Glenmark Pharmaceuticals Ltd.

Investor Presentation: Q1 FY24

Glenmark
A new way for a new world

11 August 2023

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Glenmark's vision has guided its journey over the last two decades

Glenmark Group, today

Leading

Consolidated revenues in FY23: **₹ 129,901 mn**

14th largest[1] and amongst the **fastest growing** in the Indian market

15th largest[2] generic company by prescriptions filled in the USA

5th largest[3] Indian generic company in Europe

~10 million[4] COVID patients globally prescribed with FabiFlu® (favipiravir)

Integrated

End-to-end R&D capabilities: API, generic formulations (conventional & complex), specialty and NME

14 manufacturing facilities across formulations and API in 4 continents

4 R&D centers covering the entire value chain

Spin-off, IPO of API business → **Glenmark Life Sciences Ltd.**

Research-led

Initiated **NME research** in 2002; signed **~$300 mn** worth of out-licensing deals since

Spun-off biologics research in to US-based biotech → **Ichnos Sciences, Inc.**

6 innovative assets in clinical development across the group

Ryaltris®: first global specialty brand launched in multiple markets

Multiple **"first in the world"** and **"first in market"** launches across regions (e.g. remogliflozin, Ryaltris®)

Global

Global diversified formulations business built organically with commercial presence in 80+ countries

~55% contribution to revenue coming from branded markets[5]

Dermatology, Respiratory, Oncology: clear focus on three core therapeutic areas globally

Numerous ongoing **global partnerships** with leading companies such as Hikma, Almirall, etc.

IPO: Initial Public Offer
R&D: Research and Development

1. As per IQVIA MAT June 2023
2. As per IQVIA MAT June 2023; includes generics & branded generics, Rx only (excludes OTC)
3. As per IQVIA MAT March 2023
4. Company estimate
5. Includes revenue from India, Rest of World (ROW) and part of Europe, as of FY23

Strategic restructuring for sharper focus on our three businesses

Separate board of directors

Independent management team

Global presence & operations

Glenmark
A new way for a new world

Primarily focused on building a global formulation business with branded, generics, and OTC segments in therapy areas of Dermatology, Respiratory and Oncology

Glenmark LIFE SCIENCES

(82.84% subsidiary)

Focused on manufacturing and marketing of API products across all major markets globally

...ichnos...

(US based; 100% subsidiary)

Innovation biotech company focused on development of novel biological molecules as potential treatment options for Oncology

OTC: Over The Counter

Committed to Sustainability across all our operations globally

Environmental

*Become carbon neutral by 2030**

*Achieve water neutral operations by the year 2025***

Zero waste to landfill at all our plant locations by the year 2027

Social

16 global safety programs by 2023

Aspire to impact 3 million lives by 2025

Deepen global presence and deliver quality affordable in new markets

Continue focus on gender equality and diversification

Governance

Maintain an ethical business culture to drive robust governance practices beyond compliance

Continue maintaining high quality products and product transparency

Greenhouse Gas (GHG) emission targets certified by the Science Based Targets initiative (SBTi) – 2nd Indian Pharmaceutical company to receive this approval

* Covers Scope 1 and Scope 2 emissions only
** for GPL only (excluding GLS)

Q1 FY24 Snapshot

- **Revenues from Operations at Rs. 34,016 Mn with a growth of 22.5% YoY**
- **EBITDA of Rs. 6,312 Mn with EBITDA margin of 18.6%**

"We had yet another strong quarter both in terms of revenue and operating margins. The robust growth in sales was led by our branded markets in RoW region. Our Europe business performed significantly well on the back of a strong generics portfolio and continued gains in market share, in our leading respiratory brands. Our North America business remained stable, and our India business continued to significantly outperform industry growth rates. We also had our GHG emission targets certified by the Science Based Targets initiative (SBTi) giving us an impetus to further pursue our ESG goals, while also benchmarking us at a global scale. Going forward our goal remains to sustain the momentum, as RYALTRIS® continues to meaningfully contribute across all the covered markets. We also remain on track to achieve our objectives for FY24."

Glenn Saldanha
Chairman and Managing Director
Glenmark Pharmaceuticals Ltd.

- **Consolidated Revenue** of Rs. 34,016 Mn; growth of 22.5% YoY
  - **Europe Business growth of 73.7% YoY**
  - **ROW Business growth of 30.4% YoY**
  - **North America Business growth of 22% YoY**
- **EBITDA** of Rs. 6,312 Mn; YoY growth of 46.2%
  - **EBITDA Margin** of 18.6%
- **R&D expenses** of Rs. 2,838 Mn (8.3% of sales)
  - **Ichnos** spend of USD 17.2 Mn in Q1 FY24
- **Reported Net Profit** of Rs. 1,731 Mn
- **Capex** of Rs. 1,275 Mn in Q1 FY24

RoW: Rest of the World
YoY: year-on-year

Consolidated Revenues from Operations – Q1 FY24

	First Quarter ended June 30			Fourth Quarter ended March 31	
Rs Mn	**FY 2023-24**	**FY 2022-23**	**YoY Growth (%)**	**FY 2022-23**	**QoQ Growth (%)**
India	*10,643*	*10,352*	*2.8%*	*8,284*	*28.5%*
North America	*8,085*	*6,628*	*22.0%*	*8,507*	*-5.0%*
Europe	*5,732*	*3,300*	*73.7%*	*6,078*	*-5.7%*
Rest of the World[1]	*5,512*	*4,226*	*30.4%*	*6,856*	*-19.6%*
API	*3,769*	*3,251*	*16.0%*	*3,831*	*-1.6%*
Total	**33,740**	**27,757**	**21.6%**	**33,555**	**0.6%**
Other Revenue	*276*	*16*	*1616.9%*	*183*	51.1%
Consolidated Revenue	**34,016**	**27,773**	**22.5%**	**33,737**	**0.8%**

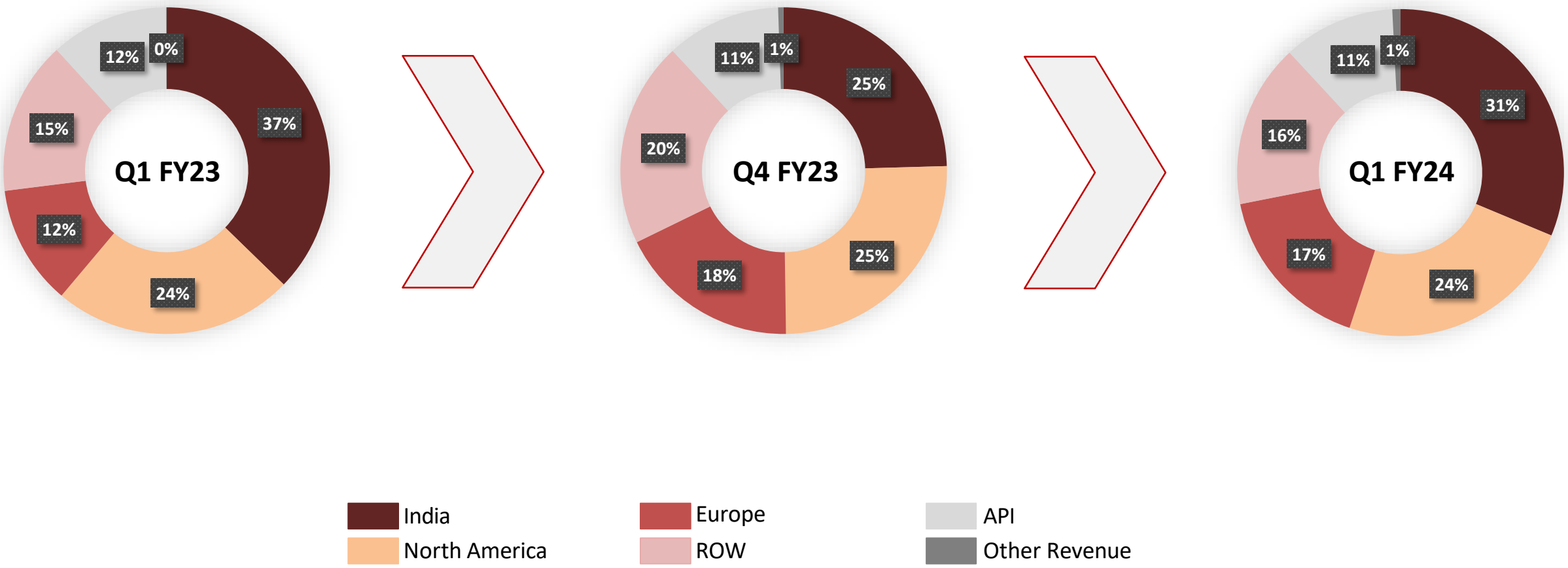
1. Asia, Middle East and Africa, Russia + CIS, and Latin America

Average conversion rate in 3M FY 2023-24 considered as INR 82.15 / USD 1.00

Average conversion rate in 3M FY 2022-23 considered as INR 76.98 / USD 1.00

USD figures are only indicative

Revenue Distribution by Key Geographies

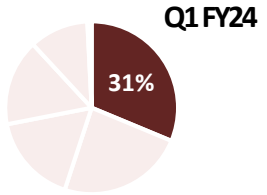


P&L Highlights

Rs. Mn	Q1 FY24	Q1 FY23	% YoY	Q4 FY23	% QoQ
Revenues from Operations	34,016	27,773	22.5%	33,737	0.8%
EBITDA	6,312	4,316	46.2%	6,050	4.3%
EBITDA margin (%)	*18.6%*	*15.5%*		*17.9%*	
Other Income (exp)	209	1,832		(402)	
Exceptional gain (loss)[2]	(520)	--		(7,997)	
Profit Before Tax (PBT)	3,334	4,081		(4,908)	
PBT Margin (%)	*9.8%*	*14.7%*		--	
Tax	1,603	1,969		(876)	
Tax rate (%)	*48.1%*	*48.3%*		--	
Profit After Tax (PAT)[1]	1,731	2,111		(4,031)	
EPS (Rs)	5.31	6.82		(15.18)	
R&D	2,838	2,979	-4.7%	3,363	-15.6%
R&D (% to sales)	*8.3%*	*10.7%*		*10.0%*	

1. *Before minority interest*
2. *Exceptional item of Rs.520.23 Mn in the consolidated result for the quarter comprises of remediation cost of manufacturing sites in India and Monroe (USA)*

India

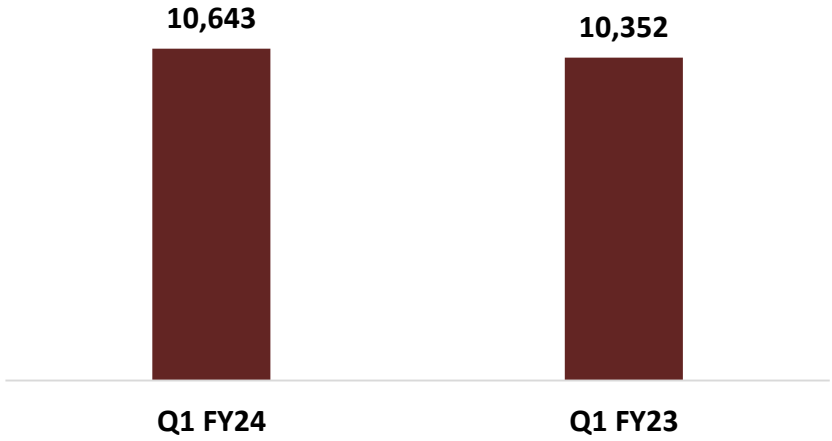


47% contribution from Chronic therapeutic segments

Continuous outperformance compared to industry

Revenue (INR Mn)

YoY: 2.8%

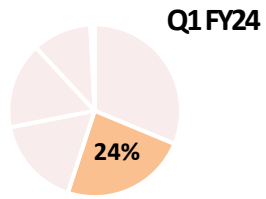


Key Highlights

- Glenmark's India business grew by 13.1% compared to the overall industry growth of 10.3%[1]
- 9 brands in the IPM Top 300 Brands in the country[1]
- Ranked 2nd in both the Respiratory and the Dermatology segments
- Increase in market share for Glenmark across key therapeutic areas in Q1 FY24
- Expect business growth to remain stable in-spite of a recent slowdown in certain acute segments of the industry, such as Respiratory and Anti-Infectives
- 20%+ growth in the Glenmark Consumer Care segment

Notes:
1. As per IQVIA MAT June 2023

North America

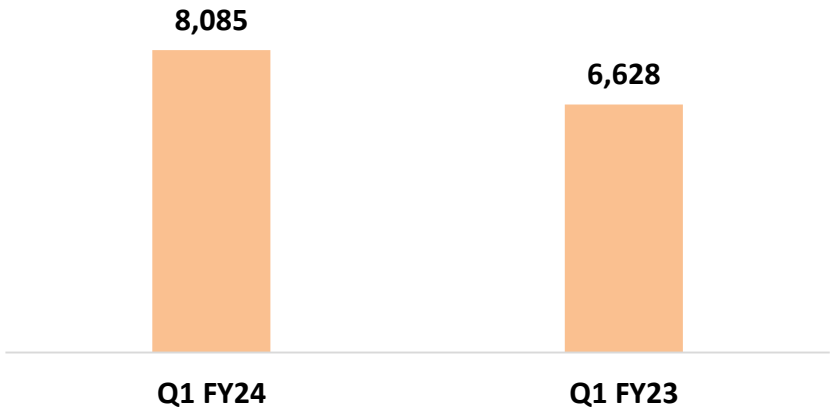


YoY Growth of 22%

Filed 2 ANDAs in Q1 FY24

Revenue (INR Mn)

YoY: 22%

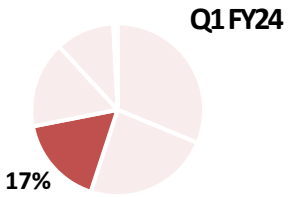


Key Highlights

- Launched Clindamycin Hydrochloride Capsules USP, which was approved in the previous quarter
- Plans to file 2-3 applications in the forthcoming quarter and a total of 10-12 ANDAs in FY24
- 183 generic products authorized for distribution in the U.S. market[1]
- Currently 50 applications pending in various stages of the approval process with the US FDA, of which 21 are Paragraph IV applications[1]

Notes:
1. As of 30 June, 2023

Europe

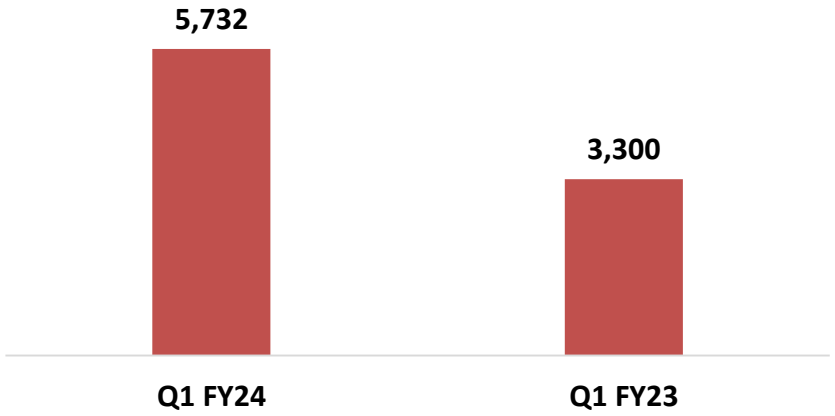


High double digit growth in Western Europe markets

Continued strong uptake in the Respiratory portfolio

Revenue (INR Mn)

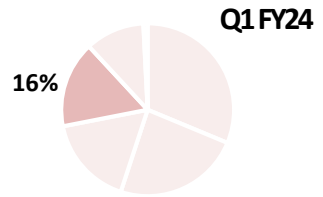
YoY: 73.7%



Key Highlights

- Growth was driven by an uptick in the base business as well as new product launches during the quarter
- The UK recorded strong growth on the back of key launches in the generics business
- Strong uptake in Soprobec® across markets
- Ryaltris® continues to exhibit strong growth across markets in which both Glenmark and partner Menarini have launched the product
- Salmex® / Asthmex® continues to sustain its market share, both, in terms of volume as well as value, across the CEE markets

ROW (Asia, MEA, Russia+CIS, LATAM regions)



Strong growth across all sub-regions

Respiratory remains key contributor to sales across regions

Key Highlights

Russia+CIS

- Glenmark Russia business recorded growth of 33.8% and 17.1% respectively in value[1]
- Launched Ascoril LS to further consolidate its leadership position in the Expectorants market

Asia

- Recorded 14% growth in secondary sales driven by markets like the Philippines and Vietnam
- Ryaltris® was launched by Glenmark in the Malaysian market in Q1 FY24

MEA

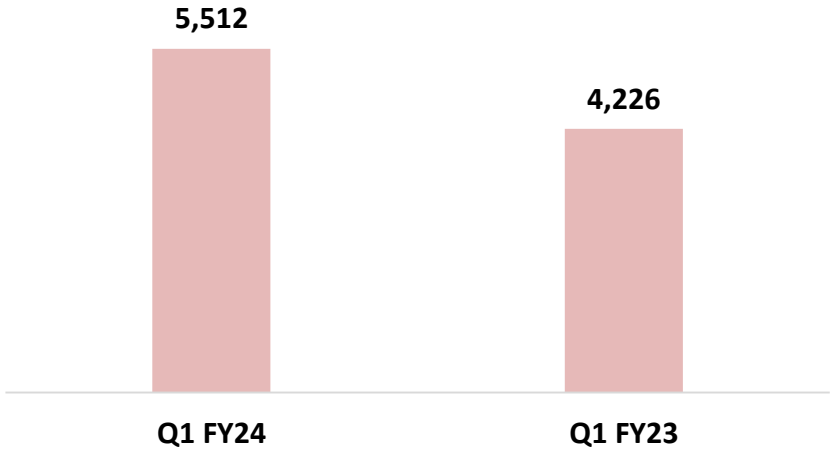
- Recorded 20%+ growth in sales during Q1 FY24
- Ryaltris® launched in Saudi Arabia in Q1 FY24; expected to further drive growth in the Respiratory segment

LATAM

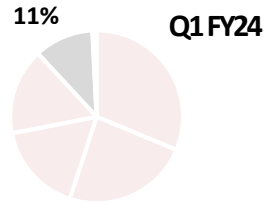
- Glenmark Brazil achieved 25%+ growth in the covered market; respiratory is key contributor
- Glenmark's Mexico business growing by ~25% in value and ~15%+ in units[1]

Revenue (INR Mn)

YoY: 30.4%



Notes:
1. As per IQVIA MAT June 2023



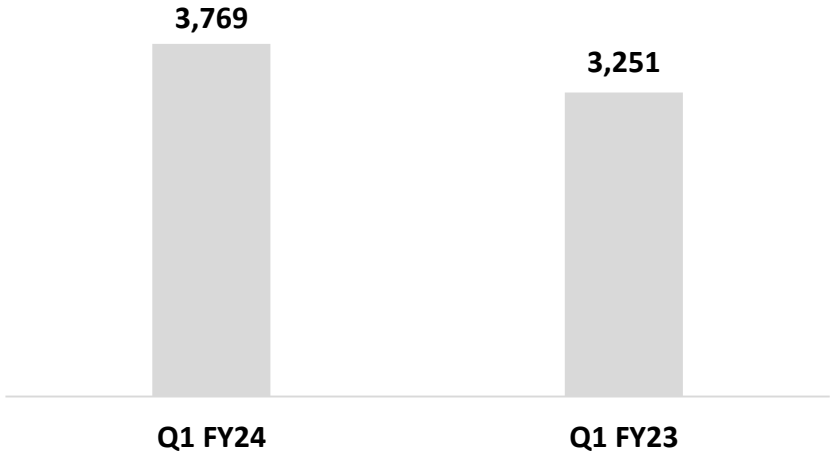
API business - Glenmark Life Sciences

Consolidated sales (including captive sales) growth of 18% YoY

CDMO revenues almost doubled with 91.3% YoY

Revenue – External Sales (INR Mn)

YoY: 16%



Key Highlights

- External sales in Q1 FY24 were at Rs. 3,769 Mn recording a growth of 16% YoY
- Steady growth momentum across regulated as well as emerging markets in the generics business
- DMF/CEPs filing continued across major markets in Q1 FY24, taking the total cumulative filings to 476
- Detailed engineering work has started for the construction of 200 KL in phase 1 at Solapur; initially total capacity of ~500KL will be operational by FY26

Respiratory Strategy – Creating Global Scale

Ryaltris®

- As of Q1 FY24, marketing applications for Ryaltris® have been submitted in more than 70 countries, the product has been commercialized in 29 markets
- Menarini, Glenmark's partner in the EU, intends to launch the product in additional EU markets in FY24 and consolidate its position in the markets where the product has been already launched
- Hikma, Glenmark's commercial partner in the USA, continued to see strong new prescriptions and repeat prescriptions growth as the allergy season progressed in the country
- Grand Pharmaceutical (China) Co. Ltd., Glenmark's partner in Mainland China, aims to complete the on-going Phase 3 study in China and submit the marketing authorization application in the second half of FY24
- Below are the value market shares of Ryaltris® across key geographies[1]:
  - Australia – 18.1%
  - South Africa – 15.2%
  - Czech Republic – 25%
  - Poland – 7.6%
  - Italy – 10.2%

Other key products

- Clinical trial ongoing for generic Flovent pMDI; Expect to file in FY24
- Plan to file at least one more generic respiratory pMDI in the US in FY24 and continue filing momentum beyond FY24

Notes:
1. Top 10 products within "R1A1 – Nasal Corticosteroids without Anti Infectives" category as per IQVIA + Ryaltris® - IQVIA June 2023 data where available

Innovative R&D Pipeline

GRC 54276

HPK1 Inhibitor

- Currently being developed as an orally administered immunotherapeutic agent for patients with solid tumors; demonstrated substantial anti-tumor effects in pre-clinical studies when administered alone, which is further enhanced when administered in combination with currently available immunotherapy
- GRC 54276 is currently being evaluated in the First in Human (FIH) Phase 1 clinical study (GRC 54276-101). Part 1a monotherapy phase of the study is ongoing in India since July 2022 and no dose limiting toxicities have been observed.
- Based on the Phase 1 IND approvals received from DCGI and the U.S. FDA in Q4 FY23, the Phase 1 Part 1b combination study of GRC 54276 with pembrolizumab and atezolizumab was initiated in India in Q1 FY24. Initiation of the study in the US is planned in Q2 FY24

GRC 39815

RORγt Inhibitor

- Currently being evaluated as an inhaled compound for the possible treatment of Chronic Obstructive Pulmonary Disorder (COPD)
- Currently under Phase 1 clinical development study in the U.S.

Ichnos Sciences is a Clinical-Stage Biotechnology Company at the Forefront of Innovation in Oncology

Fully Integrated Biotech

- Global footprint: the U.S. and Switzerland
- Fully owned by Glenmark, with plans to expand the investor base in the future
- Accomplished management team with proven track record
- Core capabilities in biologics (discovery, antibody engineering, CMC, clinical development and regulatory affairs)

Deep and Broad Pipeline

- Focus on immune cell engagers/modulators
- Disease-centric
- Broad first-wave multispecific oncology pipeline with five programs, including clinical-stage programs: T cell engager in multiple myeloma (ISB 1342) and a myeloid cell modulator (ISB 1442)
- Beyond oncology, pipeline of potential first-in-class therapeutics addressing autoimmune diseases available to out- license

Novel BEAT®* Platform

- Proprietary BEAT® antibody engineering platform* represents the discovery engine to sustain innovation and drive long-term growth:

+ Next-generation multispecific immune cell engager/modulator antibodies that can engage multiple targets simultaneously

...ichnos...

**BEAT®: Bispecific Engagement by Antibodies based on the TCR*

Ichnos is Advancing a Differentiated Pipeline with Potential First – and Best-in-Class Assets

Ichnos Oncology Pipeline - First Wave Focuses on T-Cell Engagers and Macrophage Modulators

Molecule Mechanism/Class	Phase/Status	Lead Indication
ISB 1342 CD38 x CD3 BEAT® 1.0 bispecific antibody[1]	Phase 1	Relapsed/Refractory Multiple Myeloma; T-ALL is also under consideration
ISB 1442 CD38 x CD47 BEAT® 2.0 bispecific antibody	Phase 1	Relapsed / Refractory Multiple Myeloma; Phase 1 study in AML is planned by early 2024
ISB 2001 BCMA x CD38 x CD3 TREAT™ trispecific antibody	Phase 1	Relapsed / Refractory Multiple Myeloma
ISB 2004 BEAT® 2.0 bispecific antibody	Discovery	Hematological Malignancies / Solid Tumours
ISB 2301 NK-cell engaging multispecific platform	Discovery	Solid Tumours

Ichnos to Out-License Assets in Autoimmune (AI) Disease

Molecule Mechanism/Class	Potential Indications	Phase	Status
ISB 880 (ALM 27134) IL-1RAP Antagonist Monoclonal Antibody	Autoimmune Diseases	Phase 1	Licensed to Almirall S.A. in December 2021. Dosing of participants in the Phase 1 study was announced by Almirall in September 2022
ISB 830 Telazorlimab OX40 Antagonist Antibody	Atopic Dermatitis	Phase 2b	Successfully completed a Phase 2b study in Atopic Dermatitis. Exploring partnership(s)
	Other AI diseases, including RA	U.S. IND for Rheumatoid Arthritis and other autoimmune indications is active	

Glenmark invested USD 17.2 Mn in Q1 FY24, compared to USD 21.8 Mn in Q1 FY23, and USD 24 Mn in Q4 FY23

1. Future clinical development will be advanced by a partner
**TREAT™: Trispecific Engagement by Antibodies based on the TCR*

T-ALL: T-cell Acute Lymphoblastic Leukemia AML: Acute Myeloid Leukemia

Key Objectives of Financial Year 2024

1. Consolidated revenue growth: 10-11%
2. Consolidated R&D investment: 8-8.5% of total sales
3. Consolidated EBITDA margin: 19-20%+
4. Consolidated Capex: INR 6-7 Bn
5. Priority to enhance free cash generation for further debt reduction
6. Close at least 1 out-licensing deal in innovation pipeline

Thank You

https://glenmarkpharma.com/