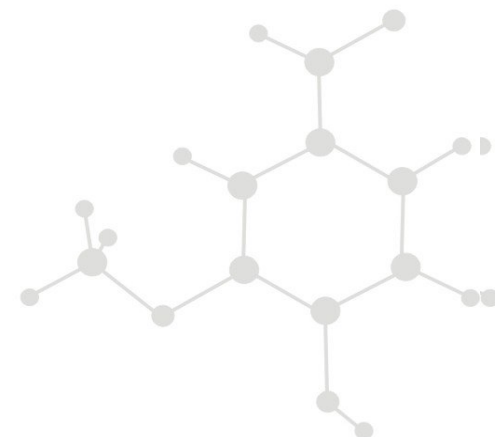




# Glenmark Pharmaceuticals Limited

## JP Morgan Healthcare Conference

January 9, 2013



A new way for a new world

A new way for a new world

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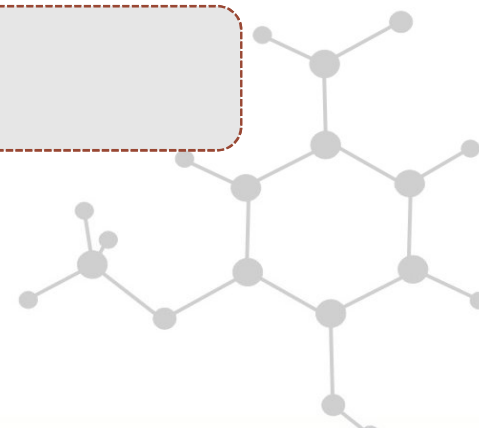
A new way for a new world

## GLENMARK : TRACK RECORD

BUSINESS OVERVIEW

LOOKING AHEAD

FINANCIALS



# Glenmark : The Evolution



Year 2000

- ❖ Consolidated Turnover - Rs 1380 Mn (\$ 31.62 Mn)
- ❖ 2 Formulations Manufacturing Facilities
- ❖ Sales from International operations – 8%
- ❖ Initiation into NCE research

Year 2012

Research Driven

- 6 NCEs + NBEs in Clinics
- USD 206 Mn of cash received from NCE/NBE out-licensing deals
- Seven out-licensing deals since 2004

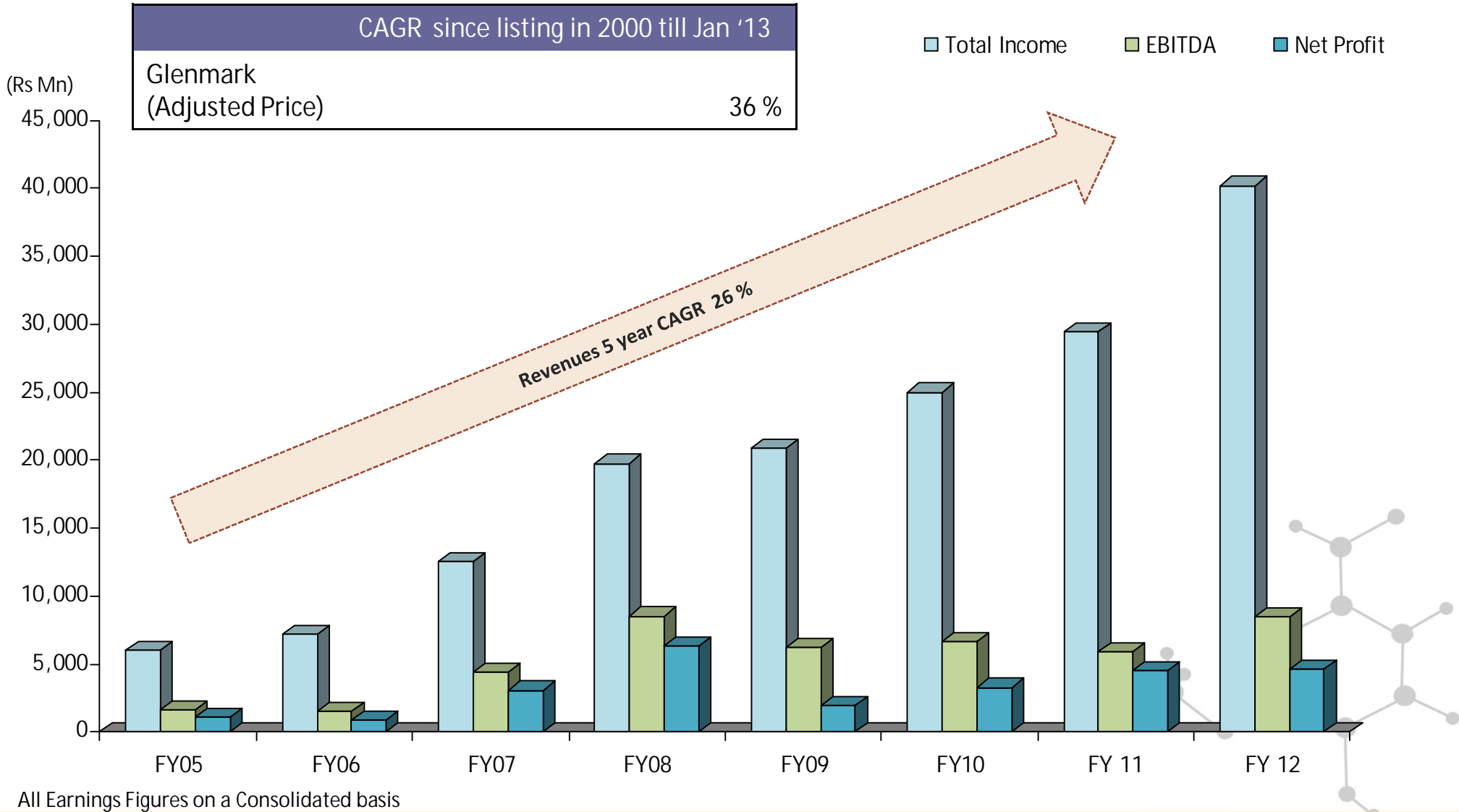
Global

- Consolidated Turnover - Rs. 40,206 Mn (\$ 830 Mn)
- Global Operations with more than 20 subsidiaries and over 9000 employees
- 13 manufacturing facilities in 4 countries
- Front-ends in key markets worldwide

Integrated

- 3 API plants
- 10 Finished dosage plants
- 6 research facilities

# A Track Record of Wealth Creation



All Earnings Figures on a Consolidated basis

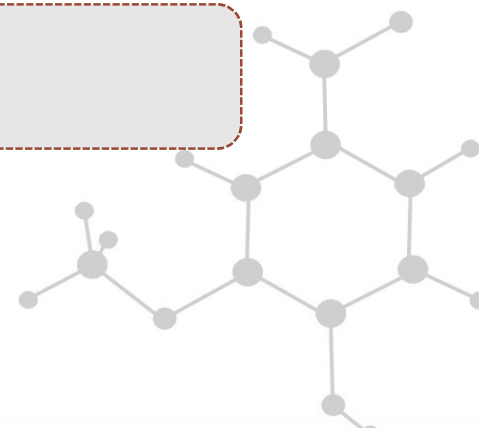


GLENMARK : TRACK RECORD

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# Glenmark Value Proposition



Glenmark Generics moving down the value chain in to Pure Generics & API space

Glenmark

Glenmark Pharma moving up the value chain with Discovery research

Big pharma moving down the value chain by entering the Branded Generics & Pure Generics space

API Manufacturing

Pure Generics Business

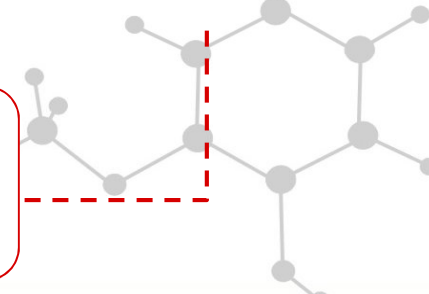
Branded Generics business

Propriety Branded Business

## PHARMACEUTICAL VALUE CHAIN

Key Requisites  
Low cost; low margins  
Forging IP challenges  
"Push" for products  
Efficient distribution

Key Requisites  
Innovation Brand Building  
"Pull" for products  
Marketing front end





## GLENMARK

### Novel Research & Development

### Specialty Business

### Generics Business

#### FOCUS

- Focus on New Drug Development

- Specialty/ Proprietary Business
- Focus on branded products market

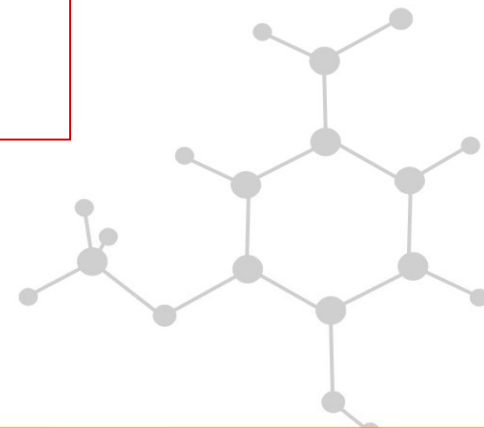
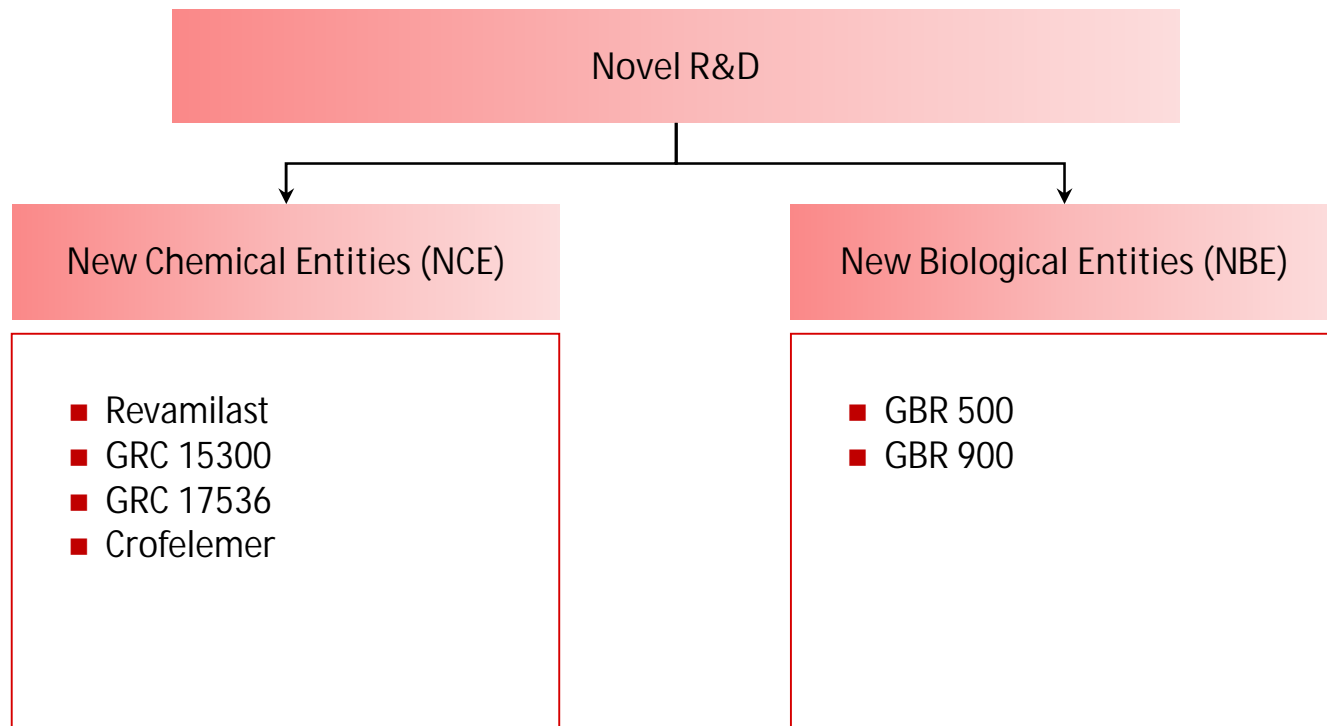
- Pure Generics Business
- Focus on marketing of APIs and generic formulations

#### BUSINESS IMPERATIVES

- Discover First-in-Class or Best-In-Class molecules for unmet medical needs
- Continuously build a pipeline of exciting molecules
- Medical & Clinical studies
- IP Protection

- Brand Building
- Prescription Generation
- Therapy focus
- Create 'pull' for brands
- Marketing fronts in key branded markets
- In-licensing products for markets

- Low cost manufacturing
- Maintaining supply of low-cost API
- Efficient spread of distribution
- Create right 'push' for generic products
- Product selection/ timing and speed of development
- IP Challenge





# Novel R & D Capabilities – Out-licensing deals



GBR - 500:  
Sanofi-Aventis  
2011

- ❖ First novel biologics outlicensing deal for Glenmark
- ❖ Upfront payment of USD 50 mn; Total deal size – USD 613 mn

mPGES-1 Inhibitors  
Forest Labs  
2012

- ❖ Received USD 9 million payment
- ❖ Forest will make another future payment in FY 2014 to support the program

GRC 15300:  
Sanofi-Aventis  
2010

- ❖ Received an upfront fee of \$20 million for development & commercialization rights of a first in class TRPV3 antagonist
- ❖ A deal with a potential of \$ 325 Mn.
- ❖ Received USD 5 mn in Oct'11 as milestone payment

GRC 6211:  
Eli Lilly  
2007

- ❖ Eli Lilly acquired the rights to a portfolio of TRPV1 antagonist molecules
- ❖ Received an upfront fee of \$45 million
- ❖ Development of the lead compound GRC 6211 has been stalled

Melogliptin:  
Merck KGaA  
2006

- ❖ A deal worth \$ 250 Mn in October 2006. Received total payments of \$ 31 Mn
- ❖ Due to a reduced R&D focus on Diabetes, Merck returned the molecule to Glenmark in April 2008
- ❖ Melogliptin completed Phase II b trials and is ready to enter Phase III

Oglemilast:  
Forest Labs  
2004

- ❖ A deal worth \$190 Mn on Oglemilast US Rights
- ❖ Received \$35Mn as upfront and milestone payments

Oglemilast:  
Teijin Pharma  
2005

- ❖ A \$ 53 Mn deal for Oglemilast Japan rights
- ❖ Teijin Pharma paid an up-front payment of \$6Mn

GPL has completed seven out-licensing deals since 2004, with a cumulative payment of \$ 206 Mn received in terms of upfront and milestone payments.

# Novel Drugs Pipeline



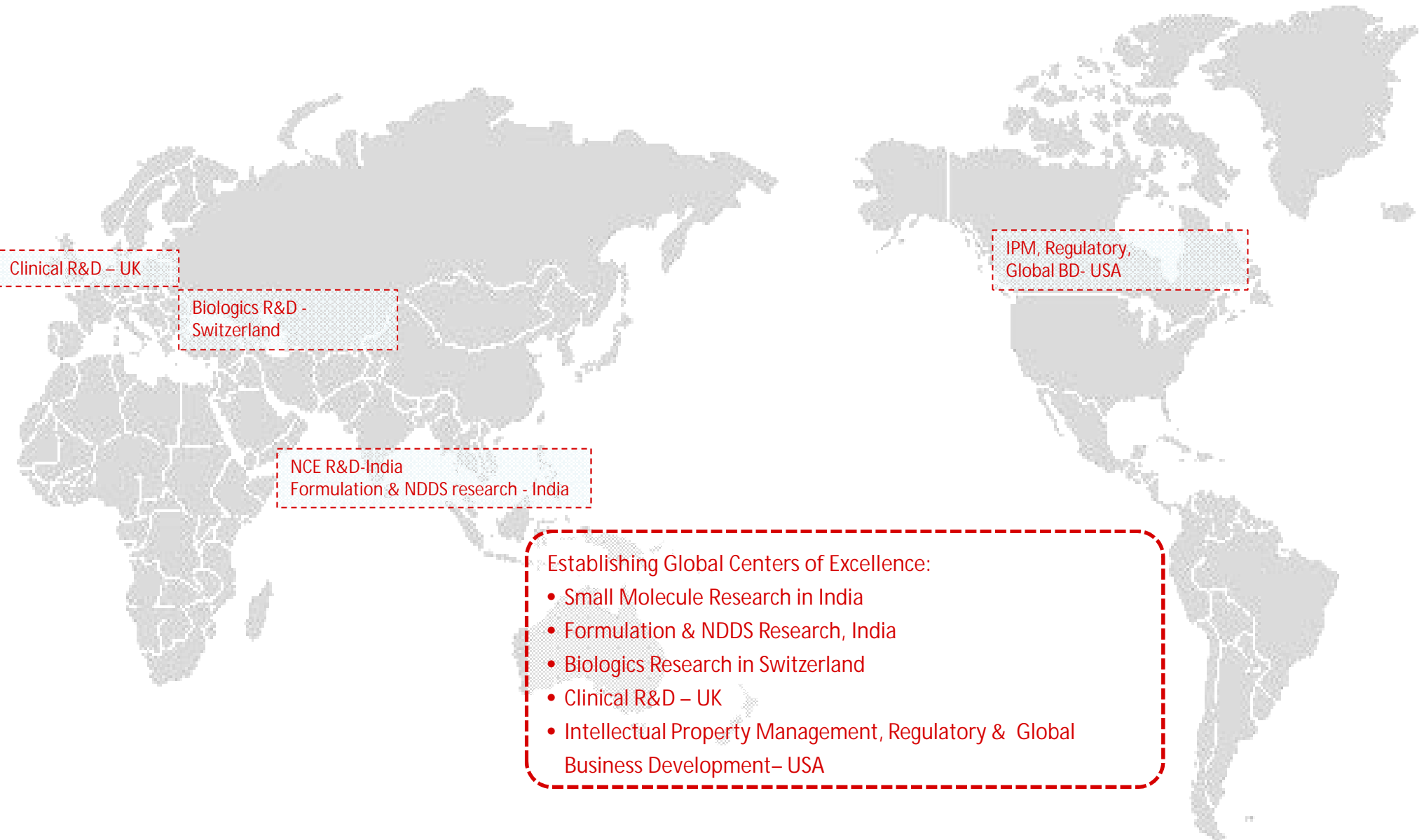
Compound	Primary Indications	Target	Pre Clinicals	Phase1	Phase2	Phase3	Approval
Crofelemer	HIV related Diarrhea	CFTR Inhibitor	[Progress bar]				In-licensed for ROW Markets
	Adult Acute Infectious Diarrhea including Cholera	CFTR Inhibitor	[Progress bar]				In-licensed for ROW Markets
Revamilast	Rheumatoid Arthritis (RA)	PDE IV Inhibitor	[Progress bar]				
	Asthma	PDE IV Inhibitor	[Progress bar]				
GRC 17536	Neuropathic Pain	TRP A1	[Progress bar]				
	Respiratory disorders	TRP A1	[Progress bar]				
GRC 15300	Neuropathic Pain	TRPV3 Antagonist	[Progress bar]				Out-licensed to Sanofi
	Pain / Inflammation	mPGES-1 inhibitors	[Progress bar]				Option Agreement with Forest Laboratories
Vatelizumab	Ulcerative Colitis	VLA-2 Antagonist (mAb)	[Progress bar]				Out-licensed to Sanofi
GBR 900*	Chronic Pain	TrkA Antagonists (mAb)	[Progress bar]				

N  
C  
E

N  
B  
E

\* GBR 900 is a monoclonal antibody inlicensed from Lay Line Genomics, Italy. With this, Glenmark has the exclusive target license to commercialize monoclonal antibodies against TrkA receptor for pain

# Innovative R&D – Infrastructure and capabilities



# Specialty Business Structure



## Speciality Business

India ( 26 %)

ROW Markets (16 %)

Latin America (8%)

Central Eastern  
Europe (5%)

Russia & CIS  
(7 %)

Africa / ME  
(5 %)

Asia (4 %)

(%) – as a percentage to overall turnover of FY 2012

- Key markets are India, Russia, and Brazil.
- Build expertise around focus therapeutic areas across all operating regions viz. Dermatology, Respiratory and Oncology
  - 1-2 additional therapeutic areas in each region





## Speciality Business

Global Therapeutic focus on Dermatology, Oncology and Respiratory



India (26 %)

- ❖ Growth driven by new brand introductions and focused strategy of divisionalisation
- ❖ Cardiometabolic, Respiratory and Dermatology continue to register growth



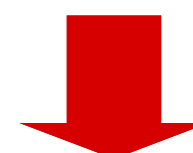
ROW Markets (16 %)

- ❖ Russia is the largest subsidiary
- ❖ Presence in several African markets
- ❖ Power Brand strategy drives growth in Asia



Latin America (8%)

- ❖ Brazil: To focus on Dermatology, Oncology & Respiratory
- ❖ Differentiated branded generic pipeline for key markets – Mexico, Venezuela, Peru



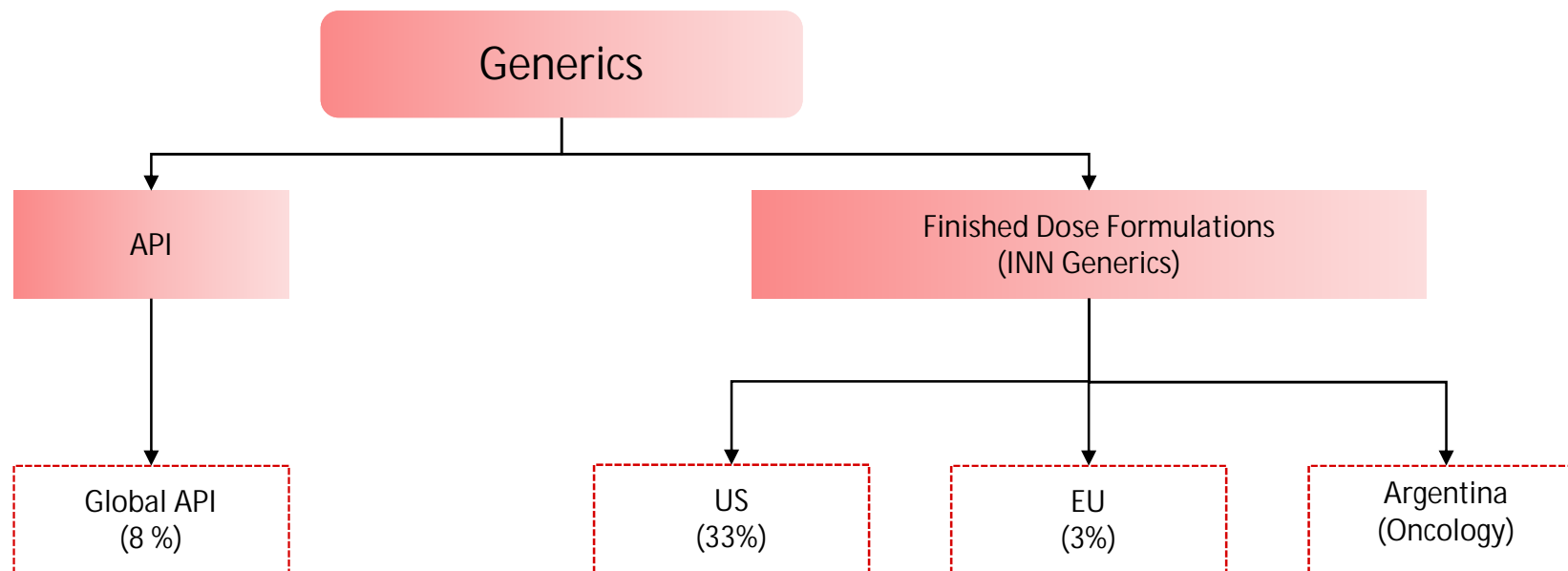
Central Eastern Europe (5 %)

- ❖ Focus on CNS and Cardiology Segments
- ❖ A mix of in-licensing and in-house developed products targeted for launch

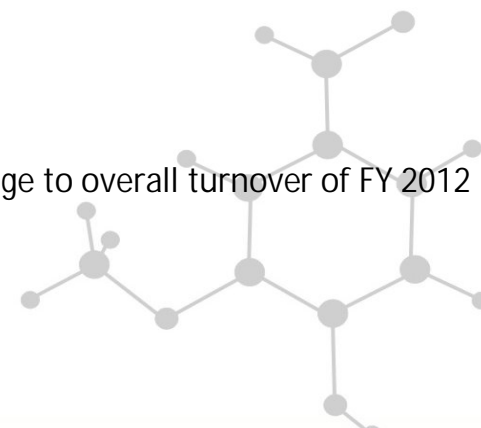


(%) – as a percentage to overall turnover of FY 2012

# Generics Business (GGL): Structure



(%) – as a percentage to overall turnover of FY 2012





GGL

US (33 %)

- ❖ Focus on niche/limited competition products rather than me-too opportunities
- ❖ Portfolio of over 80 generic products
- ❖ Pipeline of at least 40 ANDAs with a high proportion of differentiated molecules

Europe (3%)

- ❖ Pursuing multiple revenue streams – Dossier licensing, third party supplies and direct sales (own front end)
- ❖ Direct sales presence established in the UK
- ❖ Subsidiary established in Germany and the Netherlands

Latin America (Oncology)

- ❖ Supply chain hub for oncology products
- ❖ The Oncology business continues to file dossiers at a steady rate
- ❖ Regular launches of products across the entire Latam region

API (8%)

- ❖ Focus has been to transition the business from ROW markets to Regulated markets
- ❖ Over 50 DMFs filed
- ❖ Launched several new products in last few years
- ❖ Market leadership in Perindopril, Lecanidipine, Telmisartan and Amiodarone

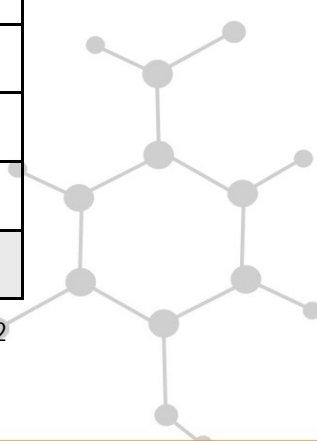
(%) – as a percentage to overall turnover of FY 2011



- ❖ The Generics business intends to focus its ANDA filings in 3 niche therapeutic areas
  - ❖ Dermatology
  - ❖ Hormones
  - ❖ Oncology

Niche / Focus Area	Pending Approval	Authorized to Distribute	Total Filings	Market Size (\$Mn)
Immediate Release	11	39	50	7387
Hormones	4	11	15	996
Modified Release	4	7	11	939
Derm Products	3	19	22	716
Para IV Filings	17	0	17	10246
Controlled Substances	0	3	3	266
Total	39	79	118	20647

As on Nov 2012





# Generics : FTF Opportunities



- ❖ Sole FTF opportunity for all four products
- ❖ All below mentioned Para IV litigations settled. GGL has visibility in terms of sales for Para IV opportunities
- ❖ Tarka - Status of the case : District Court Judge has ruled in favour of the jury.

Product	Brand name	Plaintiff	Sales* (MAT Jan 2011)	Likely Launch date
Ezetimibe	Zetia	Schering Plough	USD 1.3 bn	Dec 2016
Hydrocortisone Butyrate Cream	Locoid Lipocream	Triax and Astellas	USD 38 mn	Dec 2013
Fluticasone Lotion 0.005%	Cutivate	Nycomed	USD 49 mn	Launched Mar 2012
Atovaquone & Proguanil HCl	Malarone	Glaxosmithkline	USD 64 mn	Launched Sep'11

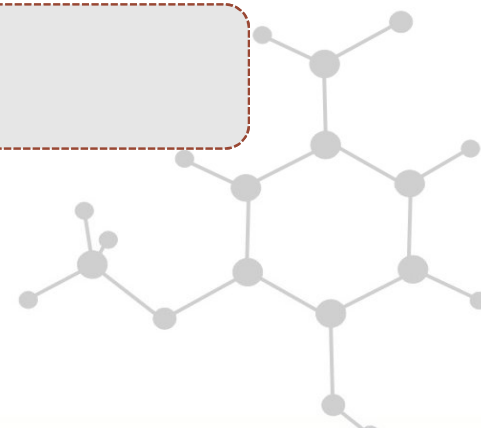


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## Innovation

- Initiate clinical development of atleast one NME each year
- New target areas to be preferably first-in-class globally
- Focus areas for research will remain Inflammation, Pain and Oncology
  - NBE research will remain focused on monoclonal antibodies(Mab)
- Leverage Glenmark's proprietary BEAT technology to develop further Mab clinical candidates
  - Glenmark's bi-specific antibody technology has a unique format; very good assembly and purification; Intellectual Property
- Continue with the out-licensing model
- Simultaneously build capabilities to do late stage development work



## Specialty Business - GPL

- Continue our efforts to transition to a proprietary/innovative business
- India, Russia and Brazil to remain focus markets
- The objective for the India business is to ensure higher than industry growth and gain market share
- Russia & Brazil contribution to overall revenue will keep on increasing
- Mexico is another focus market
- Build a differentiated product pipeline centered around three therapeutic areas i.e. Dermatology, Respiratory & Oncology

## Glenmark Generics Ltd

- To become a leading generics players in developed markets
- US Generics will continue to focus on niche/limited competition products
  - Majority of products pending or to be filed with USFDA fall in this category
- Western Europe will continue its expansion with minimum investment in UK, Germany, Netherlands and other markets
- The objective for the API business will be to continuously increase sales from developed markets
  - Percentage sales contribution from developed markets will increase every year



GLENMARK : TRACK RECORD

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**FINANCIALS**

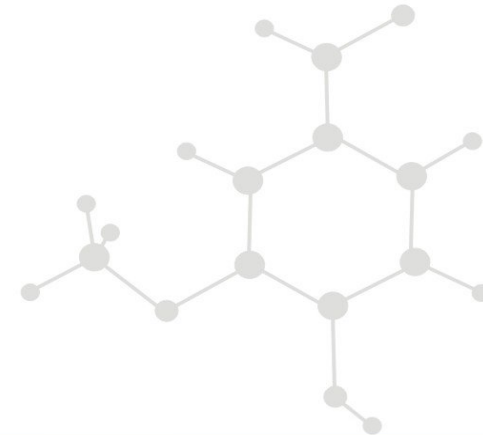


# Financials : Sales Breakup



in INR million	Q2 FY 2013	Q2 FY 2012	Growth	H1 FY 2013	H1 FY 2012	Growth	FY 2012	FY 2011	Growth
Speciality Business									
India	3440.27	2538.97	36%	6238.14	4792.77	30%	10021.30	8446.88	19%
ROW	1941.00	1479.33	31%	3289.40	2526.11	30%	5925.52	4069.66	46%
Latin America	936.82	738.17	27%	1567.33	1330.10	18%	2869.13	1918.86	50%
Europe	379.32	377.58	0%	648.98	592.70	10%	1976.47	1527.65	29%
Total	6697.41	5134.05	30%	11743.85	9241.68	27%	20792.42	15963.05	30%
Out Licensing Revenue	-	1184.55	-	-	2296.89	-	2535.24	895.10	183%
Total Speciality Business	6697.41	6318.60	6%	11743.85	11538.57	2%	23327.66	16858.15	38%
Generics Business									
US	4307.21	3000.55	44%	8230.79	5512.13	49%	12136.93	8351.56	45%
Europe	388.54	185.41	110%	720.81	360.77	100%	1031.36	543.61	90%
Latin America	53.72	41.34	30%	93.16	70.32	32%	142.43	400.88	-64%
API	1034.52	762.92	36%	2039.22	1408.55	45%	3094.44	2767.05	12%
Total Generics Business	5783.99	3990.22	45%	11083.98	7351.77	51%	16405.16	12063.10	36%
Others	70.51	245.65	-71%	128.15	346.67	-63%	473.61	569.45	-17%
<b>Consolidated Revenue</b>	<b>12551.91</b>	<b>10554.47</b>	<b>19%</b>	<b>22955.98</b>	<b>19237.01</b>	<b>19%</b>	<b>40206.43</b>	<b>29490.70</b>	<b>36%</b>

Thank You



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