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China Cord Blood consolidates corporate structure

December 7, 2012 | News | By BioSpectrum Bureau



Singapore:Ã?Â China Cord Blood's (CCBC) non-wholly owned subsidiary, Favorable Fort, entered into a definitive agreement with Cordlife Services, to acquire Cordlife's interest in the joint ventureÃ?Â for a cash consideration of $8.65 million.

Cordlife has a minority interest in Shandong Province Qilu Stem Cells Engineering, the operator of Shandong Cord Blood Bank. Upon completion of the transaction, CCBC's effective equity interest in Qilu will increase from approximately 19.9 percent to 24 percent.

The incremental increase in equity ownership of Qilu is consistent with the company's strategy to expand its China presence, and at the same time, streamline the organizational structure of the company.

The completion of this transaction will be subject to approval by Cordlife's shareholders. The company engaged Roth Capital Partners to provide and deliver an opinion to the company's board of directors as to the fairness, from a financial point of view, of the transaction.