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廣州白雲山醫葯集團股份有限公司

GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HOLDINGS CO., LTD.

(a joint stock company with limited liability established in the People's Republic of China)

(H Share Stock Code: 0874)

ANNOUNCEMENT ON THE RESOLUTIONS PASSED AT THE 2013 EXTRAORDINARY GENERAL MEETING

IMPORTANT NOTICE

- There was no objection or amendment to the resolutions proposed at the extraordinary general meeting of 2013 (the “EGM”).
- Details of the amendments made by the EGM to the resolutions of the previous general meeting: the resolution on adjustment to the financial budget report of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the “**Company**”) for year 2013 passed at the EGM adjusted the financial budget report of the Company for year 2013 passed at the 2012 annual general meeting held on 26 June 2013.
- There was no new motion proposed at the EGM.

I. CONVENING OF THE EGM AND ATTENDANCE THEREOF

1. The EGM was held 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**”) at 10:00 a.m. on 30 December 2013.
2. The number of shareholders and the proxies thereof who attended the EGM, the total number of voting shares held by them and the percentage of the voting shares out of the total number of the issued shares of the Company are set out below:

The total number of shareholders and the proxies attended the EGM	22
Including: the holders of domestic shareholders of A shares	17
the holders of overseas shareholders of H shares	5
The total number of shares with voting right held by the shareholders and the proxies who attended the EGM (share)	622,921,639
Including: the number of A shares held by the holders of domestic shareholders of A shares (share)	591,603,775
the number of H shares held by the holders of overseas shareholders of H shares (share)	31,317,864
Percentage of the total number of the issued shares of the Company held by the shareholders and the proxies (%)	100
Including: percentage of the total number of A shares held by the holders of domestic shares of the A shares (%)	94.97
percentage of the total number of H shares held by the holders of overseas shares of the H shares (%)	5.03

3. 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**”). The EGM was convened by the board of directors of the Company (the “**Board**”) and was presided by Mr. Li Chuyuan, chairman of the Company.
4. Attendance of the directors, supervisors and the secretary of the Company: among the eight eligible directors, five of which have attended the meeting. Mr. Liu Jinxiang, Mr. Li Shanmin and Mr. Zhaug Yonghua, all being independent non-executive directors, were absent from the meeting due to business reason. Among the three supervisors, two of which have attended the meeting. Ms. Yang Xiuwei, the chairlady of the supervisory committee of the Company, was absent from the meeting due to business reason. Mr. Pang Jianhui, the secretary of the Board of the Company, were present at the EGM. The senior management attended the EGM.
5. As at the date of the EGM, there were a total of 1,291,340,650 issued shares of the Company (of which 1,071,440,650 shares were domestic shares and 219,900,000 shares were H shares), which was also the total number of shares entitling the holders thereof to attend and vote at the EGM. There were no shares entitling the holders thereof to attend and abstain from voting in favor as set out in rule 13.40 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and no shareholder of the Company was required under the Listing Rules to abstain from voting on any of the resolutions at the EGM. No parties have stated any intention in the circular of the Company in relation to the EGM dated 11 November 2013 that it would vote against or abstain from voting on any of the resolutions proposed at the EGM.

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 EGM dated 6 November 2013) were passed at the EGM by way of poll and were all duly passed:

1. Passed by way of ordinary resolutions:

- (1) The resolution on adjustment to the financial budget report of the Company for year 2013

No. of shares voted in favor (share)	Percentage of shares voted in favor (%)	No. of shares voted against (share)	Percentage of shares voted in against (%)	No. of shares abstained (share)	Percentage of shares abstained (%)	Passed or not
616,005,537	98.8897	0	0	6,916,102	1.1103	Passed

- (2) The resolution in relation to the Purchase and Sale Connected Transactions Agreement entered into between the Company, Guangzhou Pharmaceuticals Corporation and Hutchison Whampoa Guangzhou Baiyunshan Chinese Medicine Company Limited

No. of shares voted in favor (share)	Percentage of shares voted in favor (%)	No. of shares voted against (share)	Percentage of shares voted in against (%)	No. of shares abstained (share)	Percentage of shares abstained (%)	Passed or not
622,905,489	99.9974	0	0	16,150	0.0026	Passed

- (3) The resolution in relation to the distribution of special dividend

No. of shares voted in favor (share)	Percentage of shares voted in favor (%)	No. of shares voted against (share)	Percentage of shares voted in against (%)	No. of shares abstained (share)	Percentage of shares abstained (%)	Passed or not
622,893,789	99.9955	11,700	0.0019	16,150	0.0026	Passed

- (4) The resolution in relation to the amendments to the Rules of Procedures for the General Meeting of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

No. of shares voted in favor (share)	Percentage of shares voted in favor (%)	No. of shares voted against (share)	Percentage of shares voted in against (%)	No. of shares abstained (share)	Percentage of shares abstained (%)	Passed or not
621,359,995	99.7493	0	0	1,561,644	0.2507	Passed

- (5) The resolution in relation to the amendments to the Rules of Procedures for the Board Meeting of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

No. of shares voted in favor (share)	Percentage of shares voted in favor (%)	No. of shares voted against (share)	Percentage of shares voted in against (%)	No. of shares abstained (share)	Percentage of shares abstained (%)	Passed or not
621,359,995	99.7493	0	0	1,561,644	0.2507	Passed

2. Passed by way of special resolution:

Resolution in relation to amendments to the Article of Association of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (Note)

No. of shares voted in favor (share)	Percentage of shares voted in favor (%)	No. of shares voted against (share)	Percentage of shares voted in against (%)	No. of shares abstained (share)	Percentage of shares abstained (%)	Passed or not
622,905,489	99.9974	0	0	16,150	0.0026	Passed

Note: this resolution is a resolution on matter required to be approved by special resolution and was passed by more than 2/3 of the number of shares with voting right held by shareholders or the proxies who attended the EGM.

III. SCRUTINEER FOR VOTE-TAKING AND LEGAL OPINION

BDO China Shu Lun Pan CPAS LLP, the Company's auditor, served as the scrutineer for the vote-taking at the EGM.

The EGM was witnessed by Ms. Lu Hui and Ms. Zhou Xia, both lawyers of 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 and the Rules of Procedures for the General Meeting of the Company. The resolutions passed at the EGM were lawful and valid.

IV. IMPORTANT INFORMATION ON THE PAYMENT OF SPECIAL DIVIDEND

The Company hereby made the following explanations on the payment of the special dividend:

1. The register of members of the Company will be closed from 30 January 2014 (Thursday) to 4 February 2014 (Tuesday) (both days inclusive) during which no transfer of H shares will be effected. The holders of H shares whose names appeared on the register of members of the Company at the close of business on 4 February 2014 (Tuesday) will be entitled to the special dividend. The holders of H shares who would like to be entitled to the special dividend must lodge all share transfer documents together with the relevant share certificates with the share registrar of the Company in Hong Kong, namely Hong Kong Registrars Limited, for share transfer registration not later than 4:30 p.m. on 30 January 2014 (Thursday).
2. According to Enterprise Income Tax of the People's Republic of China* (《中華人民共和國企業所得稅法》) and Implementation Rules of Enterprise Income Tax Law of the People's Republic of China* (《中華人民共和國企業所得稅法實施條例》) (collectively, "Tax Laws"), with effect from 1 January 2008, all PRC domestic enterprises shall withhold and pay enterprise income tax upon distribution of dividends to non-resident enterprise shareholders and the payer shall be obliged to withholding and payment. Accordingly, the Company shall be obliged to withhold and pay a 10% enterprise income when distributing special dividends to non-resident enterprise shareholders whose names appear on the register of holders of H shares on 4 February 2014 (Tuesday). The Company has no obligation to withhold and pay such enterprise income tax when distributing special dividends to the resident enterprise shareholders whose names appeared on the register of holders of H shares on 4 February 2014 (Tuesday). A resident enterprise (with the same meaning as defined in the Tax Laws) which is established in the PRC or is established under the law of a foreign country (or region) but whose de facto management organization is located within the PRC must submit a legal opinion (stamped with the chop of the law firm) issued by a qualified PRC practicing lawyer confirming its resident enterprise status to the Hong Kong Registrars Limited not later than 4:30 p.m. on 4 February 2014 (Tuesday). Otherwise, the Company shall not be held responsible for any disputes in relation to the withholding and payment of enterprise income tax arising from failure to submit the legal opinion within the prescribed period.

3. According to the provisions of the Tax Laws, the dividend (bonus) received by overseas resident individual shareholders in respect of their interests in the shares issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax in the PRC, which shall be withheld by the withholding agents according to the relevant laws. However, the overseas resident individual shareholders of the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements entered into between the countries where they are residents and China or the tax arrangements between mainland China and Hong Kong (Macau). When special dividend is to be distributed to the holders of H shares whose names appeared on the register of holders of H shares of the Company as at 4 February 2014 (Tuesday), the Company is obliged to withhold 10% of the dividend to be distributed to the individual H-share holders as individual income tax in the PRC unless otherwise specified by the relevant tax regulations and tax agreements, in which case the Company will withhold individual income tax of such dividend at the tax rates and according to the relevant procedures as specified by such relevant tax regulations and tax agreement.
4. The holders of H shares whose names appeared on the register of members of the Company at the close of business on 4 February 2014 (Tuesday) will be entitled to the special dividend. According to Article 213 of the Articles, dividends payable to the Company's holders of H shares shall be paid in Hong Kong dollars. For the purpose of payment of the dividend, the applicable exchange rate is HK\$100 to RMB78.836, being the average of the exchange rate between Hong Kong dollar and Renminbi as announced by the People's Bank of China for the week preceding the date of the declaration of dividend. Accordingly, the amount of the special dividend payable per H share is HK\$0.0761 (including tax). The special dividend for H share will be paid on or before 28 February 2014.
5. Should the holders of H shares of the Company have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in mainland China, Hong Kong and other countries (regions) in relation to the possession and disposal of the H shares of the Company.
6. A separate announcement in relation to the special dividend for holders of A shares of the Company will be made in due course.

V. 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 in relation to the EGM issued by the PRC legal advisers of the Company.

* *For identification purpose only*

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 30 December 2013

As at the date of this announcement, the Board comprises Mr. Li Chuyuan, Ms. Cheng Ning 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 non-executive independent directors.