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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 : 0719)

**POLL RESULTS OF THE 2016 SECOND EXTRAORDINARY GENERAL MEETING AND
THE FIRST H SHARE CLASS MEETING FOR 2016**

The board is pleased to announce that the EGM, the A Share Class Meeting and the H Share Class Meeting were held on 28 December 2016 (Wednesday) and all the resolutions as set out in the Notice of the EGM, the A Share Class Meeting and the H Share Class Meeting were duly passed by way of poll, by the Shareholders who were entitled to attend and vote at the EGM, the A Share Class Meeting and the H Share Class Meeting respectively.

Reference is made to the notices regarding the 2016 Second Extraordinary General Meeting and the First Class Meeting of the Shareholders of H Shares for 2016 dated 10 November 2016 (the “**Notice**”) of Shandong Xinhua Pharmaceutical Company Limited (“**Company**”). The 2016 Second Extraordinary General Meeting (“**EGM**”), the First Class Meeting of the Shareholders of A Shares for 2016 (the “**A Share Class Meeting**”) and the First Class Meeting of the Shareholders of H Shares for 2016 (the “**H Share Class Meeting**”) (collectively, the “**Meetings**”) of the Company were held in sequence at the conference room at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, The People's Republic of China (the “**PRC**”) from 2:00 p.m. on 28 December 2016. Mr. Zhang Daiming, the Chairman of the Board of Directors presided over and acted as the chairman of the Meetings. The Meetings were convened by the board of directors of the Company.

For details of the resolutions considered at the Meetings, please refer to the Notice and the Circular dated 12 December 2016 of the Company (the “**Circular**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those adopted in the Circular.

ATTENDANCE AT THE EGM AND THE POLL RESULTS

As at the shareholding record dates of the Meetings (i.e. 30 November 2016 in relation to H Shares (the “**H Share Record Date**”) and 20 December 2016 in relation to A Shares (the “**A Share Record Date**”) (collectively, the “**Record Dates**”)), the total number of issued Shares of the Company was 457,312,830 Shares, of which 307,312,830 Shares were A Shares and 150,000,000 were H Shares.

Attendance at the EGM

The total number of Shareholders and their proxies who attended the EGM was 4, representing approximately 36.06% of the total number of Shares in issue as at the Record Dates. The following are the attendance results of Shareholders holding A Shares and H Shares respectively:

Number of Shareholders who attended the EGM on-site (whether in person or by proxies) or by way of network voting	4
Including: total number of A Share Shareholders who attended the EGM	2
total number of H Share Shareholders who attended the EGM	2
Including: total number of A Share Shareholders who participated in network voting	0
Total number of voting Shares held by Shareholders who attended the EGM on-site (whether in person or by proxies) or by way of network voting	164,920,191
Including: total number of voting A Shares who attended the EGM	158,809,263
total number of voting H Shares who attended the EGM	6,110,928
Including: total number of voting A Shares held by the Shareholders who participated in network voting	0
Percentage of the total number of voting Shares to the total number of issued Shares	36.06%
Including: percentage of the total number of voting A Shares held by Shareholders and proxies attended the EGM	34.72%

percentage of the total number of voting H Shares held by Shareholders and proxies attended the EGM	1.34%
Including: percentage of the total number of voting A Shares held by the A Shares Shareholders who participated in network voting	0%

Mr. Zhang Daiming, an executive Director and an intended participant in the Employee Stock Ownership Scheme (one of the Subscribers in the Proposed Placing), has not voted on the resolutions at the Meetings. As of the Record Dates, Mr. Zhang Daiming owns 11,900 A Shares, representing approximately 0.003% of the total number of Shares in issue. None of Mr. Zhang Daiming's associates own any Shares.

The total number of Shares entitling the Shareholders to attend and vote on the resolutions at the EGM was 457,300,930 Shares, representing approximately 99.997% of the total number of Shares in issue as at the Record Dates.

Save for the disclosed, so far as the Company is aware, no H Share Shareholder is required to abstain from voting in respect of the resolutions proposed at the EGM and the H Share Class Meeting in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”). The Company was not aware of any parties indicating their intention to vote against any resolutions proposed at the Meetings. There were no Shares entitling the Shareholders to attend and abstain from voting in favour of any resolution at the Meetings as set out in Rule 13.40 of the Hong Kong Listing Rules.

The convening of the Meetings and the manner of voting were in compliance with the requirements of the Company Law of the PRC, the Hong Kong Listing Rules and the Articles and Association of the Company.

The voting results of the EGM on all resolutions are as follows:

Poll Results of the EGM

No.	Resolution	Number of votes cast and percentage of total number of the relevant votes cast			Voting results
		For	Against	Abstained	
Special Resolutions					
1.	To extend the effective period of the Shareholders' resolutions to approve the Proposed Placing for a further period of twelve months, commencing from the date of passing this resolution at the EGM and Class Meetings up to 27 December 2017, both days inclusive.				
	A Shares	158,809,263 (100%)	0	0	Passed
	H Shares	6,110,928 (100%)	0	0	
	Total	164,920,191 (100%)	0	0	
2	To extend the effective period of the Shareholder's resolution on conferring full powers on the Board to handle matters relating to the Proposed Placing for a further period of twelve months, commencing from the date of passing this resolution at the EGM and Class Meetings up to 27 December 2017, both days inclusive.				
	A Shares	158,809,263 (100%)	0	0	Passed
	H Shares	6,110,928 (100%)	0	0	
	Total	164,920,191 (100%)	0	0	

Note: The percentages shown are rounded to the nearest 2 decimal places. The numbers may not add up to 100% due to rounding.

As more than two-thirds of the votes from the Shareholders who were entitled to attend and vote at the EGM were cast in favour of the special resolutions set out above, those special resolutions were duly passed as special resolutions.

Attendance at the H Share Class Meeting and the poll results

Attendance at the H Share Class Meeting

As at the H Share Record Date, the total number of H Shares in issued was 150,000,000 H Shares.

So far as the Company is aware, there is no H Share Shareholder required to abstain from voting on any resolution proposed at the H Share Class Meeting. Accordingly, the total number of H Shares entitling the H Share Shareholders to attend and vote on the resolutions proposed at the H Share Class Meeting was 150,000,000 H Shares, representing 100% of the H Shares in issue on the H Share Record Date.

Number of H Share Shareholders who attended the H Share Class Meeting (whether in person or by proxies)	2
Total number of voting H Shares	6, 287, 114
Percentage of the total number of voting H Shares to the total number of issued H Shares	4.19%

So far as the Company is aware, there was no H Share entitling the H Share Shareholders to attend and abstain from voting in favour of any resolutions at the H Share Class Meeting under Rule 13.40 of the Hong Kong Listing Rules.

Poll results of the H Share Class Meeting

The resolutions proposed at the H Share Class Meeting were put to vote by way of poll, the results of which were as follows:

No.	Resolution	Number of votes cast and percentage of total number of the relevant votes cast			Voting results
		For	Against	Abstained	
Special Resolutions					
1.	To extend the effective period of the Shareholders' resolutions to approve the Proposed Placing for a further period of twelve months, commencing from the date of passing this resolution at the EGM and Class Meetings up to 27 December 2017, both days inclusive.				
	Total	6, 287, 114 (100 %)	0	0	Passed
2.	To extend the effective period of the Shareholder's resolution on conferring full powers on the Board to handle matters relating to the Proposed Placing for a further period of twelve months, commencing from the date of passing this resolution at the EGM and Class Meetings up to 27 December 2017, both days inclusive.				
	Total	6, 287, 114 (100 %)	0	0	Passed

Note: The percentages shown are rounded to the nearest 2 decimal places. The numbers may not add up to 100% due to rounding.

As more than two-thirds of the votes from the H Share Shareholders who were entitled to attend and vote at the H Share Class Meeting were cast in favour of the special resolutions set out above, these special resolutions were duly passed as special resolutions.

Attestation By Lawyer and Scrutineer

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

The Meetings were attested by Mr. Bai Wei and Ms. Xia Xue of Jingtian & Gongcheng (Beijing) which issued a written legal opinion, certifying that the convening and procedures of the Meetings of the Company, the qualifications of the attendees and the voting procedures were in compliance with the relevant laws, administrative regulations and rules such as the Companies Law and the Rules of General Meeting and Company’s Articles of Association. The voting results of the Meetings were lawful and valid.

By Order of the Board

Shandong Xinhua Pharmaceutical Company Limited

Zhang Daiming

Chairman

28 December 2016, Zibo, PRC

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

Executive Directors:

Mr. Zhang Daiming (Chairman)

Mr. Du Deping

Independent Non-executive Directors:

Mr. Du Guanhua

Mr. Li Wenming

Mr. Chan Chung Kik, Lewis

Non-executive Directors:

Mr. Ren Fulong

Mr. Xu Lie

Mr. Zhao Bin