Ahead
of the curve

Biocon Limited
Investor Presentation

February 2018

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Safe Harbor

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

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- Highlights
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Who are we?

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

The Biocon Journey: A continuous evolution

1978-1999	2000-2004	2005-2009	2010-2015	2016 and beyond
An Enzymes Company	Transforming into a Biopharma company	Building the Base Business and expertise in biologics	Focused on global development and strategic global alliances	Insulin Glargine approval and launch in Japan
	Successful IPO, Biocon listed in India	Enzymes business divested	Mylan Insulins collaboration signed	Biosimilar Trastuzumab approved by US FDA
		Mylan Antibodies collaboration signed	IPO of Syngene	Sandoz Biosimilars collaboration signed

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

Evolution of Key Innovations: Making a Difference

1979 - Manufacture and export of enzymes, food ingredients and brewing aids to Europe

2001 - First Indian company to be approved by US FDA for the manufacture of lovastatin from solid state fermentation

2004 - First company worldwide to commercialize generic recombinant human insulin developed on its proprietary fermentation technology

2006 - India's first indigenously produced novel monoclonal antibody BIOMAb-EGR® to treat head & neck cancer launched

2009 - Indigenously developed long lasting basal Insulin Glargine introduced in India as BASALOG®

2013 - World's first anti-CD6 monoclonal antibody ALZUMAb™ to treat psoriasis launched in India

2014 - CANMAb™, world's most affordable trastuzumab for treating metastatic breast cancer, launched in India

2016 – Launch of Insulin Glargine in Japan by partner FUIJIFILM Pharma, first developed market launch for a Biocon product

2017 – KRABEVA®, biosimilar bevacizumab launched in India

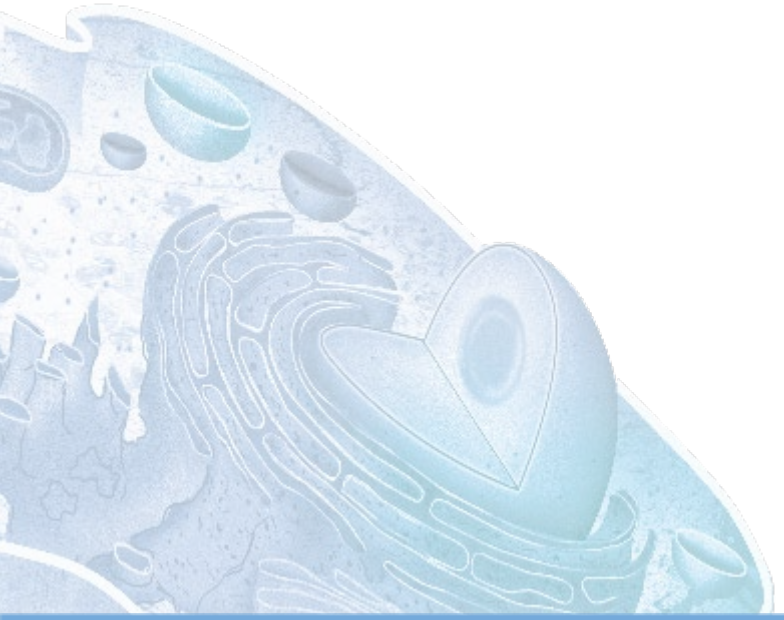
2017 - Ogrivi™, first biosimilar trastuzumab approved by US FDA

Recent Highlights

- US FDA approved Mylan/Biocon's biosimilar **Trastuzumab** on **December 1, 2017**
- **Biocon** and **Sandoz** announced an **exclusive global collaboration** to develop next generation biosimilar immunology and oncology products.
- Mylan/ Biocon's biosimilar **Insulin Glargine** received positive opinion from **EMA's CHMP.**
- Mylan/ Biocon responded to the CRL for proposed biosimilar **Pegfilgrastim** to the **US FDA.** The file is under review
- The **Marketing Authorization Applications (MAAs)** for proposed biosimilar **Trastuzumab** and **Pegfilgrastim** have been accepted by the **European Medicines Agency (EMA)** and are under active review.
- Mylan/Biocon received approval for Biosimilar **Trastuzumab** in **Brazil** through partner Libbs Farmaceutica
- Biocon lanched biosimilar **Bevacizumab**, **KRABEVA®** in India for treatment of patients with metastatic colorectal cancer and other types of lung, kidney, cervical, ovarian and brain related cancers.

Recent Highlights - continued

- Launched Rosuvastatin Calcium formulation in the US; partner launched the same in EU
- Biocon received DCGI (India) approval to conduct a Phase2/3 study in type 2 diabetes patients for our oral insulin candidate Insulin Tregopil. JDRF to support a Phase 1 study in type 1 diabetes patients.
- Syngene expanded its ongoing collaboration with Bristol Myers Squibb (BMS) through 2026 that will see the addition of a new facility and allow for expansion of the team of scientists working exclusively for BMS.



Revenue Highlights

All Figures in ₹ Million except %

Particulars	Q3 FY18	Q3 FY17	Growth (%)	9M FY18	9M FY17	Growth (%)	FY17
- Small Molecules	3,688	4,069	(9)	10,822	12,457	(13)	16,405
- Biologics	1,898	2,224	(15)	5,294	5,385	(2)	7,018
- Branded Formulations	1,561	1,233	27	4,624	4,179	11	5,489
- Syngene (Research Services)	3,877	3,322	17	10,140	9,097	11	11,925
- Inter-segment	(444)	(404)	10	(1,278)	(1,213)	5	(1,621)
Revenue from Operations	**10,579**	**10,444**	**1**	**29,602**	**29,905**	**(1)**	**39,216**
- Other Income	339	474	(28)	1,387	1,267	9	1,571
Total Revenue	**10,918**	**10,918**	**0**	**30,989**	**31,172**	**(1)**	**40,787**

Financial Summary

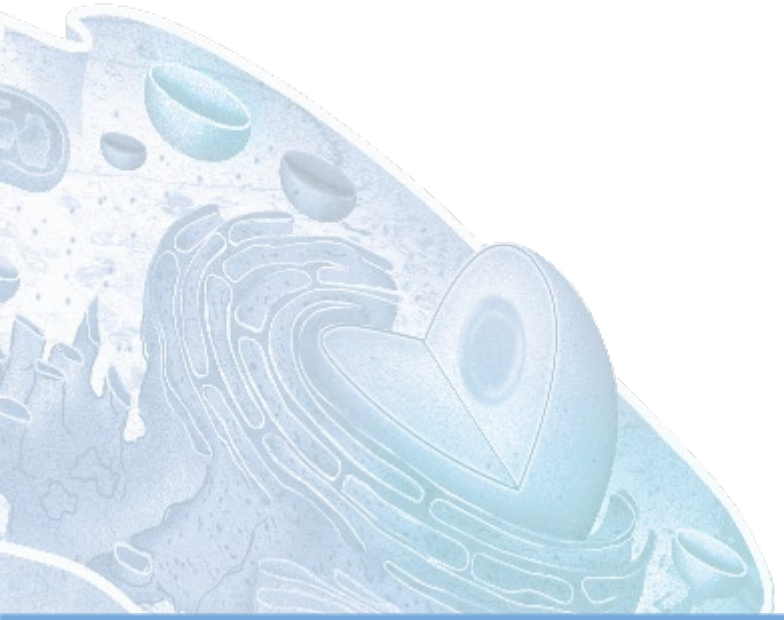
All Figures in ₹ Million except %

Particulars	Q3 FY18	Q3 FY17	Growth (%)	9M FY18	9M FY17	Growth (%)	FY17
Revenue	10,918	10,918	**0**	30,989	31,172	**(1)**	40,787
EBITDA	2,556	3,235	**(21)**	7,348	9,059	**(19)**	11,366
Net Profit[#]	919	1,713	**(46)**	2,420	4,846	**(50)**	6,199
R&D Expenses in P&L	529	846	**(37)**	1,650	2,010	**(18)**	2,662
Gross R&D Spends	942	1,000	**(6)**	2,829	3,041	**(7)**	4,019
EBITDA Margin	***23%***	***30%***		***24%***	***29%***		***28%***
EPS[#@] (Rs.)	**1.5**	**2.9**		**4.0**	**8.1**		**10.3**

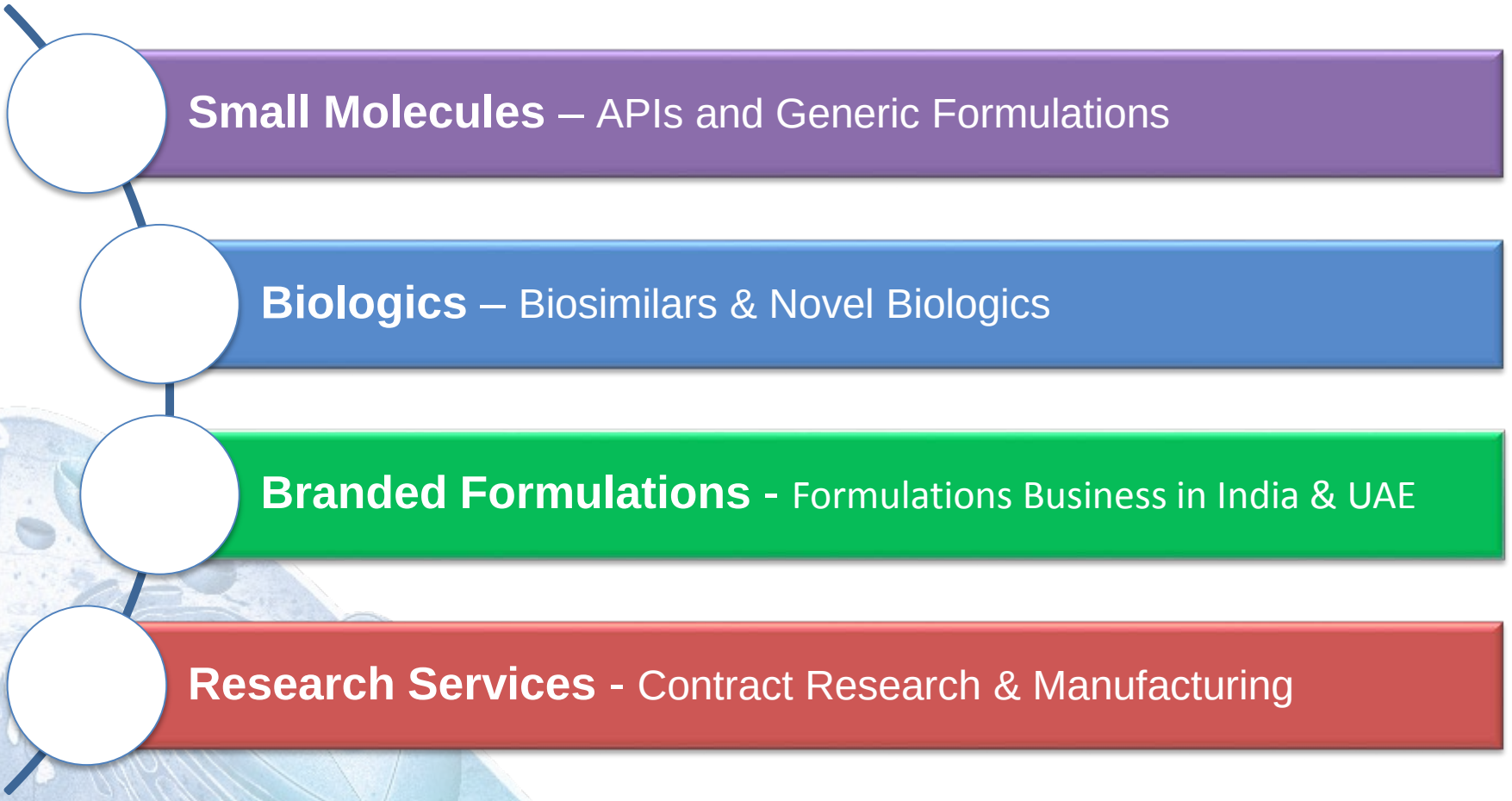
~ Revenue mix (FY17): Ex-India 70% : India 30%

[#] Adjusted for any exceptional items, [@] Adjusted for bonus

Business Segments



Growth Segments: Aligned with Shifting Paradigms



Small Molecule APIs

- Product Portfolio which leverages our core fermentation capabilities and have a high degree of complexity.
- Early mover in niche products at commercial scale.
- One of the largest producers of various fermentation based statins and immunosuppressant API in India and across the globe.

Current Portfolio	Select Molecules
Statins	Simvastatin, Pravastatin, Atorvastatin, Rosuvastatin, & Fluvastatin.
Immuno suppressants	Tacrolimus, Sirolimus, Everolimus, MMF & MPA
Other Biopharma	Orlistat, Fidaxomicin

Small Molecule Generic Formulations

- Vertically integrated business model with a nascent pipeline.
- Pipeline includes solid oral & parenteral products in both potent & non-potent categories of compounds.
- Focus therapeutic segments – Metabolics, Oncology, Immunology & Auto-immune indications.
- Invested ~US$ 25mn in our Oral Solid Dosage facility to support our future generic formulation applications.

Focus on vertically integrated development of molecules in chronic therapeutic areas

Biosimilars

- Over 15 years of experience is developing biologics with four biosimilars commercialized in various markets across the globe.
- Strong scientific and technical capabilities with manufacturing expertise and scale to address global opportunities. Over 1500 people dedicated to support this business across various functions.
- A large diverse portfolio which straddles across insulin and insulin analogs, monoclonal antibodies and recombinant proteins addressing diabetes, oncology and immunology indications.
- Along with our partners, have invested in multiples of hundred million dollars in R&D and capex
- Strategic partnership with global companies like Mylan and Sandoz to cross leverage development and commercialization capabilities in a risk and reward share model
- Meaningful near term growth to be driven by emerging markets with a significant ramp-up post entry into developed markets.

Strong end to end global player with a large diverse biosimilar portfolio

Biosimilars: Partnership with Mylan

BIOCON	MYLAN
• Global-scale, complex biologics manufacturing capabilities	• Strength in Regulatory/ filings strategy
• Facilities accredited by international regulatory agencies	• Strong commercialization capability in US and EU.
• Decade-long experience & demonstrated expertise in developing MAbs and other biologics	• 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

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

In Developed Markets only; * Market Size of innovator products in the current portfolio: Innovator Sales CY 2016

Biosimilars: Partnership with Sandoz

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
1. North America (US & Canada) 2. EU (European Free Trade Association (EFTA) and Balkan states)	1. Japan, Australia, New Zealand 2. All Emerging Markets

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

Disclosed Biosimilars Pipeline – a multi-billion dollar opportunity

	Molecule	Type	Status
INSULINS	Rh Insulin	Regular Acting Insulin	Pre-clinical (US), Marketed in EM
	Glargine	Long Acting Insulin	EU (+CHMP opinion). Under review in US, Australia & Canada. Marketed in Japan (since Jul-16) & EMs
	Aspart	Rapid Acting Insulin Analog	Global Phase I
	Lispro	Rapid Acting Insulin Analog	Preclinical
BIOSIMILARS	Adalimumab	Auto-Immune	Global Phase III completed
	Trastuzumab	Cancer	Approved in US. Under review in EU, Canada, Australia, Filed/ Marketed in EM
	Pegfilgrastim	Neutropenia	Filed in US, EU, Canada, Australia, EM
	Bevacizumab	Cancer	Global Phase III. Marketed in India
	Filgrastim	Neutropenia	Early development
	Etanercept	Auto-Immune	Early Development

Disclosed Biosimilar Pipeline: Biocon well placed in the competitive landscape

Molecule	Biosimilar Development Pipeline[@]					
	Phase I	Phase 3	Regulatory Submission		Approved/ Marketed	
			EMA	FDA	EMA	FDA
pegfilgrastim	DRL, Pfizer		Biocon, Coherus, Sandoz, Cinfa, USV, Apotex	Biocon, Coherus, Apotex, Sandoz	None	None
trastuzumab		Hanwha	Biocon, Amgen, Pfizer,	Amgen, Celltrion, Pfizer, Samsung	Samsung, Celltrion (+CHMP)	Biocon
insulin glargine				Biocon	Biocon (+CHMP) Eli Lilly, Merck	Eli Lilly, Merck (TA)
adalimumab	Oncobiologics	Coherus, Biocon, Momenta, Pfizer, Fresnius,,	Fuji-Kirin, Sandoz	Samsung, Sandoz	Amgen, Samsung, BI	Amgen, BI
bevacizumab	Sandoz, Daiichi, Oncobiologics, Cipla, DRL	Biocon, BI, Pfizer, Samsung, Fuji-Kirin/ Astra Zeneca			Amgen	Amgen
filgrastim	Pfizer			Apotex, Adello	Sandoz, Teva, Pfizer, Stada, Intas	Sandoz, Teva
etanercept	Hanwha	Coherus, Lupin, Samsung			Samsung, Sandoz	Sandoz
insulin aspart	Biocon					
insulin lispro					Sanofi	Sanofi
rh-insulin						

[@] Biosimilar Development Pipeline details may not be exhaustive, pipeline progress may not be perfectly accurate; Source: Company disclosures, research reports

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.
- Commercial supplies initiated with OTA award by Ministry of Health – Malaysia.
- Emerging market filings underway, commercial supplies to these markets expected to contribute to sales in FY18 and beyond
- 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 has commenced. To be built in two phases over 3-4 years.

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

Branded Formulations

- A Specialty Business with regional ambitions, currently in India and UAE. Strategy focused around biologics and differentiated products as anchor brands.
- The UAE business sells Branded generics and in-licensed Branded products.
- India business organized into 5 divisions around chronic therapy areas, namely **Metabolics, Oncotherapeutics, Immunotherapy, Nephrology, and Specialty.**
- Successfully developed and taken a range of Novel Biologics, Biosimilars, differentiated Small Molecules and affordable Recombinant Human Insulin and Analogs from 'Lab to Market'.
- Some of the key brands are in India include INSUGEN® (rh-insulin), BASALOG® (Glargine), BIOMAb-EGFR™ (Nimotuzumab), BLISTO® (Glimepiride+Metformin), CANMAb™ (Trastuzumab), KRABEVA® (Bevacizumab), Evertor ® (Everolimus), TACROGRAF™ (Tacrolimus) and ALZUMAb™(Itolizumab), a 'first in class' anti-CD6 monoclonal antibody.
- Future growth to be driven by deeper penetration of existing brands and new product launches.

Novel Molecules - Pipeline & Therapeutic Area Focus

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

- * In-House program
- # BVX-20 with Vaccinex
- $ QPI-1007 with Quark Pharma. QPI-1007 Global Phase III trial includes India.

Novel Molecules – Progressing to key milestones

Asset	Details
Tregopil Phase II/III Ongoing	**USP: Oral, Ultra Rapid-Acting** Post- prandial glycemic control; Liver specific- portal delivery, Weight neutral ▪ 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 commenced. ▪ 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** ▪ 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:** ▪ 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** ▪ 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** ▪ Pharmacology & MOA established in in-vitro & in vivo tumour models ▪ Proof of Concept established in in-vivo model ▪ Opportunity to target multiple tumour types

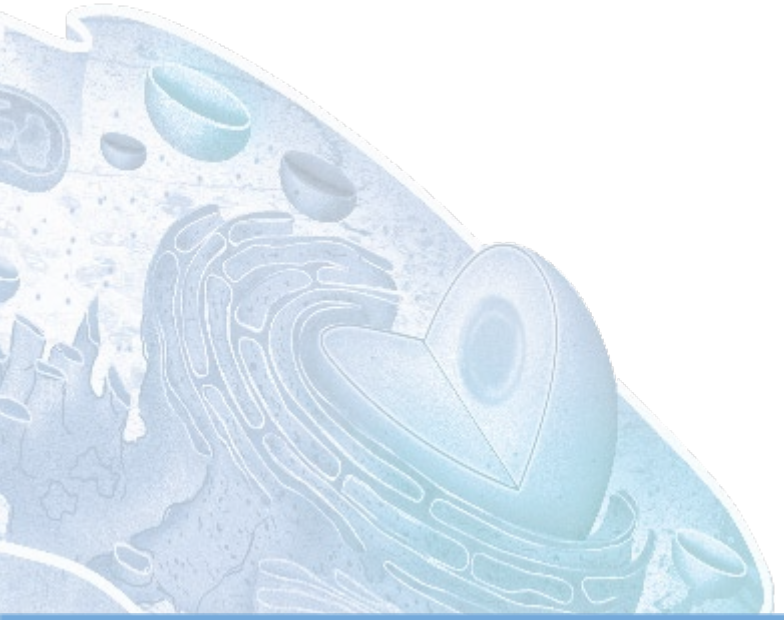
Syngene (Research Services Business)

Global High Growth CRO Company

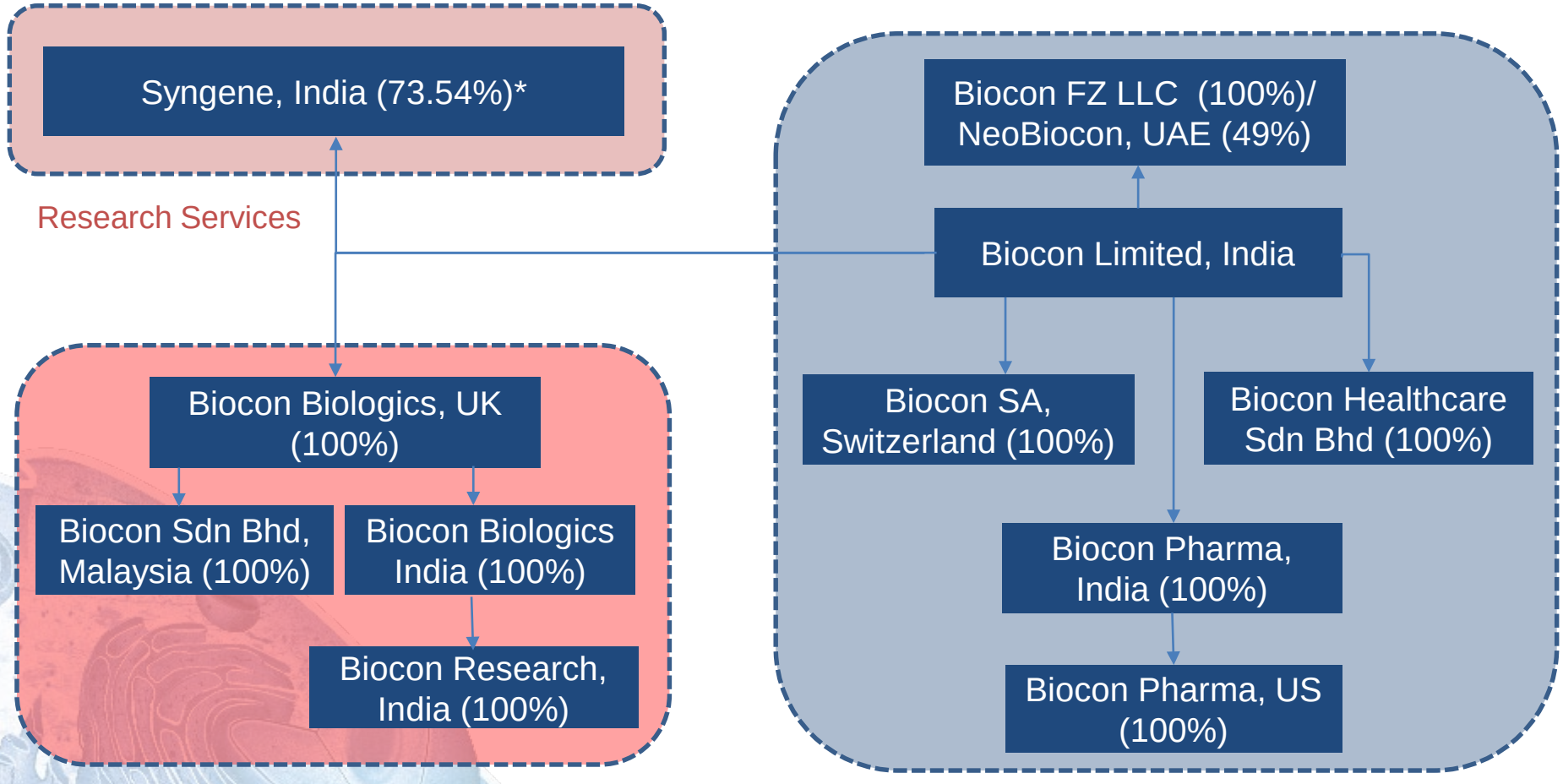
- Established in 1994, as India's first Contract Research Organization – 23 years of unparalleled experience in novel molecule discovery and development services
- One of the leading India-based contract research organizations (CRO)
- Integrated Service Platform for small and large molecules, antibody-drug conjugates and oligonucleotides backed by best-in-class bioinformatics services
- End-to-end discovery, development and manufacturing capabilities
- World class infrastructure audited successfully by USFDA, EMA, AAALAC and major life science partners.
- 293(1) clients across multiple sectors
- 96%(1) of revenues from outside India
- ~3,053 (1) qualified scientists
- World-class R&D and manufacturing infrastructure spread over 1.3 million sq. ft.
- Strong track record of top-line growth with best in class EBITDA (30+%) and Net Income (high teens to low 20's)

(1) For fiscal ended March 31, 2017

Appendix



Business Holdings Structure



- Includes 0.93% held by Biocon Research Limited

Five Year Financial Performance Summary (FY13-17)#

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

For further information, please visit
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