

Belgium-based UCB to divest mature neurology and allergy business in China for \$680 M

26 August 2024 | News

Strategy in China evolving towards a stronger focus on innovation and partnerships



UCB, a global biopharmaceutical company based in Belgium, has announced a strategic divestment deal in China, underscoring its strategic shift towards innovation and partnership in one of the world's fastest-growing pharmaceutical markets.

This transaction involves the sale, divestment and license of UCB's mature business (neurology and allergy) in China, including Keppra, Vimpat, Neupro, Zyrtec, Xyzal, and the Zhuhai manufacturing site, to CBC Group, Asia's largest healthcare-dedicated asset management group, and Mubadala, the Abu Dhabi based investment company, for an amount of \$680 million. This medicine portfolio, consisting of well-established and trusted solutions, continues to deliver value and reliability to patients in China.

UCB decided to evolve China's focus and sell the mature neurology and allergy business to a reputable investor with deep-rooted healthcare expertise and a commitment to improving efficiencies in fulfilling unmet medical needs. This partnership will allow more patients to benefit from UCB's past innovations as the new leading neurology company that CBC Group and Mubadala develops and operates at scale in China.

Fu Wei, Chief Executive Officer of CBC Group said, "This strategic deal aligns with CBC's strategy of investing in high potential companies with quality products, strong brand equity, dedicated talents and steady growth outlook. It will complement our existing healthcare ecosystem, serving as an anchor asset to further build out a leading integrated CNS biopharma platform in China that will deliver gold standard treatment to more patients nationwide."

The scope of this divestment includes UCB's neurology portfolio (Keppra, Vimpat, Neupro) and allergy portfolio (Zyrtec, Xyzal) in Mainland China, as well as UCB's Zhuhai manufacturing site. This transaction will allow UCB to focus its efforts on innovation and partnerships, ensuring that its strategic goals align with the evolving demands of the Chinese market. Combined net sales for these medicines in China for 2023 were 131 million euros.