



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: 00719)

**Proxy Form for 2020 Annual General Meeting**

I/We <sup>(Note 1)</sup>, \_\_\_\_\_  
of <sup>(Note 1)</sup> \_\_\_\_\_

\_\_\_\_\_  
(Address),

being the registered holder(s) of \_\_\_\_\_ <sup>(Note 2)</sup> shares of Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”), hereby appoint the Chairman of the captioned meeting of the Company (the “**Meeting**”), or \_\_\_\_\_ <sup>(Note 3)</sup>, as my/our proxy to attend and act for me/us at the Meeting to be held on Wednesday, 30 June 2021 at 2:00 p.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 Meeting 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 <sup>(Note 4)</sup>	Against <sup>(Note 4)</sup>	Abstention <sup>(Note 4)</sup>
1.	To consider and approve the resolution in relation to the shareholders’ return plan for the next three years of the Company.			
2.	To review and approve the annual report of the Company for the year 2020.			
3.	To review and approve the report of the Board for the year 2020.			
4.	To review and approve the report of the supervisory committee of the Company for the year 2020.			
5.	To review and approve the audited financial statements of the Company for the year 2020.			
6.	To review and approve the profit distribution plan for the year 2020.			
7.	To review and approve the re-appointment of ShineWing Certified Public Accountants (Special General Partnership) as the Company’s auditors for the year 2021 and authorise the Board to fix their remuneration.			
8.	To review and approve the remuneration of the Directors and the Supervisors for the year 2021.			

<b>Special Resolutions</b>		<b>For</b> <i>(Note 4)</i>	<b>Against</b> <i>(Note 4)</i>	<b>Abstention</b> <i>(Note 4)</i>
1.	To consider and approve the resolution in relation to the Company's compliance with the conditions of the proposed non-public issuance of a total of 36,284,470 new A shares of the Company (" <b>A Shares</b> ") to Hualu Investment Co., Ltd. (" <b>Hualu Investment</b> ") pursuant to a subscription agreement dated 14 April 2021 and entered into between the Company and Hualu Investment (the " <b>Proposed A Shares Issue</b> ").			
2.	To consider and approve the resolution in relation to the plan for the Proposed A Shares Issue:			
	(i) class and par value of A Shares to be issued;			
	(ii) method and timing of the issuance of A Shares;			
	(iii) subscriber and method of subscription by the subscriber;			
	(iv) pricing principle and issue price of the A Shares to be issued;			
	(v) number of A Shares to be issued;			
	(vi) the lock-up period applicable to the A Shares that will be issued;			
	(vii) the amount of total funds to be raised from the issuance of A Shares and the proposed use of proceeds;			
	(viii) listing place of A Shares to be issued;			
	(ix) validity period of the resolutions regarding the Proposed A Shares Issue; and			
(x) arrangement concerning retained but undistributed profits of the Company prior to the Proposed A Shares Issue.				

<b>Special Resolutions</b>		<b>For</b> <i>(Note 4)</i>	<b>Against</b> <i>(Note 4)</i>	<b>Abstention</b> <i>(Note 4)</i>
3.	To consider and approve the resolution in relation to the Proposal for Non-public Issuance of A Shares.			
4.	To consider and approve the resolution in relation to the Feasibility Analysis Report on the Use of Proceeds from the Proposed A Shares Issue.			
5.	To consider and approve the resolution in relation to the Report on Use of Proceeds from Previous Fund Raising Activities of the Company.			
6.	To consider and approve the resolution in relation to the subscription of A Shares under the Proposed A Shares Issue which constitutes connected transaction of the Company.			
7.	To consider and approve the resolution in relation to the conditional A Share subscription agreement entered into between the Company and Hualu Investment on 14 April 2021.			
8.	To consider and approve the resolution in relation to the dilution of current return as a result of the Proposed A Shares Issue and the adoption of remedial measures.			
9.	To consider and approve the resolution in relation to the Specific Mandate to the Board to deal with matters related to the Proposed A Shares Issue.			
10.	To consider and approve the resolution in relation to the application of the waiver in respect of the general offer obligation over the A Shares by Hualu Investment and parties acting in concert with it to be triggered as a result of the Proposed A Shares Issue under the relevant laws and regulations in the PRC.			
11.	To consider and approve the resolution in relation to the application for the Whitewash Waiver.			
12.	To consider and approve the proposed amendments to the Articles of Association of the Company.			

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 (the “**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 Meeting is appointed, cross out “the Chairman of the captioned meeting of the Company (the “**Meeting**”), or”, and appoint one or more proxies to attend and vote at the Meeting. 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.
4. 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.
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, this 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 Secretary to the Board’s office of the Company at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the PRC or to Hong Kong Registrars Limited, the Company’s H Shares registrar, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 24 hours before the holding of the Meeting.
7. In case of joint holders of any share, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such shares as if he/she/it is solely entitled thereto. However, if more than one of such joint holders are present at the Meeting, personally or by proxy, the vote of the joint holder whose name stands first in the register of members and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of other joint holder(s).
8. Shareholders or their proxies attending the Meeting shall produce their identity documents.
9. Completion and return of this Proxy Form will not preclude you from attending and voting at the Meeting and any adjournment thereof in person and in such event, this Proxy Form shall be deemed to be revoked.
10. Any resolution at the Meeting will be taken by poll.
11. All references to time herein refer to Hong Kong time.