



Bliss GVS Pharma Limited

Innovation | Integrity | Excellence

EARNINGS PRESENTATION

9M/Q3-FY18



OVERVIEW

- Bliss GVS Pharma Ltd. was incorporated in 1984, having more than 32 years of expertise in manufacturing, marketing & exporting of more than 250 formulations in various dosage forms across 60+ countries.
- It is a world leader in Suppositories and Pessaries dosage forms with one of the largest product portfolios in this segment.
- The company was an early entrant in Antimalarial drugs across many African countries and commands a strong leadership and reputed position in these countries.
- Its manufacturing facilities are located in Palghar, Maharashtra having high levels of compliance approvals like GMP, GLP, ICH, EU-GMP & WHO-GMP.

BUSINESS MIX

- **Therapeutic Segments** – Anti-malarial, Anti-bacterial, Anti-fungal, Anti-Biotic, Anti-inflammatory, Contraceptive, Anti-diabetic, etc.
- **Key Dosage forms** – Suppositories, Pessaries, Oral Solids, Syrups, Sachets, Lozenges etc.
- **In-licensing Contract Manufacturing** for suppositories to leading global players like Sanofi, Alkem, Sun Pharma, Mankind, Neon, Intas, Troikaa, etc.

FY17 FINANCIALS

Income

INR 8,253 Mn

3 Year CAGR

30.3%

EBITDA

INR 1,936 Mn

Margins

24.2%

PAT

INR 856 Mn

Margins

10.4%

ROCE

23%

ROE

24%

❑ Q3-FY18 performance (Standalone):

- **Total Income** : INR 736 Mn; Declined by 17.5% YoY
- **EBITDA** : INR 197 Mn; Declined by 9.4% YoY
- **EBITDA Margin** : 26.77%; Grown by 240 bps YoY
- **Net Profit** : INR 104 Mn; Declined by 35.8% YoY
- **PAT Margin** : 13.90%; Declined by 308 bps YoY
- **Diluted EPS** : INR 1.01; Declined by 35.7% YoY

❑ Q3-FY18 performance (Consolidated):

- **Total Income** : INR 1,959 Mn; Declined by 16.2% YoY
- **EBITDA** : INR 480 Mn; Grown by 7.4% YoY
- **EBITDA Margin** : 24.50%; Grown by 539 bps YoY
- **Net Profit** : INR 259 Mn; Grown by 19.9% YoY
- **PAT Margin** : 13.07%; Grown by 414 bps YoY
- **Diluted EPS** : INR 2.10; Grown by 4.0% YoY

❑ 9M-FY18 performance (Standalone):

- **Total Income** : INR 2,150 Mn; Declined by 15.0% YoY
- **EBITDA** : INR 601 Mn; Declined by 15.8% YoY
- **EBITDA Margin** : 28.00%; Grown by 108 bps YoY
- **Net Profit** : INR 367 Mn; Declined by -27.2% YoY
- **PAT Margin** : 16.55%; Declined by 221 bps YoY
- **Diluted EPS** : INR 3.55; Declined by 27.3% YoY

❑ 9M-FY18 performance (Consolidated):

- **Total Income** : INR 6,480 Mn; Grown by 19.1% YoY
- **EBITDA** : INR 1,596 Mn; Grown by 25.9% YoY
- **EBITDA Margin** : 24.63%; Grown by 134 bps YoY
- **Net Profit** : INR 1,023 Mn; Grown by 45.9% YoY
- **PAT Margin** : 15.29%; Grown by 285 bps YoY
- **Diluted EPS** : INR 9.79; Growth of 31.0% YoY

*Total Income is excluding other income

❑ **Divestment of Bliss GVS Pharma's Kenyan subsidiary Bliss GVS Healthcare Limited (BGHL)**

- Bliss GVS Clinic Healthcare Pte Ltd., Singapore, 100% subsidiary of Bliss GVS Pharma Ltd. (BGPL), parent company, has entered into definitive agreements with Mayfair Healthcare Holdings Ltd. for the sale of 51% shares of 'Bliss GVS Healthcare Ltd., Kenya', a step-down subsidiary, for a cash consideration of USD 12 Million.
- The company has thus chosen to exit the competitive tender-based model of managed healthcare services and realign its focus on its core pharmaceutical operations, which have been a steady source of growth.
- BGPL commands a leadership position in the anti-malarial and anti-fungal dermatology segments across most Sub-Saharan African (SSA) markets. It is also one of the world's largest manufacturers of suppositories and pessaries. The company's objective going forward is to strengthen its presence in the current SSA markets and leverage on its niche expertise in the development and manufacturing of suppositories and pessaries to enter new markets of Europe, Russia & CIS, USA.
- Net proceeds from this transaction will be used to repay a portion of the company's debt, fund capital expenditure for the brownfield expansion of company's manufacturing facility as well as incentivise its shareholders.

❑ **Other Operational Highlights**

- BGPL's presence in Africa for more than 30 years with marketing expertise and core distribution channel gives them a competitive edge.
- The company's existing business majorly generated from Anti-malarial, Antifungal & Antibacterial segment with the existing and upcoming registrations in other therapeutic segments vis antibiotic, anti-inflammatory, OTC, anti-Diabetic, Anti-hypertensive, cough & cold, etc. helps them to generate healthy market share in this segment.
- Majority of the company's sales are export driven and primarily to African countries. The decline in Standalone YTD Dec'2017 sales are primarily due to the economical instability in these markets and also due to the currency devaluations of domestic markets, and the decline in Other Income was due to devaluation of the USD.

Quarterly - Standalone Income Statement (Ind-AS)



PARTICULARS (INR Mn)	Q3-FY18	Q3-FY17	Y-o-Y	Q2-FY18	Q-o-Q
Operational Revenue	736	892	-17.5%	742	-0.8%
Total Expenses	539	675	-20.1%	530	1.7%
EBITDA	197	217	-9.4%	212	-7.1%
EBITDA Margins (%)	26.77%	24.33%	240 bps	28.57%	-180 bps
Depreciation	22	13	69.2%	10	120.0%
Finance Cost	15	16	-6.3%	20	-25.0%
Other Income	12	62	-80.7%	61	-80.3%
PBT	172	250	-31.4%	243	-29.2%
Tax	68	88	-22.7%	84	-19.1%
PAT	104	162	-35.8%	159	-34.6%
PAT Margins (%)	13.90%	16.98%	-308 bps	19.80%	-590 bps
Other Comprehensive Income	(0.2)	(0.2)	NA	(0.2)	NA
Total Comprehensive Income	104	162	-35.8%	159	-34.6%
Diluted EPS	1.01	1.57	-35.7%	1.55	-34.8%

YTD - Standalone Income Statement (Ind-AS)



PARTICULARS (INR Mn)	9M-FY18	9M-FY17	Y-o-Y
Operational Revenue	2,150	2,529	-15.0%
Total Expenses	1,549	1,815	-14.7%
EBITDA	601	714	-15.8%
EBITDA Margins (%)	28.0%	28.2%	108 bps
Depreciation	42	41	2.4%
Finance Cost	54	70	-22.9%
Other Income	67	158	57.6%
PBT	572	761	-24.8%
Tax	205	257	-20.2%
PAT	367	504	-27.2%
PAT Margins (%)	16.55%	18.76%	-221 bps
Other Comprehensive Income	(0.6)	(0.7)	NA
Total Comprehensive Income	366	503	-27.2%
Diluted EPS	3.55	4.88	-27.3%

Quarterly - Consolidated Income Statement (Ind-AS)

PARTICULARS (INR Mn)	Q3-FY18	Q3-FY17	Y-o-Y	Q2-FY18	Q-o-Q
Operational Revenue	1,959	2,339	-16.2%	2,265	-13.5%
Total Expenses	1,479	1,892	-21.8%	1,791	-17.4%
EBITDA	480	447	7.4%	474	1.3%
EBITDA Margins (%)	24.50%	19.11%	539 bps	20.92%	353 bps
Depreciation	66	111	-40.5%	49	34.7%
Finance Cost	47	36	30.5%	62	-24.2%
Other Income	23	81	-71.6%	152	-84.9%
PBT	390	381	2.6%	515	-24.3%
Tax	131	165	-20.4%	121	8.3%
PAT	259	216	19.9%	394	-34.3%
PAT Margins (%)	13.07%	8.93%	414 bps	16.30%	(323) bps
Other Comprehensive Income	(43.1)	(7.4)	-482.4%	113	-139.8%
Total Comprehensive Income	216	209	3.4%	507	-57.4%
Diluted EPS	2.10	2.02	4.0%	4.93	-57.8%

YTD - Consolidated Income Statement (Ind-AS)

PARTICULARS (INR Mn)	9M-FY18	9M-FY17	Y-o-Y
Operational Revenue	6,480	5,440	19.1%
Total Expenses	4,884	4,173	17.0%
EBITDA	1,596	1,267	25.9%
EBITDA Margins (%)	24.63%	23.29%	134 bps
Depreciation	165	190	-13.1%
Finance Cost	174	120	45.0%
Other Income	210	193	8.8%
PBT	1,467	1,150	27.6%
Tax	444	449	-1.1%
PAT	1,023	701	45.9%
PAT Margins (%)	15.29%	12.44%	285 bps
Other Comprehensive Income	(11.4)	69.2	-116.5%
Total Comprehensive Income	1,012	770	31.4%
Diluted EPS	9.82	7.47	31.0%

Historical Standalone Income Statement (iGAAP)

PARTICULARS (INR Mn)	FY14	FY15	FY16	FY17
Operational Revenue	2,882	3,130	3,264	3,492
Total Expenses	2,221	2,268	2,299	2,574
EBITDA	661	862	965	918
EBITDA Margins (%)	22.9%	27.5%	29.6%	26.3%
Depreciation	45	51	59	58
Finance Cost	94	112	135	91
Other Income	301	214	231	216
PBT	823	913	1002	985
Tax	284	312	346	358
PAT	539	601	656	627
PAT Margins (%)	16.9%	17.9%	18.8%	16.9%
Diluted EPS	5.23	5.82	6.36	6.07

Historical Standalone Balance Sheet (iGAAP)



PARTICULARS (INR Mn)	FY14	FY15	FY16	PARTICULARS (INR Mn)	FY14	FY15	FY16
EQUITIES & LIABILITIES				ASSETS			
Shareholder Funds				Non-current Assets			
(A) Share Capital	103	103	103	(A) Fixed Assets	578	815	811
(B) Reserves & Surplus	3,045	3,579	4,218	(B) Non-current Investments	192	192	206
Non-current Liabilities				(C) Loans & Advances	1,062	1,014	1,104
(A) Long-term Borrowings	451	302	118	(D) Other Non-current Assets	19	4	-
(B) Deferred Tax Liabilities	62	72	83				
(C) Long-term provisions	8	14	17	Current Assets			
Current Liabilities				(A) Inventories	212	225	219
(A) Short term Borrowings	231	284	499	(B) Trade Receivables	1,835	2,106	2,506
(B) Trade Payables	590	505	351	(C) Cash & Bank Balances	741	474	569
(C) Other Current Liabilities	285	391	291	(D) Short-term loans & advances	155	613	322
(D) Short-term provisions	88	300	167	(E) Other Current Assets	69	107	110
GRAND TOTAL - EQUITIES & LIABILITIES	4,863	5,550	5,847	GRAND TOTAL – ASSETS	4,863	5,550	5,847

Standalone Balance Sheet (Ind-AS)

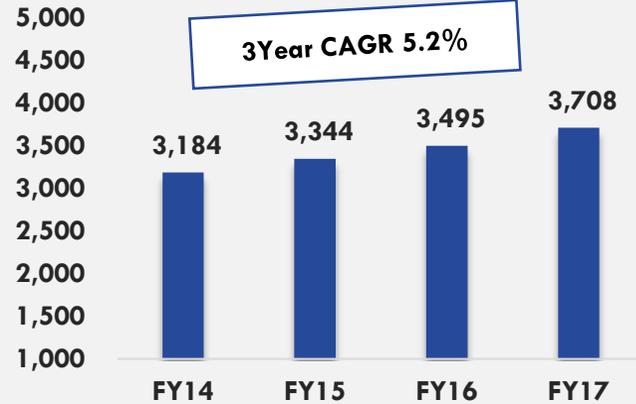


PARTICULARS (INR Mn)	FY17	H1-FY18	PARTICULARS (INR Mn)	FY17	H1-FY18
EQUITIES & LIABILITIES			ASSETS		
Shareholder Funds			Non-current Assets		
(A) Share Capital	103	103	(A) Fixed Assets	777	771
(B) Reserves & Surplus	4,810	5,080	(B) Intangible Assets	-	4
Non-current Liabilities			(C) Non-current Investments	206	183
(A) Long-term Borrowings	125	124	(D) Loans & Advances	1,109	117
(B) Deferred Tax Liabilities	84	100	(E) Other Non-current Assets	-	170
(C) Long-term provisions	18	21	(F) Other Financial Assets		14
(D) Other Non-current liabilities	-	4	Current Assets		
Current Liabilities			(A) Inventories	281	243
(A) Short term Borrowings	342	712	(B) Trade Receivables	2,121	2,891
(B) Trade Payables	638	468	(C) Cash & Cash Equivalents	836	335
(C) Other Current Liabilities	118	51	(D) Bank Balances	-	369
(D) Short-term provisions	120	122	(E) Short-term loans & advances	754	1,014
(E) Other Financial Liabilities	-	71	(F) Other Current Assets	274	424
			(G) Other Financial Assets	-	321
GRAND TOTAL - EQUITIES & LIABILITIES	6,358	6,856	GRAND TOTAL – ASSETS	6,358	6,856

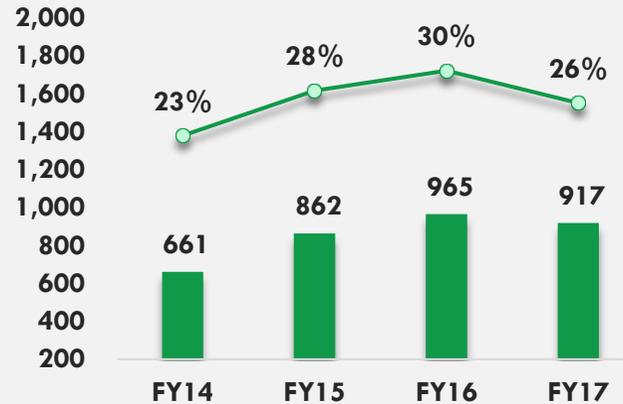
Standalone Financial Highlights



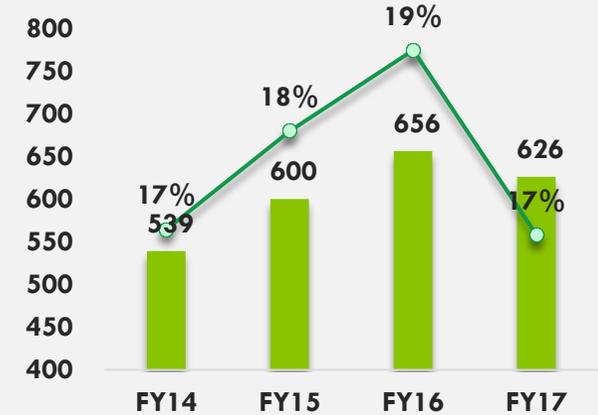
Total Revenue (INR Mn)



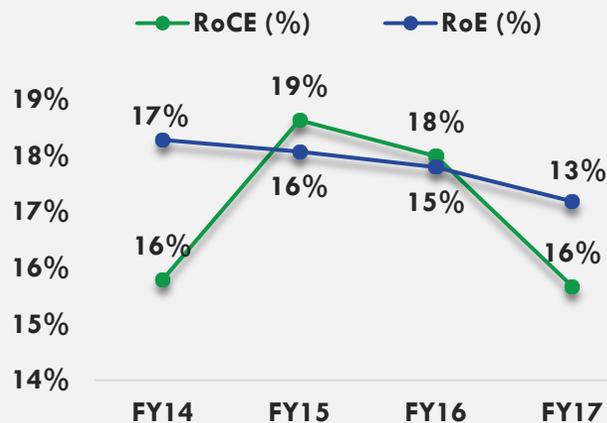
EBITDA & EBITDA Margins



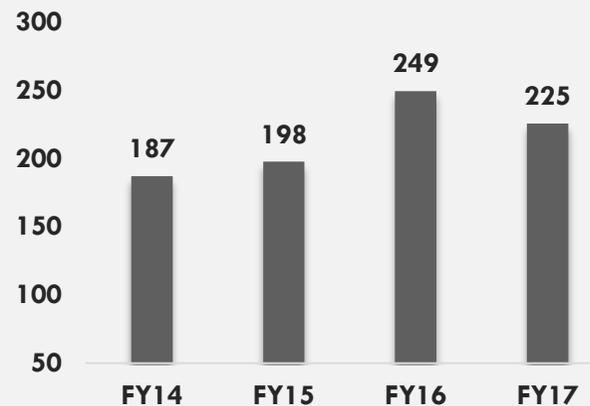
PAT & PAT Margins



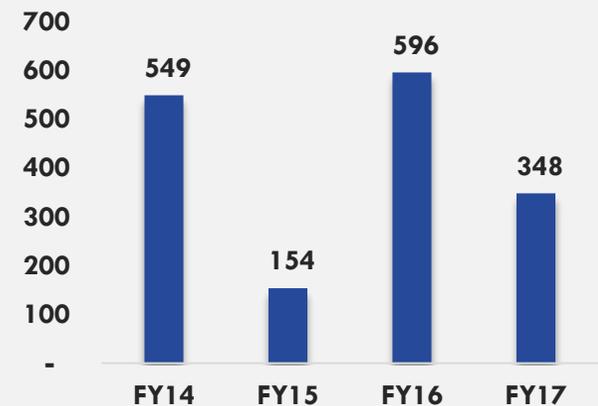
RoCE & RoE



Working Capital Days



Cash Flow from Operations



*Total Revenue is including other income

Historical Consolidated Income Statement (iGAAP)



PARTICULARS (INR Mn)	FY14	FY15	FY16	FY17
Operational Revenue	3,446	4,071	5,469	7,997
Total Expenses	2,734	3,037	3,912	6,061
EBITDA	712	1034	1557	1936
EBITDA Margins (%)	20.7%	25.4%	28.5%	24.2%
Depreciation	107	113	133	201
Finance Cost	180	164	186	199
Other Income	280	203	244	256
PBT	706	960	1,482	1,792
Tax	295	346	480	628
PAT before Minority Interest	410	614	1,001	1,163
Minority Interest	0.4	15	177	307
PAT after Minority Interest	410	599	825	856
PAT Margins (%)	11.00%	14.37%	17.52%	14.09%
Diluted EPS	3.97	5.81	8.00	8.30

Historical Consolidated Balance Sheet (iGAAP)



PARTICULARS (INR Mn)	FY14	FY15	FY16	PARTICULARS (INR Mn)	FY14	FY15	FY16
EQUITIES & LIABILITIES				ASSETS			
Shareholder Funds				Non-current Assets			
(A) Share Capital	103	103	103	(A) Fixed Assets	1,440	1,606	1,906
(B) Reserves & Surplus	2,766	3,268	4,023	(B) Goodwill on Consolidation	737	738	438
Minority Interest	101	149	331	(C) Non-current Investments	0	0	1
Non-current Liabilities				(D) Loans & Advances	120	103	568
(A) Long-term Borrowings	876	573	382	(E) Other Non-current Assets	14	4	-
(B) Deferred Tax Liabilities	70	89	95				
(C) Long-term provisions	11	14	18	Current Assets			
(D) Other Non-current Liabilities				(A) Inventories	325	337	387
Current Liabilities				(B) Trade Receivables	2,150	2,475	3,009
(A) Short term Borrowings	570	610	621	(C) Cash & Bank Balances	804	573	782
(B) Trade Payables	824	803	1,085	(D) Short-term loans & advances	207	747	504
(C) Other Current Liabilities	421	703	528	(E) Other Current Assets	31	39	23
(D) Short-term provisions	86	310	432	(F) Other Financial Assets	-	-	-
GRAND TOTAL - EQUITIES & LIABILITIES	5,828	6,622	7,618	GRAND TOTAL – ASSETS	5,828	6,622	7,618

Consolidated Balance Sheet (Ind-AS)



PARTICULARS (INR Mn)	FY17	H1-FY18	PARTICULARS (INR Mn)	FY17	H1-FY18
EQUITIES & LIABILITIES			ASSETS		
Shareholder Funds			Non-current Assets		
(A) Share Capital	103	103	(A) Fixed Assets	2,659	2,537
(B) Reserves & Surplus	4,729	5,311	(B) Goodwill on Consolidation	424	421
Minority Interest	649	834	(C) Non-current Investments	1	0
Non-current Liabilities			(D) Loans & Advances	1,420	146
(A) Long-term Borrowings	451	200	(E) Other Financial Assets	-	65
(B) Deferred Tax Liabilities	94	109	(F) Other Non-current Assets	-	2,011
(C) Long-term provisions	21	21	Current Assets		
(D) Other Non-current Liabilities	-	4	(A) Inventories	493	371
Current Liabilities			(B) Trade Receivables	2,265	3,302
(A) Short term Borrowings	1,419	2,325	(C) Cash & Bank Balances	1,505	1,512
(B) Trade Payables	945	1,179	(D) Short-term loans & advances	862	83
(C) Other Current Liabilities	972	848	(E) Other Current Assets	232	504
(D) Short-term provisions	478	565	(F) Other Financial Assets	-	547
GRAND TOTAL - EQUITIES & LIABILITIES	9,861	11,499	GRAND TOTAL – ASSETS	9,861	11,499

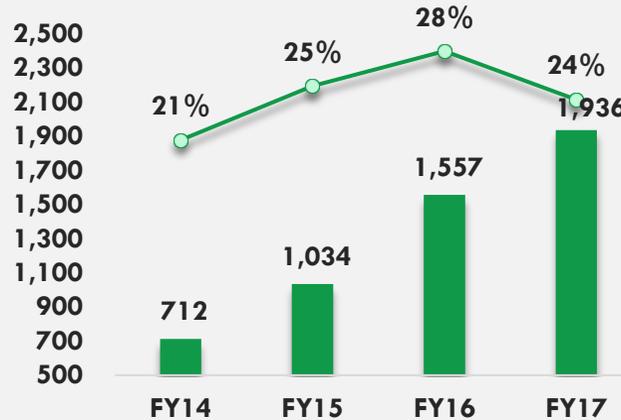
Consolidated Financial Highlights



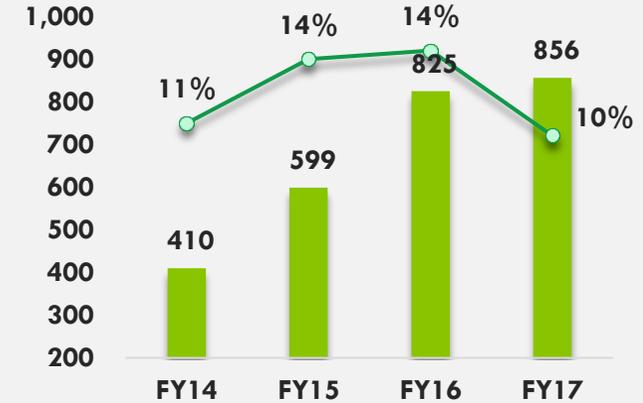
Total Revenue (INR Mn)



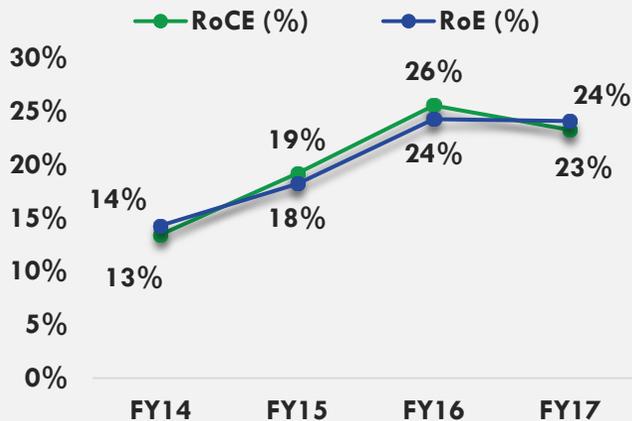
EBITDA & EBITDA Margins



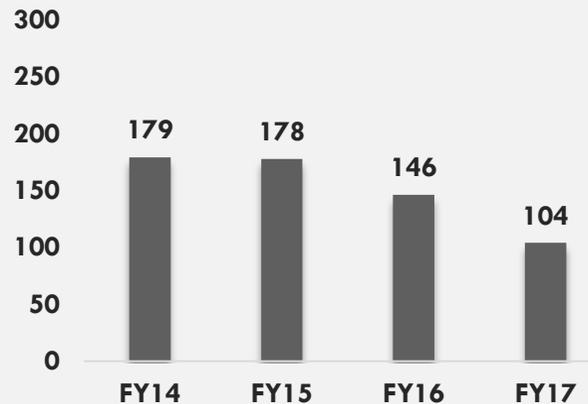
PAT & PAT Margins



RoCE & RoE



Working Capital Days

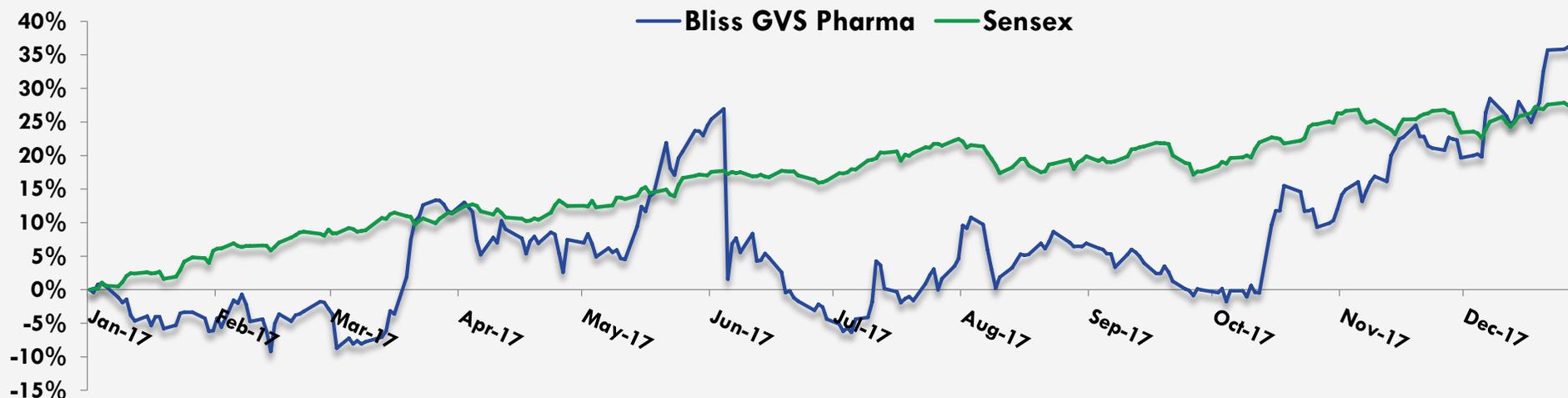


Cash Flow from Operations



*Total Revenue is including other income

Share Price Data as on 31st December, 2017

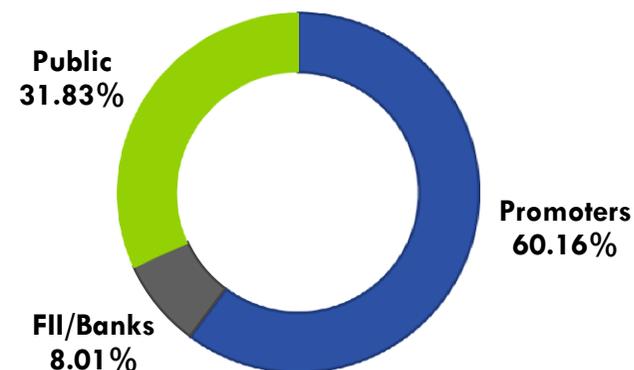


Price Data (31st December, 2017)

INR

Face Value	1
Market Price	211.25
52 Week H/L	222/129
Market Cap (Mn)	21,780
Equity Shares Outstanding (Mn)	103.1
1 Year Avg Trading Volume ('000)	211
Dividend (%)	60.00%

Share Price Data as on 31st December, 2017



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