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CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED

中國神威藥業集團有限公司

(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 2007.

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 2007 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 2007 increased by approximately 10.6% as compared with the same period of 2006 to approximately RMB188 million, and in particular:

- Turnover of injection products increased by approximately 19.8% as compared to the same period of 2006 to approximately RMB102 million;
- Turnover of soft capsule products decreased by approximately 21.6% as compared to the same period of 2006 to approximately RMB48.2 million;
- Turnover of granule products increased by approximately 71.0% as compared to the same period of 2006 to approximately RMB34.2 million; and
- Products in other forms recorded turnover of approximately RMB3.6 million for the three months ended 31 March 2007.

In terms of product mix, injection products, soft capsule products and granule products accounted for approximately 54.2%, 25.6% and 18.2% 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, 17 April 2007

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, Mr. Li Kung Man and Ms. Cheng Li.

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