

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.



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: 00719)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”) will be held 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**”) on Thursday, 27 October 2022 from 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions.

A. MATTERS FOR CONSIDERATION AND APPROVAL AT THE EGM

ORDINARY RESOLUTIONS

1. To consider and approve the appointment of Mr. Ling Peixue as an independent-non executive director of the Company for a term concurrent with the tenth session of the Board (the “**Tenth Session of the Board**”) until 22 December 2023.
2. To consider and approve the appointment of Mr. Xu Wenhui as executive director of the Company by cumulative voting^(note 4) for a term concurrent with the Tenth Session of the Board until 22 December 2023.

3. To consider and approve the appointment of Mr. Hou Ning as executive director of the Company by cumulative voting^(note 4) for a term concurrent with the Tenth Session of the Board until 22 December 2023.

By Order of the Board
Shandong Xinhua Pharmaceutical Company Limited
He Tongqing
Chairman

29 September 2022, Zibo, PRC

Notes:

1. The register of members of the Company will be closed from 21 October 2022 to 27 October 2022 (both days inclusive), during which period no H Share transfers of the Company will be registered. Shareholders whose names appear on the register of members of the Company kept by the Hong Kong Registrars Limited at the close of business on Friday, 21 October 2022 and on the register of members kept by the China Securities Registrar Company Limited Shenzhen Branch after the closing of Shenzhen Stock Exchange on Wednesday, 19 October 2022 are entitled to attend the EGM or any adjournment thereof.
2. H Shareholders who wish to attend the EGM shall lodge their share transfer instruments accompanied by the relevant share certificates with the share registrar for the Company's H Shares not later than 4:30 p.m. on Thursday, 20 October 2022.

The address of the share registrar for the Company's H Shares:
Hong Kong Registrars Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Wanchai,
Hong Kong

3. Shareholders who intend to attend the EGM are requested to send the completed and signed reply slip for attendance despatched to the Company's shareholders together with this notice to the office of the secretary to the Board (see Note 9 below) or to the share registrar for the Company's H Shares (see Note 2 above) on or before 26 October 2022, by hand, by post or by facsimile. The written reply will not affect the right of the Shareholders to attend and vote at the EGM.
4. The Company adopts the cumulative voting method to elect the executive Directors at the EGM, i.e. the number of votes each Shareholder is entitled to shall be equal to the number of Shares with voting rights held by him/her multiplied by the number of Directors to be elected, and Shareholders may allocate his/her votes arbitrarily to candidates to the extent of the number of Directors to be elected (he/she can allocate no vote to any candidate) provided that the total number of votes allocated shall not be more than the number of votes he/she is entitled to.

For example: under the cumulative voting method, the maximum valid votes that a shareholder is entitled to cast are calculated on the basis of the total number of shares held by such shareholder times the number of directors to be elected (2 persons). If such shareholder holds 100 shares, then the maximum valid votes he can cast = 100 (the number of shares held by him) × 2 = 200. The shareholder could use his discretion to cast 200 votes evenly among 2 candidates, or to place all his votes on one particular candidate, or to split his votes to 2 candidates. Where the total number of votes cast by a shareholder for one or several of the candidate(s) of directors is in excess of the number of votes carried by the total number of shares held by him, the votes cast by the shareholder shall be invalid, and the shareholder shall be deemed to have waived his voting rights. Where the total number of votes cast for one or several candidate(s) of directors by a shareholder is less than the number of votes carried by the total number of shares held by such shareholder, the votes cast by the shareholder shall be valid, and the voting rights attached to the shortfall between the votes actually cast and the votes which the shareholder is entitled to cast shall be deemed to have been waived by the shareholder.

5. Shareholders entitled to attend and vote at the EGM may appoint one or more proxies (whether the person is a Shareholder or not) to attend and vote on his/her/its behalf at the EGM. When a Shareholder appoints more than one proxy, such proxies may only vote by way of poll.
6. Shareholders may only appoint a proxy or proxies in writing i.e. the proxy form despatched to the Company's shareholders together with this notice or a copy of it, which shall be in compliance with the instructions thereon and signed by the person appointing the proxy or proxies or by his/her/its duly authorised attorney. If the form of proxy is signed by an attorney, the document appointing the attorney must be certified by a notary public. If the appointing shareholder is a legal entity, its seal or the signature of its director(s) or representative(s) duly authorised in writing is required. To be valid, a notarially certified power of attorney or other authority (if any) and the forms of proxy must be received by the office of the secretary to the Board (see Note 9 below) 24 hours prior to the commencement of the EGM. The completion and deposit of a form of proxy will not preclude any Shareholder from attending and voting in person at the EGM or any adjournment thereof.
7. Shareholders or their proxies shall present proof of identity upon attending the EGM. Should a proxy be appointed, the proxy shall also present his/her form of proxy.
8. The EGM are expected to last half a day. Shareholders who attend any of the Meetings shall bear their own traveling and accommodation expenses.
9. The address of the office of the secretary to the Board is as follows:

No.1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, PRC
Postal Code: 255086
Telephone: 86 533 2196024
Facsimile: 86 533 2287508

10. All references to time herein refer to Hong Kong time.
11. For the arrangements applicable to the A Share Shareholders in respect of the EGM, please refer to the notice(s) to A Share Shareholders published by the Company on the website of the Shenzhen Stock Exchange of the even date.
12. The proposed appointment of independent non-executive director and the proposed appointment of executive directors have been set out in the announcement of the Company dated 30 August 2022 and 19 September 2022, respectively and the circular dated 29 September 2022.

As at the date hereof, the Board comprises:

Executive Director:

Mr. He Tongqing (*Chairman*)

Non-executive Directors:

Mr. Xu Lie

Mr. Cong Kechun

Independent Non-executive Directors:

Mr. Lo Wah Wai

Mr. Pan Guangcheng

Mr. Zhu Jianwei