



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting of Wanji Pharmaceutical Holdings Limited (the “Company”) will be held at Room 401, Level 4, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong on Friday, 20th August 2004 at 11:00 a.m. (or any adjournment thereof), for the following purposes:

- 1 To receive and consider the audited consolidated financial statements and the reports of the directors and the auditors for the year ended 31st March 2004;
- 2 To re-elect directors and to authorise the Board of directors to fix their remuneration;
- 3 To re-appoint auditors and to authorise the directors to fix their remuneration;
- 4 To consider and, if though fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

(a) **“THAT**

- (i) subject to paragraph (a)(iii) of this resolution, the exercise by the directors during the Relevant Period (as defined in paragraph (a)(v) of the resolution) of all the powers of the Company to allot, issue or otherwise deal with additional shares or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (a)(i) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally, to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a)(i) of this resolution, otherwise than pursuant to:
 - (aa) a rights issue (as defined in paragraph (a)(v) of this resolution);

(bb) the exercise of rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into shares;

(cc) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares; and

(dd) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the Bye-laws of the Company;

shall not exceed 20% of the aggregate nominal amount of share capital of the Company in issue at the date of this resolution and the approval granted under paragraphs (a)(i) and (a)(ii) shall be limited accordingly;

(iv) subject to the passing of each of the paragraphs (a)(i), (a)(ii) and (a)(iii) of this resolution, any prior approvals of the kind referred to in paragraphs (a)(i), (a)(ii) and (a)(iii) of this resolution which had been granted to the directors and which are still in effect be and are hereby revoked; and

(v) for the purpose of this resolution:

“Relevant Period” means the period from the passing of the resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; or

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;



“rights issue” means the allotment issue or grant of shares pursuant to an offer of shares open for a period fixed by the directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or to other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regards to any restrictions or obligations under the laws of or the requirements of any recognised body or any stock exchange in any territory applicable to the Company);

(b) **“THAT**

- (i) subject to paragraph (b)(ii) of this resolution, the exercise by the directors during the Relevant Period (as defined in paragraph (b)(iv) of all powers of the Company to repurchase the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares may listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) or that of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the shares repurchased by the Company pursuant to paragraph (b)(i) of the resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the approval granted under paragraph (b)(i) of this resolution shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (b)(i) and (b)(ii) of this resolution, any prior approvals of the kind referred to in paragraphs (b)(i) and (b)(ii) of this resolution which have been granted to the directors and which are still in effect be and are hereby revoked; and

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(iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (aa) the conclusion of the next annual general meeting of the Company;
- (bb) the expiration of the period within the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; or
- (cc) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting”; and

(c) “**THAT** conditional upon the passing of resolutions 4(a) and 4(b) above, the general mandate granted to the directors to exercise the powers of the Company to allot, issue and otherwise deal with shares pursuant to resolution 4(a) above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution 4(b) above provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of this resolution”; and

5 To consider and, if though fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the Bye-laws of the Company be amended as follows:

(i) The following new definitions shall be inserted amongst those set out in Bye-law 1 such that all definitions therein are arranged in alphabetical order:

“associates” shall have the meaning ascribed to it under the rules of the stock exchange in the Relevant Territory governing the listing of the Company’s shares;



- (ii) A new Bye-law 85A as follows shall be inserted immediately after Bye-law 85:

“85A Where the Company has knowledge that any member is, under the rules of the stock exchange in the Relevant Territory, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”

- (iii) Bye-law 109(B)(ii) shall be deleted in its entirety and replaced by the following:

“109(B)(ii) A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum presented at the same board meeting, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (a) the giving of any guarantee, security or indemnity either:

(I) to the Director or any of his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(II) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself or any of his associate(s) has/have himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security; and/or

- (b) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer; and/or

- (c) any contract or arrangement concerning any other company in which the Director or any of his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in 5 per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of his associate is derived).

A company shall be deemed to be a company in which a Director and/or his associate(s) in aggregate own 5 per cent. or more if and so long as (but only if and so long as) they are (either directly or indirectly) the holder of or beneficially interested in 5 per cent. or more of any class of the equity share capital of that company (or of any third company through which the interest of the Director or that of his associates is derived) or of the voting rights available to members of that company. For the purpose of this paragraph there shall be disregarded any shares held by the Director or any of his associate(s) as bare or custodian trustee and in which he and his associates have no beneficial interest, any shares comprised in a trust in which the interest of him or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorised unit trust scheme in which he or any of his associate(s) is/are interested only as a unit holder.

Where a company in which a Director and/or any of his associate(s) in aggregate own 5 per cent. or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed to be materially interested in that transaction.

- (d) the benefit of employees of the Company or any of its subsidiaries including:
- (l) any proposal concerning the adoption, modification or operation of any employees' share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of, the employees of the Company or its subsidiaries under which the Director or any of his associate(s) may benefit; or



- (II) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his associate(s) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and/or

 - (e) any contract or arrangement in which the Director or any of his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company; and/or

 - (f) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.”
- (iv) Bye-law 109(B)(iii) shall be deleted in its entirety and replaced by the following:

“109(B)(iii) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) and any of his associate(s) or as to the entitlement of any Director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associate(s) concerned, so far as known to him, has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or any of his associate(s) and is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be decided by a resolution of the Board (for which purpose the chairman of the meeting and any of the other directors present who are materially interested in the contract or arrangement in question shall not be counted in the quorum and shall not vote on the matter) and the resolution

shall be final and conclusive except in a case where the nature or extent of the interest of the chairman of the meeting or any of his associate(s), so far as known to him, has not been fairly disclosed to the Board.”

- (v) Bye-law 109(B)(iv) shall be deleted in its entirety and replaced by the following:

“109(B)(iv) Provided that full disclosure of such interest is made by the Director, any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be appointed a director, managing director, joint managing director, deputy managing director, executive director, managing or other officer of such a company, and that as such he is interested in the exercise of such voting rights in the manner aforesaid. A Director may not vote in favour of the exercise of the aforesaid voting rights or be counted in the quorum at the relevant meeting of the Board in respect of his own appointment as an officer of the company in question and (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director together with any of his associate(s) in aggregate own 5 per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights attached to any class of shares of such company.”



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- (vi) Bye-law 115 shall be deleted in its entirety and replaced by the following:

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“115 No person, other than a retiring Director, shall unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing signed by a member of the Company (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been delivered to the Company at the registered office or Registration Office provided that the minimum length of the period, during which such notice(s) is/are given, shall be at least seven days and that (if the notice(s) is/are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgement of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.”

By order of the Board

Tai Bik Yin

Company Secretary

Hong Kong, 26th July 2004

*Head office and principal place of
business in Hong Kong:*

Unit 5, 35/F

Tower 1

Lippo Centre

89 Queensway

Admiralty

Hong Kong

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Notes:

- (a) A member entitled to attend and vote at the meeting is entitled to appoint one or more than one proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's branch share registrar in Hong Kong, Tengis Limited, G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person should they so wish.
- (c) In case of joint registered holders of any shares, any one of such persons may vote at the annual general meeting, either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
- (d) An explanatory statement in relation to resolution nos. 4(a) to 4(c) will be despatched to members together with the Company's 2004 Annual Report.
- (e) Concerning resolution no. 5, approval is being sought from members for amendment of the Bye-laws of the Company to reflect the amended provisions of Appendix 3 to the Listing Rules which came into effect on 31st March 2004.