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If you have sold or transferred all your shares in Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司) (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

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

(Stock Code: 2289)

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (2) PROPOSED REMUNERATION OF DIRECTORS AND SUPERVISORS;**
- (3) PROPOSED PROJECTED DAILY RELATED TRANSACTIONS OF
THE COMPANY IN 2022;**
- (4) PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR;**
- (5) PROPOSAL FOR GENERAL MANDATE TO ISSUE NEW SHARES
AND**
- (6) NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 8 of this circular. A notice convening the annual general meeting of the Company (the “AGM”) to be held at the Conference Room on 3rd Floor, No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC at 10 a.m. on Monday, 6 June 2022, is set out on pages 9 to 14 of this circular.

Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder. In order to be valid, the proxy form for the AGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province not less than 24 hours (not later than 10:00 a.m. on Sunday, 5 June 2022) before the time for holding the AGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM or any adjourned meetings should they so wish.

29 April 2022

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DEFINITIONS

In this circular, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held on Monday, 6 June 2022 at 10 a.m. at the Conference Room on 3rd Floor, No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC or any adjournment thereof, the notice of which is set out on pages 9 to 14 of this circular
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time, and “Article” shall mean an article of the Articles of Association
“Board”	the board of Directors
“Company”	Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares of which are listed and traded on the Stock Exchange (stock code: 2289)
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules and unless the context requires otherwise, refers to Mr. Yao Chuanglong
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) issued by the Company in the PRC with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB by PRC natural persons or entities established under the laws of the PRC
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which is/are listed and traded on the Stock Exchange

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, modified or otherwise supplemental from time to time
“PRC”	The People’s Republic of China which shall, for the purpose of this circular, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares(s)”	the Domestic Share(s) and/or the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Stock Exchange Listing Rules”	the Rules Governing the Listing of Shares on Shenzhen Stock Exchange as amended, modified or otherwise supplemental from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“%”	per cent

LETTER FROM THE BOARD



創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

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

(Stock Code: 2289)

Executive Directors:

Mr. Yao Chuanglong (*Chairman*)

Ms. Zheng Yuyan

Non-executive Director:

Mr. Li Weisheng

Independent Non-executive Directors:

Mr. Wan Chi Wai Anthony

Mr. Zhou Tao

Mr. Guan Jian (also known as Guan Suzhe)

Registered Office and

Headquarters in the PRC:

No. 235

Song Shan North Road

Longhu District, Shantou City

Guangdong Province, PRC

Principal Place of

Business in Hong Kong:

40th Floor

Dah Sing Financial Centre

248 Queen's Road East

Wanchai, Hong Kong

29 April 2022

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
 - (2) PROPOSED REMUNERATION OF DIRECTORS AND SUPERVISORS;**
 - (3) PROPOSED PROJECTED DAILY RELATED TRANSACTIONS OF THE COMPANY IN 2022;**
 - (4) PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR;**
 - (5) PROPOSAL FOR GENERAL MANDATE TO ISSUE SHARES;**
- AND**
- (6) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information on, among other things, (i) the proposed amendments to the Articles of Association; (ii) the proposed remuneration of Directors and Supervisors; (iii) the projected daily related transactions of the Company in 2022; (iv) the proposed appointment of a non-executive Director; (v) the proposal for general mandate to issue Shares; and (vi) the other matters contained in the notice of the AGM, so that the Shareholders may make an informed decision on voting in respect of these solutions to be tabled at the AGM.

LETTER FROM THE BOARD

I. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A special resolution will be proposed at the AGM to approve the amendment of Article 2.2 of the Articles of Association, details of which are set out as follows:

Article 2.2

which originally read as:

“The business scope of the Company: pharmaceutical business; medical device business; distribution of health products and food; freight transport business; domestic freight forwarder; third-party pharmaceutical products and medical devices logistics business; commodity information consultancy; management and planning service for pharmaceutical enterprises; logistics information consulting service; warehousing service; logistics distribution service; information technology service; advertising business; lease of properties; distribution of sterilizing and bactericidal equipments and instruments, disinfectant, hygienic insecticide, cosmetics, sanitary products, detergent, daily provisions and chemical products (excluding hazardous chemicals), labour protective products; purchasing and initial processing of agricultural by-products, seafood and local specialties; private warehouses locating at 1F and 2F No. 235 Song Shan North Road, Shantou City.

The business scope of the Company is subject to the same being approved by the authority in which the Company registered.

The Company may adjust its business scope and go through the relevant adjustment formalities based on changes in market conditions at home and abroad, its own business needs and self-capability.”

is amended as follows:

“The business scope of the Company:

Licensed items: drug wholesale, distribution of Class III medical devices, food sale, road transportation of goods (excluding dangerous goods), urban distribution and transportation services (excluding dangerous goods), sale of disinfection equipment, online drug information services, and online medical device information services.

General items: sale of Class I medical devices, sale of Class II medical devices, sale of health foods (prepackaged), sale of foods (only prepackaged foods), domestic cargo transportation agency, information consulting services (excluding information consulting services subject to licensing), health consulting services (excluding medical services), enterprise management consulting, general cargo warehousing services (excluding hazardous chemicals and other items subject to licensing and approval), low-temperature warehousing (excluding hazardous chemicals and other items subject to licensing and approval), information technology consulting services, advertisement design and agency, non-residential real estate leasing, warehousing equipment leasing services, office equipment leasing services, sale of disinfectants (excluding hazardous chemicals), sale of sanitary pesticides, cosmetics wholesale and retail, sale of sanitary products and disposable medical products, sale of personal hygiene products, sale of food detergents, sale of daily groceries, wholesale of daily necessities, sale of chemical products (excluding chemical products subject to licensing), sale of labor protection products, sale of special labor protection products, purchase of primary agricultural products, sale of agricultural by-products, primary processing of edible agricultural products, sale of infant formula milk powder and other infant formula foods, sale of formula foods for special medical purposes, loading and unloading, cargo transportation and

LETTER FROM THE BOARD

packing services, packaging services, consulting and planning services, online sale (except for sale of commodities subject to licensing), online sale of foods (only prepackaged foods), retail and wholesale of medical masks, sale of daily masks (non-medical), domestic trade agency, and leasing services (excluding leasing services subject to licensing).

The business scope of the Company is subject to the same being approved by the authority in which the Company registered.

The Company may adjust its business scope and go through relevant adjustment formalities based on changes in market conditions at home and abroad, its own business needs and self-capability.”

The above amendment to Article 2.2 is to ensure that the Company complies with and operates its business within the business scope registered with the registration authority of the PRC.

II. PROPOSED REMUNERATION OF DIRECTORS AND SUPERVISORS

In accordance with the Articles of Association and the relevant regulatory requirements, and with reference to the actual conditions of the Company and the industry remuneration level the Directors and Supervisors, the remuneration package for the Directors and Supervisors for 2022 is proposed as follows:

Name	Position	Remuneration and Allowance (before tax)
Yao Chuanglong	Executive Director	RMB50,000.00
Zheng Yuyan	Executive Director	RMB50,000.00
Li Weisheng	Non-executive Director	—
Guan Jian	Independent non-executive Director	RMB50,000.00
Zhou Tao	Independent non-executive Director	RMB50,000.00
Wan Chi Wai Anthony	Independent non-executive Director	HK\$144,000.00
Zhang Ling	Independent Supervisor	RMB40,000.00
Lin Zhijie	Supervisor	RMB40,000.00
Zheng Xiyue	Supervisor	RMB40,000.00

As for the Directors and Supervisors who work in the Company, their actual remuneration and benefits are varied subject to their management duties.

The proposed remuneration package above has been reviewed by the remuneration committee of the Board and was determined having regard to, among other things, the Company’s results performance, individual performance and contributions, and industry and market trends.

III. PROPOSED PROJECTED DAILY RELATED TRANSACTIONS OF THE COMPANY IN 2022

LETTER FROM THE BOARD

As at the Latest Practicable Date, Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited (廣藥白雲山香港有限公司) (“**Baiyunshan HK**”), a wholly-owned subsidiary of Guangzhou Baiyunshan Pharmaceutical Holdings Co., Ltd. (廣州白雲山醫藥集團股份有限公司) (a joint stock company with limited liability established in the PRC with its shares listed on the main board of the Stock Exchange (stock code: 874) and the Shanghai Stock Exchange (stock code: 600332)) (“**Guangzhou Baiyunshan**”), is interested in 5% or more of the total share capital issued by the Company and Mr. Li Weisheng, the non-executive Director, serves as the general manager in Baiyunshan HK. Pursuant to the Shenzhen Stock Exchange Listing Rules and according to the substance over form principle, Guangzhou Baiyunshan and its subsidiaries are regarded as the related parties of the Group. For the purpose of sound management and information disclosure for its related party transactions and in accordance with the Shenzhen Stock Exchange Listing Rules and other applicable laws and regulations, the Board has projected that its transactions with Guangzhou Baiyunshan and its subsidiaries to be conducted in 2022 would amount to approximately RMB1 billion (tax inclusive). This proposal has been approved by the Board (other than Mr. Li Weisheng who has abstained in the voting of this proposal) and shall be submitted to the AGM for consideration and approval by way of ordinary resolution. Pursuant to the Shenzhen Stock Exchange Listing Rules, Baiyunshan HK will abstain from voting in relation to this resolution at the AGM.

IV. PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR

Jiangxi Jiangzhong Pharmaceutical Commercial Operation Co., Ltd.* (江西江中醫藥商業運營有限責任公司) (“**Jiangzhong Yishang**”), a substantial shareholder of the Company holding 29,050,000 Domestic Shares (representing approximately 26.90% of the total issued share capital of the Company), has submitted an ordinary resolution to the Company regarding the appointment of Mr. Yan Jingbin (“**Mr. Yan**”) as a non-executive Director, which will be submitted to the AGM for consideration and approval. Mr. Yan’s biography is summarised as follows:

Mr. Yan, aged 46, has been working as the general manager of Jiangzhong Yishang since December 2018. He served as a deputy general manager of Jiangxi Zhongjiang Real Estate Co., Ltd. from January 2010 to January 2011, worked for Jiangzhong Pharmaceutical Group Company from January 2011 to March 2018 as general manager, deputy director of the office and secretary of the General Party Branch and minister of Sales, and worked for Jiangxi Jiangzhong Pharmaceutical Investment Co., Ltd. from March 2018 to August 2020 as the general manager and secretary of general CPC branch. Mr. Yan received a bachelor’s degree from Jiangxi Normal University in 1998, majoring in political education, and a master’s degree from Renmin University of China in 2006, majoring in administrative management.

Save as disclosed above, Mr. Yan has confirmed that, as at the Latest Practicable Date, he (i) has not held any directorship in any other public company in the past three years whose securities are listed in Hong Kong or any overseas securities market; (ii) has no relationship with any Director, Supervisor, senior management or substantial or controlling shareholder of the Company, nor has he held any position in the Company or any of its subsidiaries; and (iii) has no interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there is no other matter relating to the proposed appointment of Mr. Yan that needs to be brought to the attention of the Shareholders, nor is there any other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Subject to the approval of the Shareholders at the AGM, the Company will enter into a letter of appointment with Mr. Yan, and Mr. Yan will serve as a non-executive Director from the date of AGM to the date of expiry of the third session of the Board. Mr. Yan will not receive any remuneration for serving as a non-executive Director.

According to the Articles of Association and relevant Chinese laws and regulations, Mr. Yan may be appointed only after the Shareholders’ approval at the general meeting of Shareholders.

LETTER FROM THE BOARD

V. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE NEW SHARES

The general mandate to issue new Shares will be put forward at the AGM for Shareholders' approval as a special resolution. For details, please refer to special resolution No. 11 in the notice of the AGM set out on page 10 of this circular.

As at the Latest Practicable Date, the issued share capital of the Company is comprised of 80,000,000 Domestic Shares and 28,000,000 H Shares. Subject to the passing of the general mandate to issue new Shares at the AGM and on the basis that no further Shares are issued before the AGM, the Board will have the power to issue up to 16,000,000 Domestic Shares and 5,600,000 H Shares (i.e. 20% of the Domestic Shares and H Shares in issue, respectively).

Any exercise of the power by the Board under the general mandate shall comply with the Company Law of the PRC and the Listing Rules (as amended from time to time) and only if all necessary approvals from the CSRC and/or other relevant PRC government authorities are obtained.

The general mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of a period of 12 months after this resolution as a special resolution has been passed at the AGM; or (c) the revocation or variation of the authority given under this resolution by a special resolution of the Company in general meeting.

VI. CLOSURE OF BOOKS

In order to determine the Shareholders who are entitled to attend the AGM, the register of members of the Company will be closed from Tuesday, 31 May 2022 to Monday, 6 June 2022 (both days inclusive), during which period no transfer of Shares can be registered. In order to be qualified to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC (for holders of Domestic Shares) for registration not later than 4:30 p.m. on Monday, 30 May 2022. Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 6 June 2022 are entitled to attend and vote at the AGM.

VII. AGM

A notice convening the AGM to be held at the Conference Room on 3rd Floor, No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC at 10 a.m. on Monday, 6 June 2022, is set out on pages 9 to 14 of this circular.

Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder. In order to be valid, the proxy form for the AGM must be deposited by hand or post, for holders of H Shares, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of Domestic Shares, to the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC not less than 24 hours (no later than 10:00 a.m. on Sunday, 5 June 2022) before the time for holding the AGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time

LETTER FROM THE BOARD

as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM or any adjourned meetings should they so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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 misleading.

Recommendations

The Directors consider that the proposed resolutions set out in the notice of the AGM are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors, together with their associates, intend to vote in favour of the relevant resolutions in respect of their respective shareholdings in the Company and recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Miscellaneous

The Chinese text of this circular shall prevail over the English text for the purpose of interpretation.

Yours faithfully
For and on behalf of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman

NOTICE OF ANNUAL GENERAL MEETING



創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

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

(Stock Code: 2289)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “AGM”) of Charmacy Pharmaceutical Co., Ltd. (the “**Company**”) will be held at 10 a.m. on Monday, 6 June 2022 at the Conference Room on 3rd Floor, No. 235 Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the PRC for the purpose of considering and, if thought fit, passing the following resolutions:

AS ORDINARY RESOLUTIONS

1. to consider and, if thought fit, approve the report of the board (the “**Board**”) of directors (the “**Directors**”) of the Company for the year ended 31 December 2021;
2. to consider and, if thought fit, approve the report of the board of supervisors of the Company (the “**Supervisors**”) for the year ended 31 December 2021;
3. to consider and, if thought fit, approve the report of the auditors and the audited financial statements of the Company for the year ended 31 December 2021;
4. to consider and, if thought fit, approve the appointment of Mr. Yan Jingbin as a non-executive Director;
5. to consider and, if thought fit, approve the re-appointment of SHINEWING Certified Public Accountants (LLP) as the auditors of the Company for the year 2022, to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board to fix their remuneration;
6. to consider and, if thought fit, approve the remuneration of the Directors and Supervisors for the year 2022;
7. to consider and, if thought fit, approve the projected daily related transactions of the Company in 2022;
8. to consider and, if thought fit, approve the Company and its subsidiaries’ (the “**Group**”) application for a comprehensive credit line of no more than RMB1.8 billion from banks in 2022, with a credit period of one year. Such credit line is reusable. The variety of the comprehensive credit line includes but is not limited to short-term working capital loans, long-term borrowings, bank acceptance bills, commercial acceptance bills, letters of guarantee, letters of credit, mortgage loans and pledge loan; and authorise the chairman of the Board to represent the Group in completing relevant procedures within the comprehensive credit line approved by the bank and to sign all the legal documents during the period from the date when this proposal is passed at the AGM to the end of the next annual general meeting, such as contracts, agreements and proofs, relating to credit

NOTICE OF ANNUAL GENERAL MEETING

products including but not limited to loans, credits, trusts and finance leases;

9. to consider and, if thought fit, approve the Company to provide support (includes but not limited to pledge, charge, guarantee and trust support) for financing matters of any member of the Group, as long as the aggregate amount does not exceed RMB1.8 billion in 2022, includes but not limited to loans, credits, trust and finance leases; and authorise the chairman of the Board to represent the Group in completing relevant procedures within the approved support limit, during the period from the date when this proposal is passed at the AGM to the end of the next annual general meeting, and to sign all the legal documents such as contracts, agreements, certificates and other legal documents related to financing for the Group (including but not limited to loan, facility, trust, financial leasing, and etc.) ;

AS SPECIAL RESOLUTIONS

10. to consider and, if thought fit, approve the proposed amendments to the articles of association of the Company (the “**Articles of Association**”) (details of which are set out in the circular of the Company dated 29 April 2022) (please see Appendix 1), and that any Director be and is hereby authorised to modify the wordings of such amendments as appropriate (such amendments will not be required to be approved by the shareholders of the Company) and execute all such documents and/or do all such acts as the Directors may, in their absolute discretion, deem necessary or expedient and in the interest of the Company in order to deal with other related issues arising from the amendments to the Articles of Association ; and
11. to grant a general mandate to the Board to allot, issue and deal with additional domestic shares not exceeding 20% of the domestic shares of the Company in issue and additional H shares not exceeding 20% of the H shares of the Company in issue and authorise the Board to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares:

“**THAT**

- (A) (a) subject to paragraph (c) and in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association and the applicable laws and regulations of the People’s Republic of China, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with, either separately or concurrently, additional domestic shares and H shares of the Company and to determine the terms and conditions for the allotment and issue of new shares including the following terms:
 - (i) class and number of new shares to be issued;
 - (ii) issue price of new shares;
 - (iii) starting and closing dates for the issue;
 - (iv) class and number of new shares to be issued to existing shareholders of the Company; and
 - (v) making or granting of offers, agreements and options which might require the exercise of such powers.
- (b) the approval in paragraph (a) shall authorise the Board during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) each of the total number of the domestic shares and H shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the approval granted in paragraph (a) shall not exceed 20% of each of the total number of domestic shares and H shares respectively in issue as at the date of passing this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the 12-month period following the passing of this resolution as a special resolution at the AGM; or
- (iii) the revocation or variation of the authority given under this resolution by a special resolution of the Company in a general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the directors to the holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong) and an offer, allotment or issue of shares by way of rights shall be construed accordingly.

- (B) The Board be and is hereby authorised to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issue of shares as provided in sub-paragraph (a) of paragraph (A) of this resolution.”

By order of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman

Shantou, the PRC, 29 April 2022

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. The register of members of the Company will be closed from Tuesday, 31 May 2022 to Monday, 6 June 2022 (both days inclusive), during which period no transfer of shares of the Company can be registered. In order to qualify to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H shares of the Company) or the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, (for holders of domestic shares of the Company), no later than 4:30 p.m. on Monday, 30 May 2022.

NOTICE OF ANNUAL GENERAL MEETING

3. Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a shareholder of the Company.
4. In order to be valid, the proxy form for the AGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC not less than 24 hours not later than 10:00 a.m. on Sunday, 5 June 2022 before the time for holding the AGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the AGM or any adjourned meetings should they so wish.

If the proxy is a legal person, its legal representative or any representative authorised by a resolution of its board of directors or by other governing body shall attend the above meeting of the Company on its behalf. If the shareholder is a recognised clearing house (or its proxy) defined by the Hong Kong relevant Ordinance from time to time, the shareholder may authorise one or more persons it considers appropriate as its representative(s) at the above meeting; however, if more than one person are authorised, the power of attorney shall contain the number and class of shares for which such persons are authorised, and shall be signed by an authorised personnel of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its proxy) to attend the meeting and exercise its right, as if the persons are the Company's individual shareholders, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/ she/they have been duly authorised.

A vote provided in according to the instruments in such proxy forms shall be valid, notwithstanding the previous death or loss of capacity of the appointer or the revocation of the proxy or of the authority under which the proxy was executed, or the shares are transferred, provided that no notice in writing of such matters shall have been received by the Company prior to the above meeting.
5. Shareholders or their proxies shall provide their identity documents when attending the AGM.
6. In case of joint holders of any share, only the person whose name is at the first place on the register of shareholders has the rights to receive the certificate of relevant shares and notice from the Company and to attend or exercise all of the votes relating to the shares.

As at the date of this notice, the executive Directors are Mr. Yao Chuanglong and Ms. Zheng Yuyan; the non-executive Director is Mr. Li Weisheng; and the independent non-executive Directors are Mr. Wan Chi Wai Anthony, Mr. Zhou Tao and Mr. Guan Jian (also known as Guan Suzhe).

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APPENDIX 1

For the special resolution on the amendments to the Articles of Association, details of which are set out as follows:

Article 2.2

which originally read as:

“The business scope of the Company: pharmaceutical business; medical device business; distribution of health products and food; freight transport business; domestic freight forwarder; third-party pharmaceutical products and medical devices logistics business; commodity information consultancy; management and planning service for pharmaceutical enterprises; logistics information consulting service; warehousing service; logistics distribution service; information technology service; advertising business; lease of properties; distribution of sterilizing and bactericidal equipments and instruments, disinfectant, hygienic insecticide, cosmetics, sanitary products, detergent, daily provisions and chemical products (excluding hazardous chemicals), labour protective products; purchasing and initial processing of agricultural by-products, seafood and local specialties; private warehouses locating at 1F and 2F No. 235 Song Shan North Road, Shantou City.

The business scope of the Company is subject to the same being approved by the authority in which the Company registered.

The Company may adjust its business scope and go through the relevant adjustment formalities based on changes in market conditions at home and abroad, its own business needs and self-capability.”

is amended as follows:

“The business scope of the Company:

Licensed items: drug wholesale, distribution of Class III medical devices, food sale, road transportation of goods (excluding dangerous goods), urban distribution and transportation services (excluding dangerous goods), sale of disinfection equipment, online drug information services, and online medical device information services.

General items: sale of Class I medical devices, sale of Class II medical devices, sale of health foods (prepackaged), sale of foods (only prepackaged foods), domestic cargo transportation agency, information consulting services (excluding information consulting services subject to licensing), health consulting services (excluding medical services), enterprise management consulting, general cargo warehousing services (excluding hazardous chemicals and other items subject to licensing and approval), low-temperature warehousing (excluding hazardous chemicals and other items subject to licensing and approval), information technology consulting services, advertisement design and agency, non-residential real estate leasing, warehousing equipment leasing services, office equipment leasing services, sale of disinfectants (excluding hazardous chemicals), sale of sanitary pesticides, cosmetics wholesale and retail, sale of sanitary products and disposable medical products, sale of personal hygiene products, sale of food detergents, sale of daily groceries, wholesale of daily necessities, sale of chemical products (excluding chemical products subject to licensing), sale of labor protection products, sale of special labor protection products, purchase of primary agricultural products, sale of agricultural by-products, primary processing of edible agricultural products, sale of infant formula milk powder and other infant formula foods, sale of formula foods for special medical purposes, loading and unloading, cargo transportation and packing services, packaging services, consulting and planning services, online sale (except for sale of commodities subject to licensing), online sale of foods (only prepackaged foods), retail and wholesale of medical masks, sale of daily masks (non-medical), domestic trade agency, and leasing services (excluding leasing services subject to licensing).

The business scope of the Company is subject to the same being approved by the authority in

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which the Company registered.

The Company may adjust its business scope and go through relevant adjustment formalities based on changes in market conditions at home and abroad, its own business needs and self-capability.”

The above amendments to Article 2.2 of the Articles of Association are to ensure that the Company complies with and operates its business within the business scope registered with the registration authority of the PRC.