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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 RESOLUTIONS PASSED AT THE 2nd MEETING OF THE FIFTH SESSION OF THE SUPERVISORY COMMITTEE

Guangzhou Pharmaceutical Company Limited (the “Company”) and all members of the supervisory committee (the “Supervisory Committee”) 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 2nd meeting of the fifth session of the Supervisory Committee of the Company was held on 27 August 2010 at the Company’s conference room at 2nd Floor, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the People’s Republic of China (the “PRC”), notice of which was despatched on 13 August 2010 by way of fax and email. Three out of the three eligible supervisors attended the meeting, which was presided by Ms. Yang Xiuwei, the chairlady of the Supervisory Committee. The meeting was held in compliance with the relevant requirements of the Company Law and the Articles of Association of the Company.

After due consideration, the following resolutions were unanimously passed with 3 affirmative votes, 0 dissenting vote and 0 vote abstaining from voting:

1. The 2010 interim report of the Company.
2. The financial reports of the Company for the first half of 2010.
3. The written opinion on the Company’s 2010 interim report.
4. Amendment of the Rules of Procedure of the Supervisory Committee of the Company (the text of which has been published on the website of The Shanghai Stock Exchange).
5. Provision of guarantees by Guangzhou Bai Di Bio-technology Co., Ltd, a subsidiary of the Company, to secure bank loans for Guangzhou Nuo Cheng Bio-technology Co., Ltd.

6. The resolution in relation to renewal of the Office Leasing Agreement, which is to be entered into between the Company and Guangzhou Pharmaceutical Holdings Limited (“GPHL”).
7. The resolution in relation to renewal of the Premises Leasing Agreement, which is to be entered into between the Company and GPHL.
8. The resolution in relation to renewal of the Accommodation Services Agreement, which is to be entered into between the Company and GPHL.

This announcement is made pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**The Supervisory Committee of
Guangzhou Pharmaceutical Company Limited**

Guangzhou, the PRC, 27 August 2010