

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



山東新華製藥股份有限公司

Shandong Xinhua Pharmaceutical Company Limited

(a joint stock company established in the People's Republic of China with limited liability)

(Stock Code : 0719)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is published pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The attachment to this announcement is the announcement of Shandong Xinhua Pharmaceutical Company Limited published on the Shenzhen Stock Exchange:

Shandong Xinhua Pharmaceutical Company Limited Progress Update Announcement on Significant Event and Suspension of Trading of Shares

By Order of the Board

Shandong Xinhua Pharmaceutical Company Limited

Zhang Daiming

Chairman

30 July 2015, Zibo, PRC

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Zhang Daiming (Chairman)

Mr. Du Deping

Independent Non-executive Directors:

Mr. Du Guanhua

Mr. Li Wenming

Mr. Chan Chung Kik, Lewis

Non-executive Directors:

Mr. Ren Fulong

Mr. Xu Lie

Mr. Zhao Bin

Shandong Xinhua Pharmaceutical Company Limited Progress Update Announcement on Significant Event and Suspension of Trading of Shares

The board of directors and all directors of the Company warrant that the information set out in this announcement does not contain any false statements, misleading representations or material omissions, and severally and jointly accept responsibility as to the truthfulness, accuracy and completeness of the content herein.

Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”) is currently in contemplation of a significant event (including but not limited to non-public issuance of new A shares). As there exist uncertainties in the relevant event and in order to protect the interests of investors and avoid unusual movements in the price of the shares, at the request to the Company in accordance with the Shenzhen Stock Exchange Listing Rules and other requirements, trading in the shares of the Company (Stock Short Name: Xinhua Pharmaceutical, Stock Code: 000756) has been suspended since the morning of 24 July 2015.

As of the date of this announcement, in respect of the significant event in contemplation (including but not limited to non-public issuance of new A shares), the Company is in the process of retaining intermediaries for conducting due diligence exercise. In view that there exist uncertainties in the relevant event, according to the relevant requirements of the China Securities Regulatory Commission and the Shenzhen Stock Exchange, the shares of the Company will continue to be suspended from 31 July 2015. During the suspension period, the Company will release announcements on the progress of the matter every 5 trading days.

The media designated by the Company for information disclosure are "Securities Times" and Juchao Website (<http://www.cninfo.com.cn>). All information of the Company will be subject to that published in the media specified above. Investors are advised to take note of the related announcements and be aware of investment risks.

By Order of the Board

Shandong Xinhua Pharmaceutical Company Limited

30 July 2015