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## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a 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 CStone Pharmaceuticals, you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**CStone Pharmaceuticals**

**基石藥業**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2616)**

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

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A notice convening the AGM of CStone Pharmaceuticals to be held at Floor 32, Building B, The New Bund World Trade Center Phase I, No. 5, Lane 255, Dong Yu Road, Pudong New District, Shanghai, China on Wednesday, June 25, 2025 at 10:00 a.m. is set out on pages 17 to 22 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cstonepharma.com](http://www.cstonepharma.com)).

Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM (i.e. by no later than 10:00 a.m. on Monday, June 23, 2025). Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the AGM or any adjournment thereof if they so wish and in such event, the form of proxy shall be deemed to be revoked.

Holders of treasury Shares, if any, have no voting rights at the general meeting(s) of the Company for the purpose of the Listing Rules.

June 3, 2025

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Floor 32, Building B, The New Bund World Trade Center Phase I, No. 5, Lane 255, Dong Yu Road, Pudong New District, Shanghai, China on Wednesday, June 25, 2025 at 10:00 a.m. or any adjournment thereof, the notice of which is set out on pages 17 to 22 of this circular
“Articles of Association”	the sixth amended and restated memorandum and articles of association of the Company, adopted on June 18, 2024 by Shareholders of the Company, as amended from time to time
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Company”	CStone Pharmaceuticals, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Compensation Committee”	the compensation committee of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares (including any sale or transfer of treasury Shares out of treasury) of not exceeding 20% of the total number of Shares in issue (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the AGM as set out on pages 17 to 22 of this circular

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## DEFINITIONS

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“Latest Practicable Date”	June 2, 2025, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Nomination Committee”	the nomination committee of the Company
“SFO”	the Securities and Futures Ordinance, (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of par value of US\$0.0001 each in the capital of the Company which include treasury Share(s), if any (for the avoidance of doubt and for the purpose of the Listing Rules, the holders of treasury Shares have no voting rights at the general meeting(s) of the Company)
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of Shares in issue (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the AGM as set out on pages 17 to 22 of this circular
“Share Incentivization Schemes”	the Pre-IPO Incentivization Plan, Post-IPO ESOP and Post-IPO RSU Scheme of the Company. For details, please refer to the annual report of the Company for the year ended December 31, 2024
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy Committee”	the strategy committee of the Company
“subsidiary” or “subsidiaries”	shall have the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission, as amended from time to time

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## DEFINITIONS

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“treasury Shares”	has the meaning ascribed to it under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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## LETTER FROM THE BOARD

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**CStone Pharmaceuticals**

**基石藥業**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2616)**

*Executive Director:*

Dr. Jianxin Yang (*Chief Executive Officer*)

*Non-executive Directors:*

Dr. Wei Li (*Chairman*)

Mr. Kenneth Walton Hitchner III

Mr. Xianghong Lin

Mr. Edward Hu

*Independent non-executive Directors:*

Dr. Paul Herbert Chew

Mr. Ting Yuk Anthony Wu

Mr. Hongbin Sun

Ms. Yip Betty Ho

*Registered office:*

The offices of Vistra (Cayman) Limited

P.O. Box 31119, Grand Pavilion

Hibiscus Way, 802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

*Head Office and Principal Place  
of Business in China:*

C1 Building, North Block

218 Xinghu Str.

Suzhou Industrial Park

China

*Principal place of business in Hong Kong:*

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

June 3, 2025

*To the Shareholders*

Dear Sir or Madam

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

**1. INTRODUCTION**

The purpose of this circular is to provide you with information regarding the following proposals to be put forward at the AGM for the approval of, among other matters, (i) the grant to the Directors of Issuance Mandate and Share Buy-back Mandate to issue Shares and buy back Shares; (ii) the re-election of the retiring Directors; and (iii) the re-appointment of auditor.

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## LETTER FROM THE BOARD

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### 2. GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES

At the annual general meeting of the Company held on June 18, 2024, general mandates were granted to the Directors to issue and buy back Shares. Such mandates will lapse at the conclusion of the AGM. In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution no. 5 will be proposed at the AGM to grant to the Directors the Issuance Mandate to exercise the powers of the Company to allot and issue new Shares (including any sale or transfer of treasury Shares out of treasury) in the share capital of the Company of up to 20% of the total number of Shares in issue (excluding any treasury Shares) as at the date of the passing of the proposed ordinary resolution in relation to the Issuance Mandate. As at the Latest Practicable Date, the Company had 1,364,397,235 Shares in issue (excluding any treasury Shares). Subject to the passing of the ordinary resolution no. 5 and on the basis that there is no change to the number of issued Shares before the AGM, the Company will be allowed to issue a maximum of 272,879,447 Shares. In addition, subject to a separate approval of the ordinary resolution no. 7, the number of Shares bought back and subsequently cancelled by the Company under ordinary resolution no. 6 will also be added to the aggregate number of issued Shares under the Issuance Mandate as mentioned in the ordinary resolution no. 5. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issuance Mandate, other than Shares which may fall to be allotted and issued upon the exercise of any options or the settlement of any restricted share units granted under the Share Incentivization Schemes. For more details about the Share Incentivization Schemes, please refer to the 2024 annual report published by the Company.

In addition, an ordinary resolution will be proposed at the AGM to approve the Share Buy-back Mandate to the Directors to exercise the powers of the Company to buy back Shares, representing up to 10% of the total number of Shares in issue (excluding any treasury Shares) as at the date of the passing of the proposed ordinary resolution in relation to the Share Buy-back Mandate. As at the Latest Practicable Date, the Company had 1,364,397,235 Shares in issue (excluding any treasury Shares). Subject to the passing of the ordinary resolution no. 6 and on the basis that there is no change to the number of issued Shares before the AGM, the Company will be allowed to buy back a maximum of 136,439,723 Shares. The Directors do not have any immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate. The Company may cancel such Shares bought back and/or hold them as treasury Shares, subject to market conditions and the Company's capital management needs at the relevant time any Shares are bought back.

An explanatory statement required by the Listing Rules in connection with the Share Buy-back Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

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## LETTER FROM THE BOARD

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### 3. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 16.19 of the Articles of Association, the number of Directors retiring by rotation at each annual general meeting shall not be less than one-third of the Directors for the time being, and any retiring Director shall be eligible for re-election at the same annual general meeting. Accordingly, Dr. Wei Li, Mr. Xianghong Lin and Dr. Paul Herbert Chew will retire by rotation at the AGM.

Mr. Xianghong Lin and Dr. Paul Herbert Chew will not seek for re-election at the AGM as they intend to focus and devote more time to their other work commitments. Dr. Wei Li, being eligible, will offer himself for re-election at the AGM.

Mr. Xianghong Lin and Dr. Paul Herbert Chew will retire as a non-executive Director and an independent non-executive Director respectively with effect from the conclusion of the AGM. As such, Mr. Xianghong Lin will no longer be a non-executive Director and Dr. Paul Herbert Chew will no longer be an independent non-executive Director, and a member of the Audit Committee, the Compensation Committee, the Nomination Committee and the Strategy Committee. Mr. Xianghong Lin and Dr. Paul Herbert Chew have respectively confirmed that they have no disagreement with the Board and there is no matter relating to their retirement that needs to be brought to the attention of the Shareholders and the Stock Exchange.

In accordance with Article 16.2 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly, Ms. Yip Betty Ho, who was appointed as an independent non-executive Director by the Board on December 30, 2024, shall hold office until the AGM and shall be eligible to offer herself for re-election as the Director at the AGM.

The Nomination Committee has reviewed the structure and composition of the Board, the qualifications, skills, knowledge and experience, time commitment and contributions of the above retiring Directors, having regard to the nomination policy and the board diversity policy of the Company. The Nomination Committee is of the view that the above Directors (subject to retirement and re-election at the AGM) have extensive experience in different fields and professions that are relevant to the Company's business. In addition, their respective background, experience and knowledge allow them to provide valuable and relevant insights and contribute to the diversity of the Board; and their performance was satisfactory and they contributed effectively to the operation of the Board. Accordingly, the Nomination Committee has recommended them to the Board for re-election and the Board has endorsed the recommendation of the Nomination Committee and recommended them to stand for re-election at the AGM.



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## LETTER FROM THE BOARD

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Ms. Yip Betty Ho has confirmed to the Company that (i) she meets the independence criteria as set out in Rule 3.13 of the Listing Rules; (ii) she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the Listing Rules) of the Company; and (iii) there are no other factors that may affect her independence. The Nomination Committee and the Board has assessed and reviewed the written confirmation of independence of Ms. Yip Betty Ho who has offered herself for re-election at the AGM based on the independence criteria as set out in Rule 3.13 of the Listing Rules and is satisfied that she remains independent in accordance with Rule 3.13 of the Listing Rules. Ms. Yip Betty Ho is not involved in the daily management of the Company nor in any relationships which would interfere with the exercise of her independent judgment.

In addition, taking into consideration of the diversity perspectives (including but not limited to gender, age, cultural and educational background, professional experience, length of service, skills and knowledge) and the current public directorship held by her, the Board is satisfied that Ms. Yip Betty Ho is of such character, integrity and experience commensurate with the office of an independent non-executive Director. The Board believes that she will be able to devote sufficient time to the Board and will continue to provide independent, balanced and objective view to the Company's affairs. Accordingly, the Nomination Committee recommended to the Board, and the Board has considered, the re-election of Dr. Wei Li and Ms. Yip Betty Ho.

The Board is of the view that each of the Directors proposed to be re-elected has extensive working experience in the industry and will contribute to the Group in promoting diversity of the Board. The biographical details of the Directors who are subject to re-election at the AGM are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

#### **4. RE-APPOINTMENT OF AUDITOR**

The Board, upon the recommendation of the Audit Committee, proposed to re-appoint Deloitte Touche Tohmatsu as the independent external auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company. The proposed re-appointment of auditor was deliberated on and approved at the meeting of the Board held on March 27, 2025 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

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## LETTER FROM THE BOARD

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### **5. CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Friday, June 20, 2025 to Wednesday, June 25, 2025, both days inclusive, during which period no share transfers can be registered.

In order to be eligible for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share 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 not later than 4:30 p.m. on Thursday, June 19, 2025.

### **6. NOTICE OF ANNUAL GENERAL MEETING**

The notice of the AGM is set out on pages 17 to 22 of this circular.

### **7. FORM OF PROXY**

A form of proxy is enclosed for use at the AGM. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cstonepharma.com](http://www.cstonepharma.com)). Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the AGM (i.e. by no later than 10:00 a.m. on Monday, June 23, 2025). Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the AGM if they so wish and in such event, the form of proxy shall be deemed to be revoked.

### **8. VOTING BY POLL**

Any vote of shareholders at a general meeting must be taken by poll in accordance with the Listing Rules and the Articles of Association. The chairman of the AGM shall therefore demand voting on all resolutions set out in the notice of AGM be taken by way of poll pursuant to Article 13.7 of the Articles of Association. Separately and for the purpose of the Listing Rules, holders of treasury Shares (if any) shall abstain from voting on matters that require Shareholders' approval at the Company's general meetings.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each share registered in his/her name in the register. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way. As at the Latest Practicable Date, to the extent the Company is aware, having made all reasonable enquiries, no Shareholder has to abstain from voting on any of the proposed resolutions. The results of the poll will be published on the websites of the Stock Exchange and the Company after conclusion of the AGM in the manner prescribed under the Listing Rules.

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## LETTER FROM THE BOARD

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### 9. 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 or this circular misleading.

### 10. RECOMMENDATION

The Directors consider that the proposed resolutions as set out in the notice of the AGM are in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully  
By order of the Board  
**CStone Pharmaceuticals**  
**Dr. Wei Li**  
*Chairman*

*The following are the biographical details of the Directors (as required by the Listing Rules) who will retire and are eligible to offer themselves to be re-elected at the AGM.*

**DIRECTOR CANDIDATES****Non-executive Director**

**Dr. Wei Li (李偉), Ph.D.**, aged 53, is our Chairman of Board. He has been our Director since December 2015 and was re-designated as a non-executive Director on October 29, 2018, and was re-elected as a non-executive Director on June 21, 2023. Dr. Li took up the role of Chairman and the chairman of the Nomination Committee on May 31, 2022. Dr. Li is a member of the Compensation Committee. Dr. Li also acts as a director in certain of our subsidiaries.

Dr. Li has over 20 years of experience in the biotech industry. He serves as a partner of Creacion Ventures since April 2020 and the managing partner of 6 Dimensions Capital, L.P. since October 2017 and is a founding partner and the managing partner of WuXi Healthcare Ventures II, L.P. since July 2015. Dr. Li served as an executive director of Ocumension Therapeutics (歐康維視生物), a company listed on the Stock Exchange (stock code: 1477), from April 2018 to July 2021 and re-designated as a non-executive director from July 2021 to January 2025.

During his scientific research career, Dr. Li has first-authored numerous scientific publications in journals including Science, Proceedings of the National Academy of Sciences, and Journal of Biological Chemistry.

Dr. Li received a Ph.D. in chemistry from Harvard University in the United States in November 1998, and a master's degree in business administration from the J. L. Kellogg School of Management at Northwestern University in the United States in June 2003. He graduated with a bachelor of science in chemical physics from the University of Science and Technology of China (中國科學技術大學) in Anhui, China in July 1993.

Dr. Li does not have any service contract with the Company and his length of service was not designated. No remuneration has been paid to Dr. Li in respect of the financial year ended December 31, 2024. His remuneration (if any) shall be fixed by the Board and reviewed from time to time taking into consideration recommendation from the Compensation Committee with reference to the performance and profitability of the Company as well as remuneration benchmark in the industry and the prevailing market conditions. Dr. Li is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of Company in accordance with the provision of the Articles of Association.

As at the Latest Practicable Date, Dr. Li was interested in 2,000,000 shares of the Company, which are the options and restricted share units granted to him in accordance with the Share Incentive Schemes, which are required to be disclosed under Part XV of the SFO.

**Independent Non-executive Director**

**Ms. Yip Betty Ho (何曄)**, aged 56, has been an independent non-executive Director since December 30, 2024.

Ms. Ho has extensive experience in public companies, healthcare, merger and acquisitions, private equity across a wide range of industries. Prior to joining the Company, Ms. Ho served as chief strategy officer at DHgate Holdings Limited, a company principally engaged in cross-border e-commerce in China from April 2020 to March 2024. Ms. Ho also served as an independent non-executive director at Ezisurg Medical Co., Ltd. from May 2022 to September 2023.

Ms. Ho served as chief financial officer and director of Phoenix New Media Limited, a company listed on the New York Stock Exchange (NYSE: FENG), from October 2013 to November 2019 and from November 2017 to November 2019, respectively, preceded by her role as chief financial officer at Rock Mobile Corporation since January 2012. Ms. Ho served as chief financial officer at A8 New Media Group Limited (formerly known as A8 Digital Music Holdings Limited), a company formerly listed on the Stock Exchange (HKEX: 800), from July 2007 to January 2011. Ms. Ho was appointed as executive director and redesignated as non-executive director of the board of A8 New Media Group Limited from November 2007 to December 2010 and from December 2010 to May 2011, respectively.

Prior to that, Ms. Ho held various management positions in audit and investment, including chief financial officer and vice president of corporate development at Lorenzo Jewelry Limited, a wholly-owned subsidiary of LJ International, Inc. (NASDAQ: JADE), from 2001 to 2007. Before that, she was an auditor at Arthur Andersen & Co.

Ms. Ho obtained her bachelor's degree in commerce from the University of Toronto in Canada in June 1993. She also completed the Stanford Executive Leadership Program and the Stanford Director's College in the United States through a hybrid of classes in person and distance learning in May 2018. Ms. Ho has been a member of the American Institute of Certified Public Accountants since September 1997.

Ms. Ho entered into a letter of appointment as an independent non-executive Director with the Company for a term of three years. The amount of Ms. Ho's emoluments is disclosed in the notes to the consolidated financial statements of the annual report of the Company. Ms. Ho's remuneration is fixed by the Board and reviewed from time to time taking into consideration recommendation from the Compensation Committee with reference to the performance and profitability of the Company as well as remuneration benchmark in the

industry and the prevailing market conditions. Ms. Ho is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of Company in accordance with the provision of the Articles of Association.

As at the Latest Practicable Date, Ms. Ho did not have any interest in the Shares, underlying Shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed herein, to the best knowledge of the Company, none of the Directors who stands for re-election (i) holds any directorships in other listed public companies in Hong Kong or overseas in the last three years; (ii) holds any other positions with the Company and its subsidiaries; and (iii) has any other relationship with any Directors, senior management of the Company, substantial Shareholders or controlling Shareholders.

In addition, as far as the Directors are aware, there is no other matter concerning the aforementioned retiring Directors that needs to be brought to the attention of the Shareholders and there is no information relating to these Directors required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

*The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Share Buy-back Mandate.*

## **LISTING RULES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to buy back their shares on the Stock Exchange subject to certain restrictions if, among other things:

- (a) the shares proposed to be bought back by the company are fully paid-up;
- (b) the company has previously sent to its shareholders an explanatory statement complying with the provisions of Rule 10.06(1)(b) of the Listing Rules; and
- (c) the shareholders of the company have given a specific approval or a general mandate to the directors of the company to make the Share buy-back, by way of an ordinary resolution which complies with Rule 10.06(1)(c) of the Listing Rules and which has been passed at a general meeting of the company duly convened and held.

The company must report the outcome of the general meeting called to consider the proposed buy-back to the Stock Exchange immediately following the meeting.

## **SHARE CAPITAL**

As at the Latest Practicable Date, the Company had 1,364,397,235 Shares in issue and fully paid-up. It is proposed that, subject to the passing of the resolution granting the Share Buy-back Mandate and on the basis that there is no change to the number of the issued Shares before the AGM, the Directors would be authorized under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a maximum of 136,439,723 Shares which represent 10% of the total number of Shares in issue (excluding any treasury Shares) as at the date of the AGM.

Since the amendment of the Listing Rules on June 11, 2024, the Company may cancel the Shares bought back and/or hold them as treasury Shares, subject to market conditions and the Company's capital management needs at the relevant time any Share buyback is made. If the Company holds any treasury Shares, any sale or transfer of treasury Shares out of treasury will be subject to the terms of the Issuance Mandate and made in accordance with the Listing Rules and applicable laws and regulations of the Cayman Islands.

To the extent that any treasury Shares are deposited with the Central Clearing and Settlement System ("CCASS") pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares. The Company (i) will not (or will procure

its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury Shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

### **REASONS FOR AND FUNDING OF THE SHARE BUY-BACK**

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to buy back its Shares on the Stock Exchange. Such Share buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

The Company is empowered by its Articles of Association to buy back its Shares. The Company may only apply funds legally available for such purpose in accordance with its Articles of Association and laws of the Cayman Islands and/or any other applicable laws (as the case may be).

The Directors would only exercise the power to buy back Shares in circumstances where they consider that the Share buy-back would be in the best interests of the Company.

The Directors propose that Share buy-back would be appropriately financed by the Company's internal resources and/or available banking facilities. The Directors consider that if the Share Buy-back Mandate is exercised in full at the current prevailing market value, it may have a material adverse impact on the working capital and the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at December 31, 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Share Buy-back Mandate 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.

### **GENERAL**

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company, if the Share Buy-back Mandate is exercised.

The Directors will exercise the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.



No core connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Share Buy-back Mandate is exercised.

If as a result of a buy-back of Shares, 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 the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any buy-back of Shares pursuant to the Share Buy-back Mandate.

As at the Latest Practicable Date, the largest Shareholder, WuXi Healthcare Ventures II, L.P. directly held 293,381,444 Shares, representing approximately 21.50% of the total number of Shares in issue. To the best knowledge of the Company, WuXi Healthcare Ventures II, L.P. is a limited partnership established under the laws of Cayman Islands managed by its sole general partner, WuXi Healthcare Management, LLC, a Cayman Islands exempted company in which each of its five members holds an equal share of equity interest. For the purpose of the SFO, WuXi Healthcare Management, LLC is deemed to have an interest in the Shares held by WuXi Healthcare Ventures II, L.P.. In the event that the Directors exercise in full the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate, the shareholding interests of WuXi Healthcare Ventures II, L.P. and WuXi Healthcare Management, LLC would increase from approximately 21.50% to approximately 23.89%. Such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Share Buy-back Mandate to such an extent so as to trigger a mandatory offer.

In addition, the Directors do not have any intention to exercise the Share Buy-back Mandate to the effect that it will result in the public float to fall below the percentage as required under the Listing Rules or such other minimum percentage agreed by the Stock Exchange from time to time.

The Company confirms that neither this explanatory statement nor the proposed share repurchase has any unusual features.

#### **SHARE BUY-BACK MADE BY THE COMPANY**

No buy-back of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

**SHARE PRICES**

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	<b>Highest traded price</b> <i>HK\$</i>	<b>Lowest traded price</b> <i>HK\$</i>
<b>Month 2024</b>		
June	1.39	1.05
July	1.34	1.07
August	1.58	1.18
September	1.95	1.37
October	2.26	1.58
November	2.19	1.76
December	2.78	2.13
<b>Month 2025</b>		
January	2.53	2.02
February	3.88	2.16
March	3.89	3.11
April	3.57	2.03
May	4.19	2.30
June (up to the Latest Practicable Date)	4.19	3.72

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## NOTICE OF ANNUAL GENERAL MEETING

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**CStone Pharmaceuticals**

**基石藥業**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2616)**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting (the “AGM”) of CStone Pharmaceuticals (the “**Company**”) will be held at Floor 32, Building B, The New Bund World Trade Center Phase I, No. 5, Lane 255, Dong Yu Road, Pudong New District, Shanghai, China on Wednesday, June 25, 2025 at 10:00 a.m. for the following purposes:

### **ORDINARY RESOLUTIONS**

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors (“**Directors**”) and auditor of the Company for the year ended December 31, 2024.
2. (i) To re-elect Dr. Wei Li as a non-executive Director; and  
(ii) To re-elect Ms. Yip Betty Ho as an independent non-executive Director.
3. To authorize the board of Directors to fix the remuneration of the Directors.
4. To re-appoint Deloitte Touche Tohmatsu as the auditor of the Company and authorize the board of Directors to fix their remuneration.
5. To consider and, if thought fit, pass the following resolution as an ordinary resolution with or without amendments:

**“That:**

- (i) subject to paragraph (iii) below and in substitution for all previous authorities, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company (including any sale or transfer of treasury Shares out of treasury) or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants, debentures and notes convertible into shares of the Company (the “**Shares**”)) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) or transferred out of treasury by the Directors during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to:
  - (1) a Rights Issue (as hereinafter defined); or
  - (2) the grant or exercise of any option under any option scheme of the Company or any other scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire Shares; or
  - (3) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or
  - (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares,

shall not exceed the 20% of the total number of Shares in issue (excluding any treasury Shares) as at the date of passing this resolution and the said approval shall be limited accordingly; and that this resolution shall be limited by the applicable rules and requirements of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as amended from time to time, including the restrictions for using the issuance mandate to issue (i) securities convertible into new Shares for cash consideration, if the initial conversion price of such convertible securities is lower than the Benchmarked Price (as hereinafter defined) of the Shares at the time of the relevant placing; and (ii) warrants, options or similar rights to subscribe for new Shares or securities convertible into new Shares for cash consideration;

- (iv) in the event the Company conducts a share consolidation or subdivision, the maximum number of Shares that may be issued as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(v) for the purpose of this resolution:

- (a) **“Benchmarked Price”** means the higher of (1) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (2) the average closing price in the five trading days immediately prior to the earlier of: (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate to be approved under this resolution; (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (iii) the date on which the placing or subscription price is fixed;
- (b) **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:
  - (1) the conclusion of the next annual general meeting of the Company;
  - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
  - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company (the **“Shareholders”**) in general meeting;
- (c) **“Rights Issue”** means an offer of Shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of Shares (subject to such exclusion or other arrangements as the Directors 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, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company); and
- (d) any reference to an allotment, issue, grant, offer or disposal of Shares shall include the sale or transfer of treasury Shares (including to satisfy any obligation upon the conversion or exercise of any convertible securities, warrants, options or similar rights to subscribe for shares in the

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## NOTICE OF ANNUAL GENERAL MEETING

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Company) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and applicable laws and regulations.”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution with or without amendments:

“**That:**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Takeovers and Mergers and Share Buy-backs and, subject to and in accordance with all applicable laws and the Listing Rules, be and is hereby generally and unconditionally approved;
- (ii) the total number of Shares, which may be bought back pursuant to the approval in paragraph (i) above shall not exceed 10% of the total number of Shares in issue (excluding any treasury Shares) at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the Shareholders in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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7. To consider and, if thought fit, pass the following resolution as an ordinary resolution with or without amendments:

“**That** conditional upon the resolutions numbered 5 and 6 set out in this notice of AGM being passed, the general mandates granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares (including any sale or transfer of treasury Shares out of treasury) and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the resolution numbered 5 set out in this notice of AGM be and is hereby extended by the addition to the total number of Shares which may be allotted by the Directors pursuant to such general mandates by such number of Shares bought back and subsequently cancelled by the Company under the authority granted pursuant to resolution numbered 6 set out in this notice of AGM, provided that such amount shall not exceed 10% of the total number of Shares in issue (excluding any treasury Shares) at the date of passing of the said resolutions.”

By order of the Board  
**CStone Pharmaceuticals**  
**Dr. Wei Li**  
*Chairman*

Hong Kong, June 3, 2025

*Registered office:*

The offices of Vistra (Cayman)  
Limited  
P.O. Box 31119  
Grand Pavilion Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1-1205  
Cayman Islands

*Head Office and Principal  
Place of Business in China:*

C1 Building, North Block  
218 Xinghu Str.  
Suzhou Industrial Park  
China

*Principal place of business  
in Hong Kong:*

40th Floor  
Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai  
Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

- (i) Ordinary resolution numbered 7 will be proposed to the Shareholders for approval provided that ordinary resolutions numbered 5 and 6 above are passed by the Shareholders.
- (ii) A Shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a Shareholder.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. by no later than 10:00 a.m. on Monday, June 23, 2025) or any adjournment thereof. The completion and return of the form of proxy shall not preclude Shareholders from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish and in such event, the form of proxy shall be deemed to be revoked.
- (v) For determining the entitlement to attend and vote at the above meeting, the transfer books and register of members will be closed from Friday, June 20, 2025 to Wednesday, June 25, 2025 both days inclusive, during which period no Share transfers can be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of Shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share 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 registration not later than 4:30 p.m. on Thursday, June 19, 2025.
- (vi) In respect of ordinary resolutions numbered 2 above, Dr. Wei Li and Ms. Yip Betty Ho shall retire and being eligible, offer themselves for re-election at the above meeting. The biographical details of the above retiring Directors are set out in Appendix I to the accompanied circular dated June 3, 2025.
- (vii) In respect of the ordinary resolution numbered 5 above, the Directors wish to state that they have no immediate plans to issue any new Shares (including any sale or transfer of treasury Shares out of treasury). Approval is being sought from the Shareholders as a general mandate for the purposes of the Listing Rules.
- (viii) In respect of ordinary resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred by the general mandate to buy-back Shares in circumstances which they deem appropriate for the benefits of Shareholders. The explanatory statement containing the information necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the buy-back by the Company of its own Shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated June 3, 2025.

*As at the date of this notice, the board of Directors comprises Dr. Wei Li as Chairman and non-executive director, Dr. Jianxin Yang as executive director, Mr. Kenneth Walton Hitchner III, Mr. Xianghong Lin and Mr. Edward Hu as non-executive directors, and Dr. Paul Herbert Chew, Mr. Ting Yuk Anthony Wu, Mr. Hongbin Sun and Ms. Yip Betty Ho as independent non-executive directors.*