



山東新華製藥股份有限公司
Shandong Xinhua Pharmaceutical Company Limited

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

(Stock Code: 0719)

**Proxy Form for the Solicitation of Voting Rights by Independent Non-executive Director
for the use at the Extraordinary General Meeting**

I/We, _____ (Note 1)
of _____ (Note 1),

being the registered holder(s) of _____ (Note 2) H shares (“**Shares**”) of Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”), hereby confirm as the appointing party that I/we have, prior to signing this Proxy Form, read carefully the full text of the Notice (the “**Notice**”) of the captioned meeting (the “**Meeting**”) to be held on Friday, 28 December 2018 at 2:00 p.m. at the Company’s conference room at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the People’s Republic of China (the “**PRC**”) published on the website of the Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk> and despatched to the holders of the Shares on the same day as this Proxy Form, and have been sufficiently informed about details in relation to the current solicitation of voting rights. I/we have the right to, at any time prior to the Meeting, revoke my/our appointment of the soliciting party as proxy under this Proxy Form or to amend the contents of this Proxy Form in accordance with procedures specified in the Notice.

As the appointing party, I/we hereby appoint Mr. Li Wenming, independent non-executive director of the Company, as my/our proxy to attend the Meeting and any adjournment thereof and to exercise voting rights in respect of the following matters to be considered at the Meeting in accordance with instructions in this Proxy Form.

My/our voting directions for the matters in respect of which voting rights are being solicited are as follows:

Special Resolutions		For (Note 4)	Against (Note 4)	Abstention (Note 4)
3.	To consider and approve the proposed Share Option Scheme of the Company (the “ Share Option Scheme ”) and a summary thereof.			
4.	To consider and approve the Assessment Methods in Respect of the Implementation and Management of the 2018 Share Option Scheme (together with the Share Option Scheme, the “ Scheme Documents ”).			
5.	To authorise the board of directors of the Company throughout the validity period of the Share Option Scheme to determine and deal with and to make delegations as appropriate to deal with any matters in relation to, in furtherance of, for the implementation and management of and/or for the construction or interpretation of the Scheme Documents pursuant to Shareholders’ approval and to the applicable laws, rules and regulations.			

Shareholder’s signature: _____

Date: _____

Notes:

1. Please insert your full name and address in **BLOCK CAPITALS**.
2. Please insert the number of Shares registered in your name and to which this Proxy Form relates. If no such number is inserted, this Proxy Form will be deemed to relate to all the Shares registered in your name (whether alone or jointly with others).
3. Any alteration made to this Proxy Form must be signed by the person who originally executed this Proxy Form.
4. If you wish to vote for any resolution, please insert “ ” in the box marked “For”. If you wish to vote against any resolution, please insert “ ” in the box marked “Against”. If you wish to abstain from voting on any resolution, please insert “ ” in the box marked “Abstention”. Failure to make any indication will entitle your proxy/proxies to vote or abstain at his discretion. The number of abstained votes will not be counted as the required majority in favour of any resolution proposed but will be counted into the denominator for the purpose of percentage calculation of the voting.
5. This Proxy Form must be signed by you or your attorney duly authorised in writing. Corporations must execute this Proxy Form under common seal or under the hand of any director or attorney duly authorised.
6. In order to be valid, this Proxy Form together with any power of attorney or other documents of authorisation (if any) under which it is signed or a notarised copy thereof must be lodged with the Secretary to the Board’s office of the Company at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the PRC or to Hong Kong Registrars Limited, the Company’s H Shares registrar, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 24 hours before the holding of the Meeting.
7. In case of joint holders of any Share, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such Shares as if he/she/it is solely entitled thereto. However, if more than one of such joint holders are present at the Meeting, personally or by proxy, the vote of the joint holder whose name stands first in the register of members and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of other joint holder(s).
8. Shareholders of the Company (the “**Shareholders**”) or their proxies attending the Meeting shall produce their identity documents as required.
9. Completion and return of this Proxy Form will not preclude you from attending and voting at the Meeting and any adjournment thereof in person and in such event this Proxy Form shall be deemed to be revoked.
10. Any resolution at the Meeting will be taken by poll.
11. All references to time herein refer to Hong Kong time.