

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

ANNOUNCEMENT

COMPLETION OF THE MAJOR TRANSACTION

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 accept full responsibility for any false representation, misleading statement or material omission herein contained.

References are made to the announcement and the circular (the “Circular”) of the Company dated 30 January 2007 and 14 February 2007 respectively in relation to the Capital Transfers by the Company’s two subsidiaries and 33 individuals in GP Corp. and the Capital Increase in the registered capital of GP Corp. (collectively the “Transactions”), and the announcement dated 1 August 2007 in relation to the progress of the Transactions. Terms used in this announcement shall have the same meanings as defined in the Circular unless otherwise defined herein.

The Company was informed that the relevant formalities relating to the conversion of GP Corp. into a Sino-foreign equity joint venture and the Transactions had been completed by 28 January 2008.

This announcement is made pursuant to Rule 13.09(2) of the Listing Rules.

By Order of the Board
He Shuhua
Secretary to the Board

Guangzhou, the PRC, 28 January 2008

As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Shi Shaobin and Mr. Feng Zansheng as Executive Directors, and Mr. Wong Hin Wing, Mr. Liu Jinxiang, Mr. Li Shanmin and Mr. Zhang Yonghua as Independent Non-executive Directors.