
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Shanghai Haohai Biological Technology Co., Ltd.*, you should at once hand this circular with the enclosed forms of proxy to the purchaser(s) or 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 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 FOR 2020**
 - (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2020**
 - (3) FINANCIAL REPORTS FOR 2020**
 - (4) PROFIT DISTRIBUTION PLAN FOR 2020**
 - (5) REMUNERATION PLAN FOR THE DIRECTORS AND SUPERVISORS FOR 2021**
 - (6) APPOINTMENT OF THE AUDITORS FOR THE FINANCIAL REPORT OF THE COMPANY AND THE INTERNAL CONTROL AUDITOR FOR 2021**
 - (7) PROPOSAL ON GRANTING THE GENERAL MANDATE TO THE BOARD TO REPURCHASE THE H SHARES**
- NOTICE OF AGM**
AND
NOTICE OF H SHAREHOLDERS' CLASS MEETING

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" of this circular.

Notices convening each of the AGM and the H Shareholders' Class Meeting to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC on Friday, June 11, 2021 are set out on pages 29 to 32 and 33 to 35 of this circular, respectively. The forms of proxy for use at the said meetings are enclosed and are also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.3healthcare.com).

If you intend to appoint a proxy to attend the AGM and/or the H Shareholders' Class Meeting, you are required to complete and return the forms of proxy in accordance with the instructions printed thereon. The forms of proxy should be returned by holder of H Shares 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 holding the AGM and/or the H Shareholders' Class Meeting or any adjourned meeting thereof (as the case may be), i.e. not later than 1:00 p.m. on Thursday, June 10, 2021. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the AGM and/or the H Shareholders' Class Meeting or at any adjourned meeting (as the case may be) should you so wish, but in such event the instrument appointing a proxy shall be deemed to be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

* For identification purpose only

May 11, 2021

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DEFINITIONS

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

“AGM”	the 2020 annual general meeting of the Company to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC on Friday, June 11, 2021 at 1:00 p.m. or any adjournment thereof and the notice of which is set out on pages 29 to 32 of this circular
“Articles of Association”	the Articles of Association of the Company, as amended, revised or supplemented from time to time
“A Share(s)”	ordinary shares in the share capital of the Company with a par value of RMB1.00 each and listed on the Sci-Tech Innovation Board of the SSE and traded in RMB, including among others, ordinary shares issued under the A Share Offering
“A Share Offering”	the Company’s initial public offering of 17.8 million A Shares and listing on the Sci-Tech Innovation Board of Shanghai Stock Exchange
“A Shareholder(s)”	holder(s) of A Shares
“A Shareholders’ Class Meeting”	the 2021 first A Shareholders’ class meeting of the Company to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC on Friday, June 11, 2021 immediately following the conclusion or adjournment of the AGM
“Board”	the board of directors of the Company
“Company”	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 PRC with limited liability and its H Shares and A Shares are listed on the Hong Kong Stock Exchange (Stock Code: 6826) and the Sci-Tech Innovation Board of the SSE (Stock Code: 688366), respectively
“Company Law”	the Company Law of the People’s Republic of China, as amended from time to time

DEFINITIONS

“CSRC”	China Securities Regulatory Commission
“Directors”	directors of the Company
“Group”, “our Group”, “we”, “our” or “us”	our Company and its subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	the overseas-listed foreign share(s) in the share capital of the Company with a par value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange and traded in HKD
“H Shareholder(s)”	holder(s) of H Shares
“H Shareholders’ Class Meeting”	the 2021 first H Shareholders’ class meeting of the Company to be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC on Friday, June 11, 2021 immediately following the conclusion or adjournment of the A Shareholders’ Class Meeting and the notice of which is set out on pages 33 to 35 of this circular
“Independent Non-executive Director(s)”	the independent non-executive Director(s) of the Company
“Latest Practicable Date”	May 5, 2021

DEFINITIONS

“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
“Reporting Period”	for the year ended December 31, 2020
“Repurchase Mandate”	the general mandate to be granted to the Board at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting 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, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting, respectively
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	A Shareholder(s) and/or H Shareholder(s)
“SSE”	the Shanghai Stock Exchange
“STAR Market Listing Rules”	the Rules Governing the Listing of Securities on the Sci-Tech Innovation Board of the Shanghai Stock Exchange, as amended from time to time
“Supervisor(s)”	the member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
“%”	per cent

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*)
Ms. Chen Yiyi
Mr. Tang Minjie

Registered office:

No. 5 Dongjing Road
Songjiang Industrial Zone
Shanghai, the PRC

Non-executive Directors:

Ms. You Jie
Mr. Huang Ming

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

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

Independent Non-executive Directors:

Ms. Li Yingqi
Mr. Jiang Zhihong
Mr. Su Zhi
Mr. Yang Yushe
Mr. Zhao Lei

Principal place of business in Hong Kong:

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

May 11, 2021

To the Shareholders

Dear Sir/Madam,

- (1) WORK REPORT OF THE BOARD FOR 2020
 - (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2020
 - (3) FINANCIAL REPORTS FOR 2020
 - (4) PROFIT DISTRIBUTION PLAN FOR 2020
 - (5) REMUNERATION PLAN FOR THE DIRECTORS AND
SUPERVISORS FOR 2021
 - (6) APPOINTMENT OF THE AUDITORS FOR THE FINANCIAL
REPORT OF THE COMPANY AND THE INTERNAL CONTROL
AUDITOR FOR 2021
 - (7) PROPOSAL ON GRANTING THE GENERAL MANDATE TO
THE BOARD TO REPURCHASE THE H SHARES
- NOTICE OF AGM
AND
NOTICE OF H SHAREHOLDERS' CLASS MEETING

* For identification purpose only

LETTER FROM THE BOARD

INTRODUCTION

The Board has passed the following resolutions at the meeting of the Board convened on March 26, 2021: (1) the work report of the Board for 2020 (the “**Work Report of the Board for 2020**”); (2) the work report of the Supervisory Committee for 2020 (the “**Work Report of the Supervisory Committee for 2020**”); (3) the financial reports of the Company for 2020 (the “**Financial Reports for 2020**”); (4) the profit distribution plan of the Company for 2020 (the “**Profit Distribution Plan for 2020**”); (5) the remuneration plan for the Directors and Supervisors for 2021; (6) the appointment of the auditors for the financial report of the Company and the internal control auditor for 2021; and (7) the proposal on granting the general mandate to the Board to repurchase the H Shares.

Resolutions (1) to (6) above are subject to the approval of Shareholders at the AGM by way of ordinary resolutions, while Resolution (7) above is subject to the approval of Shareholders at the AGM by way of special resolution. Resolution (7) above is also subject to the approval of A Shareholders at the A Shareholders’ Class Meeting and the approval of H Shareholders at the H Shareholders’ Class Meeting, respectively.

The purpose of this circular is to provide you with the information reasonably necessary for the above proposed resolutions to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the AGM and the H Shareholders’ Class Meeting.

ORDINARY RESOLUTIONS

1. **Work Report of the Board for 2020**

An ordinary resolution will be proposed at the AGM to approve the Work Report of the Board for 2020. Details of the Work Report of the Board for 2020 are set out in Appendix I of this circular.

2. **Work Report of the Supervisory Committee for 2020**

An ordinary resolution will be proposed at the AGM to approve the Work Report of the Supervisory Committee for 2020. Details of the Work Report of the Supervisory Committee for 2020 are set out in Appendix II of this circular.

3. **Financial Reports for 2020**

An ordinary resolution will be proposed at the AGM to approve the Financial Reports for 2020. The Financial Reports for 2020 are set out in the 2020 annual report despatched by the Company on April 23, 2021.

LETTER FROM THE BOARD

4. Profit Distribution Plan for 2020

The Board proposed to pay a final dividend of RMB0.5 (inclusive of tax) per Share for the year ended December 31, 2020 to all Shareholders based on the total share capital on the registration date of shareholding. As at the Latest Practicable Date, the Company has a total share capital of 176,622,100 shares, based on which a final dividend of RMB88,311,050 (inclusive of tax) is to be paid. Before the registration date of shareholding, in the event that the total share capital of the Company changes, the Company will maintain the dividend distribution per share unchanged, and the aggregate amount will be adjusted based on the total share capital as at the registration date of shareholding.

5. Remuneration Plan for the Directors and Supervisors for 2021

In accordance with the Articles of Association, the Company's Rules Governing the Work of the Remuneration and Review Committee of the Board of Directors (《董事會薪酬與考核委員會工作細則》) and other relevant systems, considering the current economic environment, the actual situation of the region, industry and scale of the Group, and with reference to industry remuneration, the Company has formulated the Remuneration Plan for the Directors and Supervisors for 2021, which is set out in Appendix III to this circular.

6. Appointment of the Auditors for the Financial Report of the Company and the Internal Control Auditor for 2021

The Board proposed that Ernst & Young Hua Ming LLP and Ernst & Young be respectively appointed as the domestic auditor and the international auditor of the Company's financial report for 2021, until the conclusion of the 2021 annual general meeting of the Company, and that the Board be authorized to fix their respective remuneration.

According to Basic Standards of Enterprise Internal Control (《企業內部控制基本規範》) and the Ancillary Guidance on Enterprise Internal Control (《企業內部控制配套指引》) and the information disclosure requirements for listed companies on the Sci-Tech Innovation Board of the SSE, the Company shall appoint a qualified accounting firm to conduct annual audit on its internal control and disclose the underlying audit report. The Board proposed that Ernst & Young Hua Ming LLP be appointed as the internal control auditor for 2021 to audit the effectiveness of the internal control of the Company and issue an audit report therefor, until the conclusion of the 2021 annual general meeting of the Company, and that the Board be authorized to fix its remuneration.

SPECIAL RESOLUTION

7. Proposal on Granting the General Mandate to the Board to Repurchase the H Shares

The Board proposed to seek approval from the Shareholders for the grant of the Repurchase Mandate to the Board to exercise all the powers of the Company to repurchase H Shares with an aggregate amount not exceeding 10% of the total number of H Shares in issue

LETTER FROM THE BOARD

at the time when the relevant resolution is passed at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively, in accordance with all applicable laws, regulations, rules and/or requirements of the Hong Kong Stock Exchange or any other relevant governmental or regulatory authorities in the PRC. The proposed Repurchase Mandate is subject to Shareholders' approval at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting. An explanatory statement setting out certain information on the Repurchase Mandate is contained in the Appendix IV to this circular.

THE AGM AND THE H SHAREHOLDERS' CLASS MEETING

Notices of the AGM and the H Shareholders' Class Meeting

The AGM will be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC on Friday, June 11, 2021 at 1:00 p.m. while the H Shareholders' Class Meeting will be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC immediately after the conclusion or adjournment of the A Shareholders' Class Meeting (which will be held immediately after the conclusion or adjournment of the AGM). The notices of the AGM and the H Shareholders' Class Meeting are set out on pages 29 to 35 of this circular.

Closure of register of members

The register of members of H Shares will be closed from Monday, June 7, 2021 to Friday, June 11, 2021 (both days inclusive), during which time no transfer of H Shares will be registered. For qualifying to attend and vote at the AGM and the H Shareholders' Class Meeting, the H Shareholders whose transfers have not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company's H share registrar, Computershare Hong Kong Investor Services Limited (the "**H share registrar**") 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 Friday, June 4, 2021. H Shareholders whose names appear on the register of members of H Shares after 4:30 p.m. on Friday, June 4, 2021 will be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting or any adjournment thereof.

The Company will announce separately on the SSE for details of the A Shareholders' eligibility for attending the AGM and A Shareholders' Class Meeting.

Forms of proxy

H Shareholders who intend to attend the AGM and the H Shareholders' Class Meeting by proxy are requested to complete and return the forms of proxy in accordance with the instructions printed thereon as soon as possible and in any event to the Company's H share registrar 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 and/or the H Shareholders' Class Meeting

LETTER FROM THE BOARD

or any adjournment thereof (as the case may be), i.e. no later than 1:00 p.m. on Thursday, June 10, 2021. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the AGM and the H Shareholders' Class Meeting or any adjournment thereof should you so wish.

Voting by poll

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, resolutions to be proposed at general meetings must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the AGM and the H Shareholders' Class Meeting will therefore demand a poll for every resolution put to the vote at the AGM and the H Shareholders' Class Meeting. Save as disclosed in this circular, no Shareholder has a material interest in the matters to be approved and therefore no Shareholder is required to abstain from voting in respect of such resolutions. On a poll, every H Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each H Share registered in his or her name in the register of members of the Company. A H Shareholder who is entitled to more than one vote need not use all his or her votes or cast all the votes he or she uses in the same way.

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

If the Profit Distribution Plan for 2020 is approved by the Shareholders at the AGM, the proposed final dividend for the year ended December 31, 2020 is expected to be paid to the H Shareholders whose names appear on the register of members of the Company on Friday, July 23, 2021. In order to determine the entitlement of the H Shareholders to the proposed final dividend, the register of members of the Company will be closed from Saturday, July 17, 2021 to Friday, July 23, 2021, both days inclusive, during which period no transfer of H Shares will be registered. To qualify to receive the final dividend for the year ended December 31, 2020, H Shareholders whose transfer of Shares has not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company's H Shares registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares for registration at or before 4:30 p.m. on Friday, July 16, 2021.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors (including the Independent Non-executive Directors) considers that all the above resolutions are in the best interests of the Company and the Shareholders as a whole. As such, the Directors recommends the Shareholders to vote in favor of all the resolutions set out in the notices of the AGM and the H Shareholders' Class Meeting which are to be proposed at the AGM and the H Shareholders' Class Meeting.

The Directors would also like to draw your attention to the additional information set out in the appendices to this circular.

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

* *For identification purpose only*

SHANGHAI HAOHAI BIOLOGICAL TECHNOLOGY CO., LTD.*

WORK REPORT OF THE BOARD FOR 2020

Dear Shareholders,

In 2020, the Board complied with the relevant laws, regulations and normative documents, including the Company Law, the Securities Law of the People's Republic of China, the STAR Market Listing Rules, the Hong Kong Listing Rules, the Articles of Association, the Rules of Procedure of the Board of the Company and the provisions of the Company's system, effectively performed the duties entrusted to the Board by the Shareholders, and carried out all work diligently and responsibly to promote the Group's continued healthy and stable development. The following is the work report of the Board for 2020.

I. General Operations of the Group for 2020 (the following figures are from the consolidated financial statements prepared in accordance with the Chinese Accounting Standards)

During the year 2020, the Group recorded aggregate revenue of RMB1,332.4270 million, representing a decrease of RMB271.9069 million or approximately 16.95% over 2019, of which, revenue from principal business amounted to RMB1,331.4511 million, representing a decrease of RMB270.8737 million or approximately 16.91% over 2019; the net profit attributable to shareholders of the Company and net profit attributable to shareholders of the Company (net of non-recurring gains or losses) were RMB230.0701 million and RMB206.4264 million, decreased by approximately 37.95% and 42.25% respectively over 2019.

During the Reporting Period, the decrease of overall performance of the Group was mainly due to the outbreak of the COVID-19 pandemic (the "Pandemic"). In the wake of improving Pandemic control and gradual resumption of social activities in China, revenue of the Group demonstrated a rapid rising trend after lingering at low levels throughout all quarters of 2020. Specifically, in the first quarter of 2020, the impact of the sudden Pandemic outbreak in China was particularly significant. From the second quarter of 2020, thanks to the general containment of the Pandemic in China by the Chinese government, the Group adopted proactive measures to resume production and operation and therefore, the decrease in revenue from all product lines narrowed as compared to the corresponding period of last year. In the second half of 2020, the revenue further showed a trend of obvious recovery and growth.

II. Work of the Board for 2020**(I) Convening of general meetings and implementation of resolutions of general meetings by the Board**

In 2020, to meet the Company's business development needs, the Board convened six general meetings in accordance with the relevant requirements of the Articles of Association and the Rules of Procedure of the General Meeting, etc. The meetings were held as follows:

1. The 2020 First Extraordinary General Meeting held on February 14, 2020 considered and approved three proposals, including: (i) "Proposal on Using Part of the Over Subscription Proceeds to Permanently Supplement Liquidity Funds"; (ii) "Proposal on Purchasing the Liability Insurances for Directors, Supervisors and Senior Management"; and (iii) "Proposal on Granting the General Mandate to the Board to Repurchase the H Shares".
2. The 2020 First A Shareholders' Class Meeting held on February 14, 2020 considered and approved the "Proposal on Granting the General Mandate to the Board to Repurchase the H Shares".
3. The 2020 First H Shareholders' Class Meeting held on February 14, 2020 considered and approved the "Proposal on Granting the General Mandate to the Board to Repurchase the H Shares".
4. The 2019 Annual General Meeting held on June 29, 2020 considered and approved 11 proposals, including: (i) "Proposal on the Work Report of the Board for 2019"; (ii) "Proposal on the Work Report of the Supervisory Committee for 2019"; (iii) "Proposal on Financial Statements for 2019"; (iv) "Profit Distribution Plan of the Company for 2019"; (v) "Proposal on the Appointment of the Auditors for the Financial Report of the Company and the Internal Control Auditor for 2020"; (vi) "Proposal on the Remuneration Plan for Directors and Supervisors for 2020"; (vii) "Proposal on the Election of Independent Non-executive Directors"; (viii) "Proposal on the Change in Use of the Over Subscription Proceeds and the Utilization of the Surplus Over Subscription Proceeds for Investing in Jianhua Biological Fengxian-base Project"; (ix) "Proposal on Amending the Articles of Association"; (x) "Proposal on Amending the Rules of Procedure of the General Meeting"; and (xi) "Proposal on Granting the General Mandate to the Board to Repurchase the H Shares".
5. The 2020 Second A Shareholders' Class Meeting held on June 29, 2020 considered and approved the "Proposal on Granting the General Mandate to the Board to Repurchase the H Shares".

6. The 2020 Second H Shareholders' Class Meeting held on June 29, 2020 considered and approved the "Proposal on Granting the General Mandate to the Board to Repurchase the H Shares".

The above six general meetings have made decisions on major matters of the Company in accordance with legal procedures and laws, and all the resolutions are following the regulations and are valid. The Board has carried out the implementation and execution of the proposals considered and approved by the general meetings in strict compliance with laws, and successfully completed the profit distribution for 2020, repurchase and cancellation of H shares and other matters, and thereby has safeguarded the interests of all shareholders.

(II) Convening of Board meetings

In 2020, the Board convened the Board meetings in accordance with relevant laws and regulations and the Articles of Association and other relevant provisions to consider and make decisions on various material matters of the Group. During the year, the Board held a total of 12 meetings as follows:

1. At the 11th meeting of the fourth session of the Board held on January 22, 2020, the Board considered and approved the "Proposal on Capital Increase to Shanghai Lunsheng Information Technology Co., Ltd.".
2. At the 12th meeting of the fourth session of the Board held on February 10, 2020, the Board considered and approved the "Proposal on the Change of Venue of the First Extraordinary General Meeting, the First A Shareholders' Class Meeting and the First H Shareholders' Class Meeting for 2020".
3. At the 13th meeting of the fourth session of the Board held on March 25, 2020, the Board considered and approved the "Proposal on the Repurchase of H Shares of the Company".
4. At the 14th meeting of the fourth session of the Board held on March 26, 2020, the Board considered and approved eighteen proposals, including: (i) "Proposal on the Work Report of the General Manager for 2019"; (ii) "Proposal on the Work Report of the Board for 2019"; (iii) "Proposal on the Work Reports of the Independent Non-executive Directors for 2019"; (iv) "Proposal on the 2019 Audit Work Summary and the 2020 Audit Work Plan of the Audit Department"; (v) "Proposal on the Work Report of the Audit Committee of the Board for 2019"; (vi) "Proposal on Financial Statements for 2019"; (vii) "Proposal on the Company's Annual Report and Its Summary for 2019"; (viii) "Profit Distribution Plan of the Company for 2019"; (ix) "Proposal on the Company's Internal Control Evaluation Report for 2019"; (x) "Proposal on the Company's Social Responsibility Report for 2019"; (xi) "Proposal on the Company's Special Report Regarding the Deposit and Use of Share Proceeds for 2019"; (xii) "Proposal on the Remuneration of Directors and Senior

- Management for 2019”; (xiii) “Proposal on the Remuneration Plan for Directors, Supervisors and Senior Management for 2020”; (xiv) “Proposal on the Fees of Domestic and International Auditors for 2019”; (xv) “Proposal on the Appointment of the Auditors for the Financial Report of the Company and the Internal Control Auditor for 2020”; (xvi) “Proposal on Granting the General Mandate to the Board to Repurchase the H Shares”; (xvii) “Proposal on Renewing the Appointment of Mr. Tang Minjie as the Chief Financial Officer of the Company”; and (xviii) “Proposals on Convening the Annual General Meeting for 2019, the Second A Shareholders’ Class Meeting for 2020 and the Second H Shareholders’ Class Meeting for 2020”.
5. At the 15th meeting of the fourth session of the Board held on April 29, 2020, the Board considered and approved the “Proposal on the Company’s First Quarterly Report in 2020”.
 6. At the 16th meeting of the fourth session of the Board held on May 14, 2020, the Board considered and approved five proposals, including: (i) “Proposal on Amending the Articles of Association”; (ii) “Proposal on Amending the Rules of Procedure of the General Meeting”; (iii) “Proposal on the Change in Use of the Over Subscription Proceeds and the Utilization of the Surplus Over Subscription Proceeds for Investing in Jianhua Biological Fengxian-base Project”; (iv) “Proposal on Nomination of Candidates for Independent Non-executive Directors”; and (v) “Proposal on the Convening Time and Discussion Matters of the Annual General Meeting for 2019, the Second A Shareholders’ Class Meeting for 2020 and the Second H Shareholders’ Class Meeting for 2020”.
 7. At the 17th meeting of the fourth session of the Board held on June 29, 2020, the Board considered and approved four proposals, including: (i) “Proposal on Supplementing the Members of the Audit Committee of the Fourth Session of the Board”; (ii) “Proposal on Supplementing the Members of the Nomination Committee of the Fourth Session of the Board”; (iii) “Proposal on Supplementing the Members of the Remuneration and Review Committee of the Fourth Session of the Board”; and (iv) “Proposal on Supplementing the Members of the Strategy Committee of the Fourth Session of the Board”.
 8. At the 18th meeting of the fourth session of the Board held on July 9, 2020, the Board considered and approved the “Proposal on the Repurchase of H Shares of the Company”.
 9. At the 19th meeting of the fourth session of the Board held on August 4, 2020, the Board considered and approved the “Proposal on the Approval of Opening a Special Account for Share Proceeds”.
 10. At the 20th meeting of the fourth session of the Board held on August 27, 2020, the Board considered and approved three proposals, including: (i) “Proposal on the Group’s Financial Statements for the Six Months Ended June 30, 2020”; (ii)

“Proposal on the Group’s Interim Report and Its Summary for the Six Months Ended June 30, 2020”; and (iii) “Proposal on the Company’s Special Report Regarding the Deposit and Use of Share Proceeds for the First Half of 2020”.

11. At the 21st meeting of the fourth session of the Board held on October 27, 2020, the Board considered and approved the “Proposal on the Company’s Third Quarterly Report for the Nine Months Ended September 30, 2020”.
12. At the 22th meeting of the fourth session of the Board held on December 28, 2020, the Board considered and approved three proposals, including: (i) “Proposal on Formulating the Measures on Administration of Shareholding Changes of Directors, Supervisors and Senior Management of the Company”; (ii) “Proposal on Using Temporarily Idle Raised Funds for Cash Management”; and (iii) “Proposal on Providing Guarantees for Wholly-owned Subsidiaries”.

(III) Performance of Directors

1. Attendance of Board meetings and general meetings of the Directors

Name of Director	Board Meetings attendance requested during the Reporting Period	Attendance of Board meetings				Failure to attend the meeting in person on two consecutive occasions	Attendance of general meetings
		In-person attendance	Attendance by telecommunication	Attendance by proxy	Absences		
Hou Yongtai	12	12	4	0	0	No	6
Wu Jianying	12	12	5	0	0	No	6
Chen Yiyi	12	12	4	0	0	No	6
Tang Minjie	12	12	5	0	0	No	6
You Jie	12	12	4	0	0	No	6
Huang Ming	12	12	5	0	0	No	6
Chen Huabin ^(note 1)	6	6	4	0	0	No	6
Shen Hongbo ^(note 1)	6	6	4	0	0	No	6
Zhu Qin ^(note 1)	6	6	4	0	0	No	6
Wong Kwan Kit ^(note 1)	6	6	6	0	0	No	6
Su Zhi ^(note 2)	6	6	6	0	0	No	0
Jiang Zhihong ^(note 2)	6	5	5	1	0	No	0
Zhao Lei ^(note 2)	6	6	6	0	0	No	0
Li Yingqi ^(note 2)	6	6	4	0	0	No	0
Yang Yushe ^(note 2)	6	6	4	0	0	No	0

Note 1: Mr. Chen Huabin, Mr. Shen Hongbo, Mr. Zhu Qin and Mr. Wong Kwan Kit ceased to serve as Independent Non-executive Directors since June 29, 2020, and had attended 6 Board meetings and 6 general meetings between January 1, 2020 and June 29, 2020.

Note 2: Mr. Su Zhi, Mr. Jiang Zhihong, Mr. Zhao Lei, Ms. Li Yingqi and Mr. Yang Yushe began to serve as Independent Non-executive Directors since June 29, 2020, and had attended 6 Board meetings and 0 general meeting between June 29, 2020 and December 31, 2020.

2. *Disagreements by Independent Non-executive Directors on matters relating to the Company*

During the Reporting Period, the Independent Non-executive Directors did not raise any objections to the proposals of the Board meetings and other non-Board meetings in 2020.

(IV) Performance of the specialized committees of the Board

As Mr. Shen Hongbo, Mr. Chen Huabin and Mr. Zhu Qin have served as Independent Non-executive Directors for six years, and Mr. Wong Kwan Kit tendered his resignation as an Independent Non-executive Director due to personal work commitments, the Company, at the 2019 Annual General Meeting held on June 29, 2020, elected Mr. Su Zhi, Mr. Jiang Zhihong, Mr. Zhao Lei, Ms. Li Yingqi and Mr. Yang Yushe as Independent Non-executive Directors of the fourth session of the Board, and they were also supplemented to be the members of relevant specialized committees at the 17th meeting of the fourth session of the Board.

In 2020, the Audit Committee of the Company held five meetings in total to consider and approve the proposals including “Proposal on Financial Statements for 2019”, “Proposal on the 2019 Audit Work Summary and the 2020 Audit Work Plan of the Audit Department”, “Profit Distribution Plan of the Company for 2019”, “Proposal on the Appointment of the Auditors for the Financial Report of the Company and the Internal Control Auditor for 2020”, “Proposal on the Company’s Internal Control Evaluation Report for 2019” and “Proposal on the Continuing Connected Transactions of the Company for 2019”. The meetings supervised and evaluated the audit work, internal control system, periodic reports, related/connected transactions of the Company, effectively fulfilling the duties of the Audit Committee.

In 2020, the Nomination Committee of the Company held two meetings in total to consider and approve the proposals including “Proposal on Structure, Size and Composition of the Board of Directors” and “Proposal on Nomination of Candidates for Independent Non-executive Directors”. The meetings reviewed the diversity of the Board, the independence of Independent Non-executive Directors, and the selection and appointment of Independent Non-executive Directors, effectively fulfilling the duties of the Nomination Committee.

In 2020, the Remuneration and Review Committee of the Company held one meeting to consider and approve the “Proposal on the Remuneration of Directors and Senior Management for 2019” and “Proposal on the Remuneration Plan for Directors, Supervisors and Senior Management for 2020”. The meeting reviewed the annual remuneration and remuneration plan for directors and senior management of the Company, effectively fulfilling the duties of the Remuneration and Review Committee.

In 2020, the Strategy Committee of the Company held one meeting to consider and approve the “Proposal on the Work Report of the Board for 2019” and “Proposal on Granting the General Mandate to the Board to Repurchase the H Shares”. The meeting reviewed and analyzed the development strategy planning and business strategies of the Company, effectively fulfilling the duties of the Strategy Committee.

(V) Corporate governance

In 2020, the Board, in accordance with the actual situation of the Group, upholds the principle of honesty, trustworthiness and standardized operation, continuously improves its various management systems, actively strengthens the construction of internal control system and promotes the improvement of corporate governance.

In 2020, based on the amendments to the relevant laws, administrative regulations and listing rules of the Company's listing place, the Company revised its Articles of Association and the Rules of Procedure of the General Meeting accordingly, and formulated the Measures on Administration of Shareholding Changes of Directors, Supervisors and Senior Management of the Company, so as to regulate the management of the Company's shares held by Directors, Supervisors and senior management.

(VI) Information disclosure

The Board conscientiously fulfills its information disclosure obligations in strict accordance with the relevant provisions of the STAR Market Listing Rules, the Hong Kong Listing Rules, and the Company's Measures on the Administration of Information Disclosure Matters (《信息披露事務管理制度》), etc., and makes timely and adequate disclosure of material information such as periodic reports and interim announcements in a true, accurate, complete and standardized manner. In addition, the Company further strengthens its internal management, improves its internal control system and procedure for information disclosure, enhances the level of information disclosure work, and guarantees the investors' right of information.

(VII) Inside information management

In 2020, the Board implemented the confidentiality system on inside information and the measures of registration of insiders for periodic reports and other important matters not yet disclosed in strict compliance with the Measures on the Administration of Information Disclosure Matters (《信息披露事務管理制度》) and the Measures on Registration of Insiders (《內幕信息知情人登記管理制度》) of the Company. During the window period or sensitive period when periodic reports and other important matters have not yet been disclosed to the public, all Directors, Supervisors, senior management personnel and other relevant insiders strictly implemented their confidentiality obligations.

(VIII) Investor protection and investor relations management

In 2020, the Company strengthened its contact and communication with small and medium investors through various channels, such as answering investor hotlines, responding to SSE E-networking, the interactive investor relations platform and the Company's public mailbox. The Company adopted a combination of on-site meetings and online voting to convene shareholders' general meetings, which facilitates the active participation of investors. At the same time, the Company actively communicated with visiting investors through various channels such as investor exchange meetings and on-site visits. In 2020, the Company held about 90 investor exchange meetings (including telephone meetings), receiving more than 160 investors.

(IX) Internal control

In 2020, under the guidance and supervision of the Board and the Audit Committee, the Audit Department continuously carried out improvement, implementation and evaluation of the internal control. The Company has established a relatively comprehensive internal control system that has been effectively implemented, which plays a good role in risk control & prevention and supervision during the Company's production and operation. It complies with the requirements of relevant regulations for listed companies in the place of listing, and there is no major deficiency found in the design or implementation of the system.

III. Work plan for 2021

In 2021, the Company will continue to leverage on the outstanding track record, resource advantages and rich experience of the management team in integrating strategic assets, further strengthen the integration of merged and acquired enterprises in various functions such as R&D, production, sales and service, enable merged and acquired enterprises to quickly integrate into the Group's management system with a view to maximizing synergy, improving operational efficiency, developing innovative technologies, and expanding market space, and continue to enhance core competitiveness.

In respect of R&D, the Company will create synergy among the superior R&D resources in China, the United States, the United Kingdom, and Israel, increase investment in R&D of innovative products, continue to promote the optimization and upgrade of product portfolios, expand the clinical application of products, and ensure technological leadership in the four major therapeutic areas of ophthalmology, medical aesthetics, orthopedics, and general surgery.

In respect of marketing, the Company will adopt a series of market measures to deepen the market penetration of advantageous products and expand the coverage and penetration of key hospitals and regions with new products through sophisticated multi-dimensional marketing methods. Under the new situation of pharmaceutical marketing, the Company will pay more attention to compliance management and provide more in-depth professional services.

While continuing to promote the growth of endogenous businesses, the Company will, based on the layout of the entire industrial chain of the existing IOL, effectively use its own funds, constantly deploy the areas of refractive correction and myopia prevention and control, and continue to pay attention to more industrial opportunities in glaucoma, fundus disease, dry eye and other ophthalmic treatment areas. In addition, the Company will also explore the rapidly developing therapeutic fields such as medical aesthetics, orthopedics and surgery, and actively seek suitable target companies, new technologies and new products, and take the opportunity to adopt acquisition or cooperation to obtain new extensional growth.

During the year 2021, the Board and the Directors will continue to play their roles as Board and perform their duties diligently and bring their respective professional strengths to bear on the development of the Group.

* *For identification purpose only*

SHANGHAI HAOHAI BIOLOGICAL TECHNOLOGY CO., LTD.***WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2020**

Dear Shareholders,

In 2020, all Supervisors conscientiously performed their supervisory duties in accordance with the provisions of the Company Law, the Securities Law of the PRC, the STAR Market Listing Rules, the Hong Kong Listing Rules, the Articles of Association, the Rules of Procedure of the Supervisory Committee of the Company and other relevant laws and regulations, normative documents and the Company's system, and supervised the convening and decision-making procedures of the Company's general meetings and the Board meetings, the implementation of the general meeting resolutions by the Board and the performance of the Company's senior management, and urged the Board and management to operate in accordance with the law and make scientific decisions, so as to safeguard the standard operation of the Company and the interests of the Company, Shareholders and employees. The main work report of the Supervisory Committee for 2020 is as follows:

I. Work of Supervisory Committee during the Reporting Period**(I) Conduct of Supervisory Committee meetings**

The Supervisory Committee held seven meetings in 2020. The details of the meetings are as follows:

1. The 7th meeting of the fourth session of the Supervisory Committee, held on January 22, 2020, considered and approved the "Proposal on Capital Increase to Shanghai Lunsheng Information Technology Co., Ltd.".
2. The 8th meeting of the fourth session of the Supervisory Committee, held on March 26, 2020, considered and approved eight proposals, including: (i) "Work Report of the Supervisory Committee for 2019"; (ii) "Financial Statements for 2019"; (iii) "Proposal on the Company's Annual Report and Its Summary for 2019"; (iv) "Proposal on the Company's Profit Distribution Plan for 2019"; (v) "Proposal on the Remuneration of Supervisors for 2019"; (vi) "Proposal on the Company's Special Report Regarding the Deposit and Use of Share Proceeds for 2019"; (vii) "Proposal on the Company's Internal Control Evaluation Report for 2019"; and (viii) "Proposal on the Company's Social Responsibility Report for 2019".
3. The 9th meeting of the fourth session of the Supervisory Committee, held on April 29, 2020, considered and approved the "Proposal on the Company's First Quarterly Report in 2020".

4. The 10th meeting of the fourth session of the Supervisory Committee, held on May 14, 2020, considered and approved the “Proposal on the Change in Use of the Over Subscription Proceeds and the Utilization of the Surplus over Subscription Proceeds for Investing in Jianhua Biological Fengxian-base Project”.
5. The 11th meeting of the fourth session of the Supervisory Committee, held on August 27, 2020, considered and approved three proposals, including: (i) “Proposal on the Group’s Financial Statements for the Six Months Ended June 30, 2020”; (ii) “Proposal on the Group’s Interim Report and Its Summary for the Six Months Ended June 30, 2020”; and (iii) “Proposal on the Company’s Special Report Regarding the Deposit and Use of Share Proceeds for the First Half of 2020”.
6. The 12th meeting of the fourth session of the Supervisory Committee, held on October 27, 2020, considered and approved the “Proposal on the Company’s Third Quarterly Report for the Nine Months Ended September 30, 2020”.
7. The 13th meeting of the fourth session of the Supervisory Committee, held on December 28, 2020, considered and approved the “Proposal on Using Temporarily Idle Raised Funds for Cash Management”.

(II) Attendance of the Board meetings and Shareholders’ general meetings

In 2020, the Supervisors attended six shareholders’ general meetings and attended twelve Board meetings as non-voting attendees. By attending these meetings, the Supervisors not only understood the operation and management of the Group, but also actively participated in the consideration and discussion of the proposals and put forward their opinions and suggestions in a responsible manner, thus having effectively supervised the procedures for convening these meetings and the discussion of issues.

II. Supervisory Committee’s Opinion on Matters for 2020

(I) Operation in accordance with law

During the Reporting Period, the Supervisory Committee attended the Company’s general meetings and Board meetings and supervised the convening, holding and voting procedures and resolution matters of the general meetings and Board meetings, the implementation of the resolutions of the general meetings by the Board and the performance of the Company’s Directors and senior management. The Supervisory Committee is of the opinion that: the Company is able to operate in accordance with the law, the operation of the Board is standardized and the business decisions are scientific and reasonable, and the resolutions of the general meetings are conscientiously implemented; the Directors and senior management are conscientiously performing their duties, and there is no abuse of authority, damage to the interests of the Company or infringement of the rights and interests of the Shareholders and the Company’s employees.

(II) Financial position

During the Reporting Period, the Supervisory Committee conducted an inspection on the Company's financial system and financial position, and carefully reviewed the financial report of the Company. The Supervisory Committee is of the opinion that: the Company's financial management and internal control system are relatively sound during the Reporting Period, and the preparation, review procedures, report contents and format of the financial report comply with relevant regulations, and the information contained in it truly reflects the financial position and operating results of the Group during the Reporting Period. There are no false records, misleading representations or major omissions in the financial report, and there is no found violation of confidentiality provisions by the personnel who prepare and review the report.

(III) Related (connected) transactions

During the Reporting Period, the Supervisory Committee supervised the related (connected) transactions of the Group. The Supervisory Committee is of the opinion that: during the Reporting Period, the review procedures of the Group's related (connected) transactions complied with the provisions of relevant laws, regulations, normative documents and the Articles of Association; the terms of the transactions are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and there is no case of damage to the Company's interests due to related (connected) transactions.

(IV) Use of proceeds

During the Reporting Period, the Supervisory Committee supervised and audited the use of share proceeds by the Company. The Supervisory Committee considers that the deposit and use of the Company's proceeds in 2020 are in line with the relevant regulations on deposit and use of share proceeds by listed companies of CSRC and SSE, and is in line with the relevant provisions of the Company's Share Proceeds Management System, and there is no case of irregularities in the deposit and use of proceeds. During the Reporting Period, the Company changed the use of the over subscription proceeds and utilized the surplus over subscription proceeds for investing in the Phase-1 Construction of the Jianhua Biological Fengxian-base Project, and used temporarily idle raised funds for cash management. The Company has fulfilled the necessary review procedures and information disclosure obligations for the above matters in accordance with the requirements of relevant laws and regulations, and the use of the Company's share proceeds is consistent with the disclosed contents, and there are no irregularities.

(V) Implementation of internal control

During the Reporting Period, the Supervisory Committee monitored the implementation of the Company's internal control. The Supervisory Committee is of the opinion that: the Company has maintained effective internal control in all material respects and the internal control system is operating effectively in accordance with the

requirements of the corporate internal control standard system and relevant regulations. There were no major deficiencies in internal control of financial reports or non-financial reports during the Reporting Period.

III. Work Plan of the Supervisory Committee for 2021

In 2021, with the further development of the Company's various businesses, the Supervisory Committee will continue to strictly comply with the duties regulated under the national laws and regulations, the Articles of Association and the Rules of Procedure of the Supervisory Committee, perform its duties with due diligence, and effectively safeguard and protect the legitimate interests of the Company and its Shareholders. The main work plan is set out as follows:

1. Continue to carry out the daily deliberation activities of the Board of Supervisors, and supervise the Company's legal operations by attending shareholders' general meetings and the Board meetings;
2. Supervise the performance of duties of Directors and senior management to prevent actions that damage the interests of the Company and Shareholders;
3. Inspect the Company's financial position, regularly examine and review the financial reports, communicate with the Company's internal auditor and external auditor from time to time, and supervise the Company's financial operations;
4. Strengthen the supervision and inspection on the Company's internal control, related (connected) transactions, deposit and use of share proceeds, and other major matters to ensure their legality and compliance;
5. Strengthen the study of the rules for the standardized operation of listed companies, improve our business skills and abilities, and earnestly safeguard the rights and interests of Shareholders.

* *For identification purpose only*

SHANGHAI HAOHAI BIOLOGICAL TECHNOLOGY CO., LTD.*

REMUNERATION PLAN FOR THE DIRECTORS AND SUPERVISORS FOR 2021

In accordance with the Articles of Association, the Company's Rules Governing the Work of the Remuneration and Review Committee of the Board of Directors (《董事會薪酬與考核委員會工作細則》) and other relevant systems of the Company, considering the current economic environment, the actual situation of the region, industry and scale of the Company, and with reference to industry remuneration, the Company has formulated the Remuneration Plan for the Directors and Supervisors for 2021 (the "Plan").

I. The Plan applies to: Directors and Supervisors

II. Application period of the Plan: from January 1, 2021 to December 31, 2021

III. Remuneration criteria

(I) Directors' remuneration plan

1. Remuneration of executive Directors of the Company

Executive Directors of the Company are remunerated according to their performance appraisal in accordance with the specific management positions they hold in the Company and are no longer separately remunerated as Directors. Their specific remuneration is subject to the review by the Board of Directors.

2. Remuneration of non-executive Directors of the Company (including Independent Non-executive Directors)

Non-executive Directors (including Independent Non-executive Directors) are remunerated at a fixed rate of RMB100,000/year (before tax), of which Ms. You Jie, a non-executive Director, is not remunerated as a Director.

(II) Supervisors' remuneration plan

1. Employee Supervisors are remunerated in accordance with their position and performance in the Company and no longer receive separate remuneration for Supervisors.
2. Non-employee Supervisors have a fixed remuneration of RMB100,000/year (before tax).
3. Shareholder Supervisor: Mr. Liu Yuanzhong does not receive remuneration.

IV. Others

1. The remuneration of Directors and Supervisors is paid on a monthly basis.
2. All personal income taxes relating to the above remuneration shall be uniformly withheld and paid by the Company on its behalf.
3. If a Director or Supervisor leaves office due to a change of term, re-election, resignation during the term of office, etc., the remuneration shall be calculated and paid according to the actual term of office.

* *For identification purpose only*

In accordance with the Hong Kong 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 A 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 Latest Practicable Date, the total issued capital of the Company was RMB176,622,100 comprising 38,822,100 H Shares of RMB1.00 each and 137,800,000 A 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 2021 annual general meeting of the Company; or (b) 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 A Shares or holders of the H Shares of the Company at their respective class meeting (the “**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 38,822,100 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 3,882,210 H Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total number of the 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 (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, 2020) in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period.

Prices of H Share

The highest and lowest prices at which the H Shares have been traded on the Hong Kong Stock Exchange during the 12 calendar months preceding the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
May	40.900	29.550
June	39.100	30.900
July	61.200	34.200
August	80.650	51.700
September	60.800	49.800
October	52.950	43.950
November	53.600	42.000
December	49.000	40.250
2021		
January	71.200	46.900
February	77.000	57.800
March	62.950	49.250
April	75.650	58.500
May (as at the Latest Practicable Date)	75.000	69.200

Shares Repurchased by the Company

During the six months prior to the Latest Practicable Date, the Company has repurchased 362,700 H shares on the Hong Kong Stock Exchange, and such H shares has not been cancelled at the Latest Practicable Date. The details of the foregoing repurchase is as follows:

Trading date	Number of securities repurchased	Highest price per share <i>HKD</i>	Lowest price per share <i>HKD</i>	Total paid <i>HKD</i>
April 26, 2021	233,200	67.05	63.50	15,432,620.00
April 27, 2021	129,500	66.00	63.00	8,315,315.00
Total:	<u>362,700</u>			<u>23,747,935.00</u>

Save as disclosed above, no repurchased of shares have been made by the Company during the six months prior to the Latest Practicable Date (whether on the Hong Kong Stock Exchange or otherwise).

Directors' Undertakings and General Information

The Directors have undertaken to the Hong Kong 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 Hong Kong 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 close associates (as defined in the Hong Kong 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 Hong Kong 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 Codes on 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 79,720,000 A Shares (as defined in Part XV of the SFO), representing approximately 45.14% of the Company's total issued capital. 79,720,000 A Shares were held directly by Mr. Jiang as to 44,449,000 A Shares and through 上海湛澤企業管理合夥企業(有限合伙) (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 A Shares and directly by Ms. You as to 28,800,000 A Shares, respectively. Mr. Jiang, as the spouse of Ms. You, was deemed to be interested in the 28,800,000 A 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 50,920,000 A 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 46.15%, assuming that the A 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 Hong Kong Listing Rules prohibit a company from making repurchase on the Hong Kong Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Hong Kong 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 Hong Kong 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 2020 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 OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 annual general meeting (the “**AGM**”) of Shanghai Haohai Biological Technology Co., Ltd.* (the “**Company**”) will be held at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC on Friday, June 11, 2021 at 1:00 p.m. to consider and, if thought fit, pass the following resolutions. Unless the context requires otherwise, capitalized terms used herein shall have the same meaning as defined in the circular of the Company dated May 11, 2021.

Ordinary Resolutions

1. To consider and approve the work report of the Board for 2020.
2. To consider and approve the work report of the Supervisory Committee for 2020.
3. To consider and approve the financial reports of the Company for 2020.
4. To consider and approve the profit distribution plan of the Company for 2020.
5. To consider and approve the remuneration plan for the Directors and Supervisors for 2021.
6. To consider and approve the resolution on the appointment of the auditors for the financial report of the Company and the internal control auditor for 2021.

NOTICE OF 2020 ANNUAL GENERAL MEETING

Special Resolution

7. To consider and approve the proposal on granting the following general mandate to the Board to repurchase the H Shares:

“That:

- (a) the Board be and is hereby granted a general mandate to repurchase H Shares not exceeding 10% of the total number of the H Shares in issue as at the time when this resolution is passed at the AGM and the relevant resolution is passed at the respective class meetings of the Shareholders in accordance with all applicable laws, regulations, rules and/or requirements of the PRC, the Hong Kong 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 (as defined below); 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 Company Law and 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 statutory registrations and filling procedures within and outside the PRC; and
 - (vi) execute other documents, and deal with other matters, in connection with the share repurchase.

NOTICE OF 2020 ANNUAL GENERAL MEETING

The above general mandate will expire on the earlier of:

- (i) the conclusion of the 2021 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 A Shares 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, the PRC
May 11, 2021

* *For identification purpose only*

NOTICE OF 2020 ANNUAL GENERAL MEETING

Notes:

1. Eligibility for attending and voting at the AGM and date of registration of holders for H Shares

In order to determine the holders of H Shares (the “**H Shareholders**”) who are entitled to attend the AGM, the register of members of H Shares will be closed from Monday, June 7, 2021 to Friday, June 11, 2021 (both days inclusive), during which time no transfer of H Shares will be registered. For qualifying to attend and vote at the AGM, the H Shareholders of the Company whose transfers have not been registered must lodge all transfer instruments accompanied by the relevant share certificates with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for H Shareholders for registration at or before 4:30 p.m. on Friday, June 4, 2021. H Shareholders of the Company whose names appear on the register of members of H Shares of the Company after 4:30 p.m. on Friday, June 4, 2021 will be entitled to attend and vote at the AGM or any adjournment thereof.

The Company will announce separately on The Shanghai Stock Exchange for details of A Shareholders’ eligibility for attending the AGM.

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 AGM 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 H Shareholders, 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 AGM or any adjournment thereof (as the case may be), i.e. not later than 1:00 p.m. on Thursday, June 10, 2021. Completion and return of the form of proxy will not preclude Shareholders from attending and vote at the AGM should they wish to do so.

3. Registration procedures for attending the AGM

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.

4. Voting method at the AGM

All voting at the AGM will be conducted by poll.

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 and contact details of the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited are:

17M Floor, Hopewell Centre
183 Queen’s Road East
Wanchai, Hong Kong
Telephone: (852) 2862 8555
Facsimile: (852) 2865 0990/(852) 2529 6087

- (3) The address and contact details of the head office of the Company are:

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



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 OF 2021 FIRST H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN that the 2021 first H shareholders' class meeting (the "**H Shareholders' Class Meeting**") of Shanghai Haohai Biological Technology Co., Ltd.* (the "**Company**") will be held on Friday, June 11, 2021 immediately after the conclusion or adjournment of 2020 annual general meeting (the "**AGM**") and 2021 first A shareholders' class meeting of the Company to be held on the same date at 24/F, WenGuang Plaza, No. 1386 Hongqiao Road, Changning District, Shanghai, the PRC to consider and, if thought fit, pass the following resolution. Unless the context requires otherwise, capitalized terms used herein shall have the same meaning as defined in the circular of the Company dated May 11, 2021.

Special Resolution

1. To consider and approve the proposal on granting the following general mandate to the Board to repurchase the H Shares:

"That:

- (a) the Board be and is hereby granted a general mandate to repurchase H Shares not exceeding 10% of the total number of the H Shares in issue as at the time when this resolution is passed at the AGM and the relevant resolution is passed at the respective class meetings of the shareholders in accordance with all applicable laws, regulations, rules and/or requirements of the PRC, the Hong Kong 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 (as defined below); 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.;

NOTICE OF 2021 FIRST H SHAREHOLDERS' CLASS MEETING

- (ii) notify creditors and issue announcement in accordance with the Company Law and 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 statutory registrations and filling 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 2021 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 A Shares 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, the PRC
May 11, 2021

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NOTICE OF 2021 FIRST H SHAREHOLDERS' CLASS MEETING

Notes:

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4. Voting method at the H Shareholders' Class Meeting

All voting at the H Shareholders' Class Meeting will be conducted by poll.

5. Miscellaneous

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