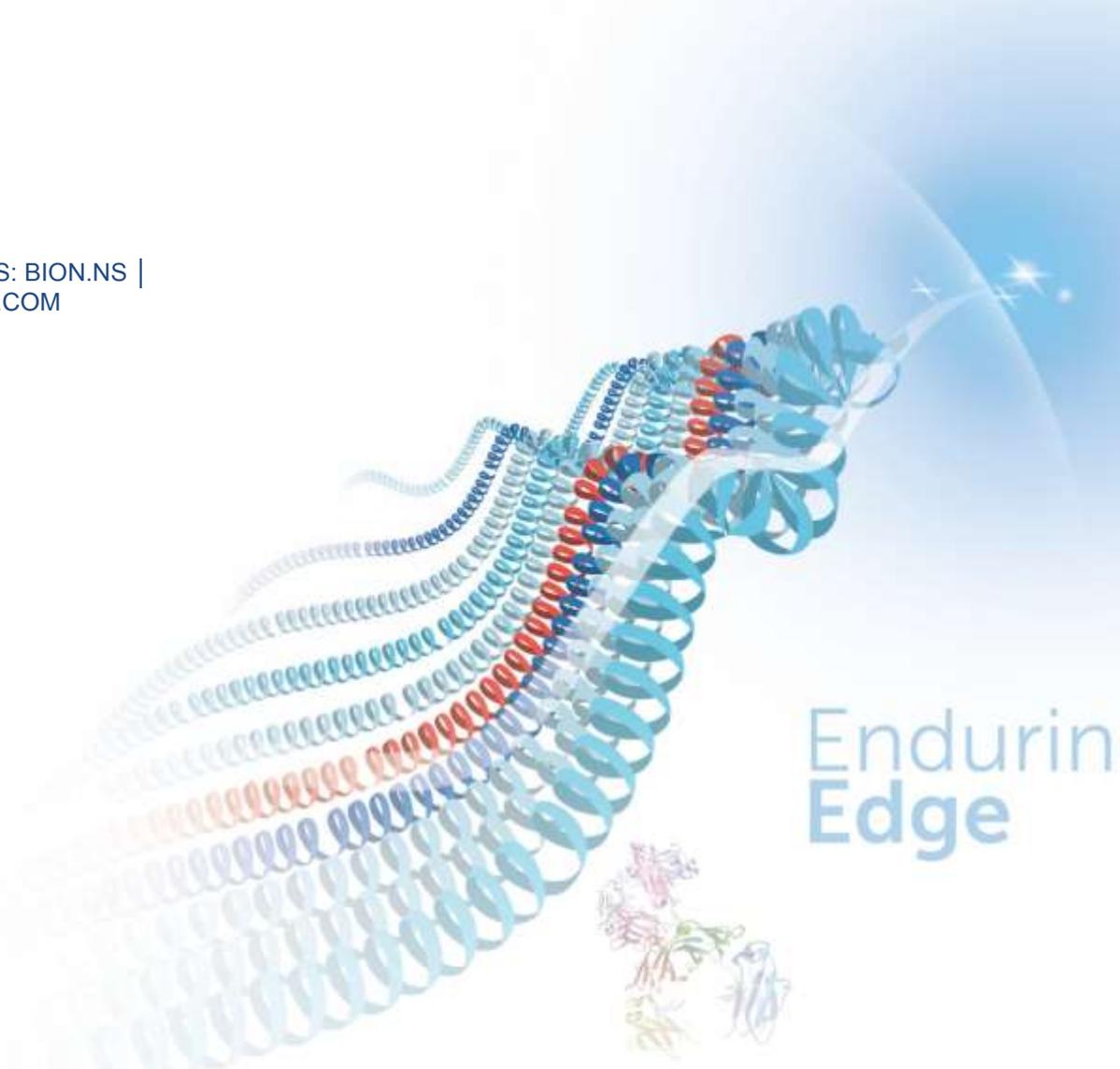


Biocon Limited

BSE: 532523 | NSE: BIOCON | REUTERS: BION.NS |
BLOOMBERG: BIOS IN | WWW.BIOCON.COM

Investor Presentation

September 2018



Enduring
Edge

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.

Agenda



Our Journey



Business & Financial Highlights



Our Business

- Small Molecules
- Biologics
- Branded Formulations
- Research Services - Syngene



Business Holding Structure & Five Year Financials

Biocon: Asia's Leading Biopharma Company



Our Vision

To enhance global healthcare through innovative and affordable biopharmaceuticals for patients, partners and healthcare systems across the globe



Our Mission

To be an integrated Biotech enterprise of global distinction



Our Values

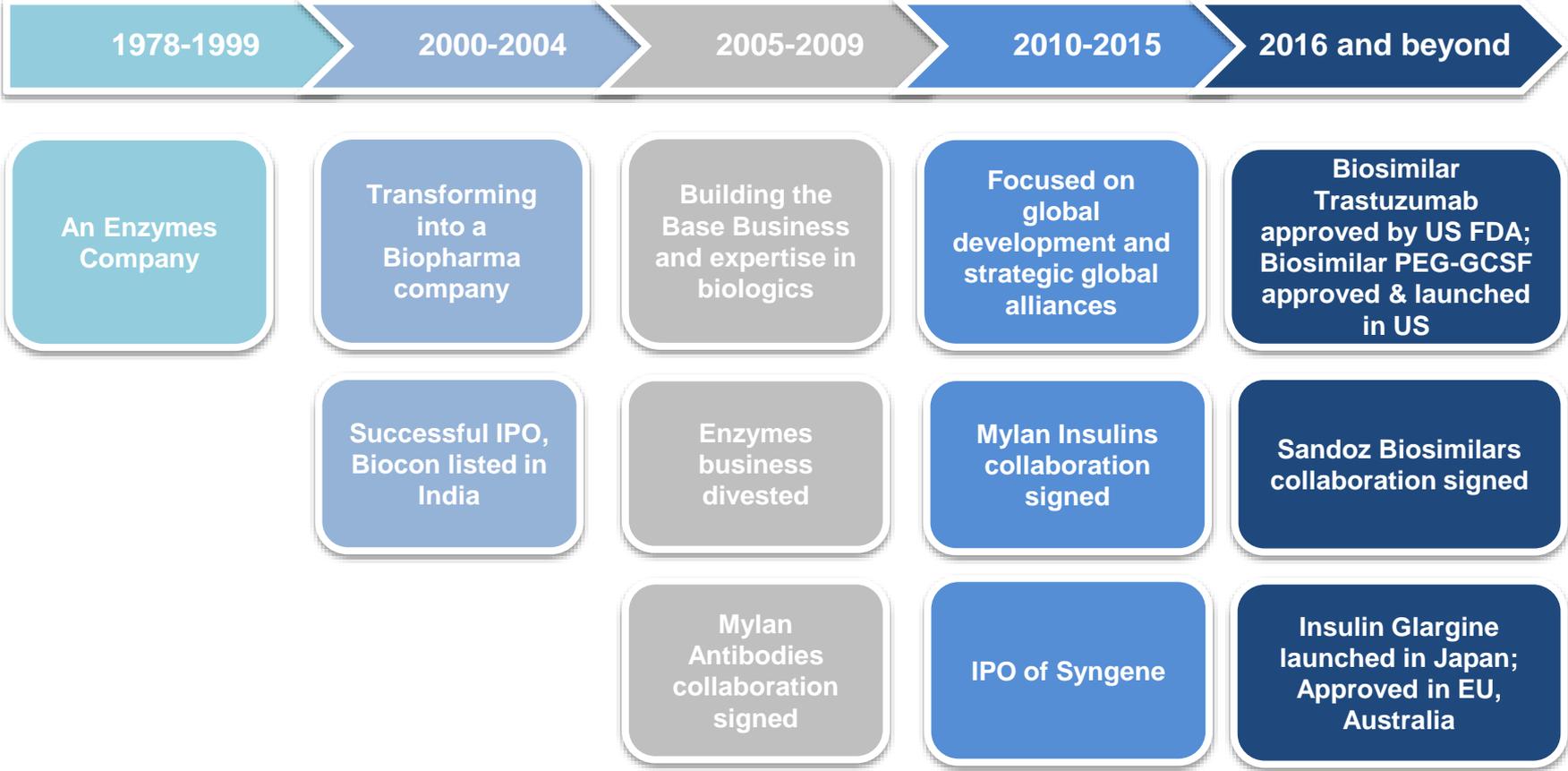
- ✦ Integrity & Ethical Behavior
- ✦ Performance driven Work Culture
- ✦ Value Creation through Innovation & Differentiation
- ✦ Quality through Compliance & Best Practices
- ✦ Collaboration, Team Work & Mutual Respect

A large group of diverse people, including men and women of various ages and ethnicities, are standing in a large circle. They are dressed in a variety of colorful clothing, such as jackets, sweaters, and blouses. The background is a light blue gradient. The people are arranged in a way that they form a complete circle around the central text.

Committed to Affordable Access

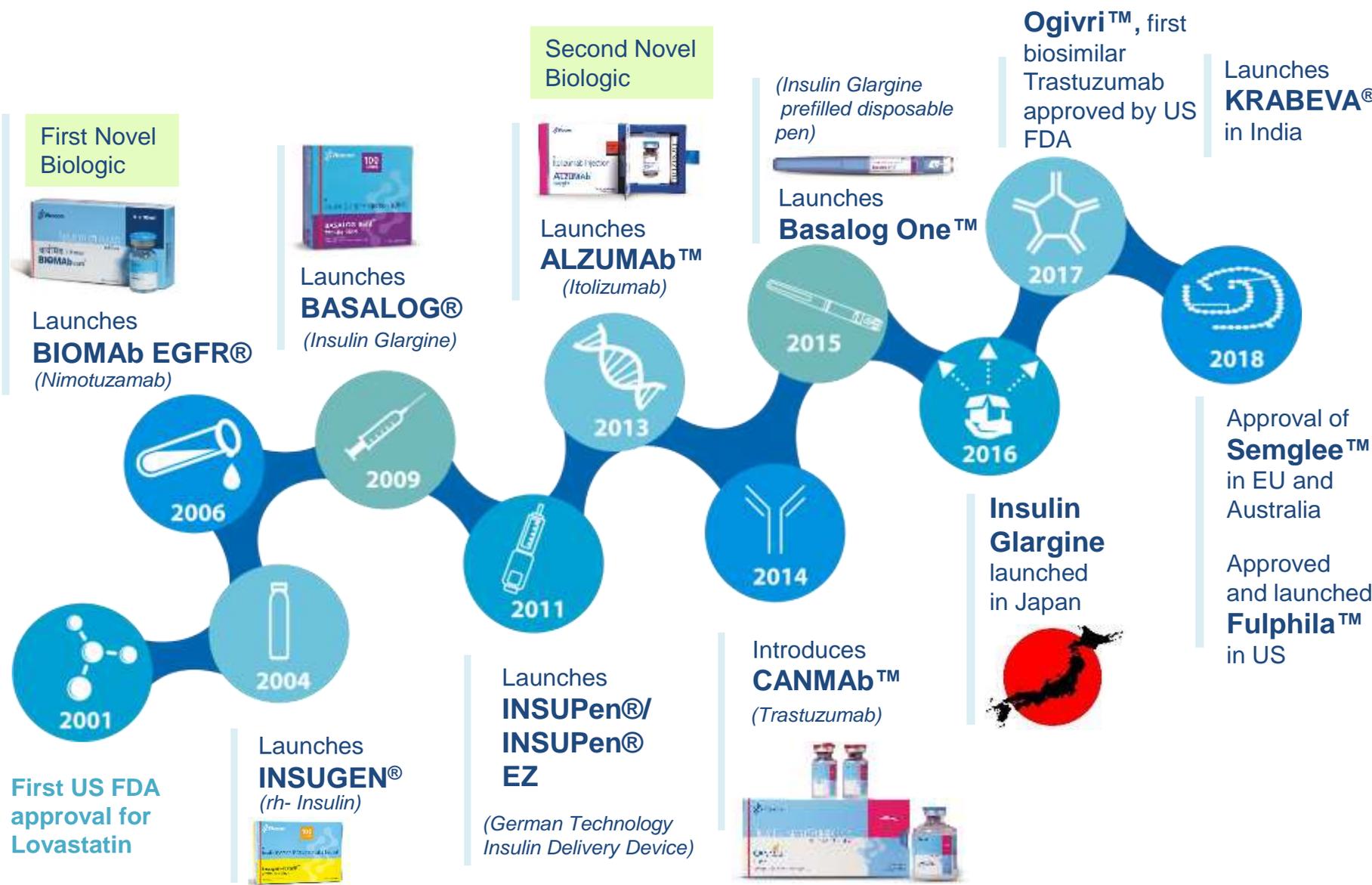
**Aiming to develop products that can
potentially benefit a billion patients**

The Biocon Journey: A Continuous Evolution



Unwavering focus through the years on innovation & difficult to make, niche products to create tangible differentiators for sustainable growth

Key Innovations: Making a Difference



First Novel Biologic



Launches **BIOMAb EGFR®**
(Nimotuzamab)



Launches **BASALOG®**
(Insulin Glargine)

Second Novel Biologic



Launches **ALZUMAb™**
(Itolizumab)

(Insulin Glargine prefilled disposable pen)



Launches **Basalog One™**

Ogivri™, first biosimilar Trastuzumab approved by US FDA

Launches **KRABEVA®** in India

2001
First US FDA approval for Lovastatin

2004
Launches **INSUGEN®**
(rh- Insulin)



2011
Launches **INSUPen®/INSUPen® EZ**
(German Technology Insulin Delivery Device)

2013
Second Novel Biologic

2014
Insulin Glargine launched in Japan

Insulin Glargine launched in Japan



Introduces **CANMAb™**
(Trastuzumab)



2016
Approval of **Semglee™** in EU and Australia

Approval of **Semglee™** in EU and Australia

Approved and launched **Fulphila™** in US

2017
Ogivri™, first biosimilar Trastuzumab approved by US FDA

2018
Launches **KRABEVA®** in India

Business & Financial Highlights

Business: Recent Highlights

- ❖ Fulphila™, co-developed by Biocon and Mylan, becomes the first biosimilar Pegfilgrastim to be approved and launched in the U.S. Biocon is the first Company from India to have two biosimilars approved by the U.S. FDA.
- ❖ Biocon's sterile Drug Product manufacturing facility in Bengaluru received EIR from U.S. FDA and EU GMP certification.
- ❖ Presentations made at American Society of Clinical Oncology (ASCO) annual meeting in June 2018 for novel biologic Nimotuzumab (BIOMAb EGFR®) and biosimilar Trastuzumab (Ogivri™).
- ❖ PK-PD data on novel Insulin Tregopil presented at American Diabetes Association Scientific Sessions in June 2018.
- ❖ Syngene extends its collaboration with Baxter up to 2024 and strengthens its growing client base.

Revenue Highlights

All Figures in ₹ Million except %

Particulars	Q1 FY19	Q1 FY18	Growth (%)	FY18	FY17	Growth (%)
- Small Molecules	4,001	3,629	10	15,077	16,405	(8)
- Biologics	2,497	1,839	36	7,702	7,018	10
- Branded Formulations	1,473	1,304	13	6,115	5,489	11
- Syngene (Research Services)	4,060	2,911	39	14,231	11,925	19
- Inter-segment	(793)	(346)	129	(1,828)	(1,621)	13
Revenue from Operations	11,238	9,337	20	41,297	39,216	5
- Other Income	688	540	27	2,062	1,571	31
Total Revenue	11,926	9,877	21	43,359	40,787	6

Financial Summary

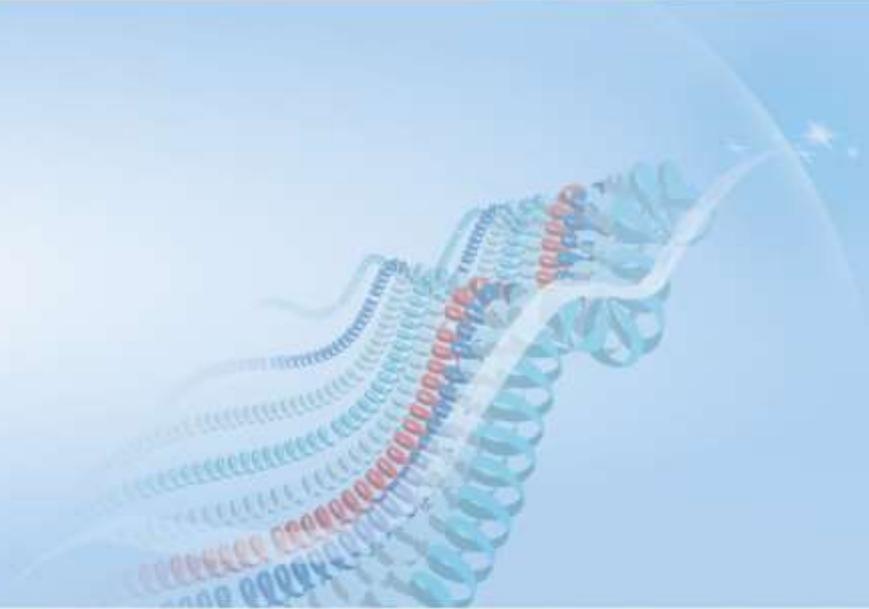
All Figures in ₹ Million except %

Particulars	Q1 FY19	Q1 FY18	Growth (%)	FY18	FY17	Growth (%)
Revenue	11,926	9,877	21	43,359	40,787	6
EBITDA	3,066	2,461	25	10,353	11,366	(9)
Net Profit	1,197	813	47	3,724	6,121	(39)
R&D Expenses in P&L	442	582	(24)	2,158	2,662	(19)
Gross R&D Spends	883	956	(8)	3,804	4,019	(5)
EBITDA Margin	26%	25%		24%	28%	
EPS[@] (Rs.)	2.0	1.4		6.2	10.2	

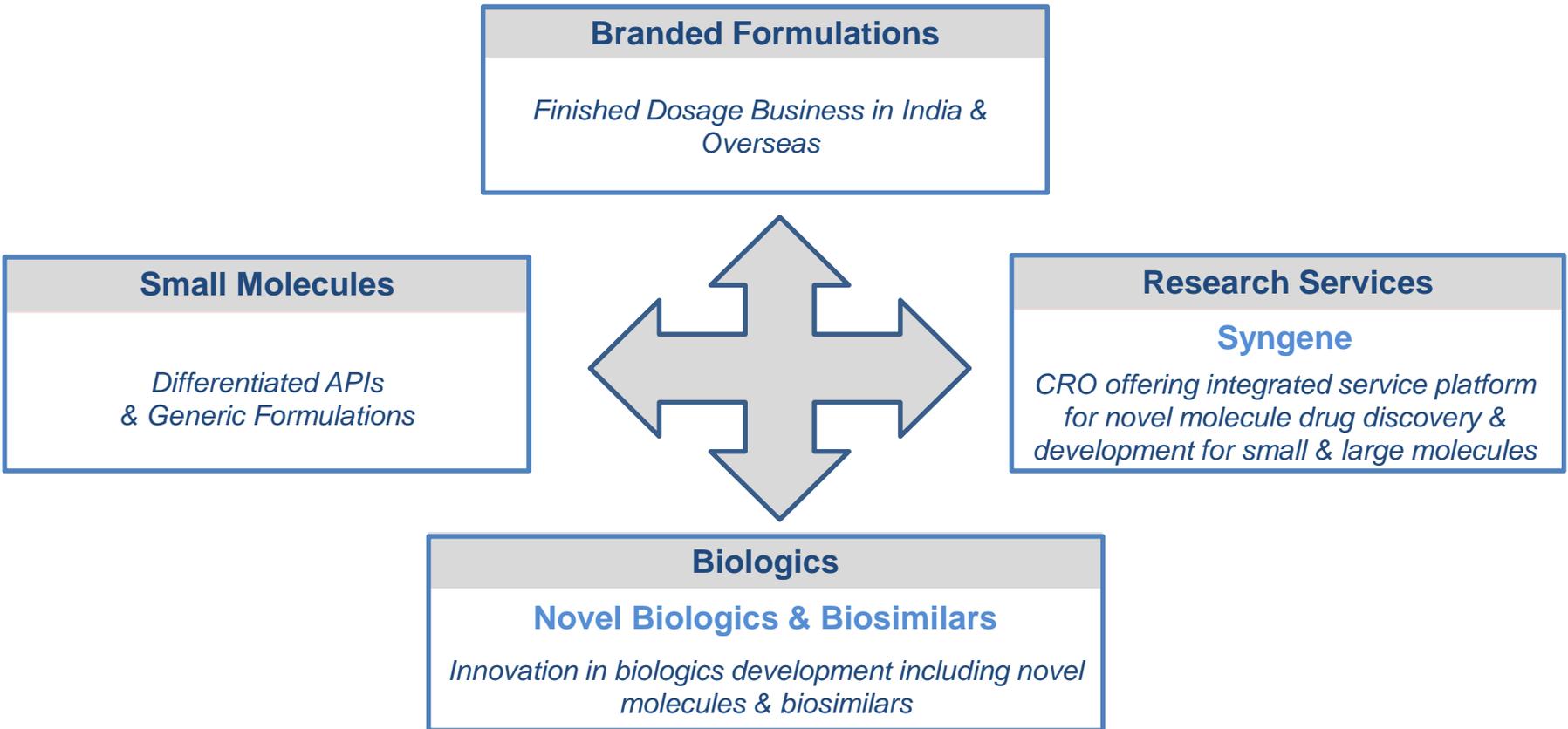
[@] Adjusted for bonus

~ Product Revenue Mix (FY18): Ex-India 70% : India 30%

Our Business



Business Segments



Complex Small Molecule APIs to Biologics Novels & Biosimilars	Comprehensive Presentation in Biologics		
	Drug Substance	Drug Products Vials, Cartridges & Prefilled Syringes	Delivery Devices Reusable & Disposable Prefilled, Pens

Small Molecule : APIs & Generic Formulations

Differentiated APIs

- Product Portfolio leverages core fermentation technology strengths
- Among world's largest manufacturers of statins & immunosuppressant APIs
- Early mover in niche products at commercial scale

Current Portfolio	Constituents
Statins	Simvastatin, Pravastatin, Atorvastatin, Rosuvastatin, & Fluvastatin.
Immuno suppressants	Tacrolimus, Sirolimus, Everolimus, MMF & MPA
Other Biopharma	Orlistat, Fidaxomicin, Glatiramer Acetate, other molecules

Generic Formulations

- Niche pipeline; Solid oral & parenteral products in both potent & non-potent categories for emerging and developed markets.
- Focus therapeutic segments – Metabolics, Oncology, Immunology & Auto-immune indications
- Generic Formulations strategy includes First-to-Files and Para IVs.
- Launched generic Rosuvastatin and Simvastain tablets in US

Focus on vertically integrated development of molecules in chronic therapeutic areas

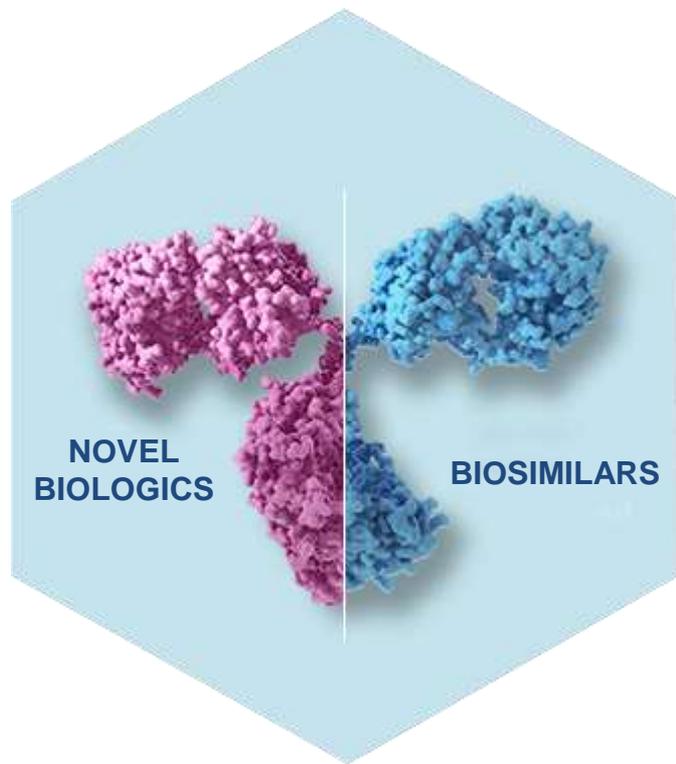
Biologics: Biosimilars & Novel Biologics

Biosimilars

15+ years of experience is developing biologics with multiple biosimilars commercialized globally

Strong scientific and technical capabilities. Over 1500 people dedicated to support this business across various functions

Portfolio straddles rh-insulin, insulin analogs, mAbs and other recombinant proteins.



Novel Biologics

Creating market leadership in Innovation e.g., Insulin Tregopil, Itolizumab

Pipeline includes oral insulin; mAbs against targets like CD6, CD20 & EGFR; bispecific fusion mAbs; siRNA.

Potential to change the treatment paradigm in diabetes, immunology.

Biocon is a pioneer in bringing high quality, yet affordable, novel biologics & biosimilars to patients globally



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Strategic Partnership with Mylan for Biosimilars: Insulins & mAbs

BIOCON

- Global-scale, complex biologics manufacturing capabilities
- Facilities accredited by international regulatory agencies
- Decade-long experience & demonstrated expertise in developing MAbs and other biologics

MYLAN

- Strength in Regulatory/ filings strategy
- Strong commercialization capability in US and EU.
- Market agility and speed

Deal Structure: Upfront Payment + Cost Sharing + Supplies + Profit Sharing[#]

	Generic Insulin Analogs	Biosimilar MAbs & other Biologics
Mylan's Exclusive Commercialization Regions	US, Canada, Europe, Australia & New Zealand	Developed markets

[#] In Developed Markets only

Strategic collaboration leverages Biocon's strong development & manufacturing capability and Mylan's regulatory & commercial excellence



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Strategic Partnership with Sandoz for next generation Biosimilars

Deal Structure

Portfolio addresses next wave of immunology and oncology biosimilars

Both companies share responsibility for end-to-end development, manufacturing and global regulatory approvals for a number of biosimilars

Costs & profits are shared equally

Commercialization Responsibilities

Sandoz	Biocon
<ol style="list-style-type: none">1. North America (US & Canada)2. EU (European Free Trade Association (EFTA) and Balkan states)	<ol style="list-style-type: none">1. Japan, Australia, New Zealand2. All Emerging Markets

Broader Biocon participation in end to end development and commercialization with a global leader in biosimilars



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Status of Biocon's Global Biosimilars Portfolio

Partner	Therapeutic Area	Molecule	Status
MYLAN	Oncology	Trastuzumab	Approved in U.S. Under review in EU, Canada and Australia. Launched in emerging markets
	Diabetes	Insulin Glargine	Approved in EU & Australia. Under review in U.S. and Canada. Launched in Japan* through partner FUJIFILM Pharma. Launched in emerging markets
	Oncology	Pegfilgrastim	Approved and launched in U.S. Under review in EU, Canada and Australia
	Diabetes	Insulin Aspart	Global Phase I study completed
	Diabetes	Insulin Lispro	Preclinical
	Autoimmune	Adalimumab	Global Phase III completed
	Oncology	Bevacizumab	Global Phase III ongoing. Launched in India
	Oncology	Filgrastim	Preclinical
	Autoimmune	Etanercept	Preclinical
LAB PISA	Diabetes	Recombinant Human Insulin	Preclinical
SANDOZ	Oncology & Immunology	Various	Early/ Preclinical

* Japan launch is outside of Mylan partnership

Biocon Well Placed in Competitive Global Landscape

Molecule	Biosimilar Development Pipeline [@]					
	Phase I	Phase 3	Regulatory Submission		Approved/ Marketed	
			EMA	FDA	EMA	FDA
pegfilgrastim	DRL, Pfizer, Adello, Lupin, Zydus		Biocon, Apotex, Richter, Sandoz, Cinfa, USV	Coherus, Apotex, Sandoz	Coherus (+CHMP)	Biocon
trastuzumab	DM Bio, United BioPharma, Alteogen	Hanwha, Tanvex, EirGen, Shanghai Henlius / Accord	Biocon	Amgen, Celltrion, Pfizer, Samsung	Samsung, Celltrion, Amgen, Pfizer (+CHMP)	Biocon
insulin glargine		Biocon, Gan & Lee		Biocon	Biocon, Eli Lilly, Merck	Eli Lilly, Merck (TA)
adalimumab	Oncobiologics, DM Bio, Alvotech	Coherus, Biocon, Momenta, Pfizer	Mylan-Fuji-Kirin, Fresenius	Samsung, Sandoz	Amgen, Samsung, BI, Sandoz (+ CHMP)	Amgen, BI
bevacizumab	Sandoz, Daiichi, Oncobiologics, Cipla, DRL, Tanvex, Apobiologix, Celltrion	Biocon, BI, Pfizer, Samsung, Fuji-Kirin/ Astra Zeneca, Hanwha, Bio-Thera, mAbxience, Centus, Luye, Shanghai Henlius	Pfizer		Amgen	Amgen
insulin aspart	Biocon	Sanofi				

@ In clinical development, excludes pre-clinical assets

Biosimilars Manufacturing: Building Global Scale

Biocon Malaysia: Asia's largest integrated insulins manufacturing facility



- ❖ Biocon's First Manufacturing expansion overseas in Iskandar, Johor.
- ❖ Investment of over US\$275mn in the first phase.
- ❖ Sales commenced in Emerging Markets; include OTA award by Ministry of Health – Malaysia.
- ❖ Plant has received EMA GMP certificate for drug substance and drug product.

- ❖ Second fill-finish sterile injectable line in Bangalore has been approved by the DCGI. Will support future growth of biologics formulations
- ❖ Construction of second antibody manufacturing facility in Bangalore ongoing. To be built in two phases over 3-4 years.



Insulins Facility In Bangalore

Biocon over the years have built global scale and cost competitive, complex manufacturing capabilities to address global market opportunities

Novel Molecules - Pipeline & Therapeutic Area Focus

DIABETES	<p>Insulin Tregopil * First-in-Class Oral, Prandial Insulin</p>	<p>India Phase II/III in T2D commenced</p>
INFLAMMATION	<p>Itolizumab* Novel, humanized CD6 Antibody</p>	<p>IND Ready</p>
	<p>BVX-20# Novel, humanized CD20 Antibody</p>	<p>Path to IND mapped</p>
	<p>QPI-1007\$ SiRNA for ophthalmic disease</p>	<p>Phase III in NAION</p>
IMMUNO-ONCOLOGY	<p>EGFR mAb + TGFβrII* Tumor-Targeted Fusion mAb*</p>	<p>Preclinical</p>

- * In-House program
- # BVX-20 with Vaccinex
- \$ QPI-1007 licensed from Quark Pharma.

Novel Molecules: Progressing to key milestones

Asset	Details
Insulin Tregopil Phase II/III Ongoing	USP: Oral, Ultra Rapid-Acting Post- prandial glycemic control; Liver specific- portal delivery, Weight neutral <ul style="list-style-type: none"> Safety & tolerability established in Phase 1 studies in US – DDI, Food Effect, PK/PD Data available Pivotal Phase II/III clinical study in T2DM patients in India initiated, patient dosing ongoing JDRF supported Phase I Multiple Ascending Dose study planned in T1DM patients
Itolizumab IND ready	USP: Novel CD-6 Biology presenting durable immune-modulatory benefits and superior clinical safety <ul style="list-style-type: none"> Successful PoC data: Phase 3 in psoriasis, Phase 2 in rheumatoid arthritis, preclinical in multiple sclerosis. Marketed in India for Plaque Psoriasis Preparations for IND commenced
QPI-1007 In Phase III	Novel SiRNA for ophthalmic disease: <ul style="list-style-type: none"> Non-Arteritic Anterior Ischemic Optic Neuropathy (NAION) – Patients randomized for global study (incl. in India)
BVX-20 IND ready	2nd Generation humanized antibody targeting CD-20 <ul style="list-style-type: none"> Path to IND mapped out, to advance program in neuro-inflammatory disorder
EGFR mAb + TGFβRII (Fusion mAb) IND Ready	USP: Higher local tumor concentration of immuno-modulatory arm resulting in a better therapeutic window <ul style="list-style-type: none"> Pharmacology & MOA established in in-vitro & in vivo tumour models Proof of Concept established in in-vivo model Opportunity to target multiple tumour types

Branded Formulations: India & UAE

- ❖ Specialty business with regional ambitions; strong value builder for Biocon.
- ❖ Biologics-led specialty products focused on chronic therapy areas.
- ❖ Comprehensive offering of products, patient and physician support programs

INDIA

- ❖ India's largest Insulins & leading Oncology Company
- ❖ Presence across therapies: Metabolics, Oncotherapeutics, Immunotherapy, Nephrology and Comprehensive Care Division.
- ❖ Several brands ranked amongst 'Top 3' brands in respective segments.

- ❖ **Insugen®** ranks among Top 3 human insulin brands in India
- ❖ **CANMAb™** is No. 1 brand of Trastuzumab in India
- ❖ **KRABEVA®**, biosimilar Bevacizumab, benefiting large number of patients in India

UAE

- ❖ Ranked among Top 15 pharmaceutical companies in UAE.
- ❖ Most branded generic products in Top 2 in respective segments.
- ❖ Ranked at No 4 in the cardiovascular segment.

Key Brands

- Insugen®
- Basalog®
- BIOMAb EGFR®
- CANMAb™
- ALZUMAb™
- KRABEVA®
- TACROGRAF™



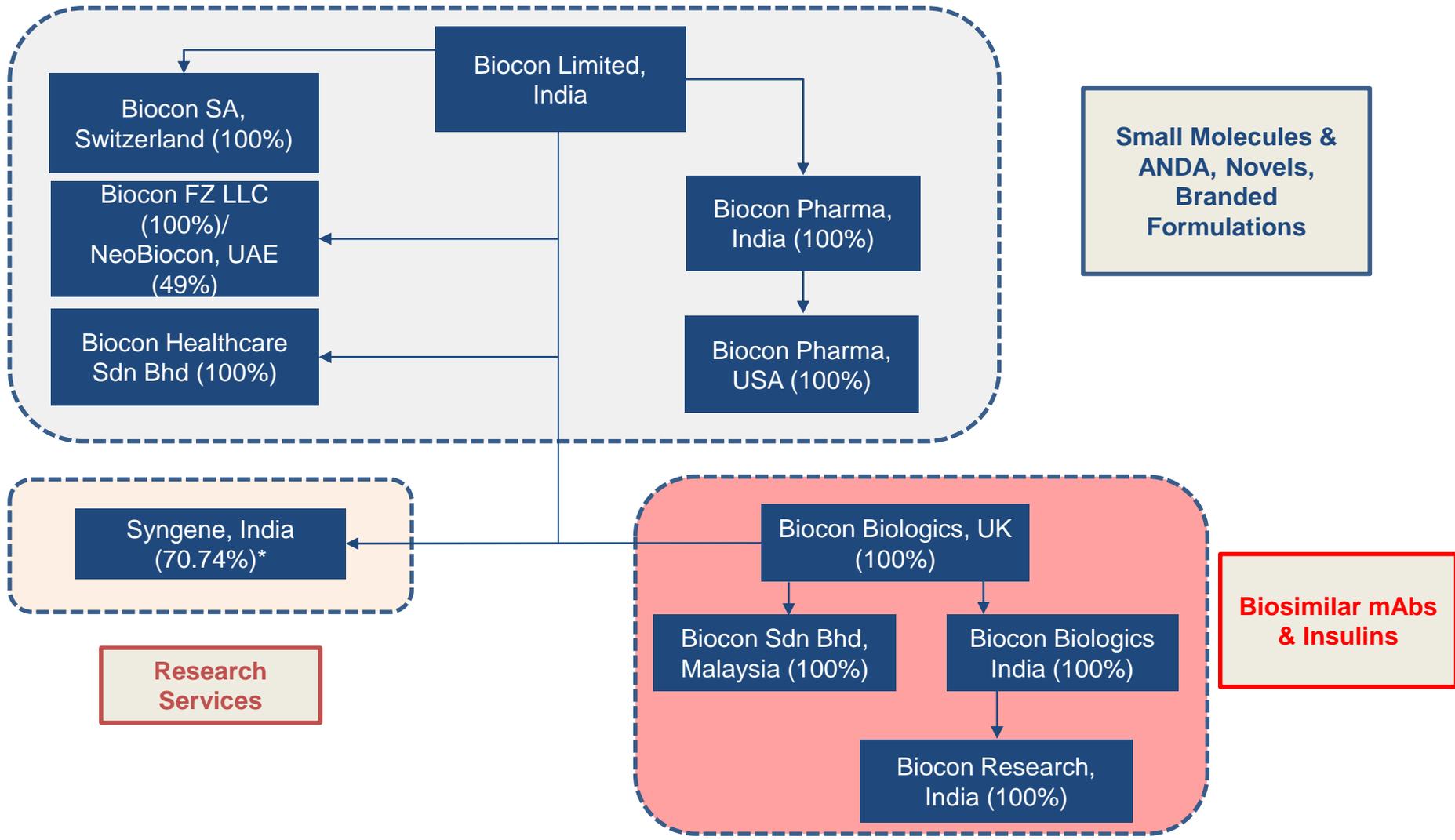
Research Services Business: Syngene

- ❖ One of leading India based CROs, a global high growth CRO company
- ❖ Offers an integrated drug discovery and development platform for both small and large molecules backed by best-in-class bioinformatics services
- ❖ Focus on novel molecular entities
- ❖ Wide spectrum of services across a range of molecules including antibody-drug conjugates and oligonucleotides
- ❖ World class infrastructure audited successfully by US FDA, EMA, AAALAC and major life sciences partners
- ❖ Over 316* global clients across multiple sectors
- ❖ World-class R&D and manufacturing infrastructure spread over 1.3 million sq. ft
- ❖ 3,500* qualified scientists
- ❖ Strong track record of top-line growth with best in class EBITDA margins (30+%) and Net Profit margin (high teens to low 20's)



* For fiscal ended March 31, 2018

Business Holdings Structure^{\$}



* Includes 0.09% held by Biocon Research Limited.

^{\$} Business holding structure shown includes certain work in progress corporate restructuring

Five Year Financials

All Figures in ₹ Million except EPS

Business Segment	FY13	FY14	FY15	FY16	FY17 ^{\$}
Biopharmaceuticals	18,705	21,382	22,367	23,908	26,259
- Biopharma	15,231	17,468	18,071	19,534	20,764
- Branded Formulations	3,474	3,914	4,296	4,374	5,495
Contract Research	5,572	7,146	8,225	10,599	11,382
Total Sales	24,227	28,528	30,592	34,507	37,641
Other Income	1,103	804	837	1,192	1,913
Total Revenue	25,380	29,332	31,429	35,699	39,554
EBITDA	5,957	7,429	7,489	9,045	10,656
EBITDA Margin (%)	23%	25%	24%	25%	27%
Net Profit*	3,241	4,137	4,022	4,365	5,879
Net Profit Margin	13%	14%	13%	12%	15%
EPS*	16.2	20.7	20.1	21.8	29.4
R&D Spends (in P&L)	1,640	1,310	1,688	2,750	2,665
R&D (as % of Biopharmaceuticals Sales)	8.8%	6.1%	7.5%	11.5%	10.1%

Numbers as per old I-GAAP.

* Pre-Exceptional items

^{\$} FY17 numbers have not been restated for comparative purposes, hence not comparable. Effective Apr 1, 2016, the Company has moved to Ind-AS accounting framework, FY runs Apr to Mar



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For further information, please visit
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