

FOR IMMEDIATE RELEASE

25 October 2005

**MEDIA RELEASE**

**PHARMANIAGA PEGASUS SEALS DEAL WITH SHANGHAI PARTNER**

SHANGHAI, 25 October 2005-- Pharmaniaga Pegasus (Seychelles) Co. Ltd. (PPS), a wholly owned subsidiary of Pharmaniaga Berhad, today, sealed its joint venture agreement when it signed an Equity Joint Venture Contract (EJVC) with Shanghai Worldbest Treeful Pharmaceutical (Group) Co., Ltd. (SWTP).

This is following the Share Transfer and Capital Increase Agreement (STACIA) signed by the two parties on 8 September 2005 to acquire 40% equity of Wuxi Worldbest Treeful Pharmaceutical Co., Ltd. The execution of the EJVC is part of the conditions under STACIA.

SWTP is a member of the China Worldbest Group Co. (CWGC), a Chinese Government-Linked-Company (GLC). CWGC is currently one of the largest pharmaceutical companies in China.

Upon signing of the EJVC, the name of the Joint Venture Company (JVC) will be changed from Wuxi Worldbest Treeful Pharmaceutical Co., Ltd. to Wuxi Worldbest Pharma Pharmaceutical Co., Ltd. (WTPPC).

WTPPC would be involved in the manufacturing of soft bottle/ soft bags of Large Volume Intravenous (LVI) at Wuxi Huishan Life Science and Technology Park, Jiangsu, China. WTPPC's plant that is currently 70% completed, will have an annual production capacity of 20-30 million bottles/ bags of LVI, and is expected to reach 100 million bottles/ bags per year in 3 years. It will fulfill the demands for LVI of the population in the local areas,

where the population of Jiangsu Province is about 70.4 million people with the market demand for LVI as forecasted to be 310.6 million bottles/bags for year 2005.

"We have started the application process for the Production License as the plant is expected to be operational by early 2nd quarter of 2006," said Azhar Hussain, Managing Director of Pharmaniaga Berhad WTPPC will be our vehicle to further understand the China pharmaceutical market and its dynamics thus providing us with a firm footing to further explore the market," added Azhar.

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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.