

Unless otherwise defined, terms used in this announcement bear the same meaning as defined in the prospectus of Tong Ren Tang Technologies Co. Ltd. dated 24 October 2000.

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Tong Ren Tang Technologies Co. Ltd.
北京同仁堂科技發展股份有限公司

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

PROPOSED STABILISATION ACTIVITIES IN RELATION TO THE LISTING OF H SHARES OF THE COMPANY ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

The board of Directors refers to the listing of the H shares (“H Shares”) of Tong Ren Tang Technologies Co. Ltd. (the “Company”) on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 31st October 2000 (“Listing”) by way of placing (“Placing”) and wishes to announce certain stabilisation activities which may be carried out by BOCI Asia Limited (“BOCI”), the sponsor in relation to the Listing.

In connection with the Placing, the Company has granted to BOCI (on behalf of the Placing underwriters (“Underwriters”)) an option (“Over-allotment Option”), exercisable for 30 days from the date of the prospectus relating to the Placing and Listing (“Prospectus”), to require the Company to issue up to an aggregate of 7,200,000 additional H Shares, representing approximately 9.89% of the number of H Shares initially available under the Placing, which H Shares will be issued at the Issue Price (as defined in the Prospectus) for the purpose of covering over-allocations in the Placing.

In connection with the Placing, the Company and the Underwriters (other than BOCI) have also agreed that BOCI may, to the extent permitted by applicable laws and regulatory requirements: (a) over-allocate H Shares and cover such over-allocations by exercising the Over-allotment Option, through stock borrowing arrangements or by making purchases in the secondary market; and/or (b) effect transactions in respect of any H Shares in any securities market or otherwise, with a view to stabilising or maintaining the market price of the H Shares at levels other than those which might otherwise prevail in the open market and may effect similar trading transactions in all jurisdictions where and to the extent it is lawful to do so. Such stabilisation if commenced may be discontinued at any time.

In carrying out such stabilisation activities, BOCI may bid for, or purchase, the newly issued securities in the secondary market at a price not exceeding the Issue Price. The relevant provisions of the Securities Ordinance prohibit market manipulation in the form of pegging or stabilising the price of securities in certain circumstances.

By Order of the Board

Yin Shun Hai

Director

Hong Kong 30th October 2000

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcement" page for 7 days from the day of its posting.