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Spain's **Chemo** buys 30% of Chinese biosimilar maker as step in Asian expansion

MADRID, May 27 (APM) - Spanish generics and chemical group **Chemo** has purchased a 30% stake in biosimilar producer Shanghai Clonbiotech from Chinese parent company Fosum Pharma as a further step in its ongoing expansion into Asia, **Chemo** managing director Leandro Sigman said on Tuesday.

"We can't disclose how much we paid for the stake which was concluded this month," Sigman told APM in a telephone interview.

In the deal, **Chemo** receives exclusive international marketing rights to Clonbiotech's principal product, recombinant human erythropoietin for serious anaemia, and other drugs in its portfolio including the anti-cancer treatment pemetrexed, the anti-inflammatory estroptokinase and recombinant human interferons.

"The strategic alliance with Fosum Pharma, a pharmaceutical company which is growing enormously and has global expansion projects, strengthens **Chemo**'s presence in the Chinese market," the managing director said.

Chemo already has production facilities in China and exports 20 products, mostly therapies for women's health, primary care and oncology, to various Asian markets including South Korea, the Philippines, Malaysia, Vietnam, Thailand and Pakistan.

Ten new products will be launched in Asia soon, the company said in a statement.

FURTHER ASIAN EXPANSION

Chemo's Chinese purchase is part of a wider plan by the company to expand both in Asia and the rest of the world.

"We're currently looking to buy a pharmaceutical company in the Philippines this year as that is an important market. And if we can't find one, we'll perhaps start our own from scratch," Sigman said.

"That's in the short term. After that, we'll be looking to establish ourselves in Indonesia," he added.

Chemo hopes the turnover from its Chinese operations will contribute around 100 million euros this year to the company's expected global figure of 450 million.

Turnover last year was 400 million.

INTERNATIONAL PRESENCE

Sigman said that **Chemo**'s negotiations to buy an undisclosed U.S. company were currently frozen because only 40% of the target firm's portfolio are women's health treatments which the Spanish company is keen to concentrate on.

"We're not finding a way to deal with the other 60% of that company's portfolio which we're really not interested in," he said.

Founded 31 years ago, **Chemo** is a family-owned company which manufactures generic medicines for dozens of European companies as well as its own lines. It is present in 24 countries around the world and has production facilities in Europe, Asia and Latin America.

Over the past four years, the company has opened five overseas plants - three in China, one in India and another in Argentina.

Earlier this year, the U.S. FDA granted marketing approval for five of **Chemo**'s generic female hormonal compounds manufactured at its plant in Spain's Leon province and the company hopes to present six more for approval this year.

Chemo is also looking to begin operations in Germany and has entered the innovative sector by developing two of its own gynaecological treatments which are undergoing Phase II trials.

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