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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 FIRST EXTRAORDINARY GENERAL MEETING IN 2012**

IMPORTANT NOTICE

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

**I. CONVENING OF THE FIRST EXTRAORDINARY GENERAL MEETING IN 2012
(THE “EGM”) AND ATTENDANCE THEREOF**

1. The EGM of Guangzhou Pharmaceutical Company Limited (the “Company”) was held both on-site and by way of network voting. The on-site meeting was held on 19 September 2012 (Wednesday) at 09:30 a.m. at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the People’s Republic of China (the “PRC”) and the voting time for network voting on 19 September 2012 (Wednesday) was at 09:30-11:30 and 13:00-15:00 (applicable to A shares).
2. The number of shareholders and proxies thereof who attended the EGM on-site and participated by way of network voting, the total number of voting shares held by them and the percentage of the voting shares out of the total number of voting shares of the Company are as follows:

The number of shareholders and proxies thereof who attended the meeting on-site and by way of network voting	892
Including: the number of shareholders participated in network voting	855
The total number of voting shares (shares)	507,474,385
Including: the total shares of domestic shareholders of A shares (shares)	392,235,570
the total shares of overseas shareholders of H shares (“H shares”) (shares)	66,003,573
Including: the total number of shares held by the shareholders who participated in network voting	49,235,242
Percentage of the total number of issued shares of the Company (%)	62.58
Including: Percentage of the total number of A shares held by domestic shareholders (%)	66.37
Percentage of the total number of H shares held by the overseas shareholders (%)	30.02
Including: percentage of the total number of shares held by the shareholders who participated in network voting out of the total number of A shares (%)	8.33

3. The EGM was convened by the board of directors of the Company (the “Board”) and was presided by Mr. Li Chuyuan, vice chairman of the Board. Certain directors (“Directors”), supervisors and senior management of the Company together with the attesting lawyers and scrutineer were present at the EGM. The EGM 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”).
4. As at the date of the EGM, there were a total of 810,900,000 shares of the Company in issue, of which 591,000,000 shares were domestic shares, and 219,900,000 shares were H shares entitling the holders to attend and vote at the EGM. No shareholders entitled to attend the meeting was required to abstain from voting in favor as set out in Rule 13.40 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

II. CONSIDERATION OF THE RESOLUTIONS

In accordance with the agenda of the EGM, the following resolutions (details of which were set out in the notice of the EGM dated 3 August 2012) were passed at the EGM by way of poll:

A. Passed by way of ordinary resolutions:

1. The Resolution on the Eligibility for Major Assets Reorganization of Guangzhou Pharmaceutical Company Limited

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
507,474,385	501,591,966	98.84	5,398,909	483,510

2. The Resolution on the Entering into and Implementation of the Trademark Custody Agreement and the Trademark Custody Supplemental Agreement with Guangzhou Pharmaceutical Holdings Limited

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	113,695,266	97.47	2,307,709	638,019

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

3. The Resolution on the Approval of the Audit Report, Valuation Reports and Profit Forecast Reports

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	113,695,266	97.47	2,306,909	638,819

As the resolution involves a connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4. The Resolution regarding the election of Ms. Cheng Ning as an executive director of the Company(the profile of whom was set out in the announcement of written resolution passed by the meeting of the fifth session of the Board dated 16 July 2012 and the attachment of this announcement). If elected, the tenure shall commence from the date of her appointment to the date when members of the new session of the Board are elected

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
507,474,385	501,436,657	98.81	5,398,909	638,819

B. Passed 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

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,866	94.82	5,398,909	638,219

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

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

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,866	94.82	5,398,909	638,219

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

3. The Resolution on the Entering into and Implementation of the Absorption and Merger Agreement with Guangzhou Baiyunshan Pharmaceutical Co., Ltd

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

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

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.2 Nature of shares

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.3 Method of issue

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.4 Target subscriber and subscription method

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.5 Value of the assets to be acquired

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.6 Number of shares to be issued

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.7 Issue price

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.8 Attribution of profit and loss from the assets to be acquired from the valuation date to the completion date

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.9 Lock-up period

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.10 Place of listing

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.11 Arrangement for accrued profit

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.12 Validity of resolutions on the asset acquisition through issuance of shares

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

4.13 Conditions precedent of the Asset Acquisition Agreement and its supplemental agreement

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

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 on Assets Acquisition through Issuance of Shares with Guangzhou Pharmaceutical Holdings Limited

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,602,166	94.82	5,400,009	638,819

As the resolution involves a connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

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

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

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

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

8. The Resolution on Authorization by General Meeting to the Board for Handling Matters at its Discretion regarding the Absorption and Merger through Share Swap and the Asset Acquisition through Issuance of Shares

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
116,640,994	110,603,266	94.82	5,398,909	638,819

As the resolution involves connected transactions, Guangzhou Pharmaceutical Holdings Limited as connected shareholder had abstained from voting. The number of shares of the abstaining shareholders amounted to 390,833,391 shares.

9. The Resolution on the Proposed Amendments to the Articles of Association of the Company

No. of Shares Represented (share)	No. of Shares Voted in Favor (share)	Percentage of Shares Voted in Favor (%)	No. of Shares Voted Against (share)	No. of Shares Abstained (share)
507,474,385	501,436,657	98.81	5,398,909	638,819

III. PROCEEDINGS WITNESSED BY LAWYERS AND AUDITORS

BDO China Shu Lun Pan Certified Public Accountants LLP served as the scrutineer at the EGM for the purpose of vote-taking.

The EGM 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 EGM complied with the provisions of the Company Law and the Articles, and the eligibility of the persons attending the EGM was lawful and valid. No new motion was proposed by the shareholders at the EGM. The voting procedures for the meeting complied with the laws and regulations and the provisions of the Articles. The resolutions passed at the EGM were lawful and valid.

IV. DOCUMENTS AVAILABLE FOR INSPECTION

1. The resolutions passed at the EGM 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 EGM.

The Board of
Guangzhou Pharmaceutical Company Limited

Guangzhou, the PRC, 19 September 2012

As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Li Chuyuan, Ms Cheng Ning (appointed on 19 September 2012) 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.

Attachment: Profile of Ms. Cheng Ning

Ms. Cheng Ning (“Ms. Cheng”), aged 46, received tertiary education, certified public accountant and certified tax consultant in the PRC. Ms. Cheng started her career in August 1986 and has served as an officer of the finance section of Guangzhou Bai Yun Shan Pharmaceutical General Factory* (廣州白雲山製藥總廠), a deputy section chief of the finance section of Guangzhou BaiYun Shan Bao De Pharmaceutical Factory* (廣州白雲山寶得藥廠), and a chief of the finance section of Guangzhou Bai Yun Shan Veterinary Medicines Factory* (廣州白雲山獸藥廠), a chief of the settlement section of the operation department, a chief of the accounting and cashier of the settlement center, a deputy manager of the finance department, a member and secretary of the supervision committee of Guangzhou Bai Yun Shan Pharmaceutical Co., Ltd.* (廣州白雲山製藥股份有限公司), a deputy manager, and a director of the financial resources department and a director of the finance department of Guangzhou Bai Yun Shan Enterprise Group* (廣州白雲山企業集團有限公司) and a deputy manager of finance department of Guangzhou Pharmaceutical Holdings Limited (“GPHL”) and so on. Ms. Cheng is currently a vice general manager, financial controller and manager of the finance department of GPHL.

According to the emoluments policy of the Company, the annual emoluments of the Directors are proposed by the Board at the annual general meeting of the Company at which the Board shall seek authorization to determine the amount of the emoluments and the method of payment for services as Directors. As at the date of this announcement, Ms. Cheng received emoluments directly from GPHL for her services as a member of their senior management. Ms. Cheng will continue to receive the emoluments from GPHL for her services to both GPHL and the Group until the annual general meeting of the Company authorizes the Board to determine and/or revise her salary for her services as a Director.

Ms. Cheng shall serve from the date of the appointment (i.e. the date of this announcement) to the date when members of the new session of the Board are elected and will enter into a service contract with the Company as an executive Director.

Ms. Cheng does not have any relationship with other directors, supervisors, senior management or substantial or controlling shareholders of the Company.

As at the date of this announcement, Ms. Cheng did not have any interests in the shares or debentures of the Company or any of its associated corporations, which shall be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong) or the Model Code for Securities Transactions by Directors of Listed Companies, nor did she has any other interest which shall be recorded in the register as required to be kept by the Company in accordance with Section 352 of SFO.

Save as disclosed above, there are no other matters concerning the appointment of Ms. Cheng as an executive Director that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

* *for identification purpose only*