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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)

**ANNOUNCEMENT OF THE RESOLUTIONS
PASSED AT THE 2008 ANNUAL GENERAL MEETING**

IMPORTANT NOTICE

- There was no objection or amendment to the resolutions proposed at the 2008 annual general meeting;
- There was no new motion proposed at the 2008 annual general meeting.

I. CONVENING OF THE 2008 ANNUAL GENERAL MEETING (THE “AGM”) AND ATTENDANCE THEREOF

The AGM was held by Guangzhou Pharmaceutical Company Limited (the “Company”) on 19 June 2009 at 10:00 a.m. at Conference Room 103 of the Company, 45 Sha Mian North Street, Guangzhou, Guangdong, the People’s Republic of China (the “PRC”). Eight shareholders (in person or by proxy) attended the AGM, representing a total number of 476,335,391 shares of the Company (of which 445,838,391 shares were domestic shares and 30,497,000 shares were H shares) or approximately 58.74% of the total number of issued shares of the Company. The AGM was convened by the board of directors of the Company (the “Board”) and was presided by Mr. Yang Rongming, Chairman of the Company. Some of the directors, supervisors and senior management of the Company, together with the attesting lawyers and auditors of the Company, were present at the AGM. The AGM was held in compliance with the relevant provisions of the Company Law of the PRC (the “Company Law”) and the Company’s Articles of Association (the “Articles”).

As at the date of the AGM, there were a total number of 810,900,000 shares of the Company in issue, of which 591,000,000 shares were domestic shares, and 219,900,000 were H shares. No holders of the shares entitled to attend the meeting were required to abstain from voting on any of the resolutions at the AGM, or to attend the AGM and vote only against any of the resolutions at the AGM.

II. CONSIDERATION OF THE RESOLUTIONS

In accordance with the agenda of the AGM, the following resolutions (details of which were set out in the notice of the AGM) were passed at the AGM by way of poll:

1. Passed by way of ordinary resolutions:

Resolutions	Total number of votes cast	For		Against		Abstained	
		Shares	Percentage of total number of votes cast (%)	Shares	Percentage of total number of votes cast (%)	Shares	Percentage of total number of votes cast (%)
(1) Report of the Board for the year 2008;	476,335,391	476,335,391	100	0	0	0	0
(2) Report of the Supervisory Committee for the year 2008;	476,335,391	476,335,391	100	0	0	0	0
(3) Financial reports of the Company for the year 2008;	476,335,391	475,559,391	99.84	0	0	776,000	0.16
(4) Auditors' reports of the Company for the year 2008;	476,335,391	475,559,391	99.84	0	0	776,000	0.16
(5) Proposal for profit distribution and dividend payment of the Company for the year 2008;	476,335,391	476,335,391	100	0	0	0	0
(6) Proposed amount of guarantees to be provided by the Company for bank loans to certain of its subsidiaries;	476,335,391	448,885,391	94.24	27,237,400	5.72	212,600	0.04
(7) Total emoluments to be paid to the directors of the Company for the year 2009;	476,335,391	476,335,391	100	0	0	0	0
(8) Total emoluments to be paid to the supervisors of the Company for the year 2009;	476,335,391	476,335,391	100	0	0	0	0
(9) Resolution in relation to the Purchase and Sale Agreement in relation to Connected Transactions entered into between the Company, Guangzhou Pharmaceuticals Corporation and Guangzhou Wang Lao Ji Pharmaceutical Company Limited;	476,335,391	476,335,391	100	0	0	0	0
(10) Re-appointment of Shu Lun Pan Yangcheng Certified Public Accountants Co., Ltd. and PricewaterhouseCoopers, whose appointments have expired, as the domestic and international auditors respectively, and the proposal to the shareholders' meeting to authorize the Board to determine their respective remuneration.	476,335,391	476,335,391	100	0	0	0	0

2. Passed by way of special resolution:

Resolution	Total number of votes cast	For		Against		Abstained	
		Shares	Percentage of total number of votes cast (%)	Shares	Percentage of total number of votes cast (%)	Shares	Percentage of total number of votes cast (%)
Resolution in relation to amendments to the Articles.	476,335,391	476,335,391	100	0	0	0	0

III. PROCEEDINGS WITNESSED BY LAWYERS AND AUDITORS

Shu Lun Pan Yangcheng Certified Public Accountants Co., Ltd., the Company's domestic auditors, acted as the scrutineer for the voting at the AGM.

The AGM was witnessed by Ms. Zhang Zhenya and Mr. Wu Chunshuang, lawyers from Z&T Law Firm, which issued its legal opinion that the procedures for convening and holding of the AGM complied with the provisions of the Company Law and the Articles, and the eligibility of the persons attending the AGM was lawful and valid. No new motion was proposed by the shareholders at the AGM. The voting procedures for the meeting complied with the laws and regulations and the provisions of the Articles. The resolutions passed at the AGM were lawful and valid.

IV. EXPLANATION OF THE PAYMENT OF FINAL DIVIDEND FOR THE YEAR 2008

Apart from the above resolutions, the Company made the following explanation of the payment of the final dividend for the year 2008:

1. The holder of H shares whose names appeared on the register of members of the Company at the close of business on Tuesday, 19 May 2009 were entitled to the final dividend for the year 2008. According to the Articles, dividends payable to the Company's shareholders of H shares shall be paid in Hong Kong dollars. For the purpose of payment of the dividend, the appreciable exchange rate is HK\$100 to RMB88.1746, being the average of the exchange rate between Hong Kong dollar and Renminbi as announced by the People's Bank of China for the week before the date of announcement of the dividend. Accordingly, the amount of the final dividend payable per H share is HK\$0.0454 (including tax). The final dividend per H share will be paid on or before 10 August 2009.
2. A separate announcement in relation to the final dividend for shareholders of A shares of the Company will be made in due course.

V. DOCUMENTS AVAILABLE FOR INSPECTION

1. The resolutions passed at the AGM signed by the shareholders who were present in person or by proxy; and
2. The legal opinion issued by the lawyers in relation to the AGM.

The Board of
Guangzhou Pharmaceutical Company Limited

Guangzhou, the PRC, 19 June 2009

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.