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**MEDICAL CHINA LIMITED**

**神州醫療科技有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8186)**

**COMPLETION OF  
ACQUISITION OF A FORESTRY BUSINESS  
AND SUBSCRIPTION OF SHARES**

**Financial Adviser**

**COMMERZBANK **

**Commerzbank AG Hong Kong Branch**

The Board is pleased to announce that completion of the Acquisition and the Subscription took place on 22 October 2007 and, accordingly, 400,000,000 Consideration Shares, the Convertible Bonds with an aggregate principal amount of HK\$13.16 million have been issued pursuant to the Acquisition Agreement and 233,000,000 Subscription Shares have been issued pursuant to the Placing and Share Subscription Agreement.

Following completion of the Acquisition and the Subscription, the Directors consider that the Company is well positioned to expand into the natural resources business to enhance its future business prospects and profitability. In addition, the Company and the Vendors will continue to explore acquisition opportunities in respect of additional forests in Cambodia pursuant to the call option stated in the Acquisition Agreement.

Reference is made to the announcement dated 31 July 2007 and the circular of the Company dated 7 September 2007 (the “Circular”) in relation to, among other things, the Acquisition and the Placing. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

## **COMPLETION OF THE ACQUISITION**

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\* *for identification only*

By Order of the Board  
**Medical China Limited**  
**Li Wo Hing**  
*Executive Director & Chief Executive Officer*

Hong Kong, 22 October 2007

*As at the date of this announcement, the board of Directors of the Company comprises three executive directors, namely, Mr. Li Nga Kuk, James, Mr. Li Wo Hing and Mr. Li Tai To, Titus; one non-executive director, namely Mr. Chen Minshan; and three independent non-executive directors, namely Mr. Fan Wan Tat, Mr. Tam Wai Leung, Joseph and Mr. Chan Kim Chung, Daniel.*

*This announcement, for which the Directors collectively and individually accept full responsibilities, include particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumption that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcement” page of the GEM website at “<http://hkgem.com>” for seven days after the date of the publication.*