

# Dubai Investments PJSC divests 66% stake in Globalpharma

**Dubai, June 26, 2014:** Dubai Investments PJSC [DI], the leading investment company listed on the Dubai Financial Market [DFM], has announced the divestment of 66% equity stake in its pharmaceutical subsidiary Globalpharma Co. LLC. The Group will continue to hold 34% equity in Globalpharma. This transaction yielded a healthy IRR of 26% over a 10-year period for DI.

DI has divested 66% to the investor group led by Sanofi (EURONEXT: SAN) (NYSE: SNY), a leading global healthcare company headquartered in France. Pursuant to the agreements entered into between DI and the investor group today, Globalpharma will be managed as a Sanofi company and will become the platform to manufacture and promote the generics portfolio of Sanofi in the Middle East markets.

In his comments, Mr. Khalid Bin Kalban, Managing Director and CEO of Dubai Investments, said: “Our investment in Globalpharma was well timed as we capitalized on the rapid growth in the pharmaceutical sector in the region. With the direction and support of DI, the management executed a successful strategy which has attracted a lot of strategic interest. This created the opportunity for our successful sell-down.”

“We believe that the new partnership being forged with Sanofi will propel Globalpharma to the next level of its growth,” added Mr. Kalban.

DI commercialized Globalpharma in 2003 and grew the company to become a market leader in certain therapies. Globalpharma is currently registered in more than 14 countries across the GCC, Middle Eastern and neighbouring markets. Globalpharma manufactures pharmaceutical products under CGMP conditions including antibiotics, cardiovascular, anti-ulcerants, painkillers, food supplements, vitamins, anti-diabetics, respiratory products and anti-allergic formulations. Globalpharma has achieved healthy double-digit growth year-on-year since 2010.

Mr. Kalban added: “The investment case for Globalpharma was compelling, as it was to operate in a pharmaceutical market which was expected to have uninterrupted growth in the region over coming years, driven by favorable demographics and increasing GDP per capita. The penetration of generic drugs manufacturing, which has historically been low in the region, is now gradually increasing to European levels. We started Globalpharma and brought the right team and the right product mix. It is now time for a firm such as Sanofi, a global leader in pharmaceuticals, to take Globalpharma forward.”



DI's divestment and agreement with Sanofi is first-of-its-kind in the Middle East Generics market that combines Sanofi's strong heritage of international quality treatments with a local trusted partner in generics medications – Globalpharma – to reach more patients with affordable medications. Globalpharma will be managed as a Sanofi company and will become the platform to manufacture and promote the generics portfolio of Sanofi in the Middle East markets. The portfolio will include anti-infective, cardiovascular and gastrointestinal products. Globalpharma will offer affordable treatment options to address the unmet healthcare needs of population in the Middle East region.

Mr. Kalban said: "Dubai Investments has been at the forefront of identifying and implementing profitable businesses across sectors and markets. The divestment in Globalpharma is part of our strategy to continuously create value for our stakeholders. This strategic divestment and agreement with Sanofi will help grow Globalpharma's capabilities in the region and ensure that it is meeting the needs of the regional healthcare industry."

He added: "We are always on the lookout for strategic investments and divestments. Over the years, DI has always remained profitable with its prudent strategy aimed at boosting its profits and maintaining a high level of liquidity besides generating healthy returns for its shareholders."

With a strong local footprint, Globalpharma will benefit from the wide-ranging Sanofi generics portfolio and pipeline as well as from the strong brand equity of Sanofi in the Middle East markets.

**PHOTO CAPTION:**

**[From Left to Right] Mr. Jean-Christophe Badri, CFO – Turkey & Middle East at Sanofi, Dr. Pius Hornstein, Vice President – Turkey & Middle East Zone at Sanofi, Mr. Khalid Bin Kalban, Managing Director and CEO of Dubai Investments, and Mr. Abdulaziz Al Serkal, General Manager of Dubai Investments, at the signing ceremony in Dubai on Thursday June 26, 2014.**

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**About Dubai Investments:**

Incorporated in 1995, Dubai Investments PJSC is a leading investment company listed on Dubai Financial Market with over 19,894 shareholders, and paid-up capital of AED3.5 billion. The company works in manufacturing, financial investments, real estate development and mergers and acquisitions. The portfolio comprises of six large investment units – Glass LLC, Dubai Investments Industries (DII), Masharie Company LLC, Dubai Investment Park (DIP), DI Real Estate Company (DIRC) and Al Taif Investment.

DI owns around 40 subsidiaries and joint ventures encompassing a diverse range of sectors including manufacturing of construction-related materials, food and related fast moving consumer goods, pharmaceuticals, industrial and commercial



properties, real estate management and property development, marketing and sales, information technology solutions, driver education, district cooling, and financial investments.

DI's primary mission is to add value and to grow its investment portfolio through active strategic stewardship, financial engineering and leveraging its corporate brand, business promotion capabilities, network of relationships, and financial resources.

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