
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*) (the “Company”) you should at once hand this circular, together with the accompanying form of proxy to the purchaser or 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 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)

PROPOSALS FOR THE GRANT OF GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES, RE-ELECTION OF THE RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

Capitalized terms used in this cover shall have the same meanings as those defined in this circular.

A notice convening the AGM to be held at Garden Room A–D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 20 August 2024 at 11:30 a.m. is set out on pages AGM-1 to AGM-6 of this circular.

Whether or not you intend to attend and vote in person at the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deliver it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event the form of proxy previously submitted shall be deemed to be revoked.

No gifts, food or beverages would be served in the AGM.

* For identification purpose only

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DEFINITIONS

In this circular, the following words and expressions shall have the following meanings unless the context otherwise requires:

“AGM”	the annual general meeting of the Company to be convened and held at Garden Room A–D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong, on Tuesday, 20 August 2024 at 11:30 a.m. or any adjournment thereof (as the case may be)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“associated company”	means, in relation to a company, any body corporate or other entity whose results are recorded in that company’s financial statements using the equity method of accounting
“Board”	the board of Directors
“business day”	any day (excluding a Saturday, Sunday and public holiday) on which the Stock Exchange is open for the business of dealing in securities
“Bye-Law(s)”	the bye-laws of the Company
“CAP”	China Agri-Products Exchange Limited 中國農產品交易有限公司, an exempted company incorporated in Bermuda with limited liability and whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 149), and a fellow subsidiary of the Company
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)

DEFINITIONS

“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 whose Shares are listed and traded on the Main Board of the Stock Exchange (stock code: 897)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted pursuant the Shareholders’ resolution passed at the annual general meeting held on 22 August 2023
“General Mandates”	the New Issue Mandate and the New Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Inside Information”	has the meaning ascribed to it under the SFO
“Latest Practicable Date”	19 July 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China

DEFINITIONS

“New Issue Mandate”	a proposed general and unconditional mandate to be granted to the Directors at the AGM to exercise the powers of the Company to allot, issue and deal with additional Shares and other securities during the prescribed period up to a maximum of 20% of the total number of Shares in issue as at the date of passing of the relevant resolution(s) granting such mandate (such mandate to be extended and added by the number of Shares, if any, repurchased by the Company since the grant of such mandate)
“New Repurchase Mandate”	a proposed general and unconditional mandate to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares on the Stock Exchange during the prescribed period up to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate
“Notice of AGM”	notice convening the AGM as set out on pages AGM-1 to AGM-6 of this circular
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the Notice of AGM
“PRC”	the People’s Republic of China, which for the purpose of this circular and for geographical reference only, excludes Hong Kong, Macau and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“share scheme(s)”	has the meaning ascribed thereto under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“subsidiary(ies)”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“WOG”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability, whose shares are listed and traded on the Main Board of the Stock Exchange (stock code: 1222), and a controlling Shareholder and holding company of the Company
“WOG Group”	WOG and its subsidiaries
“%”	per cent.

LETTER FROM THE BOARD



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, *GBS, JP*
(Chairman and Managing Director)
Ms. Tang Wai Man
Ms. Law Man Yee, Anita

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Mr. Siu Man Ho, Simon
Mr. Li Ka Fai, David, *MH*
Professor Sit Wing Hang, *GBS, JP*
Professor Chan Wing Kwong, *MD*

Head office and principal place of

business in Hong Kong:
Suite 3101, 31/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

26 July 2024

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
THE GRANT OF GENERAL MANDATES TO ISSUE AND
TO REPURCHASE SHARES,
RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the Notice of AGM and the information regarding the Ordinary Resolutions that will be proposed at the AGM for the Shareholders to consider and, if thought fit, to approve (i) the grant of the New Issue Mandate and the New Repurchase Mandate to issue and to repurchase Shares respectively to the Directors; and (ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the Company's last annual general meeting held on 22 August 2023, the Directors were granted (i) a general mandate to allot, issue and deal with Shares up to an aggregate number of not exceeding 20% of the total number of Shares in issue as at 22 August 2023 (equivalent to an aggregate of 234,220,577 Shares) (the "**2023 General Mandate**"); and a general mandate to repurchase Shares up to a maximum of 10% of the total number of Shares in issue as at 22 August 2023 (equivalent to an aggregate of 117,110,288 Shares) (the "**2023 Repurchase Mandate**").

As at the Latest Practicable Date, the 2023 General Mandate had not been utilised or refreshed. An aggregate of 46,000,000 Shares were repurchased under 2023 Repurchase Mandate during period from 2 April 2024 to 11 April 2024. The 2023 General Mandate and the remaining 2023 Repurchase Mandate will expire at the conclusion of the AGM.

To facilitate future allotment, issue and repurchase of Shares by the Directors on behalf of the Company, Ordinary Resolutions will be proposed at the AGM providing that the Directors be granted the General Mandates. In addition, an Ordinary Resolution will also be proposed at the AGM providing that any Shares repurchased under the New Repurchase Mandate (up to a maximum of 10% of the total number of Shares in issue as at the date of the grant of the New Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the New Issue Mandate.

As at the Latest Practicable Date, the total number of issued Shares comprised 1,125,102,888 Shares. Subject to the passing of the resolution granting the New Issue Mandate and on the basis that no further Shares are issued or repurchased and before the AGM, the Company will be allowed (i) pursuant to the New Issue Mandate to allot, issue and deal with 225,020,577 Shares, representing approximately 20% of the total number of Shares in issue as at the date of passing of the relevant resolution; and (ii) pursuant to the New Repurchase Mandate to repurchase 112,510,288 Shares, representing approximately 10% of the total number of Shares in issue as at the date of passing of the relevant resolution. The Directors have no immediate plans to allot and issue any Shares under the New Issue Mandate.

Each of the General Mandates will continue in force 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 any applicable law of Bermuda or the Bye-Laws to be held; or

LETTER FROM THE BOARD

- (iii) the date on which any such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement as required under the Listing Rules to be given to the Shareholders is set out in Appendix I to this circular. The information in the explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant the Directors the New Repurchase Mandate.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

As at the Latest Practicable Date, the Board consists of seven Directors, namely Mr. Tang Ching Ho (“**Mr. Tang**”), Ms. Tang Wai Man, Ms. Law Man Yee, Anita, as executive Directors, Mr. Siu Man Ho, Simon, Mr. Li Ka Fai, David (“**Mr. Li**”), Professor Sit Wing Hang (“**Professor Sit**”), and Professor Chan Wing Kwong (“**Professor Chan**”) as independent non-executive Directors.

In accordance with Bye-Laws 84(1), Mr. Tang and Mr. Li shall retire from office by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM.

In accordance with Bye-Law 83(2), Professor Sit and Professor Chan, being the Directors appointed by the Board on 8 December 2023 after the Company’s last annual general meeting held on 22 August 2023, shall hold office until the next following general meeting of the Company, and being eligible, will offer themselves for re-election at the AGM.

The Nomination Committee of the Company (the “**Nomination Committee**”), having reviewed the Board’s composition, nominated Mr. Tang, Mr. Li, Professor Sit and Professor Chan to the Board for it to recommend to Shareholders for re-election or election (as applicable) at the AGM.

The Nomination Committee has also reviewed and considered each retiring Director’s respective experience, skills and knowledge. Given their different backgrounds and expertise, the Nomination Committee has assessed and is satisfied with the performance of the retiring Directors and considered that each of them contributes to the diversity of the Board.

Moreover, the Nomination Committee has assessed the independence and reviewed the written confirmation of the independence of Mr. Li, who is an independent non-executive Directors and has offered himself for re-election at the AGM. The committee members are satisfied that Mr. Li remains independent in accordance with Rule 3.13 of the Listing Rules and are of the view that he has provided independent, balanced and objective views to the Company’s affairs.

LETTER FROM THE BOARD

Mr. Li had served the Company as an independent non-executive Director for more than nine years and pursuant to the Corporate Governance Code under Appendix C1 to the Listing Rules, his further appointment as an independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders.

Nonetheless, the Board believes that Mr. Li can independently express opinions on the affairs and contribute to the growth of the Group as he has not involved in any daily operations and management of the Group. In addition, throughout his directorship with the Company, Mr. Li always makes objective and constructive advice to the development of the Group and has given independent yet informed guidance to the Company leveraging on his expertise and experience from his diversified background and professional experience through his active participation in discussion at Board and various committee meetings. The demonstration of his firm commitment to his independent role is highly recognised by the Nomination Committee and the Board.

The Board also believes that the continuous appointment of Mr. Li as independent non-executive Director will help to maintain the stability of the Board as Mr. Li has, over time, gained valuable insights into the business strategy and policies of the Group, and the long service of Mr. Li will not affect the exercise of his independent judgement.

The Board, having considered the nomination of the Nomination Committee, recommends the retiring Directors, Mr. Tang, Mr. Li, Professor Sit and Professor Chan for re-election and the proposed Director as Directors at the AGM. Each of them abstained from voting at the Board meeting and the Nomination Committee meeting (as applicable) regarding their nominations.

Biographical details of the retiring Directors who offer themselves for re-election which are required to be disclosed pursuant to Rule 13.74 of the Listing Rules are set out in Appendix II to this circular.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue an announcement and/or a supplementary circular to inform Shareholders of the details of the additional candidate(s) proposed.

LETTER FROM THE BOARD

4. THE AGM

The Notice of the AGM is set out on pages AGM-1 to AGM-6 of this circular. At the AGM, resolutions will be proposed to, inter alia:

- (i) receive, consider and adopt the audited consolidated financial statements of the Company, the report of the Directors and the report of Ernst & Young, the independent auditor of the Company (the “**Auditor**”), for the year ended 31 March 2024;
- (ii) consider, approve and declare the payment of a final cash dividend and a special cash dividend of HK3.0 cents and HK14.7 cents respectively per ordinary share of the Company (the “**Share(s)**”) for the year ended 31 March 2024;
- (iii)
 - (a) re-elect Mr. Tang Ching Ho, *GBS, JP* as a Director;
 - (b) re-elect Mr. Li Ka Fai, David, *MH* as a Director;
 - (c) re-elect Professor Sit Wing Hang, *GBS, JP* as a Director;
 - (d) re-elect Professor Chan Wing Kwong, *MD* as a Director;
 - (e) authorise the Board to fix the Directors’ remuneration;
- (iv) re-appoint the Auditor and to authorise the Board to fix their remuneration;
- (v) grant the New Issue Mandate;
- (vi) grant the New Repurchase Mandate; and
- (vii) extend the New Issue Mandate by adding to it the number of Shares repurchased under the New Repurchase Mandate.

In accordance with Rule 13.39(4) of the Listing Rules, all the resolutions proposed at the AGM will be taken by way of a poll and an announcement in respect of the poll results will be published by the Company on the websites of the Stock Exchange and the Company respectively in the manner prescribed under Rule 13.39(5) of the Listing Rules after the AGM. The Directors are not aware of any Shareholder who is required to abstain from voting at the AGM.

LETTER FROM THE BOARD

A form of proxy is enclosed with this circular for use at the AGM. You are requested to complete and deliver the form of proxy to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable, but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case maybe). Completion and delivery of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event the form of proxy shall be deemed to be revoked.

5. 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 misleading.

6. RECOMMENDATION

The Directors believe that (i) the grant of the General Mandates and the extension of the New Issue Mandate; and (ii) the re-election of the retiring Directors, are all in the interests of the Company and the Shareholders as a whole, and recommend you to vote in favour of the resolutions as set out in the Notice of AGM.

7. SPECIAL NEEDS

If you have any particular access request or special needs for participating in the AGM, please do not hesitate to contact the Company via email at pr@waiyuentong.com or by telephone at (852) 2312 8202 on or before 13 August 2024.

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*)

Tang Ching Ho

Chairman and Managing Director

* For identification purpose only

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the New Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 1,125,102,888 Shares in issue and there was no outstanding share options granted under the Existing Share Option Scheme adopted by the Company pursuant to a resolution passed by the Shareholders at the annual general meeting held on 22 August 2023, or any outstanding convertible notes or options carrying the rights to subscribe for any Share.

Subject to the passing of the resolution granting the New Repurchase Mandate and on the basis that no further Shares are or will be issued and/or repurchased by the Company following the Latest Practicable Date and up to the date of the AGM, the Directors will be authorised to repurchase a maximum of 112,510,288 Shares pursuant to the New Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek the New Repurchase Mandate from the Shareholders. Such repurchase 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 repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the New Repurchase Mandate would be funded from the Company's available cash flow or working capital facilities legally available for the purpose in accordance with the Company's memorandum of association, the Bye-Laws, the applicable laws and regulations of Bermuda and other applicable laws.

There will not be any material adverse impact on the working capital or gearing position of the Company, 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 2024, in the event that the New Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period.

4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date:

Month	Per Share	
	Highest	Lowest
	trading price	trading price
	HK\$	HK\$
2023		
July	0.455	0.385
August	0.455	0.395
September	0.420	0.380
October	0.430	0.390
November	0.440	0.370
December	0.400	0.370
2024		
January	0.460	0.370
February	0.435	0.405
March	0.260	0.072 [#]
April	0.270	0.212
May	0.249	0.218
June	0.380	0.213
July (up to and including the Latest Practicable Date)	0.360	0.315

[#] *The trading price was adjusted after the distribution of special dividend by way of distribution in specie approved by the Shareholders in special general meeting held on 7 March 2024.*

5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company, if the New Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the New Repurchase Mandate in accordance with the Listing Rules, the Company's memorandum of association and the Bye-Laws and the applicable laws of Bermuda. Neither this explanatory statement nor the New Repurchase Mandate has any unusual features.

The Company has not been notified by any core connected person (as defined in the Listing Rules) that such person has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the New Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If, as a result of a repurchase of 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 purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, (i) WOG Group, the controlling shareholder, was interested or deemed to be interested in 810,322,940 Shares, representing approximately 72.02% of the total number of Shares in issue in the Company; and (ii) Mr. Tang Ching Ho, the chairman and managing Director, and parties acting in concert (as defined in the Takeovers Code) with him, together held approximately 42.80% interest in WOG and thus he and his associates are also deemed to be interested in approximately 72.02% interest in the Company. For illustration purpose, in the event that the Directors should exercise in full the power to repurchase Shares under the New Repurchase Mandate and on the basis of the number of Shares in issue as at the Latest Practicable Date, the shareholding of WOG Group, Mr. Tang Ching Ho and parties acting in concert with any of them, in the Company will increase to approximately 80.02% of the total issued share capital of the Company. Such increase will not result in a mandatory offer being required to be made in accordance with Rule 26 of the Takeovers Code as a consequence of purchases of Shares made pursuant to the New Repurchase Mandate.

Assuming that there is no issue of Shares between the Latest Practicable Date and the date of repurchase, an exercise of the New Repurchase Mandate whether in whole would or in part could, result in less than 25% of the issued Shares, being the prescribed minimum percentage, being held by the public as required by the Stock Exchange. The Directors have no intention to exercise the New Repurchase Mandate to such an extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25% as may result in a public shareholding of less than such prescribed minimum percentage.

7. SHARE REPURCHASE MADE BY THE COMPANY

Save for a total of 46,000,000 Shares repurchased during the period from 2 April 2024 to 11 April 2024, no Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, in the last six months preceding the Latest Practicable Date.

Details of these repurchases are set out as follows:

Date	No. of shares	Price per Share (HK\$)
2 April 2024	6,000,000	0.250
3 April 2024	6,000,000	0.255
5 April 2024	8,000,000	0.255
8 April 2024	8,000,000	0.260
9 April 2024	6,000,000	0.260
10 April 2024	6,000,000	0.260
11 April 2024	6,000,000	0.255

APPENDIX II BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

The biographical details of the retiring Directors, and being eligible for re-election at the AGM are set out below:

Mr. Tang Ching Ho, Executive Director

Mr. Tang Ching Ho (“**Mr. Tang**”), *GBS, JP*, aged 62, was appointed as the chairman of the Company in August 2001 and also assumed the role of managing Director with effect from 1 April 2018. He is also an authorised representative and a member of the remuneration committee, the nomination committee, and the chairman of the executive committee of the Company. He is responsible for the strategic planning, policy making and business development of the Group. He has extensive experience in corporate management. He is also the chairman, an executive Director and an authorised representative of WOG, and CAP, both of which are companies listed on the main board of the Stock Exchange.

Mr. Tang is a deputy director of the Committee on Education, Science, Health and Sports of the National Committee of the Chinese People’s Political Consultative Conference (“**CPPCC**”), the committee member of the 12th and 14th National Committee of the CPPCC and a standing committee member and convener of the 10th to the 13th Guangxi Zhuang Autonomous Region Committee of CPPCC. Mr. Tang is also appointed as the first executive chairman of the Federation of Hong Kong Guangdong Community Organisations and the chairman of Federation of Hong Kong Shenzhen Associations.

He is the father of Ms. Tang Wai Man, an executive Director and is also a controlling shareholder of WOG which is a controlling shareholder of the Company. Pursuant to the service contract entered into between the Company and Mr. Tang which has no fixed term but is terminable with six months’ notice without payment of compensation (other than statutory compensation), he is entitled to an annual remuneration of approximately HK\$8.7 million with regard to his duties and responsibilities. He is also entitled to a performance bonus at the discretion of the Board and the remuneration committee of the Company with reference to the Company’s performance and the prevailing practice in the industry. The term of Mr. Tang’s appointment is also subject to retirement by rotation at least once every three years and re-election in accordance with the Bye-Laws.

Under the SFO, Mr. Tang is taken to be interested in WOG’s shareholding interests in the Company as he is taken to be interested in an aggregate of 6,063,896,772 shares in WOG, representing approximately 42.80% of the total issued shares of WOG, by virtue of his own beneficial shareholding, the shareholding interests of his spouse in WOG, the shareholding interests of a company wholly and beneficially owned by him, and his deemed interests by virtue of being the founder of Tang’s Family Trust. WOG is taken to be interested in the Shares held by

APPENDIX II BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

Rich Time Strategy Limited. Rich Time Strategy Limited, an indirect wholly-owned subsidiary of WOG, is the beneficial owner of 810,322,940 Shares. Therefore, Mr. Tang was deemed to be interested in 810,322,940 Shares held by WOG for the sole purpose of Part XV of the SFO.

As at the Latest Practicable Date and save as disclosed above, Mr. Tang (i) did not hold any other directorships in any listed public companies in the last three years; (ii) does not connected with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, the Directors are not aware of any other matters regarding the proposed re-election of Mr. Tang that need to be brought to the attention of the Shareholders, and there is no information to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Li Ka Fai, David, Simon, Independent Non-executive Director

Mr. Li Ka Fai, David (“**Mr. Li**”), *MH*, aged 69, joined the Company as an independent non-executive Director on 17 March 2015. He is the chairman of the audit committee of the Company. He is a fellow member of The Association of Chartered Certified Accountants, U.K.

Mr. Li is an independent non-executive director and the chairman of the audit committee of Shanghai Industrial Urban Development Group Limited (stock code: 563). Mr. Li is also an independent non-executive director, the chairman of the audit committee, member of the nomination committee and member of the remuneration committee of China-Hongkong Photo Products Holdings Limited (stock code: 1123), Cosmopolitan International Holdings Limited (stock code: 120) and Goldlion Holdings Limited (stock code: 533), an independent non-executive director, the chairman of the audit committee and member of the remuneration committee of China Merchants Port Holdings Company Limited (stock code: 144), an independent non-executive director, member of the audit committee and member of the remuneration committee of Continental Aerospace Technologies Holding Limited (stock code: 232), all of such companies are being listed in Hong Kong. Mr. Li has retired as an independent non-executive director of CR Construction Group Holdings Limited (stock code: 1582), a company listed in Hong Kong, on 25 June 2021.

Mr. Li has entered into a letter of appointment with the Company. In accordance with the terms of the letter of appointment, Mr. Li is entitled to a Director’s fee of HK\$144,000 per annum and will also be entitled to a fee in the amount of HK\$60,000 per annum determined with

APPENDIX II BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

reference to his duties as a member of the audit committee of the Company. The term of Mr. Li's appointment is subject to retirement by rotation at least once every three years and re-election in accordance with the Bye-Laws.

As at the Latest Practicable Date and save as disclosed above, Mr. Li (i) did not hold any other directorships in any listed public companies in the last three years; (ii) does not connected with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) did not have any interest in the Shares within the meaning of Part XV of the SFO; and (iv) has also confirmed that he has met the independence criteria as set out in Rule 3.13 of the Listing Rules.

Save as disclosed above, the Directors are not aware of any other matters regarding the proposed re-election of Mr. Li that need to be brought to the attention of the Shareholders, and there is no information to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Professor Sit Wing Hang, Independent Non-executive Director

Professor Sit Wing Hang (“**Professor Sit**”) *GBS, JP*, aged 63, joined the Company as an independent non-executive Director in 8 December 2023. He is a member of each of the audit committee, the nomination committee and the remuneration committee of the Company.

Professor Sit, joined the Hong Kong Government in 1984 and was promoted to the Director of Electrical and Mechanical Services and Electrical & Mechanical Services Trading Fund General Manager in 2017. During his tenure, he was in charge of electrical and mechanical safety and promotion of energy efficiency and conservation in Hong Kong, as well as the provision of engineering services for electrical and mechanical assets of the Hong Kong SAR Government. He served as the Secretary for Innovation and Technology of the Hong Kong SAR Government from April 2020 to 30 June 2022. Professor Sit was awarded the Gold Bauhinia Star and was appointed as a Justice of the Peace by the Hong Kong SAR Government.

Professor Sit is currently an independent non-executive director of Morris Home Holdings Limited (Stock Code: 1575) and Envision Greenwise Holdings Limited (formerly known as Golden Ponder Holdings Limited (Stock Code: 1783), which are companies listed on the Main Board of the Stock Exchange. He is also the Chief Executive and Secretary of the Hong Kong Institution of Engineers.

In addition, he serves as a Senior Advisor to the President and Vice-Chancellor and Honorary Professor of the Hong Kong Baptist University, and a Professor of Practice of the Hong Kong Polytechnic University. Professor Sit is an electrical engineer by profession and has over 40 years

APPENDIX II BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

of experience in public administration. He is a fellow member of the Hong Kong Institution of Engineers, and was the President of the Hong Kong Institution of Facility Management and the Chairman of the Biomedical Division of the Hong Kong Institution of Engineers.

In accordance with the terms of the letter of appointment, Professor Sit is entitled to a Director's fee of HK\$144,000 per annum and will also be entitled to a fee in the amount of HK\$40,000 per annum determined with reference to his duties as a member of the audit committee of the Company. The term of Professor Sit's appointment is subject to retirement by rotation at least once every three years and re-election in accordance with the Bye-Laws.

As at the Latest Practicable Date and save as disclosed above, Professor Sit (i) did not hold any other directorships in any listed public companies in the last three years; (ii) does not connected with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) did not have any interest in the Shares within the meaning of Part XV of the SFO; and (iv) has also confirmed that he has met the independence criteria as set out in Rule 3.13 of the Listing Rules.

Save as disclosed above, the Directors are not aware of any other matters regarding the proposed re-election of Professor Sit that need to be brought to the attention of the Shareholders, and there is no information to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Professor Chan Wing Kwong, Independent Non-executive Director

Professor Chan Wing Kwong ("**Professor Chan**"), *MD*, aged 60, joined the Company as an independent non-executive Director on 8 December 2023. He is the chairman of the nomination committee of the Company and a member of each of the audit committee and the remuneration committee of the Company.

Professor Chan, is a Registered Chinese Medicine Practitioner. Professor Chan currently serves as a Visiting Professor of the School of Chinese Medicine at The Chinese University of Hong Kong and a Visiting Professor at the Guangzhou University of Chinese Medicine. He also serves as the President of Hong Kong Registered Chinese Medicine Practitioners Association and the Vice President of Supervision Board of the World Federation of Chinese Medicine Societies. Professor Chan is a member of the Legislative Council of the Hong Kong Special Administrative Region.

APPENDIX II BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

In accordance with the terms of the letter of appointment, Professor Chan is entitled to a Director's fee of HK\$144,000 per annum and will also be entitled to a fee in the amount of HK\$40,000 per annum determined with reference to his duties as a member of the audit committee of the Company. The term of Professor Chan's appointment is subject to retirement by rotation at least once every three years and re-election in accordance with the Bye-Laws.

As at the Latest Practicable Date and save as disclosed above, Professor Chan (i) did not hold any other directorships in any listed public companies in the last three years; (ii) does not connected with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) did not have any interest in the Shares within the meaning of Part XV of the SFO and (iv) has also confirmed that he has met the independence criteria as set out in Rule 3.13 of the Listing Rules.

Save as disclosed above, the Directors are not aware of any other matters regarding the proposed re-election of Professor Chan that need to be brought to the attention of the Shareholders, and there is no information to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF THE AGM



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 Room A-D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 20 August 2024, at 11:30 a.m. (the “**AGM**”) for the following purposes:

ORDINARY BUSINESSES

1. To receive, consider and adopt the audited consolidated financial statements of the Company, the report of the directors of the Company (individually, a “**Director**” and collectively, the “**Directors**”) and the report of the independent auditor of the Company (the “**Auditor**”) for the year ended 31 March 2024.
2. To consider, approve and declare the payment of a final cash dividend and a special cash dividend of HK3.0 cents and HK14.7 cents respectively per ordinary share of the Company (the “**Share(s)**”) for the year ended 31 March 2024.
3. To re-elect the following retiring Directors:
 - (i) Mr. Tang Ching Ho, *GBS, JP* as a Director;
 - (ii) Mr. Li Ka Fai, David, *MH* as a Director;
 - (iii) Professor Sit Wing Hang, *GBS, JP* as a Director;
 - (iv) Professor Chan Wing Kwong, *MD* as a Director; and
 - (v) to authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.

NOTICE OF THE AGM

4. To re-appoint Ernst & Young as the Auditor and to authorise the Board to fix their remuneration.

SPECIAL BUSINESSES

To consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

5. (A) **“THAT**
 - (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereafter defined of this resolution) of all the powers of the Company to allot, issue, grant, distribute, dispose of and otherwise deal with additional shares of HK\$0.01 each in the share capital of the Company (the **“Shares”**), and to make, issue or grant offers, agreements and options (including bonds, warrants, notes, securities or debentures convertible into Shares or options) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the Relevant Period, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution 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, notes, securities or debentures convertible into Shares or options) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the Relevant Period;
 - (c) the aggregate number of Shares allotted, issued, granted, distributed, disposed of or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed, disposed of or otherwise dealt with (whether pursuant to an option, a conversion or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereafter defined); or
 - (ii) an exercise of any option granted under any share option scheme; or

NOTICE OF THE AGM

(iii) any scrip dividend or other 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 (the “**Bye-Laws**”); or

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

shall not exceed the aggregate of (aa) 20% of the total number of Shares in issue at the date of the passing of this resolution; and (bb) (if the Directors are so authorized 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 equivalent to 10% of the total number of Shares 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 the Bye-Laws or any applicable law of Bermuda to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting.

“**Rights Issue**” means an offer of Shares or an issue of options, warrants or other securities of the Company giving the right to subscribe for 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

NOTICE OF THE AGM

fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

(B) “**THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below of this resolution) of all the powers of the Company to repurchase Shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate of Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of passing 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 the Bye-Laws or any applicable laws of Bermuda to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in a general meeting.”

NOTICE OF THE AGM

- (C) “**THAT** conditional upon resolution 5(A) and resolution 5(B) as set out in this notice of the AGM dated 26 July 2024 (the “**AGM Notice**”) being passed, the aggregate number of Shares which are repurchased by the Company under the authority granted pursuant to resolution 5(B) as set out in the AGM Notice (up to a maximum of 10% of the total number of Shares in issue as at the date of passing of resolution 5(B) as set out in the AGM Notice) shall be added to the total number of Shares that may be allotted and issued or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution 5(A) as set out in the AGM Notice.”

By Order of the Board
WAI YUEN TONG MEDICINE HOLDINGS LIMITED
(位元堂藥業控股有限公司*)
Ng Yee Man Fiona
Company Secretary

Hong Kong, 26 July 2024

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Suite 3101, 31/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

- (1) The register of members of the Company will be closed from Thursday, 15 August 2024 to Tuesday, 20 August 2024 (both days inclusive) during which period no transfer of share(s) will be effected. In order to determine the eligibility to attend and vote at the AGM or any adjourned meeting thereof (as the case may be), all transfer of Share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 14 August 2024.
- (2) The register of members of the Company will be closed from Monday, 26 August 2024 to Wednesday, 28 August 2024 (both days inclusive) for determining the entitlement to the proposed final and special cash dividend. In order to be eligible for the proposed final and special cash dividend. In order to be eligible for the proposed final and special cash dividend, if approved, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m., Friday, 23 August 2024.

NOTICE OF THE AGM

- (3) A member entitled to attend and vote at the AGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more Shares may appoint more than one proxy to attend and vote on his/her behalf. A proxy needs not be a member of the Company.
- (4) A form of proxy for use at the AGM is enclosed with the circular of the Company to the Shareholders dated 26 July 2024. In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power of attorney, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish and in such event the form of proxy shall be deemed to be revoked.
- (5) In the case of joint holders of any Shares, any one of such joint holders may vote at the AGM, either in person or by proxy, in respect of such Shares as if he/she was solely entitled thereto, provided that if more than one of such joint holders be present at the AGM whether in person or by proxy, the person whose name stands first in the register of members of the Company in respect of the joint holding shall be accepted to the exclusion of the votes of the other joint holders.
- (6) An explanatory statement regarding the general mandate for the repurchase of Shares sought in resolution 5(B) (as set out in the AGM Notice) is set out in appendix I to the circular of the Company dated 26 July 2024 to the Shareholders of which this notice forms part
- (7) All of the above resolutions will be voted by way of a poll at the AGM.
- (8) The Chinese language version of this notice is translated from the English version. In the event of any discrepancies or conflicts between the contents of the Chinese version and the English version of this notice, the English version shall prevail.

* *For identification purpose only*