



HUTCHISON CHINA MEDITECH LTD

**Hutchison China MediTech Limited (“Chi-Med”)  
(AIM: HCM)**

**China Healthcare Division  
Chi-Med increases ownership of its Hutchison Healthcare joint venture**

**London, Friday, 23 May 2008:** Chi-Med, the Hutchison Whampoa backed pharmaceutical and healthcare Group, today announces the intended increase in its ownership of Hutchison Healthcare Limited (“HHL”), one of the three joint ventures which comprise Chi-Med’s China Healthcare Division, from approximately 68% to 85%.

Chi-Med’s China Healthcare Division manufactures, distributes and markets traditional Chinese medicine based pharmaceuticals and health supplements in the fast growing China healthcare market. It comprises three joint venture businesses, one of which is HHL, which produces health food products, including the rapidly growing Zhi Ling Tong infant nutrition product range. Chi-Med’s wholly-owned subsidiary, Pioneer Leader Limited, has entered into a conditional agreement with Masson Group Company Ltd. (“Masson”) to buy-out the approximately 17% equity interest held by Masson in HHL for a total cash consideration of RMB2.8 million (approximately US\$0.4 million) (the “Transaction”).

Masson is a related party to Chi-Med by virtue of it being a substantial shareholder of HHL and of another non-wholly owned subsidiary of Chi-Med, but Rule 13 of the AIM Rules for Companies is not applicable to the Transaction.

HHL’s performance has improved significantly in the past year due primarily to the strong growth in the Zhi Ling Tong range, and the discontinuation of the previously loss making Nao Ling Tong product line. Operating profit on a continuing basis for HHL reached RMB 1.66 million (approximately US\$0.22 million) in 2007.

Mr. Christian Hogg, CEO of Chi-Med, said:

“The China Healthcare Division is Chi-Med’s principal engine of revenue and profit growth. Last year, its sales grew 28% to US\$61.4 million and operating profit grew 27% to US\$6.8 million. For this year, we have already reported that growth will run well ahead of 2007. HHL is a core part of our overall China Healthcare Division - its Zhi Ling Tong product range and licenses last year grew 100% to US\$3.7 million in 2007. We are therefore delighted to be able to increase our equity interest in this important strategic joint venture.”

**Ends**

**Enquiries**

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### **About Chi-Med**

Chi-Med is the holding company of a pharmaceutical and healthcare group focused on traditional Chinese medicine ("TCM") based primarily in China and was admitted to trading on the Alternative Investment Market of the London Stock Exchange in May 2006. Chi-Med operates three core business divisions: 1) China Healthcare – the manufacture, distribution and marketing of pharmaceuticals and health supplements in China; 2) Drug R&D – the discovery and global development of novel drug in the oncology and auto-immune therapeutic areas; and 3) Consumer Products – global retailing and distribution consumer health and personal care products derived from TCM and botanical ingredients.

Chi-Med is majority owned by Hutchison Whampoa Limited, an international company listed on the Main Board of The Stock Exchange of Hong Kong Limited.