



# Wanbury Limited

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Towards Better Healthcare

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# Mission Statement

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- We at Wanbury, want to make a company that people are proud of and committed to, where all employees have opportunity to contribute, learn, grow and advance on merit.
- We are dedicated in improving quality of our people by continuously providing high quality training and development.
- We will continue to build a business model, which is predictable, sustainable, growth oriented and profitable.
- We will always worship exceptional and superior performance. We will continuously challenge status-quo/maintenance and simultaneously encourage and recognize stretch and growth.
- We will work hard not only to satisfy but delight our customers (both internal and external).
- We will strive to make Wanbury one of the preferred employers.



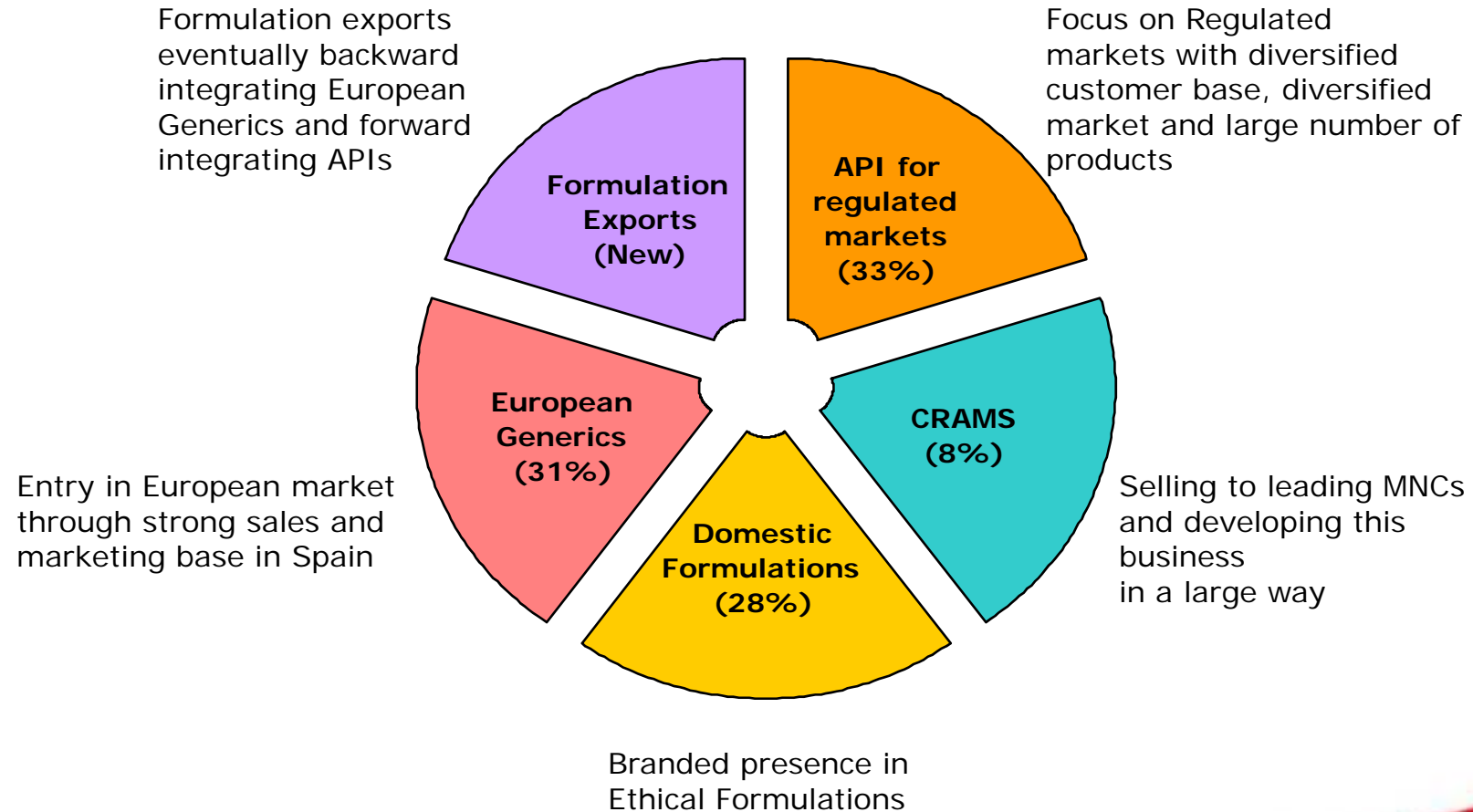
# Company Overview

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# About Wanbury

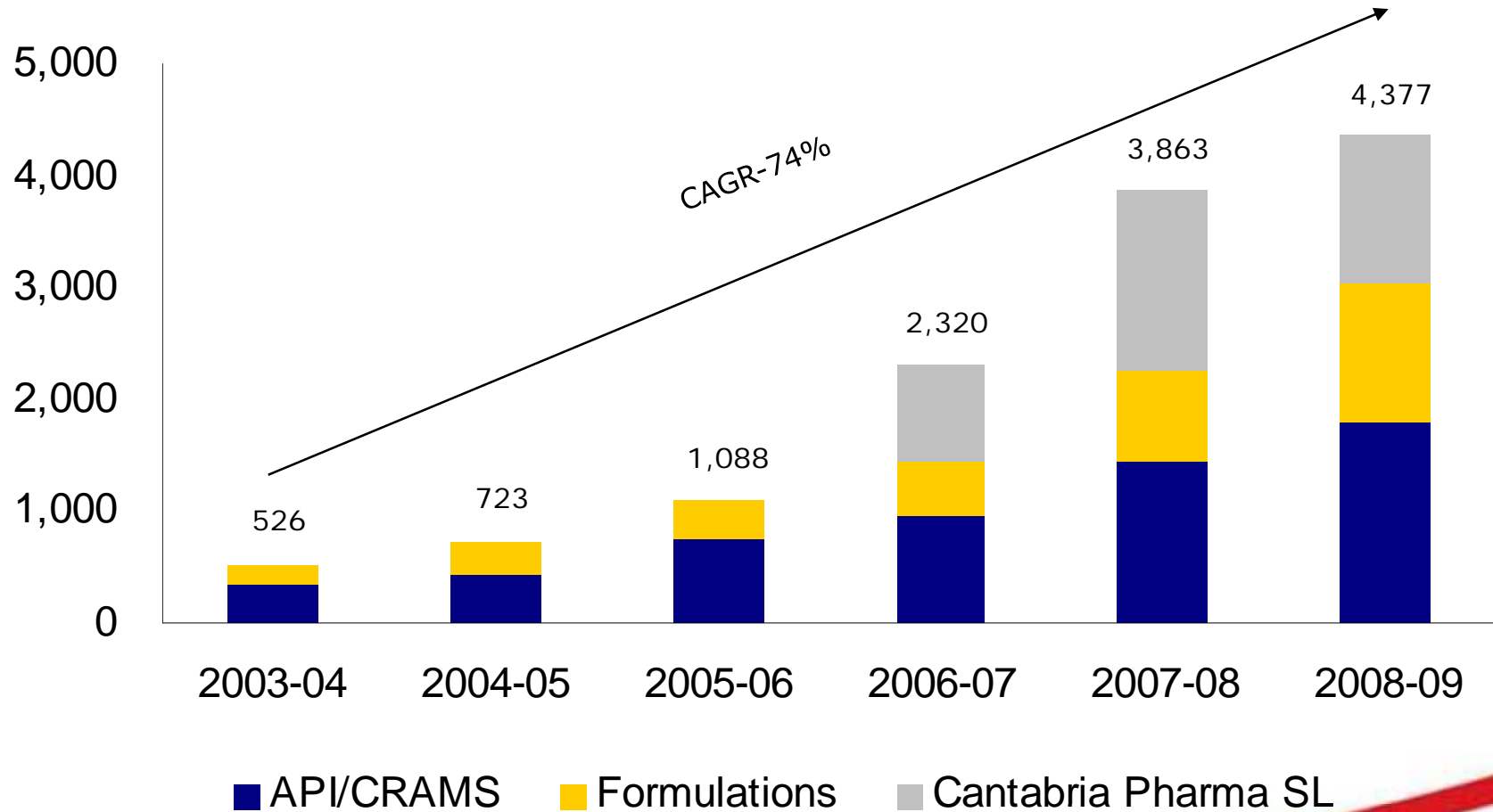
- A fast growing pharmaceutical company with a strong presence in Domestic Formulations, Active Pharmaceutical Ingredients, CRAMS and Overseas Generics.
- Rated amongst the top 100 companies in the domestic market. Ranks 47<sup>th</sup> in the domestic formulations business as per ORG- IMS and is aiming to be amongst top 40 by the end of the year.
- Revenue has grown at a CAGR of 74% and PBT has grown at a CAGR of over 83% over the last 6 years.
- Series of successful new brand launches, each of which registered sales in the region of Rs. 15-20 Crore.
  - C Pink awarded "Best Launch of the Year" award by ORG-IMS in India (2007).
  - Rabiplus and Adtrol Plus awarded "Best Launch of the Year" awards (2008).
  - Cpink, Rabiplus, Folinine and Adtrol are among the 'Top 3' brands in their respective segments.
- Largest manufacturer of Metformin, Tramadol and Salsalate for the US markets, caters to more than 50% of the US market in these products.
  - Exports to over 50 countries, 65% of which is to the regulated markets.
- Has 2 USFDA approved multi product API facilities and over 4 other plants under operations for semi-regulated markets.

# Business Model – Share of each Business

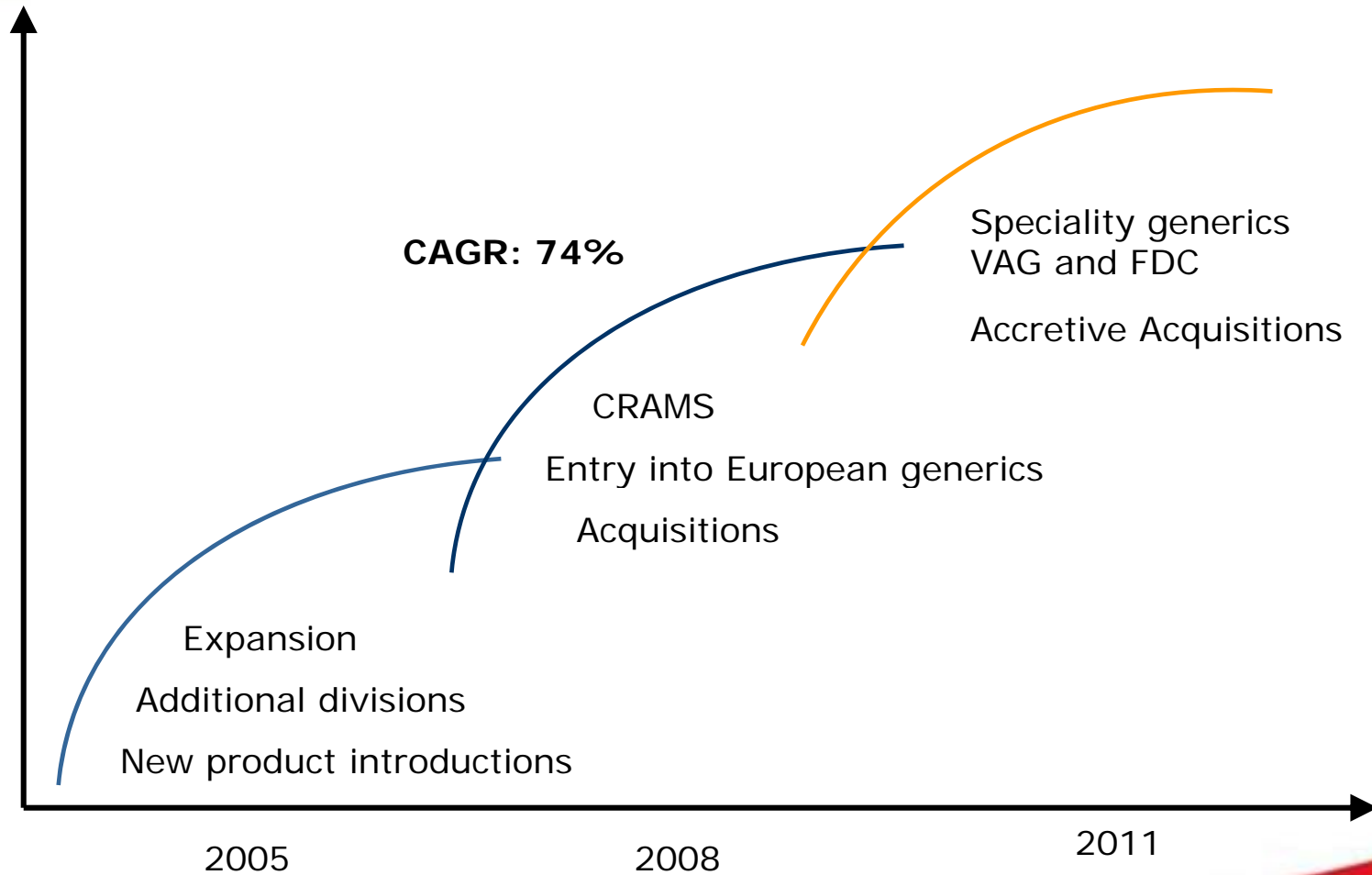


# Revenue Growth

(Amount in Rs. mn)



# Growth Contributors





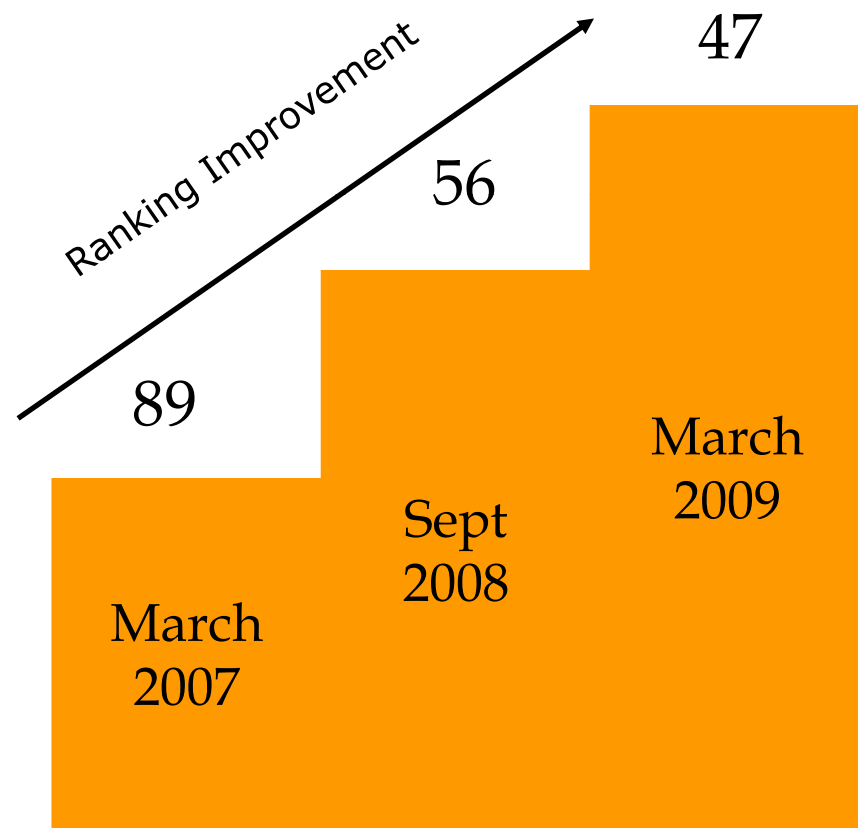
# Formulations Business

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# Business Overview

***“Fastest growing Company in the top 100 in India” –IMS ORG***

- Growing at a CAGR of over 50% over the last 3 years
- Set to Grow at a CAGR of over 30% over the next 5 years
- Ranking improved from overall 89<sup>th</sup> Position to 47<sup>th</sup> as of March-2009
- Four of its recent new brand launches, viz. Cpink, Rabiplus, Foline and Adtrol made it to the 'Top 3' list in their respective segments.
- Each of its new launches registered sales in the region of Rs. 15 - 20 Crs



# Formulations

## Best Launch of the Year Awards by ORG-IMS

 RabiPlus

- Targeted at over Rs. 300 Crore Anti-Ulcerant market
- Unique NDDS – Much better effect in varied acidity conditions
- # 3 brand in the segment

 Adtrol

- Targeted at over Rs. 200 Crore Osteoporosis management market
- New approach to address Osteoporosis
- #23 brand in the segment

 cpink

**No Pallor. Just Pink!**

- Targeted at haematinic segment with market size of over Rs. 500 Crs.
- First Company to Launch Ferrous Ascorbate – Almost 3 times better Iron absorption rate
- # 2 brand in the segment – was the 442<sup>nd</sup> to launch the brand



# Innovative Launches..

- Cpink – Ferrous Ascorbate – Highest absorption of iron for anemia with 3 times better absorption of iron vis-à-vis conventional molecules
- RabiPlus – Unique NDDS with tri-layered pallet technology
- Cdense – 1<sup>st</sup> to launch innovative form of Calcium – Calcium Orotate
- Adtrol Plus – Redefined the mgmt of osteoporosis in India by addressing Hyper-Homocystenaemia
- Folinine – Redefined mgmt of high-risk pregnancy
- Lorqrs – Lornoxicam – novel quick release system by which you achieve pain relief in 10-15 minutes
- Cheer- Combination of Amino Acids not manufactured by the body

# New Brand Portfolio



# Existing Brand Portfolio





# API / CRAMS Business

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# Business Overview

- Wanbury has a basket of over 23 API products and is the largest manufacturer of some of its products including, Metformin, Tramadol and Salsalate for the U.S. markets.
  - ◆ The Company caters to more than 55% of the U.S. markets in these products.
  - ◆ And is the market leader for Metformin with over 30% market share in the world.
- Wanbury exports to over 50 countries, 65% of which comprises of regulated markets.
- Has 2 USFDA approved multi-product APIs facilities and over 2 other plants under operations for semi-regulated markets.
- Also sells to leading global generic players in the regulated markets.
  - ◆ It caters to some of the top generic players including Apotex, Teva, and Mylan.
- Wanbury has filed 27 DMFs, 1 product patent and 7 process patents till date.
  - ◆ Three of the 7 process patents, namely Sertraline Hydrochloride, Carvedilol and Paroxetine have already been approved.

# Business Overview

- Established business in Contract Research And Manufacturing Services.
- Clients include large MNCs like Pfizer and Farmaprojects



- Wanbury's USFDA approved facilities, research base and customer relationship has enabled it to significantly catalyze strong growth in this area of business
- Is targeting sales of over \$100 mn over the next 3 years and is also looking at inorganic opportunities to facilitate this vision
- Has already opened an office in Switzerland and in a short span procured a potential order book of \$4 mn
  - Inspections underway for a number of Pharma majors

# Metformin Success

- Wanbury is the worlds largest supplier of Metformin.
  - Approx. 8,500 TPA
  - Product size over Rs. 100 Crore
  - Market share
    - 35% of worlds market .... 70 countries
    - Over 50% of the US Market
    - Over 200 customers globally
- Over 20 variants of Metformin
- Consistent growth of over 20% pa.
- Process improvement leading to savings of Rs. 10 Crore p.a.

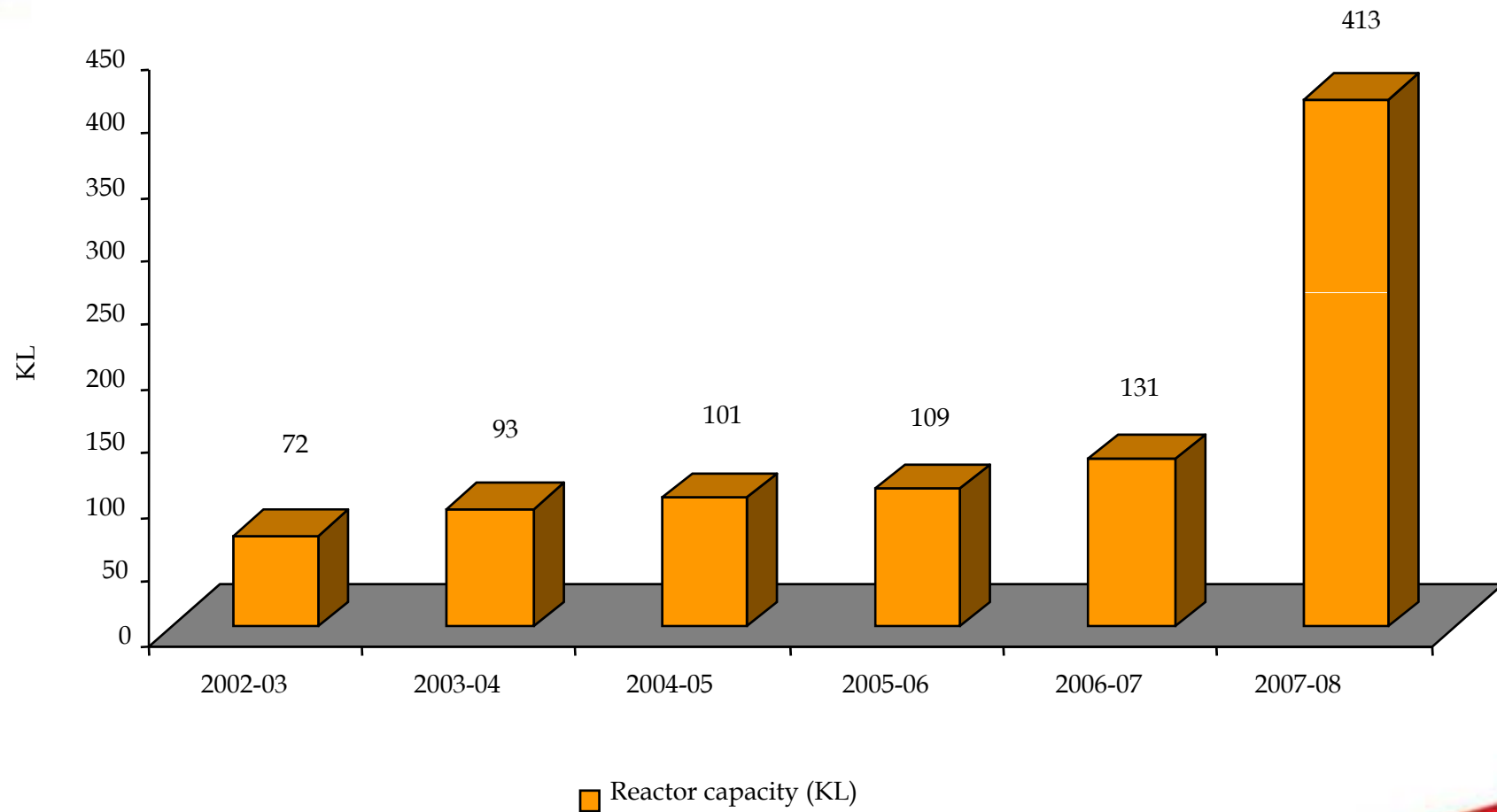
# Consolidating the Advantage

## ● New product Expansions

- GABAPENTENE
  - Over Rs. 40 Crore order book with Pfizer
  
- TRAMADOL
  - Wanbury is #1 supplier in US
  - Order book for over 60% of US market
  - Targeting sales of over Rs. 40 Crore post expansion
  
- DIPHENHYDRAMINE
  - Over 9 large customers including Novartis, J&J, Perigo, LNK etc.
  - Targeting sales of over Rs. 25 Crore in 2 years
  
- CLOPIDOGREL
  - Patent expiring in 2011
  - Overall market size of API exceeds Rs. 1,000 Crore
  - Sales targeted of Rs. 15 Crore
  
- **Aggregate sales would exceeding Rs. 100 Crore by FY2011**



# API Business – Growth in Capacity

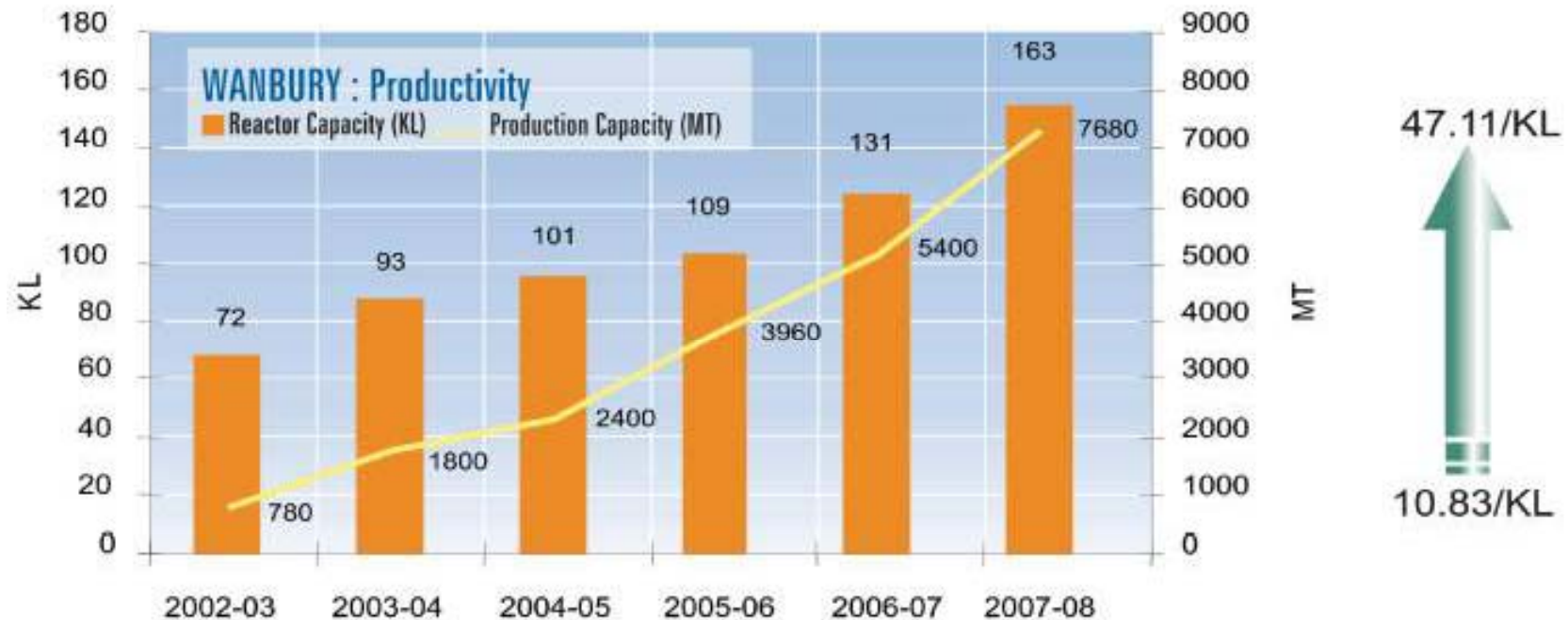


- The Company appointed Eicher Consultancy for improving its productivity: The key successes of implementing the recommendations include;
  - Metformin Productivity Improvement - Annual Savings estimated at over Rs. 1,000 Lakh
  - Other process improvements on Gabapentene, Tramadol and Sertraline expected to result in saving of Rs. 5-6 Crore in FY10 going forward.



# API Business – Increased Efficiency

Increased efficiency for capacity utilisation – 334%





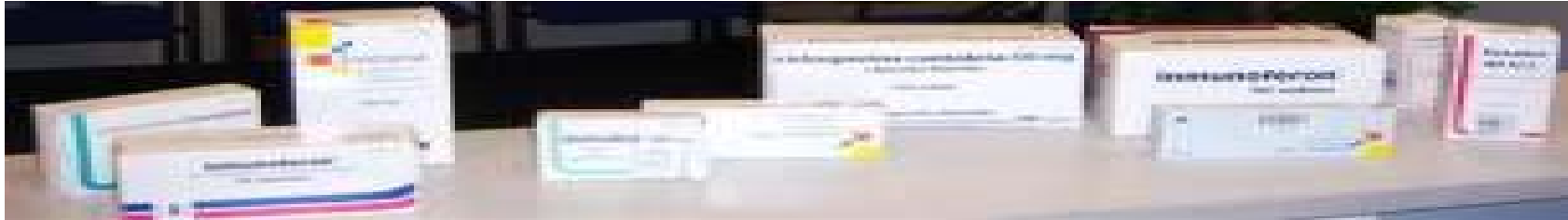
# International Formulations

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Cantabria Pharma S.L.



# Cantabria Pharma



- With a view to promote/grow its International Formulations business, Wanbury acquired a Spanish branded formulation business with sales of approx. Euro 25 mn.
- Major therapeutic segments include CNS (Central Nervous System), Respiratory, and Pain management.
- Has a portfolio of over 20 branded Generic products
- Increasingly focusing on in-licensing price-protected patented products
- Extensive reach in Spain through a strong Sales force of over 70 Reps
- One of the preferred choices for the multinationals for in-licensing their products in Spain



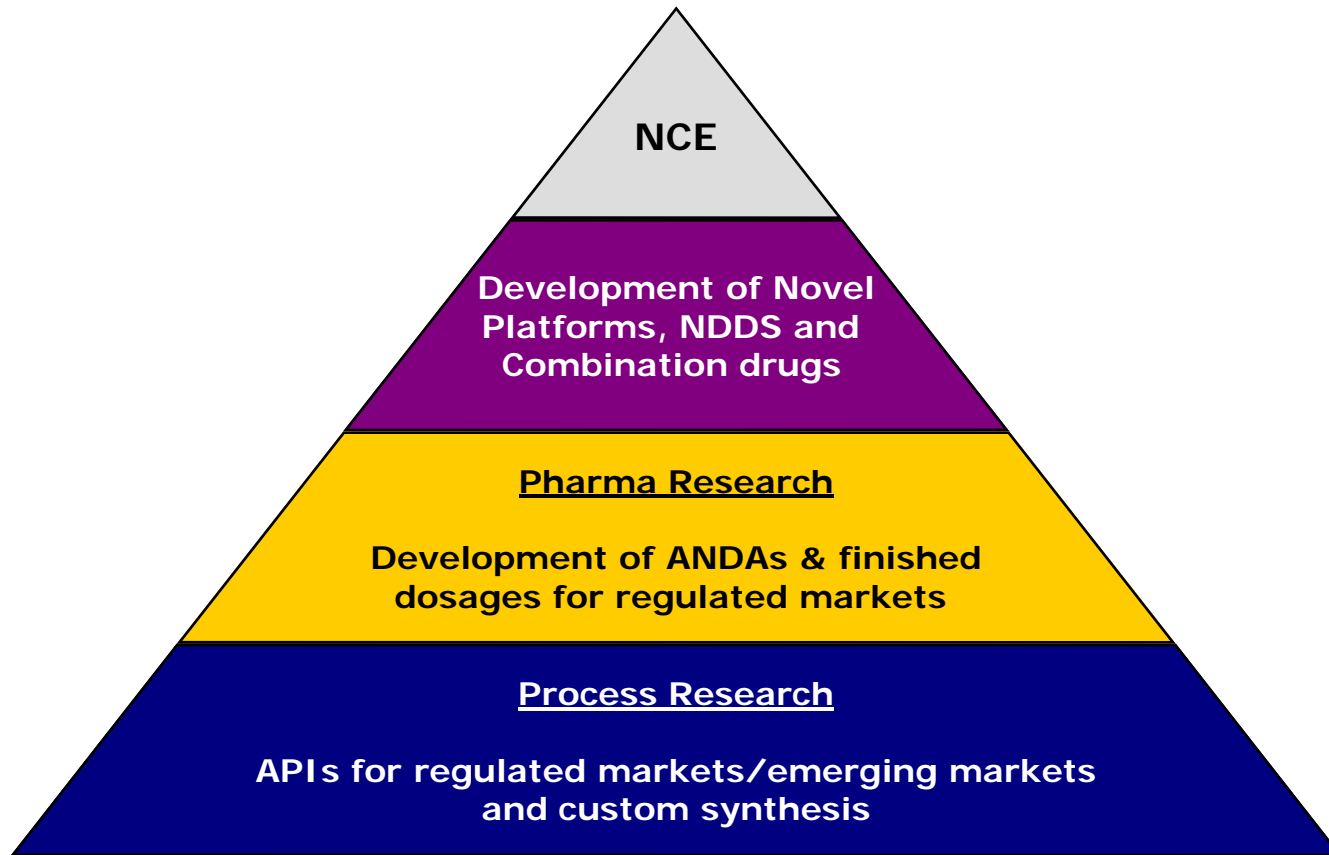
# Research & Development

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# R & D - Focus

- R & D department continuously innovates and remains competitive by developing / acquiring ability to sort out simple and effective solutions to practical problems.
- Has filed 27 DMFs, 1 product patent and 7 process patents till date.
  - Three of the 7 process patents, namely Sertraline Hydrochloride, Carvedilol and Paroxetine have already been approved.
- A team of highly competitive scientists supported by excellent instrumentation, which includes sophisticated instruments like HPLC, FTIR, GC with head space, particle size analyzer etc.
- In a nutshell, the current activities of R & D functions include:
  - Development of new products
  - Impurity profiling of API's
  - Analytical method development
  - Process development/improvements to make products competitive & profitable in long run.

# R & D Model



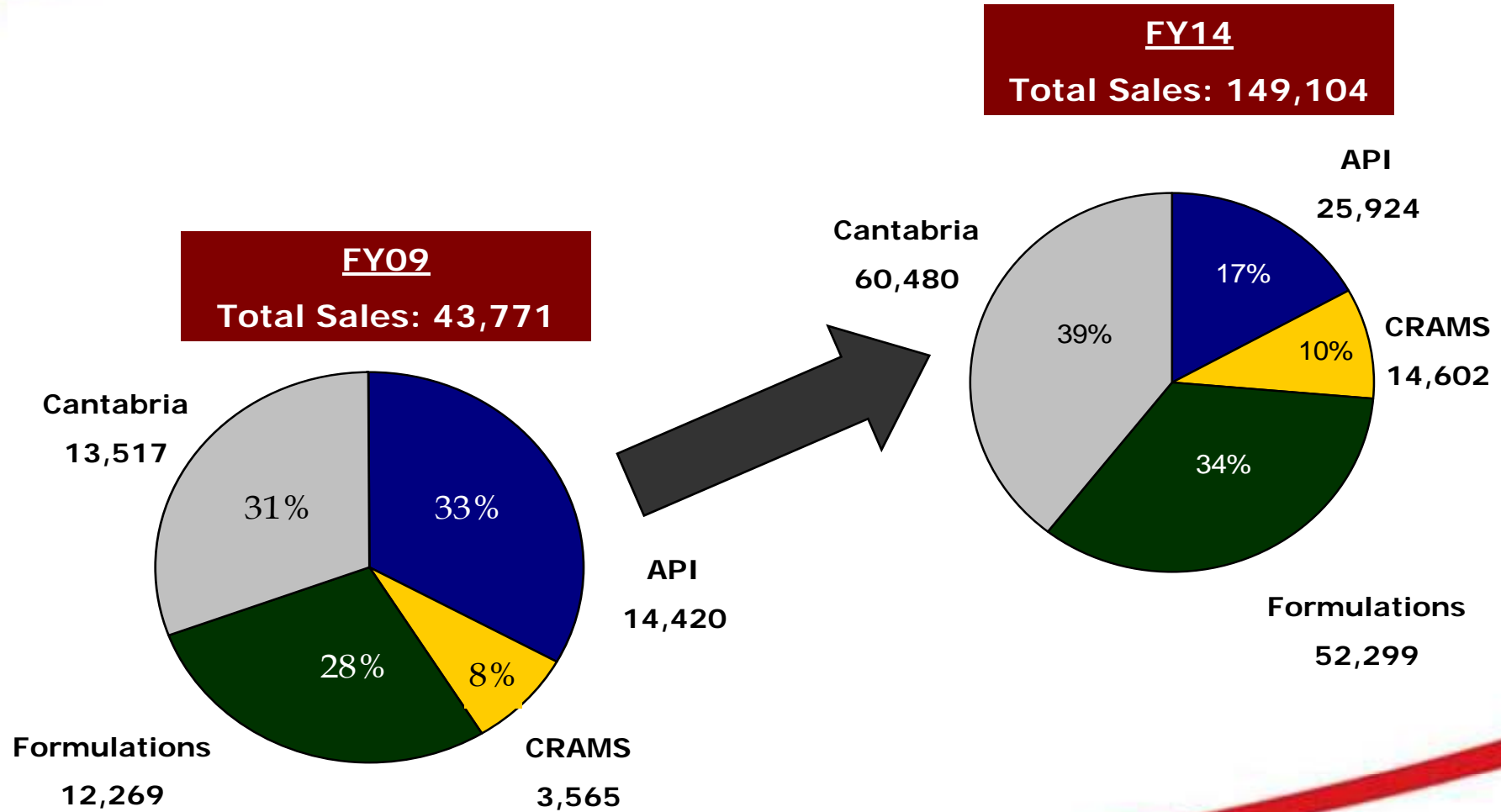


# Financials

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# Consolidated Projections

(Amount in Rs. Lakh)



# Comparative Analysis

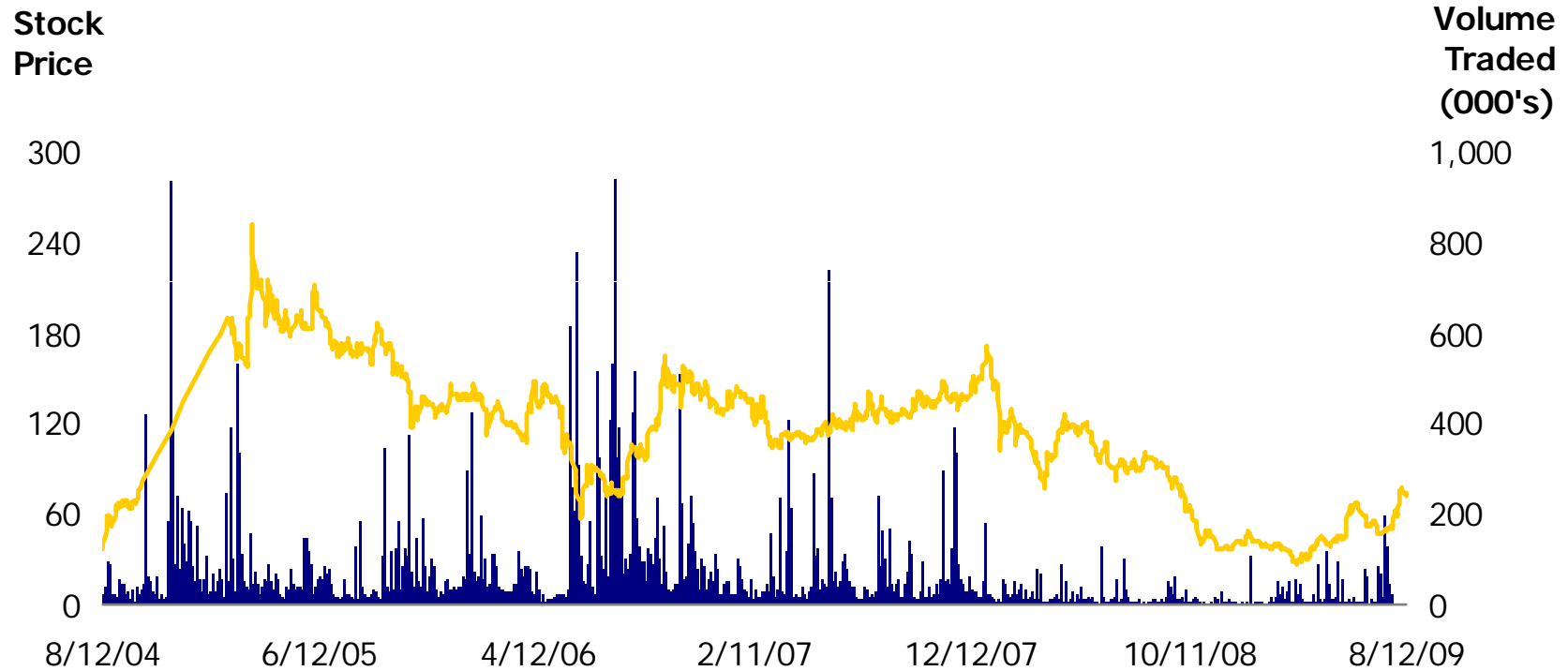
Financials for the year ended March 31, 2009 (Amount in Rs. Cr :)												
Co_Name	Mkt Cap	Net Sales	EBITDA	EBITDA Margin	EBIT	PAT	PAT Margin	ROCE	RONW	P/E	EV / EBITDA	Mkt Cap / Sales
<b>Industry Majors</b>												
Sun Pharma.	25,329	4,481	2,072.5	46.3%	1,955.0	1,878.0	41.9%	27.06%	26.7%	13.5	11.6	5.7
Cipla	21,934.0	5,257	1,032	19.6%	929.8	772	14.7%	17.58%	17.8%	28.4	21.7	4.2
Glenmark Pharma	6,350.2	2,122	484	22.8%	380.8	271	12.8%	1.52%	1.8%	23.4	16.1	3.0
Dr Reddy's Labs	13,510.5	7,000	1,401	20.0%	903.6	58	0.8%	16.32%	1.6%	232.7	10.7	1.9
Piramal Health	6,788.3	3,288	589	17.9%	469.2	349	10.6%	17.66%	26.5%	19.5	13.7	2.1
Cadila Health	6,038.8	2,927	606	20.7%	494.0	334	11.4%	26.00%	31.5%	18.1	11.2	2.1
Torrent Pharma.	1,820.2	1,634	262	16.0%	220.0	190	11.6%	19.41%	29.2%	9.6	7.9	1.1
Wockhardt	1,747.8	3,676	805.1	21.9%	531.2	343.2	9.3%	10.11%	33.7%	5.1	6.6	0.5
Ipca Labs.	1,515.8	1,293	266	20.6%	226.3	146	11.3%	20.74%	23.1%	10.4	7.4	1.2
<b>Industry Average</b>				<b>22.9%</b>			<b>13.8%</b>	<b>17.38%</b>	<b>21.3%</b>	<b>40.1</b>	<b>11.9</b>	<b>2.4</b>
<b>Close Peers</b>												
Aurobindo Pharma	3,564.6	3,124.25	573.2	18.3%	451.04	354.6	11.3%	15.18%	31.5%	10.1	9.0	1.1
Divi's Lab	6,283.3	1,193	494	41.4%	447.1	417	34.9%	34.55%	33.6%	15.1	12.9	5.3
Dishman Pharma	1,663.2	1,062	236	22.2%	203.3	156	14.7%	14.24%	22.2%	10.6	9.9	1.6
Aarti Drugs	75.6	377	57	15.1%	44.0	15	4.0%	13.38%	13.5%	5.0	5.1	0.2
<b>Peer Average</b>				<b>24.3%</b>			<b>16.2%</b>	<b>19.34%</b>	<b>25.2%</b>	<b>10.2</b>	<b>9.2</b>	<b>2.0</b>
<b>Wanbury Limited</b>	<b>126</b>	<b>438</b>	<b>49.8</b>	<b>11.4%</b>	<b>27.5</b>	<b>(11.8)</b>	<b>-2.7%</b>	<b>6.67%</b>	<b>-10.2%</b>	<b>(10.7)</b>	<b>5.4</b>	<b>0.3</b>



# Stock Price Performance

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# Six Year Stock Price Performance





# The Way Forward

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# Growth Strategy

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- Forward integration of APIs into formulations for exports
- Growth in CRAMS
- Incremental need based investment of approx. Rs. 100-150 Crore for increased manufacturing capacity and significant presence in CRAMS over the next 3 years
- Tripling the R&D capacity –
  - Specialty generics
  - 10 – 12 DMFs per annum
  - 8 – 10 ANDAs per annum
  - 15 – 20 new products for domestic formulation

# Growth Initiatives

- Enhanced sales of Cantabria Pharma through:
  - New product introductions in the specialty generics and lifestyle segments
  - Integration of manufacturing and research from India
  - Pan Europe Expansion
- High growth in domestic formulation business through:
  - New division launches
  - Focus on specialty and lifestyle segments
  - Expansion in semi-urban areas



# Board and Management

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# Board of Directors

<b>BOARD OF DIRECTORS</b>	
<b>Mr. K. Chandran</b> (Promoter Director)	Whole Time Director of Wanbury Ltd. He provides direction to the company.
<b>Mr. K.R.N. Moorthy</b> (Deputy Managing Director)	Deputy Managing Director of Wanbury Ltd. He drives the API / CRAMs business.
<b>Mr. Ashok Shinkar</b> (Executive Director)	He is the Executive Director and is in the charge of the Finance, IT and Legal operations
<b>Dr. P. L. Tiwari</b> (Non-executive Independent Director)	Consulting Cardiologist and Physician at Bombay Hospital and Medical Research Centre
<b>Mr. A. L. Bongirwar</b> (Non-executive Independent Director)	Former Chief Secretary of the Government of Maharashtra
<b>Mr. N. K. Puri</b> (Non-executive Independent Director)	Former Deputy Managing Director of the State Bank of India and a former Managing Director of the State Bank of Bikaner and Jaipur
<b>Mr. Prabhakar Dalal</b> (EXIM Bank Nominee)	Nominee of the Export Import Bank of India Limited (“EXIM”) and is former Chief General Manager of EXIM Bank

<b>ADVISORY BOARD</b>	
<b>Mr. S. Balsekhar</b>	Ex-Chairman – Russel Pharmaceuticals
<b>Mr. S. Sandilya</b>	Chairman – Eicher Group



# Human Resource Practices

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# Human Resources – Core Values

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- Wanbury's human resource department works on the insight of developing and leveraging people as it's sustained competitive advantage.
- The Company partners with world renowned agencies like Mercer, SHL, and Hewitt etc. to institutionalize "Gold Standard" people processes that help individuals to maximize their potential.
- The core values of the company include:
  - Respect for people
  - Innovation
  - Sense of urgency
  - Result focus
  - Leadership
  - Team work

# HR Initiatives

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- Competency Mapping (Mercer)
- Payroll Benchmarking
- KPI Automation
- Employee Spot Recognition



Thank You

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