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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)

VOLUNTARY ANNOUNCEMENT

IN RELATION TO THE PROPOSED CAPITAL INCREASE AND SHARE EXPANSION OF A SUBSIDIARY FOR THE INTRODUCTION OF STRATEGIC INVESTORS AND PUBLICATION OF RELEVANT INFORMATION PRE-DISCLOSURE

This announcement is made by Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the proposed introduction of strategic investors by Guangzhou Pharmaceuticals Company Limited ("**GP Corp.**"), a subsidiary of the Company, by way of capital increase and share expansion (the "**Proposed Capital Increase**"), and GP Corp.'s proposed publication of relevant information pre-disclosure on the Guangzhou Property Rights Exchange in respect of the Proposed Capital Increase (the "**GP Corp. Information Pre-disclosure**").

OVERVIEW OF THE GP CORP. INFORMATION PRE-DISCLOSURE

GP Corp. proposes to introduce strategic investors by way of capital increase and share capital expansion. Pursuant to the relevant laws and regulations of the People's Republic of China ("**PRC**"), GP Corp. is required to publish the GP Corp. Information Pre-disclosure on the Guangzhou Property Rights Exchange in respect of the Proposed Capital Increase before the Proposed Capital Increase is formally listed on the Guangzhou Property Rights Exchange. The number of shares to be issued in the Proposed Capital Increase shall not exceed 920,000,000 shares, and the total estimated amount of funds to be raised is expected to be in the range of RMB1,000,000,000 (inclusive) to RMB3,000,000,000 (inclusive).

The GP Corp. Information Pre-disclosure is merely an information disclosure procedure to be made by GP Corp. prior to the formal listing of the Proposed Capital Increase, and is intended to solicit interested parties. It does not constitute any transaction, and the transaction counterparty has not been identified, no transaction contract has been entered into, and no performance arrangements are in place. There is uncertainty as to whether GP Corp. will ultimately proceed with the formal listing of the Proposed Capital Increase on the Guangzhou Property Rights Exchange and whether the Proposed Capital Increase will ultimately be implemented. It is currently uncertain whether the Proposed Capital Increase will constitute a notifiable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Should GP Corp. ultimately decide to proceed with the formal listing and the Proposed Capital Increase, the Company will comply with the relevant approval procedures and publish further announcement(s) to disclose the relevant information in a timely manner in accordance with the relevant laws, regulations and the Listing Rules.

INFORMATION ON GP CORP.

GP Corp. is a non-wholly-owned subsidiary of the Company established in the PRC, in which the Company holds a 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 are dedicated to providing supply chain services to upstream and downstream partners along the pharmaceutical industry value chain. As at the date of this announcement, the shares of GP Corp. are quoted on The National Equities Exchange and Quotations (stock code: 874839).

Should GP Corp. ultimately proceed with the Proposed Capital Increase, the Company's de facto control over GP Corp. will not be affected. Upon completion of the Proposed Capital Increase, the Company will remain the controlling shareholder of GP Corp. The Proposed Capital Increase will not have a material adverse impact on the Company's production and operations. As at the date of this announcement, the equity structure of GP Corp. is as follows:

Name of GP Corp.'s Shareholder	**Number of Shares Held** *(share)*	**Shareholding Percentage** *(%)*
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited	2,227,000,000	90.92
Central Enterprises Rural Industry Investment Fund Co., Ltd.* (中央企鄉村產業投資基金股份有限公司)	79,681,275	3.25
Hainan Chenfei Investment Holding Co., Ltd.* (海南晨菲投資控股有限公司)	77,104,701	3.15
Chengdu Huixin Huiyuan Investment Co., Ltd.* (成都匯新匯源投資有限公司)	23,486,363	0.96
Shanxi Taoyunshang Information Technology Co., Ltd.* (陝西韜雲尚信息科技有限公司)	21,064,812	0.86
Foshan Wenjian Business Co., Ltd.* (佛山市文堅商務有限公司)	12,795,298	0.52
Meizhou Haofeng Pharmaceutical Information Co., Ltd.* (梅州市鎬烽醫藥信息有限公司)	8,173,051	0.33
Total	**2,449,305,500**	**100.00**

Set out below are the key financial information of GP Corp. for the financial year ended 31 December 2025 and the three months ended 31 March 2026:

Item	**31 December 2025** *(audited)*	**31 March 2026** *(unaudited)*
Total assets *(RMB)*	37,579,310,094.29	41,232,941,749.26
Total liabilities *(RMB)*	29,585,827,781.74	33,079,130,019.00
Total equity *(RMB)*	7,993,482,312.55	8,153,811,730.26

Item	**The year of 2025** *(audited)*	**From January to March 2026** *(unaudited)*
Revenue *(RMB)*	58,168,636,893.30	15,244,764,022.90
Profit attributable to owners of GP Corp. *(RMB)*	608,522,401.14	153,707,344.70

REASONS FOR AND BENEFITS OF THE PROPOSED CAPITAL INCREASE

The introduction of strategic investors by GP Corp. through the Proposed Capital Increase will help satisfy GP Corp.'s funding needs for its business development and subsequent operations, alleviate its working capital pressure, improve its asset liquidity position, enhance its ability to withstand financial risks, and further strengthen its overall competitiveness. This is in line with the Group's overall strategic planning and is in the interests of the Company and its Shareholders as a whole.

GENERAL

The GP Corp. Information Pre-disclosure is only an information disclosure procedure to be made by GP Corp. prior to the formal listing of the Proposed Capital Increase, and does not constitute any transaction. No transaction contract has been entered into, and no performance arrangements have been made. The subsequent formal listing and the Proposed Capital Increase remain subject to the approval procedures of the competent approving authority and the internal review procedures of the Company and are subject to uncertainty. The Company will issue further announcement(s) in relation to such matters as and when appropriate or required under the Listing Rules and the requirements of the relevant regulatory authorities.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in or investing in the securities of the Company. Any person who is in doubt as to their own position or any action they should take is advised to consult their professional advisers.

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 10 July 2026

As at the date of this announcement, the Board of the Company comprises (i) Mr. Chen Jiehui, Mr. Yuan Cheng, Mr. Cheng Hongjin, Mr. Tang Heping, Ms. Liu Lan and Mr. Liu Hong as executive directors; (ii) Mr. Huang Jiyuan as non-executive director; and (iii) Mr. Wong Lung Tak Patrick, Ms. Sun Baoqing, Mr. Wu Xiangneng and Mr. Yang Yinbao as independent non-executive directors.