



November 15, 2023

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi

Subject: Corporate Briefing Session of Macter International Limited

السلام عليكم

Further to our letter dated November 6, 2023 on the above subject, please find attached herewith presentation with respect to the Corporate Briefing Session (CBS) of Macter International Limited to be held on **Thursday, November 16, 2023 at 3:30 pm via Zoom video conferencing** to brief the analysts / members about the performance of the Company.

Zoom Meeting Link for CBS:

<https://us02web.zoom.us/j/86202198437?pwd=U1dHazVPdkNXTkM0d3VhdXA2UVJ0dz09>

Meeting ID: 862 0219 8437

Passcode: 149686

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours truly,

For and on behalf of

Macter International Limited

Asif Javed
Company Secretary



Macter International Limited

**Corporate Briefing Session
For the year ended June 2023**

November 16, 2023



Pattern of Shareholding

Shareholder’s Category	Shareholding Percentage
Individuals	72.63
Joint Stock Companies	27.29
Investment Companies	0.00
Insurance Companies	0.04
Mudarbass	0.00
Others	0.04
Total	100

Entity Rating - VIS Credit Rating

VIS Credit Rating Company Ltd. (VIS) has reaffirmed the entity ratings of Macter International Limited (Macter or the Company)

The long-term rating of ‘A’

The short-term rating of ‘A-2’

Outlook on the assigned rating is ‘Stable’

Risk factors are small

With a renewed focus towards the international market, the Company has increased investments in advanced molecule projects

Dr. Amanullah Kassim
Chairman

Asif Misbah
Managing Director & Chief
Executive Officer

Swaleh Misbah
Deputy Managing Director

**Shiekh Muhammad
Waseem**
Non-Executive Director

**Syed Anis Ahmed
Shah**
Independent Director

**Shiekh Perwez
Ahmed**
Non-Executive Director

**Muhammad Ather
Sultan**
Non-Executive Director

Massarat Misbah
Non-Executive Director

**Jawwad Ahmed
Farid**
Independent Director

Mission

Macter exists to:

1. Serve humanity by improving health and well-being
2. Facilitating all associates to achieve their potential with dignity; and;
3. Providing a means for an ethical and fair livelihood

Values

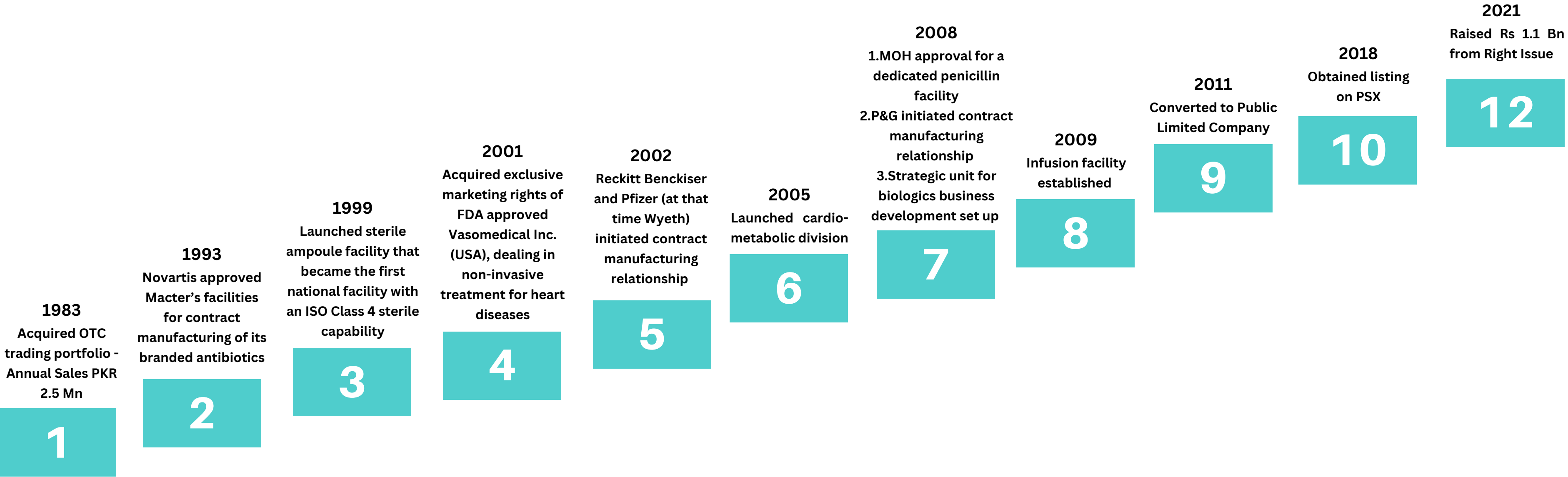
1. Benevolent Intent
2. Customer Focus
3. Communication and Teamwork
4. Excellence
5. Leadership



Vision

We see macter as an integrated global healthcare company serving patients, healthcare professionals and customers with high quality and innovative products and services. We are committed to achieve our vision in an ethical and socially responsible manner

Macter's Journey



Manufacturing Facilities



Particulars	Plant I	Plant II
Location	F-216, S.I.T.E, Karachi 75700	E40/A, S.I.T.E, Karachi 75700
Annual Production 2023	58,700,286 packs	3,082,366 packs
Area	1 Acre	1 Acre
Facility Area	1 Acre	0.3 Acre
Dosage Form	General Pharma manufacturing Liquid, Tablet Capsule, Ointment, MDI, DPI, Cephalosporin, Injectable, Dry Suspensions and Biologicals	Penicillin Dry suspension, Tablet, capsule and dry powder injectable

Plant I

Plant II

Location

F-216, S.I.T.E, Karachi 75700

E40/A, S.I.T.E, Karachi 75700

Annual Production 2023

58,700,286 packs

3,082,366 packs

Area

1 Acre

1 Acre

Facility Area

1 Acre

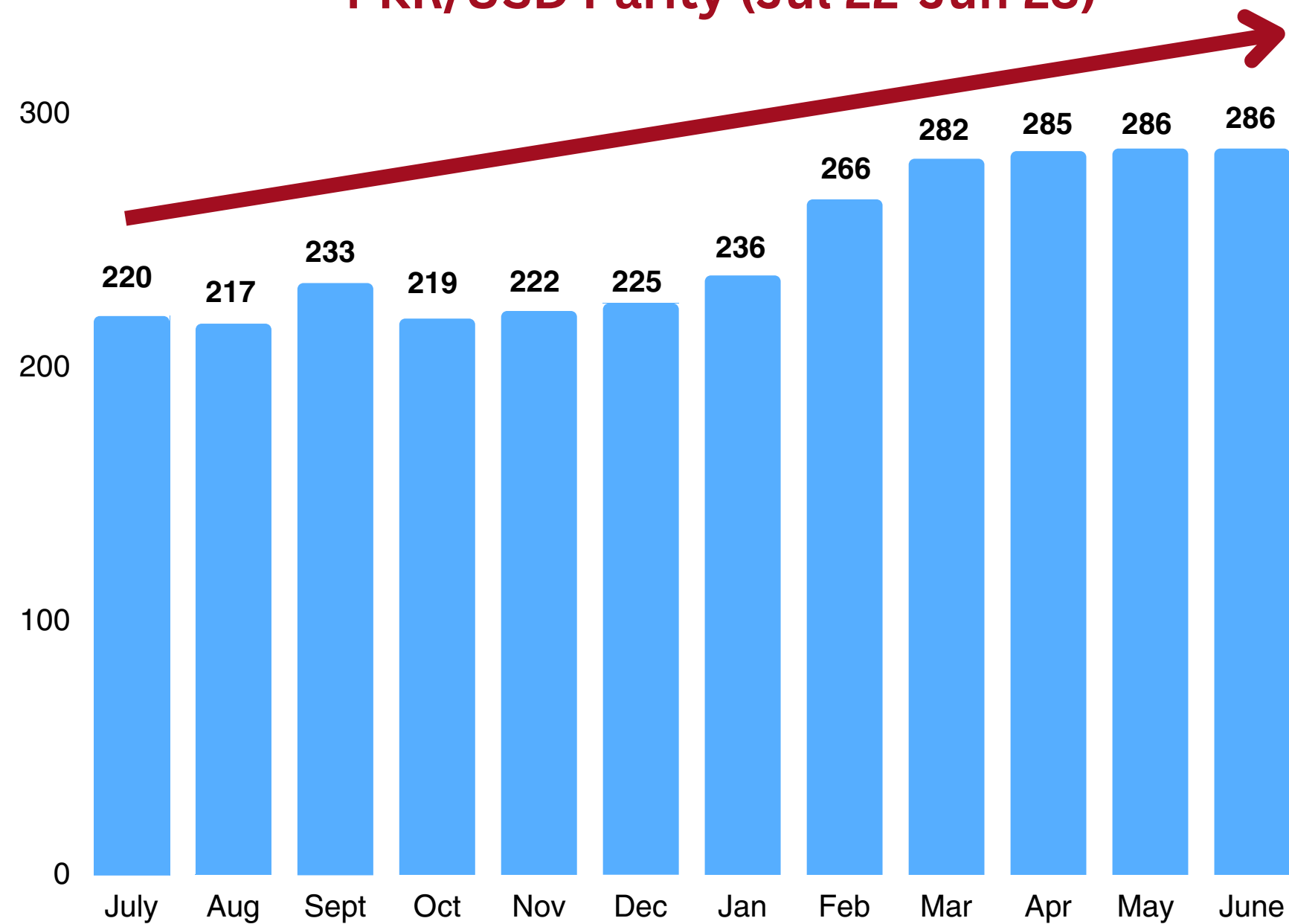
0.3 Acre

Dosage Form

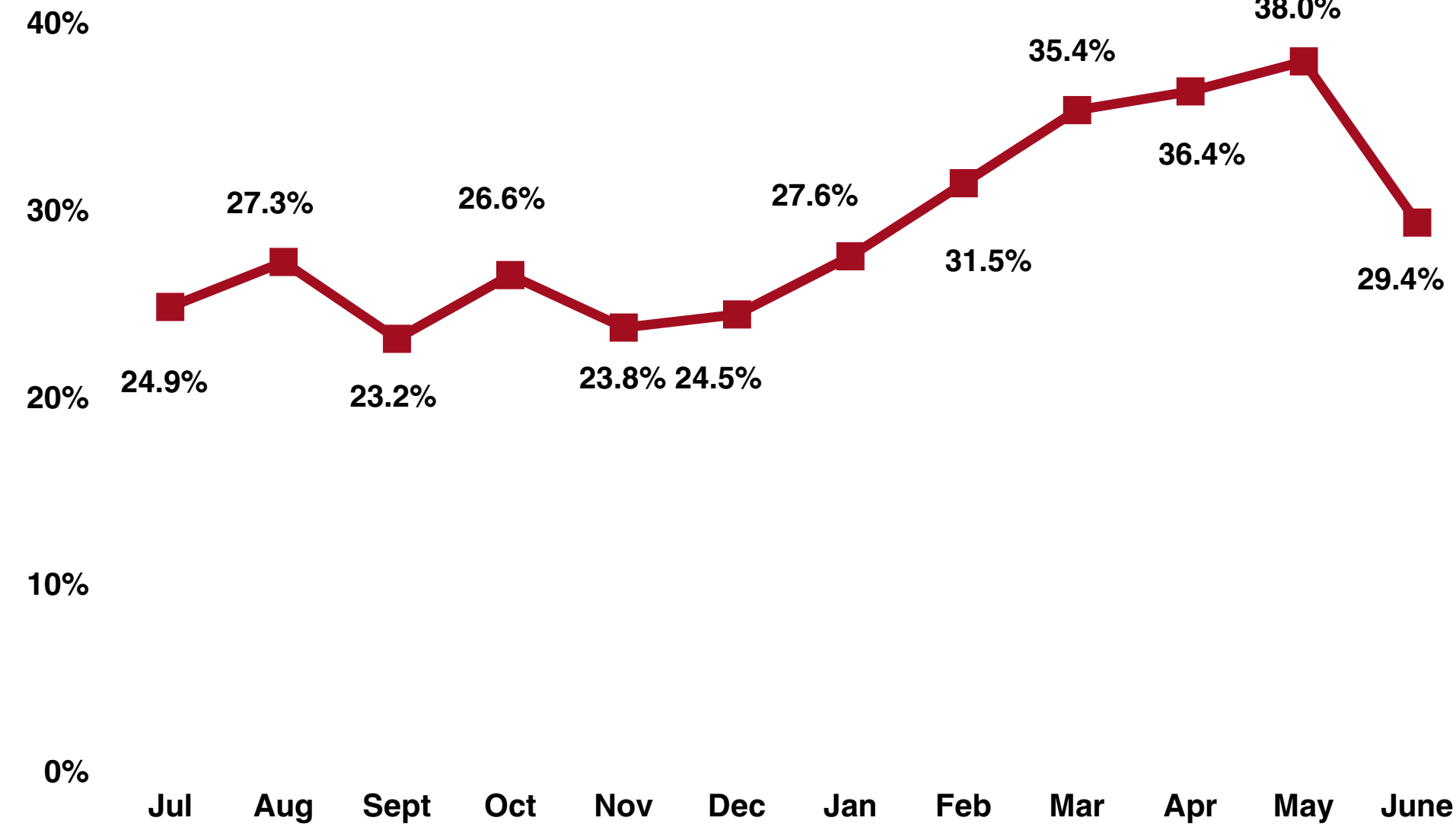
General Pharma manufacturing Liquid, Tablet Capsule, Ointment, MDI, DPI, Cephalosporin, Injectable, Dry Suspensions and Biologicals

Penicillin
Dry suspension, Tablet, capsule and dry powder injectable

PKR/USD Parity (Jul'22-Jun'23)



CPI (Jul'22-Jun'23)



Macter's Standing: +5 Billion Club



Top Pharmaceutical Corporates.

Corporates with
"30 Billion"
Above Value

Value: 229 Bn
Market Share: 30.7%
Growth: 18.22%
MNC - 2 | NAT - 3

GETZ

GLAXOSMITHKLINE

SAMI

ABBOTT

SEARLE

Corporates with
"10 Billion"
Above Value

Value: 286 Bn
Market Share: 38.3%
Growth: 14.84%
MNC - 4 | NAT - 12

MARTIN DOW
HILTON
HIGH-Q
HALEON
OBS
BOSCH
HIGHNOON
SANOFI
ATCO
BARRETT
CCL
NESTLE

PFIZER
PHARMEVO
NABIQASIM
L.C.I

Corporates with
"5 Billion"
Above Value

Value: 105.5 Bn
Market Share: 14%
Growth: 8.11%
MNC - 5 | NAT - 10

BAYER
NOVARTIS
NOVO
NORDISK
TABROS
FEROZSONS
MACTER
GLOBAL
GENIX
MORINAGA

MEIJI
HORIZON
INDUS
CHIESI
S.J.& G.
ELI LILLY

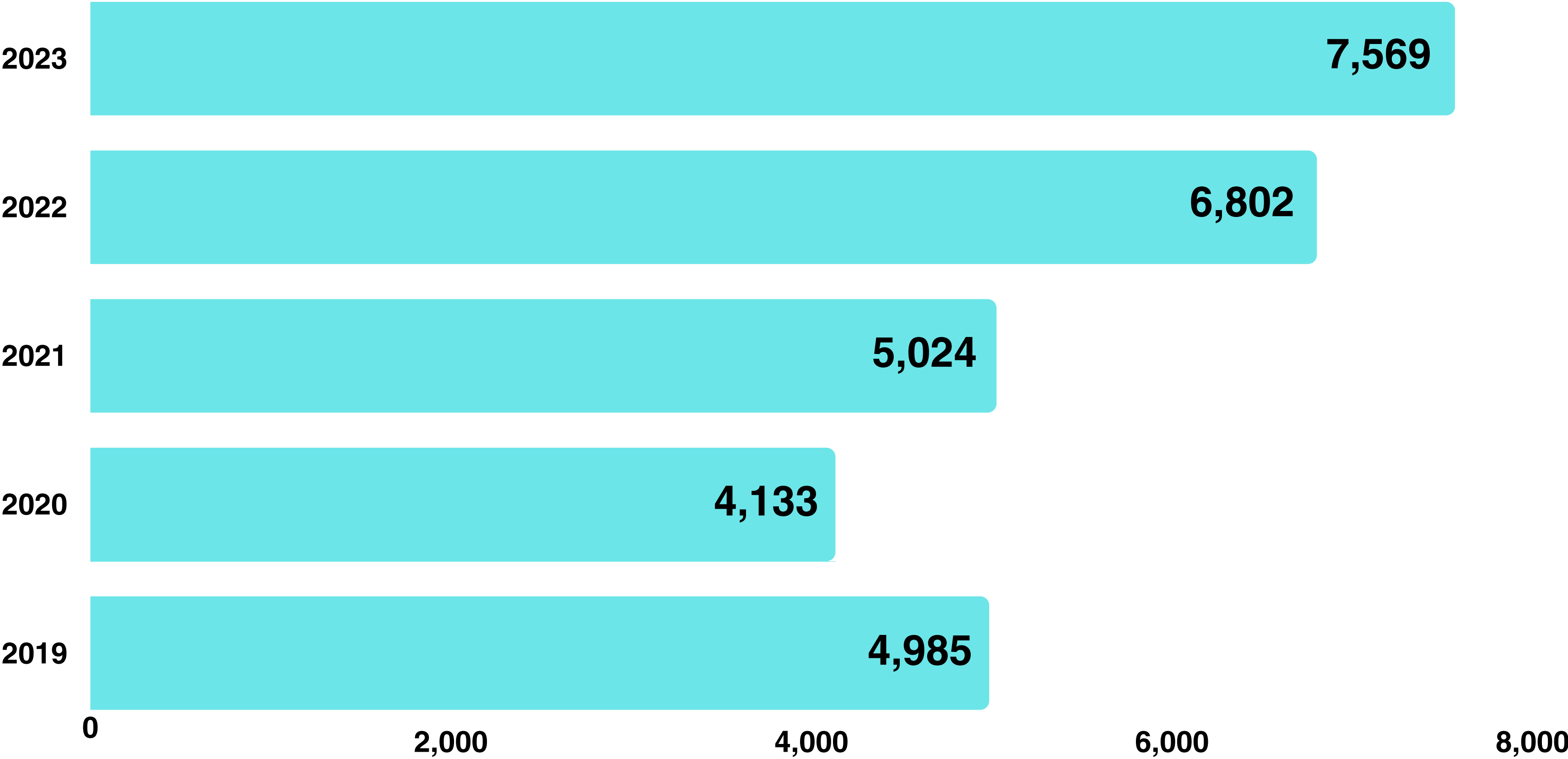
Corporates with
"1 Billion"
Above Value

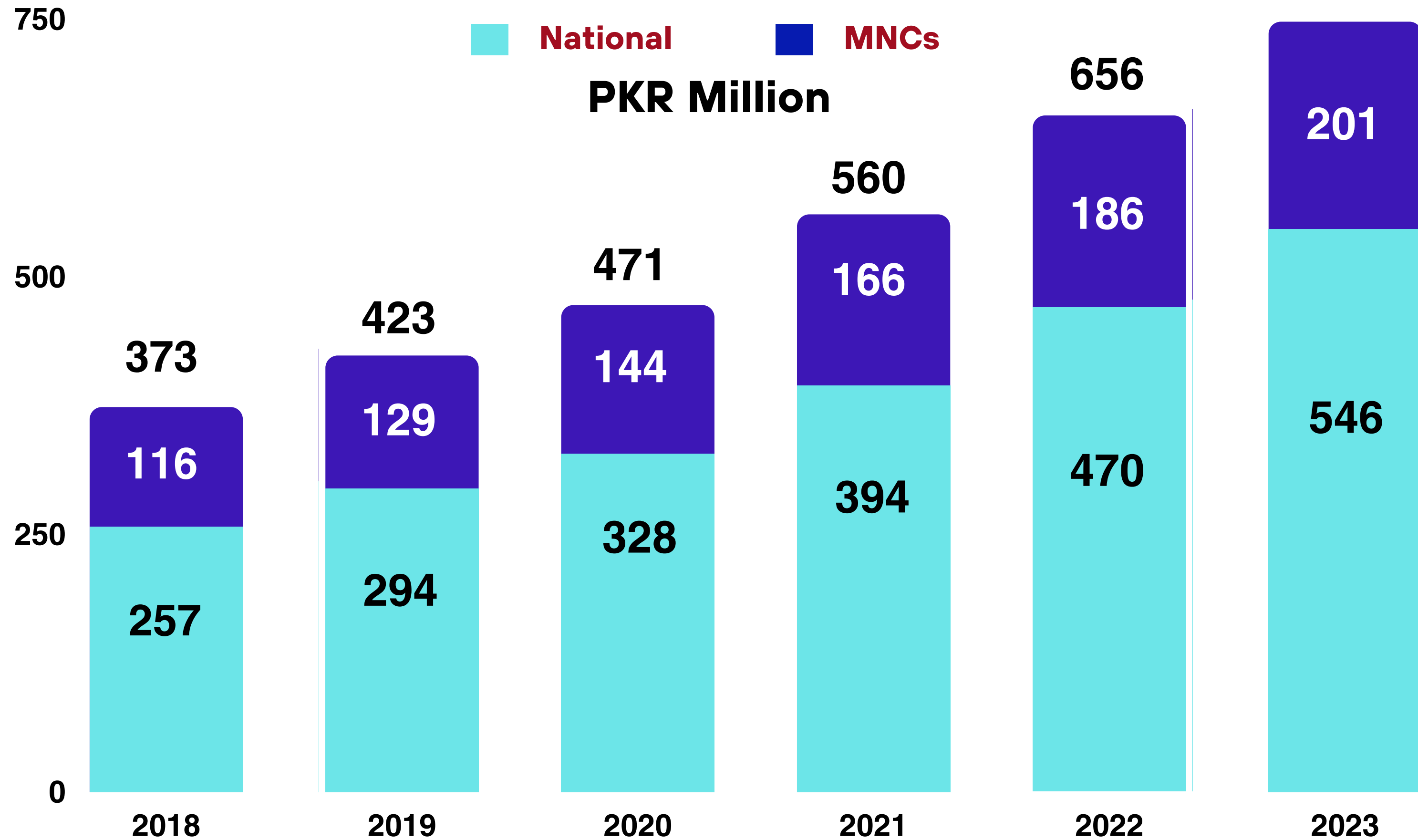
Value: 91.7 Bn
Market Share: 12.2%
Growth: 15.92%
MNC - 3 | NAT - 40

GENETICS
ASIAN CONTINENTAL
HELIX
SHAIGAN
WERRICK
SAFFRON
ZAFI
PLATINUM
STANLEY
PDH LABS
SERVIER
SCILIFE
GALAXY
PHARMEDIC
RG
WILSONS
STANDPHARM
CELL LABORATORIES
AMSON
NEUTRO
HIMONT
SANTE
WOODWARDS

MASS-PHARMA
PACIFIC
REMINGTON
OTSUKA
SCOTMANN
BROOKES
DAVIS
PHARMATEC
FYNK
ROCHE
WILSHIRE
ADAMJEE
SCHAZOO
OPAL
STALLION
ALLMED
PHARMASOL
WIMITS
EXCEL
MENDOZA

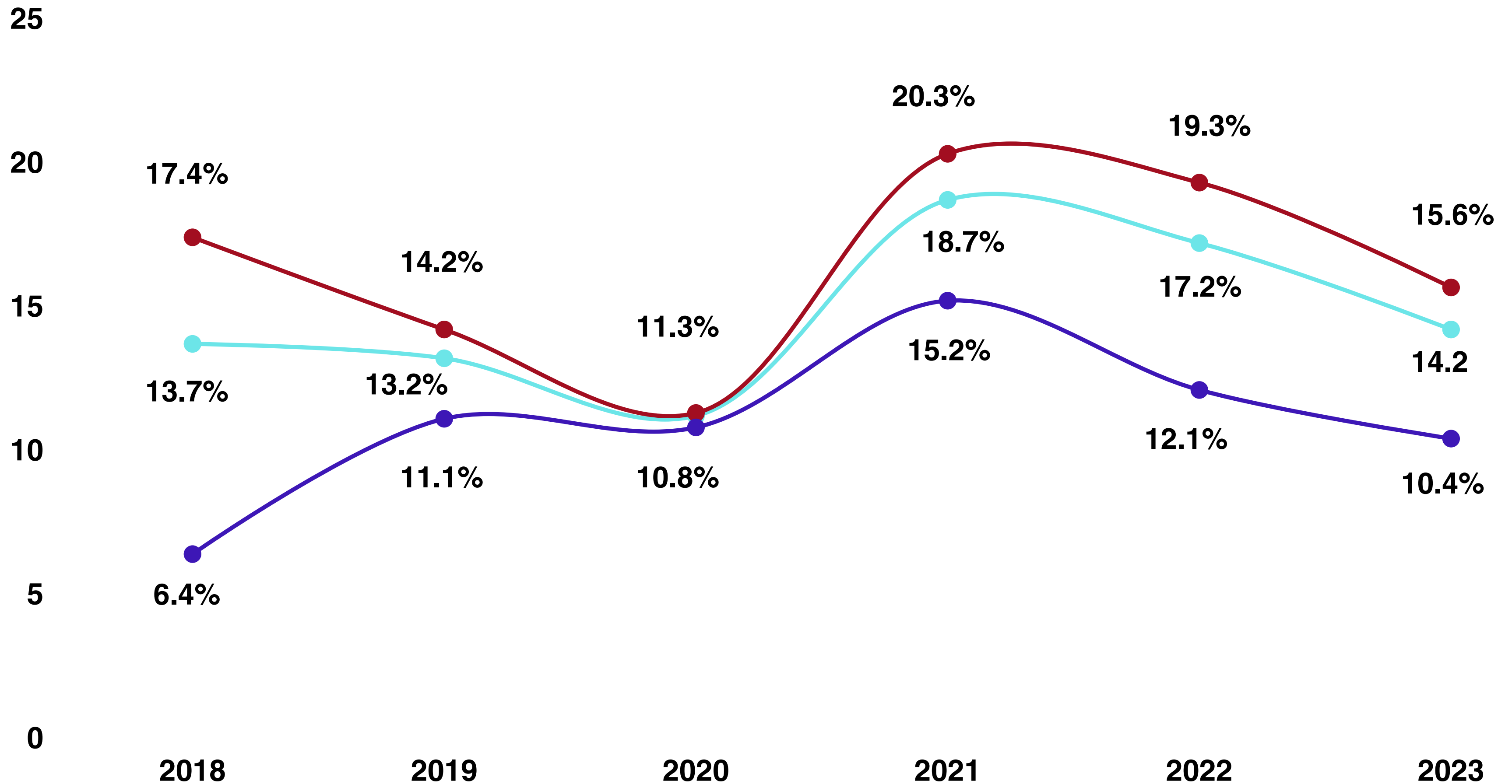
PKR Million

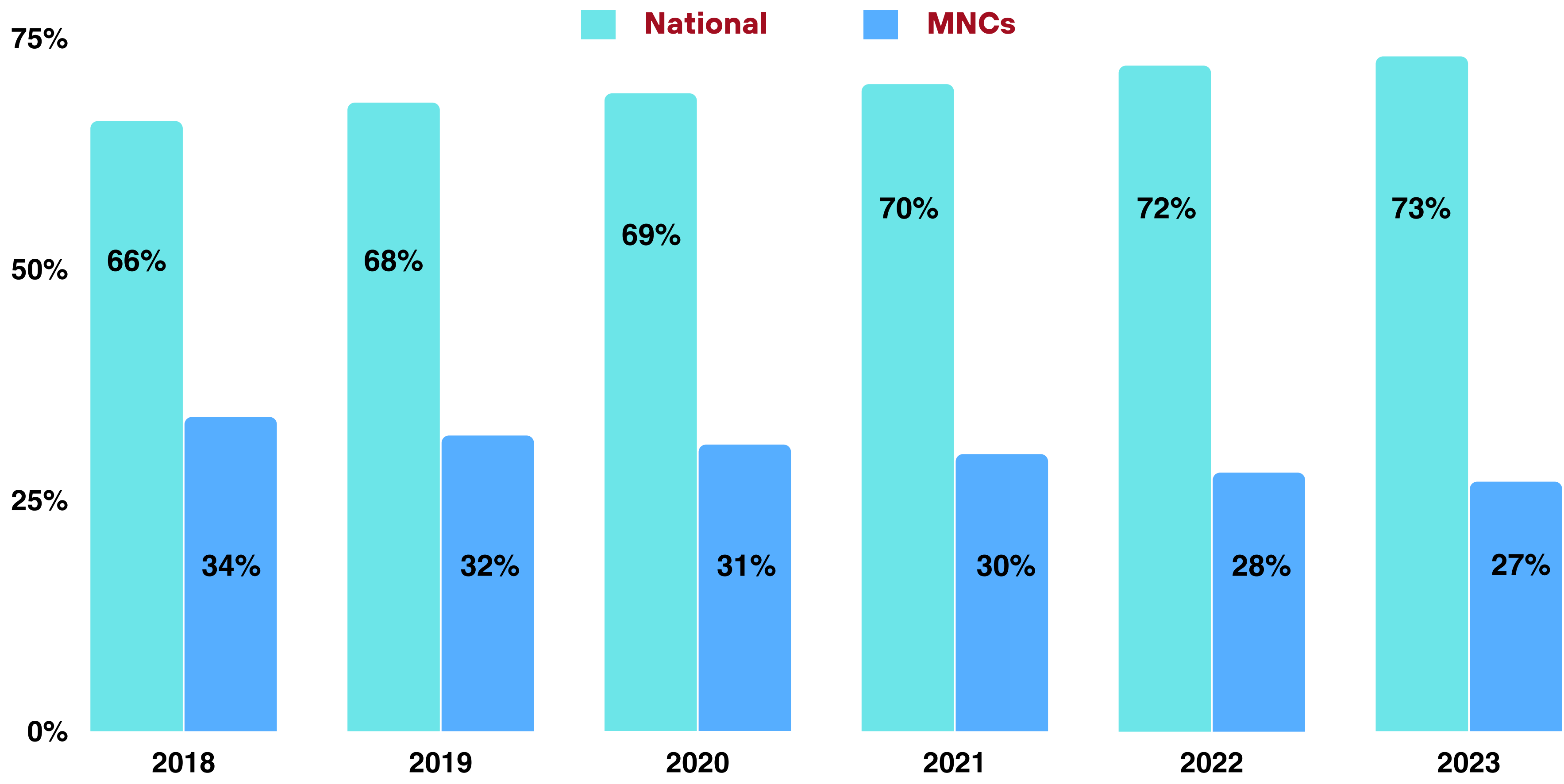




Industry Growth Dynamics

■ Pharma Market ■ National ■ MNCs





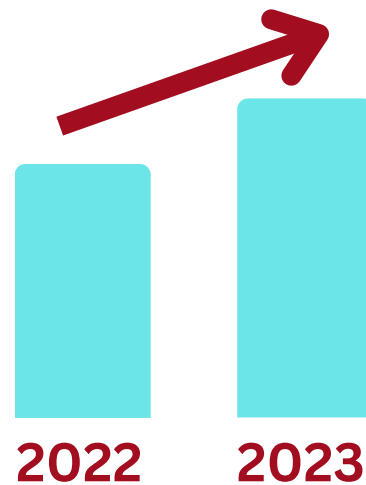
Financial Highlights - For The Year Ended 2023



Particulars	Standalone		
PKR Million	2023	2022	Variance (%)
Sales	6,680	5,311	26%
Gross Profit	2,784	2,374	17%
Gross Margin	41%	44%	
Operating Profit	618	528	17%
Profit After Tax	392	317	24%
EPS	8.58	7.19	19%

Standalone Performance Highlights - 2023

Sales

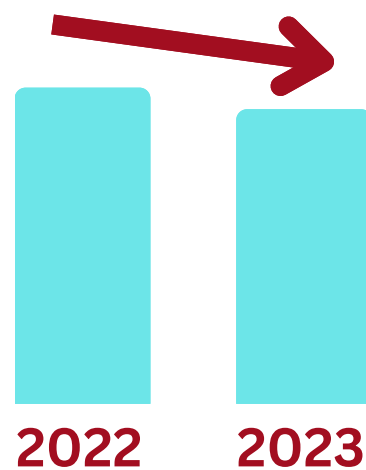


Net turnover for the year ended 30th June 2023 is reported at **Rupees 6,680 Mn** grew by 26% versus last year.

Our core prescription sales business grew by **+30%** vs last year on account of following;

- Strong uptake of our recently launched **Pegstim** (Pegylated GCSF) in oncology;
- **Tofacnet** (Tofacitinib) in Rheumatology;
- Promotional campaigns in our lead brand **Titan** (Ceftriaxone);
- Increased induction of kidney dialysis patients on our **Mac Epo** (Erythropoietin)

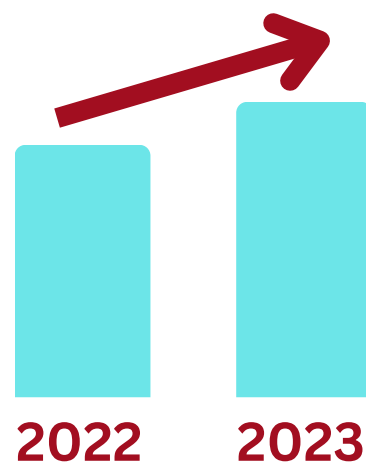
Gross Margin



Gross margins have experienced 3% reduction primarily due to the depreciation of the Rupee, which has led to higher import costs for APIs and excipients. Additional reasons encountered which further eroded the margins are listed below;

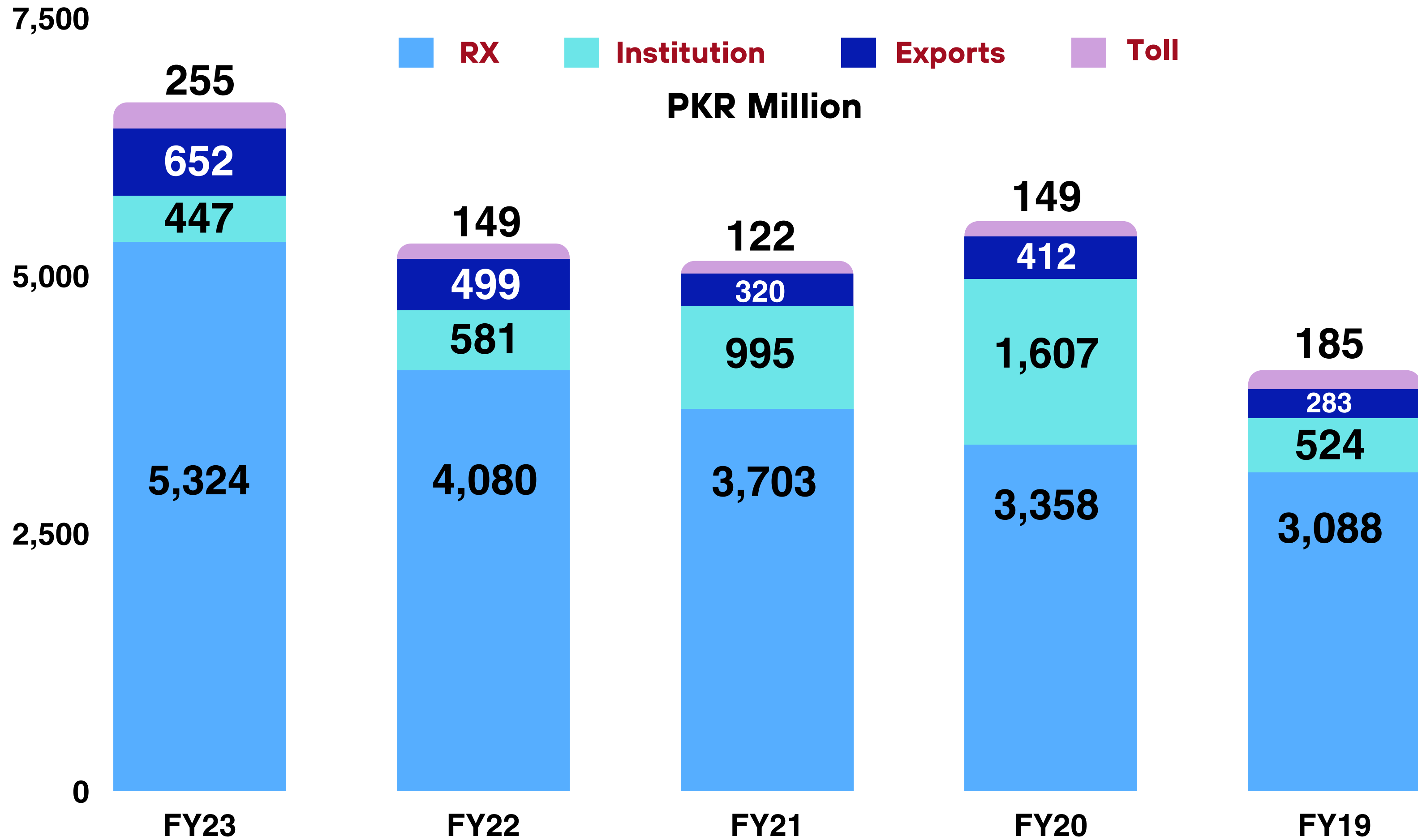
- Significant increase in inflationary cost in essential areas such as packaging materials, utilities, fuel and increase in minimum wage;
- Imposition of additional 1% sales tax on sales;
- Coupled with non-adjustable input sales tax

Operating Profit

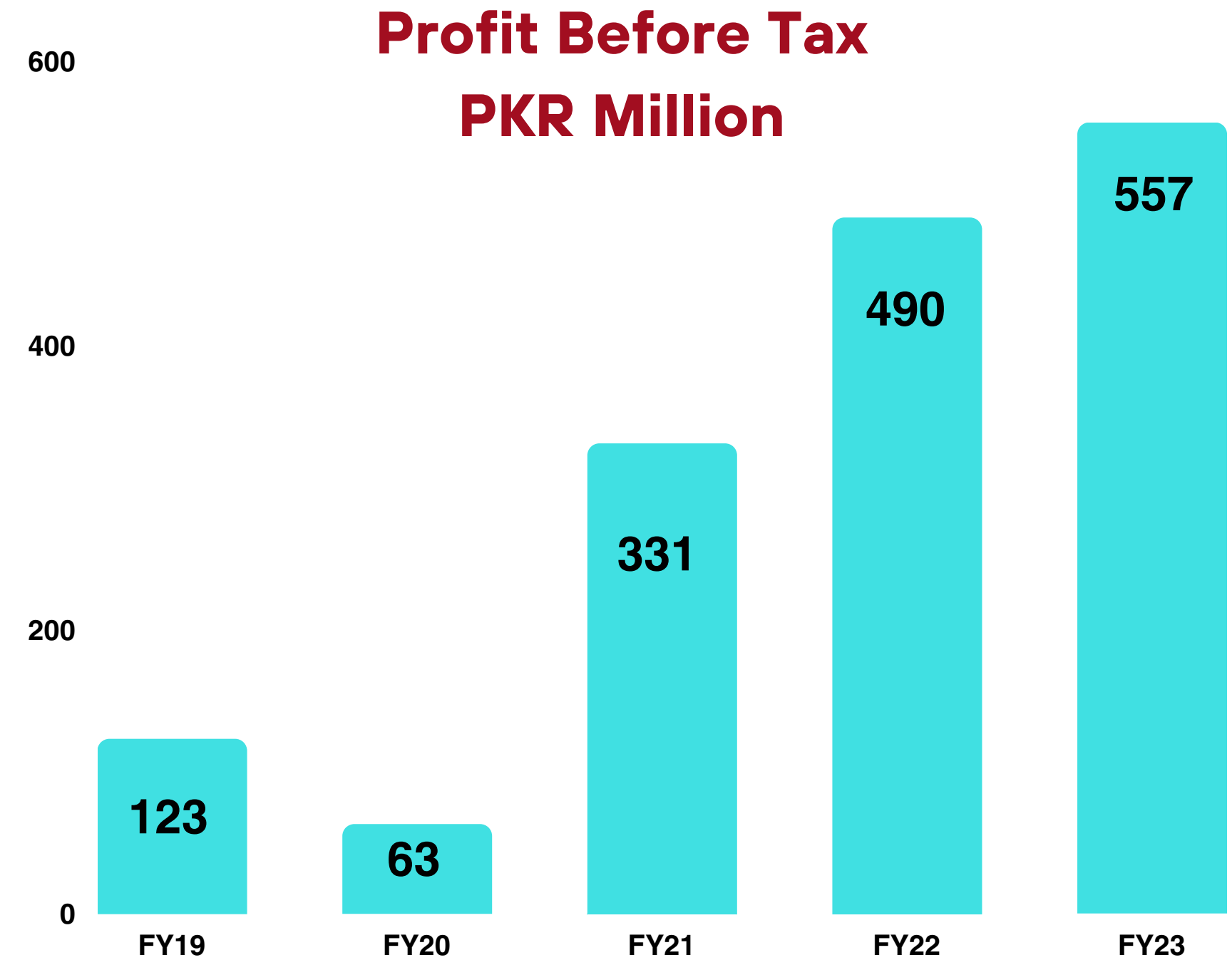
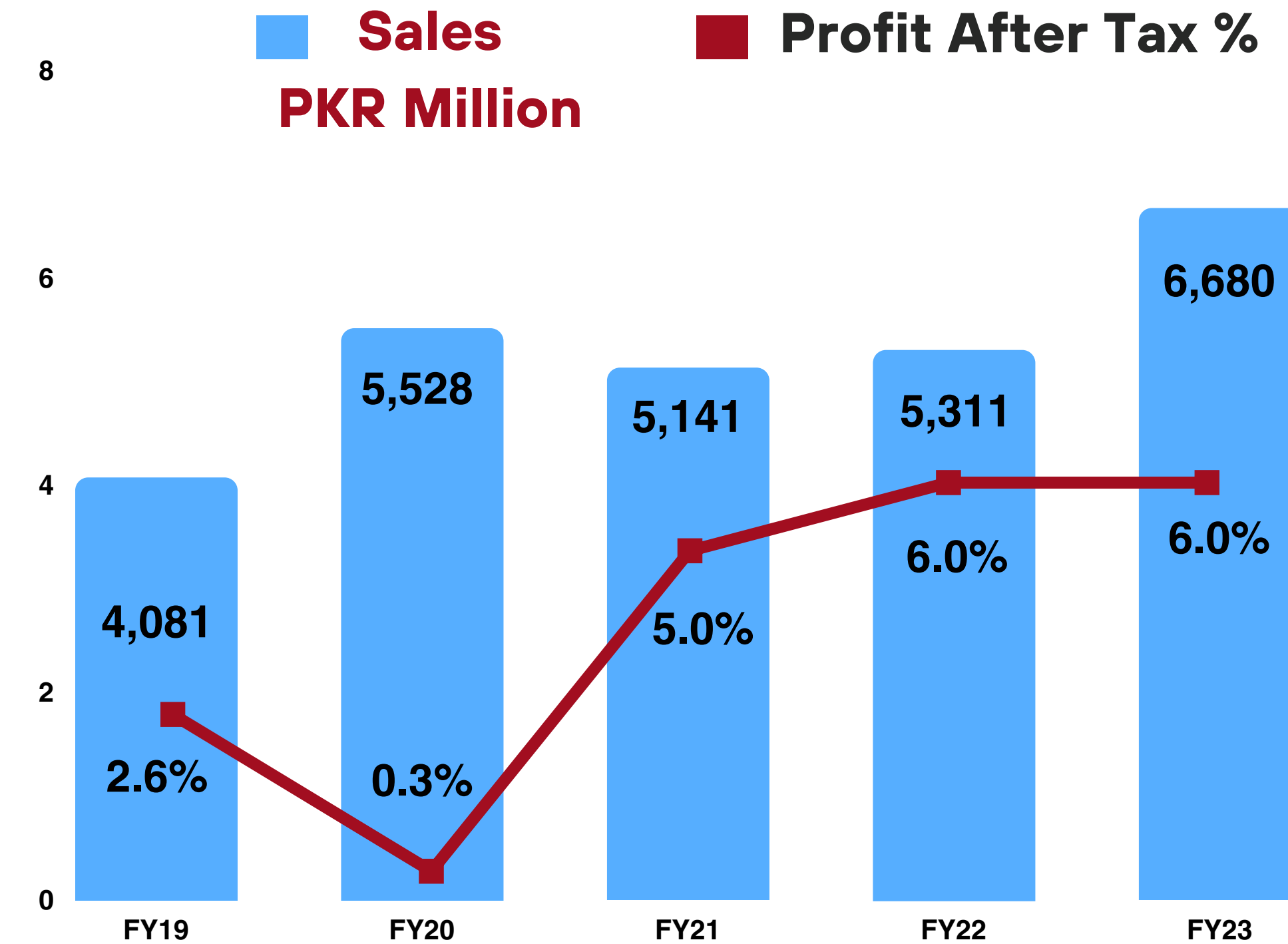


Operating profit for current fiscal year stands at Rs. 618 Mn, reflecting a 17% increase compared to the previous year. This notable improvement is attributed to the implementation of efficiency enhancements and cost optimization measures, resulting in lower operating costs

Macter Segmented Sales trend



Net Sales & Profitability Trend

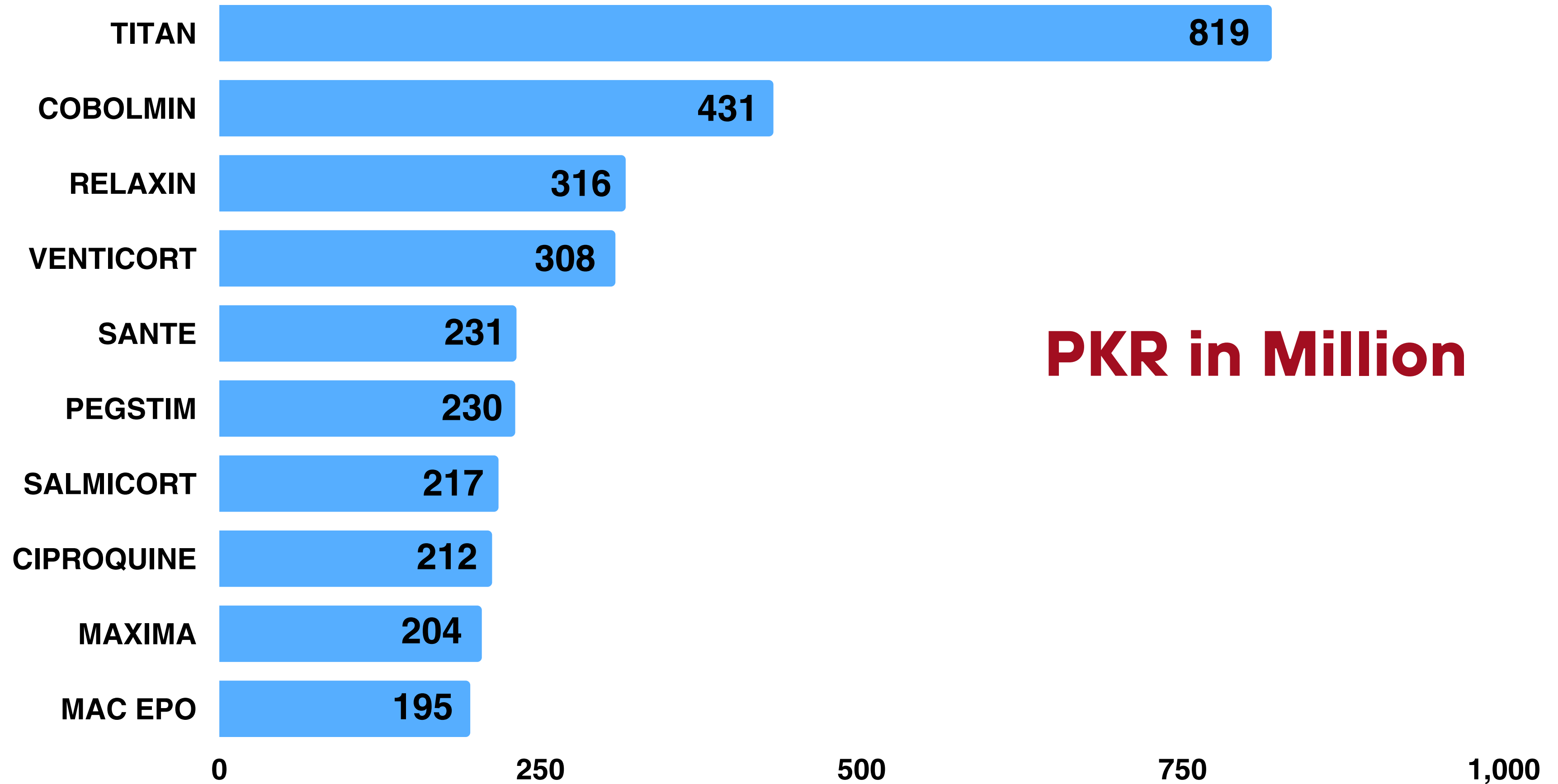


Investment Summary Last 5 Years

Description	Rs. in Million
TOTAL CAPITAL EXPENDITURE	1601
INFRASTRUCTURE	108
MACHINERY AND EQUIPMENT	544
GAS, ELECTRIC, AIRCONDITIONING & DE-HUMIDIFICATION PLANTS	278
OTHERS	671

During the year under review, the Company has made capital expenditure of **Rupess 434 Million** in new manufacturing equipment, facility upgrades to ensure GMP and regulatory compliance and motor vehicle for staff as per company policy.

Macter Top 10 Products - Sales Overview



Titan-1000
(CEFTRIAZONE)

Titan-1000
(CEFTRIAZONE)

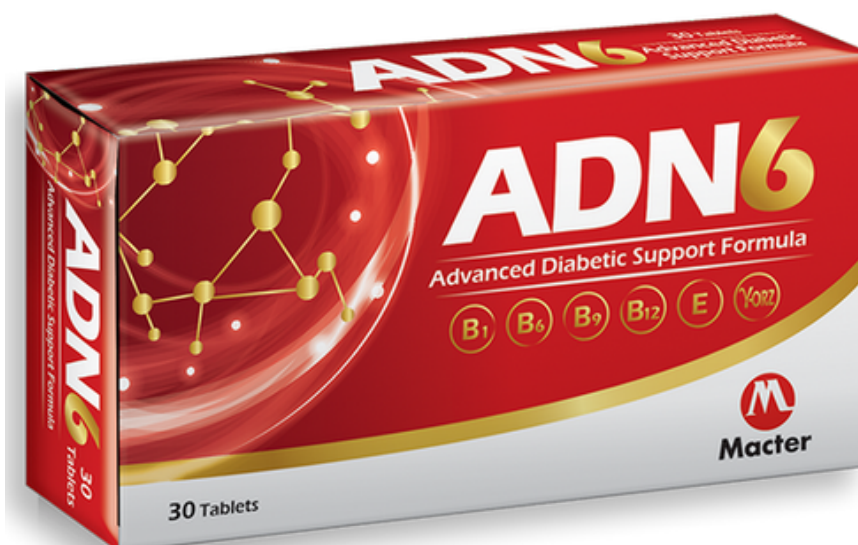
INJECTION
1000 MG

BROAD SPECTRUM CEPHALOSPORIN

Macter

Titan-1000
(CEFTRIAZONE)

INJECTION
1000 MG



New Launches During 2022-2023



Our Toll Customers - Past & Present

Wyeth



P&G



Johnson & Johnson



Key Challenges & Risks

- 1 Cost inflation and lag in compensatory inflationary price adjustments in DRAP
- 2 Devaluation in PKR/USD parity
- 3 Global API and logistics disruption
- 4 Increasingly stringent local and international regulatory requirements
- 5 Delays in product registration and pricing
- 6 Attracting and retaining critical employees
- 7 Increasing threats to data security and data privacy

Future Outlook - Strategic Priorities

- 1 Leadership Talent:** Build strong talent pipeline and invest in capability building
- 2 International Markets:** Build strong international footprint by entry in new markets
- 3 Prescription Sales:** Grow current brands and launch first to market High Potential molecules and build Blockbuster Brands in our focused specialties
- 4 Digital Transformation:** Explore new business models, automation, analytics and efficiency
- 5 R&D and Manufacturing Infrastructure:** Invest and upgrade for faster NPD roll out
- 6 Sales Force Effectiveness:** Invest in SFE and Trade Marketing Capability
- 7 Nutraceutical:** Exploit new business opportunity in growing Nutraceutical segment



Thank You

Q & A Session

