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Biocon Biologics receives $150M capital injection from Goldman Sachs

09 November 2020 | News

Transaction Values Biocon Biologics at $3.94 Billion



Biocon has announced that the Board of its subsidiary Biocon Biologics has approved a Rs 1, 125 Crore (~$ 150 million) capital injection from Goldman Sachs. As per the terms of the proposed agreement, Goldman Sachs will be issued

Optionally Convertible Debentures at a post money equity valuation of $ 3.94 Billion.

The transaction is subject to customary approvals and conditions.

Kiran Mazumdar-Shaw, Executive Chairperson, Biocon, said, “We are extremely pleased to welcome a capital injection by Goldman Sachs at this inflection point of Biocon Biologics’ journey in its quest for global leadership in providing affordable access through Biosimilar drugs. This transaction is a part of the overall strategic plan of value creation for our shareholders through Biocon Biologics.”

Dr. Christiane Hamacher, CEO, Biocon Biologics, said: “We believe Goldman Sachs’ capital infusion in Biocon Biologics demonstrates the confidence that large global institutions have in our capability to become a global leader in Biosimilars. With three of our products commercialized in the U.S. market, we continue to strive towards expanding access for our patients and unlocking value for our shareholders. This capital injection by Goldman Sachs will enable us to make prudent investments in R&D, high-quality manufacturing, as well as, establish a global commercial footprint. We are confident of achieving our aspiration of serving 5 million patients through our biosimilars portfolio and attaining a revenue target of USD 1 billion by FY22, thereby creating value for our shareholders who have supported us in this journey.”

Som Krishna, Managing Director, Merchant Banking Division at Goldman Sachs, said: “The global growth of biosimilars, coupled with collaborative regulatory pathways, is taking place at a rapid pace to drive market competition, budget sustainability for healthcare systems and improved patient access to treatments. Biocon Biologics, with a proven R&D track-record and established worldwide strategic partnerships, is well-positioned to continue to grow and be a major global player in this dynamic segment of the pharmaceutical industry.”

Biocon Biologics has the full spectrum of insulins (regular, basal and rapid) in its pipeline and the global scale necessary to make a difference to diabetes patients worldwide.

With the demand for biosimilars set to grow as patents of originator biologics expire and patients demand lower priced drugs, Biocon Biologics is well positioned to expand access.