

HEALTHCARE SECTOR BULLETIN



Issue 7: July 2014

HEALTHCARE TRENDS & IMPACT STORIES

Country: Asia
Headline: **A win-win scenario**
Summary: Impact investing, that generates social or environmental impact in addition to financial return, has unleashed millions of capital in US and Europe. Now, emerging markets like India are becoming active in sourcing such capital to address regional challenges

A decade ago, this would have been unheard of, but is just another example of how social impact enterprises are gaining momentum as viable investment opportunities in India, thanks in good part to the rise of impact investing — investments designed to generate social or environmental impact in addition to financial return.

Today, innovative social enterprises and market-based models of addressing social and environmental challenges are emerging across South Asia — with India as a centre. It used to be that India was mostly a destination for this kind of capital, but increasingly, it — along with other regions in the global south — are emerging as sources of impact capital.

The need for this capital is particularly urgent in India, where hundreds of million people lack access to basic infrastructure, such as electricity, transportation and technology, critical for their livelihoods. Moreover, poverty remains a chronic condition for over 30 per cent of India's rural population, exacerbated by inadequate access to education, healthcare and sanitation services.

Link: <http://www.mydigitalfc.com/knowledge/win-win-scenario-664>

Country: India
Headline: **Social health care businesses need patience and deep pockets**
Summary: In India's many small towns — and in its vast rural hinterland, — patients, and their doctors, face a tough time obtaining reliable diagnostic tests to identify what ails them. Small-town pathology laboratories are typically run by technicians who perform only the simplest tests, with varying accuracy. National diagnostic chains are setting up collection points so that samples can be sent to their labs in large urban centres for analysis, but such services are too expensive for many patients. These centres have run into a big obstacle: finding doctors willing to work in the sleepy, small towns it tries to serve.

There are both immense potential and mounting challenges for social businesses in Indian health care, where there are vast unmet needs for accessible, affordable and reliable health care for the country's 1.2bn people. India's health care system is highly skewed, squeezing hundreds of millions of people between various unpalatable options. In big cities, luxurious private hospitals — often compared with five-star hotels — provide full services to an increasingly affluent middle-class. But the government health care system, mandated to provide affordable treatment to the poor, is dysfunctional, after decades of underfunding.

Link: <http://gulfnnews.com/business/features/social-health-care-businesses-need-patience-and-deep-pockets-1.1355708>

Country: Japan

Headline: **Japanese manufacturers of medical devices focuses on advance technology**

Summary: The consultation rate of breast cancer screening in Japan is 20-30%, which is low as compared to the U.S and Europe. Many countries are promoting initiatives aimed at increasing the numbers of the breast cancer screening rate. A mammography device by Fujifilm provides easy screening and high resolution image to detect the disease.

Likewise for diagnosis of heart diseases, Toshiba's CT scanner is equipped with the "area detector technology", which can visualize the volume of scanned data to be reformatted as 4D representations. In comparison with the conventional CT scanner, this new model has achieved much quicker image scanning and also contributes to a lower exposure amount of X-ray radiation. This minimizes waiting time at hospitals.

The expansion of techniques in medical devices is the need of an hour. And the Japanese manufacturers are keen to tap the world market with their advance technology.

Link: http://www.business-standard.com/article/news-ani/japanese-manufacturers-of-medical-devices-focuses-on-advance-technology-114070700568_1.html

HEALTHCARE SECTOR NOTABLE TRANSACTIONS

Country: India

Headline: **Quadria India Build Out Fund exits Krishna Institute of Medical Sciences**

Summary: IBOF-I is an INR 4.3bn (USD 72m) private equity fund raised from domestic institutional and HNIs and is advised by IBOF Investment Management (“IBOF Investment”). IBOF-I has been fully invested in six high quality companies across healthcare, education and consumption related sectors. IBOF-I was the first institutional investor in KIMS Hospitals. KIMS is a prominent healthcare service provider in the states of Andhra Pradesh (Seemandhra) and Telangana, having one of the largest network of multi-specialty hospitals in the two states with ~1,800 beds spread across 6 hospitals in 5 cities. KIMS offers advanced medical care in multiple specialties like cardiology, oncology, orthopedics, neurology, and cardio thoracic surgery. IBOF's investment catapulted KIMS into a high growth phase and led to its transformation from a single city operation into a 1,800 bed regional hospital chain.

Earlier, it was reported that ICICI venture, the private-equity player, has inked a deal for acquisition of a sizeable minority holding in the India-based Krishna Institute of Medical Sciences (KIMS) for INR 2.2bn (USD 36m).

Links: http://articles.economictimes.indiatimes.com/2014-07-03/news/51057822_1_equity-fund-fund-corporus-krishna-institute

Country: Indonesia, South Korea

Headline: **Combiphar in JV talks with South Korean company to manufacture cancer drug**

Summary: Combiphar, an Indonesian over-the-counter pharmaceutical products company, is in talks to forge a joint venture (JV) with a South Korean company, a person familiar with the company said. The JV will produce biomedicine for cancer treatment. Combiphar and its partner will also establish a research and development division in Indonesia to support this plan. Combiphar intends to hold the majority stake in the JV company. This strategy fits with Combiphar's business expansion plan as it is at the development stage and the company plans to invest through acquisitions or strategic partnerships. It is also considering an initial public offering (IPO) in 2017 to bring in good corporate governance rather than fundraising.

Links: [Mergermarket](#)

TRANSACTION NEWS

Date	Headlines	Summary
7-Jul	<i>Pyridam Farma plans Myanmar and Vietnam market entries (Source: Kontan)</i>	Pyridam Farma, the Indonesia-listed pharmaceutical company, is planning market entries into Myanmar and Vietnam, reported the Indonesian-language newspaper Kontan. The report, which cited Pyridam Farma secretary Steven Setiawan, noted that the company is currently processing the necessary permits for both countries. It remains unclear exactly when the expansion will commence. The company is aiming to book revenues of up to IDR 215.6bn (USD 18m) this year, an increase of 12% YoY, the report noted.
7-Jul	<i>Thyrocare Technologies contemplates float or sale of stake to investor of strategic nature (Source: VCCircle)</i>	Thyrocare Technologies, the India-based provider of thyroid-testing services, is contemplating a float or a sale of stake to an investor of strategic nature, reported VCCircle on Saturday.
7-Jul	<i>Inner Mongolia Furui Medical Science plans to list subsidiary on HKEx (Source: Shenzhen Stock Exchange)</i>	Inner Mongolia Furui Medical Science (Fu Rui Gu Fen) [300049.SZ], an Inner Mongolia-based pharmaceutical company, said in a stock exchange filing dated 4 July that its board has approved a proposal for an IPO of its subsidiary Echosens SA on the main board of the Hong Kong Stock Exchange. The IPO of the French diagnostic equipment manufacturer is expected to be launched within the year. The company plans to review the proposal at an EGM scheduled for 21 July. The diagnostic equipment business of Inner Mongolia Furui Medical Science posted sales revenue of CNY 180m (USD 28.82m) in 2013, representing 34% of its total revenue last year, according to a DZH News report.
6-Jul	<i>Zhejiang Jolly Pharmaceutical to buy 51% stake in Qinghai Everest Ophiocordyceps Sinensis Pharmaceuticals for USD 24m (Source: Shenzhen Stock Exchange)</i>	China based listed Zhejiang Jolly Pharmaceutical [Zuo Li Yao Ye; SZ: 300181] has signed an agreement to acquire a 51% stake in Qinghai Everest Ophiocordyceps Sinensis Pharmaceuticals [Zhu Feng Dong Chong Xia Cao Yao Ye] for CNY 150m (USD 24m), according to a stock exchange announcement. Qinghai Everest Ophiocordyceps Sinensis Pharmaceuticals is engaged with production of Chinese medicine from the fungus ophiocordyceps sinensis.
5-Jul	<i>Hospira acquires Orchid's plant, R&D facility; Orchid completes CDR process (Source: Hospira)</i>	Hospira, the world's leading provider of injectable drugs and infusion technologies, announced on 4 July it has completed the acquisition of an active pharmaceutical ingredient (API) manufacturing facility and an associated research and development (R&D) facility from Orchid Chemicals & Pharmaceuticals Ltd [BSE:524372][NSE:ORCHIDCHEM], a leading Indian pharmaceuticals company, for approximately USD 218m, after settling prior advances of approximately USD 30m. The acquisition enables Hospira, already a leader in certain critical antibiotic injectable products, to vertically integrate into the beta-lactam antibiotic APIs (penems and penicillins), and is also expected to improve Hospira's cost position in this therapeutic space. In addition, backward integration into these beta-lactam APIs will improve the company's security of supply.

5-Jul Orion Health confirms discussions with Deutsche Craigs and First NZ Capital (Source: New Zealand Herald)

Orion Health, the privately held healthcare information technology company, has confirmed that it has been in discussions with Deutsche Craigs and First NZ Capital, reported the New Zealand Herald. The report cited Ian McCrae, the chief executive of the company, who did not specifically discuss rumored plans for the company's listing, but he did confirm that Orion Health was in discussions with the two investment banks. The report cited unnamed market sources who said that Orion Health is preparing for a New Zealand Stock Exchange (NZX) listing in late 2014 and would seek a NZD 500m (USD 437m) valuation.

4-Jul KunWha selected as preferred bidder for Dream Pharma (Sources: KRX, Korea Economic Daily, Yonhap Infomax)

In a disclosure to the stock exchange on 4 July, listed South Korean Hanwha Chemical said that it had selected listed South Korean pharmaceutical company KunWha Pharmaceutical as the preferred bidder for its pharmaceutical subsidiary Dream Pharma. KunWha is the South Korean arm of New Jersey-based Alvogen. In a related report, the Korea Economic Daily said that Alvogen had offered about KRW 200bn(USD 198m) for Dream Pharma. As reported earlier, South Korean company Hanwha Chemical has put its wholly owned medical making unit, Dream Pharma up for sale. South Korean companies Ahn-Gook Pharmaceutical and Cha Medical Group had been also in the acquisition race for Dream Pharma.

Earlier it was reported that Ahn-Gook Pharmaceutical, a listed South Korean company, is entering partnership with domestic private equity fund Quintessa Investment to acquire Dream Pharma.

4-Jul Shanghai Huayu Chinese Herbs 34.78% stake put up for sale (Source: Beijing Equity Exchange)

A 34.78% stake in Shanghai Huayu Chinese Herbs (Hua Yu Yao Ye) has been put up for sale, according to a Chinese-language announcement posted on the China Beijing Equity Exchange. The sale includes creditor's rights of CNY 9.25m in company debt and the initial bidding price is CNY 75.78m (USD 12.13m). The vendor China National Corp. of Traditional & Herbal Medicine (Zhong Guo Yao Cai) is a Beijing-based state-owned conglomerate specializing in R&D, plantation, manufacture and marketing of traditional Chinese medicine products. Shanghai Traditional Chinese Medicine (Shang Hai Yao Cai), the other shareholder of Shanghai Huayu Chinese Herbs has not given up its preemptive right to buy the stake. Shanghai Huayu Chinese Herbs is a China based company engaging in plantation, manufacture, marketing and R&D of traditional Chinese medicine products. It has a registered capital of CNY 60.6m.

4-Jul Curetech Skincare could raise private equity funding after FY15 for new plant (Source: Mergermarket)

Curetech Skincare, a Haryana, India-based Singla-family owned pharmaceuticals company, could explore private equity funding after FY15 for a new manufacturing plant, Managing Director Ashwani Singla said. A new manufacturing plant would cost around INR 500m (USD 8.36m). The company's existing plant is WHO cGMP accredited and it is keen for its next manufacturing plant to be US FDA approved. The company's immediate milestone is to reach INR 1bn in sales, when its existing manufacturing plant may reach full capacity.

4-Jul SRS Group acquires Faridabad-based hospital (Source: VCCircle)

SRS Group, a diversified Indian business group, has acquired SunFlag, the 210-bed multi-speciality hospital located in Faridabad, India, Vccircle reported. Anil Jindal, SRS Group's chairman, confirmed the deal in statements to the paper, but declined to share financial details regarding the transaction. Jindal however did say that SRS Group plans on investing INR 1.5bn (USD 25.15m) in the next year-and-a-half for expanding the hospital facility to a 500-bed capacity.

4-Jul	<i>Nutri-Health in talks with investors for raising up to USD 5m (Source: VCCircle)</i>	Nutri-Health Systems, an Indian weight management solutions company, is now engaged in talks with investors for raising a maximum USD 5m. Nutri-Health Systems is also looking to make strategic investments.
4-Jul	<i>Catapult Sports plans 2014 capital raise for global acquisitions, IPO an option (Source: Mergermarket)</i>	Catapult Sports, a private Australian wearable performance tracking devices company, is looking to complete a fundraising before the end of 2014, with an IPO assessed amongst the options, said Chairman Adir Shiffman. Funding will be instrumental to accelerate the company's global expansion strategy, comprising acquisitions of analytics software companies as well as competitors or peers with strong IP
4-Jul	<i>Becton, Dickinson considers JV partners for South Korea expansion (Source: Mergermarket)</i>	Becton, Dickinson & Co. (BD) (NYSE:BDX), the Franklin Lakes, New Jersey-based medical technology company, is seeking joint ventures partners in South Korea. It would welcome South Korean medical device makers and pharmaceutical companies willing to forge a strategic JV partnership. The USD 21.5bn market cap company is also in talks for a strategic partnership with Korea University College of Medicine's artificial internal organ development center, and an agreement is likely to be inked in second half of this year.
3-Jul	<i>Luye Pharma Group IPO shares to be priced at HKD 5.92 per share; 20% of proceeds to be used for potential acquisitions (Source: Hong Kong Economic Times)</i>	The IPO shares of Luye Pharma Group, a Shandong-based, drug maker, will be priced at the top of its indicative price range, at HKD 5.92 per share, the online version of Hong Kong Economic Times reported. The Chinese language news report, citing an unnamed source familiar with the situation, added that the flotation will raise up to HKD 5.92bn (USD 764m). The company has earmarked 20% of its IPO proceeds for potential acquisitions of pharmaceutical companies. However, no concrete takeover target has been identified, the report added.
3-Jul	<i>Celltrion president to announce preferred bidder for Healthcare stake sale soon (Source: Korea Economic Daily)</i>	The president of Celltrion will soon announce a preferred bidder for a stake sale in Celltrion Healthcare, a drug distribution company, Korea Economic Daily reported. The Korean-language report cited a spokesperson at Celltrion as saying that Seo Jeong-jin, president of Celltrion, has been in talks to sell a stake in Celltrion Healthcare to an international pharmaceutical company, instead of a stake sale in Celltrion. According to the report, a part of Seo's 50.56% holding in Celltrion Healthcare will be sold to secure the buyer as a strategic investor.
3-Jul	<i>Shandong Realcan Pharmaceutical to raise USD 192m via non-public offering (Source: Shenzhen Stock Exchange)</i>	Shandong Realcan Pharmaceutical (Rui Kang Yi Yao) [002589.SZ], a China-based, listed pharmaceutical company, said in a stock exchange announcement that its board has approved a non-public offering of CNY 1.2bn (USD 192m). The listed company will use the net proceeds to replenish its working capital.
3-Jul	<i>Esaote in talks with Fosun (Source: Mergermarket)</i>	Esaote, a private equity-backed Italian medical devices company, has been holding meetings with Chinese conglomerate Fosun, among other potential partners and investors in China. Fosun, which holds a 30% stake in Sinopharm Group [HKG: 1099], could give Esaote access to first and second-tier Chinese hospitals, he said, adding that the Italian company already has a strong foothold in third-tier hospitals. Esaote is one of the six largest global ultrasound systems manufacturers by volume.

3-Jul <i>DDS Lab acquired by CITIC Capital, Blue Sea Capital and management (Source: CITIC Capital)</i>	An international fund advised by CITIC Capital Partners is pleased to announce that the acquisition of DDS LAB, LLC in the United States is completed. DDS is a leading National Board Certified full-service dental laboratory that sells custom dental prosthetic appliances to dental service organizations, mid-size group practices and sole practitioner dentists across the United States.
3-Jul <i>Proventeus Capital seeks to sell stake in Pacific Healthcare via block trade (Source: Mergermarket)</i>	Proventeus Capital, a Malaysia-based private equity house, is planning to sell its holding in Singapore-listed Pacific Healthcare [PACH:SP] via a block trade. Pacific Healthcare owns three clinics in Paragon Orchard, Singapore. It operates a day surgery centre and nursing homes and provides healthcare services across areas such as oncology, orthopaedics, cardiology, urology, dentistry, dermatology, gynaecology, paediatrics and psychiatry.
3-Jul <i>EndoChoice views IPO as strong option (Source: Mergermarket)</i>	EndoChoice, a medical technology firm focused in the gastrointestinal (GI) space, views an IPO as a “real possibility” in 2015. The company markets devices, as well as infection control, diagnostic and imaging products and services that treat GI diseases. In May, it launched its flagship FUSE video endoscopy system. Multiples in the space are roughly 5x-6x forward-looking 12-month revenue.
3-Jul <i>Shanghai Hua Yu Chinese Herbs 34.78% stake put up for sale by subsidiary of China National Pharmaceutical Group (Source: China Beijing Equity Exchange)</i>	China National Corp. of Traditional & Herb Medicine, a subsidiary of China National Pharmaceutical Group Corporation, has put its 34.78% stake in Shanghai Hua Yu Chinese Herbs up for sale with a bidding window of 20 working days, according to an announcement posted on the China Beijing Equity Exchange on 2 July. The sale will include the rights of CNY 9.253m (USD 1.489m) of loans that the target company owes the vendor. The initial bidding price for the whole stake and the creditor’s rights is CNY 75.784m (USD 12.193m). Shanghai Hua Yu Chinese Herbs [Shang Hai Hua Yu Yao Ye], a Shanghai-based company, is engaged in planting, production, sale and research of Chinese traditional medicines and related materials.
3-Jul <i>GPSports acquired by Catapult Sports (Source: Catapult)</i>	Catapult Sports, the Australia-based athlete tracking business, has acquired GPSports. The acquisition brings together two pioneers of the wearables revolution, with both companies boasting more than a decade of experience in sports technology.
3-Jul <i>Covidien/Medtronic not seen facing antitrust divestitures (Source: Mergermarket)</i>	Medtronic’s (NYSE:MDT) planned acquisition of Covidien (NYSE:COV) is not expected to require divestitures for antitrust reasons, a source familiar with the matter and an industry antitrust attorney said. Still, Medtronic may divest assets after the deal closes for strategic reasons, with the slow-growing spine business a potential candidate. Medtronic disclosed a cash-and-stock deal to buy Irish medical devices firm Covidien on 15 June to expand its product range and gain tax benefits by domiciling in Ireland.
2-Jul <i>Henan Taloph Pharmaceutical in talks to buy stakes in Beijing Leadingpharm Medical Technology, Hangzhou Tongjuntang Medicine (Source: Shanghai Stock Exchange)</i>	Henan Taloph Pharmaceutical [Tai Long Yao Ye, 600222 SH] disclosed in a stock exchange announcement that it plans to buy 100% stake in Beijing Leadingpharm Medical Technology [Xin Ling Xian Yi Yao Ke Ji] and a 49% stake in Hangzhou Tongjuntang Medicine & Medical Herbs [Tong Jun Tang Yi Yao Yao Cai]. Beijing Leadingpharm Medical Technology is a company providing pharmaceutical R&D services. The 49% stake in Hangzhou Tongjuntang Medicine & Medical Herbs to be sold is owned by Tonglu County Medicine & Medical Herbs.

2-Jul	<i>Cipla to make additional M&A deals (Source: The Economic Times)</i>	<p>Cipla, the Indian drugmaker, will likely make additional mergers and acquisitions (M&A) deals, The Economic Times reported. The developments were reported following the recent announcement from Cipla pertaining to its acquisition of a 51% stake in a pharmaceuticals business in Yemen for USD 21m. Citing analysts, it was reported by the paper that Cipla is expected to grow inorganically in markets in China and Africa, the item noted.</p> <p>Earlier it was reported that the Company has signed a definitive agreement to acquire a 51% stake in a pharmaceuticals manufacturing and distribution business in Yemen (in turn owned by a UAE based parent company) for USD 21m.</p>
2-Jul	<i>Takeda Pharmaceutical to focus on emerging markets for possible M&A targets (Source: Newswire Round-up)</i>	<p>Takeda Pharmaceutical will focus on emerging markets for possible M&A targets, according to a newswire report. Company is considering emerging markets for acquisition targets, as well as expanding in countries that have faster growth and plans to foster internal talent. The report said that over the last few years, the company spent roughly USD 20bn to acquire Massachusetts-based Millennium Pharmaceuticals in 2008 and Switzerland-based Nycomed in 2011. Takeda Pharmaceutical has a market cap of JPY 3.742tn (USD 36.8bn).</p>
2-Jul	<i>SRL Diagnostics to explore strategic options including midterm IPO (Source: Mergermarket)</i>	<p>SRL Diagnostics, a New Delhi, India-based private pathology lab network, would explore all strategic options as its private equity backers 'would need an exit', said Chief Executive Officer Sanjeev Vashishta. Such options would include more funding from private equity, a stake sale to a strategic as well as an IPO in the mid-term.</p>
2-Jul	<i>Celltrion largest shareholder ceases stake sale process (Source: KRX)</i>	<p>Celltrion Inc, announced on 2 July, that the largest shareholder has ceased the process to sell a stake in the company. Celltrion said since 22 May 2013 when Celltrion Holdings had mandated JP Morgan as a financial advisor for the potential stake sale, it has been reviewing the proposals from potential buyers. However, it has finally decided to terminate the stake sale plan because the offers were not reasonable.</p>
1-Jul	<i>Elder Pharmaceuticals completes sale of domestic branded formulations business to Torrent Pharmaceuticals (Source: Bombay Stock Exchange)</i>	<p>Elder Pharmaceuticals has announced the following on the Bombay Stock Exchange: "Elder Pharmaceuticals Limited ("Elder") has on June 29, 2014 announced that it has completed the transaction for sale and transfer of Elder's branded domestic formulations business in India and Nepal ("India Business") to Torrent Pharmaceuticals Limited ("Torrent") on a slump sale basis.</p>
1-Jul	<i>BGI Diagnostics raises CNY 2bn via selling 19.34% stake to 19 investors (Source: Money Week)</i>	<p>BGI Diagnostics [Hua Da Yi Xue], a Shenzhen-based subsidiary unit of BGI [Hua Da Ji Yin], one of the largest genomics research organizations, may have raised CNY 2bn (USD 322.5m) from 19 institutional investors, the Chinese-language Money Week reported. The source added that BGI Diagnostics likely sold a 19.34% stake in the company to the 19 investors. The item also cited another unidentified source who said the talks are still being conducted, and the size of fundraising has yet to be finalized.</p>
1-Jul	<i>The Health Centrum in talks with investors for its medical tourism park (Source: Mergermarket)</i>	<p>The Health Centrum, a private Philippines based, healthcare tourism company is in talks with investors to raise funds. The healthcare park consists of hospital, aged care, hotel, retirement homes and a condotel, he said. The total project cost is about PHP 2bn (USD 45m) of which the company has invested PHP 300m (USD</p>

		6.8m) in the hospital alone. The potential investors can take a stake in the parent or specific projects in the healthcare park.
1-Jul	Nano EnTek looks to acquire diagnosis business (Source: E-Today)	Nano EnTek, a listed South Korean computer software developer and system integration company, is looking to acquire a diagnosis business, reported E-Today. The Korean- language report cited an insider from Nano EnTek as saying that the company has listed a range of local diagnosis companies to review potential acquisition. The insider said the potential acquisition will take place in the second half of this year. South Korean network carrier SK Telecom, which acquired a 15.48% stake in Nano EnTek recently to become a largest shareholder, plans to grow it to a leading diagnosis company in the country through the potential acquisition, the report added. Nano EnTek has a market cap of KRW 144.6bn (USD 142.5m).
1-Jul	Nichii Gakkan to enter Chinese nursing care market via JV (Source: Nihon Keizai Shimbun)	Nichii Gakkan, the listed Japanese nursing care and education company, is planning to enter the nursing care market in China through a joint venture, the Nihon Keizai Shimbun reported. Nichii Gakkan will conclude a contract to establish the JV with a Chinese government-affiliated nursing care planning institution. Nichii Gakkan will acquire up to a 49% stake in the JV, which will operate nursing homes in about 20 cities, including Beijing and Shanghai, beginning this year. Financial details were not mentioned in the daily. Nichii Gakkan has a market cap of JPY 66.446bn (USD 656m).
1-Jul	AMRI Hospitals 32% stake held by Shrachi to be acquired by Emami within a month (Source: Business Standard)	India's Emami group said it expects to acquire Shrachi Group's 32% stake in AMRI Hospitals, the Indian hospital company, within a month, the Business Standard reported. Shrachi group is seeking to exit from AMRI, owing to the size of the losses at the hospital venture. In FY10, AMRI had a turnover of INR 1.87bn (USD 31.12m).
30-Jun	Yiling Pharmaceutical looks to diversify product portfolio through overseas and domestic acquisitions (Source: Mergermarket)	Shijiazhuang Yiling Pharmaceutical Co. [Yi Ling Yao Ye; SHE: 002603], a listed traditional Chinese medicine (TCM) maker, is looking for acquisitions of biotech companies and western medicine portfolios. The company hopes to expand by acquiring a competitive western medicine producer, with advanced and innovative biotechnology and chemical pharmaceutical products.
30-Jun	Sawai Pharmaceutical agrees to acquire Kashima pharmaceutical manufacturing plant of Mitsubishi Tanabe Pharma Factory (Source: Tokyo Stock Exchange)	Sawai Pharmaceutical announced today a basic agreement to acquire the Kashima pharmaceutical manufacturing plant of Mitsubishi Tanabe Pharma Factory. Under the basic agreement, Mitsubishi Tanabe Pharma Factory, a 100% owned subsidiary of Mitsubishi Tanabe Pharma, will spin-off its Kashima Plant on 1 April 2015. The plant has 258 employees. Mitsubishi Tanabe Pharma Factory is capitalized at JPY 1.13bn (USD 11m).
30-Jun	Suzhou Shenyuan Bio-Tech 21% stake selling to Suzhou Tianma Specialty Chemicals (Source: Shenzhen Stock Exchange)	China based listed Suzhou Tianma Specialty Chemicals [Tian Ma Jing Hua; SZ: 002453] has signed an agreement to acquire a 21.16% stake in Suzhou Shenyuan Bio-tech [Shen Yuan Sheng Wu Ke Ji] through a capital increase of CNY 32.2m (USD 5.2m), according to a stock exchange announcement. Suzhou Shenyuan Bio-tech is a company engaged with herbal medicine planting, processing and selling. The company booked revenue of CNY 26.86m and net profit of CNY 10.87m in 2013.

30-Jun <i>Shanghai Huajian Clinic acquired by iKang Healthcare for undisclosed sum (Source: Nasdaq)</i>	<p>iKang Healthcare Group, Inc. ("iKang" or the "Company") (Nasdaq:KANG), the largest provider in China's fast growing private preventive healthcare services market in terms of revenue in 2013, today announced that it has completed 100% acquisition of Shanghai Huajian Clinic Ltd. ("Huajian"), a well-known middle-to-high end brand in Shanghai's medical examination market. iKang first acquired a 33% equity in Huajian in January 2014, which has been disclosed in iKang's prospectus for its initial public offering, and subsequently acquired the remaining 67% equity in Huajian. Through this transaction, iKang acquired three medical centers with over 300 employees that provide a broad range of healthcare services to the mid-to-high end market in Shanghai.</p>
30-Jun <i>Chongqing Jinshan Science and Technology eyes Shanghai listing (Source: Mergermarket)</i>	<p>Chongqing Jinshan Science and Technology [Jin Shan Ke Ji] [CJST], a Chinese medical devices maker, is reviewing plans to launch an initial public offering in Shanghai, possibly as early as next year. Over the past three years, CJST posted annual revenues of more than CNY 1bn (USD 162.5m). It aims to generate more than CNY 3bn (USD 487.5m) by 2020.</p>
29-Jun <i>Real Nutraceutical to acquire 60% of Magic Galaxy Worldwide Limited for CNY 200m (Source: HKEX)</i>	<p>Real Nutraceutical Group, the listed Chinese health food provider, announced that it has signed an agreement to acquire 60% of Magic Galaxy Worldwide Limited for CNY 200m (USD 32m). Magic Galaxy Worldwide Limited, an investment holding company incorporated in the BVI, owns 100% interests in Anhui Company, a wholly foreign owned pharmaceutical enterprise established under the PRC laws. The Anhui Company possesses one of the few high end eye drops production facilities in China with the latest version of Good Manufacturing Practice certification awarded by the China Foods and Drug Administration. It produces and sells over 10 types of high end medicines (out of which 7 are state approved new medicines) for various types of eye diseases and post eye surgery treatments.</p>
29-Jun <i>Common Splendor International Health Industry to acquire 70% of Zhao Long International Medical Investment Management Group for HKD 40m (Source: HKSE)</i>	<p>Common Splendor International Health Industry Group, the Hong Kong-listed property investment company, announced that it has signed an agreement to acquire 70% of Zhao Long International Medical Investment Management Group Limited for HKD 40m (USD 5.2m). Zhao Long International Medical Investment Management Group Limited, an investment holding company incorporated in the British Virgin Islands, will indirectly hold Allad Zhanjiang Optometry Centre, which is principally engaged in the sale of glasses and accessories and optometry related products. It also holds a group of companies engaged in hospital operations in China.</p>
27-Jun <i>Jilin Jian Yisheng Pharmaceutical signs agreement to buy 100% of Huangfeng Ginseng, also planning to raise CNY 105m via new shares issue (Source: Shenzhen Stock Exchange)</i>	<p>Jilin Jian Yisheng Pharmaceutical [Yi Sheng Yao Ye, 002566.SZ], a listed Chinese pharmaceutical company, signed an agreement for buying the 100% of Huangfeng Ginseng [Huang Feng Sheng Ye], a Jilin-based ginseng company, on 24 June.</p>
27-Jun <i>Wuhan Thalys Medical Technologyc files CNY 402m IPO application with CSRC (Source: CSRC)</i>	<p>Wuhan Thalys Medical Technology (Sai Li Si Yi Liao Ke Ji), a Hubei, China-based in-vitro diagnostics products researcher, developer and agent, has filed a Shanghai IPO application with the China Securities Regulatory Commission (CSRC). Wuhan Thalys Medical Technologyc plans to issue up to 12.74m shares, no more than 6.37m</p>

		<p>shares of which will be sold by its existing shareholders. The fundraising size is expected to be CNY 402m (USD 64m). The company will use the proceeds to fund its expansion of marketing and services network, development of supply chain, production and technical innovation project, and replenishment of its working capital. The company reported revenue of CNY 392m and net profits of CNY 51m in 2013.</p>
27-Jun	SciGen BioPharma 50.01% stake to be acquired by Anglo Gulf (Source: ASX)	<p>SciGen [ASX: SIE], a Singapore-based biotechnology company, will sell its 50.01% stake in an Indian unit, SciGen BioPharma, to Anglo Gulf FZE for USD 7m. SciGen focuses in the areas of gastroenterology, endocrinology and immunology. Its product portfolio includes therapeutics such as rhuman Growth Hormone, rhuman Insulin and GCSF. SciGen has acquired the rights to manufacture, distribute and market biopharmaceutical products under exclusive licensing arrangements. SciGen's portfolio currently includes proprietary biotechnology-derived products, and biosimilar products, which allows for faster entry into the market, as the biogeneric products have undergone much of the clinical development and trials required to bring new drugs to market.</p>
27-Jun	Unilab in talks to forge a JV in Myanmar (Source: Mergermarket)	<p>United Laboratories (Unilab), the Philippines's largest pharmaceutical company, is in talks with a prospective partner to form a joint venture in Myanmar, two company sources said. Talks are still at the exploratory stage and the company would welcome more advisory approaches from financial and legal advisors on the structuring and legal formalities for a joint venture in Myanmar.</p>
27-Jun	Betta Pharmaceuticals files USD 162.5m IPO application with CSRC; CICC appointed as sponsor/lead underwriter (Source: CSRC)	<p>Betta Pharmaceuticals (Bei Da Yao Ye), a Zhejiang, China-based pharmaceuticals company, has filed a ChiNext IPO application on Shenzhen Stock Exchange with the China Securities Regulatory Commission (CSRC), according to the company's IPO application documents preliminarily disclosed on the CSRC website on 27 June. CICC (Zhong Jin Gong Si) is the IPO sponsor/lead underwriter. Betta Pharmaceuticals plans to raise CNY 1.015bn (USD 162.5m) via issuing up to 50m shares. The company will use the proceeds to upgrade the equipment in its R&D center, develop new drugs, expand the production capacity, set up an enterprises information management system and a marketing network, and invest in a planned joint venture. The company reported revenue of CNY 481m and net profits of CNY 182m in 2013.</p>
27-Jun	Sichuan Medicine's 31.5% stake offered for sale at initial bidding price of CNY 455.5m (Source: Chinese Equity Exchange Announcement)	<p>A 31.5% stake in Sichuan Medicine [Si Chuan Yi Yao] has been offered for sale on the Southwest United Equity Exchange with the auction window open from 27 June to 24 July. Sichuan Medicine's 14% and 17.5% stake has been offered for sale by Chinese state-owned companies Sichuan Furun Enterprise Restructuring Investment [Fu Run Qi Ye Chong Zu Tou Zi] and Sichuan Province Industrial Revival PE Fund [Si Chuan Chan Ye Zhen Xing Fa Zhan Tou Zi Ji Jin], respectively. Initial bidding prices of the 14% and 17.5% stakes are set at CNY 202.5m (USD 32.6m) and CNY 253m (USD 40.7m), respectively.</p>
27-Jun	Monash IVF plans to grow through acquisitions (Source: Australian Financial Review)	<p>Monash IVF, the Australian-listed fertility business, plans to grow via acquisition, the Australian Financial Review reported. The report cited Monash IVF managing director James Thiedeman as saying that the company would grow through acquisitions in Australia and by moving into emerging Asian markets. Thiedeman noted that the company sees opportunities to expand its clinical network through bolt-on buys.</p>

27-Jun	<i>Funai Electric to spin-off walking assist device division in July (Source: Nihon Keizai Shimbun)</i>	Funai Electric, the listed Japan-based electronics company, will spin-off its walking assist device division in July, the Nihon Keizai Shimbun reported. Without citing sources, the Japanese-language report disclosed that Funai has developed an electronically operated walking assistance device aimed at helping seniors walk easier, and the company has decided that in order to quickly commercialise the product it will be necessary to have the division tie-up with another company.
27-Jun	<i>Life Healthcare contemplates increasing stake to 46.5% from 26% in Max Healthcare Institute (Source: VCCircle)</i>	Life Healthcare, the South Africa-based healthcare company, is contemplating increasing its stake to 46.5% from 26% in the India-based Max Healthcare Institute, reported VCCircle. A 26% Max Healthcare stake was originally acquired by Life Healthcare for about INR 5.17bn (USD 85.9m) in 2012.
27-Jun	<i>AktivOrtho plans to raise upto USD 5m within the next 6-12 months (Source: VCCircle)</i>	International Orthopaedic Rehabilitation and Prevention Company (India), the Indian healthcare services provider that owns brands like 'AktivOrtho', plans to raise between USD 3m-5m within the next 6-12 months, Vccircle reported. The company plans to use the funds for launching another 15-20 centres within five years.
27-Jun	<i>ISHIFUKU Metal Industry to sell dental implant business to Nippon Piston Ring (Source: Nippon Piston Ring)</i>	Nippon Piston Ring announced on 27 June it will acquire the dental implant business of unlisted Japan-based ISHIFUKU Metal Industry. The value of the deal, which is scheduled to take place on 31 October 2014, was not disclosed. Nippon Piston Ring said that it aims to use the metal material development and precision processing technologies that it has accumulated through its main business of manufacturing automobile engine parts to move into the medical equipment sector. Nippon Piston Ring has a market capitalization of JPY 15.911bn (USD 157m).
27-Jun	<i>Next 21 seeks investors to fund R&D and overseas expansion (Source: Mergermarket)</i>	Next 21, a privately held Tokyo, Japan-based manufacturer and developer of synthetic bone grafts, is seeking strategic and/or financial investors to raise about JPY 1bn (USD 10m) for R&D and overseas expansion around July at the earliest, President Shigeki Suzuki said. Suzuki, who owns a majority stake in the company, has been receiving a number of proposals from venture capital firms and strategic firms. Next 21 will offer a minority stake to investors. Next 21 expects to post sales of about JPY 1bn in fiscal 2014. It expects to generate sales of about JPY 2.5bn in fiscal 2016.
27-Jun	<i>Okayama Igakubu Kensa Center acquired by BML (Source: Tokyo Stock Exchange)</i>	BML, the listed Japan-based laboratory testing service, announced today it has acquired Japan-based clinical testing and dispensing pharmacy company Okayama Igakubu Kensa Center. BML acquired 100% (99,000 shares) in Okayama Igakubu Kensa Center on 18 April 2014. The value of the deal was not disclosed. Okayama Igakubu Kensa Center had net sales for the year through March 2014 of JPY 4.112bn (USD 40m).
27-Jun	<i>Syngene explores overseas listing, possibly by March 2015 (Source: Mergermarket)</i>	Syngene, the contract research and manufacturing arm of listed Biocon [BSE: 532523], is exploring an overseas listing which would occur by March 2015. In FY14, Syngene reported revenues of INR 7.42bn (USD 123m), according to Biocon's annual report. The company expects a valuation of INR 30bn for Syngene. In October 2012, Syngene sold a 7.96% stake to GE Capital for INR 1.25bn, valuing the company at INR 16bn, according to press reports.

27-Jun	<i>Unison completes Korea fund first close and aims to raise additional KRW 50bn-KRW 100bn by year-end (Source: Mergermarket)</i>	Unison Capital Korea, the South Korean arm of Japanese private equity firm Unison Capital, has completed the first close of its Korea fund, raising KRW 201.3bn (USD 198m), a source familiar with the situation said. It now anticipates to raise an additional KRW 50bn-KRW 100bn by the end of this year with the second close set for April 2015.
26-Jun	<i>Harbin Gloria Pharmaceuticals subsidiary acquires 100% of Varsal Medicine for CNY 797.75m (Source: Shenzhen Stock Exchange)</i>	Harbin Gloria Pharmaceuticals [Yu Heng Yao Ye; 002437.SZ], a Heilongjiang-based listed Chinese pharmaceutical company, said in a stock exchange announcement dated 26 June that its wholly owned subsidiary Tibet Gloria Sunshine Pharmaceuticals has completed the acquisition of a 100% stake in Varsal Medicine. Varsal Medicine [Wan Chuan Hua Tuo Yi Yao] is a Nanjing, Jiangsu-based privately held pharmaceutical company. According to the announcement, the deal is valued at CNY 797.75m (USD 128m).
26-Jun	<i>Shanghai Fosun Pharmaceutical proposes to acquire 35% of Sinopharm Holding Medical Investment Management (Source: Shanghai Stock Exchange)</i>	Shanghai Fosun Pharmaceutical, a listed Chinese pharmaceutical company, announced that it proposes to acquire 35% of Sinopharm Holding Medical Investment Management for not more than CNY 200m (USD 32m).
26-Jun	<i>Henan Jinbaokang Medicine Services 100% stake to be acquired by Zhengzhou Handu Yaoye (Source: Shanghai Stock Exchange)</i>	Zhengzhou Handu Yaoye [Han Du Yao Ye], a Henan-based, privately held pharmaceutical company, will acquire 100% of Henan Jinbaokang Medicine Services [Jin Bao Kang Yao Shi Fu Wu] at CNY 33.71m (USD 5.415m). Henan Jinbaokang Medicine Services is a Henan-based subsidiary of Nanjing Pharmaceutical [Nan Jing Yi Yao, 600713.SH], a China-based, listed pharmaceutical company.
26-Jun	<i>Tianjin Zhongxin Pharmaceutical expects to raise USD 185m via share issuance (Source: Shanghai Stock Exchange)</i>	Tianjin Zhongxin Pharmaceutical [Zhong Xin Yao Ye], a listed Chinese entity, said in a stock exchange announcement made today, 26 June, that it plans to raise CNY 1.1547bn (USD 185.2m) through the issuance of new shares to a maximum of 10 investors. The Tianjin-based company plans to sell up to 90m shares at no less than CNY 12.83 apiece and the proceeds will be invested in marketing, production and a logistics center project. The capital raise plan needs to be approved by the Tianjin SASAC, the shareholder meeting and the China Securities Regulatory Commission.
26-Jun	<i>Apollo Hospitals looks to acquire hospitals in India (Source: Financial Chronicle)</i>	Apollo Hospitals, the Indian hospital chain, is looking to acquire hospital facilities across the north, east, and west of India, the Financial Chronicle reported. The company is keen on buying hospitals in tier-II cities in India, including Bhopal, Raipur, Pune, Guwahati and Ludhiana. Apollo Hospitals is looking to buy facilities that have over 100 beds, after its recent acquisition of a 51% stake in Rajshree Hospitals, the 125-bed hospital in Indore. An undisclosed executive at Apollo Hospitals was cited. According to the report, Apollo will invest an estimated total of INR 700m (USD 11.61m) in the Indore hospital project.

26-Jun	<i>Crossject sees merger with generic player as mid-term option (Source: Mergermarket)</i>	France based Crossject [EPA:ALCJ] could entertain merging with a generic player as a mid term growth option, Chief Executive Officer Patrick Alexandre said. Such a deal would enable the creation of a company that can produce drug-device combinations using ZENEO, its proprietary advanced needle-free injection device technology.
25-Jun	<i>Lupin scouts for Japan-based companies, also favourably disposed towards acquiring India-based companies offering strategic fit (Source: DNA)</i>	Lupin, the India-based drug maker, is on the lookout for Japan-based companies, and is also favourably disposed towards acquiring India-based companies that fit strategically, reported the DNA. In Japan, Lupin is on the lookout for a company in the area of injectables. Lupin also desires to fill up gaps it has in therapies as well as technology, drug discovery and biosimilars.
25-Jun	<i>Sinopharm to acquire 17.5% stake in Sichuan Medicine for USD 41m (Source: HKSE)</i>	Sinopharm Group, a Hong Kong-listed Chinese pharmaceutical company, announces that on 25 June 2014, the Company entered into the Equity Transfer Agreement with Sichuan Sanxin Venture Investment Co., Ltd in respect of the acquisition of 17.5% equity interest in Sichuan Medicine Co., Ltd through the open tender process at the Southwest United Equity Exchange at a consideration of CNY 253m (USD 41m).
25-Jun	<i>Hengkang Medical inks deal over purchase of 75% stake in Pingxiang City Ganxi Hospital and increase share holding to 80% via further investment (Source: Shenzhen Stock Exchange)</i>	[UPDATE] Hengkang Medical [Heng Kang Yi Liao, 002219.SZ], a Gansu-based, listed pharmaceutical company, said a stock exchange announcement that it signed an agreement on 25 June with Tao Ming, the actual controller of Pingxiang City Ganxi Hospital [Ping Xiang Shi Gan Xi Yi Yuan], over acquisition of a 75% stake in the hospital for CNY 120m (USD 19.2m) and a further increase of its shareholding to 80% through capital injection of CNY 40m. Pingxiang City Ganxi Hospital is a nonprofit comprehensive hospital. As reported, the parties signed a letter of intent for the stake purchase and investment previously. As of the end of 2013, the hospital boasts total assets of around CNY 114.5m (USD 18.4m) and total liabilities of around CNY 65m. Its operating revenue in 2013 amounts to about CNY 71.06m.
25-Jun	<i>Topro Technology to acquire Mega Medical for TWD 150m (Source: Taiwan Stock Exchange)</i>	[Correction] Topro Technology, a Taiwan-based IC design company, announced its board has decided to acquire 10m shares in Mega Medical, representing a 100% stake of the Taiwanese medical company, yesterday (24 June), according to a stock exchange announcement. The acquisition price is TWD 15 per share and the total deal value is TWD 150m (USD 5.001m).
24-Jun	<i>Bionomics and Merck enter new collaboration for research program targeting cognitive dysfunction (Source: ASX)</i>	Bionomics Limited (ASX:BNO, ADR:BMICY) announces that it has entered into an exclusive Research Collaboration and License Agreement with Merck, known as MSD outside the United States and Canada, for its BNC375 research program targeting cognitive dysfunction associated with Alzheimer's disease and other central nervous system conditions. Under the agreement, Merck will fund all research and development, including clinical development, and will be responsible for worldwide commercialisation of any products from the collaboration. Bionomics will receive upfront payments totalling USD 20m and is eligible to receive up to USD 506m for achievement of certain research and clinical development milestones and undisclosed royalties on any product sales.
24-Jun	<i>Merger between Astellas and Daiichi Sankyo promising; Kyowa</i>	A promising merger in the Japanese pharmaceutical industry is the one between Astellas Pharma [TYO: 4503] and Daiichi Sankyo [TYO: 4568], the Diamond Weekly said, without citing sources. The over-the-counter drug operations of the both

	<i>Hakko Kirin attractive for buyout (Source: Diamond Weekly)</i>	companies have already merged under Daiichi Sankyo's unit, Daiichi Sankyo Healthcare. In March this year, the both companies agreed to share their libraries of chemical compounds to make drugs, allowing them to access to counterpart's libraries.
24-Jun	<i>Yongning Pharma welcomes strategic investment; weighs China or HK listing (Source: Mergermarket)</i>	<p>Yongning Pharma (Yongning; Yong Ning Yao Ye), a Zhejiang-based private pharmaceutical company, would welcome approaches for strategic investment, a company source said. Meanwhile, the company is weighing a potential listing in either mainland China and Hong Kong within two years. It talked to Fosun Pharma about a potential stake sale in a deal of around CNY 100m (USD 16.05m) last year, but talks collapsed, the source said. Synergies could be sought with Fosun Pharma's strong over-the-counter products distribution arm to strengthen Yongning's OTC products' sales network.</p> <p>Yongning had revenue of CNY 838m in 2013 and produces antibiotics and cardiovascular drugs; its intermediates and active pharmaceutical ingredient (API) products are also being exported to Europe, Japan, South East Asia, the US, India and South Korea.</p>
24-Jun	<i>Thonburi Hospital, Aung Shwe Thee International to form JV in Myanmar (Source: The Nation Bangkok)</i>	Thonburi Hospital Group has agreed with Aung Shwe Thee International (AST Group), a Myanmar property company, to form a joint venture to build hospitals in the Myanmar, The Nation reported. The joint venture, to be 51% owned by Thonburi Hospital Group with the remaining to be held by AST Group, will spend THB 1bn (USD 31m) to build a private hospital with 150 beds in Yangon. It is cooperating with Austria's AME international, Boon said in the paper. The joint venture plans to spend THB 5bn over the next three years to build private hospitals in Yangon as well as in Mandalay and Tabin, according to the report. It is also expected to set up small clinics in those cities.
24-Jun	<i>Global Orthopaedic Technologies acquired by The Riverside Company (Source: Company press releases)</i>	The Riverside Company has acquired Global Orthopaedic Technologies (Global), an Australian manufacturer and distributor of orthopaedic implants. With two research, design and manufacturing facilities in Bella Vista and Seven Hills in New South Wales, Global supplies implants and instrumentation for hip, knee, shoulder and spine surgeries, along with related orthobiologics.
24-Jun	<i>Shanghai Kehua Bioengineering buys remaining 22% stake in Shanghai Kehua Enterprises Development for USD 11m (Source: Shenzhen Stock Exchange)</i>	Shanghai Kehua Bioengineering [Ke Hua Sheng Wu, 002022.SZ], a listed biotech company producing in-vitro diagnostics products, said in a stock exchange announcement that it entered an agreement yesterday, 23 June, to purchase a 22.062% stake in Shanghai Kehua Enterprises Development from 11 private investors. According to the announcement, the deal value has been set at around CNY 67.2m (USD 10.8m). The target's business scope includes chemical reagents (excluding dangerous chemicals), medical testing instruments and construction materials.

**24-Jun China Grand Pharmaceutical and
CDH Giant Health to acquire
71.25% of Shanghai Weicon Optical
for USD 78.75m (Source: HKSE)**

China Grand Pharmaceutical and Healthcare Holdings, a Hong Kong-listed pharmaceutical products manufacturer, announced that it, together with CDH Giant Health II Limited, has signed an agreement to acquire 71.25% of Shanghai Weicon Optical Co., Ltd. for USD 78.75m. Shanghai Weicon Optical Co., Ltd. is a leading contact lenses and solutions manufacturer in PRC. The target company has a strong portfolio of traditional annual, semi-annual and monthly lenses and solutions, and also offers high value-added product categories including specially designed lenses and limited edition cosmetic lens.