



Jagsonpal Pharmaceuticals Limited

Q2 FY23 Earnings Presentation

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Company Background

Company Snapshot



Proven Track Record

- Established in 1978, long track record of 40+ years

Focus Segments

- Specialize in the development & commercialisation of Gynaecology & Orthopaedic focussed products

Strong Brands

- 17 Brands are among the "Top 5" brands in respective molecule segments

Extensive Coverage

- Comprehensive doctor coverage with field force of 900+ personnel across divisions

Pan-India Distribution

- Network of 1,600+ Stockists

Corporate Developments during the quarter



Infinity Holdings acquired 43.73% stake from the Kochhar family, becoming the largest shareholder

Infinity Holdings and Kochhar family are joint promoters of the company

Established new Board along with induction of eminent Independent Directors

Mr. Manish Gupta appointed as the Managing Director

Q2 Performance

"We are pleased with the strategic direction and financial outcome during Q2FY23, which is the first quarter since the change in ownership structure at promoter level. With a strong focus on key brands, we have been able to achieve a 420-bps improvement in gross margin as well as 760-bps improvement in EBITDA margin. The EBITDA margin in the quarter stood at 24.1% and is headed in the right direction.

The business added Rs. 14 crores of free cash which further strengthens our balance sheet with an investible balance of Rs. 84 Crore at the end of the quarter.

All our key brands did well and gained market share with our Dydrogestrone franchise (Divatrone® and ProRetro®) having over 4% market share. The next six months will be focused on strategic engagement to identify accelerated growth opportunities, even as we drive profitability."

Manish Gupta, Managing Director

Q2 FY23 – Ground-work for profitable growth



Business

- Continuing outperformance on MAT Sep basis - Growth of 14% vis-à-vis industry growth of 7% (Source: IQVIA)
- Improved industry ranking by 8 positions - 88th to 80th
- Strong performance by Dydrogesterone franchise – collectively 4%+ market share; Divatrone 7th in industry
- All key brands improve market share in respective segments

Financial

- **Q2FY23**
 - Sales grew by 3.7% to ₹ 61 crores
 - Gross margin improve by 420 bps driven by key brands performance
 - EBITDA pre-ESOP cost grew by 53.6% to ₹ 14.9 crores, EBITDA margin at 24.1%
 - PAT grew by 58.6% to ₹ 10.4 crores
- **H1FY23**
 - Sales grew by 7.7% to ₹ 121 crores
 - EBITDA pre-ESOP cost grew by 15.0% to ₹ 22.4 crores, EBITDA margin at 18.3%
 - PAT grew by 1.4% to ₹ 13.3 crores, impacted by exceptional and one-time cost in Q1FY23

Key Brands – Yearly Progression basis MAT September



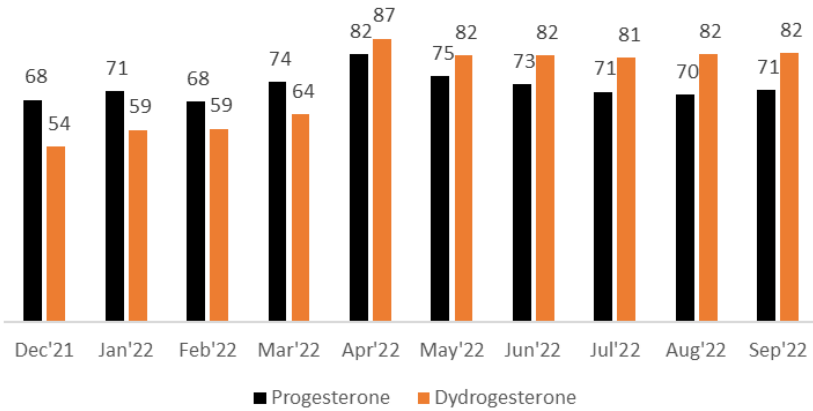
Molecule	Brand	MAT Sep'22 Sales	MAT Sep'21 Sales	MAT Sep'22 Market Share	MAT Sep'21 Market Share
Hydroxyprogesterone	Maintane Inj.	36.82	30.64	25.6%	25.1%
Allyeostrenol	Maintane Tabs	17.62	17.68	52.7%	52.4%
Lycopene	Lycored SG	17.58	15.56	4.0%	3.7%
Dydrogesterone*	Divatrone/ ProRetro	10.03	8.49	4.1%	3.4%
Dienogest	Endoreg	12.21	8.41	14.1%	12.4%
Nandrolone Decanoate	Metadec	28.07	31.44	24.7%	20.3%
Indomethacin	Indocap SR	29.90	27.34	84.1%	83.7%
Doxycycline + Lactob.	Doxypal DRL	14.03	23.95	8.4%	6.7%

*Dydrogesterone – QoQ Performance, Aug'21 launched

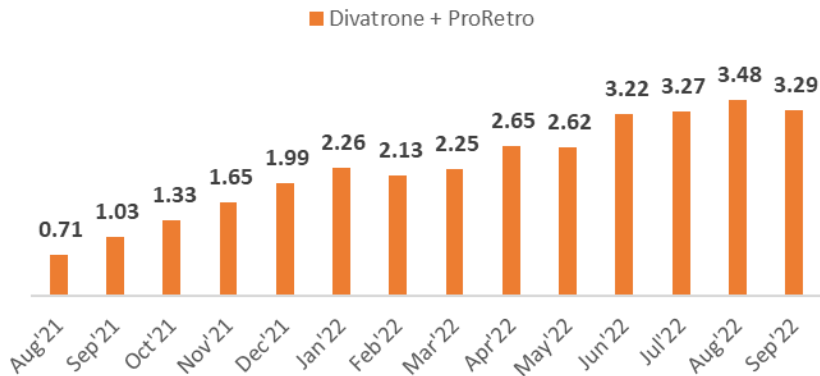
Dydrogesterone – A New Horizon for Jagsonpal



Progesterone vs Dydrogesterone Monthly Sales Trend



Dydrogesterone franchise reinvigorated the Company



- Launch of Dydrogesterone products(DGT) at a competitive price has helped expand the market, replacing the progesterone (NMP) market
 - DGT market has grown 64% as against 8% for NMP (MAT September 22)
 - DGT sales have overtaken NMP since September'22
- Jagsonpal launched DGT brands: **Divatrone & ProRetro** in August'21
 - **Superior product:** India's first micronized DGT brand with 36-month shelf-life
 - **Complete control over the supply chain:** Exclusivity for Indian markets
- Divatrone: Retained #7 position amidst 30+ competitors
- DGT franchise has consistently delivered strong performance with continuous improvement in the market share - 4% in MAT September'22
- Divatrone nominated for the "Best new introduction of the year" in the Chronic therapy category as per AWACS

Financial Performance

Profit and Loss Statement

All values in ₹ lakhs



Particulars	Q2 FY 23	Q1 FY 23	Q2 FY 22	H1 FY 23	H1 FY 22
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Revenue from Operations	6,052.6	6,059.7	5,839.3	12,112.3	11,244.8
Other Income	112.1	31.4	28.5	143.4	110.7
Total Income	6,164.7	6,091.0	5,867.8	12,255.7	11,355.5
Material Consumption	-2,093.8	-2,592.3	-2,241.3	-4,686.1	-4,303.9
Employee Benefit Expenses	-1,412.9	-1,488.2	-1,408.2	-2,901.1	-2,846.9
Other Operating Expenses	-1,170.2	-1,261.4	-1,249.7	-2,431.5	-2,260.0
EBITDA pre ESOP	1,487.9	749.1	968.6	2,237.0	1,944.7
EBITDA %	24.1%	12.3%	16.5%	18.3%	17.1%
ESOP Cost	-85.6	-	-	-85.5	-
EBITDA post ESOP	1,402.3	749.1	968.6	2,151.5	1,944.7
Finance Cost	-2.6	-1.4	-6.3	-4.0	-16.9
Depreciation	-20.4	-19.3	-22.8	-39.7	-51.1
Exceptional Items	-	-345.9	-	-345.9	-
Earnings Before Tax	1,379.3	382.5	939.5	1,761.9	1,876.7
Taxes	-338.1	-90.5	-283.1	-428.6	-562.3
Earning After Tax	1,041.2	292.0	656.4	1,333.3	1,314.4

Key Balance Sheet Items

All value in ₹ lakhs



Particulars	As on 30 th Sep	As on 30 th June
Shareholders Funds	13,811	13,699
Tangible Assets	1,869	1,964
Intangible Assets	-	3
Net Working Capital	3,247	2,879
Liquid Investments	339	2,439
Cash and cash equivalents	8,061	4,596



Thank You