



## **ASIAPharm Group Ltd**

### **Press Release**

# **ASIAPHARM TO LAUNCH NEW FORMULATION, OTONG® GEL - AN EFFECTIVE EXTERNAL-USE PAIN RELIEVE NATURAL DRUG.**

- **New Formulation - OTong®, a natural drug, obtains New Drug Approval and a three-year protection on sole manufacturing rights and sales in the PRC**
- **Proven safe and effective in treating joint and muscle pain induced by Rheumatism, Arthritis, Ankylosing Spondylitis and Fibromyalgia; targets at over 100 million patients in China**
- **Potential as OTC drug to relieve pain caused by strains and soft-tissue injury**

**Singapore, 17 May 2006** – Singapore Exchange Main Board-listed AsiaPharm Group Ltd. (“AsiaPharm” or “the Group” or “亚洲药业集团有限公司”), a leading specialty pharmaceutical group in the People’s Republic of China (“PRC”) focusing on the research and development, production and sale of natural drugs and drug delivery systems, announced today that its wholly owned subsidiary Shandong Luye Pharmaceutical Co., Ltd (“Luye” or “山东绿叶制药有限公司”) has successfully obtained the New Drug Approval for OTong® (欧通), from the State Food and Drug Administration (“SFDA”) of the PRC.

OTong® - to be launched in the first half of 2006 - is the first gel formulation of Capsaicin extraction in the PRC and its three-year protection on sole rights for manufacturing will prevent duplication and competition from other manufacturers and sales in the PRC.

According to the People's Daily, there are over 100 million Rheumatism patients in the PRC. The disease also plagues approximately 10% of the world's population. OTong® has been clinically proven to be highly effective in providing relief from the debilitating joint and muscle pains induced by Rheumatism, Arthritis and other ailments, targets this vast market and is expected to contribute to the Group's future growth.

"OTong®, is a newly developed formulation of a natural drug in the orthopedics class that is aligned with the Group's growth strategy. It has been proven to effectively alleviate the pain and discomfort suffered by these patients, and will help them to lead more active lives." said Mr Liu Dianbo (刘殿波), Executive Chairman of AsiaPharm, "the product protection awarded by the SFDA will enable OTong® to enjoy the first-mover advantage in securing the major market."

"OTong®, in addition to reaching afflicted patients via AsiaPharm's established network of over 2,000 hospitals across the PRC, has further market potential as an over the counter ("OTC") drug, for topical application in the treatment of strains and similar soft-tissue injury. Although currently targeted at the large domestic market demand; due to its application nature, OTong®, has the potential to penetrate the overseas market in the future." added Mr Liu.

Capsaicin, the main ingredient of OTong® is the active ingredient extracted from Solanaceae commonly referred to as chilies. Significant research conducted by AsiaPharm and other international drug manufacturers on capsaicin's effectiveness in pain relief, have yielded similar positive results in treatment of joint and muscle pain induced by Rheumatism, Arthritis, Ankylosing Spondylitis and Fibromyalgia .

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## **About AsiaPharm Group Ltd.**

Established in 1994, we are today a leading specialty pharmaceutical group in the People's Republic of China ("PRC") focusing on the research and development, production and sale of natural drugs and drug delivery systems. Our ultra modern facility in Yantai is fully equipped with leading edge technology, fully integrated and GMP certified, enabling us to carry out all aspects of pre-clinical evaluation; from pharmaceutical to pharmacology research, drug safety evaluation and clinical trials; to the full production of our natural drugs. We currently employ more than 120 researchers and have close collaborative relationships with renowned universities and research institutions to drive our R&D efforts, enabling us to stay at the forefront of specialty pharmaceutical developments. To reach our customers, we have established an extensive distribution network of 35 sales support offices, covering 30 provinces, municipals, and autonomous regions, reaching approximately 2,000 hospitals. This is further supported by a strong network of 250 distributors and 280 sales and marketing personnel.

***Issued on behalf of AsiaPharm Group Ltd. by WeR1 Consultants Pte Ltd***

## **Media Contact Info**

WeR1 Consultants Pte Ltd  
29 Scotts Road,  
Singapore 228224  
Tel : (65) 6737 4844  
Fax : (65) 6737 4944  
Tan Chin Lee, [tancl@wer1.net](mailto:tancl@wer1.net)