

# 37<sup>th</sup> Annual General Meeting

July 24, 2015  
Biocon Research Centre

**Chairperson's Speech**

**Kiran Mazumdar Shaw,**  
Chairperson & Managing Director



# Welcome

**Biocon marks another successful year of providing affordable access to complex life saving & life enhancing biopharmaceuticals to patients worldwide**

# Biocon – Asia's Largest Biopharma

- Indian pioneer in the Global Biotech Industry
- Asia's Largest Biopharmaceutical Company
- **Our Vision:** To enhance global healthcare through innovative and affordable biopharmaceuticals for patients, partners and healthcare systems across the globe
- **Our Mission:** To be an integrated Biotech enterprise of global distinction
- **Our focus on chronic diseases:** Cancer, Diabetes and Autoimmune



# Exclusively Inclusive Business Philosophy

- Make a difference to global healthcare
- Exclusive portfolio of complex biological drugs
- Inclusive Social Commitment
- We chose to develop complex, capital-intensive premium biopharma products
- Leveraged disruptively innovative approach to provide Innovative, Safe and Affordable biologics
- Provide affordable access and impact global healthcare



# Profitably Smart, Socially Good

- Consistent investment of over 10 % of our biopharma revenues in R&D
- Creating 'Best-in-class' complex biologics manufacturing capabilities
- Operations across the value chain comprising of a diverse portfolio of essential and lifesaving drugs
- Leverage knowledge, scale and cost advantage
- Our aim is to
  - Rationalize Healthcare spends
  - Enhance access to affordable Bio-therapeutics
  - Create Significant impact to global health



**Creating Value for our Stakeholders**

# In Sync with Global Trends

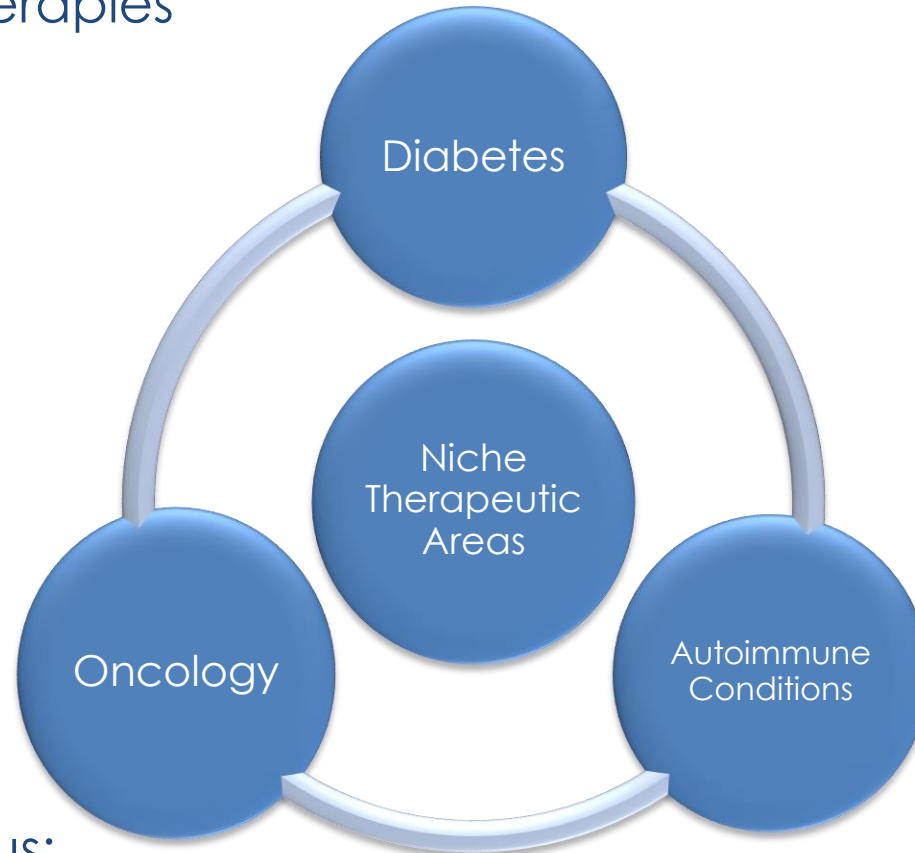
## Our Exclusively inclusive approach is the way ahead

- The Monopolistic model of high margins at low volumes is under threat from :
  - Sub-optimal drug innovation
  - Imminent loss of patent protection
  - Pricing pressure from Governments, Insurers and Payers
- Frenzy of mergers and acquisitions at unrealistic valuations to maintain high profits and growth levels
- Shift in Global Priorities
  - Exclusive and Expensive Drugs to Affordable Access
  - Focus on the fast-growing emerging markets



# Biocon – Ahead of the Curve

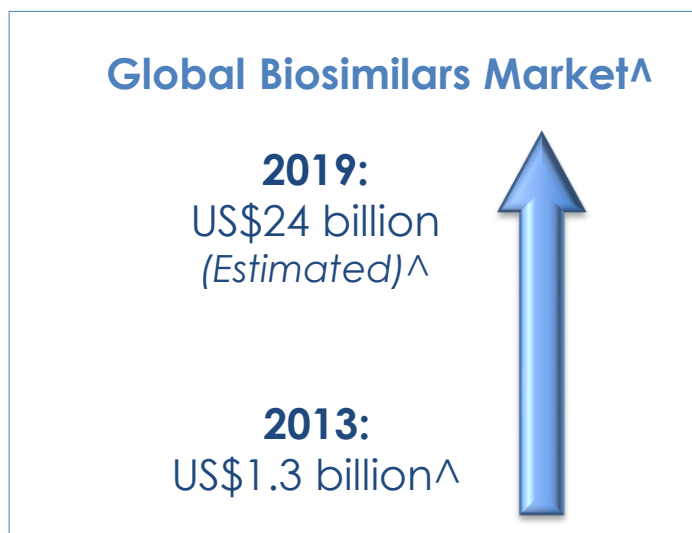
- Building global reach and economies of scale to deliver affordable therapies



- Our Twin Focus:
  - Revenue generation in emerging markets
  - Authorizations and Approvals in Developed Markets

# Biosimilars: The Next Bolus of Growth

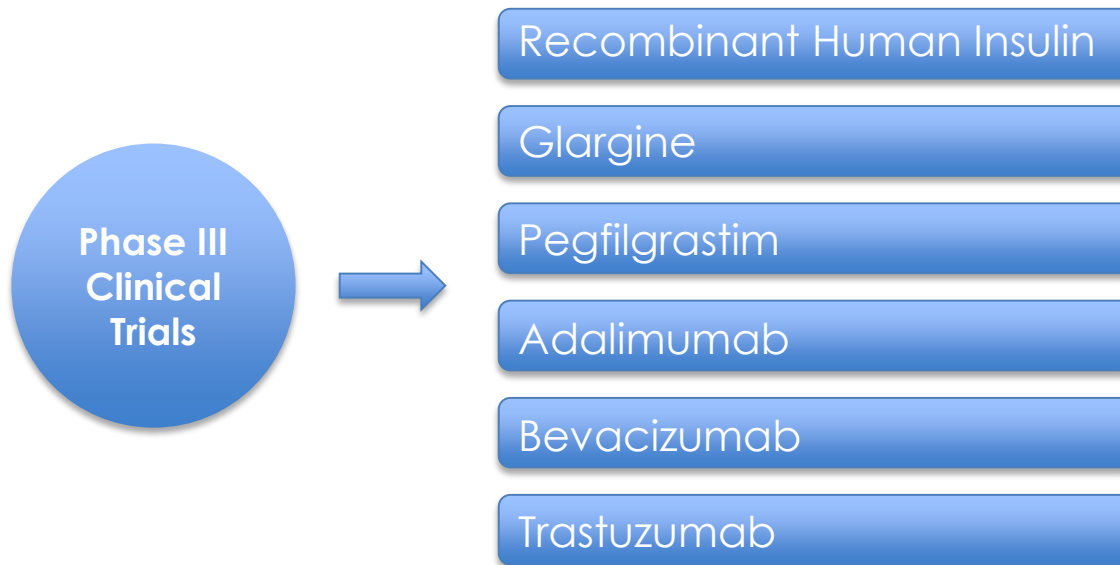
- Increasing dependence on Biosimilars after Generics
- Global consensus on Regulatory guidelines building up
- Recent biosimilars approvals
- Will result in increased accessibility





# A Rich Biosimilars Pipeline

- At the Right Place at the Right Time
- Largest portfolios of generic insulins and biosimilar protein therapeutics under clinical development
- Six Molecules in advanced stages of development :



- With our partners, we can build a strong global presence in biosimilars
- Near term opportunity in Emerging Markets
- Biosimilars are our Next Big Bolus of Growth

# Building Global Scale

- Built global-scale cost-competitive complex manufacturing capabilities
- Leadership in microbial fermentation-based products:
  - **Statins**
  - **Immunosuppressants**
  - **Insulins**
- Focus on building global leadership in monoclonal antibodies



# Insulins: Strong Leadership

- Asia's largest insulins producer benefiting millions of patients
- Malaysia facility commissioned on time
- On track to become of the largest Insulins producer in the world



**Our aim: One in five diabetic patients in need of insulin-based therapy, to be treated with Biocon products over the next decade**

# Oncology: Making Cancer Care Affordable

**BIOMAb** EGFR<sup>®</sup>  
(Nimotuzumab Injection)  
TARGETS CANCER, EXTENDS LIFE

**CANMAb**<sup>™</sup>  
Trastuzumab Injection 150 mg / 440 mg

- Affordable Oncology therapeutics
- Made a difference to over 20,000 cancer patients since 2006
- Our Expanding portfolio has helped build a significant brand equity



# CANMAb™ : World's Most Affordable Trastuzumab

- One of the most successful oncology products in India
- Patient recruitment in progress over 100 sites globally for Phase III trials
- High quality affordable therapy for HER2-positive metastatic breast cancer
- Biocon aims to unleash accelerated growth in a sustainable manner



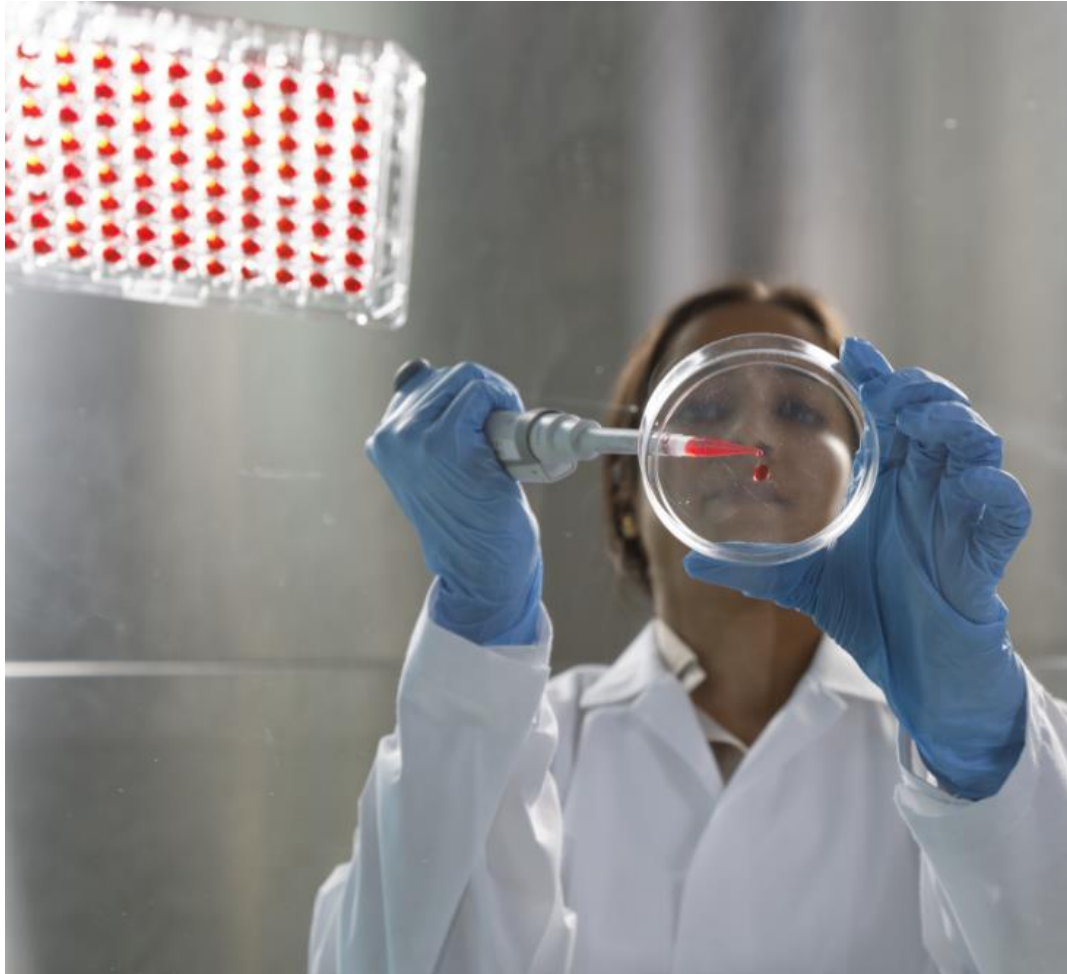
**Our goal: Biocon's Trastuzumab to be available to at least one in 10 HER2-positive breast cancer patients**

# Transformational R&D

- Innovation Led Company, R&D inherent to our business
- Consistent increase in R&D investments
- More than 10% of biopharma revenues invested in developing cutting-edge novel molecules
- These will lead to transformational business growth



# Our Ambitious Programs

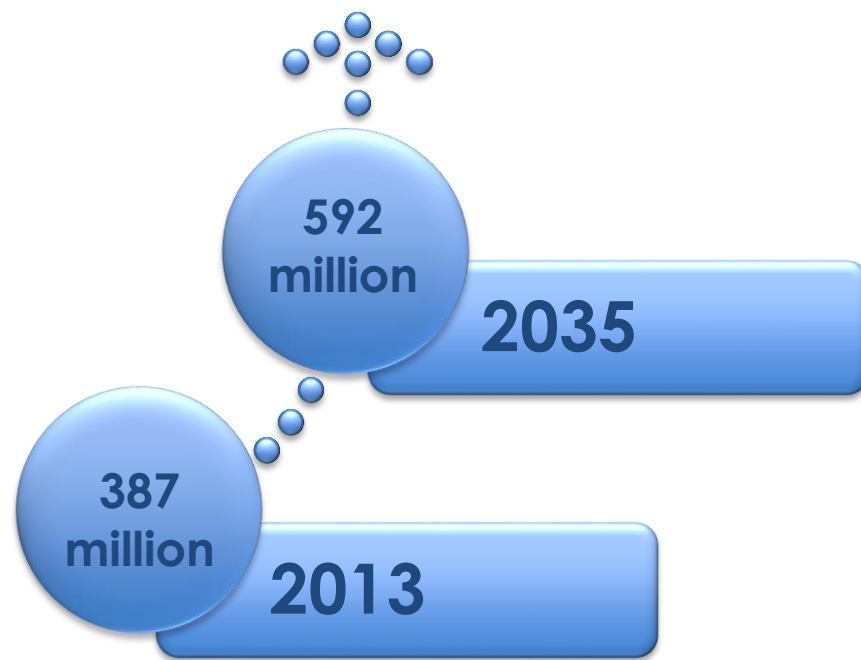


## Novel Molecules Under Development

- Oral Insulin
- Itolizumab

# Oral Insulin: Revolutionizing Diabetes Management

- Good Progress with the completion of first set of US clinical trials
- Prandial Insulin IN-105
- One of the most powerful weapons in the battle against Diabetes

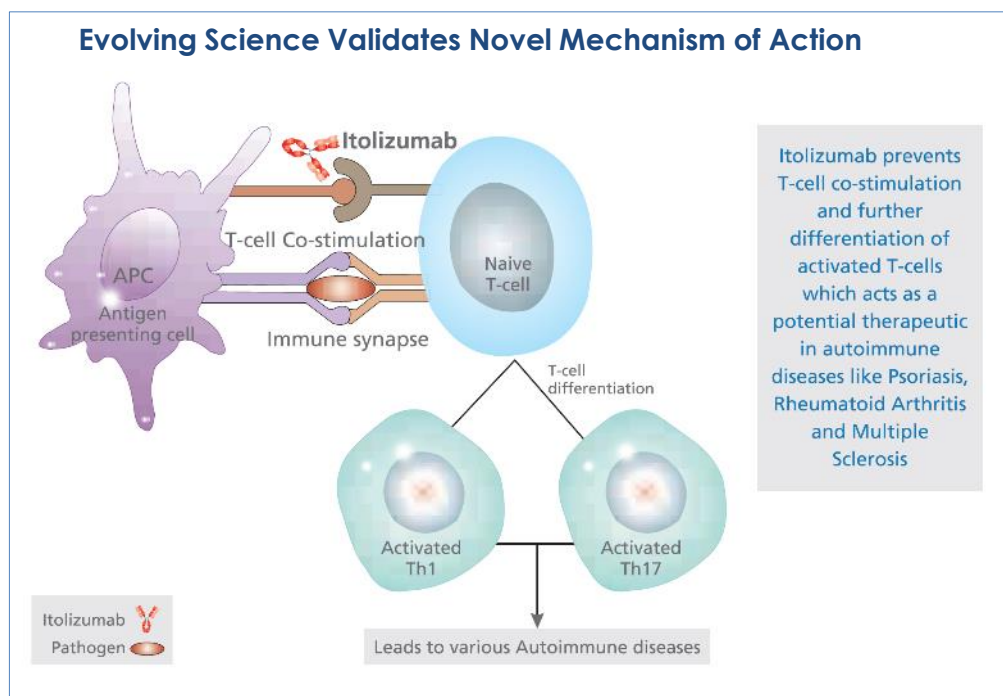


Global diabetic patient population\*



# Itolizumab: A 'first-in-class' Novel anti-CD6 Biologic for Autoimmune Diseases

- Provides enhanced safety and remission profile, superior to competing drugs
- More than 500 satisfied ALZUMAb™ users fighting psoriasis
- Exploring partnerships for this path-breaking novel monoclonal antibody
- Exploring the development of this drug for other unmet medical indications



# Unlocking Value: Research Services



## Syngene: The 'Innovation Partner'



- **Syngene:** Exclusively Inclusive niche services to leading global pharma
- **'Innovation Partner of Choice':** The One-Stop Solution for Discovery to Manufacturing of New Molecular Entities
- Dedicated R&D Centres for Anchor Clients like BMS, Abbott and Baxter
- Syngene IPO under progress. RHP approved by SEBI
- Issue Opens on July 27, closes on July 29
- Price Band of Rs 240-250 per equity share of Rs 10 each
- 2 million shares reserved for Biocon shareholders
- Global CRO opportunity: US\$67 billion

A collection of light blue decorative icons in the top-left corner, including a DNA double helix, a microscope, a leaf, a gear, and various abstract shapes.

## **Strengthening the Board**

**Two Eminent  
Life Sciences Experts  
Added**

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# Prof (Dr) Vijay Kuchroo

Additional Independent Director, Biocon

- Samuel L. Wasserstrom Professor of Neurology at Harvard Medical School
- First to describe the development of highly pathogenic Th17 cells, which have been shown to induce multiple different autoimmune diseases in humans
- First to describe the inhibitory receptor TIM 3, being explored as a target for cancer immunotherapy
- As Clinical Advisory Board member has guided Biocon on positioning Itolizumab as a novel immunotherapy



**Prof (Dr) Vijay Kuchroo**  
Eminent Immunologist,  
Director of Evergrande  
Center for Immunologic  
Diseases, Harvard  
Medical School

# Dr. Jeremy M. Levin,

Additional Independent Director, Biocon

- Exceptional Business leader with a deep understanding of pharmaceutical and biotech industry
- Chairman of Ovid Therapeutics Inc. focussing on developing novel medicines for orphan diseases of the brain
- Former CEO of Teva Pharmaceuticals
- As Member of the Executive Committee at Bristol-Myers Squibb (BMS) he Led BMS 'Strings of Pearl' Strategy and transformed the Company pipeline,
- Former Head of Global Business Development & Strategic Alliances at Novartis
- As Chairman & CEO of Cadus Pharmaceuticals, took the Company public

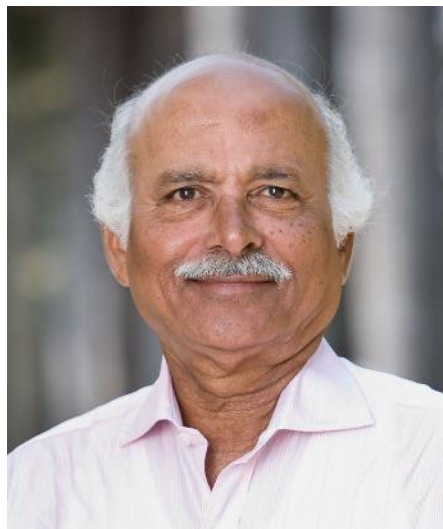


**Dr Jeremy M Levin**  
**Chairman, Ovid**  
**Therapeutics Inc**  
**Former CEO, TEVA**

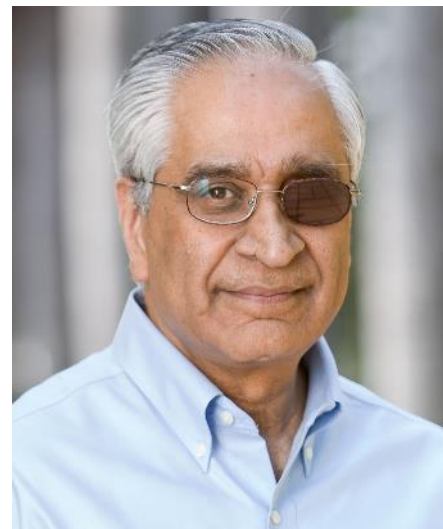
**A Big Thank You  
for your invaluable contribution over the years**



**Prof. Charles Cooney**



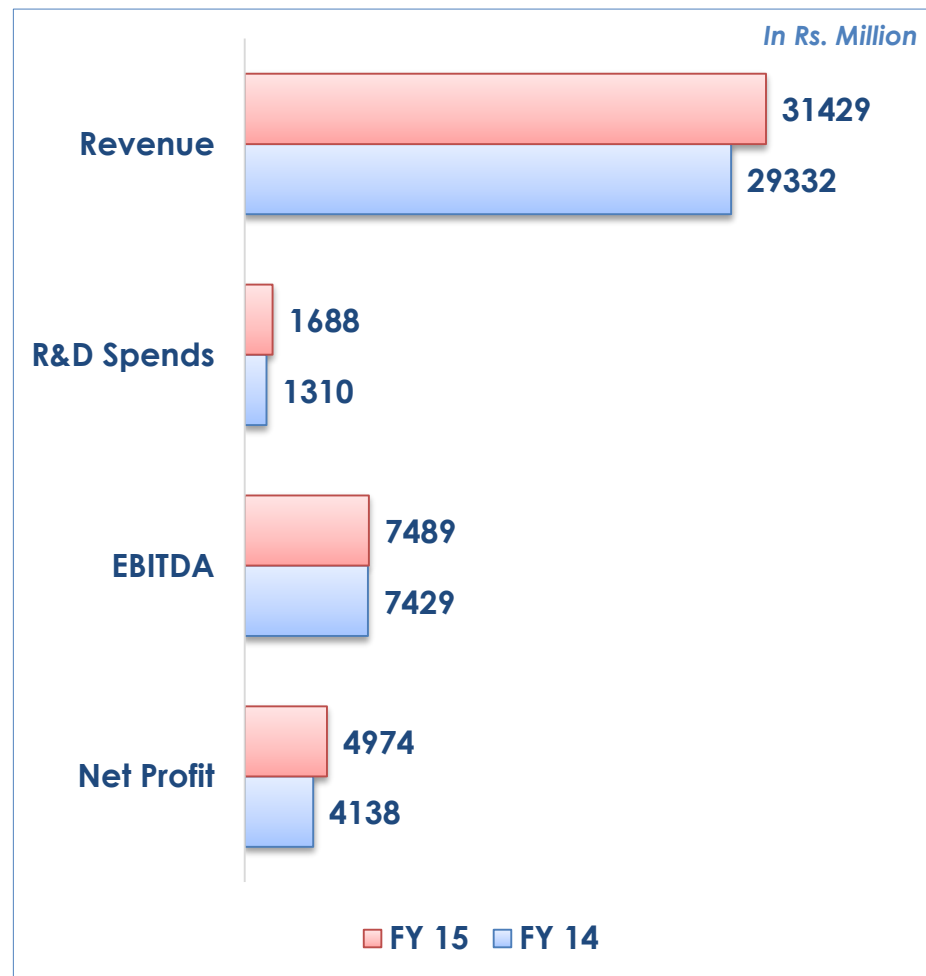
**Mr. Suresh Talwar**



**Dr. Bala Manian**

# Financial Highlights

- Encouraging Revenue Growth Rate of **7%**
- EBITDA margin **24%**
- NET PROFIT **Rs 4.9 billion**
- Gross R&D spend doubled to **Rs 3.29 billion**



# Beyond Business: CSR

Promoting social and economic inclusion





## Integrated Healthcare

- e-LAJ Clinics
- Oral Cancer Screening
- Early detection of Cervical Cancer
- Tackle Malnutrition

## Education

- Chinnara Ganitha
- Aata Paata Wadi
- Kelsa+

## Infrastructure

- Biocon Nagar
- Project One



- Center of Excellence for Advanced Learning in Applied Biosciences
- Adding Value, Enhancing Skills
- Developing High End Talent for Biotech Sector
- Over 90 young biotech professionals have graduated & employed by leading companies
- Biocon offers merit scholarship covering up to 75% of course fee

Education Partner



# Looking Ahead

- Efforts in emerging economies are delivering lucrative business despite challenges in Middle East markets
- **Growth Drivers:**
  - Added capacity from Malaysia
  - Contract Manufacturing
- **Syngene:** High Expectations
  - Stellar performance last fiscal
  - Well positioned for IPO
  - Strong and sustained growth opportunities
- Biocon's Tech platforms based on core values of quality, affordability, reliability and innovation are key differentiators



**Drive Long-term Value Creation for Our Shareholders**

**Thank You to all shareholders  
for your unstinted support to  
enable Biocon to pursue the  
path of differentiation**

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