

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)

PROPOSED DISPOSALS OF ACCOUNTS RECEIVABLE

BACKGROUND OF THE TRANSACTION

On 1 December 2025, the Board passed the resolution approving for GP Corp. to conduct account receivable asset-backed securitization. Pursuant to the resolution, GP Corp., as the vendor and the initial rights holder, intends to enter into the proposed Underlying Assets Sale and Purchase Agreement with the Administrator, under which GP Corp. would sell the Underlying Assets (as defined below) to the Administrator, and the Administrator, as the purchaser, would acquire the Underlying Assets in accordance with the terms of the Underlying Assets Sale and Purchase Agreement and would establish the Special Scheme for the issuance of asset-backed securities in an aggregate amount of no more than RMB3 billion, and would also act as the Administrator. The Administrator is expected to issue the Special Scheme in tranches within two years from the date on which the SSE approves the issuance, with each tranche having a term of no more than two years. As at the date of this announcement, GP Corp. has not entered into any legally binding agreement in respect of the proposed Transaction.

PRINCIPAL TERMS OF THE PROPOSED UNDERLYING ASSETS SALE AND PURCHASE AGREEMENT

As at the date of this announcement, the proposed Underlying Assets Sale and Purchase Agreement to be entered into between GP Corp. and the Administrator contains, among others, the following principal terms and conditions:

1. The underlying assets of GP Corp. to be disposed of (“Underlying Assets”)

The Underlying Assets refer to the accounts receivable (together with ancillary rights, if any) of GP Corp. and its subsidiaries arising from the businesses of drug sales and medical device sales to public hospitals of Grade II or above or to Commercial Companies (if any). The Underlying Assets include the initial Underlying Assets and the new Underlying Assets.

The initial Underlying Assets refer to the accounts receivable (together with ancillary rights, if any) of the initial rights holder arising from the businesses of drug sales and medical device sales to public hospitals of Grade II or above or to Commercial Companies (if any) as of the Initial Reference Date, which will be transferred to the Administrator on the establishment date of tranche of the Special Scheme.

The new Underlying Assets refer to the accounts receivable (together with ancillary rights, if any) of the initial rights holder arising from the businesses of drug sales and medical device sales to public hospitals of Grade II or above or to Commercial Companies (if any) as of the Revolving Reference Date, which will be transferred to the Administrator on the Revolving Purchase Date.

2. The basis of determining the consideration of the Transaction

The difference between the face value of the initial Underlying Assets to be sold by GP Corp. to the purchaser under the first tranche of the Special Scheme and the cash consideration payable by the purchaser (the specific amount of which will be determined based on the scale of the Underlying Assets under the first tranche of the Special Scheme) will be applied to settle part of the financing costs and relevant tax expenses incurred for the first tranche of the Special Scheme. During the term of the Special Scheme, the new Underlying Assets will be sold to the Special Scheme through revolving purchase. The total accumulated discounts of the Underlying Assets shall not be less than the sum of the interest for holding the initial portion of the priority asset-backed securities until maturity and the expenses of the Special Scheme.

The new Underlying Assets will be sold through Special Revolving Purchase and General Revolving Purchase.

For the first tranche of the Special Scheme, the consideration for each Special Revolving Purchase will be equal to the face value of the new Underlying Assets. The consideration for each General Revolving Purchase will be calculated by multiplying the face value of the new Underlying Assets by the discount rate. The discount rate will be determined by GP Corp. and the Administrator with reference to (i) the coupon rate and the duration of the asset-backed securities under the Special Scheme; (ii) the future collection period of the accounts receivable of the Underlying Assets; (iii) the future recoverability of the accounts receivable of the Underlying Assets; and (iv) the relevant tax expenses related to the Special Scheme, and will be negotiated on an arm's length basis.

For Special Scheme tranches subsequent to the first tranche, the decision to include a revolving purchase structure will be based on the accounts receivable situation of the respective tranche: (i) If a revolving purchase structure is implemented, reference shall be made to the arrangement of the first tranche, ensuring the total accumulated discount of the Underlying Assets is not less than the sum of the interest due on the initial portion of the priority asset-backed securities held to maturity and the expenses of the Special Scheme for that tranche; (ii) If no revolving purchase structure is implemented, the difference between the face value of the initial Underlying Assets transferred by GP Corp. to the Special Scheme and the target issuance size of that specific tranche will be applied to settle all financing costs and relevant tax expenses incurred for that tranche's Special Scheme.

3. Conditions precedent

The conditions precedent to the completion of the Transaction include, among others, the followings:

- (i) GP Corp. has received or obtained all consents and approvals necessary for the performance of its obligations under the Underlying Assets Sale and Purchase Agreement and other relevant documents relating to the Special Scheme;

- (ii) the Special Scheme has been successfully established; and
- (iii) GP Corp. has executed and delivered the Underlying Assets Sale and Purchase Agreement and other relevant documents relating to the Special Scheme to the Administrator.

As at the date of this announcement, none of the above conditions precedent has been satisfied, and the Underlying Assets Sale and Purchase Agreement and other relevant documents relating to the Special Scheme have not yet been executed.

4. Completion

- (i) Purchase of the initial Underlying Assets: Upon the Administrator paying to GP Corp., the issuance amount of the first tranche of the Special Scheme as the consideration for the initial Underlying Assets, GP Corp. and the Administrator shall concurrently execute a completion confirmation.
- (ii) Revolving purchase of the new Underlying Assets: On each Revolving Purchase Date of the Special Scheme, the Administrator, as the administrator of the Special Scheme, and the initial rights holder shall jointly execute the completion confirmation for the transfer of the new Underlying Assets.

INFORMATION OF GP CORP.

GP Corp. is a non-wholly-owned subsidiary of the Company established in the PRC, in which the Company holds approximately 90.92% equity interest. GP Corp. and its subsidiaries are principally engaged in the distribution and retail of a wide range of pharmaceutical products and dedicated to providing supply chain services to its upstream and downstream partners along the pharmaceutical industry value chain. It mainly provides comprehensive, integrated distribution services to hospitals and other medical institutions, distributors and retail pharmacies in the PRC.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Under the Transaction, GP Corp. will utilise its accounts receivable for asset-backed securitization, thereby converting accounts receivable into cash assets with higher liquidity. This will enable GP Corp. to revitalize its existing assets, broaden its financing channels, and optimise its financial structure. The proceeds generated from the Transaction are intended to be applied to supplement the working capital of GP Corp. or to repay its debts. Having considered the aforesaid reasons and the terms of the Transaction as disclosed in this announcement, the Board is of the view that the terms of the Underlying Assets Sale and Purchase Agreement are fair and reasonable, on normal commercial terms or better, will be entered into in the usual and ordinary course of business of GP Corp., and are in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER LISTING RULES AND SHAREHOLDERS' APPROVAL

According to the relevant provisions of the Articles of Association and the Rules of Procedures for Shareholders' Meetings, the Transaction is subject to shareholders' approval. The Company will convene an extraordinary shareholders' meeting to consider the Transaction.

The entry into the Underlying Assets Sale and Purchase Agreement on a standalone basis, the disposal of the new Underlying Assets on a standalone basis, or the aggregation of such transactions pursuant to Rule 14.22 of the Listing Rules of HKEX (if required), may constitute a notifiable transaction under Chapter 14 of the Listing Rules of HKEX. The Company will comply with all applicable requirements under the Listing Rules of HKEX in respect of the Transaction.

DEFINITIONS

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

“Administrator”	the purchaser that will enter into the Underlying Assets Sale and Purchase Agreement with GP Corp., and, pursuant to the terms thereof, purchase the Underlying Assets, establish the Special Scheme, and issue asset-backed securities in an aggregate amount not exceeding RMB3 billion, while concurrently acting as the administrator of the Special Scheme. As of the date of this announcement, GP Corp. has not yet confirmed the Administrator for the Transaction. The Company will comply with all applicable requirements under the Listing Rules of the HKEX in respect of the Transaction, including but not limited to disclosing further information such as the identity of the Administrator
“Articles of Association”	The Articles of Association of the Company
“Board”	the board of directors of the Company
“Commercial Companies”	commercial companies that have acquired the drug business licence and/or medical devices business licence and are allowed to engage in the distribution of medicine and/or medical devices pursuant to applicable laws
“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 HKEX and the SSE, respectively

“General Revolving Purchase”	the arrangement under which, during the Revolving Purchase Period, the initial rights holder provides eligible assets available for revolving purchase, and the Administrator conducts revolving purchase from the initial rights holder subject to the fund balance of the Special Scheme as at the end of each cash flow transfer date (excluding the first cash flow transfer date)
“GP Corp.”	Guangzhou Pharmaceuticals Company Limited* (廣州醫藥股份有限公司), a subsidiary of the Company
“HKEX”	The Stock Exchange of Hong Kong Limited
“Initial Reference Date”	the date on which the accounts receivable under the Underlying Assets initially purchased for the Special Scheme are designated as part of the assets of the Special Scheme
“Listing Rules of HKEX”	The Rules Governing the Listing of Securities on HKEX
“PRC”	the People’s Republic of China
“Revolving Purchase Date”	the date on which the Administrator conducts revolving purchase of the new Underlying Assets from the initial rights holder using the funds of the Special Scheme
“Revolving Purchase Period”	the period during which the Administrator conducts the revolving purchase of the new Underlying Assets from the initial rights holder using the funds of the Special Scheme
“Revolving Reference Date”	the date on which the accounts receivable under the Underlying Assets designated for subsequent revolving purchases by the Special Scheme are recognised as part of the assets of the Special Scheme
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedures for shareholders’ Meetings”	The Rules of Procedures for Shareholders’ Meetings of the Company

“Special Revolving Purchase”	the arrangement under which, during the Revolving Purchase Period, the initial rights holder provides eligible assets available for revolving purchase, and the Administrator conducts revolving purchase from the initial rights holder, subject to the fund balance of the Special Scheme as at the end of the first cash flow transfer date (being the [to be determined based on actual circumstances of each tranche] business day after the establishment date of the Special Scheme)
“Special Scheme”	the “GP Corp. Accounts Receivable Asset-backed Special Scheme” to be established by the Administrator, wherein the Administrator intends to utilise the accounts receivable and ancillary rights (if any) as the Underlying Assets
“SSE”	The Shanghai Stock Exchange
“Transaction”	the arrangement under which, the proposed arrangement whereby GP Corp., as the vendor, intends to enter into the Underlying Assets Sale and Purchase Agreement with the Administrator to sell the Underlying Assets, and whereby the Administrator, as the purchaser, agrees to purchase the Underlying Assets in accordance with the terms of the Underlying Assets Sale and Purchase Agreement, establish the Special Scheme for issuing asset-backed securities with an aggregate value not exceeding RMB3 billion, and concurrently act as the administrator of the Special Scheme
“Underlying Assets Sale and Purchase Agreement”	the proposed “GP Corp. Accounts Receivable Asset-backed Special Scheme Underlying Assets Sale and Purchase Agreement” to be entered into between GP Corp. and the Administrator

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 1 December 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.