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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 registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in China Resources Pharmaceutical Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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**華潤醫藥集團有限公司**

**China Resources Pharmaceutical Group Limited**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 3320)**

**PROPOSALS FOR GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES,  
CHANGE OF INDEPENDENT AUDITOR,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of China Resources Pharmaceutical Group Limited to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Friday, 18 May 2018 at 10:00 a.m. is set out on pages 15 to 19 of this circular. Shareholders are advised to complete and return the accompanying proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting if you so wish.

Hong Kong, 18 April 2018

## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Friday, 18 May 2018 at 10:00 a.m., notice of which is set out on pages 15 to 19 of this circular
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board”	the board of Directors
“BSCOMC”	Beijing State-Owned Capital Operations and Management Centre (北京國有資本經營管理中心), a state-owned enterprise incorporated in the PRC and a substantial shareholder of the Company
“Buy-back Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to buy back Shares during the period as set out in the Buy-back Resolution up to a maximum of 10% of the issued Shares at the date of the Buy-back Resolution
“Buy-back Resolution”	the ordinary resolution proposed under item no. 5 of the notice of the Annual General Meeting
“China” or “PRC”	the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as amended from time to time)
“Company”	China Resources Pharmaceutical Group Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3320)
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“CR Company”	China Resources Company Limited (formerly known as China Resources National Corporation), a company incorporated in the PRC and the ultimate holding company of the Company

## DEFINITIONS

“CR Double-Crane”	China Resources Double-Crane Pharmaceutical Company Limited (華潤雙鶴藥業股份有限公司), a company incorporated under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600062) and a 59.99% owned subsidiary of the Company
“CR Holdings”	China Resources (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company
“CR Sanjiu”	China Resources Sanjiu Medical & Pharmaceutical Company Limited (華潤三九醫藥股份有限公司), a company incorporated under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000999) and a 63.60% owned subsidiary of the Company
“Directors”	the directors of the Company
“Dong-E-E-Jiao”	Dong-E-E-Jiao Company Limited (東阿阿膠股份有限公司), a company incorporated under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000423) and controlled as to 30% by the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	12 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Share(s)”	share(s) of the Company
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back or purchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange

## DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as amended from time to time)

*Note:* For ease of reference, the names of PRC established companies or entities have been included in this circular in both Chinese and English languages, and in the event of any inconsistency, the Chinese version shall prevail.

**LETTER FROM THE BOARD**



**華潤醫藥集團有限公司**

**China Resources Pharmaceutical Group Limited**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 3320)**

*Directors:*

**Chairman and non-executive Director**

FU Yuning

**Executive Directors**

WANG Chuncheng

SONG Qing

LI Guohui

**Non-executive Directors**

CHEN Rong

YU Zhongliang

WANG Chenyang

WANG Jing

**Independent non-executive Directors**

SHING Mo Han Yvonne

KWOK Kin Fun

FU Tingmei

ZHANG Kejian

*Registered Office:*

41/F,

China Resources Building,

26 Harbour Road,

Wanchai,

Hong Kong

Hong Kong, 18 April 2018

*To the Shareholders,*

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES,  
CHANGE OF INDEPENDENT AUDITOR,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

## LETTER FROM THE BOARD

### INTRODUCTION

The purpose of this circular is to seek your approval as set out in the notice of Annual General Meeting of the relevant ordinary resolutions to be proposed at the Annual General Meeting and to provide you with information regarding the general mandates to buy back Shares and to issue Shares.

### GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 19 May 2017, a general mandate was given to the Directors to exercise the powers of the Company to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. It is therefore proposed to seek your approval of the Buy-back Resolution at the Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to buy back Shares. An explanatory statement as required under the Share Buy-back Rules to provide the requisite information of the Buy-back Proposal is set out in Appendix I to this circular.

### GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 19 May 2017, a general mandate was given to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. It is therefore proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued Shares at the date of the resolution (i.e. not exceeding 1,256,901,292 Shares based on 6,284,506,461 Shares in issue as at the Latest Practicable Date and assuming that such issued Shares remain the same at the date of passing the resolution) and adding to such general mandate so granted to the Directors any Shares representing the total number of the Shares bought back by the Company after the granting of the general mandate to buy back up to 10% of the issued Shares at the date of the Buy-back Resolution.

### PROPOSED CHANGE OF INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu (“**Deloitte**”) has been holding office as the independent auditor of the Company since 2011. The Board is of the view that, as good corporate governance measure, the Company should consider rotation of its independent auditor after an appropriate period of time. The Board therefore proposes Deloitte to retire as the independent auditor of the Company with effect from the close of the Annual General Meeting.

CRH (Pharmaceutical) Limited, being a registered shareholder of the Company, has given a special notice, pursuant to Sections 400(1)(a) and 578 of the Companies Ordinance, of its intention to propose the following resolution as an ordinary resolution at the forthcoming annual general meeting of the Company:

“THAT Ernst & Young be and is hereby appointed auditor of the Company in place of the retiring auditor, Deloitte Touche Tohmatsu to hold office until the conclusion of the next annual general meeting at a remuneration to be fixed by the board of directors.”

## **LETTER FROM THE BOARD**

The Board has resolved, with the recommendation from the audit committee of the Company, to propose the appointment of Ernst & Young as the new independent auditor of the Company following the retirement of Deloitte, subject to the approval of shareholders of the Company at the Annual General Meeting.

Pursuant to Rule 13.51(4) of the Listing Rules, the Company has received a confirmation letter dated 19 March 2018 from Deloitte confirming that there are no matters in relation to the proposed change of independent auditor that need to be brought to the attention of holders of securities or creditors of the Company. The Board has also confirmed that there are no other matters in relation to the proposed change of independent auditor that need to be brought to the attention of holders of securities of the Company.

### **RE-ELECTION OF RETIRING DIRECTORS**

As at the Latest Practicable Date, the Board comprises Mr. FU Yuning as chairman and non-executive Director, Mr. WANG Chuncheng, Mr. SONG Qing and Mr. LI Guohui as executive Directors, Mr. CHEN Rong, Mr. YU Zhongliang, Mr. WANG Chenyang and Ms. WANG Jing as non-executive Directors, Mdm. SHING Mo Han Yvonne, Mr. KWOK Kin Fun, Mr. FU Tingmei and Mr. ZHANG Kejian as independent non-executive Directors.

Pursuant to Article 88 of the Articles of Association, Mr. SONG Qing, Mr. WANG Chenyang, Mr. KWOK Kin Fun and Mr. ZHANG Kejian will retire from office at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### **ANNUAL GENERAL MEETING**

Set out on pages 15 to 19 of this circular is the notice convening the Annual General Meeting.

At the Annual General Meeting, resolutions will be proposed to the Shareholders, including the proposed change of independent auditor, re-election of retiring Directors, the Buy-back Proposal, the general mandate for Directors to issue new Shares and the extension of the general mandate to issue new Shares.

### **ACTION TO BE TAKEN**

A proxy form for use at the Annual General Meeting is enclosed with this circular. Shareholders are advised to read the notice contained herein and to complete and return the accompanying proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting if you so wish.

## LETTER FROM THE BOARD

### VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting shall be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors believe that the Buy-back Proposal, the proposed general mandate for Directors to issue new Shares, the proposed extension of the general mandate to issue new Shares, the proposed change of independent auditor and the proposed re-election of retiring Directors are all in the best interest of the Company and its shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of such resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
**China Resources Pharmaceutical Group Limited**  
**WANG Chuncheng**  
*Executive Director*



*This appendix serves as an explanatory statement, as required by the Share Buy-back Rules, to provide requisite information to you for your consideration of the proposal to permit the buy-back of Shares up to a maximum of 10% of the issued Shares as at the date of the Buy-back Resolution.*

*This appendix also constitutes a memorandum as required under section 239(2) of the Companies Ordinance.*

## **1. ISSUED SHARES**

As at the Latest Practicable Date, the number of issued Shares is 6,284,506,461 Shares.

Subject to the passing of the Buy-back Resolution and on the basis that no further Shares will be issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Proposal to buy back a maximum of 628,450,646 Shares representing not more than 10% of the issued Shares as at the Latest Practicable Date.

## **2. REASONS FOR BUY-BACK**

The Directors believe that the Buy-back Proposal is in the best interest of the Company and its Shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders.

## **3. FUNDING OF BUY-BACK**

For the purpose of buy-back of Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the Companies Ordinance. The Companies Ordinance provides that payment in respect of a share buy-back may be made out of the Company's distributable profits and/or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2017 in the event that the power to buy back Shares pursuant to the Buy-back Proposal was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the power to buy back Shares pursuant to the Buy-back Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Trading price per Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
April 2017	9.250	8.860
May 2017	9.290	8.800
June 2017	9.860	9.010
July 2017	10.200	9.350
August 2017	9.750	9.020
September 2017	9.770	9.110
October 2017	9.750	9.160
November 2017	10.520	9.220
December 2017	10.660	9.440
January 2018	10.960	10.100
February 2018	11.180	9.660
March 2018	11.260	10.140
April 2018 (up to the Latest Practicable Date)	12.800	11.120

#### 5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Resolution and in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined under the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Buy-back Proposal if such is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Buy-back Proposal is approved by the Shareholders.

## **6. TAKEOVERS CODE**

If on the exercise of the power to buy back Shares pursuant to the Buy-back Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, CR Company is interested in 3,333,185,612 Shares (representing approximately 53.04% of the total issued Shares as at the Latest Practicable Date. In the event that the Directors exercise in full the power to buy back Shares under the Buy-back Proposal, then (if the present shareholding remains the same) the attributable interest of CR Company would be increased to approximately 58.93% of the issued Shares.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any buy-backs made under the Buy-back Proposal. The Company has no present intention to buy back Shares to such extent as to result in the number of Shares held by the public being reduced to less than 25%.

## **7. SHARES BUY-BACK MADE BY THE COMPANY**

The Company had not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

*The following are the particulars of the four Directors proposed to be re-elected at the Annual General Meeting:*

**Mr. SONG Qing** (*Executive Director*)

Mr. SONG Qing, aged 53, was appointed as a Director in May 2016, designated as an executive Director in June 2016 and appointed as the president of the Company in June 2017. He is a member of executive committee of the Company. Mr. SONG also serves as the chairman of CR Sanjiu. Mr. SONG has over 30 years of experience in the pharmaceutical industry and corporate management. He served as an inspection pharmacist of quality inspection department, a pharmacist in charge and the director of production department, the director of the enterprise management department and an assistant to president of Shenzhen South Pharmaceutical Factory (the predecessor of CR Sanjiu), the general manager and chairman of Shanxi Sanjiu Tongda Pharmaceutical Company Limited (山西三九同達藥業有限公司) (currently known as Shanxi Tongda Pharmaceutical Company Limited (山西同達藥業有限公司)). Mr. SONG served as an assistant to general manager, the director of technology center, the director of medical & pharmaceutical department of Sanjiu Enterprise. Mr. SONG obtained his chief pharmacist title from the general logistics department of the People's Liberation Army in April 1996. Mr. SONG holds a bachelor's degree in Chinese medicine from Anhui University of Traditional Chinese Medicine in Hefei, the PRC.

Save as disclosed above, Mr. SONG (i) did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group and (ii) is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract between the Company and Mr. SONG for his position as an executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. The Directors' fee payable to Mr. SONG shall be determined by the Board under the authority granted by the Shareholders at the Annual General Meeting with reference to his duties and responsibilities in the Company and the recommendation made by the remuneration committee of the Company. For the year ended 31 December 2017, Mr. SONG received remuneration of HK\$7,494,213.83 (including salaries and other allowance, retirement benefit scheme contributions and others) for his services as an executive Director and president of the Company. As at the Latest Practicable Date, Mr. SONG did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. SONG has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

**Mr. WANG Chenyang** (*Non-executive Director*)

Mr. WANG Chenyang, aged 48, was appointed as a Director in June 2015 and designated as a non-executive Director in June 2016. Mr. WANG also serves as a deputy general manager of the BSCOMC, a director of Avic Aviation High-Technology Co. Ltd. (中航航空高科技股份有限公司), a company listed on Shanghai Stock Exchange (stock code: 600862), and a non-executive director of CSC Financial Co., Ltd. (中信建投證券股份有限公司), a company listed on the Stock Exchange (stock code: 6066). Mr. WANG has over 10 years of experience in management. He served as a senior staff member and an assistant consultant of the Division for Management of Officials of Publicity, Education, Political-Legal Affairs of the Organization Department of Beijing Municipal Committee of the Communist Party of China (中共北京市委組織部宣教政法幹部處), a division-level cadre of the General Office of Beijing Municipal Committee and a deputy bureau-level cadre of the General Office of Beijing Municipal Government. Mr. WANG obtained a bachelor's degree in Chinese language and literature from University of International Relations in Beijing and a master of arts degree in journalism from Renmin University of China.

Save as disclosed above, Mr. WANG (i) did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group; and (ii) is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract between the Company and Mr. WANG for his position as non-executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. Mr. WANG will not receive any remuneration from the Company. As at the Latest Practicable Date, Mr. WANG did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. WANG has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

**Mr. KWOK Kin Fun** (*Independent non-executive Director*)

Mr. KWOK Kin Fun, *BBS, JP*, aged 68, was appointed as an independent non-executive Director in June 2016. He is the chairman of remuneration committee and a member of audit committee, nomination committee and corporate governance committee of the Company. Mr. KWOK also serves as an Executive Committee member of Rehabilitation International and global Vice Chairman of Social Commission of Rehabilitation International, the chairman of Incheon Strategy Group Committee of Asia and Pacific Disability Forum, a vice chairman of The Hong Kong Joint Council for People with Disabilities, a vice chairman of The Hong Kong Society for Rehabilitation, the chairman of Fu Hong Society, a member of Ethics Research Committee of Hospital Authority Kowloon Central and Kowloon East Clusters, a member of Voting Members Committee of Riding For the Disabled Association, the chairman of Accessible IT Development Association Limited. Mr. KWOK has over 30 years of experience in disability research and medical research ethics. He successively served as a senior lecturer, a principal lecturer, a university senior lecturer and an associate professor of the City University of Hong Kong from 1985 to 2009, and after retirement served as full-time and part-time senior research fellow. Mr. KWOK was appointed as a Justice of the Peace (JP) by the government of Hong Kong in 1997 and received the Bronze Bauhinia Star awarded by the government of Hong Kong SAR in 2005, “Kazuo Itoga” Memorial Prize awarded by the government of Shiga Prefecture, Japan in 2006, and the Promoter title of “Asian and Pacific Decade of Persons with Disabilities, 2013–2022” awarded by United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in 2012. Mr. KWOK holds a bachelor’s degree in social science from the University of Hong Kong, a master’s degree in social science from the Chinese University of Hong Kong, and a Ph.D. degree from the University of Nottingham, the UK.

Save as disclosed above, Mr. KWOK (i) did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group; and (ii) is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract between the Company and Mr. KWOK for his position as independent non-executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. His emoluments comprise a Director’s fee to be determined by the Board under the authority granted by the shareholders of the Company at annual general meeting and with reference to his duties and responsibilities with the Company, the Company’s performance and market situation. Mr. KWOK received a Director’s fee of HK\$251,506.85 from the Company for the year ended 31 December 2017. Mr. KWOK did not receive any other emolument for the year ended 31 December 2017. As at the Latest Practicable Date, Mr. KWOK did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. KWOK has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

**Mr. ZHANG Kejian** (*Independent non-executive Director*)

Mr. ZHANG Kejian, aged 62, was appointed as an independent non-executive Director in June 2016. He is a member of audit committee, remuneration committee, nomination committee and corporate governance committee of the Company. Mr. ZHANG also serves as an independent director of Yifan Pharmaceutical Co., Ltd. (a company listed on Shenzhen Stock Exchange, stock code: 002019), an independent director of CR Double-Crane and the Chief Scientist of The South China Center for Innovative Pharmaceuticals. Mr. ZHANG has over 20 years of experience in the pharmaceutical industry of PRC. He was employed as a professor of School of Pharmaceutical Sciences of Sun Yat-sen University and the director (Pharmacy Administration) of The South China Center for Innovative Pharmaceuticals, a researcher at the Institute of Medicine, Chinese Academy of Medical Sciences (中國醫學科學院藥物研究所), and successively served as a deputy director of Pharmaceutical Evaluation Center (藥品審評中心) and a deputy director of Medical Device Evaluation Center (醫療器械技術審評中心) under the State Food and Drug Administration of the PRC (國家食品藥品監督管理局). Mr. ZHANG received a master's degree in pathophysiology from China Medical University in Shenyang, the PRC and a doctor's degree in pharmacy from the School of Pharmaceutical Sciences of Chiba University in Chiba, Japan.

Save as disclosed above, Mr. ZHANG (i) did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group; and (ii) is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract between the Company and Mr. ZHANG for his position as Independent non-executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. His emoluments comprise a Director's fee to be determined by the Board under the authority granted by the shareholders of the Company at annual general meeting and with reference to his duties and responsibilities with the Company, the Company's performance and market situation. Mr. ZHANG received a Director's fee of HK\$251,506.85 from the Company for the year ended 31 December 2017. Mr. ZHANG did not receive any other emolument for the year ended 31 December 2017. As at the Latest Practicable Date, Mr. ZHANG did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. ZHANG has confirmed that there are no other matters relating to her re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

## NOTICE OF ANNUAL GENERAL MEETING



華潤醫藥集團有限公司

China Resources Pharmaceutical Group Limited

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 3320)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting (“AGM”) of China Resources Pharmaceutical Group Limited (the “**Company**”) will be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Friday, 18 May 2018 at 10:00 a.m. for the following purposes. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 18 April 2018 (the “**Circular**”).

1. To receive and consider the audited financial statements, the directors’ report and the independent auditor’s report of the Company for the year ended 31 December 2017.
2. To declare a final dividend for the year ended 31 December 2017.
3.
  - (1) To re-elect Mr. SONG Qing as Director;
  - (2) To re-elect Mr. WANG Chenyang as Director;
  - (3) To re-elect Mr. KWOK Kin Fun as Director;
  - (4) To re-elect Mr. ZHANG Kejian as Director;
  - (5) To authorise the Board to fix the remuneration of the Directors.
4. To appoint auditor and authorise the Board to fix the remuneration of the auditor and in this connection, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

#### ORDINARY RESOLUTION

“**THAT** Ernst & Young be and is hereby appointed as auditor of the Company in place of the retiring auditor, Deloitte Touche Tohmatsu, to hold office until the conclusion of the next annual general meeting at a remuneration to be fixed by the board of directors.”



## NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company which the Directors are authorised to buy back pursuant to the approval in paragraph (a) above shall not exceed 10% of the issued shares of the Company as at the date of this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company into a different number of shares than the number of shares existing prior to such consolidation and subdivision is effected, the maximum number of shares of the Company that may be bought back under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly; and
- (c) 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 period within which the next annual general meeting of the Company is required by law to be held; and
  - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

## NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

“**THAT:**

- (a) subject to paragraph (c) below and pursuant to sections 140 and 141 of the Companies Ordinance, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; (iii) an issue of shares upon the exercise of the subscription or conversion rights under the terms of any warrants or any securities of the Company which are convertible into shares of the Company; or (iv) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time, shall not exceed 20% of the issued shares of the Company as at the date of passing this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company into a different number of shares than the number of shares existing prior to such consolidation and subdivision is effected, the maximum number of shares of the Company that may be allotted and issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose 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 period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (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 applicable to the Company).”

7. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

“**THAT** subject to the passing of the resolution as proposed under items nos.5 and 6 set out in the notice convening this AGM, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to the resolution as proposed under item no.6 set out in the notice convening this AGM be and is hereby extended by the addition thereto of the total number of the shares of the Company bought back by the Company under the authority granted pursuant to the resolution as proposed under item no.5 set out in the notice convening this AGM, provided that such number of shares so bought back shall not exceed 10% of the issued shares of the Company as at the date of the said resolution.”

By Order of the Board  
**China Resources Pharmaceutical Group Limited**  
**WANG Chuncheng**  
*Executive Director*

Hong Kong, 18 April 2018

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the registered office of the Company at 41st Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. The register of members of the Company will be closed from Monday, 14 May 2018 to Friday, 18 May 2018, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 11 May 2018 for registration.
4. With regard to item no. 2 in this notice, the Board has recommended a final dividend to be payable on or around 8 June 2018. Subject to the approval of shareholders at the AGM, the proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company after the close of business at 4:30 p.m. on Friday, 25 May 2018 and the register of members of the Company will be closed on Friday, 25 May 2018, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all share transfer documents, accompanied by the relevant share certificates lodged with the Company's share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 24 May 2018 for registration.
5. With regard to item No. 3 in this notice, the Board has proposed that four retiring Directors, namely Mr. SONG Qing, Mr. WANG Chenyang, Mr. KWOK Kin Fun and Mr. ZHANG Kejian, being eligible, shall be re-elected as Directors of the Company. Details of these Directors are set out in Appendix II to the Circular.
6. With regard to item No. 5 in this notice, an explanatory statement as required under the Share Buy-back Rules in connection with the Share Buy-back Proposal is set out in Appendix I to the Circular.

*As at the date of this notice, the Board comprises Mr. FU Yuning as chairman and non-executive Director, Mr. WANG Chuncheng, Mr. SONG Qing and Mr. LI Guohui as executive Directors, Mr. CHEN Rong, Mr. YU Zhongliang, Mr. WANG Chenyang and Ms. WANG Jing as non-executive Directors, Mdm. SHING Mo Han Yvonne, Mr. KWOK Kin Fun, Mr. FU Tingmei and Mr. ZHANG Kejian as independent non-executive Directors.*