Ahead
of the curve

Biocon Limited
Investor Presentation

September 2017

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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

- Biocon: Who are we?
- Highlights
  - Business Highlights
  - Financial Highlights
- Business Segments
  - Small Molecules
  - Biosimilars
  - Branded Formulations
  - Novel Molecules
  - Research Services - Syngene
- Five Year Financial Summary
- Outlook

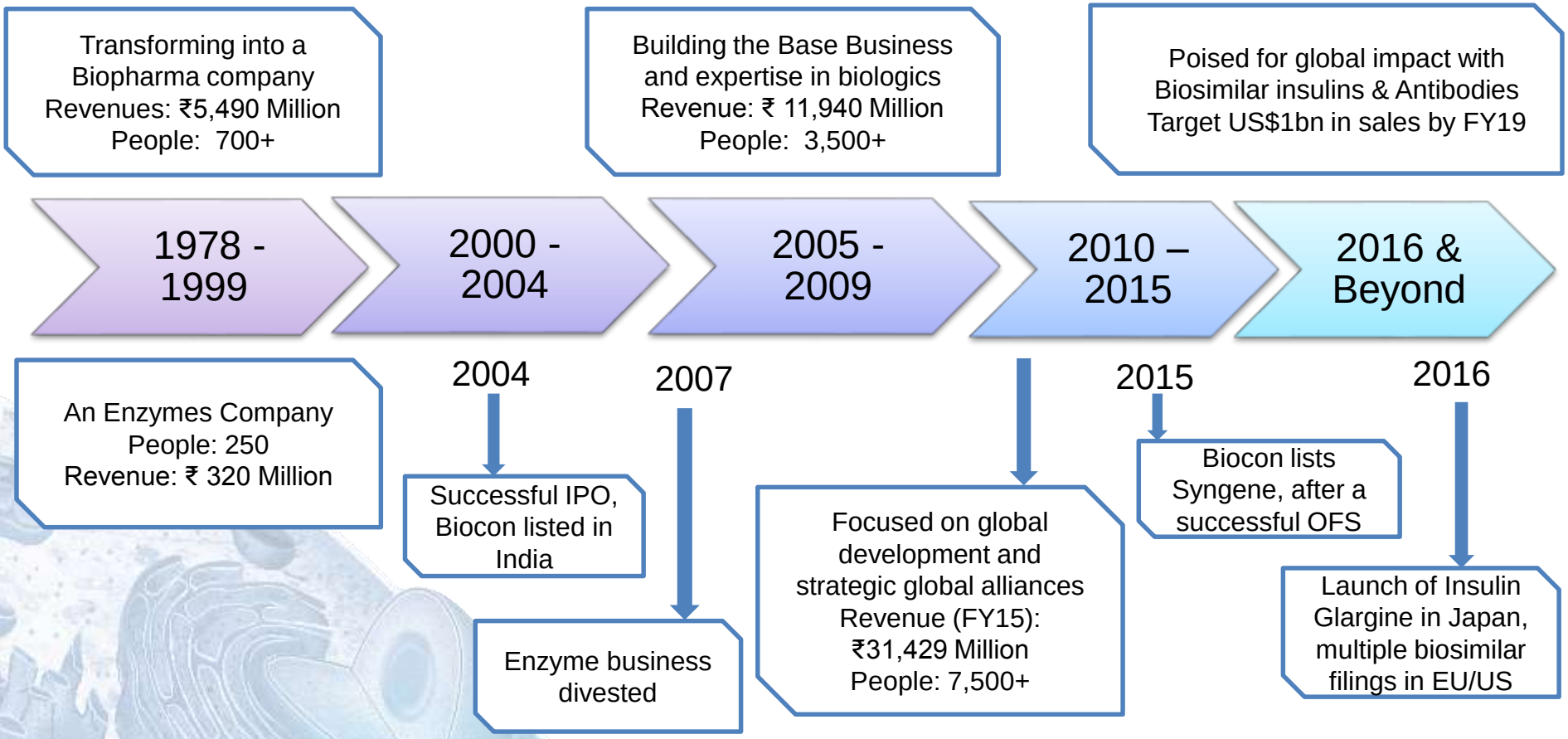
Who are we?

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



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 - First Indian company to manufacture and export enzymes to US and 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

Recent Highlights

- **U.S. Food and Drug Administration (USFDA) Oncologic Drug Advisory Committee (ODAC)** recommended for approval Biocon-Mylan's proposed biosimilar Trastuzumab in all eligible indications; **first biosimilar Trastuzumab to be recommended by the Committee**.

- Proposed biosimilars of **Trastuzumab and Pegfilgrastim under review by USFDA** while biosimilar **Insulin Glargine is under review by the European Medicines Agency (EMA)**. Mylan-Biocon to refile biosimilar Trastuzumab and Pegfilgrastim with EMA post completion of implementation of Corrective Action Preventive Action plan.

- **Biocon's Malaysia Insulins facility** received GMP certificate from EMA

- **Drug Controller General of India** approved Biocon's biosimilar **Bevacizumab**, prescribed for various cancers including metastatic colorectal cancer and lung cancer. India launch expected shortly

- **JDRF** Supports Biocon Study of Novel, Fast-acting Oral Insulin Tregopil for Type 1 Diabetes Treatment

Revenue Highlights

All Figures in ₹ Million except %

Particulars	Q1 FY18	Q1 FY17	Growth (%)	FY17	FY16
- Small Molecules	3,629	4,354	(17)	16,405	14,583
- Biologics	1,839	1,606	15	7,018	5,296
- Branded Formulations	1,304	1,580	(17)	5,489	4,409
- Syngene (Research Services)	2,911	2,745	6	11,925	11,070
- Inter-segment	(346)	(365)	(5)	(1,621)	(1,548)
Revenue from Operations	**9,337**	**9,920**	**(6)**	**39,216**	**33,810**
- Other Income	540	409	32	1,571	792
Total Revenue	**9,877**	**10,329**	**(4)**	**40,787**	**34,602**

Financial Summary

All Figures in ₹ Million except %

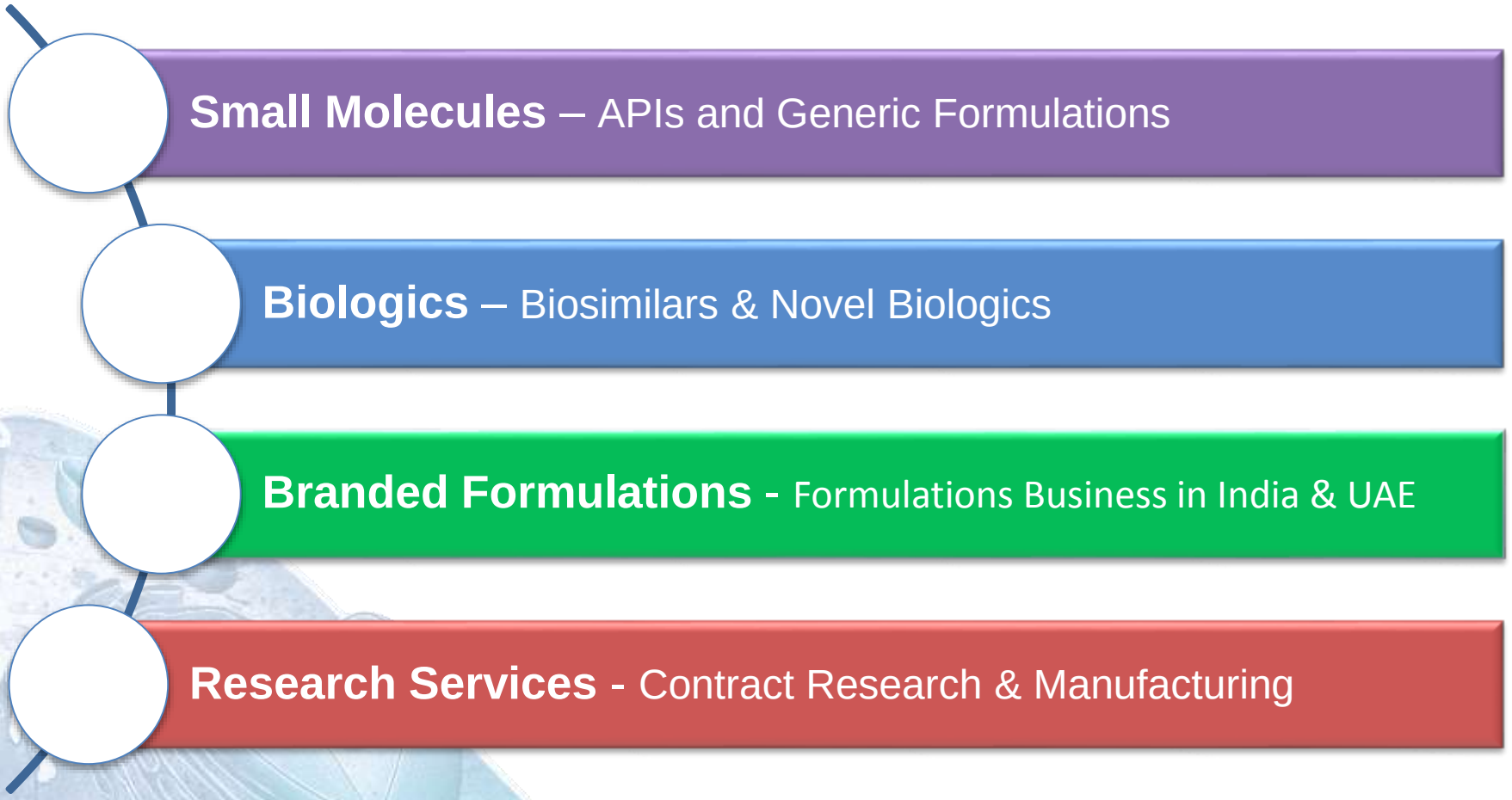
Particulars	Q1 FY18	Q1 FY17	Growth (%)	FY17	FY16
Revenue	9,877	10,329	**(4)**	40,787	34,602
EBITDA	2,461	3,040	**(-19)**	11,366	8,470
Net Profit[#]	813	1,666	**(51)**	6,199	4,021
R&D Expenses in P&L	582	514	**13**	2,662	2,742
Gross R&D Spends	956	915	**4**	4,019	4,267
EBITDA Margin	***25%***	***29%***		***28%***	***24%***
EPS[#@] (Rs.)	**1.4**	**2.8**		**10.3**	**6.7**

~ 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.
- Target to file ~10-15 dossiers in the next few years.
- Pipeline includes solid oral & parenteral products in both potent & non-potent categories of compounds.
- Focus therapeutic segments – Metabolics, Oncology, Immunology & Auto-immune indications.
- Construction of our first Oral Solid Dosage facility to support our future generic formulation filings in full swing in Bangalore. Estimated commissioning FY 2018. Total capex outlay - US$25mn.

Focus on niche specialty molecules in chronic therapeutic segments

Biosimilars

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- **Engaged with USFDA** to determine requirements **to enable filing of generic Insulin Glargine** in the US since we **have decided to include the manufacturing site variations** from Bangalore to Malaysia up-front in the application rather than a post-approval change

- Work on our second fill-finish sterile injectable facility in Bangalore to support future growth of biologics formulations close to completion. Facility commissioned; validation in progress. Total capex outlay - US$25mn.

Amongst the largest portfolio of biosimilars globally with addressable market size of over US$61 Billion

Biosimilars: Growth through partnership

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
Market Opportunity*	~US$17bn	~US$44bn

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

Global Biosimilars Pipeline – US$61bn opportunity

	Molecule	Type	Status	Market Size* (US$ bn)
INSULINS	Rh Insulin	Regular Acting Insulin	Pre-clinical (US), Marketed in EM	3.2
	Glargine	Long Acting Insulin	Filed in EU, Australia & Canada. Marketed in Japan (since Jul-16) & EM	6.4
	Aspart	Rapid Acting Insulin Analog	Preclinical	4.5
	Lispro	Rapid Acting Insulin Analog	Preclinical	2.8
			Insulins Total Market Size (rounded off)	**17.0**
BIOSIMILARS	Adalimumab	Auto-Immune	Global Phase III completed	16.1
	Trastuzumab	Cancer	Filed in US. Marketed in EM	6.9
	Pegfilgrastim	Neutropenia	Filed in US, Canada, Australia, EM	4.6
	Bevacizumab	Cancer	Global Phase III commenced	6.9
	Filgrastim	Neutropenia	Early development	0.8
	Etanercept	Auto-Immune	Early Development	8.9
			Biosimilars Total Market Size (rounded off)	**44.0**

*Market Size of innovator products in the current portfolio: Innovator Sales CY 2016
Conversion into USD done using average exchange rate for CY 2016 as given on http://www.federalreserve.gov/releases/G5a/current/default.htm

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	Dr. Reddy's, Pfizer	Biocon, Apotex, Cinfa, Sandoz,	Coherus	Biocon	None	None
trastuzumab		Biocon, Hanwha, Pfizer, Samsung	Amgen, Pfizer, Celltrion, Samsung	Biocon (+ve ODAC), Amgen, Celltrion	None	None
insulin glargine		Biocon	Biocon		Eli Lilly, Merck	Eli Lilly, Merck (TA)
adalimumab		Coherus, Biocon, Momenta, Pfizer, Fresnius, Sandoz, Fuji-Kirin, Oncobiologics,	BI, Fuji-Kirin, Sandoz	Samsung	Amgen, Samsung	Amgen, BI
bevacizumab	Sandoz, Daiichi, Oncobiologics,	BI, Pfizer, Samsung, Fuji-Kirin/ Astra Zeneca, Biocon, Dr.Reddy's	Amgen	Amgen (+ve ODAC)	None	None
filgrastim	Pfizer			Apotex	Sandoz, Teva, Pfizer , Stada, Apotex	Sandoz, Teva
etanercept	Hanwha	Coherus, Lupin, Samsung			Samsung, Sandoz	Sandoz
insulin aspart						
insulin lispro					Sanofi	Sanofi (TA)
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

- Commercial supplies from Disposable insulins pen line in Bangalore ongoing.
- MAbs capacity to be augmented in Bangalore.

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), 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	**Phase II Ready T1D/ T2D**
INFLAMMATION	**Itolizumab*** Novel, humanized CD6 Antibody	**Phase I Ongoing**
	BVX-20# Novel, humanized CD20 Antibody	**IND Ready**
	QPI-1007$ SiRNA for ophthalmic disease	**Phase III Initiated in NAION**
	QPI-1024$ SiRNA for inflammatory disease	**Preclinical**
IMMUNO-ONCOLOGY	**Tumor-Targeted Fusion mAb***	**Preclinical**

- * In-House program
- # BVX-20 with Vaccinex
- $ QPI-1007 & QPI- 1024 with Quark Pharma. QPI-1007 Global Phase III trial includes India.

Novel Molecules – Progressing to key milestones

Asset	Details
Tregopil Phase II Ready	**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 (under an IND) finalized. ▪ Phase I Multiple Ascending Dose study planned in T1DM patients
Itolizumab Phase I Ongoing	**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 ▪ Initiated Phase I (Stages 1&2) - Single Ascending Dose study in Australia (S.C formulation). Stage 1 dosing completed; S.C route shows very good bioavailability. Stage 2 to be initiated shortly. ▪ Global filing plans ongoing – Phase II studies planned in inflammatory diseases
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 ▪ Clinical opportunity in 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)

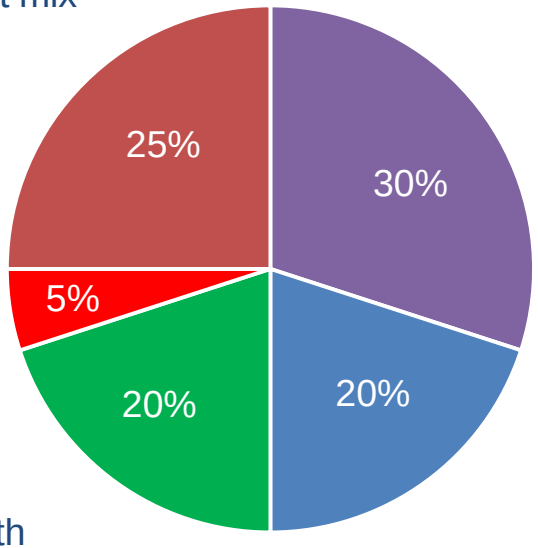
(1) For fiscal ended March 31, 2017

Outlook

Aspiring for $1 Billion in Revenues by FY19

Key Focus Areas

- **Small Molecules & Generic Formulations -** Improved product mix incl. ANDAs
- **Biosimilars** - Meaningful near term growth to be driven by emerging markets, ramp up post developed market entry
- **Branded Formulations –**Strategy focused around biologics and differentiated products, geographical expansion
- **Novel Molecules -** Out-licensing and Global Development
- **Research Services** - Sustained growth momentum with increase in clients & services, moving from CRO to CRAMS with commercial manufacturing

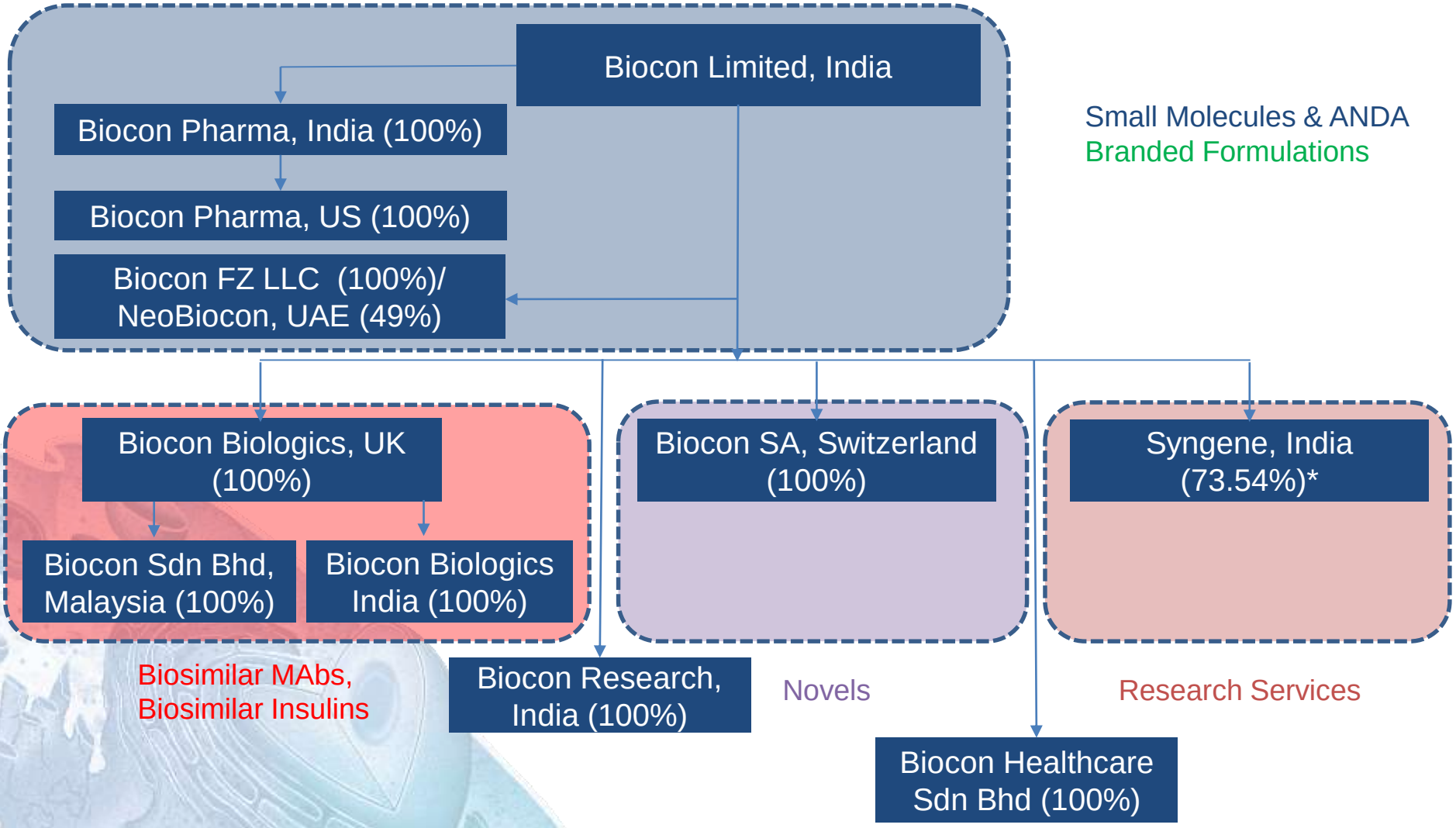


Growth drivers supplemented by addition of new offerings (products, services & partnerships)

Exchange Rate: 1 US$=₹ 60

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
www.biocon.com

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