

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.



CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 02877)

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

The board of directors (the “Board”) of China Shineway Pharmaceutical Group Limited (the “Company”) announces that Mr. Ma Kwai Yuen, Terence (“Mr. Ma”) will resign as an Independent Non-executive Director, chairman of the Audit Committee and member of the Remuneration Committee of the Company with effect from 17 December 2009 for his personal development.

Save for the different views on implementation and progress of management strategies between the Board and Mr. Ma, Mr. Ma has confirmed that he has no disagreement with the Board and there is no other matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

Following the resignation of Mr. Ma, there remains two Independent Non-executive Directors on the Board, the number of which falls below the minimum number required under Rule 3.10(1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company is identifying suitable candidate to fill the vacancy of the Independent Non-executive Director with a view to fulfilling the minimum required number of Independent Non-executive Directors under the Listing Rules as soon as practicable within three months from 17 December 2009 pursuant to Rule 3.11 of the Listing Rules.

Furthermore, following the resignation of Mr. Ma, the number of Audit Committee members of the Company falls below the minimum number required under Rule 3.21 of the Listing Rules and the Remuneration Committee only consists of one Executive Director and one Independent Non-executive Director. The Board will appoint an appropriate person to fill the vacancy in the Audit Committee as soon as practicable within three months from 17 December 2009 pursuant to Rule 3.23 of the Listing Rules and the vacancy in the Remuneration Committee as soon as practicable.

Further announcement will be made by the Company in relation to the appointment of Independent Non-executive Director, Audit Committee member and Remuneration Committee member of the Company as and when appropriate.

The Board would like to express its gratitude to Mr. Ma for his valuable contribution to the Group during his tenure of office.

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

Hong Kong, 14 December 2009

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. Ma Kwai Yuen, Terence.