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創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

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

(Stock Code: 2289)

**(1) PROPOSED ELECTION OF DIRECTORS OF THE THIRD
SESSION OF THE BOARD;**

AND

**(2) PROPOSED ELECTION OF SHAREHOLDER REPRESENTATIVE
SUPERVISOR AND INDEPENDENT SUPERVISOR OF THE THIRD
SESSION OF THE SUPERVISORY COMMITTEE**

PROPOSED ELECTION OF DIRECTORS OF THE THIRD SESSION OF THE BOARD

The term of the second session of the Board shall expire on 31 May 2021, and shall continue to perform their duties as a Director before the election and formation of the third session of the Board at the AGM. The Board has considered and approved the following candidates for Directors of the third session of the Board:

- (1) candidates for executive Directors: Mr. Yao Chuanglong, Ms. Zheng Yuyan and Mr. Lin Zhixiong;
- (2) candidate for non-executive Director: Mr. Li Weisheng; and
- (3) candidates for independent non-executive Directors: Mr. Wan Chi Wai Anthony, Mr. Zhou Tao and Mr. Guan Jian (also known as Guan Suzhe).

The above candidates for Directors meet the qualification requirements to serve as Directors as stipulated in relevant PRC laws, regulations and the Articles, and the Board agreed to submit the above list of candidates for consideration at the AGM. The AGM will elect three executive Directors, one non-executive Director and three independent non-executive Directors, and these seven Directors will comprise the third session of the Board.

The Directors of the third session of the Board will serve for a term of three years. In accordance with the requirements of relevant PRC laws, regulations and the Articles, the candidates for Directors of the third session of the Board are subject to the approval by the Shareholders at the AGM. The term of office of candidates for executive Directors, non-executive Director, and independent non-executive Directors will take effect from the date of approval by the AGM and will expire when members are elected for the new session of the Board.

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

PROPOSED ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISOR AND INDEPENDENT SUPERVISOR OF THE THIRD SESSION OF THE SUPERVISORY COMMITTEE

The term of the second session of the Supervisory Committee shall expire on 31 May 2021, and shall continue to perform their duties as a Supervisor before the election and formation of the third session of the Supervisory Committee at the AGM. The Supervisory Committee agreed to nominate two candidates to the Supervisory Committee, including one Shareholder representative Supervisor and one independent Supervisor, as detailed below. Pursuant to the Articles, the employee representative Supervisors shall account for not less than one-third of the Supervisors in the Supervisory Committee, and shall be elected and dismissed at the staff representative meeting by the employees of the Company through democratic procedures. The Company will convene a staff representative meeting to elect one staff representative Supervisor.

The following is the list of candidates for the Shareholder representative Supervisor and independent Supervisor of the third session of the Supervisory Committee, which has been considered and approved by the Supervisory Committee:

- (1) candidate for Shareholder representative Supervisor: Mr. Lin Zhijie; and
- (2) candidate for independent Supervisor: Ms. Zhang Ling.

The above Supervisor candidates meet the qualification requirements to serve as Supervisors as stipulated in relevant PRC laws, regulations and the Articles, and the Supervisory Committee agreed to submit the above list of candidates for consideration at the AGM.

The Supervisors of the third session of the Supervisory Committee will serve for a term of three years, and the term of office of Shareholder Representative Supervisor and independent Supervisor will take effect from the date of approval by the AGM and will expire when members are elected for the new session of the Supervisory Committee.

The biographical details of the candidates of the Shareholder representative Supervisor and independent Supervisor of the third session of the Supervisory Committee are set out in the Appendix II to this announcement.

GENERAL INFORMATION

A circular containing, inter alia, (i) further details of the proposed election of Directors of the third session of the Board; and (ii) further details of the proposed election of Shareholder Representative Supervisor and independent Supervisor of the third session of the Supervisory Committee, together with notice convening the AGM will be dispatched to the shareholders in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

“AGM”	the annual general meeting of the Company for the year 2020 to be convened and held on 31 May 2021
“Articles”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“Board”	the board of directors of the Company
“Company”, “Charmacy Pharmaceutical” or “our Company”	Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司), a joint stock company established in the PRC with limited liability, whose H Shares are listed and traded on the Stock Exchange (stock code: 2289)
“Group”	Charmacy Pharmaceutical Co., Ltd. and its subsidiaries
“Director(s)”	the director(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“PRC”	The People’s Republic of China
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the Company’s supervisory committee
“Guangdong Charmacy”	Guangdong Charmacy Pharmaceutical Co., Ltd. (廣東創美藥業有限公司*), a company established in the PRC with limited liabilities and a wholly-owned subsidiary of the Company

“Zhuhai Charmacy”	Zhuhai Charmacy Pharmaceutical Co., Ltd. (珠海創美藥業有限公司*), a company established in the PRC with limited liabilities and a wholly-owned subsidiary of the Company
“Guangzhou Charmacy”	Guangzhou Charmacy Pharmaceutical Co., Ltd. (廣州創美藥業有限公司*), a company established in the PRC with limited liabilities and a wholly-owned subsidiary of the Company
“Shenzhen Charmacy”	Shenzhen Charmacy Pharmaceutical Limited (深圳創美藥業有限公司*), a company established in the PRC with limited liabilities and a wholly-owned subsidiary of the Company
“Huizhou Charmacy”	Huizhou Charmacy Pharmaceutical Limited (惠州創美藥業有限公司*), a company established in the PRC with limited liabilities and a wholly-owned subsidiary of the Company

By order of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman

Shantou, the PRC, 26 March 2021

As at the date of this announcement, the executive Directors are Mr. Yao Chuanglong, Ms. Zheng Yuyan and Mr. Lin Zhixiong; the non-executive Director is Mr. Li Weisheng; and the independent non-executive Directors are Mr. Wan Chi Wai Anthony, Mr. Zhou Tao and Mr. Guan Jian (also known as Guan Suzhe).

** for identification purpose only*

APPENDIX I

Biographical details of the candidates for director of the third session of the Board are set out below:

Mr. Yao Chuanglong (姚創龍), aged 51, is our Chairman, executive Director and Chief Executive Officer. He is responsible for the overall management of the Group, strategic planning and decision, formulation of annual business operation plan of the Group.

Mr. Yao obtained a certificate in postgraduate class on civil commercial law from China University of Political Science and Law (中國政法大學) in March 2004. Mr. Yao completed a class on selected on-job executive master of business administration course (在職工商管理碩士 (EMBA) 精選課程研修班) organised by the Sino-Foreign Management Research Institute of Sun Yat-sen University (中山大學中外管理研究中心) in the PRC in March 2004 and a course on “Advance Programme for Development of Leadership in Pharmaceutical Industry” (醫藥商業領導力發展高級研修班) in Zhejiang University (浙江大學) in the PRC in October 2007. Mr. Yao completed a course on “Advanced Programme on Business Management for Executives” (高級工商管理總裁研修班) in Tsinghua University (清華大學) in the PRC in July 2008 and a course on “Telaote Strategic Positing for Executives” (特勞特戰略定位總裁班) in Peking University (北京大學) in the PRC in September 2013. In November 2015, Mr. Yao completed a course on Internet Plus and Innovative E-commerce for Executives (互聯網+與電子商務創新總裁班) in Overseas Education College of Shanghai Jiao Tong University (上海交通大學海外教育學院).

Mr. Yao joined the Group in March 2000 as a general manager of the Company, overseeing the daily operation and formulation of the strategic development of the Company. Mr. Yao has been acting as the chairman of the Company since May 2015. He currently serves as the executive Director and general manager of Guangdong Charmacy, Zhuhai Charmacy, Shenzhen Charmacy and Huizhou Charmacy.

Ms. Zheng Yuyan (鄭玉燕), aged 46, is our vice president, executive Director and Chief Marketing Officer. She joined the Group in September 2003 and had served various positions in the Group including procurement officer, procurement director and sales director. Ms. Zheng was promoted in August 2015 as the vice president of the Group. She has been appointed as our Director since 25 May 2015. Ms. Zheng is mainly responsible for the marketing and products management of the Group, the arrangement and maintenance of the sales network of the Group as well as planning and guidance on the management of operating commodities of the Group. She currently serves as the executive Director and general manager of Guangzhou Charmacy.

In December 2008, Ms. Zheng obtained a Master of Business Administration degree in the Postgraduate School of Renmin University of China (中國人民大學研究生院) in the PRC. Ms. Zheng completed a course of “Training Programme for Executives Master of Business Administration Courses” (EMBA課程總裁研修班) organised by Lingnan School of Sun Yat-sen University (中山大學嶺南學院) in the PRC in August 2013 and a course of “Telaote Strategic Positing for Executives” (特勞特戰略定位總裁班) organised by Peking University (北京大學) in the PRC in November 2013. In November 2015, Ms. Zheng completed a course on Internet Plus and Innovative E-commerce for Executives (互聯網+與電子商務創新總裁班) in Overseas Education College of Shanghai Jiao Tong University (上海交通大學海外教育學院).

Mr. Lin Zhixiong (林志雄), aged 51, is our executive Director, company secretary and Chief Financial Officer. He is responsible for the financial management of the Group. He joined the Group in March 2010 as the financial director of the Group.

Mr. Lin graduated from Hunan Institute of Finance and Economics (湖南財經學院) in the PRC with a bachelor degree in economics studies, majoring in finance planning and statistics in July 1992. He also completed a course of “Telaote Strategic Positioning for Executives” (特勞特戰略定位總裁班) organised by Peking University (北京大學) in the PRC in November 2013 and obtained a postgraduate diploma on “Corporate Finance and Investment Management” from the University of Hong Kong School of Professional and Continuing Education in May 2015. And he obtained a postgraduate diploma in “Integrated and Practicing Management” from the University of Hong Kong School of Professional and Continuing Education in September 2017. Mr. Lin was an accountant accredited by the Ministry of Finance in the PRC in May 1997.

Prior to joining the Group, Mr. Lin worked in Shantou International Trust Investment Limited (汕頭國際信託投資公司), a company engaging in financing and investment activities, as an accounting and financial manager from July 1992 to December 2001, responsible for financial management and accounting, tax planning and financing. During January 2002 to March 2010, he worked in Guangdong Deming Investment Group Limited (廣東德明投資集團公司) (currently known as Shantou Deming Packaging Group Limited (汕頭市德明包裝實業集團有限公司)), a company engaging in the production and sales of tobacco, and held the position of financial director and was responsible for the financial management and accounting, tax planning, financing and investment management.

Mr. Li Weisheng (李偉生), aged 56, has been our non-executive Director since June 2017.

Mr. Li is a pharmacist-in-charge. In 1989, Mr. Li graduated from Guangdong Pharmaceutical University (formerly known as Guangdong Pharmaceutical Institute) with a bachelor’s degree in medicine, majoring in preventive healthcare.

Mr. Li worked in Guangzhou Pharmaceutical Trading Co., Ltd. (廣州醫藥進出口有限公司) from July 1989 to November 2011, and was the deputy general manager of Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited from November 2011 to December 2015. He has been the general manager of Guangzhou Pharmaceutical Baiyunshan Hong Kong Company Limited since December 2015. He has also been a supervisor of Guangzhou Baiyunshan Qi Xing Pharmaceutical Co., Ltd. (廣州白雲山奇星藥業有限公司) since July 2015, the chairman of Guangzhou Pharmaceutical Baiyunshan Macau Company Limited (廣藥白雲山澳門有限公司) since January 2018, and a director of Guangzhou Baiyunshan Guang Hua Pharmacy Co., Ltd. (廣州白雲山光華製藥股份有限公司) since February 2018,, and a supervisor of Guangzhou Pharmaceutical (Zhuhai Hengqin) TCM Industry Co., Ltd. (廣藥國際(珠海橫琴)中醫藥產業有限公司) since July 2019.

Mr. Wan Chi Wai Anthony (尹智偉), aged 45, was appointed as our independent non-executive Director on 1 December 2015.

Mr. Wan graduated from the Hong Kong University of Science and Technology in November 1997 with a bachelor degree in business administration (accounting). Mr. Wan graduated from the University of London with a bachelor degree in laws in August 2003 through distance learning. He further obtained the Postgraduate Certificate in Laws in June 2004 from the University of Hong Kong. Mr. Wan was admitted as a member of the Hong Kong Institute of Certified Public Accountants in January 2002 and a Fellow of the Association of Chartered Certified Accountants in May 2006. Mr. Wan was also admitted as a solicitor of the High Court of Hong Kong in September 2006.

Prior to joining the legal field, Mr. Wan worked in the financial, accounting and audit industry, including as a senior associate in PricewaterhouseCoopers, an accounting and audit firm, during August 1997 and May 2001; an accounting manager in Wellink Services Limited, a company engaging in investment business, during October 2001 and January 2002; and an assistant manager in finance in MLC (Hong Kong) Limited, an insurance company, during April 2002 and September 2003. Since 2004, Mr. Wan has worked in various local and international law firms, specialising in the practice of corporate finance transactions including Hong Kong listings and mergers and acquisitions. From October 2006 to July 2007 and January 2008 to November 2008, Mr. Wan was a corporate finance lawyer in Herbert Smith Freehills. He was an assistant solicitor in Reed Smith Richards Butler from March 2010 to November 2010 and an associate in Morrison & Foerster from December 2010 to May 2012. Mr. Wan joined Clifford Chance in May 2012 as a senior associate and left as a counsel in April 2015. From May 2015 to May 2016, he worked as the partner and head of the Hong Kong corporate and securities practice of Vivien Teu & Co in association with Llinks Law Offices (通力律師事務所), a law firm in Hong Kong. In May 2016, Mr. Wan joined King & Wood Mallesons, as a partner for its corporate and securities practice. He has been an independent non-executive director of HM International Holdings Limited (stock code: 8416) since 15 December 2016 and an independent non-executive director of Steering Holdings Limited (stock code: 1826) since 12 January 2018.

Mr. Zhou Tao (周濤), aged 37, was appointed as our independent non-executive Director on 1 December 2015.

Mr. Zhou graduated from Peking University (北京大學) in the PRC with a bachelor's degree in law in July 2005. He is a qualified practising lawyer in the PRC.

Since July 2005, Mr. Zhou has been working as a lawyer in Grandway Law Offices (北京國楓律師事務所), a law firm in the PRC. He is now a partner of Beijing Guofeng law firm.

Mr. Guan Jian (關鍵) (also known as Guan Suzhe (關蘇哲)), aged 51, was appointed as our independent non-executive Director on 1 December 2015.

Mr. Guan graduated from Chinese People's Liberation Army University of International Relationships (中國人民解放軍國際關係學院) with a bachelor degree in English in July 1991 and from China Europe International Business School (中歐國際工商學院) in the PRC with a master degree in business administration in November 1997. In August 2014, Mr. Guan was appointed as a guest professor by Shanghai Jiao Tong University Continuing Education School (上海交通大學繼續教育學院) in the PRC.

Mr. Guan worked as a sales director in Yihaodian (一號店), a company engaging in business administration, responsible for marketing, sales and operational management in May 2008. During the period from July 2009 to August 2010, he was the vice president of Shanghai Haolijia Electronics Commerce Limited (上海好麗家電子商務有限公司), a company

engaging in the business of marketing, sales and training, responsible for the business management. Since July 2011, he has been working as the chief executive officer of Mankedao (Shanghai) Information Technology Limited (慢客島(上海)網絡科技有限公司), overseeing the general management. Since 2 June 2015, he has been the executive director and president of Shanghai New Focus Investment Development Limited (上海新關點投資發展有限公司), responsible for integrated corporate management. Mr. Guan has been the consultant of China Telecom Corporation Limited Jiangsu electronics channel operations centre (中國電信股份有限公司江蘇電子渠道營運中心) and the supervisor of Sichuan Womijia Network Technology Limited* (四川我迷家網絡科技有限公司). He has been an independent director of Hubei Forbon Technology Co., Ltd. (湖北富邦科技股份有限公司) since May 2019.

If the above candidates are appointed as Directors, each of them will enter into a service contract or letter of appointment with the Company and shall hold their office until the expiry of the term of the third session of the Board. The remuneration of the Directors are recommended by the Remuneration Committee of the Company and approved by the Board, having regard to their time commitment and responsibilities, the salaries paid by companies. The non-executive Director will not receive any remuneration from the Company.

Mr. Yao held 59,000,000 domestic shares of the Company, representing approximately 54.63% of the total number of issued shares of the Company. Mr. Lin Zhixiong had 15.41% interest in Shantou Meizhi Investment Management Limited Partnership (汕頭市美智投資管理合夥企業(有限合夥) (“**Meizhi Investment**”)). Meizhi Investment held 3,200,000 domestic shares of the Company, representing approximately 2.96% of the total number of issued shares of the Company.

As at the date of this announcement, save as disclosed above, the director candidates had confirmed that they (i) had not held any directorships in other publicly listed companies in the last three years and had not held any other position in the Group; (ii) had not had any relationship with any Directors, supervisors, senior management, substantial or controlling shareholders of the Company; and (iii) had not had any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Each of the candidates for independent non-executive Directors has met the independence requirements as set out in Rule 3.13 of the Listing Rules.

There is no other matter relating to the proposed appointment of Directors that needs to be brought to the attention of the Shareholders, nor is there any other information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II

Biographical details of the candidates for Shareholder Representative Supervisor and Independent Supervisor of the third session of the Supervisory Committee are set out below:

Mr. Lin Zhijie (林志杰), aged 37, is our vice logistics officer.

Mr. Lin graduated from the Science and Technology College of Jiangxi University of Traditional Chinese Medicine (江西中醫學院科技學院) in the PRC in July 2007, majoring in pharmaceuticals formulation, and obtained a postgraduate diploma in “Organization and Human Resources Management” from the School of Professional and Continuing Education of the University of Hong Kong in May 2019.

Mr. Lin joined our Group in January 2007 and has been responsible for the logistics planning and operation of the Group, including the matters such as logistics budget and cost control.

Ms. Zhang Ling (張玲), aged 48, was appointed as the chairlady of the Supervisory Committee on 25 May 2015.

Ms. Zhang graduated from Beijing Wuzi University (北京物資學院) in the PRC with a bachelor degree in international trade in July 1994. She obtained a master degree in industrial economics from Shantou University (汕頭大學) in the PRC in June 2005 and a doctorate degree in accounting from Xiamen University (廈門大學) in the PRC in December 2009. she obtained the certificate of Chartered Global Management Accountant (CGMA) and certificate of member of The Chartered Institute of Management Accountants (ACMA) in December 2017.

From March 2000 to September 2002, Ms. Zhang was the assistant to general manager in the Company, responsible for overseeing financial and administrative matters. From January 2010 to April 2019, she was an associate professor in Shantou University Business School (汕頭大學商學院) in the PRC. Since December 2016, she has been an independent director of C.K.J Professional Dental Hospital Group Limited (深圳市愛康健齒科集團股份有限公司). Since March 2017, she has been the chief financial officer of Jiangsu Kunyee Environmental Engineering Co., Ltd. (江蘇坤奕環境工程有限公司), responsible for the financial management of the company.

If the above candidates are appointed as Supervisors, each of them will enter into a service contract with the Company and shall hold their office until the expiry of the term of the third session of the Supervisory Committee. The emolument of a Supervisor will be determined with reference to the remuneration policies of the Supervisors of the Company.

As at the date of this announcement, save as disclosed above, the supervisor candidates (i) had not held any directorships in other publicly listed companies in the last three years and had not held any other position in the Group; (ii) had not had any relationship with any Directors, supervisors, senior management, substantial or controlling shareholders of the Company; and (iii) had not had any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

There is no other matter relating to the proposed appointment of Supervisors that needs to be brought to the attention of the Shareholders, nor is there any other information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.