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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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華潤醫藥集團有限公司

China Resources Pharmaceutical Group Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3320)

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

The notice convening the Annual General Meeting of China Resources Pharmaceutical Group Limited to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Tuesday, 28 May 2019 at 10:00 a.m. is set out on pages 17 to 21 of this circular. Shareholders are advised to complete and return the accompanying proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting if you so wish.

Hong Kong, 23 April 2019

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Tuesday, 28 May 2019 at 10:00 a.m., notice of which is set out on pages 17 to 21 of this circular
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board”	board of Directors
“BSCOMC”	State-Owned Capital Operation And Management Center Of Beijing (北京國有資本經營管理中心), a state-owned enterprise incorporated in the PRC and a substantial shareholder of the Company
“Buy-back Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to buy back Shares during the period as set out in the Buy-back Resolution up to a maximum of 10% of the issued Shares at the date of the Buy-back Resolution
“Buy-back Resolution”	the ordinary resolution proposed under item no. 5 of the notice of the Annual General Meeting
“China” or “PRC”	the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as amended from time to time)
“Company”	China Resources Pharmaceutical Group Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3320)

DEFINITIONS

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“CR Company”	China Resources Company Limited (中國華潤有限公司) (formerly known as China Resources National Corporation), a company incorporated in the PRC and the ultimate holding company of the Company
“CR Double-Crane”	China Resources Double-Crane Pharmaceutical Company Limited (華潤雙鶴藥業股份有限公司), a company incorporated under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600062) is indirectly owned as to approximately 59.99% by the Group and is a subsidiary of the Company
“CR Holdings”	China Resources (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company
“CR Sanjiu”	China Resources Sanjiu Medical & Pharmaceutical Company Limited (華潤三九醫藥股份有限公司), a company incorporated under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000999) is indirectly owned as to approximately 63.60% by the Group and is a subsidiary of the Company
“Directors”	the directors of the Company
“Dong-E-E-Jiao”	Dong-E-E-Jiao Company Limited (東阿阿膠股份有限公司), a company incorporated under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000423) and controlled as to approximately 31.26% by the Group
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Latest Practicable Date”	12 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Share(s)”	share(s) of the Company
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back or purchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as amended from time to time)

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

LETTER FROM THE BOARD



華潤醫藥集團有限公司

China Resources Pharmaceutical Group Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3320)

Directors:

Executive Directors

WANG Chuncheng (*Chairman*)

LI Guohui

Non-executive Directors

CHEN Rong

YU Zhongliang

WANG Shouye

LYU Ruizhi

Independent non-executive Directors

SHING Mo Han Yvonne

KWOK Kin Fun

FU Tingmei

ZHANG Kejian

Registered Office:

41/F,

China Resources Building,

26 Harbour Road,

Wanchai,

Hong Kong

Hong Kong, 23 April 2019

To the Shareholders,

Dear Sir or Madam,

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

INTRODUCTION

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

LETTER FROM THE BOARD

GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 18 May 2018, a general mandate was given to the Directors to exercise the powers of the Company to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. It is therefore proposed to seek your approval of the Buy-back Resolution at the Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to buy back Shares. An explanatory statement as required under the Share Buy-back Rules to provide the requisite information of the Buy-back Proposal is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 18 May 2018, a general mandate was given to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. It is therefore proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued Shares at the date of the resolution (i.e. not exceeding 1,256,901,292 Shares based on 6,284,506,461 Shares in issue as at the Latest Practicable Date and assuming that such issued Shares remain the same at the date of passing the resolution) and adding to such general mandate so granted to the Directors any Shares representing the total number of the Shares bought back by the Company after the granting of the general mandate to buy back up to 10% of the issued Shares at the date of the Buy-back Resolution.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. WANG Chuncheng and Mr. LI Guohui as executive Directors, Mr. CHEN Rong, Mr. YU Zhongliang, Mr. WANG Shouye and Mr. LYU Ruizhi as non-executive Directors, Mdm. SHING Mo Han Yvonne, Mr. KWOK Kin Fun, Mr. FU Tingmei and Mr. ZHANG Kejian as independent non-executive Directors.

Pursuant to Article 78 of the Articles of Association, Mr. WANG Shouye and Mr. LYU Ruizhi will retire from office at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Pursuant to Article 88 of the Articles of Association, Mr. WANG Chuncheng, Mr. LI Guohui and Mr. FU Tingmei will retire from office by rotation at the Annual General Meeting and, being eligible, will offer themselves for re-election.

LETTER FROM THE BOARD

The nomination committee of the Company had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2018 based on the independence criteria as set out in rule 3.13 of the Listing Rules, including Mr. FU Tingmei. The nomination committee of the Company had considered and nominated the above retiring Directors to the Board for it to propose to the Shareholders for re-election at the Annual General Meeting.

Accordingly, with the recommendation of the nomination committee of the Company, the Board has proposed that each of the above retiring Directors, namely Mr. WANG Chuncheng, Mr. LI Guohui, Mr. WANG Shouye and Mr. LYU Ruizhi and Mr. FU Tingmei stands for re-election as Director by way of separate resolution at the Annual General Meeting.

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

ANNUAL GENERAL MEETING

Set out on pages 17 to 21 of this circular is the notice convening the Annual General Meeting.

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

ACTION TO BE TAKEN

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

VOTING BY WAY OF POLL

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

LETTER FROM THE BOARD

RECOMMENDATION

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

Yours faithfully,
China Resources Pharmaceutical Group Limited
WANG Chuncheng
Chairman

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

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

1. ISSUED SHARES

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

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

2. REASONS FOR BUY-BACK

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

3. FUNDING OF BUY-BACK

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

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2018 in the event that the power to buy back Shares pursuant to the Buy-back Proposal was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the power to buy back Shares pursuant to the Buy-back Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

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

	Trading price per Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
April 2018	12.80	10.46
May 2018	12.04	10.54
June 2018	12.42	10.12
July 2018	11.58	9.93
August 2018	12.70	10.64
September 2018	13.16	11.76
October 2018	12.56	11.10
November 2018	12.70	11.30
December 2018	11.98	9.92
January 2019	11.56	9.46
February 2019	11.62	10.26
March 2019	11.50	10.26
April 2019 (up to the Latest Practicable Date)	11.40	10.70

5. UNDERTAKING

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

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

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

6. TAKEOVERS CODE

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

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

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

7. SHARES BUY-BACK MADE BY THE COMPANY

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

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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

Mr. WANG Chuncheng (*Executive Director*)

Mr. WANG Chuncheng, aged 56, was appointed as a Director in December 2014, designated as an executive Director in June 2016, appointed as the chief executive officer of the Company in June 2016 and the chairman of the Board in March 2019. He is the chairman of the executive committee and the nomination committee, and a member of the corporate governance committee of the Company. Mr. WANG also serves as an executive vice president of CR Holdings, the chairman of China Resources Pharmaceutical Holdings Company Limited, the chairman of CR Sanjiu, the chairman of Dong-E-E-Jiao, the chairman of China Resources Jiangzhong Pharmaceutical Group Co., Ltd. (華潤江中製藥集團有限責任公司) (formerly known as Jiangxi Jiangzhong Pharmaceutical (Group) Co., Ltd. (江西江中製藥(集團)有限責任公司)) (“**CR Jiangzhong Group**”) and a director of the board of the International Federation of Pharmaceutical Wholesalers (IFPW). Mr. WANG has over 20 years of experience in corporate management. He was the chairman of CR Double-Crane from January 2015 to December 2018. He served as a general manager of the human resources department of CR Company, a general manager of the standing board office of CR Holdings, the chairman of Teck Soon Hong Limited, the chairman of China Resources Textiles (Holdings) Company Limited (華潤紡織(集團)有限公司), and the chairman of China Resources Pharmaceutical Commercial Group Company Limited (華潤醫藥商業集團有限公司). Mr. WANG holds a bachelor’s degree in economics from Jilin Institute of Finance and Trade (currently known as Jilin University of Finance and Economics) in Changchun, the PRC.

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

There is no service contract between the Company and Mr. WANG for his position as executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. The Director’s fee payable to Mr. WANG shall be determined by the Board under the authority granted by the shareholders at the Annual General Meeting with reference to his duties and responsibilities in the Company and the recommendation made by the remuneration committee of the Company. For the year ended 31 December 2018, Mr. WANG received remuneration of HK\$5,894,048 (including salaries and other allowance, retirement benefit scheme contributions and others) for his services as an executive Director and chief executive officer of the Company. As at the Latest Practicable Date, Mr. WANG did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

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

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Mr. LI Guohui (*Executive Director*)

Mr. LI Guohui, aged 47, was appointed as a Director in March 2016 and designated as an executive Director in June 2016. He is a member of the executive committee and the corporate governance committee of the Company. Mr. LI also serves as the chief financial officer and vice president of the Company, a director of CR Double-Crane, a director of Dong-E-E-Jiao, a supervisor of CR Sanjiu and a director of CR Jiangzhong Group. Mr. LI has over 15 years of experience in financial and business analysis and financial management. Mr. LI joined CR Holdings in 2009 and served as the chief accounting officer of the finance department from September 2011. Mr. LI obtained a bachelor's degree in shipbuilding techniques and equipment from the Faculty of Naval Architecture and Ocean Engineering of Wuhan Institute of Water Transportation Engineering (currently known as Wuhan University of Technology) in Wuhan, the PRC. He holds a master's degree in business administration from Wuhan University, the PRC and a master's degree in financial management from Nanyang Technological University in Singapore. Mr. LI is a CFA charter holder and a certified accountant of the Institute of Certified Public Accountant of Singapore.

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

There is no service contract between the Company and Mr. LI for his position as executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. The Director's fee payable to Mr. LI shall be determined by the Board under the authority granted by the shareholders at the Annual General Meeting with reference to his duties and responsibilities in the Company and the recommendation made by the remuneration committee of the Company. For the year ended 31 December 2018, Mr. LI received remuneration of HK\$3,672,927 (including salaries and other allowance, retirement benefit scheme contributions and others) for his services as an executive Director, chief financial officer and vice president of the Company. As at the Latest Practicable Date, Mr. LI did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

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

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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

Mr. WANG Shouye, aged 48, was appointed as a non-executive Director in May 2018. Mr. WANG joined BSCOMC in 2010 and is currently the chief financial officer of BSCOMC. He was a Director from October 2011 to June 2016. Mr. WANG was also a non-executive director of CSC Financial Co., Ltd., a company listed on the Stock Exchange (stock code: 6066), from August 2016 to February 2018. Mr. WANG has over 10 years of experience in financial management. He was the director of finance and audit division of Beijing Coal Corporation (北京市煤炭總公司), the director of finance and audit division, the director of finance and audit department, the director of finance department, and the director of finance and price department of Beijing Jintai Hengye Co., Ltd. (北京金泰恒業有限責任公司), a subsidiary of Beijing Jingmei Group Co. Ltd. (北京京煤集團有限責任公司) and the director of finance department of Beijing Golden Tide Group Co. Ltd (北京金泰集團有限公司), a subsidiary of Beijing Jingmei Group Co. Ltd. (北京京煤集團有限責任公司). Mr. WANG graduated from Fuxin Mining Institute majoring in statistics in 1992 and graduated from the School of Continuing Education of Renmin University of China on a part-time basis in 1997 majoring in investment and economics management. Mr. WANG obtained a master's degree in business management and economics from Liaoning Technical University in 2006. He is also a senior accountant and senior statistician in the PRC.

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

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

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

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Mr. LYU Ruizhi (*Non-executive Director*)

Mr. LYU Ruizhi, aged 46, was appointed as a non-executive Director and a member of the audit committee of the Company in May 2018. Mr. LYU joined BSCOMC in 2010 and is currently the general manager of the investment management second division of BSCOMC. Mr. LYU has many years of experience in investment management. He was the vice manager of the securities department of Beijing Capital Development Co., Ltd. (北京首都開發股份有限公司) and the vice general manager of the investment management division of BSCOMC. Mr. LYU was a part-time director of Beiqi Foton Motor Co., Ltd (北汽福田汽車股份有限公司) (a company listed on Shanghai Stock Exchange, stock code: 600166) from September 2015 to July 2018. Mr. LYU graduated from the department of investment economics of Renmin University of China in 1995 majoring in investment economics management and obtained a master's degree in accounting from the School of Business of Renmin University of China in 2002. He is also an economist in the PRC.

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

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

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

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Mr. FU Tingmei (*Independent non-executive Director*)

Mr. FU Tingmei, aged 52, was appointed as an independent non-executive Director in June 2016. He is a member of the audit committee, the remuneration committee and the nomination committee and the chairman of the corporate governance committee of the Company. Mr. FU has over 20 years of experience in investment, finance, law and business management. Mr. FU currently serves as an independent non-executive director of CPMC Holdings Limited, a company listed on the Stock Exchange (stock code: 0906), Guotai Junan International Holdings Limited, a company listed on the Stock Exchange (stock code: 1788), Postal Savings Bank of China Co., Ltd., a company listed on the Stock Exchange (stock code: 1658) and COFCO Meat Holdings Limited, a company listed on the Stock Exchange (stock code: 1610). Mr. FU was an independent non-executive director of Beijing Enterprises Holdings Limited, a company listed on the Stock Exchange (stock code: 0392) from July 2008 to June 2017. Mr. FU holds a master's degree in law and a Ph.D. degree in law from London University, the United Kingdom.

Save as disclosed above, Mr. FU did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

Mr. FU has given his written annual confirmation of independence to the Company and the nomination committee of the Company had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. Mr. FU is and was not connected with any Directors, senior management or substantial or controlling Shareholders of the Company. The Board is also not aware of any circumstance that might influence Mr. FU in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent. The Board is of the view that Mr. FU is beneficial to the Board with diversity of his comprehensive business experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

There is no service contract between the Company and Mr. FU for his position as an independent non-executive Director. He has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. His emoluments comprise a Director's fee to be determined by the Board under the authority granted by the shareholders of the Company at annual general meeting and with reference to his duties and responsibilities with the Company, the Company's performance and market situation. Mr. FU received a Director's fee of HK\$300,000 from the Company for the year ended 31 December 2018. Mr. FU did not receive any other emolument for the year ended 31 December 2018. As at the Latest Practicable Date, Mr. FU did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

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

NOTICE OF THE ANNUAL GENERAL MEETING



華潤醫藥集團有限公司

China Resources Pharmaceutical Group Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3320)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (“AGM”) of China Resources Pharmaceutical Group Limited (the “**Company**”) will be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Tuesday, 28 May 2019 at 10:00 a.m. for the following purposes. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 23 April 2019 (the “**Circular**”).

1. To receive and consider the audited financial statements, the directors’ report and the independent auditor’s report of the Company for the year ended 31 December 2018.
2. To declare a final dividend for the year ended 31 December 2018.
3.
 - (1) To re-elect Mr. WANG Chuncheng as Director;
 - (2) To re-elect Mr. LI Guohui as Director;
 - (3) To re-elect Mr. WANG Shouye as Director;
 - (4) To re-elect Mr. LYU Ruizhi as Director;
 - (5) To re-elect Mr. FU Tingmei as Director;
 - (6) To authorize the Board to fix the remuneration of the Directors.
4. To re-appoint Messr. Ernst and Young as the auditor of the Company and to authorize the Board to fix their remuneration.

NOTICE OF THE ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTION

“**THAT:**

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

NOTICE OF THE ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTION

“**THAT:**

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

NOTICE OF THE ANNUAL GENERAL MEETING

- (d) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

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

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

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

ORDINARY RESOLUTION

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

By Order of the Board
China Resources Pharmaceutical Group Limited
WANG Chuncheng
Chairman

Hong Kong, 23 April 2019

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the registered office of the Company at 41st Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. The register of members of the Company will be closed from Wednesday, 22 May 2019 to Tuesday, 28 May 2019, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 21 May 2019 for registration.
4. With regard to item no. 2 in this notice, the Board has recommended a final dividend to be payable on or around 21 June 2019. Subject to the approval of shareholders at the AGM, the proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company after the close of business at 4:30 p.m. on Wednesday, 5 June 2019 and the register of members of the Company will be closed on Wednesday, 5 June 2019, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all share transfer documents, accompanied by the relevant share certificates lodged with the Company's share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 4 June 2019 for registration.
5. With regard to item no. 3 in this notice, the Board has proposed that five retiring Directors, namely Mr. WANG Chunheng, Mr. LI Guohui, Mr. WANG Shouye, Mr. LYU Ruizhi and Mr. FU Tingmei being eligible, shall be re-elected as Directors of the Company. Details of these Directors are set out in Appendix II to the Circular.
6. With regard to item no. 5 in this notice, an explanatory statement as required under the Share Buy-back Rules in connection with the Share Buy-back Proposal is set out in Appendix I to the Circular.

As at the date of this notice, the executive Directors are Mr. WANG Chunheng and Mr. LI Guohui; the non-executive Directors are Mr. CHEN Rong, Mr. YU Zhongliang, Mr. WANG Shouye and Mr. LYU Ruizhi; and the independent non-executive Directors are Mdm. SHING Mo Han Yvonne, Mr. KWOK Kin Fun, Mr. FU Tingmei and Mr. ZHANG Kejian.