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Changchun High, New Technology form $200 M JV

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China's biopharma firm Changchun High & New Technology Industries have teamed up with Iceland's drugmaker Alvotech to develop and sell biosimilars in China. Alvotech, founded in 2013, is a sister company to Alvogen, a US generic pharma. Alvogen is majority owned by CVC Capital Partners, an EU-Asian PE firm, and Temasek, the sovereign wealth fund of Singapore.

The parties have signed an agreement to set up a joint venture (JV) with a registered capital of $200 million. Changchun will fund the JV with $100 million while Alvotech will contribute $10 million plus six drug licenses valued at $90 million. The permits to use these products will last for five years.

The JV will have an exclusive right to develop, import and sell these six drugs in China's mainland, while looking for international opportunities.