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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)

**APPOINTMENT OF DIRECTORS
AND
ADJOURNMENT OF 2005 ANNUAL GENERAL MEETING
AND
RESUMPTION OF TRADE**

The Board wishes to announce further information in respect of the appointment of Directors and adjournment of the 2005 Annual General Meeting of Changchun Da Xing Pharmaceutical Company Limited.

Trading in the shares of the Company on the Stock Exchange was suspended at the requested of the Company with effect from 9:30 a.m. on 3 May 2005 pending for release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:30 a.m. on 4 May 2005.

INTRODUCTION

Changchun Da Xing Pharmaceutical Company Limited (the "Company") has despatched to its Shareholders a notice of annual general meeting of the Company dated 21 March 2005 (the "AGM Notice") in respect of certain matters to be dealt with at the 2005 annual general meeting of the Company (the "AGM"), including the appointment of Directors.

The AGM, which was originally scheduled to be held at No. 655 Chuang Ju Street, High and New Technology Industrial Development Zone, Changchun, Jilin Province, the PRC on Friday, 20 May 2005 at 9:00 a.m., is now adjourned to a date not less than 45 days after the date of issue of the supplemental circular, which is expected to be issued on or about 9 May 2005, in relation to the additional candidates for appointment of Directors.

* For identification only

ADDITIONAL CANDIDATES

According to Article 10.02 of the articles of association of the Company (the “Articles of Association”), it is provided that the minimum length of the period, during which notice to the Company of the intention to propose a person for election as a Director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least seven days. The aforesaid period for lodgment of the notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

Subsequent to the despatch of the AGM Notice, the Company has received from Shareholders notifications of their intention to propose for appointment of the following three persons as Directors at the AGM pursuant to Article 10.02 of the Articles of Association. The Company has also received notice of willingness to be appointed as Directors at the AGM from each of the following persons:

1. Ms Qu Lian Qin (as executive Director)
2. Mr Zhang Dong Hai (as executive Director)
3. Mr Dong Guo Jhi (as non-executive Director)

WITHDRAWAL OF RESOLUTIONS OF RE-APPOINTMENT OF DIRECTORS

On 29 April 2005, each of the following three existing executive Directors notified the Company of the withdrawal of his consent to be re-appointed as a Director. Accordingly, Shareholders should note that no resolution for re-appointment of each of the following existing Directors is expected to be put to the AGM for voting.

1. Mr Feng Zhen Wen (“Mr Feng”)
2. Ms Li Xiu Jie (“Ms Li”)
3. Ms Lu Yin Hua (“Ms Lu”)

Owing to the persistent personal health problems of Mr Feng and Ms Li, they considered themselves to be more appropriate to take more rest and, therefore should retire from their respective office of Director at the AGM. As regards Ms Lu, the Board understands that she has decided to pursue a master degree in biological engineering. Ms Lu will retire from her office of Director at the AGM so that she could devote more time to her educational development. Each of Mr Feng, Ms Li and Ms Lu has confirmed with the Board that there are no matters which need to be brought to the attention of the Shareholders upon their retirement.

Mr Feng is the Chairman of the Board. Ms Li is responsible for the financial and accounting management of the Company whereas Ms Lu is responsible for quality control, quality assurance and technology improvements.

Since the Company has an established management system, the Board is not aware of any material adverse effect on the Company’s operation upon retirement of the above three executive Directors based on the best knowledge, information and belief of the Board as at the date hereof.

NON-EXECUTIVE DIRECTOR

On 29 April 2005, the Company has received from a Shareholder notification of intention to propose for appointment of Mr Lu De Yi (“Mr Lu”) as an executive Director at the AGM pursuant to Article 10.02 of the Articles of Association. The Company has also received Mr Lu’s willingness to be so appointed. Mr Lu has notified the Company on the same date of the withdrawal of his consent to be re-appointed as a non-executive Director.

A supplemental circular (the “Supplemental Circular”) containing the biographies of the additional proposed candidates supplied by the relevant Shareholders to the Company together with a new proxy form (the “Second Proxy Form”) will be sent to all Shareholders on or about 9 May 2005.

ADJOURNMENT OF AGM

Since the Company will issue the Supplemental Circular to its Shareholders on or about 9 May 2005, According to Article 8.05 of the Articles of Association, the Board intends to adjourn the AGM to a date not less than 45 days after the date of issue of the Supplemental Circular in order to allow more time for the Shareholders to consider the action to be taken at the AGM in respect of the additional proposed candidates. Further announcement in relation to adjournment of the AGM will be made upon issue of the Supplemental Circular.

PROXY FORM

As a result of the additional proposed resolutions received from Shareholders subsequent to the despatch of the AGM Notice, the proxy form sent together with the AGM Notice and 2004 Annual Report of the Company (the “First Proxy Form”) does not contain the proposed resolutions for the appointment of the additional candidates set out in the Supplemental Circular. In this connection, the Second Proxy Form has been prepared and is enclosed with the Supplemental Circular.

Shareholders are requested to complete the Second Proxy Form in accordance with the instructions printed thereon and return it to the office of the Company’s registrar, Hong Kong Registrars Limited, at 46/F, Hopwell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM (the “Closing Time”). Special arrangements about the Second Proxy Form are also set out in the Supplemental Circular. Shareholders who have appointed or intend to appoint proxies to attend the AGM are requested to pay particular attention to the special arrangements set out therein. In particular:

- (a) A Shareholder who has not yet lodged the First Proxy Form with the Company’s registrar is requested to lodge the Second Proxy Form if he wishes to appoint proxies to attend the AGM on his behalf. In this case, the First Proxy Form should **not** be lodged with the Company’s registrar.
- (b) A Shareholder who has already lodged the First Proxy Form with the Company’s registrar should note that:
 - (i) If no Second Proxy Form is lodged with the Company’s registrar, the First Proxy Form, if correctly completed, will be treated as a valid proxy form lodged by him. The proxy so appointed by the Shareholder will be entitled to vote at his discretion or abstain on any resolution properly put to the AGM other than those referred to in the AGM Notice and the First Proxy Form, including a resolution for the appointment of an additional candidate set out in the Supplemental Circular as Director.

- (ii) If the Second Proxy Form is lodged with the Company's registrar before the Closing Time, the Second Proxy Form, if correctly completed, will be treated as a valid proxy form lodged by the Shareholder and will revoke and supersede the First Proxy Form previously lodged by him.
- (iii) If the Second Proxy Form is lodged with the Company's registrar after the Closing Time, or if lodged before the Closing Time but is incorrectly completed, the Second Proxy Form will be invalid. However, it will revoke the First Proxy Form previously lodged by the Shareholder, and any vote that may be cast by the purported proxy (whether appointed under the First Proxy Form or the Second Proxy Form) will not be counted in any poll which may be taken on a proposed resolution. Accordingly, Shareholders are advised **to complete the Second Proxy Form carefully and not to lodge the Second Proxy Form after the Closing Time**. If such Shareholders wish to vote at the AGM, they will have to attend in person and vote at the AGM themselves.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the shares of the Company on the Stock Exchange was suspended at the requested of the Company with effect from 9:30 a.m. on 3 May 2005 pending for release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:30 a.m. on 4 May 2005.

Shareholders are advised to read the Supplemental Circular together with the 2004 Annual Report and the AGM Notice for complete information of all candidates and the voting arrangements.

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

Changchun, the PRC, 3 May 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, for which the directors of Changchun Da Xing Pharmaceutical Company Limited (the "Directors") 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 enquiries, 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.

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