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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)

## **FURTHER ANNOUNCEMENT**

### **VERY SUBSTANTIAL ACQUISITIONS AND CONNECTED TRANSACTIONS INVOLVING MAJOR ASSETS REORGANIZATION**

References are made to the announcements of the Company dated 27 March 2012, 18 June 2012 and 24 August 2012 respectively and the circular of the Company dated 4 September 2012 (the “**Circular**”) in relation to the Major Assets Reorganization. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that the Company and BYS confirmed that (i) Guangzhou Liby Enterprise Group Company Limited\* (廣州立白企業集團有限公司) (“**GZ Liby**”) will act as the Cash Alternative Provider; and (ii) Great Wall Securities Company Limited\* (長城證券有限責任公司) (“**Great Wall Securities**”) will act as the Put Option Provider for GPC A Shares and H Shares for GPC Dissenting Shareholders.

GZ Liby, a privately-owned enterprise, is a limited liability company established in accordance with the laws of the PRC, whose principal business is the manufacturing and sales of daily chemical products for usage in clothing washing and care, dish washing, disinfection and insecticide, household cleaning, air purification, oral cavity care, body cleaning, hair care, skin care and cosmetics etc.

Great Wall Securities is a limited liability company established in accordance with the laws of the PRC, whose principal business is the provision of financial services including securities broker services, investment banking services and assets management services. Great Wall Securities is ultimately controlled by China Huaneng Group\* (中國華能集團公司), which is a state-owned enterprise established with the approval of the State Council of the PRC and directly under the Central Government of the PRC.

To the best knowledge of the Directors, (i) each of GZ Liby and Great Wall Securities (a) is not a connected person to the Company or to GPLH; (b) is not a party acting in concert with GPLH; and (c) does not hold any interest in the Company as at the date of this announcement; (ii) GZ Liby and Great Wall Securities are not parties acting in concert with each other; (iii) GZ Liby has sufficient financial resources to provide the Cash Alternative to the BYS Shareholders; and (iv) Great Wall Securities has sufficient financial resources to provide the Put Option for GPC A Shares and H Shares to the GPC Dissenting Shareholders.

**Investors are cautioned that the Major Assets Reorganization is subject to various conditions precedent. The Major Assets Reorganization may or may not proceed or become unconditional or effective. There is no assurance that all the conditions precedent contained in the Absorption and Merger Agreement and Assets Acquisition Agreement can be satisfied. Investors and potential investors in the Shares should exercise care, and should only rely on information published by the Company, when they deal, or contemplate dealing, in the H Shares or other securities of the Company.**

The Board of  
**Guangzhou Pharmaceutical Company Limited**

Guangzhou, the PRC, 17 September 2012

*As at the date of this announcement, 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.*

\* *for identification purpose only*