



FOR IMMEDIATE RELEASE:

November 5, 2020

Paul Zhang Serves as a China Expert at SVB Leerink’s Affordable Medicines Forum

On October 16, 2020, Paul Zhang, Partner at Bluestar BioAdvisors LLC was an expert guest in a virtual “fireside chat” titled **“China Market: Promises & Misconceptions”**, hosted by SVB Leerink biotechnology analyst Ami Fadia during the Affordable Medicines Forum for investors.

Paul shared his perspectives on the new Volume Based Pricing (VBP) system that emerged in China in the last two years. The discussion centered on a set of wide-ranging questions including:

- What is the underlying rationale of the VBP program?
- How has VBP impacted the branded drugs that lost the tender, such as Lipitor and Norvasc, in terms of volume and price?
- What are the strategies of the companies owning these branded drugs towards VBP?
- What is the government’s general target discount level in the negotiation for national reimbursement coverage? How does that end up comparing to the US pricing strategy?
- How lucrative is the market for products that are not covered by the national drug list (NRDL)?
- How important is it to be included in a hospital’s formulary to the commercial success of branded drugs?
- What hurdles other than NRDL would novel branded drugs need to overcome to secure a position on the hospital formulary?
- What is the core competency needed for success in China’s market? Are the domestic players or the global biopharma companies more likely to succeed in China?

This dialogue provided SVB Leerink’s investors with a deeper understanding of the evolving pharmaceutical pricing market in China, the second largest and fastest growing pharmaceutical market in the world. China is accelerating its pharmaceutical pricing reforms; while rapid and broad-based reimbursement access is becoming a reality, price sensitivity has emerged as a critical consideration.

About Bluestar BioAdvisors

Bluestar BioAdvisors, LLC is an expertise-based boutique consultancy dedicated to the life sciences industry. Its leadership team consists of senior members with consulting and industry expertise. We focus on addressing the commercial opportunities and challenges of pipeline stage assets, leading to actionable strategies on the global scale.

Source: Bluestar BioAdvisors LLC.

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