

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

If you have sold or transferred all your shares in Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司) (the “Company”), you should at once hand this supplemental circular and the accompanying supplemental proxy form to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

(A joint stock limited liability company established in the People's Republic of China)

(Stock Code: 2289)

**SUPPLEMENTAL CIRCULAR TO
THE CIRCULAR DATED 23 SEPTEMBER 2016
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
SUPPLEMENTAL NOTICE OF
THE 2016 FIRST EXTRAORDINARY GENERAL MEETING**

This supplemental circular should be read together with the circular issued by the Company to the Shareholders dated 23 September 2016 and the notice convening the EGM dated 23 September 2016 (the “EGM Notice”). A supplemental notice of the EGM, which should be read in conjunction with the EGM Notice, is set out on pages 7 to 8 of this supplemental circular.

Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder. In order to be valid, the original and supplemental proxy forms for the EGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company not less than 24 hours before the time for holding the EGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy forms. Completion and return of the proxy forms will not preclude shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemental from time to time
“Board”	the board of Directors of the Company
“Company”	Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司), a joint stock company established in the PRC with limited liability, whose H Shares are listed and traded on the Stock Exchange (stock code: 2289)
“Director(s)”	director(s) of the Company
“Domestics Shares”	ordinary share(s) issued by the Company in the PRC with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB by PRC natural persons or entities established under the laws of the PRC
“EGM”	the 2016 first extraordinary general meeting of the Company to be held at 3 p.m. on Wednesday, 9 November 2016 at the Conference Room on 3rd floor, No. 235 Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the PRC, and any adjournment thereof
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which is/are listed and traded on the Stock Exchange
“Latest Practicable Date”	18 October 2016, being the latest practicable date prior to the printing of this supplemental circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, modified or otherwise supplemental from time to time
“PRC”	The People’s Republic of China which shall, for the purpose of this supplemental circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares(s)”	the Domestic Share(s) and the H Share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

(A joint stock limited liability company established in the People's Republic of China)

(Stock Code: 2289)

Executive Directors:

Mr. Yao Chuanglong (*Chairman*)

Ms. Zheng Yuyan

Mr. Fan Jianbo

Mr. Lin Zhixiong

Non-executive Director:

Ms. You Zeyan

Independent Non-executive Directors:

Mr. Wan Chi Wai Anthony

Mr. Zhou Tao

Mr. Guan Jian (also known as Guan Suzhe)

Registered Office and

Headquarters in the PRC:

No. 235

Song Shan North Road

Longhu District, Shantou City

Guangdong Province, PRC

Principal Place of

Business in Hong Kong:

18/F, Tesbury Centre

28 Queen's Road East

Wanchai, Hong Kong

24 October 2016

To the Shareholders

Dear Sir or Madam,

**SUPPLEMENTAL CIRCULAR TO
THE CIRCULAR DATED 23 SEPTEMBER 2016**

**PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
SUPPLEMENTAL NOTICE OF
THE 2016 FIRST EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this supplemental circular is to provide you, as holders of H Shares, with the supplemental notice of the EGM (set out on pages 7 to 8 of this supplemental circular) and provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution or abstain from voting at the EGM. This supplemental circular should be read together with the circular issued by the Company to the Shareholders dated 23 September 2016.

At the EGM, ordinary resolution will be proposed to approve the proposed appointment of Mr. Li Weisheng as a non-executive Director.

LETTER FROM THE BOARD

2. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited, being the Shareholder holding approximately 7.32% of the Shares has submitted an ordinary resolution to the Company which will be proposed at the EGM to consider and approve the appointment of Mr. Li Weisheng (“**Mr. Li**”) as a non-executive Director. The biography of Mr. Li is summarised as follows:

Mr. Li Weisheng (李偉生), aged 52, is a Pharmacist-in-charge. He has been the general manager of Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited since December 2015. He worked in Guangzhou Pharmaceutical Trading Co., Ltd. from July 1989 to November 2011 and was the deputy general manager of Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited from November 2011 to December 2015. Mr. Li graduated from Guangdong Pharmaceutical University (formerly known as Guangdong Pharmaceutical Institute with a bachelor degree in medicines, majoring preventive healthcare in 1989.

As far as the Directors are aware, Mr. Li has not held any directorship 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. Save as disclosed above, Mr. Li does not have any relationship with any directors, supervisors, senior management or substantial shareholders of the Company, nor does he hold any position in the Company or any of its subsidiaries. As at the Latest Practicable Date, Mr. Li does not have any interest in the shares of the Company or its associated companies within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Li which is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules nor are there any matters which need to be brought to the attention of the Shareholders.

The term of office of Mr. Li will commence upon the approval of his appointment by the Shareholders at the EGM and shall expire at the end of the first session of the Board in 2018. The Company will enter into a letter of appointment with Mr. Li. The annual remuneration of Mr. Li will be RMB50,000, as determined by the Board with reference to his responsibilities, the Company’s remuneration policy and the prevailing market conditions.

In accordance with the Articles of Association and the provisions of the relevant PRC laws and regulations, the appointment of Mr. Li is subject to approval of the Shareholders at the EGM.

LETTER FROM THE BOARD

3. EGM

The EGM of the Company will be held at Conference Room on 3rd floor, No. 235 Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the PRC at 3 p.m. on Wednesday, 9 November 2016. The supplemental notice of the EGM is set out on pages 7 to 8 of this supplemental circular.

In order to determine the Shareholders who are entitled to attend the EGM, the register of members of the Company will be closed from Saturday, 8 October 2016 to Wednesday, 9 November 2016 (both days inclusive), during which period no transfer of Shares can be registered. In order to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC (for holders of Domestic Shares) for registration not later than 4:30 p.m. on Friday, 7 October 2016.

Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 9 November 2016 are entitled to attend and vote at the EGM.

The supplemental proxy form is for the purpose of the supplemental resolution set out in the supplemental notice of the EGM dated 24 October 2016 and only serves as a supplement to the original proxy form for the EGM. The supplemental proxy form will not affect the validity of any proxy form duly completed and delivered by you in respect of the resolution set out in the EGM Notice dated 23 September 2016. If you have validly appointed a proxy to attend and act for you at the EGM but do not duly complete and deliver the supplemental proxy form, your proxy will be entitled to vote at the discretion on the ordinary resolution no. 2 set out in the supplemental notice of the EGM dated 24 October 2016. If you do not duly complete and deliver the original proxy form for the EGM but have duly completed and delivered the supplemental proxy form and validly appointed a proxy to attend and act for you at the EGM, your proxy will be entitled to vote at the discretion on the resolution set out in the EGM Notice dated 23 September 2016. If the proxy being appointed to attend the EGM under the supplemental proxy form is different from the proxy appointed under the original proxy form and both proxies attended the EGM, the proxy validly appointed under the original proxy form shall be designated to vote at the EGM.

Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder. In order to be valid, the original and supplemental proxy forms for the EGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company not less

LETTER FROM THE BOARD

than 24 hours before the time for holding the EGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy forms. Completion and return of the proxy forms will not preclude shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.

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

Responsibility Statement

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

Recommendations

The Directors consider that the proposed resolution set out in the supplemental notice of the EGM is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors, together with their associates, intend to vote in favour of the resolution in respect of their respective shareholdings in the Company and recommend Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

Miscellaneous

The English text of this supplemental circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
For and on behalf of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman



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CHARMACY PHARMACEUTICAL CO., LTD.
創美藥業股份有限公司

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**SUPPLEMENTAL NOTICE OF
THE 2016 FIRST EXTRAORDINARY GENERAL MEETING**

Reference is made to the notice of the 2016 first extraordinary general meeting (the “EGM”) of Charmacy Pharmaceutical Co., Ltd. (the “Company”) dated 23 September 2016, which set out the time and venue of the EGM and contains the resolution to be tabled before the EGM for shareholders’ approval.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the EGM will be held at originally scheduled at 3 p.m. on 9 November 2016 (Wednesday) at the Conference Room on 3rd floor, No. 235 Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the People’s Republic of China for the purpose of considering and, if thought fit, passing the following resolution which was submitted to the Company for consideration at the EGM by Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited, shareholder holding approximately 7.32% of the shares of the Company, in compliance with the laws and articles of association of the Company. In addition to the resolution set out in the notice of EGM dated 23 September 2016:

AS ORDINARY RESOLUTION

2. to consider and approve the appointment of Mr. Li Weisheng as a non-executive Director of the Company.

By order of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman

Hong Kong, 24 October, 2016

Notes:

1. All resolution(s) at the meeting will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.

SUPPLEMENTAL NOTICE OF EGM

2. In order to determine the Shareholders who are entitled to attend the EGM, the register of members of the Company will be closed from Saturday, 8 October 2016 to Wednesday, 9 November 2016 (both days inclusive), during which period no transfer of Shares can be registered. In order to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC (for holders of Domestic Shares) for registration not later than 4:30 p.m. on Friday, 7 October 2016.

Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 9 November 2016 are entitled to attend and vote at the EGM.

3. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder.
4. In order to be valid, the original and supplemental proxy forms for the EGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company not less than 24 hours before the time for holding the EGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or 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 EGM or any adjourned meetings should they so wish.

If the proxy is a legal person, its legal representative or any representative authorised by a resolution of its board of directors or by other governing body shall attend the above meeting of the Company on its behalf. If the shareholder is a recognised clearing house (or its proxy) defined by the Hong Kong relevant Ordinance from time to time, the shareholder may authorise one or more persons it considers appropriate as its representative(s) at the above meeting; however, if more than one person are authorized, the power of attorney shall contain the number and class of shares for which such persons are authorized, and shall be signed by an authorised personnel of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its proxy) to attend the meeting and exercise its right, as if the persons are the Company's individual shareholders, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/she/they have been duly authorised.

A vote provided in according to the instruments in such proxy forms shall be valid, notwithstanding the previous death or loss of capacity of the appointer or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares with respect to which the proxy is given, provided that no notice in writing of such matters shall have been received by the Company prior to the above meeting.

5. Shareholders or their proxies shall provide their identity documents when attending the EGM.
6. In case of joint shareholder for any share, only the person whose name is at the first place on the register of shareholders has the rights to receive the certificate of relevant shares and notice from the Company and to attend or exercise all of the votes relating to the shares.
7. The address of the headquarters in the PRC of the Company is No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, PRC.