



## 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)

### PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

According to bye-law 88 of the bye-laws of Wai Yuen Tong Medicine Holdings Limited (the “**Company**”), it provides that no person, other than a retiring director of the Company (the “**Director(s)**”) shall, unless recommended by the board of Directors (the “**Board**”) for election, be eligible for election to the office of Director at any general meeting, unless a notice in writing signed by not less than 100 shareholders of the Company (the “**Shareholder(s)**”) or by such Shareholder(s) individually or collectively holding not less than one-twentieth of the then total paid up capital of the Company as at the date of such notice carrying the right of attending and voting at the general meeting of the Company for which such notice is given of the intention to propose such person(s) for election and also a notice signed by each person to be proposed of his/her willingness to be elected shall have been lodged at the head office or at the registration office of the Company in Hong Kong provided that the number of candidates to be nominated (the “**Proposed Candidate(s)**”) by the qualified Shareholder individually or the group of qualified Shareholders collectively for election at any general meeting shall be limited to two (2), subject to the maximum number of Directors, if any.

As such, if the Shareholder(s) wishes to nominate the Proposed Candidate(s) to stand for election as a Director at a general meeting of the Company, the following documents must be validly served to the Board or the company secretary of the Company at the head office and principle place of business in Hong Kong of 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong:

- (a) a written notice signed by not less than 100 Shareholders or by such Shareholder(s) individually or collectively holding not less than one-twentieth of the then total paid up capital of the Company duly qualified to attend and vote at the meeting for which such notice is given of his/her/their intention to propose the Proposed Candidate(s) for election; and
- (b) a written notice(s) signed by the Proposed Candidate(s) of his/her/their willingness to be elected.

As stipulated in the aforesaid bye-law, please note that the minimum length of the period, during which such notices are given, shall be at least seven (7) days and the period for lodgment of such notices shall commence no earlier than the day after the despatch of such notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

\* For identification purpose only

In order to allow the Company to inform the Shareholders of the proposal and to enable the Shareholders to make an informed decision on their election at a general meeting, the written notice must state the full name of the Proposed Candidate(s) and include his/her/their biographical details as required under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), as amended from time to time, as published on the website of The Stock Exchange of Hong Kong Limited ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Proposed Candidate’s written consent to the publication of his/her/their personal data.

Upon receipt of the written notice(s) from the Shareholder(s) to propose the election of the Proposed Candidate(s) at the general meeting, the Company will then publish an announcement in accordance with the requirements under the Listing Rules or issue a supplementary circular. The particulars of the Proposed Candidate(s) will be included in the announcement or supplementary circular of the Company.

Please note that if the written notice is received less than fifteen (15) days prior to the general meeting, the Company will assess whether or not it is necessary to adjourn such general meeting in order to allow Shareholders to have at least fourteen (14) days’ notice of the proposal and at least ten (10) business days for consideration of the relevant information disclosed in the announcement or supplementary circular.

Should there be any questions in relation to the procedures for proposing a person as a Director, please make an written enquiry to the company secretary of the Company of 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

*August 2012*