



CUPID LIMITED

Manufacturers and Suppliers of Male & Female Condoms

Date: - 13th August, 2018

To,

Department of Corporate Services,
BSE LIMITED,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
SCRIP CODE: 530843

The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Bandra-Kurla
Complex, Bandra (East),
Mumbai - 400051
Fax No. – 6641 8125 / 26
SCRIP CODE: CUPID

Subject: - Press Release

Dear Sir / Madam,

With reference to captioned subject attached herewith the Press Release for the Unaudited Financial Results of the company for quarter ended 30th June, 2018.

Kindly take the same on your records and acknowledge the receipt.

Thanking You.

Yours faithfully

For Cupid Limited



Saurabh V. Karmase

Company Secretary and Compliance Officer



CUPID[®]

Cupid Limited announces Q1FY19 Financial Results

Q1FY19 Sales at ₹17.3 Cr, PAT at ₹4.5 Cr

Earnings Call on 14th August 2018 at 4:00 PM

13th August, 2018 - Cupid Limited (BSE: 530843, NSE: CUPID), one of India's leading manufacturer of quality male and female condoms today announced its financial results for the quarter ended **30th June 2018 (Q1FY19)**.

Commenting on the Company's performance for Q1FY19, Mr. Omprakash Garg, CMD said "The operating revenue during the quarter was 8.8% lower at ₹17.3 Crore (Cr) as compared to ₹19.0 Cr in the corresponding quarter of the previous year. However, the net profit increased by 3.5% to ₹4.5 Cr as compared to ₹4.3 Cr in the corresponding quarter of the previous year. The first quarter 2019 result as compared to the first quarter of 2018, was impacted due to continuing slowdown in Female Condom orders from South Africa."

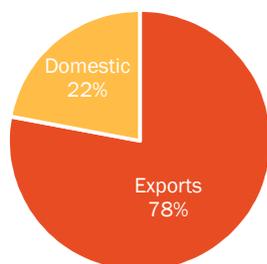
He further added, "The demand for Male condom in the domestic and export markets continues to remain robust. Out of the total sales, export was 78% and domestic was 22%. In terms of product split, Male Condom was 61% and FC was 39%. Out of Male Condoms sales, 63% was export and 37% domestic. 75% of the Male condom exports were through UNFPA orders. The lower FC sales at 39% of the total sales was mainly due to continuing slowdown in Female Condom orders from South Africa. During the quarter, we continued to dispatch Male Condoms to Govt. of India and also for the first time, we started to export to Central American countries like Guatemala, Honduras besides Dominican Republic and Haiti through UNFPA (United Nation Population Fund)."

Q1FY19 REVIEW (APRIL 1ST, 2018 TO JUNE 30TH, 2018)

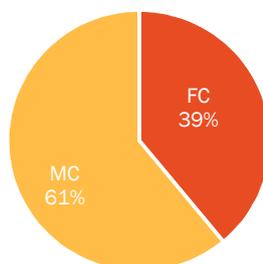
- Total Operating income was **₹172.84 million (mn)** for Q1FY19 as compared to **₹189.60 mn** in the corresponding period of the previous year reflecting a decrease of **8.80 %**
- EBITDA stood at **₹63.10 mn** as compared to **₹73.86 mn** during the corresponding period of previous year.
- EBITDA Margin at **34.98 %** for Q1FY19 as against **37.51 %** in Q1FY18
- Net profit stood at **₹44.81 mn** for Q1FY19 as compared to **₹43.29 mn** in the corresponding period of the previous year, an increase of **3.52 %**
- Basic EPS stood at **₹4.03** as against **₹3.89** in the corresponding quarter of last fiscal.

SALES BREAKUP (Q1FY19)

Geography mix



Product mix



- Exports in Q1FY19 were 78% (77% in Q1FY18) of the total revenue while balance 22% (23% in Q1FY18) was domestic
- The product mix in Q1FY19 was led by male condoms (MC) with 61% (32% in Q1FY18) contribution to revenues followed by female condoms (FC) 39% (60% in Q1FY18)

BUSINESS HIGHLIGHT

Some of the highlights during the quarter were:

- The capacity expansion plan was revised upwards by 40% to 560 mn pcs per year from 20% expansion plan earlier.
- The JV proposal to manufacture Female Condoms with a partner in South Africa was submitted to the Department of Treasury/Health South Africa.
- Cupid was successful in negotiating better margins for Male Condoms from existing customers like UNFPA, Ministry of Health, Government of India, International NGOs and from customers who are engaged in contract manufacturing with Cupid to promote their own brands.
- As of July 1st, the order book was ₹55 Cr and with the recent ₹40 Cr order from Government of South Africa, the current order book stands at ₹95 Cr. We would endeavor to dispatch the maximum possible quantity during FY 19.
 - Male Condom orders are worth ₹ 70 Cr and for Female Condom, it is ₹ 25 Cr, which includes only 1st year allocation of 8.8 mn pieces from the import portion of the South Africa tender. The Treasury is yet to announce the allocation for the 2nd and 3rd year of the import contract and for the JV local manufacturing unit.

BUSINESS OUTLOOK

Going forward, we believe that growth of our business will be positively impacted due to following activities:

- Higher production capacity, which would permit Cupid to participate in large tenders from countries like Brazil and South Africa, which require 800 mn and 1 bn condoms per year respectively.
- Improved profits due to better margins negotiated recently with the customers along with Royalty payment and higher margins from the proposed JV operation.
- The overall increase in production quantities would result in lower unit cost of production by distributing the overhead cost because of larger volume.
- In addition to a healthy order book, we intend to actively participate in all major upcoming worldwide tenders.

We continue to have a positive business outlook and are confident on showing improved financial performance going forward.

Q1FY19 EARNINGS CALL

The company will conduct a 60 minutes Earnings call at **4:00 PM IST** on **Tuesday, 14th August 2018** where Mr. Omprakash Garg (CMD) will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is **+91 22 6280 1107 / +91 22 7115 8008**. Other numbers are listed in the conference call invite which is posted on the company website www.cupidlimited.com. Please note that the transcript of the conference call will also be uploaded on the company website in due course.

ABOUT CUPID LIMITED

Head Quartered in Nasik, India, Cupid Limited (BSE: 530843, NSE: CUPID) is a leading manufacturer of quality male and female condoms. The Company has one of the largest manufacturing facilities with in-house Research and Development Centre. The Company is India's first (one amongst few in the Globe) to have been pre-qualified by WHO/UNFPA for worldwide public distribution of female condoms. The Company has the capacity to produce up to 325 million pieces of male condoms, up to 25 million pieces of female condoms and 210 million sachets of Lubricant Jelly annually. The Company exports to over 40 countries and derives around 75% of its revenues through exports. For more details, please visit www.cupidlimited.com

Disclaimer:

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors. That could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Cupid Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances