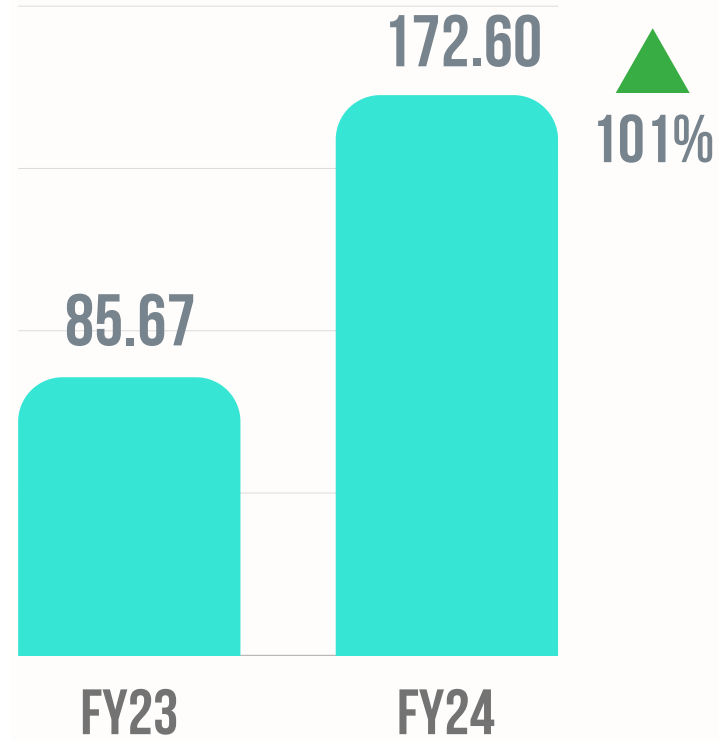
1

## Executive Summary

### Operational Performance:

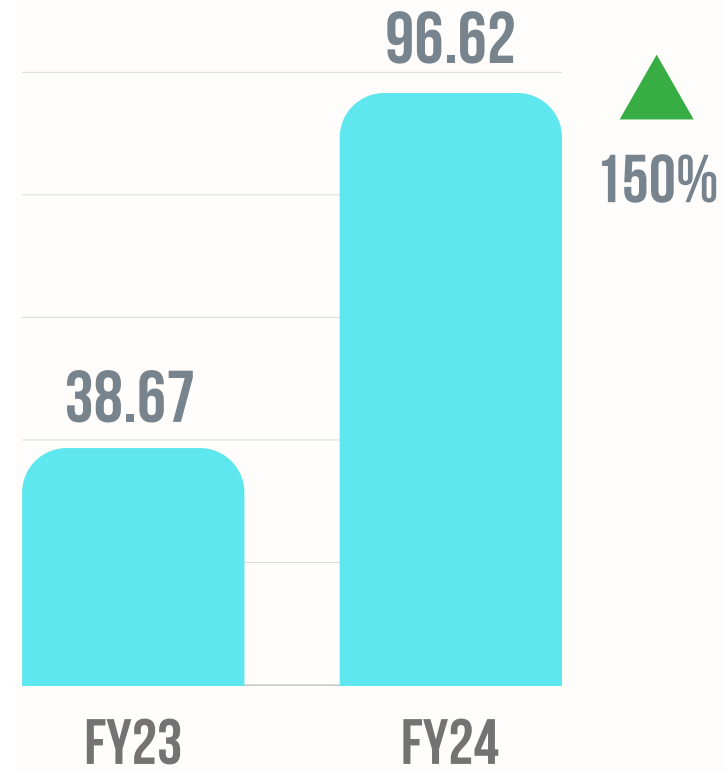
*Rs. in Crores*

#### Annual EBITDA



*Rs. in Crores*

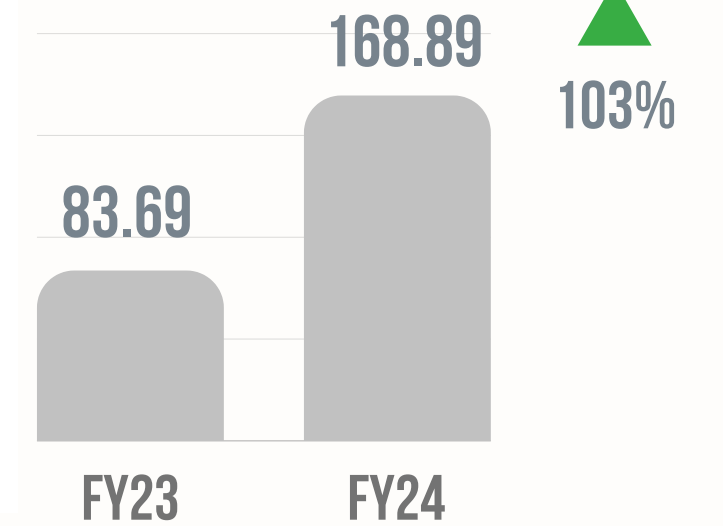
#### Annual PAT



101%

*Jump in the EDITDA with higher revenues and better gross margins*

#### Cash Generatrion -pre tax



*Rs. in Crores*

# INDEX

2

**Business Segments**



*Category Leader in*

**Medical Devices and APIs**

# 2

## Medical Devices



Over  
**95%**  
Business comes from Glucometers  
and BP Monitors

### Category Leader in Medical Devices :



### Blood Glucometers

**19%** Market Share\*

Leading Brands

- Other Portfolio :
- Thermometers
  - Weighing Scales



### BP Monitors

**18%** Market Share\*

- Pregnancy Kits
- Oximeters
- Ortho Support
- Stethoscope

- 100% in-house production, started in Baddi at 2015 including injection moulding.
- Glucometers manufactured from bare PCBs, with low dependence on import
- Facilities as per global standards, approved by ISO:13485
- Capacity Expansion is an going process



\*Industry Report (FY23)

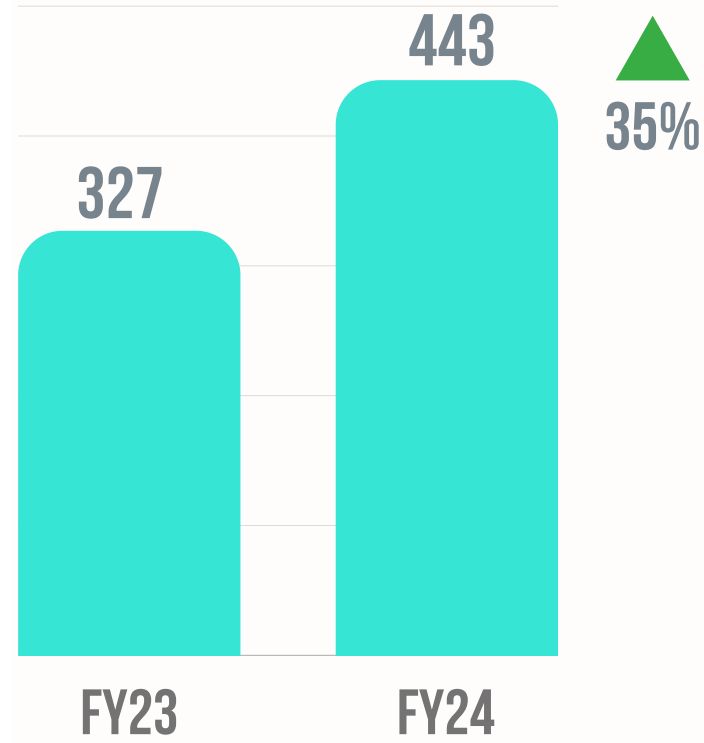
# 2

## Medical Devices

### Operational Performance:

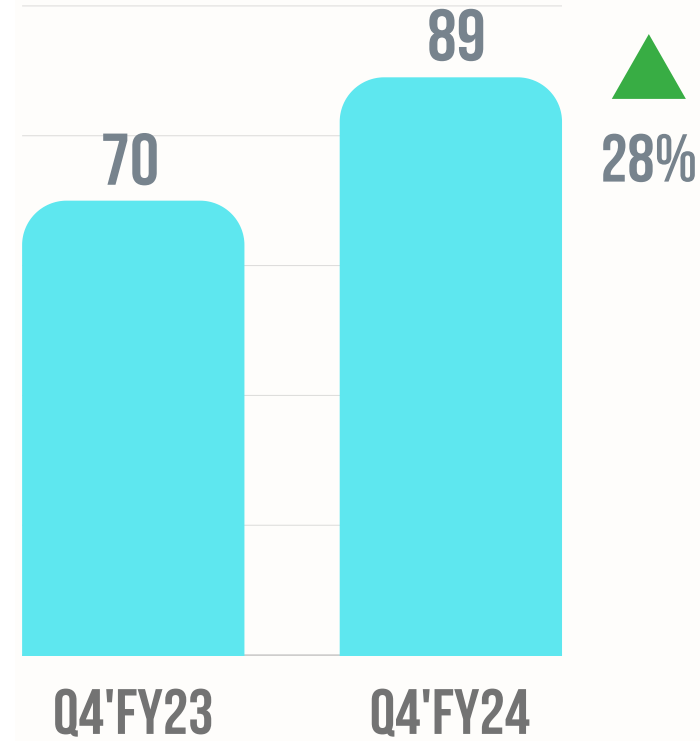
Rs. in Crores

#### Annual Revenue



Rs. in Crores

#### Quarterly Revenue



# 35%

*Increase in revenue with excellent come back in Glucometers*

- Annual revenue grew from Rs.327 cr last year to Rs. 443 cr, recording a leap of 35% in FY24.
- Quarterly revenue jumped 28% in Q4 on y-o-y basis.
- More pressure to produce more to keep pace with demand.
- More and more backward integration to control the costs and supply chain.

Rs. in Crores



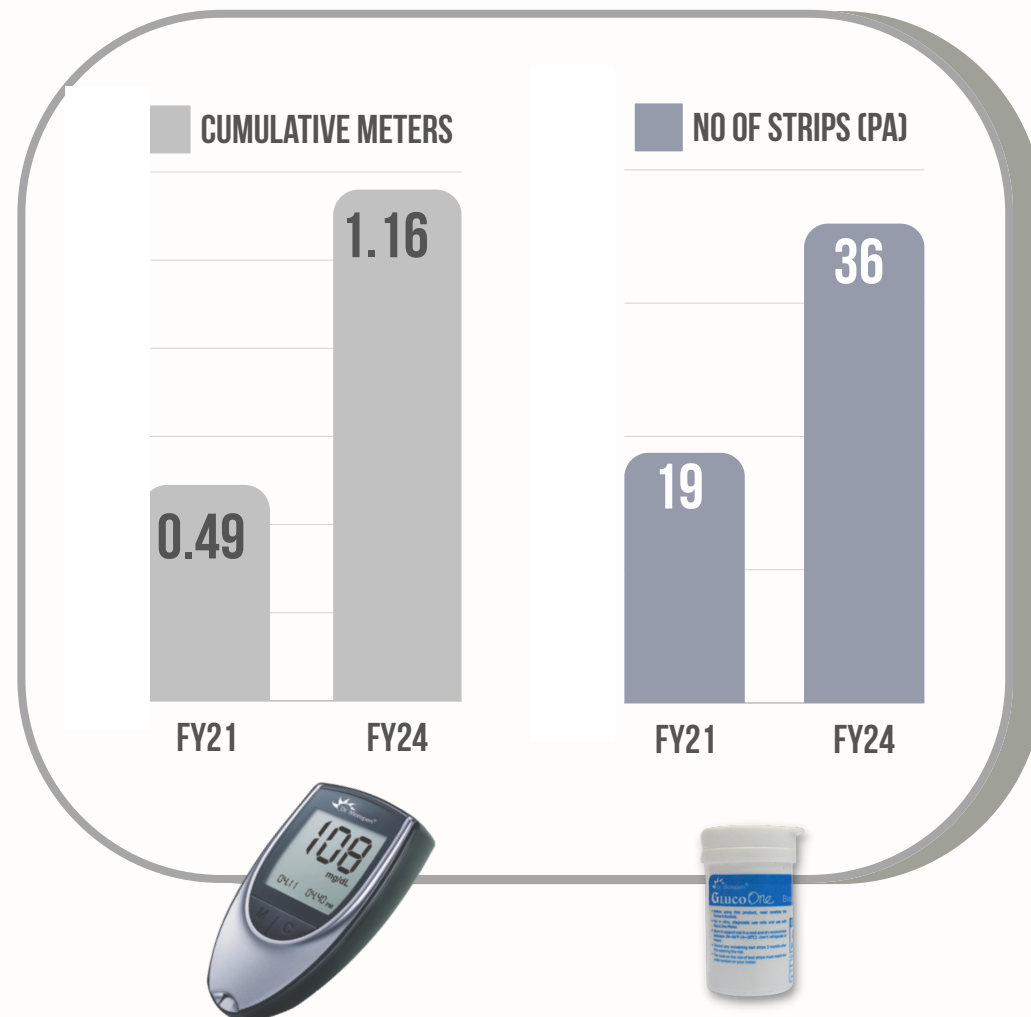
# 2

## Medical Devices

### Glucometers:

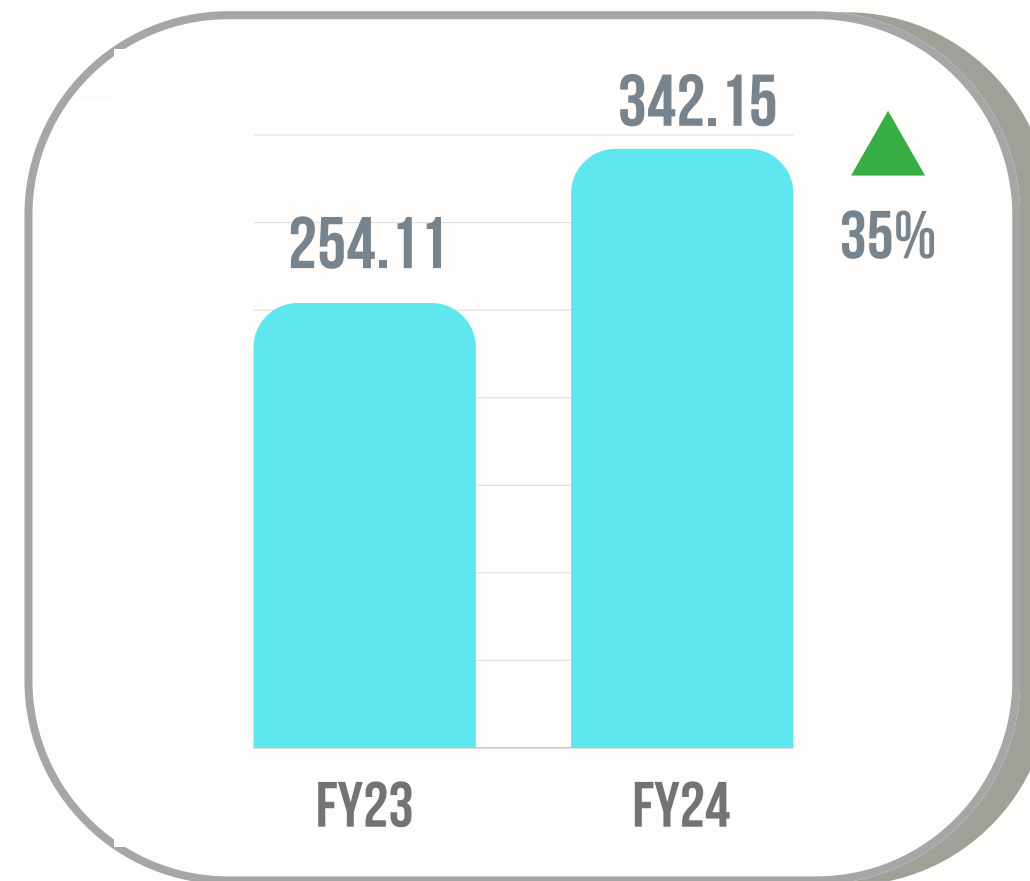
Numbers in Crores

#### No of Meters and Strips Sold



Rs. in Crores

#### Glucometer & Strip Sales (Total)



# 11.6mn

Customer base with repeat purchase of strips every year

- Number of meters installed has gone double in last three years and so is the number of strips sold every year.
- We keep investing in the market to expand the customer base and assure lifetime supply of strips, sold over 1.50 bn strips so far.
- Lifetime free repair and replacement of meters. Service centres across India
- Entered International markets like Thailand and Middle East.

\*Cumulative \*\*Annual

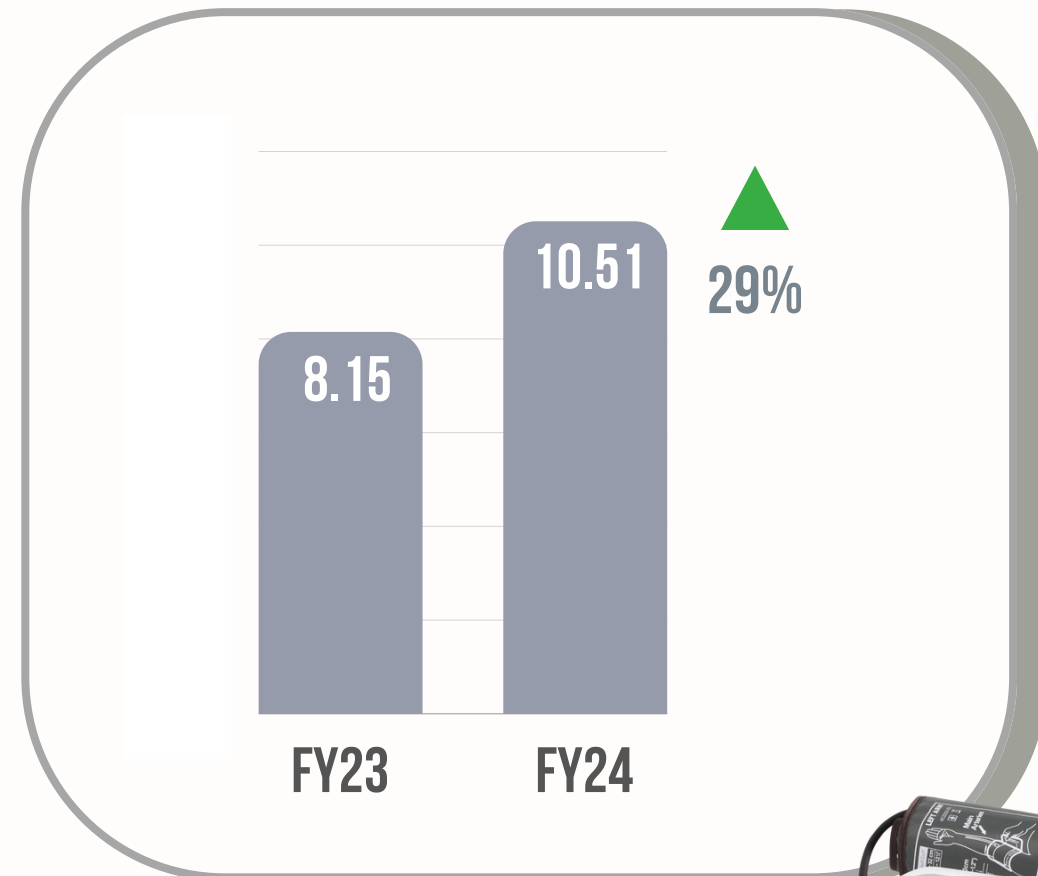
# 2

## Medical Devices

### Blood Pressure Monitors:

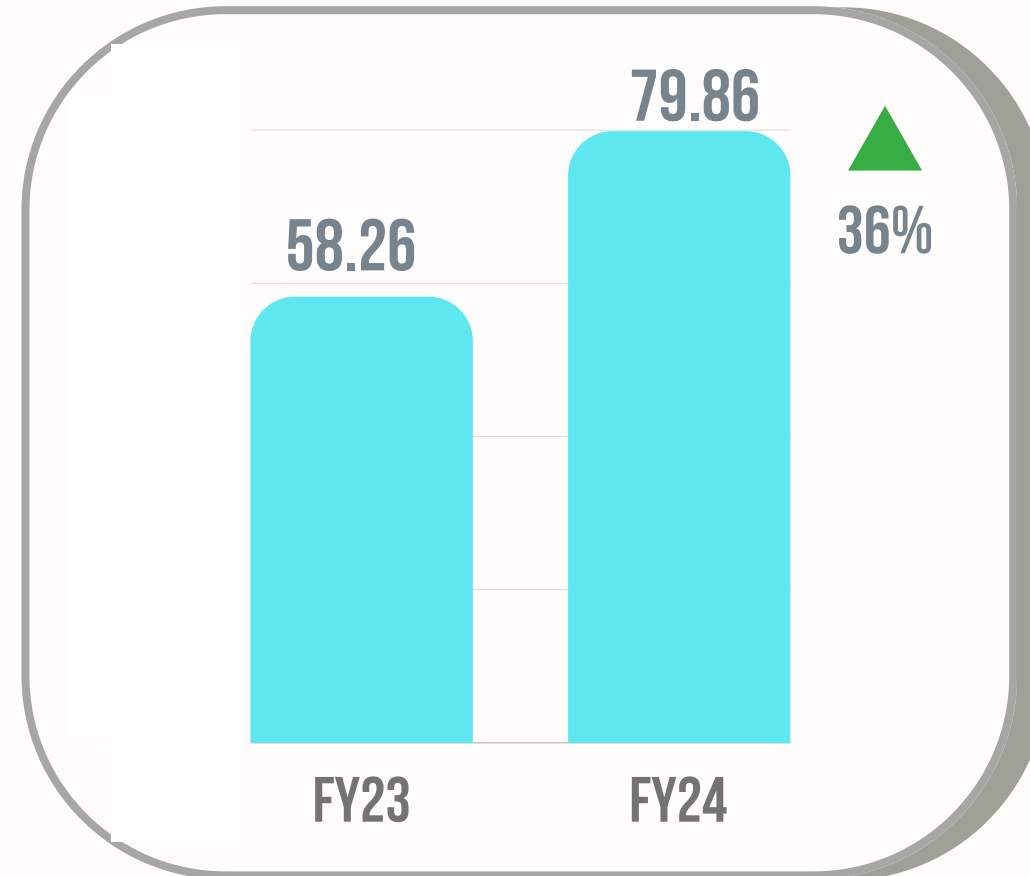
Numbers in lakhs

No. of BP Monitors Sold



Rs. in Crores

Sales Revenue



Over  
**1 million**  
BP Monitors sold this year with increasing awareness

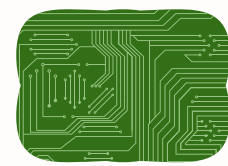
- Strong come back from post-covid drop with a substantial growth of 29% in the number of meters sold and 36% in the Revenue
- 100% manufacturing in India with full backward integration.
- Dedicated SMT lines ordered to have regular supplies at good cost.
- Expanding all India market reach, particularly in South

\*Cumulative \*\*Annual

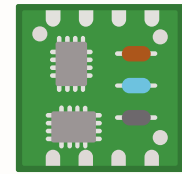
# 2

## Medical Devices

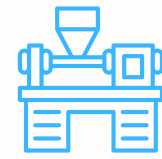
### Manufacturing Cycle:



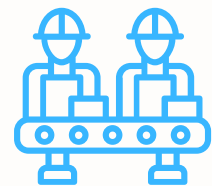
Bare PCB



PCB Mounting SMT



Injection Moulding



Assembly lines



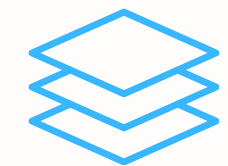
In process testing



Final Quality Tests



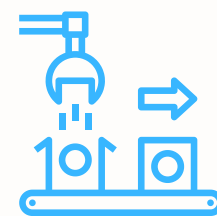
Meter Packing



Bulk Sheets



Sheet Cutting



Strip Packing



Ready to Ship

# STRIP

Manufacturing to begin in India in this fiscal at full swing



A typical SMT Machine used for Mounting



To start manufacturing in-house in FY25

# 2

## Medical Devices

### Growth Drivers:



**Capacity Expansion**



**Increased Reach in South India**



**Direct exports and private label**



**Bigger Sales Team**



**More Retail coverage**



**Higher productivity per person**

# 100mn

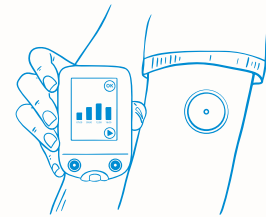
*Estimated diabetic patients in India, only ~50% market is accessible now*

- *Capacity expansion to feed the growing demand of BP and Gluco meters*
- *Increased market reach particularly in south region.*
- *Expanding sales team with better retail coverage*
- *Focus on export to US and other markets*

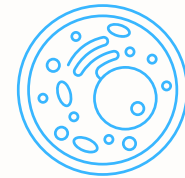
# 2

## Medical Devices

### New Initiatives:



**Continuous Glucose Monitoring (CGM)**



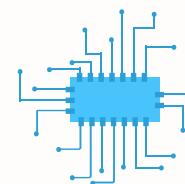
**Cell Culture Monoclonal Antibodies**



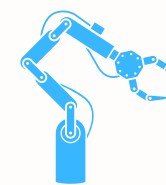
**Immuno Diagnostics**



**Mechanical Design**



**Electronics Design**



**Industrial Design**

# R&D

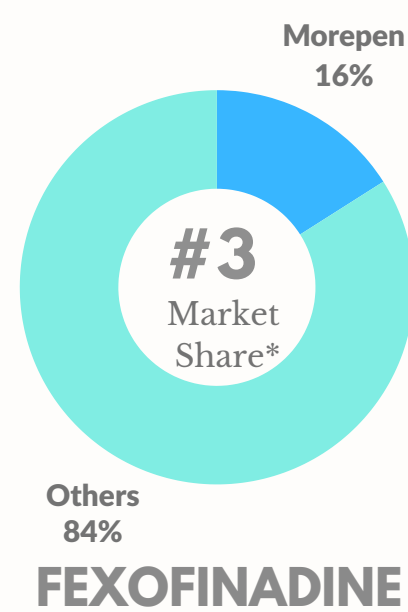
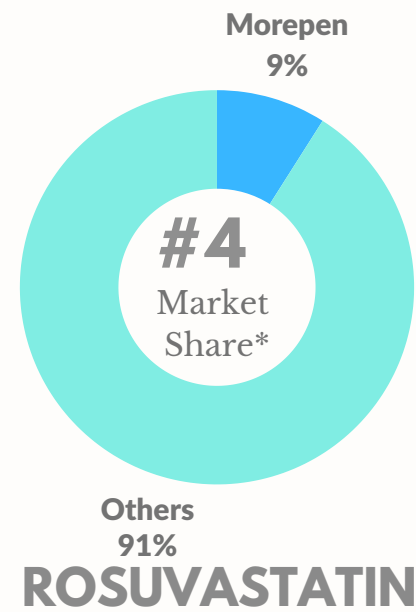
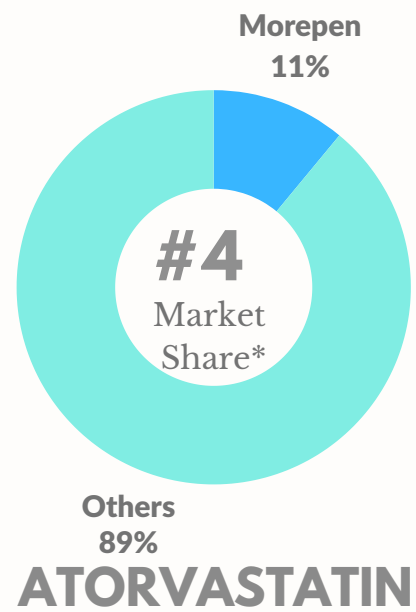
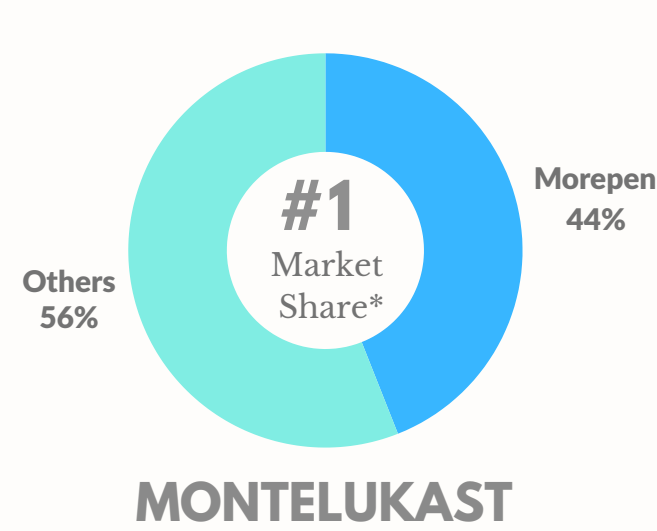
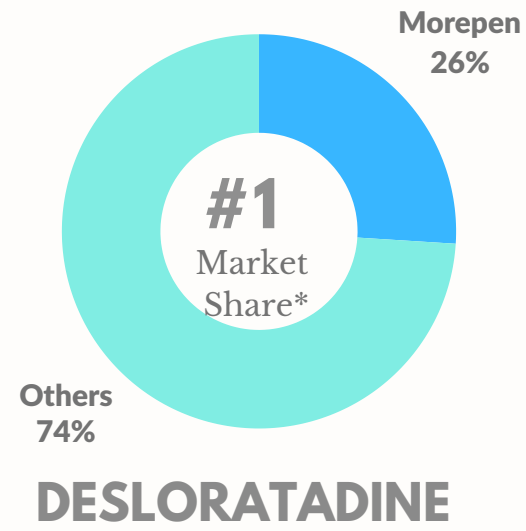
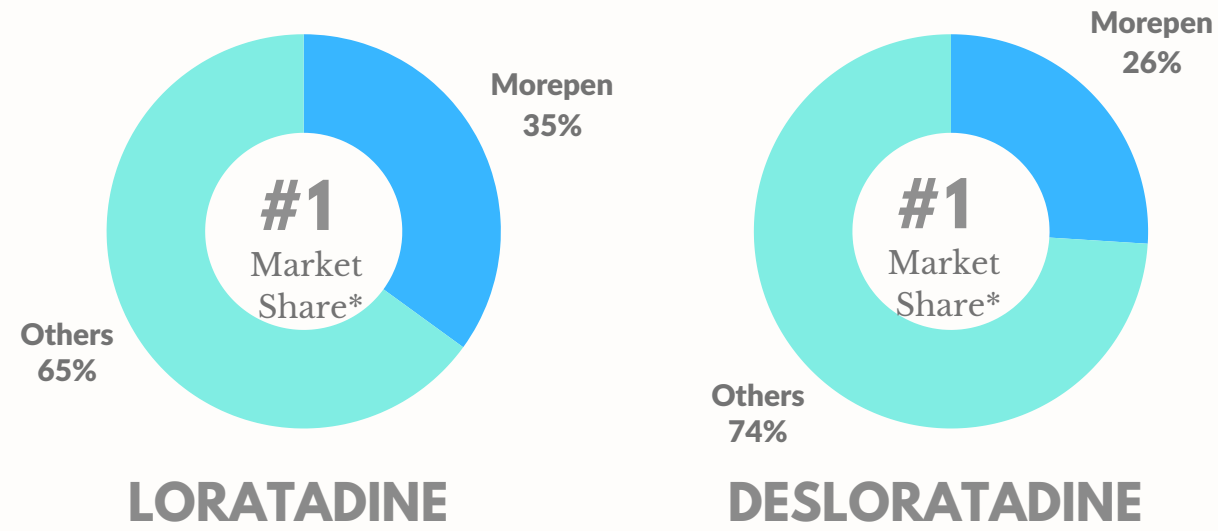
*Three R&D Labs at Delhi, Bangalore and Baddi (HP)*

- *Long term focus on developing Continuous Glucose Monitoring (CGM)*
- *Rapid tests for infectious diseases like Malaria and Dengue*
- *Pregnancy and ovulation related products*
- *Product design and aesthetics with in house 3D printers*

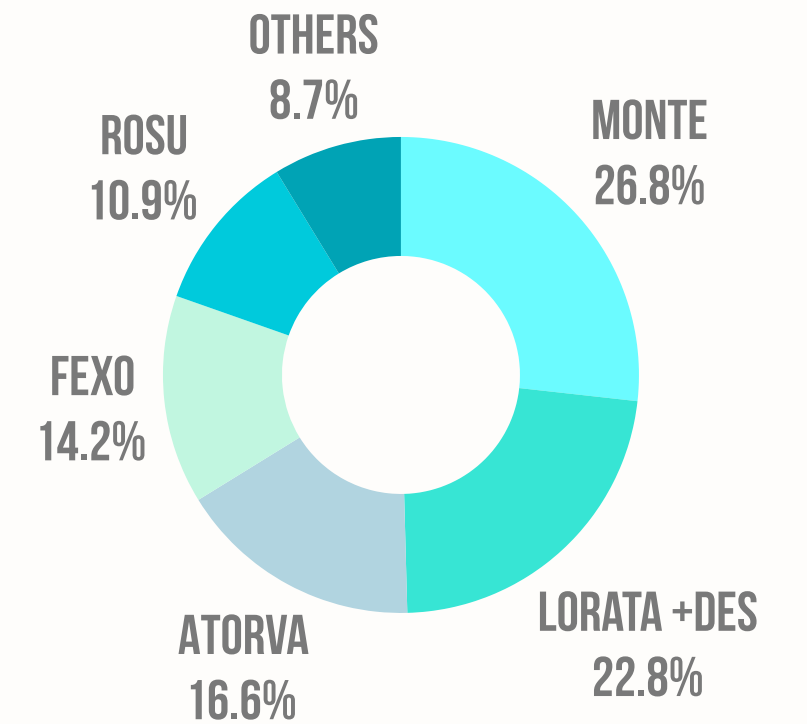
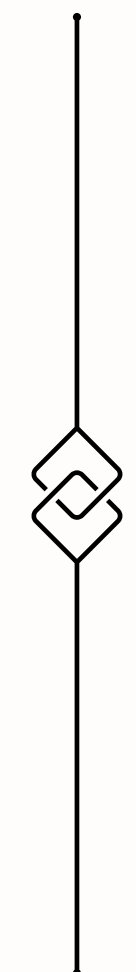
# 2

## API Business

### Category Leaders in Six Drugs:



Over **90%** of API revenue comes from top six high value lead products



API REVENUE SPLIT FY24

Other Lifestyle Product Categories : • Anti-Allergy • Anti-Diabetes • Cardiac • Anti-depressants

\*Source: Industry Report



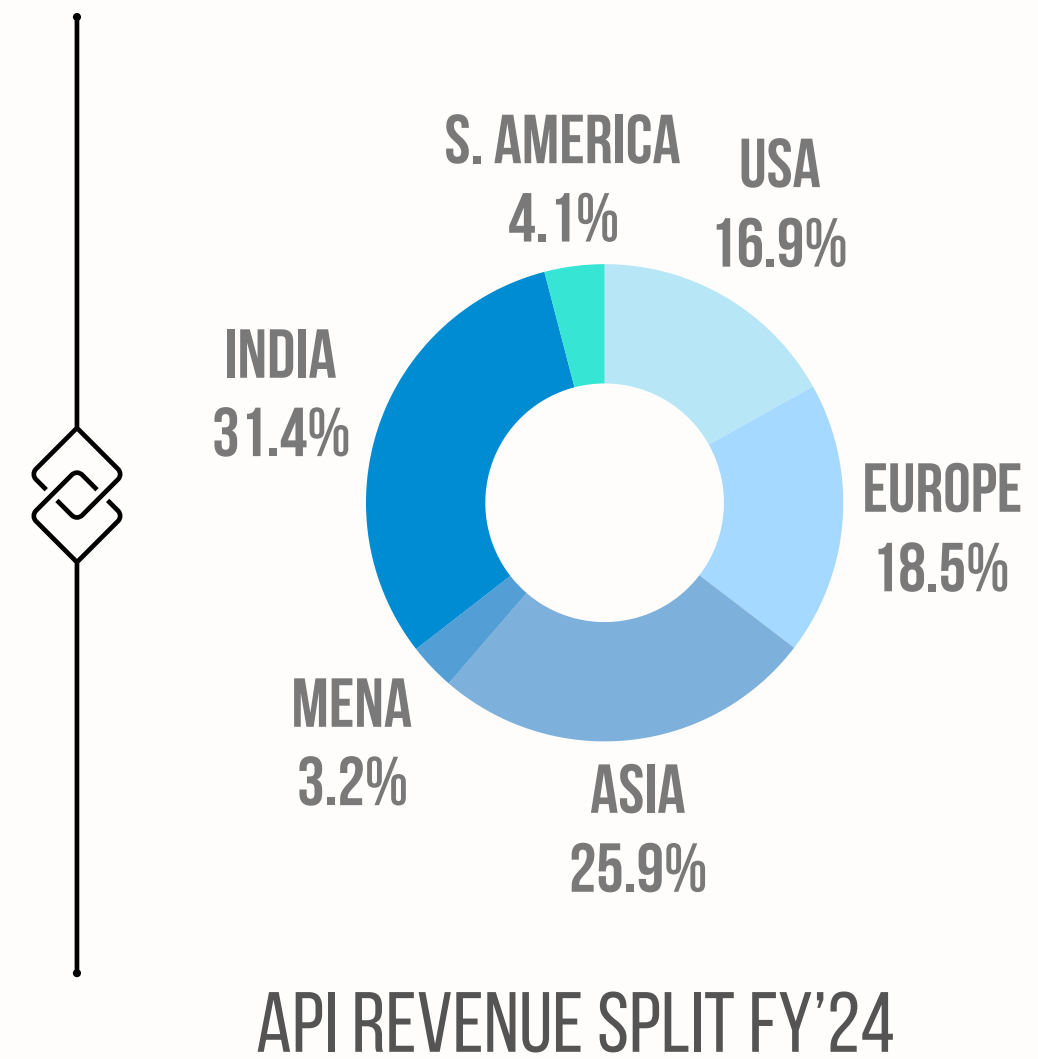
# 2

## API Business

Exporting to over 80 Countries:



Over **60%**  
Repeat customers with more than 10 years of long relationship



# 2

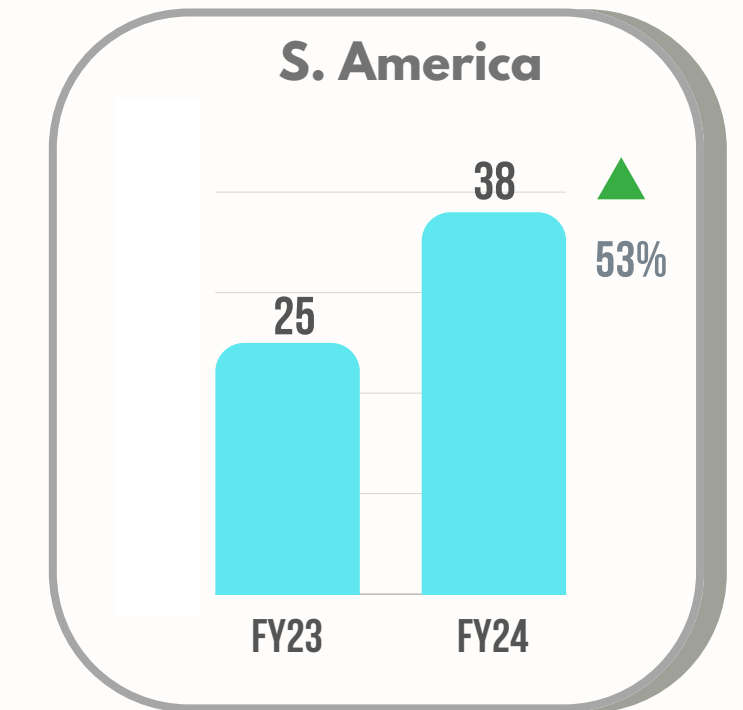
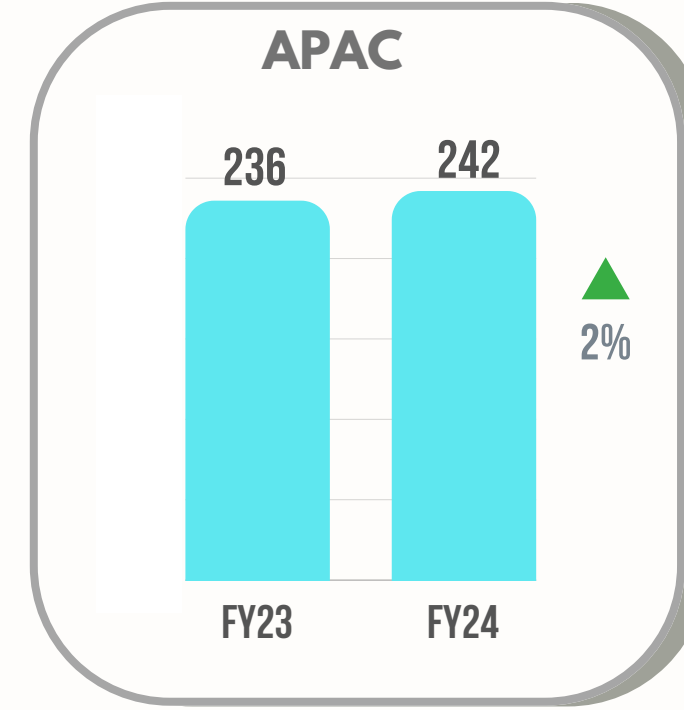
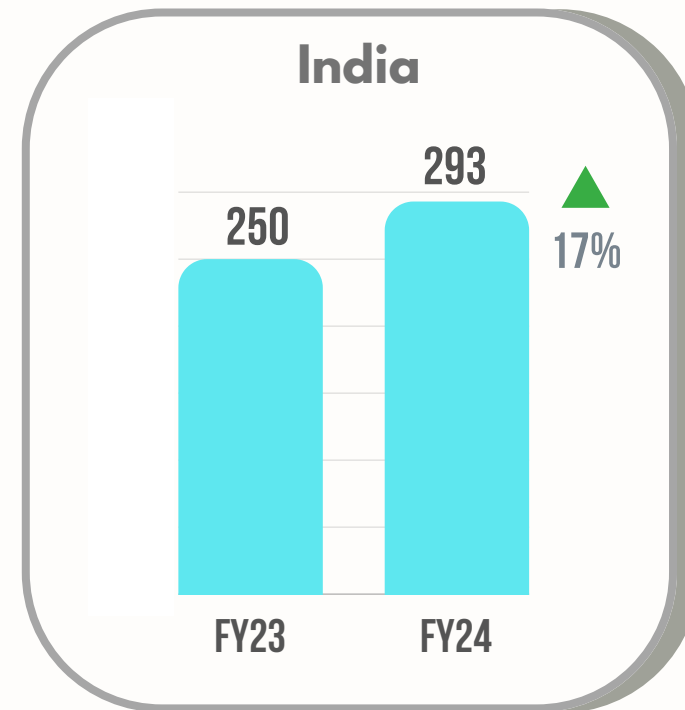
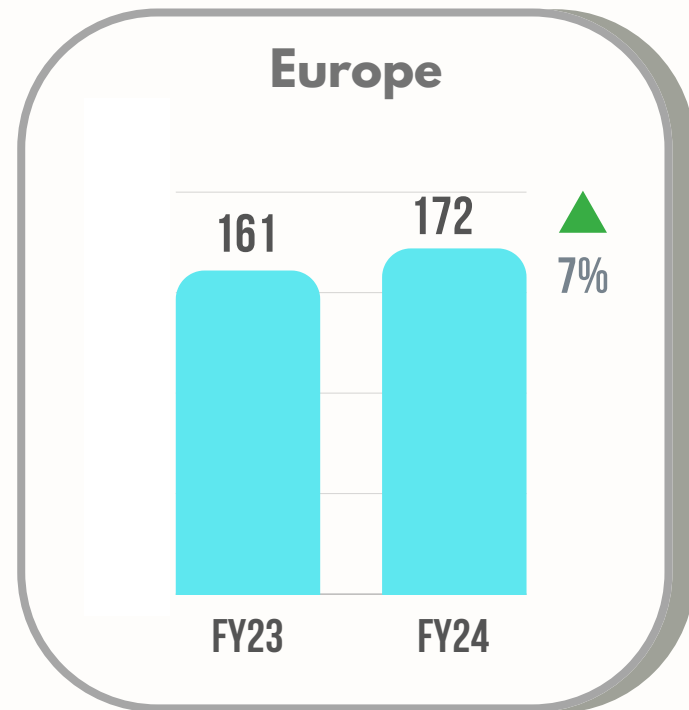
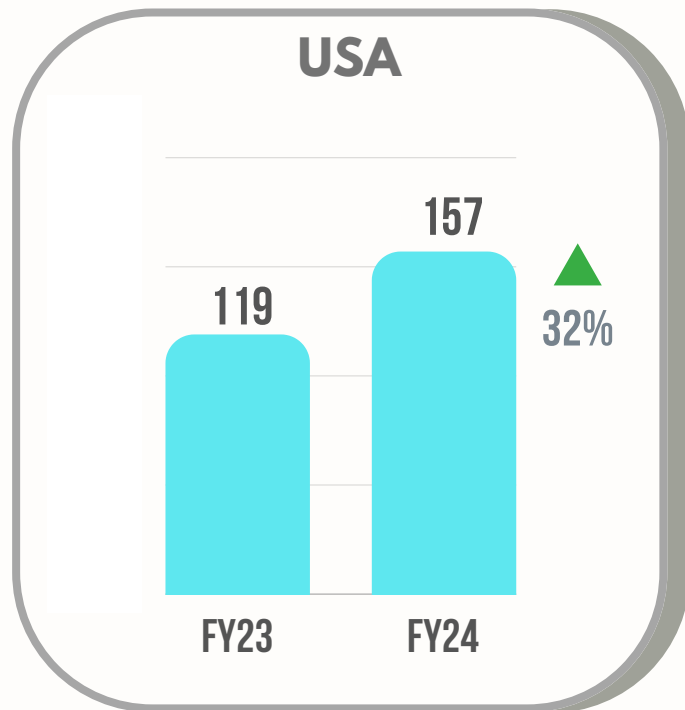
## API Business

# 32%

*Jump in Exports to US market  
which is highly regulated*

### Region Wise Growth:

*Rs. in Crores*



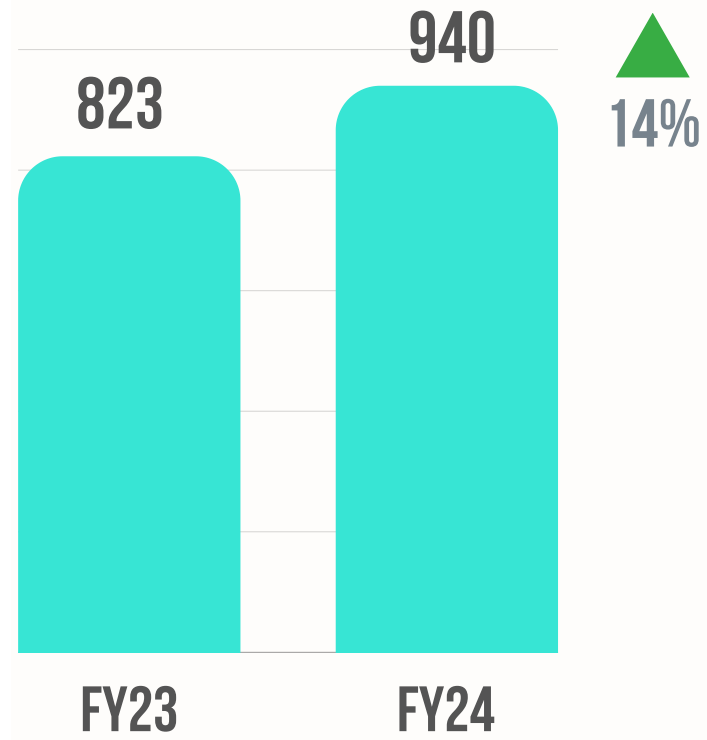
# 2

## API Business

### Operational Performance:

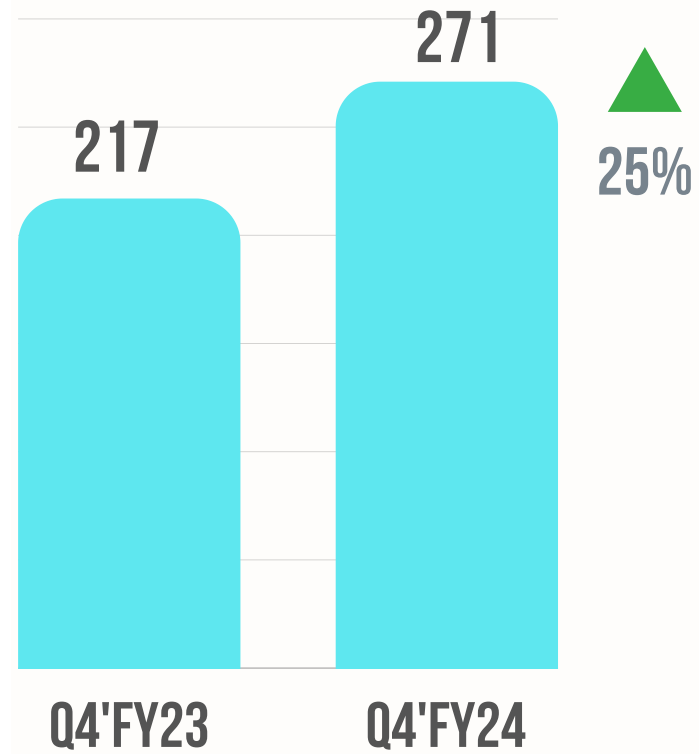
*Rs. in Crores*

#### Annual Revenue

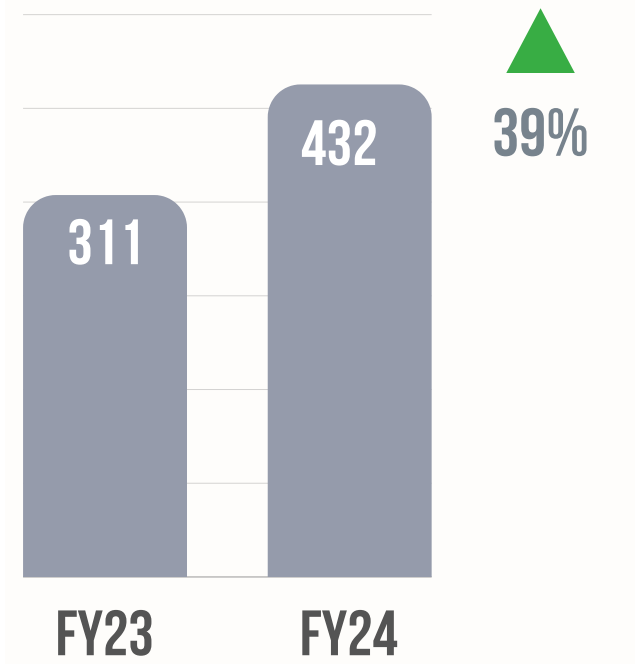


*Rs. in Crores*

#### Quarterly Revenue



*Qty in MT*



API QUANTITY SOLD (MT)

Over  
**300%**  
Increase in revenue of  
Fexofinadine with recent USFDA

# 2

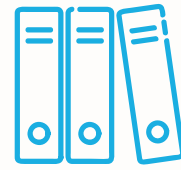
## API Business

### Intellectual Property:



**155 Patents Filed**

*55 Patents Granted*



**249 DMFs<sup>^</sup> Filed**

*Worldwide*



**26 US DMFs**

*CEPs in Europe*



**Chemistry Skills**

*New Polymorphs*



**Team of 339 people\***

*With well equipped Labs*



**43 new Molecules**

*Robust product pipeline*

# NIL

*'483' observation\* for last three  
USFDA inspections in 2 Plants*

- *Long track record of Product Quality and customer relationships.*
- *Strong team of 339 research scientists, analysts and QC/QA/RA\*\* associates*
- *Strict compliance as per Global standards.*
- *No material product recall or rejection from regulated markets. No import alert or warning from the regulators*



*<sup>^</sup>Drug Master Files*

*\*USFDA Observations given post inspections at the plant*

*\*\*R&D, Quality Control, Quality Assurance, Regulatory Affairs*

# 2 Formulation & OTC

## Brand Play and Distribution :



### Formulations

**Leading Brands**

*Saltum, Rhymix, Cefopen, Klarim, Intebact, Kompact, Acifix*



### OTC Products

*Burnol, Lemolate, Omega-3 Pain-X, Fever-X, Head-X*

Over 75 year of legacy of

# Burnol

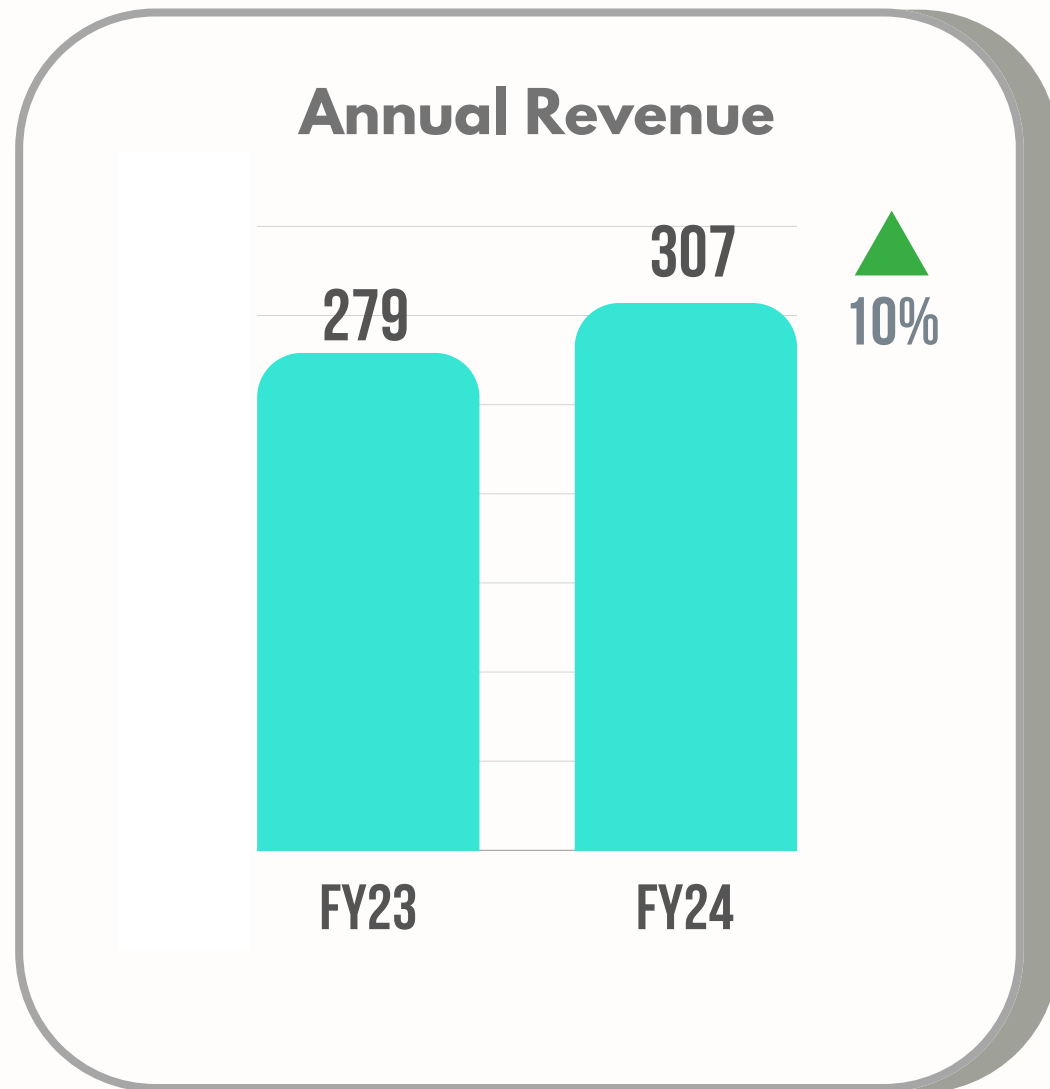
*A synonyms for Burns  
"Jalega to Burnol hi Chalega"*

- *All India distribution for OTC and twelve states for Formulation*
- *Separate dedicated teams reaching out to over ~35000 doctors.*
- *Dr. Morepen OTC products like Burnol are sold through trade and online channels*
- *Dr. Morepen has become a household name and has huge potetial to grow in the healthcare segment*

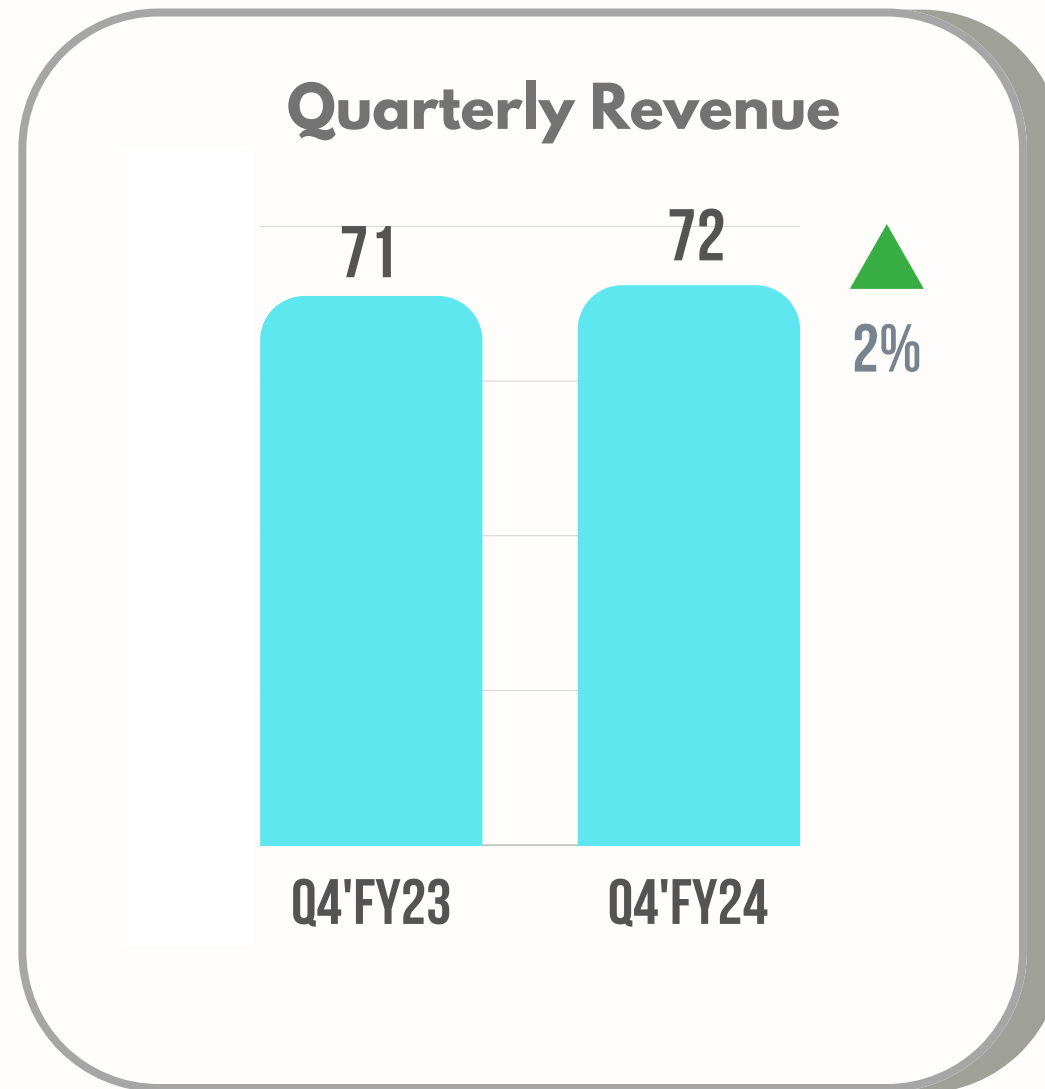
# 2 Formulation & OTC

## Operational Performance:

Rs. in Crores

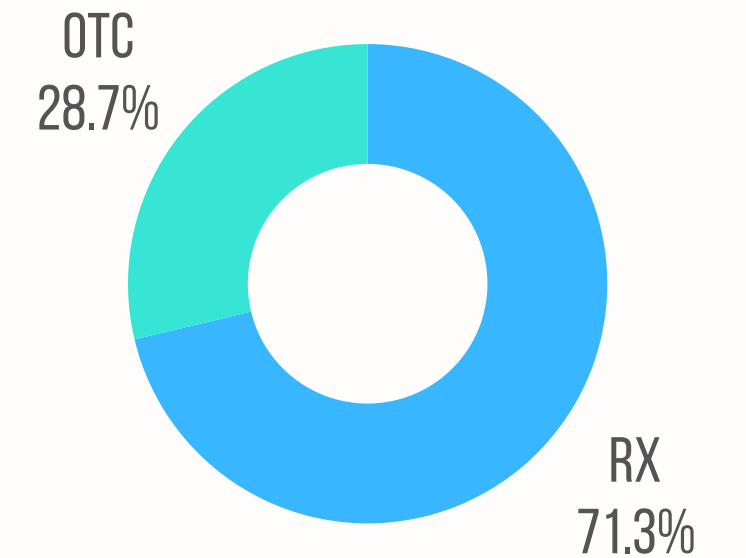
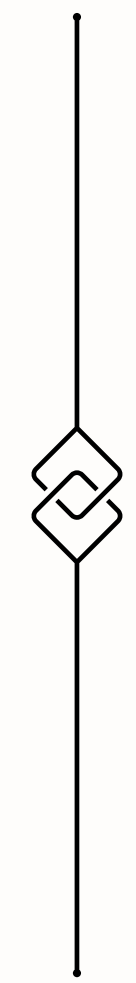


Rs. in Crores



# Focus

Is on increasing the reach by adding new teams at uncovered HQs



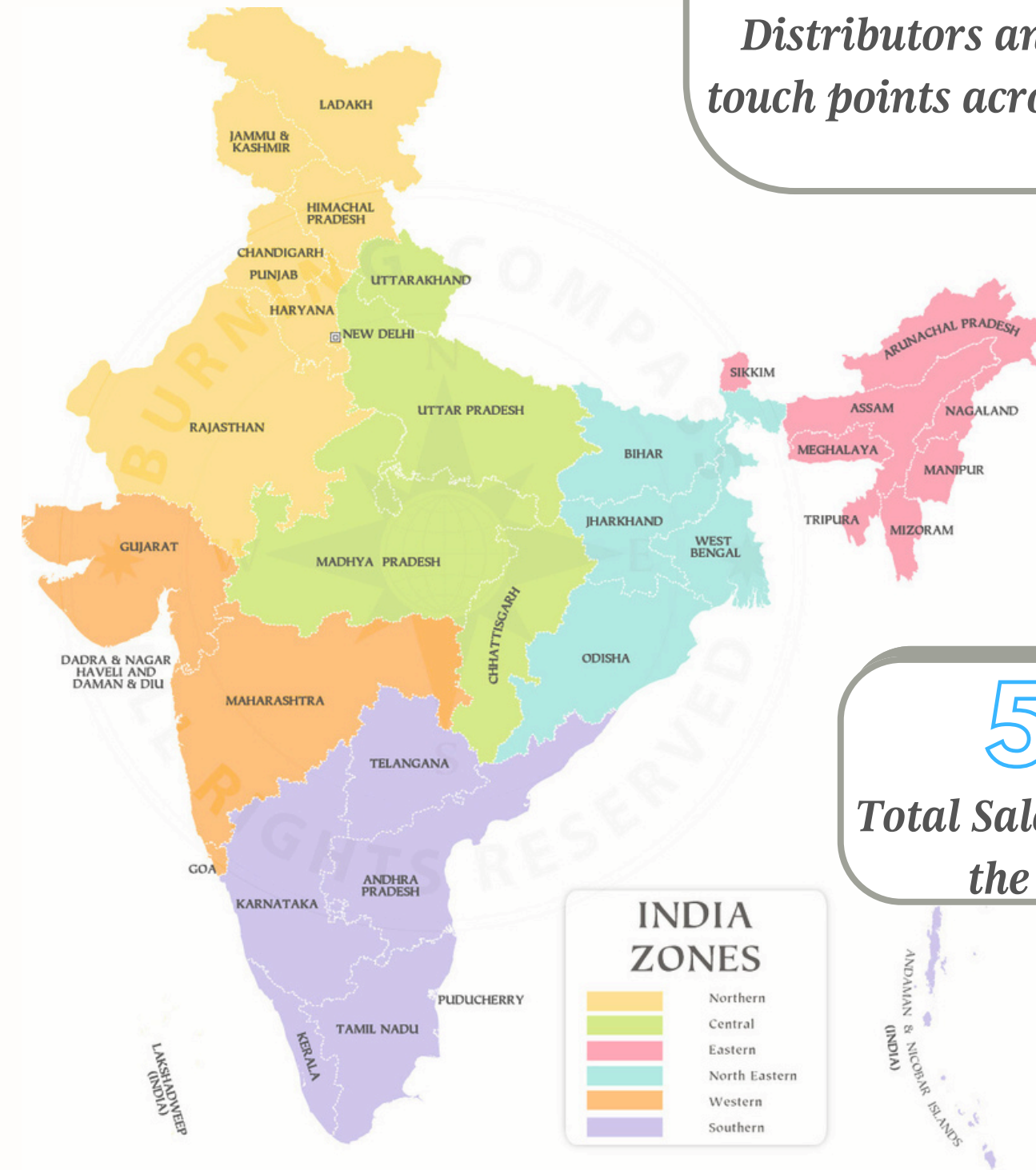
RX/OTC SPLIT FY24

# 2

## Distribution

**5100+**  
*Distributors and 3.28 lakhs retail touch points across product portfolio*

- *5,100+ distributors and 3.28 lakhs retail touch points in 28 states and 1 UT across product portfolio\**
- *Separate dedicated teams for Med. Devices, Rx and OTC businesses*
- *Total all sales team of 580 people\* (including managers) all India*
- *All India distribution of Generics through one super distributor*
- *Five company owned Service Centres in each zone, in addition to sales team.*



**580**  
*Total Sales force across the portfolio*

Note: Map not to scale



**INTEGRATED PHARMA COMPLEX  
AT BADDI (HP) INDIA**



# 2 Manufacturing Plants

## Facilities at par with International Standards:



Location :

📍 Baddi (1998)

📍 Masulkhana (1984)

📍 Parwanoo (1996)

📍 Parwanoo (2007)

Product Lines:

APIs, Med. Devices  
Formulations

APIs Products

Formulations

Formulations

Approvals:



# INDEX

3

**Financial Overview**



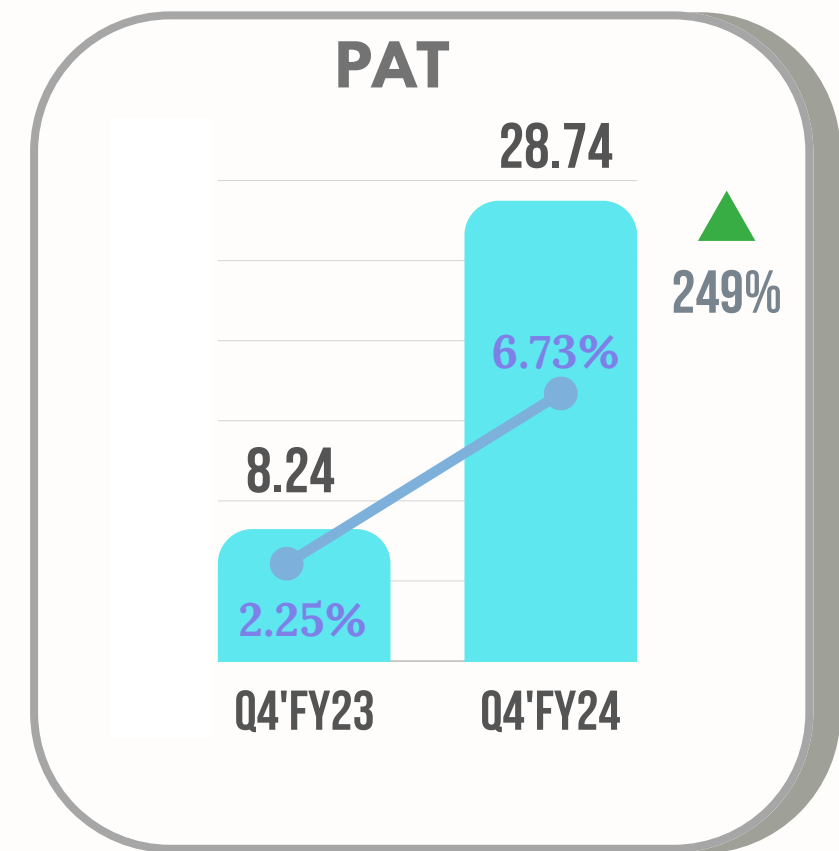
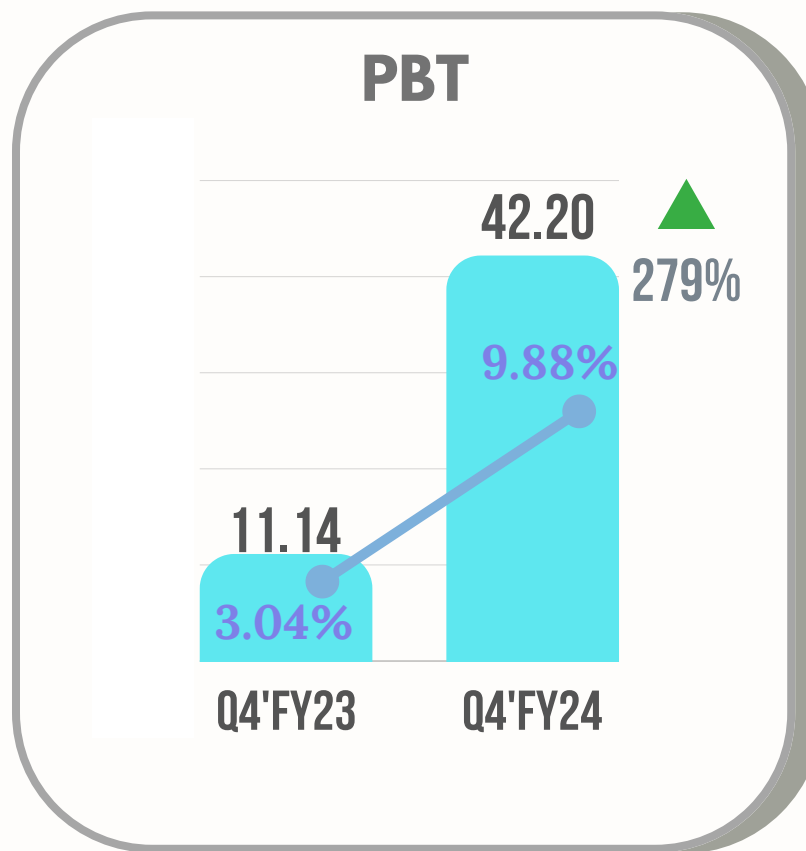
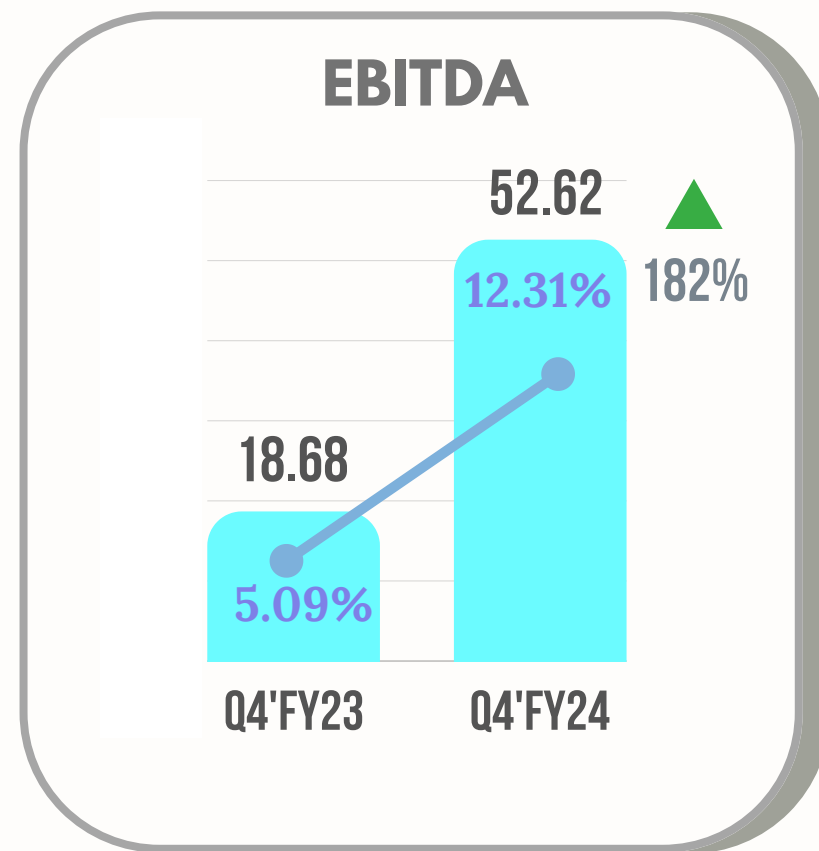
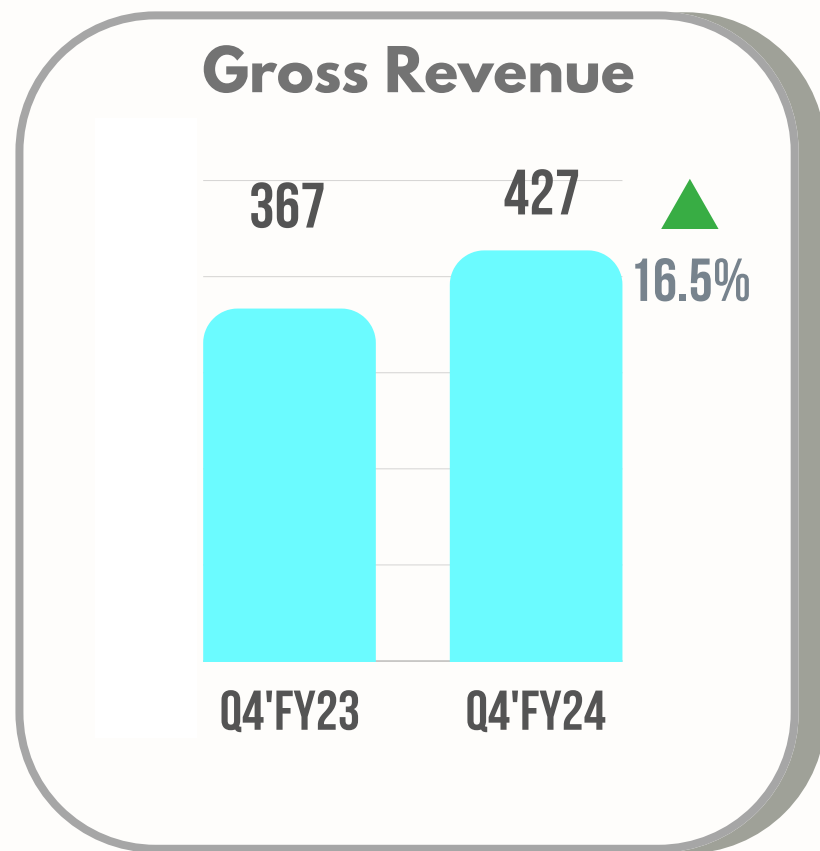
**Improved**  
**Revenue and EBITDA Margins**

# 3 Financial Overview

## Quarterly Performance:

**249%**  
*Increase in the Profit after Tax on the back of 182% increase in EBITDA*

*Rs. in Crores*

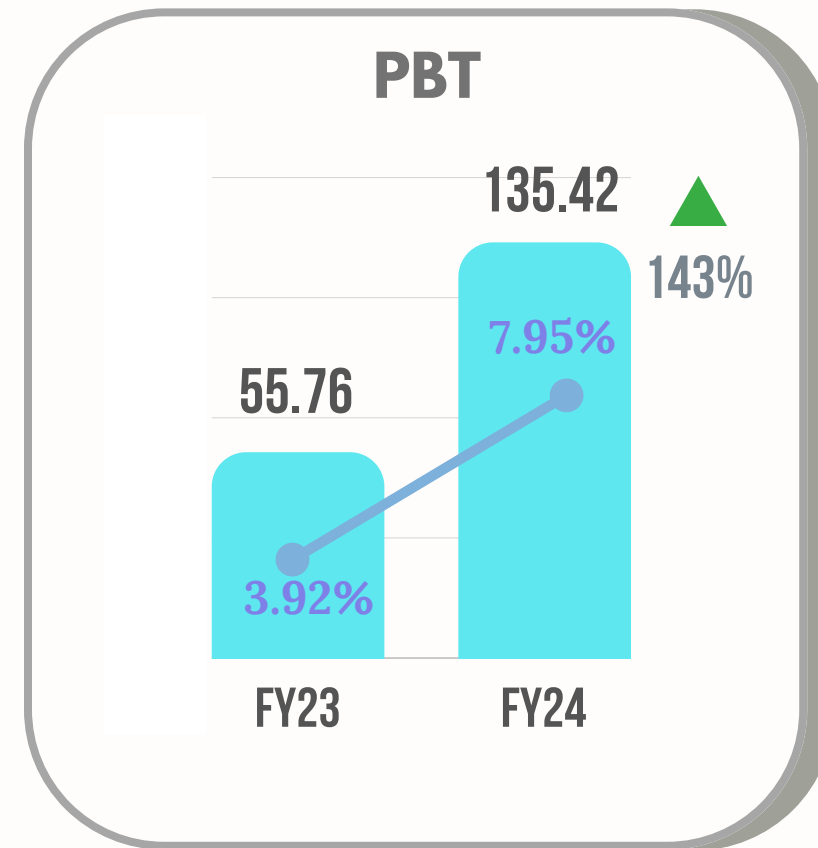
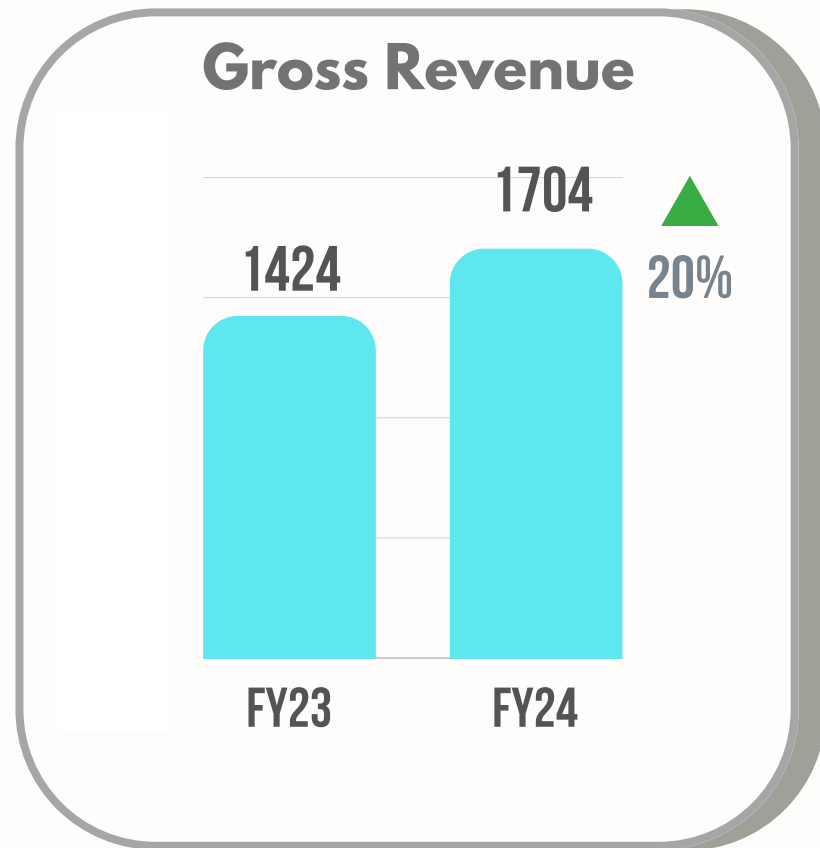


# 3 Financial Overview

## Financial Performance:

**Double**  
*101% increase in the EBITDA on the back of higher revenue and margins*

*Rs. in Crores*



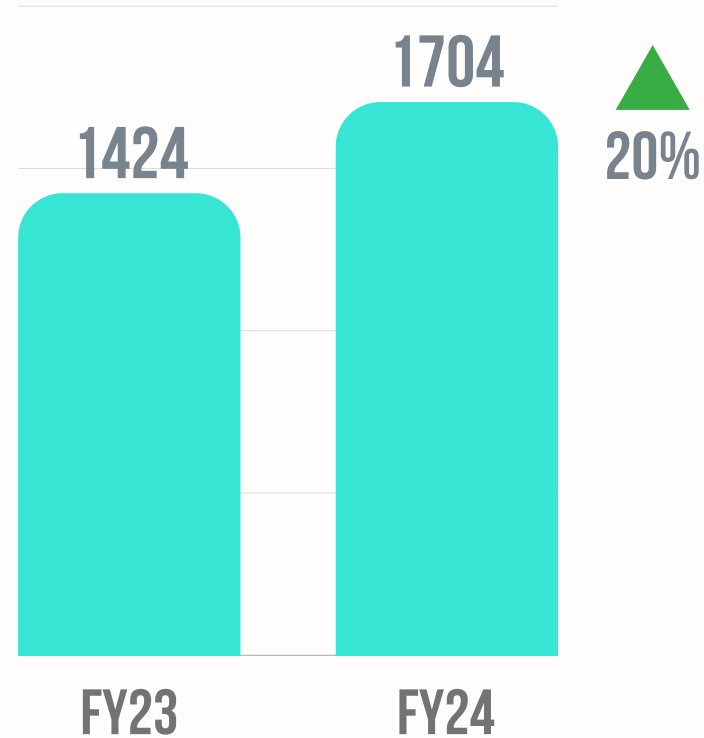
1

## Executive Summary

### Operational Performance:

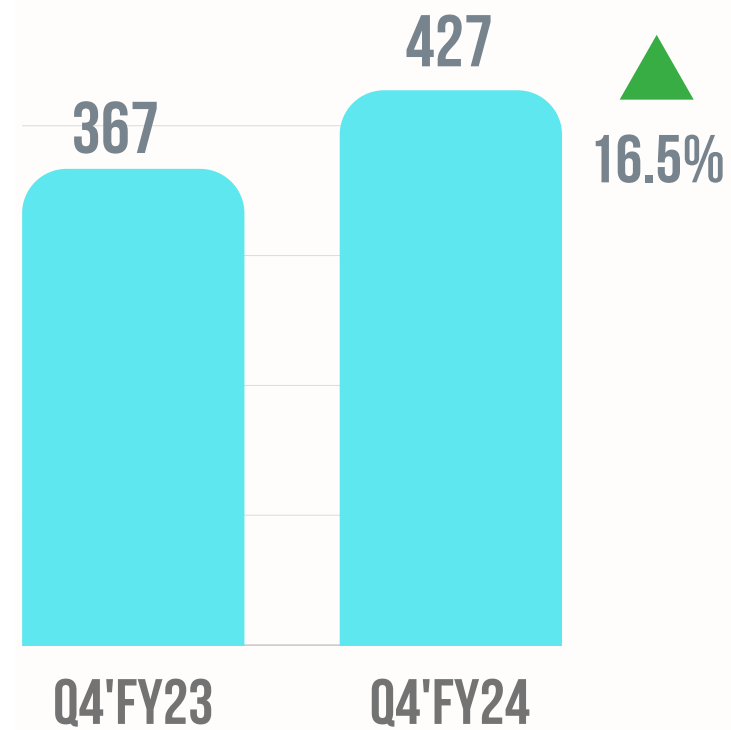
Rs. in Crores

#### Annual Revenue



Rs. in Crores

#### Quarterly Revenue



# 20%

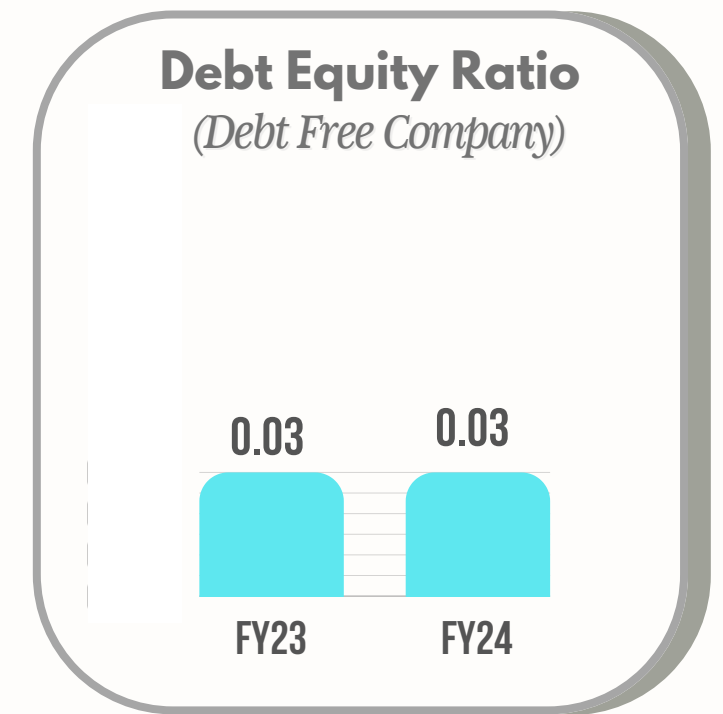
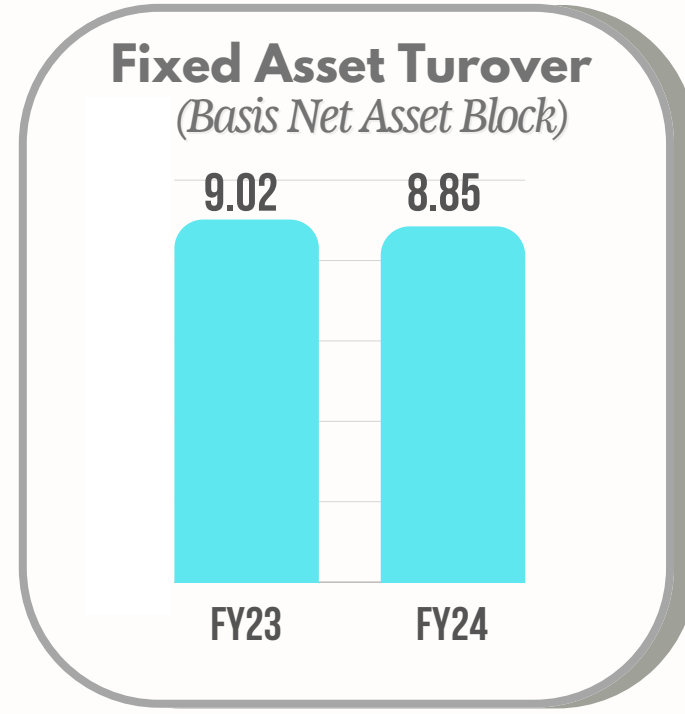
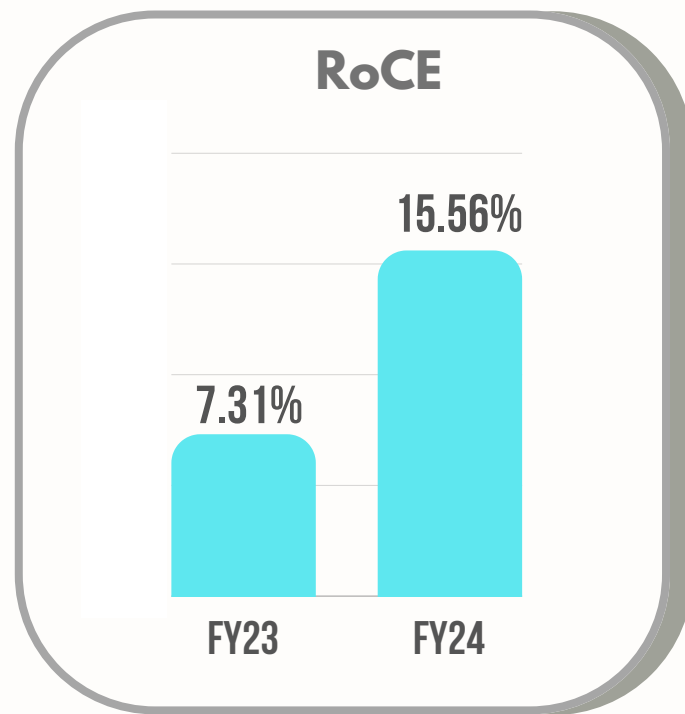
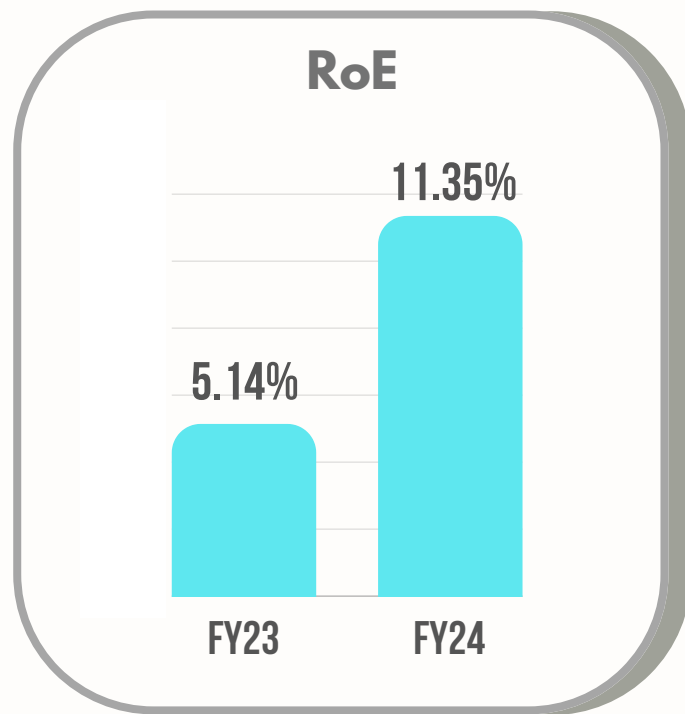
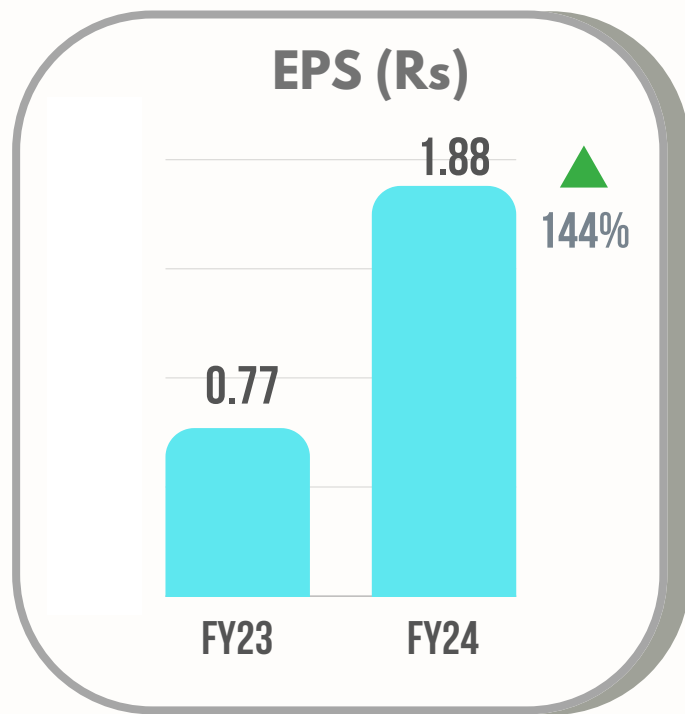
Revenue growth with remarkable rise in Devices business

- Markets have stabilized after post-covid inventory build-ups and fresh buying is happening
- Rollback is much faster in Devices segment which grew 35% this year.
- API Business grew by 14% despite substantial price pressure at the end products
- Import prices have softened and we continue to improve our margins

# 3 Financial Overview

## Financial Ratios:

**144%**  
*Increase in the Earning per share (EPS) on the expanded equity base*



# INDEX

**4** Expansion Playbook

**2X**  
Growth Plan



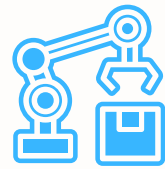
# 4 Expansion Playbook

## 2X Growth Plan

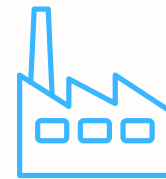
### Expand Reach

*with new products, market, customers with focus on sales force*

**Growth Engine:** *15-20% growth year on year with new products and markets*



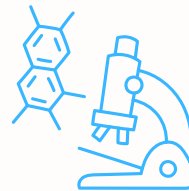
**Medical Devices**  
*Capacity expansion backward integration*



**API Business**  
*Capacity expansion and automation*



**Working Capital**  
*Augmenting working capital for growing businesses*



**Research & Devp.**  
*Expansion and new hi-tech equipments*

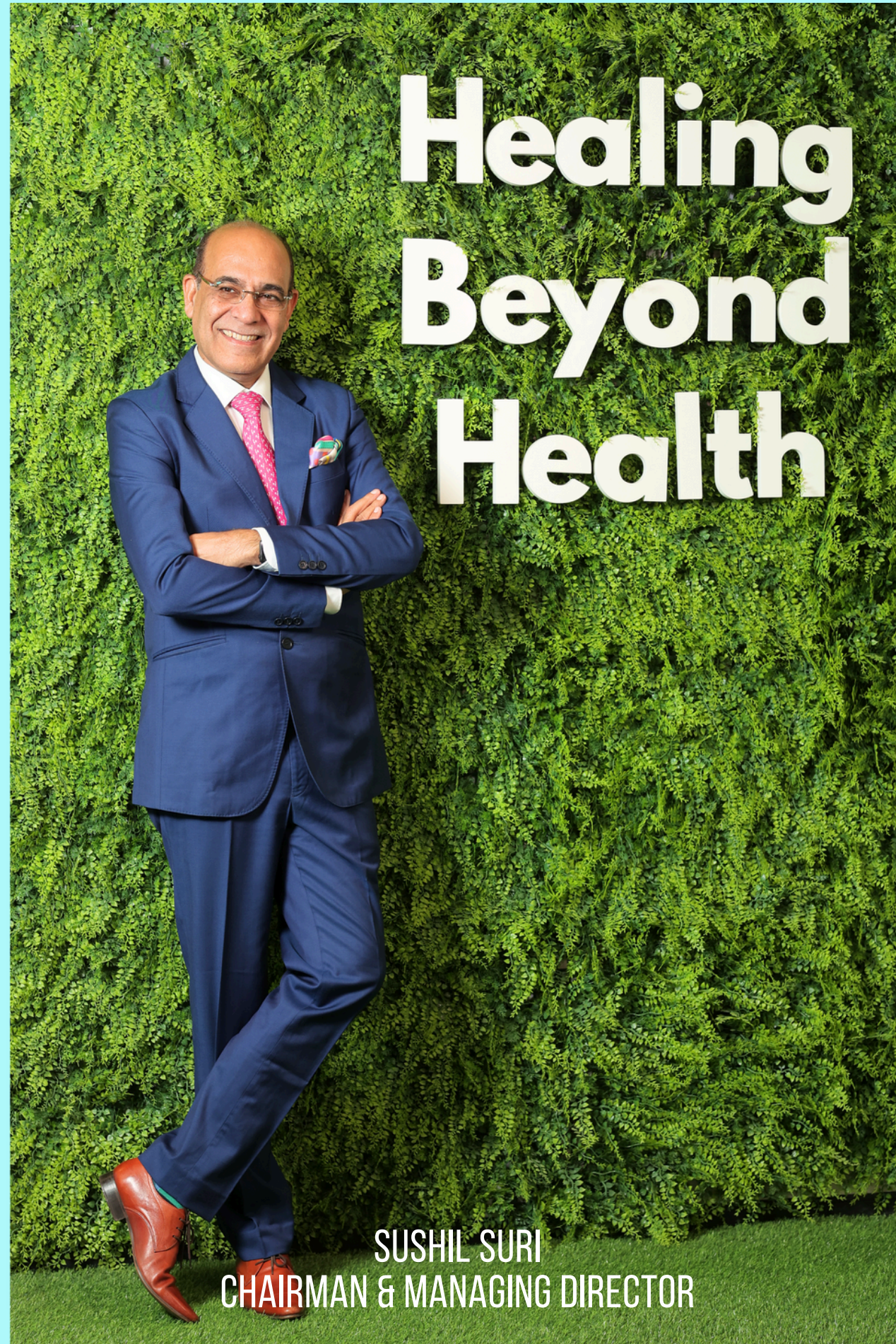
- *Expand capacities, size and scale for optimum cost structure*
- *Expand sales team with top talent and increase market reach and customer relationships*
- *Expand product basket with innovative cost effective offerings*
- *Focus on Category Leadership for Devices*



## INDEX

5

**Managment Team**





**VARUN SURI**  
CEO- CONSUMER CARE



**ANUBHAV SURI**  
CEO-MEDICAL DEVICES



**AMITA SHARMA**  
COO- API



**AJAY SHARMA**  
CFO



**SENIOR MANAGEMENT**



**FINANCE TEAM**



VIPUL SRIVASTAVA  
COMPANY SECRETARY



VIKAS SHARMA  
HEAD TALENT ACQUISITION



MANJU NATH  
CHIEF OF R&D (DEVICES)



PYUSH TANDON  
VP- SALES & MKTG (API)



VIVAN PRASHAR  
VP- PROJECT & ENGG.



ASHUTOSH SHARMA  
VP- SALES & MKTG (RX)



SUMIT BHATNAGAR  
VP-FINANCE & ACC



NISHANT DOSHI  
VP- CORP FINANCE & IR



NARESH SHARMA  
VP- OPERATIONS (API)



MK SHARMA  
QC/QA



GEETA SACHDEVA  
HR ADVISOR



REKHA BANSAL  
GM -FINANCE (DEVICES/DML)



DEEPAK TALWAR  
GM FINANCE-RX



CHARANJIT CHITKARA  
GM-QC



JPS BOONGA  
HEAD OF IT



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Fruitful  
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