

## Press Release

### **Nycomed to accelerate expansion in China through acquisition of majority stake in Guangdong Techpool Bio-Pharma**

- Nycomed has acquired 51.34% of the shares of Guangdong Techpool Bio-Pharma Co., Ltd., a fast-growing Chinese pharmaceutical company based in Guangdong
- Acquisition demonstrates importance of China as a key part of Nycomed's emerging markets strategy
- Nycomed gains access to a leading, high quality manufacturer of biologic and protein-based drugs with international potential
- Creates enhanced commercialization base for Nycomed products including Pantoloc<sup>®</sup>, Ebrantil<sup>®</sup> and Actovegin<sup>®</sup> in China

**Nycomed today announced that it is significantly expanding its presence in China through the acquisition of a majority stake in Guangdong Techpool Bio-Pharma Co., Ltd. (Techpool), a fast-growing Chinese bio-pharmaceutical company based in Guangdong. Techpool, founded in 1993, specialises in the research, development, manufacturing and marketing of biologic drugs derived from natural sources.**

Techpool has developed and launched a number of innovative protein drugs, including Ulinastatin, a broad-acting trypsin inhibitor, which is a leading compound in the treatment of sepsis and multiple organ dysfunctions. Kallikrein, a serine protease, is used as a neuroprotective agent in the treatment of stroke.

Techpool's products are sold across China and exported to a number of countries and regions, including Japan and South Korea. The company has built a strong intellectual property position, with 35 patents filed, of which 17 have already been granted, including one US patent approval. Shanghai Pharmaceutical Group, a leading Chinese pharmaceutical conglomerate, holds 40.8% of the shares of Techpool and has previously been the majority shareholder.

Nycomed believes there is significant potential for the continued strong growth of Techpool's key products through expanded hospital and reimbursement coverage in China. While Nycomed China and Techpool will be run as separate companies, value will be created through various forms of alliances between the two entities. The two companies will continue to expand their footprint in China and will focus their efforts around five core brands: Ulinastatin, Kallikrein, Pantoloc<sup>®</sup>, Ebrantil<sup>®</sup> and Actovegin<sup>®</sup>.

Håkan Björklund, CEO of Nycomed, said: "The acquisition of the majority stake in Techpool provides us with a unique opportunity to strengthen our business in China, one of the world's fastest-growing pharmaceutical markets. Techpool's specialty franchise is highly complementary to Nycomed's development strategy and will become a cornerstone of our international expansion in emerging markets."

"This is a great opportunity for Nycomed and Techpool to build a strong player in the area of pharmaceuticals and biologics in China. Techpool's capabilities across the entire value chain were developed under the leadership of a formidable management team, headed by the founder and CEO Dr. Fu. This team will play a pivotal role for Nycomed's future expansion in China and the strong support of Techpool's existing shareholders, in particular Shanghai Pharmaceutical, makes us even more optimistic about our prospects in this exciting market," added Guido Oelkers, Executive Vice President, Commercial Operations at Nycomed.

Commenting on today's announcement, Liew Yew Looi, Senior Vice President for Nycomed North Asia, said: "The partnership with Techpool will significantly accelerate our aim of becoming a leading player in the North Asian market including China. My team at Nycomed and I look forward to working closely with Dr. Fu and his organisation to achieve this goal."

Further details of the agreement were not disclosed.

## About Techpool Bio-Pharma Co., Ltd.

Techpool Bio-Pharma Co., Ltd. (Techpool), founded in 1993 and headquartered in Guangzhou Tianhe Gaotang Science and Industrial Park, is a high-tech joint venture specialized in research, development, manufacturing and marketing of biologic drugs. It is a pioneer in China in terms of development and production of drugs from natural sources.

As a leading manufacturer of human urinary protein-based drugs, Techpool has a strong intellectual property portfolio, with 35 patents filed, of which 17 have been approved including one in the US. With its proprietary biological separation and purification technologies, Techpool has undergone three major R&D transformations from "generics" to "generics and innovation" to "innovation". Its focus on and investment in innovative drug development has allowed Techpool to undertake six national science and technology projects as well as dozens of provincial and municipal science and technology projects. Techpool has also developed and launched a series of innovative protein drugs, noticeably Kailikang<sup>®</sup> (Kallikrein for injection), Techpool Roan<sup>®</sup> (Ulinastatin for injection) and Roxin<sup>®</sup> (Urokinase for injection). Additionally, Techpool has introduced several state-of-the-art production lines that meet EU EMA and US FDA standards to produce lyophilized injections, parenteral injections and Active Pharmaceutical Ingredients.

While focusing on R&D and commercialization of new products, Techpool aggressively pursues a marketing strategy of building brands through academic promotions. It has established a marketing network covering the entire country of China and its products are currently distributed throughout Japan, South Korea, India and Pakistan, among many other countries, achieving rapid expansion in China and steady growth internationally.

## About Nycomed

Nycomed is a privately owned global pharmaceutical company with a differentiated portfolio focused on branded medicines in gastroenterology, respiratory and inflammatory diseases, pain, osteoporosis and tissue management. An extensive range of OTC products completes the portfolio.

Its R&D is structured around partnerships and in-licensing is a cornerstone of the company's growth strategy.

Nycomed employs 12,000 associates worldwide, and its products are available in more than 100 countries. It has strong platforms in Europe and in fast-growing markets such as Russia/CIS and Latin America. While the US and Japan are commercialised through best-in-class partners, Nycomed plans to further strengthen its own position in key Asian markets.

Headquartered in Zurich, Switzerland, the company generated total sales of €3.2 billion in 2009 and an adjusted EBITDA of €1.1 billion.

For more information visit [www.nycomed.com](http://www.nycomed.com)

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