
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 what action to take in relation to this circular, you should consult your licensed securities dealer or other registered securities institutions, bank manager, solicitor, certified public accountant or other professional adviser.

If you have sold or transferred all your shares in **Shanghai Haohai Biological Technology Co., Ltd.**, you should at once hand this circular and the enclosed proxy form and reply slip to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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Shanghai Haohai Biological Technology Co., Ltd.*

上海昊海生物科技股份有限公司

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

(Stock Code: 6826)

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015**
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2015**
- (3) ELECTION OF DIRECTORS OF THE THIRD SESSION OF THE BOARD**
- (4) ELECTION OF SUPERVISORS OF THE THIRD SESSION OF THE SUPERVISORY COMMITTEE**
- (5) FINANCIAL REPORTS FOR 2015**
- (6) PROFIT DISTRIBUTION PROPOSAL FOR 2015**
- (7) ENGAGEMENT OF DOMESTIC AUDITOR AND INTERNATIONAL AUDITOR OF THE COMPANY FOR 2016**
- (8) CHANGE IN USE OF PROCEEDS FROM THE GLOBAL OFFERING**
- (9) GENERAL MANDATE TO REPURCHASE H SHARES**
- (10) GENERAL MANDATE TO ISSUE SHARES**
- (11) NOTICE OF 2016 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING**
- (12) NOTICE OF 2016 FIRST H SHAREHOLDERS' CLASS MEETING AND**
- (13) NOTICE OF 2015 ANNUAL GENERAL MEETING**

Notices convening the 2016 first Domestic Shareholders' Class Meeting, the 2016 first H Shareholders' Class Meeting and the 2015 AGM to be held at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC on Friday, June 3, 2016 at 9:30 a.m., 10:00 a.m. and 10:30 a.m., respectively are set out on pages 36 to 51 of this circular.

A reply slip and a form of proxy for use at the said meetings are enclosed and are also published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.3healthcare.com). Whether or not you intend to attend the Class Meetings and the AGM, you are requested to complete and return (i) the respective reply slips in accordance with the instructions printed thereon no later than Friday, May 13, 2016; and (ii) the respective forms of proxy in accordance with the instructions printed thereon not less than 24 hours before the time appointed for the holding of the relevant meeting or any adjournment thereof (as the case may be). Completion and return of the respective form of proxy will not prevent you from attending and voting in person at the said meetings or any adjournment thereof should you so wish.

** For identification purpose only*

April 15, 2016

CONTENTS

	<i>page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015	16
APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2015 ...	21
APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING	23
APPENDIX IV DETAILS OF SUPERVISORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING	30
APPENDIX V EXPLANATORY STATEMENT	32
NOTICE OF 2016 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING	36
NOTICE OF 2016 FIRST H SHAREHOLDERS' CLASS MEETING	40
NOTICE OF 2015 ANNUAL GENERAL MEETING	44

DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“AGM” or “Annual General Meeting”	the 2015 annual general meeting of the Company to be held at Rose Hall, Rainbow Hotel, 2000 Yan’an West Road, Shanghai, PRC at 10:30 a.m. on Friday, June 3, 2016 or any adjournment thereof for the purpose of, considering and, if thought fit, approving the resolutions contained in the notice of the 2015 annual general meeting which is set out on pages 44 to 51 of this circular
“Articles of Association”	the articles of association of Shanghai Haohai Biological Technology Co., Ltd. currently in force
“Board” or “Board of Directors”	the board of Directors of the Company
“Class Meeting(s)”	the Domestic Shareholders’ Class Meeting and the H Shareholders’ Class Meeting, collectively
“Company”, “We” or “Haohai Biological”	Shanghai Haohai Biological Technology Co., Ltd. (上海昊海生物科技股份有限公司), a joint stock company with limited liability incorporated in the PRC and its H shares are listed on the Stock Exchange (Stock Code: 6826)
“Company Law”	the Company Law of the People’s Republic of China promulgated and adopted by the Standing Committee of the Eighth National People’s Congress on December 29, 1993 and enforced on July 1, 1994 (as amended, supplemented or otherwise modified from time to time) and the latest amendment of the Company Law took effect on March 1, 2014
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded in any stock exchange
“Domestic Shareholders’ Class Meeting”	the 2016 first domestic shareholders’ class meeting of the Company to be held at Rose Hall, Rainbow Hotel, 2000 Yan’an West Road, Shanghai, PRC at 9:30 a.m. on Friday, June 3, 2016 or any adjournment thereof for the purpose of considering and approving the Repurchase Mandate
“Global Offering”	the placing and public offer of the Company’s H Shares for the listing on the Main Board of the Stock Exchange

DEFINITIONS

“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Main Board of the Stock Exchange and traded in Hong Kong dollars
“H Shareholders’ Class Meeting”	the 2016 first H Shareholders’ class meeting of the Company to be held at Rose Hall, Rainbow Hotel, 2000 Yan’an West Road, Shanghai, PRC at 10:00 a.m. on Friday, June 3, 2016 or any adjournment thereof for the purpose of considering and approving the Repurchase Mandate
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent non-executive director(s) of the Company
“Latest Practicable Date”	April 11, 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
“Listing Date”	April 30, 2015, on which the H Shares are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Meetings”	the Domestic Shareholders’ Class Meeting, H Shareholders’ Class Meeting and the AGM, collectively
“PRC”	the People’s Republic of China which, for the purpose of this circular only, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus issued by the Company on April 20, 2015
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Reporting Period”	the 12-month period from January 1, 2015 to December 31, 2015

DEFINITIONS

“Repurchase Mandate”	the general mandate to be granted to the Board at the AGM and the Class Meetings to exercise the power of the Company to repurchase H Shares not exceeding 10% of the total number of the H Shares in issue at the time when the relevant resolution proposed for granting such mandate for repurchasing H Shares is passed at the AGM and the Class Meetings, respectively
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Jianhua”	Shanghai Jianhua Fine Biological Products Company Limited (上海建華精細生物製品有限公司), a company established in the PRC on October 20, 1993 and converted into a limited liability company on August 14, 1995, which is a direct wholly-owned subsidiary of the Company
“Shanghai Likangrui”	Shanghai Likangrui Biological Engineering Company Limited (上海利康瑞生物工程有限公司), a limited liability company established in the PRC on September 3, 2001, which is a direct wholly-owned subsidiary of the Company
“Shanghai Qisheng”	Shanghai Qisheng Biologics Company Limited (上海其勝生物製劑有限公司), a company established in the PRC on May 27, 1992, converted into a joint-stock cooperative enterprise on July 10, 1995 and further converted into a limited liability company on March 28, 2001, which is a direct wholly-owned subsidiary of the Company
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Domestic Shares and H Shares
“Shareholder(s)”	shareholder(s) of the Company
“Shareholders’ Class Meeting”	the Domestic Shareholders’ Class Meeting and the H Shareholders’ Class Meeting
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs

LETTER FROM THE BOARD



Shanghai Haohai Biological Technology Co., Ltd.*

上海昊海生物科技股份有限公司

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

(Stock Code: 6826)

Executive Directors:

Dr. Hou Yongtai (*Chairman*)
Mr. Wu Jianying (*General manager*)
Mr. Huang Ping (*Secretary of the Board and
the joint company secretary*)
Ms. Chen Yiyi

Non-executive Directors:

Ms. You Jie
Mr. Gan Renbao

Independent non-executive Directors:

Mr. Chen Huabin
Mr. Shen Hongbo
Mr. Li Yuanxu
Mr. Zhu Qin
Mr. Wong Kwan Kit

Registered office:

No. 5 Dongjing Road
Songjiang Industrial Zone
Shanghai, China

*Headquarters and principal place
of business in the PRC:*

4/F, Block 2, Alley 139
Anshun Road, Changning District,
Shanghai, China

Principal place of business in Hong Kong:

Suite 5501, 55th Floor
Central Plaza
18 Harbour Road
Wanchai, Hong Kong

April 15, 2016

To the Shareholders

Dear Sir/Madam,

- (1) WORK REPORT OF BOARD OF DIRECTORS FOR 2015**
- (2) WORK REPORT OF SUPERVISORY COMMITTEE FOR 2015**
- (3) ELECTION OF DIRECTORS OF THE THIRD SESSION OF THE BOARD**
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THE SUPERVISORY COMMITTEE**
- (5) FINANCIAL REPORTS FOR 2015**
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LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you notice of the AGM (set out on pages 44 to 51 of this circular) and provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

At the AGM, ordinary resolutions will be proposed to approve, among others, (i) the work report of the Board of Directors of the Company for 2015 (the “2015 Work Report of the Board”); (ii) the work report of the Supervisory Committee of the Company for 2015 (the “2015 Work Report of the Supervisory Committee”); (iii) the election of Directors of the Third Session of the Board; (iv) the election of Supervisors of the Third Session of the Supervisory Committee; (v) the financial reports of the Company for 2015 (the “2015 Financial Reports”); (vi) the profit distribution proposal of the Company for 2015 (the “2015 Profit Distribution Proposal”); (vii) engagement of domestic auditor and international auditor of the Company for 2016 and authorize the Board to determine their respective remuneration and (viii) change in use of proceeds from the Global Offering. Special resolutions will be proposed to approve (i) the general mandate to repurchase H Shares; and (ii) the general mandate to issue Shares.

ORDINARY RESOLUTIONS:

1. 2015 Work Report of the Board

An ordinary resolution will be proposed at the AGM to approve the 2015 Work Report of the Board. Details of the aforesaid report of the Board are set out in Appendix I of this circular.

The 2015 Work Report of the Board was considered and approved by the Board on March 18, 2016 and is hereby proposed at the AGM for consideration and approval.

2. 2015 Work Report of the Supervisory Committee

An ordinary resolution will be proposed at the AGM to approve the 2015 Work Report of the Supervisory Committee. Details of the aforesaid work report of the Supervisory Committee are set out in Appendix II of this circular.

The 2015 Work Report of the Supervisory Committee was considered and approved by the Supervisory Committee on March 18, 2016 and is hereby proposed at the AGM for consideration and approval.

3. Election of Directors of the Third Session of the Board

The Second Session of the Board was established on July 23, 2013 and the term of three years will expire soon. The Company proposes to establish the Third Session of the Board according to the Articles of Association and the relevant regulatory requirements. At the 25th meeting of the Second Session of the Board held on March 18, 2016, the Board considered and approved the “Proposal on the Nomination of the Candidates for Directors of the Third Session of the Board”, and agreed to nominate Dr. Hou Yongtai, Mr. Wu Jianying, Mr. Huang Ping and Ms. Chen Yiyi as candidates for

LETTER FROM THE BOARD

executive Directors of the Third Session of the Board, nominate Ms. You Jie and Mr. Gan Renbao as candidates for non-executive Directors of the Third Session of the Board, and nominate Mr. Chen Huabin, Mr. Shen Hongbo, Mr. Li Yuanxu, Mr. Zhu Qin and Mr. Wong Kwan Kit as candidates for independent non-executive Directors of the Third Session of the Board.

According to the Articles of Association and the regulatory requirements, the Board shall consist of 5-19 Directors, of which the number of independent non-executive Directors shall be more than one-third of the Board. The Shareholders and other parties who are entitled to nominate shall select other candidates for Directors in an appropriate way and submit to the Board and general meeting for approval as soon as possible.

In the event that the above-mentioned candidates for Directors are elected as Directors of the Company, their terms of office will be three years from the date of the approval of this resolution at the AGM. Biographical details of each of the candidates for Directors proposed to be elected at the AGM are set out in Appendix III to this circular.

4. Election of Supervisors of the Third Session of the Supervisory Committee

The Second Session of the Supervisory Committee was established on July 23, 2013 and the term of three years will expire soon. The Company proposes to establish the Third Session of the Supervisory Committee according to the Articles of Association and the relevant regulatory requirements. Non-employee representative Supervisors of the Company shall be elected by the Shareholders at the general meeting. At the 7th meeting of the Second Session of the Supervisory Committee held on March 18, 2016, the Supervisory Committee considered and approved the “Proposal on the Nomination of the Candidates for the Supervisors of the Third Session of the Supervisory Committee”, and agreed to nominate Mr. Liu Yuanzhong, Ms. Yang Qing, Mr. Tang Yuejun as candidates for Supervisors of the Third Session of the Supervisory Committee. It is intended that the Third Session of the Supervisory Committee will comprise five persons, of which the election of employee representative Supervisors shall be conducted at the employee’s representative meeting to be convened by the Company.

In the event that the above-mentioned candidates for Supervisors are elected as Supervisors of the Company, their terms of office will be three years from the date of the approval of this resolution at the AGM. Biographical details of each of the candidates for the Supervisors proposed to be elected at the AGM are set out in Appendix IV to this circular. The biographical details of the employee representative Supervisors will be disclosed by way of announcement upon conclusion of the employees’ representative meeting convened by the Company.

If the candidates for Directors or Supervisors are elected at the AGM, the Company will enter into service contracts with them respectively. Resolutions will be proposed at the AGM to authorize the Board to determine the remuneration of the elected Directors or Supervisors, and enter into service contracts with the elected Directors and Supervisors.

5. 2015 Financial Reports

An ordinary resolution will be proposed at the AGM to approve the 2015 Financial Reports. Details of the aforesaid financial reports are set out in annual report of the Company for the year ended December 31, 2015 issued on April 15, 2016.

LETTER FROM THE BOARD

The 2015 Financial Reports were considered and approved by the Board on March 18, 2016 and are hereby proposed at the AGM for consideration and approval.

6. 2015 Profit Distribution Proposal

The Board proposed to pay a final dividend of RMB64,018,120 (representing RMB0.40 per Share) (tax inclusive) for the year ended December 31, 2015 to the Shareholders and an ordinary resolution will be proposed at the AGM to consider and approve such profit distribution proposal. The final dividends will be denominated and declared in RMB. Dividends on Domestic Shares will be paid in RMB and dividends on H Shares will be paid in Hong Kong dollars.

The proposal has been considered and approved by the Board on March 18, 2016, and will be proposed for consideration and approval as an ordinary resolution at the AGM.

7. Resolution on engagement of domestic auditor and international auditor of the Company for 2016

The Board proposes that Ernst & Young Hua Ming LLP be appointed as the domestic auditors for the Company in 2016, responsible for providing relevant domestic auditing service in accordance with China Accounting Standards for Business Enterprises with a term of one year until the conclusion of the 2016 annual general meeting, and to authorise the Board to fix their remuneration. The Board proposes that Ernst & Young be appointed as the international auditors for the Company in 2016, responsible for providing relevant international auditing and reviewing service in accordance with the International Financial Reporting Standards with a term of one year until the conclusion of the 2016 annual general meeting, and to authorise the Board to fix their remuneration. The proposal on engagement of domestic and international auditors has been considered and approved by the Board on March 18, 2016 and will be proposed for consideration and approval at the AGM as an ordinary resolution.

8. Change in Use of Proceeds from the Global Offering

The H shares of the Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited on April 30, 2015 and the net proceeds from the Global Offering was approximately HK\$2,274.66 million ("Net Proceeds"). As at February 29, 2016, an aggregate of approximately HK\$369.64 of the Net Proceeds had been used by the Group, and approximately HK\$1,803.34 million (equivalent to approximately RMB1,424.64 million) remain unutilized.

It was disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and in the Company's announcement of allotment results dated April 29, 2015 that the Company intended to use the net proceeds of the Global Offering for the following purposes:

1. approximately 25% of the Net Proceeds will be used to construct new production lines at Shanghai Likangrui, including the new production facilities for animal origin fibrin sealant products and biomedical materials to meet the continually increasing demand for the Group's products ("Constructing New Production Lines at Shanghai Likangrui");

LETTER FROM THE BOARD

2. approximately 25% of the Net Proceeds will be used to selectively acquire suitable biopharmaceutical or biomedical materials companies or assets with a focus on products that have high growth potentials within the Group's target therapeutic areas and products complementary to the Group's existing product portfolio ("Acquiring Suitable Businesses");
3. approximately 18% of the Net Proceeds will be used to purchase new production equipment, as well as to renovate and upgrade the Haohai Biological facility ("Purchasing New Production Equipment");
4. approximately 13% of the Net Proceeds will be used to fund research and development activities and clinical applications for the Group's pipeline products, including the thermal-sensitive chitosan products and new generation of cross-linked sodium hyaluronate products ("Funding R&D Activities");
5. approximately 9% of the Net Proceeds will be used to expand the Group's sales and marketing network by hiring additional marketing and sales personnel, commercialize those pipeline products successfully developed, and increase the level of marketing and promotional activities ("Expanding Sales and Marketing Network"); and
6. approximately 10% of the Net Proceeds will be used for working capital and general corporate purposes ("Working Capital").

The use of Net Proceeds of the Company as of February 29, 2016 is summarized as follow:

	Proposed Allocation on the Use of Net Proceeds		Utilized Net Proceeds up to February 29, 2016	Remaining Balance of Unutilized Net Proceeds
	<i>(approximately HK\$ million)</i>	<i>(approximately RMB million)</i>	<i>(approximately RMB million)</i>	<i>(approximately RMB million)</i>
Constructing New Production Lines at Shanghai Likangrui	568.67	448.57	12.93	435.64
Acquiring Suitable Businesses	568.67	448.57	214.45	234.12
Purchasing New Production Equipment	409.44	322.97	5.96	317.01
Funding R&D Activities	295.71	233.26	3.84	229.42
Expanding Sales and Marketing Network	204.72	161.49	0.00	161.49
Working Capital	227.45	179.42	132.46	46.96
Total	<u>2,274.66</u>	<u>1,794.28</u>	<u>369.64</u>	<u>1,424.64</u>

LETTER FROM THE BOARD

On March 18, 2016, the Board has resolved to reallocate and change the use of the remaining balance of unutilized Net Proceeds (the “Proposed Reallocation”) as particularized below:

	Proposed Reallocation <i>(approximately RMB million)</i>	Approximate Percentage of the Remaining Balance of Unutilized Net Proceeds
(i) Constructing new research and development centers, management centers and pharmaceutical and medical device development centers, purchasing or constructing new production lines and new production equipment, and renovating and reforming production lines and production equipment at the production facilities of the Group	427.39	30%
(ii) Selectively acquiring or investing in suitable biomaterials, pharmaceutical or medical devices companies and companies providing medical and consulting services, as well as assets or business with a focus on upstream or downstream products which are complementary to the Group’s existing and potential product portfolio, and setting up and injecting additional capital into subsidiaries of the Group for conducting biomaterials, pharmaceutical or medical device business and medical and consulting services	783.55	55%
(iii) Working capital of the Company and its subsidiaries and general corporate purposes	213.70	15%
Total	<u>1,424.64</u>	<u>100%</u>

REASONS FOR THE PROPOSED REALLOCATION

Change in production needs

The Company notes that the construction of new production lines and production facilities at Shanghai Likangrui has been basically completed, and the Group is in the process of applying for the drug manufacturing permits and Good Manufacturing Practices (“GMP”) certificates for Shanghai Likangrui. The Company does not expect to incur material capital expenditures for the new production lines of Shanghai Likangrui before the permits and GMP certificates are expected to be obtained in early 2018. On the other hand, the Group envisages the funding needs for constructing, developing and optimizing the production facilities owned by the Company and other PRC subsidiaries of the Group in response to market changes.

LETTER FROM THE BOARD

As such, the Company intends to combine the unutilized Net Proceeds from Constructing New Production Lines at Shanghai Likangrui and Purchasing New Production Equipment and reallocate them for constructing new research and development centers, management centers and pharmaceutical and medical device development centers, purchasing or constructing new production lines and new production equipment and renovating and reforming production lines and production equipment at the production facilities of the Group.

Change in acquisition strategies

The State Council has recently called for the innovation and upgrading of the medical and pharmaceutical industry in the PRC. In response to the new policy of the State Council and to cope with the fast changing market conditions, the Group is actively looking for potential acquisition or investment targets which can bring synergies with the products of the Group. On the other hand, the Net Proceeds allocated for Funding R&D Activities and for Expanding Sales and Marketing Network remains largely unutilized. This is due to fact that limited research and development activities as well as sales and market activities have been undertaken by the Group itself since the Listing, and the current funds required for such activities can be effectively covered by the revenue and profits generated by the Group's day-to-day operations.

To better utilize the Net Proceeds, the Company intends to combine the unutilized Net Proceeds originally allocated for Funding R&D Activities and Expanding Sales and Marketing Network and reallocate them to accommodate the adjusted acquisition strategies of the Group. In addition, the Group aims to take advantage of acquiring potential targets with outstanding research and development capabilities as well as mature sales and marketing networks as part of the Group's expansion strategy.

The Board has considered the impact on the Group's business arising from the above changes in the use of the Net Proceeds. The Board believes that the Proposed Reallocation above will be more in line with the current business needs of the Company and is beneficial to the continued and rapid development of the Group. The Proposed Reallocation will allow the Company to deploy its financial resources more effectively and the Board considers that the Proposed Reallocation will strengthen the Group's market position as an integrated player in the industry. The Board confirms that there is no material change in the nature of business as set out in the Prospectus and considers that the Proposed Reallocation is in the best interest of the Company and the Shareholders as a whole.

According to the Articles of Association and the relevant laws and regulations, the Proposed Reallocation is subject to the approval of the Shareholders by way of ordinary resolution at the general meeting of the Company. An ordinary resolution will be proposed at the AGM, to consider and approve the Proposed Reallocation and to authorize the Board and its any authorized persons to take any and all measures, or sign any and all documents deemed to be necessary, proper or appropriate.

LETTER FROM THE BOARD

SPECIAL RESOLUTIONS:

1. Resolution on general mandate to repurchase H Shares

In order to provide more flexibility to the Directors in repurchasing H Shares as and when appropriate, the Company intends to propose a special resolution to the AGM, the Domestic Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively for granting a general mandate to the Directors for repurchasing H Shares, details of which are set out in the notice of the AGM and the notices of the Class Meetings enclosed with this circular.

The H Shares which may be repurchased pursuant to the Repurchase Mandate shall not exceed 10% of the total number of the H Shares in issue at the time when the relevant resolution proposed for granting such mandate for repurchasing H Shares is passed at the AGM and the Class Meetings, respectively.

The Repurchase Mandate is subject to the approval at each of the AGM and the Class Meetings by way of a special resolution. Such Repurchase Mandate, if approved, shall be effective until the earlier of (a) the conclusion of the 2016 annual general meeting of the Company; or (b) the date on which the authority conferred by the relevant special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting of the Company, or by the holders of H Shares or Domestic Shares at their respective class meeting ("Relevant Period"). The exercise of the Repurchase Mandate is subject to relevant approval(s) of and/or filings with relevant regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and/or carried out.

An explanatory statement setting out certain information on the mandate to repurchase H Shares is contained in Appendix V to this circular.

2. Resolution on general mandate to issue Shares

To provide more flexibility and convenience to the fundraisings for the Company, the proposal to issue additional shares of the Company and to grant the Board a general mandate is put forth to the AGM for review and approval:

- A. To consider and approve the Company to issue additional H Shares and additional Domestic Shares in the share capital of the Company ("Additional Shares") and to grant to the Board a general mandate ("General Mandate"), subject to terms and conditions set out in this resolution, for the exercise by the Board during the Relevant Period of powers to allot or issue Additional Shares and/or make offers, agreements or options which might require the issue, allotment or disposal of Additional Shares (such Additional Shares being subject to a maximum of 20% of the respective aggregate number of issued H Shares and Domestic Shares of the Company as at the date of approval of this resolution), and to make or grant offers or agreements in respect of such Additional Shares:
 - i. such general mandate shall not extend beyond the Relevant Period (as defined in (iv)) save that the Board may during the Relevant Period make or grant offers or agreements which might require the exercise of such powers after the end of the Relevant Period;

LETTER FROM THE BOARD

- ii. the total number of Shares approved to be allotted or agreed conditionally or unconditionally to be allotted by the Board, shall not exceed: (a) 20% of the total number of H Shares of the Company in issue at the date of the passing of this resolution; (b) 20% of the total number of Domestic Shares of the Company in issue at the date of the passing of this resolution, otherwise than pursuant to any scrip dividend scheme or similar arrangement providing for the allotment of such Shares in lieu of the whole or part of a dividend on such Shares in accordance with the Articles of Association;
- iii. the Board will only exercise its power under such mandate in accordance with the relevant laws and regulations of the PRC (as amended from time to time) and the Listing Rules and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;
- iv. For the purposes of this resolution:

“H Shares” means the overseas-listed foreign shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars, and which are granted the permission to deal in and list on the Stock Exchange;

“Domestic Shares” means the ordinary shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed and credited as fully paid up in Renminbi; and

“Relevant Period” means the period from the passing of this resolution until the earliest of:

- a. the conclusion of the 2016 annual general meeting of the Company following the passing of this resolution; or
- b. the date on which the authority conferred by this resolution is revoked or varied by a special resolution in a general meeting of the Company.

B. Subject to the Board issuing additional H Shares and additional Domestic Shares pursuant to this resolution, the Board be authorised to:

- i. approve, execute and do or procure to be executed and done, all documents, deeds and things as it may consider necessary in connection with the issue of such new Shares (including, but not limited to the time, price, quantity and place of issue, making all necessary applications to the relevant authorities, entering into an underwriting agreement or any other agreement);
- ii. determine the use of proceeds and make all necessary filing, registration and applications with or to the relevant authorities in the PRC and/or Hong Kong (if required);

LETTER FROM THE BOARD

- iii. determine the registered capital and the number of shares pursuant to the issue or allotment of Shares pursuant to this resolution, and register with the relevant authorities in the PRC and/or Hong Kong upon an increase of registered capital and the number of shares; and
- iv. make amendments to the Articles of Association accordingly as it thinks fit so as to reflect relevant matters such as the registered capital and new capital structure of the Company after the issue and allotment of Shares of the Company.

CLASS MEETINGS AND AGM

1. Domestic Shareholders' Class Meeting

A notice convening the 2016 first Domestic Shareholders' Class Meeting of the Company to be held, for the Domestic Shareholders to consider, and if thought fit, approve the resolution(s) relating to general mandate to repurchase H Shares at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC at 9:30 a.m. on Friday, June 3, 2016 which is set out on pages 36 to 39 of this circular.

2. H Shareholders' Class Meeting

A notice convening the 2016 first H Shareholders' Class Meeting of the Company to be held, for the H Shareholders to consider, and if thought fit, approve the resolution(s) relating to general mandate to repurchase H Shares at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC at 10:00 a.m. on Friday, June 3, 2016 which is set out on pages 40 to 43 of this circular.

3. AGM

The Company will hold the 2015 AGM of the Company at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC at 10:30 a.m. on Friday, June 3, 2016 for the Shareholders to consider, and if thought fit, approve the resolutions relating to, among others, (i) the 2015 Report of the Board of the Company; (ii) the 2015 Report of the Supervisory Committee of the Company; (iii) the election of directors of the Third Session of the Board; (iv) the election of supervisors of the Third Session of the Supervisory Committee; (v) the 2015 Financial Reports of the Company; (vi) the 2015 Profit Distribution Proposal of the Company; (vii) engagement of domestic auditor and international auditor of the Company for 2016 and authorize the Board to determine their respective remuneration and (viii) change in use of proceeds from the Global Offering. Special resolutions will be proposed to approve (i) the general mandate to repurchase H shares; and (ii) the general mandate to issue Shares. Notice of the AGM is set out on pages 44 to 51 of this circular.

CLOSURE OF THE REGISTER OF MEMBERS AND ASCERTAINING OF ELIGIBILITY FOR ATTENDING THE AGM AND SHAREHOLDERS' CLASS MEETING

In order to determine the shareholders who are entitled to attend the AGM and Shareholders' Class Meeting, the register of members of the Company will be closed from Wednesday, May 4, 2016 to Friday, June 3, 2016, both days inclusive, during which no transfer of shares will be registered. For qualifying to attend and vote at the AGM and Shareholders' Class Meeting, shareholders of the

LETTER FROM THE BOARD

Company whose transfer has not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company's H shares registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H shares, or the head office of the Company at 4/F, Block 2, Alley 139 Anshun Road, Changning District, Shanghai, China for holders of domestic shares for registration at or before 4:30 p.m. on Tuesday, May 3, 2016.

Enclosed herewith are the reply slips and proxy forms for the Domestic Shareholders' Class Meeting/H Shareholders' Class Meeting/AGM. Whether or not you wish to attend the AGM or Class Meetings, please complete the enclosed reply slips and/or proxy forms in accordance with instructions printed thereon and return them to the Company's H shares registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of H Shareholders) or the head office of the Company at 4/F, Block 2, Alley 139 Anshun Road, Changning District, Shanghai, China (in case of Domestic Shareholders), as soon as possible and in any event on or before Friday, May 13, 2016 (for the reply slips) or by no later than 24 hours before the time appointed for the holding of the Meetings or any adjournment thereof (for the proxy forms (if any)). Completion and return of the proxy forms will not preclude you from attending and voting at the meetings or any adjournment thereof in person if you so wish.

CLOSURE OF REGISTER OF MEMBERS AND ASCERTAINING OF ELIGIBILITY FOR THE PROPOSED FINAL DIVIDEND

The Board has recommended the payment of a final dividend of RMB0.40 per share (inclusive of tax) for the year ended 31 December 2015, totally amounting to RMB 64,018,120, before Friday, July 29, 2016 and, if such final dividend is approved by the Shareholders at the AGM, is expected to be paid to those Shareholders whose names appear on the register of members of the Company on Friday, June 17, 2016. In order to determine the shareholders who are entitled to receive the final dividend for the year ended 31 December 2015, the register of members of the Company will be closed between Monday, June 13, 2016 and Friday, June 17, 2016, both days inclusive, during which no transfer of shares will be registered. For qualifying to receive the final dividend for the year 2015, holders of H shares whose transfer has not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company's H shares registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H shares, or the head office of the Company at 4/F, Block 2, Alley 139 Anshun Road, Changning District, Shanghai, China for holders of domestic shares for registration at or before 4:30 p.m. on Friday, June 10, 2016.

Voting by Way of Poll

In accordance with Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the Meetings must be taken by poll. As such, all the resolutions set out in the notices convening the AGM and the Class Meetings will be voted by poll. Save as disclosed in the circular, if any, no Shareholder will have a material interest in the matters to be approved and will abstain from voting in respect of such resolutions.

LETTER FROM THE BOARD

On a poll, every Shareholder who presents in person or by proxy (or in case of the Shareholder being a corporation, by its duly authorized representative) shall have one vote for each share registered in his/her/its name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all his/her/its votes in the same manner.

RECOMMENDATION

The Directors (including the Independent Non-executive Directors) consider that all the above resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of the aforesaid resolutions to be proposed at the AGM. The Board recommends the Shareholders to vote, at the Class Meetings, in favour of resolution(s) regarding the Repurchase Mandate and the General Mandate.

The Directors would also like to draw your attention to the Letter from the Board set out on pages 4 to 15 of this circular.

By Order of the Board
Shanghai Haohai Biological Technology Co., Ltd.
Chairman
Hou Yongtai

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015

WORK REPORT OF BOARD OF DIRECTORS FOR 2015 OF SHANGHAI HAOHAI BIOLOGICAL TECHNOLOGY CO., LTD.

Dear Shareholders,

The content of the work report of the Board for the year of 2015 is as follow:

I. GLOBAL OFFERING

The Company is a joint stock company incorporated in the PRC with limited liability. The Company's H Shares were listed and traded on the Main Board of the Stock Exchange on April 30, 2015. The Prospectus has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.3healthcare.com) for information disclosure.

II. REVIEW OF PRINCIPAL BUSINESS

For the pharmaceutical industry in the PRC, 2015 was a significant year characterised by policy changes. Under the challenging circumstances of an incomplete recovery from the global economic downturn, the slowdown in the growth rate of the domestic economy, the continuing reforms of the medical system in the PRC as well as the gradual introduction of policies have brought challenges of varying degrees to PRC pharmaceutical companies engaging in manufacturing and sales. During the Reporting Period, the Board upheld the operation philosophy to focus on the Group's core business and insisted on the innovation of product management and the enhancement of management standard, as well as actively promoted internal growth and external expansion, as a result the principal business maintained continued growth.

In 2015, the Group recorded aggregate revenue of approximately RMB 663.92 million, representing an increase of 28.7% as compared to the revenue of 2014; total profit was RMB 320.65 million, representing an increase of 48.7% as compared to the previous year; realized net profit of RMB273.31 million, representing an increase of 48.9% as compared to the previous year.

In 2015, the profit attributable to the equity holders of the Company amounted to approximately RMB 273.47 million, which has increased by RMB 89.89 million or approximately 49.0% from RMB 183.58 million for 2014, and after deducting the exchange gains of approximately RMB 24.44 million (after tax) in relation to the foreign currency settlement from the Global Offering, there is an increase of approximately 35.7%. The basic earnings per share were RMB 1.86 (2014: RMB 1.53).

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015

III. BUSINESS OPERATION OF EACH SEGMENT

(1) Research and Development (“R&D”)

During the Reporting Period, the Group continued to put in more resources towards R&D and the capital injection to Shanghai Qisheng and Shanghai Likangrui was completed, which effectively promoted the development process of product pipelines. As at 31 December 2015, the Group owns 18 product pipelines in different stages of R&D. The Group intends to lodge application for approval of production for 1 product; clinical trials for 2 products have been completed and are now at the stage of product registration; 4 products are undergoing different stages of clinical trials or type inspection; and 11 products are undergoing the stages of preclinical study and technology study.

(2) Production and Manufacture

During the Reporting Period, the Group operated three production facilities in Shanghai, with nine production lines in total. There is another new production base under construction. All of the Group’s production facilities under operation passed the new GMP certification or medical device good manufacturing practice inspection. The Company has developed a comprehensive and systemised quality control system for raw materials, production process and finished products for the purposes of meeting the increasingly stringent policy requirements of the PRC government and the industry, which is consistent with the Group’s high standard.

In addition, Shanghai Likangrui, the production base of the Group which is under construction and located at Shanghai Qingpu, obtained the license for medicine manufacturing and the trial production is under preparation.

(3) Distribution and Direct Sales

The Group operates the marketing model of combining direct sales and distribution. As at 31 December 2015, the Group’s distribution network comprised over 1,300 distributors. With such distribution network, products of the Group were sold across provinces, municipals and autonomous regions in the PRC.

In addition to the distribution network, the Group also had 3 professional teams, namely, specific markets, commercial and sales teams who are responsible for an array of marketing and distribution network management such as formulation of standardized marketing and sales policies, providing training to, selecting and managing distributors in the market as well as maintaining direct sales to certain high-end hospitals and core regions to keep up the Group’s profile and keep abreast with market changes.

The Board believes that the Group’s broad coverage of hospitals and other medical institutions and its capabilities of identifying and monitoring distributors are serving as the major competitive strengths to shorten the length of newly developed products entering the market. As a result, this lays a solid foundation for continuously enhancing the reputation of the Group’s offerings and brand.

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015

(4) Mergers, Acquisitions and Expansions

During the Reporting Period, in order to further expand the business of the Company and to realize the development strategy, the Company conducted mergers and acquisitions in the following business segments:

In February 2015, the Company made capital contribution of RMB 6 million to Shanghai Baiyue Medical Equipment Co., Ltd. 上海柏越醫療設備有限公司 (“Shanghai Baiyue”) in cash to acquire 60% of its equity interest. Through the investment, the Group will absorb and integrate the sales team of Shanghai Baiyue in the Shanghai region so as to effectively enhance the efficiency of the Group’s sales force in Shanghai region and accordingly, expand the market share of the region and to reduce the average cost of sales.

In July 2015, the Company set up a wholly-owned subsidiary Haohai Healthcare Holdings Co., Limited (“Haohai Holdings”) in Hong Kong. The establishment of Haohai Holdings would benefit the Company in leveraging the regional advantages of Hong Kong region to further expand overseas business and build the foreign financing platform in order to facilitate successful development of the overseas business and foreign investment of the Company.

In August 2015, Haohai Holdings, the Group’s wholly-owned subsidiary, acquired from Sun Champ International Trading Limited approximately 38% equity interest in Henan Universe Intraocular Lens Research and Manufacture Company, Ltd (“Henan Universe”) at a consideration of RMB10.93 million. Through the transaction, the Board believed that the Group and Henan Universe will take advantage of the resources and the strengths of both parties to develop the huge market potential for intraocular lens product (“IOL Products”) and provide mutual benefits for long-term development by jointly promoting the localization of IOL Products and the substitution of imported products. Meanwhile, intraocular lens will be integrated with the Group’s existing ophthalmic viscoelastic device and Eyesucom (product of lubricant eye drops) to form an ophthalmology product mix. With the synergy created through sharing the extensive and effective sales network of the Group, the overall competitive advantage of the Group will be enhanced through the increased strategic competitiveness in the ophthalmic market.

IV. DAILY WORK CONDUCTED BY THE BOARD

(1) Performance of duties by the Board and its committees

The Board exercises its functions, conducts reporting work in general meetings, executes the resolutions passed at general meetings and is held accountable for general meetings in accordance with the provisions set out in the Articles of Association.

During the Reporting Period, the Board consisted of 12 Directors, including 5 executive Directors, 2 non-executive Directors and 5 independent non-executive Directors.

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015

During the Reporting Period, the Company held 1 annual general meeting; 10 board meetings (4 were regular meetings in compliance with the requirements of the Listing Rules on minimum number of Board meetings held); 3 meetings of the audit committee, 1 meeting of the remuneration committee, 1 meeting of the nomination committee, 1 meeting of the strategic committee; and 1 meeting for non-executive Directors in total. All Directors fulfilled their duties to the fullest extent with their expertise during the decision-making of major matters of the Company. They provided practicable and professional advice for the decision-making for the development of the Company by performing the duties diligently to safeguard the interests of the Company and its Shareholders with their expertise.

(2) The Corporate governance of the Company

During the Reporting Period, the Board continued to improve its corporate governance to improve the internal control of the Company and established a clear and distinct organizational structure with defined and delineated lines of authority, and well-trained personnel in accordance with the stipulations and requirements of relevant laws and regulations in order to foster a standard, transparent and efficient operation. Meanwhile, the Board was responsible for the sound and effective implementation of internal control system.

During the Reporting Period, the Company established a sound and prudent internal control system, including corporate governance structure, financial internal control, budget management system, fund raising and financing management system, external investment management, related party transaction and discloseable transaction management, risk assessment management, sourcing, commercial sales, research and development and patent management policy and procedure. The systems, policies and procedures above can effectively control the decision and operation of the Company, with which the management at all level can manage the risk level of related businesses in an effective manner. The system, policies and procedures will be reviewed and revised on a regular basis.

In terms of organizational structure, the Company recruited adequate staff for specific tasks such as financial operation and control, risk management, internal audit and anti-corruption. In addition, the Company arranged reasonable budget and provided training for the staff members of the Company and its subsidiaries who are responsible for finance, risk management and internal audit functions to ensure that they are well-trained and possess adequate experience.

During the Reporting Period, the auditing department of the Company reviewed and assessed the effectiveness of the internal control of the Company based on the internal control, daily supervision and project supervision pursuant to the Basic Internal Control Norms for Enterprises and related guidelines and other internal control requirements with the internal systems and assessment of the Company. The Board is not aware of any material unsuitability or faults in the internal control of the Company. The Board considers that the current control system of the Company is effective and the resources, qualification and experience of its staff, training programme and related budget for accounting, internal audit and financial reporting are sufficient.

In 2016, the Board will fulfill its duties to the fullest extent as always and formulate standards for operation in compliance with the stipulations and requirements of laws, regulations and Articles of Association to continue to improve corporate competitiveness.

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2015

(3) Information disclosure and investor communication

The Board will continue to strictly comply with regulations and requirements in the PRC and Hong Kong and disclose material information such as regular reports and announcements fully and timely to make sure all Shareholders are timely, fully and accurately informed of the material information and recent operation of the Company.

Meanwhile, the Board constantly maintains active communication with the China Securities Regulatory Commission and the Stock Exchange, efficiently and effectively receives comments from regulatory authorities, and collates, prepares and submits required reports and documents timely to ensure compliance of the Company's operation.

The Board constantly, highly and consistently places emphasis on the maintenance and development of investor relations and disseminate relevant information of the Company to the external parties to improve transparency and to build effective channels for the communication between the Company and its investors.

In 2015, the Company organized an interim roadshow and actively made arrangements to receive visiting investors and fully communicated with overseas investors and analysts. Proactive and sound communication enhances understanding between the Company and its investors and allows the Company to maintain a good image in the market.

V. 2016 WORK PLAN AND PROSPECT

In 2016, the Board will continue to perform in accordance with the Group's business philosophy and development plan and further improve the Company's long-term training and incentive mechanism so as to fully encourage the enthusiasm of the Company's management and staff. The Board will further consolidate the resources of the Company and refine its research and development, production and sales systems to achieve a fast and sustainable growth by constantly improving its operation management and market competitiveness. It will also further promote the external expansion and integrated development of the Company by seeking domestic and overseas merger and acquisition targets of strategic significance and with reasonable valuation to achieve the globalization strategy of the Company. Meanwhile, the Board will continue to comply with the requirements of relevant laws, regulations and Articles of Associations to further improve the standards of operation and decision-making, and ensure effective discharge of and due performance of Directors' duties so that the Board will fulfill its duties to a more appropriate, more standardized, efficient and scientific extent in order to effectively safeguard quality operation of the Company and interests of its Shareholders.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2015

WORK REPORT OF SUPERVISORY COMMITTEE FOR 2015

Dear Shareholders,

The Second Session of the Supervisory Committee of the Company carried out their tasks effectively and lawfully, in compliance with the relevant requirements of the Company Law, Articles of Association and the rules of meeting of the supervisory committee with the active support of the Board, the management and the staff of the Company in 2015:

(I) 2 meetings in total were convened by the Supervisory Committee of the Company in 2015, details are as follows:

Number	Session	Date of Meeting	Item of Meeting
1	5th Meeting of the Second Session of the Supervisory Committee	May 4, 2015	1. 2014 Work Report of the Supervisory Committee; 2. Proposal in relation to the Audit Report of the Company as at December 31, 2014.
2	6th Meeting of the Second Session of the Supervisory Committee	August 27, 2015	1. Proposal in relation to the 2015 Interim Financial Report of the Company; 2. Proposal in relation to the 2015 Interim Report of the Company.

(II) Independent opinion of the Supervisory Committee

1. Independent opinion of the Supervisory Committee regarding the compliance of the Company

The Supervisory Committee is of opinion that the operation and business of the Company are in compliance with the requirements of the Company Law and Articles of Association; the convening procedure of the general meetings and the Board meetings and the relevant resolutions therein are lawful; the Board and senior management of the Company are competent to perform their duties according to the requirements of relevant laws and Articles of Association. The Supervisory Committee is not aware of any abuse of power to act against the interests of the Company and the Shareholders.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2015

2. Independent opinion of the Supervisory Committee regarding the examination on the financial position of the Company

The Supervisory Committee is of opinion that the 2015 Financial Reports of the Company gives a true and fair view on the financial position and operating results of the Company. As a result, the audit opinion issued by Ernst & Young Hua Ming is objective.

3. Independent opinion of the Supervisory Committee on the acquisition made by the Company

The Supervisory Committee is of opinion that the acquisition procedures of the Company during the Reporting Period meet the relevant requirements and the prices were reasonable. No insider trading or incidents causing loss of assets of the Company was identified.

(III) Work Plan for 2016

In 2016, the Supervisory Committee will continue to perform supervisory duties in strict compliance with the requirements of relevant laws and regulations of the Company Law and Articles of Associations and supervise the lawfulness and compliance of operation and financial position of the Company and the performance of duties by the Directors and senior management in order to safeguard the interests of the Company and all of its Shareholders as a whole.

APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Details of the candidates for Directors proposed to be elected at the AGM are set out below:

EXECUTIVE DIRECTORS

Dr. Hou Yongtai (侯永泰), aged 54 is the chairman and executive Director of the Company. Dr. Hou engaged in postdoctoral research at the pharmacology department of University of Pennsylvania in the U.S. from July 1992 to October 1995. Thereafter, he served as a research investigator at the department of cell and developmental biology of the University of Michigan in the U.S. from 1998 to 2000. From August 2000 to August 2003, he served as a researcher and doctoral degree supervisor at Shanghai Institute of Materia Medica, Chinese Academy of Sciences (中國科學院上海藥物研究所), where he was mainly responsible for establishing screening models for cancer drugs and the application of new biotechnologies (such as RNA interference) on new drugs development. He also served as the overseas manager of the strategy and investment committee at Shanghai Pharmaceutical (Group) Co., Ltd, a company principally engaged in investments, research in pharmaceutical products, medical devices, as well as manufacturing and sale of medical devices from July 2003 to June 2004 and was mainly responsible for assisting its formulation of overseas strategies and implementing its external relations and coordination. During July 2000 to June 2004 and April 2005 to March 2008 at Shanghai Huayuan Life Sciences Research and Development Company Limited (上海華源生命科學研究開發有限公司), he served various positions such as the deputy general manager and the director of the research and development division. He was mainly responsible for formulating product development strategies, establishing its development team and development base as well as implementing its product development plans. He has also served as the chairman of Shanghai Qisheng from December 2007 to August 2010. He served as the chairman of Shanghai Haohai Bio Technology Company Limited (上海昊海生物科技有限公司) (“**Haohai Limited**”), the predecessor of the Company, from September 2009 to July 2010, the date of conversion of our Company. He has been appointed as the chairman and Director of the Company since July 2010, and was redesignated as an executive Director on December 7, 2014. Dr. Hou obtained a master’s degree and a Ph.D. degree from Ohio University in the U.S. in March 1987 and August 1992, respectively.

Save as disclosed above, Dr. Hou has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Dr. Hou does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Dr. Hou directly holds 6,000,000 Domestic Shares in our Company.

Save as disclosed above, there is no other matter or information in relation to the election of Dr. Hou as an executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Mr. Wu Jianying (吳劍英), aged 51, is an executive Director and general manager of the Company. Mr. Wu worked as a surgeon at the General Surgery Department of the Second Affiliated Hospital of the Second Military Medical University (第二軍醫大學第二附屬醫院普外科) from 1991 to 1999. He thereafter worked at Shanghai Huayuan Life Sciences Research and Development Company Limited (上海華源生命科學研究開發有限公司) (“**Shanghai Huayuan**”) from March 2003 to February 2004, at the Shanghai branch of China Huayuan Life Industry Limited (中國華源生命產業有限公司上海分公司) from February 2004 to May 2005 and at Cinkate Pharmaceutical and Chemical Intermediates (Shanghai) Company Limited (欣凱醫藥化工中間體(上海)有限公司), a company principally engaged in development and production of pharmaceutical and chemical intermediates, as well as selling its own products and providing relevant technical advisory services from May 2005 to July 2007. He served as the general manager at Haohai Limited from July 2007 to June 2010. He has been acting as the general manager at Shanghai Qisheng since August 2010, the general manager and executive director at Shanghai Likangrui since December 2010, and also the chairman of Shanghai Baiyue since January 2015. He served as the director of Haohai Healthcare since July, 2015 and the vice chairman of Henan Universe since August, 2015. He has been appointed as the Director and general manager since July 2010, and was redesignated as an executive Director on December 7, 2014. Mr. Wu obtained a master’s degree in clinical medicine from the Second Military Medical University in June 1997 and the practicing doctor qualification in the PRC in May 1999.

Save as disclosed above, Mr. Wu has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Wu does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Wu directly holds 6,000,000 Domestic Shares in our Company.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Wu as an executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Huang Ping (黃平), aged 40, is an executive Director, Secretary of the Board and one of the joint company secretaries of the Company. He worked as a manager in Shanghai Haoyang Corporate Management Company Limited (上海昊洋企業管理有限公司), formerly known as Shanghai Haoyang Investment Management Company Limited (上海昊洋投資管理有限公司) from September 2008 to June 2010, a director of Haohai Changxing Company Limited, a company principally engaged in the sale of agricultural by-products since September 2010 and an executive director of Changxing Haoersi Biotechnology Company Limited (長興昊爾斯生物科技有限公司), a company principally engaged in the research and development of biological and plant products from May 2011 to December 2011. He has been serving as a supervisor of Shanghai Jianhua since November 2007, a supervisor of Shanghai Qisheng since December 2007, a supervisor of Shanghai Likangrui since December 2010, and a supervisor of Shanghai Baiyue since December 2014. He served as the director of Haohai Healthcare since July, 2015 and the director of Henan Universe since August, 2015. He has been appointed as the Director and Secretary of the Board since July 2010 and October 2010 respectively, and has been appointed as one of our joint company secretaries since November 17, 2014. He was redesignated as

APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

an executive Director on December 7, 2014. Mr. Huang obtained a bachelor of laws in July 1998 and a master of laws in June 2005 from East China University of Political Science and Law (華東政法大學), and a doctoral degree in corporate management from Fudan University in June 2011. He obtained his lawyer qualification in May 1999.

Save as disclosed above, Mr. Huang has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Huang does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Huang directly holds 2,000,000 Domestic Shares in our Company.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Huang as an executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Ms. Chen Yiyi (陳奕奕), aged 34, is an executive Director of the Company. Ms. Chen joined the marketing department of Shanghai Haohai Chemical Company Limited (上海昊海化工有限公司) (“**Haohai Chemical**”), a company principally engaged in the production and sale of polyurethane composite duct in July 2006 and worked as the marketing manager and assistant to general manager from January 2007 to December 2009. She has been appointed as the Director since July 2010, and was redesignated as an executive Director on December 7, 2014. Ms. Chen obtained a bachelor of arts in June 2004 and a Master of Arts (communications) in June 2006 from Huazhong University of Science and Technology (華科技大學) respectively.

Save as disclosed above, Ms. Chen has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Ms. Chen does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Ms. Chen directly holds 400,000 Domestic Shares in our Company.

Save as disclosed above, there is no other matter or information in relation to the election of Ms. Chen as an executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

NON-EXECUTIVE DIRECTORS

Ms. You Jie (游捷), aged 53, is a non-executive Director of the Company. Ms. You worked as a clinician at the Department of Oncology, Longhua Hospital, Shanghai University of Traditional Chinese Medicine (上海中醫藥大學附屬龍華醫院腫瘤科) from July 2004 to February 2011. She has been appointed as the Director since July 2010, and was redesignated as a non-executive Director on December 7, 2014. Ms. You obtained a clinical doctorate degree from Shanghai University of Traditional Chinese Medicine (上海中醫藥大學) in July 2004 and the practicing doctor qualification in the PRC in May 1999. Ms. You is the spouse of Mr. Jiang Wei.

APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Save as disclosed above, Ms. You has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Ms. You does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Ms. You directly holds 28,800,000 Domestic Shares in our Company. She is the spouse of Mr. Jiang Wei and therefore she is deemed under the SFO to be interested in the 46,800,000 Domestic Shares held by Mr. Jiang Wei in our Company.

Save as disclosed above, there is no other matter or information in relation to the election of Ms. You as a non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Gan Renbao (甘人寶), aged 76, is a non-executive Director of our Company. Mr. Gan has engaged in molecular biology and genetic engineering research for many years. He worked at Shanghai Institute for Biological Sciences, Chinese Academy of Sciences (中國科學院上海生命科學研究院生物化學與細胞生物學研究) since October 1960 as a researcher and an officer and retired in June 2004. He was our deputy general manager from July 2010 to September 2014. He has been appointed as the Director since July 2010, and was redesignated as a non-executive Director on December 7, 2014.

Save as disclosed above, Mr. Gan has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Gan does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Gan directly holds 500,000 Domestic Shares in our Company.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Gan as a non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chen Huabin (陳華彬), aged 48, is an independent non-executive Director of the Company. He has been working as a researcher and professor of the School of Law, the Central University of Finance and Economics (中央財經大學法學院) from September 2008 until present. He has been appointed as our independent Director since October 2014 and was designated as an independent non-executive director on December 7, 2014. Mr. Chen obtained a master's degree in law from the Southwest University of Political Science and Law (西南政法大學) in March 1991 and a doctor's degree in law from the graduate school, the Chinese Academy of Social Sciences in June 1994.

APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Save as disclosed above, Mr. Chen has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Chen does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Chen does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Chen as an independent non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Shen Hongbo (沈紅波), aged 36, is an independent non-executive Director of the Company. He engaged in post-doctoral research at the Department of Finance of Tsinghua University from March 2007 to March 2009 and worked as a visiting scholar at Harvard Business School from January 2009 to February 2009. He also acted as an independent director of China Executive Education Corp., a company formerly trading on the Over-the-Counter Bulletin Board in the U.S., from October 2010 to December 2012. He has been working as an independent director in Zhejiang Xinguang Pharmaceutical Co., Ltd (浙江新光藥業股份有限公司) from September 2012 until present, an investment consultant in China Science & Merchants Capital Management Limited (中科招商集團投資管理集團有限公司) from July 2013 to June 2014 during which he was responsible for execution of its district network, setting up of funds and making referrals of equity investment projects. He has also served as an independent director at InfoTM Micro-Electronics Co., Ltd (盈方微電子股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000670), from November 2014 until present. He is currently an associate professor at the Institute of Finance, School of Economics, Fudan University. He has been appointed as our independent Director since October 2014 and was designated as an independent non-executive director on December 7, 2014. Mr. Shen obtained a doctor's degree in accounting from Shanghai University of Finance and Economics in January 2007 and he has been a member of the Association of Chartered Certified Accountants (ACCA) since January 2015.

Save as disclosed above, Mr. Shen has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Shen does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Shen does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Shen as an independent non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Li Yuanxu (李元旭), aged 49, is an independent non-executive Director of the Company. Mr. Li is a professor at the School of Management, Fudan University. He has been appointed as our independent Director since December 2010 and was designated as independent non-executive Director on December 7, 2014. He obtained a doctorate degree in economics from Fudan University in July 1995.

APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Save as disclosed above, Mr. Li has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Li does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Li does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Li as an independent non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Zhu Qin (朱勤), aged 52, is an independent non-executive Director of the Company. During his time working at Shanghai Huatuo Pharmaceutical Technology Development Company Limited (上海華拓醫藥科技發展股份有限公司), he served as a deputy general manager from 2000 to 2003, the general manager and director from 2003 to 2010 and the chairman of its science and technology committee of the board, chief scientist and director from 2011 to 2014. He has been a deputy general manager in Shanghai Liuhe Capital (上海六禾投資) from March 2014 until present, where he is mainly responsible for the area of pharmaceutical and healthcare. He has been appointed as our independent Director since October 2014 and was designated as an independent non-executive Director on December 7, 2014. He obtained a bachelor's degree in medicine from the Second Military Medical University in July 1984 and a master's degree in medicine in December 1990. Thereafter, he obtained a doctor of science degree from Chinese Academy of Sciences in October 2000.

Save as disclosed above, Mr. Zhu has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Zhu does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Zhu does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Zhu as an independent non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Wong Kwan Kit (王君傑), aged 46, is an independent non-executive Director of the Company. He joined Prudential Hong Kong Limited as an insurance agent in July 1991 and was promoted to be a regional director since May 2006. He was elected as the president of the General Agents and Managers Association of Hong Kong from 2003 to 2004 and the president of the Life Underwriters Association of Hong Kong in 2013. He has been a member of the insurance agents registration board of the Hong Kong Federation of Insurers since 2010 until present and a member of the Mandatory Provident Fund Schemes Appeal Board since 2012 until present. He has been appointed as our independent non-executive Director since April 2015. Mr. Wong obtained a bachelor's degree in business administration from the Chinese University of Hong Kong in December 1991 and a master's degree in business administration from the Macau University of Science and Technology in August 2010.

**APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE ELECTED
AT THE 2015 ANNUAL GENERAL MEETING**

Save as disclosed above, Mr. Wong has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Wong does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Wong does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Wong as an independent non-executive Director that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

APPENDIX IV DETAILS OF SUPERVISORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Details of the candidates for Supervisors proposed to be elected at the AGM are set out below:

SUPERVISORS

Mr. Liu Yuanzhong (劉遠中), aged 47, is the chairman of the Supervisory Committee of the Company and a shareholder Supervisor. Mr. Liu joined Liming Research Institute of Chemical Industry (黎明化工研究院) in 1992 and served as an engineer from November 1997 to October 2001. He has been working as an engineer and was responsible for research and development of insulation and car high polymer material at Haohai Chemical from December 2001 until now. He has been appointed as the Supervisor since July 2010. Mr. Liu obtained a bachelor's degree in industrial analysis from the Department of Applied Chemistry, Beijing Institute of Chemical Technology (北京化工學院) in July 1992 and a master's degree in engineering from East China University of Science and Technology (華東理工大學) in June 2009.

Save as disclosed above, Mr. Liu has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Liu does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Liu holds 2,000,000 Domestic Shares of the Company.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Liu as a Supervisor that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Ms. Yang Qing (楊青), aged 44, is an independent Supervisor of the Company. Ms. Yang engaged in post-doctoral research at the Department of Economics of the University of Vienna in Austria from March 2005 to August 2005 and acted as a visiting scholar at the School of Economics, University of Cambridge in England from September 2006 to September 2007, and participated in the Freeman Fellows Program of the University of Illinois at Urbana-Champaign in the U.S. from August 2011 to May 2012. She joined Fudan University since July 2001 and was responsible for research and teaching work, and she is currently a professor in the School of Economics. She has been appointed as the Supervisor since October 2014. Ms. Yang obtained a bachelor's degree in management information system from Kunming University of Science and Technology (昆明理工大學) in July 1995 and a doctor's degree in management from Fudan University in July 2001.

Save as disclosed above, Ms. Yang has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Ms. Yang does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Ms. Yang does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

APPENDIX IV DETAILS OF SUPERVISORS PROPOSED TO BE ELECTED AT THE 2015 ANNUAL GENERAL MEETING

Save as disclosed above, there is no other matter or information in relation to the election of Ms. Yang as a Supervisor that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

Mr. Tang Yuejun (唐躍軍), aged 37, is an independent Supervisor of the Company. He served as a lecturer at the School of Management, Fudan University from October 2006 until now. He has also been acting as a master's degree supervisor of MBA and EMBA from January 2011 until present, a master's degree supervisor of corporate management from September 2012 until present and is currently an associate professor at the same. He has been appointed as our Supervisor since October 2014. Mr. Tang obtained a bachelor's degree in economics from Nankai University (南開大學) in June 2001, and a doctor's degree in management at the School of Business, Nankai University in June 2006.

Save as disclosed above, Mr. Tang has not held any directorship or other major positions in any listed companies in the last three years prior to the Latest Practicable Date. Save as disclosed above, Mr. Tang does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Tang does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other matter or information in relation to the election of Mr. Tang as a Supervisor that must be brought to the attention of the Shareholders or disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

In accordance with the Listing Rules, this appendix serves as an explanatory statement to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the special resolution to be proposed at the AGM, the Domestic Shareholders' Class Meeting and the H Shareholders' Class Meeting for the grant of the Repurchase Mandate to the Directors.

REPURCHASE MANDATE

Reasons for Repurchasing H Shares

The Directors believe that the flexibility afforded by the Repurchase Mandate would be beneficial to and in the best interest of the Company and its Shareholders. Such repurchases of the H Shares may, depending on market conditions and funding arrangements at such time, lead to an enhancement of the net asset value per Share and/or earnings per Share of the Company. Such repurchases of the H Shares will only be made when the Directors believe that it will benefit the Company and its Shareholders as a whole.

Share Capital

As at the Latest Practicable Date, the total issued capital of the Company was RMB160,045,300 comprising 40,045,300 H Shares of RMB1.00 each and 120,000,000 Domestic Shares of RMB1.00 each.

Exercise of the Repurchase Mandate

Subject to the passing of the relevant special resolution set out in the notices of the AGM and the Class Meetings, respectively, the Board will be granted the Repurchase Mandate until the earlier of (a) the conclusion of the 2016 annual general meeting of the Company; or (b) the date on which the authority conferred by the relevant special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting of the Company, or by the holders of H Shares or Domestic Shares at their respective class meeting (“**Relevant Period**”). The exercise of the Repurchase Mandate is subject to relevant approval(s) of and/or filings with relevant regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and/or carried out.

The exercise in full of the Repurchase Mandate (on the basis of 40,045,300 H Shares in issue as at the Latest Practicable Date and no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM and the Class Meetings) would result in a maximum of 4,004,530 H Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant special resolution at the AGM and the Class Meetings.

Funding of Repurchases

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources (which may include capital common reserve funds and distributable profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Directors consider that there may be a material adverse impact on the working capital or on the gearing position of the Company in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period (as compared with the position disclosed in the latest published audited accounts contained in the financial report of the Company for the year ended December 31, 2015). 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 or the gearing position of the Company (as compared with the position disclosed in the latest published audited accounts contained in the financial report of the Company for the year ended December 31, 2015). The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

Prices of H Share

The highest and lowest prices at which the H Shares have been traded on the Stock Exchange from the Listing Date to the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2015		
April (<i>Note</i>)	60.30	53.50
May	60.10	55.20
June	57.80	47.00
July	52.70	35.05
August	51.00	40.00
September	48.00	43.00
October	46.60	43.05
November	49.30	44.20
December	51.00	44.55
2016		
January	51.05	41.10
February	46.55	41.90
March	47.00	42.20
April (up to the Latest Practicable Date)	45.80	43.70

Note: The H Shares were listed on the Stock Exchange on April 30, 2015.

Shares Repurchased by the Company

No purchase of Shares has been made by the Company from the Listing Date to the Latest Practicable Date (whether on the Stock Exchange or other stock exchanges). If the public float is less than 25% of the issued Shares, the Company will not repurchase its own Shares.

Directors' Undertakings and General Information

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the proposed special resolution to approve the Repurchase Mandate in accordance with the Listing Rules and the applicable laws, rules and regulations of the PRC.

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 intends to sell H Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders at the AGM and the Class Meetings, and the conditions (if any) to which the Repurchase Mandate is subject are fulfilled.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any H Shares to the Company, or that they have undertaken not to sell any H Shares held by them to the Company in the event that the Repurchase Mandate is approved by the Shareholders at the AGM and the Class Meetings and the conditions (if any) to which the Repurchase Mandate is subject are fulfilled.

Takeovers Code and the Public Float Requirement

If as a result of a share repurchase by the Company, a substantial Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert could obtain or consolidate control of the Company or become obligated to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Jiang Wei ("**Mr. Jiang**") and Ms. You Jie ("**Ms. You**") were deemed to be interested in 75,600,000 Domestic Shares (as defined in Part XV of the SFO), representing approximately 47.24% of the Company's total issued capital. 75,600,000 Domestic Shares were held directly by Mr. Jiang as to 46,800,000 Domestic Shares and directly by Ms. You as to 28,800,000 Domestic Shares, respectively. Mr. Jiang, as the spouse of Ms. You, was deemed to be interested in the 28,800,000 Domestic Shares held by Ms. You in the Company under the SFO. Ms. You, as the spouse of Mr. Jiang, was deemed to be interested in the 46,800,000 Domestic Shares held by Mr. Jiang in the Company under the SFO. In the event that the Directors fully exercise their Repurchase Mandate, the total interests held by Mr. Jiang and Ms. You in the Company's total issued capital will increase to approximately 48.45%, assuming that the Domestic Shares held by Mr. Jiang and Ms. You as at the Latest Practicable Date remain unchanged

and there is no other change to the issued share capital of the Company, and such increase would not give rise to an obligation to make a mandatory general offer under the Takeovers Code. Save as aforesaid, 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.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

Status of Repurchased Shares

Pursuant to the Listing Rules, the listing of all repurchased H Shares of the Company is automatically cancelled and the relevant certificates must be cancelled and destroyed.

Under the PRC law, the repurchased H Shares may be treated as cancelled and, if so cancelled, the amount of the Company's registered capital shall be reduced by the aggregate nominal value of the repurchased H Shares accordingly.

NOTICE OF 2016 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING



Shanghai Haohai Biological Technology Co., Ltd.*

上海昊海生物科技股份有限公司

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

(Stock Code: 6826)

NOTICE IS HEREBY GIVEN that the 2016 first domestic shareholders' class meeting (the **"Domestic Shareholders' Class Meeting"**) of Shanghai Haohai Biological Technology Co., Ltd. (the **"Company"**) will be held at 9:30 a.m., Friday, June 3, 2016 at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC to consider and, if thought fit, pass the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and, if thought fit, to approve the following general mandate to repurchase the overseas-listed foreign shares of the Company (the **"H Shares"**):

"That:

- (a) the board of directors of the Company (the **"Board"**) be and is hereby granted a general mandate to repurchase H Shares not exceeding 10% of the number of the H Shares in issue at the time when this resolution is passed at the annual general meeting of the Company and the relevant resolution is passed at the respective class meeting of the shareholders in accordance with all applicable laws, regulations, rules and/or requirements of the PRC, The Stock Exchange of Hong Kong Limited or any other governmental or regulatory authorities and by reference to market conditions and in accordance with needs of the Company during the relevant period; and
- (b) the Board be and is hereby authorised to deal with, in its sole discretion, all matters in relation to the repurchase of H Shares, including but not limited to:
 - (i) formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of shares to be repurchased, timing of repurchase and period of repurchase, etc.;
 - (ii) notify creditors and issue announcement in accordance with the PRC Company Law and the articles of association of the Company (the **"Articles of Association"**);
 - (iii) open overseas share accounts and carry out related change of foreign exchange registration procedures;

NOTICE OF 2016 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING

- (iv) carry out relevant approval or filing procedures required by regulatory authorities and the place in which the Company is listed (if necessary);
- (v) carry out cancellation procedures for repurchased shares, reduce registered capital, and make corresponding amendments to the Articles of Association in respect of total share capital and shareholding structure, etc., and carry out the relevant statutory registrations and filings procedures within and outside the PRC; and
- (vi) execute other documents, and deal with other matters, in connection with the share repurchase.

The above general mandate will expire on the earlier of:

- (i) the conclusion of the 2016 annual general meeting of the Company; or
- (ii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the shareholders at a general meeting, or a special resolution of holders of the Domestic Shares of the Company or holders of the H Shares at their respective class meeting,

(the “**Relevant Period**”),

except where the Board has resolved to repurchase H Shares during the Relevant Period and such share repurchase plan may have to be continued or implemented after the Relevant Period.”

By order of the Board
Shanghai Haohai Biological Technology Co., Ltd.
Hou Yongtai
Chairman

Shanghai, PRC
April 15, 2016

NOTICE OF 2016 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING

Notes:

1. Eligibility for attending the Domestic Shareholders' Class Meeting and date of registration of members for Domestic Shares

In order to determine the holders of the Domestic Shares of the Company (the “**Domestic Shareholders**”) who are entitled to attend the Domestic Shareholders' Class Meeting, the register of members of the Company will be closed from Wednesday, May 4, 2016 to Friday, June 3, 2016 (both days inclusive), during which time no transfer will be registered.

For qualifying to attend and vote at the Domestic Shareholders' Class Meeting, the Domestic Shareholders whose transfer have not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the head office of the Company at 4/F, Block 2, Alley 139, Anshun Road, Changning District, Shanghai, China at or before 4:30 p.m. on Tuesday, May 3, 2016.

Domestic Shareholders whose names appear on the register of members of domestic shares of the Company on June 3, 2016 will be entitled to attend and vote at the Domestic Shareholders' Class Meeting or any adjournment thereof.

2. Proxy

- (1) Each shareholder entitled to attend and vote at the Domestic Shareholders' Class Meeting may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. A proxy need not be a shareholder of the Company.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorised attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign or other document of authorisation must be notarised.
- (3) To be valid, for holders of the Domestic Shares, the form of proxy and notarised power of attorney or other document of authorisation (if any) must be delivered to the head office of the Company at 4/F, Block 2, Alley 139, Anshun Road, Changning District, Shanghai, China not less than 24 hours before the time appointed for the Domestic Shareholders' Class Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy will not preclude shareholders from attending and vote at the meeting should they wish to do so.
- (4) Any voting at the Domestic Shareholders' Class Meeting shall be taken by poll.

NOTICE OF 2016 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING

3. Registration procedures for attending the Domestic Shareholders' Class Meeting

- (1) A shareholder or his proxy should present proof of identity when attending the Domestic Shareholders' Class Meeting. If a shareholder is a legal person, its legal representative or other person authorised by the Board or other governing body of such shareholder may attend the Domestic Shareholders' Class Meeting by providing a copy of the resolution of the Board or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Shareholders of the Company intending to attend the Domestic Shareholders' Class Meeting in person or by their proxies should complete and return the reply slip for attending the Domestic Shareholders' Class Meeting to the head office of the Company at 4/F, Block 2, Alley 139, Anshun Road, Changning District, Shanghai, China on or before Friday, May 13, 2016.
- (3) A shareholder may return the above reply slip in person, by post or by facsimile to the Company.
- (4) Shareholders or proxies attending the Domestic Shareholders' Class Meeting should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention from voting will not be regarded by the Company as having voting rights for the purpose of vote counts.

4. Voting method at the Domestic Shareholders' Class Meeting

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a shareholders' general meeting must be taken by poll. Accordingly, the chairman of the Domestic Shareholders' Class Meeting will demand a poll in relation to all the proposed resolutions at the Domestic Shareholders' Class Meeting.

5. Miscellaneous

- (1) The Domestic Shareholders' Class Meeting is expected to take no more than half a day. Shareholders who attend the Domestic Shareholders' Class Meeting shall bear their own travelling and accommodation expenses.
- (2) The address and contact details of the head office of the Company is:

4/F, Block 2, Alley 139
Anshun Road, Changning District
Shanghai, PRC
Telephone: (86) 021-62800674
Facsimile: (86) 021-62805863

* *for identification purpose only*

NOTICE OF 2016 FIRST H SHAREHOLDERS' CLASS MEETING



Shanghai Haohai Biological Technology Co., Ltd.*

上海昊海生物科技股份有限公司

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

(Stock Code: 6826)

NOTICE IS HEREBY GIVEN that the 2016 first H Shareholders' class meeting (the **"H Shareholders' Class Meeting"**) of Shanghai Haohai Biological Technology Co., Ltd. (the **"Company"**) will be held at 10:00 a.m., Friday, June 3, 2016 at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC to consider and, if thought fit, pass the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and, if thought fit, to approve the following general mandate to repurchase the overseas-listed foreign shares of the Company (the **"H Shares"**):

"That:

- (a) the board of directors of the Company (the **"Board"**) be and is hereby granted a general mandate to repurchase H Shares not exceeding 10% of the number of the H Shares in issue at the time when this resolution is passed at the annual general meeting of the Company and the relevant resolution is passed at the respective class meeting of the shareholders in accordance with all applicable laws, regulations, rules and/or requirements of the PRC, The Stock Exchange of Hong Kong Limited or any other governmental or regulatory authorities and by reference to market conditions and in accordance with needs of the Company during the relevant period; and
- (b) the Board be and is hereby authorised to deal with, in its sole discretion, all matters in relation to the repurchase of H Shares, including but not limited to:
 - (i) formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of shares to be repurchased, timing of repurchase and period of repurchase, etc.;
 - (ii) notify creditors and issue announcement in accordance with the PRC Company Law and the articles of association of the Company (the **"Articles of Association"**);
 - (iii) open overseas share accounts and carry out related change of foreign exchange registration procedures;

NOTICE OF 2016 FIRST H SHAREHOLDERS' CLASS MEETING

- (iv) carry out relevant approval or filing procedures required by regulatory authorities and the place in which the Company is listed (if necessary);
- (v) carry out cancellation procedures for repurchased shares, reduce registered capital, and make corresponding amendments to the Articles of Association in respect of total share capital and shareholding structure, etc., and carry out the relevant statutory registrations and filings procedures within and outside the PRC; and
- (vi) execute other documents, and deal with other matters, in connection with the share repurchase.

The above general mandate will expire on the earlier of:

- (i) the conclusion of the 2016 annual general meeting of the Company; or
- (ii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the shareholders at a general meeting, or a special resolution of holders of the Domestic Shares of the Company or holders of the H Shares at their respective class meeting,

(the “**Relevant Period**”),

except where the Board has resolved to repurchase H Shares during the Relevant Period and such share repurchase plan may have to be continued or implemented after the Relevant Period.”

By order of the Board
Shanghai Haohai Biological Technology Co., Ltd.
Hou Yongtai
Chairman

Shanghai, PRC
April 15, 2016

NOTICE OF 2016 FIRST H SHAREHOLDERS' CLASS MEETING

Notes:

1. Eligibility for attending the H Shareholders' Class Meeting and date of registration of members for H Shares

In order to determine the holders of H Shares (the “**H Shareholders**”) who are entitled to attend the H Shareholders' Class Meeting, the register of members of H Shares of the Company will be closed from Wednesday, May 4, 2016 to Friday, June 3, 2016 (both days inclusive), during which time no transfer of H Shares will be registered.

For qualifying to attend and vote at the H Shareholders' Class Meeting, the holders of H Shares whose transfer have not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company's H Shares Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration at or before 4:30 p.m. on Tuesday, May 3, 2016.

Holders of H Shares whose names appear on the register of members of H Shares of the Company on June 3, 2016 will be entitled to attend and vote at the H Shareholders' Class Meeting or any adjournment thereof.

2. Proxy

- (1) Each shareholder entitled to attend and vote at the H Shareholders' Class Meeting may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. A proxy need not be a shareholder of the Company.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorised attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign or other document of authorisation must be notarised.
- (3) To be valid, for holders of H Shares, the form of proxy and notarised power of attorney or other document of authorisation (if any) must be delivered to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the H Shareholders' Class Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy will not preclude shareholders from attending and vote at the meeting should they wish to do so.
- (4) Any voting at the H Shareholders' Class Meeting shall be taken by poll.

NOTICE OF 2016 FIRST H SHAREHOLDERS' CLASS MEETING

3. Registration procedures for attending the H Shareholders' Class Meeting

- (1) A shareholder or his proxy should present proof of identity when attending the H Shareholders' Class Meeting. If a shareholder is a legal person, its legal representative or other person authorised by the Board or other governing body of such shareholder may attend the H Shareholders' Class Meeting by providing a copy of the resolution of the Board or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Shareholders of the Company intending to attend the H Shareholders' Class Meeting in person or by their proxies should complete and return the reply slip for attending the H Shareholders' Class Meeting to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Friday, May 13, 2016.
- (3) A shareholder may return the above reply slip in person, by post or by facsimile to the office of Computershare Hong Kong Investor Services Limited.
- (4) Shareholders or proxies attending the H Shareholders' Class Meeting should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention from voting will not be regarded by the Company as having voting rights for the purpose of vote counts.

4. Voting method at the H Shareholders' Class Meeting

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a shareholders' general meeting must be taken by poll. Accordingly, the chairman of the H Shareholders' Class Meeting will demand a poll in relation to all the proposed resolutions at the H Shareholders' Class Meeting.

5. Miscellaneous

- (1) The H Shareholders' Class Meeting is expected to take no more than half a day. Shareholders who attend the H Shareholders' Class Meeting shall bear their own travelling and accommodation expenses.
- (2) The address of the Company's H share registrar is:

Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

* *for identification purpose only*

NOTICE OF 2015 ANNUAL GENERAL MEETING



Shanghai Haohai Biological Technology Co., Ltd.*

上海昊海生物科技股份有限公司

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

(Stock Code: 6826)

NOTICE IS HEREBY GIVEN that the 2015 annual general meeting (the “AGM”) of Shanghai Haohai Biological Technology Co., Ltd. (the “Company”) will be held at 10:30 a.m., Friday, June 3, 2016 at Rose Hall, Rainbow Hotel, 2000 Yan'an West Road, Shanghai, PRC to consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and, if thought fit, approve the work report of board of directors of the Company for 2015.
2. To consider and, if thought fit, approve the work report of supervisory committee of the Company for 2015.
3. To consider and approve *Proposal on the Election of Directors for the Third Session of the Board*.
 - 3.1 To elect Dr. Hou Yongtai as an executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
 - 3.2 To elect Mr. Wu Jianying as an executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
 - 3.3 To elect Mr. Huang Ping as an executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
 - 3.4 To elect Ms. Chen Yiyi as an executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
 - 3.5 To elect Ms. You Jie as a non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.

NOTICE OF 2015 ANNUAL GENERAL MEETING

- 3.6 To elect Mr. Gan Renbao as a non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 3.7 To elect Mr. Chen Huabin as an independent non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 3.8 To elect Mr. Shen Hongbo as an independent non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 3.9 To elect Mr. Li Yuanxu as an independent non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 3.10 To elect Mr. Zhu Qin as an independent non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 3.11 To elect Mr. Wong Kwan Kit as an independent non-executive Director of the Third Session of the Board and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 4. To consider and approve *Proposal on the Election of Supervisors for the Third Session of the Supervisory Committee*.
 - 4.1 To elect Mr. Liu Yuanzhong as a Supervisor of the Third Session of the Supervisory Committee and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
 - 4.2 To elect Ms. Yang Qing as a Supervisor of the Third Session of the Supervisory Committee and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
 - 4.3 To elect Mr. Tang Yuejun as a Supervisor of the Third Session of the Supervisory Committee and to authorize the Board to fix the remuneration and to do all such acts and things to give effect to such matters.
- 5. To consider and, if thought fit, approve the financial reports of the Company for 2015.
- 6. To consider and, if thought fit, approve the profit distribution proposal of the Company for 2015.

NOTICE OF 2015 ANNUAL GENERAL MEETING

7. To consider and, if thought fit, approve the appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the Company's domestic and international auditors, respectively until the close of the annual general meeting of the Company for 2016, and to authorise the board of directors to fix their respective remuneration.
8. To consider and, if thought fit, approve the change in use of proceeds from the Global Offering.

SPECIAL RESOLUTIONS

9. To consider and, if thought fit, to approve the following general mandate to repurchase the overseas-listed foreign shares of the Company (the "**H Shares**"):

"That:

- (a) the board of directors of the Company (the "**Board**") be and is hereby granted a general mandate to repurchase H Shares not exceeding 10% of the number of the H Shares in issue at the time when this resolution is passed at the annual general meeting of the Company and the relevant resolution is passed at the respective class meeting of the shareholders in accordance with all applicable laws, regulations, rules and/or requirements of the PRC, The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or any other governmental or regulatory authorities and by reference to market conditions and in accordance with needs of the Company during the relevant period; and
- (b) the Board be and is hereby authorised to deal with, in its sole discretion, all matters in relation to the repurchase of H Shares, including but not limited to:
 - (i) formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of shares to be repurchased, timing of repurchase and period of repurchase, etc.;
 - (ii) notify creditors and issue announcement in accordance with the PRC Company Law and the articles of association of the Company (the "**Articles of Association**");
 - (iii) open overseas share accounts and carry out related change of foreign exchange registration procedures;
 - (iv) carry out relevant approval or filing procedures required by regulatory authorities and the place in which the Company is listed (if necessary);
 - (v) carry out cancellation procedures for repurchased shares, reduce registered capital, and make corresponding amendments to the Articles of Association in respect of total share capital and shareholding structure, etc., and carry out the relevant statutory registrations and filings procedures within and outside the PRC; and
 - (vi) execute other documents, and deal with other matters, in connection with the share repurchase.

NOTICE OF 2015 ANNUAL GENERAL MEETING

The above general mandate will expire on the earlier of (the “**Relevant Period**”):

- (i) the conclusion of the 2016 annual general meeting of the Company; or
- (ii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the shareholders at a general meeting, or a special resolution of holders of the Domestic Shares of the Company or holders of the H Shares at their respective class meeting,

except where the Board has resolved to repurchase H Shares during the Relevant Period and such share repurchase plan may have to be continued or implemented after the Relevant Period.”

10. To consider and, if thought fit, approve the Company to issue additional H Shares and additional Domestic Shares in the share capital of the Company (“**Additional Shares**”) and to grant the Board a general mandate (“**General Mandate**”) for the exercise by the Board during the Relevant Period of powers to allot or issue Additional Shares and/or make offers, agreements or options which might require the issue, allotment or disposal of Additional Shares, which shall not exceed 20% of the total number of H Shares and Domestic Shares of the Company in issue, respectively, as at the date of the passing of this resolution, and to make or grant offers or agreements in respect of such Additional Shares, subject to the terms and conditions set out in this resolution.
- (1) To consider and, if thought fit, approve the Company to issue additional H Shares and additional Domestic Shares in the share capital of the Company and to grant the Board a general mandate to allot or issue Additional Shares and/or make offers, agreements or options which might require the issue, allotment or disposal of Additional Shares, and to make or grant offers or agreements in respect of such Additional Shares, subject to the terms and conditions as set out below:
- i. such general mandate shall not extend beyond the Relevant Period (as defined in (iv)) save that the Board may during the Relevant Period make or grant offers or agreements which might require the exercise of such powers after the end of the Relevant Period;
 - ii. the total number of shares approved to be allotted or agreed conditionally or unconditionally to be allotted by the Board, shall not exceed: (a) 20% of the total number of H Shares in issue as at the date of the passing of this resolution; (b) 20% of the total number of Domestic Shares of the Company in issue as at the date of the passing of this resolution, otherwise than pursuant to any scrip dividend scheme or similar arrangement providing for the allotment of such Shares in lieu of the whole or part of a dividend on such Shares in accordance with the Articles of Association;

NOTICE OF 2015 ANNUAL GENERAL MEETING

- iii. the Board will only exercise its power under such mandate in accordance with the relevant laws and regulations of the PRC (as amended from time to time) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and only if approvals from the China Securities Regulatory Commission, the Stock Exchange and/or other relevant PRC government authorities are obtained;

- iv. For the purposes of this resolution:

“H Shares” mean the overseas-listed foreign shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars, and which are granted the permission to deal in and list on the Stock Exchange;

“Domestic Shares” mean the ordinary shares in the share capital of the Company with a par value of RMB1.00 each, which are subscribed for and credited as fully paid up in Renminbi; and

“Relevant Period” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the 2016 annual general meeting of the Company following the passing of this resolution; or
- (b) the date on which the authority conferred by this resolution is revoked or varied by a special resolution at a general meeting of the Company.

- (2) Subject to the Board issuing additional H Shares and additional Domestic Shares pursuant to this resolution, the Board be authorised to:

- i. approve, execute and do or procure to be executed and done, all documents, deeds and things as it may consider necessary in connection with the issue of such new shares (including, but not limited to the time, price, quantity and place of issue, making all necessary applications to the relevant authorities, entering into an underwriting agreement or any other agreement);
- ii. determine the use of proceeds and make all necessary filing, registration and applications with or to the relevant authorities in the PRC and/or Hong Kong (if required);
- iii. determine the registered capital and the number of shares pursuant to the issue or allotment of shares pursuant to this resolution, and register with the relevant authorities in the PRC and/or Hong Kong upon an increase of registered capital and the number of shares; and

NOTICE OF 2015 ANNUAL GENERAL MEETING

- iv. make amendments to the Articles of Association of the Company accordingly as it thinks fit so as to reflect relevant matters such as the registered capital and new capital structure of the Company after the issue or allotment of shares.

By order of the Board
Shanghai Haohai Biological Technology Co., Ltd.
Hou Yongtai
Chairman

Shanghai, PRC
April 15, 2016

Notes:

1. Eligibility for attending the AGM and date of registration of members

In order to determine the shareholders who are entitled to attend the AGM, the register of members of H Shares of the Company will be closed from Wednesday, May 4, 2016 to Friday, June 3, 2016 (both days inclusive), during which time no transfer of Shares will be registered.

For qualifying to attend and vote at the AGM, the shareholders of the Company whose transfer have not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company's H Shares Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares or the head office of the Company at 4/F, Block 2, Alley 139, Anshun Road, Changning District, Shanghai, China for holders of Domestic Shares for registration at or before 4:30 p.m. on Tuesday, May 3, 2016.

Shareholders of the Company whose names appear on the register of members of the Company on June 3, 2016 will be entitled to attend and vote at the AGM or any adjournment thereof.

2. Proxy

- (1) Each shareholder entitled to attend and vote at the AGM may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. A proxy need not be a shareholder of the Company.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorised attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign or other document of authorisation must be notarised.

NOTICE OF 2015 ANNUAL GENERAL MEETING

- (3) To be valid, for holders of H Shares, the form of proxy and notarised power of attorney or other document of authorisation (if any) must be delivered to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited (if any) at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy will not preclude shareholders from attending and vote at the meeting should they wish to do so.
- (4) To be valid, for holders of Domestic Shares, the form of proxy and notarised power of attorney or other document of authorisation (if any) must be delivered to the head office of the Company at 4/F, Block 2, Alley 139, Anshun Road, Changning District, Shanghai, China not less than 24 hours before the time appointed for the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy will not preclude shareholders from attending and vote at the meeting should they wish to do so.
- (5) Any voting at the AGM shall be taken by poll.

3. Registration procedures for attending the AGM

- (1) A shareholder or his proxy should present proof of identity when attending the AGM. If a shareholder is a legal person, its legal representative or other person authorised by the Board or other governing body of such shareholder may attend the AGM by providing a copy of the resolution of the Board or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Shareholders of the Company intending to attend the AGM in person or by their proxies should complete and return the reply slip for attending the AGM to (a) the head office of the Company at 4/F, Block 2, Alley 139, Anshun Road, Changning District, Shanghai, China (for holders of Domestic Shares); (b) Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) on or before Friday, May 13, 2016.
- (3) A shareholder may return the above reply slip in person, by post or by facsimile to the head office of the Company (for holders of Domestic Shares) or the office of Computershare Hong Kong Investor Services Limited (for holders of H Shares).
- (4) Shareholders or proxies attending the AGM should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention from voting will not be regarded by the Company as having voting rights for the purpose of vote counts.

4. Voting method at the AGM

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a shareholders' general meeting must be taken by poll. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM.

NOTICE OF 2015 ANNUAL GENERAL MEETING

5. Miscellaneous

- (1) The AGM is expected to take no more than half a day. Shareholders who attend the AGM shall bear their own travelling and accommodation expenses.
- (2) The address of the Company's H Share Registrar is:
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
- (3) The address and contact details of the head office of the Company is:
4/F, Block 2, Alley 139
Anshun Road, Changning District
Shanghai, PRC
Telephone: (86) 021-62800674
Facsimile: (86) 021-62805863

* *for identification purpose only*