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山東新華製藥股份有限公司

**Shandong Xinhua Pharmaceutical Company Limited**

*(a joint stock company established in the People's Republic of China with limited liability)*

(Stock Code: 00719)

**(I) POLL RESULTS OF THE ANNUAL GENERAL MEETING AND OF THE CLASS MEETING OF THE SHAREHOLDERS OF H SHARES; AND**

**(II) PAYMENT OF 2023 FINAL DIVIDEND**

The board (the “**Board**”) of directors (the “**Directors**”) of Shandong Xinhua Pharmaceutical Company Limited (the “**Company**”) wishes to announce that the annual general meeting (the “**AGM**”), the class meeting of the shareholders of A shares (“**A Shareholders’ Class Meeting**”) and the class meeting of the shareholders of H shares of the Company (“**H Shareholders’ Class Meeting**”, together with the AGM and A Shareholders’ Class Meeting, collectively, the “**Meetings**”) were held in sequence on the date of this announcement at the Company’s conference room at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the People’s Republic of China.

The details of the resolutions considered at the AGM and the H Shareholders’ Class Meeting were set out in the notice of annual general meeting and of meeting of the shareholders of H shares dated 28 May 2024 and the circular dated 28 May 2024 of the Company (the “**Circular**”) in relation to, among others, (i) the review and approval of the Company’s annual report as well as reports of the Board and the supervisory committee of the Company for the year 2023; (ii) the review and approval of the audited financial report and profit distribution plan of the Company for the year 2023; (iii) the grant of authorisation to the Board to formulate and implement the 2024 interim profit distribution proposal; (iv) the appointment of Grant Thornton Zhitong Certified Public Accountants LLP (Special General Partnership) as the auditor of the Company for the year 2024, the proposed annual audit fee for such appointment shall be RMB760,000; (v) the review and approval of the remuneration of the Directors and the Supervisors for the year 2024; (vi) the grant of the General Mandate; and (vii) the Proposed Amendments to the Articles of Association. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Circular.

**RESULTS OF THE MEETINGS**

The Meetings were held at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the PRC, on Wednesday, 26 June 2024. All the proposed resolutions set out in the notice dated 28 May 2024 of the Meetings, except for the resolution in relation to authorising the Board to have full power to handle specific matters relating to the issue of shares to specific targets under simplified procedure, were duly passed by way of poll at the Meetings. As at the date of the Meetings, the aggregate number of Shares in issue of the Company was 682,407,635, including 487,407,635 A Shares and 195,000,000 H Shares.

So far as the Company is aware, no Shareholder was required to abstain from voting in respect of any of the resolutions proposed at the Meetings, and no parties have indicated in the Circular their intention to vote against any resolutions proposed at the Meetings or to abstain. There were no Shares entitling the Shareholders to attend and abstain from voting in favour of any resolution at the Meetings as set out under Rule 13.40 of the Listing Rules.

## ATTENDANCE AT THE AGM AND THE POLL RESULTS

### Attendance at the AGM

The attendance results of the AGM were as follows:

Number of Shareholders who attended the AGM on-site (whether in person or by proxies) or by way of network voting	15
Including: total number of A Shareholders who attended the AGM on-site	5
total number of H Shareholders who attended the AGM on-site	1
total number of A Shareholders who participated in network voting	9
Total number of voting Shares held by Shareholders who attended the AGM on-site (whether in person or by proxies) or by way of network voting	215,206,522
Including: total number of voting A Shares held by Shareholders who attended the AGM on-site	204,866,092
total number of voting H Shares held by Shareholders who attended the AGM on-site	8,420,586
total number of voting A Shares held by Shareholders who participated in network voting	1,919,844
Percentage of the total number of voting Shares of the participating Shareholders (whether in person or by proxies) to the total number of issued Shares	31.54%
Including: percentage of the total number of voting A Shares of the Shareholders who attended the AGM on-site to the total number of issued Shares	30.02%
percentage of the total number of voting H Shares of the Shareholders who attended the AGM on-site to the total number of issued Shares	1.24%
percentage of the total number of voting A Shares of the A Shares Shareholders who participated in network voting to the total number of issued Shares	0.28%

### Poll results of the AGM

The voting results of the AGM were as follows:

No.	Resolution	Total number of votes (%)			Voting results
		For	Against	Abstained	
<b>ORDINARY RESOLUTIONS</b>					
1.	To review and approve the annual report of the Company for the year 2023.	214,956,022 Shares (99.884%)	500 Shares (0.000%)	250,000 Shares (0.116%)	Passed
2.	To review and approve the report of the Board of the Company for the year 2023.	214,956,022 Shares (99.884%)	500 Shares (0.000%)	250,000 Shares (0.116%)	Passed

3.	To review and approve the report of the supervisory committee of the Company for the year 2023.	214,956,022 Shares (99.884%)	500 Shares (0.000%)	250,000 Shares (0.116%)	Passed
4.	To review and approve the audited financial statements of the Company for the year 2023.	214,956,022 Shares (99.884%)	500 Shares (0.000%)	250,000 Shares (0.116%)	Passed
5.	To review and approve the profit distribution plan for the year 2023.	214,956,022 Shares (99.884%)	500 Shares (0.000%)	250,000 Shares (0.116%)	Passed
6.	To grant the authorisation to the Board to formulate and implement the 2024 interim profit distribution proposal.	214,956,022 Shares (99.884%)	500 Shares (0.000%)	250,000 Shares (0.116%)	Passed
7.	To consider and approve the resolution in relation to the appointment of Grant Thornton Zhitong Certified Public Accountants LLP (Special General Partnership) as the auditor of the Company for the year 2024, with the total fee for audit services in the amount of RMB760,000.	214,936,222 Shares (99.874%)	2,500 Shares (0.001%)	267,800 Shares (0.124%)	Passed
8.	To review and approve the remuneration of the Directors and the Supervisors for the year 2024.	214,841,927 Shares (99.831%)	114,595 Shares (0.053%)	250,000 Shares (0.116%)	Passed
No.	Resolution	Total number of votes (%)			Voting results
		For	Against	Abstained	
SPECIAL RESOLUTIONS					
9.	To consider and approve the resolution in relation to authorising the Board to have full power to handle specific matters relating to the issue of shares to specific targets under simplified procedure.	208,192,181 Shares (96.741%)	6,764,341 Shares (3.143%)	250,000 Shares (0.116%)	Passed
10.	To consider and approve the resolution in relation to proposed amendments to the Articles of Association.	214,938,222 Shares (99.875%)	18,300 Shares (0.009%)	250,000 Shares (0.116%)	Passed

*Note:* the percentages shown were rounded to the nearest 3 decimal places. The numbers may not add up to 100% due to the rounding.

As more than one-half of the votes from the Shareholders who were entitled to attend and who voted at the AGM were cast in favour of the ordinary resolutions and more than two-thirds of the votes in favour of the special resolutions, all resolutions have been duly passed at the AGM.

#### ATTENDANCE AT THE A SHAREHOLDERS' CLASS MEETING AND THE POLL RESULTS

##### Attendance at the A Shareholders' Class Meeting

The attendance results of the A Shareholders' Class Meeting were as follows:

Number of A Shareholders who attended the A Shareholders' Class Meeting (whether in person or by proxies) on-site	5
Number of voting A Shares held by the A Shareholders who participated in network voting	1,919,844
Total number of the voting A Shares of the participating A Shareholders (whether by attendance on-site or network voting)	206,785,936
Percentage of the total number of voting A Shares of the participating A Shareholders (whether by attendance on-site or network voting) to the total number of issued A Shares	42.43%

### Poll results of the A Shareholders' Class Meeting

The special resolutions proposed at the A Shareholders' Class Meeting were put to vote by way of poll, the result of which was as follows:

No.	Resolution	Total number of votes (%)			Voting results
		For	Against	Abstained	
<b>SPECIAL RESOLUTIONS</b>					
1.	To consider and approve the resolution in relation to authorising the Board to have full power to handle specific matters relating to the issue of shares to specific targets under simplified procedure.	206,701,336 Shares (99.959%)	84,600 Shares (0.041%)	0 Shares (0.000%)	Passed

*Note:* the percentages shown were rounded to the nearest 3 decimal places. The numbers may not add up to 100% due to the rounding.

As more than two-thirds of the votes from the A Shareholders who were entitled to attend and who voted at the A Shareholders' Class Meeting were cast in favour of the special resolutions, the special resolutions have been duly passed.

### ATTENDANCE AT THE H SHAREHOLDERS' CLASS MEETING AND THE POLL RESULTS

#### Attendance at the H Shareholders' Class Meeting

The attendance results of the H Shareholders' Class Meeting were as follows:

Number of H Shareholders who attended the H Shareholders' Class Meeting (whether in person or by proxies)	1
Total number of the voting H Shares of the attending H Shareholders	8,420,586
Percentage of the total number of voting H Shares to the total number of issued H Shares	4.32%

#### Poll results of the H Shareholders' Class Meeting

The special resolutions proposed at the H Shareholders' Class Meeting were put to vote by way of poll, the result of which was as follows:

No.	Resolution	Total number of votes (%)			Voting results
		For	Against	Abstained	
<b>SPECIAL RESOLUTIONS</b>					

1.	To consider and approve the resolution in relation to authorising the Board to have full power to handle specific matters relating to the issue of shares to specific targets under simplified procedure.	1,490,845 Shares (17.705%)	6,679,741 Shares (79.326%)	250,000 Shares (2.969%)	Not passed
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*Note:* the percentages shown were rounded to the nearest 3 decimal places. The numbers may not add up to 100% due to the rounding.

As more than two-thirds of the votes from the H Shareholders who were entitled to attend and who voted at the H Shareholders' Class Meeting were cast against the special resolutions, the special resolutions have not been passed. As such, the General Mandate will not become effective.

#### ATTENDANCE OF DIRECTORS AT THE MEETINGS

- Mr. He Tongqing, Mr. Xu Wenhui, Mr. Xu Lie, Mr. Zhang Chenyong, Mr. Hou Ning, Mr. Pan Guangcheng, Mr. Zhu Jianwei, Mr. Ling Peixue and Ms. Cheung Ching Ching, Daisy attended the Meetings in person.

#### ATTESTATION BY LAWYER AND SCRUTINEER

ShineWing Certified Public Accountants (Special General Partnership (“**ShineWing**”), the auditors of the Company, served as the scrutineer at the Meetings for the purpose of vote taking.

The Meetings were attested by BEIJING JINGTIAN & GONGCHENG, PRC legal advisers to the Company, which issued a written legal opinion certifying that the convening and procedures of the Meetings, the qualifications of the attendees and the voting procedures were in compliance with Corporate Law of the People's Republic of China (中華人民共和國公司法), the Security Law of the People's Republic of China (中華人民共和國證券法), Rules for General Meetings of Shareholders of Listed Companies (上市公司股東大會規則), Implementation Rules for Online Voting in the General Meeting of Shareholders of Listed Companies of Shenzhen Stock Exchange (深圳證券交易所上市公司股東大會網路投票實施細則) and other relevant laws, administrative regulations and rules and the Company's Articles of Association. The qualifications of the convener and the attendees were legal and valid. The voting procedures were legal, and the voting results of the Meetings were legal and valid.

#### PROFIT DISTRIBUTION

As approved by the Shareholders at the AGM, the Board is pleased to announce the following details in respect of the distribution of cash dividend for the year ended 31 December 2023 (the “**2023 Final Dividend**”) to the Shareholders. The Company will distribute a cash dividend of a total amount of RMB 0.25 per Share based on the Company's total issued Shares of 682,407,635 Shares to the A Shareholders and H Shareholders who are entitled thereto. The cash dividend on A Shares will be paid in RMB and that on H Shares in HKD. The actual dividend amount per H Share is HKD 0.274098 based on the average RMB-HKD benchmark middle rates released by the People's Bank of China for the 5 business days immediately prior to the date of the AGM. The Company has appointed a receiving agent and will pay to the receiving agent the profit distribution payable to H Shareholders.

#### Enterprise Income Tax for Overseas Non-Resident Enterprise Shareholders

In accordance with the Enterprise Income Tax Law of the People's Republic of China (中華人民共和國企業所得稅法) which was revised and came into effect since 29 December 2018, the Implementing Rules of the Enterprise Income Tax Law of the People's Republic of China (中華人民共和國企業所得稅法實施條例) which was revised and came into effect since 23 April 2019 and the Notice on Issues concerning Withholding the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H Shares holders who are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知) (國稅函[2008]897號) issued on 6 November 2008, all Shareholders who will be registered as overseas non-natural persons (i.e. non-individuals) on the Company's H share register of members on Thursday, 18 July 2024, including HKSCC Nominees Limited,



other nominees, trustees or other groups and organizations, are treated as overseas non-resident enterprise Shareholders and the Company shall distribute the 2023 Final Dividend to such overseas non-resident enterprise Shareholders after withholding the enterprise income tax of 10% as required by law.

### **Individual Income Tax for Overseas Individual Shareholders**

Pursuant to the Notice on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (關於個人所得稅若干政策問題的通知) (財稅字[1994]020號) issued by the Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are now exempted from paying the PRC individual income tax for dividends or bonus received from foreign-invested enterprises. As the Company is a foreign-invested enterprise, the Company will not withhold and pay the individual income tax on behalf of individual Shareholders when the Company distributes the 2023 Final Dividend to individual Shareholders whose names appear on the register of members of H shares of the Company (not including domestic individual investors of the Shenzhen Stock Exchange investing in the H shares of the Company through Shenzhen-Hong Kong Stock Connect).

### **Individual Income Tax for Domestic Individual Shareholders and Securities Investment Funds Investing through Southbound Trading**

For investors (including corporations and individuals) investing in the H shares of the Company through Shenzhen-Hong Kong Stock Connect and Shanghai-Hong Kong Stock Connect (“**Investors of Southbound Trading**”), the Company has signed an Agreement on Distribution of Cash Dividends of H shares for Southbound Trading (港股通H股股票現金紅利派發協議) with the Shenzhen Branch and Shanghai Branch of China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shenzhen Branch and Shanghai Branch of China Securities Depository and Clearing Corporation Limited will, as the nominee of the Investors of Southbound Trading, receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant Investors of Southbound Trading through its depository and clearing system. The cash dividend for the Investors of Southbound Trading will be paid in RMB. Taxes shall be withheld pursuant to the Notice on the Tax Policies Related to the Pilot Program on the Interconnection Mechanism of the Shenzhen-Hong Kong Stock Market Transactions (關於深港股票市場交易互聯互通機制試點有關稅收政策的通知) (Cai Shui [2016] No. 127) and the Notice on the Tax Policies Related to the Pilot Program on the Interconnection Mechanism of the Shanghai-Hong Kong Stock Market Transactions (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) (Cai Shui [2014] No. 81). For dividends payable to domestic individual investors and domestic securities investment funds from investing in H shares listed on the Stock Exchange of Hong Kong Limited through Shenzhen-Hong Kong Stock Connect and Shanghai-Hong Kong Stock Connect, an H share issuer shall withhold individual income tax at the rate of 20% on behalf of such investors. An H-share issuer shall not withhold income tax on dividends for domestic corporate investors and those domestic corporate investors shall report and pay the relevant tax by themselves.

Should any holders of H shares have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in the PRC, Hong Kong and/or other countries (regions) on the possession and disposal of the H shares. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual H Shareholders or any disputes relating to the tax withholding and payment mechanism or arrangements.

The H share register of members of the Company will be closed for the purpose of determining H Shareholders’ entitlement to the 2023 Final Dividend from Friday, 12 July 2024 to Thursday, 18 July 2024 (both days inclusive), during which period no transfer of H shares will be registered. In respect of the H Shareholders, to be eligible for the 2023 Final Dividend, H Shareholders whose transfers have not been registered shall deposit their duly completed transfer documents together with the relevant share certificates with Hong Kong Registrars Limited being the H Share Registrar of the Company at or before 4:30 p.m. on Thursday, 11 July 2024. The address of the transfer office of the H share Registrar is at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. H Shareholders whose names appear on the Company’s register of members on Thursday, 18 July 2024 will be entitled to receive the 2023 Final Dividend.

The 2023 Final Dividend is expected to be distributed to the Shareholders on or before Tuesday, 30 July 2024.

**DOCUMENTS FOR INSPECTION AT THE COMPANY PURSUANT TO THE APPLICABLE PRC LAWS, RULES AND REGULATIONS**

1. Meeting minutes of the 2023 AGM, 2024 first A Share Class Meeting and 2024 first H Share Class Meeting; and
2. Legal opinion issued by BEIJING JINGTIAN & GONGCHENG.

By Order of the Board  
**Shandong Xinhua Pharmaceutical Company Limited**  
**He Tongqing**  
*Chairman*

26 June 2024, Zibo, PRC

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. He Tongqing (Chairman)

Mr. Xu Wenhui

Mr. Hou Ning

Independent Non-executive Directors:

Mr. Pan Guangcheng

Mr. Zhu Jianwei

Mr. Ling Peixue

Ms. Cheung Ching Ching, Daisy

Non-executive Directors:

Mr. Xu Lie

Mr. Zhang Chenyong