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廣州白雲山醫葯集團股份有限公司

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: 0874)

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

This announcement is made by the Company pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

1. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

The Company hereby announces at the March Board Meeting, the Board has approved, among other things, the Proposed Amendment. The Company proposed to amend the Articles of Association in light of the requirements regulating the notice period for shareholders meetings and related matters stipulated in the Official Reply of the State Council on Adjusting the Notice Period for the General Meeting of Shareholders and Other Matters Applicable to Companies Listed Abroad (Guo Han [2019] No. 97)* (《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》(國函[2019]97號) and the provisions of the Securities Law of the PRC* (中國證券法) regulating the dealing by, among others, the directors, supervisors and senior management in the securities of the listed companies that they serve and for the purposes of improving corporate governance by taking into consideration the actual circumstances of the Company. Corresponding changes will also be made to the Shareholders Meeting Rules.

The Proposed Amendment is subject to certain conditions, including the approval of the Shareholders by way of special resolution at the AGM and all necessary approvals, authorisations, or registration (if applicable) having been obtained from or filed with the relevant governmental or regulatory authorities. A resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, approve the Proposed Amendment. Details on the Proposed Amendment is set out in the appendix to this announcement.

2. NOTICE OF AGM, PROXY FORMS AND CIRCULAR

As at the date of this announcement, it is expected that the notice convening the AGM, the forms of proxy and the relevant circular will be despatched to the Shareholders in May 2020.

3. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

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| “AGM” | the annual general meeting of the Company proposed to be held in June 2020, including any adjournment thereof; |
| “Articles of Association | the articles of association of the Company; |
| “Board” | the board of Directors; |
| “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 with limited liability established in the PRC, whose H shares and A shares are listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange respectively; |
| “Director” | a director of the Company; |
| “March Board Meeting” | the meeting of the Board held on 31 March 2020 |
| “PRC” | the People’s Republic of China which, for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan; |
| “Proposed Amendment” | the proposed amendments to the Articles of Association, details of which are set out in the appendix to this announcement; |
| “Shareholders” | holders of the A shares and/or H shares of the Company; and |
| “Shareholders Meeting Rules” | the rules of procedures of the shareholders meetings (股東大會事規則) of the Company. |

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 31 March 2020

As at the date of this announcement, the Board comprises Mr. Li Chuyuan, Ms. Cheng Ning, Mr. Yang Jun, Ms. Liu Juyan, Mr. Li Hong, Mr. Wu Changhai and Mr. Zhang Chunbo as executive directors, and Mr. Chu Xiaoping, Mr. Jiang Wenqi, Mr. Wong Hin Wing and Ms. Wang Weihong as independent non-executive directors.

** For ease of reference, the names of the PRC established companies or entities (if any) and the PRC laws and regulations (if any) have generally been included in this announcement in both Chinese and English languages and in the event of inconsistency, the Chinese language shall prevail.*

^ Where the context so permits or requires, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.

| No. | Before amendment | After amendment |
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| 1 | <p>Article 27 Shares held by the promoters of the Company shall not be transferred within one year from the date of establishment of the Company. Shares issued by the Company before the share offering shall not be transferred within one year from the date on which the shares of the Company are listed on a stock exchange.</p> <p>Directors, supervisors and senior management of the Company shall declare their shareholdings in the Company and the changes therein to the Company; and shall not transfer more than 25% of their shareholdings in the Company during their respective term of office or transfer their shares within one year from the date on which the shares of the Company are listed on a stock exchange. The aforesaid persons shall not transfer their shares in the Company within half a year after leaving their offices.</p> <p>In the event that any director, supervisor or senior management of the Company or any person who holds more than 5% of the shares in the Company sells the Company’s shares within six months after the acquisition of the same or repurchases the Company’s shares within six months after sale of the same, any proceed arising therefrom shall be attributed to the Company and the Company’s board of directors shall retrieve such proceed. In the case that the board of directors fails to comply with the requirements under this paragraph, the responsible director(s) shall assume joint liability according to the law.</p> | <p>Article 27 Shares held by the promoters of the Company shall not be transferred within one year from the date of establishment of the Company. Shares issued by the Company before the share offering shall not be transferred within one year from the date on which the shares of the Company are listed on a stock exchange.</p> <p>Directors, supervisors and senior management of the Company shall declare their shareholdings in the Company and the changes therein to the Company; and shall not transfer more than 25% of their shareholdings in the Company during their respective term of office or transfer their shares within one year from the date on which the shares of the Company are listed on a stock exchange. The aforesaid persons shall not transfer their shares in the Company within half a year after leaving their offices.</p> <p>In the event that any director, supervisor or senior management of the Company or any person who holds more than 5% of the shares in the Company sells the Company’s shares <u>or other securities in the nature of shareholding rights</u> within six months after the acquisition of the same or repurchases the Company’s shares within six months after sale of the same, any proceed arising therefrom shall be attributed to the Company and the Company’s board of directors shall retrieve such proceed. In the case that the board of directors fails to comply with the requirements under this paragraph, the responsible director(s) shall assume joint liability according to the law.</p> |

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| | <p>In the case that the Board of fails to comply with the requirements under the aforesaid paragraph, a shareholder shall have the right to request the Board to comply within thirty days. In case of the Board of fails to comply with the same within the aforesaid period, such shareholder shall have the right to institute a legal proceeding directly with the people's court in its own name for the benefit of the Company.</p> <p>Unless otherwise required by the laws, administrative regulations and these Articles of Association, the shares of the Company may be freely transferred free from any lien. The Company shall not accept its shares being held as security under a pledge.</p> | <p><u>The shares in the Company or other securities in the nature of shareholding rights held by the director, supervisor, senior management of the Company and shareholder who is natural person referred to in the third paragraph above include those shares in the Company or other securities in the nature of shareholding right held by his spouse, parents, children and those held through the accounts of other persons.</u></p> <p>In the case that the Board fails to comply with the requirements under <u>the third paragraph</u> above shareholder shall have the right to request the Board to comply within thirty days. In case of the Board fails to comply with the same within the aforesaid period, such shareholder shall have the right to institute a legal proceeding directly with the people's court in its own name for the benefit of the Company.</p> <p>Unless otherwise required by the laws, administrative regulations and these Articles of Association, the shares of the Company may be freely transferred free from any lien. The Company shall not accept its shares being held as security under a pledge.</p> |
| 2 | <p>Article 44 No change of registration in shareholder register for any share transfer shall be made within 30 days preceding the date of the general meeting or 5 days preceding the date on which the Company determines the basis of dividend distribution.</p> | <p>Article 44 <u>Where PRC laws and regulations and The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited have stipulations on the period of closure of the register of shareholders prior to a shareholders' meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall be observed.</u></p> |

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| 3 | <p>Article 71 The Company shall dispatch written notices of the general meeting to all registered shareholders 45 days before the date of general meeting informing them of the matters to be considered at and the date and venue of such meeting. Those shareholders who wish to attend the general meeting is required to return the written replies to the Company 20 days before the date of meeting.</p> | <p>Article 71 The Company shall dispatch written notices of the general meeting to all registered shareholders <u>at least 20 clear business days</u> before the date of <u>the meeting</u> informing them the matters to be considered at the meeting and the date and venue of such meeting. <u>If the Company convenes an extraordinary general meeting, written notice of the meeting shall be given at least 10 clear business days or 15 days (whichever is longer) before the date of the meeting.</u> Those shareholders who wish to attend the general meeting is required to return the written replies to the Company <u>within the time limits specified in the notice.</u></p> <p><u>In calculating the notice period, the date of issue of notice and the date of meeting shall be excluded. The aforementioned business day shall mean the date on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities.</u></p> |
| 4 | <p>Article 75 The Company shall, based on the written replies received from the shareholders 20 days before the date of the general meeting, calculate the number of shares carrying the voting rights represented by the shareholders who wish to attend the meeting. If the number of shares carrying the voting rights represented by the shareholders who wish to attend the meeting reaches one-half or more of the Company's total shares carrying the voting rights, the Company may convene the general meeting. Otherwise, the Company shall within 5 days notify the shareholders again by public announcement of the matters to be considered at the meeting, the place and date of the meeting. The Company may then hold the general meeting after the publication of such announcement.</p> | <p>Article 75 <u>General meetings shall not resolve on matters which have not been specified in the notice of meeting.</u></p> |

| No. | Before amendment | After amendment |
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| 5 | <p>Article 78 Notices of a general meeting shall be dispatched to the shareholders (whether or not entitled to vote at the meeting), by hand or prepaid mail at their respective addresses as shown in the register of shareholders. For the holders of domestic shares, notices of a general meeting may also be given by way of public announcement.</p> <p>The aforesaid public announcement is required to be published in one or more newspapers designated by the competent securities authorities under the State Council within a period between 45 to 50 days before the date of the meeting. Once published, all holders of domestic shares are deemed to have received the notice of the relevant general meeting.</p> | <p>Article 78 Notices of a general meeting shall be dispatched to the shareholders (whether or not entitled to vote at the meeting), by hand or prepaid mail at their respective addresses as shown in the register of shareholders. For the holders of domestic shares, notices of a general meeting may also be given by way of public announcement.</p> <p><u>The public announcement referred to in the above paragraph shall be published at the websites of the stock exchanges or in one or more newspapers which satisfied the conditions stipulated by the securities regulatory authorities under the State Council. Upon publication of such announcements, all holders of domestic shares are deemed to have received the notice of the relevant general meeting.</u></p> |
| 6 | <p>Article 127 The Company shall send to all registered shareholders of that class written notices of the class meeting 45 days before the date of class meeting of shareholders, informing them of the matters to be considered at and the date and venue of the class meeting. Those shareholders of the class who wish to attend the meeting shall return the written replies to the Company 20 days before the meeting.</p> <p>Where the number of class shares held by those shareholders who wish to attend the meeting and have the right to vote thereat is more than half of the total number of shares of that class with the voting rights, the Company shall convene that class meeting, failing which the Company shall, within 5 days, inform the shareholders of the class again in the form of public announcement the proposed matters for consideration at and the date and venue of the class meeting. Class meeting may be convened after such notification.</p> | <p>Article 127 With respect to class general meetings, the Company shall send to all registered shareholders of that class written notices of the class meeting <u>in compliance with the requirements on the length of notice in respect of extraordinary general meetings stipulated under article 71 of these Articles of Association</u>, notifying them the matters to be considered at, and the date and venue of, the class meeting. Those shareholders of the class who wish to attend the meeting shall return the written replies to the Company <u>within the time limit as specified in the notice of meeting.</u></p> |

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| 7 | <p>Article 258 (1) Unless otherwise required by these Articles of Association, notices, material or written representations must be served by the Company to the shareholders of overseas listed foreign investment shares listed in Hong Kong by hand or by prepaid mail to the registered address of each shareholder of overseas listed foreign investment shares. To the extent permitted by The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, notices to shareholders may be sent to the shareholders of H Shares through electronic means.</p> <p>(2) A shareholder who has not provided any registered address to the Company is deemed to have received a notice if the same has been displayed at the legal address of the Company for a period of 24 hours.</p> | <p>Article 258 (1) <u>The notices, information or written statements of the Company to be sent to the overseas foreign shareholders holding shares listed in Hong Kong must be sent to the registered addresses of these shareholders by hand, or by prepaid mail. If permissible under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, notices to the holders of the H shares of the Company may also be sent by electronic means (including but not limited to publishing an announcement or other documents at the website of the overseas stock exchanges).</u></p> <p>(2) A shareholder who has not provided any registered address to the Company is deemed to have received a notice if the same has been displayed at the legal address of the Company for a period of 24 hours.</p> |

| No. | Before amendment | After amendment |
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| | <p>(3) Notices issued by the Company to the holders of domestic shares must be published on one or more newspapers designated by the state securities regulatory authorities. All holders of domestic shares are deemed as having informed once such notice is published.</p> <p>(4) In these Articles of Association, a “public announcement” means, unless the context hereof otherwise requires, an announcement published in a newspapers in the PRC and in the place where the stock exchange on which the overseas listed shares of the Company are listed is located, and such newspapers should be designated or recommended by local laws, regulations, rules or by relevant securities regulatory authority.</p> | <p>(3) Notices issued by the Company to the holders of domestic shares must <u>be published at the websites of the stock exchanges or in one or more newspapers which satisfied the conditions stipulated by the securities regulatory authorities under the State Council. Upon publication of that announcement, all the holders of the domestic shares shall be deemed to have received the notice.</u></p> <p>(4) In these Articles of Association, a “public announcement” <u>or “announcement” shall, unless the context otherwise requires, means an announcement published on the websites of the PRC domestic stock exchange or overseas stock exchange and/ or in the newspapers in the places where the stock exchanges are located. The relevant newspapers must satisfy the conditions stipulated under the laws, regulations, rules of those places or the requirements stipulated by the securities regulatory authorities of those places.</u></p> |