BioSpectrum
the business of Bio & Health Sciences
ASIA EDITION

Korea's Samsung Biologics buys full ownership of Samsung Bioepis from Biogen for $2.3B

January 28, 2022 | News

Expected to accelerate growth in biosimilars and novel therapeutics R&D



South Korea-based Samsung Biologics has reached an agreement with Biogen for the buyout of Biogen's stake in the Samsung Bioepis joint venture for $2.3 billion. The transaction is expected to boost earnings growth of Samsung Biologics on a consolidated basis, fully capitalizing on Samsung Bioepis' growth outlook.

Biogen initially invested in a 15% stake in Samsung Bioepis when it was established as a joint venture in 2012. Under the terms of the original agreement, Biogen had the right to purchase up to 50% less one share of Samsung Bioepis, which it exercised in June 2018.

The deal will further deliver Samsung Bioepis' sales growth and operating margin improvements with streamlined operational efficiencies, budget surplus, and cash flow generation. Samsung Bioepis has successfully launched five biosimilars globally, three in autoimmune and two in oncology.

Additionally, one product is about to be released in the market, and four biosimilars are in Phase 3 clinical trials. The full buyout of Biogen's stake is expected to accelerate Samsung Bioepis' biosimilar development capabilities and future performance in novel drug development, with improved autonomy and agility in business operations.

Samsung Biologics is currently building Plant 4, which will break its own record of holding the world's largest biomanufacturing capacity, and will begin construction this year of a new facility, Plant 5, which will offer multi-modal product services. In addition, the company is in the process of securing additional land of 350,000m^2 for Bio Campus II, which will be 30% larger than the size of the current site.