
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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all or transferred all your shares in **Wing Shan International Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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WING SHAN INTERNATIONAL LIMITED

榮山國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 570)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE
ITS OWN SHARES AND TO ISSUE SHARES,
ALTERATIONS TO THE MEMORANDUM OF ASSOCIATION
AND NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Wing Shan International Limited (the "AGM") to be held at Falcon Room I, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong, on Wednesday, 30 May 2007 at 10:00 a.m. is set out on pages 14 to 19 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk).

Whether or not you intend to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Wing Shan International Limited at its registered office in Hong Kong at Rooms 2801-2805, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting should you so wish.

30 April 2007

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DEFINITIONS

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

“AGM”	means the annual general meeting of the Company to be held at Falcon Room I, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Wednesday, 30 May 2007 at 10:00 a.m.;
“AGM Notice”	means the notice convening the AGM as set out on pages 14 to 19 of this circular;
“Articles of Association”	means the existing articles of association of the Company;
“Board”	means the board of directors of the Company;
“Company”	means Wing Shan International Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Stock Exchange;
“Companies Ordinance”	means Companies Ordinance, Chapter 32 of the Laws of Hong Kong;
“Directors”	means the directors of the Company for the time being;
“DZH”	means 佛山德眾藥業有限公司 (Foshan Dezhong Pharmaceutical Co., Ltd.), a sino-foreign joint venture company established in the PRC;
“FDC”	means Foshan Development Company Limited, a controlling shareholder of the Company;
“FLX”	means 佛山馮了性藥業有限公司 (Foshan Feng Liao Xing Pharmaceutical Co., Ltd.), a sino-foreign joint venture company established in the PRC;
“Group”	means the Company and its subsidiaries;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date”	means 24 April 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;

DEFINITIONS

“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum of Association”	means the existing memorandum of association of the Company;
“Ordinary Resolution(s)”	means the proposed ordinary resolution(s) in respect of the special business as referred to in the AGM Notice;
“PRC”	means the People’s Republic of China, and for the purpose of this circular excluding Hong Kong, the Macau Special Administrative Region and Taiwan;
“Shakou JV”	means 佛山市沙口發電廠有限公司 (Foshan Shakou Power Plant Co., Ltd.), a sino-foreign joint venture established in the PRC, which is principally engaged in the generation and sale of electricity in Foshan City, Guangdong Province, PRC;
“Share(s)”	means share(s) of HK\$0.10 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“Share Issue Mandate”	means a general mandate to the Directors to exercise the power of the Company to allot and issue Shares during the period as set out in Ordinary Resolution No. 5 up to 20 per cent. of the issued share capital of the Company as at the date of passing of the Ordinary Resolution No. 5;
“Share Repurchase Mandate”	means a general and unconditional mandate given to the Directors to exercise the power of the Company to repurchase at any time during the period as set out in Ordinary Resolution No. 4 up to 10 per cent. of the issued share capital of the Company at the date of passing of the Ordinary Resolution No. 4;
“Shareholder(s)”	means holder(s) of the Share(s);
“Special Resolution(s)”	means the proposed special resolution(s) in respect of the special business as referred to in the AGM Notice;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	means the Hong Kong Codes on Takeovers and Mergers and Share Repurchases.

LETTER FROM THE BOARD



WING SHAN INTERNATIONAL LIMITED

榮山國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 570)

Non-Executive Director:

Mr. HE Haochang, *Chairman*

Executive Directors:

Mr. LAM Siu Hung, *Managing Director*

Mr. SITU Min,

Chief Financial Officer & Qualified Accountant

Mr. LI Songquan, *Deputy Managing Director*

Registered Office:

Rooms 2801-2805,
China Insurance Group Building,
141 Des Voeux Road Central,
Hong Kong.

Independent Non-Executive Directors:

Mr. CHAN Ting Chuen, David

Mr. NG Pui Cheung, Joseph

Mr. CHEUNG Kin Piu, Valiant

30 April 2007

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE
ITS OWN SHARES AND TO ISSUE SHARES,
ALTERATIONS TO MEMORANDUM OF ASSOCIATION
AND NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you notice of the AGM and the information relating to (i) the re-election of Directors; (ii) the grant of Share Repurchase Mandate; (iii) the grant of the Share Issue Mandate; (iv) the extension of the Share Issue Mandate and (v) the alterations to the Memorandum of Association.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

Pursuant to the Article 101 of the Articles of Association, Messrs. HE Haochang, SITU Min and CHEUNG Kin Piu, Valiant will retire by rotation at the AGM. Pursuant to Article 92 of the Articles of Association, Mr. LI Songquan will hold office until the AGM. The retiring Directors, being eligible, offer themselves for re-election.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular.

3. GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution was passed at the annual general meeting of the Company held on 29 May 2006 whereby a general mandate was given to the Directors to repurchase Shares.

Such general mandate will lapse at the conclusion of the AGM. Therefore, Ordinary Resolution No. 4 will be proposed at the AGM to grant the Share Repurchase Mandate.

In accordance with the Listing Rules, an explanatory statement to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the Share Repurchase Mandate is set out in the Appendix II hereto.

4. GENERAL MANDATE TO ISSUE SHARES

Ordinary resolutions were passed at the annual general meeting of the Company held on 29 May 2006 whereby a general mandate was given to the Directors to issue Shares and to extend the general mandate to issue Shares by adding to it the number of Shares repurchased under the general mandate to repurchase Shares granted to the Directors on 29 May 2006.

Such general mandate will lapse at the conclusion of the AGM. Therefore, Ordinary Resolution No. 5 will be proposed at the AGM to grant to the Directors the Share Issue Mandate in order to ensure flexibility and discretion to the Directors to issue any Shares. In addition, Ordinary Resolution No. 6 will be proposed to extend the general mandate to issue Shares by adding to it the number of Shares repurchased under the Share Repurchase Mandate.

5. ALTERATIONS TO THE MEMORANDUM OF ASSOCIATION

In September 2006, the Company acquired 51% equity interest in DZH and FLX, both being sino-foreign joint venture companies established in the PRC. DZH and FLX are principally engaged in the production and sale of Chinese medicine and pharmaceutical products in the PRC. The Directors considered that the aforesaid acquisition represents a good opportunity for the Group to diversify its business into the pharmaceutical sector. Details of the aforesaid acquisition are set out in the announcement issued by the Company

LETTER FROM THE BOARD

on 22 August 2006. In December 2006, the Company disposed of its 80% equity interest in Shakou JV. Details of the aforesaid disposal are set out in the announcement issued by the Company on 7 November 2006.

In order to reflect more accurately the current business activities of the Company, the Board proposed that the provisions of the third clause of the Memorandum of Association be altered to enable the Company to further expand the scope of some of the objects specified therein.

The proposed alterations to be made to the Memorandum of Association are to conform to the followings:

- | | | |
|-----|--|--|
| (A) | existing sub-clause (34)
(re-numbered as sub-clause (1)) | To stipulate clearly the specific object to carry on business of a holding company in all its branches. |
| (B) | existing sub-clause (36)
(re-numbered as sub-clause (2)) | To stipulate clearly the specific object to acquire, own, hold, sell and deal in securities of all kinds issued or guaranteed by any company or organization. |
| (C) | existing sub-clause (21)
(re-numbered as sub-clause (23)) | To stipulate clearly the specific object to carry on the business of traders, designers, sellers, manufacturers, importers, and exporters and dealers, distributors and to act as agent in all kinds of medicine, drugs, chemicals, acids, salts, alkalis, antibiotics, pharmaceutical, medicinal and chemical preparations, articles and compounds (whether of animal, vegetable or mineral origin), dyes, cosmetics, paints, pigments, oils, varnishes, resins, synthetic and man-made materials and fabrics of whatsoever nature and products of all kinds. |
| (D) | new sub-clause (24) | To specify a new object to establish, provide and conduct or otherwise subsidize research laboratories and experimental workshops for pharmaceutical, scientific and technical research and experiments. |

Your attention is drawn to Special Resolution No. 7 set out in the AGM Notice to approve alterations to the Memorandum of Association.

6. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 14 to 19 of this circular to consider the resolutions relating to, inter alia, the re-election of Directors, the Share Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate and the alterations to the Memorandum of Association.

LETTER FROM THE BOARD

7. ACTIONS TO BE TAKEN

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). Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the registered office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM. Completion and deposit of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

8. PROCEDURE FOR DEMAND A POLL

Pursuant to the Article 73 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless a poll is (before or on the declaration of the result of the show of hands) demanded:–

- (a) by the Chairman; or
- (b) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by any member or members present in person 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.

9. RECOMMENDATION

The Directors believe that the re-election of Directors, the Share Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate and the alterations to the Memorandum of Association are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board of Directors
Wing Shan International Limited
HE Haochang
Chairman

The biographical details of the four Directors proposed to be re-elected at the AGM are set out as follows:–

Mr. HE Haochang, aged 56, was appointed to the Board in February 2001. Mr. HE has been the Chairman and Managing Director since 19 July 2001. Mr. HE resigned as the Managing Director and has been re-designated as a non-executive Director on 1 April 2007. Mr. HE remains as the Chairman of the Company. Mr. HE is also the member of remuneration committee of the Company. Educated in the PRC, Mr. HE is experienced in the management of joint-venture enterprises in the PRC. At present, Mr. HE is also the Chairman of FDC. Save as disclosed above, Mr. HE has not held directorship in other listed public companies in the past three years or any other positions with the Company and other members of the Company's Group.

As at the Latest Practicable Date, Mr. HE together with his associates have beneficial interest in 10,317,079 Shares in the Company (representing 6,117,079 Shares and share option to subscribe for 4,200,000 Shares) within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Mr. HE does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Mr. HE has been appointed for a specific term, subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with provisions of the Articles of Association. Mr. HE is appointed for a period of two years up to 31 March 2009 or such later date(s) as agreed by him and the Company. For the year ending 31 December 2007, Mr. HE will receive a Director's fee of HK\$100,000 which was approved by the Shareholders on 22 May 2002 and salary remuneration of HK\$105,000 for three months up to 31 March 2007 in accordance with the terms of the service contract having regard to his duties and responsibilities with the Company, the Company's performance and prevailing market conditions.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. SITU Min, aged 37, was appointed to the Board in September 2001. Mr. SITU is the Chief Financial Officer and the Qualified Accountant of the Company and the director of a number of subsidiaries of the Company. Mr. SITU is responsible for the Group's financial planning and management, overseeing all its financial matters. Mr. SITU is a member of the Association of Chartered Certified Accountants and is also a member of Chinese Institute of Certified Public Accountants. Mr. SITU has experience in auditing and financial management. He had worked as the Manager of Finance Department of FDC. Save as disclosed above, Mr. SITU has not held directorship in other listed public companies in the past three years or any other positions with the Company and other members of the Company's Group.

As at the Latest Practicable Date, Mr. SITU has beneficial interest in 3,800,000 Shares in the Company (representing share option to subscribe for 3,800,000 Shares) within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Mr. SITU does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Mr. SITU has a service contract with the Company for a term of two years commencing on 1 March 2003 which will continue thereafter until terminated by either party to the agreement at six month's notice. He is also subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with provisions of the Articles of Association. For the year ending 31 December 2007, Mr. SITU will receive a Director's fee of HK\$100,000 which was approved by the Shareholders on 22 May 2002 and salary remuneration of HK\$455,000 in accordance with the terms of the service contract having regard to his duties and responsibilities with the Company, the Company's performance and prevailing market conditions.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. LI Songquan, age 30, was appointed to the Board in January 2007. Mr. LI was appointed as the Deputy Managing Director on 1 April 2007. Mr. LI is also the director of a number of subsidiaries of the Company. Mr. LI graduated from South China University of Technology. Mr. LI has held offices within the regime of state-owned enterprises of Foshan City throughout the years other than FDC. Mr. LI has participated in the reform, reorganization, acquisition, merger and listing of state-owned enterprises of Foshan City and has definite experience in corporate management and capital operation. Save as disclosed above, Mr. LI has not held directorship in other listed public companies in the past three years or any other positions with the Company and other members of the Company's Group.

As at the Latest Practicable Date, Mr. LI has no interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Mr. LI does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Mr. LI has a service contract with the Company for a term of two years commencing on 1 April 2007 which will continue thereafter until terminated by either party to the agreement at six month's notice. He is also subject to retirement and re-election at the first general meeting following his appointment and thereafter is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. For the year ending 31 December 2007, Mr. LI will receive a Director's fee of HK\$100,000 which was approved by the Shareholders on 22 May 2002 and salary remuneration of HK\$341,250 in accordance with the terms of the service contract having regard to his duties and responsibilities with the Company, the Company's performance and prevailing market conditions.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. CHEUNG Kin Piu, Valiant, aged 61, was appointed to the Board in March 2004 and is a member of the audit committee and remuneration committee of the Company. Mr. CHEUNG was a partner at KPMG, a leading international accounting firm in Hong Kong, until his retirement in March 2001. Mr. CHEUNG has extensive experience in assurance and corporate finance work, particularly in trading and manufacturing corporations in Hong Kong and the PRC and has assisted a number of companies in obtaining stock exchange listings in Hong Kong, the PRC, Singapore and the United States. In addition, Mr. CHEUNG has provided financial advisory and due diligence services to foreign investors on investments in the PRC. Mr. CHEUNG is a fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. CHEUNG is currently an independent non-executive director of Dream International Limited (Stock Code: 1126) and Pacific Century Premium Developments Limited (Stock Code: 432), both public companies whose shares are listed on the Stock Exchange. Further, Mr. CHEUNG is also an independent non-executive director of The Bank of East Asia (China) Limited which is incorporated in the PRC and is a wholly owned subsidiary of The Bank of East Asia, Limited whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. CHEUNG has not held directorship in other listed public companies in the past three years or any other positions with the Company and other members of the Company's Group.

As at the Latest Practicable Date, Mr. CHEUNG has no interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, Mr. CHEUNG does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Mr. CHEUNG was appointed for a specific term, subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with provisions of the Articles of Association. Mr. CHEUNG is appointed for a period of two years up to 14 March 2008 or such later date(s) as agreed by him and the Company. For the year ending 31 December 2007, Mr. CHEUNG will receive a Director's fee of HK\$100,000 which was approved by the Shareholders on 22 May 2002.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Share Repurchase Mandate and also constitutes the memorandum as required under Section 49BA(3) of the Companies Ordinance.

1. LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange or on any other stock exchange on which the shares of the companies may be listed and recognised for the purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

- (a) The shares proposed to be purchased by the company are fully-paid up.
- (b) The company has previously sent to its shareholders an explanatory statement complying with the Listing Rules.
- (c) The shareholders of the company have given a specific approval or a general mandate to the directors of the company to make such purchase, by way of an ordinary resolution which complies with the Listing Rules and which has been passed at a general meeting of the company duly convened and held and the company has delivered a copy of such resolution, together with the necessary supporting documentation, to the Stock Exchange in accordance with the Listing Rules.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 830,146,244 Shares.

Subject to the passing of the Ordinary Resolution No. 4 set out in the AGM Notice and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase up to a limit of 83,014,624 Shares.

3. REASON FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders. 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.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the Listing Rules and the applicable laws of Hong Kong. Any repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, being distributable profits of the Company or the proceeds of a fresh issue of shares made for such purpose.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report for the year ended 31 December 2006) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels 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 during each of the twelve months preceding the Latest Practicable Date were as follows:—

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2006		
April	0.3400	0.2550
May	0.3050	0.2800
June	0.2950	0.2650
July	0.3100	0.2650
August	0.3300	0.2650
September	0.3200	0.2500
October	0.3700	0.2850
November	0.3500	0.2900
December	0.4200	0.3100
2007		
January	0.3750	0.3250
February	0.5200	0.3300
March	0.5500	0.3400
April (up to the Latest Practicable Date)	0.5200	0.4350

6. GENERAL

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

If as a result of a share repurchase, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, (i) FDC together with parties acting in concert with it are beneficially interested in 321,117,079 Shares representing approximately 38.68 per cent. of the issued share capital of the Company; and (ii) Madam YIP Siu Chun together with her associates (as defined in the Listing Rules) are beneficially interested in 290,196,037 Shares representing approximately 34.96 per cent. of the issued share capital of the Company. In the event that the Share Repurchase Mandate were exercised in full, the shareholding of FDC together with parties acting in concert with it and Madam YIP Siu Chun together with her associates would be increased to approximately 42.98 and 38.84 per cent. of the issued share capital of the Company respectively, assuming that the 321,117,079 Shares and 290,196,037 Shares held as mentioned above remains unchanged. Then, each of FDC together with the parties acting in concert with it and Madam YIP Siu Chun together with her associates could be required under Rule 26 of the Takeovers Code to make a mandatory offer in respect of all the issued shares of the Company by reason of such increase. Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchases made under the Share Repurchase Mandate. Further, such full exercise of the Share Repurchase Mandate would cause the Shares held in the hands of the public to fall below the minimum requirement to approximately 18.18 per cent. of the issued share capital of the Company. The Directors will use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to the extent that the number of Shares held by the public would be reduced to less than 25 per cent. of the issued share capital of the Company. The Directors have no intention to exercise the Share Repurchase Mandate which may result in possible mandatory offer being made under the Takeovers Code.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), presently intend to sell any Shares to the Company under the Share Repurchase Mandate in the event that the Share Repurchase Mandate is approved by the shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

7. SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, there was no repurchase of its Shares made by the Company (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



WING SHAN INTERNATIONAL LIMITED

榮山國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 570)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that annual general meeting of Wing Shan International Limited (“the Company”) will be held at Falcon Room I, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong, on Wednesday, 30 May 2007 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited statement of accounts and the reports of the directors and independent auditors for the year ended 31 December 2006.
2. To re-elect directors.
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration.

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

ORDINARY RESOLUTIONS

4. **“THAT:**
 - (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent. of the

NOTICE OF ANNUAL GENERAL MEETING

aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution, and 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 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 Companies Ordinance (Cap.32 of the Laws of Hong Kong) (the “Companies Ordinance”) to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

5. **“THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to 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) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorize the Directors during the Relevant Period to make and 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) 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 (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares in the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; or (iii) an issue of shares in the Company upon the exercise of subscription or conversion rights under the terms of any existing warrants, bonds, debentures, notes and other securities

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of the Company which carry rights to subscribe for or are convertible into shares of the Company; or (iv) an issue of shares in the Company as scrip dividends pursuant to the articles of association of the Company from time to time, shall not exceed 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 the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting;

“Rights Issue” means an offer of shares of the Company or issue of option, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company 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 such exclusions or other arrangements 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 applicable to the Company).”

6. “**THAT** conditional upon the passing of Ordinary Resolutions Nos. 4 and 5 set out in the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot shares pursuant to said Ordinary Resolution No. 5 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 4, provided that such extended amount shall not exceed 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.”

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As special business to consider and, if thought fit, pass, with or without modifications, the following resolution as a special resolution:

SPECIAL RESOLUTION

7. **“THAT** the third clause of Memorandum of Association of the Company be and are hereby altered in the following manner:

(A) existing sub-clause (34)

- (i) by re-numbering existing sub-clause (34) as sub-clause (1); and
- (ii) by deleting sub-clause (1) (re-numbered in accordance with the foregoing) in its entirety and substituting therefor the following new sub-clause (1):

“(1) To carry on the business of a holding company in all its branches and to co-ordinate the policy and administration of any subsidiary company or companies or of any group of companies of which the Company or any subsidiary company is a member or which are in any manner controlled by the Company.”.

(B) existing sub-clause (36)

- (i) by re-numbering existing sub-clause (36) as sub-clause (2); and
- (ii) by deleting sub-clause (2) (re-numbered in accordance with the foregoing) in its entirety and substituting therefor the following new sub-clause (2):

“(2) To acquire, own, hold, sell and deal in shares, stocks, debentures, debenture stock, options, bonds, obligations and securities of all kinds issued or guaranteed by any company or organization in or of any country in the world.”.

(C) existing sub-clauses (1) to (20)

by re-numbering existing sub-clauses (1) to (20) as sub-clauses (3) to (22) respectively.

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(D) existing sub-clause (21)

- (i) by re-numbering existing sub-clause (21) as sub-clause (23); and
- (ii) by deleting sub-clause (23) (re-numbered in accordance with the foregoing) in its entirety and substituting therefor the following new sub-clause (23):

“(23) To carry on the business of traders, designers, sellers, manufacturers, importers, and exporters of and dealers, distributors and to act as agent in all kinds of medicine, drugs, chemicals, acids, salts, alkalis, antibiotics, pharmaceutical, medicinal and chemical preparations, articles and compounds (whether of animal, vegetable or mineral origin), dyes, cosmetics, paints, pigments, oils, varnishes, resins, synthetic and man-made materials and fabrics of whatsoever nature and products of all kinds, and all of any materials and things used for or in connection with the manufacture creation or design of such products and all or any articles and things from time to time usually made or sold as associated with or auxiliary to the business of such manufacturers and dealers as aforesaid, or for which the machinery, plant, and staff of such manufacturers and dealers as aforesaid may be conveniently used.”.

(E) new sub-clause (24)

by inserting the following new sub-clause (24):

“(24) To establish, provide and conduct or otherwise subsidize research laboratories and experimental workshops for pharmaceutical, scientific and technical research and experiments; to undertake and carry on pharmaceutical, scientific and technical research experiments and tests of all kinds; to promote studies and researches, pharmaceutical, scientific and technical investigations and inventions by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, meeting and syndicates, chambers of commerce and trade conferences, and by providing or contributing to the remuneration of pharmaceutical, scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, research, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorized to carry on.”.

(F) existing sub-clauses (22) to (33)

by re-numbering the existing sub-clauses (22) to (33) as sub-clauses (25) to (36) respectively.

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(G) existing sub-clause (35)

by re-numbering the existing sub-clause (35) as sub-clause to (37).

(H) existing sub-clauses (37) to (71)

by re-numbering the existing sub-clauses (37) to (71) as sub-clauses to (38) to (72) respectively.”

By Order of the Board of Directors
HUEN Po Wah
Company Secretary

Hong Kong, 30 April 2007

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the registered office of the Company at Rooms 2801-2805, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. The register of members of the Company will be closed from Friday, 25 May 2007 to Wednesday, 30 May 2007, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-6, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 23 May 2007.
4. With regard to items 2 and 4 to 7 set out in the notice, a circular giving details of the re-election of Directors, general mandates to repurchase shares and issue shares and alterations of the memorandum of association of the Company will be despatched to shareholders on 30 April 2007. The biographical details of the retiring directors of the Company who are proposed to be re-elected at the above meeting are set out in Appendix I to the circular.
5. As at the date of this notice, the board of directors of the Company comprise 7 directors, of which Mr. HE Haochang is non-executive director of the Company, Mr. LAM Siu Hung, Mr. SITU Min and Mr. LI Songquan are executive directors of the Company, Mr. CHAN Ting Chuen, David, Mr. NG Pui Cheung, Joseph and Mr. CHEUNG Kin Piu, Valiant are independent non-executive directors of the Company.