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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)**

## **ANNOUNCEMENT AND RESUMPTION OF TRADING**

We have noted on 22 March 2005 a decrease in the price of the shares and the increase in trading volume of Changchun Da Xing Pharmaceutical Company Limited (the “Company”) and wish to state that we are not aware of any reasons for such fluctuations.

The Company is in the preliminary stage of negotiating with an independent third party for either loan financing or strategic partner to develop medicines.

The Company is also in the preliminary stage of negotiating with independent third parties for placing of Company’s new shares. The Company is discussing the subscription price and has not appointed any placing agent at the moment.

The Company will make further announcement for the above possible transactions as and when appropriate pursuant to the requirements of the GEM Listing Rules.

Regarding the announcement of the Company dated 19 November 2004 for the connected transaction in relation to the acquisition of ownership of 3 healthcare products, the production approval for the 3 healthcare products has not yet been granted by the relevant government authority and the Company is still waiting for the grant of production approval.

Save as disclosed above and the Company’s annual result announcement dated 21 March 2005, we confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapter 19 to 20 of the GEM Listing Rules, neither is Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

\* For identification only

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on Wednesday, 23 March 2005 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on Thursday, 24 March 2005.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

**Shareholders of the Company and investors should exercise caution when dealing in shares of the Company.**

By order of the Board  
**Changchun Da Xing Pharmaceutical Company Limited**  
**Feng Zhen Wen**  
*Chairman*

Jilin Province, the PRC  
23 March 2005

*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 will remain on the “Latest Company Announcements” page of the GEM Website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication.*