



Cupid Limited announces Q2/ H1 FY17 Financial Results

**Q2FY17 Total Income at ₹221.05 million up by 41%, PAT at ₹53.64 million
Announces Second Interim Dividend of 10%**

Earnings Call at 3:00PM on 28th October 2016

October 27, 2016- Cupid Limited (BSE: 530843), one of India's leading manufacturer of quality male and female condoms today announced its financial results for the **second quarter(Q2FY17)** and **half yearly(H1FY17)** results for the period ended 30th September 2016.

Financial Performance

Q2FY17 Review (July 1st, 2016 to September 30th, 2016)

- Total Operating income was **₹221.05 million (mn)** for Q2FY17 as compared to **₹157.32 mn** in the corresponding period of the previous year reflecting an increase of **41%**
- EBITDA stood at **₹90.57 mn** as compared to **₹66.88 mn** during the corresponding period of previous year, an increase of **35%**
- EBITDA Margin at **42.1%** for Q2FY17 as against **43.6%** in Q2FY16 largely factoring the changed product mix.
- Net profit stood at **₹53.64 mn** for Q2FY17 as compared to **₹41.08 mn** in the corresponding period of the previous year, an increase of **31%**
- Basic EPS stood at **₹4.83** as against **₹3.70** in the corresponding quarter of last fiscal.
- **2nd Interim Dividend of ₹1/- per equity shares (10 %) as declared by Board of Directors**

H1FY17 Review (April 1st, 2016 to September 30th, 2016)

- Total Operating income was **₹383.47 mn** for H1FY17 as compared to **₹285.09 mn** in the corresponding period of the previous year reflecting an increase of **35%**
- EBITDA stood at **₹155.70 mn** as compared to **₹116.09 mn** during the corresponding period of previous year, an increase of **34%**
- EBITDA Margin maintained at **41.7%** both for H1FY17 and H1FY16
- Net profit stood at **₹91.98 mn** for H1FY17 as compared to **₹71.23 mn** in the corresponding period of the previous year, an increase of **29%**
- Basic EPS stood at **₹8.28** as against **₹6.41** in the corresponding period of last fiscal

Management Comments

Commenting on the Company's performance for Q2/H1 FY17, Mr. Om Garg, CMD said "We are happy to continue our business momentum with robust sales growth along with margins and profitability. While our condoms business remained strong, we also initiated sales in the water based lubricant jellies which received positive initial response. Overall, we strongly feel that it was a healthy quarter both financially and operationally and we are progressing well towards our strategic direction"

Business Review

Sales Analysis

- The sales were driven both by male and female condoms business as the split had close to 47.5% contribution from each of the segments. The balance 5% was from the “Water based lubricant jelly” which was commercially launched in Q2FY17
- The newly launched “Water based lubricant jelly” registered ₹10 mn of sales
- The business was pro- exports during the quarter as we saw our exports reaching record 84% of the operating revenues
- Africa remains our largest market for both male and female condoms during the quarter.
- The contract manufacturing sales contributed 19% in the overall revenues
- Increasing trend in online sales

Operational Developments

- Listed on National Stock Exchange of India Limited in addition to the Bombay Stock Exchange
- Started “Cupid for Her” Campaign in association with Kora Kendra Navratri 2016 to endorse women empowerment along with awareness on STDs and advantages of female condoms
- Significant ramp up in capacity utilization both in female and male condoms.
- Initiated registration process with USFDA for Cupid Female Condoms

Outlook

Going by the half yearly results, we believe that the environment has been favorable for our business and from a long-term perspective, we remain optimistic on the performance of the Company. While we grew our business significantly in this period, we also initiated a couple of actions that would set a base for our business in future. As on 30th September, 2016, we have confirmed orders worth **₹460 mn** and we intend to maximize its execution in FY17 itself.

For this quarter, our business priorities would be:

- Aggressive brand promotion both for our male and female condoms aligned to our earlier “Cupid for her” campaign conducted during the auspicious Navratris. The initial outlay would be focused on Greater Mumbai followed by other metropolitan cities including Delhi, Bengaluru, Pune, Ahmedabad and Chandigarh.
- Accelerate sales of female condoms through NGOs involved in the prevention of unintended pregnancies and spread of STIs including HIV/AIDS

Q2/H1 FY17 Earnings Call

The company will conduct a 60 minutes Earnings call at **3:00 PM IST on Friday, October 28, 2016** where Mr. Om 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 3960 0644/+91 22 6746 4144**. Other numbers are listed in the conference call invite which is posted on the company website www.cupidltd.in. 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) 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 upto 325 million pieces of male condoms and upto 20 million pieces of female condoms annually. The Company exports to over 26 countries and derives around 80% of its revenues through exports. For more details, please visit www.cupidltd.in

For any queries, please contact

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