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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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, certified public accountant or other professional advisor.

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

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**CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED****中國神威藥業集團有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 2877)****PROPOSALS FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the AGM of the Company to be held at Suite 3109, 31st Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at 11:00 a.m. on Friday, 27 May 2022 is set out on pages 13 to 17 of this circular.

Whether or not you are able to attend at the AGM or any adjournment thereof in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business in Hong Kong at Suite 3109, 31st Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

Hong Kong, 28 April 2022

**PRECAUTIONARY MEASURES FOR THE AGM**

Taking into account the recent development of the COVID-19 coronavirus, the Company will implement the following prevention and control measures at the AGM to protect our Shareholders from the risk of infection (details can be found in Note 7 of the Notice of AGM):

- **presentation of negative result of COVID-19 nucleic acid test taken in Hong Kong within 48 hours**
- **compulsory body temperature check**
- **wearing of surgical mask**
- **no distribution of gift and no refreshment will be served**

**Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds Shareholders that they may appoint the Chairman of the AGM as a proxy to vote on the relevant resolutions, instead of attending the AGM in person.**

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Suite 3109, 31st Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at 11: 00 a.m. on Friday, 27 May 2022, notice of which is set out on pages 13 to 17 of this circular or, where the context so admits, any adjournment thereof
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Shineway Pharmaceutical Group Limited, a company incorporated in the Cayman Islands on 14 August 2002 with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Extension Mandate”	the proposed general mandate as defined in paragraph 3 of the letter from the Board in this circular
“Forway”	Forway Investment Limited, a company incorporated in the British Virgin Islands with limited liability and the controlling shareholder of the Company within the meaning of the Listing Rules
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 April 2022, 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
“PRC”	the People’s Republic of China (and where the context requires, reference in this circular to the PRC do not apply to Hong Kong, Macau Special Administrative Region of the People’s Republic of China or Taiwan)

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## DEFINITIONS

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“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to repurchase Shares as defined in paragraph 2 of the Letter from the Board in this circular
“Repurchase Resolution”	the proposed ordinary resolution set out in the notice of the AGM as resolution no. 4
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) with par value of HK\$0.10 each in the capital of the Company
“Share Issue Mandate”	the proposed general mandate to be granted to the Director to allot, issue and deal with Shares as defined in paragraph 3 of the Letter from the Board in this circular
“Share Issue Resolution”	the proposed ordinary resolution set out in the notice of the AGM as resolution no. 5
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

*References to time and dates in this circular are to Hong Kong time and dates.*

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LETTER FROM THE BOARD

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**CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED**

**中國神威藥業集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2877)**

***Executive Directors:***

Mr. Li Zhenjiang (*Chairman*)  
Ms. Xin Yunxia  
Mr. Li Huimin  
Mr. Chen Zhong

***Registered Office:***

Cricket Square  
Hutchins Drive  
P. O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

***Head Office:***

Luan Cheng  
Shijiazhuang  
Hebei Province  
PRC

***Independent Non-executive Directors:***

Ms. Cheng Li  
Prof. Luo Guoan  
Mr. Liu Shun Fai

***Principal Place of Business in***

***Hong Kong:***

Suite 3109, 31st Floor  
Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

***Non-executive Director:***

Mr. Zhou Wencheng

***Company Secretary:***

Mr. Lee Bun Ching, Terence

Hong Kong, 28 April 2022

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to give you notice of the AGM and to provide you with information relating to the proposals for (i) the grant of the Repurchase Mandate; (ii) the grant of Share Issue Mandate; (iii) the grant of the Extension Mandate; and (iv) the re-election of retiring Directors.

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## LETTER FROM THE BOARD

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### 2. REPURCHASE MANDATE

An ordinary resolution of the Company was passed on 28 May 2021 whereby a general mandate was given to the Directors to repurchase Shares.

Such general mandate will lapse at the conclusion of the forthcoming AGM. Therefore an ordinary resolution will be proposed at the AGM to grant a general mandate to the Directors to repurchase Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing the Repurchase Resolution (the “Repurchase Mandate”).

An explanatory statement, as required under the Listing Rules, providing the requisite information of the Repurchase Mandate is set out in Appendix I to this circular.

### 3. SHARE ISSUE MANDATE

Two ordinary resolutions will be proposed respectively at the AGM to grant the Directors (i) a general mandate to allot, issue and deal with Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing the Share Issue Resolution (the “Share Issue Mandate”) and (ii) an extension of the Share Issue Mandate by adding thereto the number of Shares repurchased by the Company pursuant to the Repurchase Mandate, up to a maximum of 10% of the total number of issued Shares as at the date of passing of the resolution approving such an extension (the “Extension Mandate”).

### 4. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of eight Directors, namely Mr. Li Zhenjiang, Ms. Xin Yunxia, Mr. Li Huimin, Mr. Chen Zhong, Ms. Cheng Li, Prof. Luo Guoan, Mr. Liu Shun Fai and Mr. Zhou Wencheng.

Pursuant to Article 87(1) of the Articles, at each annual general meeting, one third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to and not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three year. Mr. Li Zhenjiang, Ms. Xin Yunxia, and Ms. Cheng Li will retire by rotation at the AGM. Pursuant to Article 86(3) of the Articles, Mr. Liu Shun Fai will hold office until the forthcoming AGM. The above-mentioned Directors, being eligible for re-election, offer themselves for re-election.

Ms. Cheng Li and Mr. Liu Shun Fai, being independent non-executive Directors, have satisfied all the factors for assessing independence of a non-executive Director set out in Rule 3.13 of the Listing Rules and provided annual confirmation of independence to the Company, and the Board considers Ms. Cheng Li and Mr. Liu Shun Fai to be independent. Ms. Cheng Li has a legal science bachelor’s degree and the legal science master’s degree from the law department of Japan Special Training University. She also studied in Sino-Japanese Investment Trade Promotion Association. Mr. Liu Shun Fai has more than 20 years of auditing and accounting experience. The Board is also of the view that Ms. Cheng Li and Mr. Liu Shun Fai have provided the Board with diverse experience, skills, expertise and background.

Information of the Directors standing for re-election is set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### 5. ANNUAL GENERAL MEETING

The notice convening the AGM, at which ordinary resolutions will be proposed to approve, inter alia, the Repurchase Mandate, the Share Issue Mandate, the Extension Mandate, the re-election of retiring Directors, is set out on pages 13 to 17 of this circular.

Whether or not you are able to attend the AGM or any adjournment thereof in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business in Hong Kong at Suite 3109, 31st Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

### 6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, 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 chairman of the AGM shall therefore demand voting on all resolutions set out in the notice of AGM be taken by way of poll pursuant to Article 66 of the Articles.

### 7. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 23 May 2022 to Friday, 27 May 2022, both days inclusive, for the purpose of determining Shareholders' eligibility to attend, act and vote at the AGM, during which period no transfer of Shares will be registered. In order to determine the entitlement to attend, act and vote at the AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 20 May 2022.

### 8. RECOMMENDATION

The Directors consider that the proposals referred to in this circular are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions to be proposed at the AGM.

Yours faithfully,  
By Order of the Board  
**LI Zhenjiang**  
*Chairman*

*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide you with all the information necessary for your consideration of the Repurchase Mandate.*

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the total number of Shares in issue was 827,000,000. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 82,700,000 Shares (representing 10% of the total number of issued Shares as at the Latest Practicable Date).

### **2. REASONS FOR REPURCHASES**

The Directors are of the view that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and its assets and/or its earnings per share of the Company and will only be made when the Directors are of the view that such a repurchase will benefit the Company and the Shareholders.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Articles and the applicable laws and regulations of the Cayman Islands. Pursuant to the Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilized in this connection, including profits of the Company or out of a fresh issue of Shares made for such purpose of the repurchase or, if authorized by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles and subject to the Companies Law, out of capital of the Company. The Company may not repurchase Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange prevailing from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2021 in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing positions which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date and for the month of April 2022 up to the Latest Practicable Date:

	per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2021</b>		
April	5.88	5.26
May	8.50	5.50
June	8.63	7.51
July	9.93	7.23
August	8.80	7.33
September	9.03	7.00
October	7.60	6.98
November	7.69	6.93
December	7.33	5.55
<b>2022</b>		
January	7.11	6.12
February	7.00	5.83
March	6.62	5.80
April (up to and including the Latest Practicable Date)	6.58	6.03

#### 5. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases have been made by the Company of its Shares in the six months prior to the Latest Practicable Date.

#### 6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any Share to the Company under the Repurchase Mandate.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Share to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

**7. EFFECT OF TAKEOVERS CODE**

If, as a result of the exercise of the repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning under the Takeovers Code), 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, 546,802,990 Shares are beneficially owned by Forway. The entire issued share capital of Forway is owned by BH Corporate Services Ltd in its capacity as the trustee of The Li Family 2004 Trust, a discretionary trust, the founder (as defined in the SFO) of which is Mr. Li Zhenjiang and the discretionary objects of which are family members of Mr. Li Zhenjiang (excluding Mr. Li Zhenjiang himself). Accordingly, Mr. Li Zhenjiang, Forway and BH Corporate Services Ltd are respectively deemed to be interested in the 546,802,990 Shares (representing approximately 66.12% of the total number of issued shares of the Company as at the Latest Practicable Date) under the SFO.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, then, (if the present shareholding remains the same) the attributable interests of BH Corporate Services Ltd, Mr. Li Zhenjiang and Forway would be increased to approximately 73.47% of the total number of issued shares of the Company. The Directors are of the view that such increase will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Directors do not intend to exercise the Repurchase Mandate so as to reduce the number of issued shares of the Company in public hands to less than 25% (or the relevant prescribed minimum percentage required by the Stock Exchange from time to time).

Set out below are the particulars of the Directors who offer themselves to be re-elected at the AGM:

- (1) **Mr. LI Zhenjiang** (“Mr. Li”), aged 66, is an executive Director, Chairman of the Board and President of the Company and one of the founders of the Group. Mr. Li is also the chairman of the nomination committee of the Company. Mr. Li obtained an EMBA degree from the Yangtze Commercial Institute. Mr. Li joined the predecessor of the Group in 1974 and has been the Chairman and President of the Group and its predecessor since 1984 with responsibility for business development and strategy. He has more than 30 years’ experience in the operation and management of modern Chinese medicine enterprises. Mr. Li takes charge of the overall management of the Group and is also specifically responsible for the Group’s research and development activities. Mr. Li is a Representative to the 10th, 11th and 12th National People’s Congress. He was named as an Outstanding Entrepreneur in the PRC Pharmaceutical Industry in 1994 and has received a National Wu Yi Labour Award and special subsidies of the State Council. Mr. Li is the vice-chairman of the PRC Chinese Medicine Association. Mr. Li is also directors of several members of the Group.

Mr. Li has entered into a service contract with the Company for a term of 2 years from 1 October 2020. The aggregate remuneration paid for the 3 months ended 31 December 2020, the year ending 31 December 2021 and payable for the 9 months ending 30 September 2022 are HK\$1,048,059, HK\$5,511,873 and HK\$3,840,068 respectively. According to the service contract of Mr. Li, he is entitled to an annual director’s fee of HK\$336,000 and an annual salary of HK\$4,656,086. Mr. Li is also entitled to a discretionary bonus to be determined by the Board at the Board’s absolute discretion (and approved by its duly appointed remuneration committee) having regard to the performance of the Group, provided that the aggregate amount of the bonus payable to all Directors in respect of any financial year shall not exceed 5% of the audited consolidated net profits after taxation but before extraordinary items of the Company for the relevant financial year. There will be no change to Mr. Li’s service terms upon his re-election.

As at the Latest Practicable Date, Mr. Li is deemed under the SFO to be interested in the 546,802,990 Shares (representing approximately 66.12% of the total issued shares of the Company) beneficially owned by Forway, details of which is more particularly described under paragraph 7 of Appendix I to this circular. Save as disclosed above, as at the Latest Practicable Date, Mr. Li does not have any other interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Li has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and has not held any other position with the Company and other members of the Group, and Mr. Li does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

In relation to the re-election of Mr. Li Zhenjiang as Director, save for the information disclosed above, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

- (2) **Ms. XIN Yunxia** (“Ms. Xin”), aged 58, is an executive Director and one of the founders of the Group. Ms. Xin is also a member of the remuneration committee and the corporate social responsibility and substantiality committee of the Company. Ms. Xin graduated from the Yangtze Commercial Institute with an EMBA degree. Ms. Xin is primarily responsible for the Group’s human resources management and operation. Ms. Xin joined the predecessor of the Group in 1981, focused on administration. She was the Deputy General Manager (human resources management) of Shineway Medical Science & Technology Co., Ltd. immediately prior to the corporate reorganization in preparation of the listing of the Company in 2004. Ms. Xin has more than 30 years’ experience in business management in the industry with the Group. Ms. Xin was appointed as an executive Director in 2004.

Ms. Xin has entered into a service contract with the Company for a term of 2 years from 1 October 2020. The aggregate remuneration paid for the 3 months ended 31 December 2020, the year ending 31 December 2021 and payable for the 9 months ending 30 September 2022 are HK\$604,650, HK\$3,041,667 and HK\$2,770,353 respectively. According to the service contract of Ms. Xin, she is entitled to an annual director’s fee of HK\$1,200,000 and an annual salary of HK\$2,300,000. Ms. Xin is also entitled to a discretionary bonus to be determined by the Board at the Board’s absolute discretion (and approved by its duly appointed remuneration committee) having regard to the performance of the Group, provided that the aggregate amount of the bonus payable to all Directors in respect of any financial year shall not exceed 5% of the audited consolidated net profits after taxation but before extraordinary items of the Company for the relevant financial year. There will be no change to Ms. Xin’s service terms upon her re-election.

Save as disclosed above, Ms. Xin has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and has not held any other position with the Company and other members of the Group, and Ms. Xin does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Xin beneficially owns 540,000 Shares representing approximately 0.07% of the total issued share capital of the Company. Save as disclosed above, as at the Latest Practicable Date, Ms. Xin does not have any other interests in the Shares within the meaning of Part XV of the SFO.

In relation to the re-election of Ms. Xin Yunxia as Director, save for the information disclosed above, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

- (3) **Ms. CHENG Li** (“Ms. Cheng”), aged 62, an independent non-executive Director, is a partner of Commerce & Finance Law Office. She has a legal science bachelor’s degree and a legal science master’s degree from law department of Japan Special Training University. She also studied in Sino-Japanese Investment Trade Promotion Association. She joined Commerce & Finance Law Office in

1995 and became a partner of Commerce & Finance Law Office in 2002. She is currently a member of Beijing Lawyer Association. Ms. Cheng was appointed as an independent non-executive Director in 2006.

Ms. Cheng does not have a service contract with the Company but she is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles and the Listing Rules. The annual aggregate director's fee paid for the year ended 31 December 2021 is HK\$156,000. The emoluments of Ms Cheng were determined with reference to her duties, responsibilities and experience, as well as the Group's emolument policy for independent non-executive Directors. There will be no change to Ms. Cheng's service terms upon her re-election.

Save as disclosed above, Ms. Cheng has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and has not held any other position with the Company and other members of the Group. Ms. Cheng is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. She does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

In relation to the re-election of Ms. Cheng Li as Director, save for the information disclosed above, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

- (4) **Mr. Liu Shun Fai** ("Mr. Liu"), aged 50, an independent non-executive Director. Mr. Liu has more than 27 years of auditing and accounting experience. He is an executive director, the company secretary and the chief financial officer of AMVIG Holdings Limited (together with its subsidiaries, the "AMVIG Group"). He is responsible for the accounting, finance and treasury function of the AMVIG Group. He graduated from the Chinese University of Hong Kong with a bachelor's degree and a master's degree in Business Administration in 1992 and 1999 respectively and is an associate member of the Hong Kong Institute of Certified Public Accountants. Before joining the AMVIG Group in August 2007, Mr. Liu had been the financial controller and the qualified accountant of two other companies listed on the Main Board of the Stock Exchange for 9 years and had also worked in an international accounting firm for 8 years. Mr. Liu was appointed as an independent non-executive Director on 1 November 2021.

Mr. Liu has entered into a letter of appointment with the Company for a term of 2 years from 1 November 2021 to 31 October 2023. The aggregate directors' fee paid for the 2 months ended 31 December 2021, payable for the year ending 31 December 2022 and the 10 months ending 31 October 2023 are HK\$26,000, HK\$156,000 and HK\$130,000 respectively. The emoluments of Mr. Liu were determined with reference to his duties, responsibilities and experience, as well as the Group's emolument policy for independent non-executive Directors. There will be no change to Mr. Liu's service terms upon his re-election.

Save as disclosed above, Mr. Liu has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and has not held any other position with the Company and other members of the Group. Mr. Liu is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. He does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

In relation to the re-election of Mr. Liu Shun Fai as Director, save for the information disclosed above, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

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## NOTICE OF ANNUAL GENERAL MEETING

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### CHINA SHINEWAY PHARMACEUTICAL GROUP LIMITED

### 中國神威藥業集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 2877)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of China Shineway Pharmaceutical Group Limited (the “Company”) will be held at Suite 3109, 31st Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at 11:00 a.m. on Friday, 27 May 2022 (the “AGM”), for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of directors of the Company (the “Directors”) and the report of the independent auditor for the year ended 31 December 2021.
- 2(A). To re-elect Mr. LI Zhenjiang as Director.
- 2(B). To re-elect Ms. XIN Yunxia as Director.
- 2(C). To re-elect Ms. CHENG Li as Director.
- 2(D). To re-elect Mr. LIU Shun Fai as Director.
- 2(E). To authorize the board of Directors to fix the remuneration of the Directors.
3. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorize the board of Directors to fix their remuneration.
4. To consider, and if thought fit, pass (with or without modification) 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 repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in

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accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchange (as applicable) as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of shares of the Company to be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
  - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiry of the period within which the next annual general meeting of the Company is required by the law to be held; and
    - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
5. To consider, and if thought fit, pass (with or without modification) the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

**“THAT:**

- (a) subject to paragraph (c) below, 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 HK\$0.10 each in the capital 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 authorize 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 powers after the end of the Relevant Period;
- (c) the aggregate 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, other than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares under any option scheme or similar

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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 total number of the issued shares of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiry of the period within which the next annual general meeting of the Company is required by the law to be held; and
    - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.
  - (e) for the purpose of this resolution, “Rights Issue” means an offer of shares of the Company or an issue of options, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the Directors to the holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusion 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”
6. To consider, and if thought fit, pass (with or without modification) the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

**“THAT:**

subject to the passing of the Resolution nos. 4 and 5 set out in the notice convening this meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to Resolution no. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to

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Resolution no. 4 set out in the notice convening this meeting, provided that such extended amount of shares so repurchased shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board of  
**China Shineway Pharmaceutical Group Limited**  
**LI Zhenjiang**  
*Chairman*

Hong Kong, 28 April 2022

*Notes:*

1. Any member of the Company entitled to attend and vote at the meeting (or any adjournment thereof) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. 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 certified copy thereof, must be delivered at the Company’s principal place of business in Hong Kong at Suite 3109, 31st Floor, Central Plaza, 18 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, 23 May 2022 to Friday, 27 May 2022, both days inclusive, for the purpose of determining Shareholders’ eligibility to attend, act and vote at the AGM, during which period no transfer of shares will be registered. In order to determine the entitlement to attend, act and vote at the AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 20 May 2022.
4. With regard to item no. 2 in this notice, the board of Directors proposes that the retiring Directors, namely Mr. LI Zhenjiang, Ms. XIN Yunxia, Ms. CHENG Li and Mr. LIU Shun Fai, be re-elected as Directors. Information of these Directors are set out in Appendix II to the circular to shareholders of the Company dated 28 April 2022.
5. As at the date of this notice, the executive Directors are Mr. LI Zhenjiang, Ms. XIN Yunxia, Mr. LI Huimin and Mr. CHEN Zhong, the independent non-executive Directors are Ms. CHENG Li, Prof. LUO Guoan and Mr. LIU Shun Fai, the non-executive Director is Mr. ZHOU Wencheng.
6. If tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at 8:00 a.m. on the date of the meeting, then the AGM will be postponed. The AGM will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.
7. Taking into account the recent development of the COVID-19 coronavirus, the Company will implement the following prevention and control measures at the AGM to protect our shareholders from the risk of infection:
  - (i) all shareholders, proxies and other attendees are required to present to the designated staff at the entrance of the meeting venue a negative result of COVID-19 nucleic acid test taken by him/her in Hong Kong within 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be) before they will be admitted to the meeting venue;
  - (ii) compulsory body temperature check will be conducted for all shareholders, proxies and other attendees at the entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius will not be admitted to the meeting venue;

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- (iii) all shareholders, proxies and other attendees are required to wear surgical mask before they are permitted to attend, and during their attendance of the AGM;
- (iv) no distribution of gift and no refreshment will be served; and
- (v) each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the AGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the Chairman of the AGM as a proxy to vote on the relevant resolutions, instead of attending the AGM in person.