

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Grand Pharmaceutical Group Limited, you should at once hand this circular and the accompanying form of proxy 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 the transferee.

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遠大醫藥集團

GRAND PHARMACEUTICAL GROUP

GRAND PHARMACEUTICAL GROUP LIMITED

遠大醫藥集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00512)

**(1) GENERAL MANDATE TO
REPURCHASE SHARES AND ISSUE NEW SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS, APPOINTMENT OF
DIRECTOR AND CONTINUOUS APPOINTMENT OF INDEPENDENT
NON-EXECUTIVE DIRECTOR SERVING MORE THAN NINE YEARS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Grand Pharmaceutical Group Limited to be held at Unit 3302, The Center, 99 Queen's Road Central, Hong Kong on Tuesday, 4 June 2024 at 11:00 a.m. or any adjournment thereof is set out on pages 14 to 18 of this circular.

A form of proxy for use at the annual general meeting of Grand Pharmaceutical Group Limited is enclosed with this circular. Whether or not you are able to attend and vote at such meeting, please complete and return the enclosed proxy form in accordance with the instructions printed thereon and return the same to Grand Pharmaceutical Group Limited's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the annual general meeting or any adjournment thereof should you so wish.

* For identification purposes only

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Unit 3302, The Center, 99 Queen’s Road Central, Hong Kong on Tuesday, 4 June 2024 at 11:00 a.m., the notice of which is set out on pages 14 to 18 of this circular
“associates”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Grand Pharmaceutical Group Limited, a company incorporated in Bermuda with limited liability and its securities are listed on the Stock Exchange
“connected person”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Government”	the government of Hong Kong
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to allot, issue and otherwise deal with the Shares as set out in resolution number 5 of the Notice
“Latest Practicable Date”	22 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Notice”	the notice convening the AGM as set out on pages 14 to 18 of this circular
“Outwit”	Outwit Investments Limited, a company established in British Virgin Islands with limited liability
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to repurchase the Shares as set out in resolution number 6 of the Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Buy Back Rules”	the provisions in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own shares
“Share(s)”	the share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers for the time being in force
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

The English transliteration of the Chinese name(s) in this circular, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).

LETTER FROM THE BOARD



遠大醫藥集團

GRAND PHARMACEUTICAL GROUP

GRAND PHARMACEUTICAL GROUP LIMITED

遠大醫藥集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00512)

Executive Directors:

Dr. Tang Weikun (Chairman)
Mr. Zhou Chao
Mr. Yang Guang
Dr. Shi Lin

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Independent non-executive Directors:

Ms. So Tosi Wan, Winnie
Mr. Hu Yebi
Dr. Pei Geng

*Principal place of business
in Hong Kong:*

Unit 3302, The Center
99 Queen's Road Central
Hong Kong

27 April 2024

To the Shareholders

Dear Sir or Madam,

**(1) GENERAL MANDATE TO
REPURCHASE SHARES AND ISSUE NEW SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS, APPOINTMENT OF
DIRECTOR AND CONTINUOUS APPOINTMENT OF INDEPENDENT
NON-EXECUTIVE DIRECTOR SERVING MORE THAN NINE YEARS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to seek your approval of resolutions to grant a general mandate to the Directors to repurchase the Shares representing up to a maximum of 10% of the aggregate number of issued Shares at the date of passing the resolution, to grant a general mandate to the Directors to issue new Shares up to a maximum of 20% of the aggregate number of issued Shares at the date of passing of the resolution and to increase the number of

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LETTER FROM THE BOARD

shares which the Directors may issue under their general mandate to issue new Shares by the number of Shares repurchased. Resolutions will also be proposed to re-elect the retiring Directors, appoint Director, re-appoint the auditors of the Company in accordance with the Bye-laws and adopt new bye-laws of the Company. These resolutions will be proposed at the Annual General Meeting to be held on 4 June 2024.

2. GENERAL MANDATE TO REPURCHASE SHARES

A resolution will be proposed at the Annual General Meeting for the grant of the Repurchase Mandate to the Directors to repurchase, on the Stock Exchange or on any other stock exchange on which the Shares may be listed, the Shares not exceeding 10% of the aggregate number of issued Shares as at the date of passing of the resolution.

Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 354,957,114 Shares.

In accordance with the Share Buy Back Rules, this circular contains an explanatory statement in Appendix I to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution in relation to the Repurchase Mandate.

3. GENERAL MANDATE TO ISSUE SHARES

A resolution will be proposed at the Annual General Meeting for the grant of the Issue Mandate to the Directors to allot, issue and deal with new Shares up to a maximum of 20% of the aggregate number of issued Shares at the date of passing of the resolution.

As at the Latest Practicable Date, a total of 3,549,571,148 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 709,914,229 Shares.

In addition, subject to a separate Shareholders' resolution, the number of Shares repurchased by the Company under the Repurchase Mandate will also be added to the Issue Mandate as mentioned above.

4. EXPIRY OF THE REPURCHASE MANDATE AND ISSUE MANDATE

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or the applicable laws of Bermuda to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

5. RE-ELECTION OF RETIRING DIRECTORS AND APPOINTMENT OF DIRECTOR

Pursuant to Bye-law 87(1), one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation at every annual general meeting of the Company and shall then be eligible to offer themselves for re-election. Dr. Tang Weikun, Ms. So Tosi Wan, Winnie and Mr. Hu Yebi will retire from office at the Annual General Meeting.

Dr. Tang Weikun, Ms. So Tosi Wan, Winnie and Mr. Hu Yebi, being the retiring Directors and being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to the code provisions as set out in the Appendix 14 Corporate Governance Code of the Listing Rules, any further appointment of an independent non-executive director who has served more than nine years should be subject to a separate resolution to be approved by the Shareholders. The Board has received from Ms. So Tosi Wan, Winnie an annual confirmation on her independence pursuant to the Listing Rules. Ms. So Tosi Wan, Winnie has served as a member of the Board for more than nine years. While this could be relevant to the assessment of independence, the Board is of the view that the independence of Ms. So Tosi Wan, Winnie cannot be solely determined by her period of service in the Company. In assessing her independence, the Board has considered her character and judgement with reference to her contribution to the Board. Over the years, Ms. So Tosi Wan, Winnie has provided valuable insights to the Board with her experience, expertise and knowledge, and the Company has benefited from her contribution and commitment. The Board is therefore of the view that Ms. So Tosi Wan, Winnie meets the independence criteria set out in Rule 3.13 of the Listing Rules and that she is able to continue to fulfil her role as an independent non-executive Director. The Board is satisfied that, taking into account, among others, the valuable insights, useful guidance and independent judgment provided to the Board by Ms. So Tosi Wan, Winnie, Ms. So Tosi Wan, Winnie is of such character, integrity and experience commensurate with office of an independent non-executive Director. Ms. So Tosi Wan, Winnie's professional background, knowledge and experience have also contributed to the diversity of the Board. Based on the above mentioned considerations, the Board, on the recommendation of the nomination committee of the Company, would recommend Ms. So Tosi Wan, Winnie for re-election at the AGM.

Brief biographical details of Dr. Tang Weikun, Ms. So Tosi Wan, Winnie and Mr. Hu Yebi are set out in Appendix II to this circular.

6. PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 18 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the granting of the Issue Mandate and the Repurchase Mandate, the re-election of the retiring Directors and the re-election of auditors.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the Annual General 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 Annual General Meeting or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

7. PROCEDURES TO VOTE

Pursuant to Rule 13.39(4) of the Listing Rules, voting of all resolutions at the Annual General Meeting will be taken by way of poll and the results of the Annual General Meeting will be announced by the Company in compliance with the Listing Rules.

8. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed on/during the following day/ periods:

- (i) from Friday, 31 May 2024 to Tuesday, 4 June 2024 both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the Annual General Meeting to be held on Tuesday, 4 June 2024. In order to be eligible to attend and vote at the Annual General Meeting, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 30 May 2024; and
- (ii) on Tuesday, 11 June 2024, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 7 June 2024. The final dividend will be paid on or about Thursday, 27 June 2024 to the shareholders whose names appear on the register of members as on Tuesday, 11 June 2024.

LETTER FROM THE BOARD

9. 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of 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.

10. RECOMMENDATION

The Directors consider that all the resolutions as set out in the Notice are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM as set out in the AGM Notice.

11. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

12. LANGUAGE

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

Yours faithfully,
By order of the Board of
Grand Pharmaceutical Group Limited
Dr. Tang Weikun
Chairman

The following is the explanatory statement which is required to be sent to the Shareholders under the Share Buy Back Rules in connection with the Repurchase Mandate.

1. LISTING RULES

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their securities subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution in a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net asset value of the Company 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.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,549,571,148 Shares.

Subject to the passing of the Repurchase Mandate, the Company would be allowed to repurchase Shares up to a maximum of 354,957,114 Shares on the basis that no further Shares will be issued or otherwise repurchased and cancelled prior to the date of the forthcoming Annual General Meeting.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

It is presently proposed that any purchase of the Shares would be made out of internal resources of the Company provided that on the day immediately following the date of repurchase the Company is able to pay its debts as they fall due in the ordinary course of business.

Taking into account the current financial position of the Company, the Directors consider the repurchase of Shares in full at any time during the proposed repurchase period may have a material adverse impact on the working capital or gearing position of the Company as

compared with the position disclosed in the published audited financial statements as at 31 December 2023, but the Directors will only exercise the Repurchase Mandate to such an extent that would be benefit to the Company and Shareholders.

5. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

	Share prices	
	Lowest <i>HK\$</i>	Highest <i>HK\$</i>
2023		
April	4.40	5.22
May	4.30	5.40
June	4.17	5.12
July	4.15	4.55
August	4.04	4.48
September	3.90	4.32
October	3.92	4.35
November	4.09	4.69
December	3.79	4.51
2024		
January	3.32	4.10
February	3.17	3.77
March	3.35	4.30
April (Up to Latest Practicable Date)	3.83	4.23

6. TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Outwit, the controlling Shareholder, held 1,671,671,149 Shares representing approximately 47.09% of the issued share capital of the Company. If the Repurchase Mandate is exercised in full and the Shares being repurchased are cancelled, the percentage shareholding of Outwit will increase to approximately 52.33%. Such increase in shareholding would give rise to an obligation for Outwit to make a mandatory offer under Rule

26 of the Takeovers Code. However, the Directors currently have no intention of exercising the proposed Repurchase Mandate to such an extent as would result in takeover obligations for the Outwit.

Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which the exercise in full of the Repurchase Mandate under the Takeovers Code.

7. SHARE REPURCHASES BY THE COMPANY

The Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. GENERAL INFORMATION AND UNDERTAKINGS

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.
- (c) No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The biographical details of the Directors for re-election and appointment at the AGM are set out below:

Dr. Tang Weikun, aged 39, joined Grand Pharma (China) Co., Ltd. (a major subsidiary of the Group) (“**Grand Pharma (China)**”) in 2012 and worked for several companies of the Group. He has been the assistant of the president of Grand Pharma (China) since April 2019, and was appointed as the president of Grand Pharma (China) with effect from 1 June 2021. Dr. Tang has overall responsible for the operation of Grand Pharma (China) and being the officer of its strategic decision committee. Dr. Tang completed his life science and technology undergraduate education at Wuhan University in 2007, and obtained his doctoral degree in microbiology from the College of Life Sciences, Wuhan University in 2012.

Dr. Tang is appointed for a term of one year and is renewable automatically for successive terms of one year after the expiry of the term of appointment, unless terminated by not less than three months’ notice in writing served by either party and is subject to retirement by rotation and re-election in accordance with the Bye-laws. Dr. Tang will be entitled to receive HK\$1,180,000 per annum as director’s remuneration which is determined by reference to his duties and responsibilities within the Company, the Company’s remuneration policy and the market salary range for the position.

As at the Latest Practicable Date, Dr. Tang is interested in 415,000 Shares.

Saved as disclosed above, as at the Latest Practicable Date, Dr. Tang (i) does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company; (ii) does not have any other interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold other positions with the Company and its subsidiaries.

Saved as disclosed above, there is no information in relation to Dr. Tang’s appointment that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of holders of securities of the Company.

Ms. So Tosi Wan, Winnie, aged 61, was appointed as an independent non-executive Director in March 2005. Ms. So is a fellow member of the Association of Chartered Certified Accountants and a practicing member of the Hong Kong Institute of Certified Public Accountants. She is a partner of an accounting firm.

Ms. So is appointed for a term of one year and is renewable automatically for successive terms of one year after the expiry of the term of appointment, unless terminated by not less than three months’ notice in writing served by either party and is subject to retirement by rotation and re-election in accordance with the Bye-laws. Ms. So will be entitled to receive HK\$180,000 per annum as director’s remuneration which is determined by reference to her duties and responsibilities within the Company, the Company’s remuneration policy and the market salary range for the position.

Saved as disclosed above, as at the Latest Practicable Date, Ms. So (i) does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company; (ii) does not have any other interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold other positions with the Company and its subsidiaries.

The Board has received from Ms. So an annual confirmation on her independence pursuant to the Listing Rules. Ms. So has served as a member of the Board for more than nine years. While this could be relevant to the assessment of independence, the Board is of the view that the independence of Ms. So cannot be solely determined by her period of service in the Company. In assessing her independence, the Board has considered her character and judgement with reference to her contribution to the Board. Over the years, Ms. So has provided valuable insights to the Board with her experience, expertise and knowledge, and the Company has benefited from her contribution and commitment. The Board is therefore of the view that Ms. So meets the independence criteria set out in Rule 3.13 of the Listing Rules and that she is able to continue to fulfil her role as an independent non-executive Director. The Board is satisfied that, taking into account, among others, the valuable insights, useful guidance and independent judgment provided to the Board by Ms. So, Ms. So is of such character, integrity and experience commensurate with office of an independent non-executive Director. Ms. So's professional background, knowledge and experience have also contributed to the diversity of the Board. Based on the above mentioned considerations, the Board, on the recommendation of the nomination committee of the Company, would recommend Ms. So for re-election at the AGM.

Saved as disclosed above, there is no information in relation to Ms. So's re-election that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of holders of securities of the Company.

Mr. Hu Yebi, aged 60, was appointed as an independent non-executive Director in December 2018. Mr. Hu received his Master of Business Administration from Netherlands International Institute for Management in the Netherlands and a Postgraduate Diploma in Management Engineering from Beijing Institute of Technology in Beijing, the PRC. Mr. Hu has more than twenty years of experience in securities and financial services, mergers and acquisitions and corporate finance. Mr. Hu is the founder and chairman of Vision Finance Group Limited. Mr. Hu is currently a non-executive director of Beijing Sports and Entertainment Industry Group Limited (stock code: 1803) and was an executive director of Beijing Enterprises Medical and Health Industry Limited (stock code: 2389) and Beijing Properties (Holdings) Limited (stock code: 925), but already resigned in October 2018 and November 2018 respectively. All these companies are listed on The Stock Exchange of Hong Kong Limited.

Mr. Hu is appointed for a term of one year and is renewable automatically for successive terms of one year after the expiry of the term of appointment, unless terminated by not less than three months' notice in writing served by either party and is subject to retirement by rotation and re-election in accordance with the Bye-laws. Mr. Hu will be entitled to receive HK\$100,000 per annum as director's remuneration which is determined by reference to his duties and responsibilities within the Company, the Company's remuneration policy and the market salary range for the position.

Saved as disclosed above, as at the Latest Practicable Date, Mr. Hu (i) does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company; (ii) does not have any other interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold other positions with the Company and its subsidiaries.

Saved as disclosed above, there is no information in relation to Mr. Hu's re-election that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of holders of securities of the Company.

NOTICE OF ANNUAL GENERAL MEETING



遠大醫藥集團

GRAND PHARMACEUTICAL GROUP

GRAND PHARMACEUTICAL GROUP LIMITED

遠大醫藥集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00512)

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Grand Pharmaceutical Group Limited (the “Company”) will be held at Unit 3302, The Center, 99 Queen’s Road Central, Hong Kong on Tuesday, 4 June 2024 at 11:00 a.m. for the following purposes:

1. To adopt the audited financial statements together with the report of the directors and the report of the auditors for the year ended 31 December 2023.
2. To declare a final dividend of HK\$0.26 per share for the year ended 31 December 2023.
3.
 - (a) To re-elect Dr. Tang Weikun as executive director of the Company;
 - (b) To re-elect and retain Ms. So Tosi Wan, Winnie as independent non-executive director of the Company, who has served more than nine years in the Company;
 - (c) To re-elect Mr. Hu Yebi as independent non-executive director of the Company; and
 - (d) To authorise the board of directors to fix the remunerations of the Company’s directors.
4. To re-appoint HLB Hodgson Impey Cheng Limited as auditors to hold office until the conclusion of the next annual general meeting and to authorise the board of directors to fix their remuneration.

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

As special business to consider and, if thought fit, pass the following resolutions as ordinary resolutions, with or without modification:

5. “**THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares in the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than by way of (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of or the grant of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the issue or grant to officers and/or employees of the Company and/or any of its subsidiaries of shares or options to subscribe for or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the bye-laws of the Company in force from time to time, shall not exceed 20% of the aggregate number of shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and
- (d) for the purposes of this resolution:
 - (aa) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

(bb) “Rights Issue” means an offer of shares in the share capital of the Company or an offer or issue of warrants or options or similar instruments to subscribe for shares in the share capital of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (subject to such exclusions 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 existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

6. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period as defined in Resolution 5(d)(aa) of all powers of the Company to repurchase issued shares in the share capital of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate number of shares in the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” shall have the same meaning as in Resolution 5(d)(aa).”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** conditional upon the ordinary resolutions set out in paragraphs 5 and 6 of the notice convening this meeting being passed, the general mandate granted to the Directors to allot, issue and deal in any unissued shares pursuant to the ordinary resolution set out in paragraph 5 of 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 or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the total number of shares of the Company repurchased by the Company under the authority granted pursuant to the ordinary resolution set out in paragraph 6 of the notice convening this meeting, provided that such extended amount shall not exceed 10% of the total number of issued shares of the Company at the date of the passing of this resolution.”

Yours faithfully,
By order of the Board of
Grand Pharmaceutical Group Limited
Dr. Tang Weikun
Chairman

Hong Kong, 27 April 2024

Notes:

1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. The register of members of the Company will be closed on/during the following day/periods:
 - (i) from Friday, 31 May 2024 to Tuesday, 4 June 2024 both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting of the Company to be held on Tuesday, 4 June 2024. In order to be eligible to attend and vote at the annual general meeting of the Company, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 30 May 2024; and
 - (ii) on Tuesday, 11 June 2024, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 7 June 2024. The final dividend will be paid on or about Thursday, 27 June 2024 to the shareholders whose names appear on the register of members as on Tuesday, 11 June 2024.
3. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

4. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he were solely entitled thereto, but if more than one of such holders be present at the meeting personally or by proxy, that one of such holders so presents whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
5. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Annual General Meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In relation to proposed resolution no. 3 above, Dr. Tang Weikun, Ms. So Tosi Wan, Winnie and Mr. Hu Yebi will retire from their offices of Director at the Annual General Meeting. Dr. Tang Weikun, Ms. So Tosi Wan, Winnie and Mr. Hu Yebi, being eligible, offer themselves for re-election.
7. An explanatory statement containing further details regarding the proposed resolution no. 6 set out in the above notice will be contained in a circular to be despatched to shareholders together with the 2023 Annual Report of the Company.

As at the date of this notice, the Board comprises four executive directors, namely, Dr. Tang Weikun, Mr. Zhou Chao, Mr. Yang Guang and Dr. Shi Lin and three independent non-executive directors, namely, Ms. So Tosi Wan, Winnie, Dr. Pei Geng and Mr. Hu Yebi.