



YiChang HEC ChangJiang Pharmaceutical Co., Ltd.

宜昌東陽光長江藥業股份有限公司

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

(Stock Code: 01558)

30 June 2025

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED CONDITIONAL PRIVATISATION OF YICHANG HEC
CHANGJIANG PHARMACEUTICAL CO., LTD. BY SUNSHINE LAKE
PHARMA CO., LTD. BY WAY OF MERGER BY ABSORPTION OF
YICHANG HEC CHANGJIANG PHARMACEUTICAL CO., LTD.**

(2) PROPOSED SPECIAL DIVIDEND

(3) PROPOSED WITHDRAWAL OF LISTING

INTRODUCTION

We refer to the composite document dated 30 June 2025 jointly issued by the Company and the Offeror (the “**Composite Document**”), of which this letter forms part. Unless the context otherwise requires, terms defined in the Composite Document shall have the same meaning when used in this letter.

We have been appointed by the Board to form the Independent Board Committee to consider and advise the Independent H Shareholders as to whether the terms of the Merger are, or are not, fair and reasonable and as to voting.

Gram Capital has been appointed with the approval of the Independent Board Committee as the Independent Financial Adviser to advise us as to whether or not the terms of the Merger are fair and reasonable so far as the Independent H Shareholders are concerned and as to voting. Details of its advice and the principal factors taken into consideration in arriving at its recommendation are set out in the letter from Gram Capital on pages IFA-1 to IFA-54 of the Composite Document. We also wish to draw your attention to, and advise you to read, the letter from the Board on pages 19 to 64 of the Composite Document, the letter from Gram Capital on pages IFA-1 to IFA-54 of the Composite Document and the appendices to the Composite Document.

We, being the members of the Independent Board Committee, have declared that we are independent and do not have any conflict of interest in respect of the Merger and are therefore able to consider the terms of the Merger and to make recommendations to the Independent H Shareholders.

RECOMMENDATION

Having considered the principal factors and reasons considered by, and the advice of Gram Capital as set out in its letter, we concur with the view of Gram Capital and consider the terms of Merger to be fair and reasonable so far as the Independent H Shareholders are concerned.

Accordingly, we concur with the recommendation of Gram Capital, and would recommend the Independent H Shareholders to vote in favour of the Merger.

Notwithstanding our views and recommendation in respect of the terms of the Merger, the Shareholders are strongly advised to exercise their independent decision on voting at the EGM and the H Shareholders' Class Meeting. If in doubt, the Shareholders should consult their own professional advisers for professional advice.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Yours faithfully,
For and on behalf of
THE INDEPENDENT BOARD COMMITTEE



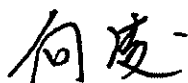
Mr. TANG Jianxin
*Independent non-executive
Director*

Ms. XIANG Ling
*Independent non-executive
Director*

Mr. LI Xuechen
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Yours faithfully,
For and on behalf of
THE INDEPENDENT BOARD COMMITTEE



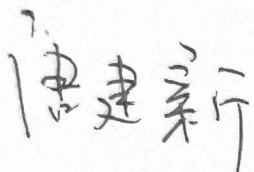
Mr. TANG Jianxin
*Independent non-executive
Director*

Ms. XIANG Ling
*Independent non-executive
Director*

Mr. LI Xuechen
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Yours faithfully,
For and on behalf of
THE INDEPENDENT BOARD COMMITTEE



Mr. TANG Jianxin
*Independent non-executive
Director*

Ms. XIANG Ling
*Independent non-executive
Director*

Mr. LI Xuechen
*Independent non-executive
Director*