

Proposal to acquire China Biologic Products for \$118.00 Per Share in Cash

21 August 2018 | News

Proposal Provides Immediate and Significant Value to China Biologic Products' Shareholders



A consortium composed of Mr. David (Xiaoying) Gao, GL Capital Group, Bank of China Group Investment Limited and CDH Investments (the "Consortium") has announced it has made a non-binding proposal to acquire all of the outstanding common shares of China Biologic Products Holdings, Inc. that are not already held by the Consortium, for US\$118.00 per share in an all-cash transaction valued at approximately US\$3.9 billion. The proposal was conveyed in a letter to China Biologic's Board of Directors.

The Consortium's proposal represents an approximate 30% premium to China Biologic's closing share price on August 16, 2018, and an approximate 40% premium to the Company's closing price on June 8, 2018, the last trading day before CITIC Capital's proposal to acquire the Company for US\$110.00 per share was conveyed.

Commenting on its offer, the Consortium stated: "Our proposal delivers immediate and attractive value to China Biologic's shareholders and provides the Company the ideal partners to support its future growth. As a private company, China Biologic will have the additional operational flexibility and financial support to build on its successful track record as China's leading plasma player while navigating the current challenges facing the country's biopharma industry."

"Our compelling proposal benefits all of China Biologic's stakeholders and we want to work collaboratively with the Board to complete a transaction in an efficient and expeditious manner. We also want to partner with the current management team as we take the Company forward."

The Consortium has received from Goldman Sachs (Asia) L.L.C. ("Goldman Sachs") a non-binding letter indicating that, subject to the assumptions, terms and conditions in the letter and such other matters as Goldman Sachs considers relevant, Goldman Sachs is, as of the date of the letter, highly confident that as sole lead arranger, sole bookrunner and sole syndication agent, the structuring and syndication of a senior secured debt financing could be accomplished by Goldman Sachs as part of the financing for the acquisition described therein.

Goldman Sachs is acting as financial advisor to the Consortium, Skadden, Arps, Slate, Meagher & Flom LLP is acting as its

U.S. legal advisor, and Conyers, Dill & Pearman is acting as its Cayman Islands legal advisor.