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廣州藥業股份有限公司

Guangzhou Pharmaceutical Company Limited

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

(Stock Code: 0874)

ANNOUNCEMENT OF THE RESOLUTIONS PASSED AT THE SECOND EXTRAORDINARY GENERAL MEETING OF 2004

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

Guangzhou Pharmaceutical Company Limited (the "Company") held its Second Extraordinary General Meeting of 2004 ("EGM") on 1 November 2004 at 10:00 a.m. at the Conference Room, 2nd Floor, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the People's Republic of China. 2 shareholders represented by proxies attended the EGM, representing a total of 520,880,000 shares (of which 513,000,000 shares were State-owned shares, representing approximately 63.26% of the total number of shares of the Company, 7,880,000 shares were H shares, representing approximately 0.97% of the total number of shares of the Company), or approximately 64.23% of the total number of shares of the Company. The EGM 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 general meetings.

As at the date of the EGM, there were a total of 810,900,000 shares of the Company in issue, entitling the holders thereof to attend and vote for or against the resolutions numbered 2 and 3 set out in the notice of the EGM (the "Notice") issued on 14 September 2004. Guangzhou Pharmaceutical Holdings Limited ("GPHL"), the Company's controlling shareholder holding a total of 513,000,000 shares in the Company (which represents approximately 63.26% of the shares in issue of the Company), and its associates abstained from voting on the resolution numbered 1 in relation to the proposed subscription of newly issued shares of Guangzhou Hanfang Modern Chinese Medicine Research and Development Limited ("Guangzhou Hanfang") by the Company in accordance with regulations. Accordingly, only shareholders other than GPHL and its associates (the "Independent Shareholders") holding a total of 297,900,000 shares, representing approximately 36.74% of the shares in issue of the Company, were entitled to vote on the resolution numbered 1 at the EGM. No holders of shares in the Company are entitled to attend and vote only against any of the resolutions at the EGM.

After discussion and consideration, the following resolutions (details of which were set out in the Notice) were passed at the EGM by means of poll:

By way of ordinary resolutions:

1. The resolution in relation to the proposed subscription of newly issued shares of Guangzhou Hanfang by the Company.

GPHL, the controlling shareholder of the Company, refrained from voting on the resolution at the EGM in accordance with regulations. Accordingly, the Independent Shareholders voted on this resolution. The voting results are:

7,880,000 shares voted in favour, representing 100% of the total number of shares carrying the right to vote; 0 shares voted against, representing 0%; and 0 shares abstained, representing 0%.

2. The resolution in relation to the proposed election of Mr. Yang Rongming as an Executive Director of the Company. His term of office commences from the date of appointment to the date of election of the next board of directors (the "Board").
519,228,000 shares voted in favour, representing 99.68% of the total number of shares carrying the right to vote; 0 shares voted against, representing 0%; and 1,652,000 shares abstained, representing 0.32%.
3. The resolution in relation to the proposed election of Mr. He Shuhua as an Executive Director of the Company. His term of office commences from the date of appointment to the date of election of the next Board.
519,228,000 shares voted in favour, representing 99.68% of the total number of shares carrying the right to vote; 0 shares voted against, representing 0%; and 1,652,000 shares abstained, representing 0.32%.

Guangzhou Yangcheng Certified Public Accountants Co., Ltd, the Company's domestic auditor, acted as the scrutineer for the voting at the EGM.

The EGM was witnessed by Zhang Zhenya, a lawyer of Z & T Law Firm which issued its legal opinion that the assembly and the procedures for convening the second EGM for the year 2004 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 EGM was lawful and valid. No new motions were proposed by shareholders at the EGM. 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 EGM were lawful and valid.

By order of the Board
He Shuhua
Company Secretary

Guangzhou, PRC, 1 November 2004

As at the date of this announcement, the Board comprises Executive Directors Mr. Yang Rongming (appointed on 1 November 2004), Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. He Shuhua (appointed on 1 November 2004), and Independent Non-executive Directors Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong.

Attachment:

The information in relation to the two newly appointed directors required to be announced under the note to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange") is set out below:

(1) Profiles of Directors

Mr. Yang Rongming, aged 51, is a postgraduate and currently the Chairman and General Manager of GPHL. Mr. Yang started his career in October 1970 and served as Deputy Factory Manager of Guangzhou Monosodium Glutamate and Food Factory (廣州味精食品廠), Deputy General Manager of Guangzhou Ao Sang Monosodium Glutamate & Food Co., Ltd. (廣州澳桑味精食品廠有限公司), 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 has extensive experience in business management and sales and marketing.

Mr. He Shuhua, aged 48, the Deputy General Manager and Company Secretary of the Company, joined GPHL in 1982. He graduated from Zhong Shan University in 1982 with a bachelor's degree in Biology. In 1995, he obtained a master's degree in statistics from the same university. He is also 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 and Deputy General Manager of the Company since September 2001. He has extensive experience in business management and sales and marketing.

Both Mr. Yang and Mr. He did not hold any directorship in any listed public companies in the last three years.

(2) Other information:

According to the emolument policy of the Group, annual emoluments of directors and supervisors of the Company are proposed by the Board at the Annual General Meeting of the Company, seeking an authorization of the Board to determine the amount of the emoluments and the method of payment for services of the Company's directors and supervisors. As Mr. Yang and Mr. He have been elected, they are entitled to their basic salaries determined in accordance with their respective management positions and the incentive bonus which are calculated with reference to the operating results of the Company (for details of the incentive scheme, please refer to the Notice of the First Extraordinary General Meeting of the Company in 2002 which was published both in the PRC and Hong Kong on 28 March 2002).

Save as disclosed above, Mr. Yang and Mr. He do not have any relationship with any other directors, supervisors, senior management or substantial or controlling shareholders of the Company.

As at 1 November 2004, the interests or short positions of Mr. He in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Hong Kong Stock Exchange pursuant to Division 7 and 8 of part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Hong Kong Stock Exchange, is set out below:

Name	Type of Interests	Company	Number of shares
Mr. He Shuhua	Personal	A shares of the Company	27,700

Save as disclosed above, as at 1 November 2004, neither Mr. Yang nor Mr. He has any interests or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Division 7 and 8 of part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Hong Kong Stock Exchange.

Save as disclosed herein, the Board is not aware of any other matters which need to be brought to the attention of the shareholders of the Company.

ANNOUNCEMENT OF THE RESOLUTIONS PASSED AT THE SEVENTH MEETING OF THE THIRD BOARD

The Company and all members of the Board 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.

It is hereby announced that the seventh meeting of the third board of directors (the “Board”) of Guangzhou Pharmaceutical Company Limited (the “Company”) was held on 1 November 2004 at 11:30 a.m. at the Conference Room, 2nd Floor, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the People’s Republic of China. Seven directors were eligible to attend the meeting and all of them attended the meeting. The meeting was presided by Mr. Zhou Yuejin. The supervisors and senior management of the Company were present at the meeting. The meeting was held in compliance with the requirements of the Company Law and the Articles of Association of the Company. After detailed discussions, the following matters were considered and unanimously approved by the directors at the meeting:

1. The election of Mr. Yang Rongming as the chairman of the third Board of the Company. His term of office is effective from the date of appointment to the date of election of the next Board (his profile was published in the announcement “Resolutions Passed At The Second Extraordinary General Meeting 2004”).
2. The resolution in relation to the amendment of Rule 3 of the “Implementation Details of the Investment Management Committee of the Board” regarding the number of members constituting the Investment Management Committee, and the election of Mr. Yang Rongming, Mr. Feng Zansheng and Mr. He Shuhua as replacement members of the Investment Management Committee was considered and approved.

The members of the current Investment Management Committee comprise: Mr. Yang Rongming, Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. He Shuhua. Mr. Yang Rongming acts as the Director of the Investment Management Committee.

3. The resolution in relation to the election of Mr. Yang Rongming and Mr. Zhou Yuejin as replacement members of the Remuneration and Evaluation Committee was considered and approved.

The members of the current Remuneration and Evaluation Committee comprise: Mr. Yang Rongming, Mr. Zhou Yuejin, Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong. Mr. Wu Zhang acts as the Director of the Remuneration and Evaluation Committee.

The Board of
Guangzhou Pharmaceutical Company Limited

Guangzhou, PRC, 1 November 2004

As at the date of this announcement, the Board comprises Executive Directors Mr. Yang Rongming (appointed on 1 November 2004), Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. He Shuhua (appointed on 1 November 2004), and Independent Non-executive Directors Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong.

Please also refer to the published version of this announcement in The Standard / Hong Kong Economic Times.