August 26, 2020

Listing Department Code: 532321
BSE Limited
P J Towers, Dalal Street, Fort,
Mumbai–400001

Listing Department Code: CADILAHC
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai–400051

Re.: Investor Presentation

Dear Sir / Madam,

Please find enclosed the investor presentation to be made to select investors through virtual mode on Thursday August 27, 2020 in Motilal Oswal 16th Annual Global Investor Conference.

Please bring the above information to the knowledge of investors at large.

The said presentation is being uploaded on the website of the Company.

Thanking you,

Yours faithfully,

For, CADILA HEALTHCARE LIMITED

DHAVAL N. SONI
COMPANY SECRETARY

Encl.: As above
Innovation : Avoid At Your Own Risk

Dr. Sharvil Patel | MD, Cadila Healthcare Ltd.
Context

1. Why do we need Innovation?
2. Product Innovations at Zydus
3. Process Innovations at Zydus
4. Zydus: Current Stand
On the back of its process innovation, India is known as “Pharmacy of the world”

India:
"Pharmacy of the World”...

... is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies

>50% Global Demand of Vaccines

>40% Generic Demand of US Market

~25% All medicines in the UK

- India is among the top 10 formulation exporting countries in the world, 4th largest by volume and 10th largest by value

Source: https://www.ibef.org/industry/pharmaceutical-india.aspx
During 2010 to 2015, Indian Pharma index outperformed market...
...but in last few years, Pharma index has underperformed

Growth trajectory has slowed down owing to...
- Uncertain market conditions
- Stringent regulatory norms
- Pricing Pressure

While the challenges will persist.. we will need to find avenues to drive growth....
Innovation will be an essential ingredient in future growth recipes of Indian Pharma companies...

... the next growth leap is through stepping in innovative and research based drugs

Evolution of Indian Pharma Industry

Source: Team Analysis
Innovation will play a critical role in this journey and help augment industries contribution to Indian and global healthcare

Innovation can drive significant health and economic benefits for India

Reduce India’s Disease burden
- Development of drugs for India-specific ailments that do not get adequate global attention (e.g., drug-resistant infections like NDM-1, oral cavity cancer) to help reduce India’s disease burden

Job creation
- Create high-skilled, white collar jobs enabling differentiation vis-à-vis other developing economies

Increase in exports
- Contribute additional USD 10-12 Bn of exports every year for the economy from 2030

The industry needs to maintain its relevance by expanding into NME space that accounts for 2/3rd of global value pool and where India has small presence today

**Pharma market value**

<table>
<thead>
<tr>
<th>Generics (incl. complex Generics)</th>
<th>Share of approvals 2015-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>~25</td>
<td>35-40 2-4 30-35</td>
</tr>
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</table>

**Incremental innovation**

<table>
<thead>
<tr>
<th>New molecular entities (NMEs)</th>
</tr>
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<tbody>
<tr>
<td>~65</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>US</th>
<th>Europe</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td>72</td>
<td>21</td>
<td>&lt;1</td>
</tr>
</tbody>
</table>

**Total**

| 100  |

Indian pharma industry has established its dominance in the generics space and now needs to move up the value chain to build a strong innovation ecosystem

Source: Evaluate pharma, USFDA website
Focus is required across five key building blocks to enable “innovation at scale” in India

Need for enabling regulations to spur innovation
Current regulatory landscape is fraught with multiple challenges including long undefined review timelines, low process visibility, multiple rounds of approvals, and low overall capacity

Requirement of dedicated ‘Innovation’ hubs with best-in-class infrastructure
‘Best in class’ infrastructure for innovation is currently limited and concentrated in a few nascent innovation hubs in the country

Policy landscape to encourage innovation at scale
The policy landscape has room for improvement, especially given high disparity between imports and exports, and non-alignment of R&D focus with disease burden in the country

Augment funding and incentivization to drive innovation
Investment incentivization is currently weak, as a result of low private investment in the space, low overall funding by GoI (<$1Bn) compared to global leaders (US is at ~$50-60 Bn), and limited investor confidence in the innovation space

Need to improve industry academia linkages
Industry academia collaboration today is impeded by issues such as lack of high quality of infrastructure and talent, low industry orientation of research, and lack of accountability and trust (H index of India is 624 vs 2386 of US in relevant fields)

Strong innovation ecosystem
Context

1. Why do we need Innovation?
2. Product Innovations at Zydus
3. Process Innovations at Zydus
4. Zydus: Current Stand
At Zydus, we aim to create healthier communities through our Innovation, making therapies accessible and bridging unmet needs

**NCE & NBEs**
- Multiple NCEs in pipeline
- **Saroglitazar** — lead molecule
- **TWINRAB** — 1st NBE from Zydus in collaboration with WHO

**Vaccine**
- 1st Indian company to launch indigenously developed H1N1 vaccine
- 2nd company in the world to develop TCV

**Biosimilars**
- 1st global biosimilar of Adalimumab; launched in India

**Gx, Specialty & Complex Gx**
- 150+ product launches in the US

**Wellness**
- #1 in Sugar substitutes, Butter substitute, glucose powder category & Skin Care
Saroglitazar is a novel drug with approvals for multiple emerging markets

- The approval of Saroglitazar was based upon the results of the EVIDENCES I, II and IV studies
- Drug met its primary and secondary endpoints in the US Phase II EVIDENCES IV trial

2013
Approved for 2 indications in India
  - Hypertriglyceridemia
  - Diabetic Dyslipidemia

2017-18
Approved for 2 indications in Mexico (2017) and EM markets (2018)
  - Hypertriglyceridemia
  - Diabetic Dyslipidemia

2019-20
Approved for 2 more indications in India
  - Type 2 diabetes
  - NASH and 2 indications in EM markets
  - Hypertriglyceridemia
  - Diabetic Dyslipidemia

Future milestone
Expected approval and launch for PBC in US

Future milestone
- Expected approval and launch for NASH in US

~2 Mn
Patient-years exposure in India

>70 Mn
Tablets sold in India so far

4
Indications approved so far

Table: NASH medicines represent $35 Bn market by 2030

1 Source: Internal data
Zydus’ Innovation engine is fueled by centers of excellence...

**Steady investments in R&D**

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D Cost</th>
<th>% of net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>7.6</td>
<td>8.2</td>
</tr>
<tr>
<td>FY17</td>
<td>7.5</td>
<td>8.1</td>
</tr>
<tr>
<td>FY18</td>
<td>8.6</td>
<td>7.4</td>
</tr>
<tr>
<td>FY19</td>
<td>9.4</td>
<td>7.4</td>
</tr>
<tr>
<td>FY20</td>
<td>11</td>
<td>7.9</td>
</tr>
</tbody>
</table>

**Scientific Pool**

1400+
NCEs & NBEs: Sustainable future growth drivers.

### NCEs Pipeline

<table>
<thead>
<tr>
<th>Project</th>
<th>Target</th>
<th>Indication</th>
<th>Drug Discovery</th>
<th>Lead Optimization</th>
<th>Preclinical Dev.</th>
<th>IND</th>
<th>Phase I</th>
<th>Phase II</th>
<th>Phase III</th>
<th>NDA</th>
<th>Marketed</th>
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</thead>
<tbody>
<tr>
<td>Desidustat</td>
<td>HIF-PH inhibitor</td>
<td>Anemia-CKD-ND/ D</td>
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<td>COVID-19</td>
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<td>Chemo ind. anemia</td>
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<tr>
<td>ZRC-3278</td>
<td>V-type H+ ATPase</td>
<td>Malaria (MMV)</td>
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<td>MMV 253</td>
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<tr>
<td>ZYBK2</td>
<td>HLA-DRB1 shared epitope</td>
<td>RA</td>
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</table>

### NBEs Pipeline

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</thead>
<tbody>
<tr>
<td>TwinRab</td>
<td>Anti-Rabies Mab’s</td>
<td></td>
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<tr>
<td>ZRC-NB-3224</td>
<td>AMD</td>
<td></td>
<td></td>
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<tr>
<td>ZRC-3297</td>
<td>Autoimmune</td>
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<td>ZRC-3298</td>
<td>Oncology</td>
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<td>ADC 2</td>
<td>Oncology</td>
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<td>Oncology</td>
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</tbody>
</table>

**~275** Dedicated Scientists

### Focus Therapy Areas

- Pain
- Cancer
- Inflammation
- Infection
- Cardio-metabolic

**4** NCEs in clinical development

**10+** NCEs/NBEs in Pipeline

Capabilities to do research from “Concept to First-in-man trials” under one roof.
Zydus aims to be a global player in the evolving Biosimilars Space

More than 18 years of experience of biosimilars development

A key Growth Driver for the India & Emerging Markets Business

A portfolio of 10+ commercial biosimilars in Indian Market

A team of 300+ scientists in R&D and Manufacturing

Robust Infrastructure

Product Portfolio & Addressable Opportunity

Leading Brands

Global Biologics Market ~ $ 255 Bn

Our Portfolio targets 21 products worth ~ $ 65 Bn Sales in 2019

- One of the largest installed and running State-of-the-art biologics manufacturing plant in Asia for monoclonal antibodies*
- End to End biosimilar development capabilities

- In last few years we have launched a number of leading biosimilar brands in the Indian market*
- These brands have catapulted us to leading position in therapy areas like oncology, rheumatology*

*Team Analysis, Internal Data
Zydus’ biosimilars pipeline targets 21 products worth ~ $65 Bn of brand sales value

<table>
<thead>
<tr>
<th>Drug</th>
<th>Sales 2019 (Brand)</th>
<th>Competitive Intensity¹</th>
<th>Zydus Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adalimumab</td>
<td>$ 19.17 B</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Trastuzumab</td>
<td>$ 6.08 B</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Pegfilgrastim</td>
<td>$ 3.5 B</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Bevacizumab</td>
<td>$ 7.12 B</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Peg-EPO</td>
<td>$ 1.12 M</td>
<td>Medium</td>
<td></td>
</tr>
<tr>
<td>Denosumab</td>
<td>$ 5.05 B</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>TDM-1</td>
<td>$ 1.4 B</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Onco Segment</td>
<td>$ 3.54 B</td>
<td>Medium</td>
<td></td>
</tr>
<tr>
<td>Ophthalmic Segment</td>
<td>$ 7.99 B</td>
<td>Medium</td>
<td></td>
</tr>
<tr>
<td>Onco Segment</td>
<td>$ 8.06 B</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Onco Segment</td>
<td>$ 1.49 B</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Respiratory Segment</td>
<td>$1 B</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Onco Segment</td>
<td>$ 2.99 B</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>GI Segment</td>
<td>$ 6.6 B</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Respiratory Segment</td>
<td>$ 704 M</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Auto Immune Segment</td>
<td>$ 3.43 B</td>
<td>Low</td>
<td></td>
</tr>
</tbody>
</table>

¹Competitive Intensity: High: >5 players; Medium: 2-5 Players; Low: <2 players; Team analysis

### Biosimilars launched in Indian market

1. IFNα-2b
2. PEG-IFN
3. PTH
4. G-CSF
5. Peg-IFN–CSF
6. EPO
7. Adalimumab
8. Trastuzumab
9. Bevacizumab
10. Rituximab
11. Peg-Asparagase
12. r-FSH

---

- In portfolio and development initiated / Completed
- In portfolio and development planned
- Not in portfolio
Zydus is an emerging player in the Vaccine space (1/2)

20+ years
...of experience, started journey in 1998

Growth Driver
...major growth driver for India & Emerging markets

5
Manufacturing (3) and R&D (2) Facilities

300+
...dedicated scientists and Workforce

Current Strengths & Capabilities

- **R&D**: Robust Product Pipeline coming out of dedicated R&D facilities in India & Europe. 2nd company in the world to develop Typhoid conjugate vaccines
- Capabilities to conduct research from “Concept to First-in-man trials” under one roof across vaccines types

- Live Attenuated
- Inactivated
- Sub-unit
- Inactivate Toxins
- Others

Portfolio

Global Vaccines Market
~ $60 Bn*

Mfg. & Supply:
- Dedicated manufacturing capabilities catering to differentiated portfolio
- Vaccine innovation comes from two R&D centers focused on developing newer vaccines

Portfolio: focus on innovative and differentiated vaccines catering to unmet needs

*Team Analysis, Internal Data

Our Portfolio targets 15 products worth ~ $14 Bn
Zydus is an emerging player in the Vaccine space (2/2)

Portfolio of over 15 vaccines
Addressable Global Market
4 Products marketed in India

Vaccine Market Size by 2026

$60 Bn*
Addressable Global Market

$14 Bn

Portfolio of vaccines:
- Pediatric vaccine
- Adult vaccine
- Tropical diseases
- Rabies Vaccine
- Hepatitis vaccines

Zydus Vaccine Portfolio
- DTP, Measles, MR, MMR, TCV, Varicella vaccine
- Flu, HPV vaccines
- Malaria and Chikungunya vaccines
- Rabies vaccine, TwinRab
- Hep A, Hep B, Hep E Vaccines

Addressable Market Opportunity *
- India Public Market
  ~ $70 M
- India Private Market
  ~ $220 M
- WHO Supplies
  ~ $1.5 B

*Team Analysis, Internal Data
Zydus’ vaccine for COVID-19 (ZyCoV-D): Rapid Discovery and Product Development with strong Clinical and Regulatory Expertise

- Pivotal Trials - Large scale manufacturing being planned at-risk to deliver millions of doses in 2020-21
- COVID-19 Sequence Published
- April 2020 - Process & Formulation developed
- May 2020 - ZyCoV-D Animal studies
- Feb 2020 - Zydus initiates fast-track discovery efforts using in-house DNA platform
- July 2020 - ZyCoV-D Phase 2 clinical trial ongoing

Strong immune response in animals
Complete Neutralization of virus
No safety concerns
In India, Zydus has been pioneer in launching new products to meet the unmet needs.

<table>
<thead>
<tr>
<th>Focus Therapy Area</th>
<th>IP Driven / FTI Opportunities</th>
<th>Day-1 Launches</th>
<th>Devices with Formulation</th>
<th>Differentiated Gx / PLC Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of Products</td>
<td>#16</td>
<td>#28</td>
<td>#11</td>
<td>#24</td>
</tr>
<tr>
<td>Annualised value</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Respiratory, Cardio-Metabolic, Gynecology, GI, Anti-infective</td>
<td></td>
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<tr>
<td>Cardio-Metabolic, Respiratory, Gynecology, Anti-infective</td>
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<tr>
<td>Respiratory, Gynecology, Pain, GI</td>
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<tr>
<td>GI, Pain, Anti-Infective, Respiratory, Gynae, Cardio-Metabolic</td>
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Right Identification → Agile Execution → 1st Wave of Launch