

[I] PRESS: Biocon Biologics looks to pare \$300 mln acquisition debt in next 1 yr

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MUMBAI – Biocon Biologics, a subsidiary of Biocon Ltd., is looking to pare another \$300 million acquisition debt in the next one year, The Economic Times newspaper reported Friday, citing company's Chairperson Kiran Mazumdar Shaw. She, however, refused to clarify if the company will raise equity to reduce debt, adding that it will explore different options to achieve this.

Biocon Biologics refinanced \$1.1 billion debt last month through five-year US dollar bonds and a new syndicated facility, which strengthened its financial position and provided more flexibility to manage debt going forward, the report said. Biocon Biologics acquired Viatris' biosimilar business for \$3.33 billion in November 2023, through \$1.2 billion debt and up to \$335 million as additional payments to be paid in 2024. The net debt for the biologics division stands at approximately \$1.2 billion. The company repaid \$250 million debt in 2023-24 (Apr-Mar), the report said.

The Biocon group business will see accelerated growth in Oct-Mar of FY25 led by sustaining momentum of the biosimilar business as well as the emerging opportunity in the insulin market, Syngene returning to growth, and the recovery of generics in the later part of FY25 with the launch of new products, the newspaper reported. Biocon Biologics has a 20% market share for

oncology products and in the mid-to-high teens for the insulin franchisee in the US market.

The company is awaiting the outcome of the inspection by the US Food and Drug Administration of its Biocon Park facility in Bengaluru conducted in July. A positive outcome will help the company launch its Bevacizumab biosimilar in the US market, the report said. Some competitors are opting out of the insulin market to focus more on Glucagon-like peptide-1 products. This presents an opportunity for Biocon as the largest insulin producer, Shaw was cited by the newspaper as saying.

At 0920 IST, shares of Biocon were down 0.2% at INR 327.25 on the Natinal Stock Exchange. End

US\$1 = INR 84.36

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