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GIC to invest $75M in Ascletis' Hong Kong IPO

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Ascletis Pharma, the first biotechnology firm to file for an IPO in Hong Kong following recent listing reforms, has secured commitment from Singapore sovereign wealth manager GIC to become a cornerstone investor.

GIC will buy a fifth or $75 million worth of Ascletis shares as the Hangzhou-based company seeks to raise between $343 million and $457 million from the initial public offering.

The company is offering 224.1 million shares at HK$12 to HK$16 each, potentially valuing the entire firm at up to $2.32 billion. The shares are expected to start trading on August 1.

GIC will also be prohibited from selling its holding in the hepatitis C drug developer for six months from the listing date.

Some 30 per cent of the listing proceeds has been earmarked for research and development of its pipeline of new drugs, while 25 per cent will be used to commercialise its Danoprevir and Ravidasvir drugs.

Danoprevir was exclusively licensed to Ascletis from Swiss pharmaceutical giant Roche five years ago, to develop, produce and commercialise the drug in the mainland, Hong Kong and Taiwan.

Ravidasvir was licensed from San Francisco-based Presidio Pharmaceuticals in 2014 for commercialisation in Greater China.