Management Discussion & Analysis for the Fourth Quarter of FY 2020-21

Glenmark has reorganized its businesses into three separate entities.

Glenmark Pharmaceuticals Ltd. (GPL)

Glenmark Life Sciences (GLS)
(100% API Subsidiary)

Ichnos Sciences
(100% US based innovation Subsidiary)

Each of these three entities are operating independently with separate Management Teams and Board of Directors.

Revenue Figures for Consolidated Glenmark Pharmaceuticals Ltd.

(Rs. In Millions)

	Fourth Quarter ended March 31			For the Year ended March 31		
	FY 2020-21	FY 2019-20	Growth (%)	FY 2020-21	FY 2019-20	Growth (%)
India	8,238	7,648	7.7%	35,365	32,022	10.4%
North America	8,012	7,619	5.2%	30,764	31,404	-2.0%
Rest of the World (ROW)	3,342	3,365	-0.7%	12,629	12,854	-1.8%
Europe	4,223	4,116	2.6%	13,276	12,484	6.3%
Latin America	1,299	1,769	-26.6%	4,226	5,356	-21.1%
API	3,311	2,614	26.7%	12,074	10,239	17.9%
Total	28,425	27,130	4.8%	108,334	104,360	3.8%
Other Revenue	174	545	-68.1%	1,106	2,050	-46.1%
Consolidated Revenue	28,599	27,675	3.3%	109,439	106,410	2.8%

Average conversion rate in 12M FY 2020-21 considered as INR 74.02 /USD 1.00
Average conversion rate in 12M FY 2019-20 considered as INR 70.78/USD 1.00
USD figures are only indicative

Review of Operations for the quarter ended March 31, 2021

For the Fourth Quarter of FY 2020-21, Glenmark's consolidated revenue was at Rs. 28,599 Mn (USD 392 Mn) as against Rs. 27,675 Mn (USD 383 Mn) recording an increase of 3.3% YoY.

For the year ended Mar 31, 2021, Glenmark's consolidated revenue was at Rs. 109,439 Mn (USD 1,479 Mn) as against Rs. 106,410 Mn (USD 1,503 Mn) recording an increase of 2.8% YoY.

Corporate Development

Glenmark Lifesciences Ltd (GLS) has filed a Draft Red Herring Prospectus (DRHP) with the Securities and Exchange Board of India (SEBI) for a proposed IPO comprising a fresh issue of up to Rs 11,600 mn and an Offer for Sale of up to 7,305,245 equity shares, subject to market conditions, receipt of applicable approvals and other considerations.

GLENMARK PHARMACEUTICALS LTD. (GPL)

GPL is primarily focused on building a global Generics, Specialty and OTC business in the therapy areas of Dermatology, Respiratory and Oncology. It also has strong regional/country-specificpresence in other therapeutic areas like diabetes, cardiovascular and oral contraceptives.

India

Sales from the formulation business in India for the Fourth Quarter of FY 2020-21 was at Rs. 8,238 Mn (USD 113 Mn) as against Rs. 7,648 Mn (USD 105 Mn) in the previous corresponding quarter, recording growth of 7.7% YoY.

The India business continues to significantly outperform industry growth rates, continuing the trend of the past several years. As per IQVIA data, Glenmark was the fastest growing company in the industry among the Top 20 players on a MAT March 2021 basis with growth of 13.99% as compared to IPM (Indian Pharma market) growth of 5.86%. On a quarterly basis, as per IQVIA, the business recorded growth of 8.73% as compared to 8.3% for the market. Glenmark's India Formulation business is ranked 14th, and its market share has increased to 2.32% as compared to 2.20% last year. Glenmark has 9 brands amongst the "Top IPM 300 Brands" league

In terms of market share, Glenmark's India business further strengthened in its core therapy areas such as Cardiac and Diabetes. As per IQVIA MAT March 2021, the Cardiac segment market share increased from 4.72% in MAT March 2020 to 4.74%; the Anti-diabetic segment market share increased from 1.71% to 1.85%; the Antiviral segment market share has increased to 20.1%; and the Derma segment market share changed from 8.89% to 8.57%. Glenmark is ranked 2nd in the overall Dermatology and anti-viral markets, and 6th in the cardiology market in India.

Glenmark's novel, patent protected and globally-researched sodium glucose co-transporter-2 (SGLT2) inhibitor Remogliflozin Etabonate (Remogliflozin) indicated for the treatment of Type 2 Diabetes in adults continues to do well in India despite launches by multiple companies in the SGLT2 segment particularly in Dapagliflozin during the year. Furthermore Glenmark has also witnesses' positive response to the launch of Remogliflozin + Vildagliptin fixed dose combination under the brand names

Remo V and Remozen V for adults with Type 2 Diabetes in India. The brands have been able to garner market share of 37.9% of the SGLT/DPP4 market as per IQVIA Jan-March 2021 data.

Glenmark launched SUTIB, the generic version of Sunitinib oral capsules to treat kidney cancer in India during the quarter. Launched at a competitive 96% lower price than the innovator brand, the launch underlines Glenmark's commitment to bringing targeted and effective medicine at affordable costs in its focus area of oncology.

India – Glenmark Consumer Care Business

Glenmark's Consumer Care business (GCC) continued its strong performance in the 4th quarter, registering healthy growth rates despite the challenging economic environment especially in discretionary consumption categories. The GCC business recorded value sales of Rs. 582.4 Mn in the 4th quarter registering 26% YoY growth (excluding VWash sales). Candid Powder continues to drive growth for this category recording value sales growth in excess of 30 % for the quarter and is the first brand in the Consumer Care Business to enter the "Rs. 100 cr" club. Other brands in this business including LaShield and Scalpe have also recorded growth in excess of 25 % for the quarter.

North America

North America registered revenue from the sale of finished dosage formulations of Rs. 8,012 Mn (USD 110 Mn) for the quarter ended March 31, 2021 as against revenue of Rs.7,619 Mn (USD 105 Mn) for the previous corresponding quarter, recording a growth of 5.2% YoY. On a Quarter on Quarter basis, the business recorded growth of 3.7 % in USD terms.

In the fiscal year 2020-21, Glenmark was granted approval of 14 ANDAs comprised of 10 final approvals and 4 tentative approvals. Additionally, Glenmark was granted approval on a Prior Approval Supplement (PAS) for the 0.25 mg strength for Fingnolimod Capsules. Notable approvals include: Sirolimus Tablets, Tacrolimus Capsules USP, Topiramate Extended-Release Capsules USP, Chlorpromazine Hydrochloride Tablets USP and Diltiazem Hydrochloride Extended-Release Capsules USP. The Company filed a total of 7 ANDAs with the U.S. FDA in FY21 and plan to file 18-20 ANDAs in FY22 including 5-6 filings which got delayed in FY21 due to the pandemic. This includes 4-5 filings from Monroe.

Glenmark completed the successful launches of 10 new products during fiscal year 2020-21, consisting of a mix of semi-solid preparations, delayed- and immediate-release oral solids, and hormone products. Notable launches include Topiramate Extended-Release Capsules USP, where Glenmark is the first true generic entrant; and Chlorpromazine Hydrochloride Tablets USP and Diltiazem Hydrochloride Extended-Release Capsules USP, both of which secured Competitive Generic Therapy exclusivity periods for the company.

Glenmark Canada filed one ANDS application with the Canadian Health Authorities this quarter.

Glenmark's marketing portfolio through March 31, 2021 consists of 171 generic products authorized for distribution in the U.S. market. The Company currently has 41 applications pending in various stages of the approval process with the US FDA, of which 21 are Paragraph IV applications.

Africa, Asia and CIS Region (ROW)

For the Fourth Quarter of FY 2020-21, revenue from Africa, Asia and CIS region was Rs.3,342 Mn (USD 46 Mn) as against Rs. 3,365 Mn (USD 47 Mn) for the previous corresponding quarter,recording decline of 0.7%.

Challenging conditions continued to persist in Russia and CIS primarily due to the pandemic. As per IQVIA MAT March 2021 data, Glenmark Russia recorded value de-growth of 7.7 % and de-growth of 12.8% in terms of units. However, we are seeing signs of recovery on a sequential basis. Glenmark Russia ranked overall 52 in the market with 11th ranking in the dermatology segment and 3rd in the expectorants segment.

In other CIS markets, as per Morion MAT 21 data, Glenmark Ukraine grew 7.3 % in value terms.

During the quarter, we successfully launched Ryaltris™, our global anti-allergy brand in Ukraine and Uzbekistan. Furthermore, we received regulatory approval to market Ryaltris™ in Russia with indications of seasonal and perennial allergic rhinitis in patients over 12 years of age. The product will be commercialized in Russia in Q1 FY22. We also received approval of Ascoril brand extension in Russia. We look forward to strengthening our respiratory franchise in Russia/CIS region.

The Asian markets continued to remain under pressure due to the lockdown on account of the pandemic, which affected secondary sales in key markets.

The Middle East and Africa region recorded growth as number of markets witnessed signs of recovery due to the easing of lockdown measures. The region recorded primary sales growth of 16% YoY during the quarter, with positive growth across major MEA markets like Kenya and Saudi Arabia.

Europe

Glenmark Europe's operations revenue for the Fourth Quarter of FY 2020-21 was at Rs. 4,223 Mn (USD 58 Mn) as against Rs. 4,116 Mn (USD 57 Mn) recording a growth of 2.6%.YoY

Glenmark's European business was impacted in the fourth quarter mainly due to the enhanced lockdown measures from heightened pandemic concerns in most key markets. This resulted in year on year sales decline recorded in both the Central Eastern European region and the Western European region during the quarter in constant currency terms. In Western Europe, while Glenmark continues to increase penetration across major markets, pandemic measures in key markets like Germany affected overall performance for this business. For the financial year, the European region signed 21 major contracts for in-licensing products in the region. Amongst the key launches, the UK, Poland and Spain launched 2 products while Czech Republic, Slovakia and Germany launched one product each during the quarter respectively.

The region is expected to benefit from significant product launches including products like Tiotropium Bromide Dry Powder Inhaler and Ryaltris™ in FY22. Tiotropium DPI has a market size of US$ 450 Mn and the company has a strategic exclusive in-licensing agreement to market the product in Western Europe. Glenmark expects to be one of the first generics for the product in key markets starting Q1FY22. In

Ryaltris™, during Q4, Glenmark submitted responses to European agency queries, which enabled Glenmark to conclude the Decentralized procedure paving the way for potential approval of the product and expected launch of Ryaltris™ in the EU in FY22.

Latin America

Glenmark's revenue from its Latin American and Caribbean operations was at Rs. 1,299 Mn (USD 18 Mn) for the Fourth Quarter of FY 2020-21, as against Rs. 1,769 Mn (USD 25 Mn), recording de-growth of 26.6 %.

The pandemic continues to impact the Brazilian business and the unit once again recorded decline in sales for the quarter as compared to the previous corresponding quarter. The Mexico subsidiary performed relatively better recording sales growth for the quarter. The entire region continues to witness a challenging environment on account of the pandemic.

GPL Specialty/Innovative R&D Pipeline

Ryaltris™

Ryaltris™ (olopatadine hydrochloride and mometasone furoate) Nasal Spray is the company's respiratory pipeline asset and is currently under review with the U.S. Food and Drug Administration (FDA) as a treatment for seasonal allergic rhinitis in the USA. Glenmark's response to the Agency's Complete Response Letter (CRL) is targeted to be submitted to the US FDA shortly.

Ryaltris™ sales continue to progress well in Australia and South Africa. Glenmark also initiated the commercial launch in Ukraine and Uzbekistan during the quarter.

Glenmark and Bausch Health entered into an exclusive licensing agreement for the commercialization of Ryaltris™ in Canada. Ryaltris™ is currently under review by Health Canada.

Glenmark completed several regulatory filings for Ryaltris™ in Q4, notably in Egypt, Singapore, Jamaica, Kazakhstan and Maldives. The company is awaiting regulatory approvals for its filings in various markets across Canada, Brazil, Malaysia, Saudi Arabia and several other emerging markets.

In Q4 FY21, Glenmark's partner in China, Grand Pharmaceutical (China) Co. Ltd., submitted a revised development and registration strategy for Ryaltris™ in China through a Pre-IND application. CDE has since provided positive feedback which will enable IND submission in China by mid FY22. Glenmark is working with its partner in South Korea, Yuhan Corporation, to submit the pediatric efficacy supplement in FY22.

GBR 310

Glenmark had announced successful Phase 1 results for GBR 310 that suggest similarity in pharmacokinetic, pharmacodynamic, safety and immunogenicity profiles between GBR 310, and the reference product, Omalizumab, marketed in the U.S. under the brand name Xolair®. The Company is in discussions with potential partners and is targeting to conclude a deal before initiating Phase 3 studies.

GRC 39815 (RORγt inhibitor)

GRC 39815 (RORγt antagonist) is the company's respiratory pipeline asset being developed as an inhaled therapy for treatment of mild to moderate COPD. It is currently under Phase 1 clinical development with a single ascending dose study in the US. The Phase 1 study is expected to be completed in the next few quarters.

GRC 17536

GRC 17536 (TRPA1 antagonist) is the company's pain pipeline asset being developed as an orally administered treatment for pain in patients with painful diabetic peripheral neuropathy. The formulation PK study was completed during the quarter and the company is evaluating further options including out licensing for the molecule.

GLENMARK LIFE SCIENCES LTD. (GLS)

Glenmark Life Sciences primarily includes manufacturing and marketing of Active Pharmaceutical Ingredient (API) products across all major markets globally. It also includes captive sales (i.e. use of API by GPL for its own formulations).

For the Fourth Quarter of FY 20202-21, external sales for Glenmark Life Sciences was at Rs. 3,311 Mn (USD 45 Mn) as against Rs. 2,614 Mn (USD 36 Mn), recording growth of 26.7% over thecorresponding period last year.

For the entire year, external sales of Glenmark Life Sciences recorded revenue of Rs. 12,074 Mn (USD 163 Mn) as against Rs. 10,239 Mn (USD 145 Mn) in the previous financial year, recording growth of 17.9% over the corresponding period last year.

ICHNOS Sciences

Glenmark has invested Rs 1,880Mn (USD 26 Mn) in the fourth quarter of the financial year. Thus for the entire financial year, Glenmark invested Rs. 7,570 Mn (USD 102.3 Mn) in Ichnos Sciences as compared to Rs 8,190Mn (USD 115.7mn) in FY20.

For further updates on the pipeline and the organization, please log on to www.ichnossciences.com.The pipeline update for the fourth quarter is published on this site.

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ICHNOS SCIENCES INC.

MAY 2021 UPDATE

Ichnos Sciences aims to shift the way the world thinks about innovation in medicine by developing potentially transformative biologic treatments in oncology and autoimmune disease. The company, headquartered in New York City, with discovery and manufacturing at two sites in Switzerland, has approximately 200 employees and strong capabilities in the research and development of new biological entities (NBEs).

The first wave of Ichnos' multispecific oncology pipeline consists of five programs, including a clinical-stage, potentially first-in-class T-cell engager, ISB 1342 (CD38 x CD3), which is in Phase 1 for the treatment of relapsed/refractory multiple myeloma.

Ichnos' proprietary BEAT® technology platform[1] enables the company to develop novel immune cell engagers and modulators in oncology, with the goal of realizing its mission to provide breakthrough, potentially curative therapies that will hopefully extend and improve lives, writing a new chapter in healthcare.

Beyond oncology, Ichnos has a pipeline of two potentially first-in-class therapeutics addressing autoimmune diseases. These include ISB 830 (telazorlimab, OX40 antagonist) in Phase 2b, and ISB 880 (anti-IL-1RAP antagonist) in IND-enabling studies. Both compounds are being developed across a range of autoimmune diseases and are available for out-licensing.

Officially launched on October 15, 2019, Ichnos has an experienced executive leadership team and board of directors. The company is a subsidiary of Glenmark Holding SA, which is currently funding operating expenses until additional investors come on board.

[1] Bispecific Engagement by Antibodies based on the T-cell receptor

QUARTERLY HIGHLIGHTS

BUSINESS UPDATES

Ichnos' pipeline continues to grow. Enrollment in a Phase 1 study for ISB 1342 is ongoing and preclinical-stage assets focused on CD38 x T-cell engagers and macrophage modulators are advancing.

Out-licensing discussions continue for the autoimmune disease portfolio, which includes the Phase 2b OX40 antagonist telazorlimab (formerly known as ISB 830) and the IL-1RAP antagonist ISB 880.

The opening of the global headquarters in New York City is still pending due to the pandemic. Though the situation has improved considerably, US-based colleagues will continue to work remotely, with the goal of opening the office in the second half of calendar year 2021.

FISCAL YEAR 2022 OBJECTIVES

- Finalize a partnership for ISB 880 and/or ISB 830
- Establish clinical proof-of-concept for ISB 1342 and the BEAT® platform
- File an IND for ISB 1442
- Continue process for equity capital raise

MANAGEMENT ADDITIONS/CHANGES

Several changes recently took place within the Ichnos Leadership Team. Founding Chief Executive Officer Alessandro Riva, M.D., is leaving the organization and will be available to assist with the management transition through August 15, 2021. Chief Medical Officer Cyril Konto, M.D., has been appointed interim CEO, effective immediately. In addition, Michael D. Price joined Ichnos as Chief Financial Officer.

UPDATE ON ICHNOS ONCOLOGY BIOLOGICS PIPELINE

MOLECULE MECHANISM/CLASS	PHASE/STATUS	LEAD INDICATION
ISB 1342 CD38 x CD3 BEAT® 1.0 bispecific antibody	Phase 1 Enrolling	Relapsed/Refractory Multiple Myeloma
ISB 1442 CD38 x CD47 BEAT® 2.0 bispecific antibody	IND-Enabling Studies	Relapsed/Refractory Multiple Myeloma
ISB 1909 T-cell engager BEAT® 2.0 bispecific antibody	Discovery	Undisclosed
ISB 2004 BEAT® 2.0 bispecific antibody	Discovery	Undisclosed
ISB 2001 TREAT™ trispecific antibody	Discovery	Undisclosed

OVERVIEW OF CLINICAL-STAGE ONCOLOGY COMPOUND
ISB 1342 (CD38 X CD3 BISPECIFIC ANTIBODY)

- A Phase 1, open-label, dose-escalation, first-in-human study of ISB 1342 in patients with relapsed/refractory multiple myeloma is ongoing.
    - Enrollment of patients receiving biweekly dosing was closed in March 2020 following clinical pharmacology evaluation in 29 subjects.
    - Enrollment of patients receiving a weekly dosing regimen is ongoing
    - Expansion of the trial to additional sites in the US and Europe is underway.
- The primary objectives of the study are to:
    - Determine maximal tolerated dose and recommended Phase 2 Dose of ISB 1342 (Part 1 dose escalation).
    - Assess anti-myeloma activity of ISB 1342 according to the International Myeloma Working Group response criteria (Part 2 dose expansion).
- Preclinical data on ISB 1342 were accepted as poster presentations at the 2021 ASCO Annual Meeting and EHA 2021 Virtual Congress.

ICHNOS TO OUT-LICENSE ASSETS IN AUTOIMMUNE DISEASE

MOLECULE MECHANISM/CLASS	POTENTIAL INDICATIONS	PHASE	STATUS
ISB 830 Telazorlimab OX40 Antagonist Antibody	Atopic Dermatitis	Phase 2b	Achieved the primary endpoint of EASI[2] score, % change from baseline to Week 16, at the two highest doses tested (300 mg and 600 mg q 2 weeks) versus placebo. Numerical improvements were also seen at the two higher dose arms of telazorlimab for the secondary endpoints of EASI-75[3] and Investigator Global Assessment[4] as compared to placebo, but most of these differences were not statistically significant.
	Other autoimmune diseases, including Rheumatoid Arthritis	US IND for RA and other autoimmune indications is active.	
ISB 880 IL-1RAP Antagonist Monoclonal Antibody	Autoimmune Diseases	Pre-clinical	IND-enabling studies are ongoing and IND filing is on track for second half of calendar year 2021.

AUTOIMMUNE DISEASE
ISB 830 (TELAZORLIMAB, OX40 ANTAGONIST)

- The double-blind portion of a two-part, randomized, controlled, multicenter, Phase 2b clinical trial, assessing four doses and two dosing schedules of telazorlimab versus placebo in adults with moderate-to-severe atopic dermatitis (AD), has been completed. An open-label extension is ongoing across study sites in the US, Canada, Germany, Czech Republic, and Poland.

- Results from the double-blind portion of the study are summarized below.
    - **Efficacy:** The primary endpoint of EASI score, % change from baseline to Week 16, was achieved for the two highest doses of telazorlimab tested (300 mg and 600 mg q 2 weeks) versus placebo. Numerical improvements were also seen for the two higher dose arms of telazorlimab compared to placebo in the secondary endpoints of EASI-75 and Investigator Global Assessment, but most of the differences were not statistically significant.

[2] EASI: Eczema Area and Severity Index
[3] Proportion of patients with ≥75% improvement in EASI score from baseline to Week 16
[4] Proportion of patients with Investigator Global Assessment of clear or almost clear (0 or 1) and ≥2-point reduction from baseline at Week 16

	PART 1				PART 2	
	TELAZORLIMAB 300 MG Q2W (n=76*)	TELAZORLIMAB 300 MG Q4W (n=78*)	TELAZORLIMAB 75 MG Q4W (n=77*)	PLACEBO (n=80*)	TELAZORLIMAB 600 MG Q2W (n=75*)	PLACEBO (n=74*)
EASI Score % Change from Baseline to Week 16 Mean (SD)	-57.59 (36.20)	-56.73 (32.54)	-38.10 (39.69)	-42.14 (38.19)	-59.74 (27.12)	-43.25 (41.24)
P-value	0.008	0.061	0.691	n/a	0.008	n/a

Q2W, every 2 weeks; Q4W, every 4 weeks

*Includes subjects who were randomized and dosed. Subjects who received rescue medication for atopic dermatitis during the study are considered non-responders in the efficacy analyses.

  - **Safety:** Telazorlimab was well tolerated. The most commonly reported adverse events (>5%) were: atopic dermatitis, nasopharyngitis, upper respiratory tract infection, and headache. One patient with pre-existing hypertension in the telazorlimab group died due to a presumed cardiovascular event during the treatment period. The investigator considered the death to be unrelated to the study drug.

- In addition to data from the 16-week primary analysis period, preliminary results from the open-label extension and ongoing follow-up period of this study are available and were recently presented at the 2021 Society for Investigative Dermatology Virtual Meeting and are accessible here.

- A US IND to conduct studies of telazorlimab in autoimmune diseases, including Rheumatoid Arthritis (RA), is active and Ichnos plans to out-license this asset for further development.

ISB 880 (IL-1RAP ANTAGONIST)

- ISB 880 is a fully human, high-affinity, monoclonal antagonist antibody against human IL-1RAP that blocks signalling via three key disease drivers, IL1R, IL36R, and IL33R, reducing downstream inflammatory responses. ISB 880 is expected to impact diseases where multiple cytokines may concurrently play a role and, thus, has the potential to deliver superior and sustained clinical efficacy in a broad range of indications.

- A US IND in autoimmune disease indication(s) is targeted for the second half of calendar year 2021.