

PHARMA  
FAST 50



ALANTRA

## Foreword

Welcome to the 2020 Alantra Pharma Fast 50, our annual ranking of the UK's fastest-growing, privately-owned pharma and pharma service companies. These are dynamic and innovative businesses that continue to deliver remarkable growth and we are proud to highlight their success.



**TOM COWAP,**  
DIRECTOR - HEALTHCARE, ALANTRA



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This is the fourth successive year in which we have compiled and published the Alantra Pharma Fast 50. We first launched the research because we believed that many of the most ambitious and entrepreneurial businesses in the sector were not getting the attention they deserved – and four years on, this remains the case.

Today, the UK's pharmaceutical industry is rightly regarded as a national success story, with a global reputation for the quality of its research and development; some of its largest companies are household names. However, the industry's small and medium-sized companies are much less well-known, despite often being responsible for the most exciting science. These businesses represent the foundations on which the UK's pharmaceutical sector rests but are often overlooked.

The Alantra Pharma Fast 50 therefore sets out to shine a light on these businesses in every corner of the sector. It deliberately focuses exclusively on privately-owned companies and to qualify for possible inclusion, businesses need only to have published three full years of accounts, recording revenues of at least £1m in the first of those years.

As the ranking consistently shows, it is at this end of the UK's pharmaceutical industry that businesses are growing most quickly. Harnessing their specialist experience and expertise – often earned over long careers in the sector – the entrepreneurial management teams running Alantra Pharma Fast 50 companies are delivering remarkable results. The average business in this year's ranking has seen its revenues grow at an annualised rate of 26% over the past two years – the leading businesses have achieved growth rates of almost three times that figure.

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**TOM COWAP, ALANTRA**

Importantly, that growth is coming from a range of very different businesses. This is a diverse sector spanning multiple disciplines that require very different competencies. From research-intensive businesses to consultants excelling in medical communications, and from drug developers to distributors, every business plays its own crucial part in the pharmaceutical industry's value chain.

That said, the founders and management teams of the constituents of the Alantra Pharma Fast 50 share some common characteristics. They are passionate about the potential of their businesses to deliver lasting societal change, determined to innovate, and ambitious about what they can achieve, whether commercially or scientifically. They offer the industry – and the world – a brighter future.

At Alantra, we are delighted to have had the opportunity to work with many of the inspiring businesses in this year's Pharma Fast 50 – and we look forward to meeting many more of the management teams driving these companies forward. We hope you enjoy reading this year's Alantra Pharma Fast 50 report.

## Embracing risk to power performance

While the pharmaceutical industry might be regarded as the ultimate defensive sector – the need to preserve and enhance human health is, after all, an inexorable imperative – it is not immune to the ebb and flow of global market cycles.

The impact of the political and economic volatility that has characterised the past 12 months, from the global impact of the trade dispute between the US and China to the more local matter of Brexit, has been felt across the sector. In this context, the performance of the UK's privately-owned pharmaceutical companies has been impressive. The Alantra Pharma Fast 50, the annual ranking of the fastest-growing such companies, documents this success; it is full of examples of innovative and entrepreneurial businesses delivering outstanding returns. Each of the top seven businesses in this year's ranking have achieved compound annualised revenue growth of more than 50% over the past two years. And in each of the three distinct sub-sectors of the ranking – consulting, pharma outsourcing, and development, wholesale and supply (DWS) – at least three businesses have delivered more than 40%. Regular readers may notice that the pharmacy chain category does not appear this year. While an important point of contact for the end consumer, the growth drivers and dynamics around pharmacy chains are very different to the other categories in this listing and for that reason we have chosen to focus on consulting, outsourcing and DWS for this year's report.

At the level of big pharma, the response to the increasingly febrile economic and political climate has been to reduce exposure to risk. Last year saw a series of mega mergers, with scale regarded as essential to reduce cost and build product portfolio diversification.

At the same time, the withdrawal of big pharma from high-risk drug development activity has continued, with firms instead developing their product pipelines in exciting emerging therapies such as cell and gene therapies via acquisition and outsourcing.

The growth delivered by the Alantra Pharma Fast 50 constituents reflect the many ways in which fleet-of-foot, entrepreneurial businesses in the UK are adapting to this environment. These are businesses led by management teams ready to leverage their experience and expertise in order to embrace the opportunities created by cost-consciousness and risk aversion.

So, for example, the rise of the contract research organisation (CRO) continues at pace, as larger pharmaceutical businesses look to outsource early-stage drug development work. In particular, this year's Alantra Pharma Fast 50 includes a significant number of CROs operating at the preclinical stage, servicing clients such as "virtual biotechs" with funding but no research facilities of their own.

Medical communications consultants are also well-represented, reflecting the pressure on the sector to articulate the case for new therapies with greater sophistication than ever before. In an era of payer austerity and fiscal discipline, drug developers know they must prove the economic case for new therapies and build a market with healthcare practitioners as well as establishing efficacy and safety.

Technological innovation is also a dominant theme in this year's Alantra Pharma Fast 50. The fastest-growing business overall in the ranking, SciBite, generated two-year compound annualised revenue growth of 76%; its value proposition centres on natural language processing tools that enable big pharma to unlock the potential of an asset they already have, by identifying hidden insight in their data. Other tech-enabled businesses featuring this year include specialists in artificial intelligence, machine learning and data analytics. All offer the pharma sector access to new tools that could provide a shortcut to better outcomes – both for the bottom line and, ultimately, for patients.

Elsewhere, the DWS sector features a series of companies stepping up their innovation in order to fill gaps in the market. From specialty pharma to supply chain technologies, these businesses often operate in areas where the industry's largest players have left a vacuum.

The success of these businesses has naturally attracted attention, with investment interest in privately-owned UK pharma continuing at a heightened rate. The willingness of trade buyers to do deals is evident at a smaller scale too, with several previous constituents of the Alantra Pharma Fast 50 rankings accepting strategic bids over the past 12 months.

The private equity industry is increasing its involvement in the sector. Traditionally nervous about investing in more specialist pharma businesses, the industry now includes a growing number of healthcare focused private equity firms (or firms with healthcare teams). They have been active over the past year; indeed, the capital and broader support provided by private equity investors is enabling a number of businesses to accelerate their growth.

Given the returns generated by leading privately-owned pharma companies in the UK, consolidation and investment is likely to continue during 2020 and beyond. Many of the businesses in this year's Alantra Pharma Fast 50 have already received approaches from suitors of one form or another.

No wonder. Despite tough headwinds, the pharmaceutical industry continues to prove its robustness and resilience. The outstanding businesses in this year's Alantra Pharma Fast 50 deserve all the attention they are getting – and stand every chance of continuing to prosper.

# The Alantra Pharma Fast 50

The Alantra Pharma Fast 50 ranks the UK's fastest-growing, privately-owned pharmaceutical businesses according to their revenue growth over the past two years (the businesses must have reported revenues of more than £1m in the first year of assessment to be included). It includes analysis of businesses grouped into three distinct sub-sectors – Consulting; Pharma outsourcing; and Development, wholesale and supply (DWS).

This year's leaders are:

**Overall:** SciBite (see page 6)



**Consulting:**  
Prime Global  
(see page 11)



**Pharma outsourcing:**  
BioAscent  
(see page 13)



**Development, wholesale and supply:**  
Morningside Healthcare  
(see page 15)

## SciBite tops the Alantra Pharma Fast 50

SciBite is this year's top-performing business in the Alantra Pharma Fast 50 ranking, racking up compound annualised revenue growth of 76% over the past two years.

### SCIBITE IN NUMBERS

#### SALES IN LAST 12 MONTHS

£4.1m

#### TWO-YEAR CAGR

76%

#### PHARMA FAST 50 RANKING

1

Sector: Consulting

That took total sales above the £4m mark, just five years after the business's launch in Cambridge, UK by founder Lee Harland, former head of the information engineering group at Pfizer.

Harland and chief executive Rob Greenwood, a former head of sales at Thomson Reuters who joined the company full-time in 2015, have built a profitable business that now works with 18 of the world's 20 biggest pharmaceuticals companies.

"The company was launched on the premise that there was a real sea change taking place in the pharma industry, with the senior leaders of businesses waking up to the value of their data," Greenwood recalls. "We realised that providing the tooling for companies seeking to unlock that value would be a huge market."

So it has proved. SciBite has built a market-leading position in text analytics and clean data intelligence. Using its software, big pharma companies are able to interrogate huge volumes of the data they hold in all sorts of different forms. The aim is to convert what was once a mess of structured and unstructured data into a resource that can be easily mined for actionable insight.

"We offer a suite of tools that enable companies to organise their data so that it is machine readable," Greenwood explains. "Once you've done that, you can really begin to put the data to work, with semantic search tools that identify relationships and connections that were previously completely invisible."

It is a hugely attractive value proposition. While leading pharma businesses have become increasingly convinced that there is gold in their data, they have not yet developed the in-house expertise to pan for this precious metal effectively and efficiently. Often, they are simply not sure what they are looking for. In other cases, they do not know how to get the data into a form that can be easily analysed.

The proof is in the pudding for SciBite. Many of its engagements have begun with proof-of-concept projects in one small area of a client's business; Greenwood says around nine in ten of these initiatives are converted into a full-scale business relationship, which then expands through different departments and functions of the client. "Solidifying and extending these relationships can be an important driver of our growth for some time to come."

In addition, SciBite sees potential for the development of enterprise tools that smaller pharma companies, lacking the resources of their bigger counterparts, can plug into their own system in order to realise similar levels of insight.

Growth so far has been entirely organic, but the company is reaching the stage where it can see a case for raising investment. "It may be that we simply can't move quickly enough to realise the full potential of our offering through organic growth," Greenwood says. "An investment partner could be interesting for that reason."

**"The company was launched on the premise that there was a real sea change taking place in the pharma industry, with the senior leaders of businesses waking up to the value of their data."**

**ROB GREENWOOD, CHIEF EXECUTIVE, SCIBITE**

There are not many clouds on the horizon, but Greenwood is wary of some of the remarkable claims made for the potential benefits of artificial intelligence, which he fears could prompt a backlash against the technology amongst disillusioned clients. "One big job for 2020 will be to put clear water between our credibility and some of the claims that the less scrupulous promoters of artificial intelligence are making," he says.





## Harnessing new technologies to drive pharma innovation

Pharma is, by its very nature, a high-tech industry; new therapies and treatments are the products of cutting-edge science and advanced research and development.

Now, however, different types of technology are beginning to drive the sector: this is increasingly an era of data technology.

This year's Alantra Pharma Fast 50 ranking reflects this shifting dynamic. It is not only that the number one company in the ranking is tech-enabled in its innovation; the ranking includes a string of other businesses exploiting adjacent tools and capabilities.

SciBite's number one position in the ranking reflects the spectacular growth it is achieving with a range of tools that are helping big pharma companies to unlock the insight hidden in the vast troves of often poorly organised data they hold (see page 6 for more detail). "We're tapping an unmet need," says the company's chief executive Rob Greenwood. "Pharma companies increasingly want to be data-driven businesses making much more informed decisions with greater conviction."

The value of companies that can enable this transition is high. Last year saw Linguamatics, a similar business to SciBite and a previous Alantra Pharma Fast 50 constituent, acquired by the US contract research organisation IQVIA.

Still, the price paid looks small compared to the \$1bn valuation accorded to BenevolentAI in its most recent fundraising. The company – the UK pharma sector's first unicorn for some years – sits fourth in this year's Alantra Pharma Fast 50, posting compound annualised revenue growth (CAGR) of 62% over the past two years. Though it has yet to break into profit, demand for its services – an approach to drug development aided by artificial intelligence – continues to grow.

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**Success requires talent with both technological expertise – particularly in fields such as data analytics and artificial intelligence – and pharma sector knowledge.**

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Eagle Genomics provides another example of what a tech-enabled business can achieve in the pharma sector. It applies its analysis tools to very large genomic and microbiomic datasets where the potential number of interactions between components is almost infinite; by mapping these interactions for connections and relationships the company is able to unlock new insights for scientists and drug developers.

Such businesses are operating at the intersection of several different fields of technology and science, with high barriers to entry in their markets given the specialist skillsets of their staff. Success requires talent with both technological expertise – particularly in fields such as data analytics and artificial intelligence – and pharma sector knowledge. For now, it is in short supply – so much so that for companies like Quanticate, training is an integral element of investment, without which the pipeline of future talent is likely to prove too narrow.

The significant number of technology businesses in the Alantra Pharma Fast 50 is likely to increase in future rankings given the phenomenal rates of growth that innovative young companies are able to generate. The only question mark is how long some of these businesses will retain their independence.



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**ROB GREENWOOD,**  
CHIEF EXECUTIVE, SCIBITE

## In the spotlight

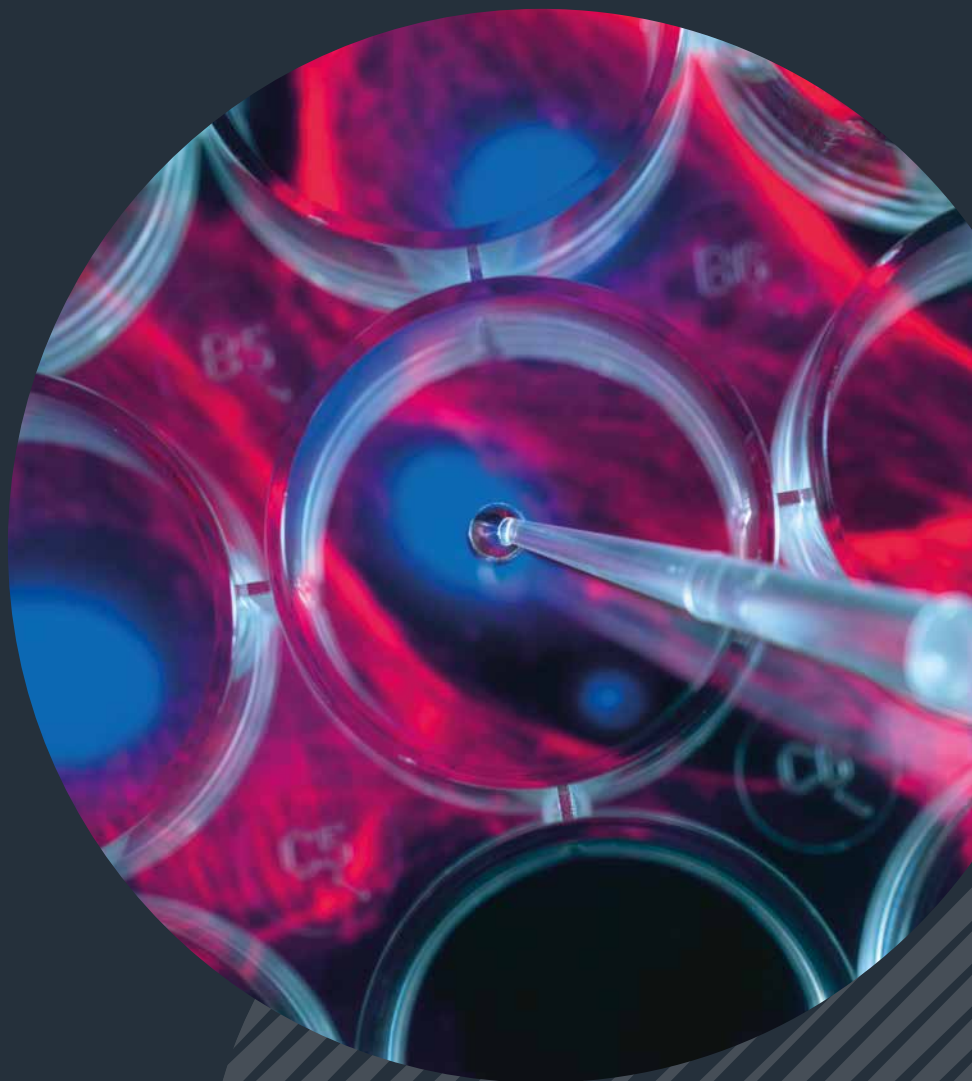
### Quanticate drives the data dividend

With revenues of almost £19m in its last financial year, Quanticate shines a light on what is possible to achieve with a combination of highly sophisticated data science and pharma sector expertise. The company targets big pharma but supports both big and small pharma, helping companies manage, analyse and report data from both clinical trials and real-world evidence.

The pharma sector is only just beginning to realise what it is possible to achieve by applying the latest tools to high-quality data, argues Quanticate's chief executive and chairman David Underwood. And while drug development programmes stand or fall on the results of the data, the industry is only just embracing modern data techniques.

"Traditionally, this is a sector that used less sophisticated tools to analyse its data, but the awareness of what you can do is growing, as is the pressure to do more," Underwood says. "An analysis of a clinical trial that might have run to 50 pages ten years ago might now run to 500 pages and incorporate far more sophisticated data analysis."

The market for Quanticate's services is worldwide and the company serves that from bases primarily in the UK and India, where the data science expertise available in hubs close to London, Manchester, Bangalore, Mumbai and Hyderabad is very strong. With a new location recently being opened in Toronto, Underwood believes growth is set to continue. "The way clinical trials are being conducted is changing and the scrutiny just keeps increasing – that means more data," he explains.





## Consultants prove it is good to talk

Pharmaceutical companies and biotechs hoping to bring new therapies to market now face a heavier burden of proof than ever before – not just to make the case for approval in terms of safety and efficacy, but also to establish economic value.

And the cost of failure is high: increasing drug development costs mean the damage from a failure to seek approval – from both regulators and authorities such as the UK’s National Institute for Health and Care Excellence (NICE) – or commercial acceptance can be substantial.

This is why this year’s Alantra Pharma Fast 50 contains so many consultancy businesses engaged in various aspects of medical communications. They include full-service businesses such as the sector winner Prime Global, while others offer specialist services at particular stages of the development process.

Oxford PharmaGenesis is a good example of the latter, having built a high-quality publications service that still accounts for around half the company’s revenues. Chief operating officer Richard White says the pressure to secure cut-through from publications to communications targeted at multiple stakeholders, from regulators to payers, has never been more intense. “The quality and impact of every aspect of your communications now represents a point of competitive advantage,” he argues.

White also points to growing demand for publications detailing real-world evidence obtained from patients outside of clinical trials, and an increasing focus on digital communications. “We now have a standalone digital and creative team that can deliver a range of services alongside our existing offer,” he says.

Accession is another specialist, focusing on market access services. It is an area where regulators and reimbursement bodies are

increasingly demanding, argues co-founder and managing director Elliot Rosen, with payers and practitioners being key audiences too. “In complex healthcare systems, the route to market is often anything but obvious,” he says. “The ability to navigate a way through those care pathways is crucial for the success of a new medicine, but specialist help and insight is required.”

Specialists like Prescient Healthcare Group bring evidence-based design thinking and decision making to clinical and commercial strategy ensuring the scientific potential of a molecule is optimally translated into a value proposition that resonates with stakeholders as relevant, differentiated and meaningful.

Elsewhere in the Alantra Pharma Fast 50, companies such as Lucid are seeing revenues grow as they work with healthcare practitioners to establish the benefits of clients’ drugs. In a competitive and sometimes crowded marketplace where practitioners themselves are under pressure to secure value, this can be crucial work.

The strong growth of consultants, often with generous margins, has naturally attracted interest and consolidation is an ongoing theme. Investors include strategic buyers such as Fishawack, which has made three acquisitions in the past year alone as it seeks to establish itself as the leading one-stop-shop communications business; larger business such as outsourcers Syneos and IQVIA have also been active as they seek to diversify their revenue streams.

Private equity firms are also taking an interest. The growing number of private equity houses with specialist pharma expertise and the

increasing awareness of the attractions of consultancies has prompted a number of deals and is likely to prompt a number more over the next 12 months.

Expect this trend to continue, particularly as the consultancy sector broadens, exploiting new technologies to deliver value-added services. The example of SciBite, the fastest-growing company of all in this year’s Alantra Pharma Fast 50, is indicative of a potential new direction for pharma industry consultancy. “The data that pharma and biotech companies hold contains profound insight, but help is needed to unlock it,” observes SciBite chief executive officer Rob Greenwood.



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**ELLIOT ROSEN,**  
CO-FOUNDER, ACCESSION

## Prime Global does the double

For the second year running, Prime Global is the top-performing medical communications consultancy in the Alantra Pharma Fast 50 (leaving aside overall winner SciBite). Impressively, the company's growth has actually accelerated over the past 12 months, with its two-year compound annual revenue growth rate increasing from 49% in last year's ranking to 58% this time around.

Chief executive officer Graeme Peterson believes there is more to come during 2020 and the years ahead amid burgeoning demand for medical communications consultancies that provide specialist, experienced and innovative expertise and support. Prime Global offers six full-service medical communications agencies, as well as specialist consultancies. The company's most recent investments, in new market access and digital technology capabilities, as well as in new offices in both the UK and the US, are designed to ensure it can capture as much of this demand as possible.

"Over the past 10 to 15 years, the cost of developing new drugs has continued to increase and so have the regulatory and access barriers and scientific scrutiny that precede approval," Peterson reflects. "Our clients recognise the need to professionalise every aspect of their communications because it's the strategy and quality of their scientific data, evidence and communications to access all audiences – including patients – that sets them apart – which is where we can help them excel."

Peterson believes technological innovation will increasingly be at the heart of everything Prime Global does, with clients looking for new ways to communicate with key stakeholders and more creative ways to express themselves. The last year has seen the company form "specialist teams", which includes a digital and technological innovation team that will provide support across the business to maximise its offering to clients.

### PRIME GLOBAL IN NUMBERS

#### NET REVENUE IN LAST 12 MONTHS

£19.2m

#### TWO-YEAR CAGR

58%

#### PHARMA FAST 50 RANKING

000  
00 5

Sector: Consulting

## In the spotlight

### Oxford PharmaGenesis

Founded in 1998, Oxford PharmaGenesis continues to grow at a rapid pace, posting compound annualised revenue growth of 21% over the past two years, taking sales to £25.8m. That has clinched it a place in the Alantra Pharma Fast 50 ranking for the fourth successive year. The company describes its activities as "HealthScience consultancy" – it provides a range of communications services to clients from across the sector, including big pharma and medium-sized pharma business, as well as a long tail of smaller clients.

With offices in Philadelphia, Basel and Melbourne as well as multiple locations in the UK, Oxford PharmaGenesis is well-placed to serve its growing international client base, with the US market in particular growing in importance.

Chief operating officer Richard White says the challenge is to keep evolving the value proposition, pointing to a major investment in digital and informatics services at the company. "Digital and data science are changing our business mix and giving us access to many new opportunities," he says.

## Preclinical CROs play the star role

Pharma outsourcing is now a firmly established structural trend, courtesy of big pharma's ongoing need to embed lean processes and shift away from early stage R&D. But within this theme, the rise of preclinical contract research organisations (CROs) is remarkable.

The need for ever more specialist expertise at the earliest stages of drug development and the growing number of "virtual biotechs" is driving strong demand for the best preclinical CROs.

Alantra Pharma Fast 50 constituent Charnwood Molecular is just one example of this story, posting compound annualised revenue growth of 41% over the past two years as demand for its medicinal chemistry and process research services has soared. "What we bring to clients is the ability to identify scalable routes to market for their drugs," says Charnwood's chief executive officer Steve Allin. "For the growing number of start-ups, biotechs and pharma businesses, often with venture capital funding, this is crucial in accelerating their development process."

Businesses such as Charnwood often operate very collaboratively, partnering with other preclinical CROs in adjacent disciplines so that clients have access to all the services they need from a collection of specialists rather than using a more generalist one-stop-shop. It is a model that is serving a number of other preclinical CROs in this year's Alantra Pharma Fast 50 very well.

At XenoGesis – a preclinical CRO not in this year's ranking because of the way it reports its accounts, but definitely one to watch for the future – chief executive Dr Richard Weaver says his business and its peers are reaping the benefits of a change of heart amongst outsourcing buyers. While clients might once have been tempted by the pricing models of large one-stop-shops in India and China, "they are now returning to the UK," he says.

"Price is not the same thing as value," Weaver says of XenoGesis's pitch in the crucial DMPK market. "What many clients found with those early outsourcing deals was that it took far longer to get where they needed to be, or that they didn't get there at all; we have the expertise to work proactively with clients to accelerate that process and secure better results."

It helps that the UK boasts world-leading intellectual property, not least as the industry continues to work closely with academia. Also, many preclinical CROs took flight when big pharma moved out of this work and have been able to secure cutting edge facilities and equipment.

Not that growth is only to be found at the preclinical end of the CRO market. The presence in this year's Alantra Pharma Fast 50 of businesses such as Simbec-Orion, a regular member of the ranking, and Richmond Pharmacology underlines the robust health of the clinical stage CRO business model in the UK too.

Contract manufacturing organisations (CMOs) are well represented in the ranking, also benefitting from the determination of big pharma to move out of any business area not considered core. One notable outperformer this year is Sterling Pharma Solutions, which has raised private equity funding over the past year and made its first acquisition. Compounding specialist Qualasept Pharmaxo, the leading company in the last three versions of the Alantra Pharma Fast 50, continues to perform strongly and is in the top 20 this time around.

Then there are adjacent specialisms where outsourcing is the clear business model of choice. Businesses such as Wasdell and PharmaPac, for example, provide specialist supply chain services. They too are part of the UK's pharma outsourcing success story.



What many clients found with those early outsourcing deals was that it took far longer to get where they needed to be, or that they didn't get there at all; we have the expertise to work proactively with clients to accelerate that process and secure better results.

**DR RICHARD WEAVER,**  
CHIEF EXECUTIVE, XENOGESIS

## BioAscent

Like many preclinical CROs, BioAscent, this year's top-performing outsourcer in the Alantra Pharma Fast 50, has its origins in big pharma, still occupying the same site from which Merck withdrew in 2011. The compound management facility that BioAscent inherited and has developed over the subsequent years remains part of the business, and a unique differentiator, but its current management team has broadened the value proposition and the company now offers assay, development, screening and medicinal chemistry services.

"It has helped us that these areas were among the last to be outsourced," says chief executive officer Paul Smith. "This is a market that's now growing very rapidly and we have a team of highly expert scientists who have been doing this work for many years – they're a perfect fit for clients such as the virtual biotechs."

Smith's background in business development and management, as well as science, has been

crucial in driving a step-change in growth. "We've worked really hard to professionalise our business development team, because while clients are wowed by our scientists, we've got to get them interested in the first place," he says. "It's a really noticeable feature of this part of the sector that client-facing communications and marketing often lags behind the wider market, so we've invested in areas like our website, newsletters and conferences."

Private equity investment from Maven has also helped the business to accelerate and the company is now targeting international expansion with consultant support on the ground in the US. "It's the world's biggest market for companies doing the high-risk, early-stage work and we're a really good fit for clients there," Smith adds. "We have a highly scalable business here and our core services can drive significantly more growth, including in the US."

### BIOASCENT IN NUMBERS

#### NET REVENUE IN LAST 12 MONTHS

£4.0m

#### TWO-YEAR CAGR

67%

#### PHARMA FAST 50 RANKING

83

Sector: Pharma outsourcing

## In the spotlight

### Charnwood Molecular

Nottingham-based Charnwood Molecular has posted compound annualised revenue growth of 41% over the past two years. The company offers specialised services in medicinal chemistry, chemical development and through into early process research and development (PRD), a winning combination that is securing significant business from clients looking for high-quality outsourcing in these areas. "It is the combination of our two skillsets that has really driven our growth," says chief executive officer Steve Allin, who co-founded the business in 1998. Charnwood's offering of discovery chemistry through to chemical development and onwards to early PRD is relatively unique in the market, the team work closely with Charnwood's medicinal chemists to make sure clients plan ahead to scale up early in their programs and avoid potentially expensive bottlenecks in the step up from research to development and clinical trials.

Charnwood's client base is increasingly global, clients range from start-ups and biotechs to smaller pharma businesses, with Charnwood stressing the need to form partnerships with its customers, rather than providing a simple service.

## Specialty secures success in DWS

The Development, Wholesale and Supply (DWS) category of the Alantra Pharma Fast 50 is a broad church, accounting for almost half the businesses in this year's ranking. Still, these fast-growing businesses are coalescing around a number of common themes in the marketplaces in which they operate.

One such theme is the rise of innovative companies developing new products in generics and specialist pharma. These include Morningside Healthcare, this year's category winner, as well as businesses such as Atnahs Pharma, Aspire Pharma, both of which are in the top ten constituents in the ranking, and Crescent Pharmaceuticals, a little further down.

Alongside Morningside, Aspire Pharma, last year's DWS category winner, is a good example of how a move beyond generics into specialist pharma can drive growth, having developed strong products in areas including ophthalmology, urology and central nervous system therapeutics. Innovation is crucial to such businesses – Aspire has a portfolio of c.30 products under development at any one time.

For other businesses in this sector, specialty is the model. Highly focused Albumedix is a good example, with recombinant human albumin products used as stabilisers that have little or no comparison with any other product available worldwide. The products are coming in to their own, explains Jonas Møller, Albumedix's chief operating officer, as more complex therapies reach late stage development and eventually the market. "Very often, these treatments are very difficult to stabilise, whether they're cell therapies, immunotherapies, gene therapies or next-generation viral vectored vaccines, but our solutions can achieve that," he says. "Our product is therefore crucial in helping drug developers to deliver the best possible therapies and we can help them ensure their products successfully reach the market and patient every time."

**"Our product is crucial in helping drug developers to deliver the best possible therapies and we can help them ensure their products successfully reach the market and patient every time."**

**JONAS MØLLER,  
CHIEF OPERATING OFFICER, ALBUMEDIX**

The advent of these complex medicines is analogous to the way in which the pharmaceuticals sector coped with antibodies decades ago, Møller argues. "We need to standardise manufacturing and agree commonalities, but I believe recombinant human albumin will have an integral role in scaling these products to be able to reach more patients globally."

It is a similar story at Immunocore, another business operating on the frontiers of new developments. Its growth is based on its development of complex biologics that take human T-cells and modify them to deliver treatments.

Elsewhere in the DWS space, the success of specialist instrumentation and technology businesses provides further evidence of how innovation and best-in-class expertise can drive growth. Binding Site, for example, develops protein tests for diagnosing blood

cancer diseases and immunological disorders based on its extensive expertise in antibody specificity. Blacktrace, meanwhile, produces cutting-edge pharmaceutical equipment used in research and development. The BBI Group's portfolio of products and services leverages its expertise in immunoassay development and manufacturing services. Two of these are making their first appearance in the Alantra Pharma Fast 50 ranking this year.

Nor does specialism have to be applied in frontline pharma for it to be effective and profitable. Specialist supply chain companies Origin and OBG concentrate their efforts on technologies that enable breakthroughs such as tracking systems that can be built into packaging materials. They offer material advantages to pharmaceutical companies managing complex distribution systems, focusing on compliance and mapping data.

Finally, it would be unfair to overlook the many successful wholesale and supply companies included in this year's ranking. Businesses including Smartway, Beta Pharma, Chemidex, Mawdsleys, London Pharma and Chemicals, and Converse Pharma all continue to post very strong growth.

Moreover, these companies are delivering against a tough market backdrop, with pressures such as pharmacy sector consolidation, healthcare funding restraints and Brexit disruption all threatening growth. The resilience of these businesses, often built on a combination of extensive industry experience and an appetite for modernisation and innovation, is to be admired.



## In the spotlight

### Albumedix

Nottingham-based Albumedix has posted compound annualised revenue growth of 37% over the past two years, taking sales to £26.1m. The company manufactures very pure recombinant human albumin products – to a higher standard than any other manufacturer in the world – for drug developers seeking a process aid and/or excipient in which to stabilise their novel active ingredients.

With increasingly complex drugs coming to market, Albumedix is well-placed to benefit, since traditional excipients are often not sufficient for advanced therapies such as cell therapies, gene therapies and next-generation viral vaccines. As well as being additive to these therapies “We are the choice when nothing else is working,” says Albumedix chief operating officer Jonas Møller. “In short, our products greatly extend the often narrow stability window available for advanced therapies and keep the drug products stable for longer in a format easily administrable to patients while maintaining high product consistency and quality throughout the drug product life-time”. This can be the difference between a highly valuable, innovative therapy being viable or not, but can also make a vital difference to therapeutic performance – Albumedix have seen clients go from having to keep products at 80 degrees below zero to maintain stability to allowing worldwide shipping at two to eight degrees.

Albumedix has a varied client base, ranging from big pharma all the way through to small biotechs, often picking up new customers just as they are entering Phase I trials, but also later on in the process as developers realise their initial suboptimal formulations are not working in practise.

## Morningside Healthcare

Morningside Healthcare has grown rapidly, achieving compound annualised revenue growth of 68% over the past two years. This performance puts the business at the top of the Development, Wholesale and Supply category of this year’s Alantra Pharma Fast 50 ranking.

Morningside’s expertise lies in the research, development and licencing of new products. Based in Leicester, the business has been licencing and supplying pharmaceutical products since 2001 and currently has over 100 product marketing authorisations. Its products span a range of therapeutic areas including cardiology, dermatology, endocrinology, gastroenterology,

gynecology, immunology, neurology, oncology and rheumatology.

The business’s success reflects its commitment to innovation. The Morningside team identifies niche molecules in a wide range of therapeutic areas, developing products which traditionally have been difficult to develop and enabling it to lead the market. The team also bring to market licensed products which have previously been used as unlicensed products.

Although headquartered in the UK, Morningside has international capabilities with business partners, affiliates and manufacturing facilities around the world.

### MORNINGSIDE HEALTHCARE IN NUMBERS

#### NET REVENUE IN LAST 12 MONTHS

£22.0m

#### TWO-YEAR CAGR

68%

#### PHARMA FAST 50 RANKING

2

Sector: Development, wholesale and supply

## Five trends for 2020 and beyond

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Every pharma business understands that the world never stands still – and recognises the imperative of identifying the key drivers of future growth. This is an industry with many moving parts, from the big picture economic and political trends to the latest breakthroughs in research and development.

In last year's Alantra Pharma Fast 50, we sought to identify some of the themes that the UK's privately-owned pharma businesses should expect to affect their plans and progress. Many of the constituents of this year's rankings have borne witness to those themes, from the rise of data-driven pharma to the increasing importance of health economics and the growing appetite of private equity firms to invest in the sector.

It is likely that many of these themes will run and run. But what else is coming over the horizon? Here are just five trends with the potential to impact current and future constituents of the Alantra Pharma Fast 50 in 2020 and beyond.

## 01

### MORE GROWTH FOR PRECLINICAL CROS

There is every reason to expect preclinical contract research organisations (CROs) to continue their rapid pace of growth, particularly as these businesses target the mid-market and begin to position themselves for international expansion.

The example of Quotient is one that businesses in this sector are likely to follow. A combined clinical stage CRO and CMO, the business entered its third round of private equity ownership last year at a valuation of more than £600m and is now a transatlantic player. Investment and consolidation in the sector will continue.

## 04

### NICHE AND ULTRA-RARE DISEASES WILL CONTINUE TO ATTRACT MORE ATTENTION

Amid an increased focus on these conditions, venture capital-backed biotechs will increasingly be able to take their drugs all the way through to commercialisation rather than having to sell to big pharma when they begin to secure promising clinical results.

The opportunity is exciting. Phase III trials and commercialisation are significantly more manageable for ultra-rare diseases since developers are dealing with a smaller pool of patients and a higher unit selling cost.

In a market based on value rather than volume, there is much more scope for smaller biotechs to reap the full rewards of their development programs. This should also be a boon for outsourcers and consultants, given biotech's readiness to utilise external expertise and inherent adoption of outsourcing, sometimes for almost all of their activities.

## 02

### ONCOLOGY RESEARCH TO DELIVER BROADER DIVIDENDS

Look out for expansion into new areas for some of the cutting-edge pharma developed in the field of oncology. For example, while monoclonal antibodies have been used in cancer therapies for some time now, scientists are increasingly investigating their use in other therapeutic areas.

The scale of the cancer market and its high mortality rates make it a natural focus of research, and therefore the place that new discoveries are often made. As these discoveries become more economic to manufacture and are better understood, they spread into other areas. This will impact the whole supply chain, creating opportunities for businesses that can provide the relevant expertise in manufacturing processes.

## 05

### MORE CONSOLIDATION IN MEDICAL COMMUNICATIONS

As we report in this year's Alantra Pharma Fast 50, the medical communications sub-sector of the pharma consulting market has seen a recent flurry of deals, including both M&A and private equity investment. This trend is likely to continue over the next 12 months as leading players seek to acquire adjacent capabilities or raise capital for growth.

Look out for secondary and tertiary deals as existing private equity players look to cash in the enormous value already generated in this market. There will also be an appetite for first-time private equity investment amongst players keen to consolidate; as a result, the competition for smaller bolt-on acquisition targets will become increasingly fierce.

## 03

### TECH-ENABLED PHARMA WILL COME OF AGE

This year's Alantra Pharma Fast 50 includes a string of businesses reaping the rewards of bringing new technologies and tools to the pharma sector. Expect the number of such businesses to proliferate as technology continues to become more sophisticated, leading players validate their value proposition, and the pharma sector embraces the possibilities in areas such as data analytics and machine learning.

Many of the most successful companies so far are data-driven, helping their clients to make better use of insight they already possess, albeit obscured. The next stage in the maturity cycle will see artificial intelligence needing to prove its potential to play a greater role in drug discovery through successful and cost effective implementation of tools that help pharma companies identify and commercialise new therapies much more quickly and with lower failure rates.

# Ones to watch

## XenoGesis

The only reason Nottingham-based XenoGesis is not in this year's Alantra Pharma Fast 50 list is it does not yet publish a full set of accounts – everything else about XenoGesis marks it firmly as a Pharma Fast 50 one to watch.

This is a business growing at a rapid pace and in a sweet spot to continue doing so. XenoGesis's highly specialist skills in drug metabolism and pharmacokinetics (DMPK) make it well-positioned in a marketplace where this discipline, once thought of as just a "bolt-on", is now essential to success, applied throughout the drug development process and is a scarce resource.

XenoGesis chief executive Dr Richard Weaver watched the retreat of big pharma from in-house DMPK in the early 2000s during his early career at AstraZeneca. After AstraZeneca followed the lead of its peers, outsourcing its DMPK work, Weaver launched XenoGesis in 2011, and some of the business's current clients have been with them ever since.

From the beginning, XenoGesis has sought to differentiate itself from local and overseas competitors bidding for work on the basis

of price alone. "I thought there was a real opportunity to add value," he explains. "The Asian CROs were very good at doing exactly what they were told but not so good at reacting to the unexpected; by contrast, we work alongside the clients to help them anticipate and resolve problems as they occur."

Weaver expects CROs that offer specialist skills in disciplines that larger pharma companies are retrenching from to continue to prosper. "I can see big pharma pulling out of internal research altogether."

XenoGesis is therefore likely to have some decisions to make – it may need new capital in order to fully utilise the growing global opportunity for its services, and it is certainly attracting attention from suitors with adjacent competencies.

## Accession

Founded in 2011 by Elliot and Lindsey Rosen, Accession is another fast-growing business well-placed to join the Alantra Pharma Fast 50 in the years to come.

The consultancy has a specialist focus on market access, working with clients to help them navigate their way through local healthcare systems but also, critically, to build the case for new medicines with payers, practitioners and other stakeholders who are responsible for funding and reimbursement.

Accession is unapologetic about its absolute focus on market access. "This is an issue right at the top of the corporate agenda for pharma businesses and it is a discipline where they need access to specialist expertise and insight," says Elliot Rosen. "The complexity of healthcare systems means it is critical to work with a consultancy that can identify a route through care pathways into which new drugs often do not easily fit," adds Lindsey Rosen.

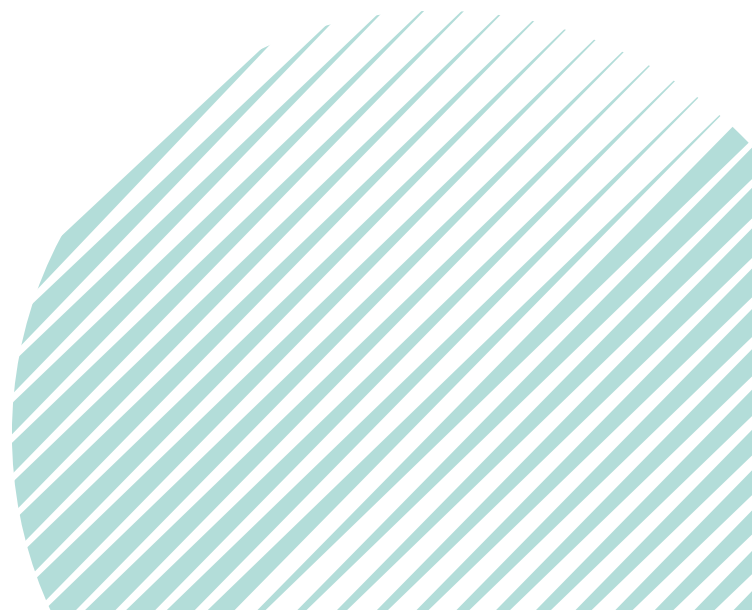
The company's client base includes a range of top ten pharma businesses as well as smaller pharma companies and biotechs. Clients are particularly attracted to Accession's focus on innovation, the Rosens argue. In particular, pathwaypro®, Accession's flagship digital market access product uses market access acumen, data science capability and digital expertise to help clients identify potential patient access challenges as they bring their medicines into the market and to develop solutions.

Having begun by helping its clients seeking to bring new therapies to the UK market, where the complexities of the NHS bring particular challenges, Accession is now increasingly working in key European and international markets.



These breakthrough businesses are focused on value creation – for payors, patients, CROs and big pharma alike. They are innovating at speed, paving the way for rapid growth.

**TOM COWAP,**  
ALANTRA







## SciBite

TWO-YEAR CAGR

76%

SALES IN LAST 12 MONTHS

£4.1m

Specialist in text analysis technology and clean data intelligence



## Morningside Healthcare

TWO-YEAR CAGR

68%

SALES IN LAST 12 MONTHS

£22.0m

Research, development and licensing of new products



## BioAscent

TWO-YEAR CAGR

67%

SALES IN LAST 12 MONTHS

£4.0m

Preclinical CRO offering comprehensive drug discovery services

# The fastest-growing pharma companies

## Pharma Fast 50 methodology

The Pharma Fast 50 assesses pharmaceutical businesses that are registered in the UK as private, independent and unquoted companies. This category includes private companies backed by private equity funders. Entities that are part of wider corporate groups qualify for inclusion provided their parent company's activities are not pharma-related.

## Qualification criteria and research approach

To be considered for inclusion, companies are required to achieve annual revenues of £1m or above in the first year of assessment. In addition, entrants are required to have filed three consecutive years of financial statements at Companies House, with the most recent statements dated no earlier than 31 December 2017. Accounts must also show growth in the most recent period under review. Companies that have shares listed on a stock exchange, or where any of their shares are held by a UK or overseas quoted company, will not qualify for inclusion.

### KEY

00 Rank

% 2-year CAGR

C Company

R Revenue (£m)

A Activity

● Pharma outsourcing





● Development, wholesale and supply









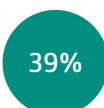


● Consulting










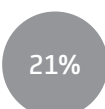
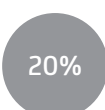
● Sub-sector winners

# The Fast 50

## KEY

00	Rank		Pharma outsourcing
%	2-year CAGR		Development, wholesale and supply
C	Company		Consulting
R	Revenue (£m)		Sub-sector winners
A	Activity		

04		<b>C BenevolentAI</b> R £6.8m A Development and application of artificial intelligence for scientific innovation
05		<b>C Prime Global</b> R £19.2m A Medical Communications
06		<b>C Envision Pharma</b> R £102.8m A Pharmaceutical marketing and consultancy services
07		<b>C Atnahs Pharma</b> R £118.1m A Acquires, markets and develops mature branded and proprietary generic medicines
08		<b>C Aspire Pharma</b> R £45.0m A Registration, marketing and distribution of branded and generic pharmaceuticals and medical devices
09		<b>C Arcinova</b> R £10.5m A CDMO providing a comprehensive range of integrated specialist services
10		<b>C Charnwood Molecular</b> R £5.1m A Preclinical CRO offering specialised services in medicinal chemistry, chemical development and process R&D
11		<b>C Bionical</b> R £58.7m A A CRO uniquely offering clinical trial supply, early access programmes and clinical development under one umbrella
12		<b>C Sygnature Discovery</b> R £23.9m A Integrated drug discovery services
13		<b>C Albumedix</b> R £26.1m A Recombinant human albumin products and technology
14		<b>C Smartway Pharmaceuticals</b> R £211.8m A Sourcing, storage, supply and distribution of generic and patented pharmaceuticals, biologicals and unlicensed products

15		<b>C PharmaPac</b> R £23.0m A Provider of manufacturing, filling and packing services
16		<b>C Lucid Group Communications</b> R £21.3m A Provider of strategic medical communications
17		<b>C Sterling Pharma Solutions</b> R £59.9m A Contract manufacturing
18		<b>C Qualasept Pharmaxo Holdings</b> R £239.6m A Makes ready-to-use injectable medicines
19		<b>C Amiculum</b> R £18.9m A Healthcare communications services and consultancy services
20		<b>C Stallergenes Greer</b> R £248.7m A Diagnosis and treatment of allergies through immunotherapy products and services
21		<b>C Crescendo Biologics</b> R £7.5m A Develops unique targeted T-cell engagers for therapeutics in oncology
22		<b>C Beta Pharmaceuticals</b> R £40.2m A Wholesale and distribution
23		<b>C Blacktrace</b> R £11.8m A Develops and manufactures scientific products
24		<b>C Oxford PharmaGenesis</b> R £25.8m A HealthScience communications consultancy
25		<b>C MD Group</b> R £18.6m A Consultancy services covering patient services, medical events, healthcare travel and software development

26	20%	<b>C Immunocore</b> R £23.7m A Research and development of engineered receptors	39	13%	<b>C Converse Pharma</b> R £237.9m A Wholesale supply of pharmaceuticals
27	18%	<b>C Chemidex Pharma</b> R £38.7m A Licenses and markets prescription pharmaceuticals	40	13%	<b>C Origin Packaging</b> R £13.9m A Design, manufacture and supply of pharmaceutical packaging
28	17%	<b>C Prescient Healthcare</b> R £17.4m A Product and portfolio strategy firm providing integrated insights and decision support	41	12%	<b>C OBG Pharmaceuticals</b> R £69.9m A Pharmaceuticals products manufacturer
29	17%	<b>C Binding Site</b> R £125.8m A Medical solutions for the diagnosis and management of blood cancers and immune system disorders	42	11%	<b>C Crescent Pharma</b> R £40.2m A Manufactures generic and branded products
30	17%	<b>C The Research Partnership</b> R £30.7m A Product strategy consultant	43	10%	<b>C Eagle Genomics</b> R £1.3m A Enterprise platform solutions for microbiomics and genomics industry
31	16%	<b>C Evaluate Group</b> R £26.9m A Commercial intelligence for the life science industry	44	9%	<b>C Wasdell Group</b> R £42.7m A Outsourced solutions including manufacturing and packaging
32	16%	<b>C LGC</b> R £331.2m A Life science measurement and testing	45	9%	<b>C Quanticate</b> R £18.8m A Clinical research provider
33	16%	<b>C Mawdsleys Group</b> R £326.0m A Wholesale of pharmaceutical goods	46	8%	<b>C Morningside Pharmaceuticals</b> R £64.9m A Supplies licensed pharmaceuticals to the NHS, retail pharmacies and aid agencies
34	16%	<b>C Richmond Pharmacology</b> R £13.6m A Contract research organisation providing services from design to delivery of early phase clinical trials	47	7%	<b>C Norbrook</b> R £275.1m A Manufacture and sale of human and veterinary pharmaceutical products
35	15%	<b>C Nova Laboratories</b> R £23.4m A Supplies specials and clinical trial medicines	48	7%	<b>C BBI Group</b> R £63.9m A Products and services to diagnostic and life sciences industries including immunoassays
36	15%	<b>C London Pharma &amp; Chemicals</b> R £66.3m A Agents and distributors of pharmaceutical goods and ingredients	49	6%	<b>C Mirada Medical</b> R £4.7m A Development and sale of medical imaging software
37	15%	<b>C Clarity Pharma</b> R £58.7m A Pharmaceutical consultancy	50	5%	<b>C Carbosynth</b> R £19.4m A Wholesale and development of pharmaceutical goods
38	14%	<b>C Simbec-Orion Group</b> R £30.7m A Clinical research provider			

# Healthcare sector

At Alantra we focus our activity in the Healthcare sector on the following key areas – Healthcare Services, Pharmaceuticals (products and services) and Medtech (devices and supplies).

## Healthcare team: selected track record

   Sale to 	   Sale to 	   Sale to 
   Sale to 	   Sale to 	   Sale to 
   Sale to 	   Growth capital investment 	   Acquisition of 
   Capital raise 	   Investment by 	   Investment by 

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## The Pharma Fast 50 team

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**SOPHIE GLANFIELD**

### ALANTRA

Alantra is a global investment banking, asset management and portfolio advisory firm focusing on the mid-market with offices across Europe, the US, Latin America and Asia.

### FULL ADVISORY SERVICE

Alantra advises business owners, management teams and financial investors on:

- M&A transactions
- Private equity
- Equity capital markets
- Debt capital markets

### GLOBAL REACH

Our team of 300 corporate finance professionals are present in over 20 countries:

- Advised on over 1,100 deals worth more than €100bn
- Over 50% of our deals are cross-border
- Quoted partnership with over 100 partners leading deals

### SECTOR EXPERTISE

Deep coverage of chosen niches:

- Over 350 business sold to strategic trade acquirers
- Cross-border relationships with strategic acquirers and capital providers

### CONTACT US

If you would like to discuss the Alantra Pharma Fast 50, find out more about our work in the Healthcare sector or how we can help you achieve your objectives, please contact us.



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