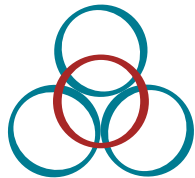

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Sihuan Pharmaceutical Holdings Group Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.

四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 0460)

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

A notice convening the AGM of Sihuan Pharmaceutical Holdings Group Ltd. (the “**Company**”) to be held at Conference Room Mission 4+5, 4th Floor, Hilton Shenzhen Futian, Tower B, Great China International Finance Centre, 1003 Shennan Road, Futian, Shenzhen, the People’s Republic of China on Friday, 7 June 2024 at 10:00 a.m. is set out on pages 17 to 21 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.sihuanpharm.com). Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish. **Please note that no refreshments and corporate gifts will be provided.**

29 April 2024

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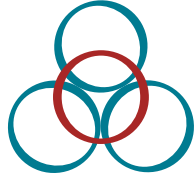
DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Conference Room Mission 4+5, 4th Floor, Hilton Shenzhen Futian, Tower B, Great China International Finance Centre, 1003 Shennan Road, Futian, Shenzhen, the People’s Republic of China on Friday, 7 June 2024 at 10:00 a.m., or any adjournment thereof and the notice of which is set out on pages 17 to 21 of this circular
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company currently in force
“Company”	Sihuan Pharmaceutical Holdings Group Ltd., a company incorporated in Bermuda with limited liability, with its Shares listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“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
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with the additional Shares and/or to sell or transfer the Treasury Shares (after the effective date of the amended Listing Rules on 11 June 2024) , the amount of which shall not exceed 20 per cent of the number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution granting the Issue Mandate
“Latest Practicable Date”	23 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Nomination Committee”	the nomination committee of the Company

DEFINITIONS

“PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10 per cent of the number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution granting the Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“Treasury Share(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent



四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.

四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 0460)

Executive Directors:

Dr. Che Fengsheng
Dr. Guo Weicheng
Dr. Zhang Jionglong
Ms. Chen Yanling
Ms. Miao Guili

Independent Non-executive Directors:

Mr. Tsang Wah Kwong
Dr. Zhu Xun
Mr. Wang Guan

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business

in Hong Kong:
Room 4905
Office Tower
Convention Plaza
1 Harbour Road, Wanchai
Hong Kong

29 April 2024

To the Shareholders

Dear Sirs or Madams,

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

INTRODUCTION

The purpose of this circular is to give you the notice of AGM and the following proposals to be put forward at the AGM: (i) the grant to the Directors of the Issue Mandate to issue Shares and the Repurchase Mandate to repurchase Shares; and (ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

ISSUE MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 2 June 2023, the Directors were granted a general mandate to issue Shares up to 20 per cent of the total number of issued Shares as at 2 June 2023. In accordance with the conditions of the general mandate granted, such mandate expires at either (i) the conclusion of the AGM; (ii) the expiration of the period within which the AGM is required to be held by the Bye-Laws or any applicable laws of Bermuda; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in a general meeting, whichever is the earliest.

In order to ensure flexibility and provide discretion to the Directors, in the event that it becomes desirable for the Company to issue any Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Issue Mandate to issue Shares. At the AGM, ordinary resolution no. 4(A) will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares and/or to sell or transfer the Treasury Shares (after the effective date of the amended Listing Rules on 11 June 2024) , the amount of which shall not exceed 20 per cent of the number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the number of issued Shares (excluding Treasury Shares, if any) was 9,329,999,206 Shares. Subject to the passing of ordinary resolution no. 4(A), and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to issue a maximum of 1,865,999,841 Shares.

In addition, subject to passing of ordinary resolution no. 4(C), the number of Shares repurchased by the Company under ordinary resolution no. 4(B) will also be added to extend the 20 per cent limit of the Issue Mandate as mentioned in ordinary resolution no. 4(A) provided that such additional amount shall not exceed 10 per cent of the number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the Issue Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issue Mandate.

LETTER FROM THE BOARD

REPURCHASE MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 2 June 2023, the Directors were granted a general mandate to repurchase Shares up to 10 per cent of total number of issued Shares as at 2 June 2023. In accordance with the conditions of the general mandate granted, such mandate expires at either (i) the conclusion of the AGM; (ii) the expiration of the period within which the AGM is required to be held by the Bye-Laws or any applicable laws of Bermuda; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in a general meeting, whichever is the earliest.

Ordinary resolution no. 4(B) will be proposed at the AGM to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the number of issued Shares (excluding Treasury Shares, if any) as at the date of passing of the resolution in relation to the Repurchase Mandate. As at the Latest Practicable Date, the number of issued Shares (excluding Treasury Shares, if any) was 9,329,999,206 Shares. Subject to the passing of ordinary resolution no. 4(B), and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to repurchase a maximum of 932,999,920 Shares.

Under the existing Listing Rules, the Company is required to cancel any Shares purchased by the Company as soon as reasonably practicable following such purchase. The Company notes that with effect from 11 June 2024, the Listing Rules will be amended to remove the requirement on cancellation of repurchased shares and to adopt a framework to govern the sale and transfer of such Treasury Shares. Subject to the amendments to the Listing Rules, if the Company purchases any Shares pursuant to the Repurchase Mandate, the Company will cancel any repurchased Shares and/or hold the repurchased Shares as Treasury Shares in accordance with the circumstances prevailing at the time of repurchase, such as market conditions and its capital management requirements. If the Company holds any Shares in treasury, any sale or transfer of Shares held in treasury will be made in accordance with the terms of the Issue Mandate, the Listing Rules and the applicable laws and regulations of Bermuda.

EXPLANATORY STATEMENT

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-law 84(1) of the Bye-Laws, Dr. Che Fengsheng, Mr. Tsang Wah Kwong and Dr. Zhu Xun shall retire by rotation, and being eligible, have offered themselves for re-election as Directors at the AGM.

The re-appointment of the abovenamed Directors has been reviewed by the Nomination Committee which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the AGM. The Nomination Committee has recommended the abovenamed Directors to the Board for re-election at the AGM.

Continuous appointment of independent non-executive Directors who have served for more than nine years

According to code provision B.2.3 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, if an independent non-executive director has served more than nine years, such director's further appointment should be subject to a separate resolution to be approved by shareholders.

Mr. Tsang Wah Kwong and Dr. Zhu Xun were appointed as independent non-executive Directors in September 2013 and February 2014 respectively. They have served as independent non-executive Directors for more than nine years in 2024. Mr. Tsang and Dr. Zhu would offer themselves for re-election at the AGM. The Company has received the confirmations of independence from Mr. Tsang and Dr. Zhu pursuant to Rule 3.13 of the Listing Rules, that they do not (in the past or present) have any financial or other interests in the business of the Group or any connection with any core connected person of the Company other than their roles in the Company, and that there are no other factors that may affect their independence. The Nomination Committee has reviewed and assessed the independence of Mr. Tsang and Dr. Zhu based on their confirmations of independence submitted pursuant to the independence guidelines as set out in Rule 3.13 of the Listing Rules. Mr. Tsang and Dr. Zhu are not involved in the daily management of the Company nor in any relationships which would interfere with the exercise of their independent judgment. In addition, taking into consideration of the diversity perspectives (including but not limited to age, cultural and educational background, professional experience, length of service, skills and knowledge) and the current public directorships held by them, the Board is satisfied that Mr. Tsang and Dr. Zhu are of such character, integrity and experience commensurating with the office of independent non-executive Directors. The Board believes that continuous tenure of Mr. Tsang and Dr. Zhu will bring considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Tsang and Dr. Zhu who have contributed valuable insight to the Board and the overall operations of the Group over time. The Board also believes that they will be able to devote sufficient time to the Board and will continue to provide independent, balanced and objective view to the Company's affairs. Separate resolutions will be proposed for their re-elections at the AGM.

LETTER FROM THE BOARD

Details of the above retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

Under ordinary resolution no. 2, the resolutions for re-election of Directors will be voted by Shareholders separately.

CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members will be closed from Monday, 3 June 2024 to Friday, 7 June 2024, both days inclusive, in order to determine the entitlement of Shareholders to attend and vote at the AGM, during which period no share transfers can be registered. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 31 May 2024.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 17 to 21 of this circular is the notice of AGM at which, *inter alia*, ordinary resolutions will be proposed to Shareholders to consider and approve (i) the grant to the Directors of the Issue Mandate to issue Shares and the Repurchase Mandate to repurchase Shares; and (ii) the re-election of the retiring Directors.

FORM OF PROXY

A form of proxy is enclosed for use at the AGM. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sihuanpharm.com). Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the AGM in person should they so wish.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Bye-law 66 of the Bye-Laws, at any general meeting, a resolution put to the vote of the meeting is to be decided by way of a poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder but no amount paid up or credited as paid up on a Share in advance of calls or instalments is treated for the foregoing purposes as paid up on the Share. A person/corporation entitled to more than one vote on a poll need not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

An announcement on the results of the voting by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the proposed resolutions for (i) the granting to the Directors of the Issue Mandate to issue Shares and the Repurchase Mandate to repurchase Shares; and (ii) the re-election of the retiring Directors are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

Your attention is drawn to additional information as set out in the Appendices.

Yours faithfully
By Order of the Board
Sihuan Pharmaceutical Holdings Group Ltd.
Dr. Che Fengsheng
Chairman and Executive Director

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the AGM.

Save as disclosed herein, none of the following Directors holds any position with the Company or any other members of the Group, nor has any directorships in other listed public companies in the last three years. None of the following Directors who are subject to re-election has an unexpired contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than under normal statutory obligations.

In addition, save as disclosed herein, none of the following Directors has any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed in this circular, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) (h) to (v) of the Listing Rules.

Dr. Che Fengsheng (“Dr. Che”), aged 62, is our executive Director and chairman of the Company and was appointed to the Board on 18 May 2006. He is a co-founder of the Group and is responsible for the overall management, strategic planning and business development of the Group and is instrumental to the Group’s growth and business expansion since its establishment in 2001. Prior to the Group’s establishment, Dr. Che had more than 8 years of experience as a medical doctor/neurologist and more than 20 years of experience in the sales and marketing of pharmaceutical products and the management of pharmaceutical companies. From 1997 to 2001, Dr. Che was a general manager of Hainan Kang Tong Pharmaceutical Co., Ltd. where he was in charge of the company’s overall management. From 1995 to 1997, Dr. Che was the assistant general manager and manager of marketing centre of Shenzhen City New Special Pharmaceutical Products Co., Ltd. where he was responsible for the marketing and overall management of the company’s business. Between 1993 and 1995, Dr. Che was the product promotion manager and East China Regional manager of Shenzhen City Healthcare Pharmaceutical Company, in charge of sales and marketing. From 1991 to 1993, Dr. Che held the position of neurologist attending physician and lecturer in First Military Medical University, Zhu Jiang Hospital, Guangzhou City, PRC. Dr. Che was a neurologist and an assistant lecturer at the Fourth Military Medical University in Xi’an City, PRC and at the Fourth Military Medical University, Xi Jing Hospital in Xi’an City, PRC from 1984 to 1991 respectively. Dr. Che was the vice chairman of several committees and associations including China Political Science Training Centre, China Medical Economics Magazine Board and the Hainan Entrepreneurs Association. Dr. Che is also a deputy supervisor of the Hainan Food and Drug Working Committee in the Hainan Entrepreneurs Association as well as a specially appointed research member of the China Enterprise Reform and Development Research Institute. In 2006, he was awarded the title of one of the Top 10 New and Enterprising Businessmen in Hainan Province by the Hainan Province Commerce Association, the Hainan Industry & Economics Association and the Evaluation Committee of Top 10 Leading Businessmen and Top 10 New and Enterprising Businessmen in Industry and Commerce in Hainan. He was vice chairman of the Medical Pharmaceutical Chamber of the

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

All-China Federation of Industry and Commerce from 2010 to 2011. He won the Ernst & Young Entrepreneur Award for Life Science Industry of China in 2012. He was awarded the National Labour Day Medal in 2014. He was appointed as the director for the Fourth Session of the board of the Beijing Society of Biomedical Engineering in 2014. He was recognised as the National Labour Model in 2015. Dr. Che received his Bachelor of Medicine (Aviation) and Master of Medicine (Neurology) from the Fourth Military Medical University, Xi'an City, PRC in 1984 and 1990 respectively. He also received an Executive Master of Business Administration from China Europe International Business School in 1999.

Dr. Che renewed his service contract with the Company on 27 October 2022 for a term of three years commencing from 28 October 2022, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Pursuant to the Bye-Laws, Dr. Che will be subject to retirement by rotation and re-election at the general meeting of the Company. Pursuant to the service contract, Dr. Che is entitled to an executive's remuneration of RMB7,000,000 per annum, which has been determined with reference to the duties and responsibilities of Dr. Che and the prevailing market condition and a discretionary bonus as may be decided by the Board and the Remuneration Committee at their discretion, having regard to his performance.

As at the Latest Practicable Date, Dr. Che was deemed to be interested in 5,133,125,704 Shares within the meaning of Part XV of the SFO.

Mr. Tsang Wah Kwong ("Mr. Tsang"), aged 72, is our independent non-executive Director and was appointed to the Board on 4 September 2013. Prior to joining the Group, Mr. Tsang was a former partner of PricewaterhouseCoopers in Hong Kong and China. He has over 30 years of experience in auditing and providing support for initial public offerings and acquisition transactions. Mr. Tsang is currently an independent non-executive director of a number of companies, including China Merchants China Direct Investments Limited (stock code: 133), TK Group (Holdings) Limited (stock code: 2283) and Shirble Department Store Holdings (China) Limited (stock code: 312) (all of which are listed on the Stock Exchange). Mr. Tsang is currently an independent director of HUYA Inc. (which is listed on the New York Stock Exchange, NYSE: HUYA). Mr. Tsang was an independent director of Agria Corporation (formerly listed on the New York Stock Exchange) from August 2011 to October 2017, a director of PGG Wrightson Limited (a company listed on the New Zealand Stock Exchange) from December 2014 to October 2017 and an independent non-executive director of CA Cultural Technology Group Limited (stock code: 1566) from November 2014 to November 2022 (a company listed on the Stock Exchange). Mr. Tsang received a bachelor degree in business administration from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Chinese Institute of Certified Public Accountants and a fellow member of the Chartered Association of Certified Accountants in the United Kingdom.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Tsang entered into his letter of appointment with the Company on 2 September 2023 for a term of one year commencing from 4 September 2023, and may be terminated by either party giving at least three months' notice in writing. Pursuant to the Bye-Laws, Mr. Tsang will be subject to retirement and re-election at the general meeting of the Company. Pursuant to the letter of appointment, Mr. Tsang is entitled to a Director's fee of HK\$412,000 per annum, which was determined by the Board with reference to his job duties and the prevailing market conditions. The Director's fee will be reviewed by the Board and the Remuneration Committee annually.

As at the Latest Practicable Date, Mr. Tsang was deemed to be interested in 3,000,000 Shares within the meaning of Part XV of the SFO.

Dr. Zhu Xun (“Dr. Zhu”), aged 66, is our independent non-executive Director and was appointed to the Board on 20 February 2014. Dr. Zhu is a native of Changchun City. From 1995 to 2000, he served as the vice principal of Norman Bethune University of Medical Science. From 2000 to 2003, he served as a deputy secretary general of the Changchun Municipal Government and from 2004 to 2006, he served as a special assistant to the mayor of Changchun Municipal Government. Prior to joining the Group, Dr. Zhu has over 20 years of experience in the pharmaceutical industry. He is currently the chairman of the board of directors of the Tongxieyi New Drugs Talent Club* (同寫意新藥英才俱樂部), the Chief of Medicine and Strategy* (藥渡戰略), and the Honorary Principal of Shell University* (貝殼大學). He is also a special medical expert of Advantech Capital Investment* (尚城資本), an independent director of Shenzhen ChipScreen BioS (深圳微芯生物), a senior consultant of Changchun Jinsai Pharmaceutical* (長春金賽藥業), and Shenzhen Osa Pharmaceutical* (深圳奧薩醫藥). Dr. Zhu is currently a non-executive director of HighTide Therapeutics, Inc. (stock code: 2511) (a company listed on the Stock Exchange) and was an independent non-executive director of Lansan Pharmaceutical Holdings Limited (stock code: 503) from September 2022 to December 2023 (a company that was listed on the Stock Exchange).

Dr. Zhu founded Changchun Medical Biotechnology Center* (長春醫藥生物技術中心) in 2001 as the supervisor of the center. In the same year, he founded Changchun Boxun Biotechnology Co., Ltd.* (長春博迅生物技術公司) and served as the chairman of the board. Funded with 8 million US dollars from the British listed company Cathay International Pharmaceutical Limited in 2003. Dr. Zhu founded Changchunbotai* (長春博泰) as chief executive officer until 2010.

Dr. Zhu has served as a member of the National New Drug Advisory Committee* (國家新藥諮詢委員會), a member of the expert review group of the Life Science Division of the National Natural Science Foundation of China (國家自然科學基金委員會生命科學部專家評審組成員), a member of the expert advisory group in Biotechnology of the National Development and Reform Commission (國家發改委生物技術專家諮詢組成員), a member of the review group of the Innovation Fund for SMEs of the Ministry of Science and Technology of the PRC (國家科技部中小企業技術創新基金評審委員) and a member of the China Medical Science Awards

* For identification purposes only

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Committee* (中華醫學科學獎評審委員會委員), the founding editor of the Chinese Journal of Experimental Diagnostics* (中國實驗診斷雜誌創始主編), the deputy editor of the Journal of Pharmaceutical Progress* (藥學進展雜誌副主編), the editorial board of the Chinese Journal of Cancer Biotherapy* (中國腫瘤生物治療雜誌編委), and the editorial board of the Chinese Journal of Immunology* (中國免疫學雜誌編委).

Dr. Zhu entered into his letter of appointment with the Company on 19 February 2024 for a term of one year commencing from 20 February 2024, and may be terminated by either party giving at least three months' notice in writing. Pursuant to the Bye-Laws, Dr. Zhu will be subject to retirement and re-election at the general meeting of the Company. Pursuant to the letter of appointment, Dr. Zhu is entitled to a Director's fee of HK\$412,000 per annum, which was determined by the Board with reference to his job duties and the prevailing market conditions. The Director's fee will be reviewed by the Board and the Remuneration Committee annually.

As at the Latest Practicable Date, Dr. Zhu was deemed to be interested in 3,000,000 Shares within the meaning of Part XV of the SFO.

* *For identification purposes only*

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The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

NUMBER OF ISSUED SHARES

As at the Latest Practicable Date, the number of issued Shares (excluding Treasury Shares, if any) was 9,329,999,206 Shares of nominal value of HK\$0.01 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 932,999,920 Shares which represent 10 per cent of the number of issued Shares (excluding Treasury Shares, if any) during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Bye-Laws or any applicable laws of Bermuda; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in a general meeting.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose in accordance with the Bye-Laws, the Listing Rules and the applicable laws of Bermuda. Under Bermuda law, any repurchases by the Company may be made out of capital paid up on the repurchased Shares or out of funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company which would otherwise be available for dividend or distribution or the Company's share premium account before the Shares are repurchased.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may not have a material adverse impact on the working capital and on the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate 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.

GENERAL MATTERS

None of the Directors and to the best of their knowledge, having made all reasonable enquiries, none of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the Repurchase Mandate in accordance with the Listing Rules, the Bye-Laws and the applicable laws of Bermuda. The Directors have confirmed that neither the explanatory statement set out in Appendix II to this circular nor the proposed share repurchase has unusual features.

No core connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

The Company will cancel any repurchased Shares and/or hold the repurchased Shares as Treasury Shares depending on the circumstances prevailing at the time of the repurchase, such as market conditions and its capital management requirements.

To the extent that any Treasury Shares are deposited with the Central Clearing and Settlement System (“CCASS”) pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company’s own name as Treasury Shares. These measures may include approval by the Board that (i) the Company will not (or will procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the Treasury Shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

TAKEOVERS CODE IMPLICATIONS

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, 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. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Dr. Che Fengsheng (together with his parties acting in concert (as defined under the Takeovers Code)) was interested and deemed to be interested (as applicable) in 5,133,125,704 Shares, representing an approximate total of 55.02% of the number of existing issued Shares. In the event that the Directors should exercise in full the Repurchase Mandate, Dr. Che's (together with his parties acting in concert) interests in the Company will be increased to approximately 61.13% of the number of issued Shares. To the best knowledge and belief of the Directors, such increase in the interests in the Company would not give rise to any obligation to make a mandatory offer under the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25 per cent (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 calendar months preceding the Latest Practicable Date were as follows:

Month	Highest prices	Lowest prices
	<i>HK\$</i>	<i>HK\$</i>
2023		
April	0.880	0.770
May	0.830	0.710
June	0.800	0.710
July	0.800	0.720
August	0.780	0.640
September	0.680	0.610
October	0.700	0.560
November	0.710	0.630
December	0.700	0.600
2024		
January	0.660	0.530
February	0.590	0.490
March	0.600	0.530
April (up to and including the Latest Practicable Date)	0.570	0.500

NOTICE OF ANNUAL GENERAL MEETING



四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.

四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 0460)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Sihuan Pharmaceutical Holdings Group Ltd. (the “**Company**”) will be held at Conference Room Mission 4+5, 4th Floor, Hilton Shenzhen Futian, Tower B, Great China International Finance Centre, 1003 Shennan Road, Futian, Shenzhen, the People’s Republic of China on Friday, 7 June 2024 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions:

ORDINARY RESOLUTIONS

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and auditor of the Company (the “**Auditor**”) for the year ended 31 December 2023.
2. a. To re-elect the following retiring Directors:
 - (i) Dr. Che Fengsheng as an executive Director
 - (ii) Mr. Tsang Wah Kwong as an independent non-executive Director
 - (iii) Dr. Zhu Xun as an independent non-executive Director
- b. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as Auditor and authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification, the following resolutions as ordinary resolutions:

(A) “That:

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company, and/or to sell or transfer the Treasury Shares (after the effective date of the amended Listing Rules on 11 June 2024), and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise), and/or the Treasury Shares sold or transferred (after the effective date of the amended Listing Rules on 11 June 2024), by the Directors during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the eligible participants of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company (the “**Bye-Laws**”) in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent of the number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing this resolution and the approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

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

(1) the conclusion of the next annual general meeting of the Company;

(2) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or

(3) the revocation or variation by an ordinary resolution of the shareholders of the Company in general meeting; and

(b) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the capital of the Company (other than holders of any Treasury Shares) whose names appear on the register of shareholders on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “That:

(i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the total number of the shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of issued shares of the Company (excluding Treasury Shares, if any) at the date of passing of this resolution, and the said approval shall be limited accordingly;
 - (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
 - (iv) for the purpose of this resolution:
 - “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or
 - (c) the revocation or variation by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) **“That** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company, and/or to sell or transfer the Treasury Shares (after the effective date of the amended Listing Rules on 11 June 2024), and to make or grant offers, agreements and/or options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the total number of shares of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the total number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such number shall not exceed 10 per cent of the number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of the resolutions.”

By Order of the Board of Directors
Sihuan Pharmaceutical Holdings Group Ltd.
Dr. Che Fengsheng
Chairman and Executive Director

Hong Kong, 29 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business

in Hong Kong:
Room 4905
Office Tower
Convention Plaza
1 Harbour Road, Wanchai
Hong Kong

Notes:

- (i) Ordinary resolution numbered 4(C) will be proposed to the shareholders of the Company for approval provided that ordinary resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.
- (ii) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) not less than 48 hours before the time fixed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members will be closed from Monday, 3 June 2024 to Friday, 7 June 2024, both days inclusive in order to determine the entitlement of shareholders to attend and vote at the above meeting, during which period no share transfers can be registered. In order to qualify for attending and voting at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 31 May 2024.
- (vi) In respect of ordinary resolution numbered 2 above, Dr. Che Fengsheng, Mr. Tsang Wah Kwong and Dr. Zhu Xun shall retire at the above meeting pursuant to the Bye-Laws and being eligible, have offered themselves for re-election as directors of the Company. Details of the above retiring directors are set out in Appendix I to the accompanying circular dated 29 April 2024.
- (vii) In respect of ordinary resolution numbered 4(A) above, the directors wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).
- (viii) In respect of ordinary resolution numbered 4(B) above, the directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanying circular dated 29 April 2024.