

Press Release

For Immediate Dissemination

Glenmark's consolidated revenue rises 9.05% to Rs. 28,150.4 Mn. in Q2 FY 2019-20**Consolidated Net Profit was at Rs. 2,555.42 Mn. in Q2 FY 2019-20****Consolidated EBITDA rises by 2.3% to Rs. 4,504.08 Mn. in Q2 FY 2019-20****Highlights for Q2 FY 2019-2020**

- India Business grew by 15.16% to Rs. 8,963.56 Mn.
- US Business grew by 4.64% to Rs. 8,478.26 Mn.
- Europe Business grew by 9.32% to Rs. 2,850.90 Mn.
- ROW Business grew by 14.32% to Rs. 3,487.98 Mn.
- API Business grew by 7.39% to Rs. 2,697.81 Mn.

Mumbai, India, November 14, 2019: Glenmark Pharmaceuticals Limited, a research-led global integrated pharmaceutical company, today announced its financial results for the second quarter ended September 30 of financial year 2019-20.

In the second quarter ended September 30, 2019, Glenmark's consolidated revenue was at Rs. 28,150.40 Mn. as against Rs. 25,813.32 Mn., recording an increase of 9.05%.

Consolidated Net Profit was at Rs. 2,555.42 Mn. for the quarter ended September 30, 2019 as compared to Rs. 4140 Mn. in the previous corresponding quarter. The Net Profit is not comparable to the previous corresponding quarter on account of an exceptional income of Rs 1,671.82 Mn. recorded in the second quarter of the previous financial year.

Consolidated EBITDA excluding Other income was at Rs. 4,504.08 Mn. in the quarter ended September 30, 2019 as against Rs. 4,401.06 Mn. in the previous corresponding quarter, an increase of 2.3%.

"We have rebounded strongly in the second quarter with most of our businesses recording good growth. The India business has continued to witness strong growth while the US sales have grown quarter over quarter sequentially. The Latam business has also recovered well in the second quarter," said Glenn Saldanha, Chairman & MD, Glenmark Pharmaceuticals. He added, "The overall global macro environment continues to remain challenging and we still hope to sustain the momentum that the business has garnered during the second quarter."

India

Sales from the formulation business in India for the second quarter of FY 2019-20 was at Rs. 8,963.56 Mn. (USD 127.65 Mn.) as against Rs. 7,783.57 Mn. (USD 111.52 Mn.) in the previous corresponding quarter, recording a growth of 15.16 %.

The India business continued to outperform the industry growth; as per IQVIA Q2 FY 2019-20, Glenmark's India business recorded growth of 15.3% compared to IPM growth of 12.6%. As per IQVIA MAT September 2019, the India business recorded growth of 12.3% compared to IPM growth of 10.3%. Glenmark's India formulation business is ranked 14th, with market share of 2.19%. Glenmark has 9 brands among the 'Top 300 Brands in the IPM.'

In terms of market share, Glenmark's India business further strengthened itself in core therapy areas such as Cardiac and Respiratory. As per IQVIA MAT September 2019, the Cardiac segment market share increased from 4.40% to 4.63%; the Respiratory segment market share rose from 4.69% to ~5%; the Anti-diabetic segment market share increased from 1.64% to 1.66%; and the Derma segment market share changed from 9.11% to 9%.

Glenmark's Consumer Care business consolidated its sales growth trajectory in Q2, despite some headwinds in the larger discretionary consumption categories. The consumer business grew at almost 20% to around Rs. 553 Mn. in the second quarter.

USA

Glenmark Pharmaceuticals Inc., USA registered revenue from the sale of finished dosage formulations of Rs. 8,478.26 Mn. (USD 120.72 Mn.) for the quarter ended Sep 30, 2019 as against revenue of Rs. 8,102.47 Mn. (USD 116.05 Mn.) for the previous corresponding quarter, recording an increase of 4.64%.

In the second quarter of fiscal year 2019-20, Glenmark was granted final approval and launched Ranolazine Extended-Release Tablets, Pimecrolimus Cream, 1% and Clobetasol Propionate Foam, 0.05% [Emulsion Formulation]. In addition, Glenmark launched the previously approved product HAILEY® 1.5/30 [Norethindrone Acetate and Ethinyl Estradiol Tablets USP, 1.5 mg/30 mcg]. Glenmark also received approval for Fulvestrant Injection, 250 mg/5 mL (50 mg/mL) which was its first injectable approval. In the six months of FY 2019-20, the Company has received 9 ANDA approvals including 8 final approvals and 1 tentative approval. The generic industry continues to be subdued with the overall generic topical dermatology market continuing to witness price erosion of 6-7% on a Q-on-Q basis. The Company filed one ANDA application with the U.S. FDA, and plans to file an additional three applications in the forthcoming quarter.

Africa, Asia and CIS Region (ROW)

For the second quarter of FY 2019-20, revenue from Africa, Asia and CIS region was Rs. 3,487.98 Mn. (USD 49.70 Mn.) as against Rs. 3,051.16 Mn. (USD 43.77 Mn.) for the previous corresponding quarter, recording an increase of 14.32%.

As per IQVIA data for MAT September 2019, Glenmark Russia recorded growth of 8.7% in value vis-à-vis overall retail market growth of 5.2%; Glenmark's overall rank is 47 in Russian pharmaceutical market. As per IQVIA, Glenmark grew by 3.1% in value vis-à-vis overall market growth of 3.4% in the dermatology segment.

Amongst the companies present in the expectorants market, Glenmark secures a strong position and ranks 4 as per IQVIA MAT September 2019. During the second quarter, Glenmark received approval from the Ministry of Healthcare, Russia to market Montlezir (Levocetirizine Dihydrochloride 5mg + Montelukast Sodium 10mg) film-coated tablets as a prescription product for the treatment of seasonal and perennial allergic rhinitis in patients above 15 years of age. Montlezir is expected to be available in the Russian market in Q3 FY 2019-20. Amongst other CIS markets, Glenmark Ukraine showed secondary sales growth of 46.5% in value in the second quarter of FY 2019-20. In units, Glenmark Ukraine showed growth of 33.2% compared to relevant market growth of 0.9%.

The Asia region recorded moderate performance in the second quarter of FY 2019-20, with secondary sales growth of 6%. Growth remained subdued across all major Asian markets for Glenmark. The Africa region also recorded moderate growth in the second quarter. The South Africa and the Kenya subsidiary continued to record good growth in the second quarter.

Europe

Glenmark Europe's operations revenue for the second quarter of FY 2019-20 was at Rs. 2,850.90 Mn. (USD 40.60 Mn.) as against Rs. 2,607.76 Mn. (USD 37.37 Mn.) recording an increase of 9.32%. During the second quarter, the CEE region of Europe witnessed double-digit secondary sales growth which was higher than the total market; this was aided by new product launches as well as key tenders in markets such as Czech. The Western European business continued expanding through increased penetration of UK, Germany, Spain and NL. Growth for the second quarter in Western European markets was 11%, mainly contributed by Germany and Spain.

Latin America

Glenmark's revenue from its Latin American and Caribbean operations was at Rs.1,212.41 Mn. (USD 17.28 Mn.) for the second quarter of FY 2019-20, as against Rs. 985.03 Mn. (USD 14.07 Mn.), recording an increase of 23.08%. The Company expanded its presence in the Brazil respiratory market through the exclusive partnership with Novartis for three respiratory brands. The launch of the three in-licensed respiratory brands from Novartis has enabled the Brazil subsidiary to record good growth in the second quarter. Growth remained subdued in other LATAM markets such as Mexico and the Caribbean.

GLENMARK LIFE SCIENCES LTD. (GLS)

For the second quarter of FY 2019-20, external sales for Glenmark Life Sciences was at Rs. 2,697.81 Mn. (USD 38.42 Mn.) as against Rs. 2,512.08 Mn. (USD 36.01 Mn.), recording growth of 7.39% over the corresponding period last year.

Domestic and ROW regions led the growth in the second quarter, with both regions recording 20+% growth over the corresponding period last year. The Company also expanded its presence in the Japanese market. GLS continued to sustain its leadership position in products like Lercanidipine, Atovaquone, Perindopril, Olmesartan, and Aprepitant. GLS is on-track to file 4-5 DMFs in the upcoming quarters and continues to register multiple products in other ROW markets.

ICHNOS Sciences

As part of its strategy to create a leading and cutting edge biotech organisation, Glenmark announced the spin-off of its innovation business into a new company headquartered in the US. Setting up this new company would provide enhanced focus to the business and help accelerate the pipeline towards commercialization. In October 2019, the new innovation company was launched as Ichnos (‘ik-nōz) Sciences. A spin-off of Glenmark Holding SA, with a track-record of improving patients’ lives by providing affordable medicines, the newly formed company was first approved in principle by the Glenmark Board of Directors in February 2019 and now operates with its own Board of Directors and executive team. Former Gilead executive, Alessandro Riva, MD, is CEO of Ichnos Sciences. The innovation pipeline of Ichnos will include five novel, first-in-class clinical-stage assets in oncology, autoimmune disease and pain. The assets will also include BEAT® (Bispecific Engagement by Antibodies based on the T cell receptor), a proprietary platform; a development site, two research centers; a GMP biologics manufacturing facility and ~350 employees worldwide.

For further updates on the pipeline and the organisation, please log on to www.ichnoscience.com

About Glenmark Pharmaceuticals Ltd.:

Glenmark Pharmaceuticals Ltd. (GPL) is a research-driven, global, integrated pharmaceutical organization. It is ranked among the top 80 Pharma & Biotech companies of the world in terms of revenue (SCRIP 100 Rankings published in the year 2019). Glenmark is a leading player in the discovery of new molecules both NCEs (new chemical entity) and NBEs (new biological entity). Glenmark has several molecules in various stages of clinical development and is focused in the areas of oncology, dermatology and respiratory.

The company has a significant presence in the branded generics markets across emerging economies including India. Glenmark has 16 manufacturing facilities across five countries and has six R&D centers. The Generics business of Glenmark services the requirements of the US and Western European markets. The API business sells its products in over 80 countries, including the US, various countries in the EU, South America and India. For more information visit www.glenmarkpharma.com

For further information, please contact:

Madhurima Gupta Jain

Tel : 022-4018999 x 1606

Email: corpcomm@glenmarkpharma.com