

UNLOCK VALUE

Growth Through Integrated Research

It is time to shift the debate – from high priced, advanced therapeutics to affordable innovation for better patient outcomes, from market strategies to medical solutions, from mitigating cost to unlocking value

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The traditional R&D based pharmaceutical business model is experiencing unprecedented challenges, leading to an overall slowdown in productivity and growth. Faced with stalling R&D outcomes, rising development costs, depleting pipelines and diminished earnings, the industry needs to fundamentally reinvent and charter new strategies to unlock value.

What we witness today is the emergence of biopharma as a promising scientific platform for future therapeutics that are more sustainable. In order to unleash the potential of biopharma and to seek new growth avenues through innovation, global pharma and biotech companies are actively pursuing internal realignments and external convergences.

In this emerging landscape, patient needs and their perceived value of new medicine have begun to take centre stage, driving biopharma to harness cutting edge science and new operating models that provide affordable and value added solutions for chronic diseases, through a focused portfolio approach. Biopharma's ability to deliver will, however, hinge on complementary bio-value networks, led by multiple global partnerships. These strategic alliances will enable the sector to optimize and recombine capabilities in order to restore competitive advantage and bring value based medicines to market.

Biocon has evolved its business model to unlock value in this unfolding bioeconomy. We have built **five powerful growth accelerators** based on our differentiated competencies in discovery, development and commercialization. These future strong drivers represent Biocon's risk balanced strategy, underpinned by agile network connections, a robust pipeline and a timely 'emerging markets' orientation.

For this Annual Report, we highlight one high value growth accelerator:
Integrated Research Services.

Syngene and Clinigene, India's longest standing contract discovery and development platforms have over time, evolved from being 'fee for service' providers, to becoming integrated, collaborative and strategic partners with global biopharma enterprises. Together, they have successfully supported the industry's quest for innovation and enhanced R&D productivity. Today, they profile India's emergence as a high quality integrated research and development destination, for both small molecules as well as biologics.

As outstanding science led, client centric performers, both companies are poised to unlock substantial value for Biocon, its partners and patients, the world over.

Our Growth Accelerators

Biocon has shaped its business into five key growth verticals with the aim to deliver sustainable long term value for patients, partners, healthcare systems across the globe and its esteemed shareholders.

- 01 Small Molecules**
- 02 Biosimilars**
- 03 Branded Formulations**
- 04 Novel Molecules**
- 05 Integrated Research Services**



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Small Molecules

Biocon's Small Molecules strategy, driven by its Active Pharmaceutical Ingredients (APIs) business, has reached an inflection point. Investments in technology platforms to create a differentiated API portfolio are yielding rich rewards.

We now seek to enter the next phase of growth by front ending this business through dossiers, ANDAs and 505 (b)(2) filings.



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Biosimilars

As the Biosimilars opportunity unfolds, Biocon is at the right place, at the right time. We are rapidly growing our development, regulatory and clinical expertise, along with world class manufacturing capabilities, to break existing oligopolies and make therapies affordable to patients, on a global scale. We are well positioned to contribute towards lowering costs and increasing access to this highly innovative class of drugs.

Building on our India experience, we have begun unlocking value in other emerging markets with Recombinant Human Insulin (rh-Insulin), Insulin Analogs and Monoclonal Antibodies (MAbs), key products of our Biosimilars portfolio.

Branded Formulations

Branded Formulations has been a strong growth driver and a considerable value builder for Brand Biocon. We are committed to achieving market leadership in our chosen therapeutic areas through a carefully orchestrated strategy of product differentiation and personalized medical support.

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Biocon's presence in the chronic disease segment in India, is represented by over 70 brands spread across six therapeutic segments: Diabetology, Oncotherapeutics, Nephrology, Cardiology, Immunotherapy and Comprehensive Care.

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Novel Molecules

To realize the full potential of our key advanced R&D assets, we plan to unlock value by taking our most promising novel molecules to proof-of-concept, before exploring global partnerships.

We are also pursuing several other assets in diabetes, oncology and autoimmune diseases with enormous potential through development, licensing and commercialization.

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Integrated Research Services

Biocon, through Syngene and Clinigene, has built remarkable integrated contract research capabilities to support discovery and development, for both small and large molecules.

Leveraging India's high quality scientific talent pool and sophisticated world class infrastructure at Biocon Park (the country's largest biotech campus), Syngene and Clinigene have been consistently engaged in creating value for its clients through innovative research and development.

Syngene, Biocon's contract research organization, has delivered healthy growth driven by expansion of existing client relationships, addition of new customers, a shift towards integrated and higher value added services, and an accelerating contribution from biology and biologics platforms.

Clinigene, Biocon's clinical development company, has also established itself as an experienced provider of world class, end-to-end clinical and laboratory services. Capitalizing on India's cost advantage in operations, its scientific knowledge base and its diverse disease and patient population, Clinigene's compound-to-clinic competencies continue to attract large multinationals and mid-sized pharma / biotech companies for successful collaborations in the area of clinical development.

Chairman's Review

Dear Shareholders,

Affordability is at the epicenter of the global healthcare debate and it is clear that drug innovation and therapy cost must interact effectively in a new financial matrix. Biocon's business strategy of delivering affordable innovation is well aligned with this emerging paradigm.

