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山東新華製藥股份有限公司

**Shandong Xinhua Pharmaceutical Company Limited**

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

( Stock Code : 0719 )

**ANNOUNCEMENT REGARDING RESOLUTIONS AT THE 2015 SECOND  
EXTRAORDINARY GENERAL MEETING AND THE FIRST CLASS MEETING OF  
THE SHAREHOLDERS OF H SHARES FOR 2015**

The board is pleased to announce that the EGM, A Share Class Meeting and the H Share Class Meeting were held on 29 December 2015 (Tuesday) and all the resolutions as set out in the Notice of the EGM, A Share Class Meeting and the H Share Class Meeting were duly passed by way of poll, by the Shareholders who were entitled to attend and vote at the Meetings.

According to the Notice Regarding the 2015 Second Extraordinary General Meeting and the Class Meeting of the Shareholders of H Shares for 2015 dated 12 November 2015 (the “**Notice**”) of Shandong Xinhua Pharmaceutical Company Limited (“**Company**”), the 2015 Second Extraordinary General Meeting (“**EGM**”), the First Class Meeting of the Shareholders of A Shares for 2015 (the “**A Shareholders Class Meeting**”) and the First Class Meeting of the Shareholders of H Shares for 2015 (the “**H Share Class Meeting**”) (collectively, the “**Meetings**”) of the Company were held in sequence at the conference room at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, The People's Republic of China (the “**PRC**”) from 2:00 p.m. on 29 December 2015. Mr. Zhang Daiming, the Chairman of the Board of Directors presided over and acted as the chairman of the Meetings. The Meetings were convened by the Board of Directors of the Company.

For details of the resolutions considered at the Meetings, please refer to the Notice and the Circular dated 14 December 2015 of the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those adopted in the Notice.

As at the shareholding record dates of the Meetings (i.e. 30 November 2015 in relation to H Shares (the “**H Share Record Date**”) and 18 December 2015 in relation to A Shares (the “**A Share Record Date**”)), the total number of issued Shares of the Company was 457,312,830 shares, of which 307,312,830 shares were A Shares and 150,000,000 were H Shares, which were Shares entitling its Shareholders to attend and vote on the resolutions proposed at the aforementioned meetings.

## **ATTENDANCE AT THE EGM AND THE POLL RESULTS**

### **Attendance at the EGM**

The total number of Shareholders and their proxies who attended the EGM was 7, representing approximately 35.57% of the total number of Shares in issue as at the H Share Record Date and the A Share Record Date. The following are the attendance results of Shareholders holding A Shares and H Shares respectively:

Number of Shareholders who attended the EGM on-site (whether in person or by proxies) or by way of network voting	7
Including: total number of A Share Shareholders who attended the EGM	5
total number of H Share Shareholders who attended the EGM	2
Including: total number of A Share Shareholders who participated in network voting	4
Total number of voting shares held by Shareholders who attended the EGM on-site (whether in person or by proxies) or by way of network voting	162,647,963
Including: total number of voting A Shares who attended the EGM	157,653,963
total number of voting H Shares who attended the EGM	4,994,000
Including: total number of voting A Shares held by the Shareholders who participated in network voting	66,200

Percentage of the total number of voting Shares to the total number of issued Shares	35.57%
Including: percentage of the total number of voting A Shares held by Shareholders and proxies attended the EGM	34.47%
percentage of the total number of voting H Shares held by Shareholders and proxies attended the EGM	1.09%
Including: percentage of the total number of voting A Shares held by the A Shares Shareholders who participated in network voting	0.01%

Shandong Xinhua Pharmaceutical Group Co. Ltd. (“**SXPGC**”) is the controlling shareholder of the Company and held 157,587,763 A Shares, representing approximately 34.46% of the total issued Shares of the Company, as at the H Share Record Date and the A Share Record Date. Well Bring Ltd is an associate of SXPGC and held 13,686,000 H Shares, representing approximately 2.99% of the total issued Shares of the Company, as at the H Share Record Date and the A Share Record Date. As certain Intended Participants who would participate in the Employee Stock Ownership Scheme, being part of the Proposed Placing, are also directors, supervisors and/or senior management members of SXPGC, both SXPGC and Well Bring Ltd were required to abstain from voting on ordinary resolutions no. 1 and 3 (including no. 3.01 to 3.06) and special resolutions no. 5 and 6.5 at the EGM. Neither SXPGC nor its associates has voted on the relevant resolutions at the EGM.

Further, SXPGC is either a connected person in respect of, or materially interested in, the SHHCC Agreement and the SXPGC Agreement and SXPGC and Well Bring Ltd were required to abstain from voting on ordinary resolutions no. 6 and 7 at the EGM. Neither SXPGC nor its associates has voted on the relevant resolutions at the EGM.

Save for the above, so far as the Company is aware, no H Share Shareholder is required to abstain from voting in respect of the resolutions proposed at the EGM and the H Share Class Meeting in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”). The Company was not aware of any parties indicating their intention to vote against any resolutions proposed at the Meetings. There were no Shares entitling the Shareholders to attend and abstain from voting in favour of any resolution at the Meetings as set out in Rule 13.40 of the Hong Kong Listing Rules.

The convening of the Meetings and the manner of voting were in compliance with the requirements of the Company Law of the PRC, the Hong Kong Listing Rules and the Articles and Association of the Company.

The voting results of the EGM on all resolutions are as follows:

**Poll Results of the EGM**

No.	Resolution	Total number of Votes (%)			Voting results
		For	Against	Abstained	Resolution was passed or not
Ordinary Resolution					
1.	To consider and approve the resolution regarding the 2015 First Phase Employee Stock Ownership Scheme (Draft) of Shandong Xinhua Pharmaceutical Company Limited (By way of subscribing A shares in the non-public offering of A shares)				
	A Shares	66,200 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,060,200 (100%)	0	0	
2.	To consider and approve the resolution regarding authorising the Board of Directors to handle all matters in relation to the Employee Stock Ownership Scheme				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	

	Total	162,647,963 (100%)	0	0	
3.	To consider and approve the resolution regarding the connected transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:				
3.01	in respect of the Intended Participant Subscription Agreement entered into between the Company and Zhang Daiming dated 8 October 2015 on the conditions that the relevant maximum Intended Subscription Money and the maximum amount of Intended Subscription Interests as set out in the Connected Person Participation Table in the Notice will not be exceeded				
	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	
3.02	in respect of the Intended Participant Subscription Agreement entered into between the Company and Ren Fulong dated 8 October 2015 on the conditions that the relevant maximum Intended Subscription Money and the maximum amount of Intended Subscription Interests as set out in the Connected Person Participation Table in the Notice will not be exceeded				
	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	

3.03	in respect of the Intended Participant Subscription Agreement entered into between the Company and Du Deping dated 8 October 2015 on the conditions that the relevant maximum Intended Subscription Money and the maximum amount of Intended Subscription Interests as set out in the Connected Person Participation Table in the Notice will not be exceeded				
	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	
3.04	in respect of the Intended Participant Subscription Agreement entered into between the Company and Xu Lie dated 8 October 2015 on the conditions that the relevant maximum Intended Subscription Money and the maximum amount of Intended Subscription Interests as set out in the Connected Person Participation Table in the Notice will not be exceeded				
	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	
3.05	in respect of the Intended Participant Subscription Agreement entered into between the Company and Li Tianzhong dated 8 October 2015 on the conditions that the relevant maximum Intended Subscription Money and the maximum amount of Intended Subscription Interests as set out in the Connected Person Participation Table in the Notice will not be exceeded				

	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	
3.06	in respect of the Intended Participant Subscription Agreement entered into between the Company and Hu Yanhua dated 8 October 2015 on the conditions that the relevant maximum Intended Subscription Money and the maximum amount of Intended Subscription Interests as set out in the Connected Person Participation Table in the Notice will not be exceeded				
	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	
4.	To consider and approve the resolution regarding shareholders’ return plan for the next three years				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,647,963 (100%)	0	0	
5	To consider and approve the resolution to amend the “Administrative measures of Shandong Xinhua Pharmaceutical Company Limited on				

	Capitals Raised”				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,647,963 (100%)	0	0	
6	To approve and confirm the agreement entered into between the Company and Shandong Hualu Hengsheng Chemical Company Limited (the “ <b>Hualu Hengsheng</b> ”) dated 29 October 2015 and the proposed annual caps in relation to the purchasing of chemical products by the Company and/or its subsidiaries from Hualu Hengsheng and/or its subsidiaries in the sum of RMB80,000,000, RMB100,000,000 and RMB120,000,000 for 2016, 2017 and 2018 respectively under such agreement				
	A Shares	66,200 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,060,200 (100%)	0	0	
7	To approve and confirm the agreement entered into between the Company and SXPGC dated 29 October 2015 and the proposed annual caps in relation to the selling of waste materials, water, electricity and steam by the Company and/or its subsidiaries to SXPGC and/or its subsidiaries and the purchasing of accessories, raw materials and packaging materials by the Company and/or its subsidiaries from SXPGC and/or its subsidiaries in the sum of RMB180,000,000, RMB195,000,000 and RMB210,000,000 for 2016, 2017 and 2018 respectively under such agreement				



	A Shares	66,200 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,060,200 (100%)	0	0	
Special Resolutions					
1.	To consider and approve the resolution regarding the fulfilment of conditions on the Company’s non-public offering of A shares				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,647,963 (100%)	0	0	
2	To consider and approve the resolution regarding the plan on the Company’s non-public offering of A Shares, in particular:				
2.1	Class and par value				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.2	Method and time				

	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.3	Price determination date				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.4	Price and principle date				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.5	Number of Shares to be issued				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	

	Total	162,643,063 (99.99%)		4,900 (0.01%)	
2.6	Subscribers and method of subscription				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.7	Fund raising size and use of proceeds				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.8	Lock-up period for the issue of Shares				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.9	Place of listing				
	A Shares	157,649,063	0	4,900 (0.01%)	Passed

		(99.99%)			
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.10	Arrangement of the accumulated undistributed profit				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
2.11	Effective period of the shareholders' resolutions				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
3	To consider and approve the resolution regarding the proposal on the Company's non-public offering of A shares				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	

	Total	162,647,963 (100%)	0	0	
4	To consider and approve the resolution regarding the feasibility study report on use of proceeds from the non-public share offering of A shares				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,647,963 (100%)	0	0	
5	To consider and approve the resolution regarding the connected transactions involved in the Company’s non-public offering of A shares				
	A Shares	66,200 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	5,060,200 (100%)	0	0	
6	To consider and approve the resolution regarding the conditional share subscription agreement signed between the Company and various specific entities as below:				
6.1	the subscription agreement dated 8 October 2015 entered into between the Company and Shandong Ju Ying Industrial Fund Partnerships (Limited Partnership) (the “ <b>SJY Industrial Fund LLP</b> ”) in relation to the subscription of a maximum of 21,360,000 new A Shares of the Company by SJY Industrial Fund LLP at the subscription price of RMB9.36 each and the transactions				

	contemplated thereunder				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
6.2	the subscription agreement dated 8 October 2015 entered into between the Company and Shanghai Kai Shi Assets Management Limited (“ <b>SKS Assets Management Limited</b> ”) in relation to the subscription of a maximum of 10,000,000 new A Shares of the Company by SKS Fund (a fund to be established and managed by the SKS Assets Management Limited) at the subscription price of RMB9.36 each and the transactions contemplated thereunder				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
6.3	the subscription agreement dated 8 October 2015 entered into between the Company and Beijing Xin Cheng Da Rong Assets Management Limited (the “ <b>BXC Assets Management Limited</b> ”) in relation to the subscription of a maximum of 21,360,000 new A Shares of the Company by BXC Fund (a fund to be established and managed by the BXC Assets Management) at the subscription price of RMB9.36 each and the transactions contemplated thereunder				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed

	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
6.4	the subscription agreement dated 8 October 2015 entered into between the Company and Chongqing Bao Run Equity Investment Fund Management Company Limited (the “ <b>CBR Investment Fund Management Limited</b> ”) in relation to the subscription of a maximum of 20,535,600 new A Shares of the Company by CBR Fund (a fund to be established and managed by the CBR Investment Fund Management Limited) at the subscription price of RMB9.36 each and the transactions contemplated thereunder				
	A Shares	157,649,063 (99.99%)	0	4,900 (0.01%)	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,643,063 (99.99%)	0	4,900 (0.01%)	
6.5	the subscription agreement dated 8 October 2015 entered into between the Company and the first phase employee stock ownership scheme of the Company (the “ <b>Employee Stock Ownership Scheme</b> ”) in relation to the subscription of a maximum of 3,744,400 new A Shares of the Company by Employee Stock Ownership Scheme at the subscription price of RMB9.36 each and the transactions contemplated thereunder				
	A Shares	61,300 (92.60%)	0	4,900(7.40%)	Passed
	H Shares	4,994,000 (100%)	0		

	Total	5,055,300 (99.90%)	0	4,900 (0.10%)	
7	To consider and approve the resolution regarding authorising the Board of Directors to handle all matters in relation to Company’s non-public offering of A shares;				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,994,000 (100%)	0	0	
	Total	162,647,963 (100%)	0	0	
8	To consider and approve the resolution regarding the amendments to the articles of association of the Company and the attachment thereto				
	A Shares	157,653,963 (100%)	0	0	Passed
	H Shares	4,934,000 (98.80%)	60,000(1.20%)	0	
	Total	162,587,963 (99.96%)	60,000(0.04%)	0	

Note: The percentages shown are rounded to the nearest 2 decimal places. The numbers may not add up to 100% due to rounding.

As more than two-thirds of the votes from the Shareholders who were entitled to attend and vote at the EGM were cast in favour of the special resolutions set out above, those special resolutions were duly passed as special resolutions.

As more than one-half of the votes from the Shareholders who were entitled to attend and vote at the EGM were cast in favour of the ordinary resolutions set out above, those ordinary resolutions were duly passed as ordinary resolutions.



### **Attendance at the H Share Class Meeting and the poll results**

#### **Attendance at the H Share Class Meeting**

As at the H Share Record Date, the total number of H Shares in issued was 150,000,000 H Shares.

SXPGC is the controlling shareholder of the Company and Well Bring Ltd is an associate of SXPGC and held 13,686,000 H Shares, representing approximately 2.99% of the total issued Shares of the Company as at the H Share Record Date. As certain Intended Participants who would participate in the Employee Stock Ownership Scheme, being part of the Proposed Placing, are also directors, supervisors and/or senior management members of SXPGC, Well Bring Ltd was required to abstain from voting on special resolutions no.3 and no. 4.5 at the H Share Class Meeting.

Neither SXPGC nor Well Bring Ltd or their proxies have voted on the relevant resolutions at the H Share Class Meeting.

Number of H Share Shareholders who attended the H Share Class Meeting (whether in person or by proxies)	2 人
Total number of voting H Shares	7,218,000 股
Percentage of the total number of voting H Shares to the total number of issued H Shares	4.81%

There was no Share entitling the Shareholders to attend and abstain from voting in favour of any resolutions at the H Share Class Meeting as set out in Rule 13.40 of the Hong Kong Listing Rules.

#### **Poll results of the H Share Class Meeting**

The resolutions proposed at the H Share Class Meeting were put to vote by way of poll, the results of which were as follows:

No.	Resolution	Total number of Votes (%)			Voting results
		For	Against	Abstained	Resolution was passed or

					not
Special Resolutions					
1	To consider and approve on the resolution regarding the plan on the Company's non-public offering of A shares, in particular :				
1.1	Class and Par Value	7,218,000 (100%)	0	0	Passed
1.2	Method and time	7,218,000 (100%)	0	0	Passed
1.3	Price determination date	7,218,000 (100%)	0	0	Passed
1.4	Price and principle date	7,218,000 (100%)	0	0	Passed
1.5	Number of Shares to be issued	7,218,000 (100%)	0	0	Passed
1.6	Subscribers and method of subscription	7,218,000 (100%)	0	0	Passed
1.7	Fund raising size and use of proceeds	7,218,000 (100%)	0	0	Passed
1.8	Lock-up Period for the issue of shares	7,218,000 (100%)	0	0	Passed
1.9	Place of listing	7,218,000 (100%)	0	0	Passed
1.10	Arrangement of the accumulated undistributed profit	7,218,000 (100%)	0	0	Passed
1.11	Effective period of the	7,218,000	0	0	Passed

	shareholders' resolutions	(100%)			
2.	To consider and approve the resolution regarding the proposal on the Company's non-public offering of A shares plan	7,218,000 (100%)	0	0	Passed
3.	To consider and approve the resolution regarding the connected transactions on the Company's non-public offering of A shares	7,218,000 (100%)	0	0	Passed
4	To consider and approve the resolution regarding the conditional share subscription agreement signed between the Company and various specific entities as below:				
4.1	the subscription agreement dated 8 October 2015 entered between the Company and SJY Industrial Fund LLP in relation to the subscription of a maximum of 21,360,000 new A Shares of the Company by SJY Industrial Fund LLP at the subscription price of RMB9.36 each and the transactions contemplated thereunder	7,218,000 (100%)	0	0	Passed
4.2	the subscription agreement dated 8 October 2015 entered between the Company and SKS Assets Management Limited in relation to the subscription of a maximum of 10,000,000	7,218,000 (100%)	0	0	Passed

	new A Shares of the Company by SKS Fund at the subscription price of RMB9.36 each and the transactions contemplated thereunder				
4.3	the subscription agreement dated 8 October 2015 entered between the Company and BXC Assets Management Limited in relation to the subscription of a maximum of 21,360,000 new A Shares of the Company by BXC Fund at the subscription price of RMB9.36 each and the transactions contemplated thereunder	7,218,000 (100%)	0	0	Passed
4.4	the subscription agreement dated 8 October 2015 entered between the Company and CBR Investment Fund Management Limited in relation to the subscription of a maximum of 20,535,600 new A Shares of the Company by CBR Fund at the subscription price of RMB9.36 each and the transactions contemplated thereunder	7,218,000 (100%)	0	0	Passed
4.5	the subscription agreement dated 8 October 2015 entered between the	7,218,000 (100%)	0	0	Passed

	Company and Employee Stock Ownership Scheme in relation to the subscription of a maximum of 3,744,400 new A Shares of the Company by Employee Stock Ownership Scheme at the subscription price of RMB9.36 each and the transactions contemplated thereunder				
5	To consider and approve the resolution regarding authorising the Board of Directors to handle all matters in relation to Company's non-public offering of A share	7,218,000 (100%)	0	0	Passed

As more than two-thirds of the votes from the H Share Shareholders who were entitled to attend and vote at the H Share Class Meeting were cast in favour of the special resolutions set out above, these special resolutions were duly passed as special resolutions.

#### **Attestation By Lawyer and Scrutineer**

ShineWing Certified Public Accountants (“**ShineWing**”), the auditors of the Company, served as the scrutineer at the Meetings for the purpose of vote taking.

The Meetings were attested by Mr. Bai Wei and Ms Xia Xue of Jingtian & Gongcheng (Beijing) which issued a written legal opinion, certifying that the convening and procedures of the Meetings of the Company, the qualifications of the attendees and the voting procedures were in compliance with the relevant laws, administrative regulations and rules such as the Companies Law and the Rules of General Meeting and Company's Articles of Association. The voting results of the Meeting were lawful and valid.

By Order of the Board  
**Shandong Xinhua Pharmaceutical Company Limited**

**Zhang Daiming**

*Chairman*

29 December 2015, Zibo, PRC

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Zhang Daiming (Chairman)

Mr. Du Deping

Independent Non-executive Directors:

Mr. Du Guanhua

Mr. Li Wenming

Mr. Chan Chung Kik, Lewis

Non-executive Directors:

Mr. Ren Fulong

Mr. Xu Lie

Mr. Zhao Bin