



Marksans Pharma Ltd.

Q1FY23

Investor Presentation

Creating a Global Company

BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

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Safe Harbor



Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company's results may be affected by factors including, but not limited to, the risks and uncertainties in pharmaceutical research and development; competitive developments; regulatory actions; the extent and duration of the effects of the COVID-19 pandemic; litigation and investigations; business development transactions; economic conditions; and changes in laws and regulations, including health care reform. The company undertakes no duty to update forward-looking statements except as required by applicable law.

Table of Content



1. Q1FY23 Highlights.....	04
2. About the company.....	10
3. Leveraging our key strengths	19
4. 2022 and Beyond.....	30
5. Global Overview	36
6. Outlook – Key targets for next five years.....	55
7. Marksans - A Compelling Investment.....	58
8. 6-Year Financial Highlights	62
9. Business Structure.....	67
10. ESG.....	68
11. Corporate Governance Philosophy	71
12. Experienced Team.....	73



Q1FY23 Highlights

Management Commentary



"We had a strong start to the year, achieving good growth across all our regions. Our existing business, new product approvals, and launches continue to drive the momentum. We have emerged as a prime manufacturer and marketer of private-label store brands of consumer healthcare products in the USA, UK and Australia. This is driven by our commitment to invest in product innovation, newer capacities, and increasing penetration. Looking ahead, we see growing demand in our OTC segment across the regions, and we are well-positioned to take advantage of these opportunities. "

Mark Saldanha

MANAGING DIRECTOR AND CEO



₹ 433.8 cr

+24.3 %

(YoY)

Q1FY23 Revenue

₹ 72.9 cr

-5.8%

(YoY)

Q1FY23 EBITDA

₹ 60.2 cr

-3.9%

(YoY)

Q1FY23 PAT

₹ 339.0 cr

as of June 30, 2022

Cash

Topline

- Operating revenue was ₹433.8 cr. compared to ₹348.9 cr. in Q1FY22, an increase of +24.3% YoY driven by volume growth in existing products and new launches in the US and UK
- Pricing erosion in the US continued in high single digits during the quarter, impacting the Generic Rx business
- Over 94% of our revenues are from the regulated markets- USA , Europe, Australia & Canada

Business

- Total R&D Expenditure was ₹8.9 cr., constituting ~2% of revenue and expected to increase to ~4-5% over the next few years
- Plan to incur capex of ₹200.0 cr. over two years for increasing the manufacturing capacities
- Taking steps to backward integrate into API manufacturing of our core molecules for captive consumption
- Commenced buyback on July 15, 2022, for an aggregate consideration not exceeding Rs 6000 lakhs

Profitability

- Gross profit was ₹218.9 cr., increasing by +17.3% YoY. Gross margin was 50.5%, up 110bps QoQ but down 300bps YoY
- EBITDA was ₹72.9 cr., declining by 5.8% with EBITDA margin at 16.8%, on account of increase in costs of material, freight costs, and pricing pressure in the US
- PBT was ₹76.4 cr., growing by 2.2%
- PAT stood at ₹60.2 cr with EPS at ₹1.46

Product Pipeline

- UK: Planned 34 new filings over the next three years, of which 7 are planned in FY23. In addition, 16 products are already filed and awaiting approval
- USA: 32 products are in the pipeline, of which 20 are oral solids and 12 are ointments and creams. Within oral solids, 4 are softgels
- Australia and New Zealand: 10 products are in the pipeline and expected to be launched over the next two years

Financial Summary – Profit and Loss Statement



Particulars (₹ cr.)	Q1FY23	Q4FY22	Q1FY22	YoY	QoQ
Operating Revenue	433.8	418.0	349.0	+24.3%	+3.8%
Gross Profit	218.9	206.4	186.7	+17.3%	+6.1%
Gross Margin %	50.5%	49.4%	53.5%	-302bps	+110bps
EBITDA	72.9	63.6	77.3	-5.8%	+14.5%
EBITDA Margin %	16.8%	15.2%	22.2%	-536bps	+157bps
Finance Costs	(1.8)	(5.0)	(1.0)	+86.3%	-64.2%
Depreciation & Amortization	(11.1)	(21.4)	(7.5)	+48.8%	-48.0%
Other Income	16.5	15.3	5.9	+180.4%	+7.5%
Profit before tax	76.4	52.6	74.8	+2.2%	+45.3%
Taxes	(16.3)	(22.9)	(12.2)	+33.5%	-29.1%
Net Profit	60.2	29.7	62.6	-3.9%	+103.0%
Net Profit Margin %	13.4%	6.8%	17.6%	-428bps	+652bps
Diluted EPS (INR)	1.46	0.69	1.51	-3.4%	+112.4%

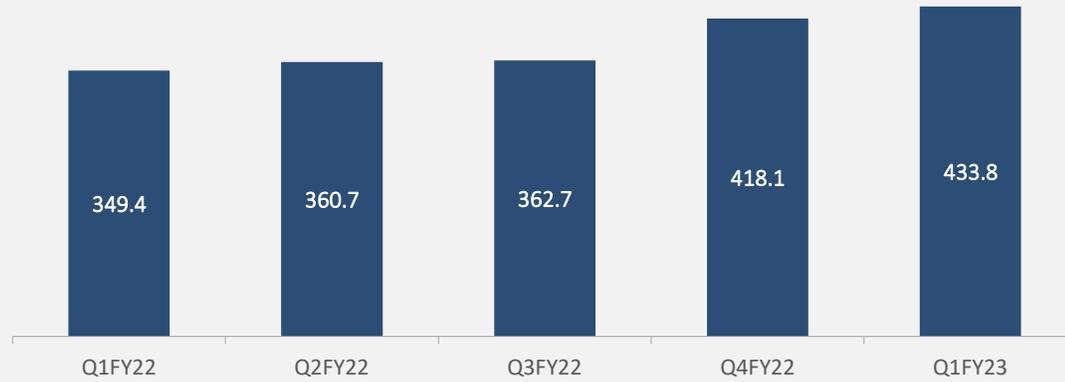
Quarterly Performance



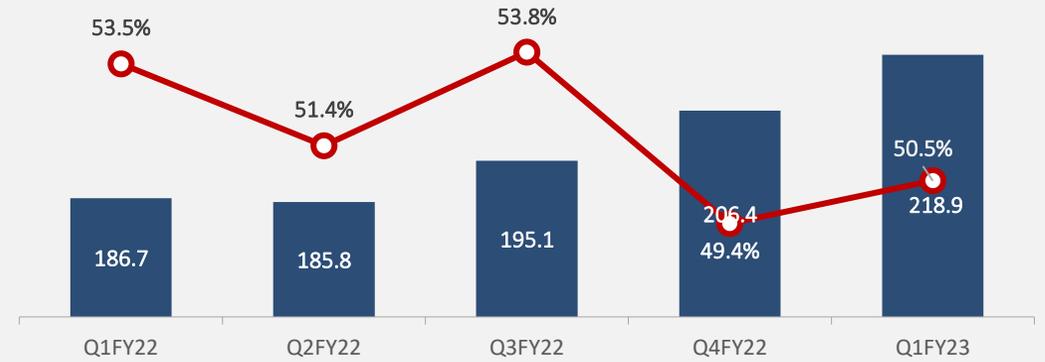
Marksans Pharma Ltd.



Operating Revenue (₹ cr.)



Gross Profit (₹ cr.) & Gross Profit Margin (%)



EBITDA (₹ cr.) & EBITDA Margin (%)



PAT (₹ cr.) & PAT Margin (%)



Operating Revenue (₹ cr.) - Segmental Split



Marksans Pharma Ltd.



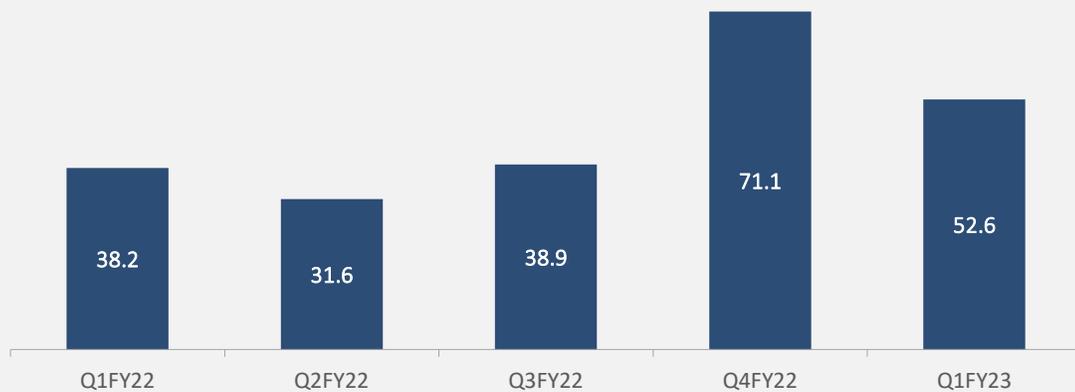
US & North America



Europe and UK



Australia and New Zealand



Rest of the World and UAE





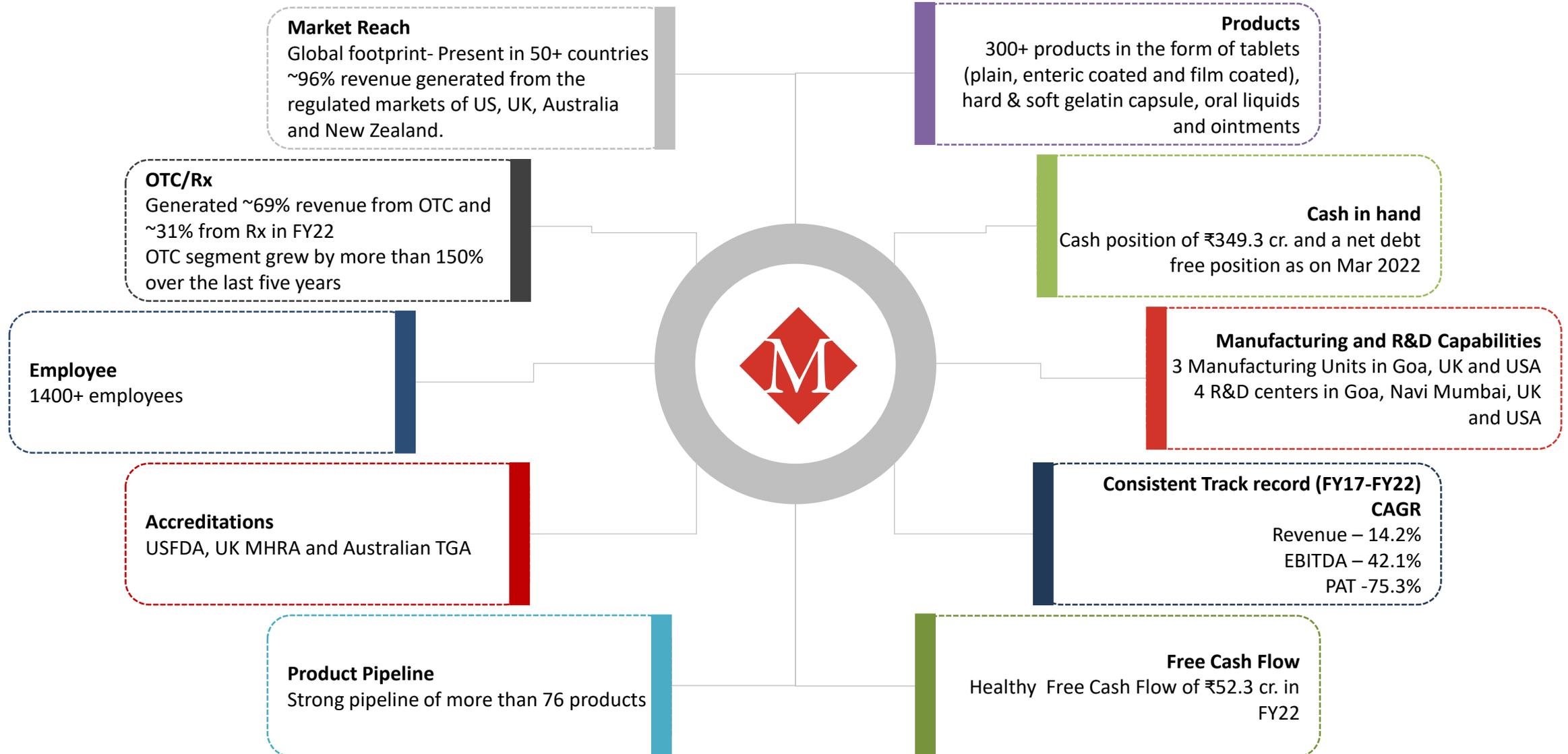
About the company

Marksans Pharma- Snapshot

India's leading pharmaceutical company with a focus on regulated markets, specializing in research, manufacturing and marketing of generic pharmaceutical formulations



Marksans Pharma Ltd.



Marksans Today – Reinvented ourselves through disciplined and successful acquisitions creating a forward integrated model



USA

- Contributes ~42.6% to the revenue in FY22
- Presence in the USA through Time Cap Labs, a 37 years old company
- Focus on OTC and Rx market.
- Leading OTC store brand with the customer base of leading USA retailers like Target, Walmart, Walgreens, Kroger etc.

UK and Europe

- Contributes ~40.9% to the revenue in FY22
- Presence in the UK and Europe through two subsidiaries, Relonchem and Bells Healthcare
- Bells is the largest manufacturer of private label & branded cough liquids in the UK
- Relonchem supplies a broad range of own label healthcare pharmaceutical products.

Australia and New Zealand

- Contributes ~12.0% to the revenue in FY22
- Presence in Australia and New Zealand through subsidiary Nova Pharmaceuticals
- Nova is one of the leading branded and private label suppliers in Australia to top retailers like Woolworths Ltd., Coles Mayer Ltd., Aldi, Metcash etc.

RoW

- Contributes ~4.5% to the revenue in FY22
- Presence in Middle East, Southeast Asia, CIS, Russia and Africa.
- Company has acquired AHC in UAE that will strengthen its presence in MENA region

Offering quality affordable healthcare products

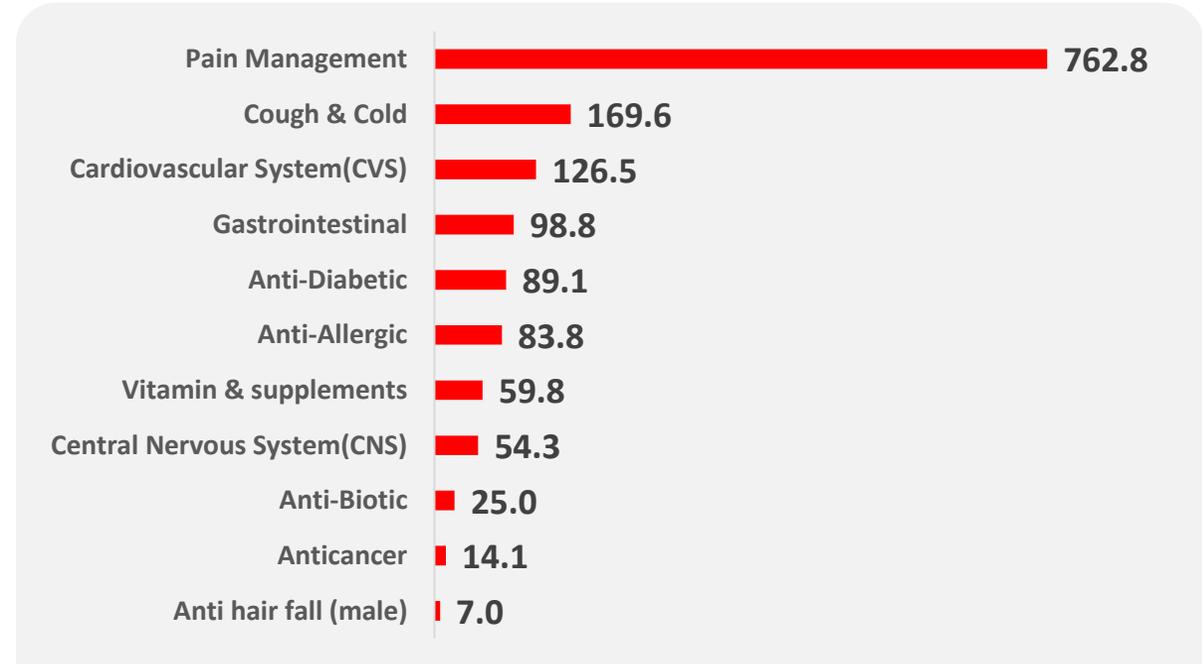


Marksans Pharma Ltd.



- Presence across 10+ therapeutic areas
- OTC – Pain Management, Cough and Cold, Gastrointestinal, Vitamin & supplements, Anti-Allergic
- Rx – CVS, CNS and Anti-Diabetic
- 1500+ SKUs and 300+ products
- With more than 50 products in US
- Bells Healthcare, UK has more than 100 products while Relonchem has more than 160 products
- And more than 30 products in Australia

Product Portfolio – FY22 Revenue (₹ Cr.)



Wider product basket with complete product offering in four largest OTC segments



Forward Integrated business model with proprietary distribution infrastructure

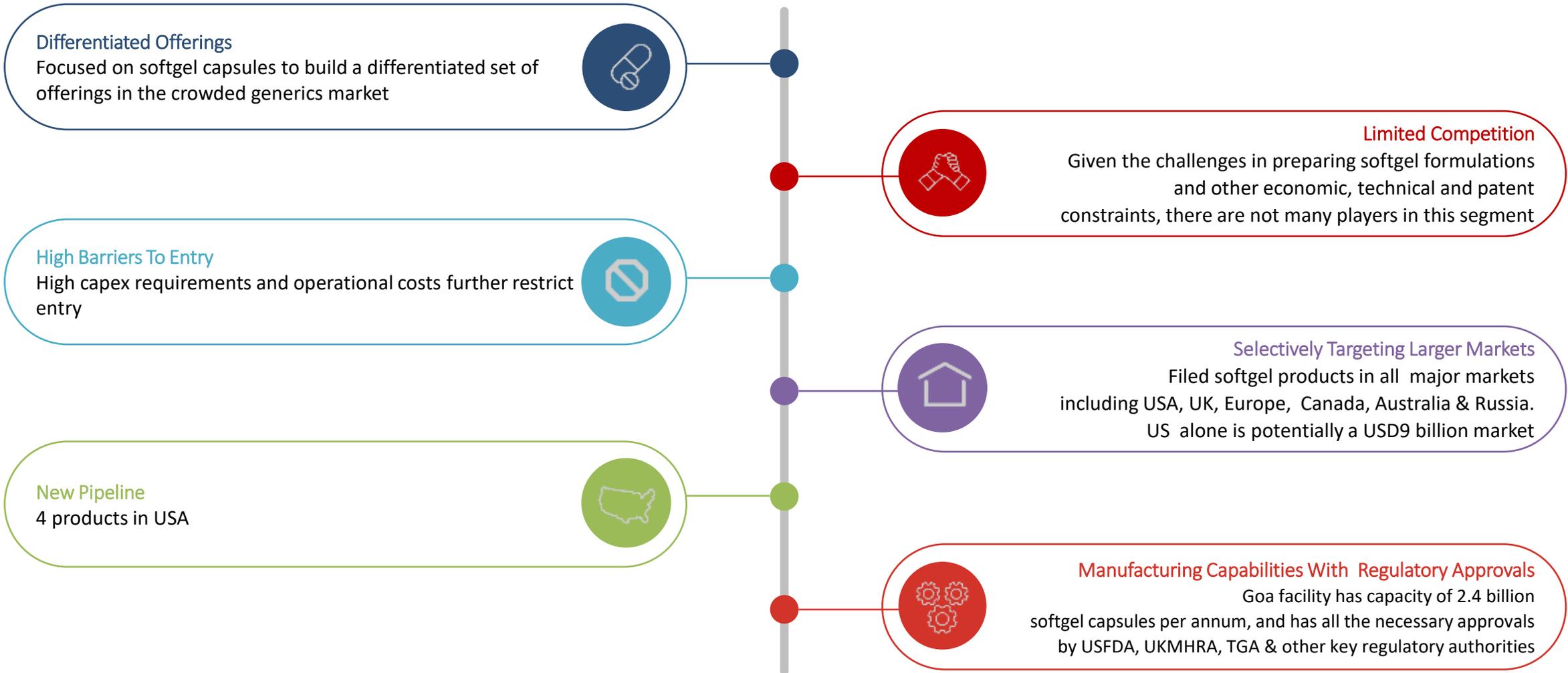


Long-lasting relationship with the customers



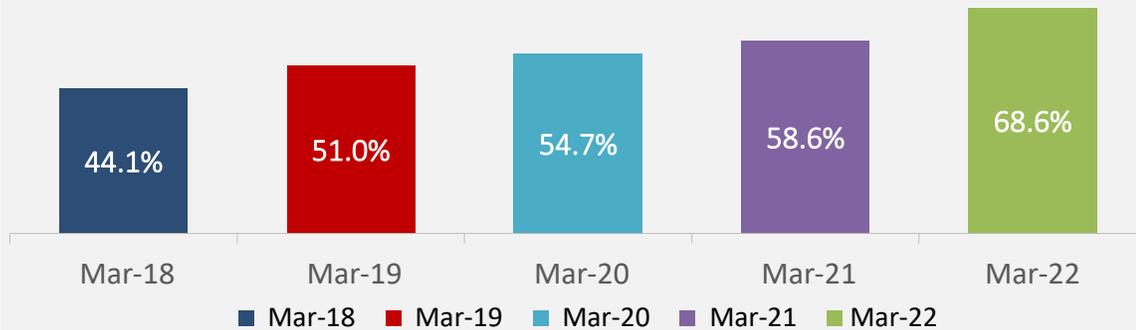
Stable and sustainable business model

Most active in Softgel segment with limited competition

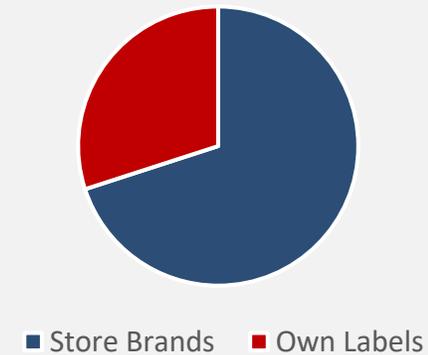




Continued increase in the revenue share from OTC segment over the last five years



In OTC, the revenue comes from store brands and own label



Store Brands

- Manufacturing and Distribution of Store Brands is one of the key focus area
- Presence in high growth therapeutic areas through SKUs and strong product pipeline driven by low-cost manufacturing facilities leading to long-lasting relationship with the retailers

Own Labels

- Marksans also specializes in own label where it provides products to supermarkets, high street retailers, pharmacy chains and wholesalers.
- Bells Healthcare, UK and Time-Cap Labs, US and Nova Pharmaceutical, Australia have their own labels for OTC products
- Majority of the products are exported to various regions

Own Label and Private label stores brand



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Bells Healthcare, UK

- Bell's Healthcare specializes in own label products and provides to supermarkets, high street retailers, pharmacy chains and wholesalers.
- Private label allows customers to provide high quality own label in their own artwork
- Presence across therapeutic areas including analgesics, cough and cold, pain relief, gastrointestinal, ear care and skin care for the UK and Export markets

Time-Cap Labs, US

- TCL manufactures and sells finished products through own label and store brands
- The company also has own label products on e-commerce platforms like Amazon

Nova Pharmaceuticals, Australia and New Zealand

- Nova Pharmaceuticals has private label store brand manufacturing capabilities for a vast range of products. It is a prominent distributor to popular retail brands
- Nova also supplies its products to major pharmacies in Australia

Product range



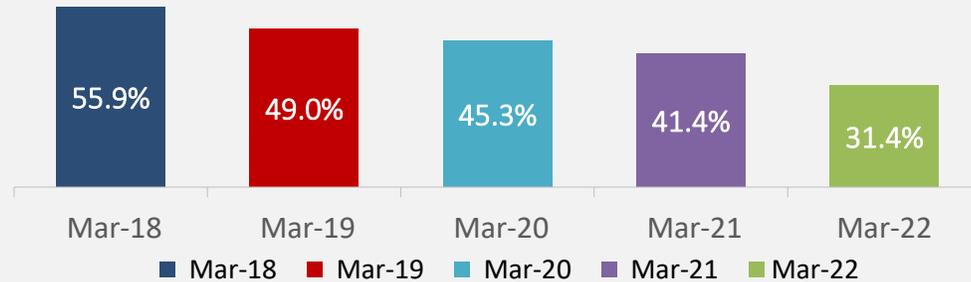
Product range



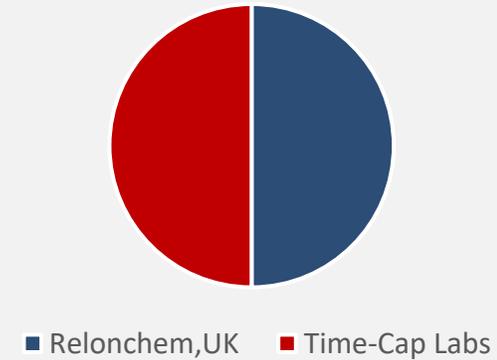
Product range



~31% revenue derived from Rx products



In Rx, revenue comes Relonchem, UK and Time-Cap Labs, US



Relonchem, UK

Relonchem has over 160 product licenses. It supplies a broad range of own label healthcare pharmaceutical products across therapeutic areas including anti-diabetic, anti-hypertensive, anti-depressant, anti-cancer, anti-ulcerative, allergy relief, anti-viral and pain relief for the UK market



Time-Cap Labs, US

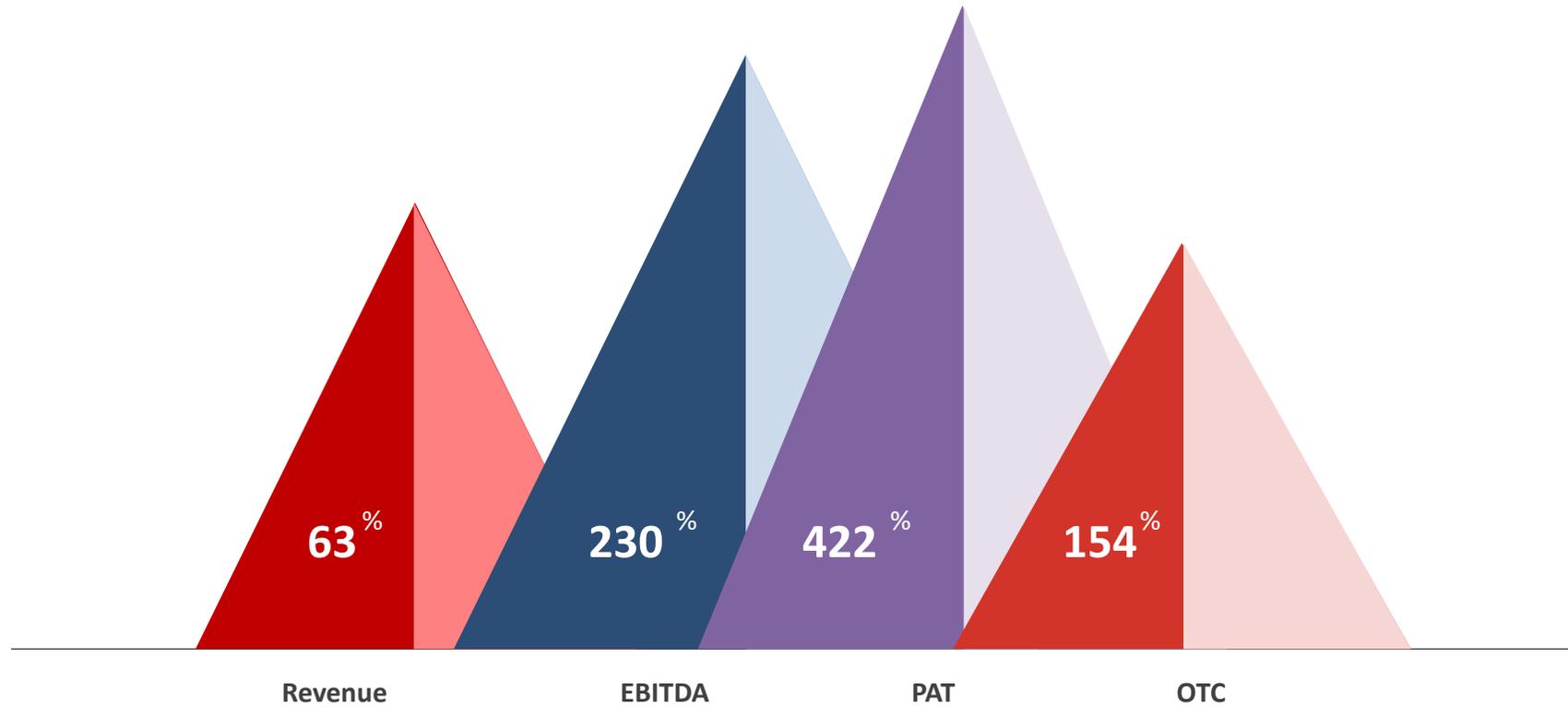
- Time-Cap Labs focuses on manufacturing high quality products in the both OTC and Rx market across pain management, CNS and anti-diabetic categories
- Selling them through large wholesalers and pharmacies in the US



Has led to high growth track record



Over 2018-2022, Marksans has seen high growth across the key parameters



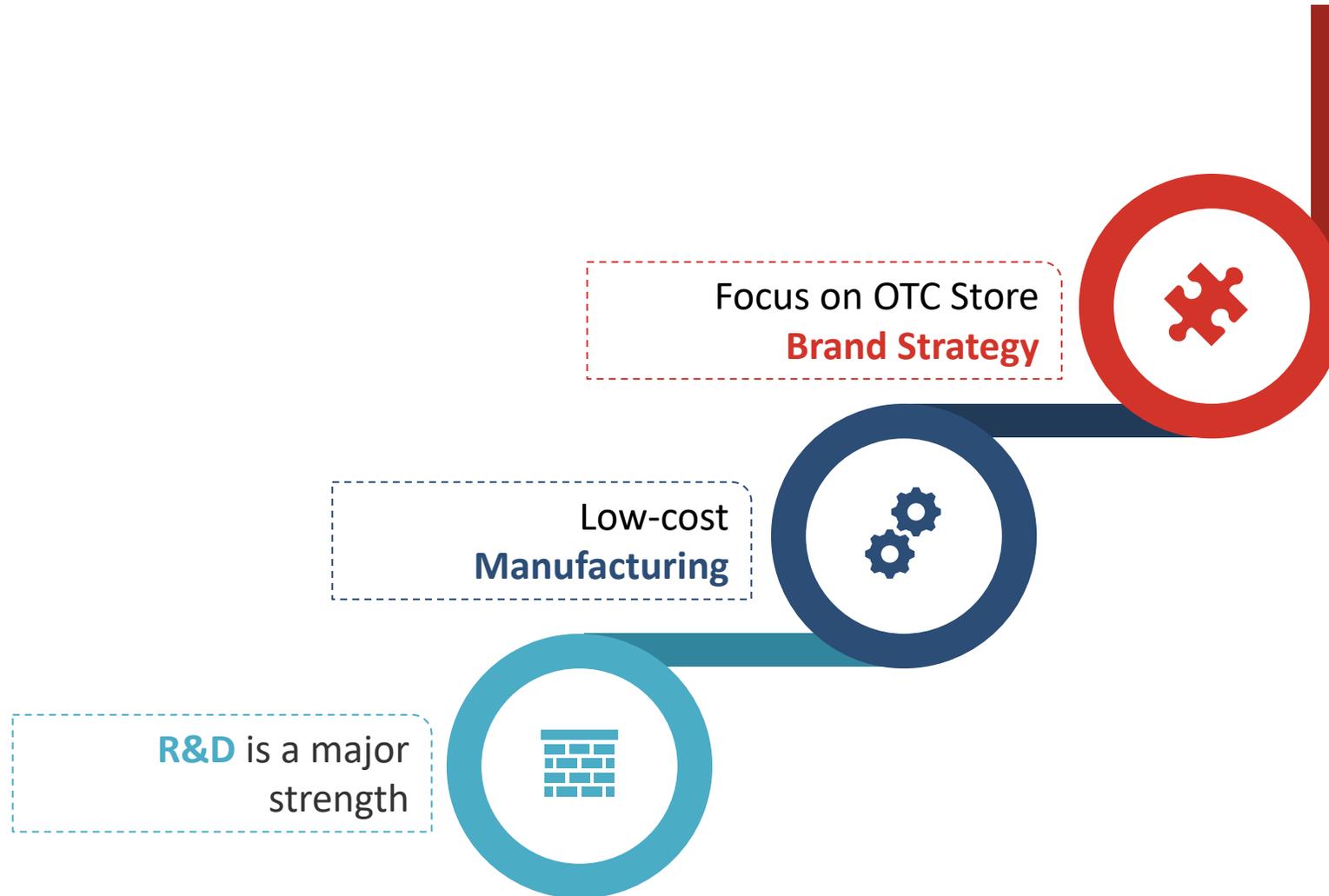


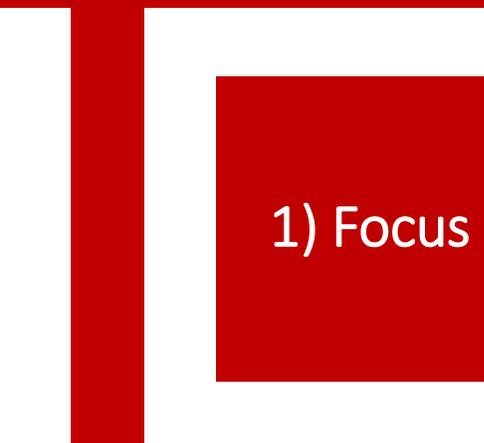
Leveraging our key strengths

Becoming a high performing healthcare company by leveraging our key strengths



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1) Focus on OTC Store Brand Strategy

What do we do?



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- Marksans Pharma manufactures more than 1500 SKUs and 300+ products
- We manufacture and sell products through store and own brand model
- We are the preferred store brand partners where our long-lasting retailers' have partnered with us for manufacturing of OTC products for them
- Our expertise in private label manufacturing has helped retailers to create value for our customers through cost savings and long-term loyalty

We have long lasting partnership for store brand manufacturing with the leading retailers across our key geographies

Our top Retailers/Customers in USA



Our top Retailers/Customers in UK



Our top Retailers/Customers in Australia



Our store brand products are available through e-commerce as well...



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Our products for the retailers are available in outlets and ecommerce as well

With almost full range of Store brand OTC products available online today through the retailers

Store Brand OTC e-Commerce page:

The screenshot displays a Walgreens e-commerce page for Store Brand OTC products. On the left, there is a filter sidebar with the following sections:

- In-stock items only** (checkbox)
- Category**: Migraine Pain Relief, Non-Aspirin
- Product Type**: Non-Aspirin Pain Relievers (checkbox)
- Brand** (dropdown)
- Price** (dropdown)
- Symptom** (dropdown)
- Form** (dropdown)
- Age** (dropdown)
- Days Supply** (dropdown)

The main content area shows three product listings, each with a "FREE gift offer" badge:

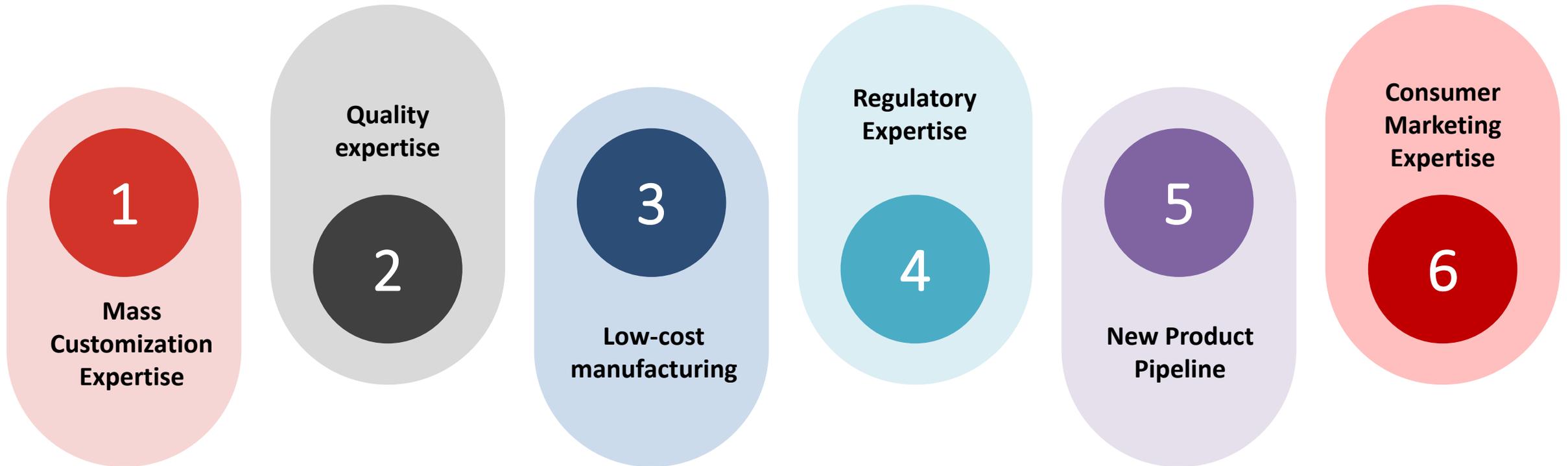
- Ibuprofen Mini Softgels - 80 ea**: Price \$7.99 (was \$9.19/ea). Includes a "Buy 1, Get 1 50% OFF" promotion and "15% off when you spend \$2...".
- Ibuprofen Softgels - 120 ea**: Price \$7.99 (was \$9.07/ea). Includes a "15% off when you spend \$2..." promotion and "FREE gift offer".
- Ibuprofen 200 mg Softgels - 40 ea**: Price \$4.79 (was \$9.12/ea). Includes a "Buy 1, Get 1 50% OFF" promotion and "15% off when you spend \$2...".

Each listing also shows a star rating (5 stars), a "Pickup" option, and "Same Day Delivery" and "Shipping" options. A "Count" dropdown is set to "40 ea". A "Not sold in stores" message is visible at the bottom of the second listing.

Why is Marksans retailers preferred partner for store brand OTC growth



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Marksans edge over competition



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Rx COMPETITORS:

Lack of resources, infrastructure or experience to handle the requirements and complexity of store brands customization at a large scale

STORE BRAND OTC COMPETITORS:

- Do not have the critical scale to support
- Long Lasting Consumer Relationship
- Experience in manufacturing store brands
- Low-cost manufacturing in India
- Quality systems
- Regulatory expertise
- ANDA investment

NATIONAL BRAND OTC COMPETITORS:

Low profitability due to high marketing cost



2) Low-cost Manufacturing

Low-cost manufacturing base across key regions



- Manufactures non-sterile liquids, ointments and powder sachets
- Supplies to UK, West Africa & Middle East
- Spread across 7,300 sq. meters

CAPACITY

2 bn bottles per annum

1 bn tubes per annum

1 bn sachets per annum

ACCREDITATIONS



Farmingdale, USA



- Manufactures hard gels, tablets and capsules
- Spread over an area of 7000 sq. m
- "Made in the USA" product offering
- Added incremental packaging lines

CAPACITY

6 bn tablets and hard capsules per annum

ACCREDITATIONS



Southport, UK



- Manufactures Capsules & Tablets
- One of the biggest manufacturing facilities in Asia
- Fully-automated unit spread over 18,000 sq. meters campus
- Generic pharmaceuticals manufactured from this facility are exported across the globe

CAPACITY

2.4 bn softgel and hard gelatin capsules per annum

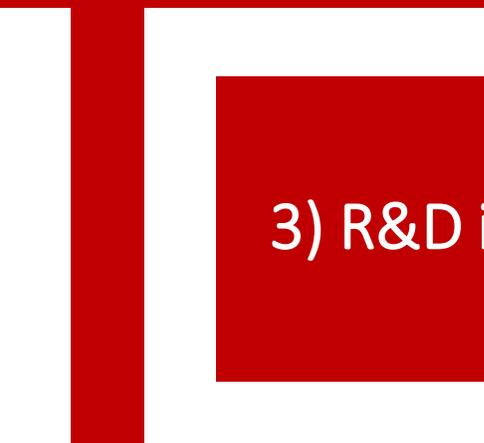
6 bn solid tablets per annum

ACCREDITATIONS



Goa, India





3) R&D is a major strength

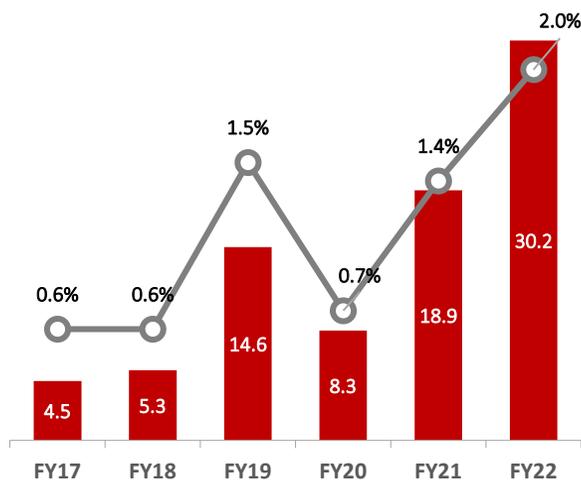
R&D and Product Launches Highlights



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R&D % to sales

Expected to increase to ~4-5 % over the next few years



Brand	Composition	Therapy Segment	Market
LOSARTAN	LOSARTAN 25 MG, 50 MG, 100 MG TABLETS	Anti-Diabetic	UK
ONDANSETRON	ONDANSETRON 4MG, 8 MG TABLETS	Gastrointestinal	UK
CARVEDILOL	CARVEDILOL 3.125 MG, 6.25 MG, 12.5 MG, 25 MG TABLETS	Cardiovascular System(CVS)	UK
TRAMADOL	TRAMADOL 50 MG CAPSULES	Pain Management	UK
CLOPIDOGREL	CLOPIDOGREL 75 MG TABLETS	Cardiovascular System(CVS)	UK
PREDNISOLONE	PREDNISOLONE 5 MG TABLETS	Anti-Allergic	UK
ROSUVASTATIN	ROSUVASTATIN 5MG, 10MG, 20MG, 40 MG TABLETS	Cardiovascular System(CVS)	UK
BICALUTAMIDE	BICALUTAMIDE 50MG , 150MG TABLETS	Anticancer	UK
FUROSEMIDE	FUROSEMIDE 20MG, 40MG TABLETS	Cardiovascular System(CVS)	UK
LIQUIDS - LORATIDINE	LORATIDINE 5MG/5ML ORAL SOLUTION 70ML GSL PACK	Anti-Diabetic	UK
LIQUIDS - IBUPROFEN	IBUPROFEN 100 MG/5ML ORAL SOLUTION 200 ML P PACK	Pain Management	UK
LIQUIDS - ALL IN ONE SOLUTION	PARACETAMOL, GUAIFENESIN, PHENYLEPHRINE	Cough and Cold	UK
APAP ER	ACETAMINOPHEN EXTENDED RELEASE 650MG	Pain management	US
CETRIZINE TABLETS	CETRIZINE 5MG, 10MG	Anti Allergy	US
FLUOXITINE CAPSULES	FLUOXITINE 10MG, 20MG, 40MG	Central Nervous System(CNS)	US



Continued focus on R&D investments leading to a robust pipeline of new developed & pipeline products



Plans to enhance portfolio with **addition of 12-13 products every year**



Focus is on **developing soft gels and different delivery system** like extended release, liquid, OTC products and ointments

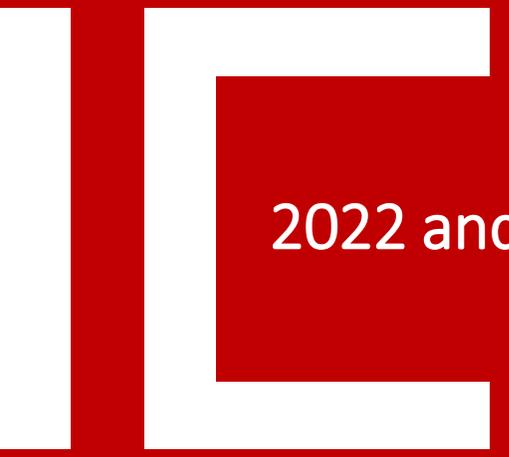
4 R&D Centres **50+** Scientists

70+ Products in Pipeline

350+ Dossiers filed

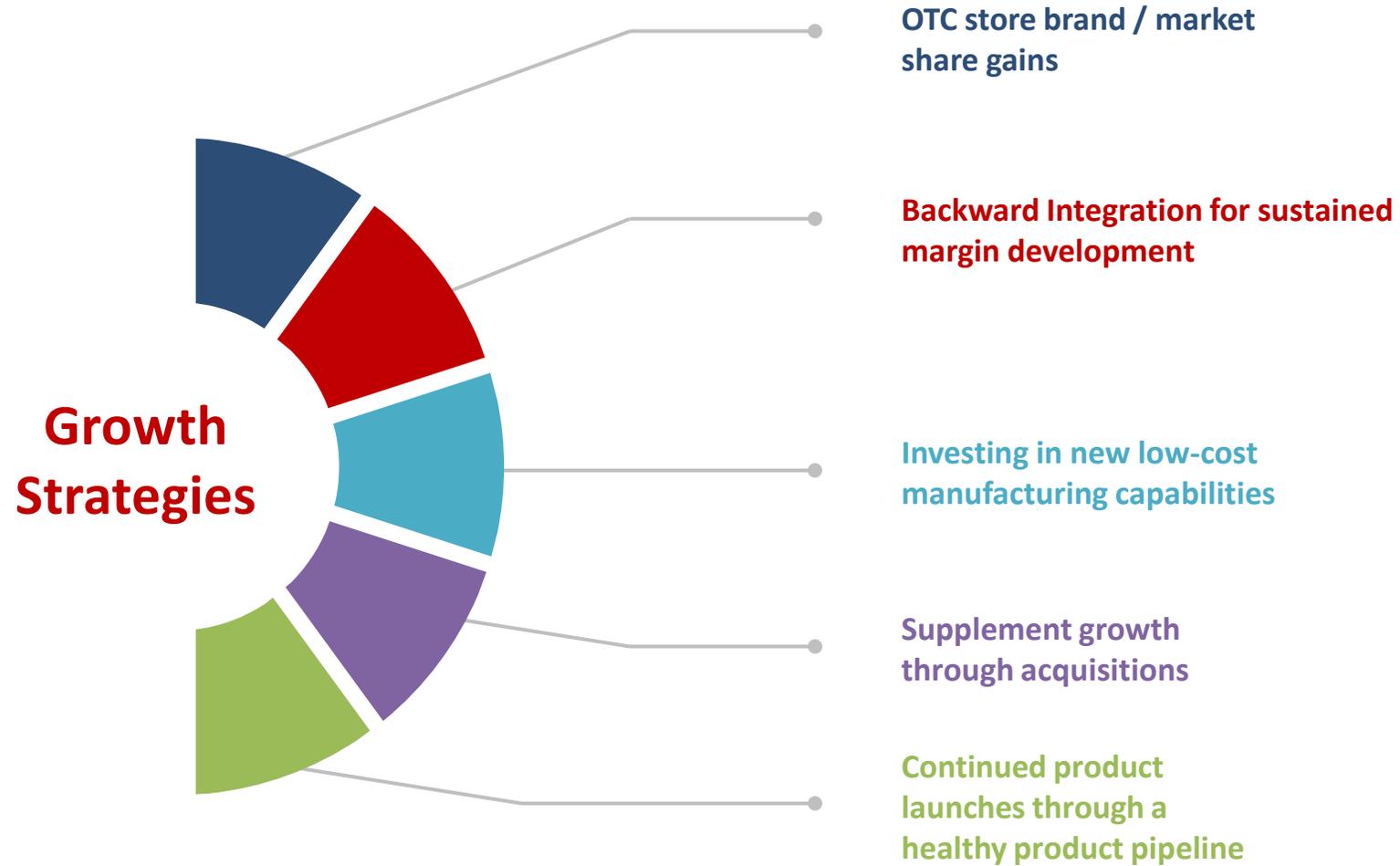
300 Approved ANDAs/MAs

25+ Filed ANDAs/MAs

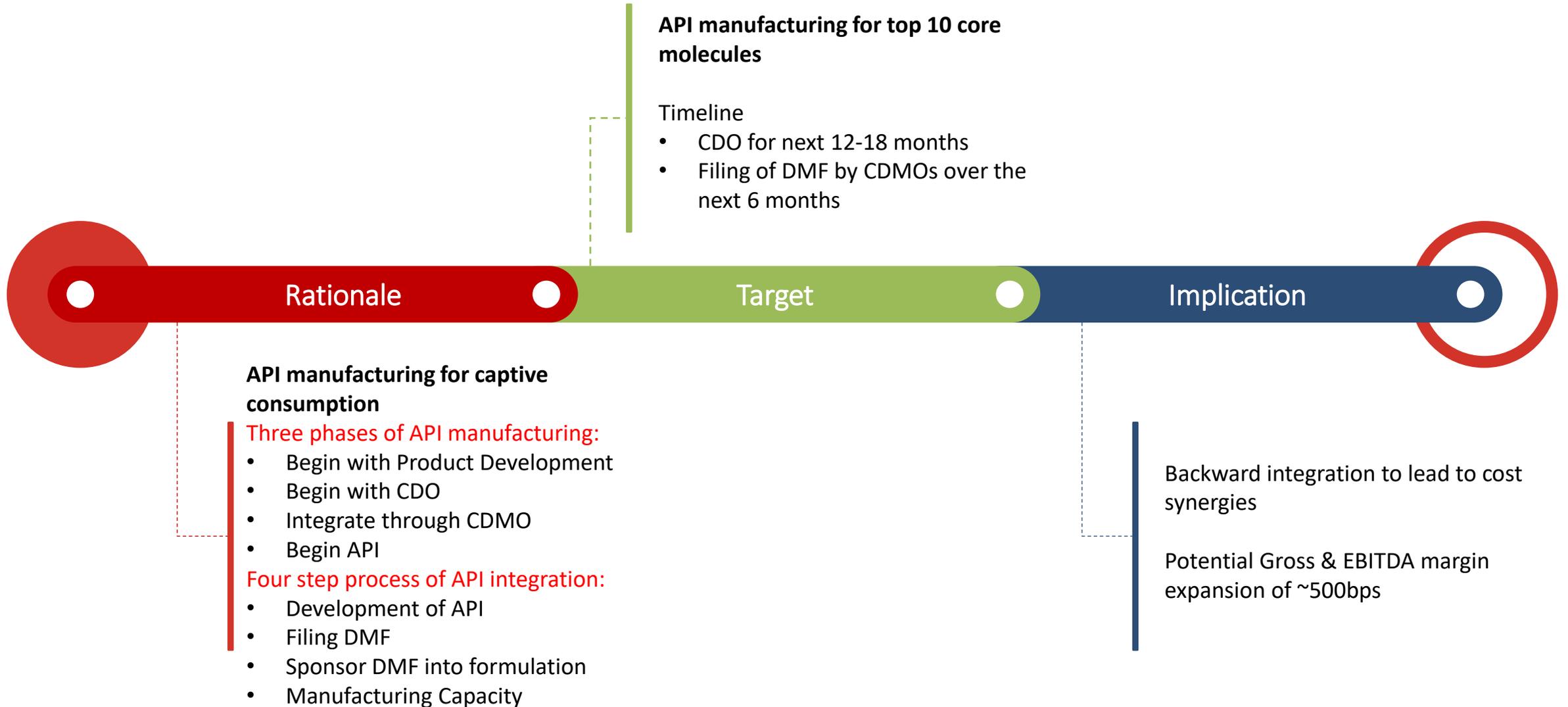


2022 and Beyond

Core Growth Strategies for the future



Backward Integration for sustained margin development



Investing in new low-cost manufacturing capabilities



Target – Adding new capacity of 8bn units per annum

Products manufactured in new capacity - Oral solids, tablets, hard and softgels, ointments, gummies, creams

Timeline - Within next 12-18 months

Current Capacity (per annum)	Location
8 bn	Goa
4 bn	UK
6 bn	USA
18 bn	Overall capacity across three locations
New Capacity (per annum)	Location
8 bn	New
26 bn	Overall capacity including the new location

Supplement growth through acquisitions



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Marksans Pharma has reinvented itself and witnessed growth momentum supported by organic and inorganic route.



With a healthy cash position of ₹339 cr. (as of June 30, 2022)



Strong Credit Rating



Consistent cash generation ability

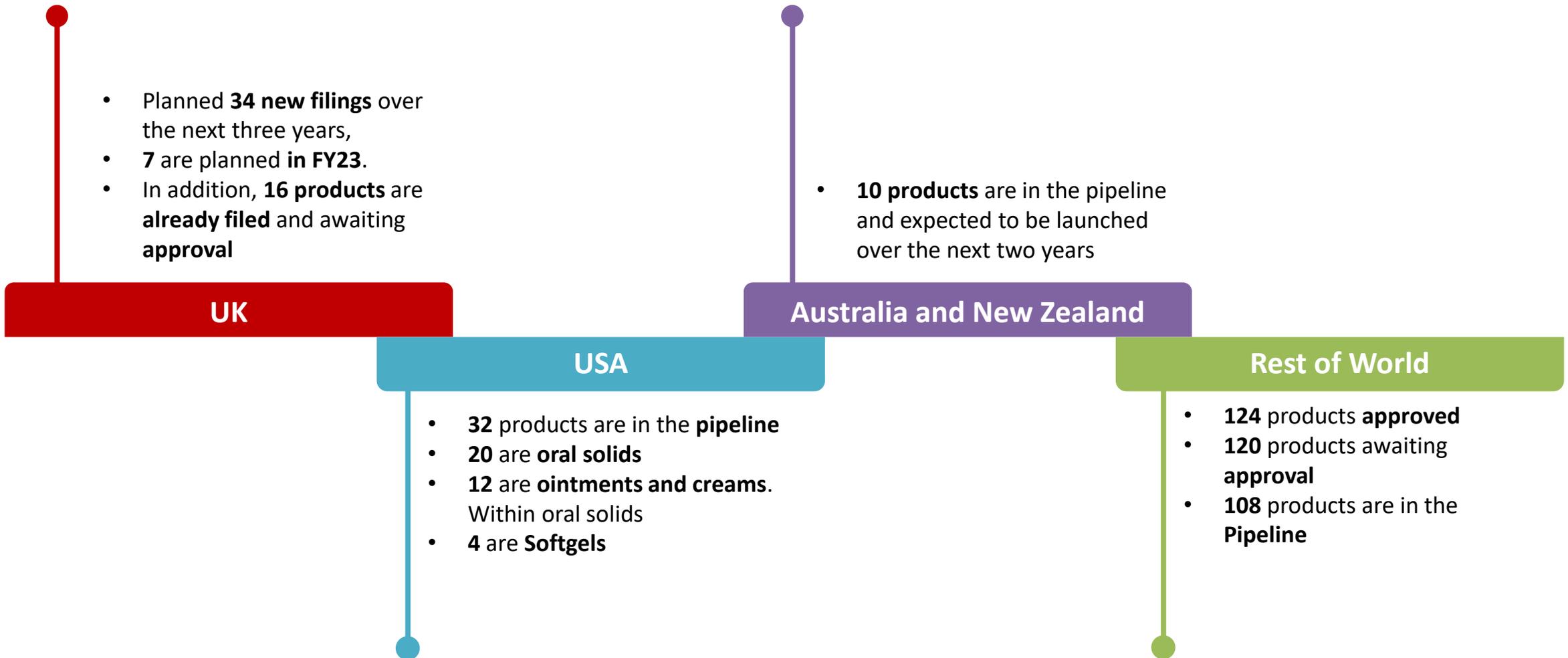
Marksans will continue to supplement its growth profile:

- Planning to acquire ANDAs to cut short development time
- Expansion in growing markets through acquiring front end marketing and distribution companies
- Expansion In EU and Middle East
- For rapid expansion into various therapy areas and other markets including UK and Europe, the company plans to acquire product licenses
- The company has plans to acquire manufacturing assets in India as well as marketing licenses in Europe and USA to expand business operations in regulated markets

Continued product launches through a healthy product pipeline

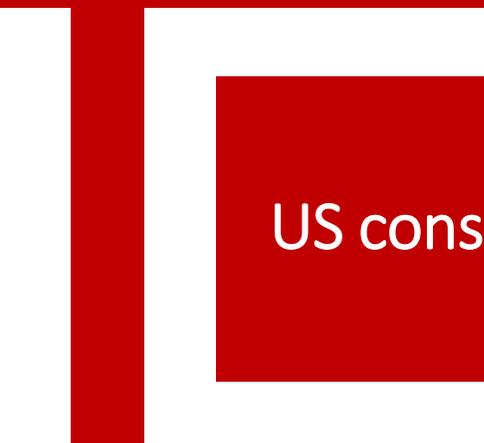


Strong product pipeline followed by successful launches led by continued focus on R&D





Global overview

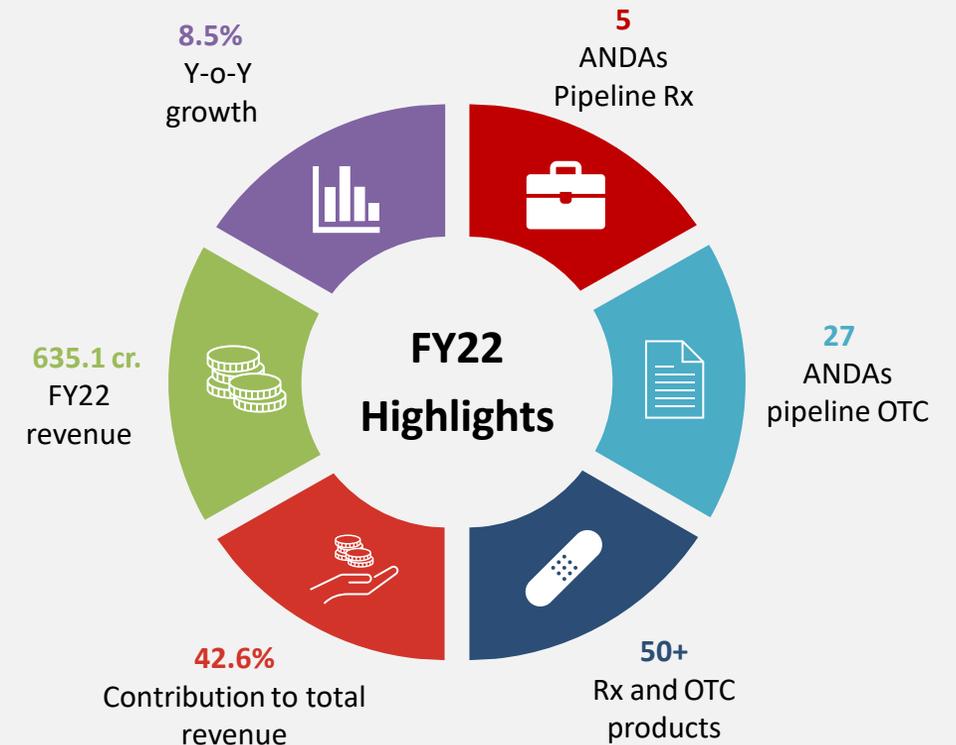


US consumer healthcare

United States of America | Operations Overview

Summary

- The US pharmaceutical market is one of the key focus areas
- The US constitutes over 30-40% of the global pharmaceutical market, and the strategic acquisition of Time Cap Labs allows us to expand offerings in this market
- Servicing the region through Time Cap Labs Inc., our wholly owned subsidiary acquired in June 2015
- Proprietary Marketing presence with 100% integration of Time-Cap Laboratories
- Manufacturing OTC products in USA while ANDA-approved products are manufactured from the Goa facility and exported to North American countries
- Our current product portfolio segment proves highly advantageous for the growth prospects in this region and well placed to capture an increasing shift from Rx to OTC in the USA



Time-Cap Laboratories, USA | Overview



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Key Highlights

Summary

- Founded in 1981, TCL is engaged in the manufacturing of solid dose generic pharmaceutical products
- TCL manufactures and sells finished products in bulk quantities and packages the remainder under the Time Cap brand

Product Portfolio

- Manufactures 50+ products across Private Label OTC, Generic Prescription Drugs & Nutritional supplements
- Private Label OTC has presence across 4 categories – Gastrointestinal & Laxatives, Pain Management & Analgesic, Cold & Cough and Anti-Allergy
- Products are comparable versions of popular national brands, and offer consumers significant value because they provide the same efficacy at a substantially lower price

Filings

- 23 ANDA filings in the US
- 17 approved in OTC & generic pharma
- Plan to file 4-6 ANDAs every year
- We are the only Indian company with USFDA approval for Claritin soft gel capsules (Loratadine)

Manufacturing Infrastructure

- Located in Farmingdale, NY, the USFDA approved facility is well-equipped to manufacture tablets, caplets, capsules & pellets
- Turnkey operation which includes formulation, tableting / pellet manufacturing, coating, encapsulation, imprinting and packaging

Marksans Pharma INC - Key Financials (USD mn)



Distribution Flow



Capitalizing on the distribution and e-commerce



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Timely by Time Cap Labs- Regular Strength Pain Relief - Acetaminophen Tablet 325 MG 1000 Count - Compared to Tylenol - Menstrual Pain - Cold - Arthritis - Muscle Pain - Fever

Visit the TIME-CAP LABS, INC. Store
★★★★★ - 279 ratings | 13 answered questions
Amazon's Choice for "acetaminophen 325mg tablets 1000 count"

Climate Pledge Friendly

Price: **\$15.90** (\$0.02 / Count) Get Fast, Free Shipping with Amazon Prime

Get \$50 off instantly: Pay \$0.00 ~~\$15.90~~ upon approval for the Amazon Rewards Visa Card. No annual fee.

Flavor Name: **Acetaminophen 325 MG - Regular Stre...**



Timely by Time Cap Labs - Aspirin 325mg Enteric Coated Tablets - 1000 Count - Compared to Ecotrin - Pain Reliever for Minor Aches and Pains - Made in USA

Visit the TIME-CAP LABS, INC. Store
★★★★★ - 5,740 ratings | 45 answered questions
Climate Pledge Friendly

Price: **\$24.00** (\$0.02 / Count) Get Fast, Free Shipping with Amazon Prime

Get \$50 off instantly: Pay \$0.00 ~~\$24.00~~ upon approval for the Amazon Rewards Visa Card. No annual fee.

Flavor Name: **Aspirin 325 MG**

Aspirin 325 MG Aspirin 81 MG



Timely by Time Cap Labs - 1000 Count Bisacodyl Tablets 5mg - Laxatives for Constipation Relief - Compared to Senokot - Natural Vegetable Based

Visit the TIME-CAP LABS, INC. Store
★★★★★ - 1,230 ratings | 20 answered questions

Price: **\$14.00** (\$0.01 / Count)

Get \$50 off instantly: Pay \$0.00 ~~\$14.00~~ upon approval for the Amazon Rewards Visa Card. No annual fee.

Brand	TIME-CAP LABS, INC.
Item Form	Tablet
Age Range (Description)	Adult
Unit Count	1000 Count
Package Information	Bottle



Timely by Time Cap Labs - Ibuprofen 200mg - 1000 Tablets - Compared to Advil - Pain Relief Tablets and Fever Reducer for Adults - for Headache Relief, Menstrual Pain, Tooth and Joint Aches

Visit the TIME-CAP LABS, INC. Store
★★★★★ - 137 ratings
Climate Pledge Friendly

Price: **\$18.00** (\$0.02 / Count) Get Fast, Free Shipping with Amazon Prime

Get \$50 off instantly: Pay \$0.00 ~~\$18.00~~ upon approval for the Amazon Rewards Visa Card. No annual fee.

Flavor Name: **Ibuprofen 200mg**

Ibuprofen 200mg Liquid Gels

Click image to open expanded view



UK Consumer Healthcare

United Kingdom | Operations Overview



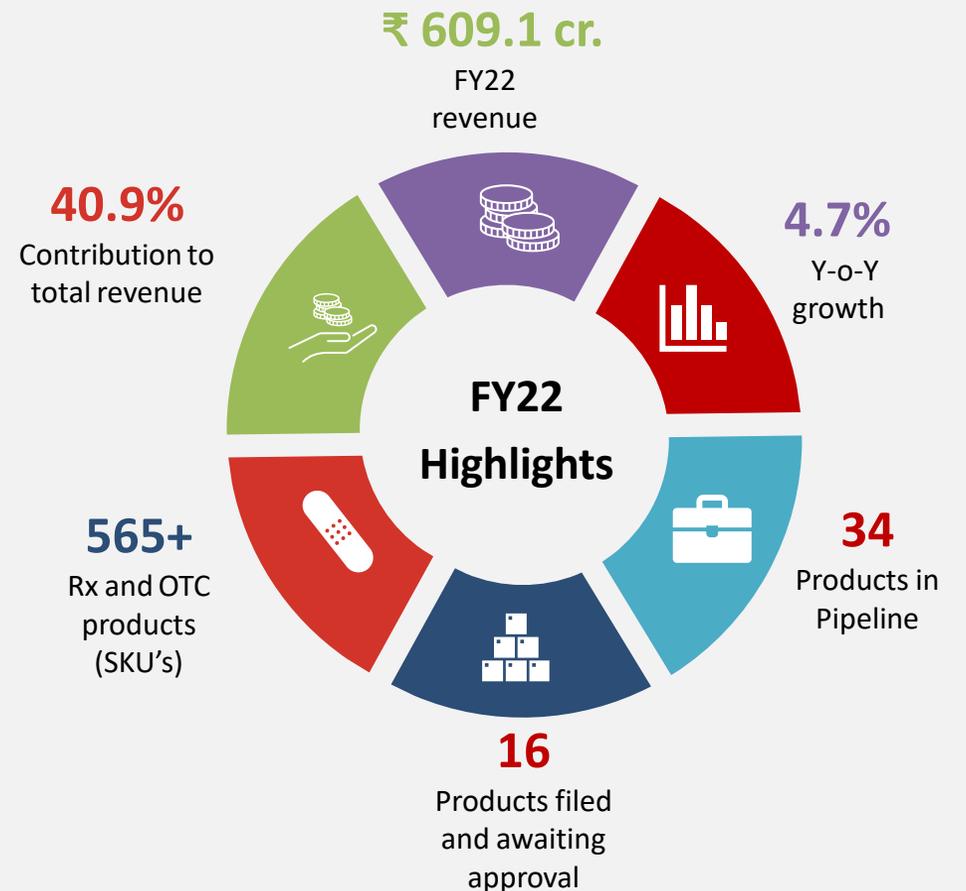
Summary

- We have served the UK market since 2007
- UK is one of the largest generic markets in Europe
- The Company services this region through Marksans Pharma Ltd. and its wholly owned subsidiary Marksans Pharma (UK) Ltd that includes 2 step-down subsidiaries:

Bell, Sons & Co. (OTC portfolio) – acquired in 2008

Relonchem (High-end Rx portfolio) – acquired in 2008

- These strategic acquisitions provided us with immediate sales & front-end access to the UK's generic licensing market of wholesalers, retailers & hospitals
- Leading OTC store brand, our UK customer base includes all major UK retailers:



Rx-to-OTC Switch Trend in the UK has been advantageous for Marksans



Trends in the category

Marksans Presence

Geography

- UK is one of the largest Rx-to-OTC switch markets in Europe
- The UK permits a great number of registered remedies to be, sold outside pharmacies
- The OTC market is more typical of an FMCG than the doctor- oriented OTC pharmaceutical market found in continental Europe

Strong OTC presence in Europe, with a subsidiary in UK

Therapy Area

- The largest segments within the OTC market are pain relief and cough/cold/sore throat

The UK subsidiary product portfolio cater to the prime segments within the OTC market. Bells Healthcare has numerous products within the Cough and cold and analgesics segment

Dosage Forms

- Consumers rated softgel capsules (SGC) as a highly desirable form and this industry has limited competition globally
- 82% rated softgels as fast acting and effective, plus 89% found them easy to digest

Strong expertise in SGC manufacturing in both prescriptions as well as OTC

Bell Sons & Co. (Druggists), UK | Overview



Marksans Pharma Ltd.

Key Highlights

Summary

- Established in 1848 and acquired by Marksans in 2008, Bell Sons & Co is an established manufacturer and distributor of broad range of OTC products
- Largest manufacturer of private label & branded cough liquids in the UK

Operations

- It manufactures more than 450 SKUs across cough & cold, pain management, gastrointestinal, vitamins, palliative healthcare products & oils
- Bells has 100+ marketing authorizations
- Bells' 90% revenue contribution comes from the UK market while the remaining 10% comes from exports
- Export in 30+ countries with principal markets in West Africa & Middle East

Infrastructure

- Manufactures products at the UKMHRA and BRC approved manufacturing facility in Southport while Head Office is at Widnes
- Facility also includes own R&D centre and a pilot plant for development of liquid Rx products for the UK markets
- Bells has constructed a dedicated warehouse for Finished Goods that is spread across 300,000 sq.ft

Distribution

- It has a wide UK customer base including leading retailers, pharmacies, chemist wholesalers and cash & carry outlets
- Currently it has 100 customers worldwide, which includes 30 distributors for exports markets & 70 customers (10 wholesalers, 10 pharmacies & 50 retailers) in the domestic market
- Bells also uses Relonchem's distribution network to place the products in the UK market

Key Financials (GBP mn)



Types of customers

OTC

- Own label supplier to the main UK supermarkets –Grocery and Pharmacy
- Own label supplier to the High street Pharmacy Chains – P & GSL line
- Bells Healthcare brands supplied to wholesale and high street retailers

Generics

- Supplying to Pharmacy Generics such as Tesco, Lloyds, Boots, Celesio, Phoenix
- Major supplier of Analgesics & generics to NHS

Others

- In-licensing with “branded” pharma players on highly recognized high street brands
- Contract Manufacturing
- Leveraging in house expertise, partnerships for formulation development and commercialisation

Key Highlights

Summary

- Established in 2002, Relonchem Limited (referred as “Relonchem” or “Company” in this section) is engaged in licensing, marketing & supply of generic pharmaceutical products to wholesalers, retailers & hospitals in UK

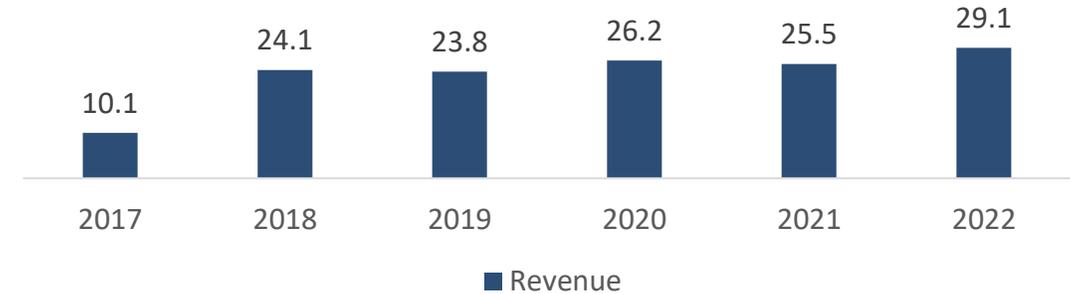
Product Portfolio

- Own label products in therapies such as anti-diabetic, anti-hypertensive, anti-depressant, anti-cancer, anti-ulcerative, anti-allergic, hormones, steroids & pain relief for the UK market
- The company has also developed a range of narcotic & dermatology products which face limited competition
- It has 140+ commercialized products/SKUs and 162 marketing authorizations that can also be made valid in pan Europe
- The company manufactures its generics products in India, the low-cost manufacturing base and owns a spacious warehouse in the UK

Distribution

- The company has a vast distribution network backed by partnerships with major national distributors such as AAH Unichem & Phoenix, Llyods, Boots, Almus, NHS etc.
- Relonchem has over 162 product licenses and supplies a broad range of own label products across therapeutic categories

Key Financials (GBP mn)



Types of customers



Relonchem Limited, UK | Product Range



Marksans Pharma Ltd.





Australia and New Zealand Consumer Healthcare

Nova Pharmaceuticals, Australia and New Zealand | Overview



Marksans Pharma Ltd.

Key Highlights

Summary

- Founded in 2003, engaged in R&D and marketing of generic OTC products and is the leading supplier of Branded Generic and Private Label products in Australasia.
- In 2005, Marksans acquired 60% stake in Nova to have an established base in Australia

Product Portfolio

- Nova primarily focuses on Analgesics, Anti-histamines, Anti-fungal, Anti-Allergy, Dermatology, Essential Oils and Gastrointestinal segments
- All products comply with TGA Australia regulations

Regulatory

- Nova Pharma holds 30 MAs
- Experienced in-house team to facilitate product registrations in Australia and New Zealand
- Health Economics and Medical Reimbursement (PBS)

Sourcing

- Nova does not have its own manufacturing facility and sources products from Marksans' manufacturing facilities in India & UK

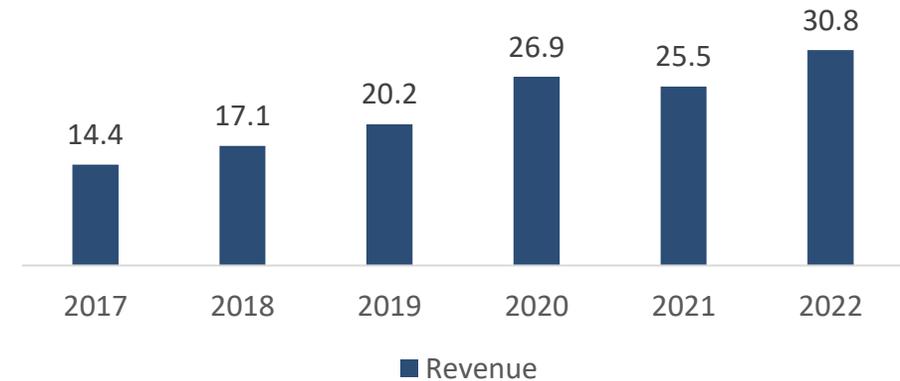
Marketing and Sales

- Experienced salesforce in Specialty care, Hospital, Pharmacies and Mass Market OTC

Sourcing

- Nova supplies its products to major chain stores & pharmacies in Australia, including Woolworths, Coles Mayer, Aldis, Metcash & Fauldings and Co.
- Prominent supplier of products to retail brands such as Homebrand, Black and Gold
- Marksans Pharma Ltd is supplying to New Zealand pharmaceutical market via alliance of Teva/Arrow Pharma

Key Financials (AUD mn)



Key customers



Nova Pharmaceuticals, Australia and New Zealand | Product Offerings



Marksans Pharma Ltd.



Anti-Histamines ●●●

Two boxes of Hayfever Allergy Relief. The left box is Cetedyne (10 tablets, 24-hour relief) and the right box is Medcol (10 tablets, 24-hour relief). Both are for children and adults.

Analgesics ●●●

A box of MAXOFEN (Paracetamol with Ibuprofen) for pain relief, containing 12 tablets.

Nova's Own Brand - Medix ●●●

Anaesthetic / Analgesics

A collection of Medix products including: Medix Epsom Salts, Medix Aspirin (24 tablets), Medix Ibumed (Ibuprofen), Medix Pineapple, Medix Anaesthetic Lozenges, and Medix Paracetamol.

Anti-Fungal ●●●

Two boxes of anti-fungal medication: Clotrizone and DEMACORTE.

Essential Oils ●●●

A jar of MediSOL Epsom Salts.

Dermatology ●●●

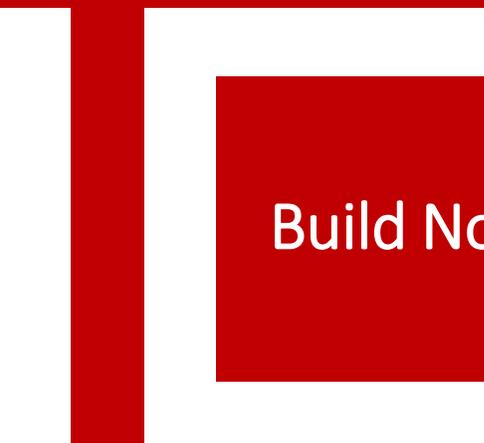
SCARmed dermatology products, including a cream and an ointment.

Gastrointestinal ●●●

Two boxes of gastrointestinal medication: Codax (Softener + Laxative) and Lorrex (Liquicaps for Diarrhoea relief).

Essential Oils **Gastrointestinal**

Medix Poison (Essential Oil) and Medix Heartburn & Acid Indigestion (12 tablets).



Build Nova Brands Pharmacy Focus

- Pharmacy Value Propositions
 - Quality
 - Affordability
 - Continuity of supply
- Currently 26 products within the pharmacy portfolio and rapidly growing the range
- Niche and highly sought-after products and categories

Highlights - Pharmacy Business



3500

pharmacy
stockists

Over **20%**

Of Total
Revenue

**Key Nova
brands**

Glucoboost,
Elactalyte, Bubs &
Co, Medi-Choice,
Proctocaine

**Wholesaler
partnerships:**

API, Symbion, Sigma,
CH2, DHL

End-consumer
**Marketing
support**

Supported
by 44
**Pharmacy
Groups**

26 products
with in the
**Pharmacy
Portfolio**
and rapidly growing
the range

**Niche &
Highly**
sought-after
products and
categories

Pharmacy Group Support...



Marksans Pharma Ltd.



Pharmacy Group Support...



Marksans Pharma Ltd.



Nova Pharmacy Range - May 2022



Marksans Pharma Ltd.



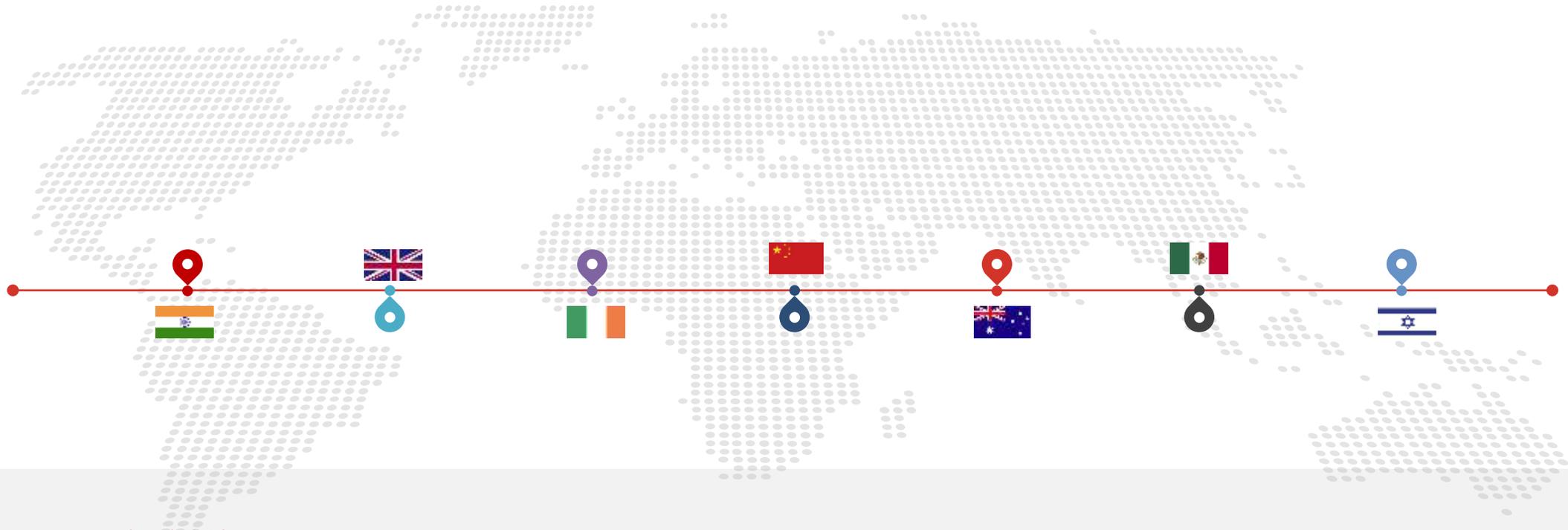


Outlook

Where Are We Heading?



Marksans Pharma Ltd.



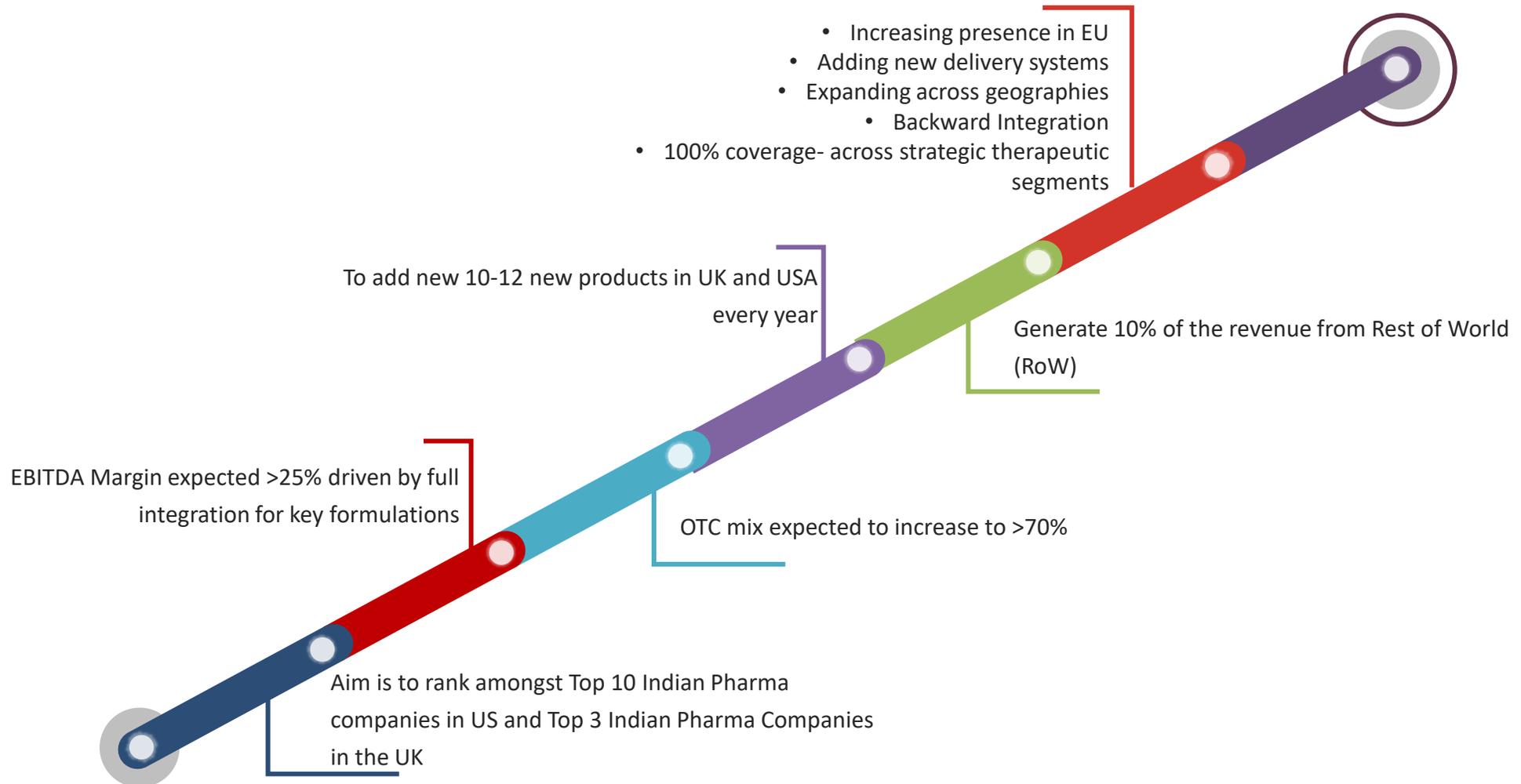
Become a truly global company

Expanding in other geographies by acquiring companies with the same strategy of distribution of OTC Products through store brands

Expanding in other geographies by acquiring companies with Rx capabilities

Expanding to have significant international footprint

Long term goals



Marksans - A Compelling Investment



Marksans Pharma Ltd.



Best-in-Class **Store Brand Partner** for Traditional Retailers

Focused on OTC segment in **Growing Categories**

Robust and **consistent financial performance**

Headroom for **Significant Multiple Expansion**

Strong and deleveraged balance sheet to support growth

Cost effectiveness through **backward integration**

COVID-19 and **Supply Chain-Related Impacts are Temporary**, Margins Expected to Recover in coming quarters

Aim to fully **integrate business model** for key formulations

Expansion in emerging markets through **distribution driven model**

Marksans – Committed for growth in future



Marksans Pharma Ltd.



- Growing demand in OTC store brand segment across the regions
- Rise in OTC to Rx switch
- Own label sales through exports and ecommerce platform is expected to have growing demand in coming years

Sustainable High
Growth Business
Model



- Proven track record of successful manufacturing and distribution through OTC- Store brands and Own labels and Rx
- Stable customer base leading to market share gains
- Low-cost manufacturing and mass customization expertise
- New and best product pipeline
- Regulatory expertise
- Strong balance sheet

Marksans Pharma has the
infrastructure in place



- Continued growth in sales and EBITDA in the future

Growth in the
business

We are delivering on the promises we made



Marksans Pharma Ltd.



Growing towards INR 2000 crore revenue target



Effectively utilizing the cash through buyback, dividends, disciplined acquisitions and capacity expansion



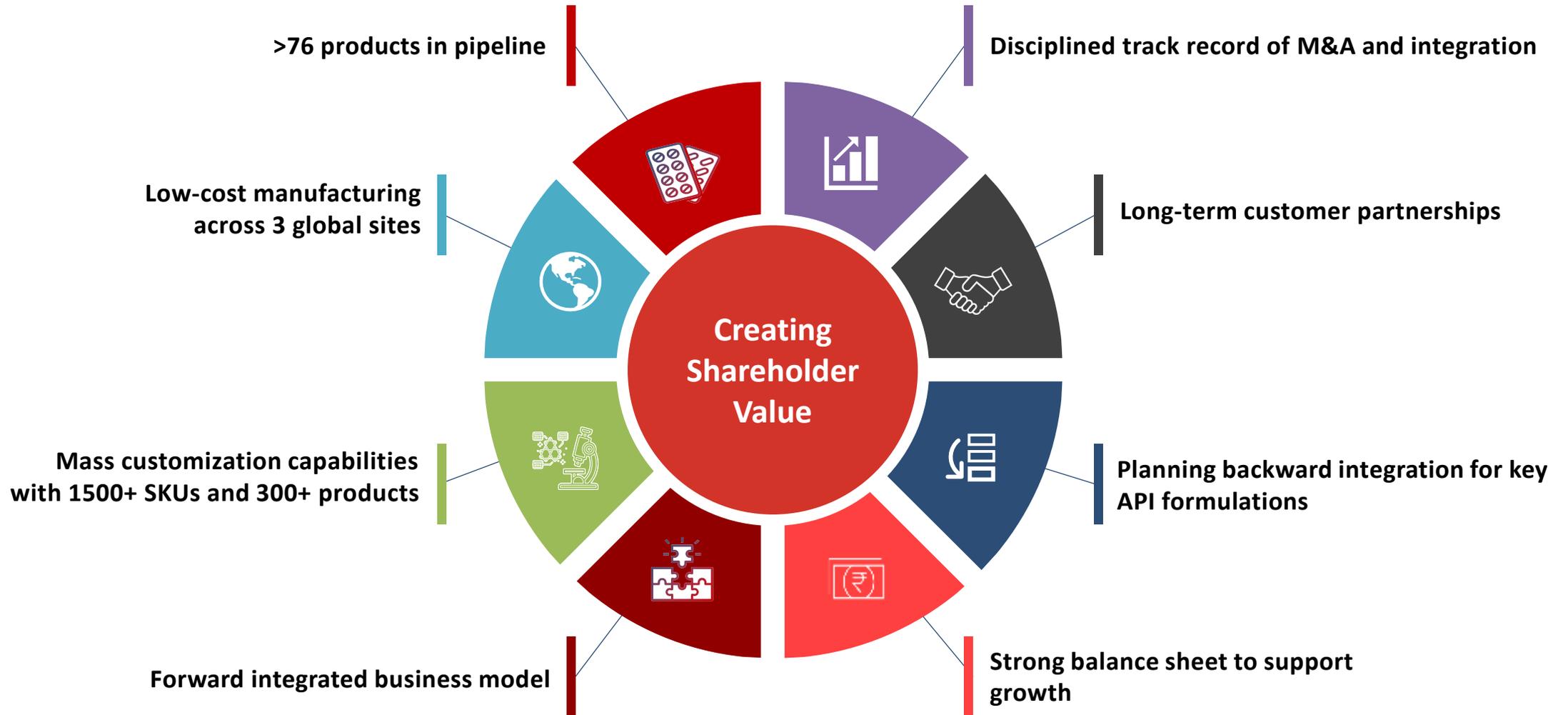
Improving margins – Through fully integrated business model - adding API manufacturing for captive consumption for key formulations



Increasing transparency and strengthening corporate governance principles

Focus on enhancing shareholder's value

Unique Sustainable Competitive Position



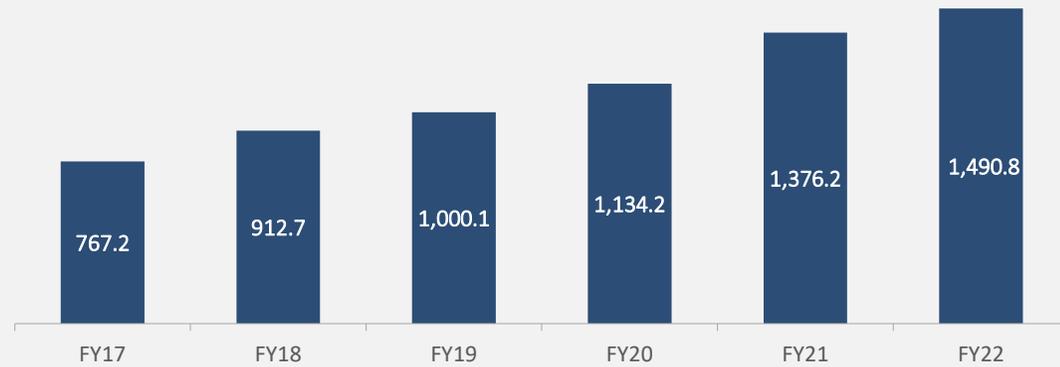


6 Year Financial Highlights

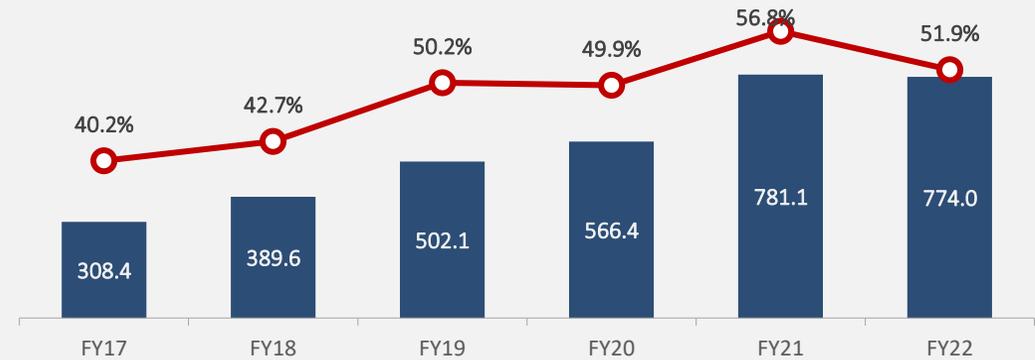
6-Year Financial Performance



Operating Revenue (₹ cr.)



Gross Profit (₹ cr.) & Gross Profit Margin (%)



EBITDA (₹ cr.) & EBITDA Margin (%)



PAT (₹ cr.) & PAT Margin (%)



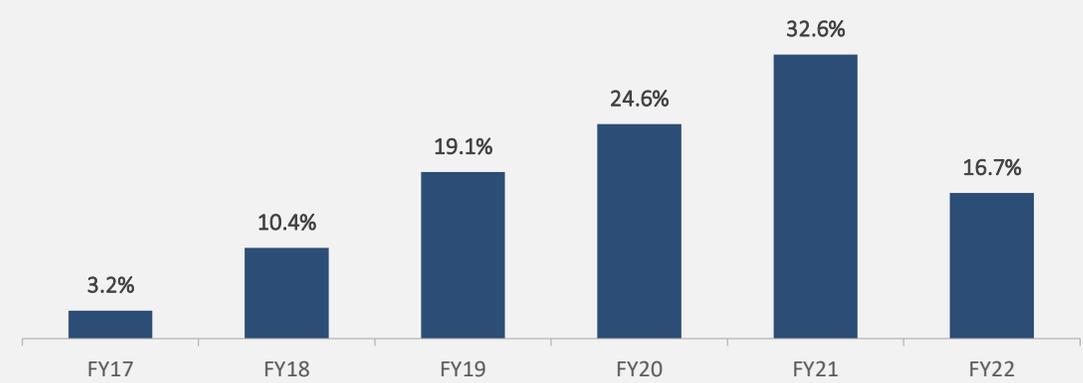
6-Year Financial Ratios



ROE (%)



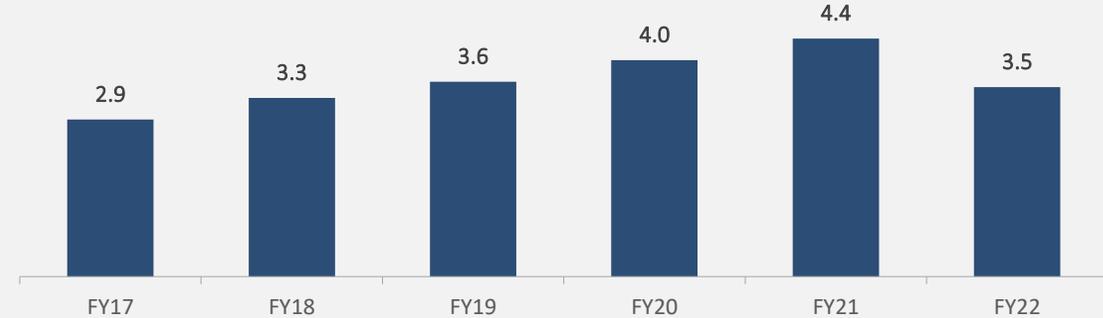
ROCE (%)



Net Debt to EBITDA (x)



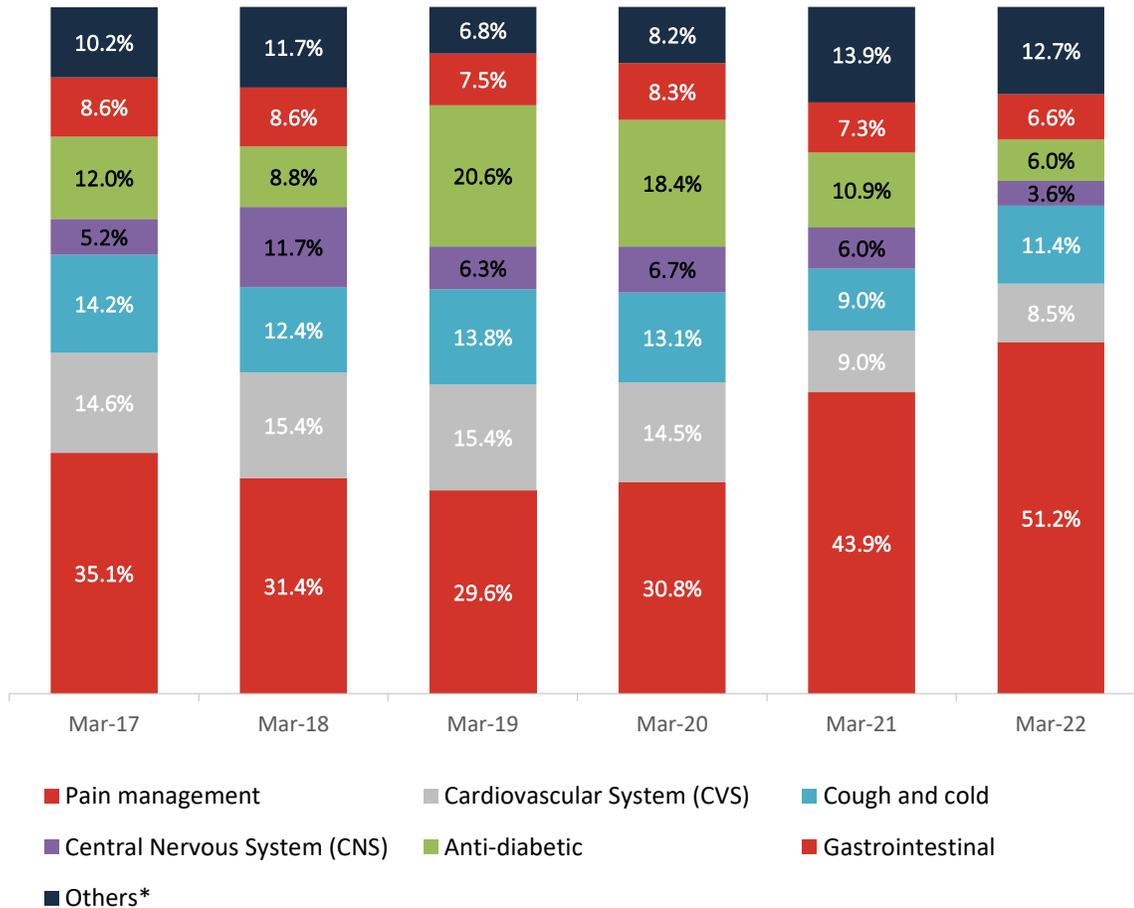
Fixed Asset Turnover Ratio (x)*



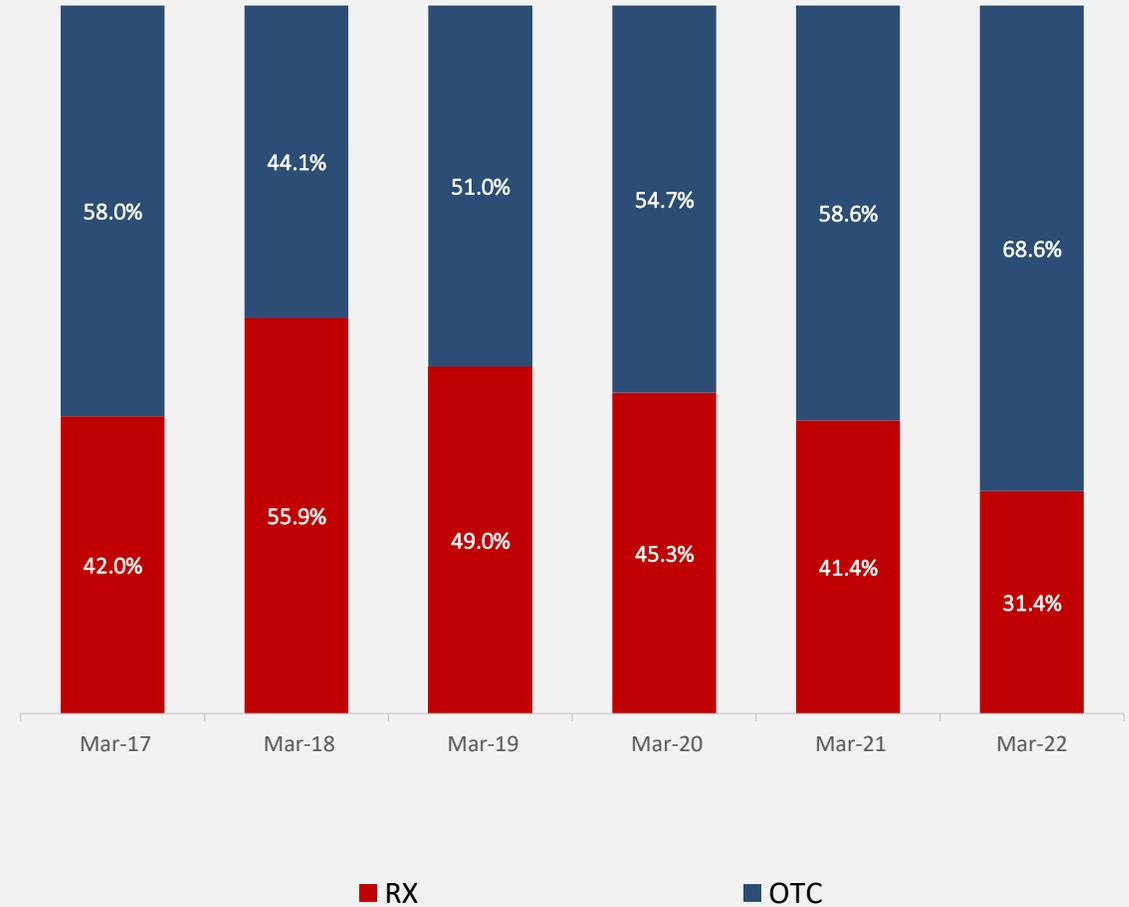
Segmental Mix



Therapeutic Segment-Wise Split



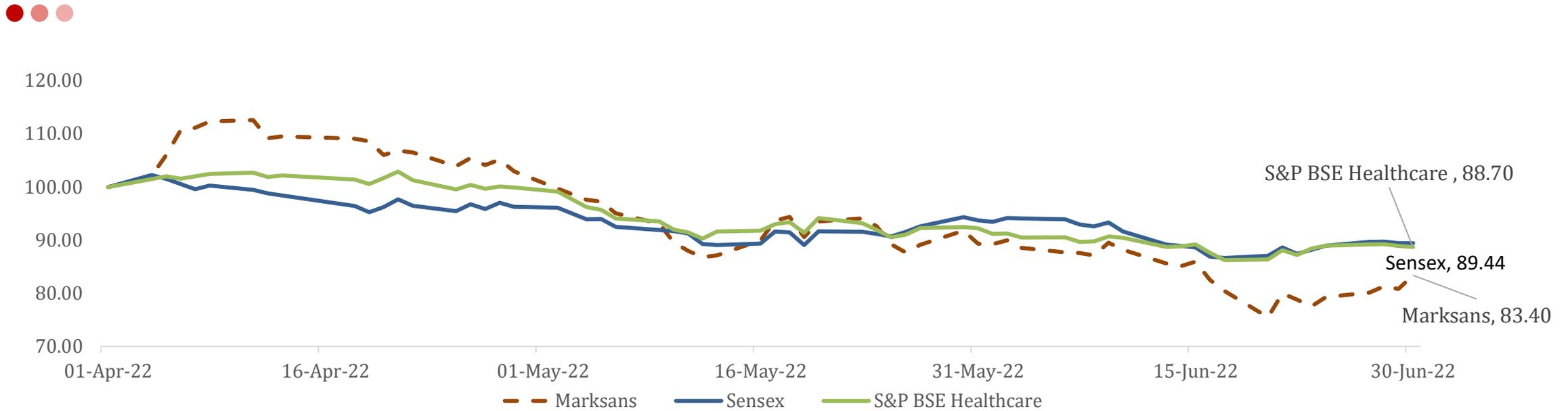
Segment Revenue Split



Share price and Shareholding Pattern



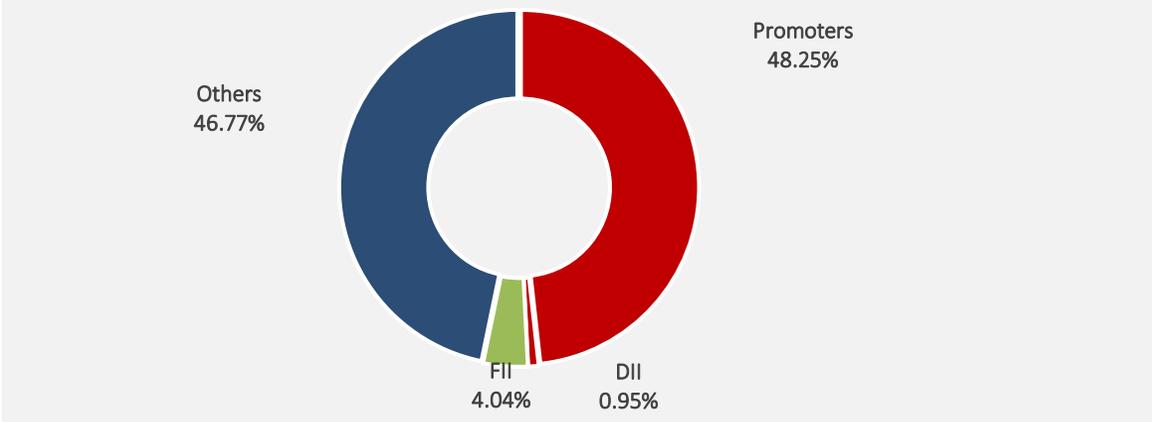
Marksans Pharma Ltd.



Price Data (30th June 2022)

Face Value (INR)	1.0
Market Price (INR)	43.60
52 Week H/L (INR)	79.65/38.60
Market Cap (INR Mn)	17,846
Equity Shares Outstanding (Mn)	409.3

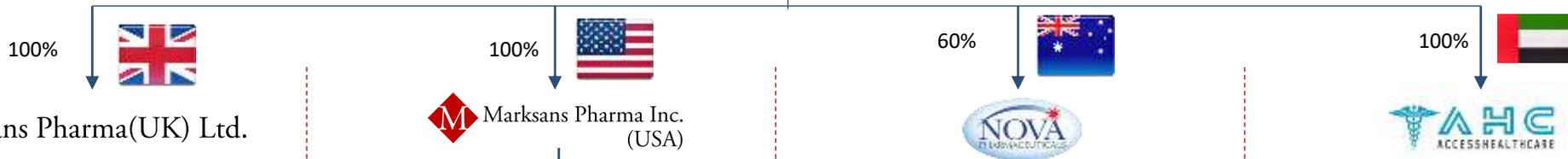
Shareholding Pattern as on 30th June 2022



Business structure



Marksans Pharma Ltd.



 Marksans Pharma(UK) Ltd.

 Marksans Pharma Inc. (USA)

 NOVA PHARMACEUTICALS

 AHC ACCESSHEALTHCARE

100%
Marksans Holdings Limited

 Bell's Healthcare

 RelonChem

 Time-Cap Labs, Inc.



Distribution of quality generic pharma



Engaged in the business of marketing of medicines in the UAE and neighboring countries.

 Manufacturer of OTC Liquids & Ointments

 **162+** product licenses;

 Wholesale distributor of generic pharma



Manufacturer of range of OTC & Rx products;



50+ products portfolio



Only OTC



Supplies products through the Dubai Health Authority (DHA)



Derma focused products range

450+ OTC/SKU products

100+ MA



Regional sales development across Asia (China, Japan, Singapore, Vietnam, Sri Lanka and South Korea)



Marksans Pharma Ltd.

ESG

BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

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ENVIRONMENTAL

- **Efficient use of resources** to minimize the waster generation.
- Priority to **energy conservation measures** including regular review of energy generation and consumption and **effective control on utilization of energy.**
- Committed to **protect environment and ecological balance** also maintaining quality of soil, air and water.



SOCIAL

- Company is actively contributing to the **social and economic development** and build a better sustainable way of life for weaker sections of society.
- **Ensures social and economic dignity and freedom** regardless of nationality, gender, race, economic status or religion to all its talents at all level.
- Committed to **improving the quality of life of the local community** and society at large.



GOVERNANCE

- Committed to good corporate governance to **achieve long term corporate goals and to enhance shareholders value.**
- **Highly competent** and diverse board of directors.
- **Highest degree of transparency, responsibility** and delegation in all facets.
- **Internal Control & Policy** for managing conflict of interest and code of conduct.



Provided Covid-19 Relief Supplies

Provided Covid-19 related, antibody testing, and other medical requirements like medicines , sanitizers, masks, gloves and PPE kits to the frontline workers in Goa

Free Food To Needed People

Joined hands with NGO's to serving meals, ration, grocery kits for migrant families in villages in Goa

Promoting Healthcare

Medical treatment to under privileged society suffering from cancer and other blood disorders in Maharashtra

Overall Wellbeing Of Women And Children

Women and children development, professionalizing Anganwadis and national nutrition mission in Goa with Ministry of Health, Government of Goa

Tree Plantation

Tree plantation in Verna Industrial Estate, Goa

Oxygen Concentrator

Tree plantation in Verna Industrial Estate, Goa

Women And Child Development

Provided Sanitary Pads to poor women under the "MY PAD, MY RIGHT" program, an initiative of Swachh Bharat scheme of Beti Bachao scheme of the Govt of India



Marksans Pharma Ltd.

Corporate Governance Philosophy

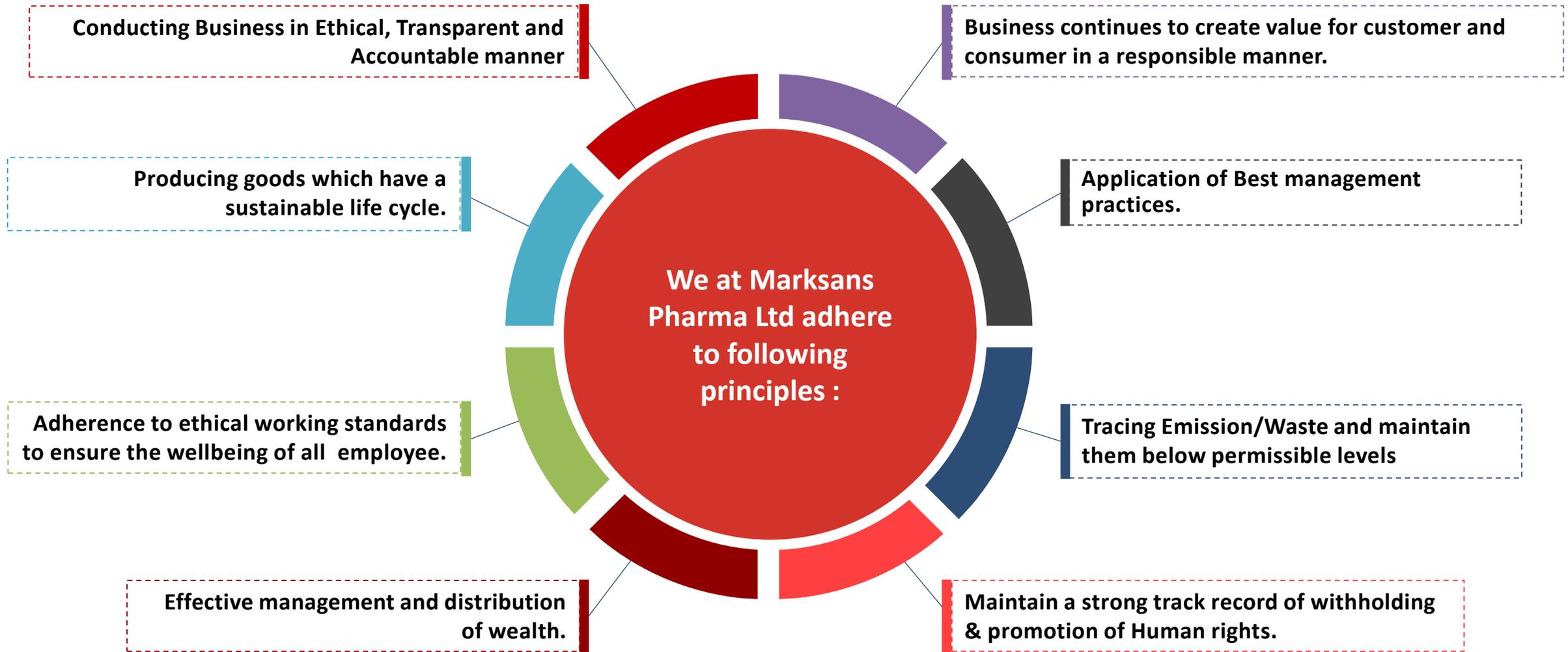
BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

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Corporate Governance Philosophy



Marksans Pharma Ltd.





Marksans Pharma Ltd.



Experienced Team

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Board with Global Expertise



Mark Saldanha

**Founder, Chairman &
Managing Director**

- Science Graduate
- 30+ years experience in the marketing, production and finance functions
- Ex- Whole Time Director, Glenmark Pharmaceuticals Ltd.



Sandra Saldanha

**Promoter,
Whole-Time Director**

- MA in Arts (Sociology)
- Experience in Human Resource Management, Business Development, Projects and Supply Chain Management



Varddhan Jain

Whole-Time Director

- M. Pharm (Pharmaceuticals)
- 27 years experience in manufacturing, quality R&D, compliance & regulatory affairs both for API and FDF manufacturing
- Successfully handled several regulatory inspections including USFDA, MHRA, PMDA Japan and WHO
- Created sound Internal processes for regulatory clearance



Seetharama Raju Buddharaju

Independent Director

- B.Sc., PGDBM, PGDMSM
- 36 years of experience in Sales Management, Marketing and Business Administration
- Ex- Parke-Davis, Pfizer

Board with Global Expertise (Continued)



Abhinna Sundar Mohanty
Independent Director

- M.Sc., Mathematics
- 39 years experience in sales, marketing, business development and business strategy
- Ex-Alembic Pharma



Digant Mahesh Parikh
Independent Director

- MBA, Finance
- 26 years experience in Corporate Finance, Strategic Planning and Business Set-up & Scale up.



Dr. Meena Rani Surana
Independent Director

- B. Pharm., Ph.D in Pharmaceutics - Indian Institute of Technology, BHU, Varanasi, India, Post Doctoral Fellowship in Pharmaceutics- University of Minnesota, USA
- 28 years experience in pharmaceutical regulatory affairs, quality assurance, formulation and pre-formulation



Dr. Sunny Sharma
Non-Executive Director

- MBA, MBBS.
- Senior Managing Director, OrbiMed Asia
- Ex-Investor Growth Capital (IGC), Easton Capital

Experienced Leadership Team



Mark Saldanha

Founder, Chairman & Managing Director

- Science Graduate
- 30+ years experience in the marketing, production and finance functions



Vardhman Jain

Whole-Time Director

- M. Pharm (Pharmaceuticals)
- 27 years experience in manufacturing, quality R&D, compliance & regulatory affairs both for API and FDF manufacturing



Sathish Kumar

MD – Marksans Pharma UK Ltd.

- M. Pharm (Pharmaceuticals)
- 20+ years experience in Production, Formulation development, Regulatory, Technical and Business Development.



Anjani Kumar

COO – Global Operations and USA

- B.Pharm (Pharmaceuticals)
- 38+ years experience in all aspects of pharma management
- Ex-Wockhardt, Cipla, Lupin



David Mohammed

MD- Pharmaceuticals Australasia Pty Ltd

- 20+ years experience in pharma innovation, operations, distribution
- Ex-MD Australasia and Africa, Valeant Pharmaceuticals



Jitendra M Sharma

Chief Financial Officer

- CA, CWA
- 28 years expertise in treasury, forex management, costing, fund raising and internal control systems.



Marksans Pharma Ltd.

For more information please contact:

Jitendra Sharma

(CFO)

Marksans Pharma Ltd

Tel: +91 022 40012000

jitendra@marksanspharma.com

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