



Hong Kong Exchanges and Clearing Limited
香港交易及結算所有限公司

The Stock Exchange of Hong Kong Limited
(the “Exchange”)

ANNOUNCEMENT

In relation to the matter of Changchun Da Xing Pharmaceutical Company Limited
(Stock Code: 8067)

Proceeding to the cancellation of listing
as stipulated under Rule 9.14 of the
Rules Governing the Listing of Securities on
The Growth Enterprise Market of
The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”)

The Exchange proposes to exercise its right to cancel the listing of the H shares of the Company on the Exchange pursuant to Rule 9.14 of the GEM Listing Rules.

Pursuant to Rule 9.15 of the GEM Listing Rules, the Company has a period of six months for the submission of a viable resumption proposal to the Exchange. If the Company has not submitted a viable resumption proposal as required, the Exchange intends to cancel the listing of the Company on the expiry of the six months from the date of this announcement (i.e. 14 December 2007).

The Exchange proposes to exercise its rights to cancel the listing of the H shares of Changchun Da Xing Pharmaceutical Company Limited (the “Company”) on the Exchange pursuant to Rule 9.14 of the GEM Listing Rules.

Dealing in the H shares of the Company has been suspended since 28 July 2005. As at the date of this announcement, the Company has not submitted any viable resumption proposal. A viable resumption proposal will need to demonstrate the Company’s compliance with the GEM Listing Rules and all applicable laws and regulations. The proposal will enable the Company to demonstrate that it, directly or indirectly, has a sufficient level of operations and management expertise on the business pursuits of the Company to warrant the continued listing of the Company’s H shares on the Exchange. The Company is also required to (i) investigate and address the irregularities in its accounting records; (ii) publish all outstanding financial results of the Group as required under the GEM Listing Rules; (iii) address any concerns raised by the auditors of the Company through the qualification of their audit report on the financial statements of the Group published after the suspension; and (iv) demonstrate that the Company has in place adequate financial reporting system and internal control procedures to enable the Company to meet its obligations under the GEM Listing Rules.

In view of the absence of a viable resumption proposal and the fact that the Company is yet to demonstrate that it has a sufficient level of operations to warrant the continued listing of the Company’s H shares, the Exchange proposes to exercise its right to cancel the listing of the H shares of the Company on the Exchange. The Company will have a period of six months for the submission of a viable resumption proposal and to remedy those matters that gave rise to the Exchange’s proposal to cancel the listing of the Company. A viable resumption proposal should be submitted at least 10 business days as defined in the GEM Listing Rules before the expiry of the six-month period. If the Company has not submitted a viable resumption proposal as required, the Exchange intends to cancel the listing of the Company on the expiry of the six-month period from the date of this announcement (i.e. 14 December 2007).

The Exchange will make a further announcement in due course if the cancellation of the listing takes place.

Hong Kong, 15 June 2007

Please also refer to the printed version of this announcement in the South China Morning Post on 15 June 2007.