



Transcript

Welcome to Diplomat Specialty Pharmacy. I'm Phil Hagerman, a pharmacist, co-founder, and CEO of Diplomat. I want to introduce you today to Diplomat Specialty Pharmacy and our expansion plan we call Project Promise.

Diplomat is the nation's largest privately held specialty pharmacy and is a life sciences company, one of Michigan's targeted industries for the state's growth and diversification.

The Specialty Pharmacy segment is nearly a 100 billion industry experiencing explosive growth and is expected to grow 15% to 20% per year over the next 10 years. It is a dynamic and constantly evolving industry; there are hundreds of drugs in the specialty pharmacy pipeline.

In fact 3 of the top 10 drugs we provide today were not on the market 5 years ago. It's a likely scenario that 5 years from now half of the top 10 drugs we will provide are not on the market today.

Specialty Pharmacy is the segment of the pharmaceutical industry focused on serving the nation's population with complex medical conditions, such as cancer, MS, hemophilia and other serious and life threatening illnesses. Specialty Pharmacy uses a patient-centered model to distribute injectable, infusible and oral drugs along with other costly, hard-to-manage therapies with a team approach designed to achieve optimal patient outcomes.

Project Promise is Diplomat's plan to expand in Flint, Michigan, anticipating over 1000 new employees hired over the next 5 years and up to 4,000 new employees hired over the next 18 years.

Diplomat currently employs over 400 team members. As part of Project Promise, Flint's Career Alliance will provide funding for up to \$14M over the next ten years to support our current and future education and workforce training needs.

Diplomat's Michigan expansion would not be possible without the public and private collaboration that exists between Diplomat, the State of Michigan, the City of Flint, Michigan Works, and the Genesee County Regional Chamber.

Diplomat is grateful for the support shown in this private and public partnership. We are a company with a reputation for progressive industry leadership and have earned the respect and trust of the pharmaceutical and specialty pharmacy industries.

The role of the pharmacist is evolving and expanding in today's health care environment. We are an innovative industry leader and have a history of maximizing the roles of the pharmacy team to enhance patient care through increased prescription compliance and overall improved health outcomes.

Diplomat has always been a Michigan-based company. The majority of our executive team are pharmacists deeply rooted in Michigan and Genesee County. We believe Diplomat's acquisition of a portion of the Great Lakes Technology Center on Saginaw Street in Flint will support Diplomat's mission to revolutionize the specialty pharmacy industry. This acquisition will serve as a catalyst to help revitalize an area that is beginning to reshape its image and its capabilities.

There is an opportunity for Diplomat's presence to attract other innovators in healthcare and pharmaceutical product development. Our new corporate headquarters will allow other complementary companies to partner with Diplomat in its expanded facility or in neighboring areas.

Project Promise is an 18 year effort, starting now, and will be measured by many individual wins, one step at a time. We're pleased to be making this journey in our home state of Michigan. Thank you.