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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt about any aspect 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 the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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# 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)**

## PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS PROPOSED ISSUE OF THE CORPORATE BONDS AND NOTICE OF EGM

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A letter from the Board is set out on pages 3 to 9 of this circular. A notice convening the EGM 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 Friday, 9 March 2018, is being dispatched to the Shareholders together with this circular.

If you intend to attend the EGM, 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 Saturday, 17 February 2018.

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the appropriate proxy form in accordance with the instructions printed thereon. The proxy form 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 proxy form is signed by an attorney of the appointor, the power of attorney authorizing the attorney to sign, or other document of authorization, must be notarially certified.

In the case of joint holders of the shares of the Company, only the holder whose name stands first in the register of members of the Company shall alone be entitled to vote at the EGM, 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, Wanchai, Hong Kong as soon as possible, and in any event not later than 24 hours before the time appointed for holding the EGM. 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, 200051 as soon as possible, and in any event not later than 24 hours before the time appointed for holding the EGM. Completion and return of the proxy form will not preclude you from attending and voting at the EGM, or any adjournment thereof should you so wish.

23 January 2018

\* *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."*

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## TABLE OF CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	3
I.    INTRODUCTION .....	3
II.   PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS .....	4
III.  PROPOSED ISSUE OF THE CORPORATE BONDS .....	5
IV.   EGM .....	8
V.    RECOMMENDATION .....	9
<b>NOTICE OF EGM</b> .....	10

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## DEFINITIONS

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

“Articles of Association”	means the articles of association of the Company
“Audit Committee”	means the audit committee of the Board
“Board”	means the board of directors of the Company
“Company”	means 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
“Corporate Bonds”	means corporate bonds of no more than RMB10 billion (inclusive) in scale proposed to be issued by the Company
“Director(s)”	means the director(s) of the Company
“Domestic Share(s)”	means 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 Renminbi by PRC nationals and/or PRC incorporated entities
“EGM ”	means the extraordinary 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 Friday, 9 March 2018
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“H Share(s)”	means 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
“Latest Practicable Date”	18 January 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

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## DEFINITIONS

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“PRC”	means the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Remuneration Committee”	means the remuneration committee of the Board
“RMB”	means Renminbi, the lawful currency of the PRC
“Shareholders”	means the shareholders of the Company
“Strategy and Investment Committee”	means the strategy and investment committee of the Board

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LETTER FROM THE BOARD

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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. Liu Yong

*Registered Office in the PRC:*

6th Floor, No. 221 Fuzhou Road  
Shanghai 20002  
China

*Non-executive Directors:*

Mr. Chen Qi Yu  
Mr. She Lulin  
Mr. Wang Qunbin  
Mr. Ma Ping  
Mr. Deng Jindong  
Mr. Wen Deyong

*Place of Business in Hong Kong:*

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

*Independent non-executive Directors:*

Ms. Li Ling  
Mr. Yu Tze Shan Hailson  
Mr. Tan Wee Seng  
Mr. Liu Zhengdong  
Mr. Zhuo Fumin

23 January 2018

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS  
PROPOSED ISSUE OF THE CORPORATE BONDS  
AND  
NOTICE OF EGM**

**I. INTRODUCTION**

Reference is made to the announcement of the Company dated 12 January 2018 in relation to the proposed appointment of non-executive Directors and the proposed issue of the Corporate Bonds.

\* *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."*

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with detailed information regarding the proposed appointment of non-executive Directors and the proposed issue of the Corporate Bonds, to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the EGM.

### II. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS

On 12 January 2018, the Board resolved to propose to appoint Ms. Rong Yan as a non-executive Director and a member of the Audit Committee, and propose to appoint Mr. Wu Yijian as a non-executive Director, a member of the Audit Committee, a member of the Remuneration Committee and a member of the Strategy and Investment Committee.

In accordance with the Articles of Association, the proposed appointments of Ms. Rong Yan and Mr. Wu Yijian as non-executive Directors are subject to the approval by the Shareholders at the EGM. The terms of office of Ms. Rong Yan and Mr. Wu Yijian as non-executive Directors will take effect from the date of approval by the Shareholders at the EGM and until the expiration of the term of the current session of the Board. Ms. Rong Yan's position as a member of the Audit Committee will take effect upon the approval of her appointment as a non-executive Director by the Shareholders at the EGM, and Mr. Wu Yijian's positions as a member of the Audit Committee, a member of the Remuneration Committee and a member of the Strategy and Investment Committee will take effect upon the approval of his appointment as a non-executive Director by the Shareholders at the EGM.

#### **Biographical details of Ms. Rong Yan and Mr. Wu Yijian**

Ms. Rong Yan ("**Ms. Rong**"), aged 49, having over 26 years' working experience, is currently the director of Finance Department of China National Pharmaceutical Group Corporation. Ms. Rong obtained a bachelor degree in accounting from Liaoning University in July 1991 and a master degree in international finance and investment from Derby Business School at University of Derby in the United Kingdom in October 2000. Ms. Rong served as senior staff member of the Institute of Intelligence of China National Petroleum Corporation from August 1991 to May 1993, and the financial manager of China Zhenhua Import and Export Corporation from May 1993 to October 2001. Ms. Rong served successively as manager of Finance Department, deputy chief accountant and manager of Finance Department, and chief financial officer of China Pharmaceutical Foreign Trade Corporation from October 2001 to February 2008. Ms. Rong served successively as director of Finance Department and director of Financial Management Department of China National Pharmaceutical Group Corporation from February 2008 to June 2011. Ms. Rong has been serving as director of Finance Department of China National Pharmaceutical Group Corporation since June 2011. She has also been serving as chief financial officer of Sinopharm Investment Co., Ltd. since July 2015, director of China National of & Herbal Medicine Co., Ltd. since April 2016 and chairman of Sinopharm Group Finance Co., Ltd. since August 2017.

Mr. Wu Yijian ("**Mr. Wu**"), aged 48, is currently the president assistant and the director of the commercial pharmaceutical management committee of Shanghai Fosun Pharmaceutical Group Co., Ltd., and the chairman of the supervisory committee of China National Accord Medicines Corporation Ltd. Mr. Wu obtained a bachelor's degree in medicine from Shanghai Medical University in July 1993, a master's degree in business administration from Tsinghua university in July 2003 and a master's degree in accounting for senior accountant from the Chinese University of Hong Kong in

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## LETTER FROM THE BOARD

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November 2014, and completed the courses for the general manager in the China Europe International Business School of Management in July 2007. Mr. Wu has been with San-jiu Group since July 1993 and successively served as sales director of San-jiu Pharmaceutical Trade Co., Ltd, the chief operating officer of San-jiu Pharmaceutical Chain Co., Ltd. and the deputy general manager of Shanghai San-jiu Pharmaceutical Technology Development Co., Ltd. Mr. Wu has been with Fosun Pharmaceutical Group since June 2004 and successively served as the general manager of Shanghai Fosun Pharmaceutical Investment Co., Ltd., Shanghai Fosun Pharmaceutical Co., Ltd. and Shanghai Fumei Pharmacy Co., Ltd. Mr. Wu served as the vice president of Shanghai Yuyuan Tourist Mart Co., Ltd from 2014 to the end of 2015. Mr. Wu served as a non-executive Director of the Company from June 2016 to September 2017.

Save as disclosed above and as at the Latest Practicable Date, neither Ms. Rong Yan nor Mr. Wu Yijian has any relationships with any Directors, senior management, substantial or controlling shareholder(s) of the Company, or holds 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, neither Ms. Rong Yan nor Mr. Wu Yijian has any interest in 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 non-executive Directors, each of Ms. Rong Yan and Mr. Wu Yijian 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. Rong Yan and Mr. Wu Yijian will be subject to retirement by rotation and re-election upon the expiry of their respective terms of office.

The remuneration packages of Ms. Rong Yan and Mr. Wu Yijian will be determined by the Board as authorized by the Shareholders at the EGM by taking into account, among other matters, their duties and responsibilities in the Company.

Save as disclosed above, the Board is not aware of any other matters in relation to the appointments of Ms. Rong Yan and Mr. Wu Yijian as non-executive Directors 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.

### **III. PROPOSED ISSUE OF THE CORPORATE BONDS**

To satisfy the operation needs of the Company and lower the financial costs, on 12 January 2018, the Board resolved to propose the issue of the Corporate Bonds in the PRC.

According to the laws of the PRC and the Articles of Association, the proposed issue of the Corporate Bonds is subject to the approval of the Shareholders by way of a special resolution and the approval from the relevant PRC regulatory authorities.

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## LETTER FROM THE BOARD

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Particulars of the issue of the Corporate Bonds, if it proceeds, are as follows:

- Issue size:** The Corporate Bonds shall have an issue size of no more than RMB10 billion (inclusive). A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to determine the specific issue size based on the funding needs of the Company and the market conditions prevailing at the time of issue within the aforesaid range.
- Issue method:** The Corporate Bonds shall be issued in one or more tranches. A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to determine the specific issue method based on the funding needs of the Company and the market conditions prevailing at the time of issue.
- Placing arrangement:** The Corporate Bonds will be issued to qualified investors who meet the subscription requirements and will not be placed to the Shareholders with priority.
- Maturity:** The Corporate Bonds shall have a term of not exceeding 10 years (inclusive). For the type of bonds, it shall be either of a single term, or of a combination of multiple terms. A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to determine specific terms of maturity and the issuing size of each type based on the funding needs of the Company and the market conditions prevailing at the time of issue.
- Interest rate:** A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to determine the nominal interest rate and the payment method according to the market conditions prevailing at the time of issue and by way of market enquiry, after arm's length negotiation with the lead underwriter.
- Use of proceeds:** After deducting issue expenses, the proceeds of this issue will be used for repaying bank loans, adjusting the debt structure of the Company, supplementing the working capital of the Company and other one or several use(s) in compliance purpose. A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to determine the specific use of proceeds based on the funding needs of the Company.
- Guaranty:** A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to determine whether to include guaranty arrangement and the type of guaranty according to the credibility of the Company.



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## LETTER FROM THE BOARD

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- Listing place: Upon completion of the issue of the Corporate Bonds, the Company will apply for listing of the Corporate Bonds on the Shanghai Stock Exchange. A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to deal with listing and trading matters in accordance with the relevant regulations of the Shanghai Stock Exchange.
- Guarantee Measures for Repayment: A proposal will be presented to the general meeting for authorizing the Board or its authorized person(s) to implement, as a minimum, the following guarantee measures, in the event that the Company expects that it is unable to repay the principal and interests of the Corporate Bonds as scheduled, or the Company is unable to repay the principal and interests of the Corporate Bonds when they become due:
- (i) no dividend will be distributed to the Shareholders;
  - (ii) suspend the implementation of projects that incur capital expenditure such as material external investments, acquisitions and mergers;
  - (iii) payment of salary and bonus of the Directors and senior management of the Company will be adjusted, reduced or ceased; and
  - (iv) key personnel accountable for such event will not be allowed for re-designation.
- Term of validity of the resolution: The special resolution passed at the EGM in relation to the proposed issue of the Corporate Bonds will be effective from the date of approval at the EGM and will expire within 24 months from the date of approval by the China Securities Regulatory Commission.

Subject to the Shareholders' approval at the EGM, the Board or the person(s) authorized by the Board, will be authorized to do the following, including but without limitation to:

- (1) in accordance with the laws and regulations, relevant provisions of regulatory authorities and the resolutions adopted at the general meeting of the Company, as well as the Company and the bond market's actual situation, to determine and adjust the specific plan of the issue of the Corporate Bonds, including but not limited to the issue size of the Corporate Bonds, issue method (including whether to issue in tranches, amount for each tranche, etc.), specific terms of maturity and the issue size of each maturity type, whether to include redemption provision or put-back provision, interest rate of the bonds, principal and interest repayment, use of the proceeds, guaranty arrangement, guarantee measures for repayment (including but not limited to the guarantee measures for repayment under this issue plan), specific purchase methods, specific placing arrangements, bond listing, and all matters related to this issue plan;

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## LETTER FROM THE BOARD

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- (2) to determine the engagement of professional agents to assist the Company in handling the matters related to the application and listing for the issue of the Corporate Bonds;
- (3) to formulate, approve, execute, amend and announce all the legal documents regarding the issue of the Corporate Bonds, and to make suitable supplements and adjustments on the application documents in accordance with the requirements of the regulatory authorities;
- (4) to select bond trustee, execute the bond trustee management agreement and formulate the rules of bondholders' meeting;
- (5) upon the completion of the issue of the Corporate Bonds, to take the actions regarding the listing of the Corporate Bonds;
- (6) if there is any change on the opinions of the regulatory authorities, policies or market conditions, to make suitable adjustments on the matters of the issue of the Corporate Bonds, or to decide whether to proceed the issue of the Corporate Bonds based on the actual situations, except for the matters which are subject to the shareholders' approval in accordance with the relevant laws, regulations and the Articles of Association; and
- (7) to take all other relevant actions regarding the issue of the Corporate Bonds.

The Board will present resolution to the EGM for authorizing the Board and agreeing the Board in turn to authorize Mr. Li Zhiming, the chairman of the Board and an executive Director, to be the authorized person of this issue, and to represent the Company to deal specifically with the issue and listing related matters, in accordance with the resolutions of the EGM.

The foregoing authorization shall be valid from the date of approval at the EGM to the date when the authorized matters are completed.

The Board believes that the proposed issue of the Corporate Bonds will provide the Company with a source of medium-term to long-term funding at an interest rate which is expected to be more favourable than that generally available for loans from commercial banks. The Board considers that the proposed issue of the Corporate Bonds will lower the Company's costs of borrowings and improve the debt structure of the Company.

#### **IV. EGM**

A notice convening the EGM 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 Friday, 9 March 2018 is set out at the end of this circular.

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

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## LETTER FROM THE BOARD

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For holders of H Shares, the proxy form, and if the proxy form 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, Wanchai, Hong Kong, not less than 24 hours before the time for holding the EGM in order for such documents to be valid. For holders of Domestic Shares, the proxy form, and if the proxy form 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, 200051 not less than 24 hours before the time for holding the EGM in order for such documents to be valid.

Holders of H Shares and Domestic Shares, who intend to attend the EGM 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 EGM, i.e. no later than Saturday, 17 February 2018.

Pursuant to the Articles of Association, for the purpose of holding the EGM, the register of members of H Shares will be closed from Wednesday, 7 February 2018 to Friday, 9 March 2018 (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 Wednesday, 7 February 2018 are entitled to attend and vote at the EGM.

In order to attend the EGM, 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 Tuesday, 6 February 2018.

### **V. RECOMMENDATION**

The Directors consider that the aforesaid resolutions are in the best interest of the Company and the Shareholders as a whole, and accordingly, recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

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

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## NOTICE OF EGM

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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)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Sinopharm Group Co. Ltd. (the “Company”) will be held at Meeting Room 1813, Sinopharm Plaza, No. 1001 Zhongshan West Road, Changning District, Shanghai, the PRC, at 9:00 a.m. on Friday, 9 March 2018, for the purpose of considering, and if thought fit, passing the following resolutions:

### Ordinary Resolutions

1. To consider and, if thought fit, to approve the appointment of Ms. Rong Yan as a non-executive director of the fourth session of the board of directors of the Company (the “Board”), to authorize the Board to determine her remuneration, 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.
2. To consider and, if thought fit, to approve the appointment of Mr. Wu Yijian as a non-executive director of the fourth session of the Board, to authorize the Board to determine his remuneration, 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 him.

### Special Resolution

3. To consider that, if thought fit, to approve:

“**THAT**

- (a) the Company be and is hereby approved, within 24 months from the date when the approval from the China Securities Regulatory Commission is obtained, to issue corporate bonds in the PRC of no more than RMB10 billion (inclusive) in scale (the “Corporate Bonds”);

\* 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.".

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## NOTICE OF EGM

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- (b) the Board or the authorised person of the Board, being Mr. Li Zhiming, the chairman of the Board and an executive director of the Company, shall be authorised to do the following, including but not limited to:
- (1) in accordance with the laws and regulations, relevant provisions of regulatory authorities and the resolutions adopted at the general meeting of the Company, as well as the Company and the bond market's actual situation, to determine and adjust the specific plan of the issue of the Corporate Bonds, including but not limited to the issue size of the Corporate Bonds, issue method (including whether to issue in tranches, amount for each tranche, etc.), specific terms of maturity and the issue size of each maturity type, whether to include redemption provision or put-back provision, interest rate of the bonds, principal and interest repayment, use of the proceeds, guaranty arrangement, guarantee measures for repayment (including but not limited to the guarantee measures for repayment under this issue plan), specific purchase methods, specific placing arrangements, bond listing, and all matters related to this issue plan;
  - (2) to determine the engagement of professional agents to assist the Company in handling the matters related to the application and listing for the issue of the Corporate Bonds;
  - (3) to formulate, approve, execute, amend and announce all the legal documents regarding the issue of the Corporate Bonds, and to make suitable supplements and adjustments on the application documents in accordance with the requirements of the regulatory authorities;
  - (4) to select bond trustee, execute the bond trustee management agreement and formulate the rules of bondholders' meeting;
  - (5) upon the completion of the issue of the Corporate Bonds, to take the actions regarding the listing of the Corporate Bonds;
  - (6) if there is any change on the opinions of the regulatory authorities, policies or market conditions, to make suitable adjustments on the matters of the issue of the Corporate Bonds, or to decide whether to proceed the issue of the Corporate Bonds based on the actual situations, except for the matters which are subject to the shareholders' approval in accordance with the relevant laws, regulations and the Articles of Association; and

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## NOTICE OF EGM

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(7) to take all other relevant actions regarding the issue of the Corporate Bonds.”

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

Shanghai, PRC  
23 January 2018

*Notes:*

1. For the purpose of holding the EGM, the register of members of H Shares of the Company will be closed from Wednesday, 7 February 2018 to Friday, 9 March 2018 (both days inclusive), during which period no transfer of H Shares of the Company can be registered.

In order to be qualified to attend and vote at the EGM, for holders of H shares of the Company, 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 Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Tuesday, 6 February 2018.

The Shareholders whose names appear on the register of members of the Company on Wednesday, 7 February 2018 are entitled to attend and vote at the EGM.

2. 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 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.
4. In order to be valid, the proxy form must be deposited, 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, Wanchai, Hong Kong, or for holders of domestic shares of the Company, to the Board Office of the Company in the PRC not less than 24 hours before the time for holding the EGM. 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 EGM or any adjourned meetings should they so wish.
5. Shareholders shall produce their identity documents and supporting documents in respect of the shares of the Company held when attending the EGM. If corporate Shareholders appoint authorised representative to attend the EGM, 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 EGM.
6. Shareholders who intend to attend the EGM 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 Saturday, 17 February 2018.
7. The EGM is expected to take for less than half a day. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.

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## NOTICE OF EGM

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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