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

**If you have sold or transferred** all your shares in Charmacy Pharmaceutical Co., Ltd., 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 incorporated in the People's Republic of China)*  
(Stock Code: 2289)

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES FOR GENERAL MEETINGS, THE RULES OF PROCEDURES FOR BOARD MEETINGS AND THE RULES OF PROCEDURES FOR BOARD OF SUPERVISORS' MEETINGS;**
- (2) PROPOSED PROFIT DISTRIBUTION PLAN AND DECLARATION OF 2024 FINAL DIVIDEND;**
- (3) PROPOSED REMUNERATION OF THE DIRECTORS AND SUPERVISORS;**
- (4) PROPOSED RE-APPOINTMENT OF AUDITOR FOR 2025;**
- (5) PROPOSED APPLICATION FOR A COMPREHENSIVE REVOLVING CREDIT LINE FROM BANKS AND PROVISION OF GUARANTEE;**
- (6) PROPOSAL FOR GENERAL MANDATE TO ISSUE SHARES; AND**
- (7) NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 9 of this circular. A notice convening the annual general meeting of the Company (the "AGM") to be held at the Conference Room on 2<sup>nd</sup> Floor, No. 33, Liyu Street, Dongchong Town, Nansha District, Guangzhou City, Guangdong Province, the PRC at 3:00 p.m. on Thursday, 22 May 2025, is set out on pages 10 to 13 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 to the 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 not less than 24 hours (i.e. not later than 3:00 p.m. on Wednesday, 21 May 2025) 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.

28 April 2025

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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 Thursday, 22 May 2025 at 3:00 p.m. at the Conference Room on 2 <sup>nd</sup> Floor, No.33, Liyu Street, Dongchong Town, Nansha District, Guangzhou City, Guangdong Province, the PRC or any adjournment thereof, the notice of which is set out on pages 10 to 13 of this circular
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors
“Board of Supervisors”	the board of Supervisors
“Company”	Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司), a joint stock company incorporate in the PRC with limited liability, the H Shares of which are listed and traded on the Stock Exchange (stock code: 2289)
“Director(s)”	director(s) of the Company
“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
“H Shareholder(s)”	holder(s) of the H Share(s)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	23 April 2025, being the latest practicable date 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

## DEFINITIONS

“Rules of Procedures for Board Meetings”	the rules of procedures for Board meetings of the Company, as amended, modified or otherwise supplemented from time to time
“Rules of Procedures for Board of Supervisors’ Meetings”	the rules of procedures for Board of Supervisors’ meetings of the Company, as amended, modified or otherwise supplemented from time to time
“Rules of Procedures for General Meetings”	the rules of procedures for general meetings of the Company, as amended, modified or otherwise supplemented from time to time
“Share(s)”	the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“treasury share(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

*\* For identification purpose only*

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 incorporated in the People's Republic of China)  
(Stock Code: 2289)

**Executive Directors:**

Mr. Yao Chuanglong (*Vice chairman*)  
Ms. Zheng Yuyan  
Ms. Zhang Hanzi

**Non-executive Directors:**

Mr. Yan Jingbin (*Chairman*)  
Ms. Fu Zheng  
Mr. Xu Fei

**Independent non-executive Directors:**

Mr. Li Hanguo  
Mr. Wan Chi Wai Anthony  
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, the PRC

**Principal Place of**

**Business in Hong Kong:**

40<sup>th</sup> Floor, Dah Sing Financial Centre  
248 Queen's Road East, Wanchai,  
Hong Kong

28 April 2025

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES FOR GENERAL MEETINGS, THE RULES OF PROCEDURES FOR BOARD MEETINGS AND THE RULES OF PROCEDURES FOR BOARD OF SUPERVISORS' MEETINGS;**
- (2) PROPOSED PROFIT DISTRIBUTION PLAN AND DECLARATION OF 2024 FINAL DIVIDEND;**
- (3) PROPOSED REMUNERATION OF THE DIRECTORS AND SUPERVISORS;**
- (4) PROPOSED RE-APPOINTMENT OF AUDITOR FOR 2025;**
- (5) PROPOSED APPLICATION FOR A COMPREHENSIVE REVOLVING CREDIT LINE FROM BANKS AND PROVISION OF GUARANTEE;**
- (6) PROPOSAL FOR GENERAL MANDATE TO ISSUE SHARES; AND**
- (7) NOTICE OF ANNUAL GENERAL MEETING**

## LETTER FROM THE BOARD

### 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, the Rules of Procedures for General Meetings, the Rules of Procedures for Board Meetings and the Rules of Procedures for Board of Supervisors' Meetings; (ii) the proposed profit distribution plan and declaration of 2024 final dividend; (iii) the proposed remuneration of the Directors and Supervisors; (iv) the proposed re-appointment of auditors for 2025; (v) the proposed application for a comprehensive revolving credit line from banks and provision of guarantee; (vi) the proposal for general mandate to issue Shares; and (vii) other matters contained in the notice of the AGM, so that the Shareholders may make an informed decision on voting in respect of these resolutions to be tabled at the AGM.

#### **I. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES FOR GENERAL MEETINGS, THE RULES OF PROCEDURES FOR BOARD MEETING AND THE RULES OF PROCEDURES FOR BOARD OF SUPERVISORS' MEETINGS**

In view of the “Consultation Conclusions on Proposals to Further Expand the Paperless Listing Regime and Other Rule Amendments” published by the Stock Exchange in January 2025, as well as the relevant amendments to the Company Law of the People’s Republic of China (the “**PRC Company Law**”) which came into effect on 1 July 2024, the Company proposes to amend the Articles of Association in accordance with its business development needs and in compliance with the applicable laws and regulations.

In light of the above, the proposed amendments to the Articles of Association mainly include: (1) updating and bringing the Articles of Association in line with the amendments to the Listing Rules to ensure that they enable online participation at general meetings and voting by securities holders by electronic means; (2) incorporating amendments in line with the PRC Company Law to strengthen the protection of minority Shareholders’ rights and enhance the responsibilities of controlling shareholders, Directors, supervisors, and senior management; and (3) making other consequential amendments.

Based on the proposed amendments to the Articles of Association, the Company intends to amend the relevant provisions of the Rules of Procedures for General Meetings, the Rules of Procedures for Board Meetings and the Rules of Procedures for Board of Supervisors’ Meetings. The details of the proposed amendments to the Articles of Association, the Rules of Procedures for General Meetings, the Rules of Procedures for Board Meetings and the Rules of Procedures for Board of Supervisors’ Meetings are set out in Appendix I, Appendix II, Appendix III and Appendix IV to this circular, respectively.

Save for the amendments as stated in Appendices I to IV to this circular, there are no substantive amendments to other provisions in the Articles of Association, the Rules of Procedures for General Meetings, the Rules of Procedures for Board Meetings and the Rules of Procedures for Board of Supervisors’ Meetings. The non-substantial amendments include changing the term “Shareholders’ General Meeting” to “General Meeting”, and other word modifications that do not affect the meaning therein. Since they do not involve substantial changes and the scope of the revision is relatively wide, they will not be listed item by item.

#### **II. PROPOSED PROFIT DISTRIBUTION PLAN AND DECLARATION OF 2024 FINAL DIVIDEND**

As stated in the Company’s annual results announcement for the year ended 31 December 2024 dated 28 March 2025, the Board proposed to pay a final dividend of RMB0.45 per Share (inclusive of tax) for the year ended 31 December 2024 to the Shareholders whose names appear on the register of members of the Company as at 4 June 2025 (the “**2024 Final Dividend**”). Based on the number of 108,000,000 Shares in

## LETTER FROM THE BOARD

issue as at the Latest Practicable Date, the amount of the 2024 Final Dividend (if approved and paid) will be RMB48.6 million (inclusive of tax) in total. With respect to the distribution of the 2024 Final Dividend, the 2024 Final Dividend for H Shareholders in full circulation will be paid in RMB and the 2024 Final Dividend of the other H Shareholders will be paid in HK\$ (the exchange rate for the calculation of the final dividend distributable in HK\$ is based on the average benchmark exchange rate of RMB to HK\$ as announced by the People's Bank of China in the 5 business days prior to the date of approval of the final dividend at the AGM). The proposed payment of the 2024 Final Dividend is subject to the approval of the Shareholders at the AGM, and the dividend payment date will be set on 11 July 2025. The specific arrangements for the payment of the 2024 Final Dividend (including the arrangement for withholding and remitting income tax) are as follows:

In accordance with the relevant provisions of the Law of the PRC on Enterprise Income Tax and its implementing rules, as well as the Document (GSH [2008] No. 897) issued by the State Administration of Taxation of the PRC, the Company is obliged to withhold and remit corporate income tax at a rate of 10% when distributing the 2024 Final Dividend to the Shareholders of non-resident enterprises registered on the register of members of the Company. Any H Shares registered in the name of a non-individual registered Shareholder such as HKSCC Nominees Limited, other nominee or trustee or other organisation or body will be treated as shares held by the Shareholders of non-resident enterprises and therefore dividends received thereon will be subject to corporate income tax. In accordance with the relevant provisions of the Law of the PRC on Individual Income Tax and its implementing regulations, as well as the Document (GSH [2011] No. 348) issued by the State Administration of Taxation of the PRC, the Company is required to withhold and remit non-resident individual income tax for non-resident individual H Shareholders. Overseas resident individual shareholders holding shares issued in Hong Kong by domestic non-foreign-invested enterprises are entitled to relevant tax incentives in accordance with the tax treaties signed between the countries in which they are residents and the PRC as well as the provisions of the taxation arrangements between the PRC and Hong Kong (or Macau). For individual H Shareholders, the Company will generally withhold and remit individual income tax on dividends at a rate of 10%, unless otherwise provided by tax laws, regulations and relevant tax treaties.

As far as the Shareholders in full circulation are concerned, in accordance with the relevant provisions of the Law of the PRC on Enterprise Income Tax and its implementing rules, their tax on dividend income shall be paid by themselves when the 2024 Final Dividends are distributed by the Company to the domestic corporate H Shareholders in full circulation and the Company will not withhold and remit enterprise income tax on their behalf. In accordance with the relevant provisions of the Law of the PRC on Individual Income Tax, the Company will withhold and remit on behalf of the individual H Shareholders in full circulation at a rate of 20% when the Company distributes the 2024 Final Dividend to them.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the Shareholders or any disputes over the withholding and paying mechanism or arrangements.

The Company does not hold any treasury shares (including any, treasure shares held or deposited with the Central Clearing and Settlement System) and holders of treasury shares, if any, would not receive the dividend and distribution.

### **III. PROPOSED REMUNERATION OF THE DIRECTORS AND SUPERVISORS**

In accordance with the Articles of Association and the relevant regulatory requirements, and with reference to, among other things, the actual conditions of the Company, the industry remuneration level of directors and supervisors, and individual performance and contributions of the Directors and the

<b>LETTER FROM THE BOARD</b>
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Supervisors, the remuneration package for the Directors and the Supervisors for 2025 is proposed as follows:

Name	Position	Remuneration and Allowance of the Directors and Supervisors (before Tax)
Yao Chuanglong	Executive Director	RMB50,000.00
Zheng Yuyan	Executive Director	RMB50,000.00
Zhang Hanzi	Executive Director	RMB50,000.00
Yan Jingbin	Non-executive Director	—
Fu Zheng	Non-executive Director	—
Xu Fei	Non-executive Director	—
Li Hanguo	Independent Non-executive Director	RMB50,000.00
Wan Chi Wai Anthony	Independent Non-executive Director	HK\$144,000.00
Guan Jian	Independent Non-executive Director	RMB50,000.00
Zhu Minghong	Supervisor	—
Zhang Ling	Independent 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 subject to their management duties.

#### **IV. PROPOSED RE-APPOINTMENT OF AUDITOR FOR 2025**

SHINEWING Certified Public Accountants (Special General Partnership) will retire as the auditor of the Company at the AGM and, being eligible, offer themselves for re-appointment as the auditor of the Company.

The Board proposed to re-appoint SHINEWING Certified Public Accountants (Special General Partnership) as the auditor of the Company for 2025 and to hold office until the conclusion of the next annual general meeting of the Company.

#### **V. PROPOSED APPLICATION FOR A COMPREHENSIVE REVOLVING CREDIT LINE FROM BANKS AND PROVISION OF GUARANTEE**

According to the Company's financing situation in 2024 and the financing plan arrangement in 2025, in order to meet the capital needs of the Group for future business development, it is proposed that the Group will apply for a comprehensive revolving credit line of no more than RMB2.8 billion from banks in 2025. The variety of the comprehensive revolving credit line includes but is not limited to short-term working capital loans, long-term borrowings, bank acceptance bills, commercial acceptance bills, letters

## LETTER FROM THE BOARD

of guarantee, factoring, letters of credit, trade financing, mortgage loans and pledge loan.

The Group will use its assets to provide limited or joint and several liability guarantees for credit and loan applications from banks within the Group (between the Company and its subsidiaries) depending on the specific circumstances, with specific guarantees including but not limited to credit support, guarantee, mortgage and pledge.

The above-mentioned comprehensive revolving credit line is valid from the date of approval at the AGM to the date of the next annual general meeting of the Company. In order to streamline the procedures of bank loans, Mr. Yao Chuanglong, the president of the Company, is authorised to fully represent the Group in completing relevant procedures within the comprehensive revolving credit line approved by the bank and to sign all contracts, agreements, certificates and other legal documents related to the credit granting and guarantee within the approved credit line. The specific credit granting bank, credit line, credit term and guarantee status shall be subject to the actually signed agreement.

### **VI. PROPOSAL FOR GENERAL MANDATE TO ISSUE SHARES**

The general mandate to issue new Shares will be put forward at the AGM for the Shareholders' approval as a special resolution. For details, please refer to resolution No. 12 in the notice of the AGM set out on pages 10 to 13 of this circular.

As at the Latest Practicable Date, the Company had 108,000,000 issued 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 21,600,000 Shares (i.e. 20% of the total issued Shares).

Any exercise of the power by the Board under the general mandate shall comply with the PRC Company Law and the Listing Rules (as amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant the 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 any general meeting.

### **VII. 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 Monday, 19 May 2025 to Thursday, 22 May 2025 (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 shares registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 16 May 2025. Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 22 May 2025 are entitled to attend and vote at the AGM.

In order to determine the Shareholders who are entitled to receive the 2024 Final Dividend, the register of members of the Company will be closed from Wednesday, 28 May 2025 to Wednesday, 4

## LETTER FROM THE BOARD

June 2025 (both days inclusive), during which period no transfer of Shares can be registered. In order to be qualified to receive the 2024 Final Dividend, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's shares registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 27 May 2025. Shareholders whose names appear on the register of members of the Company on Wednesday, 4 June 2025 are entitled to receive the 2024 Final Dividend. The proposed 2024 Final Dividend will be paid on Friday, 11 July 2025 following the approval at the AGM.

### **VIII. AGM**

A notice convening the AGM to be held at the Conference Room on 2<sup>nd</sup> Floor, No. 33, Liyu Street, Dongchong Town, Nansha District, Guangzhou City, Guangdong Province, the PRC at 3:00 p.m. on Thursday, 22 May 2025, is set out on pages 10 to 13 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 Shareholders, to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours (i.e. no later than 3:00 p.m. on Wednesday, 21 May 2025) 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 the 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 Director, recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

**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.**  
**Yan Jingbin**  
*Chairman*

## NOTICE OF ANNUAL GENERAL MEETING



創美·CHIMEI

**Charmacy Pharmaceutical Co., Ltd.**

**創美藥業股份有限公司**

*(A joint stock limited liability company incorporated 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 3:00 p.m. on Thursday, 22 May 2025 at the Conference Room on 2<sup>nd</sup> Floor, No. 33, Liyu Street, Dongchong Town, Nansha District, Guangzhou 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 “**Director(s)**”) of the Company for the year ended 31 December 2024.
2. To consider and, if thought fit, approve the report of board (the “**Board of Supervisors**”) of supervisors (the “**Supervisor(s)**”) of the Company for the year ended 31 December 2024.
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 2024.
4. To consider and, if thought fit, approve the proposed amendments to the rules of procedures for general meetings of the Company (details of which are set out in the circular of the Company dated 28 April 2025) (please see Appendix II), and that any director of the Company 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 rules of procedures for general meetings of the Company;
5. To consider and, if thought fit, approve the proposed amendments to the rules of procedures for Board meetings of the Company (details of which are set out in the circular of the Company dated 28 April 2025) (please see Appendix III), 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 rules of procedures for Board meetings of the Company;

## NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, approve the proposed amendments to the rules of procedures for Board of Supervisors' meetings of the Company (details of which are set out in the circular of the Company dated 28 April 2025) (please see Appendix IV), 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 rules of procedures for Board of Supervisors' meetings of the Company;
7. To consider and, if thought fit, approve the profit distribution plan and declaration of final dividend for the year ended 31 December 2024.
8. To consider and, if thought fit, approve the remuneration of the Directors and Supervisors for the year 2025.
9. To consider and, if thought fit, approve the re-appointment of SHINEWING Certified Public Accountants (Special General Partnership) as the auditors of the Company for the year 2025, to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board to fix their remuneration.
10. To consider and, if thought fit, approve the Company and its subsidiaries' application of a comprehensive revolving credit line of no more than RMB2.8 billion from banks and provision of guarantee, and fully authorise Mr. Yao Chuanglong, the president, to handle the relevant procedures within the approved support limit, during the period from the date when this proposal is passed at the AGM to the conclusion of the next annual general meeting, and sign all the relevant documents.

### AS SPECIAL RESOLUTIONS

11. 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 28 April 2025) (please see Appendix I), 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
12. To grant a general mandate to the Board to allot, issue and deal with shares not exceeding 20% of the issued shares of the Company and authorise the Board to make corresponding amendments to the articles of association of the Company 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 of the Company 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,

## NOTICE OF ANNUAL GENERAL MEETING

additional 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;
- (c) each of the total number of the 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 the total number of shares 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 recognised 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.**  
**Yan Jingbin**  
*Chairman*

## NOTICE OF ANNUAL GENERAL MEETING

Shantou, the PRC, 28 April 2025

*Notes:*

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
2. The register of members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025 (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 share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 16 May 2025.
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.
4. In order to be valid, the proxy form for the AGM must be deposited by hand or post to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours (i.e. not later than 3:00 p.m. on Wednesday, 21 May 2025) 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, Ms. Zheng Yuyan and Ms. Zhang Hanzi; the non-executive Directors are Mr. Yan Jingbin, Ms. Fu Zheng and Mr. Xu Fei; and the independent non-executive Directors are Mr. Li Hanguo, Mr. Wan Chi Wai Anthony, and Mr. Guan Jian (also known as Guan Suzhe).*

The proposed amendments to the Articles of Association are as follows:

Original Articles	Amended Articles
<p>Article 1.1 CHARMACY PHARMACEUTICAL CO., LTD. (hereinafter referred to as the “<b>Company</b>”) is incorporated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the “<b>Company Law</b>”), the Reply of the State Council on Adjustment of the Notice Period for General Meeting and Other Matters Applicable to Overseas Listed Company (Guo Han [2019] No. 97) and other relevant laws and regulations of the PRC.</p> <p>.....</p>	<p>Article 1.1 CHARMACY PHARMACEUTICAL CO., LTD. (hereinafter referred to as the “<b>Company</b>”) is incorporated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the “<b>Company Law</b>”), <del>the Reply of the State Council on Adjustment of the Notice Period for General Meeting and Other Matters Applicable to Overseas Listed Company (Guo Han [2019] No. 97)</del> <b><u>the Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises</u></b> and other relevant laws and regulations of the PRC.</p> <p>.....</p>
<p>Article 3.13 The Company's shares held by the Promoter shall not be transferred within 1 year from the date of establishment of the Company. The shares issued before the Company's public issuance of shares shall not be transferred within 1 year from the date of the listing of the Company's shares on the stock exchange.</p> <p>The directors, supervisors, and senior management of the Company shall, during their term of office, regularly declare to the Company their holdings in the Company's shares and any subsequent change thereto. During their term of office, they should not transfer more than 25% of their holdings in the Company's shares every year; and their holdings in the Company's shares should not be transferred within 1 year from the date of the listing of the Company's shares. No transfer of their holdings in the Company's shares shall be made within six months after they cease to hold their respective offices.</p>	<p>Article 3.13 <del>The Company's shares held by the Promoter shall not be transferred within 1 year from the date of establishment of the Company.</del> The shares issued before the Company's public issuance of shares shall not be transferred within 1 year from the date of the listing of the Company's shares on the stock exchange.</p> <p>The directors, supervisors, and senior management of the Company shall, during their term of office, regularly declare to the Company their holdings in the Company's shares and any subsequent change thereto. During their term of office <b><u>determined at the time of appointment</u></b>, they should not transfer more than 25% of their holdings in the Company's shares every year; and their holdings in the Company's shares should not be transferred within 1 year from the date of the listing of the Company's shares. No transfer of their holdings in the Company's shares shall be made within six months after they cease to hold their respective offices.</p>
<p>Article 4.2 The Company must prepare a balance sheet and an inventory of assets when it reduces its registered capital.</p> <p>The Company shall notify its creditors within 10 days from the date of the Company's resolution for reduction of registered capital and shall publish an announcement in a newspaper within</p>	<p>Article 4.2 The Company <del>must</del> <b><u>shall</u></b> prepare a balance sheet and an inventory of assets when it reduces its registered capital.</p> <p>The Company shall notify its creditors within 10 days from the date of the Company's resolution for reduction of registered capital and shall publish an announcement in a newspaper <b><u>or on</u></b></p>

<p>30 days from the date of such resolution. A creditor shall, within 30 days from the date of receipt of the notice from the Company or, in the case where a creditor does not receive such notice, within 45 days from the date of announcement, be entitled to require the Company to repay its debts or to provide a corresponding guarantee for the repayment of such debt.</p>	<p><b><u>the National Enterprise Credit Information Publicity System</u></b> within 30 days from the date of such resolution. A creditor shall, within 30 days from the date of receipt of the notice from the Company or, in the case where a creditor does not receive such notice, within 45 days from the date of announcement, be entitled to require the Company to repay its debts or to provide a corresponding guarantee for the repayment of such debt.</p> <p><b><u>When the Company reduces its registered capital, it shall reduce the shares proportionally according to the shareholding ratio of each shareholder, unless such reduction is approved by a special resolution of the general meeting to implement non-pro rata share reduction.</u></b></p>
<p>Article 8.2 The shareholders' general meeting shall have the following functions and powers: (I) to decide on the Company's operational policies and investment plans; ..... (VI) to examine and approve the Company's annual financial budgets and final accounts; ..... (XIII)to examine and approve motions raised by shareholders who represent 3% (including 3%) or more of the total shares of the Company carrying voting rights; ..... The "major transaction" referred to in XVII of this Article means following transactions: .....</p>	<p>Article 8.2 The general meeting shall have the following functions and powers: <del>(I) to decide on the Company's operational policies and investment plans;</del> ..... <del>(VI) to examine and approve the Company's annual financial budgets and final accounts;</del> ..... <del>(XIII)</del><b><u>(XI)</u></b> to examine and approve motions raised by shareholders who represent <del>3%</del><b><u>1%</u></b> (including <del>3%</del><b><u>1%</u></b>) or more of the total shares of the Company carrying voting rights; ..... The "major transaction" referred to in <del>XVII</del> <b><u>XV</u></b> of this Article means following transactions: .....</p>
<p>Article 8.5 ..... (IV) whenever the Board deems necessary or whenever the board of supervisors so requests to convene; (V) other circumstances specified by laws, administrative regulations, departmental rules or the Articles of Association.</p>	<p>Article 8.5 ..... (IV) whenever the Board deems necessary or whenever the board of supervisors so requests to convene; (V) other circumstances specified by laws, administrative regulations, departmental rules or the Articles of Association.</p> <p><b><u>If shareholders individually or collectively holding 10% (including 10%) or more of the Company's issued shares with voting rights request the convening of an extraordinary general meeting, the Board of Directors and Board of Supervisors shall, within 10 days from the date of receipt of such request, make a</u></b></p>

	<b><u>decision on whether to convene the extraordinary general meeting and provide a written reply to the shareholders.</u></b>
<p>Article 8.6</p> <p>To convene an annual general meeting of the Company, the Company shall notify all shareholders by way of an announcement the date and place of the meeting and matters to be considered at the meeting, 21 days prior to the meeting; to convene an extraordinary general meeting, the Company shall notify all shareholders by way of an announcement 15 days prior to the meeting.</p> <p>The calculation of the starting date shall not include the date on which the meeting is convened.</p>	<p>Article 8.6</p> <p>To convene an annual general meeting, the Company shall notify all shareholders by way of an announcement the date—<del>and</del>, place <b><u>and convening method</u></b> of the meeting and matters to be considered at the meeting, 21 days prior to the meeting; to convene an extraordinary general meeting, the Company shall notify all shareholders by way of an announcement 15 days prior to the meeting.</p> <p>The calculation of the starting date shall not include the date on which the meeting is convened.</p>
<p>Article 8.7</p> <p>The shareholders solely or aggregately holding more than 3% of the Company's shares may make an interim draft resolution to the convener in writing 10 days before the convening of the shareholders' general meeting. The convener shall, within 2 days after the receipt of the draft resolution, issue a supplementary notice of shareholders' general meeting and announce the content of such interim draft resolution. The content of the interim draft resolution shall fall within the scope of power of the shareholders' general meeting with clear discussion subject and a specific resolution, and shall comply with the relevant law, administrative regulations and the relevant requirements in these Articles.</p>	<p>Article 8.7</p> <p>The shareholders solely or aggregately holding more than <del>3%</del><b><u>1%</u></b> of the Company's shares may make an interim draft resolution to the convener in writing 10 days before the convening of the general meeting. The convener shall, within 2 days after the receipt of the draft resolution, issue a supplementary notice of general meeting and announce the content of such interim draft resolution. The content of the interim draft resolution shall fall within the scope of power of the general meeting with clear discussion subject and a specific resolution, and shall comply with the relevant law, administrative regulations and the relevant requirements in these Articles.</p>
<p>Article 8.9</p> <p>Any notice of a general meeting shall comply with the following requirements:</p> <p>(I) be in writing;</p> <p>(II) specify the place, the date and time of the meeting;</p> <p>.....</p>	<p>Article 8.9</p> <p>Any notice of a general meeting shall comply with the following requirements:</p> <p>(I) be in writing;</p> <p>(II) specify the place, the date <del>and</del>, time of the meeting <b><u>and convening method</u></b>;</p> <p>.....</p>
<p>Article 8.18</p> <p>Any vote on resolution submitted at a shareholders' general meeting must be taken by poll, except pursuant to the Listing Rules the chairman of the meeting decides in good faith to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p>	<p>Article 8.18</p> <p>Any vote on resolution submitted at a general meeting must be taken by poll <b><u>(including electronic voting)</u></b>, except pursuant to the Listing Rules the chairman of the meeting decides in good faith to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p>

<p>Article 8.22</p> <p>.....</p> <p>(IV) annual budget/final account report, balance sheet, income statement and other financial statements of the Company;</p> <p>.....</p>	<p>Article 8.22</p> <p>.....</p> <p>(IV) <del>annual budget/final account report,</del> balance sheet, income statement and other financial statements of the Company;</p> <p>.....</p>
<p>Article 8.23</p> <p>.....</p> <p>(IV) amendments to these Articles;</p> <p>(V) other matters as required by the laws, administrative regulations or the Articles of Association shall be approved by special resolution, and as approved by ordinary resolution of the general meeting which are believed could materially affect the Company and shall be approved by special resolution.</p>	<p>Article 8.23</p> <p>.....</p> <p><b>(IV) equity incentive plan;</b></p> <p><del>(IV)-(V)</del> amendments to these Articles;</p> <p><del>(V)-(VI)</del> other matters as required by the laws, administrative regulations or the Articles of Association shall be approved by special resolution, and as approved by ordinary resolution of the general meeting which are believed could materially affect the Company and shall be approved by special resolution.</p>
<p>Article 8.28</p> <p>At a general meeting, the approach and procedures for nomination of candidates for directors and supervisors are as follows:</p> <p>(I) shareholder(s) severally or jointly holding more than 3% of the total outstanding issued shares with voting rights of the Company may, by way of a written proposal, put forward to the general meeting about the candidates for directors and supervisors (not being staff representatives). However, the number of candidates proposed shall comply with the provisions of the Articles of Association, and shall not exceed the number of the candidates to be elected. The aforesaid proposal put forward by shareholders to the Company should be served to the Company at least 10 days before the convening of the general meeting.</p> <p>.....</p>	<p>Article 8.28</p> <p>At a general meeting, the approach and procedures for nomination of candidates for directors and supervisors are as follows:</p> <p>(I) shareholder(s) severally or jointly holding more than <del>3%</del><b>1%</b> of the total outstanding issued shares with voting rights of the Company may, by way of a written proposal, put forward to the general meeting about the candidates for directors and supervisors (not being staff representatives). However, the number of candidates proposed shall comply with the provisions of the Articles of Association, and shall not exceed the number of the candidates to be elected. The aforesaid proposal put forward by shareholders to the Company should be served to the Company at least 10 days before the convening of the general meeting.</p> <p>.....</p>
<p>Article 9.3</p> <p>.....</p> <p>(IV) to devise the Company's annual financial budget and final accounting plans;</p> <p>.....</p>	<p>Article 9.3</p> <p>.....</p> <p><del>(IV) to devise the Company's annual financial budget and final accounting plans;</del></p> <p>.....</p>
<p>Article 9.8</p> <p>.....</p> <p>The meeting of the Board shall be convened onsite in principle. A regular Board meeting or an impromptu Board meeting can be held by way of telephone conference or other similar telecommunication devices. As long as the</p>	<p>Article 9.8</p> <p>.....</p> <p>The meeting of the Board <del>shall</del> <b>may</b> be convened onsite <del>in principle. A regular Board meeting or an impromptu Board meeting,</del> can be held by way of telephone conference or other similar telecommunication devices. As long as the</p>

<p>Directors attending such meeting can clearly hear what other Directors say and can interact with each other, all attendees shall be deemed to have attended the meeting in person.</p>	<p>Directors attending such meeting can clearly hear what other Directors say and can interact with each other, all attendees shall be deemed to have attended the meeting in person.</p>
<p>Article 9.11</p> <p>The Board shall keep minutes of resolutions passed at the Board meetings. The minutes shall be signed by the Directors who have attended the meeting and the person who took the minutes. Opinions expressed by Independent Non-executive Directors shall be set out in the resolutions passed by the Board at the Board meetings. The minutes of the Board meeting shall be deposited at the Company's office in the PRC. The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or these Articles and the Company suffers serious loss as a result thereof, the Directors who participate in the passing of such resolution are liable to compensate the Company therefor. However, if it can be proved that a Director has expressed his objection when the resolution is voted on, and if such objection was recorded in the minutes of the meeting, such Director shall be released from such liability.</p>	<p>Article 9.11</p> <p>The Board shall keep minutes of resolutions passed at the Board meetings. The minutes shall be signed by the Directors who have attended the meeting and the person who took the minutes. Opinions expressed by Independent Non-executive Directors shall be set out in the resolutions passed by the Board at the Board meetings. The minutes of the Board meeting shall be deposited at the Company's office in the PRC. The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or these Articles and <del>the Company suffers serious loss as a result thereof</del> <b><u>causes serious losses to the Company</u></b>, the Directors who participate in the passing of such resolution are liable to compensate the Company therefor. However, if it can be proved that a Director has expressed his objection when the resolution is voted on, and if such objection was recorded in the minutes of the meeting, such Director shall be released from such liability.</p>
<p>Article 14.1</p> <p>.....</p> <p>(II) a person who has been convicted of the offence of corruption, bribery, asset embezzlement, asset misappropriation, or crime of destroying the order of the socialist market economy order within 5 years of the expiry date of punishment or has been deprived of political rights because of this conviction within 5 years of the expiry date of the sentence;</p> <p>.....</p> <p>(IV) a person who has served as the legal representative of a company or enterprise whose business licence was revoked or has been ordered to close down due to violation of the law and who has been personally liable within 3 years of the date on which the business licence of such company or enterprise was revoked;</p> <p>(V) a person who has a large sum of debt which was not paid at maturity.</p> <p>If the Company elects or appoints Director, Supervisors or senior management in violation of the provisions of this Article, the election or appointment shall be invalid.</p>	<p>Article 14.1</p> <p>.....</p> <p>(II) a person who has been convicted of the offence of corruption, bribery, asset embezzlement, asset misappropriation, or crime of destroying the order of the socialist market economy order within 5 years of the expiry date of punishment or has been deprived of political rights because of this conviction within 5 years of the expiry date of the sentence, <b><u>a person who has been sentenced to probation shall not serve as a Director, Supervisor, or senior management of the Company within 2 years from the expiration of the probation period</u></b>;</p> <p>.....</p> <p>(IV) a person who has served as the legal representative of a company or enterprise whose business license was revoked or has been ordered to close down due to violation of the law and who has been personally liable within 3 years of <b><u>being ordered to close</u></b> the date on which the business license of such company or enterprise was revoked;</p> <p>(V) a person who has a large sum of debt which</p>

<p>If the circumstances of this Article arise during a Directors, Supervisors and senior management's term of office, the Company shall remove his / her post.</p>	<p>was not paid at maturity <b><u>and is listed as a dishonest judgment debtor by the people's court.</u></b></p> <p>In case of <del>Company</del>—electing or appointing Directors, Supervisors or senior management in violation of the provisions of this Article, the election or appointment shall be invalid.</p> <p>If the circumstances of this Article arise during a Director, Supervisor and senior management's term of office, the Company shall remove his / her post.</p>
<p>Article 15.11</p> <p>.....</p> <p>(II) allocation to the statutory surplus reserve;</p> <p>(III) allocation to the discretionary surplus reserve;</p> <p>.....</p>	<p>Article 15.11</p> <p>.....</p> <p>(II) allocation to the statutory <del>surplus</del>-reserve;</p> <p>(III) allocation to the discretionary <del>surplus</del>-reserve;</p> <p>.....</p>
<p>Article 15.13</p> <p>The Company shall allocate 10% of the profit after taxation to the statutory surplus reserve. When the total amount of the statutory surplus reserve exceeds 50% of the Company's registered capital, no more allocations shall be made.</p>	<p>Article 15.13</p> <p>The Company shall allocate 10% of the profit after taxation to the statutory <del>surplus</del>-reserve. When the total amount of the statutory <del>surplus</del> reserve exceeds 50% of the Company's registered capital, no more allocations shall be made.</p>
<p>Article 15.14</p> <p>Allocation to the discretionary surplus reserve shall be made from the profits of the Company in accordance with a resolution of shareholders at the general meeting after allocation to the statutory surplus reserve.</p>	<p>Article 15.14</p> <p>Allocation to the discretionary <del>surplus</del> reserve shall be made from the profits of the Company in accordance with a resolution of shareholders at the general meeting after allocation to the statutory <del>surplus</del> reserve.</p>
<p>Article 15.16</p> <p>The capital reserve shall include the following amounts: (I) premium above the par value for shares issued at a premium price; (II) any other income designated for the capital reserve as required by the competent finance authorities of the State Council.</p> <p>The capital reserve of the Company shall not be applied for making up for losses.</p>	<p>Article 15.16</p> <p>The capital reserve shall include the following amounts: (I) premium above the par value for shares issued at a premium price; (II) any other income designated for the capital reserve as required by the competent finance authorities of the State Council.</p> <p><del>The capital reserve of the Company shall not be applied for making up for losses.</del></p>
<p>Article 15.17</p> <p>.....</p> <p>(III) to convert into capital to increase the Company's capital. The Company can, resolved by the general meeting, capitalize capital reserve and surplus reserve which can be converted into capital under the relevant regulations, and shall either distribute new shares in proportion to the existing number of shares held by the shareholders, or to increase the par value of each share. However, when the statutory surplus</p>	<p>Article 15.17</p> <p>.....</p> <p>(III) to convert into capital to increase the Company's capital. The Company can, resolved by the general meeting, capitalize capital reserve and <del>surplus</del>-reserve which can be converted into capital under the relevant regulations, and shall either distribute new shares in proportion to the existing number of shares held by the shareholders, or to increase the par value of each share. However, when the statutory <del>surplus</del></p>

reserve is converted to capital, the balance of such common reserve fund shall not fall below 25% of the registered capital of the Company before such conversion.	reserve is converted to capital, the balance of such common reserve fund shall not fall below 25% of the registered capital of the Company before such conversion.
<p>Article 20.2</p> <p>The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the case of a merger of the Company, all parties to the merger shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date when the resolution for the merger is passed and publish an announcement in newspaper(s) within 30 days from the date when the resolution for the merger is passed.</p> <p>After the merger, the rights of the parties to the merger and their indebtedness shall be assumed by the company which survives the merger or the newly established company.</p>	<p>Article 20.2</p> <p>The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the case of a merger of the Company, all parties to the merger shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date when the resolution for the merger is passed and publish an announcement in newspaper(s) <b><u>or on the National Enterprise Credit Information Publicity System</u></b> within 30 days from the date when the resolution for the merger is passed.</p> <p>After the merger, the rights of the parties to the merger and their indebtedness shall be assumed by the company which survives the merger or the newly established company.</p>
<p>Article 20.3</p> <p>Where there is a division of the Company, its assets shall be divided accordingly.</p> <p>In the case of a division of the Company, all parties to the division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date when the resolution for the division is passed and publish an announcement in a newspaper for within 30 days from the date when the resolution for the division is passed.</p> <p>Debts of the Company prior to division shall be assumed by the companies which exist after the division according to the agreement concluded.</p>	<p>Article 20.3</p> <p>Where there is a division of the Company, its assets shall be divided accordingly.</p> <p>In the case of a division of the Company, all parties to the division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date when the resolution for the division is passed and publish an announcement in a newspaper <b><u>or on the National Enterprise Credit Information Publicity System</u></b> for within 30 days from the date when the resolution for the division is passed.</p> <p>Debts of the Company prior to division shall be assumed by the companies which exist after the division according to the agreement concluded.</p>
<p>Article 21.4</p> <p>The liquidation team shall, within ten days of its establishment, inform the creditors and shall, within sixty days of its establishment, publish an announcement in newspaper(s). The liquidation team shall carry out registration of the creditors' claims.</p>	<p>Article 21.4</p> <p>The liquidation team shall, within ten days of its establishment, inform the creditors and shall, within sixty days of its establishment <b><u>or on the National Enterprise Credit Information Publicity System</u></b>, publish an announcement in newspaper(s). The liquidation team shall carry out registration of the creditors' claims.</p>
<p>Article 21.5</p> <p>.....</p> <p>(VI) dispose of the remaining assets of the</p>	<p>Article 21.5</p> <p>.....</p> <p>(VI) <del>dispose</del> <b><u>distribution</u></b> of the remaining assets</p>

Company after paying up the debts; and .....	of the Company after paying up the debts; and .....
<p>Article 21.7</p> <p>In the event of liquidation in connection with dissolution of the Company and the liquidation team finds that, after taking stock of the Company's assets and preparing the balance sheet and list of assets, the assets of the Company are insufficient to pay the debts, it shall immediately apply to the people's court to declare bankruptcy.</p> <p>After the Company is declared insolvent by the ruling of people's court, the liquidation team shall turn over matters regarding the liquidation to the people's court.</p>	<p>Article 21.7</p> <p>In the event of liquidation in connection with dissolution of the Company and the liquidation team finds that, after taking stock of the Company's assets and preparing the balance sheet and list of assets, the assets of the Company are insufficient to pay the debts, it shall immediately apply to the people's court for <del>declare bankruptcy</del> <b><u>bankruptcy liquidation</u></b>.</p> <p><del>After the Company is declared insolvent by the ruling of people's court, the liquidation team shall turn over matters regarding the liquidation to the people's court.</del> <b><u>After the People's Court accepts the bankruptcy application, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator designated by the People's Court.</u></b></p>

Note: Save as disclosed in the table above, if the serial numbering of the chapters and articles is changed due to the addition, deletion or re-arrangement of certain articles, the serial numbering of the chapters and articles of the Articles of Association as so amended shall be changed accordingly, including cross-references.

**APPENDIX II PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR GENERAL MEETINGS**

The details of the proposed amendments to the Rules of Procedures for General Meetings are as follows:

Original Articles	Amended Articles
<p>Article 1</p> <p>With a view to safeguarding the legitimate rights and interests of all shareholders, regulating the acts of CHARMACY PHARMACEUTICAL CO., LTD. (hereinafter referred to as the "<b>Company</b>"), facilitating the standardized and efficient operation of shareholders' general meeting of the Company, and ensuring that shareholders can exercise their rights equally and effectively, these Rules are formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "<b>Company Law</b>") and other laws, regulations, rules, as well as the Articles of Association of CHARMACY PHARMACEUTICAL CO., LTD. (hereinafter referred to as the "<b>Articles of Association</b>").</p> <p>.....</p>	<p>Article 1</p> <p>With a view to safeguarding the legitimate rights and interests of all shareholders, regulating the acts of CHARMACY PHARMACEUTICAL CO., LTD. (hereinafter referred to as the "<b>Company</b>"), facilitating the standardized and efficient operation of general meeting of the Company, and ensuring that shareholders can exercise their rights equally and effectively, these Rules are formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "<b>Company Law</b>"), <u><b>the Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises</b></u> and other laws, regulations, rules, as well as the Articles of Association of CHARMACY PHARMACEUTICAL CO., LTD. (hereinafter referred to as the "<b>Articles of Association</b>").</p> <p>.....</p>
<p>Article 3</p> <p>The shareholders' general meeting is an organ of authority of the Company, and shall have the following functions and powers:</p> <p>(I) to decide on the Company's operational policies and investment plans;</p> <p>.....</p> <p>(VI) to examine and approve the Company's annual financial budgets and final accounts;</p> <p>.....</p> <p>(XIII) to examine and approve motions raised by shareholders who represent 3% (including 3%) or more of the total shares of the Company carrying voting rights;</p> <p>.....</p>	<p>Article 3</p> <p>The general meeting is an organ of authority of the Company, and shall have the following functions and powers:</p> <p><del>(I) to decide on the Company's operational policies and investment plans;</del></p> <p>.....</p> <p><del>(VI) to examine and approve the Company's annual financial budgets and final accounts;</del></p> <p>.....</p> <p><del>(XIII)</del> <u><b>(XI)</b></u> to examine and approve motions raised by shareholders who represent <u><b>3%1%</b></u> (including <u><b>3%1%</b></u>) or more of the total shares of the Company carrying voting rights;</p> <p>.....</p>
<p>Article 14</p> <p>The Board of Directors, Board of Supervisors and shareholders solely or aggregately holding more than 3% of the Company's shares may make an interim draft resolution to the convener in writing 10 days before the convening of the shareholders' general meeting. The convener shall, within 2 days after the receipt of the draft resolution, issue a supplementary notice of shareholders' general meeting and disclose the content of such interim draft resolution to shareholders.</p>	<p>Article 14</p> <p>The Board of Directors, Board of Supervisors and shareholders solely or aggregately holding more than <u><b>3%1%</b></u> of the Company's shares may make an interim draft resolution to the convener in writing 10 days before the convening of the general meeting. The convener shall, within 2 days after the receipt of the draft resolution, issue a supplementary notice of general meeting and disclose the content of such interim draft resolution to shareholders.</p>

**APPENDIX II    PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR GENERAL MEETINGS**

<p>.....</p> <p>Article 23</p> <p>Any notice of a general meeting shall comply with the following requirements:</p> <p>(I) be in writing;</p> <p>(II) specify the place, the date and time of the meeting;</p> <p>.....</p>	<p>.....</p> <p>Article 23</p> <p>Any notice of a general meeting shall comply with the following requirements:</p> <p>(I) be in writing;</p> <p>(II) specify the place, the date <del>and</del>, time of the meeting <b><u>and convening method</u></b>;</p> <p>.....</p>
<p>Article 28</p> <p>.....</p> <p>The shareholders' general meeting shall be convened in the form of on-site meeting at a venue. On the premise of ensuring the legality and effectiveness of shareholders' general meeting, the Company shall provide convenience for shareholders to attend the shareholders' general meeting through other secure, economical, and convenient manners such as telephone, Internet etc. as needed, and shall give priority to providing modern ID means such as online voting platform to facilitate shareholders' participation in the shareholders' general meeting.</p>	<p>Article 28</p> <p>.....</p> <p>The general meeting shall be convened in the form of on-site meeting at a venue. On the premise of ensuring the legality and effectiveness of general meeting, <b><u>alternatively</u></b>, the Company <b><u>may</u></b> provide convenience for shareholders to attend the general meeting through other secure, economical, and convenient manners such as telephone, Internet etc. as needed, and shall give priority to providing modern ID means such as online voting platform to facilitate shareholders' participation in the general meeting.</p>
<p>Article 39</p> <p>.....</p> <p>The shareholders who have not registered, in principle, shall not be allowed to attend this shareholders' general meeting. With the special approval of the chairman of general meeting, they are required to submit the documents stipulated in Article 32 of these Rules. The shareholders who meet the requirements specified in the notice of general meeting upon verification and sign on the meeting registration book may attend this shareholders' general meeting.</p>	<p>Article 39</p> <p>.....</p> <p>The shareholders who have not registered, in principle, shall not be allowed to attend this general meeting. With the special approval of the chairman of general meeting, they are required to submit the <del>documents</del> <b><u>certificates</u></b> stipulated in Article 32 of these Rules. The shareholders who meet the requirements specified in the notice of general meeting upon verification and sign on the meeting registration book may attend this general meeting.</p>
<p>Article 40</p> <p>The convener shall verify the legality of shareholders' qualifications based on the shareholder register provided by the securities registration and clearing institution, and register the shareholders' names and number of voting shares they hold in the meeting registration book mentioned in the preceding article. The meeting registration shall be terminated before the chairman announces the number of shareholders and proxies present at the meeting in person and total number of voting shares they hold.</p>	<p>Article 40</p> <p>The convener shall verify the legality of shareholders' qualifications based on the shareholder register provided by the securities registration and clearing institution, and register the shareholders' names and number of voting shares they hold in the meeting registration book mentioned in the preceding article. The meeting registration shall be terminated before the chairman of general meeting announces the number of shareholders and proxies present at the meeting in person <b><u>or by other means</u></b> and total number of voting shares they hold.</p>

**APPENDIX II PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR GENERAL MEETINGS**

<p>Article 43</p> <p>.....</p> <p>When a shareholders' general meeting is convened, in case the chairman violates these Rules and causes the shareholders' general meeting to be unable to proceed, with the consent of more than half of the shareholders with voting rights who are present at the shareholders' general meeting in person, the shareholders' general meeting may may elect a new chairman to continue the meeting.</p>	<p>Article 43</p> <p>.....</p> <p>When a general meeting is convened, in case the chairman violates these Rules and causes the general meeting to be unable to proceed, with the consent of more than half of the shareholders with voting rights who are present at the general meeting in person <b><u>or by other means</u></b>, the general meeting may may elect a new chairman to continue the meeting.</p>
<p>Article 64</p> <p>.....</p> <p>In case the convening procedures and voting methods of the shareholders' general meeting violate laws, administrative regulations, or the Company's Articles of Association, or the content of the resolution violates the Company's Articles of Association, shareholders may request the people's court to revoke it within 60 days from the date when the resolution is made.</p> <p>.....</p>	<p>Article 64</p> <p>.....</p> <p>In case the convening procedures and voting methods of the general meeting violate laws, administrative regulations, or the Company's Articles of Association, or the content of the resolution violates the Company's Articles of Association, shareholders may request the people's court to revoke it within 60 days from the date when the resolution is made. <b><u>However, minor flaws in the convening procedures or voting methods of the general meeting that have no substantial impact on a resolution, shall not invalidate such resolution. Shareholders who have not been notified to attend the general meeting may request the people's court to revoke the resolution within 60 days as of the date when they know or should know that the resolution of general meeting has been made. If the right of revocation is not exercised within 1 year as of the date when the resolution is made, it shall be extinguished.</u></b></p> <p>.....</p>
<p>Article 65</p> <p>.....</p> <p>(IV) annual budget/final account report;</p> <p>.....</p>	<p>Article 65</p> <p>.....</p> <p><del>(IV) annual budget/final account report;</del></p> <p>.....</p>
<p>Article 69</p> <p>If a poll is taken, it must be conducted in the manner (including ballot box, voting paper or ballot) instructed by the chairman at a designated time and place (no later than 30 days as of the date of the meeting or adjourned meeting at which the poll is taken). The Company is not required to issue a notice for a poll that is not carried out in real time. The results of the poll will be deemed to be the resolution of the meeting at which the poll</p>	<p>Article 69</p> <p>If a poll is taken, it must be conducted in the manner (including ballot box, voting paper, ballot <b><u>or electronic voting</u></b>) instructed by the chairman at a designated time and place (no later than 30 days as of the date of the meeting or adjourned meeting at which the poll is taken). The Company is not required to issue a notice for a poll that is not carried out in real time. The results of the poll will be deemed to be the resolution of the meeting</p>

<b>APPENDIX II    PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR GENERAL MEETINGS</b>
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<p>is taken. .....</p>	<p>at which the poll is taken. .....</p>
<p><b>Article 78</b> The convener shall ensure that the contents of meeting minutes are true, accurate, and complete. Directors, supervisors, secretary of Board of Directors, convener or his/her representative, and chairman who attend the meeting shall sign the meeting minutes. The meeting minutes shall be kept together with the signature book of shareholders present in person, power of attorney of each proxy, and other valid materials in relation to online voting or other means for a period of 10 years.</p>	<p><b>Article 78</b> The convener shall ensure that the contents of meeting minutes are true, accurate, and complete. Directors, supervisors, secretary of Board of Directors, convener or his/her representative, and chairman who attend the meeting shall sign the meeting minutes. The meeting minutes shall be kept together with the signature book of shareholders present in person <b><u>or by other means</u></b>, power of attorney of each proxy, and other valid materials in relation to online voting or other means for a period of 10 years.</p>
<p><b>Article 90</b> These Rules shall come into effect as of the date of the Company's initial public offering of shares and listing in Hong Kong after they have been deliberated and approved by the shareholders' general meeting.</p>	<p><b>Article 90</b> These Rules shall come into effect <del>as of the date of the Company's initial public offering of shares and listing in Hong Kong</del> after they have been deliberated and approved by the general meeting.</p>

Note: Save as disclosed in the table above, if the serial numbering of the chapters and articles is changed due to the addition, deletion or re-arrangement of certain articles, the serial numbering of the chapters and articles of the Rules of Procedures for General Meetings as so amended shall be changed accordingly, including cross-references.

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR BOARD MEETINGS**

The details of the proposed amendments to the Rules of Procedures for Board Meetings are as follows:

<b>Original Articles</b>	<b>Amended Articles</b>
<p>Article 7</p> <p>.....</p> <p>(IV) to devise the Company's annual financial budget and final accounting plans;</p> <p>.....</p>	<p>Article 7</p> <p>.....</p> <p><del>(IV) to devise the Company's annual financial budget and final accounting plans;</del></p> <p>.....</p>
<p>Article 13</p> <p>.....</p> <p>(II) a person who has been convicted of the offence of corruption, bribery, asset embezzlement, asset misappropriation, or crime of destroying the order of the socialist market economy order within 5 years of the expiry date of punishment or has been deprived of political rights because of this conviction within 5 years of the expiry date of the sentence;</p> <p>.....</p> <p>(IV) a person who has served as the legal representative of a company or enterprise whose business licence was revoked or has been ordered to close down due to violation of the law and who has been personally liable within 3 years of the date on which the business licence of such company or enterprise was revoked;</p> <p>(V) a person who has a large sum of debt which was not paid at maturity;</p> <p>.....</p>	<p>Article 13</p> <p>.....</p> <p>(II) a person who has been convicted of the offence of corruption, bribery, asset embezzlement, asset misappropriation, or crime of destroying the order of the socialist market economy order within 5 years of the expiry date of punishment or has been deprived of political rights because of this conviction within 5 years of the expiry date of the sentence, <b><u>a person who has been sentenced to probation shall not serve as a Director, Supervisor, or senior management of the Company within 2 years from the expiration of the probation period;</u></b></p> <p>.....</p> <p>(IV) a person who has served as the legal representative of a company or enterprise whose business license was revoked or has been ordered to close down due to violation of the law and who has been personally liable within 3 years of <b><u>being ordered to close</u></b> the date on which the business license of such company or enterprise was revoked;</p> <p>(V) a person who has a large sum of debt which was not paid at maturity <b><u>and is listed as a dishonest judgment debtor by the people's court;</u></b></p> <p>.....</p>
<p>Article 14</p> <p>The selection of directors for the first board of directors takes effect after being elected by the company's founding meeting. Thereafter, directors who are not employee representatives on subsequent boards shall be nominated by the previous board of directors and the board of supervisors, or by shareholders holding more than 3% of the company's voting shares, and take effect after being elected by the company's shareholders' meeting. Employee representative directors are democratically elected and removed by the company's employees.</p>	<p>Article 14</p> <p>The selection of directors for the first board of directors takes effect after being elected by the company's founding meeting. Thereafter, directors who are not employee representatives on subsequent boards shall be nominated by the previous board of directors and the board of supervisors, or by shareholders holding more than <del>3%</del><b>1%</b> of the company's voting shares, and take effect after being elected by the company's shareholders' meeting. Employee representative directors are democratically elected and removed by the company's employees.</p>

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR BOARD MEETINGS**

<p>Article 36 The following persons/institutions may submit proposals to the Board: (1) A shareholder who individually or jointly holds more than 3% of the total number of voting shares of the company; .....</p>	<p>Article 36 The following persons/institutions may submit proposals to the Board: (1) A shareholder who individually or jointly holds more than <del>3%</del><b>1%</b> of the total number of voting shares of the company; .....</p>
<p>Article 41 The Board of Directors meeting shall be held on the principle of on-site meeting. When necessary, the regular meeting or the temporary meeting of the board of directors may be held by telephone conference or with the help of other communication equipment, as long as the attending directors can hear the speeches of other directors and communicate with each other, all the attending directors shall be regarded as having attended the meeting in person.</p>	<p>Article 41 The Board of Directors meeting <del>shall</del> <b>may</b> be held <del>on the principle of on-site meeting. When necessary, the regular meeting or the temporary meeting of the Board,</del> may be held by telephone conference or with the help of other communication equipment, as long as the attending directors can hear the speeches of other directors and communicate with each other, all the attending directors shall be regarded as having attended the meeting in person.</p>
<p>Article 74 These Rules constitute an annex to the Articles of Association. They shall come into effect as of the date of the Company's initial public offering of shares and listing in Hong Kong after they have been deliberated and approved by the shareholders' general meeting.</p>	<p>Article 74 These Rules constitute an annex to the Articles of Association. They shall come into effect <del>as of the date of the Company's initial public offering of shares and listing in Hong Kong</del> after they have been deliberated and approved by the general meeting.</p>

Note: Save as disclosed in the table above, if the serial numbering of the chapters and articles is changed due to the addition, deletion or re-arrangement of certain articles, the serial numbering of the chapters and articles of the Rules of Procedures for Board Meetings as so amended shall be changed accordingly, including cross-references.

The details of the proposed amendments to the Rules of Procedures for Board of Supervisors' Meetings are as follows:

Original Articles	Amended Articles
<p>Article 35</p> <p>The main scope of the supervisors' deliberations is as follows:</p> <p>(I) to put forward supervisory opinions on the Board of Directors' decision-making regarding business objectives, guidelines, and major investment plans;</p> <p>(II) to provide opinions on the Company's quarterly, interim, and annual financial budgets and final accounts, as well as disclosed reports;</p> <p>.....</p>	<p>Article 35</p> <p>The main scope of the supervisors' deliberations is as follows:</p> <p>(I) to put forward supervisory opinions on the Board of Directors' decision-making regarding business objectives, guidelines, and major investment plans;</p> <p>(II) to provide opinions on the Company's <del>quarterly, interim, and annual financial budgets and final accounts, as well as disclosed reports;</del></p> <p>.....</p>
<p>Article 46</p> <p>These Rules constitute an annex to the Articles of Association. They shall come into effect as of the date of the Company's initial public offering of shares and listing in Hong Kong after they have been deliberated and approved by the general meeting.</p>	<p>Article 46</p> <p>These Rules constitute an annex to the Articles of Association. They shall come into effect <del>as of the date of the Company's initial public offering of shares and listing in Hong Kong</del> after they have been deliberated and approved by the general meeting.</p>