

September 21, 2023

**To,
Dy. General Manager
Department of Corporate Services,
BSE Ltd.,
P. J. Towers, Dalal Street,
Fort, Mumbai – 400 001.**

**To,
The Manager – Listing,
The National Stock Exchange of India Ltd.,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.**

Ref: Scrip Code: 532296

Ref: Scrip Name: GLENMARK

Dear Sir,

Sub: Glenmark Pharma Announces Proposed Divestment of Majority Stake in Glenmark Life Sciences

With reference to the subject mentioned above, kindly find attached;

1. Press release
2. Investor Presentation

Request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Glenmark Pharmaceuticals Limited

**Harish Kuber
Company Secretary & Compliance Officer**

Encl: as above

Press Release

For Immediate Release

Glenmark Pharma Announces Proposed Divestment of Majority Stake in Glenmark Life Sciences

- *Glenmark Pharma agrees to divest 75% stake in its subsidiary Glenmark Life Sciences to Nirma Limited, at a price of INR 615/- per share implying an equity valuation of INR 75,354 mn.*
- *Glenmark Pharma will continue to own 7.84% in Glenmark Life Sciences.*
- *Pursuant to the transaction, Nirma Limited will make a mandatory open offer to all public shareholders of GLS.*

Mumbai, India, September 21, 2023: Glenmark Pharmaceuticals Limited (“Glenmark Pharma”), a research-led, integrated, global pharmaceutical company has entered into a definitive agreement with Nirma Limited to divest 75% stake in its subsidiary, Glenmark Life Sciences Limited (GLS), at a price of INR 615/- per share for an aggregate consideration of INR 56,515 mn, subject to closing adjustments. Glenmark Pharma will own 7.84% in GLS after the divestment. The transaction is subject to customary conditions precedent, including receipt of regulatory and shareholder approvals.

Pursuant to the transaction, Nirma Limited will make a mandatory open offer to all public shareholders of GLS.

Commenting on the divestment, Glenn Saldanha, Chairman and Managing Director, Glenmark Pharmaceuticals Limited said, “We are pleased to announce this strategic transaction with Nirma, which marks a significant milestone in shaping an independent growth trajectory for GLS. This deal aligns with Glenmark’s strategic intent of moving up the value chain to become an innovative/brand led organization, with continuous focus on our core therapeutic areas of dermatology, respiratory and oncology. It also presents an opportunity for us to strengthen shareholder value through deleveraging and enhancing our overall return profile.”

Speaking on the announcement Dr. Yasir Rawjee, Managing Director and CEO, Glenmark Life Sciences Limited said, “Today’s announcement marks the next step in the journey of the company, one that will accelerate growth and help create more value for our stakeholders in the long term. We will continue to operate as an independent API company under the new ownership of Nirma Limited. I see this as an opportunity to further strengthen our position in the API industry and continue the growth trajectory.”

Glenmark Pharma will continue to focus on consistent growth across its key markets whilst having a strong emphasis on return ratios with net cash positive balance sheet, ultimately creating value for its shareholders.

Kotak Investment Banking acted as the exclusive financial advisor to Glenmark Pharma and GLS on this transaction. S&R Associates acted as legal advisor to Glenmark Pharma and Trilegal acted as legal advisor to GLS.

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About Glenmark Pharmaceuticals Limited

Glenmark Pharmaceuticals Limited (BSE: 532296 | NSE: GLENMARK) is an integrated, research-led, global pharmaceutical company, having a presence across Branded, Generics, and OTC segments; with a focus on therapeutic areas of respiratory, dermatology and oncology. The company has 10 world-class manufacturing facilities spread across 4 continents, and operations in over 80 countries. In Vivo/Scrip 100 positions Glenmark amongst the Top 100 Companies Ranked by R&D and Pharmaceutical Sales, 2021; while Generics Bulletin/In Vivo places it in the Top 50 Generics and Biosimilars Companies Ranked by Sales, 2021. The company has also been Great Place To Work® Certified™ in India. Glenmark's Green House Gas (GHG) emission reduction targets have been approved in 2023 by the Science Based Target initiative (SBTi), becoming the second Indian Pharmaceuticals company to achieve this approval. The organization has impacted over 2.9 million lives over the last decade through its CSR interventions. For more information, visit www.glenmarkpharma.com. You can follow us on LinkedIn (Glenmark Pharmaceuticals) and Instagram (glenmark_pharma).

For more information, please contact

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**Glenmark Pharmaceuticals Announces
Proposed Divestment of Majority Stake in
Glenmark Life Sciences**



21 September 2023

Disclaimer

This document has been prepared by Glenmark Pharmaceuticals Ltd. and the information, statements and analysis made in this document describing the Company's or its affiliates' objectives, projections and estimates are forward looking statements. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as "anticipates", "believes", "estimates", "expects", "intends", "plans", "predicts", "projects", "aspirations", "goals", "aim", "targets", "promises" and similar expressions.

These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements, depending upon, without limitation:

- General economic and political conditions in our key markets, government policies and other incidental factors;*
- Changes in the overall macro-economic parameters including changes in the currency and interest rates either in India and / or globally;*
- Ability to successfully implement our strategic plan, including research and development efforts;*
- Changes in laws and regulations that apply to the pharmaceutical industry and its suppliers and customers; and*
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry*

Actual outcomes may vary materially from those indicated in the applicable forward-looking statements, should one or more of such risks and uncertainties materialize. No representation or warranty, either expressed or implied, is provided in relation to this presentation. This presentation should not be regarded by recipients as a substitute for the exercise of their own judgment. The Company undertakes no obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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Transaction Information

- + Glenmark Pharmaceuticals Limited (“GPL”) has entered into a definitive agreement with Nirma Limited (“Nirma”) to divest 75%¹ stake in its subsidiary, Glenmark Life Sciences Limited (“GLS”), at a price of INR 615/- per share for an aggregate consideration of INR 56,515 Mn, implying an equity valuation of INR 75,354 Mn
- + Glenmark Pharmaceuticals Ltd. will own 7.84%¹ in Glenmark Life Sciences Ltd. after the divestment
- + Transaction is subject to closing adjustments and customary conditions precedent, including receipt of regulatory and shareholder approvals
- + Nirma Ltd. will make a mandatory open offer to all public shareholders of GLS

Transaction Rationale

Diverging business models leading to decreasing synergies between GPL and GLS

- + GPL constantly moving up the value chain through launch of branded / innovative products
- + Heightened focus to increase contribution from branded business globally and complex generics
- + Changing dynamics of the U.S. generics market
- + GPL's future pipeline focused on Dermatology, Respiratory and Oncology plus complex generics
- + Opportunity to enhance shareholder value by deleveraging and improving overall return profile

GPL Future Roadmap – FY25 and beyond

Revenue

- + Target high double-digit CAGR in Europe and RoW markets
- + Expand contribution of RYALTRIS® in the U.S., Europe and RoW markets
- + Sustain strong growth in India
- + Generate ~2/3rds of consolidated revenue from branded products / markets
- + Launch multiple complex generics (injectable, respiratory, dermatology) in the U.S. market
- + Target commercial launch of one innovative asset between GPL and Ichnos¹

Profitability

- + Gross margin improvement through greater contribution from branded markets
- + EBITDA margin improvement on account of multiple factors:
 - Increasing contribution of RYALTRIS® plus other branded / differentiated products
 - Lower R&D expenditure to 7-8% of consolidated revenue
 - Higher operating leverage through greater scale in Europe and Latin America regions from FY25
- + Significantly lower interest costs going forward to help improve overall PAT margin

Balance Sheet

- + Net cash positive post the completion of the transaction
- + Prudent capital expenditure going forward to support overall revenue growth
- + Strong organic cash flow generation
- + Evaluate select in-licensing opportunities to further strengthen the portfolio
- + No high-value M&A opportunities over the next two years
- + Ensure Ichnos is self-funded (through partnerships, external capital raise / listing)

GPL Key Focus Areas

**Consistent Revenue
Growth**

**Return on Capital
Employed**

Net Cash Positive

**Shareholder Value
Creation**

Thank You



<https://glenmarkpharma.com/>