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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)

(H Share Stock Code: 0874)

RESOLUTIONS PASSED AT THE 2004 ANNUAL GENERAL MEETING

Guangzhou Pharmaceutical Company Limited (the "Company") and all members of the board of directors 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.

(1) CONVENING OF AND THE ATTENDANCE OF 2004 ANNUAL GENERAL MEETING (the "AGM")

The AGM of the Company was held on 30 June 2005 at 10:00 a.m. at the Conference Room of the Company at 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the People's Republic of China ("PRC"). 14 shareholders and proxies attended the AGM, representing a total of 525,172,366 shares (of which 491,000,000 shares were state-owned shares, representing approximately 60.55% of the total number of shares of the Company, 29,722,000 shares were H shares, representing approximately 3.67% of the total number of shares of the Company, and 4,450,366 shares were A shares, representing approximately 0.55% of the total number of shares of the Company), or approximately 64.76% of the total number of shares of the Company. The AGM was convened by the board of directors of the Company (the "Board"). Mr. Yang Rongming, the chairman, chaired the meeting. Directors, supervisors, senior management and witnessed lawyers and auditors of the Company attended the meeting. The AGM was held in compliance with the Company Law of the PRC and the provisions of the Company's Articles of Association ("Articles of Association") with respect to the convening of general meetings.

As at the date of the AGM, there were an aggregate of 810,900,000 shares of the Company in issue, entitling the holders thereof to attend and vote for or against the ordinary resolutions numbered 1 to 8 and 10, and the special resolutions numbered 1 to 4 set out in the notice of the AGM (the “Notice”) dated 12 May 2005. Guangzhou Pharmaceutical Holdings Limited (“GPHL”), the Company’s controlling shareholder holding a total of 491,000,000 shares in the Company (which represents approximately 60.55% of the existing issued shares of the Company), and its associates abstained from voting on the ordinary resolution numbered 9 in relation to the revised agreement relating to the continuing connected transactions entered into between the Company and GPHL on 27 April 2005. According, only shareholders other than GPHL and its associates (“Independent Shareholders”) holding a total of 297,900,000 shares, representing approximately 36.74% of the existing issued shares of the Company were entitled to vote on the resolution numbered 9 at the AGM. There were no shares in the Company entitling the holders to attend and vote only against any of the resolutions at the AGM.

(2) RESOLUTIONS PASSED AT THE AGM

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

(I) By way of ordinary resolutions:

1. The report of the Board of Directors of the Company for the year 2004 was considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

2. The report of the Supervisory Committee for the year 2004 was considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

3. The audited financial reports of the Company and its subsidiaries for the year 2004 were considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

4. The auditors’ reports of the Company and its subsidiaries for the year 2004 were considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

5. The proposed profit distribution and dividend payment for the year 2004 were considered and approved;

(1) the distribution of the profit after tax of the Company and its subsidiaries for the year 2004 is as follows:

(i) among its subsidiaries, the manufacturing subsidiaries shall transfer 10% to the statutory surplus reserve, 10% to the statutory public welfare reserve, 10% to the discretionary surplus reserve; the trading subsidiaries shall transfer 10% to the statutory surplus reserve, 10% to the statutory public welfare reserve, 20% to the discretionary surplus reserve.

(ii) the Company shall transfer 10% to the statutory surplus reserve, 5% to the statutory public welfare reserve, and no transfer shall be made to the discretionary surplus reserve.

(2) the final dividend for the year 2004 is RMB0.025 per share (including withholding tax for A shares), and the total amount of dividend payment is RMB20,272,500.

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

6. The projected profit distribution policy of the Company for the year 2005 was considered and approved;

The Company expects that there will be one dividend distribution in 2005. The amount to be apportioned as dividend will not be lower than 30% of the net profit and will be distributed in form of cash. The Company does not plan to make any transfer from surplus reserve to share capital in 2005.

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

7. The amount of total emoluments to be paid to the directors of the Company for the year 2005 was considered and approved;

The amount of total emoluments for the Company's directors for the year 2005 was estimated to be RMB2.46 million.

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

8. The amount of total emoluments to be paid to the supervisors of the Company for the year 2005 was considered and approved;

The amount of total emoluments for the Company's supervisors for the year 2005 was estimated to be RMB0.25 million.

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

9. The revised agreement in relation to the continuing connected transactions entered into between the Company and GPLH on 27 April 2005 and the transactions contemplated thereunder were considered and approved;

GPLH, the Company's controlling shareholder, refrained from voting on this resolution at the AGM in accordance with regulations. Accordingly, Independent Shareholders voted on this resolution. The voting results were:

34,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

10. The election of Mr. Xie Bin as director of the Company was considered and approved. The term of Mr. Xie commenced from the date of appointment till the date of election of the members of the Fourth Board of the Company.

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

(II) By way of special resolutions:

1. The proposed amendments to the Articles of Association were considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

2. The proposed amendments to the Rules of Procedures for Shareholders' Meetings of the Company were considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

3. The proposed amendments to the Rules of Procedures for the Board of Directors of the Company were considered and approved;

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

4. The proposed amendments to the Rules of Procedures for the Supervisory Committee of the Company were considered and approved.

525,172,366 shares voted in favour, representing 100% of the total number of shares carrying the rights to vote; 0 shares voted against, representing 0%; 0 shares abstained, representing 0%.

As at the date of the AGM, the Company had 810,900,000 issued shares, of which 513,000,000 shares were state-owned shares. 78,000,000 shares were A shares and 219,900,000 shares were H shares.

(3) WITNESSES BY LAWYERS AND AUDITORS

Guangdong Yangcheng Certified Public Accountants Co., Ltd, the Company's domestic auditors, acted as scrutineer for the poll vote at the AGM.

The AGM was witnessed by Ms. Lv Hui from Z&T Law Firm which issued its legal opinion ("Legal Opinion") that the assembly and the procedures for convening the AGM complied with the Company Law of the PRC and the provisions of the Company's Articles of Association, and the eligibility of persons attending the AGM 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 Articles of Association. The resolutions passed at the AGM were lawful and valid.

(4) FINAL DIVIDEND

In addition to the aforesaid resolutions passed at the AGM, further details for payment of the final dividend of the Company are as follows:

- (I) Pursuant to Article 177 of the Company's Articles of Association, dividend for holders of the Company's H shares will be paid in Hong Kong dollars. For the purpose of the payment of dividend, the applicable exchange rate is HK\$100 to RMB106.48, being the average exchange rate between Hong Kong dollar and Renminbi as published by the People's Bank of China for the week preceding the date of announcement of dividend payment. Therefore, the final dividend payable to holders of H shares of the Company is HK\$0.0235 per share. The final dividend for holders of H shares will be distributed on or before 18 July 2005.
- (II) Additional details of the payment of final dividend for holders of A shares of the Company will be announced separately.

(5) DOCUMENTS FOR INSPECTION

- (I) Resolutions of the AGM signed by attending shareholders or shareholders' proxies;
- (II) Legal Opinion submitted by the lawyers for the AGM.

By order of the Board
He Shuhua
Company Secretary

Guangzhou, PRC, 30 June 2005

As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. Xie Bin (appointed on 30 June 2005) as executive directors and Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong as independent non-executive directors.

ATTACHMENT:

The information in relation to the director as required under the note to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) is set out below:

1. Profile of Mr. Xie Bin

Mr. Xie Bin, aged 47, a master degree holder in science, is an economist. He has been the General Manager of the Company since November 2004. Since he began his career in August 1974, Mr. Xie had served as the factory manager of Guangzhou Baiyunshan Chinese Medicine Factory, the factory manager of Guangzhou Baiyunshan Pharmaceutical Factory, the deputy general manager, the general manager and director of Guangzhou Baiyunshan Pharmaceutical Company Limited. Mr. Xie is also the Vice Chairman of Guangzhou Wang Lao Ji Pharmaceutical Company Limited and the manager of Guangzhou Chinese Medicine Corporation. Mr. Xie has extensive experience in corporate management and marketing.

Apart from the aforesaid, Mr. Xie has not been appointed as director of any other listed companies for the past three years.

2. Other information

According to the emoluments policy of the Group, annual emoluments of directors and supervisors of the Company are proposed by the Board to the AGM seeking an authorization to the Board to determine the amount of the emoluments and the method of payment for services of the Company’s directors and supervisors. As elected, Mr. Xie is entitled to basic salary which is determined in accordance with his management position and incentive bonus which is computed with reference to the annual 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 in both the PRC and Hong Kong on 28 March 2002).

Save as disclosed above, Mr. Xie does not have any relationship with any other directors, supervisors, senior management members or substantial or controlling shareholders of the Company.

As at 30 June 2005, the interests of Mr. Xie in the shares or debentures of the Company or any of its associated corporations, which shall be notified to the Company and the Stock Exchange pursuant to Section 341 of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies, or any other interests which shall be recorded in the register of name as required to be kept by the Company in accordance with Section 352 of the SFO is set out below:

Name	Type of interest	Company	Number of shares
Xie Bin	Personal	A shares of the Company	1,000

Save as disclosed above, as at 30 June 2005 Mr. Xie does not have any other interests in the shares or debentures of the Company or any of its associated corporations, which should be notified to the Company and the Stock Exchange pursuant to Section 341 of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies. Nor did he have any other interests which shall be recorded in the register of name as required to be kept by the Company in accordance with Section 352 of the SFO.

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

Guangzhou Pharmaceutical Company Limited (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.

The Twelfth meeting of the Third board of directors (the “Board”) of the Company was held on 30 June 2005 at 10:00 a.m. at the Conference Room, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the People’s Republic of China (“PRC”). 7 out of 7 directors attended the meeting. The meeting was presided by Mr. Yang Rongming, the chairman of the Company. Supervisors and senior management of the Company, together with the lawyers of the Company, were present at the meeting which was held in compliance with the requirement of the Company Law and the Company’s Articles of Association. After detailed discussions, the following matters were considered and unanimously approved by the directors attending the meeting:

1. Re-appointment of Guangdong Yangcheng Certified Public Accountants Co., Ltd. and PricewaterhouseCoopers Certified Public Accountants respectively, whose terms fell into maturity, as domestic and Hong Kong auditors of the Company, and proposed the authorization of the Board by the general meeting to determine their remuneration;
2. Resolution in relation to the remuneration of independent directors and external supervisors for the year 2005;

Resolution in relation to the total emoluments to be paid to directors and supervisors in 2005 was considered and approved at the annual general meeting of the Company for 2004. The remuneration for independent directors and external supervisors in 2005 were determined by the Company as follows:

- (1) The remuneration for each of independent non-executive director of the Third Board amounted to RMB50,000 (tax inclusive). The additional remuneration for each of the independent non-executive director who is also appointed as the member of the Audit Committee of the Board amounted to RMB30,000 (tax inclusive); and
 - (2) The remuneration for each of the external supervisor amounted to RMB30,000 (tax inclusive).
3. Resolution in relation to the appointment of Mr. Xie Bin as the member of the Investment Management Committee;

The Investment Management Committee of the Company comprises Mr. Yang Rongming, Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. Xie Bin, of which Mr. Yang Rongming was appointed as the chairman of the Investment Management Committee.

4. Resolution in relation to the appointment of Mr. Su Guangfeng (biography attached) as the deputy manager of the Company with the terms of office from the date of appointment to the election of members of the new Board.

By order of the Board
He Shuhua
Company Secretary

Guangzhou, the PRC, 30 June 2005

As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Zhou Yuejin, Mr. Feng Zansheng and Mr. Xie Bin (appointed on 30 June 2005) as executive directors, and Mr. Wu Zhang, Mr. Wong Hin Wing and Mr. Zhang Heyong as independent non-executive directors.

Biography of Mr. Su Guangfeng

Mr. Su Guangfeng, aged 41, graduated from the Industrial Institute of Da Lian in July 1987 with bachelor degree in industrial studies. Mr. Su joined Guangzhou Baiyunshan Pharmaceutical Company Limited in 1987 and served as the technician, officer, workshop director, Head of Office, Head of Sales Section of Guangzhou Baiyunshan Pharmaceutical Manufacturing General Factory; Deputy Chief of Operating Department of Guangzhou Baiyunshan Pharmaceutical Company Limited ; the Head of Operating Department, Head of Department, Deputy Plant Head of Guangzhou Baiyunshan Chinese Medicine Factory. He has been the director and general manager of Guangzhou Xingqun Pharmaceutical Company Limited, subsidiary of the Company, since January 2005. Mr. Su has extensive experience in enterprise management, sales and marketing.

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