Biocon Limited

Q2 FY25 Earnings Call

30 - OCTOBER- 2 0 2 4

The **Multiplier** Effect

MAXIMIZING VALUE

Safe Harbor Statement

Certain statements made during the call concerning the future growth prospects of the Company may be forward-looking statements, which are subject to 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.

Group CEO Opening Remarks

Opening Remarks: Q2 FY25 Performance Overview

- Overall performance relatively muted but in-line with expectations
- Healthy double-digit revenue growth in Biosimilars, continued pressures in Generics and a marginal decline in Research Services revenues on a Y-o-Y basis
- Maintain our outlook for a transition to accelerating growth in the second half of the fiscal year
- Q2 highlight: Biocon Biologics successfully refinanced long term debt through a maiden USD bond issue and a new syndicated loan facility

Financial Highlights

Financial Highlights – Q2 FY25

In ₹ Cr	Q2 FY25	Q2 FY24	Q1 FY25	YoY%	QoQ%
Generics	624	676	659	(8)	(5)
Biosimilars	2,182	1,969	2,083	11	5
Research Services	891	910	790	(2)	13
Revenue from Operations	**3,590**	**3,462**	**3,433**	**4[2]**	**5[2]**
Total Revenue	**3,623**	**3,620**	**4,567**	**0%[1]**	**(21)[1]**
Core EBITDA[3]	**992**	**1,100**	**903**	**(10)**	**10**
% Margin	*28%*	*32%*	*26%*		
R&D	**200**	**264**	**228**	**(24)**	**(12)**
% of Revenue (Ex. Syngene)	**7%**	*10%*	*9%*		
EBITDA	**718**	**900**	**1,755**	**(20)**	**(59)**
% Margin	*20%*	*25%*	*38%*		
Profit Before Tax (Before exceptional items)	**72**	**238**	**1,114**	**(70)**	**(93)**
% Margin	*2%*	*7%*	*24%*		
Net Profit (Before exceptional items)	**(13)**	**142**	**648**	(109)	(102)
Exceptional items, net of taxes	**3**	**16**	**(12)**		
Net Profit (Reported)	**(16)**	**126**	**660**	(113)	(102)

[1] Like for like growth at 7% YoY and 3% QoQ when excluding contribution from BFI and dilution/ fair valuation gain in Bicara in Q2FY24 and income from Eris transaction in Q1 FY25| [2] Like for Like growth at 8% YoY
[3] Core EBITDA defined as EBITDA before forex, R&D, licensing income, dilution gain in Bicara, sale of non-core BFI assets and mark to market movement on investments

Generics

Biocon Generics: Q2 FY25 Business Performance update

- Demand and pricing challenges coupled with a planned facility shutdown impacted performance
- Signed exclusive licensing agreement with two leading pharmaceutical companies in Middle East and Brazil, for commercialization of GLP-1 products.
- 7 market filings across global markets including 1 ANDA's in the US. Received 6 approvals including 2 ANDAs in the US
- In September, US FDA conducted GMP inspections at our API facilities (Site-1 & Site 2) in Bengaluru. CAPA plans submitted
- EIRs received for Visakhapatnam (Site 5 and Site 6) inspections conducted in June by US FDA, inspections successfully closed
- Expect recovery in the second half with performance in H2 FY25 to build over the two quarters driven by new product launches, including Liraglutide in the U.K.

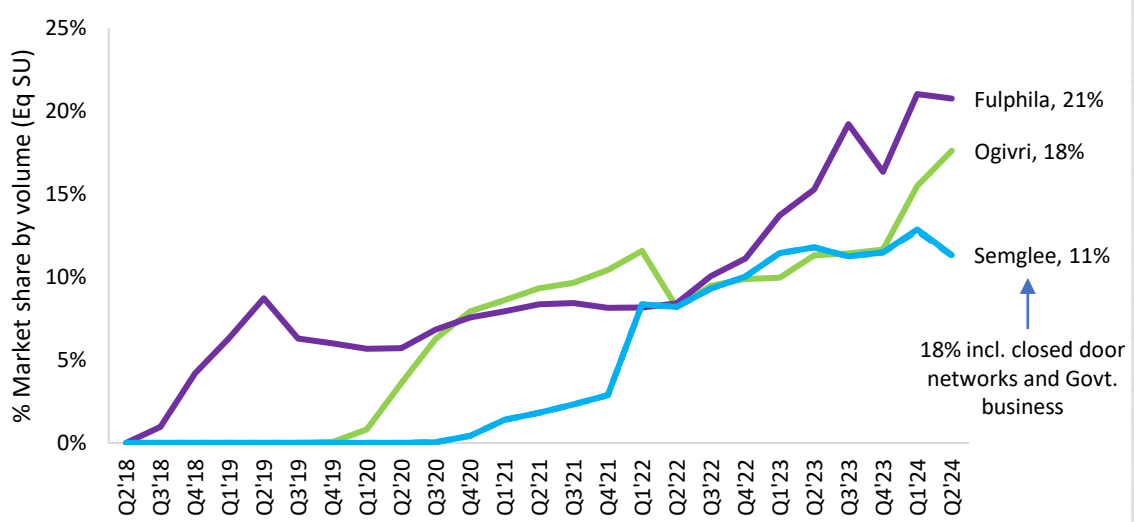
In ₹ Cr	Q2 FY25	Q2 FY24	Q1 FY25	YoY%	QoQ%
Revenue from Operations	**624**	**676**	**659**	***(8)***	***(5)***
Core EBITDA	98	158	123	*(38)*	*(20)*
% of revenue	*15*	*23*	*18*		
R&D	67	53	64	*26*	*5*
% of revenue	*11*	*8*	*10*		
EBITDA	**36**	**107**	**59**	***(67)***	***(39)***
% of Revenue	*6*	*15*	*9*		
PBT	(9)	66	17		
% of revenue	*(1)*	*9*	*3*		

Biosimilars

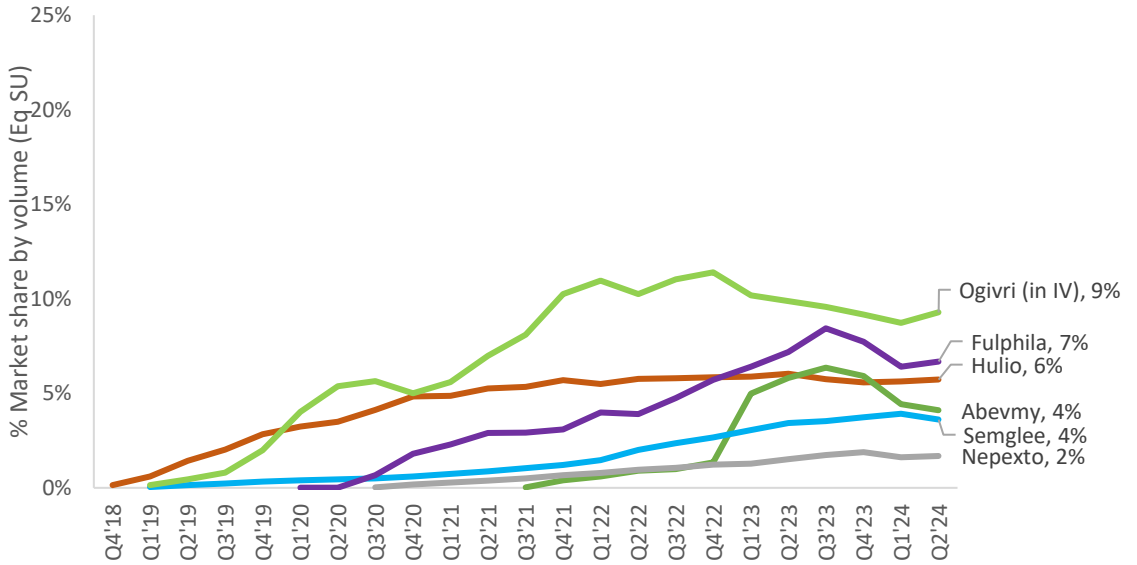
Biocon Biologics: Q2 FY25 Business Performance Update

- Strong performance in the US, with market shares at ~20% for the oncology portfolio and in the mid-to high-teens for the insulin franchise
- Market shares in Europe remain largely stable with a strong performance in key markets e.g. bAdalimumab is the market leader in Germany and expansion in the UK and Mediterranean Cluster
- Secured market leading shares in several key Emerging Markets e.g., South Africa and 15 new launches in the AFMET and LATAM regions

US: Key Product Market Share (IQVIA - Quarterly)



Europe: Key Product Market Share (IQVIA - Quarterly)



Note: The data presented hereunder inter alia volumes, projections, market share, is based solely on our study, interpretation and conclusion derived through analysis of different data sets from varied sources inter alia IQVIA

Biocon Biologics: Q2 FY25 Financial Performance Update

Financial Performance

- Revenue grew 19% vs. last year on a like-to-like basis
- EBITDA Margin after adjusting for forex loss due to JPY volatility remains healthy at 25% - strong underlying profitability of the business
- R&D spends at 6% of revenues to drive mid-to-long term growth

Strategic Re-financing

- Re-financed USD 1.1B in long-term debt through USD bonds and new syndicated loan facility – improves liquidity and financial flexibility
- 1st USD bond issuance by any biopharma company in Asia-Pacific
- Largest high yield debut bond issuance from India in the past 10 years

In ₹ Cr	Q2 FY25	Q2 FY24	Q1 FY25	YoY%	QoQ%
Revenue from Operations	**2,182**	**1,969[1]**	**2,083**	***11***	***5***
Core EBITDA	691	660	614	*5*	*13*
% of Revenue	*32*	*34*	*30*		
R&D	138	211	166	*(35)*	*(17)*
% of Revenue	*6*	*11*	*8*		
EBITDA	**469**	**453**	**474**	**4**	**(1)**
% of revenue	*21*	*23*	*23*		

[1]Includes sales from the BFI Unit, India

Biocon Biologics: Q2 FY25 Regulatory Update

Site Inspections

- US FDA has classified Biocon Biologics' Drug Substance facility at Biocon Campus (Site 1), Bengaluru as Voluntary Action Initiated (VAI)
- US FDA conducted a cGMP inspection of Malaysia facility; Company has submitted a comprehensive CAPA plan

Pipeline

- **bDenosumab:** European Medicines Agency (EMA) validated regulatory filling; on-track to file in key markets later this year
- **bUstekinumab**: Signed a settlement and license agreement with the originator that clears the way to commercialize in Europe, UK, Canada, and Japan upon regulatory approval

Research Services

Syngene: Q2 FY25 update

- Performance for Q2 in-line with expectations and previous guidance
- Positive signs of recovery in Discovery Services, largely driven by pilot projects from large and mid-sized biopharma clients; sustained performance from Dedicated Centres
- Continued healthy interests from clients, including increased request for proposals (RFPs) , on-site visits and audits
- Continues to add capacity and capabilities in Discovery Services at its Bengaluru and Hyderabad campuses in areas such as antibody drug conjugates, peptides and oligonucleotides
- Performance of Development and Manufacturing Services was led by sustained delivery in biologics manufacturing and higher number of process development projects in small molecules
- Repurposing of the biologics manufacturing facility (Unit III) acquired in December last year remains on track to commence operations in the second half of FY25.
- Expects to deliver within its guidance range for the full year

In ₹ Cr	Q2 FY25	Q2 FY24	Q1 FY25	YoY%	QoQ%
Revenue from Operations	**891**	**910**	**790**	***(2)***	***13***
EBITDA	**261**	**276**	**188**	***(5)***	***39***
% of Revenue	*29*	*30*	23		
PBT	137	158	69	*(13)*	*98*
% of revenue	*15*	*17*	*9*		

Novels

Novels: Bicara Therapeutics[#] IPO

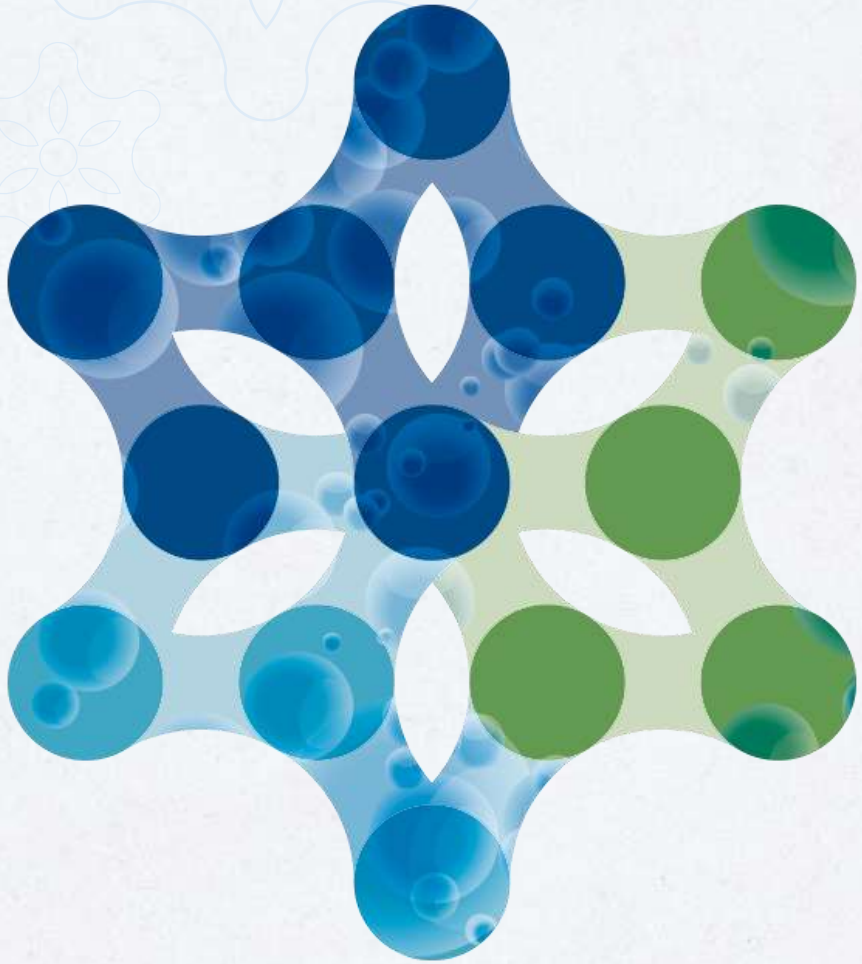
- In September 24, Bicara Therapeutics IPO was well received by investors with Bicara raising USD 362 million
- Post Bicara's IPO, as of September 30th, 2024, Biocon shareholding in Bicara at 10.7%

[#] *a US based clinical-stage biotechnology company. Post Q3 FY24, pursuant to Series C financing, Bicara ceased to be 'Associate Company' of Biocon Group.*

Concluding Remarks

Concluding Remarks: Q2 FY25

- Financial performance for Q2/H1 FY25 relatively muted
- Expect an improved H2; maintain guidance of transition to accelerated growth underpinned by -
  - Continued recovery in Syngene
  - Good momentum in Biosimilars
  - New product launches in Generics



Q & A

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