

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.*



**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)

## **INDICATIVE NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF THE OVERSEAS LISTED FOREIGN CAPITAL SHARES IN 2012**

The Notice of the First Class Meeting of Holders of the Overseas Listed Foreign Capital Shares (“H shares”) in 2012 (the “Meeting”) of Guangzhou Pharmaceutical Company Limited (the “Company”) dated 3 August 2012 was published. Up to 30 August 2012 (being the latest day by which the completed and signed reply slips from holders of H shares who intend to attend the Meeting must be received by the Company), the Company had not received written replies from holders of H shares who intend to attend the Meeting and whose shareholdings together represent more than 50% of the total H shares having the right to vote at the Meeting. Thus, in accordance with the requirement of article 120 of the articles of association of the Company, an indicative notice of the relevant matters of the Meeting is hereby given by the Company as follows:

1. Time for the Meeting: Morning of Wednesday, 19 September 2012 (immediately after the conclusion of the first extraordinary general meeting in 2012 or any adjournment thereof held on the same date and at the same place).
2. Place of the Meeting: Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the People's Republic of China (“PRC”).
3. Proposed resolutions of the Meeting

To be considered and approved by way of special resolutions:

1. The Resolution on the concurrent implementation of the Absorption and Merger of Guangzhou Baiyunshan Pharmaceutical Co., Ltd. through Share Swap of additional A shares and the Asset Acquisition through Issuance of A Shares to Guangzhou Pharmaceutical Holdings Limited by Guangzhou Pharmaceutical Company Limited;
2. The Resolution on the Proposal for the Absorption and Merger of Guangzhou Baiyunshan Pharmaceutical Co., Ltd. by Guangzhou Pharmaceutical Company Limited through Share Swap of Additional A Shares;

3. The Resolution on the Entering into and Implementation of the Absorption and Merger Agreement with Guangzhou Baiyunshan Pharmaceutical Co., Ltd.;
4. The Resolution on the Proposal for Asset Acquisition through Issuance of A Shares to Guangzhou Pharmaceutical Holdings Limited on an item-by-item basis;
  - 4.1. Valuation date
  - 4.2. Nature of shares
  - 4.3. Method of issue
  - 4.4. Target subscriber and subscription method
  - 4.5. Value of the assets to be acquired
  - 4.6. Number of shares to be issued
  - 4.7. Issue price
  - 4.8. Attribution of profit and loss from the assets to be acquired from the valuation date to the completion date
  - 4.9. Lock-up period
  - 4.10. Place of listing
  - 4.11. Arrangement for accrued profit
  - 4.12. Validity of resolutions on the asset acquisition through issuance of shares
  - 4.13. Conditions precedent of the Asset Acquisition agreement and its supplemental agreement
5. The Resolution on the Entering Into and Implementation of the Assets Acquisition Agreement through Issuance of Shares and the Supplemental Agreement to the Agreement of Asset Acquisition through Issuance of Shares with Guangzhou Pharmaceutical Holdings Limited;
6. The Resolution on Entering Into and Implementation of the Agreement for the Compensation of the Difference between Actual Earning and Net Earning Forecast of the Assets Proposed to be Acquired with Guangzhou Pharmaceutical Holdings Limited;

7. The Resolution on the Report on the Absorption and Merger of Guangzhou Baiyunshan Pharmaceutical Co., Ltd. through Share Swap, Asset Acquisition through Issuance of Shares and Connected Transactions of Guangzhou Pharmaceutical Company Limited (draft) published by the Company.

The matters to be considered at the Meeting as well as the date and place of the Meeting remain the same as those set out in the Notice of the First Class Meeting of Holders of the Overseas Listed Foreign Capital Shares in 2012 which were published in the Shanghai Securities News, the Securities Times and on the website of The Shanghai Stock Exchange on 3 August 2012 and on the website of The Stock Exchange of Hong Kong Limited on 2 August 2012.

The Board of  
**Guangzhou Pharmaceutical Company Limited**

Guangzhou, the PRC, 31 August 2012

*As at the date of this notice, the Board comprises Mr. Yang Rongming, Mr. Li Chuyuan and Mr. Wu Changhai as executive directors, and Mr. Liu Jinxiang, Mr. Li Shanmin, Mr. Zhang Yonghua, Mr. Wong Lung Tak Patrick and Mr. Qiu Hongzhong as independent non-executive directors.*