

BioVeda Capital Closes First China Biotech Fund



FOR IMMEDIATE RELEASE

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BioVeda Capital, a venture capital firm focused on the life sciences, announced today the formation of BioVeda China Fund, the first international venture fund directed at the life sciences in China.

Participating in the Fund are a select group of leading institutional investors, including Singapore-based investment company Temasek Holdings, HBM BioVentures (Cayman) Ltd, and International Finance Corporation, the World Bank Group's private sector arm.

The Fund expects to raise up to US\$30 million, with investors having co-investment rights to increase the investment size where needed. Chinese institutional investors, including the Pudong New Area Government, are expected to commit another US\$5-10 million to co-invest with the Fund.

The Fund will invest a minimum US\$5 million each in 3-5 companies, to which it will provide expansion capital and management expertise to accelerate their growth.

BioVeda Capital, a biotech investment firm with offices in Singapore, the US, and soon in Shanghai, China, will manage the Fund. BioVeda Capital presently manages a US\$32 million venture fund that has successfully invested in the US and Asia.

The general partners and co-founders of BioVeda Capital are Dr Zhi Yang and Mr Damien Lim. Dr Yang has two decades of experience in biotechnology, having held senior scientific and management positions in a variety of US and Chinese biotech and pharmaceutical companies. Mr Lim has over 16 years of private equity and investment banking experience in Asia.

"We are looking to invest in the future leaders in the rapidly growing Chinese biotech and healthcare sectors. The Chinese pharmaceutical market grew 28% last year, and will be the world's fifth largest market by 2010 -- it is a market not to be ignored," said Dr Yang.

"China is at the cusp of a healthcare revolution that is not coincidental to its incredible economic resurgence. The participation of a top-tier group of investors in the Fund demonstrates strong support for BioVeda's team, investment strategy, and track record in the industry," added Mr. Lim.

The Fund also has a stellar advisory board including Mr Qi MouJia, former Commissioner of the State Food and Drug Administration of China; Prof Xu ZhiHong, President of Beijing University; and Mr William Keller, former head of Roche China.

Mr Tan Suan Swee, Managing Director of Strategic Development in Temasek, said: "By participating in funds such as the BioVeda China Fund, as well as making our own investments, we are able to explore a whole range of opportunities in China as part of our overall investment strategy. We are happy to find in BioVeda Capital an experienced partner that shares our positive view of the biosciences opportunities in China."

IFC Director Rashad Kaldany, who leads IFC's efforts in biotech investments, said "We believe IFC's investment in the BioVeda China Fund will aid China's growing biotech industry. Given China's advantages in education, manufacturing, and human capital, the industry is expected to develop into a leader in Asia."

Added IFC Director Haydee Celaya, who heads IFC's Private Equity and Investment Funds Department: "Chinese biotech and life science pioneers have enormous potential, but lack access to finance in a system dominated by commercial banks. This Fund will provide a new source of capital for these businesses, and access to global expertise and skills to help them succeed in a competitive global industry."

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About BioVeda Capital

BioVeda Capital provides venture capital financing to companies in the life sciences with leading proprietary technologies and outstanding scientific and management talent. As a dedicated Asian life science investor, BioVeda Capital is a crucial business and scientific bridge between companies in the East and West, linking finance and technology between two very diverse markets. Its portfolio includes Renovis Inc (Nasdaq: RNVS), Dynavax Technologies, Inc (Nasdaq: DVAX), Memory Pharmaceuticals Inc (Nasdaq: MEMY), and Idun Pharmaceuticals (acquired by Pfizer Inc). BioVeda Capital was the only Asian venture capital firm ranked in a list of "Top 25 US Biotech VCs" by Venture Reporter (2002-03). For more information, please visit www.biovedavc.com.

About Temasek Holdings

Temasek Holdings is an Asian investment company headquartered in Singapore. Established in 1974, it manages a diversified global portfolio of S\$90 billion, spanning Singapore, Asia and the OECD economies. It invests in a range of industries: telecom and media, financial services, property, transportation and logistics, energy and resources, infrastructure, engineering and technology, pharmaceuticals and biosciences. Singapore-based Temasek-linked companies include well-known listed firms such as Singapore Airlines, SingTel, DBS Group, SMRT Corp and Neptune Orient Lines. Its investments overseas include ICICI Bank, Matrix Laboratories, and the Apollo Hospitals group in India; Bank Danamon and Bank Internasional Indonesia in Indonesia; Quintiles Transnational Corp in the US; Hana Bank in Korea; China Power International and China Minsheng Banking Corporation in China; as well as Telekom Malaysia. For more information, please visit: www.temasekholdings.com.sg.

About HBM BioVentures

HBM BioVentures Ltd is a leading holding company in the human medicine, biotech, and medical technology sectors. It helps investors tap into a broadly diversified portfolio of private and public companies with high value creation potential in an investment segment difficult to access. HBM is appreciated as a complement to traditional pharmaceutical and biotech investments. It is an active investor which finances, supports, and shapes portfolio companies as a key partner. HBM's team of specialists has the therapeutic know-how, operational experience, and wide-ranging expertise in research and development, management and finance to provide a sound basis for above-average returns. With net assets of over CHF900 million, HBM BioVentures is a market leader in its sector. HBM is domiciled in Baar, Switzerland. Its shares are traded over the counter.

About International Finance Corporation

The mission of IFC (www.ifc.org) is to promote sustainable private sector investment in developing countries, helping to reduce poverty, and improve people's lives. IFC funds private sector investments in the developing world, mobilizes capital in the international financial markets, helps clients improve social and environmental sustainability, and provides technical assistance and advice to governments and businesses. From its founding in 1956 through FY04, IFC has committed more than US\$44 billion of its own funds and arranged US\$23 billion in syndications for 3,143 companies in 140 developing countries. IFC's worldwide committed portfolio as of FY04 was US\$17.9 billion for its own account, and US\$5.5 billion held for participants in loan syndications.