

ASIAN HEALTH NEWSLETTER

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A Quarterly newsletter of developments in the pharmaceutical, medical and healthcare industries

We hope that you find the Asian Health Newsletter informative.

Business Development Asia (“BDA”) is an investment banking firm specializing in executing cross-border transactions involving Asia, including acquisitions, divestments, JVs, capital raising and restructuring. We have offices and professional staff throughout Asia, the Middle East, Europe, and the US. If you would like to learn more about how BDA is positioned to help your business

grow through acquisitions, or to achieve maximum value in a divestment or fund raising exercise, please contact us at any one of our offices.

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China

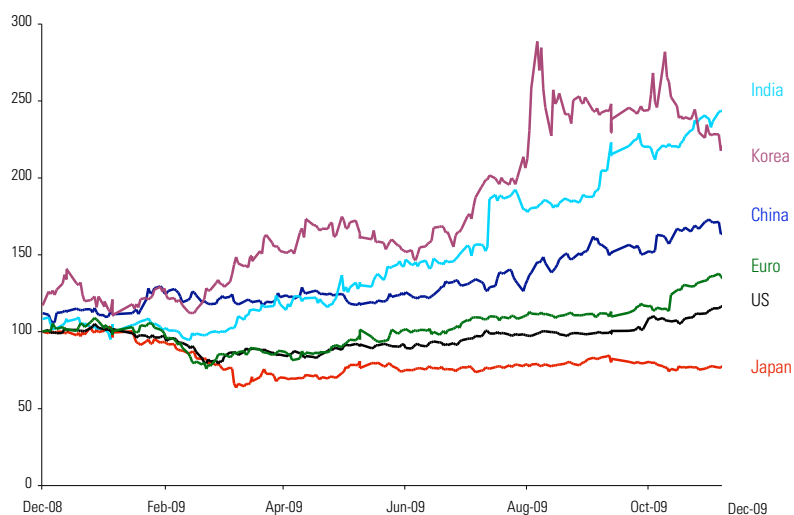
Ascendium Group Ltd, a special purpose acquisition company, has acquired **China MedStar Ltd**, a Chinese manufacturer of cancer equipment, for US\$37m. *November 30, 2009*

Chongqing Huapont Pharm, a listed Chinese API company, has agreed to acquire 77% of **Beijing Yingtai Jiahe Technology**, a Chinese provider of pharma R&D, from various private parties, for US\$144m. *October 9, 2009*

CordLife Ltd, a blood bank provider, plans to acquire **China Stem Cell**, a Chinese laboratory storage facility, for US\$10m. *November 30, 2009*

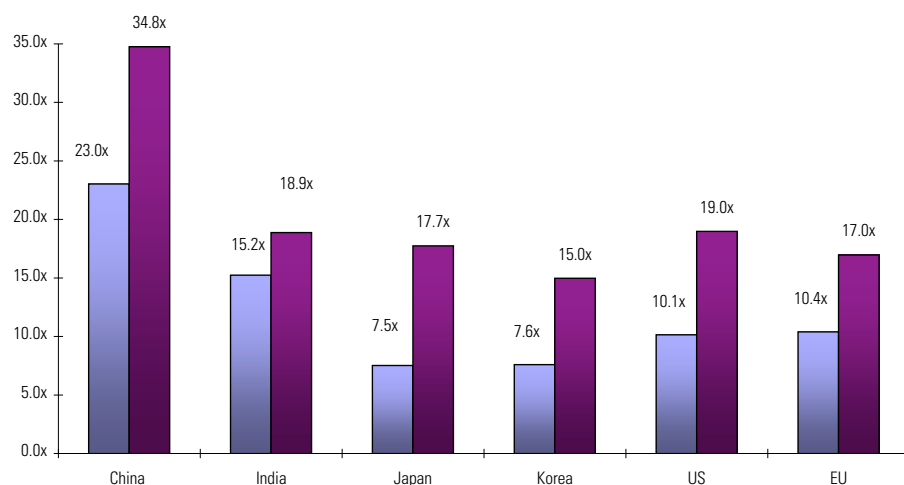
Guangzhou Konzern Pharmaceutical, a Chinese pharma company and a

Healthcare Stock Indices for Selected Countries (12 months ending 9Dec09)



Source: ThomsonOne, BDA

Healthcare Trading Multiples for Selected Countries (9Dec09)



Source: ThomsonOne, BDA

subsidiary of **China Medicine Corporation**, has agreed to acquire **Guangzhou LifeTech Pharmaceuticals**, a Chinese drug manufacturer from **McWalt's Investment Holdings Ltd**, a Chinese investment management company, for US\$22m. *October 30, 2009*

HAL Holding, a wholly-owned subsidiary of **HAL Trust NV**, has agreed to acquire the optical retail activities of **Safilo SpA**, an Italian manufacturer and retailer of eyewear, and its affiliates **Safilo Espana SL**, **Grupo Sunglass Island**, and **Just Spectacles**, for US\$30m. *October 19, 2009*

Hangzhou Jinbang Trading, a Chinese manufacturer and distributor of pharmaceuticals, has agreed to acquire **Hangzhou Tianmushan Pharma**, a Chinese wholesale trading company, for

US\$7m. *November 24, 2009*

Li Chunhua, a private investor, has acquired an additional 8% in **China Animal Healthcare Ltd**, a Chinese manufacturer and wholesaler of animal drugs. The stake is valued at US\$18m and raises Li Chunhua's interest from 44% to 52%. *October 30, 2009*

Novartis, a pharma company, has agreed to acquire 85% of **Hard To Treat Diseases'** H1N1 vaccine partner **Zhejiang Tianyuan Bio-Pharmaceutical Co**, for US\$125m. *November 5, 2009*

Novartis has signalled its continuing prioritization of China by announcing a proposed investment of US\$1.3bn on two Chinese R&D centres over the next five years. This includes US\$250m in a new R&D centre and manufacturing facility

in Changshu located near Shanghai and another US\$1bn to hire 10,000 specialists at existing facilities in Shanghai which were inaugurated two years ago. The Chinese Government has announced a three year increase in insurance coverage that will total US\$124bn which will provide essential medical services as well as health centres and vaccinations.

November 3, 2009

Pfizer won conditional approval from China's **Ministry of Commerce ("MOFCOM")** for its US\$68bn acquisition of **Wyeth**. Pfizer committed to divest its leading swine mycoplasmal pneumonia vaccine business – the brands "RespiSure" and "RespiSure One" - in China. The sale should be agreed within six months. If Pfizer fails to meet this timetable, MOFCOM may appoint a trustee to effect the divestment on any terms. *October 2, 2009*

PPD Inc, a listed US CRO, has agreed to acquire **BioDuro LLC**, a Chinese drug discovery outsourcing company, for US\$77m. *November 30, 2009*

PPD Inc has agreed to acquire **Excel PharmaStudies**, a Chinese drug discovery company, for an undisclosed consideration. *November 6, 2009*

Shanghai Pharmaceutical Co, a Chinese pharma manufacturer, has agreed to acquire three subsidiaries of **SI Pharmaceuticals Group Ltd**, a wholly-owned unit of **Shanghai Industrial Holdings Ltd**, for US\$293m. Included in the transaction are a minority stake in **SIIC Medical Science & Technology Ltd**,

a 70% stake in **Mergen Biotech Ltd**, and a 9% stake in **Shanghai Fudan-Zhangjiang Bio-Pharmaceutical**. *October 15, 2009*

Ye Xiang Wu, an individual investor, has acquired **Shanghai Baijiayi Pharmaceutical**, a Chinese drug manufacturer, for US\$15m. *October 29, 2009*

Hong Kong

Investor Group, an investment holding company, plans to buy **Everpride Biopharmaceutical**, a Hong Kong manufacturer of biopharmaceutical products, for US\$3m. *November 10, 2009*

Shanghai Fosun Pharmaceuticals, a Hong Kong listed pharma company, has agreed to acquire 11% of **Chindex International Inc**, a Chinese-focused medical services and instruments provider, for US\$22m. *November 19, 2009*

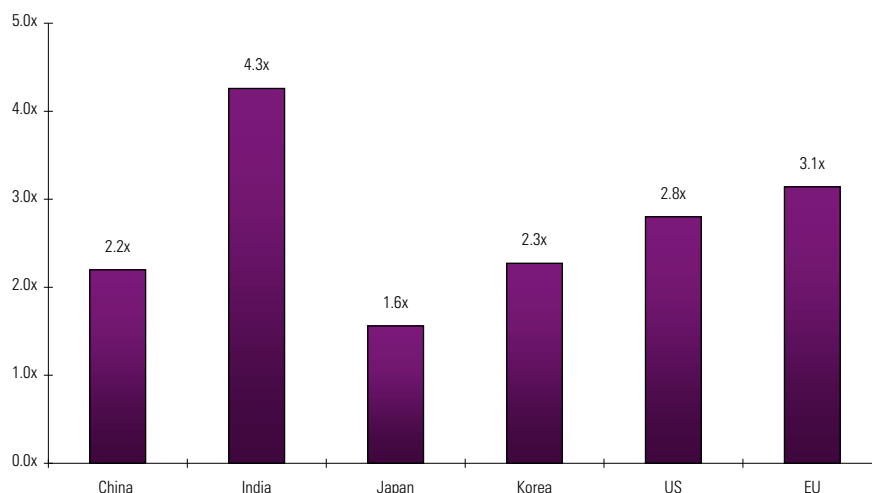
India

Biocon, an Indian biotech company, acquired the active pharmaceutical ingredients business of **IDL Specialty Chemicals**, a Australian wholly-owned unit of **Gulf Oil Corp**, a manufacturer of pharmaceuticals, for an undisclosed amount. *September 30, 2009*

Lifeline Industries, an Indian API company is in discussions to acquire the assets of **Erica**, an Indian pharmaceutical generics manufacturer, for US\$29m. *October 15, 2009*

Lonza Group Ltd, a Swiss

Healthcare Trading Price/Revenue Multiples for Selected Countries (9Dec09)



Source: ThomsonOne, BDA

biopharmaceutical manufacturer, has acquired **Simbiosys Biowares India Ltd**, an Indian biotechnology company from **Simbiosys Biowares Inc**, a cell-biology company, for an undisclosed amount. *October 13, 2009*

Merck Specialities, a wholly-owned unit of **Merck KGaA**, has acquired **Bangalore Genei**, an Indian biotechnology company from **Sanmar Speciality Chemicals**, a subsidiary of **The Sanmar Group**, a chemicals-focused investment group, for US\$9m. *October 14, 2009*

Indonesia

Taisho Pharmaceutical, a Japanese provider of pharmaceuticals, has acquired 98% of **Bristol-Myers Squibb Indonesia**, an Indonesian biopharmaceutical

company, for US\$310m. *November 2, 2009*

Japan

Alfresa Holdings Corp, a provider of pharma products, plans to buy **Alfresa Nikkensangyo**, a medical supplies wholesaler, for US\$18m. *November 4, 2009*

CellBank Corp, a Japanese healthcare supplies manufacturer, acquired the cultured skin business of bankrupt **BCS**, a Japanese biological body materials developer, for an undisclosed amount. *October 26, 2009*

Century Medical, a Japanese wholly-owned unit of **Itochu Corp**, acquired the domestic spinal system sales business of **Showa Ika Kohgyo**, a Japanese manufacturer and wholesaler of medical

devices, for an undisclosed amount.
September 30, 2009

Gadelius KK, a subsidiary of the Swiss medical and industrial machines manufacturer **ABB**, has acquired **Cathex Co**, a Japanese medical equipment company, for US\$11m. *October 1, 2009*

Kyowa Medical Holdings, a listed Japanese medical products provider, has agreed to buy **Kuribara Medical Instruments**, a Japanese hospital equipment wholesaler, for US\$15m.
October 20, 2009

MethylGene Inc, a listed Canadian biopharmaceutical company, is issuing 4 million shares worth US\$2m to **Otsuka Pharmaceutical Co**, a Japanese developer of small molecule kinase inhibitors.
November 5, 2009

Monster 9, a television broadcasting company, plans to acquire **MediBIC Group**, a Japanese provider of genomic medicines and analysis, for US\$6m.
November 19, 2009

Niigataken Kosei Nogyo Kyodo Kumiai Rengokai, a Japanese medical institution, has acquired **Niigata Kobari Byoin**, a Japanese eldercare hospital, for US\$30m.
October 1, 2009

Toho Pharmaceutical, a Japanese wholesaler of pharma products, has acquired **OMWELL Inc**, a provider of medical equipments and drugs, for

US\$150m. *October 1, 2009*

Korea

Arigene Co, a listed Korean medical equipment company has agreed to acquire US-listed biopharmaceutical company **Trimeris Inc**, for US\$81m.
October 5, 2009

CHA Bio & Diostech, a listed Korean biomedical company, is acquiring 98% of **Hanson Biotech Co**, a Korean manufacturer and wholesaler of biotechnology products, for US\$20m.
October 27, 2009

Dong-A Membership Group, a Korean sports and club membership service provider, plans to buy **Korea Bone Bank**, a Korean medical equipment manufacturer, for US\$74m. *November 2, 2009*

GNCO Co, a manufacturer and wholesaler of apparel, is increasing its stake from 15% to 35% in **Sumagen Co**, a Korean manufacturer and wholesaler of pharmaceuticals from private investors **Byeonghui Han, Sohui Han, Mukyung Han Ju, Taehui Kwon, Geunwan Lee, and Giyeol Seo**, for US\$7m. *November 12, 2009*

Koastron Co Ltd, a medical equipment manufacturer, has acquired **Chunggei Pharm Co Ltd**, a Korean manufacturer and wholesaler of pharma products, for US\$4m. *November 2, 2009*

SK Chemicals Co, a Korean chemicals

manufacturer, plans to buy **CTC Bio Inc**, a Korean pharma manufacturer, for US\$9m. *October 13, 2009*

Singapore

China Pharma Ltd, a JV between **Morgan Stanley Private Equity Asia III Holdings** and the controlling shareholders of **Sihuan Pharmaceutical Group ("Sihuan")**, a Singaporean drug manufacturer, has acquired Sihuan, for US\$243m. *October 20, 2009*

Hyflux Engineering, a subsidiary of water purification provider, **Hyflux Ltd**, has increased its stake from 28% to 51% in **Sinolac**, a Singaporean biotechnology manufacturer of L-lactic acid, for US\$6m.
October 6, 2009

Parkway Life Japan 3, a Singaporean SPV formed by **Parkway Life Real Estate Investment Trust**, is acquiring a portfolio of Japanese nursing homes from **Kenedix Inc**, a Japanese real estate asset manager, for US\$56m. *November 13, 2009*

Taiwan

Hua Eng Wire & Cable, a Taiwanese wire and cable manufacturer, has acquired an additional 17% stake in **Bionime Corp**, a Taiwanese provider of blood glucose monitoring systems, for US\$16m. *October 16, 2009*

Kai Nan Investment Co, a division of **Uni-President Enterprises**, a Taiwanese food and beverage company, has acquired 4%

of **ScinoPharm Taiwan Ltd**, a manufacturer and wholesaler of pharmaceuticals, for US\$15m. *October 15, 2009*

Vietnam

DWS Vietnam Fund, an international fund of **Deutsche Bank**, and **VinaCapital Vietnam Opportunity Fund**, an AIM-traded investment company, have each acquired 20% of **Hoan My Medical Corp**, a Vietnamese owner and operator of

hospitals, for US\$10m. *October 20, 2009*

Ranbaxy Laboratories Ltd, an Indian manufacturer and wholesaler of pharmaceuticals and a unit of **Daiichi Sankyo**, divested its Vietnam operations, to an undisclosed acquiror.

November 2, 2009

Selected Asian Healthcare Transactions with Multiples (12 months ending 9Dec09)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Acquisition Type	EV / EBITDA	EV / Revenue	P/E
29-Oct-09	Hua Han Bio-Pharm Hldg	HK	Hua Han Bio-Pharm Hldg	HK	\$22.8	-	3.7x	1.1x	12.0x
16-Sep-09	Bristol-Myers Squibb Indonesia	Indonesia	Taisho Pharmaceutical	Japan	\$310.0	98.0%	16.4x	7.3x	24.4x
12-Sep-09	Yunnan Baiyao Grp	China	Chen Fa Shu	China	\$323.3	-	23.8x	2.4x	33.7x
24-Aug-09	Sihuan Pharm Hldgs Grp	China	China Pharma	China	\$315.1	99.3%	5.0x	2.8x	8.7x
20-Aug-09	Kalbe Farma Tbk PT	Indonesia	Kalbe Farma Tbk PT	Indonesia	\$161.1	-	7.3x	1.3x	15.9x
19-Aug-09	LeRoi Holdings	HK	Wai Yuen Tong Hldgs	HK	\$47.7	19.0%	-	33.8x	-
12-Aug-09	Extrawell Pharm Hldgs	HK	Extrawell Pharm Hldgs	HK	\$58.2	-	\$24.4x	24.2x	290.1x
24-Jul-09	Golden Meditech	China	Golden Meditech	China	\$30.3	-	6.7x	3.7x	41.2x
19-May-09	Kalbe Farma Tbk PT	Indonesia	Kalbe Farma Tbk PT	Indonesia	\$102.3	0.2%	4.7x	0.8x	10.4x
15-May-09	Central Uni	Japan	Green Hospital Supply Inc	Japan	\$38.1	45.9%	1.3x	0.0x	19.5x
30-Apr-09	Mingyuan Medicare Dvlp	HK	Mingyuan Medicare Dvlp	HK	\$21.2	-	6.2x	3.9x	10.9x
23-Apr-09	China Pharmaceutical Grp	HK	China Pharmaceutical Grp	HK	\$74.7	-	3.7x	0.9x	6.2x
21-Apr-09	Sino Biopharmaceutical	HK	Sino Biopharmaceutical	HK	\$43.2	-	4.1x	1.0x	14.4x
17-Apr-09	Fermiscan Holdings	Australia	Polartechinics	Australia	\$20.1	-	-	7.6x	-
13-Apr-09	Pfizer India	India	Pfizer Investments Netherlands	Netherlands	\$151.7	29.5%	12.9x	2.7x	8.3x
10-Apr-09	Iwaken	Japan	Olympus Corp	Japan	\$52.7	100.0%	-	0.3x	41.7x
26-Mar-09	Matrix Laboratories	India	MP Laboratories(Mauritius)	Mauritius	\$166.5	23.9%	16.5x	2.3x	108.8x
25-Mar-09	Novartis India	India	Novartis AG	Switzerland	\$77.2	25.5%	13.0x	2.3x	13.9x
12-Mar-09	Otsuka Chemical Holdings	Japan	Otsuka Holdings	Japan	\$536.7	38.3%	-	1.5x	36.3x
3-Mar-09	Lateral Diagnostics Pty	Australia	Grifols SA	Spain	\$31.5	49.0%	-	2.6x	np
27-Feb-09	Arana Therapeutics	Australia	Cephalon Intl Hldgs Inc	United States	\$164.6	80.1%	-	5.7x	-
25-Feb-09	Arana Therapeutics	Australia	Cephalon Intl Hldgs Inc	United States	\$40.8	19.9%	-	5.7x	-
6-Jan-09	OMWELL Inc	Japan	Toho Pharmaceutical	Japan	\$150.4	100.0%	-	0.2x	28.5x

Source: ThomsonOne

Business Development Asia is an investment banking firm which assists multinational companies in expanding their businesses in Asia through JVs, acquisitions, divestments and capital raising. For further information on BDA's services or on any of the articles in this newsletter, please contact the offices listed.

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