HUTCHISON CHINA MEDITECH LIMITED

Final Results for the year ended 31 December 2015

Record profit from operations at both Group and Commercial Platform levels

Excellent progress on all lead drug candidates – five out of five positive Phase Ib/II outcomes in 2015

Seven drug candidates – 19 active clinical trials – 3 Phase III studies – multiple 2016 catalysts

London: Tuesday, 1 March 2016: Hutchison China MediTech Limited ("Chi-Med" or the "Company") (AIM: HCM), the China-based healthcare group, today announces its final results for the year ended 31 December 2015.

Results are reported under U.S. Generally Accepted Accounting Principles ("U.S. GAAP") for the first time, as the Company prepares for its proposed dual listing on the NASDAQ Stock Market ("Nasdaq"), and in US dollar currency unless otherwise stated.

Group Results

- Revenue up 104% to $178.2 million (2014: $87.3m).
- Net profit from operations attributable to Chi-Med of $8.0 million (2014: net loss -$7.3m), including our booking of $3.1 million in one-time preparation costs for our proposed Nasdaq listing.
- Stable cash position: Available cash of over $90 million as of today, at the Chi-Med Group level, including cash and cash equivalents and unutilized banking facilities.
  1. $31.9 million in cash and cash equivalents at Chi-Med Group level as at 31 December 2015;
  2. $6.9 million in unutilized bank facilities at Chi-Med Group level as at 31 December 2015;
  3. $60.0 million additional unsecured bank facilities established in February 2016;
  4. $76.9 million in further cash and cash equivalents held at 50/50 Joint Venture ("JV") level and not consolidated at Chi-Med Group level. Shanghai property compensation of approximately $73.9 million expected at JV level in 2016, which is in addition to the $31.1 million that we already received in late 2015.
- Continued focus on proposed Nasdaq dual listing – fourth public filing of registration statement on Form F-1 expected to be made today.

Innovation Platform

- Revenue up 156% to $52.0 million (2014: $20.3m) primarily as a result of payments from our partners AstraZeneca AB (publ) ("AstraZeneca"), Eli Lilly and Company ("Lilly"), Nutrition Science Partners Limited ("NSP") (our JV with Nestlé Health Science S.A.) and Janssen Pharmaceuticals, Inc. (part of the Johnson & Johnson group of companies).
- Net loss attributable to Chi-Med down 83% to $3.8 million (2014: net loss -$22.2m).
- Major increased investment in clinical programs by Chi-Med and its partners – estimated up 41% to $64.1 million (2014: $45.5m). Total of 677 new patients, 249 outside China and 428 inside China, were enrolled during 2015 into our 19 active studies.

Commercial Platform

- Total sales of subsidiaries and JVs from continuing operations up 11% to $518.9 million (2014: $465.4m) driven by 40% increase in prescription drugs sales, namely Seroquel® (quetiapine tablets) and She Xiang Bao Xin pill ("SXBXP"), partly offset by an 11% decline in sales, mainly supply driven, in our consumer health business.
- Net profit attributable to Chi-Med from continuing operations up 10% to $25.2 million (2014: $22.8m) due to strong growth in sales of prescription drugs partly offset by $1.7 million in non-recurring one-time costs from factory relocations and the take-back of commercial rights of certain products.

Christian Hogg, CEO of Chi-Med, said: "2015 has been a record year, and in 2016 we expect multiple clinical catalysts and continued commercial performance to continue this momentum.

Chi-Med doubled revenues in 2015, made a record net profit from operations at the Group level and has maintained a strong cash position. We made excellent progress in the Innovation Platform, publishing positive clinical outcomes on all five of the Phase Ib/II proof-of-concept studies that reported results during the year. On the Commercial Platform, we again recorded double digit sales and profit growth and started to unlock the considerable value of legacy land assets that are held in our JVs in China. We also committed to list on Nasdaq, to add to the current London Stock Exchange AIM listing.

Over more than a decade, more than $330 million has been invested in the Innovation Platform. Now with a team of over 290 scientists and staff, and with what we believe are either first-in-class or best-in-class drug candidates against eight molecular targets, we operate one of the leading oncology and immunology drug research and development operations in China.

Our research is founded on the core belief that cancer uses multiple molecular pathways to survive, proliferate and migrate and that treatment would require combinations of drug therapies to shut down these primary and resistance pathways. To enable drug therapies to be combinable and tolerated by patients, Chi-Med has used a chemistry-focused approach to design clean compounds that are uniquely selective to the intended molecular target, as well as possessing favorable drug-drug interaction profiles and superior pharmacokinetic properties.

Last year, this research approach was validated through the publication of positive Phase Ib/II clinical efficacy on savolitinib, fruquintinib, sulfatinib and epitinib, in addition to solid Phase I clinical safety data on HMPL-523, our Spleen Tyrosine Kinase ("Syk") inhibitor. For the first time it has been shown that several Chi-Med compounds are combinable at their full strength with other approved cancer therapies – savolitinib can be used in combination with Tagrisso® (AZD9291/osimertinib) and Iressa® (gefitinib), and fruquintinib can be used in combination with Taxol® (paclitaxel). We see this as just the start of a multi-year effort to maximize patient outcomes in a range of solid tumors and hematological cancers, through combinations or rotations of treatment of our compounds with other targeted therapies, immunotherapies and chemotherapies.

In our Commercial Platform, Chi-Med has focused on broadening the scope and capacity of the higher margin prescription drug business, which will provide a strong China marketing and distribution channel for the Innovation Platform drugs if approved. We gained a new 20-year patent on SXBXP, our largest selling proprietary drug; and we remain on-track for two new large-scale factories to come on-line this year to provide a much needed increase in supply through the tripling of our own-brand production capacity. We are also now starting to realize the considerable, previously hidden, value of the land-use rights of our two old JV factory sites, securing a $105 million compensation deal for our old Shanghai site which had a net book value of only $12.7 million as at 31 December 2015. We are now working towards the prospect of a potentially larger settlement on our Guangzhou sites.

One of our key differentiators, due primarily to the scale of our clinical pipeline and the speed at which it is progressing, is the quantity of catalyst events that we expect our lead drug candidates to trigger as they move ever closer to their potential approval and launch. In 2016, for example, savolitinib, subject to positive Phase II data, has a chance to submit for U.S. Food and Drug Administration ("FDA") approval late this year in papillary renal cell carcinoma ("PRCC"); fruquintinib is expected to complete enrollment of its Phase III registration study in third-line colorectal cancer in China and, again subject to quality data, will look to submit for China FDA approval late this year or early in 2017; sulfatinib should initiate global proof-of-concept studies and a second Phase III registration study in China this year; epitinib is targeting to start both a China Phase III registration study and U.S. development later in 2016; and HMPL-523 aims to consolidate its position as one of the world's leading Syk inhibitor candidates by starting a global proof-of-concept study in rheumatoid arthritis and completing its Phase I study in lymphoma this year, which will hopefully provide a clear efficacy signal.

Together with the intended Nasdaq dual listing, all the pieces are now in place to accelerate discovery work, expand clinical activities and ultimately commercialize our approved innovations."

2015 / Q1 2016 Highlights

Group:

- **Announced plan to dual list Chi-Med on Nasdaq**
  Q4-15 – The planned Nasdaq listing, when completed, will open up a new and deep universe of biopharmaceutical investors and analysts that are well positioned to understand our science and support the late-stage development of our pipeline.

- **Secured 99.8% ownership of Innovation Platform**
  Q3-15 – Completed a transaction (the "Roll-up") that converted the 12.24% shareholding of Mitsui & Co., Ltd. ("Mitsui") in our Innovation Platform, Hutchison MediPharma Holdings Limited ("HMHL"), into a 5.69% shareholding in Chi-Med. The Roll-up eradicated the two downsides of Mitsui's HMHL preference shares – the risk of the cash drain of a redemption; and the distortion of Chi-Med Group earnings per share caused by the non-cash accretions required under U.S. GAAP.

Innovation Platform: Reported positive data in five Phase Ib/II proof-of-concept studies – currently enrolling 19 clinical trials on 7 drug candidates including 3 Phase III registration trials

- **Savolitinib: Potential global first-in-class Mesenchymal Epithelial Transition Factor ("c-Met") inhibitor – in 9 clinical studies worldwide**
  Q2-15 – Reported clear and durable tumor response of savolitinib/Tagrisso® combination in T790M negative c-Met gene amplified non-small cell lung cancer ("NSCLC") patients at 2015 meeting of the American Society of Clinical Oncology ("ASCO");
  Q4-15 – Received Phase II/III clinical trial clearance from the China FDA;
  Q4-15 – Completed enrollment of global Phase II study of first-line papillary renal cell carcinoma ("PRCC") with 109 patients – the largest study in PRCC ever conducted globally.

- **HMPL-523: Potential global first-in-class Syk inhibitor – emerging as a very high value asset**
  Q3-15 – Successfully completed Australia Phase I clinical study showing no material toxicities in healthy volunteers; linear dose dependent human drug exposures well above expected efficacious dose; and clear dose dependent inhibition in B-cell activation in human plasma pharmacodynamic models;
  Q1-16 – Initiated Australia Phase I dose escalation study in hematological cancer (lymphoma and leukemia patients).

- **Fruquintinib: Potential global best-in-class small molecule Vascular Endothelial Growth Factor Receptor ("VEGFR") inhibitor in Phase III development**
  Q2-15 – Clearly met Phase II study primary endpoint, in colorectal cancer (third-line), with median Progression Free Survival ("PFS" – the time to disease progression or death) of 4.7 months compared to 1.0 month for the placebo (hazard ratio = 0.30 ($p<0.001$)), with no major unexpected safety issues;
  Q3-15 – Clearly met Phase II study median PFS primary endpoint, in NSCLC (third-line), with no unexpected safety issues – full data publication in 2016;
  Q4-15 – Initiated pivotal Phase III registration study, named FALUCA, in NSCLC (third-line) in China;
  2015 – Received success-based proof-of-concept cash payments totaling $33.1 million from Lilly in 2015.

- **Sulfatinib: Potential Breakthrough Therapy in neuroendocrine tumors in Phase III development**
  Q3-15 – Reported 44.4% Objective Response Rate ("ORR" – the proportion of patients with tumor shrinkage of more than 30%), in a broad range of neuroendocrine tumors ("NET") in an expanded Phase I study in China – significantly superior to <10% ORR for Sutent® (sunitinib) and Afinitor® (everolimus) reported for pancreatic NET (only ~6.4% of all NET according to Frost & Sullivan);
  Q3-15 – Initiated U.S. Phase I dose confirmation study in Caucasians – sulfatinib is the first wholly-owned cancer drug candidate being developed by Chi-Med in the U.S.;
  Q4-15 – Completed enrollment of an 81 patient Phase Ib/II NET study in China;
  Q4-15 – Initiated pivotal Phase III registration study, named SANET-ep, in extra-pancreatic (i.e. non-pancreatic) NET patients in China.

- **Epitinib: Potential global best-in-class small molecule Epidermal Growth Factor Receptor ("EGFR") inhibitor**
  Q3-15 – Reported highly encouraging early human efficacy data in Phase Ib study of NSCLC patients with brain metastasis – clear responses in both primary lung and metastasized brain lesions.

Commercial Platform: Focus on broadening scope and capacity of higher margin Prescription Drugs business

- **Rapid expansion in our Prescription Drugs business:** Shanghai Hutchison Pharmaceuticals Limited ("SHPL") and Hutchison Whampoa Sinopharm Pharmaceuticals (Shanghai) Company Limited ("Hutchison Sinopharm") – the Commercial Platform's core prescription drug operations – grew sales of subsidiaries and JVs by 40% to $286.6 million (2014: $204.9m) with net profit attributable to Chi-Med up 20% to $15.9 million (2014: $13.2m).

- **Important 20-year invention patent granted:** A new patent covering formulation was granted in July 2015 on SHPL's largest prescription drug product, SXBXP (cardiovascular), which will extend proprietary protection in China through 2029. SXBXP sales grew by 15% to $159.3 million in 2015, representing 56% of the total sales of our Prescription Drugs business.

- **Substantial progress on Seroquel®:** In the third party Prescription Drugs business, SHPL has now established an over 100-person psychiatric disorder medical sales team to market and sell Seroquel® on behalf of AstraZeneca. Sales of Seroquel® from April to December 2015 were $21.1 million – evidence of the adaptability of our Commercial Platform in China to enter new therapeutic areas.

- **New factories and property compensation on-track:** The new Shanghai and Anhui province factories, which are already about 90% paid for, come on-line in 2016 and will triple production capacity for own-brand products. We expect considerable compensation to our JVs from our Shanghai and Guangzhou old factory site returns. We received $31.1 million in cash from the Shanghai government in late 2015, as the first installment payment, for the return of our old Shanghai factory site. The balance of the total Shanghai compensation of about $105 million is expected in 2016.

2016 Innovation Platform Catalysts

- **Savolitinib: Clarity on U.S. FDA filing strategy – potential to submit for U.S. FDA approval in late 2016**
  Q1-16 – Expect to initiate Phase Ib dose finding study in renal cell carcinoma combining savolitinib with immunotherapy agents;
  H2-16 – Plan to report PRCC Phase II results, subject to maturity of median PFS, at a scientific conference in 2016;
  H2-16 – Thereafter, subject to positive Phase II data and U.S. FDA guidance, possible initiation of global Phase III in PRCC; potential Breakthrough Therapy application and possible U.S. FDA New Drug Application ("NDA") submission;
  H2-16 – Expect to report full results of Phase Ib/II proof-of-concept studies in c-Met gene amplified NSCLC patients in combination with EGFR inhibitors, Tagrisso® and Iressa® and, subject to the strength of the data, we could then potentially move directly into registration studies.

- **HMPL-523: Consolidate position as one of the leading global Syk inhibitor candidates**
  H2-16 – Expect to initiate global Phase II proof-of-concept study in rheumatoid arthritis;
  H2-16 – Expect to complete Australia Phase I study in lymphoma/leukemia patients with potentially compelling proof-of-concept efficacy signal;
  H2-16 – Plan to initiate clinical development in China.

- **Fruquintinib: Clarity on China FDA filing strategy and timing – potential to submit for China FDA approval in late 2016 or early 2017**
  Q2-16 – Expect to complete enrollment of pivotal Phase III registration study, named FRESCO, in colorectal cancer (third-line) in China;
  Q2-16 – Plan to initiate Phase Ib dose finding on exploratory combination studies of fruquintinib/other agents such as targeted therapies, immunotherapies and/or chemotherapies;
  H2-16 – Expect to report full China NSCLC (third-line) Phase II data at a scientific conference;

H2-16 – Plan to initiate Phase II study in gastric cancer (second-line) in combination with Taxol® in China.

- **Sulfatinib: Global proof-of-concept study planned to initiate in 2016**
  Q1-16 – Plan to initiate Phase II proof-of-concept study in thyroid cancer (second-line medullary/non-medullary) in China;
  Q1-16 – Plan to initiate pivotal Phase III registration study, named SANET-p, in pancreatic NET patients in China;
  H2-16 – Expect to report full China Phase II data in broad spectrum NET (first-line);
  H2-16 – Plan to initiate U.S. Phase II NET study.

- **Epitinib: Targeting to start both China Phase III and U.S. clinical development in 2016**
  H1-16 – Expect to complete Phase Ib study of NSCLC patients with brain metastasis in China;
  H2-16 – Plan to initiate pivotal Phase III registration study in China;
  H2-16 – Plan to initiate U.S. Phase I dose confirmation study.

- **Other clinical/near clinical drug candidates:**
  H1-16 – Expect to complete theliatinib Phase I dose escalation study in China;
  H2-16 – Plan to initiate theliatinib Phase Ib studies in esophageal and head & neck cancers in China;
  H1-16 – Plan to initiate Australia Phase I dose escalation study on HMPL-689, our potentially best-in-class Phosphoinositide 3-kinase delta ("PI3Kδ") inhibitor;
  H2-16 – Plan to initiate China and/or Australia Phase I dose escalation study on HMPL-453, our potentially first-in-class Fibroblast Growth Factor Receptor ("FGFR") inhibitor.

Ends

Enquiries

Chi-Med Christian Hogg, CEO	Telephone:	+852 2121 8200
Panmure Gordon (UK) Limited Richard Gray Andrew Potts	Telephone:	+44 20 7886 2500
Citigate Dewe Rogerson Anthony Carlisle David Dible	Telephone: Mobile: Mobile:	+44 20 7638 9571 +44 7973 611 888 +44 7967 566 919

An analyst presentation will be held at 9:00 am today at Citigate Dewe Rogerson, Third Floor, 3 London Wall Buildings, London, EC2M 5SY.

About Chi-Med

Chi-Med is a China-based, globally-focused healthcare group which researches, develops, manufactures and sells pharmaceuticals and health-related consumer products. Its Innovation Platform focuses on discovering and developing innovative therapeutics in oncology and autoimmune diseases for the global market. Its Commercial Platform manufactures, markets, and distributes prescription drugs and consumer health products in China.

Chi-Med is majority owned by the multinational conglomerate CK Hutchison Holdings Limited ("CK Hutchison") (SEHK: 0001). For more information, please visit: www.chi-med.com.

CHAIRMAN'S STATEMENT

The vision of Chi-Med is to become a leading global biopharmaceutical company based in China. We intend to achieve this by leveraging our Innovation Platform to provide differentiated products in the global targeted therapy arena in oncology and immunology. Chi-Med has set out to build a broad portfolio of highly selective drug candidates against multiple novel and validated molecular targets. It is intended that the use of these drug candidates as monotherapies, or in combinations or rotations of treatment with other therapies, have the potential to greatly improve patient outcomes and therefore build shareholder value. Our key areas of strategic focus include:

Designing drug candidates against novel but well-characterized targets with global first-in-class potential – The largest market opportunity is to develop innovative drug therapies that have global first-in-class potential in areas of high unmet needs. Chi-Med focuses on identifying novel but well-characterized kinase targets (proteins or enzymes) associated with the pathogenesis of cancer or inflammation, such as c-Met and Syk. A chemistry-focused approach is then used to engineer innovative, highly selective drug candidates against these targets. These innovative drugs have the chance to be the first drug approved worldwide against the specific novel molecular target.

Focusing research and development efforts on kinase selectivity to generate global best-in-class product – Risk is balanced in research and development activities by also focusing on drug candidates against validated targets, including VEGFR and EGFR, for which competitive drugs have already been approved. The objective of this research is to develop next generation compounds, characterized by both high selectivity and superior pharmacokinetic properties. This provides us with a chance to become the best-in-class drug candidate, against its specific already validated target, clinically superior in terms of safety and/or efficacy to the first-in-class standard of care.

Continuing to invest in the fully integrated Innovation Platform – The creation of high quality drug candidates takes time, a stable and high quality discovery organization and significant financial resources. Chi-Med has built its position as a leading China-based innovator in oncology and immunology through continuous efforts and investments over the last 14 years, and has led to the creation of our seven clinical and two late-stage pre-clinical drug candidates, HMPL-453 targeting FGFR and HMPL-689 targeting PI3Kδ.

Pursuing a practical and efficient clinical and regulatory strategy – The China FDA is highly supportive of clinical trials for drug candidates that can address large unmet medical needs. China's large patient population, combined with relatively lower clinical trial costs as compared to the U.S. and Europe, allows for rapid enrollment of patients in clinical trials in a cost-effective manner, resulting in more efficient proof-of-concept. Subject to achieving proof-of-concept in our China studies, Chi-Med can then move to initiate the higher cost, mid- to late-stage global studies both independently as well as with partners.

Maximizing economic interest in our drug candidates through in-house development and later-stage strategic partnerships – Our existing strategic partnerships with global pharmaceutical companies have brought Chi-Med significant technical expertise and global clinical, regulatory and commercial reach, as well as a necessary source of funding during the early-stage development of the company. Now, looking forward to potential collaborations on our un-partnered drug candidates, Chi-Med will either go-it-alone or structure future deals in a more risk-sharing manner in order to retain a higher proportion of the economic benefits.

Leveraging and expanding our Commercial Platform – While the majority of the resources and available capital of Chi-Med are focused on our Innovation Platform, the Commercial Platform and its sales and marketing infrastructure will continue to expand. We also intend to build an oncology focused sales team under the Prescription Drugs business to commercialize drugs successfully developed by our Innovation Platform in China. Outside of China, products will be commercialized, if approved, in the U.S., Europe and other major markets by Chi-Med and/or through partnerships with leading biopharmaceutical companies.

Financial Review

Chi-Med Group revenues from continuing operations in 2015 were up 104% to $178.2 million (2014: $87.3m), driven mainly by a full period of consolidation of Hutchison Sinopharm, which began operations in Q2 2014. It should be noted that Group revenues do not include the revenues of our two main large-scale 50/50 JVs in China, SHPL and Hutchison Whampoa Guangzhou Baiyunshan Chinese Medicine Company Limited ("HBYS"), which are accounted for using the equity method.

Our Commercial Platform, which continues to be Chi-Med's primary profit and cash source, grew operating profit from continuing operations by 11% to $28.2 million (2014: $25.5m). The Innovation Platform reduced operating losses significantly, by 83%, to $3.8 million (2014: -$22.2m) despite a major step-up of clinical activities on both our partnered and wholly-owned drug candidates as well as a major organizational expansion to support these clinical activities. We have also increased investment in our new oncology drug manufacturing operation in Suzhou, which, in the first half of 2015, successfully produced its first batches of fruquintinib for use in Phase III clinical trials.

Net administrative expenses incurred by our corporate head office, primarily Chi-Med Group overheads and running costs, increased significantly to $11.0 million (2014: $6.6m) driven primarily by $3.1 million of one-off costs associated with preparing for our proposed Nasdaq dual-listing.

Consequently, Chi-Med Group operating profit from continuing operations was $13.4 million (2014: operating loss -$3.3m).

Total interest, tax and profit attributable to non-controlling interests from continuing operations during the period were $5.4 million (2014: $5.0m).

Overall, net profit from continuing operations attributable to Chi-Med was $8.0 million (2014: net loss -$8.3m).

In 2014, the Commercial Platform received an arbitration award in relation to a contract dispute with a supplier of infant formula. This led to a one-time gain and consequent total net profit attributable to Chi-Med on discontinued operations in 2014 of $1.0 million, as compared to nil in 2015.

The resulting total Group net profit attributable to Chi-Med was therefore $8.0 million (2014: net loss -$7.3m).

Change to U.S. GAAP from International Financial Reporting Standards ("IFRS") – As previously announced in late 2015, the Company has changed the basis of preparation of the consolidated financial statements of the Group, and the adopted financial reporting standards, from IFRS to U.S. GAAP. Differences between IFRS and U.S. GAAP which have had a significant impact on the historical consolidated financial statements published in prior years under IFRS include the following two main differences:

(1) Revenue recognition of upfront and milestone payments received from the license and collaboration agreements – Under IFRS, the Group applied the percentage of completion method to recognize revenue from its license and collaboration agreements in each financial period. Under U.S. GAAP, there is prescriptive guidance on multiple element arrangements and specific guidance on accounting for arrangements with milestone payments. Under U.S. GAAP, substantive milestone payments are recorded in their entirety when the milestone is achieved. As a result, the timing of recognition for certain upfront and milestone payments under IFRS and U.S. GAAP are different, resulting in different allocations of such payments to different accounting periods.

(2) Accounting treatment of the redeemable convertible preferred shares – Under IFRS, the Group classified the redeemable convertible preferred shares issued by its subsidiary as non-controlling interests within equity. Under U.S. GAAP, the Group is required to classify these redeemable convertible preferred shares as mezzanine equity and to account for the accretion to the redemption amount when it is probable that the preferred shares will be redeemed.

Mitsui accretion – In July 2015, we completed a transaction, the Roll-up, with Mitsui under which Chi-Med issued 3,214,404 new ordinary shares (5.69% of the enlarged share capital of Chi-Med) valued at $84.0 million in exchange for Mitsui's 12.24% shareholding in HMHL convertible preferred shares. This valued HMHL at $686 million, equivalent to 46.5% of Chi-Med at the time of Roll-up.

The HMHL preferred shares were redeemable (i.e. Chi-Med could be forced to buy them back) upon HMHL valuation reaching over $190 million, and as a result they were accounted for as redeemable non-controlling interests outside of permanent equity in the Chi-Med consolidated balance sheets before the completion of the Roll-up. At such time that it became probable that the preferred shares would become redeemable, under U.S. GAAP, Chi-Med was required to record a non-cash accretion equivalent to the estimated increase in the value of the Mitsui shareholding (i.e. effectively Chi-Med's theoretical liability). As a result, in 2015, up to the date of completion of the Roll-up, HMHL had recorded an accretion of $43.0 million (2014:

$25.5m) to the preferred shares based on such preferred shareholder's share of the estimated valuation of HMHL.

These non-cash accounting entry accretions increased the carrying value of the redeemable non-controlling interests and accretions made before the completion of the Roll-up were recorded against 2015 additional paid-in capital. As a result, Group net loss attributable to ordinary shareholders of Chi-Med from continuing operations was $35.0 million, compared to $33.8 million in 2014, with loss per share in 2015 of 64.0 US cents, unchanged versus 2014.

Importantly, the Roll-up eradicated both the significant, and potentially inconveniently timed, drain on Chi-Med cash needed to buy back these HMHL shares as well as the distortion caused to Chi-Med Group earnings per share by making non-cash accounting entry accretions equivalent to the estimated increase in the value of the Mitsui shares. All in all the Roll-up eradicated the impact of these preferred shares in an efficient manner and at a price that was attractive to Chi-Med.

Cash and Financing

Since our initial public offering on the AIM market of the London Stock Exchange in 2006, Chi-Med has, in general, used the steady flow of dividends from our Commercial Platform combined with service fee and milestone payments from the four main Innovation Platform partners to fund our research and development activities. Bank borrowing has also been utilized to bridge between these cash injections.

With the acceleration and broadening of the late-stage clinical pipeline this year, the Chi-Med board now believes it is important to access the U.S. equity capital markets. Furthermore, during 2016 detailed clinical results on many drug candidates, namely savolitinib, fruquintinib, sulfatinib, epitinib and HMPL-523 are expected to be published. Given this, Nasdaq provides the right long-term platform for Chi-Med, as it opens up a new and deep universe of biopharmaceutical investors and analysts that are well positioned to understand both the science behind our drug candidates and their clinical results and therefore support late-stage development of the pipeline.

At the Chi-Med Group level, cash and cash equivalents as at 31 December 2015 totaled $31.9 million (31 December 2014: $38.9m), outstanding bank loans amounted to $50.0 million (31 December 2014: $53.2m), of which $26.9 million is guaranteed by Hutchison Whampoa Limited, a wholly owned subsidiary of CK Hutchison, and un-utilized bank loan facilities totaled $6.9 million (31 December 2014: $8.5m).

In February 2016, Chi-Med established additional new credit facilities with Bank of America Merrill Lynch and Deutsche Bank totaling an aggregate amount of $60.0 million. These facilities are unsecured, with a range of 12 and 18 month terms, and were established in order to give Chi-Med additional flexibility in the context of execution of the proposed Nasdaq listing. Total Chi-Med Group weighted average cost of borrowing on all loans, including all interest and guarantee fees, was 2.4% as of 31 December 2015.

At the JV level, under U.S. GAAP, the three JVs (SHPL, HBYS and NSP), which are all 50/50 JVs, are accounted for on an equity accounting basis. The substantial JV cash and cash equivalents are therefore not separately reflected at the Chi-Med Group level. Overall, cash and cash equivalents at the JV level as at 31 December 2015 totaled $76.9 million (31 December 2014: $53.8m), with outstanding bank loans of $26.5 million (31 December 2014: $22.6m).

These JVs have a long track-record of paying dividends with a total of $143.4 million, out of retained profits of $287.0 million, paid to Chi-Med and its partners between 2005 and 2015. In 2015 the JVs paid out $6.4 million (2014: $15.9 million) which was lower than normal, as they went through the final, and also peak, capital expenditure phase of the construction of the two new factories. Looking forward, Chi-Med expects to begin receiving extraordinary dividends, to the Group level, from SHPL and HBYS associated with the considerable compensation, at the JV level, for the surrender of the land-use rights to the sites of the old JV factories in Shanghai and Guangzhou.

In summary, as of today, Chi-Med has available cash at the Group level of over $90 million, including cash and cash equivalents and unutilized banking facilities. This does not include dividends from the JVs anticipated during the balance of 2016, which we expect to be material given extraordinary income from property compensation.

Our People

As always, I would like to express my deep appreciation for the support of our investors, directors and partners and for the commitment and dedication of all of Chi-Med's management and staff.

Outlook

With a high potential clinical pipeline, an efficient and highly productive discovery operation and a powerful, profitable, growing commercial and distribution infrastructure, we believe Chi-Med is uniquely positioned to contribute to healthcare both in China and globally and to generate significant shareholder value this year and beyond.

Simon To
Chairman, 29 February 2016

OPERATIONS REVIEW

INNOVATION PLATFORM

The Chi-Med pipeline of drug candidates has been created and developed by the in-house research and development operation, known as the Innovation Platform, which was started in 2002. Since then, Chi-Med has assembled a team of over 290 scientists and staff (end 2014: 238) based in China, of which 183 had advanced technical degrees including 21 M.D.s and 48 doctorate degrees as of 31 January 2016. This fast growing team has created a large scale and fully-integrated drug discovery and development operation covering chemistry, biology, pharmacology, toxicology, chemistry and manufacturing controls for clinical and commercial supply, clinical and regulatory and other functions, which work seamlessly together.

Over the last decade, the core research and development philosophy has been to take a highly disciplined chemistry-focused approach to design uniquely selective small molecule tyrosine kinase inhibitors against 8 molecular targets, deliberately engineered to improve drug exposure and reduce known off-target toxicities. Accordingly, we believe these drug candidates, such as savolitinib (targeting c-Met), HMPL-523 (targeting Syk) and HMPL-453 (targeting FGFR1/2/3), have the potential to be global first-in-class therapies. In the cases of fruquintinib (targeting VEGFR 1/2/3), sulfatinib (targeting VEGFR/FGFR1), epitinib (targeting EGFR activating mutation with brain metastasis), theliatinib (targeting EGFR wild-type) and HMPL-689 (targeting PI3Kδ) we believe these drug candidates are sufficiently differentiated to be potential global best-in-class, next generation therapies.

In 2015, the revenue of the Innovation Platform grew significantly to $52.0 million (2014: $20.3m) and as a result, the net loss attributable to Chi-Med dropped 83% to $3.8 million (2014: -$22.2m) despite clinical trial spending during 2015, by Chi-Med and its partners, totaling approximately $64.1 million (2014: $45.5m). We significantly advanced the oncology and immunology pipeline of clinical drug candidates, managing 19 active clinical trials (2014: 16) with six more in late planning, either independently or in collaboration with our partners. A total of 677 new patients, 249 outside China and 428 inside China, were enrolled into these clinical trials in 2015, bringing the total number of patients enrolled to 2,130 since the Innovation Platform's inception.

Product Pipeline Progress

Important definitions: Most of the drug candidates have been designed for either global first-in-class or best-in-class potential and many have Breakthrough Therapy designation potential. In this context, first-in-class potential means that a drug candidate has the chance to be the first drug approved worldwide against its specific novel molecular (kinase) target. The benefits of being first-in-class are significant, and include first mover advantage and becoming the established standard of care over which all future drug candidates, targeting the same target and indication, must prove clinical superiority. Best-in-class means that a drug candidate, against its specific already validated target, is clinically superior in terms of safety and/or efficacy to the first-in-class standard of care.

Breakthrough Therapy designation, established by the U.S. Congress in 2012, is assigned by the U.S. FDA to novel drug candidates which, in simple terms, meet the following three criteria: (1) treat rare, untreatable, life-threatening disease; (2) clear understanding of molecular pathways (e.g. kinase target) of the disease; and (3) unprecedented efficacy. Breakthrough Therapy designation can lead to expedited NDA approval and market launch based on Phase II data, with Phase III studies being confirmatory.

Savolitinib (AZD6094): Savolitinib is a potential global first-in-class inhibitor of c-Met, an enzyme which has been shown to function abnormally in many types of solid tumors. We developed savolitinib as a potent and highly selective oral inhibitor that was designed to address renal (kidney) toxicity, the primary issue that has prevented all other selective c-Met inhibitors from gaining regulatory approval. In Phase I/II clinical studies, savolitinib has shown promising signs of clinical efficacy, causing tumor size reduction in patients with c-Met gene amplification in PRCC, NSCLC, colorectal cancer and gastric cancer.

Active savolitinib clinical studies – We are currently testing savolitinib in partnership with AstraZeneca in nine parallel proof-of-concept studies, both as a monotherapy and in combination with other targeted therapies, such as Iressa® and Tagrisso® (both EGFR inhibitors developed by AstraZeneca), and chemotherapy (Taxotere®). We and AstraZeneca plan to start three further proof-of-concept studies in savolitinib in the first quarter of 2016, two of which are combinations with immunotherapies.

Savolitinib – Kidney Cancer: Our strategy is to use PRCC, which currently has no approved targeted treatments on the global market, as the first indication to submit savolitinib for approval. PRCC is a sub-type of kidney cancer which accounted for approximately 14% (Frost & Sullivan) of all new cases of kidney cancer globally in 2014. We hope that if results from our current Phase II study (Study 1) are consistent with our Phase I data, we could consider applying for Breakthrough Therapy designation.

Study 1 – Phase II PRCC (first-line) savolitinib monotherapy – in the U.S., Canada and Europe. A Phase II study is underway to study savolitinib monotherapy (600 mg once daily) in first-line PRCC. The global Phase II study, which completed enrollment of 109 patients in October 2015, is an open label study with ORR and PFS as the primary endpoints and Disease Control Rate ("DCR" – percentage of patients with tumor growth of <20% versus baseline) and Overall Survival as secondary end points. In addition, molecular analysis of patient tissue samples is being carried out in parallel with treatment to determine the c-Met gene amplification status of each PRCC patient. In our extended Australia Phase I study of savolitinib, in 8 PRCC patients, we reported 38% ORR (3/8) and 75% DCR (6/8) with PRCC patients with c-Met gene amplification (40-75% of PRCC patients) showing the greatest response (Frost & Sullivan).

We have observed to date in the Phase II study, as we did in the Australia Phase I study, clear efficacy of savolitinib among patients with high levels of c-Met gene amplification. We expect to publish the results of the Phase II study, subject to the maturity of median PFS data, at a scientific conference in 2016. In the first half of 2016, we plan to meet with the U.S. FDA to discuss and seek guidance on registration strategy.

Study 2 – Phase Ib PRCC savolitinib (600 mg daily) combined with immunotherapy – in UK. A Phase Ib study is now in final planning to evaluate the safety and efficacy in PRCC. This study is premised on the hypothesis that a savolitinib/immunotherapy combination, if tolerable, could benefit all PRCC patients, not only those patients with c-Met gene amplification. Enrollment for this study is targeted to start in the first quarter of 2016.

Study 3 – Phase Ib clear cell renal cell carcinoma ("CCRCC") (second-line), VEGFR tyrosine kinase inhibitor-refractory, savolitinib (600 mg daily) monotherapy – in U.K. A Phase Ib study is now in final planning to evaluate efficacy among Sutent® refractory CCRCC patients, being those patients that have not responded, or stopped responding, to treatment with Sutent®. A majority of these patients are known to have high levels of c-Met over-expression and may benefit from exposure to a highly selective c-Met inhibitor. Enrollment for this study is targeted to start the first quarter of 2016.

Study 4 – Phase Ib CCRCC (second-line), VEGFR tyrosine kinase inhibitor-refractory, savolitinib (600 mg daily) combined with immunotherapy – in U.K. A Phase Ib study is now in final planning to evaluate the safety and efficacy of savolitinib in combination with immunotherapy with the hypothesis being that the tyrosine kinase inhibitor/immunotherapy combination, if tolerable, will be more effective in treating CCRCC by targeting the disease from multiple angles. Enrollment for this study is targeted to start in the first quarter of 2016.

Savolitinib – Non-small Cell Lung Cancer: In November 2015, AstraZeneca received U.S. FDA approval for Tagrisso®, a therapy for the treatment of patients with metastatic EGFR T790M mutation-positive NSCLC who have progressed on or after EGFR tyrosine kinase inhibitor ("TKI") therapy, namely Iressa® or Tarceva® (erlotinib). Tagrisso® was granted Breakthrough Therapy designation and expedited approval by the U.S. FDA and was one of fastest development programs ever recorded – from start of Phase I clinical trials to approval in just over two and a half years. Speed of development and approval of Tagrisso® was driven by the clearly defined molecular pathways (T790M), major unmet medical need (TKI resistant NSCLC), and high degree of efficacy (59% ORR). In NSCLC, beyond T790M, c-Met gene amplification is clearly one of the major molecular drivers of cancer cell proliferation and as such, in our view, represents an obvious area of Breakthrough Therapy potential in NSCLC. We, and our partner AstraZeneca, are conducting four clinical studies in NSCLC, all of which we believe will generate important proof-of-concept data in 2016:

Study 5 – Phase Ib/II NSCLC (second-line), EGFR tyrosine kinase inhibitor-refractory, savolitinib (600 mg daily) combined with Tagrisso® – Global. As a result of the encouraging Phase I dose finding study, named TATTON, published at ASCO in 2015, which showed 55% ORR (6/11) and 100% DCR (11/11) among Iressa® and Tarceva® refractory T790M+/− (which means the patient's T790M status is known) patients, we have initiated a global Phase Ib/II expansion study. The Phase Ib/II study aims to recruit an additional approximately 25 c-Met gene amplified, T790M negative patients in any line of treatment. This is a patient population represents approximately 10% of all Iressa® and Tarceva® refractory patients (Frost & Sullivan).

Study 6 – Phase Ib/II NSCLC (third-line), EGFR/T790M tyrosine kinase inhibitor-refractory, savolitinib (600 mg daily) combined with Tagrisso® (T790M inhibitor) – Global. A second arm of the global Phase Ib/II study will evaluate the use of savolitinib in combination with Tagrisso® in about 20 c-Met gene amplified patients who have progressed following treatment with Tagrisso®. NSCLC tumors are shown to develop resistance to third generation EGFR tyrosine kinase inhibitors (Tagrisso®) and c-Met gene amplification is one of the major resistance mechanisms. No firm data exists on what proportion of these Tagrisso® resistant patients are c-Met gene amplified, but it is believed to be material, and now that Tagrisso® is approved and expected to be used broadly, the proportion and resulting market potential for savolitinib, as a combination therapy with Tagrisso® in this third-line setting, should soon emerge.

Study 7 – Phase Ib/II NSCLC (second-line), EGFR tyrosine kinase inhibitor-refractory, savolitinib (600 mg daily) combined with Iressa® (EGFR inhibitor) – China. A Phase Ib/II study is now underway in China to evaluate efficacy among about 30 Iressa® refractory NSCLC patients. According to Frost & Sullivan, between 15% and 20% of these patients are known to be c-Met gene amplified and could benefit from exposure to a highly selective c-Met inhibitor such as savolitinib.

Study 8 – Phase Ib NSCLC (first-line), EGFR wild-type, c-Met over-expression – China. A Phase Ib study of savolitinib (500 mg twice daily) in China has been underway since late 2014 in wild-type EGFR, c-Met over-expression, NSCLC patients. According to Frost & Sullivan, approximately 67% of first-line NSCLC patients have some level of c-Met over-expression. For this study, we are only selecting patients with a high degree of c-Met over-expression based on the hypothesis that patients may benefit if we are able to heavily inhibit c-Met with high doses of savolitinib. This study is ongoing.

Savolitinib – Gastric Cancer: Patient screening and enrollment for the following four gastric cancer studies has been underway in China since 2014.

Study 9 – Phase Ib gastric cancer, savolitinib monotherapy, patients with c-Met gene amplification – China. A Phase Ib study of savolitinib (500 mg twice daily) in China is ongoing and to date we have seen clear partial response efficacy among the approximately 10% of gastric cancer patients with high c-Met gene amplification.

Study 10 – Phase Ib gastric cancer, savolitinib monotherapy, patients with c-Met over-expression – China. A Phase Ib study of savolitinib (500 mg twice daily) in China is ongoing. In this study, 40% of the patients have some level c-Met over-expression.

Studies 11 and 12 – Phase Ib gastric cancer, patients with c-Met gene amplification/overexpression, savolitinib combined with Taxotere® (docetaxel) – China. The first section of these Phase Ib dose finding studies are underway to assess combinability in patients with c-Met gene amplification and/or c-Met over-expression.

HMPL-523: We believe HMPL-523 is a potential global first-in-class oral inhibitor of Syk, a key protein involved in B-cell signaling. We are developing HMPL-523 for use in immunology, rheumatoid arthritis and lupus, as well as hematological cancers such as lymphoma and leukemia. In the past year, HMPL-523 has emerged, in our view, as one of Chi-Med's highest potential drug candidates. This is as a result of the successful completion of our Phase I study in healthy volunteers as well as fast emerging and highly compelling clinical proof-of-concept data from entospletinib (Gilead), which has begun to validate Syk as an important target in hematological cancer, in addition to its already established importance as a target in immunology.

Modulation of the B-cell signaling pathway has been proven to significantly advance the treatment of certain chronic immune diseases, such as rheumatoid arthritis. To date, targeted therapies approved in this area include monoclonal antibody ("mAb") anti-Tumor Necrosis Factor alpha ("TNFα") immune modulators as well as the small molecule Janus Tyrosine Kinase ("JAK") inhibitor, Xeljanz® (tofacitinib). The performance of Enbrel®, Pfizer's anti-TNFα mAb, is generally seen as the gold standard among these approved therapies, with 24 week ACR20/50/70 improvements of 44%/36%/15% in methotrexate resistant, placebo adjusted, rheumatoid arthritis patients. As an example, an ACR20 of 44% means that over a 24 week period an additional 44% of patients, over and above the placebo arm, observed a 20% improvement in their rheumatoid arthritis symptoms, according to the measurement scale established by the American College of Rheumatology ("ACR").

A small molecule drug candidate has important advantages over intravenous mAb immune modulators because oral small molecule compounds are more convenient to take and clear the system faster, thereby reducing the risk of infections from sustained suppression of the immune system. Xeljanz® was the first-in-class JAK inhibitor, however poor selectivity and resulting off-target toxicities have limited its usage. Most recently a group of more selective, and thereby cleaner, potential best-in-class JAK inhibitors have shown positive Phase II results in rheumatoid arthritis with baricitinib 4mg daily (Lilly/Incyte); GLPG0634 100mg twice daily (Gilead/Galapagos) and ABT-494 24mg daily (AbbVie) reporting 12 week ACR20/50/70 improvements of 30%/28%/14%; 35%/40%/23%; and 32%/24%/18% respectively.

Syk is the upstream kinase in the B-cell signaling pathway, a different and possibly complimentary molecular pathway to JAK, and has been clinically validated as an important target in rheumatoid arthritis. In 2010, fostamatinib 100mg twice daily (AstraZeneca/Rigel) reported exciting Phase II ACR20/50/70 clinical efficacy of 32%/24%/18% showing that a small molecule Syk inhibitor can deliver meaningful clinical benefit. Unfortunately, fostamatinib was not a selective Syk inhibitor as it potently inhibited multiple other kinases including FLT-3, Ret, KDR, FGFR, Lyn and JAK. We believe that this poor kinase selectivity led to off-target toxicity, with patients suffering diarrhea (19%) as well as hypertension, leading to 23% of patients having to receive anti-hypertensive therapy. After conducting global Phase III studies (OSKIRA 1/2/3) on fostamatinib, ultimately AstraZeneca decided not to proceed with regulatory filings because efficacy at the safe dose level, while statistically significant over the placebo, was not clinically meaningful relative to mAbs.

With respect to the treatment of hematological cancers, in recent years there have been major clinical successes and drug approvals of inhibitors targeting other kinases in the B-cell signaling pathway such as Bruton's tyrosine kinase, or BTK, and PI3Kδ. While these inhibitors have been successful, resistance to these inhibitors can emerge over time, leading to loss in efficacy, and new targets in B-cell signaling such as Syk are potential solutions to this problem. In late 2015, Gilead published highly compelling Phase II results for entospletinib (GS-9973), a small molecule selective Syk inhibitor being developed only in hematological cancer, in which a Nodal Response Rate ("NRR") of 65% was observed in chronic lymphocytic leukemia ("CLL") and small lymphocytic lymphoma. Nodal response is defined as a >50% decrease from baseline in the sum of lymph node diameters. Importantly also, GS-9973 reported an NRR of 44.4% (4/9 patients) in an exploratory clinical study in CLL patients previously treated with the first-in-class BTK inhibitor, Imbruvica® (ibrutinib), and the first-in-class PI3Kδ inhibitor, Zydelig® (idelalisib), thereby indicating that Syk inhibition has potential to overcome resistance to Imbruvica® and Zydelig®. TAK-659 (Takeda), also a selective Syk inhibitor, saw similar strong signals of efficacy in their TAK-659 Phase I dose escalation study in lymphoma, also published in late 2015.

HMPL-523 clinical results published in 2015/2016 – During late 2015, we reported the top-line results our successful Phase I dose escalation study in healthy volunteers in Australia.

Study 20 – Phase I study of HMPL-523 in healthy volunteers – Australia. The first-in-human Phase I study of HMPL-523 was a dose-escalation study conducted to assess the safety, tolerability and pharmacokinetics of both single and repeat doses of HMPL-523 in healthy volunteers in Australia. The study began in June 2014, and completed ten single dose cohorts, with eight patients per cohort, from 5mg single dose through 800mg single dose. In mid-2015, the multiple ascending dose section of the Phase I study commenced in which HMPL-523 was administered once daily for 14 consecutive days. Four dose cohorts were completed in this section of the study, again with eight patients per cohort, from 200mg multiple dose through to 400mg multiple dose. At 400mg daily, HMPL-523 drug exposures are believed to be well above the predicted efficacious dose level and, consequently, there is no intention to escalate dosing further in healthy volunteers.

The preliminary safety profile of HMPL-523 was in-line with our expectations. No material off-target toxicities such as diarrhea and hypertension were observed with HMPL-523 in this study. Furthermore, HMPL-523 exhibited a linear human pharmacokinetic profile and a dose dependent suppression of human plasma B-cell activation. Full results of this Phase I study will be published in due course.

Active HMPL-523 clinical studies – We currently retain all rights to HMPL-523 worldwide. Now that a dose range for the further development of HMPL-523 in autoimmune disease has been established, we are planning Phase II proof-of-concept studies against multiple autoimmune diseases, such as rheumatoid arthritis and lupus. These studies are targeted to start in 2016. In addition, we have just begun dose escalation in the following Phase I study in hematological cancer patients:

Study 21 – Phase I of HMPL-523 in second/third-line lymphoma/leukemia patients – Australia. In January 2016, we began a Phase I, open-label, dose escalation study of HMPL-523 as monotherapy administered orally to relapsed and/or refractory B-cell non-Hodgkin's lymphoma or CLL patients who do not respond to, or are unable to tolerate, standard therapy or for whom there is no standard therapy. We are planning two stages for this study: a dose escalation stage and a dose-expansion stage. We believe this study could quickly provide clinical proof-of-concept that HMPL-523 is an effective Syk inhibitor and that, as has been shown with entospletinib and TAK-659, modulation of the B-cell signaling pathway through inhibition of Syk will provide patients with a highly meaningful clinical benefit.

Fruquintinib: Fruquintinib is a highly selective and potent oral inhibitor of VEGFR, a receptor tyrosine kinase which contributes to tumor angiogenesis, which we believe has the potential to be a global best-in-class VEGFR inhibitor for many types of solid tumors. Based on the pre-clinical and clinical data compiled so far, fruquintinib's kinase selectivity has been shown to reduce off-target toxicity. This allows for drug exposure, from a single 5mg oral dose, that is able to fully inhibit VEGFR for 24 hours a day and has potential for use in combination with other targeted therapies and chemotherapy in earlier lines of treatment with larger patient populations. We believe these are major points of differentiation compared to other less selective small molecule VEGFR inhibitors that have already been approved, such as Sutent®, Nexavar® (sorafenib) and Stivarga® (regorafenib).

Fruquintinib clinical results published in 2015/2016 – During 2015 we reported the results of the two Phase II proof-of-concept studies detailed below for which Lilly paid us $33.1 million in success-based proof-of-concept cash payments during the year:

Phase II study of fruquintinib monotherapy in third-line colorectal cancer – China. In August 2014, we completed enrollment for a Phase II double-blind, placebo-controlled, multi-center study in China in just over four months to test fruquintinib as monotherapy among third-line metastatic colorectal cancer patients, using the 5 mg daily, 3 weeks on/1 week off dose regimen. The goal of this study was to compare the PFS efficacy of fruquintinib versus placebo in metastatic colorectal cancer patients who failed at least two prior lines of treatment, including fluorouracil, oxaliplatin and irinotecan. A total of 71 patients were enrolled, with 47 in the fruquintinib arm and 24 in the placebo arm. Patient baseline characteristics were similar between the two treatment arms.

Fruquintinib demonstrated very strong anti-tumor activity in this study. Median PFS was 4.7 months in the fruquintinib arm compared to median PFS of 1.0 month in the placebo arm (hazard ratio = 0.30 ($p<0.001$)). The DCR in the fruquintinib arm was 68.1% compared with 20.8% in the placebo arm ($p<0.001$). Interim median Overall Survival rate, at the 6-month cut-off, was 7.6 months and 5.5 months in the fruquintinib arm and the placebo arm, respectively. In this study, fruquintinib has not shown any major unexpected safety issues and clearly met its primary endpoint of superiority in median PFS.

Phase II study of fruquintinib monotherapy in third-line NSCLC – China. In June 2014, we initiated a Phase II randomized, double-blind, placebo-controlled, multi-center study of fruquintinib versus placebo among patients with advanced non-squamous NSCLC who failed two lines of chemotherapy. By early March 2015, enrollment had been completed with a total of 91 patients randomized to 5 mg of fruquintinib orally once per day, on a 3 weeks on/1 week off regimen plus best supportive care, or placebo plus best supportive care at a 2:1 ratio.

In September 2015, we reported that fruquintinib had clearly met its primary endpoint of superior median PFS versus placebo in this study. Assessment of secondary efficacy endpoints, including ORR, DCR and Overall Survival rate is ongoing, with all appearing in line with expectations at the August 2015 five-month data cut-off. The adverse events demonstrated in this study were consistent with the known safety profile for fruquintinib with no major unexpected safety issues. We expect to report the full data for this study at a scientific conference in 2016.

Active fruquintinib clinical studies – In partnership with Lilly, on fruquintinib, in China we are currently enrolling Phase III registration studies in two indications; the FRESCO study on colorectal cancer; and the FALUCA study on NSCLC. We also expect to start a Phase II proof-of-concept study on gastric cancer in China in the second half of 2016.

Study 14 – Phase III study in third-line colorectal cancer – China. In December 2014, we initiated FRESCO, a randomized, double-blind, placebo-controlled, multi-center, Phase III registration study of fruquintinib as monotherapy targeted at treating patients with locally advanced or metastatic colorectal cancer who have

failed at least two prior systemic cancer therapies, including fluoropyrimidine, oxaliplatin and irinotecan. Patients are randomized at a two-to-one ratio to receive either 5 mg of fruquintinib orally once per day, on a 3 weeks on/1 week off cycle, plus best supportive care or placebo plus best supportive care. The primary endpoint is Overall Survival, with secondary endpoints including PFS, ORR, DCR and duration of response. We expect enrollment to be completed in Q2 2016 after which we plan to establish an Independent Data Monitoring Committee ("IDMC") to conduct an interim analysis on FRESCO in Q4 2016. Our China FDA registration strategy will be determined based on the results of the IDMC.

Study 15 – Phase III study in third-line non-small cell lung cancer – China. In December 2015, we initiated FALUCA, a Phase III registration study for fruquintinib in third-line non-squamous NSCLC patients in China who have failed two prior systemic cancer therapies. Patients are randomized at a two-to-one ratio to receive either 5 mg of fruquintinib orally once per day, on a 3 weeks on/1 week off cycle, plus best supportive care or placebo plus best supportive care. The primary endpoint is Overall Survival, with secondary endpoints including PFS, ORR, DCR and duration of response.

Study 16 – Phase Ib study of fruquintinib combined with Taxol® in second-line gastric cancer – China. In early 2015, we began a Phase Ib dose finding study of fruquintinib in combination with Taxol® to determine the recommended Phase II dose. We have completed two dose cohorts, 2 mg daily and 3 mg daily (both 3 weeks on/1 week off) with both regimens being tolerable and showing encouraging preliminary response. We are currently in the final expansion phase of a 4 mg daily cohort which, if successful, is expected to deliver full 24 hours a day VEGFR inhibition through an oral dose in combination with chemotherapy (Taxol®). This is an outcome that we believe has never been achieved before with a small molecule VEGFR TKI. After the completion of this Phase Ib dose finding study we expect to initiate a second-line gastric cancer Phase II study in China in the second half of 2016. Positive proof-of-concept results in combination with Taxol® could lead to potential global development of fruquintinib in combination with chemotherapy in earlier line settings in many other solid tumor indications including, but not limited to, NSCLC, colorectal cancer and breast cancer.

Sulfatinib: Sulfatinib is an oral drug candidate that selectively inhibits the tyrosine kinase activity associated with VEGFR and FGFR1, a receptor for a protein which also plays a role in tumor growth.

Sulfatinib clinical results published in 2015/2016 – During 2015, we released expanded Phase I clinical data indicating that sulfatinib has the highest ORR reported to date in patients with NET. An ORR of 44.4% was observed for sulfatinib in 18 evaluable NET patients, and importantly efficacy was observed across many NET sub-types including those originating in the thymus, pancreas and across the gastrointestinal tract. This compares favorably to less than 10% ORR for Sutent® and Afinitor®, the two targeted therapies that are approved for pancreatic NET patients only.

Active sulfatinib clinical studies – We currently retain all rights to sulfatinib worldwide. In 2015, we applied for and received clearance to proceed with both Phase I clinical trials in the U.S. and Phase III clinical trials in China. Sulfatinib is the first oncology candidate that we have taken through proof-of-concept in China and have expanded into global development ourselves.

Study 17 – Phase Ib/II study in first-line NET – China. In early 2015, we began a 30 patient, 300 mg sulfatinib daily, Phase Ib/II study in China in broad spectrum NET patients (pancreatic, gastrointestinal, liver, lymph and lung, among others) which, due to strong demand due to the major unmet medical need and clear efficacy of sulfatinib, was expanded and subsequently completed enrollment of 81 NET patients in December 2015. We expect to publish top-line results for this study during the course of 2016.

Study 17a. – Phase III study in first-line extra-pancreatic NET – China. In December 2015, we initiated SANET-ep**,** a Phase III sulfatinib registration trial in China in patients with extra-pancreatic NET (non-pancreatic). SANET-ep is a randomized, double-blind, placebo-controlled, multi-center registration study to treat pathologically low or intermediate grade NET patients whose disease has progressed, locally advanced or distant metastasized and for whom there is no effective therapy. Patients are being randomized at a 2:1 ratio to receive either 300 milligrams of sulfatinib orally once per day, or placebo, on a 28-day treatment cycle. The primary objective of this study is to evaluate the PFS of sulfatinib as compared to that of placebo, with secondary endpoints including ORR, DCR, time to response, duration of response, Overall Survival, safety and tolerability. We expect to enroll about 270 patients in SANET-ep.

Study 17b. – Phase III study in first-line pancreatic NET – China. In the first quarter 2016, we intend to initiate a second sulfatinib Phase III registration trial, SANET-p, in pancreatic NET patients. SANET-p

employs a similar treatment regimen and has primary and secondary endpoints similar to those for SANET-ep trial. We expect to enroll about 195 patients in SANET-p.

Study 18 – Phase I monotherapy in advanced solid tumors – U.S. A Phase I study in Caucasian patients also began in the U.S. in late 2015. This study will evaluate the safety, tolerability and pharmacokinetics of sulfatinib in advanced solid tumors to determine the maximum tolerated dose and/or recommended Phase II dose, dose-limiting toxicities, pharmacokinetics profile, and preliminary anti-tumor activity in Caucasian patients. Once we have established the recommended Phase II dose among Caucasian patients, we expect to start a U.S. Phase II study of sulfatinib in broad spectrum NET patients in the second half of 2016.

Study 19 – Phase II sulfatinib monotherapy in second-line thyroid cancer – China. In Q1 2016, we plan to begin enrollment in a Phase II study in China in approximately 50 patients to evaluate the safety, pharmacokinetics and efficacy of sulfatinib in patients with locally advanced or metastatic radioactive iodine-refractory differentiated thyroid cancer or medullary thyroid cancer into this study, with approximately 25 patients in each tumor type. We believe that sulfatinib's VEGFR/FGFR1 inhibition profile has strong potential in second-line thyroid cancer patients, particularly in China where there are few safe and effective treatment options for this patient population.

Epitinib: EGFR inhibitors have revolutionized the treatment of NSCLC with EGFR activating mutation. However, existing EGFR inhibitors such as Iressa® and Tarceva® cannot penetrate the blood-brain barrier effectively, leaving the >50% of patients that ultimately develop brain metastasis without an effective therapy. In contrast, epitinib is a potent and highly selective oral EGFR inhibitor designed to optimize brain penetration and has demonstrated brain penetration and efficacy in both pre-clinical and clinical studies. We therefore believe epitinib is well-positioned to address a major global unmet medical need and possibly be considered for Breakthrough Therapy designation.

Epitinib clinical results published in 2015/2016 – During 2015, we completed a Phase I dose escalation study and identified a recommended dose for proof-of-concept studies. We subsequently began a Phase Ib proof-of-concept study in NSCLC patients with EGFR activating mutation and brain metastasis. We have announced that preliminary clinical results in tumor assessments in the first 14 patients treated in the Phase Ib (Study 22 below) have been highly encouraging, with early patient tumor assessments showing strong efficacy in both the lung and brain.

Active epitinib clinical studies – We currently retain all rights to epitinib worldwide. In late 2015, we also submitted our Phase III clinical trial application in China for which we hope to receive clearance by mid-2016. Upon clearance, and subject to continued positive Phase Ib results, we expect to initiate a Phase III trial in China.

Study 22 – Phase Ib epitinib monotherapy in first-line EGFR activating mutation positive NSCLC with brain metastasis – China. We are conducting a Phase Ib proof-of-concept study of epitinib in approximately 30 patients to establish activity in EGFR activating mutation positive NSCLC patients with tumors metastasized to the brain. Full results of this Phase Ib study are expected later in 2016.

Theliatinib: Theliatinib is a novel EGFR inhibitor designed to treat tumors with wild-type EGFR activation such as gene amplification or protein over-expression. The current EGFR inhibitors such as Iressa® and Tarceva® are approved only for patients with EGFR activating mutation because they have limited binding affinity, and therefore response/efficacy, in cancers with wild-type EGFR. Theliatinib on the other hand has very strong binding affinity to the wild-type EGFR kinase and as such, in pre-clinical models, theliatinib has demonstrated 5- to 10-fold higher potency than Tarceva®.

Active theliatinib clinical studies – We currently retain all rights to theliatinib worldwide and are nearing completion of a Phase I dose escalation study.

Study 23 – Phase I dose escalation – China. We have completed 7 cohorts from 10mg daily through to 160mg daily. We have seen no dose limiting toxicities and intend to continue dose escalation. Once the Phase II dose is determined we intend to commence exploratory Phase Ib/II proof-of-concept studies in esophageal and head and neck cancers in 2016.

HMPL-689: There are multiple sub-families of PI3K kinases, and PI3Kδ plays important roles in B-cell activation, development, survival and migration. PI3Kδ is mainly expressed in circulating leukocytes and lymphoid tissues. PI3Kδ is the central signaling enzyme that mediates the effects of multiple receptors on

B-cells. Aberrant B-cell function has also been observed in multiple autoimmune diseases and B-cell mediated malignancies. Therefore, PI3Kδ is considered to be a promising target for drugs that aim to prevent or treat hematologic cancer, autoimmunity and transplant organ rejection and other related inflammation diseases.

HMPL-689 has been designed to be a second generation, potentially global best-in-class PI3Kδ inhibitor in hematological cancer. It is intended to compete with Zydelig®, the first-in-class PI3Kδ inhibitor, which was granted Breakthrough Therapy designation in 2013 and approved for the treatment of multiple types of non-Hodgkin's lymphoma in 2014. HMPL-689 is, in general, differentiated through high selectivity, particularly on a PI3K isoform level, sparing PI3Kγ and minimizing the risk of serious infection. HMPL-689 is over five-fold more potent than Zydelig® at the whole blood level and has favorable pharmacokinetic properties, with expected good human oral absorption, moderate tissue distribution and low clearance, making it suitable for once daily oral dosing. We also expect HMPL-689 will have a low risk of drug accumulation and drug-drug interaction issues. As a result, HMPL-689 is expected to provide improved target coverage and robust efficacy at much lower doses than Zydelig® and as such reduce compound related toxicities.

Study 24 – Phase I of HMPL-689 in second/third-line hematological cancers (lymphoma/leukemia) – Australia. In 2016, we plan to initiate a first-in-human Phase I dose escalation study of HMPL-689 in patients with hematologic malignancies in Australia. Subject to success in Phase I we will look to develop HMPL-689 both as a monotherapy and potentially in combination with other B-cell mediators such as HMPL-523.

HMPL-453: FGFRs belong to a sub-family of receptor tyrosine kinases whose activation through the phosphorylation of various downstream molecules ultimately leads to increased cell proliferation, migration and survival. FGF/FGFR signaling regulates a wide range of basic biological processes, including tissue development, angiogenesis, and tissue regeneration. Aberrant activation in FGF/FGFR signaling through mutations, fusion and gene amplification has been found to be a driving force in many types of cancer, including NSCLC, gastric, breast, cholangiocarcinoma and bladder.

Currently, FGFR mAbs, FGF ligand traps and small molecule FGFR inhibitors are being evaluated in early clinical studies. BGJ-398 (Novartis), AZD4547 (AstraZeneca) and JNJ-42756493 (Janssen) are the leading selective FGFR inhibitors, and their early clinical trials provided substantial proof-of-concept with regard to anti-tumor efficacy and pharmacodynamic markers of effective FGFR pathway inhibition. However, there are still many challenges in the development of FGFR-directed therapies. Uncertainties include the screening and stratifying of patients who are most likely to benefit from FGFR targeted therapy. Intra-tumor heterogeneity observed in FGFR amplified cancer may compromise the anti-tumor activity. In addition, the low frequency of specific FGFR molecular aberrance in each cancer type may hinder clinical trial enrollment.

HMPL-453 is a highly selective and potent, small molecule that targets FGFR 1/2/3. HMPL-453 exhibited strong anti-tumor activity that correlated with target inhibition in tumor models with abnormal FGFR activation. HMPL-453 has good pharmacokinetic properties characterized by rapid absorption following oral dosing, good bioavailability, moderate tissue distribution and moderate clearance in all pre-clinical animal species. HMPL-453 was found to have low likelihood of drug-to-drug interaction issues. We intend to start Phase I clinical trials in China, as well as possibly in Australia, in 2016.

HMPL-004: Since the result of our interim analysis of the Phase III registration study in ulcerative colitis (NATRUL-3) was published in August 2014, we have been working closely with Nestlé Health Science SA, our partner in the Nutrition Science Partners JV, to improve the chance of clinical success for HMPL-004. We now have a better understanding, in the context of HMPL-004, of the clinical importance of concomitant use of 5-ASAs; the definition of 5-ASA resistance and importantly biomarker analysis.

The remaining major issue with HMPL-004, which is a botanical substance, is the high pill burden and resulting compliance challenges of the 2,400mg daily HMPL-004 dose. In 2015, a team of about 30 research staff focused on optimizing HMPL-004 formulation, by adding several steps to the extraction process and thereby increasing the concentration of the key bioactive ingredients. The new enriched formulation of HMPL-004 that has been created, named HM004-6599, is now over 70% diterpenoids as compared to the original formulation which comprised approximately 15% diterpenoids. In extensive pre-clinical in-vitro and in-vivo models HM004-6599 has now been shown to demonstrate superior inhibition of NF-kB activation, pro-inflammatory cytokine IL-1β production and TNF-α dependent chemokine production including CCL-20. Given the enrichment, the predicted human efficacious dose of HM004-6599 could be as low as 400-500mg daily versus 2,400mg daily usage of HMPL-004. We now intend to progress

HM004-6599 through IND enabling drug safety and manufacturing processes and target to re-start clinical trials in 2017.

In parallel with the work being conducted on HM004-6599 we have expanded our joint research activities with Nestlé Health Science S.A., expecting to fund a team of 45 research staff in 2016 and working on creating a pipeline of multiple highly enriched botanical drug candidates in the immunology/inflammation arena of gastrointestinal disease.

Discovery programs: Our fully integrated discovery teams in oncology and immunology continued to make substantial progress during the period. We staff and resource our discovery team with the objective of producing one or two new internally discovered drug candidates per year. In addition to the drug candidates against 8 molecular targets that are either in clinical development or are expected to start clinical development in 2016, we have compounds against two further targets (one novel and one validated) that should reach candidate nomination in 2016 as well discovery programs against five further novel molecular targets that could reach candidate nomination over the next few years.

COMMERCIAL PLATFORM

Since 2001, we have also developed a profitable Commercial Platform, with the key element being our Prescription Drugs business which has a commercial network of over 1,900 medical sales representatives covering over 16,500 hospitals in about 300 cities and towns in China. We operate our Prescription Drugs business through our JVs, SHPL and Hutchison Sinopharm, in which we nominate management and run the day-to-day operations. The second, less core, element of our Commercial Platform is our Consumer Health business which focuses primarily on the manufacture, marketing and distribution of over-the-counter ("OTC") pharmaceutical products in China.

We intend to leverage this Commercial Platform, particularly our established Prescription Drugs business, to support the launch of products from our Innovation Platform if they are approved for use in China. Outside of China, we intend to commercialize our products in the U.S., Europe and other major markets either on our own or through partnerships with leading global pharmaceutical companies.

In 2015, sales of the Commercial Platform subsidiaries and JVs grew by 11% to $518.9 million (2014: $465.4m) and consolidated net profit attributable to Chi-Med from continuing operations increased by 10% to $25.2 million (2014: $22.8m), including non-recurring one-time costs of $1.7 million associated with relocation to our new factories ($0.4 million) and the take-back of commercial rights of certain products ($1.3 million).

Prescription Drugs business:

Sales of the subsidiaries and JVs in our Prescription Drugs business (SHPL and Hutchison Sinopharm) grew by 40% to $286.6 million (2014: $204.9m) and consolidated net profit attributable to Chi-Med increased by 20% to $15.9 million (2014: $13.2m) representing 63% of our Commercial Platform net profit.

SHPL: Our primarily own-brand Prescription Drugs business continues to perform very well, with 2015 sales up 17% to $181.1 million (2014: $154.7m). Our proprietary prescription cardiovascular drug SXBXP, which represented 88% of SHPL sales in 2015, grew 15% to $159.3 million (2014: $138.8m) as we continued to make progress through geographic and sales channel expansion and gaining market share in its mature markets. Within the coronary heart disease market in China, in 2015 SXBXP had approximately 12.1% market share, and market leadership in Shanghai with approximately 35.3% market share, among oral Chinese patented drugs (Frost & Sullivan).

Since its launch in 1983, the proprietary status of SXBXP has been supported by a combination of regulatory protection and in recent years the grant of State Secrecy protection which expires in December 2016. In July 2015, we were granted a 20-year invention patent covering SXBXP formulation from the China State Patent Office which will now secure our proprietary position on SXBXP in China through 2029. Furthermore, in 2015 we began to phase-in a 22% price increase on SXBXP, from its early 2015 level of RMB 2.7/day to RMB 3.3/day. This increase will bring SXBXP closer in-line with the 2014 Low Price Drug List policy which allows for maximum daily pricing for such products at RMB 5.0/day.

The SHPL commercial team now has about 1,900 medical sales representatives covering all regions of China, including about 1,800 cardiovascular and 100 central nervous system personnel. In 2015, for the first

time since its inception in 2001, SHPL began to expand into commercialization of third party prescription drug products. Fee for service income of $5.1 million was earned during 2015 (2014: nil) from detailing Concor® (cardiovascular, Merck Serono) in certain provinces in China and Seroquel® (psychiatric disorders, AstraZeneca) across all China. The gross margins earned on this third party business are meaningful and while 2015 was a period of start-up and investment, we expect these activities to become an important net profit contributor for SHPL.

In 2016 we plan to transition production of SHPL's own-brand products, including SXBXP, to our new 78,000 sqm factory in Feng Pu district, 40 kilometers south of Shanghai. The transition, including the re-location of approximately 500 full time staff and the attainment of Good Manufacturing Practice ("GMP") certification on the new facility, while in parallel maintaining record production despite operating at full capacity in the old site, has required major coordination.

Hutchison Sinopharm: Our third-party prescription drugs commercialization business, Hutchison Sinopharm, is making very good progress with sales of $105.5 million (2014: $50.2m) as we report our first full year of operations versus less than nine months in 2014. The majority of the legacy business of Hutchison Sinopharm is to provide low-margin logistics and distribution services, primarily in Shanghai municipality, to third-party pharmaceutical companies.

The core strategic focus of Hutchison Sinopharm is now to rapidly expand/evolve its team of over 90 commercial staff (2014: 50), into a higher margin full-service third-party prescription drugs commercialization company in China. This will allow Hutchison Sinopharm to complete more commercial deals, similar to the exclusive China commercialization deal on Seroquel® with AstraZeneca that was signed in early 2015. In 2015, Seroquel® had approximately 47% market share (Frost & Sullivan) of the Chinese market for schizophrenia and bipolar drugs and accounted for $21.1 million (2014: nil) of the sales of Hutchison Sinopharm between April and December 2015.

Consumer Health business:

Sales from continuing operations of the subsidiaries and JVs in our Consumer Health business (HBYS, Hutchison Hain Organic Holdings Limited ("HHO"), Hutchison Healthcare Limited ("HHL") and Hutchison Consumer Products Limited ("HCPL")) fell by 11% to $232.3 million (2014: $260.5m); and consolidated net profit attributable to Chi-Med from continuing operations fell by 4% to $9.3 million (2014: $9.6m) due mainly to a non-recurring one-time cost of $1.3 million resulting from our decision to take-back commercial rights on all HHL's Zhi Ling Tong infant nutrition products from our former exclusive distributor.

HBYS: Our OTC drugs business in China is navigating a complex transition in both pricing and manufacturing strategy. As a result, HBYS sales fell 13% to $211.6 million (2014: $243.7m) while net profit attributable to Chi-Med grew 3% to $8.6 million (2014: $8.3m). HBYS is the market leader in China for its two core generic OTC drug sub-categories, with market share of approximately 32.5% for Fu Fang Dan Shen ("FFDS") tablets (angina) and 51.1% for Banlangen granules (anti-viral) in 2015 (Frost & Sullivan).

In 2015, HBYS entered a period of transition in which key raw material costs dropped dramatically, thereby improving our profitability. At the same time, we have been capacity constrained as we encounter tightening of supply by our contract manufacturers ahead of the start-up of our new GMP factory in Bozhou, Anhui province. Our strategy to manage this temporary supply tightness has been to keep prices high on key products such as FFDS. As a result, while FFDS gross margin increased to 62% (2014: 49%) overall sales fell by -21% to $60.2 million (2014: $76.3m).

While our pricing strategy has helped ease supply pressure in the short term, we remain focused on bringing on line the first phase of our 230,000 sqm Bozhou factory in late 2016. This will provide >50% increases in formulation (tablets and granules) capacity and, most importantly, it should address our main production bottle-neck - extraction - by adding 8,000 tons of new extraction capacity (>250% increase). The transition to Bozhou is highly complex due to the fact it is over 1,400 kilometers away from our Guangzhou base. We will however benefit in the mid- to long-term from cost efficiencies, by establishing this operation in central China, in terms of lower people and operating costs as well as close proximity to the source of key raw materials. We believe these cost efficiencies will contribute to materially increasing baseline HBYS gross margins, which were 43% in 2015 (2014: 40%), in future periods.

In July 2015, HBYS agreed to inject up to $9.0 million into a new JV with Guangdong Lai Da Pharmaceutical Company Limited ("Lai Da") for a 70% share in the new JV. Lai Da, for its 30% share, has contributed a portfolio of 31 drug products, with some being higher margin proprietary prescription drugs.

HHO: The performance of HHO, our natural and organic products venture with The Hain Celestial Group, Inc. ("Hain"), during 2015 continued to be strong with sales from continuing operations growing by 48% to $17.0 million (2014: $11.5m) and net profit attributable to Chi-Med of $0.7 million (2014: $0.3m). We believe the demand for high quality health-oriented consumer products is increasing and HHO is the exclusive regional distributor/marketer of a range of over 30 Hain brands of organic and natural products in nine countries/territories in Asia. In mid-2015 we re-entered the China market with the Earth's Best® brand, Hain's market leading U.S. organic infant formula brand.

HHL and HCPL: The sales in our smaller consumer businesses HHL and HCPL fell by 27% to $3.6 million (2014: $4.9m) with net loss attributable to Chi-Med of -$0.1 million (2014: net profit $1.1m). Our key product, Zhi Ling Tong, a supplement brand for babies and pregnant mothers, remains popular within its obstetrics and gynecology hospital, mother/baby and drug store commercial channels. In late 2015, we took the decision to terminate the commercial agreement on Zhi Ling Tong with our exclusive China distributor of almost ten years, thereby incurring one-time non-cash expenses of $1.3 million. Under our direct control, we believe sales of Zhi Ling Tong in 2016 should grow rapidly and rapidly offset this cost of transition.

Property compensation: As previously reported both Commercial Platform JVs, SHPL and HBYS, are well advanced in the process of approximately tripling capacity through the construction of two major new GMP factories. The estimated total planned capital expenditures on these new factories are $140 million. In 2015, capital expenditures were $64.8 million and total aggregate capital expenditure, as at 31 December 2015, on the two new factories was $125.4 million, or 90% of the planned total expenditure. We have funded this capital expenditure during the last two years mostly with the cash reserves held in our JVs as well as bank borrowing of $26.5 million as at 31 December 2015.

In late 2015, we announced that SHPL had signed a land deal for the surrender of its 36-year land-use rights on its old 58,000 sqm factory site back to the Shanghai government in return for $105 million in compensation. This will result in a substantial gain in 2016, for both SHPL and Chi-Med, given that the total net book value of the land and fixed assets at the old site was $12.7 million as at 31 December 2015. In December 2015, SHPL received a first installment payment of $31.1 million in cash with the balance of approximately $73.9 million expected to be received in 2016. Furthermore, as a result of the deal, SHPL is also likely to receive approximately $15.0 million in additional subsidies over the next five years.

Recently, the Guangzhou government has issued their new urban redevelopment policy. Under this new policy, we estimate that HBYS compensation, based solely on precedent land auctions in the immediate vicinity, for surrender of the remaining 38-year land-use rights on our two plots of land in Guangzhou, Plot 1 (59,400 sqm) and Plot 2 (26,700 sqm), could be similar on a compensation per square metre basis, to that paid to SHPL above. For reference, the aggregate net book value, as at 31 December 2015, for the land and fixed assets in Plot 1 and Plot 2 was $24.0 million. While precedent land auctions are for indication only, and the outcome and timing of any deal remain uncertain and are not fully within our control, we are working towards agreeing on a compensation deal for Plot 2 in late 2016 or 2017.

Summary

As a result of over a decade of total focus on investing in innovation, we now believe that Chi-Med is within reach of our primary objective of becoming a leading global biopharmaceutical company based in China.

Referencing our global biotech peers, clinical and regulatory success during 2016 and 2017 in just one of our novel global first-in-class drug candidates, savolitinib and HMPL-523, could provide the catalyst to achieve this. And, beyond these global first-in-class drug candidates, we have our broad clinical pipeline of possible best-in-class compounds – fruquintinib and sulfatinib are now both in Phase III registration studies in China and epitinib is expected to start its first Phase III registration study in 2016. We believe all this is set to create substantial shareholder value by providing great benefits to patients.

Our research team, the largest of its type in China, continues to produce global innovations in oncology and immunology with as many as half a dozen drug candidates against novel molecular targets expected to reach the clinic in the next five years.

A solid foundation of Chi-Med's business continues to be our increasingly cash generative Commercial Platform, with the Prescription Drugs business in China being the strategic core. We expect this cash flow will continue to help sustain Chi-Med's continuous investment in innovation in the future. Now looking forward to the next two to three years, a second benefit of this deep commercial capability is set to emerge – the ability to use our commercial team to launch our un-partnered innovative products in China ourselves and thereby maximize the economic benefits to Chi-Med.

Achieving our ambitious objectives requires that we continue to move fast, and execute effectively, on all aspects of our business. We are confident we are well positioned to do this in 2016 and beyond.

Christian Hogg
Chief Executive Officer, 29 February 2016

Hutchison China MediTech Limited
Consolidated Balance Sheets
(in US$'000)

	December 31,	
	2015	**2014**
Assets		
Current assets		
Cash and cash equivalents	31,941	38,946
Short-term investments	-	12,179
Accounts receivable – third parties	33,346	22,724
Accounts receivable – related parties	1,869	2,184
Other receivables, prepayments and deposits	3,413	3,016
Amounts due from related parties	9,293	6,283
Inventories	9,555	4,405
Deferred tax assets	250	105
Total current assets	**89,667**	**89,842**
Property, plant and equipment, net	8,507	7,482
Leasehold land	1,343	1,436
Goodwill	3,332	3,430
Other intangible asset	571	666
Long-term prepayment	2,132	-
Deferred costs for initial public offering in the United States	4,446	-
Investments in equity investees	119,756	107,978
Total assets	**229,754**	**210,834**
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable – third parties	20,565	18,237
Accounts payable – related parties	3,521	2,190
Other payables, accruals and advance receipts	26,177	17,159
Deferred revenue	1,171	2,394
Amounts due to related parties	6,243	8,716
Short-term bank borrowings	23,077	26,282
Deferred tax liabilities	308	321
Total current liabilities	**81,062**	**75,299**
Deferred tax liabilities	3,415	2,626
Long-term bank borrowings	26,923	26,923
Deferred revenue	3,498	4,182
Deferred income	2,132	-
Other non-current liabilities	10,447	3,853
Total liabilities	**127,477**	**112,883**
Redeemable non-controlling interests	-	41,036
Company's shareholders' equity		
Ordinary shares; $1.00 par value; 75,000,000 shares authorized; 56,533,118 and 53,076,676 shares issued at December 31, 2015 and 2014	56,533	53,076
Additional paid-in capital	113,848	76,256
Accumulated losses	(92,040)	(100,051)
Accumulated other comprehensive income	5,015	9,870
Total Company's shareholders' equity	**83,356**	**39,151**
Non-controlling interests	18,921	17,764
Total shareholders' equity	**102,277**	**56,915**
Total liabilities and shareholders' equity	**229,754**	**210,834**

Hutchison China MediTech Limited
Consolidated Statements of Operations
(in US$'000, except share and per share data)

	Years Ended December 31,	
	2015	**2014**
Revenues		
Sales of goods – third parties	118,113	59,162
Sales of goods – related parties	8,074	7,823
Revenue from license and collaboration agreements – third parties	44,060	12,336
Revenue from research and development services – third parties	2,573	3,696
Revenue from research and development services – related parties	5,383	4,312
Total revenues	**178,203**	**87,329**
Operating expenses		
Costs of sales of goods – third parties	(104,859)	(53,477)
Costs of sales of goods – related parties	(5,918)	(5,372)
Research and development expenses	(47,368)	(29,914)
Selling expenses	(10,209)	(4,112)
Administrative expenses	(19,620)	(12,713)
Total operating expenses	**(187,974)**	**(105,588)**
Loss from operations	**(9,771)**	**(18,259)**
Other (expense)/income		
Interest income	451	559
Other income	386	20
Interest expense	(1,404)	(1,516)
Other expense	(202)	(761)
Total other (expense)/ income	**(769)**	**(1,698)**
Loss before income taxes and equity in earnings of equity investees	**(10,540)**	**(19,957)**
Income tax expense	(1,605)	(1,343)
Equity in earnings of equity investees, net of tax	22,572	15,180
Net income/(loss) from continuing operations	**10,427**	**(6,120)**
Income from discontinued operations, net of tax	-	2,034
Net income/(loss)	**10,427**	**(4,086)**
Less: Net income attributable to non-controlling interests	(2,434)	(3,220)
Net income/(loss) attributable to the Company	**7,993**	**(7,306)**
Accretion on redeemable non-controlling interests	(43,001)	(25,510)
Net loss attributable to ordinary shareholders of the Company	**(35,008)**	**(32,816)**
(Losses)/earnings per share attributable to ordinary shareholders of the Company – basic and diluted (US$ per share)		
Continuing operations	(0.64)	(0.64)
Discontinued operations	-	0.02
Number of shares used in per share calculation – basic and diluted	54,659,315	52,563,387

Hutchison China MediTech Limited
Consolidated Statements of Comprehensive Income
(in US$'000)

	Years Ended December 31,	
	2015	**2014**
Net income/(loss)	**10,427**	**(4,086)**
Other comprehensive loss		
Foreign currency translation loss	(5,557)	(2,712)
Total Comprehensive income/(loss)	**4,870**	**(6,798)**
Less: Comprehensive income attributable to non-controlling interests	(1,732)	(2,944)
Total Comprehensive income/(loss) attributable to the Company	**3,138**	**(9,742)**

Hutchison China MediTech Limited
Consolidated Statements of Changes in Shareholders' Equity
(in US$'000, except share and per share data)

	Ordinary Number	Shares Amount	Additional Paid-in Capital	Accumulated Losses	Accumulated Other Comprehensive Income	Total Company's Shareholders' Equity	Non-controlling Interests	Total Equity
As of December 31, 2013	**52,051**	**52,051**	**99,361**	**(92,575)**	**12,310**	**71,147**	**6,960**	**78,107**
Net (loss)/income	-	-	-	(7,306)	-	(7,306)	3,220	(4,086)
Non-controlling interests arising from acquisition of a subsidiary	-	-	-	-	-	-	9,003	9,003
Purchase of additional interest in a subsidiary of an equity investee	-	-	-	(234)	-	(234)	-	(234)
Issuance of ordinary shares in relation to exercise of share options	1,025	1,025	1,655	-	-	2,680	-	2,680
Share-based compensation-Share options	-	-	725	-	-	725	-	725
Foreign currency translation adjustments	-	-	-	-	(2,436)	(2,436)	(276)	(2,712)
Dividend paid to a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	(1,179)	(1,179)
Transfer between reserves	-	-	25	(25)	-	-	-	-
Dilution of interests in a subsidiary in relation to exercise of share options of a subsidiary	-	-	-	89	(4)	85	36	121
Accretion to redemption value of redeemable non-controlling interests	-	-	(25,510)	-	-	(25,510)	-	(25,510)
As of December 31, 2014	**53,076**	**53,076**	**76,256**	**(100,051)**	**9,870**	**39,151**	**17,764**	**56,915**
Net income	-	-	-	7,993	-	7,993	2,434	10,427
Issuance of ordinary shares in relation to exercise of share options	243	243	1,131	-	-	1,374	-	1,374
Issuance of ordinary shares in exchange of redeemable non-controlling interest	3,214	3,214	80,823	-	-	84,037	-	84,037
Share-based compensation								
Share options	-	-	168	-	-	168	-	168
Long-term incentive plan	-	-	233	-	-	233	-	233
	-	-	401	-	-	401	-	401
Long-term incentive plan-treasury shares held by Trustee	-	-	(1,786)	-	-	(1,786)	-	(1,786)
Foreign currency translation adjustments	-	-	-	-	(4,855)	(4,855)	(702)	(5,557)
Dividend paid to a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	(590)	(590)
Transfer between reserves	-	-	24	(24)	-	-	-	-
Dilution of interests in a subsidiary in relation to exercise of share options of a subsidiary	-	-	-	42	-	42	15	57
Accretion to redemption value of redeemable non-controlling interests	-	-	(43,001)	-	-	(43,001)	-	(43,001)
As of December 31, 2015	**56,533**	**56,533**	**113,848**	**(92,040)**	**5,015**	**83,356**	**18,921**	**102,277**

Hutchison China MediTech Limited
Consolidated Statements of Cash Flows
(in US$'000)

	Years Ended December 31,	
	2015	**2014**
Operating activities		
Net income/(loss)	10,427	(4,086)
Adjustments to reconcile net income/(loss) to net cash (used in)/generated from operating activities		
Depreciation and amortization	2,015	1,265
Loss on retirement of property, plant and equipment	60	36
Inventories written off	12	147
Provision for excess and obsolete inventories	25	15
Decrease in provision for excess and obsolete inventories due to sale of inventories	(33)	(106)
Allowance for doubtful accounts	1,408	185
Share-based compensation expense – share options	1,151	1,065
Share-based compensation expense – long-term incentive plan	308	-
Equity in earnings of equity investees	(22,572)	(15,180)
Dividend received from equity investees	6,410	15,949
Foreign currency gain	198	173
Income taxes	1,093	497
Changes in operating assets and liabilities		
Accounts receivable – third parties	(12,340)	8,285
Accounts receivable – related parties	315	1,754
Other receivables, prepayments and deposits	(397)	454
Amounts due from related parties	(3,010)	(5,029)
Inventories	(5,154)	167
Long-term prepayment	(2,132)	-
Accounts payable – third parties	2,328	2,332
Accounts payable – related parties	1,331	(162)
Other payables, accruals and advance receipts	4,660	(47)
Deferred revenue	(1,907)	(697)
Deferred income	2,132	-
Amounts due to related parties	3,977	1,342
Net cash (used in)/generated from operating activities	(9,385)	8,359
Investing activities		
Acquisition of a subsidiary, net of cash acquired	-	689
Purchases of property, plant and equipment	(3,324)	(3,729)
Deposit in short-term investments	12,179	(12,179)
Net cash generated from/(used in) investing activities	8,855	(15,219)
Financing activities		
Proceeds from issuance of ordinary shares	1,374	2,680
Proceeds from exercise of share options of a subsidiary	57	121
Purchases of treasury shares	(1,786)	-
Dividends paid to a non-controlling shareholder of a subsidiary	(590)	(1,179)
Capital contribution from redeemable non-controlling interests	-	3,059
Repayment of loan to a non-controlling shareholder of a subsidiary	-	(2,250)
Proceeds from bank borrowings	3,205	8,205
Repayment of bank borrowings	(6,410)	(11,277)
Payment for the deferred costs for initial public offering in the United States	(1,321)	-
Net cash used in from financing activities	(5,471)	(641)
Net decrease in cash and cash equivalents	(6,001)	(7,501)
Effect of exchange rate changes on cash and cash equivalents	(1,004)	(416)
	(7,005)	(7,917)
Cash and cash equivalents		
Cash and cash equivalents at beginning of year	38,946	46,863
Cash and cash equivalents at end of year	31,941	38,946
Supplemental disclosure for cash flow information		
Cash paid for interest	1,220	1,466
Cash paid for tax, net of refunds	510	908
Supplemental disclosure for non-cash activities		
Issuance of ordinary shares in exchange of redeemable non-controlling interests	84,037	-
Deferred costs for initial public offering in the United States incurred but not yet paid	3,125	-

Notes

1. Principles of Consolidation

The accompanying consolidated financial statements reflect the accounts of Hutchison China MediTech Limited (the "Company") and all of its subsidiaries (together the "Group") in which a controlling interest is maintained. Investments in equity investees over which the Group has significant influence are accounted for using the equity method. All inter-company balances and transactions have been eliminated in consolidation. The consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America.

2. Segment reporting

The operating segments are strategic business units that offer different products and services. They are managed separately because each business requires different technological advancement and marketing approach. The Group determines the operating segments from both business and geographic perspectives as follows:

(i) Innovation Platform (Drug research and development ("Drug R&D")): focuses on discovering and developing innovative therapeutics in oncology and autoimmune diseases, and the provision of research and development services; and

(ii) Commercial Platform: comprising of the manufacture, marketing and distribution of prescription and over-the-counter pharmaceuticals in the People's Republic of China (the "PRC") as well as certain health-related consumer products through Hong Kong. The Commercial Platform is further segregated into two core business areas:

   (a) Prescription Drugs: comprises the development, manufacture, distribution, marketing and sale of prescription pharmaceuticals; and

   (b) Consumer Health: comprises the development, manufacture, distribution, marketing and sale of over-the-counter pharmaceuticals and health-related consumer products.

Innovation Platform and Prescription Drugs business under the Commercial Platform are primarily located in the PRC. The locations for Consumer Health business under the Commercial Platform are further segregated into the PRC and Hong Kong.

The Group discontinued an operation in the PRC of the Consumer Health business under the Commercial Platform.

The performance of the reportable segments are assessed based on two measurements: (a) earnings or losses of subsidiaries before interest income, finance costs and tax expenses ("EBIT/(LBIT)") and (b) equity in earnings of equity investees, net of tax.

The segment information for the reportable segments is as follows:

Continuing operations

	As at and for the year ended December 31, 2015						
	Innovation Platform	Commercial Platform					
	Drug R&D	Prescription Drugs	Consumer Health		Reportable segment		
	PRC	PRC	PRC	Hong Kong	Total	Unallocated	Total
				(in US$'000)			
Revenue from external customers	52,016	105,478	3,028	17,681	178,203	-	178,203
EBIT/(LBIT)	(119)	676	(169)	1,211	1,599	(11,186)	(9,587)
Interest income	79	114	29	1	223	228	451
Equity in earnings of equity investees, net of tax	(3,770)	15,653	10,689	-	22,572	-	22,572
Operating profit/(loss)	(3,810)	16,443	10,549	1,212	24,394	(10,958)	13,436
Finance costs	-	-	-	85	85	1,319	1,404
Additions to non-current assets (other than financial instrument and deferred tax assets)	3,218	88	5	4	3,315	9	3,324
Depreciation/ amortization	1,864	94	11	5	1,974	41	2,015
Income tax expense	-	239	-	148	387	1,218	1,605

	As at December 31, 2015						
	Innovation Platform	Commercial Platform					
	Drug R&D	Prescription Drugs	Consumer Health		Reportable segment		
	PRC	PRC	PRC	Hong Kong	Total	Unallocated	Total
				(in US$'000)			
Total assets	49,545	97,572	66,552	8,651	222,320	7,434	229,754
Property, plant and equipment	8,312	122	27	7	8,468	39	8,507
Leasehold land	1,343	-	-	-	1,343	-	1,343
Goodwill	-	2,925	407	-	3,332	-	3,332
Intangible asset	-	571	-	-	571	-	571
Investments in equity investees	9,285	49,709	60,762	-	119,756	-	119,756

Continuing operations

	As at and for the year ended December 31, 2014						
	Innovation Platform	Commercial Platform					
	Drug R&D	Prescription Drugs	Consumer Health		Reportable segment		
	PRC	PRC	PRC	Hong Kong	Total	Unallocated	Total
				(in US$'000)			
Revenue from external customers	20,344	50,202	3,847	12,936	87,329	-	87,329
EBIT/(LBIT)	(13,817)	48	771	999	(11,999)	(7,001)	(19,000)
Interest income	33	68	12	3	116	443	559
Equity in earnings of equity investees, net of tax	(8,409)	13,201	10,388	-	15,180	-	15,180
Operating profit/(loss)	(22,193)	13,317	11,171	1,002	3,297	(6,558)	(3,261)
Finance costs	-	10	77	19	106	1,410	1,516
Additions to non-current assets (other than financial instrument and deferred tax assets)	3,671	915	24	2	4,612	6	4,618
Depreciation/ amortization	1,145	65	6	7	1,223	42	1,265
Income tax expense	-	51	-	131	182	1,161	1,343

	As at December 31, 2014						
	Innovation Platform	Commercial Platform					
	Drug R&D	Prescription Drugs	Consumer Health		Reportable segment		
	PRC	PRC	PRC	Hong Kong	Total	Unallocated	Total
				(in US$'000)			
Total assets	43,061	68,650	70,731	7,050	189,492	21,342	210,834
Property, plant and equipment	7,305	62	36	8	7,411	71	7,482
Leasehold land	1,436	-	-	-	1,436	-	1,436
Goodwill	-	3,023	407	-	3,430	-	3,430
Intangible asset	-	666	-	-	666	-	666
Investments in equity investees	13,067	39,158	55,753	-	107,978	-	107,978

Segment information for discontinued operation has been disclosed in Note 3.

Revenue from external customers is after elimination of inter-segment sales. The amount eliminated attributable to (a) sales between Prescription Drugs business and Consumer Health business within the PRC of US$1,187,000 and US$271,000; (b) sales within Consumer Health business from Hong Kong to the PRC of US$2,874,000 and US$105,000 for the years ended December 31, 2015 and 2014.

Sales between segments are carried out at mutually agreed terms.

There was one customer under Innovation Platform who accounted for 23% of the Group's revenue for the year ended December 31, 2015. There was one customer under Innovation Platform who accounted for 13% of the Group's revenue for the year ended December 31, 2014.

Unallocated expenses mainly represent corporate expenses which include corporate employee benefit expenses and the relevant share-based compensation expenses. Unallocated assets mainly comprise cash at banks.

A reconciliation of EBIT/(LBIT) for reportable segments to net income/(loss) from continuing operations is provided as follows:

	2015	2014
	(in US$'000)	
EBIT/(LBIT)	1,599	(11,999)
Unallocated expenses	(11,186)	(7,001)
Interest income	451	559
Equity in earnings of equity investees, net of tax	22,572	15,180
Finance costs	(1,404)	(1,516)
Income taxes	(1,605)	(1,343)
Net income/(loss) from continuing operations	10,427	(6,120)

3. Discontinued operations

In 2013, the Group discontinued an operation in the PRC, which was part of the Group's Consumer Health business under the Commercial Platform segment, as its performance was below expectation in light of increased competitive activities in the consumer products market.

The results and cash flows of the discontinued operations are set out below.

	2015	2014
	(in US$'000)	
Sales of goods	-	-
Expenses	-	-
Other income (note)	-	2,096
Net income before taxation from discontinued operations	-	2,096
Income tax expense	-	(62)
Net income for the year from discontinued operations	-	2,034
Cash flow from discontinued operations		
Net cash generated from operating activities	-	2,515
Net increase in cash and cash equivalents	-	2,515

Note:

The income from the discontinued operations for the year ended December 31, 2014 represented the compensation income from an arbitration proceeding against a supplier, being the excess of US$2.5 million compensation proceeds received over the carrying amount of US$0.4 million receivables recorded in prior years.

4. (Losses)/Earnings per Share

(a) Basic (losses)/earnings per share

Basic (losses)/earnings per share is calculated by dividing the net (loss)/income attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year. Periodic accretion to redeemable convertible preferred shares ("Preferred Shares") of Hutchison MediPharma Holdings Limited ("HMHL") is recorded as deductions to consolidated net income to arrive at net (loss)/income available to the Company's ordinary shareholders for purpose of calculating the consolidated basic (losses)/earnings per share.

	2015	2014
Weighted average number of outstanding ordinary shares in issue	54,659,315	52,563,387
Net income/(loss) from continuing operations	10,427	(6,120)
Net income attributable to non-controlling interests	(2,434)	(2,203)
Accretion on redeemable non-controlling interests	(43,001)	(25,510)
Net loss for the year attributable to ordinary shareholders of the Company—Continuing operations (US$'000)	(35,008)	(33,833)
Income from discontinued operations, net of tax	-	2,034
Net income attributable to non-controlling interests	-	(1,017)
Net loss for the year attributable to ordinary shareholders of the Company—Discontinued operations (US$'000)	-	1,017
	(35,008)	(32,816)
(Losses)/Earnings per share attributable to ordinary shareholders of the Company		
- Continuing operations (US$ per share)	(0.64)	(0.64)
- Discontinued operations (US$ per share)	-	0.02
	(0.64)	(0.62)

(b) Diluted (losses)/earnings per share

Diluted (losses)/earnings per share is calculated by dividing net (loss)/income attributable to ordinary shareholders, by the weighted average number of ordinary and dilutive ordinary share equivalent outstanding during the period. Dilutive ordinary share equivalents include shares issuable upon the exercise or settlement of share-based awards issued by the Company and its subsidiaries using the treasury stock method and the ordinary shares issuable upon the conversion of the preferred shares issued by HMHL using the if-converted method. The computation of diluted (losses)/earnings per share does not assume conversion, exercise, or contingent issuance of securities that would have an anti-dilutive effect.

In determining the impact from share-based awards and convertible preferred shares issued by HMHL, the Company first calculates the diluted earnings per share at the HMHL and includes in the numerator of consolidated (losses)/ earnings per share the amount based on the diluted (losses)/earnings per share of HMHL multiplied by the number of shares owned by the Company. If dilutive, the percentage of the Company's shareholding in HMHL was calculated by treating convertible preferred shares issued by HMHL as having been converted at the beginning of the period and share options as having been exercised during the period.

For purpose of calculating (losses)/earnings per share for discontinued operations, the same number of potential ordinary shares used in computing the diluted per share amount for income from continuing operations was used in computing diluted per share amount for income from discontinued operations.

	2015	2014
(Losses)/Earnings per share attributable to ordinary shareholders of the Company		
- Continuing operations (US$ per share)	(0.64)	(0.64)
- Discontinued operations (US$ per share)	-	0.02
	(0.64)	(0.62)

For the year ended December 31, 2015 and 2014, the preferred shares issued by HMHL and share options issued by the Company and HMHL were not included in the calculation of diluted loss per share because of their anti-dilutive effect.

Diluted loss per share from continuing operations for the year ended December 31, 2015 and 2014 was the same as the basic loss per share from continuing operations.

Important information

This announcement, which includes the appendices to it, does not constitute a registration statement on Form F-1 and does not constitute or form, and will not form, part of any offer or invitation to sell or issue, or the solicitation of an offer to purchase or acquire, any of the Ordinary Shares or ADSs or any other securities in the United States or in any other jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended ("U.S. Securities Act"). Any potential public offering of securities to be made in the United States will be made by means of a Form F-1 Registration Statement that has been declared effective by the SEC. The Form F-1 Registration Statement contains detailed information about the issuer and its management and financial statements. This announcement is being issued pursuant to and in accordance with Rule 135e under the U.S. Securities Act.

No money, securities or other consideration is being solicited, and, if sent in response to the information contained in this announcement, will not be accepted.

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Forward-looking statements

This announcement, which includes the appendices to it, may contain forward-looking statements that reflect Chi-Med's current expectations regarding future events. A list and description of risks, uncertainties and other risks associated with an investment in Chi-Med can be found in Chi-Med's filings with the SEC, including the Form F-1 Registration Statement. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Chi-Med undertakes no obligation to update or revise the information contained in this announcement, whether as a result of new information, future events or circumstances or otherwise.