

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 13TH MEETING OF THE THIRD 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 13th meeting of the third session of the Supervisory Committee of the Company was held on 27 April 2007 at the Company’s conference room at Room 203, 2nd Floor, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the PRC, notice of which was dispatched on 12 April 2007 by way of fax and email. 3 out of the 3 eligible supervisors attended the meeting. The meeting was presided by the Chairman of the Supervisory Committee, Mr. Chen Canying. The convening of the meeting was in compliance with the 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 full text and summary of the annual report of the Company for the year 2006;
2. The first quarterly report of the Company in 2007;
3. The report of the Supervisory Committee for the year 2006;
4. The financial reports of the Company for the year 2006;
5. The nomination of Ms. Yang Xiuwei and Mr. Zhong Yugan as candidates of shareholder’s representative supervisors of the new session of the Supervisory Committee of the Company, of Mr. Wu Quan as a candidate of staff representative supervisor of the new session of the Supervisory Committee of the Company;

6. The change of previous accounting policy and adjustment of previous accounting estimates pursuant to the requirements of the new accounting standards.

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

Guangzhou, the PRC, 27 April 2007

Attachment:

Profiles of candidates for election as supervisors:

Ms. Yang Xiuwei, aged 48, started her career in July 1974. She graduated as a part-time graduate student from the Party School of the Central Committee of the C.P.C and majored in economic management. She is an Assistant Engineer. Ms. Yang is currently the Secretary of the commission for inspecting discipline of Guangzhou Pharmaceutical Holdings Limited and Secretary of the Party Committee of the Company. Ms. Yang served as clerk at vice-director level for complaint letter and visit office, inspector at vice-section level, inspector at section level, deputy director at vice-department level, deputy director at department level for the Bureau of Supervision under Guangzhou municipal commission for inspecting discipline, deputy director at department level and Secretary of the Party Branch for the third inspecting room of Bureau of Supervision under Guangzhou municipal commission for inspecting discipline.

Mr. Wu Quan, aged 51, started his career in February 1976. With a junior college education background, he graduated from the Guangzhou Institute of Education with a Chinese major. Mr. Wu is currently senior HR manager of the Company. Mr. Wu acted as supply chief of cannon camp, vice company commander of Guangdong Independent division, brainman at deputy company commander level, brainman at company commander level for military equipment section under command of Guangdong Zhangjiang Military Subarea, brainman at a deputy battalion level, brainman at a battalion level, deputy section chief and section chief for military equipment section under command of Guangdong Military Area, deputy secretary of the party committee, secretary of the commission for inspecting discipline and secretary of the party committee of Guangzhou Medicinal Materials Company.

Mr. Zhong Yugan, aged 50, has been a supervisor of the Company since March 2004. Mr. Zhong graduated from the Business Economics Department of Beijing Business College in 1982 and was awarded a Bachelor of arts in economics. He studied abroad in the University of 契里爾 • 麥托蒂 in the former Yugoslavia. Mr. Zhong is currently the Head of the Business Administration Faculty and a professor in the Guangdong Business College, and the tutor of postgraduates majoring in corporate management. He is also the Vice Chairman of the Association of Marketing Research of China higher institutes, committee member of academic work of the Association of China International Public Relations, the Vice Chairman of the Guangdong Provincial Business Economics Association and Vice Chairman of the Guangdong Marketing Association. Mr. Zhong has extensive experience in the fields of marketing and sales, strategic decision-making and corporate management.

Please also refer to the published version of this announcement in The Standard / Hong Kong Economic Times.