
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Supplemental Circular as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand this Supplemental Circular accompanying with the Second Proxy Form to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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: 0874)

SUPPLEMENTAL CIRCULAR TO THE CIRCULAR TO SHAREHOLDERS

DATED 7 APRIL 2022:

(1) PROPOSED CHANGE OF AUDITOR;

AND

(2) SUPPLEMENTAL NOTICE OF THE ANNUAL GENERAL MEETING

Capitalised terms used in this cover page have the same meanings as those defined in this Supplemental Circular

This Supplemental Circular should be read in conjunction with the First Circular in relation to, among other things, the AGM to be held at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC on Thursday, 26 May 2022 at 10:00 a.m..

A notice convening the AGM was set out in the First Circular. The Supplemental AGM Notice is set out on pages 7 to 9 of this Supplemental Circular.

Additional resolutions on, among others things, the proposed change of auditors will be proposed at the AGM, details of which are set out in this Supplemental Circular. The Second Proxy Form for the use at the AGM which contains the additional resolutions to be proposed at the AGM is enclosed herewith. The Second Proxy Form enclosed herewith shall supersede the First Proxy Form enclosed to the First Circular. Whether or not you intend to attend the AGM, please complete and return the Second Proxy Form to the office of the Company's H Share Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for the AGM or any adjournment thereof. Completion and return of the Second Proxy Form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the Second Proxy Form shall be deemed to have been revoked.

11 May 2022

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DEFINITIONS

In this Supplemental Circular, unless the context requires otherwise, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company for year 2021 to be held on Thursday, 26 May 2022 at 10:00 a.m., including any adjournment thereof
“April Announcement”	the announcement of the Company dated 26 April 2022 wherein the Company announced, among other things, the proposed change of auditor
“A Shares”	RMB-denominated domestic shares in the share capital of the Company with a nominal value of RMB1.00 each and are listed on the Shanghai Stock Exchange
“BDO”	BDO China Shu Lun Pan Certified Public Accountants LLP* (立信會計師事務所(特殊普通合夥))
“Board”	the board of Directors
“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 with limited liability established in the PRC, whose H Shares and A Shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
“Director”	a director of the Company
“First AGM Notice”	the notice of the AGM dated 6 April 2022
“First Circular”	the circular of the Company dated 7 April 2022
“First Proxy Form”	the form of proxy for the AGM accompanying the First Circular
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Shares”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each and are listed on the Hong Kong Stock Exchange
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“PRC”	the People’s Republic of China which, for the purpose of this Supplemental Circular only, does not include Hong Kong, Macao Special Administrative Region and Taiwan
RMB”	Renminbi, the lawful currency of the PRC
“Second Proxy Form”	the form of proxy for the AGM accompanying the Supplemental Circular
“Shareholder”	a holder of the A Shares and/or H Shares
“Supplemental AGM Notice”	the supplemental notice convening the AGM, as set out on pages 7 to 9 of this Supplemental Circular
“Supplemental Circular”	this supplemental circular of the Company
“WUYIGE”	WUYIGE Certified Public Accountants LLP (大信會計師事務所 (特殊普通合夥))
“%”	per cent

* *For ease of reference, the names of the PRC established companies or entities (if any) and the PRC laws and regulations (if any) have generally been included in this circular in both Chinese and English languages and the English names are for identification purposes only. In the event of inconsistency, the Chinese language shall prevail.*

^ *Where the context so permits or requires, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.*

All times stated in this circular refer to Hong Kong time.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Li Chuyuan
Mr. Yang Jun
Ms. Cheng Ning
Ms. Liu Juyan
Mr. Zhang Chunbo
Mr. Wu Changhai
Mr. Li Hong

Independent non-executive Directors:

Mr. Wong Hin Wing
Ms. Wang Weihong
Mr. Chen Yajin
Mr. Huang Min

Registered office and principal place of business:

45 Sha Mian North Street
Liwan District
Guangzhou City, Guangdong Province
The PRC

Principal place of business in Hong Kong:

Room 2005, 20th Floor
Tower Two Lippo Centre
89 Queensway
Hong Kong

11 May 2022

To the Shareholders

Dear Sir or Madam

**SUPPLEMENTAL CIRCULAR TO THE CIRCULAR TO SHAREHOLDERS
DATED 7 APRIL 2022:
(1) PROPOSED CHANGE OF AUDITOR;
AND
(2) SUPPLEMENTAL NOTICE OF THE ANNUAL GENERAL MEETING**

1. INTRODUCTION

This Supplemental Circular should be read in conjunction with the First Circular which contains, among other things, matters to be transacted at the AGM. The purpose of this Supplemental Circular is to provide you with the information of the additional resolutions to be proposed at the AGM regarding the proposed change of auditor and to provide Shareholders with the Supplemental AGM Notice and the Second Proxy Form.

LETTER FROM THE BOARD

2. PROPOSED CHANGE OF AUDITOR

Reference is made to the April Announcement wherein the Company announced, among other things, that due to the needs of the business development and audit of the Company, the Company proposed to change its auditor.

As disclosed in the April Announcement, the Board announced that due to the needs of business development and the audit of the Company and in accordance with the “Guidance on Standardizing the Procurement Behavior of Municipal State-owned Enterprises” (《關於規範市屬國有企業採購行為的指導意見》) issued by the State-owned Assets Supervision and Administration Commission of Guangzhou Municipal People’s Government and the internal control requirements and procedures of the Company, the Company conducted the selection of the auditor of the Company for year 2022 and the internal control auditor of the Company for year 2022. According to the result of selection and with the recommendation of the audit committee of the Company, the Board resolved to propose the appointment of WUYIGE as both the auditor of the Company for year 2022 and the internal control auditor of the Company for year 2022 to replace BDO. The proposed appointment of WUYIGE as both the auditor of the Company for year 2022 and the internal control auditor of the Company for year 2022 is subject to the approval of the Shareholders at the AGM.

BDO has confirmed in writing that up to the issue of its confirmation, there are no matters in relation to the change of auditor that need to be brought to the attention of the Shareholders. The Board is not aware of any matters in relation to the proposed change of auditor that needs to be brought to the attention of the Shareholders. The Board and the audit committee of the Company have also confirmed that there are no disagreements or outstanding matters between the Company and BDO.

In this regard, two separate ordinary resolutions will be proposed at the AGM for the Shareholders to consider and, if thought fit, approve the appointment of WUYIGE as the auditor of the Company for year 2022 and the appointment of WUYIGE as the auditor of the Company for internal control for year 2022, respectively (the “**New Resolutions**”).

3. AGM

The AGM will be held at the conference room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC on Thursday, 26 May 2022 at 10:00 a.m. as originally scheduled. The Supplemental AGM Notice is set out on pages 7 to 9 of this Supplemental Circular. The Supplemental AGM Notice should be read in conjunction with the First AGM Notice.

The First Proxy Form was despatched to the Shareholders on Thursday, 7 April 2022 and has also been published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Since the First Proxy Form does not contain the New Resolutions, the Company has prepared the Second Proxy Form for despatch together with this Supplemental Circular. The New Resolutions are contained in the Supplemental AGM Notice.

Whether or not you intend to attend the AGM, please complete the Second Proxy Form in accordance with the instructions printed thereon and return it to the office of the Company’s H Share Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong

LETTER FROM THE BOARD

(for holders of H Shares) as soon as possible and in any event not less than 24 hours before the time appointed for the AGM or any adjournment thereof. Completion and return of the Second Proxy Form will not preclude you from attending and voting in person at the AGM should you so wish.

All the votes of the Shareholders at the AGM will be taken by poll.

Holders of H Shares who have lodged the First Proxy Form should note that:

- (a) If the Second Proxy Form is lodged with the office of the Company's H Share Registrar 24 hours prior to the time designated for convening the AGM (the "**Closing Time**"), the Second Proxy Form will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Proxy Form will be treated as a valid form of proxy lodged by the holder of H Shares if correctly completed and signed and returned in accordance with the instructions printed thereon.
- (b) If no Second Proxy Form is lodged with the office of the Company's H Share registrar as at the Closing Time, the First Proxy Form will be treated as a valid form of proxy lodged by the holder of H Shares if correctly completed. The proxy so appointed by the holder of H Shares will be entitled to vote at his/her discretion or to abstain from voting on any resolution properly put to the AGM, including the New Resolution.

Shareholders are reminded that completion and return of the First Proxy Form and/or the Second Proxy Form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the First Proxy Form and/or the Second Proxy Form shall be deemed to have revoked.

4. CLOSURE OF REGISTER OF MEMBERS FOR HOLDERS OF H SHARES

The register of members of the Company will be closed from Tuesday, 26 April 2022 to Thursday, 26 May 2022 (both days inclusive) as originally scheduled for the purpose of determining the entitlements of the Shareholders to attend the AGM, during which no transfer of H Shares will be effected. In order to qualify to attend the AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712 -1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Monday, 25 April 2022.

LETTER FROM THE BOARD

5. RECOMMENDATIONS

The Directors consider that the proposed change of auditor is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including all the independent non-executive Directors) recommend the Shareholders to vote in favour of the New Resolutions.

Yours faithfully

The Board of

Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

SUPPLEMENTAL NOTICE OF THE AGM

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this supplemental notice, 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 supplemental notice.



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)

SUPPLEMENTAL NOTICE OF THE 2021 ANNUAL GENERAL MEETING

Reference is made to the notice of the 2021 annual general meeting (the “AGM”) of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the “Company”) dated 6 April 2022 (the “First Notice”), which set out the time and place of the AGM and contained the relevant resolutions to be proposed to the Shareholders at the AGM for their consideration. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the supplemental circular of the Company dated 11 May 2022 (the “Supplemental Circular”).

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the AGM will be held as originally scheduled at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC on Thursday, 26 May 2022 at 10:00 a.m., for the purpose of considering the following additional resolutions, together with the other resolutions set out in the First Notice:

- (1) To be considered and approved by way of ordinary resolutions:
18. Resolution on the appointment of WUYIGE Certified Public Accountants LLP as the auditor of the Company for year 2022;
 19. Resolution on the appointment of WUYIGE Certified Public Accountants LLP as the internal control auditor of the Company for year 2022; and
 20. Resolution on amendments to the management measures in relation to the proceeds raised of the Company.

The above proposed resolutions were approved at the 20th meeting of the eighth session of the Board and the 16th meeting of the eighth session of the supervisory committee of the Company held on 26 April 2022.

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 10 May 2022

SUPPLEMENTAL NOTICE OF THE AGM

Notes:

1. All times stated in this supplemental notice refer to Hong Kong time.
2. This supplemental notice should be read in conjunction with the First Notice, the First Circular and the Supplemental Circular.
3. Save for the inclusion of new resolutions 18, 19 and 20 as set out in this supplemental notice, there are no other changes to the resolutions set out in the First Notice. Please refer to the First Notice and the First Circular for details of other resolutions to be proposed at the AGM, closure of register of members, eligibility for attending the AGM, registration procedures for attending the AGM, the voting arrangements, the poll procedure and other relevant matters.
4. Form of Proxy

Since the First Proxy Form does not contain the additional resolutions as set out in this supplemental notice, the Second Proxy Form has been prepared and is enclosed with this supplemental notice.

- (i) Holders of domestic shares (A shares) and overseas listed foreign shares (H shares) whose names appeared on the register of members of the Company after the end of the trading hours on 25 April 2022 (Monday) (including those holders of H shares who have submitted verified application documents for the transfer of shares on or before 25 April 2022 (Monday)) are entitled to attend the AGM. The register of members of the Company will be closed from 26 April 2022 (Tuesday) to 26 May 2022 (Thursday) (both days inclusive) during which no transfer of H shares will be effected. In order to determine who are entitled to attend the AGM, all share transfer documents of 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, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for share transfer registration no later than 4:30 p.m. on 25 April 2022 (Monday).
- (ii) Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies (whether or not he/she is a shareholder) to attend and vote at the meeting on his/her behalf. If any shareholder appoints more than one proxy, the proxies can only vote by poll. In order to be valid, the proxy form and the notarially certified power of attorney and/or other documents of authorization (if any) must be delivered to the address of the Company's office (for holders of A shares) or the office address of the Company's H share Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H shares) not less than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof.
- (iii) Holders of H Shares who have lodged the First Proxy Form should note that:
 - (a) If the Second Proxy Form is lodged with the office of the Company's H Share Registrar 24 hours prior to the time designated for convening the AGM (the "**Closing Time**"), the Second Proxy Form will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Form of Proxy will be treated as a valid form of proxy lodged by the holder of H Shares if correctly completed and signed and returned in accordance with the instructions printed thereon.
 - (b) If no Second Proxy Form is lodged with the office of the Company's H Share registrar as at the Closing Time, the First Proxy Form will be treated as a valid form of proxy lodged by the holder of H Shares if correctly completed. The proxy so appointed by the holder of H Shares will be entitled to vote at his/her discretion or to abstain from voting on any resolution properly put to the AGM including the new resolutions set out in this supplemental notice.

SUPPLEMENTAL NOTICE OF THE AGM

- (c) Completion and return of the First Proxy Form and/or the Second Proxy Form applicable to the AGM will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the First Proxy Form and/or the Second Proxy Form shall be deemed to have revoked.
5. To attend the AGM, an individual shareholder should bring along his/her identity card, shareholder account card; a proxy should bring along the proxy form, his/her identity card and the identity card of the principal and the shareholder account card for registration purpose. A legal person shareholder should bring along a copy of the business license, the proxy form signed by the legal entity, the shareholder account card and the identity card of the attendee for registration purpose.
6. Place and time of registration:
- Registration date and time: 9:30 a.m.-11:30 a.m. and 2:00 p.m.- 4:30 p.m. on 6 May 2022 (Friday)
- Place of registration: Office of the secretariat to the Board, 2nd Floor, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC
7. Address: 2nd Floor of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC
- Postal code: 510130
- Contact person: Huang Ruimei/Zeng Weiwei
- Tel: (8620) 6628 1216/6628 1218
- Fax: (8620) 6628 1229
- Email: sec@gybys.com.cn
- Address of Shanghai Branch of China Securities Depository and Clearing Corporation Limited: No. 188 Yanggaonan Road, Pudong New Area, Shanghai, the PRC
- Address of Hong Kong Registrars Limited: Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for submitting share transfer documents)
- 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for submitting reply slips or proxy forms)
8. The AGM is expected to last for half day. Shareholders attending the AGM shall be responsible for their own travelling and accommodation expenses.
9. Reporters attending the AGM shall register before the registration time for the shareholders.

As at the date of this supplemental notice, the Board comprises Mr. Li Chuyuan, Mr. Yang Jun, Ms. Cheng Ning, Ms. Liu Juyan, Mr. Zhang Chunbo, Mr. Wu Changhai and Mr. Li Hong as executive directors, and Mr. Wong Hin Wing, Ms. Wang Weihong, Mr. Chen Yajin and Mr. Huang Min as independent non-executive directors.