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## IMPORTANT

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**If you are in doubt** about 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 Broad Intelligence International Pharmaceutical Holdings Limited (the “Company”) you should at once hand this circular with the enclosed form of proxy to the purchaser or the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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### **Broad Intelligence International Pharmaceutical Holdings Limited** **博智國際藥業控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1149)**

### **GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTIONS OF RETIRING DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Broad Intelligence International Pharmaceutical Holdings Limited to be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 31 May 2007 at 10:00 a.m., at which, among other things, the above proposals will be considered, the full text of which as set out on pages 12 to 15 of this circular.

Whether or not you intend to attend the annual general meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Broad Intelligence International Pharmaceutical Holdings Limited's Hong Kong branch share registrar and transfer office, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

27 April 2007

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## DEFINITIONS

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*In this circular (other than in the notice of AGM), unless the context otherwise requires, the following expressions have the following meaning:*

“AGM”	the annual general meeting of the Company to be convened and held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 31 May 2007 at 10:00 a.m. to consider and, if appropriate, to approve the resolutions as set out in the notice of AGM
“Articles”	the articles of association of the Company;
“Board”	the board of Directors;
“Commission”	the Securities and Futures Commission;
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	Broad Intelligence International Pharmaceutical Holdings Limited;
“Director(s)”	director(s) of the Company;
“Extension Mandate”	the mandate to extend the limit under the Issue Mandate by the amount of Shares repurchased by the Company under the Repurchase Mandate
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution approving such mandate;
“Latest Practicable Date”	24 April 2007, being the latest practicable date for the purpose of ascertaining certain information herein contained prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China;

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## DEFINITIONS

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“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the resolution approving such mandate;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Shareholder(s)”	holders of Shares;
“Share(s)”	ordinary shares of nominal value HK\$0.10 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time;
“HK\$”	Hong Kong dollars, being the lawful currency of Hong Kong; and
“%”	per cent.

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## LETTER FROM THE CHAIRMAN

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### **Broad Intelligence International Pharmaceutical Holdings Limited** **博智國際藥業控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1149)**

*Executive Directors:*

Mr. ZHONG Houtai (*Chairman*)

Mr. ZHONG Houyao

Mr. CHONG Hoi Fung

Mr. SUN Daquan

*Independent Non-executive Directors:*

Mr. PEI Renjiu

Mr. LI Kai Ming

Mr. CHEUNG Chuen

*Registered Office:*

PO Box 309GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

*Principal Office in Hong Kong:*

Unit 1903

Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

27 April 2007

*To the Shareholders*

Dear Sirs or Madam,

### **GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTIONS OF RETIRING DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING**

#### **1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the ordinary resolutions to be proposed to seek approval of the Shareholders at the AGM in respect of, among other matters, (i) the Issue Mandate; (ii) the Repurchase Mandate; (iii) the Extension Mandate; and (iv) the re-elections of retiring Directors. In compliance with the Listing Rules, this circular contains an explanatory statement which provides all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolution approving the Repurchase Mandate and other relevant information.

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## LETTER FROM THE CHAIRMAN

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### 2. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 19 May 2006, an ordinary resolution was passed by the then Shareholders granting the existing Issue Mandate to the Directors, which is due to expire at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Issue Mandate i.e. a general and unconditional mandate to allot, issue and deal with, otherwise by way of rights issue or any option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the Company or any shares of the Company issued as scrip dividends pursuant to the memorandum and articles of association of the Company, additional Shares with an aggregate nominal value not exceeding 20% of the aggregate of the total nominal value of the share capital of the Company in issue at the date of the passing of such resolution.

On the basis of a total of 440,000,000 Shares in issue as at the Latest Practicable Date and no further Shares are issued or repurchased prior to the AGM, the maximum number of Shares which may fall to be issued under this proposed Issue Mandate will be 88,000,000 Shares. The fresh Issue Mandate will remain in effect until the earliest of (i) the date of the next annual general meeting; (ii) the date by which the next annual general meeting is required to be held by any applicable laws of the Cayman Islands or the Articles; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### 3. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 19 May 2006, an ordinary resolution was passed by the then Shareholders granting the existing Repurchase Mandate to the Directors, which is due to expire at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Repurchase Mandate i.e. a general and unconditional mandate to repurchase Shares subject to the maximum number of shares of up to 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of such resolution. The fresh Repurchase Mandate will remain in effect until the earliest of (i) the date of the next annual general meeting; (ii) the date by which the next annual general meeting is required to be held by any applicable laws of the Cayman Islands or the Articles; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

Details concerning the proposed Repurchase Mandate are contained in Appendix I of this circular.

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## LETTER FROM THE CHAIRMAN

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### **4. GENERAL EXTENSION MANDATE TO ISSUE SHARES**

An ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate of the total nominal value of the issued share capital of the Company on the date of passing the resolution approving the Issue Mandate.

### **5. RE-ELECTIONS OF RETIRING DIRECTORS**

Pursuant to Article 112 of the Articles, Mr. Zhong Houtai, Mr. Li Kai Ming and Mr. Cheung Chuen will retire and, being eligible, offer themselves for re-election at the AGM.

Details of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **6. ANNUAL GENERAL MEETING**

The notice of the AGM is set out on pages 12 to 15 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the granting of the Issue Mandate and Repurchase Mandate, the Extension Mandate and the re-elections of retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.broadintelligence.com.hk](http://www.broadintelligence.com.hk)). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar and transfer office, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the meeting if so wished.

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## LETTER FROM THE CHAIRMAN

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### 7. PROCEDURES BY WHICH A POLL MAY BE DEMANDED

Pursuant to the article 76 of the Articles, a resolution put to the vote of a 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 five Shareholders present in person or by proxy and entitled to vote at the meeting; or
- (c) by any Shareholder(s) present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Shareholders having the right to attend and vote at the meeting; or
- (d) by any Shareholder(s) present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding Shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all Shares conferring that right; or
- (e) if required by the Listing Rules, by the Chairman of the meeting and/or the Directors who, individually or collectively, hold proxies in respect of shares representing five per cent (5%) or more of the total voting rights of all Shareholders having right to vote at the meeting.

Under the Listing Rules, the Stock Exchange will require any Shareholder and his associates (as defined in the Listing Rules), being Shareholders themselves, to abstain from voting at any general meeting of the Company on any relevant resolution by virtue of such Shareholder having a material interest in the same. Where any Shareholder is required to abstain from voting on a particular resolution, any vote taken at the general meeting of the Company on such resolution shall be taken on a poll.

### 8. RECOMMENDATION

The Board considers that the ordinary resolutions to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM.

Yours faithfully,

For and on behalf of the Board

**Broad Intelligence International Pharmaceutical Holdings Limited**

**Zhong Houtai**

*Chairman*



*This appendix serves as an explanatory statement, as required by Rule 10.06 of the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate proposed at the AGM.*

## **1. EXERCISE OF THE REPURCHASE MANDATE**

Exercise in full of the Repurchase Mandate, on the basis of 440,000,000 Shares in issue as at the Latest Practicable Date and no further Shares are issued or repurchased prior to the AGM, could accordingly result in up to 44,000,000 Shares being repurchased by the Company during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Articles or any applicable laws of Cayman Islands or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

## **2. REASONS FOR REPURCHASE**

The Directors have no present intention to repurchase any Shares but believe that it is in the best interests of the Company and its Shareholders to seek a general authority from Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

## **3. GENERAL**

There might be a material adverse impact on the working capital or gearing position as disclosed in the audited financial statement of the Company for the year ended 31 December 2006 in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect 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.

## **4. FUNDING OF REPURCHASE**

Any repurchase of Shares would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands. Such funds include, but are not limited to, profits available for distribution. Purchases may only be

effected out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the purchase, or, if so authorised by its Articles and subject to the provisions of the Companies Law, out of capital. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by its Articles and subject to the provisions of the Companies Law, out of capital.

## **5. DIRECTORS AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

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

## **6. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of Cayman Islands.

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

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation 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 Company:

- Elite Achieve Limited, which is wholly and beneficially owned by Mr. Zhong Houtai (chairman and director of the Company), holds 211,720,000 Shares representing approximately 48.12% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted, the interest of Mr. Zhong Houtai in the Company would be increased to approximately 53.46% of the issued share capital of the Company and such increase may not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

APPENDIX I

EXPLANATORY STATEMENT ON THE SHARE  
REPURCHASE MANDATE

In fact, the Directors have no intention to exercise in full the power to repurchase Shares of the Company.

8. SHARE PURCHASE MADE BY THE COMPANY

During each of the six months preceding the Latest Practicable Date, no Shares have been repurchased, on the Stock Exchange or otherwise, by the Company.

9. SHARE PRICES

During the current month and each of the previous twelve months before the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Months	Price Per Share	
	Highest	Lowest
	HK\$	HK\$
<b>2006</b>		
April	0.590	0.390
May	0.465	0.420
June	0.480	0.440
July	0.550	0.455
August	0.530	0.475
September	0.800	0.465
October	0.770	0.600
November	0.830	0.660
December	1.090	0.760
<b>2007</b>		
January	1.030	0.850
February	1.320	0.940
March	1.260	0.970
April (up to the Latest Practicable Date)	1.250	1.010

*The following set out the details of the Directors who retire by rotation and, being eligible, will offer themselves for re-election at the AGM pursuant to the Article 112 of the Articles.*

**Mr. Zhong Houtai**, aged 50, was appointed as an executive Director in April 2003. Mr. Zhong is also the Chairman of the Company. Mr. Zhong is responsible for the Group's overall strategic planning and the oversight of the Company's business and affairs. Mr. Zhong is a representative of the tenth provincial people's congress of Fujian. In June 2004, he was named as one of the "Top 100 Outstanding Entrepreneurs in China" by Wu Bangguo, chairman of the Standing Committee of the National People's Congress. Mr. Zhong was appointed as the deputy president of the Association of Sinoforeign Entrepreneurs of Fujian Province (福建省中外企業家聯誼會) and the Fujian Society of Pharmacy (福清市藥學會) in 2001 and 2002 respectively. In August 2003, he was appointed as the deputy president of the Fujian Association of Pharmaceutical Profession (福建省醫藥行業協會). Mr. Zhong was accredited as New Long March Pioneer (新長征突擊手) by the Fuzhou Committee of the Communist Youth League of China in 1983 and Model Labour of Fuzhou (福州市勞動模範) by the People's Government of Fuzhou City in 2001. Over the years, Mr. Zhong has participated in healthcare-related business and has accumulated experience in production management for more than 6 years. He had also been engaged in various sectors including cultivation, food and agriculture before he founded the Group in 1996. He is also a director of Long Master International Limited ("Long Master"), a wholly-owned subsidiary of the Company and Fujian Nanshaolin Pharmaceutical Company Ltd. ("Fujian Nanshaolin", (formerly known as Fujian Fuqing Pharmaceutical Company Ltd.), a wholly-owned subsidiary of Long Master. Under the leadership of Mr. Zhong, Fujian Nanshaolin became the first enterprise in Fujian Province passing the national GMP certification in respect of its small volume parenteral solution workshop. Mr. Zhong Houtai is the brother of Mr. Zhong Houyao, an executive Director.

Mr. Zhong entered into a service contract with the Company for an initial fixed term of 3 years commencing from 24 November 2003, and will continue thereafter until terminated by not less than 3 months' notice in writing served by either party on the other, subject to the requirements for retirement and re-election under the Articles. Mr. Zhong is entitled to a fixed remuneration of HK\$600,000 per annum, which is determined based on duties and responsibilities for acting as an executive Director. Mr. Zhong will also be entitled with a discretionary bonus provided that the aggregate amount of the bonuses payable shall not exceed 5% of the consolidated audited net profit of the Group for the relevant financial year and such amount has to be approved by the Remuneration Committee. Such emoluments are covered in his service agreement with the Company.

As at the Latest Practicable Date, Mr. Zhong holds 211,720,000 Shares within the meaning of Part XV of the SFO, which he holds through Elite Achieve Limited, a substantial Shareholder.

**Mr. Li Kai Ming**, aged 63, was appointed as independent non-executive Director in July 2003. Mr. Li graduated from Jimei Light Industrial School in 1962, majoring in industry planning statistics. Mr. Li was the chief of Financial Bureau of Fuqing from 1996 to 2002 and was appointed as visiting professor at China Management Institute (中國管理學院) in 2003. Mr. Li was also a researcher at World Economic Research Centre (世界經濟研究中心) in 2002. Mr. Li was qualified as an economist by the Fuzhou City Title Reform Committee (福州市職稱改革領導小組) in 1992. One of his essays was awarded “First Class Award for Excellent Management Essay in the PRC” (首屆中國優秀領導管理藝術徵文一等獎) in 2000 and his another essay was awarded “Award for International Excellent Essay” (國際優秀論文獎) in 2001.

Mr. Li is not appointed for a specific term, but is subject to the requirements for retirement and re-election at the annual general meeting under the Articles. Mr. Li is entitled to a fixed remuneration of HK\$60,000 per annum, which is determined by the Board or the Company at general meeting with reference to his duties and responsibilities for acting as an independent non-executive Director and the prevailing market situation. Such emoluments are covered in his letter of appointment with the Company.

**Mr. Cheung Chuen**, aged 33, was appointed as independent non-executive Director in September 2004. Mr. Cheung graduated from the accounting department of Hong Kong Shue Yan College in 1999 and obtained a master’s degree in accounting from Hong Kong Polytechnic University in 2004. Mr. Cheung is currently a member of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants. He has more than seven years’ experience in accounting and auditing and is currently qualified to practise as a certified public accountant in the US and Hong Kong. Mr. Cheung is currently an independent non-executive director of Sinotronics Holdings Limited, a company listed on the Stock Exchange.

Mr. Cheung is not appointed for a specific term, but is subject to the requirements for retirement and re-election at the annual general meeting under the Articles. Mr. Cheung is entitled to a fixed remuneration of HK\$45,000 per annum, which is determined by the Board or the Company at general meeting with reference to his duties and responsibilities for acting as an independent non-executive Director and the prevailing market situation. Such emoluments are covered in his letter of appointment with the Company.

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules nor is there any other matter that needs to be brought to the attention of the Shareholders in respect of each of the above Directors proposed to be re-elected.

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## NOTICE OF ANNUAL GENERAL MEETING

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### **Broad Intelligence International Pharmaceutical Holdings Limited** **博智國際藥業控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1149)**

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Broad Intelligence International Pharmaceutical Holdings Limited (the “Company”) will be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 31 May 2007 at 10:00 a.m. for the following purposes:

1. to receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2006;
2. To consider and, if thought fit, declare a final dividend;
3. to re-elect directors and to authorise the board of directors to fix the directors’ remunerations;
4. to re-appoint auditors and to authorise the board of directors to fix their remuneration;

As special businesses, to consider and, if thought fit, pass the following as ordinary resolutions, with or without amendments:

### **ORDINARY RESOLUTIONS**

5. **“THAT:**
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (“Shares”) and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) the exercise of the subscription rights or conversion under the terms of any warrants or other securities issued by the Company as at the date of this Resolution carrying a right to subscribe for or purchase Shares or otherwise convertible into Shares, or (iii) the exercise of rights granted pursuant to any option scheme of the Company or of any of its subsidiaries for the grant or issue of Shares or options to subscribe for or rights to acquire Shares, or (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend or distribution in accordance with the memorandum and articles of association of the Company, from time to time shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purposes 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 articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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“Rights Issue” means an offer of shares or an offer of warrants, options or other securities giving right to subscribe for shares, open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements, if any, as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase Shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may 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 aggregate nominal amount of the Shares in issue as at the date of the passing of this resolution and the said approval be limited accordingly; and
- (c) for the purposes 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 articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”



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## NOTICE OF ANNUAL GENERAL MEETING

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7. “**THAT** conditional upon Ordinary Resolution nos. 5 and 6 above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Ordinary Resolution no. 6 above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the authority granted under Ordinary Resolution no. 5 above.”

Yours faithfully,

For and on behalf of the Board of

**Broad Intelligence International Pharmaceutical Holdings Limited**

**Zhong Houtai**

*Chairman*

Hong Kong, 27 April 2007

*Principal Office:*

Unit 1903

Allied Kajima Building

138 Gloucester Road

Wanchai, Hong Kong.

*Note:*

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he holds two or more shares, more proxies to attend and vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's Hong Kong branch share registrar, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong 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, not less than 48 hours before the time for holding the meeting or adjourned meeting.
2. Completion and return of the form of proxy will not preclude members from attending and voting in person at the annual general meeting or any adjournment.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holders, seniority being determined by the order in which names stand in the register of members.
4. The Register of Members of the Company will be closed from 12 June 2007 to 15 June 2007, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for receiving the final dividends, all transfers of shares accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's Hong Kong branch share registrar, Standard Registrars Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 11 June 2007.
5. As at the date of this notice, the board of directors comprises Mr. Zhong Houtai, Mr. Zhong Houyao, Mr. Chong Hoi Fung and Mr. Sun Daquan, all being the executive directors and Mr. Pei Renjiu, Mr. Li Kai Ming and Mr. Cheung Chuen, all being the independent non-executive directors.