



GROWING INNOVATION.

2010 Summer Conference: Gaining a Competitive Edge

beyond Life Cycle Management with Innovative Technologies

A New Business Model built around Innovative Technologies

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PRESENTATION
OUTLINE

APR Corporate Presentation

1990 – 2010
Market trends and Technology
Providers strategy

APR Business Model

Case History

Conclusions





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COMPANY OVERVIEW

Who we are

Founded in 1990 as a private independent Swiss Corporation but became operative in 2000 only.

APR is an independent and Integrated Healthcare Company

Headquartered in Balerna, **Lugano** (Switzerland) with a fully owned subsidiary in **Charlotte, NC** (Applied Pharma Research USA, LLC).

OUR VISION

To become a leading Company Delivering, Funding and Supporting Innovation in Healthcare

OUR VALUES

- Reliable
- Passion
- Merging Knowledge



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Market Trends and Technology Providers Strategy 1990 – 2010: Key evolution Phases

Phase 1:
1990 - 2000

Provider of **Platform Technologies**

- Expanding Drug Delivery Platforms
- Specific focus on Technical Aspects
- Client bearing Development Risks
- Value driven by Platform Technologies

New driving forces started in late 90' early 2000:

- Generic Competition
- Higher R&D Expenditure
- Pricing Pressures

Phase 2:
2000 - 2010

Provider of **Improved Products**

- Fewer, selected Delivery Systems
- Focus on “Proof of Concept”
- Majority of risks still on Client’s side
- Value driven by Platform Technologies with proven track record

New more pressing driving forces:

- Patent Cliff
- Decreasing R&D Productivity
- Pricing Pressures
- Healthcare Reforms

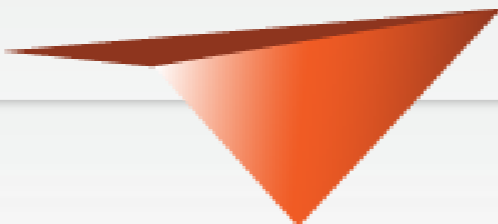
Phase 3:
Today and
Tomorrow

Developer of Innovative Projects



- Few, selected Routes of Administration
- Focus on Technical, Clinical, Regulatory, Managed Care and Partnering (complete development)
- Developer bearing majority of risks
- Value driven by the Innovative Projects

A new **Integrated Market Vision** requires a complete new set of competencies and Know How



A NEW BUSINESS MODEL



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APR Business Model

APR is a private, independent, integrated Healthcare Company

APR strategic approach to Innovation is pursued through the combined:

(a) Development and license of added value, proprietary products and oral and topical drug delivery technologies

(b) Investment into companies or projects synergic to APR business model, and provide capital and know how

(c) Delivery of added value consultancy, R&D and regulatory services in EU and US with a one stop shop approach

The Value of any Innovative Project is driven by an Integrated Opportunity Vision

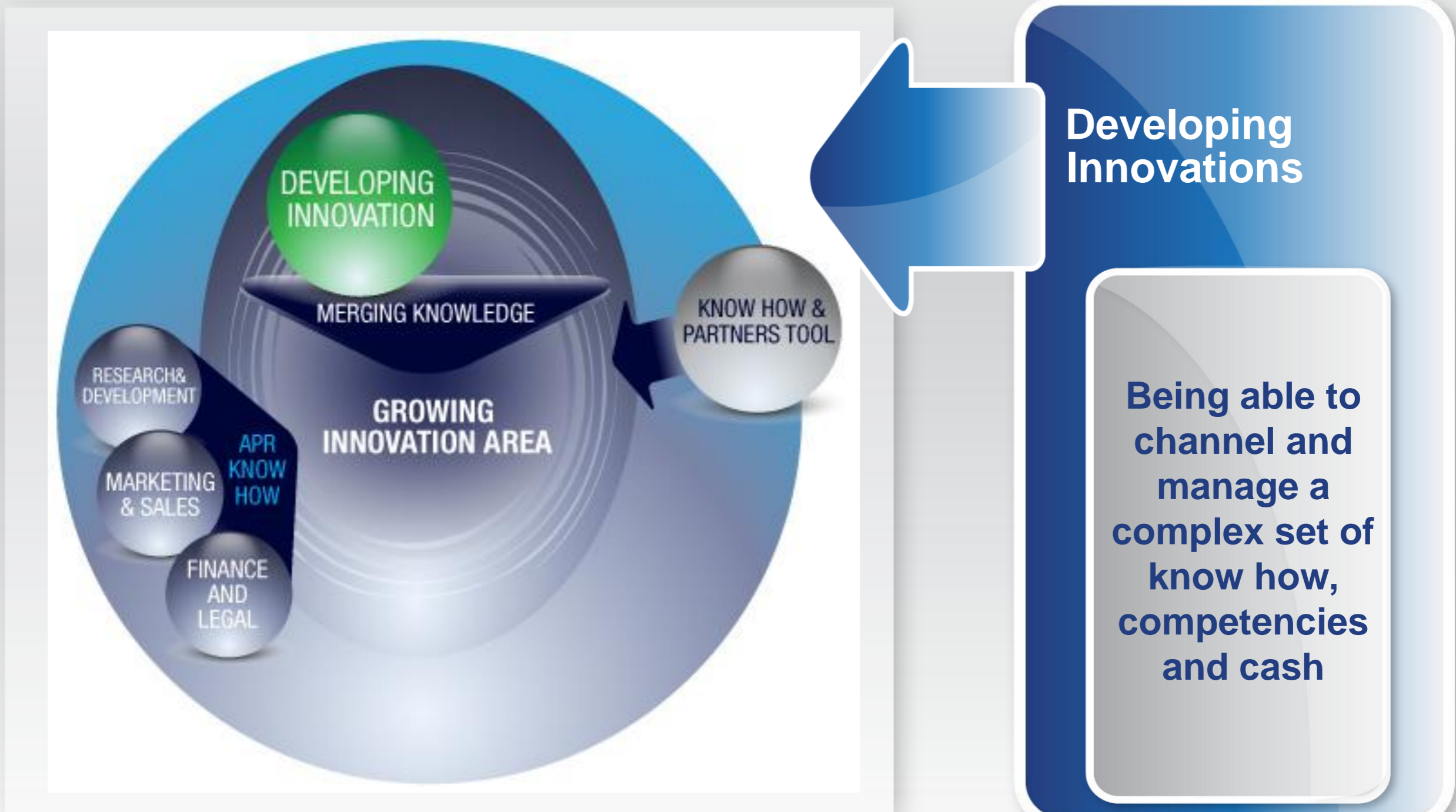
Attracting Opportunities and Innovations



Being able to offer alternative partnering Opportunities (rather than just acquiring) in order to attract Innovation



Innovative technologies are the base of a more complex value chain to deliver Innovations



Maximize the efforts means to define the best strategic output for the market

Realizing Innovations

Being able to structure and manage different partnering options (rather than just Licensing)



Creating new value for the market enables new Innovation Flow



Managing Innovations

Being able to proactively manage Partnerships and Alliances in order to create further Innovation

From Vertical to Horizontal Integration





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Case History

Business Model Output

Dynamic Buffering Technology (DBT)

DICLOFENAC IR MIGRAINE

First Patented NSAID specifically approved by FDA for the treatment of severe Migraine Attacks with or without Aura.



APR merged different partners to create its USP

UNIQUE SELLING PROPOSITION

- Fast onset of Clinical Action (15 Min)
- As effective as Triptans with better side effects profile;
- > Affordable and cheaper than Triptans;
- > It is the only Migraine drug which seems to stop progression of Migraine

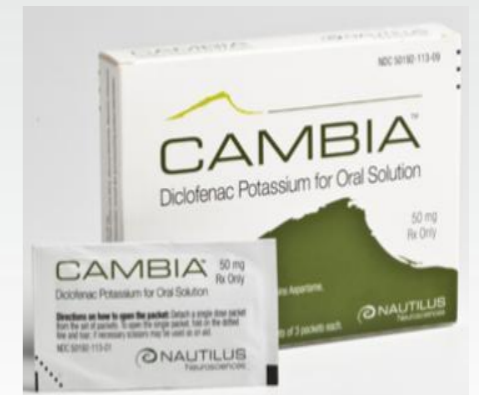


Partnering with Private Equity Firms



Launched in the US in May 2010

Raised over \$ 27 Mio for the Launch



www.cambiarx.com



Partnering with



APR merged different partners to create its USP

Business Model Output



Ondansetron RapidFilm

First Rx Film Strip Approved for Marketing

UNIQUE SELLING PROPOSITION

- Oral Dispersible Film (ODF) is a novel consumer friendly, portable, easy to handle dosage form;
- Not Substitutable (A/B Ratable)
- Got Pediatric Indications thanks to the delivery format



Approved for Marketing in EU in March 2010



Expected Approval in US by Q3/2010

Consistent pipeline of ODF Rx to follow





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Conclusions

- Innovative Technologies are still important driving forces for Innovation;
- Current Market Dynamics require an Integrated Market Vision;
- To deliver Innovative Projects is a complex process which requires a complete set of competencies and Know How;
- **We created a new Business Model to facilitate an Innovation Flow and moving from a Vertical Integration to an Horizontally Integrated Model.**

Many thanks for your attention



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