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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 licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Traditional Chinese Medicine Holdings Co. Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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国药集团
SINOPHARM

CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED

中國中藥控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 570)

**PROPOSED APPOINTMENT OF AUDITOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting (the “EGM”) of China Traditional Chinese Medicine Holdings Co. Limited (the “**Company**”) to be held at Conference Room, 4th Floor, Winteam Plaza, 6 Kuiqi Second Road, Chancheng District, Foshan City, Guangdong Province, China, on Friday, 18 July 2025 at 2:30 p.m. is set out on pages 7 to 8 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.china-tcm.com.cn.

If you do not intend or are unable to attend the EGM and wish to appoint a proxy/proxies to attend and to speak and vote on your behalf, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s share registrar, 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 48 hours (excluding any part of a day that is a public holiday) before the time appointed for the holding of the EGM (i.e. before 2:30 p.m. on Wednesday, 16 July 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting should you so wish and in such event, the form of proxy will be deemed to be so revoked.

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DEFINITIONS

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

“AFRC”	means the Accounting and Financial Reporting Council
“AGM”	means the annual general meeting of the Company held on 27 June 2025
“Audit Committee”	means the audit committee of the Board
“BDO”	means BDO Limited, the auditor proposed to be appointed by the Company at the EGM
“Board”	means the board of Directors of the Company
“CNPGC”	means China National Pharmaceutical Group Co., Ltd. (中國醫藥集團有限公司), a state-owned enterprise established in the PRC
“Company”	means China Traditional Chinese Medicine Holdings Co. Limited (中國中藥控股有限公司), a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 570)
“Corporate Governance Code”	means the Corporate Governance Code contained in Appendix C1 to the Listing Rules
“Director(s)”	means the director(s) of the Company
“E&Y”	means Ernst & Young
“EGM”	means the extraordinary general meeting of the Company to be held at Conference Room, 4th Floor, Winteam Plaza, 6 Kuiqi Second Road, Chancheng District, Foshan City, Guangdong Province, China, on Friday, 18 July 2025 at 2:30 p.m., or any adjournment thereof
“EGM Notice”	means the notice convening the EGM as set out on pages 7 to 8 of this circular
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Latest Practicable Date”	means 24 June 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	means the People’s Republic of China, and for the purpose of this circular only excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“SASAC”	means the State-owned Assets Supervision and Administration Commission of the State Council
“Share(s)”	means share(s) of the Company
“Shareholder(s)”	means holder(s) of the Share(s)
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



国药集团
SINOPHARM

CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED

中國中藥控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 570)

Executive Directors:

Mr. YANG Jun (*Chairman*)

Mr. LI Hongjian

Non-Executive Directors:

Mr. LIU Haijian

Mr. LI Xiangrong

Mr. ZU Jing

Ms. XU Jinghui

Mr. HUANG Hao

Registered Office:

Room 1601

Emperor Group Centre

288 Hennessy Road

Wanchai

Hong Kong

Independent Non-Executive Directors:

Mr. XIE Rong

Mr. YU Tze Shan Hailson

Mr. QIN Ling

Mr. LI Weidong

30 June 2025

To the Shareholders

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF AUDITOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you notice of the EGM and the information relating to the proposal for appointment of auditor.

LETTER FROM THE BOARD

2. PROPOSED APPOINTMENT OF AUDITOR

References are made to the announcements of the Company dated 29 May 2025 and 20 June 2025 (the “**Announcements**”). As disclosed in the Announcements, CNPGC, the ultimate controlling Shareholder of the Company, is a central state-owned enterprise regulated by the SASAC. Under the relevant requirements of the Ministry of Finance of the PRC and SASAC, there are certain limits to the number of years for which an accounting firm may continuously undertake financial auditing work in respect of a central state-owned enterprise and its subsidiaries. As the Company is a subsidiary of CNPGC and subject to the rotation requirements, accordingly, E&Y has retired as the auditor of the Company at the conclusion of the AGM and has not been re-appointed as the auditor of the Company.

E&Y has confirmed in writing that there are no matters in connection with its retirement as the auditor of the Company that should be brought to the attention of the Shareholders. The Board has confirmed that, there is no disagreement or unsolved matters between the Company and E&Y, and there are no matters in relation to the retirement of E&Y that need to be brought to the attention of the Shareholders.

With recommendation of the Audit Committee, the Board has resolved to propose the appointment of BDO as the auditor of the Company for the year ending 31 December 2025, which will be subject to the approval by the Shareholders at the EGM.

In reaching its recommendation to the Board with respect to the proposed appointment of BDO as the new auditor of the Company, the Audit Committee has considered a number of factors, including but not limited to (i) the audit proposal of BDO, including the proposed audit fees and transition plan; (ii) BDO’s market reputation, track record and technical competence in providing audit services for companies listed on the Stock Exchange, central state-owned enterprises and pharmaceutical enterprises; (iii) its resources and capabilities, including manpower and time committed and information security and risk-bearing capacity, and value-added services it might provide, including professional services and solutions for internal control, digital information construction and taxation consultancy; (iv) its independence from the Group and objectivity; (v) its knowledge on the Group’s industrial features, scale, complexity and risk condition; (vi) relevant regulations in Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors published by the AFRC; and (vii) Guidance Notes on Change of Auditors published by the AFRC.

In view of the above, the Audit Committee has assessed and considered that BDO would be independent, competent and capable and suitable to act as the auditor of the Company. The Board is of the view that the appointment of BDO as the auditor of the Company is in the interest of the Group and the Shareholders as a whole.

The Board also proposes to the Shareholders that the Board shall be authorized to fix the auditor’s remuneration.

LETTER FROM THE BOARD

3. EXTRAORDINARY GENERAL MEETING

The EGM Notice is set out on pages 7 to 8 of this circular to consider and approve the resolution relating to, inter alia, the appointment of auditor.

4. ACTIONS TO BE TAKEN

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.china-tcm.com.cn. If you do not intend or are unable to attend the EGM and wish to appoint a proxy/proxies to attend and to speak and vote on your behalf, you are requested to complete the form of proxy and return it to the share registrar of the Company in accordance with the instructions printed thereon not less than 48 hours (excluding any part of a day that is a public holiday) before the time fixed for holding the EGM (i.e. before 2:30 p.m. on Wednesday, 16 July 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

5. CLOSURE OF THE REGISTER OF MEMBERS

To ascertain the Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 15 July 2025 to Friday, 18 July 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 14 July 2025.

6. VOTING BY WAY OF POLL

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

7. RECOMMENDATION

The Directors believe that the appointment of auditor is in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

8. RESPONSIBILITY STATEMENT

This 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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of

LETTER FROM THE BOARD

their knowledge and belief the information contained in this 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 or this circular misleading.

Yours faithfully,

By order of the Board

China Traditional Chinese Medicine Holdings Co. Limited

YANG Jun

Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING



国药集团
SINOPHARM

CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED

中國中藥控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 570)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of China Traditional Chinese Medicine Holdings Co. Limited (the “Company”) will be held at Conference Room, 4th Floor, Winteam Plaza, 6 Kuiqi Second Road, Chancheng District, Foshan City, Guangdong Province, China, on Friday, 18 July 2025 at 2:30 p.m. for the following purpose. Unless the context otherwise requires, the terms used herein shall have the same meaning as those defined in the circular of the Company dated 30 June 2025 (the “Circular”):

ORDINARY RESOLUTION

1. To appoint BDO as the auditor of the Company and authorize the Board to fix the auditor’s remuneration.

By Order of the Board

China Traditional Chinese Medicine Holdings Co. Limited

YANG Jun

Chairman

Hong Kong, 30 June 2025

Notes:

1. Any member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote instead of him/her, provided that the proxy is appointed to represent respectively the number of Shares held by the Shareholder as specified in the relevant instrument of appointment. A proxy need not be a shareholder of the Company.
2. In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours (excluding any part of a day that is a public holiday) before the time appointed for holding the meeting (i.e. before 2:30 p.m. on Wednesday, 16 July 2025) or any adjournment thereof.
3. To ascertain the Shareholders’ entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 15 July 2025 to Friday, 18 July 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, all duly completed transfer forms

NOTICE OF EXTRAORDINARY GENERAL MEETING

accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 14 July 2025.

4. Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the meeting will 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 and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
5. As at the date of this notice, the Board comprises eleven Directors, of which Mr. YANG Jun and Mr. LI Hongjian are executive Directors; Mr. LIU Haijian, Mr. LI Xiangrong, Mr. ZU Jing, Ms. XU Jinghui and Mr. HUANG Hao are non-executive Directors; and Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong are independent non-executive Directors.