

China Cord Blood revenue rises 30%

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Singapore: China Cord Blood (CCBC) revealed its preliminary unaudited financial results for the second quarter and first half of fiscal year 2013, ending September 30, 2012. Revenues for the second quarter of fiscal 2013 increased by 30.5 percent to \$20.4 million (RMB128.5 million).

New subscriber sign-ups and accumulated subscriber base were 18,491 and 274,705, respectively. Gross profit increased by 32.3 percent to \$16.1 million (RMB101.4 million) and gross margin was 78.9 percent, as compared to 77.9 percent in the prior year period. Operating income increased by 24.7 percent to RMB47.0 million (\$7.5 million), after taking into account the increased management and staff related costs.

Interest expense amounted to \$2.2 million (RMB14.1 million), which was largely attributable to the convertible note issued to KKR China Healthcare Investment. Net income attributable to shareholders increased by 6.2 percent to RMB24.7 million (\$3.9 million) from RMB23.2 million in the prior year period. Operating cash flow for the quarter amounted to \$22.7 million (RMB142.5 million).

Ms Ting Zheng, CEO, China Cord Blood, said that, "Our management team's execution capabilities have also been demonstrated by positive performance in such areas as revenue, operating income and built-up cash flow streams resulting from greater volume of upfront customer payments. These achievements have not only established a solid foundation for the company to generate long-term sustainable growth, but also provide a platform for the company to grasp timely opportunities for geographical expansion."

Ms Zheng further commented that, "We are very pleased to have recently received valuable support from KKR and our major shareholder, Golden Meditech Holdings Limited. Under the leadership of Mr Yuen Kam as our newly appointed chairman and with his extensive experience in China's healthcare industry, the management team and I believe that the present synergies will help drive the company towards further operational growth and strategic development."