

---

# **Glenmark Pharmaceuticals Limited**

**JP Morgan Healthcare Conference  
January 2016**



# Safe Harbor Disclaimer

---

This document has been prepared by Glenmark Pharmaceuticals Ltd. The information, statements and analysis made in this document describing company's objectives, projections and estimates are forward looking statements and progressive within the meaning of applicable Security Laws and Regulations.

The analysis contained herein is based on numerous assumptions. Actual results may vary from those expressed or implied depending upon economic conditions, government policies and other incidental factors. No representation or warranty, either expressed or implied, is provided in relation to this presentation. This presentation should not be regarded by recipients as a substitute for the exercise of their own judgment.

# **CORPORATE OVERVIEW**

# Vision

- Ranks among the top 80 companies in the world
- Ranks 8<sup>th</sup> among companies in Asia \*
- Ranks 10<sup>th</sup> among companies based out of emerging markets \*\*

- 12 finished dosage plants in five countries
- 5 API plants in India for captive and commercial requirements
- 1 biologics manufacturing site in Switzerland

To emerge as a **Leading Integrated Research-led Global** pharmaceutical company

- Established research capabilities in both novel small molecules and biologics
- 7 molecules in different stages of clinical development

- Commercial presence in more than 60 countries across the globe
- More than 70% of revenue from international markets

Source: SCRIIP Rankings 2016

\* excludes Japan

\*\* includes countries like Brazil, Russia, India, China and South Africa

# Evolution into One of the Successful Pharmaceutical Companies across Emerging Markets



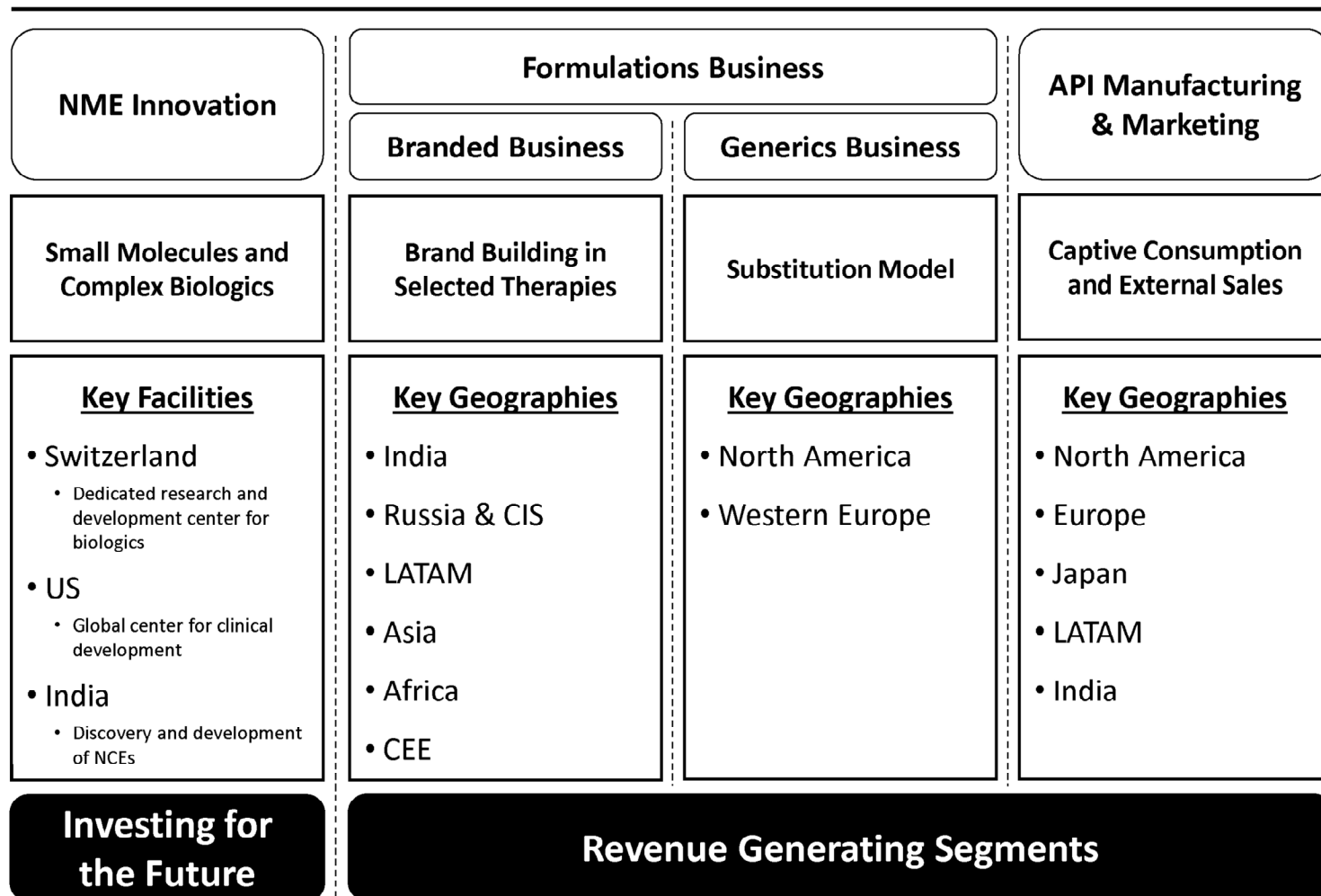
	Year 2000	Year 2015
Wealth Creation	Consolidated turnover: \$ 31 mn Market capitalization: \$ 40 mn	Consolidated turnover: \$ 1.1 billion Market capitalization: \$ 3.8 billion *
Manufacturing Footprint	2 formulations facilities	<ul style="list-style-type: none"> <li>• 18 facilities across formulations and API in 6 countries (8 US FDA approved)</li> <li>• New formulation facility commissioned in the US in 2015</li> <li>• New GMP-grade biologics plant in Switzerland with up to 250 L batch size</li> </ul>
International Operations	About 8% of total turnover	More than 70% of total turnover
Innovation	Initiation of NME research	<ul style="list-style-type: none"> <li>• Seven out-licensing deals signed with Eli Lilly, Merck, Sanofi and Forest Labs</li> <li>• More than \$ 200 mn of cash received as upfront / milestone payments</li> </ul>
Global Employee Base	Less than 1,000	More than 12,000

\* As of January 7, 2016  
Source: Bloomberg

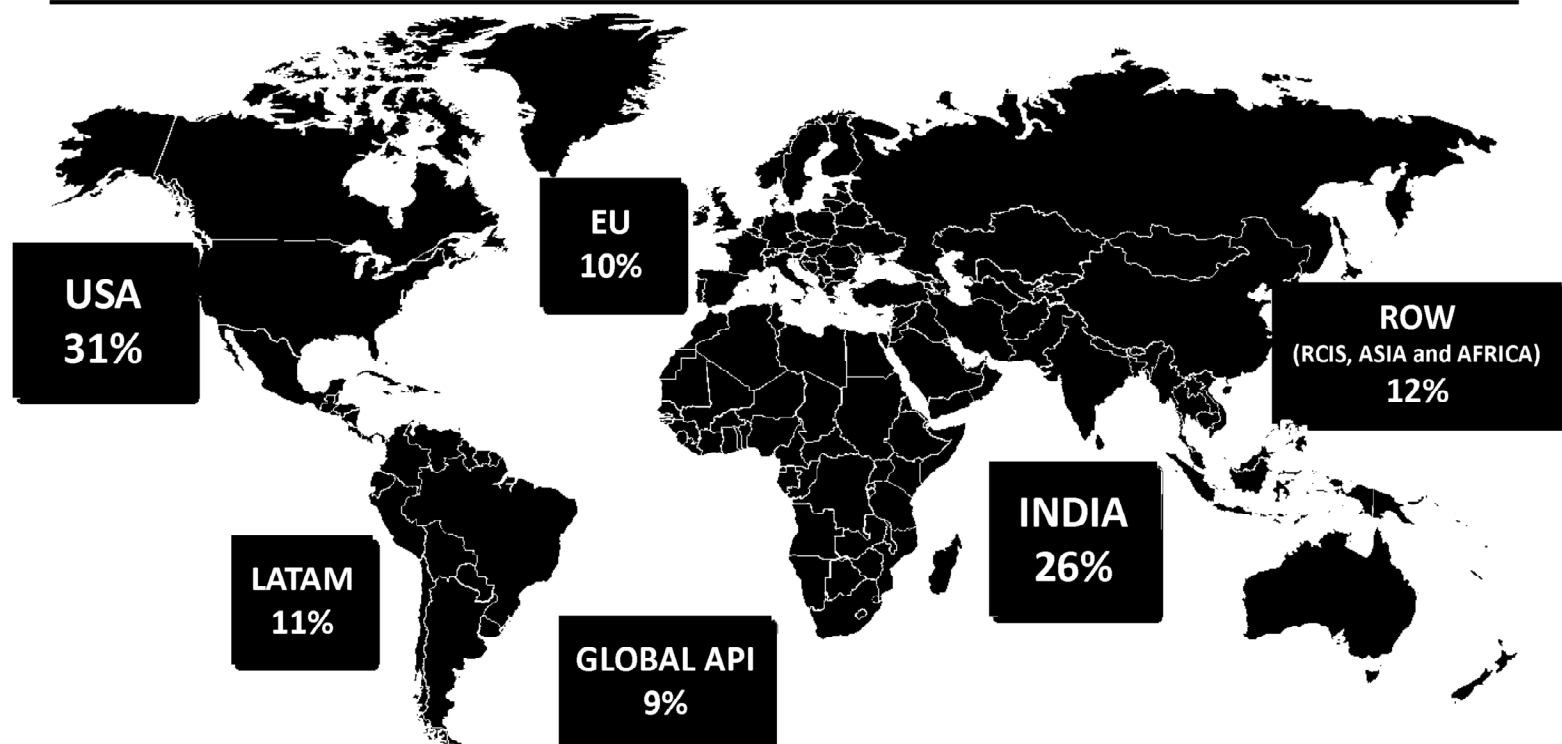


**glenmark**  
A new way for a new world

# Glenmark Value Chain



# Strong Commercial Presence across the Globe



- Operations in more than 60 countries across 5 continents, with a direct presence in all major markets such as India, the US, EU, Brazil and Russia
- Global commercial infrastructure to be leveraged for marketing of innovative products in the future

Source: Regional revenue breakup as of FY15

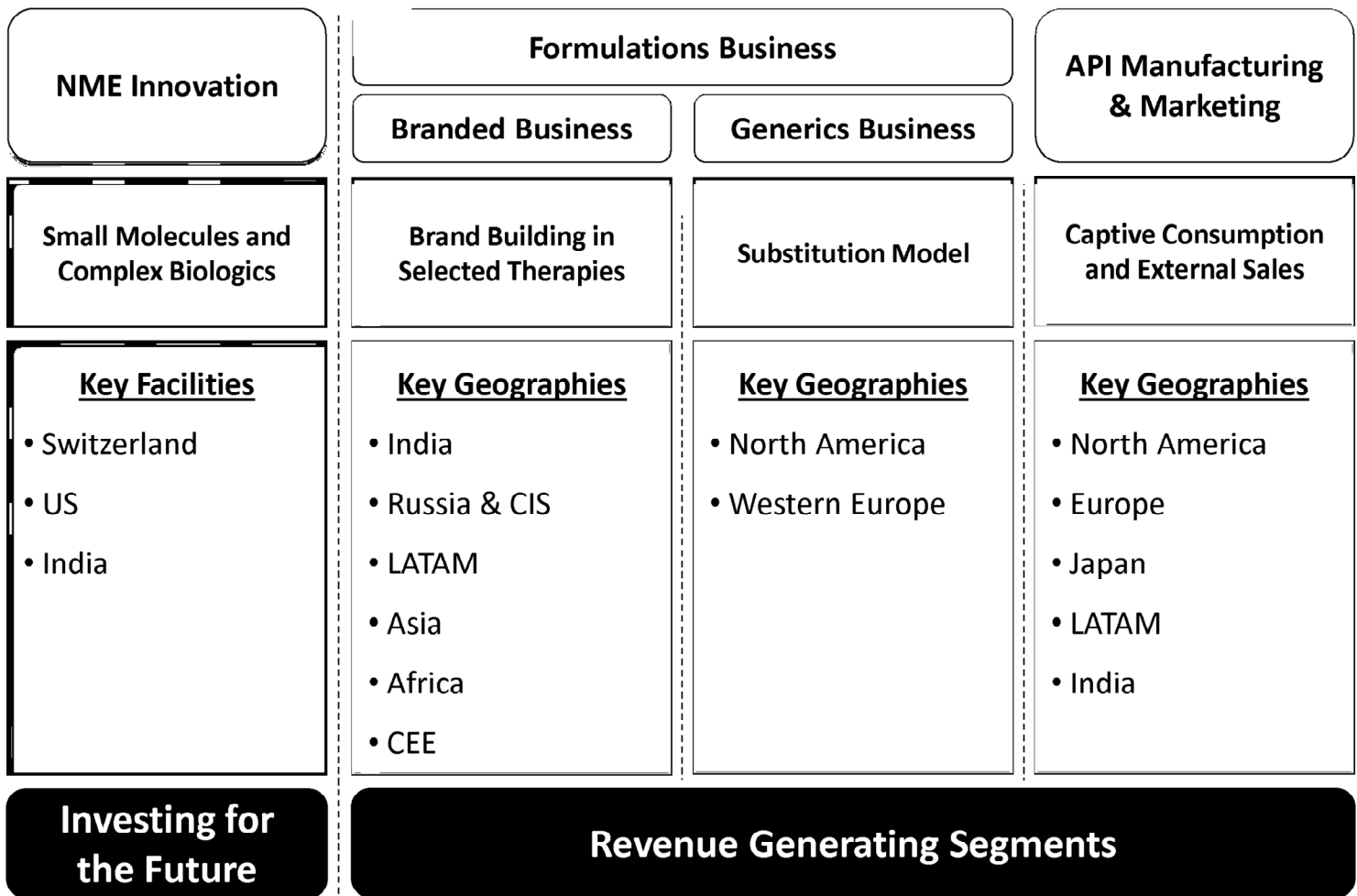
# BUSINESS OVERVIEW





**glenmark**  
A new way for a new world

# Glenmark Value Chain





**glenmark**  
A new way for a new world

# Novel Drugs Pipeline

	Compound	Primary Indications	Target	Pre-Clinical	Phase 1	Phase 2a	Phase 2b	Phase 3	Approval
NCE	GRC 17536	Neuropathic Pain	TRPA1 Inhibitor						
	GRC 27864	Relief from Osteoarthritic Pain	mPGES-1 Inhibitor						
NBE	Vatelizumab (GBR 500)	Autoimmune Indications	VLA - 2 Antagonist						
	GBR 830	Atopic Dermatitis	OX 40 Antagonist						
	GBR 900	Inflammatory Pain	TrkA Antagonist						
	GBR 1302	Her2+ve Cancers	HER2xCD3 (bispecific mAb)						
	GBR 1342	Multiple Myeloma	CD38xCD3 (bispecific mAb)						

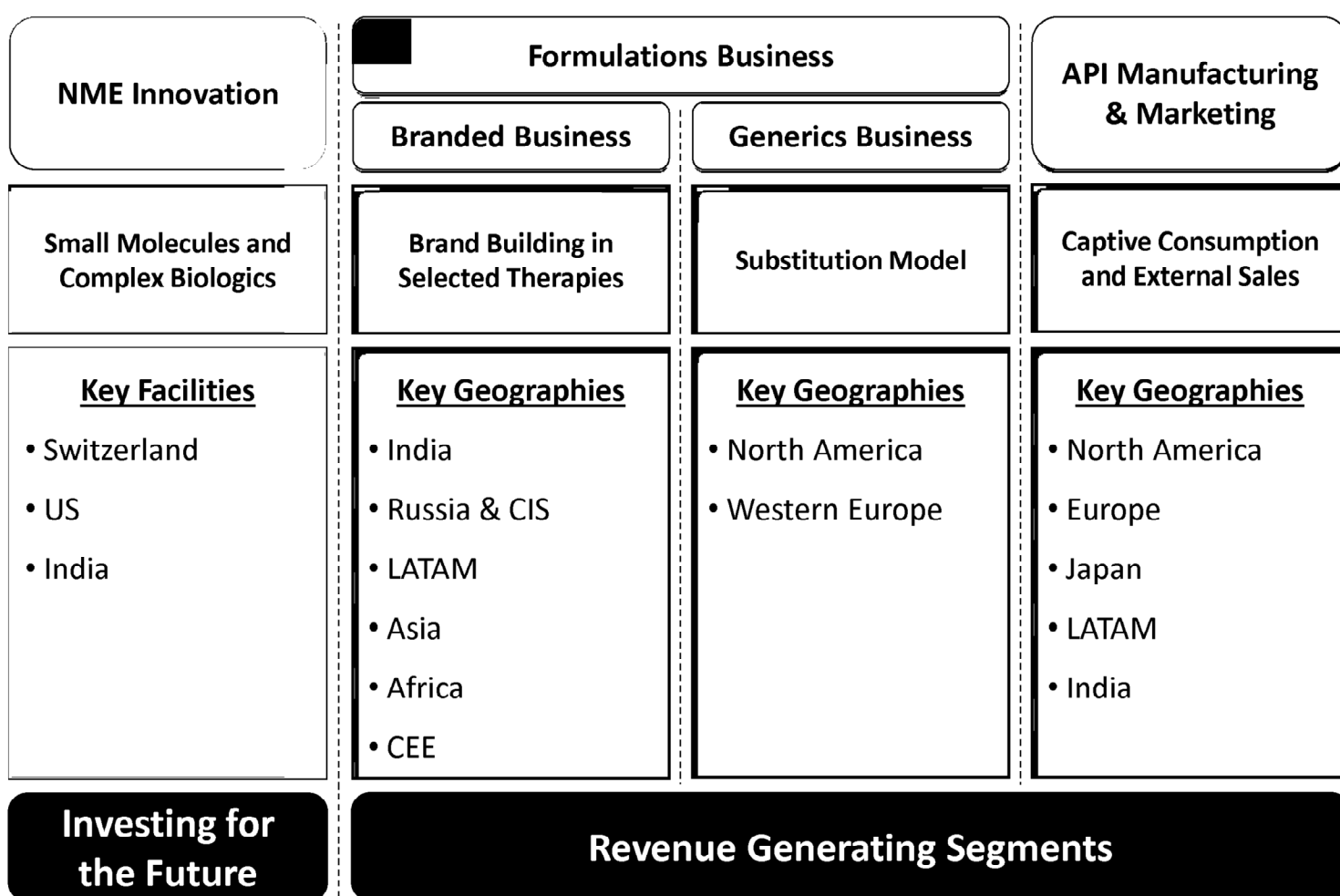
- **GBR 830:** Phase 2a trial initiated in the US with Atopic Dermatitis as primary indication; also being evaluated in other indications
- **GBR 1302:** Phase 1 trial initiated in Germany
- **GBR 500:** Currently evaluating for further out-licensing in other autoimmune indications
- **GBR 1342:** Plan to file IND application to initiate Phase 1 in the US in the next 9 months

Pipeline as of January 2016



**glenmark**  
A new way for a new world

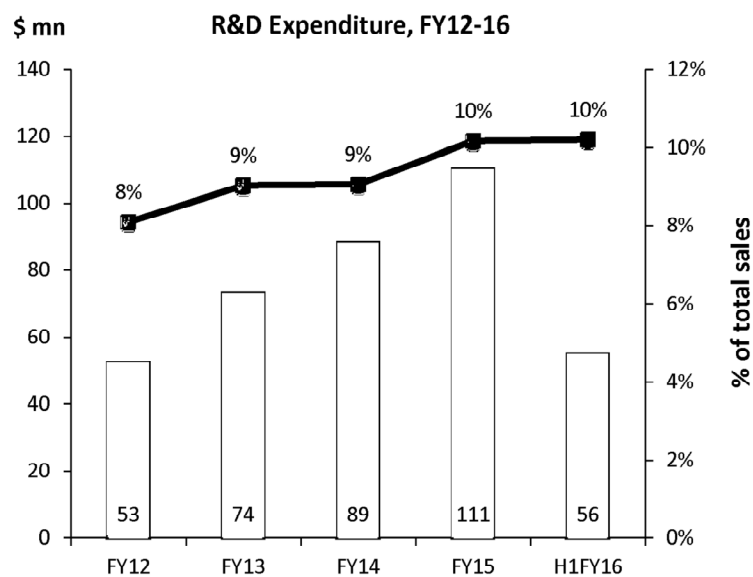
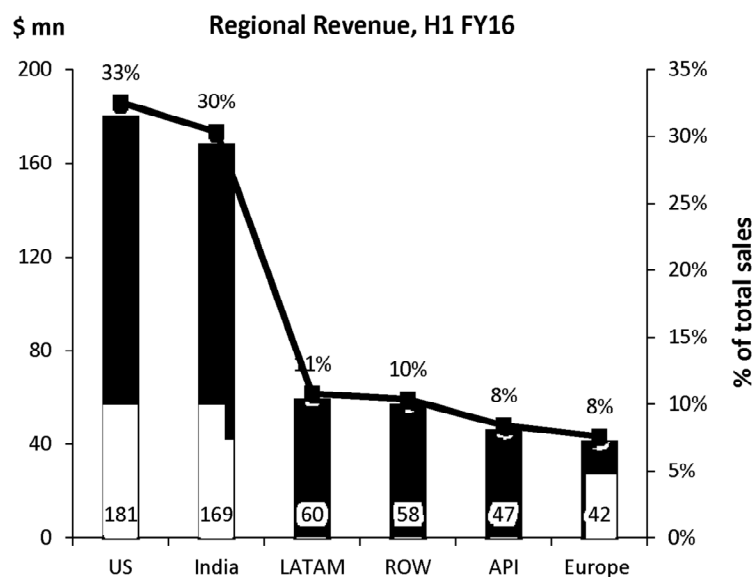
# Glenmark Value Chain



# Sustaining Growth and Margins in a Challenging Environment

In \$ mn

	H1 FY16	H1 FY15	% YoY growth	FY15
Net Sales	556	494	12.5%	1,087
EBITDA	119	106	12.4%	200
<b>EBITDA % of net sales</b>	<b>21.4%</b>	<b>21.4%</b>		<b>18.4%</b>
Net Profit	61	55	11.1%	108
<b>Net Profit % of net sales</b>	<b>11.0%</b>	<b>11.1%</b>		<b>10%</b>



Source: Glenmark Q2 and H1 FY16 Statement of Financial Results  
Note: USD/INR = 64.06 for H1 FY16 and H1 FY15; USD/INR = 61.17 for FY15



**glenmark**  
A new way for a new world

# Snapshot of the US generics pipeline

Primary Category	Pending Approval	Authorized to Distribute	Total Filings	Market Size (\$ mn) MAT Sep 2015
Immediate Release	28	49	77	26,192
Dermatology	12	25	37	2,744
Hormones	8	17	25	2,460
Injectables	8	0	8	2,717
Others	6	13	19	2,074
<b>Total</b>	<b>62</b>	<b>104</b>	<b>166</b>	<b>36,187</b>
<b>Para IV filings</b>	<b>26</b>	<b>0</b>	<b>26</b>	<b>19,020</b>

- **100+ ANDAs authorized for distribution and 62 products pending approval in the US**
- **Key FTF launch coming up – generic Ezetimibe in December 2016**

**Note:** Pipeline data updated as of 2 December, 2015; MAT sales as per IMS Health NSP September 2015  
'Others' Includes Modified Release, Controlled Substances, Immunosuppressants

# **GLENMARK IN THE NEXT DECADE**

# Key Trends are Altering the Global Industry Landscape

## Pricing pressure across markets

- Increasing competition from smaller companies
- Consolidation of supply chain in the US and EU
- Governments in emerging markets implementing some level of price control

## Increased focus on quality and compliance

- US FDA, EMA, MHRA, PICS approval becoming the norm across developed and emerging markets
- Increase in cost of doing business

## Shift towards more complex treatment alternatives

- Treatment paradigm shifting towards more targeted therapies and personalized medicines
- Evolution of new technologies integrating with new drug development for more effective treatment and monitoring

## Decline of commodity generics in the US

- Patent cliff less than historical; potential market to reduce going forward
- Treatment paradigm shifts towards more complex molecules

## Macro-economic challenges across emerging markets

- While local currency growth is healthy, overall operating environment remains benign
- Currency depreciation impacting major markets such as Brazil, Russia, Venezuela

# Glenmark in the Next Decade: Strategic Priorities

**18-20%**

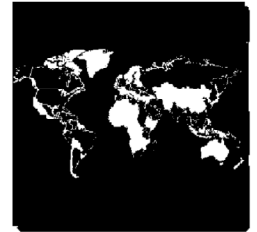
Continue to grow  
base business at  
**18-20% per  
annum over the  
next decade**



Build global  
leadership  
position across  
core therapy  
areas of  
Dermatology,  
Respiratory and  
Oncology

**30%**

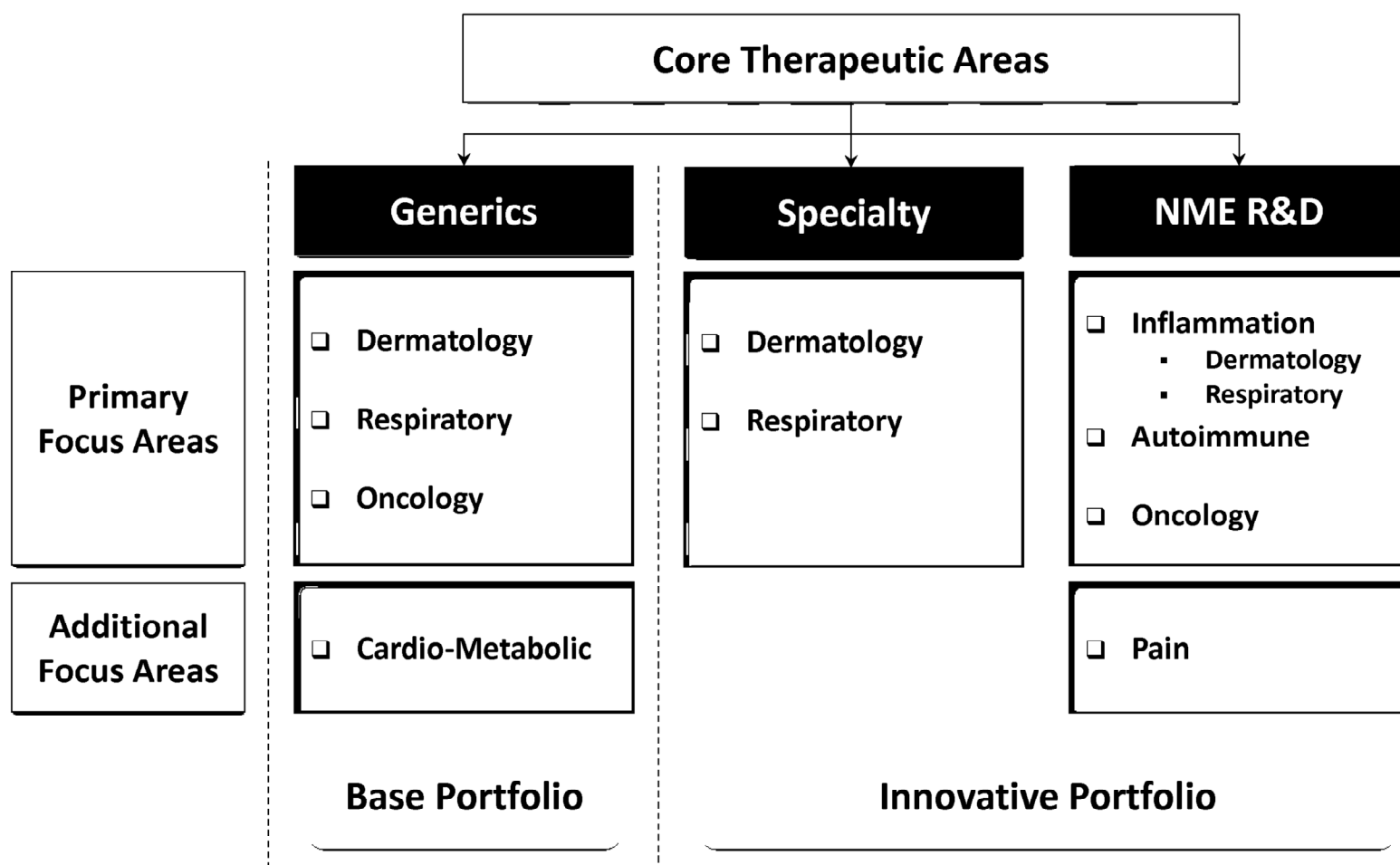
Transition to an  
innovative  
company with  
**~30% of revenues  
generated from  
the innovative  
portfolio by the  
year 2025**



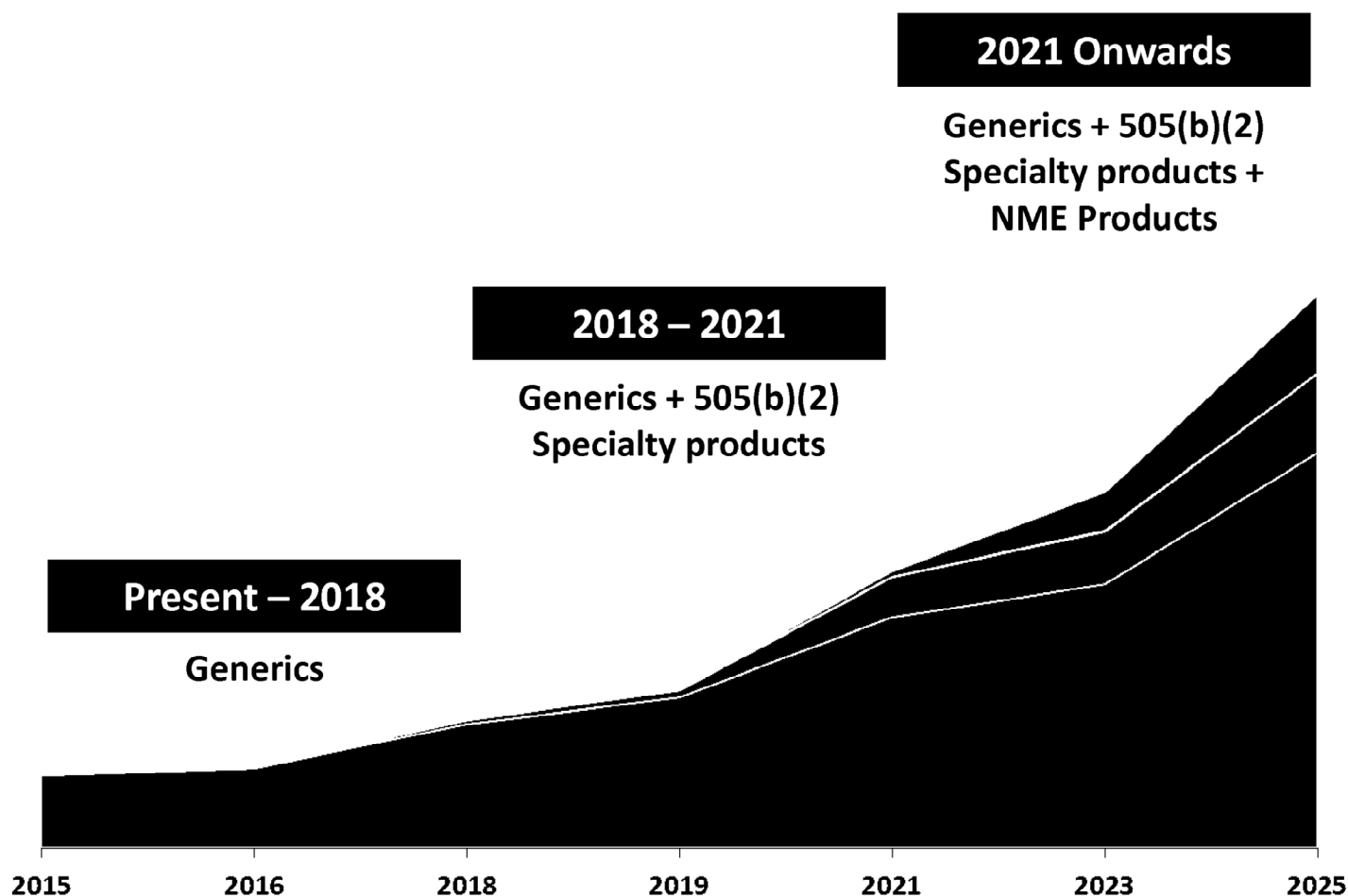
Focus on organic  
growth &  
leverage internal  
capabilities and  
commercial  
footprint across  
markets



# Glenmark in the Next Decade: Focused Approach in Innovation



# Glenmark in the Next Decade: Positioning for Future Success



---

**Q&A**





**glenmark**

A new way for a new world