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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)

POLL RESULTS OF THE 2016 ANNUAL GENERAL MEETING HELD ON 23 JUNE 2017

The Board is pleased to announce that the AGM was held on 23 June 2017 (Friday) and all the resolutions proposed to the Shareholders at 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) the notice of the AGM of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the “**Company**”) dated 9 May 2017; (ii) the circular of the Company dated 9 May 2017 (the “**Circular**”); and (iii) the announcement of the Company dated 7 June 2017 in relation to the withdrawals of certain resolutions to be considered at the AGM. 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 AGM was held on 23 June 2017 (Friday) and all the resolutions proposed to the Shareholders at 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 23 June 2017 (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 11 Directors, of which four 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. Wang Wenchu (an executive Director), Mr. Chu Xiaoping and Mr. Wong Lung Tak Patrick (both independent non-executive Directors) were unable to attend the AGM due to business reason. The Company has three Supervisors, of which two were present at the AGM. Mr. Xian Jiexiong (the chairman of the Supervisory Committee) was unable to attend the AGM due to business reason. Ms. Huang Xuezheng, 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 23 May 2017 (the “**Registration Date**”), being the date for determining 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 the 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	36
Including: total number of holders of A Shares	34
total number of holders of H Shares	2
Total number of shares with voting rights	925,915,414
Including: total number of A Shares with voting rights	902,112,429
total number of H Shares with voting rights	23,802,985
Percentage of the total number of shares with voting rights to the total number of issued shares	56.95
Including: percentage of the total number of A Shares with voting rights	55.49
percentage of the total number of H Shares with voting rights	1.46

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 2016					
	A Shares	901,784,682 (99.9637)	327,747 (0.0363)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,730,985 (99.6975)	0 (0.0000)	72,000 (0.3025)	23,802,985 (100.0000)	
	Total	925,515,667 (99.9568)	327,747 (0.0354)	72,000 (0.0078)	925,915,414 (100.0000)	
2	Report of the supervisory committee of the Company for year 2016					
	A Shares	901,784,682 (99.9637)	327,747 (0.0363)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,730,985 (99.6975)	0 (0.0000)	72,000 (0.3025)	23,802,985 (100.0000)	
	Total	925,515,667 (99.9568)	327,747 (0.0354)	72,000 (0.0078)	925,915,414 (100.0000)	
3	Financial report of the Company for year 2016					
	A Shares	901,797,782 (99.9651)	314,647 (0.0349)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,730,985 (99.6975)	0 (0.0000)	72,000 (0.3025)	23,802,985 (100.0000)	
	Total	925,528,767 (99.9582)	314,647 (0.0340)	72,000 (0.0078)	925,915,414 (100.0000)	

No.	Resolutions	Total number of votes (%)				Voting results
		For	Against	Abstained	Total	Resolution was (passed or not)
4	Auditors' reports of the Company for year 2016					
	A Shares	901,797,782 (99.9651)	314,647 (0.0349)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,730,985 (99.6975)	0 (0.0000)	72,000 (0.3025)	23,802,985 (100.0000)	
	Total	925,528,767 (99.9582)	314,647 (0.0340)	72,000 (0.0078)	925,915,414 (100.0000)	
5	Proposal on profit distribution and dividend payment of the Company for year 2016					
	A Shares	901,584,682 (99.9415)	527,747 (0.0585)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,387,667 (99.9430)	527,747 (0.0570)	0 (0.0000)	925,915,414 (100.0000)	
6	Proposal on the operational targets and financial budget report of the Company for year 2017					
	A Shares	898,226,218 (99.5692)	3,886,211 (0.4308)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	11,572,596 (48.6183)	12,230,389 (51.3817)	0 (0.0000)	23,802,985 (100.0000)	
	Total	909,798,814 (98.2594)	16,116,600 (1.7406)	0 (0.0000)	925,915,414 (100.0000)	
7	Resolution on the total service emoluments to be paid to the directors of the Company for year 2017					
	A Shares	901,584,682 (99.9415)	527,747 (0.0585)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,387,667 (99.9430)	527,747 (0.0570)	0 (0.0000)	925,915,414 (100.0000)	
8	Resolution on the total service emoluments to be paid to the supervisors of the Company for year 2017					
	A Shares	901,584,682 (99.9415)	527,747 (0.0585)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,387,667 (99.9430)	527,747 (0.0570)	0 (0.0000)	925,915,414 (100.0000)	

No.	Resolutions	Total number of votes (%)				Voting results
		For	Against	Abstained	Total	Resolution was (passed or not)
9	Resolution on the amounts of guarantees to be provided by the Company to secure bank loans for some of its subsidiaries					
	A Shares	901,784,682 (99.9637)	327,747 (0.0363)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,587,667 (99.9646)	327,747 (0.0354)	0 (0.0000)	925,915,414 (100.0000)	
10	Resolution on the application by the Company for general banking facilities not exceeding RMB2 billion					
	A Shares	901,784,682 (99.9637)	327,747 (0.0363)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,773,422 (99.8758)	0 (0.0000)	29,563 (0.1242)	23,802,985 (100.0000)	
	Total	925,558,104 (99.9614)	327,747 (0.0354)	29,563 (0.0032)	925,915,414 (100.0000)	
11	Resolution on the entrusted loans business between the Company and its subsidiaries					
	A Shares	898,394,218 (99.5878)	3,718,211 (0.4122)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	8,263,893 (34.7179)	15,509,529 (65.1579)	29,563 (0.1242)	23,802,985 (100.0000)	
	Total	906,658,111 (97.9202)	19,227,740 (2.0766)	29,563 (0.0032)	925,915,414 (100.0000)	
12	Resolution on the proposed cash management of part of the temporary idle proceeds from fundraising of the Company					
	A Shares	901,584,682 (99.9415)	527,747 (0.0585)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,387,667 (99.9430)	527,747 (0.0570)	0 (0.0000)	925,915,414 (100.0000)	

No.	Resolutions	Total number of votes (%)				Voting results
		For	Against	Abstained	Total	Resolution was (passed or not)
13	Resolution on the proposed cash management of part of the temporary idle internal fund of the Company and its subsidiaries					
	A Shares	901,584,682 (99.9415)	527,747 (0.0585)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,387,667 (99.9430)	527,747 (0.0570)	0 (0.0000)	925,915,414 (100.0000)	
14	Resolution on the anticipated amounts of the ordinary and usual connected transactions for year 2017					
	A Shares	901,797,782 (99.9651)	314,647 (0.0349)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	23,802,985 (100.0000)	0 (0.0000)	0 (0.0000)	23,802,985 (100.0000)	
	Total	925,600,767 (99.9660)	314,647 (0.0340)	0 (0.0000)	925,915,414 (100.0000)	
Special Resolution						
15	Resolution on granting general mandate to the Board for issuing new shares of the Company					
	A Shares	898,378,557 (99.5861)	3,733,872 (0.4139)	0 (0.0000)	902,112,429 (100.0000)	Passed
	H Shares	16,665,000 (70.0122)	7,137,985 (29.9878)	0 (0.0000)	23,802,985 (100.0000)	
	Total	915,043,557 (98.8258)	10,871,857 (1.1742)	0 (0.0000)	925,915,414 (100.0000)	

Election of the members of the seventh session of the Board of Directors and the seventh session of the Supervisory Committee by way of cumulative poll				
16	Election of the executive directors of the seventh session of the Board by way of cumulative poll	No. of Shares voted in favour	Percentage of Shares from Shareholders who attended the meeting that voted in favour (%)	Elected or not
	16.1 Elect Mr. Li Chuyuan as an executive director of the Company	924,502,166	99.8474	Elected
	16.2 Elect Mr. Chen Mao as an executive director of the Company	925,017,668	99.9030	Elected
	16.3 Elect Ms. Liu Juyan as an executive director of the Company	924,727,368	99.8717	Elected
	16.4 Elect Ms. Cheng Ning as an executive director of the Company	924,727,370	99.8717	Elected
	16.5 Elect Mr. Ni Yidong as an executive director of the Company	921,568,445	99.5305	Elected
	16.6 Elect Mr. Wu Changhai as an executive director of the Company	921,568,446	99.5305	Elected
	16.7 Elect Mr. Wang Wenchu as an executive director of the Company	924,727,367	99.8717	Elected
17	Election of the independent non-executive directors of the seventh session of the Board by way of cumulative poll	No. of Shares voted in favour	Percentage of Shares from Shareholders who attended the meeting that voted in favour (%)	Elected or not
	17.1 Elect Mr. Chu Xiaoping as an independent non-executive director of the Company	925,200,162	99.9228	Elected
	17.2 Elect Mr. Jiang Wenqi as an independent non-executive director of the Company	925,200,165	99.9228	Elected
	17.3 Elect Mr. Wong Hin Wing as an independent non-executive director of the Company	925,200,165	99.9228	Elected
	17.4 Elect Ms. Wang Weihong as an independent non-executive director of the Company	925,200,164	99.9228	Elected
18	Election of the members of the seventh session of the Supervisory Committee by way of cumulative poll	No. of Shares voted in favour	Percentage of Shares from Shareholders who attended the meeting that voted in favour (%)	Elected or not
	18.1 Elect Mr. Xian Jiaxiong as a supervisor of the Company	924,737,568	99.8728	Elected
	18.2 Elect Ms. Gao Yanzhu as a supervisor of the Company	924,609,474	99.8590	Elected

Note 1: The percentages shown are rounded to the nearest two decimal places. The numbers may not add up to 100% due to rounding.

Note 2: In the announcement of the Company dated 7 June 2017, the Company announced the withdrawals of the following resolutions: (i) resolution on the re-appointment of BDO China Shu Lun Pan Certified Public Accountants LLP as the auditors of the Company for year 2017 (being ordinary resolution No. 15 set out in the notice of the AGM); and (ii) resolution on the re-appointment of BDO China Shu Lun Pan Certified Public Accountants LLP as the auditors for the internal control of the Company for year 2017 (being ordinary resolution No. 16 set out in the notice of the AGM). Accordingly, these two resolutions had not been proposed to the Shareholders at the AGM for their consideration and voting.

Note 3: The numbering of the resolutions set out in the table on poll results above are the same as those set out in the notice of the AGM and the relevant proxy form save and except that (i) special resolution previously numbered 17 has been re-numbered as No. 15; and (ii) ordinary resolutions previously numbered 18, 19 and 20 respectively have been re-numbered as 16, 17 and 18 respectively. The relevant sub-resolutions have also been re-numbered correspondingly.

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 resolutions No. 1 to No. 14 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 cast in favour of the special resolution No. 15 set out above, that special resolution was 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 AGM were cast in favour of each of the sub-resolutions under ordinary resolutions Nos. 16 to No. 18 set out above, those sub-resolutions were duly passed as ordinary resolutions. The sub-resolutions under ordinary resolutions Nos. 16 to No. 18 set out above were voted on by way of cumulative poll. Details of the cumulative poll were set out in the proxy form in relation to the AGM.

3. PROCEEDINGS WITNESSED BY LAWYERS AND SCRUTINEER

Hong Kong Registrars 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 DIRECTORS ELECTED AT THE AGM

There were 11 Directors elected as members of the seventh session of the Board at the AGM, of which Mr. Li Chuyuan, Mr. Chen Mao, Ms. Liu Juyan, Ms. Cheng Ning, Mr. Ni Yidong, Mr. Wu Changhai, Mr. Wang Wenchu, Mr. Chu Xiaoping and Mr. Jiang Wenqi were also members of the sixth session of the Board. Please refer to Appendix I to the Circular for the information on the aforesaid Directors. The said information remains unchanged from the LPD up to the date of this announcement. Set out below is the information on the other two Directors (namely Mr. Wong Hin Wing (黃顯榮) (“**Mr. Wong**”) and Ms. Wang Weihong (王衛紅) (“**Ms. Wang**”)) who were elected at the AGM:

4.1 Wong Hin Wing (黃顯榮)

Mr. Wong, aged 54, holds a Master’s degree in Executive Business Administration. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England & Wales, the Association of Chartered Certified Accountants, the Hong Kong Institute of Directors and the Institute of Chartered Secretaries and Administration. He is also a member of the American Institute of Certified Public Accountants and a chartered member of the Chartered Institute for Securities & Investment. Mr. Wong was an independent non-executive Director and the chairman of the audit committee of the Company during 2004 to 2010. He is an independent non-executive director of each of Dongjiang Environmental Company Limited (a company whose A shares are listed on the Small and Medium Enterprise Board of the Shenzhen Stock Exchange and whose H shares are listed on the Main Board of the Hong Kong Stock Exchange), CRCC High-Tech Equipment Corporation Limited (a company whose H shares are listed on Main Board of the Hong Kong Stock Exchange), AEON Credit Service (Asia) Company Limited (a company listed on the Main Board of the Hong Kong Stock Exchange), China Agri-Products Exchange Limited (a company listed on the Main Board of the Hong Kong Stock Exchange) and Inner Mongolia Yitai Coal Co., Ltd. (a company whose B shares are listed on the Shanghai Stock Exchange and whose H shares are listed on the Main Board of the Hong Kong Stock Exchange). He is also a member of the Anhui Provincial Committee of the Chinese People’s Political Consultative Conference, a member of the Nursing Council of Hong Kong, a council member of the Hong Kong Institute of Certified Public Accountants and a member of the Securities and Futures Appeals Tribunal established pursuant to the SFO. He has been the chief executive officer and the responsible officer of China Silk Road International Capital Limited (formerly known as Legend Capital Partners, Inc.), a licensed corporation under the SFO, since 1997. Prior to this, Mr. Wong had worked with an international audit firm for four years and then worked in a listed company as the chief financial officer for seven years. He has 33 years of experience in accounting, finance, investment management and advisory.

4.2 Wang Weihong (王衛紅)

Ms. Wang, aged 54, completed postgraduate education and holds a master degree in management. Ms. Wang is a professor and a member of each of the ninth, tenth and eleventh session of the Chinese People's Political Consultative Conference of Guangdong Province. Ms. Wang graduated from the Hunan Institute of Economics and Finance (currently known as the Hunan University). She began her career in July 1986 and had been a teacher of the Department of Trade and Economics of the Hunan Institute of Finance and Economics, the head and associate professor of the Teaching and Research Office of the Department of Business Administration of the Hunan Institute of Finance and Economics, the head and associate professor of the Department of Marketing and Sale of the Business Faculty of the Hunan University and an evaluation expert of the Association of the Social and Scientific Sectors of Guangdong (廣東省社會科學界聯合會). Ms. Wang is currently the head of the Department of Marketing of the School of Business Administration and the Business College, the head of the Research Center and a professor of the Guangdong University of Foreign Studies. Ms. Wang is also a standing director of the China Marketing Association, the deputy secretary general of China Business Administration Association of Universities (中國高校商務管理研究會), a standing director of China Marketing Association of Universities (中國高校市場學研究會), a standing director and the deputy secretary general of Guangdong Marketing Association and a standing director of Guangdong Institute of Research on the Tertiary Sector (廣東省第三產業研究會). Ms. Wang has extensive experience in strategy management, marketing management and brand operation.

4.3 Term of office

The term of office of each of Mr. Wong and Ms. Wang as a member of the 7th session of the Board commenced from the date on which he/she is elected (i.e. 23 June 2017) 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 each of Mr. Wong and Ms. Wang as a member of the 7th session of the Board will be approximately three years. The Company will enter into a service agreement with each of Mr. Wong and Ms. Wang.

4.4 Remuneration

According to the emoluments policy of the Company, the Board shall propose the emoluments of the Directors and the Board shall, pursuant to the authorization given to it at the annual general meeting(s) of the Company, determine the amount of the emoluments of the Directors and the payment manner.

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

None of Mr. Wong and Ms. Wang or their associates has any interest in the shares of the Company within the meaning of Part XV of the SFO as at the date of this announcement.

4.6 No other information required to be disclosed

Save as disclosed in the preceding sections of this announcement, as at the date of this announcement:

- (a) none of Mr. Wong and Ms. Wang has any relationship with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company;
- (b) none of Mr. Wong and Ms. Wang has or deemed to have any interests in the shares of the Company within the meaning of Part XV of the SFO;
- (c) none of Mr. Wong and Ms. Wang has any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas;
- (d) none of Mr. Wong and Ms. Wang holds any position in the Company or other members of the Group; and
- (e) there are no other matters concerning Mr. Wong and Ms. Wang that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Hong Kong Listing Rules.

5. RETIREMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

As disclosed in the Circular, each of Mr. Wong Lung Tak Patrick and Mr. Qiu Hongzhong (“**Mr. Qiu**”) had been an independent non-executive Director since June 2010 and, if they continued to act as the independent non-executive Directors beyond the conclusion of the AGM, would have been independent non-executive Directors for more than six years. According to the applicable PRC laws and the Articles of Association, an independent non-executive Director cannot stay in that office for more than six years consecutively. Accordingly, each of Mr. Wong and Mr. Qiu had not offered himself for re-election and retired at the conclusion of the AGM.

Each of Mr. Wong Lung Tak Patrick and Mr. Qiu has confirmed to the Company that he has no disagreement with the Board and there is no matter relating to his retirement that needs to be brought to the attention of the Shareholders.

6. INFORMATION ON THE SUPERVISORS ELECTED AT THE AGM

There were two Supervisors elected as members of the seventh session of the Supervisory Committee at the AGM, of which Mr. Xian Jiexiong was also a member of the sixth session of the Supervisory Committee. Please refer to Appendix II to the Circular for the information on Mr. Xian Jiexiong. Set out below is the information on another Supervisor (namely Ms. Gao Yanzhu (高燕珠) (“**Ms. Gao**”)) who was elected at the AGM:

6.1 Personal particulars

Ms. Gao, aged 51, holds a bachelor degree and a MBA degree. She is a senior economist, auditor, an engineer and a member of the 16th National People’s Congress of Liwan District, Guangzhou City. Ms. Gao started her career in July 1988 and had been the deputy director of the office of the operation and management of the enterprise management department of Guangzhou Baiyunshan Enterprise Group Co., Ltd., representative of securities affairs and company’s legal adviser of Baiyunshan Pharmaceutical, deputy department head of the audit department and the deputy director of the risk control office of GPL. Ms. Gao was the deputy department head of the audit department and the deputy director of the risk control office of the Company during March 2014 to January 2017 and is currently the department head of the audit department and the director of the risk control office of the Company. Ms. Gao has extensive experience in audit, risk control and securities affairs.

6.2 Term of office

The term of office of Ms. Gao as a member of the 7th session of the Supervisory Committee commenced from the date on which she is elected (i.e. 23 June 2017) up to the date on which the members of the new session of the Supervisory Committee (i.e. the 8th session) are elected. On this basis, it is expected that the term of office of Ms. Gao as a member of the 7th session of the Supervisory Committee will be approximately three years. The Company will enter into a service agreement with Ms. Gao.

6.3 Remuneration

According to the emoluments policy of the Company, the Board shall propose the emoluments of the Supervisors and the Board shall, pursuant to the authorization given to it at the annual general meeting(s) of the Company, determine the amount of the emoluments of the Supervisors and the payment manner.

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

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

Name	Capacity	Number of A Shares under the Employee Stock Trust	Approximate percentage in the entire issued share capital of the Company
Gao Yanzhu	Beneficial owner	5,000	0.0004

Save as disclosed above, neither Ms. Gao nor her associates have any interest in the shares of the Company within the meaning of Part XV of the SFO. The interests of Ms. Gao 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 Ms. Gao. 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.

6.5 No other information required to be disclosed

Save as disclosed in the preceding sections of this announcement, as at the date of this announcement:

- (a) Ms. Gao does not have any relationship with any Directors, other Supervisors, senior management or substantial or controlling shareholders of the Company;
- (b) Ms. Gao does not have and is not deemed to have any interests in the shares of the Company within the meaning of Part XV of the SFO;
- (c) Ms. Gao does not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas;
- (d) Ms. Gao does not hold any position in the Company or other members of the Group; and
- (e) there are no other matters concerning Ms. Gao that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Hong Kong Listing Rules.

7. RE-ELECTION OF THE SUPERVISOR REPRESENTING THE EMPLOYEES

As disclosed in the announcement of the Company dated 20 June 2017, Ms. Li Jinyun (李錦雲) was re-elected as the Supervisor representing the employees on 20 June 2017.

8. RESIGNATION OF SUPERVISOR BECAME EFFECTIVE

As disclosed in the announcement of the Company dated 4 February 2016, Ms. Wu Yan (吳艷) (“**Ms. Wu**”) had resigned as a Supervisor and such resignation will become effective after the new Supervisor has been elected at the general meeting of the Company to be held to fill the vacancy. As a result of the election of Supervisor filling the vacancy created by Ms. Wu’s resignation, such resignation has become effective at the conclusion of the AGM. Ms. Wu has confirmed that she has no disagreement with the Supervisory Committee and there is no other matters in relation to her resignation that needs to be brought to the attention of the Shareholders.

9. IMPORTANT NOTICE ON THE PAYMENT OF THE 2016 FINAL DIVIDEND

The Company announces the following in relation to the payment of the 2016 final dividend:

- (a) The register of members of the Company will be closed from 15 July 2017 (Saturday) to 21 July 2017 (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 21 July 2017 (Friday) will be entitled to the 2016 final dividend. In order to be entitled to the 2016 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 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for share transfer registration not later than 4:30 p.m. on 14 July 2017 (Friday).
- (b) 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 21 July 2017 (Friday) will be entitled to the 2016 final 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 RMB87.2932, being the average of the exchange rate between 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 2016 final dividend payable per H Share is HK\$0.3208 (including tax). The 2016 final dividend for the H Shares will be paid on or before 18 August 2017.

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 18 August 2017 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 2016 final dividends to non-resident enterprise Shareholders whose names appear on the register of holders of H Shares on 21 July 2017 (Friday). But the Company has no obligation to withhold and pay such enterprise income tax when distributing the 2016 final dividends to the resident enterprise Shareholders whose names appeared on the register of holders of H Shares on 21 July 2017 (Friday). A resident enterprise (within the same meaning as defined in the Tax Laws) which is established in the PRC or is established under the law of a foreign country (or region) with its de facto management organization located within the PRC shall submit to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 21 July 2017 (Friday) a legal opinion (stamped with the chop of the law firm) issued by a qualified PRC practicing lawyer confirming 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 entered into between the countries of which they are residents and China or the tax arrangements between Mainland China and Hong Kong or Mainland China and Macau. When the 2016 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 21 July 2017 (Friday), the Company will withhold 10% of the dividend to be distributed to the individual holders of H Shares 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 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.
- (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 the relevant tax impact in Mainland China, Hong Kong and other countries (regions) on ownership and disposal of the H Shares.
- (e) A separate announcement in relation to the 2016 final dividend for holders of A Shares of the Company will be made in due course.

10. 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 23 June 2017:

- (a) the resolutions passed at the AGM; and
- (b) the PRC legal opinion 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, 23 June 2017

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. Chu Xiaoping, Mr. Jiang Wenqi, Mr. Wong Hin Wing and Ms. Wang Weihong as independent non-executive directors.