

China Biologic plans acquisition of TianXinFu

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China Biologic will issue 5,521,000 ordinary shares to PW Medtech.



The fully integrated plasma based biopharmaceutical company China Biologic has agreed to acquire 80 per cent equity interest in Tianxinfu Medical Appliance Co. Ltd from PW Medtech (PWM) Group Limited.

TianXinFu, a medical device company primarily engaging in the manufacturing and sale of regenerative medical biomaterial products, is currently owned at 80 per cent by PWM and 20 per cent by a third party.

In exchange for its acquisition of 80 per cent equity interest in TianXinFu from PWM, China Biologic will issue 5,521,000 ordinary shares to PWM. Upon the closing of the proposed transaction, PWM is expected to hold approximately 16.66 per cent of the outstanding share capital of China Biologic taking into effect the new issuance.

The board of directors at China Biologic has determined to exempt the proposed transaction from causing PWM to be deemed an acquiring person under China Biologic's preferred shares rights agreement dated July 31, 2017.

TianXinFu is the largest manufacturer of its core product, artificial dura mater, and together with other surgical consumable products it serves over 1,600 hospitals with a strong professional marketing and sales force in China.

This acquisition will enable China Biologic to unlock the market potential of their new or upcoming high margin coagulation factor.