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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)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of Wai Yuen Tong Medicine Holdings Limited (the “**Company**”) hereby announces that on 8 January 2009, 7,760,000 share options (the “**Share Options**”) to subscribe for the ordinary shares of HK\$0.01 each (the “**Shares**”) in the Company were granted, subject to acceptance of the grantees (the “**Grantees**”), under the share option scheme adopted by the shareholders of the Company at the special general meeting held on 18 September 2003 as incentives or rewards to eligible persons who contribute or may contribute to the success of the Company and its subsidiaries (as defined in the Listing Rules).

Each Share Option shall entitle the holder of the Share Option to subscribe for one Share upon exercise of such Share Option at an exercise price of HK\$0.145 per Share, which represents the highest of (i) the closing price of HK\$0.142 per Share as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 January 2009, being the date of grant (the “**Date of Grant**”); (ii) the average closing price of HK\$0.145 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share.

The Share Options are exercisable during the following periods:

- (i) up to 30% of the Share Options granted to each Grantee on or after 8 January 2010;
- (ii) up to further 30% of the Share Options granted to each Grantee on or after 8 January 2011; and
- (iii) the remaining 40% of the Share Options granted to each Grantee on or after 8 January 2012,

and in each case, not later than 7 January 2019.

* For identification purposes only

650,000 Share Options out of the aggregate of 7,760,000 Share Options were granted to an executive director of the Company with details as follows:

Name of Director	Number of Share Options
Ms. Tang Mui Fun	650,000

Save as disclosed above, none of the Grantees is a director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined in the Listing Rules).

By Order of the Board
WAI YUEN TONG MEDICINE HOLDINGS LIMITED
(位元堂藥業控股有限公司*)
Tang Ching Ho
Chairman

Hong Kong, 9 January 2009

As at the date of this announcement, 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. Siu Man Ho, Simon, Mr. Yuen Chi Choi and Mr. Cho Wing Mou.

** For identification purposes only*