

FOR IMMEDIATE RELEASE

08 September 2005

**MEDIA RELEASE****Pharmaniaga takes another step into China**

**PETALING JAYA:** Today, Pharmaniaga Berhad (Pharmaniaga) through its wholly owned subsidiary, Pharmaniaga Pegasus (Seychelles) Co., Ltd. executed a Share Transfer and Capital Increase Agreement with Shanghai Worldbest Treeful Pharmaceutical (Group) Co., Ltd. (SWTP) and Shandong Changfu Jiejing Pharmaceuticals Co., Ltd. (SCJP). The execution of the agreement will allow Pharmaniaga to acquire 40% stake in Wuxi Worldbest Treeful Pharmaceutical (WWTP), a Large Volume Intravenous (LVI) manufacturer. Currently, 95% of WWTP's shareholding is held by SWTP and the remaining 5% is held by SCJP. Upon completion of this deal, SWTP will hold 60% equity in WWTP and Pharmaniaga will hold the remaining 40%. This will provide Pharmaniaga's entry point into the large and growing China market.

WWTP is constructing an LVI plant, which is already 70% completed in the city of Wuxi and Province of Jiangsu in China. The plant is expected to be operational by early 2<sup>nd</sup> quarter of 2006.

Pharmaniaga was represented by its Managing Director, Azhar Hussain, while SWTP and SCJP were represented by their respective Chairmen, Shen Wei Jun and Shui Qing Peng.

Pharmaniaga executed a Memorandum of Understanding (MoU) with China Worldbest Group Co. (CWGC) a Chinese Government-Linked-Company (GLC) on 28 May 2004. CWGC is currently one of the largest pharmaceutical companies in China. Pursuant to the MoU, CWGC, through one of its subsidiaries, SWTP, offered Pharmaniaga an equity

stake in WWTP. SWTP, which is also a Chinese GLC, is the largest LVI manufacturer in China.

Pharmaniaga Pegasus (Seychelles) Co Ltd ("PPS") was incorporated on 24 August 2005 in the Republic of Seychelles under the International Business Companies Act, 1994. PPS is a 100% wholly owned subsidiary of Pharmaniaga Berhad with an authorised share capital of USD 100,000.00 and 2 ordinary shares of USD50,000.00 each were issued as fully paid-up.

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## **ABOUT PHARMANIAGA BERHAD**

Pharmaniaga Berhad is Malaysia's leading pharmaceuticals group and a member of the UEM Group. The company is driven by its core businesses in generic pharmaceuticals R&D and manufacturing, warehousing and distribution of pharmaceutical and medical products, sales & marketing, as well as hospital equipping provision of turnkey contract services. Pharmaniaga has also created a niche in healthcare IT solutions which forms the backbone of its operations.