



# 廣州藥業股份有限公司

**Guangzhou Pharmaceutical Company Limited**

(a joint stock company established in the People's Republic of China with limited liability)

## RESOLUTIONS PASSED AT THE 2002 ANNUAL GENERAL MEETING

The Company and the members of the Board of Directors hereby confirm the truthfulness, accuracy and completeness of the contents of this announcement and jointly accept full responsibility for any false representation, misleading statement or material omission herein contained.

This announcement is made in accordance with paragraph 2(2) of the Listing Agreement.

Guangzhou Pharmaceutical Company Limited (the "Company") held its 2002 Annual General Meeting ("AGM") at 10:00 a.m. on 16 May 2003 at the Conference Room, 2nd Floor, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the People's Republic of China. 3 shareholders and proxies attended the meeting, representing a total of 513,216,000 shares, or approximately 63.29% of the total number of shares of the Company, (of which 513,000,000 shares were State-owned shares, representing approximately 63.26% of the total number of shares of the Company, 0 share was A share, representing 0% of the total number of shares of the Company and 216,000 shares were H shares, representing approximately 0.03% of the total number of shares of the Company). The meeting was held in compliance with the Company Law of the People's Republic of China and the provisions of the Company's Articles of Association with respect to the holding of Annual General Meeting.

Upon discussion and consideration, the following resolutions were passed at the meeting by means of individual ballot:

### I. BY WAY OF ORDINARY RESOLUTIONS:

1. The directors' report for the year 2002 was approved;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
2. the report of the Supervisory Committee for the year 2002 was approved;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
3. the audited accounts of the Company for the year 2002 were approved;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
4. the auditors' reports for the year 2002 were approved;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
5. the resolution in relation to the reappointment of the retiring domestic auditors (Guangzhou Yangcheng Certified Public Accountants Co. Ltd.) and the international auditors (PricewaterhouseCoopers) was approved and the board of directors of the Company ("Board of Directors") was granted with the mandate to determine auditors' remuneration;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
6. the resolution of profit distribution and dividend payment for the year 2002 was approved;
  - a) the distribution of profit after taxation of the Company and its subsidiaries are made as follows:
    - i) among its subsidiaries, manufacturing companies are to transfer 10% to the statutory surplus reserve fund; 10% to the statutory public welfare reserve; and 10% to the discretionary surplus reserve. Trading companies are to transfer 10% to the statutory surplus reserve fund; 10% to the statutory public welfare reserve; and 20% to the discretionary surplus reserve.
    - ii) the Company is to transfer 10% to the statutory surplus reserve fund; 5% to the statutory public welfare reserve and no transfer is to be made to the discretionary surplus reserve.
  - b) the full year dividend for 2002 is Rmb0.06 per share (inclusive of tax for A shares). The total amount of dividends to be distributed amounts to Rmb 48.65 million.  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
7. the projected profit distribution policy of the Company in 2003 was approved;  
The Company proposed that there will be only one profit distribution in 2003; the amount to be apportioned as dividend will not be lower than 30% of the net profit and this will be distributed in the form of cash; the Company does not plan to make any transfer from surplus reserve into capital in 2003.  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
8. the resolution in relation to the amount of emoluments to be paid to the directors of the Company for the year 2003 was approved;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.
9. the resolution in relation to the amount of emoluments to be paid to the supervisors of the Company for the year 2003 was approved.  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.

### II. BY WAY OF SPECIAL RESOLUTION:

1. The resolution in relation to the authorisation to the Board of Directors to allot and issue new shares was approved;  
Votes in favour of the resolution: 513,216,000 shares, representing 100% of the total number of shares held by shareholders (including proxies) present at the AGM carrying voting rights; there were no votes against the resolution nor abstained votes.  
The AGM was witnessed by Lu Hui, a lawyer from Z & T Law Firm, which issued its legal opinion that the assembly and the procedures for convening the AGM complied with the Company Law of the People's Republic of China and the provisions of the Company's Articles of Association, and the eligibility of persons attending the meeting was lawful and valid. No new motions were proposed by shareholders at the AGM. The voting procedures of the meeting complied with the laws and regulations and the provisions of the Company's Articles of Association. The resolutions passed at the AGM were lawful and valid.

This announcement is made in accordance with paragraph 2(2) of the Listing Agreement.

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