



NATCO Pharma Limited

Investment Presentation – Proposed Investment

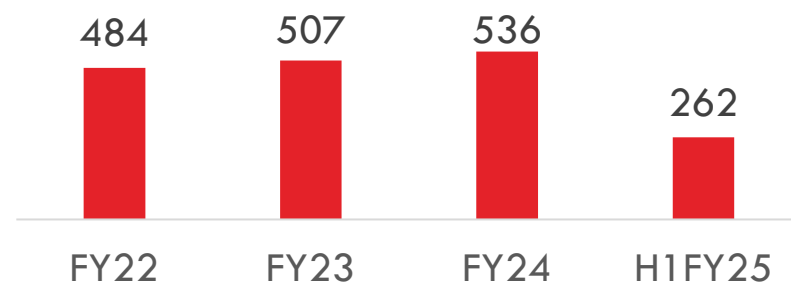
Transaction Summary



Target

ZAR 75
US\$ 4.27¹

Price per share



Revenue in US\$ Mn

SOUTH AFRICA

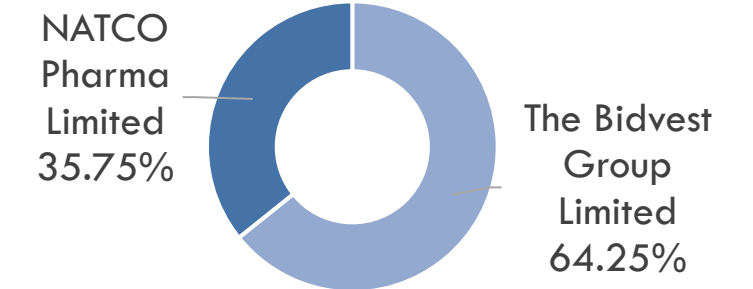
Geography

ZAR 4 Bn
US\$ 226 Mn¹
₹ 2,000 Cr

Cost to NATCO

7.83

EV/EBITDA



Proposed Shareholding

~US\$ 10 Mn

Transaction Cost

1.12

Revenue Multiple

¹:Exchange Rate : 1 USD = 17.54 ZAR, 1 USD = ₹86.39
All other US\$ conversions are at 1 USD = 18 ZAR
Multiples are at FY 24 figures

Adcock Ingram - Profile



Adcock Ingram - Four Commercial Divisions



PRESCRIPTION

- Focuses on offering a broad range of medicines in targeted therapeutic areas for patients consulting healthcare professionals

OVER THE COUNTER (OTC)

- Focuses on the manufacturing, marketing and selling of medication primarily sold in retail pharmacies without the requirement for a prescription

HOSPITAL

- Manufacturers and supplies hospital and critical care products in Southern Africa

CONSUMER

- Focuses on marketing, selling and distribution of healthcare, personal care, and homecare brands primarily to the consumer

Adcock Ingram - Top Ten Products



Panado
Consumer
Analgesic



Epi-max
Consumer
Emollient



Allergex
OTC
Anti-Allergic



Adco-dol
OTC
Pain relief



Bioplus
Consumer
Multi-Vit Energy
Booster



Corenza C
OTC
Cold & Flu



IV Solutions Viaflex
Hospital
NaCl solution



Dianeal Solution
Hospital
Dialysis solution



Synaleve
Prescription
Pain relief



Citra-Soda
OTC
Antacid

Adcock Ingram - Financial Performance



INCOME STATEMENT (Financial year July – June)				
US\$ Mn	FY22	FY23	FY24	H1- FY25 (Dec'24)
Revenue	484	507	536	262
EBITDA	74	81	78	38
EBITDA%	15%	16%	15%	14%
Net profit	44	50	45	22
Net profit%	9%	10%	8%	8%

NATCO will consolidate 35.75% of Net Profit of Adcock Ingram proportionate to its shareholding

Adcock Ingram - Transaction Rationale



Multiple value creation opportunities from a combination with NATCO

- ✓ NATCO has a strategic focus on global presence including EMs and has already established front-ends in USA, Canada, Brazil, Philippines, Singapore, Australia, Indonesia and actively operating in MENA, SE Asia, Latin America
- ✓ South Africa is one of the largest emerging markets globally and a gateway to African Continent, has language familiarity and a strong regulatory framework
- ✓ Adcock Ingram is the 2nd largest pharmaceutical company in South Africa with an attractive portfolio of well-recognized brands with strong market position
- ✓ Adcock Ingram is the only pharmaceutical company in South Africa with coverage of all market segments - prescription, OTC, consumer and critical care

Adcock Ingram - Potential Synergies



Broad Contours	Type
✓ Marketing & distribution of NATCO's products (current and future) in SA through Adcock	Revenue synergy
✓ Introduction of affordable and innovative pharmaceutical products in African markets – create a market leading pharmaceutical franchise in SA followed by pan-Africa expansion	Revenue synergy/ corporate brand building
✓ Bringing cost efficiencies through NATCO's manufacturing and sourcing	Cost synergy
✓ Leveraging NATCO's R&D team strength for cross-pollination of ideas across Africa	Cost synergy

Corporate Profile – Bidvest Group Limited – The other shareholder



Founded in 1988 and listed on the JSE, the Bidvest Group Limited is a leading business-to-business services, trading, and distribution Group with a blended portfolio of defensive and cyclical businesses that are diversified, essential and asset-light

Bidvest has over 250 individual businesses and employs more than 130,000 people in South Africa, the United Kingdom, Republic of Ireland, Spain, Australia, Singapore, Canada and United States¹

Reported a consolidated revenue of US\$ 6.8 Bn for the 2024 financial year

Bidvest's strategy is to achieve scale and growth by maintaining a strong balance sheet, exercising financial discipline through considered capital allocation, and pursuing organic and acquisitive growth opportunities in the Group's identified areas of focus.



(1) Source: Bidvest group website

(2) Source: Capital IQ Pro (Exchange rate of 1 USD = 18 ZAR).



THANK YOU



https://twitter.com/pharma_natco



<https://www.linkedin.com/company/natcopharma>

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