
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any of the contents of this circular, you should obtain independent professional advice.

If you have sold or transferred all your H shares in Sinopharm Group Co. Ltd., you should at once hand this circular together with the form of proxy and reply slip 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.

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國藥控股股份有限公司 SINOPHARM GROUP CO. LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability
and carrying on business in Hong Kong as 國控股份有限公司)
(Stock Code: 01099)

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
- (2) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF
THE BOARD OF DIRECTORS;
- (3) PROPOSED DELEGATION OF CERTAIN POWER OF THE GENERAL
MEETING TO THE BOARD;
- (4) GENERAL MANDATE TO ISSUE NEW SHARES;
- (5) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR; AND
- (6) NOTICE OF AGM

A letter from the Board is set out on pages 3 to 11 of this circular. A notice convening the AGM to be held at Meeting Room 1813, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai, the PRC at 9:00 a.m. on Thursday, 27 June 2019, is being dispatched to the Shareholders together with this circular.

If you intend to attend the AGM, please complete and return the appropriate reply slip in accordance with the instructions printed thereon as soon as possible and in any event by no later than Thursday, 6 June 2019.

Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the appropriate form of proxy in accordance with the instructions printed thereon. The form of proxy must be signed by you or your attorney duly authorized in writing or, in case of a legal person, must either be executed under its seal or under the hand of its director or other attorney duly authorized to sign the same. If the form of proxy is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign, or other document of authorization, must be notorially certified.

In the case of joint holders of Shares, only the holder whose name stands first in the register of members of the Company shall alone be entitled to vote at the AGM, either in person or by proxy in respect of such Shares.

For holders of H Shares, please return the proxy form together with any documents of authority to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, and in any event not later than 24 hours before the time appointed for holding the AGM. For holders of Domestic Shares, please return the proxy form together with any documents of authority to the Board Office of the Company in the PRC at Room 1603, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai as soon as possible, and in any event not later than 24 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM, or any adjournment thereof should you so wish.

10 May 2019

* The Company is registered as a non-Hong Kong company under the Hong Kong Companies Ordinance under its Chinese name and the English name "Sinopharm Group Co. Ltd.".

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
I. INTRODUCTION	3
II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION	4
III. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS	6
IV. PROPOSED DELEGATION OF CERTAIN POWER OF THE GENERAL MEETING TO THE BOARD	8
V. GENERAL MANDATE TO ISSUE NEW SHARES	8
VI. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR	9
VII. AGM	10
VIII. RECOMMENDATION	11
NOTICE OF AGM	12

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened at Meeting Room 1813, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai, the PRC at 9:00 a.m. on Thursday, 27 June 2019
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	Sinopharm Group Co. Ltd. (國藥控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose H shares are listed and traded on the Hong Kong Stock Exchange
“Company Law”	the Company Law of the PRC
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and fully paid up in RMB by PRC nationals and/or PRC incorporated entities
“General Mandate”	the general mandate to issue new Shares to be granted to the Board at the AGM
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign invested ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which is/are listed and traded on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	6 May 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan Region
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure of the Board of Directors”	the rules of procedure of the board of directors of the Company
“Share(s)”	the share(s) of the Company in the nominal value of RMB1.00 each, including the Domestic Share(s) and H the Share(s)
“Shareholder(s)”	the shareholder(s) of the Company

LETTER FORM THE BOARD



国药集团
SINOPHARM

國藥控股股份有限公司
SINOPHARM GROUP CO. LTD.*

*(A joint stock limited company incorporated in the People's Republic of China with limited liability
and carrying on business in Hong Kong as 國控股份有限公司)*

(Stock Code: 01099)

Executive Directors:

Mr. Li Zhiming
Mr. Yu Qingming
Mr. Liu Yong

Registered office in the PRC:

6th Floor
No. 221 Fuzhou Road
Shanghai 200002
China

Non-executive Directors:

Mr. Chen Qiyu
Mr. Ma Ping
Mr. Hu Jianwei
Mr. Deng Jindong
Mr. Wen Deyong
Ms. Guan Xiaohui

Principal place of business in Hong Kong:

Room 1601
Emperor Group Center
288 Hennessy Road, Wanchai
Hong Kong

Independent Non-executive Directors:

Mr. Yu Tze Shan Hailson
Mr. Tan Wee Seng
Mr. Liu Zhengdong
Mr. Zhuo Fumin
Mr. Chen Fangruo

10 May 2019

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (2) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF
THE BOARD OF DIRECTORS;**
- (3) PROPOSED DELEGATION OF CERTAIN POWER OF THE GENERAL
MEETING TO THE BOARD;**
- (4) GENERAL MANDATE TO ISSUE NEW SHARES;**
- (5) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR; AND**
- (6) NOTICE OF AGM**

I. INTRODUCTION

References are made to the announcements of the Company dated 22 March 2019 in relation to the proposed amendments to the Articles of Association and the Rules of Procedure of the Board of Directors, and the proposed appointment of non-executive Director.

* The Company is registered as a non-Hong Kong company under the Hong Kong Companies Ordinance under its Chinese name and the English name "Sinopharm Group Co. Ltd.".

LETTER FROM THE BOARD

The purpose of this circular is to provide you with detailed information regarding, among others, (i) the proposed amendments to the Articles of Association; (ii) the proposed amendments to the Rules of Procedure of the Board of Directors; (iii) the proposed delegation of certain power of the general meeting to the Board; (iv) General Mandate to issue new Shares; (v) the proposed appointment of non-executive Director; and (vi) a notice convening the AGM to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the requirements of relevant laws, regulations and regulatory rules, and taking into consideration of the practice of the Company, the Board resolved on 22 March 2019 to propose to make certain amendments to the Articles of Association. The proposed amendments to the Articles of Association will be put forward at the AGM for Shareholders' approval as a special resolution. Details of the amendments are set out as follows:

1. Article 22

Which originally reads as:

“.....

After completion of the above placing of overseas-listed foreign invested ordinary shares, according to the general mandate granted at the 2013 annual general meeting and the approvals of the board of directors and relevant regulatory authorities, the Company further issued 198,801,600 overseas-listed foreign invested ordinary shares to not less than 6 but no more than 10 investors by way of placing. After completion of such further placing, the Company's registered capital was RMB2,767,095,089 with a nominal value of RMB1.00 each, of which 2,728,396 shares were held by China National Pharmaceutical Group Co., Ltd. (the promoter of the Company), 1,571,555,953 shares were held by Sinopharm Industrial Investment Co., Ltd. (the other promoter of the Company), and 1,192,810,740 shares were held by holders of the overseas-listed foreign invested shares.”

is proposed to be amended as follows:

“.....

After completion of the above placing of overseas-listed foreign invested ordinary shares, according to the general mandate granted at the 2013 annual general meeting and the approvals of the board of directors and relevant regulatory authorities, the Company further issued 198,801,600 overseas-listed foreign invested ordinary shares to not less than 6 but no more than 10 investors by way of placing. After completion of such further placing, the Company's registered capital was RMB2,767,095,089 with a nominal value of RMB1.00 each, of which 2,728,396 shares were held by China National Pharmaceutical Group Co., Ltd. (the promoter of the Company), 1,571,555,953 shares were held by Sinopharm Industrial Investment Co., Ltd. (the other promoter of the Company), and 1,192,810,740 shares were held by holders of the overseas-listed foreign invested shares.

LETTER FORM THE BOARD

After completion of the above placing of overseas-listed foreign invested ordinary shares, according to the approvals of the general meeting, the board of directors and relevant regulatory authorities, the Company acquired 60% equity interest of China National Scientific Instruments and Materials Co. Ltd. by issuance of 204,561,102 domestic shares to China National Pharmaceutical Group Co., Ltd. under general mandate. Upon completion of the issuance of domestic shares, the Company's registered capital was RMB2,971,656,191 with a nominal value of RMB1.00 each, of which 207,289,498 shares were held by China National Pharmaceutical Group Co., Ltd. (the promoter of the Company), 1,571,555,953 shares were held by Sinopharm Industrial Investment Co., Ltd. (the other promoter of the Company), and 1,192,810,740 shares were held by holders of the overseas-listed foreign invested shares."

Reason for the amendment:

In 2018, the Company acquired 60% equity interest of China National Scientific Instruments and Materials Co. Ltd. from China National Pharmaceutical Group Co., Ltd. ("CNPGC") by issuance of domestic shares to CNPGC. The registered capital of the Company increased upon the issuance of such domestic shares.

2. Article 96

Which originally reads as:

".....

Notwithstanding the provision specified in Clause Two of Article 96, when the board meeting is reviewing resolutions on whether or not to accept (i) a written notice from the Company's controlling shareholder or any subsidiary of such controlling shareholder (not including the Company and any of its subsidiaries) informing the Company of any opportunity to own, invest in, participate in, develop, operate or engage in any business or company directly or indirectly competing with the business of western medicine distribution; or (ii) whether or not to exercise the right of option or the right of pre-emption granted by the Company's controlling shareholder in respect of the interests held by such controlling shareholder or any of its subsidiary (not including the Company or any of its subsidiaries) in the business of western medicine distribution operated by China National Pharmaceutical Industrial Tianjin Co., Ltd., such motions can only be considered by independent non-executive directors of the Company and be put to the vote by more than three (inclusive) independent non-executive directors. Notwithstanding the provision specified in Clause One of Article 102, more than three (inclusive) independent non-executive directors attending relevant meetings shall constitute a quorum.

....."

is proposed to be amended as follows:

".....

LETTER FORM THE BOARD

Notwithstanding the provision specified in Clause Two of Article 96, when the board meeting is reviewing resolutions on whether or not to accept (i) a written notice from the Company's controlling shareholder or any subsidiary of such controlling shareholder (not including the Company and any of its subsidiaries) informing the Company of any opportunity to own, invest in, participate in, develop, operate or engage in any business or company directly or indirectly competing with the business of western medicine distribution; or (ii) whether or not to exercise the right of option or the right of pre-emption granted by the Company's controlling shareholder in respect of the interests held by such controlling shareholder or any of its subsidiary (not including the Company or any of its subsidiaries) ~~in the business of western medicine distribution operated by China National Pharmaceutical Industrial Tianjin Co., Ltd.~~, such motions can only be considered by independent non-executive directors of the Company and be put to the vote by more than three (inclusive) independent non-executive directors. Notwithstanding the provision specified in Clause One of Article 102, more than three (inclusive) independent non-executive directors attending relevant meetings shall constitute a quorum.

.....”

Reason for the amendment:

On 26 June 2018, de-registration of China National Pharmaceutical Industrial Tianjin Co., Ltd. has completed the industrial and commercial registration, so the deleted texts are no longer applicable.

III. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS

The Board resolved on 22 March 2019 to propose to make certain amendments to the Rules of Procedure of the Board of Directors. The proposed amendments to the Rules of Procedure of the Board of Directors will be put forward at the AGM for Shareholders' approval as an ordinary resolution. Details of the amendments are set out as follows:

1. Article 4.3

Which originally reads as:

“The chairman of the board of directors should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present.”

is proposed to be amended as follows:

“The chairman of the board of directors should at least annually hold meetings with the independent non-executive directors ~~(including independent non executive directors)~~ without the presence of other ~~executive~~ directors ~~present~~.”

LETTER FORM THE BOARD

Reason for the amendment:

It is proposed to revise this article to keep consistency with the amended code provision A.2.7 of Appendix 14 of the Hong Kong Listing Rules.

2. Article 32.2

Which originally reads as:

“These Rules and any amendments thereto are formulated by the board of directors and shall come into effect from the date of approval at the general meeting.

This version was considered and passed at 2017 annual general meeting of the Company.”

is proposed to be amended as follows:

“These Rules and any amendments thereto are formulated by the board of directors and shall come into effect from the date of approval at the general meeting.

~~This version was considered and passed at 2017 annual general meeting of the Company.”~~

Reason for the amendment:

The deleted sentence is not necessary.

3. Article 32.3

Is newly added as:

“.....

In the event of any conflicts between these Rules and the Company Law and the Listing Rules as amended from time to time, the provisions of the Company Law and the Listing Rules as amended from time to time shall prevail.

.....”

Note: The numbering of subsequent articles shall be amended accordingly.

Reason for the amendment:

It is proposed to include a conflict clause governing the relationship of these Rules with the Company Law and the Hong Kong Listing Rules.

LETTER FORM THE BOARD

IV. PROPOSED DELEGATION OF CERTAIN POWER OF THE GENERAL MEETING TO THE BOARD

Pursuant to the Articles of Association, the Rules of Procedure of the General Meeting and the Rules of Procedure of the Board of Directors, the guarantees provided by the Company in favor of third parties with an aggregate total value of more than 30% of the latest audited total assets of the Company over a period of 12 months shall be subject to the approval by the Shareholders. However, when providing guarantees in favor of third parties in the daily operation, the Company is often required by the bank to provide the resolution of the general meeting which authorizes the Board to approve the guarantees.

In order to further clarify the authority of the Board in respect of the relevant guarantees and facilitate and improve the efficiency of the business operation of the Company and its subsidiaries, the Board proposed to seek the Shareholders' approval for delegation of the power to the Board to approve the guarantees in favor of third parties with an aggregate total value of not more than 30% of the latest audited total assets of the Company over a period of 12 months; and if the above delegation is not consistent with, collides with or conflicts with the requirements under the Hong Kong Listing Rules or other requirements of the Hong Kong Stock Exchange, the requirements under the Hong Kong Listing Rules or other requirements of the Hong Kong Stock Exchange should be followed. Relevant proposal will be put forward at the AGM for Shareholders' approval as an ordinary resolution.

V. GENERAL MANDATE TO ISSUE NEW SHARES

The Board resolved to seek the Shareholders' approval for obtaining the General Mandate, which is an unconditional general mandate to separately or concurrently allot, issue and/or deal with Domestic Shares and/or H Shares not exceeding 20% of the aggregate nominal amount of the existing issued Domestic Shares and/or H Shares as at the date on which such General Mandate is approved by the Shareholders. As at the Latest Practicable Date, there were 1,778,845,451 Domestic Shares and 1,192,810,740 H Shares in issue. Therefore, a maximum of 355,769,090 Domestic Shares and/or 238,562,148 H Shares, representing 20% of the number of each of the existing issued Domestic Shares and/or H Shares, can be separately or concurrently allotted, issued and/or dealt with by the Board pursuant to the General Mandate to be granted by the Shareholders.

The Board will only exercise its authority under the General Mandate in accordance with the Company Law, the Hong Kong Listing Rules and the requirements of the relevant PRC regulatory authorities. The Directors believe that it is in the best interests of the Company and the Shareholders to grant a general authority to the Board to issue new Shares, and the ability to do so would give the Board the flexibility to capture the right opportunity, if it arises. Relevant proposal will be put forward at the AGM for Shareholders' approval as a special resolution.

The General Mandate will end on the earliest of (i) the conclusion of the next annual general meeting following the passing of the relevant resolution; (ii) 12 months from the date of passing of the relevant resolution at the AGM; and (iii) the date upon which such authority is revoked or varied by a special resolution of the Shareholders in a general meeting.

LETTER FORM THE BOARD

VI. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Board resolved on 22 March 2019 to propose to appoint Ms. Dai Kun as a non-executive Director of the Company. The proposed appointment of Ms. Dai Kun as non-executive Director will be put forward at the AGM for Shareholders' approval as an ordinary resolution.

Biographical details of Ms. Dai Kun

Ms. Dai Kun, aged 42, currently acts as assistant to president and general manager of human resources department of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("Fosun Pharma", a company listed on both The Stock Exchange of Hong Kong Limited with stock code of 02196 and the Shanghai Stock Exchange with stock code of 600196). Ms. Dai Kun graduated from China University of Political Science and Law with a bachelor degree in 2000 and majored in Law & English literature. Ms. Dai Kun worked at China International IntellecTech Corporation as service representative from July 2000 to November 2001. Ms. Dai Kun successively acted as assistant to vice president of HR, HR specialist, HR executive and associate director of HR of Beijing Novartis Pharma Ltd. from November 2001 to February 2012, and acted as head of HR for Novartis OTC Greater China & South Korea OU from March 2012 to August 2015, head of TAS (Talent Acquisition & Staffing) Novartis Greater China and HR head of NBS China from November 2015 to March 2018. From March 2018 to the present, Ms. Dai Kun acts as assistant to president and general manager of human resources department of Fosun Pharma.

Save as disclosed above and as at the Latest Practicable Date, Ms. Dai Kun did not have any relationships with any Directors, senior management, substantial or controlling Shareholder(s) of the Company, or held any other positions in the Company or any of its subsidiaries, or any directorships in other listed companies in the last three years.

As at the Latest Practicable Date, Ms. Dai Kun did not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Upon due appointment as Director, Ms. Dai Kun will enter into a service contract with the Company for a term commencing from the date of appointment and ending on the expiration of the term of the current session of the Board. Pursuant to the Articles of Association, Ms. Dai Kun will be subject to retirement by rotation and re-election upon the expiry of her term of office.

The remuneration package of Ms. Dai Kun will be determined by the Board as authorized by the Shareholders at the general meeting of the Company by taking into account, among other matters, her duties and responsibilities in the Company.

Save as disclosed above, the Board is not aware of any other matters in relation to the appointment of Ms. Dai Kun as non-executive Director that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

LETTER FROM THE BOARD

VII. AGM

A notice convening the AGM to be held at 9:00 a.m. on Thursday, 27 June 2019 at Meeting Room 1813, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai, the PRC is set out at the end of this circular.

A reply slip and a proxy form to be used at the AGM are also enclosed herein and published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Shareholders who intend to appoint a proxy to attend the AGM shall complete, sign and return the appropriate proxy form in accordance with the instructions printed thereon.

For holders of H Shares, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 24 hours before the time for holding the AGM in order for such documents to be valid. For holders of Domestic Shares, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Board Office of the Company in the PRC at Room 1603, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai, not less than 24 hours before the time for holding the AGM in order for such documents to be valid.

Holders of H Shares and Domestic Shares, who intend to attend the AGM must complete the reply slip and return it to the Board Office of the Company not later than 20 days before the date of the AGM, i.e. no later than Thursday, 6 June 2019.

Pursuant to the Articles of Association, for the purpose of holding the AGM, the register of members of H Shares will be closed from Tuesday, 28 May 2019 to Thursday, 27 June 2019 (both days inclusive), during which period no transfer of H Shares will be registered. Shareholders whose names appear on the register of members of the Company on Tuesday, 28 May 2019 are entitled to attend and vote at the AGM.

In order to attend the AGM, holders of H Shares shall lodge all transfer documents together with the relevant Share certificates to Computershare Hong Kong Investor Services Limited, the Company's H Share registrar, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 27 May 2019.

LETTER FORM THE BOARD

VIII. RECOMMENDATION

The Directors consider that all of the aforesaid resolutions are in the interests of the Company and the Shareholders as a whole, and accordingly, recommend the Shareholders to vote in favor of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
By Order of the Board of
Sinopharm Group Co. Ltd.
Li Zhiming
Chairman

NOTICE OF AGM



國藥控股股份有限公司 SINOPHARM GROUP CO. LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability
and carrying on business in Hong Kong as 國控股份有限公司)
(Stock Code: 01099)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting for the year 2018 (the “AGM”) of Sinopharm Group Co. Ltd. (the “Company”) will be held at 9:00 a.m. on Thursday, 27 June 2019 at Meeting Room 1813, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai, the People's Republic of China (the “PRC”), for the purpose of considering, and if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the report of the board of directors of the Company (the “**Board**”) for the year ended 31 December 2018.
2. To consider and approve the report of the supervisory committee of the Company (the “**Supervisory Committee**”) for the year ended 31 December 2018.
3. To consider and approve the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2018 and the auditors' report.
4. To consider and approve the profit distribution plan and payment of the final dividend for the year ended 31 December 2018.
5. To consider and authorize the Board to determine the remuneration of the directors of the Company (the “**Directors**”) for the year ending 31 December 2019.
6. To consider and authorize the Supervisory Committee to determine the remuneration of the supervisors of the Company (the “**Supervisors**”) for the year ending 31 December 2019.

* The Company is registered as a non-Hong Kong company under the Hong Kong Companies Ordinance under its Chinese name and the English name “Sinopharm Group Co. Ltd.”.

NOTICE OF AGM

7. To consider and approve the appointment of Ernst & Young Hua Ming LLP as the domestic auditor of the Company to hold office until the conclusion of the next annual general meeting, the appointment of Ernst & Young as the international auditor of the Company to hold office until the conclusion of the next annual general meeting, and to ratify and confirm their remunerations determined by the audit committee of the Board.
8. To consider and approve the delegation of the power to the Board to approve the guarantees in favor of third parties with an aggregate total value of not more than 30% of the latest audited total assets of the Company over a period of 12 months; and if the above delegation is not consistent with, collides with or conflicts with the requirements under the Rules Governing the Listing of Securities (the “**Hong Kong Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) or other requirements of the Hong Kong Stock Exchange, the requirements under the Hong Kong Listing Rules or other requirements of the Hong Kong Stock Exchange should be followed.
9. To consider and approve the amendments to the Rules of Procedure of the Board of Directors.
10. To consider and approve the appointment of Ms. Dai Kun as a non-executive director of the Company, and to authorize the chairman of the Board or any executive director of the Company to enter into the service contract or such other documents or supplemental agreements or deeds with her.

SPECIAL RESOLUTIONS

11. To consider and approve the grant of a general mandate to the Board to issue new shares:

“THAT:

- (a) subject to sub-paragraphs (i) to (iii) below, the Board be and is hereby granted an unconditional general mandate to separately or concurrently allot, issue and/or deal with ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and fully paid up in Renminbi by PRC nationals and/or PRC incorporated entities (the “**Domestic Shares**”) and/or overseas-listed foreign invested ordinary shares of par value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange (the “**H Shares**”), and to make or grant offers, agreements or options, and rights to exchange or convert into shares (including bonds, warrants and securities or debentures convertible into shares) in respect thereof:
 - (i) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options, and rights to exchange or convert into shares (including bonds, warrants and securities or debentures convertible into shares) which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF AGM

- (ii) the aggregate nominal amount of Domestic Shares and/or H Shares to be allotted, issued and/or dealt with or agreed conditionally or unconditionally to be issued, allotted and/or dealt with (whether pursuant to an option or otherwise) by the Board shall not exceed 20% of the aggregate nominal amount of each of the existing issued Domestic Shares and H Shares as at the date on which this resolution is passed; and
 - (iii) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Hong Kong Listing Rules (as amended from time to time) and the requirements of the relevant PRC regulatory authorities;
- (b) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
 - (ii) the expiration of the 12-month period following the passing of this resolution; or
 - (iii) the date on which the authority granted to the Board set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company (the “**Shareholders**”) in a general meeting; and
- (c) contingent on the Board’s resolving to issue shares pursuant to sub-paragraph (a) of this resolution, the Board be and is hereby authorised to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider relevant in connection with the issue of such new shares including, but not limited to, determining the time and place of issue, making all necessary applications to the relevant authorities and entering into an underwriting agreement (or any other agreement), to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities, and to make such amendments to the Articles of Association as it thinks fit so as to reflect the increase in the registered capital of the Company and to reflect the new share capital structure of the Company upon completion of the allotment and issue of the shares of the Company pursuant to the resolution under paragraph (a) of this resolution.”

NOTICE OF AGM

12. To consider and approve the amendments to the articles of association of the Company (the “**Articles of Association**”).

By Order of the Board of
Sinopharm Group Co. Ltd.
Li Zhiming
Chairman

Shanghai, the PRC
10 May 2019

As at the date of this notice, the executive directors of the Company are Mr. Li Zhiming, Mr. Yu Qingming and Mr. Liu Yong; the non-executive directors of the Company are Mr. Chen Qiyu, Mr. Ma Ping, Mr. Hu Jianwei, Mr. Deng Jindong, Mr. Wen Deyong and Ms. Guan Xiaohui; and the independent non-executive directors of the Company are Mr. Yu Tze Shan Hailson, Mr. Tan Wee Seng, Mr. Liu Zhengdong, Mr. Zhuo Fumin and Mr. Chen Fangruo.

Notes:

1. For the purpose of holding the AGM, the register of members of H Shares (the “**Register of Members**”) will be closed from Tuesday, 28 May 2019 to Thursday, 27 June 2019 (both days inclusive), during which period no transfer of H Shares can be registered.

In order to be qualified to attend and vote at the AGM, for holders of H Shares, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar 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, no later than 4:30 p.m. on Monday, 27 May 2019.

The Shareholders whose names appear on the register of members of the Company on Tuesday, 28 May 2019 are entitled to attend and vote at the AGM.

The Board has recommended a final dividend for the year ended 31 December 2018 of RMB0.59 per share (inclusive of tax) (the “**Final Dividend**”). If the resolution regarding the payment of the Final Dividend is approved by the Shareholders at the AGM, it is expected to be distributed on Tuesday, 27 August 2019 to the Shareholders whose names appear on the Register of Members on Tuesday, 9 July 2019.

For the purpose of the distribution of the Final Dividend, the Register of Members will be closed from Thursday, 4 July 2019 to Tuesday, 9 July 2019 (both days inclusive) during which period no transfer of H Shares will be registered.

In order to be qualified to receive the Final Dividend, for holders of H Shares, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar 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, no later than 4:30 p.m. on Wednesday, 3 July 2019.

2. Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a member of the Company.
3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.

NOTICE OF AGM

4. In order to be valid, the proxy form must be deposited, for the holders of H Shares, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or for the holders of Domestic Shares, to the Board Office of the Company in the PRC not less than 24 hours before the time for holding the AGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM or any adjourned meetings should you so wish.
5. Shareholders shall produce their identity documents and supporting documents in respect of the shares of the Company held when attending the AGM. If corporate Shareholders appoints authorised representative to attend the AGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the proxy form signed by the Shareholders or their attorney when attending the AGM.
6. Shareholders who intend to attend the AGM should complete the reply slip and return it to the Board Office of the Company in the PRC by hand, by post or by fax on or before Thursday, 6 June 2019.
7. The AGM is expected to take for less than half a day. Shareholders attending the AGM shall be responsible for their own travel and accommodation expenses.
8. Contact details of the Board Office of the Company in the PRC are as follows:

Address:	Room 1603, Sinopharm Plaza, No.1001 Zhongshan West Road, Changning District, Shanghai, 200051, the PRC
Telephone No.:	(86 21) 2305 2150
Fax No.:	(86 21) 2305 2146