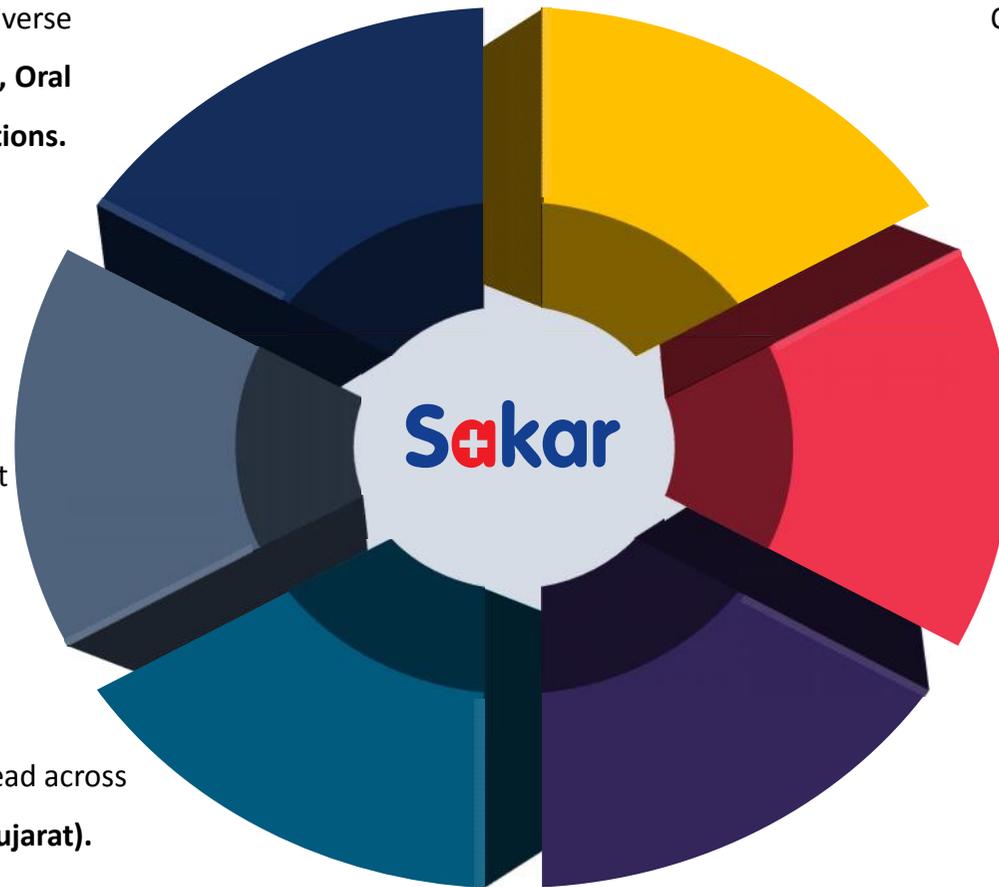


# Sakar

*Investor Presentation  
December 2018*



# Company Overview



Engaged in manufacturing and marketing of diverse range of pharmaceutical products: **Oral Solids, Oral Liquids, Liquid/lyophilized/dry powder injections.**

Operates as a **Contract Manufacturer (CMO)** for leading **Multinational Pharmaceutical Companies.**

Manufactures formulations covering **22 therapeutic** categories with manufacturing unit having **14 overseas approvals.**

Manufactures and market **150+ pharmaceutical formulations** for the international markets with **243 Registered Brands.**

**State-of-the-art** manufacturing facility spread across **10,640 sq. m**, located in **Ahmedabad (Gujarat).**

Channel partners in over **53 countries** of **Africa, South East Asia, Latin America, Asia and CIS.**

# Milestones



- Set up and commercialization of Antibiotics and Injectable SVP plant.
- Started Manufacturing of formulations in form of tablets, capsules, dry syrup, sachets, ampoules and vials.
- Commencement of exports of the products.

- Initial Public Offering of 14.81 Cr with Issue of 29,61,000 equity shares of Rs. 10 each at issue price Rs. 50 per share.
- Installed Lyophilizer and started commercialization of Lyophilized products locally and through exports.
- Processed for EU GMP approval.
- Commercialized 243 Registered Sakar Brands in 34 countries.

2004 - 2007

- Company incorporated as Sakar Healthcare Pvt. Ltd.
- Started commercial production with Liquid Orals.
- Initiated CMO operations.

2008 - 2011

2012 - 2015

- Started Production of formulations in form of dry powder injections.
- Triggered registration of products in overseas market.
- Conversion to Public Limited Company.

2016 - 2018

# Product Line

## Oral Solids

- This is the most widely used formulation type. The manufacturing process includes dispensing, sifting, granulation, drying, blending, compression, Tablet Coating/ capsule filling, packaging.



## Oral Liquids

- The liquid form is the most acceptable dosage form across age groups. It is normally available in sealed glass or pet bottles in different volumes.



## Injectables

- Injectables are meant for administration inside veins or muscles in human body. The manufacturing process involves dispensing, compounding, filtration, filling & sealing, External washing of Vial/ampule, packaging.



## Dry Powder

- Dry powder injections are stable and need to be reconstituted prior administration.
- The manufacturing process includes dispensing, Vial washing, sterilisation & powder filling, sealing, external vial washing, packaging.



## Lyophilized Injections

- Lyophilization is the process commonly known as Freeze Drying which helps enhance the product stability. Process involves dispensing, compounding, filtration, washing and sterilization, lyophilization, sealing, external vial washing, packaging.



# Business Model



## Sakar: International Marketing

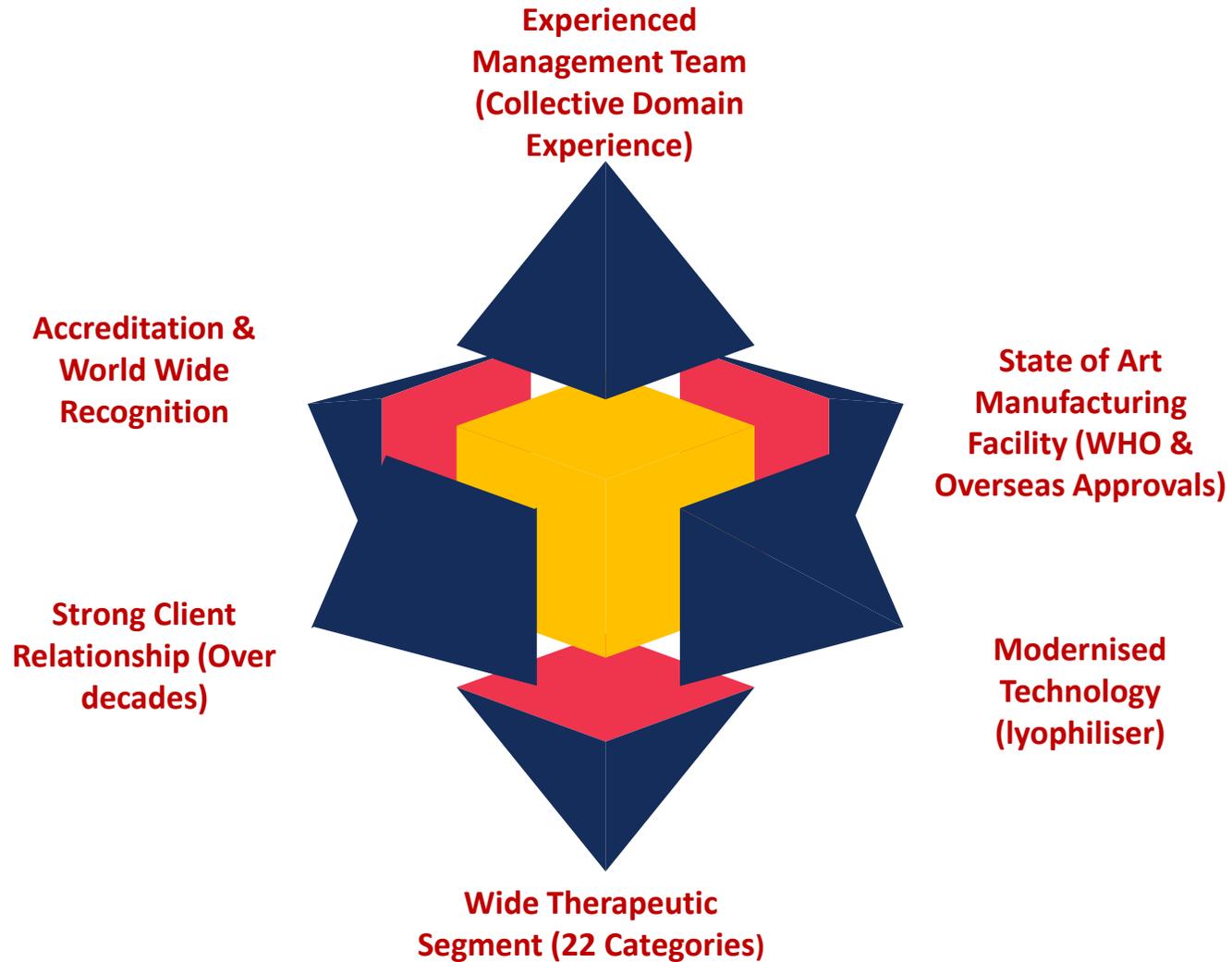
- The company manufactures and markets its product through own distribution channels across Africa, Latin America, Asia and South East Asia and CIS countries.
- Company has received necessary approvals from national drug authority of Kenya, Uganda, Yemen, Ethiopia, Congo, Ghana, Zimbabwe, Nigeria, Malawi, Cambodia, Philippines, Vietnam, Peru & Cote-D'Ivoire, to export and market the products in those countries.
- Currently Sakar has 243 registered brands.

## Contract Manufacturing (CMO)

- The company is manufacturing Pharmaceutical products on contracts basis for reputed clients.
- Some of the leading pharmaceutical brands in India are manufactured at Sakar Facility.
- Sakar caters to export requirement of its clientele thus offering a wider option.



# Strengths



# Experienced Promoter Team..

**MR. SANJAY SHAH**



**FOUNDER &  
MANAGING DIRECTOR**

- Mr. Sanjay has more than a decade of experience in pharmaceutical, mineral-water and plastic industry.
- He is presently instrumental in managing the key affairs and functioning of our Company including strategy, finance, business development and corporate relations.
- He holds a degree of Master of Business Administration from Vikram University, Ujjain, Madhya Pradesh. With basic qualification in plastic technology.

**MRS. RITA SHAH**



**DIRECTOR**

- Mrs. Rita Shah has been a Promoter Director of our Company since its' inception.
- She is a science graduate from Gujarat University and an experienced business woman.
- She manages the day to day administrative operations of the Company and also assists in procurement of materials, production and controlling of quality products.

**MR. AARSH SHAH**



**JOINT MANAGING  
DIRECTOR**

- Mr. Aarash Shah currently lends his professional acumen as a Pharmacist in the company and is actively involved in production, sales & marketing and developing business relations for the company.
- He is a Pharmacist and holds a degree of Master of Business Administration from University of Cardiff, UK.

# Strong Management Team



## MR. JOHNNY GEORGE

Head Finance

Mr. George is with the organisation since inception and has ensured the systems and processes are in place. His decade long experience in most of the organisation he has worked for speaks about his depth of understanding and setting up means and control financial infrastructure of the organisation. With master in Commerce he handles the key operational details and lead the team effectively.



## MR. SANJAY JAVIA

Plant Head – Oral Liquid

Mr.Sanjay Javia, is with the organisation since a decade. With a background in the field of science, he is having an overall experience over two decades in the same arena. He monitors and controls the manufacturing of oral liquid preparations, intended for exports and domestic markets.

## MR. BIKRAMJIT GHOSH

VP - Strategy & Business Development

Mr.Bikramjit Ghosh has been with the organisation since past four years. He has a vast experience over two decades covering Indian and International markets relevant to strategy, business development, marketing and business operations. He is Pharmacy graduate with a flair of working with various multinational organisations, leading team to success.



## MR. BHUSHAN PATIL

Plant Head - Injectables (Small Volume – Liquid & Lyophilized)

Mr.Bhushan Patil, has almost two decades of experience with top Indian companies. He has the precision in work and managing plant operations for injections, both liquid & lyophilised; meant for export and supplies to leading Indian pharmaceutical companies.

## MR. V.P KATHE

Head Technical

Mr.V.P Kathe is having a vast experience over few decades in the field of quality assurance and control. He has worked for various multinational organisations in similar role, enriching his exposure. He is with the organisation past three years, ensuring the development and maintenance of the technical aspects of products manufactured.



## MR. RAJENDRA PATIL

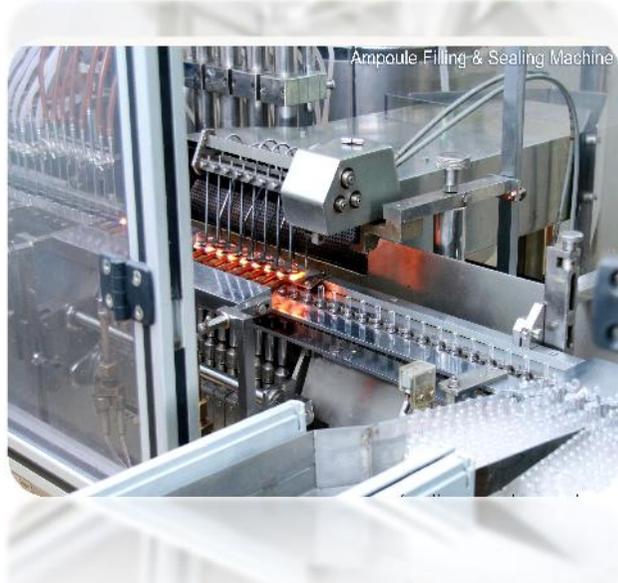
Head Quality Control

Mr.Rajendra Patil, has done his masters in Analytical Chemistry and has spent most his successful assignments across pharma industry for past three decades, has been associated with the company for past five years.

# State of Art Manufacturing Facility



Vial Washing Machine & Tunnel



Ampoule Filling & Sealing Machine

- Manufacturing facility spread across **10,640 sq. m** in **Ahmedabad, Gujarat.**
- All four state of art manufacturing units are certified by **WHO-GMP, cGMP and national drug authority of 14 overseas countries.**

Facility	Product Manufactured	Capacity (in lac units)
Plant-1	Liquid Orals	138
Plant-2	<ul style="list-style-type: none"> <li>• Tablet and Capsules</li> <li>• Dry Syrup/ Sachet</li> </ul>	576 46
Plant-3	Liquid and Lyophilised Injections <ul style="list-style-type: none"> <li>• Ampoules</li> <li>• Vials</li> <li>• Lypholised Vials</li> </ul>	691 346 33
Plant-4	Dry Powder Injection	138

# Modernised Technology

## Lyophilization



- Toflon Make Lyophilizer
- With automatic Loading & Unloading System
- ORABs
- Freeze Drying to improve solubility & stability of products



## State of The Art Equipment's



- Equipment make:
  - Pam Glatt, Germany
  - Brevetti, Italy
  - Bectochem
  - Cadmach (WHO approved)
- Apparatus:
  - Shimadzu, Japan
  - Mettler Toledo, Switzerland

# Therapeutic Segment Coverage



Antacid

Antimalarial

Anticoagulant

Laxative

Anthelmintic

Bronchodilator

Anaesthetic

Antidepressant

Sedative

Adrenergic

Anti-infective

## Therapeutic Segment

Diuretics

Oxytocic

Analgesic

Antifungal

Antipsychotic

Antiemetic

PPI

Anti-inflammatory

Antihistamine

Multi vitamins

Anticonvulsant

# Long Track Record With Clients



# Certifications & Accreditations



Nigeria



Uganda



Vietnam



Philippines



Zimbabwe



Peru



Ghana



Cote d'Ivoire



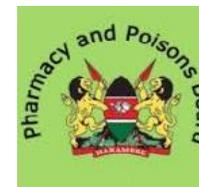
Yemen



Malawi



Cambodia



Kenya



Ethiopia

# World Wide Recognition

69 distribution partners : 53 countries



- Strong presence in South East Asia, Africa and Latin America.
- Key Markets include Nigeria, Ethiopia, Kenya, Ghana, D.R Congo, Uganda, Cameroon, Philippines, Bolivia.

# Industry Dynamics

## Pharmaceutical Industry

- India pharmaceutical industry is expected to expand at a CAGR of 22.4 per cent over 2015–20 to reach US\$ 55 billion.
- India's pharmaceutical exports stood at US\$ 17.27 billion in 2017-18, In 2018-19 these exports are expected to cross US\$ 19 billion.
- India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume.
- Patent expiration of prominent drugs, government initiatives, regional penetration and increasing aged population are some of the factors that are driving the market growth.
- Asia Pacific is expected to be highest market share during the forecast period due to low operation costs and high investments in medical research.
- The high cost of skilled labour and energy are the most significant factors that enforced western market to move its base to emerging countries, such as India and China.

# Way Forward



## Enhancing Quality of Manufacturing Facilities

To widen the commercialization of freeze dried products (capacity of 22,000 vials per batch of the lyophilizer)

Maintaining and upgrading the machinery to ensure we stay ahead of the curve and quality is maintained for necessary regulatory approvals.

## Robust distribution network

To strengthen the distribution network through screening and targeting their market presence and capabilities.



## Oncology

Setting up a standalone manufacturing facility for Oncology formulations & Active Pharmaceutical Ingredients (API) which will help us venture into high margin business.

## New Products & Formulations

To Introduce new formulations and increase the numbers of registered products.

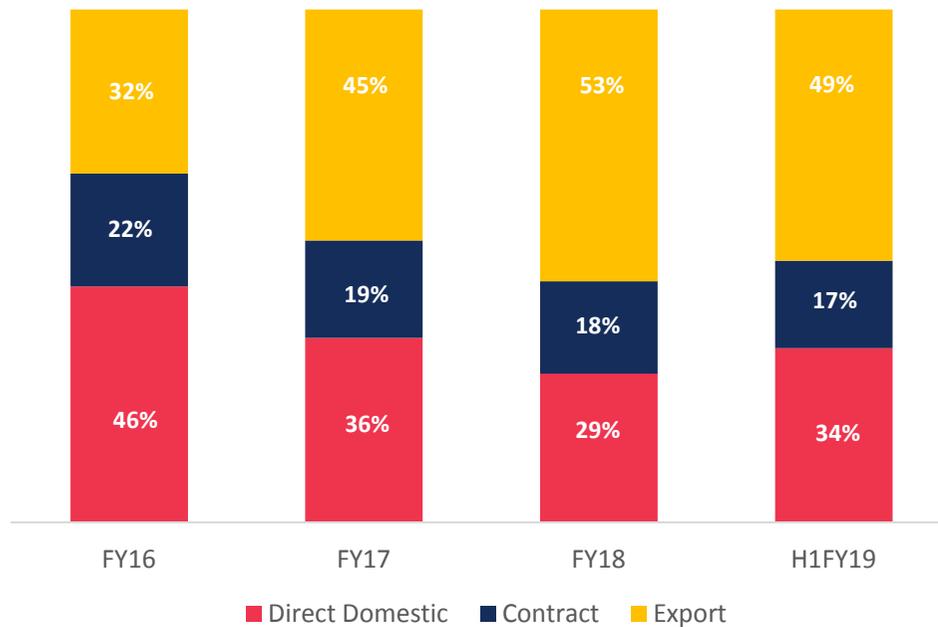
## Strengthening Marketing & Relationship

To increase technical staff and region specific marketing team by 10%.

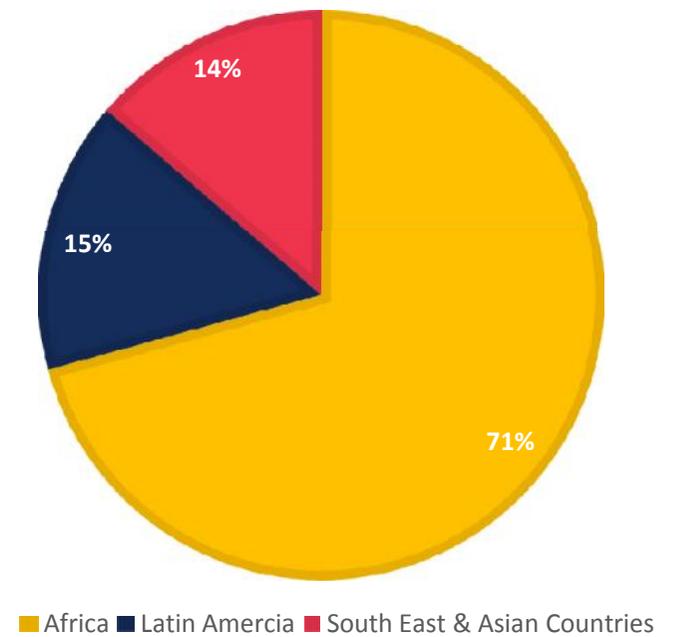
# Financial Highlights



## SALES BREAKUP

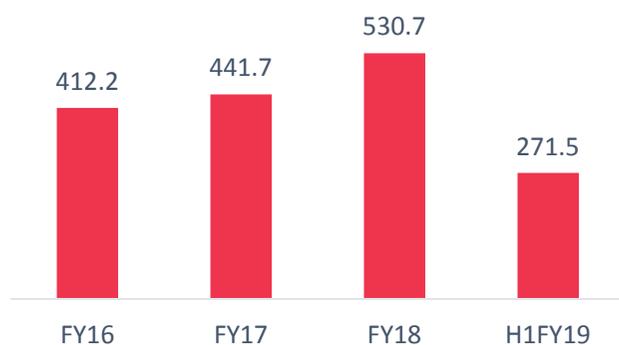


## GEOGRAPHICAL SALES

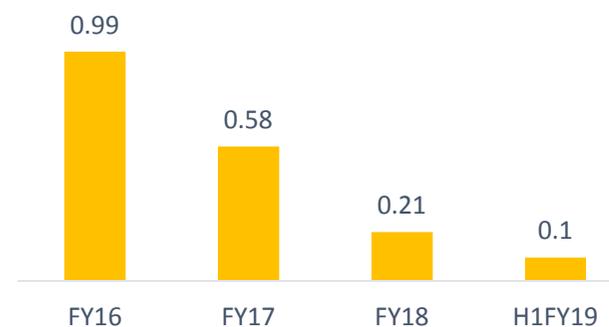


# Financial Highlight

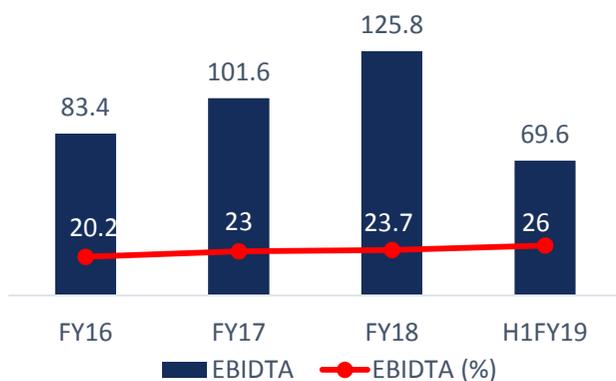
### REVENUE (In mn)



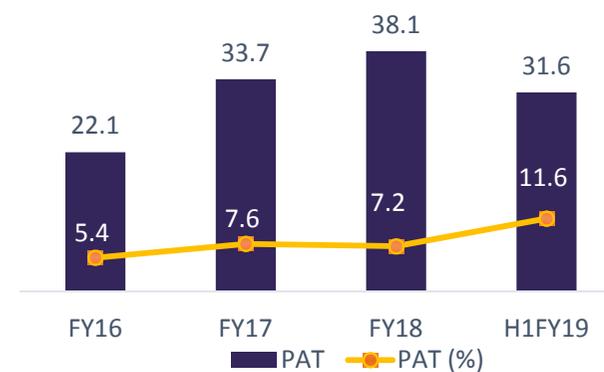
### DEBT TO EQUITY



### EBIDTA (In mn)



### PAT (In mn)



# Profit & Loss



## Consolidated Financials

(Rs. Lakhs)	H1FY19	FY18	FY17	FY16
<b>Total Income from Operations</b>	2715.3	5307.65	4417.08	4122.6
Cost of Raw material Consumed	1391.5	2720.73	2281.95	2187.6
Changes in Inventory	15.36	79.19	-53.44	9.16
<b>Total Raw material Consumed</b>	1406.86	2799.92	2228.51	2196.76
Employee Cost	343.1	683	594.56	478.89
Other Cost	269.19	565.94	577.65	612.78
<b>Total Expenditure</b>	2019.15	4048.86	3400.72	3288.43
<b>EBITDA</b>	<b>696.15</b>	<b>1258.79</b>	<b>1016.36</b>	<b>834.17</b>
<b>EBITDA Margin%</b>	<b>25.6%</b>	<b>24%</b>	<b>23%</b>	<b>20%</b>
Interest	88.61	258.51	268.52	293.61
Depreciation	269.73	440.91	338.94	273.35
Other Income	44.38	53.24	73.4	20.63
Exceptional Item	-0.48	-1.66	-0.17	-1.76
<b>Profit Before Tax</b>	<b>381.71</b>	<b>610.95</b>	<b>482.13</b>	<b>286.08</b>
Tax	65	229.44	144.27	64.27
<b>PAT</b>	<b>316.71</b>	<b>381.51</b>	<b>337.86</b>	<b>221.81</b>
<b>PAT Margin%</b>	<b>11.7%</b>	<b>7.2%</b>	<b>7.6%</b>	<b>5.4%</b>

# Balance Sheet



Rs. (Lakhs)	H1FY19	FY18	FY17	FY16	Rs. (Lakhs)	H1FY19	FY18	FY17	FY16
<b>NON-CURRENT ASSETS</b>					Equity Share Capital	1221	1221	1096	800
Property, Plant & Equipment	5738	5097	4893	3725	Reserve & Surplus	3777	3461	2454	1118
Intangible Assets	225	236			Money received against share warrants	928	468		
Long Term Loan & Advances	41	35	43	28	<b>TOTAL EQUITY</b>	5926	5150	3550	1918
<b>TOTAL NON-CURRENT ASSETS</b>	6004	5368	4936	3753	<b>LIABILITIES</b>				
<b>CURRENT ASSETS</b>					<b>NON-CURRENT LIABILITIES</b>				
Inventories	520	393	696	645	Borrowings	846	984	1591	1542
Trade Receivables	712	1082	535	298	Deferred Tax Liabilities	698	698	645	431
Cash & Bank Balances	523	36	45	23	<b>TOTAL NON-CURRENT LIABILITIES</b>	1544	1681	2236	1973
Loans & Advances	1252	1209	824	392	<b>CURRENT LIABILITIES</b>				
Other Current Assets	19	21	24		Borrowings	287	137	532	391
<b>TOTAL CURRENT ASSETS</b>	3025	2741	2122	1358	Trade Payables	534	441	310	398
<b>TOTAL ASSETS</b>	9029	8109	7058	5111	Other Current Liabilities	614	584	396	399
					Provisions	124	117	34	32
					<b>TOTAL CURRENT LIABILITIES</b>	1559	1278	1272	1220
					<b>TOTAL EQUITY &amp; LIABILITIES</b>	9029	8109	7058	5111

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## Lets Connect!



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