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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: 00874)*

POLL RESULTS OF THE 2017 ANNUAL GENERAL MEETING HELD ON 22 JUNE 2018

The Board is pleased to announce that the AGM was held on 22 June 2018 (Friday) and all the resolutions as set out in the notice of the AGM were duly passed, by way of poll, by the Shareholders who were entitled to attend and vote at the AGM.

References are made to (i) notice of the AGM of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the "**Company**") dated 4 May 2018; and (ii) the circular of the Company dated 7 May 2018 (the "**Circular**"). Capitalized terms used in this announcement have the same meanings as defined in the Circular unless the context otherwise requires.

The Board is pleased to announce that the AGM was held on 22 June 2018 (Friday) and all the resolutions as set out in the notice of the AGM were duly passed, by way of poll, by the Shareholders who were entitled to attend and vote at the AGM.

IMPORTANT NOTICE

- There was no objection or amendment to the resolutions proposed at the AGM.
- There was no new motion proposed at the AGM.

1. INTRODUCTION

- (a) The AGM was held on 22 June 2018 (Friday) at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC.
- (b) The AGM was convened by the Board and was chaired by Mr. Li Chuyuan, the chairman of the Board. The Company has 10 Directors, of which 4 were present at the AGM. Mr. Chen Mao (an executive Director), Ms. Liu Juyan (an executive Director), Mr. Ni Yidong (an executive Director), Mr. Wu Changhai (an executive Director), Mr. Wong Hin Wing (an independent

non-executive Director) and Ms. Wang Weihong (an independent non-executive Director) were unable to attend the AGM due to business reason. The Company has three Supervisors, all of which were present at the AGM. Ms. Huang Xuezhen, the secretary to the Board, was present at the AGM. Members of the senior management together with the attesting lawyers and the scrutineer for the vote-taking were present at the AGM. The AGM was held in compliance with the relevant provisions of the Companies Law of the PRC (the “**Companies Law**”) and the articles of association of the Company (the “**Articles of Association**”).

- (c) As at 21 May 2018 (the "**Registration Date**"), being the date for determining the Shareholders’ entitlement to attend and vote at the AGM, there were a total of 1,625,790,949 shares in issue, of which 1,405,890,949 shares were A Shares, representing approximately 86.47% of the total number of the shares in issue, and 219,900,000 shares were H Shares, representing approximately 13.53% of the total number of the shares in issue.

2. ATTENDANCE AT THE AGM AND THE POLL RESULTS

Attendance at the AGM

As at the Registration Date, the total number of shares in issue was 1,625,790,949 shares. The total number of shares entitling the Shareholders to attend and vote on all the resolutions at the AGM was 1,625,790,949 shares, representing approximately 100% of the total number of shares in issue, as at the Registration Date.

Number of Shareholders who attended the meeting on-site (whether in person or by proxies) or by way of network voting	49
Including: total number of holders of A Shares	43
total number of holders of H Shares	6
Total number of voting Shares	973,596,203
Including: total number of voting A Shares	917,435,044
total number of voting H Shares	56,161,159
Percentage of the total number of voting Shares to the total number of issued Shares	59.88447%
Including: percentage of the total number of voting A Shares	56.43007%
percentage of the total number of voting H Shares	3.45440%

There were no shares entitling the Shareholders to attend the AGM and abstain from voting in favour of the resolutions put to vote at the AGM as set out in Rule 13.40 of the Hong Kong Listing Rules. No shareholder was required under the Hong Kong Listing Rules to abstain from voting on any resolution considered at the AGM.

Poll results of the AGM

The resolutions proposed at the AGM were put to vote by way of poll, the results of which were as follows:

No.	Resolutions	Total number of votes				Voting results
		For (%)	Against (%)	Abstained (%)	Total (%)	Resolution was passed or not
Ordinary Resolutions						
1	Report of the Board for year 2017					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,089,159	0	72,000	56,161,159	
		(99.87180%)	(0.00000%)	(0.12820%)	(100.00000%)	
	Total	973,524,103	100	72,000	973,596,203	
(99.99259%)		(0.00001%)	(0.00740%)	(100.00000%)		
2	Report of the supervisory committee of the Company for year 2017					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,089,159	0	72,000	56,161,159	
		(99.87180%)	(0.00000%)	(0.12820%)	(100.00000%)	
	Total	973,524,103	100	72,000	973,596,203	
(99.99259%)		(0.00001%)	(0.00740%)	(100.00000%)		
3	Financial report of the Company for year 2017					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,089,159	0	72,000	56,161,159	
		(99.87180%)	(0.00000%)	(0.12820%)	(100.00000%)	
	Total	973,524,103	100	72,000	973,596,203	
(99.99259%)		(0.00001%)	(0.00740%)	(100.00000%)		
4	Auditors' reports of the Company for year 2017					

	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,089,159	0	72,000	56,161,159	
		(99.87180%)	(0.00000%)	(0.12820%)	(100.00000%)	
	Total	973,524,103	100	72,000	973,596,203	
		(99.99259%)	(0.00001%)	(0.00740%)	(100.00000%)	
5	Proposal on profit distribution and dividend payment of the Company for year 2017					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,596,103	100	0	973,596,203		
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
6	Proposal on the financial and operational targets and annual budget of the Company for year 2018					
A Shares	916,237,595	1,197,449	0	917,435,044	Passed	
	(99.86948%)	(0.13052%)	(0.00000%)	(100.00000%)		
H Shares	22,978,639	32,672,520	510,000	56,161,159		
	(40.91554%)	(58.17636%)	(0.90810%)	(100.00000%)		
Total	939,216,234	33,869,969	510,000	973,596,203		
	(96.46877%)	(3.47885%)	(0.05238%)	(100.00000%)		
7	Resolutions on the emoluments to be paid to the directors of the Company for year 2018					
7.1	Resolution on the emoluments to be paid to Mr. Li Chuyuan (the Chairperson of the Board) for year 2018					
A Shares	917,421,744	13,300	0	917,435,044	Passed	
	(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,582,903	13,300	0	973,596,203		
	(99.99863%)	(0.00137%)	(0.00000%)	(100.00000%)		

7.2	Resolution on the emoluments to be paid to Mr. Chen Mao (the Vice Chairperson of the Board) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
7.3	Resolution on the emoluments to be paid to Ms. Liu Juyan (an executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
7.4	Resolution on the emoluments to be paid to Ms. Cheng Ning (an executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
7.5	Resolution on the emoluments to be paid to Mr. Ni Yidong (an executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		

7.6	Resolution on the emoluments to be paid to Mr. Wu Changhai (an executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
7.7	Resolution on the emoluments to be paid to Mr. Chu Xiaoping (an independent non-executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
7.8	Resolution on the emoluments to be paid to Mr. Jiang Wenqi (an independent non-executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
7.9	Resolution on the emoluments to be paid to Mr. Wong Hin Wing (an independent non-executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		

7.10	Resolution on the emoluments to be paid to Ms. Wang Weihong (an independent non-executive director) for year 2018					
	A Shares	917,421,744	13,300	0	917,435,044	Passed
		(99.99855%)	(0.00145%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,582,903	13,300	0	973,596,203	
(99.99863%)		(0.00137%)	(0.00000%)	(100.00000%)		
8	Resolution on the emoluments to be paid to the supervisors of the Company for year 2018					
8.1	Resolution on the emoluments to be paid to Mr. Xian Jiexiong (the Chairperson of the Supervisory Committee) for year 2018					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,596,103	100	0	973,596,203	
(99.99999%)		(0.00001%)	(0.00000%)	(100.00000%)		
8.2	Resolution on the emoluments to be paid to Ms. Li Jinyun (the Supervisor representing the employees) for year 2018					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,596,103	100	0	973,596,203	
(99.99999%)		(0.00001%)	(0.00000%)	(100.00000%)		
8.3	Resolution on the emoluments to be paid to Ms. Gao Yanzhu (a Supervisor) for year 2018					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,596,103	100	0	973,596,203	
(99.99999%)		(0.00001%)	(0.00000%)	(100.00000%)		

		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
9	Resolution on the amounts of guarantees to be provided by the Company to secure bank loans for some of its subsidiaries					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,596,103	100	0	973,596,203		
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
10	Resolution on the application by the Company for general banking facilities not exceeding RMB4 billion					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,596,103	100	0	973,596,203		
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
11	Resolution on the entrusted borrowing and entrusted loans business between the Company and its subsidiaries					
A Shares	916,423,134	996,849	15,061	917,435,044	Passed	
	(99.88970%)	(0.10866%)	(0.00164%)	(100.00000%)		
H Shares	6,625,466	47,283,873	2,251,820	56,161,159		
	(11.79724%)	(84.19319%)	(4.00957%)	(100.00000%)		
Total	923,048,600	48,280,722	2,266,881	973,596,203		
	(94.80816%)	(4.95901%)	(0.23284%)	(100.00000%)		
12	Resolution on the anticipated amounts of the ordinary and usual connected transactions for year 2018					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,596,103	100	0	973,596,203		
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		

		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
13	Shareholders' Return Plan of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited for the three years from 2018 to 2020					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,596,103	100	0	973,596,203		
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
14	Resolution on changing the usage of land on which the project of the construction of the Great Southern TCM research and development platform will be implemented					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	56,161,159	0	0	56,161,159		
	(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)		
Total	973,596,103	100	0	973,596,203		
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
15	Resolution on the proposed cash management of part of the temporary idle proceeds from fund raising of the Company					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	55,851,159	0	310,000	56,161,159		
	(99.44802%)	(0.00000%)	(0.55198%)	(100.00000%)		
Total	973,286,103	100	310,000	973,596,203		
	(99.96815%)	(0.00001%)	(0.03184%)	(100.00000%)		
16	Resolution on the proposed cash management of part of the temporary internal idle funds of the Company and its subsidiaries					
A Shares	917,434,944	100	0	917,435,044	Passed	
	(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)		
H Shares	55,851,159	0	310,000	56,161,159		
	(99.44802%)	(0.00000%)	(0.55198%)	(100.00000%)		
Total	973,286,103	100	310,000	973,596,203		

		(99.96815%)	(0.00001%)	(0.03184%)	(100.00000%)	
17	Resolution on the appointment of Ruihua Certified Public Accountants as the auditor of the Company for year 2018					
	A Shares	917,234,944	200,100	0	917,435,044	Passed
		(99.97819%)	(0.02181%)	(0.00000%)	(100.00000%)	
	H Shares	56,147,159	14,000	0	56,161,159	
		(99.97507%)	(0.02493%)	(0.00000%)	(100.00000%)	
	Total	973,382,103	214,100	0	973,596,203	
		(99.97801%)	(0.02199%)	(0.00000%)	(100.00000%)	
18	Resolution on the appointment of Ruihua Certified Public Accountants as the auditor for the internal control of the Company for year 2018					
	A Shares	917,234,944	200,100	0	917,435,044	Passed
		(99.97819%)	(0.02181%)	(0.00000%)	(100.00000%)	
	H Shares	54,399,159	1,748,000	14,000	56,161,159	
		(96.86260%)	(3.11247%)	(0.02492%)	(100.00000%)	
	Total	971,634,103	1,948,100	14,000	973,596,203	
		(99.79847%)	(0.20009%)	(0.00144%)	(100.00000%)	
19	Resolution on amendments to the rules of procedures of the Board of Directors of the Company					
	A Shares	916,482,095	952,949	0	917,435,044	Passed
		(99.89613%)	(0.10387%)	(0.00000%)	(100.00000%)	
	H Shares	25,159,364	31,001,795	0	56,161,159	
		(44.79851%)	(55.20149%)	(0.00000%)	(100.00000%)	
	Total	941,641,459	31,954,744	0	973,596,203	
		(96.71787%)	(3.28214%)	(0.00000%)	(100.00000%)	
20	Resolution on amendments to the rules of procedures of the Supervisory Committee of the Company					
	A Shares	917,434,944	100	0	917,435,044	Passed
		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
	H Shares	56,161,159	0	0	56,161,159	
		(100.00000%)	(0.00000%)	(0.00000%)	(100.00000%)	
	Total	973,596,103	100	0	973,596,203	

		(99.99999%)	(0.00001%)	(0.00000%)	(100.00000%)	
Special Resolutions						
21	Resolution on granting general mandate to the Board for issuing new shares of the Company					
	A Shares	917,084,128	350,916	0	917,435,044	Passed
		(99.96175%)	(0.03825%)	(0.00000%)	(100.00000%)	
	H Shares	29,812,300	26,334,859	14,000	56,161,159	
		(53.08348%)	(46.89159%)	(0.02493%)	(100.00000%)	
	Total	946,896,428	26,685,775	14,000	973,596,203	
		(97.25761%)	(2.74095%)	(0.00144%)	(100.00000%)	
22	Resolution on amendments to Articles of Association					
	A Shares	916,743,495	691,549	0	917,435,044	Passed
		(99.92462%)	(0.07538%)	(0.00000%)	(100.00000%)	
	H Shares	25,033,364	31,127,795	0	56,161,159	
		(44.57416%)	(55.42584%)	(0.00000%)	(100.00000%)	
	Total	941,776,859	31,819,344	0	973,596,203	
		(96.73177%)	(3.26823%)	(0.00000%)	(100.00000%)	
23	Election of a member of the seventh session of the Board by way of cumulative poll			No. of Shares voted in favor	Percentage of Shares from Shareholders who attended the meeting that voted in favor (%)	Elected or not
	Resolution on the election of Mr. Li Hong as an executive director of the Company and the emoluments to be paid to him for year 2018			971,064,189	99.73993%	Elected

Note: The percentages shown are rounded to the nearest 5 decimal places. The numbers may not add up to 100% due to rounding.

As more than one half of the votes from the Shareholders who were entitled to attend and vote at the AGM were casted in favour of the ordinary resolutions No. 1 to No. 20 set out above, those ordinary resolutions were duly passed as ordinary resolutions.

As more than two-thirds of the votes from the Shareholders who were entitled to attend and vote at the AGM were casted in favour of the special resolutions No. 21 and No. 22 set out above, those special resolutions were duly passed as special resolutions.

As more than one half of the votes from the Shareholders who were entitled to

attend and vote at the AGM were cast in favour of the ordinary resolution No. 23 set out above, that ordinary resolution was duly passed as an ordinary resolution. Details of the cumulative poll were set out in the proxy form in relation to the AGM.

3. PROCEEDINGS WITNESSED BY LAWYERS AND SCRUTINEER

Computershare Hong Kong Investor Services Limited served as the scrutineer at the AGM for the purpose of vote-taking.

The AGM was witnessed by Mr. Liu Zifeng and Mr. Liao Peiyu, the lawyers of Zhong Lun (Guangzhou) Law Firm which issued its legal opinion confirming that the procedures for convening and holding of the AGM complied with the provisions of the Companies Law and the Articles of Association, and the eligibilities of the persons attending the AGM were lawful and valid. No new resolution was proposed by the Shareholders at the AGM. The voting procedures at the AGM complied with the PRC laws and regulations and the provisions of the Articles of Association. The resolutions passed at the AGM were lawful and valid.

4. INFORMATION ON THE DIRECTOR ELECTED AT THE AGM

Set below is the information on the Director, namely Mr. Li Hong (“Mr. Li”) who was elected as a Director at the AGM:

4.1 Personal information

Mr. Li, aged 51, holds a bachelor degree and a MBA degree. Mr. Li also holds the titles of engineer and senior political work engineer and possesses the qualification of licensed pharmacist. Mr. Li is the president of Guangzhou Pharmaceutical Profession Association. Mr. Li started his career in July 1990. He has served as a director and the chairperson of the board of Guangzhou Baiyunshan Qiao Guang Pharmaceutical Co., Ltd. (廣州白雲山僑光製藥有限公司), a director and the general manager of Guangzhou Baiyunshan Tian Xin Pharmaceutical Co., Ltd. (廣州白雲山天心製藥股份有限公司); the chairperson, secretary of the party committee and general manager of Guangzhou Baiyunshan Ming Xing Pharmaceutical Co., Ltd. (廣州白雲山明興製藥有限公司); a director of Guangzhou Baiyunshan Pharmaceutical Co., Ltd. (廣州白雲山製藥股份有限公司) and an assistant to the general manager of Guangzhou Pharmaceutical Holdings Ltd. (廣州醫藥集團有限公司) Mr. Li is currently a member of the Party Committee of Guangzhou Pharmaceutical Holdings Ltd., a director of Guangzhou Baiyunshan Pharmaceutical Technology Development Co., Ltd. (廣州白雲山醫藥科技發展有限公司), a party branch secretary of Guangzhou Haima Pharmaceutical Advertising Co., Ltd. (廣州醫藥海馬品牌整合傳播有限公司), a member of the Party Committee and the general manager of the Company.

4.2 Term of office

The term of office of Mr. Li as a member of the 7th session of the Board shall commence from the date on which he is elected (i.e. 22 June 2018) up to the date on which the members of the new session of the Board (i.e. the 8th session) are elected. On this basis, it is expected that the term of office of Mr. Li as a member of the 7th session of the Board will be approximately two years. The Company will enter into a service agreement with Mr. Li.

4.3 Remuneration

The remuneration expected to be paid by the Company to Mr. Li as a Director in 2018 will not be more than RMB1,500,000 and will be adjusted in accordance with the “Measures in relation to the remuneration for, and performance assessment on, the senior management of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited”.

4.4 Interests in the shares of the Company within the meaning of Part XV of the SFO

Set out below are the interests of Mr. Li in the shares of the Company as at the date of this announcement:

Capacity	Number of A Shares under the Employee Stock Ownership Scheme (2015)	Approximate percentage in the issued A shares of the Company	Approximate percentage in the entire issued share capital of the Company
Beneficial owner	10,000	0.0007	0.0006

Save as disclosed above, neither Mr. Li nor his associates had any interest in the shares of the Company within the meaning of Part XV of the SFO. The interests of Mr. Li in the A Shares as disclosed in the above are held by the asset manager of the Employee Stock Ownership Scheme (2015) for the benefits of Mr. Li Hong. Details of the Employee Stock Ownership Scheme (2015) were set out in the Placing Circular and the circular of the Company dated 19 May 2015, respectively

4.5 No other information required to be disclosed

As at the date of this announcement and save as disclosed above, Mr. Li:

- (a) did not have any relationship with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company;
- (b) did not have or was not deemed to have any interest in the shares of the Company within the meaning of Part XV of the SFO;
- (c) did not hold any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas;

- (d) did not hold any position in the Company or other members of the Group; and
- (e) had no other matters that needed to be brought to the attention of the Shareholders and there was no information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Hong Kong Listing Rules.

5. IMPORTANT NOTICE OF THE PAYMENT OF THE 2017 FINAL DIVIDEND

The Company announces the following in relation to the payment of the 2017 final dividend:

- (a) The register of members of the Company will be closed from 14 July 2018 (Saturday) to 20 July 2018 (Friday) (both days inclusive) during which no transfer of H Shares will be effected. Holders of H Shares whose names appear on the register of members of the Company at the close of business on 20 July 2018 (Friday) will be entitled to the 2017 final dividend. In order to be entitled to the 2017 final dividend, all share transfer documents in respect of the H Shares together with the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, namely Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for share transfer registration not later than 4:30 p.m. on 13 July 2018 (Friday).
- (b) The holders of H Shares (excluding Shareholders who are individual investors or enterprise investors in Mainland China investing in the Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect) whose names appeared on the register of members of the Company at the end of the trading session on 20 July 2018 (Friday) will be entitled to the 2017 final dividend. According to Article 221 of the Articles of Association, dividends payable to the holders of H Shares shall be paid in Hong Kong dollars. For the purpose of payment of the dividend, the applicable exchange rate is HK\$100 to RMB82.0082, being the average of the exchange rate between the Hong Kong dollars and Renminbi as announced by the People's Bank of China in the week preceding the date of the announcement of the dividend. Accordingly, the amount of the 2017 final dividend payable per H Share is approximately HK\$0.4646 (including tax). The 2017 final dividend for the H Shares will be paid on or before 20 August 2018.

Dividends payable to domestic individual shareholders and enterprise investors who invest in the Shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect will be paid in RMB by China Securities Depository and Clearing Corporation Limited Shanghai Branch ("CSDC Shanghai Branch") as entrusted by the Company. The Company will pay the above dividends to CSDC Shanghai Branch on 20 August 2018 for distribution thereafter.

- (c) According to Enterprise Income Tax Law of the People's Republic of China and the Implementation Rules of Enterprise Income Tax Law of the People's Republic of China (collectively, "Tax Laws"), from 1 January 2008 onwards, any PRC domestic enterprise shall withhold and pay enterprise income tax upon distribution of dividends to non-resident enterprise shareholders and the payer shall be treated as the obligatory withholder. Accordingly, the Company shall be obligated to withhold and pay a 10% enterprise income tax when distributing the 2017 final dividends to non-resident enterprise shareholders whose names appear on the register of holders of H Shares on 20 July 2018 (Friday). But the Company has no obligation to withhold and pay such enterprise income tax when distributing the 2017 final dividends to the resident enterprise shareholders whose names appeared on the register of holders of H Shares on 20 July 2018 (Friday). A resident enterprise (with the same meaning as defined in the Tax Laws) which is incorporated in the PRC or is incorporated under the law of a foreign country (or region) with its de facto management organization located within the PRC shall submit to the Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 20 July 2018 (Friday) a legal opinion (stamped with the chop of the law firm) issued by a qualified PRC practicing lawyer ascertaining its resident enterprise status. Otherwise, the Company shall not be held responsible for any disputes in relation to withholding and payment of enterprise income tax arising from failure to submit the legal opinion within the prescribed period.

According to the provisions of the Tax Laws, the dividend (bonus) received by the overseas resident individual shareholders in respect of their interests in the stocks issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax in the PRC, which shall be withheld by the withholding agents according to the relevant laws. However, the overseas resident individual shareholders of the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements inked between the countries where they are residents and China or the tax arrangements between Mainland China and Hong Kong or Mainland China and Macau. When the 2017 final dividend is to be distributed to the holders of H Shares whose names appeared on the register of holders of H Shares as at 20 July 2018 (Friday), the Company will withhold 10% of the dividend to be distributed to the individual H Share holders as individual income tax in the PRC unless otherwise specified by the relevant tax regulations and tax agreements, in which case the Company will withhold individual income tax of such dividend at the tax rates and according to the relevant procedures as specified by such relevant tax regulations and tax agreement.

The above requirements are not applicable to the income tax regulations on dividends received by individual investors and enterprise investors in Mainland China who invest in shares listed on Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect.

According to the relevant requirements of the Notice Regarding Tax Policies Related to the Shanghai-Hong Kong Stock Connect (Finance Tax [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) jointly published by the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission:

- the Company shall withhold an individual income tax at the rate of 20% on dividends derived from the H-Shares listed on the Hong Kong Stock Exchange as acquired by Mainland individual investors through the Shanghai-Hong Kong Stock Connect. Reference shall be made to individual income tax regulations for dividends received by mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect.
 - for Chinese mainland corporate investors that invest in the H Shares of the Company via the Shanghai-Hong Kong Stock Connect, the Company will not withhold the income tax in the distribution of final dividend and the Chinese Mainland corporate investors shall file the tax returns on their own.
- (d) Should the holders of the H Shares have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in Mainland China, Hong Kong and other countries (regions) on the ownership and disposal of the H Shares.
- (e) A separate announcement in relation to the 2017 final dividend for the holders of A Shares of the Company will be made in due course.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available on the website of the Shanghai Stock Exchange at www.sse.com.cn for inspection from 22 June 2018:

- (a) the resolutions passed at the AGM; and
- (b) the PRC legal opinions in relation to the AGM issued by the PRC legal advisers to the Company.

**The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited**

Guangzhou, the PRC, 22 June 2018

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