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GUSHENGTANG HOLDINGS LIMITED

固生堂控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 2273)

VOLUNTARY ANNOUNCEMENT COOPERATION FRAMEWORK AGREEMENT

This announcement is made by GUSHENGTANG HOLDINGS LIMITED (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business plan and developments of the Group.

COOPERATION FRAMEWORK AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on November 11, 2022, Guangdong Gushengtang Traditional Chinese Medicine Health Technology Co., Ltd. (廣東固生堂中醫養生健康科技股份有限公司) (“**Guangdong Gushengtang**”), a subsidiary of the Company, entered into a non-legally binding cooperation framework agreement (the “**Corporation Framework Agreement**”) with the People’s Government of Pan’an County, Zhejiang Province (浙江省磐安縣人民政府) (the “**Pan’an Government**”), Zhejiang Financial Holding Investment Management Co., Ltd. (浙江金控投資管理有限公司) (“**Zhejiang Financial Holding**”), Zhejiang Provincial Traditional Chinese Medicine & Health Industry Group Co., Ltd. (浙江省中醫藥健康產業集團有限公司) (“**Zhejiang TCM Group**”), Jinhua Municipal Jintou Group Co., Ltd. (金華市金投集團有限公司) (“**Jintou Group**”) and Shanghai Jinpu Jianfu Equity Investment Management Co., Ltd. (上海金浦健服股權投資管理有限公司) (“**Jinpu Jianfu**”).

Pursuant to the Corporation Framework Agreement, (i) the parties intend to jointly promote the establishment of the Zhejiang Provincial Common Wealth (Jinhua Pan’an) TCM Industry Investment Fund (浙江省共同富裕(金華磐安)中醫藥產業投資基金) with a size of RMB1 billion (with RMB500 million as the initial fund) for the purpose of investing in the traditional Chinese medicine and health industry; (ii) the parties intend to establish the Traditional Chinese Medicine and Health Industry (Pan’an) Co., Ltd. (中醫醫療產業(磐安)有限責任公司) (tentative name) as a regional headquarters in Zhejiang Province, and to build it into a large-scale traditional Chinese medicine (“**TCM**”) medical service operation platform in the Yangtze River Delta region; (iii) Guangdong Gushengtang and Pan’an County will work closely to explore on the fixed-point planting and targeted procurement in relation to the characteristic advantageous Chinese herbal medicines including “Eight Chinese Herbal Medicines in Zhejiang” (浙八味) and “Five Chinese Herbal Medicines in Pan’an” (磐五味); (iv) an online TCM hospital is proposed to be established

based on the offline medical institutions in Pan'an and the Guangdong Gushengtang; and (v) a cooperation is proposed to be established between Guangdong Gushengtang and Zhejiang Chinese Medical University (浙江中醫藥大學) to promote in the fields of talent training, research and development of new drugs, medical partnership innovation, specialised alliance, multi-site practice at the grassroots level by experts and professors of Zhejiang Chinese Medical University (浙江中醫藥大學) and its affiliated hospitals, construction of the renowned physician project (名醫堂工程) in Zhejiang Province, and accelerate the construction of the renowned physician project (名醫堂工程). The Corporation Framework Agreement is a non-legally binding framework agreement and a guidance of the long-term cooperation among the parties in the future. The parties shall enter into separate agreements in accordance with the content and intention of the Corporation Framework Agreement when cooperating on a specific project.

BACKGROUND OF OTHER SIGNING PARTIES

The Pan'an Government is a government institution. Zhejiang Financial Holding is a company incorporated in the People's Republic of China (the "PRC") with limited liability, principally engaged in industrial investment, investment management and investment consulting in the PRC, and is a government fund investment management and operation platform under Zhejiang Provincial Financial Holding Co., Ltd. (浙江省金融控股有限公司). Zhejiang TCM Group is a company incorporated in the PRC with limited liability, principally engaged in pharmaceutical production, sales and industrial investment in the PRC, and is a life and health industry investment and development platform established by Zhejiang Provincial International Trade Group Co., Ltd. (浙江省國際貿易集團有限公司). Jintou Group is a company incorporated in the PRC with limited liability, principally engaged in equity investment, fund investment, asset management and comprehensive financial services in the PRC, and is a state-owned enterprise affiliated to Jinhua Municipality. Jinpu Jianfu is a company incorporated in the PRC with limited liability, principally engaged in equity investment management, asset management and investment management in the PRC, and is a private equity fund manager of medical and health service industry.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the aforesaid entities and their ultimate beneficial owners are third parties independent of the Group and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")).

REASONS FOR ENTERING INTO THE COOPERATION FRAMEWORK AGREEMENT

The Group is committed to providing high-quality TCM healthcare services and products to a larger customer base. The entering into of the Corporation Framework Agreement is in line with the Group's strategy to expand its online and offline medical institution network and to further enhance the Group's influence in the TCM service sector. In response to the nation-wide promotion for the development of a "Healthy China", and in order to promote the culture of TCM and support the development of TCM healthcare industry and business expansion of the Group, the Group entered into the Corporation Framework Agreement with the parties. Therefore, the Board is of the view that this strategic cooperation is in the interests of the Company and its shareholders as a whole.

GENERAL

The Board wishes to emphasize that the implementation of the cooperation and transactions contemplated under the Corporation Framework Agreement is subject to the execution of specific agreement(s), and the aforesaid cooperation may or may not proceed. As of the date of this announcement, no transaction has been entered into pursuant to the Corporation Framework Agreement. In the event that any legally binding agreement is signed, the Company will make further announcement(s) as and when necessary to comply with the Listing Rules.

Shareholders and potential investors of the Company should note that the strategic cooperation under the Corporation Framework Agreement may or may not proceed, and are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
GUSHENGTANG HOLDINGS LIMITED
固生堂控股有限公司
Tu Zhiliang
Chairman of the Board

Hong Kong, November 11, 2022

As at the date of this announcement, the Board of the Company comprises Mr. TU Zhiliang as Chairman and executive Director, Mr. JIANG Xiaodong, Mr. HUANG Jingsheng, Mr. XU Yongjiu, Mr. LIU Kanghua and Mr. GAO Jian as non-executive Directors, Ms. JIN Xu, Mr. LI Tie and Mr. WU Taibing as independent non-executive Directors.