



山東新華製藥股份有限公司
Shandong Xinhua Pharmaceutical Company Limited
 (於中華人民共和國註冊成立之股份有限公司)

(股份編號：0719)

**Proxy Form for use at the First Class Meeting of
 the Shareholders of H Shares for the Year 2015**

I/We, _____ (Note 1) of _____ (Note 1),

being the registered holder(s) of _____ (Note 2) H Shares of Shandong Xinhua Pharmaceutical Company Limited (the "Company"), hereby appoint the Chairman of the First Class Meeting of the Shareholders of H Shares of the Company for the year 2015 (the "H Shareholders Class Meeting"), or _____ (Note 3), as my/our proxy to attend and act for me/us at the H Shareholders Class Meeting to be held on Tuesday, 29 December 2015 at 4:00 p.m. 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 "PRC") or any adjournment thereof and to vote for me/us at the H Shareholders Class Meeting or any adjournment thereof in respect of the resolutions as indicated hereinafter, or if no such indication is given, as my/our proxy thinks fit.

Special Resolutions	For	Against	Abstention
1. To consider and approve the resolution regarding the plan on the Company's non-public offering of A shares, in particular			
1.1. Class and par value;			
1.2. Method and time;			
1.3. Price determination date;			
1.4. Price and principle date;			
1.5. Number of Shares to be issued;			
1.6. Subscribers and method of subscription;			
1.7. Fund raising size and use of proceeds;			
1.8. Lock-up Period for the issue of shares;			
1.9. Place of listing;			
1.10. Arrangement of the accumulated undistributed profit;			
1.11. Effective period of the shareholders' resolutions;			
2. To consider and approve the resolution regarding the proposal on the Company's non-public offering of A shares plan;			
3. To consider and approve the resolution regarding the connected transactions on the Company's non-public offering of A shares;			
4. To consider and approve the resolution regarding the conditional share subscription agreement signed between the Company and various specific entities as below			
4.1. the subscription agreement dated 8 October 2015 entered into between the Company and			

Special Resolutions	For	Against	Abstention
Shandong Ju Ying Industrial Fund Partnerships (Limited Partnership) (the “SJY Industrial Fund LLP”) in relation to the subscription of a maximum of 21,360,000 new A Shares of the Company by SJY Industrial Fund LLP at the subscription price of RMB9.36 each and the transactions contemplated thereunder;			
4.2. the subscription agreement dated 8 October 2015 entered into between the Company and Shanghai Kai Shi Assets Management Limited (“SKS Assets Management Limited”) in relation to the subscription of a maximum of 10,000,000 new A Shares of the Company by SKS Fund (a fund to be established and managed by the SKS Assets Management Limited) at the subscription price of RMB9.36 each and the transactions contemplated thereunder;			
4.3. the subscription agreement dated 8 October 2015 entered into between the Company and Beijing Xin Cheng Da Rong Assets Management Limited (the “BXC Assets Management Limited”) in relation to the subscription of a maximum of 21,360,000 new A Shares of the Company by BXC Fund (a fund to be established and managed by the BXC Assets Management) at the subscription price of RMB9.36 each and the transactions contemplated thereunder;			
4.4. the subscription agreement dated 8 October 2015 entered into between the Company and Chongqing Bao Run Equity Investment Fund Management Company Limited (the “CBR Investment Fund Management Limited”) in relation to the subscription of a maximum of 20,535,600 new A Shares of the Company by CBR Fund (a fund to be established and managed by the CBR Investment Fund Management Limited) at the subscription price of RMB9.36 each and the transactions contemplated thereunder;			
4.5. the subscription agreement dated 8 October 2015 entered into between the Company and the first phase employee stock ownership scheme of the Company (the “Employee Stock Ownership Scheme”) in relation to the subscription of a maximum of 3,744,400 new A Shares of the Company by Employee Stock Ownership Scheme at the subscription price of RMB9.36 each and the transactions contemplated thereunder; and			
5. To consider and approve the resolution regarding authorising the Board of Directors to handle all matters in relation to Company’s non-public offering of A share.			

Shareholder’s signature: _____

Date: _____

Notes:

1. Please insert your full name and address in **BLOCK CAPITALS**.
2. Please insert the number of H Shares of the Company registered in your name and to which this Proxy Form relates. If no such number is inserted, this Proxy Form will be deemed to relate to all the H Shares in the Company registered in your name (whether alone or jointly with others).
3. If any proxy other than the Chairman of the H Shareholders Class Meeting is appointed, cross out “the Chairman of the H Shareholders Class Meeting, or”, and appoint one or more proxies to attend and vote at the H Shareholders Class Meeting. The proxy appointed need not be a shareholder of the Company. Any alteration made to this Proxy Form must be signed by the person who originally executed this Proxy Form.
4. If you wish to vote for any resolution, please insert “√” in the box marked “For”. If you wish to vote against any resolution, please insert “√” in the box marked “Against”. If you wish to abstain from voting on any resolution, please insert “√” in the box marked “Abstention”. Failure to make any indication will entitle your proxy/proxies to vote or abstain at his discretion. The number of abstained votes will not be counted as the required majority in favour of any given resolution proposed while the number of abstained votes will be counted into the denominator for the purpose of percentage calculation of the voting.
5. This Proxy Form must be signed by you or your attorney duly authorised in writing. Corporations must execute this Proxy Form under common seal or under the hand of any director or attorney duly authorised.
6. In order to be valid, the Proxy Form together with any power of attorney or other documents of authorisation (if any) under which it is signed or a notarially certified copy thereof must be lodged with the company secretary’s office of the Company at No. 1 Lutai Ave., Hi-tech District, Zibo City, Shandong Province, the PRC not less than 24 hours before the time specified for the holding of the H Shareholders Class Meeting.