WHY INVEST IN TURKISH PHARMACEUTICALS INDUSTRY?
AGENDA

1 - Executive Summary

2 - Turkish Pharmaceuticals Industry Outlook

3 - Growth Drivers in Türkiye

4 - Opportunities in Turkish Pharmaceuticals Industry

5 - Site Assessment
EXECUTIVE SUMMARY

TÜRKİYE HAS A GROWING PHARMA INDUSTRY OFFERING OPPORTUNITIES IN MANY AREAS

FAVORABLE INVESTMENT ENVIRONMENT

- Strong macroeconomic growth with increasing income per capita and a bourgeoning middle class
- Favorable demographics with a dynamic, young and skilled talent pool supporting the industry
- Increasing life expectancy and spending in healthcare
- Strong government support through manufacturing and R&D incentives

ROBUST GROWTH IN THE SECTOR

- With Healthcare Transformation Program and Universal Healthcare Insurance launched in 2003, Turkish government assures free healthcare coverage to 95% of the population
- Turkish pharmaceuticals market has seen a robust growth over the past decade – ranks 18th largest in the World with $6Billion in value
- Export opportunities due to Türkiye’s proximity to regional markets
EXECUTIVE SUMMARY

TÜRKİYE HAS A GROWING PHARMA INDUSTRY OFFERING OPPORTUNITIES IN MANY AREAS

LUCRATIVE OPPORTUNITIES IN SUB-SECTORS

- Türkiye’s localization program in action to reduce import dependency and increase local production
- Heavy investments in healthcare infrastructure and services
- Strong government support for biotechnology
- Ideal location for clinical trials and a favorable regulatory environment aligned with international standards

STRONG INTERNATIONAL PRESENCE

- Global pharmaceutical companies have been present in Türkiye with significant manufacturing activities, using Türkiye as a hub to access regional markets
- Successful partnerships with local companies to grow in the region, capitalizing on locals’ experience and networks
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TURKISH PHARMACEUTICALS

TURKISH PHARMACEUTICALS INDUSTRY IS THE 22nd LARGEST IN THE WORLD WITH $8.4BN VALUE

<table>
<thead>
<tr>
<th>Country</th>
<th>Market Size ($B)</th>
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<tbody>
<tr>
<td>USA</td>
<td>428.3</td>
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<tr>
<td>China</td>
<td>228.1</td>
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<tr>
<td>Japan</td>
<td>97.8</td>
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<tr>
<td>Germany</td>
<td>80.9</td>
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<tr>
<td>France</td>
<td>43</td>
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<tr>
<td>UK</td>
<td>38.7</td>
</tr>
<tr>
<td>Canada</td>
<td>35.4</td>
</tr>
<tr>
<td>India</td>
<td>32.1</td>
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<tr>
<td>Russia</td>
<td>31.5</td>
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<tr>
<td>Italy</td>
<td>31</td>
</tr>
<tr>
<td>Spain</td>
<td>30.1</td>
</tr>
</tbody>
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GLOBAL MEDICINE SPENDING TO EXCEED $11 TRILLION BY 2030

DEVELOPED MARKETS EXPECTED TO GROW BY 1-4% WHEREAS EMERGING MARKETS TO GROW BY 5-8%

<table>
<thead>
<tr>
<th>Country</th>
<th>Market Size ($B)</th>
</tr>
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<tbody>
<tr>
<td>Brazil</td>
<td>25.4</td>
</tr>
<tr>
<td>S. Korea</td>
<td>23</td>
</tr>
<tr>
<td>Mexico</td>
<td>14.5</td>
</tr>
<tr>
<td>Australia</td>
<td>13.9</td>
</tr>
<tr>
<td>Poland</td>
<td>12</td>
</tr>
<tr>
<td>S. Arabia</td>
<td>11.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>9.1</td>
</tr>
<tr>
<td>Switzerland</td>
<td>8.9</td>
</tr>
<tr>
<td>Netherlands</td>
<td>8.7</td>
</tr>
<tr>
<td>Austria</td>
<td>8.6</td>
</tr>
<tr>
<td>Türkiye</td>
<td>8.4</td>
</tr>
</tbody>
</table>

Source: Fitch Ratings, IQVIA
Turkish Pharmaceuticals Market

The Turkish pharmaceuticals market has experienced a 6x growth since 2015 to reach 122 billion TRY.

- **Originator Drugs** dominate the market with 59% share in value and 35% in units.
- **Imported Drugs** have 45% market share in value, 10% in units.
- **Reimbursement rate** is 94.6%.

**Turkish Pharma Sales**

<table>
<thead>
<tr>
<th>Year</th>
<th>TRY Value (Billions)</th>
<th>Box (Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.21</td>
<td>19</td>
</tr>
<tr>
<td>2016</td>
<td>2.31</td>
<td>22</td>
</tr>
<tr>
<td>2017</td>
<td>2.39</td>
<td>26</td>
</tr>
<tr>
<td>2018</td>
<td>2.49</td>
<td>34</td>
</tr>
<tr>
<td>2019</td>
<td>2.55</td>
<td>44</td>
</tr>
<tr>
<td>2020</td>
<td>2.43</td>
<td>52</td>
</tr>
<tr>
<td>2021</td>
<td>2.60</td>
<td>68</td>
</tr>
<tr>
<td>2022</td>
<td>2.82</td>
<td>122</td>
</tr>
</tbody>
</table>

*Source: IEIS*
80% of prescriptions are classical drugs – oncology has the largest market share in volume.

**MARKET SHARE BY THERAPEUTICAL CLASS IN VALUE**

- Oncology
- Antibiotics
- Cardiovascular
- Blood Products
- Nervous System
- Antidiabetics

**MARKET SHARE BY THERAPEUTICAL CLASS IN UNITS**

- Antibiotics
- Antirheumatics
- Cardiovascular
- Cold medicines
- Analgesics
- Digestive System
TÜRKİYE IMPORTS USD 4.4 BILLION – 48% OF THE TOTAL MARKET – AND NOW IS THE 26TH LARGEST IMPORTER IN THE WORLD

TÜRKİYE MOSTLY IMPORTS ORIGINATOR DRUGS, VACCINES, BLOOD PRODUCTS, BIOSIMILARS

WITH THE FOLLOWING BREAKDOWN BY COUNTRIES:

- **70% from Europe - mostly from Germany, Switzerland, France and Italy**
- **15% from USA and Brazil**
- **11% from Korea, Japan and Singapore**
- **2% from China and India**

Source: TURKSTAT, HS Code 30
TÜRKİYE IS WELL CONNECTED WITH THE REGION THROUGH CUSTOMS UNION WITH THE EU AND FREE TRADE AGREEMENTS WITH 28 COUNTRIES

Source: UN Comtrade HS Code 30, Türkiye has signed Free Trade Agreements (FTA) with Albania, Bosnia-Herzegovina, Chile, Egypt, Faroe Islands*, Georgia, Ghana*, Iceland, Israel, Jordan, Kosovo*, Lebanon*, Macedonia, Malaysia, Mauritius, Montenegro, Moldova**, Morocco, Norway, Palestine, Serbia, Singapore**, South Korea, Switzerland and Lichtenstein, Syria, Tunisia. (*)to be ratified.

TÜRKİYE HAS GEOGRAPHICAL PROXIMITY TO SOME OF THE HIGHEST IMPORT MARKETS IN PHARMACEUTICALS AND IS CONVENIENTLY POSITIONED AS A MANAGING AND MANUFACTURING HUB

> $300BN OF IMPORT
TÜRKİYE’S PHARMA EXPORTS MORE THAN DOUBLED SINCE 2010

TÜRKİYE EXPORTS TO 169 COUNTRIES – HALF OF THE EXPORTS IS TO MENA AND CIS COUNTRIES

93% growth in 10 years

Exports (in Million USD)

Source: TURKSTAT, HS Code 30, IEIS

DIVERSIFYING ITS EXPORT MARKETS TO EUROPE AND USA:

34% to Europe – mostly to Hungary, Poland and Germany

58% to Asia - mostly S. Korea and MENA

2% to Americas
TÜRKİYE IS HOME TO A TOTAL OF 116 PRODUCTION FACILITIES WITH 103 PHARMACEUTICAL AND 13 RAW MATERIAL PRODUCTION FACILITIES

TÜRKİYE HAS BEEN A FULL MEMBER OF PIC/S SINCE 2018, ICH MEMBERSHIP IS EXPECTED IN 2020

THERE ARE OVER 70 PHARMA MANUFACTURERS WHERE 14 OF THEM ARE MULTINATIONALS

12K PRODUCTS
OVER 44K EMPLOYEES
42 ACCREDITED R&D CENTERS
92 OUT OF TOP100 PHARMA COMPANIES ARE IN TÜRKİYE

Source: IEIS, TITCK
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ROBUST ECONOMY

11th largest economy in the World

RANKING OF ECONOMIES BY GDP AT PPP

<table>
<thead>
<tr>
<th>2003</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. USA</td>
<td>1. CHINA</td>
<td>1. CHINA</td>
</tr>
<tr>
<td>2. CHINA</td>
<td>2. USA</td>
<td>2. USA</td>
</tr>
<tr>
<td>3. JAPAN</td>
<td>3. INDIA</td>
<td>3. INDIA</td>
</tr>
<tr>
<td>4. GERMANY</td>
<td>4. JAPAN</td>
<td>4. JAPAN</td>
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<tr>
<td>5. INDIA</td>
<td>5. GERMANY</td>
<td>5. GERMANY</td>
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<tr>
<td>6. RUSSIA</td>
<td>6. RUSSIA</td>
<td>6. RUSSIA</td>
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<tr>
<td>7. FRANCE</td>
<td>7. INDONESIA</td>
<td>7. INDONESIA</td>
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<tr>
<td>8. UK</td>
<td>8. BRAZIL</td>
<td>8. BRAZIL</td>
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<tr>
<td>10. ITALY</td>
<td>10. FRANCE</td>
<td>10. FRANCE</td>
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<tr>
<td>11. MEXICO</td>
<td>11. MEXICO</td>
<td>11. TÜRKİYE</td>
</tr>
<tr>
<td>12. INDONESIA</td>
<td>12. ITALY</td>
<td>12. ITALY</td>
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<tr>
<td>13. SPAIN</td>
<td>13. TÜRKİYE</td>
<td>13. TÜRKİYE</td>
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<tr>
<td>15. S.KOREA</td>
<td>15. SPAIN</td>
<td>15. CANADA</td>
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<tr>
<td>16. S.Arabia</td>
<td>16. CANADA</td>
<td>16. SPAIN</td>
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<tr>
<td>17. IRAN</td>
<td>17. S.Arabia</td>
<td>17. S.Arabia</td>
</tr>
<tr>
<td>18. TÜRKİYE</td>
<td>18. IRAN</td>
<td>18. EGYPT</td>
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</tbody>
</table>

AVERAGE ANNUAL GDP GROWTH (%)

<table>
<thead>
<tr>
<th>2002-2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.4 TÜRKİYE</td>
</tr>
<tr>
<td>3.9 POLAND</td>
</tr>
<tr>
<td>3.6 ROMANIA*</td>
</tr>
<tr>
<td>2.9 BULGARIA*</td>
</tr>
<tr>
<td>2.5 CZECHIA</td>
</tr>
<tr>
<td>2.3 HUNGARY</td>
</tr>
</tbody>
</table>

REAL GDP GROWTH (INDEX: 2002=100)

IMPRESSIVE ECONOMIC GROWTH LEADING TO A SIZEABLE MIDDLE CLASS WITH INCREASING PURCHASING POWER

**DOMESTIC MARKET**

**Income per capita**
(GDP per capita, current prices at purchasing power parity)

- $10,988 in 2002
- $39,301 in 2022

**Stock of Automobiles**
(millions of passenger cars)

- 4.6 in 2002
- 14.4 in 2022

**Aviation Passenger Count**
(millions of passengers)

- 208.9 in 2002
- 33.8 in 2019
- 182.3 in 2022

Source: TurkStat, Ministry of Transport and Infrastructure and IMF
FAVORABLE DEMOGRAPHICS

HALF OF POPULATION AT AGE 30

TÜRKİYE

Life expectancy at 78 years

EUROPE

Working Age Population (15-64) (Index: 2014=100)

Total Dependency Ratio (% , Age 0-14 & 64)/Age 15-64)

Source: Turkstat, Eurostat, UN, 2016
SKILLED & COST-COMPETITIVE LABOR FORCE

TÜRKİYE’S EDUCATION SYSTEM UPGRADED TO SUPPORT A SKILLED LABOR POOL

UNDERGRADUATE & GRADUATE ENROLLMENT IN RELATED FIELDS (2023)

NUMBER OF GRADS FROM VOCATIONAL & TECHNICAL HIGH SCHOOLS (in thousands)

LABOR FORCE BY EDUCATION LEVEL

Source: Ministry of National Education, Council of Higher Education, Turkstat
SKILLED AND COMPETITIVE LABOR FORCE

UPGRADED EDUCATION SYSTEM TO ENABLE A SKILLED LABOR POOL AND ADDRESS BUSINESS REQUIREMENTS

Source: Ministry of National Education, Council of Higher Education, Turkstat, IMD World Competitiveness Yearbook Executive Opinion Survey based on an index from 0 to 10, Numbeo

ANNUAL NUMBER OF GRADUATES (thousands)

AVAILABILITY OF QUALIFIED ENGINEERS (10=Available; 0=Unavailable) 2022

AVAILABILITY OF COMPETENT SENIOR MANAGERS (10=Available; 0=Unavailable)

LABOR FORCE BY EDUCATION LEVEL

COST OF LIVING INDEX 2022 (New York=100)

Source: Ministry of National Education, Council of Higher Education, Turkstat, IMD World Competitiveness Yearbook Executive Opinion Survey based on an index from 0 to 10, Numbeo
**INCENTIVES**

**PHARMACEUTICAL SECTOR INVESTMENTS AND R&D TAKE PRIORITY AND CAN BENEFIT FROM VARIOUS LUCRATIVE INCENTIVES**

**MAIN INCENTIVE TOOLS**

<table>
<thead>
<tr>
<th>Main Incentive Tools</th>
<th>General Incentives</th>
<th>Regional Incentives</th>
<th>Incentives for Strategic Investments</th>
<th>Project Based Incentives</th>
<th>R&amp;D Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Tax Reduction</td>
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<tr>
<td>VAT/Custom Duty Exemption</td>
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<td>Social Security Premium Support</td>
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<td>Income Tax Withholding Support*</td>
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<tr>
<td>Interest Support**</td>
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<tr>
<td>Land Allocation</td>
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<tr>
<td>Qualified Personnel Support</td>
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<tr>
<td>Infrastructure Support</td>
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<td>Energy Cost Support</td>
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<tr>
<td>Purchasing Guarantee</td>
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</tbody>
</table>

*Provided that investments, except R&D, are made in Region 6. **Provided that investment, except R&D, are made in Regions 3, 4, 5 or 6 within the frame of the Regional Incentive Scheme.

Source: Ministry of Science and Technology

- **Tax Deduction**: Reduced tax rates for investor’s income (50-90%) until the total deduction reaches a certain percentage of capex. (15-65% of capex, in the case of project based incentives up to 200% of capex). For R&D investments, all R&D expenditures are deducted from tax base.

- **VAT Exemption**: Investment machinery and equipment imported and/or locally provided within the scope of the incentive certificate will be VAT exempt.

- **Customs Duty Exemption**: Investment machinery and equipment imported within the scope of the incentive certificate will be customs duty exempt.

- **Interest Rate Support**: For investment loans, a certain portion of the interest share will be covered by government. (3-7% points for TRY-denominated, 1-2% points for forex-denominated loans) (1M-1.8M TRY).

- **Land Allocation**: Government land will be allocated for the investments, if no land is available in OIZs.

- **Income Tax Withholding Exemption** will provide exemption from income tax withholding (only for Region 6).
CRITICAL PHARMACEUTICAL PRODUCTION PROJECTS CAN BENEFIT FROM TAILOR-MADE PROJECT BASED INCENTIVES

PROJECT-BASED INCENTIVES

- Cash grant up to 25% of machinery and equipment
- Corporate tax exemption up to 100 percent and investment support up to 200 percent; or a corporate tax exemption exclusively for the profits derived from the investment for the first 10 years following the commencement of operations.
- Income tax withholding support up to 10 years
- VAT exemption for imported or domestically purchased machinery and equipment for projects with an investment incentive certificate.
- Customs tax exemption for imported machinery and equipment for projects with an investment incentive certificate.
- If the investment is built upon a public immovable property, a right of easement or use on that immovable property can be granted in favor of the investor without consideration for 49 years. On condition that the investment is completed and the envisaged employment is provided for 5 years, ownership of the immovable property can be transferred to the investor without consideration upon request.
- Social security premium support for employer’s share for up to 10 years
- Compensation of up to 50 percent for energy consumption expenses related to the investment for up to 10 years
- Interest or dividend support for the loans extended in order to finance the fixed investment amount for up to 10 years.
- Salary support for qualified employees for up to five years; eligible support is capped at twenty times the gross monthly minimum wage. Qualified personnel is the key personnel with great knowledge and experience in the industry. These personnel would be critical in order for the investment to provide the promised outcome. We would expect 50 to 100 employees to be eligible for this support for a 1,600 employment, please note that this number can go up with negotiation.
- The Presidency may allow the State to become a shareholder owning up to 49% of the investment amount provided that the acquired shares will be sold back to the investors or be sold via public offer within 10 years.
- The Presidency may decide that all kinds of infrastructure investment can be carried out if the project required.
- Guarantee of purchase for the project-based investment product can be granted, the duration and amount of which will be determined by the Presidency.
- VAT refund for construction expenses
- The Presidency may grant exemption for permission, assignment, license, registrations and other restrictive provisions imposed by other laws for project-based investments.
INCENTIVES THROUGH INNOVATION LIFECYCLE

1500 FTE R&D PERSONNEL

14 UNIVERSITY RESEARCH CENTERS

42 ACCREDITED R&D CENTERS

START

Technostartup Incentives: Cash support up to 450K TRY

PRODUCT / PROJECT DEVELOPMENT

Call-based Tubitak programs: Cash support up to 60-80% of the project budget via ARDEB High-Tech Platforms and/or SAYEM

MANUFACTURING

Technology Focused Industrial Movement Program (HAMLE): Cash/credit support up to 5 Million TRY for SMEs

GROWTH & COMPETITION

Patented sales: Income Tax & VAT Exemption

COMMERCIALIZATION

Technoparks and R&D Centers: Income Tax Exemption Tax cuts up to 20-30% of the personnel cost Industrial Doctorate Program
R&D ECOSYSTEM IN PHARMACEUTICALS

TÜRKİYE HAS CREATED AN ECOSYSTEM OF R&D AND ENTREPRENEURSHIP

Please note that this list is by no means exhaustive and is only intended to illustrate some of the major players in the ecosystem.
Türkiye has been accepting patent applications since 1996, in compliance with the WTO’s Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement.

As a candidate country, Türkiye has significantly aligned its technical and IPR legislations with the European Union acquis communautaire.


- Simplifies proceedings, adopting tighter regulations for the protection & enforcement of IPR.
- Aligns the Turkish patent regime with its obligations as part of the European Patent Convention

Specialized Courts on IPR

- There are 14 criminal and 14 civil specialized IP courts functioning in Ankara, Istanbul and Izmir

IPR Protection in Türkiye has significantly improved over the past decade.

(Source: Property Rights Alliance International Property Rights Index, 2023)
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Türkiye introduced Health Transformation Program in 2003 to provide access for all citizens - healthcare spending doubled to reach USD 480 per capita.

- **Universal Coverage**
- **Localization Program**
- **Improving Infrastructure**
- **Increasing # of Healthcare Professionals**
- **Price Reference System & Fixed FX rate**

**Universal Health Insurance introduced in 2006**

**Localization Program launched in 2016**

**Number of hospitals increased from 1,156 in 2002 to 1,554 in 2022 (bed capacity 165K to 264K)**

**Number of doctors increased from 92K in 2002 to 184K in 2022 (from 1.4 to 2.1 per 1000)**

**Price of a Turkish drug is equivalent to the lowest of the prices in: Greece, Portugal, Spain, Italy, and France**

Source: Turkstat, Ministry of Health
**KEY FACTS**

- **12th Development Plan for 2024-2028** designates medicine and biomedical equipment as priority – biotechnological drugs are of strategic importance.

- **244 biologics and 110 biosimilars** in the Turkish market are mostly imported – 37% of the total import value in 2022.

- **EU biosimilars guidelines** are implemented and substitution of biosimilars at the level of pharmacy is granted. Fast track registration is granted by the Ministry of Health – around 6 months.

- Price advantage for biosimilars: *same price with biologics* whereas that of generics have 60% of the originator drugs.

- Research infrastructure incentivized for life sciences, biomedicine and genetics in order to cover end-to-end: target discovery, lead discovery, pre-clinical, clinical trials, filing and market launch.

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**Share of Biosimilars in Turkish Pharma Market**

- 2015: 3.10%
- 2016: 4.90%
- 2017: 8.70%
- 2018: 16.30%
- 2019: 31.20%
- 2020: 35.50%
- 2021: 33.50%
- 2022: 12.90%

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**AND TURKISH PHARMA INDUSTRY IS MAKING ITS ATTEMPT TO UTILIZE THIS POTENTIAL SINCE 2016**

- 22 pharma companies working on 2 reference biotech drugs & 40 biosimilars to launch by 2024.
Türkije is targeting 100% localization of vaccines by 2023

**KEY FACTS**

- 11th Development Plan for 2019-2023 designates medicine and biomedical equipment as priority – biotechnological drugs including vaccines are of strategic importance.
- A growing market to reach USD 200 Million in 2018 – 98% vaccine coverage in infants, 70% in adults – still room for growth.
- Research infrastructure incentivized for life sciences, biomedicine and genetics. To cover end-to-end: target discovery, lead discovery, pre-clinical, clinical trials, filing and market launch.
- 13 vaccines that are included in the National Immunization Calendar are reimbursed 100%.
- Localization gained speed since 2009 - 3 to 7 year purchase guarantee provided for local production.
- Türkiye’s 1st locally produced vaccines: Pfizer in partnership with Birgi Mefar manufacturing pneumococcal vaccine since 2012.
- Antigen production for diphtheria-tetanus vaccine started in 2019.
- Conjugated pneumococcal vaccine fill-and-finish in
KEY FACTS

- A developing clinical research profile, supported by new regulations that are in accordance with international standards and European directives
- A large and diverse patient population of almost 85 million, the majority of whom are treatment-naïve
- Türkiye offers a high number of sites with the capacity to conduct clinical research – in universities, private and state hospitals
- Highly motivated research teams trained in GCP, capable of producing high-quality, reliable data
- Comparatively low costs, relative to EU countries and the US

Number of Clinical Trials in Türkiye

Source: Turkish Medicines and Medical Devices Agency
PMS: Postmarketing Studies; BA: Bioavailability/BE: Bioequivalence
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PHARMA MANUFACTURERS IN TÜRKİYE

PHARMACEUTICAL MANUFACTURING CLUSTERS IN GREATER ISTANBUL REGION AND TEKIRDAG

Source: Investment Office Study

PharmaVision
Gensenta
Sanovel
World Medicine
Recordati
Sanofi-Zentiva
Deva Holding
Koçak Farma
Koçak Farma
Sanof Zentiva
Deva Holding
Nobel İlaç
Koçak Farma
PharmaVision
Gensenta
Sanovel
Menarini
Pfizer-Viatris
GSK

Source: Investment Office Study
POSSIBLE INVESTMENT ZONES

THERE ARE 3 TYPES OF INVESTMENT ZONES: ORGANIZED INDUSTRIAL ZONES, INDUSTRIAL ZONES AND FREE ZONES

ORGANIZED INVESTMENT ZONES:

- Access to high-quality land at subsidized rates in underdeveloped regions (land or building available)
- One-stop-shop where licenses and permits are issued by professional OIZ managements
- Electricity, water and waste treatment at lower rates
- Compliance with environmental regulations is easier where EIA is jointly conducted
- Cluster enhancing services like vocational training, logistics, business development services, technoparks etc.

INDUSTRIAL ZONES:

- Designed to promote very large-scale and medium/high-tech investments
- Land ownership belongs to the Treasury – land allocation via easement or license of occupancy
- Applications through IZ Management or Ministry of Science and Technology
- Required investments might be considered as public investments and can be financed by the Ministry

FREE ZONES:

- Special sites that are considered as outside the customs area even though they are within the border
- Designed to promote export-oriented investment and production
- A very high level of incentives such as;
  - 100% exemption from corporate income tax, customs duties, VAT and special consumption taxes etc.
  - 100% exemption from employee income tax if at least 85% of the production is exported

Source: Investment Office Study
POSSIBLE INVESTMENT REGIONS

Site assessment for several investment regions with different advantages can be done for potential investors.

ISTANBUL & TEKIRDAG REGION
Existing pharma clusters; easy access to talent; export hub

BURSA REGION
Industrial clusters with international companies; export hub

IZMIR & MANISA REGION
Industrial clusters with international companies; export hub with easy access to logistics

SAMSUN REGION
Easy access to universities, hospitals and technoparks; lower costs in land and wages

ANKARA REGION
Easy access to universities, hospitals and technoparks; lower costs in land and wages

Source: Investment Office Study