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上海醫藥集團股份有限公司

**Shanghai Pharmaceuticals Holding Co., Ltd. \***

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

**(Stock Code: 02607)**

**POLL RESULTS OF THE ANNUAL GENERAL MEETING  
RECORD DATE FOR DISTRIBUTION AND RECEIPT OF CASH DIVIDENDS**

The annual general meeting (the "AGM") of Shanghai Pharmaceuticals Holding Co., Ltd. (the "Company") was held at Ocean Energy Hall, 1<sup>st</sup> Floor, Shanghai Science Hall, 57 Nanchang Road, Shanghai, the People's Republic of China on 23 June 2017, Friday at 1:00 p.m..

Details of the resolutions considered at the AGM were set out in the notice of the AGM and the circular (the "Circular") of the Company, each dated 9 May 2017. Unless otherwise defined in this announcement, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

As at the date of the AGM, the total number of issued Shares of the Company is 2,688,910,538, comprising of 1,923,016,618 A Shares and 765,893,920 H Shares. Holders of such Shares were entitled to attend and vote on the resolutions at the AGM. There were no Shares entitling any Shareholders to attend and vote only against the resolutions proposed at the AGM. To the best knowledge, information and belief of the Directors, no Shareholders were subject to any restriction on their voting on the resolutions proposed at the AGM.

Set out below are the details of the Shareholders and their authorised proxies present at the AGM:

Number of Shareholders and authorised proxies present at the AGM		117
Including:	Number of A Shareholders	114
	Number of H Shareholders	3

Total number of Shares carrying voting rights		1,532,612,330
Including:	Total number of Shares held by A Shareholders	1,119,439,451
	Total number of Shares held by H Shareholders	413,172,879

Percentage in total number of Shares carrying voting rights (%)		56.997520
Including:	Shareholding of A Shareholders	41.631711
	Shareholding of H Shareholders	15.365809

The AGM was held in compliance with the requirements of the Company Law of the People's Republic of China and the Articles of Association, and was chaired by Mr. ZHOU Jun, Chairman of the Board of the Company.

In compliance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Computershare Hong Kong Investor Services Limited, the Company's H Share registrar, acted as the scrutineer for the vote-counting at the AGM. Grandall Legal Group, Shanghai Office acted as the witnessing lawyer at the AGM.

#### **POLL RESULTS OF THE RESOLUTIONS PROPOSED AT THE AGM**

At the AGM, all proposed resolutions set out in the notice of the AGM dated 9 May 2017 were voted by poll.

The poll results in respect of the resolutions proposed at the AGM are as follows:

**Ordinary Resolutions (not by way of cumulative voting)**

1. Report of the Board of Directors for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	406,038,298	98.273221	3,159,000	0.764571	3,975,581	0.962208
Total Ordinary Shares	1,525,471,349	99.534065	3,164,400	0.206471	3,976,581	0.259464

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

2. Report of the Board of Supervisors for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	406,038,298	98.273221	3,159,000	0.764571	3,975,581	0.962208
Total Ordinary Shares	1,525,471,349	99.534065	3,164,400	0.206471	3,976,581	0.259464

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

3. Annual Report for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	406,038,298	98.273221	3,159,000	0.764571	3,975,581	0.962208
Total Ordinary Shares	1,525,471,349	99.534065	3,164,400	0.206471	3,976,581	0.259464

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

4. Final Accounts Report for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of	For	Against	Abstain
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Shareholders	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,432,051	99.999339	5,400	0.000482	2,000	0.000179
H Shares	406,038,298	98.273221	3,159,000	0.764571	3,975,581	0.962208
Total Ordinary Shares	1,525,470,349	99.534000	3,164,400	0.206471	3,977,581	0.259529

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

#### 5. Financial Budget for 2017 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,432,051	99.999339	5,400	0.000482	2,000	0.000179
H Shares	406,198,098	98.311898	3,159,000	0.764571	3,815,781	0.923531
Total Ordinary Shares	1,525,630,149	99.544426	3,164,400	0.206471	3,817,781	0.249103

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

#### 6. Profit Distribution Plan for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,434,051	99.999518	5,400	0.000482	0	0.000000
H Shares	413,172,879	100.000000	0	0.000000	0	0.000000
Total Ordinary Shares	1,532,606,930	99.999648	5,400	0.000352	0	0.000000

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

#### 7. Proposal regarding Payment of Auditor's Fees for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	409,972,779	99.225482	3,200,100	0.774518	0	0.000000
Total Ordinary Shares	1,529,405,830	99.790782	3,205,500	0.209153	1,000	0.000065

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

8. Proposal regarding Engagement of Auditors of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	410,013,879	99.235429	3,159,000	0.764571	0	0.000000
Total Ordinary Shares	1,529,446,930	99.793464	3,164,400	0.206471	1,000	0.000065

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

9. Proposal regarding External Guarantees for 2017 of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	374,872,379	90.730151	38,300,500	9.269849	0	0.000000
Total Ordinary Shares	1,494,305,430	97.500549	38,305,900	2.499386	1,000	0.000065

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

10. Proposal in relation to the Amendments to the Commitment regarding the Shares held by Employees and the Employee Share Ownership Committee of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,432,051	99.999339	5,400	0.000482	2,000	0.000179
H Shares	409,972,779	99.225482	3,159,000	0.764571	41,100	0.009947
Total Ordinary Shares	1,529,404,830	99.790717	3,164,400	0.206471	43,100	0.002812

As more than half of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.

### Special Resolutions (not by way of cumulative voting)

11. Proposal regarding Issuance of Debt Financing Products of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,119,433,051	99.999428	5,400	0.000483	1,000	0.000089
H Shares	410,013,879	99.235429	3,159,000	0.764571	0	0.000000
Total Ordinary Shares	1,529,446,930	99.793464	3,164,400	0.206471	1,000	0.000065

As more than two-thirds of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.

12. Proposal regarding the Grant of a General Mandate by the Shareholders' General Meeting to the Board of Directors to Allot, Issue and Deal with Shares of Shanghai Pharmaceuticals Holding Co., Ltd.

Type of Shareholders	For		Against		Abstain	
	Number of votes	Percentage (%)	Number of votes	Percentage (%)	Number of votes	Percentage (%)
A Shares	1,105,853,922	98.786399	13,567,529	1.211993	18,000	0.001608
H Shares	54,754,152	13.252117	358,212,427	86.697952	206,300	0.049931
Total Ordinary Shares	1,160,608,074	75.727439	371,779,956	24.257926	224,300	0.014635

As more than two-thirds of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.

**The results of voting by A Shareholders holding less than 5% of Shares in respect of significant matters are as follows:**

Reso- lution No.	Resolutions	For		Against		Abstain	
		Number of votes	Percent -age (%)	Number of votes	Percent -age (%)	Number of votes	Percent -age (%)
6	Profit Distribution Plan for 2016 of Shanghai Pharmaceuticals Holding Co., Ltd.	181,116,214	99.997019	5,400	0.002981	0	0.000000
8	Proposal regarding Engagement of Auditors of Shanghai Pharmaceuticals Holding Co., Ltd.	181,115,214	99.996466	5,400	0.002981	1,000	0.000553
9	Proposal regarding External Guarantees for 2017 of Shanghai Pharmaceuticals Holding Co., Ltd.	181,115,214	99.996466	5,400	0.002981	1,000	0.000553
10	Proposal in relation to the Amendments to the Commitment regarding the Shares held by Employees and the Employee Share Ownership Committee of Shanghai Pharmaceuticals Holding Co., Ltd.	181,114,214	99.995914	5,400	0.002981	2,000	0.001105
11	Proposal regarding Issuance of Debt Financing Products of Shanghai Pharmaceuticals Holding Co., Ltd.	181,115,214	99.996466	5,400	0.002981	1,000	0.000553

## **RECORD DATE FOR DISTRIBUTION AND RECEIPT OF CASH DIVIDENDS**

The AGM resolved an ordinary resolution to distribute a cash dividend of RMB3.60 (tax inclusive) for every ten (10) Shares for year 2016.

The cash dividends are expected to be paid on 21 August 2017, Monday to Shareholders whose names appear on the H Share register of members of the Company on 13 July 2017, Thursday (the “**Record Date**”). Holders of H Shares whose names appear on the register of members of the Company at the close of business on the Record Date are entitled to the cash dividends.

In order to be entitled to the cash dividends, holders of H Shares should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on the Record Date.

Relevant cheques will be despatched by the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, on 21 August 2017, Monday to holders of H Shares entitled to receive such dividends by ordinary post at their own risk.

The cash dividends, as calculated and declared in RMB, will be paid in RMB for A Shares and in Hong Kong dollars for H Shares. The average central parity exchange rate of RMB against Hong Kong dollars as quoted by the People’s Bank of China for the five trading days preceding the date of the AGM (namely 16 June to 22 June 2017), being RMB0.872932 against HK\$1.00, will be taken as the exchange rate for foreign currency translation. Accordingly, the cash dividend per H Share of the Company is HK\$0.412403 (tax inclusive).

### **Individual Income Tax Payable by Non-resident Individual Shareholders**

Pursuant to the Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Document Guo Shui Fa [1993] No. 045 issued by the State Administration of Taxation on 28 June 2011, the dividend distributed by the Company to non-PRC resident individual shareholders of H Shares is subject to PRC individual income tax at a rate agreed by the applicable tax agreement or arrangement between China and the jurisdictions that the shareholders reside in, ranging from 5% to 20% (as the case may be). The Notice further states that the tax rate applicable to dividend income as stated in the relevant tax agreement or arrangement is 10% in general, therefore the Company may withhold 10% of the dividend for tax payment without prior approval of the competent tax authority. Shareholders who reside in a jurisdiction where the applicable tax rate for dividend is lower than 10% (as stated in the relevant tax agreement or arrangement) are entitled to a refund of the excessive amount withheld by the Company, though such refund is subject to the approval of the competent tax authority. For shareholders who reside in a jurisdiction where the tax rate for dividend is above 10% but less than 20% (as stated in the relevant tax agreement or arrangement), we shall withhold the individual income tax at the actual rate in accordance with the relevant tax agreement or arrangement without the approval of the competent tax authority. For shareholders who reside in a jurisdiction where the tax rate for dividend is 20% (as stated in the relevant tax agreement or arrangement) or no tax agreement or arrangement has been entered into with China, we shall withhold the individual income tax at the rate of 20%. A brief introduction to the above arrangements has been made in the letter issued by the State Administration of



Taxation to the Hong Kong Inland Revenue Department on 28 June 2011. The letter further specified that Hong Kong resident individuals shall pay a 10% individual income tax for the dividend received from the Company. Therefore the Company shall deduct 10% from the dividend to be distributed to non-PRC resident individual shareholders of H Shares as individual income tax, unless otherwise specified in the relevant requirements and procedures of the PRC tax authorities.

### **Enterprise Income Tax Payable by Non-resident Enterprise Shareholders**

Pursuant to the PRC Enterprise Income Tax Law and its implementation regulations, non-PRC resident enterprises which have not established any organisations or premises in China are subject to a 10% enterprise income tax for all the income generated in China. Also, according to the Notice on Issues Relevant to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Resident Enterprises to Offshore Non-resident Enterprise Holders of H Shares issued by the State Administration of Taxation on 6 November 2008, PRC resident enterprises shall withhold dividend distributed to overseas non-PRC resident enterprise holders of H Shares at a uniform rate of 10% as enterprise income tax since 2008. Overseas non-PRC resident enterprise shareholders enjoying tax concessions under the relevant tax agreement or arrangement are eligible to a refund of the excessive amount withheld by the Company, though the refund is subject to the approval of the competent tax authorities.

### **Profit Distribution for Investors of Northbound Trading**

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the Shanghai Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited as the nominee account holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may authorise a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the A Shareholders of the Company.

### **Profit Distribution for Investors of Southbound Trading**

For investors of the Shanghai Stock Exchange (including enterprises and individuals) and Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the “**Southbound Trading**”), the Company has entered into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (港股通 H 股股票現金紅利派發協議) with both Shanghai and Shenzhen Branches of China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shanghai Branch and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares for Southbound Trading, will receive the cash dividends distributed by the Company and

distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depositary and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) (Cai Shui [2014] No. 81) and the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (關於深港股票市場交易互聯互通機制試點有關稅收政策的通知) (Cai Shui [2016] No. 127), for dividends received by mainland investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold or pay the income tax of dividends for mainland enterprise investors and those enterprise investors shall report and pay the relevant tax themselves.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders of the Company.

The Company will withhold the income tax payable by its H Shareholders strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Company's register of H Shareholders on the relevant record date. The Company assumes no liability whatsoever in respect of any disputes or losses arising from any delay in, or inaccurate determination of, the status of the shareholders.

Shareholders are recommended to consult their tax advisers regarding the PRC, Hong Kong and other tax implications arising from their holding and disposal of H Shares of the Company.

A separate announcement will be published on the Shanghai Stock Exchange for details of the arrangement regarding the distribution of cash dividends to A Shareholders of the Company.

By order of the Board  
**Shanghai Pharmaceuticals Holding Co., Ltd. \***  
**ZHOU Jun**  
*Chairman*

Shanghai, the PRC, 24 June 2017

*As of the date of this announcement, the executive Directors of the Company are Mr. CHO Man, Mr. LI Yongzhong and Mr. SHEN Bo; the non-executive Directors are Mr. ZHOU Jun, Ms. LI An; and the Independent Non-executive Directors are Mr. WAN Kam To, Mr. TSE Cho Che, Edward, Mr. CAI Jiangnan and Mr. HONG Liang.*

*\* For identification purpose only*