

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



China Grand Pharmaceutical and Healthcare Holdings Limited

遠大醫藥健康控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00512)

CLARIFICATION ANNOUNCEMENT – ANNUAL RESULTS

Reference was made to the announcement dated 16 March 2009 (the “Announcement”) in relation to the annual results of the Group for the year ended 31 December 2008. Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings as defined in the Announcement.

Auditors of the Group have confirmed that the audit opinion will contain an emphasis of matter paragraph. The following paragraphs have been extracted from the auditors’ report.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affair of the Group as at 31 December 2008 and of the Group’s loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 3 to the consolidated financial statements which indicates that the Group’s current liabilities exceeded its current assets by approximately HK\$44,970,000 as at 31 December 2008. This condition indicates the existence of a material uncertainty in relation to the going concern of the Group at the balance sheet date.

By Order of the Board
China Grand Pharmaceutical and Healthcare Holdings Limited
Liu Chengwei
Chairman

Hong Kong, 18 March 2009

As at the date of this announcement, the Board comprises of three executive directors, namely Mr Liu Chengwei, Mr Hu Bo and Mr Shao Yan; one non-executive director, namely Mr Zhang Ji and three independent non-executive directors, namely Ms So Tosi Wan, Winnie, Mr Lo Kai Lawrence and Mr Xin Dongsheng.

** For identification purpose only*