



**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)*

**TERMS OF REFERENCE  
OF  
EXECUTIVE COMMITTEE**

1. **Constitution**

The executive committee (the “**Committee**”) of Wai Yuen Tong Medicine Holdings Limited (the “**Company**” together with its subsidiaries, collectively the “**Group**”) is a committee of the board of directors of the Company (the “**Board**”).

2. **Membership**

The Committee members should be executive directors and shall be appointed by the Board from amongst the Company’s directors.

The chairman of the Committee shall be appointed by the Board.

3. **Secretary of Committee**

The company secretary shall be the secretary of the Committee.

4. **Attendance at meetings**

A quorum shall be two (2) members.

Other board members, apart from the Committee members, have the right to attend any Committee meetings, though they shall not be counted in the quorum.

5. **Frequency of meetings**

The Committee members may call any meetings at any time when necessary.

\* *For identification purpose only*

6. **Power and Authority**

The Committee shall have the following powers under delegation from the Board of the Company:

- (a) The Committee is vested with all the general powers of management and control of the Group's activities as are vested in the Board of the Company;
- (b) The Committee may exercise all such powers and perform all such acts as may be exercised and performed by the Board of the Company, save and except for those powers that may only be exercised by the Board pursuant to the Bermuda Companies Act, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Company's Bye-Laws;
- (c) The Committee is empowered to formulate and implement policies for business activities and internal control and administration of the Group and to make such amendments thereto from time to time as the Committee may think fit and to make exceptions to the policies as the circumstances arise while implementing such policies; and
- (d) The Committee is empowered to plan and decide on strategies to be adopted by the Group on business activities;

7. **Reporting Procedure**

Copies of the minutes of the meetings of the Committee and a summary including a brief description thereof shall be provided to the Board at its regular meetings.

*March 2009*