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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CSPC PHARMACEUTICAL GROUP LIMITED**, you should at once hand this circular with the accompanying proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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CSPC

CSPC PHARMACEUTICAL GROUP LIMITED
石藥集團有限公司

(“the Company”)

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 1093)

**PROPOSALS FOR
GENERAL MANDATES TO BUY-BACK SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF THE RETIRING DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of CSPC Pharmaceutical Group Limited to be held at Regus Business Centre, 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 20 May 2014 at 10:30 a.m. is set out on pages 15 to 19 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of a proxy form will not prevent you from attending and voting in person at the meeting should you so desire.

Hong Kong, 10 April 2014

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Regus Business Centre, 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 20 May 2014 at 10:30 a.m., notice of which is set out on pages 15 to 19 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Companies Ordinance”	the new Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	CSPC Pharmaceutical Group Limited (formerly known as China Pharmaceutical Group Limited), a company incorporated in Hong Kong with limited liability under the Companies Ordinance
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	4 April 2014, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Buy-back Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to buy-back during the period as set out in the Buy-back Resolution Shares up to a maximum of 10% of the issued Shares as at the date of the Buy-back Resolution
“Buy-back Resolution”	the proposed ordinary resolution as referred to in resolution no.5 of the notice of the Annual General Meeting

DEFINITIONS

“Share(s)”	share(s) of the Company with no par value
“Shareholder(s)”	registered holder(s) of Shares
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Share Buy-back Code”	the Hong Kong Code on Share Buy-backs
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawfully currency of Hong Kong



CSPC PHARMACEUTICAL GROUP LIMITED
石藥集團有限公司

(“the Company”)

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 1093)

Executive Directors:

Mr. CAI Dongchen (*Chairman and CEO*)
Mr. FENG Zhenying
Mr. CHAK Kin Man
Mr. PAN Weidong
Mr. ZHAO John Huan
Mr. WANG Shunlong
Mr. WANG Huaiyu
Mr. LU Jianmin
Mr. WANG Zhenguo
Mr. WANG Jinxu

Registered Office:

Suite 3206
32nd Floor
Central Plaza
18 Harbour Road
Wan Chai
Hong Kong

Non-executive Director:

Mr. LEE Ka Sze, Carmelo

Independent Non-executive Directors:

Mr. HUO Zhenxing
Mr. QI Moujia
Mr. CHAN Siu Keung, Leonard
Mr. WANG Bo
Mr. ZHANG Fawang

Hong Kong, 10 April 2014

To the shareholders,

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO BUY-BACK SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF THE RETIRING DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

GENERAL MANDATE TO BUY-BACK SHARES

At the annual general meeting of the Company held on 23 May 2013, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming Annual

LETTER FROM THE BOARD

General Meeting. The Directors propose to seek your approval of the Buy-back Resolution to be proposed at the Annual General Meeting. An explanatory statement as required under the Share Buy-back Rules to provide the requisite information of the Buy-back Proposal is set out in the Appendix I hereto.

GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued Shares as at the date of passing the resolution (i.e. not exceeding 1,117,271,334 Shares based on the issued Shares of 5,586,356,671 as at the Latest Practicable date and assuming that such issued Shares remains the same as at the date of passing the resolution) and adding to such general mandate so granted to the Directors any Shares representing the aggregate number of the Shares repurchased by the Company after the granting of the general mandate to buy-back up to 10% of the issued Shares of the Company as at the date of passing the Repurchase Resolution.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. CAI Dongchen, Mr. FENG Zhenying, Mr. CHAK Kin Man, Mr. PAN Weidong, Mr. ZHAO John Huan, Mr. WANG Shunlong, Mr. WANG Huaiyu, Mr. LU Jianmin, Mr. WANG Zhenguo and Mr. WANG Jinxu; the non-executive Director is Mr. LEE Ka Sze, Carmelo and the independent non-executive Directors are Mr. HUO Zhenxing, Mr. QI Moujia, Mr. CHAN Siu Keung, Leonard, Mr. WANG Bo and Mr. ZHANG Fawang.

Pursuant to Article 92 of the Articles of Association, Mr. WANG Jinxu, who is newly appointed Director, shall retire from office at the Annual General Meeting and, being eligible, offer himself for re-election.

In addition, pursuant to Article 101 of the Articles of Association, Mr. FENG Zhenying, Mr. WANG Zhenguo, Mr. LEE Ka Sze, Carmelo, Mr. HUO Zhenxing, Mr. QI Moujia and Mr. CHAN Siu Keung, Leonard shall retire by rotation from office at the Annual General Meeting. All the retiring directors are eligible and offer themselves for re-election except for Mr. HUO Zhenxing and Mr. QI Moujia who do not offer themselves for re-election due to retirement and shall retire at the forthcoming annual general meeting.

Mr. CHAN Siu Keung, Leonard, was appointed as independent non-executive Director in 2004 and has served as independent non-executive Director for more than 9 years. He shall retire by rotation in accordance with the Articles of Association at the Annual General Meeting. During his tenure of office, Mr. CHAN Siu Keung, Leonard had been able to

LETTER FROM THE BOARD

fulfill all the requirements regarding independence of independent non-executive director and provide annual confirmation of independence to the Company under Rule 3.13 of the Listing Rules. The Board is not aware of any foreseeable events that may occur and affect the independence of Mr. CHAN Siu Keung, Leonard and believes that Mr. CHAN Siu Keung, Leonard is and will continue to be independent of the Company. The Board will continue to review the independence of Mr. CHAN Siu Keung, Leonard annually.

Beside, during his tenure of office, Mr. CHAN Siu Keung, Leonard had discharged his duties as independent non-executive director to the satisfaction of the Board. Through exercising the scrutising and monitoring function of independent non-executive director, he had contributed to an upright and efficient Board for the interest of Shareholders.

In view of the above, the Board considers that the re-election of Mr. CHAN Siu Keung, Leonard as independent non-executive Director is beneficial to the Board, the Company and the Shareholders as a whole. Separate resolution will be proposed at the Annual General Meeting to approve the re-election of Mr. CHAN Siu Keung, Leonard as independent non-executive Director.

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

Set out on pages 15 to 19 of this circular is the notice convening the Annual General Meeting.

At the Annual General Meeting, resolutions will be proposed to the Shareholders in respect of ordinary business to be considered at the Annual General Meeting, including re-election of Directors, and special business to be considered at the Annual General Meeting, being the ordinary resolutions proposed to approve the Buy-back Proposal, the general mandate for Directors to issue new Shares and the extension of the general mandate to issue new Shares.

LETTER FROM THE BOARD

ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed herein. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of a proxy form will not prevent you from attending and voting in person at the meeting should you so desire.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors believe that all the above-mentioned resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions set out in the notice of Annual General Meeting.

By Order of the Board
CSPC Pharmaceutical Group Limited
CAI Dongchen
Chairman

This appendix serves as an explanatory statement, as required by the Share Buy-back Rules, to provide requisite information to you for your consideration of the proposal to permit the buy-back of Shares up to a maximum of 10% of the issued Shares as at the date of the Buy-back Resolution.

This appendix also constitutes the memorandum required under Section 239(2) of the Companies Ordinance.

1. ISSUED SHARES

As at the Latest Practicable Date, the number of issued Shares is 5,586,356,671 Shares.

Subject to the passing of the Buy-back Resolution and on the basis that no further Shares are issued or bought-back prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 558,635,667 Shares representing not more than 10% of the issued Shares at the Latest Practicable Date.

2. REASONS FOR BUY-BACK

The Directors believe that the buy-back Proposal is in the best interests of the Company and its shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per share of the Company and will only be made when the Directors believe that such a buy-back will benefit the Company and its shareholders.

3. FUNDING OF BUY-BACK

Any buy-backs will only be funded out of funds of the Company legally available for such purpose in accordance with its Articles of Association and the Companies Ordinance. The Companies Ordinance provides that payment in respect of a share buy-back may be made out of the Company's distributable profit and/or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2013 in the event that the Buy-back Proposal were to be carried out in full at any time during the proposed

buy-back period. However, the Directors do not propose to exercise the Buy-back Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date and for the month of April 2014 up to the Latest Practicable Date were as follows:

	Shares Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
April	4.42	3.32
May	4.25	3.74
June	4.36	3.57
July	4.27	3.71
August	4.32	3.95
September	4.16	3.71
October	4.85	4.05
November	5.08	4.61
December	6.12	4.97
2014		
January	6.77	5.81
February	7.05	5.93
March	8.49	6.29
April (Up to Latest Practicable Date)	7.40	6.43

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Resolution and in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Buy-back Proposal if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Buy-back Proposal is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to buy-back Shares pursuant to the Buy-back Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. ZHAO John Huan was interested in 4,062,308,403 Shares through controlled corporations, representing approximately 72.72% of the issued Shares. Based on such shareholdings and in the event that the Directors exercised in full the power to buy-back Shares pursuant to the Buy-back Mandate, the interest of Mr. ZHAO John Huan would be increased to approximately 80.80% of the issued Shares.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any buy-back made under the Buy-back Proposal. The Company will not buy-back Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

7. SHARES BUY-BACK MADE BY THE COMPANY

The Company had not bought-back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The following are the particulars of the retiring Directors proposed to be re-elected at the Annual General Meeting in accordance with the Articles of Association:

Mr. WANG Jinxu

Mr. WANG, aged 43, joined the Group in 1999 and is currently a senior vice president of the Group responsible for products research, development and production commercialisation. Mr. WANG Jinxu holds a bachelor's degree in chemistry from Hebei University, a master's degree in chemical engineering from Hebei University of Technology and a doctorate in chemical engineering from Tianjin University, and has more than 15 years of technical and management experience in the pharmaceutical industry.

Mr. WANG has entered into a service contract as an executive Director for a term of three years from 10 June 2013. He is also subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association. His director's fee is to be determined by the Board and to be authorized by the Shareholders at the annual general meeting with reference to his performance and responsibilities, performance of the Group and prevailing market practices. Mr. WANG received a director's fee of HK\$35,000 and other emoluments of HK\$3,375,000 for the year ended 31 December 2013 since his appointment on 10 June 2013.

As at the Latest Practicable Date, Mr. WANG has personal interests in share options granted under the Company's share option scheme to subscribe for 3,000,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance ("SFO").

Save as disclosed above, Mr. WANG (i) has not held any other positions with any members of the Group; (ii) is not related to any Director, senior management, substantial Shareholders or controlling Shareholders or other members of the Group; (iii) is not interested in the Shares within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. WANG has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. FENG Zhenying

Mr. FENG, aged 58, was appointed as an executive Director in 2003. He is also a director of certain subsidiaries of the Group. He graduated from Hebei Chemical College and has extensive technical and management experience in the pharmaceutical industry.

Mr. FENG has entered into a service contract as an executive Director for a term of three years from 1 April 2012. He is also subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association. His director's fee is to be determined by the Board and to be authorized by the Shareholders at the annual general meeting with reference to his performance and responsibilities, performance of the Group and prevailing market practices. Mr. FENG received a director's fee of HK\$60,000 and other emoluments of HK\$3,375,000 for the year ended 31 December 2013.

As at the Latest Practicable Date, Mr. FENG has personal interests in share options granted under the Company's share option scheme to subscribe for 3,000,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. FENG (i) has not held any other positions with any members of the Group; (ii) is not related to any Director, senior management, substantial Shareholders or controlling Shareholders or other members of the Group; (iii) is not interested in the Shares within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. FENG has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. WANG Zhenguo

Mr. WANG, aged 44, was appointed as an executive Director in 2012. Mr. WANG holds a bachelor degree in chemistry from Nankai University and has extensive technical and management experience in the pharmaceutical industry.

Mr. WANG has entered into a service contract as an executive Director for a term of three years from 1 April 2012. He is also subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles

of Association. His director's fee is to be determined by the Board and to be authorized by the Shareholders at the annual general meeting with reference to his performance and responsibilities, performance of the Group and prevailing market practices. Mr. WANG received a director's fee of HK\$60,000 and other emoluments of HK\$3,375,000 for the year ended 31 December 2013.

As at the Latest Practicable Date, Mr. WANG has personal interests in share options granted under the Company's share option scheme to subscribe for 3,000,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. WANG (i) has not held any other positions with any members of the Group; (ii) is not related to any Director, senior management, substantial Shareholders or controlling Shareholders or other members of the Group; (iii) is not interested in the Shares within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. WANG has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. LEE Ka Sze, Carmelo

Mr. LEE, aged 53, was appointed as a non-executive Director in 1996, re-designated as an independent non-executive Director in 1998 and further re-designated as a non-executive Director in 2004. He is also a member of the Audit Committee and Remuneration Committee and the Company Secretary of the Company. Mr. LEE holds a bachelor of laws degree from The University of Hong Kong. He is a practising solicitor and a partner of Woo, Kwan, Lee & Lo. Mr. LEE is currently the chairman of the Listing Committee of the Stock Exchange and a member of the SFC (HKEC) Committee.

Mr. LEE is also a non-executive director of Hopewell Holdings Limited, Yugang International Limited, Y.T. Realty Group Limited, Safety Godown Company, Limited, Termbray Industries International (Holdings) Limited and an independent non-executive director of Esprit Holdings Limited, KWG Property Holding Limited and Ping An Insurance (Group) Company of China, Ltd. all of the above companies are listed on the Stock Exchange.

Mr. LEE has entered into a service contract as non-executive Director for a term of two years from 1 January 2013. He is also subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association. His director's fee is to be determined by the Board and to be authorised by the Shareholders at the annual general meeting with reference to his performance and responsibilities and prevailing market practices. Mr. LEE received director's fee of HK\$300,000 for the year ended 31 December 2013.

Save as disclosed above, Mr. LEE (i) has not held any other positions with any members of the Group; (ii) is not related to any Director, senior management, substantial Shareholders or controlling Shareholders of the Company or other members of the Group; (iii) is not interested in the Shares within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. LEE has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. CHAN Siu Keung, Leonard

Mr. CHAN, aged 56, was appointed as an independent non-executive Director in 2004. He is also the Chairman of the Audit Committee and the Remuneration Committee and a member of the Nomination Committee of the Company. He is a qualified accountant and a member of the Institute of Chartered Accountants of Ontario. He holds a master of business administration degree from York University, Ontario, Canada and has extensive experience in finance and investment. Mr. CHAN is also an executive director of Tern Properties Company Limited which is listed on The Stock Exchange of Hong Kong Limited.

Mr. CHAN has entered into a service contract as independent non-executive Director for a period of two years from 1 January 2013. He is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association. His director's fee is to be determined by the Shareholders at the annual general meeting with reference to his performance and responsibilities and prevailing market practices. Mr. CHAN received director's fee of HK\$150,000 for the year ended 31 December 2013.

Save as disclosed above, Mr. CHAN (i) has not held any other positions with any members of the Group; (ii) is not related to any Director, senior management, substantial Shareholders or controlling Shareholders or other members of the Group; (iii) is not interested in the Shares within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. CHAN has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CSPC

CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(“the Company”)

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 1093)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of the Company will be held at Regus Business Centre, 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 20 May 2014 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements, the report of the directors and the independent auditor’s report for the year ended 31 December 2013;
2. To declare a final dividend of HK8 cents per share for the year ended 31 December 2013;
3. (a) To re-elect the following directors:
 - (i) Mr. WANG Jinxu as executive director;
 - (ii) Mr. FENG Zhenying as executive director;
 - (iii) Mr. WANG Zhenguo as executive director;
 - (iv) Mr. LEE Ka Sze, Carmelo as non-executive director;
- (b) To re-elect Mr. CHAN Siu Keung, Leonard (who has served as an independent non-executive director for more than 9 years) as an independent non-executive director;
- (c) To authorize the board of directors to fix the remuneration of directors;
4. To re-appoint auditor and to authorise the board of directors to fix the remuneration of auditor;

NOTICE OF ANNUAL GENERAL MEETING

5. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy-back shares of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which the directors of the Company are authorised to buy-back pursuant to the approval in paragraph (a) above shall not exceed 10% of the issued shares of the Company as at the date of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; shall not exceed 20% of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares (including bonds, warrants and debentures convertible into shares of the Company) open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

7. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** subject to the passing of the resolution nos. 5 and 6 set out in the notice convening the meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to resolution no.6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate number of the shares of the Company bought-back by the Company under the authority granted pursuant to resolution no.5 set out in the notice convening this meeting, provided that such amount of shares so bought-back shall not exceed 10% of the issued share of the Company as at the date of the said resolution.”

By Order of the Board
CSPC Pharmaceutical Group Limited
CAI Dongchen
Chairman

Hong Kong, 10 April 2014

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the meeting shall be entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company but must attend the meeting in person to represent you.
2. To be valid, the proxy form together with any power of attorney or other authority (if any) under which it is signed or a notorially certified copy of that power or authority must be lodged with the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Thursday, 15 May 2014 to Tuesday, 20 May 2014 both days inclusive, during which period no transfer of shares Company will be effected. In order to determine the identity of members who are entitled to attend and vote at the annual general meeting to be held on Tuesday, 20 May 2014, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 14 May 2014.
4. The register of members of the Company will be closed from Tuesday, 27 May 2014 to Wednesday, 28 May 2014 both days inclusive, during which period no transfer of shares Company will be effected. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 26 May 2014.
5. With regard to item no. 3 in this notice, the Board proposes that the retiring directors, namely Mr. WANG Jinxu, Mr. FENG Zhenying, Mr. WANG Zhenguo, Mr. LEE Ka Sze, Carmelo and Mr. CHAN Siu Keung, Leonard be re-elected as directors of the Company. Details of such retiring directors are set out in Appendix II to the circular to shareholders dated 10 April 2014.
6. Voting for the ordinary resolutions set out in the notice will be taking by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

As at the date of this notice, the Board comprises Mr. CAI Dongchen, Mr. FENG Zhenying, Mr. CHAK Kin Man, Mr. PAN Weidong, Mr. ZHAO John Huan, Mr. WANG Shunlong, Mr. WANG Huaiyu, Mr. LU Jianmin, Mr. WANG Zhenguo and Mr. WANG Jinxu as executive Directors; Mr. LEE Ka Sze, Carmelo as non-executive Director and Mr. HUO Zhenxing, Mr. QI Moujia, Mr. CHAN Siu Keung, Leonard, Mr. WANG Bo and Mr. ZHANG Fawang as independent non-executive Directors.