



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)

## Proxy Form for use at the Annual General Meeting for the Year 2011

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 Annual General Meeting of the Company for the year 2011 (the "AGM"), or \_\_\_\_\_ (Note 3), as my/our proxy to attend and act for me/us at the AGM to be held on Tuesday, 26 June 2012 at 9:00 a.m. at the Company's conference room at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the People's Republic of China (the "PRC") or any adjournment thereof and to vote for me/us at the AGM 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. To review and approve the report of the board of directors of the Company (the "Board") for the year 2011			
2. To review and approve the report of the supervisory committee of the Company for the year 2011			
3. To review and approve the audited financial statements for the year 2011			
4. To review and approve the profit distribution plan and the final dividend for the year 2011 as proposed by the Board on 23 March 2012			
5. To review and approve the reappointment of ShineWing (HK) CPA Limited (Certified Public Accountants in Hong Kong) and ShineWing (Certified Public Accountants in the PRC) as the international and domestic auditors respectively for the year 2012 and authorise the Board to fix their remuneration			
6. To review and approve the remuneration of the directors and the supervisors of the Company for the year 2012			
7. To consider and approve the proposal in relation to the purchase of a RMB14,400,000 liability insurance cover for the directors, supervisors and senior management of the Company for 2012 to 2013. The annual premium is charged at 2% of the aforesaid insurance coverage amount; and on the condition that the scope of the insurance coverage remains substantially the same and the insurance coverage amount does not exceed the above mentioned amount, to authorise the Board to consider and approve the renewal of such liability insurance cover for the directors, supervisors and senior management in subsequent years.			

Shareholder's signature: \_\_\_\_\_

Date: \_\_\_\_\_

Notes:

- Please insert your full name and address in **BLOCK CAPITALS**.
- 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).
- If any proxy other than the Chairman of the AGM is appointed, cross out "the Chairman of the AGM, or", and appoint one or more proxies to attend and vote at the AGM. The proxy appointed need not be a shareholder of the Company. Any alteration made to this Proxy Form must be signed by the person who originally executed this Proxy Form.
- 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. The number of abstained votes will not be counted as the required majority in favour of any given resolution proposed while the number of abstained votes will be counted into the denominator for the purpose of percentage calculation of the voting.
- 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.
- 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. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the PRC not less than 24 hours before the time specified for the holding of the AGM.