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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)*

(H Share Stock Code: 0874)

## Announcement

Reference is made to the announcements dated 26 November 2001, 29 May 2002 and 15 November 2005. Guangzhou Pharmaceutical Holdings Limited (“GPHL”), the controlling shareholder, which holds approximately 57.79% interests in the total issued share capital of Guangzhou Pharmaceutical Company Limited (the “Company”) as of the date of this announcement, has 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 that the frozen period of 65,110,000 state-owned shares of the Company held by GPHL (the “Pledged Shares”), which represent approximately 8.03% of the Company’s total issued share capital, and the Pledged Shares had been pledged to institutions including Guangzhou Beicheng Rural Credit Cooperative, had expired. The Pledged Shares continued to be frozen by Guangzhou Intermediate People’s Court of Guangdong Province on 15 May 2006, and the frozen period is from 15 May 2006 to 14 May 2007.

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, the PRC, 16 May 2006

*As at the date of this announcement, the Board of the Company comprises Mr. Yang Rongming, Mr. Xie Bin and Mr. Feng Zansheng 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.