

ASIAN HEALTH NEWSLETTER

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A Quarterly newsletter of developments in the health 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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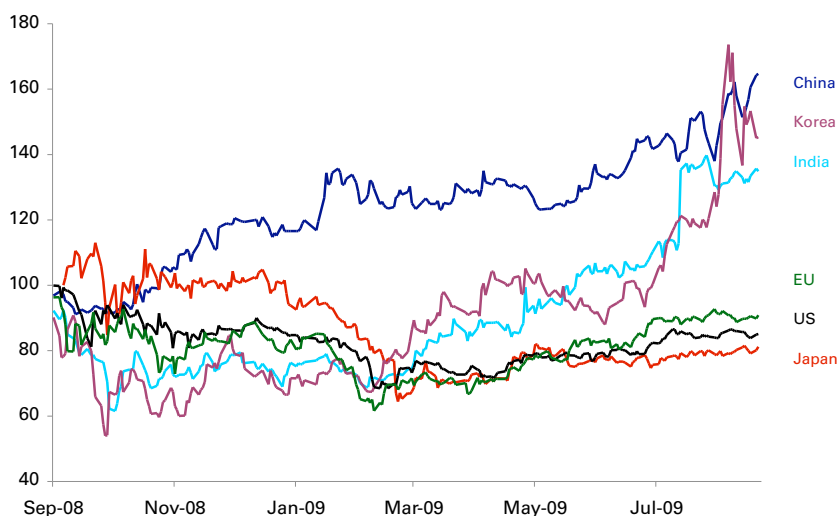
China

China Pharma Ltd, a specialty biopharmaceutical company, has launched a takeover bid for publicly listed **Sihuan Pharmaceutical Holdings Group Ltd**, a Chinese cardiocerebral and vascular drugs manufacturer, for US\$318m. China Pharma will acquire all 470m outstanding shares of Sihuan Pharma for US\$0.67 per share. *August 28, 2009*

Commonwealth Biotechnologies Inc, a US-based, NASDAQ-listed company that specialises in life sciences outsourcing, has agreed to acquire **GL Biochem Ltd** (“Biochem”), a major supplier of research-grade peptide products and peptide reagents based in Shanghai.

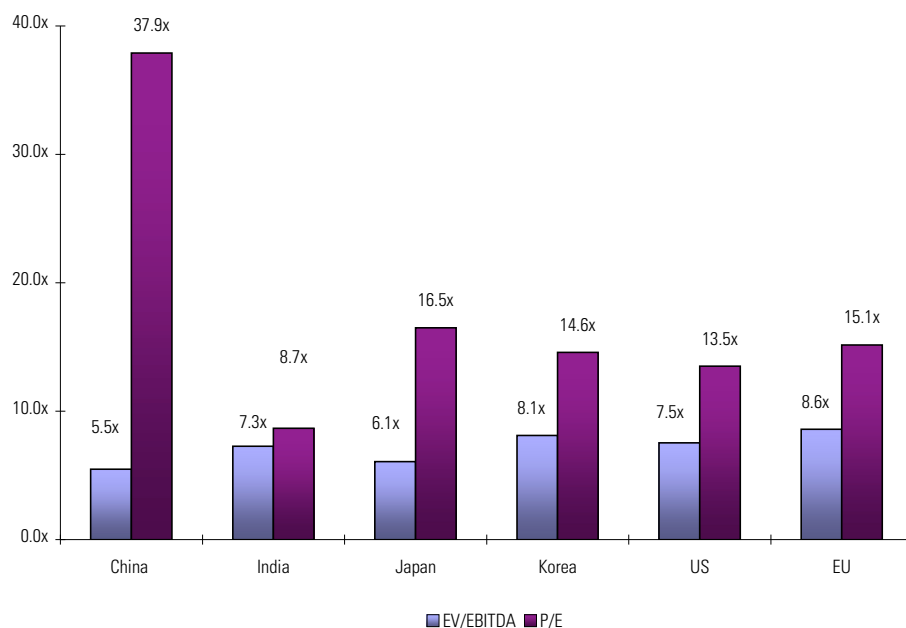
September 8, 2009

Healthcare Stock Indices in Selected Countries (12 months ending 17Sep09)



Source: ThomsonOne, BDA

Healthcare Trading Multiples for Selected Countries (17Sep09)



Source: ThomsonOne, BDA

Shanghai Anping Medical Treatment Technology Co, a wholly-owned division of **China Renji Medical Group Ltd**, is acquiring the radiotherapy assets of **Shanghai Lun Kan Medical Investment Management Ltd ("Lun Kan")**, a medical equipment investment and management services provider, in exchange for Anping's Tianjin radiotherapy assets. *August 7, 2008*

Shanghai Pharmaceutical Co, a listed Chinese pharma company based in Shanghai, has submitted a letter of intent for a 40:60 JV with **Shangqiu Pioneer Pharmaceutical**, a Chinese pharma retailer based in Hunan and owned by **Shanghai New Pioneer Pharmaceutical Co**, a unit of state-owned **Shanghai Pharmaceutical (Group) Co**. The value of the JV is estimated at US\$42.3m. *July 29, 2009*

Shanghai Zhangjiang High-Tech Development Co has agreed to acquire 18.9% of **MicroPort Medical Corp Ltd**, a Chinese manufacturer of medical products for interventional cardiology and peripheral vascular diseases, from **SIMST Medical Science and Technology Development Ltd**, for US\$66.1m. *September 28, 2009*

Starr International Finance AG, a wholly-owned unit of **Starr International Co Inc**, a Swiss investment company, has acquired 28% of **Techpool Bio-Pharma Co**, a Chinese manufacturer and wholesaler of biopharmaceutical products based in Guangdong, for US\$20.5m. *September 9, 2009*

Yunnan Medical & Pharmaceutical Industry Co, a Chinese pharmaceutical company and a subsidiary of **Yunnan**

Nantian Electronics Information Co, a listed Chinese pharma manufacturer, has won the right through an auction process to acquire **Yunnan Phytopharmaceutical Co** for US\$17.6m. Yunnan Phytopharmaceutical will become a wholly-owned subsidiary of Yunnan Medical. *July 10, 2009*

India

Abbott Laboratories, a US-based diversified pharma and health care company, has announced the acquisition of the nutrition business of **Wockhardt Ltd**, an Indian bio-pharmaceutical company, and certain Wockhardt subsidiaries and group companies for US\$130m. The acquisition will enable Abbott to bolster its nutrition business in India, a sector which benefits from strong underlying growth trends. Abbott offers *Isomil*, *PediaSure*, *Ensure* and *Glucerna* in India whereas Wockhardt's brands include *Farex* and *Protinex*. *July 30, 2009*

Matrix Laboratories Ltd, a 71.2%-owned unit of **Mylan Inc**, a US and Indian-listed manufacturer of active pharmaceutical ingredients and solid oral dosage forms, has acquired the remaining 50% it did not own of **Astrix Laboratories Ltd**, a pharma manufacturer, from its JV partner **Aspen Pharmacare Holdings Ltd**. *September 1, 2009*

Pfizer Animal Health, which specializes in animal health products and is a subsidiary of the global US pharma company, is acquiring **Vetnex Animal Health Ltd**, from **RFCL Limited**, owned

by **ICICI Venture Funds Management Company Ltd**, a private equity firm, for US\$48.8m. RFCL Ltd was acquired by ICICI Venture in 2005 through an acquisition of shares of **Ranbaxy Fine Chemicals Ltd**. Vetnex's core activity is Indian animal healthcare. Ranbaxy Fine Chemicals was renamed RFCL Ltd in 2006 and is composed of three divisions with Vetnex focusing on animal healthcare, Diagnova on diagnostics, and Rankem on fine chemicals. *September 8, 2009*

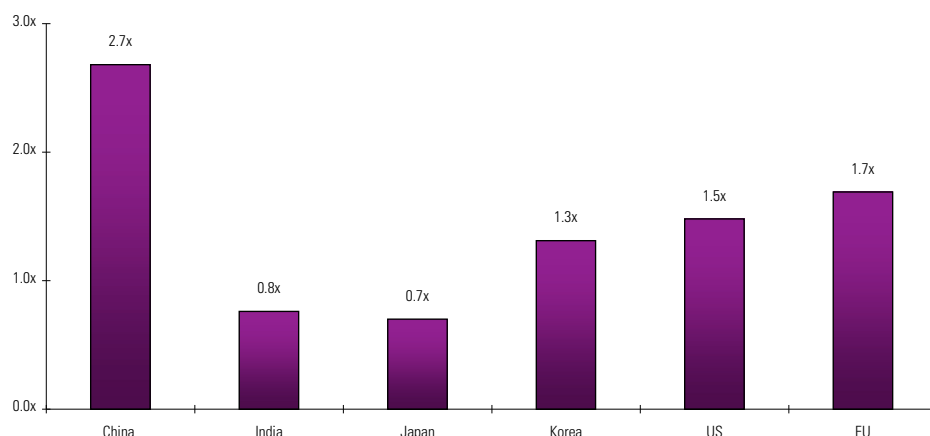
Sanofi Pasteur SA, a vaccines division of the **Sanofi-Aventis Group**, has acquired **ShanH**, which owns a majority stake in vaccine company **Shantha Biotechnics Pvt Ltd**, an Indian biotechnology company, from **Merieux International SA**, for US\$780m. *July 27, 2009*

Vetoquinol SA, a listed French veterinary pharma company, has agreed to acquire the **Animal Health Division** ("AHD") of **Wockhardt Ltd**, an Indian pharma and biotechnology company, for US\$30.9m. Wockhardt Ltd is in the process of selling off non-core assets to concentrate on its core mission of human pharma products. AHD manufactures veterinary pharmaceutical products. The acquisition offers an entry opportunity for Vetoquinol into animal health sector in India. *September 28, 2009*

Indonesia

PT Kalbe Farma Tbk, an Indonesian distributor of drugs and medical equipment, has announced a tender offer to acquire a 31.8% stake in **PT Enseval Putera Megatrading Tbk** ("Enseval"),

Healthcare Trading P/R Multiples for Selected Countries (17Sep09)



Source: ThomsonOne, BDA

a distributor offering prescription medicines, medical devices, nutritionals, OTC medicines and veterinary products, for US\$61.2m. Kalbe will acquire 725m shares of Enseval. Kalbe will increase its shareholding in Enseval from 58.2% to 90% stake. *September 19, 2009*

Japan

Noven Pharmaceuticals, a NASDAQ-listed manufacturer of transdermal patches that deliver drugs through the skin, has agreed to be acquired by **Hisamitsu Pharmaceutical Co Inc** ("Hisamitsu"), a TSE listed pharma company. Hisamitsu will acquire 100% of Noven for US\$428m or US\$16.50 per share. *July 14, 2009*

Korea

A1 Co ("A1"), a listed Korean manufacturer

of electromagnetic products and semiconductors, is acquiring **NHS Co** ("NHS"), a Korean medical equipment maker, for a US\$29.8m. As part of the transaction, A1 will acquire 2.8m outstanding shares in NHS, valued at US\$10.7 per share. The shareholders of NHS will receive 10,261,875 newly issued shares of A1. *July 9, 2009*

Allergan Inc, a listed US healthcare company focused on discovering, developing and commercializing pharmaceuticals, biologics and medical devices, has entered into a JV - **Samil Allergan Ophthalmic JV Company** - with **Samil Eyecare**, a subdivision of Korean pharmaceutical company, **Samil Pharmaceutical Co**, by integrating the Samil Eyecare and Allergan Korea ophthalmology divisions. In addition, Allergan paid \$16.7m to Samil Pharmaceutical Co to complete the JV

and received a 50.005% stockholder interest (50% plus one share) in the JV.

July 7, 2009

Inverness Medical Innovations Inc., (“Inverness”) a listed US developer and manufacturer of consumer and professional medical diagnostic products has offered to acquire 40.5% of **Standard Diagnostics Inc.**, a listed Korea based manufacturer and distributor of diagnostic reagents and devices, for US\$79.6m at US\$24.6 per share. *August 5, 2009*

Singapore 

Roche Holding AG, a listed Swiss pharma company headquartered in Basel is acquiring **Lonza Group’s** cell culture biologic manufacturing facility in Singapore through **Genentech**, its subsidiary, for US\$290m with up to an additional US\$70m in milestone payments. Lonza is a Swiss chemicals and biotechnology company also based in Basel. The newly acquired facility will be merged with Genentech’s existing Singapore biologic manufacturing plant.

August 31, 2009

Thailand 

Rhodia SA, a French chemical company recently acquired the remaining minority stake in **Rhodia Thai Industries Ltd**, a local manufacturer of aspirin and surfactants. The transaction follows Rhodia’s desire to expand its global presence in the specialty surfactants market. Asia accounts for just under a third of Rhodia’s group turnover.

September 29, 2009

Selected Asian Healthcare Transactions with Multiples (12 months ending in 17Sep09)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Acquisition Type	EV / EBITDA	EV / Revenue	P/E
12-Sep-09	Yunnan Baiyao Group Co Ltd	China	Chen Fa Shu	China	\$323.3	-	-	2.6x	36.3x
24-Aug-09	Sihuan Pharm Hldgs Grp Ltd	China	China Pharma Ltd	China	\$317.3	-	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
12-Aug-09	Extrawell Pharm Hldgs Ltd	Hong Kong	Extrawell Pharm Hldgs Ltd	Hong Kong	\$58.2	-	524.4x	24.2x	290.1x
8-Jun-09	Vetnex Animal Health	India	Pfizer Animal Health	US	\$52.5	100.0%	-	2.1x	-
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	GHS	Japan	\$38.0	46.0%	4.0x	0.1x	20.3x
23-Apr-09	China Pharmaceutical Group Ltd	Hong Kong	China Pharmaceutical Group Ltd	Hong Kong	\$74.7	-	3.7x	0.9x	6.2x
13-Apr-09	Pfizer India Ltd	India	Pfizer Investments Netherlands	Netherlands	\$151.7	29.5%	12.9x	2.7x	8.3x
10-Apr-09	Iwaken Co Ltd	Japan	Olympus Corp	Japan	\$52.7	100.0%	-	0.3x	41.7x
26-Mar-09	Matrix Laboratories Ltd	India	MP Laboratories(Mauritius)Ltd	Mauritius	\$166.5	23.9%	16.5x	2.3x	108.8x
25-Mar-09	Novartis India Ltd	India	Novartis AG	Switzerland	\$77.2	25.5%	13.0x	2.3x	13.9x
12-Mar-09	Otsuka Chemical Holdings	Japan	Otsuka Holdings Co Ltd	Japan	\$536.7	38.3%	-	1.5x	36.3x
27-Feb-09	Arana Therapeutics Ltd	Australia	Cephalon Intl Hldgs Inc	United States	\$164.6	80.1%	-	5.7x	nm
6-Jan-09	OMWELL Inc	Japan	Toho Pharmaceutical Co Ltd	Japan	\$150.4	-	-	0.2x	28.5x
10-Oct-08	Alfresa Holdings Corp	Japan	Mediceo Paltac Holdings	Japan	\$1,323.0	100%	4.4x	0.1x	13.5x
10-Sep-08	Sciele Pharma Inc	Japan	Shionogi & Co Ltd	US	\$1,204.0	Merger	11.4x	3.2x	24.8x

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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