

Indoco Remedies Limited

EARNINGS PRESENTATION

Q3/9M-FY24





Over 7 Decades
of Presence in India



9 Manufacturing Facilities
6 FDF Plants
3 API Plants



EMPLOYEE
STRENGTH >6000



Global Footprint
across 55+ countries
and expanding



Ranked 29th
(IQVIA DEC'23)
Ranked 21st
in Rx Report
(NOV'23) Source: IQVIA



150 bed Clinical Research
Organization (CRO)
Spread across area of 40,000 sq. ft.



10%
5 Year Revenue CAGR
28%
5 Year PAT CAGR



FY23 Return Ratios
ROCE: 18%
ROE : 15%



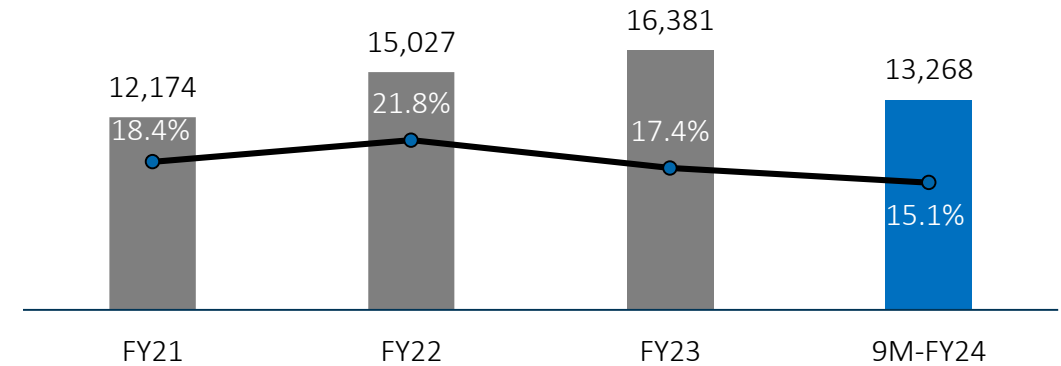
Net Debt to Equity: 0.18
Credit Rating:
Short Term Borrowings: 'A1'
Long Term Borrowings: 'AA-'

COMPANY OVERVIEW

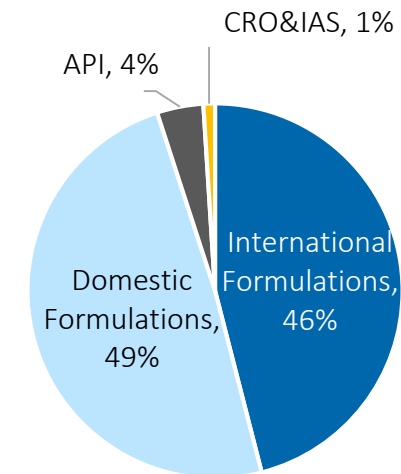


- In 1945, Late Mr. Govind Ramnath Kare founded 'Indo-Continental Trading Company', to import pharmaceutical products from Europe, and after independence it ventured into the manufacturing of pharmaceuticals to foster manufacturing of indigenous pharmaceutical formulations, thus, creating Indoco Remedies Limited.
- Indoco Remedies Ltd.,(Indoco) is an integrated, research-oriented pharmaceutical company with over seven decades of presence in Indian markets and a strong international presence.
- The company is primarily engaged in the manufacturing and marketing of formulations (finished dosage forms) and Active Pharmaceutical Ingredients (APIs).
- It has 9 manufacturing facilities in India, 6 for finished dosages and 3 for APIs, which is supported by a state-of-the-art R&D Centre and a Clinical Research Organization (CRO).
- The manufacturing facilities are approved by various regulatory authorities including USFDA, UK-MHRA and TGA-Australia.
- Indoco has a strong foothold in the international market with exports to over 55+ countries.
- For the international markets, Indoco offers complete solutions, including product development, manufacture and supply of finished dosages, APIs and intermediates.
- Indoco has a large basket of products backed by ANDAs / eCTD dossiers and Drug Master Files (DMFs).

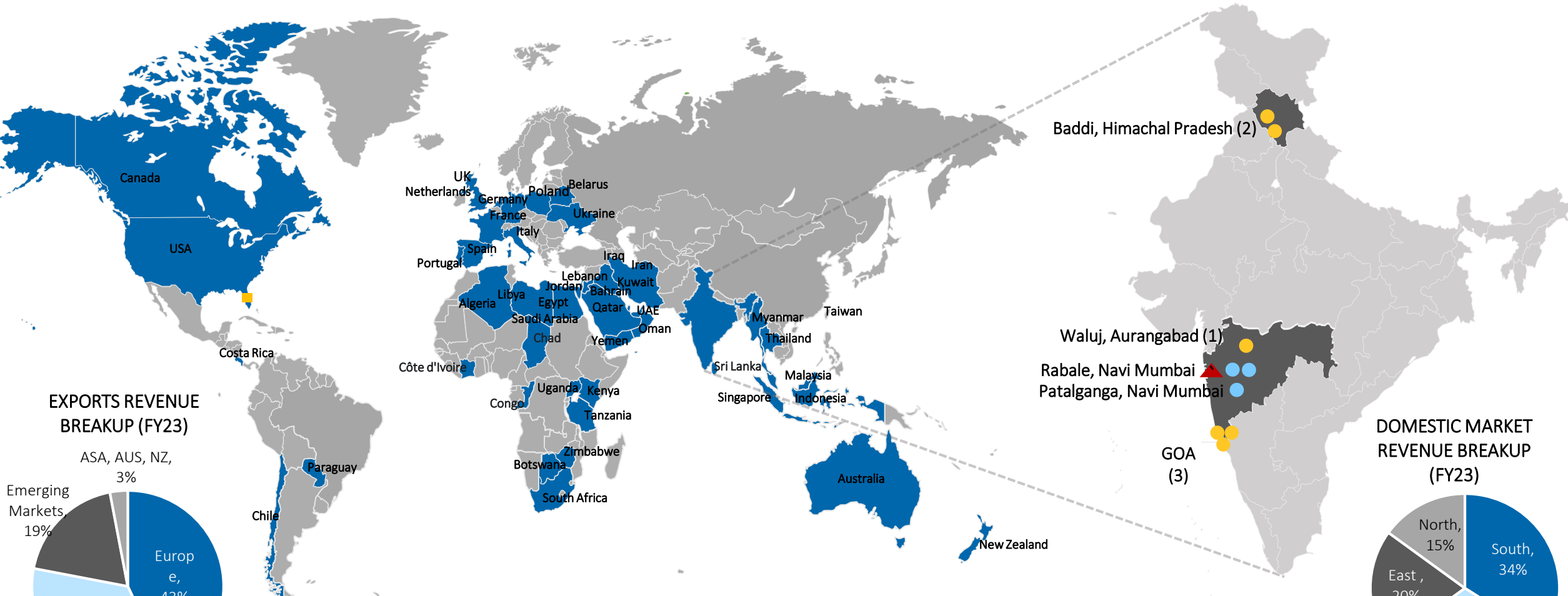
REVENUE (INR Mn) & EBITDA MARGINS (%)



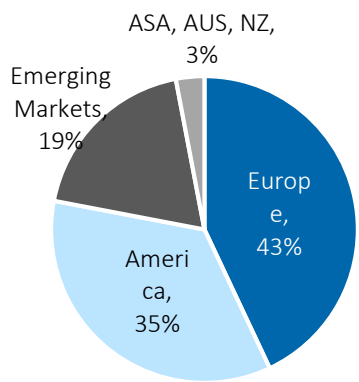
BUSINESS SEGMENT (FY23)



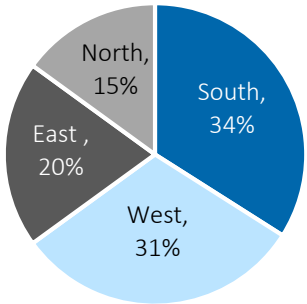
GEOGRAPHICAL FOOTPRINT



EXPORTS REVENUE BREAKUP (FY23)



DOMESTIC MARKET REVENUE BREAKUP (FY23)



FPP Holdings (Acquired Jun 2023)

Manufacturing – Formulations (6)

Manufacturing – APIs (3)

R&D Center (1)

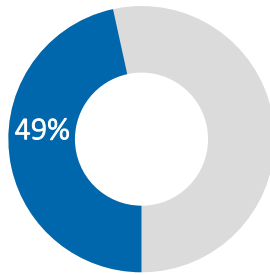
Baddi, Himachal Pradesh (2)

Waluj, Aurangabad (1)

Rabale, Navi Mumbai
Patalganga, Navi Mumbai

GOA (3)

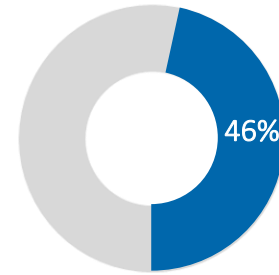
DOMESTIC FORMULATIONS



Branded Generics

Acute – 53%
Sub-Chronic – 35%
Chronic – 12%

INTERNATIONAL FORMULATIONS



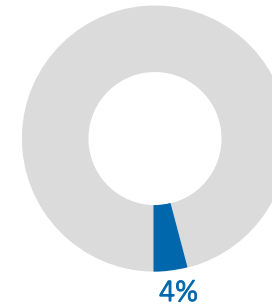
Regulated Markets -

CRAMS for Generic Companies in the US, EU etc.
Dossier development services and out-licensing.

Emerging Markets –

Branded Generic Formulations

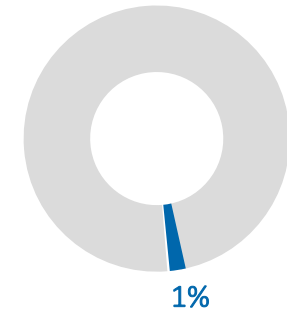
ACTIVE PHARMA INGREDIENTS



Active Pharma Ingredients (APIs)

for captive consumption by backward integration for own ANDAs and Dossiers, as well as supply to end users

ALLIED SERVICES



AnaCipher CRO for BA / BE Studies.

Over 500 studies conducted for global pharma companies audited by USFDA, WHO, UK-MHRA etc.

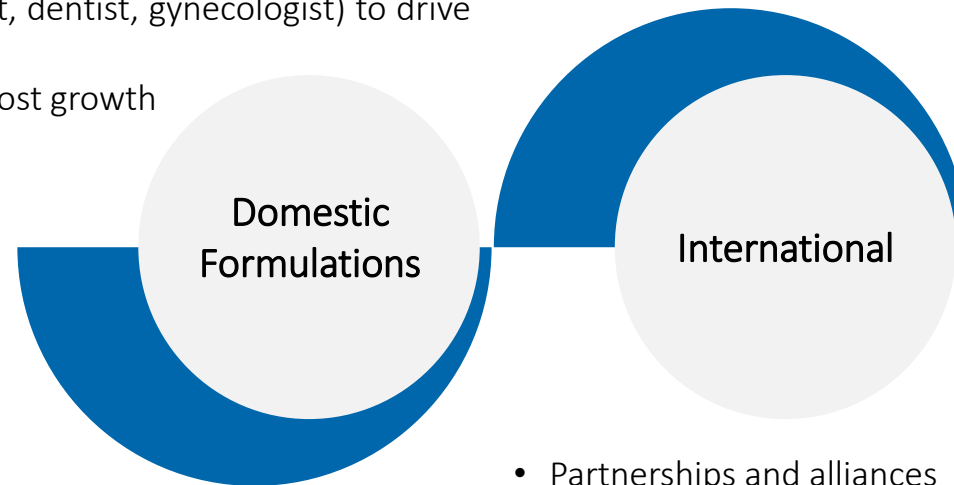
Indoco Analytical Solution (IAS)

– Biostudies for Purity detection, characterization etc.

FUTURE GROWTH STRATEGIES



- Expand in Northern and Eastern regions
- Exploring options to strategic in-licensing in chronic segment
- Focusing on sales force effectiveness, new product launches, exploring new channels of distribution and increasing our potential
- Focus on brand building - with thrust on chronic and sub- chronic segment
- Strategic focus on sub-chronic category to enhance prescription from mass specialists (pediatrician, ENT, ophthalmologist, dentist, gynecologist) to drive favorable mix
- Selective launches in specialty segment to boost growth



- Partnerships and alliances
- Niche product pipeline in Ophthalmic / Injectable space in addition to Solid Orals
- Regulatory approvals from countries including US / Europe for manufacturing facilities and products
- Planned shift from CRAMS to supplies against own dossiers / marketing authorizations in regulated markets
- NDDS and new platform technologies for future commercial exploitation
- Creation of own Intellectual Property through Patents and Trademarks
- Own filing of ANDAs and Dossiers

FINANCIAL HIGHLIGHTS



Q3-FY24 Financial Highlights

INR 4,484 Mn Operating Income	INR 653 Mn Operating EBITDA	14.6 % Operating EBITDA Margins
INR 282 Mn* Net Profit	6.3 % PAT Margins	INR 2.17/SHARE Diluted EPS

9M-FY24 Financial Highlights

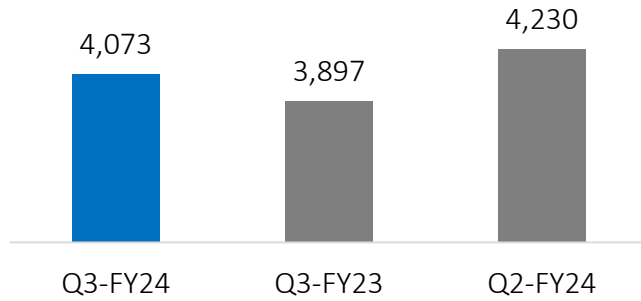
INR 13,268 Mn Operating Income	INR 2,006 Mn Operating EBITDA	15.1 % Operating EBITDA Margins
INR 873 Mn* Net Profit	6.6 % PAT Margins	INR 8.57 /SHARE Diluted EPS

*Note : PAT excluding exceptional item

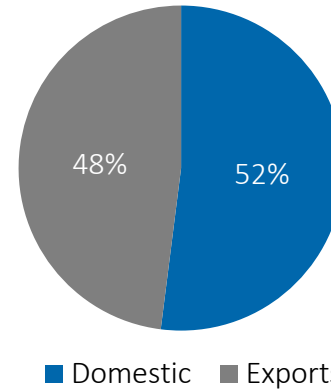
QUARTERLY KPI - FORMULATION BUSINESS



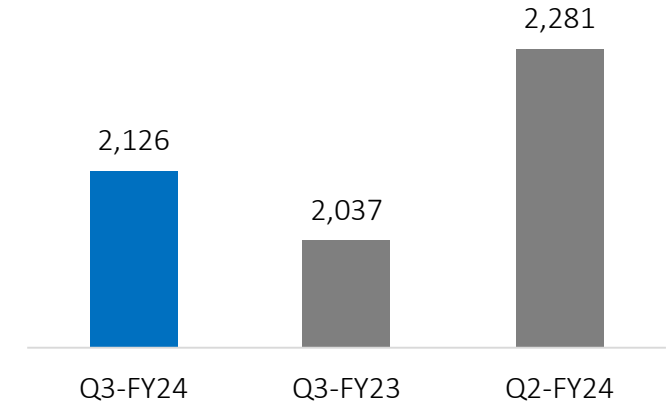
TOTAL REVENUE (INR MN)



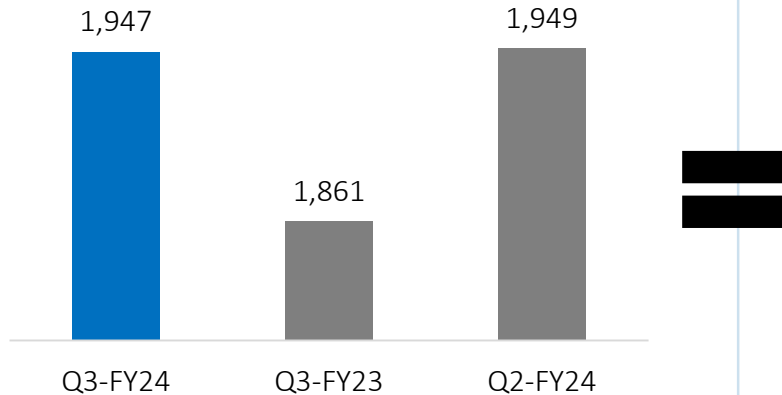
GEOGRAPHY



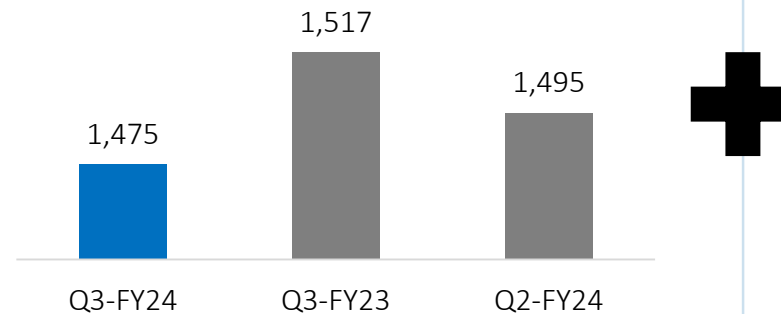
DOMESTIC REVENUE (INR MN)



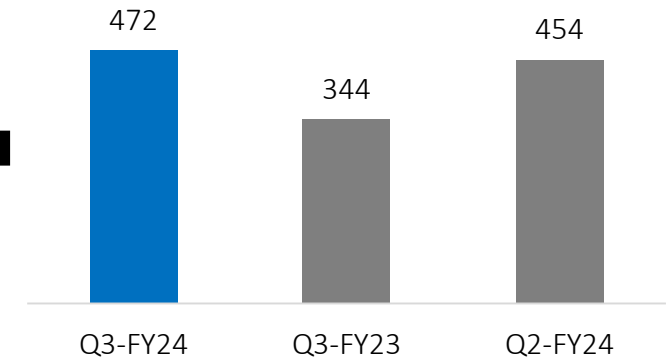
INTERNATIONAL REVENUE (INR MN)



REGULATED MARKET REVENUE (INR MN)



EMERGING MARKET REVENUE (INR MN)



FORMULATION BUSINESS–INDIA THERAPEUTIC & BRAND PERFORMANCE



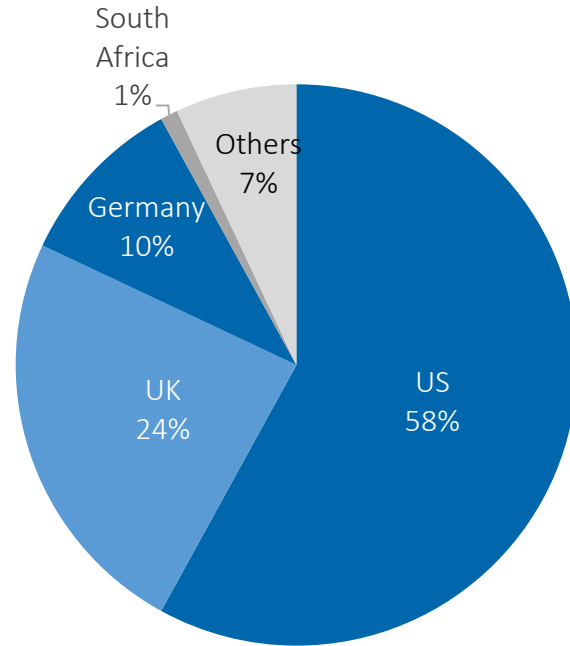
INDIA THERAPEUTIC SEGMENT PERFORMANCE

PARTICULARS (INR MN)	Q3-FY24	Q3-FY23	Y-o-Y	Q2-FY24	Q-o-Q
STOMATOLOGICALS	462	417	10.9	521	-11.4
RESPIRATORY	372	373	-0.4	294	26.5
ANTI-INFECTIVES	321	285	12.7	351	-8.5
GASTRO-INTESTINAL	269	250	7.4	320	-16.0
UROLOGICAL	134	118	13.6	141	-5.3
VITAM / MINER / NUTRIEN	127	141	-10.1	175	-27.7
OPHTHAL / OTOLOGICALS	113	113	0.2	138	-18.1
DERMATOLOGY	89	81	10.4	118	-24.3
PAIN / ANALGESICS	68	70	-2.6	77	-11.1
CARDIAC	58	72	-19.4	49	16.6

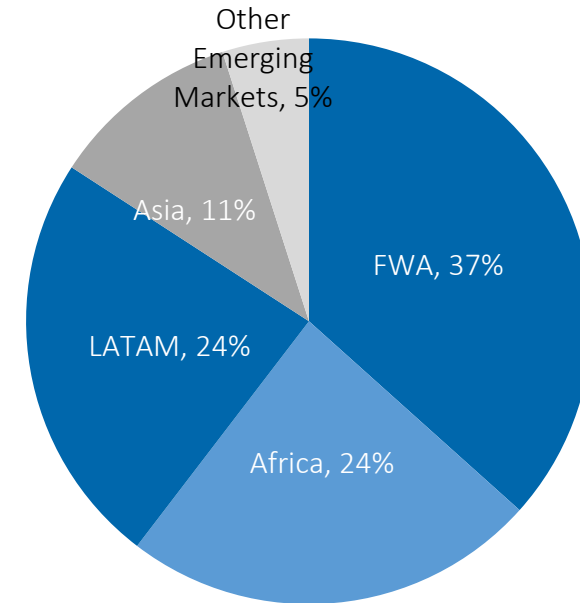
INDIA TOP BRANDS PERFORMANCE

PARTICULARS (INR MN)	Q3-FY24	Q3-FY23	Y-O-Y	Q2-FY24	Q-O-Q
CYCLOPAM	223	203	9.8	266	-16.2
FEBREX PLUS	176	182	-3.5	162	8.6
SENSODENT K	138	132	4.5	174	-20.8
ATM	137	129	5.6	141	-3.1
CITAL	134	126	6.4	141	-5.3
OXIPOD	132	113	16.8	150	-11.9
KARVOL	112	112	0.0	58	91.8
SENSODENT KF	90	71	26.7	99	-9.2
REXIDIN	75	66	13.9	78	-3.6
SENSOFORM	57	62	-7.9	62	-8.0

REGULATED MARKET



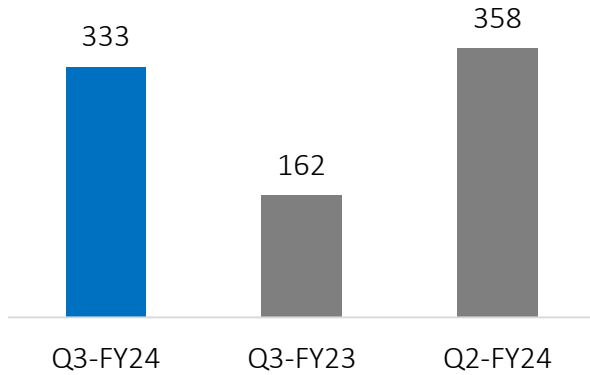
EMERGING MARKETS



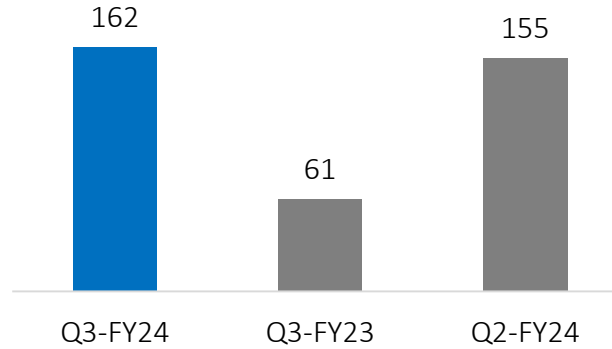
QUARTERLY KPI – API/ALLIED SERVICE



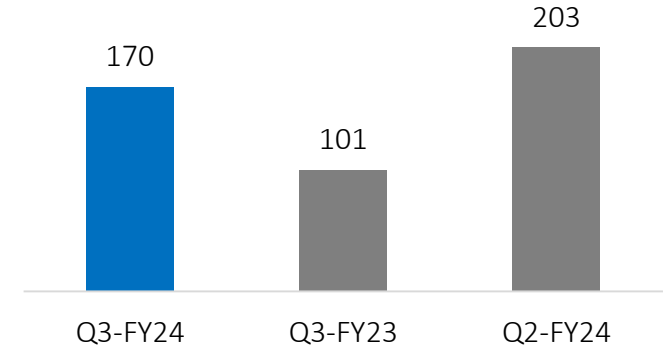
TOTAL REVENUE (API) (INR MN)



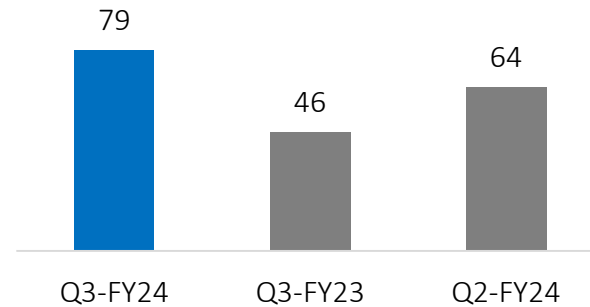
DOMESTIC REVENUE (INR MN)



INTERNATIONAL REVENUE (INR MN)



TOTAL REVENUE(Allied Services) (INR MN)



BUSINESS HIGHLIGHTS – Q3-FY24



- Indoco received tentative ANDA approval of Canagliflozin Tablets 100 mg & 300 mg from USFDA
- Received the Establishment Inspection Report (EIR) from the USFDA for the Pre-Approval Inspection (PAI) conducted for the oral dosage form at the manufacturing facility located at Goa Plant-I
- Subsequent to successful launch of Bital-M tablet in Q2-FY24, Bital-M Suspension was introduced in the market during this quarter under Anti-Allergy segment
- Lygylac has been formally launched during this quarter in the market under Vitamin/Mineral/Nutrition segment.
- Indoco was awarded SAP ACE award 2023 in the 'Game Changer' category. This prestigious award was presented by the Indus SAP community and SAP India, as a recognition for Indoco's outstanding achievements in digital transformation
- Indoco Analytical Solution (IAS) has been awarded the prestigious 'Best Customer Service Provider-Pharma & Healthcare' at the 2nd Edition Pharma and Health Tech Summit & Awards 2023. This award is in recognition for demonstrating organisations commitment to excellence in customer service, setting a new standard within the industry and understanding the unique needs of each client.
- Focussed and time bound programmes are being undertaken at our various manufacturing locations with regard to Capacity expansion. While doing so, process automation and IT enabled support systems are specially focused to build up capacity to get the advantage of economies of scale
- Various transformation initiatives like HRMS, Industry 4.0, Artwork solution and DMS are being under implementation

QUATERLY STANDALONE INCOME STATEMENT



PARTICULARS (INR Mn)	Q3-FY24	Q3-FY23	Y-o-Y (%)	Q2-FY24	Q-o-Q (%)
Operational Revenue	4,484	4,106	9.2	4,652	-3.6
Operating Expenses	3,838	3,370	13.9	4,010	-4.3
EBITDA	653	617	5.9	724	-9.8
<i>EBITDA Margin (%)</i>	<i>14.6%</i>	<i>15.0%</i>	-	<i>15.6%</i>	-
Depreciation and amortisation	230	172	33.9	214	7.3
Finance costs	100	70	43.1	81	23.8
Other Income	29	4	691.9	11	161.6
PBT	352*	379	-6.9	440	-20.0
Tax Expense	70	100	-29.8	109	-35.6
PAT	282	279	1.2	331	-14.9
<i>PAT Margin (%)</i>	<i>6.3%</i>	<i>6.8%</i>	-	<i>7.1%</i>	-
Diluted EPS	2.17	3.02	-	3.59	-

*Note : PBT before exceptional item

YTD STANDALONE INCOME STATEMENT



PARTICULARS (INR Mn)	9M-FY24	9M-FY23	Y-o-Y (%)
Operational Revenue	13,268	12,101	9.6
Operating Expenses	11,447	10,185	12.4
EBITDA	2,006	2,207	-9.1
<i>EBITDA Margin (%)</i>	<i>15.1%</i>	<i>18.2%</i>	-
Depreciation and amortisation	643	529	21.4
Finance costs	259	164	58.1
Other Income	45	18	142.4
PBT	1,149*	1,533	-25.0
Tax Expense	276	373	-25.8
PAT	873	1,160	-24.8
<i>PAT Margin (%)</i>	<i>6.6%</i>	<i>9.6%</i>	-
Diluted EPS	8.57	12.59	-

*Note : PBT before exceptional item

HISTORICAL FINANCIAL PERFORMANCE



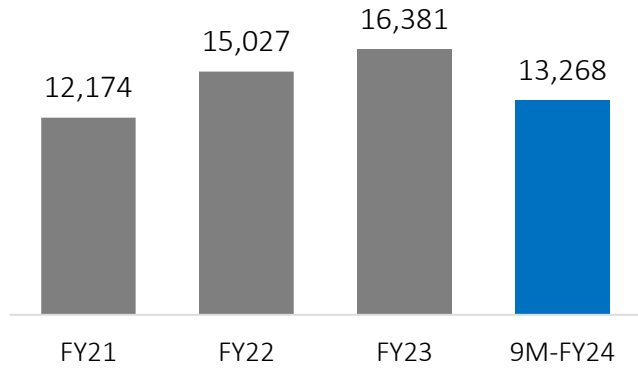
PARTICULARS (INR Mn)	FY21	FY22	FY23	9M-FY24
Operational Revenue	12,174	15,027	16,381	13,268
Operating Expenses	10,167	12,127	13,818	11,447
EBITDA	2,236	3,270	2,849	2,006
<i>EBITDA Margin (%)</i>	<i>18.4%</i>	<i>21.8%</i>	<i>17.4%</i>	<i>15.1%</i>
Depreciation and amortisation	731	790	706	643
Finance costs	222	141	250	259
Other Income	31	23	23	45
PBT	1314	2362	1,916	1,149*
Tax Expense	390	817	502	276
PAT	924	1,545	1,414	873
<i>PAT Margin (%)</i>	<i>7.6%</i>	<i>10.3%</i>	<i>8.6%</i>	<i>6.6%</i>
Other Comprehensive Income	-9	-53	14	-7
Total Comprehensive Income	915	1,492	1,428	866
Diluted EPS	10.03	16.77	15.32	8.57

*Note : PBT before exceptional item

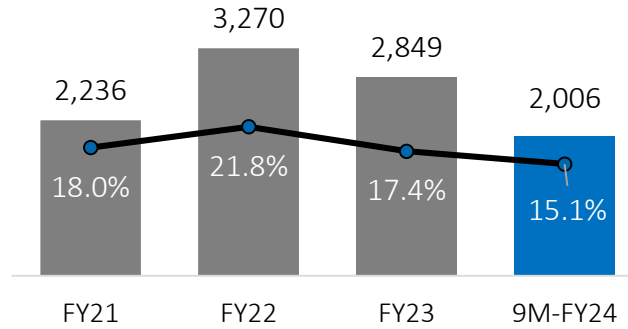
HISTORICAL FINANCIAL HIGHLIGHTS



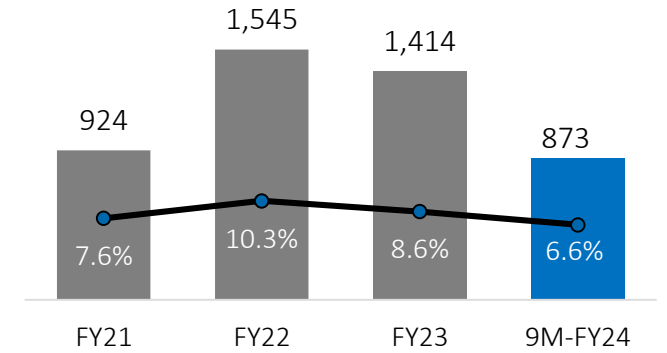
OPERATIONAL REVENUE (INR Mn)



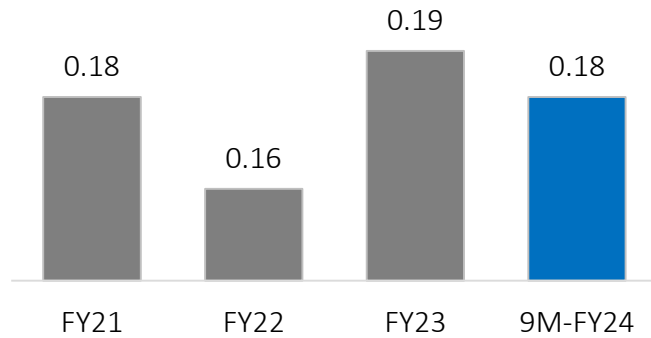
EBIDTA (INR Mn) & EBITDA MARGINS (%)



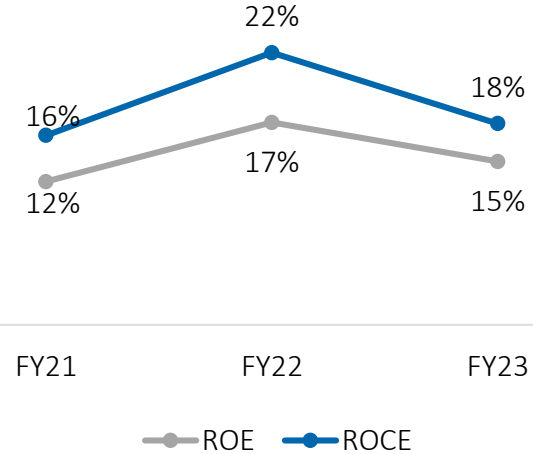
PAT (INR Mn) & PAT MARGINS (%)

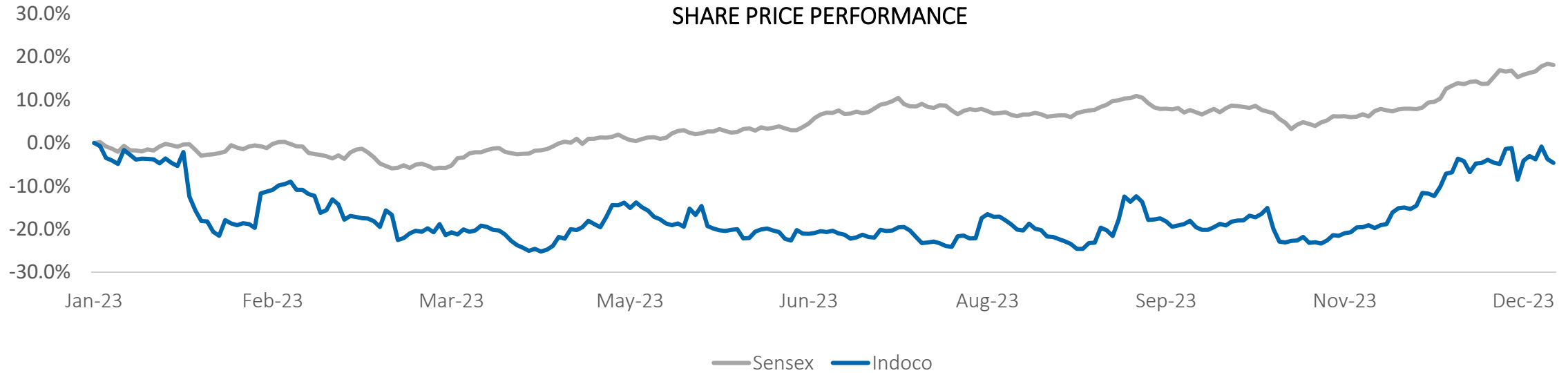


NET DEBT TO EQUITY (X)



ROCE (%) AND ROE(%)

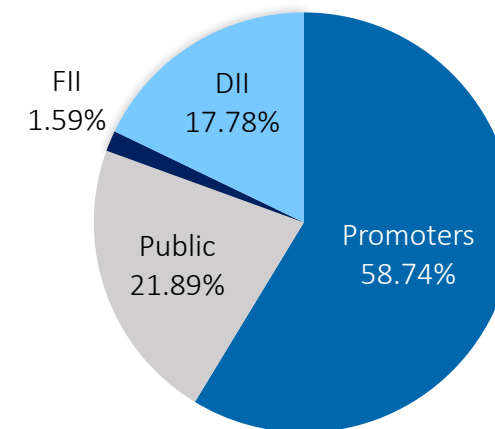




MARKET DATA (Rs.) AS ON 31ST DECEMBER, 2023

Face Value	2.0
CMP	394.25
52 Week H/L	423.1/307.0
Market Cap (INR Mn)	36330.14
Shares O/S (Mn)	92.15
Avg. Volume ('000)	205.47

SHAREHOLDING PATTERN AS ON 31ST DECEMBER, 2023



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THANK YOU

