

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)

POLL RESULTS OF THE SECOND EXTRAORDINARY GENERAL MEETING IN 2016 HELD ON 11 NOVEMBER 2016

The Board is pleased to announce that the EGM was held on 11 November 2016 (Friday) and all the resolutions as set out in the notice of the EGM were duly passed, by way of poll, by the Shareholders who were entitled to attend and vote at the EGM.

Reference is made to (i) the notice of the EGM of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the “**Company**”) dated 22 September 2016; and (ii) the circular of the Company dated 23 September 2016 (the “**Circular**”). Capitalised 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 EGM was held on 11 November 2016 (Friday) and all the resolutions as set out in the notice of the EGM were duly passed, by way of poll, by the Shareholders who were entitled to attend and vote at the EGM.

IMPORTANT NOTICE

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

1. INTRODUCTION

- (a) The EGM was held on 11 November 2016 (Friday) at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC.
- (b) The EGM was convened by the Board and was chaired by Mr. Li Chuyuan, the chairman of the Board. Certain Directors, supervisors and senior management of the Company together with the attesting lawyers and the scrutineer for the vote-taking were present at

the EGM. The EGM 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 11 October 2016 (the “**Registration Date**”), being the date for determining the Shareholders’ entitlement to attend and vote at the EGM, 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 Shares in issue, and 219,900,000 Shares were H Shares, representing approximately 13.53% of the total number of Shares in issue.

2. ATTENDANCE AT THE EGM AND THE POLL RESULTS

Attendance at the EGM

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 EGM 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	28
Including: total number of holders of A Shares	27
total number of holders of H Shares	1
Total number of voting Shares	916,882,516
Including: total number of voting A Shares	895,755,671
total number of voting H Shares	21,126,845
Percentage of the total number of voting Shares to the total number of issued Shares	56.40%
Including: percentage of the total number of voting A Shares	55.10%
percentage of the total number of voting H Shares	1.30%

There were no Shares entitling the Shareholders to attend the EGM and abstain from voting in favour of the resolutions put to vote at the EGM as set out in Rule 13.40 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. No shareholder was required under the Listing Rules to abstain from voting on any resolution considered at the EGM.

Poll results of the EGM

The resolutions proposed at the EGM 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
Special Resolution						
1	Resolution on the amendments to the articles of association of the Company					
	A Shares	895,628,428 (99.9858)	127,243 (0.0142)	0 (0.0000)	895,755,671 (100.0000)	Passed
	H Shares	21,126,845 (100.0000)	0 (0.0000)	0 (0.0000)	21,126,845 (100.0000)	
	Total	916,755,273 (99.9861)	127,243 (0.0139)	0 (0.0000)	916,882,516 (100.0000)	
Ordinary Resolution						
2	Resolution on the distribution of special dividend of the Company					
	A Shares	895,466,528 (99.9677)	289,143 (0.0323)	0 (0.0000)	895,755,671 (100.0000)	Passed
	H Shares	21,126,845 (100.0000)	0 (0.0000)	0 (0.0000)	21,126,845 (100.0000)	
	Total	916,593,373 (99.9685)	289,143 (0.0315)	0 (0.0000)	916,882,516 (100.0000)	

Note: The percentages shown are rounded to the nearest 4 decimal places. The numbers may not add up to 100% due to rounding.

As more than two-thirds of the votes from the Shareholders who were entitled to attend and vote at the EGM were casted in favour of the special resolution No. 1 set out above, the special resolution were duly passed as special resolution.

As more than one half of the votes from the Shareholders who were entitled to attend and vote at the EGM were casted in favour of the ordinary resolution No. 2 set out above, the ordinary resolution was duly passed as ordinary resolution.

3. PROCEEDINGS WITNESSED BY LAWYERS AND SCRUTINEER

Hong Kong Registrars Limited served as the scrutineer at the EGM for the purpose of vote-taking.

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

4. IMPORTANT NOTICE IN RELATION TO THE PAYMENT OF THE SPECIAL DIVIDEND

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

- (a) The register of members of the Company will be closed from 26 November 2016 (Saturday) to 1 December 2016 (Thursday) (both days inclusive) during which no transfer of H Shares will be effected. The holders of H Shares whose names appear on the register of members of the Company on 1 December 2016 (Thursday) will be entitled to the special dividend. In order to be entitled to the special 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, for share transfer registration not later than 4:30 p.m. on 25 November 2016 (Friday).
- (b) According to the 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 special dividends to non-resident enterprise Shareholders whose names appear on the register of holders of H Shares on 1 December 2016 (Thursday). But the Company has no obligation to withhold and pay such enterprise income tax when distributing the special dividends to the resident enterprise Shareholders whose names appear on the register of holders of H Shares on 1 December 2016 (Thursday). 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 not later than 4:30 p.m. on 1 December 2016 (Thursday) 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 dispute 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 signed 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 special dividend is to be distributed to the holders of H Shares whose names appear on the register of holders of H Shares as at 1 December 2016 (Thursday), 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 individual income tax at the rate of 20% on dividends derived from the H Shares listed on the Hong Kong Stock Exchange received 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.
- (c) 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 appear on the register of members of the Company on 1 December 2016 (Thursday) will be entitled to

the special dividend. According to Article 219 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 RMB87.36, being the average of the exchange rate between Hong Kong dollars and RMB 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 special dividend payable per H Share is HK\$0.3434 (including tax). The special dividend for the H Shares will be paid on or before 23 December 2016.

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 appointed by the Company. The Company will pay the above dividends to CSDC Shanghai Branch on 23 December 2016 for distribution thereafter.

- (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 possession and disposal of the H Shares.
- (e) A separate announcement in relation to the special 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 for inspection on the website of the Shanghai Stock Exchange at www.sse.com.cn from 11 November 2016:

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

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 11 November 2016

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. Wu Changhai and Mr. Wang Wenchu as executive directors, and Mr. Wong Lung Tak Patrick, Mr. Qiu Hongzhong, Mr. Chu Xiaoping and Mr. Jiang Wenqi as independent non-executive directors.