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**CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code : 02877)**

**APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR,  
CHAIRMAN OF AUDIT COMMITTEE AND MEMBER OF  
REMUNERATION COMMITTEE**

Reference is made to the announcement of China Shineway Pharmaceutical Group Limited (the “**Company**”) dated 14 December 2009 in respect of, inter alia, the resignation of Mr. Ma Kwai Yuen, Terence as an Independent Non-Executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

The board of directors (the “**Board**”) of the Company is pleased to announce that Mr. Sun Liutai (“**Mr. Sun**”) has been appointed as the Independent Non-Executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee with effect from 9 February 2010.

Mr. Sun Liutai, aged 46, is a Chinese Certified Public Accountant, he was postgraduated in Economic Management Institute of North Western University. Mr. Sun has been working as a partner of Hebei Peking Certified Public Accountants from 2002 to present, during which, in 2003, Mr. Sun was appointed by Hebei Securities and Futures Commission to investigate a company listed on Shenzhen Stock Exchange. Mr. Sun has sound experience in accounting profession and finance. He worked as an assistant manager of general strategic department in China Investment Bank Hebei branch from 1987 to 1992, and worked as an assistant general manager in a Hebei Investment Management Consultancy Company in 1992 to 1995. He then worked as a principal accountant in Hebei Yongzhengde Certified Public Accountants from 1995 to 2002, during which he was engaged in audit of a company listed on the Shanghai Stock Exchange. Mr. Sun was a general committee of Hebei Society of Certified Public Accountants in 2002 to 2008, and was employed as an independent director and audit in-charge of Qinhuangdao Yaohua Glass Co., Ltd (a company listed on the Shanghai Stock Exchange, stock code: 600716) from May 2002 to June 2008.

Save as disclosed above, Mr. Sun did not hold any directorships in any other listed public companies in the last three years and has not held any position with the Company or other members of the Company. Mr. Sun is not connected with any directors, senior management, substantial or controlling shareholders of the Company. As at the date hereof, Mr. Sun does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Company has entered into an appointment letter with Mr. Sun with a term of two years ending on 8 February 2012 and is subject to retirement and re-election provisions in the articles of association of the Company. The director’s fee payable to Mr. Sun is fixed at HKD132,000 per annum which is determined with reference to the fee of other Independent Non-Executive Directors of the Company.

There are no other matters relating to Mr. Sun’s appointment that need to be brought to the attention of the shareholders of the Company and there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Ltd.

Saved as disclosed above, the Board is not aware of any other matter that is considered necessary to be brought to the attention of holders of securities of the Company regarding Mr. Sun's appointment.

The Board confirms that following Mr. Sun's appointment, the Company has three Independent Non-Executive Directors and three Audit Committee members, thus has met the requirements set out in Rules 3.10 and 3.21 of the Listing Rules. The Remuneration Committee consists of one Executive Director and two Independent Non-Executive Directors.

The Board would like to take this opportunity to welcome Mr. Sun to join the Company.

By Order of the Board  
**China Shineway Pharmaceutical Group Limited**  
**Li Zhenjiang**  
*Chairman*

Hong Kong, 9 February 2010.

*As at the date of this announcement, the executive Directors are Mr. Li Zhenjiang, Ms. Wang Zhihua, Ms. Xin Yunxia, Mr. Li Huimin and Mr. Hung Randy King Kuen and the independent non-executive Directors are Mr. Ren Dequan, Ms. Cheng Li and Mr. Sun Liutai.*