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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 ACQUISITION OF 100% EQUITY INTERESTS IN (A) SHANGHAI JUYAN AND (B) AIMIN CLINIC

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 developments of the Group.

ACQUISITION OF 100% EQUITY INTERESTS IN SHANGHAI JUYAN

The board (the “**Board**”) of the directors (the “**Directors**”) is pleased to announce that on December 28, 2023, 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 an equity transfer agreement (the “**Shanghai Juyan Equity Transfer Agreement**”) with, amongst other, the shareholders (the “**Shanghai Juyan Sellers**”) of Shanghai Juyan Healthcare Management Consulting Co., Ltd. (上海巨衍健康管理諮詢有限公司) (“**Shanghai Juyan**”), pursuant to which Guangdong Gushengtang conditionally agreed to acquire, and the Shanghai Juyan Sellers conditionally agreed to sell 100% equity interest in Shanghai Juyan (the “**Shanghai Juyan Acquisition**”) at a consideration of RMB12,300,000 (the “**Shanghai Juyan Consideration**”).

Upon completion of the Shanghai Juyan Acquisition, Shanghai Juyan and its wholly-owned subsidiary, Shanghai Juyan TCM Out-patient Co., Ltd. (上海巨衍中醫門診部有限公司) (the “**Juyan TCM**”), will become indirect wholly-owned subsidiaries of the Company, and the financial results of Shanghai Juyan and Juyan TCM will be consolidated into the consolidated financial statements of the Group. The Company will make further announcement(s) to update the latest progress of the Shanghai Juyan Acquisition as and

when necessary in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

ACQUISITION OF 100% EQUITY INTERESTS IN AIMIN CLINIC

The Board is pleased to announce that on December 28, 2023, Guangdong Gushengtang, a subsidiary of the Company, entered into an equity transfer agreement (the “**Suzhou Aimin Equity Transfer Agreement**”) with, amongst other, the shareholder (the “**Suzhou Aimin Seller**”) of Suzhou Gusu Aimin Clinic Co., Ltd. (蘇州姑蘇愛民診所有限公司) (“**Aimin Clinic**”), pursuant to which Guangdong Gushengtang conditionally agreed to acquire, and the Suzhou Aimin Seller conditionally agreed to sell 100% equity interest in Aimin Clinic (the “**Suzhou Aimin Acquisition**”) at a consideration of RMB11,000,000 (the “**Suzhou Aimin Consideration**”).

Upon completion of the Suzhou Aimin Acquisition, Aimin Clinic will become an indirect wholly-owned subsidiary of the Company, and the financial results of Aimin Clinic will be consolidated into the consolidated financial statements of the Group. The Company will make further announcement(s) to update the latest progress of the Suzhou Aimin Acquisition as and when necessary in accordance with the Listing Rules.

INFORMATION ABOUT SHANGHAI JUYAN AND AIMIN CLINIC

Shanghai Juyan is a holding company which holds 100% equity interest in Juyan TCM. Juyan TCM is principally engaged in the provision of general traditional Chinese medicine (“**TCM**”) service in Shanghai. As at the date of this announcement, Shanghai Juyan TCM Out-patient Department (上海巨衍中醫門診部) (together with Shanghai Juyan and Juyan TCM, the “**Juyan TCM Out-patient**”) has been qualified as a medical institution designated by the relevant medical insurance authority that is permitted to treat patients covered by public medical insurance programs.

Aimin Clinic is principally engaged in the provision of general TCM service in Suzhou. As at the date of this announcement, Suzhou Gusu Aimin Clinic (蘇州姑蘇愛民診所) (together with Aimin Clinic, the “**Suzhou Aimin**”) has been qualified as a medical institution designated by the relevant medical insurance authority that is permitted to treat patients covered by public medical insurance programs.

REASONS FOR AND BENEFITS OF THE SHANGHAI JUYAN ACQUISITION AND THE SUZHOU AIMIN ACQUISITION

The Shanghai Juyan Acquisition and the Suzhou Aimin Acquisition are in line with the Group's expansion strategies to expand our offline medical institution network through acquisition provided that the Company is of the view that the Shanghai Juyan Acquisition and the Suzhou Aimin Acquisition will, amongst others, (i) enhance our market share in Shanghai and Suzhou, Jiangsu Province and (ii) bring synergy effects between Juyan TCM Out-patient, Suzhou Aimin and other offline medical institutions and online healthcare platforms of the Group.

The Shanghai Juyan Consideration was determined between Guangdong Gushengtang and each of the Shanghai Juyan Sellers after arm's length negotiation with reference to the qualifications, resources and prospects of Juyan TCM Out-patient. The Suzhou Aimin Consideration was determined between Guangdong Gushengtang and the Suzhou Aimin Seller after arm's length negotiation with reference to the historical performance, qualifications, resources and prospects of Suzhou Aimin. The Company considers the Shanghai Juyan Consideration and the Suzhou Aimin Consideration represent a fair and reasonable valuation of Shanghai Juyan and Suzhou Aimin. The Shanghai Juyan Consideration and the Suzhou Aimin Consideration will be funded by net proceeds from the global offering and placing of the Company and self-owned idle funds of the Group.

Having considered the above, the Company believes that the Shanghai Juyan Equity Transfer Agreement, Suzhou Aimin Equity Transfer Agreement, Shanghai Juyan Acquisition and the Suzhou Aimin Acquisition are fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Shanghai Juyan Sellers and Suzhou Aimin Seller and their respective ultimate beneficial owners is a third party independent of the Company and its connected persons (as defined under the Listing Rules). Therefore, each of the Shanghai Juyan Acquisition and the Suzhou Aimin Acquisition does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the Shanghai Juyan Acquisition exceeds 5%, the Shanghai Juyan Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the Suzhou Aimin Acquisition exceeds 5%, the Suzhou Aimin Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As completion of the Shanghai Juyan Acquisition and the Suzhou Aimin Acquisition are conditional upon the satisfaction of the conditions precedent set out in the Shanghai Juyan Equity Transfer Agreement and the Suzhou Aimin Equity Transfer Agreement, the Shanghai Juyan Acquisition and the Suzhou Aimin Acquisition may or may not proceed. Shareholders and potential investors of the Company 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, December 28, 2023

As at the date of this announcement, the Board of the Company comprises Mr. TU Zhiliang as Chairman and executive Director, Mr. HUANG Jingsheng, 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.