

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") 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.

Terms used herein shall have the same meaning as those defined in the prospectus dated 30th June 2003 (the "Prospectus") issued by Dawnrays Pharmaceutical (Holdings) Limited (the "Company") unless otherwise defined herein.



Dawnrays Pharmaceutical (Holdings) Limited

東瑞製葯(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

PLACING, PUBLIC OFFER AND OFFER FOR SALE

Number of Offer Shares	:	248,000,000 Shares (subject to Over-allotment Option)
Number of Placing Shares	:	223,200,000 Shares consisting of 175,200,000 new Shares and 48,000,000 Sale Shares (subject to adjustment)
Number of Public Offer Shares	:	24,800,000 new Shares (subject to adjustment)
Offer Price	:	HK\$0.80 per Share
Nominal value	:	HK\$0.10 each
Stock code	:	2348

Global Coordinator, Bookrunner, Lead Manager and Sponsor



Co-sponsor



Co-Lead Managers

CITIC Capital Markets Limited

Guotai Junan Securities (Hong Kong) Limited

Co-Managers

The Bank of East Asia, Limited

Japan Asia Securities Limited

First Shanghai Securities Limited

China Everbright Securities (HK) Limited

KGI Capital Asia Limited

SUMMARY

- The final Offer Price has been fixed at HK\$0.80 per Offer Share (excluding the brokerage fee, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee payable thereon).
- A total of 180 valid applications pursuant to the Public Offer on **WHITE** and **YELLOW** application forms for a total of 29,304,000 Public Offer Shares have been received, representing approximately 1.2 times of the total number of 24,800,000 Public Offer Shares initially available for subscription under the Public Offer. The 24,800,000 Public Offer Shares will be allocated to 180 valid applications.
- Since the number of Shares validly applied for under the Public Offer did not exceed 372,000,000 Public Offer Shares (being less than 15 times the number of the Public Offer Shares initially available for subscription under the Public Offer), the clawback mechanism was not triggered.
- 223,200,000 Placing Shares available to the professional, institutional and other investors expected to have a sizeable demand for the Offer Shares under the Placing for subscription and purchase were approximately 2.2 times subscribed. The 223,200,000 Placing Shares were allocated to 146 places.
- Share certificates for wholly or partially successful applicants using **WHITE** application forms (which are either not available for personal collection or which are so available but are not collected in person) will be despatched by ordinary post to the address of the applicants specified in the relevant application forms at their own risk on Thursday, 10th July, 2003.
- Share certificates for the Public Offer Shares allocated to wholly or partially successful applicants using **YELLOW** application forms will be issued in the name of HKSCC Nominees Limited and are expected to be deposited into CCASS for credit to their designated CCASS participants' stock accounts at the close of business on Thursday, 10th July, 2003, or under contingent situations, on such other date as shall be determined by HKSCC or HKSCC Nominees Limited.
- Refund cheques for wholly or partially unsuccessful applicants and in respect of the the difference between the final Offer Price and the maximum offer price paid on application (which are either not available for personal collection or which are so available but are not collected in person) will be despatched by ordinary post to the address of the applicants specified in the relevant application forms at their own risk on Thursday, 10th July, 2003.
- Dealings in the Shares (stock code: 2348) on the main board of the Stock Exchange are expected to commence at 9:30 a.m. on Friday, 11th July, 2003. Shares will be traded in board lots of 4,000 Shares.

DETERMINATION OF FINAL OFFER PRICE

The final Offer Price was agreed between the Company, the Vendor and ICEA (on behalf of the Underwriters) at HK\$0.80 per Offer Share (excluding the brokerage fee, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee payable thereon).

APPLICATIONS RECEIVED AND ALLOCATION OF OFFER SHARES

The Directors are pleased to announce that at the close of the application lists at 12:00 noon on Friday, 4th July 2003, a total of 180 valid applications have been received pursuant to the Public Offer on **WHITE** and **YELLOW** application forms for a total of 29,304,000 Public Offer Shares, representing approximately 1.2 times of the total number of 24,800,000 Public Offer Shares initially available for subscription under the Public Offer. The 24,800,000 Public Offer Shares will be allocated to 180 valid applications.

Of the valid applications received on **WHITE** and **YELLOW** application forms, a total of 180 applications in respect of a total of 29,304,000 Public Offer Shares were made for Public Offer Shares with an aggregate subscription amount (excluding the brokerage fee, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee payable, based on the maximum offer price of HK\$1.03 per Share) of HK\$5 million or less per application, and no application was made for Public Offer Shares with an aggregate subscription amount (excluding the brokerage fee, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee payable, based on the maximum offer price of HK\$1.03 per Share) of more than HK\$5 million per application. No application for more than 100% of the Shares initially being offered to the public for subscription under either of pool A or pool B in the Public Offer (that is, more than 12,400,000 Shares) has been identified. No multiple applications or suspected multiple applications have been identified. The Public Offer Shares validly applied for on **WHITE** and **YELLOW** application forms were conditionally allocated on the basis as set out in the paragraph headed "Basis of allocation" below.

Since the number of Shares validly applied for under the Public Offer did not exceed 372,000,000 Public Offer Shares (being less than 15 times the number of the Public Offer Shares initially available for subscription under the Public Offer), the clawback mechanism was not triggered.

The Directors further announce that the 223,200,000 Placing Shares available to the professional, institutional and other investors expected to have sizeable demand for the Offer Shares under the Placing for subscription and purchase were approximately 2.2 times subscribed. Subject to the satisfaction of the conditions set out in the paragraph headed "Conditions of the Share Offer" under the section headed "Structure of the Share Offer" in the Prospectus, the total number of 223,200,000 Placing Shares under the Placing have been conditionally allocated in full to 146 placees. The Placing Shares were subscribed and purchased by placees who are independent of and not connected with any directors, the chief executive or the substantial shareholders of the Company or any of its subsidiaries or any of their respective associates.

The Placing was in compliance with the placing guidelines for equity securities as set out in Appendix 6 of the Listing Rules. Of the 223,200,000 Placing Shares allotted, 4,500,000 Shares have been allotted to The Bank of East Asia, Limited, being one of the Underwriters, representing approximately 0.56% of the issued share capital of the Company immediately after completion of the Share Offer and the Capitalisation Issue but taking no account of any Shares which may fall to be allotted and issued pursuant to the Over-allotment Option or the exercise of the share options which may be granted under the Share Option Scheme. 1,000,000 Shares have been allotted to CT Prime Assets Limited, being an associate of First Shanghai Securities Limited which is one of the Underwriters, representing approximately 0.13% of the issued share capital of the Company immediately after completion of the Share Offer and the Capitalisation Issue but taking no account of any Shares which may fall to be allotted and issued pursuant to the Over-allotment Option or the exercise of the share options which may be granted under the Share Option Scheme. Save as mentioned above, none of the Sponsors and the Underwriters and their respective associates and connected clients (as defined in Appendix 6 of the Listing Rules) has subscribed for or purchased any Offer Shares for its own account under the Placing.

The Company has granted ICEA (on behalf of the Underwriters) the Over-allotment Option exercisable by ICEA on behalf of the Underwriters at any time within 30 days from the date of the Prospectus to require the Company to allot and issue up to an aggregate of 30,000,000 additional new Shares. If the Over-allotment is exercised, a separate press announcement will be made.

BASIS OF ALLOCATION

Subject to the satisfaction of the conditions set out in the paragraph headed “Conditions of the Share Offer” under the section headed “Structure of the Share Offer” in the Prospectus, the 24,800,000 Public Offer Shares available for application by the public on **WHITE** and **YELLOW** application forms will be allocated on the following basis:

Number of Public Offer Shares applied for per application	Number of valid application(s)	Basis of allocation	Approximate percentage of allocation based on the total number of Public Offer Shares applied for
4,000	20	4,000 Shares	100.00%
8,000	12	8,000 Shares	100.00%
12,000	9	12,000 Shares	100.00%
16,000	2	16,000 Shares	100.00%
20,000	18	20,000 Shares	100.00%
24,000	1	24,000 Shares	100.00%

Number of Public Offer Shares applied for per application	Number of valid application(s)	Basis of allocation	Approximate percentage of allocation based on the total number of Public Offer Shares applied for
28,000	6	28,000 Shares	100.00%
32,000	2	32,000 Shares	100.00%
36,000	1	36,000 Shares	100.00%
40,000	1	40,000 Shares	100.00%
44,000	1	44,000 Shares	100.00%
48,000	14	44,000 Shares plus 4 out of 14 to receive additional 4,000 Shares	94.05%
56,000	1	52,000 Shares	92.86%
60,000	11	52,000 Shares plus 4 out of 11 to receive additional 4,000 Shares	89.09%
64,000	1	56,000 Shares	87.50%
80,000	5	68,000 Shares	85.00%
100,000	30	84,000 Shares plus 5 out of 30 to receive additional 4,000 Shares	84.67%
200,000	11	168,000 Shares plus 3 out of 11 to receive additional 4,000 Shares	84.55%
300,000	11	252,000 Shares plus 4 out of 11 to receive additional 4,000 Shares	84.48%
400,000	1	336,000 Shares	84.00%
500,000	11	416,000 Shares plus 4 out of 11 to receive additional 4,000 Shares	83.49%
600,000	2	500,000 Shares	83.33%
700,000	2	580,000 Shares plus 1 out of 2 to receive additional 4,000 Shares	83.14%
900,000	1	748,000 Shares	83.11%

Number of Public Offer Shares applied for per application	Number of valid application(s)	Basis of allocation	Approximate percentage of allocation based on the total number of Public Offer Shares applied for
1,000,000	4	828,000 Shares plus 2 out of 4 to receive additional 4,000 Shares	83.00%
2,000,000	1	1,660,000 Shares	83.00%
2,500,000	1	2,072,000 Shares	82.88%

RESULTS OF APPLICATIONS MADE USING WHITE APPLICATION FORMS

The following are the identification numbers (where supplied) of successful applicants using **WHITE** application forms and the number of Public Offer Shares conditionally allotted to them. Results for applicants who have not provided their identification document numbers are not shown.

Identification document number	Number of Public Offer Shares allotted
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
16285230000	4,000
A220708A	4,000
A2946648	8,000
A399431A	52,000
A4373939	84,000
A6052900	20,000
A756672A	4,000
A9423292	8,000
A9773234	4,000
C4365273	4,000
D0167402	44,000
D0372340	20,000
D0680932	28,000
D1365305	36,000

Identification document number	Number of Public Offer Shares allotted
D1698738	68,000
D208248A	8,000
D2485916	24,000
D2571839	20,000
D2580013	8,000
D2580021	12,000
D2611288	12,000
D4151624	20,000
D4181868	16,000
D8597406	4,000
E5603459	84,000
E639926A	168,000
E7454744	40,000
G1905804	12,000
G2588144	8,000
G6784053	48,000
G9008836	172,000
K2758008	4,000
K5680964	12,000
K8523614	8,000
P0548700	20,000
P6604602	84,000
P7444420	12,000
R1183663	8,000
V010406A	8,000
Z0426254	4,000

NO CCASS INVESTOR PARTICIPANTS' APPLICATIONS MADE ON YELLOW APPLICATION FORMS

There was no application applying as CCASS Investor Participant using YELLOW application form.

COLLECTION/DESPATCH OF SHARE CERTIFICATES AND/OR REFUND CHEQUES

Share certificates for wholly or partially successful applicants on **WHITE** application forms and refund cheques for wholly or partially unsuccessful applicants and in respect of the difference between the final Offer Price and the maximum offer price paid on application, in each case including the brokerage fee, the SFC transaction levy, the investor compensation levy and the Stock Exchange trading fee, without interest (which are either not available for personal collection or which are so available but are not collected in person) are expected to be despatched by ordinary post to the address of the applicants specified in the relevant application forms at their own risk on Thursday, 10th July, 2003.

Applicants who have applied for 1,000,000 Public Offer Shares or more and have indicated on their application forms that they would collect their share certificates (where applicable) and/or refund cheques (if any) in person may collect their share certificates and refund

cheques from Abacus Share Registrars Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, between 9:00 a.m. and 1:00 p.m. on Thursday, 10th July, 2003. Identification and authorisation documents (where appropriate) acceptable to Abacus Share Registrars Limited must be produced at the time of collection. Uncollected share certificates and refund cheques will be despatched to those applicants by ordinary post at their own risk to the addresses specified in their application forms shortly thereafter.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

For wholly or partially successful applicants using **YELLOW** application forms who are allocated Public Offer Shares in the name of HKSCC Nominees Limited, the allocated Public Offer Shares will be deposited directly into CCASS for credit to their designated CCASS participants' stock accounts maintained in CCASS at the close of business on Thursday, 10th July, 2003 or under contingent situations, on such other date as determined by HKSCC or HKSCC Nominees Limited. Applicants applying through their designated CCASS participants can check the number of Public Offer Shares allocated to them with their respective designated CCASS participants.

COMMENCEMENT OF DEALINGS

Dealings in the Shares (stock code: 2348) on the main board of the Stock Exchange are expected to commence at 9:30 a.m. on Friday, 11th July, 2003. Shares will be traded in board lots of 4,000 Shares.

By order of the Board
Dawnrays Pharmaceutical (Holdings) Limited
Li Kei Ling
Chairman

Hong Kong, 9th July, 2003