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ASIA EDITION

Celltrion to invest $520M for new plant in China

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The Plant will be located in the central city of Wuhan



South Korea's Celltrion Inc. said it will spend 600 billion won (US$520 million) on its new plant in China over the next five years. The planned plant, with a production capacity of 120,000 liters of biopharmaceutical products, will be located in the central city of Wuhan. It will be the largest production facility in the world's second-largest biopharmaceutical market.

Celltrion has signed a business agreement with the city government of Wuhan and the provincial government of Hubei Province. Under the agreement, the plant will not only develop and manufacture biopharmaceutical products but also include a contract manufacturing organization (CMO) business.

"There is huge demand for high quality medicine and medical supplies in China. Efforts will be made so that we can provide biosimilar products to Chinese patients as fast as possible," said Gi Woo-seong, CEO, Celltrion.

In order to do so, the firm said it will soon set up a corporate body in mainland China and hold a groundbreaking ceremony within the first half of the year.

The business plan deviates from its earlier plan to set up a joint venture (JV), the Vcell Healthcare Ltd., with Hong Kong-based Nan Fung Group in China.

Data from the World Health Organization showed that the Chinese biopharmaceutical market is expected to post annual growth of nearly 20 percent by 2025.