

Australian sandalwood maker buys two US pharma firms

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Singapore: West Australian sandalwood producer TFS Corporation has announced the acquisition of two US pharma firms in a deal worth \$ 23.4 million. The two firms, ViroXis Corporation and Santalis Pharmaceuticals, develop sandalwood oil skin products.

Primarily used as an ingredient in perfume, sandalwood oil is now increasingly being used as a component of dermatological products to treat skin conditions like acne, psoriasis and eczema. TFS chief executive Mr Frank Wilson said the buyout would boost the company's earnings in the global skin care industry.

The company has about 5500 hectares of Indian sandalwood plantations in Western Australia's Ord River region, and smaller plantations in Queensland and the Northern Territory.

Mr Wilson said the deal would allow TFS to work closer with pharmaceutical product development teams and speed up the establishment of a range of sandalwood-based dermatological products.