

**Caplin Point Laboratories Limited announces H1FY21 Results**  
**H1FY21 Revenue at Rs. 516 Cr, up 20% YoY**  
**EBITDA Margin at 32.4%**  
**PAT Margin at 22.7%**

Chennai, Nov 5<sup>th</sup>, 2020: Caplin Point Laboratories Limited (CPL) (BSE: 524742), (NSE: CAPLIPOINT) today reported its financial results for the Half Year and the Quarter ended 30<sup>th</sup> September 2020.

**Consolidated Results Highlights:**

- ✓ Cash and Cash Equivalent at Rs 443 Cr as on 30<sup>th</sup> September 2020 against Rs 284 Cr on 31<sup>st</sup> March 2020. Cash & Cash Equivalent at Parent Company increased by Rs 180 Cr in 180 days
- ✓ Cash flow From Operations (CFO) at Rs 193 Cr in H1FY21 as against Rs 45 Cr for the whole year in FY20
- ✓ Inventory stood at Rs 180 Cr as against Rs 238 Cr in March 20
- ✓ Receivable days stable at 94 days

**Consolidated Financial Results – Q2 and H1FY21**

Particulars (Rs Cr)	Q2FY21	Q2FY20	YoY Growth %	Q1FY21	H1FY21	H1FY20	YoY Growth %
Total Revenue	269.88	234.09	15.3%	246.57	516.45	431.12	19.8%
Gross Profit	147.76	117.77	25.5%	131.28	279.03	225.15	23.9%
Gross Margin	55.1%	51.8%		54.7%	54.9%	53.6%	
EBITDA	89.19	78.00	14.3%	78.09	167.27	149.86	11.6%
EBITDA %	33.0%	33.3%		31.7%	32.4%	34.8%	
PAT	62.83	57.26	9.7%	54.55	117.37	107.34	9.3%
PAT %	23.3%	24.5%		22.1%	22.7%	24.9%	

*Note: As the company has acquired channel partners in Nicaragua (in Q1), Honduras (in Q2), Ecuador and Guatemala (in Q4) in FY20, the current quarter and half year results are not comparable with the previous periods.*

**Key Performance Highlights:**

**Financials (Consolidated) for Q2 and H1FY21:**

- ✓ Revenue at Rs 516 Cr for H1FY21, up 19.8% YoY, as compared to Rs 431 Cr in H1FY20
- ✓ Q2FY21 Revenue at Rs. 270 Cr, up 15.3% YoY, as compared to Rs. 234 Cr in Q2FY20
- ✓ Gross Margin improved to 55.1% in Q2FY21 from 51.8% in Q2FY20 and 52.1% in FY20 as a whole year

- ✓ With depreciation of INR against USD, **exchange loss** in H1FY21 is at Rs. 2.01 Cr as against Rs. 3.56 Cr **exchange gain** in H1FY20
- ✓ PAT for Q2FY21 increased by Rs 8.28 Cr over Q1FY21 and PAT for H1FY21 increased by Rs. 10.03 Cr over H1FY20.
- ✓ **Free Cash Flow stood at Rs 170 Cr in the H1FY21**
- ✓ Geographical breakup of Sales: LatAm and Africa at 94% and US at 6%
- ✓ **With continued focus on Cash Flow, Receivables sustained at 94 days despite growth in sales**
- ✓ **With focus on need to keep Inventory closer to customers, the current level of inventory is likely to continue in H2 as well.**

### **Business Highlights**

#### **Emerging Markets:**

- ✓ **Company targets FY21 closing Cash Reserves to be around Rs. 350 ~ 400 Cr in the Parent Company. Taking the growth rate into account, the Company targets similar Cashflows in the future also.**
- ✓ **Portion of these reserves to be deployed for the projects mentioned below. All these projects will be located near our Chennai facility and we have already acquired land for the same:**
  - **Oncology facility for Oral Solid Dosages and Injectables**
  - **General Category facility for Oral Solid and Semi Solid dosages, targeting approvals from EU, Brazil, South Africa and Russia, with US at a later stage. This facility will also cater to increased demand from existing LatAm markets.**
  - **Oral Solid, Semi Solid and Injectable facility for Hormones for Regulated and ROW Markets.**
  - **Penem facility for Regulated Markets.**
  - **Timeline for the above projects to be within 24-30 months from now.**
- ✓ API project (near Chennai) construction to start immediately, expected to be completed by end-2021. Facility will cater to US and ROW markets, with over 26 APIs already developed at Lab scale in Company's Hyderabad and Chennai API labs.
- ✓ Company's long-term plan is to develop Key Starting Materials (KSM), Intermediates and API for 80-100 small volume formulations such as Injectables and Hormones, for complete integration to company's front end at the markets.
- ✓ **Company's e-commerce platform 'QuetenX', part of 10X Healthcare portal, shows continued traction, catering to 900+ unique customers with 440 SKUs being sold currently, in Guatemala and Nicaragua. On track to launch the platform in Dominican Republic and Ecuador within next 2 Quarters.**
- ✓ Land procurement completed for construction of a Centralized Warehouse in Latin America, to address additional demand/optimize logistics handling across Latin American markets. This would help prevent stock out situations for key products.

- ✓ Good progress seen in R&D of 150 new formulations, specifically targeting various therapeutic areas – viz. Injectables for Hospitals, Psychiatric and Neuropsychiatric products for Brand Marketing, Anti-Cancer products, Hormones and Penems.

#### **US & Regulated Markets:**

- ✓ Company launched 2 products in US in the last quarter. As on date, 7 out of 9 approved ANDAs have been launched, with remaining 2 to be launched in next 3 months.
- ✓ **Expecting 7 more ANDA approvals in the next 2 Quarters and launch planning activity ongoing for swift launch of all 7 products.**
- ✓ Company is in the last stages of finalising agreements with partners in Canada and Australia for filing 10 products (7 – Canada; 3 – Australia). Products to be launched by FY22.
- ✓ **With additional capacity qualified in both Vials and Ophthalmics, company expects to file 14 new ANDAs in the next 12 months (9 – Injectables; 5 – Ophthalmics).**
- ✓ **Company has signed co-development/CMO partnerships for 3 complex products (2 – Injectables; 1 – Ophthalmic), to be filed in the US and worldwide within next 18 months.**
- ✓ **12 API DMF filings to be completed through CMO partnership, within next 12-15 months, as both Primary and Secondary source APIs, for Caplin’s ANDAs.**
- ✓ Company targets being backward integrated with own APIs for 70% of all filings by 2024, a critical differentiator in Generics.
- ✓ US Front-end plans being fast-tracked, likely by mid-2022. Company expects profitability to be boosted with the move.
- ✓ **Company has taken on additional in-house R&D projects, specifically in lucrative Pre-Mix Bag formulations. Company is currently working on an overall pipeline of 40 ANDAs to be filed within the next 36 months, with addressable market size of US\$ 2.8 Billion.**

#### **About Caplin Point Laboratories Limited:**

Caplin Point Laboratories Limited is a fast growing pharmaceutical company with a unique business model catering predominantly to emerging markets of Latin America and Africa. Caplin Point Laboratories Limited has state of the art manufacturing facilities that cater to a complete range of finished dosage forms. The Company has also entered regulated markets such as US through its Subsidiary Caplin Steriles Limited.

Caplin Point has been selected on Forbes Asia’s “200 Best Under a Billion” list for three consecutive years (2014, 2015 & 2016), and was recently awarded “The Emerging Company of 2018” by Economic Times Family Business Awards.

**CAUTIONARY STATEMENT:**

*This press release contains certain forward-looking statements. Any forward-looking statement applies only on the date of this press release. By their nature, forward-looking statements are subject to a number of known and unknown risks and uncertainties that may or may not occur in the future and as a result of which the actual results and performance may differ substantially from the expected future results or performance expressed or implied in the forward-looking statements. No warranties or representations are made as to the accuracy, achievement or reasonableness of such statements, estimates or projections, and Caplin Point has no obligation to update any such information or to correct any inaccuracies herein or omission here from which may become apparent.*

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