

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

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

If you have sold or transferred all your shares in China Traditional Chinese Medicine Holdings Co. Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**国药集团**  
**SINOPHARM**

**CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED**  
**中國中藥控股有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 570)**

**PROPOSED RE-ELECTION OF DIRECTORS,  
PROPOSED CHANGE OF AUDITOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting (the “AGM”) of China Traditional Chinese Medicine Holdings Co. Limited (the “Company”) to be held at 2:30 p.m. on Wednesday, 30 June 2021 at Conference Room, 2nd Floor, No. 1, Keyuan Heng 4 Road, Gaoli Hi-Tech Park, Ronggui, Shunde District, Foshan City, Guangdong Province, China is set out on pages 10 to 11 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.china-tcm.com.cn](http://www.china-tcm.com.cn).

If you do not intend or are unable to attend the AGM and wish to appoint a proxy/proxies to attend and vote on your behalf, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Room 1601, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting should you so wish and in such event, the form of proxy will be deemed to be so revoked.

31 May 2021

---

## CONTENTS

---

	<i>Pages</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	3
2. Proposed Re-election of Directors .....	4
3. Proposed Change of Auditor .....	4
4. Annual General Meeting .....	5
5. Actions to be Taken .....	5
6. Closure of the Register of Members .....	5
7. Voting by Way of Poll .....	5
8. Recommendation .....	6
9. Responsibility Statement .....	6
<b>Appendix I – Details of Directors Proposed for Re-election</b> .....	7
<b>Notice of Annual General Meeting.</b> .....	10

---

## DEFINITIONS

---

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

“AGM”	means the annual general meeting of the Company to be held at Conference Room, 2nd Floor, No. 1, Keyuan Heng 4 Road, Gaoli Hi-Tech Park, Ronggui, Shunde District, Foshan City, Guangdong Province, China on Wednesday, 30 June 2021 at 2:30 p.m., or any adjournment thereof
“AGM Notice”	means the notice convening the AGM as set out on pages 10 to 11 of this circular
“Articles of Association”	means the existing articles of association of the Company, as amended or supplemented from time to time
“Board”	means the board of directors of the Company
“CNP GC”	means China National Pharmaceutical Group Co., Ltd. (中國醫藥集團有限公司), a state-owned enterprise established in the PRC
“Companies Ordinance”	means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended or supplemented from time to time
“Company”	means China Traditional Chinese Medicine Holdings Co. Limited (中國中藥控股有限公司), a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 570)
“Director(s)”	means the director(s) of the Company
“Group”	means the Company and its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	means 27 May 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular

---

## DEFINITIONS

---

“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	means the proposed ordinary resolution(s) as referred to in the AGM Notice
“PRC”	means the People’s Republic of China, and for the purpose of this circular only excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	means Renminbi, the lawful currency of the PRC
“SASAC”	means State-owned Assets Supervision and Administration Commission of the State Council of the People’s Republic of China
“SFO”	means the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended or supplemented from time to time
“Share(s)”	means share(s) of the Company with no par value
“Shareholder(s)”	means holder(s) of the Share(s) of the Company
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited

---

LETTER FROM THE BOARD

---



国药集团  
SINOPHARM

**CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED**  
**中國中藥控股有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 570)**

*Executive Directors:*

Mr. WU Xian (*Chairman*)  
Mr. WANG Xiaochun (*Managing Director*)  
Mr. YANG Wenming

*Non-Executive Directors:*

Mr. YANG Shanhua  
Ms. LI Ru  
Mr. YANG Binghua  
Mr. WANG Kan  
Mr. KUI Kaipin

*Independent Non-Executive Directors:*

Mr. XIE Rong  
Mr. YU Tze Shan Hailson  
Mr. QIN Ling  
Mr. LI Weidong

*Registered Office:*

Room 1601  
Emperor Group Centre  
288 Hennessy Road  
Wanchai  
Hong Kong

31 May 2021

To the Shareholders

*Dear Sir or Madam,*

**PROPOSED RE-ELECTION OF DIRECTORS,  
PROPOSED CHANGE OF AUDITOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to give you notice of the AGM and the information relating to the proposals for (i) the re-election of Directors; and (ii) the proposed change of auditor of the Company.

---

## LETTER FROM THE BOARD

---

### 2. PROPOSED RE-ELECTION OF DIRECTORS

The Board currently comprises twelve Directors, of which Mr. WU Xian, Mr. WANG Xiaochun and Mr. YANG Wenming are executive Directors; Mr. YANG Shanhua, Ms. LI Ru, Mr. YANG Binghua, Mr. WANG Kan and Mr. KUI Kaipin are non-executive Directors; and Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong are independent non-executive Directors.

Pursuant to the Article 101 of the Articles of Association, Ms. LI Ru, Mr. YANG Binghua, Mr. KUI Kaipin and Mr. LI Weidong will retire by rotation at the AGM. The retiring Directors, being eligible, offer themselves for re-election.

The Board recognized that Mr. LI Weidong has worked as lawyer for over 20 years and he is familiar with the legal practice in Hong Kong and Mainland China. He has worked as independent director/independent non-executive director in several listed companies and knows well about the compliance requirements of listed company. Therefore, the Board consider him as a proper candidate as independent non-executive Director of the Company.

The Company confirms that the independent non-executive Director proposed to be re-elected are in compliance with the independence requirements of the Listing Rules.

In compliance with the requirements of code provision E.1.1 of the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 to the Listing Rules, a separate resolution will be proposed at the AGM for the re-election of each individual director whether such Director is an executive Director, non-executive Director or independent non-executive Director.

Brief biographical details of the Directors who are proposed to be re-elected are set out in Appendix I to this circular.

### 3. PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement of the Company dated 24 May 2021 regarding proposed change of auditor (the “**Announcement**”). As set out in the Announcement, CNPGC, the ultimate controlling shareholder of the Company, is a central state-owned enterprise regulated by the SASAC. Under the relevant requirements of the Ministry of Finance of the People’s Republic of China and SASAC, there are certain limits to the number of years for which an accounting firm may continuously undertake financial auditing work in respect of a central state-owned enterprise and its subsidiaries.

As the Company is a subsidiary of CNPGC, and subject to the aforementioned requirements, accordingly, Deloitte Touche Tohmatsu (“**Deloitte**”) will not be re-appointed upon its retirement as the auditor of the Company at the AGM.

On the recommendation of the audit committee of the Company, the Board has resolved to propose to appoint Ernst & Young as the Company’s auditor for the year ending 31 December 2021 following the retirement of Deloitte. This proposed appointment is subject to the approval of the Shareholders at the AGM.

---

## LETTER FROM THE BOARD

---

Deloitte has confirmed in writing that there are no matters in relation to its retirement that need to be brought to the attention of holders of the securities or creditors of the Company. The Board has confirmed that there are no disagreements between the Company and Deloitte, and there are no other matters that need to be brought to the attention of the Shareholders in connection with the proposed change of auditor.

The Board also recommends to the Shareholders that the Board shall be authorized to fix the auditor's remuneration.

### **4. ANNUAL GENERAL MEETING**

AGM Notice is set out on pages 10 to 11 of this circular to consider the resolutions relating to, inter alia, the re-election of Directors and proposed change of auditor.

### **5. ACTIONS TO BE TAKEN**

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.china-tcm.com.cn](http://www.china-tcm.com.cn). If you do not intend or are unable to attend the AGM and wish to appoint a proxy/proxies to attend and vote on your behalf, you are requested to complete the form of proxy and return it to the registered office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM. Completion and deposit of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

### **6. CLOSURE OF THE REGISTER OF MEMBERS**

To ascertain the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 25 June 2021 to Wednesday, 30 June 2021, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 24 June 2021.

### **7. VOTING BY WAY OF POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will 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 and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

---

## LETTER FROM THE BOARD

---

### 8. RECOMMENDATION

The Directors believe that the re-election of Directors and the proposed change of auditor of the Company are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the relevant resolutions to be proposed at the AGM.

### 9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
By order of the Board  
**China Traditional Chinese Medicine Holdings Co. Limited**  
**WU Xian**  
*Chairman*



The biographical details of the four Directors proposed to be re-elected at the AGM are set out as follows:

**Ms. LI Ru**, aged 41, was appointed to the Board on 18 February 2019. Ms. LI graduated from pharmaceutical preparations at Shenyang Pharmaceutical University in 2001. She was product manager, regional sales manager and divisional sales manager of the narcotics department at China National Medicines Corporation Ltd. (國藥集團藥業股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600511) successively from September 2001 to January 2010, and market manager of Nycomed Pharma AS (奈科明製藥有限公司) from January 2010 to January 2012. From January 2012 until the present, she has acted as deputy director and director of the risk and operation management department and director of the legal and risk management department of CNPGC successively. Ms. LI is currently the director of the legal and risk management department of CNPGC and a supervisor of Chongqing Taiji Industry (Group) Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600129).

Save as disclosed above, Ms. LI has not held directorship in other listed companies in the past three years or any other positions with the Company and other members of the Group.

As at the Latest Practicable Date, Ms. LI does not have any interests in the Share within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. LI does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Ms. LI entered into an appointment letter with the Company for an initial term of three years commencing from 18 February 2019. She is subject to retirement by rotation and re-election at the annual general meeting of the Company and vacation of office in accordance with the Articles of Association. Ms. LI is entitled to receive director's fee, basic salary, discretionary bonuses or other benefits based on his performances and duties, profitability of the Group and the prevailing market condition. For the year ended 31 December 2020, Ms. LI did not receive any director's fees.

Save as disclosed above, Ms. LI is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to her re-election as a Director and any other information in relation to Ms. LI required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

**Mr. YANG Binghua**, aged 40, was appointed to the Board on 24 December 2018. Mr. YANG obtained a bachelor degree in Politics and Administration of Public Administration from China Youth University for Political Sciences in 2004 and obtained a master degree in Public Administration from School of Government of Peking University in 2011. He was previously a staff member, a senior staff member and a principal staff member of the information research office of SASAC Office from July 2004 to December 2013; person-in-charge of the basic training programme of Daqing Oilfield production plant No.2 from April 2010 to March 2011; person-in-charge of the basic training programme of the governmental and enterprises customers division of China Telecom from August 2012 to December 2013; the deputy department head of the second secretarial department, a deputy director of the department party committee office, the deputy department head of the

promotional department of the department party committee and the department head of the promotional department of the department party committee of SASAC Office from December 2013 to March 2017. In which, he served as a staff member of the management enhancement group office of asset committee authorities from July 2012 to August 2014. He was previously a deputy director of department of party-people relationship and a deputy director of department of party-people relationship (incharge of the department) of CNPGC from March 2017 to May 2018. He is currently a principal staff of department of party-masses relationship of CNPGC and a non-independent director of Chongqing Taiji Industry (Group) Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600129).

Save as disclosed above, Mr. YANG has not held directorship in other listed companies in the past three years or any other positions with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. YANG does not have any interests in the Share within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. YANG does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Mr. YANG entered into an appointment letter with the Company for an initial term of three years commencing from 24 December 2018. He is subject to retirement by rotation and re-election at the annual general meeting of the Company and vacation of office in accordance with the Articles of Association. Mr. YANG is entitled to receive director's fee, basic salary, discretionary bonuses or other benefits based on his performances and duties, profitability of the Group and the prevailing market condition. For the year ended 31 December 2020, Mr. YANG did not receive any director's fees.

Save as disclosed above, Mr. YANG is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to his re-election as a Director and any other information in relation to Mr. YANG required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

**Mr. KUI Kaipin**, aged 35, was appointed to the Board on 30 May 2018. Mr. KUI graduated from the School of International Liberal Studies of Waseda University with a bachelor's degree in International Liberal Studies in 2008. He obtained a master's degree in International Relation from the Graduate School of Asia-Pacific Studies of Waseda University in 2010. Mr. KUI joined Ping An in 2012 and has served various positions in the Ping An Group. He is currently a managing director of the private equity department of China Ping An Insurance Overseas (Holdings) Limited responsible for overseas private equity investments and strategic investments. He is also a director of Ping An Japan Investment Co., Ltd. managing Ping An Group's investments in Japan.

Save as disclosed above, Mr. KUI has not held directorship in other listed companies in the past three years or any other positions with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. KUI does not have any interests in the Share within the meaning of Part XV of the SFO.

Mr. KUI entered into an appointment letter with the Company for an initial term of three years commencing from 30 May 2020. He is subject to retirement by rotation and re-election at the annual general meeting of the Company and vacation of office in accordance with the Articles of Association. Mr. KUI is entitled to receive director's fee, basic salary, discretionary bonuses or other benefits based on his performances and duties, profitability of the Group and the prevailing market condition. For the year ended 31 December 2020, Mr. KUI did not receive any director's fees.

Save as disclosed above, Mr. KUI is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to his re-election as a Director and any other information in relation to Mr. KUI required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

**Mr. LI Weidong**, aged 53, was appointed to the Board on 18 February 2019. Mr. LI graduated from Nanjing University with bachelor's degrees in science and law in 1992 and obtained a doctor of philosophy in law from the City University of Hong Kong in 2004. Mr. LI acted as a professional lawyer of Nanjing Zhongshan Law firm from September 1992 to January 1994 and as a professional lawyer of Jiangsu Jingwei Law Firm from February 1994 to April 1997. He is currently a director of Haipai Law Firm (Shenzhen and Hong Kong), an independent non-executive director of Ocean Line Port Development Limited (a company listed on the Stock Exchange, stock code: 8502), and an independent director of Lufax Holding Ltd.(a company listed on the New York Stock Exchange, stock code: LU).

Save as disclosed above, Mr. LI has not held directorship in other listed companies in the past three years or any other positions with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. LI does not have any interests in the Share within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. LI does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Mr. LI entered into an appointment letter with the Company for an initial term of three years commencing from 18 February 2019. He is subject to retirement by rotation and re-election at the annual general meeting of the Company and vacation of office in accordance with the Articles of Association. Mr. LI is entitled to receive director's fee, basic salary, discretionary bonuses or other benefits based on his performances and duties, profitability of the Group and the prevailing market condition. His director's fee for acting as an independent non-executive Director will be HK\$250,000 per year. For the year ended 31 December 2020, Mr. LI has received a director's fee of HK\$250,000 and the special allowance of HK\$40,000 for attending board meeting in person.

Save as disclosed above, Mr. LI is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to his re-election as a Director and any other information in relation to Mr. LI required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

---

## NOTICE OF ANNUAL GENERAL MEETING

---



**国药集团**  
SINOPHARM

**CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED**  
**中國中藥控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 570)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**AGM**”) of China Traditional Chinese Medicine Holdings Co. Limited (the “**Company**”) will be held at Conference Room, 2nd Floor, No. 1, Keyuan Heng 4 Road, Gaoli Hi-Tech Park, Ronggui, Shunde District, Foshan City, Guangdong Province, China, on Wednesday, 30 June 2021 at 2:30 p.m. for the following purposes. Unless the context otherwise requires, terms used in this announcement shall have the same meaning as those defined in the circular of the Company dated 31 May 2021 (the “**Circular**”):

#### ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements, the report of the directors and the independent auditor’s report of the Company for the year ended 31 December 2020.
2. (a) Each as a separate resolution, to re-elect the following retiring directors of the Company (the “**Director**”):
  - (1) to re-elect Ms. LI Ru as a Director;
  - (2) to re-elect Mr. YANG Binghua as a Director;
  - (3) to re-elect Mr. KUI Kaipin as a Director; and
  - (4) to re-elect Mr. LI Weidong as a Director.
- (b) To authorize the board of directors (the “**Board**”) to fix the directors’ remuneration.

---

## NOTICE OF ANNUAL GENERAL MEETING

---

3. To appoint Ernst & Young as auditor of the Company and authorize the Board to fix its remuneration.

By Order of the Board  
**China Traditional Chinese Medicine Holdings Co. Limited**  
**WU Xian**  
*Chairman*

Hong Kong, 31 May 2021

*Notes:*

1. Any member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the registered office of the Company at Room 1601, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. To ascertain the shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 25 June 2021 to Wednesday, 30 June 2021, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 24 June 2021.
4. Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the meeting will 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 and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
5. With regard to items 2 to 3 set out in the notice, the Circular giving details of the proposed re-election of directors and the proposed change of the Company's auditor will be despatched to shareholders on 31 May 2021. The biographical details of the Directors who are proposed to be re-elected are set out in Appendix I to the Circular.
6. As at the date of this notice, the Board comprises twelve Directors, of which Mr. WU Xian, Mr. WANG Xiaochun and Mr. YANG Wenming are executive Directors; Mr. YANG Shanhua, Ms. LI Ru, Mr. YANG Binghua, Mr. WANG Kan and Mr. KUI Kaipin are non-executive Directors; and Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong are independent non-executive Directors.