
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 your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in YiChang HEC ChangJiang Pharmaceutical Co., Ltd. (the “Company”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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YiChang HEC ChangJiang Pharmaceutical Co., Ltd.

宜昌東陽光長江藥業股份有限公司

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

(Stock Code: 01558)

**2023 Report of the Board of Directors
2023 Report of the Board of Supervisors
2023 Consolidated Financial Statements
2023 Annual Report
Proposed Election of Directors of the Fourth Session of
the Board of Directors
Proposed Election of Shareholder Representative Supervisors of the
Fourth Session of the Board of Supervisors
Re-appointment of the Auditor of the Company
and
Notice of Annual General Meeting**

A letter from the Board is set out on pages 3 to 10 of this circular.

A notice convening the AGM to be physically held at Conference Room, 3/F, Sales Building, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC on Friday, 7 June 2024 at 10:00 a.m. is set out on pages AGM-1 to AGM-4 of this circular. The forms of proxy for use at the AGM was also enclosed. The form of proxy of the AGM was also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.hec-changjiang.com) on 8 May 2024.

Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Board office at Securities Department, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC for Domestic Shareholders, or the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for H Shareholders not less than 24 hours before the time appointed for the AGM (or any adjournment thereof) (i.e. before 10:00 a.m. on Thursday, 6 June 2024). Completion and return of the form of proxy shall not preclude you from attending, and voting in person at the AGM or any adjournment thereof if you so desire.

8 May 2024

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and physically held at Conference Room, 3/F, Sales Building, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang’an County, Dongguan, Guangdong Province, the PRC, at 10:00 a.m. on Friday, 7 June 2024
“AGM Notice”	the notice convening the AGM which is set out on pages AGM-1 to AGM-4 of this circular
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board of Directors” or “Board”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“Company”	YiChang HEC ChangJiang Pharmaceutical Co., Ltd. (宜昌東陽光長江藥業股份有限公司), a company established in the PRC on 11 May 2015 as a joint stock company with limited liability
“Company Law”	the Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	issued ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for or credited as fully paid in RMB
“Domestic Shareholder(s)”	holder(s) of Domestic Shares
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the Stock Exchange and is (are) subscribed for and traded in Hong Kong dollars
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HKD” or “HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong

DEFINITIONS

“Latest Practicable Date”	6 May 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	State Administration of Foreign Exchange of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and modified from time to time
“Share(s)”	issued share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	have the same meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“%”	per cent.

LETTER FROM THE BOARD OF DIRECTORS



YiChang HEC ChangJiang Pharmaceutical Co., Ltd.

宜昌東陽光長江藥業股份有限公司

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

(Stock Code: 01558)

Executive Directors:

Mr. JIANG Juncai
Mr. WANG Danjin
Mr. CHEN Hao
Mr. LI Shuang

Non-Executive Director:

Mr. TANG Xinfu (*Chairman*)

Independent Non-Executive Directors:

Mr. TANG Jianxin
Ms. XIANG Ling
Mr. LI Xuechen

*Registered Office and Principal Place
of Business in the PRC:*

No. 38 Binjiang Road
Yidu, Yichang
Hubei Province
the PRC

*Principal Place of Business in
Hong Kong:*

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

8 May 2024

To the Shareholders

Dear Sir or Madam,

**2023 Report of the Board of Directors
2023 Report of the Board of Supervisors
2023 Consolidated Financial Statements
2023 Annual Report
Proposed Election of Directors of the Fourth Session of
the Board of Directors
Proposed Election of Shareholder Representative Supervisors of the
Fourth Session of the Board of Supervisors
Re-appointment of the Auditor of the Company
and
Notice of Annual General Meeting**

LETTER FROM THE BOARD OF DIRECTORS

I. INTRODUCTION

The Company proposes to convene and physically hold the AGM at 10:00 a.m. on Friday, 7 June 2024 at Conference Room, 3/F, Sales Building, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC. The notice to convene the AGM is set out on pages AGM-1 to AGM-4 of this circular.

The purpose of this circular is to provide you with information of the resolutions to be proposed at the AGM to enable you to make an informed decision on whether to vote for or against or abstain from voting at those resolutions. Such resolutions and details are set out in this Letter from the Board of Directors.

II. MATTERS TO BE RESOLVED AT THE AGM

1. Report of the Board of Directors for the year ended 31 December 2023

An ordinary resolution will be proposed at the AGM to approve the report of the Board of Directors for the year ended 31 December 2023, the full text of which is included in the 2023 annual report of the Company published on the websites of the Company and the Stock Exchange on 26 April 2024.

2. Report of the Board of Supervisors for the year ended 31 December 2023

An ordinary resolution will be proposed at the AGM to approve the report of the Board of Supervisors for the year ended 31 December 2023, the full text of which is included in the 2023 annual report of the Company published on the websites of the Company and the Stock Exchange on 26 April 2024.

3. Consolidated financial statements for the year ended 31 December 2023

An ordinary resolution will be proposed at the AGM to approve the consolidated financial statements of the Company for the year ended 31 December 2023, the full text of which is included in the 2023 annual report of the Company published on the websites of the Company and the Stock Exchange on 26 April 2024.

4. 2023 Annual Report

An ordinary resolution will be proposed at the AGM to approve the 2023 annual report of the Company, which was published on the websites of the Company and the Stock Exchange on 26 April 2024.

LETTER FROM THE BOARD OF DIRECTORS

5. Proposed Election of Directors of the Fourth Session of the Board of Directors

The term of the third session of the Board of Directors shall expire soon. The Board of Directors convened a meeting on 6 May 2024, and considered and approved the following candidates for the Directors of the fourth session of the Board of Directors:

- (i) candidates for executive Directors: Mr. JIANG Juncai, Mr. WANG Danjin, Mr. LI Shuang and Mr. CHEN Hao;
- (ii) candidates for non-executive Director: Mr. TANG Xinfa; and
- (iii) candidates for independent non-executive Directors: Mr. TANG Jianxin, Ms. XIANG Ling and Mr. LI Xuechen.

The Board of Directors also resolved to appoint the members of each of the Board Committees as below, upon the approval of such candidates as the Directors by the Shareholders:

- (i) Audit Committee: Mr. TANG Jianxin (Chairman), Mr. TANG Xinfa and Ms. XIANG Ling;
- (ii) Remuneration and Evaluation Committee: Ms. XIANG Ling (Chairman), Mr. TANG Jianxin and Mr. JIANG Juncai; and
- (iii) Nomination Committee: Mr. LI Xuechen (Chairman), Ms. XIANG Ling and Mr. TANG Jianxin.

Pursuant to the Company Law and the Articles of Association, the existing Directors shall continue to perform their duties as the Directors before the election and formation of the fourth session of the Board of Directors.

The above candidates of the fourth session of the Board of Directors meet the requirements as stipulated in relevant PRC laws, regulations and the Articles of Association, and will be elected as the Directors of the fourth session of the Board of Directors at the AGM. The Board of Directors agreed to submit the above list of candidates for consideration at the AGM.

The Directors of the fourth session of the Board of Directors will serve for a term of three years. Upon the approval by the Shareholders of the above candidates, the Company will enter into a service contract with each of them and for a term commencing on the date of approval of their appointments at the AGM until the expiration of the fourth session of the Board.

The proposed annual remuneration of Mr. JIANG Juncai, Mr. WANG Danjin, Mr. CHEN Hao and Mr. LI Shuang as executive Directors are RMB2,572,000, RMB2,712,000, RMB1,586,000 and RMB1,319,000 respectively, which are determined with reference to the duty, responsibility and performance of each of the executive Directors, results of the Group and other factors which may be considered as relevant and appropriate.

LETTER FROM THE BOARD OF DIRECTORS

The non-executive Director, Mr. TANG Xinfu, will not receive remuneration from the Company for serving as a non-executive Director.

The proposed annual remuneration of Mr. TANG Jianxin, Ms. XIANG Ling and Mr. LI Xuechen for serving as independent non-executive Directors are RMB100,000, RMB100,000 and RMB340,000, respectively, which were determined with reference to their duties and responsibilities within the Company, the Company's remuneration policy and the prevailing market conditions.

Independence of the Independent Non-executive Directors

When proposing the re-election of independent non-executive Directors, the Board has taken into account a number of factors pursuant to the diversity policy of the Board, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and industry and regional experience, to achieve the diversity of board members. The Board believes that the educational background, professional experience and cultural background of the independent non-executive Directors proposed to be re-elected contribute to the diversity of the Board.

Pursuant to the code provision B.2.3 in part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, an independent non-executive director serving more than nine years in a company could be a factor relevant to the determination of independence of such a non-executive director. If an independent non-executive director serves in a company for more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by the shareholders of the company and the accompanying circular proposing his or her re-election should include reasons why the Board believes such independent non-executive director is still independent and should be re-elected.

Mr. TANG Jianxin (“**Mr. Tang**”) was appointed as the independent non-executive Director since 4 May 2015 and will be serving the Company for more than nine years as of the Latest Practicable Date. His re-election as an independent non-executive Director will therefore be subject to a separate resolution to be approved by the Shareholders at the AGM. In assessing the re-election of Mr. Tang, the Nomination Committee and the Board have considered his contribution and service to the Company, and reviewed his expertise and professional qualifications to determine whether Mr. Tang satisfies the selection criteria under the Nomination Policy. Having considered that Mr. Tang possesses appropriate professional qualification in accounting and financial management in accordance with the requirements under the Listing Rules, it is believed that Mr. Tang's continuous directorship in the Company can keep bringing valuable contributions to the Board. Mr. Tang has also devoted sufficient time and demonstrated the required attributes of an independent non-executive Director and has provided independent views and advice to the Company from the accounting, finance and investment management perspectives. The Board and the Nomination Committee also noted that Mr. Tang (i)

LETTER FROM THE BOARD OF DIRECTORS

does not have any relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Company; (ii) is not involved in any relationships or circumstances which would interfere with the exercise of his independent judgement as an independent non-executive Director; and (iii) has been providing objective and independent views to the Company as mentioned above during his tenure of office. Based on the above, it is believed that Mr. Tang's long services will neither affect his exercise of independent judgement nor have any impact on his independence in the governance of the Group. Accordingly, the Board and the Nomination Committee believe that the re-election of Mr. Tang as an independent non-executive Director is in the best interests of the Company and the Shareholders as a whole, and therefore recommended Mr. Tang's re-election as an independent non-executive Director.

Mr. TANG Jianxin, Ms. XIANG Ling and Mr. LI Xuechen have confirmed their independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Company considers they are independent in accordance with the independence guidelines as set out in the Listing Rules and they should be elected as the independent non-executive Directors of the fourth session of the Board of Directors.

The biographical details of the candidates of the Directors for the fourth session of the Board of Directors are set out in the Appendix I to this circular.

As of the Latest Practicable Date, save as disclosed in Appendix I to this circular, the proposed candidates of the fourth session of the Board of Directors confirmed that (i) they did not hold any directorship in any other listed companies during the past three years; (ii) they do not hold any other position in the Group; (iii) they have no relationship with any Director, Supervisor, senior management member, substantial shareholder or controlling shareholder of the Company; and (iv) they have not owned any interest as defined in Part XV of the SFO in the shares or underlying shares of the Company.

Save as disclosed in Appendix I to this circular, the proposed candidates of the fourth session of the Board of Directors have not involved in any matter which is required to be disclosed pursuant to Rules 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 the Shareholders.

6. Proposed Election of Shareholder Representative Supervisors of the Fourth Session of the Board of Supervisors

The term of the third session of the Board of Supervisors shall expire soon. The Board of Supervisors convened a meeting on 6 May 2024, and considered and approved Mr. TANG Jinlong and Mr. LUO Zhonghua as the candidates for shareholder representative Supervisors of the fourth session of the Board of Supervisors. On 30 April 2024, Mr. WANG Shengchao was elected as the employee representative Supervisor of the fourth session of the Board of Supervisors by the 2024 first meeting of the employee representatives of the Company. The Company will enter into a service contract with Mr. WANG Shengchao. The term of Mr. WANG Shengchao serving as the employee

LETTER FROM THE BOARD OF DIRECTORS

representative Supervisor of the fourth session will be the same as that of the fourth session of the Board of Supervisors. Re-election may be carried out upon expiration of the tenure of office.

According to the Company Law and the Articles of Association, the existing Supervisors shall continue to perform their duties as Supervisors before the election and formation of the fourth session of the Board of Supervisors.

The above candidates of the fourth session of the Board of Supervisors meet the requirements as stipulated in relevant PRC laws, regulations and the Articles of Association, and the Board of Supervisors agreed to submit the above list of candidates for consideration at the AGM.

The fourth session of the Board of Supervisors will serve for a term of three years. Upon the approval by the Shareholders of the above candidates for shareholder representative Supervisors, the Company will enter into a service contract with each of them and for a term of commencing on the date of approval of their appointments at the AGM and ending on the expiry of the fourth session of the Board of Supervisors.

Each of the candidates for the shareholder representative Supervisors and the employee representative Supervisor of the fourth session of the Board of Supervisors will not receive any Supervisor's remuneration for serving as the Supervisors during their respective term of office, and will only receive remuneration for their respective position held in the Company, the amounts of which are determined by the management of the Company.

The biographical details of the candidates of the shareholder representative Supervisors and the employee representative Supervisor of the fourth session of the Board of Supervisors are set out in the Appendix II to this circular.

As at the Latest Practicable Date, save as disclosed in Appendix II to this circular, the candidates for shareholder representative Supervisors and the employee representative Supervisor confirmed that (i) they did not hold any directorship in any other listed companies during the past three years; (ii) they do not hold any other position in the Group; (iii) they have no relationship with any Director, Supervisor, senior management member, substantial shareholder or controlling shareholder of the Company; and (iv) they have not owned any interest as defined in Part XV of the SFO in the shares or underlying shares of the Company.

Save as disclosed in Appendix II to this circular, the candidates for shareholder representative Supervisors and the employee representative Supervisor mentioned above have not involved in any matter which is required to be disclosed pursuant to Rules 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 the Shareholders.

LETTER FROM THE BOARD OF DIRECTORS

7. Proposed re-appointment of the Auditor

An ordinary resolution will be proposed at the AGM to approve the re-appointment of KPMG as the auditor of the Company for a term until the conclusion of the next annual general meeting of the Company, and to authorize the Board of Directors to determine its remuneration.

III. AGM AND VOTING METHOD

A notice convening the AGM of the Company to be convened and physically held at Conference Room, 3/F, Sales Building, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC, at 10:00 a.m. on Friday, 7 June 2024 is set out on pages AGM-1 to AGM-4 of this circular. A form of proxy for use at the AGM is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.hec-changjiang.com) on 7 May 2024.

To the best knowledge and belief of the Company, no Shareholder shall be required to abstain from voting at the AGM.

Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Board office at Securities Department, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC (for holders of Domestic Shares) or to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares). In any event, such form of proxy must be returned no later than 24 hours before the time appointed for the AGM (i.e. before 10:00 a.m. on Thursday, 6 June 2024) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending, and voting in person at the AGM or any adjournment thereof if you so desire.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all the resolutions set out in the notice of the AGM shall be voted by poll. Voting by the Shareholders may be given either personally or by proxy.

IV. RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 4 June 2024 to Friday, 7 June 2024 (both days inclusive), during which periods no transfer of shares will be registered.

In order to qualify for attending and voting at the AGM, all unregistered H shareholders of the Company shall lodge transfer documents together with the relevant share certificates with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited,

LETTER FROM THE BOARD OF DIRECTORS

at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration before 4:30 p.m. on Monday, 3 June 2024. The record date for the entitlement to attend and vote at the AGM is Tuesday, 4 June 2024.

V. RECOMMENDATION

The Board of Directors considers that the above-mentioned resolutions are in the interests of the Company and the Shareholders as a whole, and thereby recommends the Shareholders to vote in favour of the resolutions at the AGM.

VI. 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.

VII. GENERAL

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

Yours faithfully
On behalf of the Board
YiChang HEC ChangJiang Pharmaceutical Co., Ltd.
TANG Xinfa
Chairman

Biographical details of the candidates for Directors of the fourth session of the Board of Directors are set out below:

CANDIDATES FOR EXECUTIVE DIRECTORS

Mr. JIANG Juncai (蔣均才), aged 42, is an executive Director and the general manager of the Company. He joined the Company in May 2015 and has served as an executive Director since then. He is a member of the remuneration and evaluation committee of the Board of Directors (the “**Remuneration and Evaluation Committee**”).

Mr. Jiang served as a director of Yidu HEC Industrial Development Co., Ltd. (宜都市東陽光實業發展有限公司) from March 2012 to May 2015. Prior to that, Mr. Jiang was a director of Yichang Shancheng Cordyceps Sinensis Co., Ltd. (宜昌山城水都冬蟲夏草有限公司) from March 2012 to July 2015, and successively served as a researcher at the biochemistry division, a researcher and deputy head of the traditional Chinese medicine division and the deputy head of the zoological and botanical division of Sunshine Lake Pharma from July 2006 to May 2012.

Mr. Jiang graduated with a master’s degree in science from Shenyang Pharmaceutical University (瀋陽藥科大學) in June 2006.

As at the Latest Practicable Date, Mr. Jiang holds 66,800 H shares of the Company.

Mr. WANG Danjin (王丹津), aged 54, is an executive Director and a deputy general manager of the Company. He joined the Company in February 2006, and has served as an executive Director since then.

Mr. Wang has also served as a supervisor of HEC Pharm from December 2010 to July 2015, and a director of Yichang HEC Pharmaceutical Co., Ltd. (宜昌東陽光醫藥有限公司) from April 2006 to January 2018. Prior to joining the Company, Mr. Wang was the head of production department of Jilin Tonghua Dongri Pharmaceutical Joint Stock Co., Ltd. (吉林省通化東日藥業股份有限公司) from March 2002 to January 2006, and a technologist at Liaoning Dandong Pharmaceutical Factory (遼寧省丹東製藥廠) from November 1991 to February 2002.

Mr. Wang graduated with a bachelor’s degree from Shenyang Pharmaceutical University (瀋陽藥科大學) through correspondence courses in January 2008. He is recognised as a licensed pharmacist by Ministry of Human Resources and Social Security of the People’s Republic of China (formerly known as Ministry of Personnel of the People’s Republic of China), and was recognised as a pharmacist-in-charge by Bureau of Human Resources and Social Security of Dandong (formerly known as Bureau of Personnel of Dandong (丹東市人事局)) in October 2001.

As at the Latest Practicable Date, Mr. Wang holds 67,200 H shares of the Company.

Mr. LI Shuang (李爽), aged 43, is an executive Director and the deputy general manager of the Company. He joined the Company in August 2005 and worked as a member of the insulin research team. He has served as the deputy general manager of the Company since May 2015 and served as an executive Director since June 2018.

Mr. Li has also served as the deputy head of the Company's insulin factory since October 2013 and the head of active pharmaceutical ingredient department of that factory since February 2006. Mr. Li was the head of purification department of the Company's insulin factory from December 2008 to September 2013.

Mr. Li graduated with a bachelor's degree in engineering majoring in bioengineering from China Three Gorge University (三峽大學) in June 2004 and obtained a master of business administration degree majoring in EMBA from Wuhan University in June 2023.

As at the Latest Practicable Date, Mr. Li holds 66,800 H shares of the Company.

Mr. CHEN Hao (陳浩), aged 49, is currently the general manager of the sales platform of the Company. Since joining the Company in November 2009, he has served as the regional manager and the sales general manager of the Company. Prior to joining the Company, Mr. Chen joined Shenzhen HEC Industrial Development Co., Ltd. in July 1994, and served as the vice president of HEC Research Institute from January 2007 to October 2009.

Mr. Chen graduated from Hangzhou University in July 1994.

CANDIDATES FOR NON-EXECUTIVE DIRECTOR

Mr. TANG Xinfu (唐新發), aged 54, is the chairman of the Board of Directors and a non-executive Director. He joined the Company in May 2015 and has served as a non-executive Director since then. He is a member of the Audit Committee of the Board of Directors (the "Audit Committee").

Mr. Tang has extensive working experience in the following companies or entities:

Period	Name of Company/Entity	Position	Principal Function
Since January 2022	Guangzhou Yangzhiguang Trading Co., Ltd.* (廣州陽之光貿易有限公司)	Executive director and manager	Corporate management and decision-making
Since September 2019	Yidu Tang Junyi Health Industry Development Co., Ltd. (宜都唐俊義健康產業發展有限公司)	Executive director and general manager	Corporate management and decision-making
Since September 2019	Yidu Tang Juntao Pharmaceutical Technology Co., Ltd. (宜都唐俊濤醫藥科技有限公司)	Executive director and general manager	Corporate management and decision-making
Since September 2019	Ruyuan Yao Autonomous County Taidong Pharmaceutical Co., Ltd. (乳源瑤族自治縣泰東藥業有限公司)	Legal representative and executive director	Corporate management and decision-making
Since April 2019	Guangdong HEC Technology Holding Co., Ltd. (廣東東陽光科技控股股份有限公司)	Vice chairman and executive director	Corporate management and decision-making
Since August 2018	Dongguan Dong Yang Guang Gaoneng Medical Equipment Co., Ltd. (東莞東陽光高能醫療設備有限公司)	Director and manager	Corporate management and decision-making
Since January 2017	Dongguan HEC TaiGen Biopharmaceuticals Co., Ltd. (東莞東陽光太景醫藥研發有限責任公司)	Legal representative, chairman of the board of directors and director	Corporate management and decision-making
Since December 2016	Linzhi HEC Pharmaceutical Research Co., Ltd. (林芝東陽光藥業研發有限公司)	Legal representative and director	Corporate management and decision-making

Period	Name of Company/Entity	Position	Principal Function
Since November 2015	Shenzhen HEC Industrial Development Co., Ltd. (深圳市東陽光實業發展有限公司)	Director and general manager	Corporate management and decision-making
Since January 2015	Dongguan HEC Industrial Development Co., Ltd. (東莞市東陽光實業發展有限公司)	Chairman of the board of directors	Corporate management and decision-making
Since December 2014	Yichang HEC Research Co., Ltd. (宜昌東陽光藥研發有限公司)	Legal representative, executive director and general manager	Corporate management and decision-making
Since March 2011	HEC Pharm Co., Ltd. (宜昌東陽光藥業股份有限公司)	Director	Corporate management and decision-making
Since October 2010	Dongguan HEC Medicine Development and Research Co., Ltd. (東莞東陽光藥物研發有限公司)	Legal representative, chairman of the board of directors and manager	Corporate management and decision-making
Since September 2008	Guangdong Southern China Advanced Pharmaceutical Co., Ltd (廣東華南新藥創製有限公司)	Director	Corporate management and decision-making
Since September 2005	Sunshine Lake Pharma Co., Ltd. (廣東東陽光藥業股份有限公司)	Director	Corporate management and decision-making
Since December 2004	Dongguan HEC Industrial Development Co., Ltd. (東莞市東陽光實業發展有限公司)	Legal representative, chairman of the board of directors and manager	Corporate management and decision-making
From September 2002 to September 2005	Shenzhen HEC Industrial Development Co., Ltd. (深圳市東陽光實業發展有限公司)	Chief of the office	Corporate management and decision-making

Mr. Tang received a master's degree in literary aesthetics from the Department of Chinese of Xiamen University (廈門大學) in September 2002.

As at the Latest Practicable Date, Mr. Tang holds 130,400 H shares of the Company.

CANDIDATES FOR INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TANG Jianxin (唐建新), aged 59, was appointed as an independent non-executive Director in May 2015. He is the chairman of the Audit Committee and a member of the Remuneration and Evaluation Committee.

Mr. Tang is currently an independent director of Wuhan Ligong Guangke CO. Ltd. (武漢理工光科股份有限公司) (Shenzhen Stock Exchange ("SZSE") stock number: 300557) (since July 2019), and an independent director of Wuhan Department Store Group (武商集團股份有限公司) (SZSE Stock number: 000501) (since July 2020), and an independent director of Hubei Feilihua Quartz Glass Co., Ltd. (湖北菲利華石英玻璃股份有限公司) (SZSE stock number: 300395) (since August 2021).

Moreover, Mr. Tang was an independent director of Zhejiang Reclaim Construction Group Co., Ltd. (浙江省圍海建設集團股份有限公司) (SZSE stock number: 002586) from December 2019 to November 2021, an independent director of Sino Great Wall Co., Ltd. (神州長城股份有限公司) (SZSE stock number: 000018) from December 2015 to December 2018, an independent director of Zhongbai Holdings Group Co., Ltd. (中百控股集團股份有限公司) (SZSE stock code: 000759) from December 2011 to December 2017, an independent director of Shenzhen Huapengfei Modern Logistics Co., Ltd. (深圳市華鵬飛現代物流股份有限公司) (SZSE stock code: 300350) from August 2010 to August 2016, an independent director of Wuhan Sanzhen Industry Holding Co., Ltd. (武漢三鎮實業控股股份有限公司) (SSE stock code: 600168) from June 2009 to June 2015 and an independent director of Wuhan Zhongnan Commercial (Group) Co., Ltd. (武漢中商集團股份有限公司) (SZSE stock code: 000785) from May 2008 to May 2014. Prior to that, Mr. Tang served as an independent director of Wuhan Accelink Technologies Co., Ltd. (武漢光迅科技股份有限公司) (SZSE stock code: 002281) from September 2006 to September 2009 and an independent director of Hubei Chutian Expressway Co., Ltd (湖北楚天高速公路股份有限公司) (SSE stock code: 600035) from April 2002 to April 2008. Mr. Tang has been a professor of the Accounting Department of Economics and Management School of Wuhan University since 2004 and a doctoral tutor at Wuhan University (武漢大學) since 2006. He served as the dean of Accounting Department of Economics and Management School in the same university from 2005 to 2015. He worked for the postdoctoral research center of the accounting department of Renmin University of China (中國人民大學) from 2000 to 2002.

Mr. Tang received his bachelor's degree from the Economics Department of Wuhan University in June 1985, and then obtained a master's degree in economics and a doctoral degree in economics from Wuhan University in September 1988 and January 1999 respectively. Mr. Tang was granted independent auditor qualifications by the National Audit Office of the People's Republic of China in December 1992, and Certified Public Valuer qualification by the Chinese Institute of Certified Public Valuers in December 1996.

Ms. XIANG Ling (向凌), aged 41, was appointed as an independent non-executive Director on 5 June 2020. She is the chairman of the Remuneration and Evaluation Committee and a member of the Nomination Committee.

Ms. Xiang graduated from the Law School of Hunan Normal University (湖南師範大學法學院) in 2003 with a bachelor's degree in law. She further obtained a master's degree in Laws (International Economic Law) from the Law School of Sun Yat-sen University (中山大學) in 2006 and a doctoral degree of Judicial Science (Theory of Law) (法學博士(法學理論)學位) from the Law School of Sun Yatsen University (中山大學) in 2013.

Since July 2006, Ms. Xiang has been teaching at the School of Law of Guangdong University of Finance. Her research mainly covers contract law, company law, intellectual property law and international economic law. Currently, she takes lead of 2 provincial-level research topics, and has participated as a main participant in the projects of National Social Science Foundation (國家社科基金項目), the projects of Humanities and Social Sciences Research Foundation of the Ministry of Education (教育部人文社科基金項目) and the projects of several provincial-level research topics. She has published more than ten papers in core journals such as Political Science and Law (《政治與法律》), Intellectual Property (《知識產權》), Academics in China (《學術界》), Social Sciences in Guangdong (《廣東社會科學》), Journal of Hunan University (《湖南大學學報》) and Presentday Law Science (《時代法學》).

Ms. Xiang participated and successfully graduated in the 97th Independent Director Training (第97期獨立董事培訓) held by the Shenzhen Stock Exchange in September 2018 and was eligible to be incumbent as an independent director of a listed company.

Ms. Xiang is currently an executive director (常務理事) of the Intellectual Property Committee (知識產權學會) of the Guangdong Province Law Society (廣東省法學會), a director (理事) of the Financial Law Research Committee (金融法學研究會) of the Guangdong Province Law Society, a director of the International Law Research Committee (國際法學研究會) of the Guangdong Province Law Society, a director of the Economic Law Research Committee (經濟法學研究會) of the Guangdong Province Law Society, a director of the Guangzhou Law Society, Tianhe District (廣州市天河區法學會), a director of the fifth council of The Association of Registered Tax Agents of Guangdong Province (廣東省註冊稅務師協會第五屆理事會), a consultant on the area of marine rights and interests (海洋權益諮詢專家) of the South China Sea Branch of State Oceanic Administration, a legal consultant of Guangdong Xuping Jewelry Co., Ltd. (廣東旭平首飾有限公司) and a part-time lawyer of the Legal Aid Center of Guangdong University of Finance (廣東金融學院法律援助中心), and serves as the dean of Intellectual Property Department of the School of Law of Guangdong University of Finance.

Moreover, Mr. Xiang was an independent director of Guangdong Zhongnan Iron & Steel Co., Ltd. (廣東中南鋼鐵股份有限公司) (formerly known as SGIS Songshan Co., Ltd. (廣東韶鋼松山股份有限公司)) (SZSE stock number: 000717) from June 2019 to October 2022.

Mr. LI Xuechen (李學臣), aged 46, was appointed as an independent non-executive Director on 25 September 2020. He is the chairman of the Nomination Committee.

Mr. Li graduated from the College of Chemistry of the Nankai University (南開大學) with a bachelor's degree of Chemistry in 1999. He further obtained a master's degree of Chemistry from the Science Faculty of University of Alberta in 2003 and a doctoral degree of Chemistry and Chemical Biology from the Division of Science of Harvard University in 2006.

From 2007 to 2009, Mr. Li worked for a post-doctoral research at the Memorial Sloan Kettering Cancer Center, USA, responsible for research on chemistry and pharmacy. Mr. Li has been teaching in the Faculty of Science of the University of Hong Kong, his research area principally involves chemical biology and medicinal chemistry since July 2009.

Mr. Li has been a member of The Hong Kong Young Academy of Sciences since January 2020. In 2017, Mr. Li was awarded a Croucher Senior Research Fellowship by the Croucher Foundation. In 2018, Mr. Li received the Outstanding Researcher Award from the University of Hong Kong.

As at the Latest Practicable Date, Mr. Li holds 4,000 H shares of the Company.

Biographical details of the candidates for shareholder representative Supervisors and the employee representative Supervisor for the fourth session of the Board of Supervisors are set out below:

Mr. TANG Jinlong (唐金龍), aged 55, he was appointed as a Supervisor of the Company on 6 June 2019 and has been a chairman of the Board of Supervisors since then. He joined the Company in July 2001 as deputy head (副部長) of the development department of the Company and served as the chairman of the Board of Supervisors since 6 June 2019. He was the head of development department of the Company from June 2003 to July 2004 and chief engineer of the Company from August 2004 to January 2008. Mr. Tang was the deputy general manager of Yidu HEC Biochemical Manufacturing Co., Ltd. (宜都東陽光生化製藥有限公司) from March 2006 to December 2010 and the factory manager of Hecheng factory (合成分廠廠長) from January 2008 to December 2010. Since June 2015, Mr. Tang is the director of HEC Pharm. Since February 2018, Mr. Tang is the chairman and legal representative of YiChang HEC Biochemical API Co., Ltd. (宜昌東陽光化學原料藥有限公司) and the director of YiChang HEC Pharmaceutical Manufacturing. Mr. Tang is the standing committee member of 6th, 7th and 8th Yidu City Committee of the Chinese People's Political Consultative Conference (宜都市政協常委).

Mr. Tang has obtained a bachelor's degree in chemistry and pharmacy (化學製藥學士學位) in Wuhan Institute of Technology (武漢工程大學) in June 1990.

Mr. LUO Zhonghua (羅忠華), aged 40, is currently the shareholder representative Supervisor of the Company. He joined Dongguan HEC Medicine Development and Research Co., Ltd. (東莞東陽光藥物研發有限公司) (a subsidiary of Shenzhen HEC Industrial Development Co., Ltd. (深圳市東陽光實業發展有限公司), the controlling shareholder of the Company), since June 2005 to engage in the research and development of APIs. He successively served as the head of the generic drug API synthesis department and deputy head of the generic drug division in Dongguan HEC Medicine Development and Research. He has been the legal representative and general manager of YiChang HEC Pharmaceutical Manufacturing, a wholly-owned subsidiary of the Company since February 2018, and is responsible for the preparation of the production base of biochemical APIs.

Mr. Luo graduated with a bachelor's degree in pharmaceutical engineering from the Central South University in June 2005, a master's degree in pharmacy from Sun Yat-sen University in 2015 and a doctoral degree in biology pharmaceuticals from South China University of Technology (華南理工大學) in August 2020.

As at the Latest Practicable Date, Mr. Luo holds 66,800 H shares of the Company.

Mr. WANG Shengchao (王勝超), aged 41, is an employee representative Supervisor and the chief of the quality division of the Company. He joined the Company in May 2012 as a quality controller of the quality division, and served as the vice director of quality assurance of the quality division of the Company since April 2015. Mr. Wang held the position of the quality assurance director of the quality division of the Company from May 2016 to June 2017, and served as the deputy chief of the quality division of the Company from July 2017 to June 2019 and served as the chief of the quality division of the Company since July 2019.

Prior to joining the Company, Mr. Wang worked as a researcher of new traditional Chinese medicines in Hebei Yiling Pharmaceutical Group (河北以嶺醫藥集團) from July 2008 to March 2010, a pharmaceutical analysis researcher in Pharmaron (Beijing) New Medicines Technology Co., Ltd. (康龍化成(北京)新藥技術有限公司) from April 2010 to May 2011, and an inspection engineer and inspection supervisor of the quality department in Lepu (Beijing) Medical Equipment Co., Ltd. (樂普(北京)醫療器械股份有限公司) from June 2011 to May 2012.

Mr. Wang graduated with a master's degree in science from Shenyang Pharmaceutical University (瀋陽藥科大學) in July 2008.

As at the Latest Practicable Date, Mr. Wang holds 32,000 H shares of the Company.

NOTICE OF ANNUAL GENERAL MEETING



YiChang HEC ChangJiang Pharmaceutical Co., Ltd.

宜昌東陽光長江藥業股份有限公司

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

(Stock Code: 01558)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 annual general meeting (the “**AGM**”) of YiChang HEC ChangJiang Pharmaceutical Co., Ltd. (the “**Company**”) will be physically held at Conference Room, 3/F, Sales Building, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang’an County, Dongguan, Guangdong Province, the PRC at 10:00 a.m. on Friday, 7 June 2024 to consider and, if thought fit, approve the following resolutions. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 8 May 2024 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. To review and approve the report of the Board of Directors for the year ended 31 December 2023.
2. To review and approve the report of the Board of Supervisors for the year ended 31 December 2023.
3. To review and approve the consolidated financial statements of the Company for the year ended 31 December 2023.
4. To review and approve the 2023 annual report of the Company.
5. To review and approve the:
 - (1) re-election of Mr. JIANG Juncai as an executive Director for the fourth session of the Board of Directors.
 - (2) re-election of Mr. WANG Danjin as an executive Director for the fourth session of the Board of Directors.
 - (3) re-election of Mr. CHEN Hao as an executive Director for the fourth session of the Board of Directors.
 - (4) re-election of Mr. LI Shuang as an executive Director for the fourth session of the Board of Directors.
 - (5) re-election of Mr. TANG Xinfa as a non-executive Director for the fourth session of the Board of Directors.

NOTICE OF ANNUAL GENERAL MEETING

- (6) re-election of Mr. TANG Jianxin (who has served more than nine years) as an independent non-executive Director for the fourth session of the Board of Directors.
 - (7) re-election of Ms. XIANG Ling as an independent non-executive Director for the fourth session of the Board of Directors.
 - (8) re-election of Mr. LI Xuechen as an independent non-executive Director for the fourth session of the Board of Directors.
 - (9) authorise the Board of Directors of the Company to fix the directors' remuneration.
6. To review and approve the:
- (1) election of Mr. TANG Jinlong as a shareholder representative supervisor for the fourth session of the Board of Supervisors.
 - (2) election of Mr. LUO Zhonghua as a shareholder representative supervisor for the fourth session of the Board of Supervisors.
7. To review and approve the re-appointment of KPMG as auditor of the Company for a term until the conclusion of the next annual general meeting of the Company, and authorize the Board of Directors to determine its remuneration.

Details of the above resolutions submitted to the AGM and information of the candidates of the fourth session of the Board of Directors and of the fourth session of the Board of Supervisors are set out in the Circular and are available for viewing on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.hec-changjiang.com).

Yours faithfully
On behalf of the Board
YiChang HEC ChangJiang Pharmaceutical Co., Ltd.
TANG Xinfa
Chairman

Hubei, the PRC
8 May 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. In order to determine the list of Shareholders entitled to attend and vote at the AGM, the registers of members of the Company will be closed from Tuesday, 4 June 2024 to Friday, 7 June 2024 (both days inclusive), during which no transfer of shares will be registered. Shareholders whose names appear on the registers of members of the Company on Tuesday, 4 June 2024 shall be entitled to attend and vote at the AGM. In order for the Shareholders to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Board office at Securities Department, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC for holders of domestic shares of the Company, or the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for holders of H shares of the Company by 4:30 p.m. on Monday, 3 June 2024 for registration.
2. Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the AGM (or any adjournment thereof) on their behalf. A proxy need not be a Shareholder.
3. Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Shareholder or by a person duly authorized by the relevant Shareholder in writing ("**power of attorney**"). If the form of proxy is signed by the person authorized by the relevant Shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate Shareholder appoints a person other than its legal representative to attend the AGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate Shareholder or duly signed by its director or any other person duly authorized by that corporate Shareholder of the Company as required by the articles of association of such company.
4. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note 3 above must be delivered to the Company's Board office at Securities Department, Dongyangguang Scientific Park, No. 368 Zhen An Zhong Road, Chang'an County, Dongguan, Guangdong Province, the PRC for holders of domestic shares of the Company, or the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for holders of H shares of the Company not less than 24 hours before the time appointed for the AGM (or any adjournment thereof) (i.e. before 10:00 a.m. on Thursday, 6 June 2024).
5. A Shareholder or his/her/its proxy should produce proof of identity when attending the AGM (or any adjournment thereof). If a corporate Shareholder's legal representative or any other person duly authorized by such corporate Shareholder attends the AGM (or any adjournment thereof), such legal representative or other person shall produce his proof of identity, and proof of designation as a legal representative or the valid authorization document (as the case may be).
6. The AGM (or any adjournment thereof) is expected to last less than one day. Shareholders or their proxies who attend the AGM (or any adjournment thereof) shall bear their own travelling, meal and accommodation expenses.

NOTICE OF ANNUAL GENERAL MEETING

7. The Company's principal place of business in the PRC is situated at:

No. 38 Binjiang Road, Yidu, Yichang, Hubei Province, the PRC

Tel No.: 86-769-8176 8886

Fax No.: 86-769-8176 8866

The address of the Company's H share registrar, Computershare Hong Kong Investor Services Limited is:

Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (For lodging share transfer documents)

17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (For deposit of proxy form)

Tel No.: 852-2862-8555

Fax No.: 852-2865-0990

8. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

As at the date of this notice, the Board consists of Mr. JIANG Juncai, Mr. WANG Danjin, Mr. LI Shuang and Mr. CHEN Hao as executive Directors; Mr. TANG Xinfu as non-executive Directors; and Mr. TANG Jianxin, Ms. XIANG Ling and Mr. LI Xuechen as independent non-executive Directors.