
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Jiwa Bio-Pharm 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, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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JIWA BIO-PHARM HOLDINGS LIMITED

積華生物醫藥控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 2327)

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
OF THE SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at 20th Floor, Central Tower, 28 Queen's Road Central, Hong Kong, on Tuesday, 26 August 2008 at 3:30 p.m. is set out on pages 15 to 18 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the form of proxy in accordance with the instructions set out therein and return it to the Company's Hong Kong branch share registrar, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

* For identification purpose only

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

DEFINITIONS

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

“AGM Notice”	the notice of the Annual General Meeting set out on pages 15 to 18 in this circular;
“Annual General Meeting”	the annual general meeting of the Company to be held at 20th Floor, Central Tower, 28 Queen’s Road Central, Hong Kong, on Tuesday, 26 August 2008 at 3:30 p.m. for the purposes of considering the businesses set out in the AGM Notice and, if thought fit, passing the resolutions set out therein, or any adjourned meeting (as the case may be);
“Associate(s)”	has the same meaning ascribed to it under the Listing Rule;
“Board”	the board of Directors;
“Branch Share Registrars”	Tricor Standard Limited of 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong;
“Bye-laws”	the bye-laws of the Company;
“Company”	Jiwa Bio-Pharm Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange;
“Connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“General Mandate”	the general mandate to allot, issue and deal with new Shares not exceeding 20% of the nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

DEFINITIONS

“Latest Practicable Date”	22 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Proposed Refreshment”	the 10% limit under the Share Option Scheme proposed to be refreshed by the Shareholders at the Annual General Meeting pursuant to which the Board may grant share options to eligible participants to subscribe up to 10% of the Shares in issue as at the date of the Annual General Meeting;
“Register of Members”	the principal or branch register of members of the Company maintained in Bermuda or Hong Kong respectively;
“Repurchase Mandate”	the authority to repurchase fully paid up Shares of up to 10% of the nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all the share options to be granted under the Share Option Scheme and such other schemes of the Company which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of the approval of the Share Option Scheme by the Shareholders and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders;
“Shareholder(s)”	the holder(s) of the Share(s);
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Share Option Scheme”	the share option scheme adopted by the Company on 24 September 2003;

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“%”	per cent; and
“2007 AGM”	31 August 2007, being the date on which the Company held its Annual General Meeting.

LETTER FROM THE BOARD



JIWA BIO-PHARM HOLDINGS LIMITED

積華生物醫藥控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 2327)

Executive Directors:

Mr. Lau Yau Bor (*Chairman*)

Mr. Lau Kin Tung

(Vice Chairman and Chief Executive Officer)

Madam Chan Hing Ming

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent non-executive Directors:

Mr. Choy Ping Sheung

Mr. Fung Tze Wa

Mr. Seet Lip Chai

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

Rooms 2904 & 2906

Tower One, Lippo Centre

89 Queensway, Central

Hong Kong

28 July 2008

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
OF THE SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding certain ordinary resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against these resolutions.

At the Annual General Meeting, resolutions, amongst others, will be proposed for seeking Shareholders' approval to (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the General Mandate to the Directors, (iii) the Proposed Refreshment to the Scheme Mandate Limit; and (iv) the re-election of Directors.

* For identification purpose only

LETTER FROM THE BOARD

2. REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors. The authority to be given under the Repurchase Mandate is restricted to the repurchase of Shares on the Stock Exchange in accordance with the Listing Rules.

In accordance with the Listing Rules, an explanatory statement of the Repurchase Mandate is set out in Appendix I of this circular in order to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the Repurchase Mandate to the Directors.

The full text of the resolution in respect of the Repurchase Mandate is set out in resolution no. 5 in the AGM Notice. As at the Latest Practicable Date, there are 1,605,000,000 Shares in issue and assuming that no new shares are allotted or issued prior to the Annual General Meeting, the total number of Shares that may be repurchased under the Repurchase Mandate will be 160,500,000 Shares, calculated based on 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof.

3. GENERAL MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to grant the General Mandate to the Directors. The general mandate granted to the Directors at the last annual general meeting of the Company held on 31 August 2007 will lapse at the conclusion of the Annual General Meeting. The General Mandate will give the Directors the flexibility and discretion to issue new Shares. In addition, an ordinary resolution will be proposed to extend the General Mandate by adding to it the number of such Shares repurchased under the Repurchase Mandate.

The full texts of the resolutions in respect of the General Mandate and the extension of the General Mandate are set out in resolutions nos. 6 and 7 in the AGM Notice, respectively.

As at the Latest Practicable Date, there are 1,605,000,000 Shares in issue and assuming that no new shares are allotted or issued prior to the Annual General Meeting, the total number of Shares that may be issued under the General Mandate will be 321,000,000 Shares, calculated based on 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof.

LETTER FROM THE BOARD

4. PROPOSED REFRESHMENT TO THE SCHEME MANDATE LIMIT

Proposed Refreshment

The Share Option Scheme was adopted by the Company on 24 September 2003. At the time of the adoption of the Share Option Scheme, the Company had 500,000,000 Shares in issue. The Company had granted 47,266,000 share options to eligible participant and as at 2007 AGM, 35,000,000 share options had been exercised, 12,266,000 share options had been cancelled and no share option remain outstanding. The Company had proposed and the shareholders had approved at the 2007 AGM the refreshment of the limit in respect of the granting of share options under the share option scheme(s) up to 10% of the number of Shares in issue at the date of the passing of the resolution (the “Scheme Mandate Limit”), the total number of Shares in issue at the date of the passing of the resolution was 535,000,000 Shares. The Stock Exchange of Hong Kong Limited had granted the listing of and permission to deal in the ordinary shares of HK\$0.01 each in the capital of the Company which may fall to be issued upon exercise of the options to be granted under the Share Option Scheme.

The total number of securities available for issue under the Share Option Scheme as at the Latest Practicable Date was 53,500,000 Shares, which represented 10% of the issued share capital of the Company as at 31 August 2007, the date of approval of the refreshment of the maximum number of the ordinary share of HK\$0.01 each in the share capital of the Company. The Company has granted 20,000,000 share options to eligible participants since 1 September 2007 up to the Latest Practicable Date, no share option has been exercised, cancelled or lapsed, and 20,000,000 share options remain outstanding, representing approximately 1.2% of the 1,605,000,000 Shares in issue as at the Latest Practicable Date.

The Share Option Scheme was adopted to recognise and acknowledge the contributions of the Group’s employees and other selected grantees made or may have made to the Group. The Share Option Scheme will provide the grantees with an opportunity to have a personal stake in the Company with the view to achieving the objectives of motivating the grantees to optimise their performance efficiency for the benefit of the Company, and to attract and retain or otherwise maintain on-going relationships with the grantees whose contributions are or will be beneficial to the long-term growth of the Group.

LETTER FROM THE BOARD

As the existing Scheme Mandate Limit available to be granted to eligible participants represents only approximately 2.1% of the total number of Shares in issue, the Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the Scheme Mandate Limit to the 10% provided under Chapter 17 of the Listing Rules so as to provide the Company with the flexibility of granting further share options under the Share Option Scheme and to provide incentives to, and recognise the contributions of, the Group's employees and other selected grantees. With the recovery in Hong Kong's economy, companies in Hong Kong are hiring new employees to meet their business requirements and keen competition exists between companies for qualified recruits. The Directors consider that the additional flexibility to be able to offer more share options is an important factor for the Company to attract potential recruits and to retain existing employees and officers of the Company.

It is proposed that subject to the approval of the Shareholders at the Annual General Meeting and such other requirements prescribed under the Listing Rules, the Scheme Mandate Limit will be refreshed so that the total number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all other schemes of the Company shall not exceed 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the Annual General Meeting and share options previously granted under the Share Option Scheme and/or any other share option scheme(s) of the Company, including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other schemes of the Company will not be counted for the purpose of the Proposed Refreshment.

Pursuant to the Listing Rules, the Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time will not exceed 30% of the Shares in issue from time to time. No share options will be granted under any scheme(s) of the Company if it will result in the 30% limit being exceeded.

As at the Latest Practicable Date, there were 1,605,000,000 Shares in issue. Assuming that no further Shares will be issued or repurchased prior to the date of approving the Proposed Refreshment by the Shareholders, the maximum number of Shares which fall to be issued upon the exercise of all share options that may be granted by the Company under the Proposed Refreshment would be 160,500,000 Shares, representing 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the Annual General Meeting.

LETTER FROM THE BOARD

Conditions

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to approve the Proposed Refreshment.

The adoption of the Proposed Refreshment is conditional upon:

- (i) the Shareholders passing an ordinary resolution to approve the Proposed Refreshment at the Annual General Meeting; and
- (ii) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of any share options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment not exceeding 10% of the number of Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders.

Application for Listing

Application will be made to the Stock Exchange for the listing of, and the permission to deal in, the Shares which fall to be issued upon the exercise of any share options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment.

5. RE-ELECTION OF DIRECTORS

Pursuant to the bye-laws of the Company, Mr. Lau Yau Bor and Mr. Fung Tze Wa will retire and, being eligible, will offer themselves for re-election at the Annual General Meeting. Information on the retiring Directors is set out in Appendix II to this circular.

6. ANNUAL GENERAL MEETING

A form of proxy for use by Shareholders at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions set out therein and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

LETTER FROM THE BOARD

Pursuant to bye-law 66 of the bye-laws of the Company, unless voting by way of a poll is required by the Listing Rules, every resolution submitted to a general meeting shall be determined on a show of hands in the first instance by the shareholders present in person, but a poll may be demanded (before or upon the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) by the chairman of the relevant meeting or by:

- (a) at least 3 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
- (b) any 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 the shareholders having the right to vote at the meeting; or
- (c) 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 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 shares conferring that right.

7. RECOMMENDATION

The Directors consider that (i) the proposed granting of the Repurchase Mandate and General Mandate to the Directors and the extension of the General Mandate; (ii) the Proposed Refreshment; and (iii) the proposed re-election of directors are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the ordinary resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
Jiwa Bio-Pharm Holdings Limited
Lau Kin Tung
Vice Chairman and Chief Executive Officer

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

This Appendix serves as an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the Repurchase Mandate to the Directors.

SHAREHOLDERS' APPROVAL

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and Shareholders for the Directors to continue to have general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases 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. Shareholders are assured that such repurchases of Shares will only be made when the Directors believe that they are appropriate and will benefit the Company and Shareholders as a whole.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 1,605,000,000 Shares in issue.

Subject to the passing of the proposed ordinary resolution approving to grant the Repurchase Mandate to the Directors and on the assumptions that no new Shares are allotted or issued, no existing Shares are repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would enable the Company to repurchase a maximum of 160,500,000 Shares, representing 10% of the Shares in issue as at the latest Practicable Date.

FUNDING OF REPURCHASE

Repurchases must be funded out of funds legally available for such purpose in accordance with the Company's memorandum of association and Bye laws and the laws of Bermuda. Bermuda laws provide that the amount of capital repaid related to a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds that would otherwise be available for distribution or dividend or the proceeds of a fresh issue of shares made for the purpose.

The exercise of the Repurchase Mandate in full might have a material adverse impact on the working capital and/or gearing level of the Company as compared with the position disclosed in the Company's annual report for the year ended 31 March 2008. However, the Directors 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 or gearing level of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective Associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any Share to the Company.

No Connected person has notified the Company that he/she has a present intention to sell any Share to the Company nor has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, the regulations set out in the Company's memorandum of association and Bye-laws and the applicable laws of Bermuda.

EFFECT OF THE TAKEOVERS CODE

If on the exercise of the power to repurchase shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Lau Yau Bor, Madam Chan Hing Ming and Mr. Lau Kin Tung (together referred to as the "**Controlling Shareholders**") are beneficially interested in an aggregate of 74.18% of the issued share capital of the Company. Although the Directors have no present intention to repurchase any Shares pursuant to the Repurchase Mandate, if the Directors were to exercise the Repurchase Mandate in full, such Shares would represent approximately 82.4% of the then issued share capital of the Company. The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

Pursuant to Rule 8.08 of the Listing Rules, the Company should maintain at least 25% of the issued share capital of the Company be held by the public. Based on the current shareholding of the Controlling Shareholders, if the Directors were to exercise the Repurchase Mandate in full, it would result in the amount of Shares held by the public being reduced to less than 25%. The Directors have no intention to exercise the Repurchase Mandate to this extent.

SHARE REPURCHASES BY THE COMPANY

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2007		
August	0.317	0.213
September	0.255	0.168
October	0.255	0.165
November	0.265	0.221
December	0.250	0.200
2008		
January	0.220	0.160
February	0.200	0.171
March	0.190	0.150
April	0.192	0.163
May	0.187	0.162
June	0.255	0.155
July (Up to the Latest Practicable Date)	0.290	0.190

APPENDIX II

DETAILS OF THE RE-ELECTED DIRECTORS

Mr. Lau Yau Bor, aged 70, is the Chairman, Executive Director and one of the founders of the Group. Mr. Lau is responsible for the overall strategic development and direction of the Group. Mr. Lau has over 26 years of experience in corporate management.

Mr. Lau is also the Standing Board Member of Association of Chinese Expatriates and Entrepreneurs, Foundation Member of Association of Chinese Expatriate and Entrepreneur Invested Enterprises, Deputy Chairman of Association of Foreign-owned Enterprises of Yunnan Province, Consultant of Association of Returned Chinese Expatriates of Yunnan Province, Consultant of Association for Overseas Economic Cooperation of Yunnan Province, Committee Member of Yunnan Overseas Association (United Front Department), Overseas Committee Member of Association of Overseas Exchange of Yunnan Province (Overseas Chinese Affairs Office) and Honorary Professor of Kunming Medical College. Mr. Lau graduated from The University of Hong King with a Master of Philosophy Degree in Engineering in 1981.

Mr. Lau is the spouse of Madam Chan Hing Ming, an Executive Director of the Company, and the father of Mr. Lau Kin Tung, Vice Chairman and an Executive Director of the Company. Save as disclosed, Mr. Lau has no relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

Other than holding the directorship in the Company, Mr. Lau is also the director and shareholder of LAUs Holding Co. Ltd., a company incorporated in the British Virgin Islands, which holds as to 52.3% of the shares of the Company; and the director of Jiwa Pharmaceuticals Limited, Jiwa International Limited, Kunming Jida Pharmaceutical Co., Ltd (“Kunming Jida”), Jiwa Rintech Holdings Limited (“Jiwa Rintech”) and Jiangsu Jiwa Rintech Pharmaceutical Company Limited (“JJRP”) subsidiaries of the Company.

Save as disclosed herein, Mr. Lau does not hold any other positions within the Group, and save for the Company, Mr. Lau has not hold any directorship in any listed company in the last three year.

Mr Lau has entered into a service contract with the Company for an initial period of three years commencing 1 April 2003 and shall continue thereafter for successive terms of one year. He is also entitled to a director’s emoluments of HK\$1,834,000 for the year ended 31 March 2008. Mr. Lau’s emoluments are determined with reference to his duties, responsibilities and experience, and to prevailing market conditions.

As at the Latest Practicable Date, Mr. Lau had interest in 1,056,984,000 Shares, representing 65.86% interest in the total issued Shares within the meaning of Part XV of the SFO. Of the 1,056,984,000 Shares, 97,878,000 Shares were beneficially owned by Mr. Lau, 840,000,000 Shares were held by LAUs Holding Co. Ltd., the entire issued share capital of which was held by Mr. Lau, 75,000,000 Shares are held by MINGS Development Holdings Limited which is wholly and beneficially owned by Chan Hing Ming, the spouse of Lau Yau Bor, 44,106,000 Shares are held by Chan Hing Ming as beneficial owner.

Mr. Fung Tze Wa, aged 51, is an Independent Non-executive Director of the Group. Mr. Fung is a certified public accountant and a director of an accounting firm in Hong Kong. Mr. Fung has more than 23 years experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a master degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. Since April 2004, he has also been appointed the Independent Non-Executive director of China Haidan Holdings Limited and New Capital International Investment Limited whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Fung has not held any directorship in any listed public companies in the last three years.

Mr. Fung has no relationship with any directors, senior management or substantial or controlling shareholders of the Company, and he is not a director of any other members of the Group. Save for his directorships as disclosed, Mr. Fung has not hold directorship in any listed company in the last three years.

As at the Latest Practicable Date, Mr. Fung did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Fung has been appointed as an Independent Non-executive Director of the Company since 1 September 2004. The service contract had been renewed for successive terms of one year since him appointment. He is entitled to a director's fee of HK\$100,000 per annum. Mr. Fung's emoluments are determined based on the estimated time spent by him on the Company's matters.

There is nothing which needs to be disclosed pursuant to Rule 13.51(2) sub-paragraphs (h) to (v) of the Listing Rules nor is there anything which needs to be brought to the attention of the shareholders in connection with the above retiring Directors.

NOTICE OF ANNUAL GENERAL MEETING



JIWA BIO-PHARM HOLDINGS LIMITED

積華生物醫藥控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 2327)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Jiwa Bio-Pharm Holdings Limited (the “Company”) will be held at 20th Floor, Central Tower, 28 Queen’s Road Central, Hong Kong, on Tuesday, 26 August 2008 at 3:30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 March 2008.
2. To declare a final dividend for the year ended 31 March 2008.
3. To re-elect retiring directors of the Company and to authorise the board of directors of the Company to fix their remuneration.
4. To re-appoint auditors and to authorise the board of directors of the Company to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without amendments, each of the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in accordance with all applicable laws and regulations and requirements of the Stock Exchange, be and is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of the shares to be repurchased during the Relevant Period pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; 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 bye-laws of the Company or any applicable law to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

6. **“THAT:**

- (a) subject to paragraphs (b) and (c) of this resolution, the granting of an unconditional general mandate to the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the unconditional general mandate under paragraph (a) of this resolution shall not extend the Relevant Period save the directors of the Company may during the Relevant Period make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) during the Relevant Period which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the general mandate in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution) or (ii) any scrip

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dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-Laws of the Company or (iii) any share option scheme of the Company or (iv) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; 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 bye-laws of the Company or any applicable law to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company or issue of options, warrants, or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities), (subject to all cases to such exclusions 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 under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

7. “**THAT** conditional upon the passing of resolutions nos. 5 and 6 as set out in the notice convening the meeting of which this resolution forms part, the general mandate referred to in resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition to the aggregate nominal amount of share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate

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nominal amount of shares in the capital of the Company purchased by the Company since the granting of the said general mandate pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares provided that such amount shall not exceed 10% of the nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”

8. “**THAT**

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in the share capital of the Company to be issued pursuant to the exercise of share options which may be granted under the Scheme Mandate Limit (as defined below), the refreshment of the limit in respect of the granting of share options under the Share Option Scheme of the Company adopted on 24 September 2003 and all other share option scheme(s) up to 10% of the number of Shares in issue at the date of the passing of this resolution (the “**Scheme Mandate Limit**”) be and is hereby approved; and
- (b) any director of the Company be and is hereby authorised to do all such acts and execute all such documents to effect the Scheme Mandate Limit.”

By Order of the Board

Lau Kin Tung

Vice Chairman and Chief Executive Director

Hong Kong, 28 July 2008

Notes:

- 1. The Register of Members of the Company will be closed from Thursday, 21 August 2008 to Tuesday, 26 August 2008 (both days inclusive). During this period, no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer forms of Shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrars in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 20 August 2008.
- 2. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his behalf. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- 3. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company’s branch share registrars in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).