



# Marksans Pharma Ltd.

## Q4FY23 and FY23 Financial Results

### Strong revenue growth of 24% YoY and EBITDA growth of 31% YoY in FY23

**Mumbai, May 30th, 2023** – Marksans Pharma Ltd. (NSE: MARKSANS; BSE Code: 524404) reported the financial results today for the quarter and full year ending March 31, 2023.

**Mark Saldanha, Managing Director of the Company said** *"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"*

#### Q4FY23 Financial Highlights

- Operating revenue was Rs. 486.0 cr., up by +16.3% YoY driven by market share gains in the existing products and markets
  - US business grew by +12.8% YoY
  - UK and Europe grew by +33.1% YoY
- Gross profit was Rs. 242.1 cr., up by +17.3% YoY with a Gross margin of 49.8%.
- EBITDA was Rs. 109.5 cr., grew by 72.1% with an EBITDA margin of 22.5%
- EPS grew by 185.5% YoY to Rs. 2.0

#### FY23 Key Highlights

- Operating revenue at Rs. 1,852.1 cr., increased by 24.2% YoY
- Gross profit at Rs 930.8 cr., grew by +20.3% YoY with Gross margin at 50.3%
- EBITDA at ₹339.3 cr., increased 31.1% YoY with EBITDA margin at 18.3%
- Cash balance stood at a healthy Rs.715.0 cr. as of 31st March 2023
- Free Cash Flow was Rs 183.8 cr

#### Business Highlights

##### US Market

- US & North America Formulation business reported growth of 12.8% YoY to Rs. 193.5 cr.in Q4FY23
- 32 products are in the pipeline, of which 20 are oral solids and 12 are ointments and creams. Within oral solids, 4 are Softgels

### UK and Europe Market

- Revenue of Rs. 206.3 cr. from the UK and Europe Formulation business in Q4FY23 as compared to Rs. 155.0 cr. during last year, registering a growth of 33.1%
- Planned 34 new filings over the next three years. In addition, 16 products are already filed and awaiting approval

### Australia and New Zealand Market

- Australia and New Zealand business reported Rs. 63.4 cr. in Q4FY23
- 10 products are in the pipeline and expected to be launched over the next two years

### RoW Market

- RoW business grew by 11.8% YoY to Rs. 22.8 cr. in Q4FY23

### Other Highlights

- Completed Teva Pharma Manufacturing unit acquisition in May 2023, doubling the Indian manufacturing capacity for the company
- Completed buyback of 64,74,276 equity shares for a total value of Rs 32 cr
- Raised a total amount of Rs. 372.40 cr in equity in January 2023 through warrant conversion by OrbiMed and the Promoter
- 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 Performance

### Consolidated profit and loss statement:

|                    | Q4FY23 | Q4FY22 | YoY Growth | FY23    | FY22    | YoY Growth |
|--------------------|--------|--------|------------|---------|---------|------------|
| Operating Revenue  | 486.0  | 418.0  | 16.3%      | 1,852.1 | 1,490.8 | 24.2%      |
| Gross Profit       | 242.1  | 206.4  | 17.3%      | 930.8   | 774.0   | 20.3%      |
| Gross margin       | 49.8%  | 49.4%  | 40bps      | 50.3%   | 51.9%   | -170bps    |
| EBITDA             | 109.5  | 63.6   | 72.1%      | 339.3   | 258.9   | 31.1%      |
| EBITDA Margin%     | 22.5%  | 15.2%  | 730bps     | 18.3%   | 17.4%   | 100bps     |
| PAT                | 82.7   | 29.7   | 178.9%     | 265.3   | 186.8   | 42.0%      |
| Net profit Margin% | 16.6%  | 6.8%   | 980bps     | 13.9%   | 12.2%   | 170bps     |
| EPS                | 2.0    | 0.7    | 185.5%     | 6.4     | 4.5     | 42.2%      |

### Business-wise performance:

| in Rs. Cr.                                  | Q4FY23       | Q4FY22       | YoY Growth   | FY23           | FY22           | YoY Growth   | Mix           |
|---|--------------|--------------|--------------|----------------|----------------|--------------|---------------|
| US & North America                          | 193.5        | 171.6        | 12.8%        | 774.6          | 635.0          | 22.0%        | 41.8%         |
| UK and Europe                               | 206.3        | 155.0        | 33.1%        | 767.6          | 609.1          | 26.0%        | 41.4%         |
| Australia & NZ                              | 63.4         | 71.1         | -10.9%       | 209.4          | 179.8          | 16.5%        | 11.3%         |
| Rest of World (ROW)                         | 22.8         | 20.4         | 11.8%        | 100.4          | 66.9           | 50.2%        | 5.4%          |
| <b>Consolidated Revenue from operations</b> | <b>486.0</b> | <b>418.1</b> | <b>16.2%</b> | <b>1,852.1</b> | <b>1,490.8</b> | <b>24.2%</b> | <b>100.0%</b> |

## Earnings Conference Call:

There will be an Earnings conference call at 4.00 pm IST on May 31, 2023, during which the leadership team will discuss the financial performance and take questions. A transcript of the conference call will be available at [www.marksanspharma.com](http://www.marksanspharma.com).

|                                 |  |
|---------------------------------|--|
| Date and Time                   | May 31, 2023, at 4.00 pm IST   |
| Diamond pass link               | <a href="#">Link</a>   |
| Primary Access Numbers          | +91 22 6280 1148, +91 22 7115 8049   |
| International Toll-Free Numbers | Singapore: 00 101 2045, Hong Kong: 800 964 448,<br>USA: 1 866 746 2133, UK: 0 808 101 1573 |

## About Marksans Pharma Ltd

Marksans Pharma Limited ([www.marksanspharma.com](http://www.marksanspharma.com)) headquartered at Mumbai, India is engaged in Research, Manufacturing & Marketing of generic pharmaceutical formulation in the global markets. The company's manufacturing facilities are approved by several leading regulatory agencies including USFDA, UKMHRA and Australian TGA. The company's robust product portfolio spreads over major therapeutic segments of CVS, CNS, Antidiabetic, Pain Management, Gastroenterological and Anti-allergies. The company is marketing these products globally.

## Disclaimer

Certain statements in this press release concerning our future growth prospects may be 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.

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