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**GUSHENGTANG HOLDINGS LIMITED**

**固生堂控股有限公司**

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 2273)**

## **VOLUNTARY ANNOUNCEMENT**

### **ACQUISITION OF EQUITY INTERESTS IN HUNAN MINGYUANTANG**

This announcement is made by GUSHENGTANG HOLDINGS LIMITED (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business developments of the Group.

#### **ACQUISITION OF EQUITY INTERESTS IN HUNAN MINGYUANTANG**

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company is pleased to announce that on May 31, 2024, Guangdong Gushengtang Traditional Chinese Medicine Health Technology Co., Ltd. (廣東固生堂中醫養生健康科技股份有限公司) (“**Guangdong Gushengtang**”), a subsidiary of the Company, entered into an equity transfer framework agreement (the “**Equity Transfer Framework Agreement**”) with, amongst others, the shareholders (the “**Sellers**”) of Hunan Mingyuantang Traditional Chinese Medicine Development Co., Ltd. (湖南名源堂中醫藥發展有限公司) (“**Hunan Mingyuantang**”), pursuant to which Guangdong Gushengtang agreed to acquire, and the Sellers agreed to sell 100% equity interest in Hunan Mingyuantang (the “**Acquisition**”) at a consideration of RMB18,000,000 (the “**Consideration**”).

Upon completion of the Acquisition, Hunan Mingyuantang will become an indirect wholly owned subsidiary of the Company and the financial results of Hunan Mingyuantang will be consolidated into the consolidated financial statements of the Group. The Company will make further announcement(s) to provide the latest progress on the Acquisition as and when necessary in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

## **INFORMATION ABOUT HUNAN MINGYUANTANG**

Hunan Mingyuantang is principally engaged in the provision of traditional Chinese medicine (“TCM”) service and pharmaceutical retail service in Hunan Province. As at the date of this announcement, two TCM out-patient departments and one TCM retail pharmacy have been controlled and managed by the branches of Hunan Mingyuantang.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Acquisition is in line with the Group’s expansion strategies to expand our offline medical institution network through acquisition provided that the Company is of the view that the Acquisition will (i) enhance our market share in Hunan Province and (ii) bring synergy effects between Hunan Mingyuantang and other offline medical institutions nationwide and online healthcare platforms of the Group.

The Consideration was determined between Guangdong Gushengtang and the Sellers after arm’s length negotiation with reference to, amongst others, the historical performance, qualifications, resources and prospects of Hunan Mingyuantang. The Directors consider the Consideration represents a fair and reasonable valuation of Hunan Mingyuantang. The Consideration will be funded by net proceeds from the global offering and placing of the Company.

Having considered the above, the Directors believe that the Equity Transfer Framework Agreement and the Acquisition are fair and reasonable and in the interest of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of the Sellers, Warrantors, Hunan Mingyuantang, and their respective ultimate beneficial owners, if applicable, is a third party independent of the Company and its connected persons (as defined under the Listing Rules). Therefore, the Acquisition does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the Acquisition exceeds 5%, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

**As completion of the Acquisition is conditional upon the satisfaction of the conditions precedents set out in the Equity Transfer Framework Agreement, the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**GUSHENGTANG HOLDINGS LIMITED**  
固生堂控股有限公司  
**TU Zhiliang**  
*Chairman of the board*

Hong Kong, June 2, 2024

*As at the date of this announcement, the Board of the Company comprises Mr. TU Zhiliang as Chairman and executive Director, Mr. HUANG Jingsheng, Mr. LIU Kanghua and Mr. GAO Jian as non-executive Directors, Ms. JIN Xu, Mr. LI Tie and Mr. WU Taibing as independent non-executive Directors.*