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JOINT ANNOUNCEMENT

 **联想控股**
LEGEND HOLDINGS
Legend Holdings Limited
(Incorporated in the PRC with limited liability)

Massive Giant Group Limited
(Incorporated in the British Virgin Islands with limited liability)

 **中國製藥集團有限公司**
China Pharmaceutical Group Limited
(Incorporated in Hong Kong under the Companies Ordinance)
(Stock Code: 1093)

**DESPATCH OF COMPOSITE OFFER AND RESPONSE DOCUMENT RELATING TO
UNCONDITIONAL MANDATORY CASH OFFER BY
GOLDBOND CAPITAL (ASIA) LIMITED
ON BEHALF OF MASSIVE GIANT GROUP LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF HK\$0.10 EACH IN THE SHARE
CAPITAL OF CHINA PHARMACEUTICAL GROUP LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR
AGREED TO BE ACQUIRED OR CONTROLLED BY THE OFFEROR AND PARTIES
ACTING
IN CONCERT WITH IT)**

Financial adviser to the Offeror



Goldbond Capital (Asia) Limited

The Composite Offer Document containing, amongst other things, details of the General Offer, the letter from the Board, the letter from Goldbond Capital, the letter from the Independent Board Committee containing its recommendation to the Independent Shareholders and the letter from CIMB-GK, the independent financial adviser, setting out its advice to the Independent Board Committee in respect of the General Offer, together with the forms of acceptance and transfer in respect of the General Offer, will be despatched to the Shareholders on 19 July 2007 in accordance with the Takeovers Code.

The General Offer will commence on 19 July 2007 and will be closed on 9 August 2007 (the latest time for acceptance of the General Offer will be 4:00 p.m. on 9 August 2007) unless the Offeror revises or extends the General Offer. Independent Shareholders are strongly advised to read the Composite Offer Document, together with the forms of acceptance, carefully, including the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the General Offer, before deciding whether or not to accept the General Offer. An expected timetable of the General Offer has been set out in this announcement.

References are made to the joint announcement dated 28 June 2007 (the “**Joint Announcement**”) made by China Pharmaceutical Group Limited (the “**Company**”), Legend Holdings Limited and Massive Giant Group Limited (the “**Offeror**”) in respect of the General Offer and the announcement dated 8 May 2007 made by the Company. Terms used in this announcement shall have the same meanings as those defined in the Joint Announcement unless defined otherwise herein.

DESPATCH OF THE COMPOSITE OFFER DOCUMENT

The composite offer and response document (the “**Composite Offer Document**”) containing, amongst other things, details of the General Offer, the letter from the Board, the letter from the Independent Board Committee containing its recommendation to the Independent Shareholders, the letter from Goldbond Capital and the letter from CIMB-GK Securities (HK) Limited (“**CIMB-GK**”), the independent financial adviser, setting out its advice to the Independent Board Committee in respect of the General Offer, together with the forms of acceptance and transfer in respect of the General Offer, will be despatched to the Shareholders on 19 July 2007 in accordance with the Takeovers Code. Independent Shareholders are strongly advised to read the Composite Offer Document, together with the forms of acceptance, carefully, including the recommendation from the Independent Board Committee to Independent Shareholders in respect of the General Offer, as well as the letter of advice from CIMB-GK to the Independent Board Committee before deciding whether or not to accept the General Offer.

EXPECTED TIMETABLE

The Company and the Offeror would like to inform the Independent Shareholders of the following timetable in relation to the General Offer:

2007

Despatch date of the Composite Offer Document and the accompanying forms of acceptance and commencement of the General Offer (<i>Note 1</i>)	Thursday, 19 July
Latest time and date for acceptance of the General Offer	4:00 p.m. on Thursday, 9 August
Closing date of the General Offer (<i>Note 2</i>)	Thursday, 9 August
Announcement of the results of the General Offer to be posted on the Stock Exchange’s website.	7:00 p.m. on Thursday, 9 August
Latest date for posting of remittances for the amounts due under the General Offer in respect of valid acceptances received on or before the closing date (<i>Notes 3 and 4</i>)	Saturday, 18 August

Notes:

1. The General Offer will be made on 19 July 2007, being the date of posting of the Composite Offer Document, and are capable of acceptance on and from that date until the closing date, which is 9 August 2007, unless it is extended in accordance with the Takeovers Code.
2. The General Offer, which is unconditional, will be closed on 9 August 2007 unless the Offeror revises or extends the General Offer in accordance with the Takeovers Code. An announcement will be posted on the Stock Exchange’s website by 7:00 p.m. on 9 August 2007 stating whether the General Offer has been revised or extended or have expired or in relation to any extension of the General Offer, to state also either the next

closing date or that the General Offer will remain open until further notice. A notification of such announcement will be published in the newspapers on the next Business Day thereafter. In the event that the Offeror decides that the General Offer will remain open until further notice, at least 14 days' notice in writing will be given, before the General Offer is closed, to those Independent Shareholders who have not accepted the General Offer. For further details, please refer to the paragraph headed "Acceptance period and revisions" in Appendix I to the Composite Offer Document.

3. The General Offer is unconditional. Acceptance of the General Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in Rule 19.2 of the Takeovers Code.
4. Remittances in respect of the cash consideration payable for the Shares tendered under the General Offer will be posted to the relevant Shareholders by ordinary post at their own risk as soon as practicable, but in any event within 10 days after the receipt of all relevant documents by the share registrar of the Company from the Independent Shareholders which render the relevant acceptances under the General Offer complete and valid.

All time and date references contained in this announcement refer to Hong Kong time and date.

On behalf of the Board
Legend Holdings Limited
Mr. Zeng Maochao
Chairman

On behalf of the Board
Massive Giant Group Limited
Mr. John Huan Zhao
Director

On behalf of the Board
China Pharmaceutical Group Limited
Mr. Cai Dongchen
Chairman

Hong Kong, 18 July 2007

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information (other than that relating to Legend Holdings and the Offeror) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions (other than those expressed by Legend Holdings and the Offeror) expressed in this announcement have been arrived at after due and careful consideration and there are no other facts (other than those relating to Legend Holdings and the Offeror) not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of Legend Holdings jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Company) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions (other than that expressed by the Company) expressed in this announcement have been arrived at after due and careful consideration and there are no other facts (other than that relating to the Company) not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Company) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in this announcement (other than that expressed by the Company) have been arrived at after due and careful consideration and that there are no other facts (other than that relating to the Company) not contained in this announcement, the omission of which would make any statement in the announcement misleading.

As at the date of this announcement, the board of directors of the Company comprises eight executive directors, namely Mr. Cai Dongchen, Mr. Yue Jin, Mr. Feng Zhenying, Mr. Ji Jianming, Mr. Chak Kin Man, Mr. Pan Weidong, Mr. Li Zhibiao and Mr. Zhang Zheng; one non-executive director, namely Mr. Lee Ka Sze, Carmelo and four independent non-executive directors, namely Mr. Huo Zhenxing, Mr. Qi Moujia, Mr. Guo Shichang and Mr. Chan Siu Keung, Leonard.

As at the date of this announcement, the board of directors of Legend Holdings comprises five executive directors, namely Mr. Zeng Maochao, Mr. Liu Chuanzhi, Mr. Li Qin, Mr. Zhu Linan and Mr. Chen Guodong; one non-executive director, namely Mr. Yang Bailing.,

As at the date of this announcement, the board of directors of the Offeror comprises three executive directors, namely Mr. John Huan Zhao, Mr. Qiu Zhongwei and Mr. Wang Shunlong.