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Tong Ren Tang Technologies Co. Ltd. *
北京同仁堂科技发展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Tong Ren Tang Technologies Co. Ltd. ("Company") will be held at Jia 20, Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC on 25 July 2002 at 2:00 p.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions:—

ORDINARY RESOLUTIONS

1. **"THAT**

- (1) the following continuing connected transactions (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited) as more particularly described, defined or referred to in the circular to the shareholders of the Company dated 7 June 2002 be and are hereby approved subject to the annual caps as stated below for 3 years ending 31 December 2004:
 - (a) the Raw Material Supply Agreement (as amended by the Raw Material Supply Supplemental Agreement) subject to an annual cap of RMB150,000,000;
 - (b) the Contract for Storage and Custody (as amended by the Supplemental Contract for Storage and Custody) subject to an annual cap of RMB7,000,000;
 - (c) the transactions between the Company and subsidiaries and associates of China Beijing Tong Ren Tang Group Co. Ltd. and Beijing Tongrentang Company Limited, subject to an annual cap of RMB400,000,000;
 - (d) the Undertaking and Trademark Licence Agreement (as amended by the Supplemental Trademark Licence Agreement) subject to an annual cap of RMB1,000,000;
 - (e) the Overseas Distribution Agency Agreement (as amended by the Supplemental Overseas Distribution Agency Agreement) subject to an annual cap of RMB20,000,000;
 - (f) the Land Use Right Leasing Agreement subject to an annual cap of RMB3,000,000;
 - (g) the Agreement Supplemental to the Building Leasing Agreement subject to an annual cap of RMB3,600,000; and

* *for identification purpose only*

(h) the Advertising Agency Agreement (as amended by the Supplemental Advertising Agency Agreement) subject to an annual cap of RMB4,500,000;

(the Raw Material Supply Supplemental Agreement, the Supplemental Contract for Storage and Custody, the Supplemental Trademark Licence Agreement, the Supplemental Overseas Agency Agreement and the Supplemental Advertising Agency Agreement collectively referred to below as the “**Supplemental Agreements**”, copies of which have been produced to the meeting marked “A”-“E” respectively and signed by the chairman of the meeting for the purpose of identification);

(2) the entering into, execution, performance and implementation of the Supplemental Agreements by the directors of the Company (the “**Directors**”) for and on behalf of the Company be and are hereby approved, confirmed and ratified; and

(3) the Directors be and are hereby authorized on behalf of the Company to sign, seal, execute, perfect and deliver all such documents and do all such deeds, acts, matters and things as they may in their discretion consider necessary or desirable for the purposes of or in connection with the implementation of the Supplemental Agreements (together with the principal agreements, as amended, respectively) and all the continuing connected transactions mentioned above.”

2. “**THAT** PricewaterhouseCoopers be and are hereby appointed as the auditors of the Company in place of the retired auditors, Arthur Andersen & Co., and the Directors be and are hereby authorized to fix the remuneration for the appointed auditors.”

By Order of the board of Directors of
Tong Ren Tang Technologies Co. Ltd.
Yin Shun Hai
Chairman

Beijing, the PRC, 7 June 2002

*Registered Office and principal
place of business in the PRC:*

No. 10 Hong Da Bei Road
Beijing Economic and Technology
Development Zone
Yi Zhuang
Beijing, the PRC

*Principal place of business in
Hong Kong:*

Rm 1802, 18th Floor
Workington Tower
78 Bonham Strand
Sheung Wan
Hong Kong

Note:

(i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company. A form of proxy for use at the meeting is enclosed herewith. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the register of members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.

- (ii) To be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Hong Kong H share registrar of the Company, Hong Kong Registrars Limited at Rooms 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 24 hours before the time appointed for holding the meeting or any adjournment thereof.
- (iii) Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish.
- (iv) The register of members of the Company in Hong Kong will be closed from 24 June 2002 to 25 July 2002, both days inclusive, during which period no transfer of H shares of the Company will be effected. All transfer document accompanied by the relevant share certificates must be lodged with the Company's H share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at Rooms 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on 21 June 2002.
- (v) Holders of H shares of the Company who intend to attend the SGM should complete the enclosed reply slip for the meeting and return it, by hand or by post or by fax to the number: (852) 2865 0990/ (852) 2529 6087, to the Company's H share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at Rooms 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 5 July 2002.

This announcement, for which the directors of Tong Ren Tang Technologies Co. Ltd. (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Tong Ren Tang Technologies Co. Ltd. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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