Early Warning System

ADB-59240-001

Yaodou Pharma Supply Chain Project

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Quick Facts

Countries	China
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	C
Voting Date	2025-12-08
Borrower	Zhejiang Xinghan Bona Pharmaceutical Technology Co., Ltd. (Yaodou)
Sectors	Education and Health, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.10 million
Project Cost (USD)	$ 20.10 million

Project Description

According to the Bank’s website, the project will fund Zhejiang Xinghan Bona Pharmaceutical Technology Co., Ltd. (Yaodou) working capital to enable it to distribute more pharmaceutical and medical products to pharmacies and community health centers, thus supporting the availability of pharmaceuticals outside hospital dispensaries. The project will provide up to $50 million equivalent in yuan senior secured loans, comprising (i) an A loan of up to $20 million equivalent in yuan from ADB's ordinary capital resources; and (ii) a parallel loan of up to $30 million equivalent in yuan.

Yaodou is a pharmaceutical distributor operating in the PRC and distributes 86% of its products in inland cities such as those in central and southern regions of the PRC. It focuses on pharmacy distribution to the outside hospital segment, which comprises pharmacies and community health centers. Yaodou connects approximately 3,000 suppliers to 31,000 buyers, and delivers over 10,597 types of products, of which 74.7% are prescription drugs.

Early Warning System Project Analysis

Environment: C
Involuntary Resettlement: C
Indigenous Peoples: C

In compliance with ADB Safeguard Policy Statement (2009), external consultants conducted environmental and social due diligence (ESDD). The ESDD did not find potential significant adverse, irreversible, unprecedented, and diverse environmental impacts from the use of the ADB loan proceeds.

Yaodou operates warehouses and office spaces on leased or purchased developed properties within established industrial parks. For new properties, the management reviews the property's history and verifies legal property titles before acquisition and leasing, Two of Yaodou subsidiaries' warehouses visited during due diligence confirmed this: the acquisition and leasing are market-based transactions and did not involve land acquisition nor resulted in involuntary resettlement.

Yaodou does not conduct risk assessments for potential impacts on ethnic minorities but selects sites in urban industrial parks where such impacts are unlikely. Based on the due diligence findings, no ethnic minorities were identified in or near areas where Yaodou subsidiaries' warehouses are located.

Investment Description

- Asian Development Bank (ADB)

The financing amount is CNY 142.16 million, which will be financed on a loan basis by ADB’s ordinary capital resources.

Private Actors Description

Established in 2014, *Yaodou* is a pharmaceutical distributor focused on the out-of-hospital segment. The company delivers medical and pharmaceutical products, including a strong portfolio that addresses chronic diseases, aging related conditions, and common communicable illnesses. Yaodou distributes the majority of its products in inland provinces, including central and southern regions of the PRC

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Zhejiang Xinghan Bona Pharmaceutical Technology Co., Ltd. (Yaodou)	Client	-

Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main.

Bank Documents

- Yaodou Pharma Supply Chain Project: Environmental and Social Compliance Audit Report
- Yaodou Pharma Supply Chain Project: FAST Report

Media

- ADB and Yaodou Sign Loan to Expand Out-of-Hospital Pharmaceutical Distribution in the PRC