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FAR EAST PHARMACEUTICAL TECHNOLOGY COMPANY LIMITED
遠東生物制藥科技有限公司

(Incorporated in the Cayman Islands with limited liability)

DISCLOSURE PURSUANT TO PRACTICE NOTE 19 TO THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED

This announcement is made in compliance with paragraph 3.7.1 of Practice Note 19 to the Listing Rules.

Under the Listing Rules, a general disclosure obligation will arise where an issuer (or any of its subsidiaries) enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholder and the breach of which will cause a default in respect of the loans that are significant to the operation of the issuer.

On 19 January 2004, the Company has entered into two Loan Agreements with banks for unsecured loan facility of US$2,000,000 and US$3,000,000 respectively. On 27 January 2004, the Company has entered into a Loan Agreement with bank for unsecured loan facility of US$5,000,000. Under the Loan Agreements, it would be an event of default if Mr. Cai Chong Zhen ceases to be the chairman of the Group and/or Great Wall, the controlling shareholder of the Company, ceases to be the legal and registered holder of 35% of the entire issued share capital of the Company.

Accordingly, the Company is under a general obligation to disclose the details of the Loan Agreements.

This announcement is made in compliance with the disclosure requirements under paragraph 3.7.1 of Practice Note 19 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The directors of Far East Pharmaceutical Technology Company Limited (the "Company") make the following disclosures in compliance with paragraph 3.7.1 of Practice Note 19 to the Listing Rules.

The directors of the Company announce that:–

(1) on 19 January 2004, the Company has entered into two loan agreements with banks for unsecured loan facility of US$2,000,000 and US$3,000,000 respectively which will be repayable on 19 May 2004; and

(2) on 27 January 2004, the Company has entered into a loan agreement with bank for unsecured loan facility of US$5,000,000 which will be repayable on 19 May 2004

(collectively, the "Loan Agreements") to be used to finance the general working capital of the Company.

Pursuant to the Loan Agreements, the Company is required to give an undertaking to ensure that, during the continuance of the Loan Agreements, Mr. Cai Chong Zhen will at all times remain as the chairman of the Group and that Great Wall Investment Group Limited ("Great Wall"), the controlling shareholder of the Company which was incorporated in the British Virgin Islands and act as trustee of The Great Wall Unit Trust, a unit trust of which all of the units in issue are owned by Trident Corporate Services (Asia) Limited (Formerly Ansbacher (BVI) Limited) in its capacity as the trustee of The C&C Trust, a discretionary family trust of which the objects include Mr. Cai Chong Zhen and his spouse and the family members of Mr. Chen Ching Ken, a director of the Company will at all times be the legal and registered holder free from any encumbrances thereon, of not less than 35% of the entire issued share capital of the Company from time to time.

A breach of the aforesaid term of the Loan Agreements will constitute an event of default under the Loan Agreements. Upon the occurrence of an event of default, the lender may by written notice declare (i) the loan, accrued interests and all other sums payable under the Loan Agreements become immediately due and payable; and/or (ii) no further advances will be allowed under the Loan Agreements.

As at the date of this announcement, Mr. Cai Chong Zhen is the chairman of the Group and Great Wall is the legal and registered holder of 1,227,376,000 shares of the Company, representing approximately 56.41% of the entire issued share capital of the Company.

Save as disclosed above, the directors of the Company consider that there is no general disclosure obligations under paragraphs 3.2.1, 3.3, 3.6 or 3.7.2 of Practice Note 19 as at the date of this announcement and undertake to comply with the continuing disclosure requirements under paragraph 3.9 of the Practice Note 19.

By order of the Board
Cai Chong Zhen
Chairman

Hong Kong, 29 January 2004

Please also refer to the published version of this announcement in The Standard.