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## Watson's finally gets Apex Pharmacy after FIC nod

By Jimmy Yeow

Hong Kong-based A S Watson Group (ASW) has acquired 20 Apex Pharmacy stores from Apex Healthcare Bhd after finally getting the approval of the Foreign Investment Committee (FIC), which had earlier turned down its proposal to do so.

In a joint statement on May 31, Watson's Personal Care Stores Sdn Bhd and Apex Healthcare said the transaction had been done for RM12.2 million. Watson's has assumed ownership of 20 Apex pharmacy stores nationwide with immediate effect.

With the approval of the FIC, the sale and purchase agreement was signed yesterday, following the lapse of an earlier agreement entered into in July last year.

Watson's said the combined store network would also have 35 counters trading under the "Apex" brand under an exclusive licence from Apex Healthcare to leverage on its strong brand equity and large customer base.

Last December, Apex Healthcare announced that FIC rejected its proposal to sell 24 Apex Pharmacy stores to Watson's for RM14 million. In a FinancialDaily report later, FIC was criticised for its lack of transparency in its decision-making process. Meanwhile, Watson's Malaysia general manager Ian Cruddas said: "Malaysia is a robust retail market and this strategic move further strengthens our local position in the sector.

"With the acquisition, we will refurbish the stores to reflect the look and feel of Watson's, including changes and enhancement to store signage, layouts and fittings."

Apex Healthcare managing director Dr Kee Kirk Chin said: "Whilst the retail business was the genesis of the group, manufacturing and distribution operations have gradually become its core activities.

"With our exit from the retail business, we will be able to fully concentrate on these core activities that have been and will continue to be the engine of growth for the group."

Founded in 1962, Apex Pharmacy's community and family-oriented approach has earned the loyal support of a large pool of customers throughout its network spanning the Klang Valley, Perak, Negeri Sembilan, Johor and Sabah and Sarawak.