



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)**

**ANNOUNCEMENT IN PURSUANCE OF RULE 13.18**

In accordance with the requirements under rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Board of Directors of China Pharmaceutical Group Limited (the “Company”) announces certain details of a loan agreement entered into between a syndicate of banks (the “Banks”) and the Company on September 28, 2007.

By a loan agreement dated September 28, 2007 (the “Loan Agreement”) entered into between the Banks and the Company, a facility in the aggregate amount of HK\$300,000,000 (the “Facility”) is made available by the Banks to the Company subject to and in accordance with the terms and conditions therein contained. The Facility is a term loan facility with a tenor of 4 years from September 28, 2007. Under the Loan Agreement, it will be an event of default if Shijiazhuang Pharmaceutical Group Company Limited, the controlling shareholder of the Company, ceases to own, directly or indirectly, at least 40% of the voting share capital in the Company and in which event the Facility may become immediately repayable. The Company intends to use the Facility to refinance its existing indebtedness and for its general working capital.

By Order of the Board  
**Cai Dongchen**  
*Chairman*

Hong Kong, September 28, 2007

*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.*