

## HD Biosciences Announces Completion of Series A Financing

**SHANGHAI, China, Aug 07, 2008** (BUSINESS WIRE) -- HD Biosciences Inc., a China-based biology contract research organization (CRO) today announced the closing of its Series A financing. The current round was co-led by Morningside Venture and Lilly Asian Ventures and syndicated with Pfizer Venture Investments.

"We are pleased to have such an outstanding group of investors supporting the ongoing effort to build a world-class biology CRO serving the pharmaceutical and biotechnology industries," said Xuehai Tan, Ph.D., president and chief executive officer of HD Biosciences. "As chemistry outsourcing increasingly shifts to China, we see a growing demand for in vitro screening and in vivo study services in China. The investment by Morningside, Lilly Asian Ventures and Pfizer Venture Investments enables the company to capitalize on this trend with a service offering that is unrivaled both in breadth and quality."

The company intends to use the proceeds of this financing to fund the expansion of its high throughput screening program and build new capabilities in in vivo biology and DMPK bio-analytical services.

"Morningside is very pleased to lead the investment in HD Bioscience, joined by Lilly Asia Ventures and Pfizer Ventures." said Dr. Gerald Chan, chairman of Morningside Venture. "At a time when multinational biopharmaceutical companies are seeking increased R&D capacity in Asia, HD Bioscience is emerging as a leading contract research organization with expertise in customized biology services. The company, led by a team of highly trained scientific professionals, is well equipped to lead biotechnology development in China and meet industry needs worldwide."

HD Biosciences is headquartered in Shanghai Zhangjiang Hi-Tech Park, China.

### About HD Biosciences

HD Biosciences is a leading China-based biology CRO company. Founded in 2002, HDB has emerged as a leader in preclinical pharmaceutical contract research business in China in recent years. HDB specializes in conducting assay development and high throughput screening services for pharmaceutical and biotech clients and has provided services to clients including 5 out of the 10 world's largest multinational pharmaceutical companies.

Additional information regarding HDB can be found at <http://www.hdbiosciences.com>

### About Morningside Venture

Morningside Group is a diversified private investment group founded in 1986 by the Chan family of Hong Kong. Morningside Group invests in private equity and

venture capital opportunities in North America, Europe and Asia Pacific. Since 1992, China has increasingly become a significant part of the group's investment activities. In China, Morningside was one of the earliest institutional investors in China's internet industry and in recent years has been a leader in China's emerging biotechnology sector. Morningside also has investments in China's machinery manufacturing, high-tech, media, telecommunications, and education sectors.

Additional information regarding Morningside Venture can be found at <http://www.morningside.com>

#### About Lilly Asian Ventures

Lilly Asian Ventures is the Asian venture capital arm of Eli Lilly and Company, a leading innovation-driven pharmaceutical company. Lilly Asian Ventures invests in promising life science companies with strong management teams and innovative technology and/or business models. It currently has \$100M under management.

Additional information regarding Lilly Asian Ventures can be found at <http://www.lillyasianventures.com>

#### About Pfizer Venture Investments

Pfizer Venture Investments (PVI) is the venture capital arm of Pfizer Inc., the world's largest research-based biomedical and pharmaceutical company. PVI invests in companies that are both strategic and financially attractive for Pfizer.