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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)

(Stock Code: 0874)

Announcement

Reference is made to the announcement dated 26 November 2001 and 29 May 2002, Guangzhou Pharmaceutical Holdings Limited (“GPHL”), the controlling shareholder holding approximately 60.55% interests in the share capital of Guangzhou Pharmaceutical Company Limited (the “Company”) as of the date of this announcement, pledged certain state-owned shares of the Company held by it for the reorganization of liabilities owing by Guangzhou Baiyunshan Pharmaceutical Company Limited.

The Company was informed by GPHL, that according to a ruling made by Guangzhou Intermediate People’s Court of Guangdong Province on 11 April 2005 ([2005] Sui Zhong Fa Zhi Zi Civil No. 736), 56,010,000 state-owned shares of the Company held by GPHL, representing approximately 6.91% of the Company’s total issued share capital, which had been pledged to Guangzhou Beicheng Rural Credit Cooperative, had been frozen. The frozen period is from 11 April 2005 to 10 April 2006.

This announcement is made in accordance with Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

By order of the Board

He Shuhua

Company Secretary

Guangzhou, PRC, 13 April 2005

As at the date of this announcement, the Board of the Company comprises Mr. Yang Rongming, Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. He Shuhua as executive directors, and Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong as independent non-executive directors.

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