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If you have sold or transferred all your shares in Charmacy Pharmaceutical Co., Ltd. (創美藥業股份有限公司) (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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 established in the People's Republic of China)

(Stock Code: 2289)

- (1) PROPOSED APPOINTMENT OF AN EXECUTIVE DIRECTOR;
(2) PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR;
(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(4) NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 3 to 8 of this circular. A notice convening the 2022 second extraordinary general meeting of the Company (the “EGM”) to be held at the conference room, on 2nd floor, No. 33, Song Liyu Street, Dongchong District, Guangzhou City, Guangdong Province, the PRC at 3:00 p.m. on Thursday, 7 July 2022, is set out on pages 9 to 11 of this circular.

Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder. In order to be valid, the proxy form for the EGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company not less than 24 hours (not later than 3 p.m. on Wednesday, 6 July 2022) before the time for holding the EGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.

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DEFINITIONS

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

“EGM”	the 2022 second extraordinary general meeting of the Company to be convened and held on Thursday, 7 July 2022 at 3:00 p.m. at the conference room, on 2nd floor, No. 33, Song Liyu Street, Dongchong District, Guangzhou City, Guangdong Province, the PRC, the notice of which is set out on pages 3 to 8 of this circular
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“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 Hong Kong Stock Exchange (stock code: 2289)
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) issued by the Company in the PRC with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB by the PRC natural persons or entities established under the laws of the PRC
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which is/are listed and traded on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 June 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, modified or otherwise supplemented



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CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

(a joint stock limited liability company established in the PRC)

(Stock Code: 2289)

Executive Directors:

Mr. Yao Chuanglong (*Chairman*)

Ms. Zheng Yuyan

Non-executive Directors:

Mr. Li Weisheng

Mr. Yan Jingbin

Independent Non-executive Directors:

Mr. Wan Chi Wai Anthony

Mr. Zhou Tao

Mr. Guan Jian (also known as Guan Suzhe)

Registered Office and Headquarters in the PRC:

No. 235

Song Shan North Road

Longhu District, Shantou City

Guangdong Province, PRC

Principal Place of Business in Hong Kong:

40th Floor,

Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

21 June 2022

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED APPOINTMENT OF AN EXECUTIVE DIRECTOR;
(2) PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR;
(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(4) NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information on, among other things, (i) proposed appointment of an executive director; (ii) proposed appointment of a non-executive director; (iii) proposed amendments to the Articles of Association; and (iv) a notice convening the EGM.

2. PROPOSED APPOINTMENT OF AN EXECUTIVE DIRECTOR

Mr. Yao Chuanglong, a controlling shareholder of the Company holding 44,250,000 Domestic Shares (representing approximately 40.97% of the total issued share capital of the Company), has submitted an ordinary resolution to the Company regarding the appointment of Ms. Zhang Hanzhi (“**Ms. Zhang**”) as an executive Director. The proposed appointment of Ms. Zhang as an executive Director is subject to approval by the Shareholders by way of an ordinary resolution at the EGM and if approved, the term of Ms. Zhang will be effective from the date of conclusion of the EGM until the expiration of the term of the third session of the Board.

The biographical details of Ms. Zhang are as follows:

Ms. Zhang, aged 43, has been the financial director of the Company since April 2022. From July 2008 to January 2014, Ms. Zhang served as a deputy financial manager of Kaiser (China) Culture Co., Ltd., a company listed on the Main Board of the Shenzhen Stock Exchange (Stock Code: 002425) which is primarily engaging in wholesale and retail of clothing and leather products; and from July 2008 to January 2014, she also served as a director of Yuxin (Guangdong) Trading Co., Ltd., a subsidiary of Kaiser (China) Culture Co., Ltd. Ms. Zhang joined the Company in February 2014 and has served successively as a financial manager and a deputy financial controller. From May 2015 to May 2017, she served as a supervisor of the Company. Ms. Zhang received a bachelor's degree from Sichuan University in China in 2002, majoring in international finance.

Subject to the approval of the Shareholders at the EGM, the Company will enter into a letter of appointment with Ms. Zhang, and Ms. Zhang will serve as an executive Director from the date of EGM to the date of expiry of the third session of the Board. Ms. Zhang's annual salary as an executive director is RMB 50,000, which is determined with reference to her qualifications, experiences, duties and responsibilities within the Company as well as the prevailing market rate for candidates with comparable qualifications.

Save as disclosed above and as at the Latest Practicable Date, Ms. Zhang has confirmed that, she (i) has not held any directorship in any other public company in the past three years whose securities are listed in Hong Kong or any overseas securities market; (ii) has no relationship with any Director, supervisor, senior management or substantial or controlling shareholder of the Company, nor has she held any position in the Company or any of its subsidiaries; and (iii) has no interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong).

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

3. PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR

Jiangxi Jiangzhong Pharmaceutical Commercial Operation Co., Ltd.* (江西江中醫藥商業運營有限責任公司) (“**Jiangzhong Yishang**”), a substantial shareholder of the Company holding 29,050,000 Domestic Shares (representing approximately 26.90% of the total issued share capital of the Company), has submitted an ordinary resolution to the Company regarding the appointment of Ms. Fu Zheng (“**Ms. Fu**”) as a non-executive Director. The proposed appointment of Ms. Fu as a non-executive Director is subject to approval by the Shareholders at the EGM by way of an ordinary resolution and if approved, the term of Ms. Fu will be effective from the date of conclusion of the EGM until the expiration of the term of the third session of the Board.

Ms. Fu’s biography is summarised as follows:

Ms. Fu, aged 49, has served as the deputy general manager of Jiangzhong Yishang since June 2020. From November 2005 to December 2017, she worked at Yixintang Pharmaceutical Group Co., Ltd.* (一心堂藥業集團股份有限公司) (formerly known as Yunnan Hongxiang Yixintang Pharmaceutical (Group) Co., Ltd.* (雲南鴻翔一心堂藥業(集團)股份有限公司)), a company listed on the Main Board of the Shenzhen Stock Exchange (Stock Code: 002727), where she served as a deputy general manager of the group's subsidiaries, a general manager of the group's equipment, glasses and prescription drug business department and a director of the group's commercial procurement center. From March 2018 to June 2020, she served as a deputy general manager of Jiangxi Jiangzhong Pharmaceutical Investment and Development Co., Ltd.* (江西江中醫藥投資發展有限公司). Ms. Fu obtained a bachelor's degree from East China University of Technology in 1995, majoring in applied electronic technology in the department of automatic control.

Subject to the approval of the Shareholders at the EGM, the Company will enter into a letter of appointment with Ms. Fu, and Ms. Fu will serve as a non-executive Director from the date of EGM to the date of expiry of the third session of the Board. Ms. Fu will not receive any remuneration for serving as a non-executive Director.

Save as disclosed above and as at the Latest Practicable Date, Ms. Fu has confirmed that she (i) has not held any directorship in any other public company in the past three years whose securities are listed in Hong Kong or any overseas securities market; (ii) has no relationship

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with any Director, supervisor, senior management or substantial or controlling shareholder of the Company, nor has she held any position in the Company or any of its subsidiaries; and (iii) has no interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong).

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

4. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A special resolution will be proposed at the EGM to approve the amendment of Article 10.1 of the Articles of Association, details of which are set out as follows:

Before Amendments	After Amendments (showing changes to the existing Articles of Association)
<p>“The Company shall establish a board, which shall be accountable to and report to the general meeting. The Board shall consist of seven directors, of which the external directors (hereinafter referred to directors who do not hold any office within the Company) shall represent not less than 50 percent of the members of the Board of Directors. Independent non-executive directors (hereinafter referred to directors who are independent to the shareholders and do not hold any office within the Company) shall represent at least one-third of the members of the Board of Directors.</p> <p>The Board of Directors shall have one chairman and may have one vice chairman.”</p>	<p>“The Company shall establish a board, which shall be accountable to and report to the general meeting. The Board shall consist of seven <i>nine</i> directors, of which the external directors (hereinafter referred to directors who do not hold any office within the Company) shall represent not less than 50 percent of the members of the Board of Directors. Independent non-executive directors (hereinafter referred to directors who are independent to the shareholders and do not hold any office within the Company) shall represent at least one-third of the members of the Board of Directors.</p> <p>The Board of Directors shall have one chairman and may have one vice chairman.”</p>

The above amendments to Article 10.1 of the Articles of Association are for the purposes to ensure that the number of Directors is consistent.

Save for the proposed amendments set out above, other provisions in the Articles of Association remain unchanged.

5. CLOSURE OF REGISTER OF MEMBERS

In order to determine the Shareholders who are entitled to attend the EGM, the register of members of the Company will be closed from Friday, 1 July 2022 to Thursday, 7 July 2022

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(both days inclusive), during which period no transfer of Shares can be registered. In order to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the PRC (for holders of Domestic Shares) for registration no later than 4:30 p.m. on Thursday, 30 June 2022. Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 7 July 2022 are entitled to attend and vote at the EGM.

6. EGM

A notice convening the EGM to be held at the conference room, on 2nd floor, No. 33, Song Liyu Street, Dongchong District, Guangzhou City, Guangdong Province, the PRC at 3:00 p.m. on Thursday, 7 July 2022, is set out on pages 9 to 11 of this circular.

Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a Shareholder. In order to be valid, the proxy form for the EGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company not less than 24 hours (not later than 3 p.m. on Wednesday, 6 July 2022) before the time for holding the EGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the EGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

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 misleading.

Recommendations

The Directors consider that the proposed resolutions set out in the notice of the EGM are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors, together with their associates, intend to vote in favour of the relevant resolutions in respect of their respective shareholdings in the Company and recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Miscellaneous

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

Yours faithfully
For and on behalf of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman

**For identification purpose only*

NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING



創美·CH'MEI

CHARMACY PHARMACEUTICAL CO., LTD.

創美藥業股份有限公司

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

(Stock Code: 2289)

NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Charmacy Pharmaceutical Co., Ltd. (the “**Company**”) will be held at the conference room, on 2nd floor, No. 33, Song Liyu Street, Dongchong District, Guangzhou City, Guangdong Province, the People’s Republic of China (the “**PRC**”) at 3:00 p.m. on 7 July 2022 for the purpose of considering, and if thought fit, passing (with or without amendments) the following resolutions:

As Ordinary Resolutions

1. to consider and, if thought fit, approve the appointment of Ms. Zhang Hanzi as an executive director of the Company (the “**Director(s)**”);
2. to consider and, if thought fit, approve the appointment of Ms. Fu Zheng as a non-executive Director;

As Special Resolution

3. to consider and, if thought fit, approve the proposed amendments to the articles of association of the Company (the “**Articles of Association**”) (details of which are set out in the circular of the Company dated 21 June 2022) (please see Appendix 1), and that any Director be and is hereby authorised to modify the wordings of such amendments as appropriate (such amendments will not be required to be approved by the shareholders of the Company) and execute all such documents and/or do all such acts as the Directors may, in their absolute discretion, deem necessary or expedient and in the interest of the Company in order to deal with other related issues arising from the amendments to the Articles of Association.

For and on behalf of the Board
Charmacy Pharmaceutical Co., Ltd.
Yao Chuanglong
Chairman

Shantou, the PRC, 21 June 2022

NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. The register of members of the Company will be closed from Friday, 1 July 2022 to Thursday, 7 July 2022 (both days inclusive), during which period no transfer of Shares can be registered. In order to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares of the Company) or the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the PRC (for holders of domestic shares of the Company) for registration not later than 4:30 p.m. on Thursday, 30 June 2022.
3. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a shareholder of the Company.
4. In order to be valid, the proxy form for the EGM must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and, for holders of domestic shares of the Company, to the headquarters in the PRC of the Company at No. 235, Song Shan North Road, Longhu District, Shantou City, Guangdong Province, the PRC not less than 24 hours (not later than 3 p.m. on Wednesday, 6 July 2022) before the time for holding the EGM (or any adjournment thereof) for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarial copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.

If the proxy is a legal person, its legal representative or any representative authorised by a resolution of its board of directors or by other governing body shall attend the above meeting of the Company on its behalf. If the shareholder is a recognised clearing house (or its proxy) defined by the Hong Kong relevant Ordinance from time to time, the shareholder may authorise one or more persons it considers appropriate as its representative(s) at the above meeting; however, if more than one person are authorised, the power of attorney shall contain the number and class of shares for which such persons are authorised, and shall be signed by an authorised personnel of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its proxy) to attend the meeting and exercise its right, as if the persons are the Company's individual shareholders, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/ she/they have been duly authorised.

A vote provided in according to the instruments in such proxy forms shall be valid, notwithstanding the previous death or loss of capacity of the appointer or the revocation of the proxy or of the authority under which the proxy was executed, or the shares are transferred, provided that no notice in writing of such matters shall have been received by the Company prior to the above meeting.

5. Shareholders or their proxies shall provide their identity documents when attending the EGM.
6. In case of joint holders of any share, only the person whose name is at the first place on the register of shareholders has the rights to receive the certificate of relevant shares and notice from the Company and to attend or exercise all of the votes relating to the shares.

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

NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING

APPENDIX 1

The special resolution on the amendment to the Articles of Association, details of which are set out as follows:

Article 10.1

Before Amendments	After Amendments (showing changes to the existing Articles of Association)
<p>“The Company shall establish a board, which shall be accountable to and report to the general meeting. The Board shall consist of seven directors, of which the external directors (hereinafter referred to directors who do not hold any office within the Company) shall represent not less than 50 percent of the members of the Board of Directors. Independent non-executive directors (hereinafter referred to directors who are independent to the shareholders and do not hold any office within the Company) shall represent at least one-third of the members of the Board of Directors.</p> <p>The Board of Directors shall have one chairman and may have one vice chairman.”</p>	<p>“The Company shall establish a board, which shall be accountable to and report to the general meeting. The Board shall consist of seven <i>nine</i> directors, of which the external directors (hereinafter referred to directors who do not hold any office within the Company) shall represent not less than 50 percent of the members of the Board of Directors. Independent non-executive directors (hereinafter referred to directors who are independent to the shareholders and do not hold any office within the Company) shall represent at least one-third of the members of the Board of Directors.</p> <p>The Board of Directors shall have one chairman and may have one vice chairman.”</p>