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CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2877)

ANNOUNCEMENT

The Company is pleased to announce its financial information of turnover, which have not been reviewed by its auditors, for the three months ended 31 March 2006.

The board of directors (the "Board") of China Shineway Pharmaceutical Group Limited (the "Company") is pleased to announce the preliminary financial information of turnover of the Company and its subsidiaries (together, the "Group") for the three months ended 31 March 2006 based on its management accounts which have not been reviewed by the auditors.

Total turnover of the Group, which has not been reviewed by the auditors, for the three months ended 31 March 2006 increased by approximately 49.3% as compared with the same period of 2005 to approximately RMB170 million, and in particular:

- Turnover of injection products increased by approximately 34.2% as compared to the same period of 2005 to approximately RMB85 million;
- Turnover of soft capsule products increased by approximately 74.7% as compared to the same period of 2005 to approximately RMB61.5 million;
- Turnover of granule products increased by approximately 44.4% as compared to the same period of 2005 to approximately RMB20 million; and
- Products in other forms recorded turnover of approximately RMB3.5 million for the three months ended 31 March 2006.

In terms of product mix, injection products, soft capsule products and granule products accounted for approximately 50.0%, 36.2% and 11.8% of total turnover which have not been reviewed by the auditors.

Shareholders and investors are advised to exercise caution in dealing in the shares of the Company.

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

Hong Kong, 19 April 2006

As at the date of this announcement, the executive Directors are Mr. Li Zhenjiang, Ms. Wang Zhihua, Ms. Xin Yunxia, Mr. Li Huimin and Hung Randy King Kuen and the independent non-executive Directors are Mr. Li Kung Man, Dr. Wang Jianping and Prof. Zhou Chaofan.

*Please also refer to the published version of this announcement in
The Standard and Sing Tao Daily.*