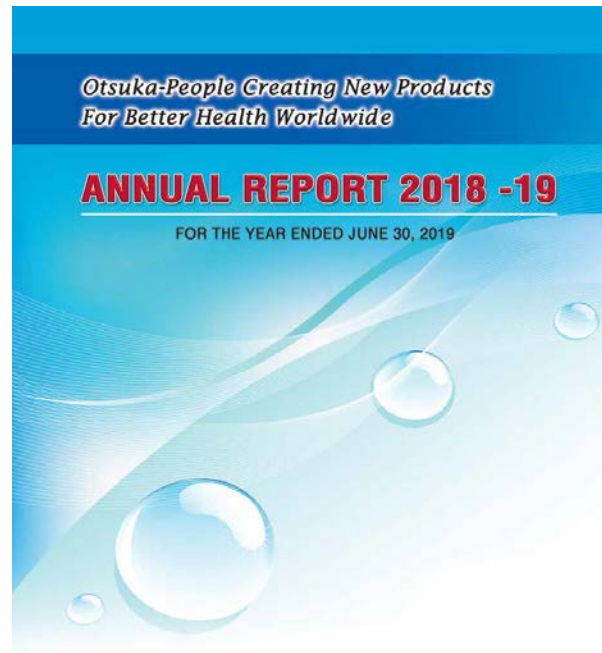




Otsuka

CORPORATE BRIEFING SESSION (CBS)

2018-2019



Tuesday, October 22, 2019



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1. COMPANY BRIEF

Company Name: Otsuka Pakistan Limited

Symbol: OTSU

Date of Incorporation: February 22, 1988

Date of Commencement of Commercial Production: April 11, 1988

Vision: Otsuka-people creating new products for better health worldwide

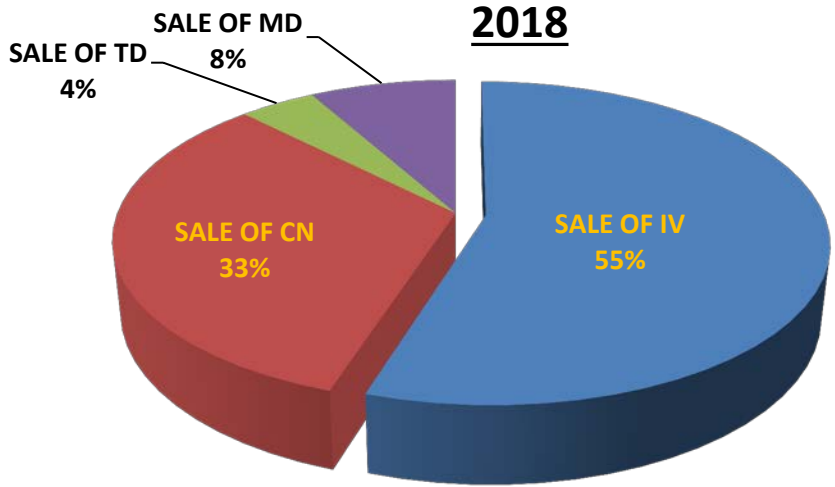
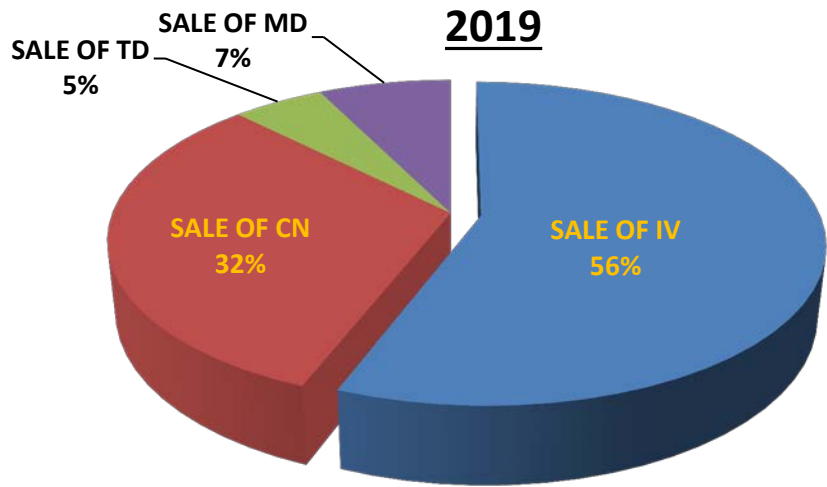
Mission: To provide quality health care products while maintaining leadership position in chosen segments by working efficiently towards customer satisfaction, rapid growth and enhanced stakeholders value

Manufacturing: I.V. Solutions (Pharmaceutical)



1. COMPANY BRIEF

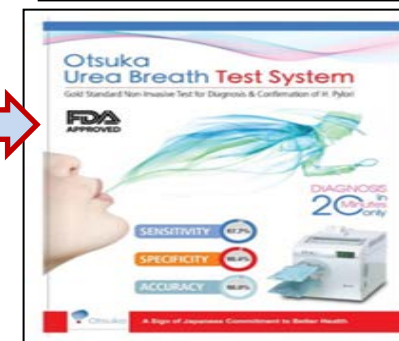
OPERATING SEGMENTS	2019		2018	
	Rs. in '000	%	Rs. in '000	%
SALE OF IV	1,037,175	56%	1,045,593	55%
SALE OF CN	604,242	32%	598,175	33%
SALE OF TD	106,371	5%	84,242	4%
SALE OF MD	136,964	7%	141,003	8%
TOTAL	1,884,753	100%	1,869,013	100%



2. STRATEGIC/OPERATIONAL DEVELOPMENTS:

INTRODUCTION OF NEW PRODUCTS IN 2018-19:

OPERATING SEGMENT	PRODUCT NAME	LAUNCH DATE
I.V. SOLUTIONS	(1) Otsuzol (Metronidazole)	Jan-19
	(2) Otsumol (Paracetamol)	Feb-19
MEDICAL DEVICES	(3) Otsuka UREA Breath Test System (UBIT)	Mar-19



2. STRATEGIC/OPERATIONAL DEVELOPMENTS:

- ❖ Price increase matter outstanding since 2016 is resolved as per SRP 1610(I)/2018 dated: December 31, 2018
- ❖ Conversion of our IT applications from in-house servers to Cloud database which will ensure the optimum security, efficiency and cost effectiveness of our IT applications.
- ❖ Our lead banker for financing needs have been changed from “The Bank of Tokyo “ to “Citi Bank N.A” with enhancement of our funded lines , better margins together with better services.
- ❖ Major factory maintenance (floor epoxy) being done from May 06, 2019 to June 10, 2019 to maintain the quality of our products

3. FINANCIAL DETAILS

Profit & (Loss) Statement

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
	----- Rs. In '000-----				
Sale	1,884,753	1,869,013	1,829,624	1,550,709	1,452,196
Gross Profit	396,180	569,796	499,873	268,635	161,110
Operating Profit/(Loss)	(127,733)	176,531	242,209	(88,494)	(76,476)
Profit/(Loss) before tax	(193,711)	138,008	196,174	(153,477)	(179,939)
Profit/(Loss) after tax	(175,348)	65,306	109,751	(112,177)	(146,165)
Earning / (Loss) PKR per share	(14.49)	5.40	9.98	(10.20)	(13.29)
Cashflow cycle					
Opening	(485,840)	(434,700)	(537,010)	(561,070)	(553,779)
Cash flows from Operations	(55,334)	81,689	352,735	(145,129)	(136,604)
Cash flows from Investments	(25,017)	(43,779)	(21,076)	(10,586)	(22,779)
Cash flows from Financing	(6,503)	(89,050)	(229,349)	179,775	152,092
Closing	(572,694)	(485,840)	(434,700)	(537,010)	(561,070)
Capital Structure					
Total Borrowing	1,141,257	915,848	943,981	1,277,757	1,115,510
Less: Bank Balance	(10,975)	(18,445)	(17,901)	(10,785)	(4,253)
Net Debt.	1,130,282	897,403	926,080	1,266,972	1,111,257
Total Equity	23,455	202,812	137,864	29,478	141,914
Total Capital	1,153,737	1,100,215	1,063,944	1,296,450	1,253,171

4. FUTURE PLANS

- ❖ To strengthen and reinforce the brand image of Otsuka through “CO-CREATE” activities with our business partners.
- ❖ To maintain steady growth in the sales volume by devising aggressive marketing promotional activities.
- ❖ To maintain high standards of quality in the manufacturing of medicines.
- ❖ To provide equal opportunity for growth and development to all its team members.
- ❖ To become employer of Choice by attracting, nurturing and coaching employees.
- ❖ To develop and maintain an organizational culture based on learning, professionalism and ethics.
- ❖ To reduce the gearing ratio of the company by reducing our cash conversion cycle.
- ❖ To contribute in community services for betterment of society and environment.
- ❖ To Compensate stakeholders legitimately in the light of profit and cash flow.

Thank You!