

Highlights

Group Results

- Revenues up 28% to \$111.0 million (2008: \$87.0m). Top line growth across all divisions.
- Operating loss cut sharply to \$4.6 million (2008: -\$14.2m) reflecting profit growth in China Healthcare Division and reduced loss in Drug R&D Division.
- Net loss attributable to equity holders more than halved to \$8.7 million (2008: -\$17.8m).
- \$3.6 million positive cash inflow (2008: \$15.1m outflow). \$41.8 million in cash and cash equivalents as at 31 December 2009 (31 December 2008: \$38.2m).

China Healthcare Division

- Sales up 26% to \$102.0 million (2008: \$80.7m). All organic growth.
- Operating profit up 43% to \$13.1 million (2008: \$9.1m).
- Net profit attributable to equity holders up 58% to \$9.3 million (2008: \$5.9m).

Drug R&D Division

- Sales up 112% to \$4.8 million (2008: \$2.3m) from research income from Eli Lilly and Company and Ortho-McNeil-Janssen Pharmaceuticals, Inc.
- Operating loss reduced by 35% to \$9.9 million (2008: -\$15.4m).
- Lead drug candidate, HMPL-004, met all clinical endpoints in US/European Phase IIb ulcerative colitis trial and is now a candidate for out-licensing.
- HMPL-011 approved for Phase I trial in Australia. Two further small molecule oncology drugs under review by China State Food & Drug Administration for Phase I clearance.

Consumer Products Division

- Development of strategy to accelerate growth by re-focusing on the China mass market.
- Formed Hutchison Hain Organic Holdings Limited - a new entity established with The Hain Celestial Group, Inc., a leading US organic and natural consumer products group. Sales launched in Hong Kong.
- Sen sales in Europe up 4% to \$4.2 million (2008: \$4.1m). Good progress in expansion to over 200 Marionnaud shops in France.