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## WAI YUEN TONG MEDICINE HOLDINGS LIMITED

(位元堂藥業控股有限公司\*)

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 897)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司\*) (the “**Company**”) will be held at Garden Rooms A & B, 2/F., Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 26 August 2009 at 11:00 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 2009.
2. To re-elect the following directors and to authorise the board of directors (the “**Board**” or the “**Director**”) to fix the remuneration of the Directors:
  - (i) Mr. Tang Ching Ho as an Executive Director;
  - (ii) Mr. Chan Chun Hong, Thomas as an Executive Director; and
  - (iii) Mr. Cho Wing Mou as an Independent Non-executive Director.
3. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company and to authorise the Board 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), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company (the “**Shares**”) be and is hereby general and unconditionally approved;

\* For identification purpose only

(b) the aggregate nominal amount of Share which may be repurchased or agreed to 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

(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 laws of Bermuda 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 hereafter 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 authorisations given to the Directors and shall authorise 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 the 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 Right Issue (as hereafter defined);

(ii) the exercise of rights subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;

- (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 the aggregate of (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution; and (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any shares 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 share capital of the Company in issue at the date of the passing of this resolution), 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

“**Right 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 recognised regulatory body or stock exchange in any territory outside Hong Kong).”

(C) “**THAT**, conditional upon the passing of resolutions numbered 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 additional Shares of the Company pursuant to the resolution numbered 4(B) 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 and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased or agreed to be repurchased by the Company since the granting of the general mandate pursuant to resolution numbered 4(A) 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.”

### **SPECIAL RESOLUTIONS**

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

(A) **“THAT** the bye-laws of the Company be amended as follows:

#### **(1) Bye-law 1**

(i) By inserting the following new definition of “business day(s)” immediately after the definition of ““Board” or “Directors”” in Bye-law 1:

““business day(s)” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day;”

(ii) By deleting the words “Dailywin Group Limited” in the definition of “Company” in Bye-law 1 and substituting therefor the words “Wai Yuen Tong Medicine Holdings Limited”.

#### **(2) Bye-law 2**

(i) By inserting the following wording immediately after the words “in a visible form” in paragraph (e) of the existing Bye-law 2:

“, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member’s election comply with all applicable Statues, rules and regulations”

- (ii) By deleting paragraphs (h) and (i) of the existing Bye-law 2 in their entirety and substituting therefor the following:

“(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;

(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;”

**(3) Bye-law 10**

- (i) By inserting the word “and” immediately after the semi-colon at the end of paragraph (a) of the existing Bye-law 10;
- (ii) By deleting the words “on a poll” in the first line of paragraph (b) of the existing Bye-law 10 and deleting the semi-colon and the word “and” at the end of paragraph (b) of the existing Bye-law 10 and substituting therefor a full-stop; and
- (iii) By deleting paragraph (c) of the existing Bye-law 10 in its entirety.

**(4) Bye-law 44**

By deleting the existing Bye-law 44 in its entirety and substituting therefor the following:

“44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.”

**(5) Bye-law 59**

By deleting paragraph (1) of the existing Bye-law 59 in its entirety and substituting therefor the following:

“(1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.”

**(6) Bye-law 66**

By deleting the existing Bye-law 66 in its entirety and substituting therefor the following:

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy, or in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.”

**(7) Bye-law 67**

By deleting Bye-law 67 in its entirety and substituting therefor the following:

“67. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

**(8) Bye-law 68**

By deleting the text of the existing Bye-law 68 in its entirety and substituting therefor the words “Intentionally deleted”.

**(9) Bye-law 69**

By deleting the text of the existing Bye-law 69 in its entirety and substituting therefor the words “Intentionally deleted”.

**(10) Bye-law 70**

By deleting the text of the existing Bye-law 70 in its entirety and substituting therefor the words “Intentionally deleted”.

**(11) Bye-law 73**

By deleting the existing Bye-law 73 in its entirety and substituting therefor the following:

“73. In the case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote in addition to any other vote he may have.”

**(12) Bye-law 75**

By deleting paragraph (1) of the existing Bye-law 75 in its entirety and substituting therefor the following:

“(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.”

**(13) Bye-law 80**

By deleting the existing Bye-law 80 in its entirety and substituting therefor the following:

“80. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.”

**(14) Bye-law 81**

By deleting the words “to demand or join in demanding a poll and” in the fourth line of existing Bye-law 81.

**(15) Bye-law 82**

By deleting the words “, or the taking of the poll,” in the seventh line of Bye-law 82.

**(16) Bye-law 84**

By deleting paragraph (2) of the existing Bye-law 84 in its entirety and substituting therefor the following:

“(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation.”



**(17) Bye-law 86**

By deleting the word “special” in the second line of paragraph (4) of the existing Bye-law 86 and substituting therefor the word “ordinary”.

**(18) Bye-law 127**

By deleting the words “a president and vice-president or chairman and deputy chairman,” in the first line of paragraph (1) of the existing Bye-law 127.

**(19) Bye-laws 153A and 153B**

By inserting the following paragraphs immediately after existing Bye-law 153 as new Bye-laws 153A and 153B:

“153A. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 153 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, summarised financial statements derived from the Company’s annual accounts and the directors’ report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors’ report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company’s annual financial statement and the directors’ report thereon.

153B. The requirement to send to a person referred to in Bye-law 153 the documents referred to in that provision or a summary financial report in accordance with Bye-law 153A shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Bye-law 153 and, if applicable, a summary financial report complying with Bye-law 153A, on the Company’s computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents.”

**(20) Bye-law 160**

By deleting the existing Bye-law 160 in its entirety and substituting therefor the following:

“160. Any Notice or other document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement published in an appointed newspaper (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the Member a notice stating that the Notice or other document is available there (a “notice of availability”). The notice of availability may be given to the member by any of the means set out above. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient notice to all the joint holders.”

**(21) Bye-law 161**

By deleting the existing Bye-law 161 in its entirety and substituting therefor the following:

“161. Any notice or document:

- (a) if served or delivered by post, shall where appropriate be deemed to have been served on the day following that on which the envelope containing the same, properly prepared and addressed, is put into the post; in proving such service or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer

of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or document was so addressed and put into the post shall be conclusive evidence therefor;

- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;
- (c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and
- (d) may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations."

**(22) Bye-law 163**

By deleting the existing Bye-law 163 in its entirety and substituting therefor the following:

"163. For the purposes of these Bye-laws, a cable or telex or facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received."

- (B) “**THAT** the bye-laws of the Company in the form of the document marked “A” and produced to this meeting and for the purpose of identification signed by the Chairman of this meeting, which consolidates all of the proposed amendments referred to in Resolution 5(A) above and all previous amendments made pursuant to resolutions passed by the shareholders of the Company at general meetings be approved and adopted as the new bye-laws of the Company in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect.”

By Order of the Board  
**Wai Yuen Tong Medicine Holdings Limited**  
(位元堂藥業控股有限公司\*)  
**Mak Yuen Ming, Anita**  
*Company Secretary*

Hong Kong, 28 July 2009

*Notes:*

- (1) A member entitled to attend and vote at the annual general meeting convened by the above notice, is entitled to appoint one or if such member is a holder of more than one share, more than 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 certified copy of such power or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude members from attending and voting at the annual general meeting or any adjournment thereof (as the case may be), if they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (3) Where there are joint holders of any shares, any one of such joint holders may vote at the meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto provided that if more than one of such joint holders be present at the meeting whether personally or by proxy, the person whose name stands first on the register of members of the Company in respect of such shares shall be accepted to the exclusion of the votes of the other joint holders.

*As at the date of this notice, the executive directors of the Company are Mr. Tang Ching Ho, Mr. Chan Chun Hong, Thomas and Ms. Tang Mui Fun, and the independent non-executive directors of the Company are Mr. Leung Wai Ho, Mr. Yuen Chi Choi, Mr. Siu Man Ho, Simon and Mr. Cho Wing Mou.*

\* *For identification purpose only*