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Serum Institute to buy 15% stake in Biocon Biologics worth $4.9 Bn

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BBL will have access to 100 million doses of vaccines annually and commercialisation rights of the SILS vaccine portfolio for global markets



Biocon Biologics Limited (BBL), a subsidiary of Biocon and Serum Institute Life Sciences (SILS), a subsidiary of Serum Institute of India have announced a strategic alliance.

Under the terms of the agreement, BBL will offer approximately 15 per cent stake to SILS, at a post-money valuation of ~$4.9 billion, for which it will get committed access to 100 million doses of vaccines per annum for 15 years, primarily from SILS's upcoming vaccine facility in Pune with commercialisation rights of the SILS vaccine portfolio (including COVID-19 vaccines) for global markets.

BBL will generate a committed revenue stream and related margins, commencing H2, FY23. Adar Poonawalla will have a Board seat in Biocon Biologics.

In addition to vaccines, the strategic alliance will also develop antibodies targeting several infectious diseases like Dengue, HIV, etc. The two companies will enter Service Level Agreements (SLAs) for manufacturing and distribution of the vaccines and antibodies.

Kiran Mazumdar-Shaw, Executive Chairperson, Biocon & Biocon Biologics, said, "This alliance will complement the strengths and resources of the two leading players in vaccines and biologics. Our shared vision of building large scale businesses having global impact makes it a unique and synergistic value creation opportunity."

Adar Poonawalla, CEO, Serum Institute of India, commented: "We look forward to complementing each other's capabilities and capacities in vaccines and biologics, to address inequitable access both in emerging and developed markets for life-saving vaccines and biologics."