

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



廣州白雲山医药集团股份有限公司

GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HOLDINGS CO., LTD.

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

(H Share Stock Code: 00874)

DISCLOSABLE TRANSACTION
ACQUISITION OF 11.04% EQUITY INTEREST IN THE TARGET COMPANY

ACQUISITION

The Board is pleased to announce that on 26 September 2025, the Buyer (GP Fund II, a partnership enterprise controlled by the Company) entered into a Share Transfer Agreement with the Seller (AHAPL, an independent third party to the Company). Pursuant to the Share Transfer Agreement, the Buyer has agreed to acquire, and the Seller has agreed to sell, an 11.04% equity interest in the Target Company for a consideration of RMB748,807,492.58. Upon completion of the Acquisition, the Buyer will hold an 11.04% equity interest in the Target Company. At the same time, to enhance the strategic cooperation between the Company and the Target Company, the Company, the Buyer and the Target Company entered into a Strategic Investment Agreement.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in relation to the transaction contemplated under the Share Transfer Agreement exceeds 5% but is less than 25%, the transaction constitutes a disclosable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, but is exempt from the shareholders' approval requirement.

INTRODUCTION

The Board is pleased to announce that on 26 September 2025, the Buyer (GP Fund II, a fund consolidated by the Company) entered into a Share Transfer Agreement with the Seller (AHAPL, an independent third party to the Company). Pursuant to the Share Transfer Agreement, the Buyer has agreed to acquire, and the Seller has agreed to sell, an 11.04% equity interest in the Target Company for a consideration of RMB748,807,492.58. Upon completion of the Acquisition, the Buyer will hold an 11.04% equity interest in the Target Company. At the same time, to enhance the strategic cooperation between the Company and the Target Company, the Company, the Buyer and the Target Company entered into a Strategic Investment Agreement.

SHARE TRANSFER AGREEMENT

The principal terms of the Share Transfer Agreement are summarized as below:

Date: 26 September 2025

Parties:

Buyer: GP Fund II

Seller: AHAPL

Target Shares:

The Seller agrees to sell to the Buyer, and the Buyer agrees to purchase from the Seller, 144,557,431 shares in the Target Company (the “**Target Shares**”), representing approximately 11.04% of the total issued share capital of the Target Company.

From the date of signing of the Share Transfer Agreement (the “**Signing Date**”) to the Closing Date (as defined below) (the “**Transition Period**”), if the total number of shares in the Target Company changes due to events including but not limited to bonus issues, capital reserve conversions, share subdivisions, or rights issues (excluding conversions of convertible bonds or exercises of employee share options), the price per Target Share shall be adjusted accordingly to reflect such events, with the total consideration for the Target Shares remaining unchanged. If the Target Company distributes cash dividends during the Transition Period, the consideration for the Target Shares shall be reduced by the amount of cash dividends actually received in respect of the Target Shares during such period. Any cash dividends declared but not distributed prior to the Closing Date shall accrue to the benefit of the Buyer.

Consideration for
the Target Shares:

(i) Consideration

The Buyer and the Seller agree that the price per Target Share shall be RMB5.18, which is determined based on the arithmetic average of the daily closing prices of the Target Company's shares for the 60 trading days immediately preceding the Signing Date. The total consideration for the Target Shares amounts to RMB748,807,492.58 (the “**Consideration**”). The Buyer and the Seller further agree that the Consideration shall be denominated and paid in immediately available Renminbi funds.

(ii) Payment

The Buyer shall pay the entire Consideration in a single lump sum by wire transfer to the designated bank account notified in writing by the Seller no later than 4 business days following the date of the Pre-Closing Meeting.

(iii) The Buyer and the Seller shall cooperate and cause the Target Company to, no later than 30 days after the date of the "Securities Transfer Registration Confirmation" issued by China Securities Depository and Clearing Co., Ltd. (“**CSDC**”), complete the foreign exchange registration formalities for this share transfer and obtain the foreign exchange business registration certificate issued directly by the State Administration of Foreign Exchange (“**SAFE**”) or through an authorized commercial bank. If the Seller elects to remit the Consideration overseas in Renminbi, relevant procedures required for cross-border Renminbi payment by the designated commercial bank, including payment qualification verification and filing, must also be completed. The Buyer and the Seller shall provide active support and necessary documentation as required by SAFE (or its authorized institutions) and the People's Bank of China to facilitate the lawful remittance of the Consideration overseas by the Seller.

Conditions
Precedent to
Closing:

(i) The Seller's obligation to proceed with the Closing (as defined below) under the Share Transfer Agreement is conditional upon the satisfaction of each of the following conditions, provided that the Seller may, in its sole discretion, waive in writing any or all of such conditions (excluding the conditions set forth in sub-clauses (a), (b), (c), (e) and (f) of this clause), provided further that any such waiver shall not be deemed to constitute satisfaction of the waived condition(s) and shall not prejudice the Seller's right to seek remedies against the Buyer under the Share Transfer Agreement:

(a) the Share Transfer Agreement has been duly formed and has taken effect;

(b) the Buyer has obtained all necessary internal and regulatory authorisations or approvals required for the Share Transfer;

(c) the Shanghai Stock Exchange has reviewed and approved the share transfer and has issued a confirmation letter in respect thereof;

(d) each of the representations and warranties made by the Buyer was true and accurate in all respects as of the signing date of the Share Transfer Agreement and remains true and accurate in all respects at all times thereafter up to and including the Closing Date;

(e) the Buyer and the Seller have completed all actions specified pursuant to the Share Transfer Agreement (including the issuance of a tax certificate or other supporting document by the relevant tax authority in respect of the Buyer's payment of the Consideration); and

(f) the share transfer is not subject to any restriction, injunction, prohibition, invalidation or other impediment (or threat thereof) imposed by any governmental authority, stock exchange, or creditor financial institution in PRC or any other relevant jurisdiction.

(ii) The Buyer's obligation to proceed with the Closing under the Share Transfer Agreement is conditional upon the satisfaction of each of the following conditions, provided that the Buyer may, in its sole discretion, waive in writing any or all of such conditions (excluding the conditions set forth in sub-clauses (a), (c) and (d) of this clause), provided further that any such waiver shall not be deemed to constitute satisfaction of the waived condition(s) and shall not prejudice the Buyer's right to seek remedies against the Seller under the Share Transfer Agreement:

(a) the Share Transfer Agreement has been duly formed and has taken effect;

(b) each of the representations and warranties made by the Seller was true and accurate in all respects as of the Signing Date and remains true and accurate in all respects at all times thereafter up to and including the Closing Date;

(c) the Share Transfer is not subject to any restriction, injunction, prohibition, invalidation or other impediment (or threat thereof) imposed by any governmental authority, stock exchange, or creditor financial institution in PRC or any other relevant jurisdiction;

(d) the Seller has obtained all necessary internal authorizations or approvals required for the share transfer; and

(e) the Buyer has completed its due diligence investigation of the Target Company and the results thereof show no material discrepancy from the public disclosures of the Target Company; or, if any material discrepancy or material legal or regulatory violation is identified during the due diligence investigation, the Buyer and the Seller have reached a mutual agreement on the explanation and resolution of such matter.

For the purpose of this sub-clause (e), a “material discrepancy” shall mean any discrepancy between the results of the due diligence investigation and the Target Company’s publicly disclosed information exceeding 10% in respect of: (1) the net asset value of the Target Company as at the end of any of the years 2022, 2023 or 2024; or (2) the operating revenue of the Target Company for any of the years 2022, 2023 or 2024; or (3) the net profit of the Target Company for any of the years 2022, 2023 or 2024.

For the purpose of this sub-clause (e), a “material legal or regulatory violation” shall mean a material violation of laws or regulations by the Target Company that should have been disclosed but was not, and for which the Target Company has been placed under formal investigation by the China Securities Regulatory Commission (“CSRC”) or judicial authorities, and which may lead to the imposition of material administrative penalties by the CSRC or criminal judgment by the judicial authorities.

Closing:

(i) The completion of the share transfer contemplated under the Share Transfer Agreement (the “**Closing**”) shall occur on the first business day following the completion of the registration of the transfer of the Target Shares (the “**Closing Date**”), provided that all conditions precedent to the Closing under the Share Transfer Agreement have been satisfied or waived by the relevant Party, and such satisfaction or waiver has been confirmed by both the Buyer and the Seller at the Pre-Closing Meeting. On the Closing Date, (a) CSDC shall have registered all Target Shares in the Buyer's A-share securities account, and (b) the Seller shall have received the "Securities Transfer Registration Confirmation" issued by CSDC in respect of this share transfer.

(ii) Following the Closing Date, the Seller shall lawfully complete the procedures for remitting the Consideration overseas (the “**Fund Remittance**”). Should the Consideration fail to be successfully remitted overseas by 31 December 2025, the Buyer and the Seller shall immediately commence good-faith negotiations to seek lawful and enforceable remedial measures that are fair to both Buyer and the Seller, with the aim of achieving the intended purposes of both Buyer and the Seller under the Share Transfer Agreement and other related collaborations.

(iii) The Buyer and the Seller acknowledge that, from the Closing Date onwards, the Seller shall cease to be a shareholder of the Target Company and shall no longer hold any rights or bear any obligations towards the Target Company. The Buyer shall directly negotiate and determine the rights and obligations pertaining to its capacity as a shareholder of the Target Company with the Target Company and its other shareholders.

Arrangements During the Pre-Closing Period:	During the pre-closing period, and unless otherwise expressly agreed by the Buyer and the Seller, the Buyer and the Seller shall jointly support the Target Company to (i) operate and conduct its business in the ordinary course, consistent with its articles of association and past business practices, in all material respects consistent with the practices prior to the signing of this Share Transfer Agreement, and in compliance with all applicable laws; and (ii) maintain substantially unchanged business relationships with its suppliers, customers, employees, creditors, and other parties with whom the Target Company conducts business.
Effectiveness:	The Share Transfer Agreement shall be duly formed upon execution by the legal representatives or authorized representatives of the Buyer and the Seller and affixing of their respective seals, and shall become effective from the date on which the competent state-owned assets supervision authority grants its approval for this Share Transfer pursuant to the regulations governing the acquisition of shares in listed companies by state-owned enterprises.

STRATEGIC INVESTMENT AGREEMENT

To strengthen the strategic cooperation between the Company and the Target Company, the Company and the Buyer have concurrently entered into a Strategic Investment Agreement with the Target Company. The principal terms of the Strategic Investment Agreement are set out below:

Date: 26 September 2025

Parties: the Company
the Target Company

GP Fund II (together with the Company and the Target Company, the “**Parties**”)

Scope of
Cooperation: (i) Capital Cooperation
The Company supports GP Fund II’s proposed strategic investment in the Target Company through the acquisition of the Target Shares held by AHAPL under the Share Transfer Agreement, whereby GP Fund II will hold 144,557,431 shares in the Target Company, representing 11.04% of the total issued share capital of the Target Company. The parties to the Strategic Investment Agreement agree to explore cooperation, subject to relevant laws and regulations and at an appropriate time, through methods including but not limited to establishing joint ventures, making strategic investments, and forming equity investment funds, based on business collaboration and capital operation needs.

(ii) Distribution Channel Cooperation for Self-owned Industrial Products
The Company and the Target Company will actively formulate market expansion and channel sharing plans, integrate and optimize supply chain resources and logistics distribution networks, and establish a stable and efficient supply chain system. For self-owned industrial products, the parties will implement market access and channel sales through effective mechanisms, mutually enhance industrial chain cooperation, focus on improving the profitability of their core businesses, and strengthen the competitiveness of both the Company’s and the Target

Company's products and services; and

(iii) Cooperation in the Field of Traditional Chinese Medicine (“TCM”)

The Company and the Target Company will actively support their respective TCM subsidiaries in collaborating to promote the transformation and upgrading of the TCM industry, accelerate the standardization and modernization of TCM production processes and workflows, jointly establish a modern TCM distribution system, create a full traceability system for TCM materials from cultivation and processing to sales, vigorously promote TCM culture, and strengthen and expand the TCM cultural industry.

Corporate Governance:	Upon holding 11.04% of the equity interest in the Target Company, GP Fund II shall be entitled to nominate one qualified non-independent director candidate to the board of the Target Company.
Execution and Effectiveness of the Strategic Investment Agreement:	<p>(i) the Strategic Investment Agreement has been signed by the legal representatives or authorized representatives of each of the Parties, and affixed with their respective company chops;</p> <p>(ii) the Share Transfer Agreement has become effective and the share registration has been completed with the CSDC; and</p> <p>(iii) the Parties have completed all necessary internal corporate approvals and decision-making procedures.</p>
Term of Cooperation:	The term of cooperation shall commence from the effective date of the Strategic Investment Agreement and continue until the date on which (i) the Company (including other entities controlled by the Company) and GP Fund II no longer hold any shares in the Target Company, or (ii) the date on which the Parties agree in writing to terminate the Strategic Investment Agreement earlier by mutual consent.

INFORMATION ON THE TARGET COMPANY

Nanjing Pharmaceutical is a pharmaceutical distribution enterprise controlled by the Nanjing Municipal Government. It completed its initial public offering and was listed on the Shanghai Stock Exchange in 1996. Engaged primarily in pharmaceutical wholesale, pharmaceutical retail, pharmaceutical "Internet Plus", and third-party pharmaceutical logistics. Nanjing Pharmaceutical is a regionally well-known enterprise in China's pharmaceutical distribution industry. Its market network covers Jiangsu, Anhui, Hubei, Fujian and Kunming City in the southwestern region, possessing extensive operational experience, resources, and brand recognition in regional markets. Nanjing Xingong Group, the controlling shareholder holds a 44.17% equity interest in Nanjing Pharmaceutical. The principal businesses of Nanjing Xingong Group comprises pharmaceutical business, equipment manufacturing, chemical fiber business, jewelry business, and other businesses. The State-owned Assets Supervision and Administration Commission of the Nanjing Municipality*(南京市國有資產監督管理委員會) holds a 90.90% equity interest in Nanjing Xingong Group and is the ultimate controlling party of Nanjing Pharmaceutical. To the best of the knowledge, information, and belief of the Directors after making all reasonable enquiries, Nanjing Pharmaceutical and its ultimate beneficial owner(s) are independent third parties relative to the Company.

Financial Data of the Target Company

According to the audited consolidated financial statements of the Target Company, prepared in accordance with Chinese Accounting Standards for the two fiscal years ended 31 December 2023 and 31 December 2024, the profit before and after tax for the respective fiscal years are as follows:

Item	For the fiscal year ended 31 December 2023 (RMB)	For the fiscal year ended 31 December 2024 (RMB)
Profit before tax	978,068,113.93	1,003,395,388.50
Profit after tax	577,825,648.39	570,627,552.60

REASONS AND BENEFITS FOR THE ACQUISITION

The acquisition by the Buyer of the 11.04% equity interest in the Target Company from the Seller, and the establishment of a strategic cooperation relationship among the Company, the Buyer and the Target Company, will enable the Company to further strengthen its business collaboration with the Target Company. Through comprehensive cooperation in areas including capital alignment, distribution channel development for self-owned pharmaceutical products, and the traditional Chinese medicine sector, the initiatives are expected to optimize the Company's industrial layout in the East China region, enhance the competitive advantages of its pharmaceutical distribution business, drive growth in its pharmaceutical manufacturing business, and consistently promote the overall development of the Company's operations. This Acquisition is a decision made following negotiations among the relevant parties. The Consideration will be funded by the Buyer's internal resources, will not affect the normal production and operating activities of the Company, and is not expected to have any material adverse impact on the Company's financial or operating condition. There will be no detriment to the interests of the Company or its minority shareholders.

The Directors (including the independent non-executive Directors) are of the view that the Acquisition and the entry into the Strategic Investment Agreement have been conducted on normal commercial terms, and that the respective terms of the Share Transfer Agreement and the Strategic Investment Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE BUYER

GP Fund II is a limited partnership enterprise established in China with a total size of RMB 1.5 billion, of which the Company holds a 99.9% interest and Guangzhou GP Capital Private Equity Fund Management Co., Ltd.* (廣州廣藥資本私募基金管理有限公司) holds a 0.1% interest and acts as its general partner. GP Fund II's financial performance is consolidated into the Company's financial statements. GP Fund II primarily focuses on the Company's strategic objectives, deploying capital through investments in sub-funds and direct project investments in sectors including pharmaceuticals, medical devices, healthcare services, and other areas within the biopharmaceutical and health industries.

INFORMATION OF THE SELLER

AHAPL is a company incorporated in Hong Kong and primarily engages in investment and shareholding activities, and is ultimately wholly-owned by Blazing Star Investors, LLC. Blazing Star Investors, LLC primarily engages in investment and shareholding activities. AHAPL holds a 11.04% equity interest in the Target Company, making it the second largest shareholder of the Target Company. To the best of the knowledge, information, and belief of the Directors after making all reasonable enquiries, AHAPL and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

INFORMATION OF THE COMPANY

The Company is principally engaged in: (1) the research and development(R&D), manufacturing and sales of Chinese patent medicine, Western medicine, chemical raw materials, natural medicine, biological medicine and chemical raw materials intermediates; (2) the wholesale, retail and import and export business of Western medicine, Chinese medicine and medical equipment; (3) the R&D, production and sales of great health products; and (4) the health industry investment in medical care, health management, health maintenance and elderly care, etc.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in relation to the transaction contemplated under the Share Transfer Agreement exceeds 5% but is less than 25%, the transaction constitutes a disclosable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, but is exempt from the shareholders' approval requirement.

Shareholders and potential investors should note that the Share Transfer Agreement records the Buyer's and Seller's intentions to cooperate and sets out the key terms of the transaction, and the Acquisition is subject to the fulfillment of certain conditions before it can be completed. The Strategic Investment Agreement is a framework agreement entered into by the Parties thereto based on their strategic cooperation intentions, and the specific cooperation arrangements and related terms will be governed by formal agreements to be entered into subsequently. The specific cooperation matters and their implementation remain subject to uncertainties. Shareholders and potential investors are advised to exercise caution when dealing in the Company's securities.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Acquisition” or “Share Transfer”	the transaction pursuant to which the Buyer has agreed to acquire, and the Seller has agreed to sell, the 11.04% equity interest in the Target Company.
“Board”	the board of Directors of the Company
“Buyer” or “GP Fund II”	Guangzhou GP Fund II Equity Investment Partnership (Limited Partnership)* (廣州廣藥基金二期股權投資合夥企業(有限合夥)), a partnership enterprise consolidated by the Company
“Company”	Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited * (廣州白雲山醫藥集團股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares and A Shares of which are listed and traded on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“Director(s)”	director(s) of the Company

“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Nanjing Xingong Group”	Nanjing Xingong Investment Group Co., Ltd.* (南京新工投資集團有限責任公司)
“PRC”	the People’s Republic of China
“Pre-Closing Meeting ”	the meeting convened by the Buyer and the Seller on the second business day following the satisfaction or waiver of the relevant conditions precedent (or on such later date as may be agreed in writing by the Buyer and the Seller), for the purpose of confirming whether such conditions precedent have been satisfied or waived
“Seller” or “AHAPL”	Alliance Healthcare Asia Pacific Limited
“Share Transfer Agreement”	the share transfer agreement in relation to the Acquisition entered into between the Buyer and the Seller on 26 September 2025
“Shareholders”	holder of the shares of the Company
“Strategic Investment Agreement”	the strategic investment agreement in relation to the establishment of strategic cooperation entered into among the Company, the Buyer and the Target Company on 26 September 2025
“Target Company” or “Nanjing Pharmaceutical”	Nanjing Pharmaceutical Co., Ltd.* (南京醫藥股份有限公司) , a subsidiary of Nanjing Xingong Group
“%”	percent

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 28 September 2025

As at the date of this announcement, the Board comprises Mr. Li Xiaojun, Mr. Chen Jiehui, Ms. Cheng Ning, Mr. Cheng Hongjin, Mr. Tang Heping and Mr. Li Hong as executive directors, and Mr. Chen Yajin, Mr. Huang Min, Mr. Wong Lung Tak Patrick and Ms. Sun Baoqing as independent non-executive directors.