

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 your 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 Extrawell Pharmaceutical Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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EXTRAWELL PHARMACEUTICAL HOLDINGS LIMITED

精優藥業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00858)

**RE-ELECTION OF DIRECTORS
AND
GRANT OF GENERAL MANDATES
TO ALLOT AND ISSUE NEW SHARES AND REPURCHASE
BY THE COMPANY OF ITS OWN SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the Annual General Meeting of Extrawell Pharmaceutical Holdings Limited to be held at Concord Rooms 2 & 3, 8th Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 25 September 2009 at 11:00 a.m. is set out on pages 15 to 18 in this circular. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event, not less than 48 hours before the time for the Annual General Meeting or any adjournment thereof to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

* *For identification purpose only*

13 August 2009

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Concord Rooms 2 & 3, 8th Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 25 September 2009 at 11:00 a.m., the notice of which is set out on pages 15 to 18 of this circular
“Associates”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company, as amended from time to time
“Company”	Extrawell Pharmaceutical Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“Latest Practicable Date”	11 August 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase the Shares the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



EXTRAWELL PHARMACEUTICAL HOLDINGS LIMITED

精優藥業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00858)

Directors:

Mao Yu Min (*Chairman*)

Xie Yi

Lou Yi

Wong Sau Kuen

Fang Lin Hu[#]

Xue Jing Lun[#]

Jin Song[#]

[#] *Independent Non-executive Directors*

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place of
business in Hong Kong:*

Room 3409-10,

34/F., China Resources Building

26 Harbour Road

Wanchai

Hong Kong

13 August 2009

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS
AND
GRANT OF GENERAL MANDATES
TO ALLOT AND ISSUE NEW SHARES AND REPURCHASE
BY THE COMPANY OF ITS OWN SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include ordinary resolutions relating to the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and re-election of the retiring Directors.

* *For identification purpose only*

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to provide you with information reasonably necessary to enable you to make an informed decision as to whether to vote for or against the resolutions to be proposed at the Annual General Meeting. This circular is prepared for such purpose.

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given the Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with new Shares equal in aggregate up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, a total of 2,290 million Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 458 million Shares.

The Directors have no immediate plans to allot and issue any new Shares other than Shares which may fall to be issued upon the exercise of options granted under the share option scheme of the Company.

REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be given the Repurchase Mandate, i.e. a general and unconditional mandate to exercise all powers of the Company to repurchase on the Stock Exchange or on any other stock exchange on which the Shares may be listed, Shares up to a maximum of 10% of the nominal amount of the issued share capital of, which equals to 229,000,000 Shares in, the Company as at the date of passing of the relevant resolution.

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate (up to maximum of 10% of the issued Shares as at the date of the grant of the Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Issue Mandate.

The Repurchase Mandate and the Issue Mandate would continue in force until the conclusion of the next annual general meeting of the Company after the Annual General Meeting unless they are renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules, to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in the appendix to this circular. The explanatory statement contains all information reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

According to Bye-Law 111(A) of the Bye-Laws, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office by rotation provided that no Director holding office as chairman or deputy chairman under Bye-Law 135 or the office of managing director or joint managing director under Bye-Law 125 shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire. A retiring Director shall be eligible for re-election.

According to Bye-Law 111(B) of the Bye-Laws, the Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

According to Bye-Law 115 of the Bye-Laws, the Directors shall have power from time to time or at any time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In accordance with Bye-Law 111 of the Bye-Laws, Messrs. Jin Song and Xue Jing Lun will retire as Directors by rotation and to offer themselves for re-election as Directors at the Annual General Meeting.

In accordance with Bye-Law 115 of the Bye-Laws, Messrs. Lou Yi and Wong Sau Kuen will hold office only until the Annual General Meeting and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

The biographical details of the Directors eligible for re-election at the Annual General Meeting are set out below:

Ms. Jin Song (“Ms. Jin”), as an independent non-executive director

Age : 38

Length of service : There is no fixed term for her appointment and she will retire at the Annual General Meeting, at which she will be eligible for re-election pursuant to Bye-Law 111(A) of the Bye-Laws. Thereafter, Ms. Jin will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with Bye-Law 111 of the Bye-Laws.

LETTER FROM THE BOARD

- Qualification and experience : Ms. Jin holds a diploma in engineering from Broadcasting University in Shandong and a diploma in business from Fudan University. She is a member of the Chinese Institute of Certified Public Accountant (“CICPA”) and passed all the professional examinations held by CICPA in 2001. Ms. Jin has more than 10 years of experience in accounting in different industries.
- Ms. Jin does not currently hold any office in the Group other than as an independent non-executive Director and is a member of the remuneration and audit committees. She did not hold any directorship in other listed companies in the last three years.
- Relationship with other Directors, senior management, substantial or controlling shareholders : Ms. Jin does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.
- Interests in Shares : Ms. Jin did not have, and is not deemed to have, any interests or short position in any shares, underlying shares or debentures of the Company and its associate corporations (within the meaning of Part XV of the SFO) as at the Latest Practicable Date.
- Amount of emoluments : There is no service contract entered into between the Company and Ms. Jin, but she is entitled to a director’s fee as may be approved by the Board of the Company with reference to her roles and responsibilities and the prevailing market conditions. Save for the director’s fee, Ms. Jin is not entitled to any other emolument for holding her office as an independent non-executive Director. Currently, Ms. Jin is entitled to a director’s fee in the amount of HK\$40,000 per annum as approved by the Board on 27 July 2009 pursuant to the recommendation made by the remuneration committee.

LETTER FROM THE BOARD

Mr. Xue Jing Lun (“Mr. Xue”) as an independent non-executive director

- Age : 75
- Length of service : There is no fixed term for his appointment and he will retire at the Annual General Meeting, at which he will be eligible for re-election pursuant to Bye-Law 111(A) of the Bye-Laws. Thereafter, Mr. Xue will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with Bye-Law 111 of the Bye-Laws.
- Qualification and experience : Mr. Xue was the Chief Professor of Fudan University, a guest professor of the Second Military Medical University of China, Tongji Medical University and Shantou University, Chairman of Chinese Environmental Mutagen Association, a director of International Environmental Mutagen Association, and a committee member of the China Genetic Engineering Society.
- The research team led by Mr. Xue gained international recognition in the area of gene therapy and transgenic animal research. Mr. Xue has been granted a number of national awards on his scientific research and is an internationally recognized genetic scientist.
- Mr. Xue does not currently hold any office in the Group other than as an independent non-executive Director and a member of the remuneration and audit committees. He did not hold any directorship in other listed companies in the last three years.
- Relationship with other Directors, senior management, substantial or controlling shareholders : Mr. Xue does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.
- Interests in Shares : Mr. Xue did not have, and is not deemed to have, any interests or short position in any shares, underlying shares or debentures of the Company and its associate corporations (within the meaning of Part XV of the SFO) as at the Latest Practicable Date.

LETTER FROM THE BOARD

Amount of emoluments : There is no service contract entered into between the Company and Mr. Xue, but he is entitled to a director's fee as may be approved by the Board of the Company with reference to his roles and responsibilities and the prevailing market conditions. Save for the director's fee, Mr. Xue is not entitled to any other emolument for holding his office as an independent non-executive Director. Currently, Mr. Xue is entitled to a director's fee in the amount of HK\$40,000 per annum as approved by the Board on 27 July 2009 pursuant to the recommendation made by the remuneration committee.

Dr. Lou Yi (“Dr. Lou”) as executive director

Age : 50

Length of service : Dr. Lou Yi was appointed as an executive Director in October 2008. There is no fixed term for his appointment and he will retire at the Annual General Meeting, at which he will be eligible for re-election pursuant to Bye-Law 115 of the Bye-Laws. Thereafter, Dr. Lou will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with Bye-Law 111 of the Bye-Laws.

Qualification and experience : Dr. Lou holds a doctoral degree in medicine. Dr. Lou conducted postdoctoral research in clinical study at Shanghai Second Medical University (now renamed as School of Medicine, Shanghai Jiaotong University) and industrial economy at Fudan University. He had been a director and general manager of Shanghai Biochip Co. Ltd. and as a director and deputy general manager of General Technology Group Pharmaceutical Holdings, Ltd. in China.

Dr. Lou was also a non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd., a company listed on the Growth Enterprise Market of the Stock Exchange, from June 2004 to June 2006.

Save as Dr. Lou who is currently an executive Director, he did not hold any directorship in other listed companies in the last three years.

Relationship with other Directors, senior management, substantial or controlling shareholders : Dr. Lou is currently a director and general manager of certain companies owned by Dr. Mao Yu Min and Dr. Xie Yi, two of the Directors. Save as disclosed, Dr. Lou does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

LETTER FROM THE BOARD

Interests in Shares : Dr. Lou did not have, and is not deemed to have, any interests or short position in any shares, underlying shares or debentures of the Company and its associate corporations (within the meaning of Part XV of the SFO) as at the Latest Practicable Date.

Amount of emoluments : There is no service contract entered into between the Company and Dr. Lou, but he is currently entitled to a director's fee in the amount of HK\$40,000 per annum as approved by the Board on 27 July 2009 pursuant to the recommendation made by the remuneration committee. In addition, he will be entitled to an annual salary of amount not exceeding HK\$360,000, which is subject to review by the Board of the Company from time to time with reference to his roles and responsibilities and the prevailing market conditions. Save for the said director's fee and salary, Dr. Lou is not entitled to any other emolument for holding his office as executive Director.

Ms. Wong Sau Kuen ("Ms. Wong") as executive director

Age : 46

Length of service : Ms. Wong joined the Company as assistant to the Board in May 2008 and was appointed as an executive Director and authorized representative of the Company in October 2008. There is no fixed term for her appointment and she will retire at the Annual General Meeting, at which she will be eligible for re-election pursuant to Bye-Law 115 of the Bye-Laws. Thereafter, Ms. Wong will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with Bye-Law 111 of the Bye-Laws.

Qualification and experience : Ms. Wong has more than 20 years of experience in both the commercial and industrial sectors and is experienced in business administration and internal control, and has exposure to the pharmaceutical industry and China pharmaceutical market.

Save as Ms. Wong who is currently an executive Director, she did not hold any directorship in other listed companies in the last three years.

Relationship with other Directors, senior management, substantial or controlling shareholders : Ms. Wong does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

LETTER FROM THE BOARD

- Interests in Shares : Ms. Wong did not have, and is not deemed to have, any interests or short position in any shares, underlying shares or debentures of the Company and its associate corporations (within the meaning of Part XV of the SFO) as at the Latest Practicable Date.
- Amount of emoluments : There is no service contract entered into between the Company and Ms. Wong, but she is entitled to a monthly salary of HK\$38,000 and a guarantee year-end bonus of an amount equivalent to her salary for one month, and a director's fee in the amount of HK\$40,000 per annum as approved by the Board on 27 July 2009 pursuant to recommendation made by the remuneration committee, which are determined by the Board with reference to her roles and responsibilities and the prevailing market conditions. Save for the said salary and director's fee, Ms. Wong is not entitled to any other emolument for holding her office as executive Director.

Saved as disclosed above, each of Ms. Jin, Mr. Xue, Dr. Lou and Ms. Wong has confirmed that there is no information to be disclosed under Rules 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders in relation to their re-election.

PROCEDURES TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Bye-Law 73 of the Bye-Laws, a resolution put to the vote at any general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the Chairman of such meeting; or
- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

LETTER FROM THE BOARD

ACTIONS TO BE TAKEN

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the following: the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event, not less than 48 hours before the time for the Annual General Meeting or any adjournment thereof to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors believe that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate are beneficial to the Company and the Shareholders as a whole. The Directors believe that an exercise of the Issue Mandate and the Extension Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases of Shares will benefit the Company and the Shareholders.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 March 2009, being the date of its latest audited consolidated financial statements. The Directors do not, however, intend to exercise the Repurchase Mandate to such extent as would in circumstances have a material adverse impact on the working capital or gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolutions approving the Issue Mandate, the Repurchase Mandate and the Extension Mandate at the Annual General Meeting. No Shareholder is required to abstain from voting at the Annual General Meeting under the Listing Rules.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
For and on behalf of the Board
Extrawell Pharmaceutical Holdings Limited
Mao Yu Min
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to enable you to make an informed decision whether to vote for or against the resolution(s) to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, amongst which the Listing Rules provide that the shares of a company with a primary listing on the Stock Exchange must be fully paid up and all repurchase of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of Repurchase Mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 2,290,000,000 fully paid Shares in issue. Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 10% of, which equals to 229,000,000 Shares in, the Share Capital during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or any applicable laws or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting.

3. REASONS FOR THE REPURCHASE

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

4. FUNDING OF REPURCHASES

Repurchase made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association and Bye-Laws and the applicable laws of Bermuda.

The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for distribution by way of dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for distribution by way of dividend or distribution or out of the share premium account of the Company. Should the Directors consider it desirable, they would be able to finance the purchase out of funds borrowed against any of the above-mentioned accounts. In addition, under the laws of Bermuda, no purchase by a company of its own shares may be effected if, on the date on which the purchase is to be

effected, there are reasonable grounds for believing that the company is, or after the purchase would be, unable to pay its liabilities as they become due. In accordance with the laws of Bermuda, the Shares so repurchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

Repurchase of Shares may be funded out of the internal resources of the Group and/or banking facilities as the Directors consider desirable according to the then financial position of the Group. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant thereto.

There might be material adverse impact on the working capital and gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements contained in the annual report of the Company for the year ended 31 March 2009) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. The Directors, however, do not intend to exercise the Repurchase Mandate to such extent as would in the circumstances, have a material adverse impact on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous 12 months preceding the Latest Practicable Date and up to the Latest Practicable Date are as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
September 2007 [#]	2.10	1.84
August 2008	—	—
September 2008	—	—
October 2008	—	—
November 2008	—	—
December 2008	—	—
January 2009	—	—
February 2009	—	—
March 2009	—	—
April 2009	—	—
May 2009	—	—
June 2009	—	—
July 2009 (<i>up to the Latest Practicable Date</i>)	—	—

[#] trading in the Shares on the Stock Exchange has been suspended since 20 September 2007

6. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) 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, Well Success Limited and United Gene Group Ltd. held 52,000,000 and 480,000,000 Shares respectively, representing approximately 2.27% and 20.96% of the entire issued share capital of the Company, respectively. Assuming that there will be no change in the issued share capital of the Company prior to the repurchase of Shares and Well Success Limited and United Gene Group Ltd. did not dispose of their respective Shares nor acquire additional Shares prior to any repurchase of Shares, if the Repurchase Mandate, if so approved, were exercised in full, the respective percentage shareholding of Well Success Limited and United Gene Group Ltd. would be increased to approximately 2.52% and 23.29% of the then issued share capital of the Company, respectively. The above parties would not be obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate were exercised in full.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. An exercise of the Repurchase Mandate whether in whole or in part will not result in less than 25% of the Shares being held by the public.

7. GENERAL

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

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and the applicable laws of Bermuda.

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

No repurchase of Share has been made by the Company during the last six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

NOTICE OF ANNUAL GENERAL MEETING



EXTRAWELL PHARMACEUTICAL HOLDINGS LIMITED

精優藥業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00858)

NOTICE IS HEREBY GIVEN that an annual general meeting of Extrawell Pharmaceutical Holdings Limited (the “Company”) will be held on Friday, 25 September 2009 at 11:00 a.m. at Concord Rooms 2 & 3, 8th Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and independent auditors of the Company for the year ended 31 March 2009;
2. To re-elect retiring directors and to authorise the board of directors of the Company to fix the directors’ remuneration;
3. To re-appoint the independent auditors and to authorise the board of directors of the Company to fix their remuneration; and
4. To consider as special business and, if thought fit, pass the following ordinary resolutions (with or without modifications):

ORDINARY RESOLUTIONS

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with the unissued shares (each a “Share”) of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution; and
 - (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent of 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations

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under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase shares (each a “Share”) of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Act 1981 of Bermuda (the “Companies Act”) and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the date of 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 of the Company, the Companies Act or any other applicable law of Bermuda to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

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6. “**THAT** conditional on the passing of resolution numbered 4 above, the general mandate granted to the directors of the Company pursuant to resolution numbered 4 above be and it is hereby extended by the addition to the aggregate nominal amount of the shares of HK\$0.01 each in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased or agreed to be purchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 5 above.”

Yours faithfully,
For and on behalf of the Board
Extrawell Pharmaceutical Holdings Limited
Mao Yu Min
Chairman

Hong Kong, 13 August 2009

Executive Directors:

Dr. Mao Yu Min
Dr. Xie Yi
Dr. Lou Yi
Ms. Wong Sau Kuen

Independent Non-executive Directors:

Mr. Fang Lin Hu
Mr. Xue Jing Lun
Ms. Jin Song

*Head office and principal place
of business in Hong Kong:*

Room 3409–10, 34/F
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of the Company's Hong Kong branch registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto to. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.