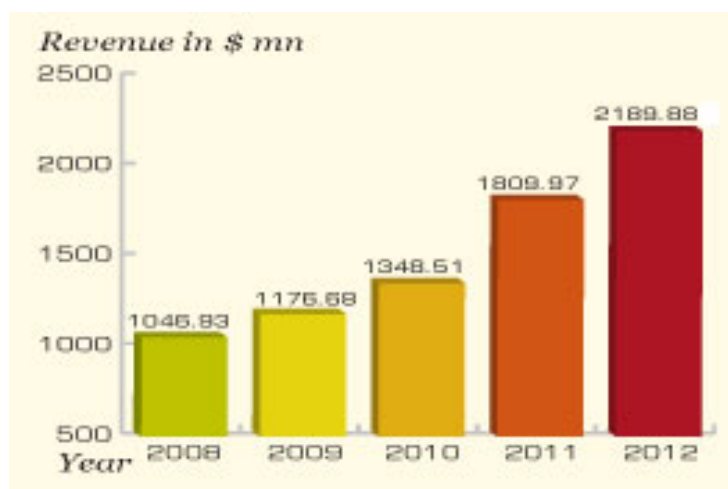


## TCM leader Yunnan Baiyao rides on R&D strength

03 June 2013 | Analysis | By BioSpectrum Bureau



Yunnan Baiyao Group is expanding its forte in the domain of traditional Chinese medicines and is concentrating on strengthening its R&D base. Recognized as a leading traditional Chinese medicines (TCM) manufacturer in China, the Yunnan Baiyao Group has continued to focus on enhancing research on herbs for treatment of blood circulation disorders and wound healing.

The Yunnan Baiyao Group reported \$1.5 billion of business revenue in the first three quarters of 2012, recording a growth of 23.23 percent from the previous year. The firm has been able to maintain the pace of growth throughout the year.

Continuing to invest in R&D for innovative medicine, Yunnan Baiyao plans to acquire Yunnan Medicaments Research Institute for approximately \$16 million. Yunnan Medicaments Research Institute recorded \$18 million in operating revenue and \$4.7 million in net profit in the first three quarters of 2012. Yunnan Medicaments reported total assets of \$24.8 million and net assets of \$13 million in 2012.

Yunnan Baiyao is developing therapy for minor Recurrent Aphthous Stomatitis (RAS) from herbal extract formulated in toothpaste. RAS is a common recurrent oral disorder with no curative treatment available to date. Headquartered in China's Yunnan province, Yunnan Baiyao is among the 10 key large-scale enterprises in the region and among top 100 enterprises in China. Yunnan Baiyao has already developed a strong base in the Chinese market and the company is now looking to expand its avenues across the globe.

Continuing to achieve quality assurance in pharmaceutical products, Yunnan Baiyao has developed and relocated to its new

facility that is designed to comply with required international standards of current good manufacturing practices. In the future, the company is planning to create separate business segments including pharmaceutical products, medical devices, generic drugs and other healthcare products.