

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



SINOPHARM GROUP CO. LTD.*

國藥控股股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability and carrying on business in Hong Kong as 國控股份有限公司)

(Stock Code: 01099)

POLL RESULTS OF THE EGM HELD ON 7 JANUARY 2011

The Board is pleased to announce that all the resolutions specified in the notice of the EGM were duly passed at the EGM.

Reference is made to the circular of Sinopharm Group Co. Ltd. (the “Company”) dated 16 December 2010 (the “Circular”). Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Circular.

POLL RESULTS OF THE EGM

The Board is pleased to announce that the following resolutions were duly passed at the EGM held at Maple Hall, 4th Floor, The Longemont Shanghai, No. 1116 Yan An Road (W), Changning Qu, Shanghai, the PRC at 9:30 a.m. on Friday, 7 January 2011. The convening of the EGM was in accordance with the Company Law of the PRC and the Articles of Association.

As at the date of the EGM, the total number of issued shares of the Company (the “Shares”) was 2,264,568,474 Shares, which was the total number of Shares entitling Shareholders to attend and vote for or against all the resolutions put forward at the EGM (the “EGM Resolutions”). Shareholders or their proxies holding an aggregate of 1,875,747,341 Shares with voting rights in the Company, representing approximately 82.83% of the total number of issued Shares, attended the EGM. No Shareholder was required to abstain from voting on the EGM Resolutions. There were no Shares entitling Shareholders to attend and vote only against the EGM Resolutions.

The EGM was chaired by Mr. She Lulin, the chairman of the Board and a non-executive Director. A poll was demanded by the chairman of the EGM for voting on the EGM Resolutions pursuant to the Articles of Association. After due consideration, the EGM Resolutions were passed at the EGM by way of poll by Shareholders and their proxies. The poll results in respect of the EGM Resolutions were as follows:

ORDINARY RESOLUTIONS	No. of Votes (approximate %)	
	For	Against
1. “RESOLVED THAT the appointment of Mr. Chen Wenhao as a non-executive director of the Company for a term of three years starting from the conclusion of the EGM be and is hereby approved and the Board be authorised to enter into a service contract with him.”	1,841,628,077 (98.18%)	34,095,664 (1.82%)
2. “RESOLVED THAT the appointment of Mr. Zhou Bin as a non-executive director of the Company for a term of three years starting from the conclusion of the EGM be and is hereby approved and the Board be authorised to enter into a service contract with him.”	1,654,971,707 (88.23%)	220,752,034 (11.77%)
3. “RESOLVED THAT the appointment of Mr. Yao Fang as a supervisor of the Company for a term of three years starting from the conclusion of the EGM be and is hereby approved and the Board be authorised to enter into a service contract with him.”	1,874,407,641 (99.93%)	1,311,600 (0.07%)
4. “RESOLVED THAT the appointment of Mr. Lian Wanyong as a supervisor of the Company for a term of three years starting from the conclusion of the EGM be and is hereby approved and the Board be authorised to enter into a service contract with him.”	1,854,601,041 (98.87%)	21,118,200 (1.13%)
SPECIAL RESOLUTION		
5. “RESOLVED THAT: (a) the issue by the Company of the Medium-Term Bonds in the PRC within 30 months from the passing of this resolution on the following terms, be and is hereby approved: (i) Issuer: The Company; (ii) Place of issue: The PRC; (iii) Size of issue: The aggregate principal amount shall not be more than RMB5 billion; (iv) Maturity of the Medium-Term Bonds: Not more than 5 years;	1,875,356,141 (99.98%)	391,200 (0.02%)

SPECIAL RESOLUTION	No. of Votes (approximate %)	
	For	Against
(v) Interest rate: To be determined according to the relevant regulatory requirements and market conditions; (vi) Issue method: To be issued in a single tranche or multiple tranches, subject to market conditions, capital needs of the Company and regulatory requirements, and to be underwritten by qualified financial institutions appointed by the Company; (vii) Use of proceeds: The proceeds will be used within the scope approved by the relevant regulatory authorities, which will be mainly for the funding of the operational activities, adding liquidity and repaying bank loans of the Company; (viii) Targets: To be issued to qualified institutional investors of inter-bank bond market in the PRC (save for those prohibited under PRC laws or regulations from subscription); and (b) the Board or any one of the directors of the Company be and are hereby authorised: (i) to confirm specific matters in relation to the issue of the Medium-Term Bonds, which include but not limited to the size of registration of the Medium-Term Bonds, the size of issue, the maturity, the issue price, the interest rate or the calculation mechanism thereof, the timing of the issue, whether to issue in multiple tranches and the number of tranches, the grading arrangement, the duration for repayment of the principal and interest, the specific arrangement relating to the use of the proceeds within the scope approved at the EGM;		

SPECIAL RESOLUTION	No. of Votes (approximate %)	
	For	Against
(ii) to deal with all the other relevant matters in relation to the issue of the Medium-Term Bonds, which include but not limited to the appointment of intermediaries; to deal with the relevant matters in relation to the approval for the issue of the Medium-Term Bonds, the issue of the Medium-Term Bonds, the registration of debentures and debts and liquidity of bonds transactions; to amend and execute all the necessary legal documents (including but not limited to application for the issue of the Medium-Term Bonds, registration report, offering document, underwriting agreement, all kinds of announcements and other documents that are required to be disclosed); and to disclose the relevant information pursuant to the applicable regulatory rules; (iii) to make appropriate adjustments to the specific plan of the issue of the Medium-Term Bonds and the relevant matters in accordance with the comments of the regulatory authorities, if there are any changes in the policy of the regulatory authorities or the market conditions; and (iv) to do all such acts and things on behalf of the Company as it or him thinks necessary or fit so as to implement the issue of the Medium-Term Bonds.”		

Please refer to the notice of the EGM for the full version of the above EGM Resolutions.

As more than half of the votes were cast in favour of each of EGM Resolutions 1 to 4 and more than two-thirds in favour of EGM Resolution 5, all the EGM Resolutions were duly passed as ordinary resolutions and a special resolution, respectively.

In accordance with the Listing Rules, Computershare Hong Kong Investor Services Limited, the Company’s H share registrar in Hong Kong, was appointed as the scrutineer at the EGM for the purpose of vote-taking at the meeting.

Background of New Non-executive Directors

(A) Appointment of Mr. Chen Wenhao (“Mr. Chen”) as a Director

Mr. Chen, aged 57, has around 27 years of working experience. He obtained a bachelor’s degree in economics, majoring in finance, from Shanghai University of Finance and Economics in 1983 and a master degree in economics, majoring in accounting, from Shanghai University of Finance and Economics in 1987. Mr. Chen has been a teacher in Shanghai University of Finance and Economics since 1983 and has become a professor and a tutor of Ph.D. students since 1999. He has rich experience in corporate financial affairs and corporate governance. Mr. Chen is also the vice chairman of Shanghai Institute of Finance and Accounting, the vice chairman of Shanghai Association of Real Estate and Accounting, and a director of Shanghai Institute of Finance and Taxation. He has been an external director of China National Pharmaceutical Group Corporation since August 2006, and an independent director of Shanghai Diesel Engine Company Limited (a company listed on the Shanghai Stock Exchange) since June 2009.

Save as disclosed above, Mr. Chen has not held any other directorships in any listed public companies in the last three years. Furthermore, Mr. Chen does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company, nor does he have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Chen will enter into a service contract with the Company which provides for a three years’ length of service starting from the date of the EGM. Mr. Chen will not receive any remuneration from the Company.

Save as disclosed above, there are no other matters relating to Mr. Chen that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

(B) Appointment of Mr. Zhou Bin (“Mr. Zhou”) as a Director

Mr. Zhou, aged 42, has around 20 years of working experience. He obtained a bachelor’s degree in pharmacology from China Pharmaceutical University in July 1990, a master of business administration degree from China Europe International Business School in September 2005 and a doctor’s degree in industrial economy from Shanghai Academy of Social Sciences in July 2008. He was a research trainee, a research assistant and an assistant director of the department of information of Shanghai Institute of Pharmaceutical Industry from July 1990 to July 1998. He was a deputy director, research assistant and a secretary of the branch of Party of the department of information of Shanghai Institute of Pharmaceutical Industry from July 1998 to December 1999. He was a deputy director, associate researcher and a secretary of the branch of Party of the department of information of Shanghai Institute of Pharmaceutical Industry from December 1999 to May 2002. Mr. Zhou was subsequently a director and a secretary of the branch of Party of the department of information and the director of the department of market investment of Shanghai Institute of Pharmaceutical Industry from May 2002 to January 2003. He was an assistant dean, the director of the

department of market investment and a secretary of the branch of Party of the department of information of Shanghai Institute of Pharmaceutical Industry and the chairman of Shanghai Institute of Pharmaceutical Industry Pharmaceutical Co., Ltd. from January 2003 to October 2004. He was a vice dean, the director of the department of market investment and the director of the department of information of Shanghai Institute of Pharmaceutical Industry and the chairman of Shanghai Institute of Pharmaceutical Industry Pharmaceutical Co., Ltd. from October 2004 to September 2005. Mr. Zhou was a vice dean and a member of the Party committee of Shanghai Institute of Pharmaceutical Industry and the chairman of Shanghai Institute of Pharmaceutical Industry Pharmaceutical Co., Ltd. from September 2005 to September 2006. He was a vice dean and a secretary of the Party committee of Shanghai Institute of Pharmaceutical Industry from October 2006 to April 2008. He has been the dean and a secretary of the Party committee of Shanghai Institute of Pharmaceutical Industry and the chairman of Shanghai Modern Pharmaceutical Co., Ltd. (a company listed on the Shanghai Stock Exchange) since April 2008 and a vice general manager of China National Pharmaceutical Group Corporation since May 2010. He is also currently a vice president of the Shanghai Pharmaceutical Profession Association, a vice president of the Shanghai Biological Medicine Profession Association and the president of the National Medical Technology Market Profession Association.

Save as disclosed above, Mr. Zhou has not held any other directorships in any listed public companies in the last three years and Mr. Zhou does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company, nor does he have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Zhou will enter into a service contract with the Company which provides for a three years' length of service starting from the date of the EGM. Mr. Zhou will not receive any remuneration from the Company.

Save as disclosed above, there are no other matters relating to Mr. Zhou that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Background of New Supervisors

(A) Appointment of Mr. Yao Fang ("Mr. Yao") as a Supervisor

Mr. Yao, aged 41, has around 17 years of working experience. He obtained a bachelor's degree in economics from Fudan University in July 1989 and a master of business administration degree from The Chinese University of Hong Kong in July 1993. Mr. Yao worked in the International Business Department of Shanghai Wanguo Securities Co., Ltd. (currently known as Shenyin & Wanguo Securities Co., Ltd.) from 1993 to 1996, where he was engaged in research, investment and financing activities. He served as the general manager of Shanghai Industrial Assets Operation Co., Ltd. and an executive director of Shanghai Industrial Holdings Limited (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited) from 1996 to 2009, where he was responsible for the planning and implementation of merger and acquisition projects. Mr. Yao served

as the standing deputy general manager and the chief financial officer of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (a company listed on the Shanghai Stock Exchange) from April 2010 to June 2010. He has been the general manager and the vice-chairman of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. since June 2010.

Save as disclosed above, Mr. Yao has not held any other directorships in any listed public companies in the last three years. Furthermore, Mr. Yao does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company, nor does he have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Yao will enter into a service contract with the Company which provides for a three years' length of service starting from the date of the EGM. Mr. Yao will not receive any remuneration from the Company.

Save as disclosed above, there are no other matters relating to Mr. Yao that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

(B) Appointment of Mr. Lian Wanyong ("Mr. Lian") as a Supervisor

Mr. Lian, aged 41, joined the Company on 22 December 2008, and has been a Non-executive Director since then. He has over 14 years of working experience, all of which is management experience. Mr. Lian obtained a bachelor's degree in medicine, majoring in clinical medicine, from Hunan University of Medicine (currently known as Central South University Xiangya School of Medicine) in July 1993, a master's degree in medicine, majoring in pharmacology, from Zhongshan Medicine University (currently known as Zhongshan School of Medicine, Sun Yat-sen University) in July 1996 and a master's degree in business administration from the University of Miami in May 2002. Mr. Lian was previously the manager of the operation and audit department of Traditional & Herbal Medicine Company and a deputy head of the financial assets management department of China National Pharmaceutical Group Corporation from January 2004 to June 2005 and from June 2005 to February 2008, respectively. Mr. Lian has been the head of the investment management department of China National Pharmaceutical Group Corporation since February 2008. Mr. Lian has been a director of China National Pharmaceutical Group Xinjiang Medicines Co., Ltd. since March 2009.

Mr. Lian has not held any directorships in any listed public companies in the last three years. Furthermore, Mr. Lian does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company, nor does he have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Lian will enter into a service contract with the Company which provides for a three years' length of service starting from the date of the EGM. Mr. Lian will not receive any remuneration from the Company.

Save as disclosed above, there are no other matters relating to Mr. Lian that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

By order of the Board
Sinopharm Group Co. Ltd.
She Lulin
Chairman

Shanghai, the People's Republic of China

7 January 2011

As at the date of this announcement, the executive director of the Company is Mr. Wei Yulin; the non-executive directors of the Company are Mr. She Lulin, Mr. Wang Qunbin, Mr. Chen Wenhao, Mr. Zhou Bin, Mr. Deng Jindong, Mr. Chen Qiyu, Mr. Fan Banghan and Mr. Liu Hailiang; and the independent non-executive directors of the Company are Mr. Wang Fanghua, Mr. Xie Rong, Mr. Tao Wuping and Mr. Zhou Bajun.

* *The Company is registered as a non-Hong Kong company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and the English name "Sinopharm Group Co. Ltd."*