



# 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 2005 ANNUAL GENERAL MEETING

Guangzhou Pharmaceutical Company Limited (the “Company”) and all members of the Board of Directors (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.

### IMPORTANT NOTICE

- No resolution was voted against or any revision was made to any resolutions at the AGM.
- No new motion was proposed by the shareholders at the AGM.

### **I. CONVENING OF AND ATTENDANCE AT THE 2005 ANNUAL GENERAL MEETING OF THE COMPANY (the “AGM”)**

The AGM was held on 15 June 2006 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”). 5 shareholders and proxies attended the AGM, representing a total of 479,024,193 shares of the total number of shares of the Company, accounting for approximately 59.07% of the total issued shares of the Company (of which 468,603,509 shares were state-owned shares, representing approximately 57.79% of the total number of shares of the Company, 3,312,000 shares were H shares, representing approximately 0.41% of the total number of shares of the Company, and 7,108,684 shares were A shares, representing approximately 0.88% of the total number of shares of the Company). The AGM was convened by the Board. Mr. Yang Rongming, chairman, presided at the AGM. Some of the directors, supervisors and senior management of the Company and the witnessing lawyer and auditors attended the AGM. The AGM was held in compliance with the Company Law of the PRC and the provisions of the Company's Articles of Association with respect to the convention of general meetings.

As at the date of the AGM, the Company had 810,900,000 issued shares, of which 489,600,000 shares were state-owned shares, 101,400,000 shares were A shares and 219,900,000 shares were H shares. No holder of shares in the Company was required to abstain from voting on the said resolutions and no holder of shares in the Company was entitled to attend and vote only against any of the resolutions at the AGM.

## II. RESOLUTIONS PASSED AT THE AGM

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

(1) By way of ordinary resolutions:

1. The directors' report of the Company for the year 2005 was considered and approved;

479,024,193 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 2005 was considered and approved;

479,024,193 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 2005 were considered and approved;

479,024,193 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 2005 were considered and approved;

479,024,193 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 2005 was considered and approved;

479,024,193 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 2006 was considered and approved;

479,024,193 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 2006 was considered and approved;

479,024,193 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 2006 was considered and approved;

479,024,193 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 re-appointments of Guangdong Yangcheng Certified Public Accountants Co., Ltd. and PricewaterhouseCoopers, whose appointments have expired, as the domestic and international auditors respectively, and the authorization of the Board to determine their respective remunerations;

479,024,193 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 proposed amount of guarantees provided by the Company for bank loans to certain of its subsidiaries in 2006;

479,024,193 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%.

11. The election of Mr. Chen Zhinong as director of the Company was considered and approved. The term of Mr. Chen's appointment commences from the date of appointment till the election of the members of the fourth session of the Board of the Company.

479,024,193 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) By way of special resolutions:

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

479,024,193 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 amendments to the Rules of Procedures for Shareholders' Meetings of the Company were considered and approved;

479,024,193 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 amendments to the Rules of Procedures for the Board of the Company were considered and approved;

479,024,193 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 amendments to the Rules of Procedures for the Supervisory Committee of the Company were considered and approved.

479,024,193 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%.

### **III. INFORMATION REGARDING LAWYERS AND AUDITORS AS WITNESSES**

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. Zhang Zhenya 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 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 motion was proposed by the 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.

### **IV. INFORMATION REGARDING PAYMENT OF THE 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:

1. Pursuant to Article 214 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 RMB103.23, 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\$0.0678 per share. The final dividend for the H shares will be distributed on or before 30 June 2006.
2. Additional details of the payment of final dividend for holders of A shares of the Company will be announced separately.

## V. DOCUMENTS AVAILABLE FOR INSPECTION

1. Minutes of the AGM;
2. Resolutions passed at the AGM;
3. Legal opinion of the AGM.

By order of the Board  
**He Shuhua**  
Company Secretary

Guangzhou, PRC, 15 June 2006

*As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Xie Bin (resigned on 15 June 2006), Mr. Chen Zhinong (appointed on 15 June 2006) and Mr. Feng Zansheng 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 Rule 13.74 and 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. Chen Zhinong**

Mr. Chen Zhinong, aged 45, university diploma holder, is currently Director and Deputy General Manager of Guangzhou Pharmaceutical Holdings Limited, and Vice Chairman of Guangzhou Pharmaceutical Soccer Club Co., Ltd. Mr. Chen commenced working since November 1983 and served as technician and deputy factory manager of the first branch factory of Guangzhou Baiyunshan Pharmaceutical General Factory, deputy factory manager and factory manager of Guangzhou Baiyunshan Pharmaceutical General Factory, assistant to the general manager, deputy general manager, general manager and chairman of Guangzhou Baiyunshan Enterprise Group Company, General Manager and Chairman Guangzhou Hanfang Contemporary Medicine Research and Development Co., Ltd. Mr. Chen has extensive experience in corporate management and technology research and development.

Apart from disclosed above, Mr. Chen has not been appointed as a director or any other listed companies during 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 annual general meeting of the Company, at which the Board will seek authorization to determine the amount of the emoluments and the method of payment for services of the Company's directors and supervisors. As elected, Mr. Chen is entitled to a basic salary determined in accordance with his management position and an incentive bonus which is computed with reference to the targeted 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. Chen does not have any relationship with any other directors, supervisors, senior management or substantial or controlling shareholders of the Company.

As at the date of this notice, Mr. Chen does not have any interests 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 Securities and Futures Ordinance (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 as required to be kept by the Company in accordance with Section 352 of the SFO.

Saved as disclosed above, the Board was not aware of any matters which need to be brought to the attention of the Company's shareholders, and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange.

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