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長春達興藥業股份有限公司

**CHANGCHUN DA XING PHARMACEUTICAL COMPANY LIMITED\***

*(a joint stock limited company incorporated in the People's Republic of China)*

**(Stock code: 8067)**

## **GENERAL MANDATE TO ISSUE NEW SHARES AND EXTRAORDINARY GENERAL MEETING**

The Board of Directors would like to seek approval from the shareholders of the Company for the General Mandate to allot, issue and deal with additional shares in the capital of the Company not exceeding 20% of each of the issued Domestic and/or H Shares commencing on the date of passing of the special resolution in Extraordinary General Meeting to be held on 18 August 2004.

### **GENERAL MANDATE**

The Board of Directors of Changchun Da Xing Pharmaceutical Company Limited (the “Company”) would like to seek the approval from the shareholders of the Company for the general mandate (the “General Mandate”) to allot, issue and deal with additional shares in the capital of the Company not exceeding 20% of each of the issued Domestic and/or H Shares commencing on the date of passing of the special resolution (the “Resolution”) as set out in the attached notice of Extraordinary General Meeting (“EGM Notice”).

Details of the General Mandate are set out in the attached EGM Notice. The aggregate amount of shares to be allotted by the Board of Directors shall not exceed:

- (i) 20 per cent of the aggregate nominal amount of Domestic Shares of the Company in issue; and
  - (ii) 20 per cent of the aggregate nominal amount of H Shares of the Company in issue,
- in each case as at the date of the Resolution.

The General Mandate will effect during the period from the passing of the Resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of the Resolution; or
- (ii) the expiration of the 12-month period following the passing of the Resolution; or

\* For identification only

(iii) the date on which the authority set out in the Resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting.

The Board of Directors will only exercise its power under the General Mandate in accordance with the relevant provisions of the PRC Company Law and GEM Listing Rules (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or relevant PRC government authorities are obtained.

## **EXTRAORDINARY GENERAL MEETING**

An Extraordinary General Meeting for the approval of the General Mandate will be held on Wednesday, 18 August 2004. The EGM Notice is set out on pages 3 to 5 of this announcement. A reply slip and form of proxy are enclosed with this announcement.

By Order of the Board  
**Feng Zhen Wen**  
Director

Changchun, the PRC, 24 June 2004

*As at the date of this announcement the Board comprises five executive directors, being Feng Zhen Wen, Yu Cheng Kun, Li Xiu Jie, Guo Bin and Lu Yin Hua; a non-executive director, Lu De Yi; and three independent non-executive directors, being Yang Shi Jie, Sun Xiao Bo and Zhang Zhong Sheng.*

*This announcement, for which the directors of the Changchun Da Xing Pharmaceutical Company Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Changchun Da Xing Pharmaceutical Company Limited. The directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the day of its posting.*



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## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Changchun Da Xing Pharmaceutical Company Limited (the "Company") will be held at No. 655 Chuang Ju Street, High and New Technology Industrial Development Zone, Changchun, Jilin Province, China on Wednesday, 18 August 2004 at 9:00 a.m. to consider the following **SPECIAL RESOLUTION** ("Resolution"):

### **THAT:**

1. there being granted to the Board of Directors of the Company an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company, whether Domestic Shares or H Shares, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:
  - (a) such mandate shall not extend beyond the Relevant Period save that the Board of Directors of the Company may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
  - (b) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board of Directors of the Company shall not exceed:
    - (i) 20 per cent of the aggregate nominal amount of Domestic Shares of the Company in issue; and
    - (ii) 20 per cent of the aggregate nominal amount of H Shares of the Company in issue,in each case as at the date of this Resolution; and
  - (c) the Board of Directors will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained:

For the purposes of this Resolution:

"Domestic Shares" means domestic invested shares in the share capital of the Company with a par value RMB0.1 each, which are held in Renminbi by PRC investors and promoters of the Company;

\* For identification only

“H Shares” means the overseas listed shares in the share capital of the Company with a par value RMB0.1 each, and which are subscribed for and traded in Hong Kong dollars;

“Relevant Period” means the period from the passing of this Resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this Resolution; or
  - (ii) the expiration of the 12-month period following the passing of this Resolution; or
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting; and
2. contingent on the Board of Directors resolving to issue shares pursuant to sub-paragraph (1) of this Resolution, the Board of Directors be authorized to:
- (a) approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including, without limitation, the time and place of issue, making all necessary applications to the relevant authorities, entering into an underwriting agreement (or any other agreement);
  - (b) to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities; and
  - (c) to increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this Resolution, to register the increase capital with the relevant authorities in the PRC and to make such amendments to the Articles of the Association of the Company as it thinks fit so as to reflect the increase in registered capital of the Company.

*Notes:*

1. Any member of the Company entitled to attend and vote at the aforesaid meeting is entitled to appoint one or more proxies to attend and vote on his behalf at the meeting in accordance with the article of association of the Company. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with, if the form of proxy is signed by another person on behalf of the appointor under the power of attorney or other authority documents, a copy of the power of attorney or other authority documents certified by the notarial solicitor must be delivered at Hong Kong Registrars Limited on Rooms 1901-1905, 19/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (the “Company’s Shares Registrar”), no later than 24 hours before the time appointed for holding the meeting or vote.
3. If an individual shareholder appoints a proxy to attend the meeting, such proxy should produce the power of attorney and proof of his/her identity when attending; if a corporate shareholder appoints a proxy to attend the meeting, such proxy should produce proof of his/her identity and legal representative or the copy of the resolution (which is certified by a notary public) of the Board of the corporate shareholder or other decision-making authorities under which he/she is appointed.
4. The register of members of H shares of the Company will be closed from Thursday, 15 July 2004 to Wednesday, 18 August 2004 (both dates inclusive), during which no transfer of shares will be registered.

5. Those shareholders whose names stand on the register on Thursday, 15 July 2004 are entitled to attend and vote at the meeting.
6. The shareholders who intend to attend the meeting should complete and lodge the reply slip at the Company's legal address (No. 655 Chuang Ju Street, High and New Technology Industrial Development Zone, Changchun, Jilin Province, the PRC) before Thursday, 29 July 2004. The receipt can be delivered in person or by mail, telegram or fax (fax number: 86-431-5531 036).
7. The extraordinary general meeting will not last for more than half a day. Attendants shall bear their own traveling and accommodation expenses.



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**REPLY SLIP**

To: Changchun Da Xing Pharmaceutical Company Limited (the "Company")

I/we<sup>(1)</sup> \_\_\_\_\_  
of \_\_\_\_\_  
being the registered holder(s) of<sup>(2)</sup> \_\_\_\_\_ shares of RMB0.10 each in  
the Company's share capital, hereby inform the Company that I/we intend to attend in person/by a proxy/  
by proxies the Extraordinary General Meeting of the Company to be held at No. 655 Chuang Ju Street,  
High and New Technology Industrial Development Zone, Changchun, Jilin Province, the People's Republic  
of China on Wednesday, 18 August 2004 at 9:00 a.m.

Date: \_\_\_\_\_

Signature of Shareholder: \_\_\_\_\_

- Notes:
1. Please insert your full name(s) and address(es) in **BLOCK CAPITALS** as shown in the register of members of the Company.
  2. Please insert the number of shares registered in your name(s) and delete as appropriate.
  3. The completed and signed reply slip should be delivered to the Company at its legal address at No. 655 Chuang Ju Street, High and New Technology Industrial Development Zone, Changchun, Jilin Province, the People's Republic of China on or before 29 July 2004. This reply slip may be delivered to the Company by hand, by post or by fax (Fax No. 86-431-5531 036)

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Form of Proxy for use at the Extraordinary General Meeting (or any adjournment thereof)

I/We<sup>1</sup> \_\_\_\_\_ of \_\_\_\_\_ being the registered holder(s) of<sup>2</sup> \_\_\_\_\_ Shares of RMB0.10 each of above named Company HEREBY APPOINT<sup>3</sup> \_\_\_\_\_

of \_\_\_\_\_ or failing him, the chairman of the meeting as my/our proxy, to attend and vote for me/us and on my/our behalf at the Extraordinary General Meeting (or any adjournment thereof) of the Company to be held at No.655 Chuang Ju Street, High and New Technology Industrial Development Zone, Changchun, Jilin Province, China on Wednesday, 18 August 2004 at 9:00 a.m. for the purpose of considering and, if thought fit, passing the special resolution set out in the notice convening such meeting and at such meeting (or any adjournment thereof) to vote for me/us in my/our name(s) in respect of the said resolution as hereunder indicated or, if no such indication is given, as my/our proxy thinks fit.

Special Resolution	FOR <sup>4</sup>	AGAINST <sup>4</sup>
To review and approve the granting of general mandate to issue additional shares of the Company		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2004 Signature<sup>5</sup> \_\_\_\_\_

Notes:

1. Full name(s) and address(es) (as shown on the register of shareholders) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares of RMB0.10 each registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares of the Company registered in your name(s).
3. Please insert the name and address of the proxy desired. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE MEETING WILL ACT AS YOUR PROXY.** The proxy need not be a member of the Company but must attend the meeting in person to represent you. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**
4. **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, PUT A TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, PUT A TICK IN THE BOX MARKED "AGAINST".** Failure to do so will entitle your proxy to cast his vote at his discretion. Your proxy will also be entitled to vote at his discretion on any amendment to the resolutions referred to in the notice convening the meeting which has been properly put to the meeting.
5. This form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be executed either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.
6. In the case of joint holders any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders be present at the general meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
7. To be valid, this form of proxy, and (if required by the board of directors) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority (if any), shall be delivered to Hong Kong Registrars Limited at Rooms 1901-1905, 19/F Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 24 hours before the time appointed for holding the meeting or vote.
8. Completion and delivery of this form of proxy will not preclude you from attending and voting at the meeting if you so desire and in such event, this proxy form shall be deemed to be revoked.

\* For identification only