



# MeCure Industries Plc

## Facts Behind the Listing

November 2023





## Samir Udani

**Chairman**

Founded the Company in 2005

- Over 35 years industry experience and Businessman of the year, Healthcare, Nigeria in 2009



## Anderline Dukor

**Co-CEO (Regulatory Affairs, Manufacturing, Quality Control & Assurance and Human Resources)**

Joined MeCure in 2008

- 23 years pharmaceutical and healthcare industry experience
- Oversees procurement activities of MeCure



## Arjun Udani

**Co-CEO ( Finance and Accounts, Logistics, Procurement and Stores)**

Joined the Company in 2011

- Over 12 years of pharmaceutical industry experience
- Involved in the development of 97 nutraceutical supplement under the brand of Youthberry



## Felix Anaje

**Executive Director (Sales & Marketing)**

Joined the Company in 2019

- Anaje is an experienced Sales and Marketing professional.
- Oversees Sales and Marketing, Business Management, Operations Management and Relationship Management

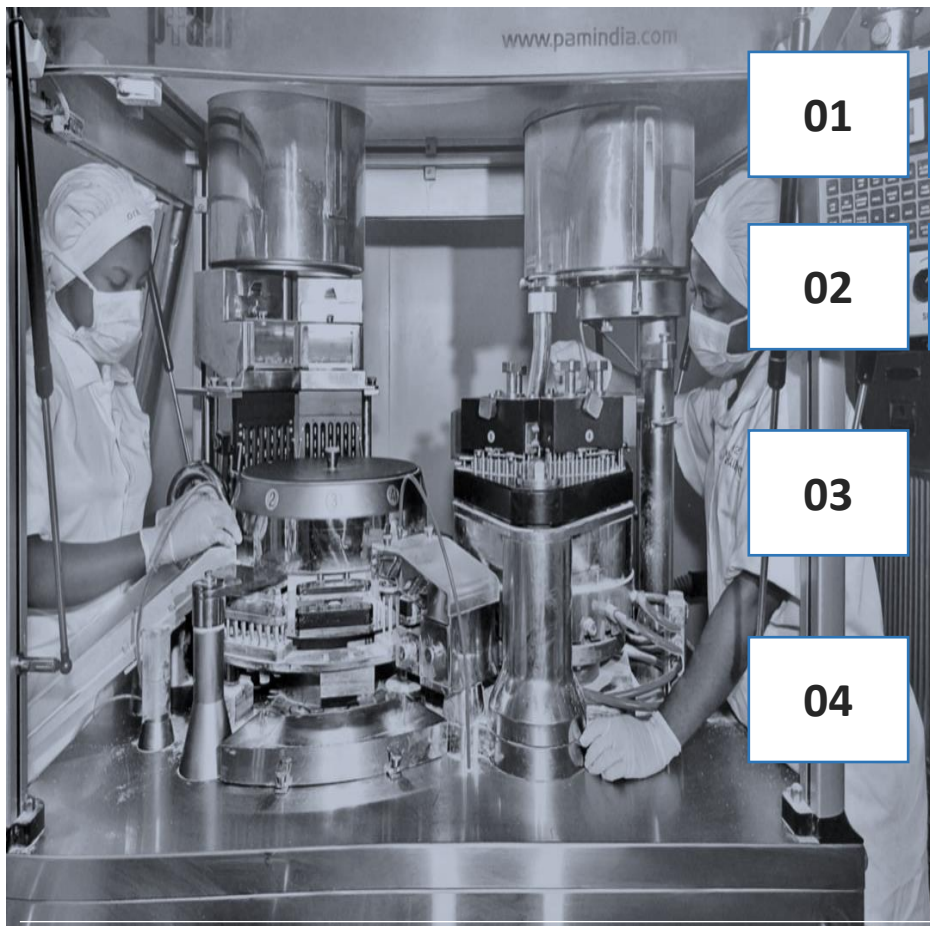


## Chidi Okoro

**Non Executive Director**

Joined the Company in 2019

- Over 30 years sales and pharmaceutical experience.



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**Overview of MeCure Industries Plc**

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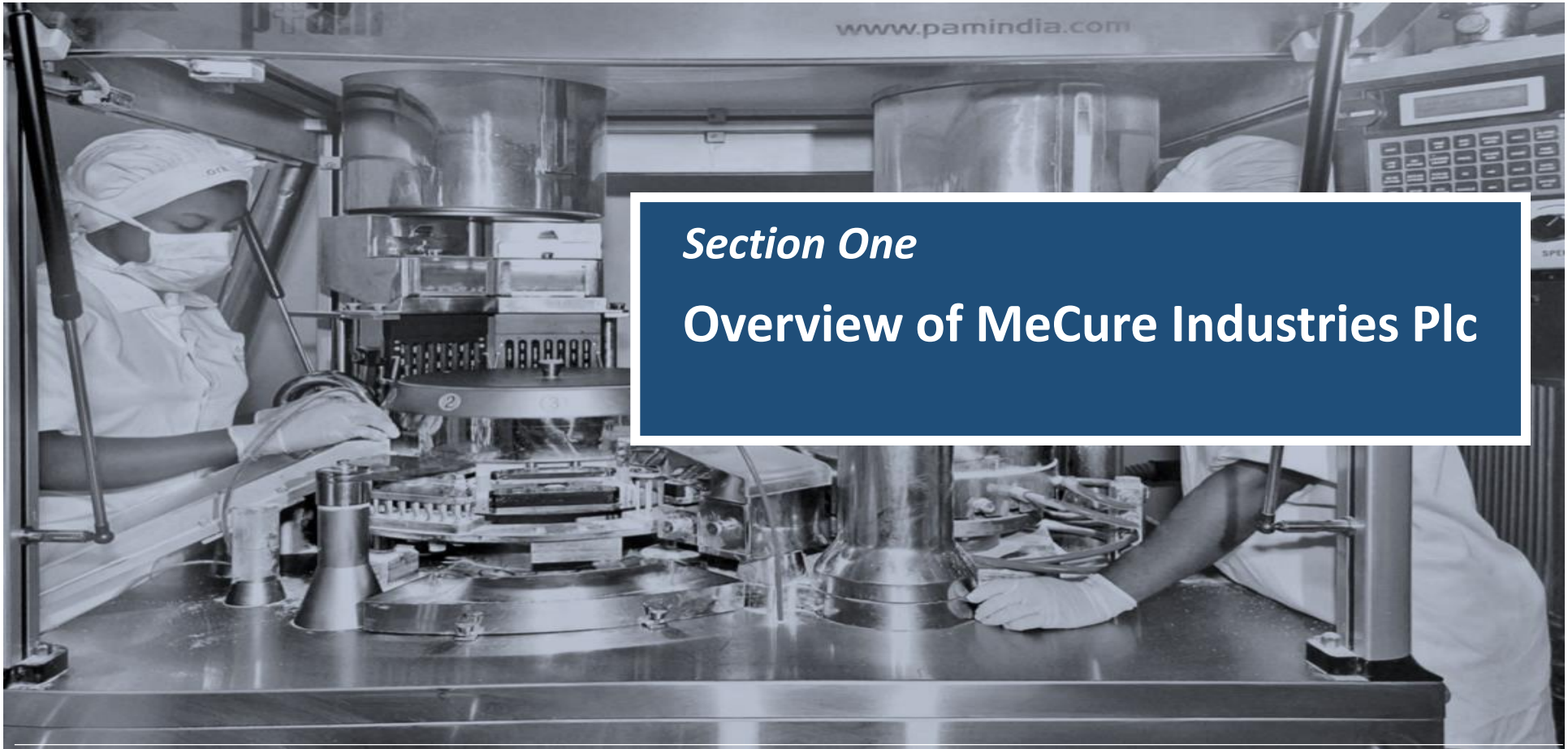
**MeCure's Operating Environment**

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*Section One*  
**Overview of MeCure Industries Plc**



# Overview of MeCure Industries Plc

... An Innovative Pharmaceutical Company with Significant Milestones and Scalable Operations




Overview	Mission	Vision
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MeCure Industries Limited was incorporated on 16 March 2005 as a private limited liability company. The Company is principally in the business of **manufacturing drugs in Nigeria under two categories; pharmaceuticals and nutraceuticals.**

To contribute to the enrichment of life around Nigeria, through the **creation of innovative generic and specialty pharmaceutical drugs and innovative delivery system.**

Enriching lives through **innovation in pharmaceuticals.**

## Service Offerings

-  OTC Medicines
-  Branded Generics
-  Dietary Supplements

## Key Milestones

- |  |  |  |
|--|--|--|
| <b>2005</b><br>Incorporated as a private limited liability company in Nigeria          | <b>2015</b><br>Became one of the largest manufacturers of formulation of Ampicillin Cloxacillin locally and globally                                     | <b>2021</b><br>Launched it's first Bond series in the Nigeria Debt Capital Market                          |
| <b>2007</b><br>Introduced Tropical Pack as the first local producer in Nigeria         | <b>2016</b><br>In house product development of 200+ prescription chronic & acute medications   | <b>2022</b><br>Converted to PLC, and commenced the process for the listing on the NGX                      |
| <b>2009</b><br>Diversified into manufacturing Dry Syrup and medications of Oral Liquid | <b>2018</b><br>Introduction of Youthberry. Developed and marketed HelloDoc App – a community recognising and promoting the welfare of doctors in Nigeria | <b>2023</b><br>Received approval from SEC and the NGX to be listed on the standard growth board of the NGX |
| <b>2011</b><br>Introduction of Unit Dosage System from Sarong, Italy                   | <b>2020</b><br>ISO 9001:2015 accreditation in process  |  |

<sup>1</sup>LIMS: Laboratory Information Management System

# Overview of MeCure's Ecosystem

... Excellent Service Delivery Underscored by our Awards and Certifications

## ACCOMPLISHMENTS/AWARDS

- MIPLC has a sister company named MeCure Healthcare Limited or "MHL" which is a leading healthcare diagnostics company providing affordable and accessible investigative diagnosis through world class healthcare facilities.
- Over the years, the Company and its sister company have been recognized for their numerous accomplishments across the pharmaceutical and healthcare industry value chain.

	<b>Best Diagnostic Services Company of the Year in Africa - 2019</b>		<b>1<sup>st</sup> diagnostic center to introduce Telemedicine and state of the art 1.5 tesla MRI and Cardiac CT state-of-the-art</b>
<b>Africa Brand Congress</b>	<b>African Brand Congress</b>	<b>Telemedicine</b>	
	<b>1<sup>st</sup> healthcare app in Nigeria with GPS technology</b>		<b>1<sup>st</sup> company in Nigeria to host telemedicine, second medical opinions, and online results.</b>
<b>GPS Technology</b>		<b>Telemedicine</b>	
	<b>Eye Service Provider of the Year - 2015</b>		<b>2-time winner "Best Diagnostic Service Company of the Year" – 2009, 2010</b>
<b>Nigerian Healthcare Excellence Awards</b>	<b>Nigerian Healthcare Excellence Awards</b>	<b>LEAD Award</b>	<b>Lagos State Government</b>
	<b>Best Diagnostic Service Company of the Year - 2015</b>		<b>Best Healthcare Company in West Africa - 2009</b>
<b>AGCL Award</b>	<b>African Governance and Corporate Leadership (AGCL) Awards</b>	<b>IDMN</b>	<b>IDMN</b>
<b>MeCure Rating</b>	<b>DataPro</b> • Compliance Solutions Company • Credit Rating Agency <b>A1</b>		<b>GCR</b> RATINGS <b>A2</b>

# Overview of MeCure Industries Plc

... Positioned Strategically with Significant Growth Potential

## Investment Highlights

### ...Strong Brand

- The MeCure brand has developed over the 30 years of its existence
- Known for quality and trusted by customers, distributors, suppliers, shareholders, employees, etc.)
- Proven ability to deliver growth its stakeholders (based on historical revenue and market share growth)

### ...Higher Market Share

- Pharmaceutical market largely import dependent (est. 70.0% - 75.0%)
- Local production largely fragmented
- Serious local players able to gain market share from imports supported by on ground local presence and relationships with distributors

### ...Broad Product Range

- Large existing product portfolio comprising 64 mass market products and 93 nutraceuticals
- Pipeline of up to 251 new molecules at various stages of approval

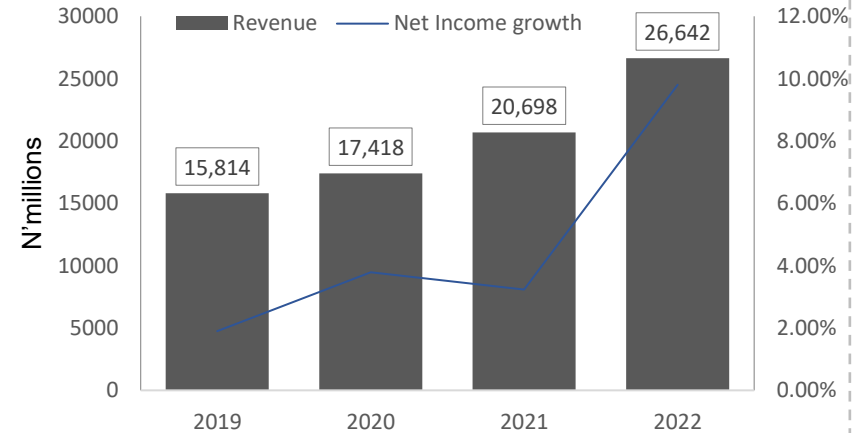
### ... Large Growing Market

- Pharmaceutical market sales expected to grow at 5.4% CAGR (2018 - 2022) and likely to exceed this with increasing lifestyle disease prevalence
- Key growth drivers include diverse product portfolio, distributor strength and brand

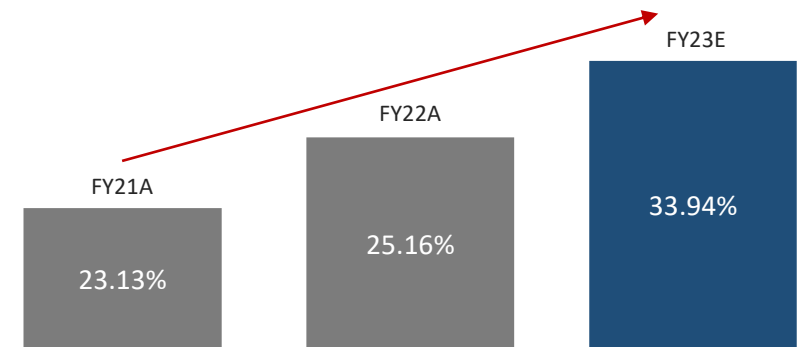
### ...Experienced Management

- Strong and experienced management team, with combined 150 years' experience across multiple disciplines with deep understanding of the pharmaceutical industry
- Led the Company's transformation over the years and succeeded in increasing asset and customer base and enabled strategic alliances.

## Revenue/Net Income Growth Trend



## MeCure's Market Share\*



\*Based on listed pharmaceutical sales figure (NGX)



# Overview of MeCure Industries Plc

...Robust Product Portfolios to Achieve Topline and Bottomline Targets

- *The Company principal business include manufacturing, distribution and sale of pharmaceutical and nutraceutical products.*

- *MeCure commenced the trading of nutraceuticals in 2018 and has so far developed 93 products under the flagship of Youthberry.*

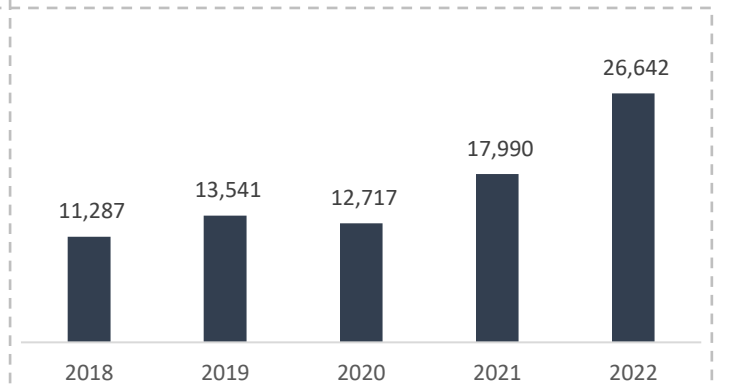
## Manufacturing

- Products in this category include the following;
  - Analgesic
  - Antacid
  - Antimalaria
  - Antibiotics

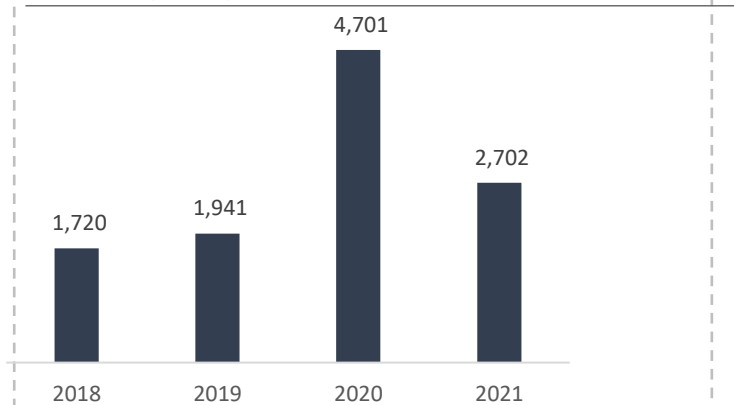
## Distribution and Sale

- The Company distributes and sells pharmaceutical and nutraceutical products
- The Company finalized preparations for trading of nutraceuticals in 2017 and commenced trading in 2018.
- So far, it has 93 nutraceutical products marketed under the Youthberry brand.
- In 2022, the Company generated a total of N2.10billion from the sale of nutraceutical products

## Revenue (N'Mn): Manufacturing



## Revenue (N'Mn): Nutraceutical



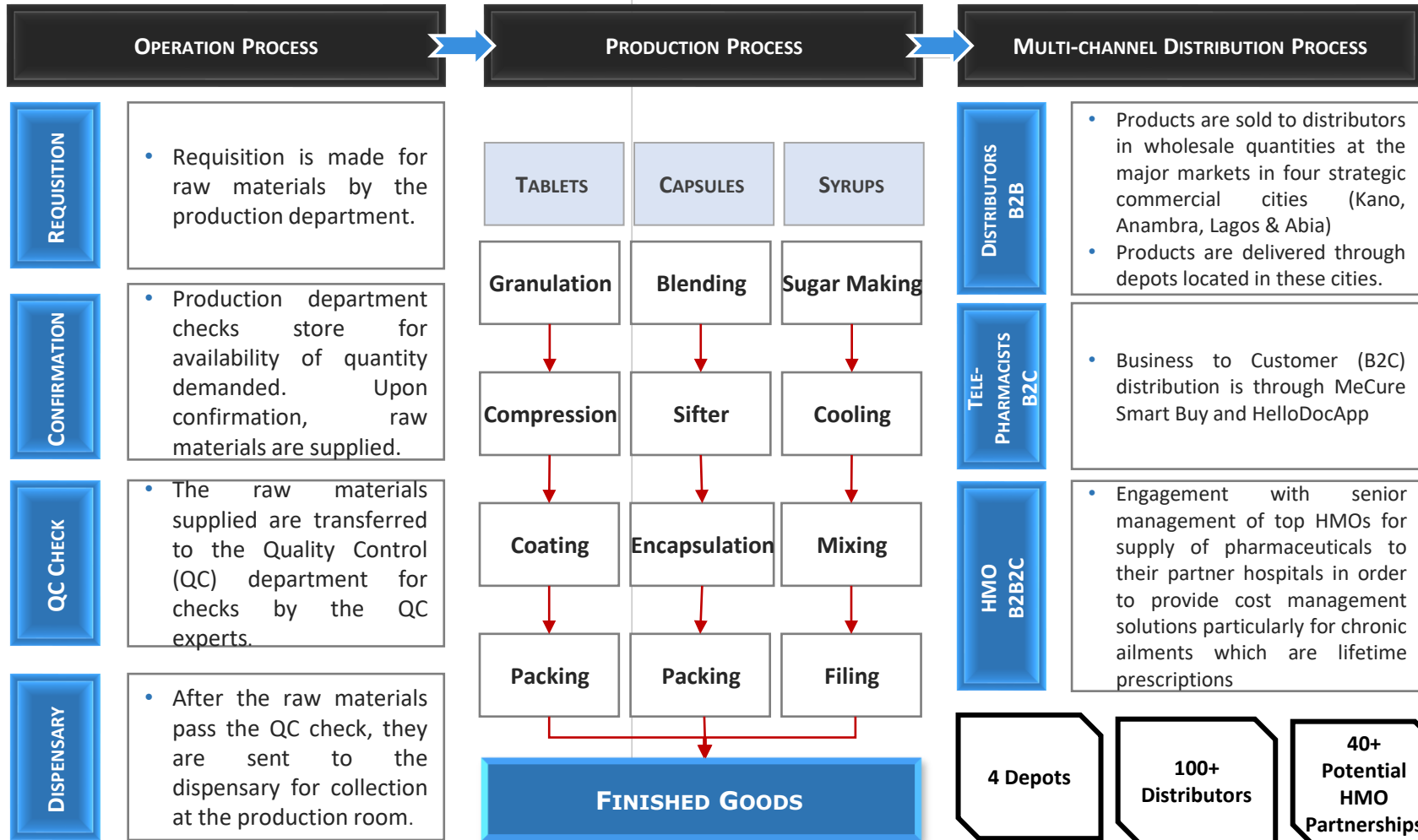


# Overview of MeCure Industries Plc

...Well Defined Operations, Productions and Distribution Process

- The Company has a well-defined and clearly outlined operations, production and distribution processes, specific to each of its product categories; tablets, capsules, wet syrups and dry syrups.
- The processes of the Company have been designed in line with global best practices and in conformance with applicable legislations.

## Accreditations



# MeCure Industries Plc – Board of Directors

## ...Diverse and Strong Board



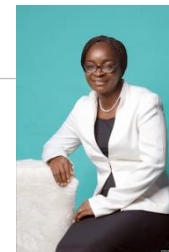
**Samir Udani**  
*Chairman*

- **>35 years** of healthcare and managerial experience.
- B.Sc., Chemistry and Physics from Mumbai University, India.
- Also an alumnus of the University Institute of Chemical Technology, India.



**Arjun Udani**  
*Co-Chief Executive Officer(Finance & Account, Logistics, Procurement, and Stores)*

- **>12 years** of pharmaceutical industry experience.
- B.Sc, Business Management, Mumbai University, India;
- Degree in Advanced Project Management, Stanford University, California.



**Anderline Dukor**  
*Co-Chief Executive Officer(Regulatory Affairs, Manufacturing, Quality control & Assurance and Human Resources*

- **>10 years** experience in teaching hospitals and pharmacies.
- B.Sc., Pharmacy, University of Nigeria; M.Sc., Clinical Pharmacy, University of Lagos, Nigeria;
- M.Sc., Public Health, Lagos State University, College of Medicine .



**Anaje Felix Emeka**  
*Executive Director(Sales &Marketing)*

- **>15 years** of pharmaceutical industry experience.
- B.Sc, Biochemistry, Nnamdi Azikiwe University;
- Masters, Business Administration, Ladoke Akintola University.



**Dr. Ajie Obiefuna**  
*Executive Director*

- Former lecturer at the Lagos State Teaching Hospital (LUTH).
- B.Sc., Medicine & Surgery (MBBS), University of Nigeria, Enugu Campus;
- M.Sc., Pharmacology, University of Lagos.



**Benedict Agbo**  
*Non- Executive Director*

- BSc, Biochemistry;
- Masters in Pharmaceutical Chemistry;
- Masters in International Law and Diplomacy;
- PhD in Biochemistry(Molecular biology).



**Ayotunde Owoigbe**  
*Non-Executive Director*

- **>19 years** of legal experience.
- LLB, University of Lagos
- Chairman, Capital Market Solicitors Association;
- Partner, Banwo & Ighodalo.



**Chidi Okoro**  
*Independent Director*

- **>30 years** of sales and pharmaceuticals experience.
- B.Pharm., Pharmacy, University of Nigeria;
- Masters, IE Business School;
- MBA, Marketing, University of Lagos.

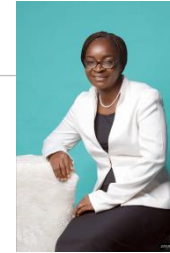
# MeCure Industries Plc – Management Team

... Supported by an Experienced Management Team



**Arjun Udani**  
*Co-Chief Executive Officer (Finance & Account, Logistics, Procurement, and Stores)*

- **>12 years** of pharmaceutical industry experience.
- B.Sc, Business Management, Mumbai University, India;
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*Executive Director (Sales & Marketing)*

- **>15 years** of pharmaceutical industry experience.
- BSc, Biochemistry, Nnamdi Azikiwe University;
- Masters, Business Administration, Ladoke Akintola University.



**Ifedamola Oluwasegun**  
*Chief Financial Officer*

- **>13 years** experience across commercial banking, trade finance, business development and Investment banking
- MSc, Finance, Accounting & Mgt, University of Bradford, UK.



**Nitesh Gupta**  
*Chief Operating Officer*

- **>27 years** of pharmaceutical manufacturing experience.
- B.Sc. and M.Sc., Pharmaceutical Sciences
- Experience spans across Pharmacy, Manufacturing, Business and Operations Management.



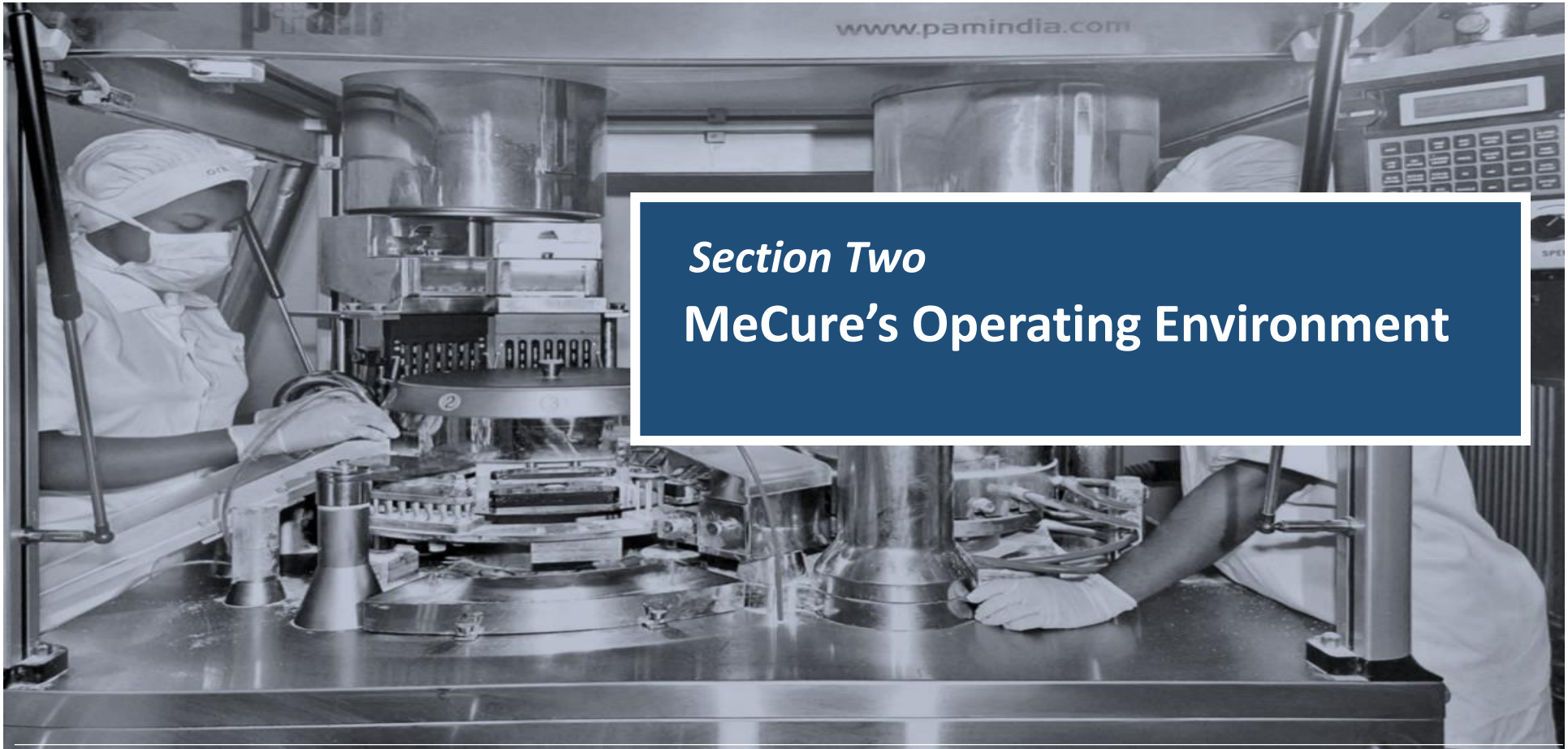
**Sameep Moore**  
*Chief Technology Officer*

- **>12 years** of leading, design, and development of large scale software solutions experience.
- Chartered Accountant
- B.Sc., Engineering, Mumbai University.



**Kemi Ipinay**  
*Head, Human Resources*

- **>10 years** experience in Human Resource Management.
- B.Sc., English and Literature, Kogi State University;
- Member of Chartered Institute of Personnel Management. (CIPM)



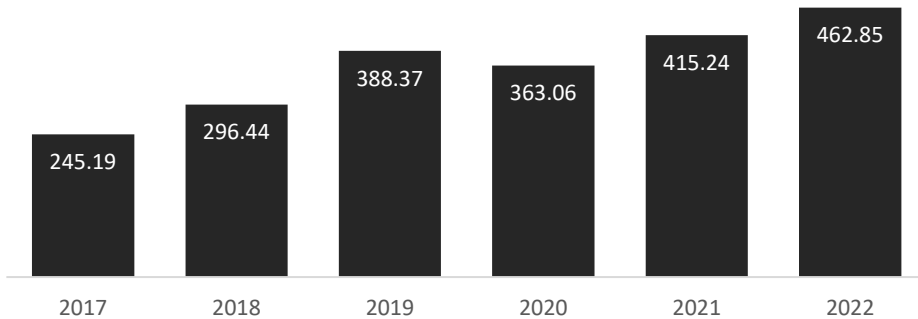
*Section Two*  
**MeCure's Operating Environment**

# MeCure's Operating Environment

...Significant Growth Potential embedded within the Nigerian Pharmaceutical Industry

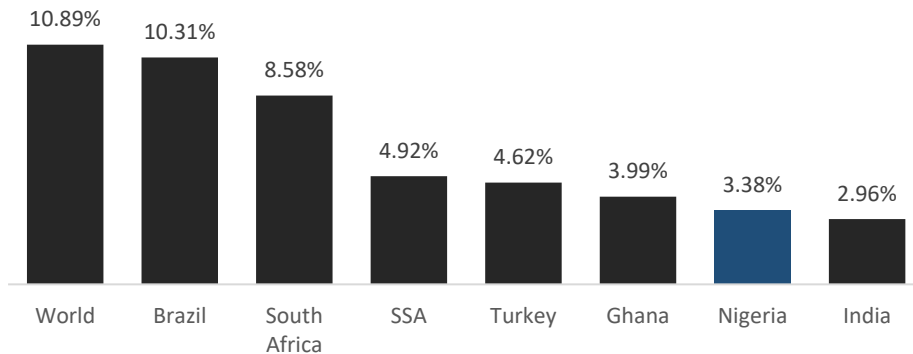
## Federal Government Recurrent Expenditure on Health (₦' Billion)

The steady increase in government recurrent healthcare expenditure since 2017 except FY2020 is an indicator of the increased attention to the growth of the healthcare industry



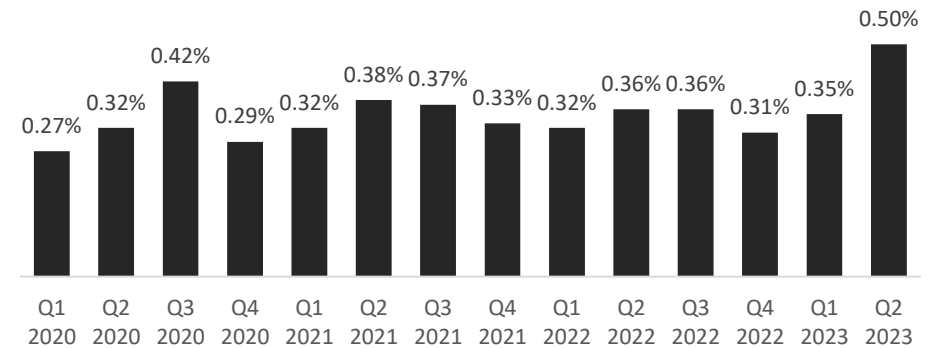
## Healthcare Expenditure as a % of GDP (Nigeria vs Select Developing Countries)

Nigeria's healthcare expenditure as a percentage of GDP is well below the World and Sub-Saharan Africa averages as well as that of other peer developing countries highlighting the significant growth potential within the industry



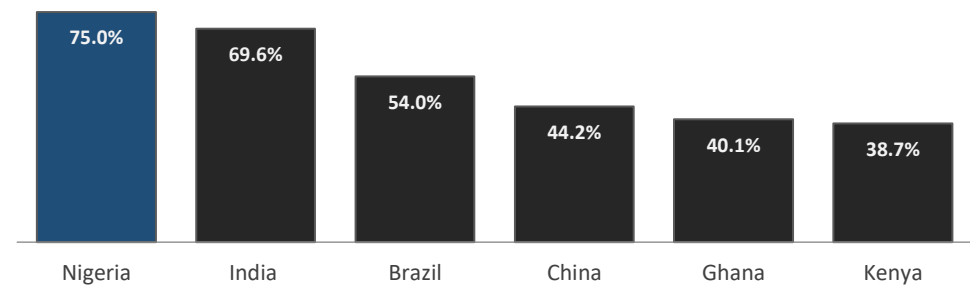
## Contribution of Pharmaceutical Industry to GDP

The pharmaceutical industry contributes sub 1% of the country's total output amidst a huge growth potential.



## Private Expenditure on Healthcare (Nigeria vs Select Developing Countries)

The significant proportion of private expenditure on healthcare in Nigeria (comprised primarily of out-of-pocket spending) is reflective of the strong effective demand (characterized by a willingness and ability to pay) for healthcare





# MeCure's Operating Environment

...Positive outlook in the Nigerian Pharmaceutical Industry Underscored by Recent Trends

## COVID-19 AND THE PHARMACEUTICAL INDUSTRY

- The novel Covid-19 pandemic has had varying impacts on various sectors and industries globally. In Nigeria, the pandemic ignited an increased need for expansion and capacity building industry wide. Broadly, the outlook for the pharmaceutical industry remains very positive into the future.
- In line with this, the CBN announced a NGN100billion intervention fund in healthcare loans to pharmaceutical companies.

## INCREASED USE OF TECHNOLOGY

- The Pharmaceutical industry has also benefitted from the increased use of technology in the entire healthcare sector. Several mobile apps have been designed to offer basic pathological services, access to medical doctors as well as delivery of pharmaceuticals all in the comfort of patient's various homes.
- This has assisted in increasing the access to healthcare services in general nationally.

## HEALTHCARE ORGANISATIONS AND DEEPENING PENETRATION;

- As Health Management Organisations (HMO) continue to grow within the Nigerian healthcare industry, the level of pharmaceutical coverage has grown alongside as more people now have an increased access to medical services by only making a periodic payment. In many cases, these expenses are not borne directly by the beneficiaries of these services.

## RECIPIENT OF GOVERNMENT AND MONETARY SUPPORT

- The industry has received significant support from the government ranging from grants, partnerships, low interest loans and favourable policies in line with the government's objective of creating a sustainable healthcare sector. In 2020, the CBN and the bankers committee engaged several local pharmaceutical companies as part of their healthcare intervention programme.

## HEAVY RELIANCE ON IMPORTS

- The local market for the manufacturing of many chronic medications remains largely untapped as the industry is highly reliant on imports. This huge gap in local manufacturing presents a significant opportunity for local pharmaceuticals with sufficient capacity to tap into. With GSK's exit, focus needs to be placed on developing and promoting locally manufactured pharmaceutical products, potentially reducing dependency on imported goods and fostering a more self-reliant healthcare system.

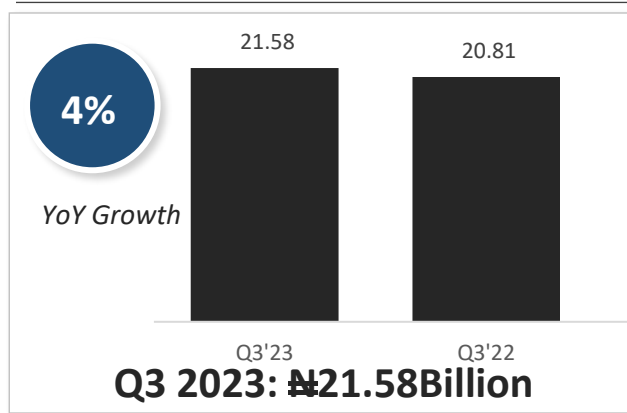


*Section Three*  
**Financial Highlights and  
Performance**

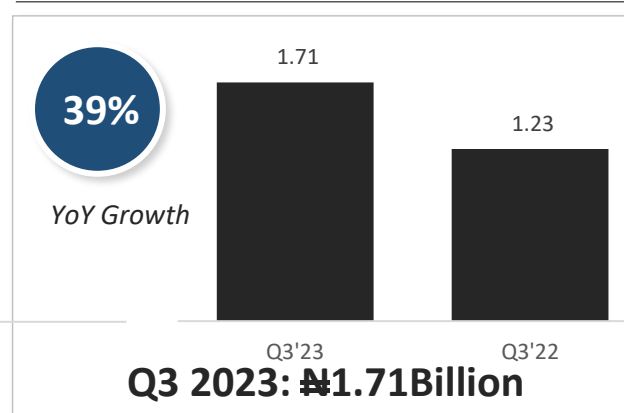
# Financial Highlights and Performance

...Growth in topline and Encouraging Cost Management Despite High Inflation

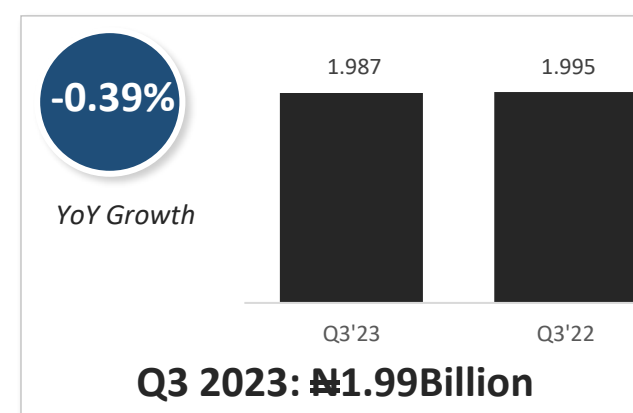
## Revenues (N'bn)



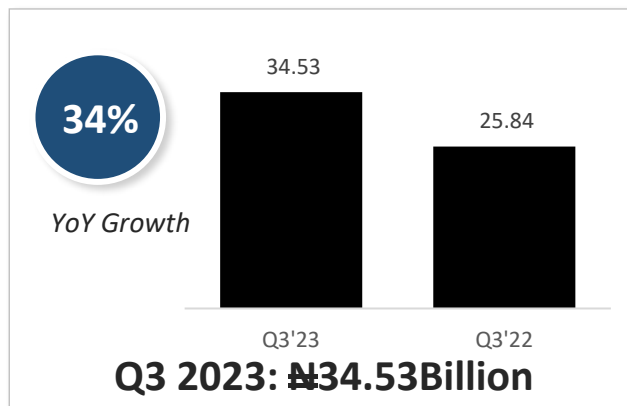
## Finance Cost (N'bn)



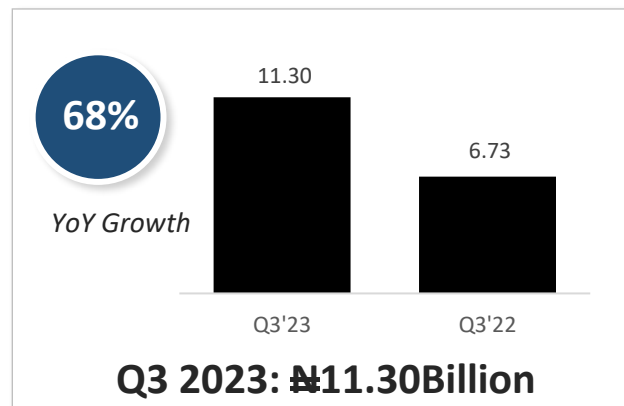
## Profit After Tax (N'bn)



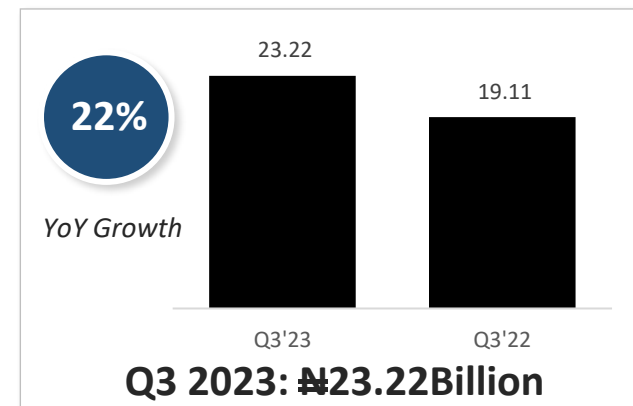
## Total Assets (N'bn)



## Total Equity (N'bn)



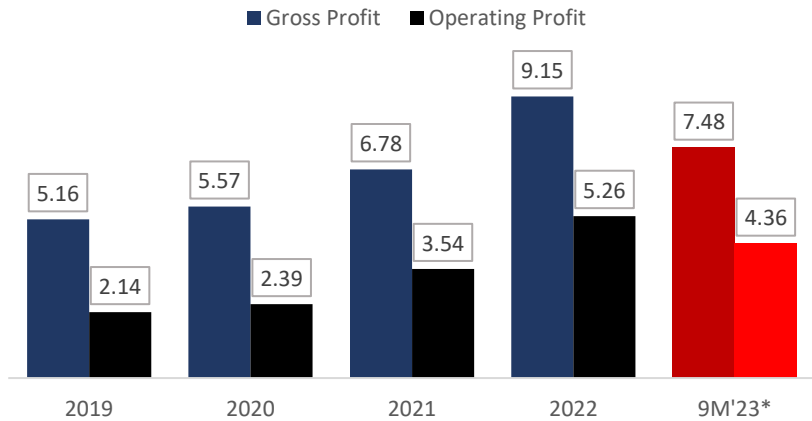
## Total Liabilities (N'bn)



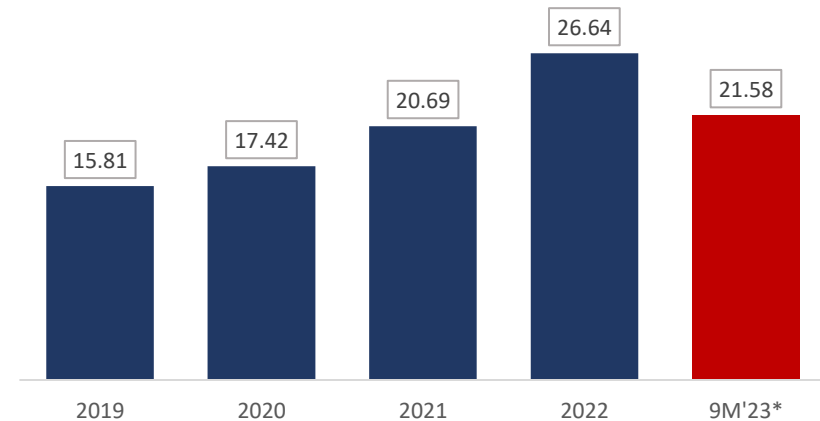
# Financial Highlights and Performance

...Consistent Growth Across Key Metrics

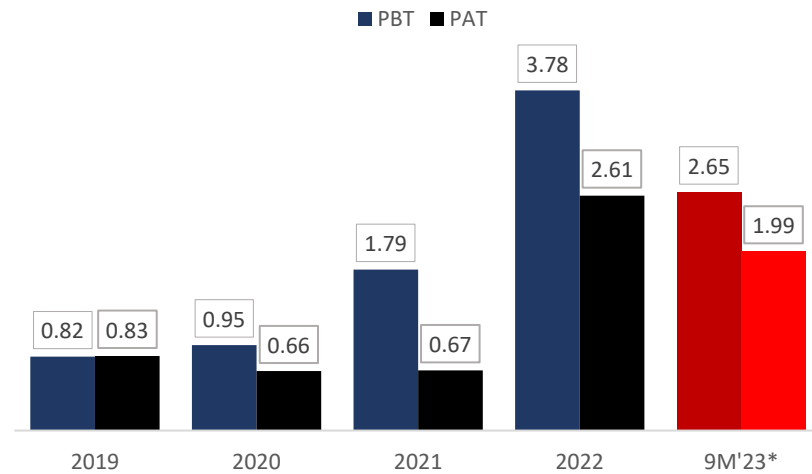
Gross Profit and Operating Profit (N'Bn)



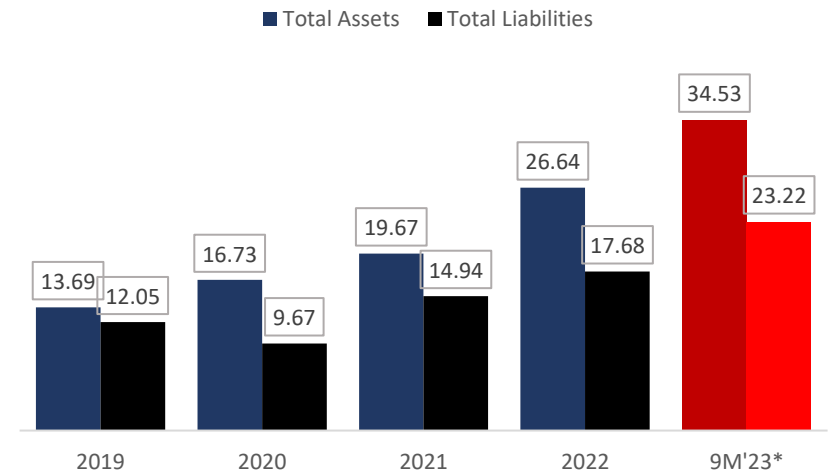
Revenue (N'Bn)



Profit Before and After Tax (N'Bn)



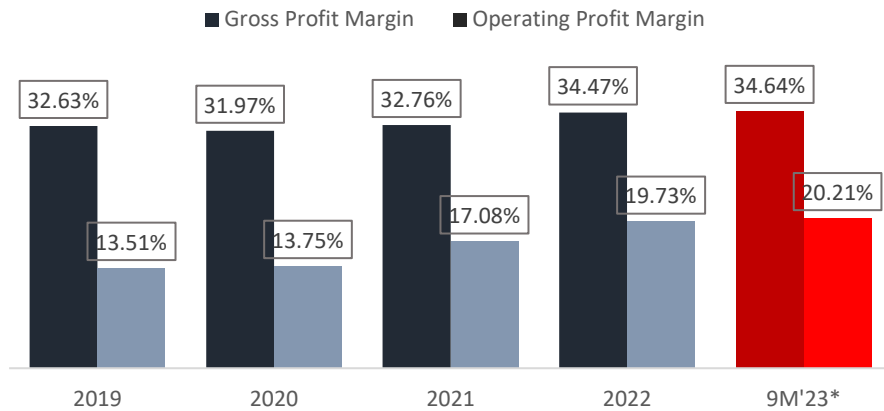
Total Assets and Total Liabilities (N'Bn)



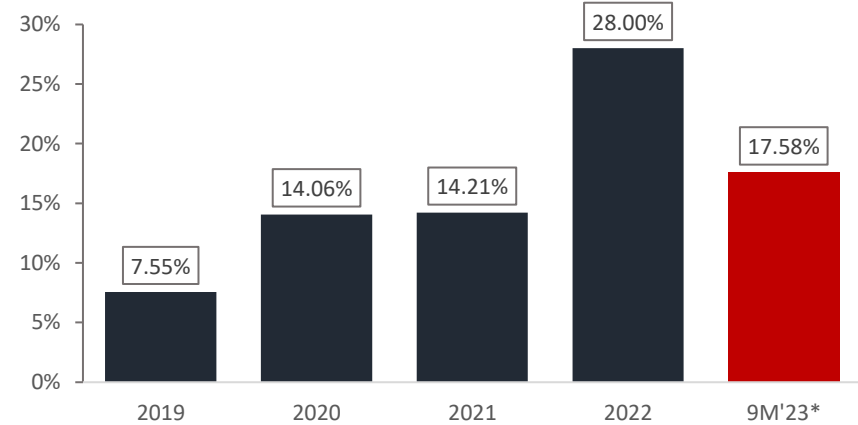
# Financial Highlights and Performance

...Steady Growth in Margins Supportive of Performance

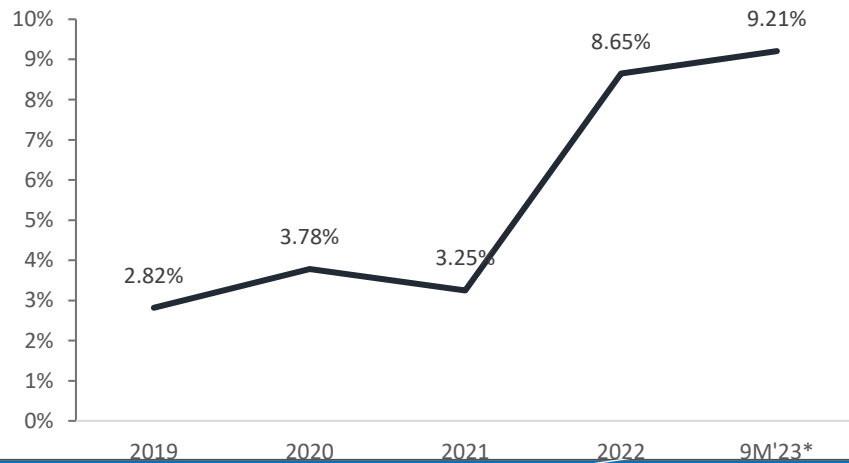
## Gross Profit Margin and Operating Profit Margin



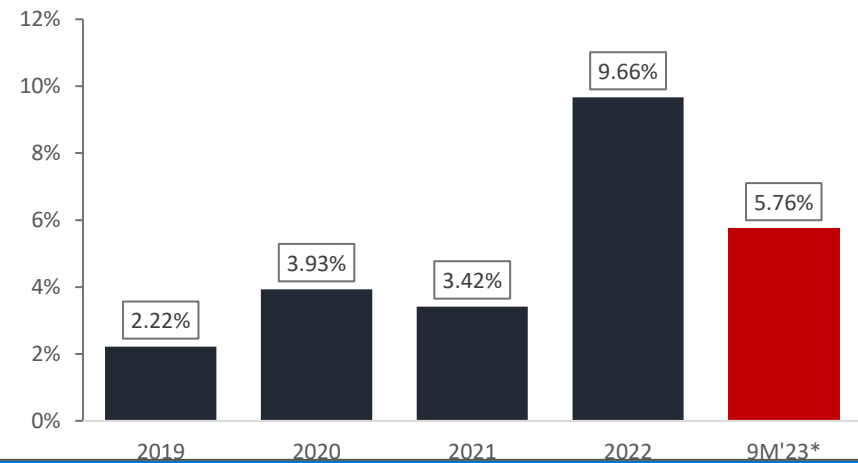
## Return on Equity



## Net Profit Margin



## Return on Assets







*Section Four*  
**Management Strategy and Outlook**

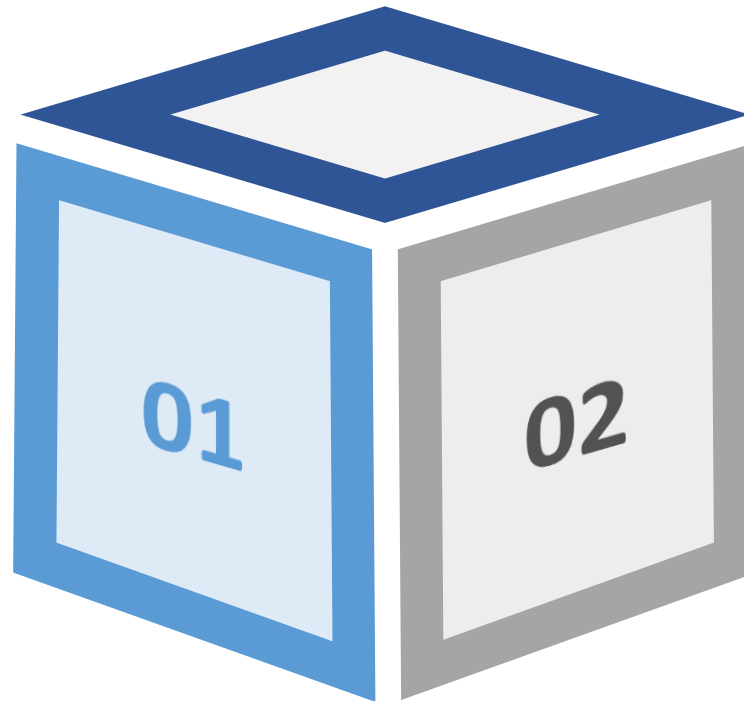
# Management Strategy and Outlook

...Strategic Projects & Products Supportive of Growth and Expansion Drive

## Beta-lactam Department

To manufacture beta-lactam tablets and dry syrup

- Costs 4.5bn on completion
- Revenue impact of N8bn in 2024 at 70% capacity utilization and 12bn in 2025.
- It is an import substitute
- Market size is over N500bn
- First choice of antibiotic for bacterial infections.
- Qualifies for a pioneer status and tax holiday.



## Corticosteroid standalone manufacturing plant

Produces Dexamethasone and Prednisolone tablets

- The first choice of any doctor for steroid treatment in inflammation, serious injuries, tertiary disorders. e.t.c
- Market size- To be used for human and veterinary use
- Revenue of approx. N3b per annum
- This will be the first and only Corticosteroid plant in Nigeria.
- Qualify for pioneer status and tax holiday

# Management Strategy and Outlook

...Strategic Projects & Products Supportive Of Growth and Expansion Drive Cont...

- **Additional 180 molecules in the pipeline.**
  - ✓ More than doubling MeCure’s existing products from 74 to 254.
- **New molecules to be added will focus on chronic medicines and nutraceuticals.**
  - ✓ Additional tableting lines and beta-lactum capsules lines are being developed.
  - ✓ Plans for local production of nutraceuticals under Youthberry brand is ongoing with the expectation to commence production in Q4 2024.
- **Oncology molecules to be imported from Europe and Asia.**
- **Product launch will fall into two categories - mass market and prescription.**
  - ✓ Mass market is distributor led and distributors push available products.
  - ✓ Prescription medicines category will be largely driven via HMO partnership.
- **New molecules are at various stages of approval process.**

## Planned Products/Molecules

Product Segment	Category	Number of Products
Acute Medicines	<ul style="list-style-type: none"> <li>• Antiplatelet</li> <li>• Laxative</li> <li>• NSAID</li> <li>• Antidiarrheal</li> <li>• Anticholinergic</li> <li>• Antiplasmodic</li> <li>• Antifungal</li> <li>• Diuretic</li> </ul>	<ul style="list-style-type: none"> <li>• Oral rehydration salt</li> <li>• Antihistamine</li> <li>• Gastrointestinal</li> <li>• Prostate enlargement therapy</li> </ul> <b>14</b>
Chronic Medicines	<ul style="list-style-type: none"> <li>• Antihypertensive</li> <li>• Lipid-regulating</li> <li>• Corticosteroids</li> <li>• Anti-diabetics</li> </ul>	<ul style="list-style-type: none"> <li>• Antiarrhythmic</li> <li>• Vasodilator</li> <li>• Antianginal</li> <li>• Antipsychotics</li> <li>• Anticonvulsant</li> <li>• Anti-rheumatics</li> <li>• Osteoporosis</li> </ul> <b>98</b>
Nutraceuticals	<ul style="list-style-type: none"> <li>• Supplements</li> </ul>	<b>60</b>
Oncology	<ul style="list-style-type: none"> <li>• Anticancer</li> <li>• Antimetabolite</li> </ul>	<b>8</b>

# Management Strategy and Outlook

...Retail Strategy Driven by Technological Innovation and Adaptation

## TRACK & TRACE

Track & Trace is a technology which can track product's current or past locations throughout its supply chain right from the factory to pharmacist store where it is being sold.

### *Key Offerings*

- GS1 certified barcodes.
- Real time tracing for regulators, brand owners and consumers.
- Eliminates the nuisance of counterfeit drugs.



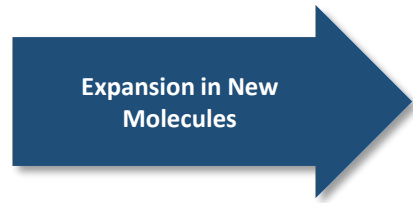
# Management Strategy and Outlook

## ...Growth Drivers



- Indicatively, 70%-75% of pharmaceutical formulations are still imported, giving an indication of the gap from self sufficiency.

- Planned expansion to grow tablet and beta lactum capsule capacity.



- Chronic segment is the fastest growing pharmaceutical segment in the world including Africa.

- MeCure has identified 98 formulations covering over 15 categories that are good for chronic ailment.



- Chemotherapy medication is currently import dependent with limited suppliers.

- Advanced discussions with manufacturers of oncology medication to produce small lots of newer more effective molecules for MeCure

Opportunities ■ Outlook ■



# Management Strategy and Outlook

## Beta-lactam Department – Ongoing Installation



**THANK YOU FOR LISTENING.**