

## CHANGE IN SHARE CAPITAL AND SHAREHOLDINGS OF MAJOR SHAREHOLDERS

### 1 Change in share capital

During the reporting period, there was no change in the capital structure of the Company.

### 2 Shareholdings of major shareholders

(1) As at 30th June 2003, there were 54,583 shareholders in total, including 1 shareholder holding the State-owned shares for the State, 54,532 shareholders holding domestic Renminbi (“RMB”) A shares and 50 shareholders holding overseas H shares.

(2) As at 30th June 2003, the top ten major shareholders of the Company were as follows:

Shareholders	Type of shares	No. of shares	(Approx)%
Guangzhou Pharmaceutical Holdings Limited (“GZPHL”)	State-owned shares	513,000,000	63.26
HKSCC Nominees Limited	H shares	217,964,999	26.88
Bohai Securities Co., Ltd.	A shares	924,688	0.11
HSBC Nominees (Hong Kong) Limited	H shares	862,000	0.11
China Merchants Bank Holdings Company Limited	A shares	372,850	0.06
Wong Chung King	H shares	308,000	0.04
Xinghe Securities Investment Fund	A shares	302,415	0.04
Deng Dakai	A shares	305,746	0.04
Bank of China- Tiantong 180 days-index Securities Investment Fund	A shares	158,501	0.02
Xie Tao	A shares	143,600	0.02

Notes:

(a) GZPHL is not connected with the other top ten major shareholders holding circulating shares. Accordingly, it should not be considered as parties acting in concert as stipulated in the “Rules Governing the Disclosure of Change in Shareholders”. The Company is not aware of any connection among the other nine top ten major shareholders, nor whether these nine shareholders are acting in concert as stipulated in the “Rules Governing the Disclosure of Change in Shareholders”.

During the reporting period, GZPHL disposed part of its interests in the Company’s State-owned shares for the purpose of financing the debt restructuring of Guangzhou Baiyunshan Pharmaceutical Co., Ltd. (“GZ Baiyunshan”). The total number of the State-owned shares involved is 152,600,000, including a proposed disposal of 12,480,000 State-owned shares to the Guangzhou office of China Huarong Asset Management Corporation and 22,000,000 State-owned shares to the Guangzhou office of China Greatwall Asset Management Corporation. Relevant procedures to complete the disposals are currently in progress. The remaining State-owned shares of the Company held by GZPHL are still pledged as collateral.

(b) As notified by the HKSCC Nominees Limited, the register of substantial shareholders maintained under section 336 of the Securities and Futures Ordinance (“SFO”), Chapter 571 of the Laws of Hong Kong, recorded the following substantial shareholders’ interests, being 5% or more of the Company’s issued H shares as at 30th June 2003.

Shareholders	Number of shares held	% of total issued H shares
The Hongkong and Shanghai Banking Corporation Limited	46,412,950	21.11
Guotai Junan (Hong Kong) Securities Company Limited	17,714,000	8.06
Bank of China (Hong Kong) Company Limited	16,337,000	7.43
Hang Seng Bank Limited	11,186,000	5.09

As far as the directors are aware, other than those listed above, there was no other person or body corporate whose interests or short positions should be recorded in such register as at 30th June 2003.