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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)

PROPOSED APPOINTMENT AND RE-ELECTION OF DIRECTORS

Expiry of the term of office of the eleventh session of the Board of Directors

The term of office of the eleventh session of the board (the "**Board**") of directors (the "**Directors**") of Shandong Xinhua Pharmaceutical Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") is due to expire in December 2026.

Retirement of certain Directors (the "Retirement")

Mr. Zhang Chengyong (a non-executive Director of the eleventh session of the Board) and Mr. Pan Guangcheng, Mr. Zhu Jianwei and Mr. Ling Peixue (the independent non-executive Directors of the eleventh session of the Board) (collectively, the "**Retiring Directors**") will retire as Directors due to the expiration of their respective terms of office upon the appointment of Directors to the twelfth session of the Board being approved at the upcoming extraordinary general meeting of the Company expected to be held on Tuesday, 22 December 2026 (the "**EGM**").

Each of Mr. Zhang Chengyong, Mr. Pan Guangcheng, Mr. Zhu Jianwei and Mr. Ling Peixue has confirmed that he has no disagreement with the Board and that he is not aware of any matter relating to the Retirement that needs to be brought to the attention of the shareholders of the Company (the "**Shareholders**").

The Company would like to take this opportunity to express its sincere gratitude to the Retiring Directors for their valuable contributions to the Company during their tenure.

Proposed appointment of Directors

In view of the Retirement, on 20 November 2026, the Board resolved, upon the recommendation of the nomination committee of the Board, to nominate (i) Mr. You Weimin as a non-executive Director; and (ii) Mr. Kong Lingyi, Ms. Ip Chui Fun, Fanny and Mr. Wu Mianbin as independent non-executive Directors, of the twelfth session of the Board (the "**Proposed Appointment of Directors**").

The Proposed Appointment of Directors shall be resolved by cumulative voting and is subject to the approval of Shareholders by ordinary resolutions at the EGM. The term of office of Directors of the twelfth session of the Board (the "**Proposed Term**") will be three years commencing from the date of approval by the Shareholders at the EGM**.**

Re-election of Directors

Save for the Retiring Directors, all other existing Directors of the Company, namely Mr. Liu Weimin, Mr.

Xu Wenhui and Mr. Hou Ning (executive Directors) and Ms. Cheung Ching Ching, Daisy (independent non-executive Director), will offer themselves for re-election as Directors of the twelfth session of the Board for the Proposed Term (the "**Proposed Re-election**"). The Proposed Re-election shall be resolved by cumulative voting and is subject to the approval of Shareholders by ordinary resolutions at the EGM.

Biographical details of the candidates seeking appointment and re-election to the twelfth session of the Board are set out below:

A. Biographical details of candidates seeking re-election

Candidates for executive Directors

1. Mr. Liu Weimin

Mr. Liu Weimin, aged 47, is a senior economist. He was first appointed as an executive Director of the Company on 10 November 2026. He graduated from Shandong University with a bachelor's degree and started his career in July 2001. He previously served as Manager and Senior Manager of the General Office (Party Committee Office, Board of Directors Office, General Manager's Office) of Hualu Holding Group Co., Ltd. ("**Hualu Group**", the controlling shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Company), as Deputy Director of the General Office of Hualu Group from November 2020 to May 2023, as Senior Deputy Director of the General Office of Hualu Group from May 2023 to May 2024, and as the General Manager of the Enterprise Management Department (Work Safety Office, Emergency Management Office, Comprehensive Deepening Reform Leading Group Office) of Hualu Group from May 2024 to September 2026. Mr. Liu has years of experience in enterprise management. Mr. Liu joined the Company in September 2026, and is currently the Secretary of the Party Committee and the Chairman of the Company.

Upon approval by the Shareholders at the EGM, Mr. Liu will enter into a service contract with the Company in connection with his appointment as an executive Director for the Proposed Term. As an executive Director, Mr. Liu is entitled to a monthly basic emolument in the amount of approximately RMB43,300 for 2026, which was determined by reference to the recommendation of the remuneration committee of the Board (the "**Remuneration Committee**"), having taken into account his experience and the emoluments of the other non-independent Directors. It is expected that, during the twelfth session of the Board, Mr. Liu will receive, for acting as an executive Director, an annual basic emolument of approximately RMB520,000 and performance-based remuneration, the latter of which will be determined on the recommendation of the Remuneration Committee with reference to various factors, including the performance of the Group and the Company's remuneration policy.

2. Mr. Xu Wenhui

Mr. Xu Wenhui, aged 50, is a professor-level senior engineer. He was first appointed as an executive Director of the Company on 27 October 2022. He graduated from Tianjin University with a major in chemical engineering. He joined the Company in 1999 and has worked as workshop assistant engineer, deputy secretary of the Youth League Committee, workshop secretary and deputy director, deputy manager and manager of the production and operations department of Xinhua Pharmaceutical (Shouguang) Company Limited ("**Shouguang Company**"), assistant to the general manager of the Company and manager of Shouguang Company, and deputy general manager of the Company from July 2020 to September 2022. He has served as the general manager and the deputy secretary of the Party Committee of the Company since September 2022 and as a Director since October 2022. He is also currently the executive director of Shandong Zibo Xin Cat Pharmaceutical Co., Ltd., Xinhua Pharmaceutical (Gaomi) Co., Ltd. and Shandong Xinhua Pharmaceutical Trade Co., Ltd.

Upon approval by the Shareholders at the EGM, Mr. Xu will enter into a service contract with the Company in connection with his appointment as an executive Director for the Proposed Term. As an executive Director, Mr. Xu is entitled to an annual basic emolument of approximately RMB520,000 for 2026, which was determined by reference to the recommendation of the Remuneration Committee, having taken into account his experience and the emoluments of the other non-independent Directors. It is expected that, during the twelfth session of the Board, Mr. Xu will receive, for acting as an executive Director, a similar amount of basic emolument annually and performance-based remuneration, the latter of which will be determined on the recommendation of the Remuneration Committee with reference to various factors, including the performance of the Group and the Company's remuneration policy.

3. Mr. Hou Ning

Mr. Hou Ning, aged 53, is a senior accountant and a senior economist. He was first appointed as an executive Director of the Company on 27 October 2022. He holds a Master of Science degree in Applied Accounting and Finance from the Hong Kong Baptist University. Mr. Hou previously served as deputy head of the Audit Division of Shandong Hualu Hengsheng Group Co., Ltd.; head of the Audit Department, head of the Investment Department of Technological Development Centre and manager of the Marketing Department of Shandong Hualu-Hengsheng Chemical Co., Ltd. Mr. Hou served as the manager of the Finance Department of Shandong Hualu-Hengsheng Chemical Co., Ltd from May 2006 to March 2014. Mr. Hou has served as a Director and the chief financial officer of the Company since October 2022 and April 2014 respectively; and currently serves as a director of Zibo Xinhua-Perrigo Pharmaceutical Co., Ltd. and Shandong Tongxin Pharmaceutical Co., Ltd., and the chairman of Shandong Xinhua Health Technology Co., Ltd.

Upon approval by the Shareholders at the EGM, Mr. Hou will enter into a service contract with the Company in connection with his appointment as an executive Director for the Proposed Term. As an executive Director, Mr. Hou is entitled to an annual basic emolument of approximately RMB416,000 for 2026, which was determined by reference to the recommendation of the Remuneration Committee, having taken into account his experience and the emoluments of the other non-independent Directors. It is expected that, during the twelfth session of the Board, Mr. Hou will receive, for acting as an executive Director, a similar amount of basic emolument annually and performance-based remuneration, the latter of which will be determined on the recommendation of the Remuneration Committee with reference to various factors, including the performance of the Group and the Company's remuneration policy.

Candidate for independent non-executive Director

1. Ms. Cheung Ching Ching, Daisy

Ms. Cheung Ching Ching, Daisy, aged 52, graduated from Oxford Brookes University with a Bachelor of Science with honours. She was first appointed as an independent non-executive Director of the Company on 22 December 2023. Ms. Cheung is a member of the Hong Kong Institute of Certified Public Accountants and a Certified Public Accountant in Hong Kong. She has worked for PricewaterhouseCoopers and has over 20 years of experience in auditing and accounting services. She has served on the board of directors of Burley LLP Ltd since December 2004, and is currently also a director of FTS CPA Limited, an independent director of Achiever Corporate Services Limited, and an independent director of High Technology Printing Group Limited.

Upon approval by the Shareholders at the EGM, Ms. Cheung will enter into a service contract with the Company in connection with her appointment as an independent non-executive Director for the Proposed Term. As an independent non-executive Director, Ms. Cheung is entitled to an annual emolument of RMB100,000 for 2026, which was determined by reference to the recommendation of the Remuneration Committee, having taken into account her experience and the emoluments of the other independent non-executive Directors. It is expected that Ms. Cheung will receive a similar amount of emolument

annually during the twelfth session of the Board for acting as an independent non-executive Director.

B. Biographical details of candidates for the Proposed Appointment of Directors

Candidate for non-executive Director

1. Mr. You Weimin

Mr. You Weimin, aged 49, is a senior economist. He graduated from the Economic Research Institute of Shandong University with a doctoral degree in economics, and has been recognised as a "Qilu Financial Talent". Mr. You previously served as the Deputy General Manager of the Capital Operations Department of Hualu Group, and served as the General Manager of Hualu Investment Development Co., Ltd. and the Chairman of Shanghai Hualu Hongxin Private Equity Fund Management Co., Ltd. from June 2021 to September 2026. Mr. You has served as the General Manager of the Enterprise Management Department (Work Safety Office, Emergency Management Office, Comprehensive Deepening Reform Leading Group Office) of Hualu Group since September 2026.

Upon approval by the Shareholders at the EGM, Mr. You will enter into a service contract with the Company in connection with his appointment as a non-executive Director for the Proposed Term. Mr. You will not receive any remuneration from the Company for acting as a non-executive Director during the twelfth session of the Board.

Candidates for independent non-executive Directors

1. Mr. Kong Lingyi

Mr. Kong Lingyi, aged 62, is a professor and doctoral supervisor. He graduated from Shenyang College of Pharmacy (now Shenyang Pharmaceutical University) with a major in Medicinal Chemistry and obtained a doctoral degree in science. Mr. Kong is a member of the Chinese Pharmacopoeia Commission and a recipient of the National Science Fund for Distinguished Young Scholars. He was awarded the Second Prize of the State Science and Technology Progress Award, the First Prize of the Natural Science Award of the Ministry of Education, and the Wu Jieping Medical Innovation Award. He previously served as the Dean of the School of Traditional Chinese Medicine at China Pharmaceutical University, Executive Vice Dean of the Institute of Pharmaceutical Sciences at China Pharmaceutical University, and Vice President of China Pharmaceutical University. He has served as a professor at China Pharmaceutical University since September 1994. Mr. Kong has served as an independent director of Guobang Pharmaceutical Group Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 605507) since November 2025.

Upon approval by the Shareholders at the EGM, Mr. Kong will enter into a service contract with the Company in connection with his appointment as an independent non-executive Director for the Proposed Term. It is expected that Mr. Kong will receive an annual emolument of approximately RMB100,000 for acting as an independent non-executive Director during the twelfth session of the Board, which was determined by reference to the recommendation of the Remuneration Committee, having taken into account his experience and the emoluments of the other independent non-executive Directors.

2. Ms. Ip Chui Fun, Fanny

Ms. Ip Chui Fun, Fanny, aged 59, is a professor. She graduated with a PhD in Biology from the Hong Kong University of Science and Technology, a Master's degree in Microbiology from National Taiwan University, and a Bachelor's degree in Medical Technology from National Yang-Ming Medical College (now National Yang Ming Chiao Tung University). She has successively served as a senior researcher of the State Key Laboratory of Molecular Neuroscience and a senior research and development director of the Biotechnology Research Institute at the Hong Kong University of Science and Technology. Ms. Ip has over 30 years of

work experience in basic research in neuroscience, development of neurological drugs, and clinical translation. Ms. Ip has served as the Chief Scientific Officer of the Hong Kong Centre for Neurodegenerative Diseases since 2022, and as Adjunct Associate Professor in the Division of Life Science at the Hong Kong University of Science and Technology since 2025. She is also a director of Cognitact Limited, Infittech Limited and Editact Therapeutics Limited, all of which are university-incubated start-up companies.

Upon approval by the Shareholders at the EGM, Ms. Ip will enter into a service contract with the Company in connection with her appointment as an independent non-executive Director for the Proposed Term. It is expected that Ms. Ip will receive an annual emolument of approximately RMB100,000 for acting as an independent non-executive Director during the twelfth session of the Board, which was determined by reference to the recommendation of the Remuneration Committee, having taken into account her experience and the emoluments of the other independent non-executive Directors.

3. Mr. Wu Mianbin

Mr. Wu Mianbin, aged 57, is a researcher and doctoral supervisor. He graduated from the School of Materials and Chemical Engineering at Zhejiang University with a doctoral degree in Biochemical Engineering. After graduation, he stayed on as a teacher and was promoted to associate professor and researcher in December 2002 and December 2021 respectively. His main research directions include metabolic engineering, microbial engineering, enzyme engineering, microbial pharmaceuticals, natural active substance separation, and biomass biocatalytic conversion. Mr. Wu is currently a researcher and doctoral supervisor at the School of Chemical Engineering and Bioengineering, Zhejiang University, and Vice Dean of the Chemical Engineering Branch of Zhejiang University Ningbo Research Institute.

Upon approval by the Shareholders at the EGM, Mr. Wu will enter into a service contract with the Company in connection with his appointment as an independent non-executive Director for the Proposed Term. It is expected that Mr. Wu will receive an annual emolument of approximately RMB100,000 for acting as an independent non-executive Director during the twelfth session of the Board, which was determined by reference to the recommendation of the Remuneration Committee, having taken into account his experience and the emoluments of the other independent non-executive Directors.

Each of Mr. Kong, Ms. Ip and Mr. Wu has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules, including (i) his/her independence as regards each of the factors referred to in Rule 3.13(1) to (8); (ii) that he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company; and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointment. The Board considers each of Mr. Kong, Ms. Ip and Mr. Wu to be independent.

The Board has considered and is satisfied that the proposed appointment of Mr. Kong, Ms. Ip and Mr. Wu is consistent with the Company's board diversity policy.

Save as disclosed above, each of the above candidates has confirmed that, as at the date of this announcement, none of them (i) holds any other positions in the Company or other members of the Group; (ii) has held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years immediately preceding this announcement; (iii) has any relationship with any other Director, senior management, substantial shareholder or controlling shareholder (as these terms are defined under the Listing Rules) of the Company; (iv) holds any other major appointments or professional qualifications; or (v) has, or is deemed to have, any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)). Save as disclosed above, each of the above candidates has confirmed that there is no other information relating to his/her proposed appointment or re-election that is required to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and that there are no other matters that need to be

brought to the attention of the Shareholders.

GENERAL

The Proposed Appointment of Directors and the Proposed Re-election shall be resolved by cumulative voting and are subject to the approval of the Shareholders by way of ordinary resolutions at the EGM. A circular containing, among other things, details of the Proposed Appointment of Directors and the Proposed Re-election, together with the notice of EGM, will be dispatched to the Shareholders in due course.

EMPLOYEE REPRESENTATIVE DIRECTOR

In accordance with the Articles of Association of the Company, the Company shall separately convene an employee representative assembly in due course to elect one employee representative Director. The appointment of the employee representative Director shall not be subject to the Shareholders' approval.The Company will make further announcement in this regard.

The Directors appointed or re-elected at the EGM, together with the employee representative Director elected at the employee representative assembly of the Company, will form the twelfth session of the Board. The Board shall comprise nine Directors.

This announcement has been prepared in both Chinese and English. In the event of any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

By Order of the Board
Shandong Xinhua Pharmaceutical Company Limited
Liu Weimin
Chairman

20 November 2026, Zibo, the People's Republic of China

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

Executive Directors:

Mr. Liu Weimin (Chairman)
Mr. Xu Wenhui
Mr. Hou Ning

Non-executive Director:

Mr. Zhang Chengyong

Independent Non-executive Directors:

Mr. Pan Guangcheng
Mr. Zhu Jianwei
Mr. Ling Peixue
Ms. Cheung Ching Ching, Daisy