



CHINA = GROWTH

If you're a Western-based pharmaceutical company, you must be in China.

China's economy is red hot, second only to the United States. Its GDP has increased 30 fold over the last 35 years. The world has taken notice; China is attracting more foreign investment than any other nation.

Pharmaceuticals are part of China's growth equation. The confluence of rising affluence, increasing disease burden*, and the government's commitment to improving access to health care has created the fastest growing market for pharmaceutical products in the world, with an annual growth rate of 21 percent from 2007-2012. Today, the Chinese drug market is the third largest in the world, valued at \$150 billion (US) and projected to grow at multiple digits for the foreseeable future. At the current growth rate, China's pharmaceutical market will reach the equivalency in value to the United States as early as 2021, approximately \$570 billion (US).

China expansion comes at a time of stagnant, and in some cases, contracting growth in the United States and Europe, where increasingly maturing product

markets, combined with the political reality of paying for the health care of an aging population, threaten traditionally strong sales.

Expansion into China is essential for Western pharmaceutical companies to maintaining a strong balance sheet. Although many multinationals have already expanded commercialization activities in Asia, downstream manufacturing efforts are almost exclusively limited to solids and oral dosage forms. This despite the fact that the primary route of administration is increasingly some type of injectable formulation, a dosage presentation requiring highly technical and critically demanding parenteral aseptic fill-and-finish manufacturing process.

Aseptic fill-and-finish is a lucrative niche. Aseptic fill-and-finish manufacturing is conducted almost exclusively in the United States and Europe, and is subject to import licensing by government authorities, presenting an unpredictable and expensive variable for Western pharmaceutical companies. A viable solution is to identify a proven

contract manufacturing partner in China that specializes in sterile injectables.

With nearly 1.4 billion citizens, China's population is larger than North America, South America and the European Union combined. China's economy is second only to the United States and leads the world in attracting foreign investment.

Are you fully committed to this market?



* Like the rest of the world, China is experiencing significant increases in diabetes, cancer and heart disease, along with higher risks of respiratory, liver, and stomach ailments given the air pollution and prevalence of viral hepatitis and Helicobacter pylori infections.



Visit PaizaBio in China



PaizaBio's manufacturing operations are located in Hangzhou, one of China's top ten travel destinations and one of the seven ancient capitals. Hangzhou was among Marco Polo's favorite destinations due to its beauty and thriving economy, qualities that exist today. Hangzhou is less than two hours from Shanghai. We encourage you to visit PaizaBio in Hangzhou, tour our manufacturing operations, meet our people, and enjoy our home city in China.

90% of Pharmaceutical Companies Count China as a Top Priority for Growth

Multinational pharmaceutical companies can no longer afford a business as usual approach to Asia. Strategic alliances with companies with a longstanding local presence in China, particularly in the contract manufacturing arena, serve to minimize risk and advance the opportunity to quickly gain a position of strength in tune with local protocol and market conditions.

PaizaBio puts you ahead of the curve with our 20-year reputation and experience as a premier aseptic fill-and-finish and lyophilization CMO in China and decades of manufacturing and market development experience with Western drug companies.

Manufacturing in China with PaizaBio Offers

- » Significant economies of scale, from downstream manufacturing through upstream commercialization
- » Strong Sino-influence in export to developing regional countries, thus allowing rapid market penetration to Southeast Asian region
- » Optimization of in-country logistics on a consistent cost basis
- » Minimization of foreign exchange risk
- » Corporate financial hedging with a top five currency, which is not exchangeable on the open market
- » Potential to capitalize on the imminent expansion of the biosimilars market in a country which is a late adopter of biological/large molecule products

PaizaBio is the proven contract manufacturing portal for sterile injectables in China, for the Chinese market, to Western standards.

Let's talk.

