



**Biocon Limited**  
20th KM, Hosur Road  
Electronic City  
Bangalore 560 100, India  
T 91 80 2808 2808  
F 91 80 2852 3423

CIN : L24234KA1978PLC003417

[www.biocon.com](http://www.biocon.com)

BIO/SECL/TG/2025-26/180

February 17, 2026

To, The Secretary <b>BSE Limited</b> Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	To, The Secretary <b>National Stock Exchange of India Limited</b> Corporate Communication Department Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050
<b>Scrip Code- 532523</b>	<b>Scrip Symbol- BIOCON</b>

Dear Sir/Madam,

**Subject: Transcript of Earnings Call Q3 FY26**

This is further to our earlier letter dated February 13, 2026, regarding the presentation of Q3 FY26 Earnings Call held on February 13, 2026, please find enclosed herewith the Transcript of the Earnings Call.

The same is also available on the website of the Company at <https://www.biocon.com/investor-relations/financial-information/quarterly-reports/fy-2025-26/>.

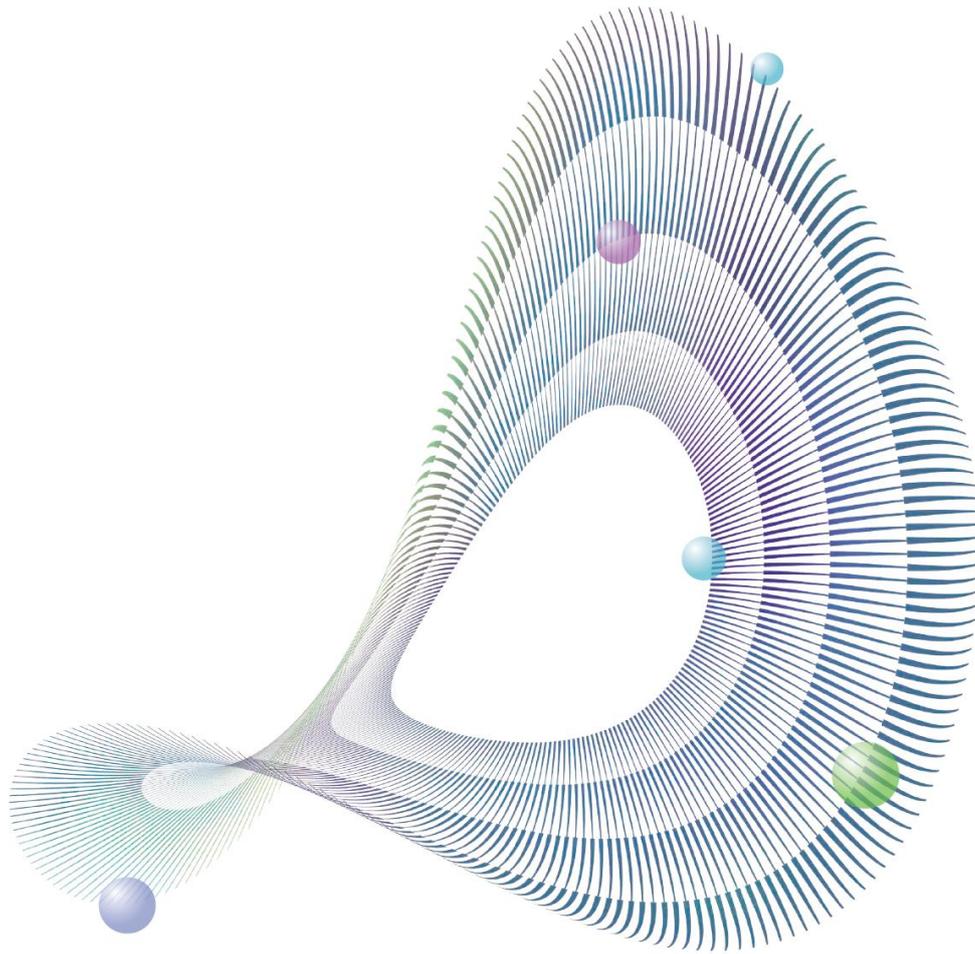
Kindly take the above information on record.

Thanking You,

Yours faithfully,

For **Biocon Limited**

\_\_\_\_\_  
**Rajesh U. Shanoy**  
Company Secretary and Compliance officer  
ICSI Membership Number: A16328



# ACCELERATING REACH

Expanding Access.  
Propelling Growth.

## **Biocon Limited Q3 FY26 Earnings Conference Call Transcript**

***February 13<sup>th</sup>, 2026***

## Speakers and Participants from Biocon Limited, Biocon Biologics Limited

---

- ✦ **Dr. Kiran Mazumdar Shaw** – Executive Chairperson, Biocon Group
- ✦ **Mr. Siddharth Mittal** – Chief Executive Officer & Managing Director, Biocon Limited
- ✦ **Mr. Shreehas Tambe** – Chief Executive Officer & Managing Director, Biocon Biologics Limited
- ✦ **Mr. Kedar Upadhye** – Chief Financial Officer, Biocon Biologics Limited
- ✦ **Ms. Rhonda Duffy** – Chief Operating Officer, Biocon Biologics Limited
- ✦ **Mr. Matthew Erick** – Chief Commercial Officer – Advanced Markets, Biocon Biologics Limited
- ✦ **Mr. Susheel Umesh** – Chief Commercial Officer – Emerging Markets, Biocon Biologics Limited
- ✦ **Mr. Abhijit Zutshi** – Chief Commercial Officer, Biocon Limited
- ✦ **Mr. Anuj Goel** – Chief Development Officer, Biocon Biologics Limited
- ✦ **Mr. Deepak Jain** – Chief Finance Officer, Syngene International
- ✦ **Mr. Prashant Nair** – Head Investor Relations, Biocon Biologics Limited

## External Participants during Q&A session

---

- ✦ **Neha Manpuria** – Bank of America Securities India Limited
- ✦ **Damyanti Kerai** – HSBC Securities and Capital Markets (India) Private Limited
- ✦ **Surya Patra** – Phillip Capital (India) Private Limited
- ✦ **Shyam Srinivasan** – Goldman Sachs India Securities Private Limited
- ✦ **Tushar Manudhane** – Motilal Oswal Financial Services Ltd
- ✦ **Harshit Dhoot** – Dymon Asia Capital
- ✦ **Sachin Jain** – Prahas Capital
- ✦ **Sidharth Negandhi** – CWC Advisors
- ✦ **Vishal Manchanda** – Systematix Institutional Equities
- ✦ **Abdulkader Puranwala** – ICICI Securities Limited
- ✦ **Vipulkumar Shah** – Sumangal Investments



## Prepared Remarks Session

---

***Moderator:***

Ladies and gentlemen, good day, and welcome to Biocon Limited's Q3 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. If you would like to ask questions, please click on the raise hand option. Please note that this conference is being recorded. I now hand the conference over to Mr. Prashant Nair from Biocon Investor Relations. Thank you, and over to you, Mr. Nair.

***Prashant Nair:***

Thank you, Michelle. Good morning, everyone. Thank you for joining us today to discuss Biocon's third quarter results for financial year 2026. A press release and presentation related to the same have been sent to the exchanges and are uploaded on our website for your reference.

Before we get started, let me introduce the management team on this call. We have Biocon Chairperson, Dr. Kiran Mazumdar-Shaw; Mr. Shreehas Tambe, CEO and MD, Biocon Biologics, Mr. Kedar Upadhye, CFO Biocon Biologics, and along with other senior management colleagues across our business segments.

We will start the call with opening remarks from Kiran, which will be followed by an interactive Q&A session. Please note that this webinar is being recorded. The recording will be made available on our website within a day, and the call transcript will be made available subsequently.

Before we begin, I would also want to remind everyone about the safe harbour related to today's call. Comments made during the call may be forward-looking in nature and must be viewed in relation to the risks that our business faces that could cause our future results, performance or achievements to differ significantly from what is expressed or implied by such forward-looking statements.

And now I would like to hand over the call to Kiran for opening remarks. Over to you, Kiran.

***Kiran Mazumdar Shaw:***

Thank you, Prashant. And I would also like to mention that Siddharth Mittal, CEO of Biocon and his senior colleagues will also be on this call.

Good morning, everyone. The strategic transformation we set in motion with Biocon Biologics' acquisition of Viatrix biosimilars business is now reaching its conclusion through the planned merger of Biocon Biologics with Biocon. This milestone transaction valued Biocon Biologics at USD 5.5 billion and will establish an integrated biopharma enterprise with global reach and scale, combining world-class capabilities in biosimilars with our established strength in specialty generics. As we bring these businesses together, we are creating a platform positioned to accelerate growth, drive operational synergies and unlock significant long-term value for all our stakeholders.

This resonates with the Finance Minister's recent emphasis on strengthening the biologics and biosimilars ecosystem in India through the Biopharma Shakti initiative. Biocon has been leading this agenda since the early 2000s investing steadily in R&D talent and globally benchmarked manufacturing. These long-term commitments



have enabled us not only to become a global leader in biopharma from India but also to drive India's emergence as a credible global biopharma hub, delivering affordable, high-quality, complex therapies at scale for noncommunicable diseases. Alongside this long-term strategic agenda, we have taken decisive steps over the past year to strengthen Biocon's balance sheet and simplify its corporate structure. These actions have transformed Biocon into a fundamentally stronger, simpler and more investable global biopharma platform. Over the past year, we proactively addressed acquisition-related leverage through 2 successive QIPs cumulatively raising nearly \$1 billion. This enabled the full retirement of the structured debt associated with the Viatris transaction, materially derisking our capital structure, enhancing financial flexibility and removing a key overhang that had weighed on investor sentiment.

The integration of Biocon Biologics into Biocon is a strategic step that brings together our biosimilars and specialty generics business into a single globally scaled platform. This creates a differentiated business model with greater diversification across therapy areas, geographies and product lifecycles, while also enabling unified governance, disciplined capital allocation and consolidated cash flows within one listed entity.

Importantly, Biocon is uniquely positioned at the intersection of 2 of the fastest-growing global metabolic segments, interchangeable biosimilar insulins and generic GLP-1 peptides. Combined with our deepening biosimilars pipeline in oncology and immunology. This positions us well and truly at the forefront of affordable innovation in Chronic and Specialty Care.

Q3 FY '26 represents an important operational inflection point for Biocon. With major capex now largely behind us and operating leverage beginning to play out, we are progressing from a phase of balance sheet resilience into a cycle of sustainable growth, margin expansion and cash flow led value creation.

With this strategic foundation in place, let me now share the key business and performance highlights for the group this quarter.

### **Portfolio and Pipeline updates**

During this quarter, we delivered significant milestones, enhancing the depth and reach of our global biosimilars and generics portfolio.

- We recently disclosed 3 new biosimilar oncology assets, Trastuzumab subQ, Nivolumab and Pembrolizumab. These are among the largest oncology biologics scheduled to lose exclusivity over the next 5 years. These are part of our existing portfolio of 17 oncology medications which includes Pertuzumab or bPerjeta that was recently submitted to the U.S. FDA, as well as several small molecule cancer therapies. Our oncology portfolio, including undisclosed products, represents an almost US\$ 75 billion opportunity or approximately 35% of the global oncology pharma market.
- We launched generic Liraglutide for diabetes and obesity in the Netherlands as our first 'direct-to-market' GLP-1 in the EU.
- We also signed an out-licensing agreement with Ajanta Pharma to market our vertically integrated drug product, Semaglutide, in 26 countries across Africa, Middle East and Central Asia.



On 27th January, S&P Global Ratings upgraded Biocon Biologics long-term issuer credit rating from BB to BB+ with a stable outlook. As S&P noted, the stable outlook reflects its view that Biocon will sustain good earnings momentum over the next 12 to 18 months, enabling it to maintain its improved financial position. More recently, Fitch Ratings also revised its outlook on Biocon Biologics' Long-Term Foreign-Currency Issuer Default Rating (or IDR) from stable to positive, citing expectations of a sustained reduction in Biocon Limited's financial leverage.

These upgrades serve as strong external validation of the progress we have made in strengthening the balance sheet. Interest cost has already started coming down and as indicated earlier, we should see annualized savings of approximately INR 300 crores from FY '27.

### **Now let me walk you through the financial highlights**

In Q3 FY '26, the group delivered **9%** year-on-year growth in operating revenue, led by steady growth in Biosimilars and Generics that offset challenges in the CRDMO segment.

- Operating revenue stood at **INR 4,173** crores, up **9%** year-on-year.
  - Biosimilars grew **9%** year-on-year
  - Generics had a strong showing at **24%** year-on-year growth
  - Our CRDMO business had a decline of **3%** year-on-year
- **Core EBITDA** was **INR 1,221** crores, up **21%** year-on-year with a margin of **29%**. This improvement was primarily driven by favourable revenue mix and operating leverage benefits in biosimilars.
- Our **R&D** investment was **INR 249** crores, at **8%** of revenues, excluding Syngene, reflecting continued pipeline investments across generics and biosimilars.
- **EBITDA** grew **21%** year-on-year to **INR 951** crores with a margin of **22%**.
- **Profit before tax**, excluding exceptionals, rose **64%** year-on-year to **INR 226** crores.
- **Reported net profit** for the quarter was **INR 144** crores.
- For the 9 months of FY '26, operating revenues and EBITDA grew at **14%** and **24%**, respectively, on a like-for-like basis. **Core EBITDA** margin stood at **27%** versus **26%** in the same period last year.
- **Reported net profit** for the 9 months stood at **INR 260** crores.

**I would now like to discuss our business performance in a segmental manner.**

### **Let me start with Biosimilars**

Our fully integrated global biosimilars business has been consistently delivering healthy growth backed by market share gains across regions and new launches. Over the last 9 months, we have successfully launched Yesintek, which is our biosimilar Ustekinumab, Kirsty, our biosimilar Aspart, Jobevne, our biosimilar Bevacizumab and Yesafili, which is our biosimilar Aflibercept across geographies and expect an imminent launch of Vevzuo and Bosaya, which is our biosimilar Denosumab.



As we look to scale up these products, we have taken some steps this quarter to upgrade our operational manufacturing and quality backbone in line with best-in-class standards. While this moderated the pace of growth in Q3, it positions us very well for a more efficient and sustained ramp-up ahead. We also prioritized supply toward higher-margin markets which, along with stable demand and pricing, ensured higher profitability as you will see in the financial details covered later. We expect to continue our growth trajectory and are well positioned for stronger growth in the next financial year.

**In terms of pipeline updates:**

We finalized patent settlements with Regeneron, Bayer and Amgen, clearing the way for the global launches of Yesafili, which is biosimilar Aflibercept, and Vevzuo and Bosaya, which is our biosimilar Denosumab, respectively. With these developments, we have clear visibility on market entry and are well positioned to capture meaningful share in two large, fast-growing therapeutic categories.

In another strategic move that enhances flexibility and cost efficiency, we have secured full and exclusive global rights for Hulio<sup>®</sup>, which is our very successful biosimilar adalimumab, from Fujifilm Kyowa Kirin Biologics Company Limited, or FKB, Japan. Biocon Biologics will assume end-to-end responsibility for manufacturing and commercialization along with rights for any additional development activities.

Now coming to key highlights by geography.

**Starting with North America:**

- The business delivered another strong performance in Q3. Our established oncology portfolio of Ogivri<sup>®</sup> and Fulphila<sup>®</sup> continues to hold nearly a fourth of the market in the U.S.
- Yesintek<sup>®</sup> continued to gain meaningful traction in the biosimilar ustekinumab category, maintaining leading market share among biosimilars and over 70% market access commercial coverage.
- We expanded our strategic collaboration with the government of California through Civica Inc. during the quarter. This multi-year transformational agreement enabled Civica to launch affordable insulin glargine in California to expand access under the CalRx initiative.

**Moving to Europe:**

- We maintained stable market shares across products with the oncology franchise led by Abevmy<sup>®</sup> and Ogivri<sup>®</sup> delivering strong growth, supported by robust tender and contracting performance.
- Yesintek<sup>®</sup> (bUstekinumab) continues to receive strong reception in key EU markets.
- We also achieved two important regulatory milestones, which were the MHRA approval for Yesafili<sup>®</sup> prefilled syringe and the EMA approval for Yesintek<sup>®</sup> auto-injector.

**When it comes to Emerging Markets:**

- Our business delivered a stable performance, supported by steady demand in high-impact self-led markets.
- We successfully launched Yesafili in Turkey, achieving almost 20% market share.
- We secured key tender wins across APAC, Middle East, North Africa and Latin America for insulins and mAbs.



### **Segment Financials (Biosimilars):**

Moving to the financials, Biosimilar revenues for Q3 stood at **INR 2,497** crores, representing a **9%** year-on-year increase, driven primarily by North America market. EBITDA for the quarter stood at **INR 700** crores, representing growth of **44%** on a year-on-year basis. This translates into an EBITDA margin of **28%**. Margin improvement in this quarter reflects better product and geography mix as well as operating leverage benefits as we continue to realize the benefits of economies of scale.

R&D investments for the quarter stood at **7%** of revenues, reaffirming our ongoing commitment to innovation and pipeline advancement.

And for the third consecutive quarter, profit before tax exceeded INR100 crores.

For the 9 months FY '26, biosimilars revenue and EBITDA grew at **17%** and **42%**, respectively, on a like-for-like basis.

### **Now coming to Generics**

The generics business continued to see momentum in the third quarter, delivering a year-on-year revenue growth of **24%**. This performance was supported by ongoing launches of generic liraglutide across EU markets and an improved performance in the generic formulations base business.

### **R&D and operational updates:**

We achieved strong regulatory progress with multiple market filings, including 10 generic formulations and nine API DMFs across U.S., EU, U.K. and key rest of the world markets.

In the U.S., we received final approval for tofacitinib extended-release tablets and Everolimus tablets for oral suspension.

On the operations front, we successfully completed the first commercial dispatch produced under the Phase II expansion at Cranbury, New Jersey.

### **Regulatory updates:**

We received an EIR with VAI status from the U.S. FDA for our OSD facility in Cranbury, U.S.A., following an audit conducted in October 2025. The API plant in Visakhapatnam also received an EIR from U.S. FDA with VAI status following a GMP inspection conducted in November 2025. Our API plant in Bangalore received a GMP certification from ANVISA Brazil post an audit conducted in July 2025.

### **Segmental financials (Generics):**

Revenue of the generics division recorded **INR 851** crores, which is a **24%** year-on-year increase. Sequentially, revenues grew **10%**.



R&D investments stood at **INR 76** crores or **9%** of segment revenue with continued progress across our GLP-1 and injectables portfolio.

EBITDA stood at **INR 47** crores, an improvement over last year and the previous quarter, driven largely by higher revenues.

For 9 months FY '26, generics revenue grew at **18%** year-on-year, while EBITDA declined by **32%**, attributable to higher costs related to the new facilities we have commissioned in the recent past.

#### **Now coming to the CRDMO business**

- FY '26 Nine months revenue from operations stood at **INR 2,702** crores, up **3%** year-on-year. Third quarter revenues from operations were at **INR 917** crores, down **3%** year-on-year.
- As has already been disclosed, the business has been impacted by challenges faced due to one customer. While this pressure will take some time to fully ease, it is transient. Syngene's differentiated scientific capabilities, long-standing client relationships and diversified model across research services and CDMO continue to underpin the business and give us strong confidence in its medium-to-long-term growth trajectory.

#### **Business Performance:**

During the year, Syngene extended its longstanding partnership with Bristol-Myers Squibb, or BMS, which runs through 2035, broadening the scope of its integrated services across discovery, translational sciences, pharmaceutical development, manufacturing and clinical trials. The company commissioned a commercial scale facility for liquid-filled hard gelatin capsules, strengthening its oral solid dosage platform and enabling precise, reliable manufacturing of complex medicines.

Syngene also expanded its advanced chemistry capabilities at Hyderabad with catalytic screening and flow chemistry labs, enabling faster, safer and scalable synthesis of high-quality drug substances. With a renewed focus on diversifying its customer base in CDMO, Syngene expects to increase capacity utilization of its manufacturing facilities, both in India and the U.S.

#### **Now, to wrap up**

I would like to emphasize the progress we have made on multiple fronts, including our product basket and pipeline, go-to-market execution, and building a strong long-term operating model. Today, we are well positioned globally across high-growth segments of diabetes, oncology, and immunology, supported by a differentiated portfolio spanning biosimilars, insulins, generics and peptides, including GLP-1s.

As we look ahead, our focus remains clear: driving steady, sustainable growth, expanding margins, and consistently improving return on capital employed. We are confident in our ability to drive and deliver long-term value for our stakeholders through the Biocon One strategy.

With that, I now invite your questions.

## Q&A Session

---

**Moderator:** Thank you very much ma'am. We will now begin the question-and-answer session. The first question is from Neha Manpuria. Please introduce yourself and proceed with your question, ma'am.

**Neha Manpuria:** **This is Neha from BofA Securities. First question on the biosimilar business, the upgrade of production and quality that you have mentioned, is it fair to assume that this is largely done and behind us? And second, what led to this need for this upgradation of production? Because these approvals were expected to come through this year. So, any specific reason that drove the upgradation at this point of time?**

**Kiran Mazumdar-Shaw:** So maybe I will ask Shreehas to answer that question.

**Shreehas Tambe:** Yes. Thank you, Kiran. Thank you, Neha, for the question. I think that question is fair. And as you've seen us talk over the last few quarters, you would have seen us receive several approvals of new products across geographies. We are also launching several products. You heard Kiran in her opening remarks talk about several launches that are upcoming.

We're also seeing a very substantial demand for our products across the U.S. and in Europe. So, what we've done in the current quarter, which was a planned operation, where we've upgraded our facilities to be able to scale up and be able to deliver on this increased demand as we go along.

So, in the coming quarter, of course, it continues in our growth trajectory like we had projected. And as we focused on this current quarter, which you saw in our financials, we were able to also, given that we had a good demand for our products, prioritize high-margin markets which preserved the margins.

In fact, you will see that those margins have been higher than what our guidance has been in the mid-20s. So, we believe that this has gone as we had projected. And on a full year basis, we'll of course be in the mid-20s on our margins as well.

**Neha Manpuria:** **Shreehas, then how should we think about growth from here? Like you said, that for the full year, we're still guiding mid-20s. Next year, given we have a bunch of these launches that will flow through, should we get back to, you know, the 20 plus percent growth trajectory for the biosimilar business with the mid-20s margin, or should that margin also improve going into next year?**

**Shreehas Tambe:** Yes, I mean, as I've said, we've refrained from giving specific guidance for the future. We did say that we will have the mid-20s for the current financial year. Neha, I think if



you look back at what the growth has been, it's been strong growth in the last several quarters that we've had.

And with the launches now set up, which we've just talked about, with the demand growing across geographies, it's obvious that some of these things are expected to improve, but I'll refrain from giving any specifics on how the margins are expected to improve. But clearly, the future is more exciting than what the past has been, is a fair way to look at it.

**Neha Manpuria:** **Understood. And sorry, if I may squeeze in one more question. I think we mentioned about capex being largely behind, and a lot of the focus now on cash flow generation. Could you help us through what the capex would look like for the consolidated entity in fiscal '26 and '27? And should we expect that to moderate as we look at the next two, three years?**

**Shreehas Tambe:** I think maybe Kedar can come in on this one. At Biocon Biologics, Neha, as you know, most of our investments were behind us. The only real investment that we were focused on was our insulin capacity that we were looking to double. The drug product capacity comes online in the coming fiscal year, so we expect to double our capacity. So that investment is clearly behind us, and capacity will significantly increase in the coming fiscal. The only other thing which was going on was our insulin drug substance, so there is nothing new that we are investing on capex. But maybe, Kedar, if you want to add some more colour on this.

**Kedar Upadhye:** So, that's right, Shreehas. At a group level, we were tracking roughly \$ 275 million plus, Neha, if you recollect, of capex every year. That has moderated to less than \$225 million. And going forward, as the Malaysian capacity build-up gets over, I think we will see further moderation, because largely hereafter it will be maintenance capex across three companies.

**Kiran Mazumdar-Shaw:** I think, Siddharth, if you want to mention also that our investments in the peptides also is largely behind us.

**Siddharth Mittal:** Yes. So, I think we have invested, of course, in many facilities, including peptides, expanding our drug substance facility, and last year we commissioned our drug product facility. So, large part of capex in generics is over, and now it will be mainly the maintenance capex, which will be there, which is going to be very small compared to the previous investments.

**Neha Manpuria:** **Understood. Thank you so much.**

**Moderator:** The next question is from Damayanti Kerai. Please introduce yourself and proceed with your question, ma'am.

**Damyanti Kerai:** **Good morning, all. Thank you for the opportunity. This is Damyanti from HSBC Securities. So, my first question is I just want to understand your other operating**



expense during the quarter. So last time when we were discussing, we understood most of your costs are in the base. But sequentially here also, we saw a 10% jump. If you can help us understand that and how should we look at operating expense trajectory in coming quarters?

**Kiran Mazumdar-Shaw:** Kedar, would you like to take that?

**Kedar Upadhye:** Yes. So, Damyanti I think if you are referring to this other expense row, which is about INR1,178 crores, that comprises the expenditure across manufacturing facilities quality expenses, commercial expenses across three entities. And that is largely fixed in nature. There is some element which is linked to the sales across all the three companies. And the growth of that particular line will be lower than the revenue growth. That's how I think it's going to trend hereafter because most of the base spends on commercial setup, regulatory setup, all the global infrastructure for manufacturing quality enabling functions, all that is already in.

**Damyanti Kerai:** **Okay. So, the current quarter number is a new base, if you have to look at and it will be mostly linked to the top line movement, the variable part?**

**Kedar Upadhye:** That's true, yes.

**Damyanti Kerai:** **Okay. So Kedar, can you also update us on the net debt position as of December 31 or as of, say, current?**

**Kedar Upadhye:** Yes. So, the net debt that we owe to the bondholders and the banks, it shifts in a narrow range of \$1.1 billion to \$1.2 billion. We have said that all the structured debt has been retired. So, end of June, the Goldman instrument got retired. On 1st October, the Kotak instrument got retired. And in the first week of January, we have retired Edelweiss as well. So, all that is over. This quarter, you've seen a decrease in the finance costs by more than INR 62 crores sequentially. And if you recollect, before we started this exercise, the annualized run rate of interest cost was trending upwards of INR 1,150 crores, INR 1,200 crores. And we have been able to substantially bring it down Damyanti.

**Damyanti Kerai:** **Okay. Sure. My last question is what is your rationale to acquire the full global rights for Hulio, adalimumab given it was a challenging market in the U.S.? And then that was a key market we were looking forward. But if you can just discuss that as well?**

**Kiran Mazumdar-Shaw:** Shreehas, you might want to take that.

**Shreehas Tambe:** Yes. Thanks, Kiran. Damyanti, thank you for the question. See, Hulio for us is, contrary to perception, how you qualified, it's been a very, very successful franchise. We've consistently for the last five years and this is probably the sixth year that we've grown that franchise in Europe. It continues to be one of our products that delivers in excess of US \$200 million for us on an annual basis. So, adalimumab, Hulio is a very successful



franchise for us in the portfolio. And given that, that was a product that we continue to invest in, we wanted to always be a fully integrated player. So, this is a product we developed very closely with our partners in Japan. It's been very successful. And as we take it forward and increase our portfolio in the onco-immuno spaces, it made a lot of sense for us to integrate that product as well. So, that's the rationale and the thinking behind bringing Hulo into the fold as a fully integrated player.

**Damyanti Kerai:** **So Shreehas, will that also improve our expectation for the U.S. market, or it will be mostly for ex U.S. market, which would be meaningful?**

**Shreehas Tambe:** It would be meaningful for global markets, Damyanti. It will also give us the opportunity to also widen our offerings. As you know, we currently only have the low concentration product in the market. We will also have the opportunity to develop beyond that. And those are things we've talked about in the past as well with the community. And clearly now Biocon has the ability to determine its future and the destiny with this product.

**Moderator:** The next question is from Surya Patra. Please introduce yourself and proceed with your question.

**Surya Patra:** **Thank you. Thanks for this opportunity, sir. Sir first clarification to the earlier commentary that you have made. Adalimumab (Hulo) is a \$200-plus million business for us. Is that correct? And a couple of quarters back that you had mentioned, you have three molecules which have crossed \$200 million. So, whether this is one of that?**

**Kedar Upadhye:** Yes. In fact, we had four molecules in the zone of 200 million annualized as of last year. And yes, adalimumab is one of those molecules.

**Surya Patra:** **I believe you are muted.**

**Kedar Upadhye:** Yes. Can you hear me, Surya? What I was saying is that, yes, we had four molecules in the zone of \$200 million annualized revenues and adalimumab was one of that.

**Surya Patra:** **Sorry, Kedar I cannot hear you.**

**Kiran Mazumdar-Shaw:** If you can't hear Kedar, let me say that – Kedar was saying that it's not three, but four molecules, which are \$200 million plus, and adalimumab is one of them. Can you hear?

**Moderator:** Mr. Patra, I would request you to kindly check your network and your setup. I think there is a network issue or maybe the audio issue at your end? I would request you to kindly rejoin the meeting. In the meanwhile, we'll take the next participant Shyam Srinivasan. Please introduce yourself and proceed to the questions.

**Shyam Srinivasan:** **This is Shyam Srinivasan from Goldman Sachs Research. Just first question is just on the trajectory of the biologics business. Maybe I'm not looking at like**



quarterly variations. But yes, there's been a slight slowdown in growth. I think Shreeyas, you alluded to higher growth going forward.

**So, what are some of the drivers that gives us confidence. I know I'm not asking for a quantitative number, but just what drives revenue up. So, 9 months is also 17%. And I'm assuming very difficult to see what the underlying constant currency growth is, right? There has been a rupee depreciation impact also. So, I just want to see when are we moving to a slightly faster trajectory of revenue growth in the biologics business?**

**Shreehas Tambe:**

Thanks, Shyam, for your question. I think let me respond to you in a couple of points that you've made and let's look at what data points we will refer. I think the first up being that if you look back almost 7 or 8 quarters, I think there's been year-on-year growth that we can look at and we'll also look at sequential growth that we've had quarter-on-quarter.

Now we know that the last full year, we didn't have any new launches. And yet we saw that there was a significant increase in revenues year-on-year as well. So, we can go through the numbers. We can look at that data for you. But I think characterizing it as a slowing down of growth is probably something we'll have to sit down and look at.

Now coming to where it is headed, I was responding to a question which Neha asked earlier, we've clearly bought 5 new products, some of them we've launched. You've seen the uptick of Yesintek in the U.S. seeing a tremendous response. We've seen over 70% formulary coverage, we've been amongst those few biosimilars in the U.S., which is now about double-digit market shares.

So clearly, there's a step up from where it was. And growth will obviously be expected when you have new product launches, which would have then also higher knock-on effect on the margins that we were talking about earlier. We've refrained from giving specifics because there would also be some erosion in the legacy products, which have been in there in the market. So, we'll have to wait and watch, but we clearly feel very good about how things are trending sharply.

**Shyam Srinivasan:**

**Helpful, Shreehas. Just a second question on the generics business. I think a very solid performance this quarter. If you could kind of break it down into just the new what is traction on the new launches, including the GLP-1s? And how should we look at, say, again, outlook for this business?**

**Siddharth Mittal:**

Yes. So, Shyam, I think as Kiran mentioned in her opening comments, the growth was driven primarily by liraglutide launch in European markets, which was through our partner Zentiva as well as direct to market and couple of countries. And I think that traction would continue. We will be launching this product in a few more European countries in fourth quarter. We will also be supplying more product to our partner.

And apart from Europe, we are, of course, looking at other markets. So, our filing is under advanced stages of review in various markets, including the U.S. and depending on, of course, the FDA action, we are hopeful that we should be able to launch the product in U.S. and other Latin American markets in the coming quarters. So, the demand is still very solid. Of course, it's a de-growing market because a lot of patients over the last couple of years have moved to Ozempic, but we still see that there is a lot of demand, there is limited competition, and we have a very good play that will drive the growth.

Apart from Liraglutide, we had a couple of other products also that were launched. These are OSDs, and we have a couple of more launches coming up -- and the base business also is doing good, the market share of our products is holding up in the U.S. So, I think overall, things are good, primarily contributed by lira but other products will also continue to drive growth.

**Shyam Srinivasan:** **Helpful, sir. Just one sub-question on the GLP-1 and semaglutide in Canada, elsewhere, if you could give us an update?**

**Siddharth Mittal:** So, we had mentioned in quarter 2 that the filings have begun. We have filed in Canada, Brazil, Saudi, Turkey. And we continue to file in other markets. Of course, the review cycle is long drawn, especially in markets such as Canada, where we have not seen a single generic GLP being approved, including liraglutide, which has not been approved by Health Canada. So, we are hoping that sometime next calendar year, we should be in a position where we at least make advanced progress on semaglutide.

And I think the market still is very attractive. We have seen the actions taken by Health Canada on some of the earlier filers. And it continues to be a bit complex, but we are hopeful that next year, we should be able to make a good progress with Health Canada.

**Moderator:** The next question is from Tushar Manudhane. Please introduce yourself and proceed with the question.

**Tushar Manudhane:** **Yes. Myself, Tushar Manudhane from Motilal Oswal Financial Services. Sir, firstly, just extending Shyam's question on Canada. So, if you could share your perspective in terms of what's holding on Canada as a regulatory authority for approving the GLP biosimilars or generics? That's my first question?**

**Siddharth Mittal:** So biosimilar, of course, Shreehas can comment on it. We have seen many approvals of biosimilars in Canada. I think the GLP-1, of course, has a separate guideline path that Health Canada follows. And it is a bit different compared to what a European regulator or U.S. FDA follows. And I think, as I mentioned, that despite filings, multiple filings on liraglutide and other GLP's the Health Canada has not approved a single file there.



I think they are still trying to understand the risk associated with this product and the preclinical work that generic filers have to do. And I think we have done back and forth with Health Canada on our previous filing of liraglutide. So, we do understand a bit of what they are expecting. And I think we are hopeful that over a period of this year, they should be able to be very fixed and firm in terms of what they're looking at. And that's why we have confidence that by next year, that we should be able to get the approval.

I think we have mentioned in the past, we know we are a vertically integrated player on GLP. So, we have very strong characterization and development capabilities. We have our own drug product facility. We have our own device facility. So, we understand the science behind it. And I think we have to work with the regulator to explain that why it's a high-quality product, while it's a comparable product. And as I said, navigate the challenges. And it's not the generic filers. I mean we have seen other very credible companies who also filed and have had challenges. And I think working with the regulators is what's required. And I think they also understand that they have to approve it. If you look at the Canadian market, which is US\$25 billion today, Ozempic and Wegovy are, give or take, 8% to 10% of that market. So, bringing down the cost and making the drug affordable is, of course, a priority for the regulator as well. And I'm sure that we will, along with other filers, navigate that challenge soon.

**Tushar Manudhane:** **So here, is this because innovators might have acting through biological routes where filers have done it through Synthesis route. Is that an area of concern?**

**Siddharth Mittal:** No, I think that is very clear globally that everywhere, including U.S. and Europe, everybody is developing with a synthetic route. So that is not a concern.

**Kiran Mazumdar-Shaw:** Yes, I think, if I may just jump in Tushar. Liraglutide has been approved by Europe. So, if you look at that as a case in point, then I don't think that is the issue. I think Health Canada really has to have a regulatory final view on what it requires to approve. And I think that is not very clear on all GLP ones. So, I think that is where the real issue is. But I think it should be resolved soon is our expectation.

**Tushar Manudhane:** **And just on the progress on the insulin aspart, if you could share?**

**Kiran Mazumdar-Shaw:** So, insulin aspart has been approved. In the U.S., as you know, it is the first interchangeable insulin aspart. It is already approved in Europe, and maybe I'll ask Shreehas to comment on what is it that you exactly want to know.

**Tushar Manudhane:** **How the commercial scale-up is expected to happen over the next 12 to 18 months?**

**Shreehas Tambe:** Yes. Thanks, Kiran. Thanks, Tushar, for the question, and we can add more color to what we were just saying when Kiran commented on it. We're very proud of the fact that we are the first interchangeable rapid acting analog that the FDA has approved. We've got prior approvals in other jurisdictions as well. We've said in the past that we had a



very responsible insulin company where clearly, there's tremendous opportunity here again, like some of our other products. We see that there's just the originator and us that are looking to target this -- we've had a very, very successful entry into the U.S. market with the closed-door hospital networks that has already been very successful. We see close to 100% conversion to our product. So that's been a very good response that we've seen. And they're now as Matt, who is our Chief Commercial Officer for Advanced Market and Josh Sasly, who leads the North America team, deal with the responses coming up, you will see more progress into a wider group of customers as we expand our presence in the North America market with this asset.

**Tushar Manudhane:** **So effectively, will that convert into, let's say, the business in this calendar year or this process will sort of have its own gestation period. And accordingly, the business scale-up will be somewhere maybe like 3 to 5 months down the line, how do you think about that?**

**Shreehas Tambe:** We would certainly look to move this product into this financial year. As you know, our demand for insulin Tushar has been growing. And we are looking to add more capacity. I just talked about doubling our drug product capacity this fiscal. Our insulin glargine capacity demand continues to expand. So, we are looking to now bring more product in so that we can be a reliable supplier and a partner to our customers and patients as we bring more products in the insulin franchise. So, this should happen in the current fiscal, and we look to expand that to more customers beyond what we've done so far.

**Moderator:** We'll take the next question from Surya Patra.

**Surya Patra:** **Yes. Thanks for the opportunity. This is Surya from Philip Capital. Sorry for the repetition of the question. I could not hear last time. So, I was asking that whether adalimumab is one of the top three products which have crossed 200 million for us?**

**Kiran Mazumdar-Shaw:** So, let me answer that by saying that Kedar said, it's not three, but four molecules, which have got over \$200 million in revenue and adalimumab is one of them. I think you will have to take this offline because he cannot hear for some reason.

**Moderator:** Yes, ma'am. We'll move on to the next question from Harshit Dhoot. Please introduce yourself and proceed with your question.

**Harshit Dhoot:** **Okay thanks a lot for the opportunity ma'am. Harshit Dhoot from Dymon Asia Capital. Just one bookkeeping question. Our EBITDA of INR700 crores in biosimilars business, is there any inclusion of the exceptional gain, which we have put in the notes to accounts in this INR 700 crore number?**

**Kedar Upadhye:** No, Harshit, that gain is in the exceptional line. It's not part of the ordinary business. So that gain that we have realized by virtue of the integration transaction is not in the EBITDA line, Harshit.



**Harshit Dhoot:** So, INR 700 crores is the clean EBITDA, Kedar?

**Kedar Upadhye:** Yes, for biosimilars.

**Harshit Dhoot:** So, can you please elaborate what has changed? Because sequentially, top line was down and EBITDA shoot up. So, what were the improvements that drove this the good number in biosimilars business?

**Kedar Upadhye:** Yes. So, Shreehas has clarified that this quarter, we have prioritized high-margin markets. So usually, the North American geography mix out of total biosimilars is roughly 40%. This quarter, it's beyond 46%, 47%. And that's the reason we have been able to get both higher gross margin and EBITDA as a percentage terms.

For your simulation and modelling, you should consider, let's say, full year average because the other regions will shape up in the coming quarters. So maybe you should go around with our usual margin and a full year average margin and not this quarter's margin.

**Harshit Dhoot:** Okay, thanks Kedar. Thanks a lot.

**Moderator:** The next question is from Sachin Jain. Please introduce yourself and proceed with your question. Your audio is low. If you could be a little bit louder.

**Sachin Jain:** Sir, I want your view on the insulin market. Is it now a supply-constrained market, particularly when innovators moved their capacity towards weight-loss drug. So how is the current scenario? Can you just give some overview on that?

**Kiran Mazumdar-Shaw:** Shreehas you might want to answer.

**Shreehas Tambe:** Yes, I only could hear you, Sachin, briefly. You said is it a supply constrained or a demand constrained market? Did you refer any specific product or product?

**Kiran Mazumdar-Shaw:** No, he said, the question he asked was, given that GLP-1 is where the innovators have been focusing on, is insulin a supply constrained market, or what is happening? He wants to know.

**Shreehas Tambe:** Well, I think the way I would classify this is, that the insulin demand has continued to be robust, Sachin. And given that there is just the innovators and Biocon, it is a very unique situation to be in. We've made significant investments in our unique technology platform. So, we have a proprietary platform on which we make our insulins, which is innovative in that sense.

And we also have very large-scale manufacturing capacity, device capabilities, which is needed for insulin. So, demand is absolutely not a challenge here at all. And it is as much as we can make, which is why when I was responding to Tushar, we've been very responsible in taking on more patients because this is something when you take on a chronic therapy, you do it for life.



And we are doubling our capacity in the drug product insulin capacity, and you will see that franchise grow in the coming quarters as we take on more market share. We do not expect that the insulin demand globally will reduce. And we expect us to be a very, very significant player in the insulin space.

**Sachin Jain:** **Sir, when you likely believe Malaysia expansion will commercialize.**

**Shreehas Tambe:** Sorry, you are very feeble, but my understanding of your question is when do you see the Malaysia expansion go commercial? If that is your question, then the drug product is expected to go commercial in the coming fiscal, which is fiscal '27, and the drug substance expansion, which is also expected to double our capacity will come in a year or 1.5 years after this.

**Sachin Jain:** **Thank you so much.**

**Moderator:** The next question is from Siddharth Negandhi. Please introduce yourself and proceed with your question.

**Sidharth Negandhi:** **This is Siddharth Negandhi from Chanakya. Just a couple of nuances on the biosimilars business. Given we launched new products in this quarter and the previous quarter, could you give us a sense of how the year-on-year and quarter-on-quarter growth plays out between the existing products and the new launches? That was the first part of the question.**

**And similarly, would it be fair to assume, given the higher sales in the US that we've seen a year-on-year or quarter-on-quarter decline in EU? So that was one. The second was if you could share some colour on the market share of the products, both the legacy products and some of the new products and insulins?**

**Shreehas Tambe:** I think multiple questions in that. See, the first one, is how do you look at the quarter-wise progress of these numbers. My sense is, I think Kedar responded previously is the way to look at this is a wider window of four quarters. And as new products launch and get to market, we've said even in the past that some of these take, four to six quarters, some of them take, maybe up to six to eight quarters to reach their peak sales.

But you will start seeing the ramp-up. You'll start seeing the numbers play into the P&L as products start gaining traction. Fiscal '27 is the first time that you will see some of these launches that we did in '26 begin to play out as the numbers get into the quarter. So that is as far as we can go because it's hard to give a quarter-by-quarter prediction on how every launch in every market will play out. That's number one.

I didn't quite follow your question on the European piece. We are looking to grow the European market as well. This particular quarter, you heard Kedar say that we've prioritized profitability. We've looked at higher margins, which is reflected in the financials. But we see demand across regions. And as more products come online, you



will see all our regions, North America, Europe and even the rest of the world, emerging markets show a very strong growth. That is expected to happen.

And the third piece which you were referring to in terms of what our market shares have been, I think they've been very strong. Kiran, in her opening remarks, mentioned that we can refer to them as legacy products, continue to have over 1/4<sup>th</sup> of the market in oncology products that we launched back in 2018. So, I think we've continued to hold that market share, continue to be profitable, again, reflected in the numbers.

And if you look at the European trends, again, in oncology, we were under 6%. Now those are trending in double digits again. So, clearly, demand is strong. And as we look at the coming quarters, supply will grow as well as we qualify more facilities. So, all in all, quite promising what the coming quarters look like. I hope, I responded to all your questions.

**Sidharth Negandhi:** **Thanks Shreehas. Just one follow-up on that -- and sorry, one additional question. On semaglutide in India, right, given the prior transactions with Eris, etcetera, what is the play in India looking like from Biocon's perspective for semaglutide?**

**Shreehas Tambe:** Maybe Siddharth, you would come in and respond to that?

**Siddharth Mittal:** Yes. So, I think what we have heard other companies that, of course, there have been approvals and they're going to launch the product soon, and the pricing here will be very competitive compared to global pricing. So, we do have our clinical approval to start our Phase III clinical in India.

And our strategy typically in India is through a partner, since we had divested our business, the branded formulations business to Eris, we did tie up for liraglutide with two other companies in India. One of the partners had launched the product last year through a reusable pen. And if we do a clinical trial in India, and if we do still see a good economical value and return on the clinical investment, then of course, the go-to-market strategy will be through a partner.

But I think, let me tell you that India is one of the only markets in the world where you need a full-blown clinical trial, unlike Europe, US and other markets where you don't need clinical trial. That's why it's a decision whether we wait for one of the ICH country approvals and then apply for a clinical waiver, like we did for liraglutide versus spending that money, which is not small. It's a significant investment in Phase III clinical. So that decision will be taken. And one way or the other, we will apply for marketing approval in India in due course, and the commercialization will be through a B2B partner.

**Shreehas Tambe:** Thanks Siddharth, that was helpful.

**Prashant Nair:** Michelle, can we take the last two questions, please?

**Moderator:** Yes, sir. Ladies and gentlemen, we'll be taking last two questions in the interest of time. The next question is from Vishal Manchanda. Please introduce yourself and proceed with your question.

**Vishal Manchanda:** **Hi good morning. This is Vishal Manchanda, Systematix Institutional Equities. On adalimumab, could you give a timeline as to when the regulatory process and tech transfer can get completed and broadly, the rationale for doing this deal?**

**Shreehas Tambe:** If I may respond to that question. Damayanti had probably a similar question, and we just respond on the rationale. So, I can go through it if needed again. But clearly, we have much better control on the product now, Vishal. We have end-to-end integration that allows us to do more with that asset than we had or we were able to until now.

It's a very important product in our portfolio. So that probably that rationale is something that is very strong and continues to guide our investment in the asset. In terms of how it's going on, tech transfer is already initiated. It will happen in phases because there's an element of the device. There's an element of the syringe itself, these are on the drug product side.

And there's the element which is related to tech transferring the clone and the drug substance. And all of these are going on, and we will work with regulators globally to see that these things evolve. There is close coordination and collaboration with FKB in Japan. And this is a process that is more collaborative than hands off. So, we expect this to happen in a very collaborative manner, Vishal.

**Vishal Manchanda:** **And just one more on Aflibercept. Just wanted a clarification whether we own 100% of the rights here or we'll have to give out some profit share to J&J or Momenta?**

**Shreehas Tambe:** Maybe Kedar, you want to comment on this?

**Kedar Upadhye:** Yes, Vishal, whatever the royalty, there's no profit share, there is a small royalty. We are not public about the quantum, but it's not very significant.

**Vishal Manchanda:** **Understood. Thank you. That's all from my side.**

**Moderator:** This will be the last question for today, which is from Abdulkader Puranwala. Please introduce yourself and proceed with your question.

**Abdulkader Puranwala:** **Just two questions from my end. First, on the generic space. So, Novo Nordisk is now talking about launching vials in next year, citing generic threats. So how do we perceive this and versus the investments what we have done currently?**

**Siddharth Mittal:** Well, if the innovator does launch a different format or a different form of formulation, we will, of course, assess whether we need to develop it and for which market. And I think the disposable pen is what's the standard in most developed markets in US and

Europe, and they might have a different strategy for emerging markets. And I think at this stage will be difficult to comment, but we will, of course, track what makes most sense.

**Abdulkader Puranwala:** **Understood. And just a final one on your biosimilar growth. So sorry for hampering on this. But if we look at the nine-month number of 17%, would it be possible to split this across, your older products versus the new products what you have launched in the last six to nine months?**

**Kedar Upadhye:** Yes. Abdul, as we have explained in the past, the scale-up of biosimilars is a bit staggered over multiple quarters. So, a large part of the growth that we have demonstrated in the nine months is based upon the strength of the existing franchise.

**Abdulkader Puranwala:** **Got it, Kedar. Thank you for the clarification.**

**Moderator:** We'll take one more last question for the day, which is from Vipul Kumar Shah. Please introduce yourself and proceed with your question.

**Vipul Shah:** **I'm an individual investor. So, you named you have four molecules with \$200 million-plus revenue. So, can you name them? Is it possible to name them? And second question is, we were pursuing oral insulin program long back. So, are we still pursuing it or we have dropped it?**

**Kiran Mazumdar-Shaw:** So, let me first answer the first question, and then Kedar can answer the second, your other question about which are the four molecules that have crossed \$200 million. As far as oral insulin is concerned, physiologically, it worked, but financially, it didn't make sense because insulin is a very low-cost product from that point of view. And to make it work, it was going to cost a lot more. So financially, it was not viable. And hence, we dropped the program.

**Kedar Upadhye:** Thanks, Kiran. Vipul, the four molecules we have named last year, so I think trastuzumab, pegfilgrastim, insulin franchise, including glargine and adalimumab. These are the four molecules which have crossed \$200 million in FY '25.

**Vipul Shah:** **And Kedar, last question, what is the debt reduction road map?**

**Kedar Upadhye:** Yes. So, in the last two quarters from June till now, you have seen all the structured debt getting retired. And cumulatively, that will be upwards of almost \$550 million to \$600 million. So that has happened. Now the debt ratios have improved. You have seen upgrade from both S&P and Fitch.

So, we are happy about it. And effectively, what remains is the debt that we owe to bondholders and syndicated loan that we are on the journey for reduction in the subsequent quarters based upon organic cash flow generation.

**Vipul Shah:** **Same \$500 million reduction can be expected in next financial year?**



**Kedar Upadhye:** See, we are not quantifying. And in one year, such a large quantum is not possible. But look, that's our one of the biggest and top priorities.

**Vipul Shah:** **So net debt is how much?**

**Kiran Mazumdar-Shaw:** I think you should Vipul ji, you should actually look at what is your reduction of debt-to-EBITDA ratio. I think if you look at it, it has come down substantially. It is now below 2.5x. And I think what we will look at is to see how we can take that down further.

**Moderator:** As that was the last question for today, I would now like to hand the conference over to Mr. Prashant Nair for closing comments. Thank you, and over to you, sir.

**Prashant Nair:** Yes. Thank you, Michelle, and thanks, everyone, for joining the call. If there are any questions unanswered, please get in touch with the IR team. Thank you.

**Moderator:** Thank you, members of the management. Thank you, ma'am. On behalf of Biocon Limited, that concludes this conference. Thank you for joining us, and you may exit the meeting now. Thank you.

-Ends-

*Note: The contents of this transcript have been edited to improve accuracy and readability*