2013 Full Year Results

February 2014

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The Presentation should be read in conjunction with Chi-Med's final results for the year ended 31 December 2013, copies of which are available on Chi-Med's website (www.chi-med.com).

Agenda

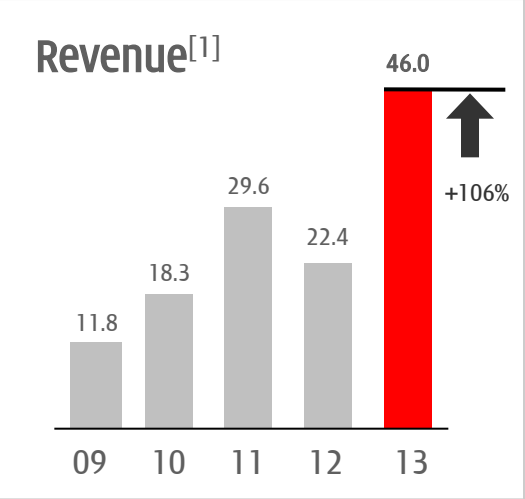
- 2013 Financial Results
- China Healthcare Division
- Drug R&D Division
- Consumer Products Division
- Review of Key Financial Information

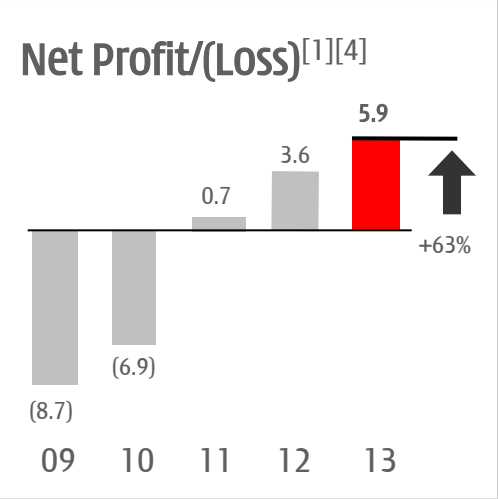
Continuing positive trend.

Group Results:

	2013	2012	Change
Revenue[1]	46.0	22.4	+106%
Operating Profit	9.6	5.8	+65%
Net Profit/(Loss) attributable to Chi-Med equity holders	5.9	3.6	+63%
Earnings per share	11.4 ¢	7.0 ¢	+63%
Cash & cash equivalents[2][3]	46.9	30.8	+52%
Net Cash[3]	(4.6)	(7.0)	+34%

5-Year Trend:



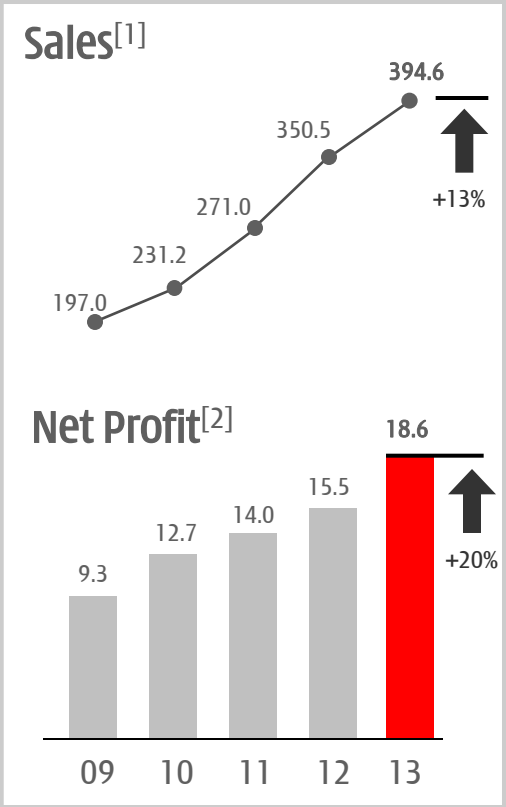


[1] Continuing Operations reported under IFRS11; [2] as at 31 December 2013 and 2012; [3] not including cash held in JVs (total $99.0 million as at 31 December 2013); [4] Net Profit/(Loss) = Net Profit/(Loss) attributable to Chi-Med equity holders;

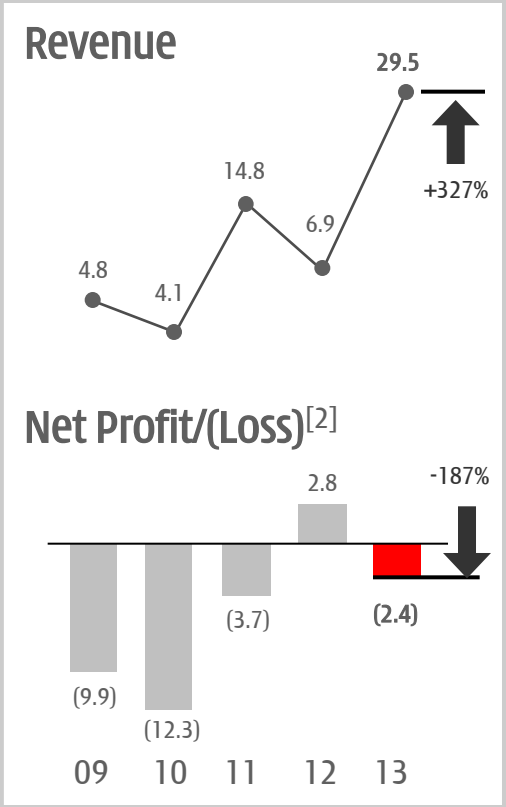
(US$ millions)

Progress across each of our divisions.

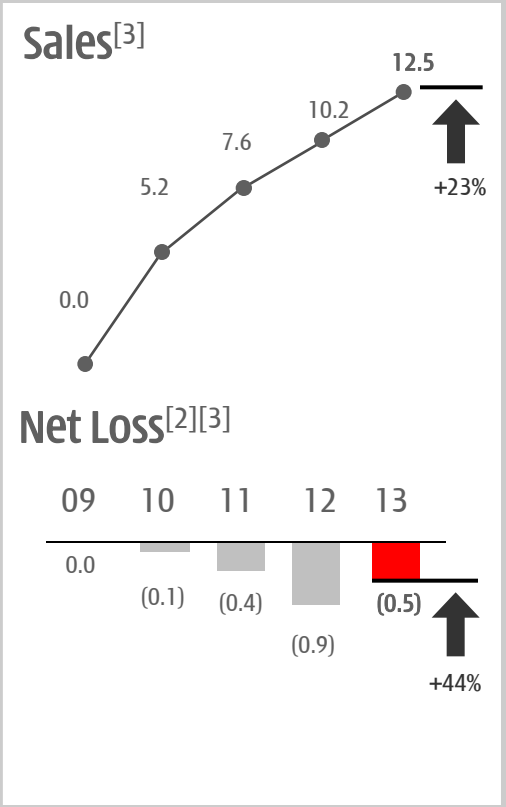
China Healthcare Division



Drug R&D Division



Consumer Products Division



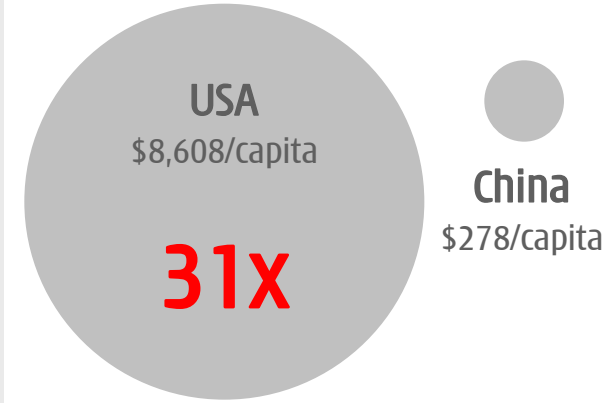
[1] Sales of Subsidiaries and JVs; [2] Net Profit/(Loss) = Net Profit/(Loss) attributable to Chi-Med equity holders; [3] Continuing operations

(US$ millions)

China Healthcare Division

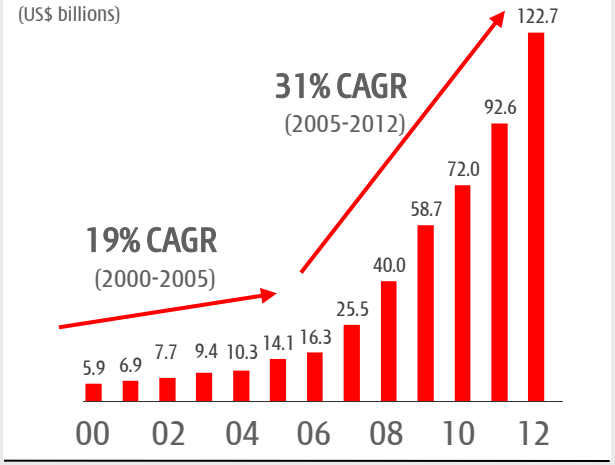
China pharma industry growth set to continue.

Per capita Healthcare Spending



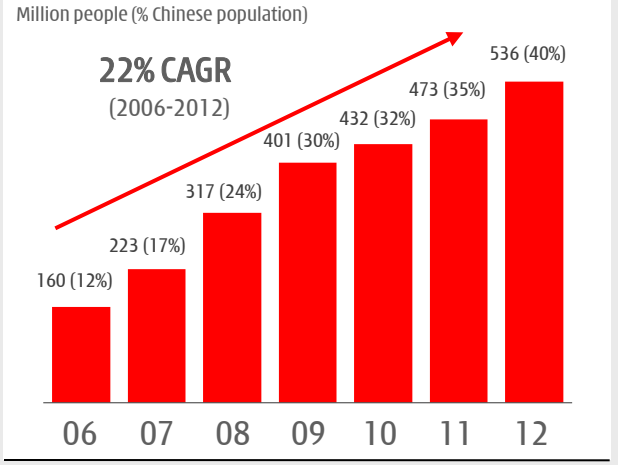
Source: Citigroup (2011 data)

Government Healthcare Spending



Source: Deutsche Bank, CEIC, Ministry of Health

Medical Insurance Enrollment



Source: National Bureau of Statistics

- China pharmaceutical industry growth 20% CAGR[1] from 2005-2012 – one of the highest rated industries in China with average P/E ratio of 40 for the 66 listed companies (appendix p26).
- Government healthcare spending continues to increase rapidly – Strategic priority.
- Expansion of State Medical Insurance Schemes[2] – Link to increased drug reimbursement & sales.

[1] Compound annual growth rate; [2] The Basic Medical Insurance Scheme for Urban Employees Residents plus Rural Cooperative Medical Schemes;

China Healthcare Division's competitive advantages.

2 National house-hold name brands

Focus on largest disease categories

Most common disease diagnosed/treated in rural hospitals[3]:

Cold/Flu:	**86%**
Cardiovascular:	**78%**
Diabetes:	46%
GI:	45%

Major commercial & production scale

~2,700 Rx & OTC sales people in about **600 cities** in China.

Produced **~4 billion doses** of medicine in 2013.

Leadership market shares

Market leader in the sub-categories/markets in which we compete[4][5]:

SXBXP: Rx Cardiovascular TCM	**~39%**
Banlangen: OTC Anti-viral TCM	**~46%**
FFDS: OTC Angina TCM	**~30%**

JVs with 3 of top 5 China Pharmas

China Healthcare Division Performance – 2003-2013[1][2]

(US$ millions)	03	04	05	06	07	08	09	10	11	12	13	CAGR since 2006 IPO (%)
Sales	21.9	27.9	65.1	101.4	119.0	155.8	197.0	231.2	271.0	350.5	394.6	21%
Sales Growth		*27%*	*133%*	*56%*	*17%*	*31%*	*26%*	*17%*	*17%*	*29%*	*13%*	
Operating Profit	(10.1)	(2.7)	3.7	7.5	13.4	18.0	25.1	32.5	36.2	40.9	48.1	30%
Operating Profit Margin	*-46.1%*	*-9.7%*	*5.6%*	*7.4%*	*11.3%*	*11.6%*	*12.8%*	*14.1%*	*13.3%*	*11.7%*	*12.2%*	
Net Profit After Tax	(10.7)	(3.6)	2.2	6.7	11.2	14.7	21.5	28.0	30.9	34.4	40.2	29%
Net Profit Margin	*-48.9%*	*-12.9%*	*3.4%*	*6.6%*	*9.4%*	*9.4%*	*10.9%*	*12.1%*	*11.4%*	*9.8%*	*10.2%*	
NPAT Attributable to Chi-Med Equity Holders	(5.7)	(3.7)	(0.5)	1.2	4.5	5.9	9.3	12.7	14.0	15.5	18.6	48%

[1] 2003-2006 incl. disco. operation; [2] Sales/profit of subsidiaries and JVs (HBYS, SHPL, HHL); [3] Citigroup Research; [4] IMS Health data for five reference markets 2009; [5] SXBXP Shanghai hospital market; [6] She Xiang Bao Xin Pill ("SXBXP"); [7] Banlangen Granules ("BLG") - OTC Antiviral; [8] Fu Fang Dan Shen tablets ("FFDS").

(US$ millions)

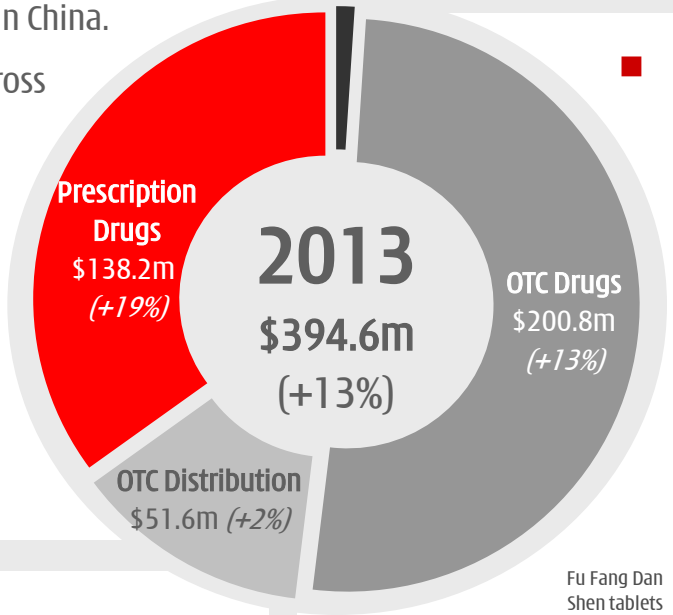
China Healthcare Division's performance in 2013.

Outstanding growth in prescription business

- Proprietary drug SXBXP[1] sales up 21% to $123.6m. Nine new patents in play.
- Distribution in >13,000 hospitals in China.
- 1,600 medical representatives across all China detailing SXBXP.
- SHPL Property - potential for major gains.

She Xiang Bao Xin pill

Dan Ning tablets



Focus on profit & working capital.

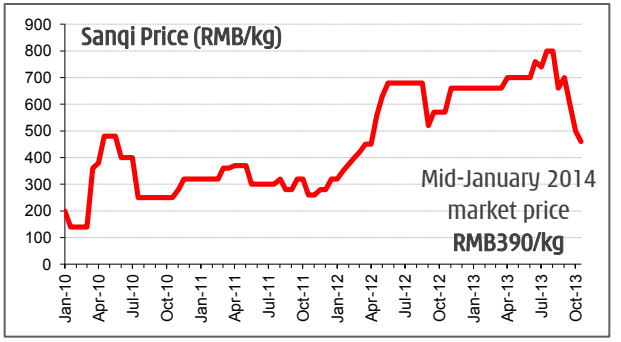
Health Supplements
$4.0m *(-25%)*

- Net profit up 300% to $0.6m.


Zhi Ling Tong

OTC back to double-digit sales growth

- BLG (+22%) & FFDS (+117%) price increases due to raw material increases (Sanqi/ Banlangen). Led to softer volume sales.
- BLG raw material price normalised in 2011 & FFDS RM price now dropping.
- HBYS uses ~500,000kg of Sanqi per year.



- HBYS Property - potential for major gains (appendix p28-29) .

OTC distribution

- 60% stake in GSP[5] distribution company acquired in 2011. HBYS sales team selling 3rd party OTC products (particularly GBP[6] products).
- In 2013 we shed some lower margin legacy activities.


Ban Lan Gen granules


Fu Fang Dan Shen tablets

[1] She Xiang Bao Xin Pill ("SXBXP"); [2] Cardiovascular ("CV"); [3] Banlangen Granules ("BLG") - OTC Antiviral; [4] Fu Fang Dan Shen tablets ("FFDS") - OTC Angina; [5] Good Supply Practice ("GSP"); [6] Guangzhou Baiyunshan Pharmaceutical Holding Co. Limited ("GBP").

(US$ millions)

Drug R&D Division

HMP holds China's leading oncology & immunology pipeline. Risk is now well balanced through 4 deals with major partners.

PROGRAM	TARGET / indication	LEAD	CANDIDATE	PRE-CLINICAL	PHASE I	PHASE II	PHASE III
HMPL-004	Ulcerative colitis	Nestlé Health Science					
HMPL-004	Crohn's disease	Nestlé Health Science					
FRUQUINTINIB (HMPL-013)	VEGFR: Gastric, CRC, Lung, other	Lilly					
SULFATINIB (HMPL-012)	VEGFR/FGFR: HCC, Breast						
EPITINIB (HMPL-813)	EGFR: NSCLC brain mets, GBM						
THELIATINIB (HMPL-309)	EGFR Wild-type: NSCLC						
VOLITINIB (HMPL-504)	Selective c-Met: Gastric, Lung, RCC, PRCC	AstraZeneca					
Syk Compound (HMPL-523)	Syk: RA, MS, Lupus; (pot. Lymphoma, CLL)						
FGFR Compound (HMPL-453)	Selective FGFR: Lung SCC, Breast, Gastric, Bladder, MM					Oncology	
R&D Collaboration (HMPL-507)	Novel Inflammation Target [1]	janssen				Inflammation & Immunology	

[1] Novel - means target link to disease not yet proven in-man; Other Acronyms: HCC -- Hepatocellular carcinoma or liver cancer; RA = Rheumatoid Arthritis; CRC -- Colorectal cancer or colon cancer; NSCLC -- Non small cell lung cancer; RCC/PRCC - Renal/Papillary renal cell carcinoma (kidney cancers); GBM -- Glioblastoma or brain cancer; MS = Multiple Sclerosis.

Four collaborations have major aggregate financial impact.

Partner payments to HMP/NSP[1]:

- $72 million in upfront /milestone payments and equity injections as at 31 December, 2013.
- up to $476 million in further development and approvals milestones.
- up to $145 million in option payments.
- up to $560 million in commercial milestones.
- customary royalties on net sales.

Clinical trial spending[2]:

- clinical costs estimated at several hundred million US dollars.
- Partners to fund the vast majority of these clinical costs.

[1] Nutrition Science Partners Limited ("NSP") is the 50/50 joint venture between Nestlé Health Science ("Nestlé ") and Chi-Med; [2] includes clinical and direct non-clinical costs.

(US$ millions)

HMPL-004.
Phase III Interim Analysis mid-2014.

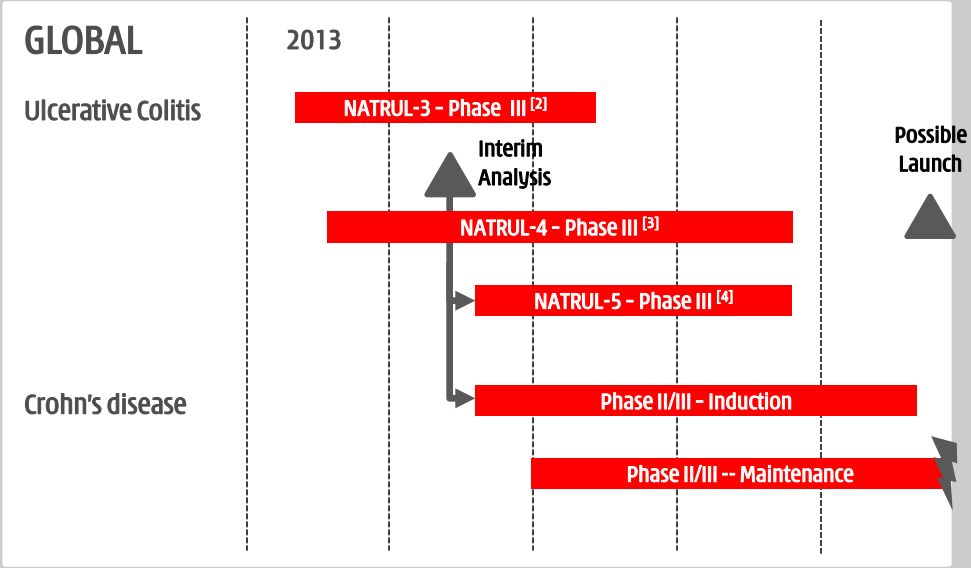
Status Update:

- Initiated NATRUL-3 study (8-week induction) in April 2013 and NATRUL-4 study (52-week maintenance) in July 2013.
- 65 active clinical sites up and running in the US and 13 in Europe. Overall Phase III global registration trial will enroll over 2,700 patients.
- NSP[1] funded primarily through Nestlé capital investment and milestone payments linked to clinical/commercial success.
- Next step: NATRUL-3 Interim Analysis in mid-2014 to determine status and finalise NATRUL-5 and Crohn's disease plans.

Highly differentiated therapy:

	5-ASAs	HMPL-004	Biologics
Mechanism of Action	Non-selective - multiple targets; COX, LO, PPARγ, etc.	Inhibition of pro-inflammatory cytokines	Anti-TNF
Route of Administration	Oral, local	Oral	Injectable
Clinical Response	40-60%	~70% (Phase II data)	~70%
Maintenance Efficacy	Varies	Good potential	Good
Side Effects	Minor	Minor	Infection risks with black box warning
Annual US$ Treatment Cost	$2,000 to $7,000	TBD	$15,000 to $20,000

Development Plan:



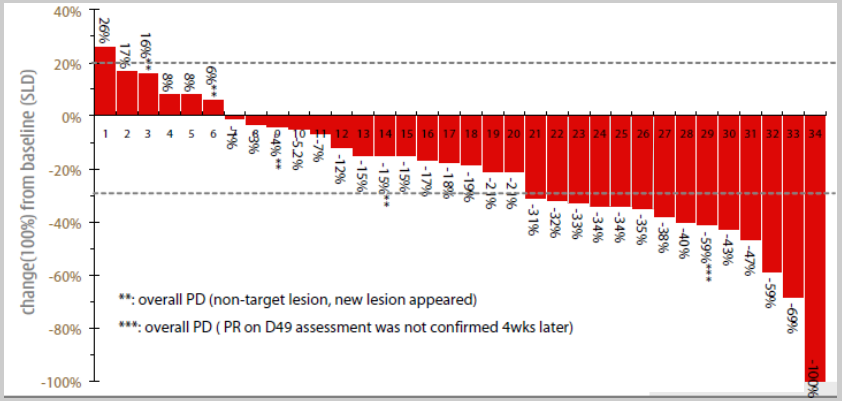
[1] Nutrition Science Partners Limited ("NSP") is the 50/50 joint venture between Nestlé Health Science ("Nestlé ") and Chi-Med; [2] NATRUL-3, first Phase III 8-week induction study; [3] NATRUL-4, Phase III 52-week maintenance study.; [4] NATRUL-5, second Phase III 8-week induction study.

Fruquintinib.
Several new studies set to start in 2014.

Status Update:

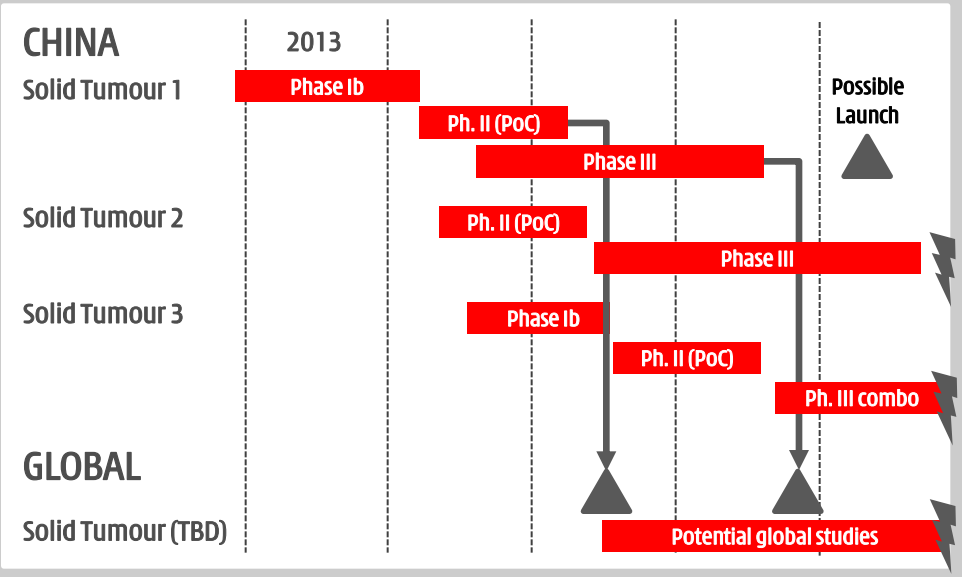
- Completed China license & collaboration agreement with Lilly. $6.5m income in 2013, a further $80m development/first sale milestones, Lilly to share in development costs, tiered royalties starting in mid-teens percentage of net sales.
- Phase Ib study (in a tumour type which Fruquintinib showed high activity in Phase I) will complete shortly triggering Phase II PoC studies on several tumour types and an aggressive move directly into Phase III in the Phase Ib study tumour type.

Phase I tumor volume shrinkage:



Fruquintinib Phase Ia demonstrated **excellent PK properties** as well as very encouraging anti-tumour activity including Partial Response (tumour volume reduction of ›30%) in **colorectal, lung, breast, gastric** and other tumour types.

Development Plan:



Volitinib.
Global Phase III start in 2015.

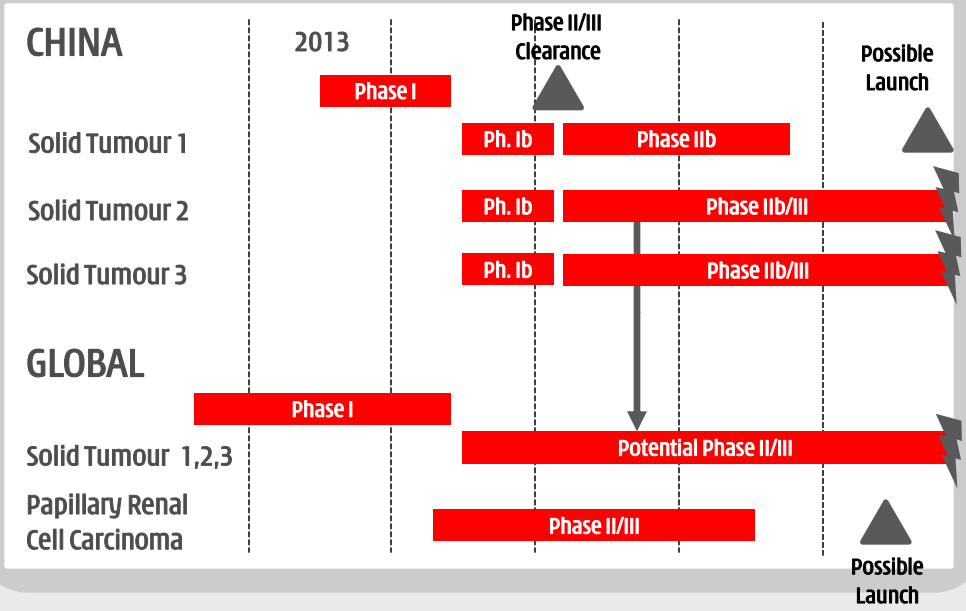
Status Update:

- Australian & China Phase I study: Phase II dose identified; excellent PK demonstrated; data to report at ASCO[1] in June 2014.
- Encouraging anti-tumour activity in multiple c-Met aberrant tumour-types including papillary renal cell carcinoma ("PRCC"), a form of kidney cancer for which there is no approved therapy on the global market. Volitinib is clearly a highly potent c-Met inhibitor.
- Volitinib will start global PRCC Phase II in early 2014 & Phase III in 2015. Phase Ib/II in several other tumour-types should start in 2014.

c-Met is an important target:

Indication	c-Met			New Cases (2008)	
	Amplification	Mutation	Over-Expression	Global	China
Stomach	10%	1%	41%	989,598	464,439
Lung	4%	8%	67%	1,608,823	522,050
Head & Neck	11%	27%	46%	653,199	76,370
Melanoma				197,402	3,825
Colon	10%		65%	1,233,711	221,313
Multiple Myeloma				102,762	5,909
Ovarian	4%	4%	33%	225,484	28,739
Kidney (PRCC)		100%		30,150	3,612
Kidney (Others)		13%	79%	271,348	32,508
Esophagus	4%		92%	482,239	259,235
Total				5,794,716	1,618,000

Development Plan:



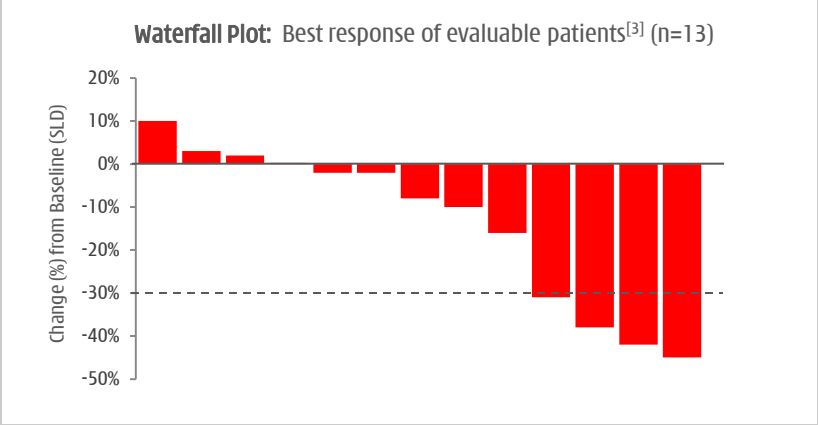
[1] American Society of Clinical Oncology.

Internal HMP development programmes. Exciting prospects for 2014.

Status Update:

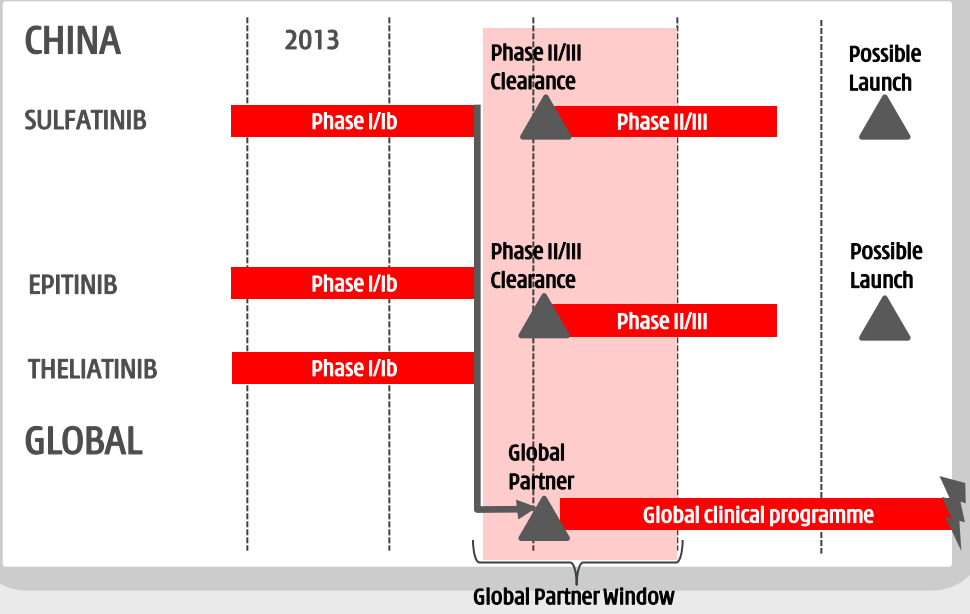
- Sulfatinib targets HCC[1], neuroendocrine tumours, colorectal and breast cancer. Phase I activity demonstrated in certain tumour types for which there are limited treatment options approved on the global market; excellent PK; and well tolerated at efficacious dose level.
- Epitinib/Theliatinib progressing in Phase I towards MTD[2] and conclude by mid-2014. If prove differentiation versus current marketed EGFR inhibitors in Phase I then Epitinib/Theliatinib may be attractive a partner for global development.

Sulfatinib Phase I tumour shrinkage:



Sulfatinib Phase I demonstrated **excellent PK properties** as well as very encouraging anti-tumour activity including Partial Response (tumour volume reduction of ›30%) in **certain tumour types**.

Development Plan:



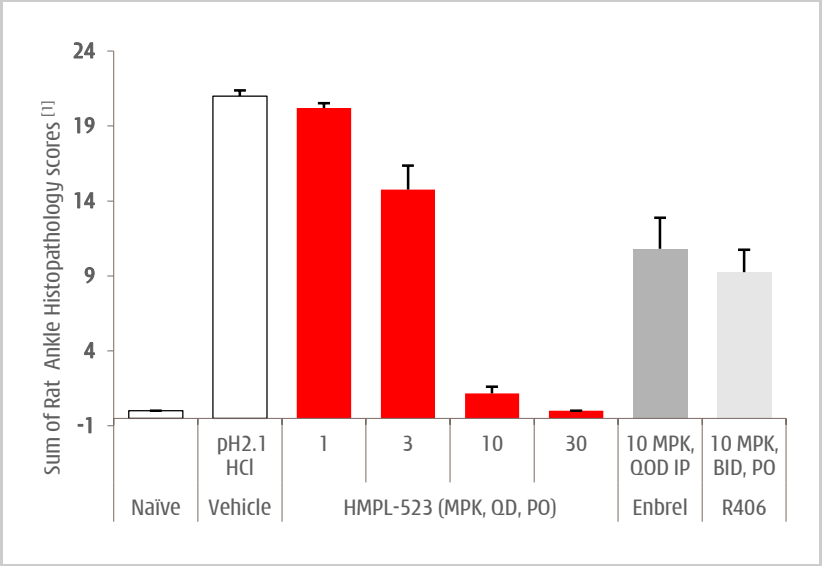
[1] Hepatocellular carcinoma (liver cancer); [2] Maximum Tolerated Dose ("MTD"); [3] Sulfatinib micronised formulation.

Internal HMP discovery-stage programmes. HMPL-523 – our next major step.

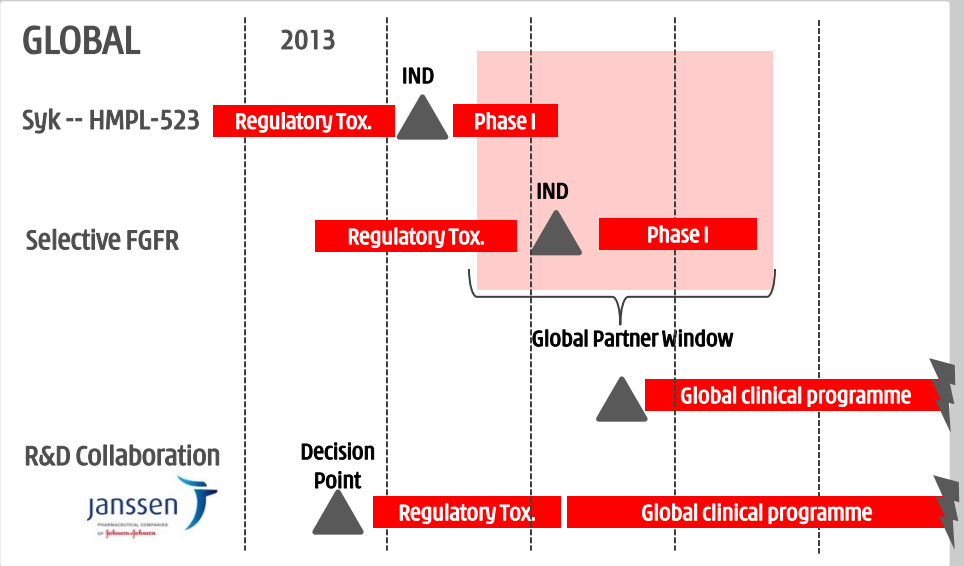
Status Update:

- Syk (Inflammation) and selective FGFR (oncology) are both novel targets for which HMP has compounds in regulatory toxicity testing.
- HMPL-523 is, we believe, a highly potent AND safe Syk inhibitor – proof of safety in Phase I (Australia) will drive global partnering.
- The research collaboration with Janssen Pharmaceuticals, reached a milestone in October 2013 when a candidate for inflammation was officially nominated, thereby triggering a $6 million milestone payment to HMP. The candidate is now in regulatory toxicity testing.

HMPL-523 Efficacy – Arthritis Model



Development Plan:



[1] Aggregate of scores for Bone resorption; Structure (cartilage damage); Cartilage cells Inflammatory cell infiltration in periarticular tissue; and Synovial inflammation & hyperplasia; [2] MPK = milligrams per kilogram of body weight.; QD = one dose per day; BID = two doses per day; QOD = one dose every other day; PO = by mouth (i.e. orally); IP = by Intraperitoneal injection; Naïve = model score without induced arthritis; Notes: Fostamatinib is a prodrug of the SYK inhibitor R406.

Strategic direction and plans.

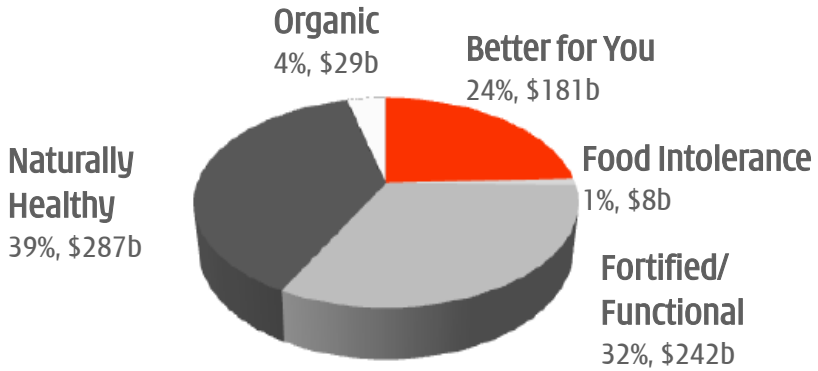
- **Rapidly progress clinical portfolio.**
  - HMPL-004 – execute the NATRUL Phase III registration trial at speed – Interim Analysis mid-2014.
  - Fruquintinib – initiate up to one Phase Ib study and three Phase II/III studies in China in 2014.
  - Volitinib – initiate global Phase II in PRCC and probably several other Phase Ib/II studies in 2014.
  - Sulfatinib – complete China Phase I, start up to two Phase Ib studies, Phase II/III clinical trial submission.
  - Syk (HMPL-523) – Start Phase I in Australia in early 2014.
  - Epitinib/Theliatinib – complete China Phase I and prioritise/partner.
- **Finance HMP clinical portfolio through further licensing collaborations.**
  - Syk global deal upon Phase I safety.
  - Epitinib/Theliatinib (if differentiated from Gefitinib/Erlotinib).
- **Discovery operation efficiency.**
  - Strategic research collaborations (e.g. Janssen/Nestlé) to help support discovery platform.
  - Internal HMP discovery team to produce 1-2 INDs per year.

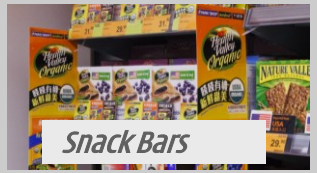
Consumer Products Division

Gradually building "Healthy Living" business in Asia.

- Market potential for Health & Wellness consumer products is considerable. Asia still in infancy.
- HHO[1] sales up 23% to $10.2 million (2012: $8.3m). F&B[2] +16% ($6.7m); PCC[3] +31% ($2.3m); Baby[4] +51% ($1.1m).
- Discontinued all unprofitable consumer businesses in order to focus resources. Starting to look at China manufacturing of some popular HHO products.

2012 – Global Market Share [5] – Health & Wellness F&B



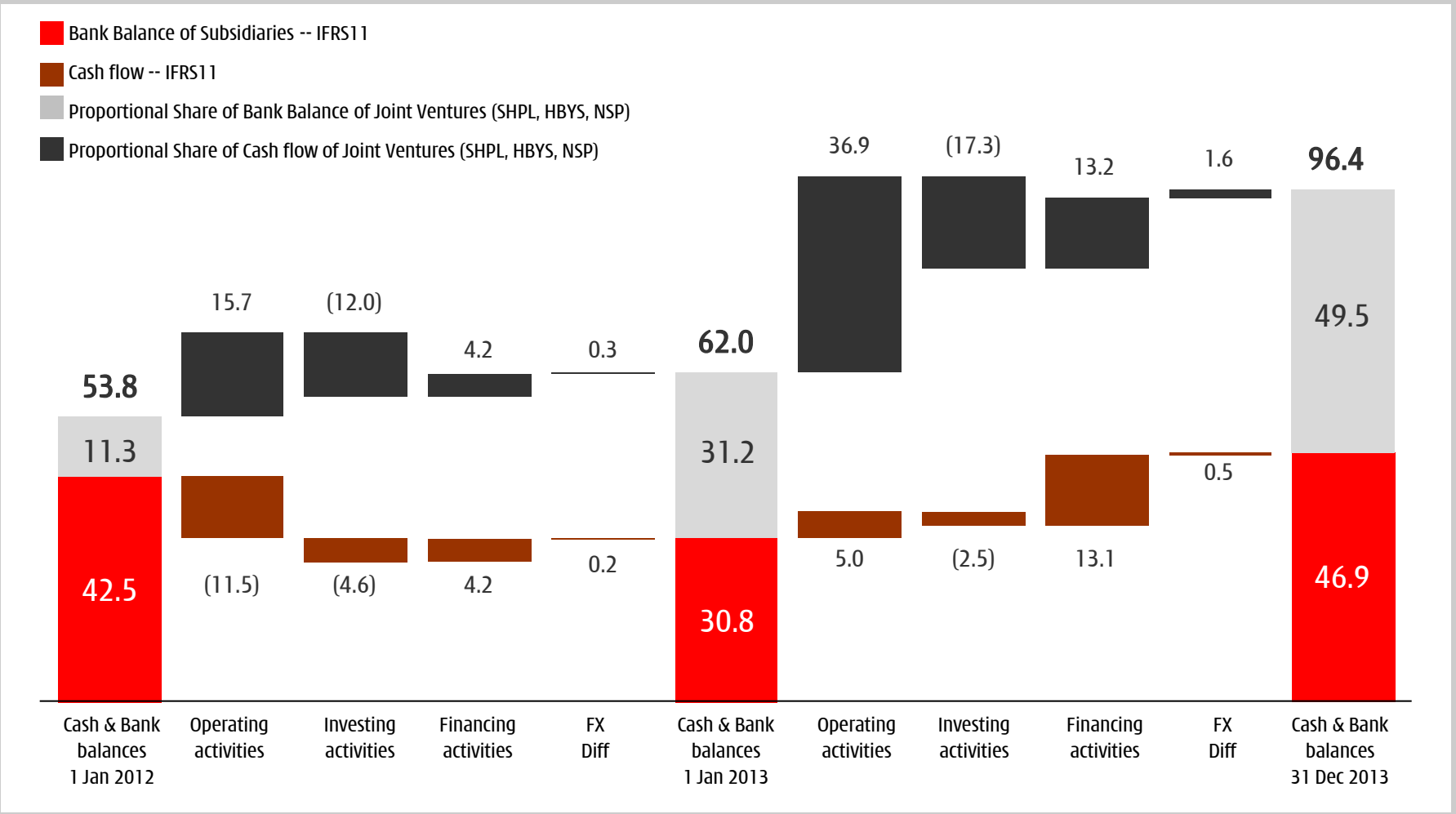


[1] Hutchison Hain Organic Holdings Limited -- 50/50 joint venture with The Hain Celestial Group (NASDAQ: HAIN); [2] F&B = Food & beverage; [3] PCC = Personal care category (skin, hair, body); [4] Baby = Baby care category (food); [5] Euromonitor - Global product share, 2012 Market Value (US$ billion).

(US$ millions)

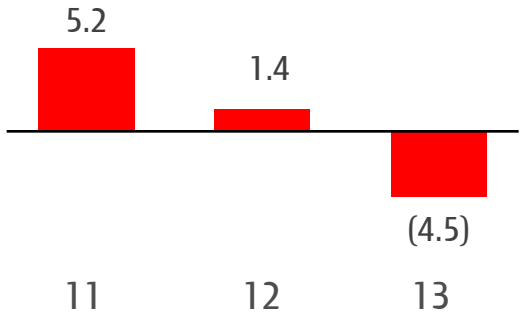
Review of Key Financial Information

Financing structure – stable at both Group and JCE levels.

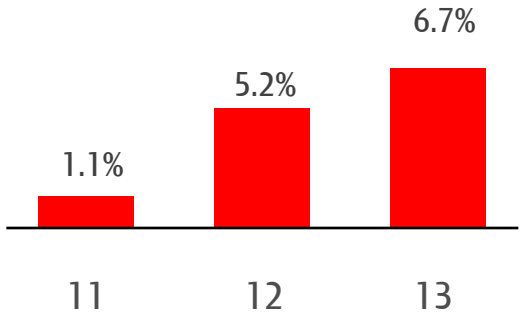


Financial ratios – IFRS11.

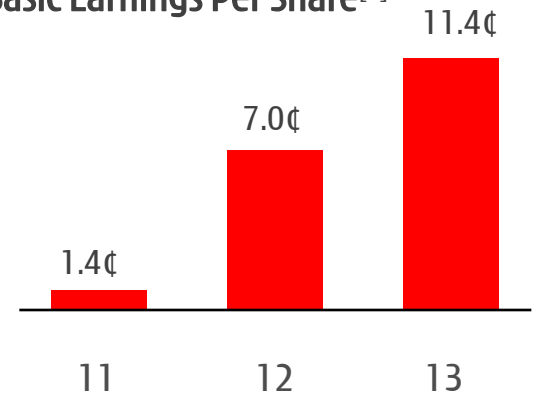
Changes in Working Capital



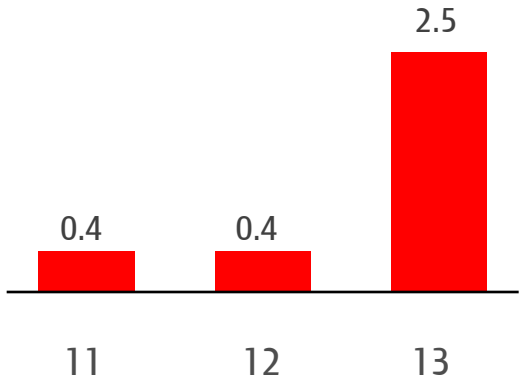
Return on Equity



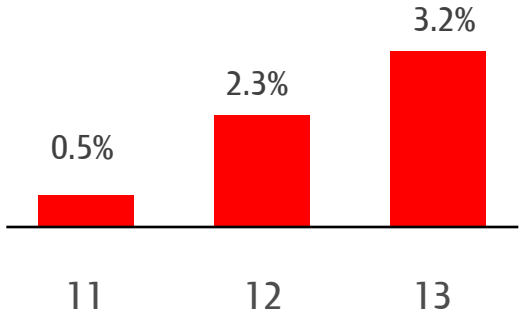
Basic Earnings Per Share[1]



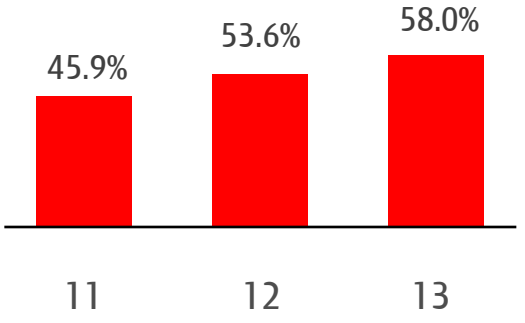
CAPEX



Return on Assets



Debt to Equity Ratio[1]



[1] Debt to Equity Ratio at Chi-Med Group Level – does not take into account JVs.

(US$ millions unless otherwise stated)

Appendices

Chi-Med Group structure.

Joint Ventures

Chi-Med Subsidiaries

Chi-Med Group Level[1]

Revenue: $46.0 million (2012: $22.4m)
Net Profit Attributable to Chi-Med Equity Holders: $5.9 million (2012: $3.6m)
Cash & Equivalents[3]: $46.9m at 31 December 2013 (end-2012: $30.8m)

50% — **Shanghai Hutchison Pharmaceuticals ("SHPL")**
Prescription Drugs
Partner: Shanghai Pharma Group
Sales: $138.2m (2012: $116.5m)

80% — **HOLDCO**

50% — **Hutchison Baiyunshan Chinese Medicine Co. ("HBYS")**
Over-the-counter Drugs ("OTC")
Partner: Guangzhou Pharma Hlds,
Sales: $200.8m (2012: $178.3m)

60% — **Nanyang Baiyunshan Guanbao Pharma ("NBHG"):**
OTC Drug Distribution Co.
Minority: Nanyang Guanbao
Sales $51.6m (2012: $50.5m)

51%[4] — **Hutchison Sinopharm ("HSP")**
Rx Drug Commercialisation
Partner: Sinopharm Group
Sales: >$50 m (unaudited)

100% — **Hutchison Healthcare ("HHL")**
Nutritional Supplements
Partner: None
Sales: $4.0m (2012: $5.3m)

88% — **Hutchison MediPharma ("HMP")**
Oncology/Immunology Drug R&D
Minority: Mitsui
Revenue: $29.5m (2012: $6.9m)

50% — **Nutrition Science Partners ("NSP"):**
Botanical Drug /GI Disease R&D
Partner: Nestlé Health Science
Revenue: $0.0m (2012: nil)

50% — **Hutchison Hain Organic ("HHO")**
Health Related Consumer Prods.
Partner: Hain Celestial Group
Sales: $10.2m (2012: $8.3m)

100% — **Sen Medicine Company ("Sen") Hutchison Cons. Prods. ("HCP")**
Botanical Consumer Products
Partner: None
Sales: $2.3m (2012: $1.9m)

China Healthcare Division

Sales of Subsidiaries and JVs ("SSJV"): $394.6 million (2012: $350.5m)
Net Profit Attributable to Chi-Med Equity Holders"("NPAT"): $18.6 million (2012: $15.5m)
JV Cash & Equivalents ("JV C&E"): $82.0m at 31 December 2013 (end-2012: $62.4m)

Drug R&D Div.

SSJV: $29.5m (2012: $6.9m)
NPAT[2]: -$2.4m (2012: +$2.8m)
JV C&E: $17.0m (end-12: nil)

Cons. Prod. Div.[1]

Sales: $12.5m (2012: $10.2m)
NPAT[2]: -$0.5m (2012: -$0.9m)

[1] Major entities, Continuing Operations; [2] Net Profit/(Loss) = Net Profit/(Loss) attributable to Chi-Med equity holders; [3] Does not include any cash held at the JV level; [4] Hutchison Sinopharm subject to regulatory approval.

(US$ millions)

China Healthcare Division has substantial value.

- Chi-Med's China Healthcare Division continues to perform very well relative to our peer group.
- The Division's real market value, based on peer group/industry multiples is approximately $1.4 billion[3], of which Chi-Med owns approximately 50% or between $600-650 million.

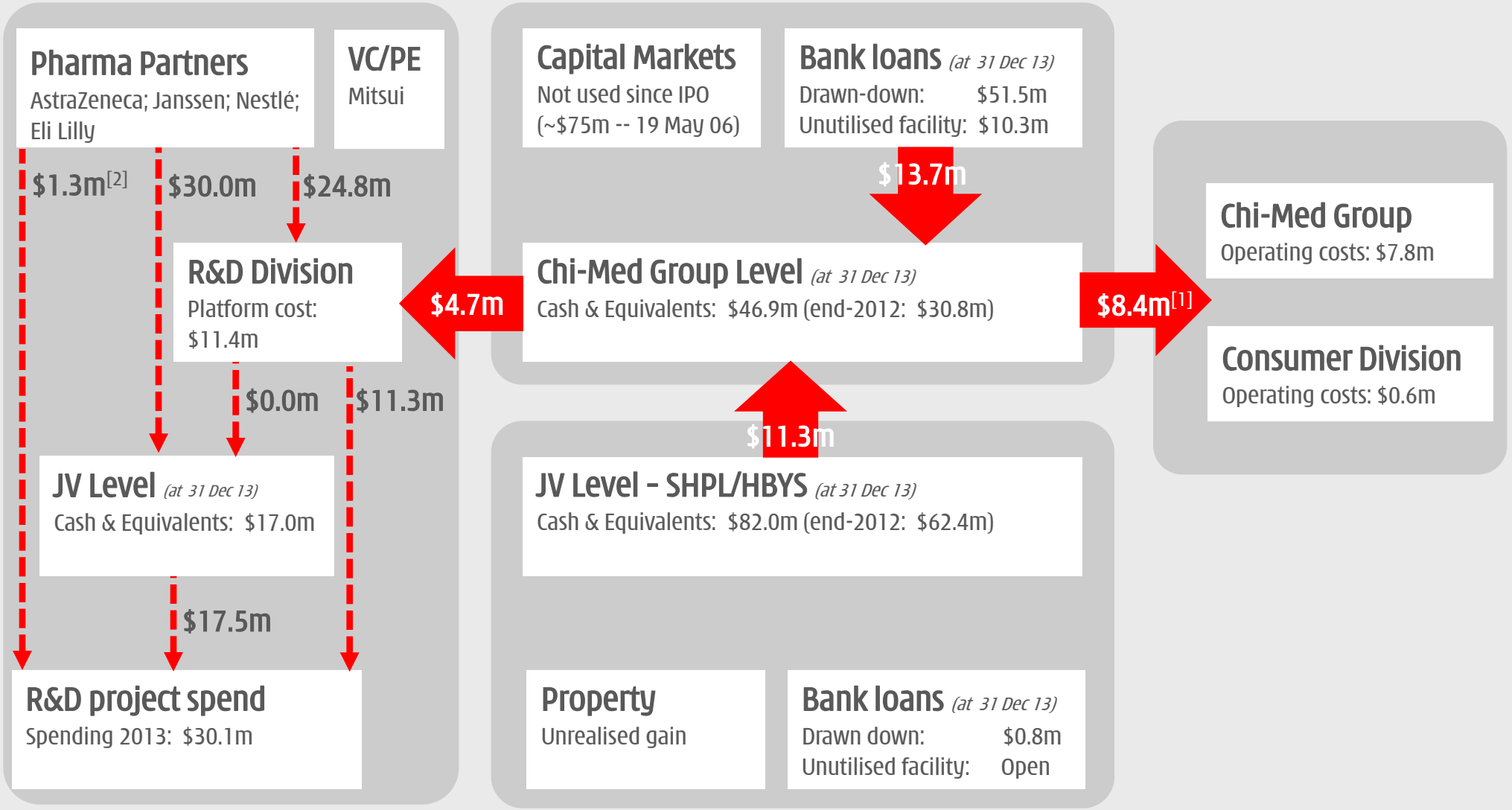
		NET SALES			NET PROFIT				VALUATION METRICS	
	Code	H1 2012	H1 2013	Growth	H1 2012	H1 2013	Growth	Margin	Cap.	P/E[2]
CHI-MED China Healthcare Division -- Total PRC Domestic[1]		**187.0**	**227.3**	**22%**	**27.6**	**32.2**	**17%**	**14.1%**	**na**	**na**
Zhejiang Kang En Bai Pharma	600572	192.6	224.7	17%	22.5	36.2	61%	16.1%	1,765	25
Jiang Zhong Pharma	600750	242.1	209.2	-14%	17.0	18.8	10%	9.0%	806	23
Jin Ling Pharma	000919	181.6	206.6	14%	17.2	15.7	-9%	7.6%	710	27
Wuhan Jin Min Pharma	600976	132.6	191.1	44%	6.4	8.1	26%	4.3%	607	38
Jiangsu Kang Yuan	600557	131.3	169.2	29%	16.5	21.9	33%	12.9%	2,263	50
Guizhou Yi Bai Pharma	600594	149.0	167.2	12%	17.4	21.5	23%	12.9%	2,122	35
Zhuzhou Qian Jin Pharma	600479	108.4	138.9	28%	10.2	7.5	-27%	5.4%	601	33
Ya Bao Pharma	600351	98.7	136.3	38%	7.6	9.9	30%	7.2%	732	29
Ma Ying Long Pharma	600993	122.9	126.3	3%	17.4	18.3	5%	14.5%	831	27
Zhangzhou Pien Tze Huang	600436	90.2	115.5	28%	26.9	36.3	35%	31.5%	2,331	35
Peer Group -- Weight Avg. (10 Comps. excl. Chi-Med)		**144.9**	**168.5**	**16%**	**15.9**	**19.4**	**22%**	**11.5%**	**1,277**	**34**
66 Listed China Pharma. Companies -- Weight Average		**336.4**	**407.4**	**21%**	**25.4**	**31.5**	**24%**	**7.7%**	**1,715**	**40**

Peer Group: 10 companies (excl. Chi-Med) selected as ALL listed and profitable mainland Chinese OTC/RX pharma manufacturing companies, with a focus on TCM, and H1 2013 Net Sales in the ~$115-225 million range.

[1] Total aggregate PRC domestic results of Chi-Med's 3 China Healthcare Division companies (HBYS, SHPL, HHL); [2] Price Earnings Ratio: Trailing Twelve Month PE weight averaged based on market capitalisation); [3] 34 x 2013 Net Profit ($40.2m)

(US$ millions unless otherwise stated)

2013 – Chi-Med inter-group cash flows.



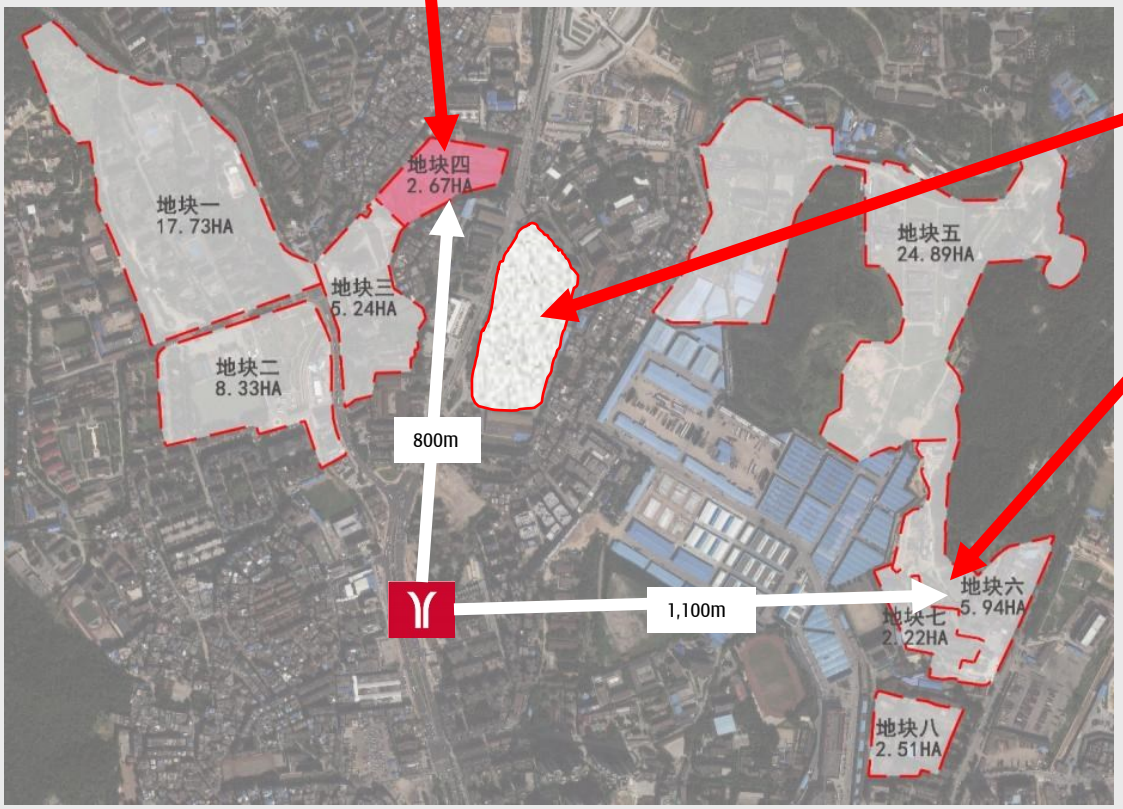
[1] Continuing Operations ; [2] estimated clinical costs paid directly by partners.

(US$ millions)

HBYS Property Plot 1&2 – 9 km from Guangzhou city centre. Chi-Med share of compensation estimated to be approx. $80m.

HBYS Plot 2 (26,700 sqm plot of land):
2.2 plot ratio, ~57,400 sqm of residential floor area.
Estimated Auction Price[1]: $122.4 million ($2,132/sqm) .
Estimated HBYS Compensation[2]: $73.4 million
Chi-Med share of Compensation after Tax[4]: $25.0 million

8-10 Tong Bao Road (65,055 sqm plot of land):
2.2 plot ratio, 143,121 sqm of residential floor area.
Actual Auction Price[1]: $305.1 million ($2,132/sqm).



HBYS Plot 1 (59,400 sqm plot of land):
Estimated HBYS Compensation[1][2][3]: $163.3 million
Chi-Med share of Compensation after Tax[4]: $55.5 million

Tong He Metro Station (opened November 2010)

[1] Estimated Auction Price based on May 6th 2013 Auction Price of 8-10 Tong Bao Road Plot; [2] Current compensation 60% of auction price; [3] Based on all same valuation criteria as Plot 2; [4] Chi-Med effective ownership of 40% of HBYS and 15% tax.

(US$ millions)

HBYS Property - Plot 2 designs.

Impact of IFRS11.
Consolidated Income Statement for year ended 31 Dec 2013.

- **Old proportionate consolidation standard:**
  Reported proportional share of both the JV's income and expenses on a line-by-line basis.
- **New IFRS11 standard:**
  Results of the JVs are reported as "Share of Profit/(Losses) of the JVs."

	JV (50%)		Chi-Med Subsidiary				Proportionate Consolidation					IFRS 11				
	CHD*	R&DD	CHD*	R&DD	CPD*	HO*	CHD*	R&DD	CPD*	HO*	Total	CHD*	R&DD	CPD*	HO*	Total
Revenue	195.3		4.0	29.5	12.5		199.3	29.5	12.5		241.3	4.0	29.5	12.5		46.0
Share of results of JV												19.7	(8.8)			10.9
Operating profit/(loss)	23.5	(8.8)	0.8	6.5	(0.5)	(6.2)	24.3	(2.3)	(0.5)	(6.2)	15.3	20.5	(2.3)	(0.5)	(6.2)	11.5
Finance cost			(0.2)			(1.3)	(0.2)			(1.3)	(1.5)	(0.2)			(1.3)	(1.5)
Taxation charge	(3.8)					(1.0)	(3.8)			(1.0)	(4.8)				(1.0)	(1.0)
Discontinued operations					(2.0)				(2.0)		(2.0)			(2.0)		(2.0)
Net profit/(loss)	19.7	(8.8)	0.6	6.5	(2.5)	(8.5)	20.3	(2.3)	(2.5)	(8.5)	7.0	20.3	(2.3)	(2.5)	(8.5)	7.0
Attributable to Chi-Med	18.0	(7.8)	0.6	5.4	(1.9)	(8.4)	18.6	(2.4)	(1.9)	(8.4)	5.9	18.6	(2.4)	(1.9)	(8.4)	5.9
Non-controlling Interests	1.7	(1.0)		1.1	(0.6)	(0.1)	1.7	0.1	(0.6)	(0.1)	1.1	1.7	0.1	(0.6)	(0.1)	1.1

Notes*: CHC-China Healthcare; CPD-Consumer Product division; HO-Head office

(US$ millions unless otherwise stated)

Impact of IFRS11.
Consolidated Statement of Financial Position as at 31 Dec 2013.

- **Old proportionate consolidation standard:**
  Reported proportional share of both the JV's assets and liabilities on a line-by-line basis.
- **New IFRS11 standard:**
  The net asset value of the JVs are reported as "Investments in JVs."

	Proportionate Consolidation					IFRS 11				
	JV (50%)			Chi-Med		JV (50%)			Chi-Med	
	CHD*	R&DD	Subtotal	Subsid.	Total	CHD*	R&DD	Subtotal	Subsid.	Total
Total current assets	108.8	8.8	117.6	67.0	184.6				67.0	67.0
Non-current assets										
Investment in JVs						89.9	21.5	111.4		111.4
Other non-current assets	50.7	15.1	65.8	7.2	73.0				7.2	7.2
Total non-current assets	50.7	15.1	65.8	7.2	73.0	89.9	21.5	111.4	7.2	118.6
Non-controlling interests	1.7		1.7	16.0	17.7				16.0	16.0
Total current liabilities	63.8	2.4	66.2	78.4	144.6				78.4	78.4
Total non-current liabilities	4.1		4.1	2.4	6.5				2.4	2.4
Net assets value	89.9	21.5	111.4	(22.6)	88.8	89.9	21.5	111.4	(22.6)	88.8

Notes*: CHC-China Healthcare.

(US$ millions unless otherwise stated)

CHI-MED

Thank you