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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Shandong Xinhua Pharmaceutical Company Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**(1) PROPOSED APPOINTMENT AND RE-ELECTION OF  
DIRECTORS AND SUPERVISORS; AND  
(2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

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A letter from the Board is set out on pages 1 to 11 of this circular.

A notice convening the EGM to be held at the conference room of the Company at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, PRC on 22 December 2023, Friday at 2:00 p.m. is also set out on pages 12 to 17 of this circular.

(i) A notice convening the EGM to be held at the conference room of the Company at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, PRC on 22 December 2023, Friday at 2:00 p.m.; and (ii) the proxy form and reply slip in relation to the EGM are enclosed and also published and available for downloading on the websites of The Stock Exchange of Hong Kong Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and of the Company at <http://www.xhzy.com>.

Whether or not you intend to attend the EGM, we encourage you to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours prior to the commencement of the EGM (or any adjournments thereof). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish. Shareholders who intend to attend the EGM should also complete and return the reply slip in accordance with the instructions printed thereon.

30 November 2023

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“A Share(s)”	A Share(s) of RMB1.00 each in the capital of the Company which is/are listed and traded on the Shenzhen Stock Exchange
“A Shareholders”	holder(s) of A Shares
“Board”	the board of Directors of the Company
“Company”	山東新華製藥股份有限公司(Shandong Xinhua Pharmaceutical Company Limited), a joint stock limited company incorporated in the PRC
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 2:00 p.m. on 22 December 2023 at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, PRC
“H Share(s)”	H Share(s) of RMB1.00 each in the capital of the Company which is/are listed and traded on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China which, for and only for the purpose of this circular only, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Appointment”	the Proposed Appointment of Directors and the Proposed Appointment of Supervisors
“Proposed Appointment of Directors”	the proposed appointment of certain Directors for a new term of three years commencing from the date of approval of the Shareholders at the EGM
“Proposed Appointment of Supervisors”	the proposed appointment of certain Supervisors for a new term of three years commencing from the date of approval of the Shareholders at the EGM
“Re-election”	the re-election of certain Directors and Supervisors to their respective offices of Directors or Supervisors for a new term of three years commencing from the date of approval of the Shareholders at the EGM

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	holder(s) of Share(s)
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

*If there is any inconsistency between such names or words and their English translations in this circular, the Chinese expressions shall prevail.*

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## LETTER FROM THE BOARD

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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)

*Executive Directors:*

Mr. He Tongqing (*Chairman*)

Mr. Xu Wenhui

Mr. Hou Ning

*Registered Address:*

Chemical Industry Area of Zibo Hi-tech

Industry Development Zone,

Zibo City,

Shandong Province, PRC

*Non-executive Directors:*

Mr. Cong Kechun

Mr. Xu Lie

*Principal Place of Office:*

No. 1 Lutai Ave.,

Hi-tech Industry Development Zone, Zibo City,

Shandong Province, PRC

*Independent Non-executive Directors:*

Mr. Pan Guangcheng

Mr. Zhu Jianwei

Mr. Lo Wah Wai

30 November 2023

*To Shareholders*

Dear Sir or Madam,

**(1) PROPOSED APPOINTMENT AND RE-ELECTION OF  
DIRECTORS AND SUPERVISORS; AND  
(2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the notice of the EGM and certain information to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM.

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## LETTER FROM THE BOARD

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### 2. PROPOSED APPOINTMENT AND RE-ELECTION OF DIRECTORS AND SUPERVISORS

Reference is made to the announcement of the Company dated 17 November 2023 in relation to the Proposed Appointment and Re-election of Directors and Supervisors.

#### **Expiry of the terms of office of the tenth session of the Board of Directors and Supervisory Committee**

The terms of office of the tenth session of the Board and the Supervisory Committee (save for the Supervisors representative of the employees of the Company) are due to expire in late December 2023.

#### **Retirement of certain Directors (the “Retirement”)**

Mr. Cong Kechun (the non-executive Director of the tenth session of the Board) and Mr. Lo Wah Wai (an independent non-executive Director of the tenth session of the Board) will retire upon the appointment of Directors of the eleventh session of the Board being approved at the EGM.

Each of Mr. Cong Kechun and Mr. Lo Wah Wai has confirmed that he has no disagreement with the Board and he is not aware of any matters relating to the Retirement that need to be brought to the attention of the Shareholders.

#### **Proposed Appointment**

In a Board meeting held on 17 November 2023, the Board has unanimously resolved to nominate for appointment (i) Mr. Zhang Chengyong as a non-executive Director; and (ii) Mr. Ling Peixue and Ms. Cheung Ching Ching, Daisy as independent non-executive Directors, to the eleventh session of the Board (the “**Proposed Appointment of Directors**”). No Director was required to abstain from voting in respect of the Proposed Appointment of Directors and Re-election of Directors.

The Proposed Appointment of Directors is subject to the approval of Shareholders by ordinary resolutions at the EGM. The term of office of Directors of the eleventh session of the Board shall be three years from the date of approval at the EGM.

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## LETTER FROM THE BOARD

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### **Re-election of Directors and Supervisors**

The Board is pleased to announce that certain Directors and the Supervisors (save for the Supervisors representatives of the employees of the Company) will seek re-election to their respective offices of Directors or Supervisors for a new term of three years commencing from the date of approval of the Shareholders at the EGM (the “**Proposed Re-election**”). The Proposed Re-election is subject to the approval of Shareholders by ordinary resolutions at the EGM.

Biographical details of the candidates seeking appointment and re-election to the eleventh session of the Board are set out below:

#### **A. Biographical details of candidates seeking the Re-election**

##### ***Candidates for executive Directors***

###### ***1. Mr. He Tongqing***

Mr. He Tongqing, aged 54, is a senior economist. He graduated from Shandong Polytechnic University, specialising in materials science and engineering and obtained a Master of Business Admission (MBA) from Shandong University. Mr. He joined Shandong Xinhua Pharmaceutical Factory in 1991. His previous positions at the Group include workshop technician, planner, sales officer, regional manager, manager of the drug department, marketing director and general manager of Shandong Zibo Xin Cat Pharmaceutical Co., Ltd. and deputy general manager of the Company. Mr. He is currently the chairman of the Company and Shandong Xinhua Health Technology Co., Ltd, the executive director of Shandong Xinhua Pharmaceutical Trade Co., Ltd. and Zibo Xinhua Pharmacy Chain Co., Ltd.

As at the date hereof, Mr. He has not entered into any service contract with the Company. As an executive Director, Mr. He was entitled to basic emolument in the amount of approximately RMB520,000 in 2023 which was determined by reference to his experience and the emoluments of the other non-independent Directors. It is expected that Mr. He will receive a similar amount of basic emolument annually during the eleventh session of the Board for acting as an executive Director.

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## LETTER FROM THE BOARD

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2. *Mr. Xu Wenhui*

Mr. Xu Wenhui, aged 47, is a senior engineer. He graduated from Tianjin University with a major in chemical engineering. He joined the Company in 1999 and has worked as workshop assistant engineer, deputy secretary of the Youth League Committee, workshop secretary and deputy director, deputy manager and manager of the production and operations department of Xinhua Pharmaceutical (Shouguang) Company Limited (“**Shouguang Company**”), assistant to the general manager of the Company and manager of Shouguang Company and deputy general manager of the Company. He is currently the director and the general manager of the Company, the executive director of Shandong Zibo Xin Cat Pharmaceutical Co., Ltd. and Xinhua Pharmaceutical (Gaomi) Co., Ltd., the chairman of Shouguang Company and Shandong Tongxin Pharmaceutical Co., Ltd..

As at the date hereof, Mr. Xu has not entered into any service contract with the Company. As an executive Director, Mr. Xu was entitled to emolument in the amount of approximately RMB480,000 in 2023 which was determined by reference to his experience and the basic emoluments of the other non-independent Directors. It is expected that Mr. Xu will receive a similar amount of basic emolument annually during the eleventh session of the Board for acting as an executive Director.

3. *Mr. Hou Ning*

Mr. Hou Ning, aged 50, holds a master’s degree in applied accounting and finance from the Hong Kong Baptist University. He is a senior accountant and a senior economist. Mr. Hou had served as deputy head of the Audit Division of Shandong Hualu Hengsheng Group Co., Ltd.; head of the Audit Department, head of the Investment Department of Technological Development Centre, manager of the Marketing Department and manager of the Finance Department of Shandong Hualu-Hengsheng Chemical Co., Ltd. Mr. Hou currently serves as the director and chief financial officer of the Company and a director of Zibo Xinhua-Perrigo Pharmaceutical Co., Ltd. and Shandong Tongxin Pharmaceutical Co., Ltd..

As at the date hereof, Mr. Hou has not entered into any service contract with the Company. As an executive Director, Mr. Hou was entitled to emolument in the amount of approximately RMB400,000 in 2023 which was determined by reference to his experience and the basic emoluments of the other non-independent Directors. It is expected that Mr. Hou will receive a similar amount of basic emolument annually during the eleventh session of the Board for acting as an executive Director.

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## LETTER FROM THE BOARD

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### ***Candidate for non-executive Director***

1. *Mr. Xu Lie*

Mr. Xu Lie, aged 58, is a senior economist and professor level senior political engineer, and has graduated with a university degree and holds a Master of Management from Shandong University of Technology. He joined Shandong Xinhua Pharmaceutical Factory in 1986 and since taken up the positions of deputy director and director of the office, the deputy head of the office, the manager of the human resource department and a director and the chairman of the labour union of the Shandong Xinhua Pharmaceutical Group Company Limited, the controlling shareholder of the Company at that time. Mr. Xu is currently a director and the chairman of the labour union of the Company.

As at the date hereof, Mr. Xu has not entered into any service contract with the Company. As a non-executive executive Director, Mr. Xu was entitled to basic emolument in the amount of approximately RMB400,000 in 2023 which was determined by reference to his experience and the basic emoluments of the other non-independent Directors. It is expected that Mr. Xu will receive a similar amount of basic emolument annually during the eleventh session of the Board for acting as an non-executive Director.

### ***Candidate for Independent non-executive Director***

1. *Mr. Pan Guangcheng*

Mr. Pan Guangcheng, aged 74, is a senior engineer and graduated from Shanghai University with a major in electrical engineering. Mr. Pan served as the cadre and director of the Medical Device Bureau of the Ministry of Health, director and deputy director general of the Department of Personnel, director general of the Department of Policies and Regulations of the National Medical Administration, deputy general manager of China National Medical Equipment Industry Corporation, secretary to the board of directors of China National Pharmaceutical Group Co., Ltd., chief executive officer of China Pharmaceutical Industry Association (“CPIA”) and independent director of Harbin Pharmaceutical Group Co., Ltd. Currently, Mr. Pan is the senior president of CPIA, independent director of North China Pharmaceutical Co., Ltd. He is currently an independent non-executive Director of the Company.

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## LETTER FROM THE BOARD

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As at the date hereof, Mr. Pan has not entered into any service contract with the Company. As an independent non-executive Director, Mr. Pan was entitled to emolument in the amount of RMB100,000 in 2023 which was determined by reference to his experience and the emoluments of the other independent non-executive Directors. It is expected that Mr. Pan will receive a similar amount of emolument annually during the eleventh session of the Board for acting as an independent non-executive Director.

2. *Mr. Zhu Jianwei*

Mr. Zhu Jianwei, aged 68, is the “Zhiyuan Chair Professor” of Shanghai JiaoTong University, a position which he held since September 2012. He holds a bachelor’s degree in biochemical engineering from East China University of Science and Technology, a master’s degree in microbial pharmacy and doctoral degree in microbial genetics from Shanghai Research Institute of Pharmaceutical Industry, and a master’s degree in Business Administration from Hood College in the United States. He has served as a senior researcher at the Joslin Diabetes Center of Harvard Medical School, technical operation director of biologic drug development of SAIC Frederick Inc. in the USA and the third dean of the School of Pharmacy of Shanghai Jiao Tong University. Mr. Zhu is currently a director and chief scientist of the Engineering Research Center of the Ministry of Education for Cell Engineering, Antibody and Drugs as well as an independent director at Sichuan Jinshi Asia Pharmaceutical Co., Ltd. and Beijing Kaiyin Technology Co., Ltd. He is currently an independent non-executive Director of the Company.

As at the date hereof, Mr. Zhu has not entered into any service contract with the Company. As an independent non-executive Director, Mr. Zhu was entitled to emolument in the amount of approximately RMB100,000 in 2023 which was determined by reference to his experience and the emoluments of the other independent non-executive Directors. It is expected that Mr. Zhu will receive a similar amount of emolument annually during the eleventh session of the Board for acting as an independent non-executive Director.

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## LETTER FROM THE BOARD

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### *Candidates for Supervisors*

1. *Mr. Liu Chengtong*

Mr. Liu Chengtong, aged 52, is a senior economist and qualified lawyer and he is an arbitrator at the Jinan Arbitration Commission. Mr. Liu holds a Master of Business Admission (MBA) from the School of Economics and Management of Tongji University and a Master's degree in law from the School of Law of Shandong University. He has served as manager, deputy general manager and senior deputy general manager of the planning and development department, and deputy director of the office of legal affairs of Hualu Holdings Co. Ltd. (“HHC”). Mr. Liu is currently the general counsel, general manager of the investment and development department and department head of legal affairs at HHC; vice chairman of the Board of Supervisors of Shandong Lukang Pharmaceutical Co., Ltd.; a director of each of Shandong Hualu Hengsheng Chemical Co., Ltd., Hualu Hengsheng (Jingzhou) Co., Ltd. and Hualu Group (Hong Kong) Co., Ltd., and a supervisor of Shandong Yulong Petrochemical Co., Ltd. Mr. Liu is the Chairman of the board of Supervisors of the Company.

As at the date hereof, Mr. Liu has not entered into any service contract with the Company. As a Supervisor, Mr. Liu has not received any emolument in 2023 and does not plan to receive remuneration for acting in the capacity as a Supervisor during the eleventh session of the Board.

2. *Mr. Tao Zhichao*

Mr. Tao Zhichao, aged 54, graduated from East China University of Politics and Law with a bachelor's degree in law and has been conferred a master's degree in law from Shandong University. Mr. Tao was previously a partner of Shandong Zhigong Law Firm, and currently a director of management committee and associate of Beijing Yingke (Zibo) Law Firm. Mr. Tao is an independent Supervisor of the Company.

As at the date hereof, Mr. Tao has not entered into any service contract with the Company. As a Supervisor, Mr. Tao was entitled to emolument in the amount of approximately RMB40,000 in 2023 which was determined by reference to his experience and the emoluments of the other Supervisors. It is expected that Mr. Tao will receive a similar amount of emolument annually during the eleventh session of the Board for acting as a Supervisor.

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## LETTER FROM THE BOARD

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3. *Mr. Xiao Fangyu*

Mr. Xiao Fangyu, aged 54, is an asset appraiser and land appraiser and graduated from Shandong University with specialization in Mathematics. He has been a staff member and superintendent of the Zichuan District Finance Bureau of Zibo city, senior manager of Shandong Zhenglu Accounting Firm, department head of Shandong North Asset Appraisal Firm, deputy director of Jinan branch of Zhongxingcai Guanhua Certified Public Accountants and a general manager of Shandong Zhongping Hengxin Asset Appraisal Co., Ltd. Mr. Xiao is currently the general manager of Shandong Branch of Beijing Tianjian Xingye Assets Appraisal Co., Ltd. and is an independent Supervisor of the Company.

As at the date hereof, Mr. Xiao has not entered into any service contract with the Company. As a Supervisor, Mr. Xiao was entitled to emolument in the amount of approximately RMB40,000 in 2023 which was determined by reference to his experience and the emoluments of the other Supervisors. It is expected that Mr. Xiao will receive a similar amount of emolument annually during the eleventh session of the Board for acting as a Supervisor.

**B. Biographical details of candidates for the Appointment**

***Candidate for non-executive Director***

1. *Mr. Zhang Chengyong*

Mr. Zhang Chengyong, aged 51, is a senior economist, a Company lawyer and a high-end financial talent in Shandong Province. He has attained a bachelor's degree in Economics and a Master of Law from the Department of Business and Economics of Shandong University of Economics and the Law School of Shandong University respectively. Previously, he served as deputy general manager and general manager of Capital Operation Department of Hualu Holding Group Co., Ltd. Currently, he is director of capital operation of Hualu Holding Group Co., Ltd., the secretary of the party branch and an executive director (legal representative) of Hualu Investment Development Co., Ltd., a director of Shandong Hualu Hengsheng Chemical Co., Ltd., a director of Shandong Lukang Pharmaceutical Co., Ltd., and the director and chairman of Hualu International Financial Leasing Co., Ltd.

As at the date hereof, Mr. Zhang has not entered into any service contract with the Company and does not plan to receive remuneration for being a non-executive Director during the eleventh session of the Board.

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## LETTER FROM THE BOARD

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### *Candidates for independent non-executive Directors*

1. *Mr. Ling Peixue*

Mr. Ling Peixue, aged 61, is a professor and a member of the International Eurasian Academy of Sciences (IEAS). Mr. Ling graduated from Shandong Medicine College with a bachelor's degree in pharmacology, and has attained a master's degree in microbial pharmacy from the Shandong Medical University and Shanghai Research Institute of Pharmaceutical Industry, a master's degree in business administration from Peking University and Fordham University in the United States of America as well as a doctorate degree in drug chemistry from the Ocean University of China. Mr. Ling has previously been the president of Shandong Biopharmaceuticals Research Institute, the general manager of Shandong Commercial Group Co., Ltd, the general manager and chairman of Shandong FredaPharmaceutical Group, and an independent non-executive director of the Company. Mr. Ling is currently the chief officer of the National Glycoengineering Research Center of Shandong University, the chief scientist at the Shandong Academy of Pharmaceutical Sciences, the chief officer of the National and Local United Engineering Laboratory, the vice chairman of the National Integrated Platform for New Pharmaceutical Research, Development and Technology and the chief technical officer of the National Shandong Innovative Drug Incubation Base.

As at the date hereof, Mr. Ling has not entered into any service contract with the Company. Mr. Ling has received emolument in the amount of RMB58,331 for the period of his service as an independent non-executive director of the Company in 2023. It is expected that Mr. Ling will receive a similar amount of emolument annually during the eleventh session of the Board as an independent non-executive Director as other re-elected independent non-executive Directors, which is determined by reference to his experience and the emoluments of the other independent non-executive Directors.

2. *Ms. Cheung Ching Ching, Daisy*

Ms. Cheung Ching Ching, Daisy, aged 49, graduated from Oxford Brookes University with a Bachelor of Science with honours. Ms. Cheung is a member of the Hong Kong Institute of Certified Public Accountants and a Certified Public Accountant in Hong Kong. She has worked for PricewaterhouseCoopers and has over 10 years of experience in auditing and accounting services. She is currently on the board of Directors of Burley LLP Ltd, a director of FTS CPA Limited, an independent director of Achiever Corporate Services Limited, and an independent director of High Technology Printing Group Limited.

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## LETTER FROM THE BOARD

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As at the date hereof, Ms. Cheung has not entered into any service contract with the Company. It is expected that Ms. Cheung will receive a similar amount of emolument annually during the eleventh session of the Board as an independent non-executive Director as other re-elected independent non-executive Directors, which is determined by reference to her experience and the emoluments of the other independent non-executive Directors.

Save as disclosed above, as at the date hereof, none of the above persons (i) has held any other positions in the Company or other members of the Group or any directorship in any other listed companies in the past three years immediately preceding this announcement; (ii) has any relationship with any other Director, Supervisor, senior management, substantial shareholder or controlling shareholder (as these terms are defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the Company; or (iii) has, or is deemed to have, any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning as set out under Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). The Board is not aware of any matters relating to the appointment or re-election of the above Directors that would need to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules or otherwise that would need to be brought to the attention of the Shareholders.

### 3. EGM

The Proposed Appointment and Re-election are subject to the approval of the Shareholders by way of ordinary resolution at the EGM.

(i) A notice convening the EGM to be held at the conference room of the Company at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, PRC on 22 December 2023, Friday at 2:00 p.m.; and (ii) the proxy form and reply slip in relation to the EGM is enclosed and also published and available for downloading on the websites of The Stock Exchange of Hong Kong Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and of the Company at <http://www.xhzy.com>.

As disclosed in the notice of the EGM, for the purpose of determining the H Shareholders entitled to attend and vote at the EGM, the register of members of the H shares of the Company has been scheduled to close from 18 December 2023 to 22 December 2023 (both days inclusive), during which period no transfer of H Shares will be registered. Shareholders whose names appear on the register of members of the H shares of the Company kept with the Hong Kong Registrars Limited on Monday, 18 December 2023 are entitled to attend the EGM.

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## LETTER FROM THE BOARD

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Whether or not you intend to attend the EGM, we encourage you to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours prior to the commencement of such meetings (or any adjournments thereof). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish. Shareholders who intend to attend the EGM should also complete and return the reply slip in accordance with the instructions printed thereon.

For the corresponding arrangements applicable to the A Shareholders, please refer to the meeting notices to A Shareholders with which the relevant forms of proxy and reply slips were enclosed and published by the Company on the website of the Shenzhen Stock Exchange of even date.

#### **4. VOTING BY POLL**

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to all proposed resolutions at the EGM.

#### **5. RECOMMENDATIONS**

The Board considers that the proposed resolutions set out above are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that Shareholders eligible to vote at the EGM to attend and vote in favour of the resolutions.

#### **6. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

30 November 2023, Zibo, the People's Republic of China

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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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 the Board of Directors (the “**Board**”) of Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”) will hold an extraordinary general meeting of the Company 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 Friday, 22 December 2023 at 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions.

The details of the Meetings are provided as follows:

#### **A. CONVENING OF THE EGM**

##### **1. Time of the Meetings**

The EGM will commence at 2:00 p.m. on Friday, 22 December 2023.

##### **2. Venue of the physical Meetings**

The Meetings 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**”).

##### **3. Convenor**

The Meetings were convened by the Board.

##### **4. Ways of conducting the Meetings**

The Shareholders or the duly appointed proxies thereof may vote at the EGM by way of physical voting or online voting, whereas the H Shareholders or the duly appointed proxies thereof may vote at the EGM by way of physical voting.

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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### 5. Eligible attendees

#### (1) *Shareholders*

The EGM:

All the A Shareholders whose names appear on the register of members, kept by China Securities Depository and Clearing Corporation Limited, Shenzhen Office, as at the close of A share trading session on Shenzhen Stock Exchange on Monday, 18 December 2023.

For information on the attendance of the A Shareholders, please refer to the notice(s) to A Shareholders in respect of the EGM published by the Company on the website of the Shenzhen Stock Exchange of even date.

All the H Shareholders whose names appear on the register of members of H shares of the Company (“**H Shares**”) on Monday, 18 December 2023.

(2) Proxies duly appointed by the Shareholders;

(3) Directors (“**Directors**”), supervisors (“**Supervisors**”) and senior management (with the meaning ascribed thereto under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the “**Senior Management**”) of the Company;

(4) Legal advisors to the Company; and

(5) Auditors of the Company.

### B. MATTERS FOR CONSIDERATION AND APPROVAL AT THE EGM

The following resolutions will be submitted for consideration and approval at the EGM:

#### ORDINARY RESOLUTIONS NOTES 1, 2

##### *Executive and Non-executive Directors*

1. To consider and approve the re-election of Mr. He Tongqing as executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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2. To consider and approve the re-election of Mr. Xu Wenhui as executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
3. To consider and approve the re-election of Mr. Xu Lie as non-executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
4. Mr. Zhang Chengyong be elected as non-executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
5. To consider and approve the re-election of Mr. Hou Ning as executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.

### ***Independent Non-executive Directors***

1. To consider and approve the re-election of Mr. Pan Guangcheng as independent non-executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
2. To consider and approve the re-election of Mr. Zhu Jianwei as independent non-executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
3. Mr. Ling Peixue be elected as independent non-executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
4. Ms. Cheung Ching Ching, Daisy be elected as independent non-executive director of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.

### ***Supervisors***

1. To consider and approve the re-election of Mr. Liu Chengtong as supervisor of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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2. To consider and approve the re-election of Mr. Tao Zhichao as supervisor of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.
3. To consider and approve the re-election of Mr. Xiao Fangyu as supervisor of the Company by cumulative voting for a period of 3 years with effect from the date of approval by the Shareholders.

### C. REGISTRATION OF THE MEETINGS

1. The register of members of the Company will be closed from 18 December 2023 to 22 December 2023 (both days inclusive), during which period no H Share transfers will be registered. Shareholders whose names appear on the register of members of the Company kept by the Hong Kong Registrars Limited on Monday, 18 December 2023 and on the register of members kept by the China Securities Registrar Company Limited Shenzhen Branch after the closing of Shenzhen Stock Exchange on Monday, 18 December 2023 and the Directors, the Supervisors and the Senior Management 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 Friday, 15 December 2023.

The address of the share registrar for the Company's H Shares:

Hong Kong Registrars Limited  
17M 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 Shareholders together with this notice to the office of the secretary to the Board (see Note 8 below) or to the share registrar for the Company's H Shares on or before 2:00 p.m. on 21 December 2023, 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. 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.

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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5. Shareholders may only appoint a proxy or proxies in writing i.e. the proxy forms (“**Proxy Forms**”) despatched to the Company’s shareholders together with this notice or a copy thereof, 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 notarised 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 8 below) 24 hours prior to the commencements of the EGM (as the case may be). The completion and deposit of a form of proxy will not preclude any Shareholder from attending and voting in person at the EGM (as the case may be) or any adjournment thereof.
6. Shareholders or their proxies shall present proof of identity as required upon attending the EGM (as the case may be). Should a proxy be appointed, the proxy shall also present his/her form of proxy.
7. The Meeting is expected to last half a day. Shareholders who attend any of the Meeting shall bear their own traveling and accommodation expenses.
8. 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
9. All references to time herein refer to Hong Kong time.
10. For the arrangements applicable to the A Shareholders in respect of the EGM, please refer to the notice(s) to A Shareholders published by the Company on the website of the Shenzhen Stock Exchange of even date.

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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### D. DOCUMENTS AVAILABLE FOR INSPECTION

1. Resolutions passed at the second extraordinary meeting of the tenth session of the Board in 2023; and
2. Resolutions passed at the first extraordinary meetings of the tenth session of the Supervisory Committee in 2023.

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

30 November 2023, Zibo, PRC

*Notes:*

1. When Directors/or Supervisors are elected through cumulative voting at the EGM, the number of total votes that a Shareholder can exercise is decided by the following factors: (i) the number of shares held by such Shareholder, and (ii) the number of Directors/or Supervisors to be elected. A Shareholder can give all his or her votes to one of the candidates for Directors/or Supervisors or divide his or her votes among several candidates for directors/or supervisors. Directors/or Supervisors are elected based on the total number of votes a candidate receives at the EGM.
2. The biographical details of the candidates of the Directors and Supervisors for appointment and re-election have been set out in the announcement of the Company dated 17 November 2023 and the circular dated 30 November 2023.

As at the date hereof, the Board comprises:

*Executive Directors:*

Mr. He Tongqing (*Chairman*)  
Mr. Xu Wenhui  
Mr. Hou Ning

*Independent Non-executive Directors:*

Mr. Pan Guangcheng  
Mr. Zhu Jianwei  
Mr. Lo Wah Wai

*Non-executive Directors:*

Mr. Cong Kechun  
Mr. Xu Lie