Glenmark Pharmaceuticals Limited

JP Morgan Healthcare Conference January 2016



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CORPORATE OVERVIEW

Vision



- Ranks among the top 80 companies in the world
- Ranks 8th among companies in Asia *
- Ranks 10th 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: SCRIP 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 Consolidated turnover: \$ 31 mn Consolidated turnover: \$ 1.1 billion **Wealth Creation** Market capitalization: \$ 40 mn Market capitalization: \$ 3.8 billion * 18 facilities across formulations and API in 6 countries (8 US FDA approved) **Manufacturing** New formulation facility commissioned 2 formulations facilities in the US in 2015 **Footprint** New GMP-grade biologics plant in Switzerland with up to 250 L batch size International About 8% of total turnover More than 70% of total turnover **Operations** Seven out-licensing deals signed with Eli Lilly, Merck, Sanofi and Forest Labs **Innovation** Initiation of NME research More than \$ 200 mn of cash received as upfront / milestone payments Global Less than 1,000 More than **12,000 Employee Base**

* As of January 7, 2016 Source: Bloomberg

Glenmark Value Chain



NME Innovation

Formulations Business

API Manufacturing & Marketing

Small Molecules and Complex Biologics

Brand Building in Selected Therapies

Branded Business

Substitution Model

Generics Business

Captive Consumption and External Sales

Key Facilities

- Switzerland
 - Dedicated research and development center for biologics
- US
 - Global center for clinical development
- India
 - Discovery and development of NCEs

Key Geographies

- India
- Russia & CIS
- LATAM
- Asia
- Africa
- CEE

Key Geographies

- North America
- Western Europe

Key Geographies

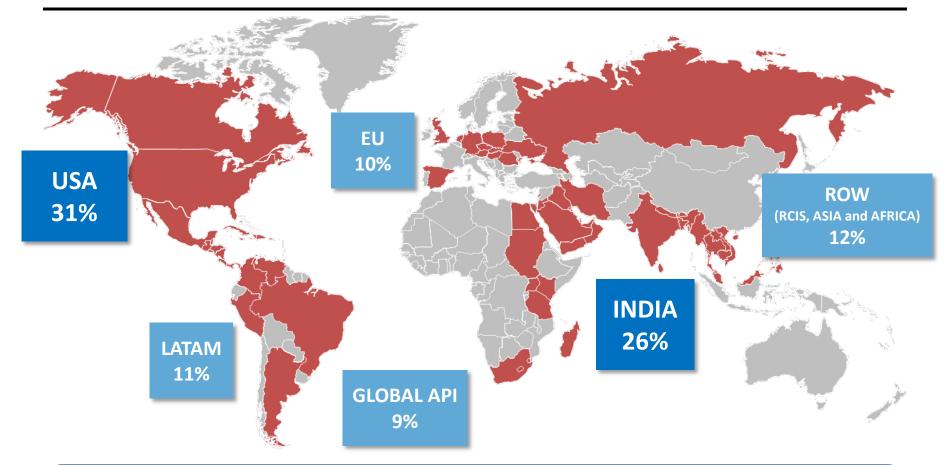
- North America
- Europe
- Japan
- LATAM
- India

Investing for the Future

Revenue Generating Segments

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



BUSINESS OVERVIEW

Glenmark Value Chain



NME Innovation

Small Molecules and Complex Biologics

Key Facilities

- Switzerland
- US
- India

Formulations Business

Branded Business

Brand Building in Selected Therapies

Key Geographies

- India
- Russia & CIS
- LATAM
- Asia
- Africa
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Generics Business

Substitution Model

Key Geographies

- North America
- Western Europe

API Manufacturing & Marketing

Captive Consumption and External Sales

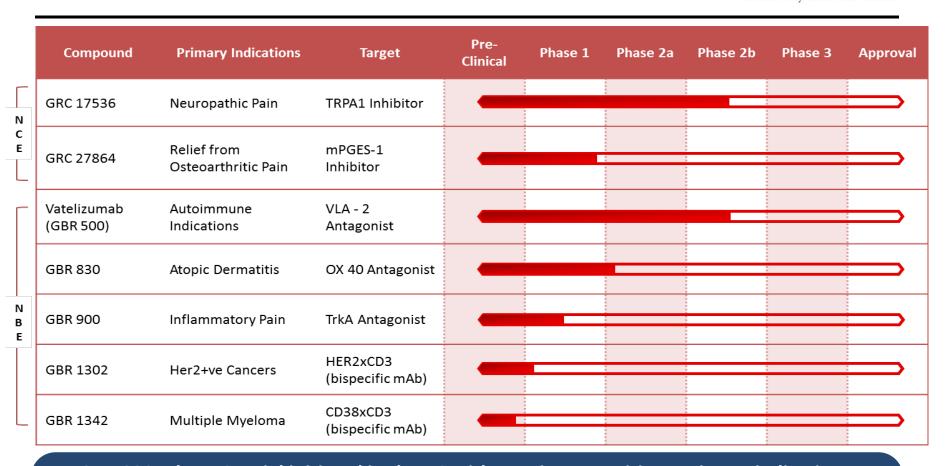
Key Geographies

- North America
- Europe
- Japan
- LATAM
- India

Investing for the Future

Revenue Generating Segments

Novel Drugs Pipeline



- 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

Glenmark Value Chain

NME Innovation

Small Molecules and Complex Biologics

Key Facilities

- Switzerland
- US
- India

Formulations Business

Branded Business

Brand Building in Selected Therapies

Key Geographies

- India
- Russia & CIS
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API Manufacturing

& Marketing

Substitution Model

Key Geographies

- North America
- Western Europe

Key Geographies

Captive Consumption

and External Sales

- North America
- Europe
- Japan
- LATAM
- India

Investing for the Future

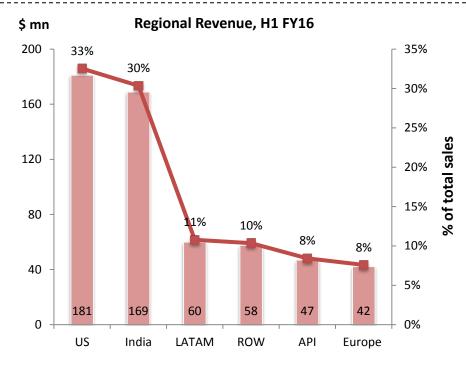
Revenue Generating Segments

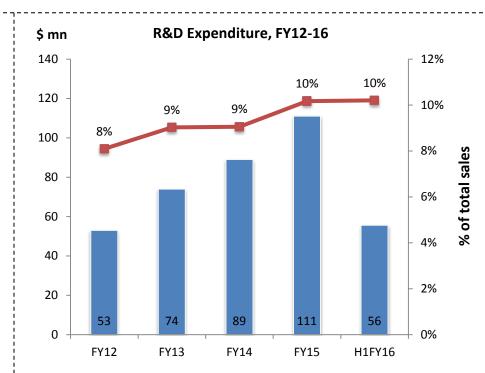
Sustaining Growth and Margins in a Challenging Environment



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





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

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
Total	62	104	166	36,187
Para IV filings	26	0	26	19,020

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



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%

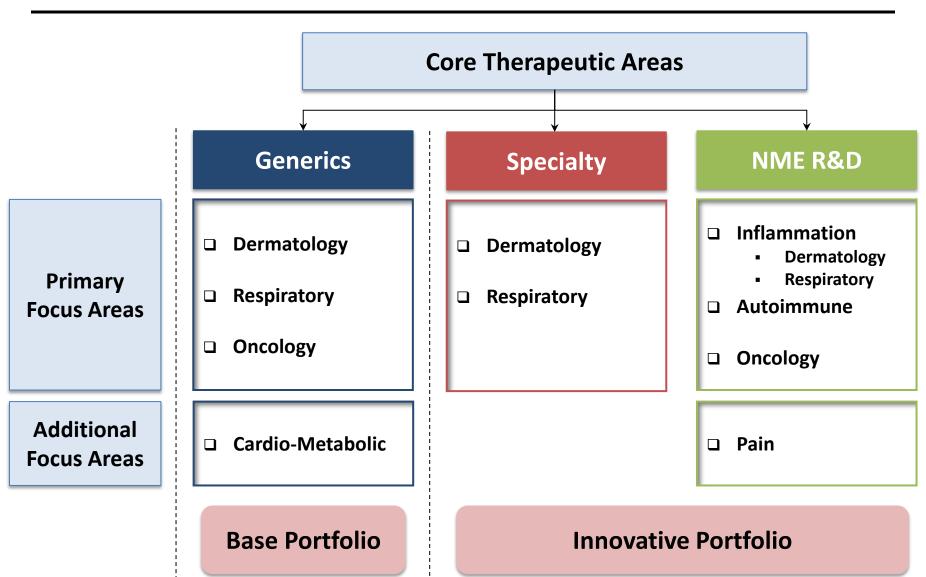
Transition to an innovative company with ~30% of revenues generated from the innovative portfolio by the year 2025



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

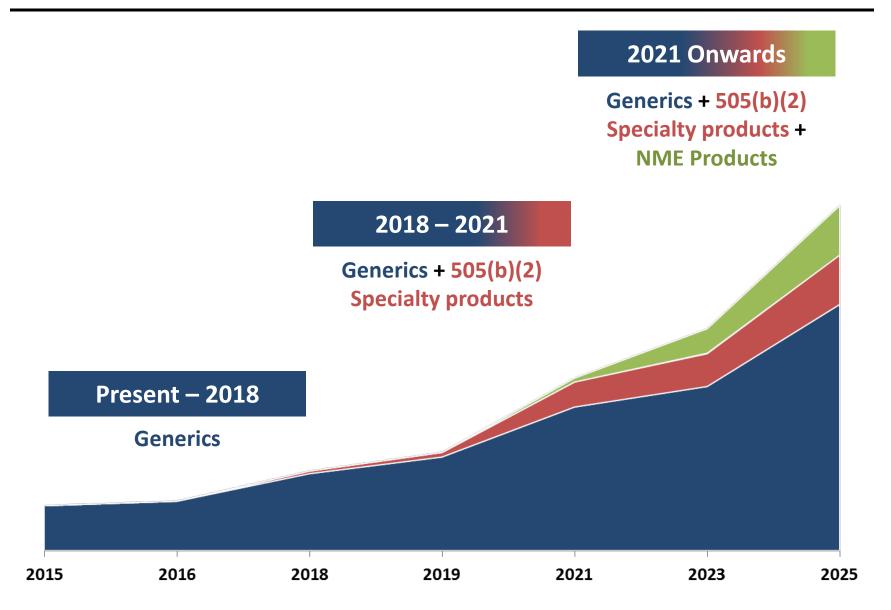
Glenmark in the Next Decade: Focused Approach in Innovation





Glenmark in the Next Decade: Positioning for Future Success







Q&A