



山東新華製藥股份有限公司
Shandong Xinhua Pharmaceutical Company Limited

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

(Stock Code: 0719)

PROXY FORM FOR USE AT THE EXTRAORDINARY GENERAL MEETING

I/We, _____ (Note 1) of _____ (Note 1), being the registered holder(s) of _____ (Note 2) shares of Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”), hereby appoint the Chairman of the Extraordinary General Meeting of the Company (the “**EGM**”), or _____ (Note 3), as my/our proxy to attend and act for me/us at the EGM to be held on Monday, 22 December 2008 at 9:00 a.m. at the Company's conference room at No. 14 Dongyi Road, Zhangdian District, Zibo City, Shandong Province, The People's Republic of China (the “**PRC**”) or any adjournment thereof and to vote for me/us at the EGM or any adjournment thereof in respect of the resolutions as indicated hereinafter, or if no such indication is given, as my/our proxy thinks fit.

Ordinary Resolutions	For	Against	Abstention
(1) the agreement entered into between the Company and L. Perrigo Company dated 7 October 2008 and the proposed annual caps of RMB48,000,000, RMB80,000,000 and RMB88,000,000 for 2008, 2009 and 2010 respectively for the transactions to be entered into pursuant to such agreement be and are hereby approved and confirmed.			
(2) the agreement entered into between the Company and Eastwest dated 9 October 2008 and the proposed annual caps of RMB8,000,000 and RMB12,000,000 for 2008 and 2009 respectively for the transactions to be entered into pursuant to such agreement be and hereby approved and confirmed.			
(3) the continuing connected transactions between the Company and Perrigo Company in 2007 and 2008, and between Shandong Xinhua Pharmaceutical Import and Export Company Limited and Perrigo Company in 2007 be and are hereby ratified, approved and confirmed.			
(4) Ms. Guo Qin, Mr. Ren Fulong and Mr. Zhao Songguo be re-elected as executive Director and Mr. Liu Zhenwen and Mr. Li Tianzhong be re-elected as non-executive Directors of the Company by cumulative voting (ballot enclosed).			
(5) Mr. Xu Guojun, Mr. Sun Minggao, Mr. Zhu Baoquan and Mr. Kwong Chi Kit be re-elected or elected as independent non-executive Directors of the Company by cumulative voting (ballot enclosed).			

Ordinary Resolutions	For	Against	Abstention
(6) Mr. Yu Gongfu, Mr. Gao Qinggang, Mr. Zhang Yueshun and Mr. Tao Zhichao be re-elected as Supervisors of the Company.			
Yu Gongfu			
Gao Qinggang			
Zhang Yueshun (independent supervisor)			
Tao Zhichao (independent supervisor)			

Shareholder's signature: _____

Date: _____

Notes:

1. Please insert your full name and address in **BLOCK CAPITALS**.
2. Please insert the number and type of shares of the Company registered in your name and to which this Proxy Form relates. If no such number is inserted, this Proxy Form will be deemed to relate to all the shares in the Company registered in your name (whether alone or jointly with others).
3. If any proxy other than the Chairman of the EGM is appointed, cross out "the Chairman of the EGM, or", and appoint one or more proxies to attend and vote at the EGM. The proxy appointed need not be a shareholder of the Company. Any alternation made to this Proxy Form must be signed by the person who originally executed this Proxy Form.
4. **Important:** If you wish to vote for any resolution, please insert "✓" in the box marked "For". If you wish to vote against any resolution, please insert "✓" in the box marked "Against". If you wish to abstain from voting on any resolution, please insert "✓" in the box marked "Abstention". Failure to make any indication will entitle your proxy/proxies to vote or abstain at his discretion.
5. This Proxy Form must be signed by you or your attorney duly authorised in writing. Corporations must execute this Proxy Form under common seal or under the hand of any director or attorney duly authorised.
6. In order to be valid, the Proxy Form together with any power of attorney or other documents of authorisation (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company Secretaries' office of the Company at No. 14 Dongyi Road, Zhangdian District, Zibo City, Shandong Province, The PRC not less than 24 hours before the time appointed for the holding of the EGM.