



利君國際醫藥(控股)有限公司

Lijun International Pharmaceutical (Holding) Co., Ltd.

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 2005)

GENERAL DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made pursuant to Rule 13.18 of the Listing Rules with respect to the Facility Letters, which contains specific performance obligations imposed on the controlling shareholders of the Company.

This announcement is made pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) (“**Listing Rules**”) with respect to the two facility letters dated 12 June 2007 (the “**1st Facility Letter**” and the “**2nd Facility Letter**”) respectively (collectively the “**Facility Letters**”) and accepted by Lijun International Pharmaceutical (Holding) Co., Ltd. (the “**Company**”) (as borrower) on 4 July 2007, both made between Bank of China (Hong Kong) Limited (“**BOC**”) (as lender) and the Company, both of which contain specific performance obligation imposed on the controlling shareholders of the Company.

The 1st Facility Letter is for a term loan facility of up to HK\$50,000,000.00, the final maturity date of which shall be the date falling three years from the date of drawdown, and the drawdown date shall be within 30 days from the signing of the 1st Facility Letter or such later date(s) as BOC may determine from time to time at its absolute discretion.

The 2nd Facility Letter is for uncommitted revolving loan up to the extent of HK\$20,000,000.00 which may be terminated by BOC at any time at its absolute discretion.

The Facility Letters provide that during the life of the Facilities Letters: (1) Prime United Industries Limited (“**Prime United**”) and China Pharmaceutical Company Limited (“**CPCL**”) shall maintain aggregately not less than 40% equity interest of the Company as at 31 December 2007, and thereafter, before the full repayment of the loans advanced under the Facility Letters and (2) Mr. Wu Qin and Mr. Qu Jiquang shall be actively involved in the board, management and business in the Company.

Any breach of the above specific performance obligations would constitute a default under the Facility Letters. Such default would permit BOC to accelerate the maturity of the indebtedness under the Facility Letters.

As at the date of this announcement, Prime United and CPCL respectively own 30.96% and 27.5% of equity interest of the Company. Mr. Wu Qin holds 2.43% of beneficial interest of equity interest of Prime United; and holds jointly, with the executive Directors, Mr. Wu Zhihong, Mr. Huang Chao, Mr. Xie Yunfeng, and another individual, Ms. Han Yumei, an aggregate amount of 84.73% of equity interest of

Prime United, on trust for 4,965 individuals, who are present and former employees or their respective estates of Xi'an Lijin Pharmaceutical Co., Ltd. (西安利君製藥有限責任公司) (“**Xian Lijin**”) and Rejoy Group Limited Liability Company (利君集團有限責任公司) (“**Rejoy Group**”). Mr. Wu Qin is also a director of Prime United. Xi'an Lijin is a company established in the PRC with limited liability and wholly-owned by the Company. Mr. Qu Jiquang holds 72.93% of beneficial interest of equity interest of CPCL and is a director of CPCL.

This announcement is made pursuant to Rule 13.18 of the Listing Rules. In accordance with the requirements thereunder, disclosure will be included in the interim and annual reports of the Company for so long as the above specific performance obligation continues to exist.

By order of the Board
Lijin International Pharmaceutical (Holding) Co., Ltd.
Wu Qin
Chairman

Hong Kong, 4 July 2007

As at the date of this announcement, the Board comprises Wu Qin, Wu Zhihong, Huang Chao, Xie Yunfeng, Sun Xinglai and Wang Xian Jun as executive Directors, Liu Zhiyong as non-executive Director and Qu Jiquang, Leung Chong Shun and Chow Kwok Wai as independent non-executive Directors.