



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 12th Meeting of the Third Session of Supervisory Committee

The 12th meeting of the third session of the Supervisory Committee of Guangzhou Pharmaceutical Company Limited (the "Company") was convened on 26 January 2007 at the conference room of the Company at 2nd floor, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the PRC, notice of which was despatched on 16 January 2007 by way of fax and email. All of 3 eligible supervisors attended the meeting. The meeting, which was chaired by Mr. Chen Canying, the Chairman of the Supervisory Committee, was in compliance with the Company Law and the Articles of Association of the Company.

The following resolutions were considered and passed unanimously with 3 affirmative votes, 0 dissenting vote and 0 vote abstaining from voting:

1. Resolution in relation to the transfer of equity interests in Guangzhou Pharmaceuticals Corporation held by Guangzhou Jingxiutang Pharmaceutical Co., Ltd. and Guangzhou Pangaoshou Pharmaceutical Co., Ltd., both of which are subsidiaries of the Company, and 33 natural persons;
2. Resolution in relation to the increase in the capital of Guangzhou Pharmaceuticals Corporation.

Guangzhou Pharmaceutical Company Limited

The Supervisory Committee

Guangzhou, the PRC, 30 January 2007

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