

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Garden Rooms A & B, 2nd Floor, Hotel Nikko Hong Kong, 72 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 12 August 2005 at 10:00 a.m. for the following purposes:

## ORDINARY RESOLUTIONS

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2005.
2. To re-elect Mr. Yuen Chi Choi, retiring director of the Company and to authorize the Board of Directors to fix the remuneration.
3. To re-appoint Deloitte Touche Tohmatsu as Auditors and to authorize the Board of Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:

(A) **"THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company ("**Directors**") during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company ("**Shares**") be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) above 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 said approval shall be limited accordingly; and



# Notice of Annual General Meeting

(c) for the purpose of this Resolution:

**"Relevant Period"** means the period from the passing of this 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 Bermuda law or the Company's bye-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."

(B) **"THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorizations given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) 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 pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights issue (as hereinafter defined);
  - (ii) the exercise of rights of subscription or conversion under terms of any convertible notes issued by the Company or any securities which are convertible into Shares;



# Notice of Annual General Meeting

- (iii) the exercise of any option under the share 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
- (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the shares in accordance with the bye-laws of the Company in force from time to time,

shall not exceed 20% of the aggregate nominal amount of share capital of the Company in issue at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

- (d) for the purpose of this Resolution:

**"Relevant Period"** means the period from the passing of this 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 Bermuda law or the Company's bye-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; and

"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 or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions 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 recognized regulatory body or stock exchange in any territory outside Hong Kong)."



# Notice of Annual General Meeting

- (C) **"THAT** conditional upon the resolutions set out in paragraphs (A) and (B) of item 4 above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company pursuant to the resolution set out in paragraph (B) of item 4 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 the resolution set out in paragraph (A) of item 4 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 the passing of this Resolution."
5. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution of the Company:

**"THAT**, conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of and permission to deal in the shares (the **"Shares"**) of the Company to be allotted and issued by the Company upon the exercise of the options which may be granted under the Refreshed Scheme Mandate (as defined below), the refreshment of the general scheme mandate of the share option scheme of the Company adopted on 13 August 2004, up to 10% of the number of Shares in issue as at the date of passing this resolution (the **"Refreshed Scheme Mandate"**) be and is hereby approved and any director of the Company be and is hereby authorised to do such act and execute such document to effect the Refreshed Scheme Mandate."

6

## SPECIAL RESOLUTION

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution of the Company:

**"THAT** the bye-laws of the Company be and are hereby amended as follows:

- (a) by deleting the existing clause 87(1) in its entirety and substituting therefor the following new bye-law 87(1):

"Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the rules and regulations of the Designated Stock Exchange and notwithstanding any contractual or other terms on which any director may be appointed or engaged, at each annual general meeting, one-third of the Directors



# Notice of Annual General Meeting

for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. The Company at the annual general meeting at which a Director retires may fill the vacated office", and

- (b) by inserting the words "and shall continue to act as a Director throughout the meeting at which he retires" at the end of the first sentence "A retiring Director shall be eligible for re-election" in bye-law 87(2);

and the directors be and are hereby authorised to do all such acts, deeds and things as they shall, in their discretion deem fit in order to effect the foregoing.

By Order of the Board

**Wai Yuen Tong Medicine Holdings Limited**

**Chan Chun Hong, Thomas**

*Managing Director*

Hong Kong, 18 July 2005

Notes:

- (1) A member entitled to attend and vote at the above meeting convened by the above notice, is entitled to appoint one or more that one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (2) To be valid, the form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's Hong Kong branch share registrar, Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting at the Meeting or any adjournment thereof, if you so wish.

