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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your securities in Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司\*), you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**PROPOSED SHARE PREMIUM REDUCTION;  
PROPOSED REFRESHMENT OF  
GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

**Independent financial adviser to the Independent Board Committee  
and the Independent Shareholders**

**Beijing**  
Securities

**BEIJING SECURITIES LIMITED**

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A letter of recommendation from the Independent Board Committee (as defined in this circular) to the Independent Shareholders (as defined in this circular) is set out on page 10 of this circular and a letter of advice from Beijing Securities to the Independent Board Committee and the Independent Shareholders on the granting of the New General Mandate is set out on pages 11 to 17 of this circular.

A notice convening the SGM (as defined in this circular) to be held at 44/F., Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong on Wednesday, 23 March 2011 at 4:00 p.m. is set out on pages 21 to 25 of this circular. Whether or not you intend to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to 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 but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event, the proxy form shall be deemed to be revoked.

28 February 2011

\* For identification purposes only

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## DEFINITIONS

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*In this circular, unless the context otherwise specifies, the following expressions have the following meanings:*

“Accumulated Losses”	the unaudited balance in the accumulated losses account of the Company as at 30 September 2010 of approximately HK\$263.5 million
“Announcement”	an announcement of the Company dated 9 February 2011 in respect of the Proposed Share Premium Reduction
“associate”	has the meaning ascribed to it in the Listing Rules
“Beijing Securities”	Beijing Securities Limited, a corporation licensed under the SFO to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the granting of the New General Mandate
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Capital Reorganisation”	the capital reorganisation of the Company as set out in the Company’s circular dated 27 August 2010, which became effective at 5:00 p.m. on Tuesday, 21 September 2010
“Company”	Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), an exempted company incorporated in Bermuda with limited liability and the shares of which are listed and traded on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Current General Mandate”	the general and unconditional mandate approved and granted to the Directors to allot, issue and deal with the Old Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution(s) at the Last Annual General Meeting
“Current Repurchase Mandate”	the general mandate approved and granted to the Directors to exercise the powers of the Company to repurchase the Old Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the resolution at the Last Annual General Meeting

\* *For identification purposes only*

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## DEFINITIONS

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“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Proposed Share Premium Reduction shall become effective, being the next business day immediately following the date of the SGM (or any adjournment thereof) at which the relevant special resolution approving the Proposed Share Premium Reduction will be considered by the Shareholders
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all of the four independent non-executive Directors formed for the purpose of advising the Independent Shareholders on the granting of the New General Mandate
“Independent Shareholder(s)”	the Shareholders other than controlling Shareholders and their associates of, if there is no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates
“Last Annual General Meeting”	the annual general meeting of the Company held on 18 August 2010
“Latest Practicable Date”	24 February 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New General Mandate”	the refreshment of the general mandate proposed to be granted to the Directors at the SGM to allot, issue and deal with Shares and other securities representing not exceeding 20% of the issued share capital of the Company as at the date of the SGM (such mandate to be extended and added by the number of Shares, if any, repurchased by the Company since the grant of the New General Mandate)
“New Repurchase Mandate”	the refreshment of the general mandate proposed to be granted to the Directors at the SGM to exercise the powers of the Company to repurchase the Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the SGM

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## DEFINITIONS

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“Old Share(s)”	the ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company prior to the Capital Reorganisation
“PRC”	the People’s Republic of China and for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Share Premium Reduction”	the proposed reduction of approximately HK\$263.5 million standing to the credit of the share premium account of the Company, as more particularly set out under the section headed “Proposed Share Premium Reduction” of this circular
“Rights Issue”	1,454,387,835 Shares proposed to be offered to the qualifying Shareholders for the subscription on the terms as set out in the prospectus of the Company dated 6 October 2010
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held at 44/F., Edinburgh Tower, The Landmark, 15 Queen’s Road Central, Hong Kong on Wednesday, 23 March 2011 at 4:00 p.m. for the purpose of considering and, if thought fit, approving, among others, (i) the Proposed Share Premium Reduction; and (ii) the granting of the New General Mandate and the New Repurchase Mandate
“Shareholder(s)”	the holder(s) of the Old Share(s) and the Share(s) (as the case may be)
“Share Options”	the options to subscribe for the Old Shares or the Shares (as the case may be) granted under the Share Option Scheme
“Share Option Scheme”	a share option scheme adopted by the Shareholders at the special general meeting held on 18 September 2003
“Share(s)”	the ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company immediately following the Capital Reorganisation becoming effective
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Tang Ching Ho (*Chairman*)  
Mr. Chan Chun Hong, Thomas (*Managing Director*)  
Ms. Tang Mui Fun

*Independent non-executive Directors:*

Mr. Leung Wai Ho  
Mr. Yuen Chi Choi  
Mr. Siu Man Ho, Simon  
Mr. Cho Wing Mou

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and*

*principal place of business:*  
5/F., Wai Yuen Tong Medicine Building  
9 Wang Kwong Road  
Kowloon Bay  
Kowloon  
Hong Kong

28 February 2011

*To the Shareholders and, for information only,  
the holders of the Share Options*

Dear Sir or Madam,

**PROPOSED SHARE PREMIUM REDUCTION;  
PROPOSED REFRESHMENT OF  
GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with, among others, (i) the details of the Proposed Share Premium Reduction; (ii) the details of the New General Mandate and the New Repurchase Mandate; (iii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the granting of the New General Mandate; (iv) the advice from Beijing Securities to the Independent Board Committee and the Independent Shareholders in relation to the granting of the New General Mandate; and (v) the notice of the SGM to be convened and held for the purpose of considering and, if thought fit, approving the resolutions to the granting of the New General Mandate and the New Repurchase Mandate as well as the proposed Share Premium Reduction.

\* *For identification purposes only*

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## LETTER FROM THE BOARD

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### **PROPOSED SHARE PREMIUM REDUCTION**

As disclosed in the Announcement, the Board proposed to put forward for approval by the Shareholders at the SGM a proposal to reduce the credit standing to the share premium account of the Company to the extent of approximately HK\$263.5 million and to apply the credit arising from such reduction to set off the Accumulated Losses by the same amount.

### **Effects of the Proposed Share Premium Reduction**

As at 30 September 2010, the Company recorded unaudited Accumulated Losses of approximately HK\$263.5 million. The unaudited balance of the share premium account of the Company was approximately HK\$1,180.5 million as at 30 September 2010. As a result of the Proposed Share Premium Reduction, the credit standing to the share premium account of the Company will be reduced by an amount of approximately HK\$263.5 million, and the credit arising therefrom will be applied towards eliminating the Accumulated Losses by the same amount.

The implementation of the Proposed Share Premium Reduction does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares. Other than the expenses incurred by the Company in relation to the Proposed Share Premium Reduction, the implementation of the Proposed Share Premium Reduction will not, of itself, alter the underlying assets, liabilities, business operations, management or financial position of the Company or affect the interests of the Shareholders.

### **Reasons for the Proposed Share Premium Reduction**

The Company has unaudited Accumulated Losses of approximately HK\$263.5 million as at 30 September 2010. The Board is of the view that the Proposed Share Premium Reduction will allow the Company to eliminate its accumulated losses arising from the Group's past operations, thus enabling a better appreciation of the financial position of the Group and its current businesses. The Proposed Share Premium Reduction will bring the Company to a position that might permit payment of dividends if and when the Company's financial position allows and the Board considers appropriate in the future, although there is no guarantee that dividends will be declared or paid upon the Proposed Share Premium Reduction becoming effective or at any time in the future. The Board believes that the Proposed Share Premium Reduction is in the best interests of the Company and the Shareholders as a whole.

**Shareholders and potential investors should also be aware that there is no assurance that a dividend will be declared or paid in the future even if the Proposed Share Premium Reduction has become effective.**

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## LETTER FROM THE BOARD

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### Conditions for the Proposed Share Premium Reduction

The Proposed Share Premium Reduction is conditional upon:

- (a) the passing of a special resolution by the Shareholders to approve the Proposed Share Premium Reduction at the SGM; and
- (b) compliance with Section 46(2) of the Companies Act 1981 of Bermuda, including (i) publication of a notice of the Proposed Share Premium Reduction in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the Effective Date; and (ii) the Board being satisfied that on the Effective Date, there are no reasonable grounds for believing the Company is, or after the Proposed Share Premium Reduction would be, unable to pay its liabilities as they become due.

### Expected Effective Date of the Proposed Share Premium Reduction

Assuming the above conditions are fulfilled, it is expected that the Proposed Share Premium Reduction will become effective on the next business day immediately following the date of passing the relevant special resolution approving the Proposed Share Premium Reduction.

### CURRENT GENERAL MANDATE AND CURRENT REPURCHASE MANDATE

At the Last Annual General Meeting, the Shareholders approved, among others, ordinary resolutions to grant the Current General Mandate and the Current Repurchase Mandate which enable the Directors (i) to allot, issue and deal with the Old Shares not exceeding 20% of the issued share capital of the Company at the date of the Last Annual General Meeting (equivalent to the then 1,454,387,837 Old Shares); and (ii) to exercise the powers of the Company to repurchase Old Shares up to a maximum of 10% of the issued share capital of the Company at the date of the Last Annual General Meeting (equivalent to the then 727,193,918 Old Shares). Neither the Current General Mandate nor the Current Repurchase Mandate has been refreshed or utilised since the Last Annual General Meeting, being the date of the granting of the Current General Mandate and the Current Repurchase Mandate.

Although the Current General Mandate and the Current Repurchase Mandate have not been utilised as at the Latest Practicable Date, the Current General Mandate has been substantially adjusted to 58,175,513 Shares and the Current Repurchase Mandate has been substantially adjusted to 29,087,756 Shares immediately following completion of the Capital Reorganisation. As at the Latest Practicable Date, no Share has been issued pursuant to the Current General Mandate. The Directors, therefore, propose to seek the approval of the Independent Shareholders at the SGM to grant the New General Mandate to maintain the financial flexibility necessary for the Group's future business development.



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## LETTER FROM THE BOARD

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### PROPOSED GRANT OF THE NEW GENERAL MANDATE AND THE NEW REPURCHASE MANDATE

The Company proposes to put forward the following ordinary resolutions to be considered at the SGM so as to seek approval of the Independent Shareholders and/or the Shareholders that:

- (i) the Directors be granted the New General Mandate to allot, issue and deal with the Shares and other securities representing not exceeding 20% of the issued share capital of the Company as at the date of the SGM;
- (ii) the Directors be granted the New Repurchase Mandate to exercise the powers of the Company to repurchase the Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the SGM; and
- (iii) the New General Mandate be extended to the Shares and other securities that are allowed to be repurchased by the Company since the grant of the New General Mandate.

As at the Latest Practicable Date, the total number of Shares in issue was 2,036,142,969 Shares. Upon passing the relevant resolutions at the SGM and assuming no further Shares are/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the New General Mandate (before taking into account any extension thereof by any repurchased Shares) would enable the Board to allot, issue and deal with up to 407,228,593 Shares, and the New Repurchase Mandate would enable the Board to repurchase Shares on the Stock Exchange up to 203,614,296 Shares.

At the SGM, upon the ordinary resolutions relating to the New General Mandate (including a separate ordinary resolution for the New General Mandate to be extended and added by the number of Shares, if any, repurchased by the Company since the granting of the New General Mandate) and the New Repurchase Mandate being approved by the Independent Shareholders and/or the Shareholders, respectively, the Current General Mandate and the Current Repurchase Mandate will be revoked.

As the proposed refreshment of New General Mandate is being made prior to the Company's next annual general meeting, pursuant to Rules 13.36(4) of the Listing Rules, the granting of the New General Mandate is subject to the approval of the Independent Shareholders by way of a poll at the SGM with the controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates abstain from voting in favour. As at the Latest Practicable Date, the Company had no controlling Shareholders and that the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) to be proposed at the SGM to approve the granting of the New General Mandate and the extension thereof. As at the Latest Practicable Date, Ms. Tang Mui Fun, an executive Director, held an aggregate of 234,642 Share Options, and save as disclosed herein, none of the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates owned any Shares.

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## LETTER FROM THE BOARD

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Please also refer to the appendix to this circular which sets out the information required under Rule 10.06(1) of the Listing Rules relating to the ordinary resolution to be considered at the SGM to grant the New Repurchase Mandate.

### **REASON FOR THE NEW GENERAL MANDATE AND THE NEW REPURCHASE MANDATE**

The Board considers that the New General Mandate will provide financial flexibility for the Group to conduct any equity financing exercise for future development of the Group should that be required, though no concrete investment and/or development plan has been identified at present. Repurchases of Shares under the New Repurchase Mandate would, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

### **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee comprising Mr. Leung Wai Ho, Mr. Yuen Chi Choi, Mr. Siu Man Ho, Simon and Mr. Cho Wing Mou, all of them being the independent non-executive Directors, has been formed to advise the Independent Shareholders, and Beijing Securities has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the granting of the New General Mandate.

### **RECOMMENDATION**

The Directors are of the opinion that (i) the Proposed Share Premium Reduction, and (ii) the granting of the New General Mandate and the New Repurchase Mandate are in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Shareholders are concerned. Accordingly, the Directors recommend the Independent Shareholders and/or the Shareholders to vote in favour of the resolutions to be proposed as set out in the notice of the SGM contained herein.

In addition, your attention is drawn to the letter from the Independent Board Committee as set out on page 10 of this circular which contains its recommendation to the Independent Shareholders in relation to the granting of the New General Mandate, which was given after the Independent Board Committee has considered the advice of Beijing Securities thereon. The letter of advice from Beijing Securities is set out on pages 11 to 17 of this circular containing the principal factors and reasons it has taken into consideration and its recommendation to the Independent Board Committee and the Independent Shareholders in relation to the granting of the New General Mandate.

### **The SGM**

A notice of the SGM is set out on pages 21 to 25 of this circular for the purpose of considering and, if thought fit, approving, among others, the Proposed Share Premium Reduction and the granting of the New General Mandate and the New Repurchase Mandate. A form of proxy for use at the SGM is accompanied with this circular.

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## LETTER FROM THE BOARD

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Pursuant to Rules 13.39(4) and 13.39(5) of the Listing Rules and the Bye-laws, the voting on all proposed resolutions at the SGM will be taken by way of a poll and an announcement on the poll results will be made by the Company after the SGM.

Whether or not you intend to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to 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 but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event, the proxy form shall be deemed to be revoked.

### **PERIOD DURING WHICH THE REFRESHMENT OF NEW GENERAL MANDATE WILL REMAIN EFFECTIVE**

The refreshment of New General Mandate will, if approved, remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting is required by the Bye-laws or any other applicable law of Bermuda to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
For and on behalf of the Board  
**Wai Yuen Tong Medicine Holdings Limited**  
(位元堂藥業控股有限公司\*)  
**Chan Chun Hong, Thomas**  
*Managing Director*

\* *For identification purposes only*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*The following is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the proposed refreshment of the New General Mandate for the purpose of incorporation in this circular.*



### 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)**

28 February 2011

*To the Independent Shareholders*

Dear Sir or Madam,

#### **PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES**

We refer to the circular of the Company dated 28 February 2011 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether the proposed refreshment of the New General Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Beijing Securities has been appointed as the independent financial adviser to advise us and you in this respect.

Having taken into account the principal reasons and factors considered by and the advice of Beijing Securities as set out in its letter of advice to us and you on pages 11 to 17 of the Circular, we are of the opinion that the terms of the refreshment of the New General Mandate are fair and reasonable so far as the Company and the Independent Shareholders are concerned and the New General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the refreshment of the New General Mandate and the extension thereof.

Yours faithfully,

*Independent Board Committee*

**Leung Wai Ho      Siu Man Ho, Simon  
Yuen Chi Choi      Cho Wing Mou**  
*Independent non-executive Directors*

\* *For identification purposes only*

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## LETTER FROM BEIJING SECURITIES

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*The following is the text of the letter of advice to the Independent Board Committee and the Independent Shareholders from Beijing Securities Limited dated 28 February 2011 in relation to the granting of the New General Mandate for the purpose of inclusion in this circular.*

**Beijing**  
Securities

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### BEIJING SECURITIES LIMITED

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Room 2907-8, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong

28 February 2011

*To the Independent Board Committee and the Independent Shareholders*

Dear Sirs,

### **PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES**

#### **INTRODUCTION**

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of New General Mandate. The details of the New General Mandate are set out in the letter from the Board contained in the circular of the Company dated 28 February 2011 (the “**Circular**”), of which this letter forms a part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Pursuant to Rules 13.36(4) of the Listing Rules, the granting of the New General Mandate is subject to the approval of the Independent Shareholders by way of a poll at the SGM with the controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates abstain from voting in favour. As at the Latest Practicable Date, the Company had no controlling Shareholders and that the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) to be proposed at the SGM to approve the grant of the New General Mandate and the extension thereof. As at the Latest Practicable Date, Ms. Tang Mui Fun, an executive Director, held an aggregate of 234,642 Share Options, and save as disclosed herein, none of the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates owned any Shares.

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## LETTER FROM BEIJING SECURITIES

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The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Leung Wai Ho, Mr. Yuen Chi Choi, Mr. Siu Man Ho, Simon and Mr. Cho Wing Mou, has been established to advise the Independent Shareholders regarding the proposed grant of the New General Mandate. We have been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the New General Mandate.

Our role is to provide you with our independent opinion and recommendation as to whether the terms of the proposed grant of the New General Mandate are fair and reasonable and whether the proposed grant of the New General Mandate is in the interests of the Company and the Independent Shareholders as a whole and how the Independent Shareholders should vote in respect of the relevant resolution(s) regarding the proposed grant of the New General Mandate.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Directors, the Company and its management.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the date of the SGM. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or the Directors, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the management of the Group nor have we conducted any form of in-depth investigation into the business and affairs or the future prospects of the Group.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of Beijing Securities is to ensure that such information has been correctly and fairly presented and reproduced from the relevant sources.

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## LETTER FROM BEIJING SECURITIES

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### PRINCIPAL FACTORS TAKEN INTO CONSIDERATION

In formulating our opinion in respect of the proposed grant of the New General Mandate, we have considered the following principal factors and reasons:

#### **1. Background of the New General Mandate**

The Group is principally engaged in the production and sale of traditional Chinese and Western pharmaceutical products and health foods products as well as property holding.

At the Last Annual General Meeting, the Shareholders approved, among other things, ordinary resolution to grant the Current General Mandate which enables the Directors to allot, issue and deal with the Old Shares not exceeding 20% of the issued share capital of the Company at the date of the Last Annual General Meeting (equivalent to the then 1,454,387,837 Old Shares). The Current General Mandate has not been refreshed or utilised since the Last Annual General Meeting, being the date of the grant of the Current General Mandate.

Although the Current General Mandate has not been utilised as at the Latest Practicable Date, the Current General Mandate has been substantially adjusted to 58,175,513 Shares immediately following completion of the Capital Reorganisation. The Directors, therefore, propose to seek the approval of the Independent Shareholders at the SGM to grant the New General Mandate to maintain the financial flexibility necessary for the Group's future business development.

As at the Latest Practicable Date, the total number of Shares in issue was 2,036,142,969 Shares. Upon passing the relevant resolutions at the SGM and assuming no further Shares are/ will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the New General Mandate (before taking into account any extension thereof by any repurchased Shares) would enable the Board to allot, issue and deal with up to a limit of 407,228,593 Shares.

#### **2. Reasons for the grant of the New General Mandate**

As advised by the Directors, the Directors consider that it is to the advantage of the Group to have the flexibility in raising additional funds and to have an additional option of financing to facilitate the Group's expansion of distribution network as well as future development of the Group given the dynamic market conditions. The Directors believe that the refreshment of the Current General Mandate will provide the Group with maximum flexibility as allowed under the Listing Rules to allot, issue and deal with securities for cash or as consideration in acquisitions as and when the Directors think appropriate. As such, the Board proposed to pass an ordinary resolution at the SGM to approve the New General Mandate in accordance with Rule 13.36(4) of the Listing Rules to allow flexibility to issue any additional new Shares so that the Directors would be granted to allot, issue and deal with up to a maximum of 20% of the entire issued share capital of the Company as at the date of the SGM.

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## LETTER FROM BEIJING SECURITIES

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### 3. Fund raising activities of the Company in the past twelve months

Set out below are the fund raising activities of the Company during the past 12 months immediately prior to the Latest Practicable Date:

Date of announcement	Description	Net proceeds raised (approximately)	Intended use of proceeds from fund raising	Actual use of proceeds as of the Latest Practicable Date
9 August 2010	Rights issue	HK\$292.04 million	<p>approximately HK\$10 million for the repayment of borrowings</p> <p>approximately HK\$60 million for the expansion of the Group's Chinese and Western health food and pharmaceutical business (including, if and when attractive opportunities arise, the acquisition of appropriate retail premises or office premises in Hong Kong, PRC or elsewhere)</p> <p>approximately HK\$114.3 million for the acquisition of Smart First Investment Limited, Info World Investment Limited, Grand Quality Development Limited, Star Sense Limited and Full Gainer Investment Limited as disclosed in the Company's announcement dated 9 August 2010</p> <p>the remaining balance of approximately HK\$107.74 million for possible investment opportunities in the future and as general working capital</p>	<p>to be utilised as intended</p> <p>to be utilised as intended</p> <p>approximately HK\$114.3 million for the acquisition of Smart First Investment Limited, Info World Investment Limited, Grand Quality Development Limited, Star Sense Limited and Full Gainer Investment Limited</p> <p>approximately HK\$3.5 million for property investment, approximately HK\$3.3 million for settlement rental payment and the balance of approximately HK\$100.94 million will be utilised as intended</p>



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## LETTER FROM BEIJING SECURITIES

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Date of announcement	Description	Net proceeds raised (approximately)	Intended use of proceeds from fund raising	Actual use of proceeds as of the Latest Practicable Date
12 April 2010	Placing of shares	HK\$61.50 million	<p>approximately HK\$10.0 million for the repayment of interest-bearing debts</p> <p>approximately HK\$21.0 million for the expansion of the Group's Chinese and Western health food and pharmaceutical business (including, if and when attractive opportunities arise, the acquisition of appropriate retail premises for use by the Group's retail network)</p> <p>approximately HK\$30.5 million for general working capital</p>	<p>approximately HK\$10.0 million for the repayment of interest-bearing debts</p> <p>approximately HK\$21.0 million for purchase of retail premises</p> <p>approximately HK\$30.5 million for the settlement of creditors, rental payment, the Group salaries payment and loan interest</p>

Save as the above, the Directors confirmed that the Company has not conducted any other fund raising activities during the past 12 months immediately prior to the Latest Practicable Date. As noted from the table above, the actual use of proceeds was in line with the intended use of proceeds.

#### **4. Financial flexibility**

As at the Latest Practicable Date, the Directors confirmed that there is no concrete proposal for any investment or any immediate fund needs for the business development of the Group.

Further to our discussion with the Directors, we concur with the Directors that the refreshment of the Current General Mandate will provide the Group with necessary financial flexibility as allowed under the Listing Rules to allot, issue and deal with new Shares for possible future equity fund raising activities, through the way of placing of new Shares or as consideration for potential investments in the future. Given the financial flexibility available to the Company, we are of the view that the refreshment of the Current General Mandate is in the interests of the Company and the Independent Shareholders as a whole.

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## LETTER FROM BEIJING SECURITIES

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### 5. Other financing alternatives

We have enquired the Directors and the Directors considered equity financing to be an important avenue of resources for the Group given its non-interest bearing nature. Apart from equity financing, the Directors confirmed that they also considered other financing alternatives, such as debt financing and internal cash resources, to be other possible fund raising alternatives available to the Group. As confirmed by the Directors, the Group has sufficient working capital to meet its present requirements. However, there is no guarantee that such cash resources will be sufficient or be available for its future investments or business developments. In addition, debt financing may incur interest burden on the Group and it may be subject to, including but not limited to, lengthy due diligence and negotiations with the banks based on the Group's financial position, capital structure and the stock market condition from time to time. This is rather uncertain and time-consuming as compared to equity financing. Further to our discussion with the Directors, they also consider other forms of pro rata equity financing methods such as rights issue and open offer, yet, such financing methods would be subject to lengthy process and would incur additional costs in the form of underwriting commission and there would be no certainty that the Company would be able to procure favourable terms in such commercial underwriting. In this regard, we consider that the New General Mandate provides the Company an additional financing alternative for the Company to raise capital for its future investments or business developments and it is reasonable for the Company to have the flexibility in deciding the best financing methods for any future investments or business developments. Accordingly, we are of the view that the New General Mandate is in the interests of the Company and the Shareholders as a whole.

### 6. Potential dilution to shareholding of the Independent Shareholders

Set out below is a table illustrating the shareholdings of the Company as at the Latest Practicable Date and, for illustrative purpose, the potential dilution effect on the shareholdings immediately after full utilisation of the New General Mandate (assuming no further Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the date of the SGM):

Name of Shareholders	As at the date of Latest Practicable Date		Upon full utilisation of the New General Mandate	
	<i>No. of Approximate Shares</i>	<i>%</i>	<i>No. of Approximate Shares</i>	<i>%</i>
Wang On Group Limited ( <i>Note</i> )	186,262,034	9.15	186,262,034	7.62
Other public Shareholders	1,849,880,935	90.85	1,849,880,935	75.71
<b>Shares which may be issued under the New General Mandate</b>	—	—	407,228,593	16.67
<b>Total</b>	<b><u>2,036,142,969</u></b>	<b><u>100.00</u></b>	<b><u>2,443,371,562</u></b>	<b><u>100.00</u></b>

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## LETTER FROM BEIJING SECURITIES

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*Note:*

The Shares are beneficially owned by Rich Time Strategy Limited, which is an indirect wholly-owned subsidiary of Wang On Group Limited.

The aggregate shareholding of the other public Shareholders will decrease from approximately 90.85% to approximately 75.71% upon full utilisation of the New General Mandate. Taking into account the potential benefits of the New General Mandate as discussed above and the fact that the shareholdings of all Shareholders will be diluted proportionally to their respective shareholdings, we consider such potential dilution to the shareholdings of the Independent Shareholders to be acceptable.

### RECOMMENDATION

Having considered the principal factors discussed above, we concur with the view of the Board that the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, as well as the Independent Shareholders, to vote in favour of the resolutions to approve the New General Mandate and the extension thereof.

Yours faithfully,  
For and on behalf of  
**Beijing Securities Limited**  
**Charles Li**  
*Director*

*This appendix serves as an explanatory statement as required by the Listing Rules to provide the requisite information to you for your consideration of the refreshment of the New Repurchase Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$20,361,429.69 comprising 2,036,142,969 Shares and there were 2,691,794 outstanding Share Options. If the outstanding Share Options were exercised in full on or prior to the date of the SGM, a further 2,691,794 Shares would be in issue.

Subject to the passing of the relevant ordinary resolutions as set out in the notice of the SGM, assuming no further Shares are/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of passing of such resolution, the Directors will be authorised to repurchase Shares up to 203,614,296 Shares (being 10% of the Shares in issue) pursuant to the New Repurchase Mandate. Assuming that (i) all outstanding Share Options are exercised in full on or before the date of the SGM; and (ii) no further Shares are/will be issued and/or repurchased by the Company, the total number of Shares in issue will be 2,038,834,763 Shares and the Directors will be authorised to repurchase Shares up to 203,883,476 Shares.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

## **3. FUNDING OF REPURCHASES**

Repurchases must be funded entirely out of funds which are legally available for such purpose in accordance with its memorandum of association, the Bye-laws and the laws of Bermuda, being capital paid up on the purchased Shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's Share premium account. It is envisaged that the funds required for any repurchase would be derived from such sources.

It is expected that the exercise of the New Repurchase Mandate would not have a material adverse effect on the working capital requirement or the gearing level of the Group as compared with the positions disclosed in the audited consolidated financial statements set out in the annual report of the Company for the year ended 31 March 2010 in the event that the New Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the New Repurchase Mandate to such extent as it would, in the circumstances, have a material adverse effect on the working capital requirement or the gearing level of the Company. As set out above, the New Repurchase Mandate will only be exercised when the Directors believe that such purchases will benefit the Company and the Shareholders as a whole.

#### **4. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention, in the event that the New Repurchase Mandate is approved by the Shareholders at the SGM, to sell Shares to the Company under the New Repurchase Mandate.

No connected persons of the Company has notified the Company that he has a present intention to sell any Shares to the Company or its subsidiaries, or that he/she has undertaken not to sell any Shares held by him/her to the Company, in the event that the New Repurchase Mandate is granted by the Shareholders at the SGM.

#### **5. SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

#### **6. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company pursuant to the New Repurchase Mandate in accordance with the Listing Rules, the memorandum of association of the Company, the Bye-laws and the applicable laws of Bermuda so far as the same may be applicable.

#### **7. EFFECT OF THE TAKEOVERS CODE**

If, on the exercise of the power to repurchase Shares pursuant to the New Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

As at the Latest Practicable Date and to the best knowledge and belief of the Directors, Wang On Group Limited and parties acting in concert with it were deemed to be interested in approximately 9.15% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares under the New Repurchase Mandate and if there is no other change in the issued share capital of the Company, the shareholding of Wang On Group Limited in the Company will be increased to approximately 10.16% of the issued share capital of the Company. The Directors are not aware of any consequence which may arise under the Code as a result of any repurchases made under the New Repurchase Mandate.

The Directors do not have present intention to exercise the power to repurchase the Shares to the extent which will trigger off the mandating offer requirement pursuant to the rules of the Takeovers Code or which will reduce the aggregate amount of the share capital of the Company in public hands to less than 25%.

## 8. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the last twelve months are as follows:

Month	Price per Share	
	Highest HK\$	Lowest HK\$
<b>2010</b>		
February	0.416A	0.373A
March	0.391A	0.312A
April	0.416A	0.337A
May	0.351A	0.301A
June	0.330A	0.305A
July	0.341A	0.309A
August	0.323A	0.266A
September	0.440	0.249A
October	0.350	0.176
November	0.219	0.177
December	0.198	0.160
<b>2011</b>		
January	0.173	0.160
February (up to the Latest Practicable Date)	0.164	0.139

*A: Adjusted for the Capital Reorganisation involving the share consolidation and the effect of the Rights Issue*

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## NOTICE OF THE SGM

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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 SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the special 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 44/F., Edinburgh Tower, The Landmark, 15 Queen’s Road Central, Hong Kong on Wednesday, 23 March 2011 at 4:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions as special and ordinary resolutions of the Company:

#### SPECIAL RESOLUTION

- (1) “**THAT:**
- (a) conditional upon the compliance with section 46(2) of the Companies Act 1981 of Bermuda and with effect from the next business day following the passing of this resolution, the amount of HK\$263,511,328 standing to the credit of the share premium account of the Company as at 30 September 2010 be reduced and cancelled and the credit arising therefrom be applied towards eliminating the accumulated losses by the same amount of HK\$263,511,328 as at 30 September 2010; and
  - (b) any director(s) of the Company be and is/are hereby authorised generally to carry out all acts and things, and to approve, sign and execute any documents, which in his/her/their opinion may be necessary, desirable or expedient to implement or to give effect to the foregoing.”

\* *For identification purposes only*

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## NOTICE OF THE SGM

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### ORDINARY RESOLUTIONS

- (2) **“THAT:**
- (a) the general mandate granted to the directors of the Company (the **“Directors”**) to exercise the powers of the Company to allot, issue and otherwise deal with the shares in the capital of the Company (the **“Shares”**) and to make or grant offers, agreements and options, as approved by the shareholders of the Company at the annual general meeting held on 18 August 2010, to the extent not already exercised be and is hereby revoked (but without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);
  - (b) subject to paragraph (d) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and deal with additional Shares, and to make, issue or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) 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;
  - (c) the approval in paragraph (b) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make, issue or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which might require the exercise of such powers after the end of the Relevant Period;
  - (d) the aggregate nominal amount of the share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, granted, distributed or otherwise dealt with (whether pursuant to an option, a conversion or otherwise) by the Directors pursuant to the approval in paragraph (b) 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 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,



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## NOTICE OF THE SGM

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shall not exceed the aggregate of (aa) 20% 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 share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum of 10% of the share capital of the Company in issue as at the date of the passing of such resolution), the said approval shall be limited accordingly; and

- (e) 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 recognised regulatory body or stock exchange in any territory outside Hong Kong).”

- (3) “**THAT:**

- (a) the general mandate granted to the Directors to exercise the powers of the Company to repurchase Shares as approved by the shareholders of the Company at the annual general meeting held on 18 August 2010, to the extent not already exercised be and is hereby revoked (but without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);
- (b) 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 repurchase Shares be and is hereby generally and unconditionally approved;

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## NOTICE OF THE SGM

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(c) the aggregate Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (b) above shall not exceed 10% 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

(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 the 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.”

(4) “**THAT** conditional upon the passing of the resolutions numbered (2) and (3) above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional Shares pursuant to the resolution numbered (2) above be and is hereby extended by the addition to the aggregate share capital of the Company which may be allotted, issued, granted, distributed and otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted and distributed by the Directors pursuant to such general mandate an amount representing the aggregate share capital of the Company repurchased or agreed to be repurchased by the Company pursuant to resolution numbered (3) above since the granting of the general mandate pursuant to resolution numbered (2) above, provided that such amount shall not exceed 10% of the aggregate share capital of the Company in issue at the date of the passing of this resolution.”

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 February 2011

\* *For identification purposes only*

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## NOTICE OF THE SGM

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*Notes:*

- (1) A member entitled to attend and vote at the special general meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (2) In order to be valid, a 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, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event not later than 48 hours before the time appointed for holding of the special general meeting or any adjournment thereof (as the case may be).
- (3) Completion and delivery of the form of proxy will not preclude members from attending and voting in person at the special general meeting or any adjournment thereof (as the case may be) if they so wish and in such event, the proxy form shall be deemed to be revoked.
- (4) All the resolutions will be voted by way of a poll by the independent shareholders and/or shareholders of the Company.