

To,

**The Directors
Biocon Limited**

20th KM, Hosur Road,
Electronic City, Bengaluru,
Karnataka, India, 560100

Dear Sir,

Sub: Fair Valuation of Equity Shares of Biocon Limited and fair and justifiable Share Swap Ratio in connection with a proposed non-cash preferential allotment for compliance with SEBI ICDR Regulations.

I have carried out the Fair Valuation of Equity Shares of Biocon Limited and calculated a fair and justifiable Share Swap Ratio in connection with a proposed non-cash preferential allotment for compliance with SEBI ICDR Regulations.

This Valuation report is confidential and has been prepared exclusively for the purpose stated. As per my understanding from the Management, there will be a preferential allotment of shares by Biocon Limited to the shareholders of Biocon Biologics Limited in exchange for their stake in Biocon Biologics Limited and since Biocon Limited is a listed entity, this report has been issued in compliance with the SEBI (ICDR) Regulations. Access to this document should be restricted only to client personnel. No part of it may be circulated, quoted or reproduced for perusal, outside the client organization, other than the purposes set out in the Report, without prior written approval from me.

Trust the above meets your requirements.



Mr. Santosh Kumar Katla

Registered Valuer (SFA), CA

IBBI Regn No. IBBI/RV/06/2022/14859

Date: 7th May, 2026

UDIN: 26243893CYBUYE3658

**SHARE VALUATION REPORT
AND
SHARE SWAP RATIO DETERMINATION**

ISSUING COMPANY (HOLDING) Biocon Limited Listed Public Company	TARGET COMPANY (SUBSIDIARY) Biocon Biologics Limited Unlisted Public Company
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Report Type	Share Swap Ratio Valuation
Industry	Biotechnology
Purpose	Share Swap – Non-Cash Preferential Allotment
Prepared By	Mr. Santosh Kumar Katla
IBBI Reg. No.	IBBI/RV/06/2022/14859
Valuation Date	31 st December 2025
Report Date	07 th May 2026



STRICTLY PRIVATE AND CONFIDENTIAL

This report has been prepared solely for the purposes specified herein and should not be relied upon for any other purpose.

Table of Contents

Table of Contents.....	3
1. Executive Summary	4
1.1 Transaction Overview	4
1.2 Summary of Valuation Results.....	4
2. Scope, Purpose, and Limitations.....	5
2.1 Scope of Work.....	5
2.2 Purpose of the Report	6
2.3 Limitations.....	6
3. Company Overview.....	7
3.1 Biocon Limited – Acquirer Company.....	7
3.2 Biocon Biologics Limited – Target Company.....	8
4. Source Of Information.....	9
5. Statutory and Regulatory Framework	9
5.1 SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").....	9
6. Financial Analysis	10
6.1 Financial Highlights – Acquirer Company (Listed).....	10
6.2 Financial Highlights – Target Company (Unlisted).....	11
7. Industry Analysis – Biotechnology Sector.....	12
7.2 Indian Biotechnology Sector – Size, Growth, and Policy Landscape.....	13
8. Valuation Methodology	15
Methodologies Considered.....	15
8.1 The “Market Price” approach.....	15
8.1.3 Floor Price Determination – Acquirer Company (SEBI ICDR Regulation 164).....	18
8.2 Underlying Net Asset approach:	18
8.3 Income Approach - Discounted Free Cash Flow Method (DFCF):	19
10. Declaration and Certificate of Independence.....	30



1. Executive Summary

This report presents the independent valuation of the equity shares of Biocon Limited (hereinafter referred to as the "Acquirer Company" or "Company" or "BL") and Biocon Biologics Limited (hereinafter referred to as the "Target Company" or "Subsidiary" or "BBL") for the purpose of determining a fair and justifiable Share Swap Ratio in connection with a proposed non-cash preferential allotment. The Acquirer Company, being a company listed on Stock Exchange of India, proposes to issue its equity shares as consideration in exchange for the equity shares held by the non-controlling shareholders of the Target Company, in accordance with the provisions of the Companies Act, 2013, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and other applicable laws.

The minority interest/ non-controlling interest in Biocon Biologics Limited holding 1.61% of shares is being swapped with the equity shares of Biocon Limited.

1.1 Transaction Overview

Parameter	Details
Transaction Structure	Non-Cash Preferential Allotment (Share Swap)
Issuer	Biocon Limited – Listed on [BSE and NSE]
Target Company	Biocon Biologics Limited – Unlisted Public Company
Valuation Date	31 st December 2025
Proposed Swap Ratio	0.76210 equity shares of the Acquirer Company for every 1 equity shares of the Target Company

In this regard, I, Mr. Santosh Kumar Katla (hereinafter referred to as "I" or "My", or "Me") have been engaged by the Company to determine the fair value of its equity shares.

1.2 Summary of Valuation Results

Entity	Method	Value per Share (Rs.)
Acquirer Company	VWAP & DCF	Rs. 376.16
Target Company	CCM & DCF	Rs. 286.67
Concluded Swap Ratio	0.76210	



IMPORTANT DISCLAIMER & CAVEATS

This Executive Summary should be read in conjunction with the full report, including all assumptions, limitations, caveats, and regulatory disclosures set out herein. The Swap Ratio is determined as of the Valuation Date and should not be applied for any other purpose or date without my prior written consent.

It is relevant to mention that the valuation of a company is not a science and depends upon number of factors like the nature of business of the company, its structure, industry scenario, financial projections, etc. The valuation is performed under the premise of value in continuous use as a going concern entity.

I have summarized the Valuation Analysis of the Company based on the information as was provided to me pursuant to the meetings held with the management of Company and other publicly available information. I do not assume any responsibility for the accuracy or reliability of such documents on which I have relied upon in forming my opinion. This Report is subject to the scope, assumptions, qualifications, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

The values indicated above are based on information provided by the Management and publicly available data as of the Valuation Date. I do not assume responsibility for subsequent changes in market conditions, regulatory requirements, or the financial position of either company.

2. Scope, Purpose, and Limitations

2.1 Scope of Work

The scope of work undertaken by me for the preparation of this Report includes:

- Review and analysis of the audited financial statements of both companies for the preceding three financial years and the most recent available period;
- Conduct valuation of equity shares of the companies and compute a Ratio for the Proposed Transaction to facilitate preferential issue of shares of Acquirer Company as consideration for stake held by the Sellers in Target Company to facilitate compliance with Regulation 163(3) of ICDR Regulations;
- Determine floor price of equity shares of Acquirer Company to be allotted to comply with Regulation 164(1).
- Application of multiple valuation methodologies including Discounted Cash Flow ("DCF") and Market Comparable Analysis;
- Analysis of the biotechnology sector including macro trends, key growth drivers, competitive landscape, and comparable company multiples;
- Determination of the weighted average value and the resultant Swap Ratio.



2.2 Purpose of the Report

This Valuation Report has been prepared by Mr. Santosh Kumar Katla, a Registered Valuer (SFA) with IBBI Regn No. IBBI/RV/06/2022/14859 & holding Certificate of Practice vide no. ICAIRVO/06/RV-P057/2022-2023.

The Report has been prepared at the request of the Board of Directors of Biocon Limited (hereinafter referred to as the "Acquirer Company" or "BL") for the following specific statutory purposes:

- To determine the Fair Market Value of the equity shares of the Acquirer Company and the Target Company as of the Valuation Date in accordance with Regulation 164(1) of the ICDR Regulations;
- To determine the Share Swap Ratio for the proposed non-cash preferential allotment, whereby the Acquirer Company shall issue its equity shares as consideration for the acquisition of equity shares of the Target Company;
- To determine the floor price of equity shares of the Acquirer company to be allotted to the seller pursuant to the preferential issue proposed to be made by acquirer company in accordance with Regulation 164(1) of the ICDR Regulation.

2.3 Limitations

- I assume no responsibility for the legal matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed good and marketable.
- All information provided by the Company and others is assumed to be accurate. However, I offer no assurance as to its accuracy. I express no audit opinion or any other form of assurance on this information.
- Providing valuation opinions and evaluating the issues outlined here are part of my routine professional services. These services are distinct from, and do not constitute, accounting, assurance, accounting or tax due diligence, consulting, or tax services that I or my affiliates may otherwise offer.
- I have not made an appraisal or independent valuation of any of the assets or liabilities of the Company and have not conducted an audit or due diligence or reviewed/validated the financial data provided by the management.
- Financial information of the subject Company is included solely to assist in the development of a value conclusion presented in this report and should not be used to obtain credit or for other purpose. Because of the limited purpose of the information presented, it may be incomplete and contain departures from generally accepted accounting principles.
- Events occurring after the valuation date may affect this Report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report
- This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice.



IMPORTANT DISCLAIMER & CAVEATS

1. This Report is prepared solely for the statutory purposes set out in Section 2.1 above and must not be used, quoted, relied upon, or referred to for any other purpose without the prior written consent of the ours.
2. The Swap Ratio determination is based on information provided by the Management, which has been assumed to be accurate and complete. I have not independently verified such information and does not assume any responsibility for errors arising from inaccurate or incomplete information.
3. Valuations of unlisted securities involve significant judgement and estimation. The values arrived at represent the professional opinion of the Registered Valuer as of the Valuation Date and may differ from values arrived at by other valuers using different assumptions or methodologies.
4. The financial projections used in the DCF analysis are based on management estimates. Actual results may differ materially from projected results.
5. This Report does not constitute a recommendation to any shareholder as to how to vote on any resolution, and does not constitute investment, legal, or tax advice.
6. I do not hold any financial interest, directly or indirectly, in either company or in the proposed transaction. This Report represents an independent and objective assessment.
7. The biotechnology industry analysis included in this Report is based on publicly available data and research reports. Market conditions may change materially after the Valuation Date.

3. Company Overview

3.1 Biocon Limited – Acquirer Company

Biocon Limited (“Acquirer Company” or “Company” or “BL”) together with its subsidiaries, engages in the manufacture and sale of biotechnology products and research services in India, Brazil, Singapore, and internationally. It operates through following segments: Generics, Biosimilars, and Research Services. The company offers generic formulations and API products, including anti-diabetics, immunosuppressants, multiple sclerosis, anti-cancer/oncology, biosimilars products and other products. Biocon Limited was incorporated in 1978 and is headquartered in Bengaluru, India. The equity shares of Biocon Limited are listed on the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).



Particulars	Details
Registered Name	BIOCON LIMITED
CIN	L24234KA1978PLC003417
Date of Incorporation	29/11/1978
Registered Office	20th KM, Hosur Road, Electronic City, Bengaluru, Karnataka, India, 560100
Stock Exchange(s)	Both, BSE and NSE
Market Capitalisation	Rs. 58,020 Crore
Outstanding Equity Shares (Diluted)	1,62,09,07,773 equity shares of Rs. 5 each

3.2 Biocon Biologics Limited – Target Company

Biocon Biologics Limited (“Target Company” or “BBL” or “Client”), a Subsidiary Company of Biocon Limited is involved in research and development and commercialization of various monoclonal antibodies and other recombinant proteins products. It is engaged in developing biosimilars that can expand access to therapies to patients.

Particulars	Details
Registered Name	BIOCON BIOLOGICS LIMITED
CIN	U24119KA2016PLC093936
Date of Incorporation	08/06/2016
Registered Office	Biocon House, Ground Floor, Tower-3, Semicon Park Electronic City, Phase - II, Hosur Road, Bengaluru, Karnataka, India, 560100
Relationship with Holding Co.	Target Company – 98.39% equity held by Acquirer Company
Outstanding Equity Shares (Diluted)	1,73,90,67,114 equity shares of Rs. 10.00 each



4. Source Of Information

For the purpose of the valuation exercise, I have relied upon the following sources of information provided by the Management of the Company.

- Audited Financial statements of Biocon Limited for the financial year ending 31st March,2025.
- Provisional Financial Statements of Generics Segment of Biocon Limited as on 31st December, 2025.
- Financial projections of Biocon Limited (comprising of forecasts of profit and loss statements, capital expenditure and working capital requirements) from 01st January 2026 to 31st March 2035.
- Audited Financial statements of Biocon Biologics Limited for the financial year ending 31st March,2025.
- Provisional Financial Statements of Biocon Biologics Limited as on 31st December, 2025.
- Financial projections of Biocon Biologics Limited (comprising of forecasts of profit and loss statements, capital expenditure and working capital requirements) from 01st January 2026 to 31st March 2035.
- Audited Financial statements of Syngene International Limited for the financial year ending 31st March,2025.
- Provisional Financial Statements of Syngene International Limited as on 31st December, 2025.
- Financial projections of Syngene International Limited (comprising of forecasts of profit and loss statements, capital expenditure and working capital requirements) from 01st January 2026 to 31st March 2035.
- Fair Valuation report of Biocon Biologics Limited dated as on 07th May, 2026.
- Other relevant details regarding the company such as their history, their promoters, past and present activities, other relevant information in the public domain.
- Such other information, explanations and other documents as may be required by us. I have also placed reliance on the verbal explanations and information given to me by the directors, senior executives and professionals of the company.

5. Statutory and Regulatory Framework

The proposed transaction involves a listed Acquirer Company; accordingly, reference has been made to the relevant provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable to the Acquirer Company, as listed below.

5.1 SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations")

Since the Acquirer Company is a listed entity, the issuance of its equity shares as non-cash consideration triggers compliance under Chapter V (Preferential Allotment) of the SEBI ICDR Regulations. The following Regulations are specifically applicable:



Regulation 163(3) states that Specified securities may be issued on a preferential basis for consideration other than cash: Provided that consideration other than cash shall comprise only swap of shares pursuant to a valuation report by an independent registered valuer, which shall be submitted to the stock exchange(s) where the equity shares of the issuer are listed

Regulation 164 states that If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- a. the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b. the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

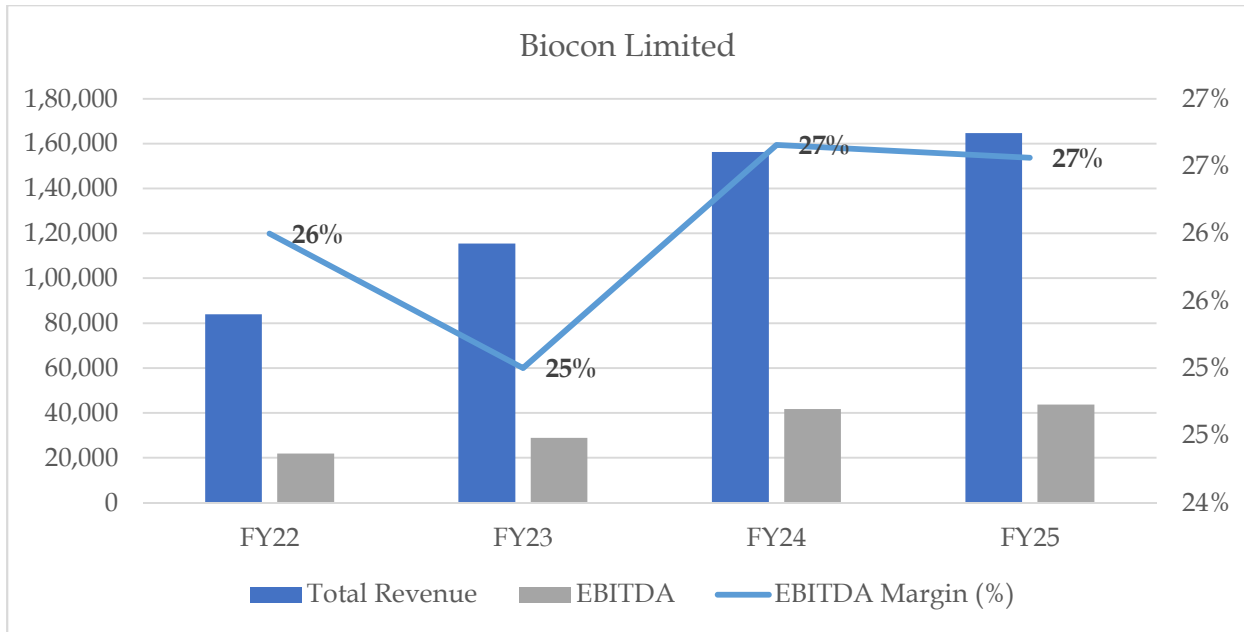
Regulation	Subject Matter	Compliance Requirement
Reg. 163(3)	Valuation Report Submission	Specified securities can be issued on a preferential basis for non-cash consideration only in the form of a share swap, supported by a valuation report from an independent registered valuer.
Reg. 164	Floor Price (Frequently Traded)	Issue price shall not be less than the higher of: (a) average of weekly high & low of VWAP for 90 trading days preceding the Relevant Date, or (b) average of weekly high & low of VWAP for 10 trading days preceding the Relevant Date.

6. Financial Analysis

6.1 Financial Highlights – Acquirer Company (Listed)

Particulars (Rs. millions)	FY22	FY23	FY24	FY25
Total Revenue	83,967	1,15,501	1,56,212	1,64,699
EBITDA	21,829	28,876	41,642	43,745
EBITDA Margin (%)	26%	25%	27%	27%





Biocon Limited has demonstrated a strong growth trajectory over the review period, with total revenue increasing from Rs. 83,967 million in FY22 to Rs. 1,64,699 million in FY25, reflecting consistent expansion in operations and scale. The growth momentum has been particularly robust between FY22 and FY24, indicating effective execution of business strategies and increasing market demand.

EBITDA has also grown in line with revenue, rising from Rs. 21,829 million in FY22 to Rs. 43,745 million in FY25, indicating a sustained improvement in operating performance. The growth in EBITDA broadly tracks revenue growth, suggesting that the Company has been able to scale its operations without significant erosion in operating efficiency.

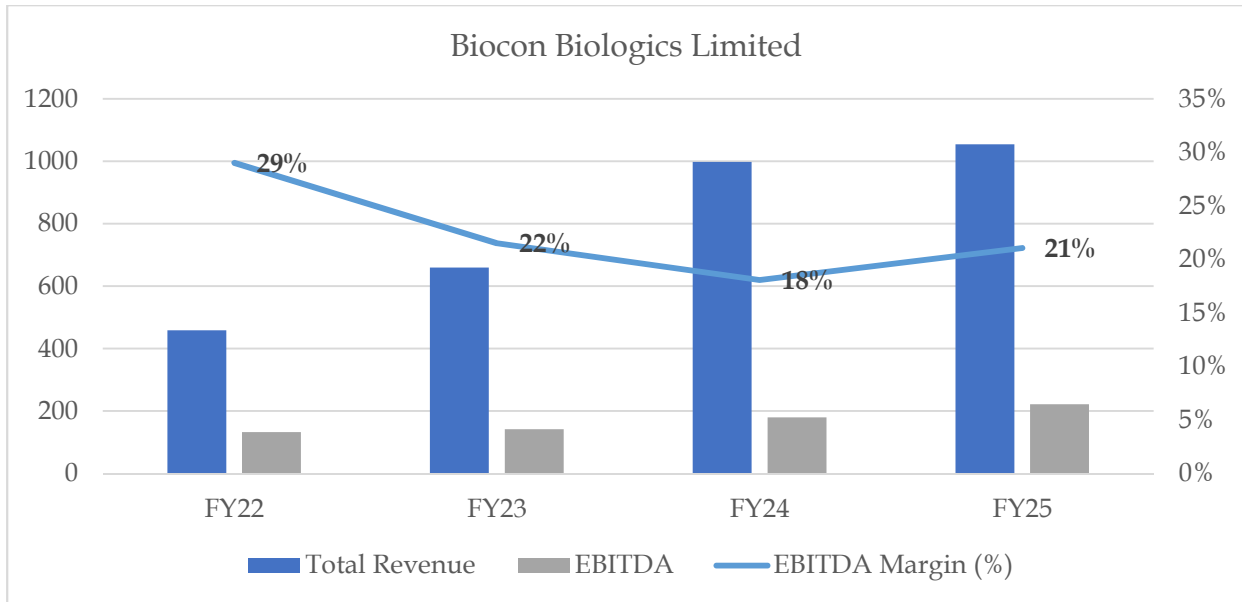
The EBITDA margin has remained relatively stable in the range of 25%-27% over the period under review. While there is a marginal dip in FY23, margins have subsequently improved and stabilized, reflecting better cost management, operating leverage, and efficiency gains as the business has scaled.

Overall, the Company's financial performance reflects a combination of strong revenue growth and stable profitability, indicating a resilient business model with the ability to maintain margins while expanding its operations. This performance provides a sound basis for the assumptions considered in the valuation analysis.

6.2 Financial Highlights – Target Company (Unlisted)

Particulars (USD million)	FY22	FY23	FY24	FY25
Total Revenue	459	660	998	1,054
EBITDA	133	142	180	222
EBITDA Margin (%)	29%	22%	18%	21%





Biocon Biologics has demonstrated robust growth, with total revenue increasing from USD 459 million in FY22 to USD 1,054 million in FY25. While business momentum was particularly strong through FY24, the scale of operations continued to expand into FY25 at a more moderate pace.

Correspondingly, EBITDA rose from USD 133 million in FY22 to USD 222 million in FY25. However, EBITDA growth trailed revenue growth during FY23 and FY24, resulting in a declining margin trend from 29% to 18.08%. This compression likely reflects increased operating costs, expansion expenditures, and competitive pricing pressures.

In FY25, the EBITDA margin showed signs of recovery, rising to 21.07%. This improvement suggests early stabilization and the realization of operational efficiencies following the period of rapid expansion.

7. Industry Analysis – Biotechnology Sector

7.1 Global Biotechnology Market Overview (Source: <https://www.mordorintelligence.com/search>)

The global biotechnology sector has emerged as one of the most dynamic and rapidly growing industries in the world, underpinned by accelerating innovation in genomics, biologics, cell and gene therapy, and the integration of artificial intelligence in drug discovery. According to recent industry research, the global biotechnology market was valued at approximately USD 2.15 trillion in 2025 and is projected to expand to USD 4.41 trillion by 2031, registering a compound annual growth rate ("CAGR") of 12.67% over the forecast period. Biopharmaceuticals represent the largest product segment, accounting for approximately 45.35% of total market revenues in 2025.

Within technology segments, Next-Generation Sequencing ("NGS") is expected to register the highest growth rate of approximately 21.4% CAGR through 2031, driven by the rapid decline in genome



sequencing costs and the integration of AI-based variant interpretation platforms. Tissue Engineering and Regeneration captured approximately 20.55% of biotechnology market revenue in 2025, reflecting the transition of engineered-tissue constructs from laboratory research to clinically reimbursed products. CRISPR and gene-editing technologies continue to benefit from streamlined regulatory pathways and mature manufacturing protocols.

Segment / Geography	Market Share / Growth	Key Driver
Biopharmaceuticals	45.35% of global market (2025)	Biosimilars, monoclonal antibodies, biologics
NGS / Sequencing	21.4% CAGR (2026–2031)	AI integration, falling genome costs
Tissue Engineering	20.55% of market (2025)	Clinical approvals, reimbursement expansion
Asia-Pacific Region	16.95% CAGR – fastest growing region	Public funding, lower operating costs, China/India/Japan investments
Global Biotech Total	USD 2.15T (2025) → USD 4.41T (2031)	12.67% CAGR (2026–2031)

7.2 Indian Biotechnology Sector – Size, Growth, and Policy Landscape

India has established itself as one of the premier global hubs for biotechnology, with a particularly strong position in biopharmaceuticals, vaccines, and biosimilars. India's biotechnology market was valued at approximately USD 37.1 billion in 2025, with an expected CAGR of 13.09% during the period 2026 to 2034, potentially reaching USD 112.2 billion by 2034. Growth drivers include rising demand for personalised medicine and chronic disease treatments, and the accelerating integration of information technology with biotechnology for precision medicine applications.

India's broader bioeconomy has undergone a remarkable transformation, growing sixteen-fold from USD 10 billion in 2014 to USD 165.7 billion in 2024, contributing 4.25% to national GDP and registering a CAGR of 17.9% over the past four years. The Government of India has set an ambitious target of achieving a bioeconomy of USD 300 billion by 2030, reinforcing biotechnology's role as a cornerstone of India's economic growth strategy.



Metric	Value	Source / Note
India Biotech Market Size (2025)	USD 37.1 Billion	IBEF, 2025
India Biotech Market Projection (2034)	USD 112.2 Billion	CAGR: 13.09% (2026-34)
India Bioeconomy (2024)	USD 165.7 Billion	PIB, GoI, 2024
India Bioeconomy Target (2030)	USD 300 Billion	GoI / BioE3 Policy
Number of Biotech Startups (Sept 2025)	~11,000	Up from 50 in 2014; BIRAC data
FDA-Approved Plants in US (Indian)	665 plants	India: 44% of global ANDA filings
WHO-Compliant Mfg. Facilities	1,400+	IBEF, 2025
Union Budget 2025-26 R&D Allocation	Rs. 20,000 Crore	For private research; supports AI-driven biotech

IMPORTANT DISCLAIMER & CAVEATS

The industry and market analysis presented in this Section is based on publicly available research reports, government data, and industry publications as of the Valuation Date. Biotechnology is a rapidly evolving sector, and market conditions, regulatory developments, and competitive dynamics may change materially. This analysis is provided solely for context in determining appropriate valuation parameters and comparable company multiples, and does not constitute a forecast or investment recommendation.

This Valuation Report has been issued on the specific request of the Company to ascertain the fair equity value per share of company & ascertain the fair swap ratio. This Report is prepared exclusively for the stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without prior written consent of ours.

I have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein.

The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report. This Report is issued on the understanding that the Management has drawn my attention to all matters of which they are aware, which may have an impact on my report up to the date of signature. I have no responsibility to update this report for events and circumstances occurring after the date of this Report.



8. Valuation Methodology

Methodologies Considered

For the purposes of this Report, the I have considered the following internationally recognised valuation methodologies and their applicability to the Acquirer Company and the Target Company respectively. The selection of methodologies has been guided by the nature of the companies' businesses, the availability and reliability of data, and the requirements of applicable statutes.

For the purpose of fair valuation of equity shares of the Company generally the following approaches are adopted

- a) The "Income" approach
- b) The "Market Price" approach
- c) The "Underlying Asset" approach

8.1 The "Market Price" approach

The market price of an equity share as quoted on a stock exchange is normally considered as the value of equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the securities as quoted on the stock market would not be regarded as proper index of the fair value of the securities, especially where the market values are fluctuating in a volatile capital market.

The equity shares of Biocon Limited are listed on NSE and BSE and are traded frequently. In these circumstances the share prices observed on NSE over a reasonable period have been considered for arriving at the value per equity share of Biocon Limited under the Market Price method.

8.1.1 Volume Weighted Average Price valuation (VWAP)

VWAP (Volume Weighted Average Price) valuation of equity shares determines a fair reference price based on the average trading price of a stock over a specified period, weighted by trading volumes, so that days with higher market activity have greater influence on the valuation.

For the purpose of valuation of Acquirer Company, I have applied the VWAP over a 90-day trading period, which provides a balanced view of recent market behavior while smoothing out short-term volatility. Using a 90-day window reduces the impact of temporary spikes or downturns, thereby offering a more stable and representative benchmark for pricing, while remaining aligned with the principle of using relevant and reliable market data.



Value of Equity Share of Biocon Limited as per Volume Weighted Average Price Method

Date	Volume (no of Equity Shares traded)	Turnover (Volume * Price) (A)
07-05-2026	52,29,003	1,99,87,86,396.75
06-05-2026	62,30,919	2,37,14,87,771.40
05-05-2026	26,60,976	97,99,04,412.00
04-05-2026	26,08,351	94,05,71,370.60
30-04-2026	19,96,623	71,80,85,461.95
29-04-2026	14,77,358	53,51,72,935.50
28-04-2026	41,98,319	1,52,31,50,133.20
27-04-2026	40,58,236	1,46,90,81,432.00
24-04-2026	15,86,087	55,48,92,536.95
23-04-2026	22,99,349	82,31,66,942.00
22-04-2026	26,00,977	93,06,29,570.60
21-04-2026	22,37,236	80,87,60,814.00
20-04-2026	18,67,816	67,06,39,334.80
17-04-2026	24,22,877	86,76,32,253.70
16-04-2026	26,52,908	93,05,07,481.00
15-04-2026	36,55,984	1,28,08,73,994.40
13-04-2026	35,81,778	1,23,57,13,410.00
10-04-2026	20,64,193	71,95,77,679.80
09-04-2026	23,65,693	81,78,20,070.10
08-04-2026	60,53,110	2,11,73,77,878.00
07-04-2026	1,59,31,957	5,41,76,61,977.85
06-04-2026	30,66,911	1,08,87,53,405.00
02-04-2026	59,41,534	2,09,46,87,811.70
01-04-2026	28,32,071	1,03,42,72,329.20
30-03-2026	32,27,869	1,16,49,37,922.10
27-03-2026	41,92,803	1,55,17,56,390.30
25-03-2026	20,37,267	77,34,48,416.55
24-03-2026	41,15,023	1,51,86,49,238.15
23-03-2026	30,17,643	1,10,79,27,627.45
20-03-2026	1,21,93,711	4,64,51,94,205.45
19-03-2026	20,08,502	74,02,33,412.10
18-03-2026	22,40,407	85,71,79,718.20
17-03-2026	26,98,117	1,01,86,74,073.35
16-03-2026	26,52,299	1,00,00,49,337.95
13-03-2026	47,57,886	1,82,48,87,175.30
12-03-2026	19,21,703	75,36,91,916.60
11-03-2026	39,31,225	1,55,42,09,803.75
10-03-2026	35,54,902	1,40,70,30,211.60



09-03-2026	29,14,481	1,13,57,73,245.70
06-03-2026	25,52,685	99,73,34,029.50
05-03-2026	28,32,306	1,09,55,35,960.80
04-03-2026	28,86,127	1,09,19,66,150.45
02-03-2026	24,39,315	94,63,32,254.25
27-02-2026	43,94,250	1,71,28,78,650.00
26-02-2026	52,56,998	2,07,57,25,660.30
25-02-2026	39,58,867	1,56,71,17,501.95
24-02-2026	21,79,315	85,15,67,336.25
23-02-2026	35,72,627	1,38,51,07,487.90
20-02-2026	34,82,530	1,33,71,17,393.50
19-02-2026	27,84,719	1,06,55,72,725.35
18-02-2026	14,89,234	56,43,45,224.30
17-02-2026	11,18,253	42,42,09,275.55
16-02-2026	21,08,997	80,21,57,008.95
13-02-2026	53,87,172	2,03,60,81,657.40
12-02-2026	83,23,909	3,12,18,82,070.45
11-02-2026	26,34,512	98,84,68,902.40
10-02-2026	27,03,185	1,00,30,16,794.25
09-02-2026	22,78,289	85,19,66,171.55
06-02-2026	17,97,290	65,67,29,766.00
05-02-2026	15,13,592	55,66,99,137.60
04-02-2026	18,72,248	69,00,17,000.40
03-02-2026	48,40,490	1,80,21,14,427.00
02-02-2026	46,95,435	1,73,80,15,265.25
01-02-2026	65,09,175	2,39,66,78,235.00
30-01-2026	18,51,119	67,89,90,449.20
29-01-2026	30,13,441	1,10,08,09,997.30
28-01-2026	25,19,290	93,33,96,945.00
27-01-2026	33,33,643	1,21,76,13,105.75
23-01-2026	18,96,911	69,46,48,808.20
22-01-2026	17,00,808	63,44,01,384.00
21-01-2026	26,08,596	95,17,46,250.60
20-01-2026	94,21,803	3,45,63,88,430.55
19-01-2026	25,16,848	94,64,60,690.40
16-01-2026	34,34,497	1,29,70,37,792.05
14-01-2026	35,55,556	1,34,75,55,724.00
13-01-2026	51,62,057	1,94,76,44,106.10
12-01-2026	21,48,460	79,87,97,428.00
09-01-2026	15,97,546	60,64,28,461.60
08-01-2026	12,88,204	48,68,76,701.80
07-01-2026	48,30,813	1,86,97,66,171.65
06-01-2026	17,70,828	68,20,34,404.20
05-01-2026	14,85,564	58,13,75,471.40



02-01-2026	14,52,427	57,07,31,189.65
01-01-2026	13,45,267	52,16,27,279.25
31-12-2025	12,42,838	48,95,53,888.20
30-12-2025	39,36,901	1,53,69,66,150.40
29-12-2025	47,25,731	1,84,49,25,382.40
26-12-2025	19,62,359	77,60,14,866.55
24-12-2025	27,07,789	1,07,86,47,748.15
23-12-2025	19,07,267	76,58,63,063.85

Summary of 90 Trading Days

Particulars	90 Trading Days
Total Turnover (INR)	1,12,55,77,88,074
Total Volume	30,21,12,187
Volume Weighted Average Price (VWAP)	372.57

Summary of 10 Trading Days

Particulars	10 Trading Days
Total Turnover (INR)	11,91,42,99,392
Total Volume	3,23,45,221
Volume Weighted Average Price (VWAP)	368.35

8.1.3 Floor Price Determination – Acquirer Company (SEBI ICDR Regulation 164)

As the Acquirer Company is a listed entity, the issue price of its equity shares in the proposed preferential allotment cannot be less than the statutory floor price computed under Regulation 164 of the SEBI ICDR Regulations. The floor price serves as a non-negotiable minimum – the Swap Ratio must be calibrated such that the effective issue price of the Acquirer Company's shares equals or exceeds this floor.

Parameter	Calculation / Value
Relevant Date	07 th May 2026
90-Day VWAP (Reg. 164(a))	Rs. 372.57 per share
10-Day VWAP (Reg. 164(b))	Rs. 368.35 per share
Statutory Floor Price (Higher of Above)	Rs. 372.57 per share



8.2 Underlying Net Asset approach:

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. To arrive at the value under asset approach, the Net Asset Value Method (Book Value) is adopted.

The Asset Based Valuation Method is not an appropriate method of valuing the business on a going concern basis, because it does not truly measure the earning capacity of an enterprise. The Asset Based Valuation Method is appropriate mainly in the cases of liquidation of a company.

Further, the valuation of a biotechnology company is largely dependent on future expected cash flows arising from successful clinical development, regulatory approvals, and commercialization, rather than the current carrying value of its underlying assets. The NAV method, being backward-looking in nature, fails to capture this forward-looking value creation potential and associated risk-return profile.

Accordingly, the Underlying Asset method does not adequately reflect the economic value of the Company and has therefore not been considered appropriate for the purpose of this valuation.

8.3 Income Approach - Discounted Free Cash Flow Method (DFCF):

The DFCF to equity method expresses the present value of the business attributable to equity shareholders as a function of its future cash earnings capacity. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. The value of the equity is arrived at by estimating the Free Cash Flows (FCF) to equity and discounting the same at the cost of equity (K_e). The DFCF method using the FCF, values the benefits that accrue to the equity shareholders of the Company. This is estimated by forecasting the free cash flows available for the company (which are derived on the basis of likely future earnings of the companies) and discounting these cash flows to their present value at the K_e . The DFCF methodology is considered to be the most appropriate basis for determining the earning capability of a business. It expresses the value of a business as a function of expected future cash earnings in present value terms. The approach seeks to measure the intrinsic ability of the business to generate cash attributable to its equity shareholders.

In the DFCF approach, the appraiser estimates the cash flows of any business after all operating expenses, taxes, and necessary investments in working capital and Capital Expenditure (Capex) is being met. Valuing equity using the free cash flow to stockholders requires estimating only free cash flow to equity holders, after debt holders have been paid off. As this methodology is focused at Shareholders so the interest and finance charges are also deducted.

For the purpose of valuation of equity shares in this transaction through DFCF methodology, I have relied upon the projections provided by the management till the period ending March, 2035 duly supplemented by its Terminal Value based on the Gordon Model along with the discussions held with the management and extrapolating the free cash flows at an annual growth rate of 5% to perpetuity.



Income Approach – Discounted Free Cash Flow Method (DFCF):

- Under DCF Method, value is the present value of future cash flows generated by the business during the explicit forecast period and perpetuity in consideration of factors like historical performance, prospective business plan, competitive position, business related risks, etc.
- Cash flows are estimated and analysed for certain futures years (projected period or explicit forecast period). Estimated cash flows are prepared on the basis of historical financial analysis and future financial analysis (prepared on the basis of Management’s strategy and business plan, expected economic performance and probable industry performance).
- Free cash flows from the business have been determined for the explicit forecast period based on the following:
 - a) Free cash flows from operations are considered on the basis of projections of the Company provided to me by the Management.
 - b) Projected incremental working capital required is reduced to arrive at the free cash flows from operations based on working capital required by the Company during the explicit forecast period.
 - c) Estimated capital expenditure (capex) has been reduced to arrive at the free cash flows.
 - d) Income tax on finance cost is reduced to arrive at the free cash flows.
- The discount rate has been computed and determined based on my understanding of the business, size and scale of the Company.
- The projected profit and loss account does not cover the entire period during which the Company is likely to remain operational. Thus, cash flow benefits after the explicit forecast period are incorporated in perpetuity/ terminal value, during which the business will continue to generate cash. Perpetuity value is computed based on the following assumptions and inputs:
 - 1) EBITDA margin for perpetuity is in line with the EBITDA margin for FY2034-35.
 - 2) Working capital is considered in line with working capital for FY2034-35.
 - 3) Perpetuity capex is considered in line with capex as for FY2034-35.
- Tax has been computed during the explicit forecast period and for perpetuity using marginal tax rate applicable to the Company. The tax rate is considered at 25.167% as confirmed to me by the Management.
- The discount rate is indicative of the time value of money and the risk associated with projected future cash flows of the business. The weighted average cost of capital (WACC) is calculated to determine the appropriate discount rate which is applied to the free cash flows of the Company to determine the present value of the cash flows as of the valuation date.

These are the common factors considered in calculating WACC of Biocon Limited, Biocon Biologics Limited and Syngene International Limited.



Weighted average cost of capital (WACC)

$$WACC = [E/(E+D)] * K_e + [D/(D+E)] * K_d * (1-t)$$

Where,

E = Total equity capital; D = Total debt

K_e = Cost of equity; K_d = Cost of debt

t = Tax rate

Cost of equity

The Capital Asset Pricing Model ("CAPM") is commonly used to determine the cost of equity of the business. I consider the risk-free rate, market risk premium and beta to calculate the cost of equity using CAPM. The CAPM suggests that the expected rate of return on a security is equal to the risk-free rate plus the security's beta times the market risk premium. The various components of cost of equity calculation are as below:

Risk-free Rate (Rf)	6.78%	<p>Risk-free rate is the return expected by an investor with zero risk. This is thus the minimum return that an investor generally expects from an investment without risk. Practically, the rate of return from a high-quality government bond is considered as risk-free rate for determination cost of equity.</p> <p>I have considered risk-free rate as the Govt. security 10 years yield as on 30th March 2026 from the FBIL website. (https://www.fbil.org.in/#/home)</p> <p>The 10-year is just a widely accepted compromise between availability, liquidity, and a reasonable long-term horizon as it reflects a long-term, default-free rate aligned with the duration of projected cash flows.</p>
Equity market risk premium	8.39%	<p>Market risk premium is defined as the expected return of the market portfolio less the return of risk-free bonds. I have considered market risk premium based on the average of BSE Sensex (as on 31st December 2025). The expected market return has been based on the BSE index, as it broadly reflects overall equity market performance and investor expectations in India. The CAPM framework typically uses a diversified market index rather than a sector-specific one, to capture general market risk. The specific risks of the industry are separately captured through the beta, making the use of the BSE index appropriate for this purpose.</p> <p>The calculation of the market rate of return is presented below following this table.</p>



Beta	0.78	<p>Beta measures the coordinated movement of a stock with that of the market and measures the extent to which the stock covaries with the overall market. I have considered average beta (multi-year 2021-2026) as published by Aswath Damodaran, for the sector 'Drugs (Biotechnology)' for the companies in India region.</p> <p>By taking the sector average, I isolate the core business risk of the biotechnology industry in India. This is especially relevant because biotechnology is a defensive sector with relatively lower beta ($\approx 0.5-0.8$ in India), so industry-level estimation gives a more realistic risk profile. Using a multi-year average (2021-2026) produces a more stable and forward-looking estimate</p> <p>https://pages.stern.nyu.edu/~adamodar/pc/datasets/betaIndia.xls</p>
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Calculation of Market Rate of Return:

Particulars	Value
BSE Sensex value as at Apr 1, 1978	100
BSE Sensex value as at Dec 31, 2025	85,221
	47.78
01-Apr-78	
31-Dec-25	
Market Rate of Return (Rm)	15.17%

Equity market risk premium = Expected market rate of return - Risk free rate

$$= 15.17\% - 6.78\% = 8.39\%$$

Cost of debt

I arrived at the cost of debt based on the hypothetical cost of debt cost of the company as published by Aswath Damodaran, for the sector 'Drugs (Biotechnology)'. (Source: NYU Stern)

Cost of Debt	Value
Pre-tax cost of debt	6.71%
Less: Tax (25.167%)	1.69%
Post-tax cost of debt	5.02%



8.3.1 Biocon Limited- Generic Segment

PROJECTIONS

Amount in INR Millions

Historical and Projected Financial Statements											
	(Unaudited)	(Projections)									
Currency: INR Mn	Dec25	Mar26	Mar27	Mar28	Mar29	Mar30	Mar31	Mar32	Mar33	Mar34	Mar35
Number of months	9	3	12	12	12	12	12	12	12	12	12
Net sales	23,214	7,768	54,205	68,895	79,740	86,004	88,085	1,43,885	1,67,382	1,95,758	2,07,012
Cost of goods sold	-12,980	-4,604	-25,657	-33,381	-39,083	-41,791	-42,294	-69,700	-80,398	-93,173	-97,331
Gross profit	10,234	3,164	28,548	35,514	40,657	44,213	45,791	74,185	86,984	1,02,585	1,09,681
Operating expenses	-10,378	-3,747	-18,000	-20,004	-21,261	-22,413	-22,602	-36,344	-41,609	-47,879	-49,803
EBITDA	-143	-583	10,548	15,510	19,396	21,800	23,188	37,841	45,376	54,706	59,878
Depreciation and amortisation	-1,763	-600	-2,800	-2,900	-3,000	-2,900	-2,800	-2,700	-2,600	-2,500	-2,400
EBIT	-1,906	-1,184	7,748	12,610	16,395	18,900	20,388	35,141	42,775	52,205	57,477
Tax expense	362	128	-1,950	-3,174	-4,126	-4,757	-5,131	-8,844	-10,766	-13,139	-14,466
Debt free net income	-1,544	-1,055	5,798	9,436	12,269	14,143	15,257	26,297	32,009	39,066	43,011
Add: Depreciation and amortisation	1,763	600	2,800	2,900	3,000	2,900	2,800	2,700	2,600	2,500	2,400
(Increase)/ Decrease in net working capital			-5,002	-5,693	-5,390	-1,393	-738	-19,790	-8,333	-10,064	-3,991
Less: Capital expenditure			-3,500	-2,700	-2,200	-2,156	-2,113	-2,071	-2,029	-1,989	-1,949
Debt free cash flow	219	-455	96	3,944	7,679	13,494	15,206	7,136	24,247	29,514	39,472



DCF VALUATION

Amount in INR Million

Valuation of Biocon Limited under DCF as on 31st December 2025

Particulars	Dec-25 (9 M)	Mar-26 (3 M)	Mar-27 (12 M)	Mar-28 (12 M)	Mar-29 (12 M)	Mar-30 (12 M)	Mar-31 (12 M)	Mar-32 (12 M)	Mar-33 (12 M)	Mar-34 (12 M)	Mar-35 (12 M)	Stable Period
A. Based on DCF	0.00	0.30	1.30	2.30	3.30	4.30	5.30	6.30	7.30	8.30	9.30	9.30
Debt free net income	(1,544)	(1,055)	5,798	9,436	12,269	14,143	15,257	26,297	32,009	39,066	43,011	
Depreciation & Amortisation	1,763	600	2,800	2,900	3,000	2,900	2,800	2,700	2,600	2,500	2,400	
Cash flow from operations	219	(455)	8,598	12,336	15,269	17,044	18,057	28,997	34,610	41,567	45,412	
Investments												
Investment in Tangibles	-	-	(3,500)	(2,700)	(2,200)	(2,156)	(2,113)	(2,071)	(2,029)	(1,989)	(1,949)	
Increase in Working Capital (excluding cash)	-	-	(5,002)	(5,693)	(5,390)	(1,393)	(738)	(19,790)	(8,333)	(10,064)	(3,991)	
Sub-total	-	-	(8,502)	(8,393)	(7,590)	(3,549)	(2,851)	(21,861)	(10,363)	(12,053)	(5,940)	
Free Cash Flows	219	(455)	96	3,944	7,679	13,494	15,206	7,136	24,247	29,514	39,472	39,472
P.V Factors @ 23.00%	1.00	0.94	0.76	0.62	0.51	0.41	0.33	0.27	0.22	0.18	0.15	
Discounted Cash Flows	219	(428)	73	2,450	3,878	5,541	5,076	1,937	5,350	5,294	5,757	
Present Value of Free Cash Flows (A)												34,982
Calculation of Terminal Value												
Terminal Growth Rate												5.00%
Terminal Value at 5.00% stable growth rate with 23.00% as discounting factor												2,30,252
Present Value of Terminal Value discounted @ 23.00% (B)												33,580
Total Business value (C=A+B)												68,508
Add: Cash as at 31.12.2025 (D)												5,999
Add: Investments as at 31.12.2025 (E)												24,392
Less: Debt as on 31.12.2025 (F)												46,472
Equity Value (G=C+D+E-F)												52,427

I have considered a discount rate of 23% and have applied the same to the free cash flows to arrive at the present value of free cash flows. The company specific assumptions and computation of weighted average cost of capital (WACC) / discounting factor has been detailed below:

Company specific Assumptions

Alpha factor (α)	15%	<p>In the context of valuation, an alpha factor represents the incremental return expected by investors over and above the return implied by systematic market risk (as captured through beta under the CAPM framework). This adjustment is particularly relevant in sectors where a significant portion of risk is idiosyncratic and not fully diversified, and therefore not adequately reflected in beta.</p> <p>The financial projections considered in the valuation reflect an aggressive growth trajectory, with elevated revenue and EBITDA expansion over the forecast period. Such growth assumptions inherently carry higher execution risk, scalability challenges, and sensitivity to underlying assumptions.</p>
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		Accordingly, an alpha factor has been incorporated to capture the combined effect of sector-specific innovation risk and the heightened risk associated with aggressive growth projections, which are not fully reflected within the traditional CAPM framework. The inclusion of this adjustment is consistent with valuation practices for high-growth, innovation-driven businesses, where investors demand additional return for bearing such risks.
Cost of equity (%)	28.35%	$R_f + \beta \times ERP + \alpha$

Weighted average cost of capital

Given the aforesaid, weighted average cost of capital, calculated based on debt-equity ratio provided by Aswath Damodaran for the sector 'Drugs (Biotechnology)' for the companies in India region which is 23:77. Based on the above, WACC works out to 23%.

Particulars	Cost capital	of Weight	WACC
Cost of equity	28.35%	77%	21.82%
Cost of debt	5.02%	23%	1.18%
Weighted average cost of capital			23 %

8.3.2 Biocon Biologics Limited

PROJECTIONS

Amount in USD Million

Historical and Projected Financial Statements											
	(Unaudited)	(Projections)									
Currency: USD Mn	Dec25	Mar26	Mar27	Mar28	Mar29	Mar30	Mar31	Mar32	Mar33	Mar34	Mar35
Number of months	9	3	12	12	12	12	12	12	12	12	12
Net sales	876	293	1,502	1,724	1,963	2,240	2,631	2,946	3,456	3,824	4,197
Cost of goods sold	-406	-135	-697	-726	-773	-800	-827	-856	-924	-1,023	-1,122
Gross profit	470	158	806	998	1,189	1,440	1,804	2,090	2,531	2,801	3,075
Operating expenses	-248	-90	-427	-485	-495	-549	-609	-658	-696	-740	-754
EBITDA	222	68	378	513	694	891	1,194	1,432	1,835	2,060	2,322
Depreciation and amortisation	-109	-39	-156	-176	-184	-194	-194	-187	-154	-148	-148
EBIT	113	30	223	337	511	697	1,001	1,245	1,681	1,912	2,174
Tax expense	-12	-3	-28	-59	-110	-149	-239	-328	-440	-496	-565
Debt free net income	100	27	195	277	400	548	762	917	1,240	1,416	1,609
Add: Depreciation and amortisation	109	39	156	176	184	194	194	187	154	148	148
(Increase)/ Decrease in net working capital			-82	-70	-75	-92	-94	-64	-37	-90	-100
Less: Capital expenditure			-100	-100	-100	-100	-100	-105	-110	-116	-122
Debt free cash flow	210	65	168	283	409	549	761	934	1,247	1,358	1,535



DCF

Amount in USD Mn

Valuation of Biocon Biologics Limited under DCF as on 31 st December 2025												
Particulars	Dec-25 (9 M)	Mar-26 (3 M)	Mar-27 (12 M)	Mar-28 (12 M)	Mar-29 (12 M)	Mar-30 (12 M)	Mar-31 (12 M)	Mar-32 (12 M)	Mar-33 (12 M)	Mar-34 (12 M)	Mar-35 (12 M)	Stable Period
A. Based on DCF	0.00	0.30	1.30	2.30	3.30	4.30	5.30	6.30	7.30	8.30	9.30	9.30
Debt free net income	100	27	195	277	400	548	762	917	1,240	1,416	1,609	
Depreciation & Amortisation	109	39	156	176	184	194	194	187	154	148	148	
Cash flow from operations	210	65	350	453	584	741	955	1,103	1,395	1,564	1,757	
Investments												
Investment in Tangibles	-	-	(100)	(100)	(100)	(100)	(100)	(105)	(110)	(116)	(122)	
Increase in Working Capital (excluding cash)	-	-	(82)	(70)	(75)	(92)	(94)	(64)	(37)	(90)	(100)	
Sub-total	-	-	(182)	(170)	(175)	(192)	(194)	(169)	(147)	(206)	(222)	
Free Cash Flows	210	65	168	283	409	549	761	934	1,247	1,358	1,535	1,535
P.V Factors @ 14.50%	1.00	0.96	0.84	0.73	0.64	0.56	0.49	0.43	0.37	0.33	0.28	
Discounted Cash Flows	210	62	141	207	262	307	371	398	464	441	436	
Present Value of Free Cash Flows (A)												3,090
Calculation of Terminal Value												
Terminal Growth Rate												2.50%
Terminal Value at 2.50% stable growth rate with 14.50% as discounting factor												13,114
Present Value of Terminal Value discounted @ 14.50%(B)												3,723
Total Business value (C=A+B)												6,812.56
Exchange Rate (USD to INR)												89.14
Equity Value (INR) (C)												6,07,289
Debt (D)												1,29,854
Cash (E)												15,927
Investments (F)												1,902
Net Equity Value (INR) (C-D-E-F)												4,95,264

I have considered a discount rate of 14.50% and have applied the same to the free cash flows to arrive at the present value of free cash flows. The company specific assumptions and computation of weighted average cost of capital (WACC) / discounting factor has been detailed below:

Company specific Assumptions

Alpha factor (α)	4%	<p>In the context of valuation, an alpha factor represents the incremental return expected by investors over and above the return implied by systematic market risk (as captured through beta under the CAPM framework). This adjustment is particularly relevant in sectors where a significant portion of risk is idiosyncratic and not fully diversified, and therefore not adequately reflected in beta.</p> <p>The Company is engaged in the research, development, and commercialization of antibodies and other recombinant protein products, including the development of biosimilars. Given the nature of its operations and the fact that a significant portion of its revenues is derived from the United States market, the risk-return profile of the business is closely aligned with developed market dynamics.</p>
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		Accordingly, the equity risk premium for the United States, as published by Prof. Aswath Damodaran, has been considered as a relevant reference point for assessing the incremental return expectations. Based on the latest available data, the U.S. equity risk premium is estimated at 4.46%. Considering the Company's operational and market exposure, an alpha factor of 4% has been adopted, based on the aforesaid benchmark, with appropriate rounding, to reflect the additional return required by investors for risks not fully captured under the CAPM framework. https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryp_rem.html
Cost of equity (%)	17.35%	$R_f + \beta \times ERP + \alpha$

Weighted average cost of capital

Given the aforesaid, weighted average cost of capital, calculated based on debt-equity ratio provided by Aswath Damodaran for the sector 'Drugs (Biotechnology)' for the companies in India region which is 23:77. Based on the above, WACC works out to 14.50%.

Particulars	Cost of capital	Weight	WACC
Cost of equity	17.35%	77%	13.35%
Cost of debt	5.02%	23%	1.18%
Weighted average cost of capital			14.50%

8.3.3 Syngene International Limited

PROJECTIONS

Amount in INR Millions

Historical and Projected Financial Statements											
	(Unaudited)	(Projections)									
Currency: INR Mn	Dec25	Mar26	Mar27	Mar28	Mar29	Mar30	Mar31	Mar32	Mar33	Mar34	Mar35
Number of months	9	3	12	12	12	12	12	12	12	12	12
Net sales	27,022	9,171	45,783	52,651	60,548	69,630	80,074	92,084	1,05,897	1,21,781	1,40,047
Operating expenses	(20,470)	(6,679)	(33,151)	(37,884)	(43,000)	(49,450)	(56,867)	(65,397)	(75,206)	(86,487)	(99,459)
EBITDA	6,552	2,492	12,632	14,766	17,548	20,180	23,207	26,687	30,690	35,294	40,588
Depreciation and amortisation	(3,415)	(1,138)	(4,952)	(5,124)	(4,924)	(5,170)	(5,429)	(5,700)	(5,985)	(6,284)	(6,598)
EBIT	3,137	1,355	7,680	9,642	12,624	15,010	17,778	20,987	24,705	29,010	33,989
Tax expense	(461)	(134)	(1,933)	(2,427)	(3,177)	(3,778)	(4,474)	(5,282)	(6,218)	(7,301)	(8,554)
Debt free net income	2,676	1,221	5,747	7,215	9,447	11,232	13,304	15,705	18,488	21,708	25,435
Add: Depreciation and amortisation			4,952	5,124	4,924	5,170	5,429	5,700	5,985	6,284	6,598
(Increase)/ Decrease in net working capital			283	332	382	440	505	581	668	769	884
Less: Capital expenditure			(6,000)	(6,000)	(4,924)	(5,170)	(5,429)	(5,700)	(5,985)	(6,284)	(6,598)
Debt free cash flow	2,676	1,221	4,982	6,672	9,829	11,672	13,809	16,287	19,156	22,477	26,319



Valuation of Syngene International Limited under DCF as on 31st December 2025

Particulars	Dec-25 (9 M)	Mar-26 (3 M)	Mar-27 (12 M)	Mar-28 (12 M)	Mar-29 (12 M)	Mar-30 (12 M)	Mar-31 (12 M)	Mar-32 (12 M)	Mar-33 (12 M)	Mar-34 (12 M)	Mar-35 (12 M)	Stable Period
A. Based on DCF	0.00	0.30	1.30	2.30	3.30	4.30	5.30	6.30	7.30	8.30	9.30	9.30
Debt free net income	2,676	1,221	5,747	7,215	9,447	11,232	13,304	15,705	18,488	21,708	25,435	
Depreciation & Amortisation	3,415	1,138	4,952	5,124	4,924	5,170	5,429	5,700	5,985	6,284	6,598	
Cash flow from operations	6,091	2,358	10,699	12,339	14,371	16,402	18,732	21,405	24,473	27,993	32,033	
Investments												
Investment in Tangibles	-	-	(6,000)	(6,000)	(4,924)	(5,170)	(5,429)	(5,700)	(5,985)	(6,284)	(6,598)	
Increase in Working Capital (excluding cash)	-	-	283	332	382	440	505	581	668	769	884	
Sub-total	-	-	(5,717)	(5,668)	(4,542)	(4,731)	(4,923)	(5,119)	(5,317)	(5,516)	(5,715)	
Free Cash Flows	6,091	2,358	4,982	6,672	9,829	11,672	13,809	16,287	19,156	22,477	26,319	26,319
P.V Factors @ 13.80%	1.00	0.96	0.85	0.74	0.65	0.57	0.50	0.44	0.39	0.34	0.30	
Discounted Cash Flows	6,091	2,268	4,211	4,956	6,416	6,694	6,960	7,213	7,455	7,687	7,909	
Present Value of Free Cash Flows (A)												61,771
Calculation of Terminal Value												
Terminal Growth Rate												5.00%
Terminal Value at 5.00% stable growth rate with 13.80% as discounting factor												3,14,031
Present Value of Terminal Value discounted @ 13.80%(B)												94,373
Total Business value (C=A+B)												1,56,144
Add: Cash as at 31.12.2025 (D)												4,975
Add: Investments as at 31.12.2025 (E)												5,188
Less: Debt as on 31.12.2025 (F)												5,789
Equity Value (G=C+D+E-F)												1,60,519
Holding Company Discount (10%) (H)												16,052
Equity Value (I=G-H)												1,44,467

I have considered a discount rate of 13.80% and have applied the same to the free cash flows to arrive at the present value of free cash flows. The company specific assumptions and computation of weighted average cost of capital (WACC) / discounting factor has been detailed below:

Company specific Assumptions

Alpha factor (α)	3%	An alpha factor of 3% has been considered for Syngene International Limited to reflect incremental risks not fully captured within the CAPM framework. Syngene operates under a contract research and manufacturing services (CRAMS) model, providing integrated discovery, development, and manufacturing support to global pharmaceutical and biotechnology companies. While this model offers relatively stable and diversified revenue streams through long-term collaborations, it remains exposed to client concentration risk, project-based revenue variability, and dependence on global R&D spending cycles.
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		<p>Further, the business is subject to execution risks associated with complex research programs, regulatory compliance requirements, and technological advancements, which may impact timelines, costs, and outcomes. Additionally, the Company's growth is linked to capacity expansion, scaling of biologics manufacturing, and continued client onboarding, all of which introduce moderate uncertainty in achieving projected performance.</p> <p>Accordingly, a moderate alpha factor of 3% has been incorporated to capture these residual company-specific and sectoral risks, while recognizing the relatively more stable and established operating profile of the Company compared to early-stage biotechnology entities.</p>
Cost of equity (%)	16.35%	$R_f + \beta \times ERP + \alpha$

Weighted average cost of capital

Given the aforesaid, weighted average cost of capital, calculated based on debt-equity ratio provided by Aswath Damodaran for the sector 'Drugs (Biotechnology)' for the companies in India region which is 23:77. Based on the above, WACC works out to 13.80%.

Particulars	Cost of capital	Weight	WACC
Cost of equity	16.35%	77%	12.63%
Cost of debt	5.02%	23%	1.18%
Weighted average cost of capital			13.80%

Fair Value per Equity Share of Biocon Limited as per Discounted Cash Flow Method.

Particulars	Reference	Equity Value (INR Million)	Stake held by (%)	Weighted Average Equity value (INR Million)
Generic Segment	8.3.1	52,427	100%	52,427
BBL	8.3.2	4,95,264	98.39%	4,87,290
Syngene	8.3.3	1,44,467	52.50%	75,845
Weighted Average Equity Value				6,15,563
No. of Shared Outstanding (in Millions)				1621
Equity value per share (INR)				379.74



Fair Value of adopted for Swap Ratio

The fair value of equity shares of Biocon Biologics Limited is adopted as per the Valuation report issued by me on fair value of equity shares of Biocon Biologic Limited as on 07th May 2026, i.e., Rs. 286.67 per equity share.

For calculating fair value of shares of Biocon Limited, I have given equal weights to MP method and DCF method. As part of the MP method, I specifically, used the pricing guidance provided in Regulation 164 (1) of ICDR Regulations to determine the per share value of BL to ensure compliance with Regulations 163(3) and Regulation 166A of ICDR Regulations.

Particulars	Weights	Value
Statutory Floor Price (Higher of 90 trading day and 10 trading day VWAP)	50%	Rs. 372.57 per share
Fair Value as per DCF	50%	Rs. 379.74 per share
Issue Price Adopted for Swap Ratio		Rs. 376.16 per share

10. Declaration and Certificate of Independence

I, Mr. Santosh Kumar Katla, a Registered Valuer (SFA) with IBBI Regn No. IBBI/RV/06/2022/14859 & holding Certificate of Practice vide no. ICAIRVO/06/RV-P057/2022-2023, do hereby declare and certify as follows:

1. I have conducted the valuation of the equity shares of Biocon Limited and Biocon Biologics Limited in a professional and independent manner, in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
2. I do not hold, directly or indirectly, any financial interest in either company or in the outcome of the proposed transaction, and I am not related to or associated with either company or any of their directors, promoters, or key managerial personnel.
3. The information and data used in this Report have been obtained from sources believed to be reliable. I have assumed, without independent verification, the accuracy and completeness of all information supplied by the Management of both companies.
4. The valuation has been carried out in accordance with internationally accepted valuation principles and standards, and guidelines issued by the IBBI, to the extent applicable.
5. I confirm that the Swap Ratio of 0.76210 is, in my professional opinion, fair and reasonable to the shareholders of both companies, based on the assumptions, data, and methodologies set out in this Report.



6. This Report is valid as of the Valuation Date specified herein. No subsequent events have been considered unless specifically disclosed.
7. This Report is addressed to the Board of Directors of the Acquirer Company and is prepared solely for the purposes specified herein. It must not be disclosed to any third party, reproduced, quoted, or used for any other purpose without the prior written consent of the undersigned.



Mr. Santosh Kumar Katla

Registered Valuer (SFA), CA

IBBI Regn No. IBBI/RV/06/2022/14859

Date: 7th May, 2026

UDIN: 26243893CYBUYE3658

Annexure A – Glossary of Terms

Term	Definition
ANDA	Abbreviated New Drug Application – an application filed with the USFDA for permission to manufacture and market a generic drug product.
BIRAC	Biotechnology Industry Research Assistance Council – a public sector undertaking under the Department of Biotechnology, Government of India.
CCA	Comparable Company Analysis – a valuation methodology that benchmarks the subject company against publicly listed peer companies using market-derived trading multiples.
DCF	Discounted Cash Flow – an intrinsic valuation methodology that discounts projected free cash flows at an appropriate cost of capital to arrive at present value.
DLOM	Discount for Lack of Marketability – a valuation discount applied to shares that are not freely tradeable on a public market, reflecting their relative illiquidity.
EGM	Extra-Ordinary General Meeting – a general meeting of shareholders convened for purposes other than the Annual General Meeting.
EV	Enterprise Value – the total value of a company, calculated as market capitalisation plus net debt and minority interests.
FMV	Fair Market Value – the price at which a willing buyer and a willing seller would transact, both having reasonable knowledge of all relevant facts and neither being under compulsion.
IBBI	Insolvency and Bankruptcy Board of India – the statutory body that registers and regulates Registered Valuers in India.
ICDR	Issue of Capital and Disclosure Requirements – SEBI Regulations governing all forms of capital issuance by companies in India.
LODR	Listing Obligations and Disclosure Requirements – SEBI Regulations governing the ongoing compliance and disclosure obligations of listed companies in India.
NAV	Net Asset Value – the value of a company's total assets less its total liabilities, also known as shareholders' equity or book value.



VWAP	Volume Weighted Average Price – the average price of a security weighted by trading volume, used as the basis for computing the floor price of preferential allotments under SEBI ICDR Regulation 164.
WACC	Weighted Average Cost of Capital – the discount rate used in DCF analysis, representing the weighted average of the cost of equity and cost of debt of the subject company.



END OF REPORT

This report was prepared by akasam consulting private limited in their professional capacity as IBBI Registered Valuer.