

# Directors, Supervisors, Senior Management and Staff

## I. PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### Directors

**Mr. Yang Rongming**, aged 52, Chairman of the Company, is a postgraduate and currently the Chairman and General Manager of GPL. Mr. Yang started his career in October 1970 and served as vice factory manager of Guangzhou Monosodium Glutamate and Food Factory, Deputy General Manager of Guangzhou Ao Sang Monosodium Glutamate & Food Co., Ltd, Director and General Manager of Guangzhou Eagle Coin Enterprises Group Corporation, Chairman and General Manager of Guangzhou Zhujiang Brewery Group Co., Ltd and Chairman of Guangzhou Zhujiang Brewery Co., Ltd. Mr. Yang is also Director of Guangzhou Xingqun Pharmaceutical Co., Ltd. ("Xingqun Pharmaceutical"), Guangzhou Zhongyi Pharmaceutical Company Ltd. ("Zhongyi Pharmaceutical") and Guangzhou Pharmaceutical Corporation ("Pharmaceutical Corporation") and Chairman of Guangzhou Pharmaceutical Soccer Club Co., Ltd. Mr. Yang has extensive experience in business management and sales and marketing.

**Mr. Zhou Yuejin**, aged 48, is the Vice Chairman of and Senior Manager of the Capital Operation Department of the Company. Mr. Zhou obtained a Bachelor degree of Industrial Study and a Master degree in Economics, and is qualified as a Senior Economist and a Certified Pharmacist. He joined GPL in 1975. He was the supervisor of the business department of, assistant to the factory manager of, vice factory manager of and factory manager of Guangzhou Hejigong Pharmaceutical Co., Ltd., Director and Vice General Manager of Po Lian Development Co., Ltd, and General Manager of the Company. Mr. Zhou is also a Director of Wanglaoji Pharmaceutical and a Director of Golden Eagle Asset Management Co., Ltd. He has extensive experience in business management and investment.

**Mr. Xie Bin**, aged 48, an economist with a Master degree in science, is the Director and General Manager of the Company. Mr. Xie commenced working since August 1974 and served as the factory manager of Guangzhou Baiyunshan Chinese Medicine Factory and Guangzhou Baiyunshan Pharmaceutical Manufacturing General Factory, Deputy General Manager, General Manager and Director of Guangzhou Baiyunshan. He is also Vice Chairman of Wanglaoji Pharmaceutical, Manager of Guangzhou Chinese Medicine Corporation ("Chinese Medicine Corporation"), Chairman and General Manager of Zhongyi Pharmaceutical, Director of Xingqun Pharmaceutical, Pharmaceutical Corporation and Guangzhou Pharmaceutical Soccer Club Co., Ltd. Mr. Xie has been the General Manager of the Company since November 2004 and the Director of the Company since June 2005. Mr. Xie has extensive experience in enterprise management, sales and marketing.

**Mr. Feng Zansheng**, aged 55, a Director of the Company, joined GPL in 1970. He graduated from Guangzhou Medical College in 1977 with a Diploma in Medical Treatment. Mr. Feng is the Chairman and General Manager of Pharmaceutical Corporation, and Vice Chairman of the Chinese Medical Commerce Association. He is also an executive member of Guangdong Medical Society and Vice Commissioner of Trading Specialty.

# Directors, Supervisors, Senior Management and Staff

## I. PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT *(continued)*

### Independent Non-executive Directors

**Mr. Wu Zhang**, aged 48, has been an Independent Non-executive Director of the Company since 2000. Mr. Wu is currently the Chairman of Guangzhou Securities Co., Ltd and an independent director of Guangzhou Zhujiang Industrial Co., Ltd. Mr. Wu received a Master degree in Business Administration from Murdoch University in Australia and has a strong theoretical knowledge in economics and finance and sound experience in securities management. He served as the General Manager of Guangzhou Yue Yin Finance Development Company, Deputy Managing Director of Hong Kong Yue Xiu Finance Co., Ltd and Hong Kong Yue Xiu Securities Co., Ltd., and Chairman of Golden Eagle Asset Management Co., Ltd.

**Mr. Wong Hin Wing**, aged 43, has been an Independent Non-executive Director of the Company since March 2004. Mr. Wong holds a Master's degree in Executive Business Administration from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Directors, the Association of Chartered Certified Accountants, as well as a member of the American Institute of Certified Public Accountants. He is also a fellow member of the Institute of Chartered Secretaries and Administrators and a member of the Securities Institute in the United Kingdom. Mr. Wong is currently the managing director and Responsible Officer of Legend Capital Partners Inc., a licensed corporation under the Securities and Futures Ordinance. He has over 22 years of experience in accounting, finance, investment management and advisory. Mr. Wong had worked with an international audit firm for four years and was the chief financial officer of a listed public company for seven years. He is also a director of Aeon Credit Service (Asia) Company Limited.

**Mr. Zhang Heyong**, aged 66, has been an Independent Non-executive Director of the Company since March 2004. Mr. Zhang graduated from the Medical Science Department of Shanghai Medical University, and is currently the consultant of the State Foods and Medicine Supervisory and Administration, Counsellor of State Council, Chairman of the China OTC Medicine Association, Chairman of the Association of China Medicine Quality Control, Chairman of the Association of China Medicine Packaging and Chairman of the Association of China Medicine Packaging Equipment Industry. Mr. Zhang has extensive experience in the pharmaceutical industry.

### Supervisors

**Mr. Chen Canying**, aged 56, Chairman of the Supervisory Committee of the Company, joined GPL in 1973. Mr. Chen graduated from Guangzhou Administration College in 1985. He is also Chairman of the Labor Union of GPL and the Company, and a Director of Guangzhou Huan Ye Pharmaceutical Co., Ltd ("Huan Ye Pharmaceutical"). Mr. Chen is also an executive member of the Guangzhou Entrepreneurs Association, a member of the Editorial Committee of the "Chinese Medicine Affairs Paper", and an executive member of the Chinese Medicine Economic Research Association.

**Mr. Ouyang Qiang**, aged 44, an intermediate economist, has been a Supervisor of the Company since March 2004. He is the senior manager of the Human Resources Department of the Company. Mr. Ouyang graduated from Guangzhou Administration College and was awarded a diploma by the Economics Management University in 2000. He joined GPL in 1999 and served as the deputy head and the head of the Administration Department of GPL.

# Directors, Supervisors, Senior Management and Staff

## I. PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT *(continued)*

### Supervisors *(continued)*

**Mr. Zhong Yugan**, aged 49, has been a Supervisor of the Company since March 2004. Mr. Zhong graduated from the Business Economics Department of Beijing Business College in 1982 and was awarded a Bachelor of arts in economics. He studied abroad in the University of 契里爾 • 麥托蒂 in the former Yugoslavia. Mr. Zhong is currently the Head of the Business Administration Faculty in the Guangdong Business College, the professor of management studies and the tutor of Master degree postgraduates. He is also the Vice Chairman of the Association of Marketing Research of China higher institutes, Deputy General Secretary of the Association of China Marketing Study, committee member of academic work of the Association of China International Public Relations, the Vice Chairman of the Guangdong Provincial Business Economics Association and the executive member of the Guangdong Provincial Public Relations Association. Mr. Zhong has extensive experience in the fields of marketing and sales, strategic decision-making and corporate management.

### Senior Management

**Mr. He Shuhua**, aged 49, Deputy General Manager and Company Secretary of the Company, joined GPLH in 1982. He graduated from Zhong Shan University in 1982 with a Bachelor degree in Biology. In 1995, he obtained a Master degree in Statistics from the same university. He is also Chairman of Guangxi Yingkang Pharmaceutical Co., Ltd. ("Guangxi Yingkang"), Director of Guangzhou Hanfang Contemporary Medicine Research and Development Co., Ltd ("Guangzhou Hanfang") and China Pharmaceutical Group Co., Ltd, an executive member of Guangdong Statistics Society and a representative of the 12th Guangzhou Municipal People's Congress. Mr. He has been the Company Secretary of the Company since 1997, Deputy General Manager of the Company since September 2001, and served as the Director of the Company from 1 November 2004 to 27 April 2005. He has extensive experience in business management and sales and marketing.

**Mr. Su Guangfeng**, aged 42, Deputy General Manager of the Company with bachelor degree in industrial studies. Mr. Su joined Guangzhou Baiyunshan in 1987 and served as the Deputy Chief of Operating Department of Guangzhou Baiyunshan and Deputy Plant Head of Guangzhou Baiyunshan Chinese Medicine Factory. He has been the Chairman and General Manager of Xingqun Pharmaceutical since January 2005, and the Deputy General Manager of the Company since June 2005. Mr. Su has extensive experience in enterprise management, sales and marketing.

**Mr. Chen Binghua**, aged 40, an accountant with a Master degree in administration, is the Financial Controller and Senior Manager of the Finance Department of the Company. Mr. Chen was General Manager of Shanghai Pudong Xidi Co., Ltd (上海浦東希迪有限公司), General Finance Manager of China Foreign Trade Development Company and Financial Chief of O-NET Communications Ltd.. He is also a Director of Guangzhou Bai Di Bio-technology Co., Ltd. ("Guangzhou Bai Di"), Director and Financial Controller of Guangxi Yingkang and Supervisor of China Pharmaceutical Group Co., Ltd. He has been Senior Manager of the Finance Department of the Company since 2002 and the Financial Controller of the Company since December 2005. Mr. Chen has extensive experience in accounting and financial management.

# Directors, Supervisors, Senior Management and Staff

## II. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS IN SHARES (A SHARES) DURING THE REPORTING PERIOD

Name	Position	Shares held as at 1 January 2005	Shares held as at 31 December 2005
Yang Rongming	Chairman	—	—
Zhou Yuejin	Vice Chairman	28,900	28,900
Xie Bin	Director (appointed on 30 June 2005) and General Manager	1,000	1,000
Feng Zansheng	Executive Director	—	—
Wu Zhang	Independent Non-executive Director	—	—
Wong Hin Wing	Independent Non-executive Director	—	—
Zhang Heyong	Independent Non-executive Director	—	—
Chen Canying	Chairman of the Supervisory Committee	9,800	9,800
Ouyang Qiang	Supervisor	10,100	10,100
Zhong Yugan	Supervisor	—	—
He Shuhua	Deputy General Manager and Company Secretary	27,700	27,700
Gao Fang	Financial Controller (ceased to act on 30 November 2005)	—	—
Chen Binghua	Financial Controller (appointed on 13 December 2005)	4,800	4,800

# Directors, Supervisors, Senior Management and Staff

## III. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

- As at 31 December 2005, the interests or short positions of the Directors, Supervisors and Senior Management in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company and the HKEX pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred therein, or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") of the Rules Governing the Listing of Securities on HKEX (the "Listing Rules") to be notified to the Company and HKEX were as follows:

### Directors

Name	Type of interest	Company	Number of shares
Zhou Yuejin	Personal	A shares of the Company	28,900
Xie Bin	Personal	A shares of the Company	1,000

### Supervisors

Name	Type of interest	Company	Number of shares
Chen Canying	Personal	A shares of the Company	9,800
Ouyang Qiang	Personal	A shares of the Company	10,100

### Senior Management

Name	Type of interest	Company	Number of shares
He Shuhua	Personal	A shares of the Company	27,700
Chen Binghua	Personal	A shares of the Company	4,800

- Save as disclosed above, as at 31 December 2005, none of the Directors, Supervisors, Senior Management and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the HKEX pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred therein, or which were required, pursuant to the Model Code of the Listing Rules, to be notified to the Company and the HKEX.

# Directors, Supervisors, Senior Management and Staff

## IV. REMUNERATION FOR THE YEAR

### 1. Policy on determining remuneration

The annual remuneration of Directors and Supervisors were proposed by the Board and approved at the 2003 Annual General Meeting ("AGM") at which the Board was authorized to determine the amount of remuneration and method of payment for services of the Company's Directors and Supervisors. The amount of remuneration and payment method of Senior Management were determined by the Board after taking into account of the Company's operating results and individual performance.

### 2. Remuneration for the Year

During the Year, the total remuneration of the Directors, Supervisors and Senior Management of the Company who received remuneration from the Company amounted to RMB1,498,000, details of which are set as follow:

Name	Remuneration received from the Company		Whether received emoluments from the shareholder or connected parties
	Whether received emoluments from the Company	Total emoluments for the Year <i>RMB' 000</i>	
<b>Directors</b>			
Yang Rongming	No	—	Received remuneration from the shareholder
Zhou Yuejin	Yes	325	No
Xie Bin	Yes	197	No
Feng Zansheng	No	—	Received remuneration from the Company's subsidiary
Wu Zhang	Yes	80	No
Wong Hin Wing	Yes	80	No
Zhang Heyong	Yes	80	No
<b>Supervisors</b>			
Chen Canying	No	—	Received remuneration from the shareholder
Ouyang Qiang	Yes	158	No
Zhong Yugan	Yes	30	No

# Directors, Supervisors, Senior Management and Staff

## IV. REMUNERATION FOR THE YEAR *(continued)*

### Senior Management

He Shuhua	Yes	278	No
Su Guangfeng	No	—	Received remuneration from the Company's subsidiary
Gao Fang (Note)	Yes	125	No
Chen Binghua (Note)	Yes	145	No

Notes:

- (1) Mr. Gao Fang ceased to act as the Financial Controller of the Company on 30 November 2005;
- (2) Chen Binghua was appointed on 13 December 2005. The yearly salary was the remuneration received as taking his original duties;
- (3) Details of the emoluments of the Directors, Supervisors and Senior Management for the Year are set out in the notes to the accounts on page 178.

## V. APPOINTMENT AND RESIGNATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

1. As approved at the 11th meeting of the Third Session of the Board, Mr. He Shuhua resigned on 27 April 2005 as the Director of the Company due to work reason.
2. At the Company's 2004 AGM held on 30 June 2005, Mr. Xie Bin was elected as an Executive Director of the Third Session of the Board of the Company, with a term of office commencing from the date of appointment until the date of election of the new session of the Board of the Company.
3. At the Company's 12th meeting of the Third Session of the Board held on 30 June 2005, Mr. Su Guangfeng was appointed as the Deputy General Manager of the Company, with a term of office commencing from the date of appointment until the date of election of the new session of the Board of the Company.
4. As approved at the 17th meeting of the Third Session of the Board, Mr. Gao Fang ceased to act as the Financial Controller of the Company on 30 November 2005 due to work relocation.
5. As approved at the 18th meeting of the Third Session of the Board, Mr. Chen binghua was appointed as the Financial Controller of the Company, with a term of office commencing from the date of appointment until the date of the election of the new session of the Board of the Company.

# Directors, Supervisors, Senior Management and Staff

## VI. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each of the present Directors and Supervisors has entered into a service contract with the Company. Details are set out as follows:

1. The respective service contracts entered into between the Company and Mr. Zhou Yuejin and Mr. Feng Zansheng as Executive Directors, Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong as Independent Non-executive Directors and Mr. Chen Canying, Mr. Ouyang Qiang and Mr. Zhong Yugan as Supervisors were for a term commencing from 26 March 2004 up to the date of the election of the Fourth Session of the Board and the Supervisory Committee.
2. The service contract entered into between the Company and Mr. Yang Rongming as Executive Director was for a term commencing from 1 November 2004 up to the date of the election of the Fourth Session of the Board.
3. The service contract entered into between the Company and Mr. Xie Bin as Executive Director was for a term commencing from 30 June 2005 up to the date of the election of the new session of the Board.
4. The term of office of each Director and Supervisor of the Company commenced from the date of their respective appointments to the date of the election of the Fourth Session of the Board and the Supervisory Committee. The term shall be approximately three years. All Directors and Supervisors are eligible to offer themselves for re-election.
5. The above-mentioned service contracts with the Directors and Supervisors do not contain any provision for compensation for early termination of contract, or for failure in being re-elected after expiration of their term of office.

## VII. DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the business of the Group to which the Company, its subsidiaries or its holding company was a party and in which a Director or Supervisor of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

## VIII. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISOR

During the Reporting Period, the Company had adopted Appendix 10 of the Listing Rules titled "Model Code for Securities Transactions by Directors of Listed Issuers" as the code for securities transactions by Directors and Supervisors of the Company. After making specific inquiry of all the Directors and Supervisors, the Company confirms that its Directors and Supervisors have fully complied with the standard laid down in the said rules.



# Directors, Supervisors, Senior Management and Staff

## IX. EMPLOYEES OF THE GROUP

As at 31 December 2005, the number of employees on the payroll register of the Group was 8,600, including:

	<b>No. of employees</b>
Production and supporting staff	4,309
Sales personnel	1,659
Technical, research and engineering staff	1,284
Finance and statistics staff	292
Other administrative staff	1,056

83 of the employees are holders of a master degree and 1,106 are holders of a bachelor degree. The number of retirees was 4,747. The total salary payment for the Year was approximately RMB406,000,000.

The remuneration of the employees of the Group includes salaries, bonuses and other fringe benefits. The Group applied different rates of remuneration to different employees, based on the employees' performance, experience, position and other factors and is in compliance with the relevant PRC rules and regulations.

