

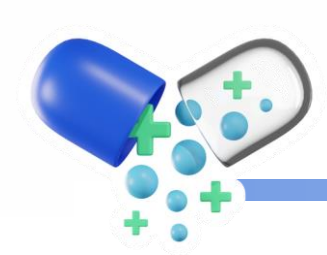


Quest
LABORATORIES LIMITED

Quest Laboratories LTD

H1 FY25 INVESTOR PRESENTATION



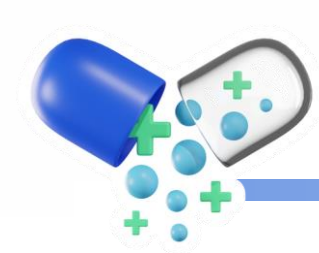


Founded in June 1998, Quest Laboratories Limited specializes in manufacturing a wide range of pharmaceutical formulations, including antibiotics, antimalarials, anti-inflammatories, respiratory medications, diabetes treatments and more.

Company also produces a wide range of ethical, generic, and over-the-counter (OTC) drugs in various forms, including tablets, liquids, oral powders, ORS, ointments and external liquids.

Quest offers facilities for institutional supplies, domestic ethical products, PCD, Contract manufacturing, and export, with a focus on a wide range of specialized formulations and molecules.





“Q2/H1 has demonstrated exceptional performance, building on a solid Q1 foundation.

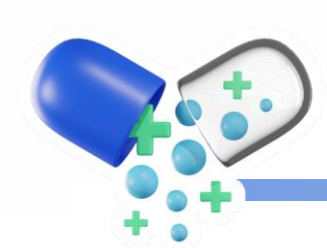
Our growth trajectory continued to accelerate, with a remarkable **29.13% increase in EBITDA** and a significant **26.74% YoY rise in PAT**. This success has been driven by a well-rounded demand surge across both public and private sectors in all our key markets, fuelled by anticipated export growth.

Looking ahead, we are poised for further expansion, with favourable raw material prices and an optimized product mix set to enhance profitability with more improved margins. With the **launch of new business verticals** and **ongoing projects geared towards exports**, we are confident in delivering even stronger results in the upcoming quarters.”



Mr. Anil Kumar Sabarwal

Promoter , Chairman & Managing Director



800+

Licensed Formulations

Collagen

Upcoming Vertical

200+

Team Size

H1FY25 (Cr.)

Revenue - 43.46

EBITDA - 12.20

PAT - 8.01



272+

Active Products

576+

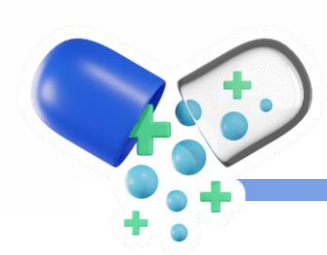
Awards Winning

100%

In House Quality
Control & Laboratory

25cr.+

Order Book from
Myanmar



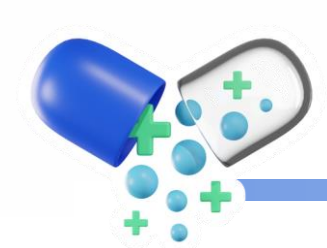
To manufacture a wide range of pharmaceutical products targeting domestic, institutional and exports markets for sustainable growth.

VISION



MISSION

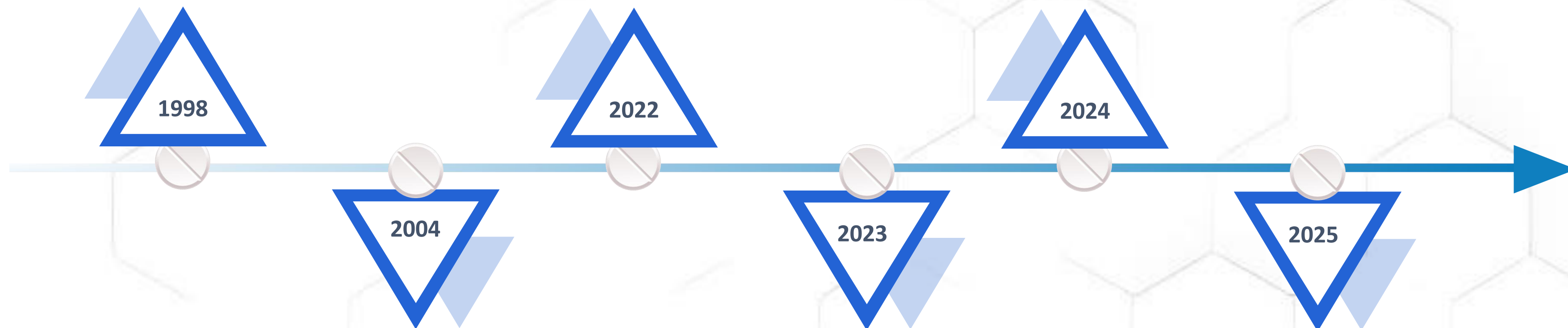
To establish and explore global market in pharmaceutical and key industries, delivering high-quality, affordable products while driving innovation and sustainability.



Good Manufacturing Practices Certificate & Good Laboratory Practices Services

ISO / IEC 17025 : 2017 for General Requirements for the Competence of Testing & Calibration Laboratories

Conversion of our Company from Private Limited to Public Limited Company

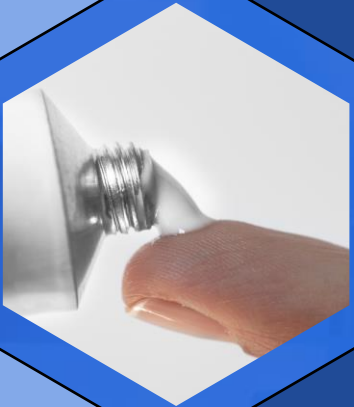


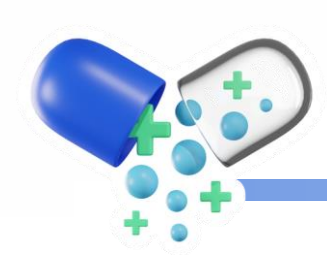
Incorporation of our Company as Private Limited

- ISO 9001 : 2015 in accordance with the requirements Quality Management System Standard
- Zed Bronze under MSME Sustainable (ZED) Certification

Upcoming with New Manufacturing Plants with 2 New Vertical Integration with entering into Global Market.

BUSINESS OVERVIEW

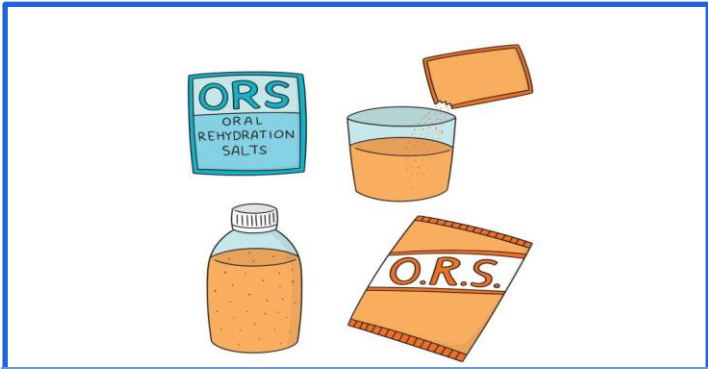




Product Verticals



Tablets



ORS Powder



Liquid Syrup



Dry Syrup



Ointment



External Liquids

Pioneering upcoming Verticals



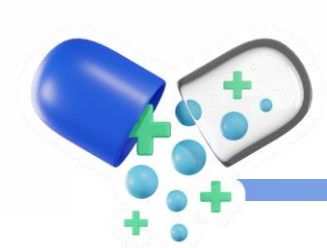
Capsules



Injectables



Collagen



Manufacturing operations depend on key raw materials, including APIs, starting materials, and intermediates for in-house API production.

Quest also source excipients, consumables, lab chemicals, and packaging materials from suppliers across various regions.

In the domestic market, company primarily source raw materials from Madhya Pradesh, Maharashtra, Himachal Pradesh, Telangana, Uttarakhand, and Gujarat

Impactful Business Verticals

- ✓ OTC Business
- ✓ Ethical
- ✓ Generic
- ✓ Antimalarials
- ✓ Diabetic Treatments
- ✓ Respiratory Medications
- ✓ PCD Business
- ✓ Antibiotics



1000 Kg +
Ointments
Producing per Day



30,000+ Syrup
Daily production
Capacity for Dry
Suspensions



25,000+
Suspension
Producing per
Day



2000 liters +
Daily Production
Capacity for External
preparations



9 Million +
Tablets Producing
per Day



1 Million +
Capsule Production
Capacity per Day



Manufacturing Plant

Location -

- Plot No. 45, Sector III, Pithampur Industrial Area, Pithampur, Dhar - 454775, Madhya Pradesh, India.

Total Area -

- 4,065 square meters.



Tablet Coating Process



Powder Mixing Process



Tablet Compressor Processing



Tube Filing Process



CAP Fitting Labeling Process



Suspension Filing



Mass Mixer Machine use for Powder Mixer



Blender Machine for Dry Granules Mixer



Blister Packaging Medicine



Liquid Filling Process



ORS Filing Process

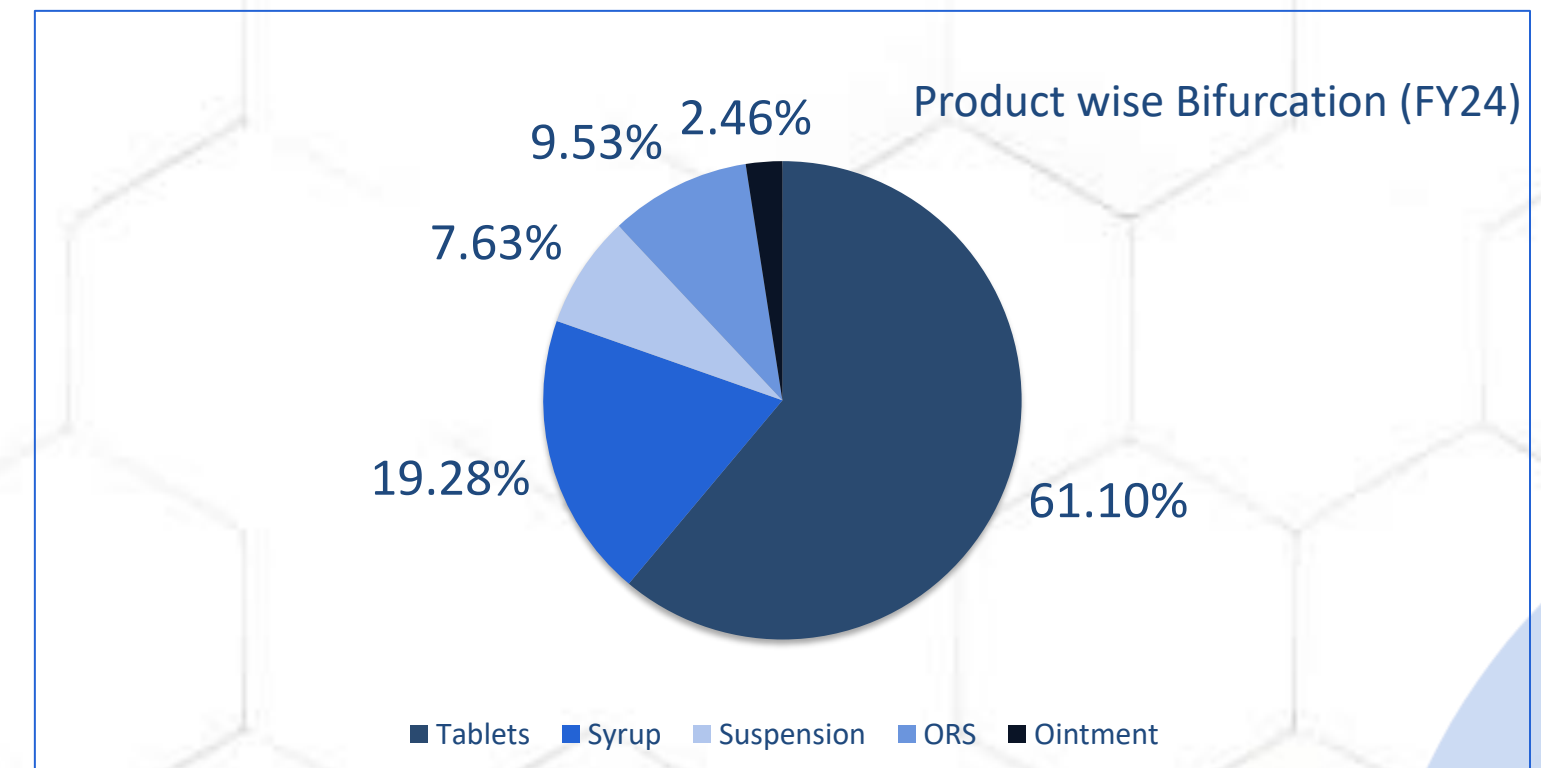


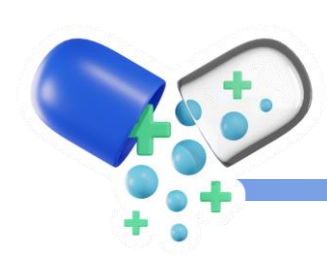
Capacity & Utilization

PRODUCT	FY23		FY24		Increase in %	
	Capacity	Utilized	Capacity	Utilized	Capacity	Utilized
Liquid Syrup (In Lakhs Liters)	60	42	60	53.09	0.00	26.40
Tablets (In Crores)	360	242	360	278.18	0.00	14.95
Dry Syrup (In Kgs.)	90,000	17,000	90,000	29,030	0.00	70.76
ORS Powder (In Tons)	2700	2150	2700	2280	0.00	6.05
External Liquid (In Lakh Liters)	12	4.19	12	2.99	0.00	(28.64)
Ointment (In Tons)	432	212	432	284.79	0.00	34.33

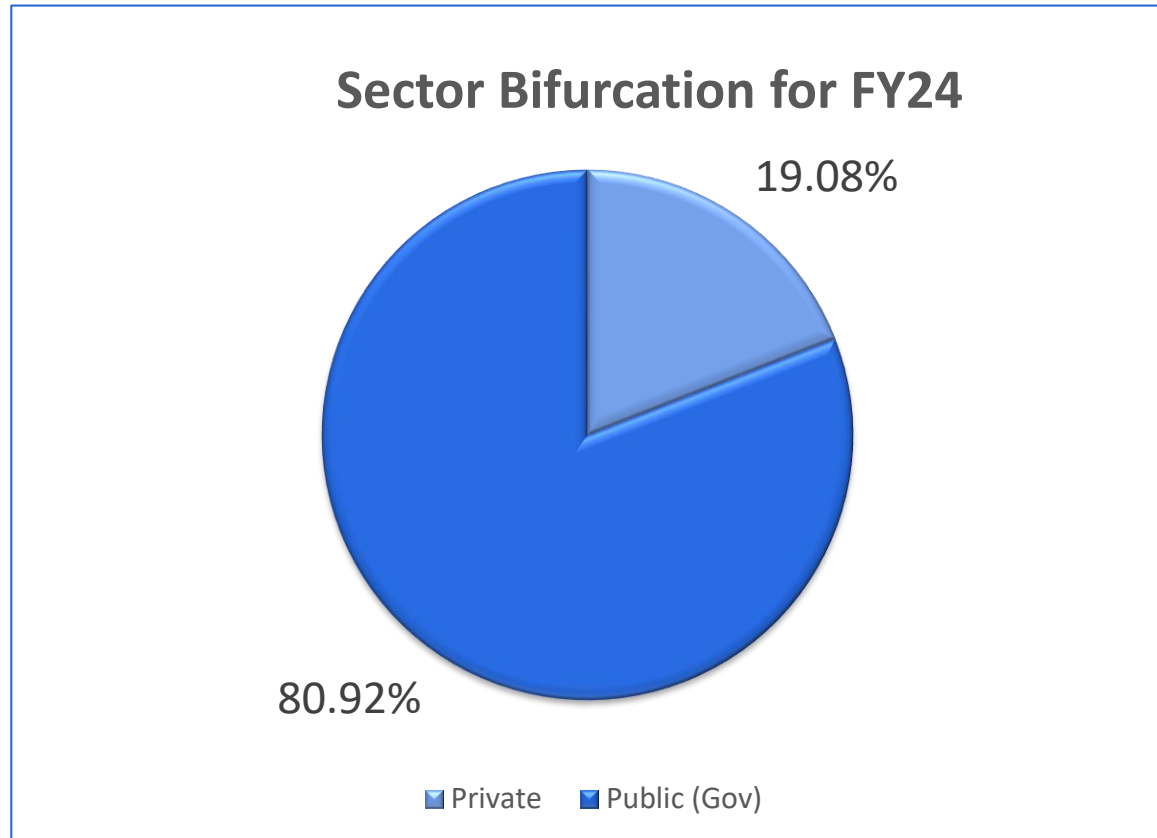
Product Wise Revenue (FY24)

Product	Units (In Mns)	Amount (In Cr.)
Tablets	975	50.4
Syrup	14.5	15.91
Suspension	54	2.03
ORS	38	7.87
Ointment	2	6.30





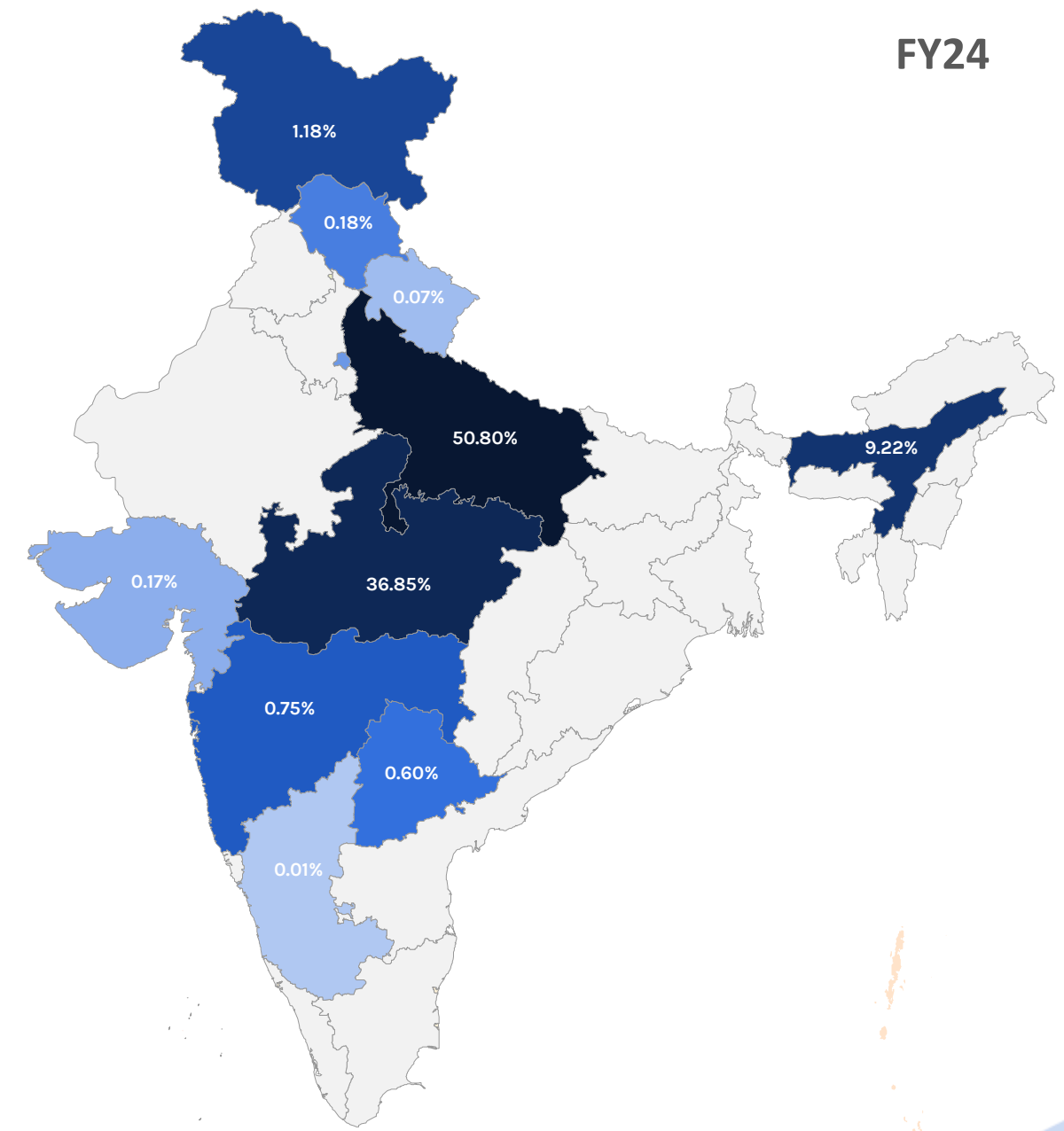
Revenue Bifurcation



	Amount (In Crs.)
Private Enterprises	15.75
Public Institutions	66.81
Total	82.56

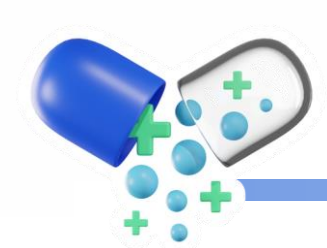
Transitioning focus from the public Indian market to the private market segment.

Geographical Bifurcation

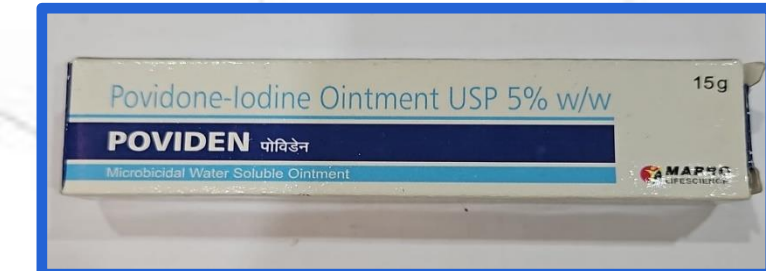
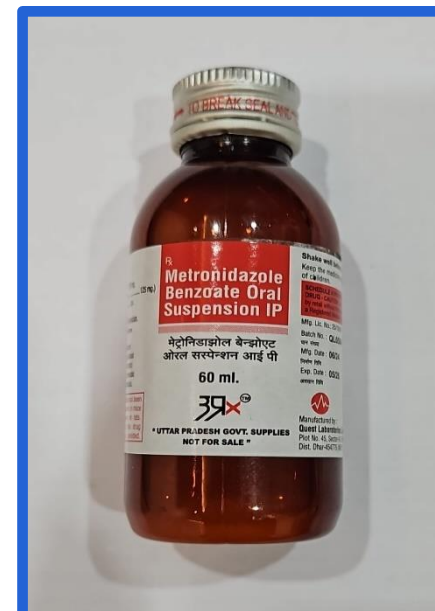
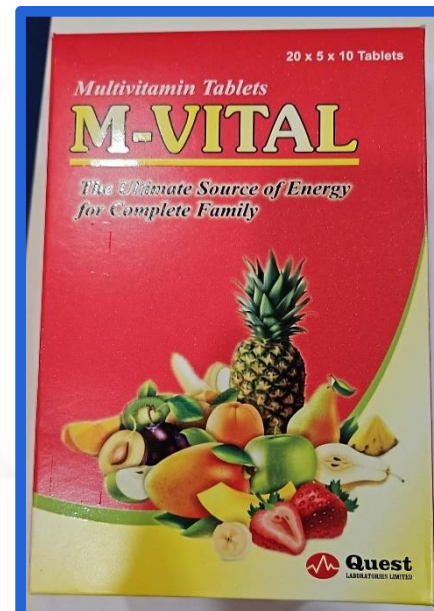
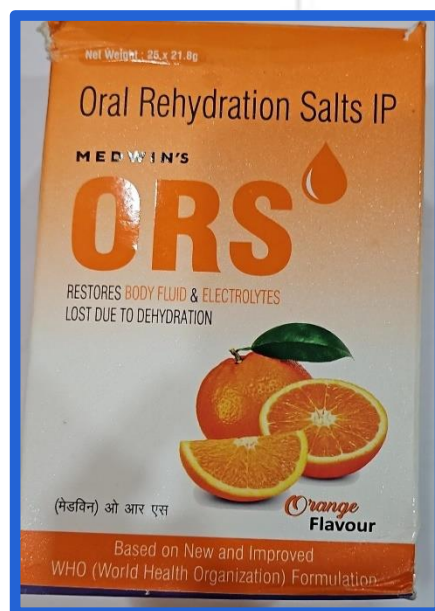
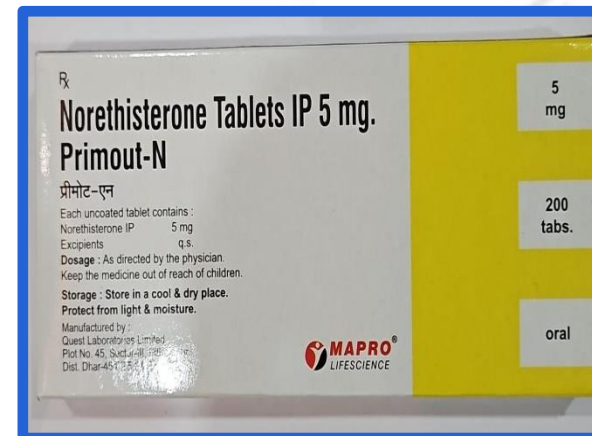
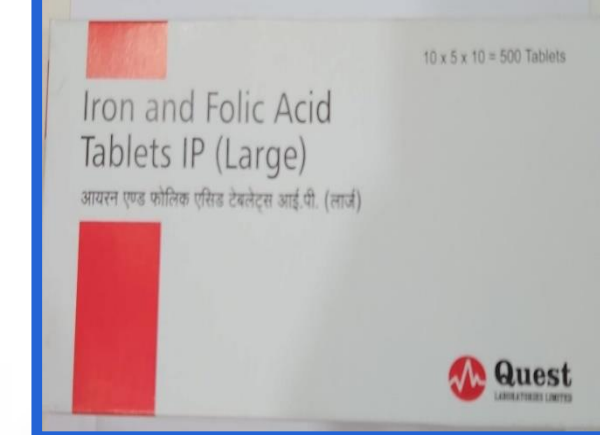
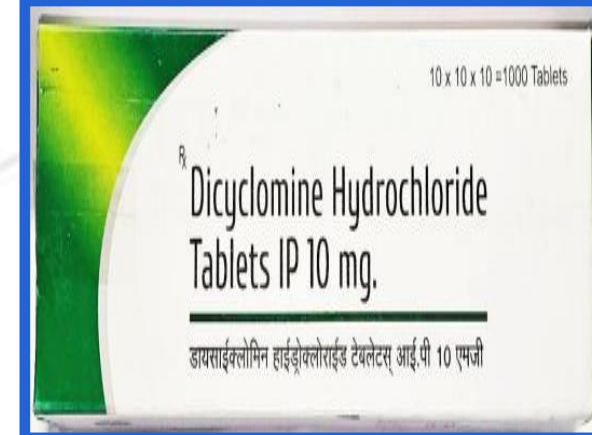
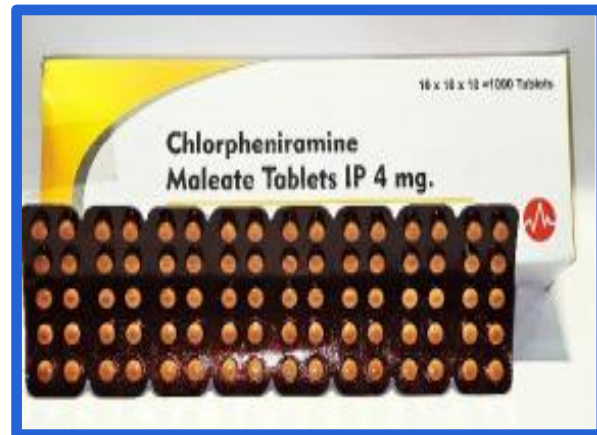


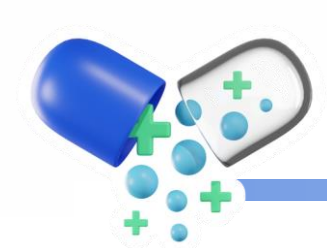
Strategically expanding into global markets with product registrations underway in North and South Asia, including Cambodia, Angola, Kenya, India, and surrounding regions with a strong market demand.





Key Products & Deliverables





Versatile Product Capability

- Holds approvals for over **800 formulations**.
- Manufactures **250-300 formulations** annually based on market demand.
- Operates a fully integrated infrastructure for development, pilot plants, and validation, enabling quick creation of efficient, cost-effective processes

Dynamic Product Range

- Diverse portfolio of generics, branded pharmaceuticals, OTC products, and specialized medications.
- Expanding into **two new segments: capsules and injectables**, further diversifying its portfolio.

Growth via Government Partnerships

- Participates in government tenders and partners with key state and central institutions
- Secures **bulk orders**, guaranteed volumes, and favorable pricing through **high-volume** transactions

Relentless Innovation & R&D

- A strong R&D department with well-equipped laboratories.
- Support physical, metallurgical, microbiological, chemical, and pharmacological testing.

Agile Supply Chain

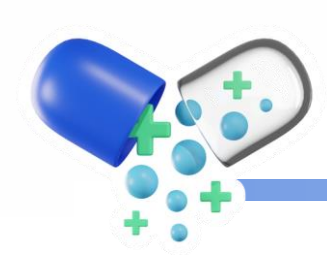
- Company's efficient supply chain reduces lead times
- Minimizes inventory costs and enhances responsiveness reflecting better operating margins.

Commitment to ESG

- Ensures zero emissions from production, minimizes its environmental footprint.
- Actively participates in carbon credit initiatives, promoting eco-friendly practices.

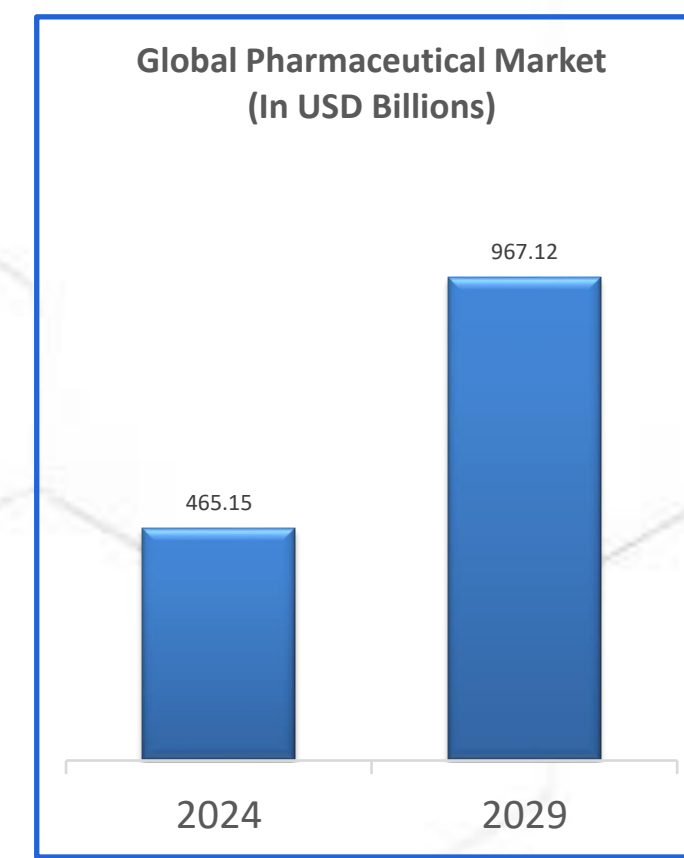
INDUSTRY OVERVIEW





India's pharmaceutical market is projected to reach US\$ 65 billion by 2024, US\$ 130 billion by 2030 a **CAGR of 12.25%**, and US\$ 450 billion by 2047.

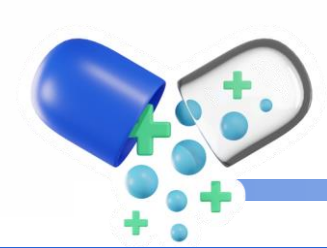
- Ranked third globally in production by volume, has grown at a **CAGR of 9.43%** over the past nine years
- India's pharmaceutical industry is the third largest globally by volume and the 14th largest by value.
- The Indian pharmaceutical sector meets over 50% of global vaccine demand, **40% of the US's** generic drug needs, and **25% of the UK's** medicine requirements.
- Indian pharmaceutical companies supply over **80% of the world's** antiretroviral drugs used in the fight against AIDS.



The Global Pharmaceutical Manufacturing Market is projected to grow from USD 465.16 billion in 2024 to USD 967.12 billion by 2029, at a **CAGR of 15.76%**.

Fueling Drivers for Pharma Solutions

- Global Population Growth and Aging Trends.
- Rising Chronic Diseases, Sedentary Lifestyle and Poor Diet.
- Boost in Disposable Income.
- Increasing Life Expectancy & Demand for Age-Related Solutions
- Chronic Diseases from Lifestyle Factors.



Global Demand drives Domestic Pharma Growth

- ▶ Pharmaceutical sector is a key driver of foreign investment, ranking among India's top 10 sectors.
- ▶ India exports pharmaceuticals to over **200 countries**, including highly regulated markets like the USA and Japan.
- ▶ India exported **45 tones** and **400 million** hydroxychloroquine tablets to **114 countries** worldwide.
- ▶ India's pharmaceutical exports reached **US\$ 27.9 billion in FY24**, with **US\$ 7.2 billion in Q1 FY25**.

- ▶ India's pharmaceutical exports grew **9.7% y-o-y** to reach **US\$ 27.82 billion in FY24**, reflecting strong global demand
- ▶ India's pharmaceutical exports totaled US\$ 2.13 billion in January 2024, representing **5.8%** of total exports.
- ▶ India supplies **20%** of global generic drug exports, positioning it as the world's largest supplier.

OTC Business

USD 6.73 billion in 2024 to USD 8.76 billion by 2029, at a CAGR of **5.39%** [Link](#)

Ethical

USD 4.98 Billion in 2024 to USD 9.35 Billion by 2031 at a CAGR of **8.20%**. [Link](#)

Generic

USD 413.60 Billion in 2024 to USD 508.79 Billion by 2029 at CAGR of **4.23%**. [Link](#)

Antimalarials

USD 30.15 Million 2024 and anticipated to reach USD 38.82 Million by 2030, CAGR **4.26%** during this period. [Link](#)



Diabetic Treatments

USD 1.7 Billion in 2024 to USD 2.01 Billion by 2029, at CAGR of **3.5%**. [Link](#)

Respiratory Medications

USD 0.87 Billion in 2024 to 1.23 Billion by 2029, at CAGR of **7.12%**. [Link](#)

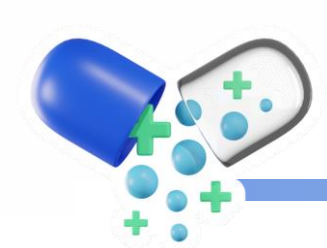
PCD Business

USD 130.37 Billion in 2024 to USD 194.77 Billion by 2029, at CAGR of **8.36%**.(Global) [Link](#)

Antibiotics

USD 53.43 Billion in 2024 to USD 65.22 Billion, CAGR of **4.07%**. (Global) [Link](#)





Increasing Investment

- India permits **100%** FDI in Greenfield pharma and up to **74%** in Brownfield, with higher stakes needing government approval.
- FDI in India's pharma sector totalled **US\$ 22.52 billion** (3.4% of total FDI) from April 2000 to March 2024
- The Interim Budget 2024-25 allocates **Rs. 1,000 crore** (US\$ 120 million) for bulk drug parks, a notable increase from the previous year.

Policy Support

- **Rs. 500 crore** scheme "Strengthening of Pharmaceutical Industry" supports pharma clusters and MSMEs to improve productivity, quality, and sustainability.
- Government plans to expand Pradhan Mantri Bhartiya Jan Aushadhi Kendras to **10,500** by March 2025, offering 1,451 drugs and 240 surgical instruments.
- PLI scheme, with Rs. **15,000 crore** outlay, aims to boost India's pharma manufacturing and investment.



Cost Efficiency

- India's pharma sector benefits from low manufacturing costs (**30%-35% lower** than the US/Europe), cost-efficient R&D (**87% less** than in developed markets), and affordable skilled labor.
- India, the "**Pharmacy of the World**," is renowned for its affordable, high-quality medicines.

Government Initiatives Boosting Pharmaceutical

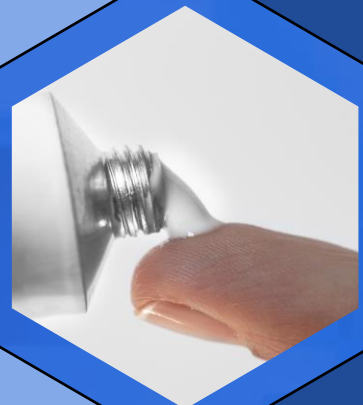
- Pharmaceuticals Technology Upgradation Assistance Scheme (PTUAS)
- Production Linked Incentive Schemes (PMBJP)
- Pharma Export Promotion Scheme
- Generic Pharmaceutical Development (GPD) Program
- National Biopharma Mission (NBM)
- Pradhan Mantri Bhartiya Janaushadhi Pari-yojana (PMBJP)

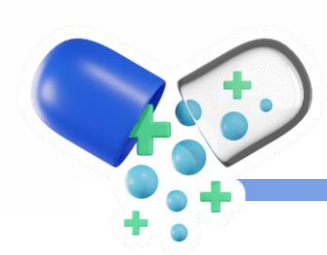
Strength in Generic Drug Production

- India supplies over **40% of global generic** drugs, making it a key player in affordable healthcare
- The country holds a **40% market share of generics in the U.S.**, driving pharmaceutical exports..



MANAGEMENT OVERVIEW





Mr. Anil Kumar Sabarwal

Promoter , Chairman & Managing Director

Holds a Secondary School Examination Certificate from Kendriya Vidyalaya Sri-ganga Nagar, Cantt Raj School, in the year 1985. He has over 25 years of experience over Quest.



Mrs. Tejaswini Sabarwal
Promoter & Whole Time Director

Completed her Bachelor of Pharmacy from Swami Vivekanand College of Pharmacy, Indore in 2017. She has an experience of around 5 years in Quest.



Vinayak Sabarwal
Whole Time Director

Having an experience of more than 3 years in Pharma. Has completed his Graduation (BAJMC) from Devi Ahilya University Indore in 2021.



Umendra Suthar
Whole Time Director

Experience of more than 22 years in production of Pharma. He has completed his Bachelor in Science from Devi Ahilya University Indore in 1991.



Ramkrishna Sharma
CFO

Having Experience of more than 12 years and completed his Master's in Business Administration.



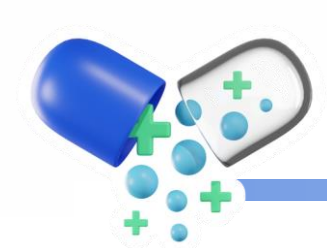
Surabhi Gupta
CS

Having experience more than 10 years in Compliance and Corporate related Management. She has completed her CS Professional in 2016 and LLB in 2021 from Oriental University, Indore.



WAY FORWARD





Unit Expansion & Upgradation

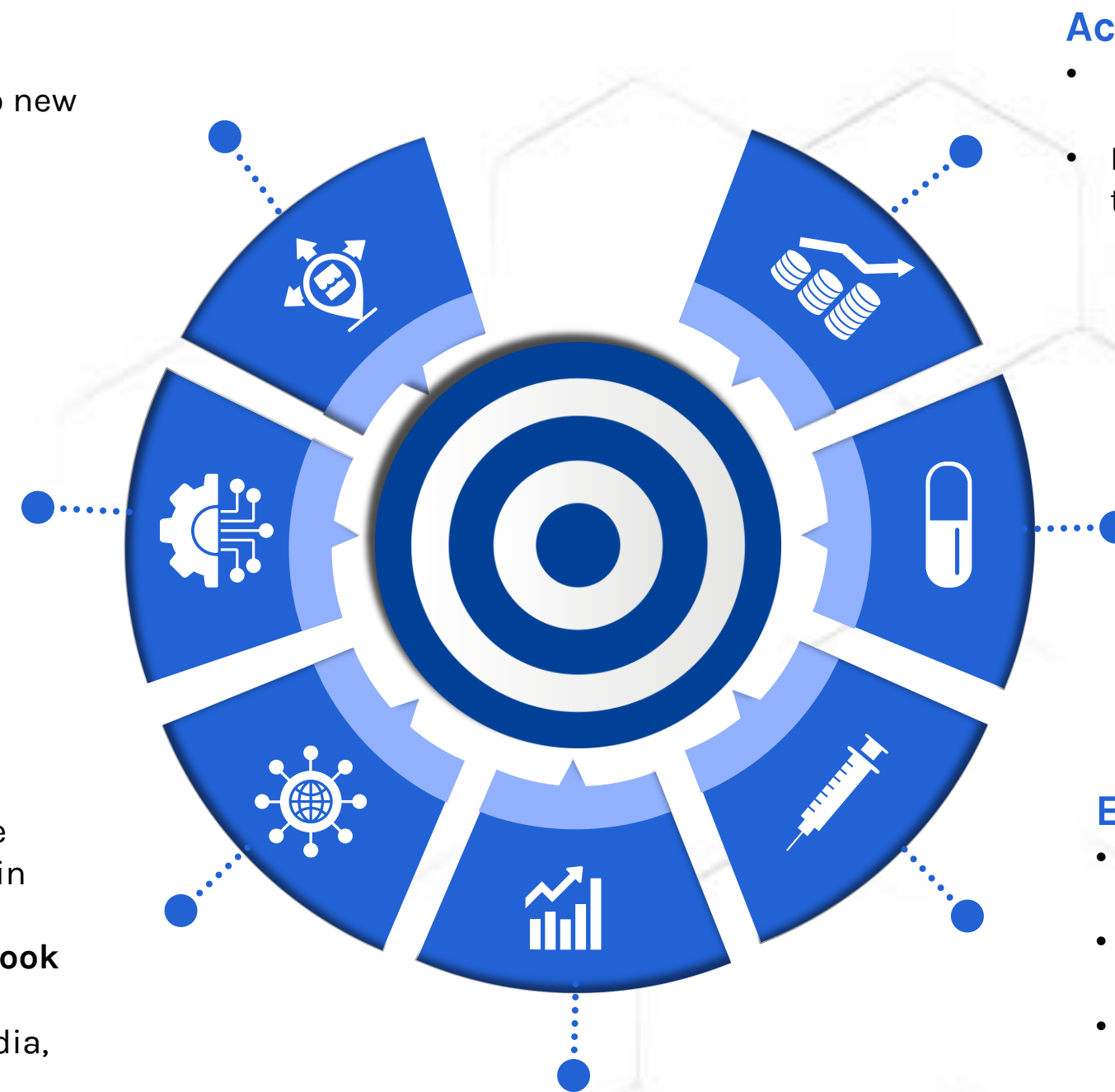
- Plans to expand manufacturing capacity with two new Advanced Manufacturing Plants.

Enhancing Efficiency through Technology and R&D

- The in-house team enhances formulation quality and develops advanced dosage forms.
- 2% of revenue** will fund R&D next year, operating from a **250 sq. ft.** facility with **8+ experts**.

Broadening Global Reach

- 20+** cardiovascular and anti-diabetic products are expected to be registered by April for distribution in Myanmar and neighboring markets.
- Company has already **secured a ₹25 crore order book** from Myanmar.
- Order engagements have been initiated in Cambodia, Angola, Kenya, Idriya, and surrounding regions.



Accelerating Revenue Growth

- Revenue is projected to grow at a robust **30-35% CAGR** for next three years.
- Exports are expected to contribute additionally **10-15%** this year, scaling to **50%** in 1-2 years.

Diversifying Product Horizons : Capsules & Collagen

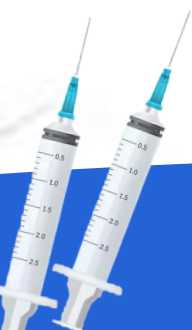
- Capsule section with a production capacity of **10 lakh capsules per day** will be operational by the end of 2024.
- Projected to contribute **₹10-15 crore** annually, equating to ₹1 crore in monthly revenue.
- The collagen segment is slated for launch by April 1, 2025, with potential for an earlier rollout.

Expanding Product Verticals : Injectables

- Advanced injectable section with **2 lakh/day capacity**, including vials, ampoules, and lyophilizer technology.
- Operations to start by March/April 2025, scaling from **50% to 75% capacity utilization**.
- Expected to add **₹30 crore** annual revenue with better operating margins.

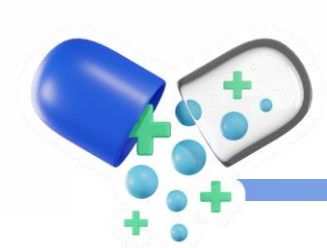
Capex Growth & Margin Optimization

- Total capex of **₹30-35 crore over 3 years**, with 20-25% allocated initially and the rest evenly spread over two years.
- Margins are expected to improve by **2-3%**, driven by high-margin injectables and capsule segments.

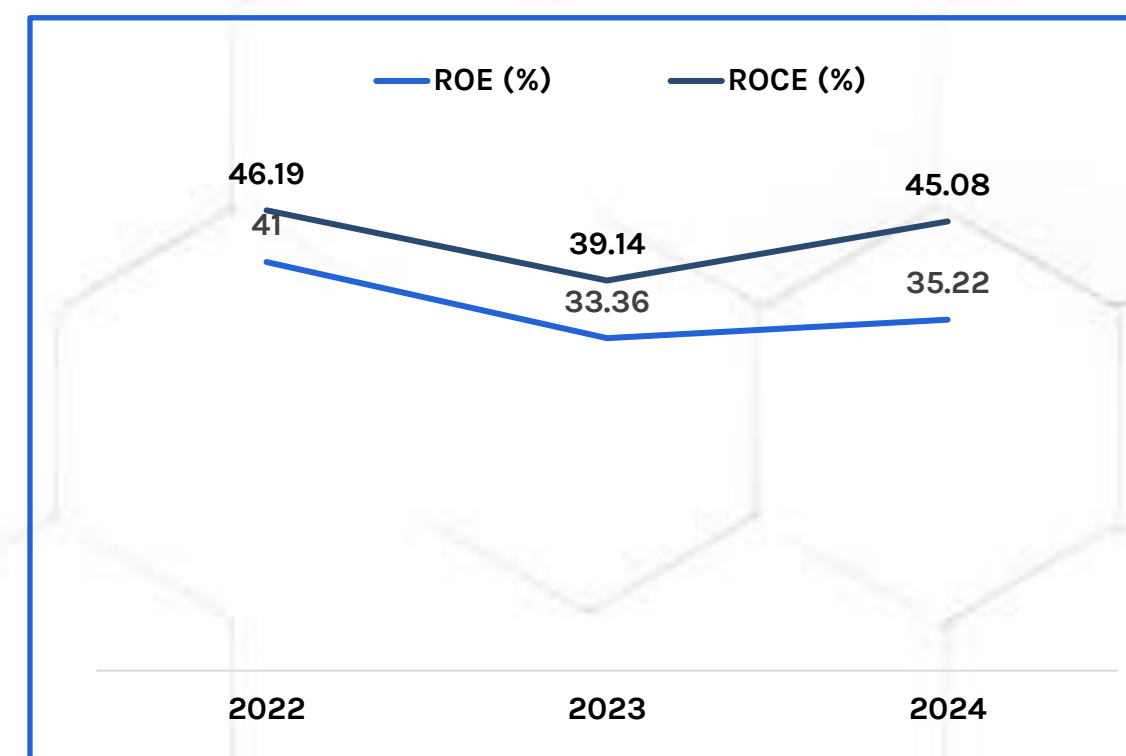
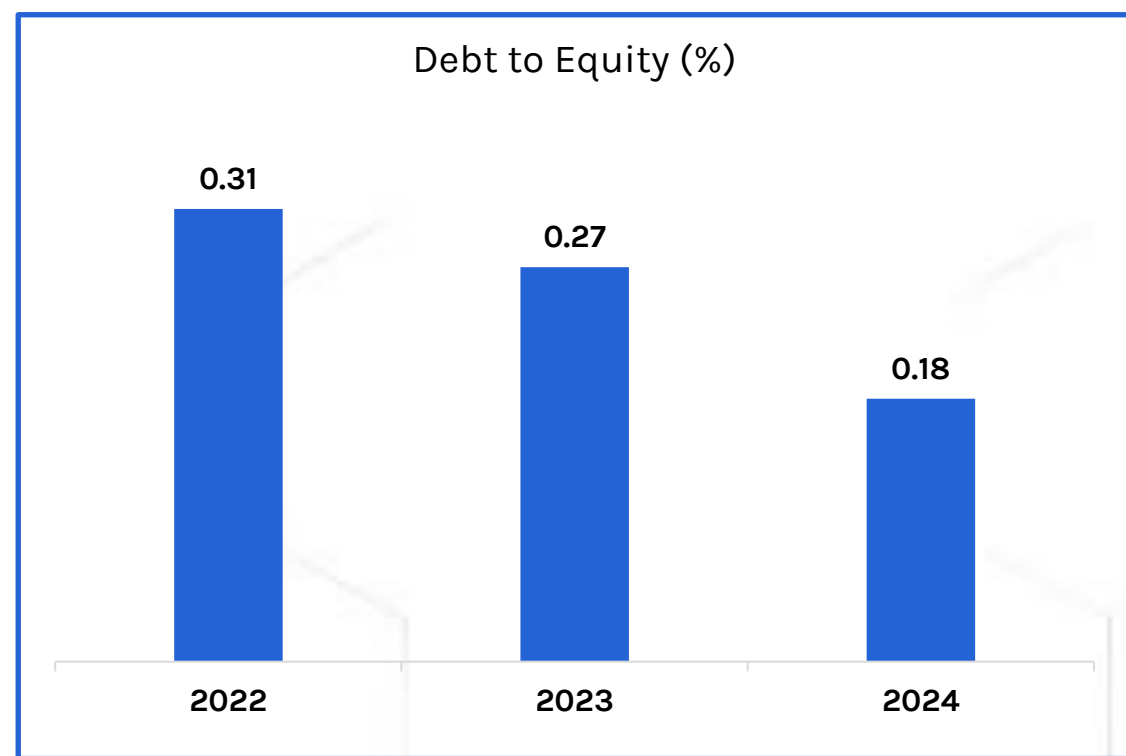
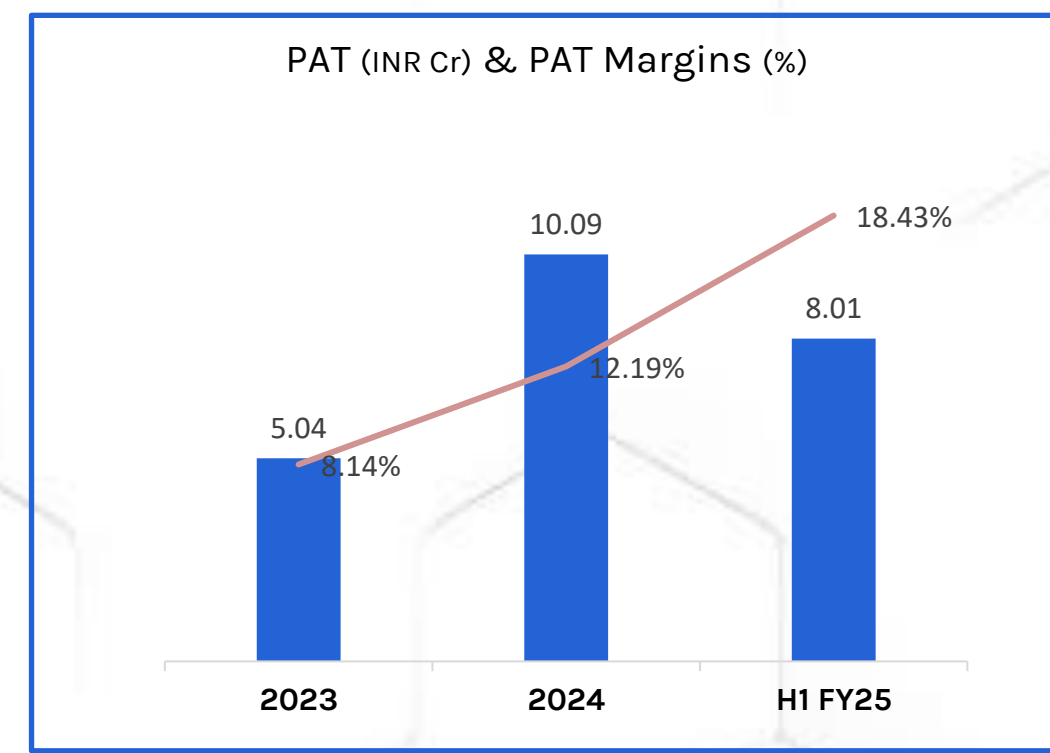
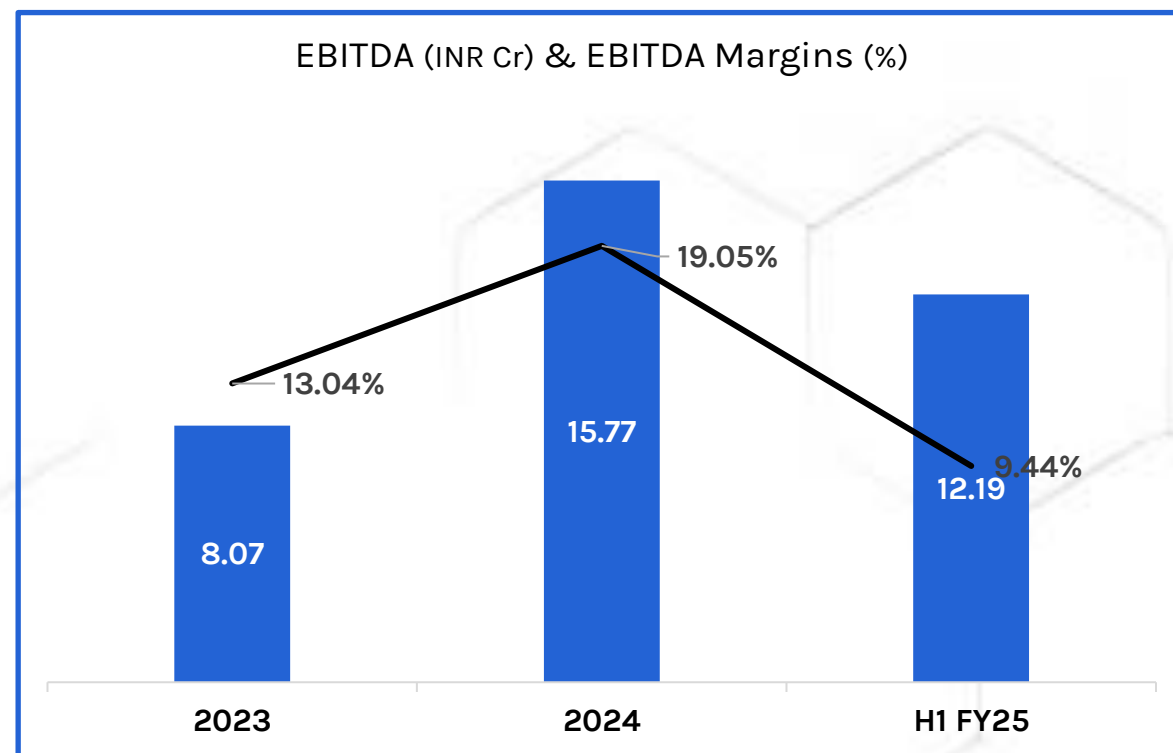
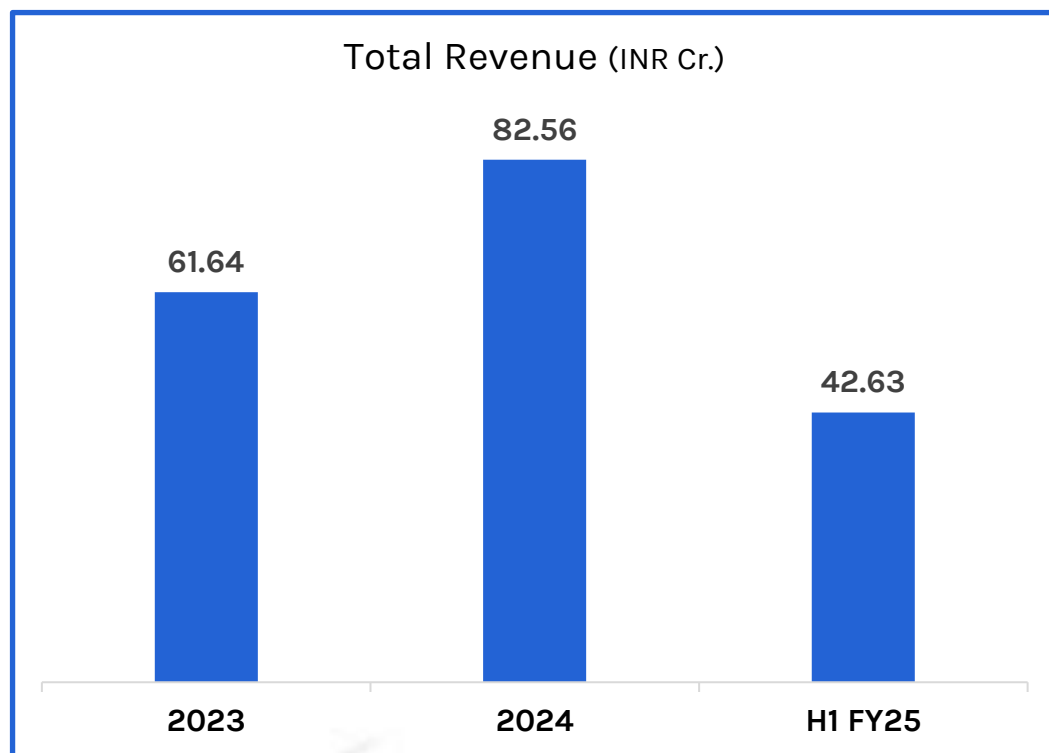


FINANCIALS





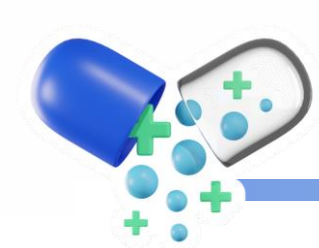
Key Financial Metrics





H1 FY25 Financial Highlights

Particulars (INR Crs.)	H1 FY24	H1 FY25	Y-o-Y Change
Revenue	41.02	42.63	
Other Income	0.05	0.83	
Total Income	41.07	43.46	5.82 %
Raw Material Expense	25.83	23.92	
Employee Benefit Expense	2.31	1.86	
Other Expenses	3.49	5.49	
EBITDA	9.44	12.19	29.13%
EBITDA Margin (%)	22.99	28.07	508.66 BPS
Finance Costs	0.32	0.50	
Depreciation	0.31	0.30	
PBT	8.81	11.40	29.40 %
Tax	2.49	3.39	
PAT	6.32	8.01	26.74 %
PAT Margin (%)	15.39	18.43	304.24 BPS
EPS	5.86	4.89	



Historical Income Statement

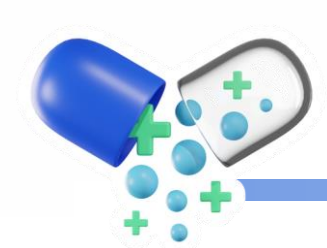
Particulars (INR Crs.)	FY23	FY24	H1 FY25
Revenue	61.64	82.56	42.63
Other Income	0.23	0.23	0.83
Total Income	61.87	82.79	43.46
Raw Material Expense	41.80	52.25	23.92
Employee Benefit Expense	3.34	4.27	1.86
Other Expenses	8.66	10.50	5.49
EBITDA	8.07	15.77	12.19
EBITDA Margin (%)	13.04	19.05	28.07
Finance Costs	0.54	0.76	0.50
Depreciation	0.55	0.57	0.30
PBT	6.98	14.44	11.40
Tax	1.94	4.35	3.39
PAT	5.04	10.09	8.01
PAT Margin (%)	8.14	12.18	18.43
EPS	3.94	11.72	4.89



Historical Balance Sheet

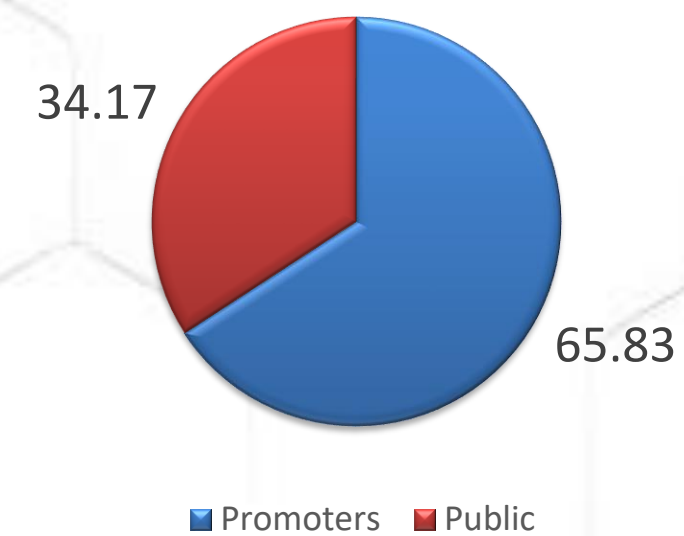
Equities & Liabilities (INR Cr)	FY23	FY24	H1 FY25
Shareholder's Fund			
Share Capital	1.08	11.94	16.39
Reserves & Surplus	14.02	16.70	63.42
Total Equity	15.10	28.64	79.81
Non Current Liabilities			
Long Term Borrowings	1.88	1.23	1.97
Deferred Tax Liabilities	0.62	0.77	0.84
Long Term Provision	-	-	-
Total Non Current Liabilities	2.50	2.00	2.81
Current Liabilities			
Short-Term Borrowings	2.22	3.85	7.89
Trade Payables	24.60	19.61	18.29
Other Current Liabilities	0.00	0.00	0.00
Short Term Provision	2.52	5.19	4.00
Total Current Liabilities	29.34	28.65	30.18
Total Liabilities	46.94	59.29	112.79

Assets	FY23	FY24	H1 FY25
Non Current Assets			
PP&E	9.84	10.21	11.19
Non Current Investment	0.08	0.08	0.32
Deferred tax assets	-	-	-
Long term loan & advances	0.08	0.08	0.08
Other Non Current Assets	2.96	7.28	42.05
Total Non Current Assets	12.96	17.65	53.65
Current Assets			
Inventories	11.16	16.12	26.56
Trade Receivable	19.94	23.41	31.13
Cash & Cash Equivalents	0.12	0.14	0.12
Short term loan & advances	0.14	0.09	0.52
Other current Assets	2.62	1.87	0.81
Total Current Assets	33.98	41.63	59.13
Total Assets	46.94	59.29	112.79

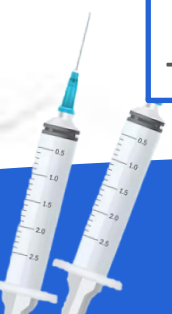
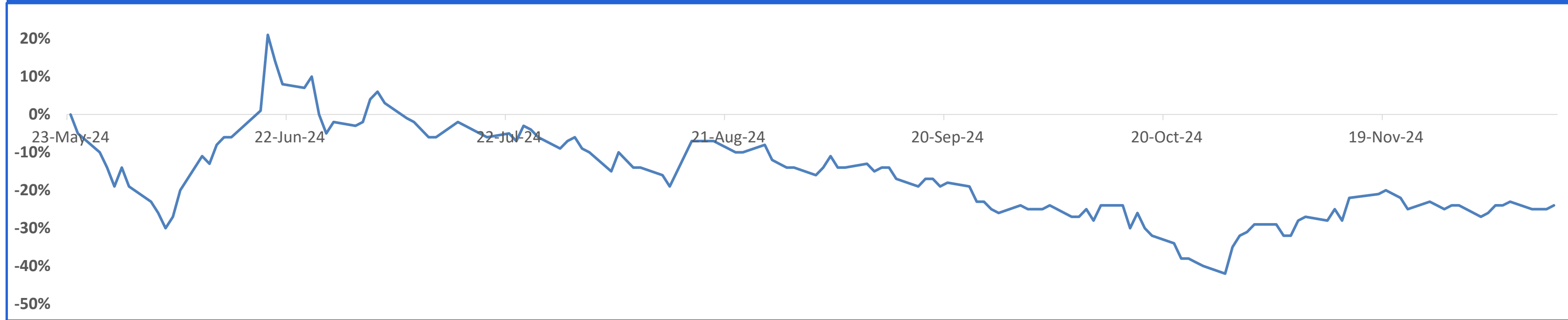


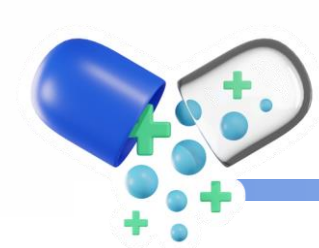
Price Data (As on 13 th December, 2024)	INR
Share Price	110.00
Market Capitalization (Cr)	180.26
No of Share Outstanding (Cr)	16,387,200
Face Value	10.0
52 Week H/L	196.80/85.10

Shareholding Pattern (As on 30th September, 2024)



Share Performance (Up to 13th December 2024)





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THANKYOU



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