



FOR IMMEDIATE RELEASE

**A newspaper article reported at The Standard,
“There is no cure for all our ills, but there are people who are devoted
to the pursuit of making life a little bearable”**

Hong Kong, October 22, 2012—Lee’s Pharmaceutical Holdings Limited (“Lee’s”) (Main Board Stock Code: 0950; Website: www.leespharm.com) announced that The Standard, an English daily newspaper in Hong Kong, published an interview with its CEO titled “Medicine Man” on October 22, 2012 (*see attachment*).

The published article details the development of the Company from a start-up workshop to a public traded fully integrated pharmaceutical company. It highlighted the achievements of the Company in the past and its mission and strategy for the future.

“I felt privileged and honored to be interviewed by a prestige newspaper like The Standard. We have embarked on an excited journey to find new ways and new drugs to fight diseases like cancer. We are determined to continue our efforts and bring more treatment options to both patients and doctors,” Dr. Benjamin Li, the Chief Executive Officer of Lee’s Group commented on the publication.

The statements in this news release, other than the historical financial information, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ from anticipated results. Further information on risk factor that could affect, among other things, Lee’s financial condition and results of operations is detailed in Lee’s IPO prospectus, as filed with the Main Board of the Stock Exchange of Hong Kong Limited.

For further information, please contact:

Vivian Fung

Tel: (852)2314-1282

Fax: (852)2314-1708

Email: info@leespharm.com

Business Leader



ENJIAMIN LI Xiaoyi travels all over the world not for sightseeing but to search for cures that can ease pain and prevent diseases.

The aim of his firm, Lee's Pharmaceutical Holdings (0950), is simple: to help patients live longer and better lives.

One can never understand the meaning of life unless a person loses someone dear, the 49-year-old entrepreneur says.

Li's voice trails off when he mentions his mother who died of colorectal cancer.

"My mum was diagnosed with cancer but recovered a bit after treatment. She then attended my graduation ceremony, where I was awarded my doctoral degree," Li says. "She lost the battle against cancer in the end."

Nevertheless, the battle was not lost on him. Encouraged by his mother, Li decided to establish his own drug business in the hope of alleviating human misery.

He had stared anguish in the eye and knew what it was like. Li took his doctorate in pharmacology – the branch of medicine and biology that deals with drug action – at the University of Illinois.

But he was caught between staying at the university to continue academic research or doing field practice.

"My mum asked me whether I wanted to win the Nobel Prize or become a billionaire like John Rockefeller?"

He smiles at the recollection. "The latter sounded less challenging."

He then joined Warner Lambert – an American pharmaceutical company, later acquired by Pfizer, and eventually gained rich experience in running a

drug company. Finally in 1994, Li and the University of Science and Technology of China jointly set up a company in Hefei, Anhui Province.

As a Hongkonger, Li was a pioneer in the mainland as Beijing launched its reform and opening policy in 1978. He sensed a huge opportunity in the country's pharmaceutical industry which was then lagging its Western counterparts and had little support from the central government.

The market was not as protected as resource-rich industries. In fact, by the 1980s, foreign investors had crowded the sector.

But like most young adventurers, Li had underestimated the difficulties of running a business on his own.

"I was too naive at that time," he admits.

From 2000, Li spent most of his time in Hefei – a remote and poor city. The company was more like a one-man band as he wore many hats. He worked as a salesman, research leader, supervisor in the factory and company representative in negotiating with suppliers.

In fact, the drug company had been losing money for more than a decade – until 2007. But then, it started growing.

Lee's Pharmaceutical Holdings listed on the Growth Enterprise Market board in 2002 with only HK\$100 million market capitalization.

In 2010, by the time it transferred to the main board, it had however swollen into a HK\$1.3 billion company, averaging a 30 percent annual profit growth.

In 2010, the company ranked the second Best Small-Cap Company in China by *Finance Asia*. In September 2011, it was selected by *Forbes* as one of Asia's 200 Best Under A Billion Company, with a turnover of less than US\$1 billion (HK\$7.8 billion).

Li attributed the success to his two sisters who joined his firm in 1997.

"They had been successful in their own businesses, but were willing to invest heavily in my small firm. We have worked happily together," he says.

As managing director, his eldest sister oversees

the sales of the products, while the other sister, who became chairman, is responsible for accounting.

"My task is easier – spend money [on R&D]," he laughs heartily.

An Italian research-based pharmaceutical company is a strategic shareholder. Li has even invited Mauro Bove – the head of Corporate & Business Development Department in the Rome-based company – to become a non-executive director in his company. In the next decade, the company hopes to become a successful biopharmaceutical group in Asia providing innovative products to fight diseases and improve people's health and quality of life.

A blueprint has been drafted for the next 10 years. As for individual items, five major drugs booked at least 50 percent growth in sales in the first half of this year from a year ago, and are expected to continue performing well in the next three years.

Six newly released products are expected to follow suit and become major revenue contributors three years later.

Fourteen innovative programs – which are meant to address specific medical needs in cardiovascular realm, will drive the company in the next five to eight years.

"Researching and developing productivity is the core competency of a pharmaceutical manufacturer. But it also has high risks," Li says.

To save money on human resources and raise competitiveness, the firm has chosen to develop new drugs with overseas partners, mainly from Europe and North America.

A new drug that can treat liver cancer is now in the pipeline. In a previous human clinical study, the drug helped 30 patients who could not be cured by normal treatment.

Remarkably, the drug extended their lives by nine months. Li has a unique understanding of cancer which he strives to beat.

"Cancer is a kind of virus which is a low form of life, but is able to think as smartly as human beings," Li says. "It has the same instinct as humans: to replicate.

That could explain cancer's resistance to a single drug."

He suggests using different drugs at the same time, or use a "cocktail treatment" in order to confuse the cancer virus and thus kill it.

Aside from cancer, cardiovascular disease is Li's focus in the next 10 years as it has already become a major threat to the Chinese population.

According to the Ministry of Health, more than 260 million people – or 20 percent of the total population – have been confirmed to have cardiovascular disease. It accounts for 85 percent of the total deaths in the whole country.

China has the largest number of diabetes patients in the world and the number of those people with high blood pressure or are obese and at risk of stroke has been rising.

"The Chinese are herbivores. We had adapted to eating mainly vegetables. But such a long-established diet has been broken by rising living standards and we have become carnivores, eating more meat like the Westerners," he says.

Li is committed to making more drugs to fight chronic diseases, and is optimistic of receiving government support.

Asked about the mainland's ongoing health care reform, Li says it will benefit his firm with its expanded national spending plan.

According to McKinsey & Company, spending on health care including drugs, medical devices and hospital treatments will triple to US\$1 trillion annually by 2020, driven by an aging population and government efforts to broaden insurance coverage.

This will make China the biggest market globally by 2020 after the US, the consulting firm says.

There is no cure for all our ills, but there are people who are devoted to the pursuit of making life a little bearable.

Just back from the mainland, Li is on the road again. He has another decade in the pursuit of a longer, better life for all.

grace.rao@singtaonewscorp.com

LEE'S PHARM.
李氏大藥廠