

Chinese billionaire's co bids for Hyd-based Gland Pharma

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Hyderabad: Chinese billionaire **Guo Guangchang's** Fosun group has made a non-binding offer to buy city-based Gland Pharma.

Shanghai Fosun Pharmaceutical on Monday said it has, through its wholly owned subsidiary Fosun Industrial Co, made an offer to pick up 96% stake in the Indian injectable drug maker from its promoters and KKR. A deal will help the Hong Kong-listed company boost its drug manufacturing and research and development capacity, Fosun said.

US pharmaceutical player Baxter International and PE player Advent International are also

learnt to be in the fray to acquire Gland Pharma.

Gland Pharma was founded in 1978 by P V N Raju to manufacture and market Heparin for the domestic market and provide contract manufacturing services for other



pharmaceutical companies. Gland Pharma founders and KKR are selling their combined stake, valued at between \$1 billion and \$1.5 billion, Reuters had quoted people with direct knowledge of the matter as saying in April. KKR had invested \$191 million in November 2013 for a minority stake, then valuing Gland Pharma at about \$600-650 million.

Shanghai Fosun's interest

in Gland Pharma is the first major move on a deal by the Fosun group of companies since Guo, one of China's best-known entrepreneurs and the founder of flagship investment holding company Fosun International, briefly went missing late last year. Fosun has interests in wealth management, healthcare and tourism, among others, and Guo is regarded as China's Warren Buffett. He returned to work after assisting authorities with an investigation.

Gland Pharma has four manufacturing facilities — a liquid injectables unit at Dundigal, a unit at Pashamylaram, a penems unit in Hyderabad and an oncology facility at Visakhapatnam.

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