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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 2016**
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2016**
- (3) FINANCIAL REPORTS FOR 2016**
- (4) PROFIT DISTRIBUTION PROPOSAL FOR 2016**
- (5) ENGAGEMENT OF DOMESTIC AUDITOR AND INTERNATIONAL AUDITOR OF THE COMPANY FOR 2017**
- (6) GENERAL MANDATE TO REPURCHASE H SHARES**
- (7) GENERAL MANDATE TO ISSUE SHARES**
- (8) NOTICE OF 2017 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING**
- (9) NOTICE OF 2017 FIRST H SHAREHOLDERS' CLASS MEETING**
- AND**
- (10) NOTICE OF 2016 ANNUAL GENERAL MEETING**

Notices convening the 2017 first Domestic Shareholders' Class Meeting, the 2017 first H Shareholders' Class Meeting and the 2016 AGM to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC on Friday, June 23, 2017 at 9:30 a.m., 10:00 a.m. and 10:30 a.m., respectively are set out on pages 21 to 35 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 Saturday, June 3, 2017; 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 26, 2017

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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 2016 annual general meeting of the Company to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC at 10:30 a.m. on Friday, June 23, 2017 or any adjournment thereof for the purpose of, considering and, if thought fit, approving the resolutions contained in the notice of the 2016 annual general meeting which is set out on pages 29 to 35 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 2017 first domestic shareholders’ class meeting of the Company to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC at 9:30 a.m. on Friday, June 23, 2017 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 2017 first H Shareholders’ class meeting of the Company to be held at 10:00 a.m. at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC on Friday, June 23, 2017 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 21, 2017, 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 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, 2016 to December 31, 2016
“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

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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
“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 Ming (*Secretary of the Board and
the joint company secretary*)
Ms. Chen Yiyi
Mr. Tang Minjie

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, PRC

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

23/F, WenGuang Plaza,
No. 1386 Hongqiao Road,
Changning District,
Shanghai, PRC

Principal place of business in Hong Kong:

Room 1901, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

April 26, 2017

To the Shareholders

Dear Sir/Madam,

- (1) WORK REPORT OF BOARD OF DIRECTORS FOR 2016**
- (2) WORK REPORT OF SUPERVISORY COMMITTEE FOR 2016**
- (3) FINANCIAL REPORTS FOR 2016**
- (4) PROFIT DISTRIBUTION PROPOSAL FOR 2016**
- (5) ENGAGEMENT OF DOMESTIC AUDITOR AND INTERNATIONAL
AUDITOR OF THE COMPANY FOR 2017**
- (6) GENERAL MANDATE TO REPURCHASE H SHARES**
- (7) GENERAL MANDATE TO ISSUE SHARES**
- (8) NOTICE OF 2017 FIRST DOMESTIC SHAREHOLDERS' CLASS MEETING**
- (9) NOTICE OF 2017 FIRST H SHAREHOLDERS' CLASS MEETING
AND**
- (10) NOTICE OF 2016 ANNUAL GENERAL MEETING**

** For identification purpose only*

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you notice of the AGM (set out on pages 29 to 35 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 2016 (the “2016 Work Report of the Board”); (ii) the work report of the Supervisory Committee of the Company for 2016 (the “2016 Work Report of the Supervisory Committee”); (iii) the financial reports of the Company for 2016 (the “2016 Financial Reports”); (iv) the profit distribution proposal of the Company for 2016 (the “2016 Profit Distribution Proposal”); and (v) engagement of domestic auditor and international auditor of the Company for 2017 and authorize the Board to determine their respective remuneration. 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. 2016 Work Report of the Board

An ordinary resolution will be proposed at the AGM to approve the 2016 Work Report of the Board. Details of the aforesaid report of the Board are set out in Appendix I of this circular.

The 2016 Work Report of the Board was considered and approved by the Board on March 30, 2017 and is hereby proposed at the AGM for consideration and approval.

2. 2016 Work Report of the Supervisory Committee

An ordinary resolution will be proposed at the AGM to approve the 2016 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 2016 Work Report of the Supervisory Committee was considered and approved by the Supervisory Committee on March 30, 2017 and is hereby proposed at the AGM for consideration and approval.

3. 2016 Financial Reports

An ordinary resolution will be proposed at the AGM to approve the 2016 Financial Reports. Details of the aforesaid financial reports are set out in annual report of the Company for the year ended December 31, 2016 issued on April 26, 2017.

LETTER FROM THE BOARD

The 2016 Financial Reports were considered and approved by the Board on March 30, 2017 and are hereby proposed at the AGM for consideration and approval.

4. 2016 Profit Distribution Proposal

The Board proposed to pay a final dividend of RMB80,022,650 (representing RMB0.5 per Share) (inclusive of tax) for the year ended December 31, 2016 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 30, 2017, and will be proposed for consideration and approval as an ordinary resolution at the AGM.

5. Resolution on engagement of domestic auditor and international auditor of the Company for 2017

The Board proposes that Ernst & Young Hua Ming LLP be appointed as the domestic auditors for the Company in 2017, 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 2017 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 2017, 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 2017 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 30, 2017 and will be proposed for consideration and approval at the AGM as an ordinary resolution.

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

LETTER FROM THE BOARD

earlier of (a) the conclusion of the 2017 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 III 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;
 - 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;

LETTER FROM THE BOARD

- 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 2017 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);
- 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.

LETTER FROM THE BOARD

CLASS MEETINGS AND AGM

1. Domestic Shareholders' Class Meeting

A notice convening the 2017 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 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC at 9:30 a.m. on Friday, June 23, 2017 which is set out on pages 21 to 24 of this circular.

2. H Shareholders' Class Meeting

A notice convening the 2017 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 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC at 10:00 a.m. on Friday, June 23, 2017 which is set out on pages 25 to 28 of this circular.

3. AGM

The Company will hold the 2016 AGM of the Company at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Shanghai, PRC at 10:30 a.m. on Friday, June 23, 2017 for the Shareholders to consider, and if thought fit, approve the resolutions relating to, among others, (i) the 2016 Report of the Board of the Company; (ii) the 2016 Report of the Supervisory Committee of the Company; (iii) the 2016 Financial Reports of the Company; (iv) the 2016 Profit Distribution Proposal of the Company; and (v) engagement of domestic auditor and international auditor of the Company for 2017 and authorize the Board to determine their respective remuneration. 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 29 to 35 of this circular.

CLOSURE OF THE REGISTER OF MEMBERS AND ASCERTAINING OF ELIGIBILITY FOR ATTENDING THE AGM AND CLASS MEETINGS

In order to determine the shareholders who are entitled to attend the AGM and Class Meetings, the register of members of the Company will be closed from Wednesday, May 24, 2017 to Friday, June 23, 2017, both days inclusive, during which no transfer of shares will be registered. For qualifying to attend and vote at the AGM and Class Meetings, shareholders of the 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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC for holders of domestic shares for registration at or before 4:30 p.m. on Tuesday, May 23, 2017.

LETTER FROM THE BOARD

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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC (in case of Domestic Shareholders), as soon as possible and in any event on or before Saturday, June 3, 2017 (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 RMB0.5 per share (inclusive of tax) for the year ended 31 December 2016, totally amounting to RMB80,022,650, before Friday, August 18, 2017 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, July 7, 2017. In order to determine the shareholders who are entitled to receive the final dividend for the year ended 31 December 2016, the register of members of the Company will be closed between Saturday, July 1, 2017 and Friday, July 7, 2017, both days inclusive, during which no transfer of shares will be registered. For qualifying to receive the final dividend for the year 2016, 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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC for holders of domestic shares for registration at or before 4:30 p.m. on Friday, June 30, 2017.

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.

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.

LETTER FROM THE BOARD

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 regarding the Repurchase Mandate.

The Directors would also like to draw your attention to the Letter from the Board set out on pages 4 to 11 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 2016

WORK REPORT OF THE BOARD OF DIRECTORS FOR 2016

Dear Shareholders,

The contents of work report of Board of Directors for 2016 are as follows:

The year of 2016 was the opening year for China's 13th Five-Year Plan, and also a year full of challenges and accomplishments for the medical and pharmaceutical industry. Various provincial and local governments have promulgated policies of tendering for drugs and medical equipment with an aim to lower retail prices. The implementation of various policies for the control of overall medical expenditures, such as the "double control" policies (in terms of volume and level of fees) relating to medical insurance, posed a number of challenges to the medical industry in respect of the manufacturing and sales of products in mainland China. However, with a series of reform initiatives aimed at regulating the overall development trends in the medical and pharmaceutical industry, many important opportunities for industry consolidation have emerged among established industry leaders. During the Reporting period, the Board consolidated its core business, focused on product innovation and continuously enhanced its management level, promoted organic growth, external expansion and maintained continuous growth for its core businesses.

For the year ended 31 December 2016, the Group recorded revenue of approximately RMB851.16 million, representing an increase of 28.2% as compared to 2015; profit attributable to ordinary equity holders of the Group (exclusive of exchange gains in relation to the foreign currency settlement from the Global Offering proceeds) was approximately RMB305.05 million, representing an increase of 22.5% as compared to 2015; and the basic earnings per share were RMB1.91 (2015: RMB1.86).

In 2016, the Group focused on the investment and industrial integration of the high-valued materials and diagnosing equipment used in ophthalmology surgery in China, leveraging on its advantages in identifying, acquiring and integrating strategic assets. The Group successively completed its acquisition of 60% equity interest in Shenzhen New Industries Material of Ophthalmology Co., Ltd.* (深圳市新產業眼科新技術有限公司), 100% equity interest in Henan Universe Intraocular Lens Research and Manufacture Company, Ltd* (河南宇宙人工晶狀體研製有限公司), 98% equity interest in Eyegood Medical (Zhuhai) Co. Ltd.* (珠海艾格醫療科技開發有限公司) and the hydrophilic and PMMA intraocular lens business of Aaren Scientific Inc., and intends to gradually enter into the industry of high-valued ophthalmology products to ensure the sustainable development of the Group.

I. Review on the Board of Directors work in 2016

(1) *Composition and performance of the Board*

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

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2016

During the year 2016, the term of the Second Session of the Board expired, and the Third Session of the Board was elected and formed at the general meeting according to the Articles of Association, comprising 11 directors, of which 4 executive directors, 2 non-executive directors and 5 independent non-executive directors. The Third Session of the Board appointed the members of the Board committees. There are 4 Board committees, being audit committee, remuneration committee, nomination committee and strategy committee. The Third Session of the Board continued to appoint Mr. Hou Yongtai as the chairman of the Board, Mr. Wu Jianying as the general manager of the Company, Mr. Huang Ming as the Company secretary and appointed Mr. Tang Minjie as chief financial officer of the Company on December 2016, and proposed to appoint Mr. Tang Minjie as an executive director of the Company at the general meeting. Mr. Tang Minjie has been appointed as an executive director of the Company at the extraordinary general meeting held on February 14, 2017.

During the year 2016, the Company held 9 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, 3 meetings 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*

The Board of the Company is responsible for the sound and effective implementation of risk management and internal control system. During the Reporting Period, the Board continued to improve its corporate governance to improve the risk management and internal control system 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.

The Company has established a comprehensive and prudent internal control system, which covers a variety of systems and procedures, including the structures of corporate governance, internal financial control, information disclosure and confidentiality, connected transactions, risk assessment, procurement and integrity sales, research and development, intellectual property rights. The above systems, policies and procedures effectively cover all the decision-making and operational activities of the Company. Managerial employees in respective levels can effectively manage the risk level of their respective business activities.

In addition, the Company arranges reasonable budgets to provide regular training for the staff of the Company and its subsidiaries performing functions such as finance, risk management and internal audit so as to ensure that they receives sufficient trainings and are fully experienced.

APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2016

During the reporting period, the audit committee made recommendations to the Board on the effectiveness of the risk assessment system, internal audit system and information disclosure management system; under the leadership of audit committee, the audit department organized related departments analyzed the changes of the nature and extent of the significant risks exposed to the Company by interview and written report, and provided advices to the Board, for the purpose of reviewing the effectiveness of the risk management and internal control system by the Board. In the opinion of the Board, the current risk management and internal control system of the Company is effective.

(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 regulatory authorities, efficiently and effectively receives comments from regulatory authorities, and organizes, prepares and submits required reports and documents timely to ensure compliance of the Company's operation.

The Board places emphasis on the maintenance and development of investor relations and the disclosure of 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 2016, the Company organized various roadshows, participated in a number of investment bank's conferences and actively made arrangements to receive visiting investors and communicated adequately with overseas investors and analysts. Proactive and sound communication enhances understanding between the Company and its investors and maintains the positive market image of the Company.

II. Outlook of work for 2017

In 2017, the Board will continue to perform in accordance with the Group's business philosophy and development plan, further consolidate the resources of the Company and refine its research and development, production and sales systems to achieve fast and sustainable growth by constantly enhancing 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.

In 2017, 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 further improve the standards of operation and decision-making of the Board, and to ensure effective discharge and due performance of Directors' duties in order to further improve the standards of operations of the Company and effectively safeguard the interests of its Shareholders.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2016

WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2016

Dear Shareholders,

The Supervisory Committee of the Company carried out its tasks carefully and diligently, conducted their functions in compliance with the relevant requirements of the Company Law, Articles of Association and the Rules of Meeting of the Supervisory Committee in 2016.

(I) Meetings of the Supervisory Committee

In 2016, the term of the Second Session of the Supervisory Committee of the Company expired. The general meeting elected Mr. Liu Yuanzhong, Ms. Yangqing and Mr. Tang Yuejun as the Supervisors of the Third Session of the Supervisory Committee in accordance with Article of Association, and the employee's representative meeting elected Mr. Wei Changzheng and Mr. Yang Linfeng as the employee representative Supervisors of the Third Session of the Supervisory Committee. The Third Session of the Supervisory Committee, comprising such 5 Supervisors, continued to appoint Mr. Liu Yuanzhong as the chairman of the Supervisory Committee.

During the Reporting Period, the Company's Supervisory Committee held a total of 3 meetings, and their details are as follows:

Number	Session	Date of Meeting	Item of Meeting
1	The 7th meeting of the Second Session of the Supervisory Committee	March 18, 2016	<ol style="list-style-type: none">1. Work Report of the Supervisory Committee for 2015;2. Proposal in relation to the nomination of candidates for Supervisors of the Third Session of the Supervisory Committee;3. Proposal in relation to the Audited Financial Statements and the Audit Report of the Company for the year ended December 31, 2015;4. Proposal in relation to the Profit Distribution of the Company for the year 2015;
2	The 1st meeting of the Third Session of the Supervisory Committee	June 3, 2016	Proposal in relation to the election of chairman of the Third Session Supervisory Committee.
3	The 2nd meeting of the Third Session of the Supervisory Committee	August 26, 2016	<ol style="list-style-type: none">1. Proposal in relation to the 2016 Interim Financial Report of the Company;2. Proposal in relation to the 2016 Interim Report of the Company.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2016

(II) Opinion of the Supervisory Committee in relation to the relevant matters for the year 2016

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

During the Reporting Period, the Supervisory Committee of the Company carried out its tasks diligently and attended all general meetings of the Company and presented all Board meetings legally. The Supervisory Committee is of opinion that the Board of the Company could legally conduct its operating activities and has established a relative comprehensive internal control system in accordance with the requirements of the Company Law, Securities Act, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Articles of Association and other applicable laws and regulations. The convening of the general meeting of the Company and the Board meeting, as well as the convening procedures were in compliance with relevant requirements. During the Reporting Period, The Supervisory Committee was not aware of any breach of laws, regulations and Articles of Association and damages to the interests of the Company and Shareholders at the time implementing functions and performing duties by the Directors and senior management of the Company.

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

During the Reporting Period, the Supervisory Committee examined the financial conditions and management of the Company, in the opinion of that the financial operation of the Company for the year 2016 was in compliance with norms and was not aware of any false or material omissions. The audit report issued by the auditor of the Company for the year 2016 gives a true and objective picture of the financial conditions and operation results of the Company.

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

During the Reporting Period, the Company has successively completed its acquisition of 60% equity interest in Shenzhen New Industries Material of Ophthalmology Co., Ltd.* (深圳市新產業眼科新技術有限公司), 100% equity interest in Henan Universe Intraocular Lens Research and Manufacture Company, Ltd* (河南宇宙人工晶狀體研製有限公司), 98% equity interest in Eyegood Medical (Zhuhai) Co. Ltd.* (珠海艾格醫療科技開發有限公司) and the hydrophilic and PMMA intraocular lens business of Aaren Scientific Inc.. The Supervisory Committee is of opinion that the acquisition procedures of the Company during the Reporting Period met 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 2017

In 2017, the Supervisory Committee will continue to perform supervisory duties in strict compliance with the requirements of the Company Law, Articles of Associations and other relevant laws and regulations 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.

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 2017 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 not 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, 2016). 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, 2016). 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 during the 12 calendar months preceding the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2015		
April	46.70	43.70
May	44.95	37.50
June	39.90	32.20
July	36.00	33.50
August	39.75	33.50
September	39.95	36.25
October	39.50	35.90
November	39.80	33.95
December	38.30	34.85
2016		
January	37.90	36.1
February	38.65	36.5
March	37.95	35.60
April (up to the Latest Practicable Date)	41.00	35.55

Shares Repurchased by the Company

No purchase of Shares has been made by the Company during the six months prior 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 core 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 78,071,000 Domestic Shares (as defined in Part XV of the SFO), representing approximately 48.78% of the Company's total issued capital. 78,071,000 Domestic Shares were held directly by Mr. Jiang as to 42,800,000 Domestic Shares and through 上海湛溪企業管理合夥企業(有限合夥) (Shanghai Zhanze Corporate Management Partnership Enterprise*) a limited partnership controlled by him through his wholly-owned company, 上海湛溪企業管理有限公司 (Shanghai Zhanxi Corporate Management Limited Company*) as to 6,471,000 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 49,271,000 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 50.03%,

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 2017 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 2017 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 23, 2017 at 24/F, WenGuang Plaza, No. 1386 Hongqiao 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 2017 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 2017 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 26, 2017

NOTICE OF 2017 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 24, 2017 to Friday, June 23, 2017 (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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC at or before 4:30 p.m. on Tuesday, May 23, 2017.

Domestic Shareholders whose names appear on the register of members of domestic shares of the Company on June 23, 2017 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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC 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 2017 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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC on or before Saturday, June 3, 2017.
- (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 headquarters of the Company is:

23/F, WenGuang Plaza,
No. 1386 Hongqiao Road, Changning District
Shanghai, PRC
Telephone: (86) 021-52293555
Facsimile: (86) 021-52293558

* *for identification purpose only*

NOTICE OF 2017 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 2017 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 23, 2017 at 24/F, WenGuang Plaza, No. 1386 Hongqiao 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 2017 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 2017 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 26, 2017

NOTICE OF 2017 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 24, 2017 to Friday, June 23, 2017 (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 23, 2017.

Holders of H Shares whose names appear on the register of members of H Shares of the Company on June 23, 2017 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 2017 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 Saturday, June 3, 2017.
- (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 2016 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 2016 annual general meeting (the “**AGM**”) of Shanghai Haohai Biological Technology Co., Ltd. (the “**Company**”) will be held at 10:30 a.m., Friday, June 23, 2017 at 24/F, WenGuang Plaza, No. 1386 Hongqiao 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 2016.
2. To consider and, if thought fit, approve the work report of supervisory committee of the Company for 2016.
3. To consider and, if thought fit, approve the financial reports of the Company for 2016.
4. To consider and, if thought fit, approve the profit distribution proposal of the Company for 2016.
5. 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 2017, and to authorise the board of directors to fix their respective remuneration.

SPECIAL RESOLUTIONS

6. 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

NOTICE OF 2016 ANNUAL GENERAL MEETING

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.

The above general mandate will expire on the earlier of:

- (i) the conclusion of the 2017 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.”

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7. 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;
- 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;

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“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 2017 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
 - 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 26, 2017

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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 24, 2017 to Friday, June 23, 2017 (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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC for holders of Domestic Shares for registration at or before 4:30 p.m. on Tuesday, May 23, 2017.

Shareholders of the Company whose names appear on the register of members of the Company on June 23, 2017 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.
- (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.

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- (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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC 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 headquarters of the Company at 23/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, PRC (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 Saturday, June 3, 2017.
- (3) A shareholder may return the above reply slip in person, by post or by facsimile to the headquarters 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.

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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 headquarters of the Company is:
23/F, WenGuang Plaza,
No. 1386 Hongqiao Road, Changning District
Shanghai, PRC
Telephone: (86) 021-52293555
Facsimile: (86) 021-52293558

* *for identification purpose only*