

# HEALTHCARE SECTOR BULLETIN

QUADRIA  
CAPITAL

Issue 06: June 2014

## HEALTHCARE TRENDS & IMPACT STORIES

Country: Asia

Headline: **Health Draws Wealth: Why health care has become a preferred sector for private equity firms**

Summary: PE investments in health care have been rising over the last few years. In the year 2011, there were 29 investments in the space by PE funds. It shot up to 45 in 2012, and 71 in 2013. Health care is clearly emerging as a blue-eyed sector for investors, partly because of some big-ticket exits recently. In 2013, Apax Partners exited from Apollo Hospitals for \$360 million, three times its initial investment in 2007. Avenue Capital exited its stake in Medanta in 2013 for \$155 million, more than four times its initial investment in 2006. The number of exits in the sector rose from three in 2012 to nine in 2013. Most of the exits have been through secondary sales to other PE funds.

The health-care sector has already clocked 16 PE investments in the first quarter (January to March) of this year. The bullish trend has sustained in the second quarter (April to June) as well with some big deals. Olympus Capital and India Value Fund in May pumped in Rs 400 crore in Kochi-based health-care services company Aster DM Healthcare. Also, a clutch of PE investors is looking to buy a majority stake in Vasani Healthcare which operates eye care and dental hospitals.

It is not surprising then that in recent years several health care dedicated funds have been launched in the country. Risk capital funds, including Anand Burman's Asian Healthcare Fund and Singapore- and New Delhi-based Quadria Capital, are raising more money to invest in health-care companies.

Link: <http://businesstoday.intoday.in/story/health-care-now-preferred-sector-for-private-equity-firms/1/206799.html>

---

Country: India

Headline: **Cancer drug sales grew fastest in CY13 on new therapies**

Summary: Sales of cancer drugs grew fastest among all therapeutic categories in CY2013 with the availability of several new therapies helping to increase awareness and purchases. Cancer drugs, also known as anti-neoplastics, registered a growth of 24.1% in CY13 to R998 crore but analysts believe the market remains under-penetrated. Pharma sales across the 19 therapies that constitute the market, however, grew at just 6% in CY2013, well below the 14% rise in CY2012 as the combination of a higher base and adverse policies impacted business.

Analysts believe the low base post July last year together with the normalisation in distribution as also impact from price increases taken from April onwards should help pharma sales grow 8-10% in the current year. However, they caution that a rebound to the levels of 10% plus growth seen in FY13 may not happen soon.

Link: <http://www.financialexpress.com/news/cancer-drug-sales-grew-fastest-in-cy13-on-new-therapies/1260862>

## HEALTHCARE SECTOR NOTABLE TRANSACTIONS

Country: Singapore, India, US

Headline: ***OPIC commits up to \$100M in Quadria Capital's healthcare fund***

Summary: Singapore-headquartered Asian healthcare-focused private equity firm Quadria Capital has got a commitment of \$100 million more from Overseas Private Investment Corporation (OPIC), a development financial institution run by the US government. OPIC provides financial resources to companies directly besides backing other private investment funds as a limited partner or LP.

“OPIC has approved for commitment of up to \$100 million to Quadria Capital Fund, to invest in improving healthcare access and quality throughout South and Southeast Asia, where demand for healthcare far exceeds supply,” it said.

Earlier this year, Quadria made its first healthcare investment from its second PE fund and its maiden healthcare fund when it acquired stake in Kolkata-headquartered hospital chain Medica Synergie Pvt Ltd. The firm made an investment of Rs 250 crore along with DEG and Swedfund.

Links: <http://www.vccircle.com/news/alternative-investment/2014/06/13/opic-commits-100m-quadria-capitals-healthcare-fund>

Country: Indonesia

Headline: ***Jakarta Eye Center plans to raise PE funding for new branches***

Summary: Jakarta Eye Center, a privately held Indonesian eye care hospital, plans to raise private equity funding to set up new branches, a company source said. The company has four centres at present and would like to take it to eight over the next five years, he noted. It intends to raise IDR 200bn to set up four more centres in East, West Java and Sumatra region. Each centre has about 50 bed and the company intends to have a similar capacity in the future facilities

A case in point, Vasan has expanded well across India and is a model that Jakarta Eye Center can emulate. Jakarta Eye Center generates revenues of IDR 5bn (USD 4.7m) per month from its centre located in the capital city alone. It has 500 employees.

Links: [Mergermarket](http://www.mergermarket.com)

Country: Malaysia, AsiaPac

Headline: ***Qualitas Medical Said to Plan \$310 Million IPO in Malaysia***

Summary: Qualitas Medical Group, a Malaysian health-care provider, plans to seek about 1 billion ringgit (\$310 million) from an initial public offering in Kuala Lumpur.

Proceeds will help Qualitas expand in the Asia-Pacific region's health-care market, which is projected to grow an average 13 percent annually to reach \$752 billion by 2018, according to researcher Frost & Sullivan. Malaysian IPOs have raised \$869 million this year, up from \$569 million during the same period in 2013, data compiled by Bloomberg show. Qualitas, led by managing director Noorul Ameen, operates more than 250 clinics and medical centers, according to its website. It has locations in Malaysia, India, Singapore, New Zealand and Australia.

The company listed on the Singapore exchange's Catalist board in 2008. A group of investors led by Southern Capital Group Pte took the company private for \$36 million in 2011 following low trading volumes.

Links: <http://www.bloomberg.com/news/2014-06-20/qualitas-medical-group-said-to-plan-310-million-malaysian-ipo.html>

## TRANSACTION NEWS

Date	Headlines	Summary
23-Jun	<b>Luye Pharmaceutical draws interest of six IPO cornerstone investors (Source: Ming Pao)</b>	Luye Pharmaceutical, a Shandong-based, drug maker, has drawn the interest of six IPO cornerstone investors, Ming Pao reported. The Chinese language news report, citing an undisclosed market source, said listed Value Partners will invest USD 100m to subscribe to the IPO shares of Luye Pharmaceutical to become a cornerstone investor. Value Partners, together with five other cornerstone investors, will take up 40% of Luye Pharmaceutical's IPO shares on offer, the report said. Luye Pharmaceutical plans to issue approximately 999m shares at HKD 5.38 – HKD 5.92 per share to raise up to HKD 5.9bn (USD 761m) in its Hong Kong IPO.
23-Jun	<b>Cook Care acquired by Estia Health (Source: Australian Financial Review)</b>	Estia Health, the Australian aged care operator, is planning to acquire Cook Care Group, the Australian aged care business, the Australian Financial Review reported. According to the report, Estia, which is owned by Quadrant Private Equity, is paying around AUD 200m (USD 187m) for Cook.
23-Jun	<b>3D Medical to be acquired by Safety Medical Products (Source: ASX)</b>	The Directors of Safety Medical Products Limited ("Safety Medical" or the "Company") are pleased to announce that they have entered into a Heads of Agreement ("Agreement") to acquire 3D Medical Limited ("3D Medical" or "3DM"), an Australian unlisted company focussed on the commercialisation and integration of 3D printing and holographic projection technology into the Australian medical industry.
23-Jun	<b>Thyrocare Technologies eyes IPO at INR 15bn valuation (Source: The Economic Times)</b>	Thyrocare Technologies, the India-based diagnostics company, is considering going for an IPO, The Economic Times reported. A Velumani, Thyrocare's CEO, was quoted as saying that the company is exploring a possible float, adding that the company will seek to provide its current investors with an exit option by FY16. Sources with knowledge of the development said Thyrocare Technologies is being valued at INR 15bn (USD 249.27m). It was also reported that the company will look at possibly selling 25%-30% stake through its float.
23-Jun	<b>Sutures India controlling stake being targeted by TPG Capital (Source: The Times of India)</b>	TPG Capital, the private-equity player, is in talks to buy a controlling stake in the surgical-equipment company Sutures India, which is worth more than USD 125m. This was reported by The Times of India, which cited undisclosed sources as saying that TPG Capital – which has an existing stake of around 22% in Sutures India – may purchase the holding of CX Partners, another private-equity player, which has a 30% stake in Sutures India. According to the newspaper, TPG Capital may subscribe to some more Sutures India shares as well, taking its total stake to 52%-plus.
23-Jun	<b>AMRI Hospitals 32% stake to be sold by Shrachi group (Source: Business Standard)</b>	India's Shrachi Group is ready to sell its 32% holding in AMRI Hospitals, the Indian hospital company, the Business Standard reported. Citing undisclosed sources, the paper said E&Y has been appointed as Shrachi Group's advisor for the deal. It was also reported that AMRI Hospitals' owners, investors R.S. Agarwal and R.S. Goenka, will buy the stake from Shrachi Group. As per the report, the hospital had an annual turnover of INR 1.87bn (USD 31.1m) in 2009-10.
22-Jun	<b>Phapros plans Vietnam market entry (Source: Kontan)</b>	Phapros, the Indonesian pharmaceutical company is planning market entry in Vietnam, reported the Indonesian newspaper Kontan. The report, which cited Phapros CEO Ismanto, noted that the company is expecting to kickoff the Vietnam

		<p>entry in July, after successfully entered Cambodia earlier this year. The planned market entry is part of the company's efforts to capitalize on the ASEAN open market which will start next year, the report added citing Ismanto.</p> <p>Earlier it was reported Phapros, the Indonesian pharmaceutical company, is postponing its IPO to sometime in 2H15, reported the Indonesian-language newspaper Bisnis Indonesia. The report, which cited Phapros CFO Budi Ruseno, noted that the company plans to offer shares worth up to a 20% stake in the offering, with the aim of raising IDR 500bn (USD 42.3m). The IPO proceeds will be used by the company to establish a new plant in Semarang, Central Java, Ruseno said. The company had previously planned to launch its IPO in 2H14.</p>
22-Jun	<b><i>Jiangxi 3L Medical Products expecting to raise CNY 240.53m via ChiNext IPO (Source: CSRC)</i></b>	<p>JiangXi 3L Medicinal Products [Jiang Xi 3L Yi Yong Zhi Pin], a Jiangxi-based, privately held medical equipment maker, is expecting to raise CNY 240.53m (USD 38.634m) via an initial public offering on the ChiNext; Citi Orient Securities has been hired as the IPO sponsor/lead underwriter. According to the company filing on the CSRC website (20 June), the company plans to sell up to 25m shares or a 25% stake via the IPO, with the aim of raising CNY 240.53m (USD 38.634m) to fund production and replenish the working capital of the company.</p>
22-Jun	<b><i>Shenyang Xingqi Pharmaceutical files ChiNext IPO application with CSRC (Source: CSRC)</i></b>	<p>Shenyang Xingqi Pharmaceutical [Shen Yang Xing Yi Yan Yao], a Liaoning-based, privately held eye treatment medicine maker, has filed its ChiNext IPO application with the China Securities Regulatory Commission (CSRC). According to the company filing on the CSRC website, the company plans to sell up to 20m shares, up to 10m of which will be sold by the existing shareholders of the company. The size of fundraising is expected to be CNY 396.94m (USD 63.756m). The proceeds will be used to fund production base and R&amp;D, and to repay bank loans.</p>
22-Jun	<b><i>Huadong Medicine to buy 25% stake in Hangzhou Zhongmei Huadong Pharmaceutical to turn it into a wholly owned subsidiary (Source: Shenzhen Stock Exchange)</i></b>	<p>Huadong Medicine [Hua Dong Yi Yao, 000963.SZ], a Zhejiang-based, listed pharmaceutical company, said in a stock exchange announcement dated 23 June that its board meeting has approved to buy the 25% stake in Hangzhou Zhongmei Huadong Pharmaceutical [Hang Zhou Zhong Mei Hua Dong Zhi Yao]. Hangzhou Zhongmei Huadong Pharmaceutical is a Zhejiang-based company in which Huadong Medicine currently holds a 75% stake and Fuchune Enterprises Investment [Fu Chun Shi Ye Tou Zi], a Hong Kong-based, privately held company, owns the remaining 25% stake. The announcement added that the deal value is expected to be CNY 897m (USD 144.075m).</p>
22-Jun	<b><i>Jintian Pharmaceutical to acquire remaining 36% stake in Shenyang Wei Kang Drug Store for CNY 250m (Source: HKSE)</i></b>	<p>Jintian Pharmaceutical Group, a China-based drugstore operator, announced that it has signed an agreement to acquire the remaining 36% stake in Shenyang Wei Kang Drug Store Co., Ltd. for CNY 250m (USD 40m). Wei Kang is mainly engaged in the retailing of drugs and other pharmaceutical products.</p>
20-Jun	<b><i>Ahn-Gook Pharmaceutical to place binding bid for Dream Pharma (Source: KRX)</i></b>	<p>Ahn-Gook Pharmaceutical, a listed South Korean pharmaceutical company, announced that it will place a binding bid to acquire Dream Pharma, a business unit of Hanwha Chemical. As reported earlier, South Korean company Hanwha Chemical, has put Dream Pharma, its wholly owned arm for sale. The sale could fetch KRW 200bn (USD 192.2m), an earlier report estimated. South Korean company Cha Medical Group, New Jersey-based Alvogen, UK-based Standard Chartered Private Equity are also in acquisition race for Dream Pharma.</p>

20-Jun	<b><i>Sequent Scientific's board approves raising up to USD 66.63m through various equity-linked routes (Source: Bombay Stock Exchange)</i></b>	Sequent Scientific Ltd has informed BSE that the Board of Directors of the Company at its meeting held on 18 June 2014, has approved the following: 1. Fund raising of up to INR 4bn (USD 66.63m) through the issue of GDRs/ADRs/FCCBs/QIP/such other equity linked instruments, etc., subject to approval of Members and any other statutory/regulatory approvals as may be required. 2. Increase in the limit of investments by Foreign Institutional Investors (FIIs) in the equity share capital of the Company up to 49% of the paid up capital of the Company, subject to approval of the Members and any other statutory / regulatory approvals as may be required. 3. Increase in Authorized Capital from INR 400m to INR 500m, subject to approval of Members of the Company.
20-Jun	<b><i>Athena Drug Delivery Solutions scouting for JV partners in China (Source: VCCircle)</i></b>	Athena Drug Delivery Solutions, an Indian drug delivery company based in Maharashtra, is looking for opportunities to form a joint venture (JV) with a local pharma player in China, Vccircle reported on 19 June. The company is also seeking to raise private capital, the item noted.
20-Jun	<b><i>G-treeBNT still in acquisition mode to fortify bio business (Source: Mergermarket)</i></b>	G-treeBNT [115450], a listed South Korean electronic component manufacturer, is still in acquisition mode to fortify its new bio-pharmaceutical business, a person familiar with company. The company is looking for a bio acquisition target in overseas countries, mostly in the US and Europe.
20-Jun	<b><i>Healthscope's IPO could raise about USD 2.4bn for Carlyle, TPG (Source: Newswire Round-up)</i></b>	The initial public offering for Healthscope, an Australian hospital group, could raise roughly AUD 2.5bn (USD 2.4bn) for Carlyle and TPG, according to a newswire report. Reuters, citing an unnamed source who knows about the deal, reported that cornerstone investors are being sought for the IPO before the prospectus will be filed around the end of this month or in early July. The company's valuation is expected to be AUD 4.5bn to AUD 5bn, the report added.
20-Jun	<b><i>JHL Biotech closes USD 35m Series B financing round led by Milestone Capital (Source: JHL Biotech, Inc.)</i></b>	JHL Biotech, Inc., an emerging biopharmaceutical company, today (20 June) announced that it has closed a Series B financing round of USD 35m, led by new investors Milestone Capital and a consortium of Taiwan venture capitalists and individuals, including President International Development Corp., Fubon Financial Holdings, Taishin Financial Holdings, TaiAn Technologies, Hotung Group, Dr. Allen Chao (founder of Watson Pharmaceuticals), and existing Series A shareholders China Development Industrial Bank, Biomark Capital and Kleiner Perkins Caufield & Byers.
20-Jun	<b><i>ND Software seeks acquisitions of nursing care software developers (Source: Mergermarket)</i></b>	ND Software, a listed Yamagata, Japan-based software developer for the nursing care and hospital sector, is seeking domestic acquisitions to gain software technology and sales channels. Established in 1979, ND Software develops software primarily for clerks at nursing care centers.
20-Jun	<b><i>Yunnan Hongxiang Yixintang Pharmaceutical sets IPO price at CNY 12.20 per share (Source: Shenzhen Stock Exchange)</i></b>	Yunnan Hongxiang Yixintang Pharmaceutical (Yixintang) [Yi Xin Tang], a Yunnan-based, pharmaceutical retailer group, has set its IPO price at CNY 12.20 per share, representing a 13.45 PE ratio, according to a stock exchange announcement.

<b>19-Jun</b> <i>Gamma Vaccines seeks USD 10m to launch pre-clinical trial for influenza vaccine (Source: Mergermarket)</i>	Gamma Vaccines, an Australian vaccine developer, is seeking USD 10m to launch pre-clinical trial for cross-protective influenza virus vaccine, GammaFlu, according to Executive Chairman Tim Hirst. Gamma is developing an easy-to-administer, long-lasting intranasal vaccine to replace current seasonal injectable flu vaccines. The company plans to secure the first tranche of USD 3m by the end of this year to take GammaFlu, through to a first-in-man Phase 1/2a clinical trial.
<b>19-Jun</b> <i>Famy Care could seal a deal in three months (Source: Mergermarket)</i>	Famy Care, a Mumbai-based women's health specialist, could see a deal close in the next three months, according to a source familiar with the process. A potential deal would involve an exit by the PE owner and potentially a portion of the founder's stake.
<b>18-Jun</b> <i>Kingworld Medicine looking for opportunities to acquire upstream pharmaceutical companies (Source: Infocast News)</i>	Kingworld Medicine Group [HKG:1110], a China-based, Hong Kong-listed health and medical products distributor, is looking for opportunities to acquire upstream pharmaceutical companies with sufficient official documents to produce different drugs, Infocast News reported. The news report, citing executive director Lin Yusheng, added that the company is in talks for acquisitions, and its pace of acquisitions will not slow down. Kingworld Medicine has a HKD 1.57bn (USD 203m) market cap
<b>18-Jun</b> <i>VABIOTECH seeks strategic partner to increase vaccine products (Source: Mergermarket)</i>	VABIOTECH, a Hanoi-based Vietnamese state-owned vaccines manufacturer, is seeking a strategic partner to add more products to its pipeline, President Do Tuan Dat said. The company could divest a stake to the potential partner, he added. The company is looking at vaccines for influenza and dengue fever and would prefer a foreign partner.
<b>18-Jun</b> <i>Apimeds to hire The Trout Group for fundraising and listing (Source: Mergermarket)</i>	Apimeds, a privately held Korean pharmaceutical company, is close to mandating The Trout Group as its advisor for a USD 10m fundraising and as underwriter for a potential IPO planned for next year. The company is considering a USD 10m fundraising prior to its IPO, to raise money from financial investors for research and development of its new drug for joint inflammation and other potential new products
<b>18-Jun</b> <i>AMCO United in MOU to form medical aesthetic joint venture (Source: HKSE)</i>	AMCO United Holding, the Hong Kong-listed data media product manufacturer, announce that on 18 June 2014 (after trading hours), the Company entered into the memorandum of understanding (the "MOU") with SkinNovation Never Limited ("SNL") in relation to the proposed formation of a joint venture company (the "JV Company") for the purposes of (i) setting up and operating a medical aesthetic centre in Hong Kong under the brand name of Face College; and (ii) collaborating to establish a chain of medical aesthetic centres in the future with a view to providing a range of medical aesthetic services (the "Proposed Joint Venture").
<b>18-Jun</b> <i>Pelaburan Mara to set up investment USD 300m fund by year-end (Source: Mergermarket)</i>	Pelaburan Mara Berhad, a Malaysia-based investment firm, is setting up a new USD 200m - USD 300m investment fund by the end of this year, Group Chief Executive Officer Nazim Rahman said. The fund will primarily look for investments in the healthcare, education and logistics sectors. It plans to invest in Southeast Asian countries including Malaysia, Indonesia and the Philippines, but not the frontier markets. Pelaburan Mara could acquire majority shares in each target company in order to gain control and add value to its investment portfolios. Investment value ranges from about USD 50m to USD 200m, with a five- to seven-year investment period.



18-Jun	<b>North Mackay Private Hospital acquired by Pulse Health (Source: Pulse Health Limited)</b>	Pulse Health Limited (ASX Code: PHG or the “Company”) today announced it has completed the acquisition of the North Mackay Private Hospital in Queensland, that was announced to the market on June 11. The North Mackay Private hospital complements Pulse’s portfolio of specialist rehabilitation hospitals, including Eden Rehabilitation Hospital on Queensland’s Sunshine Coast, Westmead Rehabilitation Hospital in western Sydney and Forster Private Hospital rehabilitation unit in regional NSW. It brings to seven Pulse’s portfolio of hospitals.
18-Jun	<b>PKU Healthcare plans to buy Shenzhen ET Medical Technology for CNY 1.4bn (Source: Shenzhen Stock Exchange)</b>	PKU Healthcare [Bei Da Yi Yao; SZ: 000788], a listed China-based pharmaceutical company, plans to buy Shenzhen ET Medical Technology [Yi Ti Yi Liao Ke Ji Tuan], which is valued at CNY 1.4bn (USD 224.8m), according to a stock exchange announcement. Shenzhen ET Medical Technology is a Chinese medical equipment researcher and maker. The company booked revenue of CNY 243.2m and net profit of CNY 56.67m in 2013.
17-Jun	<b>Lupin seeks to acquire generics manufacturers in Europe for up to USD 1bn (Source: Newswire)</b>	Lupin, the India-based pharmaceutical company, is seeking to acquire generics manufacturers in Europe for up to USD 1bn, according to a newswire report. Vinita Gupta, Lupin’s CEO, was cited by Bloomberg yesterday as saying that the Indian company is now on the lookout for European companies that have capabilities in complex generics, like biosimilars, dermatology products, injectables and inhalation products.
17-Jun	<b>Cipla (Mauritius) signs agreement for acquisition of 60% stake in new company (Source: Bombay Stock Exchange)</b>	Cipla Ltd has informed BSE that Cipla (Mauritius) Limited, a wholly owned subsidiary of the Company has signed a definitive agreement with the Company’s existing Sri Lankan distributor for acquisition of a 60% stake in a new company which will market the Company’s products in Sri Lanka. The consideration payable for the transaction is USD 14m.
17-Jun	<b>NovaLead Pharma sees fresh fund infusion and Kotak Private Equity exit (Source: Mergermarket)</b>	NovaLead Pharma, a Pune, India-based drug discovery and development company, is close to signing a shareholder agreement with existing investors Tata Capital Healthcare Fund and Boxmoor Investments, said founder Supreet Deshpande. Tata Capital and Boxmoor Investments will buy out Kotak Private Equity’s stake and make a fresh fund infusion into the company. The company is expected to have a fund requirement of INR 1.5bn in the next seven years, for which it is receptive to new investors and strategic approaches, he said. The company has been valued between INR 2bn to INR 7bn (USD 33m - USD 116m) thrice by Indian and US-based valuation firms, an exercise conducted ahead of this fundraise.
17-Jun	<b>Bybo Dental Group attracts CNY 1bn investment from Legend Holdings (Source: China Business News)</b>	Bybo Dental Group [Bao Bo Kou Qiang], a China-based, privately held dental services group company, has attracted CNY 1bn (USD 160.6m) from Legend Holdings [Lian Xiang Kong Gu], a Beijing-based investment company, the China Business News reported. Bybo Dental Group will take advantage of the resources owned by Legend Holdings to seek further business development. Li Changren, President and Chairman of Bybo Dental Group, said the company is expecting to have 200 branches in 40-50 Chinese cities by 2017.
17-Jun	<b>Nikon plans to spend USD 1.96bn on M&amp;A in medical operations, instruments sectors (Source: Nikon)</b>	Nikon [TYO: 7731], a Japanese maker of precision equipment and medical devices, said the company plans to spend JPY 200bn (USD 1.96bn) on M&A for companies in the instruments and medical operations sectors. According to its mid-term business plan for the year ending March 2017, announced today (17 June), the company is targeting sales of about JPY 100bn in its instruments business for the year, through

		mergers and company buyouts. For its medical operations, Nikon will also form a corporate venture capital fund of about JPY 30bn, according to the business plan.
17-Jun	<b><i>eHealthcare 70% stake to be acquired by Toho Holdings (Source: Toho Holdings)</i></b>	Toho Holdings, the listed Japan-based pharmaceuticals wholesaler, announced on 16 June an agreement to acquire a 70% stake in unlisted Japan-based healthcare focused web-portal company eHealthcare.
17-Jun	<b><i>Medanta The Medicity stake sale by Punj Lloyd expected by end of the month (Source: VCCircle)</i></b>	Punj Lloyd, an Indian engineering and construction group, said it plans to complete the sale of its stake in Medanta The Medicity, an Indian hospital which has a 1,250-bed capacity, by the end of this month. Punj Lloyd owns an estimated 17% stake in the hospital, which was earlier valued at just over USD 100m in a deal struck in 2013. It was reported earlier in the press that Punj Lloyd was talking with US-based private equity firm KKR to sell its stake in Medanta The Medicity for nearly INR 6.54bn (USD 105m). It was also reported that Punj Lloyd was planning to use the cash to pay down some of its debt.
17-Jun	<b><i>Dongsung Holdings plans IPO for Genewel (Source: NSP News Agency)</i></b>	Dongsung Holdings, a South Korea-listed holding company, plans to list wound care products firm Genewel, reported the NSP News Agency. The Korean-language report cited Byung-hyun Mun, the CEO at Genewel, who told the paper it has not yet mandated a financial advisor for the IPO but preparations will begin soon. Genewel manufactures dressing and anti-adhesion products. Dongsung Holdings has a 51.54% stake in Genewel. Genewel recorded sales of KRW 17.2bn (USD 16.9m) in 2013.
16-Jun	<b><i>Tianjin Tongrentang Group's 40% stake on the block for initial price of USD 74m (Source: Tianjin Property Rights Exchange)</i></b>	A 40% stake in Tianjin Tongrentang Group [Tian Jin Tong Ren Tang Ji Tuan] has been put up for sale at an initial bidding price of CNY 461m (USD 74m) by Tianjin Pharmaceutical Holdings [Tian Jin Yi Yao Ji Tuan], according to an announcement posted on the Tianjin Property Rights Exchange. Tianjin Tongrentang is a Chinese medicine distribution company. The company booked revenue of CNY 516.5m and net profit of CNY 14.2m last year. The management at Tianjin Tongrentang intends to offer the bidding through Tianjin Sennaer Investment [Sen Na Er Tou Zi].
16-Jun	<b><i>Meihua Holdings signs agreement to acquire Dalian Hissen Bio-pharm for CNY 600m (Source: Shanghai Stock Exchange)</i></b>	Meihua Holdings Group [Mei Hua Ji Tuan; SH: 600873], a China-based amino acids and seasoning products maker, announced on 16 June that it has signed an agreement to acquire 100% of Dalian Hissen Bio-Pharmaceutical [Han Xin Sheng Wu Zhi Yao] through one of its fully-owned subsidiaries.
16-Jun	<b><i>Cardio3 BioSciences to raise EUR 25m from Medisun, set up joint venture for China (Source: Cardio3 BioSciences)</i></b>	Cardio3 BioSciences (C3BS) (Euronext Brussels and Paris: CARD), a leader in the discovery and development of advanced regenerative therapies for heart disease, today announces a fully committed capital increase of EUR 25m in two tranches, at EUR 44 a share, representing an approximately 14% premium to the last 30 days average price.
16-Jun	<b><i>Abiogen entertains bolt-on buys in diabetes and bone metabolism (Source: Mergermarket)</i></b>	Abiogen Pharma, the privately owned Italian biopharmaceutical company, would like to acquire pharmaceutical companies with drugs in commercialisation, in an effort to expand its product offering. Abiogen Pharma specialises in the areas of diabetes and bone metabolism, including osteoarticular care, and is well known for marketing bisphosphonates. Acquiring a company with a strong product portfolio in



each of these areas would make sense - especially in the diabetes field, as Abiogen is seeking to expand its exposure in this therapeutic area.

16-Jun	<b><i>Town Health International to use HKD 1.5bn for acquisitions in 2014 and 2015 (Source: Hong Kong Economic Journal)</i></b>	Town Health International, a Hong Kong-listed healthcare services provider, plans to use HKD 1.5bn (USD 193.5m) for acquisitions in 2014 and 2015, the Hong Kong Economic Journal reported. The news report, citing co-chief executive Ronnie Hui Ka Wah, said that following the company's acquisition of a 94.3% stake in Dr. Vio & Partners Limited, Town Health still has HKD 1.5bn for other potential acquisition opportunities this year and next year.
15-Jun	<b><i>Ramsay hopes to acquire Asian healthcare asset within next six months (Source: The Australian)</i></b>	Ramsay, the ASX-listed hospital operator, hopes to acquire a major Asian healthcare business within the next six months, The Australian reported. The paper cited Ramsay Managing Director Chris Rex as saying that the business is actively looking at opportunities in Asia and hopes to pick up an asset within the next six months. Ramsay agreed to buy France's Generale de Sante this week. Rex noted that Ramsay would be looking for more targets after the GDS purchase is completed.
13-Jun	<b><i>Sterile India could opt for PE funding in 4Q14 (Source: Mergermarket)</i></b>	Sterile India, a Delhi, India-based integrated research based pharmaceutical manufacturer, could explore private equity investment, said Finance Director Rajni Goel. The funding would be used to build a manufacturing plant and for a potential acquisition of a finished dosage facility at the end of the year, she added. The potential fundraise could be upwards of INR 500m (USD 8.44m) in exchange for a minority stake. Sterile India is likely to look at this process around December when it will have a firmer idea of the expenditure required.
13-Jun	<b><i>Healthscope IPO in July considered nearly certain (Source: Australian Financial Review)</i></b>	An IPO of Healthscope, the Australia-based hospital owner, is considered a near certainty, the Australian Financial Review reported. The report in the paper's Street Talk column noted that Healthscope's owners TPG and The Carlyle Group are officially considering three exit options, an IPO, a trade sale, or the spin-off of the company's property assets. However, the item cited unnamed sources close to the situation as saying that a July listing, which will include Healthscope's property, is nearly certain.
13-Jun	<b><i>Geo Young to pursue additional M&amp;A opportunities in healthcare sector (Source: Daily Pharm)</i></b>	Geo Young, an unlisted South Korean medicines wholesaler, is to consider additional M&A opportunities to expand its healthcare business, reported Daily Pharm. The report cited Geo Young president Seon-hye Cho, who said in an interview with the paper that the company aims to become a total medical service enterprise through M&A. It plans to acquire an IT company to serve operations of hospitals and pharmacies. Geo Young recently acquired a controlling stake in Carecamp, a medical products and equipment supplier. Geo Young and Carecamp recorded sales of KRW 1.07tn (USD 1.05bn) and KRW 271.7bn, respectively in 2013.
13-Jun	<b><i>Australian Hearing likely to attract private equity suitors (Source: Australian Financial Review)</i></b>	Australian Hearing, the Australian government-owned business, is likely to attract private equity buyers, the Australian Financial Review reported. According to the report in the paper's Street Talk column, which did not cite its source, the government is expected to begin a scoping study of Australian Hearing in July. The paper said that Australian Hearing could be valued at up to AUD 150m (USD 139m). The paper noted that private equity has succeeded with similar businesses in the past, with one example being Crescent Capital Partners' National Hearing Care, which Crescent sold to Amplifon in 2010.

13-Jun	<b><i>NephroPlus raises USD 10m in series B funding round from IFC and Bessemer (Source: Business Standard)</i></b>	NephroPlus, a private Hyderabad-based Indian dialysis chain, has raised USD 10m (INR 600m) in a series B funding round led by the World Bank's International Finance Corporation (IFC) and Bessemer Venture Partners, the Business Standard reported on 12 June.
13-Jun	<b><i>SPH Keyuan Xinhai Pharmaceutical agrees to purchase medical assets for USD 95m (Source: Shanghai Stock Exchange)</i></b>	SPH Keyuan Xinhai Pharmaceutical [Shang Yao Ke Yuan] has signed agreements to buy stakes in three medicine distribution firms for a total of CNY 588.49m (USD 95m). SPH Keyuan Xinhai Pharmaceutical is a wholly owned subsidiary of Shanghai Pharmaceuticals Holding. SPH Keyuan Xinhai Pharmaceutical plans to buy a 50% stake in Beijing Xinhai Fengyuan Biomedical Technology Development for CNY 256.83m, a 70% stake in Shaanxi Huaxin Medicine [Hua Xin Yi Yao] for CNY 236.07m and a 100% stake in Ordos Elion Medicine [E Er Duo Si Yi Li Yi Yao] for CNY 45m from Inner Mongolia Yili Energy [Yi Li Neng Yuan; SH: 600277]. Meanwhile, SPH Keyuan Xinhai Pharmaceutical plans to acquire a 15% stake in Shaanxi Huaxin Medicine from the target's management for CNY 50.59m.
12-Jun	<b><i>China Star Entertainment to sell 50% of Ace Season Holdings for HKD 45m (Source: HKSE)</i></b>	China Star Entertainment, the Hong Kong-listed film and production and distribution company, announced that it has signed an agreement to sell a 50% stake in Ace Season Holdings Limited for HKD 45m (USD 5.8m). Ace Season Holdings is principally engaged in sales of Chinese and other medicines pharmaceutical products, health products, ginseng and dried seafood products to wholesaler and retailer as well as Chinese clinical services.
12-Jun	<b><i>Medreich acquired by Meiji Holdings pharma subsidiary for USD 290m (Source: Meiji Holdings)</i></b>	Meiji Holdings' pharmaceutical subsidiary Meiji Seika Pharma announced yesterday, 11 June, an agreement to acquire the 100% stake in India-based pharmaceutical company Medreich for USD 290m.
12-Jun	<b><i>Tanyu Nanotechnology in fundraising talks; trade sale to GE Healthcare among exit options (Source: Mergermarket)</i></b>	Tanyu Nanotechnology [Tan Yu Na Mi Ke Ji], a privately held Chinese medical diagnostic tool manufacturer, is in minority stake sale talks with domestic private equity (PE) investors, a company source said. Both parties have been engaged in talks for several months and are eyeing to conclude a deal by September. Tanyu would entertain new approaches should the current talk falls through. Proceeds would be spend on R&D, the source said. Jiangsu-based Tanyu is valued at CNY 80m (USD 12.8m). It has already conducted two rounds of sale previously.
12-Jun	<b><i>Panacea Biotec puts Panacea New Rise stake up for sale (Source: VCCircle)</i></b>	Panacea Biotec, an India-based drug company, has put its Panacea New Rise hospital in Gurgaon up for sale, reported VCCircle, citing undisclosed sources. The company has had the yet-to-be-operational Panacea New Rise on the sales block for about a year, with an asking price of about INR 2bn (USD 33.72m). The article noted that Panacea Biotec and the India-based Umkal Medicals have stakes of 76% and 24%, respectively, in Panacea New Rise.
12-Jun	<b><i>Town Health International to acquire 94.3% of Dr. Vio &amp; Partners Limited for USD 52.8m</i></b>	Town Health International, a Hong Kong-listed healthcare services provider, announced it has signed an agreement to acquire 94.3% of Dr. Vio & Partners Limited for HKD 409.3m (USD 52.8m). Dr. Vio & Partners Limited, a company incorporated in Hong Kong, is principally engaged in the provision of primary and specialist healthcare services, including hospital admission, as well as the full gamut

		of insurance-based or employer-sponsored health scheme expenditure management, logistics and related services.
12-Jun	<b><i>Tianjin Zhong Xin Pharmaceutical considers private placement (Source: SGX)</i></b>	Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the “Company”) a Tianjin-based, Singapore-listed pharmaceutical company, wishes to announce that it is currently exploring a possible private placement of new A-shares to be issued and listed on the Shanghai Stock Exchange (the “Proposed Placement”).
12-Jun	<b><i>Suzhou Industrial Park Nuoxin Biotech to be acquired by Merro Pharmaceutical (Source: Shanghai Stock Exchange)</i></b>	Merro Pharmaceutical [Mei Luo Yao Ye; SH: 600297], a China-based listed pharmaceutical company, has agreed to buy 100% stake in Suzhou Industrial Park Nuoxin Biotech [Nuo Xin Sheng Wu Ke Ji] for CNY 350m (USD 56m), according to a stock exchange announcement. Merro Pharmaceutical plans to pay cash of CNY 205m and to contribute all interests of Shenyang Pharmaceutical Logistics Plaza which is valued at CNY 145m to Suzhou Industrial Park Wanma Biotech, in exchange for a 100% stake in the target.
12-Jun	<b><i>Newtree to issue HKD 100m CBs partly for acquisition purpose (Source: HKSE)</i></b>	Newtree Group, the Hong Kong-listed manufacturer of consumable materials for the pharmaceutical industry, has signed an agreement to issue HKD 100m (USD 12.9m) convertible bonds partly for acquisition purpose.
11-Jun	<b><i>Samsung Medison IPO unlikely (Source: Mergermarket)</i></b>	Samsung Medison, the ultrasound medical equipment maker, is unlikely to list on the Korean stock exchange as its largest shareholder, Samsung Electronics [KRX: 005930], is leaning towards eventually merging it with an internal division, it is understood. Samsung Electronics is striving to join the ranks of the largest medical equipment players, such as General Electric, and the integration of related operations would streamline its healthcare operations.
11-Jun	<b><i>Feishang Group seeks acquisitions in TV &amp; film making and healthcare (Source: Mergermarket)</i></b>	Feishang Group [Fei Shang Ji Tuan], a Shenzhen-based privately-held conglomerate, is eyeing acquisitions in the TV and film making and healthcare sectors, according to a company source. The group will spend no more than CNY 2bn (USD 325m) for each deal and will consider mandating financial and legal advisors in the event of a major deal.
11-Jun	<b><i>Emcure Pharma cancels IPO plans (Source: VCCircle)</i></b>	Emcure Pharmaceuticals, an Indian pharma, has withdrawn its plans to go for an INR 3bn (USD 50.65m) IPO, Vccircle reported. Sources were not disclosed. According to the report, the move by Emcure follows a deal in late 2013 in which Blackstone sold off its stakeholding in the pharma company to Bain Capital for an unspecified sum. The item further reported that Bain’s entry into the company takes care of the pharma’s immediate capital requirements, besides giving liquidity to Blackstone. The managers to the proposed issue were identified as IDFC Capital, Morgan Stanley and Bank of America Merrill Lynch.
11-Jun	<b><i>Cha Medical Group mandates PwC and Yoon &amp; Yang as accountant and legal advisor to bid for Dream Pharma (Source: E-Today)</i></b>	South Korea’s privately held hospital operator Cha Medical Group has mandated PwC and Yoon&Yang as an accountant and a legal advisor, respectively, to bid for Dream Pharma, reported E-Today. The Korean-language report cited industry sources as saying that Cha Medical Group is willing to acquire Dream Pharma in order to turn into a total medical enterprise.

10-Jun	<b><i>Bharat Serums and Vaccines 25-30% may be acquired by Carlyle for INR 6bn (Source: Business Standard)</i></b>	The Carlyle Group, the global private equity (PE) behemoth, is now in talks to acquire a 25%-30% stake in Bharat Serums and Vaccines, an Indian biopharmaceutical company, for INR 5bn-6bn (USD 101.6m), the Business Standard reported. Sources with knowledge of the development were cited. As per the report, Carlyle is likely to acquire a 15% stake from the private equity arm of Kotak Mahindra and another 8%-10% stake owned by OrbiMed Advisors.
10-Jun	<b><i>Zhangzhou Pientzhuang Pharmaceutical will take 16.7% stake in a pharmaceutical fund JV (Source: Shanghai Stock Exchange)</i></b>	Zhangzhou Pientzhuang Pharmaceutical [Pian Zai Huang, 600436, SH], the Fujian-based, listed pharmaceutical company, said in a stock exchange announcement dated 10 June that it will take a 16.7% stake in a biological and pharmaceutical products JV to be formed with other seven investors. The JV will be engaged in promoting biological products and new pharmaceutical products development.
10-Jun	<b><i>Dimerix Bioscience seeks cornerstone investor for imminent ASX listing (Source: Mergermarket)</i></b>	Dimerix Bioscience, a private Australian drug developer focusing on GPCR heteromerisation, is seeking a cornerstone investor for its upcoming listing on the ASX. It is seeking to raise AUD 7m-9m and to list with a market cap of around AUD 25m. It expects to start trading on 28 July 2014. Dimerix Bioscience's lead therapy (DMX200) provides a treatment for persistent proteinuria, which is abnormally high levels of protein in the urine, caused by chronic kidney disease.
10-Jun	<b><i>Autobio expects to raise CNY 882.23m via Shanghai IPO (Source: CSRC)</i></b>	Autobio [An Tu Sheng Wu], a Henan-based, privately held diagnostic products company, is expecting to raise CNY 882.23m (USD 141.375m) via an initial public offering on the Shanghai Stock Exchange
10-Jun	<b><i>Zhongyuan Union Stem Cell Bioengineering acquires 33% stake in Union Stem Cell &amp; Gene for CNY 126m (Source: Shanghai Stock Exchange)</i></b>	Zhongyuan Union Stem Cell Bioengineering [Zhong Yuan Xie He; SH: 600645], a China based company engaged in the stem cell inspection and storage business, said in a stock exchange announcement that it signed an agreement on 10 June to acquire a 33% stake in Union Stem Cell & Gene Engineering (USCGEN) for approximately CNY 126m (USD 20.2m). The deal came after the listedco placed a bid on the stake, which was put up at the Tianjin Property Rights Exchange by the vendor, the Institute of Hematology & Blood Diseases Hospital within the Chinese Academy of Medical Sciences (CAMS), with the initial bidding price of CNY 125.981m (USD 20.22m). As reported, the China-based USCGEN is engaged in the development, production and sale of stem-cell engineering products.
10-Jun	<b><i>Toshiba Medical Systems establishes JV subsidiary in Malaysia (Source: Toshiba Medical Systems)</i></b>	Toshiba Medical Systems Corporation (TMSC; headquarters: Otawara, Tochigi Prefecture, Japan; President: Satoshi Tsunakawa) has established Toshiba Medical Systems Malaysia as a joint venture corporation with TMSC's distributor in Malaysia, Abex Medical System.
10-Jun	<b><i>WM Partners seeking limited partners to raise up to JPY 10bn by yearend (Source: Mergermarket)</i></b>	WM Partners, a Tokyo, Japan-based private equity firm specializing in secondary investments, is seeking domestic limited partners (LPs) for its JSFP No. 3 Fund.