

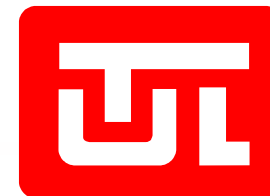
The United Laboratories International Holdings Limited

Interim Results 2009

September 2009



Agenda



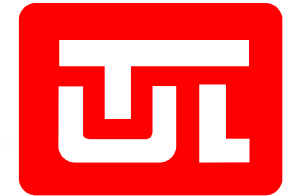
1 Major Accomplishments in 1H2009

2 Financial Highlights

3 Business Review

4 Strategies & Outlook

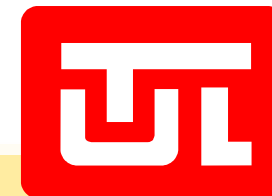
5 Q & A



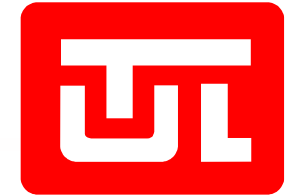
Section 1

Major Accomplishments in 1H2009

Results Overview



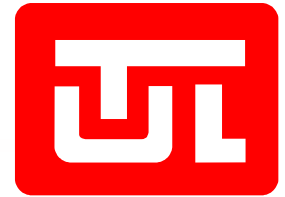
- ◆ Sales volume reached record high in 1H2009 amid the financial tsunami
 - Intermediate products : +43.5% to 3,520 tones (including cross segment sales)
 - Bulk medicine : +64% to 3,564.6 tones
 - Finished products : +5% to 56.9 mil packs
- ◆ Revenue: +5.3% yoy and +16.4% hoh to HK\$20.8Mn, reflecting the Group's strong resilience
- ◆ Gross profit: -5.9% yoy to HK\$742Mn, but +15.7% hoh
- ◆ EBITDA: -23% yoy to HK\$420Mn, but +17.4% hoh
- ◆ Profit attributable to equity holders: HK\$134 Mn, +3.2% hoh
- ◆ Sales in rural areas +18% after expanding sales force in exploring market in rural areas
- ◆ TUL Zhuhai and its Zhongshan branch each received accreditation as a High-tech Enterprise and were entitled to a preferential enterprise income tax rate of 15% for the three financial years commenced from 1 January 2008.
- ◆ Obtained official production approval for 4 new finished products including one influenza virus type A medicine
- ◆ Main product Amoxicillin compacted obtained COS by EDQM which facilitates sales in European market
- ◆ 12 finished products are listed in Essential Drugs List (EDL), which contribute to 38.5% of sales of finished products and 13.8% of the Group's turnover respectively



Section 2

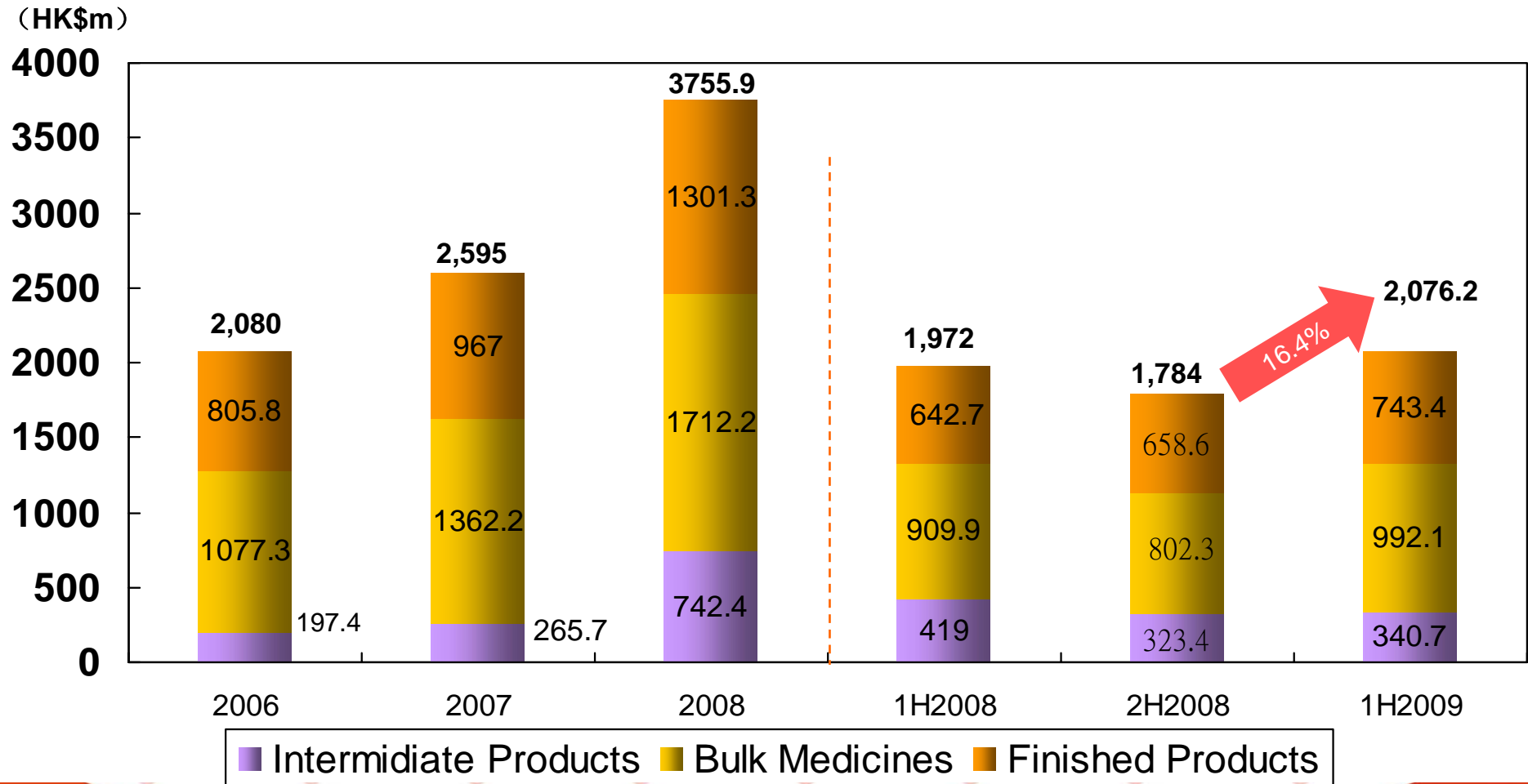
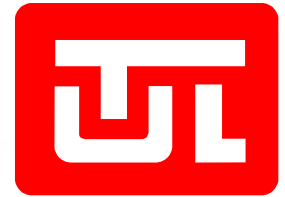
Financial Highlights

Financial Overview

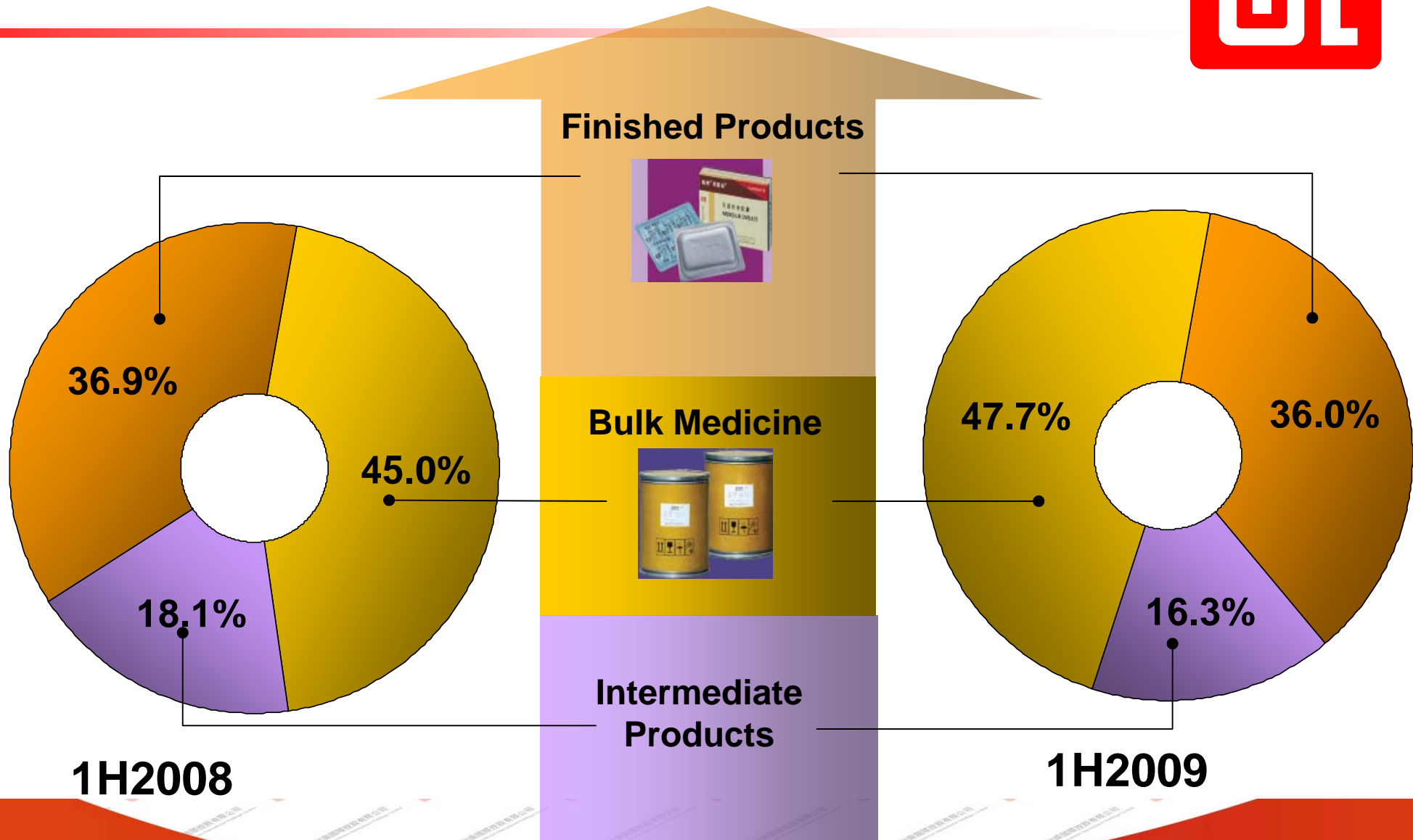
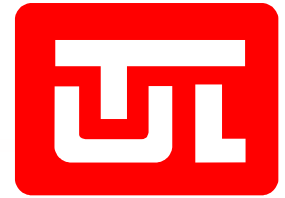


HK\$m	1H2009	2H2008	hoh growth	1H2008	yoy growth
Revenue	2,076.2	1,783.9	+16.4%	1,972	+5.3%
Gross Profit	742	641.1	+15.7%	788.5	-5.9%
EBITDA	420	357.7	+17.4%	545.2	-23%
Profit Attributable to Equity Holders	134.4	130.2	+3.2%	300	-55.2%
EPS (HK cents)	11.2	10.8	+3.7%	25.0	-55.2%

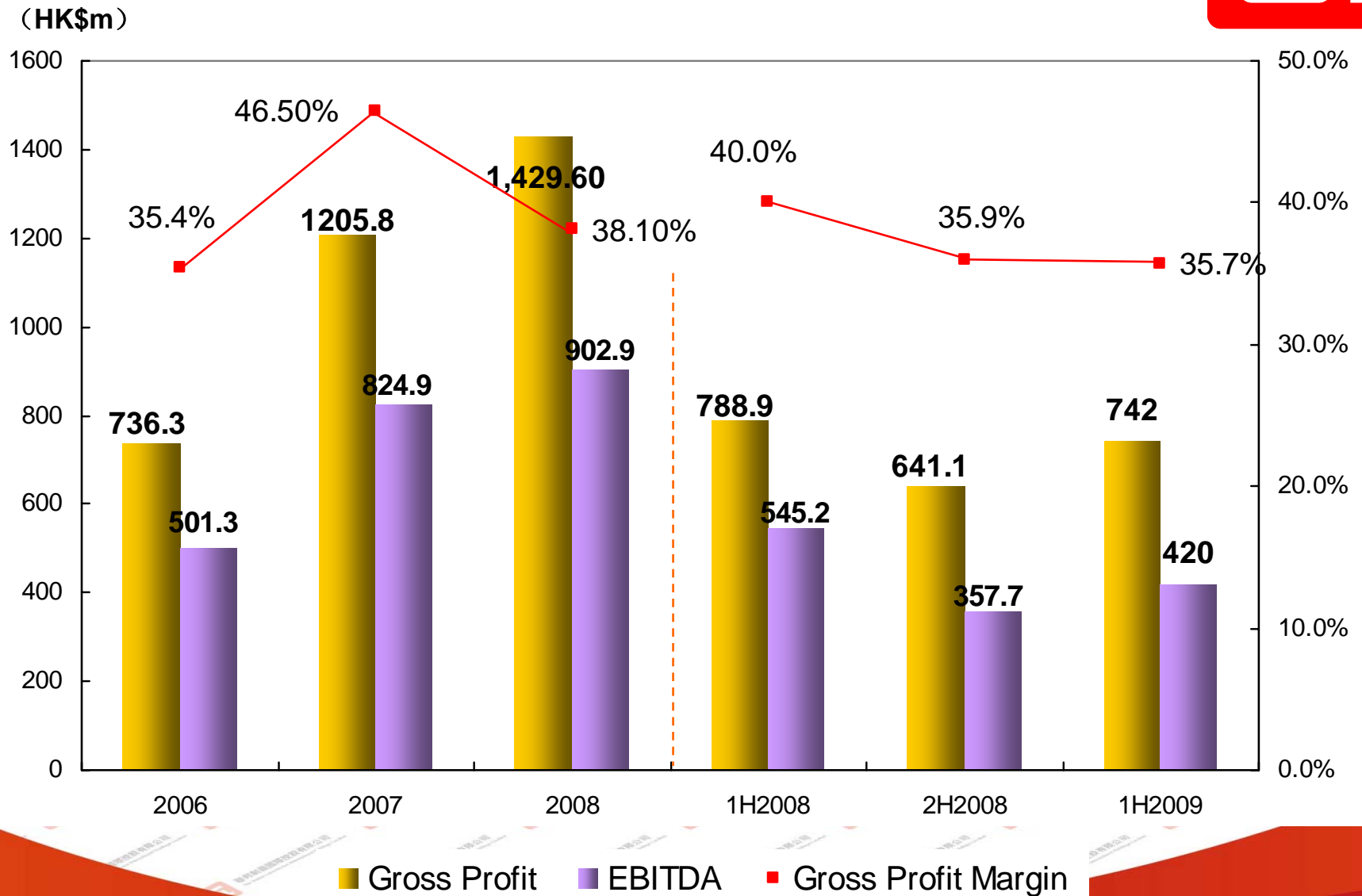
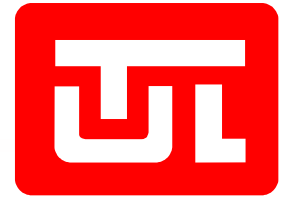
Revenue



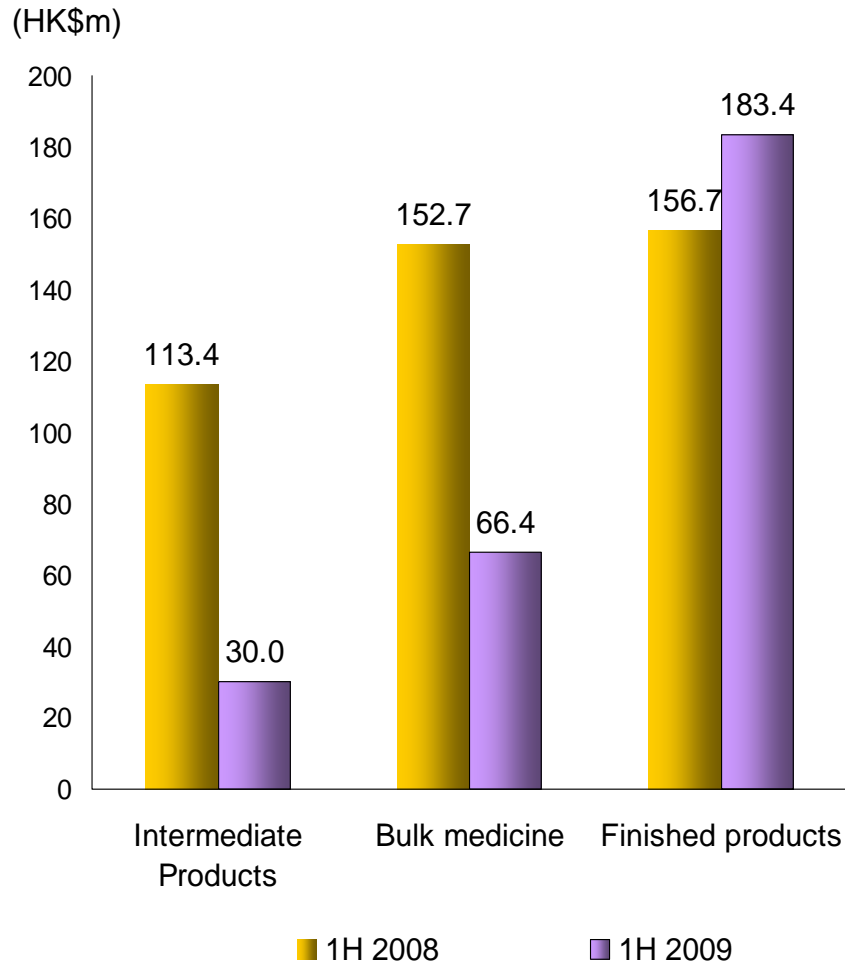
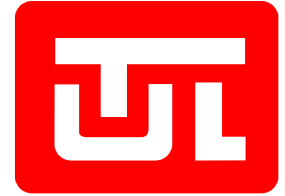
Revenue Breakdown by Products



Gross Profit & EBITDA

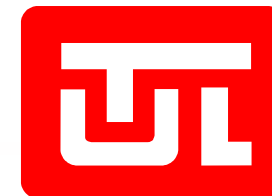


Business Segment Results & Margins



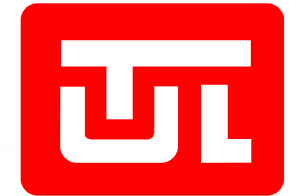
	Margins	
	1H2009	1H2008
Intermediate products	3.3%	12.2%
Bulk medicine	6.1%	16%
Finished products	24.7%	24.4%

Other Key Financial Indicators



	As at 30 Jun 2009	As at 31 Dec 2008
Trade and bills receivable turnover (days)	110.7	114.0
Trade and bills payable turnover (days)	141.1	163.3
Stock turnover (days)	87.3	121.4
Current ratio	0.87	0.84
Net Gearing ratio ⁽¹⁾	60.4%	47%
Cash and cash equivalents (HK\$ '000)	240,111	165,474
Total assets (HK\$ '000)	6,671,210	6,170,258

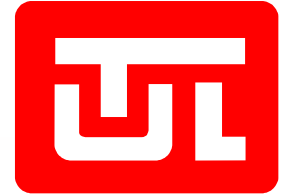
(1) Calculated as total borrowings less cash and bank balances and pledged bank deposits to total equity)



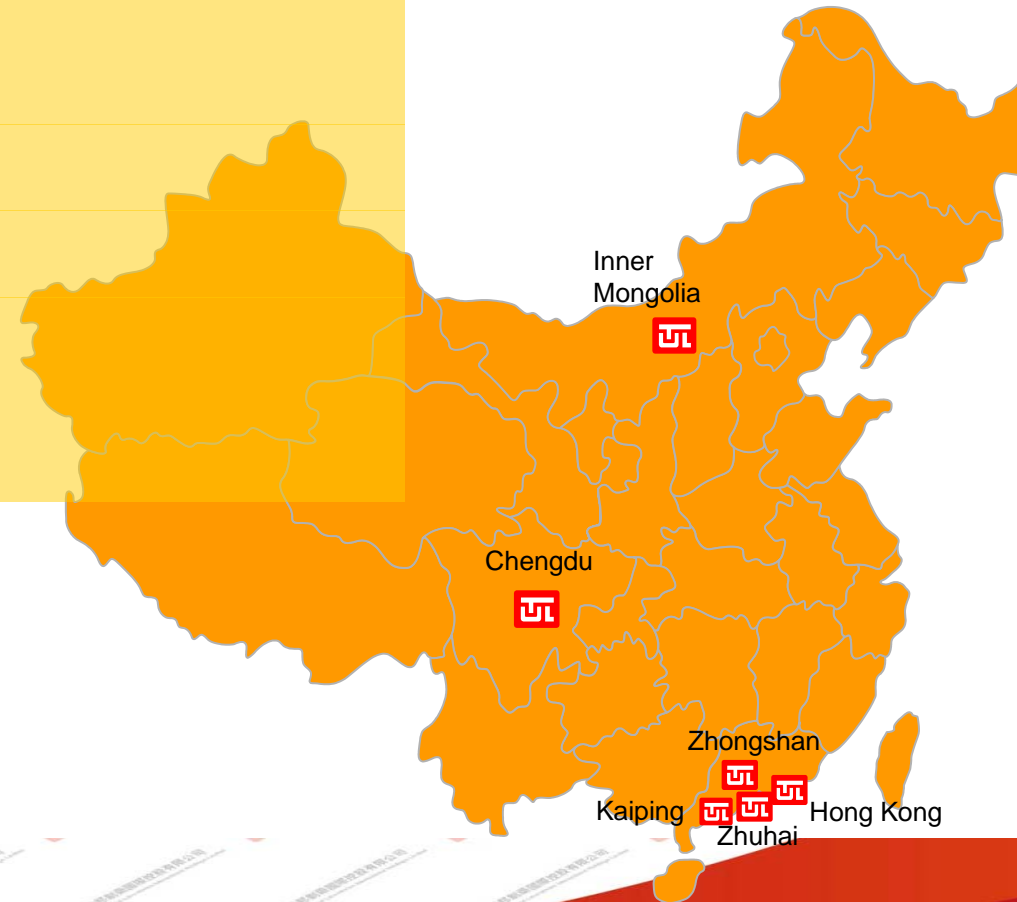
Section 3

Business review

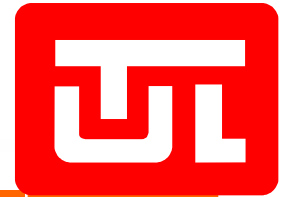
Plant Locations



Plant Location	Products
TUL Hong Kong	Finished products
TUL Zhongshan	Finished products
TUL Zhuhai	Bulk medicines
TUL Chengdu	Intermediate products
TUL Inner Mongolia	Intermediate products
TUL Kaiping	Empty capsule casings

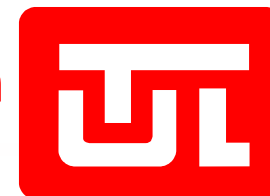


Production Capacity



1H2009	Designed Capacity	Utilization Rate	External Sales %
<i>Intermediate products (tones)</i>			
• 6-APA	4250	75%	39%
• 7-ACA	275	90%	67%
<i>Bulk medicine (tones)</i>			
• Semi-synthetic penicillins type	3600	99%	
• Cephalosporins type	331	94.5%	88%
• β - lactamase inhibitor antibiotics type	50	82.5%	
<i>Finished products</i>			
• Amoxicillin & Ampicillin capsules	560 mil	93.5%	
• Amoxicillin granules	46 mil	78%	100%
• β - lactamase inhibitor antibiotics (bottle)	5.24 mil	105%	

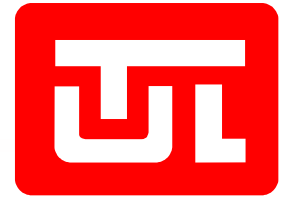
Sales Volume of Group's Products Break Record High



Types	Products	Sales volume in 1H2009	Sales volume in 1H2008	yoy growth
Intermediate products (tonnes)	6-APA	1,241	1,457.2	-14.8%
	7-ACA	167	39	+328.2%
Bulk medicines (tonnes)	Semi-synthetic penicillins type	3,064	1,766.8	73.4%
	Cephalosporins type	275	353.4	-22.1%
	β - lactamase inhibitor type	40	27	48.1%
Finished products ('000 packs)	Ticarcillin Sodium and Clavulanate Potassium	515	201.2	156%
	Tazobactam sodium and piperacillin sodium for injection (2.25g/4.5g) (packs)	2,857.5	2,255.1	26.7%
	Amoxicillin capsules (250/500mg)*	17,429	16,043.2	8.6%
	Ampicillin capsules (250/500mg)	10,336	10,250	0.8%
	Cefuroxime Axetil Tablet*	2,528.8	1779.8	42.1%
	Eye drops*	1,653.9	1076	53.7%
	Adefovir capsules	368	171.2	115.1%
Cephalosporins for Injection*	15,247	14,456	5.5%	

*Listed in Essential Drugs List. Eyes drops and Cephalosporins for injection products partially listed.

Average Selling Price

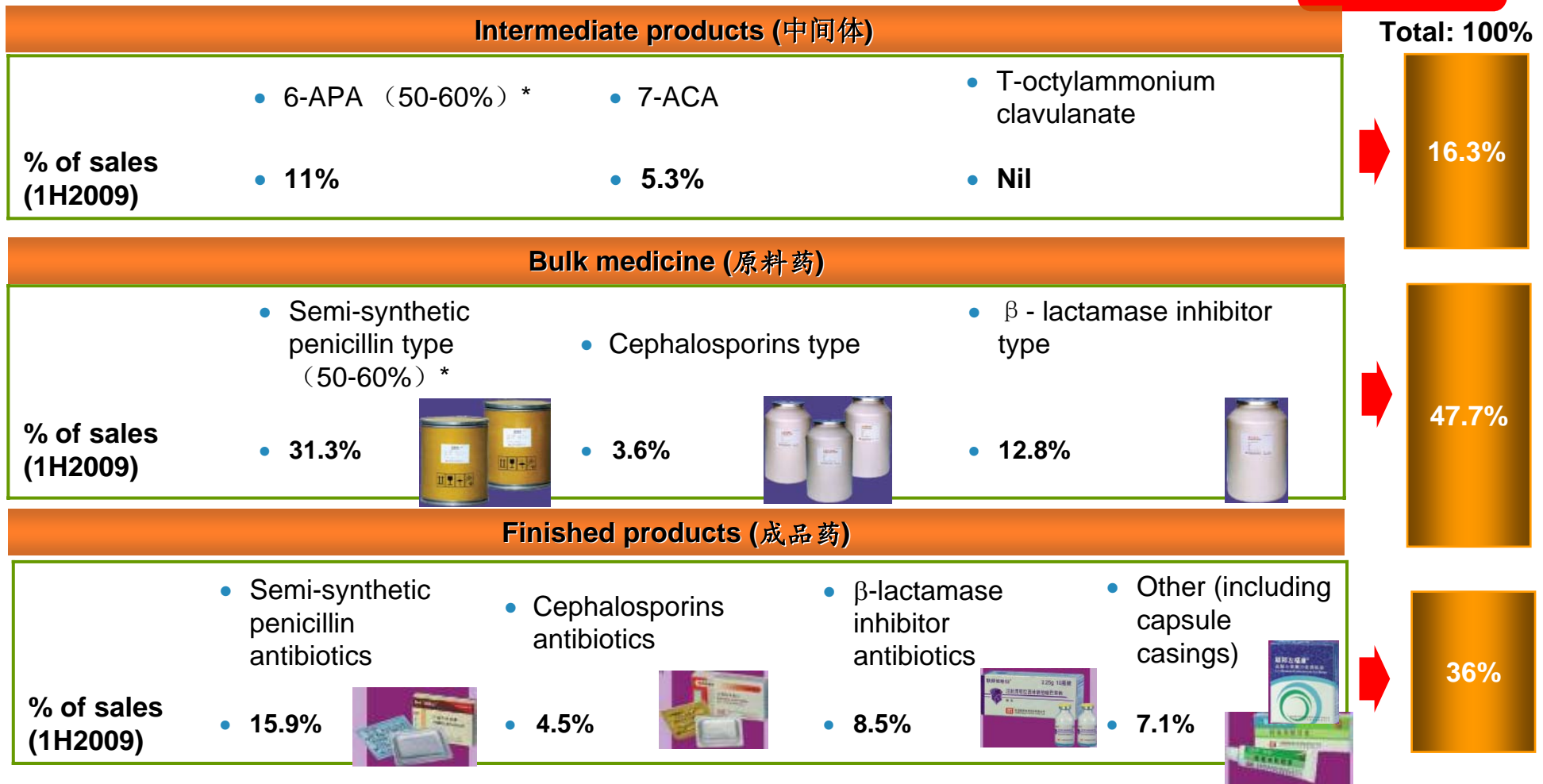


Average Selling Price*	1H2009	1H2008	yoy growth
Intermediate products (RMB/kg)			
• 6-APA	163.7	252.4	-32.1%
• 7-ACA	580.2	680.6	-14.8%
Bulk medicine (RMB/kg)			
• Semi-synthetic penicillin type	186.7	273.1	-38.9%
• Cephalosporins type	855	811.7	-8.3%
• β - lactamase inhibitor type	968	954.0	1.5%

*Selling price not including VAT.

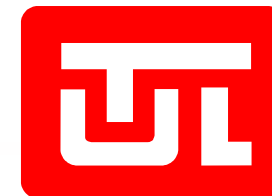
Individual Pricing approved by the National Development and Reform Commission (NDRC)	Individual Pricing	Government ceiling price	Price Premium
Finished products			
• Amoxicillin Granules 125mg x 12 packs	10.2	8.0	+27%
• Amoxicillin Capsules 250mg x 24 tablets	15.7	9.0	+74%
• Amoxicillin Capsules 500mg x 24 tablets	27.4	15.8	+73%
• Ampicillin Capsules 250mg x 24 tablets	15.6	9.0	+73%
• Ampicillin Capsules 500mg x 24 tablets	26.5	-	-

Further Vertical Integration



*: Chinese market share.

Well-established Brands of Finished Products



As at 30 Jun 2009, a total of 168 bulk medicine and finished products obtained Drug Registration Approvals & Certificate of Drug/Production Registration in the PRC/HK. 76 were in production, and 34 were listed in Insurance Catalogue. 12 finished products are in the Essential Drugs List (EDL).

Branded Finished Products

Amoxicillin Capsules



- Market share in 1H2009: 64%, ranked 1st for 5 consecutive years
- Performed bioequivalence test in USA with patent drug, got the same effectiveness
- Obtained individual pricing approval from NDRC, listed in Insurance catalogue & National Basic Drugs Catalogue
- Named as 2008 Beijing Olympic official medication product
- Listed in EDL

Ampicillin Capsules



- Market share in 1H2009: >90%, ranked 1st for 5 consecutive years
- The first brand in the market
- Obtained individual pricing approval from NDRC

Piperacillin sodium/ Tazabactam sodium for injection



Amoxicillin sodium/ clavulanate potassium for injection

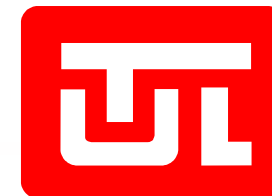


- Market share of 22-27% in 1H2009, top 2 in the market according to Chinese Pharmaceutical Association data
- Kept high growth of sales since launched
- Listed in Insurance catalogue

Bulk Medicine Qualifications

- Amoxicillin powder and compacted both obtained COS by EDQM
- Amoxicillin obtained DMF No. from US FDA
- Ampicillin approved by Japanese GMP

Extensive Sales and Distribution Network



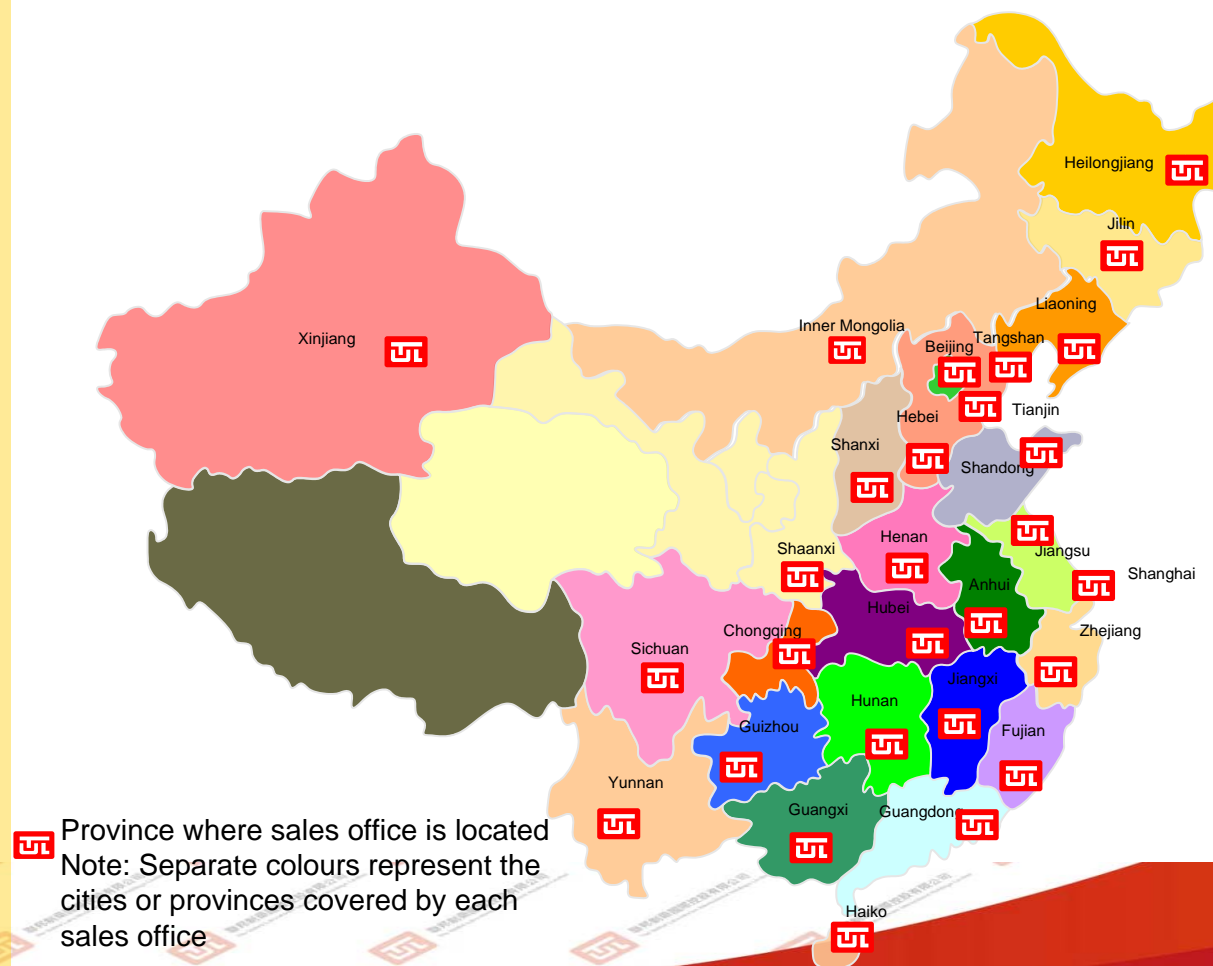
Success in the development of sales in PRC and the overseas markets

Sales inside the PRC

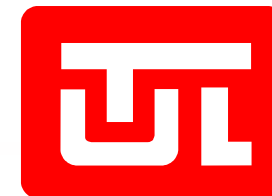
- Over 2,400 sales staff in 28 sales offices as at 30 June 2009
- Over 1,000 distributors, 80 of them are top class distributors

Overseas Markets

- Accounted for 21.8% of the Group total sales in 1H2009, 18% growth compared with same period of 2008.
- Sales of intermediate products and bulk medicine to India, Europe and other countries



Diversified Customer Base Attributable to Quality Products



Domestic Customers

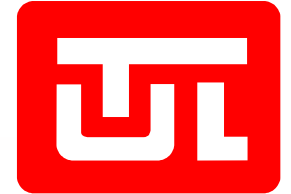


International Customers



Long-term Contract Proportion

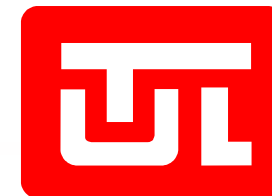
	2007	2008	2009
Finished Products	70-80%	72-82%	75-85%
Intermediates and Bulk Medicines	10-20%	20-30%	30-40%



Section 4

Strategies & Outlook

Growth Momentum

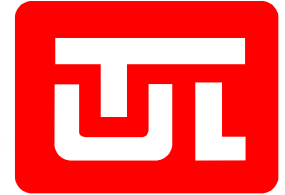


New Products

Product	Classification	Main curative effects	Expected time for launching
Imipenem cilastatin sodium for injection (注射用亞胺培南西司他丁鈉)	Carbapenems antibiotics	For treatment of various types of infection	Launched
Acetaminophen and Dextromethorphan Hydrobromide Oral Solution (氨酚沙芬口服溶液)	Compound anti-flu medicine	For treatment of flu	July 2009
Isophane protamine human insulin injection (精蛋白人胰島素注射液)	Bio product	For treatment of type I & II diabetes	December 2009

Expected time to commence operation	New production workshop
2H2009	Solid finished products (固體製劑) Penicillin Lyophilized powder for Injection (青霉素冻干粉針車間)

25 finished products under development at various stages 3 patents got approval and other 8 patents in applying process



Reduce costs & increase profitability

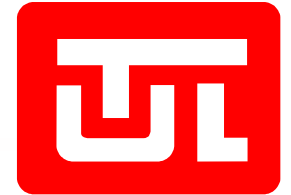
- Control cost and reduce consumption
- Increase efficiency and optimize research through hi-tech
- Develop high profit margin products
- Strengthen staff training and increase efficiency

Brand and promote OTC products through TVC

- Increase the points of sales nationwide
- Deepen strategic cooperation with distributors
- Place TV advertisement across the country to promote OTC products

Continue penetration into the community and rural market

- Capture opportunities from market favorable medical reform policies
- Continue expansion in community and rural markets



Section 5

Q & A Session