

# Contents

Company Profile .....	2
Financial Data and Financial Highlights .....	4
Changes in Share Capital and Shareholders .....	10
Directors, Supervisors, Senior Management and Staff .....	15
Corporate Governance .....	24
Summary of Shareholders' Meetings .....	29
Report of the Board of Directors	
Management discussion and analysis .....	30
Daily operations of the Board .....	41
Proposed scheme of profit distribution and increase in share capital by transfer from capital reserve .	42
Other matters .....	43
Report of the Supervisory Committee .....	50
Disclosure of Major Events .....	53
Financial Reports:	
Prepared in accordance with PRC Accounting Standards and Systems .....	55
Prepared in accordance with Accounting Principles Generally Accepted in Hong Kong .....	130
Documents Available for Inspection .....	192

## IMPORTANT NOTICE

- I. The Board of Directors (the "Board"), the Supervisory Committee (the "Supervisory Committee") of Guangzhou Pharmaceutical Company Limited ("GPC" or the "Company") and its Directors, Supervisors and Senior Management collectively and individually accept full responsibility for the authenticity, accuracy and completeness of the information contained in this annual report and confirm that there are no false information, misleading statements or material omissions in this annual report.
- II. Guangdong Yangcheng Certified Public Accountants Co., Ltd., the PRC auditors, and PricewaterhouseCoopers, the international auditors, have audited the financial reports of the Goup and the Company for the year ended 31 December 2005 (the "Reporting Period" or the "Year") and issued unqualified auditors' reports thereon.
- III. Mr. Yang Rongming, the Chairman, Mr. Xie Bin, the General Manager, and Mr. Chen Binghua, the Financial Controller and Senior Manager of the Finance Department, individually accept responsibility for ensuring the authenticity and completeness of the financial reports contained in this annual report.
- IV. This annual report is prepared in both English and Chinese. In the event that different interpretation occurs, with the exception of the financial statements prepared in accordance with the accounting principles generally accepted in Hong Kong ("HK GAAP") and the international auditors' report thereon, the Chinese version shall prevail.

# Company Profile

- I. Legal Chinese name: 廣州藥業股份有限公司  
Chinese name abbreviation: 廣州藥業  
English name: Guangzhou Pharmaceutical Company Limited  
English name abbreviation: GPC
- II. Legal representative: Yang Rongming
- III. Company secretary: He Shuhua  
Representative of securities affairs: Huang Xuezhen  
Address: 45 Sha Mian North Street, Guangzhou City  
Guangdong Province, the PRC  
Telephone: (8620) 8121 8119 / 8121 8086  
Fax: (8620) 8121 6408  
E-mail: hesh@gpc.com.cn / huangxz@gpc.com.cn
- IV. Registered address and office: 45 Sha Mian North Street, Guangzhou City  
Guangdong Province, the PRC  
Postal code: 510130  
Internet website: <http://www.gpc.com.cn>  
E-mail: [sec@gpc.com.cn](mailto:sec@gpc.com.cn)  
Principal place of business in Hong Kong: Room 2005, 20th Floor, Tower Two Lippo Center  
89 Queensway, Hong Kong
- V. Designated newspapers for information disclosure: Mainland China: Shanghai Securities  
Hong Kong: Hong Kong Economic Times  
The Standard (English newspaper)
- Internet website designated by the China Securities Regulatory Commission for publishing this annual report: <http://www.sse.com.cn>
- Internet website designated by The Stock Exchange of Hong Kong Limited for publishing this annual report: <http://www.hkex.com.hk>
- Place where this annual report is available for inspection: The Secretariat to the Board of Directors of  
Guangzhou Pharmaceutical Company Limited
- VI. Place of listing, name and codes of the Company's shares: A Shares: The Shanghai Stock Exchange  
Stock Code: 600332  
Stock Abbreviation: GZ Phar.
- H Shares: The Stock Exchange of Hong Kong Limited  
Stock Code: 0874  
Stock name: GZ Phar.

## Company Profile

### VII. Other corporate information

First registration date: 1 September 1997  
Place of first registration: 45 Sha Mian North Street, Guangzhou City  
Guangdong Province, the PRC  
Registration date for subsequent change: 15 November 2004  
Place of registration for subsequent change: 45 Sha Mian North Street, Guangzhou City  
Guangdong Province, the PRC  
Business registration number: 4401011101830  
Tax registration number: 44010063320680X

Auditors: International auditors:  
PricewaterhouseCoopers  
Certified Public Accountants  
22nd Floor, Prince's Building Central  
Hong Kong

PRC auditors:  
Guangdong Yangcheng Certified  
Public Accountants Co., Ltd.  
25th Floor, Jianlibao Plaza  
410 Dongfeng Zhong Road  
Guangzhou 510040, Guangdong, PRC