
NOTICE OF ANNUAL GENERAL MEETING



CHINA MEDICAL SYSTEM HOLDINGS LIMITED

康哲藥業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 867)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ("**AGM**") of China Medical System Holdings Limited (the "**Company**") will be held at Bowen Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Thursday, 30 April 2015 at 10:00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements, the reports of the directors of the Company (the "**Board**") and the auditors of the Company for the year ended 31 December 2014;
2. To approve the recommended Final Dividend of RMB0.0692 (equivalent to HK\$0.087) per Share for the year ended 31 December 2014;
3. (a) To re-elect Ms. Chen Yanling as executive Director;
(b) To re-elect Ms. Sa Manlin as executive Director;
(c) To re-elect Mr. Cheung Kam Shing, Terry as independent non-executive Director; and
(d) To authorise the board of Directors to fix the Directors' remuneration;
4. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company and to authorise the board of Directors to fix their remuneration;

*For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

5. To consider and, if thought fit, pass the following resolution as ordinary resolution:

THAT

- (a) subject to paragraph (c) of this Resolution, pursuant to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this Resolution) of all the powers of the Company to allot, issue and deal with unissued Shares with a nominal value of US\$0.005 each in the share capital of the Company (the "Shares") and to make or grant offers, agreements and options, warrants and other securities to subscribe for or convertible into Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, warrants and other securities to subscribe for or convertible into Shares which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a rights issue, which means an offer of Shares or an offer of warrants, options or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed Record Date in proportion to their then holdings of Shares (or, where appropriate, such other securities) as at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company);
 - (ii) 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 options to subscribe for, or rights to acquire Shares;
 - (iii) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the memorandum and Articles of Association of the

NOTICE OF ANNUAL GENERAL MEETING

Company; or

- (iv) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any other securities which are convertible into Shares,

shall not exceed the aggregate of:

- (i) 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution; and
- (ii) provided that Resolutions No. 6 and 7 below are passed, the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this Resolution), and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and

(d) for the purpose of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until 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 Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given to the Directors under this Resolution by an ordinary resolution of the Shareholders of the Company in general meeting.

6. To consider and, if thought fit, pass the following resolution as ordinary resolution:

THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this Resolution) of all powers of the Company to repurchase Shares on the Stock Exchange or any other exchange on which the Shares may be listed and recognized for this purpose by the Stock Exchange and the Securities and Futures Commission of Hong Kong under the Code on Share Repurchases, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or of any other stock exchange as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant

NOTICE OF ANNUAL GENERAL MEETING

to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until 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 Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given to the Directors under this Resolution by an ordinary resolution of the Shareholders of the Company in general meeting.

7. To consider and, if thought fit, pass the following resolution as ordinary resolution:

THAT subject to the Resolutions No. 5 and 6 above being duly passed, the unconditional General Mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to Resolution No. 6 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted, issued and otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Directors pursuant to such General Mandate an amount representing the aggregate nominal amount of the Shares repurchased by the Company since the granting of the said General Mandate pursuant to the exercise by the Directors of the powers of the Company to repurchase such Shares under the authority granted pursuant to Resolution No. 6 above provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution.

By order of the Board
China Medical System Holdings Limited
Lam Kong
Chairman

Hong Kong, 27 March 2015

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The register of members of the Company will be closed from Thursday, 7 May 2015 to Friday, 8 May 2015 (both days inclusive), during which the registration of transfer of Shares will be suspended. To qualify for the Final Dividend, all transfer forms of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 6 May 2015.
2. A Shareholder entitled to attend and vote at the AGM (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and, subject to the provisions of the Articles of Association of the Company, to vote on his behalf. A proxy need not be a Shareholder of the Company but must be present in person at the AGM (or at any adjournment thereof) to represent the shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
3. A form of proxy for use at the AGM is enclosed. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk. Whether or not a shareholder is able to attend the AGM, he is requested to complete the form of proxy in accordance with the instructions printed thereon and return the same together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
4. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof should he so wish.
5. As at the date of this notice, the board of Directors comprises (i) executive Directors: Mr. Lam Kong, Mr. Chen Hongbing, Ms. Chen Yanling and Ms. Sa Manlin; (ii) independent non-executive Directors: Mr. Cheung Kam Shing, Terry, Mr. Wu Chi Keung and Mr. Huang Ming.