



# Q4 and full year FY22 Earnings Call

April 29, 2022

A vertical blue-tinted photograph of a laboratory setting. A hand is using a pipette to transfer liquid into a test tube. The background shows a blurred laboratory bench with various pieces of equipment.

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Purpose

# Safe Harbor Statement

*Certain statements in this release concerning our future growth prospects are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements. Important factors that could cause actual results to differ materially from our expectations include, amongst others general economic and business conditions in India, our ability to successfully implement our strategy, our research and development efforts, our growth and expansion plans and technological changes, changes in the value of the Rupee and other currencies, changes in the Indian and international interest rates, change in laws and regulations that apply to the Indian and global biotechnology and pharmaceuticals industries, increasing competition in and the conditions of the Indian biotechnology and pharmaceuticals industries, changes in political conditions in India and changes in the foreign exchange control regulations in India. Neither the company, nor its directors and any of the affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.*

# Q4 and full year FY22 Earnings Call



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# Opening Remarks

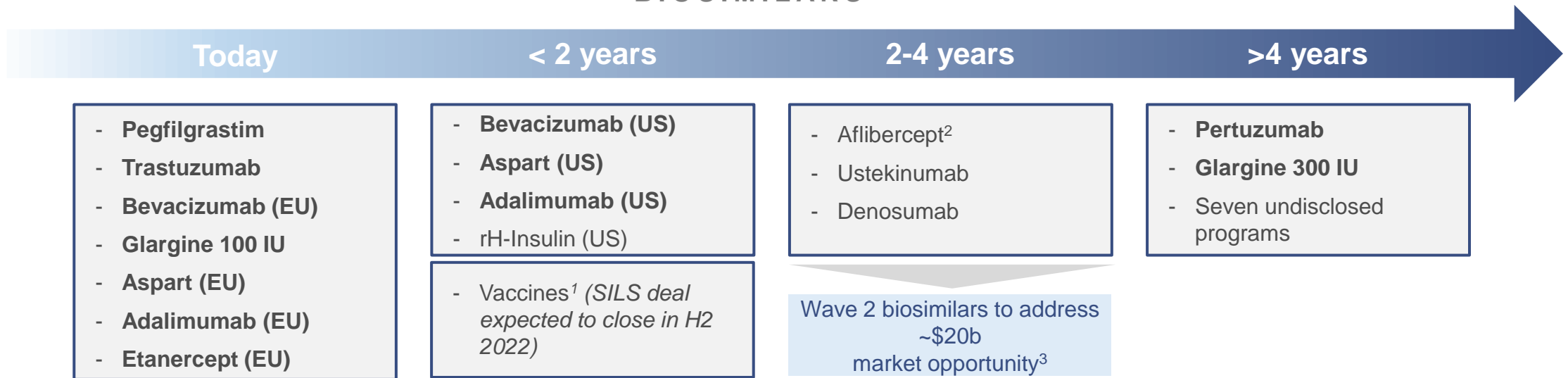
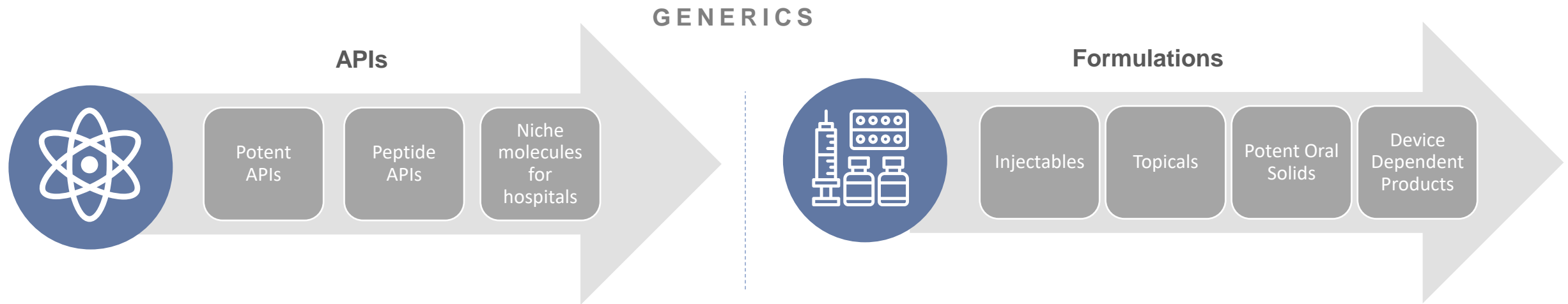
➤ Biocon reported revenues of \$1.1 billion (₹8,397 Crores)

➤ Transformative acquisition of Viatris' biosimilars business for \$3.335 billion

➤ Biocon awarded by EcoVadis in the 'Bronze' category for its sustainability practices



# 'Pipeline is our lifeline'



1 Subject to completion of the acquisition of Covishield Technologies Private Limited (CTPL) | 2 Expected to be included in BBL portfolio post the completion of BBL's acquisition of Viatrix's biosimilar business (Viatrix has global rights to the program partnered with Momenta) | 3 Based on 2021 originator and biosimilar reported sales

# Board Update



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# Board Update

## Naina Lal Kidwai joins Biocon Limited Board as Additional Director

- A veteran banker and business leader
- Past President of FICCI
- An MBA from Harvard Business School
- Recipient of several awards including the Padma Shri for her contribution to trade & industry.
- Serves as an Additional Director and Senior Advisor for Rothschild India, and Senior Advisor Advent International, Non-Executive Director on boards of Holcim, Max Financial Services etc.
- Retired in 2015 as Chairman of HSBC India & Executive Director of HSBC Asia Pacific



# Financial Highlights Q4 and full year FY22



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# Financial Highlights: Q4FY22

		Q 4 F Y 2 2	Q 4 F Y 2 1	
<b>Revenue</b>	+21%	<b>₹2,476Cr</b>	<b>₹2,048Cr</b>	Biosimilars +48%   Generics +26%   Research Services +15% Dilution Gain in Bicara of ₹30Cr vs ₹160Cr in Q4FY21
<b>Core EBITDA*</b>	+37%	<b>₹815Cr</b>	<b>₹594Cr</b>	Mark-to-market loss on investments of ₹6Cr Forex Gain of ₹2Cr vs ₹7Cr in Q4FY21
<i>% margin</i>		33%	32%	
<b>EBITDA</b>	+3%	<b>₹659Cr</b>	<b>₹641Cr</b>	Gross R&D spend at ₹232Cr R&D spend in P&L ₹191Cr
<i>% margin</i>		27%	31%	
<b>Profit Before Tax before Exceptional Items</b>	+9%	<b>₹384Cr</b>	<b>₹353Cr</b>	Exceptional Loss of ₹41Cr vs Gain of ₹13Cr in Q4FY21
<i>% margin</i>		15%	17%	
<b>Net Profit Before exceptional items</b>		<b>₹262Cr</b>	<b>₹257Cr</b>	Net Profit after exceptional items at ₹239Cr
<i>% margin</i>		11%	13%	

\*Core EBITDA defined as EBITDA before forex, dilution gain in Bicara, R&D, mark-to-market loss on investments and licensing income

# Financial Highlights: FY22

		FY 22	FY 21	
<b>Revenue</b>	+14%	<b>₹8,397Cr</b>	<b>₹7,398Cr</b>	Biosimilars +24%   Research Services +19%   Generics -1% Dilution Gain in Bicara of ₹30Cr vs ₹160Cr in FY21
<b>Core EBITDA*</b>	+18%	<b>₹2,669Cr</b>	<b>₹2,270Cr</b>	Mark-to-market loss on investments of ₹28Cr; Forex Gain of ₹58Cr vs loss of ₹9Cr in FY21
<i>% margin</i>		32%	31%	
<b>EBITDA</b>	+14%	<b>₹2,183Cr</b>	<b>₹1,907Cr</b>	Gross R&D spend at ₹711Cr R&D spend in P&L ₹595Cr
<i>% margin</i>		26%	26%	
<b>Profit Before Tax before Exceptional Items</b>	+4%	<b>₹1,094Cr</b>	<b>₹1,055Cr</b>	Exceptional Loss at ₹111Cr
<i>% margin</i>		13%	14%	
<b>Net Profit Before Exceptional Items</b>		<b>₹722Cr</b>	<b>₹744Cr</b>	Net Profit after exceptional items at ₹648Cr
<i>% margin</i>		9%	10%	

\*Core EBITDA defined as EBITDA before forex, dilution gain in Bicara, R&D, mark-to-market loss on investments and licensing income

# Generics Q4 and full year FY22



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# Generics: Q4FY22 and full year FY22

## KEY Q4 HIGHLIGHTS

- Robust sequential and YoY growth in Q4 driven by API sales ramp up, new launches in the US & normalization of operations
- Posaconazole and Dorzolamide, launched in the US; 1<sup>st</sup> MoW market launch in Mexico; 1<sup>st</sup> approval in Singapore & in the UAE
- Successful site inspection by Health Canada at Bengaluru API manufacturing unit
- On track to qualify & validate Vizag API facility in FY23; to commence new manufacturing expansion projects in Hyderabad & Bengaluru
- Diversified renewable power consumption to solar & wind energy

Q4FY22

Q4FY21

### Revenue

₹717Cr

₹570Cr

+26%

### Profit Before Tax (PBT)

₹116Cr

₹73Cr

+59%

16% of revenue

13% of revenue

FY22

FY21

### Revenue

₹2,341Cr

₹2,363Cr

### Profit Before Tax (PBT)

₹261Cr

₹291Cr

11% of revenue

12% of revenue

# Biosimilars

## Q4 and full year FY22



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# Biosimilars: Q4 and full year FY22 Financials

	Q4 FY22	Q4 FY21		FY22	FY21	
<b>Revenue</b>	<b>₹982Cr</b>	<b>₹664Cr</b>	<b>+48%</b>	<b>₹3,464Cr</b>	<b>₹2,800Cr</b>	<b>+24%</b>
<b>Core EBITDA*</b>	<b>₹382Cr</b>	<b>₹215Cr</b>	<b>+78%</b>	<b>₹1,320Cr</b>	<b>₹1,010Cr</b>	<b>+30%</b>
<i>% margin</i>	<b>39%</b>	<b>33%</b>		<b>39%</b>	<b>36%</b>	
<b>Profit Before Tax before Exceptional Items</b>	<b>₹144Cr</b>	<b>₹69Cr</b>	<b>+109%</b>	<b>₹543Cr</b>	<b>₹365Cr</b>	<b>+49%</b>
<i>% margin</i>	<b>15%</b>	<b>10%</b>		<b>16%</b>	<b>13%</b>	

\*Core EBITDA defined as EBITDA before R&D, forex, licensing and mark-to-market loss on investments

# Biosimilars: Key Highlights

## COMMERCIAL PERFORMANCE

- Interchangeable bGlargine to potentially end CY 2022 with mid to high teens market share
- Oncology franchise continues strong performance bolstered by bBevacizumab launch in EU
- US launches of biosimilar Aspart, Bevacizumab and Adalimumab key growth drivers of Viatriis-led business
- BBL awarded a three-year contract for Insugen® in Malaysia, valued at \$90m
- In FY22, Branded Formulations India (BFI) business recorded 35% revenue growth YoY

## PIPELINE UPDATES

- Unpartnered wave 2 programs, bDenosumab and bUstekinumab, entered clinical development
- BBL Wave 2 biosimilar portfolio to addresses ~\$20b market opportunity\*

## TRANSACTION UPDATES

- Exercised the option to acquire Viatriis' rights in bAflibercept
- SILS and Viatriis deals on track for closing in H2 CY 2022

\*Based on 2021 originator sales

**Novels**  
**Q4FY22**



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# Novels: Q4FY22

## KEY HIGHLIGHTS

▶ **Pivotal Phase III clinical study of Itolizumab for aGVHD\* initiated in March 2022**

▶ **Bicara# initiated dose expansion cohorts evaluating BCA101 in patients with head and neck, anal canal & cutaneous squamous cell carcinoma**



\*Acute Graft-Versus-Host Disease

#In Q4FY21, Biocon ceded control over the Board of Directors and Operations of Bicara Therapeutics Inc. to enable it to operate independently under a US based leadership team and raise funds to advance its development programs. As a result of this change, Bicara was classified as an Associate from a Subsidiary under IND-AS.

**Research Services**  
**Q4 and full year FY22**  
***Syngene***



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# Research Services: Q4FY22 and full year FY22

## KEY Q4 HIGHLIGHTS

- Performance across all divisions in Q4
- Particularly strong quarter for Development Services on account of catching up on earlier delayed projects
- Completed Phase III of Hyderabad research facility expansion

Q4FY22

Q4FY21

### Revenue

₹758Cr

₹659Cr

+15%

### Profit Before Tax (PBT)

₹179Cr

₹158Cr

+14%

24% of revenue

24% of revenue

FY22

FY21

### Revenue

₹2,604Cr

₹2,184Cr

+19%

### Profit Before Tax (PBT)

₹515Cr

₹434Cr

+19%

20% of revenue

20% of revenue

# Concluding Remarks



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# Concluding Remarks

➤ Final Dividend of 10% of face value of each share proposed for FY22

➤ Viatris and Serum deals to drive FY23 Growth



# Q&A



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