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SMALL BUT BEAUTIFUL

Chi-Med in rude health as sales soar by 37%

SALES at Hutchison China Meditech – better known as Chi-Med, soared by 37 per cent in the six months to 30 June.

The group – which uses traditional Chinese ingredients to make a range of medicines and cosmetics – reported sales of \$45.9 million (£23.5m), up from \$33.4m in the first half of 2007.

Chi-Med, a subsidiary of Hutchison Whampoa, said that all three of its divisions

had out-performed its expectations. The healthcare division – which sells prescription and over-the-counter medicines as well as health foods in China – reported a 36 per cent rise in sales to \$43.2m and a 57 per cent jump in profits to \$7.3m.

Hutchison MediPharma, the group's drug research and development arm, has been turned into a separate holding company with an employee

share incentive scheme.

Christian Hogg, the Scots-born chief executive of Chi-Med, told *The Scotsman*: "Our China healthcare business just gets better and better every year and we're outperforming the market in China.

"We would imagine the separate drug-holding company may lead to direct investment by biotech investors or at some point perhaps a listing."