



Marksans Pharma Ltd.

Q4FY23 and FY23

May 30, 2023

Investor Presentation

Creating a Global Company

BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

©2021 – Marksans Pharma Limited, All Rights Reserved.

Safe Harbor



Marksans Pharma Ltd.



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; 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.

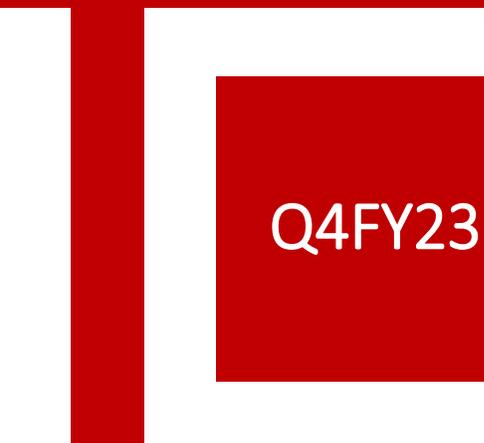
Table of Content



Marksans Pharma Ltd.



1. Q4FY23 and FY23 Highlights.....	04
2. About the company.....	17
3. Key strengths	26
4. 2023 and Beyond.....	37
5. Global Overview	43
6. Outlook – Key targets for next five years.....	63
7. Marksans - A Compelling Investment.....	66
8. Share price and Shareholding Pattern.....	70
9. Business Structure.....	71
10. ESG.....	72
11. Corporate Governance Philosophy	75
12. Experienced Team.....	77



Q4FY23 and FY23 Highlights

Management Commentary



"Our consistent growth trend continues in the quarter, driven by gains in existing store brands, products, and markets, as well as normalization of freight expenses. We have completed the acquisition of Teva Pharma manufacturing unit in Goa which will enable us to accelerate the growth of our business and strengthen our position as a leading low-cost manufacturer.

We have exceeded our FY23 guidance of INR 1,800 crore. This milestone is our testament to our commitment to delivering value creation for our stakeholders. We aim to continue our success in the coming year, with a focus on extending our footprint in the multi-billion-dollar OTC opportunities, focusing on margin improvement, and strengthening our balance sheet."



Mark Saldanha

MANAGING DIRECTOR AND CEO

₹ 1,852.1 cr

+24.2%

(YoY)

FY23 Revenue

₹ 339.3 cr

+31.1%

(YoY)

FY23 EBITDA

₹265.3 cr

+42.0%

(YoY)

FY23 PAT

₹ 715.0 cr

as of March 31st, 2023

Cash Balance

Q4FY23 Highlights

Operating Revenue

Rs 486.0 cr
(+16.3% YoY)
(+1.3% QoQ)

US & North America

Rs 193.5 cr
(+12.8% YoY)
(-10.8% QoQ)

UK & Europe

Rs 206.3 cr
(+33.1% YoY)
(+10.5% QoQ)

Australia & NZ

Rs 63.4 cr
(-10.9% YoY)
(+27.6% QoQ)

Gross Profit

Rs 242.1 cr
(+17.3% YoY)
49.8% margin

EBITDA

Rs 109.5 cr
(+72.1% YoY)
22.5% margin

PAT

Rs 82.7 cr
(+178.9% YoY)
16.6% margin

EPS

Rs 2.0
(+185.5% YoY)

Operating Revenue

Rs 1,852.1 cr
(+24.2% YoY)

EBITDA

Rs 339.3 cr
(+31.1% YoY)
18.3% margin

PAT

Rs 265.3 cr
(+42.0% YoY)
13.9% margin

R&D

Rs 29.5 cr
(1.6% of sales)

Capex

Rs 53.6 cr

Net Cash

Rs 715.0 cr
As of March 31, 2023



Financial Highlights



Marksans Pharma Ltd.

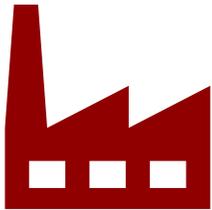


Q4 FY23

- Operating revenue was ₹486.0 cr. compared to ₹418.0 cr. in Q4FY22, an increase of 16.3% YoY.
- Price erosion for Rx products in the US for the quarter was stable.
- Gross profit was ₹242.1 cr., with a Gross margin of 49.8%
- EBITDA was ₹109.5 cr., with an EBITDA margin of 22.5%. The EBITDA margin increased YoY by 730 bps, on account of the normalization of freight expenses and cost optimization initiatives
- PBT was ₹104.2 cr. PAT stood at ₹82.7 cr (+178.9% YoY)
- EPS was Rs 2.0 (+185.5% YoY)

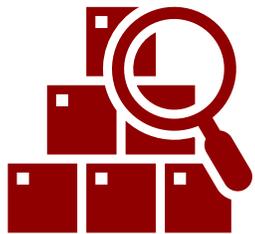
FY23

- Operating revenue increased by 24.2% YoY to ₹1,852.1 cr., the growth is driven by market share gains in the existing store brands & markets and the launch of new products.
- Consolidated Revenue from Europe and UK markets grew by 26.0% YoY and US and North American markets grew by 22.0% YoY
- Gross profit was Rs 930.8 cr, with a margin of 50.3%
- EBITDA was ₹339.3 cr. with an EBITDA Margin of 18.3%. PBT was ₹337.7 cr., while PAT stood at ₹265.3 cr.
- Generated Cash from Operations and Free Cash Flow of ₹237.4 cr. and ₹183.8 cr. respectively
- Working capital cycle was ~110 days
- Capex incurred was ₹53.6cr. Plan to incur capex of ₹200.0 cr. over two years for scaling manufacturing capacity of acquired manufacturing unit from Teva Pharma in Goa
- Final Dividend @50% i.e., Rs. 0.50 per equity share of Face Value Re 1/- has been approved by the Board for FY22-23



Business

- Strong growth across all markets, US, UK and Europe, Australia and New Zealand and Growth Markets
- Added 50+ new SKUs in existing store brands in FY23 and 50+ SKUs in pipeline for next financial year
- Total R&D Expenditure for FY23 was ₹29.5 cr., constituting ~1.6% of revenue and expected to increase to ~4-5% over the next few years
- Continued to take steps to backward integrate into API manufacturing of core molecules for captive consumption
- Completed buyback of 64,74,276 equity shares for a total value of Rs 32 cr
- The company's immediate focus is to get a complete product offering in the four largest OTC segments - Pain Management, Cough and Cold, Gastrointestinal, and Anti-Allergic and also to get into the liquids, creams, and ointments OTC category



Pipeline

- UK: Planned 34 new filings over the next three years. 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

Conversion of warrants issued to OrbiMed and the Promoter



Marksans Pharma Ltd.



**Warrant
conversion by
OrbiMed and the
Promoter**

Raised total amount
of Rs. 372.40 cr in
equity

**OrbiMed's stake
increased to
~10.88%**

Warrant
conversion at price
of Rs. 74 per share

**Promoter's stake
at ~43.80%**

Strong commitment
to the company

**Continued
strengthening
of the balance
sheet**

Completed Acquisition of manufacturing capacity from Tevapharm India



Addition to the three existing manufacturing sites in Southport (UK), Farmingdale (US) and Goa (India)

Manufacturing site is spread across 47,597 sq mt
Approvals to manufacture products from EU, Health Canada & Japanese Health Authority

The transaction is completed in April 2023

Scalable capacity with plan to double the existing Indian capacity from 8bn units per annum

Plan to manufacture tablets, hard and soft gel capsules, ointments, liquids, creams, etc.

Continued supply to Teva's affiliates for certain products at least until the end of FY24

Consolidated Profit and Loss Statement



Marksans Pharma Ltd.



Particulars (₹ cr.)	Q4FY23	Q4FY22	Q3FY23	YoY	QoQ	FY23	FY22	YoY
Operating Revenue	486.0	418.0	479.8	16.3%	1.3%	1,852.1	1,490.8	24.2%
Gross Profit	242.1	206.4	240.3	17.3%	0.7%	930.8	774.0	20.3%
<i>Gross Margin %</i>	<i>49.8%</i>	<i>49.4%</i>	<i>50.1%</i>	<i>40bps</i>	<i>-30bps</i>	<i>50.3%</i>	<i>51.9%</i>	<i>-170bps</i>
EBITDA	109.5	63.6	76.6	72.1%	43.0%	339.3	258.9	31.1%
<i>EBITDA Margin %</i>	<i>22.5%</i>	<i>15.2%</i>	<i>16.0%</i>	<i>730bps</i>	<i>660bps</i>	<i>18.3%</i>	<i>17.4%</i>	<i>100bps</i>
Finance Costs	2.4	5.0	2.4	-51.5%	3.7%	9.1	8.4	8.1%
Depreciation & Amortization	13.9	21.4	12.7	-34.7%	9.4%	51.9	44.8	15.8%
Other Income	11.0	15.3	17.7	-28.3%	-37.6%	59.3	41.9	41.7%
Profit before tax	104.2	52.6	79.2	98.1%	31.5%	337.7	247.5	36.4%
Taxes	21.5	22.9	16.9	-6.5%	27.0%	72.3	60.7	19.2%
PAT	82.7	29.7	62.3	178.9%	32.7%	265.3	186.8	42.0%
<i>Net Profit Margin %</i>	<i>16.6%</i>	<i>6.8%</i>	<i>12.5%</i>	<i>980bps</i>	<i>410bps</i>	<i>13.9%</i>	<i>12.2%</i>	<i>170bps</i>
Diluted EPS (INR)	2.0	0.7	1.6	185.5%	26.3%	6.4	4.5	42.2%

Consolidated Balance Sheet



Marksans Pharma Ltd.



Particulars(₹ Cr.)	FY23	FY22
ASSETS		
NON-CURRENT ASSETS		
Property, Plant & Equipment	379.6	341.6
Capital work-in-progress	7.2	0.7
Goodwill	38.5	30.0
Intangible Assets	68.2	56.7
Intangible Assets under development	2.6	1.9
Other non-current financial assets	3.5	2.6
Deferred tax assets (net)	-	3.9
Other Non-current assets	14.6	1.6
Non current tax assets (net)	0.9	-
Total Non-Current Assets	515.1	438.9
CURRENT ASSETS		
Inventories	484.7	424.4
Investments	0.5	0.4
Trade receivables	416.8	394.8
Cash and Cash Equivalents	382.4	206.4
Bank balances other than above	332.5	142.9
Other Financial Assets	3.7	8.4
Other current assets	52.6	20.8
Current Tax assets (Net)	1.9	3.1
Total current assets	1,675.3	1,201.2
TOTAL ASSETS	2,190.4	1,640.1

Particulars(₹ Cr.)	FY23	FY22
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	45.3	40.9
Reserves and Surplus	1,699.8	1,161.3
Non-Controlling interest	19.9	20.7
Total equity	1,765.1	1,223.0
LIABILITIES		
NON-CURRENT LIABILITIES		
Lease Liability	65.7	41.4
Provisions	3.3	1.9
Deferred tax liabilities (Net)	15.4	17.6
Total non-current liabilities	84.3	60.9
CURRENT LIABILITIES		
Borrowings	41.6	41.3
Lease Liability	15.7	28.1
Trade payables	230.6	200.1
Other financial liabilities	15.3	65.6
Other current liabilities	11.2	3.1
Provisions	1.3	0.7
Current tax liabilities (Net)	25.3	17.3
Total current liabilities	341.0	356.2
Total liabilities	425.3	417.1
TOTAL EQUITY AND LIABILITIES	2,190.4	1,640.1

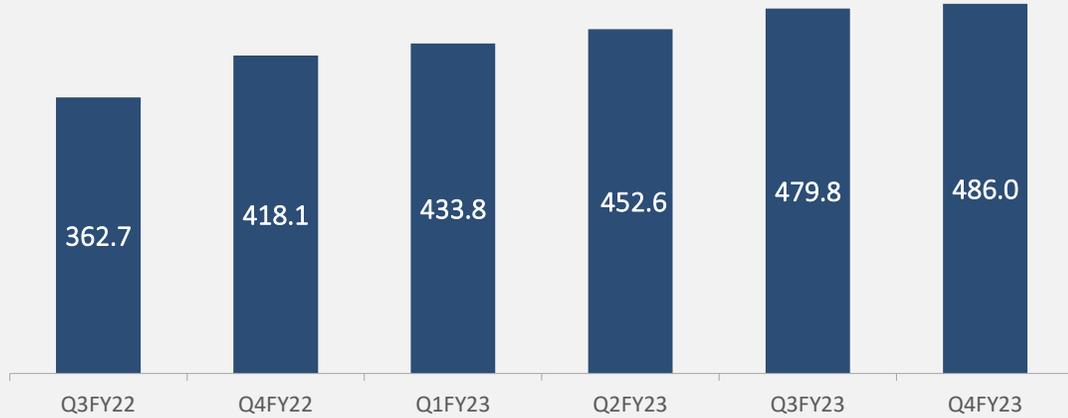
Quarterly Performance



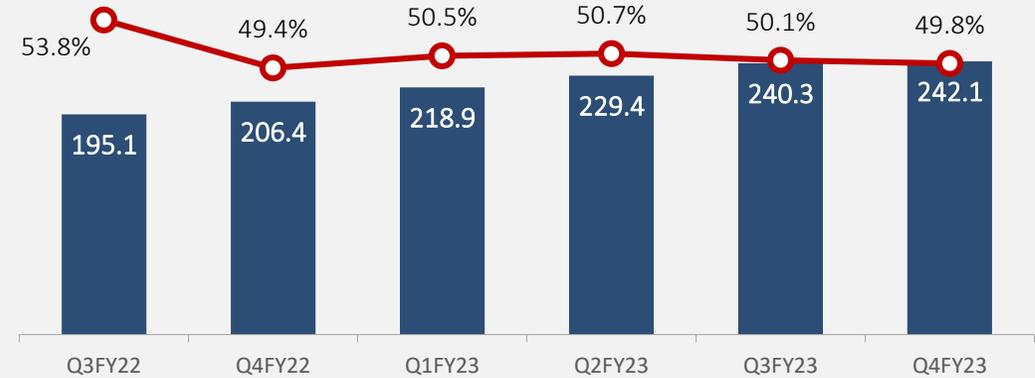
Marksans Pharma Ltd.



Operating Revenue (₹ cr.)



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



EBITDA (₹ cr.) & EBITDA Margin (%)



PAT (₹ cr.) & PAT Margin (%)



Quarterly Region wise Performance



Marksans Pharma Ltd.



US & North America (₹ cr.)



Europe and UK (₹ cr.)



Australia and New Zealand (₹ cr.)



Rest of the World (₹ cr.)



6-Year Financial Performance



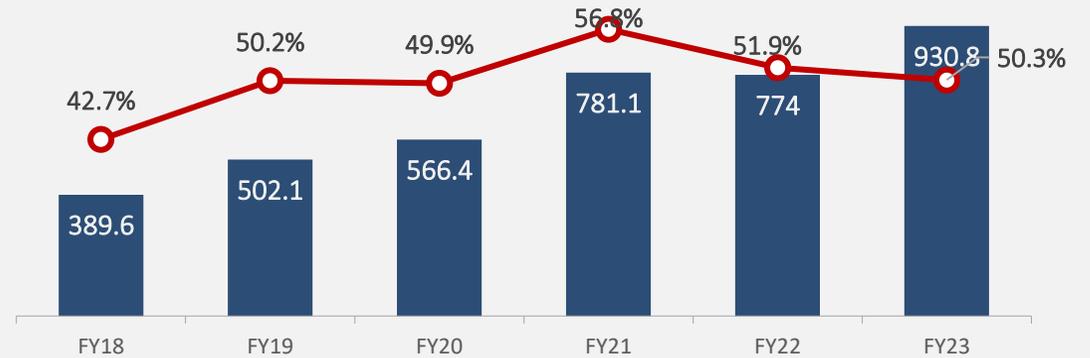
Marksans Pharma Ltd.



Operating Revenue (₹ cr.)



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



EBITDA (₹ cr.) & EBITDA Margin (%)



PAT (₹ cr.) & PAT Margin (%)



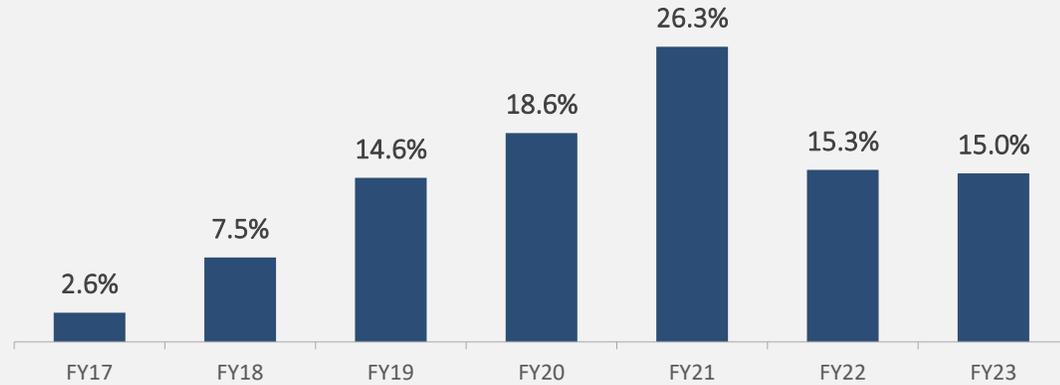
6-Year Financial Ratios



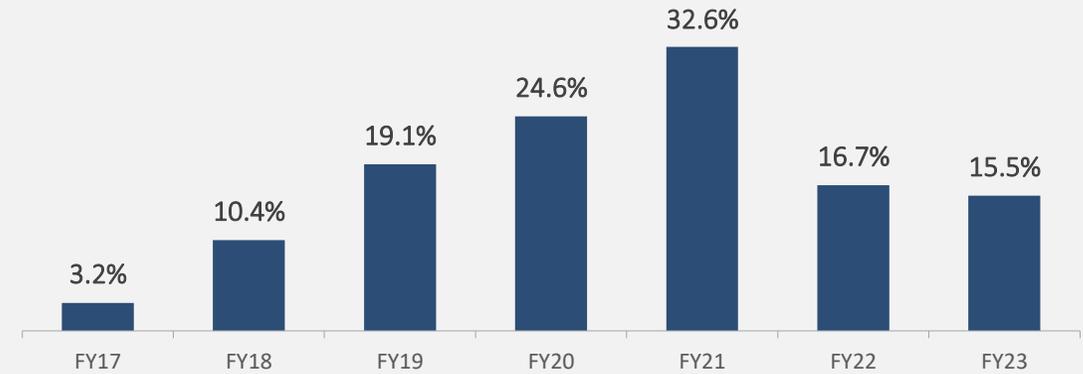
Marksans Pharma Ltd.



ROE (%)



ROCE (%)



Net Debt to EBITDA (x)



Fixed Asset Turnover Ratio (x)*





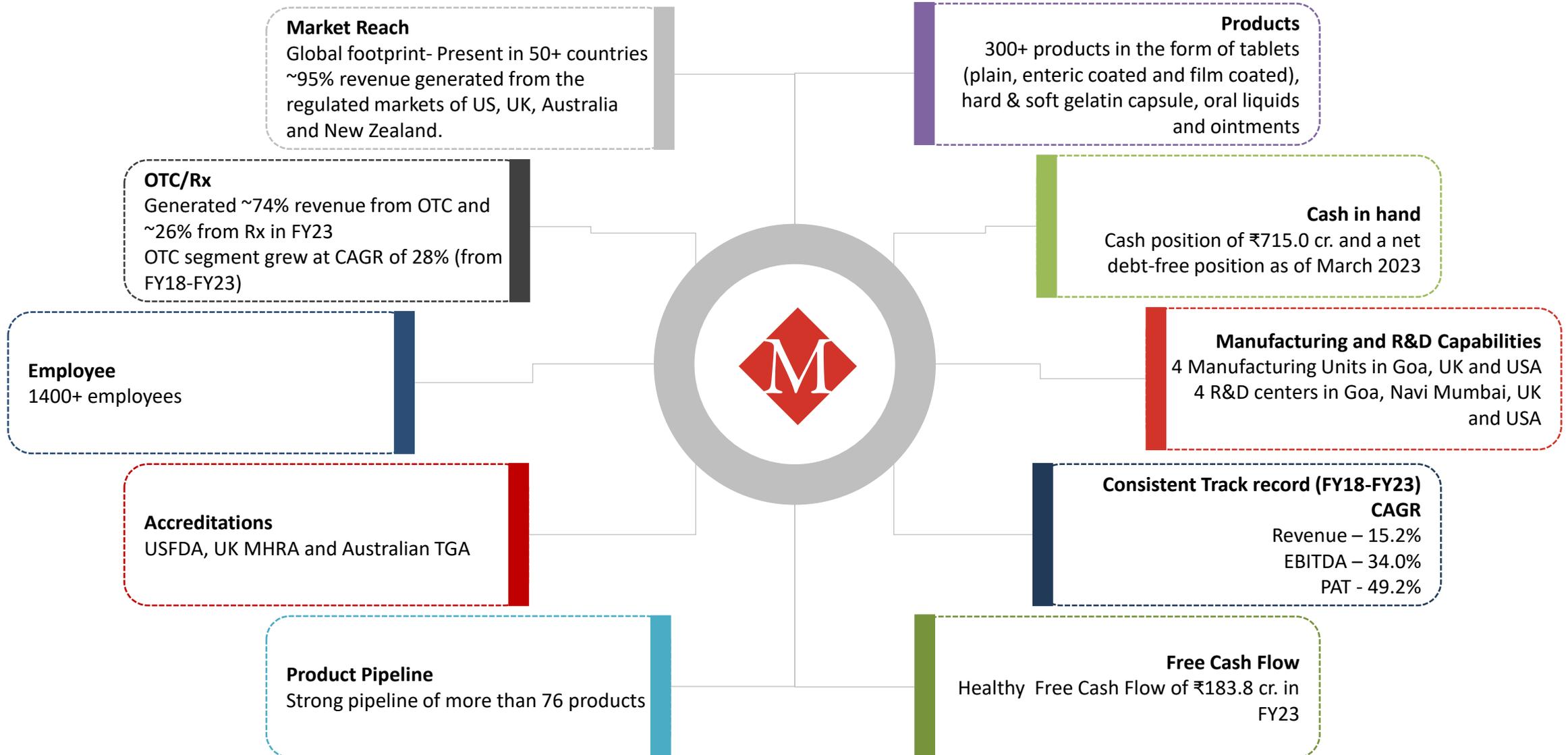
About the company

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 ~41.8% to the revenue in FY23
- 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 ~41.4% to the revenue in FY23
- 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 ~11.3% to the revenue in FY23
- 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

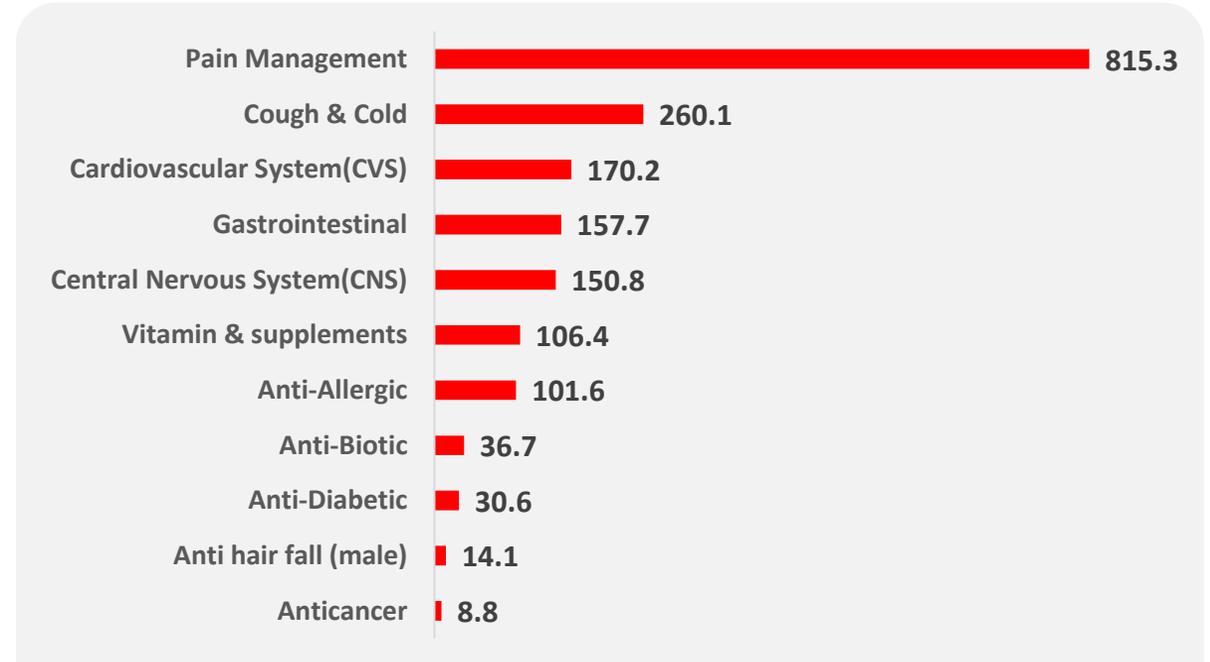
- Contributes ~5.4% to the revenue in FY23
- Presence in Middle East, Southeast Asia, CIS, Russia and Africa.
- Company has acquired AHC in UAE that will strengthen its presence in MENA region

Offering quality affordable healthcare products



- 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 – FY23 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

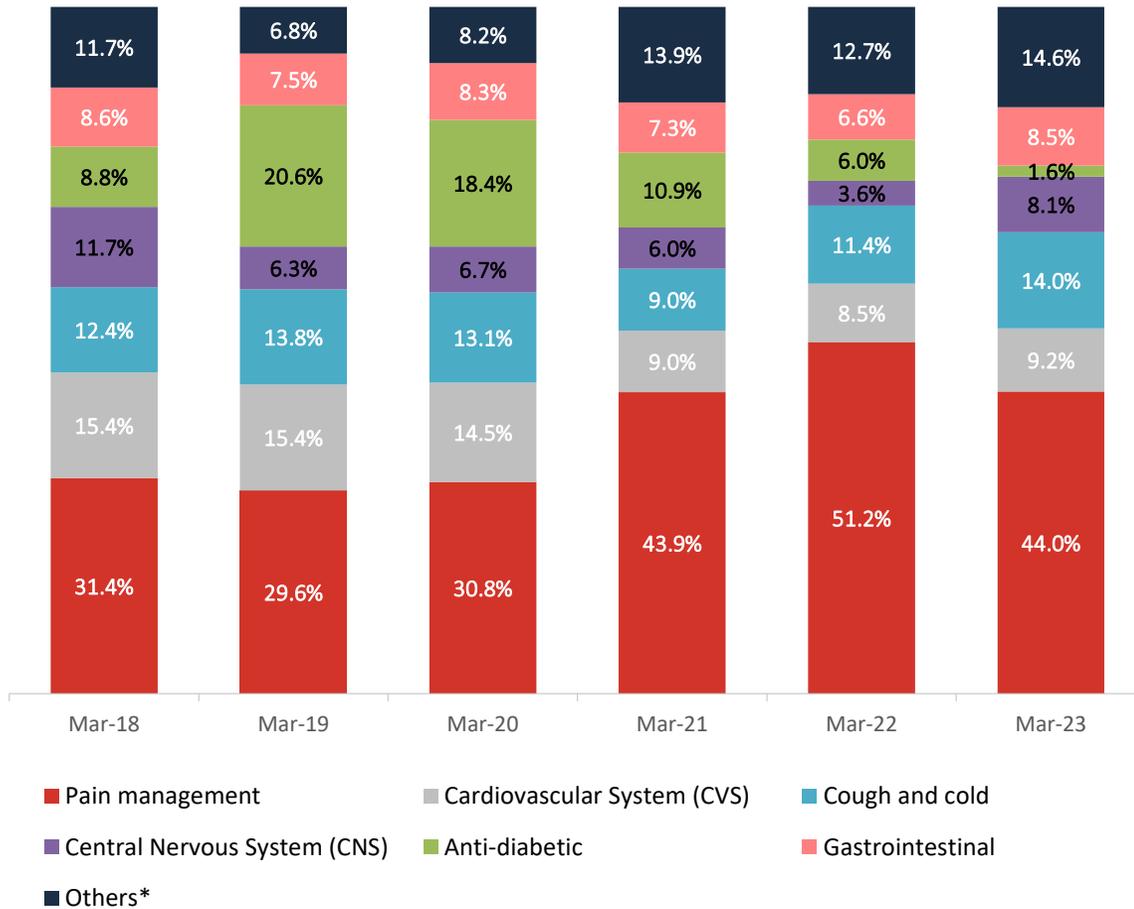


Stable and sustainable business model

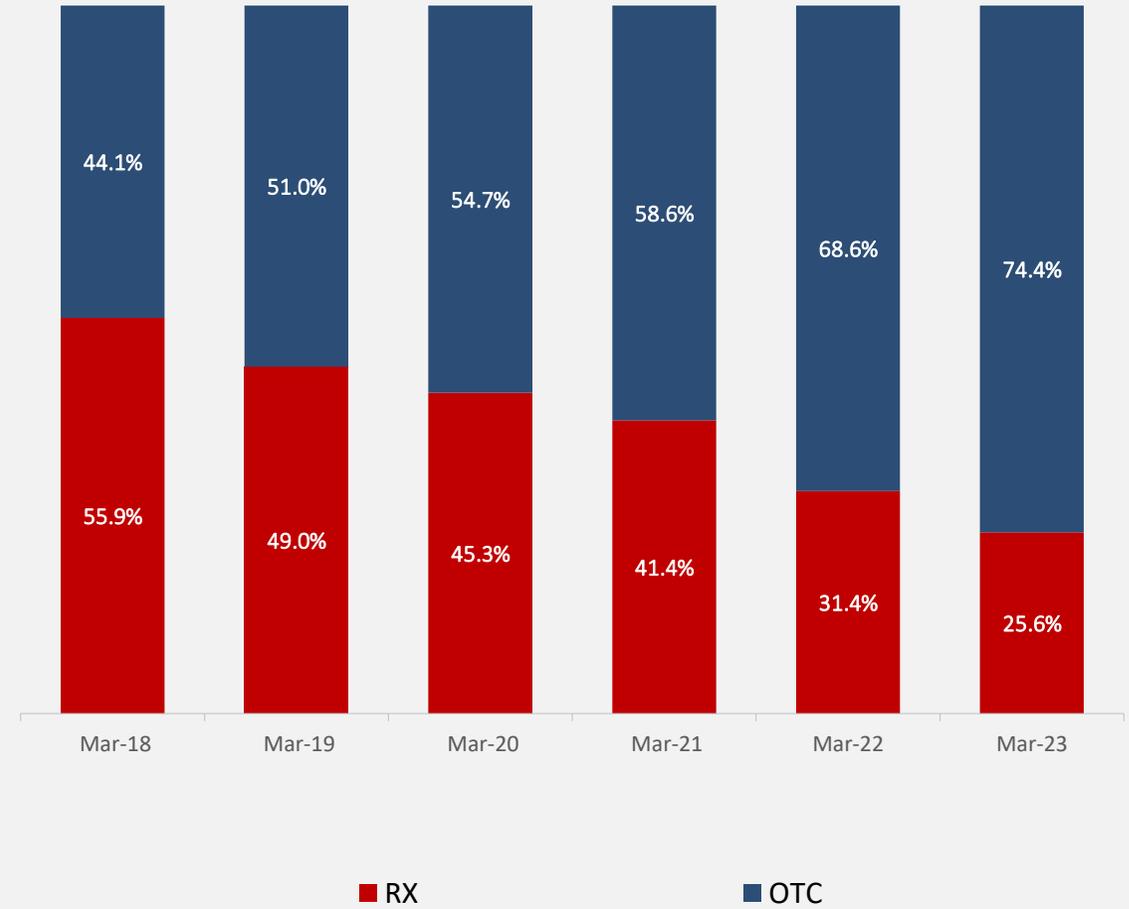
Segmental Mix



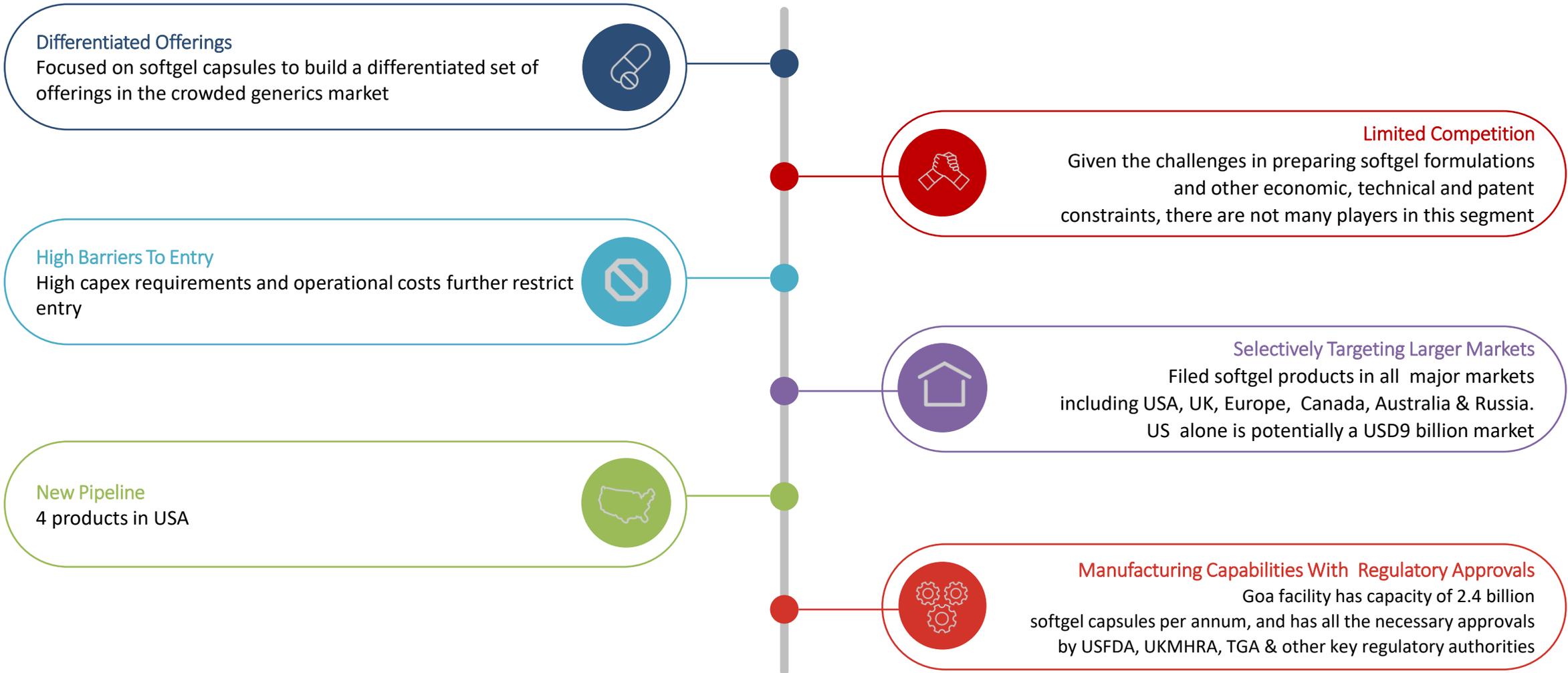
Therapeutic Segment-Wise Split



Segment Revenue Split

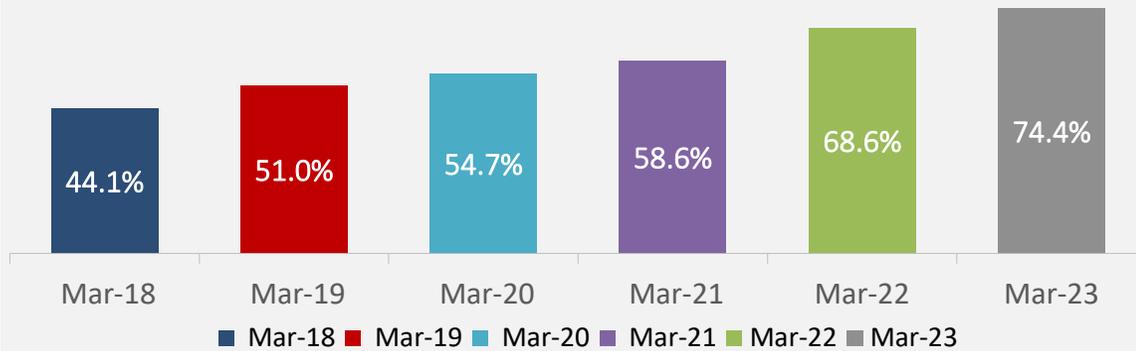


Most active in Softgel segment with limited competition

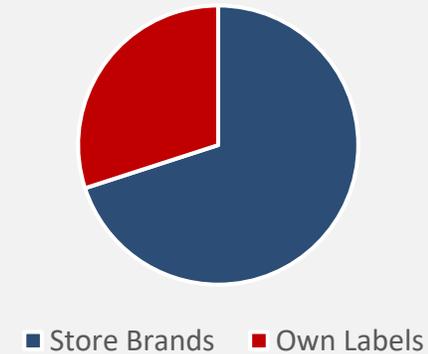




Continued increase in the revenue share from OTC segment over the last five years



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



Marksans Pharma Ltd.



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



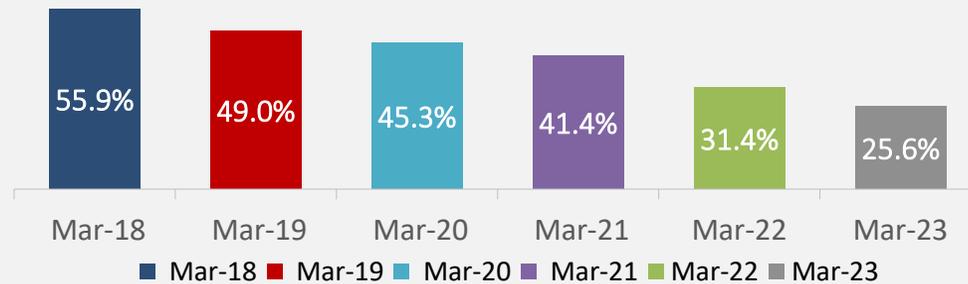
Product range



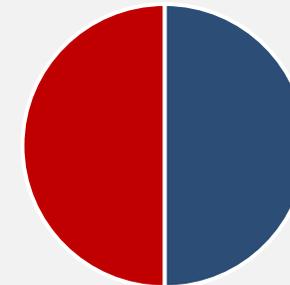
Product range



~26% revenue derived from Rx products



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



■ Relonchem,UK ■ Time-Cap Labs

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

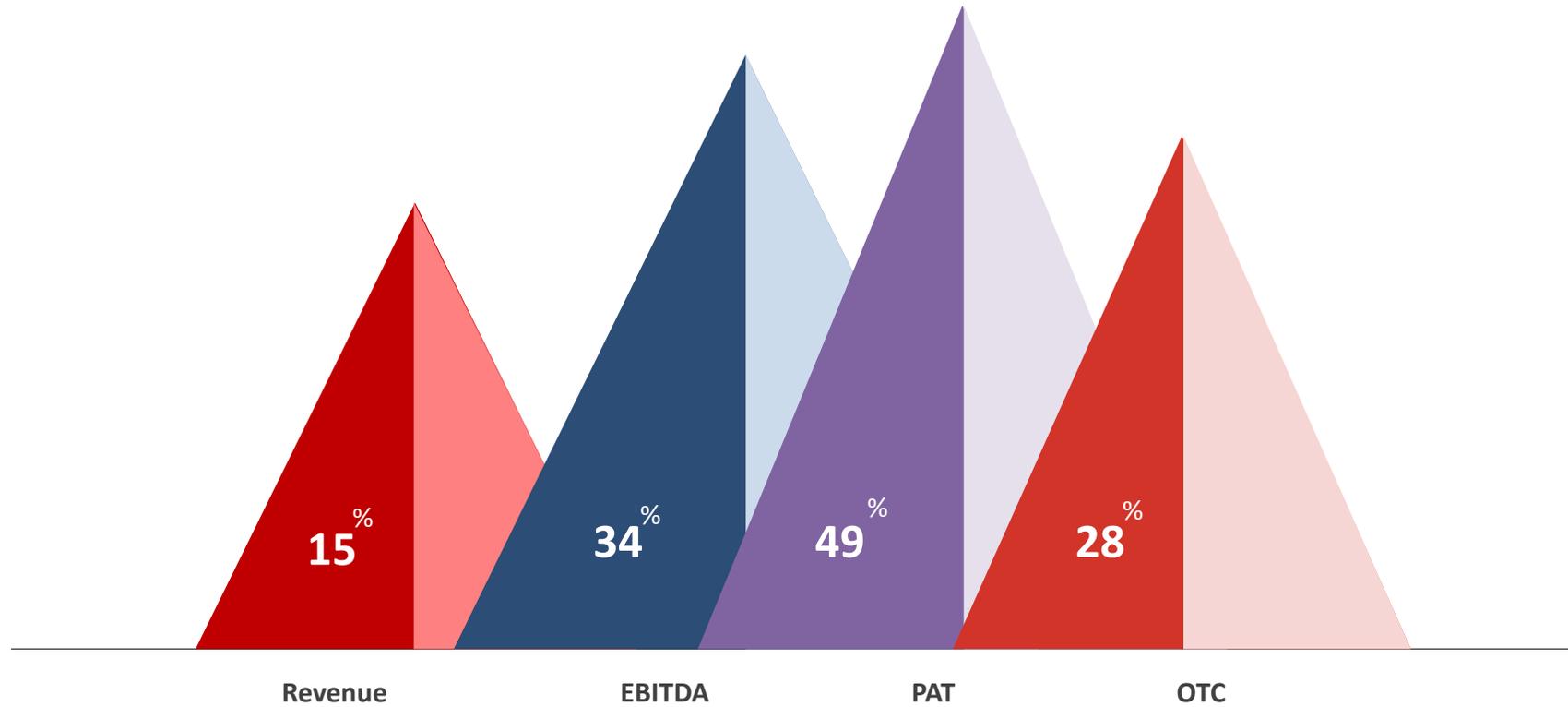
- Time-Cap Labs focuses on manufacturing high quality products in the both OTC and Rx market across pain management, CNS and anti-diabetic categories
- Selling them through large wholesalers and pharmacies in the US

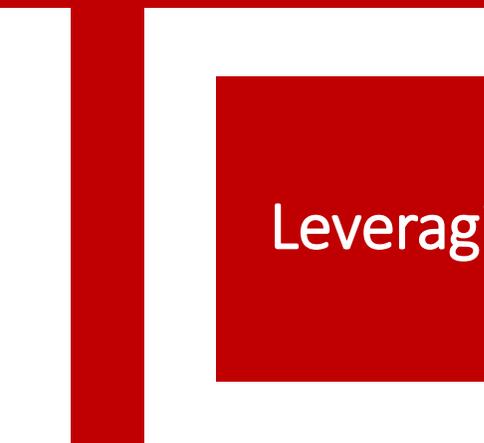


Has led to high growth track record



Over 2018-2023, Marksans has seen high growth (CAGR) across the key parameters



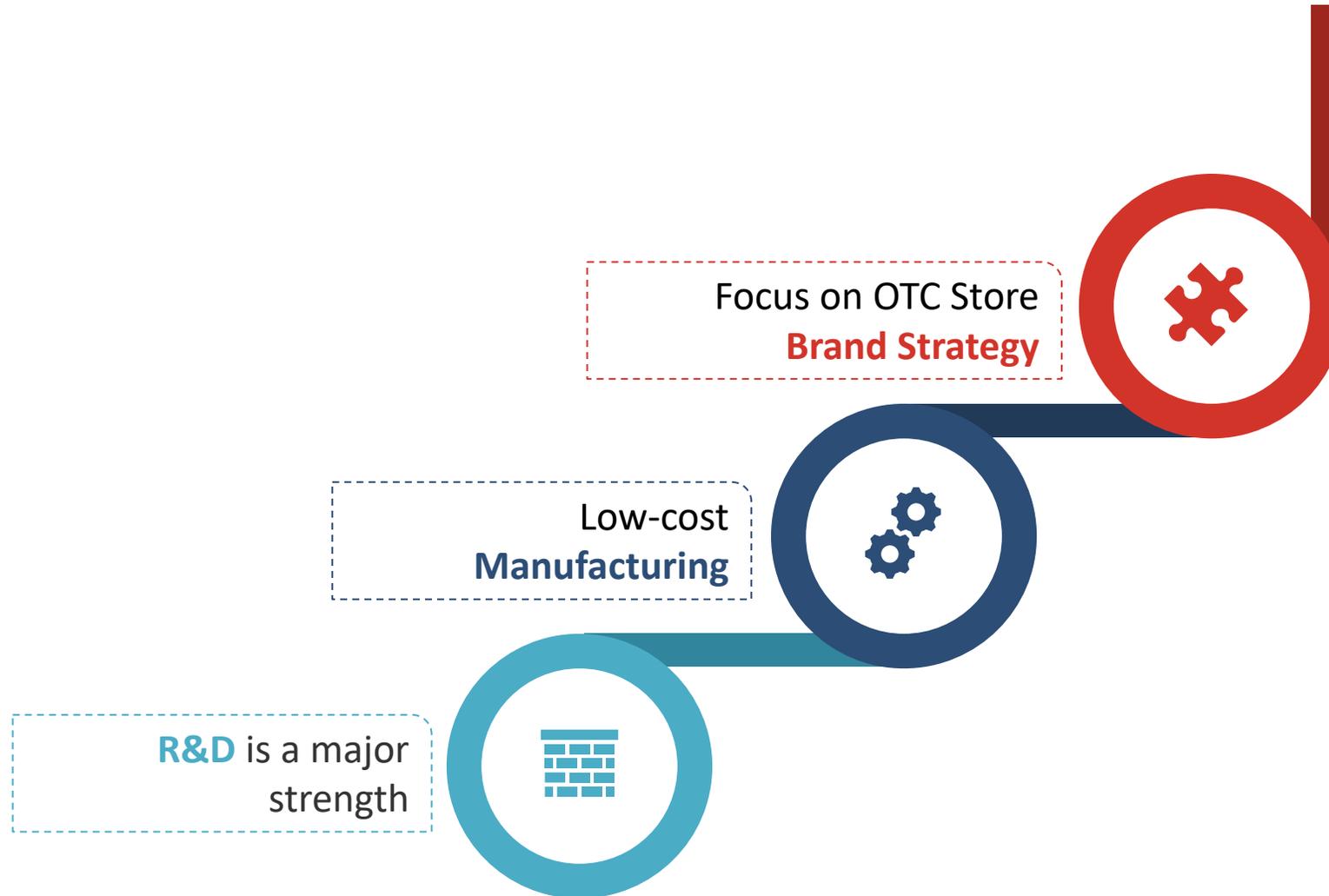


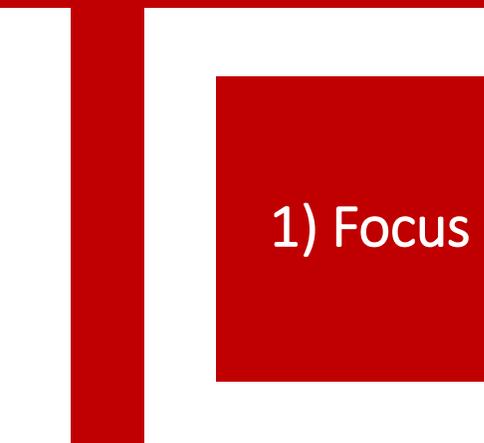
Leveraging our key strengths

Becoming a high performing healthcare company by leveraging our key strengths



Marksans Pharma Ltd.





1) Focus on OTC Store Brand Strategy

What do we do?



Marksans Pharma Ltd.

- 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...



Marksans Pharma Ltd.



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:

In-stock items only

Category ^

Migraine Pain Relief

Non-Aspirin

Product Type ^

Non-Aspirin Pain Relievers

Brand ^

Price ^

Symptom ^

Form ^

Age ^

Days Supply ^

FREE gift offer

Ibuprofen

80 MINI SOFTGELS

Walgreens

Ibuprofen Mini Softgels - 80 ea

★★★★★ 44

\$7.99 ~~\$9.99~~ / ea

Buy 1, Get 1 50% OFF

15% off when you spend \$2...

✓ Pickup

✓ Same Day Delivery

✓ Shipping

FREE gift offer

Ibuprofen

Dye-Free Ibuprofen 200

120 SOFTGELS

Walgreens

Ibuprofen Softgels - 120 ea

★★★★★ 23 FSA

\$7.99 ~~\$9.07~~ / ea

15% off when you spend \$2...

FREE gift offer

✗ Not sold in stores

FREE gift offer

Ibuprofen

40 SOFTGELS

Walgreens

Ibuprofen 200 mg Softgels - 40 ea

★★★★★ 41 FSA

\$4.79 ~~\$9.12~~ / ea

Buy 1, Get 1 50% OFF

15% off when you spend \$2...

✓ Pickup

✓ Same Day Delivery

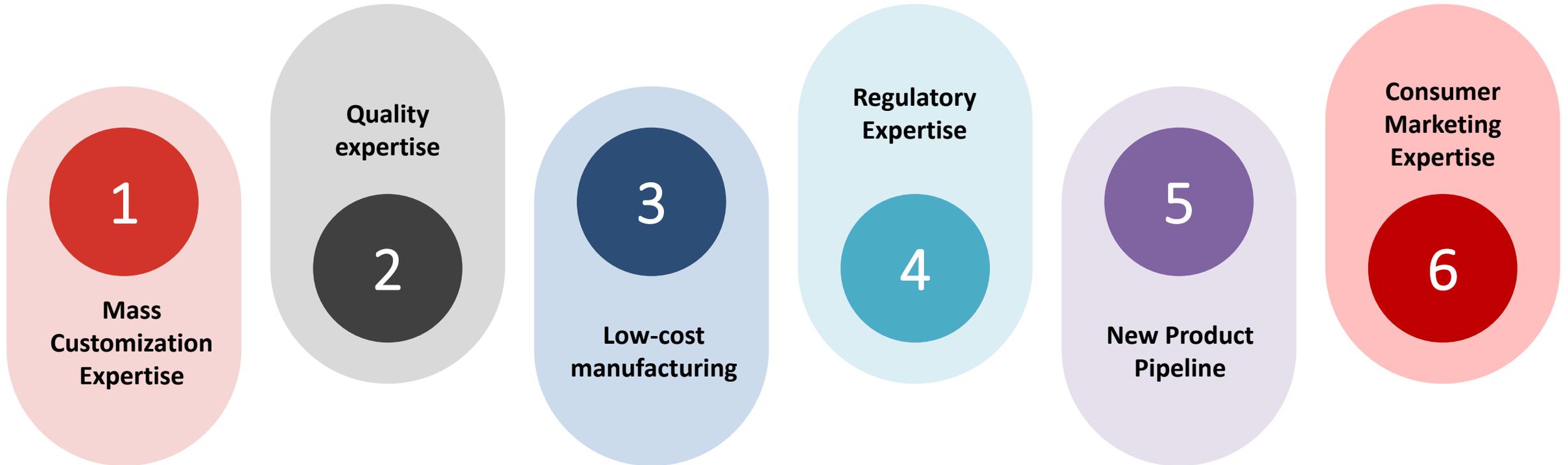
✓ Shipping

Count: 40 ea

Why is Marksans retailers preferred partner for store brand OTC growth



Marksans Pharma Ltd.



Marksans edge over competition



Marksans Pharma Ltd.



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

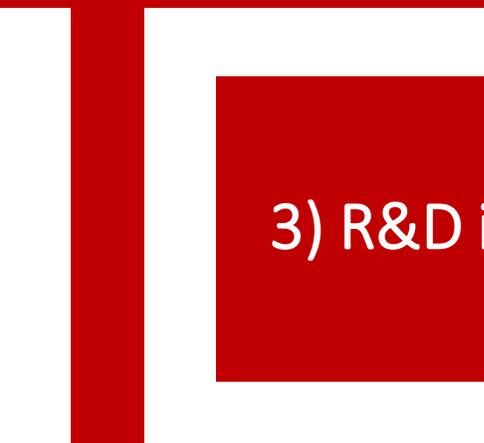
2.4 bn softgel and hard gelatin capsules per annum
6 bn solid tablets per annum

ACCREDITATIONS



Goa, India





3) R&D is a major strength

R&D and Product Launches Highlights



Marksans Pharma Ltd.

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
FAMOTIDINE TABLETS	FAMOTIDINE TABLETS USP, 10 MG and 20 MG	Gastrointestinal	US
FLUOXETINE ORAL SOLUTION	FLUOXETINE 20MG/5ML ORAL SOLUTION	Central Nervous System(CNS)	UK
PREGABALIN CAPSULES	PREGABALIN CAPSULES, 25 MG, 50 MG, 75 MG, 100 MG, 150 MG, 200 MG, 225 MG, and 300 MG.	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

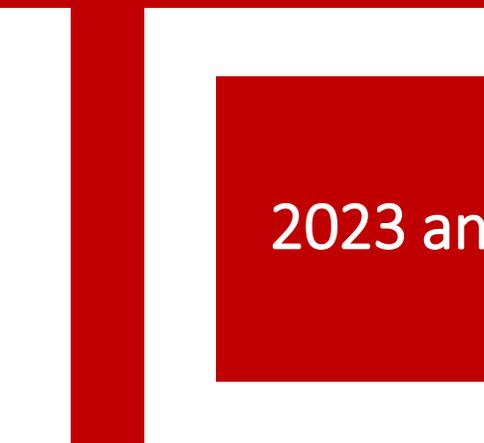
4 R&D Centres **50+** Scientists

70+ Products in Pipeline

350+ Dossiers filed

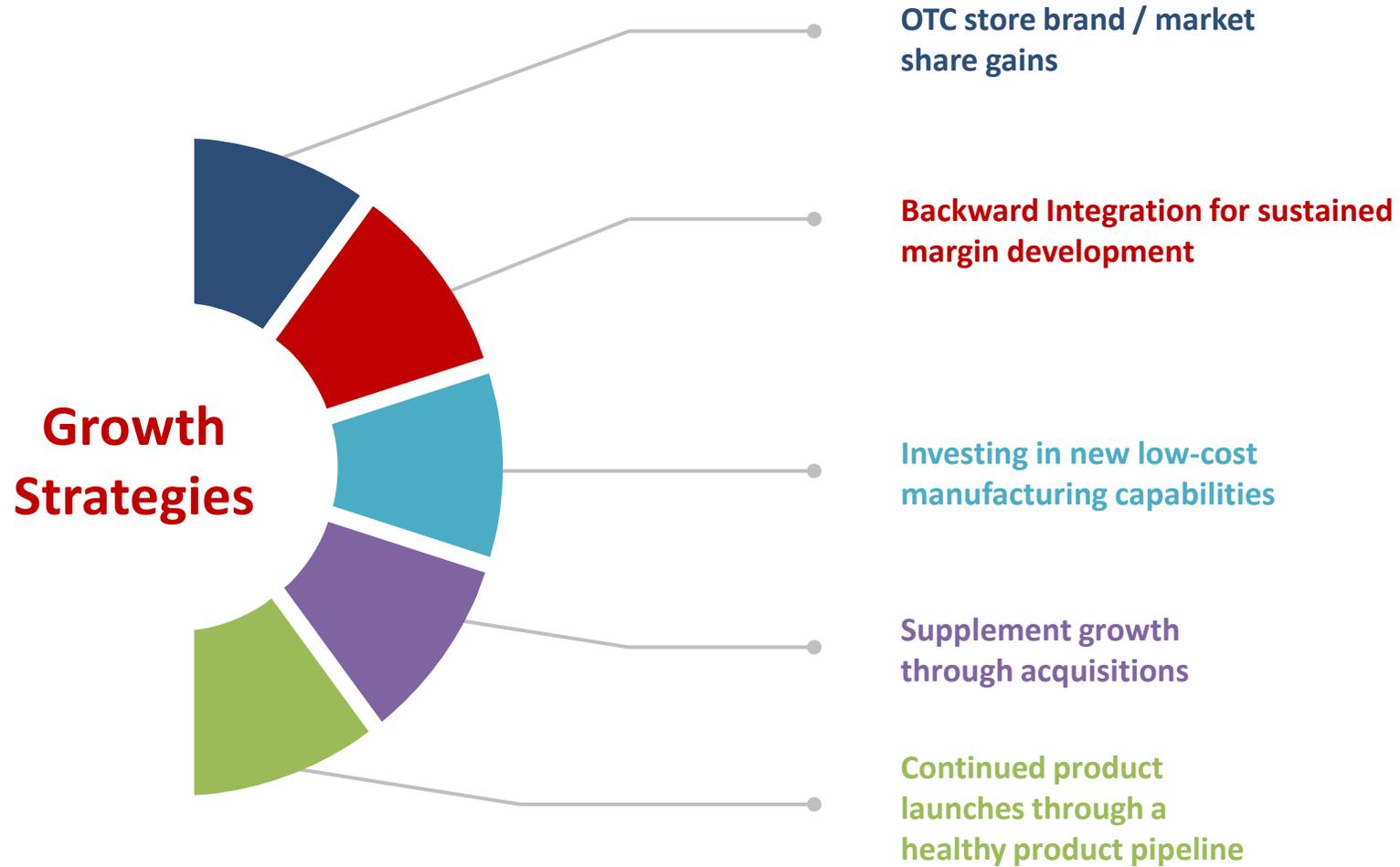
300 Approved ANDAs/MAs

25+ Filed ANDAs/MAs

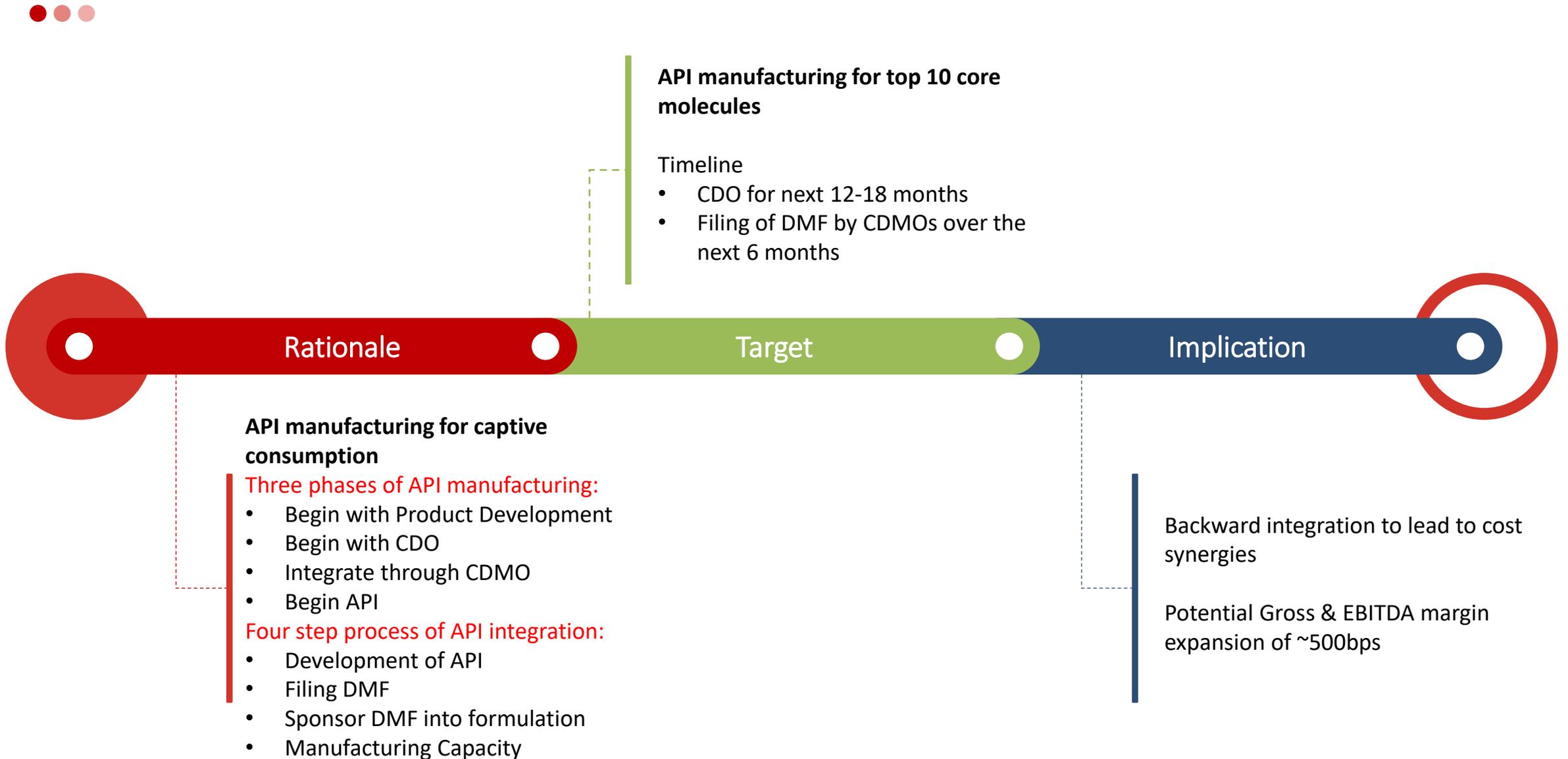


2023 and Beyond

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, liquids, creams

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	Teva Pharma Manufacturing Unit Acquisition
26 bn	Overall capacity including the new location

Acquired capacity from Tevapharm India in April-23 with potential to scale up manufacturing footprint in India by additional ~8bn units per annum over the period of next two years

Supplement growth through acquisitions



Marksans Pharma Ltd.



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



With a healthy cash position of ₹715.0 cr.
(as of March 31, 2023)



Strong Credit Rating



Consistent cash generation ability

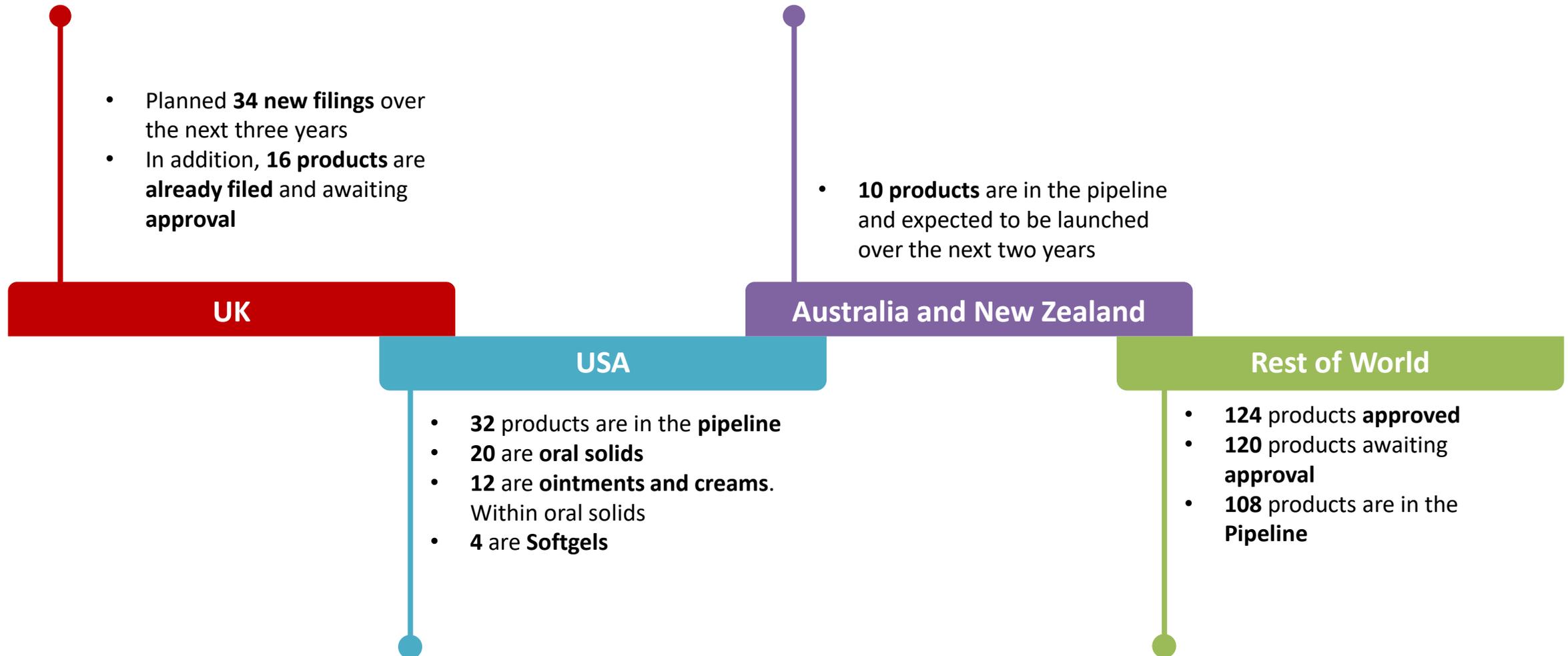
Marksans will continue to supplement its growth profile:

- 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

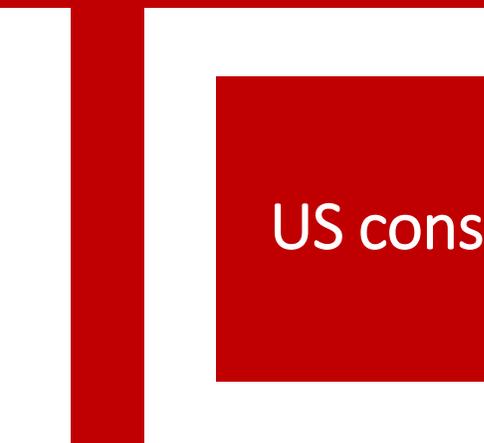


Strong product pipeline followed by successful launches led by continued focus on R&D





Global overview

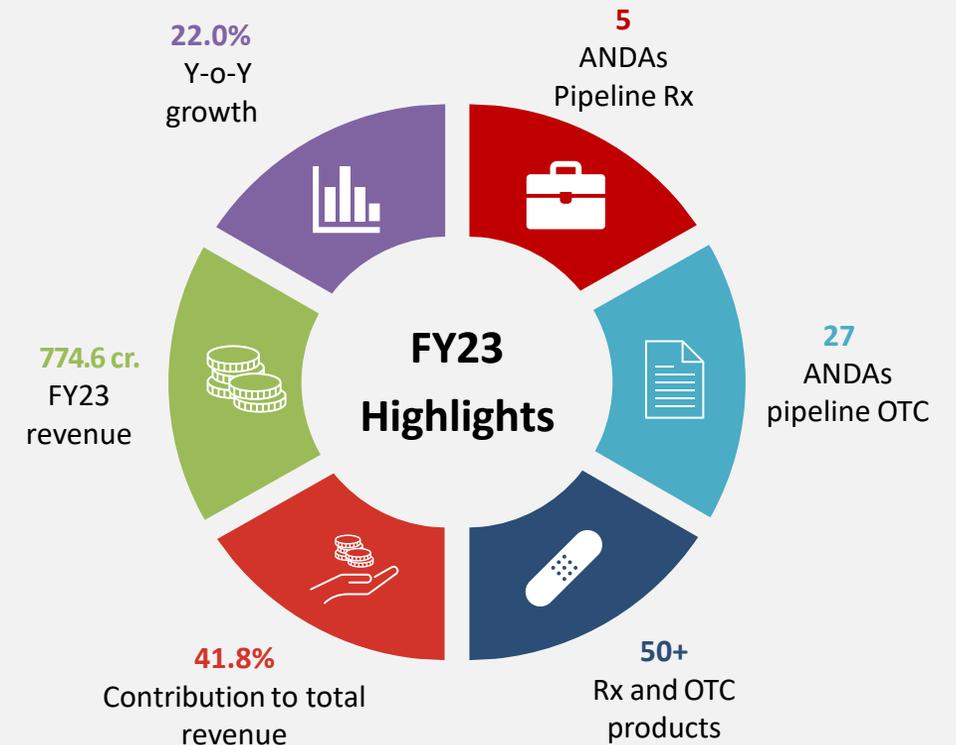


US consumer healthcare

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



Marksans Pharma Ltd.

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



Marksans Pharma Ltd.




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

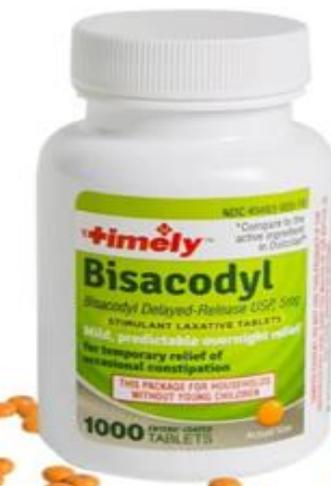
Climate Pledge Friendly

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



UK Consumer Healthcare

United Kingdom | Operations Overview



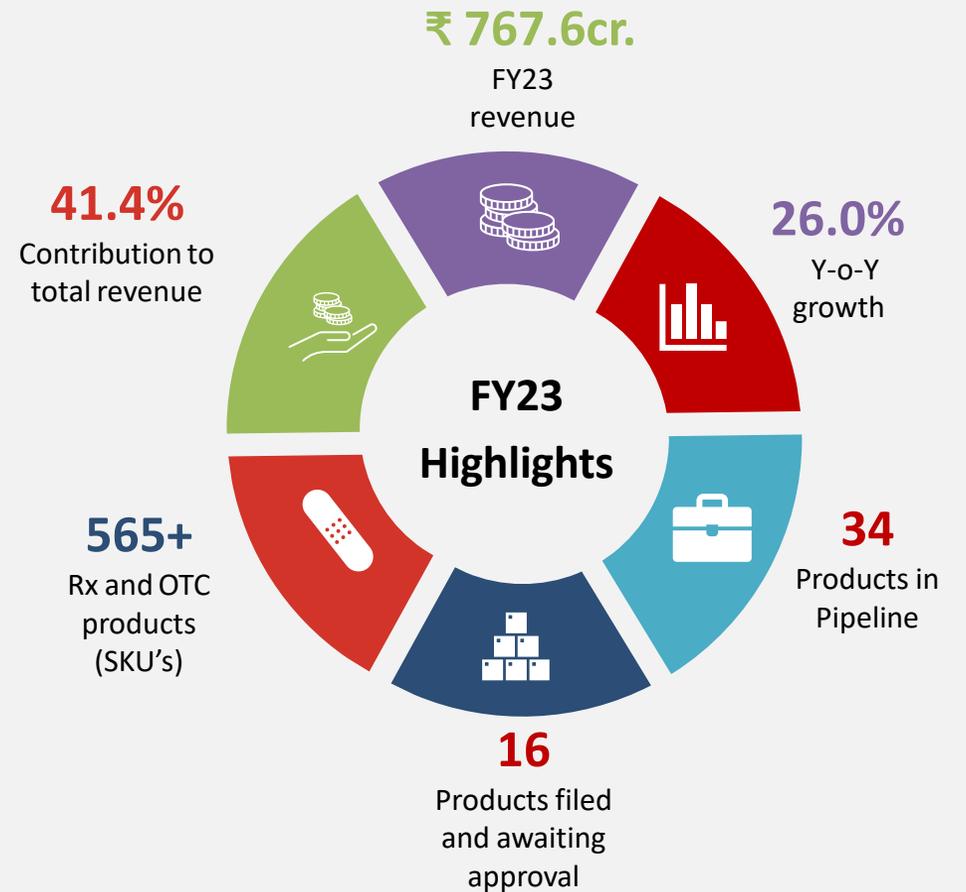
Summary

- We have served the UK market since 2007
- UK is one of the largest generic markets in Europe
- The Company services this region through Marksasn 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



Marksans Pharma Ltd.



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

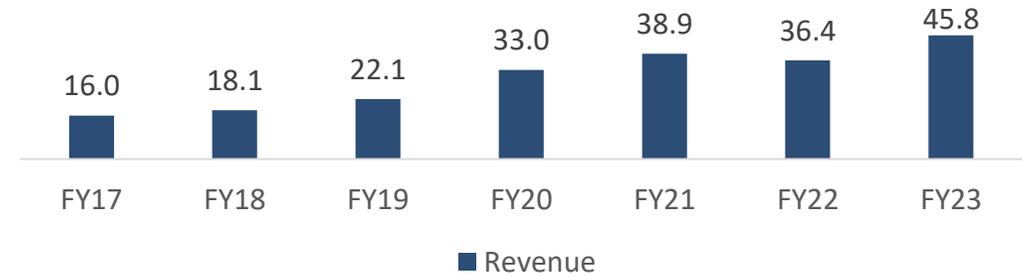
Infrastructure

- 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





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

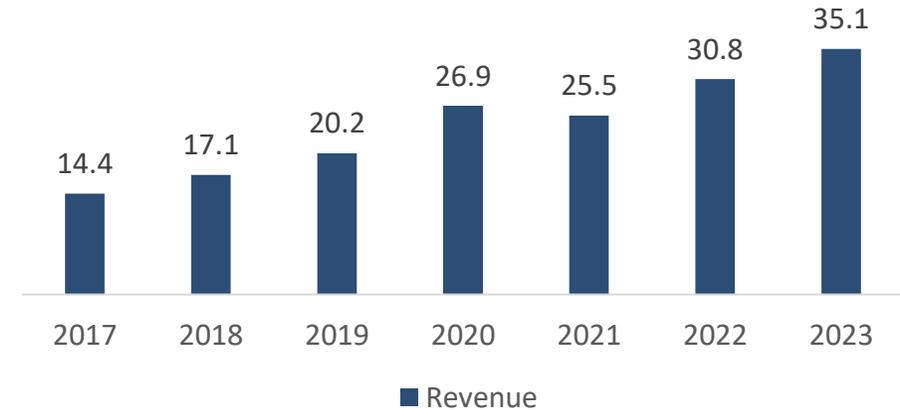
Marketing and Sales

- 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 medicine. The left box is Cetedyne (Loratadine) and the right box is MedCol (Cetirizine). Both offer 24-hour relief for symptoms like sneezing, runny nose, and itchy eyes.

Analgesics ●●●

A box of MAXOFEN, a double-acting analgesic containing paracetamol and ibuprofen, used for pain relief.

Nova's Own Brand - Medix ●●●

Anaesthetic / Analgesics

A collection of Medix brand products including ChestRub ointment, Aspirin tablets, Dry Cough Medicine, Ibuprofen tablets for fast pain relief, Pineapple lozenges for sore throats, Paracetamol tablets, and Anaesthetic Lozenges for numbing pain.

Anti-Fungal ●●●

Two anti-fungal products: Clotrizone cream for treating fungal infections and DEMACORTE cream for itchy skin conditions.

Essential Oils ●●●

A jar of MediSOL Epsom Salts (Magnesium Sulphate) used for various health and wellness purposes.

Dermatology ●●●

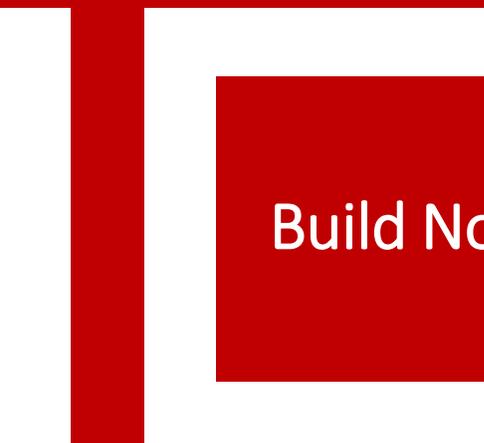
SCARmed cream, used for treating skin conditions like eczema and psoriasis.

Gastrointestinal ●●●

Two gastrointestinal products: Codax (softener and laxative) and Lorrex (liquorice capsules for relief of diarrhoea).

Essential Oils **Gastrointestinal**

Two products: Medix Heartburn & Acid Indigestion medicine and Medix Eucalyptus Oil.



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**

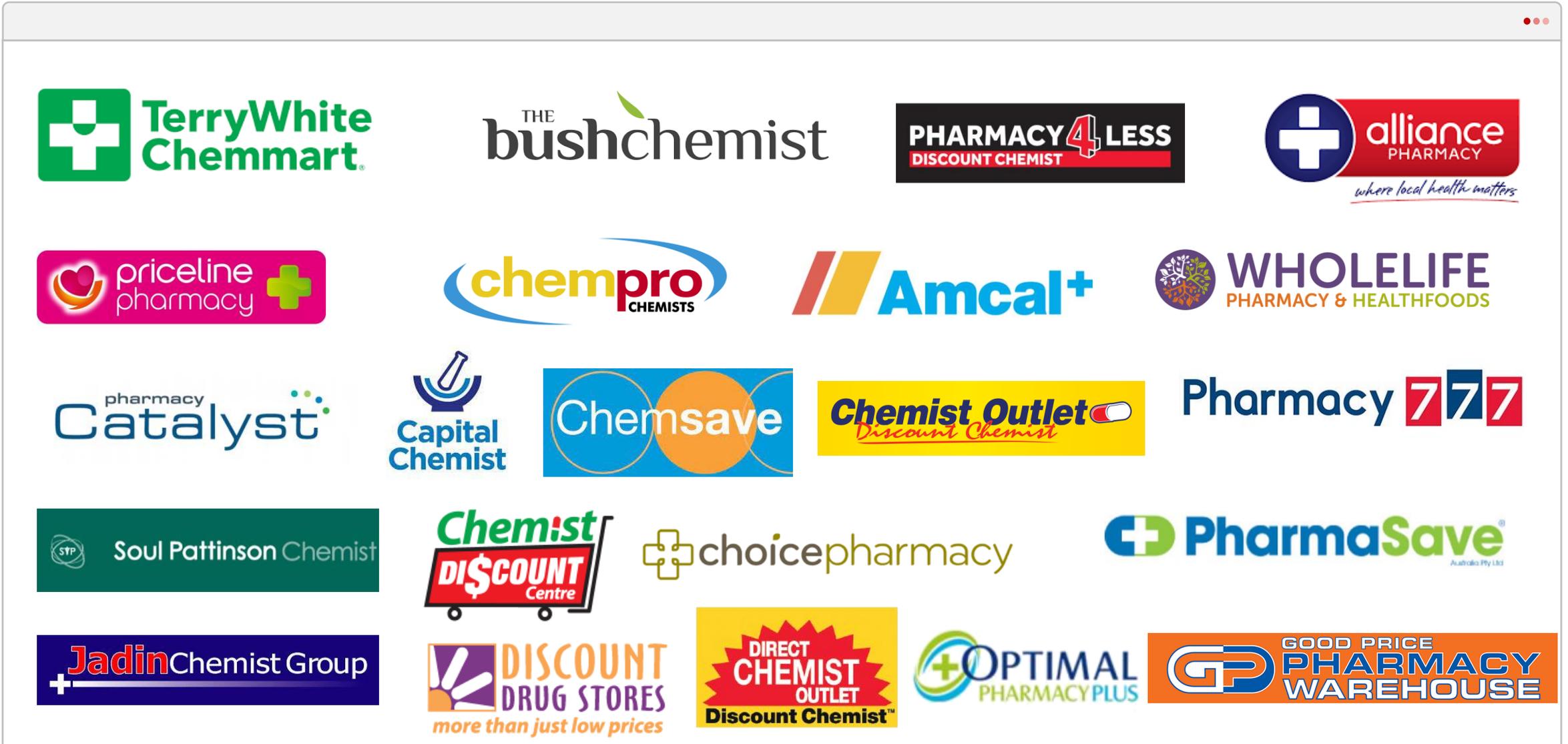
26 products
with in the
**Pharmacy
Portfolio**
and rapidly growing
the range

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

Pharmacy Group Support...



Marksans Pharma Ltd.



Pharmacy Group Support...



Marksans Pharma Ltd.



Nova Pharmacy Range



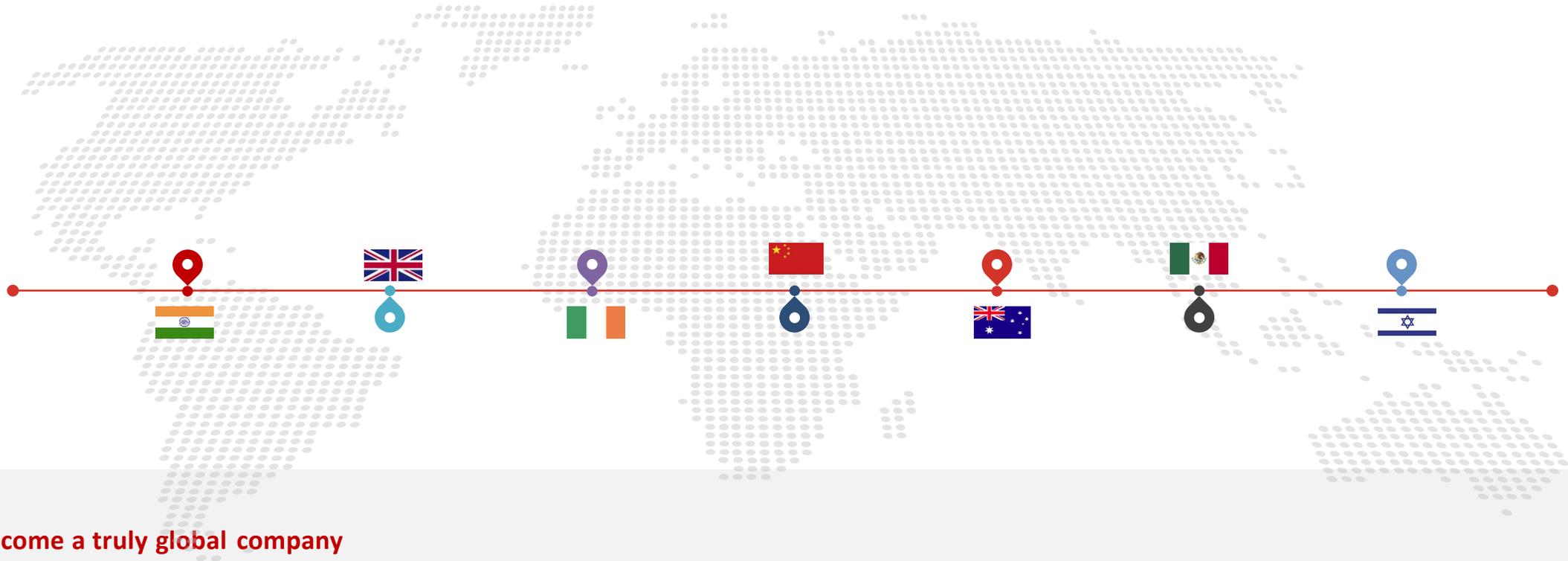
Marksans Pharma Ltd.





Outlook

Where Are We Heading?



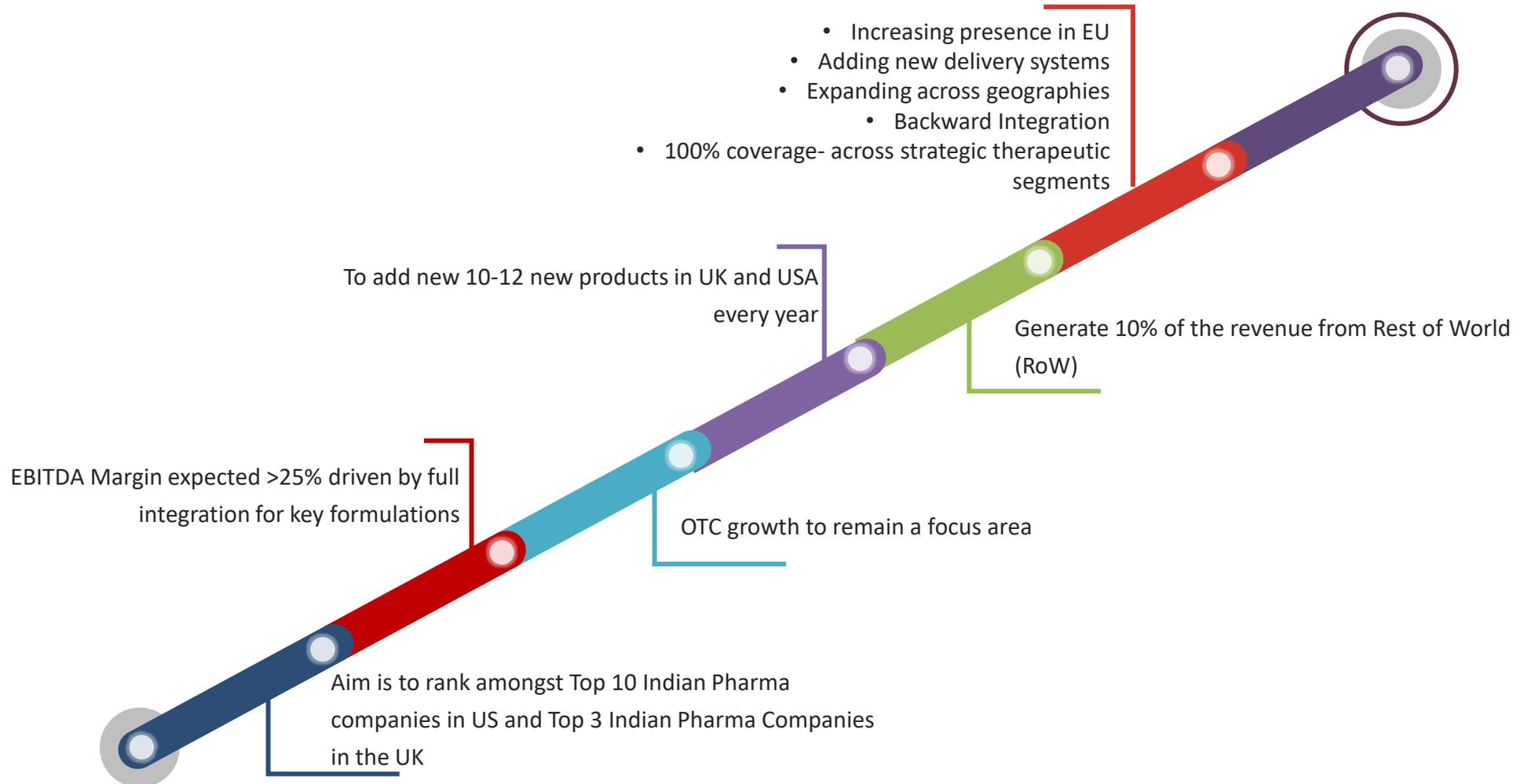
Become a truly global company

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 2,000 crore revenue target



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



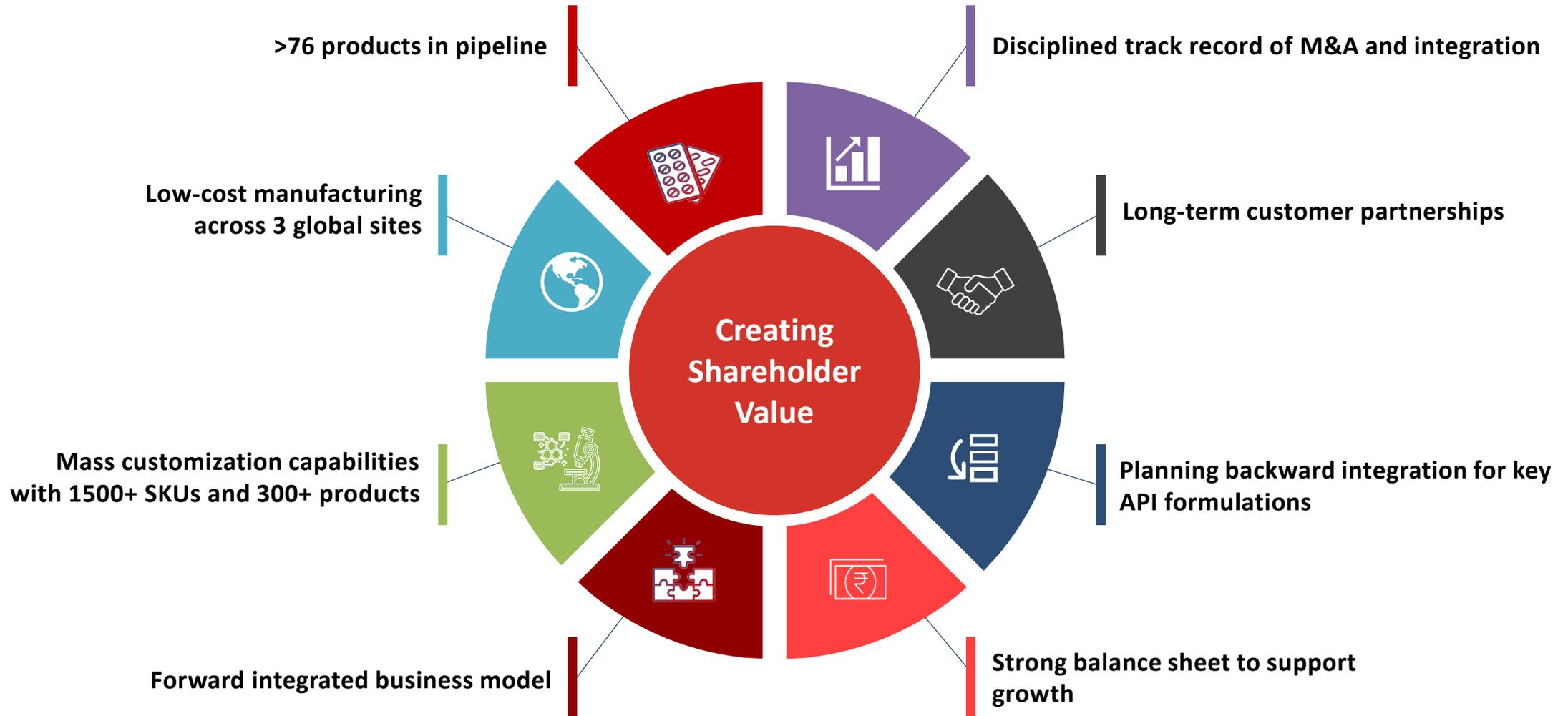
Improving margins – Through fully integrated business model - adding API manufacturing for captive consumption for key formulations



Increasing transparency and strengthening corporate governance principles

Focus on enhancing shareholder's value

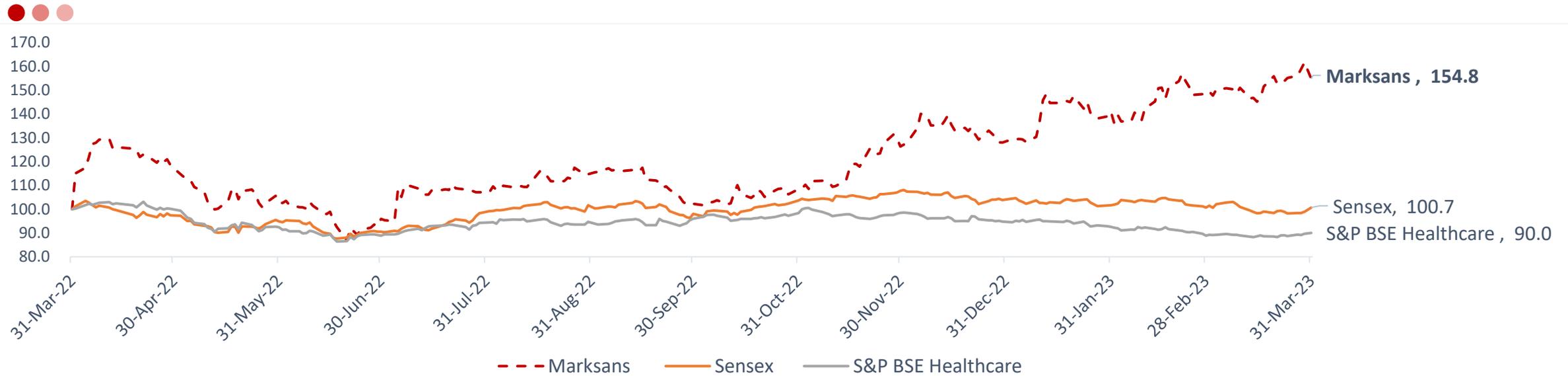
Unique Sustainable Competitive Position



Share price and Shareholding Pattern



Marksans Pharma Ltd.

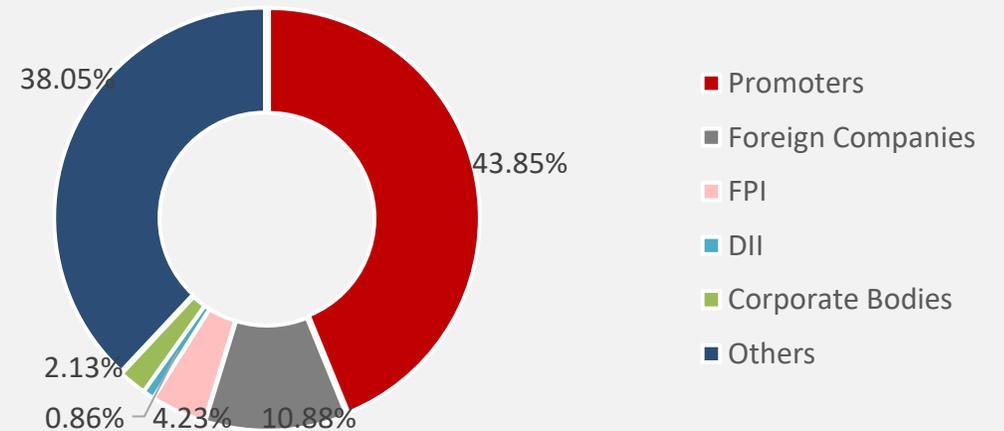


Price Data (31st March 2023)

Face Value (INR)	1.0
Market Price (INR)	70.4
52 Week H/L (INR)	74.4/38.7
Market Cap (INR Mn)	31,943.5
Equity Shares Outstanding (Mn)	453.2

Source: BSE, Chart rebased 100

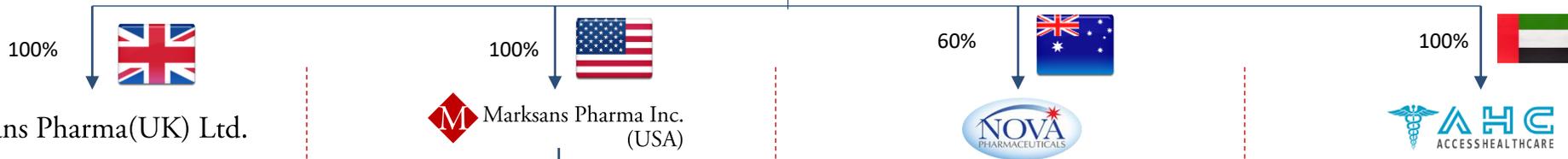
Shareholding Pattern as on March 31, 2023



Business structure



Marksans Pharma Ltd.



Bell's Healthcare

- Manufacturer of OTC Liquids & Ointments
- 450+ OTC/SKU products
- 100+ MA

RelonChem

- 162+ product licenses;
- Wholesale distributor of generic pharma

Time-Cap Labs, Inc.

- Manufacturer of range of OTC & Rx products;
- 50+ products portfolio

NOVA PHARMACEUTICALS

- Distribution of quality generic pharma
- Only OTC
- Regional sales development across Asia (China, Japan, Singapore, Vietnam, Sri Lanka and South Korea)

ACCESS HEALTHCARE

- Engaged in the business of marketing of medicines in the UAE and neighboring countries.
- Supplies products through the Dubai Health Authority (DHA)
- Derma focused products range



Marksans Pharma Ltd.

ESG

BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

©2021 – Marksans Pharma Limited, All Rights Reserved.



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 Swach Bharat scheme of Beti Bachao scheme of the Govt of India



Marksans Pharma Ltd.

Corporate Governance Philosophy

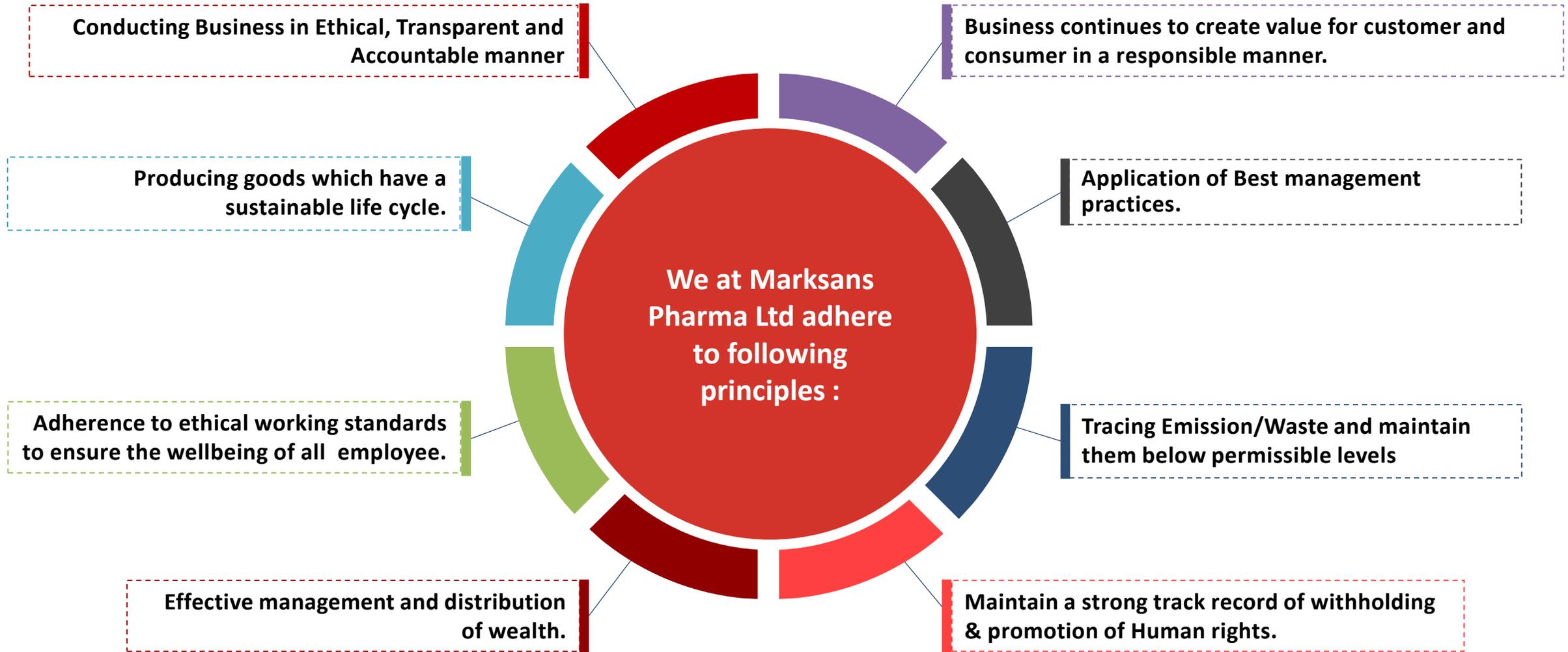
BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

©2021 – Marksans Pharma Limited, All Rights Reserved.

Corporate Governance Philosophy



Marksans Pharma Ltd.





Marksans Pharma Ltd.



Experienced Team

BSE: 524404 | NSE: MARKSANS | ISIN: INE750C01026

©2021 – Marksans Pharma Limited, All Rights Reserved.

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



Marksans Pharma Ltd.



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

Corporate Office

11th Floor Grandeur, Off Veera Desai Road,
Opp Gundecha Symphony, Andheri (W),
Mumbai – 400 053, Maharashtra - India

© 2021 Marksans Pharma Limited, All Rights Reserved.

“Marksans Pharma” and The Marksans Pharma Logo are trademarks of Marksans Pharma Limited. In addition to Company data, data from market research agencies, Stock Exchanges and industry publications has been used for this presentation. This material was used during an oral presentation; it is not a complete record of the discussion. This work may not be used, sold, transferred, adapted, abridged, copied or reproduced in whole or in part in any manner or form or in any media without the prior written consent. All product names and company names and logos mentioned herein are the trademarks or registered trademarks of their respective owners.