

Biostar wins another Chinese military contract

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Singapore: Biostar Pharmaceuticals signed another one-year agreement worth \$8 million to manufacture and supply Xijing Military Hospital with 16 new drugs used to treat a variety of diseases such as pharyngitis, nasopharynx, gastroenteropathy, nephropathy, asthma, hyperplasia of mammary glands, dermatosis, gynecological diseases, among others. [Biostar had earlier signed a \\$3 million one-year agreement with the hospital to manufacture and supply five additional drugs](#)

The material terms of this agreement are similar to those of the first two agreements signed with the same hospital in [September \(for \\$3.6 million\)](#) and October 2012. With this new agreement, Biostar will be manufacturing a total of 24 drugs for Xijing Military Hospital (10 granules, 13 capsules, and one powder drug) with a combined value of \$14.6 million.

Mr Ronghua Wang, CEO and chairman, Biostar, commented that, "We are pleased to have signed another drug manufacturing contract with Xijing Military Hospital as we continue to expand our drug portfolio with high quality products that are manufactured specifically for the needs of this hospital. The signing of these agreements is a result of our hard work to quickly complete experimental tests, trial production, and pass manufacturing technology and quality inspections. These types of contracts have the potential to generate substantial revenues, have very low sales expenses and a much shorter sales cycle."

M. Wang continued, "These agreements mark the initial step of our strategic partnership with the Fourth Military Medical University (FMMU), one of China's most prestigious military medical universities and research centers. As previously announced, we are working to become a strategic partner of FMMU in the fields of research and product development and also to become a production base for manufacturing drugs specifically for the needs of China's military."