



# MOREPEN



**August 12, 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**

**Sub.: Press Release – ‘Morepen Labs Q1 FY25 Profit Surges by 147%, Revenue Grows by 14%**

Dear Sir/ Madam,

Please find enclosed press release with the title ‘**Morepen Labs Q1 FY25 Profit Surges by 147%, Revenue Grows by 14%**’.

This is for your information and dissemination on your website.

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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## Press Release

### Morepen Labs Q1 FY25 Profit Surges by 147 %, Revenue Grows by 14 % Morepen Labs successfully raised Rs. 200 Crore through QIP

**Gurugram (Haryana), August 12, 2024:** Morepen Laboratories Limited (NSE: MOREPENLAB, BSE: 500288), a leading player in the Medical Devices and Pharmaceutical business, announces its outstanding financial performance for Q1 FY2025. This announcement follows a week after the successful completion of a Rs. 200 crore fundraise through Qualified Institutional Placements (QIP) on August 5, 2024.

#### Financial Highlights:

Synopsis of Quarterly Performance (Consolidated)			
Particulars	(Rs in crores)		
	Q1'FY25	Q1'FY'24	Growth%
Net Revenue	458.64	403.46	14%
Expenditure	403.59	374.95	8%
EBIDTA	55.05	28.51	93%
Cash Surplus	53.89	28.23	91%
Profit Before Tax (PBT)	48.17	20.51	135%
Profit After Tax (PAT)	36.17	14.63	147%
Quarterly EPS (Rupees)	0.71*	0.29	147%

\*EPS (Trailing twelve months) is Rs 2.30

#### QIP Fund Raise:

The company has successfully completed the subscription of a QIP for Rs. 200 crores on August 5, 2024. The issue was oversubscribed by 1.68 times, demonstrating strong confidence from institutional investors. Marquee global investors like Bank of America Securities Europe (BOFA), Samsung India, Citigroup, Societe Generale, Nomura, BNP Paribas, Morgan Stanley and Eminence are some of the select names that have partnered with Morepen, paving the way for a promising future.

**Mr. Sushil Suri, Chairman and Managing Director of Morepen Laboratories**, commented on the QIP, stating, *“This strategic fundraise marks a pivotal point in the company’s growth journey. With the influx of this new capital, we will accelerate our capacity expansion plans and broaden our market reach.”*

He further added, *“With this fresh infusion of capital, the company can clearly focus on its two growth engines – Medical Devices & Pharma – and reposition itself for growth in select categories with an end-to-end supply chain from manufacturing to marketing. We will have an increased focus on research and backward integration, fostering innovation and cost reduction, thereby positioning the company as a reliable partner for global outsourcing in both the Medical Devices and Pharma sectors for export markets.”*

#### Quarterly Performance:

##### Medical Devices:

The company holds a strong position in the Blood Glucometers and Blood Pressure (BP) Monitors markets. In Q1 FY25, the devices business recorded revenue of Rs. 138 crore, marking a 20% growth year-on-year.

Specifically, Glucometer revenues grew to Rs. 107 crores, and BP Monitors generated Rs. 26 crores, reflecting growth rates of 17% and 29% respectively on a year-on-year basis. The customer base for Glucometers is expanding steadily, with an installed base of over 12.34 million customers in the current quarter who regularly purchase strips, year after year. During the quarter, the company sold 117 million strips, a 19% increase from the same quarter last year.

**Mr. Suri, commenting on the quarterly performance, added, “We at Morepen, and India as country, are at the inflection point of an expanding Medical Devices market unfolding with a new vision for India to become the manufacturing hub for Medical Devices. The Indian Medical Devices market is estimated to grow 4.5 times to \$50 billion by 2030 from the current size of \$11 billion, and is expected to reach \$250 billion by 2047, as per Invest India estimates. We are preparing ourselves to gain a major market share in the point of care medical devices sector.”**

Increased thrust to build large capacities: Blood Glucometer meter capacity would be doubled to 5.0 million meter pa from the current 2.5 million meter, while strip manufacturing capacity will increase from 500 million strips to 700 million strips per annum within the next 18 months.

With an eye on reducing dependence on imports and lowering production costs, we continue to pursue backward integration; thereby helping the company in its endeavour to provide high quality products at affordable prices. These backward integration initiatives have provided the company with enhanced control over the supply chain. The company has begun performing 'chip mounting' in-house using highly sophisticated, fully automatic, high-speed robotic SMT machines and now purchases only 'bare chips' from the market.

#### **Pharmaceuticals:**

Pharma segment Q1 FY25 revenue at Rs. 320 crores registered a growth of 11% year-on-year, and it represents 70% of consolidated Q1 FY25 quarterly revenues. Export sales revenue at Rs. 178 crores increased by 32% on the strength of a 130% growth in exports to Europe followed by 15% growth in exports to Asia. The company reduced its supplies in the low-yielding domestic market, and revenues at Rs. 137 crores dropped by 8%. The API business, having the largest share, led overall company revenues with a 14% increase, followed by a 7% growth in formulation business.

Established molecules comprising of Loratadine and Rosuvastatin, and new products comprising of Sitagliptin, Saxagliptin and Linagliptin, helped drive revenue growth in Q1 FY25.

API installed capacity is proposed to increase to 600 KL from the present base of 400 KL over the next 14-18 months.

The company continues to drive innovation with 6 new patents filed during the current quarter, and one patent for ‘Novel Processes for the purification of UDCA and its Various Intermediates’ was granted during the year.

During the quarter, Ministry of Health, Brazil granted a ‘Certificate of Good Manufacturing Practices’ valid until April 2026, to its Baddi API facility for the manufacture of Atorvastatin, Fexofenadine HCL and Loratadine.

Morepen boasts a robust distribution network with over 5,100 distributors and 328,000 retail touchpoints across India. The company has dedicated teams for Medical Devices, Rx, and OTC businesses, supported by a nationwide sales force of 580 members, including managers.

**About Morepen Laboratories Ltd.:** ([www.morepen.com](http://www.morepen.com))

Morepen Laboratories, established in 1984, is a leading player in the pharmaceutical and healthcare industry. Over the past four decades, Morepen has carved out a significant niche in the medical devices and Active Pharmaceutical Ingredients (API) segments. The company has consistently demonstrated strong performance and innovation, driving growth through strategic investments and market expansions.

Morepen's API business is renowned for its high-quality products and extensive global reach. The company exports a substantial portion of its API products, catering to the needs of numerous international markets. Morepen holds a leadership position in the export of 6 key API products, Loratadine, Montelukast, Desloratadine, Atorvastatin and Fexofenadine.

In the medical devices segment, Morepen has made remarkable strides, particularly in the Point of Care (POC) diagnostics. The company's Blood Glucose Monitors and Blood Pressure Monitors have shown impressive growth, driven by an aggressive market expansion strategy into tier-2 and tier-3 cities. Morepen has installed over 12.33 million glucometers to date and sold nearly 1.65 billion blood glucose strips, marking a significant milestone in its journey.

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This press release contains forward-looking statements based on current expectations and assumptions regarding anticipated developments and other factors affecting the company. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements.