

Agila Biotech to invest \$34.4 mn in Malaysia

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Agila Biotech, a Strides Arcolab Ltd (Strides) enterprise announced that Agila Biotech Sdn Bhd (Agila Biotech (Malaysia)) - its wholly owned subsidiary has entered into an agreement with Malaysian Bio-Xcell, a biotechnology park and ecosystem dedicated to healthcare and industrial biotechnology. With this deal Agila Biotech (Malaysia) joins Biocon (India), MetE x (France) and Glycos Biotechnologies (USA) as the early entrants into the Bio-Xcell ecosystem.

The \$34.4 million (RM107 million) Build-and-Lease Agreement is for the establishment of a customized biotech facility located in the Bio-Xcell ecosystem in Nusajaya, Johor, Malaysia. The agreement will replace an earlier agreement signed in May 2011. The deal was signed between En. Rizatuddin Ram li, CEO of Bio-Xcell and Dr. Anand Iyer, CEO of Agila Biotech (Malaysia) a subsidiary of India-listed Strides Arcolab Ltd at the three day BioPharma Asia Convention (BioPharma Asia) happening in Singapore from March 19, 2013.

Agila Biotech (Malaysia) has plans to develop a state-of-the-art, multi-product, scalable manufacturing facility with a production capacity for mammalian (2KL expandable up to 8KL) and microbial (500 L expandable up to 2KL) products. It also aims to develop advanced formulation/ fill finish facilities to meet Agila Biotech (Malaysia)'s business model which will support the manufacturing of internal pipeline products as well as CMO activities. These facilities will be able to support the production of Recombinant Monoclonal Antibodies (mAbs) from DS to DP, Recombinant Therapeutic Proteins from DS to DP, CMO activities for DS and DP, chemistry and for mutation activities for PEGylation, novel formulation development and sterile fill finish facilities for vials, PFS, cartridges and lyophilized products.

"Agila Biotech (Malaysia) is indeed poised to be a major anchor tenant for the Bio-Xcell ecosystem and we are extremely pleased to be able to offer our services and support for this promising project," said Mr Rizatuddin Ramli. Bio- Xcell will fund RM67.32 million (approximately \$22 million) to be provided under the Build-and-Lease Agreement with Agila Biotech (Malaysia), which will cover the construction of the building and part of the equipment. All other related state-of-the-art equipment, integration service and testing of this turnkey project (estimated at \$13-15 million) will be funded by Agila Biotech

(Malaysia) from internal accruals and funding from external sources."

The work on the facility for the end-to-end manufacturing of biologics located on an 8.77 acre plot is expected to start as soon as all necessary clearances and permits have been obtained and all supplemental agreements have been executed. Both parties are aiming for the R&D and manufacturing facilities to be operational by end 2014.

Agila Biotech (Malaysia) also plans to incorporate into its facility at Bio-Xcell, the "next-generation" technology platforms which revolutionize the way biomolecules are developed, manufactured and commercialized. It is built around a unique platform that features the innovative application of single-use component technology and transforming biomanufacturing economics, thus reducing deployment of new manufacturing capacity from 3-5 years to a faster 12-18 months. There's also a significant capital investment savings compared to conventional approaches.

Dr. Anand Iyer, noted that the facility in Bio-Xcell represents a strategic move to further bolster Agila Biotech (Malaysia)'s manufacturing presence in the region and tap into unmet global demand and window of opportunity in biologics. The proposed facility at Bio-Xcell will include a Mammalian Cell Culture Single-Use Technology Manufacturing Suite, a Microbial Fermentation Single-Use Technology Manufacturing Suite, a Fill & Finish Suite, Analytical/ QC/R&D labs, utilities infrastructure and offices.

Agila Biotech is also building a 15,000 sq.ft, state-of-the-art biologics R&D facility in Bangalore that will support and complement its operations in Malaysia.