For Immediate Release 30 March 2010

Announcement of 2009 Annual Results

Profit Attributable to Equity Holders was Raised 111.6% to HK$216 million as Compared to 2008

Results Summary

- Profit attributable to equity holders was HK$216 million, increased by 111.6% as compared to the full year of last year; earnings per share was HK$0.106.
- Sales revenue was HK$1.74 billion, increased by 9.3% as compared to the corresponding period last year.
- Gross profit was HK$859 million, increased by 18.1% as compared to the corresponding period last year.
- The sales revenue of intravenous infusions and its underlying businesses increased by 15.0% to HK$660 million as compared to the corresponding period last year.
- The Board proposed a 2009 final dividend of HK$0.02 per share. Together with an interim dividend of HK$0.02 per share, total dividends for the year were HK$0.04 per share. Dividend payout ratio increased from 32% in last year to 38% for this year.
- The Board resolved to announce the unaudited operational updates of the Group on a quarterly basis, with effect from the first quarter of 2010. An announcement which sets out the unaudited operational summary for the Group for the first quarter ended 31 March 2010 is expected to be published before end of April 2010.

(30 March 2010 – Hong Kong) Lijun International Pharmaceutical (Holding) Co., Ltd. ("Lijun International" or the "Company"; stock code: 2005) and its subsidiary (the "Group") are pleased to announce the operating results of the Group for the year ended 31 December 2009 (the “Reporting Period”).

During the Reporting Period, the Group achieved profit attributable to the equity holders of HK$216 million, representing an increase of 111.6% as compared to the full year of last year.; gross profit increased by 18.1% to HK$859 million as compared to the corresponding period last year; sales revenue increased by 9.3% to HK$1.74 billion as compared to the corresponding period last year, among which, the sales revenue of intravenous infusions and its underlying businesses increased by 15.0% to HK$660 million as compared to the corresponding period last year. The Board of directors (the "Board") proposed a final dividend of HK$0.02 per share (2008: HK$0.01 per share). Together with an interim dividend of HK$0.02 per share, total dividends for the year were HK$0.04 per share. Dividend payout ratio increased from 32% in last year to 38% for this year.

Reviewing the results of the full year of 2009, Mr. Wu Qin, Chairman of Lijun International said: "During the Reporting Period, under the major background of global financial difficulties brought by global financial crisis, the Group was able to overcome the difficulties, seized the opportunities in the pharmaceutical industry, expanded continuously the scale of selling dominant and competitive products, increased its market share, accelerated the innovation of products and technology and reduced operating costs. Hence, the Group's operation results had achieved its best since its listing, with the Group's profits achieved a significant growth."

The Group's intravenous infusions and its underlying businesses have a significant profit contribution to the Group. During the Reporting Period, the ratio of soft-package and therapeutic intravenous infusion product to total sales revenue had continued to increase. Sales revenue of PP plastic bottle and non-PVC soft bag infusion solution representing a ratio of 71% of the Group's total sales revenue of infusion solution, up by 7% over last year. Whilst maintaining and consolidating the Group's high end market of plastic bottle and soft bag infusion solution, a series of products like Ambroxol, Amino Acid, Dextran and Mannitol was gradually forming its own product series through implementing a tailor-made product development and marketing strategy. With the Group's distinct product features, obvious cost competitive strengths, the momentum of brand influence keeps on increasing.

During the Reporting Period, while maintaining a growth in the Group's infusion solution product for domestic business, the foreign sales had also achieved satisfactory development. The Group's 16 categories of product with 30 types of specifications had successfully registered in 11 countries like Mongolia, Vietnam, Uzbekistan and Turkmenistan, and the products were sold in nearly 40 countries and regions in Asia, Africa and Europe with export trading value of US$5.88 million.

After going through the market adjustment for a period of time, the Group's antibiotics preparation product business showed an encouraging surging momentum during the Reporting Period. Settlement of accounts receivables on Lijunsha amounted to over RMB500 million, a growth of 10.7% on a year-on-year basis and accounts receivables reduced by RMB57 million. In the coming year, the Group will seize to increase market price and confidence of the distributors, pay attention to second-tier distributors, establishing strong distribution network and large end-user network, the Group will strive to achieve "both price and volume increases" for the 24s Lijunsha, and endeavor to achieve stable growth for 24s and 20s Lijunsha tablets.

During the Reporting Period, non-antibiotics pharmaceutical products were developing rapidly. Through the Group's impulsive academic promotion, the settlement of accounts receivables on Dobesilate had exceeded RMB65 million, a year-on-year growth of 26.3%. Sales of Lixiding was RMB21.82 million, an increase of 29.3% as compared with last year; batch of new key products like Ambroxol and Gliclazide were forming its economies of scale advantage. The yearly settlement of accounts receivables on general medicines was RMB245 million, a year-on-year growth of 6.5%. Out of the recently announced Essential Drug List which contains 307 products, we have 84 products enlisted.

For OTC products, new product "Kehao" which can clear lung, ease cough and relieve expectoration, its annual sales represented a year-on-year growth of 59%. Annual sales of Weikoujia VC effervescent tablet represented a year-on-year growth of 102%. The awareness and influence of the new launch product, Lijungai, was improving and was the only calcium product listed in the purchasing catalogue for sports nutrients of General Administration of Sport of China. Sales and receivables settlement of other new products of OTC series showed a relatively rapid growing momentum. Well-planned new influenza drug "Haogan" was launched into the market in the fourth quarter of 2009 and sales in trial selling regions showed relatively encouraging results.

For the development of new products, during the Reporting Period, the Group obtained 6 production permits for its new products and 4 national invention patents. The Company received a total project fund of RMB3.7 million from the government for the commercialization of 4 new products. As for Arbidol Hydrochloride Capsules (Enerxin) (the newly approved State Class II new medicine), it was certified by the State Key Laboratory regarding its efficacy in inhibiting Influenza A (H1N1) virus and widely acknowledged by market.

Also, in order to enable investors and the public to better appraise the position and business performance of the Group in time and effectively, the Group has adopted a new policy of announcing the unaudited operational updates of the Group on a quarterly basis, with effect from the first quarter of 2010. An announcement which sets out the unaudited operational summary for the Group for the first quarter ended 31 March 2010 is expected to be published before end of April 2010.

Looking forward of the year of 2010, Mr. Wu said: "Although the macroeconomic environment remains critical and the pharmaceutical industry will still be facing intense competition, the continuous increase in government's contributions to nationwide medical and public health, and market expansion of pharmaceutical industry due to new medical reform will become new opportunities under this reform. The Group will continue to intensify the structural adjustment of products, and enhance its development vitality and further ability, develop and establish "fast growth business segment, accelerate the construction of new projects and research and development of new products, and proactively arrange and seek merger and acquisition projects, so to ensure the Group's future development and enhance the stake of the shareholders".

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About Lijun International Pharmaceutical (Holding) Co., Ltd.

As one of the leading manufacturers in the pharmaceutical industry in China, Lijun International Pharmaceutical (Holding) Co., Ltd. has more than 70-year operating history and well-known brands. The Group was listed on Hong Kong Stock Exchange in December 2005 (stock code: 2005). The Group is engaged in the research, development, manufacturing and selling of a wide range of finished medicines and bulk pharmaceutical products to hospitals and distributors, including antibiotics, intravenous infusion solution, non-antibiotics finished products, bulk pharmaceuticals and health care product. The Group has manufacturing plants in Hebei Province and Shaanxi Province, the People's Republic of China and sells to customers mainly in Mainland China. The Company is the largest domestic manufacturer of macrolide antibiotics, with a leading position for its intravenous infusion solution products in high-end hospital market. The Company boasts of its robust brand strength including "Lijunsha", a "Famous Trademark" in China and one of the "Ten Favourite Trademarks" which took over approximately 66% market share in 2009. The Group successfully acquired Shijiazhuang No. 4 Pharmaceutical Co., Ltd., a leading intravenous infusion solution manufacturer in China in June 2007 to expand its intravenous infusion solution production business. Facing more merger and acquisition opportunities from medical reform, the Group is positioned for continuous mergers and acquisitions to promote its growth.

This press release is issued by Wonderful Sky Financial Group Limited on behalf of Lijun International Pharmaceutical (Holding) Co., Ltd.

For media inquiries, please contact:
Wonderful Sky Financial Group Limited
Cherry Qiu / Daisy Sun / Sandra Ho / Olivia Davidson
Dir: (852) 3970 2185 / 3970 2183 / 3970 2132
Tel: (852) 2851 1038
Fax: (852) 2815 1352
E-mail: cherryqiu@wsfg.hk / daisysun@wsfg.hk / sandraho@wsfg.hk / oliviadavidson@wsfg.hk

Attachment:

Consolidated Income Statement

Unit: HK$'000

	Year ended 31 December **2009**	2008
Revenue	**1,739,628**	1,591,028
Cost of sales	**(880,264)**	(863,496)
Gross profit	**859,364**	727,532
Selling and marketing costs	**(424,433)**	(389,091)
General and administrative expenses	**(175,555)**	(221,817)
Other gains – net	**21,404**	15,780
Operating profit	**280,780**	132,404
Finance income	**1,331**	2,100
Finance costs	**(41,114)**	(41,222)
Finance costs – net	**(39,783)**	(39,122)
Profit before income tax	**240,997**	93,282
Income tax (expense) / credit	**(24,803)**	8,914
Profit for the year	**216,194**	102,196
Profit attributable to:		
– Equity holders of the Company	**216,095**	102,106
– Minority interest	**99**	90
	216,194	102,196